ArihantCapital
Generating Wealth

Q1FY25 Result update
26th Jul, 2024

HFCL Ltd

Telecom Products & Defence will accelerate the growth and BharatNet will be the key lever.

CMP: INR 118

Rating: ACCUMULATE

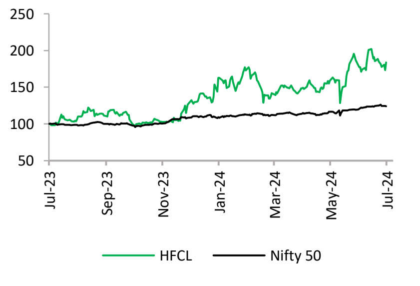
Target Price: INR 132

Stock Info	
BSE	500183
NSE	HFCL
Bloomberg	HFCD:LI
Reuters	HFCL.NS
Sector	Cables
Face Value (INR)	1
Equity Capital (INR cr)	144
Mkt Cap (INR cr)	16,993
52w H/L (INR)	135 / 61.5
Avg Yearly Volume (in 000')	24,820

Shareholding Pattern % *(As on Jun, 2024)*	
Promoters	37.63
Public & Others	62.37

Stock Performance (%)	3m	6m	12m
HFCL	15.8	31.9	83.9
NIFTY	6.3	10.9	24.0

HFCL vs Nifty



Abhishek Jain
abhishek.jain@arihantcapital.com
022-422548871

Balasubramanian A
bala@arihantcapital.com
022-67114780

HFCL Ltd reported numbers, Q1FY25 revenue stood at INR 1,158cr (+16.4% YoY/-12.7% QoQ); above our estimates of INR 1,095cr. Gross Profit stood at INR 339cr (+10.2% YoY/-10.9% QoQ); above our estimates of INR 334cr. Gross margins contracted by 164 bps YoY (up by 58 bps QoQ) to 29.3% vs 30.9% in Q1FY24. The raw material cost in terms of sales stood at 70.7% vs 69.1% in Q1FY24. EBITDA stood at INR 175cr (+19.4% YoY/-10.6% QoQ); above our estimates of INR 170cr. EBITDA margin improved by 38 bps YoY (up by 34 bps QoQ) to 15.1% vs 14.7% in Q1FY24. PAT stood at INR 111cr (+46.5% YoY/+1.2% QoQ); above our estimates of INR 91cr. PAT margin improved by 197 bps YoY (up by 131 bps QoQ) to 9.6% vs 7.6% in Q1FY24.

Key Highlights

Telecom product launches will lead to additional revenue: Telecom Products revenue stood at INR 711cr (+7.4% YoY/+96.3% QoQ). EBIT stood at INR 48cr (-63.3% YoY/+167% QoQ); EBIT margin contracted by 1290 bps YoY (up by 178 bps QoQ) to 6.7% vs 19.6% in Q1FY24. Telecom Products revenue share decreased to 61% vs 67% in Q1FY24. New products in fixed wireless products witnessed strong demand from customers. Telecom products revenue is expected to reach from INR 143cr (FY24) to INR 2,000cr by FY25E. Major supply to private operators and PBT margins are expected at ~10% and some benefits of PLI.

Potential opportunity in Defence Products: HFCL has successfully cleared the User Trail Readiness Review for the Armament upgradation project of the Indian Army for BMP-2 infantry combat vehicles. Tenders are expected soon and 5 players are eligible for that. The players are Tata, L&T, HFCL, and others. The company has received inquiries for electronic fuzes from the International market and exports are expected from FY25E. The company is in an advanced stage of discussions and majorly from European countries.

Exemption of Anti-dumping duty by European Commission: HFCL and HTL (Subsidiary of HFCL) are the only companies from India that are exempted from anti-dumping duty on optical fiber cables by the European Commission. The exemption of Anti-dumping duty indicates fair trade practices and integrity of the company and management. The anti-dumping duty is 8%-11% to other Indian players by the European commission. Chinese Players are facing higher anti-dumping duty in Europe markets. HFCL has a good opportunity in the Europe market.

Capacity expansion will drive business growth: HFCL is expanding optical fibre cable (OFC) capacities from 25 mn fkm to 38.25 mn fkm. As part of its backward integration, HFCL is expanding its optic fibre capacities from 14 mn fkm to 33.9 mn fkm. The Poland plant capacity of 3.2mn fkm is under progress with capex of INR 170cr and is expected to commercialize over the next 9 months. The company is in active consideration for glass preform capex. OFC capacity utilization is around 45% in Q1FY25. The capacity utilization is lower due to a slowdown in global markets and inventory piled up with operators. The inventories are expected to normalize by Q3FY25E/Q4FY25E. The capacity expansion would cater to the new applications, BharatNet and US subsidy programs.

Outlook & Valuation: HFCL has a strong order book of INR 6,776cr (~1.5x of FY24 revenue) and regular order inflows in Telecom products. New telecom product launches will bring additional revenue of more than INR 1,800cr in FY25E. Defence products are under trial stage and commercialization would be growth driver. The Capex for OF & OFC would bring additional revenue going forward. The BharatNet and US subsidy program would lead to great opportunities for the company. The revival of exports backed by inventory normalization, capacity expansion, product portfolio expansion, and a strong client base that would drive the business going forward. We maintain an "ACCUMULATE" rating with a Target Price of INR 132 per share based on DCF; an upside of 12.1%.

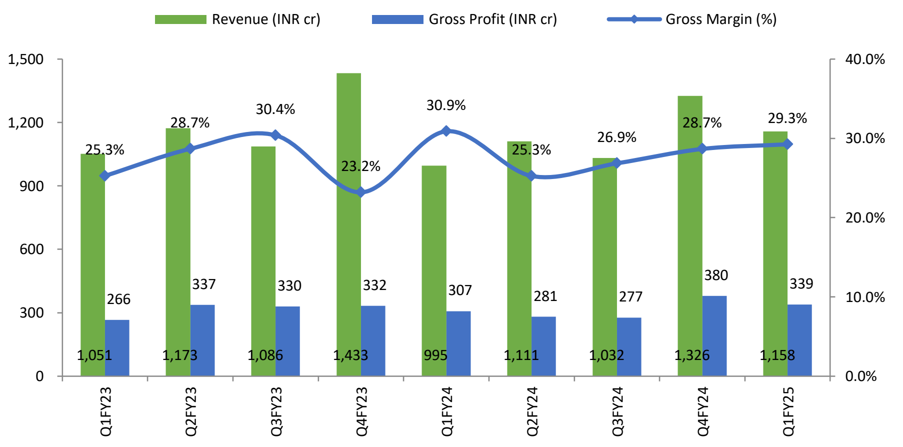
Q1FY25 Results

Income statement summary

Particular (INR cr)	Q1FY24	Q4FY24	Q1FY25	YoY (%)	QoQ (%)
Revenue	995	1,326	1,158	16.4%	-12.7%
Net Raw Materials	688	946	819	19.1%	-13.4%
Employee Cost	91	88	89	-3.0%	1.3%
Other Expenses	70	97	75	8.1%	-22.4%
EBITDA	**146**	**196**	**175**	**19.4%**	**-10.6%**
EBITDA Margin (%)	**14.7%**	**14.8%**	**15.1%**	**+38 bps**	**+34 bps**
Depreciation	21	20	24		
Interest expense	36	40	42		
Other income	13.2	13.6	10.5		
Profit before tax	**103**	**149**	**119**	**15.9%**	**-20.5%**
Taxes	27	40	8		
PAT	**76**	**109**	**111**	**46.5%**	**1.2%**
PAT Margin (%)	**7.6%**	**8.2%**	**9.6%**	**+197 bps**	**+131 bps**
EPS (INR)	**0.5**	**0.8**	**0.8**		

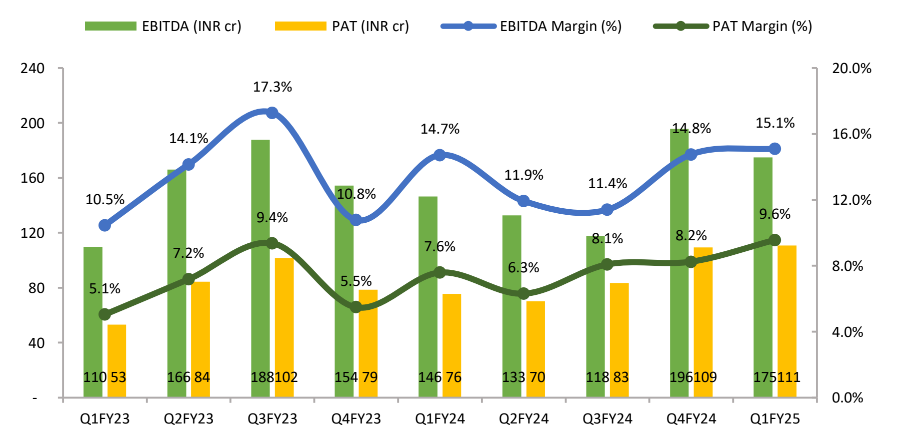
Source: Company Reports, Arihant Capital Research

Exhibit 1: Gross margins contracted by 164 bps YoY (up by 58 bps QoQ) to 29.3% Q1FY25 due to higher RM costs.



Source: Company Reports, Arihant Capital Research

Exhibit 2: EBITDA margin improved by 38 bps YoY (up by 34 bps QoQ) to 15.1% in Q1FY25 due to decrease in employee & other expenses in-terms of sales.



Source: Company Reports, Arihant Capital Research

Q1FY25 Concall Highlights

Revenue
- Revenue growth is expected around 20%-30% in FY25E.

Margins
- PBT margins are expected around 10% going forward.

Capex
- Optical fiber capacity stood at 14mn f.km/annum and is expected to reach 33.9mn f.km/annum. OFC capacity stood at 25mn f.km/annum and is expected to reach 38.25mn f.km/annum going forward.
- In the Hyderabad plant, Civil construction is completed and machine installation is in progress.
- Poland Plant capacity of 3.2mn fkm is in progress. The capex is expected INR 170cr and is expected to commercialize over the next 9 months.
- The company is in active consideration for glass preform capex.

Capacity utilization
- OFC capacity utilization is around 45% in Q1FY25. The capacity utilization is lower due to a slowdown in global markets and inventory piled up with operators. The inventories are expected to normalize by Q3FY25E/Q4FY25E.

Incentives
- Around INR 650cr incentives are expected from Design-Linked Incentives (DLI). DLI is 1% higher than PLI. Other players are getting 5% of PLI and the company is getting 6%.

Exemption of Anti-dumping duty
- HFCL and HTL (Subsidiary of HFCL) are the only companies from India that are exempted from anti-dumping duty on optical fiber cables by the European Commission.
- The anti-dumping duty is 8%-11% to other Indian players by the European commission. Chinese Players are facing higher anti-dumping duty in Europe markets. HFCL has a good opportunity in the Europe market.

Telecom products
- Telecom products revenue is expected to reach from INR 143cr (FY24) to INR 2,000cr by FY25E. major supply to private operators and PBT margins are expected at ~10% and some benefits of PLI.
- The telecom equipment business is expected around INR 3,000cr going forward.

Defence
- The company has successfully cleared the User Trail Readiness Review for the Armament upgradation project of the Indian Army for BMP-2 infantry combat vehicles. Tenders are expected soon and 5 players are eligible for that. The players are Tata, L&T, HFCL, and others.
- The company has received inquiries for electronic fuzes from the international market and exports are expected from FY25E. The company is in an advanced stage of discussions and majorly from European countries.

Q1FY25 Concall Highlights

BharatNet phase 3

- BharatNet phase 3 capex is expected INR 60,000cr over the next 3 years and Opex of INR 40,000cr over the next 10 years.

- Good orders are expected from BSNL. Bharat Net Phase 3 capex of INR 60,000cr funding from the government of India. Payments are not a problem for the orders.

- BharatNet Phase 3 demand for OFC is around 10 lakh km. The demand size is around INR 5,000cr to INR 6,000cr based on the realization of INR 50,000 per fiber km. EPC opportunity is around INR 10,000cr+ and remaining from equipment and routers etc.

Order book

- The order book stood at INR 6,776cr. Out of this; Network services – INR 3,092cr, Products – INR 1,673cr, and O&M – INR 2,011cr.

- The order timeline varies from 1 month to 1 year for products. The average timeline is around 6 months for products. Operations and maintenance execution timeline 5-7 years.

Polymer compounds

- HTL Ltd has decided to discontinue the manufacturing of Polymer compounds. The company is focused on passive connectivity optimize operational efficiencies and better resource utilization.

- The polymers are used for backward integration. The major refiners like Reliance and other players are producing at lower prices. The price difference is around INR 6/kg.

FWA

- The company has received an FWA order of INR 1,100cr. The product is in the final stage and some changes are desired by the customer.

- The production line set-up is approved by customers. Bulk production is expected to start in the next 2 weeks and delivery is expected in Aug-24.

Other highlights

- New products in fixed wireless products witnessed strong demand from customers.

- The company is developing defence products like Electronic fuzes, thermal weapon sights, and TI cores for thermal sights.

- The company is focused on exports and Indian army orders will take time.

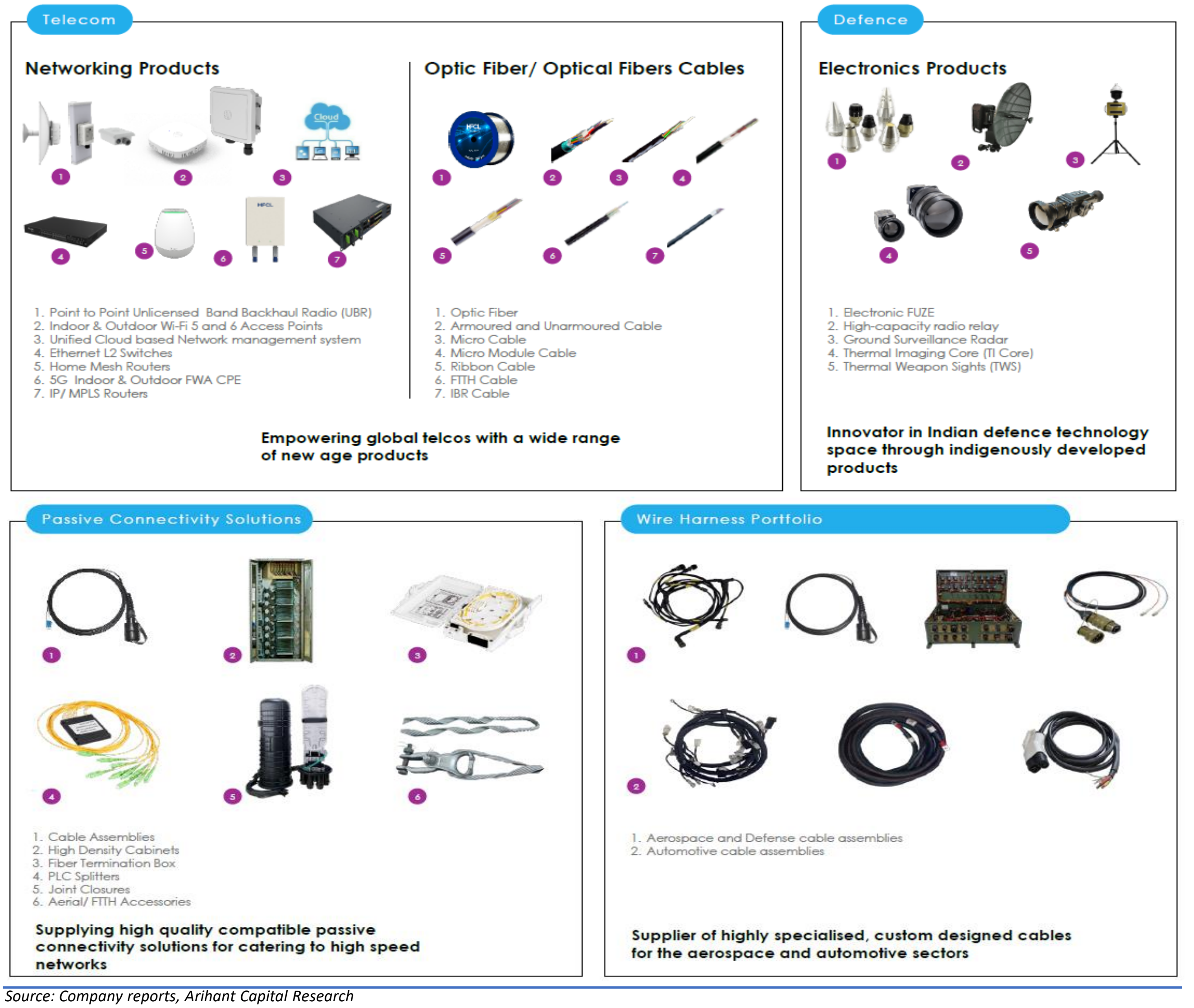
- Around 44% of revenue is from OF & OFC and 66% of revenue is from telecom & networking products.

- Government subsidies for fiber optic to home is $61bn slowed down due to the current political situation and expected to pick up from Q1CY25 onwards.

- Telco's requirement is up to 288 fibers per cable. The data center requirement 1,700 fibers per cable. The company has developed 1,764 fiber per cable and 3,400 fiber per cable is under development.

Products and New Launches

Exhibit 3: Product Offerings



Source: Company reports, Arihant Capital Research

Exhibit 4: HFCL has launched Telecom & Defence products and some of them under development. Telecom products revenue are expected to improve from INR 143cr (FY24) to INR 2,000cr in FY25E.

Source: Company reports, Arihant Capital Research

Outlook & Valuation

HFCL has a strong order book of INR 6,776cr (~1.5x of FY24 revenue) and regular order inflows in Telecom products. New telecom product launches will bring additional revenue of more than INR 1,800cr in FY25E. Defence products are under trial stage and commercialization would be growth driver. The Capex for OF & OFC would bring additional revenue going forward. The BharatNet and US subsidy program would lead to great opportunities for the company. The revival of exports backed by inventory normalization, capacity expansion, product portfolio expansion, and a strong client base that would drive the business going forward. We maintain an "ACCUMULATE" rating with a Target Price of INR 132 per share based on DCF; an upside of 12.1%.

DCF Valuation

Valuation Assumptions	
g (World Economic Growth)	3.5%
Rf	7.0%
Rm	12.0%
Beta	0.95
CMP	118

Valuation Data	
Total Debt (long term borrowings) (2024)	178
Cash & Cash Equivalents (2024)	336
Number of Diluted Shares (2024)	144
Tax Rate (2025)	26%
Interest Expense Rate (2025)	12%
MV of Equity	16,993
Total Debt	178
Total Capital	**17,171**

WACC	
We	99.0%
Wd	1.0%
Ke	11.8%
Kd	8.5%
WACC	**11.7%**

FCFF & Target Price

FCFF & Target Price	Explicit Forecast Period						Linear Decline Phase					Terminal Yr
Particular (INR cr)	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
EBIT * (1-Tax Rate)	542	726	1,068	1,317	1,557	1,817	2,080	2,336	2,572	2,775	2,933	3,036
Dep	100	130	140	147	154	161	198	222	244	264	279	288
Purchase of Assets	(508)	(526)	(113)	(124)	(121)	(107)	(104)	(117)	(129)	(139)	(147)	(152)
Changes in Working Capital	116	(245)	(731)	(52)	29	(199)	(73)	(82)	(90)	(97)	(103)	(106)
FCFF	249	85	364	1,287	1,618	1,671	2,101	2,359	2,597	2,803	2,962	3,066
Terminal Value											37,308	
Total Cash Flow	**249**	**85**	**364**	**1,287**	**1,618**	**1,671**	**2,101**	**2,359**	**2,597**	**2,803**	**40,271**	

Enterprise Value (EV)	18,893
Less: Debt	178
Add: Cash	336
Equity Value	19,051
Equity Value per share (INR)	**132**

% Returns	**12.1%**

Rating	**ACCUMULATE**

Sensitivity Analysis

	Terminal Growth (%)								
132	2.5%	2.8%	3.0%	3.3%	3.5%	3.8%	4.0%	4.3%	4.5%
WACC (%) 10.8%	140	143	147	151	155	159	164	169	174
11.0%	135	138	141	145	148	152	157	161	166
11.3%	130	133	136	139	142	146	**150**	154	159
11.5%	125	128	131	134	137	**140**	144	148	152
11.8%	121	123	126	129	**132**	135	138	142	145
12.0%	117	119	121	**124**	127	130	133	136	139
12.3%	113	115	**117**	120	122	125	128	131	134
12.5%	109	111	113	115	118	120	123	126	129
12.8%	106	108	109	112	114	116	118	121	124

Source: Company reports, Arihant Capital Research

Financial Statements

Income statement summary

Y/e 31 Mar (INR cr)	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Revenue	3,839	4,423	4,727	4,743	4,465	5,687	7,298
Net Raw Materials	2,934	3,404	3,499	3,479	3,220	4,066	5,196
Employee Cost	224	253	311	348	351	438	555
Other Expenses	186	217	268	298	313	349	433
EBITDA	**494**	**550**	**650**	**619**	**582**	**834**	**1,114**
EBITDA Margin (%)	**12.9%**	**12.4%**	**13.8%**	**13.0%**	**13.0%**	**14.7%**	**15.3%**
Depreciation	(42)	(69)	(78)	(83)	(82)	(100)	(130)
Interest expense	(115)	(175)	(166)	(152)	(147)	(149)	(166)
Other income	22	35	43	47	101	109	153
Profit before tax	**358**	**337**	**442**	**431**	**454**	**694**	**970**
Taxes	(121)	(91)	(116)	(113)	(117)	(182)	(254)
PAT	**237**	**246**	**326**	**318**	**338**	**512**	**716**
PAT Margin (%)	**6.2%**	**5.6%**	**6.9%**	**6.7%**	**7.6%**	**9.0%**	**9.8%**
Other Comprehensive income	1	5	2	2	130	-	-
Total comprehensive income	**238**	**251**	**328**	**319**	**467**	**512**	**716**
EPS (INR)	1.9	2.0	2.4	2.2	3.2	3.6	5.0

Source: Company Reports, Arihant Capital Research

Balance sheet summary

Y/e 31 Mar (INR cr)	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Equity capital	128	128	137	138	144	144	144
Reserves	1,540	1,788	2,661	2,970	3,812	4,647	5,321
Net worth	**1,668**	**1,916**	**2,798**	**3,108**	**3,956**	**4,791**	**5,465**
Minority Interest	(0)	7	20	37	44	44	44
Provisions	43	49	45	53	60	33	42
Debt	1,218	1,348	1,172	1,137	1,432	1,452	1,442
Other non-current liabilities	-	-	-	29	77	34	44
Total Liabilities	**2,929**	**3,320**	**4,035**	**4,363**	**5,569**	**6,354**	**7,037**
Fixed assets	437	443	465	487	496	1,000	1,378
Capital Work In Progress	15	12	47	71	154	58	76
Other Intangible assets	40	42	74	215	433	523	523
Goodwill	26	26	26	26	26	26	26
Investments	87	46	87	102	255	313	328
Other non current assets	37	45	47	57	60	74	95
Net working capital	**1,535**	**1,931**	**2,366**	**2,537**	**3,265**	**3,149**	**3,394**
Inventories	344	435	573	758	774	958	1,167
Sundry debtors	1,730	3,056	2,492	2,309	2,736	2,649	2,899
Loans & Advances	21	18	37	31	29	23	29
Other current assets	341	318	401	548	644	701	800
Sundry creditors	(815)	(1,748)	(1,037)	(878)	(808)	(1,050)	(1,355)
Other current liabilities & Prov	(85)	(148)	(99)	(232)	(110)	(131)	(146)
Cash	192	306	528	323	336	528	377
Other Financial Assets	560	468	395	546	544	682	839
Total Assets	**2,929**	**3,320**	**4,035**	**4,363**	**5,569**	**6,354**	**7,037**

Source: Company Reports, Arihant Capital Research

Du-Pont Analysis

Y/e 31 Mar (INR cr)	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Tax burden (x)	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Interest burden (x)	0.8	0.7	0.8	0.8	0.9	0.9	1.0
EBIT margin (x)	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Asset turnover (x)	1.3	1.1	1.0	1.0	0.9	1.0	1.1
Financial leverage (x)	1.8	2.2	1.9	1.5	1.4	1.3	1.2
RoE (%)	**15.3%**	**13.7%**	**13.8%**	**10.8%**	**9.6%**	**11.7%**	**14.0%**

Source: Company Reports, Arihant Capital Research

Financial Statements

Cashflow summary

Y/e 31 Mar (INR cr)	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Profit before tax	358	337	442	431	454	694	970
Depreciation	42	69	78	83	82	100	130
Tax paid	(121)	(91)	(116)	(113)	(117)	(182)	(254)
Working capital Δ	(504)	(396)	(434)	(171)	(728)	116	(245)
Operating cashflow	**(225)**	**(81)**	**(30)**	**230**	**(309)**	**728**	**601**
Capital expenditure	(228)	(72)	(135)	(128)	(174)	(508)	(526)
Free cash flow	**(452)**	**(153)**	**(166)**	**101**	**(483)**	**219**	**75**
Equity raised	15	9	588	33	547	353	-
Investments	6	41	(41)	(15)	(153)	(58)	(16)
Others	47	81	39	(302)	(219)	(243)	(178)
Debt financing/disposal	422	130	(176)	(35)	295	20	(10)
Dividends paid	(15)	-	(19)	(24)	(29)	(30)	(42)
Other items	10	6	(4)	37	55	(70)	19
Net Δ in cash	**32**	**115**	**222**	**(206)**	**14**	**192**	**(151)**
Opening Cash Flow	**159**	**192**	**306**	**528**	**323**	**336**	**528**
Closing Cash Flow	**192**	**306**	**528**	**323**	**336**	**528**	**377**

Source: Company Reports, Arihant Capital Research

Ratio analysis

Y/e 31 Mar	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Growth matrix (%)							
Revenue growth	-19.0%	15.2%	6.9%	0.3%	-5.9%	27.4%	28.3%
Op profit growth	18.9%	11.2%	18.3%	-4.8%	-6.0%	43.4%	33.6%
Profitability ratios (%)							
OPM	12.9%	12.4%	13.8%	13.0%	13.0%	14.7%	15.3%
Net profit margin	6.2%	5.6%	6.9%	6.7%	7.6%	9.0%	9.8%
RoCE	12.1%	12.1%	12.4%	10.3%	9.2%	11.7%	12.7%
RoNW	15.3%	13.7%	13.8%	10.8%	9.6%	13.0%	14.0%
RoA	8.1%	7.4%	8.1%	7.3%	6.1%	8.1%	10.2%
Per share ratios (INR)							
EPS	1.9	2.0	2.4	2.3	3.2	3.6	5.0
Dividend per share	0.1	-	0.1	0.2	0.2	0.2	0.3
Cash EPS	2.2	2.5	2.9	2.9	2.9	4.3	5.9
Book value per share	13.0	14.9	20.4	22.6	27.5	33.3	37.9
Valuation ratios (x)							
P/E	63.6	60.3	49.5	50.9	36.4	33.2	23.7
P/CEPS	54.3	48.1	40.1	40.5	40.5	27.8	20.1
P/B	9.1	7.9	5.8	5.2	4.3	3.5	3.1
EV/EBITDA	32.6	29.4	25.8	27.4	30.7	21.1	15.9
Payout (%)							
Dividend payout	6.5%	0.0%	5.8%	7.7%	8.5%	5.8%	5.8%
Tax payout	33.8%	26.9%	26.3%	26.2%	25.7%	26.2%	26.2%
Liquidity ratios							
Debtor days	157	197	214	185	206	173	139
Inventory days	38	42	53	70	87	78	75
Creditor days	92	121	125	85	79	70	71
WC Days	103	118	142	170	214	181	142
Leverage ratios (x)							
Interest coverage	3.9	2.8	3.4	3.5	3.4	4.9	5.9
Net debt / equity	0.6	0.5	0.2	0.3	0.3	0.2	0.2
Net debt / op. profit	2.1	1.9	1.0	1.3	1.9	1.1	1.0

Source: Company Reports, Arihant Capital Research

Story in Charts

Exhibit 5: Revenue is expected to grow at 27.8% CAGR over the period of FY24-FY26E.

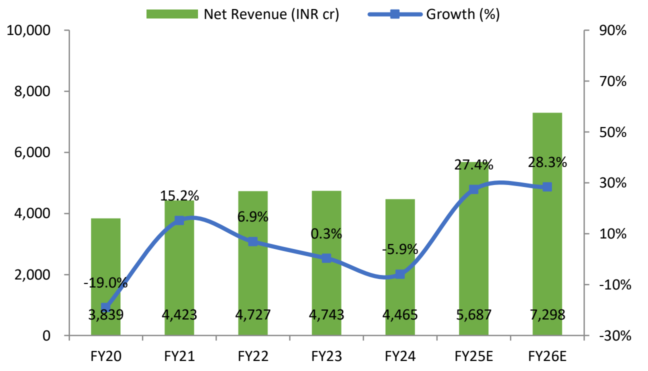


Exhibit 6: Softening of RM costs will lead to improvement in gross margins.

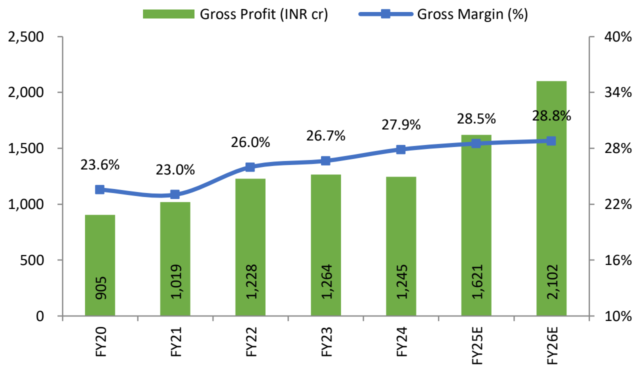


Exhibit 7: Growth in EBITDA & PAT levels

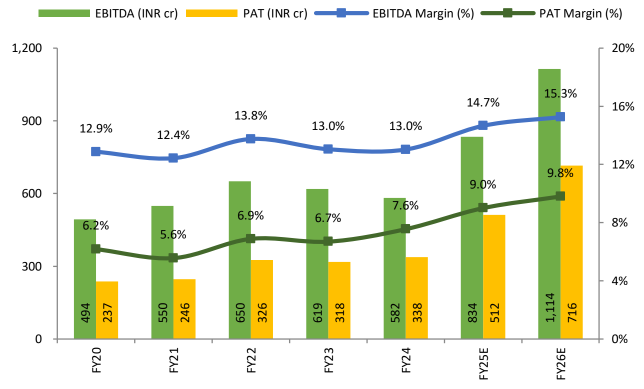


Exhibit 8: Return ratios to be improve

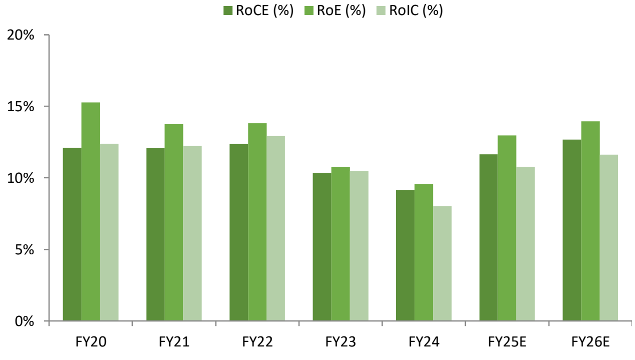


Exhibit 9: Telecom products WC cycle is lower and increase in products shares would improved working capital days.

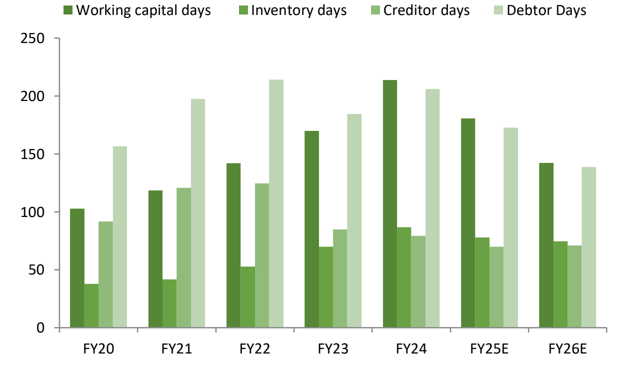
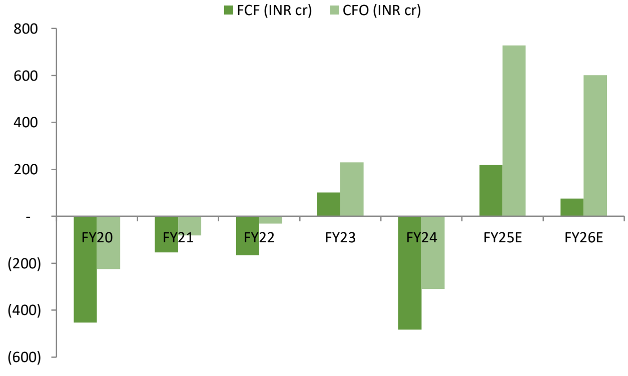


Exhibit 10: Cash flows to be improve



Source: Company reports, Arihant Capital Research

Story in Charts

Exhibit 11: Working capital in-terms of sales is expected to reduce going forward due to change in products mix.

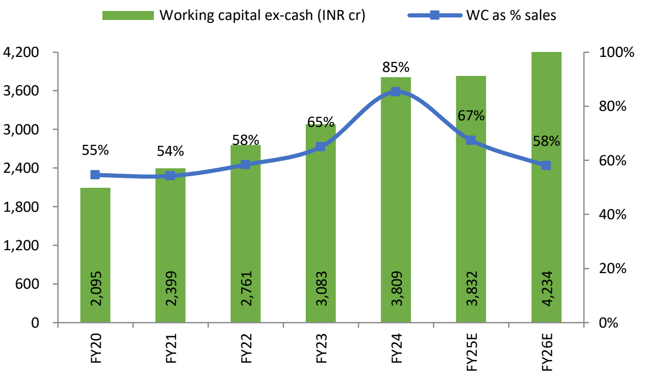


Exhibit 12: Interest cost as % of EBIT is expected to reduce going forward.

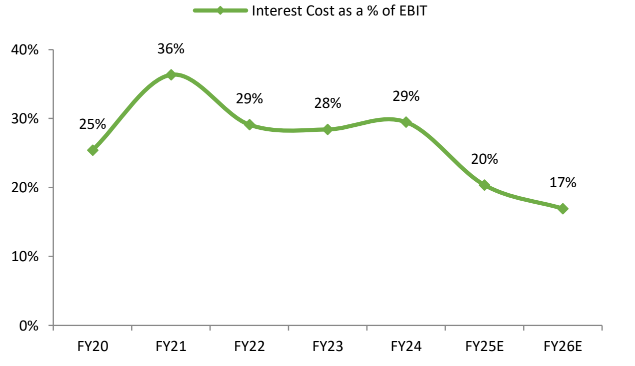


Exhibit 13: Strong inquiries witnessed for Electronic Fuzes from international markets. Exports will pick-up for Telecom and Defence.

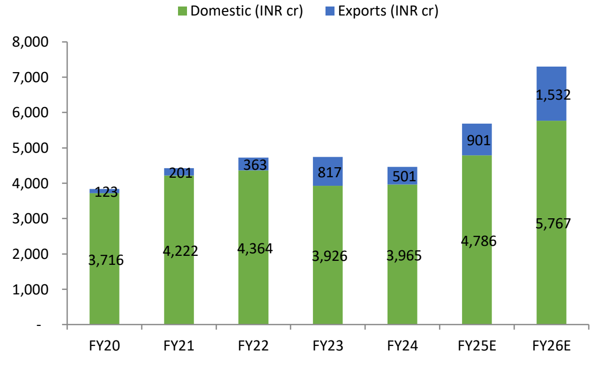


Exhibit 14: Exports revenue share is expected to be above 20% in FY26E and expected to reach 40% over 4-5 years.

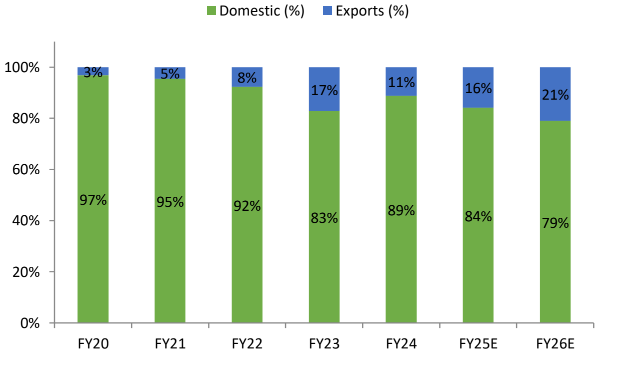


Exhibit 15: Telecom products growth is expected to be faster backed by new launches, while EPC revenue growth is expected to moderate.

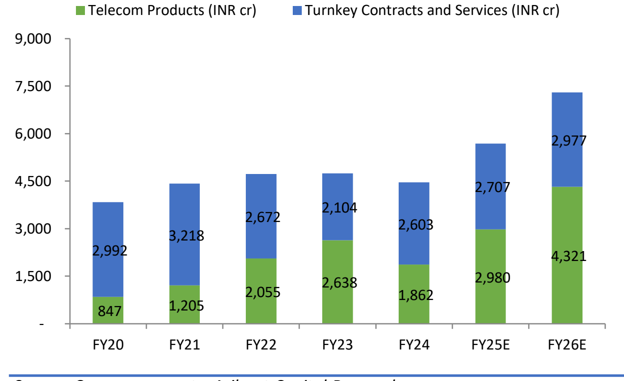
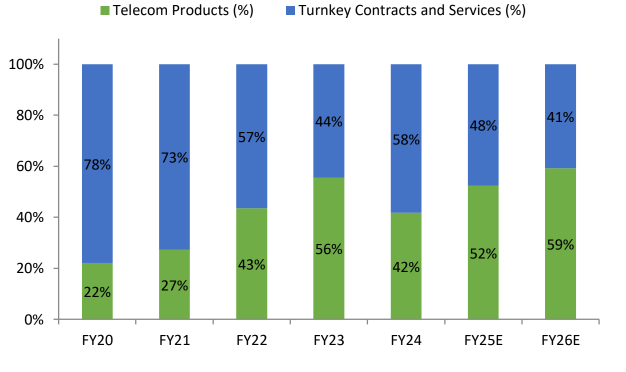


Exhibit 16: Telecom products share is expected to increase going forward.



Source: Company reports, Arihant Capital Research

Story in Charts

Exhibit 17: The order book stood at INR 6,776cr which shows revenue visibility going forward.

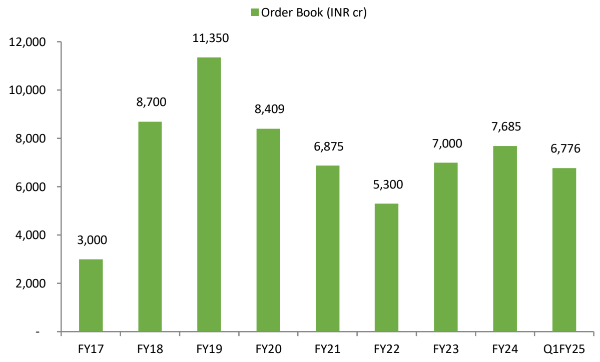


Exhibit 18: Public telecommunication revenue accounts 96% in Q1FY25.

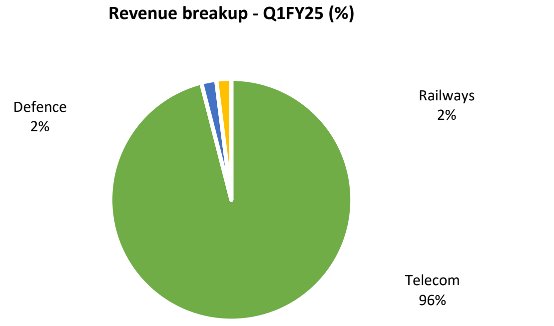


Exhibit 19: Telecom order book stood at INR 1,673cr and Telecom orders keep coming on regular basis.

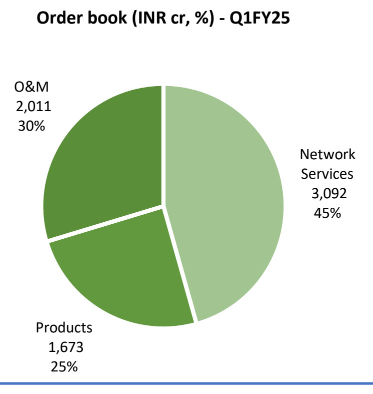


Exhibit 20: Telecom products business impacted due to lower capacity utilization in Q1FY25.

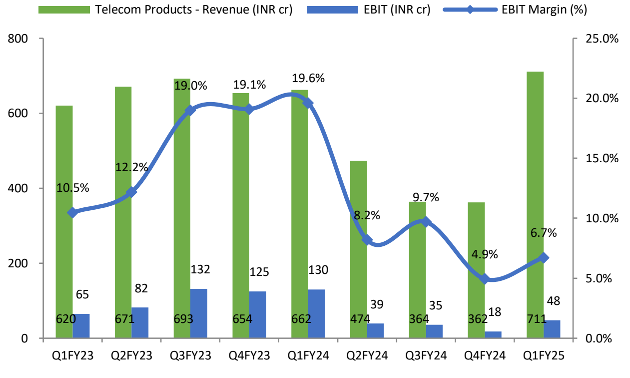


Exhibit 21: EPC margins reached above 20% in Q1FY25.

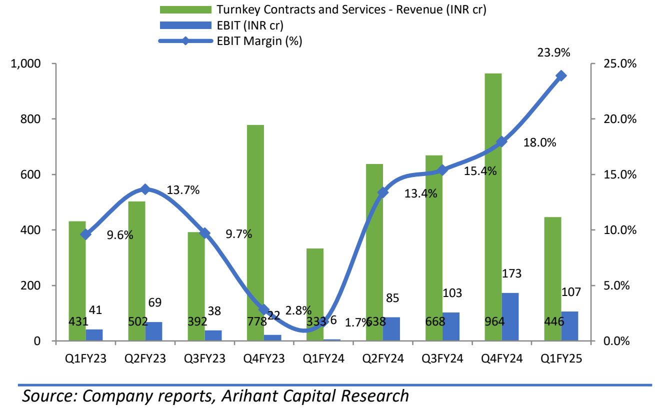
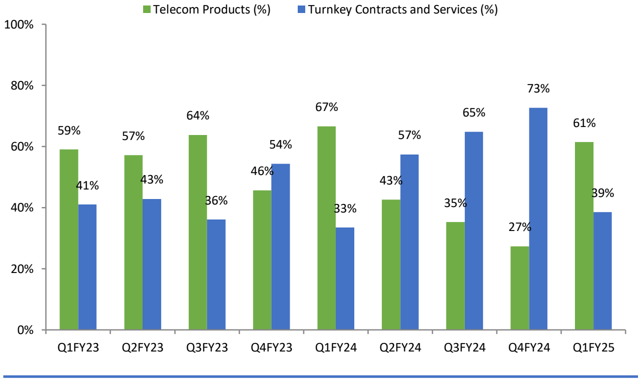


Exhibit 22: Telecom products revenue share stood at 61% as of Q1FY25. it's expected to reach 70% going forward.



Source: Company reports, Arihant Capital Research

Arihant Research Desk

Email: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park	
Building No. 10, 1st Floor	Arihant House
Andheri Ghatkopar Link Road	E-5 Ratlam Kothi
Chakala, Andheri (E)	Indore - 452003, (M.P.)
Mumbai – 400093	Tel: (91-731) 3016100
Tel: (91-22) 42254800	Fax: (91-731) 3016199
Fax: (91-22) 42254880	

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	www.arihantcapital.com	instresearch@arihantcapital.com

Arihant Capital Markets Ltd.
1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800Fax. 022-42254880