

Alkyl Amines

Estimate changes

TP change

Rating change


CMP: INR2,268
TP: INR2,125 (-6%)
Neutral

Bloomberg	AACL IN
Equity Shares (m)	51
M.Cap.(INRb)/(USD\$b)	115.7 / 1.4
52-Week Range (INR)	2798 / 2119
1, 6, 12 Rel. Per (%)	-15/-19/-38
12M Avg Val (INR M)	130

Financials & Valuations (INR b)

Y/E March	FY24E	FY25E	FY26E
Sales	14.1	17.0	21.2
EBITDA	2.4	3.1	4.5
PAT	1.4	1.9	3.0
EPS (INR)	28.3	37.8	58.2
EPS Gr. (%)	-36.7	33.7	54.0
BV/Sh.(INR)	250.5	279.8	325.0

Ratios

Net D:E	-0.0	-0.0	-0.1
RoE (%)	11.8	14.3	19.3
RoCE (%)	10.9	13.5	18.7
Payout (%)	22.4	22.4	22.4

Valuations

P/E (x)	80.2	60.0	38.9
P/BV (x)	9.1	8.1	7.0
EV/EBITDA (x)	47.6	37.5	25.6
Div. Yield (%)	0.3	0.4	0.6
FCF Yield (%)	1.1	0.7	1.3

Shareholding pattern (%)

As On	Dec-23	Sep-23	Dec-22
Promoter	72.0	72.0	72.0
DII	1.1	1.1	1.1
FII	2.9	2.9	2.7
Others	24.0	24.0	24.2

FII Includes depository receipts

Market share sacrificed for better margin

- Alkyl Amines (AACL)'s 3QFY24 revenue declined 17% YoY, in line with our expectation, primarily due to pricing pressure from Chinese suppliers. Gross margin contracted to 47.6 % in 3Q. EBITDA was higher than our estimate at INR596m, driven by lower-than-anticipated expenses. This resulted in EBITDAM of 18.5%.
- AACL pushed for better margin in some of the products, which improved its PAT to INR334m vs. our estimate of INR267m. The management highlighted that the market condition was in general weak during the quarter, with a decent demand from the pharma sector but poor demand from the agrochemical industry.
- The management emphasized that the price correction due to Chinese suppliers is here to stay for another 6-12 months. The company has applied for ADD on ACN (~50% market share in the domestic market) and has also filed a fresh application for ADD on MIPA (~5% of total revenue). The management is confident about the government levying ADD on ACN (albeit not before 9-12 months from now).
- The company has commissioned its Ethylamines capacity of ~35ktpa with utilization of 50-60% currently. AACL has a 70% market share in Ethylamines in the domestic market. The old Ethylamines plant would be now utilized to manufacture Methylamines (total capacity now stands at ~60ktpa). FID for one specialty chemical product would be taken by Mar'24, which would require a capex of INR700-800m and would take another 9 months to be commissioned.
- Despite decent numbers in 3Q, we have cut our revenue/EBITDA/EPS estimates by 14%/19%/24% for FY25 and by 10%/11%/12% for FY26 given the near-term headwinds. The stock is trading at 60x FY25E EPS and 37.5x FY25E EV/EBITDA. **We reiterate our Neutral rating on the stock and value it at 40x Dec'25E EPS to arrive at our TP of INR2,125.**

Beat led by lower RM costs and other expenses

- Revenue was in line with estimate at INR3.2b (-17% YoY).
- Gross margin was at 47.6% and EBITDAM at 18.5% (vs. ~17.9% in 3QFY23).
- EBITDA came in at INR596m (est. of INR456m, -14% YoY) due to lower-than-expected RM costs and other expenses.
 - PAT stood at INR334m (est. INR267m, -27% YoY).
- For 9MFY24**, revenue stood at INR10.8b (-15% YoY), EBITDA came in at INR1.8b (-32% YoY), and PAT was at INR1.1b (-39% YoY).
- EBITDAM contracted to 16.8% (-420bp YoY).

Valuation and View

- The company has commissioned its Ethylamines plant and boosted its aliphatic amines capacity by ~30%. AACL's total capacity stands at ~200ktpa (including derivatives and specialty chemicals). Additionally, AACL is venturing into new specialty products that are likely to improve its margins. This would be driven by robust demand for these products, which encompass a blend of amine derivatives and specialties.

Aman Chowdhary – Research Analyst (Aman.Chowdhary@MotilalOswal.com)

Research Analyst: Abhishek Nigam (Abhishek.Nigam@MotilalOswal.com) | Rohit Thorat (Rohit.Thorat@MotilalOswal.com)

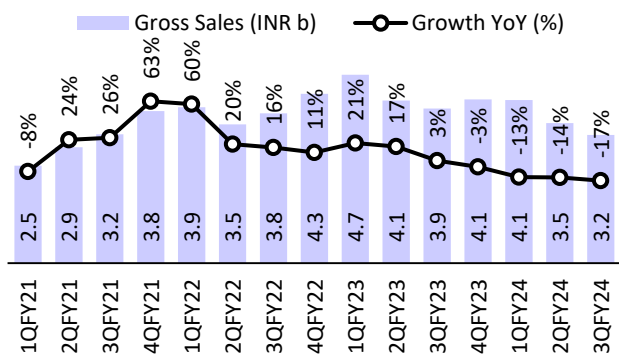
Investors are advised to refer through important disclosures made at the last page of the Research Report.

- We predict an ~8% revenue CAGR over FY23-26 for AACL, accompanied by a 9% EPS CAGR during the same period. The potential risk to our outlook is high competition, leading to AACL having limited pricing power.
- The stock is trading at 60x FY25E EPS and 37.5x FY25E EV/EBITDA. **We reiterate our Neutral rating on the stock, and value it at 40x Dec'25E EPS to arrive at our TP of INR2,125.**

Standalone - Quarterly Snapshot

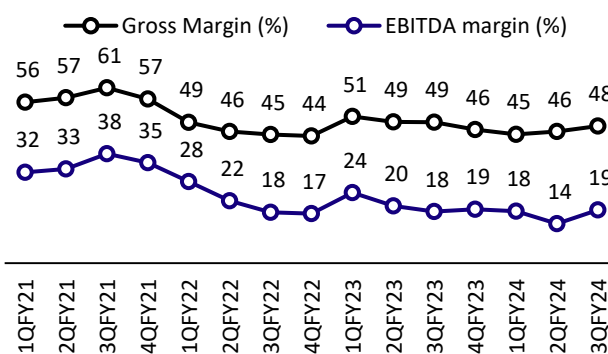
Y/E March	(INR m)											
	FY23				FY24				FY23	FY24E	FY24	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Gross Sales	4,735	4,089	3,884	4,117	4,098	3,522	3,221	3,292	16,824	14,132	3,369	-4%
YoY Change (%)	20.8	17.3	3.1	-3.2	-13.5	-13.9	-17.1	-20.0	9.1	-16.0	-13.3	
Gross Margin (%)	50.9%	49.0%	48.9%	46.4%	44.7%	45.7%	47.6%	48.5%	48.9%	46.5%	46.9%	0.7%
EBITDA	1,158	813	696	769	740	483	596	612	3,436	2,431	456	31%
Margin (%)	24.5	19.9	17.9	18.7	18.1	13.7	18.5	18.6	20.4	17.2	13.5	5.0
Depreciation	118	112	107	116	122	125	168	176	452	591	128	
Interest	8	11	7	11	9	17	11	9	37	46	13	
Other Income	42	23	45	28	55	24	46	30	138	155	41	
PBT before EO expense	1,075	714	626	671	664	364	463	457	3,085	1,948	357	30%
PBT	1,075	714	626	671	664	364	463	457	3,085	1,948	357	30%
Tax	256	189	169	185	166	92	129	115	799	502	90	
Rate (%)	23.8	26.5	27.0	27.5	25.0	25.2	27.8	25.1	25.9	25.8	25.2	
Reported PAT	819	524	457	486	498	272	334	342	2,286	1,447	267	25%
YoY Change (%)	4.3	-3.1	-0.4	4.8	-39.2	-48.0	-26.8	-29.7	1.6	-36.7	-41.6	
Margin (%)	17.3	12.8	11.8	11.8	12.1	7.7	10.4	10.4	13.6	10.2	7.9	2.5

Exhibit 1: Sales down 17% YoY at INR3.2b



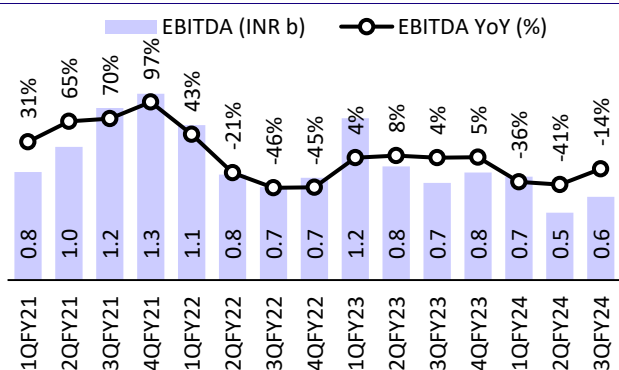
Source: Company, MOFSL

Exhibit 2: EBITDAM improved YoY



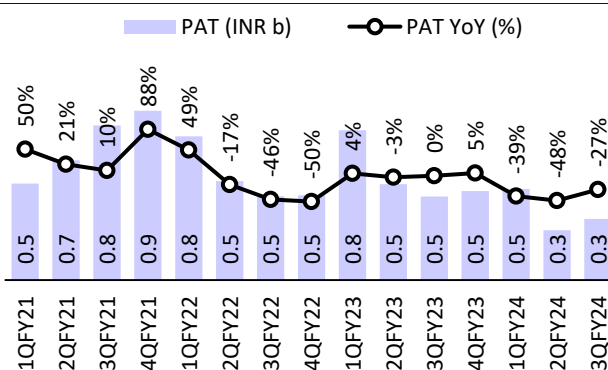
Source: Company, MOFSL

Exhibit 3: EBITDA down 14% YoY at INR596m



Source: Company, MOFSL

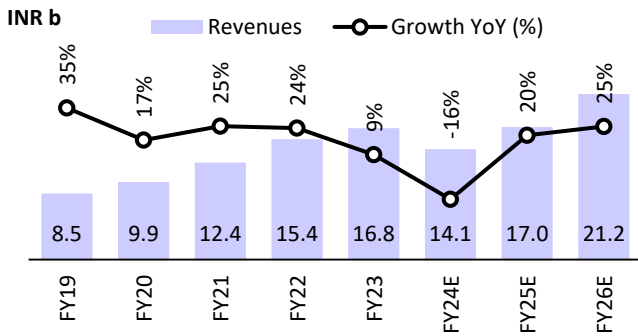
Exhibit 4: PAT down 27% YoY at INR334m



Source: Company, MOFSL

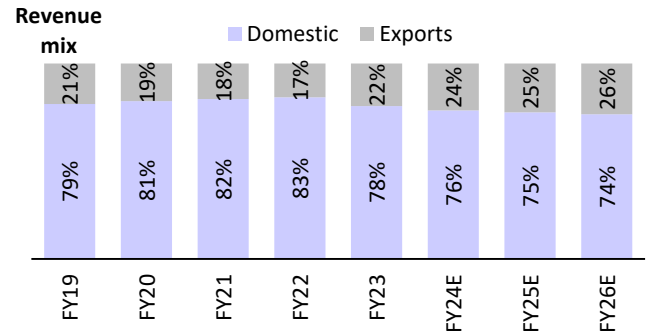
Financial story in charts

Exhibit 5: Expect ~8% revenue CAGR over FY23-26...



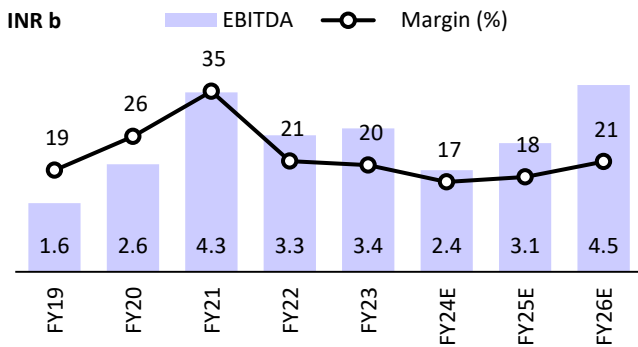
Source: Company, MOFSL

Exhibit 6: ...with exports rising to 26% by FY26



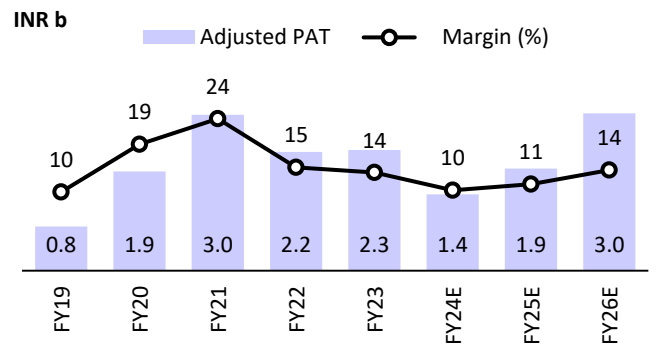
Source: Company, MOFSL

Exhibit 7: Expect EBITDA margin to rebound to ~21% in FY26...



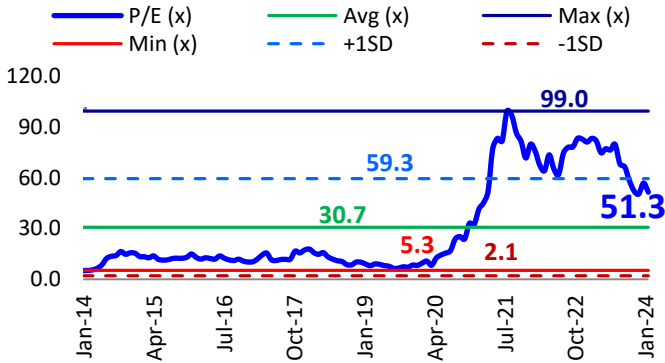
Source: Company, MOFSL

Exhibit 8: ... with PAT margin also rebounding to FY23 levels



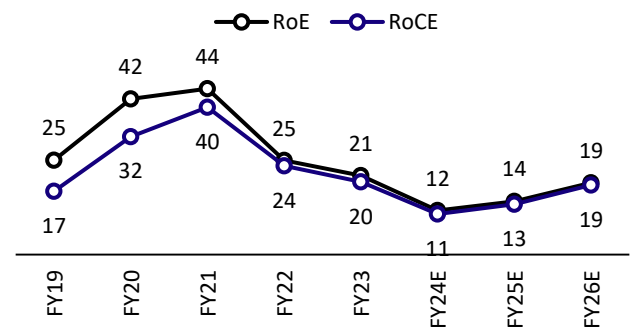
Source: Company, MOFSL

Exhibit 9: One-year forward P/E trades at 51.3x



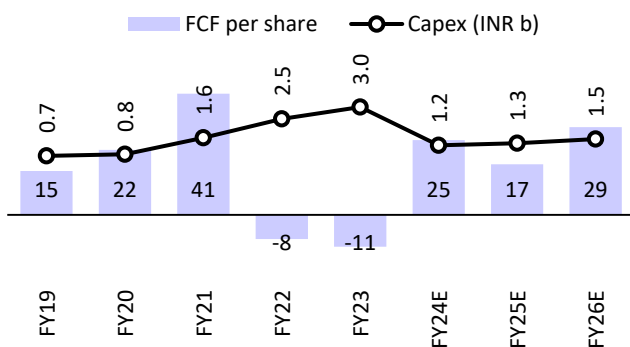
Source: Company, MOFSL

Exhibit 10: Return ratios likely improve going forward



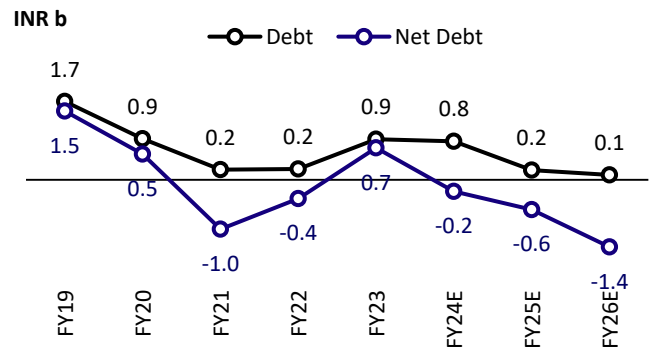
Source: Company, MOFSL

Exhibit 11: Expect strong FCF generation over FY24-26



Source: Company, MOFSL

Exhibit 12: AACL expected to turn net cash in FY24



Source: Company, MOFSL

Financials and valuations

Standalone - Income Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Total Income from Operations	8,464	9,929	12,424	15,428	16,823	14,132	16,958	21,197
Change (%)	35.5	17.3	25.1	24.2	9.0	-16.0	20.0	25.0
Gross Margin (%)	45.5	51.2	57.9	45.8	48.9	46.5	46.0	46.5
EBITDA	1,644	2,570	4,291	3,265	3,431	2,431	3,077	4,467
Margin (%)	19.4	25.9	34.5	21.2	20.4	17.2	18.1	21.1
Depreciation	233	269	291	348	452	591	607	610
EBIT	1,410	2,301	4,001	2,918	2,980	1,839	2,470	3,857
Int. and Finance Charges	148	103	63	38	33	46	51	53
Other Income	39	70	70	142	139	155	165	177
PBT bef. EO Exp.	1,302	2,269	4,007	3,021	3,086	1,948	2,584	3,980
EO Items	0	328	0	0	0	0	0	0
PBT after EO Exp.	1,302	2,597	4,007	3,021	3,086	1,948	2,584	3,980
Total Tax	464	444	1,054	772	799	502	650	1,002
Tax Rate (%)	35.7	17.1	26.3	25.6	25.9	25.8	25.2	25.2
Reported PAT	837	2,153	2,953	2,249	2,287	1,447	1,934	2,978
Adjusted PAT	837	1,881	2,953	2,249	2,287	1,447	1,934	2,978
Change (%)	30.3	124.5	57.0	-23.9	1.7	-36.7	33.7	54.0
Margin (%)	9.9	18.9	23.8	14.6	13.6	10.2	11.4	14.0

Standalone - Balance Sheet

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	102	102	102	102	102	102	102	102
Total Reserves	3,548	5,264	7,822	9,796	11,587	12,710	14,211	16,523
Net Worth	3,650	5,366	7,924	9,898	11,689	12,812	14,313	16,625
Total Loans	1,653	866	216	227	855	812	203	102
Deferred Tax Liabilities	507	404	414	472	560	560	560	560
Capital Employed	5,810	6,636	8,554	10,598	13,104	14,184	15,076	17,287
Gross Block	4,280	4,971	5,315	7,377	8,713	9,913	11,213	12,713
Less: Accum. Deprn.	515	736	1,026	1,374	1,825	2,417	3,024	3,634
Net Fixed Assets	3,764	4,235	4,288	6,003	6,887	7,496	8,188	9,078
Capital WIP	432	449	1,376	1,426	3,520	3,520	3,520	3,520
Total Investments	14	0	302	0	0	0	0	0
Curr. Assets, Loans&Adv.	3,275	3,150	5,486	6,283	5,493	5,517	6,186	8,212
Inventory	1,057	837	1,219	1,645	1,837	1,543	1,851	2,314
Account Receivables	1,526	1,642	2,280	2,767	2,584	2,171	2,605	3,256
Cash and Bank Balance	202	323	1,260	626	182	1,057	834	1,521
Cash	193	312	961	379	172	1,046	823	1,510
Bank Balance	8	10	299	247	11	11	11	11
Loans and Advances	490	349	727	1,245	890	747	897	1,121
Curr. Liability & Prov.	1,676	1,198	2,899	3,116	2,797	2,349	2,819	3,524
Account Payables	1,304	748	1,790	2,285	1,897	1,594	1,912	2,390
Other Current Liabilities	264	354	1,002	730	772	648	778	972
Provisions	107	97	107	101	128	107	129	161
Net Current Assets	1,599	1,952	2,587	3,168	2,696	3,168	3,367	4,688
Appl. of Funds	5,810	6,635	8,554	10,597	13,103	14,184	15,076	17,287

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Basic (INR)								
EPS	16.4	36.9	57.9	44.0	44.7	28.3	37.8	58.2
EPS Growth (%)	30.3	124.5	57.0	-24.0	1.6	-36.7	33.7	54.0
Cash EPS	21.0	42.1	63.6	50.8	53.5	39.8	49.7	70.2
BV/Share	71.5	105.2	155.3	193.7	228.5	250.5	279.8	325.0
DPS	3.4	8.7	16.0	10.0	10.0	6.3	8.5	13.0
Payout (%)	20.6	20.6	27.7	22.7	22.4	22.4	22.4	22.4
Valuation (x)								
P/E	138.2	61.5	39.2	51.5	50.7	80.2	60.0	38.9
Cash P/E	108.1	53.8	35.7	44.6	42.4	56.9	45.6	32.3
P/BV	31.7	21.6	14.6	11.7	9.9	9.1	8.1	7.0
EV/Sales	13.8	11.7	9.2	7.5	6.9	8.2	6.8	5.4
EV/EBITDA	71.3	45.2	26.7	35.4	34.0	47.6	37.5	25.6
Dividend Yield (%)	0.1	0.4	0.7	0.4	0.4	0.3	0.4	0.6
FCF per share	14.8	21.8	40.7	-8.1	-10.7	25.1	17.0	29.5
Return Ratios (%)								
RoE	25.3	41.7	44.4	25.2	21.2	11.8	14.3	19.3
RoCE	17.0	31.6	39.5	23.8	19.5	10.9	13.5	18.7
RoIC	17.9	34.6	51.4	30.7	24.6	14.4	18.2	25.1
Working Capital Ratios								
Fixed Asset Turnover (x)	2.3	2.5	2.9	3.0	2.6	2.0	2.2	2.5
Asset Turnover (x)	1.5	1.5	1.5	1.5	1.3	1.0	1.1	1.2
Inventory (Days)	46	31	36	39	40	40	40	40
Debtor (Days)	66	60	67	65	56	56	56	56
Creditor (Days)	56	27	53	54	41	41	41	41
Leverage Ratio (x)								
Current Ratio	2.0	2.6	1.9	2.0	2.0	2.3	2.2	2.3
Interest Cover Ratio	9.5	22.4	63.2	76.2	89.8	40.1	48.7	72.4
Net Debt/Equity	0.4	0.1	-0.1	0.0	0.1	0.0	0.0	-0.1

Standalone - Cash Flow Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	1,302	2,597	4,007	3,021	3,086	1,948	2,584	3,980
Depreciation	233	269	291	348	452	591	607	610
Interest Expenses	148	103	63	38	33	46	51	53
Others	51	-308	1	-31	61	0	0	0
Direct Taxes Paid	-356	-581	-1,012	-744	-714	-502	-650	-1,002
(Inc)/Dec in WC	64	-193	290	-585	-434	402	-422	-633
CF from Operations	1,442	1,886	3,640	2,047	2,484	2,486	2,170	3,008
(Inc)/Dec in FA	-689	-771	-1,561	-2,462	-3,030	-1,200	-1,300	-1,500
Free Cash Flow	753	1,115	2,079	-415	-546	1,286	870	1,508
Change in Investments	0	343	-587	369	237	0	0	0
Others	21	22	21	36	22	0	0	0
CF from Investments	-668	-407	-2,127	-2,057	-2,771	-1,200	-1,300	-1,500
Issue of Shares	0	0	4	7	12	0	0	0
Inc/(Dec) in Debt	-268	-797	-381	-228	616	-43	-609	-102
Interest Paid	-150	-107	-68	-40	-31	-46	-51	-53
Dividend Paid	-172	-443	-408	-306	-511	-324	-433	-666
Others	-13	-13	-11	-6	-7	0	0	0
CF from Fin. Activity	-603	-1,360	-864	-573	80	-412	-1,092	-821
Inc/Dec of Cash	171	119	649	-583	-207	874	-223	687
Opening Balance	22	193	312	961	379	172	1,046	823
Closing Balance	193	313	962	379	172	1,046	823	1,510

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

NOTES

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

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

Disclosures

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

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

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co. Reg. No. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. 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 of Singapore. Accordingly, if a Singapore person is not, or ceases to be, such an investor, they must immediately discontinue any use of this Report and inform MOCMSPL .

Specific Disclosures

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

The associates of MOFSL may have:

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

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

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

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

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

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.