

BSE SENSEX	S&P CNX
35,162	10,585
Bloomberg	DELTA IN
Equity Shares (m)	268
M.Cap.(INRb)/(USDb)	64.8 / 0.9
52-Week Range (INR)	401 / 198
1, 6, 12 Rel. Per (%)	-4/-18/-3
12M Avg Val (INR M)	975
Free float (%)	66.8

CMP: INR239 TP: INR290 (+21%) Buy

Revenue in-line, PAT marginally exceeds estimate

Casino margins maintained despite steep license fee hike

Sharp pick-up in revenue; Casino biz revenue jumps 40%: Revenue grew 39% YoY (est. of +34%) to INR2,014m in 2QFY19, primarily led by casino gaming segment (+40%) resulting from increased visitations (to 100k in 2QFY19 from 81k in 2QFY18) and higher gross gaming revenue (GGR; +20% YoY). EBITDA of INR762m, too, exceeded our estimate of INR679m. EBITDA margin shrank 720bp YoY to 38% YoY (est. of 35%) due to contraction in online gaming margin (-3,600bp YoY, -900bp QoQ to 2%) and higher license fee (+112% YoY). Adj. PAT increased 11% YoY to INR481m (est. of INR441m). For 1HFY19, revenue grew by 42% YoY, EBITDA by 28% YoY and PAT by 39% YoY. We expect DELTA to deliver revenue growth of 24%, EBITDA growth of 15% and PAT growth of 15% in 2HFY19.

Sequential recovery in blended EBITDA margin: On a blended basis, EBITDA margin expanded 300bp QoQ to 38% in 2QFY19. Notably, this was despite a muted performance in online gaming, where margins contracted on account of increased spend on rakeback and bonus for promotions (which was an attempt to overcome competition from local and global players – this helped DELTA to maintain its leadership position). Management expects to create value as marketing and promotion spends continue, resulting in increased user base.

Concall highlights: Management estimates online gaming margin of 10-12% on a stabilized basis; margins are not expected to reach high-teen levels (like in the past) in near future. Total installed capacity for casinos is 2,200 gaming positions, of which the company utilizes 1,000/1,100 on a daily basis. Moreover, day-time gaming is an unknown concept in India, for which DELTA attempting to create awareness and increase visitations.

Valuation view: We maintain our PAT estimates for FY19/20 and value the stock at 30x FY20E EPS. Maintain **Buy** with a target price of INR290.

Financials & Valuations (INR b)

Y/E March	2018	2019E	2020E
Net Sales	6.1	8.0	10.0
EBITDA	2.5	3.0	4.0
NP	1.5	1.9	2.6
EPS (INR)	5.8	7.1	9.7
EPS Gr. (%)	89.4	23.3	35.6
BV/Sh. (INR)	62.9	65.8	74.9
RoE (%)	11.9	11.2	13.7
RoCE (%)	11.5	11.2	20.2
Payout (%)	0.0	6.8	5.6
Div. Yield(%)	0.0	0.2	0.2

Estimate change



TP change



Rating change



Quarterly performance (INR m)

Y/E March	FY18				FY19				FY18	FY19E	2QE	Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	1,286	1,453	1,622	1,716	1,873	2,014	2,069	2,055	6,077	8,011	1,941	4
YoY Change (%)	18.4	8.2	56.6	58.7	46%	39%	28%	20%	33.7	31.8	34%	
Total Expenditure	833	798	935	1,041	1,219	1,251	1,278	1,274	3,606	5,015	1,262	
EBITDA	453	655	687	675	654	762	790	781	2,470	2,996	679	12
Margins (%)	35.2	45.1	42.4	39.3	34.9	37.9	38.2	38.0	40.7	37.4	35.0	
Depreciation	89	94	94	94	94	94	97	98	371	386	97	
Interest	70	22	3	8	2	7	8	8	104	25	8	
Other Income	37	86	79	84	83	83	45	35	286	245	55	
PBT before EO expense	332	624	669	656	641	744	730	710	2,281	2,830	629	18
Extra-Ord expense	-18	0	0	8	0	0	0	0	-10	0	0	
PBT	350	624	669	648	641	744	730	710	2,292	2,830	629	18
Tax	127	194	225	191	225	267	212	199	737	906	189	
Rate (%)	36.1	31.1	33.6	29.5	35.0	35.8	29.0	28.0	32.2	32.0	30.0	
MI & P/L of Asso. Cos.	1	-2	-3	-4	-3	4	4	4	-1	-8	0	
Reported PAT	223	433	447	453	414	481	522	515	1,555	1,932	441	9
Adj PAT	211	433	447	458	414	481	522	515	1,548	1,932	441	9
Margins (%)	16.4	29.8	27.6	26.7	22.1	23.9	25.3	25.1	25.5	24.1	22.7	

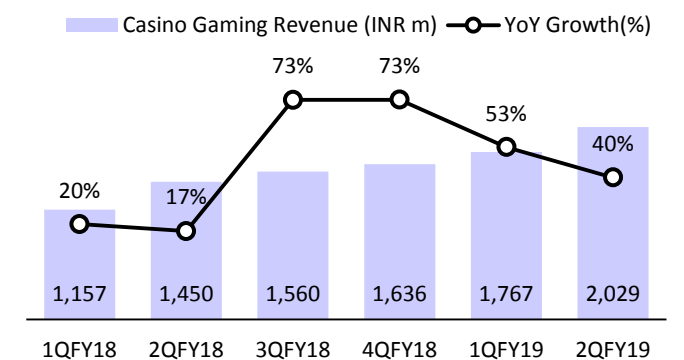
Strong growth in casino and online gaming segments

Online gaming revenue grew 46% YoY (-10% QoQ); segmental EBIT margin contracted from 38% in 2QFY18 (12% in 1QFY19) to 2% in 2QFY19. The QoQ decline in online gaming revenue can be attributed to the high base (1QFY19 – poker league, a one-off gaming event, was conducted in May 2018). Casino gaming revenue grew 40% YoY; segmental EBIT margin was flat YoY at 37%. Hospitality revenue declined 13% YoY to INR163.7m; the segment reported EBIT loss of INR72.9m.

Others takeaways

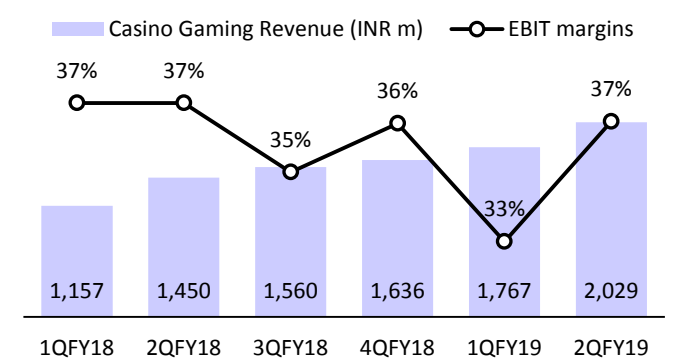
- Casino revenue growth is backed by growth in visitations (from 81K in 1QFY19 to 100K) and GGR (+20% QoQ). Online gaming – revenue may appear to decline QoQ in 2QFY19, but this is due to a non-recurring event - poker league, which was conducted in May 2018 (1QFY19).
- Margins in online gaming contracted due increased spends on rakeback and bonus for promotions in order to overcome competition from local and global players (such as pokerstars); this has helped Delta maintain leadership and value will be created as marketing and promotions continue.
- ‘Fantasy Sports’ was launched in April 2018. Currently, there are deposits of INR2.5m-3m which are expected to grow to INR5-7.5m from October 2018. In Fantasy Sports, the company started with cricket, eventually added football and has gone live with Kabaddi in October 2018.
- Inventory increase refers to a rise in value of land parcel located in Goa and owned by a subsidiary (INR250m).
- Key driving factor for online gaming – liquidity, availability and ease of gaming at any point of time.
- Total installed capacity for casinos is 2,200 gaming positions, of which the company utilizes 1,000/1,100 positions per day. Utilization is skewed from 10pm to 4am as opposed to international casinos where time of the day does not matter. As per management this is yet to happen in India. The company ensures dynamic pricing on weekends to not have to comprise a gamer for a tourist.
- Sikkim has a potential to increase 3/4x, but flight connectivity has just commenced – the tourist cycle and stability of operations need to set in.
- Usual maintenance capex of INR50-100m likely to be incurred.
- Other current assets mainly refer to prepaid license fee.

Exhibit 1: Casino gaming up 40% YoY in 2QFY19



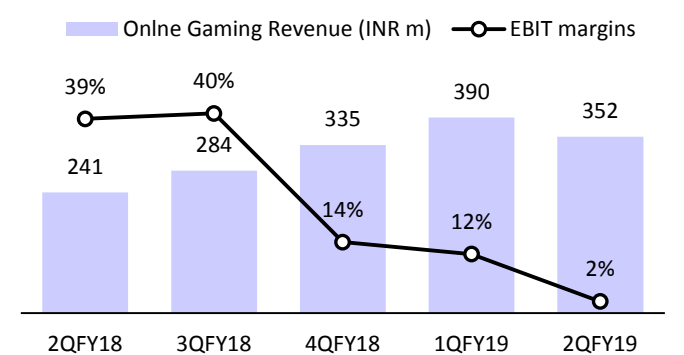
Source: Company, MOSL

Exhibit 2: Casino gaming margins flat at 37% in 2QFY19



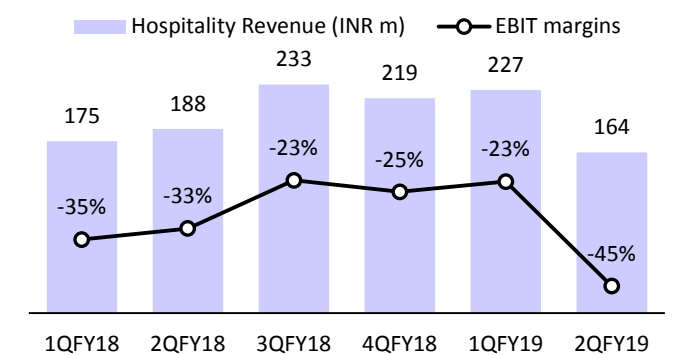
Source: Company, MOSL

Exhibit 3: Online gaming margins shrank to 2% in 2QFY19



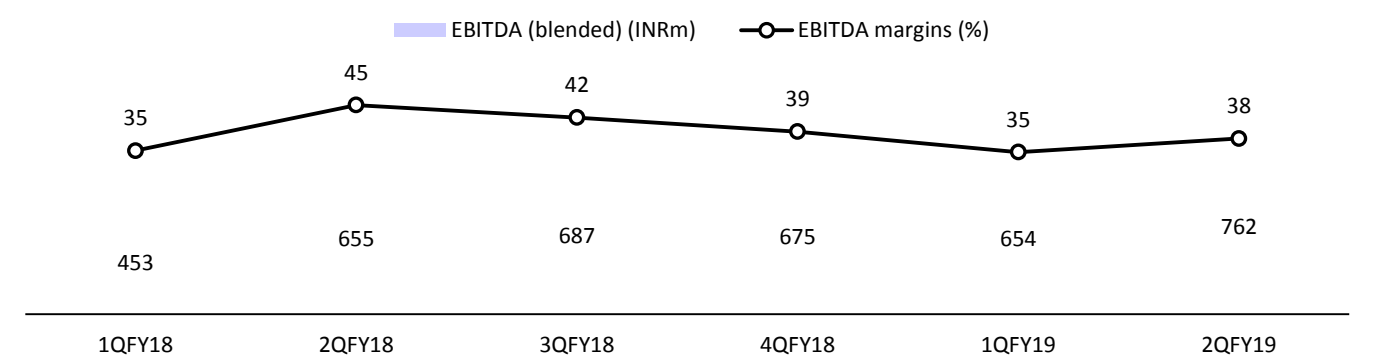
*Online gaming reporting commenced from 2QFY18
Source: Company, MOSL

Exhibit 4: Hospitality segment incurred losses



Source: Company, MOSL

Exhibit 5: Blended EBIDTA expands 330bp to 38% in 2QFY19



Source: Company, MOSL

Story in charts

Exhibit 6: 28% revenue CAGR expected over FY19-20

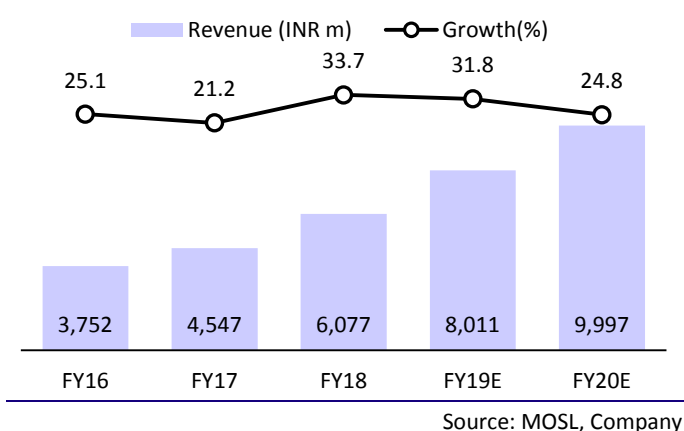


Exhibit 7: EBITDA to remain under pressure in FY19

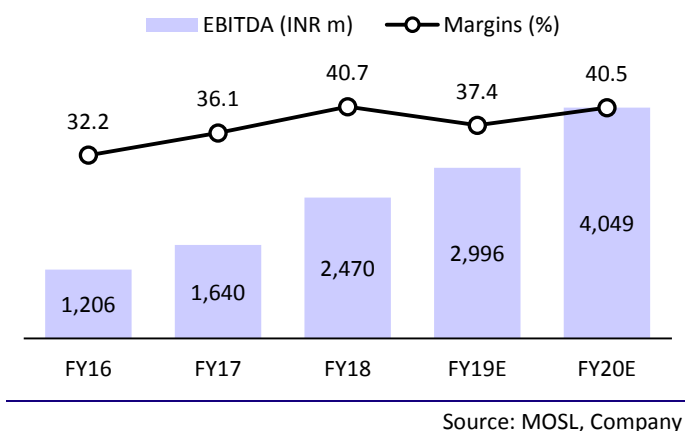


Exhibit 8: Earnings to grow at 30% CAGR over FY19-20

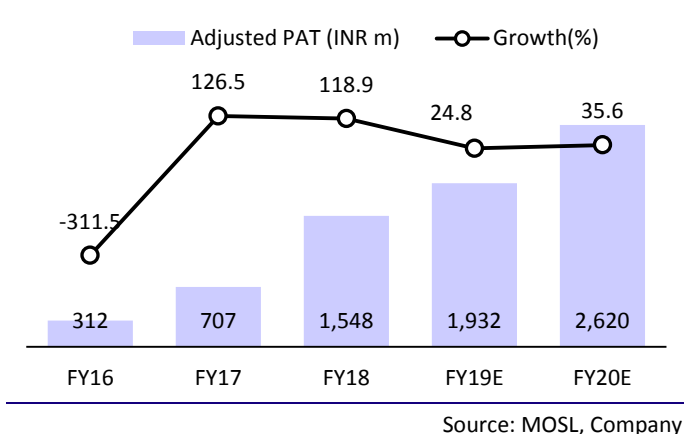


Exhibit 9: ROE to improve to 13.7% by FY20

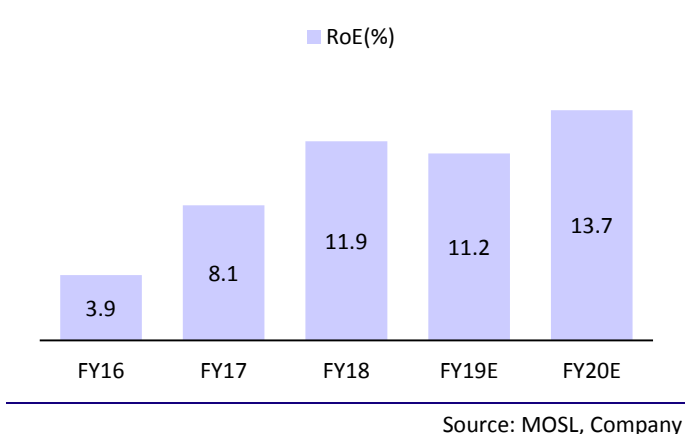


Exhibit 10: ROCE to improve to 20% by FY20E

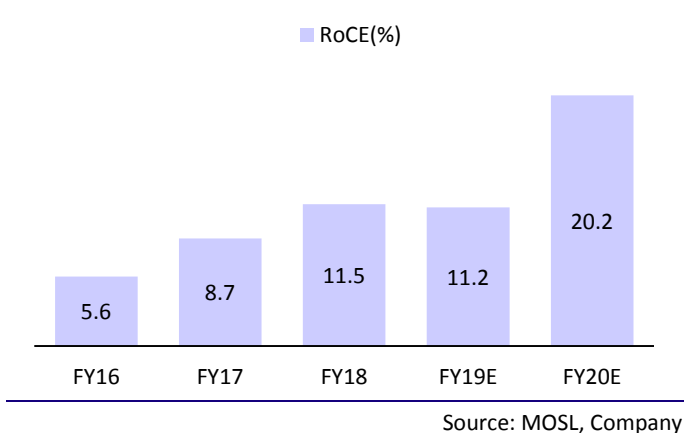
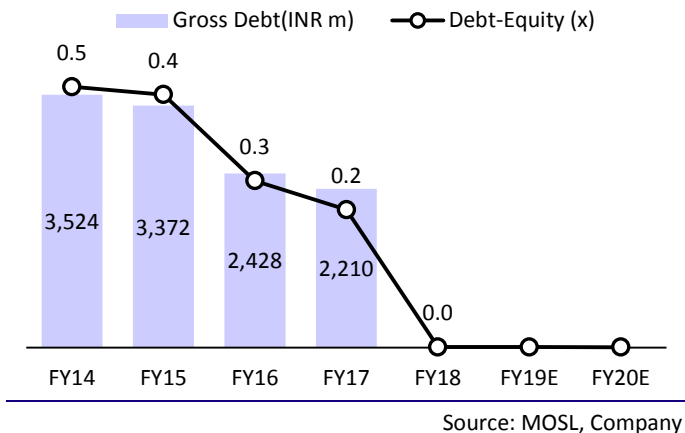


Exhibit 11: Debt free as of FY18



Financials and valuations

Consolidated - Income Statement

(INR Million)

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Total Income from Operations	4,254	5,586	3,000	3,752	4,547	6,077	8,011	9,997
Change (%)	16.6	31.3	-46.3	25.1	21.2	33.7	31.8	24.8
Total Expenditure	3,406	4,085	2,334	2,545	2,907	3,606	5,015	5,948
% of Sales	80.1	73.1	77.8	67.8	63.9	59.3	62.6	59.5
EBITDA	848	1,501	665	1,206	1,640	2,470	2,996	4,049
Margin (%)	19.9	26.9	22.2	32.2	36.1	40.7	37.4	40.5
Depreciation	81	166	347	359	361	371	386	401
EBIT	767	1,335	318	847	1,278	2,099	2,610	3,648
Int. and Finance Charges	155	334	513	413	350	104	25	20
Other Income	185	312	74	70	49	286	245	210
PBT bef. EO Exp.	797	1,313	-120	503	978	2,281	2,830	3,838
EO Items	52	-143	-49	105	-42	-10	0	0
PBT after EO Exp.	849	1,170	-169	608	1,020	2,292	2,830	3,838
Current Tax	325	478	155	202	280	737	906	1,228
Deferred Tax	15	42	-47	0	0	0	0	0
Tax Rate (%)	40.0	44.4	-64.1	33.2	27.4	32.2	32.0	32.0
Less: Minority Interest	216	297	-50	24	2	-1	-8	-10
Reported PAT	293	353	-228	382	738	1,555	1,932	2,620
Adjusted PAT	262	432	-148	312	707	1,548	1,932	2,620
Change (%)	-47.6	64.7	-134.2	-311.5	126.5	118.9	24.8	35.6
Margin (%)	6.2	7.7	-4.9	8.3	15.6	25.5	24.1	26.2

Consolidated - Balance Sheet

(INR Million)

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Equity Share Capital	227	228	231	231	232	268	271	271
Total Reserves	7,505	7,529	7,420	8,123	8,970	16,560	17,546	20,019
Net Worth	7,732	7,757	7,651	8,354	9,202	16,827	17,817	20,290
Minority Interest	1,616	525	244	270	160	141	141	141
Deferred Liabilities	4	57	160	0	0	0	0	0
Total Loans	4,850	3,524	3,372	2,428	2,210	14	14	14
Capital Employed	14,202	11,863	11,426	11,051	11,572	16,983	17,973	20,446
Gross Block	2,950	7,611	8,739	8,508	8,715	10,183	11,283	13,783
Less: Accum. Deprn.	332	488	800	1,160	1,521	1,892	2,279	2,680
Net Fixed Assets	2,619	7,123	7,938	7,348	7,194	8,290	9,004	11,103
Goodwill on Consolidation	868	477	604	1,258	1,327	3,946	3,946	3,946
Capital WIP	5,217	992	38	27	5	41	41	41
Total Investments	1,141	1,048	1,077	826	981	4,220	4,220	4,220
Curr. Assets, Loans&Adv.	5,495	3,291	2,459	2,100	2,715	3,183	1,828	2,505
Inventory	2,366	717	695	708	695	705	944	1,178
Account Receivables	145	674	228	142	43	83	154	192
Cash and Bank Balance	466	551	210	228	314	1,235	327	712
Loans and Advances	2,517	1,350	1,326	1,023	1,663	1,160	403	423
Curr. Liability & Prov.	1,138	1,142	911	899	1,000	2,854	1,222	1,525
Account Payables	774	730	735	806	906	2,760	1,097	1,370
Provisions	364	413	176	93	95	94	125	156
Net Current Assets	4,358	2,149	1,548	1,201	1,715	330	606	980
Deferred Tax assets	0	72	221	391	351	156	156	156
Misc Expenditure	0	0	0	0	0	0	0	0
Appl. of Funds	14,202	11,863	11,426	11,051	11,572	16,983	17,973	20,446

E: MOSL Estimates

Financials and valuations

Ratios

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Basic (INR)								
EPS	1.2	1.9	-0.6	1.4	3.1	5.8	7.1	9.7
Cash EPS	1.5	2.6	0.9	2.9	4.6	7.2	8.6	11.2
BV/Share	34.1	34.1	33.2	36.2	39.7	62.9	65.8	74.9
DPS	0.2	0.2	0.1	0.2	0.4	0.0	0.4	0.5
Payout (%)	22.8	18.8	-12.5	14.5	13.2	0.0	6.8	5.6
Valuation (x)								
P/E		125.8	-373.3	176.5	78.3	41.3	33.5	24.7
Cash P/E		91.0	276.8	82.1	51.8	33.3	27.9	21.4
P/BV		7.0	7.2	6.6	6.0	3.8	3.6	3.2
EV/Sales		11.6	21.6	17.0	14.0	9.9	7.6	6.1
EV/EBITDA		43.0	97.3	52.8	38.7	22.9	19.2	14.1
Dividend Yield (%)	0.1	0.1	0.0	0.1	0.1	0.0	0.2	0.2
FCF per share	-3.7	6.8	3.2	4.6	4.0	3.1	-3.6	1.2
Return Ratios (%)								
RoE	3.4	5.6	-1.9	3.9	8.1	11.9	11.2	13.7
RoCE	4.6	7.7	5.8	5.6	8.7	11.5	11.2	20.2
RoIC	6.7	8.9	5.4	5.6	9.2	13.1	14.3	17.2
Working Capital Ratios								
Asset Turnover (x)	0.3	0.5	0.3	0.3	0.4	0.4	0.4	0.5
Inventory (Days)	203	47	85	69	56	42	43	43
Debtor (Days)	12	44	28	14	3	5	7	7
Creditor (Days)	142	48	89	78	73	166	50	50
Working Cap. Turnover (Days)	334	43	23	4	-13	-118	0	0
Leverage Ratio (x)								
Debt/Equity	0.6	0.5	0.4	0.3	0.2	0.0	0.0	0.0

Consolidated - Cash Flow Statement

(INR Million)

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
OP/(Loss) before Tax	849	1,175	-166	596	978	2,281	2,830	3,838
Depreciation	81	166	347	382	361	371	386	401
Interest & Finance Charges	10	199	495	397	300	-182	-220	-190
Direct Taxes Paid	-365	-332	-354	-156	-280	-737	-906	-1,228
(Inc)/Dec in WC	2,235	1,119	539	94	-427	3,083	-1,961	11
CF from Operations	2,810	2,327	862	1,313	932	4,816	130	2,831
Others	37	-49	-23	-156	180	125	0	0
CF from Operating incl EO	2,847	2,278	838	1,157	1,112	4,941	130	2,831
(inc)/dec in FA	-3,692	-740	-107	-89	-185	-4,122	-1,100	-2,500
Free Cash Flow	-845	1,538	731	1,068	927	819	-970	331
(Pur)/Sale of Investments	205	132	3	32	-155	-3,240	0	0
Others	-643	1,257	-145	-63	49	-36	1,023	210
CF from Investments	-4,129	650	-250	-120	-290	-7,397	-77	-2,290
Issue of Shares	49	22	145	0	1	5,500	-813	0
(Inc)/Dec in Debt	301	-1,158	-152	-524	-218	-2,196	0	0
Interest Paid	-155	-310	-551	-427	-350	-104	-25	-20
Dividend Paid	-109	-57	-62	-28	-98	0	-130	-147
Others	338	-1,340	-309	-40	-72	176	8	10
CF from Fin. Activity	425	-2,843	-929	-1,018	-736	3,377	-960	-157
Inc/Dec of Cash	-857	84	-341	18	86	921	-907	385
Opening Balance	1,323	466	551	210	228	314	1,235	327
Closing Balance	466	551	210	228	314	1,235	327	712

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst becomes inconsistent with the investment rating legend, the Research Analyst shall within 28 days of the inconsistency, take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Securities Ltd. (MOSL)* is a SEBI Registered Research Analyst having registration no. INH00000412. MOSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Investment Advisory Services, Depository participant services & distribution of various financial products. MOSL is a subsidiary company of Motilal Oswal Financial Service Ltd. (MOFSL). MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE), Multi Commodity Exchange of India (MCX) & National Commodity & Derivatives Exchange Ltd. (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) & National Securities Depository Limited (NSDL) and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products. Details of associate entities of Motilal Oswal Securities Limited are available on the website at <http://onlinereports.motilaloswal.com/DormantDocuments/Associate%20Details.pdf>

MOSL, its associates, Research Analyst or their relative may have any financial interest in the subject company. MOSL and/or its associates and/or Research Analyst may have actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. MOSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein, (b) 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 act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOSL. Even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. MOSL and/or its associates may have received any compensation from the subject company in the past 12 months.

In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, MOSL or any of its associates may have:

- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.
- Subject Company may have been a client of MOSL or its associates during twelve months preceding the date of distribution of the research report.

MOSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report. To enhance transparency, MOSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Terms & Conditions:

This report has been prepared by MOSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential 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 prior written consent of MOSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement

Delta Corp

Analyst ownership of the stock

No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg No. INH00000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Securities Limited (MOSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore, as per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisers Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

Disclaimer:

The report and information contained herein is strictly confidential and meant 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 prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOSL 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 document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022-3980 4263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 3080 1000. Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-38281085.

Registration details of group entities: MOSL: SEBI Registration: INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL: IN-DP-16-2015; NSDL: IN-DP-NSDL-152-2000; Research Analyst: INH000000412. AMFI: ARN 17397. Investment Adviser: INA000007100. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP000000670) offers PMS and Mutual Funds products. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) offers wealth management solutions. *Motilal Oswal Securities Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs, Insurance and IPO products. * Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. offers Real Estate products. * Motilal Oswal Private Equity Investment Advisors Pvt. Ltd. offers Private Equity products

*MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f. August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench. The existing registration no(s) of MOSL would be used until receipt of new MOFSL registration numbers.