

## RETAIL EQUITY RESEARCH

# Mazagon Dock Shipbuilders Limited.

Capital Goods & Engineering

Sensex: 37,389

Nifty: 11,050

**SUBSCRIBE**

**Price Range Rs. 135 - Rs. 145**

### To reap the benefits of Atmanirbhar Bharat...

Mazagon Dock Shipbuilders Ltd (MDSL), incorporated in 1934, is a 'Mini-ratna-I' public sector undertaking under the Department of Defence Production, (MoD). Headquartered in Mumbai, the core capabilities includes construction & repair of warships, submarines for Indian Navy and other vessels for commercial clients. With a capacity of 40,000 Dead Weight Tonnage (DWT), MDSL is India's only shipyard to have built destroyers and conventional submarines for the Indian Navy and is also first shipyard to manufacture Corvettes (Veer and Khukri Class) in India. Since 1960, MDSL built 795 vessels including 25 warships, destroyers, missile boats & 3 submarines.

- Strategically located at busy maritime route connecting Europe, West Asia and pacific.
- A key player in defence ship building, is currently building four P-15 B destroyers and four P-17A stealth frigates.
- The submarine and heavy engineering division is in the process of delivering four Scorpene class submarines.
- Has a technology transfer agreement with French Naval Group, for Scorpene submarines.
- Exploring possibilities of developing a greenfield shipyard at Nhava, Navi Mumbai to revive ship repair operations.
- Current order backlog is Rs.540,74cr, 10x FY20 sales provides a strong visibility.
- For FY18-20, revenue grew at a CAGR of 6% while PAT de-grew by 2% CAGR. In FY20, MDSL reported PAT of Rs.477cr on revenue of Rs.4,978cr.
- New Defence procurement policy 2020, is expected to accelerate indigenization, which is positive for the domestic defence industry.
- At the upper price band of Rs.145, MDSL is available at a P/E of 6.1x which is significant discount to its peers. Considering strong technological & execution capabilities, healthy order book and attractive dividend yield, we assign a subscribe rating for this IPO.

### Purpose of IPO

The objectives of the Offer are to carry out the disinvestment of 30,599,017 Equity Shares constituting 15.17% of Company's pre-Offer paid up Equity Share capital and to achieve the benefits of listing on the Stock Exchanges.

### Key Risks

- Over dependent on MoD for defence orders, however actively pursuing - opportunities in ship repair business.
- Decline in defence budget, but given geopolitical importance expect defence spending to improve.

### Peer Valuation

Company	MCap (Rs cr)	Revenue (Rs cr)	EBITDA margin (%)	EPS	RoE (%)	P/E	EV/EBITDA
Mazagon Dock Shipbuilders	2,925	4,978	5.4	24	15.0	6.1	53.6
Cochin Shipyard Ltd	4,178	3,422	20.6	36	18.0	8.8	2.0
Garden Reach Shipbuilders	1,984	1,425	2.8	15	16.0	11.6	27.1

Source: Geojit Research, Bloomberg; Valuations of UTI AMC are based on upper end of the price band, Financials as per FY20

Issue Details				
Date of opening	29 <sup>th</sup> Sep, 2020			
Date of closing	01 <sup>st</sup> Oct, 2020			
Total no. of shares offered (cr)	3.06			
Post issue no. of shares (cr)	20.17			
Price band	Rs. 135- 145			
Face value	Rs. 10			
Bid lot	103 shares			
Minimum application for retail (upper price band for 1 lot)	Rs. 14,935			
Maximum application for retail (upper price band for 13 lot)	Rs. 1,94,155			
Listing	BSE & NSE			
Lead manager	Yes Securities, Axis Capital, Edelweiss Fin.Services, IDFC Securities, JM Financial			
Registrars	Alankit Assignments Ltd.			
Issue size (upper price)				
Fresh issue	0.0			
OFS	443.7			
<b>Total issue</b>	<b>443.7</b>			
Shareholding (%)				
	Pre issue	Post issue		
Promoters	100	85		
Others	0	15		
Total	100	100		
Issue structure		Allocation %	Size Rs.cr	
Employee Reservation	1	5.0		
Retail	35	153.5		
Non -Institutional	15	65.8		
QIB	49	219.3		
<b>Total</b>	<b>100</b>	<b>443.7</b>		
Y.E March (Rs cr)		FY18	FY19	FY20
Sales	4,470	4,614	4,978	
Growth (%)	27	3.2	7.9	
EBITDA	155	261	268	
Margin%	3.5	5.7	5.4	
PAT Adj	496	532	477	
Growth (%)	-17.1	7.3	79.2	
EPS	25	26	24	
P/E (x)	5.9	5.5	6.1	
EV/EBITDA	99.0	61.1	53.6	
RoE (%)	17.0	17.6	15.0	

## Company Description

**Mazagon Dock Shipbuilders Ltd (MDSL)**, incorporated in 1934, is a 'Mini-ratna-I' defence public sector undertaking shipyard under the Department of Defence Production, MoD. Core capabilities include construction and repair of warships and submarines for Indian Navy and other vessels for commercial clients. With a capacity of 40,000 Dead Weight Tonnage(DWT), MDSL is India's only shipyard to have built destroyers and conventional submarines for the Indian Navy and is a first shipyard to manufacture Corvettes (Veer and Khukri Class). Since 1960, they have built a total of 795 vessels including 25 warships, from advanced destroyers to missile boats and three submarines. The business divisions in which MDSL operate are (i) shipbuilding and (ii) submarine and heavy engineering. They have also delivered cargo ships, passenger ships, supply vessels, multipurpose support vessels, water tankers, tugs, dredgers, fishing trawlers, barges and border outposts for various customers in India as well as abroad. The submarine and heavy engineering division includes building, repair and refits of diesel electric submarines. Major customers for the shipyard include Indian Navy and Coast Guard. Post completion of the modernization project, the capacity of outfitting warships increased from eight warships to 10 warships since 2014 and submarine capacity has increased from six submarines to 11 submarines since 2016.

## Products and Operations

The business divisions in which MDSL operate are **(i) shipbuilding and (ii) submarine and heavy engineering.**

### ❖ Shipbuilding division

It includes the building and repair of naval ships. MDSL are currently building four P-15 B destroyers and four P-17A stealth frigates and undertaking repair and refit of a ship for the MoD for use by the Indian Navy. MDSL has been constructing ships by conventional construction methodologies, where various activities are carried out in sequence. Construction and delivery of a vessel can generally range between 60 to 90 months depending on the type of ship.

**Some of the vessels MDSL has built in the past or are currently in the process of constructing include the following:**

- **P17 Frigates:** The P17 frigates are multi role frigates and first-of-its kind warships built in India incorporating stealth features.
- **P17A Frigates:** The P17A frigate is a design derivative of the Shivalik class stealth frigates with much more advanced stealth features and indigenous weapons and sensors. MDSL is currently building four P17A frigates by using integrated construction methodology.
- **P15A Destroyers:** The P15A destroyers are capable of striking shore based targets and providing defence against hostile aircraft, submarines and surface ships.
- **P15B Destroyers:** These are follow-on class of the P15A destroyers with improved stealth features, latest weapons and sensors and platform management systems. Currently, four P15B destroyers ships are under various stages of construction.
- **Multipurpose Support Vessels:** Two multipurpose support vessel designed for diesel fuel, fresh water and deck cargo carriage, ROV operations and for azimuth thruster operation were constructed and delivered by MDSL for foreign clients.

**MDSL's competitors in the shipbuilding division are Cochin Shipyard Limited, Garden Reach Shipbuilders and Engineering Limited, Bharati Defence and Infrastructure Limited, Goa Shipyard Limited, Hindustan Shipyard Limited, L&T Shipyard, ABG Shipyard Limited and Reliance Defence and Engineering Limited.**

### ❖ The submarine and heavy engineering division

It includes building, repair and refits of diesel electric submarines. They are currently building/ in the process of delivering four Scorpene class submarines under a transfer of technology agreement with Naval Group as well as one medium refit and life certification of a submarine for the MoD for use by the Indian Navy.

**Some of the submarines built by MDSL in the past or are currently in the process of building include the following:**

- **SSK Submarines:** MDSL has constructed two Shishumar class submarines. They have also undertaken medium refit of four submarines of Shishumar class. MDSL have recently undertaken the medium refit and life certification of one submarine; and
- **Scorpene Submarines:** MDSL is building/ in the process of delivering four Scorpene submarines as part of Project 75 pursuant to a transfer of technology partnership with Naval Group, France. They have delivered two of the Scorpene submarines, INS Kalvari and INS Khanderi to the MoD. MDSL alongwith the Naval Group have trained the workforce in relation to the construction of such submarines.

Construction and delivery of a submarine can generally range between 72 to 96 months. **MDSL's competitor in the submarine and heavy engineering is Hindustan Shipyard Limited.**

## Infrastructure

MDSL's facilities currently comprise of three dry docks, two wet basins, three slipways, production shops, assembly shops, module shop with painting chamber for integrated construction, sheet metal shop, pipe shop, machine and fitting shop, ship dry dock and dredging, electrical repair shop and instrumentation shop for the shipbuilding division. The submarine division infrastructure includes shops for fabrication of frame, sub-section assembly and section formation, cradle assembly shop for structural and equipment outfitting and final assembly, one dry dock and submarine section assembly shop. Post completion of the modernization project, the capacity of outfitting warships increased from eight warships to 10 warships since 2014 and submarine capacity has increased from six submarines to 11 submarines since 2016.

**MDSL had also been assigned 40.52 acres of land by the Government of Kerala for setting up the National Institute of Warship/ Submarine design and Indeginisation Centre which is currently being used as a head office of National Institute for Research and Development in Defence Shipbuilding.**

Some of the ships delivered by the Company in the past 18 years are as follows

Name of the ship	Year of delivery	Name of the ship	Year of delivery
<i>P15 A Destroyers</i>		<i>Pontoon</i>	
INS Kolkata	2014	SLB	2002
INS Kochi	2015	Vahak	2007
INS Chennai	2016	Vivan	2014
<i>P17 Frigates</i>		<i>Varenya</i>	
INS Shivalik	2010	<i>Floating Border outpost</i>	
INS Sahyadri	2012	Seema Prahari Dwarka	2003
INS Satpura	2011	Seema Prahari Sagar	2003
<i>Multisupport vessel</i>		Seema Prahari Kamakhya	2003
Hercules -I	2012	Seema Prahari Sommath	2004
Go-Surf	2014	Seema Prahari Shakti	2004
<i>Dredger</i>		Seema Prahari Bajarang	2004
BBMB Dredger	2004	Seema Prahari Durga	2004
Jalangi	2004	Seema Prahari Pratap	2004
Mahananda	2004	Seema Prahari Trishul	2004
Tizu	2004	<i>Missile Boat</i>	
DCI dredger XVIII	2009	Prabal	2002

Some of the submarines built by MDSL in the past and delivered to the MoD for use by the Indian Navy include the following:

Name of the Submarine	Year of Delivery
INS Shalki	1992
INS Shankul	1994
INS Kalvari	2017
INS Khanderi	2019

Source: RHP

Over the last 18 Fiscals, the total number of orders for vessels received and delivered

Division	Orders Received	Orders Delivered
Shipbuilding	15*	27
Submarine and heavy engineering	10**	5**

\* includes refit and repairs of the ships

\*\* includes refit and repairs of the submarines.

Source: RHP

In order to diversify the revenue streams, MDSL intend to increase the ship repair activities in the future as such activities are for a shorter period of time and result in the early booking of revenues. MDSL has in the past undertaken ship repairs for the clients in the defence and commercial sectors. This will help generate more revenues, increase the client base and reduce the dependency on the MoD for future orders. MDSL is also exploring the possibilities of developing a greenfield shipyard at Nhava, Navi Mumbai with a shiplift, wet basin, workshops, stores and buildings and a ship repair facility spread over an area of 37 acres which MDSL believe will be suitable for construction and repair of warships and commercial ships with larger dimensions.

### Changes in the policy frameworks in defence sector

The MoD has promulgated the Defence Procurement Procedure, 2016 (“DPP 2016”) which provides for a framework for encouragement of the ‘Make in India’ program across all sectors of defence manufacturing. Under **DPP Strategic Partnership Model**, GoI seeks to identify a few Indian private companies as ‘strategic partners’ who would enter into collaboration arrangements with a few shortlisted foreign original equipment manufacturers (“OEMs”) to initially manufacture fighter aircrafts, helicopters, submarines and armoured fighting vehicles / main battle tanks. In addition, the MoD has imposed changes that increase competition with international competitors, has permitted foreign investment under the automatic route of up to 74% in the defence manufacturing sector and up to 100% with prior approval. In particular, the DPP Strategic Partnership Model may create the formation of entities that may pose a significant competition for MDSL, particularly in the submarine division. With the liberalisation of the policy framework governing the defence sector in India, permitting both Indian and foreign companies to participate in defence procurement and manufacturing contracts, MDSL may be required to participate in open competitive bidding processes. With these changes in the policy framework in the defence sector, there is a gradual shift towards competitive bidding. The MoD has introduced the draft defence acquisition procedure, 2020 (“DAP”) which will replace DPP once it comes into effect on September 01, 2020. The DAP focuses on self-reliance in defence equipment production and acquisition with an ultimate aim to develop India as a global defence manufacturing hub. The MoD also released the draft DPEPP - 2020 which aims to promote export of defence products and become part of the global defence value chain.

### COVID-19 Pandemic Impact

The business operations of MDSL were temporarily disrupted on account of the temporary shutdown of the offices and the shipyard (with the exception of maintenance of essential services). Further, the travel restrictions and closure of the shipyard is expected to have an impact on the ability to operate and achieve business goals primarily on account of lower capacity utilisation.

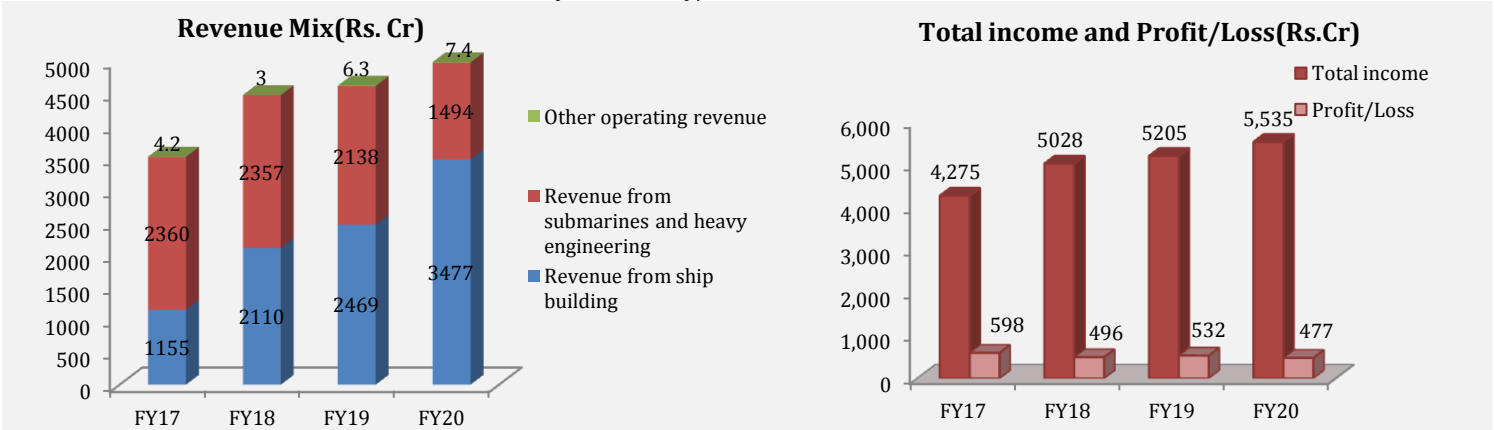
The company has already implemented a business continuity plan and they shall be implementing other plans for minimising delays in production, the extent of loss to the project schedules of the Order Book will be impacted to a certain extent which is yet to be evaluated. Further, since MDSL do not maintain business interruption insurance and will not be covered for any claims or damages arising out of such disruptions. They are about to re-negotiate the contract dates with the customers, post analysing the impact on the projects. Similarly, the suppliers, both Indian and foreign OEMs have invoked the force majeure clause with respect to their supplies.

On account of the lockdown imposed, the revenue from operations for the first quarter of the current financial year has been adversely affected and therefore the overall impact on profitability for the current financial year on account of COVID-19 is yet to be ascertained. Further, the temporary shutdown of the shipyard of the Associate Company (Goa Shipyard Ltd) has also adversely impacted the financials of

MDSL. Further, MDSL anticipate short term cash flow crunch and accordingly in order to maintain the existing cash flows, MDSL has taken certain measures such as moderation of allowances incidental to work for the executives to control the costs.

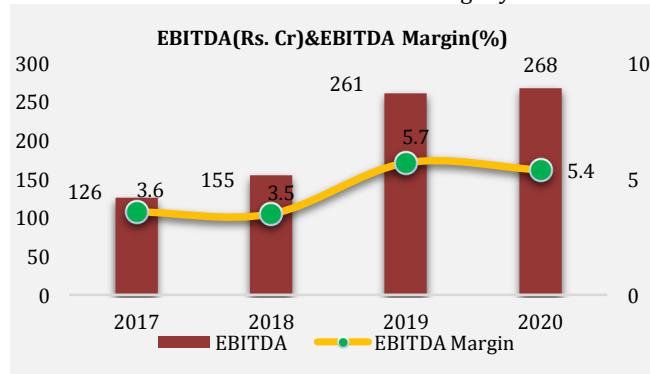
### Financial track record...

MDSL has posted profits continuously in the last four Fiscals. The total income was Rs.4,274.86cr, Rs.5,027.63cr, Rs.5,204.67cr and Rs.5,535.31cr for Fiscals 2017, 2018, 2019 and 2020 respectively. The profit for the year was Rs. 598.26cr, Rs.496.17cr, Rs.532.47cr and Rs.477.06cr for Fiscals 2017, 2018, 2019 and 2020 respectively. For the Financial Years 2020, 2019, 2018 and 2017, the liquidated damages for delay in delivery, collected from vendors and payable to customer were Rs.25.14cr, Rs.40.9cr, Rs.16.9cr and Rs.88.9cr respectively. As on March 31, 2020, the amount of dues owed to MDSL by Indian Navy/MoD was Rs.16,25.1cr.

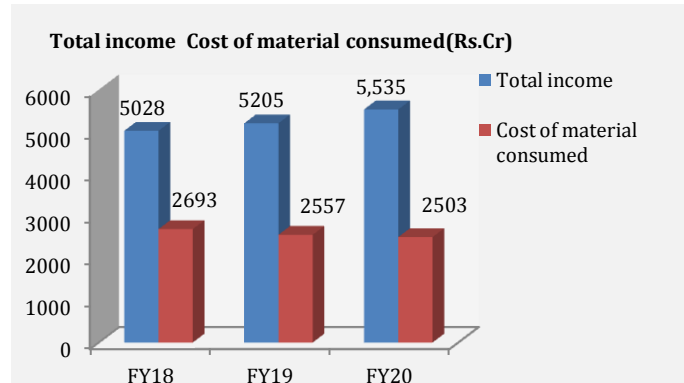


Source: RHP

For Fiscals 2017, 2018, 2019 and 2020 respectively, the cost of materials consumed constituted, 62.13%, 61.52%, 57.77% and 52.28%, of MDSL's total expenses, respectively. As of July 31, 2020, the Order Book was Rs.54,074cr which includes products and services to be manufactured and delivered over the next eight years.

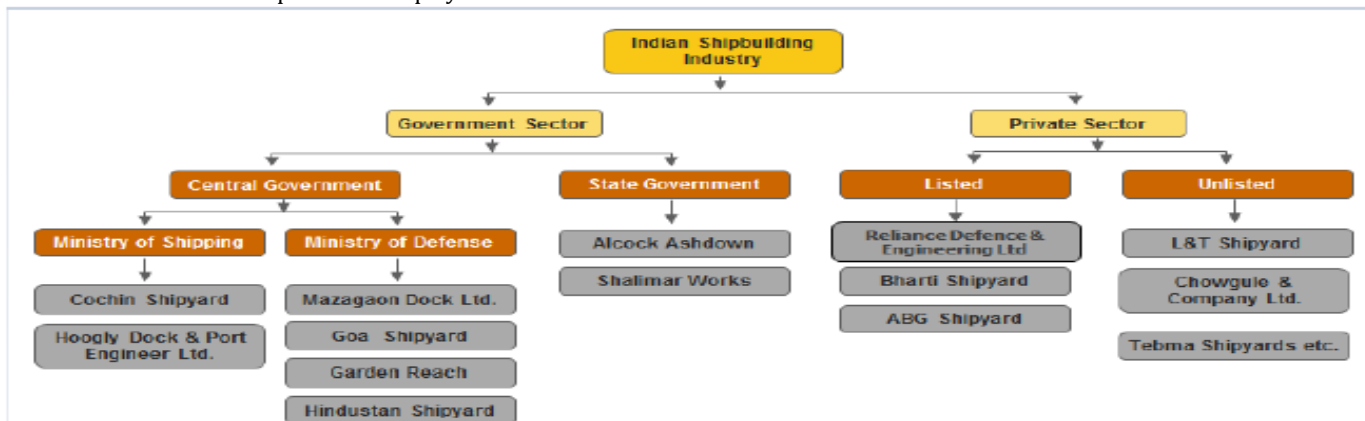


Source: RHP



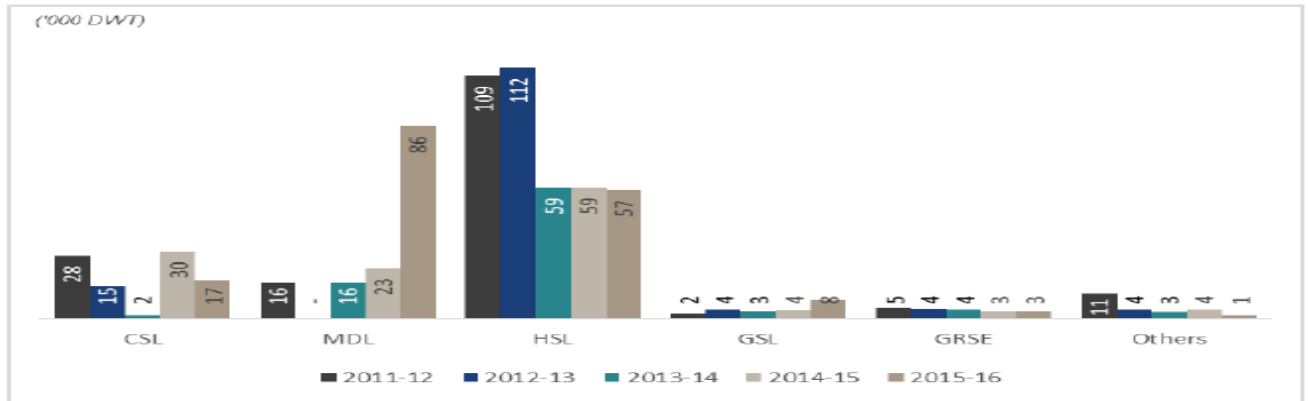
### Industry Outlook

The Indian shipbuilding industry comprises eight public sector shipyards out of which four naval shipyards come under the purview of India's Ministry of Defence, namely Hindustan Shipyard Ltd (HSL), Mazagon Dock Shipbuilders Ltd (MDSL), Goa Shipyard Ltd (GSL) and Garden Reach Shipbuilders & Engineers Ltd. (GRSE). MDL and GRSE are engaged in building complex weapon-intensive vessels such as destroyers, stealth frigates and corvettes. GSL and HSL have the capability to build various categories of vessels, such as patrol vessels, tankers, landing platform docks, survey vessels, tugs and barges. MDL is also constructing submarines for Indian Navy. The majority of ship orders for clients engaged in the defence sector are with public sector players.



Source: CRISIL Research

### Public sector company-wise order book (DWT)



Source: Statistics of India's shipbuilding and ship repairing industry (2015-16), published by the Ministry of Shipping; CRISIL Research

Source: RHP

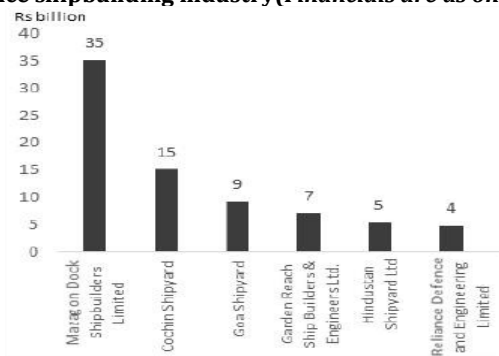
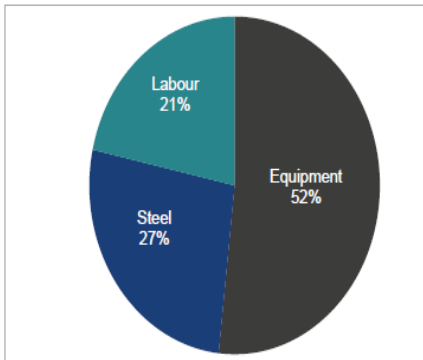
As on March 31, 2016, MDL contributed to around half of the public sector's order book, in terms of DWT. Among public sector players, the average tonnage per ship on order was the highest for MDL, followed by HSL.

### Warship building industry in India

The domestic shipbuilding industry primarily caters to two sub-segments: the Indian Navy and Indian Coast Guard. Currently, its fleet consists of aircraft carriers, amphibious transport dock, landing ship tanks, destroyers, frigates, nuclear-powered attack submarine, conventionally powered attack submarines, corvettes, mine countermeasure vessels (MCMVs), large offshore patrol vessels, fleet tankers and various auxiliary vessels and small patrol boats. The Indian Coast Guard's fleet comprises patrol vessels, patrol boats, patrol craft and a hovercraft. In terms of revenue, public sector shipyards dominate the shipbuilding industry in India. This is mainly due to their capabilities in building of Defence vessels, which are complex and costlier compared to commercial vessels.

Equipment costs constitute 50-55% of shipbuilding cost. Indian shipbuilders import 65-70% of equipment, including steel, due to absence of ancillary companies manufacturing the equipment in the country. This increases the cost burden of the shipbuilders. Labour is another major cost, accounting for about 10-15% of total cost. Lower labour cost compared with China, South Korea and Japan could aid in increasing competitiveness ahead of greater indigenisation.

### Player wise shipbuilding revenues for major players in the defence shipbuilding industry (Financials are as on fiscal 2017)



Source: RHP

### Promoter and promoter group

MDSL's Promoter is the President of India acting through the MoD. The Promoter along with its nominees, currently hold 100% of the pre-Offer paid-up Equity Share capital of the Company. After this Offer, the Promoter shall hold 85% of the post-Offer paid-up equity share capital of the Company.

### Brief profiles of Directors

- **Narayan Prasad**, is the Chairman and Managing Director of the Company. Previously, he has served in the Indian Navy for over 36 years and has held several assignments afloat and onboard such as INS Rana, INS Ranjit and INS Talwar and chief staff officer (technical)/ headquarter eastern naval command, admiral superintendent of Naval Dockyard, Vishakapatnam, assistant chief of material (nuclear systems maintenance).
- **Jasbir Singh**, is the Director (Submarine & Heavy Engineering) of the Company. He has been associated with the company since May 2010 and was appointed a director on November 01, 2019. Previously, he has served in the Indian Navy for over 22 years and has held several assignments afloat and onboard such as INS Mumbai and INS Kuthar and various appointments in warship overseeing team, Directorate of Naval Design, Directorate of Ship Production and Naval Dockyard, Vishakhapatnam.
- **Sanjeev Singhal**, is the Director (Finance) of the Company.
- **T.V. Thomas**, is the Director (Corporate Planning and Personnel) of the Company.
- **Anil K. Saxena**, is the Director (Shipbuilding) of the Company. He was appointed as a Director on March 21, 2018.
- **V.L. Kantha Rao**, is the Nominee Director of the Company.
- **Kamaiah Bandi**, is the Independent Director (Part Time Non-Official) of the Company.
- **Mailareshwar J. Jeevanavar**, is the Independent Director (Part Time Non-Official) of the Company.

## Consolidated Financials

### Profit & Loss Account

Y.E March (Rscr)	FY18	FY19	FY20
<b>Sales</b>	<b>4,470</b>	<b>4,614</b>	<b>4,978</b>
% change	27	3.2	7.9
<b>EBITDA</b>	<b>155</b>	<b>261</b>	<b>268</b>
% change	23	68.6	2.7
Depreciation	52.5	64.3	68.7
EBIT	102	196	199
Interest	9.1	9.0	9.3
Other Income	557.3	590.7	557.7
Exceptional Items	0	0	12
<b>PBT</b>	<b>650</b>	<b>778</b>	<b>735.4</b>
% change	-22	19.6	-5.5
Tax	257	307.7	351.7
Tax Rate (%)	39.5	39.5	47.8
<b>Reported PAT</b>	<b>496</b>	<b>532</b>	<b>477</b>
Adj	-	-	-
<b>Adj PAT</b>	<b>496</b>	<b>532</b>	<b>477</b>
% change	-17.1	7.3	79.2
No. of shares (cr)	20.7	20.7	20.7
<b>Adj EPS (Rs)</b>	<b>25</b>	<b>26</b>	<b>24</b>

### Cash Flow

Y.E March (Rscr)	FY18	FY19	FY20
PBT	650.4	778.1	735.4
Non-cash adj.	(432.2)	(479)	(457)
Changes in W.C	272.5	(234)	(374)
<b>C.F.O</b>	<b>490.8</b>	<b>65.2</b>	<b>(95.7)</b>
Capital exp.	(180)	(175)	(101)
Change in inv.	(0.14)	6	(0.99)
Sale of investment	0	0	0
Other invest.CF	528	586	555
<b>C.F - investing</b>	<b>348</b>	<b>417</b>	<b>453.7</b>
Issue of equity	0	0	0
Issue/repay debt	(307.4)	0	(337)
Dividends paid	(295)	(121)	(262)
Other finance.CF	(5.2)	(5)	(5.4)
<b>C.F - Financing</b>	<b>(608)</b>	<b>(126)</b>	<b>(605)</b>
Chg. in cash	231	356	(246)
Closing cash	374	730	483

### Balance Sheet

Y.E March (Rscr)	FY18	FY19	FY20
Cash	7,190	7,469.7	5,798.3
Accounts Receivable	1,113.4	1,472.9	1,458.8
Inventories	3,786	3,790	4,623
Other Cur. Assets	4,955	5,345	6,208.5
Investments	445	446.5	499.8
Net Fixed Assets	676.9	787.3	831.2
CWIP	85.38	88.77	79.96
Intangible Assets	28.4	23.0	17.1
Other Assets	331.8	649.2	812.1
<b>Total Assets</b>	<b>19,370</b>	<b>20,848</b>	<b>20,966</b>
Current Liabilities	2,659	3,176	4,951
Provisions	1,486	1,454	1,511
Debt Funds	12,391	13,001	11,435
<b>Minority Interests</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Def. Tax</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity Capital</b>	<b>224</b>	<b>224</b>	<b>202</b>
<b>Reserves &amp; Surplus</b>	<b>2,610</b>	<b>2,993</b>	<b>2,867</b>
<b>Shareholder's Fund</b>	<b>2,834</b>	<b>3,217</b>	<b>3,069</b>
<b>Total Liabilities</b>	<b>19,370</b>	<b>20,848</b>	<b>20,966</b>
<b>BVPS (Rs)</b>	<b>141</b>	<b>159</b>	<b>152</b>

### Ratios

Y.E March	FY18	FY19	FY20
<b>Profitab. &amp; Return</b>			
EBITDA margin (%)	3.5	5.7	5.4
EBIT margin (%)	2.3	4.3	4.0
Net profit mgn.(%)	11.1	11.5	9.6
ROE (%)	17.0	17.6	15
ROCE (%)	3.1	3.4	3
<b>W.C &amp; Liquidity</b>			
Receivables (days)	78.6	102.3	107.5
Inventory (days)	455.7	411.5	423.4
Payables (days)	135.4	210.0	281.9
Current ratio (x)	4.22	4.0	2.88
Quick ratio (x)	3.12	2.82	1.47
<b>Turnover &amp;Levg.</b>			
Net asset T.O (x)	7.3	6.3	6.2
Total asset T.O (x)	0.2	0.2	0.2
Int. covge. ratio (x)	11.3	21.6	21.5
Adj. debt/equity (x)	4.4	4.0	3.7
<b>Valuation ratios</b>			
EV/Sales (x)	3.4	3.5	2.3
EV/EBITDA (x)	99.0	61.1	53.6
P/E (x)	5.9	5.5	6.1
P/BV (x)	1.0	0.9	1.0

## General Disclosures and Disclaimers

### CERTIFICATION

We, Mithun. T. Joseph and Rajeev T author(s) of this Report, hereby certify that all the views expressed in this research report reflect my personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Financial Services Limited, hereinafter referred to as Geojit.

### COMPANY OVERVIEW

Geojit Financial Services Limited (hereinafter Geojit), a publically listed company, is engaged in services of retail broking, depository services, portfolio management and marketing investment products including mutual funds, insurance and properties. Geojit is a SEBI registered Research Entity and as such prepares and shares research data and reports periodically with clients, investors, stake holders and general public in compliance with Securities and Exchange Board of India Act, 1992, Securities And Exchange Board Of India (Research Analysts) Regulations, 2014 and/or any other applicable directives, instructions or guidelines issued by the Regulators from time to time.

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