

BSE SENSEX
78,017

S&P CNX
23,669



Stock Info

Bloomberg	MRCO IN
Equity Shares (m)	1295
M.Cap.(INRb)/(USDb)	809.4 / 9.4
52-Week Range (INR)	737 / 491
1, 6, 12 Rel. Per (%)	-4/0/19
12M Avg Val (INR M)	1626
Free Float (%)	40.9

Financials Snapshot (INR b)

Y/E Mar	2025E	2026E	2027E
Sales	107.8	119.3	131.3
Sales Gr. (%)	11.7	10.6	10.1
EBITDA	21.7	24.5	27.6
Margins (%)	20.1	20.6	21.0
Adj. PAT	16.4	18.3	20.0
Adj. EPS (INR)	12.7	14.1	15.4
EPS Gr. (%)	10.7	11.3	9.5
BV/Sh.(INR)	30.8	32.4	34.3

Ratios

RoE (%)	42.0	44.7	46.3
RoCE (%)	35.8	37.8	39.4
Payout (%)	88.5	86.7	87.4

Valuations

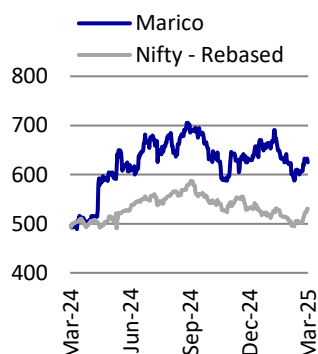
P/E (x)	49.3	44.3	40.5
P/BV (x)	20.3	19.3	18.2
EV/EBITDA (x)	36.7	32.4	28.7
Div. Yield (%)	1.8	2.0	2.2

Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	59.1	59.2	59.4
DII	12.9	11.2	10.0
FII	23.4	25.0	25.8
Others	4.6	4.6	4.9

FII Includes depository receipts

Stock's performance (one-year)



CMP: INR625

TP: INR775 (+24%)

Buy

Embarking on the portfolio diversification journey

- We met with the management of Marico (MRCO) to discuss industry trends, the company's growth across verticals, and its long-term strategies. MRCO is focused on achieving steady double-digit growth, driven by the gradually improving trajectory in its core categories, rapid scaling of new-age businesses, and stable growth in international markets. The company is shifting its focus towards value-added products, particularly in foods and premium personal care, with a target of 20-25% CAGR in these segments. Parachute and Saffola demand remain steady despite sharp price hikes (15-20%) implemented to mitigate input cost pressure. Within the Saffola franchise, Foods is expected to contribute more than half of the revenues (currently at ~30%) over the next 4-5 years. Marico's Digital business is growing rapidly, with Plix and Beardo showing strong progress. The company is expanding its direct reach in General Trade (GT) through Project SETU and is benefiting from the growth of Quick Commerce (QC), which now accounts for ~3% of India sales. Despite challenges in urban demand, the company's diversified portfolio and investment in digital channels are positions it for sustained healthy growth.
- The company expects double-digit revenue growth (missing for most peers) in FY26, driven by healthy volume growth, pricing, and continued momentum in the Foods and Premium Personal Care portfolios. While elevated input costs may weigh on margins in the near term, the long-term outlook remains positive, supported by a favorable product mix and premiumization. We reiterate our BUY rating on the stock with a TP of INR775 (based on 50x Mar'27E EPS).

Industry recovery slow but steady

Management indicated that the FMCG sector is currently witnessing a stable demand landscape. Rural demand is gradually improving, while urban demand is expected to recover over the next few quarters as inflation eases. Tax relief benefits can help drive consumption spends, particularly urban consumption. FY26 could see the benefits of supportive government schemes and a healthy crop season, which are expected to aid consumption.

PCNO may deliver 5-7% volume growth over the medium term

Parachute Coconut Oil (PCNO) is expected to deliver 5-7% volume growth going forward, primarily driven by the continued loose to branded conversion in the coconut oil segment. With the anniversary of price hikes starting from 2QFY26 onwards, the volume-value gap is expected to narrow.

VAHO expects stabilization in Amla category; mid and premium segments perform well

MRCO's Value-Added Hair Oil (VAHO) segment is expected to gradually recover moving forward. The volatility in the Amla category is expected to ease in the coming quarters. Within the VAHO category, the mid and premium segments continue to outperform the lower-end portfolio. This growth is supported by increased Above The Line (ATL) investments and brand activations by MRCO, along with continued improvements in rural consumption sentiment, which will help the company boost sales and market presence in these segments.

Naveen Trivedi – Research Analyst (Naveen.Trivedi@motilaloswal.com)

Tanu Jindal – Research Analyst (Tanu.Jindal@MotilalOswal.com)

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

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

Foods to post 20-25% CAGR; innovation pipeline strong

Currently, Saffola brand sales are split, with ~70% coming from oils and the remaining ~30% from foods. However, MRCO expects the Foods segment to contribute ~50% to the brand's sales over the next 4-5 years, driven by a high sales growth of over 20-25% in foods, while edible oils are likely to record mid-high single-digit growth. Saffola Oats remains the top brand in the oats market and continues to see strong double-digit growth. Additionally, MRCO's performance in honey and soya chunks has been healthy. These categories are expected to break even at EBITDA level once they achieve higher scale. While MRCO's Food category has a strong presence in Modern Trade (MT) and e-commerce channels, the company has the scope to achieve higher penetration in GT, a key area for potential improvement in its distribution strategy for the Foods segment.

New-age business to be the key growth driver for MRCO

The Foods and Premium Personal Care portfolios are expected to post 20-25% CAGR. Currently, these segments have an ARR of INR19b, contributing ~21% of total sales (9MFY25). Among these new businesses, Plix is expected to become an INR5b+ business in FY26, with positive margins. Beardo is on track to achieve double-digit EBITDA margins in FY25. MRCO is targeting double-digit EBITDA margins for its digital-first businesses by FY27. True Elements and Just Herbs continue to show strong growth momentum, and MRCO has successfully reduced cash burn in these brands. The digital-first portfolio is expected to reach an ARR of ~INR6b by FY25-end and scale to 2x the FY24 ARR in FY27. As a result, Foods and Premium Personal Care are expected to contribute ~25% of domestic revenue by FY27.

International business on steady growth trajectory

MRCO's international business posted 7% growth in INR terms for 9MFY25 compared to the previous year, with around 13% growth in constant currency growth terms, backed by broad-based growth across markets. The segment continues to perform well, and MRCO expects this momentum to continue with double-digit constant currency growth in the future. It also anticipates stable margins at current levels for the international business, signaling sustained profitability and strong market performance globally.

QC accounts for ~3% of sales, while GT continues to dominate

The company has seen impressive growth in QC, which is growing at 50+% YoY and now accounts for ~3% of MRCO's India sales. Along with e-commerce and modern trade, QC has helped MRCO further strengthen its new business segments by expanding its reach and tapping into evolving consumer preferences. Project SETU now covers 11 states and MRCO continues to drive efficient coverage across all geographies, ensuring a broader reach and more effective market penetration. In terms of domestic revenue mix, organized channels contribute ~30%, Canteen Stores Department (CSD) accounts for 6-7%, and GT remains the dominant channel, contributing 63-64%.

Double-digit growth aspirations with greater focus on value-added offerings

MRCO's product portfolio is gradually shifting its focus from traditional high-salience categories, like Parachute coconut oil and Saffola edible oils, towards a stronger emphasis on value-added products in the food segment, premium personal care, and its growing digital business. This strategic transition aligns with MRCO's medium-term aspiration of double-digit sales growth for its India business, alongside a similar trajectory for profitability. Additionally, the company remains open to inorganic growth opportunities in the food and personal care segments, provided these acquisitions are a strong brand fit and have the potential to drive profitable growth for the company.

Price anniversarisation to begin from 2QFY26

In response to the steep rise in input cost inflation, MRCO has implemented price hikes across its core portfolios, with PCNO seeing an increase of ~15% and Saffola edible oil witnessing ~20% price hike. Most key raw material prices have increased in recent months. However, copra is at the peak of the inflationary cycle and MRCO expects the prices to ease once the flush season begins in early Q1FY26. The company anticipates strong pricing growth in 4QFY25 and 1QFY26, with partial anniversarisation beginning 2QFY26 onwards for PCNO. The company has maintained its operating margin guidance at ~20% for FY25.

Valuation and view

- MRCO is well-positioned for sustained growth, driven by several key factors. The company is experiencing consistent market share gains in its core portfolios, accelerated growth in Foods and Premium Personal Care, and healthy performance in its international business, all of which are expected to strengthen its revenue trajectory in FY25-26. To expand its distribution reach, the company has launched Project SETU, a transformative initiative aimed at enhancing its direct reach in GT. This project is designed to drive growth by deepening market penetration and strengthening MRCO's presence across India. With these strategic initiatives in place, the company is focused on ensuring long-term profitability and further diversifying its business portfolio.
- We model 11%/13% revenue and EBITDA CAGR during FY25-27E and reiterate our BUY rating on the stock with a TP of INR775 (based on 50x Mar'27E EPS).

Exhibit 1: MRCO's market share of key categories in the India business

Brand	Market Share (%)	Rank
Coconut Oil Franchise	63	1st
Parachute Rigids within Coconut Oil	55	1st
Saffola Oats	41	1st
Value Added Hair Oils	28	1st
Post wash Leave-on Serums	47	1st
Hair Gels/Waxes/Creams	52	1st

Source: MOFSL, Company

Exhibit 2: MRCO's India business growth trend

Revenue Mix (%)	FY21	FY22	FY23	FY24	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Parachute Coconut Oil	43	40	39	37	34	31	34	34	34	33	33
Value Added Hair Oils	22	21	22	22	25	22	20	21	22	20	19
Saffola (Refined Edible Oil)	27	31	30	29	24	29	18	20	16	18	18
Others	8	8	10	12	17	18	28	25	28	29	30
FMCG Business India	100	100	100	100	100	100	100	100	100	100	100
Value growth (%)											
Parachute Coconut Oil	8	11	(5)	(2)	(5)	(1)	-	2	6	10	15
Value Added Hair Oils	(2)	14	5	2	-	1	3	(7)	(5)	(8)	(2)
Saffola (Refined Edible Oil)	25	36	(2)	(17)	(13)	(22)	(26)	(16)	(1)	2	24
FMCG Business India	12.2	18.8	0.4	(2.9)	(4.9)	(3.4)	(3.1)	(0.2)	7.4	8.0	17.2
Volume growth (%)											
Parachute Coconut Oil	6	5	2	3	(2)	1	3	2	2	4	3
Value Added Hair Oils	-	14	2	1	-	(1)	2	(4)	(2)	(3)	3
Saffola (Refined Edible Oil)	17	11	(1)	8	12	4	(5)	5	5	-	2
FMCG Business India	9	7	2	3	3	3	2	3	4	5	6

Source: MOFSL, Company

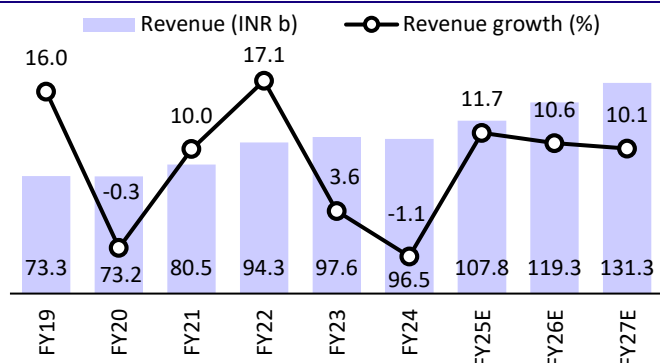
Exhibit 3: International business exposure of key FMCG players

Companies	~International revenue
Dabur	25%
Emami	17%
GCPL	44%
ITC	< 10%
Marico	25%

Source: MOFSL, Company

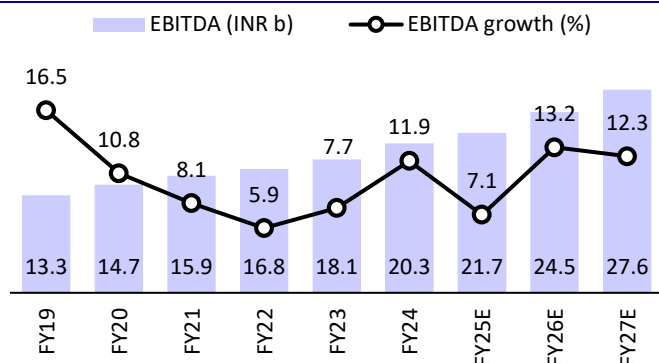
Story in charts

Exhibit 4: Revenue to post 11% CAGR over FY25-27E...



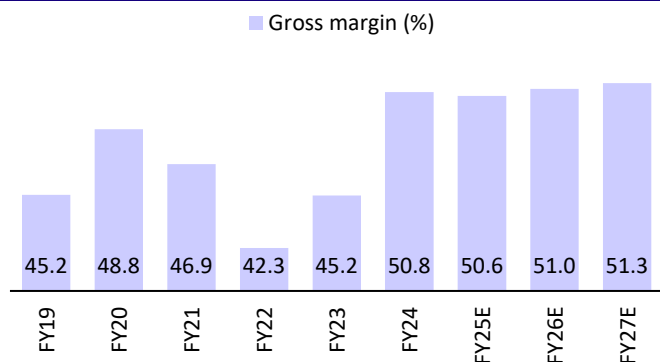
Source: MOFSL, Company

Exhibit 5: ...with EBITDA growing at 13% over the same period



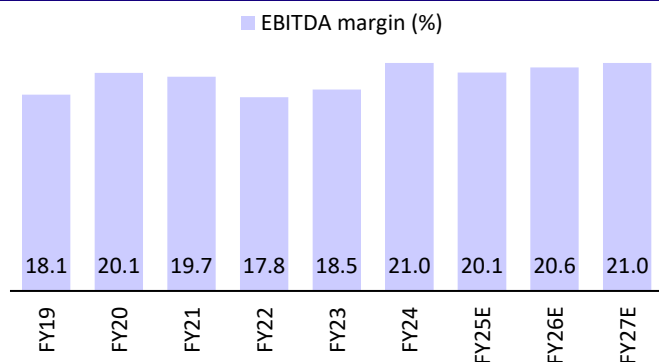
Source: MOFSL, Company

Exhibit 6: Gross margin to see modest margin expansion



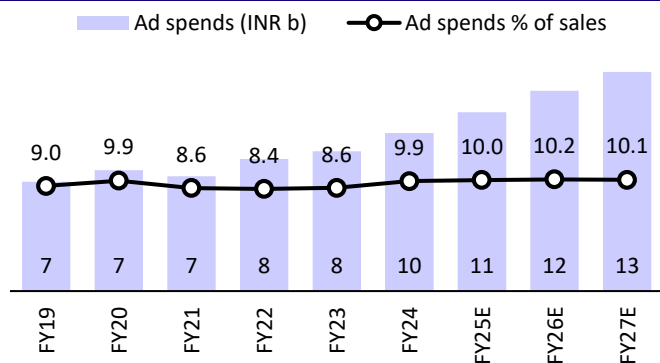
Source: MOFSL, Company

Exhibit 7: Similar trajectory for EBITDA margin



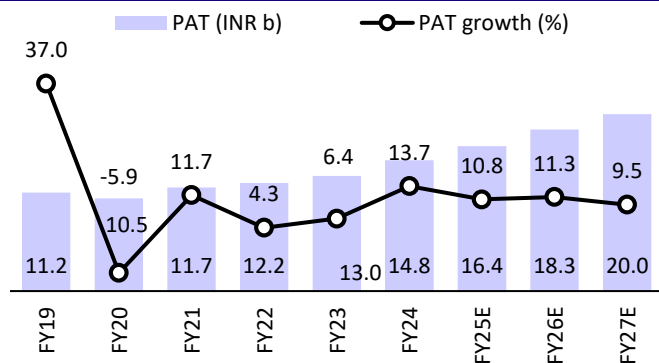
Source: MOFSL, Company

Exhibit 8: A&P spends remain steady at ~10% of sales



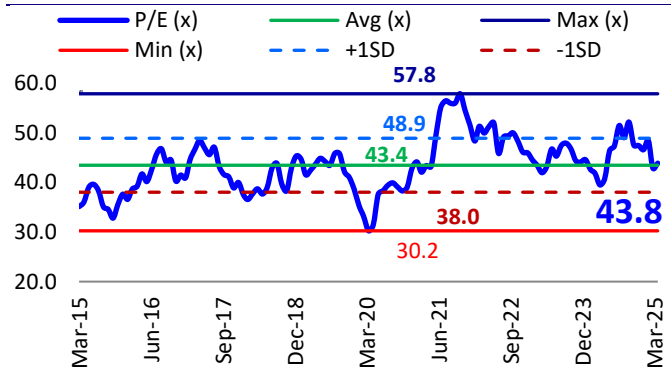
Source: MOFSL, Company

Exhibit 9: PAT to post ~13% CAGR over FY25-27E



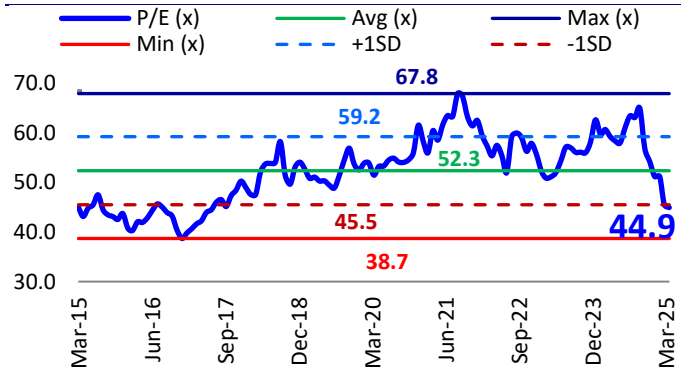
Source: MOFSL, Company

Exhibit 10: MRCO's P/E (x)



Source: Company, MOFSL

Exhibit 11: Consumer sector P/E (x) (ex-ITC)



Source: Company, MOFSL

Financials and valuations

Income Statement							(INR m)		
Y/E March	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Net Sales	73,336	73,150	80,480	94,266	97,640	96,530	1,07,831	1,19,292	1,31,309
Change (%)	16.0	-0.3	10.0	17.1	3.6	-1.1	11.7	10.6	10.1
COGS	40,170	37,450	42,740	54,360	53,510	47,480	53,269	58,453	63,948
Gross Profit	33,166	35,700	37,740	39,906	44,130	49,050	54,563	60,839	67,362
Margin (%)	45.2	48.8	46.9	42.3	45.2	50.8	50.6	51.0	51.3
Operating Expenses	19,910	21,010	21,860	23,096	26,030	28,790	32,872	36,293	39,786
EBITDA	13,256	14,690	15,880	16,810	18,100	20,260	21,691	24,546	27,576
Change (%)	16.5	10.8	8.1	5.9	7.7	11.9	7.1	13.2	12.3
Margin (%)	18.1	20.1	19.7	17.8	18.5	21.0	20.1	20.6	21.0
Depreciation	1,310	1,400	1,390	1,390	1,550	1,580	1,702	1,832	1,948
Int. and Fin. Charges	400	500	340	390	560	730	550	550	450
Other Income - Recurring	1,030	1,240	1,131	958	1,440	1,420	1,550	1,660	1,758
Profit before Taxes	12,576	14,030	15,281	15,988	17,430	19,370	20,989	23,823	26,935
Change (%)	12.6	11.6	8.9	4.6	9.0	11.1	8.4	13.5	13.1
Margin (%)	17.1	19.2	19.0	17.0	17.9	20.1	19.5	20.0	20.5
Current Tax (excl MAT Ent)	1,430	3,470	3,240	3,460	4,210	4,350	4,817	5,818	6,788
Deferred Tax	-170	-160	0	0	0	0	0	0	0
Tax Rate (%)	10.0	23.6	21.2	21.6	24.2	22.5	23.0	24.4	25.2
Minority Interest	-160	-220	-310	-290	-200	-210	-837	-1,013	-1,249
Profit after Taxes	11,156	10,500	11,731	12,238	13,020	14,810	16,403	18,255	19,995
Change (%)	37.0	-5.9	11.7	4.3	6.4	13.7	10.8	11.3	9.5
Margin (%)	15.2	14.4	14.6	13.0	13.3	15.3	15.2	15.3	15.2
Reported PAT	11,156	10,210	11,851	12,238	13,020	14,810	16,823	18,675	19,995

Balance Sheet

Y/E March	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Share Capital	1,290	1,290	1,290	1,290	1,290	1,294	1,295	1,295	1,295
Reserves	28,460	28,940	31,110	31,890	36,700	37,030	38,544	40,614	43,130
Net Worth	29,750	30,230	32,400	33,180	37,990	38,324	39,838	41,909	44,424
Minority Interest	120	130	180	570	1,570	3,370	4,207	5,220	6,469
Loans	3,490	3,350	3,480	3,450	4,750	3,830	3,250	3,050	2,850
Capital Employed	33,360	33,710	36,060	37,200	44,310	45,524	47,296	50,179	53,743
Gross Fixed Assets	11,180	12,650	15,450	17,910	22,240	28,590	31,090	33,090	35,090
Less: Accum. Depn.	-3,210	-4,070	-5,460	-6,850	-8,400	-9,980	-11,682	-13,514	-15,462
Net Fixed Assets	7,970	8,580	9,990	11,060	13,840	18,610	19,408	19,576	19,628
Capital WIP	450	580	240	390	670	440	440	440	440
Goodwill	5,030	5,380	6,130	6,540	8,620	8,630	8,630	8,630	8,630
Investments	4,500	7,330	8,540	8,280	10,960	6,020	6,020	6,020	6,020
Current	3,910	6,280	6,280	6,410	5,780	2,590	2,590	2,590	2,590
Non-current	590	1,050	2,260	1,870	5,180	3,430	3,430	3,430	3,430
Deferred Charges	0	0	0	0	0	0	0	0	0
Curr. Assets, L&A	29,120	26,560	28,340	29,420	33,910	39,830	37,444	42,626	48,748
Inventory	14,110	13,800	11,280	14,009	12,250	13,360	14,175	15,641	17,189
Account Receivables	5,170	5,390	3,880	6,520	10,150	10,690	6,793	7,515	8,272
Cash and Bank Balance	5,520	2,790	9,250	5,391	7,560	9,430	9,659	12,176	15,495
Others	4,320	4,580	3,930	3,500	3,950	6,350	6,818	7,293	7,791
Curr. Liab. and Prov.	15,600	16,250	18,200	19,270	23,370	25,900	22,537	25,003	27,612
Current Liabilities	3,880	4,240	5,190	4,430	7,260	8,780	9,658	10,624	11,686
Accounts Payable	9,440	9,780	11,340	13,440	14,520	15,810	11,369	12,638	13,919
Provisions	2,280	2,230	1,670	1,400	1,590	1,310	1,510	1,741	2,007
Net Current Assets	13,520	10,310	10,140	10,150	10,540	13,930	14,907	17,623	21,136
Deferred Tax Liability	1,890	1,530	1,020	780	-320	-2,110	-2,110	-2,110	-2,110
Application of Funds	33,360	33,710	36,060	37,200	44,310	45,520	47,296	50,179	53,743

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Basic (INR)									
EPS	8.6	8.1	9.1	9.5	10.1	11.4	12.7	14.1	15.4
Cash EPS	8.2	9.1	10.1	10.6	11.3	12.7	14.0	15.5	16.9
BV/Share	23.1	23.4	25.1	25.7	29.4	29.6	30.8	32.4	34.3
DPS	5.0	6.8	7.5	9.3	9.5	10.5	11.5	12.5	13.5
Payout %	57.8	85.3	81.6	97.5	94.1	91.7	88.5	86.7	87.4
Valuation (x)									
P/E	72.3	76.8	68.7	65.9	61.9	54.6	49.3	44.3	40.5
Cash P/E	76.1	68.5	62.0	59.1	55.3	49.3	44.7	40.3	36.9
EV/Sales	10.9	10.9	9.8	8.4	8.1	8.3	7.4	6.7	6.0
EV/EBITDA	60.3	54.4	49.9	47.4	43.8	39.3	36.7	32.4	28.7
P/BV	27.1	26.7	24.9	24.3	21.2	21.1	20.3	19.3	18.2
Dividend Yield (%)	0.8	1.1	1.2	1.5	1.5	1.7	1.8	2.0	2.2
Return Ratios (%)									
RoE	40.4	35.0	37.5	37.3	36.6	38.8	42.0	44.7	46.3
RoCE	37.7	33.1	35.3	35.0	33.5	34.7	35.8	37.8	39.4
RoIC	49.0	44.2	55.6	58.7	52.0	52.9	50.7	54.7	60.5
Working Capital Ratios									
Debtor (Days)	26	27	18	25	38	40	23	23	23
Asset Turnover (x)	2.2	2.2	2.2	2.5	2.2	2.1	2.3	2.4	2.4
Leverage Ratio									
Debt/Equity (x)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1

Cash Flow Statement

Y/E March	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
OP/(loss) before Tax	12,570	13,740	15,401	15,988	17,430	19,370	21,409	24,243	26,935
Others	-460	-100	-231	22	-580	-510	648	843	1,096
Depreciation	1,310	1,500	1,390	1,390	1,550	1,580	1,702	1,832	1,948
Interest Paid	-140	-220	340	390	70	-40	550	550	450
Direct Taxes Paid	-3,200	-2,900	-3,240	-3,460	-3,690	-3,780	-4,817	-5,818	-6,788
(Incr)/Decr in WC	210	330	7,230	-3,728	-590	-2,260	-931	-407	-434
CF from Operations	10,290	12,350	20,890	10,602	14,190	14,360	18,562	21,243	23,207
(Incr)/Decr in FA	-1,430	-1,860	-3,210	-3,020	-1,570	-1,350	-2,500	-2,000	-2,000
Free Cash Flow	8,860	10,490	17,680	7,582	12,620	13,010	16,062	19,243	21,207
(Pur)/Sale of Investments	1,030	-1,890	0	-130	-7,560	2,450	0	0	0
Others	609	130	-1,380	870	2,709	1,830	0	0	0
CF from Invest.	209	-3,620	-4,590	-2,280	-6,421	2,930	-2,500	-2,000	-2,000
Issue of Shares	0	0	225	453	90	340	1	0	0
(Incr)/Decr in Debt	-50	-690	130	-30	1,280	-910	-580	-200	-200
Dividend Paid	-6,820	-10,250	-9,675	-11,933	-6,070	-12,290	-14,890	-16,184	-17,479
Others	-110	-520	-520	-670	-900	-2,560	-364	-336	-204
CF from Fin. Activity	-6,980	-11,460	-9,840	-12,180	-5,600	-15,420	-15,833	-16,720	-17,883
Incr/Decr of Cash	3,519	-2,730	6,460	-3,858	2,169	1,870	229	2,518	3,319
Add: Opening Balance	2,001	5,520	2,790	9,250	5,391	7,560	9,430	9,659	12,176
Closing Balance	5,520	2,790	9,250	5,391	7,560	9,430	9,659	12,176	15,495

E: MOFSL Estimates

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	$\geq 15\%$
SELL	$< -10\%$
NEUTRAL	$< -10\%$ to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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

Disclosures

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

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

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

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage services transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>.

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

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

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.raiani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report.

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

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

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

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

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

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

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

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

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

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

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