

Aegis Logistics

Estimate change



TP change



Rating change



CMP: INR260

TP: INR264 (+2%)

Neutral

Modest performance; outlook intact

- Aegis Logistics (AGIS) reported an in-line EBITDA of INR1.46b (INR1.5b est.; +39% YoY, +2% QoQ) after adjusting for a one-time expenditure of INR621m towards business transfer expenses in 1QFY23. Robust performance in liquid division continued to offset modest gas business division.
- While gas business was softer in 1QFY23 due to gradual opening up of the economy with clogged ports impacting throughput volumes adversely, pent-up demand for auto LPG and cylinders (from hotels/restaurants) could be seen in 2HFY23E with softer volumes in 2QFY23E led by shutdown of industries in the Morbi region.
- AGIS reported good traction from all the three OMCs at its Mumbai and Pipavav LPG terminals. Additional jetty connectivity and construction are underway at Pipavav/Kandla terminals, with likely commissioning by 2QFY23.
- The company planned a capex program of INR25-45b for the JV over the next five years, starting FY23. It would be funded via internal accruals, debt, and some cash injection by both the shareholders. Such a high and ambitious capex would burden AGIS' Balance Sheet, with the focus shifting away from the LPG business, which in our view may increase uncertainty.
- Factoring in the same, we forecast FY23/24 gas logistics sales volumes at 3.5/3.6mmt and marginally tweaked our EBITDA assumptions by -6%/ +2% for FY23/24, respectively.
- We remain concerned on growth as the Gas Logistics business (especially from the Pipavav and Kandla LPG terminals) is being moved to the JV. **We maintain our Neutral rating with a TP of INR264.**



Bloomberg	AGIS IN
Equity Shares (m)	334
M.Cap.(INRb)/(USDb)	91.2 / 1.1
52-Week Range (INR)	291 / 167
1, 6, 12 Rel. Per (%)	14/12/-15
12M Avg Val (INR M)	245

Financials & Valuations (INR b)

Y/E March	FY22	FY23E	FY24E
Sales	46.3	87.3	89.0
EBITDA	5.3	6.6	7.7
Adj. PAT	3.6	4.4	4.8
Adj. EPS (INR)	10.7	13.3	14.4
EPS Gr.%	60.1	23.9	8.3
BV/Sh.INR	65.3	75.8	86.3

Ratios

Net D:E	0.1	-0.1	-0.2
RoE (%)	17.4	18.8	17.7
RoCE (%)	16.6	18.3	17.4
Payout (%)	26.9	26.9	26.9

Valuation

P/E (x)	24.2	19.5	18.0
P/BV (x)	4.0	3.4	3.0
EV/EBITDA (x)	16.6	12.7	10.4
Div. Yld (%)	1.0	1.1	1.3
FCF Yld (%)	-1.5	6.0	5.7

Shareholding pattern (%)

As On	Jun-22	Mar-22	Jun-21
Promoter	58.1	58.1	57.7
DII	2.4	2.2	1.9
FII	15.1	15.0	15.0
Others	24.5	24.7	25.4

FII Includes depository receipts

Largely in-line EBITDA; modest performance overall

- AGIS' revenue came in line at INR22.3b (+2% est; +230% YoY, +6% QoQ).
- EBITDA too was largely in line at INR1.46b (INR1.5b est.; +39% YoY, +2% QoQ) after adjusting for a one-time expenditure of INR621m towards business transfer expenses.
- Reported PAT was broadly in line with expectation at INR1.03b (+7% est; +55% YoY) in 1QFY23.
- Segment wise:
 - Liquid terminal business revenue stood at INR0.8b (+22% YoY, +12% QoQ) while EBITDA was at INR0.55b (+12% YoY).
 - Gas terminal division revenue stood at INR21.5b (+252% YoY due to lower base, +6% QoQ) while EBITDA came in at INR1.0b (+68% YoY, -2% QoQ) in 1QFY23.
- The company has declared a dividend of INR1.5/share.

Swarnendu Bhushan - Research Analyst (Swarnendu.Bhushan@MotilalOswal.com)

Shubham Mittal - Research Analyst (Shubham.Mittal@MotilalOswal.com)

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

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

Valuation and view – maintain Neutral

- We remain positive on LPG consumption and the import story of India (as consumption per LPG connection rises in poor households, given the govt.'s continued impetus) and repose our faith in AGIS' Retailing and Distribution business. It currently has 135 LPG stations and plans to add 30 more stations (in the 14 states where it is present currently) over the next two years.
- We expect strong free cash flow generation of ~INR10.1b in FY23-24 combined.
- Capex of INR12.5b has been announced under the JV. AGIS trades at 14.4x FY24E EPS and 10.4x FY24E EV/EBITDA. We value the stock using DCF methodology to arrive at our fair value of INR264. **Maintain Neutral.**

Consolidated - Quarterly Earnings Model

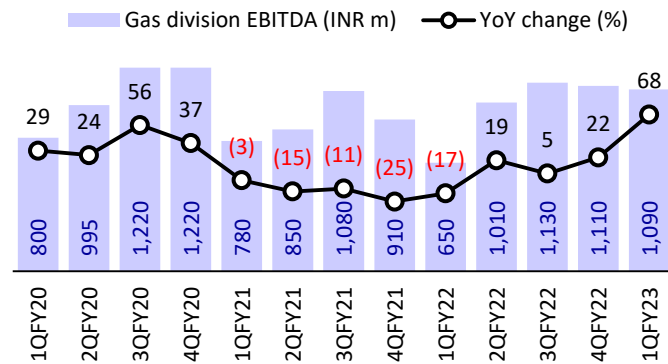
Y/E March	FY22				FY23E				FY22	FY23	FY23	(INR m)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QE	Var (%)	
Net Sales	6,781	6,352	12,141	21,036	22,355	21,833	22,052	21,093	46,310	87,333	21,975	2%
YoY Change (%)	6.5	-2.3	-21.4	108.0	229.7	243.7	81.6	0.3	20.5	88.6	224.1	
EBITDA	1,051	1,372	1,490	1,431	1,466	1,515	1,757	1,859	5,344	6,596	1,543	-5%
Margin (%)	15.5	21.6	12.3	6.8	6.6	6.9	8.0	8.8	11.5	7.6	7.0	-0.5
Depreciation	187	189	206	211	289	293	305	309	794	1,196	231	
Interest	41	36	44	98	103	105	106	107	218	421	57	
Other Income	80	92	81	135	861	144	147	157	387	1,310	124	
PBT	903	1,239	1,321	1,257	1,314	1,260	1,494	1,600	4,720	5,668	1,379	-5%
Tax	181	226	228	236	240	318	376	495	871	1,428	347	
Rate (%)	20.1	18.2	17.3	18.7	18.2	25.2	25.2	30.9	18.4	25.2	25.2	
MI & P/L of Asso. Cos.	56	69	75	74	41	41	41	151	274	274	69	-40%
Reported PAT	666	944	1,018	947	1,034	902	1,076	954	3,575	3,966	963	7%
Adj PAT	666	944	1,018	947	1,541	902	1,076	954	3,575	4,430	963	60%
YoY Change (%)	123.3	65.7	43.0	44.8	131.4	-4.5	5.8	0.7	60.1	23.9	44.6	
Margins (%)	9.8	14.9	8.4	4.5	6.9	4.1	4.9	4.5	7.7	5.1	4.4	2.5

Exhibit 1: Segmental Highlights

	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23	YoY (%)	QoQ (%)
LPG logistics volumes ('000 MT)	700	723	775	715	568	738	753	800	637	12	-20
LPG distribution volumes ('000 MT)	13	33	35	34	31	36	42	51	85	176	66
LPG sourcing volumes ('000 MT)	158	143	374	195	100	60	126	270	230	130	-15
Gas division EBITDA (INR m)	780	850	1,080	910	650	1,010	1,130	1,110	1,090	68	-2
Liquids division EBITDA (INR m)	400	395	390	540	490	460	460	540	550	12	2

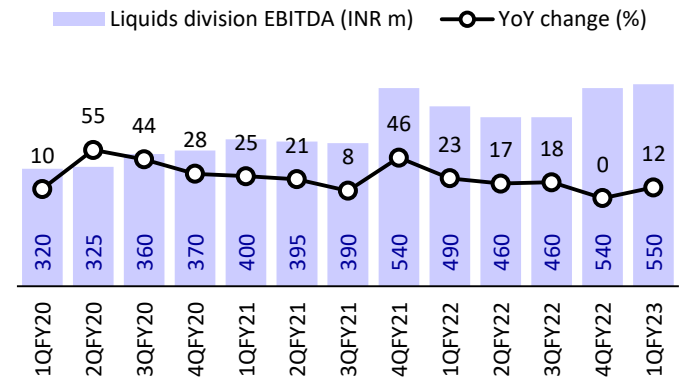
Story in charts: 1QFY23

Exhibit 2: EBITDA in the Gas division down 2% QoQ to INR1.0b



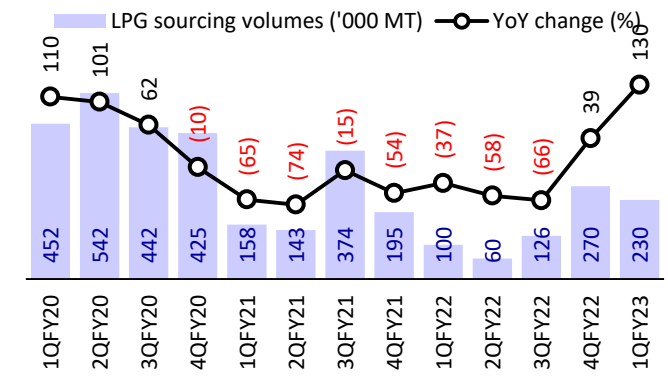
Source: Company, MOFSL

Exhibit 3: EBITDA in the Liquids division up 2% QoQ at INR550m



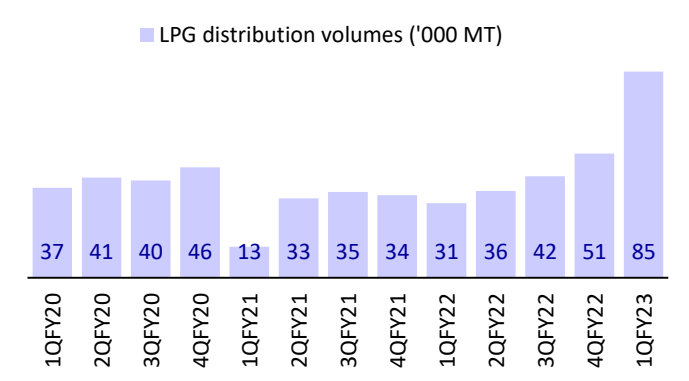
Source: Company, MOFSL

Exhibit 4: LPG sourcing volumes down 15% QoQ



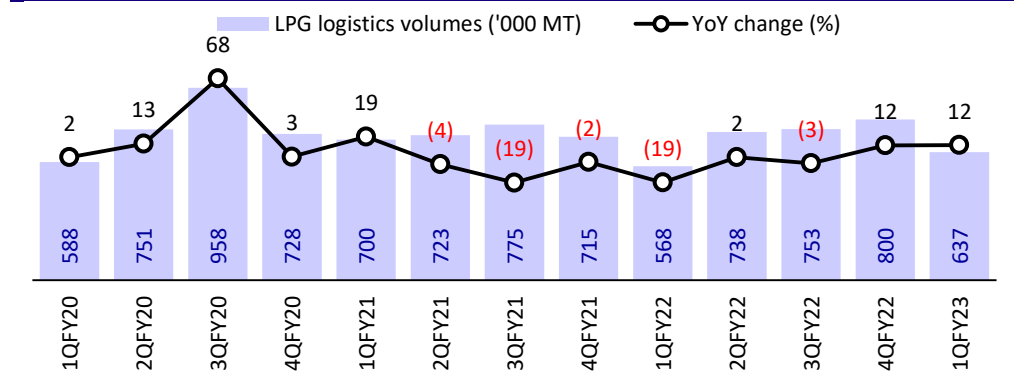
Source: Company, MOFSL

Exhibit 5: LPG distribution up 66% QoQ



Source: Company, MOFSL

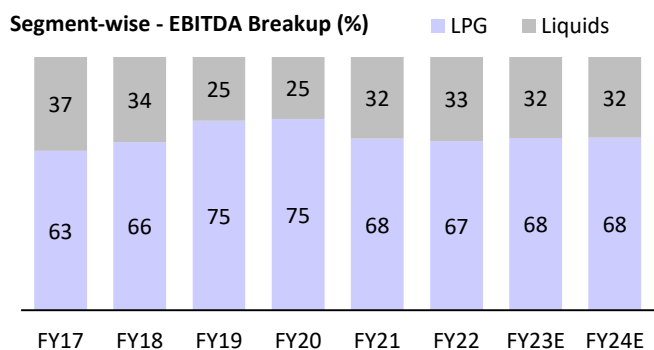
Exhibit 6: LPG logistics volumes down 20% QoQ



Source: Company, MOFSL

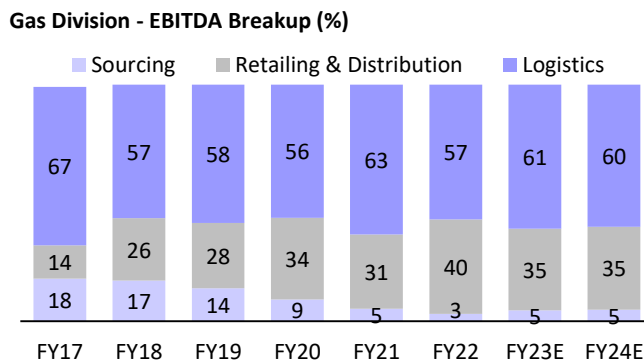
Story in charts

Exhibit 7: Expect EBITDA mix for the Gas division to improve...



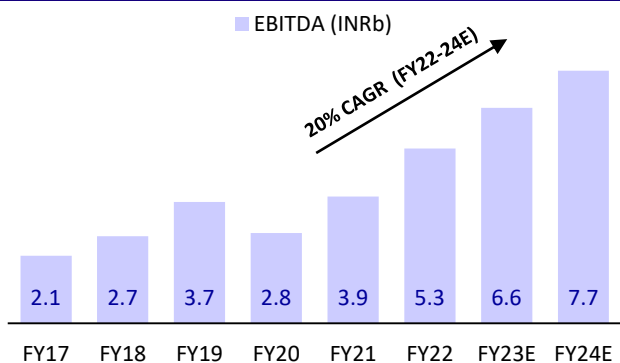
Source: Company, MOFSL

Exhibit 8: ...with the Logistics business being the major contributor



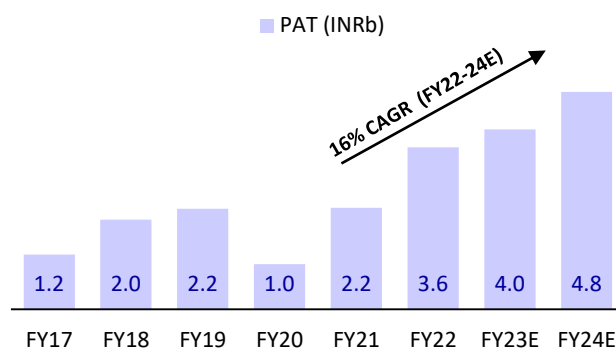
Source: Company, MOFSL

Exhibit 9: Expect EBITDA CAGR of ~20% over FY22-24...



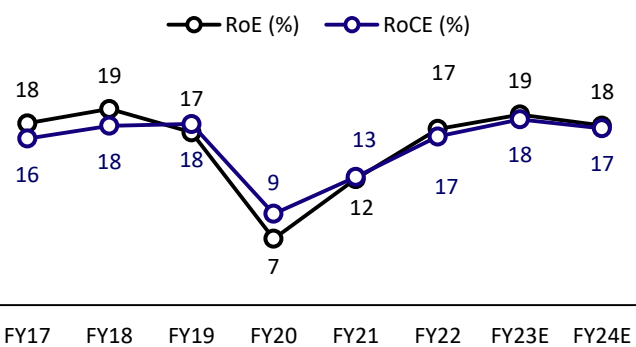
Source: Company, MOFSL

Exhibit 10: ...followed by a PAT CAGR of 16%



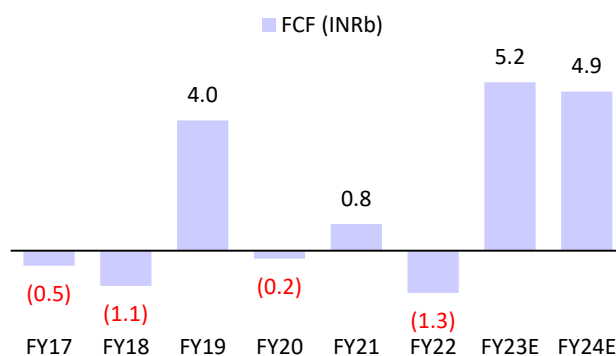
Source: Company, MOFSL

Exhibit 11: Expect return ratios to improve to ~18-19% over FY23-24



Source: Company, MOFSL

Exhibit 12: Expect FCF to be at INR10.1b in FY23-24



Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Total Income from Operations	39,328	47,910	56,158	71,833	38,435	46,310	87,333	89,016
Change (%)	77.7	21.8	17.2	27.9	-46.5	20.5	88.6	1.9
EBITDA	2,069	2,660	3,709	2,765	3,876	5,344	6,596	7,728
Margin (%)	5.3	5.6	6.6	3.8	10.1	11.5	7.6	8.7
Depreciation	243	343	505	687	716	794	1,196	1,236
EBIT	1,826	2,317	3,203	2,078	3,160	4,550	5,400	6,491
Int. and Finance Charges	161	152	262	331	173	218	421	425
Other Income	52	84	82	328	369	387	1,310	712
PBT bef. EO Exp.	1,717	2,248	3,023	2,076	3,356	4,720	6,289	6,779
EO Items	0	0	0	0	0	0	-621	0
PBT after EO Exp.	1,717	2,248	3,023	2,076	3,356	4,720	5,668	6,779
Total Tax	377	110	502	736	864	871	1,428	1,708
Tax Rate (%)	22.0	4.9	16.6	35.5	25.7	18.4	25.2	25.2
Minority Interest	137	160	307	344	258	274	274	274
Reported PAT	1,203	1,978	2,214	996	2,234	3,575	3,966	4,796
Adjusted PAT	1,203	1,978	2,214	996	2,234	3,575	4,430	4,796
Change (%)	6.1	64.5	11.9	-55.0	124.3	60.1	23.9	8.3
Margin (%)	3.1	4.1	3.9	1.4	5.8	7.7	5.1	5.4

Consolidated - Balance Sheet

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	334	334	334	340	351	351	351	351
Total Reserves	8,038	11,739	13,579	16,206	19,014	21,447	24,967	28,474
Net Worth	8,372	12,073	13,913	16,546	19,365	21,798	25,318	28,825
Minority Interest	292	697	748	906	1,090	826	826	826
Total Loans	2,548	2,824	1,865	2,156	3,430	3,827	3,827	3,827
Deferred Tax Liabilities	879	705	834	309	809	730	730	730
Capital Employed	12,092	16,299	17,361	19,917	24,694	27,181	30,701	34,208
Gross Block	10,078	15,756	16,728	21,116	21,954	29,405	30,410	31,414
Less: Accum. Deprn.	2,614	2,957	3,463	4,150	4,866	5,659	6,855	8,092
Net Fixed Assets	7,464	12,799	13,265	16,966	17,089	23,746	23,554	23,322
Capital WIP	3,127	1,256	1,207	2,201	4,876	2,525	2,520	2,516
Curr. Assets, Loans, and Adv.	9,743	8,059	9,688	9,946	8,838	14,058	30,006	34,074
Inventory	218	260	338	421	524	906	1,786	1,799
Account Receivables	7,059	3,469	2,285	4,540	942	7,383	13,924	14,192
Cash and Bank Balance	623	1,620	4,129	2,634	3,356	1,502	6,250	9,882
Loans and Advances	1,844	2,710	2,936	2,350	4,017	4,267	8,046	8,201
Curr. Liability and Prov.	8,264	5,841	6,926	9,290	6,127	13,161	25,392	25,716
Account Payables	6,778	3,788	4,853	4,016	747	6,747	13,297	13,388
Other Current Liabilities	1,374	1,918	1,927	5,096	5,223	6,214	11,719	11,945
Provisions	112	135	146	179	158	199	376	383
Net Current Assets	1,480	2,218	2,762	655	2,711	898	4,614	8,358
Appl. of Funds	12,092	16,299	17,360	19,917	24,694	27,181	30,701	34,208

Financials and valuations

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
EPS	3.6	5.9	6.6	3.0	6.7	10.7	13.3	14.4
Cash EPS	4.3	6.9	8.1	5.0	8.8	13.1	16.8	18.1
BV/Share	25.1	36.1	41.7	49.5	58.0	65.3	75.8	86.3
DPS	0.7	1.5	1.4	1.7	2.0	2.5	2.8	3.4
Payout (%)	22.4	28.8	24.3	65.6	34.4	26.9	26.9	26.9
Valuation (x)								
P/E	71.9	43.7	39.1	86.9	38.7	24.2	19.5	18.0
Cash P/E	59.8	37.3	31.8	51.4	29.3	19.8	15.4	14.3
P/BV	10.3	7.2	6.2	5.2	4.5	4.0	3.4	3.0
EV/Sales	2.2	1.8	1.5	1.2	2.3	1.9	1.0	0.9
EV/EBITDA	42.7	33.0	22.7	31.1	22.3	16.6	12.7	10.4
Dividend Yield (%)	0.3	0.6	0.5	0.7	0.8	1.0	1.1	1.3
FCF per share	-1.4	-3.2	12.0	-0.7	2.5	-3.9	15.6	14.7
Return Ratios (%)								
RoE	17.9	19.4	17.0	6.5	12.4	17.4	18.8	17.7
RoCE	16.4	17.7	17.9	9.0	12.6	16.6	18.3	17.4
RoIC	20.1	20.3	21.1	10.0	14.9	18.7	17.9	22.2
Working Capital Ratios								
Fixed Asset Turnover (x)	3.9	3.0	3.4	3.4	1.8	1.6	2.9	2.8
Asset Turnover (x)	3.3	2.9	3.2	3.6	1.6	1.7	2.8	2.6
Inventory (Days)	2	2	2	2	5	7	7	7
Debtor (Days)	66	26	15	23	9	58	58	58
Creditor (Days)	63	29	32	20	7	53	56	55
Leverage Ratio (x)								
Current Ratio	1.2	1.4	1.4	1.1	1.4	1.1	1.2	1.3
Interest Coverage Ratio	11.3	15.2	12.2	6.3	18.3	20.9	12.8	15.3
Net Debt/Equity ratio	0.2	0.1	-0.2	0.0	0.0	0.1	-0.1	-0.2

Consolidated - Cash Flow Statement

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
OP/(Loss) before Tax	1,691	2,248	3,023	2,076	3,356	4,720	6,289	6,779
Depreciation	238	343	505	687	716	794	1,196	1,236
Interest and Finance Charges	163	152	262	331	173	218	421	425
Direct Taxes Paid	-287	-577	-624	-689	-503	-871	-1,428	-1,708
(Inc.)/Dec. in WC	14	-192	2,450	-3,083	-71	-1,952	1,031	-112
CF from Operations	1,770	1,914	5,563	1,463	4,416	2,628	6,199	5,908
(Inc.)/Dec. in FA	-2,229	-2,991	-1,541	-1,708	-3,588	-3,932	-1,000	-1,000
Free Cash Flow	-459	-1,077	4,022	-245	828	-1,303	5,199	4,908
CF from Investments	-2,201	-2,962	-1,547	-1,514	-4,280	-1,619	310	-288
Inc./(Dec.) in Debt	982	175	-851	143	1,634	-335	0	0
Interest Paid	-205	-313	-272	-258	-248	-130	-421	-425
Dividend Paid	-310	-413	-308	-866	-486	-2,211	-1,066	-1,289
CF from Fin. Activity	87	2,043	-1,506	-1,444	586	-3,199	-1,761	-1,988
Inc./Dec. in Cash	-343	996	2,510	-1,495	722	-2,190	4,748	3,632
Opening Balance	967	623	1,620	4,129	2,634	3,356	1,502	6,250
Closing Balance	624	1,619	4,129	2,634	3,356	1,167	6,250	9,882

(INR m)

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.: INP00000670); 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.