

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	OBER IN
Equity Shares (m)	364
M.Cap.(INRb)/(USDb)	406.3 / 4.9
52-Week Range (INR)	1207 / 790
1, 6, 12 Rel. Per (%)	-1/16/16
12M Avg Val (INR M)	596

Financials & Valuations (INR b)

Y/E Mar	FY24E	FY25E	FY26E
Sales	43.2	51.4	69.0
EBITDA	22.1	26.0	33.7
EBITDA (%)	51.1	50.7	48.9
PAT	15.3	17.7	24.1
EPS (INR)	42.2	48.6	66.3
EPS Gr. (%)	-19.4	15.2	36.4
BV/Sh. (INR)	376.0	422.6	486.9

Ratios

Net D/E	0.2	0.1	0.0
RoE (%)	11.9	12.2	14.6
RoCE (%)	10.3	11.1	13.8
Payout (%)	4.7	4.1	3.0

Valuations

P/E (x)	26.5	23.0	16.9
P/BV (x)	3.0	2.6	2.3
EV/EBITDA (x)	19.5	16.1	12.1
Div Yield (%)	0.2	0.2	0.2

Shareholding pattern (%)

As On	Sep-23	Jun-23	Sep-22
Promoter	67.7	67.7	67.7
DIIDIIDIIDII	11.6	11.3	11.8
FIIFIIFIIFII	17.8	18.2	18.0
Others	2.9	2.8	2.5

CMP: INR1,118 **TP: INR1,200 (+7%)** **Neutral**

Gearing up for strong launches in 2HFY24

Healthy traction at 360-West drives pre-sales and P&L beat

- Oberoi Realty (OBER)'s pre-sales doubled QoQ to INR9.7b (down 16% YoY) and were 19% above our estimate, driven by healthy traction at its ultra-luxury project, 360-West (Worli), which reported sales of four units worth INR3b. Eternia, Mulund posted the best-ever quarter with sales of 40 units, while the performance at the rest of the projects was steady in 2QFY24.
- OBER sold a total of 151 units vs. 132/110 in 2QFY23/1QFY24. Sales volumes were flat YoY but rose 51% QoQ to 0.2msf. Realizations improved 34% QoQ to INR43,700/sf due to a favorable mix in 2QFY24. 360-West clocked realizations of INR126,000/sf vs. acquisition price of INR64,000/sf.
- Collections were flat QoQ but up 25% YoY to INR11b. Net debt reduced by INR3b to INR24b with the net-debt-to-equity ratio declining a bit to 0.18x.
- **P&L performance:** Revenue jumped 77% YoY to INR12.2b in 2QFY24 (26% above est.), due to higher-than-expected sales from 360-West and a change in its accounting method from JV to line-by-line consolidation. Thus, EBITDA margin improved 700bp to 52.4%, leading to a two-fold rise in its EBITDA to INR6.4b. PAT increased 43% YoY to INR4.6b with a PAT margin of 38%.

Commercial occupancy improves slightly; Hospitality sustained

- Blended occupancy in commercial portfolios rose 100bp as Commerz I posted 400bp improvement in leased area. Rental revenue was flat at INR729m, with an EBITDA of INR675m and a margin of 93% during the quarter.
- The Hospitality segment sustained its strong performance as The Westin, Mumbai, reported a 200bp improvement in occupancy to 84% and a 22% YoY increase in ARR to 11,700 (flat QoQ). Revenue jumped 18% YoY to INR402m, while EBITDA surged 28% YoY to INR142m, led by a 280bp improvement in margin to 35% in 2QFY24.

Key management commentary

- **Business development:** OBER has enough land-bank, which can enable it to strive through multiple cycles and hence, it does not want to be aggressive on adding new projects. Management intends to follow a prudent capital allocation strategy by ensuring that all projects generate desired returns.
- **Thane launches:** The Kolshet road project will be launched immediately post-Diwali and the Pokhran Road project will follow next quarter as it is awaiting approvals for the new amendments made to the development plan. OBER could issue the development contracts over the next few months and the project will surely be launched in FY24.
- **Dividend:** To avoid the concentration of dividend payment at the end of the year, OBER announced an interim dividend in 2Q. Given the expected scale up in cash flows from the annuity segment, management intends to gradually move to quarterly dividend payout plan.
- **Mulund projects:** Sales run-rate at Mulund has improved post-completion and management intends to sell the entire inventory in two years.

Pritesh Sheth – Research Analyst (Pritesh.Sheth@MotilalOswal.com)

Sourabh Gilda – Research Analyst (Sourabh.Gilda@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

- OBER reported a healthy operational and P&L performance in 2QFY24, which was above our estimates. While the launch pipeline remains strong, we cut our pre-sales for FY24 by 13% on account of pushout of Pokhran road project launch to 4QFY24.
- With the stock trading at 50% above its residential NAV, a large part of this growth is already priced in. Thus, investments in new land could be the only positive trigger for the stock.
- We believe with 4-5 projects at Thane, Tardeo, Worli, Peddar Road, and Andheri already being lined up for launch, management might not feel the need to be aggressive on new land acquisitions over the next 2-3 years, beyond Gurugram, which is already under evaluation.
- **We roll forward our estimates and increase our TP to INR1,200, indicating an upside potential of 7%. Maintain Neutral.**

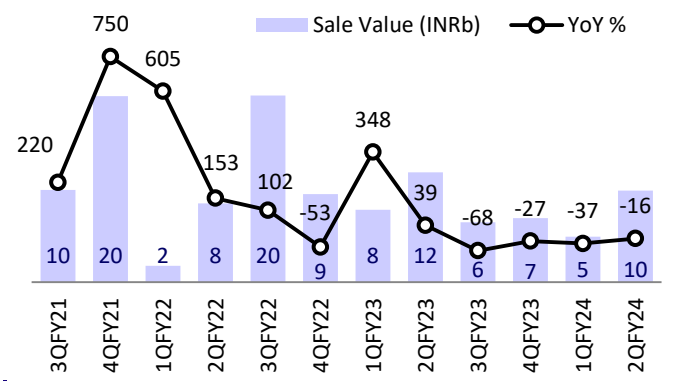
Financial and Operational Summary (INR m)

Y/E March	FY23				FY24E				FY23	FY24E	FY24E	Variance (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	9,131	6,886	16,295	9,614	9,100	12,174	11,198	10,741	41,926	43,213	9,645	26%
YoY Change (%)	221.2	-8.7	95.8	16.8	-0.3	76.8	-31.3	11.7	55.6	3.1	40.1	
Total Expenditure	4,209	3,782	6,891	5,927	4,362	5,792	5,589	5,394	20,808	21,137	5,425	
EBITDA	4,922	3,104	9,404	3,687	4,737	6,382	5,609	5,348	21,117	22,076	4,220	51%
Margins (%)	53.9	45.1	57.7	38.3	52.1	52.4	50.1	49.8	50.4	51.1	43.8	1396bp
Depreciation	98	101	102	97	113	113	120	114	398	460	110	
Interest	326	363	381	621	615	565	442	445	1,691	2,066	517	
Other Income	217	232	220	337	236	264	260	234	1,006	994	260	
PBT before EO expense	4,715	2,873	9,141	3,306	4,245	5,968	5,308	5,023	20,036	20,544	3,853	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	4,715	2,873	9,141	3,306	4,245	5,968	5,308	5,023	20,036	20,544	3,853	55%
Tax	1,137	692	2,260	-896	1,046	1,421	1,354	1,418	3,193	5,239	983	
Rate (%)	24.1	24.1	24.7	(27)	24.6	23.8	25.5	28	15.9	25.5	25.5	
Minority Interest & P/L of Asso. Cos.	453	1,006	144	601	17	21	0	0	2,204	38	0	
Reported PAT	4,031	3,186	7,026	4,803	3,216	4,568	3,955	3,605	19,046	15,343	2,871	
Adj PAT	4,031	3,186	7,026	4,803	3,216	4,568	3,955	3,605	19,046	15,343	2,871	59%
YoY Change (%)	400.0	19.5	50.3	106.7	-20.2	43.4	-43.7	-24.9	81.9	-19.4	-9.9	
Margins (%)	44.1	46.3	43.1	50.0	35.3	37.5	35.3	33.6	45.4	35.5	29.8	
Operational metrics												
Residential												
Sale Volume (msf)	0.25	0.37	0.22	0.16	0.15	0.22	0.56	0.54	0.8	1.5	0.24	-6%
Sale Value (INRm)	7,611	11,557	6,307	6,732	4,760	9,650	17,660	18,387	32,203	50,458	8,105	19%
Collections (INRm)	5,574	8,780	4,277	8,537	11,091	11,013	10,043	9,699	27,167	41,846	10,893	1%
Realization (INR/sft)	30,797	31,234	28,465	41,196	32,630	43,700	31,311	33,920	41,097	34,260	34,357	27%
Leasing												
Occupancy (%)	80.7	81.1	80.8	83.0	80.0	80.8	91.8	95.3	82.8	90.5	88.4	-9%
Rental income (excl. CAM)	726	711	737	735	726	729	817	937	2,909	3,253	774	-6%
EBITDA (excl. CAM)	671	667	691	665	679	675	776	898	2,764	3,028	735	-8%
Hospitality												
Occupancy (%)	91.3	82.7	80.0	84.0	82.0	84.0	80.0	82.0	85	80	78.0	
ARR (INR)	9,116	9,546	12,344	13,723	11,602	11,686	13,825	15,942	11,182	12,859	10,692	
Revenue	348	341	419	461	394	402	496	586	1,709	1,849	374	
EBITDA	136	111	158	208	145	142	178	201	615	666	135	

Source: Company, MOFSL

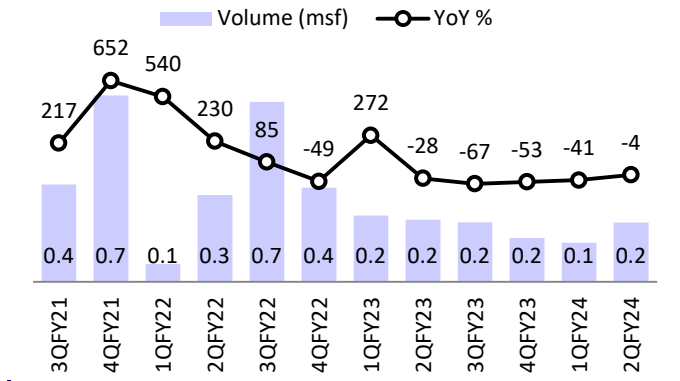
Key exhibits

Exhibit 1: Pre-sales declined 16% YoY to INR10b...



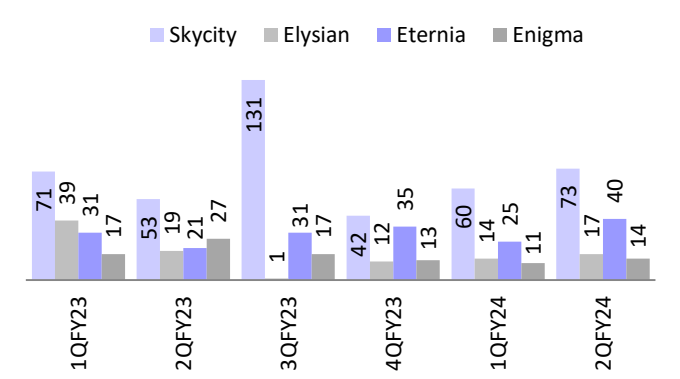
Source: Company, MOFSL

Exhibit 2: ...while volumes declined 4% YoY



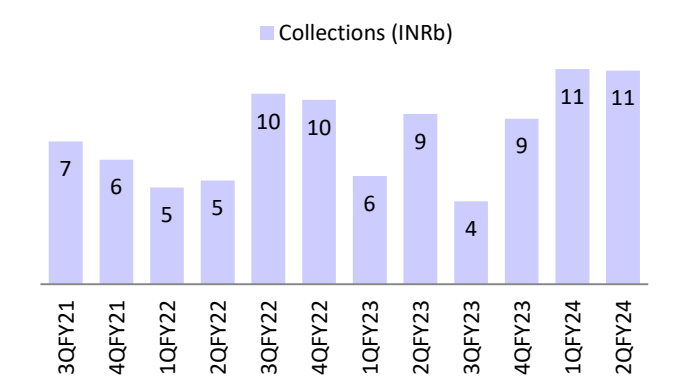
Source: Company, MOFSL

Exhibit 3: Sales velocity across projects remained steady



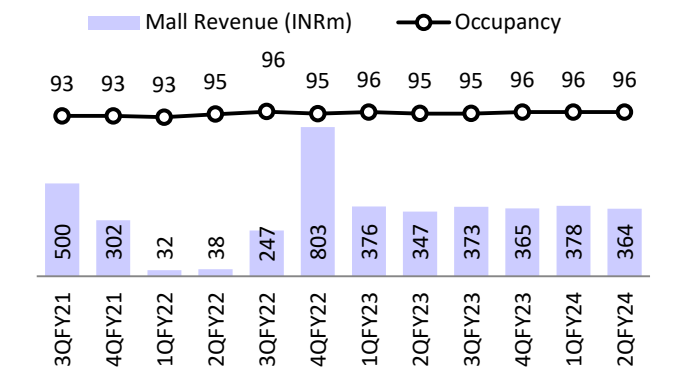
Source: MOFSL, Company

Exhibit 4: Collections improved 25% YoY to INR11b



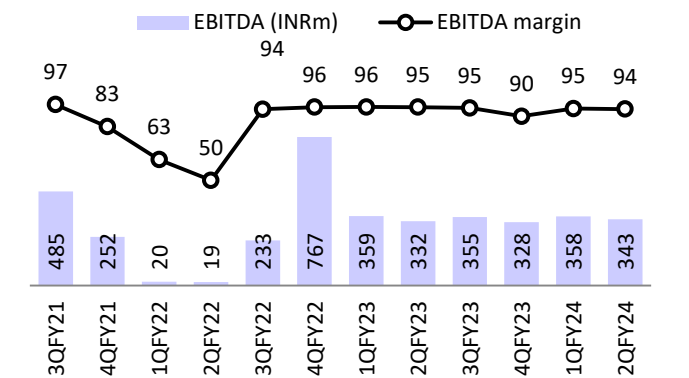
Source: MOFSL, Company

Exhibit 5: Mall revenue in 2QFY24 stood at INR364m



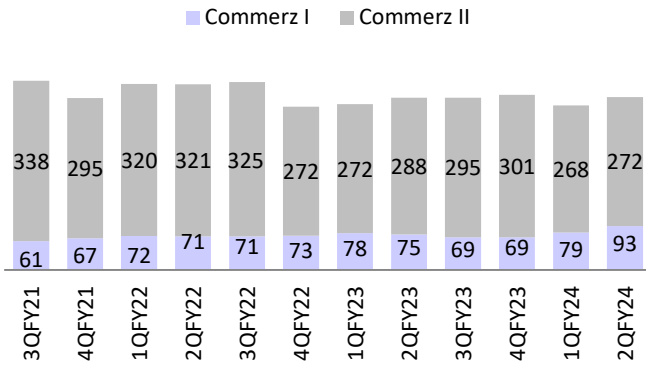
Source: Company, MOFSL

Exhibit 6: EBITDA stood at INR343m, with steady margins



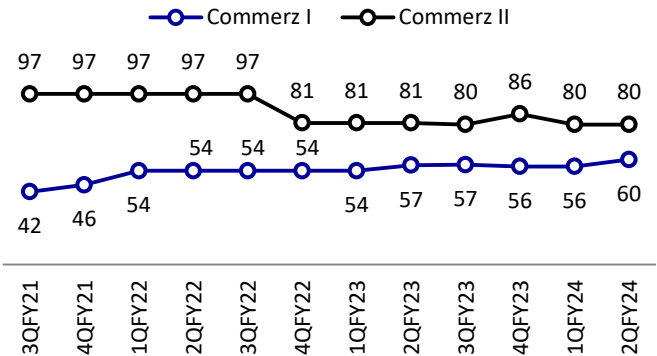
Source: Company, MOFSL

Exhibit 7: Revenue from office assets increased 6% QoQ...



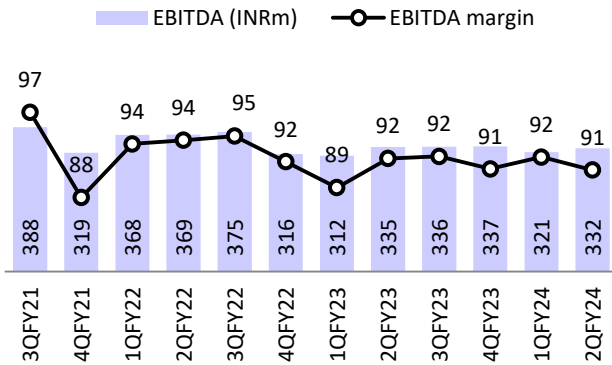
Source: MOFSL, Company

Exhibit 8: ...driven by a rise in occupancy at Commerz-I



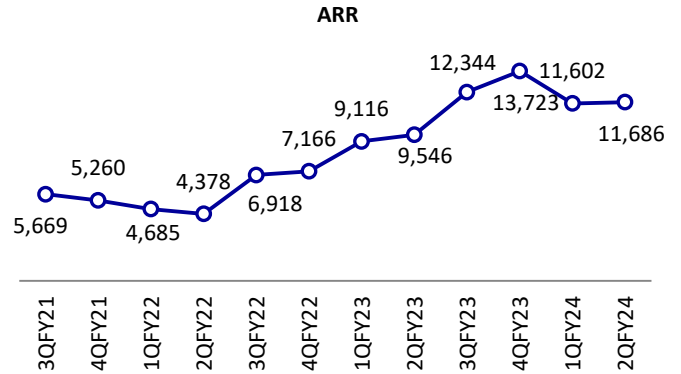
Source: MOFSL, Company

Exhibit 9: EBITDA was at INR332m, with a stable margin of 92%



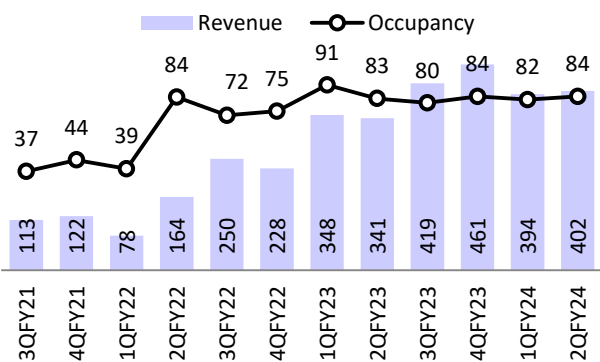
Source: MOFSL, Company

Exhibit 10: Hotel segment witnessing ARR moderation



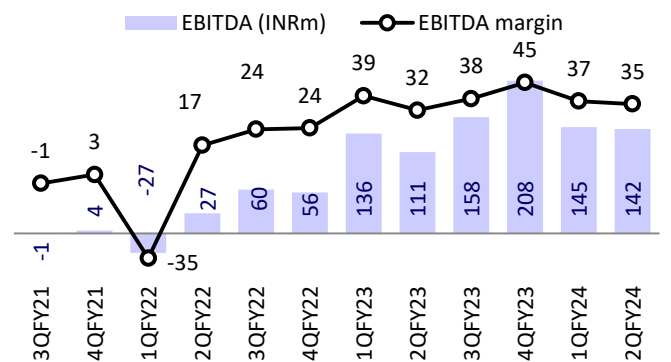
Source: MOFSL, Company

Exhibit 11: Hotel revenue remained flat QoQ



Source: MOFSL, Company

Exhibit 12: The segment's EBITDA stood at INR142m



Source: MOFSL, Company

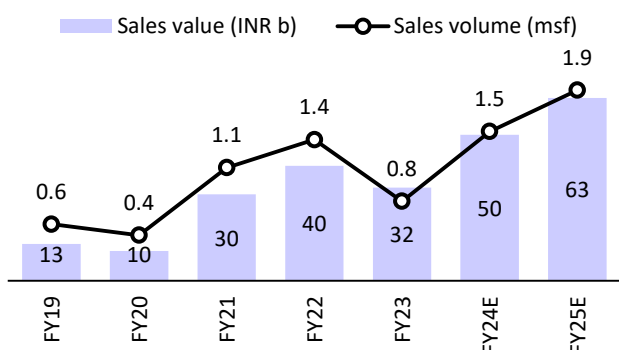
Story in charts

Exhibit 13: OBER has a pipeline of 20msf across four projects

Project	Pending area to be launched	Comment
Sky City	0.8	❖ The company expects to launch the next phase at Sky-City in the next 12 months.
Worli	0.0	❖ The company is still contemplating between residential and commercial projects at this site. Being adjacent to 360-west, the launch will only happen post FY24.
Elysian	2.1	❖ The company is planning to launch another phase in FY24.
Pokhran Rd - Thane	15	❖ The company is looking to launch the first phase of Thane project by 4QFY24.
Kolshet Rd - Thane	1.8	❖ This project is scheduled for a launch in 3QFY24.
Total	20	

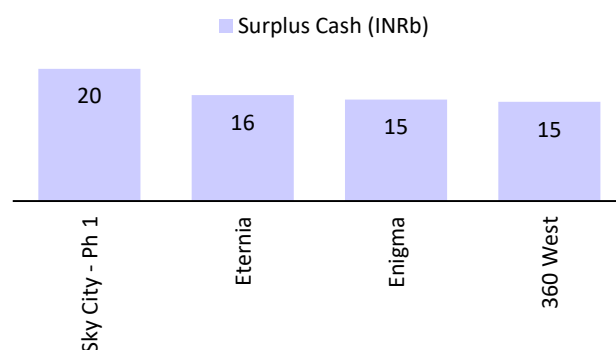
Source: MOFSL, Company

Exhibit 14: OBER to deliver a strong growth in sales bookings over FY23–25, aided by the launch of key projects



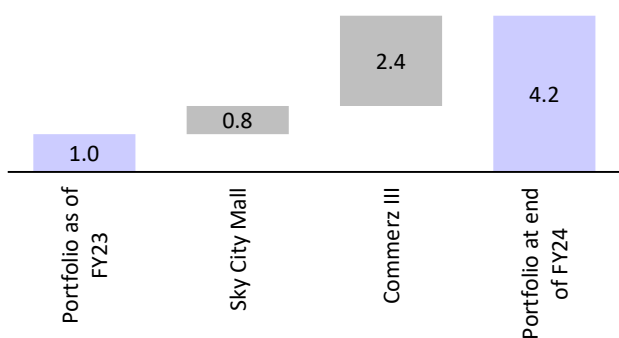
Source: Company, MOFSL

Exhibit 15: Completed projects can generate INR65b of surplus cash



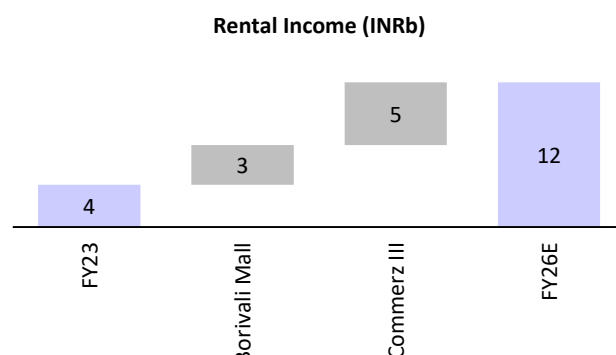
Source: Company, MOFSL

Exhibit 16: Commercial portfolio set to expand to 4.2msf by FY24E...



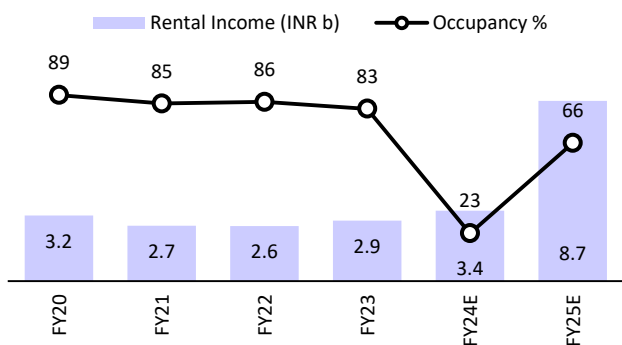
Source: Company, MOFSL

Exhibit 17:and generate INR12b income by FY26E



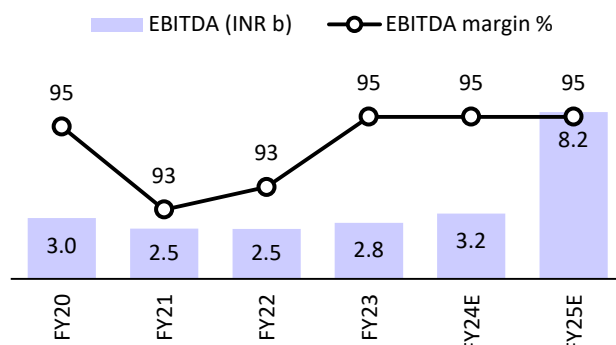
Source: Company, MOFSL

Exhibit 18: Expect rental income to surge 3x over FY23–25



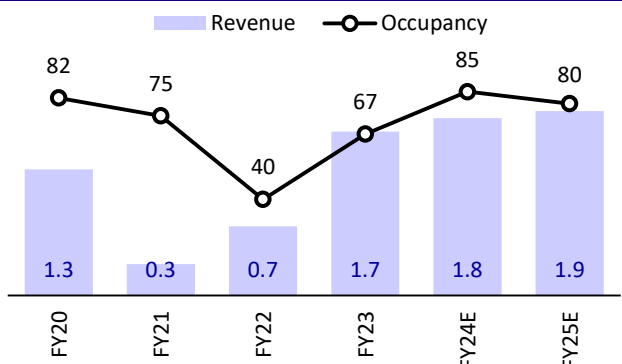
Source: MOFSL, Company

Exhibit 19: EBITDA margin to recover to 95%+



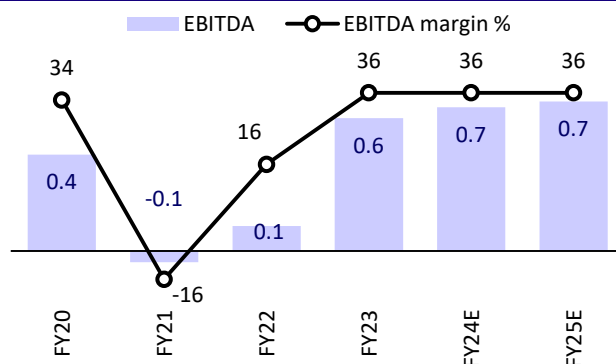
Source: MOFSL, Company

Exhibit 20: Steady occupancy coupled with a gradual rise in ARR to support hospitality sales (INRb)



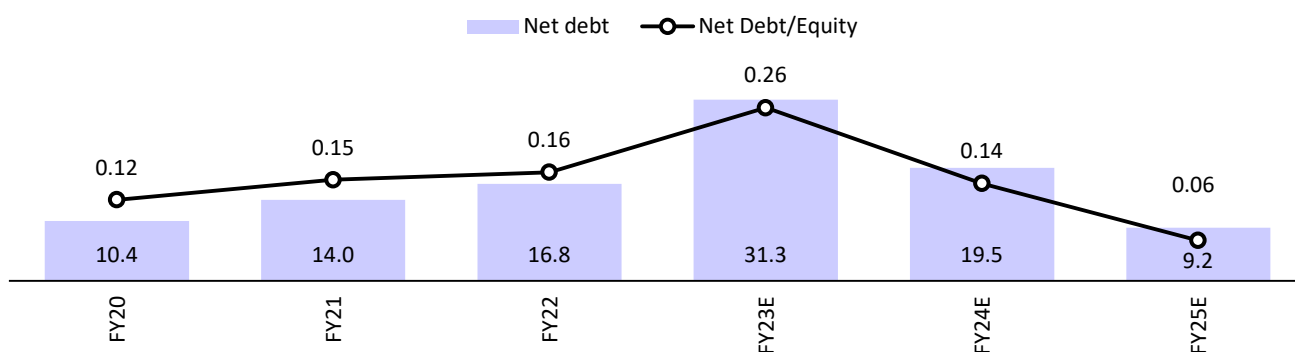
Source: Company, MOFSL

Exhibit 21: EBITDA margin to sustain at 30%+



Source: Company, MOFSL

Exhibit 22: Annual post-tax cash flow run-rate of INR15-30b over the next 3–4 years to provide OBER with financial strength to focus on business development



Source: MOFSL, Company

Exhibit 23: Changes to our estimates

(INR m)	Old		New		Change	
	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Revenue	45,822	53,007	43,213	51,368	-6%	-3%
EBITDA	19,399	24,102	22,076	26,035	14%	8%
Adj. PAT	13,077	16,409	15,343	17,677	17%	8%
Pre-sales	57,747	59,568	50,458	63,220	-13%	6%
Collections	43,664	53,520	42,183	54,324	-3%	2%

Source: MOFSL, Company

Valuation and view**We value OBER on a DCF-based approach:**

- Its residential business is valued by using DCF of expected cash flows over five years with a WACC of 11.5% and a terminal value using a perpetual growth rate of 3%.
- Its operational commercial assets are valued at 8.5% cap rate on FY25E EBITDA and the ongoing projects are valued using DCF.
- The hospitality segment is valued at 17.5x FY24E EV/EBITDA (comparable to IHCL)

Based on the above approach, we arrive at a GAV of INR455b. Netting-off the estimated net debt of INR18b for FY24, we derive a NAV of INR436b, or INR1,200/share, indicating an upside potential of 7%. **Reiterate Neutral.**

Exhibit 24: Based on our SoTP approach, we arrive at a NAV of INR436b, or INR1,200 per share, indicating an upside potential of 7%

NAV calculation	Rationale	INR b	Per share (INR)	(%)
Residential	❖ DCF of five-year cash flow at WACC of 11.5% and terminal value assuming 3% long-term growth	316	870	72%
Leasing – Offices and Malls	❖ Cap rate of 8.5% for operational assets and DCF for ongoing and planned assets	124	342	28%
Hospitality	❖ FY24E EBITDA at 17.5x EV/EBITDA	14	39	3%
Gross Asset Value	❖	455	1251	104%
Less: Net Debt	❖ FY24 estimate	(18)	(51)	(4%)
Net Asset Value		436	1200	100%
CMP			1118	
Up/down (%)			7%	

Source: MOFSL, Company

Financials and valuations

Consolidated Income Statement							(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Total Income from Operations	22,376	20,526	26,940	41,926	43,213	51,368	68,963
Change (%)	-13.4	-8.3	31.2	55.6	3.1	18.9	34.3
Total Expenditure	11,897	10,522	15,126	20,808	21,137	25,333	35,228
As a percentage of Sales	53.2	51.3	56.1	49.6	48.9	49.3	51.1
EBITDA	10,480	10,004	11,813	21,117	22,076	26,035	33,735
Margin (%)	46.8	48.7	43.9	50.4	51.1	50.7	48.9
Depreciation	449	412	398	398	460	1,817	1,817
EBIT	10,031	9,592	11,416	20,720	21,616	24,218	31,919
Int. and Finance Charges	885	760	860	1,691	2,066	1,466	866
Other Income	484	380	585	1,006	994	976	1,310
PBT bef. EO Exp.	9,630	9,212	11,140	20,036	20,544	23,728	32,362
EO Items	0	0	0	0	0	0	0
PBT after EO Exp.	9,630	9,212	11,140	20,036	20,544	23,728	32,362
Total Tax	2,796	1,851	3,065	3,193	5,239	6,051	8,252
Tax Rate (%)	29.0	20.1	27.5	15.9	25.5	25.5	25.5
Minority Interest/Profit from JV	59	32	2,396	2,204	38	0	0
Reported PAT	6,893	7,393	10,471	19,046	15,343	17,677	24,110
Adjusted PAT	6,893	7,393	10,471	19,046	15,343	17,677	24,110
Change (%)	-15.6	7.2	41.6	81.9	-19.4	15.2	36.4
Margin (%)	30.8	36.0	38.9	45.4	35.5	34.4	35.0

Consolidated Balance Sheet							(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	3,636	3,636	3,636	3,636	3,636	3,636	3,636
Total Reserves	82,659	90,055	1,00,525	1,18,465	1,33,081	1,50,031	1,73,414
Net Worth	86,295	93,691	1,04,161	1,22,101	1,36,717	1,53,667	1,77,050
Minority Interest	0	0	0	0	0	0	0
Total Loans	11,439	15,338	28,555	39,441	29,441	19,441	9,441
Deferred Tax Liabilities	284	348	247	155	155	155	155
Capital Employed	98,018	1,09,378	1,32,964	1,61,697	1,66,313	1,73,263	1,86,645
Gross Block	12,824	12,907	12,965	13,055	60,555	60,555	60,555
Less: Accum. Deprn.	2,359	2,771	3,169	3,566	4,026	5,843	7,660
Net Fixed Assets	10,465	10,136	9,796	9,488	56,528	54,712	52,895
Goodwill on Consolidation	0	0	0	0	0	0	0
Capital WIP	3,055	19,799	32,975	40,312	4,378	14,137	17,953
Total Investments	24,062	16,196	26,794	7,027	7,065	7,065	7,065
Curr. Assets, Loans, and Adv.	74,632	74,405	87,340	1,29,584	1,20,587	1,17,129	1,35,371
Inventory	53,173	46,626	50,361	85,431	85,342	85,146	88,373
Account Receivables	1,153	1,280	1,246	10,983	1,184	1,407	1,889
Cash and Bank Balance	1,083	1,331	2,932	5,129	5,973	6,050	7,387
Loans and Advances	19,223	25,168	32,802	28,040	28,089	24,526	37,722
Curr. Liability and Prov.	14,196	11,158	23,942	24,713	22,246	19,780	26,638
Account Payables	859	938	4,247	2,423	1,448	1,735	2,413
Other Current Liabilities	13,294	10,194	19,108	21,817	20,742	17,979	24,137
Provisions	43	26	587	474	55	66	88
Net Current Assets	60,436	63,247	63,398	1,04,870	98,341	97,349	1,08,733
Appl. of Funds	98,018	1,09,378	1,32,964	1,61,697	1,66,313	1,73,263	1,86,646

Financials and valuations

Ratios							
Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Basic (INR)							
EPS	19.0	20.3	28.8	52.4	42.2	48.6	66.3
Cash EPS	20.2	21.5	29.9	53.5	43.5	53.6	71.3
BV/Share	237.3	257.7	286.5	335.8	376.0	422.6	486.9
DPS	2.3	0.0	3.0	2.0	2.0	2.0	2.0
Payout (%)	14.3	0.0	10.4	3.8	4.7	4.1	3.0
Valuation (x)							
P/E	59.0	55.0	38.8	21.3	26.5	23.0	16.9
Cash P/E	55.4	52.1	37.4	20.9	25.7	20.9	15.7
P/BV	4.7	4.3	3.9	3.3	3.0	2.6	2.3
EV/Sales	18.6	20.5	16.0	10.5	10.0	8.2	5.9
EV/EBITDA	39.8	42.0	36.6	20.9	19.5	16.1	12.1
Dividend Yield (%)	0.2	0.0	0.3	0.2	0.2	0.2	0.2
FCF per share	-14.0	-17.1	-7.0	-82.1	38.1	36.0	38.6
Return Ratios (%)							
RoE	8.3	8.2	10.6	16.8	11.9	12.2	14.6
RoCE	8.0	7.7	7.2	12.4	10.3	11.1	13.8
RoIC	11.5	10.8	11.6	19.4	12.5	12.2	15.8
Working Capital Ratios							
Fixed Asset Turnover (x)	1.7	1.6	2.1	3.2	0.7	0.8	1.1
Asset Turnover (x)	0.2	0.2	0.2	0.3	0.3	0.3	0.4
Leverage Ratio (x)							
Net Debt/Equity	0.1	0.1	0.2	0.3	0.2	0.1	0.0

Consolidated Cash Flow Statement							(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	9,689	9,244	13,536	22,240	20,582	23,728	32,362
Depreciation	449	412	398	398	460	1,817	1,817
Interest and Finance Charges	885	760	860	1,691	2,066	1,466	866
Direct Taxes Paid	-2,221	-2,031	-2,911	-4,779	-5,239	-6,051	-8,252
(Inc.)/Dec. in WC	-11,205	-998	1,765	-40,226	7,372	1,070	-10,047
CF from Operations	-2,404	7,387	13,648	-20,678	25,242	22,030	16,746
Others	-416	-362	-2,961	-3,154	-1,032	-976	-1,310
CF from Operations incl. EO	-2,820	7,025	10,687	-23,831	24,210	21,054	15,436
(Inc.)/Dec. in FA	-2,261	-13,241	-13,241	-6,018	-10,361	-7,953	-1,410
Free Cash Flow	-5,081	-6,216	-2,554	-29,850	13,849	13,101	14,025
(Pur.)/Sale of Investments	5,863	39	171	342	0	0	0
Others	-857	6,687	-7,438	24,616	994	976	1,310
CF from Investments	2,745	-6,515	-20,509	18,941	-9,367	-6,977	-100
Issue of Shares	0	0	0	0	0	0	0
Inc./(Dec.) in Debt	-508	317	13,250	10,817	-10,000	-10,000	-10,000
Interest Paid	-1,711	-1,480	-1,628	-2,637	-3,272	-3,272	-3,272
Dividend Paid	-877	0	0	-1,091	-727	-727	-727
Others	0	-1	-199	0	0	0	0
CF from Fin. Activity	-3,095	-1,164	11,422	7,088	-13,999	-13,999	-13,999
Inc./Dec. in Cash	-3,169	-654	1,601	2,198	843	78	1,337
Opening Balance	4,253	1,985	1,331	2,932	5,129	5,973	6,050
Closing Balance	1,083	1,331	2,932	5,129	5,973	6,050	7,387

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

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

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

Specific Disclosures

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

The associates of MOFSL may have:

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

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

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

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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.