

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	CAMS IN
Equity Shares (m)	49
M.Cap.(INRb)/(USDb)	116.7 / 1.4
52-Week Range (INR)	2668 / 2002
1, 6, 12 Rel. Per (%)	-1/6/-8
12M Avg Val (INR M)	288

#### Financials & Valuations (INR b)

Y/E March	2023	2024E	2025E
AAUM (INR t)	27.3	32.5	37.3
Revenue	9.7	11.2	12.8
EBITDA	4.2	4.9	5.9
Margin (%)	43.3	43.7	45.9
PAT	2.8	3.4	4.2
PAT Margin (%)	29	30	32
EPS	58.1	68.8	84.9
EPS Grw. (%)	-0.8	18.5	23.3
BVPS	159.7	183.6	213.3
RoE (%)	39.8	40.1	42.7
Div. Payout (%)	65.0	65.0	65.0

#### Valuations

P/E (x)	41.0	34.6	28.0
P/BV (x)	14.9	13.0	11.2
Div. Yield (%)	1.6	1.9	2.3

#### Shareholding pattern (%)

As On	Sep-23	Jun-23	Sep-22
Promoter	19.9	19.9	19.9
DII	16.1	11.7	14.9
FII	38.6	35.8	33.2
Others	25.5	32.6	32.0

FII Includes depository receipts

**CMP: INR2,376**      **TP: INR2,950 (+24%)**      **Buy**

### In-line performance; margin improves sequentially

- CAMS reported a net profit of INR838m, a growth of 16% YoY. PAT for the quarter came in line with our estimates. The growth in profitability was well supported by an increase in the share of non-MF business and improving the mix of equity AUM in the total MF AUM.
- The share of Non-MF business improved sequentially in 2QFY24 and is expected to continue increasing throughout FY24. Operating revenue reached INR2.75b, up 13.5% YoY and 5.3% QoQ, in line with our estimates.
- The management is confident that CAMS WealthServ, CAMSPay, CAMSRep, and Think360 will significantly boost revenues in the coming quarters. It expects a growth of over 20% in revenues for the Non-MF business.
- **Currently, we have a BUY rating on the stock with a target price of INR2,950 at a P/E multiple of 35x on FY25 earnings.**

### Share of Non-MF business rises to 12.9%

- QAAUM grew 20% YoY to INR 32.5t. However, equity AUM grew 27% YoY to INR 15.5t in 2QFY24.
- The share of the non-MF business in revenue increased to 12.9% in 2QFY24.
- Non-MF revenue improved 46% YoY to INR 355m in 2QFY24. The CAMS KRA segment witnessed a jump in revenues by 125% YoY and 50% QoQ to INR 91m in 2QFY24. Alternative Services and CAMS Pay segment recorded a YoY revenue growth of 9% each in 2QFY24.
- Overall expenses grew 12% YoY, but was flat QoQ (broadly in line with our estimates). Other expenses were up 16% YoY, but declined 7% QoQ to INR220m. Employee expenses were up 8.5% YoY and 3% QoQ to INR977m.
- Cost-to-Income ratio came in at 55.6% in 2QFY24 vs. 56.2% in 2QFY23 and 57.9% in 1QFY24.
- EBITDA came in at INR1.2b and EBITDA margin stood at 44.4% vs. 43.8% in 2QFY23 and 42.1% in 1QFY24. EBITDA was up 15% YoY and 11% QoQ (in line with our estimates).
- PAT stood at INR838m in 2QFY24, a growth of 16.2% YoY and 11% QoQ.

### Key takeaways from the management commentary

- EBIT margins are higher in MF businesses vs. non-MF businesses. On the other hand, CAMSPay's EBIT margin is higher than that of the entire non-MF business, but lower than that of the MF business (on account of some pricing pressure in the recent past), while AIF and KRA's business margins are ~40%.
- Yields – The maximum impact of re-negotiation has been accounted for in 1QFY24, with some incremental impact observed in 2QFY24. Yields are expected to remain stable after 2QFY24. Outside of the telescopic structure, yields are holding up well.
- Non-asset based revenue includes transaction base revenue (flat QoQ), misc. charges, and NFO (both saw moderate increase QoQ). Going forward, the non-asset-based revenue would more or less remain static.

Prayesh Jain - Research Analyst (Prayesh.Jain@MotilalOswal.com)

Nitin Aggarwal - Research Analyst (Nitin.Aggarwal@MotilalOswal.com) Nemin Doshi- Research Analyst (Nemin.Doshi@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](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

**Valuation and View**

- Empirically, CAMS has traded at a premium to listed AMCs in terms of one-year forward P/E. This premium is well deserved, given: 1) the duopoly nature of the industry and high-entry barriers, 2) relatively low risk of a market share loss, and 3) higher customer ownership as compared to AMCs.
- Structural tailwinds in the MF industry shall aid absolute growth in MF revenue. Albeit for any adverse implications from the forthcoming TER regulations, we believe, MF business is well poised to deliver 1.5x nominal GDP growth over the longer term. With favorable macro triggers and right investments, non-MF share of revenues for CAMS is expected to increase to over 15% in the next three to five years.
- Currently, we have a BUY rating on the stock with a target price of INR2,950 at a P/E multiple of 35x on FY25 earnings.**

**Quarterly Performance****(INR m)**

Y/E March	FY23				FY24				2QFY24E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Revenue from Operations	2,366	2,424	2,436	2,492	2,613	2,751	2,871	2,934	2,787	-1.3	13.5	5.3
Change YoY (%)	17.6	6.5	2.5	2.5	10.4	13.5	17.9	17.7	15.0			
Employee expenses	933	901	871	876	950	977	1,028	1,056	1,000.4	-2.4	8.5	2.9
Operating expenses	267	274	282	294	327	333	339	337	328.8	1.4	21.8	1.9
Other Expenses	188	189	200	232	236	220	235	256	234.1	-6.2	16.4	(6.9)
Total Operating Expenses	1,388	1,363	1,354	1,401	1,512	1,530	1,602	1,649	1,563	-2.2	12.2	1.1
Change YoY (%)	28.2	11.9	8.8	7.0	9.0	12.2	18.4	17.7	14.7			
<b>EBITDA</b>	<b>979</b>	<b>1,061</b>	<b>1,082</b>	<b>1,091</b>	<b>1,101</b>	<b>1,221</b>	<b>1,269</b>	<b>1,285</b>	1,223	-0.2	15.1	11.0
Other Income	44	74	71	79	97	96	95	103	95	1.3	29.9	(0.5)
Depreciation	136	147	155	164	165	174	181	174	170	2.5	18.4	5.6
Finance Cost	18	18	20	20	20	20	19	17	19	3.6	8.8	(2.6)
<b>PBT</b>	<b>869</b>	<b>970</b>	<b>978</b>	<b>985</b>	<b>1,012</b>	<b>1,124</b>	<b>1,164</b>	<b>1,196</b>	<b>1,129</b>	-0.5	15.9	11.0
Change YoY (%)	2.3	0.5	-4.4	-0.4	16.4	15.9	19.0	21.4	16.5			
Tax Provisions	223	249	242	242	255	286	291	292	282	1.2	15.0	11.9
<b>Net Profit</b>	<b>646</b>	<b>721</b>	<b>736</b>	<b>744</b>	<b>757</b>	<b>838</b>	<b>873</b>	<b>904</b>	<b>847</b>	-1.1	16.2	10.7
Change YoY (%)	2.2	-0.6	-4.9	0.7	17.1	16.2	18.7	21.6	17.4			
<b>Key Operating Parameters (%)</b>												
Revenue / AUM (bps)	3.6	3.6	3.5	3.6	3.5	3.4	3.4	3.4	3.4	-0.1	(0.2)	(0.1)
Opex / AUM (bps)	2.1	2.0	1.9	2.0	2.0	1.9	1.9	1.9	1.9	0.0	(0.1)	(0.1)
PBT / AUM (bps)	1.3	1.4	1.4	1.4	1.3	1.4	1.4	1.4	1.4	0.0	(0.0)	0.0
PAT / AUM (bps)	1.0	1.1	1.1	1.1	1.0	1.0	1.0	1.1	1.0	0.0	(0.0)	0.0
Cost to Operating Income Ratio	58.6	56.2	55.6	56.2	57.9	55.6	55.8	56.2	56.1	-0.5	(0.6)	(2.3)
EBITDA Margin	41.4	43.8	44.4	43.8	42.1	44.4	44.2	43.8	43.9	0.5	0.6	2.3
PBT Margin	36.7	40.0	40.1	39.5	38.7	40.8	40.5	40.8	40.5	0.3	0.8	2.1
Tax Rate	25.6	25.6	24.8	24.5	25.2	25.4	25.0	24.4	25.0	0.4	(0.2)	0.2
PAT Margin	27.3	29.8	30.2	29.8	29.0	30.5	30.4	30.8	30.4	0.1	0.7	1.5
<b>Opex Mix (%)</b>												
Employee expenses	67.2	66.1	64.4	62.5	62.8	63.9	64.2	64.0	64.0	0.1	(2.2)	1.7
Operating expenses	19.3	20.1	20.9	21.0	21.6	21.8	21.1	20.4	21.0	-0.8	1.7	0.8
Other Expenses	13.5	13.8	14.8	16.5	15.6	14.4	14.7	15.5	15.0	0.6	0.5	(8.0)
<b>Key Parameters</b>												
QAUM (INR b)	26,200	27,100	27,800	28,000	30,000	32,500	33,475	34,069	32,400	0.3	19.9	8.3
Share of Equity AUM (%)	43.1	45.0	46.4	44.3	46.3	47.7	46.8	46.4	43.5	4.1	2.7	1.4



## Key takeaways from the management commentary

### MF business

- Among the four new recent AMC wins, Helios MF & Zerodha Fund house went live with their maiden NFOs in Oct '23.
- CAMS MF AUM stood at INR 32.2t, registering a 20% growth YoY. The overall market share is at 68.5%. CAMS Equity AUM stood at INR 15.2t, registering 28% growth YoY.
- CAMS Equity market share grew 120bp YoY to touch 65.5%. CAMS has ~80% share in the net sales in 2QFY24. Net flows into equity assets increased 14.2% YoY in 1HFY24. Inflows through SIPs increased 26.2% YoY.

### Non-MF Business

- Beyond MF, the sustained focus on expanding Non-MF businesses led to a 300bp YoY increase in the share of Non-MF revenue to ~13% of overall revenue.
- Non-MF revenue grew 47% YoY (30% growth on constant base, excluding contribution of Think360.ai). Management expects 20%+ growth in revenues for the Non-MF business.
- The management is confident that CAMS WealthServ, CAMSPay, CAMSRep and Think360 will significantly boost revenues in the coming quarters.
- **CAMS Alternatives (CAMS WealthServ)** - Assets under service in CAMS alternatives grew past the INR 2t milestone. New client acquisition momentum continues to be strong with the business winning 15 new to CAMS logos in 2QFY24. CAMS had a Beta launch of industry first in-house built analytics platform WealthTrak, which will assist to deliver superior fulfilment of the industry data needs. AIF platform is now holistic with the integration of globally acclaimed Temenos Multifonds as part of fund accounting services. Fintuple has partnered with a large bank in its transformation program which will go live later this year. This is a synergistic offering, which includes various other products from the CAMS group. The growth in the AIF segment is expected to bounce back in the next two to three quarters.
- **CAMS KRA** - It continues to broaden its offerings in the Capital market adding fintech brokerages and wealth advisors as its clients. This has led to a 125% growth in revenue YoY. '10-Minute KYC' – Industry First AI embedded KYC solution to Onboard Customers Instantly. Added 26 new clients for CAMS KRA services in 2QFY24.
- **CAMSPay** - UPI autopay offering expands beyond MF with the adoption by fintech channels and prominent third party apps. This led to 2x growth in volumes over the previous quarter.
- **CAMS Rep** - Bima Central platform goes live with insta eIA sign up for policyholders. The eIA policy addition grew 40% YoY. 4 Insurer integration across Life, General and Health in progress. The platform has been generated significant interest from insurers seeking integration.
- **CAMS CRA** - industry-first NPS CRA platform on cloud. CAMS NPS makes inroads into the POP and corporate segment with 62% of its new subscriptions from the retail POP channel.
- **Think360** successfully piloted its first Generative AI client project, with plans to expand its Gen AI capabilities to other clients and business sectors. In the last quarter, the company added 10+ new clients, including a new financial services client in international markets.

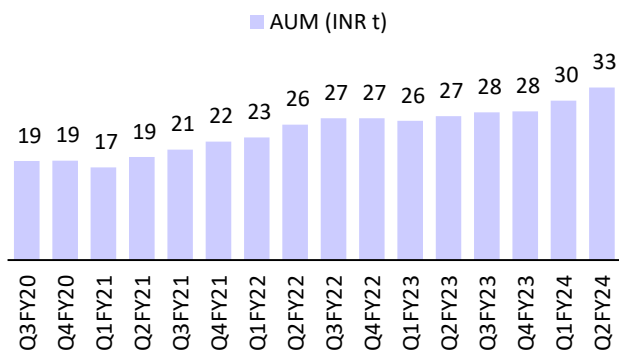
**Margins**

- EBIT margins are higher in the MF businesses vs non-MF businesses. On the other hand, CAMSPay’s EBIT margin is higher than that of the entire non-MF business, but lower than that of the MF business (on account of some pricing pressure in the recent past), while AIF and KRA’s business margins are ~40%.
- CamsPay and Insurance Repository business should scale up to 40% margins if the size increases by about 35-40% from its current levels.

**Financials**

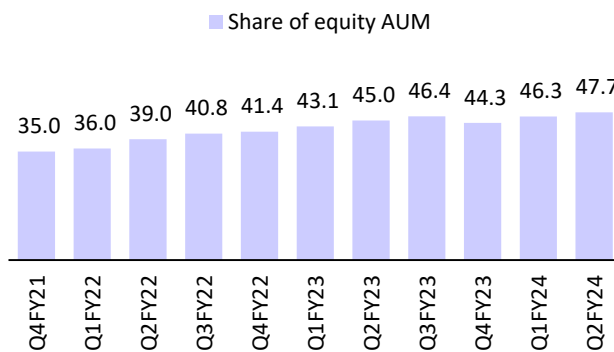
- The asset-based revenue grew 9.1% YoY (on the back of strong AUM growth) and the non-asset based revenue grew 13.6% YoY. The non-MF revenue grew 47.1% YoY.
- Non-asset based revenue includes transaction base revenue (flat QoQ), misc. charges, and NFO (both saw a moderate increase QoQ). Going forward, the non-asset-based revenue would be more or less remain static.
- The company expects salary expense to increase (~INR76m, which includes increments and ESOPs).
- Yields – The maximum impact of re-negotiation has been accounted for in 1QFY24, with some incremental impact observed in 2QFY24. Yields are expected to remain stable after 2QFY24. Outside of the telescopic structure, yields are holding up well.
- Operating EBIDTA is expected to be in the range on ~40-44%. CAMS has announced an interim dividend of INR 10.

**Exhibit 1: AUM increased to INR 33t**



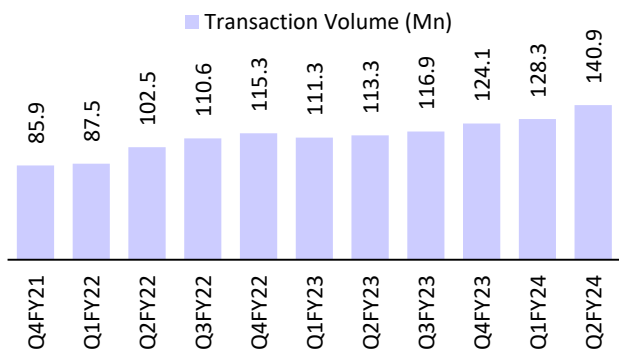
Source: Company, MOFSL

**Exhibit 2: Share of equity AUM improved (%)**



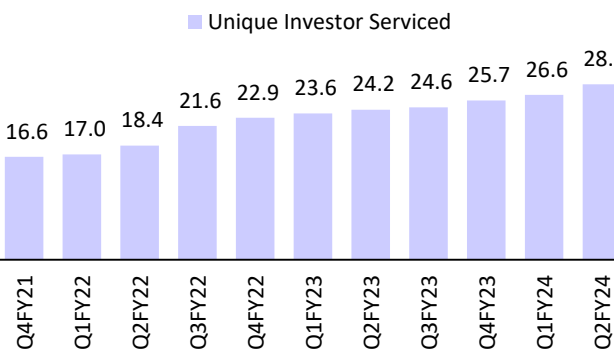
Source: Company, MOFSL

**Exhibit 3: Strong traction in SIP transactions (m)**



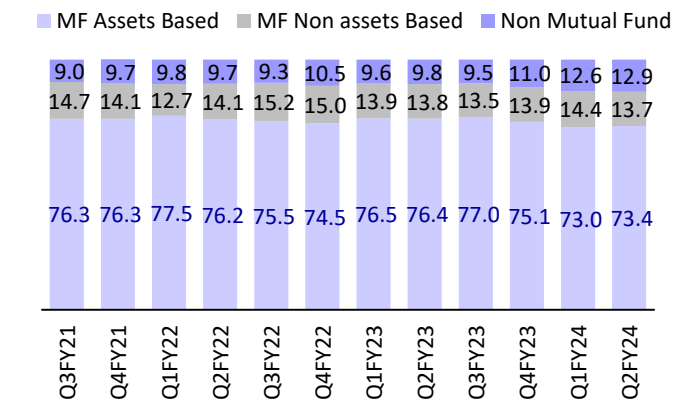
Source: Company, MOFSL

**Exhibit 4: Trend in unique investor serviced (m)**



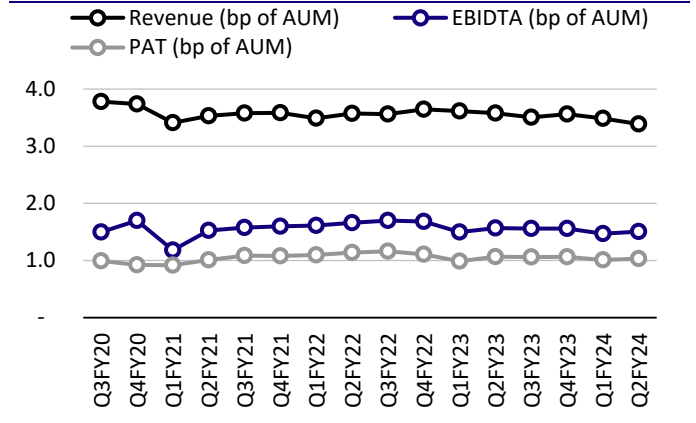
Source: Company, MOFSL

**Exhibit 5: Share of MF non-asset businesses improved QoQ**



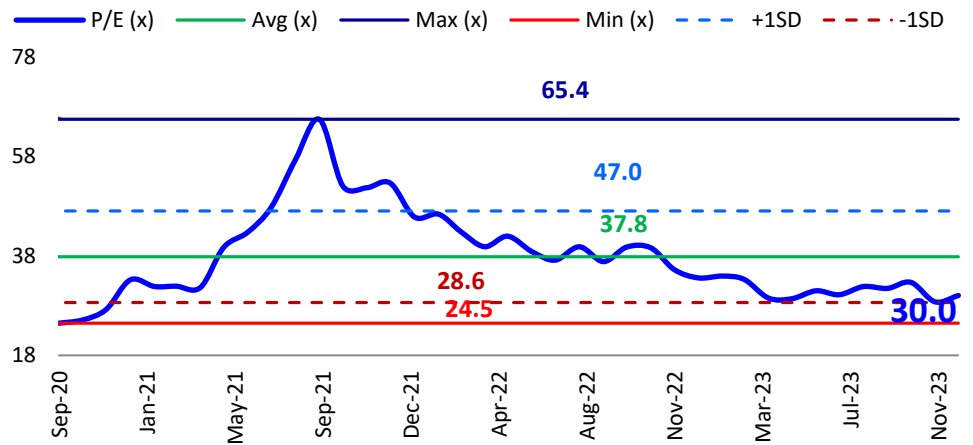
Source: MOFSL, Company

**Exhibit 6: Trend in key parameters**



Source: MOFSL, Company

**Exhibit 7: One-year forward P/E**



Source: MOFSL, Company

## Financials and valuations

<b>Income Statement</b>						<b>INR m</b>
<b>Y/E March</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024E</b>	<b>2025E</b>
Revenue	6,996	7,055	9,097	9,718	11,169	12,845
Change (%)	1	1	29	7	15	15
Employee expense	2,580	2,624	3,218	3,581	4,010	4,412
Other expenses	1,544	1,471	1,638	1,925	2,283	2,538
Operating Expenses	4,124	4,094	4,855	5,506	6,293	6,949
<b>EBITDA</b>	<b>2,873</b>	<b>2,961</b>	<b>4,241</b>	<b>4,212</b>	<b>4,876</b>	<b>5,896</b>
Change (%)	18	3	43	-1	15.7	20.9
Dep/Interest/Provisions	582	513	587	679	770	810
Other Income	217	298	173	268	391	457
<b>PBT</b>	<b>2,508</b>	<b>2,745</b>	<b>3,827</b>	<b>3,802</b>	<b>4,496</b>	<b>5,543</b>
Change (%)	25	9	39	-1	18.3	23.3
Tax	773	692	957	956	1,124	1,386
Tax Rate (%)	31	25	25	25	25.0	25.0
<b>PAT</b>	<b>1,735</b>	<b>2,053</b>	<b>2,870</b>	<b>2,846</b>	<b>3,372</b>	<b>4,157</b>
Change (%)	33	18	40	-1	18.5	23.3
Dividend	594	2,488	1,895	1,850	2,192	2,702
<b>Balance Sheet</b>						<b>INR m</b>
<b>Y/E March</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024E</b>	<b>2025E</b>
Equity Share Capital	488	488	489	490	490	490
Reserves & Surplus	5,001	4,671	5,987	7,335	8,508	9,963
<b>Net Worth</b>	<b>5,489</b>	<b>5,159</b>	<b>6,476</b>	<b>7,825</b>	<b>8,997</b>	<b>10,452</b>
Borrowings	0	0	0	0	0	0
Other Liabilities	2,542	3,260	3,094	3,151	3,489	3,865
<b>Total Liabilities</b>	<b>8,030</b>	<b>8,419</b>	<b>9,571</b>	<b>10,976</b>	<b>12,486</b>	<b>14,317</b>
Cash and Bank balance	504	1,803	1,510	164	243	437
Investments	3,056	2,355	3,170	3,298	4,598	6,098
Net Fixed Assets	3,090	2,840	3,141	3,413	3,119	2,784
Current Assets	1,380	1,421	1,750	4,100	4,526	4,998
<b>Total Assets</b>	<b>8,030</b>	<b>8,419</b>	<b>9,571</b>	<b>10,975</b>	<b>12,486</b>	<b>14,317</b>

## Financials and valuations

Cashflow						INR m
Y/E March	2020	2021	2022	2023	2024E	2025E
Profit after Tax	1,734	2,053	2,870	2,846	3,372	4,157
Adjustments	-126	199	729	754	380	353
Change in Working Capital	(237)	697	(129)	(17)	276	305
<b>Cashflow from Operating activities</b>	<b>1,371</b>	<b>2,950</b>	<b>3,470</b>	<b>3,583</b>	<b>4,028</b>	<b>4,815</b>
Other Income	217	298	173	268	391	457
Change in Current Investments	-751	701	-815	-128	-1,300	-1,500
Change in Fixed Asset	174	-63	-791	-875	-400	-400
Others	-128	-20	-365	-2,269	-372	-401
<b>Cashflow from Investing activities</b>	<b>-489</b>	<b>915</b>	<b>-1,798</b>	<b>-3,004</b>	<b>-1,681</b>	<b>-1,843</b>
Interest Expense	-97	-79	-71	-76	-76	-76
Dividend Expense	-716	-2,488	-1,895	-1,850	-2,192	-2,702
<b>Cashflow from Financing activities</b>	<b>-813</b>	<b>-2,567</b>	<b>-1,966</b>	<b>-1,926</b>	<b>-2,268</b>	<b>-2,778</b>
Net Cashflow	69	1,298	(293)	(1,347)	79	194
Opening Cashflow	435	504	1,803	1,510	164	243
<b>Closing Cashflow</b>	<b>504</b>	<b>1,803</b>	<b>1,510</b>	<b>164</b>	<b>243</b>	<b>437</b>

Y/E March	2020	2021	2022	2023	2024E	2025E
<b>AAAUM (INR B)</b>	<b>18,149</b>	<b>19,984</b>	<b>25,500</b>	<b>27,300</b>	<b>32,511</b>	<b>37,335</b>
Change (%)	14.6	10.1	27.6	7.1	19.1	14.8
Equity	6,706	6,806	10,100	12,400	15,376	18,144
Non-Equity	11,443	13,178	15,400	14,900	17,135	19,191

E: MOSL Estimates

Y/E March	2020	2021	2022	2023	2024E	2025E
<b>Margins Analysis (%)</b>						
Revenue Yield (bps)	3.85	3.53	3.57	3.56	3.44	3.44
<b>Cost to Income Ratio</b>	<b>58.9</b>	<b>58.0</b>	<b>53.4</b>	<b>56.7</b>	<b>56.3</b>	<b>54.1</b>
EBITDA Margins	41.1	42.0	46.6	43.3	43.7	45.9
PBT Margin	35.8	38.9	42.1	39.1	40.3	43.2
PAT Margin	24.8	29.1	31.6	29.3	30.2	32.4
<b>Profitability Ratios (%)</b>						
RoE	34.8	38.6	49.3	39.8	40.1	42.7
Dividend Payout Ratio	34.2	121.2	66.0	65.0	65.0	65.0

### Dupont Analysis (Bps of AAAUM)

Y/E March	2020	2021	2022	2023	2024E	2025E
Operating Income	3.9	3.5	3.6	3.6	3.4	3.4
Operating Expenses	2.3	2.0	1.9	2.0	1.9	1.9
<b>EBITDA</b>	<b>1.6</b>	<b>1.5</b>	<b>1.7</b>	<b>1.5</b>	<b>1.5</b>	<b>1.6</b>
Depreciation and Others	0.3	0.3	0.2	0.2	0.2	0.2
Other Income	0.1	0.1	0.1	0.1	0.1	0.1
<b>PBT</b>	<b>1.4</b>	<b>1.4</b>	<b>1.5</b>	<b>1.4</b>	<b>1.4</b>	<b>1.5</b>
Tax	0.4	0.3	0.4	0.4	0.3	0.4
<b>ROAAAUM</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>

Valuations	2020	2021	2022	2023	2024E	2025E
BVPS (INR)	112	105	132	160	184	213
Change (%)	22.1	-6.0	25.5	20.8	15.0	16.2
Price-BV (x)	<b>21.2</b>	<b>22.6</b>	<b>18.0</b>	<b>14.9</b>	<b>13.0</b>	<b>11.2</b>
EPS (INR)	35.4	41.9	58.6	58.1	68.8	84.9
Change (%)	32.5	18.4	39.8	-0.8	18.5	23.3
Price-Earnings (x)	<b>67.2</b>	<b>56.8</b>	<b>40.6</b>	<b>41.0</b>	<b>34.6</b>	<b>28.0</b>
DPS (INR)	12.1	50.8	38.7	37.8	44.7	55.2
Dividend Yield (%)	<b>0.5</b>	<b>2.1</b>	<b>1.6</b>	<b>1.6</b>	<b>1.9</b>	<b>2.3</b>

E: MOSL Estimates

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](http://www.motilaloswal.com). MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at

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

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com). Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

#### Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

#### For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

#### For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act") and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co. Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. As per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisors Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

#### Specific Disclosures

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

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

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

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

#### Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

#### Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

#### Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor 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.

This report is meant for the clients of Motilal Oswal only.

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.