

BSE SENSEX

58,962

S&P CNX

17,304



Bloomberg	CEAT IN
Equity Shares (m)	40
M.Cap.(INRb)/(USDb)	56 / 0.7
52-Week Range	1981 / 890
1, 6, 12 Rel. Per (%)	-9/2/39
12M Avg Val (INR)	293
Free float (%)	52.8

Financials & Valuations (INR b)

INR Billion	FY23E	FY24E	FY25E
Sales	113.2	126.6	138.9
EBITDA	8.9	13.7	15.8
Margin (%)	7.9	10.9	11.4
Adj. PAT	1.6	4.8	6.1
EPS (Rs)	40.6	119.0	151.0
EPS Growth (%)	106.7	193.3	26.9
BV/Share (Rs)	834	941	1,080

Ratios

RoE (%)	4.9	13.4	15.0
RoCE (%)	5.5	10.7	12.2
Payout (%)	32.9	10.1	7.9

Valuations

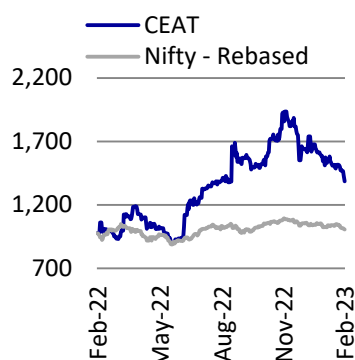
P/E (x)	34.2	11.6	9.2
P/BV (x)	1.7	1.5	1.3
Div. Yield (%)	0.9	0.9	0.9
FCF Yield (%)	6.6	12.1	12.2

Shareholding pattern (%)

As On	Dec-22	Sep-22	Dec-21
Promoter	47.2	47.2	47.1
DII	12.9	11.7	12.7
FII	24.1	23.8	22.7
Others	15.8	17.3	17.5

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR1,385

TP: INR1,860 (+34%)

BUY

R&D capabilities to drive growth in Exports and EVs

FY24 capex is expected to be lower than FY23

CEAT hosted the investing community, followed by a plant visit to its Halol facility and an overview of its R&D center. The company showcased its R&D capabilities (including its design studio capabilities, tyre performance evaluation) through which it aims to explore incremental business avenues such as exports (scale international business to INR35b) and EVs (new product launches and increasing share in premium segment). Moreover, the company indicated its improved efficiency at its Halol plant, as overall energy cost fell by 15% due to digitization and ~22% including productivity. The company continues to focus on key strategic areas such as PV/2W/OHT (to help margins), along with the expansion in international markets and increasing business in EVs. This, along with prudent capex plans (to benefit FCF), should be a long-term growth catalyst for the company. Valuations at 11.6x/9.2x FY24E/FY25E consolidated EPS do not fully capture the benefits from the new capacities and softening of RM costs. We reiterate our BUY rating with a TP of INR1,860 (based on ~13x Dec-24 EPS).

- **To scale international businesses to INR35b by FY26 (v/s INR18.7b in FY22) along with achieving leadership position** in 2W, PV, and UV. Its R&D strategy focuses on Manufacturing, Technology and new product development roadmap. The company has been benchmarking products against global companies such as Good year, Michelin, and Continental. The company is testing tyres in Europe through its technical center and in the US through tie-ups with three companies. It is working with global experts (for motorcycle steel process), intelligent tyres (in partnership with global ancillary company), and other sponsored PhDs.
- **Improved efficiency in Halol plant:** The company indicated about improved efficiency in the Halol plant, wherein the overall energy cost has fallen by ~15% due to digitization and ~22% including productivity. In terms of capacity, Halol is the second largest radial plant in India. Its all three phases of expansions are close to completion with PCR/TBR capacity now close to 20k/4.5k tyres per day, leaving no further scope of capacity expansion (apart from de-bottlenecking).
- **Launches in EV segments:** The company highlighted its recent platform wins for Tata Punch EV, Citroen (single source), and MG ZS EV. In 2Ws, the company has 60% SOB with OLA, while its focus is on increasing share in premium vehicles. In the bus segment, the company has approval from Olectra (with 100% SOB), TTMT and JBM.
- **Demand outlook - Mixed back with weak 2W demand; other segments better off:** Replacement demand in 2Ws, coupled with recent production cut announcements by OEMs, have adversely impacted 2W demand. However, CVs have been witnessing a recovery from July. While TBR replacement has been growing in single digits, the company aims to grow it to double digits. However, capacity remains a key constraint. TBR OEM has been doing well. The PV segment demand has been steady, while demand in the farm segment is expected to improve in the coming months.

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

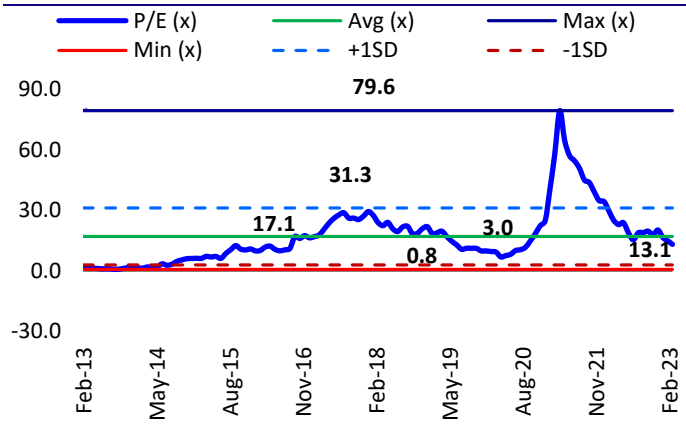
Research Analyst: Amber Shukla (Amber.Shukla@MotilalOswal.com) | Aniket Desai (Aniket.Desai@MotilalOswal.com)

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.

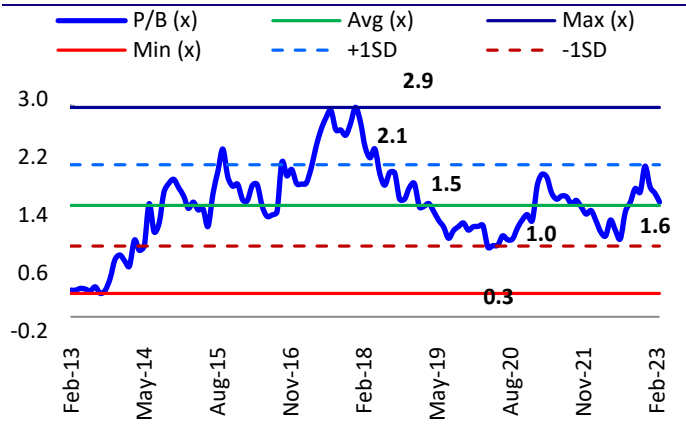
- **Exports - Plans to reach the US market through new launches in FY24:** The company is looking forward to leverage its experience and expand its presence through partnership with private players. Earlier in 2QFY23, the company had launched TBR tyres in Europe and aims to launch more tyres of different sizes in the coming months. However, the current exports outlook is weak as countries such as Sri Lanka, Nigeria, and other African countries are under pressure due to unavailability of Fx.
- **Not looking to pass on the benefits of softening RM prices:** There is no rational reason to pass on the benefits of softening RM prices in replacement because margins are continue to be below their normal levels. However, the company might choose to lower its prices if peers do. There was 5-6% under recovery in replacement segment at the start of the quarter largely led by 2W segment. Under recovery in TBR was at 2-3%. Further, an anticipated price hike of ~3% in 4Q should help in partial recovery of margins. However, the company does not expect full margin recovery in FY23.
- **OHT segment - To scale up capacity to 160 tyres per day by FY24-end at its Ambernath facility** v/s 80 tyres per day currently and 105 tyres per day by 2QFY24. This will be fully radial and dedicated to exports markets. The company indicated that the gross margin of the radial OHT segment in general is 8-10% higher than other segments. Currently, CEAT's tyres are priced at discounts to Indian players in the domestic market. Similarly, it is priced lower in the EU and US markets as well. CEAT has 350 SKU for radial OHT as compared to 1000+ SKU for peers. The company believes that its product quality is largely similar to its peers, hence, its growth can be driven by better branding, distribution, and pricing.
- **Capex - Lower capex expected in FY24 as compared to FY23:** The company has maintained its capex guidance of INR9b for FY23 (including INR1.5-2b of maintenance capex), which has largely been incurred for specialty tyres. It has incurred a capex of INR6.5b till Dec'22. The company is currently operating at the utilization level of ~80%/90% for PCR/TBR. Moreover, the company might need further capacities for TBR, wherein it is trying to evaluate ways for deleveraging.
- **Change in RM composition in EVs:** Torque requirement in EVs is expected to be high, and hence, usage of ICE-specific tyres for EVs will result in reduced life. The RM mix will change in EVs as share of Silica (10-15% of RM mix) will go up, at least in PCR.
- **Valuation & view:** Cyclical recovery in both OEMs and replacement will enable faster absorption of new capacities and drive the benefit of operating leverage. This, coupled with softening RM prices, would help a partial recovery in margins in FY23 with full recovery expected in FY24. The company continues to focus on key strategic areas such as i) PV/2W/OHT (to help margins), ii) expansion in international markets and iii) increasing business in EVs. This, along with prudent capex plans (to benefit FCF), should be a long-term growth catalyst for the company. Valuations at 11.6x/9.2x FY24E/FY25E consolidated EPS do not fully capture the benefits of new capacities and softening RM costs. We reiterate our BUY rating with a TP of INR1,860 (based on ~13x Dec-24 EPS).

Exhibit 1: One-year forward P/E



Source: MOFSL, Company

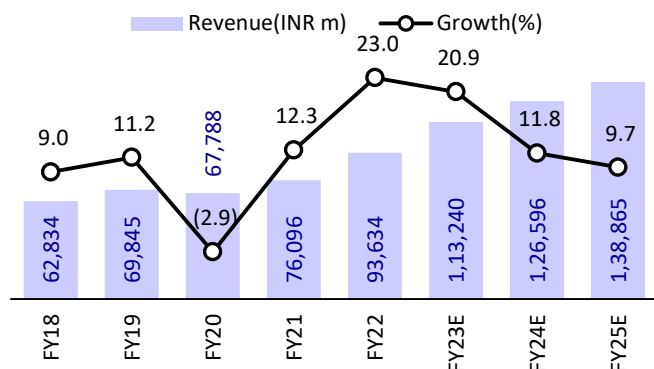
Exhibit 2: One-year forward P/B band



Source: MOFSL, Company

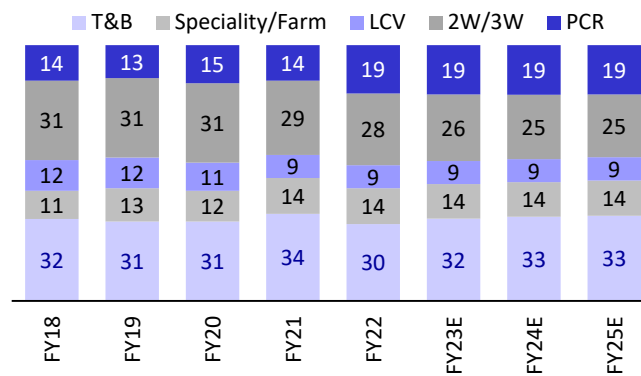
Story in charts

Exhibit 1: Revenue and growth trends



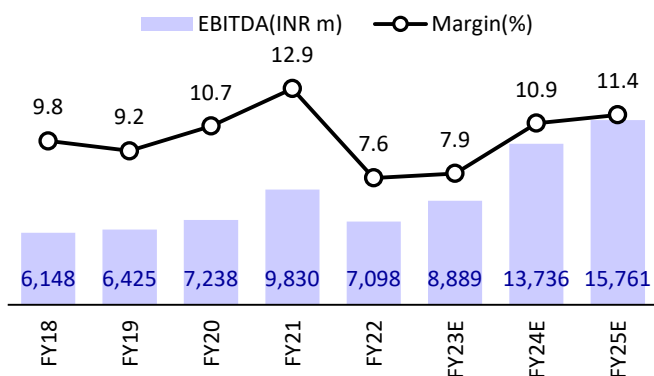
Source: MOFSL, Company

Exhibit 2: Key revenue segments



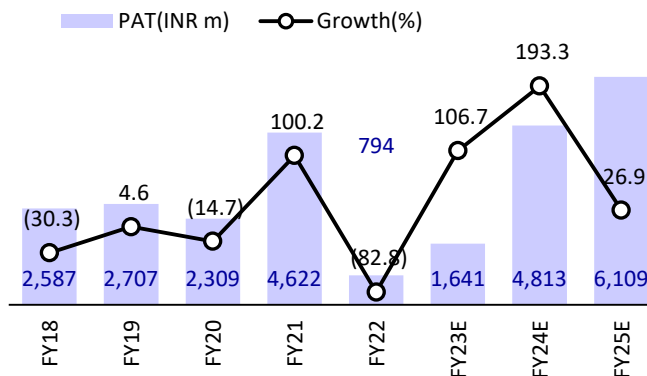
Source: MOFSL, Company

Exhibit 3: EBITDA and EBITDA margin trends



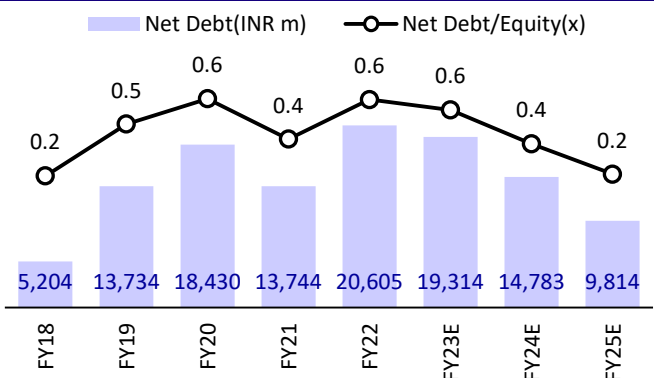
Source: MOFSL, Company

Exhibit 4: PAT and PAT growth trends



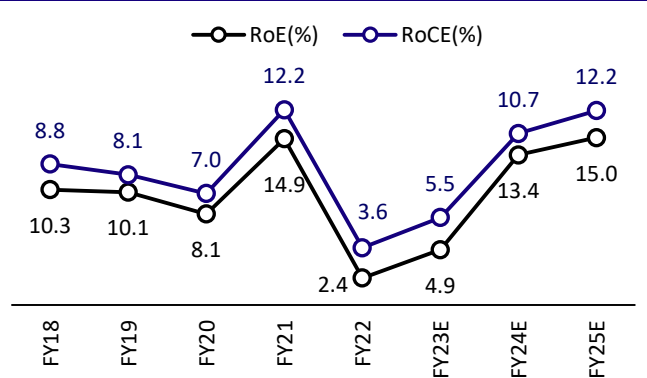
Source: MOFSL, Company

Exhibit 5: Trend in debt levels



Source: MOFSL, Company

Exhibit 6: Trend in return profile



Source: MOFSL, Company

Financials and valuations

Consolidated - Income Statement

(INR M)

Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Net Revenues from Ops	69,845	67,788	76,096	93,634	1,13,240	1,26,596	1,38,865
Change (%)	11.2	-2.9	12.3	23.0	20.9	11.8	9.7
EBITDA	6,425	7,238	9,830	7,098	8,889	13,736	15,761
EBITDA Margin (%)	9.2	10.7	12.9	7.6	7.9	10.9	11.4
Depreciation	1,927	2,765	3,396	4,352	4,620	5,048	5,532
EBIT	4,498	4,473	6,433	2,746	4,269	8,688	10,230
EBIT Margin (%)	6.4	6.6	8.5	2.9	3.8	6.9	7.4
Int. and Finance Charges	880	1,509	1,755	2,070	2,394	2,251	1,887
Other Income	390	205	138	114	200	200	200
PBT bef. EO Exp.	4,008	3,169	4,816	790	2,076	6,636	8,543
EO Items	-297	5	-341	-129	-249	0	0
PBT after EO Exp.	3,711	3,174	4,476	661	1,827	6,636	8,543
Total Tax	1,402	1,046	516	243	603	2,124	2,734
Tax Rate (%)	37.8	33.0	11.5	36.7	33.0	32.0	32.0
Minority Int./Share JV PAT	-213	-184	-361	-294	-250	-300	-300
Reported PAT	2,522	2,312	4,320	712	1,474	4,813	6,109
Adjusted PAT	2,707	2,309	4,622	794	1,641	4,813	6,109
Change (%)	4.6	-14.7	100.2	-82.8	106.7	193.3	26.9
Margin (%)	3.9	3.4	6.1	0.8	1.4	3.8	4.4

Consolidated - Balance Sheet

(INR M)

Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Equity Share Capital	405	405	405	405	405	405	405
Total Reserves	27,257	28,675	32,758	32,324	33,312	37,639	43,263
Net Worth	27,661	29,079	33,163	32,728	33,717	38,044	43,668
Minority Interest	238	237	232	235	235	235	235
Total Loans	14,469	18,772	14,176	20,968	21,968	18,968	15,968
Deferred Tax Liabilities	2,198	2,744	2,800	3,177	3,177	3,177	3,177
Capital Employed	44,566	50,832	50,371	57,108	59,097	60,424	63,048
Gross Block	37,663	49,795	58,732	67,748	75,506	90,006	97,506
Less: Accum. Deprn.	5,868	8,197	11,097	14,456	19,076	24,124	29,656
Net Fixed Assets	31,795	41,598	47,634	53,292	56,431	65,883	67,851
Goodwill on Consolidation	0	0	0	0	0	0	0
Capital WIP	8,329	10,685	7,929	8,759	10,000	3,000	3,000
Total Investments	1,814	1,837	2,101	1,792	1,792	1,792	1,792
Curr. Assets, Loans&Adv.	22,111	19,410	23,087	27,176	36,450	39,660	44,963
Inventory	10,056	9,257	11,299	13,096	15,724	17,006	18,550
Account Receivables	7,064	6,744	9,216	11,543	12,410	12,139	13,316
Cash and Bank Balance	735	342	431	363	2,654	4,185	6,154
Loans and Advances	4,256	3,067	2,141	2,174	5,662	6,330	6,943
Curr. Liability & Prov.	19,484	22,697	30,380	33,910	45,575	49,910	54,557
Account Payables	10,529	11,948	18,395	21,576	28,589	30,921	33,727
Other Current Liabilities	7,566	9,114	10,444	10,654	14,721	16,457	18,053
Provisions	1,389	1,635	1,541	1,680	2,265	2,532	2,777
Net Current Assets	2,627	-3,288	-7,293	-6,734	-9,125	-10,250	-9,594
Appl. of Funds	44,566	50,832	50,371	57,108	59,097	60,424	63,048

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Basic (INR)							
EPS	66.9	57.1	114.3	19.6	40.6	119.0	151.0
Cash EPS	114.6	125.4	198.2	127.2	154.8	243.8	287.8
BV/Share	683.8	718.9	819.8	809.1	833.5	940.5	1,079.5
DPS	12.0	12.0	18.0	3.0	12.0	12.0	12.0
Payout (%)	23.2	25.3	16.9	17.0	32.9	10.1	7.9
Valuation (x)							
P/E	20.7	24.3	12.1	70.6	34.1	11.6	9.2
Cash P/E	12.1	11.0	7.0	10.9	8.9	5.7	4.8
P/BV	2.0	1.9	1.7	1.7	1.7	1.5	1.3
EV/Sales	1.0	1.1	0.9	0.8	0.7	0.6	0.5
EV/EBITDA	10.9	10.3	7.1	10.8	8.5	5.2	4.2
Dividend Yield (%)	0.9	0.9	1.3	0.2	0.9	0.9	0.9
Return Ratios (%)							
RoE	10.1	8.1	14.9	2.4	4.9	13.4	15.0
RoCE	8.1	7.0	12.2	3.6	5.5	10.7	12.2
RoIC	9.0	8.4	14.6	4.0	6.3	12.3	13.4
Working Capital Ratios							
Fixed Asset Turnover (x)	1.9	1.4	1.3	1.4	1.5	1.4	1.4
Asset Turnover (x)	1.6	1.3	1.5	1.6	1.9	2.1	2.2
Inventory (Days)	53	50	54	51	51	49	49
Debtor (Days)	37	36	44	45	40	35	35
Creditor (Days)	55	64	88	84	92	89	89
Leverage Ratio (x)							
Current Ratio	1.1	0.9	0.8	0.8	0.8	0.8	0.8
Interest Cover Ratio	5.1	3.0	3.7	1.3	1.8	3.9	5.4
Net Debt/Equity	0.5	0.6	0.4	0.6	0.6	0.4	0.2

Consolidated - Cash Flow Statement

Y/E March	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
(INR M)							
OP/(Loss) before Tax	3,560	2,871	4,476	661	2,076	6,636	8,543
Depreciation	1,927	2,765	3,396	4,352	4,620	5,048	5,532
Interest & Finance Charges	880	1,509	1,755	2,070	2,194	2,051	1,687
Direct Taxes Paid	-808	-181	-512	-200	-603	-2,124	-2,734
(Inc)/Dec in WC	235	2,582	4,516	-736	4,682	2,655	1,313
CF from Operations	5,794	9,546	13,631	6,147	12,969	14,267	14,341
Others	-267	17	-54	42	-249	0	0
CF from Operating incl EO	5,527	9,563	13,577	6,189	12,720	14,267	14,341
(Inc)/Dec in FA	-11,073	-11,183	-6,395	-9,558	-9,000	-7,500	-7,500
Free Cash Flow	-5,547	-1,620	7,182	-3,369	3,720	6,767	6,841
(Pur)/Sale of Investments	320	9	-27	-89	0	0	0
Others	236	419	241	203	200	200	200
CF from Investments	-10,517	-10,755	-6,181	-9,444	-8,800	-7,300	-7,300
Issue of Shares	0	0	0	0	0	0	0
Inc/(Dec) in Debt	6,260	3,854	-5,677	5,821	1,000	-3,000	-3,000
Interest Paid	-889	-1,925	-1,628	-1,944	-2,394	-2,251	-1,887
Dividend Paid	-526	-1,139	-4	-746	-485	-485	-485
Others	0	0	0	0	250	300	300
CF from Fin. Activity	4,844	790	-7,309	3,132	-1,629	-5,437	-5,072
Inc/Dec of Cash	-146	-402	87	-123	2,291	1,531	1,969
Opening Balance	822	675	274	361	238	2,529	4,059
Closing Balance	675	274	361	238	2,529	4,059	6,028

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://online.reports.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 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.

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.