

Macrotech Developers

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	LODHA IN
Equity Shares (m)	997
M.Cap.(INRb)/(USDb)	1100.1 / 12.7
52-Week Range (INR)	1650 / 977
1, 6, 12 Rel. Per (%)	-18/-13/-2
12M Avg Val (INR M)	1812

Financials & Valuations (INR b)

Y/E Mar	FY25E	FY26E	FY27E
Sales	138.3	181.1	189.3
EBITDA	36.7	51.6	53.9
EBITDA (%)	26.5	28.5	28.5
Net profit	21.8	32.8	35.5
EPS (INR)	22.6	34.1	36.8
EPS Growth (%)	33.5	50.9	8.0
BV/Share (Rs)	203.7	235.5	270.0

Ratios

Net D/E	0.3	0.2	0.0
RoE (%)	11.7	15.5	14.6
RoCE (%)	9.9	12.9	12.7
Payout (%)	10.3	6.8	6.3

Valuations

P/E (x)	48.9	32.4	30.0
P/BV (x)	5.4	4.7	4.1
EV/EBITDA (x)	30.6	21.5	19.8
Div Yield (%)	0.2	0.2	0.2

Shareholding pattern (%)

As On	Dec-24	Mar-24	Dec-23
Promoter	72.0	72.2	74.9
DII	2.6	3.3	3.2
FII	24.5	23.8	21.1
Others	0.9	0.7	0.8

CMP: INR1,106 TP: INR1,568 (+43%) Buy

Highest quarterly pre-sales; on track to achieve FY guidance

Achieved 90% of guided BD

- LODHA achieved 3QFY25 bookings of INR45b (2% below our estimate), up 32% YoY. Among key markets, south and central regions, extended eastern suburbs, and western suburbs outperformed with 2x YoY growth in pre-sales.
- Average price growth is 4% YTD (3% as of 2QFY25).
- In 3Q, LODHA launched 2.7msf of new area worth INR42b in MMR and Pune.
- Another large land deal was executed in Palava at INR210m/acre. The company achieved data center deals at INR200m/acre in 2QFY25, high than the guidance.
- In line with its medium-term target, the company expects to deliver 20% growth in pre-sales to INR175b in FY25 and 20% ROE. Growth will be largely driven by ready and ongoing inventory and 4.3msf of launches with a GDV of ~INR75.2b from 4QFY25.
- **Financial Performance:** LODHA reported revenue of INR41b, up 39% YoY (5% above estimate). EBITDA (excl. other income) rose 48% YoY to INR13b, 27% above our estimate. Reported EBITDA margin expanded 186bp YoY to 32%. According to management, the embedded EBITDA margin for pre-sales stood at ~35%/~34% for 3QFY25/9MFY25. Adjusted EBITDA (excluding interest charge-off and capitalized interest) stood at INR16b, with a margin of 40%. Adjusted PAT came in at INR9.4b, up 65% YoY, with a margin of 23%.
- For 9MFY25, revenue grew 52% YoY to INR95.5b (69% of FY25E), adjusted EBITDA stood at INR32.5b (up 56% YoY), and adjusted PAT came in at INR18.4b (up 94% YoY).
- For 4QFY25, we estimate LODHA to clock revenue of INR42.7b (31% of FY25E), which is achievable given the 3Q performance. Accordingly, we expect EBITDA of INR8.9b and PAT of INR3.3b.

Reduction in net debt despite continued BD spending

- Collections increased 66% YoY to INR43b. LODHA also reported 135% YoY growth in OCF to INR24.2b, aided by healthy collections from completed projects with higher margins.
- Additionally, LODHA spent INR13.3b on land acquisition and liaison (acquired 33 acres of land in NCR for warehousing) as it added GDV of INR28b (~93% of full-year guidance) in 3QFY25. With this, the company added GDV of INR195b across MMR, Pune, and Bangalore in 9MFY25.
- Net debt declined to INR43.2b (vs. INR49.2b in 2Q), with a net D/E of 0.22x.

Key highlights from the management commentary

- **Demand:** LODHA noted that demand has been robust, with consumers increasingly focusing on buying high-quality homes. Hence, the company believes that, even during a future slowdown or lean period, branded players will be in a good position.
- **Bangalore's growth phase to begin:** The company has concluded its pilot phase and is moving to the growth phase in Bangalore, in line with the laid-down strategy. It added one new project with GDV potential of INR28b (achieving 93% of full year BD guidance). Currently, Bangalore accounts for 2-3% of total sales, which LODHA aims to increase to 15% in a decade.
- **Township projects:** LODHA has launched premium projects "Lodha Hanging Garden" and "Golf View" in Palava. The company has finally closed the **land transaction of 33 acres in Palava for another global hyper-scale data center at INR210m/acres** (INR25m/acres at the time of listing; INR120m/acre in 2QFY25). Land monetization will contribute regularly to sales. On average, 60-80 acres/annum of land sales will be executed, of which 70%-80% will be for the data center. The visibility of Palava is expected to increase further with the opening of the Airoli-Katai tunnel in the next 3-4 months, the Navi Mumbai Airport commencing operations in the next 12 months, and the completion of the Bullet Train project by 2029.
- **Townships – Sales mix:** In 3QFY25, sales stood at INR5b, of which ~INR1b sales came from the premium and luxury projects with realization of INR20,000/sqft on carpet and INR4b from casa and entry-level sales with realization of INR10,000/sqft on carpet.
- **Launches:** In 3QFY25, LODHA launched 2.7msft of new area worth INR42b. 4QFY25 is expected to see launches in Alibaug, Vikhroli, Palava, Pune, Bangalore and new phases in the existing projects, with total estimated area of 4.3msft and GDV of INR75.2b.
- **Digital infrastructure:** The company further leased 0.3msft under the digital infrastructure segment, with Skechers, Mitsui, Delhivery, etc. as tenants.
- LODHA aims to generate INR15b in annual rental income, with clear visibility of INR12b from the operational/under-construction projects by FY31 and INR5b by FY26 end. INR5b covers interest costs, so LODHA would be net debt free. Yield on cost is almost on rental asset and is in high-teens or better.
- **Management update:** Mr. Sushil Modi, earlier CFO, moves to a new role as Whole Time Director of the company and Mr. Sanjay Chauhan is appointed as CFO (earlier Dep. CFO)
- **Trademark dispute with HOABL:** A recent lawsuit has been filed against HOABL for their use of Lodha's brand name. The management has clarified that there is no ongoing impact on the company's operational performance due to this dispute.

Valuation and view

- LODHA has been delivering a steady performance across its key parameters of pre-sales, cash flows, business development, profitability, and return ratios over the last two years.

- As it prepares to capitalize on the strong growth and consolidation opportunities, we expect this consistency in operational performance to continue.
- At Palava, the company indicates a development potential of 600msf on ~4,300 acres of land. However, we assume a portion of that land to be monetized as industrial land sales. We value 250msf of residential land to be monetized over the next three decades at INR528b.
- We use the DCF-based method for ex-Palava residential segment and arrive at a value of ~INR933b, assuming WACC of 12.5% and a terminal growth rate of 5%.
Maintain BUY with a TP of INR1,586, indicating 43% upside potential.

Financial Performance (INR m)

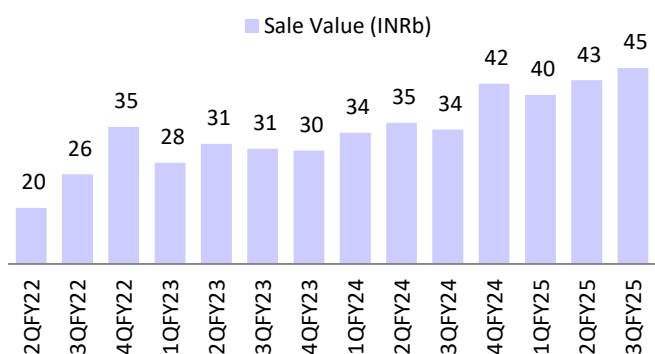
Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			3QE	
Gross Sales	16,174	17,496	29,306	40,185	28,465	26,257	40,830	42,775	1,03,161	1,38,327	38,732	5
YoY Change (%)	-40	-1	65	23	76	50	39	6	8.9	34.1	32.2	
Total Expenditure	12,874	13,335	20,479	29,716	20,897	19,211	27,771	33,791	76,404	1,01,670	28,468	
EBITDA	3,300	4,161	8,827	10,469	7,568	7,046	13,059	8,984	26,757	36,657	10,264	27
Margins (%)	20.4	23.8	30.1	26.1	26.6	26.8	32.0	21.0	25.9	26.5	26.5	
Adj. EBITDA (as per co.)	4,600	5,500	10,800	13,400	9,600	7,046	15,900	8,984	75,830	41,530	10,264	55
Margins (%)	28.4	31.4	36.9	33.3	33.7	26.8	38.9	21.0	73.5	30.0	26.5	
Depreciation	240	293	333	1,173	604	665	672	465	2,039	2,406	674	
Interest	1,241	1,231	1,168	1,158	1,172	1,365	1,441	1,060	4,798	5,038	1,411	2
Other Income	544	55	281	654	718	589	636	184	1,534	2,127	400	59
PBT before EO expense	2,363	2,692	7,607	8,792	6,510	5,605	11,582	7,642	21,454	31,339	8,579	35
Extra-Ord expense	0	0	1,049	0	0	0	0	0	-1,049	0	0	
PBT	2,363	2,692	6,558	8,792	6,510	5,605	11,582	7,642	20,405	31,339	8,579	35
Tax	556	624	1,439	2,115	1,747	1,368	2,137	4,150	4,734	9,402	2,574	
Rate (%)	23.5	23.2	21.9	24.1	26.8	24.4	18.5	54.3	0.2	0.3	30.0	
MI & Profit/Loss of Asso. Cos.	15	40	67	7	4	6	-3	173	180	180	50	
Reported PAT	1,792	2,028	5,052	6,670	4,759	4,231	9,448	3,319	15,491	21,757	5,955	59
Adj PAT (as per co.)	1,700	2,100	5,700	6,670	4,800	4,231	9,400	3,319	16,170	21,750	5,955	58
YoY Change (%)	42	-43	90	-11	182	101	65	-50	5.2	34.5	4.5	
Margins (%)	10.5	12.0	19.4	16.6	16.9	16.1	23.0	7.8	15.7	15.7	15.4	765bp

Operational Performance

Key metrics	FY24				FY25E				FY24	FY25E	FY25E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			3QE	
Sale Volume (msf)	2.8	2.6	2.6	3.3	2.4	3.2	3.3	3.5	10.9	12.4	3	-2
Sale Value (INRb)	33.5	35.3	34.1	42.3	40.3	42.9	45.1	49.5	144.5	177.8	46	-2
Collections (INRb)	24.0	27.5	25.9	35.1	26.9	30.7	42.9	36.9	106.8	137.4	35	23
Realization (INR/sft)	11,429	13,308	12,192	12,394	14,708	13,500	13,500	14,172	13,223	13,311	13,500	0

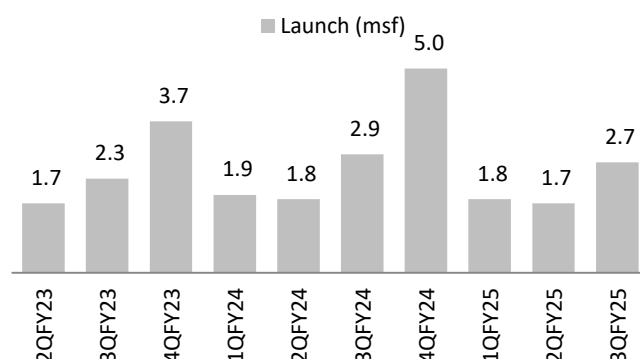
Key exhibits

Exhibit 1: Reported pre-sales of INR45b, up 32% YoY



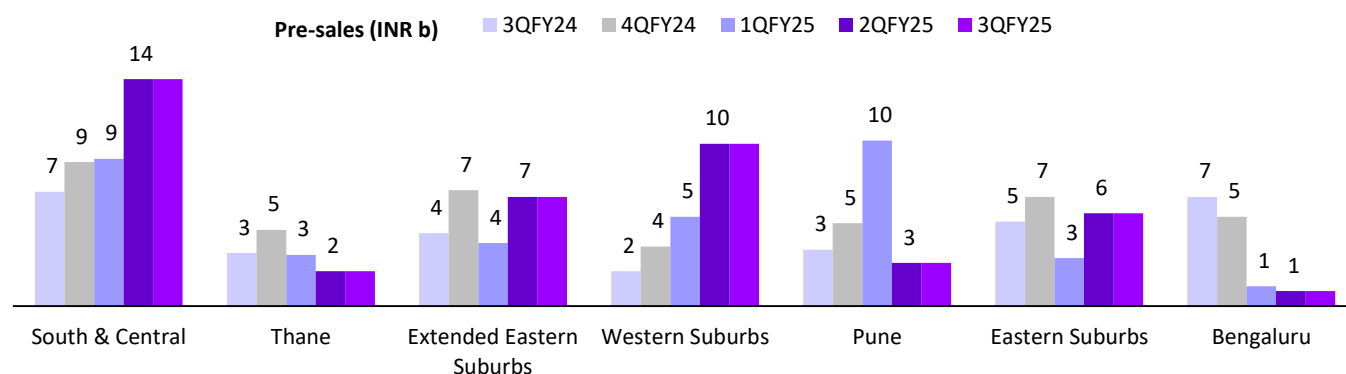
Source: Company, MOFSL

Exhibit 2: Company launched 2.7msf in 3Q



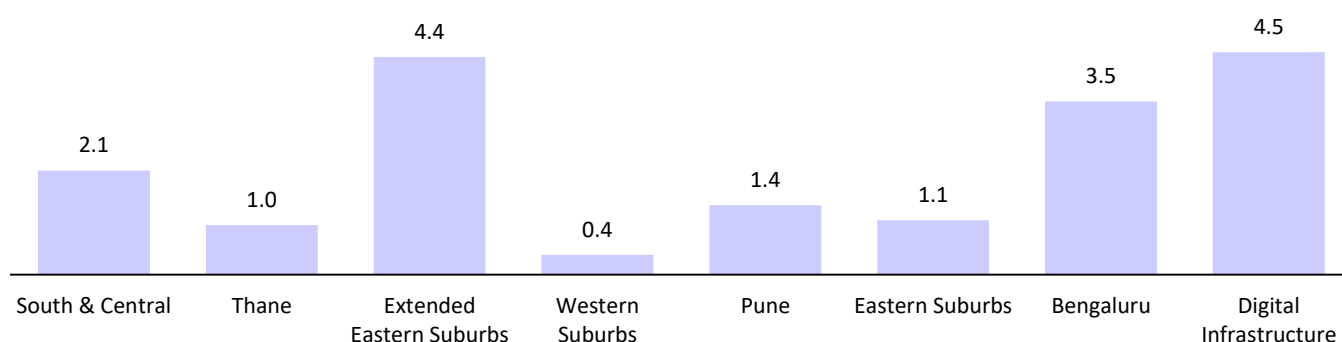
Source: Company, MOFSL

Exhibit 3: Steady performance in under-penetrated markets



Source: Company, MOFSL

Exhibit 4: Planned launches in next 12m (msft)



Source: Company, MOFSL

Exhibit 5: Launch pipeline for rest of FY25 (i.e. 4QFY25) has a healthy mix of Own/JDA projects

Micro-market	Own/JDA	Area (msf)	Est. GDV (INRb)	No. of Projects
Eastern Suburbs	JDA	0.4	6.7	1
Extended Eastern Suburbs	Own	1.5	11.1	3
Western Suburbs	Own	0.2	18.0	1
Pune	JDA	0.4	3.8	1
South Central	JDA	1.0	26.0	1
Bangalore	Own	0.8	9.7	1
Grand Total		4.3	75.2	8

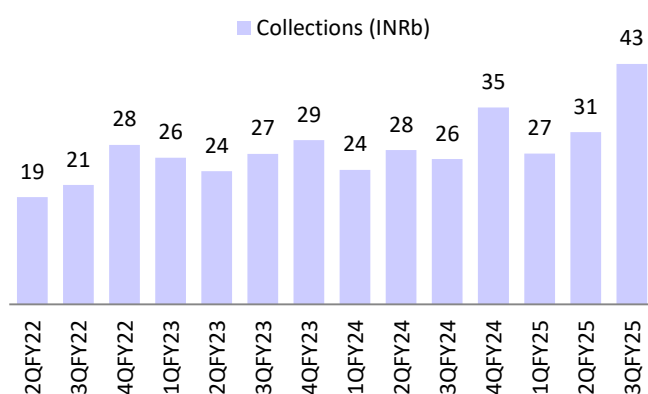
Source: Company, MOFSL

Exhibit 6: In 3Q, it signed new projects worth GDV of INR28b

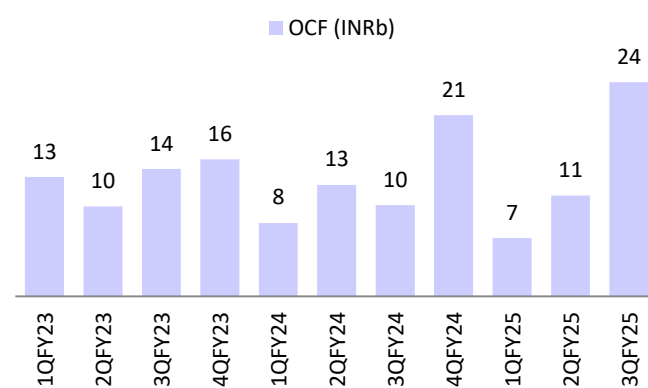
Micro-market	Period Added	Saleable Area (msf)	Est. GDV
MMR – Western Suburbs	Q1-25	1.1	77
MMR – Western Suburbs	Q1-25	0.2	16
Pune - West	Q1-25	1.4	18
Bangalore – North	Q2-25	2.1	24
Bangalore – South	Q2-25	1.5	14
Pune – South West	Q2-25	0.3	0.4
Pune – Pimpri Chinchwad	Q2-25	1.7	13
Bangalore – South	Q3-25	2.4	28
Total		11	190

Exhibit 7: Annualized cost inflation for the company's portfolio moderated since Mar'21

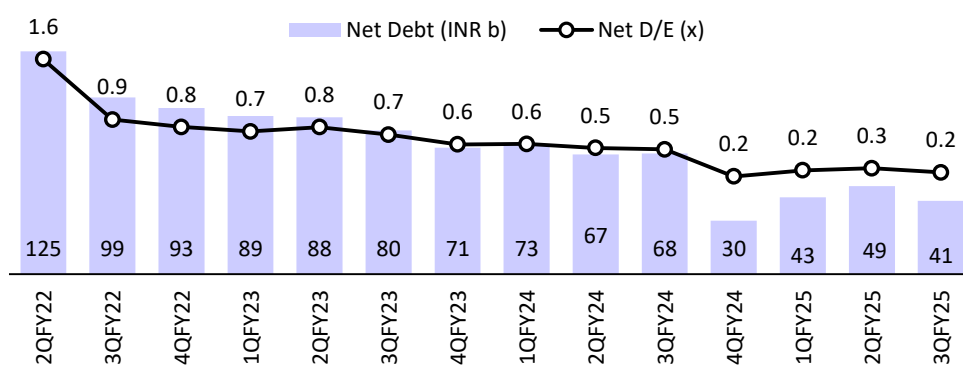
Commodity/Component	% Share in total cost	Mar'21 to Dec'24	
		% Change	Weighted Impact
Steel	11.7	-10.3	-1.2
Flooring materials	5.2	17.8	0.9
Electrical	3.9	12.7	0.5
Plumbing	2.2	-6.8	-0.2
Labour	34.0	14.9	5.1
External Windows	3.3	10.8	0.4
RMC	12.3	14.1	1.7
Lifts & Elevators	3.7	11.4	0.4
Carpentry Materials	2.3	18.0	0.4
Painting	0.8	5.2	0.0
CP Fittings	2.4	18.4	0.4
Firefighting	1.8	14.6	0.3
Gypsum	1.4	44.6	0.6
Overall			10.8

Exhibit 8: Collections increased 66% YoY to INR43b

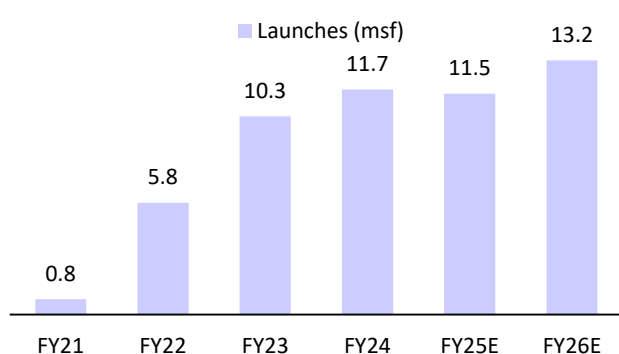
Source: MOFSL, Company

Exhibit 9: The company generated OCF of INR24b

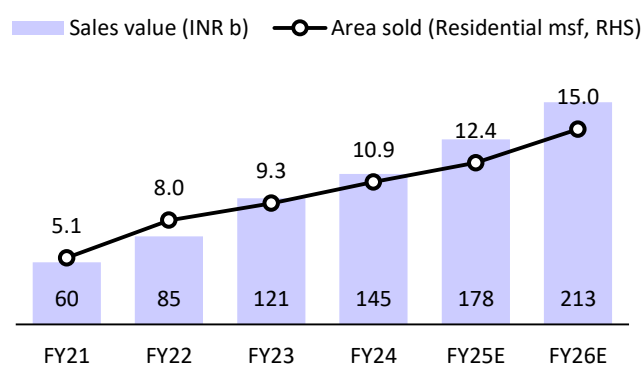
Source: MOFSL, Company

Exhibit 10: Reduction in debt levels despite continued spending on BD

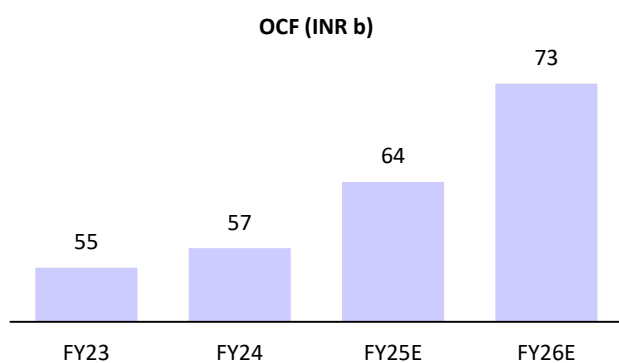
Source: MOFSL, Company

Exhibit 11: Expect launches to sustain at 10msf+

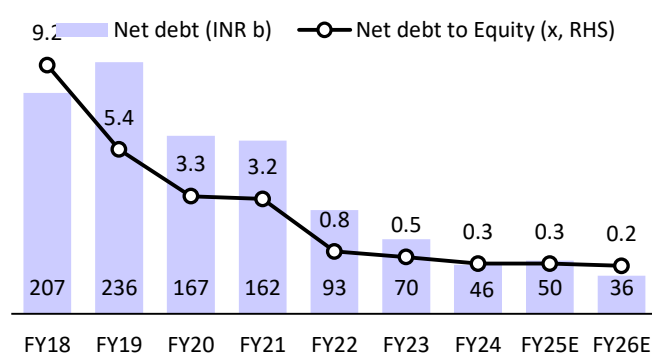
Source: MOFSL, Company

Exhibit 12: Pre-sales to clock 21% CAGR over FY24-26 to INR213b

Source: MOFSL, Company

Exhibit 13: Expect the company to generate ~INR64b OCF by FY25E

Source: Company, MOFSL

Exhibit 14: Healthy balance sheet despite land investments

Source: Company, MOFSL

Exhibit 15: Summary of our revised estimates

(INR m)	Old		New		Change	
	FY25E	FY25E	FY25E	FY26E	FY25E	FY26E
Revenue	1,38,327	1,81,097	1,38,327	1,81,097	0%	0%
EBITDA	36,657	51,613	36,657	51,613	0%	0%
Adj. PAT	21,757	32,826	21,757	32,826	0%	0%
Pre-sales	1,77,777	2,13,269	1,77,777	2,13,269	0%	0%
Collections	1,25,114	1,44,456	1,25,114	1,44,456	0%	0%
OCF	63,683	73,271	63,683	73,271	0%	0%

Source: MOFSL, Company

Valuation and view: On track for consistent growth; reiterate BUY

- We value LODHA based on SoTP: 1) The residential segment is valued using the DCF of four-year cash flows at a WACC of 12.5% and a terminal growth rate of 5%; 2) the commercial business is valued at a cap rate of 8% for operational assets and DCF for ongoing assets
- We arrive at NAV of INR1,579b, assuming net debt of INR51b in FY25. Applying zero discount to its NAV, we arrive at a TP of INR1,586, indicating a 43% upside potential.

Exhibit 16: Based on our SoTP approach, we arrive at an NAV of INR1579b (or INR1586 per share), implying a 43% upside potential

Particulars		Value (INR b)	Per share	% contribution
Residential	❖ DCF of 4 years cash flow at WACC of 12.5% and terminal value assuming 5% long term growth	933	938	59%
Palava	❖ Cash flow potential from 250msf land bank discounted at WACC of 11.1% over 30 years	528	531	33%
Commercial	❖ Cap rate of 8.5% for operational assets and DCF for ongoing assets	30	30	2%
Industrial	❖ PV of future cash flows discounted at WACC of 11.1%	139	140	9%
Gross asset value		1,630	1,639	103%
Net debt	❖ FY25E	(51)	(51)	-3%
Net asset value		1,579	1,587	100%
No. of share (m)		994.5		
Price Objective		1,586		
CMP		1,106		
Upside		43%		

Source: MOFSL, Company

Financials and valuations

Consolidated Income Statement

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Total Income from Operations	54,486	92,332	94,704	1,03,161	1,38,327	1,81,097	1,89,259
Change (%)	-56.2	69.5	2.6	8.9	34.1	30.9	4.5
Total Expenditure	40,766	71,085	74,042	76,404	1,01,670	1,29,484	1,35,320
% of Sales	74.8	77.0	78.2	74.1	73.5	71.5	71.5
EBITDA	13,720	21,247	20,661	26,757	36,657	51,613	53,939
Margin (%)	25.2	23.0	21.8	25.9	26.5	28.5	28.5
Depreciation	734	748	928	2,039	2,406	2,741	3,122
EBIT	12,985	20,499	19,733	24,718	34,250	48,872	50,817
Int. and Finance Charges	11,257	6,803	4,791	4,798	5,038	3,099	2,599
Other Income	3,231	3,460	1,408	1,534	2,127	1,379	2,688
PBT bef. EO Exp.	4,959	17,156	16,350	21,454	31,339	47,152	50,906
EO Items	-4,628	0	-11,774	-1,049	0	0	0
PBT after EO Exp.	332	17,156	4,576	20,405	31,339	47,152	50,906
Total Tax	-147	5,080	-370	4,734	9,402	14,145	15,272
Tax Rate (%)	-44.4	29.6	-8.1	23.2	30.0	30.0	30.0
Minority Interest	77	61	80	180	180	180	180
Reported PAT	402	12,014	4,866	15,491	21,757	32,826	35,454
Adjusted PAT	7,084	12,014	15,370	16,297	21,757	32,826	35,454
Change (%)	-2.8	69.6	27.9	6.0	33.5	50.9	8.0
Margin (%)	13.0	13.0	16.2	15.8	15.7	18.1	18.7

Source: MOFSL, Company

Consolidated Balance Sheet

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	3,959	4,815	4,815	9,945	9,945	9,945	9,945
Total Reserves	42,031	1,16,235	1,21,809	1,66,748	1,86,267	2,16,856	2,50,073
Net Worth	45,990	1,21,050	1,26,624	1,76,693	1,96,212	2,26,801	2,60,018
Minority Interest	5,269	568	596	647	647	647	647
Total Loans	1,81,669	1,15,367	90,602	76,976	66,976	56,976	46,976
Deferred Tax Liabilities	-2,098	1,911	332	1,637	9,361	20,859	33,076
Capital Employed	2,30,829	2,38,896	2,18,153	2,55,953	2,73,196	3,05,283	3,40,717
Gross Block	17,608	18,318	19,487	15,845	18,251	20,992	24,114
Less: Accum. Deprn.	6,383	7,130	8,059	10,098	12,504	15,245	18,367
Net Fixed Assets	11,226	11,187	11,429	5,747	5,747	5,747	5,747
Investment Property	2,767	2,650	1,539	1,463	1,463	1,463	1,463
Goodwill on Consolidation	5,471	5,388	5,303	4,520	4,520	4,520	4,520
Capital WIP	63	0	0	0	0	0	0
Total Investments	15,794	5,740	2,460	4,929	4,749	4,569	4,389
Curr. Assets, Loans&Adv.	3,55,663	3,59,824	3,70,816	4,55,593	4,82,735	5,37,603	6,18,835
Inventory	2,83,007	2,73,583	3,01,167	3,39,930	3,69,504	3,96,925	4,14,814
Account Receivables	6,545	6,461	7,393	7,999	5,685	7,442	7,778
Cash and Bank Balance	3,668	12,457	18,242	26,348	11,231	13,920	44,327
Loans and Advances	62,442	67,322	44,013	81,316	96,316	1,19,316	1,51,916
Curr. Liability & Prov.	1,60,153	1,45,892	1,73,393	2,16,299	2,26,018	2,48,619	2,94,237
Account Payables	16,978	15,087	20,962	25,790	26,528	34,731	36,296
Other Current Liabilities	1,42,963	1,30,581	1,52,129	1,90,173	1,99,154	2,13,552	2,57,605
Provisions	212	224	302	336	336	336	336
Net Current Assets	1,95,509	2,13,932	1,97,422	2,39,294	2,56,717	2,88,984	3,24,598
Appl. of Funds	2,30,829	2,38,896	2,18,153	2,55,953	2,73,196	3,05,283	3,40,717

Source: MOFSL, Company

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)							
EPS	8.9	12.5	16.0	16.9	22.6	34.1	36.8
Cash EPS	9.9	13.3	16.9	19.0	25.1	36.9	40.1
BV/Share	58.1	125.7	131.5	183.5	203.7	235.5	270.0
DPS	0.0	0.0	2.1	2.3	2.3	2.3	2.3
Payout (%)	0.0	0.0	40.9	14.4	10.3	6.8	6.3
Valuation (x)							
P/E	123.8	88.8	69.4	65.5	48.9	32.4	30.0
Cash P/E	112.2	83.6	65.5	58.2	44.1	29.9	27.6
P/BV	19.1	8.8	8.4	6.0	5.4	4.7	4.1
EV/Sales	19.4	12.7	12.0	10.8	8.1	6.1	5.6
EV/EBITDA	76.9	55.1	55.1	41.8	30.6	21.5	19.8
Dividend Yield (%)	0.0	0.0	0.2	0.2	0.2	0.2	0.2
FCF per share	32.0	27.4	28.7	0.0	5.3	20.5	46.9
Return Ratios (%)							
RoE	15.5	14.4	12.4	10.7	11.7	15.5	14.6
RoCE	10.2	7.3	10.1	8.6	9.9	12.9	12.7
RoIC	8.8	6.7	10.2	9.0	10.0	12.6	12.3
Working Capital Ratios							
Fixed Asset Turnover (x)	3.1	5.0	4.9	6.5	7.6	8.6	7.8
Asset Turnover (x)	0.2	0.4	0.4	0.4	0.5	0.6	0.6
Inventory (Days)	1,896	1,082	1,161	1,203	975	800	800
Debtor (Days)	44	26	28	28	15	15	15
Creditor (Days)	114	60	81	91	70	70	70
Leverage Ratio (x)							
Current Ratio	2.2	2.5	2.1	2.1	2.1	2.2	2.1
Interest Cover Ratio	1.2	3.0	4.1	5.2	6.8	15.8	19.6
Net Debt/Equity	3.9	0.9	0.6	0.3	0.3	0.2	0.0

Consolidated - Cash Flow Statement

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
(INR m)							
OP/(Loss) before Tax	4,959	17,156	4,576	20,405	31,339	47,152	50,906
Depreciation	734	748	928	2,039	2,406	2,741	3,122
Interest & Finance Charges	25,246	19,923	13,890	8,798	10,077	6,198	5,198
Direct Taxes Paid	857	-1,778	-2,110	-400	-1,678	-2,648	-3,055
(Inc)/Dec in WC	-1,218	-7,271	-1,091	-33,766	-32,540	-29,577	-5,207
CF from Operations	30,579	28,778	16,194	-2,924	9,603	23,865	50,964
Others	-5,339	-2,500	11,306	-1,534	-2,127	-1,379	-2,688
CF from Operating incl EO	25,239	26,278	27,499	-4,458	7,477	22,486	48,276
(Inc)/Dec in FA	65	78	149	4,426	-2,406	-2,741	-3,122
Free Cash Flow	25,304	26,356	27,648	-32	5,070	19,745	45,154
(Pur)/Sale of Investments	-176	1,491	6,817	-2,573	0	0	0
Others	4,310	9,820	10,812	1,534	2,127	1,379	2,688
CF from Investments	4,199	11,389	17,778	3,387	-280	-1,362	-434
Issue of Shares	0	63,466	100	5,130	0	0	0
Inc/(Dec) in Debt	-10,325	-72,916	-25,393	-13,626	-10,000	-10,000	-10,000
Interest Paid	-18,027	-19,427	-11,756	-8,798	-10,077	-6,198	-5,198
Dividend Paid	0	0	0	-1,989	-2,238	-2,238	-2,238
Others	0	0	-6	0	0	0	0
CF from Fin. Activity	-28,351	-28,878	-37,054	-19,282	-22,314	-18,435	-17,435
Inc/Dec of Cash	1,087	8,789	8,223	-20,354	-15,117	2,689	30,407
Opening Balance	1,870	3,668	12,457	20,680	326	-14,791	-12,102
Closing Balance	2,956	12,457	20,680	326	-14,791	-12,102	18,305

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	$\geq 15\%$
SELL	$< -10\%$
NEUTRAL	$-10\% \text{ to } 15\%$
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. 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://online.reports.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") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies). MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report: No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.

8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or 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/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 dpgrievances@motilaloswal.com.