

Mahindra Lifespaces

Estimate change 

TP change 

Rating change 

CMP: INR605

TP: INR600 (-1%)

Neutral

Key launches to materialize in 4Q

Witnessed steady demand in ongoing projects

	MLIFE IN
Bloomberg	
Equity Shares (m)	155
M.Cap.(INRb)/(USDb)	93.5 / 1.1
52-Week Range (INR)	599 / 316
1, 6, 12 Rel. Per (%)	5/8/37
12M Avg Val (INR M)	139

Financials & Valuations (INR b)

Y/E Mar	FY24E	FY25E	FY26E
Sales	2.9	4.0	4.9
EBITDA	-1.4	-1.0	-0.9
EBITDA (%)	NM	NM	NM
Net profit	0.2	1.3	1.1
EPS (INR)	1.5	8.2	6.9
EPS Growth (%)	-50.9	462.5	-16.6
BV/Share (INR)	118.2	126.5	133.3

Ratios

Net D/E	413.1	73.4	88.1
RoE (%)	5.1	4.8	4.5
RoCE (%)	NM	NM	NM
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	-0.4	-0.2	-0.2
P/BV (x)	1.2	6.7	5.3
EV/EBITDA (x)	-4.0	-3.3	-2.8
Div Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Dec-23	Sep-23	Dec-22
Promoter	51.2	51.2	51.3
DII	23.2	20.2	19.0
FII	8.5	11.9	11.1
Others	17.1	17.5	18.7

- Mahindra Lifespace (MLDL) achieved **bookings of INR4.4b, flat YoY/QoQ** (13% lower than our estimate). Sales volume stood at 0.5msf, down 13% YoY. Bookings for 9MFY24 stood at INR12b, down 14% YoY. During this period, the share of sustenance sales increased 3x to INR9b vs. INR3.3b in 9MFY23.
- **IC&IC Segment** – The leasing traction in the IC segment picked up sequentially as MLDL achieves the highest ever leasing of 77 acres across Jaipur and Chennai. Realization was steady at INR29m/acre.
- **Cash flows** – The company collected INR4b during the quarter and spent INR1b on construction. In 9MFY24, it generated surplus operating cash flows of INR3.8b. Net debt (Resi+IC&IC) stood at INR3.1b vs. INR2.3b in 2QFY24.
- **P&L performance** – MLDL's revenue declined 56% YoY, but was up 4x QoQ to INR0.8b (vs. our estimate of INR0.3b). It reported an EBITDA loss of INR0.4b. However, PAT came in at INR0.5b, aided by INR0.75b contribution from JV projects and IC business.

Key highlights from the management commentary

- **New launches:** The company is set to witness multiple launches in 4QFY24, including its key project at Kandivali (already launched). New projects at Pune and Bengaluru are at an advanced stage of approvals and are likely to be launched in 4Q. The GDV of all new launches is in excess of INR25b.
- **BD:** The pipeline continues to remain strong at INR50-60b, of which, ~60% is in MMR and 20% each in Bengaluru/Pune. The immediate goal is to get a fair share of the market in the existing three markets, before venturing out in NCR (and other cities).
- MLDL is also actively exploring the possibility of plotted projects at all the land parcels in the IC vertical and there will be multiple projects launched in this segment at Chennai and at other locations.
- **IC Segment:** The company continues to look for an anchor at Ahmedabad, while remaining open to the possibility of an outright sale in the event of a large transaction. It is not inclined toward engaging in small leases of 2-5 acres, as it may dilute the overall potential of the park.

Valuation and view: Growth priced in; maintain Neutral

- While 9MFY24 pre-sales performance was moderate, the launch pipeline remains on track for 4QFY24 launch, and hence, we retain our FY24E/FY25E pre-sales. With higher-than-expected contribution from its JV business, we raise our PAT for FY24E/FY25E by 184%/10% to INR227m/INR1.3b.
- We estimate the value of the existing pipeline at INR31b. Concurrently, at the CMP, the residential segment is valued at INR69b, in line with our DCF-based value of INR72b. This indicates that the near-term growth potential is already factored into the current price.
- **We roll forward our estimates and reiterate our NEUTRAL stance on the stock with a revised TP of INR600/share, indicating fair valuation.**

Pritesh Sheth - Research Analyst (Pritesh.Sheth@MotilalOswal.com)

Sourabh Gilda – Research Analyst (Sourabh.Gilda@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.

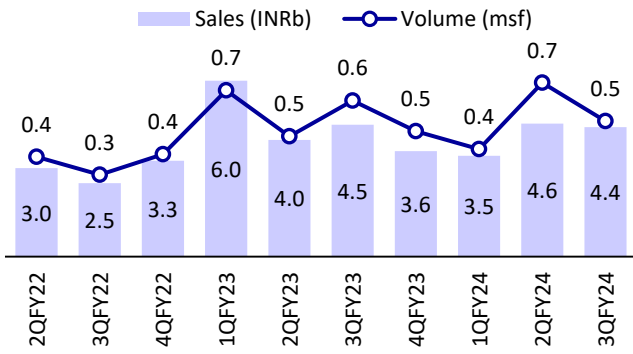
Financial and Operational Performance

Y/E March	FY23				FY24E				FY23	FY24E	FY24E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Income from Operations	946	698	1,869	2,554	980	178	820	905	6,066	2,883	288	184
YoY Change (%)	-36.2	17.8	667.9	57.9	3.7	-74.5	-56.1	-64.6	54.1	-52.5	-84.6	
Total Expenditure	1,265	1,092	1,983	2,827	1,412	527	1,210	1,163	7,167	4,311	994	
EBITDA	-320	-394	-114	-274	-431	-349	-390	-259	-1,101	-1,429	-706	-45
Margins (%)	-33.8	-56.4	-6.1	-10.7	-44.0	-196.5	-47.6	-28.6	-18.2	-49.6	-244.8	
Depreciation	24	32	34	31	30	31	38	36	122	135	30	
Interest	18	25	33	34	42	2	3	11	109	59	33	
Other Income	228	40	112	149	120	79	68	79	530	346	112	
PBT before EO expense	-134	-411	-69	-189	-383	-303	-364	-226	-803	-1,276	-656	-45
Extra-Ord expense	338	0	340	0	0	0	0	0	678	0	0	
PBT	204	-411	271	-189	-383	-303	-364	-226	-124	-1,276	-656	-45
Tax	76	-67	-14	34	-94	-108	-109	-72	28	-383	-169	
Rate (%)	37.0	16.4	-5.1	-17.9	24.4	35.7	30.1	31.7	-22.7	30.0	25.7	
MI & Profit/Loss of Asso. Cos.	625	266	48	229	247	6	754	113	1,167	1,120	208	
Reported PAT	754	-77	332	6	-43	-189	500	-42	1,014	227	-279	NA
Adj PAT	541	-77	-8	6	-43	-189	500	-42	461	227	-279	
YoY Change (%)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	
Margins (%)	57.2	-11.1	-0.4	0.2	-4.4	-106.5	61.0	-4.6	7.6	7.9	-96.8	
E: MOSL Estimates												
Operational Performance												
Area sold (msf)	0.7	0.5	0.6	0.5	0.4	0.7	0.5	0.8	2.2	2.4	0.5	2
Booking value (INR b)	6.0	4.0	4.5	3.6	3.5	4.6	4.4	9.7	18	22	5.1	-13
Avg Realization (INR)	9262	8489	7393	7367	8214	6691	8358	12277	8,167	9,149	9796	-15

Source: Company, MOFSL

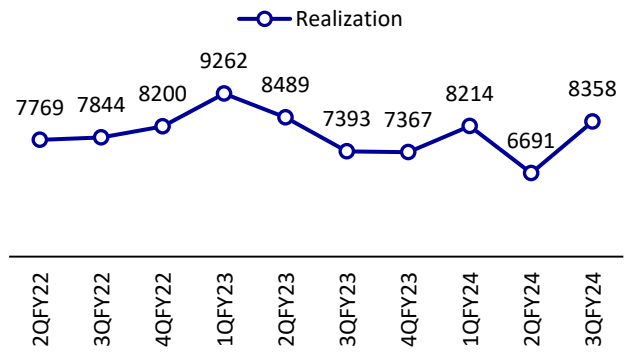
Key Exhibits

Exhibit 1: MLDL reported bookings of INR4.4b, flat YoY



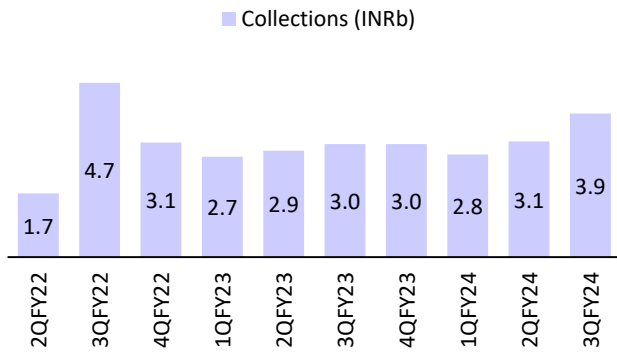
Source: Company, MOFSL

Exhibit 2: Realization/sft increased 13% YoY



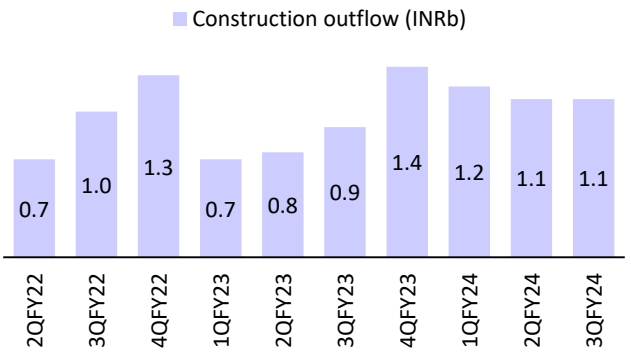
Source: Company, MOFSL

Exhibit 3: Collections increased 27% YoY to ~INR4b



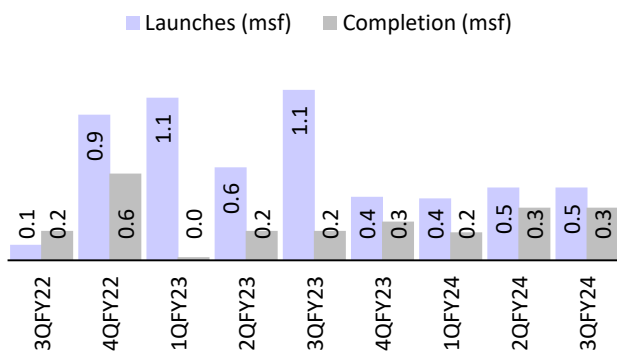
Source: Company, MOFSL

Exhibit 4: The company spent INR1.1b on construction in 3QFY24



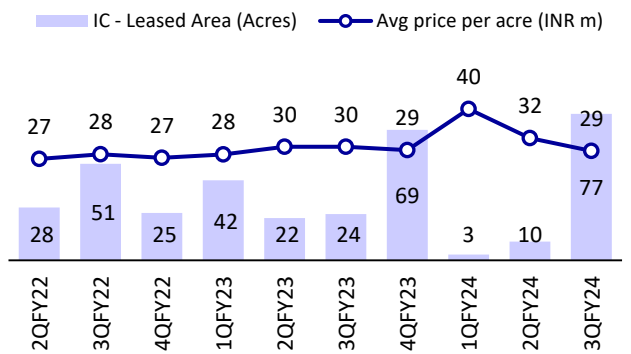
Source: Company, MOFSL

Exhibit 5: MLDL launched a new project in Pune in 3QFY24



Source: Company, MOFSL

Exhibit 6: In the IC segment, MLDL reported the highest quarterly leasing of 77 acres



Source: Company, MOFSL

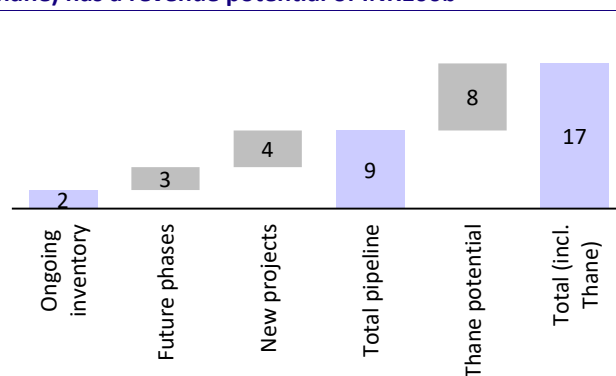
Story in charts

Exhibit 7: Since FY21, MLDL has acquired 12 projects with a development potential of 11msf and GDV of ~INR116b

Micro Market	City	Project size (msf)	MLDL Share	Year of acquisition	GDV
Kalyan 1	MMR	0.8	100	FY20	5
Tathawade	Pune	1.1	100	FY20	8
Kanakpura	Bengaluru	0.8	100	FY21	7
Kalyan	MMR	1.1	100	FY21	8
Dahisar	MMR	0.9	70	FY22	10
Kandivali	MMR	1.7	100	FY22	21
Pimpri	Pune	0.4	100	FY22	7
Pimpri	Pune	2.0	100	FY23	23
Hosur Road	Bengaluru	0.5	100	FY23	5
Santa Cruz	MMR	0.1	100	FY23	5
Malad	MMR	0.5	100	FY23	9
Wagholi	Pune	1.5	100	FY24	11
Total		11.4			116

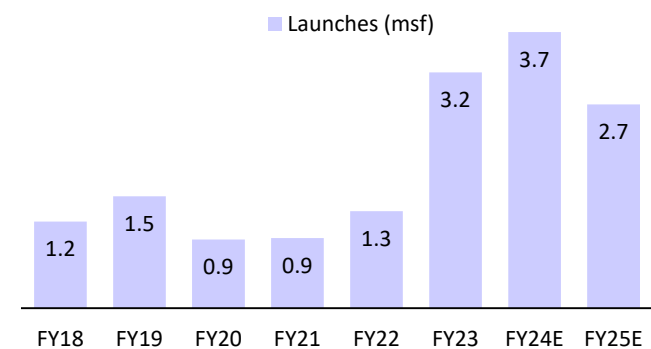
Source: Company, MOFSL

Exhibit 8: The company's current pipeline of 9msf (excl. Thane) has a revenue potential of INR100b



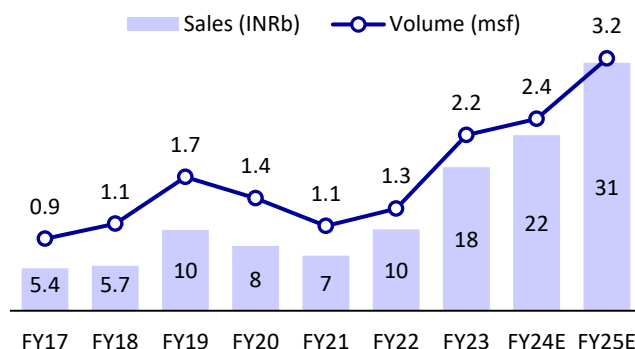
Source: Company, MOFSL

Exhibit 9: MLDL to increase its launches, driven by a robust pipeline...



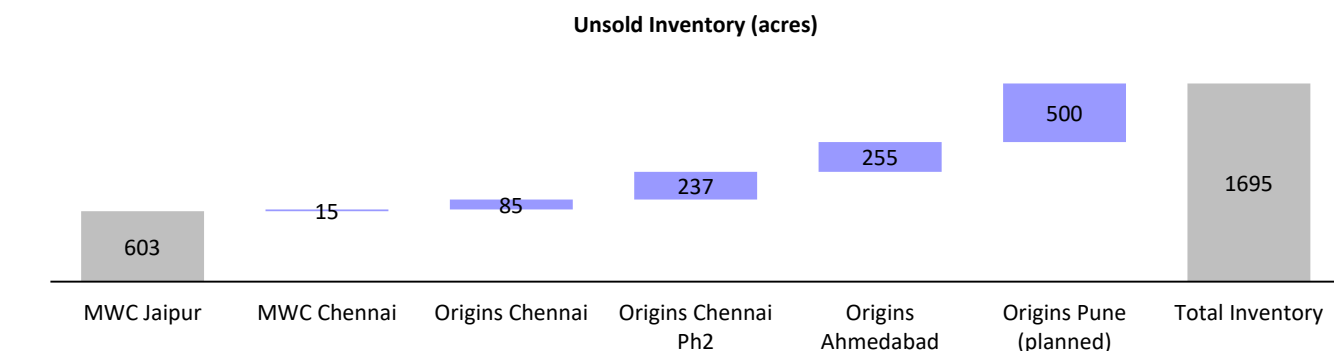
Source: MOFSL, Company

Exhibit 10: ...leading to a 31% CAGR in sales over FY23-25E



Source: MOFSL, Company

Exhibit 11: Including its operating and planned assets, MLDL's IC segment has an unsold inventory of ~1,700 acres



Source: Company, MOFSL

Exhibit 12: Earnings change summary

(INR m)	Old		New		Change	
	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Revenue	2,883	3,999	2,883	3,999	0%	0%
EBITDA	-1,142	-1,150	-1,429	-986	NM	NM
Adj. PAT	80	1,154	227	1,274	184%	10%
Pre-sales	22,175	31,312	22,175	31,312	0%	0%
Collections	15,553	23,927	15,553	23,927	0%	0%

Source: MOFSL, Company

Valuation and view

- We value MLDL on an SoTP basis:
- Its Residential business is valued through the DCF method at a WACC of 13% over five years and a terminal growth rate of 3%.
- Its IC&IC segment is valued through the DCF method, using cash flows generated by monetizing land inventory over the next 12-15 years.
- Its residential land bank in Pune, Chennai, and Murud are valued at the current realizable value.
- Based on the above approach, we arrive at a GAV of INR96b. Netting off FY24E net debt of INR3b, we derive an NAV of INR93b or INR600 per share.

Exhibit 13: Based on our SoTP approach, we arrive at a NAV of INR93b (or INR600 per share), implying fair valuation

Particulars	Rationale	Value (INR b)	Per share	% contribution
Residential	DCF of five years cash flow at a WACC of 13% and a terminal value assuming 3% long-term growth	72	466	78%
IC & IC	PV of future cash flows discounted at a WACC of 13%	15	99	17%
Land bank	~1,650 acres of land bank valued at market price	4	28	5%
Annuity	8.5% Cap rate on FY24E NOI	4	27	4%
Gross Asset value		96	620	103%
Net debt	FY24E	(3)	(19)	-3%
Net Asset value		93	601	100%
No. of shares (m)		155		
NAV per share		600		
CMP		605		
Upside		-1%		

Source: MOFSL, Company

Financials and valuations

Consolidated – Profit & Loss

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Total Income from Operations	6,109	1,662	3,936	6,066	2,883	3,999	4,915
Change (%)	3.1	-72.8	136.7	54.1	-52.5	38.7	22.9
Operating Expenses	4,830	1,173	3,031	5,138	2,450	2,999	3,686
Employees Cost	822	757	836	792	871	897	924
Other Expenses	1,025	668	963	1,238	990	1,089	1,198
Total Expenditure	6,678	2,598	4,830	7,167	4,311	4,985	5,808
% of Sales	109.3	156.3	122.7	118.2	149.6	124.7	118.2
EBITDA	-568	-935	-895	-1,101	-1,429	-986	-893
Margin (%)	-9.3	-56.3	-22.7	-18.2	-49.6	-24.7	-18.2
Depreciation	77	70	65	122	135	151	185
EBIT	-645	-1,005	-960	-1,223	-1,563	-1,138	-1,078
Int. and Finance Charges	76	110	65	109	59	148	157
Other Income	105	216	147	530	346	160	197
PBT bef. EO Exp.	-617	-899	-878	-803	-1,276	-1,125	-1,038
EO Items	-1,346	0	968	678	0	0	0
PBT after EO Exp.	-1,963	-899	90	-124	-1,276	-1,125	-1,038
Total Tax	-17	-63	-624	28	-383	-281	-260
Tax Rate (%)	0.9	7.0	-695.2	-22.7	30.0	25.0	25.0
Minority Interest	-11	118	830	1,167	1,120	2,118	1,841
Reported PAT	-1,957	-718	1,545	1,014	227	1,274	1,062
Adjusted PAT	-623	-718	172	461	227	1,274	1,062
Change (%)	-152.9	15.2	-123.9	168.7	-50.9	462.5	-16.6
Margin (%)	-10.2	-43.2	4.4	7.6	7.9	31.9	21.6

Consolidated - Balance Sheet

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	514	514	1,545	1,547	1,547	1,547	1,547
Total Reserves	16,499	15,797	16,340	16,511	16,738	18,012	19,074
Net Worth	17,013	16,311	17,885	18,058	18,284	19,558	20,621
Minority Interest	420	420	491	2	2	2	2
Total Loans	2,319	2,443	2,805	2,681	3,181	3,381	3,581
Deferred Tax Liabilities	77	152	0	0	0	0	0
Capital Employed	19,829	19,326	21,181	20,740	21,467	22,941	24,203
Gross Block	320	222	423	545	680	831	1,016
Less: Accum. Deprn.	260	184	249	371	506	657	842
Net Fixed Assets	60	38	174	174	174	174	174
Goodwill on Consolidation	660	660	660	0	0	0	0
Capital WIP	122	146	34	51	51	51	51
Total Investments	5,743	5,786	6,424	9,253	9,253	9,253	9,253
Curr. Assets, Loans&Adv.	18,777	19,249	23,083	26,637	19,008	24,188	26,133
Inventory	12,043	13,447	14,419	20,976	8,688	12,600	15,484
Account Receivables	1,144	564	919	1,291	673	934	1,148
Cash and Bank Balance	1,324	1,355	2,255	774	7,485	7,055	5,078
Loans and Advances	4,267	3,883	5,490	3,596	2,162	3,599	4,423
Curr. Liability & Prov.	5,534	6,553	9,193	15,367	7,011	10,717	11,400
Account Payables	1,276	1,349	1,733	1,918	1,547	1,789	2,084
Other Current Liabilities	3,972	5,049	7,294	13,288	5,343	8,760	9,109
Provisions	286	155	166	161	121	168	207
Net Current Assets	13,244	12,696	13,890	11,270	11,996	13,471	14,733
Appl. of Funds	19,830	19,327	21,181	20,748	21,474	22,949	24,211

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Basic (INR)							
EPS	-12.1	-14.0	1.1	3.0	1.5	8.2	6.9
Cash EPS	-10.6	-12.6	1.5	3.8	2.3	9.2	8.1
BV/Share	331.2	317.4	115.7	116.7	118.2	126.5	133.3
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	-41.2	-35.8	449.8	167.6	413.1	73.4	88.1
Cash P/E	-47.1	-39.7	326.2	132.5	259.0	65.7	75.1
P/BV	1.5	1.6	4.3	4.3	5.1	4.8	4.5
EV/Sales	4.4	16.1	19.8	13.1	31.0	22.5	18.7
EV/EBITDA	-46.9	-28.6	-86.9	-72.0	-62.5	-91.1	-103.1
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	-12.8	-13.8	-4.2	-10.5	38.3	-4.2	-14.3
Return Ratios (%)							
RoE	-3.4	-4.3	1.0	2.6	1.2	6.7	5.3
RoCE	-2.6	-3.9	-32.8	-4.1	-4.0	-3.3	-2.8
RoIC	-5.2	-7.6	-62.3	-13.0	-14.3	-15.2	-9.9
Working Capital Ratios							
Fixed Asset Turnover (x)	19.1	7.5	9.3	11.1	4.2	4.8	4.8
Asset Turnover (x)	0.3	0.1	0.2	0.3	0.1	0.2	0.2
Inventory (Days)	719	2,952	1,337	1,262	1,100	1,150	1,150
Debtor (Days)	68	124	85	78	85	85	85
Creditor (Days)	76	296	161	115	196	163	155
Leverage Ratio (x)							
Current Ratio	3.4	2.9	2.5	1.7	2.7	2.3	2.3
Interest Cover Ratio	-8.5	-9.2	-14.7	-11.2	-26.7	-7.7	-6.9
Net Debt/Equity	0.1	0.1	0.0	0.1	-0.2	-0.2	-0.1

Consolidated – Cash Flow Statement

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	-617	-778	24	379	-156	993	803
Depreciation	77	70	65	122	135	151	185
Interest & Finance Charges	-57	-21	-65	-109	59	148	157
Direct Taxes Paid	-132	-128	-180	-117	383	281	260
(Inc)/Dec in WC	-36	332	354	-520	5,985	-1,904	-3,239
CF from Operations	-764	-525	199	-246	6,405	-331	-1,836
Others	136	-155	-718	-1,238	-346	-160	-197
CF from Operating incl EO	-628	-680	-520	-1,484	6,059	-491	-2,033
(Inc)/Dec in FA	-31	-29	-133	-141	-135	-151	-185
Free Cash Flow	-659	-709	-653	-1,625	5,924	-643	-2,217
(Pur)/Sale of Investments	0	0	550	757	0	0	0
Others	911	1,133	815	-338	346	160	197
CF from Investments	881	1,104	1,232	278	211	9	12
Issue of Shares	0	0	25	5	0	0	0
Inc/(Dec) in Debt	37	124	362	293	500	200	200
Interest Paid	-292	-271	-207	-109	-59	-148	-157
Dividend Paid	-356	-4	-4	-311	0	0	0
Others	-64	-47	-55	-148	0	0	0
CF from Fin. Activity	-674	-198	122	-270	441	52	43
Inc/Dec of Cash	-421	226	834	-1,476	6,711	-430	-1,977
Opening Balance	156	924	1,150	1,984	508	7,220	6,789
Closing Balance	-265	1,150	1,984	508	7,220	6,789	4,812

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. INH00000412. 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. INH00000412) 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.