

# Global Health

Estimate change	↑
TP change	↑
Rating change	↔

**CMP: INR1,153**      **TP: INR1,410 (+22%)**      **Buy**

## Better-than-est. 3Q; developing hospitals boost earnings

### Expanding presence in Ranchi by leasing the newly-built hospital

Bloomberg	MEDANTA IN
Equity Shares (m)	269
M.Cap.(INRb)/(USDb)	309.7 / 3.5
52-Week Range (INR)	1514 / 936
1, 6, 12 Rel. Per (%)	7/2/-14
12M Avg Val (INR M)	609

#### Financials & Valuations (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Sales	36.7	43.1	50.0
EBITDA	8.9	10.9	13.1
Adj. PAT	5.3	6.7	8.3
EBIT Margin (%)	18.9	19.8	21.0
Cons. Adj. EPS (INR)	19.6	24.9	30.9
EPS Gr. (%)	10.0	27.3	23.9
BV/Sh. (INR)	124.3	144.9	170.3

#### Ratios

Net D:E	0.1	0.0	(0.1)
RoE (%)	16.8	18.5	19.6
RoCE (%)	15.0	16.6	17.6
Payout (%)	17.6	17.6	17.6

#### Valuations

P/E (x)	58.9	46.2	37.3
EV/EBITDA (x)	35.2	28.6	23.3
EV/Sales (x)	8.5	7.2	6.1
Div. Yield (%)	0.3	0.3	0.4
FCF Yield (%)	0.6	1.0	1.5
EV/Sales (x)	8.5	7.2	6.1

#### Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	33.0	33.0	33.1
DII	10.5	11.1	11.2
FII	12.5	12.2	11.4
Others	44.0	43.7	44.4

FII Includes depository receipts

- Global Health (Medanta) delivered better-than-expected 3QFY25 results. The strong improvement in developing hospitals and a steady show at the matured hospitals led to healthy earnings growth for the quarter.
- We raise our earnings estimate by 3%/4%/3% for FY25/FY26/FY27 factoring in: 1) faster scale-up at Patna Hospital backed by demand tailwind, 2) enhanced effort at Lucknow, driving recovery in operational performance, and 3) improved visibility for volume growth aided by the addition of institutional empanelment. We value Medanta at 30x 12M forward EV/EBITDA to arrive at our TP of INR1,410.
- Medanta remains on track to a) add clinical talent at existing centers (~100+ doctors added in 9MFY25), b) improve case mix through the addition of beds in oncology/ICU, and c) expand at newer locations (Ranchi/Noida/Delhi). Interestingly, a major portion of the revenue/EBITDA growth is driven by volume, partly supported by patient realization. Overall, we expect 22%/25% CAGR in EBITDA/PAT over FY25-27. **Reiterate BUY.**

### Quarterly EBITDA surpasses the previous high; scope to improve further

- In 3QFY25, sales grew 12.8% YoY to INR9.4b (vs. our est: INR8.8). Mature hospitals' revenue (69% of total revenue) grew 10.1% YoY to INR6.5b. Developing hospitals' revenue (31% of total revenue) rose 9.5% YoY to INR3b.
- EBITDA margin contracted 90bp YoY to 25.6%, primarily due to a higher share of RM costs (+150bp YoY), offset by a lower share of employee expenses (-40bp YoY) and a reduced share of other expenses (-20bp YoY).
- Medanta's EBITDA grew 8.9% YoY to INR2.4b (vs. our est: INR2.2b). Mature hospitals' EBITDA increased 9% YoY to INR1.6b, and developing hospitals grew 4.8% YoY to INR1b for 3QFY25.
- PAT grew 18.4% YoY to INR1.5b (vs. our est: INR1.3b) owing to a marginally lower interest and tax burden.
- Medanta's revenue/EBITDA/PAT grew 13%/7%/11% to INR27.6b/INR6.7b/INR3.9b in 9MFY25.

### Highlights from the management commentary

- Medanta would lease a 110-bed newly-built hospital in Ranchi. Medanta will invest about INR500m in medical equipment at this site and commence operations from 1QFY26.
- The barricading of the land has been completed, and architectural drawings are currently being prepared at Oshiwara, Mumbai.
- Medanta onboarded 49/100+ doctors in 3QFY25/9MFY25. Lucknow and Patna have witnessed maximum doctor addition in 3QFY25.
- Noida Hospital would commence in the next 1Q/2QFY26. On an overall basis, about 1000 beds would be added by Medanta across sites over the next two years.

**Tushar Manudhane - Research Analyst** (Tushar.Manudhane@MotilalOswal.com)

**Research Analyst: Akash Manish Dobhada** (Akash.Dobhada@MotilalOswal.com) | **Viraj Shah** (Viraj.Shah@MotilalOswal.com)

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

**Consolidated – Quarterly Earnings Model****(INRm)**

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
<b>Gross Sales</b>	<b>7,730</b>	<b>8,439</b>	<b>8,365</b>	<b>8,086</b>	<b>8,611</b>	<b>9,566</b>	<b>9,434</b>	<b>9,091</b>	<b>32,751</b>	<b>36,702</b>	<b>8,789</b>	<b>7.3%</b>
YoY Change (%)	25.2	24.3	20.5	14.4	11.4	13.3	12.8	12.4	21.6	12.1	5.1	
Total Expenditure	5,887	6,255	6,150	6,175	6,699	7,222	7,023	6,877	24,467	27,820	6,636	
<b>EBITDA</b>	<b>1,843</b>	<b>2,185</b>	<b>2,215</b>	<b>1,911</b>	<b>1,912</b>	<b>2,344</b>	<b>2,412</b>	<b>2,214</b>	<b>8,284</b>	<b>8,882</b>	<b>2,153</b>	<b>12.0%</b>
YoY Change (%)	38.7	38.3	36.1	12.7	3.7	7.3	8.9	15.9	33.7	7.2	-2.8	
Margins (%)	23.8	25.9	26.5	23.6	22.2	24.5	25.6	24.4	25.3	24.2	24.5	
Depreciation	468	485	495	572	515	494	484	461	2,020	1,954	485	
Interest	179	201	177	182	180	160	163	145	739	647	155	
Other Income	215	208	181	274	219	182	160	172	747	734	190	
<b>PBT before EO expense</b>	<b>1,410</b>	<b>1,707</b>	<b>1,724</b>	<b>1,431</b>	<b>1,437</b>	<b>1,872</b>	<b>1,925</b>	<b>1,781</b>	<b>6,271</b>	<b>7,014</b>	<b>1,703</b>	<b>13.0%</b>
Extra-Ord expense/(Income)	0	0	0	0	0	0	0	0	0	0	0	
<b>PBT</b>	<b>1,410</b>	<b>1,707</b>	<b>1,724</b>	<b>1,431</b>	<b>1,437</b>	<b>1,872</b>	<b>1,925</b>	<b>1,781</b>	<b>6,271</b>	<b>7,014</b>	<b>1,703</b>	<b>13.0%</b>
Tax	390	455	488	157	374	503	462	415	1,490	1,754	409	
Rate (%)	27.7	26.6	28.3	11.0	26.0	26.9	24.0	23.3	23.8	25.0	24.0	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
<b>Reported PAT</b>	<b>1,020</b>	<b>1,252</b>	<b>1,235</b>	<b>1,273</b>	<b>1,063</b>	<b>1,369</b>	<b>1,463</b>	<b>1,366</b>	<b>4,781</b>	<b>5,261</b>	<b>1,294</b>	<b>13.0%</b>
<b>Adj PAT</b>	<b>1,020</b>	<b>1,252</b>	<b>1,235</b>	<b>1,273</b>	<b>1,063</b>	<b>1,369</b>	<b>1,463</b>	<b>1,366</b>	<b>4,781</b>	<b>5,261</b>	<b>1,294</b>	<b>13.0%</b>
YoY Change (%)	73.8	46.1	53.3	26.0	4.2	9.4	18.4	7.3	46.6	10.0	4.8	
Margins (%)	13.2	14.8	14.8	15.7	12.3	14.3	15.5	15.0	14.6	14.3	14.7	

E: MOFSL Estimates

**Highlights from the management commentary**

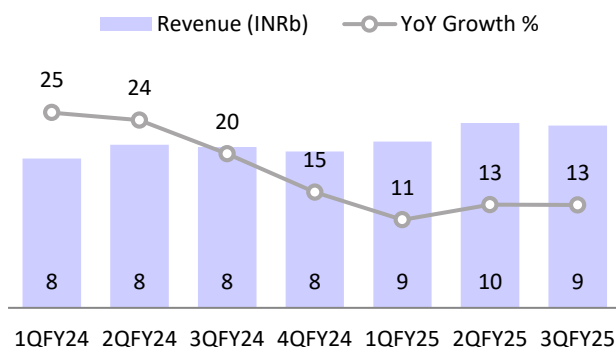
- Lucknow has seen a surge in patient volumes and revenue growth, partly on the back of empanelment with CGHS, railways, and other PSUs.
- The PPP business in Patna and the scheme business are affecting ARPOB at developing hospitals to some extent.
- The Ophthalmology Specialty has been added in 3QFY25 at Lucknow.
- Architectural drawings are currently under preparation for the hospital to be set up at Pitampura, New Delhi.
- Patna's capacity expanded by adding 28 ICU beds in 3QFY25.
- About 10% of patients belong to the scheme business, with the largest share coming from the Gurgaon facility. Lucknow scheme's patient share will be ~4-5%.

**Other operating highlights**

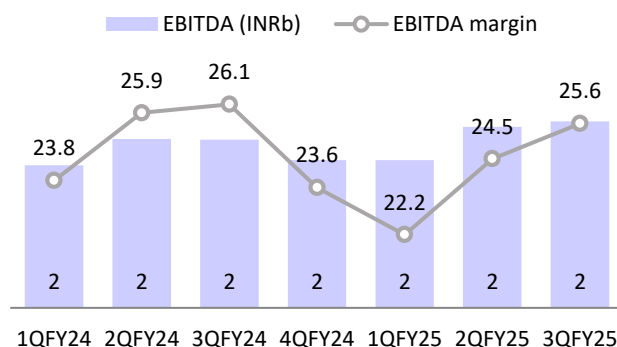
- Mature hospitals' revenue (69% of total revenue) grew 10.1% YoY to INR6.5b. EBITDA was INR1.6b during 3QFY25, while the margin dipped 30bp YoY to 25%.
- Developing hospitals' revenue (31% of total revenue) grew 9.5% YoY to INR3b. EBITDA was INR1b during the quarter, with a margin contraction of 150bp YoY to 33.8%.
- The company added 34 beds (six beds at Lucknow; 28 beds at Patna) in 3QFY25 to a total bed capacity of 3,042.
- In 3QFY25, ARPOB grew 1.2% YoY to INR61.3K due to a combination of tariff hikes in matured facilities and changes in the case mix across the group.
- International patient revenue grew 14.3% YoY to INR541m in 3QFY25.
- IPD/OPD volumes increased 13.2%/8.7% YoY during the quarter.
- Occupancy levels stood at 63.6% (vs. 64% in 3QFY24 and 64.3% in 2QFY25).
- ALOS stood at 3.23 days (vs. 3.3/3.2 days in 3QFY24/2QFY25).
- OPD Pharmacy revenue increased 21.4% YoY to INR290m.
- The share of cash and insurance in the payor mix declined from 85% in 3QFY24 to 82% in 3QFY25.

## Key exhibits

**Exhibit 1: Revenue for hospitals grew 13% YoY in 3QFY25**



**Exhibit 2: EBITDA margin contracted 60bp in 3QFY25**



### Good show at Lucknow/Patna; gearing up for the commencement of the Noida hospital

#### Increasing volumes to drive overall growth

- In 9MFY25, revenue from mature hospitals grew 11.1% YoY to INR19.7b, while revenue from developing hospitals grew 5.8% YoY to INR8.1b. Revenue growth was due to higher patient volumes in all facilities and technology advancements.
- The EBITDA margin in mature hospitals was flat YoY at 25.1%. However, the developing hospital margins contracted 390bp YoY to 29.8% owing to a high base, lower occupancy levels, the addition of scheme patients, and a fall in ARPOB. Interestingly, Medanta's efforts have resulted in an improvement in the profitability of developing hospitals in 3QFY25.
- Medanta aims to enhance profitability by augmenting patient volume through the addition of new medical indications, expanding capacity, and leveraging technological advancements.
- Further, industry tailwinds like insurance penetration and international tourism should benefit Medanta, given its considerable clinical talent and strong brand franchise. We expect a 16.7% sales CAGR in healthcare services to INR50b over FY25-27.

#### Building capacities in focus cities

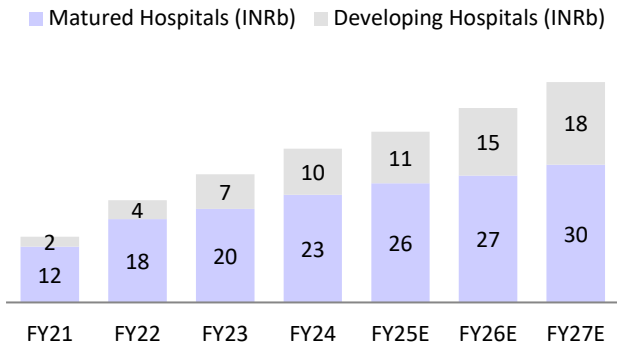
- Medanta has 3,042 beds installed at the end of 3QFY25. It aims to grow its capacity to ~3,064 beds by FY25, 4,074 by FY27, and 6,024 over the long term.
- Total capex for the 2,900-bed addition is estimated at INR30b, which is expected to be funded via a mix of debt and internal accruals.
- Medanta is entering the Mumbai market by setting up a 500-bed super specialty hospital for a capex of INR11b. The company has purchased the land for INR1.3b and executed the lease deed.
- Medanta recently signed an O&M agreement to operate and manage a ~750-bed super specialty hospital at Pitampura, Delhi for an expected capex of INR6b.

**Reiterate BUY**

- We raise our earnings estimate by 3%/4%/3% for FY25/FY26/FY27 factoring in: 1) faster scale-up at Patna Hospital backed by demand tailwind, 2) enhanced effort at Lucknow, driving recovery in operational performance, and 3) improved visibility for volume growth aided by the addition of institutional empanelments. We value Medanta at 30x 12M forward EV/EBITDA to arrive at our TP of INR1,410.
- Medanta remains on track to a) add clinical talent at existing centers (~100+ doctors added in 9MFY25), b) improve case mix through the addition of beds in oncology/ICU, and c) expand at newer locations (Ranchi/Noida/Delhi). Interestingly, a major portion of the revenue/EBITDA growth is driven by volume, partly supported by patient realization. Overall, we expect 22%/25% CAGR in EBITDA/PAT over FY25-27. **Reiterate BUY.**

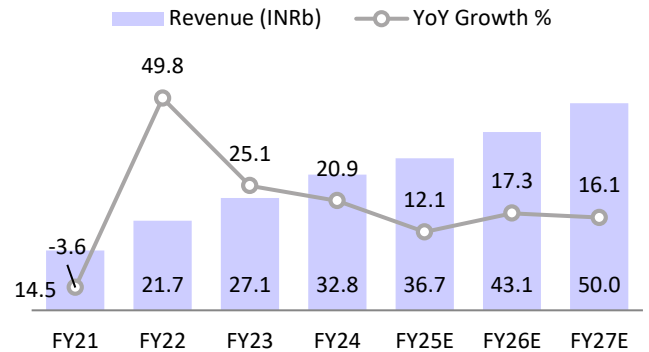
## Story in charts

**Exhibit 3: Expect 27% sales CAGR over FY25-27 in developing hospitals**



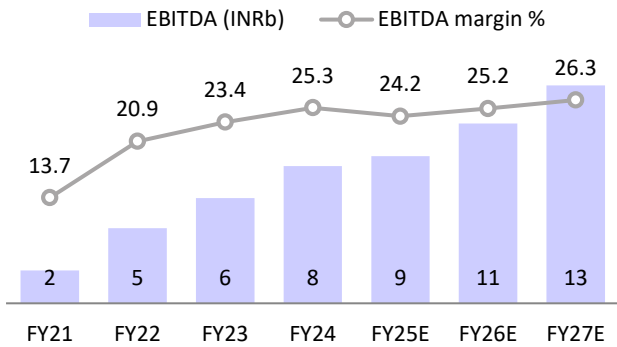
Source: Company, MOFSL

**Exhibit 4: Expect 16.7% overall revenue CAGR over FY25-27**



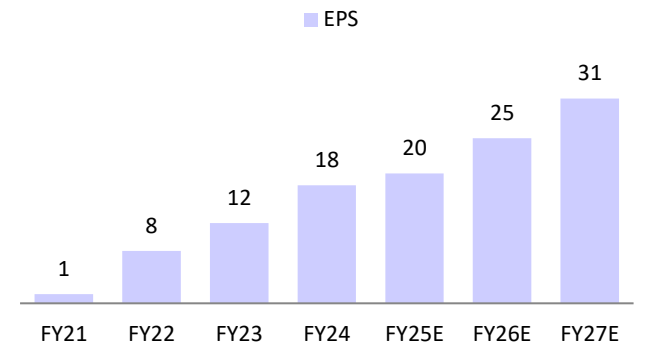
Source: Company, MOFSL

**Exhibit 5: Expect 210bp margin expansion over FY25-27**



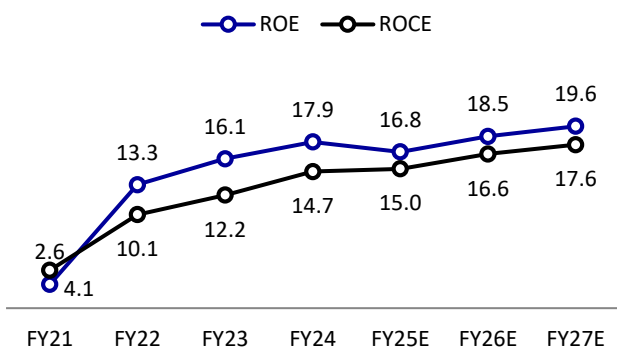
Source: Company, MOFSL

**Exhibit 6: Expect 18.4% EPS CAGR over FY25-27**



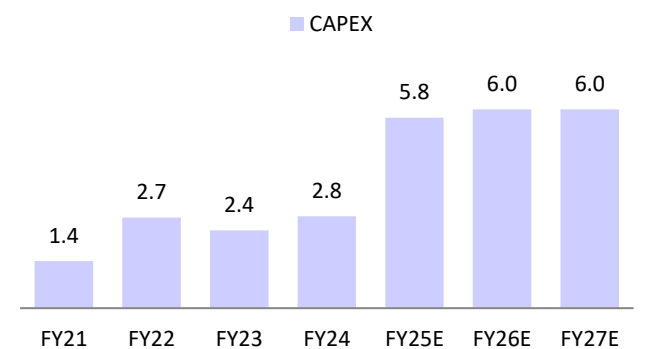
Source: Company, MOFSL

**Exhibit 7: Expect return ratio to improve over FY25-27**



Source: Company, MOFSL

**Exhibit 8: Significant investment in capacity expansion (INRb)**



Source: Company, MOFSL

## Financials and valuation

Income Statement						(INRm)
Y/E March	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Total Income from Operations</b>	<b>21,666</b>	<b>27,099</b>	<b>32,751</b>	<b>36,702</b>	<b>43,058</b>	<b>49,999</b>
Change (%)	49.8	25.1	20.9	12.1	17.3	16.1
Raw Materials	5,429	6,252	6,253	7,594	8,478	9,946
Employees Cost	5,680	6,343	6,356	7,349	8,551	9,946
Other Expenses	6,018	8,151	8,137	9,525	10,790	12,314
<b>Total Expenditure</b>	<b>17,127</b>	<b>20,746</b>	<b>24,467</b>	<b>27,820</b>	<b>32,207</b>	<b>36,849</b>
% of Sales	79.1	76.6	74.7	75.8	74.8	73.7
<b>EBITDA</b>	<b>4,539</b>	<b>6,352</b>	<b>8,284</b>	<b>8,882</b>	<b>10,851</b>	<b>13,150</b>
Margin (%)	20.9	23.4	25.3	24.2	25.2	26.3
Depreciation	1,297	1,575	2,020	1,954	2,325	2,660
<b>EBIT</b>	<b>3,242</b>	<b>4,777</b>	<b>6,263</b>	<b>6,927</b>	<b>8,526</b>	<b>10,490</b>
Int. and Finance Charges	795	779	739	647	575	526
Other Income	392	493	747	734	861	1,000
<b>PBT bef. EO Exp.</b>	<b>2,839</b>	<b>4,491</b>	<b>6,271</b>	<b>7,014</b>	<b>8,812</b>	<b>10,964</b>
EO Items	-33	0	0	0	0	0
<b>PBT after EO Exp.</b>	<b>2,806</b>	<b>4,491</b>	<b>6,271</b>	<b>7,014</b>	<b>8,812</b>	<b>10,964</b>
Total Tax	844	1,232	1,490	1,754	2,115	2,664
Tax Rate (%)	30.1	27.4	23.8	25.0	24.0	24.3
Minority Interest	0	0	0	0	0	0
<b>Reported PAT</b>	<b>1,962</b>	<b>3,259</b>	<b>4,781</b>	<b>5,261</b>	<b>6,697</b>	<b>8,299</b>
<b>Adjusted PAT</b>	<b>1,995</b>	<b>3,259</b>	<b>4,781</b>	<b>5,261</b>	<b>6,697</b>	<b>8,299</b>
Change (%)	469.0	63.3	46.7	10.0	27.3	23.9
Margin (%)	9.2	12.0	14.6	14.3	15.6	16.6

E: MOFSL est.

Global Health Ltd. - Balance Sheet						(INRm)
Y/E March	FY22	FY23	FY24	FY25E	FY26E	FY27E
Share Capital	506	536	537	537	537	537
Other equity	15,654	23,746	28,519	32,853	38,369	45,206
<b>Net Worth</b>	<b>16,160</b>	<b>24,282</b>	<b>29,056</b>	<b>33,390</b>	<b>38,906</b>	<b>45,743</b>
Minority Interest	0	0	0	0	0	0
Total Loans	11,089	11,220	8,019	6,019	7,519	6,519
Deferred Tax Liabilities	0	0	0	0	0	0
Other Non-Current Liabilities	713	468	399	447	525	609
<b>Capital Employed</b>	<b>27,963</b>	<b>35,970</b>	<b>37,474</b>	<b>39,856</b>	<b>46,950</b>	<b>52,871</b>
Gross Block	20,828	25,087	28,149	33,899	39,899	45,899
Less: Accum. Deprn.	6,381	7,956	9,976	11,931	14,256	16,915
<b>Net Fixed Assets</b>	<b>14,447</b>	<b>17,131</b>	<b>18,172</b>	<b>21,968</b>	<b>25,643</b>	<b>28,983</b>
Goodwill on Consolidation	3,311	3,371	4,187	4,187	4,187	4,187
Capital WIP	4,393	3,270	3,875	3,875	3,875	3,875
<b>Total Investments</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Other Non-Current Assets	1,186	1,593	1,718	1,926	2,259	2,624
<b>Curr. Assets, Loans &amp; Adv.</b>	<b>8,117</b>	<b>15,795</b>	<b>15,087</b>	<b>14,168</b>	<b>18,306</b>	<b>21,661</b>
Inventory	534	604	669	465	545	633
Account Receivables	1,802	1,942	2,153	2,413	2,831	3,287
Cash and Bank Balance	5,118	7,672	4,246	3,251	6,858	9,633
Loans and Advances	663	5,577	8,020	8,040	8,073	8,108
<b>Curr. Liability &amp; Prov.</b>	<b>3,493</b>	<b>5,190</b>	<b>5,567</b>	<b>6,269</b>	<b>7,322</b>	<b>8,460</b>
Account Payables	1,343	1,947	1,868	2,124	2,459	2,813
Other Current Liabilities	1,956	2,445	2,757	3,090	3,625	4,209
Provisions	193	798	942	1,056	1,239	1,438
<b>Net Current Assets</b>	<b>4,625</b>	<b>10,605</b>	<b>9,520</b>	<b>7,899</b>	<b>10,984</b>	<b>13,201</b>
<b>Appl. of Funds</b>	<b>27,963</b>	<b>35,970</b>	<b>37,474</b>	<b>39,855</b>	<b>46,949</b>	<b>52,871</b>

## Financials and valuation

### Ratios

Y/E March	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Basic (INR)</b>						
Adj. EPS	7.9	12.1	17.8	19.6	24.9	30.9
Cash EPS	13.0	18.0	25.3	26.9	33.6	40.8
BV/Share	64.0	90.4	108.2	124.3	144.9	170.3
DPS	0.0	0.0	2.7	2.9	3.7	4.6
Payout (%)	0.0	0.0	17.6	17.6	17.6	17.6
<b>Valuation (x)</b>						
P/E	145.9	95.0	64.8	58.9	46.2	37.3
Cash P/E	88.4	64.0	45.5	42.9	34.3	28.3
P/BV	18.0	12.8	10.7	9.3	8.0	6.8
EV/Sales	13.7	11.6	9.6	8.5	7.2	6.1
EV/EBITDA	65.5	49.3	37.8	35.2	28.6	23.3
Dividend Yield (%)	0.0	0.0	0.2	0.3	0.3	0.4
FCF per share	1.5	15.2	12.5	6.9	11.2	17.7
<b>Return Ratios (%)</b>						
RoE	13.3	16.1	17.9	16.8	18.5	19.6
RoCE	10.1	12.2	14.7	15.0	16.6	17.6
RoIC	13.1	15.9	15.6	14.8	16.6	18.5
<b>Working Capital Ratios</b>						
Asset Turnover (x)	0.8	0.8	0.9	0.9	0.9	0.9
Inventory (Days)	8	8	7	6	4	4
Debtor (Days)	30	26	24	24	24	24
Creditor (Days)	23	26	21	21	21	21
<b>Leverage Ratio (x)</b>						
Current Ratio	2.3	3.0	2.7	2.3	2.5	2.6
Interest Cover Ratio	4.1	6.1	8.5	10.7	14.8	19.9
Net Debt/Equity	0.4	0.1	0.1	0.1	0.0	-0.1
Net Debt/EBITDA	1.2	-0.3	-0.5	-0.6	-0.7	-0.9

### Cash Flow Statement

Y/E March	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>(INRm)</b>						
OP/(Loss) before Tax	2,806	4,492	6,271	7,014	8,812	10,964
Depreciation	1,297	1,499	1,727	1,954	2,325	2,660
Interest & Finance Charges	795	779	739	647	575	526
Direct Taxes Paid	-980	-1,061	-1,775	-1,754	-2,115	-2,664
(Inc)/Dec in WC	-668	1,028	-531	467	266	279
<b>CF from Operations</b>	<b>3,250</b>	<b>6,737</b>	<b>6,431</b>	<b>8,329</b>	<b>9,863</b>	<b>11,764</b>
Others	-137	-292	-311	-734	-861	-1,000
<b>CF from Operating incl EO</b>	<b>3,113</b>	<b>6,445</b>	<b>6,121</b>	<b>7,595</b>	<b>9,001</b>	<b>10,764</b>
(Inc)/Dec in FA	-2,731	-2,352	-2,772	-5,750	-6,000	-6,000
<b>Free Cash Flow</b>	<b>382</b>	<b>4,093</b>	<b>3,349</b>	<b>1,845</b>	<b>3,001</b>	<b>4,764</b>
(Pur)/Sale of Investments						
Others	-1,478	-1,071	-1,636	734	861	1,000
<b>CF from Investments</b>	<b>-4,209</b>	<b>-3,423</b>	<b>-4,408</b>	<b>-5,016</b>	<b>-5,139</b>	<b>-5,000</b>
Inc/(Dec) in Debt	2,152	-275	-4,586	-2,000	1,500	-1,000
Interest Paid	-936	-1,054	-553	-647	-575	-526
Others	380	4,785	0	-927	-1,180	-1,463
<b>CF from Fin. Activity</b>	<b>1,596</b>	<b>3,456</b>	<b>-5,139</b>	<b>-3,574</b>	<b>-256</b>	<b>-2,989</b>
<b>Inc/Dec of Cash</b>	<b>500</b>	<b>6,478</b>	<b>-3,426</b>	<b>-995</b>	<b>3,607</b>	<b>2,775</b>
Opening Balance	695	1,194	7,672	4,246	3,251	6,858
<b>Closing Balance</b>	<b>1,194</b>	<b>7,672</b>	<b>4,246</b>	<b>3,251</b>	<b>6,858</b>	<b>9,633</b>

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

NOTES



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

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

#### Disclosures

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](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") (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 dp@motilaloswal.com.