

# JSW Steel

## HOLD

EBITDA slightly lower than expected; projects on track

### Summary

JSW Steel's Q3FY24 EBITDA was slightly below our forecast. In Q3FY24, its consolidated sales volumes stood at 6 mn tonnes (lower by 5% QoQ) due to weak retail demand during the quarter. EBITDA decreased by 9% QoQ led by higher coking coal prices. During Q3FY24, net debt increased by Rs100 bn QoQ to Rs792 bn led by higher working capital cost. Further, JSW Steel plans to raise Rs20 bn to meet short term and long-term working capital requirements. We make minor changes to our FY24-25 forecasts and introduce FY26 estimates in this report. We now value the stock at an EV/EBITDA multiple of 6x FY26 (earlier 6x FY25) EBITDA to derive a target price of Rs829 (earlier Rs786) and maintain HOLD rating on the stock.

### Key Highlights and Investment Rationale

- Share of value-added products decrease:** During Q3FY24, JSW's India operations sales volume increased by 18% YoY to 5.82 mn tonnes. The contribution from value added products decreased to 60% in Q3FY24 vs. 62% in Q2FY24. Importantly, JSW's US Ohio sales volumes improved QoQ as well as YoY to 0.18 mn tonnes due to improved demand in the US Operations.
- Projects on track:** During the quarter, JSW's total sales were down by 5% QoQ to 6.00 mn tonnes led by lower retail sales and lower exports, leading to inventory build by 0.63 mn tonnes QoQ during the quarter. The 5 mtpa expansion at Vijaynagar is on track as civil and structural work at blast furnace is nearly complete. Also, the phase II expansion at Bhushan Steel from 3.5 mtpa to 5 .0 mtpa is progressing well and will be completed by Q4FY24. The company has incurred capex of Rs51 bn in Q3FY24 (Rs129 bn in 9MFY24) and it has lowered its capex guidance for FY24 to Rs180 bn (earlier Rs200 bn).

<b>TP</b>	<b>Rs829</b>
<b>CMP</b>	<b>Rs816</b>
Potential upside/downside	2%
Previous Rating	HOLD

### Price Performance (%)

	-1m	-3m	-12m
Absolute	(6.9)	11.5	13.2
Rel to Sensex	(5.0)	0.7	(6.0)

### V/s Consensus

EBITDA (Rs bn)	FY25E	FY26E
IDBI Capital	352	398
Consensus	365	402
% difference	(3.6)	(-1.0)

### Key Stock Data

Bloomberg / Reuters	JSTL IN / JSTL.BO
Sector	Metal & Mining
Shares o/s (mn)	2,445
Market cap. (Rs mn)	1,996,591
3-m daily average value (Rs mn)	133.5
52-week high / low	Rs896 / 650
Sensex / Nifty	70,701 / 21,353

### Shareholding Pattern (%)

Promoters	44.8
FII	26.3
DII	9.5
Public	19.4

### Financial snapshot

Year	FY22	FY23	FY24E	FY25E	FY26E
Revenue	1,464	1,660	1,534	1,772	1,870
Change (yoy, %)	83	13	(8)	15	6
EBITDA	390	185	310	352	398
Change (yoy, %)	94	(52)	67	14	13
EBITDA Margin(%)	26.6	11.2	20.2	19.9	21.3
Adj.PAT	188	29	112	133	155
EPS (Rs)	78	12	47	55	64
Change (yoy, %)	121.2	(84.4)	282.5	19	17
PE(x)	10.5	67.1	17.5	15	13
Dividend Yield (%)	0.9	0.4	0.6	1	1
EV/EBITDA (x)	6.4	13.7	8.4	7.3	6.4
RoE (%)	32.9	4.4	15.7	16	15
RoCE (%)	25.6	7.2	14	16	17

Source: IDBI Capital Research

### Bhavesh Chauhan

bhavesh.chauhan@idbicapital.com  
+91-22-2217 1849

**Exhibit 1: Quarterly Snapshot (Consolidated)**

(Rs mn)

Year-end: March	Q3FY24	Q2FY24	QoQ (%)	Q3FY23	YoY (%)
<b>Net sales</b>	<b>4,19,400</b>	<b>4,45,840</b>	<b>(5.9)</b>	<b>3,91,340</b>	<b>7.2</b>
Expenditure	3,47,600	3,66,980	(5.3)	3,45,870	0.5
<b>EBITDA</b>	<b>71,800</b>	<b>78,860</b>	<b>(9.0)</b>	<b>45,470</b>	<b>57.9</b>
<i>EBITDA margin (%)</i>	<i>17.1</i>	<i>17.7</i>	<i>-57bps</i>	<i>11.6</i>	<i>550bps</i>
<b>EBITDA per ton</b>	<b>11,967</b>	<b>12,438</b>	<b>(3.8)</b>	<b>8,076</b>	<b>48.2</b>
Interest	19,960	20,840	(4.2)	18,190	9.7
Depreciation	20,590	20,190	2.0	18,820	9.4
<b>PBT</b>	<b>33,190</b>	<b>40,200</b>	<b>(17.4)</b>	<b>10,340</b>	<b>221.0</b>
Exceptional items	5,890	-	NA	(5,910)	(199.7)
Tax	8,530	18,120	(52.9)	5,040	69.2
<b>Net profit</b>	<b>24,500</b>	<b>27,730</b>	<b>(11.6)</b>	<b>4,740</b>	<b>416.9</b>
<b>Adjusted Net profit</b>	<b>24,500</b>	<b>21,840</b>	<b>12.2</b>	<b>4,740</b>	<b>416.9</b>
<b>Adjusted EPS</b>	<b>10.1</b>	<b>9.0</b>	<b>12.2</b>	<b>2.0</b>	<b>416.9</b>

Source: Company; IDBI Capital Research

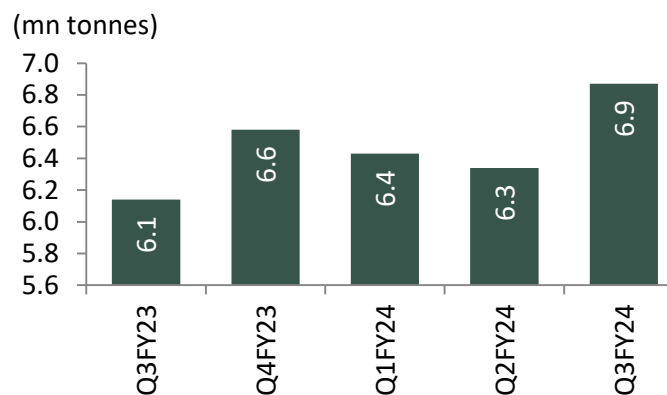
**Exhibit 2: Actual vs. Estimates**

(Rs bn)

	Q3FY24E	Q3FY24A	Variance (%)
<b>Net sales</b>	<b>4,65,832</b>	<b>4,19,400</b>	<b>(10.0)</b>
EBTIDA	75,138	71,800	(4.4)
<b>EBITDA margin (%)</b>	<b>16.1</b>	<b>17.1</b>	<b>99bps</b>
<b>Adj. PAT</b>	<b>11,316</b>	<b>11,967</b>	<b>5.7</b>
Adj. diluted EPS (Rs)	26,781	24,500	(8.5)

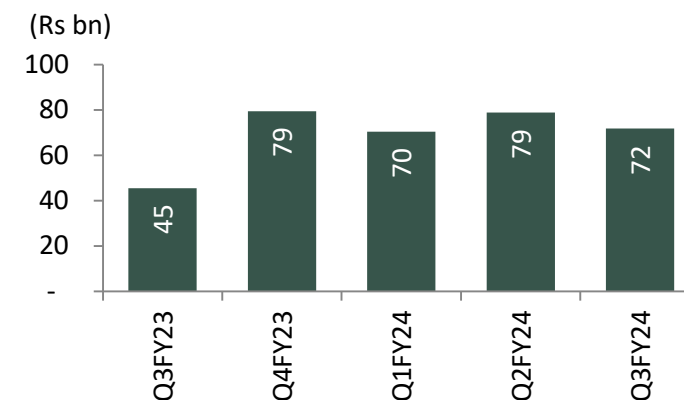
Source: Company; IDBI Capital Research

**Exhibit 3: Consolidated Sales volume grew by 12% YoY**



Source: Company; IDBI Capital Research

**Exhibit 4: Consolidated EBIDTA grew by 58% YoY**



Source: Company; IDBI Capital Research

**Exhibit 5: Change in estimates**

	FY24E			FY25E			FY26E
	Old	New	(%) Chg	Old	New	(%) Chg	
Revenue (Rs bn)	1,565	1,534	(2.0)	1,809	1,772	(2.0)	1,870
EBITDA (Rs bn)	299	310	3.7	373	352	(5.5)	398
EBITDA margin (%)	19	20.2	111bps	21	19.9	-72bps	21.3
Adj. Net profit (Rs bn)	109	112	2.9	139	133	(4.2)	155
Adj. EPS (Rs)	45	46.5	2.9	58	55.2	(4.2)	64.4

Source: Company; IDBI Capital Research

### Conference call highlights

- The company incurred the capex of Rs51 bn during the quarter.
- During the quarter, the coking coal prices were up by 25-30% which impacted profitability.
- US operations reported better volumes led to lower EBITDA loss at Ohio, Italy operations performance was better driven by good demand from the railway sector which led to better realization during the quarter. The company expects the overseas operations to perform well in Q4FY24.
- During the quarter the capacity utilization of Indian Operations was at 94%.
- During the quarter the domestic sales stood at 91% and exports 9%. Domestic sales were down due to elevated imports from China which led to lower retail demand.
- The phase II expansion from 3.5 MTPA to 5MTPA of BPSL plant will be completed in Q4FY24.
- The company is on track to meet guidance of production and sales of 26 mt and 25 mt for FY24.
- The company achieved highest ever quarterly sales to Auto segment(+16% YoY) and Renewable energy segment(+31% YoY).
- The company expects net sales realization and exports to improve in Q4FY24.
- The company has increased prices on certain products in the month of January.

## Financial Summary

### Profit & Loss Account

(Rs bn)

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Net sales</b>	<b>798</b>	<b>1,464</b>	<b>1,660</b>	<b>1,534</b>	<b>1,772</b>	<b>1,870</b>
<i>Change (yoy, %)</i>	8.9	83	13	(8)	15	6
Operating expenses	(597)	(1,074)	(1,474)	(1,224)	(1,420)	(1,472)
<b>EBITDA</b>	<b>201</b>	<b>390</b>	<b>185</b>	<b>310</b>	<b>352</b>	<b>398</b>
<i>Change (yoy, %)</i>	69.6	94	(52)	67	14	13
<i>Margin (%)</i>	25.2	26.6	11.2	20.2	19.9	21.3
Depreciation	(47)	(60)	(75)	(81)	(87)	(94)
<b>EBIT</b>	<b>155</b>	<b>330</b>	<b>111</b>	<b>229</b>	<b>265</b>	<b>303</b>
Interest paid	(40)	(50)	(69)	(77)	(85)	(94)
Other income	6	15	10	11	12	13
<b>Pre-tax profit</b>	<b>121</b>	<b>305</b>	<b>51</b>	<b>164</b>	<b>192</b>	<b>222</b>
Tax	(41)	(88)	(15)	(41)	(48)	(55)
<i>Effective tax rate (%)</i>	34.2	28.9	29.9	25.0	25.0	25.0
Minority Interest	6.2	(12.4)	(13.4)	(10.8)	(11.0)	(11.3)
<b>Net profit</b>	<b>87</b>	<b>212</b>	<b>16</b>	<b>112</b>	<b>133</b>	<b>155</b>
Exceptional items	0	9	(1)	-	-	-
<b>Adjusted net profit</b>	<b>85</b>	<b>188</b>	<b>29</b>	<b>112</b>	<b>133</b>	<b>155</b>
<i>Change (yoy, %)</i>	129.7	121	(84)	283	19	17
EPS	35.2	77.9	12.2	46.5	55.2	64.4
Dividend per share	6.5	7.0	3.6	4.5	6.0	10.0
<i>Dividend Payout (%)</i>	18.5	9.0	29.5	10	11	16

**Balance Sheet**

(Rs bn)

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Shareholders' funds</b>	<b>468</b>	<b>673</b>	<b>657</b>	<b>769</b>	<b>899</b>	<b>1,041</b>
Share capital	3	3	3	3	3	3
Reserves & surplus	465	670	654	766	896	1,038
<b>Total Debt</b>	<b>517</b>	<b>700</b>	<b>788</b>	<b>768</b>	<b>718</b>	<b>668</b>
Other liabilities	91	125	121	121	121	121
<b>Curr Liab &amp; prov</b>	<b>413</b>	<b>455</b>	<b>531</b>	<b>449</b>	<b>502</b>	<b>532</b>
Current liabilities	410	452	528	446	499	529
Provisions	3	3	3	3	3	3
<b>Total liabilities</b>	<b>1,022</b>	<b>1,280</b>	<b>1,440</b>	<b>1,339</b>	<b>1,342</b>	<b>1,322</b>
<b>Total equity &amp; liabilities</b>	<b>1,483</b>	<b>1,965</b>	<b>2,111</b>	<b>2,110</b>	<b>2,232</b>	<b>2,343</b>
<b>Net fixed assets</b>	<b>972</b>	<b>1,166</b>	<b>1,265</b>	<b>1,365</b>	<b>1,457</b>	<b>1,543</b>
Investments	88	49	48	48	48	48
Other non-curr assets	64	96	116	116	116	116
<b>Current assets</b>	<b>358</b>	<b>654</b>	<b>682</b>	<b>582</b>	<b>611</b>	<b>636</b>
Inventories	142	338	331	274	316	334
Sundry Debtors	45	75	71	86	100	105
Cash and Bank	128	174	207	145	112	108
Other current assets	43	67	72	77	82	88
<b>Total assets</b>	<b>1,483</b>	<b>1,965</b>	<b>2,111</b>	<b>2,110</b>	<b>2,232</b>	<b>2,343</b>

**Cash Flow Statement**

(Rs bn)

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
Pre-tax profit	121	305	51	164	192	222
Depreciation	47	60	75	81	87	94
Tax paid	(23)	(47)	(12)	(41)	(48)	(55)
Chg in working capital	137	(184)	86	(39)	(3)	7
Other operating activities	40	(1)	(0)	-	-	-
<b>Cash flow from operations (a)</b>	<b>322</b>	<b>133</b>	<b>199</b>	<b>164</b>	<b>229</b>	<b>268</b>
Capital expenditure	(127)	(254)	(174)	(180)	(180)	(180)
Chg in investments	(76)	39	1	-	-	-
Other investing activities	-	-	-	-	-	-
<b>Cash flow from investing (b)</b>	<b>(203)</b>	<b>(215)</b>	<b>(173)</b>	<b>(180)</b>	<b>(180)</b>	<b>(180)</b>
Equity raised/(repaid)	-	-	-	-	-	-
Debt raised/(repaid)	(93)	182	89	(20)	(50)	(50)
Dividend (incl. tax)	(16)	(17)	(9)	(11)	(15)	(24)
Chg in minorities	6	6	(12)	(22)	(22)	(23)
Other financing activities	-	-	-	-	-	-
<b>Cash flow from financing (c)</b>	<b>(103)</b>	<b>172</b>	<b>68</b>	<b>(52)</b>	<b>(87)</b>	<b>(97)</b>
<b>Net chg in cash (a+b+c)</b>	<b>16</b>	<b>90</b>	<b>94</b>	<b>(68)</b>	<b>(38)</b>	<b>(9)</b>

### Financial Ratios

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
Book Value (Rs)	194.0	279	273	319	373	432
Adj EPS (Rs)	35.2	77.9	12.2	46.5	55.2	64.4
Adj EPS growth (%)	129.7	121	-84	283	19	17
EBITDA margin (%)	25.2	26.6	11.2	20.2	19.9	21.3
Pre-tax margin (%)	15.2	20.8	3.1	10.7	10.8	11.9
Net Debt/Equity (x)	0.8	0.8	0.9	0.8	0.7	0.5
ROCE (%)	14.6	26	7	14	16	17
ROE (%)	20.4	33	4	16	16	15

### DuPont Analysis

Asset turnover (x)	0.6	0.8	0.8	0.7	0.8	0.8
Leverage factor (x)	3.4	3.0	3.1	3.0	2.6	2.3
Net margin (%)	10.6	12.8	1.8	7.3	7.5	8.3

### Working Capital & Liquidity ratio

Inventory days	65	84	73	65	65	65
Receivable days	21	19	16	21	21	21
Payable days	93	105	95	87	87	88

### Valuations

Year-end: March	FY21	FY22	FY23	FY24E	FY25E	FY26E
PER (x)	23.2	10.5	67.1	17.5	14.8	12.7
Price/Book value (x)	4.2	2.9	3.0	2.6	2.2	1.9
EV/Net sales (x)	3.0	1.7	1.5	1.7	1.5	1.4
EV/EBITDA (x)	11.7	6.4	13.7	8.4	7.3	6.4
Dividend Yield (%)	0.8	0.9	0.4	0.6	0.7	1.2

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, Bhavesh Chauhan, 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% or 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).