

March 25, 2025

## Event Update

■ Change in Estimates |  Target | ■ Reco

### Change in Estimates

|                     | Current    |       | Previous   |       |
|---------------------|------------|-------|------------|-------|
|                     | FY26E      | FY27E | FY26E      | FY27E |
| <b>Rating</b>       | <b>BUY</b> |       | <b>BUY</b> |       |
| <b>Target Price</b> | <b>804</b> |       | <b>696</b> |       |
| Sales (Rs. bn)      | 2,543      | 2,688 | 2,543      | 2,688 |
| % Chng.             | -          | -     | -          | -     |
| EBITDA (Rs. bn)     | 316        | 340   | 316        | 340   |
| % Chng.             | -          | -     | -          | -     |
| EPS (Rs.)           | 69.0       | 75.5  | 69.0       | 75.5  |
| % Chng.             | -          | -     | -          | -     |

### Key Financials - Consolidated

| Y/e Mar         | FY24  | FY25E | FY26E | FY27E |
|-----------------|-------|-------|-------|-------|
| Sales (Rs. bn)  | 2,160 | 2,373 | 2,543 | 2,688 |
| EBITDA (Rs. bn) | 242   | 309   | 316   | 340   |
| Margin (%)      | 11.2  | 13.0  | 12.4  | 12.6  |
| PAT (Rs. bn)    | 101   | 153   | 153   | 168   |
| EPS (Rs.)       | 45.7  | 69.1  | 69.0  | 75.5  |
| Gr. (%)         | 0.5   | 51.2  | (0.1) | 9.5   |
| DPS (Rs.)       | 3.5   | 4.0   | 4.0   | 4.5   |
| Yield (%)       | 0.5   | 0.6   | 0.6   | 0.6   |
| RoE (%)         | 10.1  | 13.5  | 12.0  | 11.7  |
| RoCE (%)        | 11.4  | 14.7  | 13.9  | 14.3  |
| EV/Sales (x)    | 0.9   | 0.8   | 0.8   | 0.7   |
| EV/EBITDA (x)   | 7.9   | 6.2   | 6.1   | 5.4   |
| PE (x)          | 15.4  | 10.2  | 10.2  | 9.3   |
| P/BV (x)        | 1.5   | 1.3   | 1.2   | 1.0   |

### Key Data

HALC.BO | HNDL IN

|                     |                        |
|---------------------|------------------------|
| 52-W High / Low     | Rs.773 / Rs.545        |
| Sensex / Nifty      | 77,984 / 23,658        |
| Market Cap          | Rs.1,578bn/ \$ 18,431m |
| Shares Outstanding  | 2,247m                 |
| 3M Avg. Daily Value | Rs.3845.95m            |

### Shareholding Pattern (%)

|                         |       |
|-------------------------|-------|
| Promoter's              | 34.64 |
| Foreign                 | 31.72 |
| Domestic Institution    | 24.64 |
| Public & Others         | 9.00  |
| Promoter Pledge (Rs bn) | -     |

### Stock Performance (%)

|          | 1M  | 6M    | 12M  |
|----------|-----|-------|------|
| Absolute | 9.4 | (2.2) | 28.2 |
| Relative | 4.5 | 6.5   | 19.8 |

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## Focused on value addition and greener approach

### Quick Pointers:

- HNDL is focused on increasing its specialty alumina capacity from 0.46mtpa to 0.55mtpa in FY26 and reaching ~1mtpa over the next few years.
- The exhibition highlighted HNDL's commitment toward eco-friendly practices and sustainable product development, marking its transformation from a materials supplier to an engineered solutions provider.

**We attended the new brand identity exhibition organized by Hindalco (HNDL), showcasing the range of products and solutions it offers. The central theme of the event was sustainability, highlighting HNDL's commitment to eco-friendly practices and sustainable product development to cater to new age requirements and making HNDL greener over the long term. The thrust on specialty alumina was evident due to its wide applications across diverse industries, while HNDL's efforts in new product development to replace imports and other heavier metals are impressive. With rising usage of aluminum in various new sectors such as building and construction, HNDL plans to introduce revolutionary window & door brands, anti-rust roofing sheets, modular kitchen, etc.**

**We remain positive on HNDL, despite the recent runup in the stock. With stable LME prices at higher levels, EBITDA contribution from the standalone business is expected to sustain. Further, once Novelis mitigates the impact of higher scrap prices, its contribution will improve again. We factor in aluminum prices of USD2,593/USD2,632 per ton in FY26/27E. At CMP, the stock is trading at EV of 6.1x/5.4x FY26/27E EBITDA. We roll forward TP on FY27 basis and maintain 'Buy' rating with revised TP of Rs804 (earlier Rs696), valuing Novelis at 6.5x & standalone ops at 5x EV of Mar'27E EBITDA.**

**Sustainability measures in mining:** HNDL has bauxite mines spread over different states in India, mainly Jharkhand, Chhattisgarh and Odisha. 90%-95% of bauxite is sourced from the company's own mines. Two important hydroxide minerals found in bauxite ore are gibbsite and boehmite. The Odisha mine, with an annual production capacity of 7mtpa, accounts for ~80% of Hindalco's bauxite requirement. It primarily produces gibbsite bauxite ore, which requires a single digestion process, making it less cost-effective. Most of the bauxite mines in the region are gibbsite based. Laterite contains silica and iron and forms a waste layer covering the ore, acting as an overburden in bauxite mines. It is removed during mining and later used to fill excavated areas, after which plantation is carried out to promote sustainability.

After mining, landscaping is carried out to promote sustainability. A virtual reality video demonstrated how landfilling is done after mining, followed by plantation activities to restore the ecosystem and promote sustainability.

HNDL requires ~17mtpa of coal for power generation, of which only 1mtpa is produced in-house, while the rest is procured from outside. HNDL is developing captive coal mines (Meenakshi and Chakla), which are expected to take ~2 years to complete. Once operational, these mines will help increase coal production to ~20mtpa.

**Exhibit 1: Bauxite, copper concentrate and coal samples**



Source: Company, PL

**Focus on specialty alumina**

Specialty alumina is non-metallurgical alumina used in diverse industries due to its key properties such as high-temperature resistance, superior wear resistance, chemical stability, high mechanical strength, corrosion resistance, superior thermal conductivity, and electrical insulation. It is used in manufacturing refractories, which are used to enhance performance, efficiency and durability in high-temperature applications. Additionally, the waste material is utilized in the production of cement and other products.

HNDL has ~460kt high-margin specialty alumina capacity at Belagavi and Muri, and plans to reach 550ktpa in FY26 and ~1mtpa over the next few years.

**Exhibit 2: Advanced ceramics solutions supplied by specialty alumina**

| Industry                     | Uses   | Properties   |
|------------------------------|--|--|
| Refractories                 | Steel, cement, glass, non-ferrous, petchem, and power plants                               | High thermal resistance, wear resistance, chemical stability & mechanical strength           |
| Semiconductors & electronics | Electrostatic chucks, heaters, end effectors; display glass, circuit substrates            | High purity, high plasma resistance, thermal conductivity, electrical insulation             |
| Battery & thermal mgmt       | Ceramic coated battery separators, cathode edge coatings, thermal fillers                  | High thermal conductivity, insulation, superior flame retardancy                             |
| Auto & aerospace             | Brake pads, spark plugs, glass & coatings; thermal barrier coatings, structural components | High thermal resistance, superior wear & corrosion resistance, electrical insulation         |
| Bioceramics                  | Pacemakers, hip joint replacements, dental implants, etc.                                  | Biocompatibility & chemical inertness, corrosion resistance & strength                       |
| Defense                      | Ceramic armor parts, castings, critical technologies                                       | Light weight, high mechanical strength, thermal & wear resistance, ballistic protection      |
| Optical glass                | Display & optical glass applications in laptops, phones, tablets, etc.                     | High purity & clarity, stability at high temperature, hardness, optimized light transmission |

Source: Company, PL

Ceramic insulators are essential for transmitting power over long distances, as they provide electrical insulation and mechanical support to overhead power lines, substations, and distribution networks.

**Exhibit 3: Ceramic insulators (specialty alumina), aluminum and copper products used in power and energy solutions**



Source: Company, PL

**Rising usage of aluminum in diverse industries**

Aluminum is increasingly being used as a cost-effective substitute in the power and energy sector, primarily replacing copper in electrical applications. Though it is not as effective as copper or other metals used, it is cheaper and lightweight. India is slowly switching toward aluminum made conductors.

HNDL manufactures a wide range of copper products as well, like cathodes, tubes and wire bars. The products cater to various industries. Copper rods are primarily used in the production of wires and cables, while copper cathodes are used for manufacturing copper sheets, tubes and other products. **Wires and cables business forms 2/3<sup>rd</sup> of HNDL's copper business.**

**Exhibit 4: Fire retardant paints and other products used across building materials**



Source: Company, PL

**Exhibit 5: Usage of aluminum and copper in EVs (battery enclosures) and auto industry**



Source: Company, PL

## Novelis is focused on increasing recycling share

Hindalco, through its major subsidiary Novelis Inc., which is a global leader in aluminum rolling and recycling, delivers high-quality aluminum sheets and foils primarily for the automotive, beverage can, aerospace, and specialty products markets. Novelis recycles 70+bn beverage cans annually. Novelis is developing lightweight, durable and recyclable solutions to meet the evolving needs of modern industries.

**Exhibit 6: Aluminum usage in transport (Vande Bharat, bullet train, hyperloop), space projects and beverage cans**



Source: Company, PL



## Financials

### Income Statement (Rs bn)

| Y/e Mar                       | FY24         | FY25E        | FY26E        | FY27E        |
|-------------------------------|--------------|--------------|--------------|--------------|
| <b>Net Revenues</b>           | <b>2,160</b> | <b>2,373</b> | <b>2,543</b> | <b>2,688</b> |
| YoY gr. (%)                   | (3.2)        | 9.9          | 7.2          | 5.7          |
| Cost of Goods Sold            | 1,339        | 1,702        | 1,827        | 1,938        |
| Gross Profit                  | 821          | 672          | 716          | 750          |
| Margin (%)                    | 38.0         | 28.3         | 28.2         | 27.9         |
| Employee Cost                 | 148          | 143          | 155          | 166          |
| Other Expenses                | 431          | 220          | 245          | 244          |
| <b>EBITDA</b>                 | <b>242</b>   | <b>309</b>   | <b>316</b>   | <b>340</b>   |
| YoY gr. (%)                   | 5.9          | 27.3         | 2.4          | 7.4          |
| Margin (%)                    | 11.2         | 13.0         | 12.4         | 12.6         |
| Depreciation and Amortization | 79           | 83           | 91           | 94           |
| <b>EBIT</b>                   | <b>163</b>   | <b>225</b>   | <b>225</b>   | <b>246</b>   |
| Margin (%)                    | 7.6          | 9.5          | 8.9          | 9.1          |
| Net Interest                  | 39           | 35           | 34           | 36           |
| Other Income                  | 15           | 17           | 18           | 18           |
| <b>Profit Before Tax</b>      | <b>140</b>   | <b>208</b>   | <b>208</b>   | <b>228</b>   |
| Margin (%)                    | 6.5          | 8.8          | 8.2          | 8.5          |
| Total Tax                     | 39           | 55           | 55           | 60           |
| Effective tax rate (%)        | 27.6         | 26.3         | 26.6         | 26.4         |
| <b>Profit after tax</b>       | <b>101</b>   | <b>153</b>   | <b>153</b>   | <b>168</b>   |
| Minority interest             | -            | -            | -            | 0            |
| Share Profit from Associate   | 0            | 0            | 0            | 0            |
| <b>Adjusted PAT</b>           | <b>101</b>   | <b>153</b>   | <b>153</b>   | <b>168</b>   |
| YoY gr. (%)                   | 0.5          | 51.2         | (0.1)        | 9.5          |
| Margin (%)                    | 4.7          | 6.5          | 6.0          | 6.2          |
| Extra Ord. Income / (Exp)     | -            | -            | -            | -            |
| <b>Reported PAT</b>           | <b>101</b>   | <b>153</b>   | <b>153</b>   | <b>168</b>   |
| YoY gr. (%)                   | 0.5          | 51.2         | (0.1)        | 9.5          |
| Margin (%)                    | 4.7          | 6.5          | 6.0          | 6.2          |
| Other Comprehensive Income    | -            | -            | -            | -            |
| Total Comprehensive Income    | 101          | 153          | 153          | 168          |
| <b>Equity Shares O/s (bn)</b> | <b>2</b>     | <b>2</b>     | <b>2</b>     | <b>2</b>     |
| <b>EPS (Rs)</b>               | <b>45.7</b>  | <b>69.1</b>  | <b>69.0</b>  | <b>75.5</b>  |

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs bn)

| Y/e Mar                               | FY24         | FY25E        | FY26E        | FY27E        |
|---------------------------------------|--------------|--------------|--------------|--------------|
| <b>Non-Current Assets</b>             |              |              |              |              |
| <b>Gross Block</b>                    | <b>1,655</b> | <b>1,761</b> | <b>1,879</b> | <b>2,190</b> |
| Tangibles                             | 1,501        | 1,607        | 1,725        | 2,036        |
| Intangibles                           | 154          | 154          | 154          | 154          |
| <b>Acc: Dep / Amortization</b>        | <b>797</b>   | <b>881</b>   | <b>972</b>   | <b>1,065</b> |
| Tangibles                             | 703          | 787          | 878          | 971          |
| Intangibles                           | 94           | 94           | 94           | 94           |
| <b>Net fixed assets</b>               | <b>857</b>   | <b>880</b>   | <b>908</b>   | <b>1,124</b> |
| Tangibles                             | 797          | 820          | 848          | 1,064        |
| Intangibles                           | 60           | 60           | 60           | 60           |
| Capital Work In Progress              | 149          | 255          | 373          | 232          |
| Goodwill                              | 261          | 261          | 261          | 261          |
| Non-Current Investments               | 160          | 160          | 160          | 160          |
| Net Deferred tax assets               | (82)         | (82)         | (82)         | (82)         |
| Other Non-Current Assets              | 57           | 57           | 57           | 57           |
| <b>Current Assets</b>                 |              |              |              |              |
| Investments                           | 33           | 33           | 33           | 33           |
| Inventories                           | 408          | 423          | 453          | 479          |
| Trade receivables                     | 164          | 195          | 209          | 221          |
| Cash & Bank Balance                   | 144          | 114          | 49           | 71           |
| Other Current Assets                  | 48           | 48           | 48           | 48           |
| <b>Total Assets</b>                   | <b>2,319</b> | <b>2,463</b> | <b>2,588</b> | <b>2,723</b> |
| <b>Equity</b>                         |              |              |              |              |
| Equity Share Capital                  | 2            | 2            | 2            | 2            |
| Other Equity                          | 1,059        | 1,205        | 1,349        | 1,508        |
| <b>Total Networkth</b>                | <b>1,061</b> | <b>1,207</b> | <b>1,351</b> | <b>1,510</b> |
| <b>Non-Current Liabilities</b>        |              |              |              |              |
| Long Term borrowings                  | 474          | 424          | 374          | 324          |
| Provisions                            | 6            | 6            | 6            | 6            |
| Other non current liabilities         | 73           | 73           | 73           | 73           |
| <b>Current Liabilities</b>            |              |              |              |              |
| ST Debt / Current of LT Debt          | 71           | 71           | 71           | 71           |
| Trade payables                        | 344          | 390          | 418          | 442          |
| Other current liabilities             | 178          | 181          | 184          | 186          |
| <b>Total Equity &amp; Liabilities</b> | <b>2,319</b> | <b>2,463</b> | <b>2,588</b> | <b>2,723</b> |

Source: Company Data, PL Research

**Cash Flow (Rs bn)**

| Y/e Mar                              | FY24         | FY25E        | FY26E        | FY27E        |
|--------------------------------------|--------------|--------------|--------------|--------------|
| PBT                                  | 140          | 208          | 208          | 228          |
| Add. Depreciation                    | 75           | 83           | 91           | 94           |
| Add. Interest                        | 39           | 35           | 34           | 36           |
| Less Financial Other Income          | 15           | 17           | 18           | 18           |
| Add. Other                           | (6)          | (17)         | (18)         | (18)         |
| Op. profit before WC changes         | 248          | 309          | 316          | 340          |
| Net Changes-WC                       | 19           | 3            | (13)         | (12)         |
| Direct tax                           | (27)         | (55)         | (55)         | (60)         |
| <b>Net cash from Op. activities</b>  | <b>241</b>   | <b>257</b>   | <b>247</b>   | <b>268</b>   |
| Capital expenditures                 | (157)        | (213)        | (236)        | (169)        |
| Interest / Dividend Income           | 6            | 17           | 18           | 18           |
| Others                               | 8            | -            | -            | -            |
| <b>Net Cash from Inv. activities</b> | <b>(143)</b> | <b>(195)</b> | <b>(219)</b> | <b>(151)</b> |
| Issue of share cap. / premium        | -            | -            | -            | -            |
| Debt changes                         | (44)         | (50)         | (50)         | (50)         |
| Dividend paid                        | (7)          | (8)          | (9)          | (9)          |
| Interest paid                        | (39)         | (35)         | (34)         | (36)         |
| Others                               | (18)         | -            | -            | -            |
| <b>Net cash from Fin. activities</b> | <b>(108)</b> | <b>(92)</b>  | <b>(93)</b>  | <b>(95)</b>  |
| <b>Net change in cash</b>            | <b>(10)</b>  | <b>(30)</b>  | <b>(65)</b>  | <b>22</b>    |
| Free Cash Flow                       | 83           | 45           | 11           | 99           |

Source: Company Data, PL Research

**Quarterly Financials (Rs bn)**

| Y/e Mar                           | Q4FY24      | Q1FY25      | Q2FY25      | Q3FY25      |
|-----------------------------------|-------------|-------------|-------------|-------------|
| <b>Net Revenue</b>                | <b>560</b>  | <b>570</b>  | <b>582</b>  | <b>584</b>  |
| YoY gr. (%)                       | 0.2         | 7.6         | 7.4         | 10.6        |
| Raw Material Expenses             | 344         | 341         | 358         | 355         |
| Gross Profit                      | 216         | 229         | 224         | 229         |
| Margin (%)                        | 38.6        | 40.2        | 38.5        | 39.3        |
| <b>EBITDA</b>                     | <b>67</b>   | <b>75</b>   | <b>79</b>   | <b>76</b>   |
| YoY gr. (%)                       | 25.4        | 31.3        | 40.5        | 29.3        |
| Margin (%)                        | 11.9        | 13.2        | 13.5        | 13.0        |
| Depreciation / Depletion          | 20          | 19          | 19          | 19          |
| <b>EBIT</b>                       | <b>47</b>   | <b>56</b>   | <b>60</b>   | <b>56</b>   |
| Margin (%)                        | 8.3         | 9.8         | 10.2        | 9.7         |
| Net Interest                      | 9           | 9           | 9           | 8           |
| Other Income                      | 4           | 4           | 11          | 5           |
| <b>Profit before Tax</b>          | <b>41</b>   | <b>55</b>   | <b>67</b>   | <b>54</b>   |
| Margin (%)                        | 7.4         | 9.7         | 11.5        | 9.2         |
| Total Tax                         | 10          | 18          | 17          | 16          |
| Effective tax rate (%)            | 23.3        | 32.2        | 26.0        | 29.0        |
| <b>Profit after Tax</b>           | <b>32</b>   | <b>37</b>   | <b>49</b>   | <b>38</b>   |
| Minority interest                 | -           | -           | -           | -           |
| Share Profit from Associates      | -           | -           | -           | -           |
| <b>Adjusted PAT</b>               | <b>32</b>   | <b>37</b>   | <b>49</b>   | <b>38</b>   |
| YoY gr. (%)                       | 31.8        | 50.7        | 131.8       | 63.8        |
| Margin (%)                        | 5.7         | 6.5         | 8.5         | 6.5         |
| Extra Ord. Income / (Exp)         | -           | -           | -           | -           |
| <b>Reported PAT</b>               | <b>32</b>   | <b>37</b>   | <b>49</b>   | <b>38</b>   |
| YoY gr. (%)                       | 31.8        | 50.7        | 131.8       | 63.8        |
| Margin (%)                        | 5.7         | 6.5         | 8.5         | 6.5         |
| Other Comprehensive Income        | -           | -           | -           | -           |
| <b>Total Comprehensive Income</b> | <b>32</b>   | <b>37</b>   | <b>49</b>   | <b>38</b>   |
| Avg. Shares O/s (bn)              | 2           | 2           | 2           | 2           |
| <b>EPS (Rs)</b>                   | <b>14.3</b> | <b>16.8</b> | <b>22.2</b> | <b>17.2</b> |

Source: Company Data, PL Research

**Key Financial Metrics**

| Y/e Mar                    | FY24  | FY25E | FY26E | FY27E |
|----------------------------|-------|-------|-------|-------|
| <b>Per Share(Rs)</b>       |       |       |       |       |
| EPS                        | 45.7  | 69.1  | 69.0  | 75.5  |
| CEPS                       | 81.3  | 106.7 | 109.9 | 117.7 |
| BVPS                       | 478.1 | 543.7 | 608.7 | 680.2 |
| FCF                        | 37.5  | 20.1  | 4.9   | 44.8  |
| DPS                        | 3.5   | 4.0   | 4.0   | 4.5   |
| <b>Return Ratio(%)</b>     |       |       |       |       |
| RoCE                       | 11.4  | 14.7  | 13.9  | 14.3  |
| ROIC                       | 8.5   | 11.0  | 9.9   | 10.4  |
| RoE                        | 10.1  | 13.5  | 12.0  | 11.7  |
| <b>Balance Sheet</b>       |       |       |       |       |
| Net Debt : Equity (x)      | 0.3   | 0.3   | 0.3   | 0.2   |
| Net Working Capital (Days) | 38    | 35    | 35    | 35    |
| <b>Valuation(x)</b>        |       |       |       |       |
| PER                        | 15.4  | 10.2  | 10.2  | 9.3   |
| P/B                        | 1.5   | 1.3   | 1.2   | 1.0   |
| P/CEPS                     | 8.6   | 6.6   | 6.4   | 6.0   |
| EV/EBITDA                  | 7.9   | 6.2   | 6.1   | 5.4   |
| EV/Sales                   | 0.9   | 0.8   | 0.8   | 0.7   |
| Dividend Yield (%)         | 0.5   | 0.6   | 0.6   | 0.6   |

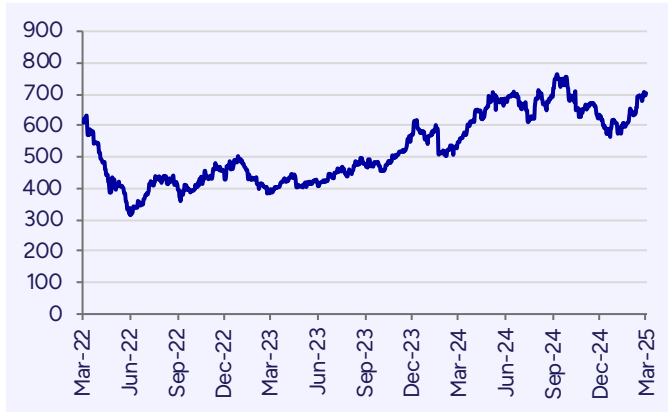
Source: Company Data, PL Research

**Key Operating Metrics**

| Y/e Mar                 | FY24  | FY25E | FY26E | FY27E |
|-------------------------|-------|-------|-------|-------|
| Novelis volumes (mt)    | 3.7   | 3.8   | 3.9   | 4.1   |
| Novelis EBITDA/t        | 460   | 480   | 440   | 480   |
| Aluminium Price (USD/t) | 2,204 | 2,507 | 2,593 | 2,632 |

Source: Company Data, PL Research

**Price Chart**



**Recommendation History**

| No. | Date      | Rating | TP (Rs.) | Share Price (Rs.) |
|-----|-----------|--------|----------|-------------------|
| 1   | 17-Feb-25 | BUY    | 696      | 604               |
| 2   | 09-Jan-25 | BUY    | 682      | 589               |
| 3   | 13-Nov-24 | BUY    | 741      | 652               |
| 4   | 07-Oct-24 | BUY    | 847      | 748               |
| 5   | 13-Aug-24 | BUY    | 749      | 621               |
| 6   | 07-Jul-24 | BUY    | 796      | 698               |
| 7   | 25-May-24 | BUY    | 779      | 673               |
| 8   | 12-Apr-24 | BUY    | 658      | 603               |

**Analyst Coverage Universe**

| Sr. No. | Company Name              | Rating     | TP (Rs) | Share Price (Rs) |
|---------|---------------------------|------------|---------|------------------|
| 1       | ACC                       | BUY        | 2,878   | 2,001            |
| 2       | Ambuja Cement             | BUY        | 628     | 522              |
| 3       | Dalmia Bharat             | Accumulate | 1,988   | 1,799            |
| 4       | Hindalco Industries       | BUY        | 696     | 604              |
| 5       | Jindal Stainless          | Accumulate | 715     | 626              |
| 6       | Jindal Steel & Power      | Accumulate | 847     | 792              |
| 7       | JSW Steel                 | Hold       | 919     | 932              |
| 8       | National Aluminium Co.    | Accumulate | 205     | 183              |
| 9       | NMDC                      | Accumulate | 70      | 64               |
| 10      | Nuvoco Vistas Corporation | Hold       | 339     | 353              |
| 11      | Shree Cement              | Hold       | 26,190  | 27,796           |
| 12      | Steel Authority of India  | Hold       | 107     | 106              |
| 13      | Tata Steel                | Accumulate | 145     | 129              |
| 14      | Ultratech Cement          | BUY        | 12,303  | 10,128           |

**PL's Recommendation Nomenclature (Absolute Performance)**

|                          |                                   |
|--------------------------|-----------------------------------|
| <b>Buy</b>               | : > 15%                           |
| <b>Accumulate</b>        | : 5% to 15%                       |
| <b>Hold</b>              | : +5% to -5%                      |
| <b>Reduce</b>            | : -5% to -15%                     |
| <b>Sell</b>              | : < -15%                          |
| <b>Not Rated (NR)</b>    | : No specific call on the stock   |
| <b>Under Review (UR)</b> | : Rating likely to change shortly |

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