18 August 2022

Update | Healthcare

Cipla

BSE SENSEX	S&P CNX
60,298	17,957

Stock Info

Bloomberg	CIPLA IN
Equity Shares (m)	805
M.Cap.(INRb)/(USDb)	832.9 / 10.5
52-Week Range (INR)	1083 / 850
1, 6, 12 Rel. Per (%)	-4/9/5
12M Avg Val (INR M)	2379
Free float (%)	66.6

Financials Snapshot (INR b)

Y/E MARCH	FY22	FY23E	FY24E
Sales	217.1	231.4	257.9
EBITDA	47.0	52.3	60.6
Adj. PAT	28.4	31.7	37.3
EBIT Margin (%)	16.8	17.9	18.8
Cons. Adj. EPS (INR)	35.3	39.5	46.5
EPS Gr. (%)	18.0	11.8	17.7
BV/Sh. (INR)	258.1	288.1	329.7
Ratios			
Net D:E	0.0	-0.1	-0.2
RoE (%)	14.5	13.7	14.1
RoCE (%)	13.7	14.0	14.7
Payout (%)	11.5	9.1	10.4
Valuations			
P/E (x)	29.2	26.1	22.2
EV/EBITDA (x)	17.5	15.5	13.0
Div. Yield (%)	0.3	0.3	0.4
FCF Yield (%)	2.7	2.3	3.5
EV/Sales (x)	3.8	3.5	3.0

CMP: INR1,033 TP: INR950 (-8%) Neutral

Enhanced effort required to improve return ratios going forward

- **Our Annual Report analysis of Cipla indicates robust improvement in return ratios over FY18-22. Notably, there had been an improvement in ROE in FY21 (+400bp YoY) to 14.1% and it sustained at similar levels in FY22.**
- **Over FY18-20, Cipla's earnings were largely flat. However, the efforts across key geographies aided by limited competition products in the US generics, COVID (FY21), and cost optimization measures led 34% earnings CAGR over FY20-22.**
- **Further, improved working capital requirement and reduction in debt have enhanced the financial health of the company.**
- **Going forward, we expect 15% earnings CAGR over FY22-24, led by 19%/6%/ 13% sales CAGR in the US/Domestic Formulation (DF)/EU, respectively. We value Cipla on an SOTP basis (23x 12M forward base earnings and add NPV of INR40 for g-Revlimid) to arrive at our TP of INR950.**
- **We maintain our Neutral rating on the stock due to stable return ratios over the next two years. The current valuation adequately factors in the earnings upside over the next couple of years.**

DF/US – key growth drivers; SAGA/EM also catching up in growth terms

- Cipla posted 9%/12.6% sales CAGR over FY18-20/FY20-22, respectively. DF/US remained at the forefront to drive growth over FY18-22 with each segment exhibiting sales CAGR of 11%/18%, respectively. In addition to prescription (Rx) portfolio, Cipla gained notable traction in trade generics/ consumer health (25%/49% sales CAGR over FY18-22, respectively).
- While price erosion continued to hurt the base portfolio, new launches reported healthy growth in the US segment. Particularly, respiratory products garnered sales of USD169m in FY22 from just USD11m in FY17.
- The growth was moderate during FY18-20 in SAGA, emerging markets (EMs) and Europe (EU). The reduced tender business in Africa and higher competition in ARV space impacted SAGA business adversely. Geopolitical tensions and currency volatility hurt EM business over FY18-20.
- However, there has been a steady improvement over FY20-22 in EM/ SAGA segments. The enhanced effort to ramp-up private market segment within SAGA and the increasing share of direct-to-market (DTM) enabled better growth prospects in the SAGA/EM segments.

Efforts continue towards improving capital efficiency

- Dupont analysis indicates 410bp improvement in ROE to 14.5% in FY22. This was primarily led by better asset turn and considerable margin expansion. The EBITDA margin was steady over FY18-20.
- Increased contribution from niche launches in the US generics, reduction in tender business and better operating leverage augmented Cipla's profitability over FY20-22.
- From net debt of INR20b in FY18, Cipla turned cash surplus (of INR41b) by end-FY22.

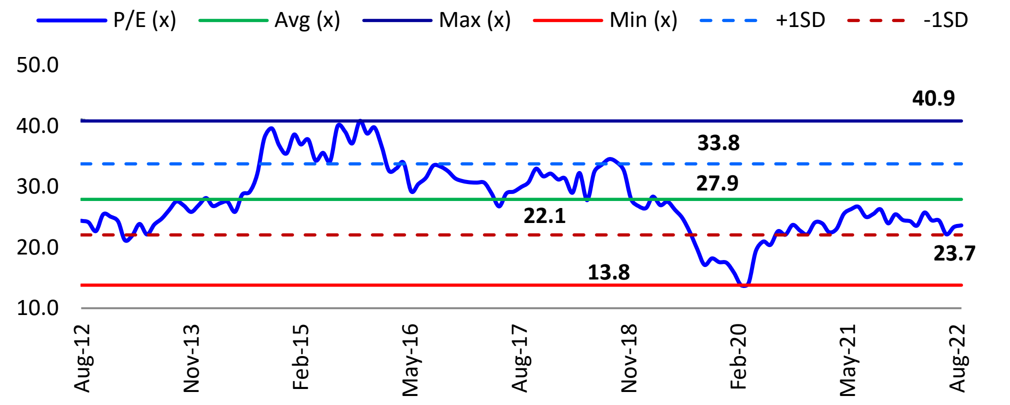
Tushar Manudhane - Research Analyst (Tushar.Manudhane@MotilalOswal.com)

Research Analyst: Sumit Gupta (sumit.g@motilaloswal.com) | **Gaurang Sakare** (Gaurang.Sakare@motilaloswal.com)

Current valuation captures earnings upside over the next two years

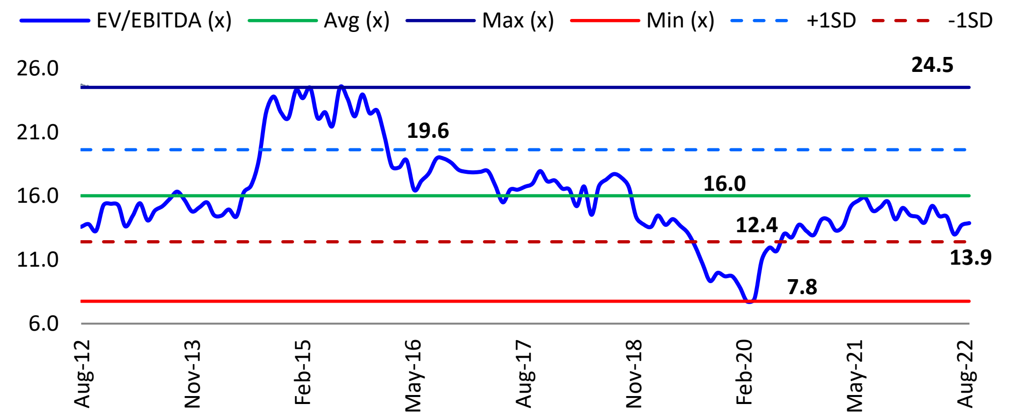
- Cipla continues to focus on enhancing patient experience through digital analytics, superior execution in prescription (Rx) products, increasing distribution for Tx and improved brand recall in consumer health segment. It is also working on expanding the peptide offering in the US generics segment. The management continues to focus on increased DTM share and add newer geographies within the EM segment. Consequently, we factor in 15% earnings CAGR over FY22-24E.
- We continue to value Cipla at 23x (in-line with its three-year average P/E multiple) 12M forward base earnings and add g-Revlimid NPV of INR40 to arrive at our TP of INR950. While the earnings outlook remains encouraging, the valuation provides limited upside from current levels, we believe. Hence, we maintain our **Neutral** rating on the stock.

Exhibit 1: P/E chart



Source: MOFSL, Company, Bloomberg

Exhibit 2: EV/EBITDA chart



Source: MOFSL, Company, Bloomberg

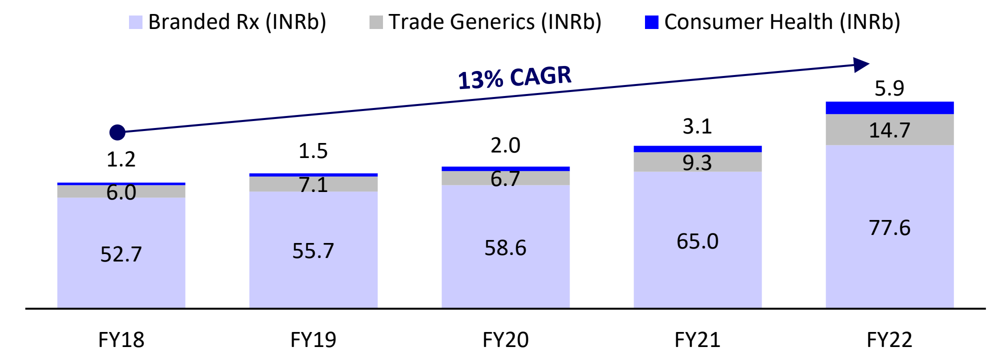
Revenue driven by India/US/SA private businesses

- **Under One India strategy, Cipla had focused on prescription, trade generics and consumer health sub-segments that fueled 13% sales CAGR over FY18-22.**
- **The US business exhibited an 18% CAGR over FY18-22 driven by the sharp ramp-up in respiratory product off-take despite price erosion in the base portfolio.**
- **SAGA business remained flat over the past four years primarily led by a decline in South Africa (SA) tender business and CGA & SSA businesses.**
- **Cipla had limited success in growing ROW (EM+EU; 6% sales CAGR over FY18-22) business over the past five years largely due to adverse macro conditions.**

One India Business: Robust growth led by trade generic/ consumer health businesses

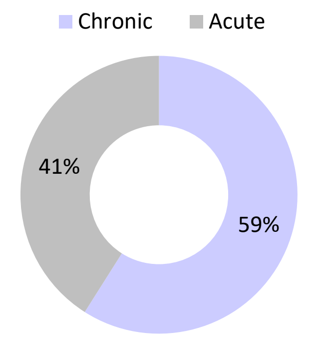
- Cipla's One India business, comprising branded prescription/trade generics /consumer health, posted 13% CAGR over FY18-FY22. The branded generic business (80% contribution) displayed moderate 10% CAGR over the same period. Trade generics business registered healthy 25% CAGR while consumer health business clocked 49% CAGR over the same period.
- The One India business reported a healthy 27% YoY growth in FY22 at ~INR9.8b. After adjusting for contribution from COVID-19 products, the revenue growth stood at 25%.

Exhibit 3: One India revenue exhibited 13% CAGR over FY18-FY22



Source: MOFSL, Company

Cipla has advantage with chronic heavy portfolio



On a MAT basis in Mar'22

- The One-India business is seeing good traction led by strong execution across portfolio and distribution synergies. The business is tracking close to the INR10b mark with strong volume traction across therapies and business segments.

Branded Generics business: Poised to outperform

- Cipla's branded generics business has grown at 19% YoY in FY22, higher than its four-year CAGR, largely propelled by contribution from COVID-related products. The branded generics segment growth in FY20 was muted owing to the COVID-induced disruptions in 4QFY20.
- The branded generics business exhibited 25% YoY growth excluding COVID-related products. The growth was driven by the 10 launches in India along with market share gains in existing products. A few key launches of FY22 included Perampanel Tablets, Brimonidine+Timolol, Pazopanib Tablets, Molnupiravir, and Arformoterol Respules.

Branded Generics has exhibited 10% CAGR over FY18-22

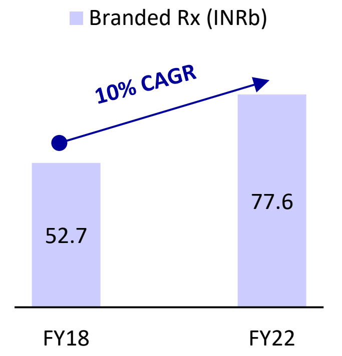
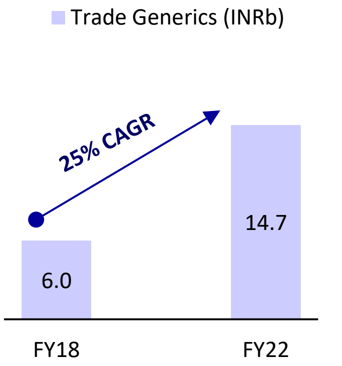


Exhibit 4: Cipla has maintained top ranks in Respiratory/Urology therapies

Therapy	Therapy Contribution (%)	Market Rank	Market Share (%)	Cipla Growth (%)
Overall		3	5.2	16.1
Respiratory	37	1	22.2	30.4
Urology	5	1	14.2	7.7
Anti-infective	16	4	6.9	24.9
Cardiac	12	5	5.3	6.8
Gastro-Intestinal	6	9	2.9	17.7
Anti-diabetics	3	27	0.8	29.3

- Cipla, over the last four years, has forged strong partnerships with global MNCs for strategic widening of therapy base with specialty offerings across Anti-diabetic therapy with Eli Lilly and Boehringer Ingelheim while for oncology with Roche. Cipla's in-licensing franchise has posted 77% CAGR over FY2018-22.
- The company has entered into a partnership with Eli Lilly for Humalog and Trulicity in India. The in-licensing franchise is well poised to achieve the annual revenue target of ~INR5b in FY23E.

Trade Generics has exhibited 25% CAGR over FY18-22



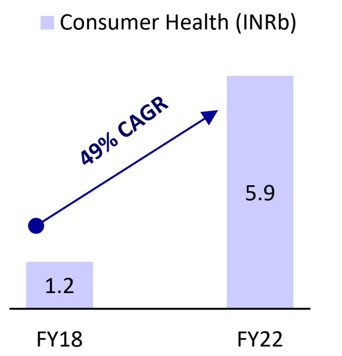
Trade Generics business showing strong momentum

- Cipla's trade generic business largely focuses on the patients beyond the Tier-2 cities driven by the 5,500 stockist network and it services 15,000 pin codes.
- The business continued with its momentum and grew 59% YoY in FY22 while exhibiting 25% CAGR over FY18-22. The growth was supported by Omnigel, Nicip, antosec, Paracip and Azicip.
- The trade generics business is forecasted to maintain leadership position in generics space that delivers value through strong retail connect, leveraging phygital medium and customer-centric communication. This is achieved by: 1) driving strong brand building across illness and wellness segments, 2) investing in digital initiatives to get closer to customers, and 3) widening portfolio offerings and segments.

Consumer Health business benefiting from Cipla's brand recall

- The consumer health business continued to drive the illness- to-wellness theme led by brand-building initiatives, deepening distribution and category innovations. The business reported strong double-digit YoY growth adjusting for the brands transferred from trade generics business.
- The performance was led by robust traction in Cofsils, Prolyte, Cipladine, Clocip Naselin, Namaxpert and Maxirich.

Consumer Health business has exhibited 49% CAGR over FY18-22

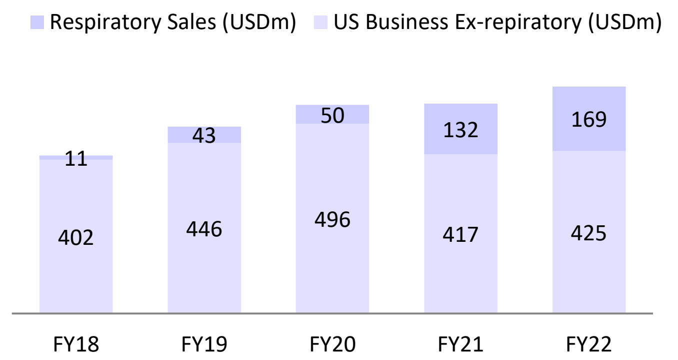


Cipla remains on track to deliver market-beating growth and gain rank through focused execution of the One-India strategy. Cipla will continue to focus on: a) outperforming the IPM across therapies, b) increasing the share of chronic therapies, c) augmenting the industry-leading MR productivity and d) enhancing patient experience with digital analytics and data science. The trade generics business is gaining strong momentum underpinned by robust distribution while the consumer health business enjoys the advantage of Cipla's brand recall.

The US generics: Better growth outlook driven by niche pipeline

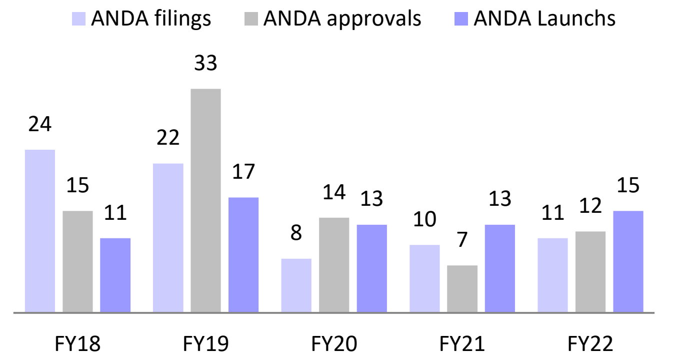
- Cipla's US business has exhibited 10% CAGR over FY18-22 driven by the strong traction in respiratory portfolio franchise. The respiratory portfolio recorded a stellar 98% CAGR over the same period.
- The respiratory portfolio growth was largely driven by Albuterol and Arformoterol that now have 17.2% and 29.8% market share in overall molecule markets, respectively.

Exhibit 5: Respiratory the key driver for the US sales



Source: MOFSL, Company

Exhibit 6: Cipla has maintained its launch momentum, while filing pace has reduced



Source: MOFSL, Company

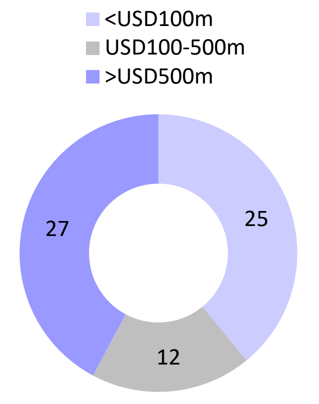
- The FY21, revenue growth was subdued because of high base of an IP-enabled opportunity (Cinacalcet) in FY20.
- In FY22, Cipla received an approval for the first 505(b)(2) version of lanreotide injection. This approval expands the company's peptide portfolio and is in line with its aspiration to improve the share of complex assets

Exhibit 7: Adding peptides to respiratory pipeline

Formulation/Brand name	Filing	Status
Complex respiratory asset	Filed in 4QFY20	Filed
gAdvair Diskus	Filed in 1QFY21	Filed
Partnered inhalation asset	Filed in 3QFY17	Filed
Complex Inhalation asset	Development in progress	Phase-2
Complex Inhalation asset	Development in progress	Phase-2
Partnered peptide injectable	Filed in 4QFY21	Filed
Peptide injectable	Filed in 1QFY22	Filed
Peptide injectable	Filed in 4QFY22	Filed
Partnered Peptide injectable	Filed in 4QFY22	Filed

Source: MOFSL, Company

ANDA pipeline size break-up



Total no of ANDAs in pipeline is 64.

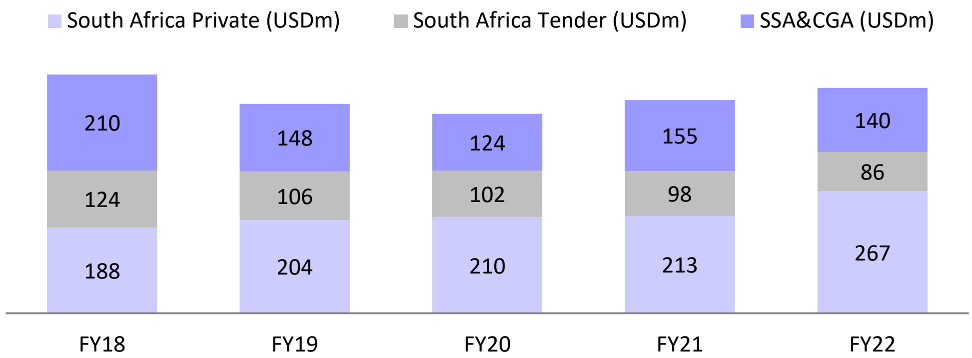
- Cipla has been leveraging the existing respiratory know-how and investing significantly with a vision to further expand its respiratory franchise in the US.As of now, Cipla's respiratory portfolio includes Budesonide repsules, Albuterol MDI, Arformoterol inhalation solution and Ipratropium + Salbutamol inhalation solution.

The medium-term focus for the US business remains on maintaining market shares in existing products and retaining the launch momentum in respiratory/peptide portfolios.

SAGA business: efforts to enhance the private market segment

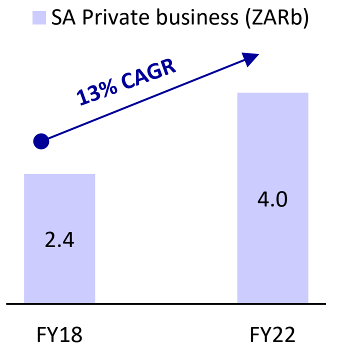
- The SAGA business was flat over FY18-22, dragged by the decline in SA tender/SSA & CGA businesses partly offset by strong growth in SA private business.
- The business grew 6% YoY in USD terms and contributed 17% to Cipla's overall revenue. While the SAGA business was flat over the last four years in USD terms, it reported 16% sales CAGR over the same period.
- The performance of this business in FY22 was driven by the South Africa private business (15% YoY in ZAR terms) that offset the subdued demand in tender business in the rest of Africa.

Exhibit 8: Contribution from private market on rise in SAGA business



Source: MOFSL, Company

South Africa private market business has clocked 13% CAGR over FY18-22



SA tender business on a downtrend during FY18-22

- South Africa business rose 4% YoY in ZAR terms led by 15% growth in the private market, which was partly offset by subdued order flow in the tender business. The growth in the private business was driven by the 32 launches done in South Africa.
- Cipla's prescription business contributed 62% while the OTC business contributed 38% to overall South Africa private business in FY22.
- South Africa private business posted 12% CAGR in ZAR terms over FY18-22 driven by the continued outperformance of Cipla in the South African market according to IQVIA MAT Mar'22.
- CNS remains the largest therapy for Cipla's South Africa private business followed by Respiratory therapy. The prescription business significantly outperformed the market and improved market shares across key therapies including Cardio, Anti-Infectives, and Respiratory.

SSA & CGA businesses also witnessing headwinds

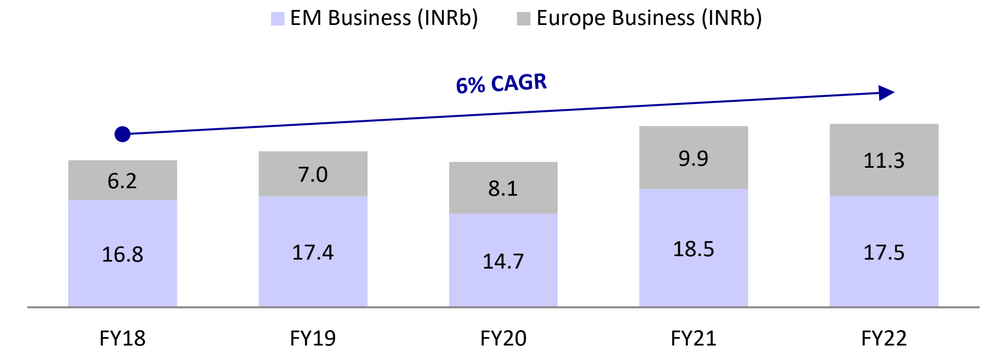
- In FY22, the CGA business reported revenue of USD67m supported by strong traction in TLD product sales; TLD portfolio grew 80% YoY. Cipla's FY22 SSA business reported revenue of USD73m, maintaining the sales momentum. During FY22, the SSA business focused on generating savings through market expansion, building strong brands and improving collections across operating geographies.

Cipla's SAGA business growth hinges on strong performance in South Africa private market. Its focus remains on maintaining a strong market position in the private and OTC markets, enhancing private market presence via organic launches and deepening footprint through partnerships.

RoW business: Efforts yet to reflect in growth for this segment

- The RoW business, comprising emerging markets and Europe, exhibited a subdued 6% CAGR over FY18-22.
- Forex volatility, geopolitical challenges and increasing competition in some product categories impacted EM segment growth adversely.
- The DTM business contributed 41% of EM operations and rose 20% YoY driving growth to some extent in the EM segment.
- The EU segment posted 9% sales CAGR propelled by the growth in DTM markets. In FY22, DTM business contributed 28% of the EU business and grew 25% YoY, attributed to the respiratory portfolio in the UK and contribution from new DTM operations in Spain.
- Cipla enhanced its effort with 35 launches (20 in Europe & 15 in EM).

Exhibit 9: EMs drag the growth for RoW business



Source: MOFSL, Company

Cipla is targeting entry in big markets such as China and Brazil along with strategic product launches in new markets (Spain and Mexico), which will further accelerate the company's organic growth journey. The medium-term focus remains to be profitable and achieving sustainable growth, especially in key markets.

ROE stable over past two years after improvement in FY21

- **The DuPont analysis indicates that higher operating leverage, better capacity utilization and lower interest burden have led to the reversal of the ROE trajectory over the past two years.**
- **Cipla has turned into a net cash company in FY22 and has generated healthy FCF since the past few years.**
- **The company has invested heavily in plants and IP assets. Moreover, it has acquired assets in the past to expand its portfolio.**

ROE improved significantly in FY22

Revenue growth led by India/US/SAGA leads to higher asset turnover/ margins in FY22

- The DuPont analysis suggests that ROE averaged ~13.2% during FY13-16. Thereafter, it witnessed a downward trajectory and reached a low of 10.2% in FY20, dragged by lower revenue growth, reduced margins, higher asset base and increased tax burden.
- A sharp recovery was seen from FY21 with ROE reaching 14.5% in FY22, led by improvement across components, majorly EBIT margin and asset turnover, as per the DuPont analysis.

.

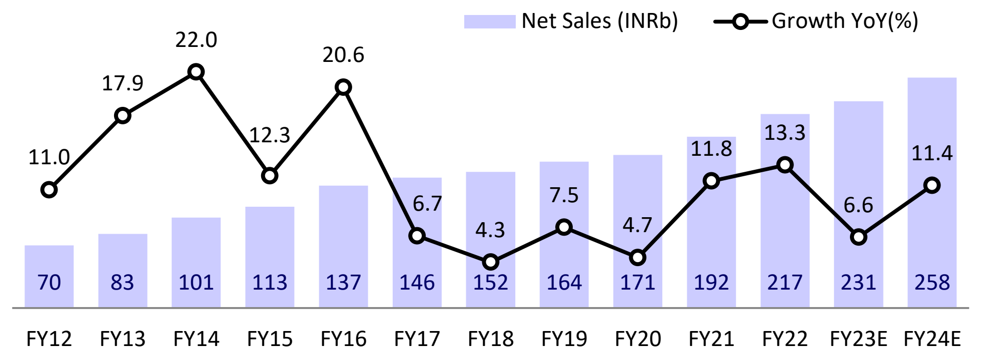
Exhibit 10: DuPont Analysis – EBIT margin expansion leads to higher ROE in FY22 (%)

Particulars	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
EBIT margin (EBIT/Revenues)	19	23	17	15	14	10	11	12	12	17	17
Interest burden (PBT/EBIT)	106	112	107	100	102	105	100	105	106	103	96
Tax burden (Net income/PBT)	76	55	74	68	75	78	93	72	72	73	81
Asset Turnover (Revenues/Avg TA)	78	79	81	78	75	70	70	70	73	79	84
Leverage (Avg TA/Avg equity)	1.3	1.3	1.3	1.4	1.6	1.7	1.6	1.6	1.5	1.4	1.3
RoE	**15.3**	**13.7**	**14.5**	**10.8**	**13.6**	**10.4**	**11.6**	**10.3**	**10.2**	**14.1**	**14.5**

Source: MOFSL, Company

- Cipla registered 9% sales CAGR to reach INR217b over FY18–22. Over the same period, Domestic/Export segment sales reported 11%/8% CAGR, respectively.
- While the US clocked 18% sales CAGR over FY18-22, SAGA and EM markets witnessed moderate 4% sales CAGR dragging overall exports growth down, for the company.

Exhibit 11: 10-yr revenue CAGR at 12% over FY12–22

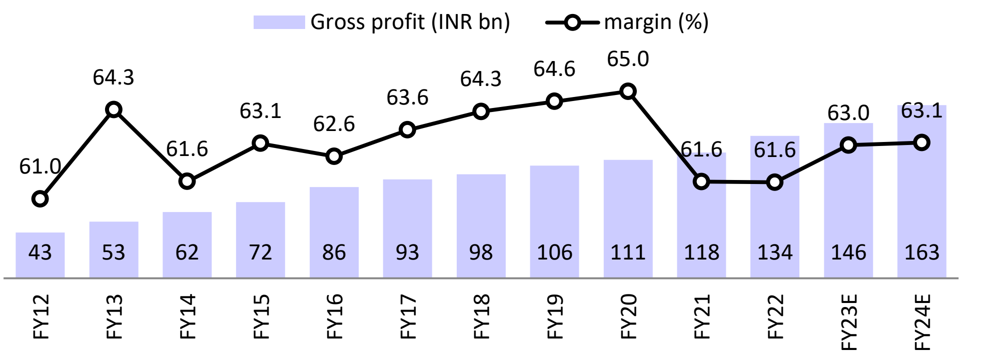


Source: MOFSL, Company

Gross margin contracted sharply from FY21 onwards; expected to revive gradually

- The uptrend in gross margin took a sharp u-turn from FY21 onwards. Increased competition in certain products in the US generics coupled with increased raw material costs due to the pandemic affected gross margin severely over the past two years.
- We expect gross margin to expand with launch of niche products in the US generics and better growth in branded generics segment.

Exhibit 12: Gross margins expected to expand 150bps from FY22-24

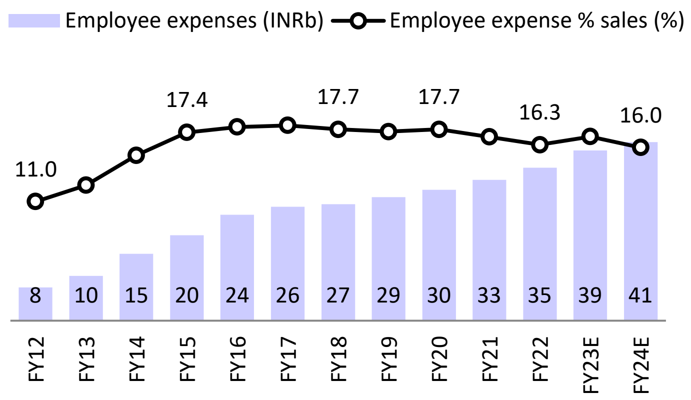


Source: MOFSL, Company

Cost control measures reflected over FY18-22

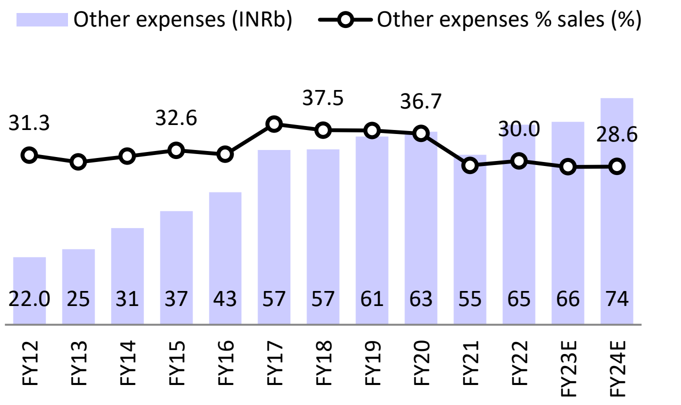
- During FY18-22, the employee cost and other expenses reported 6%/5% CAGR, offsetting the gross margin expansion benefit. Interestingly, employee cost and other expenses posted 8% CAGR v/s 13% revenue CAGR over FY20-22. Further, other expenses were controlled (partly due to reduced travelling on account of COVID) with just 2% CAGR during FY20-22.

Exhibit 13: As % of sales, employee expenses decline 70bp YoY in FY22



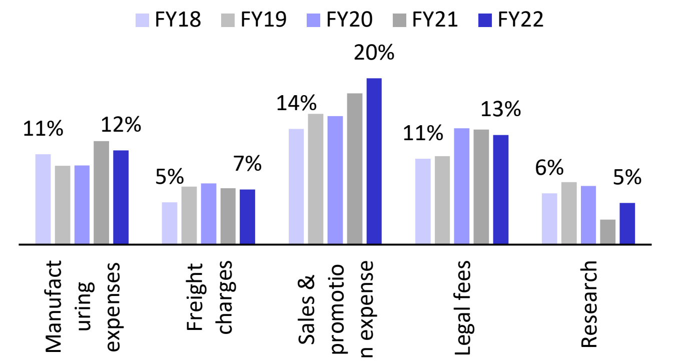
Source: MOFSL, Company

Exhibit 14: …and other expenses increased 108bp YoY in FY22



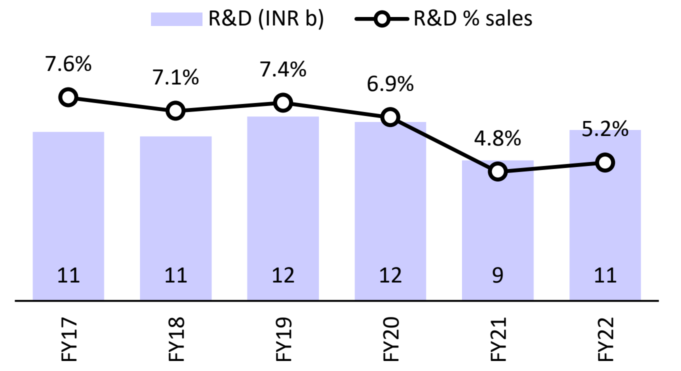
Source: MOFSL, Company

Exhibit 15: Major expenses as proportion of other expenses



Source: MOFSL, Company

Exhibit 16: R&D spend down on an absolute basis as well as % of sales



Source: MOFSL, Company

In FY22, sales and promotion, legal fees and manufacturing expenses formed 20%, 13% and 12%, respectively, contributing 45% of other expenses on an overall basis.

Exhibit 17: Successful filings in FY22

Regions	Filings	Approvals	Product launches	DMFs
USA	12	13	16	12
SAGA	195	97	32	6
EU	16	49	0	16
Australia & NZ	12	7	0	3
India	38	22	130	2
EM	150	87	15	544
Total	**423**	**275**	**193**	**583**

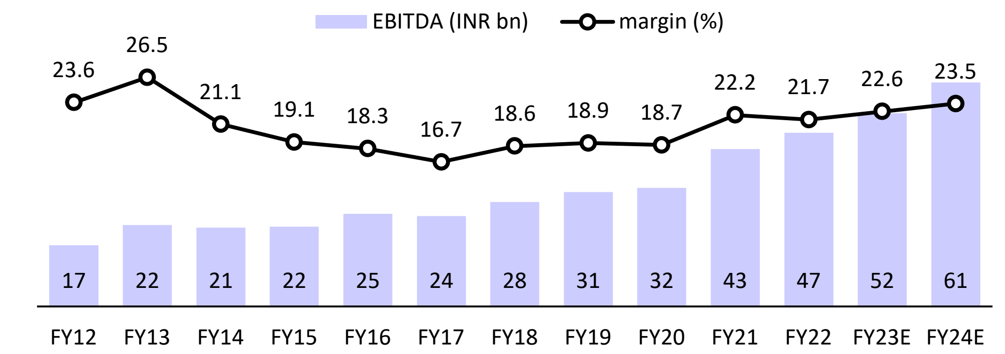
Source: MOFSL, Company

Over FY20-FY22, EBITDA margins expanded at a higher rate of 295bp v/s gross margin (-340bp)

Operating leverage leads to higher EBITDA margin expansion over FY18-22

- Over FY18–20, the EBITDA margin was largely stable at 18.7%. Notably, during FY20-FY22, EBITDA margin expanded ~295bp to reach 21.7%. The higher rate of operating margin expansion, despite reduced gross margin, was largely on account of reduced operating costs.

Exhibit 18: EBITDA margin likely to expand ~185bp over FY22-24



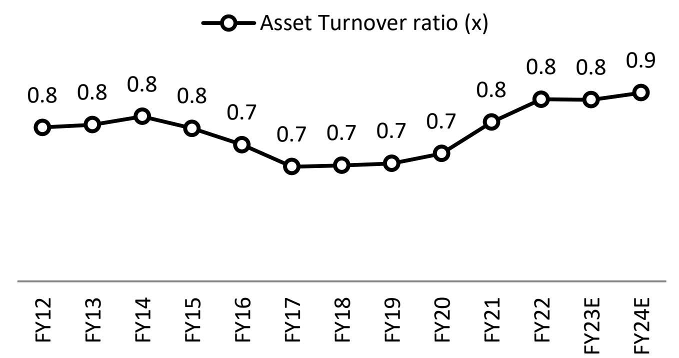
Source: MOFSL, Company

- We expect EBITDA levels to expand a further 185bp with: a) high growth expected in International business and domestic business maintaining momentum as well as b) optimized operating expenses.

Strong improvement in asset turnover

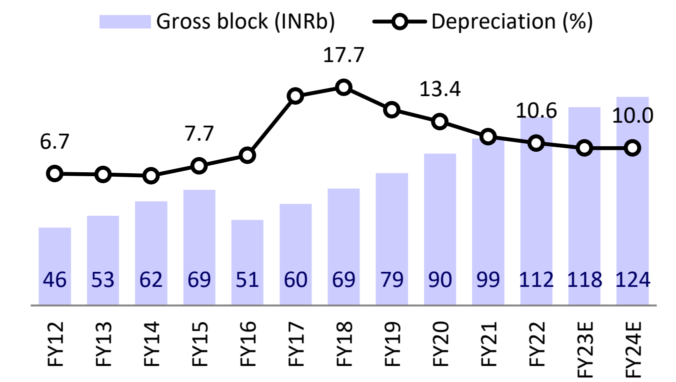
- Cipla built a gross block of INR112b in FY22 from INR69b in FY18. Slowdown across both domestic and export businesses and the rising assets reduced the asset turnover to 0.7x by FY20. With a pick-up in key business revenue, the asset turnover revived to 0.8x in FY22 and is expected to reach 0.9x by FY24.

Exhibit 19: Asset turnover on an improving trend



Source: MOFSL, Company

Exhibit 20: Depreciation rate declines YoY in FY22

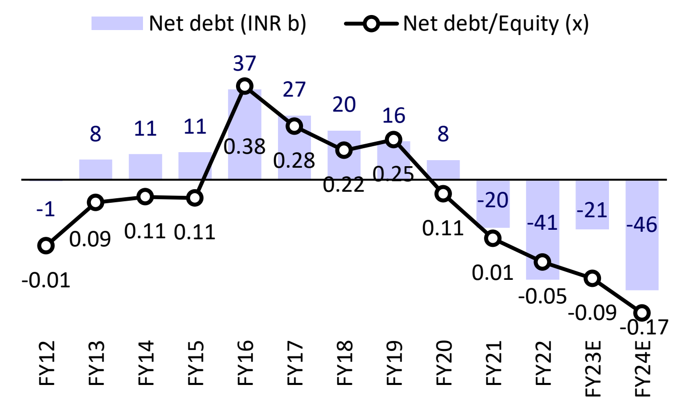


Source: MOFSL, Company

Net debt to cash surplus over the past five years

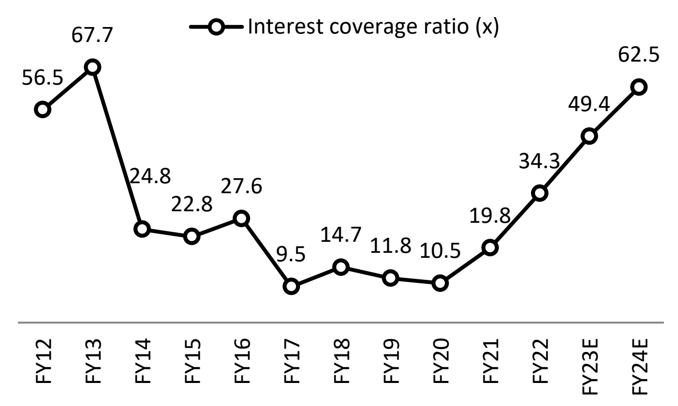
From net debt of INR27b in FY17, Cipla turned cash surplus (of INR41b) by end-FY22. Consequently, the interest coverage ratio sharply improved to 34x by end-FY22.

Exhibit 21: Cipla turns net cash in FY22…



Source: MOFSL, Company

Exhibit 22: …leading to better interest coverage ratio



Source: MOFSL, Company

Healthy FCFF generated over FY17-22; FCFE lower due to debt repayment

With increased EBIT and working capital optimization, Cipla has improved its free cash flow firmly over FY17-22. However, the FCFE has been lower as considerable amount of debt repayment has happened over similar period.

Exhibit 23: CIPLA continues to generate free cash flow for the shareholders

FCF analysis (INR b)	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
EBIT	14.2	20.0	19.1	17.8	20.7	17.5	20.4	22.6	24.1	34.5	39.3	44.2	51.5
D&A	3.1	3.3	3.7	5.0	5.4	9.2	11.5	11.2	11.4	10.7	10.5	11.0	12.1
Tax	2.9	5.4	4.6	4.0	4.4	3.1	2.5	5.7	6.3	8.9	9.3	11.9	13.7
Non-Cash expenses	0.3	1.0	3.4	0.7	-2.4	-2.9	-5.7	-1.6	-1.4	-1.5	-0.9	-0.3	-0.3
Change in WC	2.5	-5.2	-5.6	-7.2	-4.3	2.3	-7.8	-10.9	3.7	3.7	-1.8	-17.2	-14.4
Capex	5.6	7.5	5.7	6.3	10.5	11.0	7.4	5.0	9.9	8.0	6.8	7.2	6.0
FCFF	**11.6**	**6.2**	**10.3**	**6.1**	**4.6**	**12.0**	**8.4**	**10.5**	**21.7**	**30.6**	**30.9**	**18.5**	**29.2**
Net borrowing	-5.2	9.0	2.3	0.8	26.0	-10.9	-6.2	-4.5	-7.7	-28.1	-21.4	0.0	0.0
Interest	0.2	0.3	0.7	0.7	0.7	1.6	1.1	1.7	2.0	1.6	1.1	0.0	0.0
FCFE	**6.1**	**14.9**	**11.8**	**6.2**	**29.9**	**-0.4**	**1.0**	**4.4**	**12.0**	**0.9**	**8.5**	**18.5**	**29.2**

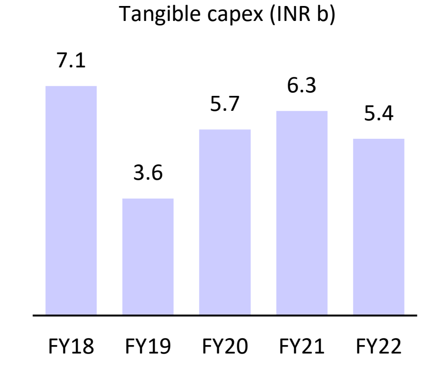
Source: MOFSL, Company

- Capex is likely to be maintained in FY23/FY24. Moreover, faster revenue growth and margin expansion would more than offset the capex requirement, leading to higher FCF generation over the next two years.

Huge investments in plants and intangible assets over FY18-22

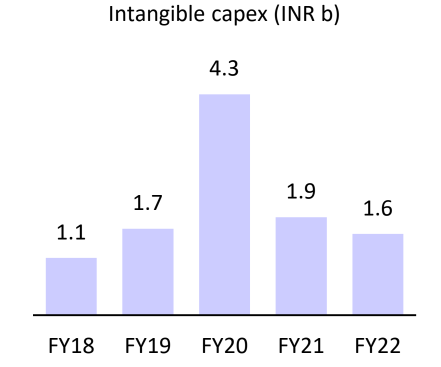
- Cipla had undertaken huge capacity expansion over FY18-22. This expansion was done through organic as well as inorganic route. During FY18-22, the company invested INR28b in plants & property and INR10b in intangibles like IP rights.
- Moreover, the management has invested in acquisition of various intangible assets such as Mirren (FY19), Bores (FY21) for a total consideration of ~INR2.6b. Over the years, the company has invested in expanding capabilities in the areas of technology, automation, safety, environment and data systems.

Exhibit 24: Investments of INR28b during FY18-22



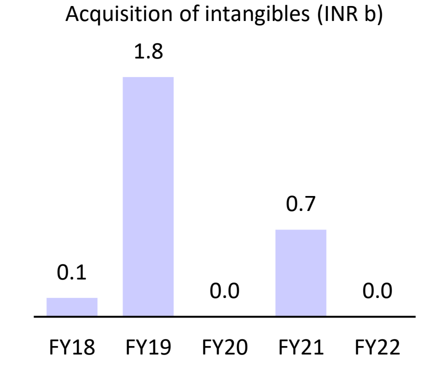
Source: MOFSL, Company

Exhibit 25: Intangible investment of INR10b during FY18-22



Source: MOFSL, Company

Exhibit 26: Acquisition of brands such as Mirren and Bores



Source: MOFSL, Company

Exhibit 27: KMP/Directors – remuneration trend

KMP (INR m)	Designation	FY18	FY19	FY20	FY21	FY22
Ms Samina Hamied	Executive Vice-Chairperson	56.9	64.1	67.4	81.5	91.1
Mr Umang Vohra	Managing Director and Global Chief Executive	188.5	150.3	135.7	181.2	229.0
Dr Y K Hamied	Non-Executive Chairman	20.3	20.2	20.3	20.4	20.5
Mr M K Hamied	Non-Executive Vice-Chairman	21.0	20.7	20.8	20.7	20.9
Mr S Radhakrishnan	Non-Executive – Non-Independent Director	61.3	49.8	67.3	21.5	21.9
Mr Adil Zainulbhai	Independent Director	3.6	3.8	4.7	4.9	6.9
Mr Ashok Sinha	Independent Director	4.7	4.6	4.8	5.0	8.2
Ms Naina Lal Kidwai	Independent Director	4.0	4.3	4.5	4.7	7.1
Dr Peter Mugyenyi	Independent Director	4.3	4.3	4.6	4.8	8.2
Ms Punita Lal	Independent Director	4.0	4.1	4.0	4.4	6.6

Financials and valuations

Income Statement								(INR m)
Y/E March	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23E**	**FY24E**
Net Income	**145,980**	**152,200**	**163,624**	**171,320**	**191,596**	**2,17,121**	**2,31,444**	**2,57,888**
Change (%)	6.7	4.3	7.5	4.7	11.8	13.3	6.6	11.4
EBITDA	**24,436**	**28,271**	**30,973**	**32,060**	**42,526**	**47,016**	**52,306**	**60,604**
Change (%)	-2.3	15.7	9.6	3.5	32.6	10.6	11.3	15.9
Margin (%)	16.7	18.6	18.9	18.7	22.2	21.7	22.6	23.5
Depreciation	9,229	11,491	11,163	11,423	10,677	10,520	10,964	12,064
EBIT	**15,207**	**16,780**	**19,810**	**20,637**	**31,849**	**36,496**	**41,342**	**48,540**
Int. and Finance Charges	1,594	1,142	1,684	1,974	1,607	1,064	837	777
Other Income - Rec.	2,287	3,577	2,796	3,442	2,660	2,809	2,850	2,950
PBT before EO Items	**15,900**	**19,214**	**20,922**	**22,105**	**32,902**	**38,242**	**43,356**	**50,713**
One-time (Expense)/Income	0	-2,512	-130	324	0	3,309	0	0
PBT but after EO Exp.	**15,900**	**16,702**	**20,792**	**21,782**	**32,902**	**34,933**	**43,356**	**50,713**
Tax	3,094	2,501	5,695	6,312	8,888	9,338	11,923	13,693
Tax Rate (%)	19.5	15.0	27.4	29.0	27.0	26.7	27.5	27.0
Minority Interest	290	60	(353)	(470)	(164)	299	-350	-380
Income from associates	-70	-28	-171	-475	-128	-128	-50	-60
Reported PAT	**12,446**	**14,113**	**15,278**	**15,465**	**24,050**	**25,168**	**31,733**	**37,341**
Adj. PAT	**12,446**	**15,511**	**15,032**	**15,752**	**24,050**	**28,382**	**31,733**	**37,341**
Change (%)	-17.7	24.6	-3.1	4.8	52.7	18.0	11.8	17.7
Margin (%)	8.5	10.2	9.2	9.2	12.6	13.1	13.7	14.5

Balance Sheet								(INR m)
Y/E March	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23E**	**FY24E**
Equity Share Capital	1,609	1,610	1,611	1,613	1,613	1,614	1,610	1,610
Reserves	123,645	140,682	152,298	157,630	179,264	2,01,532	2,30,366	2,63,836
Revaluation Reserves	0	0	0	0	0	0	0	0
Net Worth	**125,254**	**142,292**	**150,123**	**157,630**	**183,265**	**2,08,417**	**2,31,976**	**2,65,446**
Loans	41,126	40,980	43,162	28,164	15,375	8,975	5,975	5,975
Deferred Liabilities	5888	3157	2239	1254	-181	-2049	-2049	-2049
Minority Interest	4382	3524	3320	2943	2591	2757	2757	2757
Capital Employed	**176,650**	**189,953**	**198,844**	**189,992**	**201,050**	**2,18,100**	**2,38,659**	**2,72,130**
Gross Block	114,562	120,454	126,353	138,480	147,454	1,60,107	1,66,048	1,72,048
Less: Accum. Deprn.	10,204	16,273	27,436	38,859	49,536	60,056	71,020	83,084
Net Fixed Assets	**104,358**	**104,181**	**98,916**	**99,621**	**97,918**	**1,00,052**	**95,028**	**88,964**
Capital WIP	7,192	5,124	3,311	4,210	5,708	3,829	5,124	5,124
Investments	141	107	2,963	3,593	3,501	4,171	4,171	4,171
Curr. Assets	**96,159**	**117,318**	**132,429**	**126,804**	**141,244**	**1,58,304**	**1,78,656**	**2,20,164**
Inventory	34,853	40,447	39,648	43,776	46,692	53,502	56,519	64,709
Account Receivables	24,974	31,025	41,507	38,913	34,457	34,244	40,271	43,583
Cash and Bank Balance	6,242	9,656	6,188	10,039	14,012	19,285	26,586	51,741
Others	30,090	36,190	45,085	34,076	46,083	51,273	55,280	60,130
Curr. Liability and Prov.	**31,201**	**36,776**	**38,775**	**44,236**	**47,322**	**48,423**	**44,319**	**46,292**
Account Payables	27,982	30,505	31,408	34,755	36,539	36,213	32,109	34,082
Provisions	3,219	6,271	7,368	9,482	10,783	12,210	12,210	12,210
Net Current Assets	**64,959**	**80,542**	**93,654**	**82,568**	**93,922**	**1,09,882**	**1,34,337**	**1,73,871**
Appl. of Funds	**176,650**	**189,953**	**198,844**	**189,992**	**201,050**	**2,18,100**	**2,38,659**	**2,72,130**

Financials and valuations

Ratios								
Y/E March	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23E**	**FY24E**
EPS	**15.5**	**19.3**	**18.7**	**19.6**	**30.0**	**35.3**	**39.5**	**46.5**
Cash EPS	26.9	33.5	32.5	33.7	43.1	48.2	53.0	61.4
BV/Share	155.7	176.7	186.3	195.5	227.2	258.1	288.1	329.7
DPS	2.0	2.0	3.0	2.5	2.5	3.0	3.0	4.0
Payout (%)	15.6	13.4	18.6	15.6	10.0	11.5	9.1	10.4
Valuation (x)								
P/E	66.6	53.5	55.2	52.7	34.5	29.2	26.1	22.2
Cash P/E	38.3	30.8	31.8	30.6	24.0	21.4	19.5	16.8
P/BV	6.6	5.8	5.5	5.3	4.5	4.0	3.6	3.1
EV/Sales	5.9	5.7	5.3	5.0	4.3	3.8	3.5	3.0
EV/EBITDA	35.4	30.5	28.0	26.5	19.6	17.5	15.5	13.0
Dividend Yield (%)	0.2	0.2	0.3	0.2	0.2	0.3	0.3	0.4
Return Ratios (%)								
RoE	10.4	11.6	10.3	10.2	14.1	14.5	13.7	14.1
RoCE	7.9	9.4	8.4	8.8	12.9	13.7	14.0	14.7
RoIC	7.5	8.4	8.0	8.2	13.3	14.5	15.2	17.1
Working Capital Ratios								
Fixed Asset Turnover (x)	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.5
Debtor (Days)	62	74	93	83	66	58	64	62
Inventory (Days)	87	97	88	93	89	90	89	92
Working Capital (Days)	162	193	209	176	179	183	210	243
Leverage Ratio (x)								
Current Ratio	3.1	3.2	3.4	2.9	3.0	3.3	4.0	4.8
Debt/Equity	0.3	0.2	0.2	0.1	0.0	0.0	-0.1	-0.2

Cash Flow Statement								(INR m)
Y/E March	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23E**	**FY24E**
EBITDA	24,436	28,271	30,973	32,060	42,526	47,016	52,306	60,604
Interest/Dividends Recd.	2,287	3,577	2,796	3,442	2,660	2,809	2,850	2,950
Direct Taxes Paid	-6,176	-5,232	-6,613	-7,297	-10,323	-11,206	-11,923	-13,693
(Inc.)/Dec. in WC	-3,937	-12,169	-16,580	14,937	-7,381	-10,687	-17,154	-14,379
CF from Operations	**16,609**	**14,447**	**10,576**	**43,142**	**27,482**	**27,932**	**26,079**	**35,482**
EO expense	7,209	-2,331	6,205	-10,523	10,071	8,636		
CF from Oper. incl. EO Expense	**23,818**	**14,628**	**16,911**	**32,296**	**37,552**	**33,259**	**26,079**	**35,482**
(inc.)/dec. in FA	-6,487	-9,246	-4,085	-13,027	-10,472	-10,774	-7,235	-6,000
Free Cash Flow	**17,331**	**5,381**	**12,826**	**19,268**	**27,080**	**22,485**	**18,844**	**29,482**
(Pur.)/Sale of Investments	1,622	35	-2,857	-629	91	-669	0	0
others	-8,237	671	-9,745	14,697	-13,491	-7,276		
CF from Investments	**-13,102**	**-8,540**	**-16,687**	**1,041**	**-23,872**	**-18,719**	**-7,235**	**-6,000**
Inc./(Dec.) in Debt	-10,790	-146	2,183	-14,998	-12,790	-6,400	-3,000	0
Interest Paid	-1,594	-1,142	-1,684	-1,974	-1,607	-1,064	-837	-777
Dividend Paid	-1,936	-1,893	-2,841	-2,416	-2,416	-2,899	-2,899	-3,870
Others	1,062	-673	-1,145	-11,713	3,513	-364	-6,266	-1,139
CF from Fin. Activity	**-13,257**	**-3,855**	**-3,487**	**-31,100**	**-13,299**	**-10,727**	**-13,002**	**-5,786**
Inc./Dec. in Cash	**-2,541**	**2,233**	**-3,263**	**2,236**	**381**	**3,813**	**5,842**	**23,696**
Add: Beginning Balance	8,714	6,242	9,656	6,188	10,039	14,012	19,285	26,586
Bank balances	6,173	8,475	6,393	8,424	10,420	17,826	25,127	50,282
Bank balances and FX impact	69	1,181	-205	1,614	3,592	1,459	1,459	1,459
Closing balance	**6,242**	**9,656**	**6,188**	**10,039**	**14,012**	**19,285**	**26,586**	**51,742**

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 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, Investment Advisory Services, Depository participant services & distribution of various financial products. MOFSL is a subsidiary company of Passionate Investment Management Pvt. Ltd.. (PIMPL). 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
- received compensation/other benefits from the subject company in the past 12 months
- 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.

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.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 71934200/ 022-71934263; Website www.motilaloswal.com.CIN no.: L67190MH2005PLC153397.Correspondence Office Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad(West), Mumbai- 400 064. Tel No: 022 7188 1000.

Registration Nos.: Motilal Oswal Financial Services Limited (MOFSL)*: INZ000158836(BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN - 146822; Investment Adviser: INA000007100; Insurance Corporate Agent: CA0579;PMS:INP000006712. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP000000670); PMS and Mutual Funds are offered through MOAMC which is group company of MOFSL. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) is offered through MOWML, which is a group company of MOFSL. Motilal Oswal Financial Services Limited is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs,Insurance Products and IPOs.Real Estate is offered through Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. which is a group company of MOFSL. Private Equity is offered through Motilal Oswal Private Equity Investment Advisors Pvt. Ltd which is a group company of MOFSL. Research & Advisory services is backed by proper research. Please read the Risk Disclosure Document prescribed by the Stock Exchanges carefully before investing. There is no assurance or guarantee of the returns. Investment in securities market is subject to market risk, read all the related documents carefully before investing. Details of Compliance Officer: Name: Neeraj Agarwal, Email ID: na@motilaloswal.com, Contact No.:022-71881085.

* MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench.