

VRL Logistics

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR520 **TP: INR670 (+29%)** **Buy**

Revenue in line; lower fuel costs drive EBITDA beat

Network expansion to drive volumes; strong margins to sustain

Bloomberg	VRL IN
Equity Shares (m)	87
M.Cap.(INRb)/(USDb)	45.5 / 0.5
52-Week Range (INR)	718 / 432
1, 6, 12 Rel. Per (%)	3/-1/-32
12M Avg Val (INR M)	85

Financial Snapshot (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	32.0	34.9	38.8
EBITDA	5.4	6.0	6.6
Adj. PAT	1.6	2.0	2.3
EBITDA Margin (%)	16.8	17.2	17.0
Adj. EPS (INR)	18.2	22.4	25.8
EPS Gr. (%)	79.7	23.2	14.9
BV/Sh. (INR)	116.3	126.8	138.5

Ratios

Net D:E	0.4	0.2	0.0
RoE (%)	16.2	18.5	19.4
RoCE (%)	15.4	16.3	18.3
Payout (%)	54.9	53.5	54.3

Valuations

P/E (x)	28.6	23.2	20.2
P/BV (x)	4.5	4.1	3.8
EV/EBITDA(x)	9.1	7.9	6.9
Div. Yield (%)	1.9	2.3	2.7
FCF Yield (%)	0.2	7.6	7.7

Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	60.2	60.2	60.2
DII	25.6	25.5	28.1
FII	3.6	3.9	2.5
Others	10.6	10.4	9.1

FII includes depository receipts

- VRL Logistics (VRL)'s 3QFY25 revenue grew 12% YoY (+3% QoQ) to ~INR8.3b (in line). Volumes inched up 1% YoY to 1.1m tons, while realizations improved 11% YoY. Realization per ton increased to INR7,390 vs. INR6,669 in 3QFY24 and INR7,241 in 2QFY25. This higher realization, coupled with 1% YoY growth in volumes, played a key role in driving revenue growth.

- EBITDA margin stood at 20.2% vs. our estimate of 16.2%. The margins were supported by the price hikes implemented at the end of 1QFY25. Further, the fuel costs as a % of revenue declined as the company procured more from refineries (from 22% in 3QFY24 to 40% in 3QFY25). Further, the lorry hire charges as a % of revenue declined due to an improvement in km run by VRL-owned vehicles.

- EBITDA jumped 76% YoY to INR1.7b in 3QFY25 (26% above our estimate). Strong operating performance led to an increase in APAT to INR594m in 3QFY25 from INR 137m in 3QFY24 (our estimate was INR419m).

- Capex in 3QFY25 stood at INR2.8b, including the Bangalore Hub. Net debt rose to INR4.65b at the end of Dec'24 (INR2.6b at FY24 end).

- VRL's strong 3QFY25 performance was driven by cost optimization and freight rate hikes, despite muted volume growth. EBITDA margins are expected to be sustained at 18%, supported by efficiencies in fuel procurement and fleet movement. The company plans to reduce debt using its ~INR1b quarterly operating cash flow generation, expand its fleet by ~200 vehicles, and add 80-100 new branches in FY26 to strengthen its logistics network.

- Factoring in better-than-expected margins with sustainable cost optimization measures, we increase our near-term FY25 EBITDA/APAT estimates by ~9%/14% while largely retaining EPS estimates for FY26/FY27. **We expect VRL to clock a CAGR of 6%/10%/19%/36% in volume/revenue/EBITDA/PAT over FY24-27. We reiterate our BUY rating with a TP of INR670 (based on 28x Sep'26 EPS).**

Highlights from the management commentary

- VRL achieved its highest-ever EBITDA margin of 20.2% in 3Q, primarily driven by lower fuel costs due to increased bulk fuel purchases from refineries, lower fuel prices, and enhanced vehicle turnaround times. Lower fuel cost was despite higher fuel consumption during the quarter, which increased by 3.4% YoY in 3Q and 4.9% in 9MFY25. The share of bulk fuel purchases from refineries rose from ~22% to 39.9% in 3Q and from 27.9% to 36.3% for 9MFY25.

Alok Deora - Research analyst (Alok.Deora@MotilalOswal.com)

Saurabh Dugar - Research analyst (Saurabh.Dugar@MotilalOswal.com)

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

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

- The company incurred a capex of INR2.8b in 3QFY25 and INR3.95b in 9MFY25, with major investments in property acquisitions in Bengaluru, Mysuru, and Mangaluru. Due to these investments, net debt increased from INR2.6b in Mar'24 to INR4.7b in Dec'24.
- In FY26, VRL anticipates overall revenue growth of 12-13%, with a more balanced volume growth pattern likely to emerge after 1QFY26. Beyond 1QFY26, volume growth is expected to return to 8-10%.
- Management expects to sustain EBITDA margins at around 18% in FY26, along with projected revenue growth of 12-13%. VRL will also continue to focus on bulk fuel purchases, which currently provide a cost advantage of INR5-6 per liter.

Valuation and view

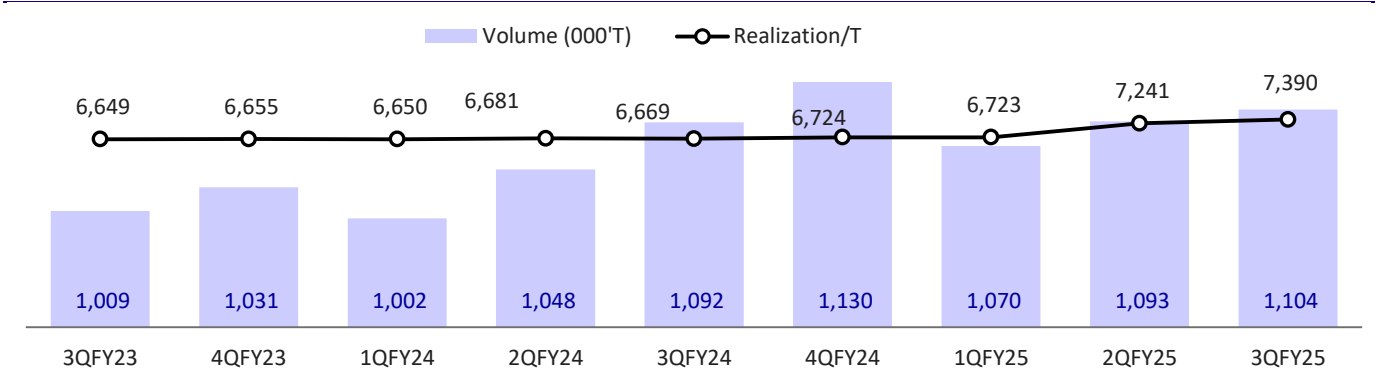
- VRL's 3QFY25 performance was robust, driven by price hikes, while volumes remained muted. Looking ahead, the company expects its focus on branch expansion to continue, which should drive its volume growth through market share gains. Sustaining the margin profile would be a key monitorable ahead.
- **We expect VRL to clock a CAGR of 6%/10%/15%/37% in volume/revenue/EBITDA/PAT over FY24-27. We reiterate our BUY rating with a revised TP of INR670 (based on 28x Sep'26 EPS).**

Quarterly performance

Y/E March (INR m)	INR m													
	FY24				FY25E				FY24		FY25E		FY25 3QE	Var. vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE						
Net Sales	6,742	7,093	7,367	7,684	7,272	7,995	8,252	8,530	28,886	32,049	8,182	1		
YoY Change (%)	9.7	8.4	8.1	10.1	7.9	12.7	12.0	11.0	9.1	11.0	11.1			
EBITDA	1,019	918	944	1,053	869	1,331	1,664	1,518	3,935	5,382	1,325	26		
Margins (%)	15.1	12.9	12.8	13.7	11.9	16.6	20.2	17.8	13.6	16.8	16.2			
YoY Change (%)	11.7	-1.3	-8.6	-7.7	-14.7	44.9	76.3	44.1	-2.0	36.8	40.4			
Depreciation	489	522	568	583	615	638	646	694	2,162	2,593	640			
Interest	163	185	213	218	226	224	241	237	779	928	205			
Other Income	89	60	24	38	148	25	57	87	211	316	80			
PBT before EO expense	456	271	187	291	176	493	835	674	1,205	2,178	560			
Extra-Ord expense	0	-3	0	0	0	0	0	0	-3	0	0			
PBT	456	274	187	291	176	493	835	674	1,208	2,178	560			
Tax	117	77	50	76	42	135	240	169	319	586	141			
Rate (%)	25.6	28.0	26.9	26.0	23.6	27.3	28.8	25.1	26.4	26.9	25.2			
Reported PAT	339	197	137	215	134	358	594	505	889	1,592	419			
Adj PAT	339	194	137	215	134	358	594	505	886	1,592	419	42		
YoY Change (%)	-7.5	-36.7	-63.7	-64.7	-60.4	84.4	333.9	134.3	-46.7	79.7	205.8			
Margins (%)	5.0	2.7	1.9	2.8	1.8	4.5	7.2	5.9	3.1	5.0	5.1			

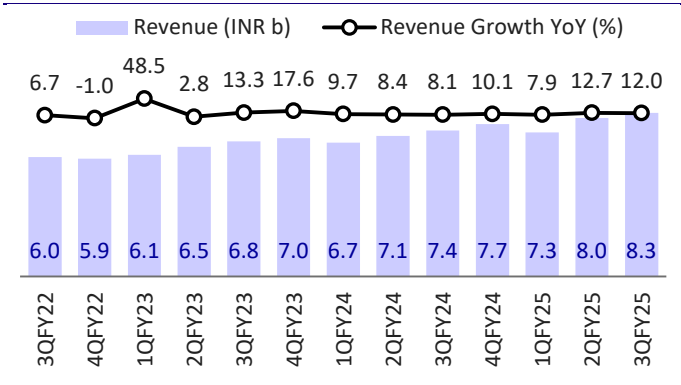
Story in charts – 3QFY25

Exhibit 1: Volumes inched up 1% YoY



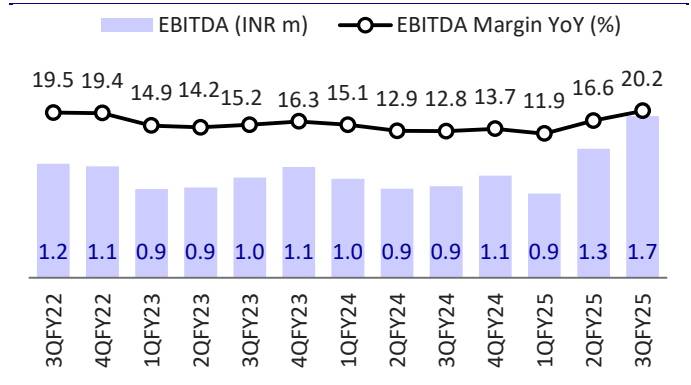
Source: Company, MOFSL

Exhibit 2: Revenue up ~12% YoY, driven by price hike



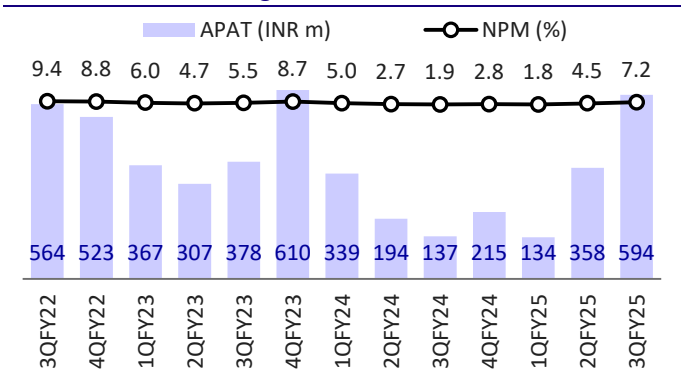
Source: Company, MOFSL

Exhibit 3: EBITDA margin at 20.2%, highest in VRL history



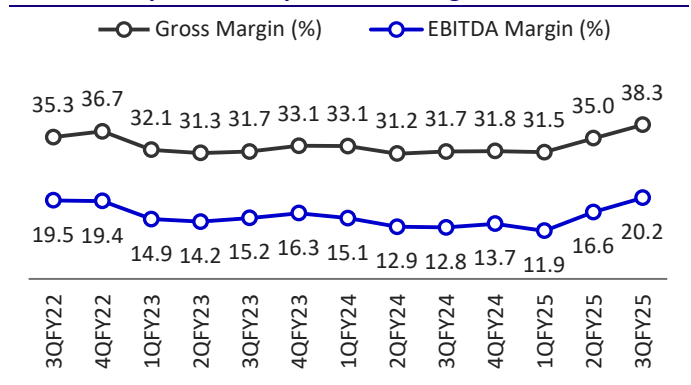
Source: Company, MOFSL

Exhibit 4: PAT and margin trends



Source: Company, MOFSL

Exhibit 5: Expansion in operational margins



Source: Company, MOFSL

Exhibit 6: Investment in Bengaluru Hub to result in cost saving

Property Details		Financial Benefits (₹ in lakhs)	
Total Land Area (sq mtr)	112401.36	Reduction in Annual Rent expenses (incl GST)	1571.43
Total Building Area (sq mtr)	48221.78	Third party Rental Income	148.65
Land Value	17819.53	Realisation of Rent Deposit	900.00
Building Value	5292.25	Due recovery of our investments made over the years in useful amenities such as internal Road work, Fuel station, Weigh bridge, Solar installation, STP etc	330.58
Total Investment (₹ in lakhs)	23111.78	Reduction in ROU (IND AS-116)	2744.46
Funded through Debt (₹ in lakhs)	18500.00	Reduction in Lease Liability (IND AS-116)	2902.64
Funded Through Internal Accruals (₹ in lakhs)	4611.78	Land value which is is Non depreciable	17819.53
		Low Cost Debt @ 8.6% p.a	

Source: Company, MOFSL

**Highlights from the management commentary****Operational highlights**

- VRL reported revenue growth of 12% YoY/3% QoQ in 3QFY25 and 11% YoY in 9MFY25. Revenue growth was primarily driven by freight rate hikes, which resulted in higher realizations and improved margins. In 3Q, realization per ton increased to INR7,390 vs. INR6,669 in 3Q and INR7,241 in 2Q. This higher realization, coupled with a 1% YoY increase in volumes, played a key role in driving revenue growth.
- The company achieved its highest-ever EBITDA margin of 20.2% in 3Q. This margin improvement was primarily attributed to lower fuel costs due to increased bulk fuel purchases from refineries, lower fuel prices, and enhanced vehicle turnaround times. Lower fuel cost was despite higher fuel consumption during the quarter, which increased by 3.4% YoY in 3Q and 4.9% in 9MFY25. The share of bulk fuel purchases from refineries rose from ~22% to 39.9% in 3Q and from 27.9% to 36.3% for 9MFY25.
- The reduction in lorry hire charges due to increased reliance on owned vehicles further contributed to margin expansion.
- The company improved fleet utilization by increasing the number of kms covered by its own vehicles, reducing dependency on hired vehicles. As a result, lorry hire charges decreased by ~200bp YoY. The enhanced operational efficiency contributed to improved margins.
- VRL focused on route optimization by reducing reliance on multiple transshipment hubs, thereby minimizing frequent loading and unloading costs.
- During 9MFY25, VRL expanded its branch network, increasing the total number of branches from 1,209 in Mar'24 to 1,248 by Dec'24, with a net addition of 39 branches. The company also expanded its fleet, adding 107 new vehicles, bringing the total number of GT vehicles to 6,101 as of Dec'24.
- The company incurred a capex of INR2.8b in 3Q and INR3.95b in 9MFY25, with major investments in property acquisitions in Bengaluru, Mysuru, and Mangaluru. Due to these investments, net debt increased from INR2.6b in Mar'24 to INR4.7b in Dec'24.

Operational Efficiency & Network Expansion

- VRL successfully increased the total kms driven by its owned fleet, thereby minimizing loading and unloading charges. While VRL's hub-to-hub operations are running at full capacity, the company has also started monitoring hub-to-spoke utilization to further enhance vehicle efficiency.
- VRL maintains one of the lowest receivable cycles in the industry, with receivable days limited to 11-12 days, ensuring strong working capital management.
- To strengthen its logistics network, management has set a target of adding 20-25 new branches per quarter and expects to open 80-100 new branches in FY26.

Guidance

- For 4QFY25, VRL expects revenue growth to remain in the range of 12-13%, with volume growth staying at around 1%, primarily driven by improved realizations.
- In FY26, VRL anticipates total revenue growth of 12-13%, with a more balanced volume growth pattern emerging after 1QFY26. Beyond 1QFY26, volume growth is expected to return to 8-10%.
- Management expects to sustain EBITDA margins of around 18% in FY26, along with projected revenue growth of 12-13%. VRL will also continue to focus on bulk fuel purchases, which currently provide a cost advantage of INR5-6 per liter.
- VRL's higher-than-usual capex in FY25 was largely attributed to hub acquisition. It expects a normalized capex of INR1.5-1.6b in FY26.
- Although net debt increased due to hub investments, VRL plans to significantly reduce debt in the coming quarters. The company generates ~INR1b in operating cash flow per quarter, which will be used for both debt reduction and future capital expenditures.
- As part of its sustainability initiatives, VRL's new Bengaluru hub is equipped with solar panels, which will help generate electricity to power the company's EV fleet and reduce overall electricity costs.
- The company also benefited from GST-driven market consolidation, as stricter compliance regulations have increased its market share across certain product categories.
- In FY26, VRL plans to expand its fleet with a net addition of ~200 vehicles.

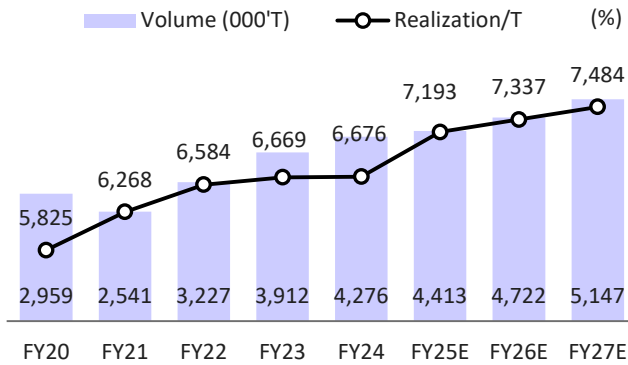
Exhibit 7: Our revised estimates

(INR m)	FY25E			FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	32,049	32,208	-0.5	34,934	36,395	-4.0	38,776	41,127	-5.7
EBITDA	5,382	4,921	9.4	5,996	5,507	8.9	6,580	6,160	6.8
EBITDA Margin (%)	16.8	15.3	151	17.2	15.1	203	17.0	15.0	199
PAT	1,592	1,401	13.6	1,962	1,872	4.8	2,255	2,303	-2.1
EPS (INR)	18.2	16.0	13.6	22.4	21.4	4.8	25.8	26.3	-2.1

Source: Company, MOFSL

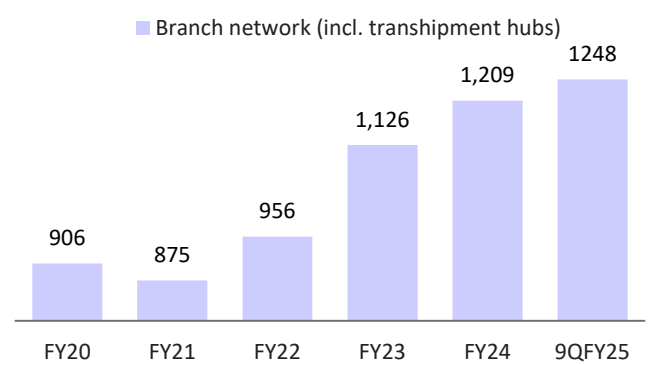
Financial story in charts

Exhibit 8: Expect volumes to clock 6% CAGR over FY24-27



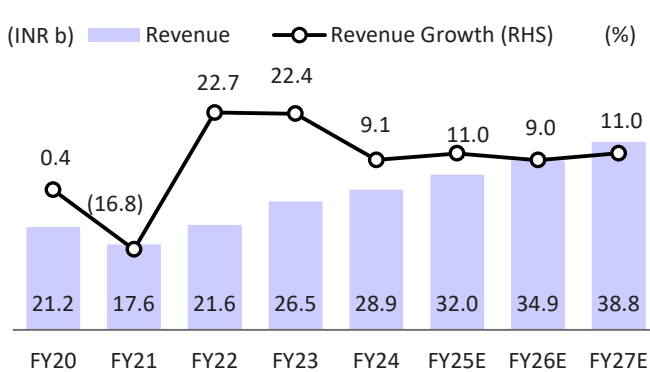
Source: Company, MOFSL

Exhibit 9: Expansion of branch network continues



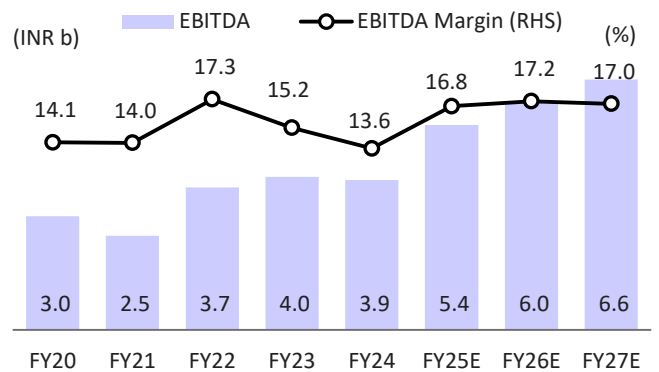
Source: Company, MOFSL

Exhibit 10: Shift to organized operators to drive revenue (%)



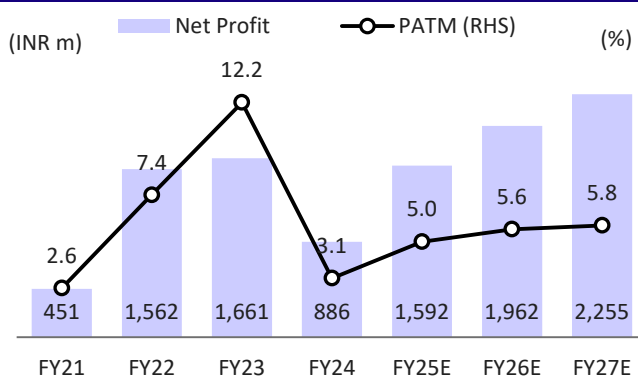
Source: Company, MOFSL

Exhibit 11: Margin to remain strong



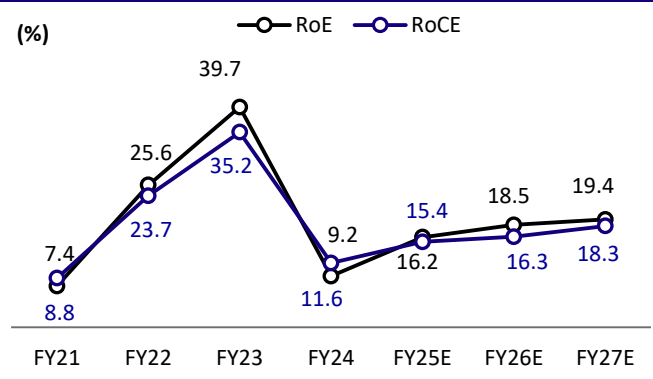
Source: Company, MOFSL

Exhibit 12: Strong operating performance to drive PAT



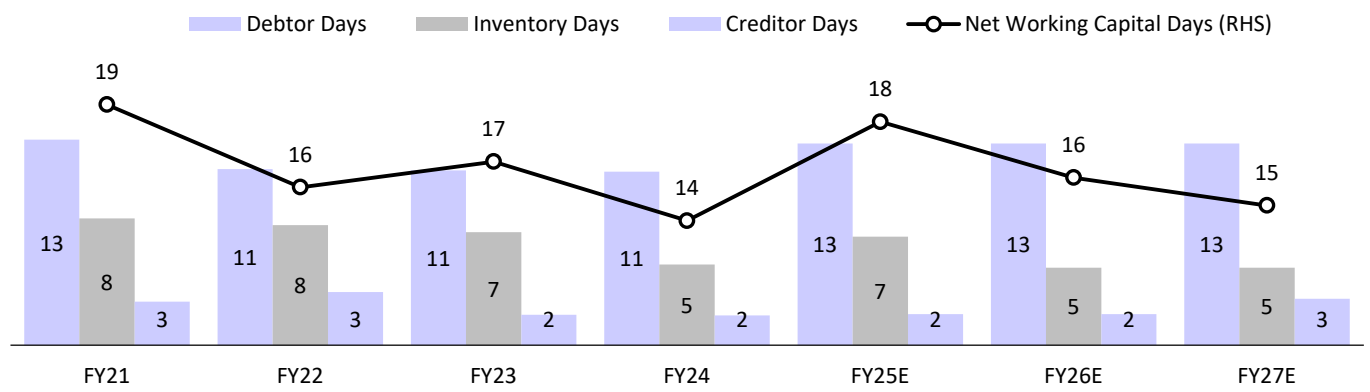
Source: Company, MOFSL

Exhibit 13: Return ratios



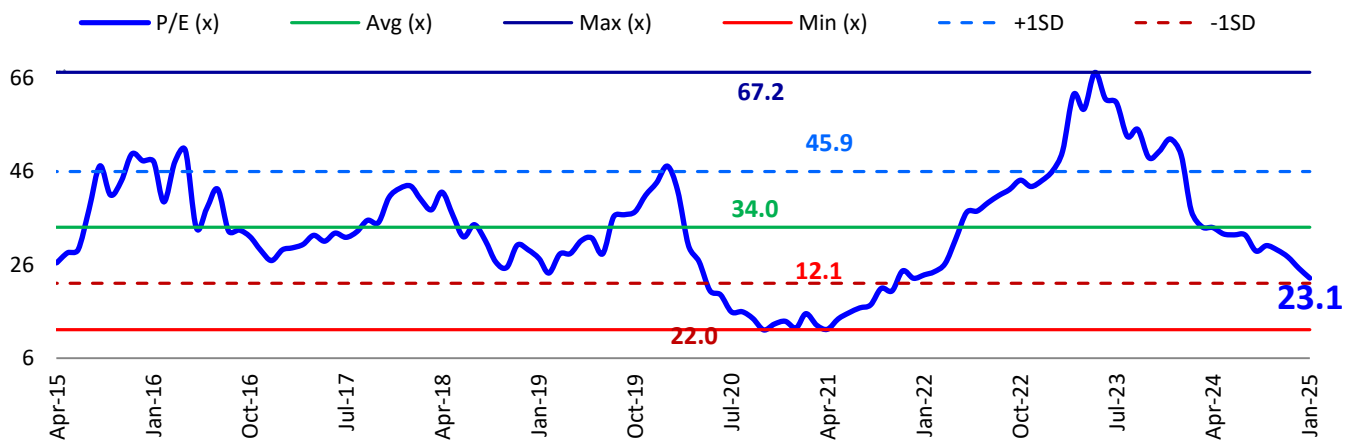
Source: Company, MOFSL

Exhibit 14: Comfortable working capital position



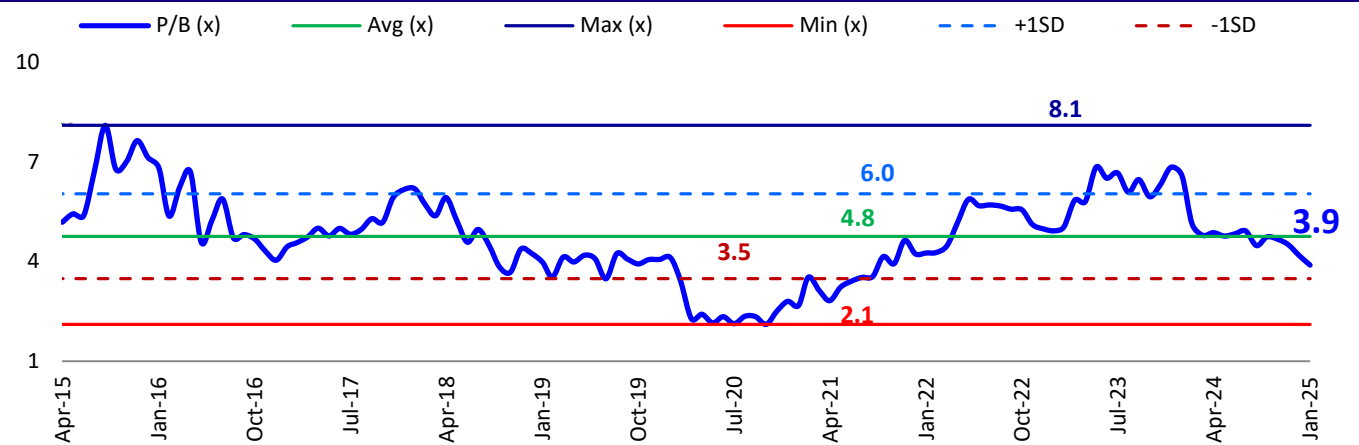
Source: Company, MOFSL

Exhibit 15: One-year forward P/E (x)



Source: Company, MOFSL

Exhibit 16: One-year forward P/B (x)



Source: Company, MOFSL

Financials and valuations

Income Statement

Y/E March (INR m)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Net Sales	17,629	21,636	26,485	28,886	32,049	34,934	38,776
Change (%)	-16.8	22.7	22.4	9.1	11.0	9.0	11.0
Gross Margin (%)	33.0	34.5	32.1	31.9	35.4	36.3	36.8
EBITDA	2,475	3,745	4,017	3,935	5,382	5,996	6,580
Margin (%)	14.0	17.3	15.2	13.6	16.8	17.2	17.0
Depreciation	1,598	1,445	1,591	2,162	2,593	2,792	2,994
EBIT	877	2,300	2,425	1,773	2,789	3,204	3,587
Int. and Finance Charges	368	422	543	779	928	961	1,028
Other Income	129	168	143	211	316	380	456
PBT	637	2,047	2,025	1,205	2,178	2,622	3,014
Tax	187	485	364	319	586	661	760
Effective Tax Rate (%)	29.3	23.7	18.0	26.5	26.9	25.2	25.2
Extraordinary Items	0	-40	-1,571	-3	0	0	0
Reported PAT	451	1,601	3,232	889	1,592	1,962	2,255
Adj. PAT	451	1,562	1,661	886	1,592	1,962	2,255
Change (%)	-50.0	246.6	6.4	-46.7	79.7	23.2	14.9
Margin (%)	2.6	7.2	6.3	3.1	5.0	5.6	5.8

Balance Sheet

Y/E March (INR m)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	883	883	883	875	875	875	875
Total Reserves	5,088	5,633	8,875	8,583	9,300	10,212	11,242
Net Worth	5,971	6,516	9,758	9,458	10,175	11,087	12,117
Deferred Tax Liabilities	440	386	461	672	672	672	672
Total Loans	1,196	1,712	2,071	2,793	5,743	4,543	4,043
Capital Employed	7,607	8,615	12,291	12,923	16,590	16,302	16,832
Gross Block	15,850	18,422	21,600	27,212	31,712	33,212	35,212
Less: Accum. Deprn.	6,307	7,442	6,778	8,207	10,799	13,591	16,585
Net Fixed Assets	9,544	10,980	14,822	19,005	20,913	19,621	18,627
Capital WIP	61	350	384	236	236	236	236
Total Investments	1	4	0	0	0	0	0
Curr. Assets, Loans, and Adv.	2,381	2,469	3,711	2,899	5,598	6,367	8,166
Inventory	395	459	528	412	615	479	531
Account Receivables	639	673	817	885	1,141	1,244	1,381
Cash and Bank Balances	185	140	116	183	2,025	2,664	4,056
Cash Balance	183	82	112	128	1,971	2,610	4,001
Bank Balances	1	58	4	54	54	54	54
Others	1,162	1,198	2,251	1,419	1,817	1,980	2,198
Current Liab. and Prov.	4,379	5,188	6,626	9,217	10,156	9,922	10,197
Account Payables	136	203	143	153	176	191	319
Other Current Liabilities	3,911	4,552	6,051	8,537	9,395	9,092	9,170
Provisions	332	433	433	528	586	638	708
Net Current Assets	-1,998	-2,719	-2,915	-6,318	-4,558	-3,555	-2,031
Application of Funds	7,607	8,614	12,291	12,923	16,590	16,302	16,832

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)							
EPS	5.1	17.7	18.8	10.1	18.2	22.4	25.8
EPS growth (%)	-48.9	246.6	6.4	-46.1	79.7	23.2	14.9
Cash EPS	23.2	34.0	36.8	34.8	47.8	54.3	60.0
BV/Share	67.6	73.8	110.5	108.1	116.3	126.8	138.5
DPS	4.0	8.0	5.0	0.0	10.0	12.0	14.0
Payout (Incl. Div. Tax, %)	77.6	43.7	13.5	0.0	54.9	53.5	54.3
Valuation (x)							
P/E	101.9	29.4	27.6	51.3	28.6	23.2	20.2
Cash P/E	22.4	15.3	14.1	14.9	10.9	9.6	8.7
EV/EBITDA	18.8	12.6	11.8	12.2	9.1	7.9	6.9
EV/Sales	2.6	2.2	1.8	1.7	1.5	1.4	1.2
P/BV	7.7	7.0	4.7	4.8	4.5	4.1	3.8
Dividend Yield (%)	0.8	1.5	1.0	0.0	1.9	2.3	2.7
Return Ratios (%)							
RoE	7.4	25.6	39.7	9.2	16.2	18.5	19.4
RoCE	8.8	23.7	35.2	11.6	15.4	16.3	18.3
RoIC	7.9	22.7	20.0	10.7	15.2	17.3	20.7
Working Capital Ratios							
Fixed Asset Turnover (x)	1.1	1.3	1.3	1.2	1.1	1.1	1.1
Asset Turnover (x)	2.3	2.5	2.2	2.2	1.9	2.1	2.3
Inventory (Days)	8	8	7	5	7	5	5
Debtors (Days)	13	11	11	11	13	13	13
Creditors (Days)	3	3	3	2	2	2	3
Leverage Ratio (x)							
Net Debt/Equity	0.2	0.2	0.2	0.3	0.4	0.2	0.0

Cash Flow Statement

Y/E March (INR m)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
OP/(Loss) before Tax	637	2,099	4,234	1,210	2,178	2,622	3,014
Depreciation	1,598	1,680	1,724	2,162	2,593	2,792	2,994
Direct Taxes Paid	-148	-581	-856	-264	-586	-661	-760
(Inc.)/Dec. in WC	294	-157	581	409	-204	-376	-341
Other Items	330	667	-2,499	722	611	582	572
CF from Operations	2,711	3,708	3,183	4,239	4,592	4,959	5,480
(Inc.)/Dec. in FA	-330	-1,933	-4,124	-2,848	-4,500	-1,500	-2,000
Free Cash Flow	2,381	1,775	-941	1,392	92	3,459	3,480
Change in Investments	15	4	4	0	0	0	0
Others	1	128	2,675	414	-14	277	319
CF from Investments	-313	-1,801	-1,445	-2,433	-4,514	-1,223	-1,681
Inc./Dec. in net worth	-632	0	-629	0	0	0	0
Inc./Dec. in Debt	-697	-1,661	-1,019	-387	2,950	-1,200	-500
Dividends Paid	0	-1,060	0	-438	-875	-1,050	-1,225
Others	-1,014	714	-61	-915	-310	-847	-682
CF from Fin. Activity	-2,344	-2,008	-1,709	-1,739	1,765	-3,097	-2,407
Inc./Dec. in Cash	54	-101	30	67	1,843	639	1,391
Opening Balance	129	183	82	62	128	1,971	2,610
Closing Balance	183	82	112	128	1,971	2,610	4,001

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. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

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

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do 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 director/officer/employee in the subject company
- 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 in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from 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.