

BSE SENSEX

45,960

S&P CNX

13,478


Stock Info

Bloomberg	UPLL IN
Equity Shares (m)	765
M.Cap.(INRb)/(USDb)	335 / 5.1
52-Week Range (INR)	615 / 240
1, 6, 12 Rel. Per (%)	-5/-31/-35
12M Avg Val (INR M)	2576
Free float (%)	72.1

Financials Snapshot (INR b)

Y/E Mar	2020	2021E	2022E
Sales	357.6	384.6	419.0
EBITDA	74.4	83.8	94.3
PAT	26.6	31.5	34.6
EBITDA (%)	20.8	21.8	22.5
EPS (INR)	34.8	41.2	45.2
EPS Gr. (%)	8.0	18.4	9.6
BV/Sh. (INR)	213	242	422

Ratios

Net D/E	1.5	1.2	0.9
RoE (%)	17.2	18.1	17.4
RoCE (%)	9.5	10.4	11.1
Payout (%)	25.9	20.0	20.0

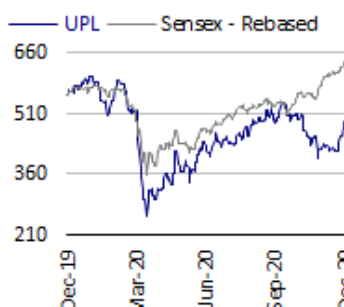
Valuations

P/E (x)	12.6	10.6	9.7
EV/EBITDA (x)	7.9	6.7	5.7
Div Yield (%)	1.4	1.7	2.1
FCF Yield (%)	11.9	14.0	15.4

Shareholding pattern (%)

As On	Sep-20	Jun-20	Sep-19
Promoter	27.9	27.9	27.9
DII	16.2	13.2	10.9
FII	37.2	40.6	43.9
Others	18.7	18.4	17.3

FII Includes depository receipts

Stock Performance (1-year)

CMP: INR438
TP: INR452(+3%)
Neutral
Whistle-blower allegations raise governance concerns

UPLL hosted a call to clarify the whistle-blower complaint, which alleged that promoter Mr. Jaidev Shroff along with family members have siphoned off money. In this note, we have highlighted the issues involved, the management's response to the same, and recent business update. Key highlights are below:

Allegation

- The whistle-blower alleged that UPLL entered into rent deals with a shell company (Sadafuli), owned by its employees, and paid crores of rupees in rent for properties held by the latter, which was earlier owned by Mr. Shroff. As per the [media article](#), according to the lease-and-license agreement in 2002 signed for 66 months, the total cumulative rent, along with the deposit, comes to around INR60m. According to MCA filings made by Sadafuli during FY12-19, a total of INR249m has been paid as rent for Salisbury House. In FY19 alone, Sadafuli received INR42m as rent for the house.
- As per its FY12 AR, Mr. Shroff owned 97.8% stake in Sadafuli Finvest Pvt, which has been receiving secured and unsecured loans from multiple entities related to Mr. Shroff. In FY13, Shroff transferred his entire stake to Teknomic Consultants Pvt, which then became the holding company of Sadafuli.

Management's reply to the allegations

- The issue was raised in 2017 with the board and the audit committee chairman. It was investigated by the audit committee and was concluded earlier itself.
- The company denies the whistle blower is a member of the board as reported in the news article (UPLL has verified the same with board members of the last seven years) as these allegations were discussed and investigated by the audit committee and the board in 2017/2018.
- An identical whistle blower complaint was received by the audit committee of UPLL on June 2, 2017. The whistle blower committee, which comprised only independent directors, was constituted by the audit committee to investigate the allegations and all the contents of the complaint were fully disclosed. It undertook a detailed review, including each related party transaction (RPT), with the help of an independent law firm, and had concluded two-and-a-half years back that those transactions were at arm's length and in compliance with applicable laws. Thereafter, the complainant was duly informed about the findings of the audit committee and the matter was closed.
- It appears that the same whistle blower, motivated by malafide intentions, has approached the media raising the same issue again.
- The company confirms that all transactions in question were at an arms-length basis and that there has been no siphoning of funds, as alleged in the news article. It added there is no new complaint against UPLL.

Others

- **Auditor resignation:** The auditor of UPLL's subsidiary resigned as they were not able to complete the audit on time due to lower manpower. KPMG India is still the auditor of the holding company. However, KPMG Mauritius has resigned as auditor for UPLL's subsidiary: UPL Corporations.
- The company is looking to simplify its corporate structure by reducing its subsidiaries. Over the last few years, it has been simplifying its structure. Five years back, UPLL had more than 100 subsidiaries, which has now reduced to 80 (ex-Arysta related companies).
- It is planning to prepay USD410m in debt by the end of Dec'20. This will aid in reducing gross debt. Net debt at the end of FY21 will decline as usual in the 4Q as the company generates higher CFO (due to the seasonality in the business).

Business update

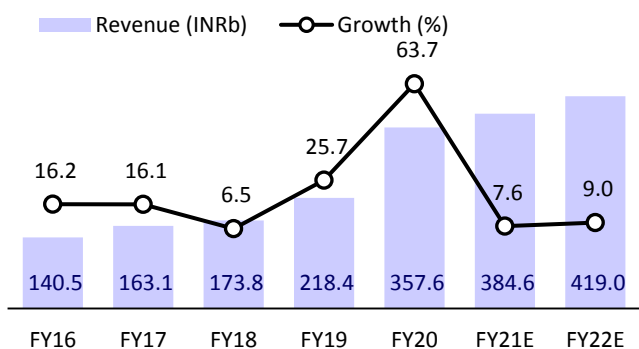
- Strong commodity prices have aided agrochemical consumption globally.
- Recently, the company inaugurated a laboratory in Bengaluru, which will undertake research in bio-solutions. This is in addition to the research going on in other geographies.
- Strategy in Brazil has panned out very well and the company is gaining market share.
- New active Ingredient plant of clethodim has just been commissioned.
- Intermediates and specialty business are also growing at 20-30% in India.

View

- Debt remains a key concern as net debt increased by INR17.8b in 1HFY21 v/s Mar'20. Overall, its Balance Sheet has not shown a significant improvement in 1HFY21. In 2HFY21, the company is targeting to repay USD700m in debt, which would be a key trigger to watch out for.
- The stock performance in near term will remain impacted by the newsflow related to the governance issues. The medium to longer term valuation will be driven by debt reduction, simplifying the corporate structure and comfort around governance issues.
- Expect revenue/EBITDA/PAT CAGR of 8%/13%/14% over FY20-22E. We value the stock at 10x FY22E EPS and arrive at a TP of INR452/share. Maintain **Neutral**.

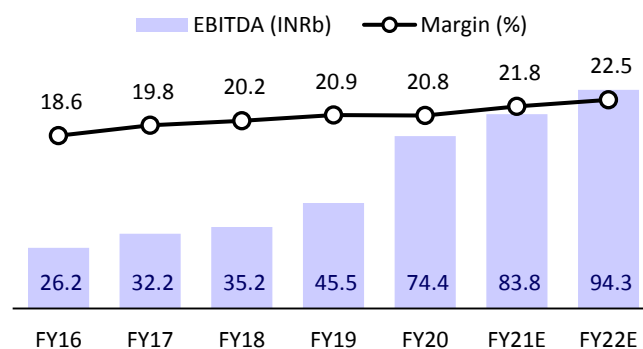
Story in charts

Exhibit 1: Expect 8% revenue CAGR over FY20–22E



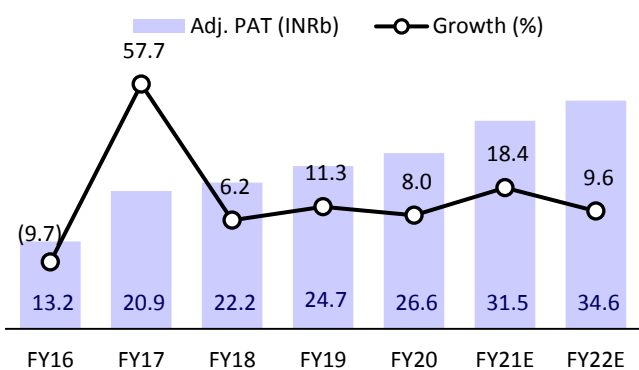
Source: Company, MOFSL

Exhibit 2: Margin to expand 170bp over FY20–22E



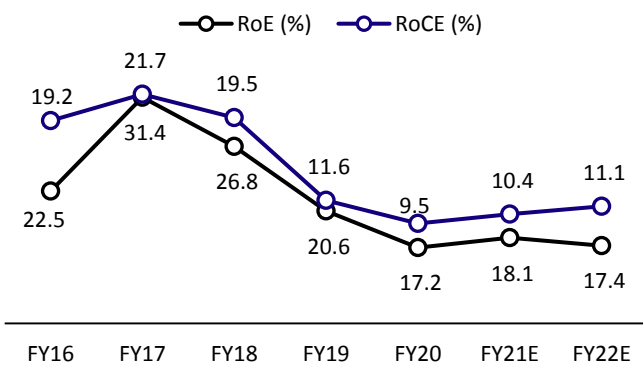
Source: Company, MOFSL

Exhibit 3: Expect adj. PAT CAGR of 14% over FY20–22E



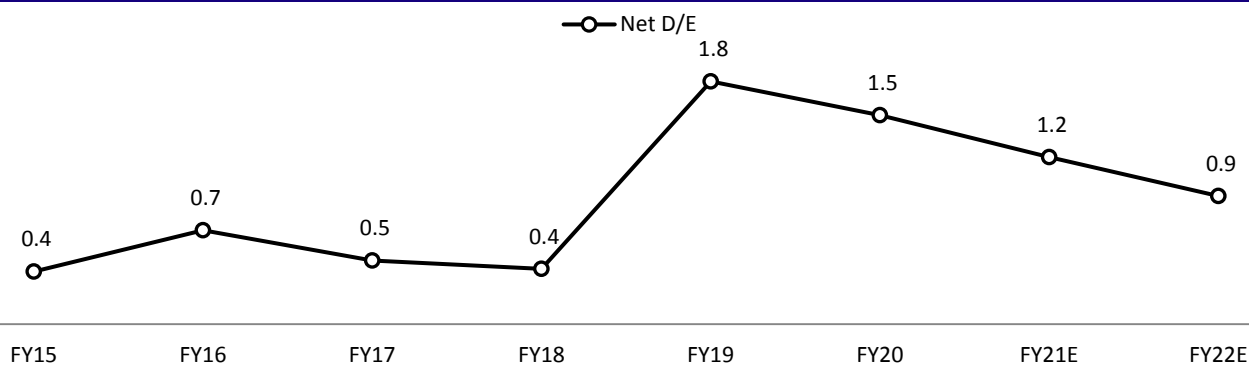
Source: Company, MOFSL

Exhibit 4: Return ratio trend



Source: Company, MOFSL

Exhibit 5: Net D/E to improve (x)



Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement						(INR m)	
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
Total Income from Operations	1,40,480	1,63,120	1,73,780	2,18,370	3,57,560	3,84,604	4,19,036
Change (%)	16.2	16.1	6.5	25.7	63.7	7.6	9.0
Total Expenditure	1,14,300	1,30,890	1,38,620	1,72,830	2,83,180	3,00,788	3,24,753
% of Sales	81.4	80.2	79.8	79.1	79.2	78.2	77.5
EBITDA	26,180	32,230	35,160	45,540	74,380	83,815	94,283
Margin (%)	18.6	19.8	20.2	20.9	20.8	21.8	22.5
Depreciation	6,760	6,720	6,750	8,800	20,120	22,850	26,008
EBIT	19,420	25,510	28,410	36,740	54,260	60,965	68,275
Int. and Finance Charges	7,040	7,350	7,830	9,630	14,810	18,419	17,879
Other Income	3,160	4,440	4,140	2,400	1,040	1,920	1,467
Exchange diff on trade rec. & payables	2,230	2,380	110	2,990	3,310	130	0
PBT bef. EO Exp.	13,310	20,220	24,610	26,520	37,180	44,336	51,863
EO Items	1,290	810	630	8,930	9,650	3,110	0
PBT after EO Exp.	12,020	19,410	23,980	17,590	27,530	41,226	51,863
Total Tax	1,650	1,890	2,750	1,980	5,860	8,166	10,891
Tax Rate (%)	13.7	9.7	11.5	11.3	21.3	19.8	21.0
Prior Period Items - Income / (Expenses) - Net	0	0	0	0	0	0	0
Share of (profit)/loss of ass. & JV	850	190	930	-140	-30	-55	-61
Minority Interest	120	60	80	840	4,010	5,164	6,455
Reported PAT	9,400	17,270	20,220	14,910	17,690	27,951	34,577
Adjusted PAT	13,238	20,878	22,163	24,658	26,638	31,543	34,577
Change (%)	-9.7	57.7	6.2	11.3	8.0	18.4	9.6
Margin (%)	9.4	12.8	12.8	11.3	7.4	8.2	8.3
Consolidated - Balance Sheet						(INR m)	
Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
Equity Share Capital	860	1,010	1,020	1,020	1,530	1,530	1,530
Total Reserves	20,060	72,140	90,670	1,46,130	1,61,430	1,83,790	2,11,452
Net Worth	58,890	73,970	91,690	1,47,150	1,62,960	1,85,320	2,12,982
Minority Interest	440	330	190	34,540	33,120	38,284	44,739
Total Loans	52,580	63,610	66,380	2,91,360	2,88,120	2,78,120	2,58,120
Perpetual bonds	0	0	0	0	29,860	29,860	29,860
Total Loans (Including Perpetual bond)	52,580	63,610	66,380	2,91,360	3,17,980	3,07,980	2,87,980
Deferred Tax Liabilities	-3,900	-5,010	-4,410	21,970	27,770	27,770	27,770
Capital Employed	1,08,010	1,32,900	1,53,850	4,95,020	5,41,830	5,59,354	5,73,471
Gross Block	93,150	96,060	1,06,340	2,30,310	2,59,590	2,86,174	3,07,491
Less: Accum. Deprn.	58,700	59,540	66,290	75,090	95,210	1,18,060	1,44,068
Net Fixed Assets	34,450	36,520	40,050	1,55,220	1,64,380	1,68,114	1,63,423
Goodwill on Consolidation	4,170	4,190	4,320	1,66,270	1,82,410	1,82,410	1,82,410
Capital WIP	4,840	7,920	13,190	18,550	20,730	14,146	12,829
Total Investments	3,350	3,780	10,340	7,080	5,580	5,580	5,580
Curr. Assets, Loans&Adv.	1,17,980	1,44,700	1,57,240	2,84,540	3,27,730	3,58,842	3,97,135
Inventory	37,870	41,560	45,380	91,330	78,500	81,806	91,338
Account Receivables	51,000	56,560	60,570	1,16,790	1,18,670	1,27,499	1,38,913
Cash and Bank Balance	11,890	28,950	28,940	28,510	67,520	80,308	87,267
Loans and Advances	17,220	17,630	22,350	47,910	63,040	69,229	79,617
Curr. Liability & Prov.	56,780	64,210	71,290	1,36,640	1,59,000	1,69,737	1,87,906
Account Payables	39,620	48,850	56,750	94,230	1,02,330	1,10,124	1,22,955
Other Current Liabilities	16,120	14,270	13,430	33,770	55,320	57,691	62,855
Provisions	1,040	1,090	1,110	8,640	1,350	1,923	2,095
Net Current Assets	61,200	80,490	85,950	1,47,900	1,68,730	1,89,104	2,09,229
Appl. of Funds	1,08,010	1,32,900	1,53,850	4,95,020	5,41,830	5,59,354	5,73,471

Financials and valuations

Ratios

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
Basic (INR)							
EPS	17.3	27.3	29.0	32.2	34.8	41.2	45.2
Cash EPS	26.1	36.1	37.8	43.7	61.1	71.1	120.0
BV/Share	77.0	96.7	119.9	192.4	213.0	242.2	421.7
DPS	5.0	7.0	5.3	5.3	6.0	7.3	9.0
Payout (%)	40.7	31.0	20.0	27.1	25.9	20.0	20.0
Valuation (x)							
P/E	25.3	16.0	15.1	13.6	12.6	10.6	9.7
Cash P/E	16.8	12.1	11.6	10.0	7.2	6.2	3.7
P/BV	5.7	4.5	3.7	2.3	2.1	1.8	1.0
EV/Sales	2.7	2.3	2.1	2.7	1.6	1.5	1.3
EV/EBITDA	14.4	11.5	10.6	13.1	7.9	6.7	5.7
Dividend Yield (%)	1.1	1.6	1.2	1.2	1.4	1.7	2.1
FCF per share	9.2	24.1	19.2	-350.0	51.9	61.1	67.6
Return Ratios (%)							
RoE	22.5	31.4	26.8	20.6	17.2	18.1	17.4
RoCE	19.2	21.7	19.5	11.6	9.5	10.4	11.1
RoIC	21.4	25.7	26.1	12.0	9.6	10.8	11.6
Working Capital Ratios							
Fixed Asset Turnover (x)	1.5	1.7	1.6	0.9	1.4	1.3	1.4
Inventory (Days)	204	194	204	319	156	156	156
Debtor (Days)	133	127	127	195	121	121	121
Creditor (Days)	213	228	255	329	203	210	210
Leverage Ratio (x)							
Net Debt (incl perpetual bonds)/Equity	0.7	0.5	0.4	1.8	1.5	1.2	0.9

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E
OP/(Loss) before Tax	13,310	20,220	24,610	26,520	37,180	44,336	51,863
Depreciation	6,760	6,720	6,750	8,800	20,120	22,850	26,008
Interest & Finance Charges	6,350	5,850	7,830	9,630	14,810	18,419	17,879
Direct Taxes Paid	-5,030	-4,040	-2,750	-1,980	-5,860	-8,166	-10,891
(Inc)/Dec in WC	-7,040	-1,210	-5,470	-10,480	30,710	-7,586	-13,166
CF from Operations	14,350	27,540	30,970	32,490	96,960	69,852	71,692
Others	-390	-850	-630	-8,930	-9,650	-3,110	0
CF from Operating incl EO	13,960	26,690	30,340	23,560	87,310	66,742	71,692
(Inc)/Dec in FA	-6,930	-8,270	-15,680	-2,91,280	-47,600	-20,000	-20,000
Free Cash Flow	7,030	18,420	14,660	-2,67,720	39,710	46,742	51,692
(Pur)/Sale of Investments	800	120	-6,560	3,260	1,500	0	0
Others	-10,728	-2,040	2,810	-21,180	19,670	0	0
CF from Investments	-16,858	-10,190	-19,430	-3,09,200	-26,430	-20,000	-20,000
Issue of Shares	0	0	-810	0	510	0	0
Inc/(Dec) in Debt	12,840	10,790	2,770	2,24,980	-3,240	-10,000	-20,000
Interest Paid	-5,860	-7,950	-7,830	-9,630	-14,810	-18,419	-17,879
Dividend Paid	-2,290	-2,280	-4,040	-4,040	-4,590	-5,590	-6,915
Others	0	0	-1,010	73,900	260	55	61
CF from Fin. Activity	4,690	560	-10,920	2,85,210	-21,870	-33,954	-44,734
Inc/Dec of Cash	1,792	17,060	-10	-430	39,010	12,788	6,959
Opening Balance	10,098	11,890	28,950	28,940	28,510	67,520	80,308
Closing Balance	11,890	28,950	28,940	28,510	67,520	80,308	87,267

NOTES

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

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

Disclosures

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

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

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

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. As per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisors Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company
- received compensation/other benefits from the subject company in the past 12 months
- other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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

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

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