

Divi's Laboratories

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR6,887 TP: INR6,765 (-2%) Neutral

Record revenue; CS on a 10-quarter winning streak

Superior execution underpins 18% earnings CAGR; premium multiple caps upside

Bloomberg	DIVI IN
Equity Shares (m)	265
M.Cap.(INRb)/(USDb)	1828.3 / 19.1
52-Week Range (INR)	7078 / 5637
1, 6, 12 Rel. Per (%)	13/17/9
12M Avg Val (INR M)	2512

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	105.6	121.0	142.6
EBITDA	34.4	39.7	48.0
Adj. PAT	24.6	29.0	34.5
EBIT Margin (%)	28.2	28.8	29.7
Cons. Adj. EPS (INR)	92.8	109.4	130.1
EPS Gr. (%)	14.3	17.9	18.9
BV/Sh. (INR)	631.4	708.5	799.5

Ratios

Net D:E	-0.2	-0.2	-0.2
RoE (%)	15.5	16.3	17.3
RoCE (%)	15.6	16.4	17.3
Payout (%)	29.7	29.5	30.1

Valuations

P/E (x)	74.2	62.9	52.9
EV/EBITDA (x)	52.1	45.2	37.2
Div. Yield (%)	0.3	0.4	0.5
FCF Yield (%)	0.2	0.5	1.2
EV/Sales (x)	17.0	14.8	12.5

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	51.9	51.9	51.9
DII	19.2	19.3	20.7
FII	20.3	20.1	18.0
Others	8.6	8.8	9.4

FII includes depository receipts

- Divi's Lab (DIVI) delivered a better-than-expected financial performance in 4QFY26, with a 6%, 3%, 5% beat on revenue, EBITDA, and PAT, respectively. DIVI recorded the highest-ever quarterly revenue in 4Q.
- The CS segment has seen steady sales in 4Q and has posted 10 quarters of robust YoY growth. Notably, FY26 is the second straight year of strong YoY growth, led by the scale-up of existing contracts and the addition of new contracts.
- While pricing pressure continues to persist in the API segment, DIVI has been driving business through higher volume throughput and gaining market share. It has also worked with its customers to introduce newer molecules in this segment, subject to regulatory approvals.
- DIVI delivered high-teens YoY growth in the nutraceuticals segment as well through capacity expansion and strengthening its position in this segment.
- We trim our earnings estimate for FY27/FY28, factoring in 1) increased opex related to logistics due to the geopolitical turmoil, and 2) a gradual off-take of certain contracts such as contrast media products. We value DIVI at 52x 12M forward earnings to arrive at our TP of INR6,765.
- DIVI remains focused on execution discipline, supply reliability, and long-term capacity addition. It is also deepening capabilities in continuous flow chemistry, biocatalysis, peptides, contrast media space, etc., to provide superior and consistent service to innovator customers. DIVI continues to work on cost efficiency in manufacturing API in the generics segment, driving better volume share, as well as expanding the product offerings. We model an 18% earnings CAGR over FY26-28.
- Considering 63x/53x FY27/FY28E P/E, the current valuation adequately factors in the earnings upside. **Reiterate Neutral.**

Input cost inflation and pricing pressure drag margins

- DIVI's revenue grew 9.5% YoY to INR28.3b (our est: INR26.8b) for 4QFY26.
- Gross margin contracted 160bp YoY to 60.5%.
- EBITDA margin contracted 130bp YoY to 33% (our est: 33.8%), mainly due to a contraction in gross margin.
- EBITDA grew 5.4% YoY to INR9.3b (our est: INR9.0b) for 4QFY26.
- Adjusted for INR900m in forex gains, PAT grew 4% YoY to INR6.8b (our est: INR6.5b).
- For FY26, DIVI's revenue/EBITDA/PAT grew 13%/16%/14% YoY.

Tushar Manudhane - Research Analyst (Tushar.Manudhane@MotilalOswal.com)

Research Analyst - Vipul Mehta (Vipul.Mehta@MotilalOswal.com) **Eshita Jain** (Eshita.Jain@MotilalOswal.com)

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

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

Highlights from the management commentary

- DIVI intends to grow revenue in double digits on a YoY basis in FY27.
- While inventory increase has been moderate in 4QFY26 on a QoQ basis, there has been a reasonable increase in the inventory in 1QFY27, considering the external geopolitical issues.
- Most of the current API segment revenue growth was driven by better volume offtake of existing products. DIVI is working with customers for new product launches. This would support growth going forward.
- DIVI has commercialized iodine-based products. The gadolinium contrast media products are at the qualification stage. DIVI continues to support customers for regulatory approval.
- CWIP was INR21b at the end of FY26. DIVI has capitalized assets worth INR15.4b, of which INR8b was capitalized in 4QFY26.
- DIVI is steadily increasing the production level at Unit 3 and shifting the production from Unit 1/2 to meet the customer's requirements.
- The Nutraceutical business was INR9.4b/INR2.4b for FY26/4QFY26.
- DIVI has several 3,000L-capacity reactors for manufacturing peptides. DIVI aspires to be the leading manufacturing capacity for peptides at the global level.
- It has several customers in the peptides space at various stages of development.
- Exports stood at 89% of the sales. The US/EU formed 74% of the export sales for FY26.
- Receivable/Inventory at the end of FY26 was INR30b/INR39.5b.

Quarterly Performance

Y/E March (INRm)	FY25				FY26				FY25	FY26	FY26E	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	
Net Sales	21,180	23,380	23,190	25,850	24,100	27,150	26,040	28,310	93,600	1,05,600	26,778	5.7
YoY Change (%)	19.1	22.5	25.0	12.2	13.8	16.1	12.3	9.5	19.3	12.8	3.6	
Total Expenditure	14,960	16,220	15,760	16,990	16,810	18,270	17,140	18,970	63,930	71,190	17,727	
EBITDA	6,220	7,160	7,430	8,860	7,290	8,880	8,900	9,340	29,670	34,410	9,051	3.2
YoY Change (%)	23.4	43.5	51.9	21.2	17.2	24.0	19.8	5.4	33.5	16.0	2.2	
Margins (%)	29.4	30.6	32.0	34.3	30.2	32.7	34.2	33.0	31.7	32.6	33.8	
Depreciation	970	990	990	1,070	1,120	1,130	1,180	1,200	4,020	4,630	1,173	
YoY Change (%)	27.7	52.7	63.5	22.5	17.5	25.6	19.9	4.5	39.0	16.1	1.1	
Interest	0	0	0	10	30	80	60	60	10	230	0	
Other Income	780	770	720	760	800	820	690	650	3,030	2,960	795	
PBT before EO Income	6,030	6,940	7,160	8,540	6,940	8,490	8,350	8,730	28,670	32,510	8,674	
EO and Forex Gain/(Loss)	10	290	100	100	390	630	-550	900	500	1,370	0	
PBT	6,040	7,230	7,260	8,640	7,330	9,120	7,800	9,630	29,170	33,880	8,674	
Rate (%)	28.8	29.3	18.9	23.4	25.6	24.5	25.3	22.0	24.9	24.2	25.0	
PAT	4,300	5,110	5,890	6,620	5,450	6,890	5,830	7,510	21,920	25,680	6,505	
Adj. PAT	4,293	4,905	5,809	6,543	5,160	6,414	6,241	6,808	21,550	24,623	6,505	4.7
YoY Change (%)	20.3	38.3	68.5	22.0	20.2	30.8	7.4	4.0	35.3	14.3	-0.6	
Margins (%)	20.3	21.9	25.4	25.6	22.6	25.4	22.4	26.5	23.4	24.3	24.3	
Adj. EPS	16.2	18.5	21.9	24.7	19.4	24.2	23.5	25.6	81.2	92.8	24.5	

Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Cost Break-up										
RM Cost (% of Sales)	40.3	41.4	39.8	37.9	39.7	39.5	36.3	39.5	39.8	38.8
Staff Cost (% of Sales)	13.8	13.0	12.8	13.5	14.1	13.0	14.1	13.5	13.3	13.7
Other Expenses(% of Sales)	16.6	14.9	15.4	14.2	16.0	14.7	15.4	14.0	15.2	15.0
Tax rate (%)	28.8	29.3	18.9	23.4	25.6	24.5	25.3	22.0	24.9	24.2
Gross Margins(%)	59.7	58.6	60.2	62.1	60.3	60.5	63.7	60.5	60.2	61.2
EBITDA Margins(%)	29.4	30.6	32.0	34.3	30.2	32.7	34.2	33.0	31.7	32.6
EBIT Margins(%)	24.8	26.4	27.8	30.1	25.6	28.5	29.6	28.8	27.4	28.2

Peptides, custom synthesis, and niche APIs to drive the next growth phase

CS: Technology platform supporting manufacturing capacity to drive growth

- Custom synthesis remained the largest business segment in FY26, contributing 55% of total revenue, and grew 19% YoY to INR58.4b.
- Divi's continues to strengthen its positioning as a trusted CDMO and peptide manufacturing partner, backed by 25+ years of execution track record, over 700 scientists across three R&D centers, and ~16,500 m³ of aggregate manufacturing capacity.
- Customer engagement across innovator pharma companies remains strong, with multiple molecules progressing through phase II, phase III, validation, and pre-commercial stages, providing healthy medium-term commercialization visibility.
- The company is strategically increasing focus on high-barrier opportunities such as peptides, GLP-1 intermediates, and contrast media, where entry barriers remain high due to process complexity, regulatory requirements, and scale limitations.
- Divi's peptide platform continues to deepen through investments in both solid-phase and liquid-phase synthesis technologies, with management indicating successful validation of multiple peptide fragments and several additional projects in the pipeline.
- Dedicated capacities commissioned under long-term customer agreements are expected to ramp up progressively over FY27-28, subject to customer regulatory approvals and commercialization timelines.
- The company's HPAPI-ready manufacturing suites, strong iodinated chemistry capabilities, and extensive DMF/CEP filings strengthen its competitive moat and increase customer stickiness in regulated markets.
- The Unit-3 and Kakinada expansions are improving backward integration capabilities and freeing GMP manufacturing blocks, thereby enhancing readiness for future custom synthesis scale-up opportunities.
- Investments in continuous flow chemistry, biocatalysis, automation, and process intensification are expected to improve efficiency, scalability, and competitiveness for complex chemistry projects over the medium term.
- ESG compliance is increasingly becoming contract-critical for Western innovator customers, and DIVI's renewable energy transition, zero-liquid-discharge initiatives, and sustainability investments are expected to enhance its positioning versus smaller Asian peers.
- We expect CS to clock an 18% CAGR over FY26-28 to reach INR80.8b, supported by a healthy project pipeline, peptide opportunity expansion, and improving utilization of recently commissioned capacities.

Generics: Benefits from scale, backward integration, and new launches

- Generics contributed 45% of FY26 revenue and had a stable growth of 2.5% YoY to INR 37.8b, driven by healthy volume growth across key APIs, while the company continued to navigate pricing pressure in regulated markets through operational efficiencies and supply reliability.

- FY26 performance remained resilient with steady customer demand and strong execution, as Divi's reported stable volumes across its core generic API portfolio despite industry-wide pricing challenges.
- Europe and the US together contributed nearly 74% of export revenues, reflecting Divi's entrenched positioning in regulated API markets supported by long-standing customer relationships and a strong regulatory compliance record.
- The company continues to benefit from its diversified DMF and CEP portfolio, which supports product breadth, customer retention, and supply reliability across global regulated markets.
- Management highlighted that future growth in generics is expected to be supported by upcoming customer launches from molecules nearing patent expiry, with multiple filings already progressing through regulatory pathways.
- Contrast media APIs continue to emerge as a strategic niche growth area, with Divi's already supplying iodine-based contrast media products to leading innovator companies under long-term supply agreements.
- Long-term customer contracts with price-variation mechanisms continue to provide partial protection against volatility in raw material and solvent prices, particularly amid ongoing geopolitical disruptions.
- Backward integration initiatives and migration of select pre-chemistry operations to Unit-3 are expected to improve asset utilization, enhance supply-chain resilience, and support operating leverage across the generics business.
- We expect generics to clock a 15% CAGR over FY26-28 to reach INR49.7b, aided by stable demand trends, improving capacity utilization, niche product opportunities, and incremental contributions from new product launches.

Reiterate Neutral

- DIVI remains focused on execution discipline, supply reliability, and long-term capacity addition. It is also deepening capabilities in continuous flow chemistry, biocatalysis, peptides, contrast media space, etc., to provide superior and consistent service to innovator customers. DIVI continues to work on cost efficiency in manufacturing API in the generics segment, driving better volume share, as well as expanding the product offerings. We model an 18% earnings CAGR over FY26-28.
- Considering 63x/53x FY27/FY28E P/E, the current valuation adequately factors in the earnings upside. **Reiterate Neutral.**

Story in charts

Exhibit 1: Revenue grew 9.5% YoY in 4QFY26

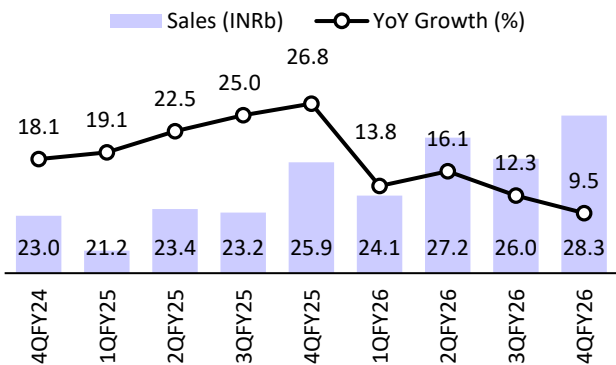


Exhibit 2: The CS segment contributed 55% to revenue

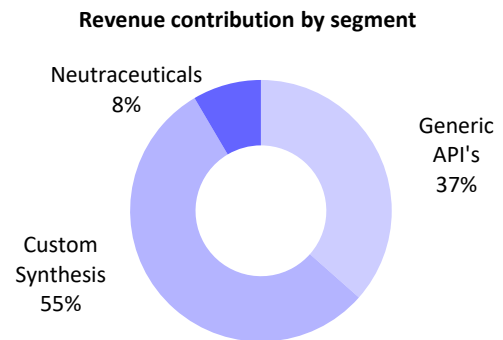


Exhibit 3: Gross margin contracted 160bp YoY in 4QFY26

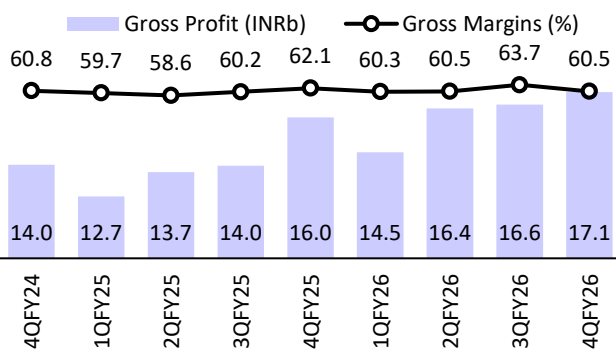


Exhibit 4: EBITDA margin contracted 130bp YoY

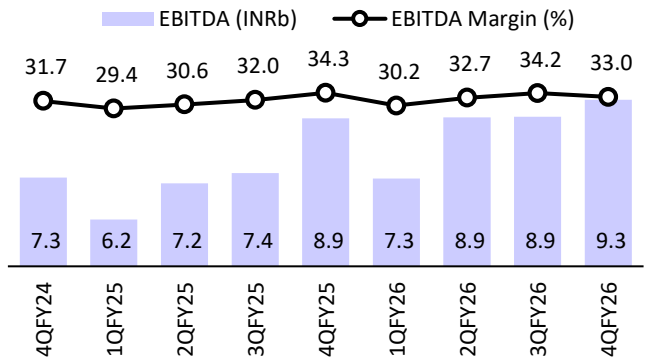


Exhibit 5: Expect ~10.5% revenue CAGR over FY25-28

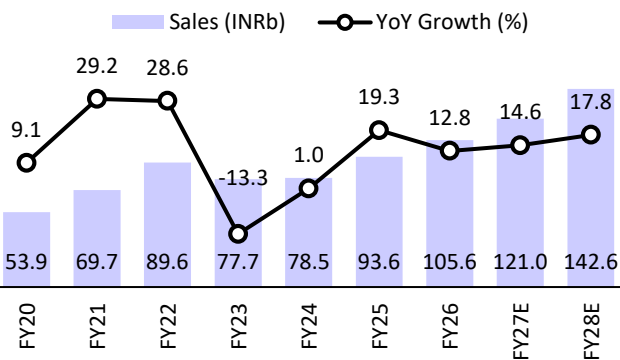


Exhibit 6: Expect margin to expand 110bp over FY26-28

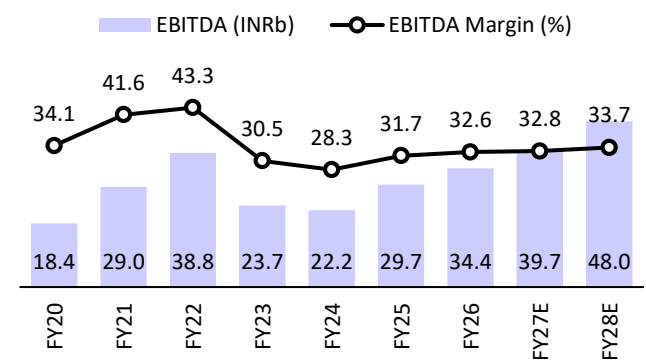


Exhibit 7: Expect ~12% earnings CAGR over FY26-28

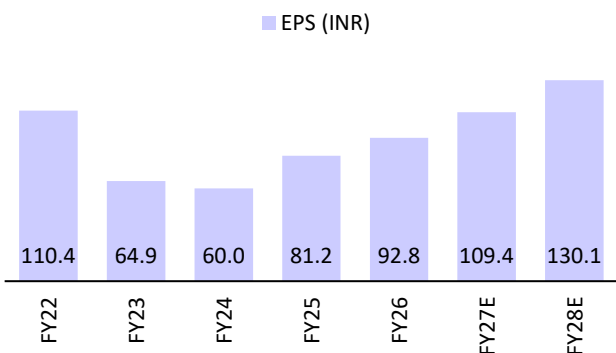
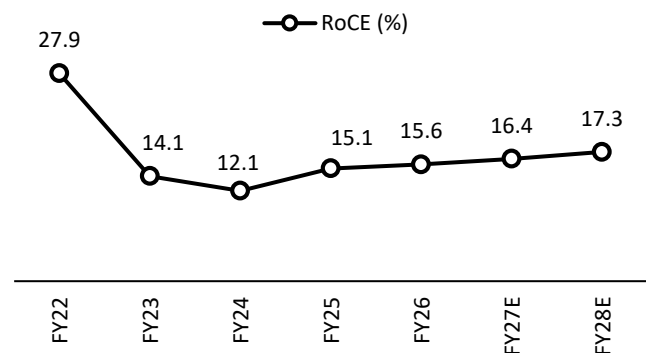


Exhibit 8: RoCE to reach ~17.3% by FY28



Source: Company, MOFSL

Source: Company, MOFSL

Financials and valuations

Income Statement								(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total Income from Operations	69,694	89,598	77,675	78,450	93,600	1,05,600	1,20,995	1,42,592
Change (%)	29.2	28.6	-13.3	1.0	19.3	12.8	14.6	17.8
Total Expenditure	40,711	50,779	53,997	56,220	63,930	71,190	81,290	94,549
% of Sales	58.4	56.7	69.5	71.7	68.3	67.4	67.2	66.3
EBITDA	28,983	38,819	23,678	22,230	29,670	34,410	39,704	48,043
Margin (%)	41.6	43.3	30.5	28.3	31.7	32.6	32.8	33.7
Depreciation	2,556	3,115	3,432	3,780	4,020	4,630	4,850	5,716
EBIT	26,427	35,704	20,246	18,450	25,650	29,780	34,854	42,327
Int. and Finance Charges	9	8	7	30	10	230	165	164
Other Income	626	733	2,150	3,100	3,030	2,960	2,786	3,091
PBT bef. EO Exp.	27,044	36,429	22,390	21,520	28,670	32,510	37,475	45,254
EO Items	-384	406	1,297	140	500	1,370	0	0
PBT after EO Exp.	26,660	36,835	23,687	21,660	29,170	33,880	37,475	45,254
Total Tax	6,818	7,231	5,453	5,630	7,250	8,200	8,432	10,725
Tax Rate (%)	25.6	19.6	23.0	26.0	24.9	24.2	22.5	23.7
Minority Interest	0	0	0	0	0	0	0	0
Reported PAT	19,843	29,605	18,234	16,027	21,920	25,680	29,043	34,529
Adjusted PAT	20,062	29,303	17,222	15,926	21,552	24,642	29,043	34,529
Change (%)	54.4	46.1	-41.2	-7.5	35.3	14.3	17.9	18.9
Margin (%)	28.5	32.4	21.6	20.3	23.0	23.3	24.0	24.2

Balance Sheet								(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	531	531	531	531	531	530	530	530
Total Reserves	92,415	1,16,751	1,27,140	1,35,180	1,49,160	1,67,080	1,87,548	2,11,693
Net Worth	92,946	1,17,282	1,27,671	1,35,711	1,49,691	1,67,610	1,88,078	2,12,223
Deferred Tax Liabilities	3,348	4,069	5,230	5,720	5,090	4,690	4,690	4,690
Capital Employed	96,298	1,21,351	1,32,901	1,41,431	1,54,781	1,72,300	1,92,768	2,16,913
Gross Block	46,919	56,246	63,653	67,597	78,647	94,137	1,19,041	1,36,072
Less: Accum. Deprn.	9,880	12,995	16,427	20,207	24,227	28,857	33,707	39,423
Net Fixed Assets	37,039	43,251	47,226	47,390	54,420	65,280	85,334	96,648
Capital WIP	7,106	4,699	2,119	7,780	10,220	21,130	12,226	9,695
Total Investments	0	720	771	820	650	690	690	690
Curr. Assets, Loans&Adv.	63,563	84,933	94,130	99,011	1,04,030	1,13,230	1,26,567	1,47,437
Inventory	21,452	28,286	30,004	31,840	32,360	39,540	45,656	52,326
Account Receivables	16,765	24,239	17,925	21,560	27,310	29,840	36,133	42,582
Cash and Bank Balance	21,560	28,189	42,131	39,800	37,150	34,140	33,653	39,417
Loans and Advances	3,786	4,219	4,070	5,811	7,210	9,710	11,126	13,111
Curr. Liability & Prov.	11,411	12,251	11,345	13,570	14,539	28,030	32,049	37,557
Account Payables	7,632	7,957	7,625	8,640	9,100	12,110	13,808	16,060
Other Current Liabilities	3,501	3,986	3,364	4,490	4,899	14,510	16,625	19,593
Provisions	278	309	355	440	540	1,410	1,616	1,904
Net Current Assets	52,153	72,681	82,785	85,441	89,491	85,200	94,518	1,09,879
Appl. of Funds	96,298	1,21,351	1,32,901	1,41,431	1,54,781	1,72,300	1,92,768	2,16,913

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)								
EPS	75.6	110.4	64.9	60.0	81.2	92.8	109.4	130.1
Cash EPS	85.2	122.1	77.8	74.2	96.3	110.3	127.7	151.6
BV/Share	350.1	441.8	481.0	511.2	563.9	631.4	708.5	799.5
DPS	20.0	29.9	17.0	15.5	21.2	23.9	26.8	32.4
Payout (%)	32.3	32.3	29.8	31.0	31.0	29.7	29.5	30.1
Valuation (x)								
P/E	91.1	62.4	106.1	114.8	84.8	74.2	62.9	52.9
Cash P/E	80.8	56.4	88.5	92.7	71.5	62.4	53.9	45.4
P/BV	19.7	15.6	14.3	13.5	12.2	10.9	9.7	8.6
EV/Sales	25.9	20.1	23.0	22.8	19.1	17.0	14.8	12.5
EV/EBITDA	62.3	46.4	75.4	80.4	60.3	52.1	45.2	37.2
Dividend Yield (%)	0.3	0.4	0.2	0.2	0.3	0.3	0.4	0.5
FCF per share	39.1	45.2	69.8	8.1	10.3	9.3	20.6	49.8
Return Ratios (%)								
RoE	24.2	27.9	14.1	12.1	15.1	15.5	16.3	17.3
RoCE	24.2	27.9	14.1	12.1	15.1	15.6	16.4	17.3
RoIC	31.8	36.9	17.7	15.1	19.3	20.2	20.6	20.6
Working Capital Ratios								
Asset Turnover (x)	1.5	1.6	1.2	1.2	1.2	1.1	0.6	0.7
Inventory (Days)	112	115	141	148	126	137	138	134
Debtor (Days)	88	99	84	100	106	103	109	109
Creditor (Days)	40	32	36	40	35	42	42	41
Leverage Ratio (x)								
Net Debt/Equity	-0.2	-0.25	-0.34	-0.3	-0.3	-0.2	-0.2	-0.2

Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	26,660	36,835	23,687	21,660	29,170	33,880	37,475	45,254
Depreciation	2,556	3,115	3,432	3,780	4,020	4,630	4,850	5,716
Interest & Finance Charges	-564	4	-2,144	-3,070	-3,020	-2,730	-2,621	-2,927
Direct Taxes Paid	-6,443	-6,410	-5,453	-5,630	-7,250	-8,200	-8,432	-10,725
(Inc)/Dec in WC	-2,641	-13,705	3,838	-4,987	-6,700	1,281	-9,805	-9,597
CF from Operations	19,569	19,840	23,360	11,753	16,220	28,861	21,467	27,721
Others	-100	-722	0	0	0	0	0	0
CF from Operating incl EO	19,469	19,118	23,360	11,753	16,220	28,861	21,467	27,721
(Inc)/Dec in FA	-9,101	-7,132	-4,827	-9,605	-13,490	-26,400	-16,000	-14,500
Free Cash Flow	10,368	11,986	18,534	2,148	2,730	2,461	5,467	13,221
(Pur)/Sale of Investments	9,740	-15,990	-50	-50	170	-40	0	0
Others	-668	1,173	2,150	704	3,030	2,960	2,786	3,091
CF from Investments	-29	-21,949	-2,727	-8,951	-10,290	-23,480	-13,214	-11,409
Issue of Shares	0	0	0	0	0	-1	0	0
Inc/(Dec) in Debt	-333	-4	0	0	0	0	0	0
Interest Paid	-9	-4	-7	-30	-10	-230	-165	-164
Dividend Paid	0	-5,309	-5,432	-4,968	-6,794	-7,637	-8,576	-10,384
Others	-7	13,992	-1,043	-135	-1,777	-522	0	0
CF from Fin. Activity	-349	8,676	-6,481	-5,133	-8,581	-8,390	-8,741	-10,548
Inc/Dec of Cash	19,091	5,844	14,152	-2,331	-2,651	-3,009	-487	5,764
Opening Balance	1,227	21,560	28,189	42,131	39,800	37,150	34,140	33,653
Closing Balance	20,317	27,405	42,341	39,800	37,150	34,140	33,653	39,417
Forex and other adjustments	1,243	784	-210	0	0	0	0	0
Total Cash & Cash Eq	21,560	28,189	42,131	39,800	37,150	34,140	33,653	39,417

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

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=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. 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://online.reports.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://qalaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>. As per Regulatory requirements, Research Audit Report is uploaded on 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, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

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

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- 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 /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/NCDEX); 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.