

Zen Technologies

Estimate changes

TP change

Rating change

Bloomberg	ZEN IN
Equity Shares (m)	84
M.Cap.(INRb)/(USD\$b)	135.2 / 1.6
52-Week Range (INR)	1609 / 578
1, 6, 12 Rel. Per (%)	33/97/130
12M Avg Val (INR M)	402

Financials Snapshot (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Net Sales	9.1	13.2	18.6
EBITDA	3.4	4.9	6.9
PAT	2.4	3.4	4.9
EPS (INR)	28.4	40.7	57.9
GR. (%)	88.4	43.0	42.4
BV/Sh (INR)	82.4	123.0	180.9

Ratios

ROE (%)	41.7	39.6	38.1
RoCE (%)	42.1	39.8	38.3

Valuations

P/E (X)	56.5	39.5	27.8
P/BV (X)	19.5	13.1	8.9
EV/EBITDA (X)	39.1	27.0	18.8
Div Yield (%)	-	-	-

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	55.1	55.1	57.5
DII	3.4	3.3	0.2
FII	3.6	4.5	4.2
Others	37.9	37.2	38.1

FII Includes depository receipts

CMP: INR1,609

TP: INR1,820 (+13%)

Buy

Strong execution

ZEN reported 92%/56%/57% YoY increase in revenue/EBITDA/PAT in 1QFY25, driven by an order book of INR11.6b. EBITDA margin remained strong at 40% as the company continued to benefit from backward integration and control over supply chain. As a result, PAT margin came in at 29.2%. Order inflows will start ramping up from 2HFY25 onward. We marginally revise our estimates to factor in the 1Q performance and maintain BUY rating ZEN with a TP of INR1,820, based on 40x Jun'26E EPS (vs. INR1,775 earlier). The current valuation of ZEN is still cheaper than that of other comparable companies in the private defense sector and ZEN has the advantage of a faster CAGR, stronger margins and reasonable NWC. Maintain BUY.

Robust 1Q results

Revenue grew 92% YoY/87% QoQ to INR2.5b, led by robust execution of the opening order book of INR14b. EBITDA came in at INR1b, up 56% YoY/129% QoQ. EBITDA margin contracted ~960bp YoY to 40%; however, it was down only 60bp vs. the FY24 level and well within the management's guidance. PAT grew 57% YoY to INR742m, with margin at 29.2%. The order book stood at INR11.6b (+113% YoY). 1Q saw nil order inflow as decision-making was delayed due to elections. Order inflows will start ramping up from 3QFY25 onward.

Order inflow visibility will emerge in coming months

1Q saw nil order inflow owing to elections. However, inflows are likely to ramp up in the coming quarters from both domestic and international geographies. ZEN is already working on various products like Hawkeye anti-drone system, Barbarik URCWS, Prahasta automated quadruped, and Sthir Stab 640 stabilized sight and platforms like tactical simulator, weapon-training simulators, advanced counter drone systems, which will see improved inflows and revenue traction ahead. We expect the new products for anti-drone system to boost revenue and order inflows from FY26 onward. We currently estimate order inflows of INR18b/INR25b/INR35b for FY25/FY26/FY27.

Export inflow and revenue were nil during the quarter

Export inflow and revenues were also nil during the quarter, as the existing order book in exports has not reached the revenue recognition stage. Currently, ZEN has a presence in markets such as Nigeria, Qatar, Malaysia, UAE, Kenya and Egypt. Its export order book stands at INR4.4b diversified across simulators (INR1.6b) and anti-drone systems (INR2.8b). With an increased focus on exports, the company intends to increase the revenue share of exports to 35% by FY28.

Zen is ideally positioned to capture a healthy market share

In the simulator market, ZEN competes with 4-5 players and managed a market share of more than 80% during FY24. In the anti-drone market, ZEN competes with 5-6 players, but it has an edge over others in terms of backward integration. ZEN has a portfolio of over 40 products designed and developed indigenously, ranging from live fire, live instrumented, virtual, and constructive training systems for individual and collective training, as well as counter-drone solutions. Its extensive product portfolio is also complemented by a services division that provides after-sales service, warranty, and AMC, et al. ZEN also

Teena Virmani - Research Analyst (Teena.Virmani@MotilalOswal.com)

Harsh Tewaney - Research Analyst (Harsh.Tewaney@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

boasts 150+ filed patents, with nearly 70 already granted. We thus expect it to be ideally positioned to capture a decent share in the upcoming orders on simulators and anti-drone segment.

Financial outlook

We expect a CAGR of 63%/57%/57% in revenue/EBITDA/PAT during FY24-27. This growth will be led by: 1) order inflow growth of 37%, due to a strong pipeline across simulators and anti-drones, 2) EBITDA margin of 37.5%/37%/37% for FY25/FY26/FY27, and 3) enhanced control over working capital due to improved collections. With a substantial revenue growth, healthy margins, and stable working capital, we expect ZEN's RoE and RoCE to improve to 38% and 38% by FY27, respectively.

Key risks and concerns

Any slowdown in procurement from the defense industry, especially for simulators, can expose the company to the risk of reduced order inflows and hinder its growth. ZEN is also exposed to foreign currency risks for its export revenue. High working capital can also pose risks to cash flows, as ZEN's working capital has remained high historically due to issues related to high debtors and high inventories. This is likely to come down due to improved collections and lower inventory, as per the management. However, any delays in the same can affect cash flows in FY25/FY26.

Valuation and view

We value the stock at 40x Jun'26E EPS. We marginally revise our estimates to factor in the 1Q performance and maintain a BUY rating on the stock with a revised TP of INR1,820 (vs. INR1,775 earlier). We expect the company to: 1) grow at a much faster pace than the industry, 2) have a very strong margin, and 3) expand its capabilities across other defense segments. The current valuation of ZEN is still cheaper than that of other comparable companies in the private defense sector and ZEN has the advantage of a faster CAGR, stronger margins and reasonable NWC. Maintain BUY.

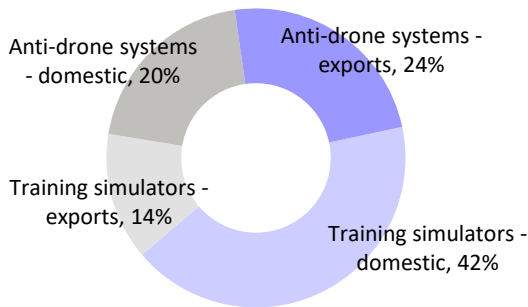
Zen Technologies

Quarterly Earning Model - Standalone

Y/E March	FY23				FY24				FY25	FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q		
Net sales	332	211	329	741	1,324	640	981	1,357	2,540	4,303	9,094
YoY Change (%)	263.9	30.0	166.5	364.4	298.5	203.1	197.8	83.0	91.7	166.5	111.4
Total Expenditure	220	157	246	478	663	423	539	906	1,508	2,530	5,684
EBITDA	112	54	84	263	662	218	442	451	1,032	1,772	3,410
Margins (%)	33.8	25.5	25.4	35.5	50.0	34.0	45.1	33.2	40.6	41.2	37.5
Depreciation	9	10	11	14	15	18	19	22	22	73	90
Interest	6	6	5	3	4	4	4	6	10	18	28
Other Income	21	28	19	2	26	48	42	23	30	139	137
PBT before EO expense	119	66	87	248	670	243	461	446	1,030	1,820	3,430
Extra-Ord expense	0	0	20	0	0	0	0	24	0	24	0
PBT	119	66	67	248	670	243	461	422	1,030	1,796	3,430
Tax	37	20	31	75	199	70	144	140	288	552	1,040
Rate (%)	30.8	30.4	46.5	30.3	29.6	28.7	31.2	33.2	28.0	30.7	30.3
Reported PAT	82	46	36	173	471	173	317	282	742	1,244	2,390
Adj PAT	82	46	56	173	471	173	317	306	742	1,268	2,390
YoY Change (%)	-2,501.7	440.1	4,614.9	928.2	474.2	279.1	467.2	77.3	57.4	237.0	88.4
Margins (%)	24.7	21.7	17.0	23.3	35.6	27.1	32.3	22.6	29.2	29.5	26.3

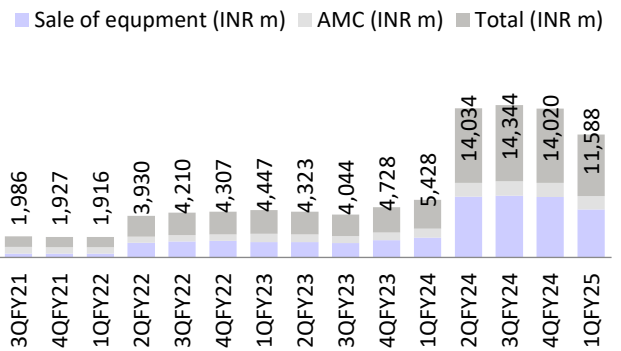
Key Exhibits

Exhibit 1: Segmental order book breakup of INR11.6b



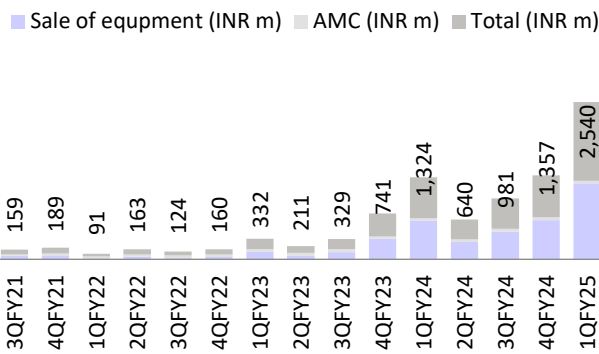
Source: MOFSL, Company

Exhibit 2: Order book trend (INR m)



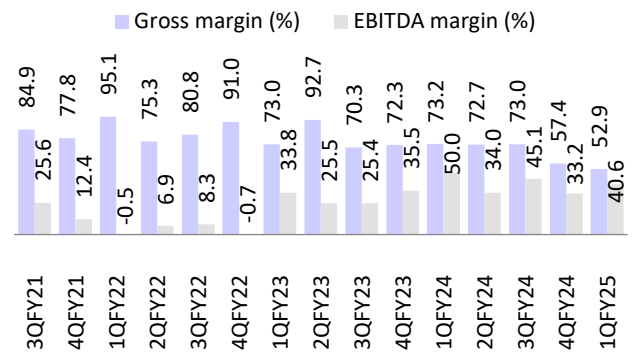
Source: MOFSL, Company

Exhibit 3: Revenue grew 92% YoY (INR m)



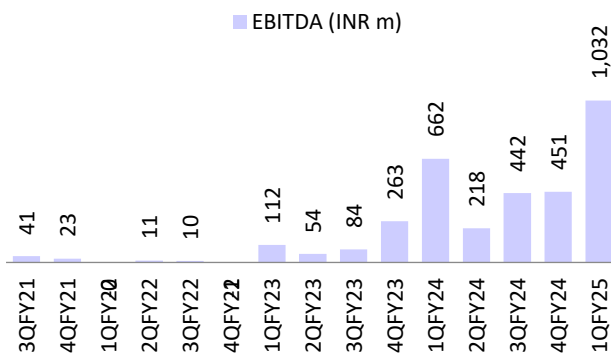
Source: MOFSL, Company

Exhibit 4: Margin performance is robust (%)



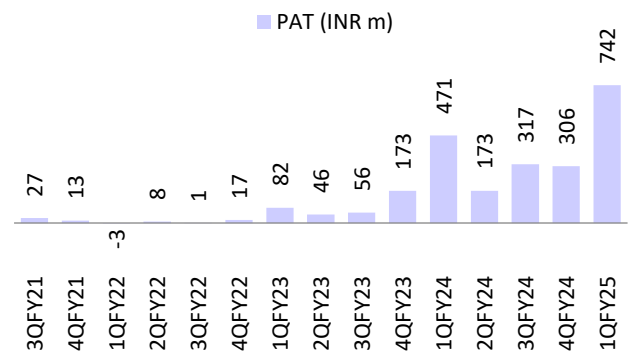
Source: MOFSL, Company

Exhibit 5: EBITDA grew 56% YoY (INR m)



Source: MOFSL, Company

Exhibit 6: PAT grew by 57% YoY (INR m)



Source: MOFSL, Company

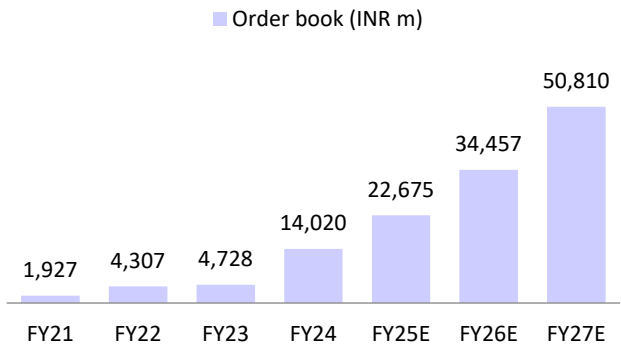
Exhibit 7: We slightly tweak our estimates to factor in 1QFY25 performance

(INR M)	FY25E			FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	9,094	9,094	-	13,219	13,219	-	18,646	18,646	-
EBITDA	3,410	3,365	1.4	4,891	4,825	1.4	6,899	6,806	1.4
EBITDA (%)	37.5	37.0	50 bps	37.0	36.5	50 bps	37.0	36.5	50 bps
Adj. PAT	2,390	2,358	1.4	3,417	3,369	1.4	4,867	4,797	1.5
EPS (INR)	28.4	28.1	1.2	40.7	40.1	1.4	57.9	57.1	1.4

Source: MOFSL

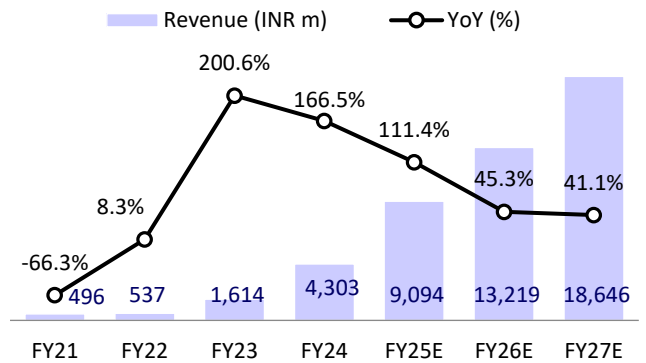
Financial outlook

Exhibit 8: Order book to be buoyant over FY24-27E



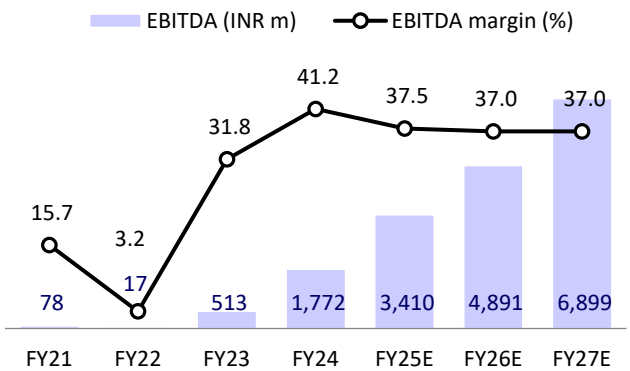
Source: Company, MOFSL

Exhibit 9: Revenue to clock in 63% CAGR over FY24-27E



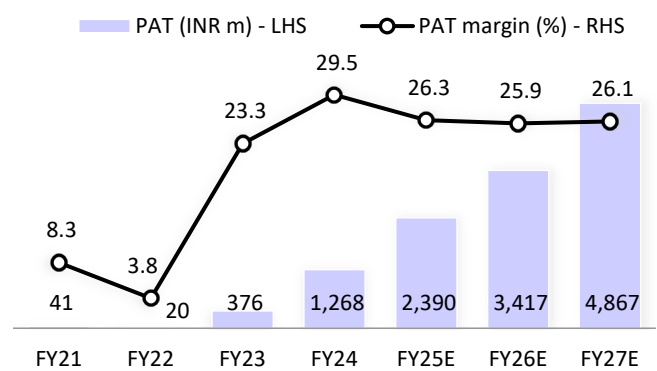
Source: Company, MOFSL

Exhibit 10: EBITDA margin to remain at healthy levels



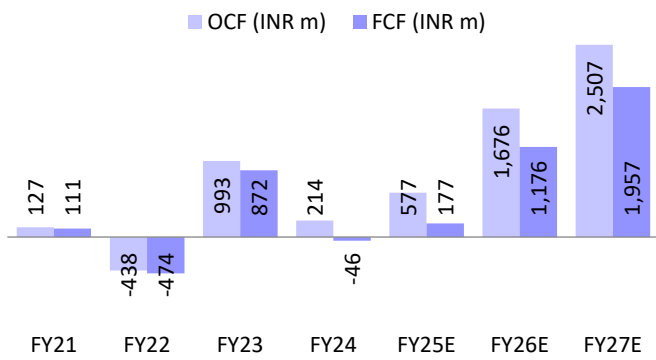
Source: Company, MOFSL

Exhibit 11: We expect PAT CAGR of 57% over FY24-27E



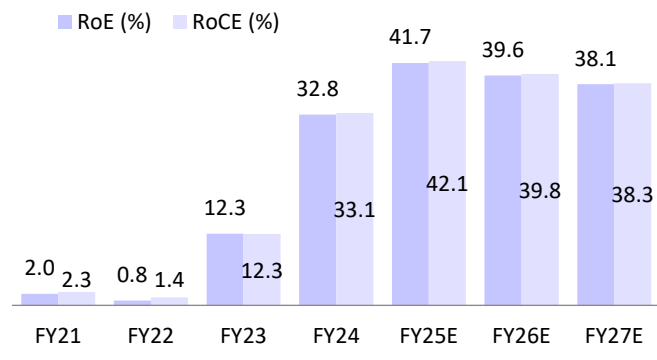
Source: Company, MOFSL

Exhibit 12: OCF & FCF to be higher led by improving Exhibit 13: operating performance (INR m)



Source: Company, MOFSL

Exhibit 14: We expect return ratios to improve on better profitability (%)



Source: Company, MOFSL

Financials and valuation

Income Statement - Standalone							(INR m)
Y/E Mar	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Total Income from Operations	496	537	1,614	4,303	9,094	13,219	18,646
Change (%)	-66.3	8.4	200.6	166.5	111.4	45.3	41.1
Raw Materials	80	83	408	1,373	3,820	5,552	7,831
Gross Profit	416	454	1,206	2,930	5,275	7,667	10,815
Employee Cost	127	148	228	432	637	925	1,305
Other Expenses	211	289	465	726	1,228	1,851	2,610
Total Expenditure	418	520	1,102	2,530	5,684	8,328	11,747
% of Sales	84.3	96.8	68.2	58.8	62.5	63.0	63.0
EBITDA	78	17	513	1,772	3,410	4,891	6,899
Margin (%)	15.7	3.2	31.8	41.2	37.5	37.0	37.0
Depreciation	40	37	44	73	90	117	148
EBIT	38	-20	469	1,699	3,320	4,774	6,752
Int. and Finance Charges	10	14	20	18	28	30	33
Other Income	29	53	91	139	137	160	266
PBT bef. EO Exp.	57	19	539	1,820	3,430	4,904	6,984
EO Items	0	-2	14	-24	0	0	0
PBT after EO Exp.	57	20	525	1,844	3,430	4,904	6,984
Total Tax	16	-2	163	552	1,040	1,487	2,117
Tax Rate (%)	27.8	-7.9	31.0	29.9	30.3	30.3	30.3
Minority Interest	0	0	0	0	0	0	0
Reported PAT	41	22	362	1,292	2,390	3,417	4,867
Adjusted PAT	41	20	376	1,268	2,390	3,417	4,867
Change (%)	-93.2	-50.5	1,753.7	237.0	88.4	43.0	42.4
Margin (%)	8.3	3.8	23.3	29.5	26.3	25.9	26.1

Balance Sheet - Standalone							(INR m)
Y/E Mar	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	80	80	80	84	84	84	84
Total Reserves	2,052	2,837	3,112	4,447	6,837	10,254	15,121
Net Worth	2,132	2,917	3,192	4,531	6,921	10,338	15,205
Minority Interest	0	0	0	0	0	0	0
Total Loans	9	123	59	0	0	0	0
Deferred Tax Liabilities	-206	-201	-134	63	63	63	63
Capital Employed	1,935	2,839	3,117	4,595	6,985	10,402	15,269
Gross Block	1,012	1,016	1,142	1,326	1,726	2,226	2,776
Less: Accum. Deprn.	391	425	468	541	631	748	895
Net Fixed Assets	621	591	674	785	1,095	1,479	1,881
Goodwill on Consolidation	0	0	0	0	0	0	0
Capital WIP	0	25	19	107	107	107	107
Total Investments	241	243	243	263	263	263	263
Curr. Assets, Loans & Adv.	1,169	2,517	3,394	6,029	10,992	16,506	24,230
Inventory	86	142	411	1,334	2,367	3,440	4,853
Account Receivables	174	196	662	1,691	3,575	5,196	7,330
Cash and Bank Balance	333	761	1,472	1,422	1,708	3,011	5,194
Loans and Advances	563	1,404	812	1,564	3,306	4,805	6,778
Other Current Asset	13	15	36	17	36	52	74
Curr. Liability & Prov.	95	538	1,213	2,589	5,473	7,955	11,221
Account Payables	78	520	1,190	2,559	5,408	7,861	11,089
Other Current Liabilities	17	18	23	0	0	0	0
Provisions	1	0	0	31	65	94	132
Net Current Assets	1,074	1,979	2,181	3,440	5,519	8,551	13,009
Appl. of Funds	1,935	2,839	3,117	4,595	6,984	10,400	15,259

Financials and valuation

Ratios							
Y/E Mar	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)							
EPS	0.5	0.3	4.7	15.1	28.4	40.7	57.9
Cash EPS	1.0	0.7	5.3	16.0	29.5	42.0	59.7
BV/Share	26.8	36.7	40.1	53.9	82.4	123.0	180.9
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)							
P/E	3,117.7	6,296.8	339.7	106.5	56.5	39.5	27.8
Cash P/E	1,580.0	2,219.2	304.3	100.7	54.5	38.2	26.9
P/BV	60.0	43.8	40.0	29.8	19.5	13.1	8.9
EV/Sales	257.2	236.8	78.3	31.1	14.7	10.0	7.0
EV/EBITDA	1,643.0	7,394.6	246.5	75.4	39.1	27.0	18.8
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	1.5	-6.0	11.0	-0.6	2.1	14.0	23.3
Return Ratios (%)							
RoE	2.0	0.8	12.3	32.8	41.7	39.6	38.1
RoCE	2.3	1.4	12.3	33.1	42.1	39.8	38.3
RoIC	1.9	-1.4	20.3	56.9	60.0	55.8	56.3
Working Capital Ratios							
Fixed Asset Turnover (x)	0.5	0.5	1.4	3.2	5.3	5.9	6.7
Asset Turnover (x)	0.3	0.2	0.5	0.9	1.3	1.3	1.2
Inventory (Days)	64	96	93	113	95	95	95
Debtor (Days)	128	133	150	143	143	143	143
Creditor (Days)	57	353	269	217	217	217	217
Leverage Ratio (x)							
Current Ratio	12.3	4.7	2.8	2.3	2.0	2.1	2.2
Interest Cover Ratio	3.8	-1.4	23.1	92.3	120.3	157.2	202.1
Net Debt/Equity	-0.3	-0.3	-0.5	-0.4	-0.3	-0.3	-0.4

Cash Flow Statement - Standalone								(INR m)
Y/E Mar	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	
OP/(Loss) before Tax	57	19	539	1,844	3,430	4,904	6,984	
Depreciation	40	37	44	73	90	117	148	
Interest & Finance Charges	-15	-30	-48	12	28	30	33	
Direct Taxes Paid	-28	-12	-87	-321	-1,040	-1,487	-2,117	
(Inc)/Dec in WC	74	-452	537	-1,405	-1,794	-1,728	-2,275	
CF from Operations	127	-439	985	204	714	1,836	2,773	
Others	0	1	8	10	-137	-160	-266	
CF from Operating incl EO	127	-438	993	214	577	1,676	2,507	
(Inc)/Dec in FA	-10	-36	-121	-260	-400	-500	-550	
Free Cash Flow	117	-474	872	-46	177	1,176	1,957	
(Pur)/Sale of Investments	-82	-3	-25	-42	0	0	0	
Others	-84	-393	119	-518	0	0	0	
CF from Investments	-176	-432	-27	-820	-400	-500	-550	
Issue of Shares	0	0	0	0	0	0	0	
Inc/(Dec) in Debt	-1	865	-64	-58	0	0	0	
Interest Paid	-5	-9	-16	-12	-28	-30	-33	
Dividend Paid	-32	-8	-8	-17	0	0	0	
Others	134	25	-97	26	0	0	0	
CF from Fin. Activity	97	873	-184	-62	-28	-30	-33	
Inc/Dec of Cash	47	3	782	-668	149	1,145	1,924	
Opening Balance	96	144	147	929	1,422	1,708	3,011	
Other Bank Balances	189	614	543	1,161	137	158	259	
Closing Balance	333	761	1,472	1,422	1,708	3,011	5,194	

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

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 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://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") (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.raiani@motilaloswal.com

Contact: (+65) 8328 0276

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 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.