

Company	Target Price (INR)	Reco
UNSP	1,400	Neutral
RDCK	3,850	Buy
UBBL	1,650	Neutral

Karnataka liquor policy: Positive for industry; slabs revision a tailwind for P&A brands

The Karnataka government announced its new excise policy on 6th March 2026 and has recently released the draft document. The revised excise framework marks several changes to Karnataka's alcohol taxation, including the implementation of an Alcohol-in-Beverage (AIB) tax system. The policy introduces a standardized excise rate of INR1,000 per liter of pure alcohol for retail channels across IMFL and beer. Besides, for IMFL, the policy simplifies the duty structure by consolidating Additional Excise Duty (AED) slabs from 16 to 8 ([link](#)). For beer, the earlier single-layer AED (200% of declared price) has been replaced with a more calibrated three-slab structure ([link](#)), with slabs introduced across price points.

While the Karnataka market remains dominated by the regular portfolio (~94% of the mix), it is witnessing strong growth in the premium segment (+30% in FY26), with the regular segment (-5% in FY26) declining. The new policy for IMFL is likely to drive MRP reductions of 10-20% for P&A portfolios ([link](#)), while lower-priced brands could see price increases (10-20%) due to slab rationalization, thereby boosting premiumization in the state. For beer, mild beer is expected to witness price cuts (~10%), while strong beer could witness price hikes in the range of 5-15% ([link](#)).

Karnataka is a key market for IMFL, with its market size ranging between 65m and 70m cases (~15% of the IMFL industry). In terms of companies, the state contributes 7-8% for RDCK, UNSP, and Tilaknagar, while for UBBL, the state contributes ~12%.

The new policy is positive for the industry, with the potential to drive a change toward premium portfolios. However, given the change in tax slabs, many brands (particularly regular) are seeing greater competition from entry-level premium brands due to a narrowing price gap. This may necessitate strategic repositioning for certain brands (content change, declared price, etc). Within beer, mild beer is a beneficiary compared to strong beer, which is impacted by price hikes. RDCK remains our preferred name in the liquor space.

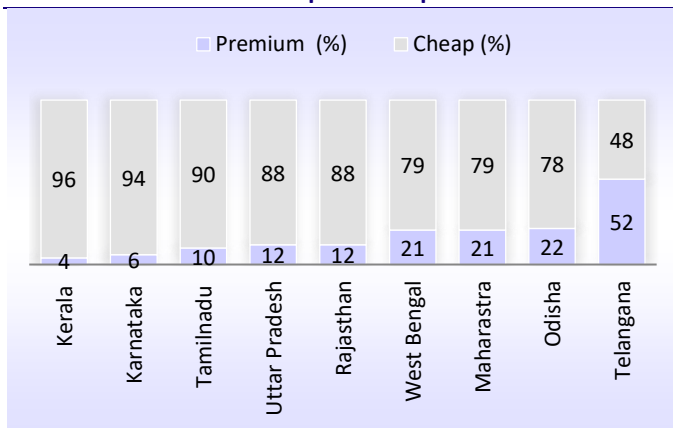
Key highlights for domestic excise policy 2026

- **Introduction of AIB:** The policy introduces AIB, which measures the specific volume of alcohol in every liter of liquor, such as Brandy, Whisky, Gin, Rum, Beer, Wine, Fruit Wine, Fortified Wine, and Low Alcoholic Beverage. This is used to ensure that stronger drinks are taxed more accurately based on their potency.
- **Consolidation of price slabs for IMFL:** The AED is now divided into eight slabs (vs 16 earlier) based on how much a case of liquor costs.
- **Standardized tax rate:** For most liquor sold through regular distributors (like local shops), the government has set a standard excise duty (ED) of INR1,000 for every one liter of pure alcohol. This applies to spirits like Brandy, Whisky, and Gin, as well as Beer (bottled).

Prima facie, read-through looks positive for alcobev companies

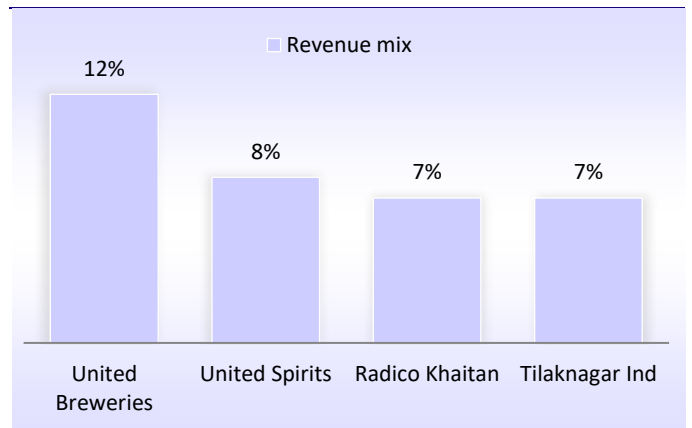
- Karnataka remains a larger market for the regular portfolio. However, the mix is changing gradually. We believe that the regular segment declined ~5% in Karnataka, while the premium segment grew ~30% in FY26.
- In IMFL, we expect MRP reduction in the range of 10-20% across P&A offerings in Karnataka.
- Lower-priced brands are expected to witness sharp price hikes due to the consolidation of slabs (10-20% price hikes). However, companies may opt to reduce alcohol content to maintain pricing and protect market share.
- The ED has shifted to a flat rate of INR1,000 per liter of pure alcohol. Previously, duty was calculated on bulk liters (9 liters per case for IMFL and 7.8 liters for beer).
- This shift means that brands with lower alcohol content (like flavored vodka) or those that strategically reduce their alcohol strength (from 42.8% to 40%) will face a lower duty burden.
- In case of beer, we believe that the revised policy marks a clear transition from a price-based taxation regime to a content-based (ABV-linked) framework, which is more aligned with global practices and is expected to improve rationality and long-term demand stability in the beer category. We expect mild beer to see price cuts (~10%), while strong beer may witness price hikes of 5-15%.

Exhibit 1: Premium vs. inexpensive liquor sales across states



Source: ISWAI, MOFSL

Exhibit 2: Revenue contribution from Karnataka



Source: Companies, MOFSL

Karnataka ED changes - IMFL

What has changed in FY27 policy for IMFL?

- **Introduction of AIB:** The policy introduced AIB, which measures the specific volume of alcohol in every liter of liquor, such as Brandy, Whisky, Gin, Rum, Beer, Wine, Fruit Wine, Fortified Wine, Low Alcoholic Beverage, etc. This is to ensure that stronger drinks are taxed more accurately based on their potency.
- From FY27 onwards, Karnataka plans to replace the 16-slab system with an alcohol-content-based taxation regime and **reduce slabs to eight**, while also removing government price controls.
- **Shift from bulk liters to pure alcohol-based taxation:** Earlier, both ED and AED were applied to bulk liters. Going forward, these will be applied to pure alcohol liters (which is ~3.85 liters for a 9 liter-case with ABV of 42.8%, in case of whiskey). The pure alcohol liter will vary across categories depending on alcohol content.
- **Standardized tax rate:** For most liquor sold through regular distributors (like local shops), the government has set a **standard ED of INR1,000 for every one liter of pure alcohol**.

Exhibit 3: IMFL tax slabs - Current vs earlier (INR)

Sr. No.	FY25		FY26		FY27	
	Declared price (per case)	AED (per bulk Ltr)	Declared price (per case)	AED (per bulk Ltr)	Declared price (per case)	AED (pure alcohol Ltr)*
1	0- 450	215	0 - 470	297	0 - 470	50
2	451 - 500	294	471 - 520	367	471 - 520	220
3	501 - 550	386	521 - 570	461	521 - 570	525
4	551 - 650	523	571 - 650	553	571 - 650	750
5	651 - 750	620	651 - 750	620	651 - 750	850
6	751 - 900	770	751 - 900	770	751 - 1300	1150
7	901 - 1050	870	901 - 1050	870	1301 - 5000	1750
8	1051 - 1300	970	1051 - 1300	970	5001 - Above	3700
9	1301 - 1800	1200	1301 - 1800	1200		
10	1801 - 2500	1400	1801 - 2500	1400		
11	2501 - 5000	1600	2501 - 5000	1600		
12	5001 - 8000	2000	5001 - 8000	2000		
13	8001 - 12500	2400	8001 - 12500	2400		
14	12501 - 15000	2600	12501 - 15000	2600		
15	15001 - 20000	2800	15001 - 20000	2800		
16	20001 - Above	3000	20001 - Above	3000		

*In FY27, ED would be levied on pure alcohol content, compared to a bulk liter basis in FY26. Basic ED is INR50/bulk liter in FY25/FY26; in FY27, it is INR1000/pure alcohol liter

Source: Karnataka Excise Department, MOFSL

Our initial read-through indicates that the new policy is more favorable for the P&A segment compared to the regular segment. We believe the new policy is likely to drive MRP reductions of 10-20% for P&A portfolios, while lower-priced brands could see price increases (10-20%) due to slab rationalization, further boosting premiumization in the state.

Exhibit 4: An illustration of pricing change in revised policy; according to our analysis, P&A segment brands will witness price cuts

Company	Whiskey									Vodka				Brandy		
	RDCK	RDCK	UNSP	Tilaknagar	RDCK	ABD	UNSP	ABD	RDCK	UNSP	RDCK	RDCK	Tilaknagar	UNSP		
Brands	Rampur Indian Single Malt Whisky Non-Chill Filtered Double Cask	Rampur 1943 Virasat Indian Single Malt Whisky	Royal Challenge American Pride Gold Blend Whisky	Seagram's Imperial Blue Superior Grain Whisky	After Dark Blue Classic Grain Whisky	Iconiq White Grand International Grain Whisky	McDowell's No.1 Luxury Premium Whisky	Officer's Choice Special Whisky	8PM Special Rare Blend of Scotch Malts and Indian Whisky	Smirnoff Minty Jamun Triple Distilled Flavoured Vodka	Smirnoff Triple Distilled Vodka	Magic Moments Premium GRAIN Vodka	Magic Moments Spicymint Vivid Flavoured Vodka	Morpheus XO Blended Premium Brandy	Mansion House True Spirit French Brandy	No.1 McDowell's Indian Brandy
Bulk litre (BL)	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
ABV (%)	42.8	42.8	42.8	42.8	42.8	42.8	42.8	42.8	42.8	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Pure alcohol litre	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.6	3.6	3.6	3.6	3.6	3.6	3.6
MRP - Earlier Policy																
Declared price per case	51,024	18,757	3,803	1,300	1,300	1,300	1,198	699	650	4,924	4,180	1,799	1,799	2,575	1,300	899
Excise Duty per BL	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Excise Duty per case	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450	450
Additional Excise Duty (as per slab)	27,000	25,200	14,400	8,730	8,730	8,730	8,730	5,580	4,977	14,400	14,400	10,800	10,800	14,400	8,730	6,930
Landing cost per case	78,474	44,407	18,653	10,480	10,480	10,480	10,378	6,729	6,077	19,774	19,030	13,049	13,049	17,425	10,480	8,279
KSBCL margin (0.6%)	471	266	112	63	63	63	62	40	36	119	114	78	78	105	63	50
Cost to Retailer	78,945	44,673	18,765	10,543	10,543	10,543	10,440	6,769	6,113	19,893	19,144	13,127	13,127	17,530	10,543	8,329
Retailer margin (10%)	7,895	4,467	1,876	1,054	1,054	1,054	1,044	677	611	1,989	1,914	1,313	1,313	1,753	1,054	833
MRP per case	86,840	49,140	20,641	11,597	11,597	11,597	11,484	7,446	6,725	21,882	21,059	14,440	14,440	19,283	11,597	9,162
MRP per bottle	7,237	4,100	1,720	970	970	970	960	620	560	1,825	1,755	1,205	1,205	1,610	970	765
MRP - Revised Policy																
Declared price per case	51,024	18,757	3,803	1,300	1,300	1,300	1,198	699	650	4,924	4,180	1,799	1,799	2,575	1,300	899
Excise Duty per pure alcohol ltr	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Excise Duty per case on pure alcohol ltr	3,852	3,852	3,852	3,852	3,852	3,852	3,852	3,852	3,852	3,600	3,600	3,600	3,600	3,600	3,600	3,600
Additional Excise Duty (as per slab)	14,245	14,245	6,738	4,428	4,428	4,428	4,428	3,273	2,888	6,300	6,300	6,300	6,300	6,300	4,428	4,140
Landing cost per case	69,121	36,854	14,392	9,580	9,580	9,580	9,478	7,824	7,390	14,824	14,080	11,699	11,699	12,475	9,328	8,639
KSBCL margin (0.6%)	415	221	86	57	57	57	57	47	44	89	84	70	70	75	56	52
Cost to Retailer	69,536	37,075	14,479	9,637	9,637	9,637	9,534	7,870	7,434	14,913	14,164	11,769	11,769	12,550	9,383	8,691
Retailer margin (10%)	6,954	3,707	1,448	964	964	964	953	787	743	1,491	1,416	1,177	1,177	1,255	938	869
MRP per case	76,490	40,782	15,927	10,601	10,601	10,601	10,488	8,657	8,177	16,404	15,581	12,946	12,946	13,805	10,322	9,560
MRP per bottle	6,374	3,404	1,327	887	887	887	877	720	681	1,369	1,298	1,080	1,080	1,153	864	800
Change in Price	-12%	-17%	-23%	-9%	-9%	-9%	-9%	16%	22%	-25%	-26%	-10%	-10%	-28%	-11%	4%

*12 in a case of 750 ml i.e. 9 bulk liter; Source: KSBCL, MOFSL

Recent history of Karnataka liquor policy for IMFL

■ July 2023 excise hike across IMFL slabs

In July 2023, the 14th Karnataka budget introduced a ~20% increase in AED across all 18 IMFL tax slabs. The hike was applied across whisky, rum, brandy, and other IMFL categories, resulting in retail price increases across segments, particularly in the mass and prestige segments. The move was part of the government's broader strategy to strengthen excise collections, one of the state's largest sources of own revenue. The 18-slab structure in Karnataka was applied mainly to IMFL (whisky, rum, brandy, gin, vodka, etc.) and was based on the Declared Price (DP) per bulk liter submitted by manufacturers.

■ 2024–2025 rationalization and price revisions

Following the July 2023 hike, the state also rationalized the IMFL pricing structure across slabs, leading to further price adjustments across lower-priced segments. These revisions particularly affected entry-level IMFL products, which contribute the bulk of excise revenue for the state. In some cases, cheaper variants of whisky, rum, and gin saw retail price increases of up to INR10-15 per bottle, reflecting the cumulative impact of higher duties and revised slab structures. **Effective July 2024, the government rationalized its structure from 18 slabs to 16 to align premium liquor prices with neighboring states and reduce extreme price distortions.** During that time, the premium liquor contributed just 2-3% of the total excise revenue of Karnataka, while it was ~52% for Telangana.

■ May 2025 duty revision on lower IMFL slabs

In May 2025, Karnataka revised its policy, with the AED now fixed as per slabs per bulk liter rather than as a % of DP earlier. This also resulted in another excise increase, impacting lower-priced brands, which represent the largest share of state liquor sales. The revision raised duties on entry-level IMFL products, resulting in retail price increases of up to INR15 per bottle in several mass brands. While the hikes supported higher excise revenue for the state, they also contributed to some moderation in liquor volumes as consumers adjusted to higher prices.

Karnataka ED changes - Beer

What has changed in FY27 policy for Beer?

- Under the earlier excise regime, beer was subject to a dual tax structure comprising ED and an AED. The ED was levied at INR12 per bulk liter for beer, with alcohol content $\leq 5\%$ ABV and INR20 per bulk liter for beer with ABV between $>5\%$ and $\leq 8\%$, while AED was charged at 200% of the declared price.
- In the revised FY27 policy, the state has undertaken a structural shift toward alcohol-content-based taxation (AIB framework). The fixed excise duty is now levied on pure alcohol liters rather than bulk liters, with a standardized rate of INR1,000 per pure alcohol liter.
- For instance, a standard 7.8-liter case with $\sim 8\%$ ABV translates to ~ 0.62 alcohol liter, implying a materially different tax incidence that is directly linked to the strength of the product rather than its declared price.
- Additionally, the earlier single-layer AED (200% of declared price) has been replaced with a more calibrated multi-slab AED structure, wherein three slabs have been introduced across price points.

Exhibit 5: Beer taxation slabs revised vs earlier (INR)

Category	Declared Price Range (INR)	Alcohol Content	ED / CVD	AED / ACVD
Earlier Policy (FY26)				
Bottled Beer	≥ 300	$\leq 5\%$ v/v	12 per BL	200% of DP
Bottled Beer	≥ 300	$>5\%$ to $\leq 8\%$ v/v	20 per BL	200% of DP
Revised Policy (FY27)				
Bottled Beer	0-500	AIB-based	1,000 per Ltr (pure alcohol)	800 per Ltr (pure alcohol)
Bottled Beer	501-700	AIB-based	1,000 per Ltr (pure alcohol)	1,400 per Ltr (pure alcohol)
Bottled Beer	701+	AIB-based	1,000 per Ltr (pure alcohol)	2,700 per Ltr (pure alcohol)

Source: Karnataka Excise Department, MOFSL

We believe that the revised policy marks a clear transition from a price-based taxation regime to a content-based (ABV-linked) framework, which is more aligned with global practices and is expected to improve rationality and long-term demand stability in the beer category. We expect mild beer to witness price cuts ($\sim 10\%$), while strong beer is likely to witness price hikes (5-15%).

Exhibit 6: An illustration of pricing change in the revised policy; according to our analysis, mild beer witnesses price cuts, while strong beer sees hikes

Company	AB Inbev	UBBL	UBBL	UBBL	UBBL	UBBL
Brands	Royal Challenge Premium Lager Beer	Kingfisher Ultra Lager Beer	Heineken Lager Beer	UB Export Strong Premium Beer	Kingfisher Strong Premium Beer	Amstel Bier Grande Supreme
Bulk litre (BL)	7.8	7.8	7.8	7.8	7.8	7.8
ABV	5.0%	5.0%	5.0%	8.0%	8.0%	8.0%
Pure alcohol litre	0.4	0.4	0.4	0.6	0.6	0.6
MRP - Earlier Policy						
Declared price per case	319	766	918	533	616	841
Excise Duty per BL	12	12	12	20	20	20
Excise Duty per case	94	94	94	156	156	156
Additional Excise Duty (200% of DP)	637	1,532	1,836	1,066	1,232	1,681
Landing cost per case	1,049	2,392	2,848	1,755	2,004	2,678
KSBCCL margin (0.5%)	5	12	14	9	10	13
Cost to Retailer	1,055	2,404	2,862	1,764	2,014	2,691
Retailer margin (10%)	105	240	286	176	201	269
MRP per case	1,160	2,644	3,148	1,940	2,215	2,960
MRP per bottle	100	225	270	165	190	250
MRP - Revised Policy						
Declared price per case	319	766	918	533	616	841
Excise Duty per pure alcohol ltr	1,000	1,000	1,000	1,000	1,000	1,000
Excise Duty per case on pure alcohol ltr	390	390	390	624	624	624
Additional Excise Duty (as per slab)	312	1,053	1,053	874	874	1,685
Landing cost per case	1,021	2,209	2,361	2,031	2,114	3,149
KSBCCL margin (0.5%)	5	11	12	10	11	16
Cost to Retailer	1,026	2,220	2,373	2,041	2,124	3,165
Retailer margin (10%)	103	222	237	204	212	317
MRP per case	1,128	2,442	2,610	2,245	2,337	3,482
MRP per bottle	97	210	226	190	200	290
Change in Price	-3%	-7%	-17%	15%	5%	16%

*12 in a case of 650 ml i.e. 7.8 bulk liter; Source: KSBCCL, MOFSL

Recent history of Karnataka liquor policy for beer

- July 2023 excise hike (Budget FY24):** During the 14th state budget (July 2023), the Karnataka government implemented the first major excise revision after the change in administration, increasing the AED on beer by 10% to 185% of the declared manufacturing cost (from 175%). This led to beer prices increasing by INR10-15 per 650ml bottle in the state. The move was primarily aimed at boosting excise revenue under the new government.
- February 2024 saw additional 10% hike in AED:** Effective 1st February 2024, the state implemented another revision in the beer excise framework by raising AED further to 195% (from 185%) of the declared price (or INR130 per bulk liter, whichever is higher). This additional 10% hike led to another price hike in beer by ~INR15 per 650ml bottle.
- January 2025 – shift to alcohol-based taxation:** In January 2025, the government modified the base excise duty structure to an alcohol-content-based framework. From the earlier flat duty of INR10 per bulk liter, it introduced two slabs: INR12 per bulk liter for beer with ≤5% ABV (mild beer) and INR20 per bulk liter for beer with 5-8% ABV (strong beer). This change effectively increased the tax burden on strong beer categories, which constitute the majority of beer consumption in the state, and led to higher retail prices for several brands.
- May 2025 – another +5% AED revision:** Effective 15th May 2025, Karnataka announced another increase in beer taxation, raising AED to 200% of the declared price from 195% earlier.

Other highlights from the new FY27 policy

Technology and operational reforms

- **Licensing simplification:** Manufacturing licenses will be auto-renewed, while label approvals and occasional licenses (CL-5) will be auto-generated through an online self-declaration mechanism, reducing manual intervention.
- **For beer:** The mandatory requirement to display malt and sugar content on beer labels has been removed.
- **Alcobeer tourism:** Distilleries and breweries will be permitted to host tasting sessions and sell products directly to visiting tourists at their premises, promoting 'alcobeer tourism'.
- **On-premise retail at facilities:** Companies will be allowed to sell products manufactured at their facilities to tourists, creating an additional revenue channel and strengthening brand engagement.
- **24-hour operations:** Distilleries and breweries will now be allowed to operate 24 hours, improving production flexibility and capacity utilization.
- **Blockchain-based tracking:** To curb revenue leakage, the state will replace physical escorts for liquor dispatches with blockchain-based tracking and geo-fenced e-lock systems.

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).

Motalal 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.motalaloswal.com. MOFSL (erstwhile Motalal 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 Motalal Oswal Financial Services Limited are available on the website at <http://online.reports.motalaloswal.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 Motalal Oswal Financial Services Limited are available on the website at <https://galaxy.motalaloswal.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 Motalal 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 Motalal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motalal 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.

Motalal 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, Motalal 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 Motalal 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@motalaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motalaloswal.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 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.