

Motherson Wiring

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	MSUMI IN
Equity Shares (m)	4421
M.Cap.(INRb)/(USD\$)	227 / 2.7
52-Week Range (INR)	71 / 40
1, 6, 12 Rel. Per (%)	-6/-11/-
12M Avg Val (INR M)	491

Financials & Valuations (INR b)

Y/E March	2023E	2024E	2025E
Sales	70.4	85.2	98.0
EBITDA	7.8	12.2	14.3
Adj. PAT	4.9	8.1	9.7
EPS (Rs)	1.1	1.8	2.2
EPS Growth (%)	4.4	65.7	20.0
BV/Share (Rs)	3.0	4.3	5.6

Ratios

Net D:E	-0.2	-0.3	-0.4
RoE (%)	39.8	50.0	44.5
RoCE (%)	44.2	57.4	52.9
Payout (%)	50.0	50.0	50.0

Valuations

P/E (x)	46.8	28.2	23.5
P/BV (x)	17.1	12.0	9.3
Div. Yield (%)	1.1	1.8	2.1
FCF Yield (%)	1.2	2.9	3.9

Shareholding pattern (%)

As On	Dec-22	Sep-22	Dec-21
Promoter	61.7	61.7	0.0
DII	18.3	19.3	0.0
FII	11.0	10.4	0.0
Others	8.9	8.6	0.0

FII Includes depository receipts

CMP:INR51

TP: INR73 (+42%)

Buy

Inline; beat on margins offsets miss on revenues

Expanded capacities by 25% in FY23 for serving 17 new models

- 3QFY23 performance was in-line as miss on revenues due to chip shortages was off-set by better-than-estimated margin evolution. While the new plants are expected to achieve optimum utilization by 1QFY24, strong demand is expected to drive strong revenue/PAT growth from FY24 onwards.
- We reiterate our FY23E/FY24E EPS estimates. We reiterate our **Buy** rating with a TP of ~INR73 (~35x Dec-24 EPS).

Operating deleverage limits gross margin expansion

- Revenue grew 16% YoY to INR16.9b, but EBITDA/adj.PAT declined 11%/20% YoY to INR1.8b/INR1.06b, respectively. 9MFY23 revenues/EBITDA/adj.PAT grew 31%/ 15%/13.5% YoY, respectively.
- Gross margins improved 190bp QoQ (down 20bp YoY) to 35.7% (v/s est 35%), benefitting from lag actualization of cost recovery
- EBITDA margins eroded 310bp YoY (up 70bp QoQ) to 10.6% (v/s est 10.2%), adversely impacted by new plants related cost (incl. manpower), Fx loss on JPY/INR movement (of INR100m), and one-off cost of INR40m. EBITDA declined 11% YoY (flat QoQ) to ~INR1.8b (inline).
- Further, lower 'other income' restricted PAT growth to INR1.06b (v/s est INR1.1b) (down 20% YoY).

Highlights from the management commentary

- It has developed products for 11 new models (incl. full model change) and 4 facelifts in PVs in 9MFY23, and is working on 6 new models, which will be launched in the next 3-6 months.
- These 17 new models will contribute ~40% of the total business. It has hired and trained ~7,000 people upfront for the successful launch of above programs.
- In 9MFY23, MSUMI has expanded capacity by 25% (in terms of man-hours) and added 3 new plants to meet forecasted requirements and orders for new models/programs (17 new models). Capex for 3Q/9MFY23 stood at INR0.6b/INR1.47b, respectively.
- Ramp up at the new Bengaluru and Chennai facilities are in progress and are expected to have optimum utilization by 1QFY24.
- Net debt as of Dec-22 stood at INR3.35b (including lease liabilities of INR2.46b), adversely impacted by higher inventories (by INR3.12b over Mar-22).

Valuation and view

- The stock trades at 28.2x/23.5x FY24E/25E EPS. We believe it deserves rich valuations due to a) its strong competitive positioning, b) top decile capital efficiencies, and c) it being a beneficiary of EVs and other mega trends in Autos
- We reiterate our **Buy** rating with a TP of INR73 (~35x Dec'24E EPS).

Jinesh Gandhi – Research Analyst (Jinesh@MotilalOswal.com)

Research Analyst: Amber Shukla (Amber.Shukla@MotilalOswal.com) | Aniket Desai (Aniket.Desai@MotilalOswal.com)

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

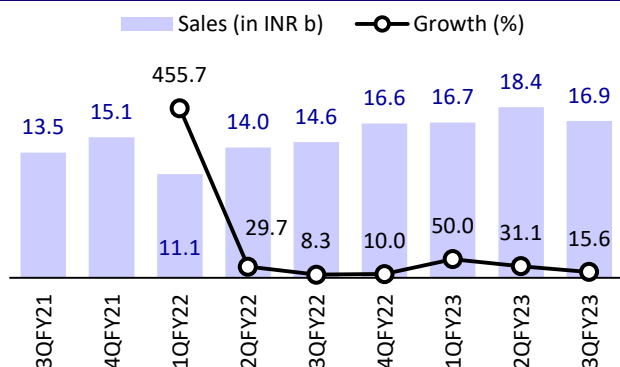
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

MSUMI: Quarterly performance

Y/E March	FY22				FY23E				FY22	FY23E	
	1Q	2Q	3Q	4Q	1Q	2QE	3Q	4QE			3QE
Net Sales	11,139	14,000	14,596	16,615	16,709	18,352	16,868	18,508	56,350	70,437	17,618.0
YoY Change (%)	455.7	29.7	8.3	10.0	50.0	31.1	15.6	11.4	36.2	25.0	20.7
RM Cost (% of sales)	64.1	64.4	64.1	63.8	64.9	66.2	64.3	64.5	64.1	65.0	65.0
Staff Cost (% of sales)	19.2	16.8	16.4	15.5	16.4	17.3	17.8	16.8	16.8	17.1	18.2
Other Expenses (% of sales)	6.9	6.1	5.8	6.1	6.6	6.6	7.3	7.0	6.2	6.9	6.6
EBITDA	1,093	1,780	2,002	2,420	2,028	1,808	1,790	2,165	7,303	7,791	1,803.5
Margins (%)	9.8	12.7	13.7	14.6	12.1	9.9	10.6	11.7	13.0	11.1	10.2
Depreciation	233	240	230	343	277	295	317	329	1,055	1,218	310
Interest	76	80	100	20	69	59	65	73	285	265	70
Other Income	46	80	79	93	77	107	7	89	300	280	75
PBT before EO expense	830	1,540	1,750	2,150	1,759	1,562	1,415	1,853	6,263	6,588	1,499
Extra-Ord expense	0	0	0	654	0	0	0	0	654	0	0
PBT after EO Expense	830	1,540	1,750	1,496	1,759	1,562	1,415	1,853	5,609	6,588	1,498.5
Tax Rate (%)	27	26	25	31	28	25	25	25	27	26	26.5
Reported PAT	610	1,140	1,320	1,036	1,260	1,165	1,062	1,390	4,107	4,875	1,101
Adj PAT	610	1,140	1,320	1,596	1,260	1,165	1,062	1,390	4,670	4,875	1,101
YoY Change (%)	-172.6	72.7	9.5	6.0	106.5	2.1	-19.6	-12.9	83.9	4.4	-16.6

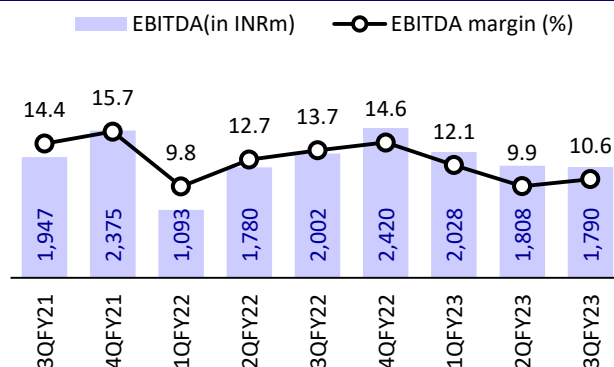
E: MOFSL Estimates

Exhibit 1: Revenue and revenue growth profile



Source: Company, MOFSL

Exhibit 2: EBITDA and EBITDA margin (%)



Source: Company, MOFSL

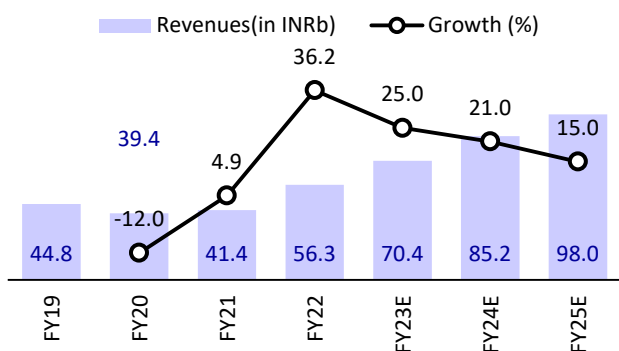
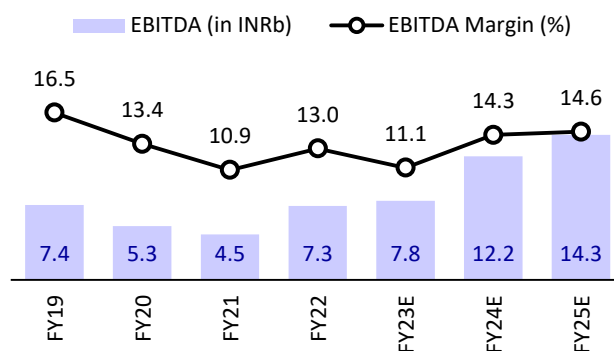
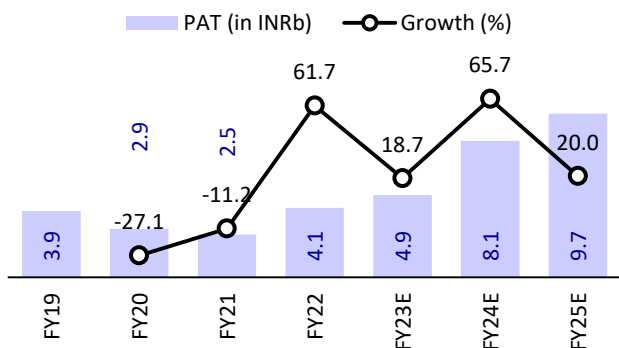
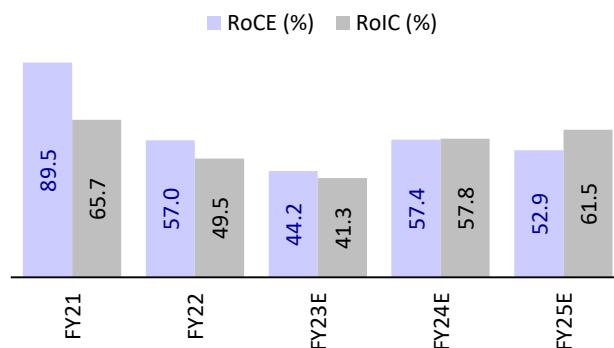
Valuation and view

- MSWIL offers a pure play on the India automotive market (>95% of revenues from India). With over 40% market share, the company enjoys a market leadership position in the Indian wiring harness industry, with strong headroom for sustained increase in content, benefiting from mega trends witnessed in the automotive industry (premiumization, electrification, connected vehicles, etc).
- MSWIL enjoys superior profitability, led by superior efficiencies and economies of scale, good margins, higher asset turn, and lower capex requirements provide for high capital efficiencies and superior cash-flow generation.
- We estimate MSWILs revenue/EBITDA/PAT CAGR of 18%/36%/41%, respectively, over FY23E-25. This is expected to drive RoIC to 61.5% by FY25 from 41.3% in FY23E. RoE would also improve to 44.5% by FY25 from 39.8% in FY23E.
- We maintain our FY23/FY24 estimates. The stock trades at 28.2x/23.5x FY24E/25E EPS. We believe it deserves rich valuations due to a) its strong competitive positioning, b) top decile capital efficiencies, and c) it being a beneficiary of EVs and other mega trends in Autos. We reiterate our Buy rating with a TP of 73 (~35x Dec'24E EPS).

Exhibit 3: Revisions to our estimates

(INR M)	FY23E			FY24E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	70,437	71,564	-1.6	85,229	85,877	-0.8
EBITDA	7,791	7,985	-2.4	12,192	12,241	-0.4
EBITDA (%)	11.1	11.2	-10bp	14.3	14.3	10bp
Adj. PAT	4,875	5,029	-3.1	8,077	8,114	-0.4
EPS (INR)	1.1	1.1	-3.1	1.8	1.8	-0.4

Key operating indicators

Exhibit 4: Trend in sales**Exhibit 5: EBITDA and EBITDA margin (%) trend****Exhibit 6: PAT and PAT growth (%)****Exhibit 7: Trend in MSUMI's Return profile**

Financials and valuations

Income Statement							(INR M)
Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Net Revenues	44,838	39,439	41,380	56,350	70,437	85,229	98,013
Change (%)	NA	-12.0	4.9	36.2	25.0	21.0	15.0
Raw Materials	0	24,350	26,400	36,093	45,784	54,035	62,239
Employees Cost	0	7,043	7,580	9,464	12,019	13,462	15,077
Other Expenses	37,439	2,752	2,910	3,490	4,843	5,540	6,371
Total Expenditure	37,439	34,145	36,890	49,047	62,646	73,037	83,686
% of Sales	83.5	86.6	89.1	87.0	88.9	85.7	85.4
EBITDA	7,399	5,294	4,490	7,303	7,791	12,192	14,327
EBITDA Margin (%)	16.5	13.4	10.9	13.0	11.1	14.3	14.6
Depreciation	973	1,000	930	1,055	1,218	1,465	1,758
EBIT	6,426	4,294	3,560	6,248	6,573	10,727	12,569
EBIT Margin (%)	14.3	10.9	8.6	11.1	9.3	12.6	12.8
Interest Charges				285	265	300	250
Other Income				300	280	415	690
PBT bef. EO Exp.	6,426	4,236	3,472	6,263	6,588	10,842	13,009
EO Exp/(Inc)	0	0	0	654	0	0	0
PBT after EO Exp.	6,426	4,236	3,472	5,609	6,588	10,842	13,009
Total Tax	0	0	932	1,502	1,713	2,765	3,317
Tax Rate (%)	0.0	0.0	26.8	26.8	26.0	25.5	25.5
Minority Interest							
Reported PAT	3,923	2,860	2,540	4,107	4,875	8,077	9,692
Adjusted PAT	3,923	2,860	2,540	4,670	4,875	8,077	9,692
Change (%)	NA	-27.1	-11.2	83.9	4.4	65.7	20.0
Margin (%)	8.7	7.3	6.1	8.3	6.9	9.5	9.9

Balance Sheet							(INR M)
Y/E March	FY21	FY22	FY23E	FY24E	FY25E		
Equity Share Capital	3,158	3,158	4,421	4,421	4,421		
Total Reserves	3,942	7,988	8,916	14,555	20,209		
Net Worth	7,100	11,146	13,337	18,976	24,630		
Minority Interest							
Total Loans	820	193	193	193	193		
Other non-current liabilities	640	3,059	3,059	3,059	3,059		
Capital Employed	8,560	14,397	16,588	22,228	27,881		
Gross Block							
Less: Accum. Deprn.							
Net Fixed Assets	1,699	4,321	4,626	4,661	4,403		
Capital WIP	1	323	300	300	300		
Other non-current assets	260	928	1,051	1,179	1,291		
Current Assets	15,670	19,642	25,365	34,024	42,575		
Inventory	7,990	9,600	12,544	15,178	17,454		
Account Receivables	6,750	6,593	9,649	11,675	13,426		
Cash and Bank Balance	370	2,933	2,528	6,391	10,797		
Other current & fin.assets	560	516	645	780	897		
Current Liabilities	9,330	11,220	15,157	18,340	21,091		
Creditors	7,520	9,129	12,544	15,178	17,454		
Other current & fin.liabilities	1,810	2,091	2,613	3,162	3,636		
Net Current Assets	6,340	8,422	10,209	15,685	21,484		
Deferred Tax assets	260	403	403	403	403		
Appl. of Funds	8,560	14,397	16,588	22,228	27,881		

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23E	FY24E	FY25E
Basic (INR)					
EPS	0.6	1.1	1.1	1.8	2.2
Cash EPS	0.8	1.3	1.4	2.2	2.6
BV/Share	1.6	2.5	3.0	4.3	5.6
DPS		0.6	0.6	0.9	1.1
Payout (%)		65.4	50.0	50.0	50.0
Valuation (x)					
P/E	89.8	48.8	46.8	28.2	23.5
Cash P/E	65.7	39.8	37.4	23.9	19.9
P/BV	32.1	20.5	17.1	12.0	9.3
EV/Sales	3.9	2.8	3.2	2.6	2.2
EV/EBITDA	36.4	21.9	29.0	18.2	15.2
Dividend Yield (%)		1.2	1.1	1.8	2.1
FCF Yield (%)		2.5	1.2	2.9	3.9
Return Ratios (%)					
RoE	35.8	51.2	39.8	50.0	44.5
RoCE (pre-tax)	89.5	57.0	44.2	57.4	52.9
RoIC	65.7	49.5	41.3	57.8	61.5
Working Capital Ratios					
Asset Turnover (x)	4.8	3.9	4.2	3.8	3.5
Inventory (Days)	70	62	65	65	65
Debtor (Days)	60	43	50	50	50
Creditor (Days)	66	59	65	65	65
Leverage Ratio (x)					
Current Ratio	1.7	1.8	1.7	1.9	2.0
Net Debt/Equity	0.1	-0.2	-0.2	-0.3	-0.4

Consolidated - Cash Flow Statement

(INR Million)

Y/E March	FY21	FY22	FY23E	FY24E	FY25E
OP/(Loss) before Tax	5,320	6,263	6,588	10,842	13,009
Depreciation	374	1,055	1,218	1,465	1,758
Interest & Finance Charges	73	285	265	300	250
Direct Taxes Paid	-1,142	-1,962	-1,713	-2,765	-3,317
(Inc)/Dec in WC	-4,454	44	-2,191	-1,613	-1,394
Others	-57	-23			
CF from Operations	114	5,662	4,167	8,230	10,306
EO item	0	-654			
CF from Operating incl EO	114	5,008	4,167	8,230	10,306
(Inc)/Dec in FA	-281	-1,008	-1,500	-1,500	-1,500
Free Cash Flow	-168	3,999	2,667	6,730	8,806
(Pur)/Sale of Investments					
Others	0	0	-123	-129	-111
CF from Investments	-281	-1,008	-1,623	-1,629	-1,611
Issue of Shares			0	0	0
Inc/(Dec) in Debt	292	-1,129	0	0	0
Interest Paid	-43	-310	-265	-300	-250
Dividend Paid	0	0	-2,684	-2,438	-4,039
Others	1	0			
CF from Fin. Activity	250	-1,439	-2,949	-2,738	-4,289
Inc/Dec of Cash	82	2,561	-405	3,863	4,406
Opening Balance	290	373	2,933	2,528	6,391
Closing Balance	373	2,933	2,528	6,391	10,796

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 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 dpgrievances@motilaloswal.com.