

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	SECIS IN
Equity Shares (m)	145
M.Cap.(INRb)/(USDb)	56 / 0.6
52-Week Range (INR)	456 / 288
1, 6, 12 Rel. Per (%)	8/10/-8
12M Avg Val (INR M)	46

Financials & Valuations (INR b)			
Y/E Mar	FY25	FY26E	FY27E
Sales	131.9	144.3	161.3
EBITDA Margin	4.6	4.7	4.9
Adj. PAT	3.2	4.6	5.6
EPS (INR)	22.0	31.6	38.4
EPS Gr. (%)	69.7	43.7	21.5
BV/Sh. (INR)	352.2	419.3	500.9
Ratios			
RoE (%)	13.2	17.4	17.7
RoCE (%)	10.9	12.8	13.8
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	17.6	12.2	10.1
P/BV (x)	1.1	0.9	0.8
EV/EBITDA (x)	9.8	8.9	6.7
EV/Sales (x)	0.4	0.4	0.3

Shareholding Pattern (%)			
As On	Jun-25	Mar-25	Jun-24
Promoter	72.1	72.0	71.7
DII	5.8	5.3	3.0
FII	12.4	13.0	16.6
Others	9.6	9.7	8.7

FII includes depository receipts

CMP: INR387 TP: INR450(+16%) Buy

Solid start to FY26

Margin aspirations remain intact

- SIS (SECIS)'s 1QFY26 revenue was up 13.4% YoY/3.5% QoQ at INR35.4b vs. our estimate of INR34.5b. Revenue growth was aided by 18.9% YoY CC growth in Facility Management, whereas India Security/International Security posted 9.2%/12.1% growth YoY. EBITDA margin came in at 4.3%, down 10bp YoY (vs. est. 4.6%). India Security margin was flat at 5.4%, while International Business margin was down 100bp QoQ at 3%.
- Adjusted PAT stood at INR929m (up 12.7%/ 44% QoQ/YoY). The net debt-to-EBITDA ratio stood at 0.87x (0.71x in 4Q). For 1QFY26, revenue/EBITDA/ adj. PAT grew by 13.4%/10.7%/44.7% YoY. We expect revenue/EBITDA/adj. PAT to grow 8.0%/13.4%/65% YoY in 2QFY26. SECIS remains the largest security solutions provider in India, leading the integration of technology in the traditionally manpower-driven industry. We reiterate our BUY rating on the stock with a TP of INR450, implying a 16% upside potential.

Our view: International security margins to remain soft in near term

- SECIS reported robust growth across all three segments. The international security and facilities management businesses delivered double-digit growth, while the India business recorded high single-digit growth. Minimum wage escalation continues to be a key growth driver, with contracts aligned to prevailing wage rates. Rising economic activity, particularly in infrastructure and utilities, is further supporting the deployment of security personnel.
- International business** growth was driven by new contract wins in the energy and airport sectors. These engagements will entail initial onboarding costs, which are expected to impact margins over the next few quarters. Additionally, the company is undergoing a restructuring exercise, including the exit of underperforming management in the SXP business — a move that will continue to weigh on margins through 3Q. After the restructuring, margins are expected to normalize to the 4-4.5% range. We believe this will address operational challenges in the segment, and current headwinds are likely to be short-term in nature.
- Clients in energy, automobile, construction, and manufacturing sectors drove growth in company's Facilities Management business. The company also rebranded its pest control business (INR500m ARR) and remains optimistic about its long-term potential, targeting ARR of INR1,000m over the next five years. That said, the business will continue to be offered as a complementary service within the broader Integrated Facility Management (IFM) portfolio.
- Margins:** The company expects its India businesses (Security Solutions and Facilities Management) to return to ~6% EBITDA margin levels. Margin performance remained steady despite wage revisions for back-office employees. We expect a gradual improvement, with EBITDA margins reaching 5.7%/5.8% in FY26E/FY27E.

Valuations and change in estimates

- We keep our estimates largely unchanged. We value SECIS at INR450 (16% potential upside), assigning a 7x forward EV/EBITDA multiple to its international business and DCF to its Indian business. Reiterate BUY.

In-line revenues and margins; EBITDA cash conversion steady due to better WC management

- SECIS' revenue grew 13.4% YoY/3.5% QoQ to ~INR35.4b vs. our est. of INR34.5b.
- Revenue growth was aided by ~18.9% YoY CC growth in International Security, whereas India Security/Facilities Management posted a growth of 9.2%/ 12.1% YoY.
- EBITDA margin came in at 4.3%, down 10bp YoY (vs. est. 4.6%). India Security margin was 5.4%, while International Business margin was 3.0%, down 100bp QoQ.
- Consolidated adj. PAT stood at INR929m (up 12.7% QoQ).
- Net debt amounted to INR5.4b from INR4.28b in 4QFY25. Net debt/EBITDA stood at 0.87 vs. 0.71x in 4QFY25.
- OCF/EBITDA conversion was 105.7% owing to better working capital management in International and tax refunds.

Key highlights from the management commentary

- The company is increasingly promoting technology-based solutions over traditional guarding services. However, customer adoption of technology remains limited, as manpower remains relatively inexpensive. The pace of wage increases has a direct bearing on tech adoption.
- **Security Solutions – India:** The segment reported new contract wins worth ~INR380m of monthly revenue during the quarter. Historically, the company has delivered EBITDA margins of around 6% and remains committed to returning to that level in the coming quarters. Despite the annual compensation review (ACR), the Security Solutions – India segment maintained a stable EBITDA margin at 5.4%.
- **Security Solutions – International:** International Security posted ~18.9% YoY CC growth. Initial onboarding costs for new contracts impacted margins temporarily and are expected to normalize over the next few quarters.
- Restructuring costs related to SXP also weighed on margins, as SIS exited underperforming management. Some margin volatility is expected through 3QFY26.
- **Facility Management Solutions:** Growth was primarily driven by clients in the energy, automobile, construction, and manufacturing sectors. Pest control remains a highly profitable but small-scale business. The company has set a five-year plan to double the scale of this business to INR1,000m in ARR.

Valuation and view

- With the liberalization and formalization of labor markets and laws, SECIS should be among the biggest direct beneficiaries. It has managed to gain market share during the last few years, and the trend is expected to continue.
- We value SECIS using SOTP: 1) DCF for the India Security business (INR262), 2) an EV/EBITDA multiple of 7x (INR116) for the International Security business, and 3) DCF for the FM business (INR109) less net debt (INR38). **Consequently, we arrive at our TP of INR450. We reiterate our BUY rating on the stock.**

Consolidated - Quarterly Earning Model

Y/E March	(INR Million)											
	FY25				FY26E				FY25	FY26E	Est.	Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		1QFY26	(%/bp)	
Gross Sales	31,299	32,688	33,625	34,279	35,485	35,384	36,698	36,717	1,31,891	1,44,284	34,537	2.7
YoY Change (%)	5.1	6.3	9.4	9.3	13.4	8.2	9.1	7.1	7.6	9.4	10.3	300bp
Total Expenditure	29,925	31,241	32,057	32,631	33,964	33,743	34,899	34,901	1,25,853	1,37,507	32,936	3.1
EBITDA	1,374	1,447	1,568	1,648	1,521	1,641	1,798	1,816	6,037	6,776	1,601	-5.0
Margins (%)	4.4	4.4	4.7	4.8	4.3	4.6	4.9	4.9	4.6	4.7	4.6	-30bp
Depreciation	427	420	407	384	416	420	439	446	1,638	1,721	392	6.1
Interest	422	404	405	376	409	188	188	188	1,606	973	243	68.0
Other Income	118	76	321	166	185	139	139	139	681	600	105	75.7
PBT	643	699	1,076	1,055	881	1,171	1,310	1,320	3,474	4,682	1,070	-17.7
Tax	70	72	122	291	27	105	118	119	556	369	96	-72.1
Rate (%)	10.9	10.3	11.3	27.6	3.1	9.0	9.0	9.0	16.0	7.9	9.0	-590bp
Minority Interest & Profit/Loss of Asso. Cos.	69	61	67	62	76	66	67	66	258	275	65	17
Adjusted PAT	642	688	1,021	825	929	1,132	1,259	1,268	3,176	4,588	1,039	-10.5
YoY Change (%)	-28.3	-8.6	176.5	NA	44.7	64.5	23.3	53.6	67.2	44.4	61.8	
Margins (%)	2.1	2.1	3.0	2.4	2.6	3.2	3.4	3.5	2.4	3.2	3.0	-40bp

Key Performance Indicators

Y/E March	FY25					FY26		FY25
	1Q	2Q	3Q	4Q	1Q			
Segment Revenue (INR m)								
India Security business	13,375	13,843	14,195	14,351	14,599			55,764
International Security business	12,760	13,473	13,829	14,236	15,125			54,299
Facilities Management	5,303	5,534	5,763	5,870	5,943			22,470
EBITDA Margin (%)								
India Security business	5.4	5.5	5.5	5.6	5.4			5.5
International Security business	3.4	3.3	3.8	4.0	3.0			3.7
Facilities Management	4.2	4.3	4.6	4.7	4.8			4.4


Key highlights from the management commentary
Quarterly performance and outlook

- SECIS's revenue grew 13.4% YoY/3.5% QoQ to ~INR35.4b
- The company is increasingly promoting technology-based solutions over traditional guarding services. However, customer adoption of technology remains limited, as manpower remains relatively inexpensive. The pace of wage increases has a direct bearing on tech adoption.
- Growth drivers for business include – 1) minimum wage escalations – all contracts are linked and pro-rated to prevailing minimum wages; 2) Economic activity continues to support demand, especially in public utilities like metro systems and private infrastructure, which require uninterrupted private security services; 3) Government procurement remains strong, and there is visible demand from the manufacturing sector.
- **Security Solutions – India:** The segment reported new contract wins worth ~INR380m of monthly revenue during the quarter. Major contributors to this growth were clients from the e-commerce, construction, manufacturing, BFSI, and retail sectors.
- **Facility Management Solutions:** This segment secured new contract wins worth ~INR250m of monthly revenue. Growth was primarily driven by clients in the energy, automobile, construction, and manufacturing sectors.

- Pest control remains a highly profitable but small-scale business. The company has set a five-year plan to double the scale of this business to INR1,000m in ARR. It is considered a complementary offering to the IFM portfolio. Hence, SIS has taken 100% control of this operation to keep it in-house.
- **Security Solutions – International** posted ~18.9% YoY CC growth, supported by new business wins in the energy and airport sectors.
- Initial onboarding costs for these new contracts impacted margins temporarily and are expected to normalize over the next few quarters.
- There are no major operational challenges currently.
- Following the completion of ongoing restructuring efforts, the company expects margins to return to the 4-4.5% range.

Margins:

- Consolidated EBITDA margin stood at 4.3%, down 10bp YoY. Margin performance was supported by the rationalization of SG&A expenses and better customer portfolio management.
- Historically, the company has delivered EBITDA margins of around 6% and remains committed to returning to that level in the coming quarters.
- EBITDA margin in Security Solutions – International declined to 3.0%, largely due to weaker performance in the Events business and one-off seasonal costs in Australia.
- Restructuring costs related to SXP also weighed on margins, as SIS exited underperforming management. Some margin volatility is expected through 3Q.
- Despite the ACR, the Security Solutions – India segment maintained a stable EBITDA margin at 5.4%.
- Trade receivables over one year are primarily from government and PSU clients. The company maintains over 10% provisions against such receivables as a prudent measure and finds this level to be adequate based on historical trends. Efforts are ongoing to reduce the outstanding receivables over one year.
- Goodwill impairment in the quarter was related to the Henderson business (90% impaired). However, it is now operating at a breakeven level and has shown YoY growth. In the consolidated context, it remains a relatively small business.
- The effective tax rate (ETR) for the India business is currently 0%. The tax outgo in this quarter was related to inter-company dividends. In international markets, SIS pays a tax rate of ~30%.

Other Comments:

- SIS-Prosegur, the company's Cash JV, has received approvals for its IPO from SEBI, BSE, and NSE. The JV now has a one-year window to list. Proceeds from the IPO will be used to reduce SIS Limited's debt.
- As part of the SIS Ventures initiative, the company invested INR60m in Adhikosh Financial Advisory (Kosh), a fintech platform focused on providing Joint Liability Group (JLG) loans to blue-collar workers in Tier 2–4 towns across India.

Valuation and view

- With the liberalization and formalization of labor markets and laws, SECIS should be among the biggest direct beneficiaries. It has managed to gain market share during the last few years, and the trend is expected to continue.

- We value SECIS using SOTP: 1) DCF for the India Security business (INR262), 2) an EV/EBITDA multiple of 7x (INR116) for the International Security business, and 3) DCF for the FM business (INR109) less net debt (INR38). **Consequently, we arrive at our TP of INR450. We reiterate our BUY rating on the stock.**

Exhibit 1: Summary of our revised estimates

	Revised		Earlier		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue (INR m)	1,44,284	1,61,275	1,44,314	1,61,177	0.0%	0.1%
Growth (%)	9.4	11.8	9.4	11.7	-2bp	9bp
EBITDA (INR m)	6,776	7,928	7,027	8,007	-3.6%	-1.0%
EBITDA Margin (%)	4.7	4.9	4.9	5.0	-17bp	-5bp
PAT (INR m)	4,588	5,573	4,636	5,610	-1.0%	-0.7%
EPS (INR)	31.6	38.4	32.2	38.9	-1.6%	-1.2%

Source: Company, MOFSL

Financials and valuation

Consolidated - Income Statement		(INR m)						
Y/E March		FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Total Income from Operations		91,273	1,00,590	1,13,458	1,22,614	1,31,891	1,44,284	1,61,275
Change (%)		7.6	10.2	12.8	8.1	7.6	9.4	11.8
Total Expenditure		86,065	95,606	1,08,543	1,17,426	1,25,853	1,37,507	1,53,347
% of Sales		94.3	95.0	95.7	95.8	95.4	95.3	95.1
EBITDA		5,208	4,985	4,915	5,188	6,037	6,776	7,928
Margin (%)		5.7	5.0	4.3	4.2	4.6	4.7	4.9
Depreciation		1,130	1,116	1,347	1,663	1,638	1,721	2,105
EBIT		4,078	3,869	3,568	3,525	4,399	5,055	5,824
Int. and Finance Charges		1,273	984	1,149	1,482	1,606	973	841
Other Income		279	150	327	427	681	600	600
PBT		3,085	3,035	2,747	2,470	3,474	4,682	5,583
Total Tax		1,154	179	-616	819	556	369	279
Tax Rate (%)		37.4	5.9	-22.4	33.1	16.0	7.9	5.0
Minority Interest		5	26	102	249	258	275	270
Adjusted PAT		1,936	2,882	3,465	1,900	3,176	4,588	5,573
Change (%)		-42.5	48.8	20.2	-45.2	67.2	44.4	21.5
Margin (%)		2.1	2.9	3.1	1.5	2.4	3.2	3.5

Consolidated - Balance Sheet		(INR m)						
Y/E March		FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Equity Share Capital		742	735	729	721	722	722	722
Total Reserves		17,566	19,977	22,604	23,415	23,357	27,945	33,518
Net Worth		18,308	20,713	23,333	24,135	24,079	28,667	34,240
Minority Interest		21	31	0	0	0	0	0
Total Loans		11,646	13,283	15,223	15,086	15,016	13,516	12,016
Deferred Tax Liabilities		-3,993	-5,306	-6,405	-5,921	-5,403	-5,403	-5,403
Capital Employed		25,980	28,720	32,151	33,300	33,692	36,779	40,853
Gross Block		8,394	9,737	11,398	13,690	15,339	17,139	18,939
Less: Accum. Deprn.		5,830	6,945	8,292	9,955	11,593	13,314	15,419
Net Fixed Assets		2,564	2,792	3,106	3,735	3,746	3,824	3,520
Goodwill on Consolidation		11,413	11,647	11,395	10,679	7,516	7,516	7,516
Capital WIP		50	23	195	22	56	66	76
Others		1,750	1,820	2,004	2,008	2,176	1,969	2,019
Total Investments		1,494	1,673	1,579	1,720	2,170	2,170	2,170
Curr. Assets, Loans&Adv.		29,133	27,702	32,443	35,645	40,048	43,269	49,559
Inventory		309	340	314	309	284	304	324
Account Receivables		12,430	13,913	16,777	18,858	18,640	23,078	23,022
Cash and Bank Balance		10,880	7,384	7,510	7,405	11,726	9,550	14,842
Loans and Advances		0	0	0	17	0	0	0
Others		5,513	6,065	7,842	9,056	9,398	10,338	11,372
Curr. Liability & Prov.		17,621	13,967	15,417	17,082	18,523	18,538	20,510
Account Payables		661	583	639	847	821	1,135	1,256
Other Current Liabilities		13,270	9,526	10,820	12,144	13,516	12,485	13,813
Provisions		3,689	3,858	3,958	4,091	4,187	4,918	5,441
Net Current Assets		11,512	13,735	17,026	18,564	21,524	24,731	29,049
Other Non-Current Liabilities		-2,803	-2,970	-3,154	-3,428	-3,497	-3,497	-3,497
Appl. of Funds		25,980	28,720	32,151	33,300	33,692	36,779	40,852

Financials and valuation

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)							
EPS	13.0	19.4	23.2	13.0	22.0	31.6	38.4
Cash EPS	44.9	58.5	70.4	52.1	70.4	92.3	112.3
BV/Share	267.8	303.0	341.3	353.1	352.2	419.3	500.9
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)							
P/E	29.7	20.0	16.7	29.9	17.6	12.2	10.1
Cash P/E	8.6	6.6	5.5	7.4	5.5	4.2	3.4
P/BV	1.4	1.3	1.1	1.1	1.1	0.9	0.8
EV/Sales	0.6	0.6	0.6	0.5	0.4	0.4	0.3
EV/EBITDA	11.2	12.7	13.3	12.4	9.8	8.9	6.7
FCF per share	39.9	8.9	3.5	16.3	40.8	2.1	52.6
Return Ratios (%)							
RoE	12.0	14.8	15.7	8.0	13.2	17.4	17.7
RoCE	9.8	11.8	13.1	6.8	10.9	12.8	13.8
RoIC	18.8	21.9	20.6	10.0	16.8	20.8	22.7
Working Capital Ratios							
Fixed Asset Turnover (x)	10.9	10.3	10.0	9.0	8.6	8.4	8.5
Asset Turnover (x)	3.5	3.5	3.5	3.7	3.9	3.9	3.9
Debtor (Days)	50	50	54	56	52	58	52
Creditor (Days)	3	2	2	3	2	3	3
Leverage Ratio (x)							
Interest Cover Ratio	3.2	3.9	3.1	2.4	2.7	5.2	6.9
Net Debt/Equity	0.0	0.2	0.3	0.2	0.0	0.1	-0.1

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
OP/(Loss) before Tax	4,826	3,439	2,849	2,719	673	4,957	5,852
Depreciation	1,130	1,116	1,347	1,663	1,638	1,721	2,105
Interest & Finance Charges	-3,061	444	884	1,082	994	973	841
Direct Taxes Paid	-604	-2,059	-938	-437	248	-369	-279
(Inc)/Dec in WC	1,537	-899	-2,608	-1,749	890	-5,383	975
CF from Operations	3,828	2,040	1,535	3,278	4,444	1,900	9,494
Others	2,568	295	174	666	2,979	0	0
CF from Operating incl EO	6,396	2,335	1,709	3,944	7,423	1,900	9,494
(Inc)/Dec in FA	-464	-1,021	-1,187	-1,559	-1,530	-1,602	-1,860
Free Cash Flow	5,931	1,314	522	2,386	5,892	298	7,634
(Pur)/Sale of Investments	-2,296	-485	-632	95	-3,890	0	0
Others	1,125	281	340	816	678	0	0
CF from Investments	-1,635	-1,224	-1,480	-647	-4,743	-1,602	-1,860
Issue of Shares	8	2	1	0	0	0	0
Inc/(Dec) in Debt	1,342	-1,333	-219	-872	1,327	-1,500	-1,500
Interest Paid	-909	-933	-1,066	-1,405	-1,469	-973	-841
Dividend Paid	0	0	0	0	0	0	0
Others	-458	-2,345	1,180	-1,125	1,782	0	0
CF from Fin. Activity	-18	-4,608	-103	-3,402	1,640	-2,473	-2,341
Inc/Dec of Cash	4,743	-3,497	126	-105	4,320	-2,176	5,293
Opening Balance	6,138	10,881	7,384	7,510	7,405	11,725	9,550
Closing Balance	10,881	7,384	7,510	7,405	11,725	9,550	14,842

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

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

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report: No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does 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 an officer, director or employee of subject company(ies).
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(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or 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 warranty, 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 alterations 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 profit that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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

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

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

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

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

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

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

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