28 October 2021

2QFY22 Results Update | Sector: Consumer

United Spirits

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	UNSP IN
Equity Shares (m)	727
M.Cap.(INRb)/(USDb)	649.4 / 8.7
52-Week Range (INR)	945 / 495
1, 6, 12 Rel. Per (%)	8/46/24
12M Avg Val (INR M)	1667

Financials & Valuations (INR b)

Y/E March	2021	2022E	2023E
Sales	78.9	96.8	106.4
Sales Gr. (%)	-13.2	22.6	10.0
EBITDA	9.9	15.3	17.6
Margin (%)	12.5	15.8	16.5
PAT	4.6	9.2	11.2
EPS (INR)	6.4	12.7	15.4
EPS Gr. (%)	-41.6	99.2	21.4
BV/Sh.(INR)	56.8	69.9	82.3
Ratios			
RoE (%)	11.2	18.1	18.7
RoCE (%)	16.8	24.6	25.2
Payout (%)	0.0	0.0	19.5
Valuations			
P/E (x)	140.6	70.6	58.2
P/BV (x)	15.7	12.8	10.9
EV/EBITDA (x)	66.2	42.6	36.8

Shareholding pattern (%)

As On	Sep-21	Jun-21	Sep-20
Promoter	56.7	56.8	56.8
DII	9.7	9.9	9.2
FII	19.1	19.0	18.8
Others	14.5	14.3	15.2

FII Includes depository receipts

CMP: INR894 TP: INR1,025 (+15%) Buy

Strong 2QFY22; Outlook encouraging

- Sales growth and margin were ahead of our expectation, leading to a comfortable beat on our 2QFY22 forecasts.
- Despite only a gradual re-opening of the on-trade channel (25-27% of annual sales prior to the COVID-19 outbreak), 2QFY22 sales were 7% higher than 2QFY20 levels. This is good news for UNSP heading into the high margin and on-trade dependent third quarter.
- Commentary of the new CEO on double-digit long-term topline growth targets is encouraging.
- We maintain our **BUY** rating on the stock.

Big beat on all fronts

- Standalone net sales grew 14% YoY to INR24.5b (est. INR21.5b).
- Reported volumes grew by 3.5% (est. -2%).
- Adjusted gross margin expanded by 290bp YoY to 45.1% and reported gross margin stood at 44.2%. Rising inflationary pressure on COGS and a one-off tax provision were offset by an improved mix management, continued focus on productivity, and the benefit of a one-off inventory provision in FY21.
- As a percentage of sales, lower advertising costs (-130bp YoY), flat (adjusted) other expenses (+10bp), and higher staff cost (+30bp) led to a **380bp expansion in adjusted EBITDA margin to 16.4% (est. 12.3%)**. Reported EBITDA margin stood at 17.4%.
- EBITDA (adjusted) grew 48.8% YoY to INR4b (est. INR2.6b).
- On an absolute basis, ad spends fell 3.1% YoY. Investment behind brand building returned to normal after a muted, COVID-impacted 1QFY22.
- Adjusted PBT/adjusted PAT grew 81.1%/74.7% YoY to INR3.2b/INR2.2b (est. INR2b/INR1.5b).
- **Sales/adjusted EBITDA rose 27.9%/196.3% YoY in 1HFY22**. Adjusted PAT stood at INR3.1b in 1HFY22 v/s a loss of INR119m in 1HFY21. Volumes in 1HFY22 grew 22.4% YoY.
- Net debt stood at INR4.4b. The company repaid short term borrowings of INR1.1b in 1HFY22. This reduction in debt, together with a favorable mix, helped reduce total interest costs by 41%.

Highlights from the strategic refresh

- The new mission is to have sustained double-digit topline growth, even as the management aims to maintain its mid-to-high-teen margin guidance.
- It would like to focus its attention on the following consumption trends to deliver rapid growth:

1) Emerging rapid growth in affluent/HNI consumption.
2) In-home consumption.
3) A large proportion of the youth reaching the legal drinking age.
4) Women becoming an increasing driver of growth.

Krishnan Sambamoorthy – Research analyst (Krishnan.Sambamoorthy@MotilalOswal.com)
Research analyst: Dhairya Dhruv (Dhairya.Dhruv@motilaloswal.com) / **Kaiwan Jal Olia** (kaiwan.o@motilaloswal.com)

- The management would also focus on the following growth drivers:

1) Build on the strength of UNSP's Scotch portfolio (BII) and Diageo's Luxury portfolio (BIO). The management will introduce additional brands and build on BIO and BII's Scotch leadership. Pre-tax ROI is 30-35% on this portfolio.
2) Transformative innovation with a focus on fast growing segments.
3) Focusing on global trends, with early traction in India. The recent launch of UNSP's Epitome Reserve Craft is a prime example.
4) It has just started seeding Guinness in the market. This is Diageo's iconic and Premium Beer brand. The initial response has been positive.

Other highlights from the management commentary

- Two-year growth stood at 7%, despite on-trade having only partially recovered and UNSP's exit from Andhra Pradesh (which is included in the base). The recovery momentum is likely to sustain.
- P&A grew at 20% YoY – the highest in the last 20 quarters.
- The outlook on reduction of customs duty remains good as UK-India FTA negotiations are underway, of which UNSP will be a significant beneficiary. State-level excise duty reduction on BIO Scotch is already happening and will be a key focus area. This is as important as a reduction in customs duty.
- The mix is improving and should result in mid-to-high single-digit realization growth compared to the 2-4% growth seen earlier.
- ENA co-location has increased to 50% from 20% a few years ago and will rise further to ensure an adequate supply of ENA.

Valuation and view

- Changes to our model resulted in a 13.7%/5.2% change in FY22E/FY23E EPS.
- Recovery post the second COVID wave has been faster than that in FY21 and continues to improve, given: a) easing restrictions enabling better mobility, and b) the nationwide vaccination drive, which is chugging along at full steam. We had upgraded the stock to Buy in Jan'21 after adopting a cautious stance on the Alcobev industry prospects for most of CY20.
- While its valuations (~58x FY23E EPS) are not cheap, they are at a sharp discount to its discretionary peer range (in our coverage) of 70-80x FY23E EPS. In the five years before COVID-19 impacted FY21, UNSP reported a strong (18% CAGR) EBITDA and over 30% CAGR in PBT/PAT. The outlook appears promising with: a) on-trade channel returning to normalcy; b) increased occasions for home indulgence; c) the ongoing strategic review of half of the Popular portfolio to be concluded by Dec'21, which would offer further primacy to the Prestige & Above (P&A) segment; d) potential success in the P&A segment in terms of growth and margin (24-25% EBITDA margin already demonstrated by Pernod Ricard in India); e) strong focus on double-digit topline growth under the new CEO, even as the margin target was maintained at the earlier stated mid-to-high teen level; and e) faster-than-expected deleveraging.
- We maintain our **BUY** rating, with a TP of INR1,025/share (55x Dec'23E EPS). While our TP is based on standalone numbers, further upside could be expected from the increasing value of RCB stake after the IPL auction earlier this week. Even if we benchmark RCB's valuation to the new Ahmedabad franchise as a base case, there is potential upside of nearly 10% from UNSP's current market capitalization.

Quarterly Performance (INR m)

Y/E March (Standalone)	FY21 1Q	FY21 2Q	FY21 3Q	FY21 4Q	FY22 1Q	FY22 2Q	FY22 3QE	FY22 4QE	FY21	FY22E	FY22 2QE
Volume growth %	**-49.2**	**-3.9**	**-0.8**	**8.1**	**61.2**	**3.5**	**14.0**	**8.0**	**-11.3**	**13.0**	**-2.0**
Total revenues	**10,302**	**21,459**	**24,887**	**22,244**	**16,151**	**24,468**	**30,362**	**25,776**	**78,892**	**96,757**	**21,459**
YoY change (%)	-53.6	-6.5	-3.6	11.6	56.8	14.0	22.0	15.9	-13.2	22.6	0.0
Gross Profit	**4,291**	**9,041**	**11,102**	**9,776**	**7,205**	**11,023**	**13,359**	**11,341**	**34,210**	**42,929**	9,442
Margin (%)	*41.7*	*42.1*	*44.6*	*43.9*	*44.6*	*45.1*	*44.0*	*44.0*	*43.4*	*44.4*	*44.0*
EBITDA	**-776**	**2,697**	**3,838**	**4,118**	**1,677**	**4,014**	**5,309**	**4,256**	**9,877**	**15,256**	**2,642**
Margins (%)	*-7.5*	*12.6*	*15.4*	*18.5*	*10.4*	*16.4*	*17.5*	*16.5*	*12.5*	*15.8*	*12.3*
EBITDA growth (%)	*-119.5*	*-35.1*	*-9.5*	*51.7*	*L/P*	*48.8*	*38.3*	*3.3*	*-34.5*	*54.5*	*-2.0*
Depreciation	638	571	614	670	554	655	650	709	2,493	2,568	620
Interest	499	507	377	275	198	230	150	102	1,658	680	170
PBT From operations	**-1,913**	**1,619**	**2,847**	**3,173**	**925**	**3,129**	**4,509**	**3,445**	**5,726**	**12,009**	**1,852**
Other income	95	128	194	61	106	35	100	151	478	392	120
PBT	**-1,818**	**1,747**	**3,041**	**3,234**	**1,031**	**3,164**	**4,609**	**3,596**	**6,204**	**12,401**	**1,972**
Tax	-415	463	742	797	168	921	1,162	955	1,587	3,205	497
Rate (%)	22.8	26.5	24.4	24.6	16.3	29.1	25.2	26.5	25.6	25.8	25.2
Adj. PAT	**-1,403**	**1,284**	**2,299**	**2,437**	**863**	**2,243**	**3,448**	**2,641**	**4,617**	**9,195**	**1,475**
YoY change (%)	-170.6	*-42.8*	-11.2	124.1	L/P	*74.7*	50.0	8.4	-41.6	99.2	14.9

E: MOFSL Estimate

Key Performance Indicators

Y/E March (Standalone)	FY21 1Q	FY21 2Q	FY21 3Q	FY21 4Q	FY22 1Q	FY22 2Q
Key Metrics						
Sales Volume (m Cases)	9.8	19.9	21.3	19.7	15.8	20.5
Volume Growth %	-49.2	-3.9	-0.8	8.1	61.2	3.5
Realisation/case (INR)	1,051	1,081	1,168	1,129	1,022	1,191
Realisation growth %	-8.5	-3.0	-2.7	3.6	-2.8	10.2
EBIDTA/Case (INR)	-79.2	135.8	180.2	209.0	106.1	195.4
Segmental performance						
P&A Volumes (m Cases)	5.0	10.8	11.4	10.0	8.0	11.4
Popular Volumes (m Cases)	4.8	9.1	9.9	9.7	7.8	9.1
P&A Volumes Growth (%)	-51.5	-0.6	0.6	19.4	60.0	6.1
Popular Volumes Growth (%)	-46.7	-7.5	-2.3	-1.5	62.5	0.4
P&A Sales Growth (%)	-52.0	1.0	-1.0	25.8	58.4	20.8
Popular Sales Growth (%)	-51.0	-12.5	-7.0	-3.1	60.2	0.0
2Y average growth (%)						
Volume	-21.6	-1.5	-1.3	-2.6	6.0	-0.2
Sales	-21.6	-1.7	-0.1	0.1	1.6	3.7
EBITDA	-26.6	-20.6	4.4	23.7	-28.9	6.9
PAT	-41.0	-28.0	5.3	53.6	-28.3	15.9
% of Sales						
COGS	58.3	57.9	55.4	56.1	55.4	54.9
Operating expenses	49.2	29.6	29.2	25.4	34.2	28.6
Depreciation	6.2	2.7	2.5	3.0	3.4	2.7
YoY change (%)						
COGS	-48.6	-1.7	-4.0	8.1	48.8	8.3
Operating expenses	-22.4	2.8	0.6	-0.6	9.1	10.5
Other Income	-5.9	-6.6	10.2	48.8	11.6	-72.7
EBIT	-140.7	-40.7	-13.2	69.4	N/M	58.0

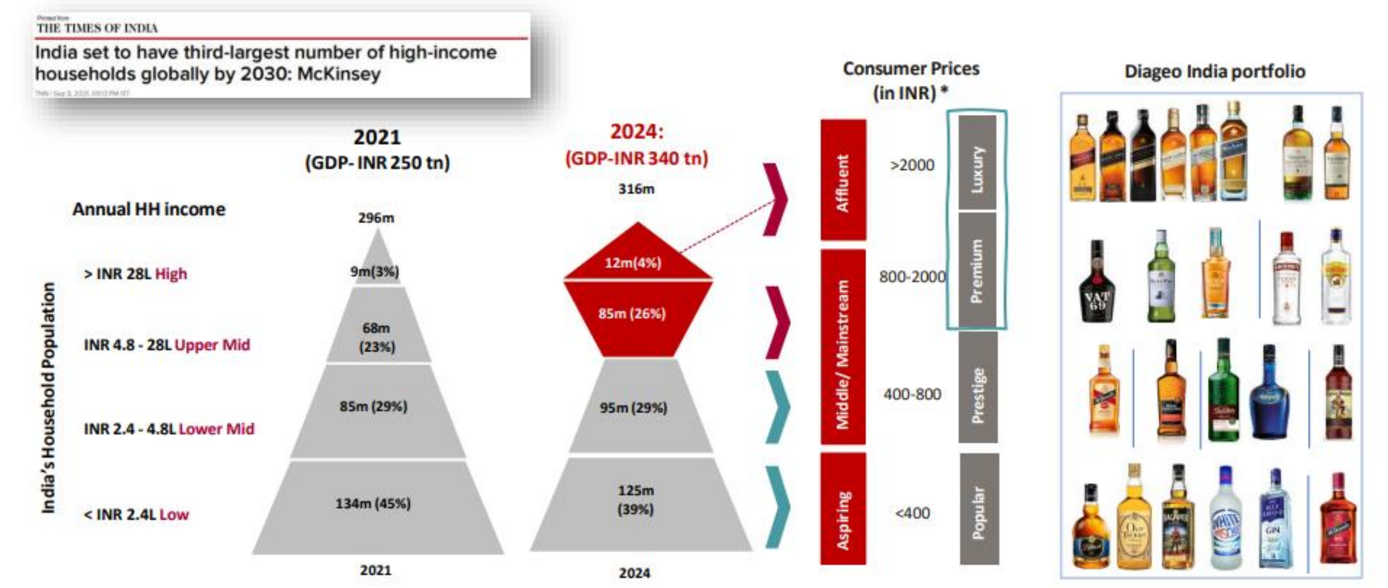
E: MOFSL Estimates

Highlights from the strategic refresh

Big picture strategic direction by new CEO

- UNSP has seen excellent performance on margins and deleveraging over the last decade that have supported earnings growth.
- Nevertheless, management admits that sales growth has been lower than expected. NSV has seen a 3% CAGR with 6% P&A CAGR since Diageo's takeover.
- The new mission is to have sustained double-digit topline growth even as management aims to maintain its earlier guidance of mid-to-high-teens margins.
- The opportunity is large and rising affluence increases the scope of P&A.

Exhibit 1: India's rising affluent class to drive premiumization of alcobevs



Source: Company, MOFSL

Key trends seen in alcobev for UNSP

- UNSP's core customer has been the 30+ SEC-B and SEC-C male.
- Management would like to focus its attention on the following consumption trends which are placed to deliver rapid growth:
  - Emerging rapid growth in affluent/HNI consumption.
  - In-home consumption.
  - A large proportion of the youth people reaching legal drinking age.
  - Women becoming an increasing driver of growth.

Three pillars of growth for UNSP under the new CEO

- **Reshape of portfolio**
- Within P&A, management would like to focus on the luxury/premium segment.
- Build on the strength of UNSP's scotch portfolio (BII) and Diageo's luxury portfolio (BIO). Management will introduce more brands and build on its BIO and BII scotch leadership. Pre-tax ROI is 30-35% on this portfolio.
- Strengthening the upper-premium P&A segment and doing so sustainably.
- Introducing and nurturing new occasions for consumption.
- Introduce measure to strengthen the lower and mid-prestige segments such as McDowell No1 with higher grain proportion (received very well so far), and restaging of Royal Challenge.

- Transformative innovation with a focus on fast growing segments.
- Focusing on global trends with early traction in India. The recent launch of UNSP's Epitome Reserve craft being an example.
- Just started seeding Guinness in the market which is Diageo's iconic and premium beer brand. Initial response has been positive.
- Focusing on white spirits as well. India is largely a whisky market. Have received good initial response to Gordon and Tanqueray gin. Will also focus more on Vodka.
- Cost savings and efficiency will be fuelled into growth.

Exhibit 2: Reshaping UNSP's portfolio with a focus on P&A…

Source: Company, MOFSL

Exhibit 3: …while introducing new avenues for growth

Source: Company, MOFSL

Creating an organization of the future

- Management would like to have a digital focus to reach customers.
- Supply side technology – Building factories of the future with predictive demand sensing, automatic bottling, etc.
- Talent and culture as growth drivers – Creating rewarding programs for mid-level management.
- Building capabilities for the future – Speed and simplicity in everyday working.

Defining and creating an ambitious role for Diageo in society

- Work toward creating a positive impact on all aspects of society.
- Strengthening a sustainable and inclusive culture.
- **'Society 2030'**
  - ESG from 'grain-to-glass' (water positive by 2026; 2025 zero-carbon targets; best-of-breed HR policies).
  - Emphasizing the importance of 'drinking better not more'.
  - Inclusion and diversity in recruiting – pioneering representation of women with 50% women in leadership positions by 2025. Providing equal opportunities to the LGBTQ community and people with disabilities.

Exhibit 4: Summarizing UNSP's strategic refresh under the new CEO

Source: Company, MOFSL

Key performance highlights from the management commentary

Demand environment

- UNSP witnessed a good recovery in 2QFY22.
- Two-year growth of 7% despite on-trade having only partially recovered and UNSP's exit from Andhra Pradesh (which is included in the base). The recovery momentum is likely to sustain.
- P&A grew at 20% YoY – the highest in the last 20 quarters.

Custom duty and excise duty

- The outlook on reduction of customs duty remains good as the UK-India FTA negotiations are underway of which, UNSP will be a significant beneficiary.
- In addition, State level excise duty reduction on BIO scotch is already happening and will be focused on further. This is as important as customs duty reduction.

Costs and margins

- Mix is improving and consequently should result in mid-to-high single-digit realization growth compared to the 2-4% seen earlier.
- Some RM cost inflation is being witnessed. Inflation was 1.5-2% for 2QFY22 and is inching up further. Management will attempt to mitigate this through revenue management and cost savings.
- ENA co-location has increased to 50% now from 20% a few years ago and will increase further to ensure an adequate supply of ENA.
- Advertising spends are now returning to earlier levels and are expected to be 8-8.5% of sales overall and in double-digits in case of P&A.
- Staff costs increased as some costs were foregone in the past.

Strategic review of popular brands

- Management is on track to finish the review by Dec'21 as guided and details will be shared in the next quarter.

Balance sheet and dividend

- Debt reduction continues to be on track.
- UNSP is on the verge of wiping out accumulated losses which is something that they need to do from a regulatory stand point in order to pay dividends. Expect this to happen in the next 4-6 quarters.
- Capex will be in line with earlier levels.

Royal Challengers Bangalore (RCB) franchise

- The franchise remains a core part of UNSP.
- Management is pleased with the increase in value post the new bids recently.

Rise in RCB's valuations after the recent IPL franchise additions

- Two new franchisees were inducted in the IPL on 25th Oct'21.
- The Lucknow franchise was acquired for INR70.9b (USD945m) and Ahmedabad for INR56.25b (USD750m).
- As new franchises are acquired for these amounts, the value of incumbents also rises.
- Notably, many of the incumbents are from metropolitan cities with a higher fan base.
- UNSP's market capitalization as of today's close was ~USD8b. The market value of RCB was around USD250-300m. Since it was around 3% of Mcap, it was not significant and hence, not highlighted separately as we were only valuing standalone business.
- Even if we benchmark RCB's valuation to the new Ahmedabad franchise as a base case, the value of the RCB franchise triples with a potential upside of nearly 10% to the current market capitalization of UNSP.

- Franchisees can make income raise value in several ways:
  - Gate receipts
  - Sponsorship of team
  - IPL sponsorship share
  - Own performance
  - When new franchisees get added part of the franchise fees is also divided among incumbents
- RCB has also posted improved performance in the previous two IPLs with top 4 finishes.
- In summary, RCB is now becoming a more significant part of value attributable to UNSP.

Exhibit 5: Snapshot of RCB's financials

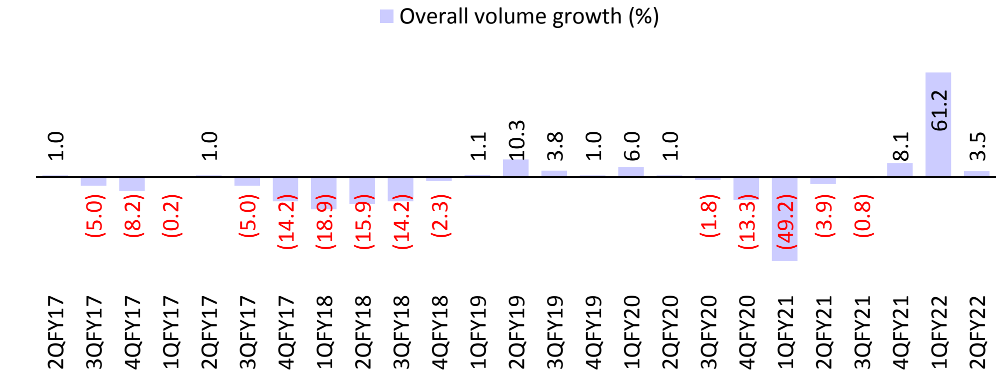
INR m	FY17	FY18	FY19	FY20	FY21
Reserves	(320.0)	62.0	910.0	910.0	1,491.0
Total assets	4,675.0	5,043.0	6,071.0	6,071.0	4,298.0
Total liabilities	4,995.0	4,981.0	5,161.0	5,161.0	2,807.0
Revenues	1,621.0	1,469.0	3,951.0	-	2,319.0
Growth (%)		*(9.4)*	*169.0*	*(100.0)*	*NM*
UNSP net sales	85,476.0	81,701.0	89,806.0	90,909.0	78,892.0
% of UNSP's net sales	*1.9*	*1.8*	*4.4*	*-*	*2.9*
PBT	32.0	(181.0)	1,101.0	-	734.0
PAT	32.0	382.0	848.0	37.0	541.0
UNSP Adj PAT	3,884.4	4,900.0	6,764.8	7,908.6	4,617.0
% of UNSP's adj. PAT	*0.8*	*7.8*	*12.5*	*0.5*	*11.7*
RoE (%)*	NM	616.1	93.2	4.1	36.3

*PAT/Reserves Source: Company, MOFSL

Key exhibits

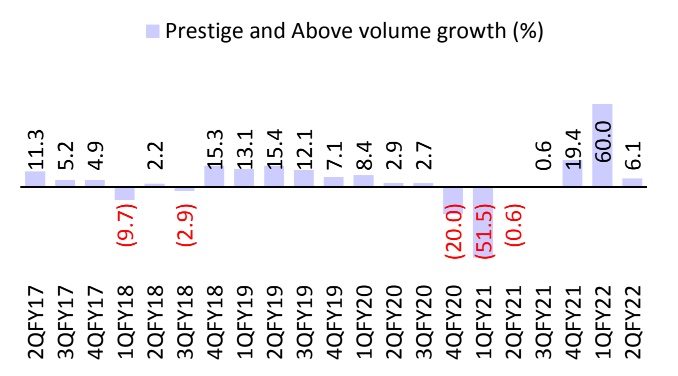
- Prestige & Above (P&A)/Popular volumes rose 6.1%/0.4% YoY.
- Net sales of P&A were up 20.8% YoY. P&A delivered high double-digit growth in Scotch in 2QFY22.
- Net sales of Popular remained flat YoY.
- Underlying price/mix ratio in 1HFY22 was a favorable 5.5% due to a good performance in Scotch and a favorable brand mix.

Exhibit 6: Overall volumes grew 3.5% YoY to 20.5m cases in 2QFY22



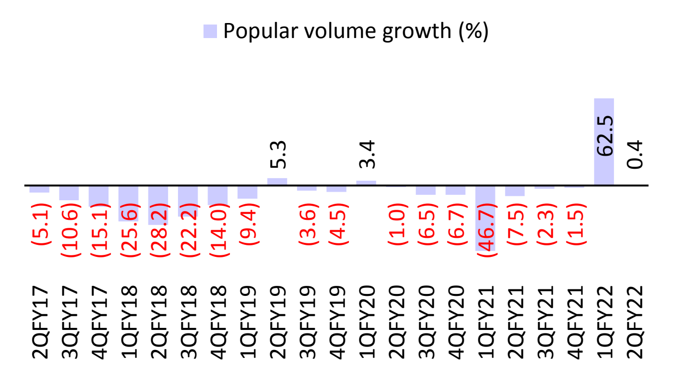
Source: Company, MOFSL

Exhibit 7: P&A volumes grew 6.1% YoY in 2QFY22



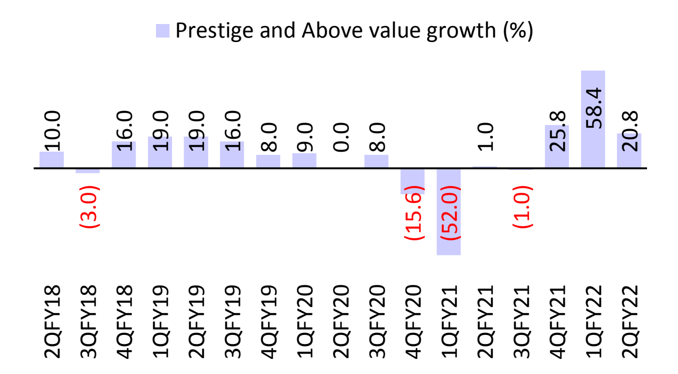
Source: Company, MOFSL

Exhibit 8: Popular volumes remained flat YoY in 2QFY22



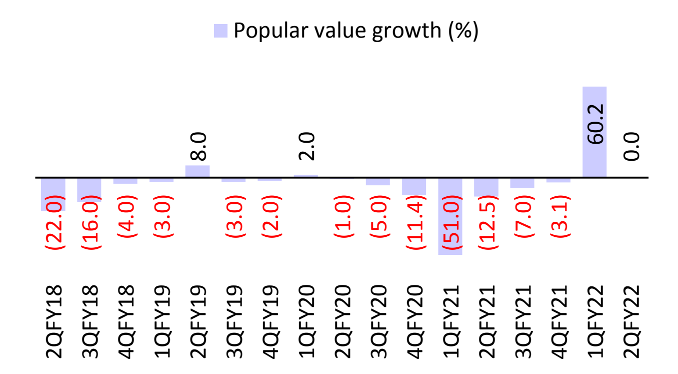
Source: Company, MOFSL

Exhibit 9: P&A sales grew 20.8% YoY in 2QFY22



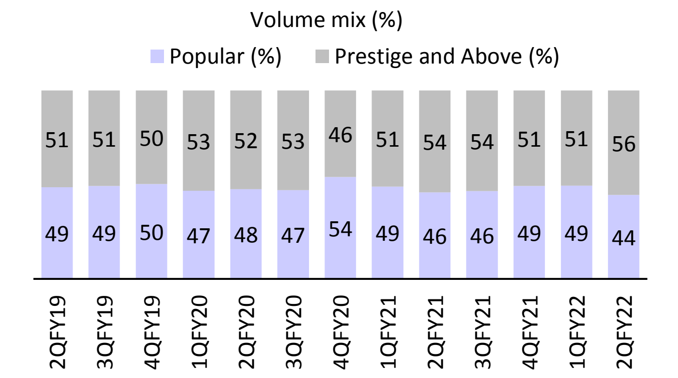
Source: Company, MOFSL

Exhibit 10: Popular sales remained flat YoY in 2QFY22



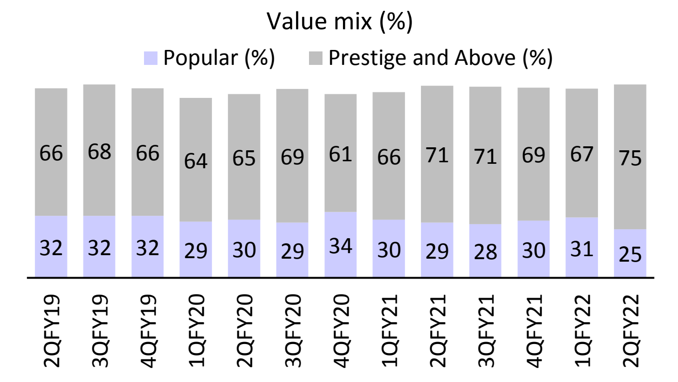
Source: Company, MOFSL

Exhibit 11: Contribution of P&A volumes stood at 56%...



Source: Company, MOFSL

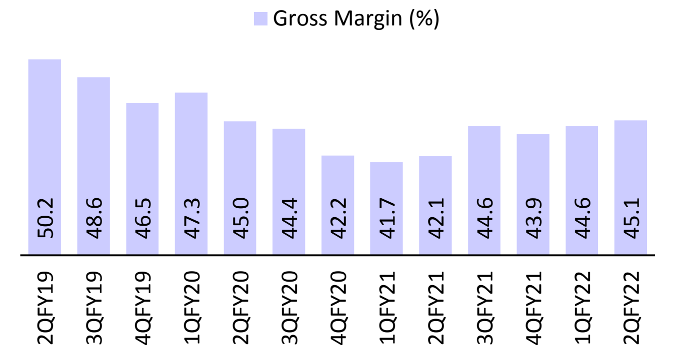
Exhibit 12: ...while value contribution stood at 75%



Source: Company, MOFSL

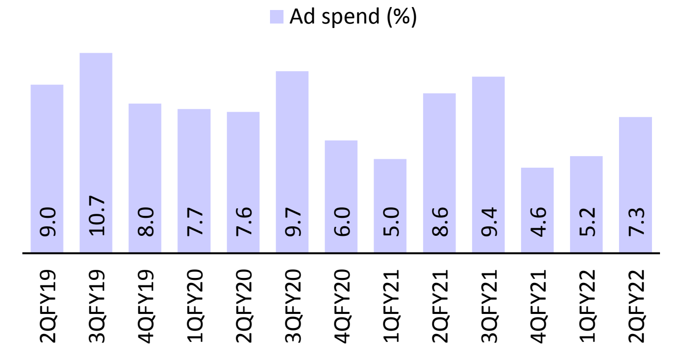
- **Adjusted gross margin expanded by 290bp YoY to 45.1%** while reported gross margin came in at 44.2%. Rising inflationary pressure on COGS and a one-off tax provision were offset by improved mix management, continued focus on productivity and the benefit of a one-off inventory provision in FY21.
- As a percentage of sales, lower advertising costs (-130bp YoY), flat (adjusted) other expenses (+10bp) and higher staff costs (+30bp) led to an **adjusted EBITDA margin expansion of 380bp to 16.4%** (est. 12.3%). Reported EBITDA margin stood at 17.4%.
- **EBITDA (adjusted) grew 48.8% YoY to INR4b** (est. INR2.6b).
- On an absolute basis, ad spends fell 3.1% YoY. Investment behind brand building returned back to normal after a muted, COVID-impacted 1QFY22.

Exhibit 13: Gross margin (adj.) expands 290bp YoY to 44.6%



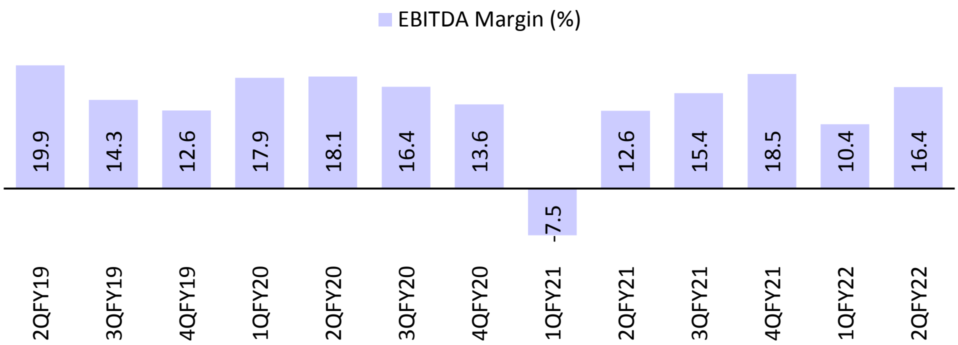
Source: Company, MOFSL

Exhibit 14: Ad spends declined 130bp YoY to 7.3% of sales



Source: Company, MOFSL

Exhibit 15: Adjusted EBITDA margin expanded 380bp YoY to 16.4% in 2QFY22



Source: Company, MOFSL

Valuation and view

Gaining of control by Diageo has led to a dramatic turnaround since FY15

- **Weak revenue growth, but strong profitability improvement:** Over FY15-20, sales CAGR stood at 2.7%. However, EBITDA CAGR was strong at 17.8%, with an impressive PBT/PAT CAGR of 38.8%/32.7%.
- **Portfolio realignment given priority:** Over FY15-18, UNSP realigned its portfolio, with a higher focus on the more profitable P&A segment. Contribution of P&A segment to revenue has jumped to ~68% in FY20 from 40% in FY15. However, the overall pace of sales growth was lower than expected.
- **Mix improvement led to a sharp margin expansion:** Reorganization of the portfolio toward the more profitable P&A segment has led to EBITDA margin expanding to 16.6% in FY20 from 9.1% in FY14.
- **Continuous efforts on cost reduction and improving efficiencies:** Working capital reduction, sale of non-core assets, limited capex, and improved profitability has led to net debt declining and interest cost reducing by 57% during FY15-20. This has driven the largest chunk of PBT growth over the past five years.

Maintain our optimistic view on the stock

- Changes to the model have resulted in a 13.7%/5.2% change in FY22/FY23E EPS.
- Recovery post the second COVID wave has been faster than that in FY21 and continues to improve, given: a) easing restrictions enabling better mobility, and b) the nationwide vaccination drive, which is chugging along at full steam. We

had upgraded the stock to Buy in Jan'21 after adopting a cautious stance on the Alcobev industry prospects for most of CY20.

- While its valuations (~58x FY23E EPS) are not cheap, they are at a sharp discount to its discretionary peer range (in our coverage) of 70-80x FY23E EPS. In the five years before COVID-19 impacted FY21, UNSP reported a strong (18% CAGR) EBITDA and over 30% CAGR in PBT/PAT. The outlook appears promising with: a) on-trade channel returning to normalcy; b) increased occasions for home indulgence; c) the ongoing strategic review of half of the Popular portfolio to be concluded by Dec'21, which would offer further primacy to the Prestige & Above (P&A) segment; d) potential success in the P&A segment in terms of both growth and margin (24-25% EBITDA margin already demonstrated by Pernod Ricard in India); e) Strong growth focus on double digit topline growth under the new CEO even as margin targets were maintained at the earlier stated mid to high teen levels; and e) faster-than-expected deleveraging.
- We maintain our **BUY** rating, with a TP of INR1,025/share (55x Dec'23E EPS). While our target price is on standalone numbers further upside could be obtained from the increasing value of the RCB stake post the IPL auction earlier this week. Even if we benchmark RCB's valuation to the new Ahmedabad franchise as a base case, there is a potential upside of nearly 10% to the current market capitalization of UNSP.

Exhibit 16: Raise our FY22E/FY23E PAT estimate by 13.7%/5.2%

	New		Old		Change (%)	
(INR m)	FY22E	FY23E	FY22E	FY23E	FY22E	FY23E
Total Income	96,757	1,06,428	91,763	1,00,934	5.4	5.4
EBITDA	15,256	17,560	13,397	16,654	13.9	5.4
Adjusted PAT	9,195	11,164	8,088	10,610	13.7	5.2

Source: Company, MOFSL

Financials and valuations

Income Statement								(INR m)
Y/E March	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Net Sales	**85,030**	**81,269**	**89,322**	**90,565**	**78,892**	**96,317**	**1,05,944**	**1,19,283**
Other Operating Inc	446	432	484	344	0	440	484	532
Total Revenue	**85,476**	**81,701**	**89,806**	**90,909**	**78,892**	**96,757**	**1,06,428**	**1,19,815**
Change (%)	3.6	-4.4	9.9	1.2	-13.2	22.6	10.0	12.6
Gross Profit	**36,632**	**39,725**	**43,857**	**40,689**	**34,210**	**42,929**	**48,425**	**56,313**
Margin (%)	42.9	48.6	48.8	44.8	43.4	44.4	45.5	47.0
Other Expenditure	-26,922	-29,446	-30,983	-25,608	-24,333	-27,673	-88,867	-98,249
EBITDA	**9,710**	**10,279**	**12,874**	**15,081**	**9,877**	**15,256**	**17,560**	**21,567**
Change (%)	9.5	5.9	25.2	17.1	-34.5	54.5	15.1	22.8
Margin (%)	11.4	12.6	14.3	16.6	12.5	15.8	16.5	18.0
Depreciation	-1,323	-1,351	-1,445	-2,275	-2,493	-2,568	-2,825	-2,966
Int. and Fin. Charges	-3,690	-2,675	-2,200	-1,907	-1,658	-680	-340	-170
Other Income	1,111	1,080	952	455	478	392	529	714
Profit before Taxes	**5,808**	**7,333**	**10,181**	**11,354**	**6,204**	**12,401**	**14,925**	**19,145**
Change (%)	31.0	26.3	38.8	11.5	-45.4	99.9	20.4	28.3
Margin (%)	6.8	9.0	11.3	12.5	7.9	12.8	14.0	16.0
Tax	1,923	2,433	3,416	3,445	1,587	3,205	3,761	4,825
Tax Rate (%)	33.1	33.2	33.6	30.3	25.6	25.8	25.2	25.2
Adjusted PAT	**3,884**	**4,900**	**6,765**	**7,909**	**4,617**	**9,195**	**11,164**	**14,321**
Change (%)	87.1	26.1	38.1	16.9	-41.6	99.2	21.4	28.3
Margin (%)	4.5	6.0	7.5	8.7	5.9	9.5	10.5	12.0
Non-rec. (Exp)/Income	-2,186	717	-179	-862	-1,514	319	0	0
Reported PAT	**1,699**	**5,617**	**6,586**	**7,047**	**3,103**	**9,514**	**11,164**	**14,321**

Balance Sheet								(INR m)
Y/E March	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Share Capital	1,453	1,453	1,453	1,453	1,453	1,453	1,453	1,453
Reserves	17,925	23,585	29,862	36,644	39,815	49,329	58,314	67,912
Net Worth	**19,378**	**25,038**	**31,315**	**38,097**	**41,268**	**50,782**	**59,767**	**69,365**
Loans	40,407	32,505	25,825	15,195	7,134	4,134	2,634	1,134
Deffered Tax Liabilities	-1,241	-856	-1,878	-1,590	-1,711	-1,711	-1,711	-1,711
Capital Employed	**58,544**	**56,687**	**55,262**	**51,702**	**46,691**	**53,205**	**60,690**	**68,788**
Gross Block	14,091	13,561	16,406	19,315	21,469	22,969	23,969	24,969
Less: Accum. Depn.	-2,219	-3,540	-5,124	-5,968	-8,461	-11,029	-13,853	-16,819
Net Fixed Assets	**11,872**	**10,021**	**11,282**	**13,347**	**13,008**	**11,940**	**10,116**	**8,150**
Capital WIP	851	980	1,171	1,187	865	865	865	865
Investments	3,238	2,775	2,984	2,526	2,021	2,021	2,021	2,021
Curr. Assets, L&A	**70,763**	**71,778**	**69,308**	**66,895**	**63,807**	**73,048**	**85,941**	**99,191**
Inventory	18,538	18,694	18,767	18,361	19,810	20,319	22,350	25,161
Account Receivables	29,605	26,998	25,181	22,835	21,601	26,509	29,158	32,826
Cash and Bank	523	1,198	588	345	553	879	3,272	2,790
Others	22,097	24,888	24,772	25,354	21,843	25,342	31,161	38,414
Curr. Liab. and Prov.	**28,180**	**28,867**	**29,483**	**32,253**	**33,010**	**34,669**	**38,253**	**41,438**
Account Payables	11,798	13,935	13,360	11,712	13,813	14,979	17,275	19,029
Other Liabilities	13,345	11,490	12,346	16,196	13,743	14,018	15,420	16,962
Provisions	3,037	3,442	3,777	4,345	5,454	5,672	5,559	5,448
Net Current Assets	**42,583**	**42,911**	**39,825**	**34,642**	**30,797**	**38,379**	**47,688**	**57,752**
Application of Funds	**58,544**	**56,687**	**55,262**	**51,702**	**46,691**	**53,205**	**60,690**	**68,788**

E: MOFSL Estimates

Financials and valuations

Ratios								
Y/E March	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Basic (INR)								
EPS	**5.3**	**6.7**	**9.3**	**10.9**	**6.4**	**12.7**	**15.4**	**19.7**
Cash EPS	7.2	8.6	11.3	14.0	9.8	16.2	19.3	23.8
BV/Share	26.7	34.5	43.1	52.4	56.8	69.9	82.3	95.5
DPS	0.0	0.0	0.0	0.0	0.0	0.0	3.0	6.5
Payout %	0.0	0.0	0.0	0.0	0.0	0.0	19.5	33.0
Valuation (x)								
P/E	167.1	132.5	96.0	82.1	140.6	70.6	58.2	45.3
Cash P/E	124.7	103.9	79.1	63.8	91.3	55.2	46.4	37.6
EV/Sales	1.9	1.9	1.7	1.6	1.7	1.4	1.2	1.1
EV/EBITDA	70.6	65.9	52.2	43.9	66.2	42.6	36.8	29.9
P/BV	33.5	25.9	20.7	17.0	15.7	12.8	10.9	9.4
Return Ratios (%)								
RoE	21.3	19.6	21.6	20.8	11.2	18.1	18.7	20.6
RoCE	11.4	11.6	14.7	17.3	16.8	24.6	25.2	28.1
RoIC	11.1	11.3	14.9	18.2	12.1	20.3	21.2	23.7
Working Capital Ratios								
Asset Turnover (x)	1.5	1.4	1.6	1.8	1.7	1.8	1.8	1.7
Leverage Ratio								
Debt/Equity (x)	2.1	1.3	0.8	0.4	0.2	0.1	0.0	0.0

Cash Flow Statement								(INR m)
Y/E March	**2017**	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
OP/(loss) before Tax	2,546	8,403	9,914	11,347	4,690	12,401	14,925	19,145
Int./Div. Received	-413	205	1,245	-559	1,887	-392	-529	-714
Depreciation and Amort.	1,323	1,351	1,445	2,275	2,493	2,568	2,825	2,966
Interest Paid	3,488	1,708	1,775	1,626	1,428	680	340	170
Direct Taxes Paid	-1,943	-3,898	-8,238	-5,658	-1,253	-3,205	-3,761	-4,825
Incr/Decr in WC	1,732	1,694	2,434	-2,361	8,036	-7,256	-6,916	-10,546
CF from Operations	**6,733**	**9,463**	**8,575**	**6,670**	**17,281**	**4,794**	**6,883**	**6,196**
(Incr)/Decr in FA	-1,509	41	-656	-1,978	-1,062	-1,500	-1,000	-1,000
Free Cash Flow	**5,476**	**9,621**	**8,332**	**6,331**	**16,410**	**3,686**	**6,413**	**5,910**
(Pur)/Sale of Investments	111	213	319	0	0	0	0	0
Other investing items	-2,973	1,174	-142	599	993	319	-4,359	-9,444
CF from Invest.	**-4,119**	**1,545**	**-66**	**260**	**122**	**-789**	**-4,830**	**-9,730**
Issue of Shares	0	0	0	0	0	0	0	0
Incr/Decr in Debt	-3,325	-7,902	-7,004	-5,572	-15,981	-3,000	-1,500	-1,500
Dividend Paid	0	0	0	0	0	0	2,180	4,722
Others	-2,128	-2,431	-2,115	-1,601	-1,214	-680	-340	-170
CF from Fin. Activity	**-5,453**	**-10,333**	**-9,119**	**-7,173**	**-17,195**	**-3,680**	**340**	**3,052**
Incr/Decr of Cash	**-2,839**	**675**	**-610**	**-243**	**208**	**326**	**2,393**	**-482**
Add: Opening Balance	3,362	523	1,198	588	345	553	879	3,272
Closing Balance	**523**	**1,198**	**588**	**345**	**553**	**879**	**3,272**	**2,790**

E: MOFSL Estimates

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 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, Investment Advisory Services, Depository participant services & distribution of various financial products. MOFSL is a subsidiary company of Passionate Investment Management Pvt. Ltd.. (PIMPL). MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL , including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore.As per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisors Act (CAP 110) provided to MOCMSPL by Monetary Authority of 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, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person 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
- received compensation/other benefits from the subject company in the past 12 months
- 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.

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.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 71934200/ 022-71934263; Website www.motilaloswal.com.CIN no.: L67190MH2005PLC153397.Correspondence Office Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad(West), Mumbai- 400 064. Tel No: 022 7188 1000.

Registration Nos.: Motilal Oswal Financial Services Limited (MOFSL)*: INZ000158836(BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN - 146822; Investment Adviser: INA000007100; Insurance Corporate Agent: CA0579;PMS:INP000006712. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP000000670); PMS and Mutual Funds are offered through MOAMC which is group company of MOFSL. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) is offered through MOWML, which is a group company of MOFSL. Motilal Oswal Financial Services Limited is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs,Insurance Products and IPOs.Real Estate is offered through Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. which is a group company of MOFSL. Private Equity is offered through Motilal Oswal Private Equity Investment Advisors Pvt. Ltd which is a group company of MOFSL. Research & Advisory services is backed by proper research. Please read the Risk Disclosure Document prescribed by the Stock Exchanges carefully before investing. There is no assurance or guarantee of the returns. Investment in securities market is subject to market risk, read all the related documents carefully before investing. Details of Compliance Officer: Name: Neeraj Agarwal, Email ID: na@motilaloswal.com, Contact No.:022-71881085.

* MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench.