

# Tata Communications

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	TCOM IN
Equity Shares (m)	285
M.Cap.(INRb)/(USD\$b)	521.6 / 6.2
52-Week Range (INR)	2175 / 1543
1, 6, 12 Rel. Per (%)	-7/-15/-23
12M Avg Val (INR M)	1408

## Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY25E
Net Sales	209.7	233.9	251.8
EBITDA	42.3	46.7	54.0
Adj. PAT	12.0	10.4	16.6
EBITDA Margin (%)	20.2	20.0	21.5
Adj. EPS (INR)	42.3	36.5	58.1
EPS Gr. (%)	-30.0	-13.7	59.3
BV/Sh. (INR)	62.7	86.5	129.6

## Ratios

Net D:E	4.9	3.8	2.1
RoE (%)	72.9	50.4	53.8
RoCE (%)	14.4	12.3	15.9
Payout (%)	39.5	39.5	39.5

## Valuations

EV/EBITDA (x)	14.3	13.1	11.0
P/E (x)	42.9	49.7	31.2
P/BV (x)	29.0	21.0	14.0
Div. Yield (%)	0.9	0.8	1.3
FCF Yield (%)	1.8	2.9	4.4

## Shareholding Pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	58.9	58.9	58.9
DII	13.5	13.2	13.6
FII	18.1	18.1	17.5
Others	9.6	9.9	10.1

FII includes depository receipts

**CMP: INR1,815 TP: INR1,790 (-2%) Neutral**

## Subdued results on weak core-connectivity growth

- Tata Communications (TCOM) reported weak results with consolidated EBITDA declining 1% QoQ (5% miss) and margins contracting 60bp QoQ to 19.4%. The reported revenue/EBITDA were boosted by INR865m prior period revenue recognition.
- Reported data revenue grew 3% QoQ (inline) with a modest 2.5% QoQ growth in core-connectivity and ~4% QoQ growth in digital portfolio, driven by 34% QoQ growth in Incubation. DPS revenue grew modest ~1.5% QoQ.
- TCOM management indicated that the order book was up 25% YoY in 2Q on account of large deal wins with OTTs and hyper-scalers as well as the highest order booking in five years in international business. The funnel continues to remain robust, though funnel additions have been subdued. Management has maintained its ambition of doubling data revenue by FY27 and bringing EBITDA margins back to 23-25% over the medium term.
- Our FY25-26E revenue is broadly unchanged as we build in ~11% data revenue CAGR over FY24-27, with data revenue reaching INR240b by FY27 (vs. TCOM's ambition of INR280b). We believe TCOM's ambition of doubling data revenue by FY27 remains a tall ask without further acquisitions.
- We lower FY25-26 EBITDA by 3-4% as we lower our margin assumptions by ~90bp on account of a slower ramp-up in profitability in the digital portfolio. With the rising share of inherently lower margin businesses in TCOM's mix, we believe that margin expansion to 23-25% by FY27 would be difficult. We lower our SoTP based TP to INR1,790 (implying a 1% downside). The stock trades at ~20% premium to its LT average EV/EBITDA. **We remain Neutral on the stock.**

## EBITDA down 1% QoQ (5% miss) on weaker growth in core-connectivity

- Consol revenue was up modest ~2% QoQ to INR 57.7b (inline). TCOM recognized INR0.87b as other operating income pertaining to reversals from the prior period.
- Data revenue at INR48b (inline) grew 3% QoQ, with core-connectivity growing 2.5% QoQ (3% YoY), while digital portfolio grew ~4% QoQ on account of 34% QoQ growth in Incubation. DPS grew modest ~1.5% QoQ.
- Consol EBITDA declined 1% QoQ to INR 11.2b (5% miss) due to lower growth in the higher margin core-connectivity segment.
- Consol adjusted EBITDA margin contracted 60bp QoQ to 19.4% (110bp miss) as the data margin came in 90bp below our estimate at 18.2% (down 110bp QoQ, -460bp YoY).
- Reported Consol PAT at INR2.3b declined 32% QoQ (+3% YoY, 26% miss). The company had exceptional gain of INR0.4b pertaining to gain on assets held for sale.
- Adjusted for the same, PAT after minority declined 25% QoQ (-17% YoY) to INR1.8b (40% miss) on account of lower EBITDA, other income, and higher interest cost.

Aditya Bansal - Research Analyst (Aditya.Bansal@motilaloswal.com)

Research Analyst: Tanmay Gupta (Tanmay.Gupta@motilaloswal.com) | Siddhesh Chaudhari (Siddhesh.Chaudhari@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](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

- Net debt increased by further INR8.8b QoQ to INR105b on account of higher working capital (up INR13.5b in 1HFY25).
- Committed capex inched up to INR5.8b (vs. INR4.9b in 1Q), while cash capex was ~18% lower QoQ at INR4.5b
- Reported RoCE (annualized) declined further to 16.4% vs. 17.5% in 1Q.
- For 1H, TCOM's EBITDA was up ~10% YoY and on our estimates, the ask rate of 2H is ~11% YoY EBITDA growth.

### Key takeaways from the management interaction

- **Order book:** Management indicated that the order book was up 25% YoY, reflecting broad-based improvements across segments, including few large deal wins (commencement from 2HFY26). Further, order booking in international business was the highest in five years. Management indicated that win rates have improved, but the conversion cycle remains elongated due to slower decision-making.
- **Funnel:** The funnel remains robust, though the pace of funnel additions remains subdued.
- **Doubling of data revenue:** Management indicated that adverse macroeconomic factors were not considered in its guidance of doubling data revenue to INR280b by FY27. However, it continues to pursue its ambition of doubling data revenue by FY27.
- **Margins:** TCOM management noted that several costs were front-ended and margins for FY25 are likely to remain in the 20% range. It continues to aim for improving margins to 23-25% range by FY27.
- **Strategies to monetize non-core assets:** TCOM is looking to sell a land parcel to STT Datacenter for INR7.5b-INR8b and has filed for shareholders' approval as the transaction is with a related party (TCOM has 26% stake in STT).

### Valuation and view

- Our FY25-26E revenue remains broadly unchanged as we build in ~11% data revenue CAGR over FY24-27, with data revenue reaching INR240b by FY27 (vs. TCOM's ambition of INR280b). We believe TCOM's ambition of doubling data revenue by FY27 remains a tall ask without further acquisitions.
- We lower FY25-26 EBITDA by 3-4% as we lower our margin assumptions by ~90bp on account of a slower ramp-up in profitability in the digital portfolio. With a rising share of inherently lower margin businesses in TCOM's mix, we believe that margin expansion to 23-25% by FY27 would be difficult.
- We ascribe 10X EV/EBITDA to TCOM's data business and 5X EV/EBITDA to voice and other businesses. We ascribe INR26b (or INR92/share) valuation to TCOM's 26% stake in STT Datacenters. We lower our SoTP based TP to INR1,790 (implying a 1% downside) on EBITDA cut and higher net debt. The stock trades at ~20% premium to its LT average EV/EBITDA. **We remain Neutral on the stock.**

Cons. Quarterly Earning Y/E March	(INR b)											
	FY24				FY25E				FY24	FY25E	FY25E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	Var (%)
<b>Revenue</b>	<b>47.7</b>	<b>48.7</b>	<b>56.3</b>	<b>56.9</b>	<b>56.3</b>	<b>57.7</b>	<b>59.9</b>	<b>60.0</b>	<b>209.7</b>	<b>233.9</b>	<b>57.3</b>	1
YoY Change (%)	10.7	10.0	24.4	24.6	18.1	18.4	6.4	5.4	17.5	11.6	17.7	
Total Expenditure	37.5	38.6	45.0	46.4	45.1	46.5	47.9	47.7	167.4	187.2	45.6	2
<b>EBITDA</b>	<b>10.2</b>	<b>10.2</b>	<b>11.3</b>	<b>10.6</b>	<b>11.2</b>	<b>11.2</b>	<b>12.0</b>	<b>12.3</b>	<b>42.3</b>	<b>46.7</b>	<b>11.8</b>	-5
YoY Change (%)	-4.9	-10.1	5.3	2.1	9.8	10.0	5.7	16.1	-2.0	10.3	15.7	
Depreciation	5.8	6.1	6.2	6.7	6.5	6.6	6.6	6.7	24.7	26.4	6.6	1
Interest	1.3	1.4	1.9	1.9	1.7	1.9	1.9	1.9	6.4	7.4	1.7	17
Other Income	1.9	0.3	0.1	0.6	0.3	0.1	0.3	0.3	2.8	1.0	0.4	-62
<b>PBT Before EO Expense</b>	<b>5.0</b>	<b>3.0</b>	<b>3.4</b>	<b>2.6</b>	<b>3.3</b>	<b>2.8</b>	<b>3.7</b>	<b>4.0</b>	<b>14.0</b>	<b>13.8</b>	<b>3.9</b>	-29
Exceptional (gain)/loss	0.0	0.0	1.9	0.5	-0.9	-0.4	0.0	0.0	2.4	-1.3	0.0	
<b>PBT</b>	<b>5.0</b>	<b>3.0</b>	<b>1.5</b>	<b>2.1</b>	<b>4.2</b>	<b>3.2</b>	<b>3.7</b>	<b>4.0</b>	<b>11.6</b>	<b>15.1</b>	<b>3.9</b>	-18
Tax	1.3	0.8	1.1	-1.1	0.9	1.0	0.8	0.9	2.1	3.6	0.9	
Rate (%)	25.9	26.1	73.8	-52.4	20.8	30.4	22.5	22.5	18.4	23.7	22.5	
MI & P/L of Asso. Cos.	-0.1	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	-0.2	-0.1	0.0	
<b>Reported PAT</b>	<b>3.8</b>	<b>2.2</b>	<b>0.4</b>	<b>3.2</b>	<b>3.3</b>	<b>2.3</b>	<b>2.9</b>	<b>3.2</b>	<b>9.7</b>	<b>11.7</b>	<b>3.1</b>	-26
<b>Adj PAT</b>	<b>3.8</b>	<b>2.2</b>	<b>2.3</b>	<b>3.7</b>	<b>2.5</b>	<b>1.8</b>	<b>2.9</b>	<b>3.2</b>	<b>12.0</b>	<b>10.4</b>	<b>3.1</b>	-40
YoY Change (%)	-30.2	-51.5	-41.5	14.5	-34.9	-16.7	27.2	-15.5	-30.0	-13.7	39.0	

E: MOFSL Estimates

**Segmental details: Data revenue up 3% QoQ on strong growth in Incubation****Data segment:**

- Revenue at INR48.3b (+3% QoQ) came in line with our estimates.
  - Core-connectivity revenue grew 2.5% QoQ to INR26.1b (+3% YoY) and came in 1% above our estimate. Management indicated that the segment growth was impacted by Red Sea cable cuts.
  - **Digital portfolio revenue was up 3.6% QoQ** to INR22.2b and was ~1% below our estimate, as the higher growth in Incubation (+58% YoY) was offset by weakness in Cloud services (-1% YoY) and Media (-8% YoY).
- EBITDA at INR8.8b (-3% QoQ, -4% YoY) was **~5% below our estimate** as the **margin contracted 114bp QoQ** (-465bp YoY, 90bp miss) on account of lower growth in the higher margin core-connectivity segment.

**Voice:** Voice revenue at INR4.3b (4% beat) was largely flat QoQ (and YoY) while EBITDA was up 3% QoQ (-24% YoY) to INR478m (6% beat), with margin expanding ~30bp QoQ to 11.2% (20bp beat).

**Others:**

- The Campaign Registry (TCR) revenue was up 9% QoQ to INR1.58b (2% beat), while EBITDA was up 7% QoQ to INR1.2b (1% beat) as margins remained robust at ~75%.
- TCTSL revenue declined further ~7% QoQ (-26% YoY due to the exit of unprofitable contract), while EBITDA improved further 8% QoQ to ~INR350m, though 41% below our estimate as the full benefit of the contract exit would likely accrue by the end of FY25.

**Exhibit 1: We ascribe a TP of INR1,790 to TCOM**

	Dec 2026E EBITDA (INR b)	EV/EBITDA (X)	Enterprise value	
			INR b	INR/share
<b>Data</b>	<b>53.4</b>	<b>10.0</b>	<b>534</b>	<b>1,875</b>
Voice and other businesses	5.4	5.0	27	95
Value of 26% stake in the data center			26	92
<b>Enterprise value</b>			<b>588</b>	<b>2,062</b>
Consolidated debt			82	287
Net equity value			506	1,775
<b>Rounded fair value, including dividend</b>				<b>1,790</b>
% Upside (Downside)				-1%
CMP (INR)				1,815

Source: MOFSL, Company



## Key takeaways from the management interaction

- **Order book:** Management indicated that the order book was up 25% YoY, reflecting broad-based improvements across segments, including few large deal wins (commencement from 2HFY26). Further, order booking in the international business was the highest in five years. Management indicated that win rates have improved, but the conversion cycle remains elongated due to slower decision-making.
- **Funnel:** The funnel remains robust, though the pace of funnel additions remains subdued.
- **Doubling of data revenue:** Management indicated that adverse macroeconomic factors were not considered in its guidance of doubling data revenue to INR280b by FY27. However, it continues to pursue its ambition of doubling data revenue by FY27.
- **Margins:** TCOM management noted that several costs were front-ended and margins for FY25 are likely to remain in the 20% range. It continues to aim for improving margins to 23-25% range by FY27.
- **Higher working capital:** Management highlighted that inventory build-up was driven by deal-specific investments and trade receivables were higher as certain revenue could not be billed to clients due to RFP conditions.
- **Employee cost:** There were certain provision reversals in employee costs in 1QFY25 and that is the reason for QoQ increase in employee costs.
- **Investments in STT:** STT plans to incur USD3.2b capex to increase the datacenter capacity over the next five years. TCOM management indicated that a large component will be debt funded and the rest would be equity infusion. TCOM is looking to contribute its share of equity contribution to STT's datacenter expansion plan to maintain a 26% stake.
- **Media:** The Media segment was impacted by the lack of large sporting events, such as IPL and T20WC during 2Q.

## Exhibit 2: Segmental results

	2QFY24	1QFY25	2QFY25	YoY (%)	QoQ (%)	2QFY25E	vs est
<b>Segmental gross revenue (INR m)</b>							
<b>Gross revenue</b>	<b>48,725</b>	<b>56,334</b>	<b>57,674</b>	<b>18.4</b>	<b>2.4</b>	<b>57,334</b>	<b>0.6</b>
<b>Voice</b>	<b>4,287</b>	<b>4,227</b>	<b>4,255</b>	<b>(0.7)</b>	<b>0.7</b>	<b>4,076</b>	<b>4.4</b>
<b>Data</b>	<b>39,945</b>	<b>46,936</b>	<b>48,342</b>	<b>21.0</b>	<b>3.0</b>	<b>48,275</b>	<b>0.1</b>
Core connectivity	25,377	25,500	26,133	3.0	2.5	25,882	1.0
Digital portfolio	14,569	21,436	22,209	52.4	3.6	22,393	(0.8)
Digital platforms and services	13,393	20,049	20,353	52.0	1.5	20,936	(2.8)
Incubation services	1,175	1,388	1,856	58.0	33.8	1,457	27.4
<b>Others</b>	<b>4,493</b>	<b>5,171</b>	<b>5,077</b>	<b>13.0</b>	<b>(1.8)</b>	<b>4,983</b>	<b>1.9</b>
Rentals	559	569	569	1.8	0.0	575	(1.1)
TCTSL	3,539	2,793	2,604	(26.4)	(6.8)	2,491	4.5
TCPSL	395	356	320	(19.0)	(10.1)	367	(12.9)
TCR	-	1,454	1,584		9.0	1,550	2.2
<b>Segmental net revenue (INR m)</b>							
<b>Net revenue</b>	<b>29,447</b>	<b>32,806</b>	<b>33,381</b>	<b>13.4</b>	<b>1.8</b>	<b>33,717</b>	<b>(1.0)</b>
<b>Voice</b>	<b>1,114</b>	<b>976</b>	<b>957</b>	<b>(14.1)</b>	<b>(1.9)</b>	<b>941</b>	<b>1.7</b>
<b>Data</b>	<b>27,164</b>	<b>29,070</b>	<b>29,472</b>	<b>8.5</b>	<b>1.4</b>	<b>29,875</b>	<b>(1.3)</b>
Core connectivity	20,322	20,667	21,141	4.0	2.3	20,965	0.8
Digital portfolio	6,842	8,403	8,331	21.8	(0.9)	8,910	(6.5)
<b>Others</b>	<b>1,170</b>	<b>2,760</b>	<b>2,952</b>	<b>152.3</b>	<b>7.0</b>	<b>2,902</b>	<b>1.7</b>
Rentals	558	568	568	1.7	0.0	575	(1.2)
TCTSL	499	758	834	67.0	10.0	810	3.0
TCPSL	113	121	119	5.5	(1.6)	122	(2.9)
TCR	-	1,313	1,431			1,395	
<b>Segmental EBITDA (INR m)</b>							
<b>EBITDA</b>	<b>10,154</b>	<b>11,242</b>	<b>11,170</b>	<b>10.0</b>	<b>(0.6)</b>	<b>11,753</b>	<b>(5.0)</b>
<b>Voice</b>	<b>625</b>	<b>462</b>	<b>478</b>	<b>(23.5)</b>	<b>3.3</b>	<b>449</b>	<b>6.3</b>
<b>Data</b>	<b>9,130</b>	<b>9,079</b>	<b>8,801</b>	<b>(3.6)</b>	<b>(3.1)</b>	<b>9,225</b>	<b>(4.6)</b>
<b>Others</b>	<b>400</b>	<b>1,701</b>	<b>1,891</b>	<b>372.7</b>	<b>11.2</b>	<b>2,078</b>	<b>(9.0)</b>
Rentals	443	321	348	(21.4)	8.4	325	7.0
TCTSL	(42)	229	312	(836.9)	36.3	528	(41.0)
TCPSL	(0)	37	36	(16,950.9)	(2.8)	39	(8.5)
TCR	-	1,115	1,196		7.3	1,186	0.9
<b>Segmental EBITDA margin (%)</b>							
<b>EBITDA margin</b>	<b>20.8</b>	<b>20.0</b>	<b>19.4</b>	<b>(147)bps</b>	<b>(59)bps</b>	<b>20.5</b>	<b>(113)bps</b>
<b>Voice</b>	<b>14.6</b>	<b>10.9</b>	<b>11.2</b>	<b>(334)bps</b>	<b>29 bps</b>	<b>11.0</b>	<b>20 bps</b>
<b>Data</b>	<b>22.9</b>	<b>19.3</b>	<b>18.2</b>	<b>(465)bps</b>	<b>(114)bps</b>	<b>19.1</b>	<b>(90)bps</b>
<b>Others</b>	<b>8.9</b>	<b>32.9</b>	<b>37.3</b>	<b>2,835 bps</b>	<b>435 bps</b>	<b>41.7</b>	<b>(446)bps</b>
Rentals	79	56	61	(1,805)bps	472 bps	57	460 bps
TCTSL	(1.2)	8.2	12.0	1,316 bps	378 bps	21.2	(924)bps
TCPSL	(0.1)	10.4	11.2	1,126 bps	85 bps	10.7	54 bps
TCR	-	76.7	75.5		(119)bps	76.5	(102)bps

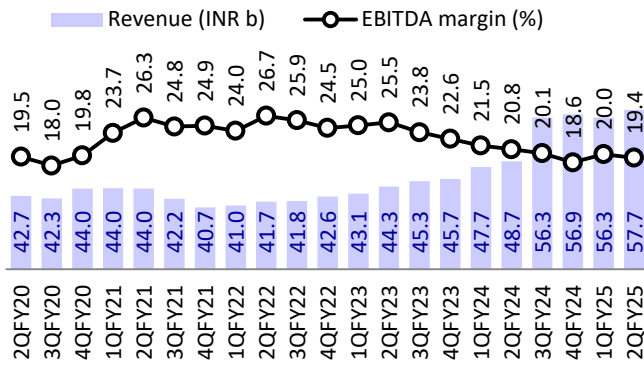
**Exhibit 3: Summary of our estimate revisions**

	FY25E	FY26E	FY27E
<b>Global Voice revenue (INR b)</b>			
Old	16.1	14.2	
Actual/New	16.5	14.6	13.0
Change (%)	<b>2.4</b>	<b>2.6</b>	
<b>Global Data revenue (INR b)</b>			
Old	202.4	220.6	
Actual/New	203.0	222.0	239.3
Change (%)	<b>0.3</b>	<b>0.6</b>	
<b>Total revenue (INR b)</b>			
Old	232.7	249.8	
Actual/New	233.9	251.8	268.5
Change (%)	<b>0.5</b>	<b>0.8</b>	
<b>Total EBITDA (INR b)</b>			
Old	48.5	55.8	
Actual/New	46.7	54.0	60.5
Change (%)	<b>-3.7</b>	<b>-3.1</b>	
<b>Voice EBITDA (INR b)</b>			
Old	1.8	1.6	
Actual/New	1.8	1.6	1.4
Change (%)	<b>2.7</b>	<b>2.3</b>	
<b>Data EBITDA (INR b)</b>			
Old	43.4	50.5	
Actual/New	41.9	48.6	55.1
Change (%)	<b>-3.6</b>	<b>-3.7</b>	
<b>EBITDA margin (%)</b>			
Old	20.8	22.3	
Actual/New	20.0	21.5	22.5
Change (%)	-88bps	-87bps	
<b>PAT (INR m)</b>			
Old	13.2	19.1	
Actual/New	10.4	16.6	21.7
Change (%)	-21.2	-13.1	

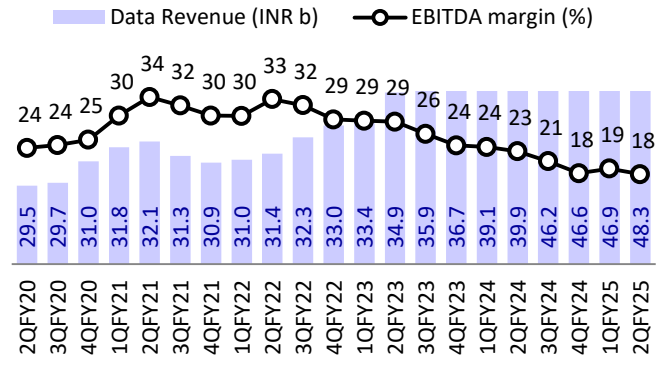
Source: MOFSL, Company

## Story in charts

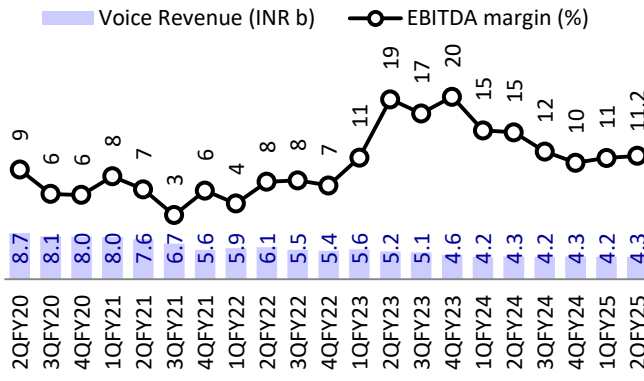
**Exhibit 4: Consol revenue increased 2.4% QoQ, EBITDA margin contracted 60bp**



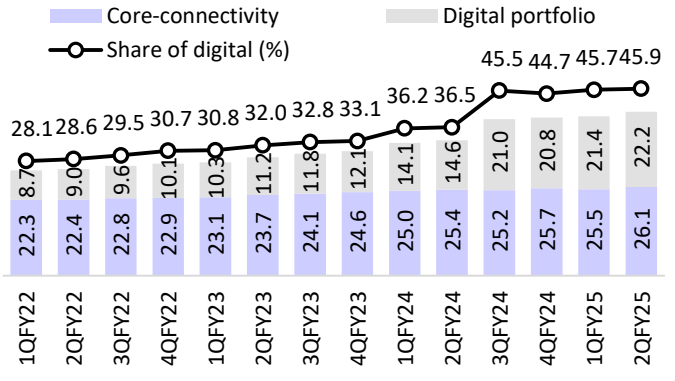
**Exhibit 5: Data revenue up 3%, margin contracted 115bp QoQ**



**Exhibit 6: Voice revenue up 0.7% QoQ, margins up 30bp QoQ**



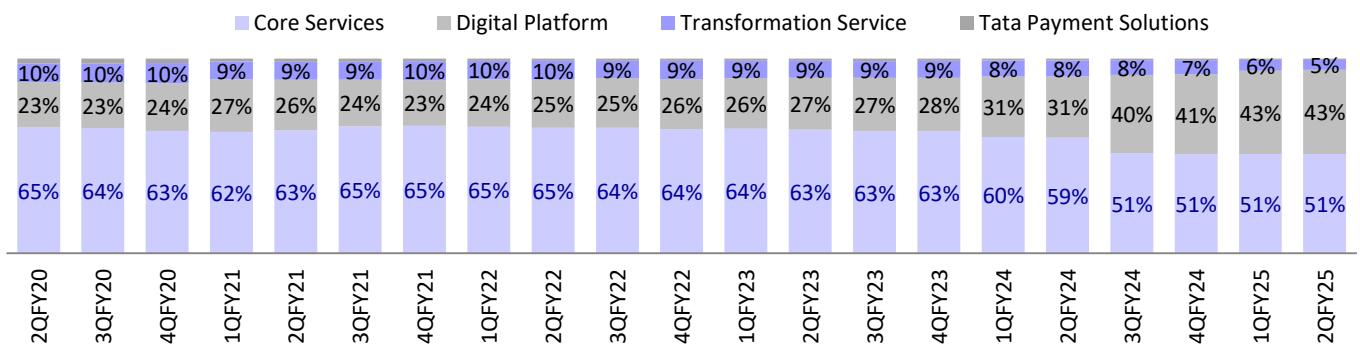
**Exhibit 7: Digital portfolio up ~4% QoQ on 34% QoQ growth in incubation, core-connectivity growth muted in 2Q**



Source: MOFSL, Company

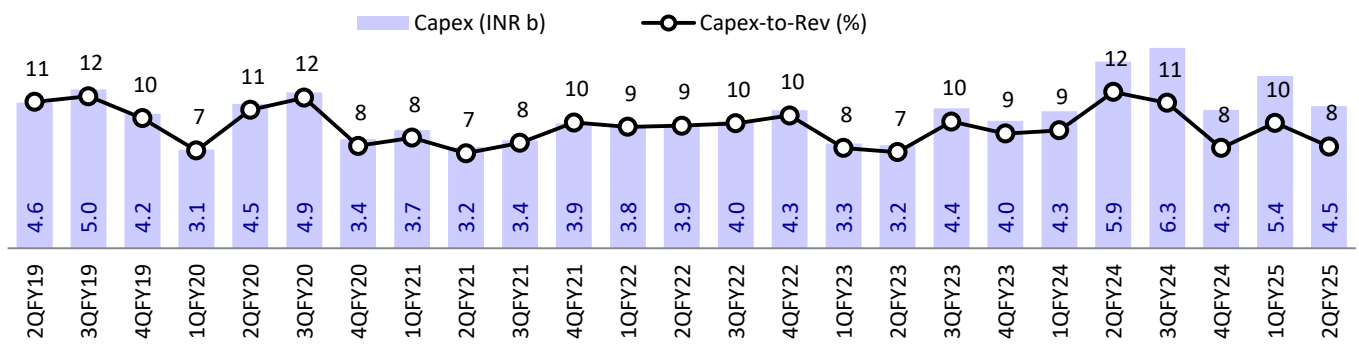
Source: MOFSL, Company

**Exhibit 8: Revenue contribution from various segments; share of DPS in the mix stable at ~43% in 2Q**



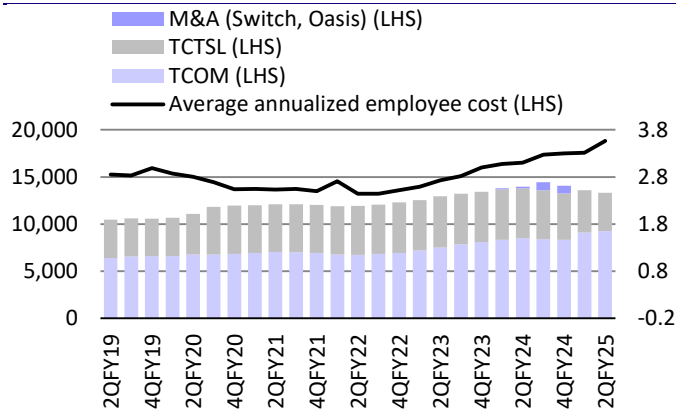
\*Revised as per the new reporting structure; Source: MOFSL, Company

**Exhibit 9: Quarterly cash capex declined ~18% QoQ to INR4.5b, while committed capex rose 17% QoQ to INR5.8b**



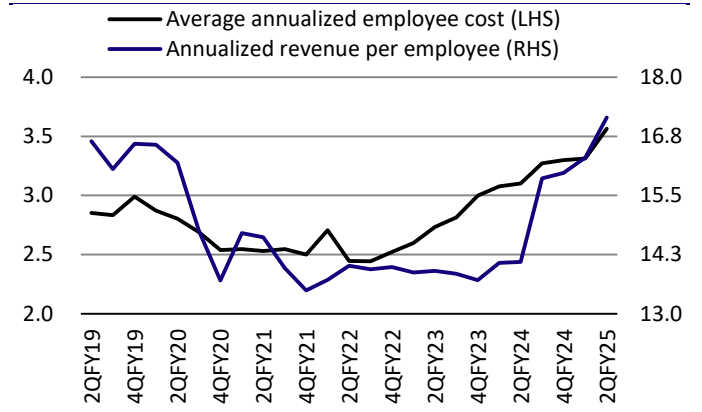
Source: MOFSL, Company

**Exhibit 10: TCOM's average cost per employee increased 8% QoQ, headcount reduced further by 265 FTEs QoQ (INR m)**



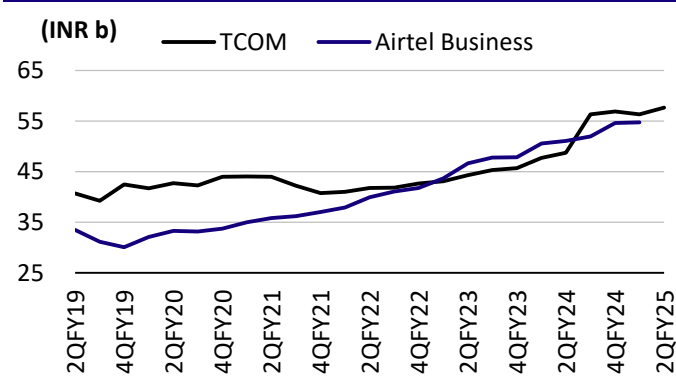
Source: MOFSL, Company

**Exhibit 11: TCOM's annual cost per employee up ~8% QoQ at INR3.6 m, revenue per employee up ~5% QoQ (INR m)**



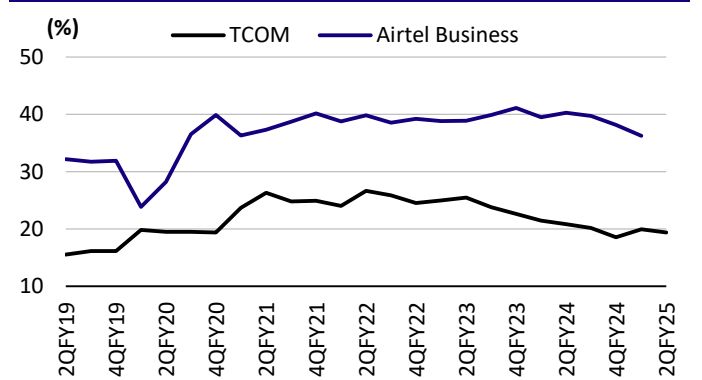
Source: MOFSL, Company

**Exhibit 12: With Kaleyra acquisition, TCOM's gross revenue leap-frogged Bharti's Enterprise, but TCOM's growth weaker**



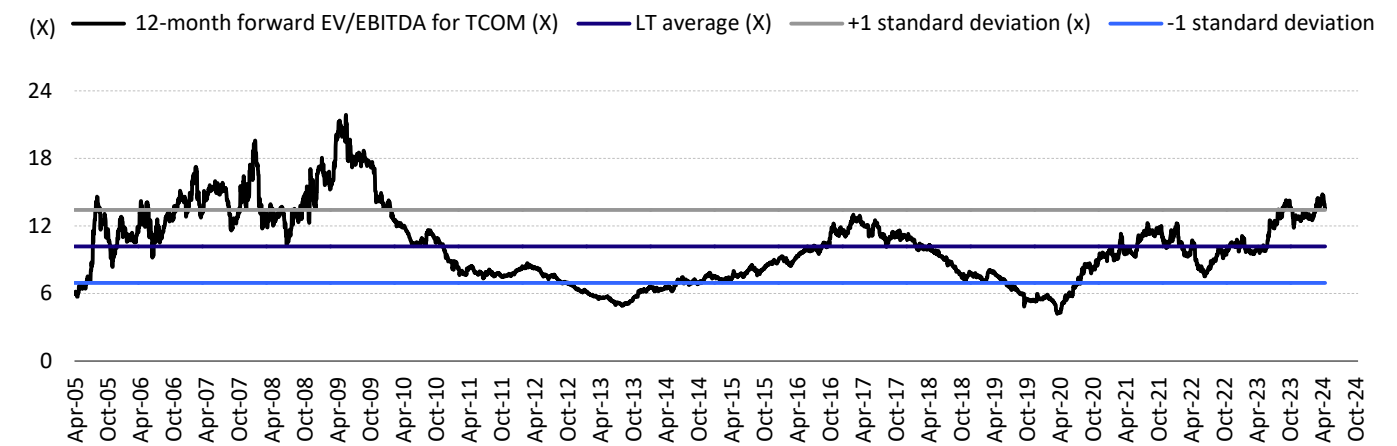
Source: MOFSL, Company

**Exhibit 13: However, Bharti's Enterprise business' EBITDA margin is significantly ahead of TCOM's**



Source: MOFSL, Company

**Exhibit 14: TCOM trades at ~20% premium to its long-term average 12-month forward EV/EBITDA**



Source: MOFSL, Company

## Financials and valuations

Consolidated - Income Statement								(INRb)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Total Income from Operations</b>	<b>165.2</b>	<b>170.7</b>	<b>171.0</b>	<b>167.2</b>	<b>178.4</b>	<b>209.7</b>	<b>233.9</b>	<b>251.8</b>	<b>268.5</b>
Change (%)	-1.5	3.3	0.2	-2.2	6.7	17.5	11.6	7.6	6.6
Network Cost	71.6	67.8	63.3	62.0	63.8	80.9	103.2	93.1	98.0
Staff Cost	29.6	30.4	30.5	30.4	36.0	44.5	53.8	52.4	55.3
Operating & Other Expense	36.6	39.6	34.6	32.6	35.5	42.0	30.2	52.2	54.7
<b>Total Expenditure</b>	<b>137.8</b>	<b>137.8</b>	<b>128.4</b>	<b>125.0</b>	<b>135.2</b>	<b>167.4</b>	<b>187.2</b>	<b>197.7</b>	<b>208.0</b>
% of Sales	83.4	80.7	75.1	74.7	75.8	79.8	80.0	78.5	77.5
<b>EBITDA</b>	<b>27.4</b>	<b>32.9</b>	<b>42.6</b>	<b>42.3</b>	<b>43.2</b>	<b>42.3</b>	<b>46.7</b>	<b>54.0</b>	<b>60.5</b>
Margin (%)	16.6	19.3	24.9	25.3	24.2	20.2	20.0	21.5	22.5
Depreciation	20.7	23.6	23.1	22.0	22.6	24.7	26.4	27.5	28.6
<b>EBIT</b>	<b>6.8</b>	<b>9.3</b>	<b>19.5</b>	<b>20.2</b>	<b>20.6</b>	<b>17.6</b>	<b>20.3</b>	<b>26.5</b>	<b>31.9</b>
Int. and Finance Charges	4.0	4.7	4.2	3.6	4.3	6.4	7.4	6.8	6.1
Other Income	0.6	0.7	1.6	3.3	3.6	2.8	1.0	1.5	2.0
<b>PBT bef. EO Exp.</b>	<b>3.4</b>	<b>5.3</b>	<b>16.8</b>	<b>19.9</b>	<b>19.9</b>	<b>14.0</b>	<b>13.8</b>	<b>21.1</b>	<b>27.8</b>
EO Items	0.0	-3.9	-0.7	0.1	0.8	-2.4	1.3	0.0	0.0
<b>PBT after EO Exp.</b>	<b>3.4</b>	<b>1.4</b>	<b>16.1</b>	<b>20.0</b>	<b>20.6</b>	<b>11.6</b>	<b>15.1</b>	<b>21.1</b>	<b>27.8</b>
Total Tax	2.7	2.3	3.5	5.2	3.0	2.1	3.6	4.8	6.3
Tax Rate (%)	80	162	22	26	14	18	24	23	23
Minority Interest	1.5	0.0	0.0	0.0	-0.3	-0.2	-0.1	-0.2	-0.2
<b>Reported PAT</b>	<b>-0.8</b>	<b>-0.9</b>	<b>12.5</b>	<b>14.8</b>	<b>18.0</b>	<b>9.7</b>	<b>11.7</b>	<b>16.6</b>	<b>21.7</b>
<b>Adjusted PAT</b>	<b>-0.6</b>	<b>3.0</b>	<b>13.3</b>	<b>14.8</b>	<b>17.2</b>	<b>12.0</b>	<b>10.4</b>	<b>16.6</b>	<b>21.7</b>
Change (%)	-288.6	-582.2	340.2	11.5	16.4	-30.0	-13.7	59.3	31.3
Margin (%)	-0.4	1.8	7.8	8.8	9.6	5.7	4.4	6.6	8.1

Consolidated - Balance Sheet								(INRb)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Total Reserves	-4.7	-15.6	-1.7	6.4	12.3	15.0	21.8	34.1	49.1
<b>Net Worth</b>	<b>-1.8</b>	<b>-12.8</b>	<b>1.2</b>	<b>9.3</b>	<b>15.2</b>	<b>17.9</b>	<b>24.6</b>	<b>36.9</b>	<b>51.9</b>
Minority Interest	0.1	0.0	0.3	0.3	0.3	0.0	0.0	0.0	0.0
Total Loans	106.8	81.6	98.0	79.0	75.3	101.2	96.2	91.2	76.2
Lease Liabilities	0.0	39.9	14.4	12.2	10.4	11.5	11.5	11.5	11.5
Deferred Tax Liabilities	-0.9	-2.5	-2.8	-1.9	-3.2	-5.2	-6.0	-6.0	-6.0
<b>Capital Employed</b>	<b>104.2</b>	<b>106.3</b>	<b>111.0</b>	<b>98.9</b>	<b>98.0</b>	<b>125.3</b>	<b>126.3</b>	<b>133.6</b>	<b>133.6</b>
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gross Block	116.6	129.1	151.3	170.4	190.3	226.9	0.0	0.0	0.0
Less: Accum. Deprn.	5.0	28.6	51.7	73.8	96.4	121.1	0.0	0.0	0.0
<b>Net Fixed Assets</b>	<b>111.6</b>	<b>100.5</b>	<b>99.6</b>	<b>96.6</b>	<b>93.9</b>	<b>105.8</b>	<b>112.7</b>	<b>109.0</b>	<b>106.0</b>
Right to Use Assets	0.0	16.0	13.3	11.5	10.0	11.0	0.0	0.0	0.0
Goodwill on Consolidation	0.9	0.9	1.1	1.1	1.2	17.8	17.8	17.8	17.8
Capital WIP	4.1	4.5	6.1	8.7	11.5	13.3	13.3	13.3	13.3
<b>Total Investments</b>	<b>14.9</b>	<b>15.6</b>	<b>22.3</b>	<b>15.7</b>	<b>19.5</b>	<b>16.1</b>	<b>14.6</b>	<b>14.6</b>	<b>14.6</b>
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Curr. Assets, Loans &amp; Adv.</b>	<b>67.2</b>	<b>72.0</b>	<b>67.8</b>	<b>61.0</b>	<b>66.0</b>	<b>74.4</b>	<b>73.9</b>	<b>90.4</b>	<b>98.3</b>
Inventory	0.8	0.7	0.3	0.4	1.6	0.8	0.8	0.8	0.8
Account Receivables	29.7	32.3	26.1	25.8	27.4	37.6	42.9	46.2	49.3
Cash and Bank Balance	8.5	9.1	9.3	7.4	10.6	8.4	13.2	25.1	28.7
Loans and Advances	28.2	29.9	32.1	27.3	26.4	27.6	16.9	18.2	19.4
<b>Curr. Liability &amp; Prov.</b>	<b>94.4</b>	<b>103.2</b>	<b>99.3</b>	<b>95.6</b>	<b>103.9</b>	<b>113.1</b>	<b>105.9</b>	<b>111.5</b>	<b>116.3</b>
Account Payables	36.9	38.4	32.4	30.1	32.8	36.6	38.5	41.4	44.1
Other Current Liabilities	51.5	57.3	60.0	57.9	62.7	67.3	57.2	59.2	60.6
Provisions	6.0	7.5	6.9	7.7	8.5	9.3	10.3	10.9	11.5
<b>Net Current Assets</b>	<b>-27.2</b>	<b>-31.2</b>	<b>-31.5</b>	<b>-34.6</b>	<b>-37.9</b>	<b>-38.7</b>	<b>-32.0</b>	<b>-21.1</b>	<b>-18.0</b>
<b>Appl. of Funds</b>	<b>104.2</b>	<b>106.3</b>	<b>111.0</b>	<b>98.9</b>	<b>98.0</b>	<b>125.3</b>	<b>126.3</b>	<b>133.6</b>	<b>133.6</b>

## Financials and valuations

Ratios									
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Basic (INR)</b>									
<b>EPS</b>	<b>-2.2</b>	<b>10.6</b>	<b>46.5</b>	<b>51.8</b>	<b>60.3</b>	<b>42.3</b>	<b>36.5</b>	<b>58.1</b>	<b>76.3</b>
Cash EPS	70.4	93.3	127.7	129.2	139.7	128.9	129.1	154.7	176.6
BV/Share	-6.4	-44.9	4.1	32.5	53.3	62.7	86.5	129.6	182.2
DPS	4.5	4.0	14.0	20.7	21.0	16.7	14.4	23.0	30.3
Payout (%)	-205.4	37.9	30.1	39.9	34.8	39.5	39.5	39.5	39.8
<b>Valuation (x)</b>									
P/E	-828.4	171.8	39.0	35.0	30.1	42.9	49.7	31.2	23.8
Cash P/E	25.8	19.5	14.2	14.0	13.0	14.1	14.1	11.7	10.3
P/BV	-284.5	-40.5	448.0	55.8	34.1	29.0	21.0	14.0	10.0
EV/Sales	3.6	3.6	3.5	3.5	3.2	2.9	2.6	2.4	2.1
EV/EBITDA	21.9	18.7	14.0	13.9	13.3	14.3	13.1	11.0	9.5
Dividend Yield (%)	0.2	0.2	0.8	1.1	1.2	0.9	0.8	1.3	1.7
FCF Per Share	-27.1	36.5	64.5	89.7	103.2	39.0	62.8	92.4	102.6
<b>Return Ratios (%)</b>									
RoE	-39.3	-41.2	-227.9	283.3	140.6	72.9	48.9	53.8	48.9
RoCE	1.5	-5.8	14.8	16.3	20.6	14.4	12.3	15.9	18.8
RoIC	1.9	-7.5	20.2	21.3	28.5	20.0	17.9	24.7	31.3
<b>Working Capital Ratios</b>									
Fixed Asset Turnover (x)	1.4	1.3	1.1	1.0	0.9	0.9	NA	NA	NA
Asset Turnover (x)	1.6	1.6	1.5	1.7	1.8	1.7	1.9	1.9	2.0
Inventory (Days)	2	2	1	1	3	1	1	1	1
Debtor (Days)	66	69	56	56	56	65	67	67	67
Creditor (Days)	81	82	69	66	67	64	60	60	60
<b>Leverage Ratio (x)</b>									
Current Ratio	0.7	0.7	0.7	0.6	0.6	0.7	0.7	0.8	0.8
Interest Cover Ratio	1.7	2.0	4.6	5.6	4.8	2.7	2.7	3.9	5.3
Net Debt/Equity	-45.9	-7.6	69.9	7.3	3.7	4.9	3.8	2.1	1.1

Consolidated - Cash Flow									
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
(INRb)									
OP/(Loss) before Tax	3.4	-0.8	12.5	20.0	20.6	11.6	15.1	21.1	27.8
Depreciation	20.7	23.6	23.1	22.0	22.6	24.7	26.4	27.5	28.6
Interest & Finance Charges	4.0	4.7	4.2	3.6	4.3	8.3	6.4	5.3	4.1
Direct Taxes Paid	-2.7	-2.8	-5.0	0.9	-2.0	-2.2	-3.6	-4.8	-6.3
(Inc)/Dec in WC	-3.3	-2.5	-5.5	-4.7	-0.6	-11.0	-4.2	1.0	0.5
<b>CF from Operations</b>	<b>22.0</b>	<b>22.1</b>	<b>29.4</b>	<b>41.8</b>	<b>45.0</b>	<b>31.4</b>	<b>40.1</b>	<b>50.2</b>	<b>54.7</b>
Others	-6.6	3.1	2.4	0.2	-1.1	0.5	0.0	0.0	0.0
<b>CF from Operating incl EO</b>	<b>15.4</b>	<b>25.2</b>	<b>31.8</b>	<b>42.0</b>	<b>43.8</b>	<b>31.8</b>	<b>40.1</b>	<b>50.2</b>	<b>54.7</b>
(Inc)/Dec in FA	-23.2	-14.9	-13.4	-16.5	-14.4	-20.7	-22.2	-23.9	-25.5
<b>Free Cash Flow</b>	<b>-7.7</b>	<b>10.4</b>	<b>18.4</b>	<b>25.6</b>	<b>29.4</b>	<b>11.1</b>	<b>17.9</b>	<b>26.3</b>	<b>29.2</b>
(Pur)/Sale of Investments	-2.4	-0.5	-6.9	9.4	-3.2	-3.6	0.0	0.0	0.0
Others	-0.3	0.0	0.3	-1.9	-0.8	-2.1	1.0	1.5	2.0
<b>CF from Investments</b>	<b>-25.8</b>	<b>-15.3</b>	<b>-20.0</b>	<b>-8.9</b>	<b>-18.4</b>	<b>-26.4</b>	<b>-21.2</b>	<b>-22.5</b>	<b>-23.5</b>
Issue of Shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Inc/(Dec) in Debt	11.4	-4.0	-8.4	-27.8	-13.0	3.2	-5.0	-5.0	-15.0
Interest Paid	-4.0	-3.9	-2.5	-2.5	-3.5	-5.3	-7.4	-6.8	-6.1
Dividend Paid	0.0	-1.5	-1.1	-4.0	-5.9	-6.0	-4.8	-4.1	-6.5
Others	-1.5	0.0	0.5	-0.6	0.1	-0.1	0.0	0.0	0.0
<b>CF from Fin. Activity</b>	<b>6.0</b>	<b>-9.4</b>	<b>-11.6</b>	<b>-34.9</b>	<b>-22.2</b>	<b>-8.2</b>	<b>-17.2</b>	<b>-15.9</b>	<b>-27.6</b>
<b>Inc/Dec of Cash</b>	<b>-4.4</b>	<b>0.6</b>	<b>0.2</b>	<b>-1.8</b>	<b>3.2</b>	<b>-2.8</b>	<b>1.7</b>	<b>11.9</b>	<b>3.6</b>
Opening Balance	13.0	8.5	9.1	9.3	7.4	10.6	11.5	13.2	25.1
<b>Closing Balance</b>	<b>8.5</b>	<b>9.1</b>	<b>9.3</b>	<b>7.4</b>	<b>10.6</b>	<b>8.4</b>	<b>13.2</b>	<b>25.1</b>	<b>28.7</b>

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

NOTES

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

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

#### Disclosures:

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

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

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

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

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

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

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

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

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

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

#### Terms & Conditions:

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

#### Analyst Certification

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

#### Disclosure of Interest Statement

Tata Communications

Analyst ownership of the stock

No

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

#### Regional Disclosures (outside India)

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

#### For Hong Kong:

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

#### For U.S.

MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and

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

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

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co. Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. 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 of Singapore. Accordingly, if a Singapore person is not, or ceases to be, such an investor, they must immediately discontinue any use of this Report and inform MOCMSPL.

#### Disclaimer:

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

This report is meant for the clients of Motilal Oswal only.

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

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

#### Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp grievances@motilaloswal.com.