

Bhushan Steel

Performance Highlights

Particulars (₹ cr)	2QFY12	2QFY11	% chg (yoy)	1QFY12	% chg (qoq)
Net sales	2,465	1,719	43.4	2,232	10.5
EBITDA	721	489	47.4	661	9.1
% margin	29.2	28.5	78bp	29.6	(37)bp
Adj, PAT	307	259	18.5	210	46.2

Source: Company, Angel Research

Strong top-line growth: During 2QFY2012, Bhushan Steel's (Bhushan) net sales grew by 43.4% yoy to ₹2,465cr mainly on account of higher volumes of flat products. Flat products sales volumes grew by 41.7% yoy to 466,748 tonnes and long product sales volumes grew by 3.8% yoy to 86,639 tonnes in 2QFY2012. Long product average realization increased by 19.9% yoy to ₹45,164/tonne and flat product average realization increased by 3.7% yoy to ₹46,987/tonne.

Depreciation and interest costs dent net profit growth: During 2QFY2012, the company's EBITDA increased by 47.4% yoy to ₹721cr, representing EBITDA margin of 29.2% (up 78bp yoy). EBITDA/tonne stood at US\$280 in 2QFY2012 compared to US\$248 in 2QFY2011 and US\$300 in 1QFY2012. Depreciation expense increased by 185.0% yoy to ₹151cr on account of higher capacity. Interest expense increased by 200.3% yoy to ₹302cr due to higher debt. Consequently, net profit decreased by 20.1% yoy to ₹207cr. The company reported exceptional item related to forex loss of ₹100cr during the quarter. Excluding this exceptional item, adjusted net profit grew by 18.5% yoy to ₹307cr.

Outlook and valuation: At the CMP, the stock is trading at 9.9x FY2012E and 8.6x FY2013E EV/EBITDA, a significant premium over its peers. Although we expect sales volume growth of 24.8% over FY2011–15E, we believe it is too early to play the volume growth story of Bhushan as strong volume growth is expected only post FY2013. Further, although Bhushan uses a combination of BF-EAF technology to produce steel, rising prices of iron ore and coal will affect its margins. Moreover, Bhushan's debt-equity ratio remains high. We value the stock at 8.4x FY2013 EV/EBITDA, deriving a target price of ₹293. **Hence, we recommend a Reduce rating on the stock.**

Key financials

Y/E March (₹ cr)	FY2010	FY2011	FY2012E	FY2013E
Net sales	5,640	7,000	8,667	9,183
% chg	14.1	24.1	23.8	5.9
Net profit	846	1,033	805	828
% chg	100.8	22.1	(22.1)	2.9
EPS (₹)	39.8	48.6	37.9	39.0
OPM (%)	25.8	29.1	29.9	31.7
P/E (x)	8.1	6.6	8.5	8.3
P/BV (x)	1.7	1.2	1.0	0.9
RoE (%)	26.5	21.0	12.8	11.7
RoCE (%)	9.4	9.3	7.6	7.4
EV/Sales (x)	3.2	3.3	3.0	2.7
EV/EBITDA (x)	12.2	11.4	9.9	8.6

Source: Company, Angel Research

REDUCE

CMP	₹322
Target Price	₹293

Investment Period	12 Months
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Stock Info

Sector	Steel
Market Cap (₹ cr)	6,841
Beta	1.1
52 Week High / Low	541/308
Avg. Daily Volume	175299
Face Value (₹)	2
BSE Sensex	16,883
Nifty	5,069
Reuters Code	BSSL.BO
Bloomberg Code	BHUS@IN

Shareholding Pattern (%)

Promoters	69.2
MF / Banks / Indian Fls	0.8
FII / NRIs / OCBs	2.6
Indian Public / Others	27.5

Abs. (%)	3m	1yr	3yr
Sensex	0.9	(16.9)	79.9
BSL	(5.4)	(36.2)	138.9

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Exhibit 1: 2QFY2012 performance

Y/E March (₹ cr)	2QFY12	2QFY11	yoy %	1QFY12	qoq %
Net sales	2,465	1,719	43.4	2,232	10.5
Raw material	1,381	929	48.7	1,206	14.5
% of net sales	56.0	54.0		54.0	
Staff cost	35	32	9.3	34	2.3
% of net sales	1.4	1.9		1.5	
Other expenditure	328	269	22.1	331	(0.7)
% of net sales	13.3	15.6		14.8	
Total expenditure	1,744	1,230	41.9	1,571	11.0
% of net sales	70.8	71.5		70.4	
Operating profit	721	489	47.4	661	9.1
OPM (%)	29.2	28.5		29.6	
Other operating income	-	-		-	
EBITDA	721	489	47.4	661	9.1
EBITDA margin (%)	29.2	28.5		29.6	
Interest	302	101	200.3	216	40.0
Depreciation	151	53	185.0	151	0.3
Other income	3	12	(71.2)	8	(55.6)
Exceptional items	(100)	-		-	
PBT	271	347	(21.9)	302	(10.2)
% of net sales	11.0	20.2		13.5	
Tax	64	88	(27.2)	92	(30.2)
% of PBT	23.7	25.4		30.5	
PAT	207	259	(20.1)	210	(1.5)
Adj. PAT	307	259	18.5	210	46.2

Source: Company, Angel Research

Exhibit 2: Quarterly production trend (Gross)

(tonnes)	4QFY10	1QFY11	2QFY11	3QFY11	4QFY11	1QFY12	2QFY12	yoy %	qoq %
Flat products	503,085	461,859	703,100	718,405	801,205	784,242	777,277	10.5	(0.9)
Cold rolled steel	318,725	257,213	317,164	295,770	321,567	306,191	301,349	(5.0)	(1.6)
Galvanized steel	154,214	114,033	134,102	142,471	154,589	155,958	155,859	16.2	(0.1)
H&T	2,641	2,609	3,233	3,175	3,395	2,922	3,280	1.5	12.3
HTSS	2,346	2,275	2,329	2,532	2,729	2,351	2,577	10.6	9.6
Colour coating	25,159	22,940	25,508	33,276	36,966	32,614	37,126	45.5	13.8
Hot rolled steel	-	62,789	220,764	241,181	281,959	284,206	277,086	25.5	(2.5)
Long products	220,533	211,426	145,164	206,783	221,493	96,165	76,357	(47.4)	(20.6)
Billets	72,335	67,131	45,154	69,581	60,169	57,401	30,511	(32.4)	(46.8)
Sponge iron	114,094	114,484	61,952	101,953	128,398	-	-	-	-
Wire rods	4,152	4,954	3,669	-	-	-	-	-	-
Tube and shutters	29,711	24,588	34,169	35,084	32,800	38,594	45,615	33.5	18.2
Formed sections	241	269	220	165	126	170	231	5.0	35.9
Total production	723,618	673,285	848,264	925,188	1,022,698	880,407	853,634	0.6	(3.0)

Source: Company, Angel Research

Exhibit 3: Quarterly sales volume trend (net)

(tonnes)	4QFY10	1QFY11	2QFY11	3QFY11	4QFY11	1QFY12	2QFY12	yoy %	qoq %
Flat products	292,549	215,808	329,452	367,434	335,057	388,790	466,748	41.7	20.1
Cold rolled steel	135,683	104,019	142,288	127,740	125,430	122,390	113,378	(20.3)	(7.4)
Galvanized steel	127,129	86,923	107,117	111,728	112,961	120,983	126,326	17.9	4.4
H&T	2,767	2,430	2,887	3,227	3,368	2,856	3,255	12.7	14.0
HTSS	2,139	1,373	2,899	1,927	1,814	2,036	2,242	(22.7)	10.1
Colour coating	24,832	21,037	24,865	29,173	34,725	32,816	35,320	42.0	7.6
Hot rolled steel	-	26	49,396	93,639	56,759	107,709	186,227	277	72.9
Long products	100,230	93,525	83,491	100,024	90,178	100,664	86,639	3.8	(13.9)
Billets	66,821	65,624	45,717	65,509	59,007	63,157	42,075	(8.0)	(33.4)
Sponge iron	-	-	-	-	-	-	-	-	-
Wire rods	3,449	4,963	3,891	39	-	-	-	-	-
Tube and shutters	29,708	22,670	33,660	34,312	31,069	37,307	44,354	31.8	18.9
Formed sections	251	268	223	164	102	200	210	(5.8)	5.0
Total sales volume	392,779	309,333	412,943	467,458	425,235	489,454	553,387	34.0	13.1

Source: Company, Angel Research

Exhibit 4: Quarterly realisation trend (Gross)

(₹/tonne)	4QFY10	1QFY11	2QFY11	3QFY11	4QFY11	1QFY12	2QFY12	yoy %	qoq %
Flat products	45,124	50,916	45,491	45,121	50,388	49,294	46,987	3.3	(4.7)
Cold Rolled Steel	41,647	47,386	46,202	47,409	49,414	49,685	48,551	5.1	(2.3)
Galvanized Steel	46,324	51,632	45,632	46,676	51,637	52,578	51,398	12.6	(2.2)
H&T	80,737	88,889	90,059	88,937	89,371	94,538	90,074	0.0	(4.7)
HTSS	52,875	57,538	56,916	56,565	61,191	61,395	59,652	4.8	(2.8)
Colour Coating	53,348	60,608	56,787	58,410	61,685	63,841	63,609	12.0	(0.4)
Hot rolled steel	-	38,462	34,173	34,259	40,487	39,300	38,981	14.1	(0.8)
Long products	33,984	36,300	37,669	36,901	40,464	42,915	45,164	19.9	5.2
Billets	28,654	30,781	29,617	29,858	32,844	35,388	35,773	20.8	1.1
Sponge Iron	-	-	-	-	-	-	-	-	-
Wire Rods	31,542	31,030	29,041	25,641	-	-	-	-	-
Tube and Shutters	46,139	53,242	49,525	50,303	54,878	55,593	54,038	9.1	(2.8)
Formed Sections	47,809	52,239	49,327	48,780	58,824	55,000	54,342	10.2	(1.2)
Avg. gross realisation	43,786	47,879	45,015	45,073	48,284	47,982	46,701	3.7	(2.7)

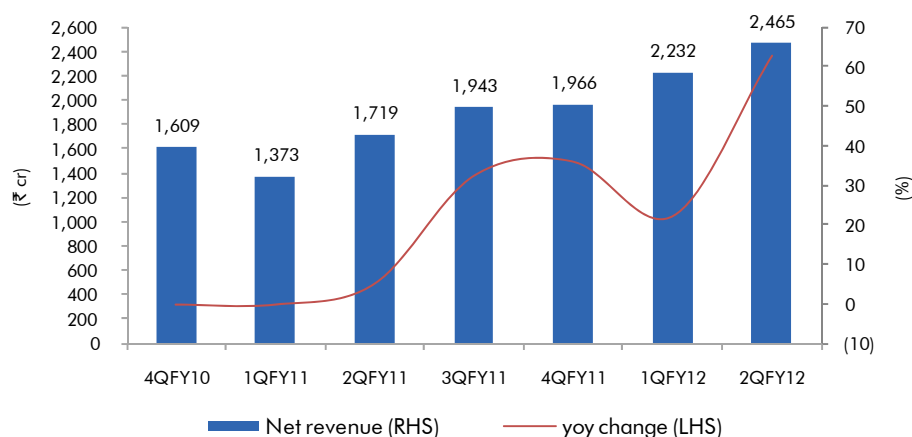
Source: Company, Angel Research

Result highlights

Strong top-line performance

During 2QFY2012, Bhushan's net sales grew by 43.4% yoy to ₹2,465cr mainly on account of higher volumes of flat products. Flat products sales volumes grew by 41.7% yoy to 466,748 tonnes and long product sales volumes grew by 3.8% yoy to 86,639 tonnes in 2QFY2012. Long product average realization increased by 19.9% yoy to ₹45,164/tonne and flat product average realization increased by 3.3% yoy to ₹46,987/tonne.

Exhibit 5: Net sales grew by 43.4% yoy

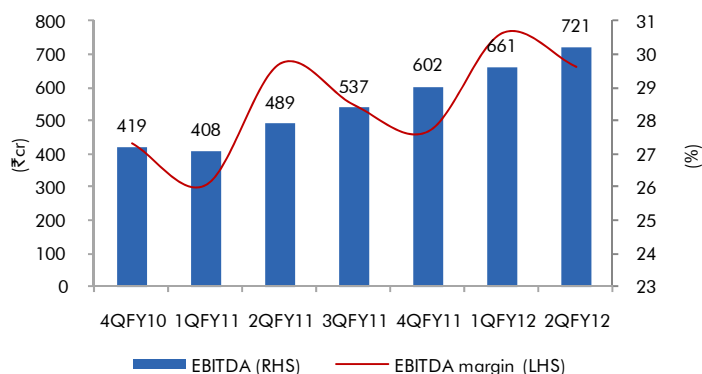


Source: Company, Angel Research

Robust operating performance

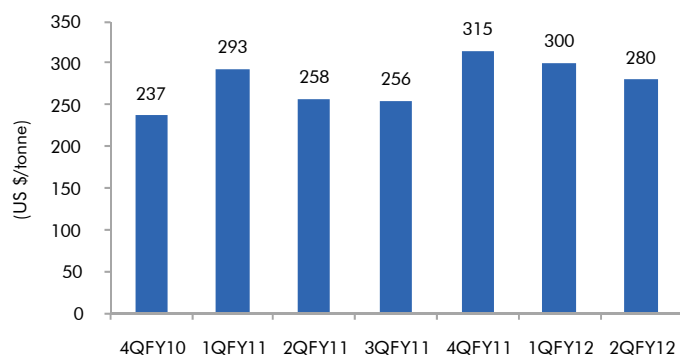
The company's EBITDA during the quarter increased by 47.4% yoy to ₹721cr, representing EBITDA margin of 29.2% (up 78bp yoy). EBITDA/tonne stood at US\$280 in 2QFY2012 compared to US\$248 in 2QFY2011 and US\$300 in 1QFY2012.

Exhibit 6: EBITDA margin expanded by 78bp yoy



Source: Company, Angel Research

Exhibit 7: EBITDA/tonne at US\$280 in 2QFY2012

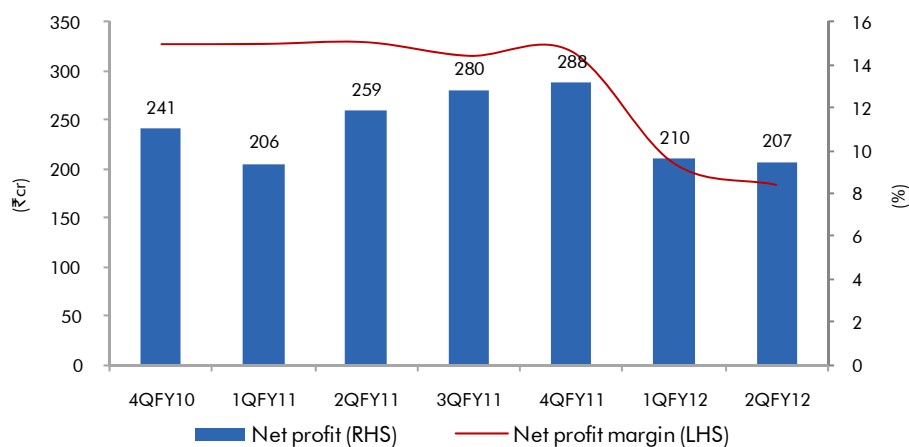


Source: Company, Angel Research

Higher interest and depreciation costs dent net profit growth

Depreciation expense during the quarter increased by 185.0% yoy to ₹151cr on account of higher capacity. Interest expense for the quarter increased by 200.3% yoy to ₹302cr due to higher debt. Consequently, net profit decreased by 20.1% yoy to ₹207cr. The company reported exceptional item related to forex loss of ₹100cr during the quarter. Excluding this exceptional item, adjusted net profit grew by 18.5% yoy to ₹307cr.

Exhibit 8: Reported net profit stood at ₹207cr



Source: Company, Angel Research

Investment rationale

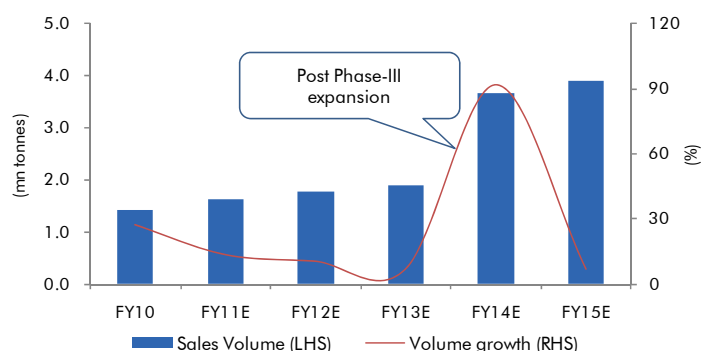
Entering a new orbit

Bhushan has undertaken an expansion plan in Orissa to increase its foothold in the industry. The project is being executed in three phases, with Phase-I commissioned in FY2007 and Phase-II commissioned in 1HFY2012. Post the completion of Phase-II, the company's primary steel-making capacity has risen to 2.2mn tonnes. Moreover, with the current ramping up of its new HR plant, Bhushan is moving from being a steel converter to a leading primary producer of steel, extending its presence in the steel value chain. Phase-III is currently under execution and is expected to come on stream by October 2012. On completion of Phase-III, Bhushan's primary steel capacity will increase to 4.7mn tonnes, making it one of the leading steel producers in India.

Volume growth sweetened by increasing EBITDA/tonne

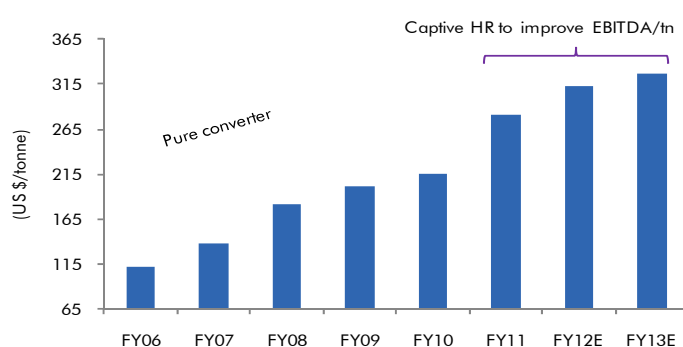
With the commissioning of Bhushan's Phase-III expansion plan, we expect the company's sales volume to grow at a 24.8% CAGR over FY2011–15E, much higher than its peers. Despite the company not being integrated, cost of production is expected to be low due to a) combination of BF-EAF technology to produce steel and b) lower conversion costs. The usage of BF-EAF technology will result in lower coal costs.

Exhibit 9: Volume to grow at a 24.8% CAGR (FY11-15E)



Source: Company, Angel Research

Exhibit 10: EBITDA/tonne to improve



Source: Company, Angel Research

Outlook and valuation

At the CMP, the stock is trading at 9.9x FY2012E and 8.6x FY2013E EV/EBITDA, a significant premium over its peers. Although we expect sales volume growth of 24.8% over FY2011–15E, we believe it is too early to play the volume growth story of Bhushan, as strong volume growth is expected only post FY2013. Further, although the company uses a combination of BF-EAF technology to produce steel, rising prices of iron ore and coal will affect its margins. Moreover, the company's debt-equity ratio remains high. We value the stock at 8.4x FY2013 EV/EBITDA, deriving a target price of ₹293. **Hence, we recommend a Reduce rating on the stock.**

Although we have raised our sales volumes estimates slightly, we have trimmed our profitability estimates for FY2012 and FY2013 to factor in higher raw-material prices. Further, we have raised our depreciation expense and interest cost estimates.

Exhibit 11: Revision in estimates

(₹ cr)	Earlier estimates		Revised estimates		Upgrade/(downgrade) (%)	
	FY12E	FY13E	FY12E	FY13E	FY12E	FY13E
Net sales	8,109	8,486	8,667	9,183	6.9	8.2
EBITDA	2,609	2,870	2,591	2,915	(0.7)	1.6
EBITDA margin (%)	32.2	33.8	29.9	31.7	(231)bp	(205)bp
PBT	1,194	1,202	1,073	1,105	(10.1)	(8.1)
Net income	872	878	805	828	(7.7)	(5.6)
Net margin (%)	10.8	10.3	9.3	9.0	(151)bp	(128)bp

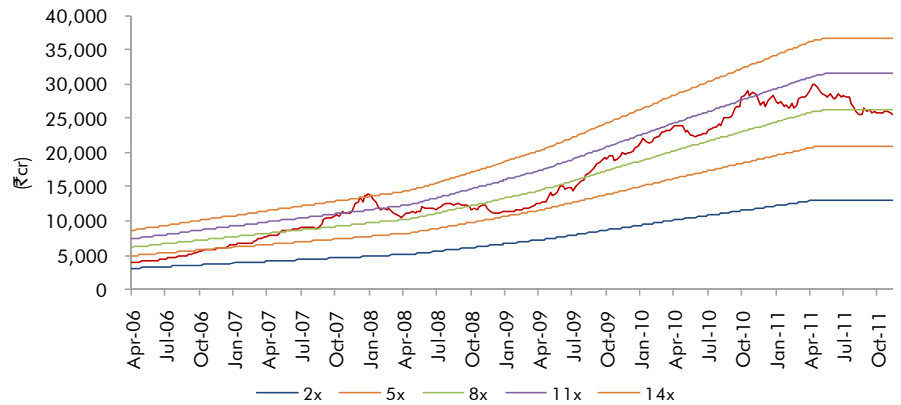
Source: Bloomberg, Angel Research

Exhibit 12: EPS – Angel forecast vs. consensus

Year (₹)	Angel forecast	Bloomberg consensus	Variation (%)
FY2012E	37.9	45.0	(15.8)
FY2013E	39.0	50.9	(23.4)

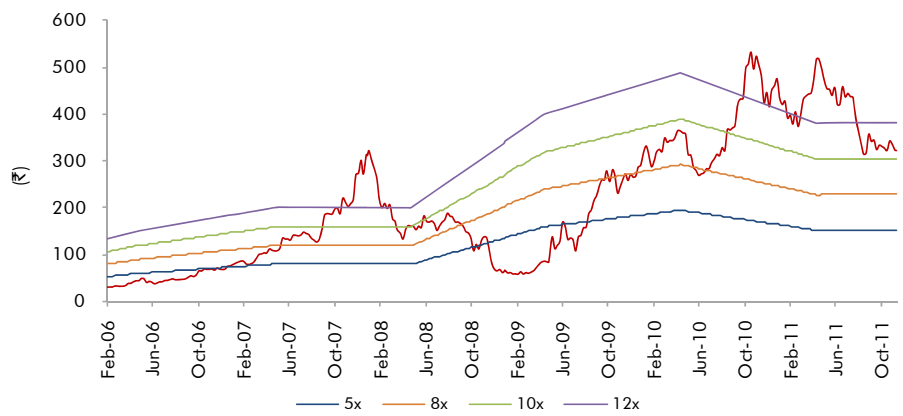
Source: Bloomberg, Angel Research

Exhibit 13: EV/EBITDA band



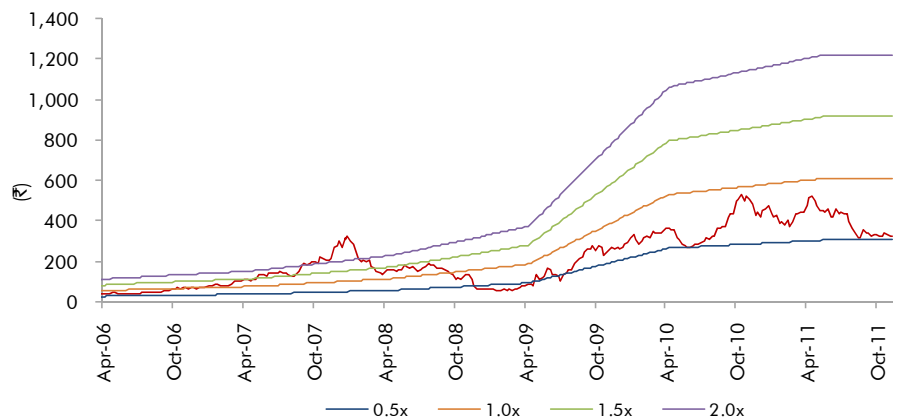
Source: Bloomberg, Angel Research

Exhibit 14: P/E band



Source: Bloomberg, Angel Research

Exhibit 15: P/BV band



Source: Bloomberg, Angel Research

Exhibit 16: Recommendation summary

Companies	CMP	Target	Reco.	Mcap	Upside	P/E (x)		P/BV (x)		EV/EBITDA (x)		RoE (%)		RoCE (%)	
	(₹)	Price (₹)				(₹ cr)	(%)	FY12E	FY13E	FY12E	FY13E	FY12E	FY13E	FY12E	FY13E
SAIL	99	-	Neutral	40,891	-	10.7	8.1	1.0	0.9	8.4	6.0	9.7	11.7	7.2	9.4
Tata Steel	402	510	Buy	38,512	27	6.8	5.2	0.9	0.7	5.9	4.5	24.0	15.5	10.5	12.1
JSW Steel	645	699	Accum.	14,979	8	9.4	5.5	0.8	0.7	4.8	3.6	10.0	15.3	10.1	14.6
BSL	322	293	Reduce	6,841	(9)	8.5	8.3	1.0	0.9	9.9	8.6	12.8	11.7	7.6	7.4

Source: Company, Angel Research

Profit & loss statement

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011	FY2012E	FY2013E
Gross sales	4,645	5,395	5,974	7,576	9,270	9,821
Less: Excise duty	(467)	(452)	(363)	(576)	(603)	(638)
Net sales	4,177	4,943	5,611	7,000	8,667	9,183
Other operating income	28	14	29	0	50	50
Total operating income	4,205	4,957	5,640	7,000	8,717	9,233
% chg	9.6	17.9	13.8	24.1	24.5	5.9
Total expenditure	3,370	3,928	4,188	4,963	6,126	6,317
Net raw materials	2,973	3,352	3,569	3,760	4,324	4,380
Other mfg costs	323	475	478	1,079	1,647	1,745
Personnel	74	101	141	124	156	193
Other	-	-	-	-	-	-
EBITDA	835	1,029	1,453	2,037	2,591	2,915
% chg	33.0	23.2	41.1	40.2	27.2	12.5
(% of Net sales)	20.0	20.8	25.9	29.1	29.9	31.7
Depreciation	211	234	209	233	676	781
EBIT	624	795	1,244	1,805	1,915	2,135
% chg	48.8	27.4	56.5	45.1	6.1	11.5
(% of Net sales)	14.9	16.1	22.2	25.8	22.1	23.2
Interest charges	137	252	210	414	910	1,102
Other income	52	18	118	65	68	72
(% of PBT)	9.6	3.2	10.2	4.5	6.4	6.5
Share in profit of asso.	-	-	-	-	-	-
Recurring PBT	539	561	1,151	1,456	1,073	1,105
% chg	44.7	4.1	105.3	26.4	(26.3)	2.9
Extra. Inc/(Expense)	-	-	-	-	-	-
PBT (reported)	539	561	1,151	1,456	1,073	1,105
Tax	115	139	306	423	268	276
(% of PBT)	21.4	24.9	26.5	29.0	25.0	25.0
PAT (reported)	424	421	846	1,033	805	828
Add: Earnings of asso.	-	-	-	-	-	-
Less: Minority interest	-	-	-	-	-	-
Extra. Expense/(Inc.)	-	-	-	-	-	-
PAT after MI (reported)	424	421	846	1,033	805	828
ADJ. PAT	424	421	846	1,033	805	828
% chg	35.3	(0.6)	100.8	22.1	(22.1)	2.9
(% of Net sales)	10.1	8.5	15.1	14.8	9.3	9.0
Basic EPS (₹)	20.0	19.8	39.8	48.6	37.9	39.0
Fully Diluted EPS (₹)	20.0	19.8	39.8	48.6	37.9	39.0
% chg	34.0	(0.6)	100.8	22.1	(22.1)	2.9

Balance sheet

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011	FY2012E	FY2013E
SOURCES OF FUNDS						
Equity share capital	42	42	42	111	111	111
Reserves & surplus	1,583	1,992	3,949	5,785	6,584	7,405
Shareholders' funds	1,625	2,034	3,992	5,896	6,695	7,517
Share warrants	-	400	0	0	0	0
Minority interest	-	-	-	-	-	-
Total loans	5,718	8,066	11,404	16,593	19,593	22,793
Deferred tax liability	197	246	330	698	698	698
Total liabilities	7,540	10,747	15,725	23,187	26,986	31,008
APPLICATION OF FUNDS						
Gross block	2,927	3,282	3,686	14,424	18,024	20,524
Less: Acc. depreciation	1,168	1,396	1,607	1,858	2,534	3,315
Net Block	1,759	1,886	2,079	12,566	15,490	17,210
Capital work-in-progress	4,568	7,400	11,109	7,393	7,800	6,500
Goodwill	-	-	-	-	-	-
Investments	58	114	370	278	278	278
Current assets	2,418	2,744	3,770	5,018	5,519	9,121
Cash	28	124	120	35	454	4,259
Loans & advances	644	769	953	1,331	1,331	1,331
Other	1,747	1,850	2,697	3,652	3,734	3,532
Current liabilities	1,264	1,396	1,604	2,068	2,101	2,101
Net current assets	1,155	1,347	2,167	2,950	3,418	7,020
Mis. exp. not w/off	-	-	-	-	-	-
Total assets	7,540	10,747	15,725	23,187	26,986	31,008

Cash flow statement

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011	FY2012E	FY2013E
Profit before tax	539	561	1,151	1,376	1,073	1,105
Depreciation	211	234	209	278	676	781
Change in working capital	(372)	(468)	(953)	(825)	(48)	202
Less: Other income	124	256	176	494.2	-	-
Direct taxes paid	63	46	186	272	268	276
Cash flow from operations	439	537	397	1,051	1,433	1,811
(Inc.)/ Dec. in fixed assets	(2,415)	(1,770)	(2,901)	(5,642)	(4,007)	(1,200)
(Inc.)/ Dec. in investments	(36)	(49)	(259)	100	-	-
(Inc.)/ Dec. in loans and adv.	-	-	-	-	-	-
Other income	17	13	24	24.3	-	-
Cash flow from investing	(2,434)	(1,806)	(3,136)	(5,518)	(4,007)	(1,200)
Issue of equity	-	400	700	875.1	-	-
Inc./ (Dec.) in loans	2,430	1,956	3,062	5,130	3,000	3,200
Dividend paid	11	8	11	11	7	7
Others	495	982	1,017	1,612.1	-	-
Cash flow from financing	1,923	1,366	2,735	4,382	2,993	3,193
Inc./ (Dec.) in cash	(73)	97	(4)	(85)	419	3,804
Opening cash bal.	100	28	124	120	35	454
Closing cash bal.	28	124	120	35	454	4,259

Key ratios

Y/E March	FY2008	FY2009	FY2010	FY2011	FY2012E	FY2013E
Valuation ratio (x)						
P/E (on FDEPS)	16.2	16.3	8.1	6.6	8.5	8.3
P/CEPS	10.8	10.5	6.5	5.4	4.6	4.3
P/BV	4.2	2.8	1.7	1.2	1.0	0.9
Dividend yield (%)	0.2	0.2	0.2	0.2	0.2	0.2
EV/Sales	3.0	3.0	3.2	3.3	3.0	2.7
EV/EBITDA	15.0	14.3	12.2	11.4	9.9	8.6
EV/Total assets	1.7	1.4	1.1	1.0	1.0	0.8
Per share data (₹)						
EPS (Basic)	20.0	19.8	39.8	48.6	37.9	39.0
EPS (fully diluted)	20.0	19.8	39.8	48.6	37.9	39.0
Cash EPS	29.9	30.9	49.7	59.6	69.7	75.8
DPS	0.5	0.5	0.5	0.5	0.5	0.5
Book value	76.5	114.6	186.2	277.7	315.0	353.4
DuPont analysis						
EBIT margin	14.9	16.1	22.0	25.8	22.1	23.2
Tax retention ratio (%)	78.6	75.1	73.5	71.0	75.0	75.0
Asset turnover (x)	0.7	0.6	0.4	0.4	0.4	0.4
RoIC (Post-tax)	8.3	6.7	7.1	6.7	5.9	6.1
Cost of debt (post tax)	2.4	2.7	1.6	2.1	3.8	3.9
Leverage (x)	3.5	3.2	2.8	2.8	2.8	2.4
Operating RoE	28.6	19.3	22.3	19.5	11.8	11.5
Returns (%)						
RoCE (Pre-tax)	10.3	8.7	9.4	9.3	7.6	7.4
Angel RoIC (pre-tax)	22.8	26.5	34.4	18.4	11.3	11.1
RoE	29.8	20.8	26.5	21.0	12.8	11.7
Turnover ratios (x)						
Asset turnover (gross block)	1.5	1.6	1.6	0.8	0.5	0.5
Inventory (days)	139	134	203	225	225	200
Receivables (days)	54	46	47	45	45	45
Payables (days)	114	80	85	85	85	85
WC cycle (days)	57	62	88	105	106	104
Solvency ratios (x)						
Net debt to equity	3.5	3.2	2.8	2.8	2.8	2.4
Net debt to EBITDA	6.7	7.6	7.5	8.0	7.3	6.3
Interest coverage	4.6	3.2	5.9	4.4	2.1	1.9

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Disclosure of Interest Statement	Bhushan Steel
1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

Note: We have not considered any Exposure below ₹1 lakh for Angel, its Group companies and Directors

Ratings (Returns):	Buy (> 15%) Reduce (-5% to 15%)	Accumulate (5% to 15%) Sell (< -15%)	Neutral (-5 to 5%)
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