

Estimate change	
TP change	
Rating change	

Bloomberg	HPCL IN
Equity Shares (m)	2128
M.Cap.(INRb)/(USDb)	844.6 / 10
52-Week Range (INR)	457 / 288
1, 6, 12 Rel. Per (%)	2/-1/6
12M Avg Val (INR M)	3183

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
Sales	4,341	3,332	3,409
EBITDA	166	193	204
Adj. PAT	67	94	94
Adj. EPS (INR)	32	44	44
EPS Gr. (%)	-58	39	1
BV/Sh.(INR)	240	269	298
Ratios			
Net D:E	1.3	1.1	1.0
RoE (%)	13.7	17.3	15.6
RoCE (%)	8.2	9.1	9.0
Payout (%)	33.2	34.1	35.4
Valuations			
P/E (x)	12.5	9.0	9.0
P/BV (x)	1.7	1.5	1.3
EV/EBITDA (x)	9.1	7.6	7.2
Div. Yield (%)	2.6	3.8	3.9
FCF Yield (%)	5.7	12.9	7.8

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	54.9	54.9	54.9
DII	23.6	21.8	22.2
FII	12.6	14.4	13.8
Others	9.0	8.8	9.1

FII Includes depository receipts

CMP: INR397

TP: INR455 (+15%)

Buy

Start-up of multiple projects set to boost earnings

- HPCL's 4QFY25 EBITDA was 61% above our est., fueled by higher-than-estimated GRM (USD8.5/bbl). GRM adj. for inventory gains stood at USD7.1/bbl. Marketing margin, though weaker than BP/IOC, stood in line with our estimates at INR4.5/lit. Resultant PAT stood 114% above our est. at INR33.5b.
- While we think the rally in OMC stocks is now entering the last phase, we still see a few positive catalysts: 1) 1QFY26 earnings will likely benefit from lower LPG under-recoveries due to an INR50/cyl domestic LPG price hike recently. The decline in propane prices as winter demand wanes provides additional upside; 2) Russian crude proportion for OMCs is expected to rise again in 1QFY26, supporting GRMs; 3) marketing business earnings momentum has remained robust.
- However, the earnings outlook for OMCs is clouded by: 1) expected inventory losses in 1QFY26 amid weak crude price environment (vs. inventory gain in 4QFY25) and 2) the risk of further excise duty hikes for MS/HSD, which can crimp marketing margins; historically OMCs have rarely made over INR8-10/ltr gross marketing margin on MS/HSD for more than two quarters (based on data for the last eight years).
- We continue to prefer HPCL among OMCs due to the following factors: 1) HPCL's higher leverage toward the marketing segment, 2) higher dividend yield as HPCL's capex cycle is tapering off, and 3) start-up of HPCL's multiple mega-projects in the next 12 months providing a push to earnings.
- HPCL currently trades at 1.5x FY26E P/B, slightly above its 10Y average P/B. We have a Buy rating on HPCL.

Key takeaways from the conference call

- In 4Q, INR6b/5.5b inventory gain pertained to refining/marketing.
- HRRL's CDU is expected to commence operations shortly, with MS/HSD production anticipated to begin by 3QFY26. HRRL will generate USD20/bbl integrated GRM (mid-cycle GRMs considered). Opex will be ~USD5-6/bbl.
- LPG cavern (80tmt) in Mangalore and Bottom Upgradation Unit at Visakh will be commissioned in 2QFY26.
- HPCL is targeting a capex of INR130b-140b in FY26. INR50b/INR50b/INR40b will be spent on Refining/Marketing/Equity contribution in JVs.
- HPCL's gas sales volume stood at 1mmmt+ (+40% YoY). It expects 25-30% YoY growth in volumes.

4Q beat fueled by robust refining performance

- HPCL's EBITDA stood at INR57.6b in 4QFY25 (61% beat).
- The beat was driven by higher-than-estimated GRM, which was 55% above our estimate at USD8.5/bbl.
- Refining throughput was in line with our estimate at 6.7mmmt. Marketing volumes stood at 12.7mmmt (est. 12.5mmmt).
- Marketing margin (including inv.) stood at ~INR4.5/lit (est. INR4.6/lit).
- LPG under-recovery stood at INR33b (similar QoQ), which we believe could be reversed in due course as LPG remains a controlled product.

Abhishek Nigam – Research Analyst (Abhishek.Nigam@MotilalOswal.com)

Rishabh Daga – Research Analyst (Rishabh.Daga@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.

- PAT came in 114% above our est. at INR33.5b. Other income and finance costs were below our estimates.
- In 4Q, HPCL had a forex gain of INR468m.
- In FY25, HPCL's SA net sales were flat YoY at INR4.3t, while EBITDA/RPAT declined 32%/50% to INR171b/73.7b.
- As of Mar'25, HPCL had a cumulative negative net buffer of INR109b due to the under-recovery on LPG cylinders (INR76b as of Dec'24).
- As of Mar'25, gross debt stood at INR633.2b (up INR93b QoQ).
- The Board recommended a final dividend of INR10.5/sh (FV: INR10/sh).

Valuation and view

- **HPCL** remains our preferred pick among the three OMCs. We model a marketing margin of INR3.3/lit for both MS and HSD in FY26/27, while the current MS and HSD marketing margins are above INR10/lit, respectively. We view the following as key catalysts for the stock: 1) the de-merger and potential listing of the lubricant business, 2) the commissioning of its bottom upgrade unit in 2QCY26, 3) the start of its Rajasthan refinery in FY26, and 4) LPG under-recovery compensation.
- HPCL currently trades at 1.5x FY26E P/B, which we believe offers a reasonable margin of safety as we estimate FY26E RoE of 17.3%. **We value the stock at our SoTP-based TP of INR455/sh. Reiterate BUY.**

Standalone - Quarterly Earning Model

Y/E March	FY24								FY25				FY24	FY25	4QE	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY24	FY25	FY25	Var				
	Net Sales	1,120	957	1,113	1,146	1,138	999	1,105	1,095	4,335	4,337	940	17%			
YoY Change (%)	-2.2	-11.7	1.6	6.1	1.6	4.4	-0.7	-4.4	-1.6	0.0	-18.0					
Total Expenditure	1,024	871	1,092	1,097	1,117	972	1,041	1,037	4,084	4,167	904	15%				
EBITDA	95	86	21	49	21	28	65	58	251	171	36	61%				
Margins (%)	8.5	9.0	1.9	4.2	1.8	2.8	5.8	5.3	5.8	3.9	3.8					
Depreciation	14	12	13	16	15	15	15	16	56	61	15.5					
Forex loss	-1	4	0	1	0	0	5	0	3	4	0.0					
Interest	6	6	6	7	7	9	9	7	25	33	8.4					
Other Income	6	3	6	9	6	6	5	8	24	24	9.1					
PBT	83	67	8	33	5	8	40	43	192	96	20.9	106%				
Tax rate (%)	25.5	24.1	31.1	14.2	24.5	24.4	24.6	22.1	23.3	23.5	25.2					
Reported PAT	62	51	5	28	4	6	30	34	147	74	15.7	114%				
YoY Change (%)	LP	LP	206.8	-11.8	-94.3	-87.7	471.4	18.0	LP	-49.9	-44.9					
Key Assumptions																
Refining throughput (mmt)	5.4	5.8	5.3	5.8	5.8	6.3	6.5	6.7	22.3	25.3	6.6	2%				
Reported GRM (USD/bbl)	7.4	8.3	14.0	6.9	5.0	3.1	6.0	8.5	9.2	5.7	5.5	55%				
Marketing sales volume incl exports (mmt)	11.9	10.7	11.9	12.3	12.6	11.6	12.9	12.7	46.8	49.8	12.5	2%				
Marketing GM incl inv (INR/litre)	8.4	7.3	1.4	4.8	3.0	4.2	5.7	4.5	5.5	4.4	4.6	-1%				

SoTP-based valuation

Particulars	Earning metric	Val metric	Multiple	Amount (INR m)
HPCL standalone	Dec'26E EBITDA	EV/EBITDA	6.0	12,23,388
(-) Standalone FY27E Net Debt				6,18,331
Standalone Market Cap				6,05,057
+ Lubricant business- value unlocking	FY24 EBITDA	10,000	EV/EBITDA	8.0
+ MRPL	MOFSL TP	35,650		35,650
+ HMEL	FY24 PAT	9,310	P/E	10.0
+ Chhara terminal	Book Value	12,232	P/B	1.0
+ HRRL	Equity invested till date		P/B	0.5
SoTP				9,66,038
(/) shares outstanding				2,128
TP (INR/share)				455

Key assumptions for HPCL

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY26E
Exchange Rate (INR/USD)	70.0	70.9	74.3	74.5	80.4	82.8	84.6	86.0	86.2
Brent Crude (USD/bbl)	70.1	61.2	44.4	80.5	96.1	83.0	78.6	65.0	65.0
Market Sales (MMT)	38.7	39.6	36.6	39.1	43.5	46.8	49.8	51.6	53.7
YoY (%)	5	2	(8)	7	11	8	6	4	4
GRM (USD/bbl)	5.0	1.0	3.9	7.2	12.1	9.1	5.7	6.2	6.5
Singapore GRM (USD/bbl)	4.9	3.2	0.5	5.0	10.7	6.6	3.8	5.0	5.0
Prem/(disc) (USD/bbl)	0	(2)	3	2	1	2	1.9	1.2	1.5
Total Refinery throughput (MMT)	18.4	17.2	16.4	14.0	19.1	22.3	25.3	27.0	27.0
YoY (%)	1%	-7%	-4%	-15%	37%	17%	13%	7%	0%
Refining capacity utilization (%)	117%	109%	104%	88%	85%	91%	103%	110%	110%
Blended marketing margin incld inventory (INR/lit)	4.3	4.0	6.3	4.3	(0.8)	5.5	4.4	4.5	4.5
Consolidated EPS	31.4	17.1	50.1	34.3	-32.8	75.2	31.6	44.0	44.2


Highlights from the management commentary
Robust operational performance:

- HPCL achieved its highest-ever refinery throughput of 25.3mmt.
- The Visakh Refinery, following its recent expansion, operated at full capacity and processed over ~15mmt of crude oil. The Mumbai Refinery also processed ~10mmt of crude oil.
- Additionally, HPCL recorded its highest-ever sales volume of 49.8mmt, marking a domestic market sales growth of 5.5% (industry average growth rate: 4.2%).
- The company achieved a record-high pipeline throughput of 26.9mmt during FY25.
- A total of 1,725 new retail outlets were commissioned in FY24-25, bringing HPCL's nationwide network to 23,747 outlets.

Inventory gain/losses:

- In 4Q, INR6b/5.5b inventory gain pertains to refining/marketing.
- In FY25, INR5.5b/INR5b inventory loss pertains to refining/marketing.

HRRL:

- The CDU is expected to commence operations, with MS/HSD production targeted to begin by 3QFY26.
- Petchem unit will begin from Jan'26.
- Debt as of Mar'25 amounts to INR350b. Total debt tie-up: INR480b.
- At full capacity, HRRL will generate USD20/bbl integrated GRM (mid-cycle GRMs considered). Opex will be ~USD5-6/bbl.
- Product slate: Gasoline/Diesel and Petrochemicals only (no other products).
- Barmer crude proportion: 20% of total (at certain discount).
- Management believes that HRRL could cover depreciation and interest cost from EBITDA generated by HRRL post commissioning.

Update on ongoing projects:

- LPG cavern (80tmt) (underground LPG storage) in Mangalore will be commissioned in 2QFY26.
- Bottom Upgradation Unit, Visakh: Pre-commissioning activities have been completed, along with the commissioning of utilities. Inspections by OISD and

PESO have also been concluded, with PESO approval granted in Apr'25. The unit is now preparing for commissioning in 2QFY26.

- It will take a few weeks post commissioning for full operations to stabilize.

Capex & Debt

- FY26 capex target: INR130b-140b (INR50b/INR50b/INR40b on Refining/Marketing/Equity contribution in JVs).
- Next phase of capex will start after the consolidation of ongoing projects.
- SA D/E ratio is expected to reduce from 1.4x to 1.1x. Long-term debt is likely to decrease YoY.

Marketing segment:

- Diesel sales: HPCL is not facing any issues in evacuating Diesel sales currently.
- Current LPG under-recovery: INR165-170/cyl.
- Domestic vs commercial LPG sale volume proportion: 90% of LPG volumes are domestic volumes.
- Excise duty increase on MS/HSD will be used for compensating OMCs against LPG under-recovery.
- FY25 market share: 24.76%/20%+ in motor fuels/all products. 4QFY25 motor fuel market share stood at 24.2%.

CGD

- Sale volume: 1mmt+ gas sales in total (+40% YoY). HPCL expects 25-30% growth in volumes.
- 600+ retail outlets in HPCL's GAs (all HPCL GAs are profitable). Total 2100+ retail outlets.
- Capex: INR10b-11b capex is being incurred and this run rate will be maintained.

HMEC:

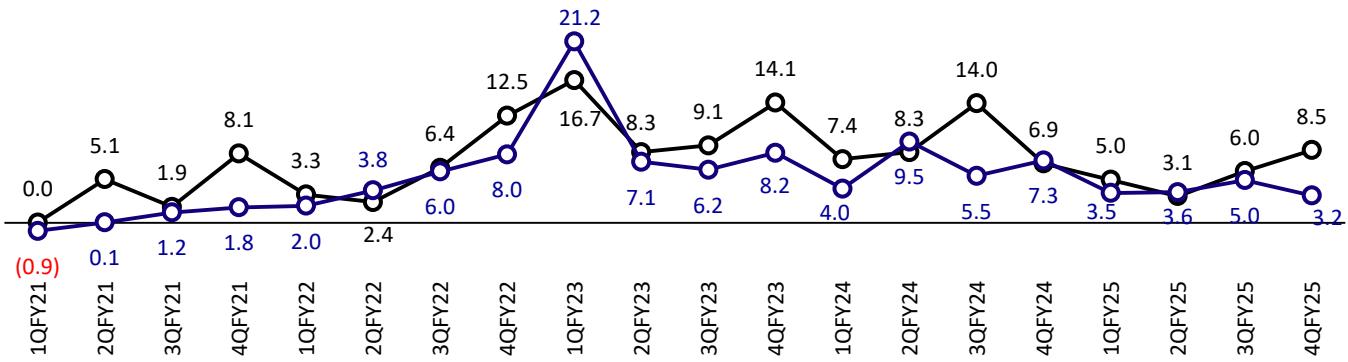
- During 4Q/FY25, refinery GRM was at USD12/9.3 per bbl.
- As of Mar'25, HMEC's ND stood at INR330b.
- In FY25, PAT was negative, while EBITDA stood at ~INR40b. In 4QFY25, HMEC's EBITDA stood at INR18b (7% EBITDA margin).

Story in charts – 4QFY25

Exhibit 1: Reported GRM stood at USD8.5/bbl, up 23% YoY

(In USD/bbl)

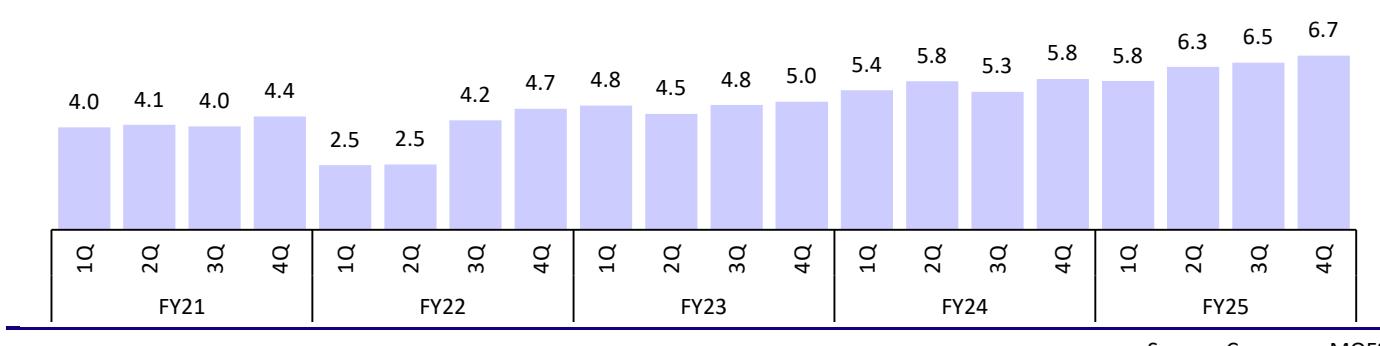
—●— HPCL Reported GRM —○— Singapore GRM



Source: Company, MOFSL

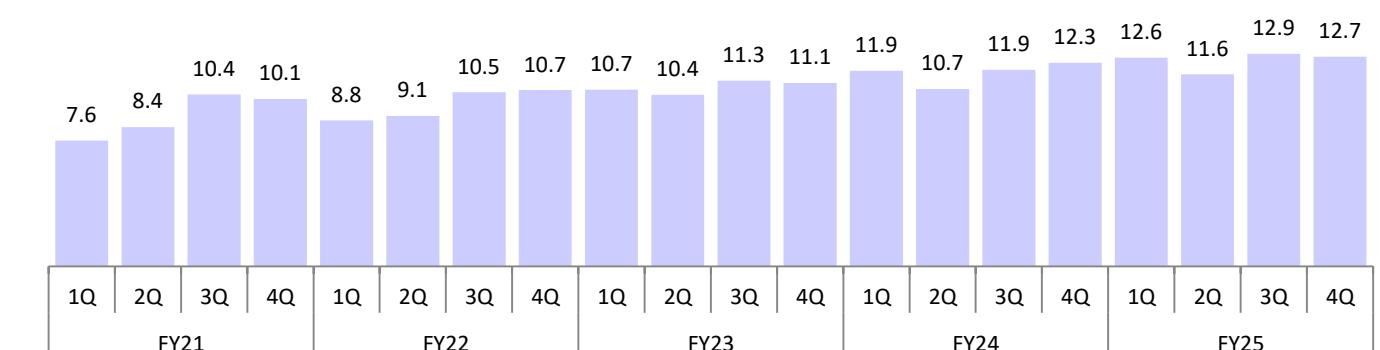
Exhibit 2: Throughput was 6.7mmt, up ~15% YoY

Refinery throughput (mmt)



Source: Company, MOFSL

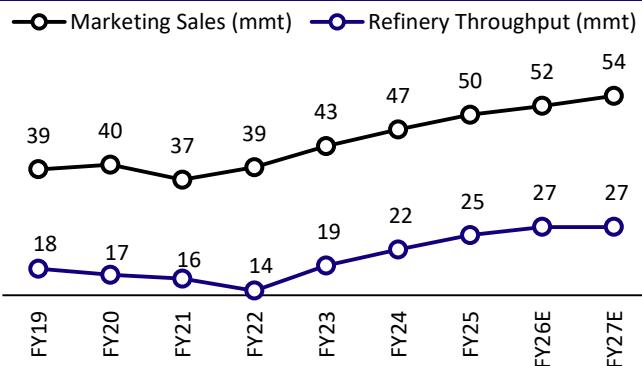
Exhibit 3: Marketing volumes grew ~3% YoY to 12.7mmt



Source: Company, MOFSL

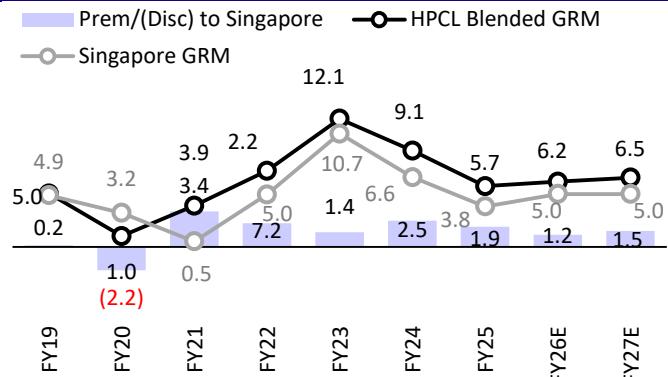
Story in charts

Exhibit 4: Refining throughput/marketing sales of HPCL



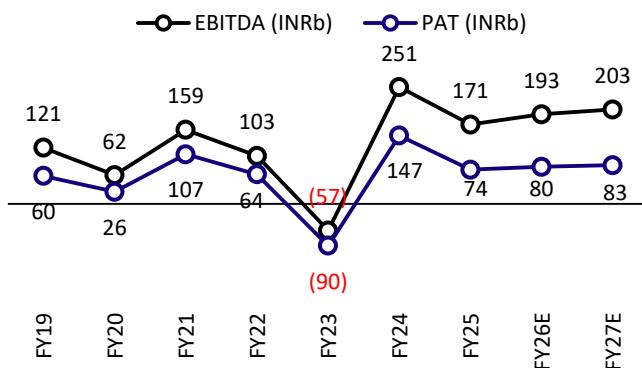
Source: Company, MOFSL

Exhibit 5: GRM trend of HPCL



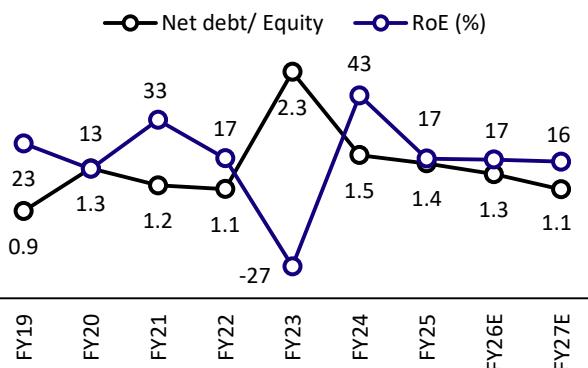
Source: Company, MOFSL

Exhibit 6: EBITDA vs. PAT (standalone)



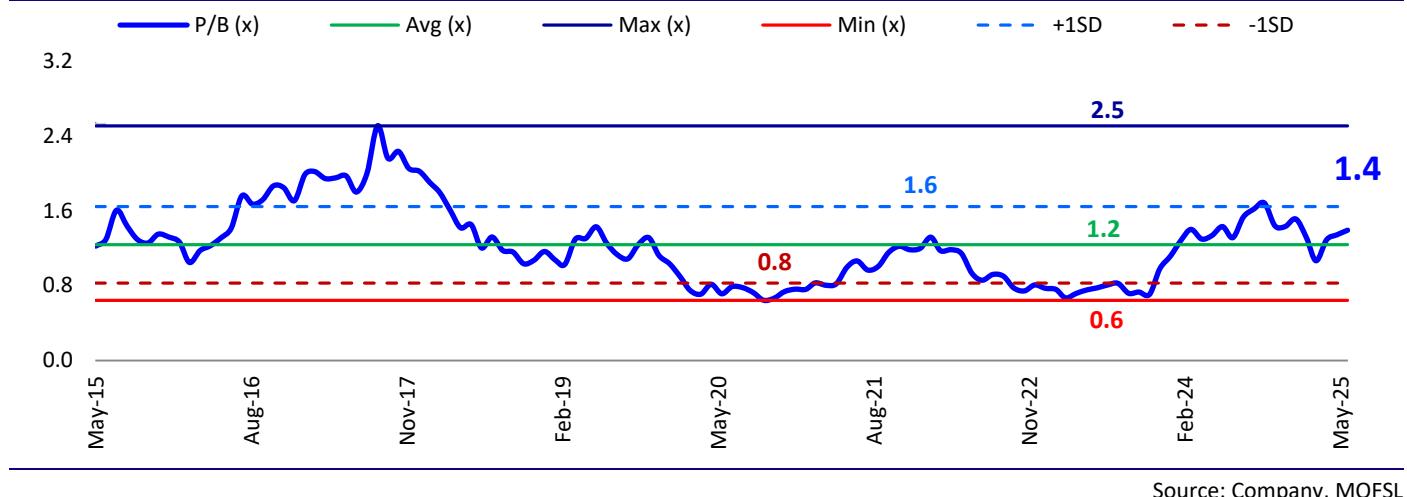
Source: Company, MOFSL

Exhibit 7: Standalone ratios



Source: Company, MOFSL

Exhibit 8: HPCL – One-year forward P/B trades at 1.4x (long-term P/B average at 1.2x)



Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement						(INR b)
Y/E March	FY23	FY24	FY25	FY26E	FY27E	
Total Income from Operations	4,407	4,339	4,341	3,332	3,409	
Change (%)	26%	-2%	0%	-23%	2%	
EBITDA	-72	249	166	193	204	
Margin (%)	-1.6	5.7	3.8	5.8	6.0	
Depreciation	46	56	62	67	73	
EBIT	-118	193	104	126	131	
Interest Charges (incls forex)	22	26	34	36	38	
Other Income	15	19	21	24	28	
PBT bef. JVs/associates EO	-125	187	91	114	121	
EO Items	0	0	0	0	0	
JV and Associate Income	25	18	-1	11	5	
PBT after EO Exp.	-100	205	90	125	126	
Tax Rate (%)	30.1	21.9	25.2	25.2	25.2	
Reported PAT	-70	160	67	94	94	
Adjusted PAT	-70	160	67	94	94	
Change (%)	PL	LP	-58%	39%	1%	
Margin (%)	-1.6	3.7	1.6	2.8	2.8	

Consolidated - Balance Sheet						(INR b)
Y/E March	FY23	FY24	FY25	FY26E	FY27E	
Equity Share Capital	14	14	21	21	21	
Total Reserves	308	455	490	552	613	
Net Worth	323	469	511	573	634	
Total Loans	671	628	664	704	746	
Deferred Tax Liabilities	29	69	77	77	77	
Capital Employed	1,023	1,167	1,253	1,354	1,457	
Net Fixed Assets	681	795	859	891	918	
Capital WIP	256	201	180	215	250	
Total Investments	189	295	270	270	270	
Curr. Assets, Loans&Adv.	447	489	596	561	607	
Inventory	296	342	383	294	301	
Account Receivables	68	93	118	90	93	
Cash and Bank Balance	7	5	3	84	121	
Cash	5	3	2	83	120	
Bank Balance	2	2	1	1	1	
Loans and Advances	11	13	53	53	53	
Others	64	36	40	40	40	
Curr. Liability & Prov.	591	661	695	625	631	
Account Payables	229	273	298	229	234	
Other Current Liabilities	334	353	360	360	360	
Provisions	28	35	36	36	36	
Net Current Assets	-144	-172	-99	-65	-24	
Appl. of Funds	1,023	1,167	1,253	1,354	1,457	

Financials and valuations

Ratios

Y/E March	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)					
EPS	-32.8	75.2	31.6	44.0	44.2
Cash EPS	-11.4	101.5	60.6	75.7	78.3
BV/Share	151.6	220.5	240.3	269.3	297.8
DPS	0.0	21.0	10.5	15.0	15.7
Payout (%)	0.0	27.9	33.2	34.1	35.4
Valuation (x)					
P/E	-12.1	5.3	12.5	9.0	9.0
Cash P/E	-34.9	3.9	6.6	5.2	5.1
P/BV	2.6	1.8	1.7	1.5	1.3
EV/Sales	0.3	0.3	0.3	0.4	0.4
EV/EBITDA	-20.9	5.9	9.1	7.6	7.2
Dividend Yield (%)	0.0	5.3	2.6	3.8	3.9
FCF per share	-60.2	65.3	22.5	51.2	31.0
Return Ratios (%)					
RoE	-19.0	40.4	13.7	17.3	15.6
RoCE	-7.8	15.9	8.2	9.1	9.0
RoIC	-16.2	24.4	10.6	11.9	12.2
Working Capital Ratios					
Fixed Asset Turnover (x)	4.6	3.9	3.5	2.5	2.4
Asset Turnover (x)	4.3	3.7	3.5	2.5	2.3
Inventory (Days)	24	29	32	32	32
Debtor (Days)	6	8	10	10	10
Creditor (Days)	19	23	25	25	25
Leverage Ratio (x)					
Current Ratio	0.8	0.7	0.9	0.9	1.0
Interest Cover Ratio	-5.4	7.6	3.1	3.5	3.5
Net Debt/Equity	2.1	1.3	1.3	1.1	1.0

Consolidated - Cash Flow Statement

(INR b)

Y/E March	FY23	FY24	FY25	FY26E	FY27E
OP/(Loss) before Tax					
OP/(Loss) before Tax	-100	205	90	125	126
Depreciation	46	56	62	67	73
Interest expense	22	26	34	36	38
Interest income and dividend	-4	-4	-4	0	0
Direct Taxes Paid	-2	-3	4	-31	-32
MI and others	-10	-13	1	0	0
(Inc)/Dec in WC	13	-28	-44	47	-4
CF from Operations	-35	239	142	244	201
(Inc)/Dec in FA	-93	-99	-94	-135	-135
Free Cash Flow	-128	139	48	109	66
Others	12	4	-31	0	0
CF from Investments	-114	-130	-106	-135	-135
Inc/(Dec) in Debt	213	-100	26	40	42
Interest Paid	-32	-41	-44	-36	-38
Dividend Paid	-20	-21	-23	-32	-33
CF from Fin. Activity	151	-111	-38	-28	-29
Inc/Dec of Cash	3	-2	-1	81	37
Opening Balance	2	5	3	2	83
Closing Balance	5	3	2	83	120

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

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

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall 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://onlinereports.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 service 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.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does 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 an officer, director or employee of subject company(ies).

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(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or 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 alterations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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

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

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

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

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

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

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