

# P N Gadgil Jewellers

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	PNGJL IN
Equity Shares (m)	136
M.Cap.(INRb)/(USD\$)	73.8 / 0.9
52-Week Range (INR)	848 / 474
1, 6, 12 Rel. Per (%)	-7/-27/-
12M Avg Val (INR M)	568

## Financials & Valuations (INR b)

Y/E March (INR b)	FY25	FY26E	FY27E
Sales	76.9	93.8	115.8
Sales Growth (%)	25.9	22.0	23.5
EBITDA	3.5	4.8	6.1
Margins (%)	4.6	5.1	5.2
Adj. PAT	2.4	2.9	3.7
Adj. EPS (INR)	17.4	21.3	27.4
EPS Growth (%)	32.5	22.1	28.7
BV/Sh.(INR)	114.5	135.8	163.1

## Ratios

Debt/Equity	0.5	0.5	0.5
RoE (%)	22.6	17.0	18.3
RoIC (%)	18.8	16.1	17.5

## Valuations

P/E (x)	31.2	25.6	19.9
EV/EBITDA(x)	19.7	14.1	10.8

## Shareholding Pattern (%)

As On	Mar-25	Dec-24
Promoter	83.1	83.1
DII	5.5	5.3
FII	0.7	1.9
Others	10.8	9.6

FII includes depository receipts

**CMP: INR544 TP: INR825 (+52%) Buy**

## Robust retail growth; focus on store expansion

- PN Gadgil Jewellers (PNG) delivered consolidated revenue growth of 5% YoY to INR15.9b (est. INR16.6b) in 4QFY25. Retail revenue surged ~50% YoY, while e-commerce and franchisee revenues grew by 244% and 37% YoY, respectively. Transaction volume increased by 40% YoY and average transaction value (ATV) was at INR77,000. The discontinuation of refinery sales from 3QFY25 onward impacted the reported revenue.
- PNG expanded its footprint with five new store openings in 4Q, bringing the total to 53 (41 COCO, 12 FOCO) across 27 cities. The company plans to add 25 more stores in FY26, with 6-7 COCO stores, 6-7 FOCO stores, and 12-13 stores under the 'LiteStyle by PNG' brand (small-size stores with a focus on youth/modern design).
- Gross margin expanded by 160bp YoY to 12% in 4QFY25 (est. 10.3%). As PNG started hedging after its IPO (Sep'24), there was no inventory gain in 4QFY25, unlike the INR180m inventory gain recorded in FY24 (mainly in 4QFY24). As per our estimates, adjusting for refinery sales and inventory gains in base, like-to-like gross margin was up ~50bp YoY. GP margin improvement was supported by 31% YoY growth in studded jewelry, which led to a 200bp increase in the studded mix to 8% in 4QFY25. The company continues to focus on enhancing its studded jewelry contribution and expanding its LiteStyle format stores, which deliver higher gross margins of 15-16%. We estimate EBITDA margin of 5.1%-5.2% for FY26 and FY27.
- We model a CAGR of 23% in sales, 31% in EBITDA, and 25% in APAT over FY25-27E. With the successful execution of store rollouts, an effective gold hedging policy, and margin expansions, we reiterate our BUY rating on the stock with a TP of INR825 at 30x FY27E EPS.

## Retail performance inspiring; store expansion on track

- **In-line sales growth:** PNG's consolidated sales rose 5% YoY to INR15.9b (est. INR16.6b) in 4QFY25. Retail revenue grew 50% YoY to INR12.9b. Franchisee revenue grew 37% YoY to INR1.9b. E-commerce revenue was up 244% YoY at INR907m. Due to lower bullion sales, reported numbers appear lower than the underlying performance. Footfalls increased by 38%, supported by a strong conversion rate of 92%. The festive season remained a key growth driver, with Gudi Padwa sales rising 40% YoY.
- **Flat operating margins:** Gross margin expanded by 160bp YoY to 12% (est. 10.3%). Employee expenses rose 32% YoY and other expenses increased 45% YoY. EBITDA margin was flat YoY at 5.9% (est. 5.3%). The base quarter included refinery sales and inventory gains. Like-to-like EBITDA margin rose 20bp to 5.9%. Studded ratio improved 200bp YoY to 8% vs. 6% in 4QFY24. Studded revenue grew 31% YoY. EBITDA grew 6% YoY to INR941m. PAT grew by 13% YoY to INR620m. PAT margin was 3.9% vs. 3.6% in 4QFY24.
- In FY25, SSSG was 26.5%, and net sales/EBITDA/APAT grew 26%/30%/52%.

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

**Research Analyst: Amey Tiwari** (Amey.Tiwari@MotilalOswal.com) | **Tanu Jindal** (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](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

### Key takeaways from the management commentary

- PNG has witnessed robust performance at the start of 1QFY26, aided by the extended wedding season and festivals like Akshaya Tritiya.
- Refinery sales stood at INR12b in FY24 and INR7b in FY25, and are expected to be nil in FY26.
- At the retail level, the company expects revenue growth of 30-35% in FY26, with EBITDA margins of 7-8% and PAT margins of ~4%. At the consolidated company level, PAT margins are projected to be in the range of 2.85-3.25%.
- The company plans to open 20-25 new stores in FY26, including 6-7 COCO, 6-7 FOCO, and 12-13 PNG Lifestyle stores.

### Valuation and view

- There is no material change in our FY26 and FY27 EPS estimates.
- With a more favorable product mix, operating leverage and improved sourcing, the company is well-positioned to expand its operating margin. We model an EBITDA margin of 5.1%-5.2% for FY26 and FY27.
- The company has strengthened its balance sheet by reducing debt, having repaid INR3b from IPO proceeds. It has also implemented a robust hedging strategy through gold metal loans (GML), with 100% hedged by Mar'25 and now fully covered. This will lower interest costs and further boost profitability.
- We model a CAGR of 23% in sales, 31% in EBITDA, and 25% in APAT over FY25-27E. With the successful execution of store rollouts, an effective gold hedging policy, and margin expansions, we reiterate our BUY rating on the stock with a TP of INR825 at 30x Mar'27 EPS.

### Consol. Quarterly Performance

												(INR m)
Y/E March	FY24				FY25				FY24	FY25	FY25	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4Q	(%)
<b>Net Sales</b>	<b>12,568</b>	<b>13,715</b>	<b>19,722</b>	<b>15,120</b>	<b>16,682</b>	<b>20,013</b>	<b>24,358</b>	<b>15,882</b>	<b>61,119</b>	<b>76,935</b>	<b>16,588</b>	<b>-4%</b>
YoY change (%)	N/A	N/A	N/A	N/A	32.7	45.9	23.5	5.0	35.6	25.9	9.7	
<b>Gross Profit</b>	<b>919</b>	<b>966</b>	<b>1,681</b>	<b>1,578</b>	<b>1,386</b>	<b>1,531</b>	<b>2,391</b>	<b>1,909</b>	<b>5,147</b>	<b>7,216</b>	<b>1,716</b>	<b>11%</b>
Margins (%)	7.3	7.0	8.5	10.4	8.3	7.6	9.8	12.0	8.4	9.4	10.3	
<b>EBITDA</b>	<b>446</b>	<b>452</b>	<b>921</b>	<b>890</b>	<b>643</b>	<b>721</b>	<b>1,228</b>	<b>941</b>	<b>2,712</b>	<b>3,538</b>	<b>887</b>	<b>6%</b>
Margins (%)	3.5	3.3	4.7	5.9	3.9	3.6	5.0	5.9	4.4	4.6	5.3	
YoY growth (%)	N/A	N/A	N/A	N/A	44.2	59.4	33.3	5.8	121.0	30.5	-0.3	
Depreciation	56	61	60	55	63	72	84	130	232	348	86	
Finance Cost	97	109	112	123	123	129	63	115	459	430	99	
Other Income	10	23	24	22	19	118	70	149	72	351	8	
<b>PBT</b>	<b>303</b>	<b>304</b>	<b>774</b>	<b>734</b>	<b>477</b>	<b>638</b>	<b>1,150</b>	<b>846</b>	<b>2,093</b>	<b>3,111</b>	<b>710</b>	<b>19%</b>
YoY growth (%)	N/A	N/A	N/A	N/A	57.3	110.2	48.6	15.2	77.2	48.6	-3.3	
<b>APAT</b>	<b>222</b>	<b>219</b>	<b>576</b>	<b>549</b>	<b>353</b>	<b>529</b>	<b>860</b>	<b>620</b>	<b>1,550</b>	<b>2,363</b>	<b>532</b>	<b>16%</b>
Margins (%)	1.8	1.6	2.9	3.6	2.1	2.6	3.5	3.9	2.5	3.1	3.2	
YoY change (%)	N/A	N/A	N/A	N/A	59.5	141.1	49.4	12.9	65.4	52.4	-3.1	

E: MOFSL estimates



## Key takeaways from the management commentary

### Financial and operational metrics

- In FY25, the company delivered revenue per store of INR1,450m and PAT of INR41m, reflecting resilient performance.
- Consumer footfalls increased by 38%, supported by a strong conversion rate of 92%.
- Transaction count grew by 40%, and ATV stood at INR77,000.
- Stores launched in 3Q turned operationally profitable, demonstrating strong store-level execution.
- PNG has witnessed robust performance at the start of 1QFY26, aided by the extended wedding season and festivals like Akshaya Tritiya.
- The company has time till Sep'27 to execute the QIP and intends to proceed at an appropriate time and valuation.
- For FY26, the company expects single-digit volume growth and >20% value growth, adjusting for the absence of refinery sales in 1HFY26.
- No inventory gains were recorded during the quarter due to 100% hedging.
- Refinery sales were INR12b in FY24 and INR7b in FY25, and are expected to be nil in FY26.
- At the retail level, the company expects revenue growth of 30-35% in FY26, with EBITDA margins of 7-8% and PAT margins of ~4%.
- At the consolidated company level, PAT margins are projected to be in the range of 2.85-3.25%.
- For the 24 stores included in the SSSG calculation, value growth was 27%, and volume growth stood at 3.5%.
- Newly opened stores achieved higher EBITDA, having benefited from festive-season sales post-Diwali.
- PNG Lifestyle stores require an investment of less than INR100m, and due to higher margins, they achieve breakeven in 12-15 months.
- For COCO stores, breakeven occurs in 15-18 months in Maharashtra and 18-24 months outside the state.
- The current GML rate is 3%.
- In FY24, PNG recorded an inventory gain of INR180m, primarily in 4Q.

### Cost and margins

- Other expenses increased due to higher marketing spending and mark-to-market adjustments for GML.
- The company expects margins to improve further with a higher studded ratio and full gold hedging.
- Other income increased, driven by higher fixed deposits utilized for GML.
- A store opened in 3QFY25 underwent a full structural audit in Jan'25 and was fully capitalized thereafter, leading to an increase in depreciation in 4Q.

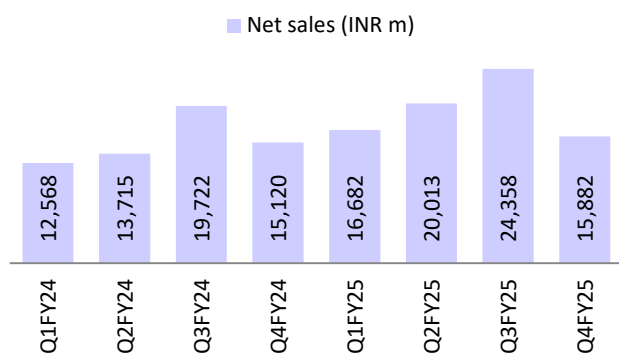
### Store expansion

- The company strengthened its presence in Maharashtra by launching five new stores (4 COCO and 1 FOCO) in 4Q, taking the total store count to 53.

- PNG plans to open 20-25 new stores in FY26, including 6-7 COCO, 6-7 FOCO, and 12-13 PNG Lifestyle stores.
- In FY26, the company plans to open stores in Western Maharashtra, Jalgaon, Dadar, and neighboring states like UP and Bihar.
- A flagship store is scheduled to open in Dadar in 2QFY26, along with expansion into Uttar Pradesh.
- The company also plans to launch 3 stores in Goa, 5-6 in UP, and potentially enter Bihar in FY26.
- PNG Lifestyle stores, typically 1,500-2,000 sq. ft. in size, cater to younger customers seeking fashionable jewelry.
- These stores will offer 18K-22K gold designs with a greater emphasis on diamonds, premium pricing, and expected margins of 15-16%.

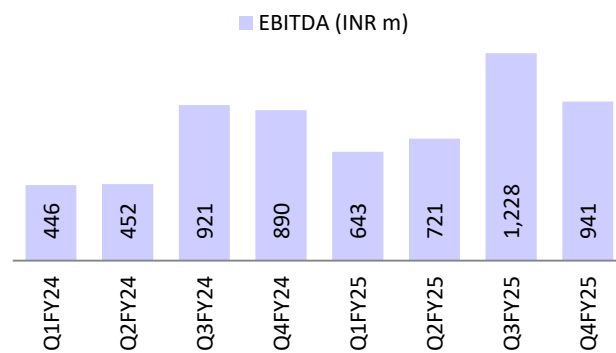
## Key exhibits

**Exhibit 1: Consol. sales grew 5% YoY in 4QFY25**



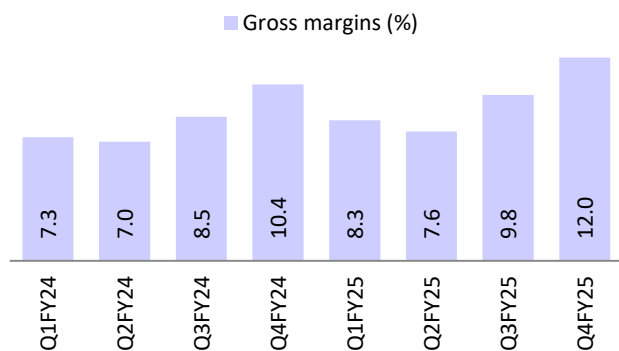
Source: Company, MOFSL

**Exhibit 2: Consol. EBITDA grew 6% YoY in 4QFY25**



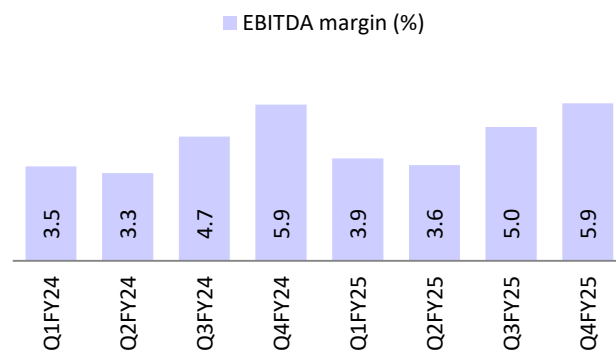
Source: Company, MOFSL

**Exhibit 3: GP margin expanded 160bp YoY to 12%**



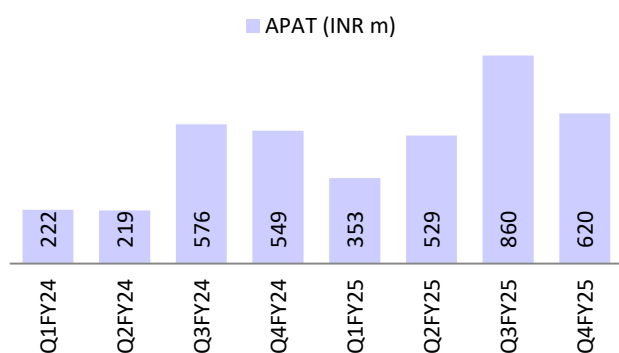
Source: Company, MOFSL

**Exhibit 4: EBITDA margin flat YoY to 5.9% in 4QFY25**



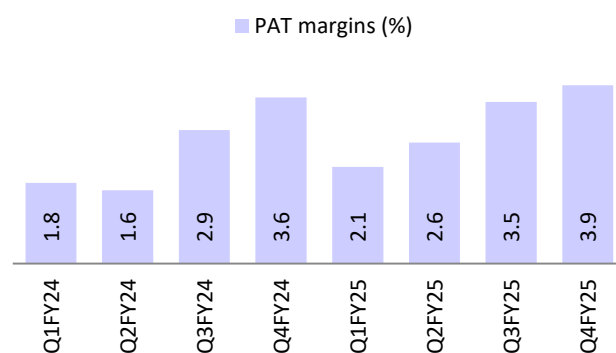
Source: Company, MOFSL

**Exhibit 5: APAT grew by 13% YoY to INR620m**



Source: Company, MOFSL

**Exhibit 6: APAT margin expanded 30bp YoY to 3.9%**



Source: Company, MOFSL

### Valuation and view

- There is no material change in our FY26 and FY27 EPS estimates.
- With a more favorable product mix, operating leverage and improved sourcing, the company is well-positioned to expand its operating margin. We model an EBITDA margin of 5.1%-5.2%% for FY26 and FY27.
- The company has strengthened its balance sheet by reducing debt, having repaid INR3b from IPO proceeds. It has also implemented a robust hedging strategy through Gold Metal Loans (GML), with 100% hedged by Mar'25 and now fully covered. This will lower interest costs and further boost profitability.
- We model a CAGR of 23% in sales, 31% in EBITDA, and 25% in APAT over FY25-27E. With the successful execution of store rollouts, an effective gold hedging policy, and margin expansions, we reiterate our BUY rating on the stock with a TP of INR825 at 30x Mar'27 EPS.

### Exhibit 7: No material change in our EPS estimates for FY26/FY27

(INR b)	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Net Sales	93,830	1,15,837	95,977	1,16,740	-2%	-1%
EBITDA	4,805	6,066	4,745	5,970	1%	2%
Adjusted PAT	2,885	3,713	2,974	3,781	-3%	-2%

## Financials and valuations

Income Statement							(INR m)
Y/E March	2021	2022	2023	2024	2025	2026E	2027E
<b>Net Sales</b>	<b>19,301</b>	<b>25,556</b>	<b>45,075</b>	<b>61,120</b>	<b>76,935</b>	<b>93,830</b>	<b>1,15,837</b>
Change (%)	-21.4	32.4	76.4	35.6	25.9	22.0	23.5
<b>Gross Profit</b>	<b>1,846</b>	<b>2,501</b>	<b>3,621</b>	<b>5,147</b>	<b>7,216</b>	<b>9,732</b>	<b>12,175</b>
Margin (%)	9.6	9.8	8.0	8.4	9.4	10.4	10.5
Other expenditure	1,278	1,388	2,394	2,435	3,678	4,928	6,110
<b>EBITDA</b>	<b>569</b>	<b>1,113</b>	<b>1,227</b>	<b>2,712</b>	<b>3,538</b>	<b>4,805</b>	<b>6,066</b>
Change (%)	-32.8	95.7	10.3	121.0	30.5	35.8	26.2
Margin (%)	2.9	4.4	2.7	4.4	4.6	5.1	5.2
Depreciation	267	218	215	232	348	470	560
Int. and Fin. Charges	379	351	349	459	430	683	769
Other Income - Recurring	144	307	518	72	351	200	220
<b>Profit before Taxes</b>	<b>66</b>	<b>850</b>	<b>1,181</b>	<b>2,093</b>	<b>3,111</b>	<b>3,852</b>	<b>4,957</b>
Change (%)	-87.3	1,180.9	38.9	77.3	48.6	23.8	28.7
Margin (%)	0.3	3.3	2.6	3.4	4.0	4.1	4.3
Tax	134	155	244	543	748	967	1,244
Deferred Tax							
Tax Rate (%)	201.2	18.2	20.6	25.9	24.1	25.1	25.1
<b>APAT</b>	<b>-67</b>	<b>695</b>	<b>937</b>	<b>1,551</b>	<b>2,363</b>	<b>2,885</b>	<b>3,713</b>
Change (%)	-123.2	-1,134.7	34.8	65.5	52.4	22.1	28.7
Margin (%)	-0.3	2.7	2.1	2.5	3.1	3.1	3.2
<b>Reported PAT</b>	<b>-67</b>	<b>695</b>	<b>937</b>	<b>1,551</b>	<b>2,183</b>	<b>2,885</b>	<b>3,713</b>

Balance Sheet							(INR m)
Y/E March	2021	2022	2023	2024	2025	2026E	2027E
Share Capital	1,180	1,180	1,180	1,180	1,357	1,357	1,357
Reserves	960	1,640	2,477	4,164	14,182	17,067	20,780
<b>Net Worth</b>	<b>2,140</b>	<b>2,820</b>	<b>3,657</b>	<b>5,344</b>	<b>15,539</b>	<b>18,424</b>	<b>22,137</b>
Loans	2,983	2,949	2,832	3,965	1,081	881	881
GML	0	0	0	0	7,150	9,021	10,833
Lease liabilities	411	407	409	587	1,073	1,241	1,425
Deferred Tax	49	56	64	74	80	80	80
<b>Capital Employed</b>	<b>5,582</b>	<b>6,232</b>	<b>6,963</b>	<b>9,970</b>	<b>24,923</b>	<b>29,646</b>	<b>35,357</b>
Gross Block	1,663	1,712	1,771	1,864	2,303	2,495	2,687
Less: Accum. Depn.	205	283	356	362	432	588	769
<b>Net Fixed Assets</b>	<b>1,459</b>	<b>1,429</b>	<b>1,415</b>	<b>1,502</b>	<b>1,871</b>	<b>1,907</b>	<b>1,918</b>
Goodwill	448	415	253	332	332	332	332
Intangibles	84	75	11	10	17	34	53
Capital WIP	35	35	35	35	35	0	0
Right of use asset	425	416	404	578	995	1,497	1,539
Investments	11	12	12	10	86	336	586
<b>Curr. Assets, L&amp;A</b>	<b>7,680</b>	<b>8,721</b>	<b>8,497</b>	<b>12,183</b>	<b>28,106</b>	<b>34,689</b>	<b>42,285</b>
Inventory	6,382	7,035	5,969	9,589	20,209	24,356	29,250
Account Receivables	336	288	395	377	500	961	1,202
Cash and cash equivalent	69	124	176	261	936	1,081	1,698
Bank balances (inc. cash margin for borrowing)	150	329	317	536	4,351	5,593	6,717
Others	743	944	1,640	1,421	2,110	2,699	3,418
<b>Curr. Liab. and Prov.</b>	<b>4,559</b>	<b>4,870</b>	<b>3,663</b>	<b>4,680</b>	<b>6,519</b>	<b>9,148</b>	<b>11,357</b>
Trade Payables	739	1,697	1,317	1,489	2,557	3,110	3,834
Provisions	42	40	49	30	52	101	118
Other current liabilities	3,778	3,132	2,296	3,161	3,910	5,937	7,405
<b>Net Current Assets</b>	<b>3,121</b>	<b>3,851</b>	<b>4,834</b>	<b>7,503</b>	<b>21,586</b>	<b>25,541</b>	<b>30,928</b>
<b>Application of Funds</b>	<b>5,582</b>	<b>6,232</b>	<b>6,964</b>	<b>9,970</b>	<b>24,923</b>	<b>29,646</b>	<b>35,357</b>

E: MOFSL Estimates

## Financials and valuations

### Ratios

Y/E March	2021	2022	2023	2024	2025	2026E	2027E
<b>Basic (INR)</b>							
<b>EPS</b>	<b>-0.6</b>	<b>5.9</b>	<b>7.9</b>	<b>13.1</b>	<b>17.4</b>	<b>21.3</b>	<b>27.4</b>
Cash EPS	1.7	7.7	9.8	15.1	20.0	24.7	31.5
BV/Share	18.1	23.9	31.0	45.3	114.5	135.8	163.1
<b>Valuation (x)</b>							
P/E	-955.4	92.3	68.5	41.4	31.2	25.6	19.9
Cash P/E	321.2	70.3	55.7	36.0	27.2	22.0	17.3
EV/Sales	3.5	2.6	1.5	1.1	0.9	0.7	0.6
EV/EBITDA	117.7	59.9	54.2	24.8	19.7	14.1	10.8
P/BV	30.0	22.8	17.6	12.0	4.8	4.0	3.3
Dividend Yield (%)							
<b>Return Ratios (%)</b>							
RoE	-3.1	28.0	28.9	34.5	22.6	17.0	18.3
RoCE	-9.5	16.6	18.4	22.3	15.4	12.4	13.2
RoIC	-10.2	17.8	20.0	24.3	18.8	16.1	17.5
<b>Working Capital Ratios</b>							
Inventory days	130	96	53	46	71	87	84
Debtor (Days)	6	4	3	2	2	3	3
Payables days	7	17	12	8	10	11	11
Cash conversion days	137	95	61	57	78	85	82
Inventory turnover (x)	2.8	3.8	6.9	7.9	5.2	4.2	4.3
Asset Turnover (x)	3.5	4.1	6.5	6.1	3.1	3.2	3.3
<b>Leverage Ratio</b>							
Net Debt/Equity (x)	1.4	1.0	0.7	0.7	0.5	0.5	0.5

### Cash Flow Statement

Y/E March	2021	2022	2023	2024	2025	2026E	2027E
OP/(loss) before Tax	66	850	1,181	2,084	2,931	3,852	4,957
Int./Div. Received	10	-53	-14	-39	-184	-200	-220
Depreciation & Amort.	267	218	215	232	348	470	560
Interest Paid	379	351	349	459	430	683	769
Direct Taxes Paid	70	-92	-363	-380	-833	-967	-1,244
Incr in WC	682	-557	-814	-2,496	-2,379	-947	-2,084
Others	-3	9	493	204	82	-	-
<b>CF from Operations</b>	<b>1,473</b>	<b>728</b>	<b>1,048</b>	<b>63</b>	<b>395</b>	<b>2,891</b>	<b>2,737</b>
Incr in FA	-336	-52	-480	-305	-525	-1,024	-633
<b>Free Cash Flow</b>	<b>1,137</b>	<b>676</b>	<b>568</b>	<b>-242</b>	<b>-130</b>	<b>1,867</b>	<b>2,104</b>
Investments	65	-179	12	-216	-3,892	-	-
Others	10	15	18	33	176	-1,007	-904
<b>CF from Invest.</b>	<b>-261</b>	<b>-216</b>	<b>-450</b>	<b>-488</b>	<b>-4,241</b>	<b>-2,031</b>	<b>-1,537</b>
Issue of Shares	628	-	-	-	177	-	0
Incr in Debt	-1,445	-33	-117	1,133	-2,884	-200	-
Dividend Paid	-	-	-	-	-	-	-
Interest paid							
Others	-463	-424	-428	-623	7,227	-516	-584
<b>CF from Fin. Activity</b>	<b>-1,281</b>	<b>-457</b>	<b>-546</b>	<b>510</b>	<b>4,520</b>	<b>-716</b>	<b>-584</b>
<b>Incr/Decr of Cash</b>	<b>-69</b>	<b>54</b>	<b>52</b>	<b>85</b>	<b>675</b>	<b>145</b>	<b>617</b>
Add: Opening Balance	138	69	124	176	261	935	1,080
<b>Closing Balance</b>	<b>69</b>	<b>124</b>	<b>176</b>	<b>261</b>	<b>935</b>	<b>1,080</b>	<b>1,697</b>

E: MOSL Estimates

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](http://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](http://www.nseindia.com), [www.bseindia.com](http://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](mailto:grievances@motilaloswal.com).

Nainesh Rajani

Email: [nainesh.raiani@motilaloswal.com](mailto:nainesh.raiani@motilaloswal.com)

Contact: (+65) 8328 0276

#### Specific Disclosures

- 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
- 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
- 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.
- 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.
- 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 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 dpgrievances@motilaloswal.com.