

Sun TV Network

Estimate change



TP change



Rating change



Bloomberg	SUNTV IN
Equity Shares (m)	394
M.Cap.(INRb)/(USDb)	214.6 / 2.6
52-Week Range (INR)	568 / 394
1, 6, 12 Rel. Per (%)	15/9/5
12M Avg Val (INR M)	448

Financials & Valuations (INR b)

INRb	FY23	FY24E	FY25E
Sales	36.6	40.5	43.0
EBITDA	23.5	25.9	27.5
Adj. PAT	16.7	18.0	19.3
EBITDA Margin (%)	64.2	64.0	64.0
Adj. EPS (INR)	42.5	45.7	49.1
EPS Gr. (%)	1.8	7.5	7.4
BV/Sh. (INR)	231.9	249.9	268.9

Ratios

Net D:E	-0.7	-0.7	-0.7
RoE (%)	19.5	18.3	18.2
RoCE (%)	19.5	19.0	19.0
Payout (%)	59.8	60.7	61.2

Valuations

P/E (x)	12.8	11.9	11.1
P/B (x)	2.3	2.2	2.0
EV/EBITDA (x)	7.6	6.0	7.2
Div. Yield (%)	4.0	4.4	4.8
FCF Yield (%)	8.1	5.4	7.4

Shareholding pattern (%)

As On	Jun-23	Mar-23	Jun-22
Promoter	75.0	75.0	75.0
DII	3.7	3.6	4.7
FII	10.4	10.6	9.3
Others	11.0	10.8	11.0
FII Includes depository receipts			

CMP: INR545

TP: INR630 (+16%)

Buy

Higher opex drags profitability

- SUNTV reported an EBITDA growth of 3% YoY to INR7.9b (15% beat), driven by a revenue increase of 10.4% YoY. However, the rise in production and operating expenses has somewhat mitigated this positive momentum. The revenue growth was mainly driven by income from IPL and domestic subscription revenue growth as advertisement revenues remained flattish YoY.
- Continued weakness around ad revenue growth, coupled with the looming risk of market share erosion and intensified competition from well-funded OTT players continue to pose concerns. However, improved subscription revenues along with the possibility of festive demand could aid recovery in the coming period. This, coupled with upbeat valuation for the new IPL team at the recently concluded auction, makes the stock's valuation compelling at 7.2x EV/EBITDA on FY25 basis. **We reiterate our BUY rating on the stock with a TP of INR630.**

EBITDA up 3% YoY (15% beat), driven by revenue growth

- Revenues grew 10.4% YoY (beat) to INR13.2b, mainly driven by income from IPL and revenue growth in domestic subscription as advertisement revenues remained flattish YoY.
 - Advertisement revenue marginally declined 1% YoY to INR3.4b.
 - Domestic subscription revenues, on the other hand, reported a growth of 6% YoY to INR4.4b.
 - The quarter included revenue from IPL to the tune of INR5.1b vs. INR2.4b in 1QFY23.
- Total opex grew 23.5% YoY to INR5.3b (14% above est.)
 - Production costs grew 20.8% YoY to INR1.8b (12% above est.).
 - Other expenses grew 32.9% on a YoY basis to INR2.8b (22% above est). This was mainly on account of inclusion of IPL franchisee fee cost of INR1.1b in 1QFY24 vs. INR474.7m in 1QFY23.
- EBITDA therefore reported a mere 3% YoY growth to INR7.9b (15% beat) as the revenue growth was partially offset by higher production and other expenses. As a result, margins contracted 430bp YoY to 59.7%.
 - Adjusted for IPL, EBITDA was down ~25% at INR5b, with a margin of 62% for 1QFY24.**
- Depreciation declined 59% YoY on a YoY basis to INR852m, while Other income grew 14.5% YoY to INR1.2b.
- Consequently, PAT stood at INR5.8b (21% beat), driven by better operating performance and lower depreciation costs.
- The Board of Directors declared an interim dividend of INR6.25 per share.

Aliasgar Shakir - Research Analyst (Aliasgar.Shakir@MotilalOswal.com)

Research Analyst: Tanmay Gupta (Tanmay.Gupta@MotilalOswal.com) | **Harsh Gokalgandhi** (Harsh.Gokalgandhi@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.

Valuation and view

- Continued investments on multiple non-fiction shows across South India and on primetime fiction shows is expected to sustain viewership.
- SUNTV's healthy liquidity and a cash balance of INR4.9b as on Mar'23 offers room to intensify investments within the linear and hyper competitive OTT space. This, along with a healthy dividend payout potential and a reasonable valuation, offers support to the stock.
- However, the company's ongoing conservative approach to investments in OTT, with a steadfast focus on movie production and monetization of its existing library, remains a significant risk within the rapidly expanding OTT space.
- The recovery within the ad spends space would remain a key monitorable for the growth going ahead.
- We expect a revenue/PAT CAGR of 7%/7% over FY23-25, building in slower ad revenue recovery.
- We value the stock at 13x FY25E P/E to arrive at our TP of INR630. **We reiterate our BUY rating on the stock.**

Standalone - Quarterly Earnings Model

(INR m)

Y/E March	FY23E				FY24E				FY23	FY24E	FY24	Est Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	(%)
Revenue	11,939	7,964	8,575	8,135	13,178	8,286	9,740	9,255	36,614	40,459	11,483	15
YoY Change (%)	47.4	-3.9	-17.0	-2.3	10.4	4.0	13.6	13.8	4.5	10.5	-3.8	
Total Expenditure	4,301	2,717	2,844	3,259	5,313	2,932	3,103	3,216	13,121	14,564	4,659	14
EBITDA	7,638	5,248	5,731	4,876	7,865	5,354	6,637	6,039	23,493	25,895	6,824	15
YoY Change (%)	54.3	0.8	-20.6	-11.9	3.0	2.0	15.8	23.9	2.6	10.2	-10.7	
Depreciation	2,079	755	1,092	752	852	1,302	1,335	1,719	4,678	5,207	1,240	-31
Interest	14	13	11	15	22	14	13	5	54	54	14	56
Other Income	1,009	861	942	808	1,156	757	757	757	3,620	3,428	857	35
PBT	6,554	5,341	5,569	4,917	8,147	4,795	6,046	5,073	22,381	24,062	6,427	27
Tax	1,637	1,334	1,406	1,259	2,319	1,206	1,521	1,007	5,636	6,054	1,617	
Rate (%)	25.0	25.0	25.2	25.6	28.5	25.2	25.2	19.9	25.2	25.2	25.2	
Reported PAT	4,917	4,007	4,163	3,658	5,828	3,589	4,525	4,066	16,745	18,008	4,810	21
YoY Change (%)	26.1	1.9	-9.0	-9.5	18.5	-10.4	8.7	11.1	1.8	7.5	-2.2	

E: MOFSL Estimates

Exhibit 1: Valuation based on FY24E EPS

Valuation	March'25
EPS (INR)	49
PE multiple (x)	13
Target Price (INR)	630
CMP (INR)	545
Upside (%)	16%

Source: Company, MOFSL

Exhibit 2: Quarterly performance (INR m)

INR m	1QFY23	4QFY23	1QFY24	YoY%	QoQ%	1QFY24E	v/s est (%)
Revenue	11,939	8,135	13,178	10.4	62.0	11,483	14.8
Operating expenditure	4,301	3,259	5,313	23.5	63.0	4,659	14.0
EBITDA	7,638	4,876	7,865	3.0	61.3	6,824	15.2
EBITDA margin (%)	64.0	59.9	59.7	-430bps	-26bps	59.4	25bps
Depreciation & amortization	2,079	752	852	-59.0	13.2	1,240	-31.3
EBIT	5,559	4,124	7,013	26.2	70.1	5,585	25.6
Interest	14	15	22	54.9	49.7	14	55.7
Other income	1,009	808	1,156	14.5	43.1	857	34.9
PBT	6,554	4,917	8,147	24.3	65.7	6,427	26.8
Tax	1,637	1,259	2,319	41.6	84.2	1,617	43.4
Effective tax rate (%)	25.0	25.6	28.5	348bps	286bps	25.2	330bps
PAT	4,917	3,658	5,828	18.5	59.3	4,810	21.2
Adjusted PAT	4,917	3,658	5,828	18.5	59.3	4,810	21.2

Source: MOFSL, Company

Exhibit 3: Breakup of operating expenses (INR m)

Operating Cost	1QFY23	4QFY23	1QFY24	YoY%	QoQ%	1QFY24E	v/s est (%)
Production cost	1519	1501	1,834	20.8	22.2	1,641	11.8
Employee cost	685	687	692	1.0	0.7	733	-5.6
Other exp	2097	1072	2787	32.9	160.1	2,286	21.9
Total Operating expenses	4,301	3,259	5,313	23.5	63.0	4,659	14.0

Source: MOFSL, Company

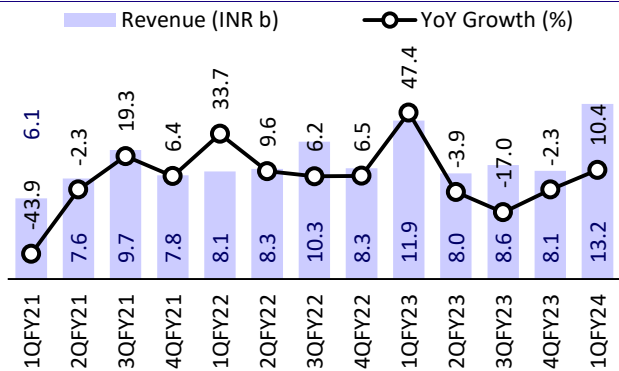
Exhibit 4: Estimate change summary

	FY24E	FY25E
Advt Revenue (INRb)		
Old	15.0	16.4
Actual/New	14.3	15.5
Change (%)	-5.1	-5.1
Subscription Revenue (INRb)		
Old	18.2	19.4
Actual/New	18.2	19.4
Change (%)	0.0	0.0
Revenue (INRb)		
Old	38.6	41.3
Actual/New	40.5	43.0
Change (%)	4.7	4.3
EBITDA (INRb)		
Old	24.7	26.4
Actual/New	25.9	27.5
Change (%)	5.0	4.3
EBITDA margin (%)		
Old	63.8	63.9
Actual/New	64.0	64.0
Change (bp)	17.8	2.6
PAT (INRb)		
Old	17.1	18.5
Actual/New	18.0	19.3
Change (%)	5.4	4.6
EPS (INR)		
Old	43.4	46.9
Actual/New	45.7	49.1
Change (%)	5.4	4.6

Source: MOFSL, Company

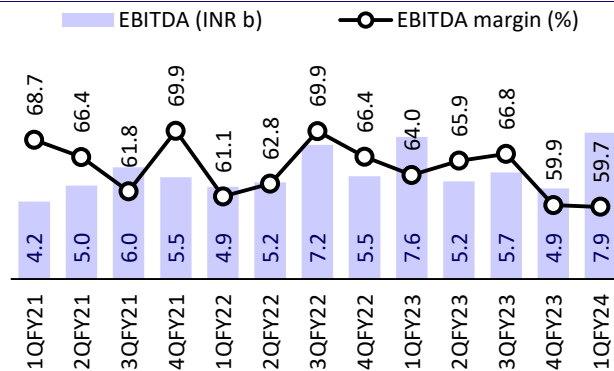
Story in charts

Exhibit 5: Revenues grew 10% YoY



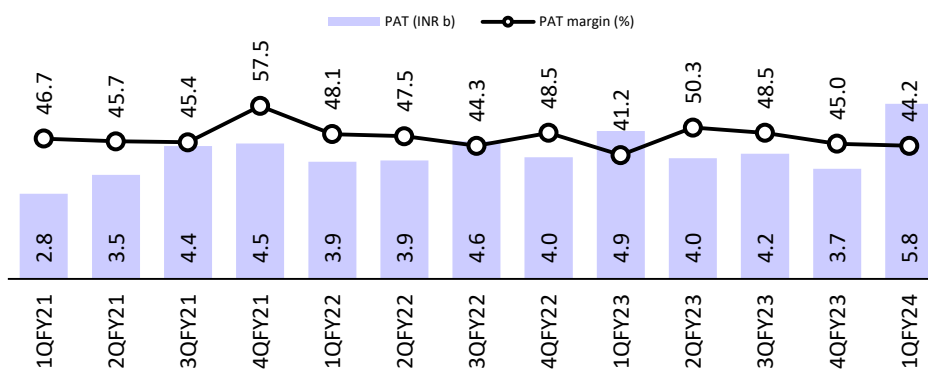
Source: MOFSL, Company

Exhibit 6: EBITDA margins declined YoY



Source: MOFSL, Company

Exhibit 7: PAT grew 19% YoY to INR5.8b



Source: MOFSL, Company

Financials and valuations

Standalone - Income Statement

(INR m)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Total Income from Operations	28,625	36,633	34,044	31,166	35,049	36,614	40,459	43,049
Change (%)	11.9	28.0	-7.1	-8.5	12.5	4.5	10.5	6.4
Production Costs	2,862	4,202	5,456	4,030	5,450	6,099	6,709	7,111
Employees Cost	2,941	3,006	2,924	2,797	2,674	2,746	2,938	3,144
Other Expenses	3,227	3,781	3,304	3,665	4,287	4,276	4,918	5,262
Total Expenditure	9,030	10,990	11,684	10,492	12,411	13,121	14,564	15,517
% of Sales	31.5	30.0	34.3	33.7	35.4	35.8	36.0	36.0
EBITDA	19,595	25,643	22,361	20,674	22,638	23,493	25,895	27,532
Margin (%)	68.5	70.0	65.7	66.3	64.6	64.2	64.0	64.0
Depreciation	4,397	6,467	6,793	3,821	2,867	4,678	5,207	5,587
EBIT	15,198	19,176	15,567	16,853	19,771	18,815	20,687	21,945
Int. and Finance Charges	11	17	78	220	287	54	54	54
Other Income	1,397	2,200	2,489	2,714	2,448	3,620	3,428	3,943
PBT bef. EO Exp.	16,584	21,359	17,979	19,348	21,931	22,381	24,062	25,834
EO Items	0	0	0	0	0	0	0	0
PBT after EO Exp.	16,584	21,359	17,979	19,348	21,931	22,381	24,062	25,834
Total Tax	5,654	7,411	4,261	4,144	5,483	5,636	6,054	6,500
Tax Rate (%)	34.1	34.7	23.7	21.4	25.0	25.2	25.2	25.2
Reported PAT	10,930	13,949	13,718	15,204	16,448	16,745	18,008	19,335
Adjusted PAT	10,930	13,949	13,718	15,204	16,448	16,745	18,008	19,335
Change (%)	11.6	27.6	-1.7	10.8	8.2	1.8	7.5	7.4
Margin (%)	38.2	38.1	40.3	48.8	46.9	45.7	44.5	44.9

Standalone - Balance Sheet

(INR m)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	1,970	1,970	1,970	1,970	1,970	1,970	1,970	1,970
Total Reserves	44,430	52,435	54,271	67,520	78,562	89,411	96,495	1,03,995
Net Worth	46,401	54,405	56,241	69,490	80,532	91,381	98,465	1,05,965
Total Loans	0	0	0	0	0	0	0	0
Deferred Tax Liabilities	770	1,056	851	0	0	0	0	0
Capital Employed	47,170	55,461	57,092	69,490	80,532	91,381	98,465	1,05,965
Gross Block	22,972	28,402	35,302	37,337	48,854	53,116	57,116	61,116
Less: Accum. Deprn.	12,579	19,046	25,839	29,660	32,527	37,205	42,412	47,999
Net Fixed Assets	10,393	9,356	9,463	7,678	16,327	15,911	14,704	13,117
Capital WIP	442	133	663	1,463	2,441	1,313	1,313	1,313
Total Investments	24,121	30,505	29,490	37,641	38,267	56,308	56,308	56,308
Curr. Assets, Loans&Adv.	16,949	20,700	23,552	30,995	30,299	26,015	31,737	41,183
Account Receivables	10,084	10,790	13,100	13,944	13,945	14,360	15,519	16,512
Cash and Bank Balance	3,071	4,709	5,288	8,753	9,175	4,917	9,014	17,005
Loans and Advances	3,791	5,199	5,164	8,298	7,179	6,738	7,189	7,649
Curr. Liability & Prov.	4,734	5,233	6,074	8,287	6,801	8,166	5,596	5,955
Account Payables	577	1,986	2,771	2,594	2,036	2,334	2,217	2,359
Other Current Liabilities	4,000	3,073	3,094	3,290	4,570	5,631	3,115	3,315
Provisions	157	174	209	2,402	195	201	264	281
Net Current Assets	12,215	15,468	17,477	22,709	23,498	17,850	26,141	35,228
Appl. of Funds	47,170	55,461	57,092	69,490	80,532	91,381	98,465	1,05,965

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Basic (INR)								
EPS	27.7	35.4	34.8	38.6	41.7	42.5	45.7	49.1
Cash EPS	38.9	51.8	52.0	48.3	49.0	54.4	58.9	63.2
BV/Share	117.7	138.1	142.7	176.3	204.4	231.9	249.9	268.9
DPS	10.0	12.5	25.0	5.0	20.0	22.0	24.0	26.0
Payout (%)	43.4	40.8	82.9	15.0	55.3	59.8	60.7	61.2
Valuation (x)								
P/E	19.6	15.4	15.6	14.1	13.0	12.8	11.9	11.1
Cash P/E	14.0	10.5	10.5	11.3	11.1	10.0	9.2	8.6
P/BV	4.6	3.9	3.8	3.1	2.7	2.3	2.2	2.0
EV/Sales	6.8	5.1	5.5	5.6	5.1	4.9	3.9	4.6
EV/EBITDA	9.9	7.3	8.4	8.5	7.9	7.6	6.0	7.2
Dividend Yield (%)	1.8	2.3	4.6	0.9	3.7	4.0	4.4	4.8
FCF per share	21.5	31.2	24.2	30.8	12.3	44.0	29.6	40.4
Return Ratios (%)								
RoE	25.2	27.7	24.8	24.2	21.9	19.5	18.3	18.2
RoCE	25.3	27.7	24.9	24.5	22.2	19.5	19.0	19.0
RoIC	52.2	63.2	56.9	61.2	56.7	47.3	51.0	52.0
Working Capital Ratios								
Fixed Asset Turnover (x)	1.2	1.3	1.0	0.8	0.7	0.7	0.7	0.7
Asset Turnover (x)	0.6	0.7	0.6	0.4	0.4	0.4	0.4	0.4
Inventory (Days)	0	0	0	0	0	0	0	0
Debtor (Days)	129	108	140	163	145	143	140	140
Creditor (Days)	7	20	30	30	21	23	20	20
Leverage Ratio (x)								
Current Ratio	3.6	4.0	3.9	3.7	4.5	3.2	5.7	6.9
Net Debt/Equity	-0.6	-0.6	-0.6	-0.7	-0.6	-0.7	-0.7	-0.7

Standalone - Cash Flow Statement

(INR m)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
OP/(Loss) before Tax	16,584	21,359	17,989	19,348	21,931	22,381	24,062	25,834
Depreciation	4,397	6,467	6,793	3,821	2,867	4,678	5,207	5,587
Interest & Finance Charges	11	17	78	220	287	54	54	54
Direct Taxes Paid	-5,409	-7,226	-4,254	-5,379	-6,908	-5,706	-6,054	-6,500
(Inc)/Dec in WC	-1,086	-848	-2,618	-1,546	-538	2,516	-4,195	-1,097
CF from Operations	14,497	19,769	17,988	16,463	17,639	23,924	19,074	23,879
Others	-1,059	-1,997	-1,885	-2,019	-1,499	-3,352	-3,428	-3,943
CF from Operating incl EO	13,438	17,772	16,103	14,444	16,140	20,572	15,646	19,936
(Inc)/Dec in FA	-4,977	-5,479	-6,579	-2,291	-11,292	-3,219	-4,000	-4,000
Free Cash Flow	8,460	12,293	9,524	12,154	4,848	17,352	11,646	15,936
(Pur)/Sale of Investments	-9,083	-5,654	1,091	-7,587	-923	-13,799	0	0
Others	1,403	482	1,814	-1,542	2,515	1,774	3,428	3,943
CF from Investments	-12,658	-10,651	-3,675	-11,419	-9,701	-15,245	-572	-57
Issue of Shares	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	0	0	0	0	0	0	0	0
Interest Paid	-11	-17	-291	-465	-542	-301	-54	-54
Dividend Paid	-4,743	-5,939	-11,877	-1,970	-5,419	-5,911	-10,924	-11,834
Others	0	0	17	0	0	0	0	0
CF from Fin. Activity	-4,754	-5,955	-12,151	-2,435	-5,961	-6,213	-10,978	-11,888
Inc/Dec of Cash	-3,969	1,164	278	588	487	-886	4,096	7,991
Opening Balance	6,551	2,583	3,747	4,025	4,613	5,099	4,214	8,310
Closing Balance	2,583	3,746	4,025	4,613	5,100	4,214	8,310	16,301
Other bank balance	488	963	1,263	4,140	4,076	704	704	704
Closing Balance (incl other bank bal)	3,071	4,709	5,288	8,753	9,175	4,917	9,014	17,005

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

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 - MOFSL) 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 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 alterations 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.

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/NCDEX); 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 dpgrievances@motilaloswal.com.