

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	ACC IN
Equity Shares (m)	188
M.Cap.(INRb)/(USDb)	326.7 / 4
52-Week Range (INR)	2785 / 1594
1, 6, 12 Rel. Per (%)	-2/-26/-31
12M Avg Val (INR M)	1650

Financials & Valuations (INR b)

Y/E Dec	FY23*	FY24E	FY25E
Sales	222.1	187.5	201.0
EBITDA	19.2	25.6	30.9
Adj. PAT	9.9	14.6	18.5
EBITDA Margin (%)	8.6	13.6	15.4
Adj. EPS (INR)	52.6	77.4	98.5
EPS Gr. (%)	(47.6)	47.1	27.3
BV/Sh. (INR)	747.0	815.2	901.7

Ratios

Net D:E	-0.0	-0.2	-0.3
RoE (%)	7.0	9.9	11.5
RoCE (%)	7.2	9.9	11.5
Payout (%)	20.0	15.5	14.2

Valuations

P/E (x)	33.2	22.6	17.7
P/BV (x)	2.3	2.1	1.9
EV/EBITDA(x)	16.1	12.0	9.3
EV/ton (USD)	102	96	89
Div. Yield (%)	0.5	0.7	0.8
FCF Yield (%)	-9.8	6.8	7.0

*FY23E is 15m period due to change in accounting year

Shareholding pattern (%)

As On	Mar-23	Dec-22	Mar-22
Promoter	56.7	56.7	54.5
DII	19.7	18.8	20.1
FII	10.1	12.0	12.8
Others	13.6	12.6	12.6

FII Includes depository receipts

CMP: INR1,740 TP: INR1,990 (+14%) Neutral

In-line operating performance; volume above estimates

Ametha plant to be commissioned in 2QFY24; cash balance improves QoQ

- ACC's Jan-Mar 'qtr (5QFY23) results were in-line with our estimates on operating parameters. EBITDA stood at INR4.7b v/s estimated INR4.8b and EBITDA/t stood at INR549 v/s estimated INR603. Higher other income led to 13% beat in adjusted profit to INR2.9b.
- Ametha integrated plant with clinker/grinding capacity of 3.3mtpa/1mtpa will be commissioned by 2QFY24. Kiln fuel cost declined 10% QoQ, leading to a 3% QoQ decline in variable cost. Further, cost-reduction initiatives such as reduction in logistics cost, and clinker factor, are underway. Cash balance stands at INR31.4b v/s INR2.9b in Dec'22.
- We keep FY24/25 estimates largely intact and reiterate our Neutral rating on the stock with a TP of INR1,990 based on 10.5x FY25E EV/EBITDA. Though valuation at 12x/9.3x FY24/25E EV/EBITDA and US\$96 FY24E EV/t appears attractive, we would wait for clarity on the company's growth plans before becoming constructive on the stock.

Opex/t down 6% QoQ; EBITDA/t came in at INR549

- Revenue/EBITDA/Adj. PAT stood at INR48b/INR4.7b/INR2.9b (up 8%/ down 26%/ down 27% YoY) and up 1%/ down 3%/ up 13% from our estimate. Cement sales volumes grew 8% YoY to 8.5mt (v/s estimated 8mt). RMC sales volumes declined 18% YoY.
- Cement realization improved 3% YoY (down 3% QoQ). Opex/t grew 6% YoY (but down 6% QoQ), led by a 21% increase in variable costs. Other expense per tonne declined 15% YoY/5% QoQ. Freight cost/t declined 9% YoY and 7% QoQ. RMC revenue declined 14% YoY/9% QoQ to INR3.4b. RMC business reported an operating loss of INR31m v/s profit of INR277m on a YoY basis.
- Higher costs and lower blended realization led to 4.6pp YoY drop in OPM to 9.7%. EBITDA/t stood at INR549 v/s INR802/INR491 on YoY/QoQ basis.
- For Apr'22-Mar'23, revenue grew 9% YoY to INR178b, led by 6%/3% increase in sales volumes/realization. EBITDA declined 54% YoY to INR12.9b, due to significant cost pressure and OPM contracting 10pp YoY to 7.2%. Adjusted Profit declined 65% YoY to INR6b.

Highlights from the management commentary

- Clinker factor improved to 54.8% v/s 56.1% in Dec' qtr. Volume growth was led by increase in blended cement, better route planning, and higher operational synergies with the parent.
- Kiln fuel cost declined 10% QoQ to INR2.35/kCal with a change in coal basket, group synergies on coal procurement, higher Alternate Fuel, and Raw Materials (AFR) mix.
- Optimization of warehouse infrastructure, improvement in direct dispatch (from 45% to 46%), reduction in lead distance (from 165km to 161km) and higher rail dispatches helped to reduce logistics cost to INR2.86 ptpk from INR2.90 ptpk.

Sanjeev Kumar Singh - Research analyst (Sanjeev.Singh@MotilalOswal.com)

Mudit Agarwal - Research analyst (Mudit.Agarwal@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.

View and valuation

- ACC's growth plans and its cost-saving initiatives will be the key monitorables. There is still a lack of clarity regarding the commissioning of the UP grinding unit. Though the cash balance has improved sequentially, it has significantly dropped from last year (INR31.1b v/s INR74b in Dec'21). Apart from pressure on profitability, rise in other current assets (advance for coal) has led to a decline in cash balance.
- We value ACC at 10.5x FY25E EV/EBITDA to arrive at a TP of INR1,990 and reiterate our Neutral rating on the stock.

Standalone quarterly performance

Y/E December/March	CY21					FY23*					(INR b)		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	5Q	CY21	FY23E*	MOFSL 5QE	Var. (%)
Cement Sales (mt)	7.97	6.84	6.57	7.49	7.90	7.59	6.85	7.70	8.50	28.9	38.6	8.00	6
Change (YoY %)	21.5	43.7	1.2	(2.9)	(0.9)	11.0	4.3	2.8	7.6	13.2	33.6	3.8	
Net Sales	42.9	38.8	37.5	42.3	44.3	44.7	39.9	45.4	47.9	161.5	222.1	47.3	1
Change (YoY %)	22.6	49.4	6.0	2.0	3.1	15.0	6.4	7.4	8.2	17.2	37.5	6.9	
EBITDA	8.6	8.7	7.1	5.6	6.3	4.3	0.2	3.8	4.7	30.0	19.2	4.8	(3)
Margin (%)	20.0	22.5	19.0	13.1	14.3	9.5	0.4	8.3	9.7	18.6	8.6	10.2	(47)
Depreciation	1.4	1.5	1.5	1.6	1.5	1.6	1.7	1.7	1.7	6.0	8.4	1.8	(1)
Interest	0.1	0.1	0.2	0.1	0.1	0.1	0.2	0.2	0.2	0.5	0.8	0.2	(16)
Other Income	0.4	0.4	0.6	0.5	0.6	0.5	0.7	0.4	1.2	2.0	3.4	0.5	150
PBT before EO Item	7.5	7.6	6.1	4.4	5.3	3.0	-1.0	2.3	3.9	25.5	13.4	3.4	17
EO Income/(Expense)	0.0	-0.4	0.0	-0.5	0.0	0.0	-0.2	-0.8	-0.7	-0.9	-1.6	0.0	
PBT after EO Item	7.5	7.2	6.1	3.8	5.3	3.0	-1.2	1.5	3.3	24.6	11.8	3.4	(3)
Tax	1.9	1.9	1.6	1.0	1.4	0.8	-0.3	0.4	0.9	6.4	3.1	0.8	
Rate (%)	25.6	26.1	26.2	26.5	25.9	25.8	26.0	26.1	27.8	26.0	26.4	24.7	
Reported PAT	5.6	5.3	4.5	2.8	3.9	2.2	-0.9	1.1	2.4	18.2	8.7	2.5	(7)
Adjusted PAT	5.6	5.6	4.5	3.2	3.9	2.2	-0.8	1.7	2.9	18.9	9.9	2.5	13
Margin (%)	13.0	14.5	12.0	7.6	8.8	5.0	-1.9	3.7	6.0	11.7	4.5	5.4	
Change (YoY %)	59.3	90.1	12.4	(25.2)	(30.1)	(60.5)	NM	(47.4)	(26.6)	28.2	(47.6)	(35.0)	

Source: MOFSL, Company *Note: FY23 is 15-month period as the company changed its accounting year-end from December to March

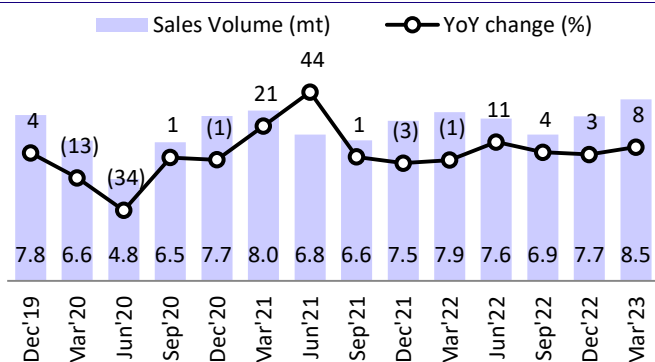
Per ton analysis, including RMC (INR/t)

Y/E December/March	CY21				FY23*					CY21	FY23E*	MOFSL 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	5QE				
Blended Realization	5,385	5,680	5,706	5,642	5,603	5,887	5,821	5,892	5,636	5,591	5,755	5,911	(5)
Change (YoY %)	0.9	3.9	4.7	5.0	4.1	3.7	2.0	4.4	0.6	3.5	2.9	3.0	
(Increase)/Decrease in the stock	(78)	(310)	(181)	293	(72)	(249)	(325)	154	184	(60)	(50)	-	
Raw Material	1,014	1,045	1,131	1,035	1,213	1,353	1,565	1,519	1,672	1,053	1,514	1,528	9
Staff Cost	258	305	330	271	244	285	308	266	249	289	269	271	(8)
Power and fuel	1,009	1,212	1,198	1,255	1,316	1,727	1,922	1,466	1,108	1,163	1,487	1,432	(23)
Freight	1,366	1,352	1,317	1,289	1,334	1,427	1,442	1,308	1,219	1,331	1,339	1,340	(9)
Other expenditure	737	797	828	758	767	783	887	687	655	777	750	737	(11)
Total Expenditure	4,307	4,401	4,623	4,901	4,801	5,327	5,798	5,401	5,088	4,552	5,308	5,308	(4)
EBITDA	1,078	1,279	1,083	741	802	560	23	491	549	1,039	447	603	(9)
Change (YoY %)	20.7	16.1	4.8	(18.4)	(25.6)	(56.2)	(97.9)	(33.7)	(31.6)	6.9	(56.9)	(26.6)	

Source: MOSL, Company *Note: FY23 is 15-month period as the company changed its accounting year-end from December to March

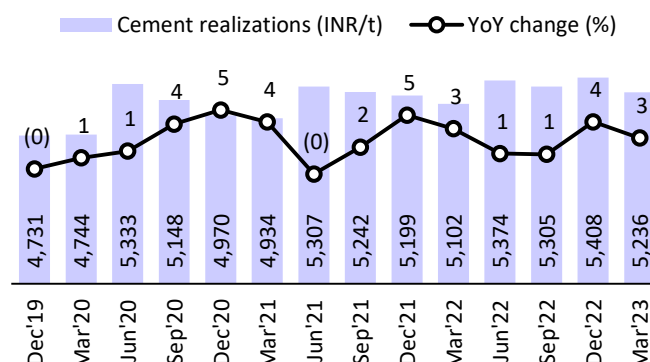
Key exhibits

Exhibit 1: Sales volume grew 8% YoY and 10% QoQ



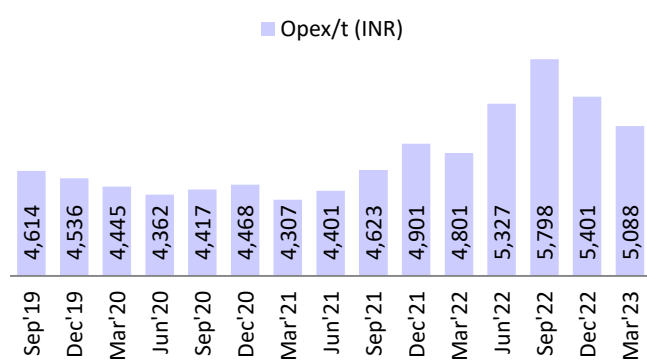
Source: Company, MOFSL

Exhibit 2: Cement realization grew 3% YoY; down 3% QoQ



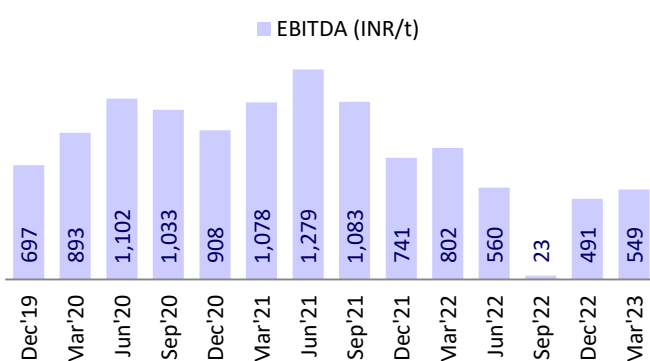
Source: Company, MOFSL

Exhibit 3: Opex/t up 6% YoY; but declined 6% QoQ



Source: Company, MOFSL

Exhibit 4: EBITDA/t fell 32% YoY on a higher Opex



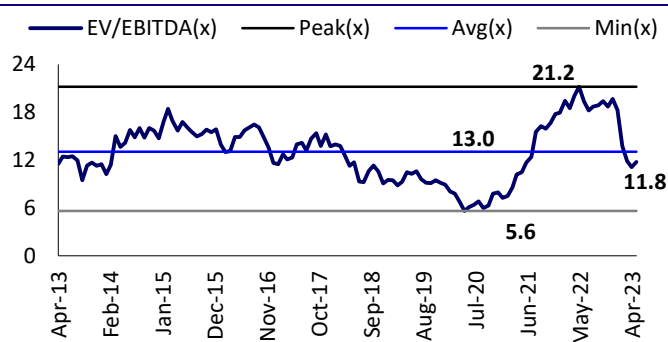
Source: Company, MOFSL

Exhibit 5: Key performance indicators (including the RMC business)

INR/t	Mar'23	Mar'22	YoY (%)	Dec'22	QoQ (%)
Blended realization	5,636	5,603	1	5,892	(4)
Cement realization	5,236	5,102	3	5,408	(3)
Raw materials	1,856	1,141	63	1,673	11
Staff cost	249	244	2	266	(6)
Power	1,108	1,316	(16)	1,466	(24)
Freight	1,219	1,334	(9)	1,308	(7)
Other expenditure	655	767	(15)	687	(5)
Total cost	5,088	4,801	6	5,401	(6)
EBITDA	549	802	(32)	491	12

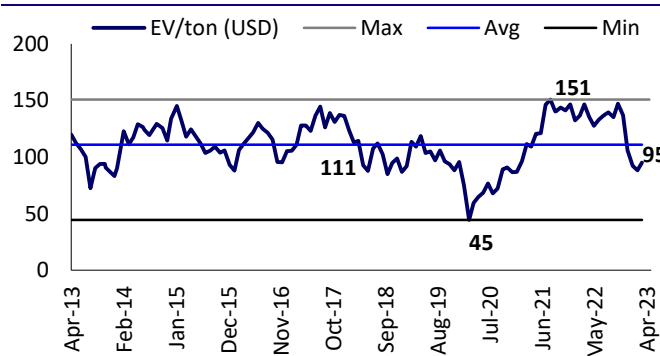
Source: Company, MOFSL

Exhibit 6: One-year forward EV/EBITDA trend



Source: Company, MOFSL

Exhibit 7: One-year forward EV/t trend



Source: Company, MOFSL

Financials and valuations

Income Statement							(INR m)	
Y/E December/March	CY17	CY18	CY19	CY20	CY21	FY23*	FY24E	FY25E
Net Sales	1,32,846	1,48,014	1,56,567	1,37,845	1,61,514	2,22,100	1,87,521	2,00,997
Change (%)	20.9	11.4	5.8	(12.0)	17.2	37.5	(15.6)	7.2
EBITDA	19,091	20,446	24,095	24,811	30,004	19,190	25,554	30,861
Change (%)	29.5	7.1	17.8	3.0	20.9	(36.0)	33.2	20.8
Margin (%)	14.4	13.8	15.4	18.0	18.6	8.6	13.6	15.4
Depreciation	6,401	5,996	6,030	6,353	5,973	8,351	7,452	7,652
Int. and Fin. Charges	1,023	892	862	570	546	772	580	622
Other Income – Rec.	1,317	1,385	3,112	2,040	2,048	3,372	2,040	2,310
PBT Before EO Item	12,984	14,943	20,315	19,927	25,533	13,439	19,562	24,897
EO Income/(Expense)	-	5,006	-	(3,049)	(929)	(1,618)	-	-
PBT After EO Item	12,984	19,949	20,315	16,878	24,604	11,821	19,562	24,897
Tax	3,829	4,883	6,726	2,728	6,401	3,122	5,008	6,374
Tax Rate (%)	29.5	24.5	33.1	16.2	26.0	26.4	25.6	25.6
Reported PAT	9,154	15,066	13,589	14,149	18,203	8,699	14,554	18,523
Adjusted PAT	9,154	10,060	13,589	14,746	18,899	9,896	14,554	18,523
Change (%)	32.7	9.9	35.1	8.5	28.2	(47.6)	47.1	27.3
Margin (%)	6.9	6.8	8.7	10.7	11.7	4.5	7.8	9.2

Balance Sheet							(INR m)	
Y/E December/March	CY17	CY18	CY19	CY20	CY21	FY23*	FY24E	FY25E
Share Capital	1,880	1,880	1,880	1,880	1,880	1,880	1,880	1,880
Fully Diluted Capital	1,880	1,880	1,880	1,880	1,880	1,880	1,880	1,880
Reserves	91,775	1,03,397	1,13,333	1,24,735	1,40,404	1,38,550	1,51,365	1,67,632
Net Worth	93,655	1,05,277	1,15,213	1,26,614	1,42,284	1,40,430	1,53,245	1,69,512
Loans	592	0	0	0	0	0	0	0
Deferred Tax Liability	5,414	6,631	6,422	3,762	3,827	4,331	4,331	4,331
Capital Employed	99,660	1,11,908	1,21,635	1,30,376	1,46,112	1,44,761	1,57,576	1,73,844
Gross Block	84,799	88,774	93,972	98,093	1,04,708	1,20,694	1,50,294	1,55,794
Less: Accum. Depn.	12,389	18,280	24,059	31,507	37,480	45,831	53,283	60,935
Net Fixed Assets	72,410	70,494	69,914	66,586	67,228	74,863	97,011	94,859
Capital WIP	2,617	3,922	4,353	5,453	12,121	16,831	-2,770	-2,270
Investments – Trade	25,304	37	37	82	184	184	184	184
Investments in subsidiaries	2,265	2,265	2,265	2,124	1,743	1,743	1,743	1,743
Curr. Assets, Loans, and Adv.	46,292	83,533	94,252	1,07,014	1,27,914	1,10,464	1,22,630	1,46,726
Inventory	14,040	16,786	11,410	9,005	12,733	16,235	13,723	14,719
Account Receivables	6,682	8,683	6,284	4,515	4,624	8,747	7,394	7,931
Cash and Bank Balance	1,687	30,003	45,381	58,911	74,029	2,868	23,429	44,195
Others	23,884	28,062	31,178	34,583	36,528	82,615	78,083	79,881
Curr. Liab. and Prov.	49,229	48,343	49,186	50,883	63,078	59,324	61,222	67,399
Account Payables	18,105	19,227	14,710	14,163	18,992	14,922	12,307	15,788
Other Liabilities	24,515	25,627	28,478	30,189	33,868	35,632	35,632	35,632
Provisions	6,609	3,489	5,998	6,531	10,219	8,770	13,282	15,979
Net Current Assets	(2,936)	35,190	45,067	56,131	64,835	51,141	61,408	79,327
Application of Funds	99,660	1,11,908	1,21,635	1,30,376	1,46,112	1,44,761	1,57,576	1,73,844

Source: Company, MOFSL; *Note: FY23 is 15-month period as the company changed its accounting year-end from December to March

Financials and valuations

Ratios

Y/E December/March	CY17	CY18	CY19	CY20	CY21	FY23*	FY24E	FY25E
Basic (INR)								
EPS	48.7	53.5	72.3	78.4	100.5	52.6	77.4	98.5
Cash EPS	82.7	85.4	104.4	112.2	132.3	97.1	117.1	139.2
BV/Share	498.2	560.0	612.9	673.5	756.9	747.0	815.2	901.7
DPS	26.0	14.0	14.0	14.0	58.0	9.3	12.0	14.0
Payout (%)	53.3	17.4	19.3	18.6	59.9	20.0	15.5	14.2
Valuation (x)								
P/E ratio		32.6	24.2	22.3	17.4	33.2	22.6	17.7
Cash P/E ratio		20.5	16.7	15.6	13.2	18.0	14.9	12.5
EV/Sales ratio		2.0	1.8	1.9	1.5	1.4	1.6	1.4
EV/EBITDA ratio		14.4	11.6	10.6	8.1	16.1	12.0	9.3
P/BV ratio		3.1	2.9	2.6	2.3	2.3	2.1	1.9
Dividend Yield		0.8	0.8	0.8	3.3	0.5	0.7	0.8
EV/t (USD-Cap)		108	103	98	86	102	96	89
Return Ratios (%)								
RoE	10.1	10.1	12.3	12.2	14.1	7.0	9.9	11.5
RoCE	10.2	11.3	12.1	13.6	14.0	7.2	9.9	11.5
RoIC	12.7	14.7	16.1	22.5	28.3	8.6	10.3	12.9
Working Capital Ratios								
Debtor (Days)	18	21	15	12	10	14	14	14
Asset Turnover ratio (x)	0.8	0.8	0.8	0.9	0.9	0.7	0.8	0.9
Leverage Ratio								
Debt/Equity ratio (x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Cash Flow Statement

(INR m)

Y/E December/March	CY17	CY18	CY19	CY20	CY21	FY23*	FY24E	FY25E
OP/(Loss) before Tax	12,984	14,943	20,315	16,878	24,604	11,821	19,562	24,897
Depreciation	6,401	5,996	6,030	6,353	5,973	8,351	7,452	7,652
Interest and Finance Charges	104	-129	0	570	0	0	0	0
Direct Taxes Paid	(2,177)	(5,265)	(4,462)	(7,064)	(2,849)	(4,027)	(5,008)	(6,374)
(Inc.)/Dec. in WC	(1,660)	(4,493)	601	5,419	588	(28,533)	10,294	2,847
CF from Operations	15,651.4	11,052	22,484	22,156	28,316	-12,388	32,300	29,022
Others	(104)	129	-	-	-	-	-	-
CF from Operations incl. EO	15,548	11,181	22,484	22,156	28,316	-12,388	32,300	29,022
(Inc.)/Dec. in FA	(5,194)	(4,951)	(4,935)	(7,252)	(11,509)	(19,788)	(10,000)	(6,000)
Free Cash Flow	10,354	6,230	17,549	14,904	16,808	-32,175	22,300	23,022
(Pur.)/Sale of Investments	1,348	1,273	1,651	1,886	1,619	(26,632)	-	-
Others	(262)	-	-	-	-	-	-	-
CF from Investments	(4,108)	(3,678)	(3,283)	(5,366)	(9,890)	(46,420)	(10,000)	(6,000)
Issue of Shares	0	0	0	0	0	0	0	0
Inc./(Dec.) in Debt	42	-606	0	0	0	0	0	0
Interest Paid	(420)	(409)	(572)	(399)	(316)	(596)	0	0
Dividend Paid	(3,192)	(2,817)	(2,629)	(2,629)	(2,629)	(10,892)	(1,739)	(2,256)
Others	(650)	(579)	(540)	(246)	(360)	(889)	-	-
CF from Fin. Activity	(4,221)	(4,411)	(3,742)	(3,274)	(3,305)	(12,377)	(1,739)	(2,256)
Inc./Dec. in Cash	7,219	3,092	15,459	13,516	15,121	-71,185	20,562	20,766
Opening Balance	19,772	26,949	29,959	45,477	58,908	74,029	2,868	23,429
Closing Balance	26,991	30,040	45,418	58,993	74,029	2,868	23,429	44,195

Source: Company, MOFSL; *Note: FY23 is 15-month period as the company changed its accounting year-end from December to March

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

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://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. 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, 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.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; 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.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDX); CDSL and NSDL: IN-DP-16-2015; 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.