

# Ashok Leyland

**BSE SENSEX** 73,134  
**S&P CNX** 22,679



Bloomberg	AL IN
Equity Shares (m)	5874
M. Cap. (INRb)/(USDb)	875.9 / 9.2
52-Week Range (INR)	215 / 95
1, 6, 12 Rel. Per (%)	-19/14/45
12M Avg Val (INR m)	2449

### Financials & Valuations (INR b)

INR b	FY26E	FY27E	FY28E
Sales	436.4	481.7	530.2
EBITDA (%)	57.4	61.4	72.1
Adj. PAT	38.4	41.7	49.7
EPS (INR)	6.5	7.1	8.5
EPS Growth (%)	19.1	8.4	19.4
BV/Share (INR)	22.1	25.2	28.9

### Ratio

RoE (%)	31.4	30.0	31.3
RoCE (%)	26.2	25.2	26.4
Payout (%)	55.4	56.4	56.1

### Valuations

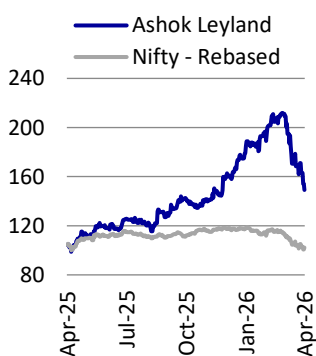
P/E (x)	22.8	21.0	17.6
P/BV (x)	6.8	5.9	5.2
EB / EBITDA (x)	14.5	13.5	11.4
Div Yield (%)	2.4	2.7	3.2

### Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	51.1	51.1	51.1
DII	13.7	13.6	13.0
FII	25.0	24.9	24.7
Others	10.2	10.4	11.2

FII includes depository receipts

### Stock Performance (one-year)



**CMP: INR149**      **TP: INR185 (+24%)**      **Buy**

## CV outlook at risk if global headwinds persist longer

We recently interacted with the management of Ashok Leyland (AL). The key takeaways are as follows: Domestic CV demand, which had revived post-GST rate cut, has sustained even in Mar'26. Demand revival has been positive across all CV segments. Further, to gain share, AL plans a major expansion in Western India with 30 new touchpoints to be added to its current strength of 150 in the region. However, the ongoing geopolitical headwinds pose risks to our estimates given: 1) a sustained rise in crude could derail economic growth and is likely to be detrimental for CV demand, 2) exports, which are likely to see near-term headwinds as the Middle East market contributes 35-40% of the exports, and 3) uncertainty over sustained gas availability as well as a rise in input costs. To factor in the risks due to the ongoing WestAsia conflict, we have now lowered our estimates by 13% each for FY27E/FY28E. Assuming this conflict does not continue beyond Q1FY27, we reiterate our BUY rating on the stock with a TP of INR185 (based on 13x Dec'27E EV/EBITDA + ~INR10/sh for the NBFC).

### CV demand momentum continues

GST rate cuts have helped revive CV demand since Sep'25, and the momentum has sustained even in March. Even small fleet operators, whose contribution to freight movement had significantly declined post-pandemic, are now buying new fleets, given the pickup in freight demand. Further, the good part of this demand revival is that the momentum is strong across all segments, whether it is light commercial vehicles (LCVs), intermediate, or heavy-duty CVs. Further, in order to gain share, AL is planning a major expansion in Western India with 30 new touch points to be added to its current 150 touch points in the region.

### Global conflict may derail current sentiments

The key cause of concern from the ongoing geopolitical macro is the mounting crude prices, which, if sustained for longer, will likely limit the country's economic growth. This, along with rising inflation, is likely to be detrimental for CV growth in the future. Even AL's exports will face near-term headwinds as the Middle East market contributes almost 35-40% of the exports. On the availability of gas, while there are no immediate hiccups, there is also no clarity as yet on how long uninterrupted production will continue. Further, input costs are also mounting, the impact of which is likely to be visible in the financials from 1QFY27. To offset this impact, AL announced a price hike of up to 2% in CVs w.e.f. 1<sup>st</sup> Apr'26.

### Valuation and view

To factor in the risks due to the ongoing WestAsia conflict, we have now lowered our estimates by 13% each for FY27E/FY28E. After the recent correction, the stock is now attractively valued at 21.0x FY27 and at 17.6x FY28E. **Assuming this conflict does not continue beyond Q1FY27, we reiterate our BUY rating on the stock with a TP of INR185 (based on 13x Dec'27E EV/EBITDA + ~INR10/sh for the NBFC).**

## Key takeaways from the management meeting

### Update on the domestic business

- GST rate cuts have helped revive CV demand since Sep'25. It was a well-known fact that the average age of the fleet had increased to 10.0-10.5 years from 7.0-7.5 years earlier. Further, while one was expecting the replacement cycle to kick off soon, the same wasn't visible until Aug'25. However, the GST rate cut appears to have triggered this much-awaited CV replacement cycle.
- Small fleet operators, whose contribution to freight movement had notably declined post-Covid, are now buying new fleet, given the pick-up in freight demand.
- Further, the good part of this demand revival is that the momentum is strong across all segments, whether it is light commercial vehicles (LCVs), intermediate, or heavy-duty CVs.
- Demand continues to be strong even in March. However, the ongoing conflict in West Asia and the resultant increase in crude prices remains a key monitorable as it may hurt sentiments if it does not settle down soon
- Approximately 40–45% of CV demand remains linked to infrastructure projects. As per our checks, demand for this sector is booming currently in many States. Pick up in E-commerce is also another structural growth driver, with strong growth in both first-mile (MHCV) and last-mile (LCV) logistics.
- Further, AL is planning a major expansion in Western India with 30 new touch points to be added to its current 150 touch points in the region.
- In the LCV business, AL intends to introduce a new passenger LCV and expand its offerings in the goods segment as well.
- Further, AL's LCV business in Western India operates through 29 dealer partners and 130 service workshops, which ensures service availability every 35 km. AL plans to ramp up its service network in the Western region, targeting a touchpoint every 25 km.

### Update on new product launches

- Ashok Leyland relaunched two of its most recognizable truck nameplates, TAURUS and HIPPO, in Jan'26. Both vehicle lines are built on Ashok Leyland's AVTR modular truck platform and powered by 8.0-liter A-Series 6-cylinder engines producing 360 horsepower and 1,600 Nm of torque.
- The new models target mining, infrastructure, and construction applications.
- Key features include heavy-duty drivetrains, reinforced chassis, Hill Start Assist, and Automatic Traction Control as standard equipment.
- While Taurus will serve in AL's tipper range in the heavy HP category, HIPPO will be the flagship product of the tractor-trailer portfolio.

### Update on exports

- Exports continue to be a good long-term growth story for AL
- AL has posted a healthy 18.5% growth in exports in FY26
- Growth is largely driven by GCC countries, SAARC, and Africa. They are looking at ASEAN as the 4th region for growth.
- AL continues to develop customized products for some of these regions, which continues to aid growth.

- Management has reiterated that it is on track to meet its mid-term export goal of over 25,000 units, aided by market-specific product lines and deeper engagement with overseas partners.
- However, the ongoing geopolitical conflict may lead to some slowdown in the near term for exports.

#### **Impact of the geopolitical conflict**

- Needless to say, AL is certainly facing near-term headwinds in demand in the Middle East market, given the ongoing conflict, as the Middle East contributes to almost 35-40% of its exports.
- On the availability of gas, AL continues to work actively with all stakeholders to ensure a smooth supply of gas to them as well as their supply chain. However, there is no clarity as yet as to how long they can continue uninterrupted production.
- Further, input costs are certainly rising, and this remains a key cause of concern. While CU and AI have already surged, even steel prices have surged about 10% in the recent past. The impact of this cost increase is likely to be visible in financials from Q1 onwards. To offset this impact, AL announced a price hike of up to 2% in CVs w.e.f. 1st Apr'26.
- However, beyond this, the key cause of concern from the ongoing geopolitical macro is the mounting crude prices, which, if sustained for longer, will likely limit the country's economic growth. This, along with rising inflation, is likely to be detrimental to CV growth in the future.

#### **Other highlights**

- Ashok Leyland has invested in a new 70-acre greenfield plant in Lucknow, which is dedicated to EVs. With an investment of INR 10b, this plant will have a capacity to produce 5k EV CVs p.a.
- At Switch India, the current order book stands at 1,350 units, and the management expects Switch India to be FCF positive in FY27.
- AL has invested INR3b in Ohm Mobility so far in FY26 and has earmarked an additional investment of INR3b for future needs.
- AL has commenced construction of a battery pack manufacturing facility in Tamil Nadu. This project would incur an investment of INR 4-5b.

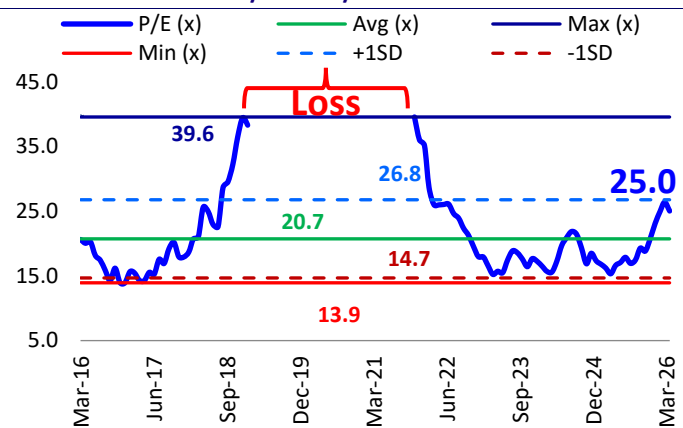
## Valuation and view

- **CV demand has revived post-GST rate cuts:** CV demand has recovered in 3Q post-GST rate cuts. Demand revival seems to be broad-based, given that even small fleet operators have now started adding to their fleets. Even beyond the near term, the underlying long-term demand drivers for a CV demand revival are in place and include: 1) the average fleet age has increased to a record high of ~10 years, which is likely to fuel healthy replacement demand; 2) fleet operators' profitability remains strong with healthy utilization levels; 3) the fleet sentiment index remains positive; and 4) reduction in interest rates. Demand has picked up across segments, viz., both MHCVs and LCVs. However, the ongoing conflict in West Asia is likely to have some impact on sentiments in the near term. As a result, we now lower our CV volume growth assumptions for AL to 9% CAGR over FY25-28E (from 11.5% earlier).
- **Focus on reducing business cyclicality:** Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments, such as buses (13% of sales), LCVs (12% of sales), spares (10%), exports (8%), and defense (2%). Some of its critical targets in these segments include: 1) a medium-term goal to achieve a 25% share in the LCV sub-segment (2.0-3.5T), up from 20% currently; 2) having already doubled its revenue in spares over the last five years, the next objective is to further double its revenue over the medium term; 3) increasing its presence in exports through new launches and expanding its footprint in key regions; and 4) the potential to significantly scale up its defense business, aided by the government's 'Make in India' initiative.
- **Aiming for profitable growth:** AL's focus on non-truck CV segments has also led to an improving mix, as these are relatively more profitable than the truck business. Further, over the years, AL has been focusing on improving its operational efficiency wherever feasible and hence reducing its cost. Beyond this, over the last few years, the CV industry has been observing remarkable pricing discipline, which has helped all players improve margins. Aided by these factors, AL has set a target to achieve mid-teens margins in the coming years. However, we do expect some input cost pressure to hurt margins in the near term. We now expect AL to post a 50bp margin improvement over FY26-28E.
- **Valuation and view:** AL is expected to emerge as a major beneficiary of a pickup in CV demand. Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments. Its continued emphasis on margin expansion and prudent control of capex is expected to help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. To factor in the risks due to the ongoing WestAsia conflict, we have now: 1) lowered our volume growth assumptions to 9% CAGR from 11.5% earlier 2) expect some margin pressure in FY27E, before they recover in FY28E, albeit lower than our prior assumptions. Overall, we have lowered our estimates by 13% each for FY27E/FY28E. After the recent correction, the stock is now attractively valued at 21.0x FY27E and at 17.6x FY28E. **Assuming this conflict does not continue beyond Q1FY27, we reiterate our BUY rating on the stock with a TP of INR185 (based on 13x Dec'27E EV/EBITDA + ~INR10/sh for the NBFC).**

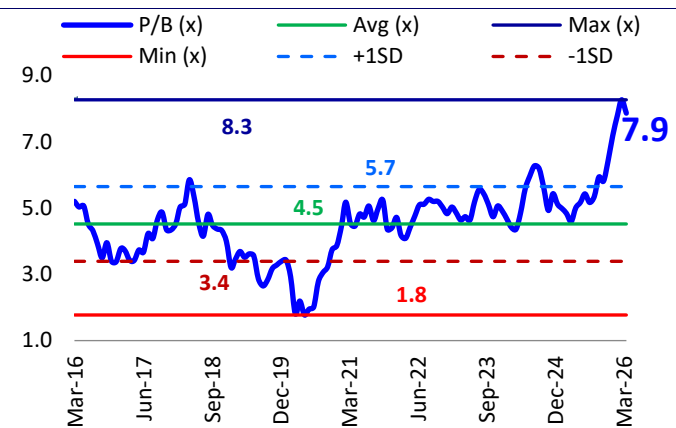
**Exhibit 1: Change in Estimates**

	FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Volumes ('000 units)	237	246	-3.7	254	271	-6.3
Net Sales	4,81,699	5,01,822	-4.0	5,30,220	5,68,209	-6.7
EBITDA	61,365	69,446	-11.6	72,129	82,437	-12.5
EBITDA margins (%)	12.7	13.8	-110bp	13.6	14.5	-90bp
Net Profit	41,654	47,674	-12.6	49,730	57,513	-13.5
EPS (INR)	7.1	8.1	-12.6	8.5	9.8	-13.5

**Exhibit 2: Valuations – P/E and P/B bands**



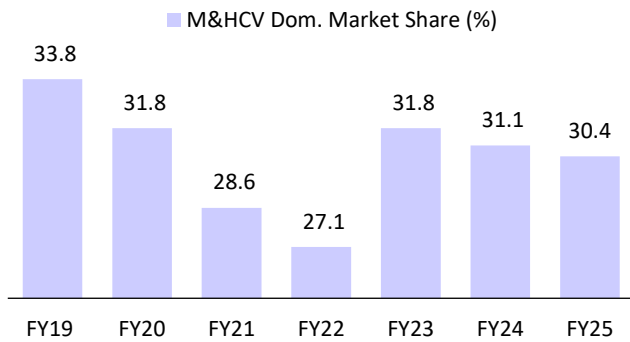
Source: MOFSL



Source: MOFSL

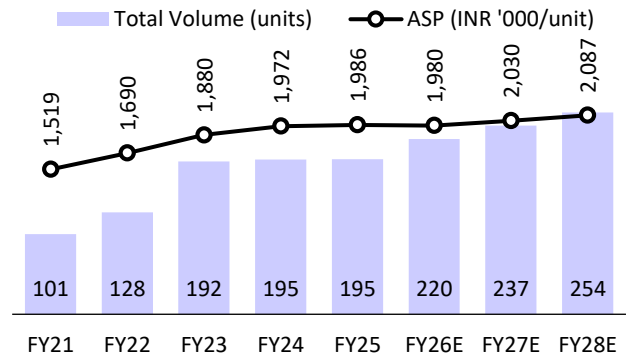
## Story in charts

**Exhibit 3: AL's market share trend**



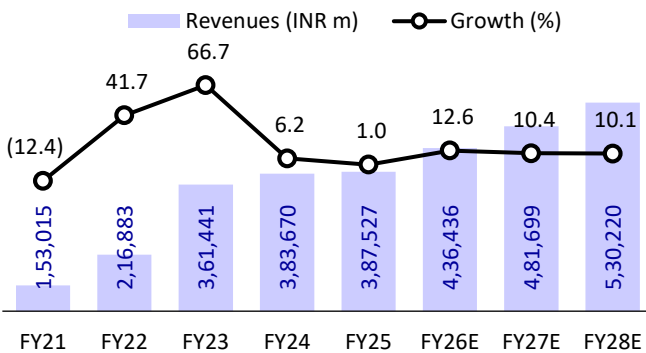
Source: Company, MOFSL

**Exhibit 4: Volume and realization growth trends**



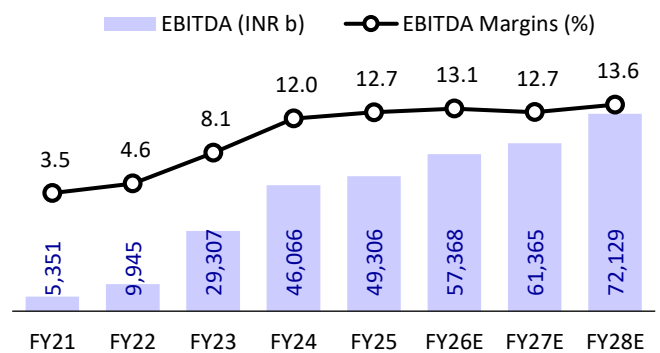
Source: Company, MOFSL

**Exhibit 5: Revenue growth trend**



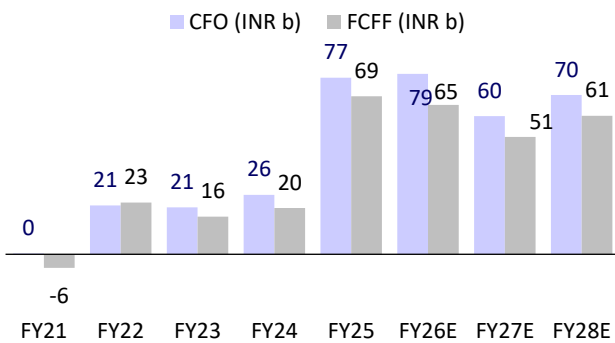
Source: Company, MOFSL

**Exhibit 6: EBITDA and EBITDA margin trends**



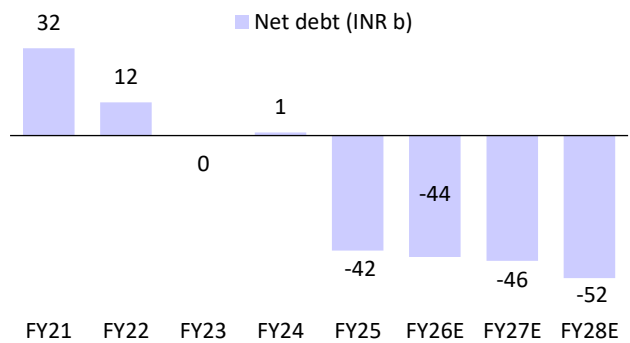
Source: Company, MOFSL

**Exhibit 7: CFO and FCFF trends**



Source: Company, MOFSL

**Exhibit 8: AL became net cash from FY24**



Source: Company, MOFSL

## Financials and valuations

Income Statement								(INR m)
Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
Volumes ('000 units)	101	128	192	195	195	220	237	254
Growth (%)	-19.6	27.4	49.8	1.2	0.3	13.0	7.7	7.1
<b>Net Operating Income</b>	<b>1,53,015</b>	<b>2,16,883</b>	<b>3,61,441</b>	<b>3,83,670</b>	<b>3,87,527</b>	<b>436,436</b>	<b>481,699</b>	<b>530,220</b>
Change (%)	-12.4	41.7	66.7	6.2	1.0	12.6	10.4	10.1
<b>EBITDA</b>	<b>5,351</b>	<b>9,945</b>	<b>29,307</b>	<b>46,066</b>	<b>49,306</b>	<b>57,368</b>	<b>61,365</b>	<b>72,129</b>
Change (%)	-54.4	85.8	194.7	57.2	7.0	16.4	7.0	17.5
EBITDA Margins (%)	3.5	4.6	8.1	12.0	12.7	13.1	12.7	13.6
Depreciation	7,477	7,528	7,320	7,178	7,193	7,127	7,335	7,573
<b>EBIT</b>	<b>-2,126</b>	<b>2,418</b>	<b>21,987</b>	<b>38,888</b>	<b>42,112</b>	<b>50,240</b>	<b>54,030</b>	<b>64,556</b>
Interest & Fin. Charges	3,068	3,011	2,891	2,494	2,169	1,696	1,359	1,244
Other Income	1,195	761	1,161	2,466	2,503	3,010	3,240	3,440
<b>PBT</b>	<b>-4,119</b>	<b>5,276</b>	<b>21,104</b>	<b>37,922</b>	<b>43,483</b>	<b>48,070</b>	<b>55,911</b>	<b>66,752</b>
Tax	(982)	(142)	7,303	11,743	10,450	12,258	14,257	17,022
Effective Rate (%)	23.8	-2.7	34.6	31.0	24.0	25.5	25.5	25.5
<b>Rep. PAT</b>	<b>-3,137</b>	<b>5,418</b>	<b>13,801</b>	<b>26,179</b>	<b>33,033</b>	<b>35,812</b>	<b>41,654</b>	<b>49,730</b>
Change (%)	-231.0	-272.7	154.7	89.7	26.2	8.4	16.3	19.4
<b>Adjusted PAT</b>	<b>-3,045</b>	<b>172</b>	<b>13,248</b>	<b>26,826</b>	<b>32,245</b>	<b>38,408</b>	<b>41,654</b>	<b>49,730</b>
Change (%)	-188.9	-105.7	7,587.8	102.5	20.2	19.1	8.4	19.4

Balance Sheet								(INR m)
Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
<b>Sources of Funds</b>								
Share Capital	2,936	2,936	2,936	2,936	2,937	5,873	5,873	5,873
Reserves	66,837	70,434	81,322	85,167	1,12,251	123,837	141,999	163,832
<b>Net Worth</b>	<b>69,772</b>	<b>73,369</b>	<b>84,258</b>	<b>88,104</b>	<b>1,15,188</b>	<b>129,710</b>	<b>147,872</b>	<b>169,705</b>
Loans	37,163	35,071	32,248	22,994	14,817	12,317	11,317	10,317
Deferred Tax Liability	1,708	1,444	5,035	5,563	5,479	7,882	10,678	14,016
<b>Capital Employed</b>	<b>1,08,642</b>	<b>1,09,884</b>	<b>1,21,541</b>	<b>1,16,661</b>	<b>1,35,484</b>	<b>149,910</b>	<b>169,867</b>	<b>194,038</b>
<b>Application of Funds</b>								
Gross Fixed Assets	1,01,269	1,03,773	1,07,732	1,09,936	1,14,189	124,189	133,189	142,189
Less: Depreciation	35,264	41,626	48,470	54,917	60,233	67,360	74,695	82,268
<b>Net Fixed Assets</b>	<b>66,005</b>	<b>62,146</b>	<b>59,262</b>	<b>55,019</b>	<b>53,956</b>	<b>56,828</b>	<b>58,493</b>	<b>59,920</b>
Capital WIP	3,719	1,943	1,325	2,015	4,248	4,248	4,248	4,248
Goodwill	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499
Investments	30,687	48,196	66,636	55,598	86,730	133,730	165,730	197,730
<b>Curr.Assets, L &amp; Adv.</b>	<b>79,590</b>	<b>86,554</b>	<b>94,194</b>	<b>1,18,987</b>	<b>1,05,826</b>	<b>100,667</b>	<b>102,523</b>	<b>109,950</b>
Inventory	21,423	20,752	27,745	31,907	29,573	32,284	35,633	39,222
Sundry Debtors	28,163	31,111	40,627	35,699	28,873	31,089	34,313	37,769
Cash & Bank Balances	5,301	9,943	4,541	19,419	26,598	19,359	12,782	11,169
Loans & Advances	24,702	24,749	21,281	31,962	20,782	17,936	19,796	21,790
<b>Current Liab. &amp; Prov.</b>	<b>75,857</b>	<b>93,454</b>	<b>1,04,375</b>	<b>1,19,457</b>	<b>1,19,774</b>	<b>150,062</b>	<b>165,625</b>	<b>182,308</b>
Sundry Creditors	51,647	68,752	71,751	63,052	73,047	83,700	92,381	101,686
Other Liabilities	17,665	17,997	22,238	42,657	31,386	49,024	54,109	59,559
Provisions	6,545	6,705	10,385	13,748	15,341	17,338	19,136	21,064
<b>Application of Funds</b>	<b>1,08,642</b>	<b>1,09,884</b>	<b>1,21,541</b>	<b>1,16,661</b>	<b>1,35,484</b>	<b>149,910</b>	<b>169,867</b>	<b>194,038</b>

E: MOFSL Estimates

## Financials and valuations

### Ratios

Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
<b>Basic (INR)</b>								
EPS	-0.5	0.0	2.3	4.6	5.5	6.5	7.1	8.5
EPS Growth (%)	-188.9	NM	7,587.8	102.5	20.2	19.1	8.4	19.4
Cash EPS	0.8	1.3	3.5	5.8	6.7	7.8	8.3	9.8
Book Value per Share	11.9	12.5	14.3	15.0	19.6	22.1	25.2	28.9
DPS	0.3	0.5	1.3	2.5	3.1	3.6	4.0	4.8
Div. Payout (%)	NM	1,703.5	57.6	54.2	56.9	55.4	56.4	56.1
<b>Valuation (x)</b>								
P/E	NM	5,083.2	66.1	32.7	27.2	22.8	21.0	17.6
Cash P/E	197.6	113.8	42.6	25.8	22.2	19.2	17.9	15.3
EV/EBITDA	169.6	89.3	29.9	19.0	16.9	14.5	13.5	11.4
EV/Sales	5.9	4.1	2.4	2.3	2.2	1.9	1.7	1.6
Price to Book Value	12.6	11.9	10.4	9.9	7.6	6.8	5.9	5.2
Dividend Yield (%)	0.2	0.3	0.9	1.7	2.1	2.4	2.7	3.2
<b>Profitability Ratios (%)</b>								
ROE	-4.3	0.2	16.8	31.1	31.7	31.4	30.0	31.3
RoCE	-1.5	2.3	12.4	22.5	25.4	26.2	25.2	26.4
<b>Turnover Ratios</b>								
Debtors (Days)	67	52	41	34	27	26	26	26
Inventory (Days)	51	35	28	30	28	27	27	27
Creditors (Days)	123	116	72	60	69	70	70	70
Working Capital (Days)	-5	-28	-3	4	-14	-17	-17	-17
Fixed-Asset Turnover (x)	2.3	3.5	6.1	7.0	7.2	7.7	8.2	8.8
<b>Leverage Ratio</b>								
Net Debt/Equity (x)	0.5	0.2	0.0	0.0	-0.4	-0.3	-0.3	-0.3

### Cash flow Statement

Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
<b>(INR m)</b>								
OP/(Loss) before Tax	-4,119	5,276	21,104	37,922	43,483	50,240	54,030	64,556
Int/Div Received	-945	-220	-404	-1,362	-888	3,010	3,240	3,440
Depreciation	7,477	7,528	7,320	7,178	7,193	7,127	7,335	7,573
Direct Taxes Paid	779	714	-4,002	-6,245	-9,407	-9,854	-11,462	-13,684
(Inc)/Dec in Work Cap.	-6,058	15,696	-4,265	-15,229	37,407	28,207	7,130	7,644
Other Items	3,198	-7,633	762	3,705	-631	0	0	0
<b>CF from Oper. Activity</b>	<b>332</b>	<b>21,361</b>	<b>20,514</b>	<b>25,968</b>	<b>77,157</b>	<b>78,731</b>	<b>60,274</b>	<b>69,528</b>
Extra-ordinary Items	-120	5,108	846	-937	1,037	-3,485	0	0
<b>CF after EO Items</b>	<b>211</b>	<b>26,469</b>	<b>21,360</b>	<b>25,031</b>	<b>78,194</b>	<b>75,246</b>	<b>60,274</b>	<b>69,528</b>
(Inc)/Dec in FA+CWIP	-6,166	-3,933	-4,884	-4,815	-9,243	-10,000	-9,000	-9,000
<b>Free Cash Flow</b>	<b>-5,954</b>	<b>22,536</b>	<b>16,477</b>	<b>20,217</b>	<b>68,951</b>	<b>65,246</b>	<b>51,274</b>	<b>60,528</b>
<b>CF from Inv. Activity</b>	<b>-9,752</b>	<b>-14,589</b>	<b>-17,345</b>	<b>9,021</b>	<b>-40,779</b>	<b>-57,000</b>	<b>-41,000</b>	<b>-41,000</b>
Inc/(Dec) in Debt	4,780	-2,721	-3,918	-9,096	-8,353	-2,500	-1,000	-1,000
Interest Rec./ (Paid)	-2,720	-2,755	-2,598	-2,461	-1,491	-1,696	-1,359	-1,244
Dividends Paid	0	-1,761	-2,936	-7,634	-20,408	-21,290	-23,492	-27,897
<b>CF from Fin. Activity</b>	<b>2,060</b>	<b>-7,238</b>	<b>-9,402</b>	<b>-19,175</b>	<b>-30,235</b>	<b>-25,486</b>	<b>-25,851</b>	<b>-30,141</b>
<b>Inc/(Dec) in Cash</b>	<b>-7,481</b>	<b>4,643</b>	<b>-5,387</b>	<b>14,878</b>	<b>7,181</b>	<b>-7,239</b>	<b>-6,577</b>	<b>-1,613</b>
Add: Beginning Balance	12,782	5,300	9,928	4,541	19,417	26,598	19,359	12,781
<b>Closing Balance</b>	<b>5,301</b>	<b>9,943</b>	<b>4,541</b>	<b>19,418</b>	<b>26,598</b>	<b>19,359</b>	<b>12,781</b>	<b>11,169</b>

E: MOFSL 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 and BSE enlistment no. 5028. 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 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 and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.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>. As per Regulatory requirements, Research Audit Report is uploaded on [www.motilaloswal.com](http://www.motilaloswal.com) > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

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.rajani@motilaloswal.com](mailto:nainesh.rajani@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).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- 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.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- 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, enlistment as RA with Exchange 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
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. 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.