

MTAR Technologies

BSE SENSEX 80,182 S&P CNX 24,199

CMP: INR1556 TP: INR2,100 (+35%)

Buy



Building Nation with Exceptional Engineering

Stock Info

Bloomberg	MTARTECH IN
Equity Shares (m)	31
M.Cap.(INRb)/(USDb)	47.9 / 0.6
52-Week Range (INR)	2353 / 1495
1, 6, 12 Rel. Per (%)	-7/-21/-46
12M Avg Val (INR M)	541
Free float (%)	63.6

Financials Snapshot (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	7.4	9.2	12.2
EBITDA	1.5	2.3	3.2
Adj. PAT	0.8	1.4	2.2
EBITDA Margin (%)	20.9	24.5	26.5
Cons. Adj. EPS (INR)	27.0	46.5	71.9
EPS Gr. (%)	48.0	72.1	54.7
BV/Sh. (INR)	246.9	293.4	365.3

Ratios

Net D:E	0.2	0.1	0.0
RoE (%)	11.6	17.2	21.8
Payout (%)	11.0	15.8	20.6

Valuations

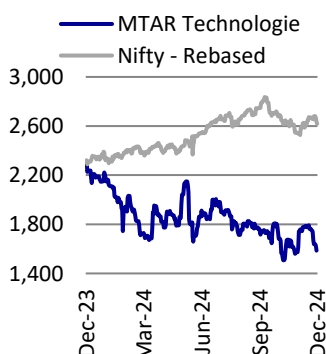
P/E (x)	57.7	33.5	21.7
EV/EBITDA (x)	32.0	21.5	14.9

Shareholding Pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	36.4	36.4	39.1
DII	17.3	16.0	24.1
FII	7.8	7.8	8.8
Others	38.5	39.9	28.0

FII includes depository receipts

Stock Performance (one-year)



Fueling clean energy liftoff

MTARTECH derives the majority of its revenue (~60% in 1HFY25) from the clean energy segments, with most of it coming from one customer, Bloom Energy (BE). As the transitory impact of BE's product changes is over now, we expect the company to report strong growth in the near term in this segment, led by the revival of orders from BE and the addition of new clients.

- MTARTECH witnessed a rough patch over the last couple of quarters due to product transition by BE. As the transition is completed, we are witnessing strong demand for BE's fuel cells, thereby boosting our confidence on the company's near-term growth outlook.
- BE is witnessing a surge in demand as it has signed large deals recently, e.g., an agreement with American Electric Power (AEP) to install 1GW of power over the next couple of years. This opportunity has a revenue potential of INR9-11b for MTARTECH.
- To further diversify its customer mix, MTARTECH has been adding new clients across segments, such as Fluence Energy, which has similar revenue potential as BE in the near future.
- MTARTECH, a key supplier of precision-engineered systems, benefits from growing fuel cell demand, particularly as the largest supplier to BE. We expect MTARTECH to deliver a CAGR of 28%/42%/58% in revenue/EBITDA/Adj. PAT over FY24-27.

Client concentration risk has played out – what's next?

- BE is the largest customer of MTARTECH, accounting for ~70% of its total revenue in FY24. BE is the global leader in manufacturing standard oxide fuel cells (SOFC).
- MTARTECH supplies critical components such as hotboxes (named Santacruz) to BE, which are used in a fuel cell where the chemical reaction to generate power takes place. Moreover, MTARTECH also supplies electrolyzers, sheet metals and wiring to BE.
- MTARTECH currently caters to ~70-75% of BE's hotbox requirements, making the former a key vendor. The company is also looking to increase its wallet share with BE by providing more services, with an end target of fully assembling fuel cells for BE in India.
- The client concentration risk has been a key concern for MTARTECH, as seen in FY24 when BE went into product transition to Santacruz (65kw energy generation) from Yuma (50kw). This led to a slowdown in BE's order flows to MTARTECH, thereby impacting the company's revenue and profitability. Revenue from clean energy fuel cells declined by 21% YoY in FY24 vs. 2.2x growth in FY23.
- However, the transition was completed two quarters ago and we are seeing normalized order flows from BE. In 2QFY25, the clean energy fuel cell segment posted 9% YoY growth vs. a decline in the last four quarters.

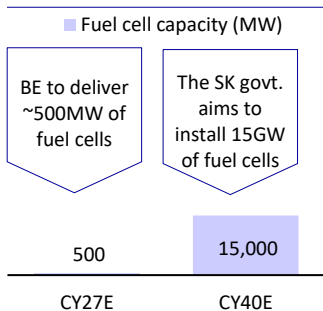
Research Analyst: Meet Jain (Meet.Jain@MotilalOswal.com) | Sumant Kumar (Sumant.Kumar@MotilalOswal.com)

Research Analyst: Omkar Shintre (Omkar.Shintre@MotilalOswal.com) | Nirvik Saini (Nirvik.Saini@MotilalOswal.com)

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

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

South Korea Demand



- Going ahead, we expect strong growth in this segment as the closing order book for BE as of 1HFY25 stood at INR4.9b. BE is returning to the original demand scenario as it has indicated an execution of 4,000 units in CY25 vs. 3,000 units indicated earlier. Further to this, BE have been witnessing strong demand tailwinds in the recent period as discussed in detail below.

BE witnessing strong demand tailwinds

- We have further analyzed BE’s demand scenario to gauge the order flow trends for MTARTECH.
- Over the last few years, BE has signed multiple large agreements to scale up its clean energy technology across diverse industries and geographies.
- **Some of the large deals includes:** SK ecoplant (in Dec’23) to deliver 500MW SOFC through 2027 generating ~USD1.5b in product revenue and USD3b in service revenue over 20 years for BE; Parengo (Jun’24) in UK to install 2.5MW SOFC at Wytch Farm (marks the entry of BE in UK); American Electric Power (AEP) – largest commercial procurement of fuel cells with initial order of 100MW and potential expansion to 1GW focusing on powering AI data centers.
- BE has expanded its existing partnership with Quanta Computers, aiming to deliver more than 150% of the power capacity provided in the client’s existing installations. Other notable collaborations are with CoreWeave and Amazon.
- Additionally, BE orders include deployments for decarbonizing the industrial sectors, powering AI/data centers, and enhancing energy resilience. Collectively, these orders contribute to BE’s projected revenue path of USD1.8b for the next fiscal year.
- BE’s proven track record, with over 1.3GW deployed globally, and its capacity to scale up production for large orders make it a significant player in clean and reliable energy solutions.
- **Since MTARTECH is BE’s largest vendor, the company benefits significantly from strong order flows from BE. For instance, under a recent agreement with AEP, BE will supply ~15,000 hotboxes to AEP. For MTARTECH, it can translate into INR10-11b in revenue (refer exhibit 1) over the next couple of years (incremental to current order book).**

Expanding clientele in clean energy space

- Apart from the key client (BE) coming back on track with a strong outlook, MTARTECH has been proactive in diversifying its client base to safeguard from the client concentration risk in the future.
- One such addition in clean energy is Fluence Energy (Fluence). Fluence, established in 2018, is a leading global provider of energy storage products and services. It is a joint venture between Siemens AG and AES Corporation.
- Fluence collaborates with MTARTECH to address India’s growing need for renewable energy integration and grid stability.
- As per the indications from MTARTECH’s management, the revenue potential from Fluence can be similar to BE in the near future.
- Currently, the contribution from Fluence is nil as Fluence has not yet won any orders in India, but when it does, the orders from Fluence will start flowing in to MTARTECH.

Valuation and view

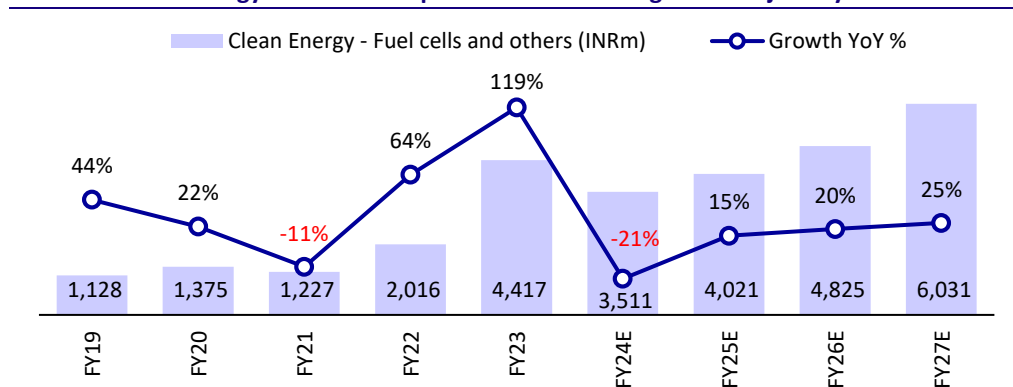
- MTARTECH, being the key supplier of precision engineered systems to large global MNCs, government departments, and large Indian public and private sector enterprises, has over the years created a niche for itself in the industry.
- As the largest supplier of fuel cell components to BE (global leader), the company will benefit from the emerging demand for fuel cells in the coming years. Further, the company is also increasing its wallet share with BE by offering more products, such as precision sheet metal fabrication and enclosures, with the aim of carrying out a complete fuel cell integration for BE.
- We believe the BE-related headwind is over now, and going ahead, strong order flows and agreements by BE should boost the business scenario for MTARTECH. Moreover, the diversification across segments by the company is expected to result in healthy revenue growth going ahead.
- We estimate MTARTECH to deliver a CAGR of 28%/42%/58% in revenue/EBITDA/adj. PAT over FY24-27 on the back of strong order inflows. We retain our BUY rating on the stock with a TP of INR2,100 (34x Dec'26E EPS).

Exhibit 1: Opportunity size of AEP orders for MTAR

Particulars	Metrics	Units	Units
AEP potential order for BE	MW		1000
Hotboxes needed			
Santacruz unit capacity	KW		65
Hotboxes needed	units	15,385	15,385
MTAR's supply share	%	70%	80%
MTAR's Hotboxes share	units	10,769	12,308
Revenue/hotbox	USD	10,800	10,800
Total Revenue for MTAR	USDm	116	133
Total Revenue for MTAR	INRb	9.8	11.2

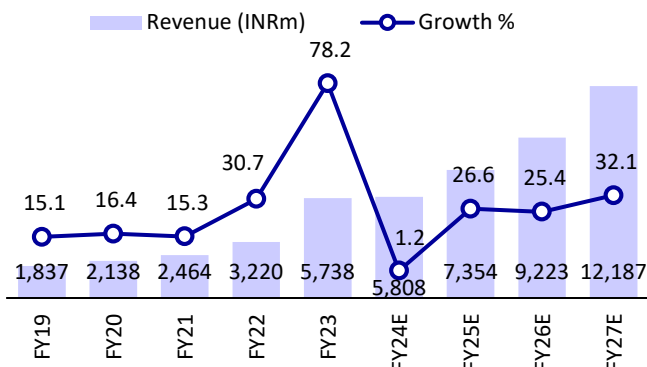
Source: MOFSL

Exhibit 2: Clean Energy – Fuel cells expected to retrace its growth trajectory



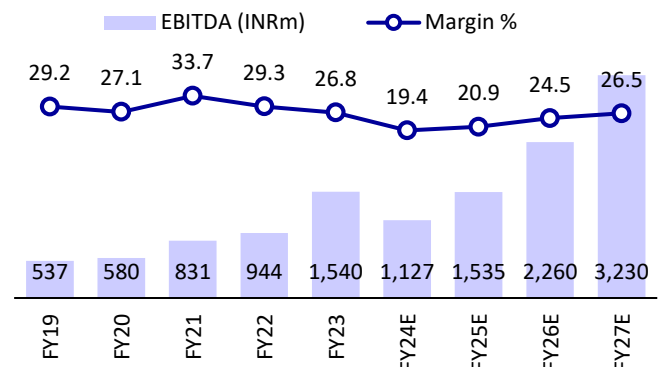
Source: MOFSL

Exhibit 3: Strong revenue growth trajectory...



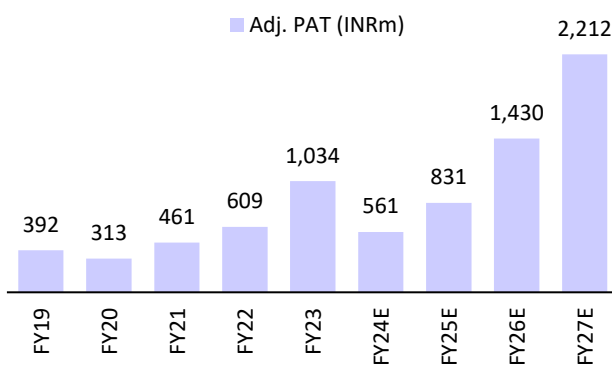
Source: MOFSL, Company

Exhibit 4: ...with EBITDA growing at a faster pace



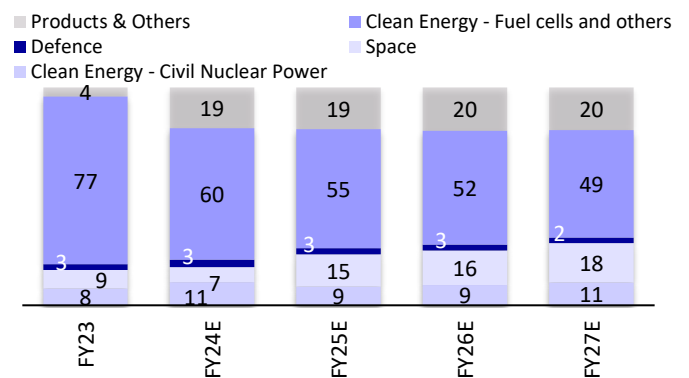
Source: MOFSL, Company

Exhibit 5: Strong growth in adj. PAT



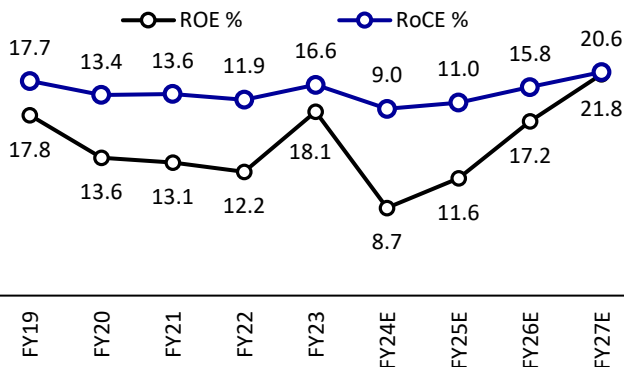
Source: MOFSL, Company

Exhibit 6: Diversification of revenue mix



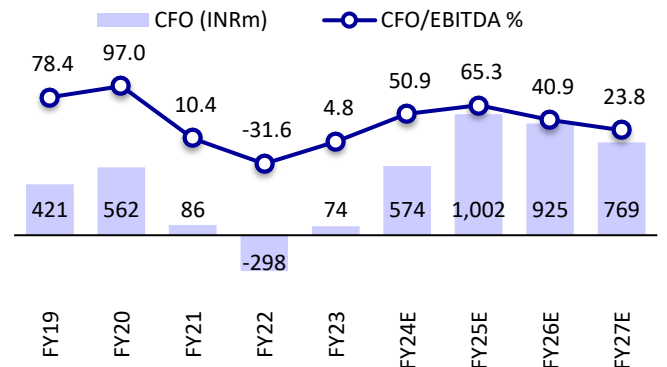
Source: MOFSL, Company

Exhibit 7: Improving return ratio...



Source: MOFSL, Company

Exhibit 8: ...with healthy cash flow generation



Source: MOFSL, Company

Financials and valuations

Consolidated - Income Statement									(INRm)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Total Income from Operations	1,837	2,138	2,464	3,220	5,738	5,808	7,354	9,223	12,187
Change (%)	15	16	15	31	78	1	27	25	32
RM Cost	708	835	912	1,163	2,695	3,024	3,785	4,565	5,972
Employees Cost	435	516	530	708	935	970	1,219	1,383	1,743
Other Expenses	157	208	192	406	568	687	814	1,015	1,243
Total Expenditure	1,300	1,558	1,634	2,276	4,198	4,681	5,819	6,963	8,957
EBITDA	537	580	831	944	1,540	1,127	1,535	2,260	3,230
Margin (%)	29.2	27.1	33.7	29.3	26.8	19.4	20.9	24.5	26.5
Depreciation	112	121	126	143	187	232	298	321	351
EBIT	425	459	705	801	1,353	895	1,237	1,938	2,879
Int. and Finance Charges	45	48	70	66	146	223	207	166	106
Other Income	35	44	13	88	195	58	85	138	183
PBT after EO Exp.	415	455	648	822	1,402	730	1,115	1,911	2,956
Total Tax	24	142	188	213	368	169	285	481	744
Tax Rate (%)	5.7	31.2	29.0	26.0	26.2	23.2	25.5	25.2	25.2
Reported PAT	392	313	461	609	1,034	561	831	1,430	2,212
Adjusted PAT	392	313	461	609	1,034	561	831	1,430	2,212
Change (%)	625.7	-20.1	47.1	32.2	69.9	-45.7	48.0	72.1	54.7
Margin (%)	21.3	14.6	18.7	18.9	18.0	9.7	11.3	15.5	18.1

Consolidated - Balance Sheet									(INRm)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	282	268	308	308	308	308	308	308	308
Total Reserves	2,068	1,983	4,460	4,890	5,894	6,456	7,286	8,716	10,928
Net Worth	2,350	2,251	4,768	5,197	6,201	6,763	7,594	9,024	11,235
Total Loans	287	291	170	959	1,434	1,909	1,709	1,309	709
Deferred Tax Liabilities	0	53	127	163	182	209	209	209	209
Capital Employed	2,638	2,595	5,064	6,319	7,817	8,881	9,512	10,541	12,153
Gross Block	1,978	2,028	2,273	2,710	3,842	4,569	5,527	6,144	6,587
Less: Accum. Deprn.	356	477	603	746	932	1,164	1,462	1,783	2,134
Net Fixed Assets	1,622	1,551	1,671	1,964	2,910	3,405	4,065	4,360	4,453
Capital WIP	56	117	105	438	644	729	521	304	261
Total Investments	0	0	0	623	275	0	0	0	0
Curr. Assets, Loans&Adv.	1,373	1,794	4,087	4,252	6,804	5,942	6,769	8,223	10,539
Inventory	411	755	1,025	1,703	3,866	3,476	3,828	4,548	6,010
Account Receivables	504	616	773	1,360	2,084	1,466	1,914	2,400	3,172
Cash and Bank Balance	108	233	1,909	669	312	508	439	536	382
Loans and Advances	351	191	380	520	543	492	588	738	975
Curr. Liability & Prov.	414	868	799	958	2,816	1,196	1,844	2,346	3,100
Account Payables	60	306	371	570	2,182	714	1,108	1,516	2,003
Other Current Liabilities	329	495	397	353	559	422	662	738	975
Provisions	26	67	32	35	75	59	74	92	122
Net Current Assets	959	927	3,288	3,294	3,989	4,747	4,926	5,877	7,439
Appl. of Funds	2,638	2,595	5,064	6,319	7,817	8,881	9,512	10,541	12,153

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)									
EPS	13.9	11.7	15.0	19.8	33.6	18.2	27.0	46.5	71.9
Cash EPS	17.9	16.2	19.1	24.4	39.7	25.8	36.7	56.9	83.3
BV/Share	83.3	84.1	155.0	169.0	201.6	219.9	246.9	293.4	365.3
Valuation (x)									
P/E	112.1	133.1	104.0	78.7	46.3	85.4	57.7	33.5	21.7
Cash P/E	87.1	96.1	81.7	63.7	39.2	60.4	42.4	27.4	18.7
P/BV	18.7	18.5	10.0	9.2	7.7	7.1	6.3	5.3	4.3
EV/Sales	24.0	19.5	18.7	14.8	8.5	8.5	6.7	5.3	4.0
EV/EBITDA	82.2	72.0	55.6	50.4	31.7	43.8	32.0	21.5	14.9
FCF per share	6.3	16.6	-4.6	-39.3	-32.6	-11.8	8.2	17.1	12.0
Return Ratios (%)									
RoE	17.8	13.6	13.1	12.2	18.1	8.7	11.6	17.2	21.8
RoCE	17.7	13.4	13.6	11.9	16.6	9.0	11.0	15.8	20.6
RoIC	17.0	13.4	18.9	15.5	17.9	9.7	11.4	15.9	20.3
Working Capital Ratios									
Fixed Asset Turnover (x)	0.9	1.1	1.1	1.2	1.5	1.3	1.3	1.5	1.9
Asset Turnover (x)	0.7	0.8	0.5	0.5	0.7	0.7	0.8	0.9	1.0
Inventory (Days)	82	129	152	193	246	218	190	180	180
Debtor (Days)	100	105	114	154	133	92	95	95	95
Creditor (Days)	12	52	55	65	139	45	55	60	60
Leverage Ratio (x)									
Current Ratio	3.3	2.1	5.1	4.4	2.4	5.0	3.7	3.5	3.4
Interest Cover Ratio	9.5	9.6	10.1	12.0	9.3	4.0	6.0	11.7	27.2
Net Debt/Equity	0.1	0.0	-0.4	-0.1	0.1	0.2	0.2	0.1	0.0

Consolidated - Cash Flow Statement

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
(INRm)									
OP/(Loss) before Tax	416	455	648	822	1,402	730	1,115	1,911	2,956
Depreciation	112	121	126	143	187	232	298	321	351
Interest & Finance Charges	38	38	57	66	146	165	122	28	-77
Direct Taxes Paid	-94	-72	-117	-180	-323	-213	-285	-481	-744
(Inc)/Dec in WC	-57	26	-617	-1,079	-1,291	-372	-249	-854	-1,716
CF from Operations	415	567	97	-227	121	543	1,002	925	769
Others	7	-5	-11	-71	-47	31	0	0	0
CF from Operating incl EO	421	562	86	-298	74	574	1,002	925	769
(Inc)/Dec in FA	-243	-119	-228	-911	-1,078	-938	-750	-400	-400
Free Cash Flow	178	443	-142	-1,209	-1,004	-364	252	525	369
(Pur)/Sale of Investments	0	0	0	-780	377	298	0	0	0
Others	-86	-2	8	241	-166	83	85	138	183
CF from Investments	-329	-121	-220	-1,450	-867	-556	-665	-262	-217
Issue of Shares	0	0	2,127	0	0	0	0	0	0
Inc/(Dec) in Debt	90	-5	-122	789	457	476	-200	-400	-600
Interest Paid	-62	-59	-64	0	-137	-223	-207	-166	-106
Dividend Paid	-102	-170	-80	-185	0	0	0	0	0
Others	0	-179	-60	-64	0	0	0	0	0
CF from Fin. Activity	-75	-414	1,802	541	320	253	-407	-566	-706
Inc/Dec of Cash	17	28	1,667	-1,207	-473	270	-70	97	-154
Opening Balance	91	108	233	1,909	670	312	508	439	536
Other cash & cash equivalent	0	97	9	-32	116	-74			
Closing Balance	108	233	1,909	670	312	508	439	536	382

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

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

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

Disclosures:

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, 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 Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

MOFSL, its associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have 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. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, 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.

In the past 12 months, MOFSL or any of its associates may have:

- received any compensation/other benefits from the subject company of this report
- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:

- a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
- 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.

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. To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the 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.

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.

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.

Disclosure of Interest Statement

MTAR Technologies

Analyst ownership of the stock

No

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 Financial Services Limited (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.

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.