ASHIKA
GROWING & SHARING WITH YOU
Institutional Research

Initiating Coverage| Gas Sector

Mahanagar Gas

Promising Outlook on Superior Margin & Attractive Valuation

Rating	BUY
Target Price	INR 1,301
CMP	INR 1,027

Stock Information

Market Cap. (INR mn)	1,01,489
Shares O/S (mn)	99
Face Value	10
Free Float (%)	38
52 - WK HI/LO (INR)	1067/756
3M Avg Daily Volume (mn)	0.41
Equity Capital (INR mn)	988
Bloomberg Ticker	MAHGL IN

Source: Bloomberg

Share Holding Pattern (%)

	Dec 18	Sep 18	June 18
Promoters	42.5	42.5	56.5
FII / NRI	22.2	19.6	13.3
FI / MF	13.4	14.3	7.7
Retail	9.5	10.1	9.6
Others	12.4	13.5	12.9

Source: BSE

Stock Performance (%)

	1M	3M	12M	YTD
Absolute	14.3	14.8	7.2	13.6
Rel. to Nifty	6.2	6.5	(8.1)	(1.8)

Source: Bloomberg

Valuation Summary (%)

	TTM	FY19E	FY20E	FY21E
EPS (INR)	52.4	57.5	76.6	94.7
P/E (x)	17.3	29.0	24.4	21.3
EV/EBITDA (x)	10.4	10.1	6.9	6.0
EBITDA/scm (Rs)	8.0	8.4	10.6	10.9

Source: Ashika Institutional Research

Mahanagar Gas (MGL), owned by GAIL, Govt. of Maharashtra and BG Gas (Shell) where Shell is planning to exit MGL causing overhang to the stock performance since long. Once lock-in period is over in July 2019, we expect this overhang to get over post stake sell by Shell. It is expected to also increase free float of shares in market giving an opportunity to market participants to enter in company which generates best RoE in Industry at inexpensive multiples. Its EBITDA/scm remains the strongest among CGD players due to better product-mix, higher realization along with effective cost management led by limited capex in existing areas of operations. We expect MGL's volume and CFs to improve led by improving penetration (~30%) in its operational area. Exclusivity of business in high density areas and CFOs enough to cover its planned capex, makes MGL a very attractive Investment.

- **Lower Penetration & High Density in Areas of Operation is Positive:** MGL has an advantage of operating in one of the most densely populated markets of India like Mumbai. Also having presence in Greater Mumbai, Thane and Raigarh district. It is currently serving to ~1.2mn residential consumers, ~3,700 industrial and commercial units and ~0.67mn vehicles. It has potential of adding ~2mn residential consumers, 8,800 industrial & commercial units and ~1.33mn vehicles. We expect MGL to add incremental volumes at 9% CAGR over FY19-28E.
- **Favorable Pricing Environment - Augurs Well:** PNG and CNG prices for each of the segment are currently at significantly discounted rates to its alternative fuels. CNG prices are currently at discount of >30% to diesel and 55% to petrol, which makes it the most economic source of fuel. Mumbai having premium rates for petrol and diesel in India which is making MGL on very sweet spot. Further, PNG pricing for residential (non subsidized) and commercial consumers is also at discounted rates. MGL can enjoy dual benefit of rising crude oil prices and declining LNG prices due to oversupply in market. This will make CNG more attractive source of fuel and may give further room for company to increase CNG prices. We expect increase in Realisation/scm to grow by 4% CAGR and EBITDA/scm to cross Rs.9/scm from current Rs. 8.8/scm.
- **Limited Capex & Strong OCFs to Generate Higher Returns:** MGL has expanded its network in adjoining areas and hence additional capex requirement to expand its network is limited compared to other CGD players. The Company is generating healthy CFs to meet its financial needs for the future capex. With almost debt free balance sheet, MGL is expected to generate better returns for its shareholders. We expect FCF of the company to grow by 10% CAGR over FY19-28E led by the volume and pricing growth.

Outlook & Valuation

Operating in business capital of India, Mumbai one of the densely populated market, MGL has huge growth potential, as its current penetration stands at ~30%. Further, favorable regulatory framework also supports its expansion plans. We expect strong free cash flows to continue to generate value for the shareholders. **Valuing the stock with DCF methodology (FY28E) considering Cost of Equity at 8.6% and terminal growth rate of 3%, we initiate coverage on MGL with a BUY rating and a Target Price of Rs1,301, which implies 27% upside from the current level.**

Key Financials (Rs mn)	FY17	FY18	FY19E	FY20E	FY21E
Revenue	20,340	22,330	28,326	36,086	40,430
EBITDA	6,428	7,801	9,148	12,814	14,325
EBITDA (%)	31.6	34.9	32.3	35.5	35.4
PAT	3,934	4,779	5,682	7,566	9,358
PAT (%)	19.3	21.4	20.1	21.0	23.1
Adj. EPS	39.8	48.4	57.5	76.6	94.7

Key Ratios (%)	FY17	FY18	FY19E	FY20E	FY21E
EV/EBITDA	13.5	12.1	10.1	6.9	6.0
EBITDA/scm	6.9	7.9	8.4	10.6	10.9
PE (x)	24.9	29.2	29.0	24.4	21.3
Adj. RoCE (%)	31.9	32.3	28.4	28.7	27.7
Adj. RoA (%)	15.3	14.9	13.0	13.0	12.4
Adj. RoE (%)	21.0	20.8	18.3	18.5	17.9

Source: Company Fillings, Ashika Institutional Research

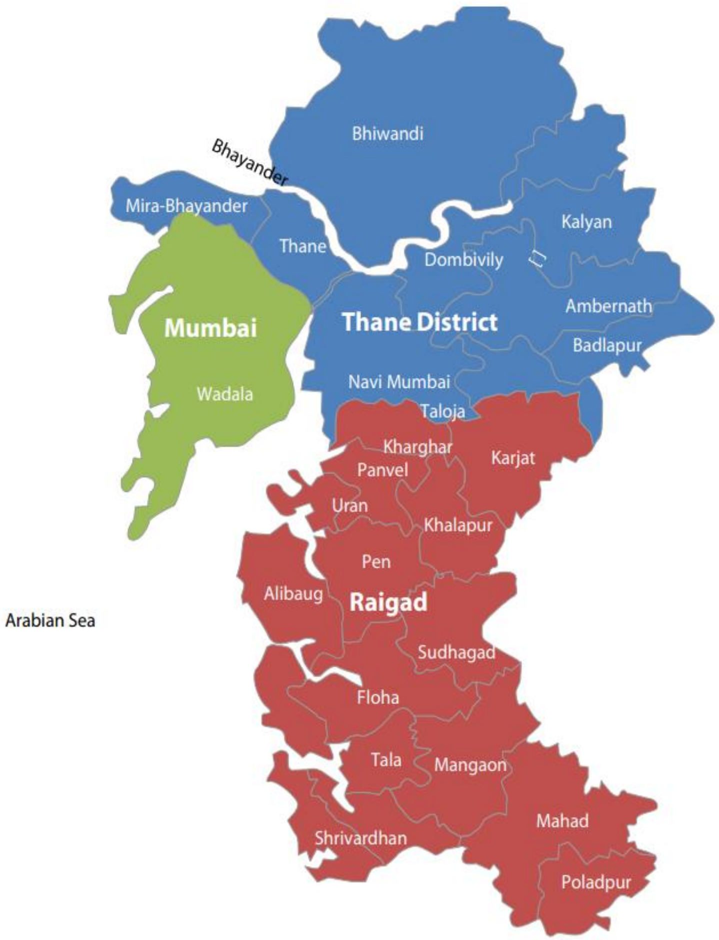
Research Analyst

Reena Shah
+91 22 6611 1775
reena@ashikagroup.com

ASHIKA GROWING & SHARING WITH YOU
Institutional Research

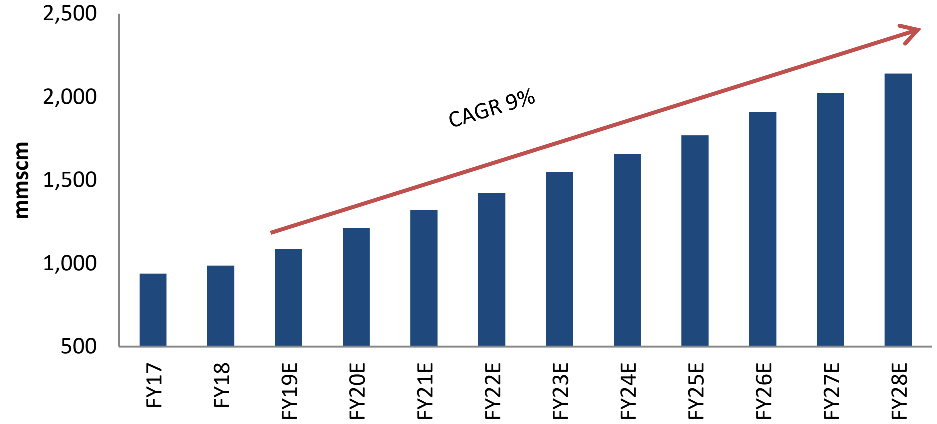
Key Investment Rational

Exhibit 1: MGL has CGD license exclusivity over Mumbai (till 2020), Thane (till 2030) and Raigarh (till 2040) with further extension of exclusivity in blocks for 10 years. Overall estimated combined market size is ~3mn for residential, ~12,000 for commercial, ~600 industrial connections and ~2mn vehicle in its operational area



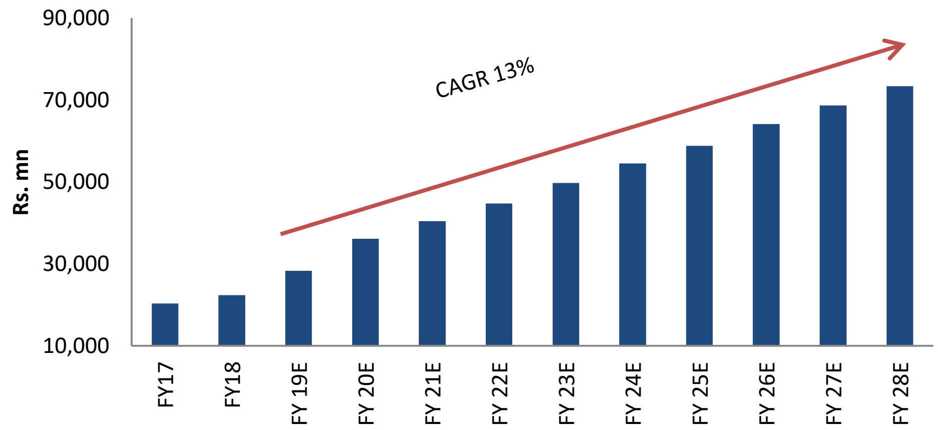
Source: Company Fillings, Ashika Institutional Research

Exhibit 2: Volumes to boost at 9% CAGR with Higher Penetration & Expansion from rise in CNG and PNG infrastructure and government regulations support



Source: Company Fillings, Ashika Institutional Research

Exhibit 3: Revenue Expected to Grow at 13% CAGR in Tandem with Volume Growth in CNG capacity expansion, vehicle conversions as well as PNG connections

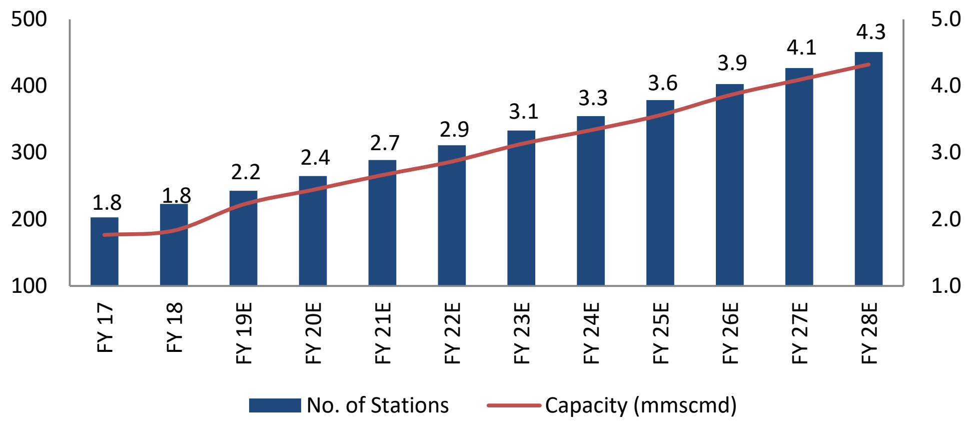


Source: Company Fillings, Ashika Institutional Research

ASHIKA
GROWING & SHARING WITH YOU
Institutional Research

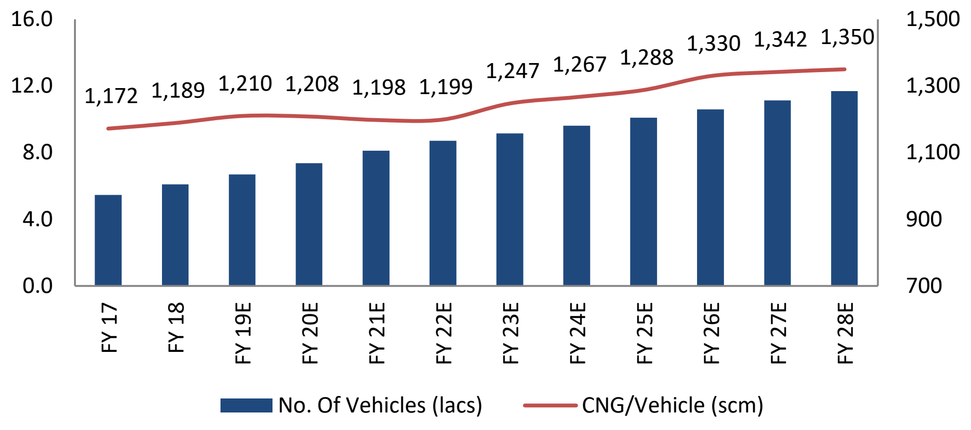
Key Investment Rational (contd...)

Exhibit 4 : Plan to add min. 20 CNG stations annually thereby adding capacities to reduce traffic at CNG stations; currently stations are serving more than 2,500 vehicles /station compared to capacity of 1,500



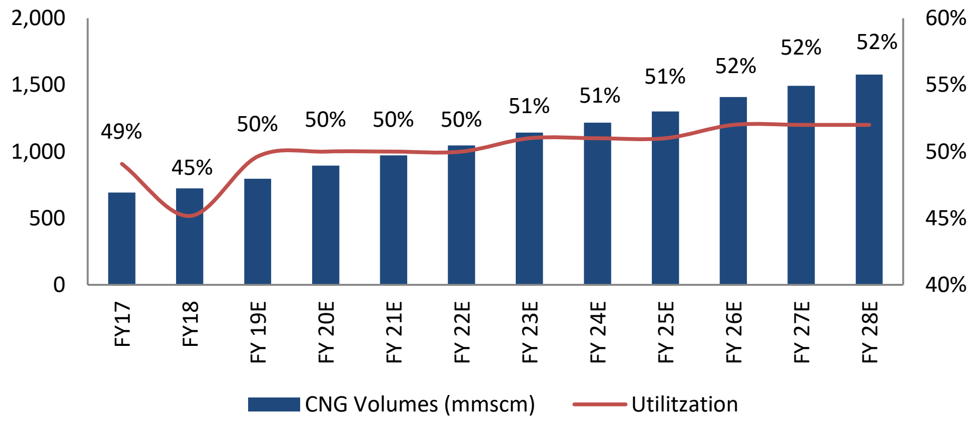
Source: Company Fillings, Ashika Institutional Research

Exhibit 5: Conversions of Vehicles to CNG is Expected to Rise at 6% CAGR with Stricter Emission Norm and reduction in traffic with increase in CNG stations



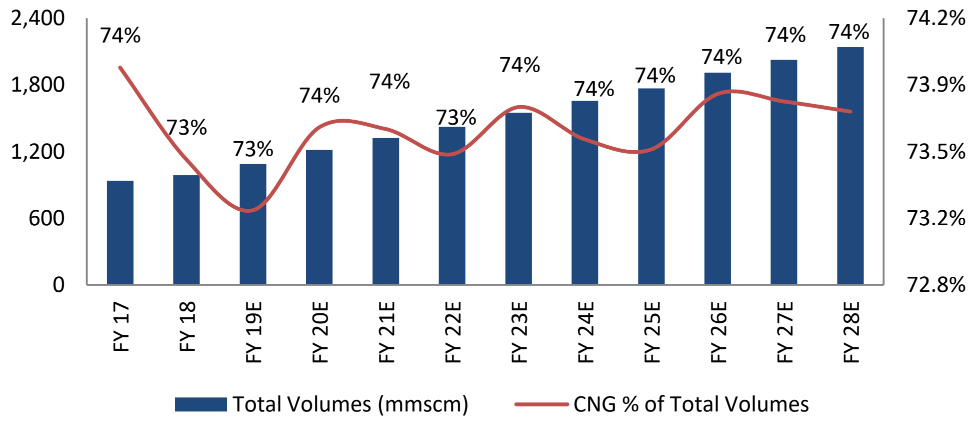
Source: Company Fillings, Ashika Institutional Research

Exhibit 6: Increase in vehicle conversions with better infrastructure and stricter norms to boost volume at 8% CAGR and utilisation to remain above 50%



Source: Company Fillings, Ashika Institutional Research

Exhibit 7: Contribution of higher margin CNG is expected to increase in volume mix (CNG is higher margin product considering its premium pricing with similar procurement cost to PNG price)



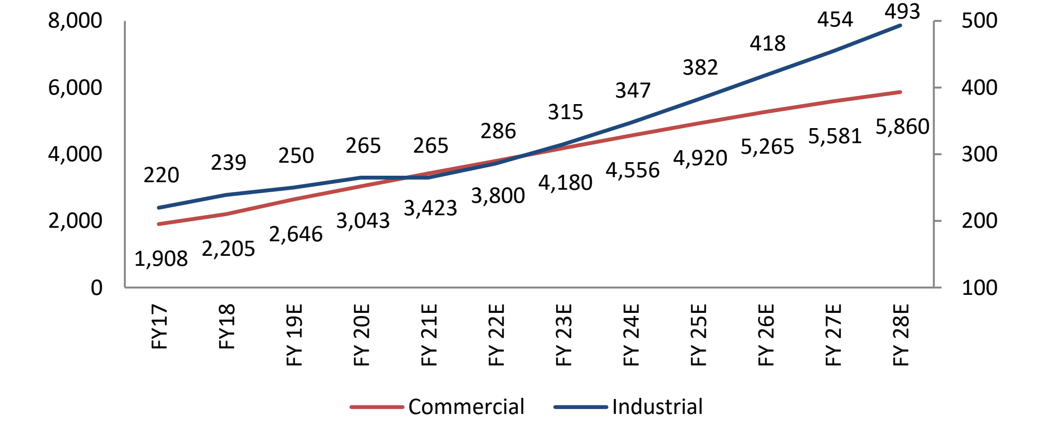
Source: Company Fillings, Ashika Institutional Research

ASHIKA GROWING & SHARING WITH YOU

Institutional Research

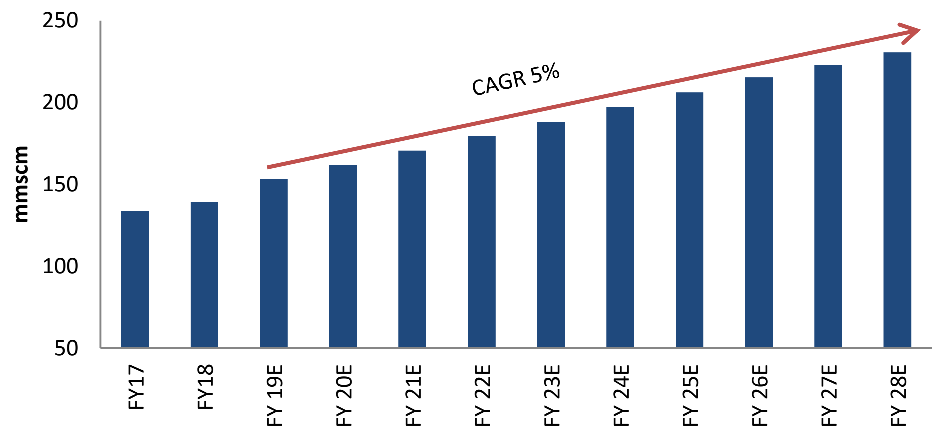
Key Investment Rational (contd...)

Exhibit 8: With addition of Raigarh, Industrial Connections Expected to Grow Steadily (with only 30% Penetration), Commercial Connections are Expected to Rise as well



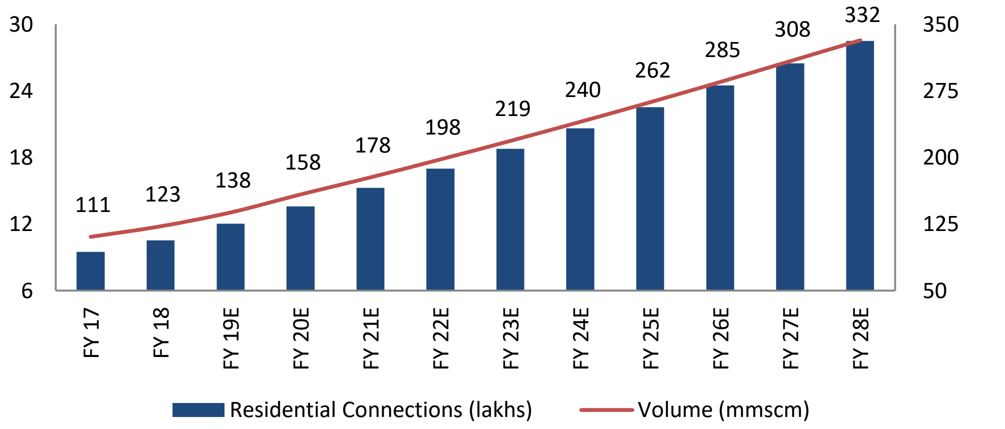
Source: Company Fillings, Ashika Institutional Research

Exhibit 9: Industrial and Commercial Volumes to Increase Further at 5% CAGR with rising industrial and commercial connections and better pricing and ease of use against alternative fuels



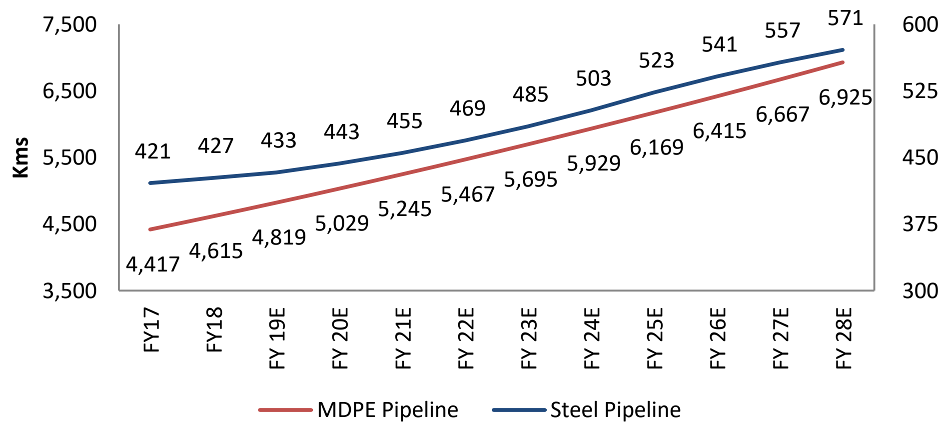
Source: Company Fillings, Ashika Institutional Research

Exhibit 8: Domestic PNG Connections & Volumes Expected to Grow with company plans to add minimum of 1,50,000 connections per year with scope to expand further 2 mn connections



Source: Company Fillings, Ashika Institutional Research

Exhibit 9: PNG Pipeline Infrastructure Expected to Grow at Steady Rate with expansion of reach to industrial, commercial and residential connections

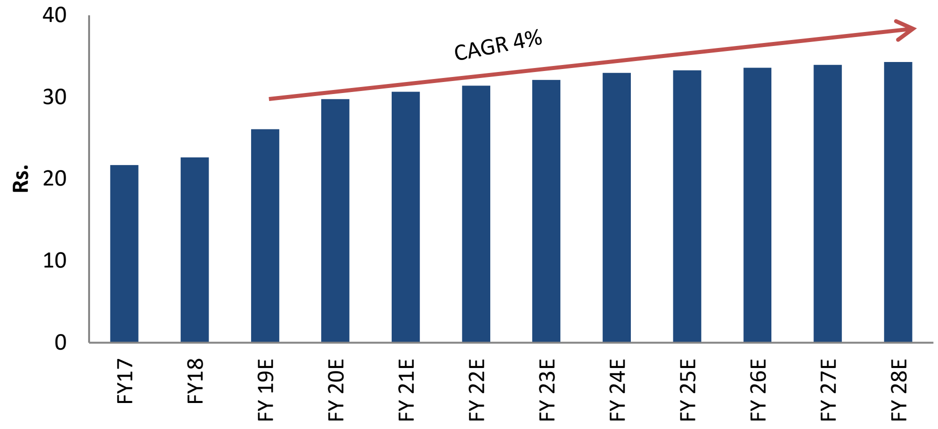


Source: Company Fillings, Ashika Institutional Research

Institutional Research

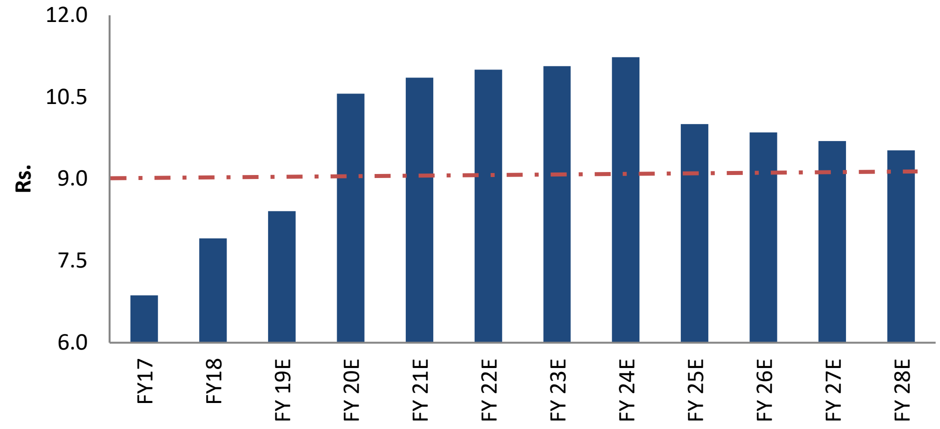
Key Investment Rational (contd...)

Exhibit 10: Revenue realization/scm expected to rise at 4% CAGR with expected increase in prices and better product mix



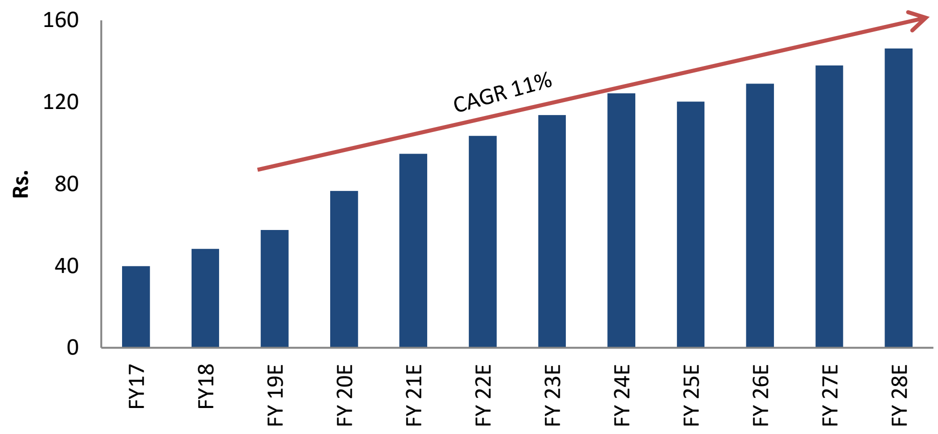
Source: Company Fillings, Ashika Institutional Research

Exhibit 11: EBITDA/scm Expected to Maintain well above Rs9/scm level for most of the Projection Period due to exclusivity in transfer of price rise or decline on immediate basis



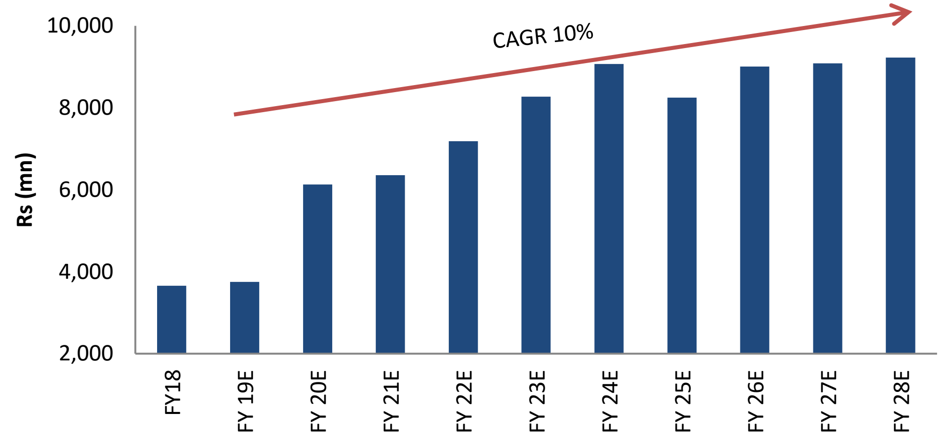
Source: Company Fillings, Ashika Institutional Research

Exhibit 12: EPS is Expected to Grow at double digit 11% CAGR led by Volume Growth along with balanced pricing in tandem with cost



Source: Company Fillings, Ashika Institutional Research

Exhibit 13: We expect Free Cash Flows to grow at 10% CAGR with growth in earnings and limited capital expenditure with almost no leverage



Source: Company Fillings, Ashika Institutional Research

ASHIKA GROWING & SHARING WITH YOU
Institutional Research

Peer Comparison

Exhibit 14: Financial Comparison

Company	Revenue (Mn)			EBITDA (Mn)			PAT (Mn)			EPS (Rs.)			Revenue CAGR	EPS CAGR
	FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY 19-21E	FY 19-21E
MGL	30,990	39,553	44,322	9,148	12,814	14,325	5,682	7,566	9,358	57.5	76.6	94.7	21.8%	25.1%
GGL	78,165	87,231	96,673	10,118	11,715	13,384	3,897	4,827	5,989	6.1	7.5	9.3	16.1%	29.9%
IGL	63,166	89,735	1,00,545	12,240	18,466	20,383	7,006	10,853	12,016	10.0	11.9	13.6	17.7%	11.1%

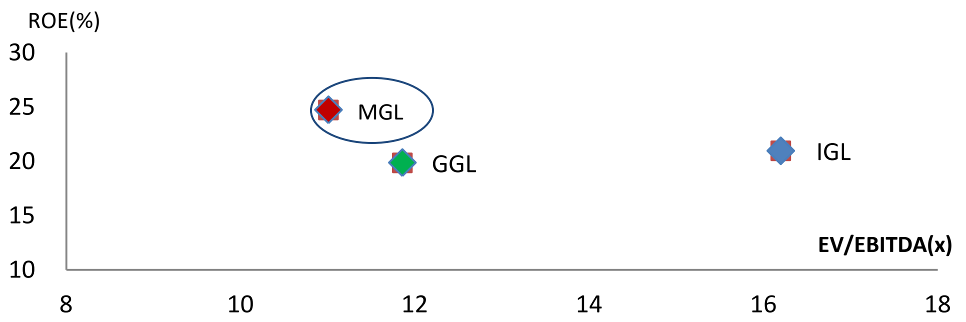
Source: Company Data, Bloomberg, Ashika Institutional Research

Exhibit 15: Valuation Comparison

	M.Cap	FCF (INR mn)			EBITDA/Scm(INR)			RoCE (%)			RoE (%)		
	(INR Bn)	FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY19E	FY20E	FY21E	FY19E	FY20E	FY21E
MGL	101	3,754	6,127	6,358	10.1	6.9	6.0	17.2	18.7	18.9	24.9	27.4	27.4
GGL	103	3,256	3,711	5,384	12.2	10.6	9.2	5.9	6.4	6.7	19.7	20.4	20.6
IGL	211	8,844	16,241	17,482	16.0	10.4	9.2	13.0	16.5	14.8	18.3	23.4	21.1

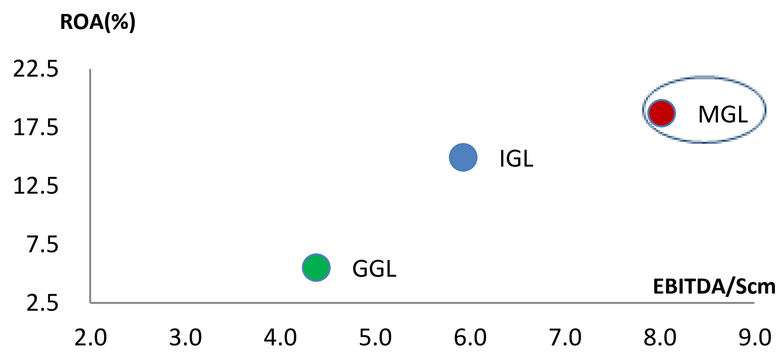
Source: Company Data, Bloomberg, Ashika Institutional Research

Exhibit 16: Peer Comparison (RoE vs EV/EBITDA)



Source: Company Fillings, Ashika Institutional Research

Exhibit 17: Peer Comparison (RoA vs EBITDA/Scm)



Source: Company Fillings, Ashika Institutional Research

Outlook & Valuation

MGL is one of the biggest City Gas Distribution players in India after IGL and GGL, having exclusive license in commercial capital of India with enormous growth potential. PNG market has potential of >3.2mn households, while its commercial and industrial connections stand at 12,000 and 534, respectively. It also has market potential of >2mn vehicles for CNG conversions. Discounted pricing to petrol/diesel prices makes CNG an attractive proposition for every potential user. The Company is looking to expand PNG domestic connections by 1,50,000 and 15 CNG stations annually. With highest RoE and EBITDA/scm, MGL make MGL an attractive investment proposition. At CMP, the stock **is trading at attractive valuations vis-à-vis its peers. Valuing the stock on DCF methodology, we initiate coverage on MGL with a BUY rating and a Target Price of Rs1,301, which implies 27% upside from the current level.**

Exhibit 17: Key Assumptions

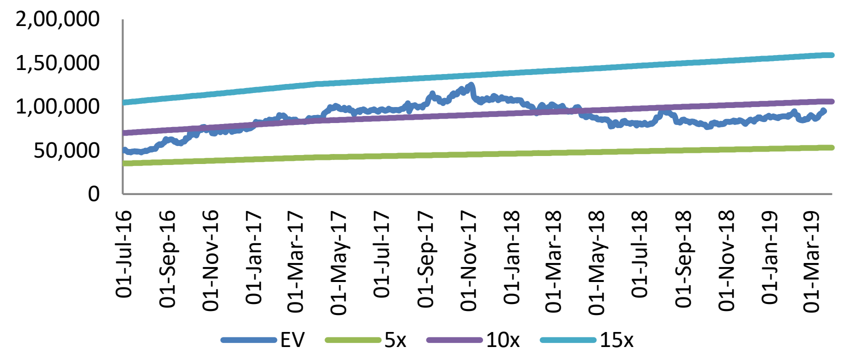
Year Ending (March)	FY 17	FY 18	FY 19E	FY20E	FY 21E
Gas Volumes (MMScm)	938	986	1,087	1,213	1,320
YoY Growth (%)	5.4%	5.1%	10.2%	11.6%	8.8%
CNG Utilisation (%)	49	45	50	50	50
Gas Realisations/Scm	21.7	22.6	26.1	27.3	27.8
YoY Growth (%)	-7.1	4.4	15.1	4.6	2.0
EBITDA/scm (Rs.)	6.9	7.9	8.4	8.7	8.3

Source: Company Fillings, Ashika Institutional Research

Risks:

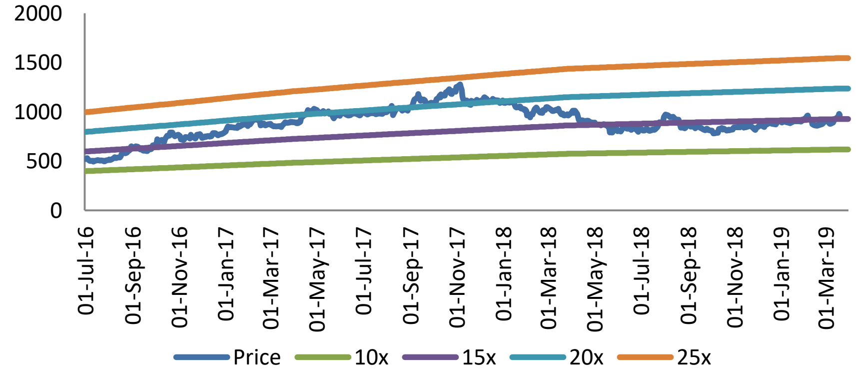
(1) Higher-than-expected penetration of EVs; and (2) Lack of expansion into other geographies.

Exhibit 18: EV/EBITDA (Rolling 1 -Year Fwd)



Source: Company Fillings, Ashika Institutional Research

Exhibit 19: P/E (Rolling 1 -Year Fwd)



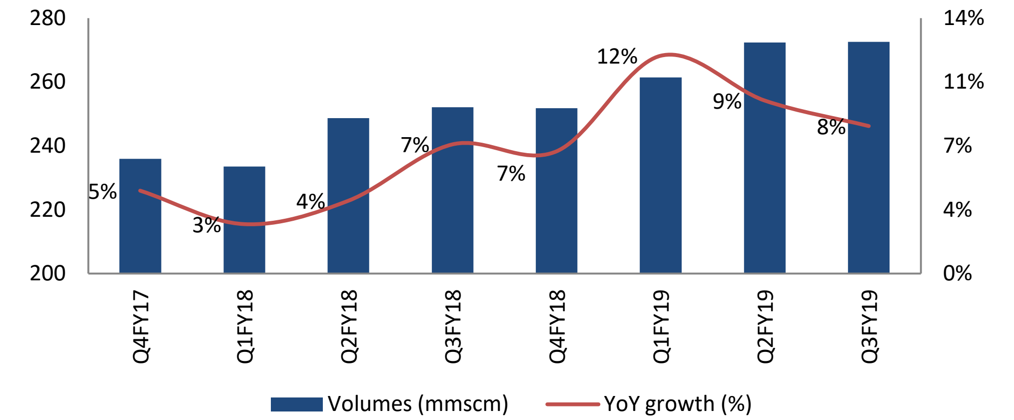
Source: Company Fillings, Ashika Institutional Research

ASHIKA
GROWING & SHARING WITH YOU
Institutional Research

Operating & Quarterly Performance Analysis

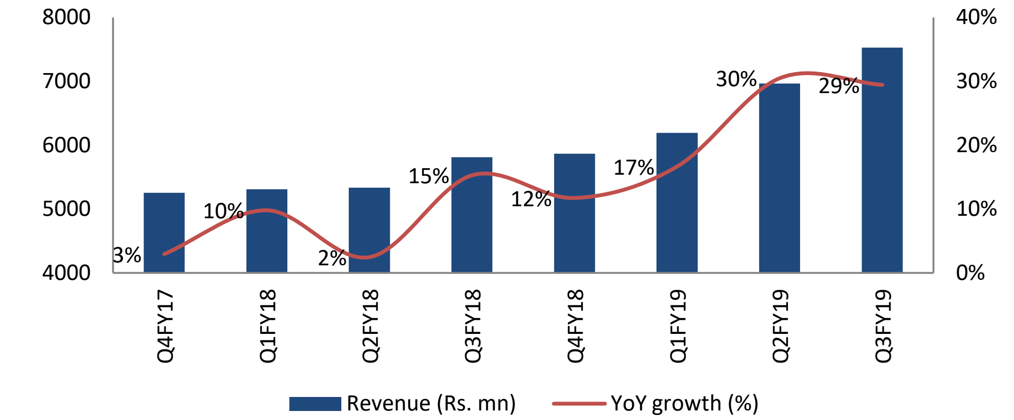
MGL has reported strong 29.5% YoY growth in Revenue to Rs7.5bn driven by volumes growth in addition to increase in prices. Total volumes have increased by 8.1% to 273 MMScm on YoY basis. CNG and PNG volumes have increased by 8.3% and 7.5% to 200mmscm and 73 mmscm respectively during same period. Company's EBITDA/ PAT growth continue to be strong with 19.0%/19.6% YoY growth to Rs.2.4bn/Rs.1.5bn respectively.

Exhibit 20: Upward Volume Growth Trajectory Continues



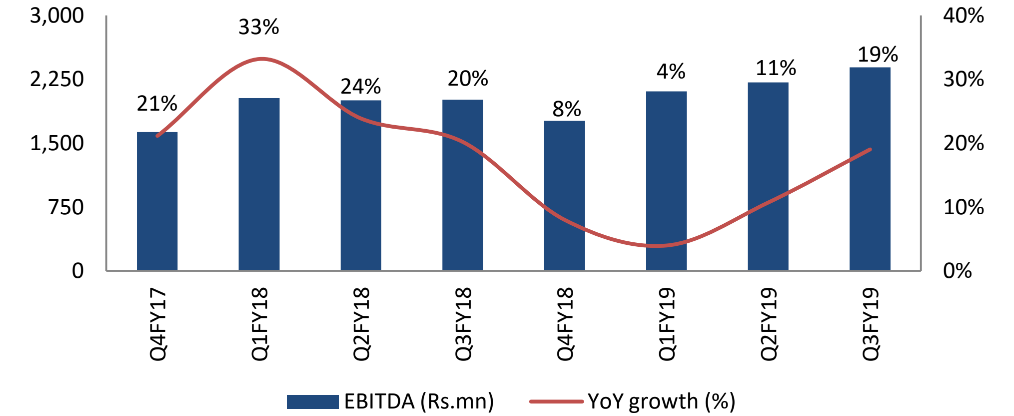
Source: Company Fillings, Ashika Institutional Research

Exhibit 21: Revenue Growth Rate on Increasing Trajectory



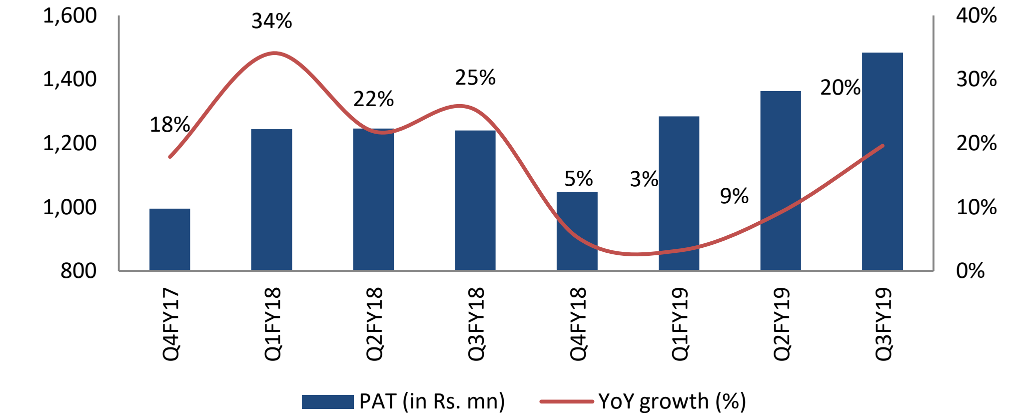
Source: Company Fillings, Ashika Institutional Research

Exhibit 22: Quarterly EBITDA Margin Trend Continues to Remain Strong



Source: Company Fillings, Ashika Institutional Research

Exhibit 23: PAT Trend Shows Strong Signs of Improvement

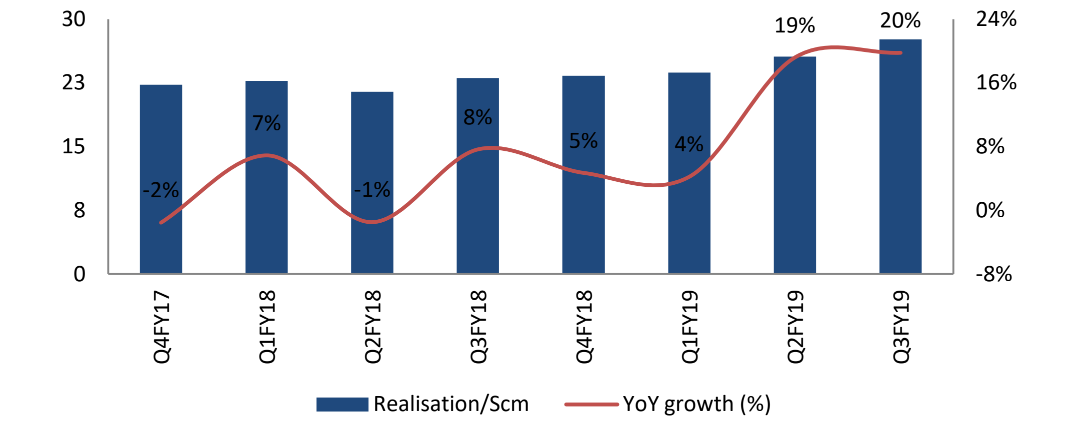


Source: Company Fillings, Ashika Institutional Research

Operating & Quarterly Performance Analysis (Contd...)

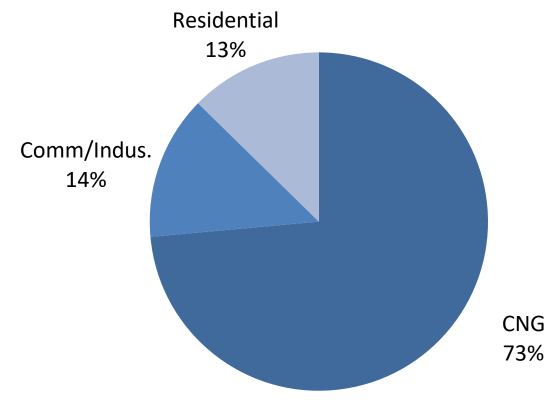
Rising realisations on the back of increase in gas prices and weak INR have increased MGL's realisation/scm by 19.5% to Rs30.3 in 3QFY19. CNG continues to dominate the volume-mix on the back of stricter emission norms. The Company's CNG and PNG volume for cheap domestic gas procurement forms ~86% of its total volumes. Hence, MGL's cost for gas remains on lower side thereby improving its EBITDA/scm to Rs8.8/scm.

Exhibit 24: Unitary Realisation Getting Stronger



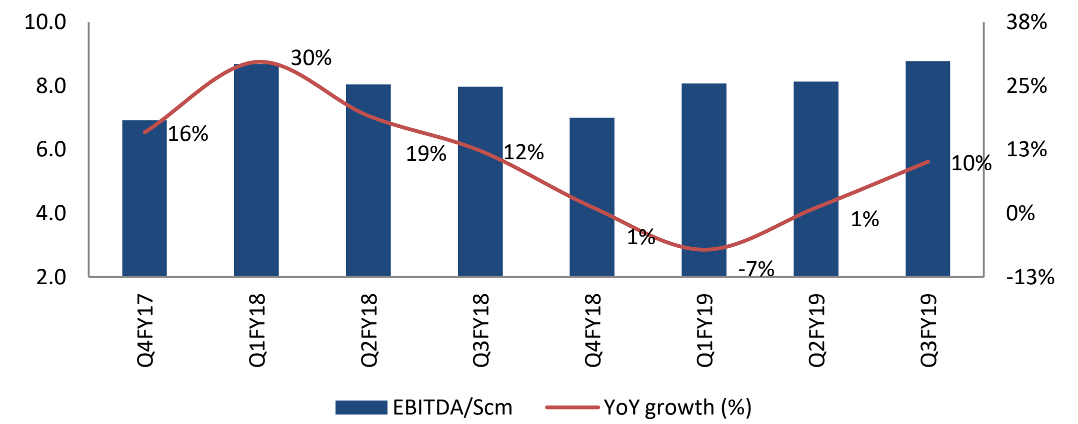
Source: Company Fillings, Ashika Institutional Research

Exhibit 25: CNG Dominates Total-mix



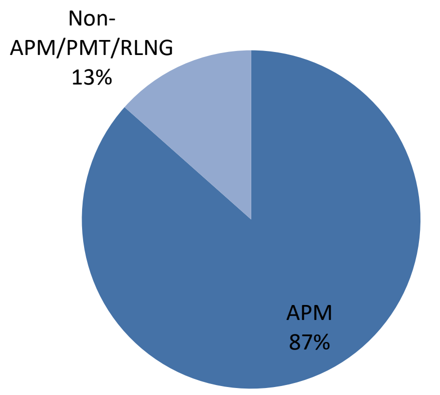
Source: Company Fillings, Ashika Institutional Research

Exhibit 26: EBITDA/scm on Northward Move



Source: Company Fillings, Ashika Institutional Research

Exhibit 27: Gas Procurement-mix



Source: Company Fillings, Ashika Institutional Research

Operating & Quarterly Performance Analysis (Contd...)

Exhibit 28: Quarterly Financial Results

	Q3 FY 19	Q3 FY 18	YoY (%)	Q2 FY18	QoQ (%)
Net Sales	753	581	29.5	697	8.1
Raw Material Expenses	384	270	42.2	356	7.7
Stock Adjustments	(0)	(0)	166.7	0	(500.0)
Employee Expense	17	17	4.0	18	(3.1)
Others	113	94	19.9	101	11.8
EBITDA	239	201	19.0	221	8.0
EBITDA Margin (%)	**31.8**	**34.6**	(16bps)	**31.8**	(38bps)
Interest	0	0	800.0	0	(25.0)
Depreciation	33	27	22.4	31	6.4
Other Income	20	14	44.9	18	12.1
PBT	227	188	20.4	209	8.6
Tax	78	64	21.8	72	8.1
PAT	148	124	19.6	136	8.8
PAT Margin (%)	**19.7**	**21.3**	(5 bps)	**19.6**	(9 bps)
Adjusted EPS	15.0	12.6	19.6	13.8	8.8

Source: Company Fillings, Ashika Institutional Research

Exhibit 29: Quarterly Operational Results

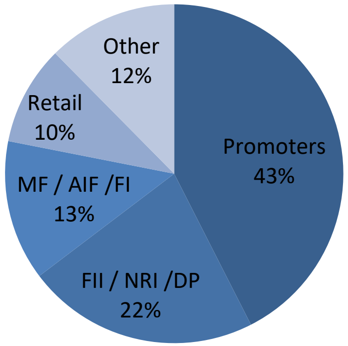
	Q3 FY 19	Q3 FY 18	YoY (%)	Q2 FY18	QoQ (%)
CNG Volume	200	185	8.3	200	(0.3)
PNG Volume	73	68	7.5	72	1.2
Total Volume	**273**	**252**	**8.1**	**272**	**0.1**
Realisation/Scm	30.3	25.3	19.5	28.0	8.0
Operating Cash Cost/Scm	21.5	17.3	23.8	19.9	8.0
EBITDA/Scm	8.8	8.0	10.1	8.1	7.9

Source: Company Fillings, Ashika Institutional Research

Corporate Factsheet

MGL – incorporated in 1995 – has become one of the India's largest City Gas Distribution companies. GAIL (India), Government of Maharashtra and BG Asia Pacific Holdings (Royal Dutch Shell Group) jointly built foundation of the Company. Initially, MGL started gas distribution business in Mumbai, and expanded its operations to the adjoining districts i.e. Greater Mumbai, Thane and Raigarh. The Company currently caters to >1mn PNG domestic users, 0.7mn CNG vehicles, >3,700 industrial and commercial customers. It has >5,150 of pipeline network and 224 CNG filing stations.

Exhibit 28: Shareholding Pattern



Source: Company Fillings, Ashika Institutional Research

Exhibit 29: Top Fund Holding

Name	% Holding
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Fund	1.33
Bajaj Allianz Life Insurance Company Limited	1.01
Eastspring Investments India Equity Open Limited	1.04
Governor of Maharashtra	10
Itpl - Invesco India Contra Fund	1.03
L&T Mutual Fund Trustee Limited-L&T Emerging Businesses Fund	1.76
Mirae Asset Emerging Bluechip Fund	1.53
SBI Life Insurance Co. Limited	2.21
Schroder International Selection Fund Emerging Asia	4.49

Source: Company Fillings, Ashika Institutional Research

Key Financials

Profit & Loss (Standalone)

Y/E Mar	FY17	FY18	FY 19E	FY 20E	FY 21E
Net Sales	20,340	22,330	28,326	36,086	40,430
% Change	*(2.1)*	*9.8*	*26.9*	*27.4*	*12.0*
Total Expenditure	13,911	14,529	19,178	23,273	26,105
% Sales	*68.4*	*65.1*	*67.7*	*64.5*	*64.6*
EBITDA	6,428	7,801	9,148	12,814	14,325
% Sales	*31.6*	*34.9*	*32.3*	*35.5*	*35.4*
Depreciation	951	1,112	1,219	1,240	1,496
Interest	10	1	3	-	-
Other Income	540	577	767	1,022	1,487
PBT	6,007	7,265	8,693	12,596	14,317
Tax	2,072	2,486	3,011	4,009	4,959
APAT	3,934	4,779	5,682	8,586	9,358

Balance Sheet (Standalone)

As on 31st Dec.	FY17	FY18	FY 19E	FY 20E	FY 21E
Share Capital	988	988	988	988	988
Reserves & Surplus	17,413	19,966	23,771	29,459	36,940
Net Worth	18,400	20,953	24,758	30,447	37,928
Deferred Liabilities	1,376	1,748	2,117	2,819	3,487
Others Liabilities	142	156	196	247	276
Total Loans	27	12	-	-	-
Total Liabilities	**19,946**	**22,870**	**27,071**	**33,513**	**41,690**
Net Block	13,048	15,319	17,851	20,611	23,115
Cap. WIP	4,115	3,566	3,566	3,566	3,566
Other assets	1,134	1,462	1,733	2,076	2,509
ST Investments	4,667	6,877	9,377	10,877	13,627
Sundry Debtors	945	913	1,154	1,473	1,651
Cash & Bank Bal	1,361	919	1,180	4,674	8,091
Loans & Advances	262	230	230	230	230
Inventories	238	240	332	423	474
Other Current Asset	473	576	727	928	1,040
Current Assets	7,946	9,755	13,000	18,606	25,113
Curr.Liab& Prov.	6,297	7,233	9,079	11,346	12,614
Net Current Assets	**1,649**	**2,522**	**3,921**	**7,260**	**12,500**
Total Assets	**19,946**	**22,870**	**27,071**	**33,513**	**41,690**

ASHIKA
GROWING & SHARING WITH YOU
Institutional Research

Key Financials

Ratios (Standalone)

Y/E Mar.	FY17	FY18	FY 19E	FY 20E	FY 21E
Return Ratios (%)					
ROA	15.8	17.0	17.2	18.7	18.9
ROE	22.1	24.3	24.9	27.4	27.4
ROCE	30.6	34.0	34.7	41.9	37.5
Per Share Data (Rs.)					
Adj. EPS	8.2	9.6	10.0	11.9	13.6
Adj. CEPS	10.5	12.2	13.0	15.4	17.6
BVPS	41.8	50.2	59.0	69.7	82.1
Valuations (X)					
EV / EBITDA	13.5	12.1	10.1	6.9	6.0
P/B	4.8	4.5	3.8	3.1	2.5
P/E	22.5	19.9	16.5	12.4	10.0
Profitability					
Gross Margin/scm	10.8	12.2	13.0	15.3	15.9
EBITDA/scm	6.9	7.9	8.4	10.6	10.9
Dupont Analysis					
Net Profit Margin (%)	19.3	21.4	20.1	21.0	23.1
Asset Turnover Ratio (x)	0.78	0.74	0.78	0.80	0.74
Equity Multiplier (x)	1.43	1.44	1.46	1.47	1.43

Cash Flows (Standalone)

Y/E Mar.	FY17	FY18	FY 19E	FY 20E	FY 21E
PBT	**6,007**	**7,265**	**8,693**	**11,575**	**14,317**
Depreciation	951	1,112	1,219	1,240	1,496
Change in tax	(1,862)	(2,284)	(2,642)	(3,307)	(4,291)
Chg in Working cap	601	822	1,131	1,364	523
Others	(375)	(394)	(764)	(1,022)	(1,487)
Cash flow from operations	**5,323**	**6,521**	**7,637**	**9,849**	**10,557**
Chg in Gross Block	(2,545)	(2,689)	(3,750)	(4,000)	(4,000)
Chg in Investments	(425)	(1,838)	(2,500)	(1,500)	(2,750)
Chg in others	337	340	767	1,022	1,487
Cash flow from investing	**(2,633)**	**(4,187)**	**(5,483)**	**(4,478)**	**(5,263)**
Chg in debt	(18)	(15)	(12)	-	-
Chg in Equity	(2,816)	(2,236)	(1,877)	(1,877)	(1,877)
Others	(3)	(7)	(3)	-	-
Cash flow from financing	**(2,838)**	**(2,258)**	**(1,892)**	**(1,877)**	**(1,877)**
Chg in cash	(148)	76	261	3,494	3,417
Cash at start	1,509	843	919	1,180	4,674
Cash at end	**1,361**	**919**	**1,180**	**4,674**	**8,091**

Exhibit 30: Discounted Cash Flow Valuation & Cost of Equity

Discounted Cash Flow Calculations	
Terminal Cash Flow (INR mn)	922
Terminal Growth Rate	3.0%
Cost of Equity	8.6%
PV of Terminal Value (INR mn)	7,991
PV of FCF (INR mn)	4,768
Enterprise Value (INR mn)	12,758
Net Debt (INR mn)	91
Equity Value (INR mn)	12,849
Target Price	**1,300.8**

Cost of Equity Calculations	
Risk Free Rate	7.3%
Equity Risk Premium	1.3%
Beta	0.32
Country Premium	4.2%
Cost of Equity	**8.6%**

Source: Ashika Institutional Research, Bloomberg

Exhibit 31: Cost of Equity

	Sensitivity Analysis	**Terminal Growth Rate**				
		2.0%	2.5%	3.0%	3.5%	4.0%
Cost of Equity	8.0%	1,301.7	1,378.1	1,469.9	1,582.0	1,722.1
	8.5%	1,198.4	1,260.8	1,334.4	1,422.8	1,530.9
	8.6%	1,172.3	1,231.3	**1,300.8**	1,383.8	1,484.7
	9.0%	1,109.8	1,161.3	1,221.4	1,292.4	1,377.6
	9.5%	1,033.0	1,076.0	1,125.7	1,183.6	1,252.0
	10.0%	965.7	1,002.0	1,043.5	1,091.3	1,147.2

Source: Ashika Institutional Research, Bloomberg

Institutional Research

Corporate Office:
1008, Raheja Centre, 10th Floor, 214, Nariman Point, Mumbai - 400021, Ph-022–66111700, Extn.-715
Website:www.ashikagroup.com

Ashika Stock Broking Limited ("ASBL") or Research Entity has started its journey in the year 1994 and is engaged in the business of broking services, depository services, distributor of financial products (Mutual fund, IPO & Bonds). This research report has been prepared and distributed by ASBL in the sole capacity of a Research Analyst (Reg No. INH000000206) of SEBI (Research Analyst) Regulations 2014. ASBL is a wholly owned subsidiary of Ashika Global Securities (P) Ltd., a RBI registered non-deposit taking NBFC Company. Ashika group (details is enumerated on our website www.ashikagroup.com) is an integrated financial service provider inter alia engaged in the business of Investment Banking, Corporate Lending, Commodity Broking, Debt Syndication & Other Advisory Services. There were no significant and material disciplinary actions against ASBL taken by any regulatory authority during last three years.

Recommendations and Absolute Returns (%) Over 1 Year Horizon

BUY	**Stock expected to provide positive returns of >10% over a 1-year horizon**
HOLD	**Stock expected to provide positive returns of >5% - <10% over a 1-year horizon**
REDUCE	**Stock expected to provide returns of <5% - -10% over a 1-year horizon**
SELL	**Stock expected to fall >10% over a 1-year horizon**

REENA SHAH

Digitally signed by REENA SHAH
DN: c=IN, o=Personal,
2.5.4.20=21812e3ec5d1ad4416e98c5c1090950288ae034ee2ff7ff8a1df8454f9b571f9, postalCode=400007,
st=MAHARASHTRA,
serialNumber=ffacac48106d7df0727df9a2b8d2a5b5360292ea86dc8f8c1c6c51ec1fd1bbbe, cn=REENA SHAH
Date: 2019.04.02 10:50:55 +05'30'

Disclosure

ASBL or its associates, its Research Analysts (including their relatives) may have financial interest in the subject company(ies). However, the said financial interest is not limited to having an open stock market position in /acting as advisor to /having a loan transaction with the subject company(ies) apart from registration as clients.

- ASBL or its Research Analysts (including their relatives) do not have any actual / beneficial ownership of 1% or more of securities of the subject company(ies) at the end of the month immediately preceding the date of publication of this report or date of the public appearance. However ASBL's associates may have actual / beneficial ownership of 1% or more of securities of the subject company(ies).
- ASBL or their Research Analysts (including their relatives) do not have any other material conflict of interest at the time of publication of this research report or date of the public appearance. However ASBL's associates might have an actual / potential conflict of interest (other than ownership).
- ASBL or its associates may have received compensation for investment banking, merchant banking, and brokerage services and for other products and services from the subject companies during the preceding 12 months. However, ASBL or its associates or its Research analysts (forming part of Research Desk) have not received any compensation or other benefits from the subject companies or third parties in connection with the research report. Moreover, Research Analysts have not received any compensation from the companies mentioned herein in the past twelve months.
- ASBL or their Research Analysts have not managed or co–managed public offering of securities for the subject company(ies) in the past twelve months. However ASBL's associates may have managed or co–managed public offering of securities for the subject company(ies) in the past twelve months.
- Research Analysts have not served as an officer, director or employee of the companies mentioned in the report. Neither ASBL nor its Research Analysts have been engaged in market making activity for the companies mentioned in the report

Disclaimer

The research recommendation and information herein are solely for the personal information of the authorized recipient and does not construe to be an offer documents or any investment, legal or taxation advice or solicitation of any action based upon it. This report is not for public distribution or use by any person or entity, where such distribution, publication, availability or use would be contrary to law, regulation or subject to any registration or licensing requirement. We will not treat recipients as customer by virtue of their receiving this report. The report is based upon the information obtained from public sources that we consider reliable, but we do not guarantee its accuracy or completeness. ASBL shall not be in anyways responsible for any loss or damage that may arise to any such person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations.