

Motherson Sumi

BSE SENSEX	S&P CNX
40,345	11,913
Bloomberg	MSS IN
Equity Shares (m)	3,158
M.Cap.(INRb)/(USDb)	425 / 5.9
52-Week Range (INR)	179 / 91
1, 6, 12 Rel. Per (%)	35/5/-36
12M Avg Val (INR M)	1209
Free float (%)	38.3

Financials & Valuations (INR b)

Y/E Mar	2019	2020E	2021E
Net Sales	635.2	673.5	757.3
EBITDA	53.5	54.9	73.0
PAT	16.1	14.6	21.3
EPS (INR)	5.1	4.6	6.7
Gr. (%)	-5.2	-9.3	45.6
BV/Sh (INR)	35.7	38.9	43.5
RoE (%)	15.7	12.4	16.4
RoCE (%)	9.8	8.3	12.0
P/E (x)	26.3	29.1	20.0
P/BV (x)	3.8	3.5	3.1
EV/EBITDA (x)	9.3	9.0	6.3

Estimate change 

TP change 

Rating change 

CMP: INR135

TP: INR167 (+24%)

Buy

Above est.; Beat led by SMP/PKC but India a big disappointment

- Consol. revenue grew 5% YoY to INR159.2b (v/s est. INR153.6b), driven by PKC and SMP businesses. Consol. PAT grew 4% YoY to INR3.9b (v/s est. INR3.4b). 1HFY20 revenue/EBITDA/PAT grew 9.5%/-5%/-12%. 1HFY20 CFO increased 533% to INR14.3b, driven by reduction in working capital while lower capex led to FCF at INR4.2b (v/s -INR10.3b in 1HFY19).
- India business disappointed with revenue declining 17% YoY, partly impacted by pass through of lower copper prices (-7% YoY). EBITDA margins declined 170bp YoY (-190bp QoQ) to 15.1% (v/s est. 16.6%). PAT declined 36% YoY to INR1.8b (v/s est. INR2.5b).
- SMP sales grew 20% YoY to EUR1.01b (v/s est. EUR0.97b), led by greenfield plants & Reydel. EBITDA margins were stable YoY (+160bp QoQ) to 4.2% (v/s est. 2.5%). Ex the green-field plants and Reydel, revenues declined 1% to EUR660m. EBITDA margin was at 9.8% (+50bp YoY, +120bp QoQ).
- PKC revenues grew 12% YoY to EUR307m (v/s est. EUR288m). EBITDA margins were at 11.7% (v/s est. 9.2%), a growth of 290bp YoY (+160bp QoQ).
- **Key takeaways from the call:** (a) The Hungary plant ramp-up is as expected and break-even should happen soon. (b) Alabama focus is to support Daimler on its on-going launches, post which it would focus on improving efficiencies and profitability. Company doesn't expect any material scope of further increase in losses hereon. (c) SMRPBV's order book stood at EUR18.4b (v/s EUR18.2b as at Mar'19), as it has won new order of EUR3.8b in 1HFY20, which was offset by EUR3.7b orders going into execution. (d) PKC performance is being driven by ramp-up in China and rolling stock business, which helped to offset impact of weak EU M&HCV volumes. (e) MSS needs to master the US market as it is a very important market and key for future growth of the company.
- **Valuation and view:** We are upgrading our EPS estimates by 3-5% for FY20/FY21 to factor in the better-than-estimated performance at PKC and SMP, as well as lowering of estimates for the India business. The stock trades at 29.1x/20x FY20E/FY21E consol. EPS. Maintain **Buy**.

Quarterly performance (Consol.)

(INR Million)

Y/E March	FY19				FY20				FY19	FY20E	FY20
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			
Net Sales	1,47,755	1,51,050	1,64,730	1,71,695	1,67,925	1,59,242	1,69,138	1,77,192	6,35,229	6,73,497	1,53,604
YoY Change (%)	13.0	12.6	14.5	11.4	13.7	5.4	2.7	3.2	12.8	6.0	1.7
EBITDA	14,121	13,001	13,934	12,428	12,550	13,190	13,844	15,364	53,484	54,948	11,277
Margins (%)	9.6	8.6	8.5	7.2	7.5	8.3	8.2	8.7	8.4	8.2	7.3
Depreciation	4,471	4,879	5,714	5,518	6,365	6,551	6,625	6,733	20,582	26,274	6,450
Interest	1,005	1,315	882	1,030	1,559	1,254	1,250	1,204	4,232	5,267	1,350
Other income	447	463	610	682	547	825	500	428	2,202	2,300	475
PBT before EO expense	9,093	7,269	7,948	6,562	5,173	6,211	6,469	7,854	30,872	25,707	3,952
Tax Rate (%)	36.0	35.4	33.9	37.8	34.3	30.1	30.5	30.0	35.7	31.0	31.0
Min. Int & Share of profit	1,389	982	1,365	-17	84	496	1,007	1,527	3,719	3,113	-667
Adj PAT	4,431	3,711	3,891	4,100	3,315	3,846	3,489	3,974	16,132	14,625	3,394
YoY Change (%)	21.8	-15.6	6.3	-23.1	-25.2	3.6	-10.3	-3.1	-5.2	-9.3	-8.5

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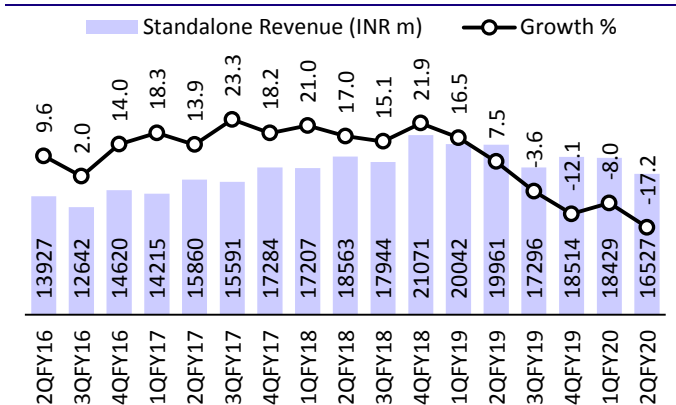
Investors are advised to refer through important disclosures made at the last page of the Research Report.

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

Continued slowdown in domestic auto industry impacted S/A business

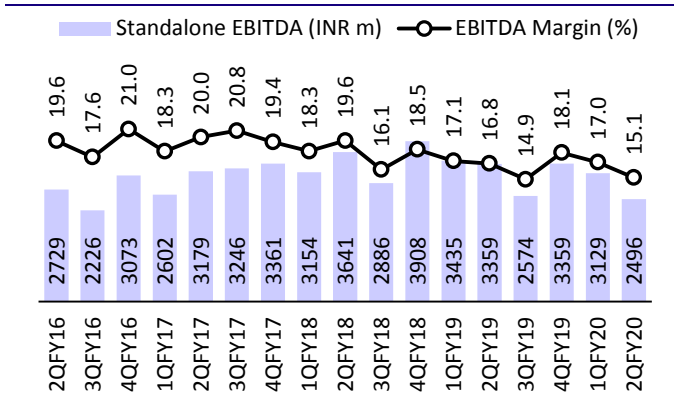
- S/A revenues declined by ~17% YoY to INR16.5b (est. of INR17.6b) due to weak OEM volumes as well as 7% decline copper prices (pass-through impact).
- EBITDA margins declined ~170bp YoY at 15.1% (v/s est. 16.6%) impacted by operating leverage.
- S/A PBT declined ~43% YoY on back of ~26% EBITDA decline and lower other income. PAT decline was restricted to ~36% to ~INR1.74b (v/s est. ~INR2.5b) due to lower tax.

Exhibit 1: Trend in standalone revenues and growth



Source: Company, MOFSL

Exhibit 2: Standalone EBITDA and EBITDA margins

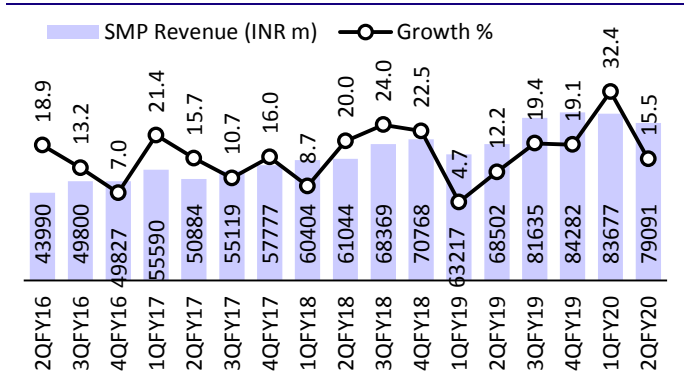


Source: Company, MOFSL

SMP: Good performance amid low expectations

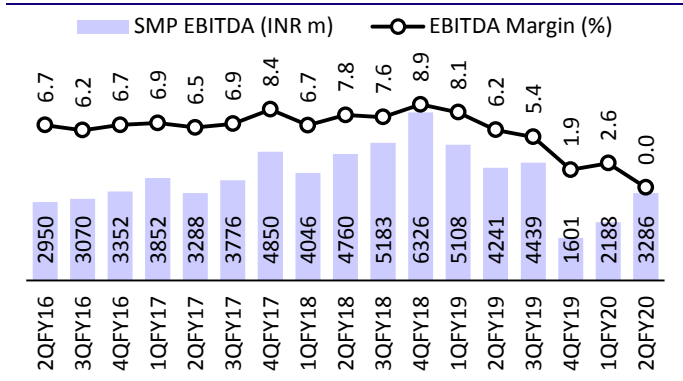
- SMP revenues grew ~20% YoY to ~EUR1.01b (v/s est. EUR0.97b), driven by green-field plants and Reydel.
- EBITDA margins were stable YoY (+160bp QoQ) to 4.2% (v/s est 2.5%). Improvement in SMP margin improvement (Ex SMRC & green-field) driven by erstwhile green-field plant getting more mature and efficiency drive.
- Excluding green-field plants and Reydel, revenues declined ~1% to EUR660m and EBITDA margins were at 9.8% (+50bp YoY, +120bp QoQ).
- This implies reduction in losses of green-field plants by ~EUR8m QoQ or ~80bp QoQ.

Exhibit 3: Trend in SMP revenues and growth



Source: Company, MOFSL

Exhibit 4: SMP EBITDA and EBITDA margins

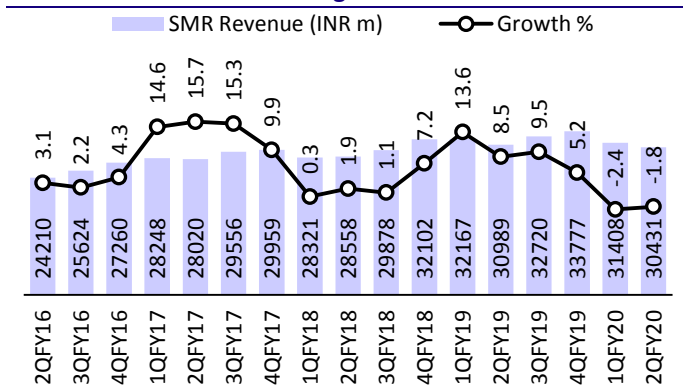


Source: Company, MOFSL

SMR – Stable performance

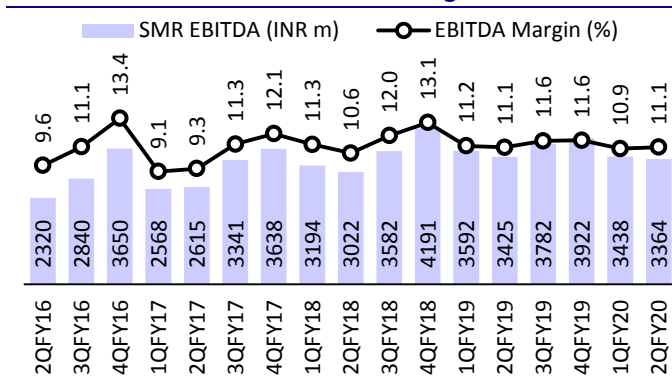
- SMR revenues grew ~2.4% YoY to ~EUR389m (v/s est. EUR384m).
- EBITDA margins were stable YoY at 11.1% (v/s est. 11.2%).

Exhibit 5: SMR revenues and growth



Source: Company, MOFSL

Exhibit 6: SMR EBITDA and EBITDA margins

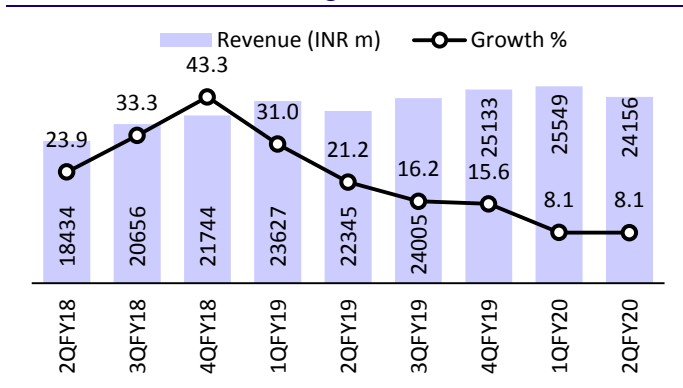


Source: Company, MOFSL

PKC: In-line performance

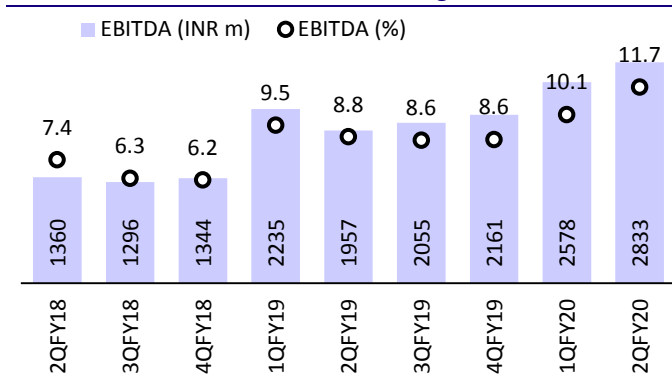
- PKC revenues grew ~12% YoY to EUR307m (v/s est. EUR288m).
- EBITDA margins at ~11.7% (v/s est. 9.2%), an expansion of 290bp YoY (+160bp QoQ).
- PKC performance is driven by ramp-up in China and rolling stock business, which helped to off-set impact of weak EU M&HCV volumes.
- PAT grew 81% YoY to EUR19m.

Exhibit 7: PKC revenues and growth



Source: Company, MOFSL

Exhibit 8: PKC EBITDA and EBITDA margins



Source: Company, MOFSL

Highlights from the earnings call

- Focus is on ramping up new plants; the Hungary plant ramp-up is as expected and break-even should happen soon.
- Alabama plant has been ramped to ~1,000 cars/ day (from 700-800 cars/ day in 1QFY20). Currently, focus is to support Daimler on its on-going launches. Once major launches are done by Mar'20, it would focus on improving efficiencies and profitability. It doesn't expect material scope of any further increase in losses hereon.
- Improvement in SMP margin improvement (Ex SMRC and green-field plants) is driven by erstwhile green-field plants getting more mature and driving efficiencies.
- In India, it expects double-digit increase in BS6 content for diesel PVs and M&HCVs.
- PKC performance is driven by ramp-up in China and rolling stock business, which helped to off-set impact of weak EU M&HCV volumes. Company is expanding the plant at Serbia and is putting up a new plant at Ras-Al-Khaimah.
- MSS needs to master the US market as it is very important and key for future growth for the company. SMP's experience at Alabama should also help the group to get better understanding of the US market.
- Maintains FY20 capex guidance of ~INR20b (1HFY20 at ~INR10.1b).

Valuation and view

- **On right side of global automotive megatrends:** The global automotive industry is at the cusp of disruption, led by megatrends in the form of (a) EVs, (b) connect cars, (c) autonomous cars, (d) shared mobility, (e) stricter emission norms, and (f) platform and vendor consolidation. These trends have the potential to disrupt the automotive supply chain and challenge incumbents. We believe, with its diverse product base and market presence, MSS is set to leverage on these trends to drive its next wave of growth.
- **PKC – Synergistic acquisition, opens up new businesses; Strong growth ahead:** PKC to benefit from continued healthy growth for Class 8 production trend for 2019, where for N.America Class 8 trucks as it enjoys ~62% market share of US Class 8 truck wiring harness and ~45% of revenues contribution from North America. PKC is also highly focused on the world's largest truck market – China, where it has three JVs targeting different customers. Lastly, PKC entered rolling stock business (~USD2b opportunity) in 2015. PKC has already won contract worth EUR280m from Bombardier since entering into global partnership in May 2016. It is in discussion with other OEMs to develop global supply chain for electrical system. PKC revenues are expected to grow at 1.5% CAGR over FY19-22E, with EBITDA margin expanding to 9.2% in FY22E (+30bp over FY19).
- **SMRPBV – The growth engine for MSS; SMP on track to improve margins, RoCE:** SMRPBV's order book growth lends us comfort in building ~12% revenue CAGR over FY19-21. As of Sep'19, order book stood at EUR18.4b. SMP is in a sweet spot, as revenue visibility is high and it is nearing the end of an amplified capex cycle. In the next 6-12 months, with all SMP's plants ramping up, it would derive twin benefits of operating leverage and non-recurrence of start-up costs. We estimate SMP's (incl. Reydel) revenue to grow at ~16.5% CAGR to EUR5.8b by FY22 and EBITDA margin to expand 420bp to ~8.5% by FY22, driven by

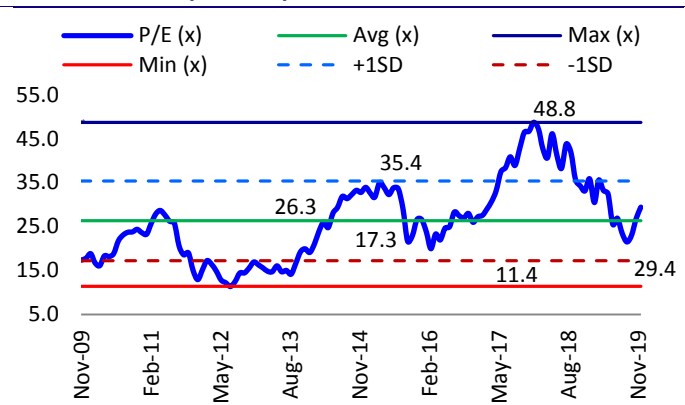
operating leverage and substantial reduction in start-up cost. SMR continues to be #1 PV mirror company globally and has gained share across markets through continuous innovation. We estimate ~2% CAGR in SMR's revenue to EUR1.7b by FY22 and EBITDA margin to expand by 70bp at 12% by FY22.

- Standalone business on strong footing; Beneficiary of high growth in domestic PV segment, premiumization:** The India wiring harness business is likely to grow faster than the PV industry, led by increase in content (due to ongoing premiumization). BS-6 would increase complexity of wiring harness and increase value by 20-50%. Also, it would open up the 2W segment for MSS, as 2Ws shift to electronic fuel injection systems with more sensors. MSS is already market leader in 2W wiring harness in EU. The India polymer (MATE) and elastomer (MAE) businesses are evolving from supporting to core businesses to growth drivers. Polymer business is focusing on leveraging its strengths in export markets like South Africa for global OEMs. We expect India standalone business to witness revenue/PAT CAGR of 4%/9% over FY19-22E.
- Valuation and view:** We are upgrading our EPS estimates by 3-5% for FY20/21 to factor in for better than estimated performance at PKC and SMP, as well as lowering of estimates for India business. However, EU business will see favorable base from Sep-19 onwards. Stabilization of SMP's green-field plant is critical to drive recovery in earnings for MSS and we estimate it reflect in FY21. This coupled with execution of strong order book and limited capex at SMPBV along with India business benefitting from content increase in BS6 augurs well for MSS. The stock trades at 29.1x/20x FY20E/21E consol. EPS. We are increasing our target multiple to 22x (from ~20x) as we value on Sep-21 which is an early-stage recovery for MSS. This is at over 30% discount to 10 year average PE. Maintain **Buy** with TP of INR167 (~22x Sep'21 Consol. EPS).

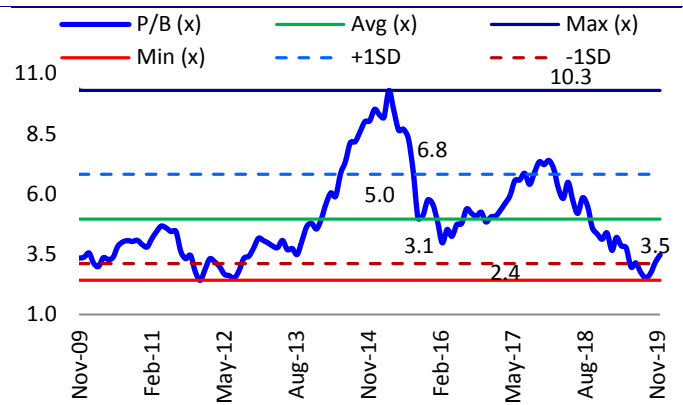
Exhibit 9: Revised forecast (Consol.)

(INR M)	FY20E			FY21E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	6,73,497	6,69,421	0.6	7,57,316	7,51,421	0.8
EBITDA	54,948	53,508	2.7	72,986	70,581	3.4
EBITDA (%)	8.2	8.0	20bp	9.6	9.4	20bp
Adj. PAT	14,625	14,185	3.1	21,287	20,186	5.5
EPS (INR)	4.6	4.5	3.1	6.7	6.4	5.5

Exhibit 10: MSS P/E and P/B band



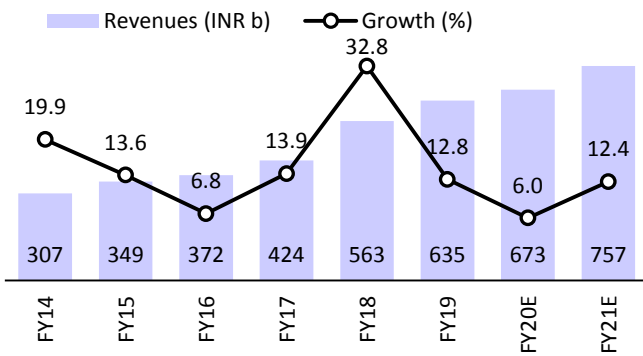
Source: MOFSL



Source: MOFSL

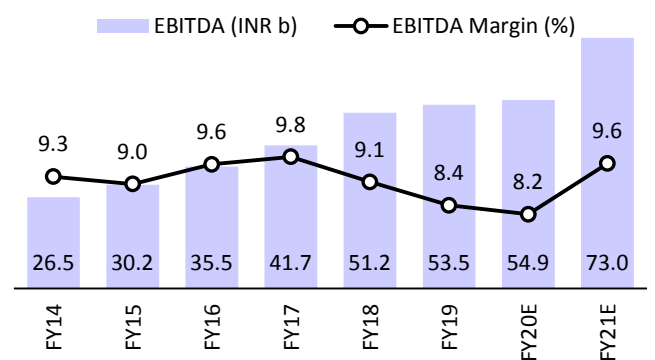
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Exhibit 11: Revenues and growth trend



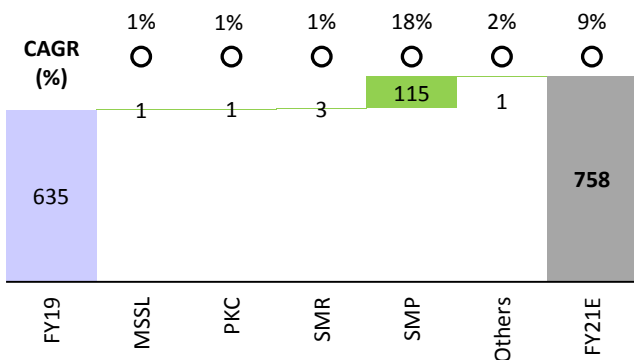
Source: Company, MOFSL

Exhibit 12: Consol. EBITDA and margin trend



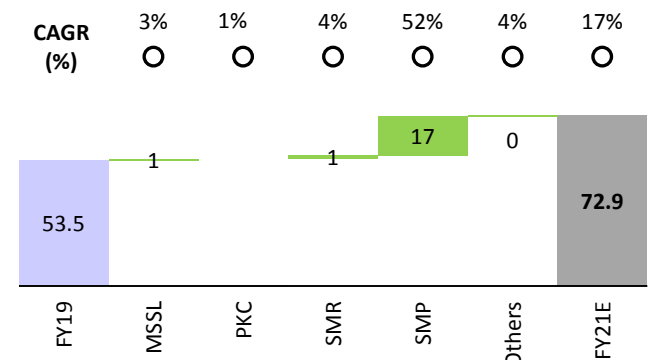
Source: Company, MOFSL

Exhibit 13: Business-wise consolidated revenue build-up



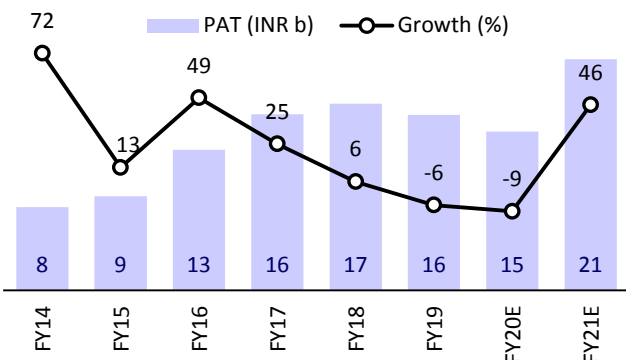
Source: Company, MOFSL

Exhibit 14: Business-wise EBITDA margin build-up



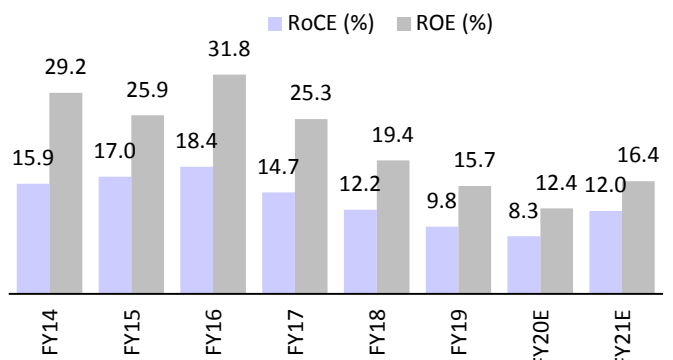
Source: Company, MOFSL

Exhibit 15: Consolidated PAT growth trend



Source: Company, MOFSL

Exhibit 16: Trend in return profile



Source: Company, MOFSL

Financials and Valuations

Consolidated - Income Statement							(INR M)
Y/E March	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Total Income from Operations	3,48,503	3,72,163	4,23,755	5,62,933	6,35,229	6,73,497	7,57,316
Change (%)	13.6	6.8	13.9	32.8	12.8	6.0	12.4
Raw Materials	2,16,314	2,23,737	2,57,507	3,43,121	3,67,383	3,73,862	4,01,723
Employees Cost	63,653	71,573	80,909	1,10,678	1,41,694	1,62,948	1,87,391
Other Expenses	38,325	41,372	43,671	57,908	72,668	81,738	95,217
Total Expenditure	3,18,292	3,36,682	3,82,087	5,11,707	5,81,745	6,18,549	6,84,331
% of Sales	91.3	90.5	90.2	90.9	91.6	91.8	90.4
EBITDA	30,211	35,481	41,668	51,226	53,484	54,948	72,986
Margin (%)	8.7	9.5	9.8	9.1	8.4	8.2	9.6
Depreciation	9,206	10,872	10,590	15,752	20,582	26,274	27,923
EBIT	21,005	24,609	31,078	35,474	32,902	28,674	45,062
Intrest Charges	3,178	3,450	3,749	4,108	4,232	5,267	4,545
Other Income	400	393	2,642	1,701	2,202	2,300	2,450
PBT bef. EO Exp.	18,227	21,552	29,971	33,067	30,872	25,707	42,968
EO Items	-56	0	-974	-1,777	0	0	0
PBT after EO Exp.	18,171	21,552	28,997	31,290	30,872	25,707	42,968
Total Tax	5,256	5,192	9,103	10,072	11,022	7,969	13,320
Tax Rate (%)	28.9	24.1	31.4	32.2	35.7	31.0	31.0
Minority Interest	4,291	3,437	4,350	5,249	3,719	3,113	8,361
Reported PAT	8,624	12,923	15,543	15,970	16,132	14,625	21,287
Adjusted PAT	8,664	12,923	16,058	17,024	16,132	14,625	21,287
Change (%)	13.2	49.2	24.3	6.0	-5.2	-9.3	45.6
Margin (%)	2.5	3.5	3.8	3.0	2.5	2.2	2.8

Consolidated - Balance Sheet							(INR M)
Y/E March	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Equity Share Capital	882	1,323	1,404	2,105	3,158	3,158	3,158
Total Reserves	33,135	39,786	53,265	63,015	81,569	91,594	1,06,185
Net Worth	37,320	43,971	82,727	93,178	1,12,785	1,22,810	1,37,401
Minority Interest	10,993	15,123	22,322	29,600	34,797	39,060	48,721
Total Loans	46,377	57,415	1,01,418	94,770	1,09,428	1,06,428	1,03,428
Deferred Tax Liabilities	-1,854	-3,604	-5,024	-6,266	-6,123	-6,123	-6,123
Capital Employed	92,836	1,12,905	2,01,443	2,11,282	2,50,888	2,62,175	2,83,427
Gross Block							
Less: Accum. Deprn.	1,23,415	80,462	1,35,237	1,74,332	1,90,917	2,11,515	2,30,066
Net Fixed Assets	65,151	11,924	33,590	51,138	71,720	97,994	1,25,917
Goodwill	58,264	68,538	1,01,647	1,23,194	1,19,197	1,13,521	1,04,149
Capital WIP	3,025	2,931	19,379	22,646	22,646	22,646	22,646
Total Investments	9,547	13,970	19,348	25,849	10,463	10,463	10,463
Curr. Assets, Loans&Adv.	255	591	684	2,467	2,389	2,389	2,389
Inventory							
Account Receivables	87,022	97,766	1,37,061	1,33,905	1,57,377	1,54,740	2,00,560
Cash and Bank Balance	20,025	22,850	30,716	40,132	46,635	42,440	47,721
Loans and Advances	37,700	46,537	46,552	56,236	61,663	60,892	68,470
Curr. Liability & Prov.	17,467	17,717	48,866	27,816	35,469	39,040	70,461
Account Payables	11,830	10,662	10,927	9,722	13,610	12,369	13,908
Other Current Liabilities	75,180	82,531	1,17,230	1,57,430	1,76,291	1,56,690	1,71,887
Provisions	46,401	51,627	73,003	90,640	1,06,613	1,19,407	1,33,735
Net Current Assets	27,712	29,478	42,600	65,168	67,213	35,117	35,715
Misc Expenditure	1,067	1,426	1,628	1,622	2,465	2,167	2,436
Appl. of Funds	11,842	15,235	19,831	-23,525	-18,914	-1,950	28,674

E: MOFSL Estimates

Financials and Valuations

Ratios

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Basic (INR)							
EPS	2.9	4.3	5.1	5.4	5.1	4.6	6.7
Cash EPS	4.9	6.5	7.1	9.1	9.7	10.3	12.7
BV/Share	12.5	14.8	26.2	29.5	35.7	38.9	43.5
DPS	0.8	1.0	0.9	1.5	1.5	1.3	1.8
Payout (%)	36.9	29.2	23.6	34.6	34.2	31.5	31.5
Valuation (x)							
P/E	46.2	31.0	26.5	25.0	26.3	29.1	20.0
P/BV	10.7	9.1	5.1	4.6	3.8	3.5	3.1
EV/Sales	0.6	0.6	0.6	0.6	0.8	0.7	0.6
EV/EBITDA	6.9	6.1	5.8	6.8	9.3	9.0	6.3
Dividend Yield (%)	0.6	0.8	0.7	1.1	1.1	0.9	1.4
FCF per share	11.7	1.9	7.3	1.1	17.8	5.2	14.5
Return Ratios (%)							
RoE	25.9	31.8	25.3	19.4	15.7	12.4	16.4
RoCE (post-tax)	17.0	18.4	14.7	12.2	9.8	8.3	12.0
RoIC	22.0	25.6	20.0	16.7	11.8	9.6	15.2
Working Capital Ratios							
Fixed Asset Turnover (x)	2.8	4.6	3.1	3.2	3.3	3.2	3.3
Asset Turnover (x)	3.8	3.3	2.1	2.7	2.5	2.6	2.7
Inventory (Days)	21	22	26	26	27	23	23
Debtor (Days)	39	46	40	36	35	33	33
Creditor (Days)	49	51	63	59	61	65	64
Leverage Ratio (x)							
Current Ratio	1.2	1.2	1.2	0.9	0.9	1.0	1.2
Interest Cover Ratio	6.6	7.1	8.3	8.6	7.8	5.4	9.9
Net Debt/Equity	0.8	0.9	0.6	0.7	0.6	0.5	0.2

Consolidated - Cash Flow Statement

(INR Million)

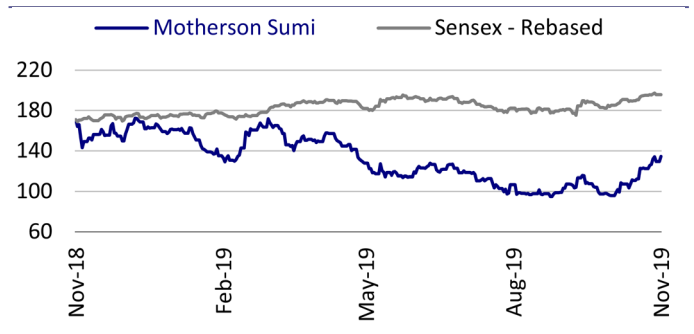
Y/E March	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
OP/(Loss) before Tax	18,175	22,929	31,801	34,448	30,872	25,707	42,968
Depreciation	9,206	10,872	10,591	15,752	20,582	26,274	27,923
Interest & Finance Charges	2,927	3,211	3,324	3,777	4,232	5,267	4,545
Direct Taxes Paid	-6,167	-6,899	-8,433	-10,048	-11,022	-7,969	-13,320
(Inc)/Dec in WC	12,650	-10,278	4,813	-14,820	11,524	-13,392	797
CF from Operations	36,791	19,835	42,096	29,109	56,188	35,887	62,913
Others	-2,894	2,049	-4,099	3,531	1,131	1,150	1,300
CF from Operating incl EO	33,897	21,884	37,997	32,640	57,319	37,037	64,213
(Inc)/Dec in FA	-18,390	-19,306	-27,789	-30,308	-1,200	-20,598	-18,552
Free Cash Flow	15,507	2,578	10,208	2,332	56,119	16,439	45,661
(Pur)/Sale of Investments	-10,434	-151	-39,675	-2,876	79	0	0
Others	295	396	203	1,243	0	0	0
CF from Investments	-28,529	-19,061	-67,261	-31,941	-1,121	-20,598	-18,552
Issue of Shares	0	0	25,277	0	8,994	0	0
Inc/(Dec) in Debt	11,380	7,150	34,092	-9,471	14,658	-3,000	-3,000
Interest Paid	-2,993	-3,227	-3,471	-3,944	-4,232	-5,267	-4,545
Dividend Paid	-3,539	-6,675	-826	-6,332	-5,518	-4,600	-6,696
Others	97	120	104	-2,467	0	0	0
CF from Fin. Activity	4,945	-2,632	55,176	-22,214	13,902	-12,868	-14,240
Inc/Dec of Cash	10,313	191	25,912	-21,515	70,100	3,571	31,421
Opening Balance	9,061	17,467	17,717	48,866	27,816	35,469	39,040
Closing Balance	19,374	17,658	43,629	27,351	97,916	39,040	70,461

Corporate profile

Company description

Motherson Sumi Systems (MSS) is the flagship company of the Samvardhana Motherson Group. The company was promoted in 1986 in JV with Sumitomo Wiring Systems and Sojitz Corporation of Japan. MSS had started out as a single product (wiring harness) company, but has since expanded its product range to include polymer products (through SMP), automotive mirrors (through SMR) and elastomers. Its recent acquisition of PKC (100% owned) strengthens MSS presence in commercial vehicle wiring harness segment.

Exhibit 1: Sensex rebased



Source: MOFSL/Bloomberg

Exhibit 2: Shareholding pattern (%)

	Sep-19	Jun-19	Sep-18
Promoter	61.7	61.7	61.7
DII	13.5	11.1	10.3
FII	15.0	16.4	17.1
Others	9.8	10.9	10.8

Note: FII Includes depository receipts

Source: Capitaline

Exhibit 3: Top holders

Holder Name	% Holding
Icici Prudential Mnc Fund	4.6
Sbi Equity Hybrid Fund	1.6
Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Children's Gift Fund	1.3
Hermes Investment Funds Plc On Behalf Of Hermes Global Emerging Markets Fund	1.1
Reliance Capital Trustee Co Ltd-A/C Reliance Capital Builder Fund 4 Sr A	1.0

Source: Capitaline

Exhibit 4: Top management

Name	Designation
Vivek Chaand Sehgal	Chairman
Laksh Vaaman Sehgal	Director
Nishimura Shunichiro	Director
Noriyo Nakamura	Director
Alok Goel	Company Secretary

Source: Capitaline

Exhibit 5: Directors

Name	Name
Arjun Puri	Naveen Ganzu
Gautam Mukherjee	Sushil Chandra Tripathi
Geeta Mathur	Pankaj K Mital

*Independent

Exhibit 6: Auditors

Name	Type
M R Vyas & Associates	Cost Auditor
S R Batliboi & Co LLP	Statutory
SGS Associates	Secretarial Audit

Source: Capitaline

Exhibit 7: MOFSL forecast v/s consensus

EPS (INR)	MOFSL forecast	Consensus forecast	Variation (%)
FY20	4.6	5.3	-13.1
FY21	6.7	6.6	0.8

Source: Bloomberg

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

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