

BSE SENSEX
73,853

S&P CNX
22,402

CMP: INR1,414

TP: INR1,650 (+17%)

Buy

VOLTAS

Bloomberg	VOLT IN
Equity Shares (m)	331
M.Cap.(INRb)/(USDb)	467.9 / 5.6
52-Week Range (INR)	1424 / 745
1, 6, 12 Rel. Per (%)	31/56/40
12M Avg Val (INR M)	1522
Free float (%)	69.7

Financials & Valuations (INR b)

Y/E MARCH	FY24E	FY25E	FY26E
Sales	125.7	141.3	158.9
EBITDA	5.7	9.4	13.5
Adj. PAT	3.7	7.2	10.9
EBITA Margin (%)	4.5	6.7	8.5
Cons. Adj. EPS (INR)	11.1	21.8	33.0
EPS Gr. (%)	(3.0)	96.2	51.6
BV/Sh. (INR)	171.7	190.1	217.7

Ratios

Net D:E	0.0	0.0	(0.1)
RoE (%)	6.5	11.5	15.2
RoCE (%)	8.1	12.4	15.4
Payout (%)	30.0	25.0	25.0

Valuations

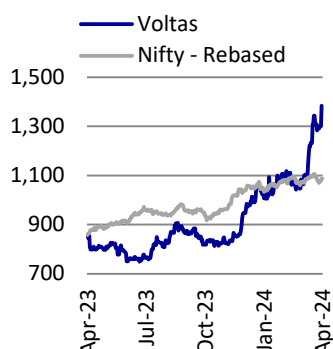
P/E (x)	127.3	64.9	42.8
P/BV (x)	8.2	7.4	6.5
EV/EBITDA (x)	82.2	49.6	34.3
Div Yield (%)	0.2	0.4	0.6
FCF Yield (%)	(0.2)	0.7	1.8

Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	30.3	30.3	30.3
DII	40.6	37.2	33.4
FII	14.7	17.2	20.6
Others	14.4	15.3	15.8

FII Includes depository receipts

Stock performance (one-year)



Strong volume growth; market share to increase

RAC segment's market share is estimated at ~22% in FY24-26

- Voltas (VOLT) stock has appreciated by 50%+ in the last six months and has performed well since the [reinitiation](#) of coverage in Sep'23. Interactions with dealers in a few regions indicate that there has been an increase in demand for cooling products in Mar & Apr'24. Industry estimates indicate that the demand for RAC has increased by over 30% during the period.
- VOLT indicated that its volume growth in RAC stood at 71% YoY in 4QFY24 and we believe that the company recently gained market share after the declines seen in the last 1.5 years. As per our estimate, market share of the company should be at ~22% in FY24.
- We believe that RAC is a long-term structural story, given the low penetration level in India, rising income levels, and thus, aspiration of middle-income group people and rising heatwaves across the globe. We expect the company to maintain its market share at ~22% in FY25/26 and expect the RAC industry to register a CAGR of 15% over FY24-26.
- We raise our EPS estimates by 20%/16%/11% for FY24/FY25/FY26, and expect the company to deliver EPS CAGR of 72% over FY24-26 after subdued performance in FY22-24 (earnings declined at 15% p.a. in this period). We maintain BUY on the stock with a revised price target of INR1,650 (vs. INR1,410 earlier) based on 50x FY26E EPS for the UCP segment, 35x FY26E EPS for PES and EMPS segments and INR38/share for Voltbek.

RAC sales estimated to increase 25% YoY in FY24

- We expect RAC sales volumes to increase ~25% YoY in FY24 (five-year CAGR at 10%) and cross the mark of 10m units ACs. As per our estimates, volumes have registered a CAGR of 28% over FY22-24 after remaining almost flat in FY19-22. Our discussions with dealers in a few regions indicate that industry volumes have seen an uptick in Mar-Apr'24, with estimated growth surpassing 30% for RAC during this period.
- VOLT continues to be the Numero Uno brand in the RAC segment and the management indicated that its volume grew 71% in 4QFY24 in the RAC segment. The company also indicated that volumes growth was robust in other cooling products, including air cooler and commercial refrigeration products.
- We believe that RAC is a long-term structural play, given the low penetration level in India (the RAC segment is estimated to penetrate only about 16-18% of households with an overall penetration level of only 7-8%, much lower than the global average of ~30%), hotter summers, rising disposable income, and thus, aspiration levels, easy financing schemes, etc. We estimate RAC volumes to register a CAGR of 15% over FY24-26.

VOLT continues to be the market leader

- VOLT has remained the market leader in the RAC segment for a long time, though there has been some decline in its market share in the last six quarters. Its market share had gradually risen to 25.2% in FY21 (from 20.8% in FY15) before declining to 23.4%/21.6% in FY22/FY23.

Sanjeev Kumar Singh – Research Analyst (Sanjeev.Singh@MotilalOswal.com)

Mudit Agarwal – Research Analyst (Mudit.Agarwal@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- We estimate the company's market share in the RAC segment to be ~22% in FY24. Going forward, we believe that the company will continue to enjoy the leadership position and would maintain a market share of ~22% during FY25/26.

EMPS segment to recover, aided by strong order book

- Electrical, mechanical, and plumbing solutions (EMPS) segment caters to industrial customers in GCC as well as in domestic markets. The segment was hit in FY23-24, led by write-offs in the international business. However, we believe the strong order book of INR82b (INR52b of domestic and INR30b of international orders) will drive revenue growth and margin should start improving from FY25.
- The management had earlier indicated that provision were created for delay in the collection of the outstanding amounts and encashment of bank guarantee by a few customers. It remains hopeful for reversal of these provisions. We have estimated EBIT margin of this segment to be at (2%)/3% for FY25/26 vs. (2.4%)/(7.5%) in FY23/24E. Margins of this segment have been volatile historically, but average EBIT margin has been at 4.7% over FY06-22.

Strong traction in revenues for Voltbek

- Voltbek has seen strong traction in revenues, following the commencement of its operations in FY19. The company had sold 3.3m units of home appliances products cumulatively until FY23, achieving revenues of INR11b in FY23.
- The company has indicated that it has sold 2m units of home appliances products (Refrigerators & Washing Machines) in FY24 and achieved a volume growth of 52% in 4QFY24.
- Market share of Voltbek in home appliances had increased to 5.3% in Mar'23 from 4.4% earlier with an 8.9% market share in semi-automatic washing machine. The management targets to achieve a 10% market share in the home appliances segment by FY25. We expect Voltbek to turn EBITDA positive in FY26 and achieve PAT break-even in FY27.

Raised earnings estimates; maintain BUY rating

- In 4QFY24, we now expect VOLT's revenue/EBITDA/PAT to grow 45%/31%/61% YoY to INR42.9b/INR2.9b/INR2.3b. We expect VOLT's EBITDA/ adjusted profit to report a CAGR of 54%/72% over FY24-26, supported by a) volume growth and margin improvement in UCP segment; and b) reduction in losses of EMPS and Voltbek. RoE should be at 11.5%/15.2% in FY25E/FY26E vs. 6.5% in FY24E (average of 12.3% over FY13-23), while RoCE is likely to be at 12.4%/15.4% in FY25E/FY26E vs. 8.1% in FY24E (average of 12.8% over FY13-23).
- We maintain our BUY rating on the stock with a revised price target of INR1,650 (vs. INR1,410 earlier) based on 50x FY26E EPS for the UCP segment, 35x FY26E EPS for PES and EMPS segments and INR38/share for Voltbek.

Exhibit 1: Revisions to our estimates

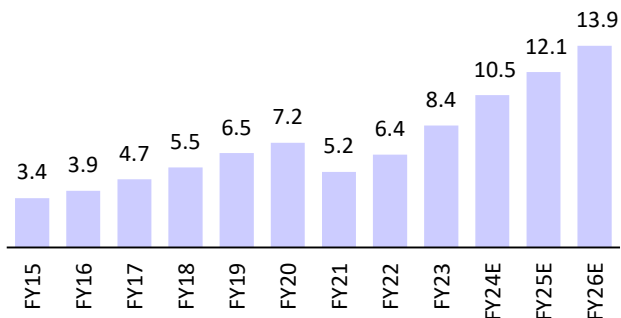
(INR b)	Revised			Old			Change		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	125.7	141.3	158.9	120.3	134.0	149.3	5%	5%	6%
EBITDA	5.7	9.4	13.5	5.1	8.2	12.1	11%	14%	11%
PAT	3.7	7.2	10.9	3.1	6.2	9.8	20%	16%	11%
EPS (INR)	11.1	21.8	33.0	9.3	18.8	29.7	20%	16%	11%

Source: Company, MOFSL estimate

Story in charts

Exhibit 2: Volume CAGR of 15% over FY24-26E...

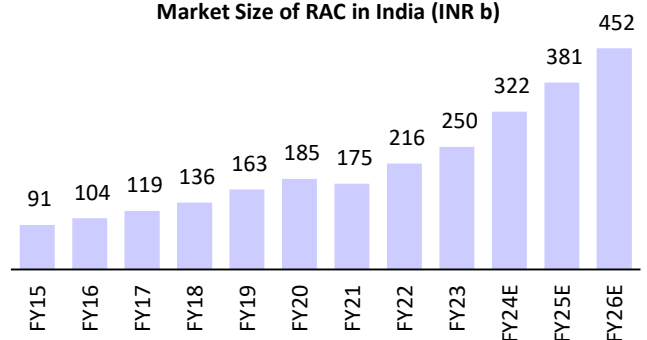
Room Air Conditioner Volumes (in m)



Source: MOFSL, Industry

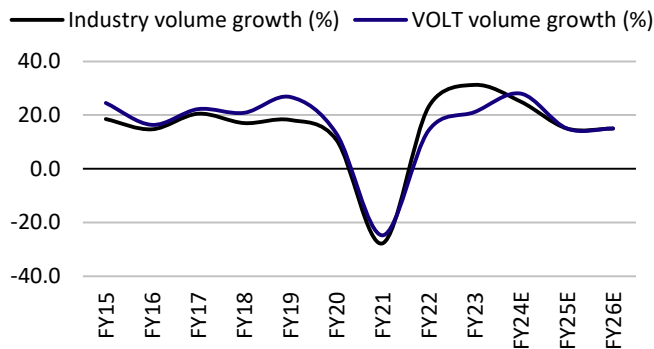
Exhibit 3: ...to result in 18% CAGR in value terms

Market Size of RAC in India (INR b)



Source: MOFSL, Industry

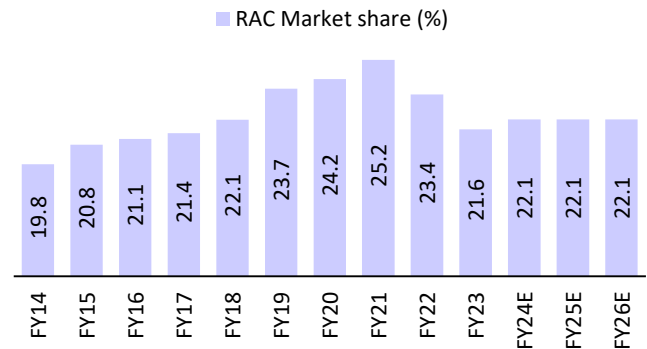
Exhibit 4: VOLT's volume growth higher than industry in FY24E



Source: MOFSL, Company; E: MOFSL estimate

Exhibit 5: VOLT's RAC market share improves in FY24E

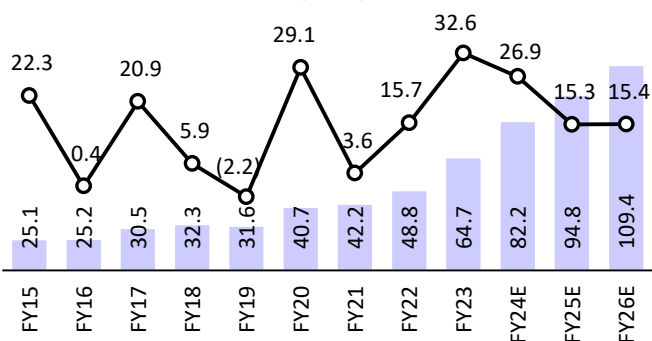
RAC Market share (%)



Source: MOFSL, Industry, Company; E: Estimate

Exhibit 6: Expect UCP revenue CAGR of 15.4% over FY24-26

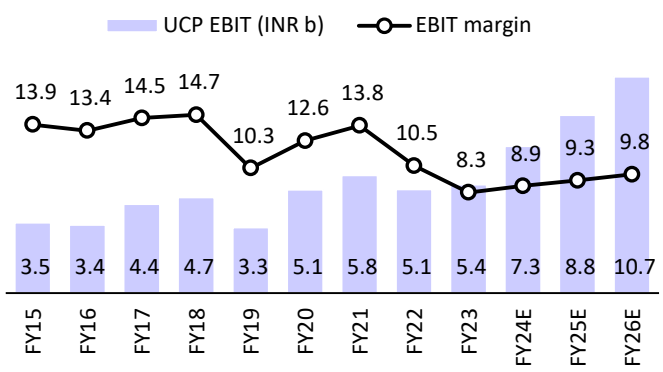
UCP revenue (INR b) Growth



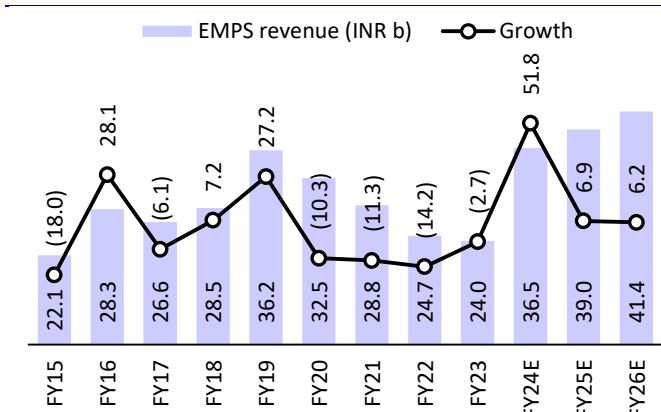
Source: MOFSL, Company

Exhibit 7: Estimate UCP margins to improve

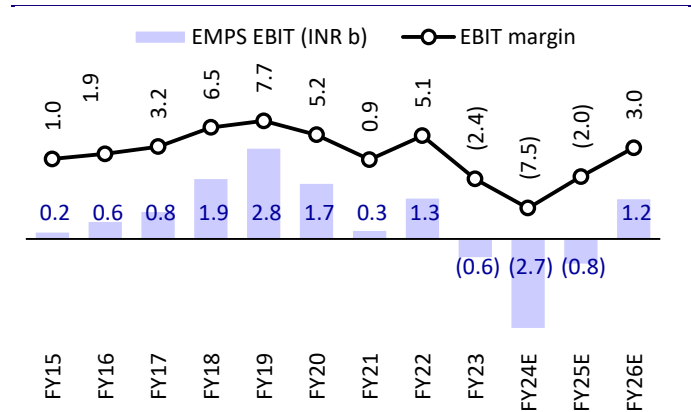
UCP EBIT (INR b) EBIT margin



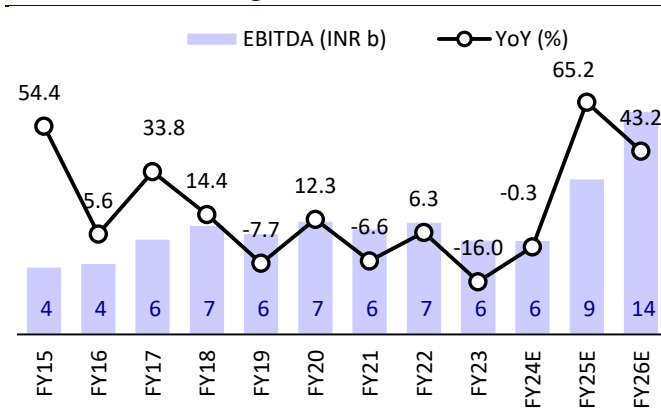
Source: MOFSL, Company

Exhibit 8: Strong order book to lead revenue growth in EMPS

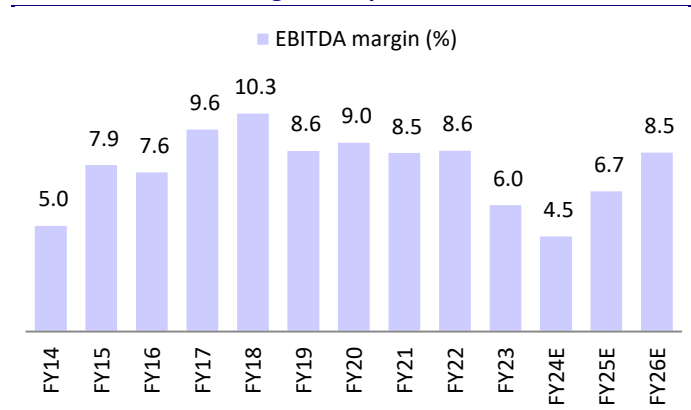
Source: MOFSL, Company

Exhibit 9: Estimate reduction in losses in EMPS

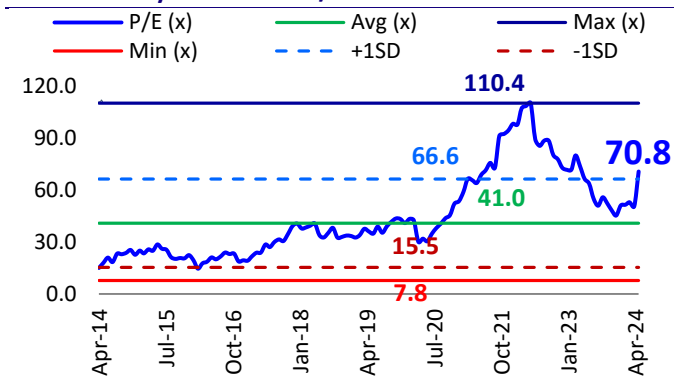
Source: MOFSL, Company

Exhibit 10: EBITDA to grow 65%/43% YoY in FY25E/26E

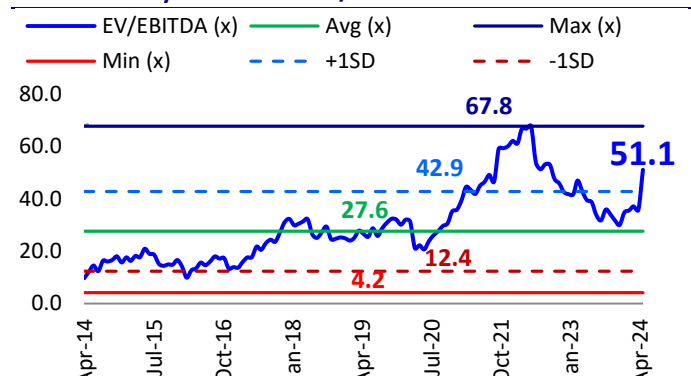
Source: MOFSL, Company

Exhibit 11: EBITDA margin to improve in FY25-FY26E

Source: MOFSL, Company

Exhibit 12: 1-year forward P/E chart

Source: MOFSL, Company

Exhibit 13: 1-year forward EV/EBITDA chart

Source: MOFSL, Company

Financials and valuations (Consolidated)

Income Statement							(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Total Revenues	76,581	75,558	79,345	94,988	1,25,684	1,41,314	1,58,894
Change (%)	7.5	-1.3	5.0	19.7	32.3	12.4	12.4
EBITDA	6,867	6,414	6,816	5,724	5,709	9,433	13,504
% of Total Revenues	9.0	8.5	8.6	6.0	4.5	6.7	8.5
Other Income	2,306	1,889	1,892	1,685	2,601	2,815	3,077
Depreciation	320	339	373	396	496	627	725
Interest	211	262	259	296	490	450	400
Exceptional Items	-364	0	0	-2,438	0	0	0
PBT	8,278	7,702	8,076	4,278	7,324	11,171	15,456
Tax	2,380	1,804	1,913	1,709	2,568	3,018	3,890
Rate (%)	28.8	23.4	23.7	40.0	35.1	27.0	25.2
PAT	5,898	5,898	6,163	2,569	4,756	8,153	11,566
Change (%)	4.3	0.0	4.5	-58.3	85.2	71.4	41.9
Profit/(Loss) share of associates/JVs	-687	-610	-1,103	-1,207	-1,069	-930	-621
Minority interest (MI)	39	37	19	12	12	12	12
PAT after MI	5,172	5,251	5,041	1,350	3,675	7,211	10,932
Change (%)	1.8	1.5	-4.0	-73.2	172.2	96.2	51.6
Adj. PAT after MI	5,536	5,251	5,041	3,788	3,675	7,211	10,932
Change (%)	6.5	-5.1	-4.0	-24.8	-3.0	96.2	51.6

Balance Sheet							
Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Share Capital	331	331	331	331	331	331	331
Reserves	42,471	49,603	54,665	54,190	56,459	62,568	71,697
Net Worth	42,802	49,934	54,996	54,521	56,790	62,899	72,028
Minority Interest	365	361	381	417	429	441	453
Loans	2,179	2,606	3,432	6,160	5,660	5,160	4,660
Deferred Tax Liability	-715	-558	-317	-303	-303	-303	-303
Capital Employed	44,631	52,343	58,492	60,794	62,575	68,196	76,838
Gross Fixed Assets	6,201	6,690	7,020	8,826	10,826	13,326	14,826
Less: Depreciation	3,195	3,534	3,906	4,302	4,798	5,425	6,151
Net Fixed Assets	3,006	3,157	3,114	4,524	6,028	7,901	8,675
Capital WIP	263	88	593	983	983	983	983
Investments	23,433	30,464	36,154	31,086	31,017	31,087	31,466
Goodwill	798	723	723	723	723	723	723
Curr. Assets	53,332	51,565	56,440	65,119	76,248	86,446	1,01,266
Inventory	14,689	12,796	16,614	15,920	19,972	22,455	25,249
Debtors	18,336	18,009	21,097	21,919	27,547	30,973	34,826
Cash & Bank Balance	3,084	4,588	5,717	7,084	3,930	5,133	9,838
Loans & Advances	23	23	32	6	8	8	10
Other current assets	17,200	16,149	12,981	20,191	24,792	27,876	31,343
Current Liab. & Prov.	36,201	33,654	38,532	41,640	52,424	58,943	66,276
Creditors	26,889	24,645	29,421	30,126	37,189	41,814	47,015
Other Liabilities	9,312	9,009	9,111	11,514	15,235	17,130	19,261
Net Current Assets	17,131	17,911	17,908	23,479	23,825	27,503	34,991
Application of Funds	44,631	52,343	58,492	60,794	62,575	68,196	76,838

Financials and valuations (Consolidated)

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Basic (INR)							
Adj EPS	16.7	15.9	15.2	11.5	11.1	21.8	33.0
Cash EPS	17.7	16.9	16.4	12.6	12.6	23.7	35.2
Book Value	129.4	150.9	166.3	164.8	171.7	190.1	217.7
DPS	4.0	5.0	5.5	4.3	3.3	5.4	8.3
Payout (incl. Div. Tax.)	23.9	31.5	36.1	37.1	30.0	25.0	25.0
Valuation (x)							
P/E	84.5	89.1	92.8	123.5	127.3	64.9	42.8
Cash P/E	79.9	83.7	86.4	111.8	112.1	59.7	40.1
EV/EBITDA	68.0	72.6	68.3	81.6	82.2	49.6	34.3
EV/Sales	6.1	6.2	5.9	4.9	3.7	3.3	2.9
Price/Book Value	10.9	9.4	8.5	8.6	8.2	7.4	6.5
Dividend Yield (%)	0.3	0.4	0.4	0.3	0.2	0.4	0.6
Profitability Ratios (%)							
RoE	12.9	10.5	9.2	6.9	6.5	11.5	15.2
RoCE	14.1	11.6	10.9	6.9	8.1	12.4	15.4
RoIC	25.8	26.9	29.6	14.1	12.3	20.1	26.9
Turnover Ratios							
Debtors (Days)	87	87	97	84	80	80	80
Inventory (Days)	70	62	76	61	58	58	58
Creditors. (Days)	128	119	135	116	108	108	108
Asset Turnover (x)	1.7	1.4	1.4	1.6	2.0	2.1	2.1
Leverage Ratio							
Net Debt/Equity (x)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	(0.1)

Cash Flow Statement

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
PBT before EO Items	7,591	7,735	5,610	7,787	7,324	11,171	15,456
Add : Depreciation	320	339	3,726	396	496	627	725
Interest	211	262	259	296	490	450	400
Less : Direct Taxes Paid	(2,061)	(693)	(2,169)	(1,656)	(2,568)	(3,018)	(3,890)
(Inc)/Dec in WC	(911)	(1,580)	(438)	(3,836)	(3,500)	(2,474)	(2,783)
CF from Operations	5,150	6,063	6,988	2,987	2,242	6,756	9,908
Others	(525)	(502)	(1,145)	(1,393)	(1,034)	(1,055)	-
CF from Oper. Incl. EO Items	4,625	5,561	5,842	1,594	1,207	5,701	9,908
(Inc)/Dec in FA	(905)	(208)	(482)	(1,799)	(2,000)	(2,500)	(1,500)
Free Cash Flow	3,720	5,353	5,361	(206)	(793)	3,201	8,408
Investment in liquid assets	(352)	(2,645)	(3,165)	983	34	55	(1,000)
CF from Investments	(1,257)	(2,853)	(3,646)	(816)	(1,966)	(2,445)	(2,500)
(Inc)/Dec in Debt	(1,057)	425	918	2,728	(500)	(500)	(500)
Less : Interest Paid	(811)	(271)	(312)	(349)	(490)	(450)	(400)
Dividend Paid	(1,627)	(1,358)	(1,676)	(1,829)	(1,406)	(1,103)	(1,803)
CF from Fin. Activity	(3,494)	(1,204)	(1,070)	550	(2,396)	(2,053)	(2,703)
Inc/Dec of Cash	(127)	1,504	1,126	1,328	(3,154)	1,204	4,705
Add: Beginning Balance	3,211	3,084	4,591	5,756	7,084	3,930	5,133
Closing Balance	3,084	4,588	5,717	7,084	3,930	5,133	9,838

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 - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.raiani@motilaloswal.com

Contact: (+65) 8328 0276

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.