

# Cera Sanitaryware

## BUY

Encouraging operating margin improvement

### Summary

Cera Sanitaryware Ltd.'s (Cera) Q4FY24 result was above our and consensus estimates on key parameters. However, the management expects sluggish demand in Q1FY25 due to elections and slowdown in the real estate projects and demand may improve post Q1FY25 led by increase in government projects. In Q4FY24, Sanitary ware/faucet ware/tiles and wellness contributed 51%/38%/9% and 2% respectively. The contribution from tier1/tier2/tier3 cities stood at 31%/21%/45%, while premium/mid-level and entry-level products contributed 41%/35% and 41% in Q4FY24. We have broadly maintained our earnings estimates for FY25E/FY26E. Post recent stock price correction, valuation looks attractive from current level. We upgrade the stock to BUY with a revised TP of Rs8,257 (earlier Rs8,003), assigning 34xPER on FY26E.

### Key Highlights and Investment Rationale

- Year end product push aided net sales growth:** Cera's Q4FY24 results were majorly driven by year end product push by the dealers. Net sales increased by 3.1% YoY to Rs5.4bn, while EBITDA came in at Rs950mn, higher by 8.9% YoY. PAT stood at Rs757mn, improved by 11.1% over Q4FY23. The company's capacity addition in sanitaryware division is on track and the new plant is expected to be operational in FY27E. Further, the company will focus more on the luxury products and expects the luxury brands to contribute ~8% to the topline by the end of FY28.
- A long term play, BUY with a TP of Rs8,257:** We anticipate Cera's earnings to moderate in near term amid subdued demand and challenging business environment. On a positive side, capacity addition in faucetware is encouraging. We would be watchful on management strategies for sustainable earnings growth in near term. BUY with a TP of Rs8,257.

TP **Rs8,257**

CMP **Rs6,948**

Potential upside/downside **19%**

Previous Rating **HOLD**

### Price Performance (%)

	-1m	-3m	-12m
Absolute	(2.6)	(7.7)	(3.3)
Rel to Sensex	(1.0)	(9.9)	(21.2)

### V/s Consensus

EPS (Rs)	FY25E	FY26E
IDBI Capital	203	243
Consensus	208	244
% difference	(2.2)	(0.2)

### Key Stock Data

Bloomberg / Reuters	CRS IN / CERA.BO
Sector	Building Material Product
Shares o/s (mn)	13
Market cap. (Rs mn)	90,364
3-m daily average Trd value (Rs mn)	6.7
52-week high / low	Rs9,782 / 6,551
Sensex / Nifty	73,105 / 22,218

### Shareholding Pattern (%)

Promoters	54.5
FII	21.9
DII	6.6
Public	17.0

### Financial snapshot

(Rs mn)

Year	FY22	FY23	FY24	FY25E	FY26E
Revenue	14,418	17,962	18,712	20,802	23,298
Change (yoy, %)	20	25	4	11	12
EBITDA	2,213	2,852	2,943	3,421	4,126
Change (yoy, %)	48	29	1	16	21
EBITDA Margin(%)	15.3	15.9	15.7	16.4	17.7
Adj.PAT	1,553	2,158	2,414	2,635	3,159
EPS (Rs)	119	166	186	203	243
Change (yoy, %)	51.7	39.0	11.9	9.1	19.9
PE(x)	58.2	41.8	37.4	34.3	28.6
Dividend Yield (%)	0.5	0.7	0.9	1.0	1.1
EV/EBITDA (x)	40.8	30.9	30.6	26.1	21.4
RoE (%)	16.5	19.8	19.2	18.5	19.7
RoCE (%)	17.2	21.9	18.9	18.8	20.4

Source: IDBI Capital Research

### Archana Gude

archana.gude@idbicapital.com  
+91-22-4069 1938

### Sarthak Awasthi

sarthak.awasthi@idbicapital.com  
+91-22-4069 1839

## Concall Highlights

### Industry:

- The company expects the sluggish demand to continue in Q1FY25 due to elections and slowdown in the real estate projects. However, management is confident that demand will improve post Q1FY25 led by increase in government projects.

### Segment performance:

- In Q4FY24, Sanitary ware/faucet ware/tiles and wellness contributed 51%/38%/9% and 2%.
- In Q4FY24, the contribution from tier1/tier2 and tier3 cities stood at 31%/21% and 45%.Also, premium/mid-level and entry-level products contributed 41%/35% and 41%.
- For FY24,the contribution from premium/mid-level and entry-level products contributed 43%/33% and 24% vs 43%/30% and 27% in FY23.
- During the quarter the capacity utilization from Sanitary ware and faucet ware stood at 82% and 90%.

### CAPEX:

- The company has guided the capex of Rs254mn towards plants and machinery maintenance and IT developments to improve supply chain.
- The company has acquired the land for new sanitary ware plant in March 2024, the remaining acquisition of land will be completed by Q1FY25.The project will be completed in 18 months with a capex of ~Rs1.3 bn. The funding of the capex will be through internal accruals.

### Others:

- IN FY24, the company has A&P expense of Rs632mn vs Rs570mn in FY23. The company has guided the A&P expense to be ~Rs650mn in FY25.
- The company has launched retail loyalty program in March 23, the app has registered 19,300 retailers and has recorded more than 20mn invoices.
- Currently the company has 6,200 dealers Vs 5,400 dealers in FY23.

- The company is collaborating with the architects for newer design products.
- During the quarter, the gas prices from GAIL decreased by 20% YoY to Rs28.3 per cubic meter and Sabarmati gas prices increased by 4% to Rs60.5 per cubic meter. The combined gas prices decreased by 24.7% YoY to 32.6 per cubic meter.

**Guidance:**

- The company has guided topline to grow at a CAGR of 16.2% to Rs29bn till FY28.
- The company will focus more on the luxury products and expects the luxury brands to contribute ~8% to the topline by the end of FY28.

**Exhibit 1: Financial snapshot**

Particulars (mn)	Q4FY24	Q3FY24	QoQ (%)	Q4FY23	YoY (%)
<b>Total revenues</b>	<b>5,488</b>	<b>4,389</b>	<b>25.0</b>	<b>5,325</b>	<b>3.1</b>
Total expenditure	4,538	3,775	20.2	4,453	1.9
<b>EBIDTA</b>	<b>950</b>	<b>614</b>	<b>54.5</b>	<b>872</b>	<b>8.9</b>
<b>EBIDTA margin(%)</b>	<b>17.3</b>	<b>14.0</b>	<b>330bps</b>	<b>16.4</b>	<b>93bps</b>
Depreciation	97	97	0.1	83	15.9
Interest cost	15	16	(1.7)	21	(26.8)
Other income	157	160	-	124	27.0
PBT	995	662	50.3	891	11.6
Tax	238	147	62.1	210	13.3
<b>Adj. net profit</b>	<b>757</b>	<b>515</b>	<b>46.9</b>	<b>682</b>	<b>11.1</b>
Adj. EPS (INR)	58.2	39.6	46.9	52.4	11.1

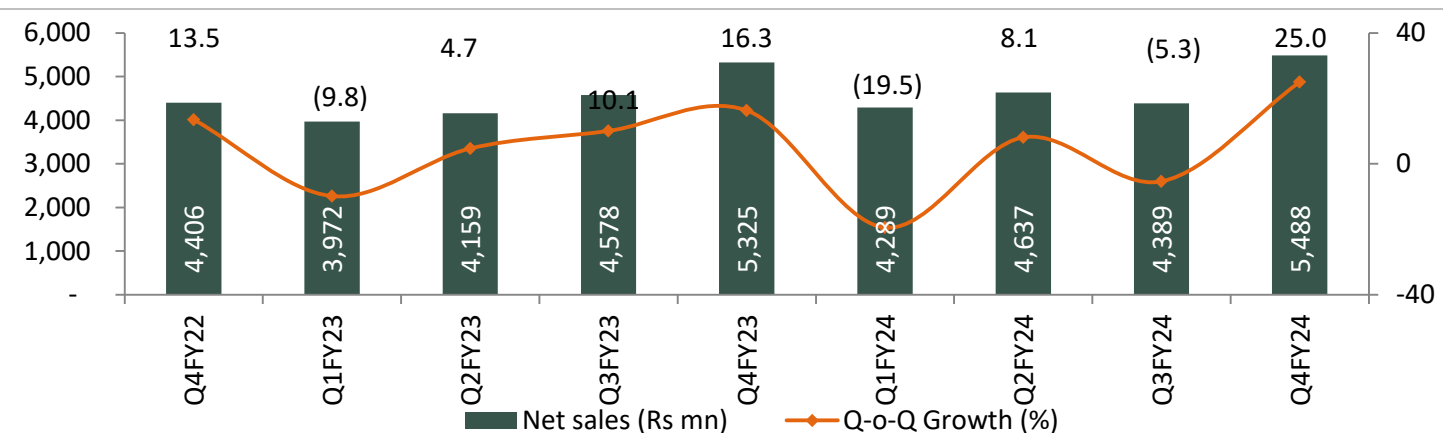
Source: Company; IDBI Capital Research

**Exhibit 2: Actual Vs Estimates**

Particulars	Q4FY24A	Q4FY24E	Variance (%)
<b>Net Sales</b>	<b>5,488</b>	<b>5,275</b>	<b>4.0</b>
EBITDA	950	780	21.7
<i>EBITDA Margin (%)</i>	<i>17</i>	<i>15</i>	<i>251bps</i>
<b>Net Profit</b>	<b>757</b>	<b>554</b>	<b>36.7</b>
EPS (Rs)	58.2	42.6	36.7

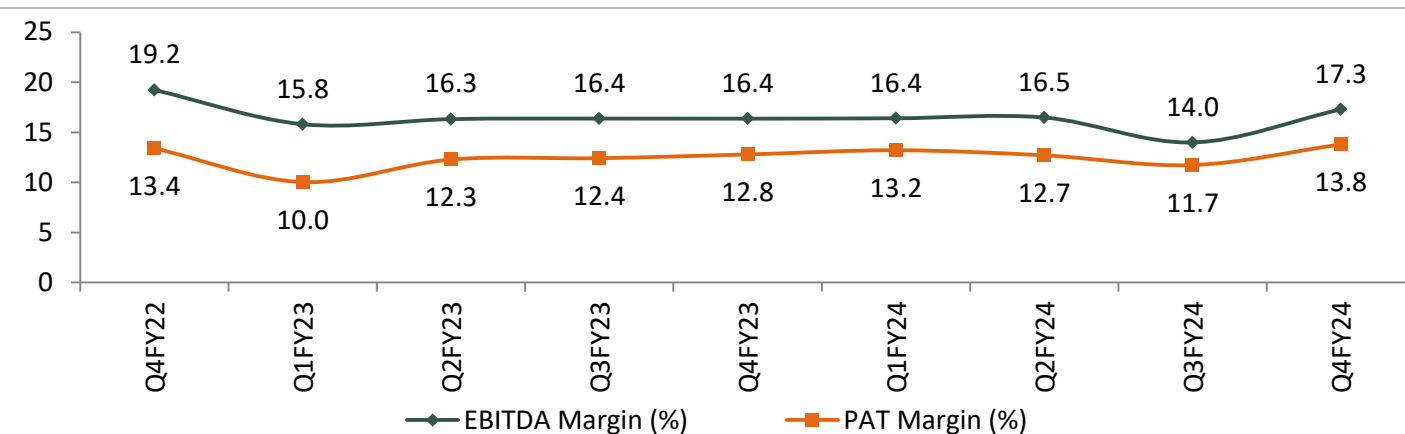
Source: Company; IDBI Capital Research

**Exhibit 3: Quarterly Net sales Growth Analysis**



Source: Company; IDBI Capital Research

**Exhibit 4: Quarterly Margin Profile Analysis**



Source: Company; IDBI Capital Research

## Financial Summary

### Profit & Loss Account

(Rs mn)

Year-end: March	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>Net sales</b>	<b>12,017</b>	<b>14,418</b>	<b>17,962</b>	<b>18,712</b>	<b>20,802</b>	<b>23,298</b>
<i>Change (yoy, %)</i>	<i>(0.6)</i>	<i>20</i>	<i>25</i>	<i>4</i>	<i>11</i>	<i>12</i>
Operating expenses	(10,517)	(12,205)	(15,110)	(15,769)	(17,381)	(19,172)
<b>EBITDA</b>	<b>1,500</b>	<b>2,213</b>	<b>2,852</b>	<b>2,943</b>	<b>3,421</b>	<b>4,126</b>
<i>Change (yoy, %)</i>	<i>-7.5</i>	<i>48</i>	<i>29</i>	<i>1</i>	<i>16</i>	<i>21</i>
<i>Margin (%)</i>	<i>12.5</i>	<i>15.3</i>	<i>15.9</i>	<i>15.7</i>	<i>16.4</i>	<i>17.7</i>
Depreciation	(332)	(304)	(304)	(344)	(518)	(592)
<b>EBIT</b>	<b>1,167</b>	<b>1,908</b>	<b>2,547</b>	<b>2,599</b>	<b>2,903</b>	<b>3,534</b>
Interest paid	(32)	(44)	(43)	(46)	(54)	(53)
Other income	218	228	374	611	685	753
<b>Pre-tax profit</b>	<b>1,353</b>	<b>2,035</b>	<b>2,829</b>	<b>3,149</b>	<b>3,534</b>	<b>4,234</b>
Tax	(329)	(539)	(721)	(750)	(899)	(1,075)
<i>Effective tax rate (%)</i>	<i>24.3</i>	<i>26.5</i>	<i>25.5</i>	<i>23.8</i>	<i>25.4</i>	<i>25.4</i>
Minority Interest	-	-	-	-	-	-
<b>Net profit</b>	<b>1,024</b>	<b>1,496</b>	<b>2,108</b>	<b>2,399</b>	<b>2,635</b>	<b>3,159</b>
Exceptional items	-	(57)	(50)	(16)	-	-
<b>Adjusted net profit</b>	<b>1,024</b>	<b>1,553</b>	<b>2,158</b>	<b>2,414</b>	<b>2,635</b>	<b>3,159</b>
<i>Change (yoy, %)</i>	<i>(11.1)</i>	<i>52</i>	<i>39</i>	<i>12</i>	<i>9</i>	<i>20</i>
EPS	78.7	119.4	165.9	185.6	202.6	242.9
Dividend per sh	13.0	35.0	50.0	60.0	70.0	75.0
<i>Dividend Payout %</i>	<i>19.8</i>	<i>35.2</i>	<i>36.2</i>	<i>39</i>	<i>41</i>	<i>37</i>

**Balance Sheet**

(Rs mn)

Year-end: March	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>Shareholders' funds</b>	<b>8,744</b>	<b>10,057</b>	<b>11,692</b>	<b>13,425</b>	<b>15,006</b>	<b>17,033</b>
Share capital	65	65	65	65	65	65
Reserves & surplus	8,679	9,992	11,627	13,360	14,941	16,968
<b>Total Debt</b>	<b>124</b>	<b>192</b>	<b>183</b>	<b>163</b>	<b>155</b>	<b>147</b>
Other liabilities	2,170	853	978	997	1,102	1,225
<b>Curr Liab &amp; prov</b>	<b>1,792</b>	<b>3,173</b>	<b>3,703</b>	3,666	3,890	4,164
Current liabilities	1,668	3,060	3,484	3,412	3,619	3,875
Provisions	125	113	218	255	271	289
<b>Total liabilities</b>	<b>4,086</b>	<b>4,217</b>	<b>4,864</b>	<b>4,826</b>	<b>5,146</b>	<b>5,536</b>
<b>Total equity &amp; liabilities</b>	<b>12,830</b>	<b>14,274</b>	<b>16,556</b>	<b>18,252</b>	<b>20,152</b>	<b>22,568</b>
Net fixed assets	3,167	3,055	3,121	3,447	3,435	3,349
Investments	5,131	5,673	6,688	8,090	8,885	9,762
Other non-curr assets	197	231	429	318	325	331
<b>Current assets</b>	<b>4,334</b>	<b>5,315</b>	<b>6,318</b>	<b>6,396</b>	<b>7,508</b>	<b>9,126</b>
Inventories	1,697	2,877	3,764	3,586	3,766	3,992
Sundry Debtors	2,067	1,641	1,883	2,013	2,154	2,262
Cash and Bank	98	241	253	341	1,110	2,361
Loans and advances	472	556	418	455	478	511
<b>Total assets</b>	<b>12,830</b>	<b>14,274</b>	<b>16,556</b>	<b>18,252</b>	<b>20,152</b>	<b>22,568</b>

**Cash Flow Statement**

(Rs mn)

Year-end: March	FY21	FY22	FY23	FY24	FY25E	FY26E
Pre-tax profit	1,353	2,035	2,829	3,149	3,534	4,234
Depreciation	332	304	326	344	518	592
Tax paid	(329)	(524)	(702)	(647)	(809)	(968)
Chg in working capital	1,130	804	(599)	11	(97)	(59)
Other operating activities	-	-	-	-	-	-
<b>Cash flow from operations (a)</b>	<b>2,487</b>	<b>2,619</b>	<b>1,855</b>	<b>2,857</b>	<b>3,145</b>	<b>3,799</b>
Capital expenditure	(166)	(192)	(393)	(670)	(505)	(507)
Chg in investments	(2,507)	(542)	(1,014)	(1,403)	(795)	(877)
Other investing activities	-	-	-	-	-	-
<b>Cash flow from investing (b)</b>	<b>(2,673)</b>	<b>(734)</b>	<b>(1,407)</b>	<b>(2,072)</b>	<b>(1,300)</b>	<b>(1,384)</b>
Equity raised/(repaid)	-	-	-	-	-	-
Debt raised/(repaid)	(27)	68	(9)	(20)	(8)	(8)
Dividend (incl. tax)	(203)	(546)	(780)	(936)	(1,093)	(1,171)
Chg in minorities	-	-	-	-	-	-
Other financing activities	499	(1,263)	353	260	24	14
<b>Cash flow from financing (c)</b>	<b>269</b>	<b>(1,742)</b>	<b>(436)</b>	<b>(697)</b>	<b>(1,077)</b>	<b>(1,164)</b>
<b>Net chg in cash (a+b+c)</b>	<b>82</b>	<b>143</b>	<b>12</b>	<b>88</b>	<b>769</b>	<b>1,251</b>



### Financial Ratios

Year-end: March	FY21	FY22	FY23	FY24	FY25E	FY26E
Book Value (Rs)	672.3	773	899	1,032	1,154	1,310
Adj EPS (Rs)	78.7	119.4	165.9	185.6	202.6	242.9
Adj EPS growth (%)	-11.1	52	39	12	9	20
EBITDA margin (%)	12.5	15.3	15.9	15.7	16.4	17.7
Pre-tax margin (%)	11.3	14.1	15.7	16.8	17.0	18.2
Net Debt/Equity (x)	0.0	0.0	0.0	0.0	-0.1	-0.1
ROCE (%)	11.0	17	21	19	19	20
ROE (%)	12.4	17	20	19	19	20

### DuPont Analysis

Asset turnover (x)	1.0	1.1	1.2	1.1	1.1	1.1
Leverage factor (x)	1.5	1.4	1.4	1.4	1.4	1.3
Net margin (%)	8.5	10.8	12.0	12.9	12.7	13.6

### Working Capital & Liquidity ratio

Inventory days	52	73	76	70	66	63
Receivable days	63	42	38	39	38	35
Payable days	50	58	51	42	41	40

### Valuations

Year-end: March	FY21	FY22	FY23	FY24	FY25E	FY26E
PER (x)	88.2	58.2	41.8	37.4	34.3	28.6
Price/Book value (x)	10.3	9.0	7.7	6.7	6.0	5.3
EV/Net sales (x)	7.5	6.3	5.0	4.8	4.3	3.8
EV/EBITDA (x)	60.2	40.8	30.9	30.6	26.1	21.4
Dividend Yield (%)	0.2	0.5	0.7	0.9	1.0	1.1

Source: Company; IDBI Capital Research



# Notes

Dealing

(91-22) 6836 1111

dealing@idbicapital.com

**Key to Ratings Stocks:****BUY:** 15%+; **HOLD:** -5% to 15%; **SELL:** -5% and below.**IDBI Capital Markets & Securities Ltd.****Equity Research Desk**

6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai – 400 005. Phones: (91-22) 4069 1700; Fax: (91-22) 2215 1787; Email: info@idbicapital.com

**SEBI Registration:** BSE & NSE (Cash & FO) – INZ000007237, NSDL – IN-DP-NSDL-12-96, Research – INH000002459, CIN – U65990MH1993GOI075578**Compliance Officer:** Pushkar Vartak; Email: compliance@idbicapital.com; Telephone: (91-22) 4069 1907**Disclaimer**

This report has been published by IDBI Capital Markets & Securities Ltd.(hereinafter referred to as “IDBI Capital”) for private circulation. This report should not be reproduced or copied or made available to others. No person associated with IDBI Capital is obligated to call or initiate contact with you for the purposes of elaborating or following up on the information contained in this report. The information contained herein is strictly confidential and meant for solely for the selected recipient and may not be altered in any way, transmitted to copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without the prior written consent of IDBI Capital.

Recipients may not receive this report at the same time as other recipients. IDBI Capital will not treat recipients as customers by virtue of their receiving this report.

The information contained herein is from the public domain or sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up-to-date and it should not be relied upon as such. While reasonable care has been taken to ensure that information given is at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the very nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. In so far as this report includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Opinions expressed are current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis, the information discussed in this material, IDBI Capital, its directors, employees are under no obligation to update or keep the information current. Further there may be regulatory, compliance, or other reasons that prevent us from doing so.

Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice.

IDBI Capital, its directors and employees and any person connected with it, will not in any way be responsible for the contents of this report or for any losses, costs, expenses, charges, including notional losses/lost opportunities incurred by a recipient as a result of acting or non-acting on any information/material contained in the report.

This is not an offer to sell or a solicitation to buy any securities or an attempt to influence the opinion or behavior of investors or recipients or provide any investment/tax advice.

This report is for information only and has not been prepared based on specific investment objectives. The securities discussed in this report may not be suitable for all investors. Investors must make their own investment decision based on their own investment objectives, goals and financial position and based on their own analysis.

Trading in stocks, stock derivatives, and other securities is inherently risky and the recipient agrees to assume complete and full responsibility for the outcomes of all trading decisions that the recipient makes, including but not limited to loss of capital.

Opinions, projections and estimates in this report solely constitute the current judgment of the author of this report as of the date of this report and do not in any way reflect the views of IDBI Capital, its directors, officers, or employees.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IDBI Capital and associates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this report may come are required to inform themselves of and to observe such restriction.

E-mail is not a secure method of communication. IDBI Capital cannot accept responsibility for the accuracy or completeness of any e-mail message or any attachment(s).

This transmission could contain viruses, be corrupted, destroyed, incomplete, intercepted, lost or arrived late. IDBI Capital, its directors or employees or associates accept no liability for any damage caused, directly or indirectly, by this email.

## Analyst Disclosures

We, Archana Gude and Sarthak Awasthi, hereby certify that the views expressed in this report accurately reflect my personal views about the subject companies and / or securities. I also certify that no part of my compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report. Principally, I will be responsible for the preparation of this research report and have taken reasonable care to achieve and maintain independence and objectivity in making any recommendations herein.

## Other Disclosure

IDBI Capital Markets & Securities Ltd. (herein after referred to as "IDBI Capital") was incorporated in the year 1993 under Companies Act, 1956 and is a wholly owned subsidiary of IDBI Bank Limited. IDBI Capital is one of India's leading securities firm which offers a full suite of products and services to individual, institutional and corporate clients namely Stock broking (Institutional and Retail) , Distribution of financial products, Merchant Banking, Corporate Advisory Services, Debt Arranging & Underwriting, Portfolio Manager Services and providing Depository Services. IDBI Capital is a registered trading and clearing member of BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE). IDBI Capital is also a SEBI registered Merchant Banker, Portfolio Manager and Research Analyst. IDBI Capital is also a SEBI registered depository participant with National Securities Depository Limited (NSDL) and is also a Mutual Fund Advisor registered with Association of Mutual Funds in India (AMFI).

IDBI Capital and its associates IDBI Bank Ltd. (Holding Company), IDBI Intech Ltd. (Fellow Subsidiary), IDBI Asset Management Ltd. (Fellow Subsidiary) and IDBI Trusteeship Services Ltd. (Fellow Subsidiary).

IDBI Group is a full-serviced banking, integrated investment banking, investment management, brokerage and financing group. Details in respect of which are available on [www.idbicapital.com](http://www.idbicapital.com) IDBI Capital along with its associates are leading underwriter of securities and participants in virtually all securities trading markets in India. We and our associates have investment banking and other business relationships with a significant percentage of the companies covered by our Research Department. Investors should assume that IDBI Capital and/or its associates are seeking or will seek investment banking or other business from the company or companies that are the subject of this material. IDBI Capital generally prohibits its analysts, persons reporting to analysts, and their dependent family members having a financial conflict of interest in the securities or derivatives of any companies that the analysts cover. Additionally, IDBI Capital generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover. Our sales people, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Directors of IDBI Capital or its associates may have interest in the Companies under recommendation in this report either as Director or shareholder. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. We are not soliciting any action based on this material. It is for the general information of clients of IDBI Capital. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. We and our associates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. For the purpose of calculating whether IDBI Capital and its associates holds beneficially owns or controls, including the right to vote for directors, 1% of more of the equity shares of the subject issuer of a research report, the holdings does not include accounts managed by IDBI Asset Management Company/ IDBI Mutual Fund.

IDBI Capital hereby declares that our activities were neither suspended nor we have materially defaulted with any Stock Exchange authority with whom we are registered in last five years. However SEBI, Exchanges and Depositories have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on IDBI Capital for certain operational deviations. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time. IDBI Capital, its directors or employees or associates, may from time to time, have positions in, or options on, and buy and sell securities referred to herein. IDBI Capital or its associates, during the normal course of business, from time to time, may solicit from or perform investment banking or other services for any company mentioned in this document or their connected persons or be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or their affiliate companies or act as advisor or lender / borrower to such company(ies)/associates companies or have other potential conflict of interest. This report may provide hyperlinks to other websites. Except to the extent to which the report refers to the website of IDBI Capital, IDBI Capital states that it has not reviewed the linked site and takes no responsibility for the content contained in such other websites. Accessing such websites shall be at recipient's own risk. IDBI Capital encourages the practice of giving independent opinion in research report preparation by the analyst and thus strives to minimize the conflict in preparation of research report. Accordingly, neither IDBI Capital nor Research Analysts have any material conflict of interest at the time of publication of this report. We offer our research services to primarily institutional investors and their employees, directors, fund managers, advisors who are registered with us. The Research Analyst has not served as an officer, director or employee of Subject Company. We or our associates may have received compensation from the subject company in the past 12 months. We or our associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. We or our associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. We or our associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. We or our associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. Research Analyst or his/her relative's may have financial interest in the subject company. IDBI Capital or its associates may have financial interest in the subject company. Research Analyst or his/her relatives does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. IDBI Capital or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. The Subject Company may have been a client during twelve months preceding the date of distribution of the research report. Price history of the daily closing price of the securities covered in this note is available at [www.bseindia.com](http://www.bseindia.com); [www.nseindia.com](http://www.nseindia.com) and [www.economicstimes.indiatimes.com/markets/stocks/stock-quotes](http://www.economicstimes.indiatimes.com/markets/stocks/stock-quotes).