

Brigade Enterprises

BSE SENSEX
61,294

S&P CNX
18,233

CMP: INR466

TP: INR720 (+55%)

Buy



Bloomberg	BRGD IN
Equity Shares (m)	230
M.Cap.(INRb)/(USDb)	107.6 / 1.3
52-Week Range (INR)	585 / 385
1, 6, 12 Rel. Per (%)	-3/-11/-9
12M Avg Val (INR M)	199

Financials & Valuations (INR b)

Y/E MARCH	2022	2023E	2024E
Sales	30.0	37.2	41.4
EBITDA	7.7	9.8	12.4
EBITDA Margin (%)	25.6	26.4	30.0
Adj PAT	1.7	3.5	4.9
Cons. EPS (Rs)	8.5	17.1	24.0
EPS Growth (%)	-	101	41
BV/Share (Rs)	142	160	183

Ratios

Net D:E	1.3	1.2	0.9
RoE (%)	6.6	11.3	14.1
RoCE (%)	25.3	7.1	9.1
Payout (%)	26.4	5.5	4.2

Valuations

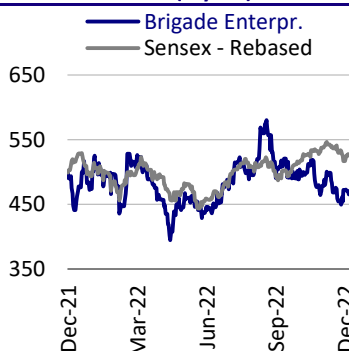
P/E (x)	56	28	20
P/BV (x)	3.3	3.0	2.6
EV/EBITDA (x)	17.7	13.8	10.5
Div. Yield (%)	0.2	0.2	0.2

Shareholding pattern (%)

As On	Sep-22	Jun-22	Sep-21
Promoter	43.8	43.9	44.0
DII	25.3	24.7	25.0
FII	13.4	13.3	13.1
Others	17.5	18.2	18.0

FII Includes depository receipts

Stock Performance (1-year)



Launches to pick up; strong visibility on leasing

Focus on business development intact

- We met the management of Brigade Enterprises (BEL) to understand its business outlook. Key takeaways are (1) Demand momentum is intact owing to favorable affordability despite 200bps increase in interest rate (2) BEL expects to launch 13msf of projects over the next 12 months (3) re-iterated its target to grow sales volumes by 15-20% over the next three years (4) focus on business development to continue across Bengaluru, Chennai, and Hyderabad and (5) expect commercial portfolio to be fully leased by Sep-23.
- On the back of a strong launch pipeline, we expect BEL's pre-sales to record a 17% CAGR to 7msf by FY25. We believe pick up in business development activity will lead to re-rating in value of its residential segment as the current market price does not reflect the growth potential. We reiterate our Buy rating with an unchanged SOTP-based TP of INR720, implying 55% upside potential.

Demand momentum intact; 13msf of launches over the next 12 months

- Management indicated that demand momentum continues to remain intact as witnessed through steady progress on sustenance sales as well as strong response to recent launches
- As per the management, affordability continues to remain intact despite 200bps rise in mortgage rates as monthly EMIs at INR83,000-84,000 (for a mortgage of INR10m) are still below its peak of INR100,000 in 2015-16.
- Average household income for homebuyers in Bengaluru has doubled to INR4.5-5.0m over the last five years, and hence, affordability is still not a challenge until interest rate reaches a psychological barrier of double digits.
- While the company has been largely focused on sustenance sales over the last six quarters, management expects the launch intensity to improve from hereon. BEL is slated to launch 13msf of projects across Bengaluru (8.5msf), Chennai (3.5msf), and Hyderabad (1msf) over the next 12 months.
- The company remains confident of delivering 15-20% CAGR in pre-sales volumes over the next three years and is gearing up its launch and project pipeline to meet the target. We expect the company to deliver 17% CAGR in pre-sales over FY23-25 to 7msf at a value of INR48b.

Focus on business development to remain intact

- Over the last 12 months, the company has added 10msf of residential projects. Currently, BEL has ~40msf of residential projects under pipeline, of which, 13msf is slated to be launched over the next 12 months. The remaining 27msf of projects under pipeline provides visibility for three-four years.
- Management generally prefers a visible pipeline of five-six years, hence, focus on business development will remain intact, especially in its core markets of Bengaluru and Hyderabad.

Pritesh Sheth - Research Analyst (Pritesh.Sheth@MotilalOswal.com)

Sourabh Gilda - Research Analyst (Sourabh.Gilda@motilalosal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilalosal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- In Chennai, BEL is targeting a revenue of INR60b over the next five years from its residential projects alone and looking to consolidate its presence across verticals.

Confident of fully leasing its commercial portfolio by Sep'23

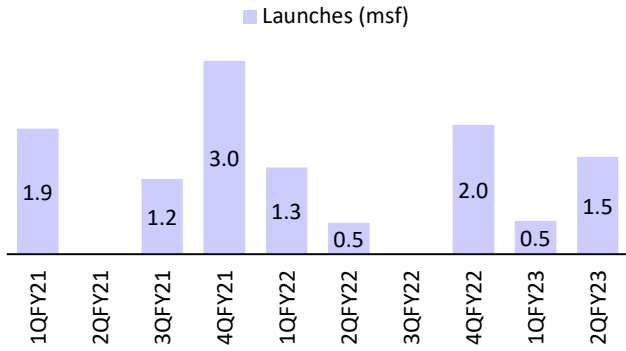
- Over the last 12 months, the company has leased 1.2msf of space in its operational commercial portfolio.
- While the leasing traction has been slower than expected, the company expects to fully lease out its portfolio by Sep'23. We expect the rental income to record a 15% CAGR to INR8b by FY25.
- Brigade Twin tower (1.2msf) is expected to be delivered over the next 18 months and will take the rental income to INR10b and EBITDA to INR7.5b. However, its contribution is not considered for valuation right now
- Additionally, it is evaluating one more commercial project (2.0msf) along with mixed use development in Chennai TVS land (0.3msf), which provides growth visibility in rental portfolio even beyond FY25.

Valuation and view

- We maintain our estimates across the residential and commercial segment as the company reiterated its 15-20% volume growth guidance in residential segment and remains confident of fully leasing its commercial segment by 1HFY24.
- We derive a value of INR60b for its commercial business (INR5.5b EBITDA valued at 8.5% cap rate) and INR25b for its hospitality business (INR1.5b EBITDA at 17.5x EV/EBITDA). And at its current valuation, it implies INR35-40b for its residential business, which would be equal to NAV of its existing residential project pipeline, indicating zero growth value.
- Thus, pick-up in business development activity by BEL will lead to re-rating in valuation for its residential segment. We reiterate our Buy rating with an unchanged SOTP-based TP of INR720, implying a 55% upside potential.

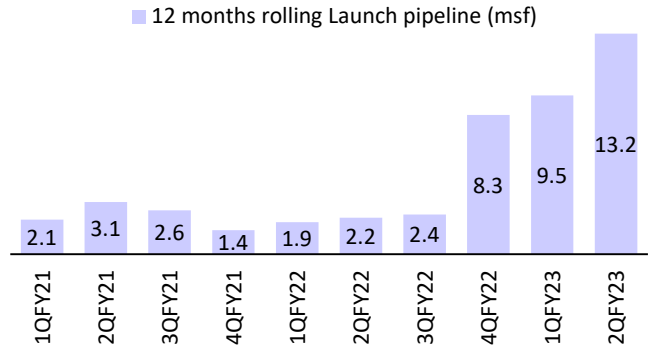
Key exhibits

Exhibit 1: BEL launched 2msf in 1HFY23 and new project pipeline remains strong



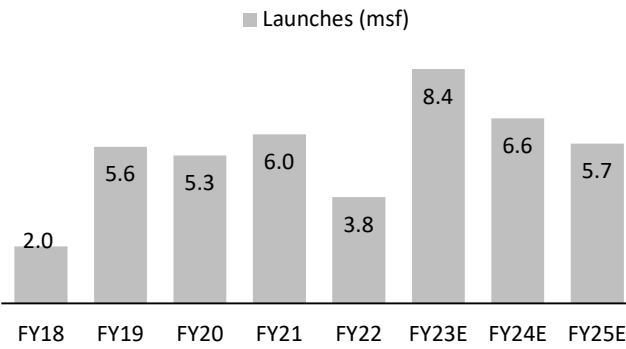
Source: MOFSL, Company

Exhibit 2: Launch pipeline for the next 12 months has significantly increased over the last few quarters



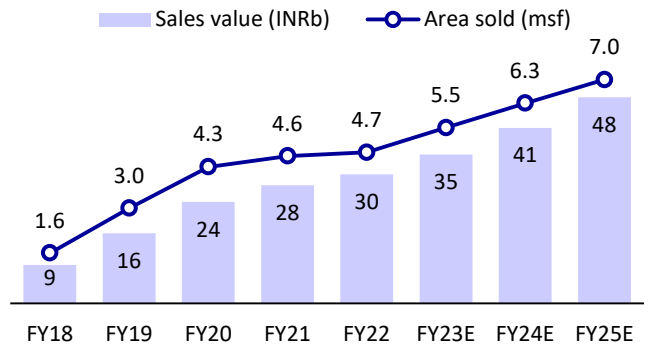
Source: MOFSL, Company

Exhibit 3: Expect the company to launch 6-8msf by FY25



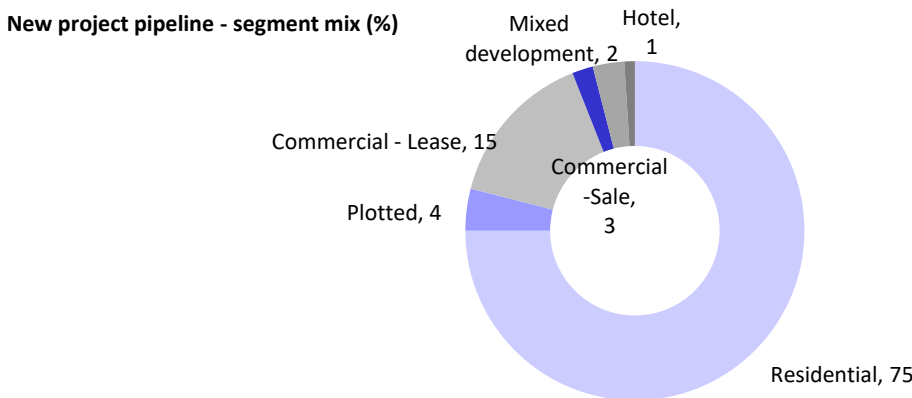
Source: MOFSL, Company

Exhibit 4: Expect bookings to touch INR48b by FY25



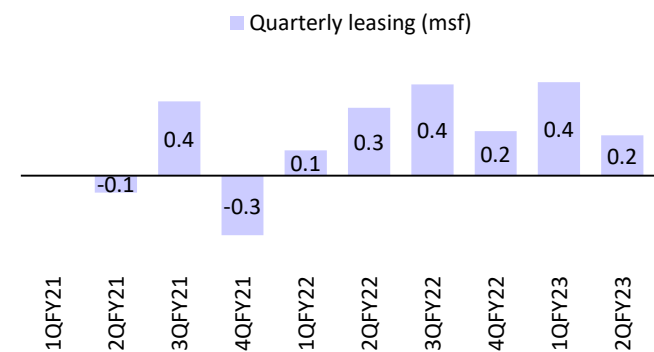
Source: MOFSL, Company

Exhibit 5: Overall, BEL has 48msf of new project pipeline, largely concentrated in residential segment



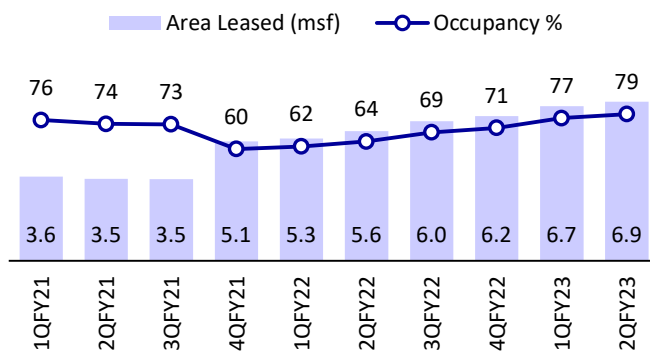
Source: Company, MOFSL

Exhibit 6: On the back of revival in office space demand, BEL's leasing traction remained healthy



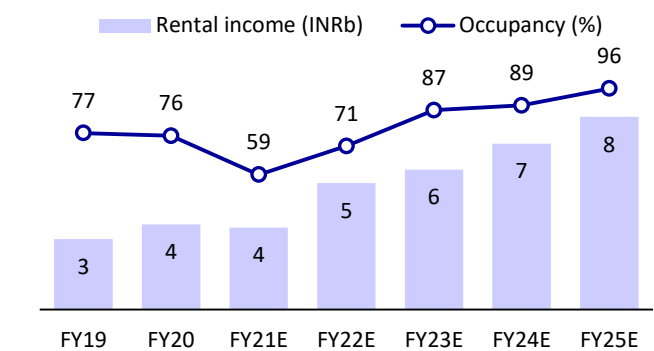
Source: MOFSL, Company

Exhibit 7: ...leading to gradual improvement in occupancy



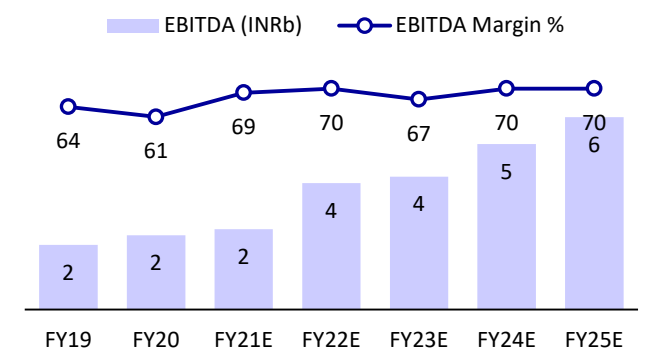
Source: MOFSL, Company

Exhibit 8: Expect rental income to record a 15% CAGR over FY22-25



Source: Company, MOFSL

Exhibit 9: EBITDA to follow a similar trajectory



Source: Company, MOFSL

Exhibit 10: Our SoTP-based approach denotes 55% upside for BEL based on CMP; reiterate Buy rating

Segment	Valuation metric	Value (INR b)	Per share	As a percentage of NAV
Residential	❖ DCF of three-year cash flow at a WACC of 11.3% and terminal value assuming cash flow sustain in FY22-24	98	426	59%
Commercial	❖ Based on the cap rate of 8.5% for Office and Retail assets on FY24E EBITDA	60	259	36%
Hotel	❖ FY23E EV/EBITDA of 15x	26	115	16%
Gross asset value		184	800	111%
Net debt (BRGD's share)		(18)	(80)	-11%
Net asset value		166	720	100%
No. of shares		230.3		
Target price		720		
CMP (INR)		466		
Upside (%)		55		

Source: MOFSL

Financials and valuations

Consolidated Profit & Loss

Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Total Income from Operations	29,728	26,322	19,500	29,988	37,184	41,396	46,475
Change (%)	56.7	-11.5	-25.9	53.8	24.0	11.3	12.3
Total Expenditure	21,831	19,689	14,780	22,325	27,368	28,967	31,527
% of Sales	73.4	74.8	75.8	74.4	73.6	70.0	67.8
EBITDA	7,897	6,632	4,719	7,663	9,816	12,429	14,948
Margin (%)	26.6	25.2	24.2	25.6	26.4	30.0	32.2
Depreciation	1,400	1,920	2,369	3,505	3,130	3,412	3,903
EBIT	6,497	4,712	2,350	4,158	6,686	9,017	11,044
Int. and Finance Charges	2,785	3,403	3,468	4,436	4,253	4,143	3,923
Other Income	563	494	604	667	867	954	1,002
PBT bef. EO Exp.	4,274	1,803	-514	389	3,301	5,829	8,123
EO Items	0	-205	-763	-567	280	0	0
PBT after EO Exp.	4,274	1,598	-1,277	-177	3,581	5,829	8,123
Total Tax	1,455	474	-287	497	901	1,467	2,045
Tax Rate (%)	34.0	29.6	22.5	-280.3	25.2	25.2	25.2
Minority Interest	420	-150	-475	-1,448	-1,025	-551	-361
Reported PAT	2,399	1,274	-515	774	3,705	4,912	6,440
Adjusted PAT	2,399	1,418	77	1,739	3,495	4,912	6,440
Change (%)	72.3	-40.9	-94.6	2,165.4	100.9	40.5	31.1
Margin (%)	8.1	5.4	0.4	5.8	9.4	11.9	13.9

Consolidated Balance Sheet

Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Equity Share Capital	1,362	2,044	2,109	2,303	2,303	2,303	2,303
Total Reserves	20,332	20,768	21,368	26,797	30,297	35,005	41,445
Net Worth	21,694	22,811	23,477	29,099	32,600	37,308	43,748
Minority Interest	1,884	1,659	1,156	-323	-1,348	-1,899	-2,260
Total Loans	36,440	44,218	43,897	48,327	48,327	45,827	43,327
Deferred Tax Liabilities	0	0	-2,155	-2,642	-2,642	-2,642	-2,642
Capital Employed	60,018	68,688	66,374	74,461	76,937	78,594	82,172
Gross Block	27,742	36,874	59,464	61,822	63,387	73,093	83,045
Less: Accum. Deprn.	5,019	6,939	9,308	12,814	15,944	19,356	23,259
Net Fixed Assets	22,724	29,935	50,156	49,008	47,443	53,737	59,786
Goodwill on Consolidation	43	43	43	43	43	43	43
Capital WIP	20,097	20,975	4,949	5,407	7,520	1,639	-6,362
Total Investments	977	721	890	5,086	5,086	5,086	5,086
Curr. Assets, Loans&Adv.	64,158	70,935	79,942	88,825	99,355	1,09,334	1,18,735
Inventory	48,161	52,094	59,020	62,228	68,765	73,719	78,944
Account Receivables	4,208	4,306	5,272	5,042	6,112	6,805	7,640
Cash and Bank Balance	2,222	3,049	5,594	9,448	9,465	12,097	13,388
Loans and Advances	9,567	11,486	10,056	12,108	15,013	16,714	18,764
Curr. Liability & Prov.	47,980	53,921	69,606	73,908	82,511	91,246	95,116
Account Payables	6,081	5,005	5,770	6,491	7,957	10,317	11,229
Other Current Liabilities	41,803	48,811	63,747	67,333	74,368	80,722	83,655
Provisions	97	105	89	83	186	207	232
Net Current Assets	16,178	17,014	10,336	14,917	16,845	18,089	23,619
Misc Expenditure	0	0	0	0	0	0	0
Appl. of Funds	60,018	68,688	66,374	74,462	76,937	78,594	82,173

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Basic (INR)							
EPS	11.7	6.9	0.4	8.5	17.1	24.0	31.5
Cash EPS	18.6	16.3	12.0	25.7	32.4	40.7	50.6
BV/Share	106.1	111.6	114.9	142.4	159.5	182.5	214.0
DPS	1.3	1.0	0.0	1.0	1.0	1.0	0.0
Payout (%)	13.7	19.3	0.0	26.4	5.5	4.2	0.0
Valuation (x)							
P/E	40.4	68.3	1,261.7	55.7	27.7	19.7	15.0
Cash P/E	25.5	29.0	39.6	18.5	14.6	11.6	9.4
P/BV	4.5	4.2	4.1	3.3	3.0	2.6	2.2
EV/Sales	4.4	5.2	6.9	4.5	3.7	3.2	2.7
EV/EBITDA	16.6	20.8	28.6	17.7	13.8	10.5	8.5
Dividend Yield (%)	0.3	0.2	0.0	0.2	0.2	0.2	0.0
FCF per share	-6.5	-13.1	16.4	40.3	17.6	41.7	32.8
Return Ratios (%)							
RoE	10.8	6.4	0.3	6.6	11.3	14.1	15.9
RoCE	8.1	5.9	3.4	25.3	7.1	9.1	10.6
RoIC	12.1	8.2	3.7	28.9	9.1	11.8	12.7
Working Capital Ratios							
Fixed Asset Turnover (x)	1.1	0.7	0.3	0.5	0.6	0.6	0.6
Asset Turnover (x)	0.5	0.4	0.3	0.4	0.5	0.5	0.6
Inventory (Days)	591	722	1,105	757	675	650	620
Debtor (Days)	52	60	99	61	60	60	60
Creditor (Days)	75	69	108	79	78	91	88
Leverage Ratio (x)							
Current Ratio	1.3	1.3	1.1	1.2	1.2	1.2	1.2
Interest Cover Ratio	2.3	1.4	0.7	0.9	1.6	2.2	2.8
Net Debt/Equity	1.6	1.8	1.6	1.3	1.2	0.9	0.7

Consolidated Cash flow

Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
OP/(Loss) before Tax	4,274	1,614	-1,251	-150	3,581	5,829	8,123
Depreciation	1,400	1,920	2,369	3,505	3,130	3,412	3,903
Interest & Finance Charges	2,583	3,403	3,468	4,436	4,253	4,143	3,923
Direct Taxes Paid	-1,117	-642	-536	-1,039	-901	-1,467	-2,045
(Inc)/Dec in WC	-2,363	-1,643	3,814	4,047	-1,910	1,388	-4,240
CF from Operations	4,777	4,652	7,864	10,799	8,153	13,304	9,665
Others	-105	-4	165	-478	-867	-954	-1,002
CF from Operating incl EO	4,672	4,649	8,029	10,321	7,285	12,350	8,663
(Inc)/Dec in FA	-6,005	-7,328	-4,670	-2,084	-3,678	-3,825	-1,952
Free Cash Flow	-1,333	-2,679	3,359	8,237	3,607	8,525	6,711
(Pur)/Sale of Investments	1,601	237	-342	-4,036	0	0	0
Others	40	-75	-2,473	-3,594	867	954	1,002
CF from Investments	-4,364	-7,166	-7,484	-9,714	-2,811	-2,871	-950
Issue of Shares	5	320	883	5,028	0	0	0
Inc/(Dec) in Debt	3,925	7,406	3,032	-831	0	-2,500	-2,500
Interest Paid	-3,154	-3,859	-3,943	-3,511	-4,253	-4,143	-3,923
Dividend Paid	-328	-575	0	-276	-204	-204	0
Others	-1	52	2,029	-78	0	0	0
CF from Fin. Activity	448	3,344	2,000	333	-4,457	-6,847	-6,423
Inc/Dec of Cash	756	827	2,545	940	18	2,632	1,290
Opening Balance	1,466	2,222	3,049	2,804	3,745	3,762	6,394
Closing Balance	2,222	3,049	5,594	3,745	3,762	6,394	7,685

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 is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days 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 Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - 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 Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at

<http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL 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 MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL 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 MOFSL 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. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

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 MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL 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 MOFSL & 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. INH000000412) 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 Financial Services Limited (MOFSL) 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 MOFSL 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 MOFSL, 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., MOFSL 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 Advisors 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.

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- 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 or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- 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 MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 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)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, it does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

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.

Terms & Conditions:

This report has been prepared by MOFSL 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 MOFSL. 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. MOFSL will not treat recipients as customers by virtue of their receiving this report.

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. MOFSL, 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 MOFSL. 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 MOFSL 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, not 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 MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL 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 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-71881085.

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL: IN-DP-16-2015; NSDL: IN-DP-NSDL-152-2000; Research Analyst: INH000000412. AMFI: ARN.: 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products. Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp grievances@motilaloswal.com.