

Phoenix Mills

03 December 2020

Reuters: PHOE.NS; Bloomberg: PHNX IN

Building war chest for attractive acquisitions

On 1st December, Phoenix Mills (PML) along with subsidiaries Offbeat Developers Private Limited ('ODPL'), Graceworks Realty and Leisure Private limited (GRLPL) and Vamona Developers Private limited (VDPL) has jointly signed a non-binding term sheet with an affiliate of GIC Private Limited (GIC) for the formation and development of a strategic retail-led mixed use platform.

According to the disclosures, PML will contribute retail assets with gross leasable area of 2.33 msf and commercial retail assets with gross leasable area of 1.03 msf. According to the company, the assets contributed by PML are indicatively valued at an approximate enterprise value (EV) of Rs56bn-Rs57bn. This is in line with our valuation.

GIC will invest in the PML subsidiaries by way of a combination of primary infusion and secondary purchase of equity shares. Assuming the deal goes through, GIC is expected to infuse ~Rs11,626mn (26% of Rs44,714mn) in PML and its subsidiaries.

We revise our TP to Rs753 (earlier Rs623). We have reviewed some of our estimates and have consequently revised our NAV marginally from Rs1,29,848mn to Rs1,36,084mn. Further, with the reopening of malls and gradual improvement in business, we have an increasing comfort about improvement in the company's business. Consequently, we have reduced our discount to NAV from 20% to 5% of NAV to arrive at our new target price (TP) of Rs753 (earlier Rs623). The TP is based on Sept FY23E SOTP valuation. We have valued Retail, Residential and Office Properties of PML based on Sept FY23E NAV while the Hotel business has been valued through the discounted cash flow (DCF) method. We maintain Accumulate rating on the stock.

The proposed transaction: PML along with its subsidiaries ODPL, GRLPL and VDPL has jointly signed a non-binding term sheet with an affiliate of GIC for the formation and development of a strategic retail-led mixed use platform. According to the disclosures, PML will contribute retail assets with gross leasable area of 2.33 msf and commercial retail assets with gross leasable area of 1.03 msf. The assets involved in the deal are as follows:

1. Phoenix Marketcity Mumbai (1.14msf)
2. Phoenix Marketcity Pune (1.19msf)
3. Art Guild House, Mumbai (0.63msf)
4. Centrium, Mumbai (0.12msf)
5. Phoenix Paragon Plaza (0.31msf)

All the above assets (except Phoenix Paragon Plaza) are currently 100% owned by PML. Currently, PML effectively owns 66.7% of Phoenix Paragon Plaza, but post the proposed amalgamation of PML with Phoenix Hospitality Company Private Limited (PHCPL) [a subsidiary company], Phoenix Paragon Plaza will also be 100% owned by PML. The company has given intimation to the exchanges on 27th November 2020 about a shareholders' meeting to be held on 29th December, 2020 at 12:00 Noon for the approval of the Scheme of Amalgamation of Phoenix Hospitality Company Private Limited ('Transferor Company' or 'PHCPL') with PML (Transferee Company).

According to the company, the assets contributed by PML in the GIC deal are indicatively valued at an approximate EV of Rs56bn-Rs57 bn. This is in line with our valuation of the same assets.

GIC will invest in the PML subsidiaries by way of a combination of primary infusion and secondary purchase of equity shares. GIC will initially acquire an equity stake of 26%. GIC may further increase its stake up to 35% within a 12-month period from the closing of the Proposed Transaction, subject to the parties to the transaction agreeing mutually.

The Proposed Transaction is subject to execution of definitive agreements, due diligence and adjustments by the parties and fulfilment of conditions as may be applicable from time to time.

ACCUMULATE

Sector: Real Estate

CMP: Rs765

Target Price: Rs753

Downside: 1.6%

Amit Agarwal

 Research Analyst
amit.agarwal@nirmalbang.com
+91-22-6273 8033

Key Data

Current Shares O/S (mn)	171.7
Mkt Cap (Rsbn/US\$bn)	131.9/1.8
52 Wk H / L (Rs)	980/465
Daily Vol. (3M NSE Avg.)	328,841

Price Performance (%)

	1 M	6 M	1 Yr
Phoenix Mills	38.4	27.0	2.8
Nifty Index	12.4	31.4	8.8

Source: Bloomberg

Y/E March (Rsmn)	FY19	FY20	FY21E	FY22E	FY23E
Revenues	19,816	19,411	15,555	19,721	21,536
YoY (%)	22.3	-2.0	-19.9	26.8	9.2
EBITDA	9,931	9,671	6,107	9,273	10,768
EBITDA Margin (%)	50.1	49.8	39.3	47.0	50.0
PAT	4,617	3,559	1,240	3,932	4,916
YoY (%)	118.5	(22.9)	(65.1)	217.0	25.0
Adjusted PAT	4,210	3,347	1,096	3,951	4,972
YoY (%)	73.9	(20.5)	(67.3)	260.5	25.8
EPS (Rs)*	27.47	21.81	6.38	23.01	28.96
RoE (%)	12.1	9.0	2.2	7.5	8.8
EV/EBITDA (x)	17.1	17.8	28.7	19.0	16.3
P/E (x)	27.9	35.1	119.9	33.3	26.4

Source: Company, Nirmal Bang Institutional Equities Research

Purpose of the transaction and utilization of proceeds: According to the disclosures given by the company, the proceeds from the proposed transaction are intended to be utilized as growth capital for further expansion and acquisition of greenfield, brownfield, operational and/or distressed mall opportunities. PML and GIC may consider various options to monetize this platform, including by way of a REIT, over a three to five-year period from the closing of the Proposed Transaction.

Valuation: We valued the above assets on DCF basis assuming 8.50% capitalization rate and 11% discounting rate and arrived at an equity value of Rs44,714mn and EV of Rs57,703mn. (Refer Exhibit 1).

Maintain Accumulate with a revised TP of Rs753 (earlier Rs623): Our revised TP of Rs753 (earlier Rs 623) for PML is based on Sept FY23E SOTP valuation. We have valued Retail, Residential and Office Properties of PML based on Sept FY23E NAV while the Hotel business has been valued through the DCF method. We have assigned a discount to NAV of 5% (earlier 20%) as the lockdown is easing in multiple regions of the country. The rationale for reduction in discount to NAV is the strong revival in the consumption trends. However, we do not see much room for an upside in the current environment at current valuation and hence have maintained our Accumulate rating on the stock.

Exhibit 1: NBIE's valuation of assets and Enterprise Value:

SPV	Asset	Area	Project NAV	Debt as on 2QFY21
Offbeat Developers	Phoenix Market City Mumbai	1.14	12,527	6,304
	Art Guild House	0.63	9,712	
	Centrium	0.12	1,519	
Vamona Developers	Phoenix Market City Pune	1.19	16,826	5,568
Graceworks Realty & Leisure	Phoenix Paragon Plaza	0.31	4,130	1,117
Total		3.39	44,714	12,989
Enterprise Value				57,703

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 2: Phoenix Marketcity Mumbai - Valuation:

Particulars	2020	2021E	2022E	2023E	2024E	2025E
Total rentable area (mn sq ft)	1.14	1.14	1.14	1.14	1.14	1.14
Occupancy (%)	92%	92%	92%	92%	92%	92%
Effective area rented (mn sq ft)	1.05	1.05	1.05	1.05	1.05	1.05
Rental rate (Rs/sq ft/mth)	106	64	86	94	102	107
Increase in rental rate (%)	8%	-40%	35%	10%	8%	5%
Licence fees and rental income	1,270	800	1,081	1,189	1,284	1,348
Trading Density (Rs/sqft/month)	1,226	736	993	1,092	1,180	1,239
Growth (%)	4%	-40%	35%	10%	8%	5%
Rental Rate as a % of Trading Density	9%	9%	9%	9%	9%	9%
Recoveries (CAM and Others) - Rs mn	691	726	762	800	840	882
Recoveries (CAM and Others) - Rs/sqft/month	51	53	56	58	61	64
Total income (Rs mn)	1,961	1,526	1,842	1,989	2,124	2,230
EBITDA (Rs mn)	1,241	720	973	1,070	1,155	1,213
Depreciation (Rs mn)	454	454	454	454	454	454
EBIT (Rs mn)	787	266	519	616	701	759
Profit after Tax (Rs mn)	787	266	519	616	701	759
Add : non cash expenses (Rs mn)	454	454	454	454	454	454
Operating Cash Flow (Rs mn)	1,241	720	973	1,070	1,155	1,213
Terminal Value based on Capitalization Rate @ 8.50%	-	-	-	-	-	8,839
Discount rate	11%	-	-	-	-	-
Period (Years)	-	1.00	2.00	3.00	4.00	5.00
Discount factor	-	0.9	0.8	0.7	0.7	0.6
DCF (Rs mn)	-	648	787	779	757	716
Project NAV (Rs mn)	12,527					
GIC's share of project NAV @ 26% (Rs mn)	3,257					
GIC's share of project NAV/share (Rs)	19					

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 3: Phoenix Marketcity Pune - Valuation:

Particulars	2020	2021E	2022E	2023E	2024E	2025E
Total rentable area (mn sq ft)	1.19	1.19	1.19	1.19	1.19	1.19
Occupancy (%)	96%	96%	96%	96%	96%	96%
Effective area rented (mn sq ft)	1.14	1.14	1.14	1.14	1.14	1.14
Rental rate (Rs/sq ft/mth)	128	77	102	108	114	119
Increase in rental rate (%)	10%	-40%	33%	6%	5%	5%
Licence fees and rental income	1,667	1,053	1,400	1,484	1,559	1,636
Trading Density (Rs/sqft/month)	1,453	872	1,159	1,229	1,291	1,355
Growth (%)	9%	-40%	33%	6%	5%	5%
Rental Rate as a % of Trading Density	9%	9%	9%	9%	9%	9%
Recoveries (CAM and Others) - Rs mn	778	817	858	901	946	993
Recoveries (CAM and Others) - Rs/sqft/month	54	57	60	63	66	70
Total income (Rs mn)	2,445	1,870	2,258	2,385	2,504	2,629
EBITDA (Rs mn)	1,643	1,038	1,380	1462.80362	1535.9438	1612.74099
Depreciation (Rs mn)	275.31	275.31	275.31	275.31	275.31	275.31
EBIT (Rs mn)	1,368	762	1,105	1,187	1,261	1,337
Profit after Tax (Rs mn)	1,368	762	1,105	1,187	1,261	1,337
Add : non cash expenses (Rs mn)	275	275	275	275	275	275
Operating Cash Flow (Rs mn)	1,643	1,038	1,380	1,463	1,536	1,613
Terminal Value based on Capitalization Rate @ 8.50%	-	-	-	-	-	11,751
Discount rate	11%	-	-	-	-	-
Period (Years)	-	1.00	2.00	3.00	4.00	5.00
Discount factor	-	0.9	0.8	0.7	0.7	0.6
DCF (Rs mn)	-	934	1,117	1,066	1,007	951
Project NAV (Rs mn)	16,826					
GIC's share of project NAV @ 26% (Rs mn)	4,375					
GIC's share of project NAV/share (Rs)	26					

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 4: Art Guild House - Valuation:

Art Guild House	2020	2021E	2022E	2023E	2024E	2025E
Total Area (mnsqft)	0.63	0.63	0.63	0.63	0.63	0.63
Net Leasable Area (mnsqft)	0.62	0.62	0.62	0.62	0.62	0.62
Occupancy Rate (%)	89%	100%	100%	100%	100%	100%
Total Leased Area (mnsqft)	0.55	0.62	0.62	0.62	0.62	0.62
Net Rental Rate (Rs/sq ft/month)	106	106	106	111	117	123
Growth Rate (%)	10%	0%	0%	5%	5%	5%
Number of Months	12	12	12	12	12	12
Rental Income (Rs mn)	700	789	789	828	869	913
Depreciation (Rs mn)	102.6	102.6	102.6	102.6	102.6	102.6
EBIT (Rs mn)	597	686	686	725	767	810
PAT (Rs mn)	597	686	686	725	767	810
Add : non cash expenses (Rs mn)	102.6	102.6	102.6	102.6	102.6	102.6
Operating Cash Flow (Rs mn)	700	789	789	828	869	913
Terminal Value based on Capitalization Rate @ 8.50%	-	-	-	-	-	6,652
Discount rate	11%	-	-	-	-	-
Period (Years)	-	1	2	3	4	5
Discount factor	-	0.9	0.8	0.7	0.7	0.6
DCF (Rs mn)	-	710	639	603	570	539
Project NAV (Rs mn)	9,712					
GIC's share of project NAV @ 26% (Rs mn)	2,525					
GIC's share of project NAV/share (Rs)	15					

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 5: Centrium - Valuation:

Centrium	2020	2021E	2022E	2023E	2024E	2025E
Total Area (mnsqft)	0.12	0.12	0.12	0.12	0.12	0.12
Net Leasable Area (mnsqft)	0.12	0.12	0.12	0.12	0.12	0.12
Occupancy Rate (%)	67%	88%	90%	95%	95%	95%
Total Leased Area (mnsqft)	0.08	0.1056	0.108	0.114	0.114	0.114
Net Rental Rate (Rs/sq ft/month)	91	91	91	96	100	105
Growth Rate (%)	0%	0%	0%	5%	5%	5%
Number of Months	12	12	12	12	12	12
Rental Income (Rs mn)	87	115	118	131	137	144
Depreciation (Rs mn)	21.6	21.6	21.6	21.6	21.6	21.6
EBIT (Rs mn)	66	94	96	109	116	123
PAT (Rs mn)	66	94	96	109	116	123
Add : non cash expenses (Rs mn)	21.6	21.6	21.6	21.6	21.6	21.6
Operating Cash Flow (Rs mn)	87	115	118	131	137	144
Terminal Value based on Capitalization Rate @ 8.50%	-	-	-	-	-	1,050
Discount rate	11%	-	-	-	-	-
Period (Years)	-	1	2	3	4	5
Discount factor	-	0.9	0.8	0.7	0.7	0.6
DCF (Rs mn)	-	104	95	95	90	85
Project NAV (Rs mn)	1,519					
GIC's share of project NAV @ 26% (Rs mn)	395					
GIC's share of project NAV/share (Rs)	2					

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 6: Phoenix Paragon Plaza - Valuation:

Phoenix Paragon Plaza	2020	2021E	2022E	2023E	2024E	2025E
Total Area (mnsqft)	0.31	0.31	0.31	0.31	0.31	0.31
Net Leasable Area (mnsqft)	0.31	0.31	0.31	0.31	0.31	0.31
Occupancy Rate (%)	71%	60%	65%	69%	72%	75%
Total Leased Area (mnsqft)	0.22	0.186	0.2015	0.2139	0.2232	0.2325
Net Rental Rate (Rs/sq ft/month)	124	124	124	130	137	144
Growth Rate (%)	31%	0%	0%	5%	5%	5%
Number of Months	12	12	12	12	12	12
Rental Income (Rs mn)	327	277	300	334	366	400
Depreciation (Rs mn)	100	100	100	100	100	100
EBIT (Rs mn)	227	177	200	234	266	301
PAT (Rs mn)	227	177	200	234	266	301
Add : non cash expenses (Rs mn)	99.9	99.9	99.9	99.9	99.9	99.9
Operating Cash Flow (Rs mn)	327	277	300	334	366	400
Terminal Value based on Capitalization Rate @ 8.50%	-	-	-	-	-	2,918
Discount rate	11%	-	-	-	-	-
Period (Years)	-	1	2	3	4	5
Discount factor	-	0.9	0.8	0.7	0.7	0.6
DCF (Rs mn)	-	249	243	243	240	236
Project NAV (Rs mn)	4,130					
GIC's share of project NAV @ 26% (Rs mn)	1,074					
GIC's share of project NAV/share (Rs)	6					

Source: Company, Nirmal Bang Institutional Equities Research

Consolidated financials

Exhibit 7: Income statement

Y/E March (Rsmn)	FY19	FY20	FY21E	FY22E	FY23E
Net sales	19,816	19,411	15,555	19,721	21,536
Growth YoY (%)	22	(2)	(20)	27	9
Operating and Other Costs	9,884	9,740	9,448	10,448	10,768
EBITDA	9,931	9,671	6,107	9,273	10,768
EBITDA growth (%)	28	(3)	(37)	52	16
EBITDA margin (%)	50	50	39	47	50
Depreciation	2,042	2,076	2,076	2,076	2,297
EBIT	7,889	7,595	4,031	7,197	8,471
EBIT (%)	40	39	26	36	39
Interest expense	3,191	3,375	2,862	2,417	2,389
Other income	536	482	506	531	558
Exceptional Items	481	78	-	-	-
Earnings before tax	5,716	4,780	1,675	5,311	6,640
Tax- total	1,099	1,221	435	1,379	1,724
Rate of tax (%)	19	26	26	26	26
Net profit	4,617	3,559	1,240	3,932	4,916
Adjusted PAT*	4,210	3,347	1,096	3,951	4,972
% growth	74	(20)	(67)	261	26
EPS (FD)	27.5	21.8	6.4	23.0	29.0
% growth	73.7	(20.6)	(70.7)	260.5	25.8

* Adjusted PAT - After minority interest and Share of associates and JV

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 8: Cash flow

Y/E March (Rsmn)	FY19	FY20	FY21E	FY22E	FY23E
PAT	4,210	3,347	1,096	3,951	4,972
Depreciation	2,042	2,076	2,076	2,076	2,297
Other income	(536)	(482)	(506)	(531)	(558)
Working capital changes	(7,826)	(677)	(875)	(133)	(211)
Operating cash flow	(2,110)	4,264	1,791	5,363	6,500
Capital expenditure	(14,529)	(7,758)	(2,102)	(5,715)	(5,715)
Investments	2,358	(686)	(599)	(617)	(636)
Net cash after capex	(14,281)	(4,179)	(910)	(970)	149
Others	1,737	619	210	216	222
Issue/(buyback of equity)	0	46	11,024	-	-
Proceeds/repayment of borrowings	5,772	878	(10,500)	-	(1,000)
Other Income	536	482	506	531	558
Dividend and Dividend Tax	(480)	(555)	(165)	(596)	(750)
Deferred Taxes	615	1,642	245	258	271
Changes in MI	7,572	555	-	-	-
Cash flow from financing	15,752	3,667	1,319	409	(699)
Total cash generation	1,471	(513)	409	(561)	(550)
Opening cash balance	449	1,920	1,407	1,816	1,255
Closing cash & bank balance	1,920	1,407	1,816	1,255	705

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 9: Balance sheet

Y/E March (Rsmn)	FY19	FY20	FY21E	FY22E	FY23E
Share capital	307	307	343	343	343
Reserves and surplus	34,435	36,777	48,695	52,049	56,270
Net worth	34,741	37,084	49,038	52,393	56,614
Loans	42,437	43,315	32,815	32,815	31,815
Minority interest	12,233	12,788	12,788	12,788	12,788
Other Liabilities	4,658	5,522	5,798	6,088	6,393
Deferred tax liability	3	28	29	31	32
Total capital employed	94,073	98,737	1,00,469	1,04,115	1,07,642
Property, plant and equipment	70,476	76,158	76,183	79,822	83,239
Investments	7,450	5,897	6,074	6,256	6,444
Loans and Advances	63	121	127	133	140
Other non-current assets	5,849	6,940	7,148	7,362	7,583
Total non-current assets	83,838	89,115	89,532	93,574	97,406
Trade payables	1,479	1,117	1,206	1,214	1,225
Other current liabilities	4,978	4,859	4,639	4,871	5,114
Provisions (current)	630	761	799	839	881
Total current liabilities	7,086	6,737	6,644	6,924	7,220
Inventories	8,986	8,161	8,616	8,780	8,859
Trade receivables	1,955	2,017	2,137	2,167	2,367
Cash and bank balance	1,920	1,407	1,816	1,255	705
Loans and advances	212	97	102	107	112
Other current assets	2,857	4,064	4,267	4,480	4,705
Deferred Tax assets	1,390	612	643	675	709
Total current assets	17,321	16,359	17,581	17,465	17,456
Net current assets	10,235	9,622	10,937	10,541	10,236
Total capital employed	94,073	98,737	1,00,469	1,04,115	1,07,642

Source: Company, Nirmal Bang Institutional Equities Research

Exhibit 10: Key ratios

Y/E March	FY19	FY20	FY21E	FY22E	FY23E
Profitability and return ratios					
EBITDA margin (%)	50.1	49.8	39.3	47.0	50.0
EBIT margin (%)	39.8	39.1	25.9	36.5	39.3
Net profit margin (%)	23.3	18.3	8.0	19.9	22.8
RoE (%)	12.1	9.0	2.2	7.5	8.8
RoCE (%)	8.4	7.7	4.0	6.9	7.9
Working capital & liquidity ratios					
Receivable (days)	36	38	50	40	40
Inventory (days)	508	483	500	470	470
Payable (days)	84	66	70	65	65
Current ratio (x)	2.4	2.4	2.6	2.5	2.4
Valuation ratios					
EV/sales (x)	8.6	8.9	11.3	8.9	8.1
EV/EBITDA (x)	17.1	17.8	28.7	19.0	16.3
P/E (x)*	27.9	35.1	119.9	33.3	26.4
P/BV (x)	3.4	3.2	2.7	2.5	2.3

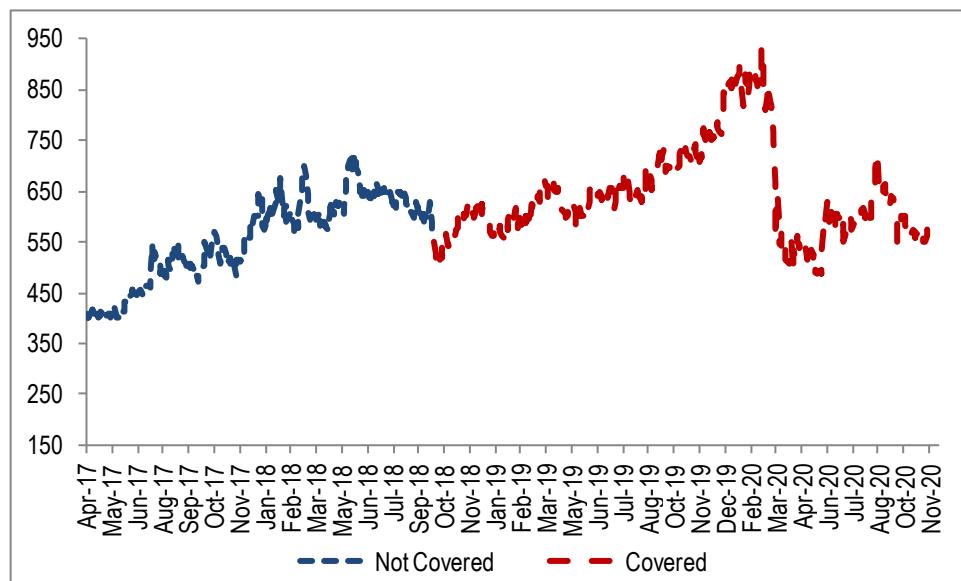
Source: Company, Nirmal Bang Institutional Equities Research

*P/E is calculated on adjusted PAT

Rating track

Date	Rating	Market price (Rs)	Target price (Rs)
28 September 2018	Buy	553	791
09 November 2018	Buy	605	791
11 February 2019	Buy	587	791
17 May 2019	Buy	623	791
31 July 2019	Buy	673	810
9 August 2019	Buy	645	810
13 August 2019	Buy	644	810
13 November 2019	Buy	742	900
12 February 2020	Buy	880	1,021
24 March 2020	Buy	576	709
1 July 2020	Acc	584	558
31 July 2020	Acc	614	638
23 September 2020	Acc	569	623
17 November 2020	Acc	613	623
03 December 2020	Acc	765	753

Rating track graph



DISCLOSURES

This Report is published by Nirmal Bang Equities Private Limited (hereinafter referred to as "NBEPL") for private circulation. NBEPL is a registered Research Analyst under SEBI (Research Analyst) Regulations, 2014 having Registration no. INH000001436. NBEPL is also a registered Stock Broker with National Stock Exchange of India Limited and BSE Limited in cash and derivatives segments.

NBEPL has other business divisions with independent research teams separated by Chinese walls, and therefore may, at times, have different or contrary views on stocks and markets.

NBEPL or its associates have not been debarred / suspended by SEBI or any other regulatory authority for accessing / dealing in securities Market. NBEPL, its associates or analyst or his relatives do not hold any financial interest in the subject company. NBEPL or its associates or Analyst do not have any conflict or material conflict of interest at the time of publication of the research report with the subject company. NBEPL or its associates or Analyst or his relatives do not hold beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of this research report.

NBEPL or its associates / analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months. NBEPL or its associates have not received any compensation or other benefits from the company covered by Analyst or third party in connection with the research report. Analyst has not served as an officer, director or employee of Subject Company and NBEPL / analyst has not been engaged in market making activity of the subject company.

Analyst Certification: I, Amit Agarwal, research analyst and the author of this report, hereby certify that the views expressed in this research report accurately reflects my personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst is principally responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Disclaimer

Stock Ratings Absolute Returns

BUY > 15%

ACCUMULATE -5% to 15%

SELL < -5%

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. NBEPL is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. In preparing this research, we did not take into account the investment objectives, financial situation and particular needs of the reader.

This research has been prepared for the general use of the clients of NBEPL and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NBEPL will not treat recipients as customers by virtue of their receiving this report. 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 NBEPL & its group companies to registration or licensing requirements within such jurisdictions.

The report is based on the information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up-to-date and it should not be relied upon as such. We accept no obligation to correct or update the information or opinions in it. NBEPL or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. NBEPL or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

This information is subject to change without any prior notice. NBEPL reserves its absolute discretion and right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, NBEPL is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Before making an investment decision on the basis of this research, the reader needs to consider, with or without the assistance of an adviser, whether the advice is appropriate in light of their particular investment needs, objectives and financial circumstances. There are risks involved in securities trading. The price of securities can and does fluctuate, and an individual security may even become valueless. International investors are reminded of the additional risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment. Opinions expressed are subject to change without any notice. Neither the company nor the director or the employees of NBEPL accept any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this research and/or further communication in relation to this research. Here it may be noted that neither NBEPL, nor 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 profit that may arise from or in connection with the use of the information contained in this report.

Copyright of this document vests exclusively with NBEPL.

Our reports are also available on our website www.nirmalbang.com

Access all our reports on Bloomberg, Thomson Reuters and Factset.

Team Details:			
Name	Email Id	Direct Line	
Rahul Arora	CEO	rahul.arora@nirmalbang.com	-
Girish Pai	Head of Research	girish.pai@nirmalbang.com	+91 22 6273 8017 / 18
Dealing			
Ravi Jagtiani	Dealing Desk	ravi.jagtiani@nirmalbang.com	+91 22 6273 8230, +91 22 6636 8833
Michael Pillai	Dealing Desk	michael.pillai@nirmalbang.com	+91 22 6273 8102/8103, +91 22 6636 8830

Nirmal Bang Equities Pvt. Ltd.

Correspondence Address

B-2, 301/302, Marathon Innova,
 Nr. Peninsula Corporate Park,
 Lower Parel (W), Mumbai-400013.

Board No. : 91 22 6273 8000/1; Fax. : 022 6273 8010