

Capital Goods

Cummins: Valuation snapshot (INRb)

Y/E Mar	2024E	2025E	2026E
Net sales	87.5	106.1	125.5
EBITDA	16	18.7	22.1
Adj. PAT	15.4	18.1	21.5
EPS (INR)	55.6	65.2	77.7
EPS Gr. (%)	23.6	17.3	19.2
BV/Sh. (INR)	215	240	269.9
Ratios			
RoE (%)	27.2	28.6	30.5
RoCE (%)	24.5	25.9	27.6
Valuations			
P/E (x)	49.8	42.4	35.6
P/BV (x)	12.9	11.5	10.2
EV/EBITDA (x)	47.2	40.3	33.9
Div Yield (%)	1.1	1.3	1.6

KOEL: Valuation snapshot (INRb)

Y/E Mar	2024E	2025E	2026E
Net sales	48.1	56.5	65.6
EBITDA	5.5	7.1	8.9
Adj. PAT	3.6	4.8	6.1
EPS (INR)	24.9	32.8	42.0
EPS Gr. (%)	33.6	31.7	28.0
BV/Sh. (INR)	179.4	203.4	234.2
Ratios			
RoE (%)	14.7	17.2	19.2
RoCE (%)	14.4	17.0	19.1
Valuations			
P/E (x)	32.2	24.5	19.1
P/BV (x)	4.5	3.9	3.4
EV/EBITDA (x)	20.8	15.8	12.2
Div Yield (%)	0.8	1.1	1.4

Powergenset demand remains strong

Genset channel check

Our channel checks with genset players indicate that demand is fairly strong across key segments and that players are ready for the emission shift. Inventory levels for CPCB 2 based gensets will start coming down from Apr'24 onward as production for CPCB 2 based gensets has already stopped. Demand may see minor disruption during election months; however, underlying long-term growth drivers remain intact even after minor disruption. Pricing is higher by 20-40% across nodes and we expect it to be passed on to customers fully from Jul'24 onward. Companies are already taking initiatives for exporting new products, which will start reflecting in few quarters. We maintain our positive stance on key players in the genset industry and prefer KOEL over Cummins at the current valuations.

Key highlights from our interaction with genset players Demand remains strong

Our channel checks with genset industry players indicate that: 1) domestic demand momentum remains strong across low-to-mid kVA ranges, driven by strong activity across manufacturing, hospitality, residential and commercial construction; 2) some part of demand momentum is also contributed by pre-buying in low-to-mid kVA range ahead of the norm implementation, particularly from residential and commercial segments. Low-to-mid kVA range forms nearly 70-75% of overall genset market; 3) HHP range forms the remaining market, and data centres remain a key growth driver for HHP genset, which is growing at a faster rate than low- to mid-range gensets; 4) Currently CPCB 2 products contribute to nearly 80% of the genset sales and the remaining comes from CPCB 4+, particularly from NCR. Inventory levels for CPCB 2 will start coming down from Apr'24 onward as production will then shift to CPCB 4+ ahead of the implementation timeline in Jul'24; 5) Most government contracts are already mandating the usage of gensets based on the latest norms; however, government contract-based demand may see minor disruption during election months.

Higher pricing takes into account technological shift

We see only limited possibility of a pricing war for CPCB 4+ products as the main motive of all players is to cover the costs first, which are up by nearly 20-40% owing to the technological shift. Hence, the buffer to take a hit in margins is limited. Secondly, volume market shares of KOEL, Cummins, and Mahindra Powerol have increased in the past few years, thereby negating the possibility of aggressive competition to gain market share. These three players form nearly 70% of volumes in the market. Thirdly, strong demand may continue to support higher pricing unlike the last transition when demand was weak.

Players with strong distribution network to benefit

New players or foreign players may not have as strong a distribution network as Cummins and KOEL have, and hence it will be an advantage for these players despite higher product prices. Aftermarket demand for CPCB 4+ will start kicking in over the next 6-9 months after the launch.

Export markets seem to have bottomed out

Cummins' exports were impacted by a demand slowdown across its key export markets such as the US, Europe, Latin America and the Middle East. The company is trying to grow exports via fit-for-market products and the penetration of CPCB 4+ products. KOEL targets to grow its exports in MHP and HHP range and is setting up GOEMs in key regions. The export markets in less than 125 kVA range are highly commoditized, with a larger share of Chinese imports and thus, both these companies are focusing on higher ranges for exports.

Factors to watch out for in next few quarters

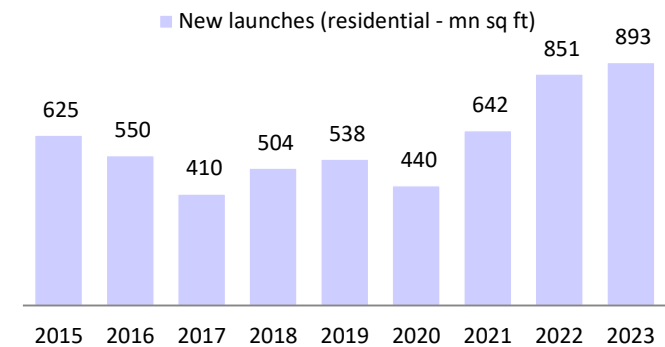
Genset market will remain mixed over the next few months owing to several events such as election impact, transition to new norms, and expected private capex recovery in select sectors. We would watch out for the following key factors in coming quarters: 1) the impact of election-related disruption in genset demand during May-Jun'24, 2) the implementation of CPCB 4+ norms in Jul'24 and demand shift from higher nodes of CPCB 4+ (700-750 kVA) to cheaper nodes of CPCB 2 in higher kVA categories such as 800-1000 kVA; 3) price stabilization in the next one year as operating leverage kicks in.

Valuation and recommendation

Cummins is currently trading at 35x P/E and KOEL is trading at 19x P/E on Mar'26 estimates. We maintain our positive stance on key players in the genset industry and prefer KOEL over Cummins at the current valuations.

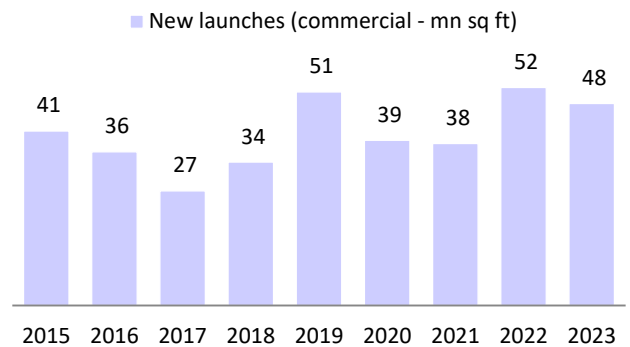
Demand growth to be led by real estate launches and data centre expansion

Exhibit 1: Residential real estate launches were strong in last two years and would drive genset demand



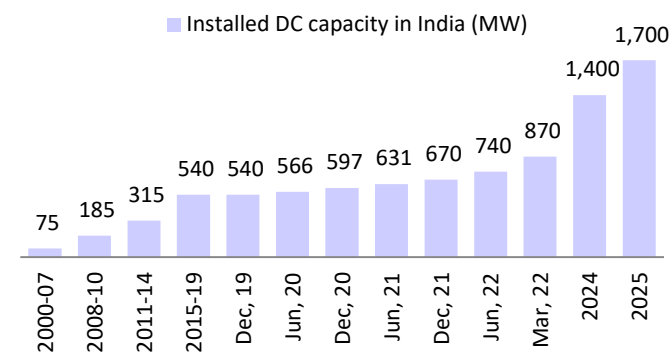
Source: Propequity

Exhibit 2: Commercial real estate launches were also strong in last two years and would drive genset demand



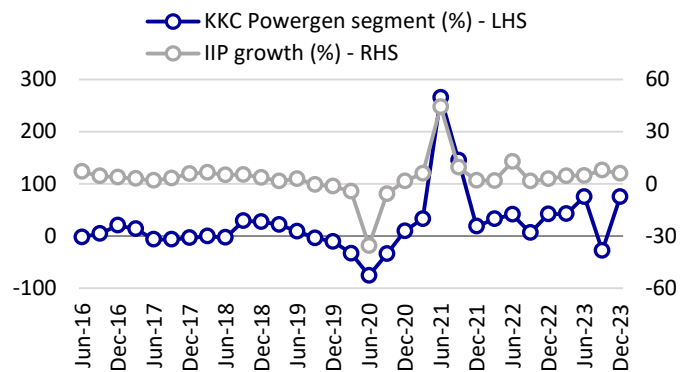
Source: Propequity

Exhibit 3: Data Centre market seeing investments of USD4-5b in capacity ramp-up (MW)



Source: CRISIL, MOFSL

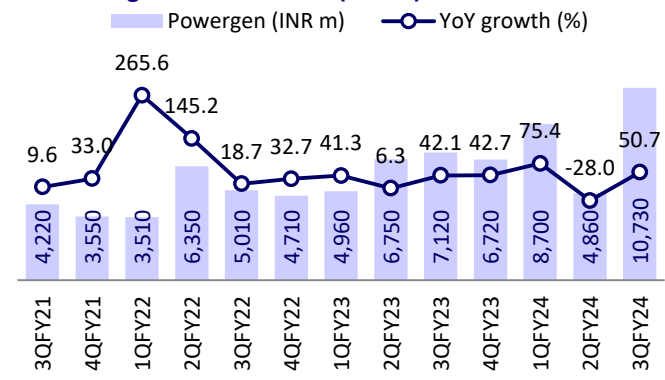
Exhibit 4: Powergen segment sales of Cummins have a high correlation with IIP growth (%)



Source: MOSPI, MOFSL

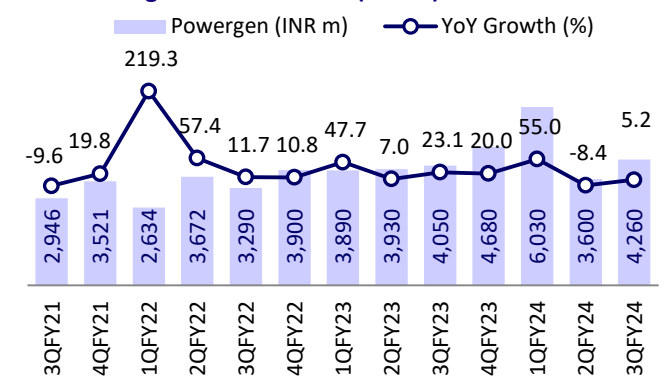
Exhibit 5: Powergen segment sales of both Cummins and KOEL remained strong YoY in 9MFY24

KKC Powergen revenue trend (INR m)



Source: Company, MOFSL

KOEL Powergen revenue trend (INR m)



Source: Company, MOFSL

CPCB 4+ transition entails price hikes of 20-40%

Exhibit 6: Cummins commands a premium as seen in price points of key nodes for players for CPCB 2 products (INR)

Node	Cummins	KOEL	Mahindra	Perkins	Baudouin
15kva	2,60,000	2,50,000	2,60,000		
62.5kva	5,30,000	5,20,000	5,10,000		
125kva	7,80,000	7,25,000	6,89,915		
160kva	11,10,000	10,25,000	9,75,000		
200kva	12,66,000	12,50,000	12,25,000		
320kva	19,50,000	18,40,000	18,60,000		21,56,000
400kva	26,48,000	23,50,000	21,70,000	23,00,000	23,10,000
500kva	29,48,000	26,98,750	25,00,000	25,00,000	24,50,000
625kva	38,50,000	35,50,000	38,00,000	37,00,000	39,00,000
750kva	50,00,000	48,50,000		50,00,000	47,00,000
1010kva	70,00,000	65,00,000		65,00,000	65,00,000
1250kva	98,00,000	90,00,000		92,00,000	90,00,000
1500kva	1,35,00,000	1,20,00,000		1,00,00,000	
2000kva	1,50,00,000			2,00,00,000	1,66,00,000
2750kva	1,70,00,000				

Source: Channel checks, Industry, MOFSL

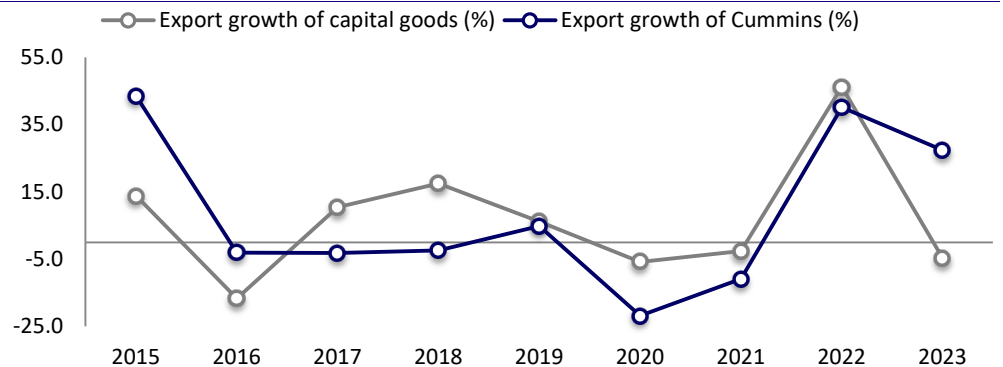
Exhibit 7: Prices for CPCB 4+ products are at substantial premium to similar nodes for CPCB 2 (INR)

Node	Cummins	KOEL
15kva		3,35,000
20kva	3,50,000	3,40,000
30kva	6,35,000	6,25,000
40kva	7,33,000	7,67,000
58.5kva	8,26,000	8,66,000
82.5kva	11,95,000	11,80,000
125kva	14,50,000	14,55,000
160kva	16,50,000	
200kva	24,25,000	19,25,000
250kva	26,75,000	22,50,000
500kva	42,00,000	

Source: Channel checks, Industry, MOFSL

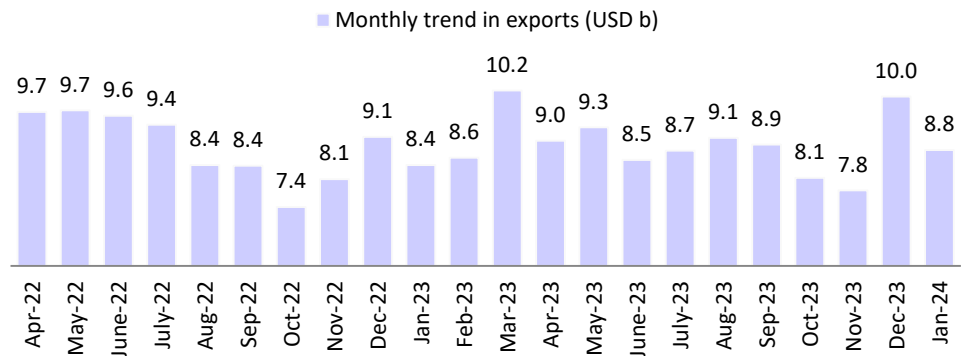
Companies are taking steps to improve exports

Exhibit 8: Cummins exports have a strong correlation with India's overall exports (%)



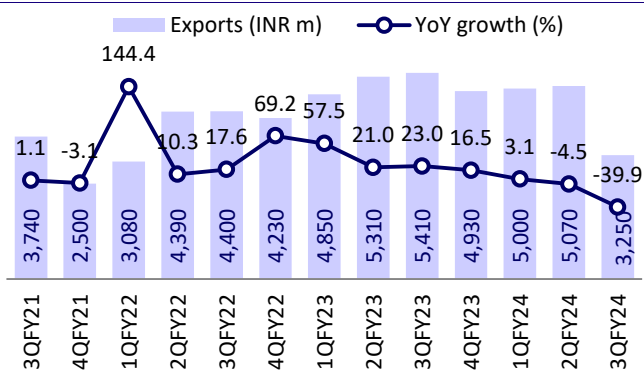
Source: Company, MOFSL

Exhibit 9: Engineering goods exports have been muted in the past few months; expected to see a gradual improvement as macro challenges ease (USD b)



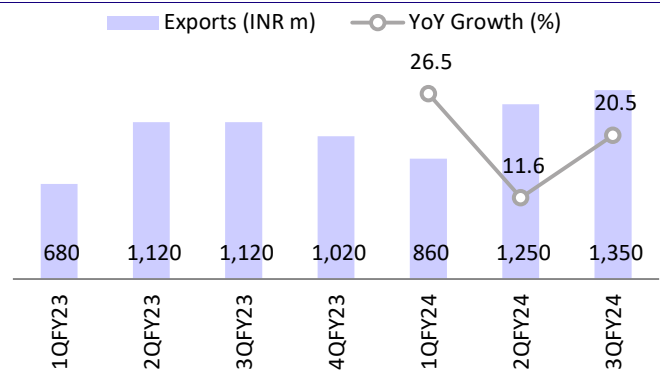
Source: Company, MOFSL

Exhibit 10: Cummins exports were impacted by weakness across geographies (INR m)



Source: Company, MOFSL

Exhibit 11: KOEL's exports have started recovering as it continues to focus on improving exports (INR m)

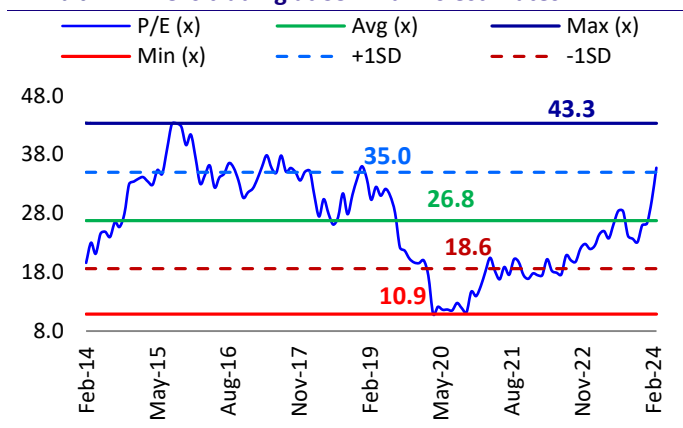


Source: Company, MOFSL

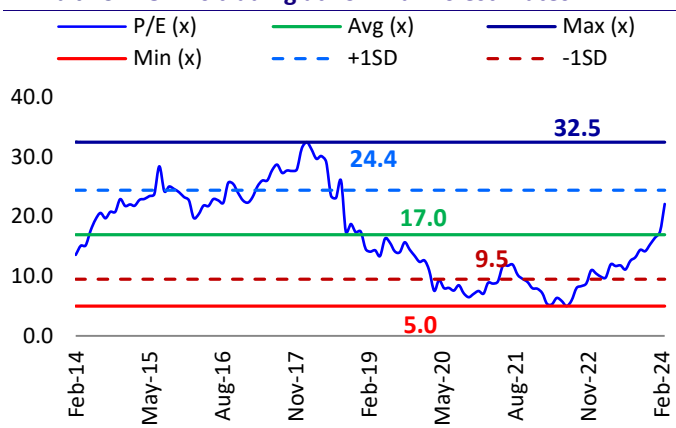
Exhibit 10: Sum-of-the-parts valuation of KOEL on Mar'26 estimates (INR/share)

	Earnings/ book (INR m)	Valn multiple (X)	Value (INR m)	KOEL's share (%)	Value for KOEL's share (INR m)	Per share value (INR)	Valuation basis
KOEL valuation							Value for KOEL's share (INR m)
Core business	6,086	20.0	1,21,719	100.0	1,21,719	841	
Investments							
La Gajjar Machineries	104	10.0	1,042	100.0	1,042	7	10X P/E two-year forward earnings
Arka Fincap	11,100	1.2	13,320	100.0	13,320	92	1.2X P/BV on expanded book of FY26E
Total					1,36,081	940	

Source: MOFSL

Exhibit 12: KKC is trading at 35x Mar'26 estimates

Source: Company, MOFSL

Exhibit 13: KOEL is trading at 19x Mar'26 estimates

Source: Company, MOFSL

Financial Summary – Kirloskar Oil Engine

Standalone P&L – Kirloskar Oil Engine							(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Total Income from Operations	28,775	26,944	32,997	41,161	48,150	56,548	65,594
Change (%)	-10.2	-6.4	22.5	24.7	17.0	17.4	16.0
Raw Materials	18,740	17,431	22,912	27,897	32,260	37,604	43,620
Gross Profit	10,035	9,513	10,085	13,264	15,889	18,944	21,974
Employees Cost	2,178	1,989	2,070	2,365	2,889	3,393	3,936
Other Expenses	5,439	4,686	5,327	6,630	7,463	8,482	9,183
Total Expenditure	26,357	24,106	30,309	36,892	42,612	49,479	56,739
% of Sales	91.6	89.5	91.9	89.6	88.5	87.5	86.5
EBITDA	2,418	2,838	2,688	4,269	5,537	7,068	8,855
Margin (%)	8.4	10.5	8.1	10.4	11.5	12.5	13.5
Depreciation	666	622	772	848	883	935	992
EBIT	1,752	2,217	1,915	3,422	4,654	6,134	7,864
Int. and Finance Charges	38	64	62	54	54	40	24
Other Income	374	245	248	273	265	311	361
PBT bef. EO Exp.	2,087	2,398	2,100	3,641	4,865	6,405	8,200
EO Items	165	-84	527	0	0	0	0
PBT after EO Exp.	2,252	2,314	2,627	3,641	4,865	6,405	8,200
Total Tax	548	617	547	939	1,254	1,651	2,114
Tax Rate (%)	24.3	26.6	20.8	25.8	25.8	25.8	25.8
Reported PAT	1,704	1,697	2,080	2,703	3,611	4,753	6,086
Adjusted PAT	1,579	1,759	1,663	2,703	3,611	4,753	6,086
Change (%)	-29.8	11.4	-5.4	62.5	33.6	31.7	28.0
Margin (%)	5.5	6.5	5.0	6.6	7.5	8.4	9.3

Standalone BS – Kirloskar Oil Engine							(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	289	289	289	290	290	290	290
Total Reserves	18,013	19,542	21,105	23,028	25,672	29,153	33,610
Net Worth	18,302	19,832	21,395	23,318	25,962	29,443	33,900
Total Loans	156	793	976	751	601	401	201
Deferred Tax Liabilities	52	125	146	61	61	61	61
Capital Employed	18,510	20,749	22,517	24,131	26,624	29,905	34,162
Gross Block	14,904	16,281	16,990	17,425	18,425	19,525	20,735
Less: Accum. Deprn.	11,281	11,826	12,488	13,174	14,057	14,991	15,983
Net Fixed Assets	3,623	4,455	4,502	4,251	4,368	4,533	4,752
Capital WIP	744	549	393	664	664	664	664
Total Investments	11,014	15,340	16,722	16,925	16,925	16,925	16,925
Curr. Assets, Loans&Adv.	9,203	8,092	8,505	11,557	15,507	20,513	26,588
Inventory	3,003	2,652	3,031	4,685	6,139	7,210	8,364
Accounts Receivable	3,628	3,558	3,945	4,672	5,465	6,419	7,445
Cash and Bank Balance	171	294	314	338	1,895	4,704	8,411
Loans and Advances	1,349	872	656	852	996	1,170	1,357
Other Assets	1,051	716	558	1,011	1,011	1,011	1,011
Curr. Liability & Prov.	6,073	7,686	7,606	9,267	10,840	12,731	14,767
Accounts Payable	4,798	6,419	6,175	6,326	7,400	8,691	10,081
Other Current Liabilities	696	646	729	1,700	1,988	2,335	2,708
Provisions	580	622	702	1,241	1,452	1,705	1,978
Net Current Assets	3,129	406	899	2,291	4,667	7,783	11,821
Appl. of Funds	18,510	20,749	22,517	24,131	26,625	29,906	34,162

E: MOFSL Estimates

Financial Summary

Ratios: Kirloskar Oil Engine

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Basic (INR)							
EPS	10.9	12.2	11.5	18.7	24.9	32.8	42.0
Cash EPS	15.5	16.4	16.8	24.5	31.1	39.3	48.9
BV/Share	126.4	137.0	147.8	161.1	179.4	203.4	234.2
DPS	7.8	1.5	4.7	5.0	6.7	8.8	11.3
Payout (%)	66.5	12.8	32.6	26.8	26.8	26.8	26.8
Valuation (x)							
P/E	73.6	66.1	69.9	43.0	32.2	24.5	19.1
Cash P/E	51.8	48.8	47.7	32.7	25.8	20.4	16.4
P/BV	6.4	5.9	5.4	5.0	4.5	3.9	3.4
EV/Sales	4.0	4.3	3.5	2.8	2.4	2.0	1.6
EV/EBITDA	48.1	41.1	43.5	27.3	20.8	15.8	12.2
Dividend Yield (%)	1.0	0.2	0.6	0.6	0.8	1.1	1.4
FCF per share	10.6	27.5	7.9	9.6	18.8	29.9	38.4
Return Ratios (%)							
RoE	8.8	9.2	8.1	12.1	14.7	17.2	19.2
RoCE	8.8	9.2	8.0	11.8	14.4	17.0	19.1
RoIC	21.5	29.2	31.4	45.0	51.8	61.7	74.0
Working Capital Ratios							
Fixed Asset Turnover (x)	1.9	1.7	1.9	2.4	2.6	2.9	3.2
Asset Turnover (x)	1.6	1.3	1.5	1.7	1.8	1.9	1.9
Inventory (Days)	38	36	34	42	47	47	47
Debtor (Days)	46	48	44	41	41	41	41
Creditor (Days)	61	87	68	56	56	56	56
Leverage Ratio (x)							
Current Ratio	1.5	1.1	1.1	1.2	1.4	1.6	1.8
Interest Cover Ratio	45.9	34.9	30.7	63.8	86.0	152.9	326.1
Net Debt/Equity	-0.6	-0.7	-0.8	-0.7	-0.7	-0.7	-0.7

Standalone CFS – Kirloskar Oil Engine

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	2,252	2,314	2,627	3,641	4,865	6,405	8,200
Depreciation	666	622	772	848	883	935	992
Interest & Finance Charges	38	38	50	35	54	40	24
Direct Taxes Paid	-679	-324	-567	-960	-1,254	-1,651	-2,114
(Inc)/Dec in WC	407	2,654	-157	-1,025	-819	-307	-331
CF from Operations	2,685	5,304	2,726	2,539	3,728	5,421	6,771
Others	-396	-42	-782	61	0	0	0
CF from Operating incl EO	2,289	5,262	1,944	2,601	3,728	5,421	6,771
(Inc)/Dec in FA	-752	-1,282	-804	-1,206	-1,000	-1,100	-1,210
Free Cash Flow	1,537	3,979	1,140	1,394	2,728	4,321	5,561
(Pur)/Sale of Investments	4,159	-2,855	680	3,235	0	0	0
Others	-4,995	-1,316	-8,870	-3,585	0	0	0
CF from Investments	-1,588	-5,453	-8,994	-1,556	-1,000	-1,100	-1,210
Inc/(Dec) in Debt	10	613	172	-236	-150	-200	-200
Interest Paid	-38	-62	-53	-50	-54	-40	-24
Dividend Paid	-940	-217	-578	-723	-966	-1,272	-1,629
Others	-1,422	-20	7,529	-12	0	0	0
CF from Fin. Activity	-2,391	314	7,070	-1,021	-1,171	-1,512	-1,853
Inc/Dec of Cash	-1,690	123	20	23	1,558	2,808	3,708
Opening Balance	1,861	171	294	314	338	1,895	4,704
Closing Balance	172	294	314	338	1,895	4,704	8,411

Financial Summary – Cummins India

Standalone P&L – Cummins India

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Total Income from Operations	51,577	43,292	61,404	77,444	87,509	1,06,144	1,25,453
Change (%)	-8.9	-16.1	41.8	26.1	13.0	21.3	18.2
Raw Materials	33,679	27,606	41,068	52,309	56,482	69,041	81,600
Gross Profit	17,899	15,687	20,336	25,135	31,027	37,103	43,853
Employee Cost	5,602	4,926	5,956	6,298	7,776	9,432	11,147
Other Expenses	6,434	4,965	5,529	6,411	7,292	9,014	10,603
Total Expenditure	45,715	37,497	52,553	65,018	71,550	87,487	1,03,351
% of Sales	88.6	86.6	85.6	84.0	81.8	82.4	82.4
EBITDA	5,863	5,795	8,851	12,426	15,959	18,657	22,102
Margin (%)	11.4	13.4	14.4	16.0	18.2	17.6	17.6
Depreciation	1,187	1,255	1,340	1,405	1,436	1,625	1,948
EBIT	4,676	4,540	7,511	11,022	14,523	17,033	20,154
Int. and Finance Charges	203	162	115	158	284	312	312
Other Income	3,315	3,702	2,875	4,200	4,841	5,646	6,843
PBT bef. EO Exp.	7,789	8,080	10,271	15,064	19,080	22,366	26,685
PBT after EO Exp.	7,789	8,080	10,271	15,064	19,080	22,366	26,685
Total Tax	1,297	1,901	2,463	3,623	4,588	5,379	6,417
Tax Rate (%)	16.7	23.5	24.0	24.0	24.0	24.0	24.0
Reported PAT	6,492	6,179	7,808	11,441	14,492	16,987	20,268
Adjusted PAT	7,072	6,350	8,284	12,460	15,407	18,068	21,544
Change (%)	-3.2	-10.2	30.5	50.4	23.6	17.3	19.2
Margin (%)	13.7	14.7	13.5	16.1	17.6	17.0	17.2

Standalone BS – Cummins India

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Equity Share Capital	554	554	554	554	554	554	554
Total Reserves	41,195	43,513	47,972	53,125	59,048	65,987	74,272
Net Worth	41,750	44,068	48,527	53,680	59,603	66,541	74,827
Total Loans	4,854	156	3,933	3,500	3,500	3,500	3,500
Deferred Tax Liabilities	800	823	971	1,057	1,057	1,057	1,057
Capital Employed	47,404	45,047	53,430	58,237	64,160	71,098	79,384
Gross Block	20,894	20,337	22,278	23,458	26,178	30,837	35,664
Less: Accum. Deprn.	8,617	8,684	10,024	11,429	12,836	14,460	16,408
Net Fixed Assets	12,277	11,654	12,254	12,030	13,342	16,377	19,256
Capital WIP	800	1,275	608	413	608	608	608
Total Investments	18,606	13,892	15,939	21,042	21,042	21,036	21,036
Curr. Assets, Loans & Adv.	27,713	29,950	39,230	41,625	48,245	56,218	65,834
Inventory	5,729	5,578	7,288	8,862	10,013	12,145	14,355
Account Receivables	11,316	10,745	12,473	15,927	17,997	21,830	25,801
Cash and Bank Balance	4,538	9,652	14,267	13,808	16,814	18,094	20,774
Loans and Advances	2,448	1,517	2,646	539	610	739	874
Other Current Assets	3,682	2,459	2,556	2,488	2,812	3,410	4,031
Curr. Liability & Prov.	12,137	11,922	14,621	16,883	19,077	23,140	27,349
Other Current Liabilities	9,650	9,723	12,362	14,497	16,381	19,869	23,484
Provisions	2,487	2,199	2,258	2,386	2,697	3,271	3,866
Net Current Assets	15,576	18,029	24,609	24,741	29,168	33,079	38,485
Misc Expenditure	144	199	21	11	0	0	0
Appl. of Funds	47,404	45,047	53,430	58,237	64,160	71,098	79,384

E: MOFSL Estimates

Financial Summary

Ratios: Cummins India

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Basic (INR)							
EPS	26	23	30	45	56	65	78
Cash EPS	29.8	27.4	34.7	50.0	60.8	71.0	84.7
BV/Share	150.6	159.0	175.1	193.7	215.0	240.0	269.9
DPS	17.0	14.0	10.5	25.0	30.9	36.3	43.2
Payout (%)	87.5	62.8	37.3	60.6	59.1	59.2	59.1
Valuation (x)							
P/E	108.4	120.7	92.6	61.5	49.8	42.4	35.6
Cash P/E	92.8	100.8	79.7	55.3	45.5	38.9	32.6
P/BV	18.4	17.4	15.8	14.3	12.9	11.5	10.2
EV/Sales	14.9	17.5	12.3	9.8	8.6	7.1	6.0
EV/EBITDA	130.8	130.7	85.5	60.9	47.2	40.3	33.9
Dividend Yield (%)	0.6	0.5	0.4	0.9	1.1	1.3	1.6
FCF per share	13.1	24.3	28.1	23.7	42.8	42.0	54.0
Return Ratios (%)							
RoE	17.0	14.8	17.9	24.4	27.2	28.6	30.5
RoCE	14.6	13.9	16.3	21.1	24.5	25.9	27.6
RoIC	15.7	15.9	26.7	36.7	45.3	45.3	44.8
Working Capital Ratios							
Fixed Asset Turnover (x)	2.5	2.1	2.8	3.3	3.3	3.4	3.5
Asset Turnover (x)	1.1	1.0	1.1	1.3	1.4	1.5	1.6
Inventory (Days)	41	47	43	42	42	42	42
Debtor (Days)	80	91	74	75	75	75	75
Leverage Ratio (x)							
Current Ratio	2.3	2.5	2.7	2.5	2.5	2.4	2.4
Interest Cover Ratio	23.1	28.1	65.3	69.8	51.1	54.5	64.5
Net Debt/Equity	-0.4	-0.5	-0.5	-0.6	-0.6	-0.5	-0.5

Standalone CFS – Cummins India

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
OP/(Loss) before Tax	7,599	8,711	9,614	11,631	19,379	21,672	26,219
Direct Taxes Paid	-1,609	-832	-2,543	-3,520	-4,588	-5,379	-6,417
CF from Operations	5,990	7,879	7,071	8,111	14,791	16,294	19,802
(Inc)/Dec in FA	-2,366	-1,140	705	-1,540	-2,933	-4,659	-4,827
Free Cash Flow	3,623	6,738	7,776	6,571	11,858	11,635	14,975
(Pur)/Sale of Investments	-1,163	-75	-7,597	376	0	6	0
Others	1,395	1,371	1,030	1,857	0	0	0
CF from Investments	-2,135	155	-5,862	694	-2,933	-4,652	-4,827
Dividend Paid	-5,681	-3,881	-4,435	-6,237	-8,569	-10,049	-11,982
Others	1,572	-4,844	3,661	-607	-284	-312	-312
CF from Fin. Activity	-4,109	-8,724	-774	-6,844	-8,853	-10,361	-12,295
Inc/Dec of Cash	-254	-691	434	1,960	3,005	1,280	2,680
Opening Balance	7,379	4,538	9,652	14,267	13,808	16,814	18,094
Other adjustments	-2,587	5,804	4,181	-2,420			
Closing Balance	4,538	9,652	14,267	13,808	16,814	18,094	20,774

E: MOFSL Estimates

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

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

Disclosures:

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

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

MOFSL, its associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

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

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

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

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

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

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures. To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement

Analyst ownership of the stock

No

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore, 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.

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/NCDEX); 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@grievances@motilaloswal.com.