

# Castrol India

**HOLD**

Performance in line with expectations

## Summary

Castrol India's Q3CY24 revenue was broadly in-line with our estimates. Castrol's top-line increased by 9% YoY but de-grew by 8% QoQ to Rs12.8bn. Sales volume grew 8% YoY, driven by new product launches and investments in branding and marketing. Commercial vehicle segment grew in double digits, while the personal mobility segment grew only in mid-single digits. EBITDA increased by 7% YoY to Rs2.8bn. However, EBITDA margin contracted by 49bps YoY to 22.2% primarily due to increased employee costs and higher other overheads. The management has re-iterated margin guidance of 22-25% and aims to grow ahead of the industry volume growth of 3-4%. We adjust our CY24 & CY25 EPS estimates by -1%/-2%, respectively. We value the stock at a PER of 22x CY25 EPS to derive a target price of Rs221 and maintain our HOLD rating on the stock.

## Key Highlights and Investment Rationale

- **Realization flattish:** Castrol's realization remained flat YoY but increased 2.1% QoQ to Rs234/litre. EBITDA per litre decreased by 1.7% QoQ to Rs51.94 due to higher employee cost, which includes one-time restructuring cost.
- **Strong distribution network:** Castrol has expanded its service and maintenance network in India by increasing its presence over 9,400 multi brand passenger car workshops, 29,500 independent bike points, 35,000 workshops and retail outlets in rural India. Additionally, Castrol broadened its national footprint exceeding 136,000 outlets across the country.
- **Maintain HOLD:** Strong free cash flow generation, minimal capital requirements, high ROEs and strong payouts make Castrol an attractive franchise. However, rich valuations limit potential upside, so we await a better entry point in the stock.

TP	Rs221			Key Stock Data	
CMP	Rs206			Bloomberg / Reuters CSTRL IN / CAST.BO	
Potential upside/downside	7%				
Previous Rating	HOLD				
Price Performance (%)					
	-1m	-3m	-12m		
Absolute	30.8	24.5	77.8		
Rel to Sensex	27.4	14.7	54.2		
V/s Consensus				Shareholding Pattern (%)	
EPS (Rs)	CY24E	CY25E		Promoters	51.0
IDBI Capital	9	10		FII	10.1
Consensus	10	12		DII	15.1
% difference	(10.9)	(13.9)		Public	23.8

	(Rs mn)				
Year	CY21	CY22	CY23	CY24E	CY25E
Revenue	41,920	47,745	50,746	53,681	57,232
Change (yoY, %)	40	14	6	6	7
EBITDA	10,659	11,111	12,024	12,226	13,678
Change (yoY, %)	31	4	8	2	12
EBITDA Margin(%)	25.4	23.3	23.7	22.8	23.9
Adj. PAT	7,582	8,152	8,641	8,822	9,917
EPS (Rs)	8	8	9	9	10
Change (yoY, %)	30.1	7.5	6.0	2.1	12.4
PE(x)	27.4	25.5	24.0	23.5	20.9
Dividend Yield (%)	2.9	3.3	3.6	4.3	4.8
EV/EBITDA (x)	18.2	17.3	15.9	15.4	13.8
RoE (%)	49.6	46.2	43.1	41.7	46.9
RoCE (%)	64.3	58.3	55.4	53.1	59.6

Source: IDBI Capital Research

**Ajit Sahu**

ajit.sahu@idbic平台.com  
+91-22-4069 1849

### Exhibit 1: Quarterly Snapshot

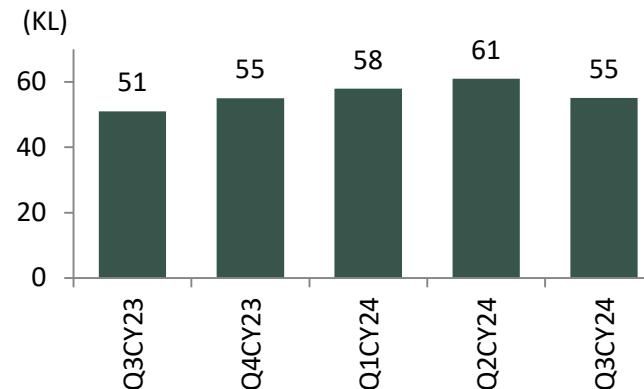
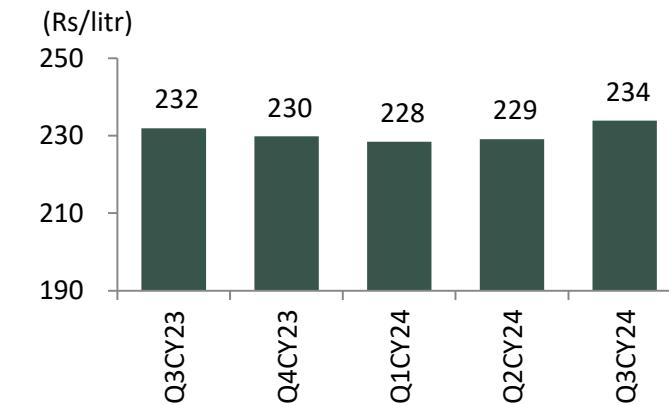
(Rs mn)	Q3CY25	Q2CY25	% QoQ	Q3CY24	% YoY
<b>Total Revenues</b>	<b>55</b>	<b>61</b>	<b>(9.7)</b>	<b>51</b>	<b>8.0</b>
Total expenditure	234	229	2.1	232	0.8
<b>EBIDTA</b>	<b>12,882</b>	<b>13,975</b>	<b>(7.8)</b>	<b>11,829</b>	<b>8.9</b>
<b>EBITDA margin (%)</b>	<b>10,021</b>	<b>10,751</b>	<b>(6.8)</b>	<b>9,144</b>	<b>9.6</b>
Depreciation and amortization	2,861	3,224	(11.3)	2,686	6.5
Interest costs	22.2%	23.1%	-86bps	22.7%	-49bps
Other income	245	261	(6.1)	229	7.2
<b>PBT</b>	<b>20</b>	<b>26</b>	<b>(20.4)</b>	<b>24</b>	<b>(15.8)</b>
Tax	209	204	2.5	202	3.3
<b>Net profit</b>	<b>2,805</b>	<b>3,142</b>	<b>(10.7)</b>	<b>2,635</b>	<b>6.4</b>
<b>EPS (Rs)</b>	<b>730</b>	<b>820</b>	<b>(10.9)</b>	<b>691</b>	<b>5.7</b>

Source: Company; IDBI Capital Research

### Exhibit 2: Actual vs. Estimates

(Rs mn)	Q3CY24E	Q3CY24A	Variance (%)
<b>Total Revenues</b>	<b>12,483</b>	<b>12,882</b>	<b>3.2</b>
EBITDA	2,884	2,861	(0.8)
<b>EBITDA margin (%)</b>	<b>23.0%</b>	<b>22.2%</b>	<b>-79bps</b>
<b>Net profit</b>	<b>2,095</b>	<b>2,074</b>	<b>(1.0)</b>
EPS	2.1	2.1	(0.1)

Source: Company; IDBI Capital Research

**Exhibit 3: Volumes increased by 8% YoY**

*Source: Company; IDBI Capital Research*
**Exhibit 4: Realization remained flat QoQ**

*Source: Company; IDBI Capital Research*
**Exhibit 5: Change in estimates**

	CY24E			CY25E		
	Old	New	(%) Chg	Old	New	(%) Chg
<b>Revenue (Rs bn)</b>	<b>53,163</b>	<b>53,681</b>	<b>1</b>	<b>57,519</b>	<b>57,232</b>	<b>-0</b>
EBITDA (Rs bn)	12,208	12,226	0	13,747	13,678	-0
EBITDA margin (%)	23.0	22.8	-23	23.9	23.9	-0
<b>Adj. Net profit (Rs bn)</b>	<b>8,883</b>	<b>8,822</b>	<b>-1</b>	<b>10,063</b>	<b>9,917</b>	<b>-1</b>
Adj. EPS (Rs)	9.0	8.9	-0.9	10.2	10.0	-1.7

*Source: Company; IDBI Capital Research*

### Conference call takeaways

- Revenue was driven by 7.8% YoY increase in volumes.
- Company's distribution network has reached 35,000 workshops and retail outlets, 580 Castrol service outlets, 29,500 bike points and 9,400 multi-brand car workshops, taking total footprint to 136,000 outlets.
- New launches like Castrol rustilo, Castrol Edge and Castrol Turbomax+ CK4 have received a good response helping the company's position in premium portfolio.
- New board members – Mr Rakesh makhija as chairman and Ms Satyavati berera as Independent director and audit committee chairperson.
- Key raw material Base oil which makes up 50% of the RM prices remained flattish and is expected to stay in the same range for next couple of quarters.
- Volume growth in both retail and OEM segment has been around 8%. Under retail commercial vehicle segment grew double digits, on the other hand personal mobility grew only mid-single digit.
- Q3CY has been historically weak quarter due to slow down in agricultural cycles resulting in 10% QoQ de-growth in terms of volumes
- Capex of 100cr was announced for this year out of which 60-65cr has been incurred.
- Capex guidance for next couple of years will be in the range of 125-150cr.
- Employee cost was inflated due to yearly increments and bonuses with a one-time restructure costs.
- Castrol has been supplying EV fluids to 2 biggest EV producers in India and his strongly positioned for EV wave.
- Data centre cooling liquid segment is currently being explored by the parent company and is an area of interest for Castrol India, no further details were disclosed.

## Financial Summary

### Profit & Loss Account

Year-end: March	CY20	CY21	CY22	CY23	CY24E	CY25E	(Rs mn)
<b>Net sales</b>	<b>29,969</b>	<b>41,920</b>	<b>47,745</b>	<b>50,746</b>	<b>53,681</b>	<b>57,232</b>	
<i>Change (yoY, %)</i>	(23)	40	14	6	6	7	
Operating expenses	(21,828)	(31,261)	(36,634)	(38,722)	(41,455)	(43,553)	
<b>EBITDA</b>	<b>8,141</b>	<b>10,659</b>	<b>11,111</b>	<b>12,024</b>	<b>12,226</b>	<b>13,678</b>	
<i>Change (yoY, %)</i>	(29)	30.9	4	8	2	12	
<i>Margin (%)</i>	27.2	25.4	23.3	23.7	22.8	23.9	
Depreciation	(866)	(827)	(814)	(924)	(989)	(1,067)	
<b>EBIT</b>	<b>7,275</b>	<b>9,832</b>	<b>10,297</b>	<b>11,100</b>	<b>11,237</b>	<b>12,612</b>	
Interest paid	(42)	(24)	(40)	(75)	(87)	(86)	
Other income	620	485	670	787	863	979	
<b>Pre-tax profit</b>	<b>7,854</b>	<b>10,293</b>	<b>10,928</b>	<b>11,811</b>	<b>12,013</b>	<b>13,505</b>	
Tax	(2,024)	(2,711)	(2,776)	(3,170)	(3,191)	(3,587)	
<i>Effective tax rate (%)</i>	25.8	26.3	25.4	26.8	26.6	26.6	
<b>Net profit</b>	<b>5,829</b>	<b>7,582</b>	<b>8,152</b>	<b>8,641</b>	<b>8,822</b>	<b>9,917</b>	
Exceptional items	-	-	-	-	-	-	
<b>Adjusted net profit</b>	<b>5,829</b>	<b>7,582</b>	<b>8,152</b>	<b>8,641</b>	<b>8,822</b>	<b>9,917</b>	
<i>Change (yoY, %)</i>	(30)	30.1	8	6	2	12	
EPS	5.9	7.7	8.2	8.7	8.9	10.0	
Dividend per share	5.5	6.0	7.0	7.5	9.0	10.0	
<i>Dividend Payout (%)</i>	93.3	78.3	84.9	85.8	101	100	

Balance Sheet							(Rs mn)
Year-end: March	CY20	CY21	CY22	CY23	CY24E	CY25E	
<b>Shareholders' funds</b>	<b>14,143</b>	<b>16,456</b>	<b>18,861</b>	<b>21,217</b>	<b>21,137</b>	<b>21,164</b>	
Share capital	4,946	4,946	4,946	4,946	4,946	4,946	
Reserves & surplus	9,197	11,510	13,915	16,271	16,191	16,218	
<b>Total Debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Other liabilities	-	-	-	-	-	-	
<b>Curr Liab &amp; prov</b>	<b>10,147</b>	<b>10,584</b>	<b>11,829</b>	<b>12,982</b>	<b>15,687</b>	<b>16,167</b>	
Current liabilities	9,792	10,253	11,489	12,641	15,345	15,825	
Provisions	355	331	340	342	342	342	
<b>Total liabilities</b>	<b>9,792</b>	<b>10,584</b>	<b>11,829</b>	<b>12,982</b>	<b>15,687</b>	<b>16,167</b>	
<b>Total equity &amp; liabilities</b>	<b>23,935</b>	<b>27,040</b>	<b>30,690</b>	<b>34,200</b>	<b>36,824</b>	<b>37,331</b>	
Net fixed assets	2,528	2,512	3,216	3,672	3,683	3,917	
Investments	-	-	-	-	-	-	
Other non-curr assets	-	-	-	-	-	-	
<b>Current assets</b>	<b>21,407</b>	<b>24,528</b>	<b>27,475</b>	<b>30,528</b>	<b>33,141</b>	<b>33,414</b>	
Inventories	3,669	4,917	5,344	5,329	6,218	6,535	
Sundry Debtors	1,805	3,117	3,504	4,228	3,885	4,316	
Cash and Bank	12,742	13,716	15,427	16,873	18,940	18,465	
Other Current Asset	1,348	2,778	3,200	4,097	4,097	4,097	
<b>Total assets</b>	<b>23,935</b>	<b>27,040</b>	<b>30,690</b>	<b>34,200</b>	<b>36,824</b>	<b>37,331</b>	

Cash Flow Statement							(Rs mn)
Year-end: March	CY20	CY21	CY22	CY23	CY24E	CY25E	
Pre-tax profit	7,854	10,293	10,928	11,811	12,013	13,505	
Depreciation	866	827	814	924	989	1,067	
Tax paid	(2,396)	(2,798)	(2,740)	(3,185)	(3,191)	(3,587)	
Chg in working capital	3,039	(1,827)	304	(706)	2,159	(268)	
Other operating activities	(435)	(194)	(150)	(313)	(776)	(893)	
<b>Cash flow from operations (a)</b>	<b>8,928</b>	<b>6,302</b>	<b>9,156</b>	<b>8,530</b>	<b>11,193</b>	<b>9,823</b>	
Capital expenditure	(417)	(832)	(1,097)	(916)	(1,000)	(1,300)	
Chg in investments	(2,011)	(380)	1,269	(2,054)	-	-	
Other investing activities	418	382	448	456	863	979	
<b>Cash flow from investing (b)</b>	<b>(2,009)</b>	<b>(831)</b>	<b>620</b>	<b>(2,513)</b>	<b>(137)</b>	<b>(321)</b>	
Equity raised/(repaid)	-	-	-	-	-	-	
Debt raised/(repaid)	-	-	-	-	-	-	
Dividend (incl. tax)	(5,440)	(5,425)	(5,935)	(6,429)	(8,902)	(9,891)	
Chg in minorities	-	-	-	-	-	-	
Other financing activities	(203)	(151)	(140)	(209)	(87)	(86)	
<b>Cash flow from financing (c)</b>	<b>(5,643)</b>	<b>(5,576)</b>	<b>(6,075)</b>	<b>(6,638)</b>	<b>(8,989)</b>	<b>(9,977)</b>	
<b>Net chg in cash (a+b+c)</b>	<b>1,275</b>	<b>(104)</b>	<b>3,701</b>	<b>(621)</b>	<b>2,067</b>	<b>(475)</b>	

### Financial Ratios

Year-end: March	CY20	CY21	CY22	CY23	CY24E	CY25E
Book Value (Rs)	14.3	16.6	19	21	21	21
<i>Adj EPS (Rs)</i>	5.9	7.7	8.2	8.7	8.9	10.0
<i>Adj EPS growth (%)</i>	-29.5	30.1	8	6	2	12
<i>EBITDA margin (%)</i>	27.2	25.4	23.3	23.7	22.8	23.9
<i>Pre-tax margin (%)</i>	26.2	24.6	22.9	23.3	22.4	23.6
<i>Net Debt/Equity (x)</i>	-0.9	-0.8	-0.8	-0.8	-0.9	-0.9
<i>ROCE (%)</i>	52.3	64.3	58	55	53	60
<i>ROE (%)</i>	41.9	49.6	46	43	42	47
<b>DuPont Analysis</b>						
Asset turnover (x)	1.3	1.6	1.7	1.6	1.5	1.5
Leverage factor (x)	1.7	1.7	1.6	1.6	1.7	1.8
<i>Net margin (%)</i>	19.5	18.1	17.1	17.0	16.4	17.3
<b>Working Capital &amp; Liquidity ratio</b>						
Inventory days	44.7	43	41	38	42	42
Receivable days	22.0	27	27	30	26	28
Payable days	91	72	68	67	81	81

### Valuations

Year-end: March	CY20	CY21	CY22	CY23	CY24E	CY25E
PER (x)	35.6	27.4	25.5	24.0	23.5	20.9
Price/Book value (x)	14.7	12.6	11.0	9.8	9.8	9.8
EV/Net sales (x)	6.5	4.6	4.0	3.8	3.5	3.3
EV/EBITDA (x)	23.9	18.2	17.3	15.9	15.4	13.8
<i>Dividend Yield (%)</i>	2.6	2.9	3.3	3.6	4.3	4.8

Source: Company; IDBI Capital Research

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

I, Ajit Sahu, 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.idbic平臺.com](http://www.idbic平臺.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 relatives 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.economictimes.indiatimes.com/markets/stocks/stock-quotes](http://www.economictimes.indiatimes.com/markets/stocks/stock-quotes).