

# Siemens

BSE SENSEX 78,675 S&P CNX 23,883

**CMP: INR6,799 TP: INR8,400 (+24%) Buy**

Motilal Oswal values your support in the EXTEL POLL 2024 for India Research, Sales, Corporate Access and Trading team. We request your ballot.



## SIEMENS

Bloomberg	SIEM IN
Equity Shares (m)	356
M.Cap.(INRb)/(USDb)	2421.4 / 28.7
52-Week Range (INR)	8130 / 3398
1,6,12 Rel. Per (%)	-8/2/76
12M Avg Val (INR M)	2302

### Financials & Valuations (INR b)

Y/E SEPT	FY24E	FY25E	FY26E
Net Sales	220.7	254.3	302.6
EBITDA	31.0	38.4	47.7
PAT	26.1	31.2	38.7
EPS (INR)	73.4	87.5	108.7
GR. (%)	33.3	19.2	24.1
BV/Sh (INR)	421.9	486.6	566.9
<b>Ratios</b>			
ROE (%)	18.6	19.3	20.6
RoCE (%)	18.4	19.1	20.5
<b>Valuations</b>			
P/E (X)	92.6	77.7	62.5
P/BV (X)	16.1	14.0	12.0
EV/EBITDA (X)	74.7	59.8	47.6
Div Yield (%)	0.3	0.3	0.4

### Riding capex through tech-driven offerings

We attended Siemens Innovation Day, where the company highlighted its key products and solutions that it has established for its customers. SIEM has participated in the journey of energy efficiency of various user industries, and it continues to focus on high growth areas, such as renewables, data centers, EVs, semiconductors, and other private capex-focused industries, to become more efficient. The opportunity pipeline remains strong from the above industries, and SIEM is ideally positioned to capture it with its key products, such as Xcelerator, industrial metaverse, and digital twins. We maintain our estimates and reiterate our BUY rating with a TP of INR8,400.

### Opportunity pipeline remains strong

SIEM has a strong addressable market from T&D, railways, metros, and data centers, along with incremental investments led by PLI and semiconductor manufacturing. The company, with its tech-driven offerings, expects to ride on 1) the renewable energy-led capex, which is still growing at a strong pace; 2) private capex based on new areas such as data centers, batteries, EVs, and semiconductors, which is also growing strong; 3) conventional private capex, such as F&B, services, and pharma, which will revive in a few quarters; and 4) sustainability-driven capex, which is growing selectively. We expect SIEM's revenue to clock 16% CAGR over FY23-26.

### Siemens Xcelerator provides varied solutions

Siemens Xcelerator has around 125 use cases, 11 ecosystem partners, and 200+ references. This is helping various industries, such as F&B, hotels, data centers, semiconductors, batteries, EVs, etc., by: 1) using AI and data to plug the gaps in systems, 2) reducing energy consumption and increasing the throughput, and 3) helping clients move towards energy sustainability. Going forward, SIEM plans to transform the supply chain by including suppliers and partners in its sustainable manufacturing journey.

### Energy and mobility segment margins have levers to improve

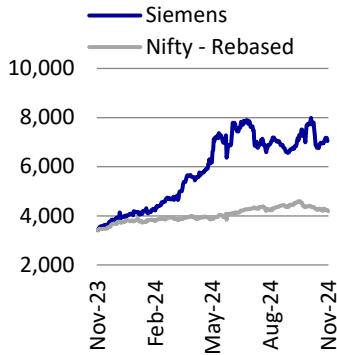
SIEM is already benefiting from strong demand coming from renewable energy and corresponding investments in T&D. The demand-supply mismatch, particularly in the high-kVA transformers, has resulted in better margins for most players, which is yet to reflect in SIEM. The Energy segment is already witnessing tailwinds from the pipeline in renewable energy integration, transmission network expansion, modernization of aging turbines, adoption of WHRS in cement plants, et al. Along with this, we also expect the mobility segment margins to improve once the delivery of locomotives commences from FY25. For the mobility division, metros and bogey factory will emerge as global hubs and will be used for exports to Australia, the Middle East and Asia.

**Shareholding pattern (%)**

As On	Sep-24	Jun-24	Sep-23
Promoter	75.0	75.0	75.0
DII	6.9	7.0	7.6
FII	8.7	8.6	7.9
Others	9.4	9.4	9.4

FII Includes depository receipts

**Stock's performance (one-year)**



**Financial outlook**

We maintain our estimates and expect SIEM's revenue/EBITDA/PAT to post a CAGR of 16%/24%/25% over FY23-26. We project EBITDA margin to improve 300bp over FY23-26, driven by better margins in the energy and mobility divisions because of strong demand and operating leverage benefits.

**Valuation and view**

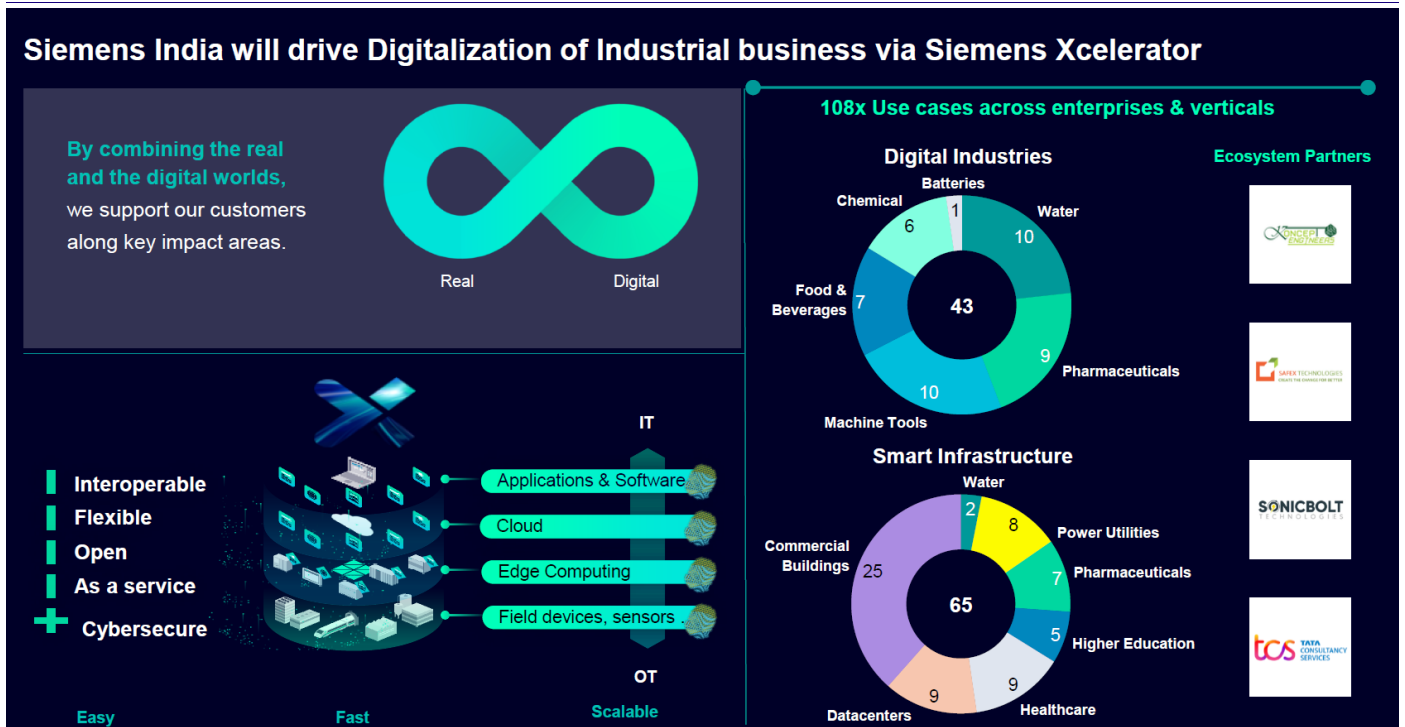
The stock is currently trading at a P/E of 77.7x/62.5x on FY25E/FY26E. We remain constructive on SIEM, as the company is a direct play on the transmission and HVDC-related spending over the next few years. It is also rightly positioned to capture the railway-related opportunities. **Reiterate BUY with a TP of INR8,400.**

**Key risks and concerns**

a) Delays in order finalization from key government-focused segments such as transmission and railways, b) aggression in bids to procure large-sized projects would adversely impact margins, and c) related-party transactions with parent group entities at lower-than-market valuations to weigh on the stock performance.

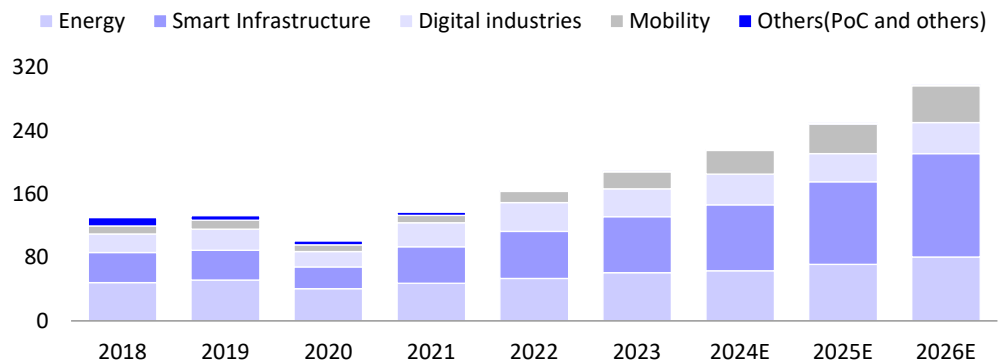
Key exhibits

Exhibit 1: Key use cases and end-user industries of Siemens Xcelerator



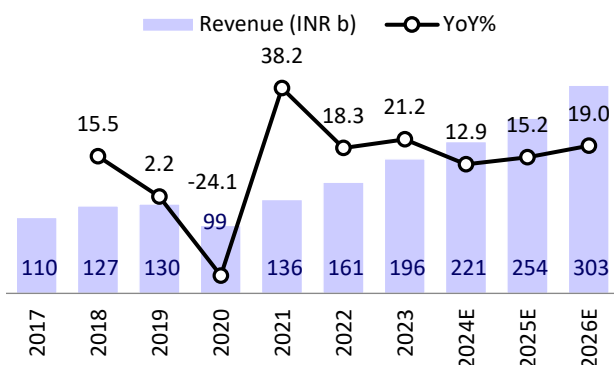
Source: Company

Exhibit 2: Segment-wise revenue breakup (INR b)



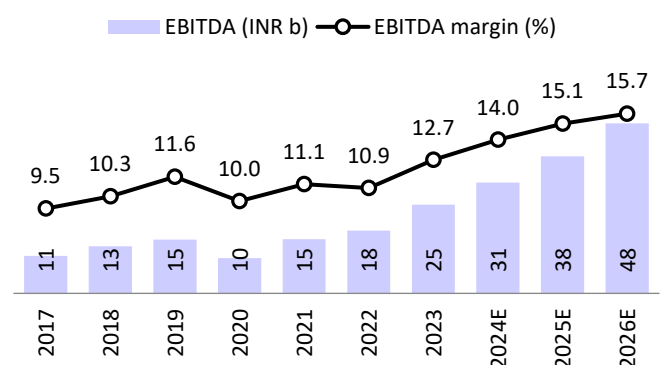
Source: Company, MOFSL

Exhibit 3: We expect revenue CAGR of 16% over FY23-26



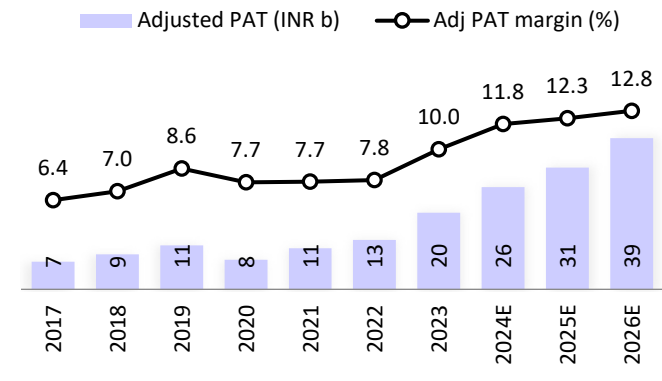
Source: Company, MOFSL

Exhibit 4: We expect EBITDA margin to be around 15.7%



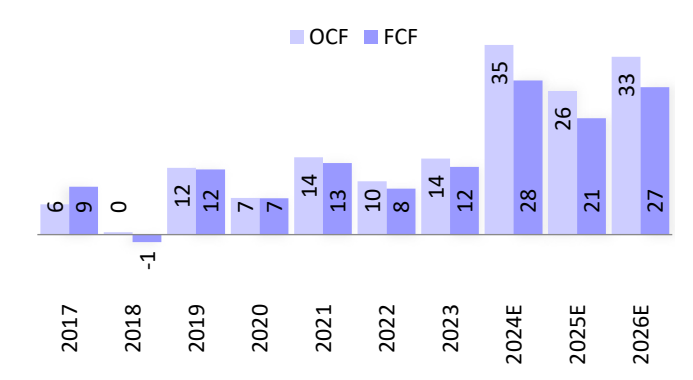
Source: Company, MOFSL

**Exhibit 5: We expect PAT to clock a 25% CAGR over FY23-26**



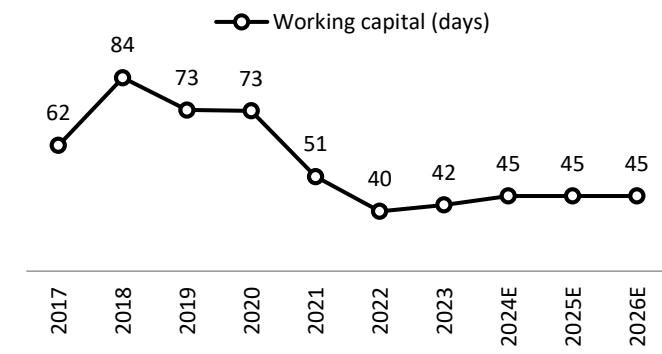
Source: Company, MOFSL

**Exhibit 6: We expect OCF & FCF to start improving from FY24 (INR b)**



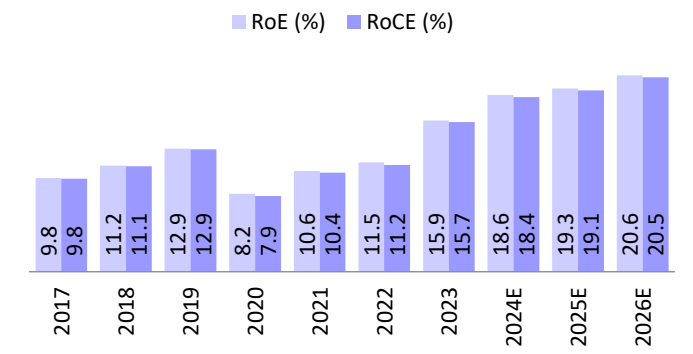
Source: Company, MOFSL

**Exhibit 7: We expect higher working capital to bake in project based nature of projects (days)**



Source: Company, MOFSL

**Exhibit 8: We expect RoE and RoCE improvement to be led by improved PAT**



Source: Company, MOFSL

**Valuation and recommendation**

The stock is currently trading at a P/E of 77.7x/62.5x on FY25E/FY26E. We remain constructive on SIEM, as the company is a direct play on the transmission and HVDC-related spending over the next few years. It is also rightly positioned to capture the railway-related opportunities. **Reiterate BUY with a TP of INR8,400.**

**Key risks and concerns**

- Delays in order finalization from key government-focused segments such as transmission and railways
- Aggression in bids to procure large-sized projects to adversely impact margins
- Related-party transactions with parent group entities at lower than market valuations to weigh on stock performance

## Financials and Valuation

Income Statement								(INR m)
Y/E September	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E	
<b>Net Sales</b>	<b>98,694</b>	<b>1,36,392</b>	<b>1,61,378</b>	<b>1,95,538</b>	<b>2,20,731</b>	<b>2,54,313</b>	<b>3,02,598</b>	
change%	-24.1	38.2	18.3	21.2	12.9	15.2	19.0	
<b>Gross Profit</b>	<b>35,487</b>	<b>43,275</b>	<b>52,115</b>	<b>61,711</b>	<b>71,282</b>	<b>82,127</b>	<b>97,720</b>	
Total Expense	<b>88,791</b>	<b>1,21,207</b>	<b>1,43,805</b>	<b>1,70,667</b>	<b>1,89,727</b>	<b>2,15,902</b>	<b>2,54,944</b>	
<b>EBITDA</b>	<b>9,903</b>	<b>15,185</b>	<b>17,573</b>	<b>24,871</b>	<b>31,004</b>	<b>38,411</b>	<b>47,655</b>	
EBITDA Margin%	10.0	11.1	10.9	12.7	14.0	15.1	15.7	
Depreciation	2,504	3,005	3,171	3,208	3,338	3,571	3,844	
EBIT	<b>7,399</b>	<b>12,180</b>	<b>14,402</b>	<b>21,663</b>	<b>27,666</b>	<b>34,839</b>	<b>43,811</b>	
Interest and finance charge	292	246	363	228	420	420	420	
other income	3,099	2,265	3,078	4,962	7,930	7,519	8,673	
<b>PBT Before EO</b>	<b>10,206</b>	<b>14,199</b>	<b>17,117</b>	<b>26,397</b>	<b>35,175</b>	<b>41,938</b>	<b>52,064</b>	
<b>PBT after EO</b>	<b>10,206</b>	<b>14,199</b>	<b>17,117</b>	<b>26,397</b>	<b>35,175</b>	<b>41,938</b>	<b>52,064</b>	
Total Tax	2,632	3,698	4,498	6,778	9,032	10,768	13,369	
Tax Rate%	25.8	26.0	26.3	25.7	25.7	25.7	25.7	
Minority Interest	-	-	-	-	-	-	-	
<b>Reported PAT</b>	<b>7,574</b>	<b>10,501</b>	<b>12,619</b>	<b>19,619</b>	<b>26,143</b>	<b>31,169</b>	<b>38,695</b>	
<b>Adjusted PAT</b>	<b>7,574</b>	<b>10,501</b>	<b>12,619</b>	<b>19,619</b>	<b>26,143</b>	<b>31,169</b>	<b>38,695</b>	
change%	-32.6	38.6	20.2	55.5	33.3	19.2	24.1	
margin%	7.7	7.7	7.8	10.0	11.8	12.3	12.8	

E: MOFSL estimates

Balance Sheet								(INR m)
Y/E September	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E	
Equity Share Capital	712	712	712	712	712	712	712	
Total Reserves	94,028	1,02,778	1,15,390	1,30,159	1,49,479	1,72,513	2,01,109	
<b>Networth</b>	<b>94,740</b>	<b>1,03,490</b>	<b>1,16,102</b>	<b>1,30,871</b>	<b>1,50,191</b>	<b>1,73,225</b>	<b>2,01,821</b>	
Deferred Tax Liabilities	-2,481	-473	-975	-1,627	-1,627	-1,627	-1,627	
Minority Interest	0	81	76	86	86	86	86	
<b>Sources of Funds</b>	<b>92,259</b>	<b>1,03,123</b>	<b>1,15,203</b>	<b>1,29,330</b>	<b>1,48,650</b>	<b>1,71,684</b>	<b>2,00,280</b>	
Gross Block	20,443	30,118	31,906	34,198	40,684	45,742	51,305	
Less: Accum Dep	8,792	10,774	13,945	17,153	20,426	23,997	27,841	
<b>Fixed Asset (Net Block)</b>	<b>11,651</b>	<b>19,344</b>	<b>17,961</b>	<b>17,045</b>	<b>20,258</b>	<b>21,745</b>	<b>23,464</b>	
CWIP	880	350	517	501	501	501	501	
Goodwill	0	11,732	12,354	12,686	12,686	12,686	12,686	
<b>Total Investment</b>	<b>550</b>	<b>972</b>	<b>766</b>	<b>667</b>	<b>1,304</b>	<b>1,304</b>	<b>1,304</b>	
<b>Curr. Assets Loans &amp; Advances</b>	<b>1,35,169</b>	<b>1,46,705</b>	<b>1,68,323</b>	<b>1,89,753</b>	<b>2,47,019</b>	<b>2,89,015</b>	<b>3,45,371</b>	
Inventory	11,064	17,969	21,650	25,052	30,237	34,837	41,452	
Account Receivables	45,170	51,061	56,544	65,223	78,617	90,577	1,07,775	
Cash and Bank	55,517	51,591	65,841	76,507	1,04,904	1,25,279	1,50,548	
Loans and Advances	7,782	8,185	7,113	7,288	12,095	13,935	16,581	
Other current assets	15,636	17,899	17,175	15,683	21,166	24,386	29,016	
<b>Current Liab and Provision</b>	<b>59,929</b>	<b>75,980</b>	<b>84,912</b>	<b>90,812</b>	<b>1,32,608</b>	<b>1,53,057</b>	<b>1,82,537</b>	
Account Payables	-	-	-	-	-	-	-	
Other current liabilities	47,978	62,899	75,013	74,646	96,759	1,11,480	1,32,646	
Provision	11,951	13,081	9,899	16,166	35,850	41,577	49,891	
<b>Net Current Assets</b>	<b>75,240</b>	<b>70,725</b>	<b>83,411</b>	<b>98,941</b>	<b>1,14,410</b>	<b>1,35,958</b>	<b>1,62,835</b>	
<b>Application of Funds</b>	<b>92,259</b>	<b>1,03,123</b>	<b>1,15,203</b>	<b>1,29,330</b>	<b>1,48,650</b>	<b>1,71,684</b>	<b>2,00,280</b>	

E: MOFSL estimates

## Financials and Valuation

### Ratios

Y/E September	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Basic (INR)</b>							
<b>EPS</b>	<b>21.3</b>	<b>29.5</b>	<b>35.4</b>	<b>55.1</b>	<b>73.4</b>	<b>87.5</b>	<b>108.7</b>
Cash EPS	28.3	37.9	44.3	64.1	82.8	97.6	119.5
Book Value	266.0	290.6	326.0	367.5	421.7	486.4	566.7
DPS	7.0	8.0	10.0	10.0	19.2	22.9	28.4
Payout (incl. div. tax)	39.7	32.7	28.2	18.2	26.1	26.1	26.1
<b>Valuation (X)</b>							
P/E	319.6	230.5	191.8	123.4	92.6	77.7	62.5
Cash P/E	240.2	179.2	153.3	106.0	82.1	69.7	56.9
Price/ Book Value	25.5	23.4	20.8	18.5	16.1	14.0	12.0
EV/Sales	24.0	17.4	14.6	12.0	10.5	9.0	7.5
EV/EBITDA	238.7	155.9	133.9	94.2	74.7	59.7	47.6
Div Yield (%)	0.1	0.1	0.1	0.1	0.3	0.3	0.4
<b>Profitability Ratios (%)</b>							
ROE%	8.2	10.6	11.5	15.9	18.6	19.3	20.6
ROCE%	8.4	10.8	11.7	16.0	18.8	19.5	20.8
RoIC%	15.0	21.1	21.6	32.3	43.9	59.8	70.4
<b>Turnover Ratios (%)</b>							
Asset Turnover (x)	1.1	1.3	1.4	1.5	1.5	1.5	1.5
Debtors (No. of days)	41	48	49	47	50	50	50
Inventory (No. of days)	167	137	128	122	130	130	130
<b>Leverage Ratios (%)</b>							
Current ratio	2.3	1.9	2.0	2.1	1.9	1.9	1.9
Interest cover ratio	25.3	49.5	39.7	95.0	65.9	83.0	104.3
Net Debt/ Equity (x)	-0.6	-0.5	-0.6	-0.6	-0.7	-0.7	-0.8

E: MOFSL estimates

### Cash Flow Statement

Y/E September	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>(INR m)</b>							
OP/(Loss) before Tax	10,193	15,058	20,817	26,397	35,175	41,938	52,064
Depreciation	2,504	3,005	3,171	3,208	3,338	3,571	3,844
Interest & Finance Charges	292	246	363	228	420	420	420
Direct Taxes Paid	-2,942	-3,735	-5,215	-8,033	-9,032	-10,768	-13,369
(Inc)/Dec in WC	-1,426	2,339	-3,619	-4,371	12,928	-1,173	-1,608
<b>CF from Operations</b>	<b>8,621</b>	<b>16,913</b>	<b>15,517</b>	<b>17,429</b>	<b>42,829</b>	<b>33,988</b>	<b>41,352</b>
Others	-1,856	-2,692	-5,732	-3,429	-7,930	-7,519	-8,673
<b>CF from Operating incl EO</b>	<b>6,765</b>	<b>14,221</b>	<b>9,785</b>	<b>14,000</b>	<b>34,899</b>	<b>26,470</b>	<b>32,678</b>
(Inc)/Dec in FA	-98	-1,074	-1,313	-1,545	-6,551	-5,058	-5,564
<b>Free Cash Flow</b>	<b>6,667</b>	<b>13,147</b>	<b>8,472</b>	<b>12,455</b>	<b>28,348</b>	<b>21,412</b>	<b>27,115</b>
(Pur)/Sale of Investments	-3,938	-13,623	4,419	-2,159	-637	0	0
Others	8,387	-9,196	-3,459	-4,765	7,930	7,519	8,673
<b>CF from Investments</b>	<b>4,351</b>	<b>-23,893</b>	<b>-353</b>	<b>-8,469</b>	<b>741</b>	<b>2,461</b>	<b>3,110</b>
Issue of Shares	-	-	-	-	-	-	-
Inc/(Dec) in Debt	-714	-2,385	-825	-893	0	0	0
Interest Paid	-128	-140	-248	-45	-420	-420	-420
Dividend Paid	-3,005	-2,493	-2,849	-3,561	-6,823	-8,135	-10,099
Others	0	0	0	0	0	0	0
<b>CF from Fin. Activity</b>	<b>-3,847</b>	<b>-5,018</b>	<b>-3,922</b>	<b>-4,499</b>	<b>-7,243</b>	<b>-8,555</b>	<b>-10,519</b>
<b>Inc/Dec of Cash</b>	<b>7,269</b>	<b>-14,690</b>	<b>5,510</b>	<b>1,032</b>	<b>28,397</b>	<b>20,375</b>	<b>25,268</b>
Opening Balance	48,913	55,517	51,591	65,841	76,507	1,04,904	1,25,279
<b>Closing Balance</b>	<b>55,517</b>	<b>51,591</b>	<b>65,841</b>	<b>76,507</b>	<b>1,04,904</b>	<b>1,25,279</b>	<b>1,50,548</b>

E: MOFSL estimates

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 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](http://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](http://www.nseindia.com), [www.bseindia.com](http://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](mailto:grievances@motilaloswal.com).

Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

#### 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: INH00000412 . 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 grievances@motilaloswal.com.