

Automobiles

Sep'22 wholesales suggest a good festive season

PVs/CVs demand stable, festival demand to aid 2Ws sales

2Ws/PVs/CVs were inline, while tractors were above est (ex. BJAUT and MM as numbers are yet to be released). PV wholesales have doubled YoY due to easing of chip shortages and strong demand. Domestic 2W wholesales inventory buildup for the upcoming festival season has started. CV demand has remained stable, with AL outperforming its peers. Among 2Ws, TVSL was inline, HMCL was below est., while RE was above est. 2W/ PV/ CV/ 3Ws/ tractors sales volumes grew 7.5%/103%/18%/18%/39% YoY.

- **2Ws – Inline; grew 7.5% YoY:** The upcoming festival season (Navratras and Diwali) is a crucial period for 2W retails. Festivals such as Ganapati and Onam had an encouraging start. Dealer inventory stands at 50-60 days as per our channel checks. In 2Ws, while HMCL registered a 2% YoY decline (to 520k units), TVSL grew 9% YoY to 379k units despite weak exports. RE grew 145% YoY/ 17% MoM to 82.1k units.
- **PVs – Inline; grew 103% YoY:** Retail demand continues to remain strong and easing chip shortages has led to a decline in waiting periods. Wholesales in Sep'22 doubled on a low base, which was affected due to chip shortages. In PVs, MSIL/TTMT PVs grew 104%/85% YoY to 176.3k/47.9k
- **CVs – Inline; grew 18% YoY:** M&HCV volumes were above est. and LCV volumes were below est. M&HCV/LCV volumes grew 32%/5% YoY. In CVs, wholesales for AL/TTMT/VECV grew 84%/5%/9% YoY.
- **Tractors – Above est., grew 39% YoY:** While monsoons have been above long period average (LPA), but are still deficient in key states such as UP/Bihar/Jharkhand/WB. Only ESC reported its numbers, which were above our estimates at 12.2k units; grew 39% YoY

Key highlights of monthly volumes

- **2W exports** continued to be stressed as reflected by TVS export wholesales that declined 12% YoY to 77.8k units.
- **RE** saw a strong 17% MoM improvement to 82k units (+145% YoY), driven by the first month of Hunter sales.
- **AL** continues to recover market share as reflected in substantial outperformance v/s peers (AL grew 84% YoY to 17.5k units v/s TTMT/VECV growth of 5%/9% YoY)
- **ESC** was a strong beat, driven by inventory build-up for the festive season and market share recovery, led by higher discounts.

Surprise (Variance %)	In line (Variance %)	Disappointment (Variance %)
EIM – RE (11%)	TVS Motor (+3%)	HMCL (-7%)
AL (+14%)	MSIL (0%)	
EIM – VECV (17%)	TTMT (-3%)	
Escorts (+33%)		

Valuation and view: Easing semiconductor supplies boost PV retails and CVs continue to grow on increasing economic activities & high capacity utilization. The 2W segment demand hinges on the festive season, which seems to have received an encouraging start. We prefer 4Ws over 2Ws, on the back of strong demand and offer a stable competitive environment. We expect the CV cycle to maintain its momentum. We prefer companies with: a) higher visibility in terms of a demand recovery, b) a strong competitive positioning, c) margin drivers, and d) balance sheet strength. **MSIL** and **AL** are our top OEM picks. Among auto component stocks, we prefer **BHFC** and **APTY**. We also like **HMCL** as a pure play on the expectations of domestic demand recovery.

It is the second best month for the company in 42 months. It is the first time ever that the one million sales mark was breached by the industry in a quarter.

Even the first six month wholesales are best ever for the industry with sales of 19.37 lakh units.

– Shashank

Srivastava, Executive

director, Maruti Suzuki

Snapshot of volumes for Sep-22 (incl Exports) *

Company Sales	YoY			MoM		FY23YTD	(%) chg	FY23E	Gr (%)
	Sep-22	Sep-21	YoY (%) chg	Aug-22	MoM (%) chg				
2W	9,63,806	8,96,386	7.5	8,48,259	13.6	50,51,051	-17.6	1,01,83,771	-18.7
Cars	1,40,749	68,223	106.3	1,34,327	4.8	8,02,318	34.0	15,95,578	-0.1
Uvs + MPVs	80,916	40,751	98.6	74,826	8.1	4,36,677	-2.1	9,01,047	-16.7
PVs	2,21,665	1,08,974	103.4	2,09,153	6.0	12,38,995	18.6	24,96,624	-6.8
3Ws	17,282	14,645	18.0	18,248	-5.3	96,507	-69.7	1,96,322	-70.9
M&HCVs	32,660	24,756	31.9	26,228	24.5	1,68,144	75.9	3,72,393	35.2
LCVs	28,894	27,409	5.4	27,759	4.1	1,72,832	40.4	3,66,999	20.6
CVs	61,554	52,165	18.0	53,987	14.0	3,40,976	55.9	7,39,392	27.6
Tractors	12,232	8,816	38.7	6,111	100.2	50,500	-78.6	98,939	-78.0

* 2W: HMCL, TVSL, EIM ; PVs: MSIL & TTMT; 3Ws: TVSL ; CVs: TTMT, AL, EIM; Tractors: ESC

Snapshot of volumes for Sep-22

Company Sales	YoY			MoM							Residual Growth (%)	Residual Monthly Run rate	FY23 YTD Monthly Run rate
	Sep-22	Sep-21	YoY (%) chg	Aug-22	MoM (%) chg	FY23 YTD	FY22 YTD	(%) chg	FY23 estimate	Gr. (%)			
Maruti Suzuki	1,76,306	86,380	104.1	1,65,173	6.7	9,85,326	7,33,155	34.4	20,09,682	21.6	11.4	1,70,726	1,64,221
LCVs	2,505	3,304	-24.2	3,371	-25.7	19,509	12,716	53.4	40,574	20.0	-0.1	3,511	3,252
Vans	12,697	7,844	61.9	11,999	5.8	69,510	50,350	38.1	1,33,264	23.0	9.9	10,626	11,585
Mini Segment	29,574	14,936	98.0	22,162	33.4	1,21,056	1,02,322	18.3	2,34,270	10.6	3.4	18,869	20,176
Compact (incl Dzire Tour)	73,694	22,475	227.9	75,058	-1.8	4,57,262	3,09,676	47.7	9,10,230	25.2	8.5	75,495	76,210
Mid Size - CIAZ	1,359	981	38.5	1,516	-10.4	6,926	7,095	-2.4	15,203	-4.2	-5.7	1,379	1,154
UVs	35,074	19,275	82.0	29,586	18.5	1,78,431	1,46,069	22.2	4,04,450	27.5	32.0	37,670	29,739
Domestic	1,54,903	68,815	125.1	1,43,692	7.8	8,52,694	6,28,228	35.7	17,37,991	3.8	-15.4	1,47,550	1,42,116
Export	21,403	17,565	21.9	21,481	-0.4	1,32,632	1,04,927	26.4	2,71,691	14.0	4.2	23,176	22,105
Tata Motors	82,754	59,156	39.9	78,843	5.0	4,74,635	2,86,054	65.9	9,66,785	33.1	11.8	82,025	79,106
HCV's	14,736	13,626	8.1	12,846	14.7	80,252	52,111	54.0	1,82,050	26.0	10.2	16,966	13,375
LCV's	20,154	19,632	2.7	18,646	8.1	1,21,205	84,921	42.7	2,57,218	22.8	9.2	22,669	20,201
CV's	34,890	33,258	4.9	31,492	10.8	2,01,457	1,37,032	47.0	4,39,268	24.1	9.6	39,635	33,576
PVs	47,864	25,898	84.8	47,351	1.1	2,73,178	1,49,022	83.3	5,27,517	41.7	14.0	42,390	45,530
Hero MotoCorp	5,19,980	5,30,346	-2.0	4,62,608	12.4	28,18,361	24,63,112	14.4	56,13,734	13.5	12.7	4,65,895	4,69,727
Ashok Leyland	17,549	9,533	84.1	14,121	24.3	84,946	45,530	86.6	1,81,706	41.6	16.9	16,127	14,158
M&HCV	11,314	5,060	123.6	8,379	35.0	52,828	22,564	134.1	1,12,499	52.3	16.3	9,945	8,805
LCV	6,235	4,473	39.4	5,742	8.6	32,118	22,966	40	69,207	27.1	17.8	6,181	5,353
TVS Motor	3,79,011	3,47,156	9.2	3,33,787	13.5	19,34,228	15,74,463	22.9	39,14,796	18.3	14.1	3,30,095	3,22,371
Motorcycles	1,69,322	1,66,046	2.0	1,57,118	7.8	9,10,442	8,43,896	7.9	18,18,470	5.0	2.3	1,51,338	1,51,740
Scooters	1,44,356	1,04,091	38.7	1,21,866	18.5	6,84,493	4,04,297	69.3	13,94,803	51.2	37.1	1,18,385	1,14,082
Mopeds	48,051	62,374	-23.0	36,555	31.4	2,42,786	2,40,060	1.1	5,05,200	4.5	7.8	43,736	40,464
Three-Wheelers	17,282	14,645	18.0	18,248	-5.3	96,507	86,210	11.9	1,96,322	14.2	16.5	16,636	16,085
Domestic	2,86,036	2,44,897	16.8	2,40,676	18.8	12,97,989	9,31,039	39.4	26,28,902	27.8	18.3	2,21,819	2,16,332
Exports	92,975	1,02,259	-9.1	93,111	-0.1	6,36,239	6,43,424	-1.1	12,85,894	2.6	6.5	1,08,276	1,06,040
Eicher Motors													
Royal Enfield	82,097	33,529	144.9	70,112	17.1	3,94,969	2,47,067	59.9	8,51,563	41.4	28.5	76,099	65,828
VECV	6,610	6,070	8.9	5,003	32.1	35,064	20,940	67.4	77,844	36.4	18.4	7,130	5,844
Domestic LMD	3,613	3,853	-6.2	2,670	35.3	16,882	11,850	42.5	25,116	22.0	-5.8	1,372	2,814
Domestic HD	1,673	1,094	52.9	1,045	60.1	7,746	3,918	97.7	7,714	50.0	-102.6	-5	1,291
Domestic Buses	706	279	153.0	815	-13.4	6,637	846	684.5	2,333	222.0	3,443.4	-717	1,106
VTI	112	56	100.0	110	1.8	707	425	66.4	1,079	10.0	-33.1	62	118
Domestic	6,104	5,282	15.6	4,640	31.6	31,972	17,039	87.6	36,242	43.2	-48.3	712	5,329
Exports	506	788	-35.8	363	39.4	3,092	3,901	-20.7	5,025	-3.0	51.2	322	515
Escorts Kubota	12,232	8,816	38.7	6,111	100.2	50,500	47,008	7.4	98,939	5.0	2.6	8,073	8,417
Domestic	11,384	7,975	42.7	5,308	114.5	46,004	43,450	5.9	89,184	2.5	-0.9	7,197	7,667
Exports	848	841	0.8	803	5.6	4,496	3,558	26	9,755	36	45.0	877	749
Construction Equip.	390	400	-2.5	225	73.3	1,883	1,680	12	4,529	10	8.6	441	314

Comparative valuations

	Rating	Mcap	CMP	TP	P/E (x)			EV/EBITDA (x)			PB (x)			FY24 Yield (%)		EPS CAGR
		(INR b)	(INR)	(INR)	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	Div	FCF	(%) FY22-24E
Auto OEM's																
Bajaj Auto	Neutral	1,021	3,527	4,130	19.2	15.9	14.3	15.2	11.5	10.1	3.8	3.9	3.8	5.4	5.1	15.8
Hero MotoCorp	Buy	510	2,550	3,100	20.6	17.9	13.9	11.9	9.7	7.5	3.2	3.1	2.9	4.9	7.6	21.9
TVS Motor	Neutral	490	1,032	935	54.5	32.3	25.8	25.9	17.5	13.9	10.2	8.1	6.4	0.5	4.2	45.2
Eicher Motors	Buy	1,003	3,674	3,825	59.9	33.0	23.8	45.0	25.8	20.6	8.0	6.7	5.4	0.7	4.1	58.7
Maruti Suzuki	Buy	2,665	8,824	11,250	70.8	40.0	23.4	39.7	22.6	15.0	4.9	4.5	4.0	1.5	3.5	72.3
M&M	Buy	1,516	1,269	1,401	29.5	22.3	16.9	21.8	15.6	11.6	1.9	1.7	1.5	0.8	4.8	32.0
Tata Motors	Buy	1,549	405	510	-14.3	94.6	16.4	9.1	5.8	4.0	3.5	3.3	2.8	0.0	16.0	LTP
Ashok Leyland	Buy	448	153	185	1,445.5	47.7	21.0	48.0	20.0	12.2	6.4	6.1	5.8	1.3	5.2	729.9
Escorts	Neutral	261	2,129	1,850	30.8	31.3	25.5	25.1	23.6	14.3	3.1	2.9	2.8	0.5	3.4	9.9
Auto Ancillaries																
Bharat Forge	Buy	324	695	860	32.1	26.7	21.6	18.9	16.3	13.7	4.9	4.3	3.7	0.9	5.0	21.7
Exide Industries	Buy	133	157	215	15.9	14.1	11.2	9.8	9.8	9.4	1.3	1.2	1.1	2.0	8.5	18.9
Amara Raja	Neutral	84	491	540	16.4	15.2	11.9	8.2	7.9	6.2	1.8	1.7	1.6	3.1	5.0	17.6
BOSCH	Neutral	467	15,825	16,150	38.3	35.0	26.2	30.9	23.7	18.4	4.4	4.0	3.6	0.9	1.7	20.9
Endurance Tech	Buy	199	1,418	1,630	41.1	36.1	26.1	20.7	18.0	13.8	5.1	4.6	4.1	1.0	2.3	25.6
Motherson Sumi	Buy	344	109	150	59.7	32.6	17.7	11.6	9.8	7.4	2.4	2.3	2.1	2.4	7.7	83.7
Mahindra CIE	Buy	104	275	330	19.9	14.8	12.4	10.9	9.0	7.1	2.0	1.8	1.6	1.3	4.4	26.4
CEAT	Buy	64	1,572	1,750	80.1	45.8	14.2	11.9	10.1	6.0	1.9	1.9	1.7	0.8	8.9	137.9
Balkrishna Ind	Neutral	364	1,884	2,125	24.6	25.3	21.0	17.2	16.1	13.0	5.3	4.6	4.0	1.6	2.7	8.3
MRF	Neutral	347	81,833	82,000	51.8	44.2	22.1	16.4	13.9	9.2	2.5	2.4	2.1	0.2	3.7	53.1
Apollo Tyres	Buy	160	279	325	24.8	17.4	11.7	8.7	6.4	4.9	1.4	1.3	1.2	1.6	10.3	45.6
Sona BLW	Neutral	266	464	645	79.7	65.9	46.5	48.4	37.5	26.8	13.5	11.7	9.9	0.6	1.1	31.0
Tube Investments	Buy	514	2,743	868	54.3	46.6	34.8	37.1	29.3	22.8	17.2	13.8	10.8	0.3	3.0	25.0
MSUMI	Buy	276	87	102	60.2	45.3	33.4	37.4	28.0	21.7	24.8	19.0	14.0	1.5	2.6	34.2

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at

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

Specific Disclosures

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

The associates of MOFSL may have:

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

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

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

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

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

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022-3980

4263; 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.:022-71881085.

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL: IN-DP-16-2015; NSDL: IN-DP-NSDL-152-2000; 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.