

Gland Pharma

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	GLAND IN
Equity Shares (m)	165
M.Cap.(INRb)/(USDb)	323.7 / 3.7
52-Week Range (INR)	2221 / 1200
1, 6, 12 Rel. Per (%)	8/27/-10
12M Avg Val (INR M)	562

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
Sales	56.2	63.3	72.4
EBITDA	12.7	15.1	18.2
Adj. PAT	7.0	9.2	11.3
EBITDA Margin (%)	22.6	23.8	25.1
Cons. Adj. EPS (INR)	42.4	55.6	68.4
EPS Gr. (%)	(10.9)	31.2	23.0
BV/Sh. (INR)	555.4	611.0	679.5

Ratios

Net D:E	(0.2)	(0.2)	(0.3)
RoE (%)	7.8	9.5	10.6
RoCE (%)	7.8	9.5	10.4
Payout (%)	50.0	27.7	29.0

Valuations

P/E (x)	46.3	35.3	28.7
EV/EBITDA (x)	23.7	20.1	16.1
Div. Yield (%)	1.2	0.0	0.0
FCF Yield (%)	1.6	(1.1)	2.3
EV/Sales (x)	5.4	4.8	4.1

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	51.8	51.8	51.8
DII	32.9	33.3	32.8
FII	7.4	6.9	6.9
Others	7.9	8.0	8.5

FII Includes depository receipts

CMP: INR1,965 TP: INR2,340 (+19%) Buy

Strong margin gain boosts PAT by 50% YoY

Reviving core markets and driving Cenexi efficiency

- Gland Pharma (GLAND) posted revenue in line with our estimate in 1QFY26. However, EBITDA/PAT exceeded our estimates (13%/16% beat). Strong traction in Europe, Canada, Australia, NZ and the rest of the world, along with better operational efficiency at Cenexi, led to improved performance for the quarter.
- After four quarters of earnings decline, GLAND delivered strong 50% YoY growth in earnings for the quarter.
- Strong 20% YoY growth in Cenexi revenue led to improved operating leverage, driving EBITDA break-even in 1QFY26. The profitability is expected to further improve 2H FY26 onward.
- GLAND's core market sales remained moderate due to lower off-take of Enoxaparin for the quarter. Having said this, new launches across core markets will improve the outlook of more markets going forward.
- We raise our earnings estimates by 9%/3% for FY26/FY27, factoring in a) scale-up of GLP-1 products in other core markets, b) faster turnaround of Cenexi and c) potential launches in the US/EU. We value GLAND at 33x 12M forward earnings to arrive at a TP of INR2,340.
- After three years of earnings decline, we expect a CAGR of 14%/20%/27% in revenue/EBITDA/PAT over FY25-27. GLAND is fortifying its positioning in the complex injectable space through in-house product development as well as partnerships. It is in the process of adding capacity to cater to upcoming GLP-1 opportunities as well. Considering 1Q earnings growth and valuation, we maintain BUY on the stock.

Modest revenue growth; strong profitability uplift in 1QFY26

- 1QFY26 revenues grew 7.4% YoY to INR15b (our estimate: INR15.2b). The base business (ex-Cenexi) grew 3% YoY to INR10.4b.
- Core markets sales rose 2% YoY to INR8.5b (56.8% of sales). RoW sales increased by 4% YoY to INR2.4b (10.2% of sales). India sales grew 13% YoY to INR594m (4% of sales).
- Gross margin (GM) expanded 560bp YoY to 65.4% due to a cut in the cost of finished goods purchase and a favorable change in the product mix in the business.
- EBITDA margin expanded by 560bp YoY to 24.4% (our estimate: 21%), led by better gross margins. Higher employee costs (+170bp YoY as % of sales) were offset by lower other expenses (down 170bp YoY as % of sales).
- Excl. Cenexi, EBITDA margin was 34.5% (up 550bp YoY). The milestone income/profit share for the quarter was 9%/12% of the base business sales for 1QFY26.
- EBITDA grew 39% YoY to INR3.7b (our estimate: INR3.3b) owing to lower revenue.
- Adj. PAT surged 50% YoY to INR2.2b (our estimate: INR1.9b).

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

Eshita Jain - Research Analyst (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

- Gland guided for mid-teens YoY growth in revenue for FY26 and EBITDA margin of 24-25% for FY26.
- While Cenexi achieved EBITDA breakeven in 1QFY26, it might see subdued performance in 2Q due to summer shutdown. In the subsequent quarters, the profitability is expected to improve on the back of a healthy order book and reduced downtime.
- US sales for the quarter were impacted by reduced sales of Enoxaparin (INR700m in 1QFY26 vs. INR1.4b QoQ/YoY).
- Gland indicated g-Dalbavancin to be a potential opportunity for the US market from Sep'25 onward. The CMS contract for US/EU markets would also support growth in those markets for FY26.

Consol. - Quarterly perf.

(INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
Net Sales	14,017	14,058	13,841	14,249	15,056	15,159	16,065	17,055	56,165	63,335	15,196	-0.9
YoY Change (%)	16.0	2.4	-10.4	-7.3	7.4	7.8	16.1	19.7	-0.9	12.8	8.4	
Total Expenditure	11,373	11,088	10,241	10,774	11,378	11,718	12,258	12,910	43,476	48,264	11,944	
EBITDA	2,644	2,970	3,600	3,475	3,678	3,441	3,807	4,144	12,689	15,071	3,252	13.1
YoY Change (%)	-10.1	-8.3	-3.8	-3.1	39.1	15.9	5.8	19.3	-6.1	18.8	23.0	
Margins (%)	18.9	21.1	26.0	24.4	24.4	22.7	23.7	24.3	22.6	23.8	21.4	
Depreciation	920	938	963	958	1,011	948	1,005	1,067	3,779	4,030	922	
Interest	56	61	228	75	115	76	68	59	420	318	59	
Other Income	514	597	585	440	575	599	623	647	2,136	2,444	479	
PBT before EO expense	2,182	2,567	2,993	2,883	3,128	3,016	3,358	3,666	10,626	13,167	2,751	13.7
One-off income/(expense)	0	0	0	0	0	0	0	0	0	0	0	
PBT	2,182	2,567	2,993	2,883	3,128	3,016	3,358	3,666	10,626	13,167	2,751	13.7
Tax	745	932	946	1,018	973	947	1,007	1,074	3,641	4,001	889	
Rate (%)	34.1	36.3	31.6	35.3	31.1	31.4	30.0	29.3	34.3	30.4	32.3	
Reported PAT	1,438	1,635	2,047	1,865	2,155	2,069	2,351	2,592	6,985	9,166	1,862	15.7
Adj PAT	1,438	1,635	2,047	1,865	2,155	2,069	2,351	2,592	6,985	9,166	1,862	15.7
YoY Change (%)	-25.9	-15.8	0.4	-2.7	49.9	26.5	14.8	38.9	-10.9	31.2	29.6	
Margins (%)	10.3	11.6	14.8	13.1	14.3	13.6	14.6	15.2	12.4	14.5	12.3	
EPS	8.7	9.9	12.4	11.3	13.1	12.6	14.3	15.7	42.4	55.7	11	

Key performance Indicators (Consolidated)

(INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	
INRm	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
Core Markets	10,641	10,521	10,398	11,320	11,484	10,857	11,077	12,674	42,880	46,092	11,018	4%
YoY Growth (%)	24.3	3.2	-13.4	-6.0	7.9	3.2	6.5	12.0	0	7	3.5	
India	527	874	562	525	594	612	635	656	2,488	2,497	553	7%
YoY Growth (%)	-18.5	-0.2	-26.1	-0.2	12.7	-30.0	13.0	25.0	-11	0	5.0	
Rest of the world	2,734	2,663	2,881	2,404	2,978	3,690	4,353	3,725	10,682	14,746	3,625	-18%
YoY Growth (%)	-4.9	0.1	1.4	-14.2	8.9	38.6	51.1	54.9	-5	38	32.6	
Cenexi	3884	3399	3718	3917	4647	4079	4648	4505	14918	17878	4,195	11%
YoY Growth (%)	21	-5	-16	8	20	20	25	15	0	20	8.0	
Cost Break-up												
RM Cost (% of Sales)	40.3	40.9	33.4	34.2	34.6	36.0	35.1	34.8	37.2	35.1	37.5	
Staff Cost (% of Sales)	25.4	23.5	24.8	26.2	27.1	26.5	26.1	25.2	25.0	26.2	25.8	
Other Cost (% of Sales)	15.5	14.5	15.8	15.2	13.9	14.8	15.1	15.7	15.2	14.9	15.3	
Gross Margins (%)	59.7	59.1	66.6	65.8	65.4	64.0	64.9	65.2	62.8	64.9	64.0	
EBITDA Margins (%)	18.9	21.1	26.0	24.4	24.4	22.7	23.7	24.3	22.6	23.8	22.5	
EBIT Margins (%)	12.3	14.5	19.0	17.7	17.7	16.4	17.4	18.0	21.8	23.3	16.4	



Management call highlights

- Gland launched liraglutide in UK/Australia markets. Since it is a global deal, it is expected to scale up business from this product in coming quarters.
- The company indicated an additional 100m GLP-1/pen/cartridge capacity to be operational by Mar'25. FY27 can have commercial benefits from 20m GLP-1/pen/cartridge to start with.
- Business from collaboration with Dr. Reddy's Lab to start from 2QFY26 onward.
- Excl. Cenexi, revenue grew ~3% YoY to INR10.4b and EBITDA rose 22% YoY to INR3.6b. Gross profit margin was 59%, up 630bp YoY.
- R&D expenses for the quarter were INR460m (4.4% of sales).
- In 1Q, one ANDA was filed and nine were approved, contributing to a total of 372 ANDA filings in the US (325 approved, 47 pending).
- Cenexi reported revenue of INR3.6b. It reported positive EBITDA of INR86m after a downtrend for the last few quarters.
- Fontenay site: Production at the facility is on track, with improved order shipments after the commissioning of a new high-speed ampoule line and received GMP Certificate from ANSM.
- Braine-l'Alleud site: Business from the two sites remains robust.
- Hérouville facility: The site is making steady progress on tech transfer projects in the vaccines and ophthalmic gel formats, resulting in increased revenue in 1Q.

Broad-based efforts to revive earnings growth

Core markets – Expanding injectables/biologics capabilities for growth revival

- After modest stable sales in core markets in FY25, GLAND delivered 2% YoY growth in sales to INR8b in 1QFY26.
- Gross/EBITDA margin for base business stood at 59%/34.5% in 1QFY26 vs. 58%/35% in FY25.
- It continues to work on differentiated products in injectables with newer delivery formats like pens/cartridges.
- It is also adding capacities to address business opportunities in peptide, long acting injectables, suspensions, and hormones segment.
- GLAND had 12 launches in markets related to base business in 1QFY26.
- It has about 47 ANDAs pending for approval at the end of 1QFY26.
- The company is also broadening its offering through the addition of biologics-CDMO via drug product manufacturing at Cenexi and drug substance manufacturing at Gland's facilities.
- It has additional 10 products under development under the category of ready-to-use (RTU) bags, and six are pending for approval.
- Considering the overall product pipeline and available manufacturing capacity, we expect 12% sales CAGR in this segment over FY25-27 to reach INR41b.

Cenexi: Turnaround in margins; capacity build-out to fuel expansion

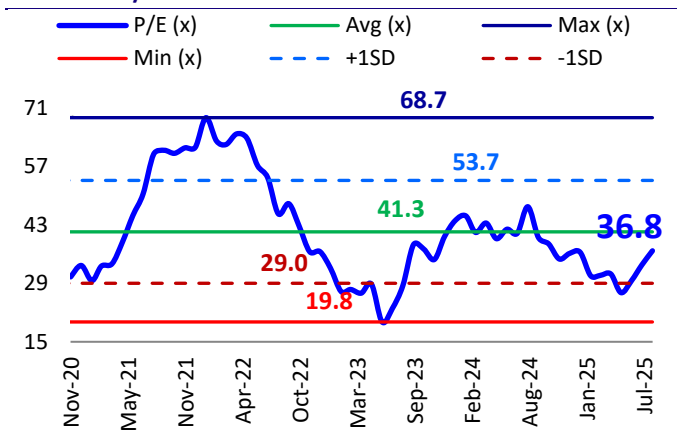
- Cenexi delivered 8% YoY growth in sales to INR4.6b in 1QFY26. It achieved gross margin of 79.6%, up 170bp YoY. Notably, it reported EBITDA margin of 2% in 1QFY26 vs. a loss YoY as well as QoQ.

- Gland is improvising Cenexi's capabilities/capacities in pre-filled syringes, lyophilised vials as well as ophthalmic gel space to drive revenue growth as well as profitability.
- GLAND had the least manufacturing issues at Cenexi's site in 1QFY26. Production is on track, and the tech transfer is steadily progressing. Further it is adding new pre-filled syringe (PFS) at Heroville site, and two new lyophilizer lines are being installed at Braine-l'Alleud site of Cenexi.
- Interestingly, new launches scaled US/EU/other core markets sales from Cenexi to INR273m/INR2.6b/INR266m, up 163%/23%/5% YoY in 1QFY26.
- With improvement in overall operational efficiencies and new product additions, we expect 15% sales CAGR in Cenexi business over FY25-27 to INR19.6b.

Maintain BUY

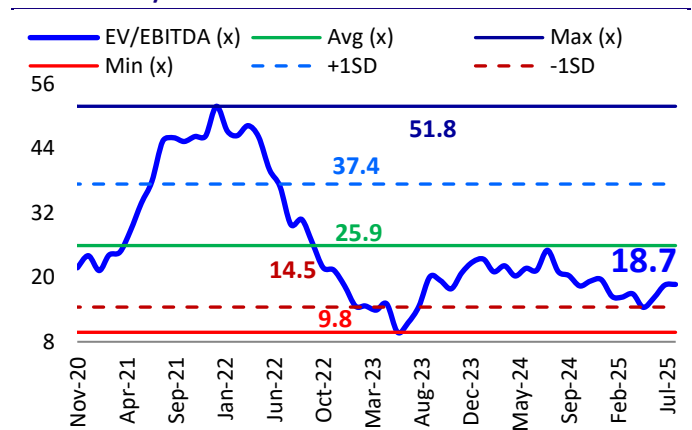
- We raise our earnings estimates by 9%/3% for FY26/FY27, factoring in a) scale-up of GLP-1 products in other core markets, b) faster turnaround of Cenexi and c) potential launches in the US/EU. We value GLAND at 33x 12M forward earnings to arrive at a TP of INR2,340.
- After three years of earnings decline, we expect a CAGR of 14%/20%/27% in revenue/EBITDA/PAT over FY25-27. GLAND is fortifying its positioning in the complex injectable space through in-house product development as well as partnerships. It is in the process of adding capacity to cater to upcoming GLP-1 opportunities as well. Considering 1Q earnings growth and valuation, we maintain BUY on the stock.

Exhibit 1: P/E chart



Source: MOFSL, Company, Bloomberg

Exhibit 2: EV/EBITDA chart



Source: MOFSL, Company, Bloomberg

Story in charts

Exhibit 3: Expect 14% revenue CAGR over FY25-27

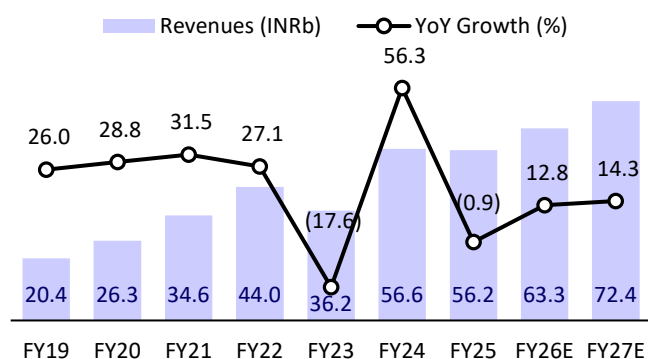


Exhibit 4: Expect 11.9% core market sales CAGR over FY25-27

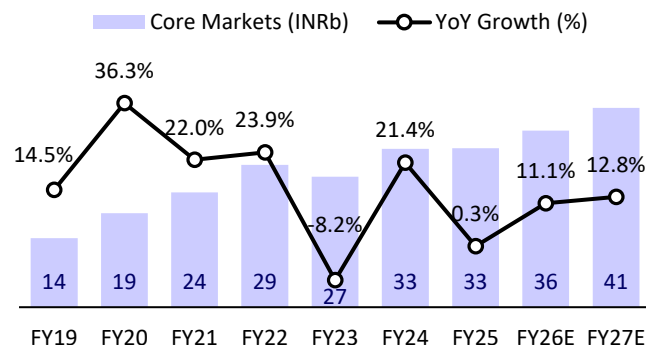


Exhibit 5: Expect ROW sales to post 13.7% CAGR over FY25-27

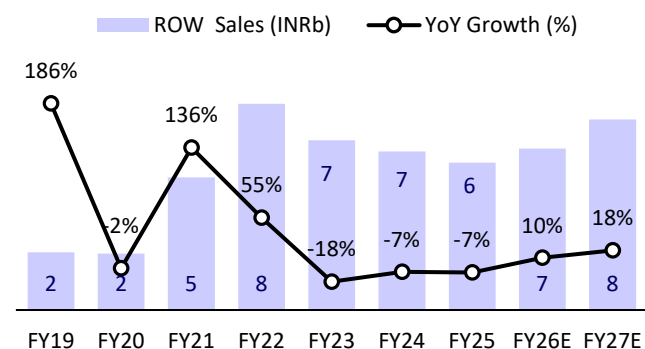


Exhibit 6: Expect India sales to post 4.6% CAGR over FY25-27

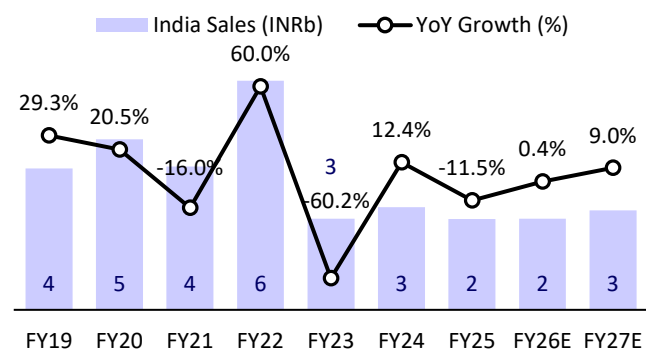


Exhibit 7: EBITDA margin to expand 250bp over FY25-27

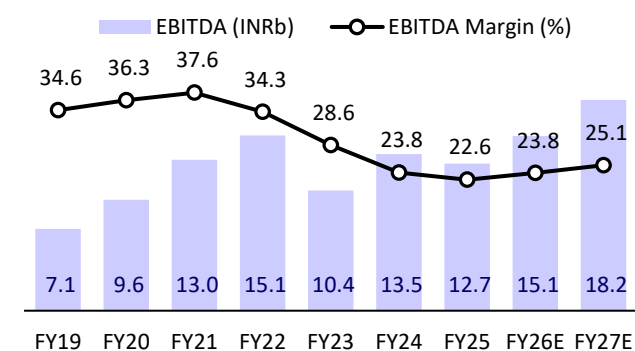
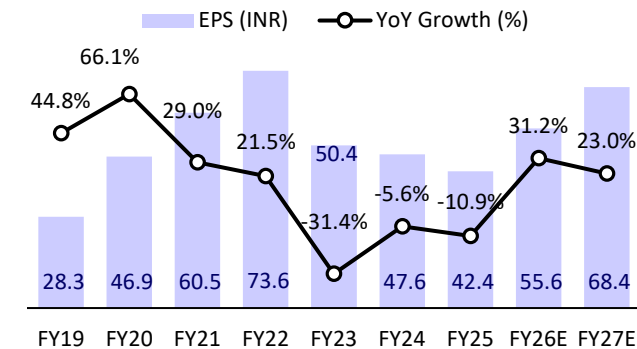


Exhibit 8: Expect EPS CAGR of 27% over FY25-27



Source: Company, MOFSL

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement

(INRm)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Total Income from Operations	44,007	36,246	56,647	56,165	63,335	72,376
Change (%)	27.1	-17.6	56.3	-0.9	12.8	14.3
Total Expenditure	28,906	25,888	43,138	43,476	48,264	54,210
% of Sales	65.7	71.4	76.2	77.4	76.2	74.9
EBITDA	15,102	10,358	13,509	12,689	15,071	18,166
Margin (%)	34.3	28.6	23.8	22.6	23.8	25.1
Depreciation	1,103	1,467	3,446	3,779	4,030	4,042
EBIT	13,999	8,890	10,063	8,910	11,040	14,124
Int. and Finance Charges	52	74	262	420	318	188
Other Income	2,239	2,405	1,702	2,136	2,444	2,170
PBT bef. EO Exp.	16,186	11,220	11,503	10,626	13,167	16,106
EO Items	0	-685	178	0	0	0
PBT after EO Exp.	16,186	10,536	11,325	10,626	13,167	16,106
Total Tax	4,069	2,735	3,601	3,641	4,001	4,832
Tax Rate (%)	25.1	26.0	31.8	34.3	30.4	30.0
Minority Interest	0	0	0	0	0	0
Reported PAT	12,117	7,800	7,724	6,985	9,166	11,274
Adjusted PAT	12,117	8,307	7,839	6,985	9,166	11,274
Change (%)	21.5	-31.4	-5.6	-10.9	31.2	23.0
Margin (%)	26.2	21.5	13.4	12.0	13.9	15.1

Consolidated - Balance Sheet

(INRm)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Equity Share Capital	164	165	165	165	165	165
Total Reserves	71,412	79,423	87,074	91,343	1,00,509	1,11,783
Net Worth	71,576	79,587	87,238	91,507	1,00,673	1,11,947
Minority Interest	0	0	0	0	0	0
Total Loans	46	45	3,722	3,137	3,137	3,137
Deferred Tax Liabilities	878	842	1,697	1,627	1,627	1,627
Capital Employed	72,499	80,473	92,656	96,272	1,05,438	1,16,712
Gross Block	20,910	23,061	47,846	53,570	59,607	64,766
Less: Accum. Deprn.	5,888	7,355	10,801	14,580	18,610	22,652
Net Fixed Assets	15,022	15,705	37,045	38,990	40,997	42,115
Goodwill on Consolidation	0	0	2,423	2,482	2,482	2,482
Capital WIP	1,907	1,772	2,379	1,506	5,134	2,079
Total Investments	1,549	0	6,559	0	0	0
Curr. Assets, Loans&Adv.	59,858	70,298	57,703	68,751	74,065	86,622
Inventory	11,857	19,453	16,552	16,852	19,835	21,535
Account Receivables	11,988	8,714	15,587	15,165	17,526	20,820
Cash and Bank Balance	30,934	37,707	18,394	25,562	24,108	33,410
Loans and Advances	5,079	4,424	7,169	11,171	12,597	10,856
Curr. Liability & Prov.	5,836	7,302	13,451	15,456	17,240	16,586
Account Payables	4,629	5,874	8,627	9,314	10,314	11,882
Other Current Liabilities	960	1,115	2,863	4,173	4,706	2,895
Provisions	248	313	1,961	1,969	2,220	1,809
Net Current Assets	54,022	62,997	44,252	53,294	56,825	70,036
Appl. of Funds	72,499	80,473	92,656	96,271	1,05,438	1,16,712

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)						
Adj. EPS	73.6	50.4	47.6	42.4	55.6	68.4
Cash EPS	80.5	59.3	68.5	65.3	80.1	93.0
BV/Share	435.6	483.2	529.7	555.4	611.0	679.5
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)						
P/E	26.7	38.9	41.3	46.3	35.3	28.7
Cash P/E	24.4	33.1	28.7	30.1	24.5	21.1
P/BV	4.5	4.1	3.7	3.5	3.2	2.9
EV/Sales	6.6	7.9	5.5	5.4	4.8	4.1
EV/EBITDA	19.3	27.6	22.9	23.7	20.1	16.1
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	16.4	8.6	36.4	31.6	-21.7	44.4
Return Ratios (%)						
RoE	18.6	11.0	9.4	7.8	9.5	10.6
RoCE	18.6	11.1	9.4	7.8	9.5	10.4
RoIC	32.5	16.6	12.9	8.7	10.6	12.6
Working Capital Ratios						
Asset Turnover (x)	2.1	1.6	1.2	1.0	1.1	1.1
Inventory (Days)	98	196	107	110	114	109
Debtor (Days)	99	88	100	99	101	105
Creditor (Days)	38	59	56	61	59	60
Leverage Ratio (x)						
Net Debt/Equity	-0.45	-0.47	-0.2	-0.2	-0.2	-0.3

Consolidated - Cash Flow Statement

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
(INRM)						
OP/(Loss) before Tax	16,186	10,546	11,325	10,627	13,167	16,106
Depreciation	1,103	1,467	3,446	3,779	4,030	4,042
Interest & Finance Charges/ (Income)	-1,352	-1,731	-1,288	-2,043	-2,127	-1,981
Direct Taxes Paid	-4,065	-3,109	-3,062	3,538	-4,001	-4,832
(Inc)/Dec in WC	-3,930	-4,179	-532	-61	-4,985	-3,909
CF from Operations	7,941	2,994	9,889	15,840	6,084	9,426
Others	-33	646	79	-6,693	0	0
CF from Operating incl EO	7,908	3,640	9,968	9,147	6,084	9,426
(Inc)/Dec in FA	-5,217	-2,230	-3,975	-3,938	-9,665	-2,105
Free Cash Flow	2,691	1,410	5,993	5,209	-3,581	7,321
(Pur)/Sale of Investments	-1,504	1,577	4	12	0	0
Others	-3,272	12,764	-13,521	20,973	2,444	2,170
CF from Investments	-9,993	12,112	-17,492	17,047	-7,221	65
Issue of Shares	386	215	5	25	0	0
Inc/(Dec) in Debt	-3	-3	-7,743	-759	0	0
Interest Paid	-34	-63	-256	-306	-318	-188
Dividend Paid	0	0	0	-3,295	0	0
CF from Fin. Activity	349	149	-7,994	-4,335	-318	-188
Inc/Dec of Cash	-1,736	15,901	-15,518	21,860	-1,454	9,302
Opening Balance	4,925	3,188	19,089	3,571	25,430	23,976
Closing Balance	3,188	19,089	3,571	25,430	23,976	33,278
Term Deposit with Banks/Forex	27,746	18,618	14,823	132	132	132
Total Cash & Cash Eq	30,934	37,707	18,394	25,562	24,108	33,410

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

- 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).

6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

financial interest in the subject company

actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.

received compensation/other benefits from the subject company in the past 12 months

any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

acted as a manager or co-manager of public offering of securities of the subject company in past 12 months

be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)

received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

Served subject company as its clients during twelve months preceding the date of distribution of the research report.

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

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

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

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

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj

Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.