

Vadilal Industries

NOT RATED

Household name in ice-cream

Summary

We interacted with Vadilal Industries CFO & promoter Kalpit Gandhi, to understand its business. Vadilal a household name in ice-cream was established in 1907. Over the years, company has travelled through 4 generations of Gandhi's and currently is engaged in the business of manufacturing Ice-cream, frozen dessert, candy and processing and exporting food products. Vadilal has foothold in northern, eastern and western regions of India & export contributes 13% to its revenue (FY23). It aims to maintain mid-teens sales growth in coming 4-5 years with EBITDA margin of 15%+. Importantly its EBITDA margin expanded by a 200 bps YoY in FY23 to 16% (despite cost inflation), indicating its brand strength. For growth, company is contemplating shifting its Bareilly plant to other location where it aims to set up a plant with a much larger capacity.

Other key takeaways

- **Market share:** Brand Vadilal has a 16% market share in Indian organized market of Rs200 bn. Vadilal has a robust and extensive pan-India distribution network with more than 1,75,000 dealers. Company emphasis is on prompt order delivery underscores its commitment to customer satisfaction.
- **Expansion plans:** The company aims to double its production capacity in Uttar Pradesh which should likely drive its targeted mid-teens sales growth over coming 4-5 years. The capex for this is likely to be Rs3bn (70% likely to be financed likely with term loans). Its plants are located in Bareilly (Uttar Pradesh) and Gandhinagar (Gujarat) and Dharampur (Gujarat).
- **Positive OCF:** Vadilal has delivered sales CAGR of 13% and PAT of 35% in the last 10 years. Importantly its operating cash flow has been consistently positive in the last 10 years.

TP -

CMP Rs 2,518

Potential upside/downside -

Previous Rating -

Price Performance (%)

	-1m	-3m	-12m
Absolute	(3.4)	(9.8)	1.4
Rel to Sensex	(3.4)	(10.0)	(11.7)

V/s Consensus

EPS (Rs)	FY24E	FY25
IDBI Capital	-	-
Consensus	-	-
% difference	-	-

Key Stock Data

Bloomberg/Reuters	VDI IN / VDLI.BO
Sector	Dairy Products
Shares o/s (mn)	7
Market cap. (Rs mn)	18,099
3-m daily avg Trd value (Rs mn)	--
52-week high / low	3,298 / 1,800
Sensex / Nifty	65,632 / 19,546

Shareholding Pattern (%)

Promoters	64.7
FII	0
DII	0
Public	35.3

Financial snapshot

(Rs mn)

Year	FY19	FY20	FY21	FY22	FY23
Revenue	5,671	5,993	4,634	6,977	10,579
Change (yoy, %)	4%	6%	-23%	51%	52%
EBITDA	720	787	348	988	1625
Change (yoy, %)	50%	9%	-56%	184%	65%
EBITDA Margin(%)	13%	13%	8%	14%	15%
Adj.PAT	334	414	46	447	963
EPS (Rs)	46	58	6	62	134
Change (yoy, %)	113%	24%	-89%	866%	115%
PE(x)	57	46	408	42	20
Dividend Yield (%)	0	N/A	N/A	0	0
EV/EBITDA (x)	27.5	25.7	55.9	20.0	12.9
RoE (%)	16%	17%	2%	15%	24%
RoCE (%)	24%	23%	10%	24%	29%

Source: IDBI Capital Research

Bhavesh Chauhan

bhavesh.chauhan@idbicapital.com

+91-22-2217 1849

Company overview

Vadilal Industries is an Indian food and beverage company headquartered in Ahmedabad, Gujarat. Founded in 1907, it is one of the leading ice cream brands in India. The company also produces a variety of other food products, such as flavored milk, frozen desserts, and packaged foods. The company has three manufacturing plants, two of which are in Gujarat and one in Uttar Pradesh.

Exhibit 1: Vadilal products – ice creams

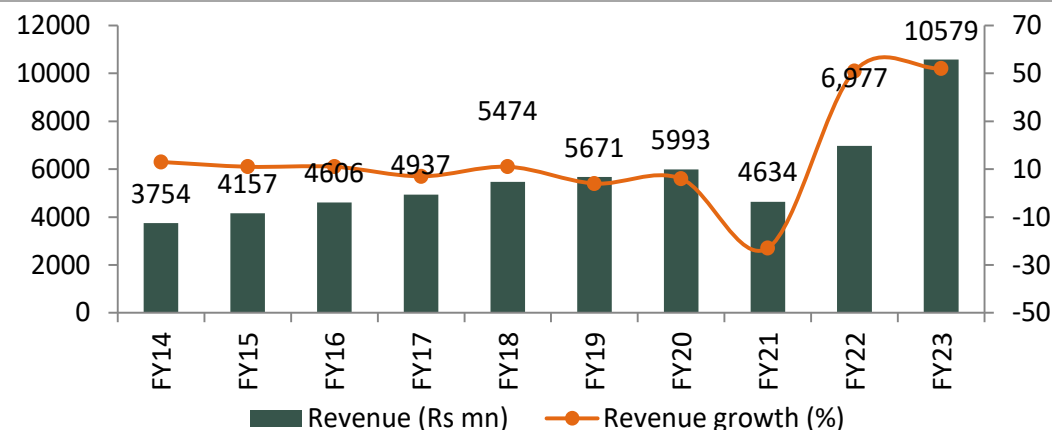


Source: Company; IDBI Capital Research

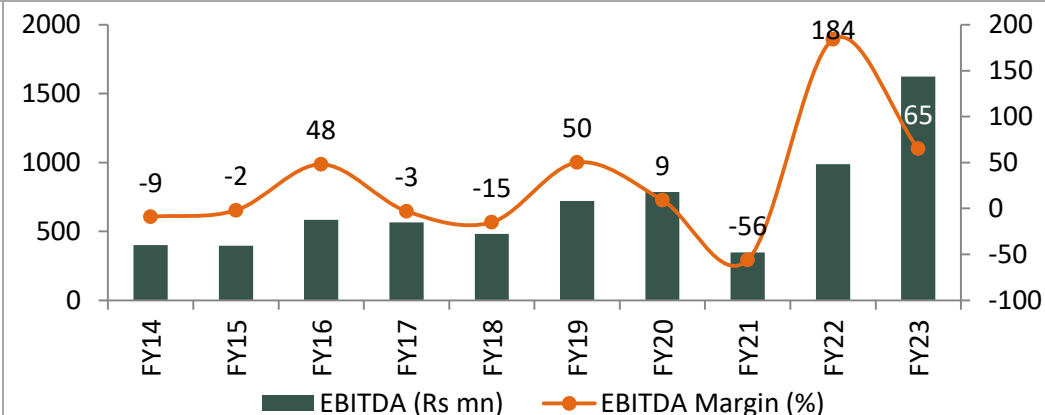
Exhibit 2: Vadilal products – frozen desserts



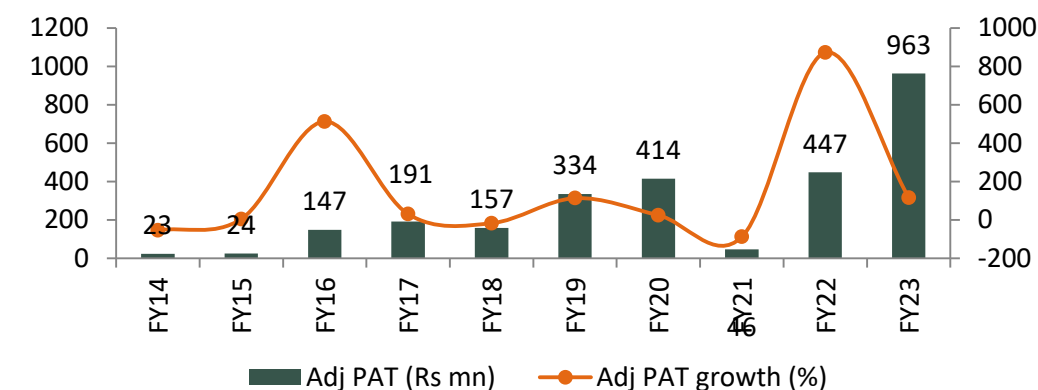
Source: Company; IDBI Capital Research

Exhibit 3: Revenue and Revenue Growth Trend

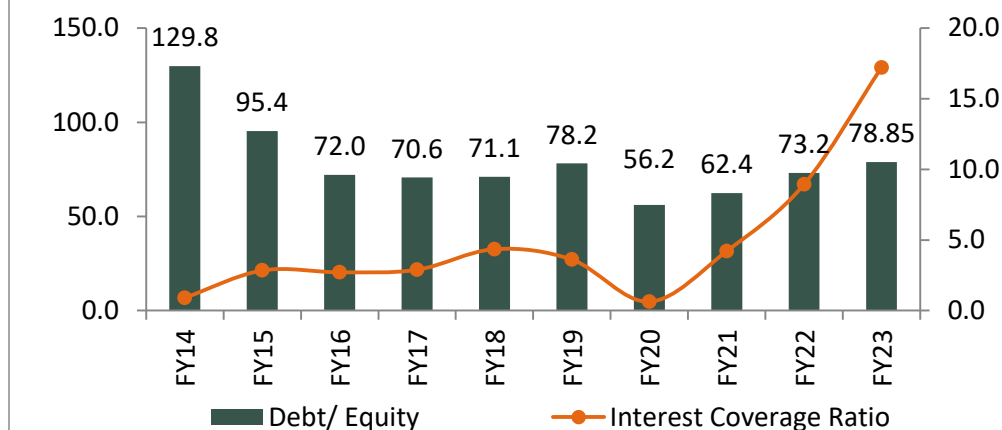
Source : Company, IDBI Capital Research

Exhibit 4: EBITDA and EBITDA Margin Trend

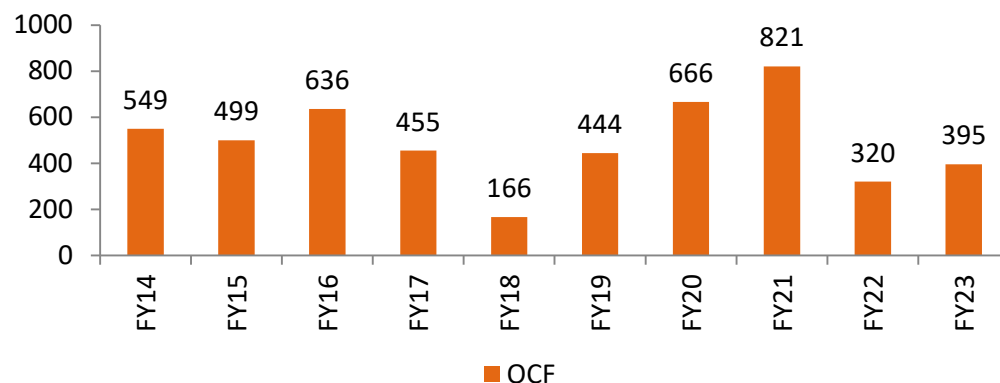
Source : Company, IDBI Capital Research

Exhibit 5: Adj PAT and Adj PAT Growth Trend

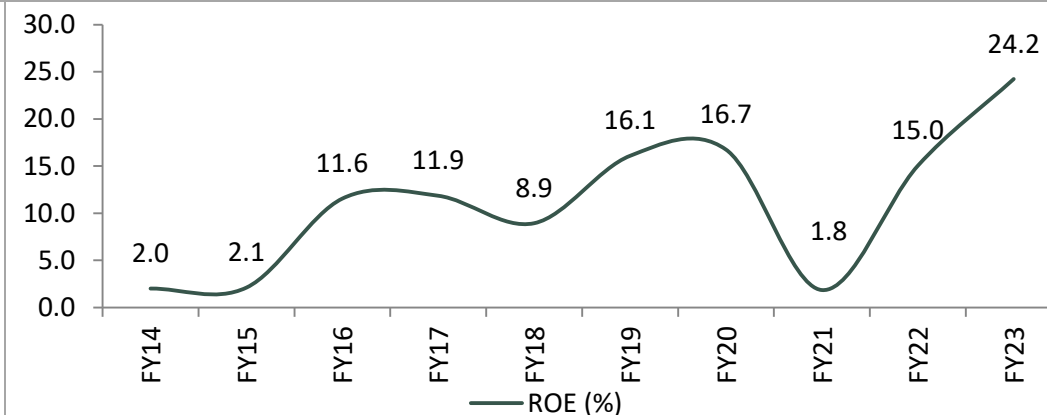
Source : Company, IDBI Capital Research

Exhibit 6: Debt/Equity and Interest Coverage Ratio

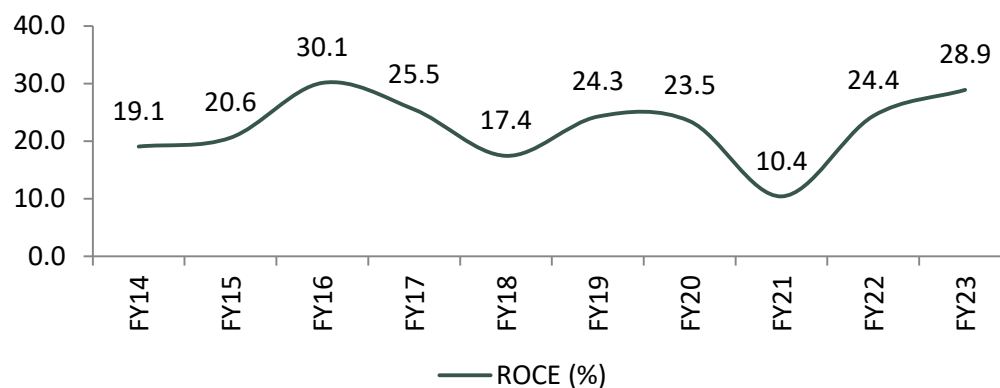
Source : Company, IDBI Capital Research

Exhibit 7: OCF Rs mn

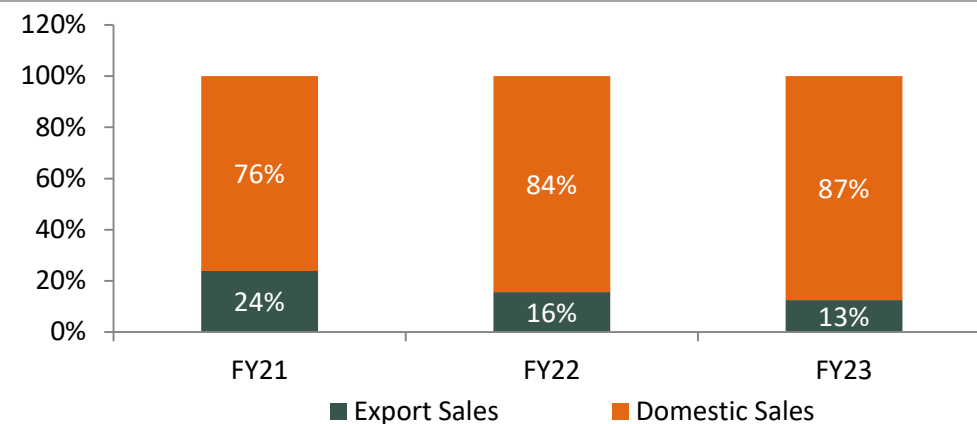
Source : Company, IDBI Capital Research

Exhibit 8: Trend of ROE (%)

Source : Company, IDBI Capital Research

Exhibit 9: Trend of ROCE (%)

Source : Company, IDBI Capital Research

Exhibit 10: Break up of Revenue over the Years

Source : Company, IDBI Capital Research

Vadilal's growth strategy

Vadilal's five-pronged growth strategy is explained as under:

■ **Geographical Expansion:**

- Company is expanding distribution footprints in North and East regions
- It is increasing presence in tier 3-4 cities.
 - Vadilal is reaching customers through different supermarkets like the Big Basket, D-mart, Reliance Smart, Star Bazaar, Max Bazaar and also on online portals like Zomato, Swiggy, Swiggy Instamart, Blink It & Zepto.

■ **New Product Development:**

- The company had introduced many variants in the premium segment like Gourmet Natural ice cream tubs, cups, and kulfis.
- They have introduced a new product Vadilal Quick treat Ghee; currently this product is only available in Gujarat.
- Vadilal's MELT IN parlor offers a range of high-end Artisanal Gelato ice cream that has gained popularity in the past few years.
- The latest introduction by Vadilal is the seasonal party packs category with premium quality and a unique mix of flavours that is quickly catching hold over the niche market.

■ **Brand Building Initiatives:**

- Company aims to spend 4% of sales towards promotional activities.
- They had recently started campaign "Dil Bole Waah Vadilal".
- Company is promoting its brand on all social media handles and OTT platforms.

■ Retail Investments:

- Vadilal has a robust and extensive pan-India distribution network with more than 1,75,000 dealers and trade partners that cater to every nook and corner of the country.
- They are working to increase the physical touch points with the consumers and executing it by putting in place a robust network of dealers, FOWs (Freezer on Wheels) and Ice cream parlors.

■ Global expansions:

- Vadilal is leveraging frozen foods channels to expand ice cream exports globally.
- Strong distribution to Indian diaspora who have displayed affinity for the brand.
- The company is also focusing on exports in the past few years and it has received strong response from the US and Middle East in the past three years.

Exhibit 11: Awards & Recognitions

Name of the Award	Detail
The Great Indian Ice Cream	They received 27 awards over 4 years at “The Great Indian Ice Cream Contest” over FY08, FY09, FY10 and FY13.
India’s Most Trusted Ice cream	The company ranked No. 18th In The Food Products Category by The Economic Times in FY13.
BRCGS, ISO 22000:2018	Vadilal Quick Treats Unit is certified with BRCGS, ISO 22000:2018.

Source: Company, IDBI Capital

Management profile

Exhibit 12: Key management persons

Name	Designation	Details
Mr. Preet Shah	Executive Chairman & Independent Director	He was appointed as the chairman of the board of director of the company on 30 th September 2022. He has an expertise in finance.
Mr. Rajesh R. Gandhi	Managing Director	He has been associated with the Company since its inception, having experience on hands of the Ice-cream & Processed Food business. He looks after Exports and Domestic Sales, International Freight, and Government Subsidies of entire division.
Mr. Devanshu L. Gandhi	Managing Director	He is a Commerce Graduate and has been associated with the Company since its inception. He looks after Production, Purchase, and R&D of Processed Food Division. He looks after purchase of Land & Materials, Project Commissioning & Legal for Construction Division.
Ms. Kalpit R. Gandhi	Chief Financial Officer	He has completed Master's in Business Administration from IESE Business School Barcelona (Spain). He is a graduate from the University of Southern California with a BSC in Business Administration & Accounting. Earlier, he served reputed organizations like Godrej Consumer Products Limited, Financial Technologies (India) Ltd and had also exposure in international company named Akin Bay in USA.

Source: Company; IDBI Capital Research

Peer Comparison

Stocks	Sales (Mn)		P/BV		P/E		EBITDA Margin		ROE %	
	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23
Vadilal Industries	6,954	10,579	3.41	3.97	22.67	16.39	14.22	15.42	16.3	27.73
Hatsun Agro	63,535	72,282	20.85	13.02	93.09	111.07	11.52	9.71	20.46	13.01

Source: Company; IDBI Capital Research

Industry overview

Global ice cream market

The global ice cream market size stood at \$71 bn in CY22 and is expected to reach \$94 bn by CY28, exhibiting a CAGR of 5% during the same period. The North America ice cream market is expected to grow from \$29 bn in 2022 to \$36 bn by 2028, with a CAGR of 4% from 2022 to 2028. The European ice cream market is projected to record a CAGR of 4.9% over the coming five years. The Middle East and Africa ice cream market is projected to grow at faster growth (CAGR likely at 10.7% during 2023-2028).

Indian ice cream market

India is the largest producer and marketer of milk. It accounts overall 1/5th of the global milk production. The ice cream market in India is forecasted at a CAGR of 17% over 2022-2028. The total Indian organized ice cream market is estimated at approx. Rs200 bn currently. However overall organized and unorganized market ice cream market is estimated at Rs320 bn with national, regional and local players. The per capita consumption of ice cream in India is low compared to western countries, so there is a huge scope in expansion and market penetration with an innovative product mix to attract all class and mass consumers.

Frozen Food market

The global frozen food market size was valued at \$ 256 bn in 2021 and is projected to reach \$328 bn in 2028, representing a CAGR of 5% over the same period. Sale of frozen pizza, appetizer and desserts are growing at faster pace than the overall market. The convenience food and ready meal segments growth from 2023 to 2030 can be attributed with the changing lifestyle of young people who rely on frozen foods.

Europe dominated the frozen food market with a 37% share in 2022, followed by North America 28% market share. The North America frozen food market was valued at \$73 bn in 2022 and is expected to reach \$102 bn by 2028 with an annual growth rate of 5.5% from 2022 to 2028.

Financial Summary

Profit & Loss Account

(Rs mn)

Year-end: March	FY18	FY19	FY20	FY21	FY22	FY23
Net sales	5,474	5,671	5,993	4,634	6,977	10,579
<i>Change (yoy, %)</i>		4	6	-23	51	52
Operating expenses	-4,993	-4,951	-5,206	-4,285	-5,989	-8,953
EBITDA	481	720	787	348	988	1,625
<i>Change (yoy, %)</i>		50	9	-56	184	65
<i>Margin (%)</i>	8.8	12.7	13.1	7.5	14.2	15.4
Depreciation	-161	-169	-237	-228	-240	-299
EBIT	320	551	550	120	748	1,326
Interest paid	-153	-141	-167	-214	-194	-159
Other income	63	109	96	172	84	138
Pre-tax profit	229	519	479	77	638	1,306
Tax	-73	-185	-66	-31	-191	-343
<i>Effective tax rate (%)</i>	32	36	14	40	30	26
Minority Interest	-0.01	-0.02	0.05	0.05	0.01	0.01
Net profit	157	334	414	46	447	963
Exceptional items	-	-	-	-	-	-
Adjusted net profit	157	334	414	46	447	963
<i>Change (yoy, %)</i>		113	24	-89	865	115
EPS	22	46	58	6	62	134
Dividend per sh	1.25	1.25	N/A	N/A	1.25	1.5
<i>Dividend Payout %</i>	5.74	2.69	N/A	N/A	2.01	1.12

Balance Sheet

(Rs mn)

Year-end: March	FY18	FY19	FY20	FY21	FY22	FY23
Shareholders' funds	1,753	2,074	2,470	2,511	2,973	3,973
Share capital	71.878	71.878	71.878	71.878	71.878	71.878
Reserves & surplus	1,681	2,002	2,399	2,439	2,902	3,901
Total Debt	1,240	1,236	1,548	1,268	1,498	2,909
Other liabilities	298	314	392	268	308	275
Curr Liab & prov	1,103	1,147	1,329	1,628	1,454	1,222
Current liabilities	1,079	1,095	1,274	1,484	1,265	1,176
Provisions	24	52	55	144	189	46
Total liabilities	2,642	2,697	3,269	3,164	3,260	4,406
Total equity & liabilities	4,394	4,770	5,740	5,675	6,233	8,379
Net fixed assets	2,565	2,671	3,175	3,116	3,065	3,093
Investments	8	8	8	6	6	113
Other non-curr assets	200	275	218	132	137	1,198
Current assets	1,621	1,816	2,339	2,421	3,025	3,974
Inventories	1,022	1,270	1,545	1,411	1,652	2,557
Sundry Debtors	420	311	442	453	654	775
Cash and Bank	46	86	192	357	516	375
Loans and advances	77	75	128	111	91	3
Othe current assets	56	74	33	89	111	266
Total assets	4,394	4,770	5,740	5,675	6,233	8,379

Cash Flow Statement

(Rs mn)

Year-end: March	FY18	FY19	FY20	FY21	FY22	FY23
Pre-tax profit	229	519	479	77	638	1,306
Depreciation	161	169	237	228	240	299
Tax paid	-52	-149	-133	-22	-116	-434
Chg in working capital	-307	-227	-67	387	-649	-994
Other operating activities	-	-	-	-	-	-
Cash flow from operations (a)	166	444	666	821	320	395
	-	-	-	-	-	-
Capital expenditure	-249	-326	-683	-148	-214	-584
Chg in investments						
Other investing activities	8.97	13.81	10.71	40.12	14.60	-34.89
Cash flow from investing (b)	-240	-313	-672	-108	-199	-619
Equity raised/(repaid)	-	-	-	-	-	-
Debt raised/(repaid)	574	101	431	254	463	299
Dividend (incl. tax)	-11	-11	-11	-	-	-9
Chg in monorities						
Other financing activities	-502	-186	-379	-809	-385	-200
Cash flow from financing (c)	61	-96	41	-556	78	90
Net chg in cash (a+b+c)	-13	36	35	156	199	-134

Financial Ratios

Year-end: March	FY18	FY19	FY20	FY21	FY22	FY23
Book Value (Rs)	244	288	344	349	414	553
Adj EPS (Rs)	22	46	58	6	62	134
Adj EPS growth (%)		113	24	-89	866	115
EBITDA margin (%)	9	13	13	8	14	15
Pre-tax margin (%)	4	9	8	2	9	12
Net Debt/Equity (x)	68	68	73	42	37	42
ROCE (%)	17	24	23	10	24	29
ROE (%)	9	16	17	2	15	24

DuPont Analysis

Asset turnover (x)	1.2	1.2	1.0	0.8	1.1	1.3
Leverage factor (x)	2.5	2.3	2.3	2.3	2.1	2.1
Net margin (%)	0.0	0.1	0.1	0.0	0.1	0.1

Working Capital & Liquidity ratio

Inventory days	119	157	179	211	170	167
Receivable days	28	20	27	36	34	27
Payable days	91	86	98	165	85	58

Valuations

Year-end: March	FY18	FY19	FY20	FY21	FY22	FY23
PER (x)	116	54	44	391	40	19
Price/Book value (x)	10	9	7	7	6	5
EV/Net sales (x)	4	3	3	4	3	2
EV/EBITDA (x)	41	28	26	56	20	13
Dividend Yield (%)		0	N/A	N/A	0	0

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: Christina D'souza; 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 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; www.nseindia.com and www.economictimes.indiatimes.com/markets/stocks/stock-quotes.