

IRCTC

HOLD

On growth track

### Summary

Indian Railway Catering and Tourism Corporation (IRCTC) revenues increased by 22% YoY primarily led by 29% YoY & 32% YoY growth in Catering & Tourism revenues. Going forward, the company will benefit by increased capacity due to DFC, increase in Vande Bharat (currently at 41 vs potential of 451), train side vending and renewal of long term catering contract. Hence, we are building robust growth in Catering and Tourism revenues resulting in CAGR growth of 20% & 25% over FY23-FY26E. Further, IRCTC plans to increase its bottling capacity from 16.96 lakhs to 18.4 lakhs bottle per day by FY25E. We have built in 12% revenue CAGR for rail near over FY23-FY26E. We have introduced FY26E estimates and with same multiple of 45x arrive at a target price of Rs 910 vs Rs 745. However, considering recent run up in price we maintain HOLD.

### Key Highlights and Investment Rationale

- Strong long term potential:** The company believes that with introduction of DFC, the capacity for passenger train will increase due to diversion of freight trains to DFC. Hence, this will lead to higher growth in terms of catering and internet ticketing. Further, addition of Vande Bharat trains, increase in license fees will further boost catering revenues. Increased internet ticketing penetration and higher rail near revenues prompt us to remain positive on the long term prospects of the company. In the near term we expect revenue growth to be driven by short term triggers like addition of rail near plants, non-catering tie ups, tie ups with Zomato and new premium trains.
- Margins to remain healthy:** Healthy improvement in catering margins has helped in keeping FY24E margins in a narrow band of 35.5%. Going forward we expect margins to be at 36.1% and 36.2% for FY25E and FY26E.

TP **Rs 910**CMP **Rs 930**

Potential upside/downside -2%

Previous Rating HOLD

### Price Performance (%)

	-1m	-3m	-12m
Absolute	(2.3)	38.6	44.8
Rel to Sensex	(1.3)	27.9	27.1

### V/s Consensus

EPS (Rs)	FY24E	FY25E	FY26E
IDBI Capital	15	18	20
Consensus	15	17	21
% difference	0	1	-1

### Key Stock Data

Bloomberg/Reuters	IRCTC IN /INIR.BO
Sector	MISC. Commercial Services
Shares o/s (mn)	800
Market cap. (Rs mn)	743,640
3-m daily average value (Rs mn)	431.3
52-week high / low	Rs1,050 / 557
Sensex / Nifty	71,823 / 21,840

### Shareholding Pattern (%)

Promoters	62.4
FII	7.3
DII	11.8
Public	18.5

### Financial snapshot

Year	FY22	FY23	FY24E	FY25E	FY26E
Revenue	18,786	35,415	42,540	49,185	55,438
Change (yoy, %)	140	89	20	16	13
EBITDA	8,723	12,762	15,083	17,745	20,046
Change (yoy, %)	355	46	18	18	13
EBITDA Margin(%)	46.4	36.0	35.5	36.1	36.2
Adj.PAT	6,636	9,787	11,994	14,186	16,167
EPS (Rs)*	8	12	15	18	20
Change (yoy, %)	(11.8)	47.5	22.6	18	14
PE(x)	112	76	62	52	46
Dividend Yield (%)	0.4	0.6	0.7	1	1
EV/EBITDA (x)	83	57	48	40	35
RoE (%)	40	45	43	41	34
RoCE (%)	46	54	51	48	40

Source: IDBI Capital Research; Note: (\*) FY22 onwards adjusted for split

### Devang Bhatt

devang.bhatt@idbicapital.com  
+91-22-2217 1846

### Con Call Highlights

- Revenue increased by 12% QoQ & 22% YoY was led by increase in 18% sequential rise in catering and 21% QoQ rise in tourism revenues.
- EBIT margin declined by 144 bps QoQ to 34%. This was mainly led by dip in Internet ticketing margin (70bps QoQ), Catering margin declined by 180 bps QoQ and loss in Rail neer segment.
- Catering – Segment revenue showed robust growth led by addition of 41 new Vande Bharat trains vs potential 75 trains expected. EBIT margin for the segment declined by 180 bps mainly due to change in product mix (higher prepaid trains). All 1518 contracts will be converted to long term (5+2 years) which will pan-out in 5 phases. In collaboration projects with food aggregators, Zomato is now on 22 stations and other 17 aggregators are in discussion.
- Ticketing – 114 mn tickets booked in this quarter (AC, Non AC & second class) which de-grew by 2% QoQ from 116.4 mn. EBIT margin stood at 83% which declined by 70 bps QoQ. Convenience fee stood at Rs. 2190 mn which degrew by 0.9% from Rs 2209.8 mn last quarter.
- Tourism – Revenue stood at Rs.1955 mn which increased by 21% from Rs. 1614 mn last quarter. EBIT margin stood at 12.1% for the quarter. 11 Bharat Gaurav trains are running. MOU signed with Uttarakhand govt (2yrs) for mass tourism and management is in talks with other state governments as well.
- Rail neer – Revenue for the segment stood at Rs. 797 mn which grew by 6% sequentially. The segment reported loss due to provision made of 14.5cr this quarter for incremental revenue share of 25% to railway ministry (total 40% share) in PPP model plants. Rail neer plant capacity is 75% and management is keen for green field & brown field expansion. Current total production capacity is 16.96 lakh bottles per day and management is aiming for 18.5 lakh bottles per day capacity by FY25.

## Exhibit 1: Financial snapshot

(Rs mn)

Year to March (Rs mn)	Q3FY24	Q2FY24	QoQ (%)	Q3FY23	YoY (%)
<b>Revenue</b>	<b>11,183</b>	<b>9,953</b>	<b>12</b>	<b>9,181</b>	<b>22</b>
COGS	6,858	5,915	16	5,543	24
Gross profit	4,325	4,038	7	3,638	19
Other Expenses	385	373	3	380	1
<b>EBITDA</b>	<b>3,940</b>	<b>3,666</b>	<b>7</b>	<b>3,258</b>	<b>21</b>
Depreciation & amortization	139	140	-1	104	34
EBIT	3,801	3,526	8	3,154	20
Other income	456	471	-3	308	48
Interest cost	48	44	8	49	-3
PBT	4,209	3,952	6	3,413	23
Tax	1,064	1,005	6	871	22
<b>Adjusted net profit</b>	<b>3,145</b>	<b>2,947</b>	<b>7</b>	<b>2,542</b>	<b>24</b>
Exceptional items	-145	0	NM	14	NM
<b>Reported net profit</b>	<b>3,000</b>	<b>2,947</b>	<b>2</b>	<b>2,555</b>	<b>17</b>
<b>Reported EPS (Rs)</b>	<b>3.7</b>	<b>3.7</b>	<b>2</b>	<b>3.2</b>	<b>17</b>
<b>As % of net revenue</b>					
Gross profit	38.7	40.6	(1.9)	39.6	(1.0)
SG&A	3.4	3.7	(0.3)	4.1	(0.7)
EBITDA	35.2	36.8	(1.6)	35.5	(0.3)
EBIT	34.0	35.4	(1.4)	34.4	(0.4)
Reported net profit	26.8	29.6	(2.8)	27.8	(1.0)
Tax rate	25.3	25.4	(0.2)	25.5	(0.3)

Source: Company, IDBI Capital Research

**Exhibit 2: Segmental details**

Year to March	Q3FY24	Q2FY24	QoQ (%)	Q3FY23	YoY (%)
<b>Revenue (Rs mn)</b>					
Catering	5,078	4,315	18	3,941	29
Internet Ticketing	3,353	3,275	2	3,010	11
Tourism	1,955	1,614	21	1,478	32
Rail Neer	797	749	6	751	6
<b>EBIT margin (%)</b>					
Catering	15.4%	17.2%	-2%	10.7%	4.7%
Internet Ticketing	83.0%	83.7%	-1%	84.2%	-1.1%
Tourism	12.1%	3.6%	8%	10.8%	1.3%
Rail Neer	-4.1%	12.9%	-17%	11.8%	-15.9%

Source: Company, IDBI Capital Research

**Exhibit 3: Actual vs Estimates**

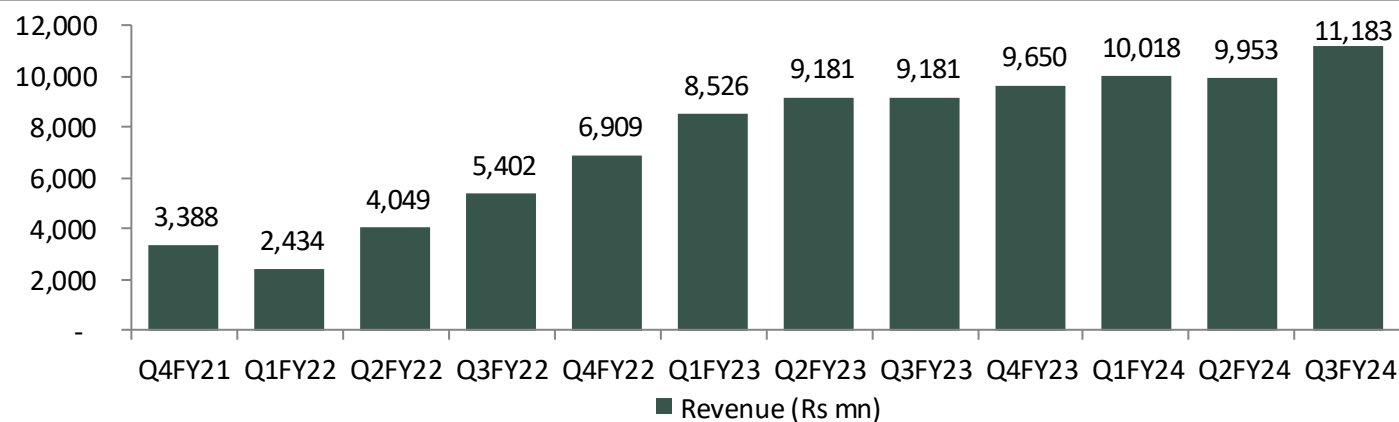
Year to March	Q3FY24	Q3FY24E	Variance (%)
Revenue (Rs mn)	11,183	10,946	2.2%
EBITDA (Rs mn)	3,940	3,964	-0.6%
EBITDA margin (%)	35.2%	36.2%	(98 bps)
Recurring PAT (Rs mn)	3,145	3,169	-0.8%
Recurring PAT margin (%)	28.1%	29.0%	(82 bps)
Recurring EPS (Rs)	3.9	4.0	-0.8%

Source: Company, IDBI Capital Research

**Exhibit 4: Earnings revision**

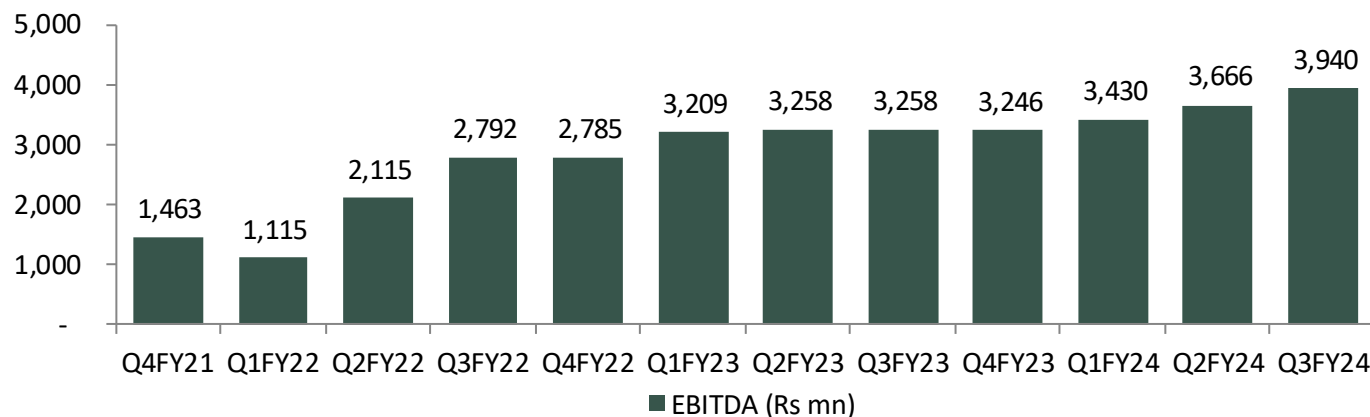
Year to March	FY24E			FY25E			FY26E
	New	Old	Chg (%)	New	Old	Chg (%)	(Introduced)
Revenue (Rs mn)	42,540	41,248	3.1%	49,185	47,056	4.5%	55,438
EBITDA (Rs mn)	15,083	15,404	-2.1%	17,745	16,965	4.6%	20,046
EBITDA margin (%)	35.5%	37.3%	(189 bps)	36.1%	36.1%	0 bps	36.2%
Reported PAT (Rs mn)	11,330	11,546	-1.9%	14,186	13,150	7.9%	16,167
EPS (Rs)	14.2	14.5	-1.9%	17.7	16.4	7.9%	20.2

Source: Company, IDBI Capital Research

**Exhibit 5: Q3FY24 revenue increased by 12% from last quarter**

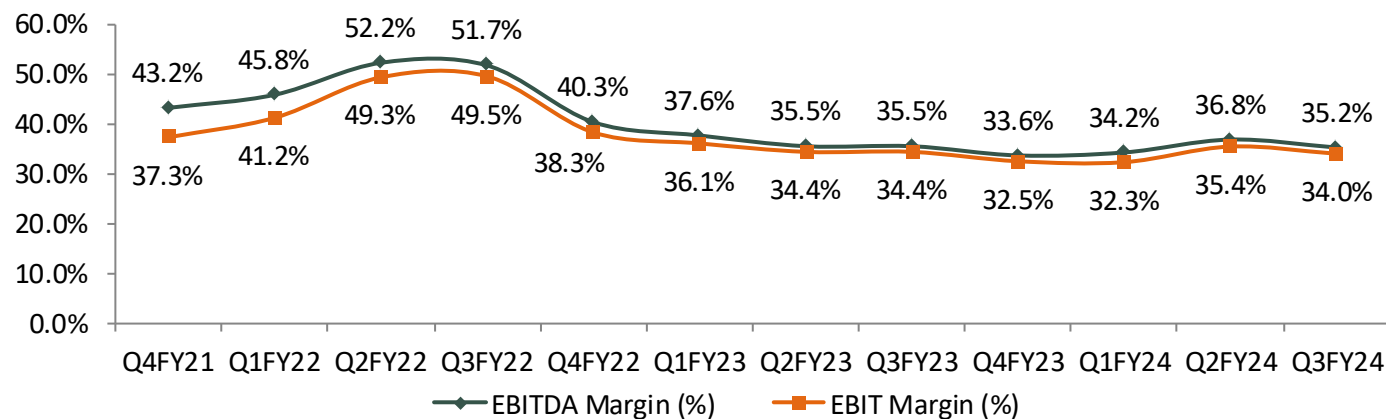
Source: Company, IDBI Capital Research

**Exhibit 6: Q3FY24 EBITDA grew sequentially by 7.4%**



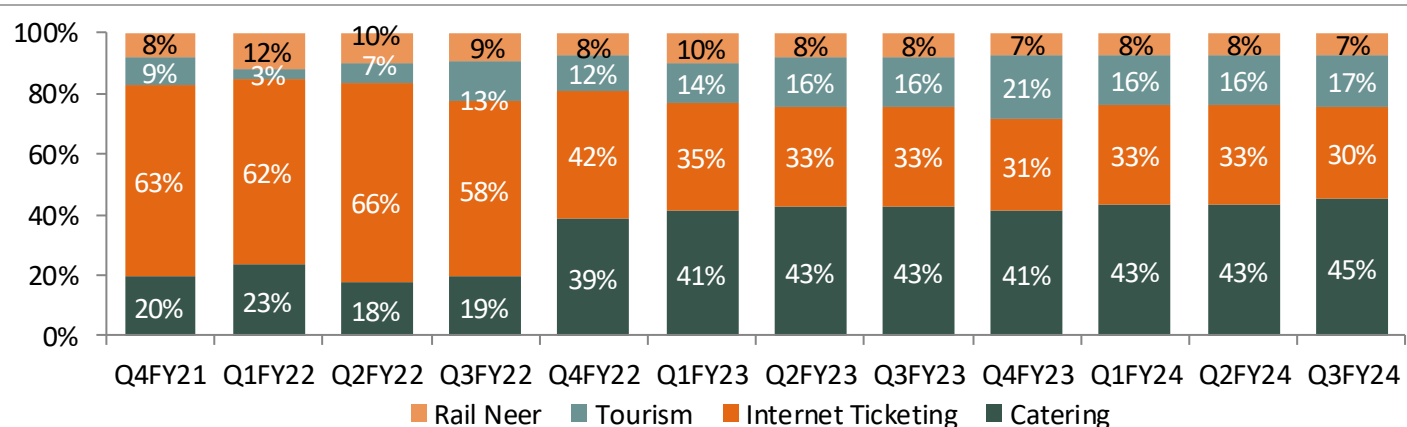
Source: Company; IDBI Capital Research

**Exhibit 7: EBIT margin decline by 144 bps QoQ**



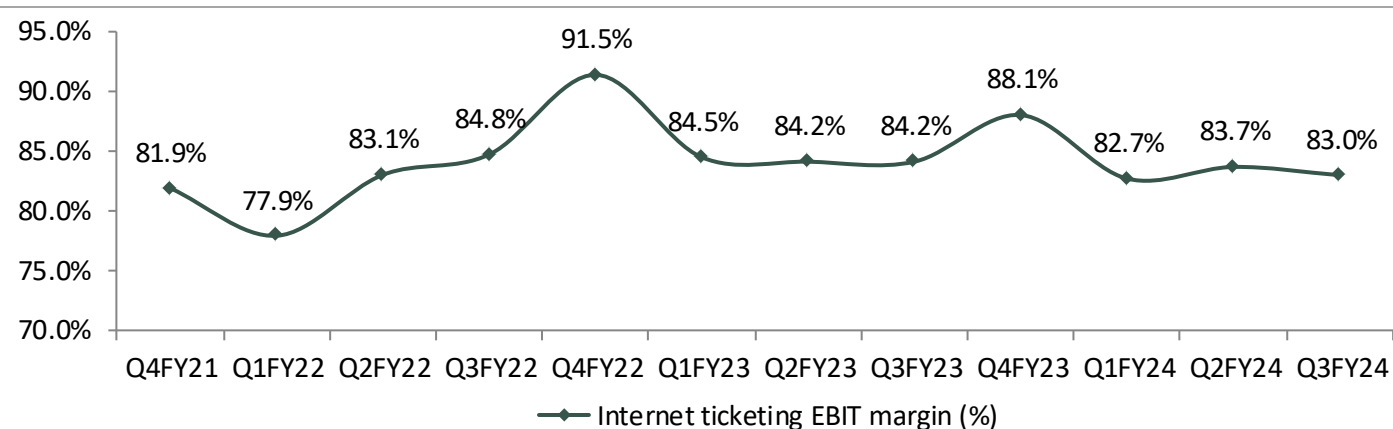
Source: Company; IDBI Capital Research

**Exhibit 8: Revenue share of internet ticketing at 30% v/s 33% in previous quarter**



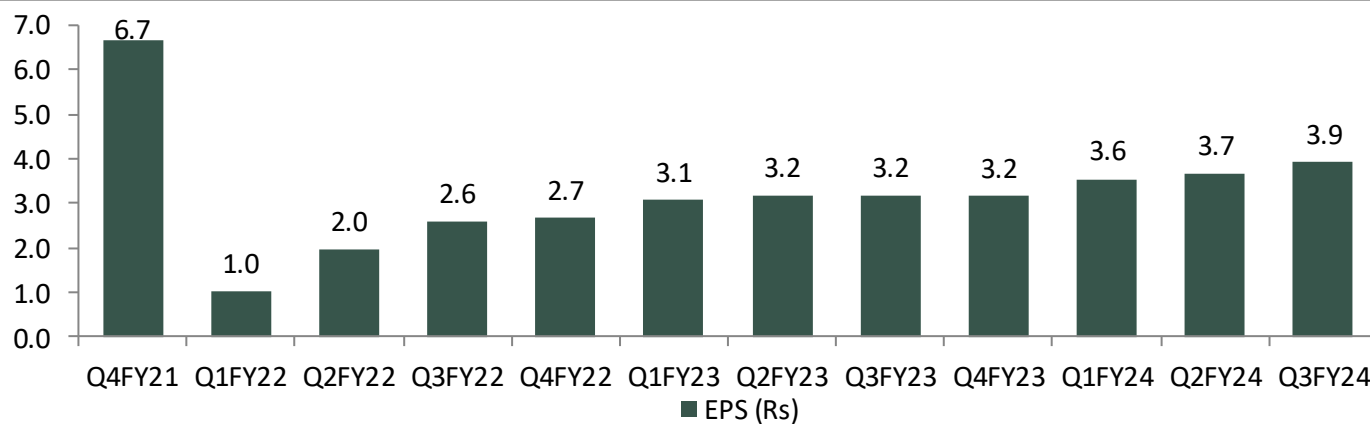
Source: Company; IDBI Capital Research

**Exhibit 9: Internet ticketing EBIT margin came in at 83%**



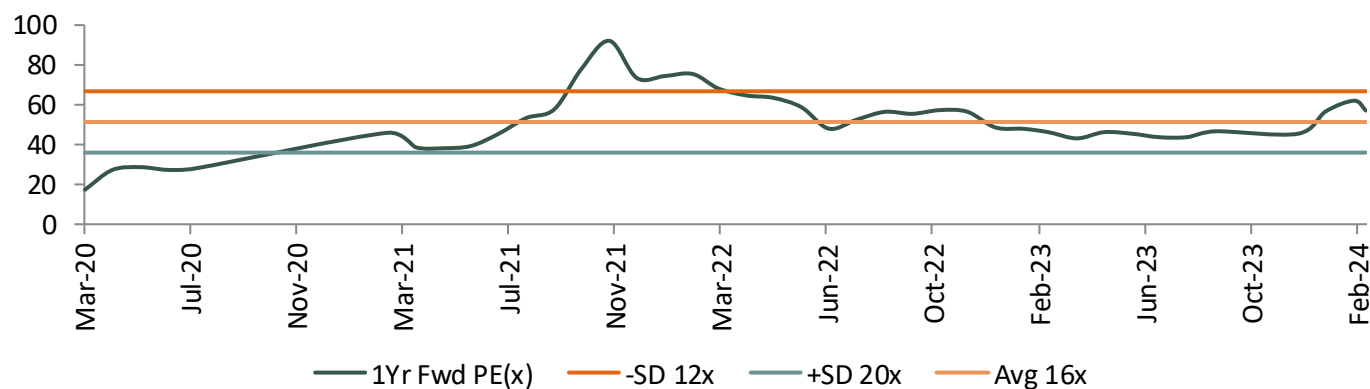
Source: Company; IDBI Capital Research

**Exhibit 10: EPS improved to Rs. 3.9 v/s Rs. 3.7 previous quarter**



Source: Company; IDBI Capital Research; Note: FY22 Adjusted for split

**Exhibit 11: One-year forward PER trend**





## Financial Summary

### Profit & Loss Account

(Rs mn)

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Net sales</b>	<b>7,831</b>	<b>18,786</b>	<b>35,415</b>	<b>42,540</b>	<b>49,185</b>	<b>55,438</b>
<i>Change (yoy, %)</i>	<i>(65.4)</i>	<i>140</i>	<i>89</i>	<i>20</i>	<i>16</i>	<i>13</i>
Operating expenses	(5,915)	(10,063)	(22,653)	(27,457)	(31,441)	(35,391)
<b>EBITDA</b>	<b>1,915</b>	<b>8,723</b>	<b>12,762</b>	<b>15,083</b>	<b>17,745</b>	<b>20,046</b>
<i>Change (yoy, %)</i>	<i>-72.7</i>	<i>355</i>	<i>46</i>	<i>18</i>	<i>18</i>	<i>13</i>
<i>Margin (%)</i>	<i>24.5</i>	<i>46.4</i>	<i>36.0</i>	<i>35.5</i>	<i>36.1</i>	<i>36.2</i>
Depreciation	(475)	(478)	(537)	(555)	(558)	(619)
<b>EBIT</b>	<b>1,440</b>	<b>8,245</b>	<b>12,225</b>	<b>14,529</b>	<b>17,186</b>	<b>19,427</b>
Interest paid	(81)	(111)	(161)	(182)	(191)	(197)
Other income	856	759	1,204	1,775	2,072	2,500
<b>Pre-tax profit</b>	<b>2,609</b>	<b>8,854</b>	<b>13,540</b>	<b>15,457</b>	<b>19,067</b>	<b>21,730</b>
Tax	(710)	(2,258)	(3,481)	(4,127)	(4,881)	(5,563)
<i>Effective tax rate (%)</i>	<i>27.2</i>	<i>25.5</i>	<i>25.7</i>	<i>26.7</i>	<i>25.6</i>	<i>25.6</i>
Minority Interest	-	-	-	-	-	-
<b>Net profit</b>	<b>1,899</b>	<b>6,596</b>	<b>10,059</b>	<b>11,330</b>	<b>14,186</b>	<b>16,167</b>
Exceptional items	394	(40)	272	(664)	-	-
<b>Adjusted net profit</b>	<b>1,505</b>	<b>6,636</b>	<b>9,787</b>	<b>11,994</b>	<b>14,186</b>	<b>16,167</b>
<i>Change (yoy, %)</i>	<i>(70.6)</i>	<i>341</i>	<i>47</i>	<i>23</i>	<i>18</i>	<i>14</i>
EPS*	9.4	8.3	12.2	15.0	17.7	20.2
Dividend per sh	2.5	3.5	5.5	6.5	8.0	9.0
<i>Dividend Payout (%)</i>	<i>32.0</i>	<i>42.2</i>	<i>45.0</i>	<i>43</i>	<i>45</i>	<i>45</i>

Source: IDBI Capital Research; Note: (\*) FY22 onwards adjusted for split

**Balance Sheet**

(Rs mn)

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Shareholders' funds</b>	<b>14,670</b>	<b>18,839</b>	<b>24,784</b>	<b>30,914</b>	<b>38,700</b>	<b>47,667</b>
Share capital	1,600	1,600	1,600	1,600	1,600	1,600
Reserves & surplus	13,070	17,239	23,184	29,314	37,100	46,067
<b>Total Debt</b>	-	-	-	-	-	-
Other liabilities	1,613	1,067	842	842	842	842
<b>Curr Liab &amp; prov</b>	<b>15,332</b>	<b>18,466</b>	<b>25,262</b>	<b>30,271</b>	<b>35,270</b>	<b>37,671</b>
Current liabilities	15,223	17,639	23,932	28,674	33,422	37,671
Provisions	109	827	1,330	1,598	1,847	-
<b>Total liabilities</b>	<b>16,945</b>	<b>19,533</b>	<b>26,104</b>	<b>31,113</b>	<b>36,111</b>	<b>38,512</b>
<b>Total equity &amp; liabilities</b>	<b>31,614</b>	<b>38,372</b>	<b>50,888</b>	<b>62,027</b>	<b>74,811</b>	<b>86,180</b>
Net fixed assets	2,214	2,368	2,602	4,300	5,972	7,584
Investments	0	3	1	1	1	1
Other non-curr assets	2,069	2,690	4,758	5,452	6,100	6,710
<b>Current assets</b>	<b>27,332</b>	<b>33,310</b>	<b>43,526</b>	<b>52,274</b>	<b>62,738</b>	<b>71,885</b>
Inventories	65	79	96	115	133	150
Sundry Debtors	5,400	5,726	11,429	13,729	15,873	17,891
Cash and Bank	14,687	17,316	19,337	23,218	29,143	34,020
Loans and advances	112	1,030	2,088	2,508	2,900	3,269
<b>Total assets</b>	<b>31,614</b>	<b>38,372</b>	<b>50,888</b>	<b>62,027</b>	<b>74,811</b>	<b>86,180</b>

**Cash Flow Statement**

(Rs mn)

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
Pre-tax profit	2,609	8,854	13,540	15,457	19,067	21,730
Depreciation	46	2	1,012	555	558	619
Tax paid	(710)	(2,548)	(3,839)	(4,127)	(4,881)	(5,563)
Chg in working capital	1	1,877	18	2,271	2,444	(2)
Other operating activities	755	(2,596)	(3,066)	(2,822)	(2,632)	(2,477)
<b>Cash flow from operations (a)</b>	<b>2,701</b>	<b>5,589</b>	<b>7,665</b>	<b>11,333</b>	<b>14,556</b>	<b>14,308</b>
Capital expenditure	(496)	(157)	(1,246)	(2,252)	(2,231)	(2,231)
Chg in investments	-	(3)	2	-	-	-
Other investing activities	-	-	-	-	-	-
<b>Cash flow from investing (b)</b>	<b>(496)</b>	<b>(160)</b>	<b>(1,244)</b>	<b>(2,252)</b>	<b>(2,231)</b>	<b>(2,231)</b>
Equity raised/(repaid)	-	-	-	-	-	-
Debt raised/(repaid)	-	-	-	-	-	-
Dividend (incl. tax)	(482)	(2,800)	(4,400)	(5,200)	(6,400)	(7,200)
Chg in minorities	-	-	-	-	-	-
Other financing activities	-	-	-	-	-	-
<b>Cash flow from financing (c)</b>	<b>(482)</b>	<b>(2,800)</b>	<b>(4,400)</b>	<b>(5,200)</b>	<b>(6,400)</b>	<b>(7,200)</b>
<b>Net chg in cash (a+b+c)</b>	<b>1,723</b>	<b>2,629</b>	<b>2,021</b>	<b>3,881</b>	<b>5,925</b>	<b>4,877</b>

Note:

### Financial Ratios

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
Book Value (Rs)	91.7	24	31	39	48	60
Adj EPS (Rs)	9.4	8.3	12.2	15.0	17.7	20.2
Adj EPS growth (%)	-70.6	-12	47	23	18	14
EBITDA margin (%)	24.5	46.4	36.0	35.5	36.1	36.2
Pre-tax margin (%)	33.3	47.1	38.2	36.3	38.8	39.2
Net Debt/Equity (x)	-1.0	-0.9	-0.8	-0.8	-0.8	-0.7
ROCE (%)	9.3	46	54	51	48	40
ROE (%)	10.8	40	45	43	41	34
<b>DuPont Analysis</b>						
Asset turnover (x)	0.2	0.5	0.8	0.8	0.7	0.6
Leverage factor (x)	2.3	2.1	2.0	2.0	2.0	1.8
Net margin (%)	19.2	35.3	27.6	28.2	28.8	29.2
<b>Working Capital &amp; Liquidity ratio</b>						
Inventory days	3	2	1	1	1	1
Receivable days	252	111	118	118	118	118
Payable days	111	246	137	135	140	140

### Valuations

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
PER (x)	99	112	76	62	52	46
Price/Book value (x)	10	39	30	24	19	16
EV/Net sales (x)	17	39	20	17	15	13
EV/EBITDA (x)	70	83	57	48	40	35
Dividend Yield (%)	0	0	1	1	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) 2217 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) 2217 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

I, Devang Bhatt, 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).