

# Cummins India

**BSE SENSEX** 81,425  
**S&P CNX** 24,973



## Stock Info

|                       |               |
|-----------------------|---------------|
| Bloomberg             | KKC IN        |
| Equity Shares (m)     | 277           |
| M.Cap.(INRb)/(USDb)   | 1113.2 / 12.6 |
| 52-Week Range (INR)   | 4095 / 2580   |
| 1, 6, 12 Rel. Per (%) | 3/29/8        |
| 12M Avg Val (INR M)   | 1987          |

## Financials Snapshot (INR b)

| Y/E MARCH   | FY26E | FY27E | FY28E |
|-------------|-------|-------|-------|
| Net Sales   | 120.9 | 141.5 | 163.0 |
| EBITDA      | 23.8  | 27.9  | 32.4  |
| PAT         | 23.1  | 27.3  | 31.7  |
| EPS (INR)   | 83.5  | 98.4  | 114.3 |
| GR. (%)     | 16.4  | 17.8  | 16.3  |
| BV/Sh (INR) | 287.3 | 325.8 | 370.9 |

## Ratios

|          |      |      |      |
|----------|------|------|------|
| ROE (%)  | 30.9 | 32.1 | 32.8 |
| RoCE (%) | 29.4 | 30.6 | 31.3 |

## Valuations

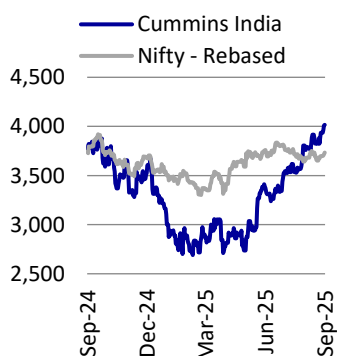
|               |      |      |      |
|---------------|------|------|------|
| P/E (X)       | 48.2 | 40.9 | 35.2 |
| P/BV (X)      | 14.0 | 12.3 | 10.8 |
| EV/EBITDA (X) | 45.6 | 38.8 | 33.3 |
| Div Yield (%) | 1.2  | 1.4  | 1.6  |

## Shareholding pattern (%)

| As of    | Jun-25 | Mar-25 | Jun-24 |
|----------|--------|--------|--------|
| Promoter | 51.0   | 51.0   | 51.0   |
| DII      | 22.6   | 22.9   | 22.4   |
| FII      | 17.5   | 17.2   | 18.0   |
| Others   | 8.9    | 8.9    | 8.7    |

FII includes depository receipts

## Stock Performance (1-year)



**CMP: INR4,016**      **TP: INR4,500 (+12%)**      **Buy**

## Multiple growth levers in place

### Key takeaways from our interaction with the management

We hosted Cummins' management for our Annual Global Investor Conference and discussed the growth opportunities across its segments. The company has witnessed demand improvement across the powergen segment following lower industry volumes in 2HFY25. Cummins is also experiencing strong growth in select industrial segments and continues to expect a healthy growth potential in the distribution segment. Its export market presence is well diversified geographically, with limited exposure to the US. We retain our positive stance on the stock, as we expect Cummins to benefit from these positive levers and its diversified portfolio across segments. We reiterate our BUY rating with a TP of INR4,500 based on 42x Sep'27E earnings.

## Powergen market witnessing a broad-based demand revival

Cummins' powergen segment has experienced a broad-based demand revival since the beginning of FY26. Demand is coming from the manufacturing, real estate, quick commerce, hospital, and hotel sectors. This resurgence has resulted in volumes reaching pre-emission levels. The powergen market has also witnessed price stabilization. Certain lower kVA nodes remain commoditized, while higher kVA nodes command better prices. On the HHP front, the company has seen a steady demand from data centers, hospitals, and other power-sensitive segments, and management expects this steady demand trend to continue. Though competition is catching up across nodes in the domestic powergen market, we believe that Cummins stands far ahead of competition in terms of its substantial market share in high-kVA nodes as well as a strong product portfolio and distribution network for low- and mid-kVA nodes. Over the last few quarters, our assessment of powergen revenue indicates that Cummins has gained market share. We retain our powergen revenue estimates and expect this segment to clock a 15% CAGR over FY25-28.

## Industrial business to grow, led by demand revival and new products

Management indicated that industrial demand trends have remained mixed. Cummins' industrial segment has grown at a strong pace over the past two years, driven by a sharp growth in the railways, mining, and compressor segments. Within this, the company has experienced a steady demand in DETC and is also waiting for orders from HLC for railways. Mining is witnessing slower tendering, and the compressor market has also faced a notable growth moderation over the past two years. In the near term, the construction market activity is also likely to be low. However, over the medium to long term, the industrial segment growth drivers are likely to come from new products for railways and improved demand from the construction and mining segments. We expect the industrial segment to record an 18% CAGR over FY25-28.

### Distribution segment poised to benefit from the other segments' growth

In distribution, management highlighted that Cummins' positioning as both a reliable product and service provider remains intact. With newer, more sophisticated gensets under CPCB IV+, integrated telematics is allowing better customer insights and aftermarket opportunities. Price hikes of 5-10% have been implemented in parts, while growth is likely to come from both powergen and industrial segments, with powergen likely to lead. We believe the combination of technology-led servicing, a strong asset base, and general product acceptance post norm change in the market positions distribution as a steady growth driver. Continued penetration in the aftermarket should also support margins even if equipment volumes remain cyclical. We expect distribution to clock a CAGR of 19% over FY25-28.

### Exports to benefit from global demand tailwinds

Exports continue to benefit from global demand, particularly in data centers and the LHP segment across multiple regions. Europe, Africa, and the Middle East are witnessing steady demand, while Cummins' exposure is limited to the US market. The company's QSK60 product is largely made for the domestic market, where it is largely made in India, and some components are sourced from CTIL. The US markets mostly use QSK95, which is currently not relevant for the domestic market and hence is not made in India. The European market mostly used QSK78. Thus, QSK60 is largely used in India. Exports offer both scale and margin benefits, with data center demand being a key structural tailwind. We project exports to post a 17% CAGR over FY25-28.

### Will capitalize on BESS demand with its newly launched product

The company had already launched a product on BESS and expects to capitalize on demand coming from individual establishments in storing surplus renewable power. Though key components of BESS are currently not made in India, Cummins designs and assembles them here and has demand originating from various segments of the industry.

### Financial outlook

We maintain our estimates and expect a revenue/EBITDA/PAT CAGR of 16%/16%/17% over FY25-28; we also model an EBITDA margin of 19.7%/19.7%/19.8% for FY26/FY27/FY28. Our estimates factor in a gross margin of 35% in FY26/FY27/FY28 vs. 36% in FY25.

### Valuation and recommendation

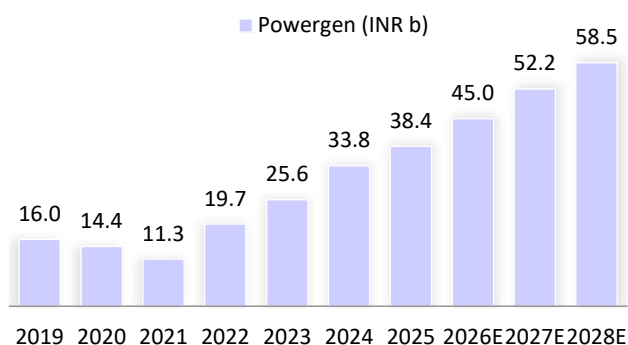
The stock currently trades at 48.2x/40.9x/35.2x on FY26/FY27/FY28E EPS. **We reiterate our BUY rating on the stock with a TP of INR4,500 (based on 42x Sep'27E earnings).**

### Key risks and concerns

Key risks to our recommendation would come from lower-than-expected demand for key segments, higher commodity prices, intensified competition, and lower-than-expected recovery in exports.

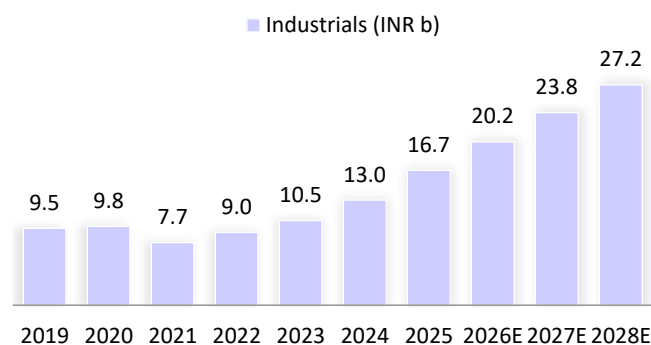
## Financial Outlook

**Exhibit 1: We expect a 15% CAGR in the Powergen segment over FY25-FY28**



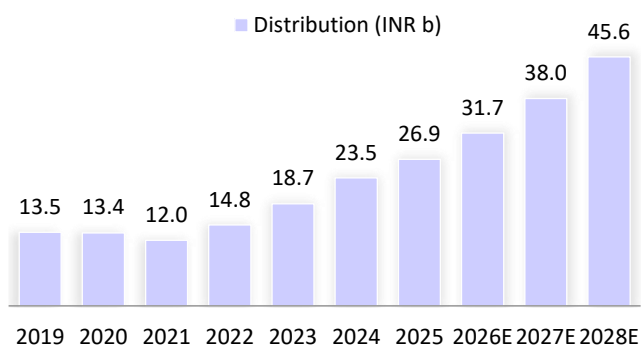
Source: Company, MOFSL

**Exhibit 2: We expect an 18% CAGR in the Industrial segment over FY25-FY28**



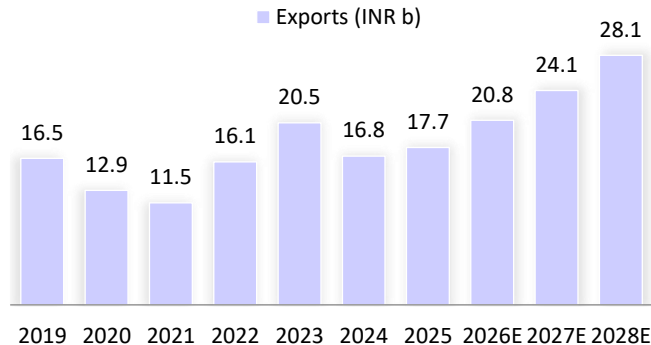
Source: Company, MOFSL

**Exhibit 3: We project a 19% CAGR in the Distribution segment over FY25-FY28**



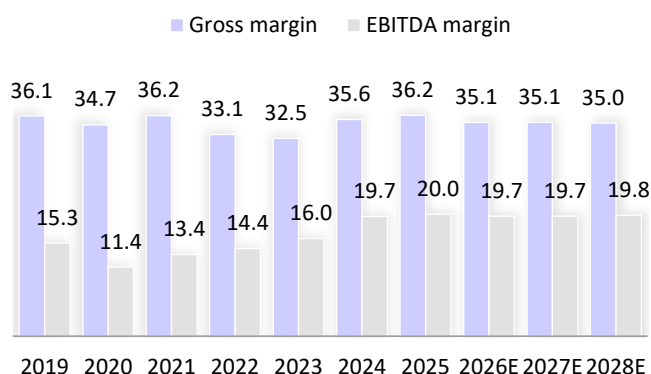
Source: Company, MOFSL

**Exhibit 4: Exports to clock a 17% CAGR on a low base over FY25-FY28E**



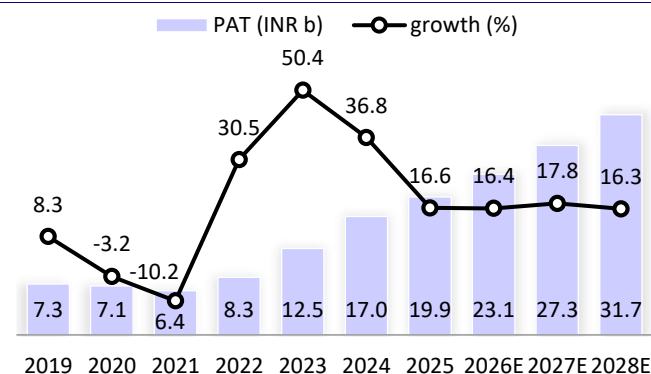
Source: Company, MOFSL

**Exhibit 5: We expect margins to be stable post-FY25**



Source: Company, MOFSL

**Exhibit 6: We expect PAT CAGR of 17% over FY25-28E**



Source: Company, MOFSL

## Financials and Valuation

### Standalone - Income Statement

(INR m)

| Y/E March                           | FY21          | FY22          | FY23          | FY24          | FY25            | FY26E           | FY27E           | FY28E           |
|-------------------------------------|---------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|-----------------|
| <b>Total Income from Operations</b> | <b>43,292</b> | <b>61,404</b> | <b>77,444</b> | <b>89,586</b> | <b>1,03,394</b> | <b>1,20,875</b> | <b>1,41,542</b> | <b>1,62,988</b> |
| Change (%)                          | -16.1         | 41.8          | 26.1          | 15.7          | 15.4            | 16.9            | 17.1            | 15.2            |
| Raw Materials                       | 27,606        | 41,068        | 52,309        | 57,701        | 65,916          | 78,448          | 91,861          | 1,05,923        |
| <b>Gross Profit</b>                 | <b>15,687</b> | <b>20,336</b> | <b>25,135</b> | <b>31,886</b> | <b>37,478</b>   | <b>42,427</b>   | <b>49,681</b>   | <b>57,065</b>   |
| Employee Cost                       | 4,926         | 5,956         | 6,298         | 7,793         | 7,740           | 8,942           | 10,471          | 11,943          |
| Other Expenses                      | 4,965         | 5,529         | 6,411         | 6,479         | 9,058           | 9,661           | 11,295          | 12,771          |
| <b>Total Expenditure</b>            | <b>37,497</b> | <b>52,553</b> | <b>65,018</b> | <b>71,972</b> | <b>82,714</b>   | <b>97,052</b>   | <b>1,13,628</b> | <b>1,30,636</b> |
| % of Sales                          | 86.6          | 85.6          | 84.0          | 80.3          | 80.0            | 80.3            | 80.3            | 80.2            |
| <b>EBITDA</b>                       | <b>5,795</b>  | <b>8,851</b>  | <b>12,426</b> | <b>17,614</b> | <b>20,680</b>   | <b>23,824</b>   | <b>27,915</b>   | <b>32,351</b>   |
| Margin (%)                          | 13.4          | 14.4          | 16.0          | 19.7          | 20.0            | 19.7            | 19.7            | 19.8            |
| Depreciation                        | 1,255         | 1,340         | 1,405         | 1,576         | 1,829           | 1,976           | 2,311           | 2,666           |
| <b>EBIT</b>                         | <b>4,540</b>  | <b>7,511</b>  | <b>11,022</b> | <b>16,037</b> | <b>18,851</b>   | <b>21,847</b>   | <b>25,603</b>   | <b>29,686</b>   |
| Int. and Finance Charges            | 162           | 115           | 158           | 268           | 151             | 166             | 166             | 166             |
| Other Income                        | 3,702         | 2,875         | 4,200         | 5,678         | 6,261           | 7,124           | 8,601           | 10,130          |
| <b>PBT bef. EO Exp.</b>             | <b>8,080</b>  | <b>10,271</b> | <b>15,064</b> | <b>21,448</b> | <b>24,961</b>   | <b>28,805</b>   | <b>34,038</b>   | <b>39,650</b>   |
| EO Items                            | 0             | 1,059         | -143          | -17           | 0               |                 |                 |                 |
| <b>PBT after EO Exp.</b>            | <b>8,080</b>  | <b>11,330</b> | <b>14,921</b> | <b>21,431</b> | <b>24,961</b>   | <b>28,805</b>   | <b>34,038</b>   | <b>39,650</b>   |
| Total Tax                           | 1,901         | 2,463         | 3,623         | 4,824         | 5,904           | 6,927           | 8,185           | 9,535           |
| Tax Rate (%)                        | 23.5          | 21.7          | 24.3          | 22.5          | 23.7            | 24.0            | 24.0            | 24.0            |
| <b>Reported PAT</b>                 | <b>6,179</b>  | <b>8,866</b>  | <b>11,298</b> | <b>16,606</b> | <b>19,058</b>   | <b>21,878</b>   | <b>25,853</b>   | <b>30,115</b>   |
| <b>Adjusted PAT</b>                 | <b>6,350</b>  | <b>8,284</b>  | <b>12,460</b> | <b>17,046</b> | <b>19,872</b>   | <b>23,139</b>   | <b>27,264</b>   | <b>31,697</b>   |
| Change (%)                          | -10.2         | 30.5          | 50.4          | 36.8          | 16.6            | 16.4            | 17.8            | 16.3            |
| Margin (%)                          | 14.7          | 13.5          | 16.1          | 19.0          | 19.2            | 19.1            | 19.3            | 19.4            |

### Standalone - Balance Sheet

(INR m)

| Y/E March                             | FY21          | FY22          | FY23          | FY24          | FY25          | FY26E         | FY27E         | FY28E           |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| Equity Share Capital                  | 554           | 554           | 554           | 554           | 554           | 554           | 554           | 554             |
| Total Reserves                        | 43,513        | 47,972        | 53,125        | 61,077        | 69,626        | 79,076        | 89,766        | 1,02,252        |
| <b>Net Worth</b>                      | <b>44,068</b> | <b>48,527</b> | <b>53,680</b> | <b>61,631</b> | <b>70,180</b> | <b>79,631</b> | <b>90,320</b> | <b>1,02,806</b> |
| Total Loans                           | 156           | 3,933         | 3,500         | 1,000         | 0             | 0             | 0             | 0               |
| Deferred Tax Liabilities              | 823           | 971           | 1,057         | 941           | 913           | 913           | 913           | 913             |
| <b>Sources of fund</b>                | <b>45,047</b> | <b>53,430</b> | <b>58,237</b> | <b>63,572</b> | <b>71,093</b> | <b>80,543</b> | <b>91,233</b> | <b>1,03,719</b> |
| Gross Block                           | 20,337        | 22,278        | 23,458        | 26,183        | 29,119        | 33,489        | 38,656        | 44,017          |
| Less: Accum. Deprn.                   | 8,684         | 10,024        | 11,429        | 13,005        | 14,834        | 16,810        | 19,122        | 21,788          |
| <b>Net Fixed Assets</b>               | <b>11,654</b> | <b>12,254</b> | <b>12,030</b> | <b>13,178</b> | <b>14,285</b> | <b>16,679</b> | <b>19,534</b> | <b>22,230</b>   |
| Capital WIP                           | 1,275         | 608           | 413           | 968           | 849           | 968           | 968           | 968             |
| <b>Total Investments</b>              | <b>13,892</b> | <b>15,939</b> | <b>21,042</b> | <b>21,927</b> | <b>18,925</b> | <b>19,045</b> | <b>19,045</b> | <b>19,045</b>   |
| <b>Curr. Assets, Loans &amp; Adv.</b> | <b>29,950</b> | <b>39,230</b> | <b>41,625</b> | <b>48,884</b> | <b>61,829</b> | <b>70,179</b> | <b>82,514</b> | <b>96,976</b>   |
| Inventory                             | 5,578         | 7,288         | 8,862         | 9,369         | 10,222        | 13,843        | 16,209        | 18,665          |
| Account Receivables                   | 10,745        | 12,473        | 15,927        | 20,776        | 22,925        | 24,871        | 29,123        | 33,535          |
| Cash and Bank Balance                 | 9,652         | 14,267        | 13,808        | 15,047        | 25,103        | 26,895        | 31,831        | 38,613          |
| Loans and Advances                    | 1,517         | 2,646         | 539           | 505           | 812           | 695           | 814           | 938             |
| Other Current Assets                  | 2,459         | 2,556         | 2,488         | 3,188         | 2,767         | 3,875         | 4,537         | 5,225           |
| <b>Curr. Liability &amp; Prov.</b>    | <b>11,922</b> | <b>14,621</b> | <b>16,883</b> | <b>21,413</b> | <b>24,964</b> | <b>26,328</b> | <b>30,829</b> | <b>35,500</b>   |
| Other Current Liabilities             | 9,723         | 12,362        | 14,497        | 18,602        | 21,644        | 22,619        | 26,486        | 30,499          |
| Provisions                            | 2,199         | 2,258         | 2,386         | 2,810         | 3,321         | 3,709         | 4,343         | 5,001           |
| <b>Net Current Assets</b>             | <b>18,029</b> | <b>24,609</b> | <b>24,741</b> | <b>27,472</b> | <b>36,865</b> | <b>43,851</b> | <b>51,685</b> | <b>61,476</b>   |
| Misc Expenditure                      | 199           | 21            | 11            | 27            | 169           | 0             | 0             | 0               |
| <b>Appl. of Funds</b>                 | <b>45,047</b> | <b>53,430</b> | <b>58,237</b> | <b>63,572</b> | <b>71,093</b> | <b>80,543</b> | <b>91,233</b> | <b>1,03,719</b> |

## Financials and Valuation

| Ratios                        |             |             |             |             |             |             |             |              |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Y/E March                     | FY21        | FY22        | FY23        | FY24        | FY25        | FY26E       | FY27E       | FY28E        |
| <b>Basic (INR)</b>            |             |             |             |             |             |             |             |              |
| <b>EPS</b>                    | <b>22.9</b> | <b>29.9</b> | <b>45.0</b> | <b>61.5</b> | <b>71.7</b> | <b>83.5</b> | <b>98.4</b> | <b>114.3</b> |
| Cash EPS                      | 27.4        | 34.7        | 50.0        | 67.2        | 78.3        | 90.6        | 106.7       | 124.0        |
| BV/Share                      | 159.0       | 175.1       | 193.7       | 222.3       | 253.2       | 287.3       | 325.8       | 370.9        |
| DPS                           | 14.0        | 10.5        | 25.0        | 34.2        | 39.9        | 46.4        | 54.7        | 63.6         |
| Payout (%)                    | 62.8        | 32.8        | 61.3        | 57.1        | 58.0        | 58.8        | 58.7        | 58.5         |
| <b>Valuation (x)</b>          |             |             |             |             |             |             |             |              |
| P/E                           | 175.5       | 134.5       | 89.4        | 65.4        | 56.1        | 48.2        | 40.9        | 35.2         |
| Cash P/E                      | 146.5       | 115.8       | 80.4        | 59.8        | 51.3        | 44.4        | 37.7        | 32.4         |
| P/BV                          | 25.3        | 23.0        | 20.8        | 18.1        | 15.9        | 14.0        | 12.3        | 10.8         |
| EV/Sales                      | 25.5        | 18.0        | 14.3        | 12.3        | 10.5        | 9.0         | 7.6         | 6.6          |
| EV/EBITDA                     | 190.7       | 124.7       | 88.8        | 62.5        | 52.7        | 45.6        | 38.8        | 33.3         |
| Dividend Yield (%)            | 0.4         | 0.3         | 0.6         | 0.9         | 1.0         | 1.2         | 1.4         | 1.6          |
| FCF per share                 | 24.3        | 28.1        | 23.7        | 36.0        | 52.6        | 53.9        | 73.1        | 88.7         |
| <b>Return Ratios (%)</b>      |             |             |             |             |             |             |             |              |
| RoE                           | 14.8        | 17.9        | 24.4        | 29.6        | 30.2        | 30.9        | 32.1        | 32.8         |
| RoCE                          | 13.9        | 16.8        | 21.0        | 28.1        | 28.9        | 29.4        | 30.6        | 31.3         |
| RoIC                          | 15.9        | 27.4        | 36.6        | 51.1        | 55.5        | 55.4        | 53.3        | 53.4         |
| <b>Working Capital Ratios</b> |             |             |             |             |             |             |             |              |
| Fixed Asset Turnover (x)      | 2.1         | 2.8         | 3.3         | 3.4         | 3.6         | 3.6         | 3.7         | 3.7          |
| Asset Turnover (x)            | 1.0         | 1.1         | 1.3         | 1.4         | 1.5         | 1.5         | 1.6         | 1.6          |
| Inventory (Days)              | 47          | 43          | 42          | 38          | 36          | 42          | 42          | 42           |
| Debtor (Days)                 | 91          | 74          | 75          | 85          | 81          | 75          | 75          | 75           |
| Creditor (Days)               | 82          | 73          | 68          | 76          | 76          | 68          | 68          | 68           |
| <b>Leverage Ratio (x)</b>     |             |             |             |             |             |             |             |              |
| Current Ratio                 | 2.5         | 2.7         | 2.5         | 2.3         | 2.5         | 2.7         | 2.7         | 2.7          |
| Interest Cover Ratio          | 28.1        | 65.3        | 69.8        | 59.9        | 124.7       | 131.4       | 153.9       | 178.5        |
| Net Debt/Equity               | -0.5        | -0.5        | -0.6        | -0.6        | -0.6        | -0.6        | -0.6        | -0.6         |

### Standalone - Cashflow Statement

(INR m)

| Y/E March                        | FY21          | FY22          | FY23          | FY24           | FY25           | FY26E          | FY27E          | FY28E          |
|----------------------------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|
| OP/(Loss) before Tax             | 8,711         | 9,614         | 11,631        | 17,773         | 22,502         | 26,195         | 33,617         | 39,474         |
| Direct Taxes Paid                | -832          | -2,543        | -3,520        | -4,972         | -5,614         | -6,927         | -8,185         | -9,535         |
| <b>CF from Operating incl EO</b> | <b>7,879</b>  | <b>7,071</b>  | <b>8,111</b>  | <b>12,801</b>  | <b>16,888</b>  | <b>19,268</b>  | <b>25,431</b>  | <b>29,939</b>  |
| (Inc)/Dec in FA                  | -1,140        | 705           | -1,540        | -2,812         | -2,294         | -4,320         | -5,167         | -5,361         |
| <b>Free Cash Flow</b>            | <b>6,738</b>  | <b>7,776</b>  | <b>6,571</b>  | <b>9,989</b>   | <b>14,593</b>  | <b>14,948</b>  | <b>20,265</b>  | <b>24,577</b>  |
| (Pur)/Sale of Investments        | -75           | -7,597        | 376           | -2,967         | -7,575         | -120           | 0              | 0              |
| Others                           | 1,371         | 1,030         | 1,857         | 3,106          | 4,056          | 0              | 0              | 0              |
| <b>CF from Investments</b>       | <b>155</b>    | <b>-5,862</b> | <b>694</b>    | <b>-2,673</b>  | <b>-5,813</b>  | <b>-4,440</b>  | <b>-5,167</b>  | <b>-5,361</b>  |
| Dividend Paid                    | -3,881        | -4,435        | -6,237        | -8,593         | -10,534        | -12,869        | -15,163        | -17,629        |
| Others                           | -4,844        | 3,661         | -607          | -2,733         | -1,125         | -166           | -166           | -166           |
| <b>CF from Fin. Activity</b>     | <b>-8,724</b> | <b>-774</b>   | <b>-6,844</b> | <b>-11,326</b> | <b>-11,659</b> | <b>-13,035</b> | <b>-15,329</b> | <b>-17,795</b> |
| <b>Inc/Dec of Cash</b>           | <b>-691</b>   | <b>434</b>    | <b>1,960</b>  | <b>-1,198</b>  | <b>-585</b>    | <b>1,792</b>   | <b>4,935</b>   | <b>6,782</b>   |
| Opening Balance                  | 4,538         | 9,652         | 14,267        | 13,808         | 15,047         | 25,103         | 26,895         | 31,831         |
| Other adjustments                | 5,804         | 4,181         | -2,420        | 2,437          | 10,641         |                |                |                |
| <b>Closing Balance</b>           | <b>9,652</b>  | <b>14,267</b> | <b>13,808</b> | <b>15,047</b>  | <b>25,103</b>  | <b>26,895</b>  | <b>31,831</b>  | <b>38,613</b>  |

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](http://www.motilaloswal.com). MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://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://galaxy.motilaloswal.com/ResearchAnalyst/Publish/ViewLitigation.aspx>

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

#### Regional Disclosures (outside India)

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

#### For Hong Kong:

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

#### For U.S.

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

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

#### For Singapore

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

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

Nainesh Rajani

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

Contact: (+65) 8328 0276

#### Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies). MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: No.  
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.  
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report: No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.  
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.  
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- MOFSL has not engaged in market making activity for the subject company.



The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

#### Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

#### Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

#### Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor 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: 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 dp@grievances@motilaloswal.com.