motilal oswal
Financial Services

27 July 2026
1QFY27 Results Update | Sector: Financials

Prudent Corporate Advisory

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	PRUDENT IN
Equity Shares (m)	41
M.Cap.(INRb)/(USDb)	118.1 / 1.2
52-Week Range (INR)	3160 / 1955
1, 6, 12 Rel. Per (%)	-4/32/2
12M Avg Val (INR M)	100

Financials & Valuations (INRm)

Y/E March	2026	2027E	2028E
Revenues	13,174	15,048	18,190
Opex	10,071	11,279	13,519
PBT	2,980	3,921	4,913
PAT	2,221	2,940	3,685
EPS (INR)	53.6	71.0	89.0
EPS Gr. (%)	13.5	32.4	25.3
BV/Sh. (INR)	213.2	279.7	363.2
Ratios (%)			
EBITDA Margin	23.6	25.0	25.7
PAT margin	16.9	19.5	20.3
RoE	28.6	28.8	27.7
Div. Payout	6.5	6.3	6.2
Valuations			
P/E (x)	53.2	40.2	32.1
P/BV (x)	13.4	10.2	7.9
Div. Yield (%)	0.1	0.2	0.2

Shareholding Pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	55.3	55.3	55.3
DII	23.9	23.6	20.8
FII	14.3	14.9	17.5
Others	6.5	6.2	6.5

FII includes depository receipts

CMP: INR2,851 TP: INR3,260 (+14%) Neutral

Lower operating expenses lead to a PAT beat

- **Prudent Corporate Advisory (Prudent) reported an operating revenue of ~INR3.5b (+18% YoY/-4% QoQ in 1QFY27; in line). Commission and fees income for the quarter rose 18% YoY to ~INR3.4b, of which INR2.9b (+18% YoY) was contributed by the distribution of MF products, while the contribution from distribution of insurance products rose 21% YoY to INR351m.**
- **Operating expenses grew 14% YoY/down 3% QoQ to INR2.6b, with fees and commission expenses rising 10% YoY to INR1.9b, employee expenses increasing 33% YoY, and other expenses growing 22% YoY. EBITDA grew 32% YoY/dipped 4% QoQ to INR891m (8% beat), with an EBITDA margin of 25.6% (vs. 22.9% in 1QFY26 and 23.4%).**
- **PAT grew 44% YoY/26% QoQ to INR748m (20% beat, led by lower operating expenses). PAT margin improved to 21.5%, up from 17.6% in 1QFY26 and 16.4% in 4QFY26.**
- **The recent regulatory changes led to a dip in gross yields by ~2.8bp QoQ to 88bp. Prudent's 1QFY27 margins are likely to represent the new steady state, with yields expected to decline gradually by 1–2bp over the medium term due to competitive pressure on the new business.**
- **We raise our FY27/FY28 earnings estimates by 7%/8%, driven by a lower commission ratio to reflect the recent regulatory changes, partly offset by lower revenue yield assumptions and higher employee costs (in line with management guidance). We expect Prudent to deliver a revenue/EBITDA/PAT CAGR of 18%/ 23%/29% over FY26–28. We reiterate our Neutral rating with a TP of INR3,260, based on 37x FY28E EPS.**

Equity AUM rises due to strong SIP flows and the Indus acquisition

- Prudent's QAAUM grew 21% YoY/4% QoQ to INR1.3t in 1QFY27, with Jul'26 trends indicating a strong recovery, taking the AUM to ~INR1.4t.
- Equity AUM (97% of closing AUM) grew 18% YoY/16% QoQ, driven by strong SIP inflows and the contribution from the recent Indus acquisition.
- Monthly SIP flows improved to ~INR12b (vs INR10b YoY), maintaining ~3.6% market share; SIP collection trends remain stable after adjusting for the Mar'26 month-end processing impact.
- Alternative assets (PMS, AIF, and related products) AUM stood at ~INR19b, growing 37% YoY.
- Total insurance premium for the quarter stood at INR1.9b (+34% YoY), led by strong growth across segments, with life insurance premium at INR1.4b (+29% YoY) and general insurance premium at INR547m (+45% YoY).
- Commission and fees income rose 18% YoY to ~INR3.4b, of which INR2.9b (+18% YoY) was led by the distribution of MF products, while insurance products' contribution rose 21% YoY to INR351m.
- MF revenue grew 17.9% YoY, slower than the QAAUM growth of 20.8% due to the impact of regulatory changes implemented from Apr'26.

Research Analyst: **Prayesh Jain** (Prayesh.Jain@MotilalOswal.com) / **Nitin Aggarwal** (Nitin.Aggarwal@MotilalOswal.com)
Research Analyst: **Kartikeya Mohata** (Kartikeya.Mohata@MotilalOswal.com) / **Muskan Chopra** (Muskan.Chopra@MotilalOswal.com)

- The regulatory changes reduced gross yield by 2.8bp QoQ, taking it to 88bp, which is a steady-state assumption going forward.
- Insurance distribution revenue grew 21% YoY, supported by strong growth across both life and general insurance businesses. Fresh life insurance premiums increased 73% YoY, driven by robust growth in participating products (100%) and ULIPs (82%), while general insurance growth was led by a 37% YoY increase in health insurance premiums.
- Revenue from the stockbroking segment increased 12% YoY/19% QoQ at INR56m. Revenue from other financial and non-financial products rose 28% YoY to INR102m, led by strong growth in PMS and bond distribution.
- Other income stood at INR208m vs INR103m in 1QFY26 and negative INR47m in 4QFY26 due to MTM gains on the treasury book.
- Operating expenses grew 14% YoY/declined 3% QoQ to INR2.6b. The CIR (ex-commissions) came in at 19.7% vs. 18.2% in 1QFY26 and 19.1% in 4QFY26.
- Commission & fee expenses rose only 10% YoY/fell 4% QoQ to INR1.9b, primarily due to GST-related regulatory changes and the removal of the 5bp exit load from TER, while other expenses were up 22% YoY/down 20% QoQ to INR269m.
- Employee costs rose 33% YoY/19% QoQ to INR418m mainly due to annual salary revisions, branch expansion, higher headcount, and increased variable pay provisions. Employee cost growth, including ESOP expenses, is expected to remain in the 22–24% range for FY27.

Key takeaways from the management commentary

- Yields on new business remain higher than the existing book, and management expects the 88bp gross yield to sustain going forward.
- Commission expenses grew 9.8% YoY due to GST-related regulatory changes and the removal of the 5bp exit load from TER. The one-time reset is complete, with current gross margins reflecting the new normalized regulatory framework.
- SIF AUM crossed INR5b with ~1,326 certified distributors. Management expects adoption to accelerate following simplified certification norms, with monthly SIF business growing faster than the mutual fund business.

Valuation and view

- Prudent delivered a healthy 1QFY27 performance, with PAT outperforming expectations driven by lower operating expenses despite the impact of recent regulatory changes on yields. Core business momentum remains strong, supported by healthy equity AUM growth, resilient SIP inflows, robust insurance premium growth, and continued traction across alternate products. Management expects the current gross yield of 88bp to represent the new steady state, while operating leverage and a lower commission ratio should support margin expansion over the medium term.
- **We raise our FY27/FY28 earnings estimates by 7%/8%, driven by a lower commission ratio to reflect the recent regulatory changes, partly offset by lower revenue yield assumptions and higher employee costs (in line with management guidance). We expect Prudent to deliver a revenue/EBITDA/PAT CAGR of 18%/ 23%/29% over FY26–28. We reiterate our Neutral rating with a TP of INR3,260, based on 37x FY28E EPS.**

Quarterly performance (INR m)

	FY26				FY27				FY26	FY27E	1QFY27E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE						
Commission and Fees Income	2,910	3,168	3,407	3,579	3,443	3,616	3,762	4,107	13,065	14,928	3,508	-1.9	18%	-4%
Other Operating revenue	28	30	25	27	33	30	31	25	109	119	28	18.3	20%	25%
Revenue from Operations	**2,938**	**3,198**	**3,432**	**3,606**	**3,476**	**3,646**	**3,793**	**4,132**	**13,174**	**15,048**	**3,536**	-1.7	18%	-4%
Change YoY (%)	17.8	11.8	20.4	27.5	18.3	14.0	10.5	14.6	19.4	14.2	20.4			
Operating Expenses	2,265	2,476	2,654	2,676	2,586	2,739	2,843	3,111	10,071	11,279	2,710	-4.6	14%	-3%
Change YoY (%)	18.9	13.9	21.1	24.9	14.2	10.6	7.1	16.3	19.7	12.0	19.6			
EBIDTA	**673**	**722**	**778**	**930**	**891**	**906**	**950**	**1,022**	**3,103**	**3,769**	**826**	**7.8**	32%	-4%
Depreciation	72.5	76.8	80.2	78.7	80.0	81.0	82.0	83.8	308	327	81	-1.2	10%	2%
Finance Cost	6.9	7.3	16.9	16.4	16.8	16.0	16.0	15.4	48	64	16	4.7	143%	2%
Other Income	103	82	95	-47	208	110	115	109	233	543	100	108.3	103%	-545%
PBT	**696**	**719**	**776**	**788**	**1,002**	**919**	**967**	**1,032**	**2,980**	**3,921**	**829**	**20.9**	44%	27%
Change YoY (%)	17.5	3.8	20.3	14.3	44.1	27.8	24.7	30.9	13.7	31.6	19.2			
Tax Provisions	178.1	184.0	199.7	197.1	254.7	229.9	241.9	253.7	759	980	207	22.9	43%	29%
Net Profit	**518**	**535**	**576**	**591**	**748**	**690**	**726**	**778**	**2,221**	**2,940**	**622**	**20.2**	44%	26%
Change YoY (%)	17.1	4.0	19.6	14.5	44.4	28.8	25.9	31.6	13.5	32.4	20.1			
Key Operating Parameters (%)														
EBIDTA Margin	22.9	22.6	22.7	25.8	25.6	24.9	25.1	24.7	23.6	25.0	23.4	225bp	273bp	-17bp
Cost to Income Ratio	18.2	17.9	18.4	19.1	19.7	20.3	20.0	20.1	18.4	20.1	18.8	91bp	154bp	66bp
PBT Margin	23.7	22.5	22.6	21.9	28.8	25.2	25.5	25.0	22.6	26.1	23.5	538bp	515bp	697bp
Tax Rate	25.6	25.6	25.7	25.0	25.4	25.0	25.0	24.6	25.5	25.0	25.0	41bp	-18bp	41bp
PAT Margins	17.6	16.7	16.8	16.4	21.5	18.9	19.1	18.8	16.9	19.5	17.6	391bp	388bp	511bp
MF revenue / QAAUM (bps)	90.3	91.3	92.2	90.0	88.2	88.0	88.0	87.8	91.4	91.4	90.0	-182bp		
Revenue from Operations (INR M)														
Commission and Fees Income														
Distribution of MF Products Trail Revenue	2,489	2,716	2,940	2,879	2,934	3,075	3,197	3,316	11,024	11,469	2,996	-2.1	18%	2%
Distribution of Insurance Products	291	324	336	569	351	395	410	647	1,520	1,580	372	-5.8	21%	-38%
Stock Broking and Allied Services	50	44	44	47	56	50	50	46	185	191	50	12.0	12%	19%
Other Financial and Non-Financial Products	80	83	86	84	102	96	105	98	333	355	90	13.3	28%	21%
Revenue from Operations Mix (%)														
As % of Commission and Fees Income														
Distribution of MF Products-Trail Revenue	84.7	84.9	85.7	79.8	84.4	84.3	84.3	80.2	83.7	76.2	84.7	-32bp	-33bp	456bp
Distribution of Insurance Products	9.9	10.1	9.8	15.8	10.1	10.8	10.8	15.7	11.5	10.5	10.5	-44bp	19bp	-568bp
Stock Broking and Allied Services	1.7	1.4	1.3	1.3	1.6	1.4	1.3	1.1	1.4	1.3	1.4	20bp	-9bp	31bp
Other Financial and Non-Financial Products	2.7	2.6	2.5	2.3	2.9	2.6	2.8	2.4	2.5	2.4	2.5	39bp	21bp	60bp
OpexMix (%)														
Fees and commission	76.4	76.9	76.2	74.3	73.5	0.0	0.0	0.0	75.9	73.2	0.0		-293bp	-83bp
Employees expenses	13.9	13.3	14.4	13.1	16.2	0.0	0.0	0.0	13.7	15.1	0.0		227bp	304bp
Other expenses	9.7	9.8	9.4	12.6	10.4	0.0	0.0	0.0	10.4	11.6	0.0		66bp	-221bp

CONFERENCE CALL

Key takeaways from the management commentary

Business Highlights

Mutual funds

- Equity AUM grew 18% YoY, largely driven by fresh money through strong SIP inflows and the Indus acquisition.
- Despite weak markets, equity AUM generated 2.9% positive MTM gains, outperforming benchmark indices, supported by consistent SIP flows and superior fund and portfolio selection by distributors.
- Monthly SIP book increased to ~INR12.4b in Jul'26 from INR12b in Jun'26, indicating continued healthy SIP momentum.
- SIP collection trends remain stable after adjusting for the Mar'26 month-end processing impact.

- Quarterly average AUM grew 20.8% YoY, while mutual fund revenue increased 17.9% YoY; the slower growth in revenue reflects the impact of regulatory changes implemented from Apr'26.
- The regulatory changes reduced gross yield by 2.8bp QoQ, taking it to 88bp. 1Q margins should be considered the new steady-state, as regulatory changes have been fully implemented by both AMCs and the company in distributor pay-outs.
- Over the medium to long term, yields may gradually decline by 1–2 bps, primarily because of commercial pressure on new business.
- Yields on new business remain higher than the existing book and expects the 88bp gross yield to sustain going forward.
- SIF AUM has crossed INR5b with ~1,326 certified SIF distributors. Expects SIF adoption to accelerate following the simplified certification process and removal of the currency-related syllabus from the examination.
- Monthly SIF business is increasing steadily (faster than MF business), reflecting higher distributor participation and stronger internal focus on the product.
- ~60% of AUM is now mobilized through GST-registered partners.
- ~90% of AUM comes from partner distributors. The remaining 10% comprises direct/B2C business, IFAs and legacy channels.

Insurance
- Insurance revenue grew 20.6% YoY, led by strong performance across life and health insurance.
- Fresh life insurance premiums increased 73.4% YoY, driven by 100% growth in participating products and 82% growth in ULIPs.
- Health insurance premiums continued to perform well, growing 36.8% YoY.
- Insurance payout ratios appear lower mainly because ~10% of insurance business is B2C, where no distributor payout is made. Excluding this, payout ratios between mutual funds and insurance are broadly similar.

Other businesses
- Revenue from other financial and non-financial products grew 28.4% YoY, led by strong growth in PMS and bond distribution.
- Alternative assets (PMS, AIF and related products) AUM stands at ~19b, growing 37% YoY.
- Revenue from bond distribution more than doubled compared to last year.
- The company added around 600 partners per month during Q1, compared to an average of 413 partners per month in FY26.
- The company has a treasury book of INR6.5b and continues to evaluate value-accretive acquisition opportunities to strengthen its distribution platform.

Financials
- Other income increased due to gains from the treasury portfolio.
- Commission expenses grew only 9.8% YoY, primarily due to GST-related regulatory changes and the removal of the 5bp exit load from TER.
- The current commission-to-revenue ratio is broadly to be considered as guidance, subject to changes in product mix.

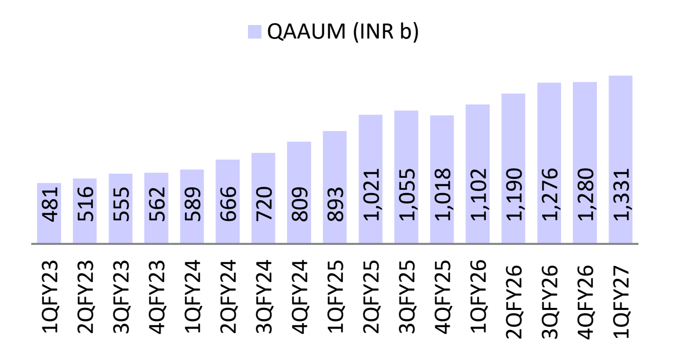
- The impact on commission expenses is a one-time reset, with the current gross margin representing the normalized economics under the revised regulatory framework.
- Employee costs increased 19% QoQ, mainly due to annual salary revisions, branch expansion, higher headcount, and increased variable pay provisions. Employee cost growth, including ESOP expenses, is expected to remain in the 22–24% range for FY27.
- Other expenses are inherently volatile as they are largely driven by insurance-related marketing and business development activities.
- The company plans to add 30 new branches during FY27, with over 12 branches already operationalized in 1Q.

Others

- Views the proposed Mutual Fund-only PMS framework (INR2.5m minimum ticket size) as an attractive opportunity. The company is evaluating either acquiring a PMS business or applying for its own PMS license, once regulations are finalized.
- This new framework can expand services for affluent retail investors without changing its distribution-focused strategy.

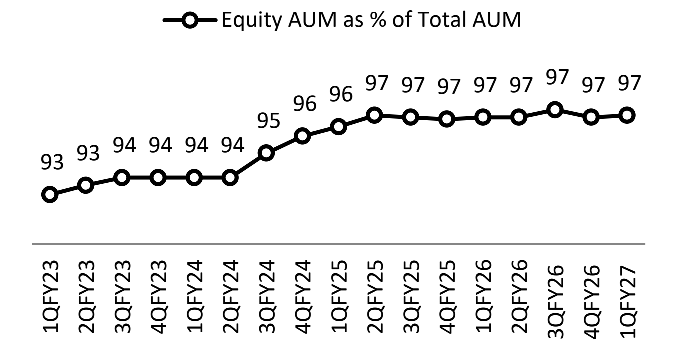
Story in charts

Exhibit 1: QAAUM grew sequentially



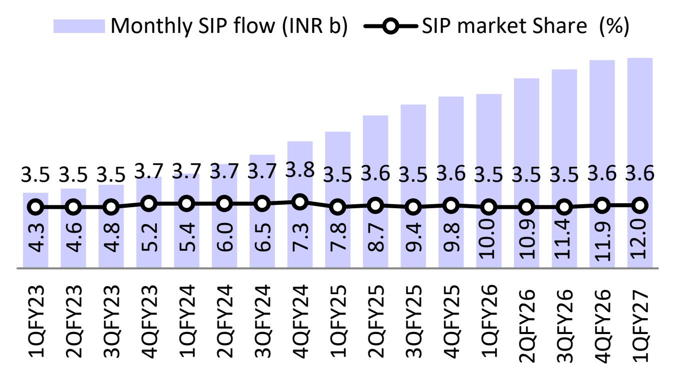
Source: Company, MOFSL

Exhibit 2: Share of Equity AUM remained stable



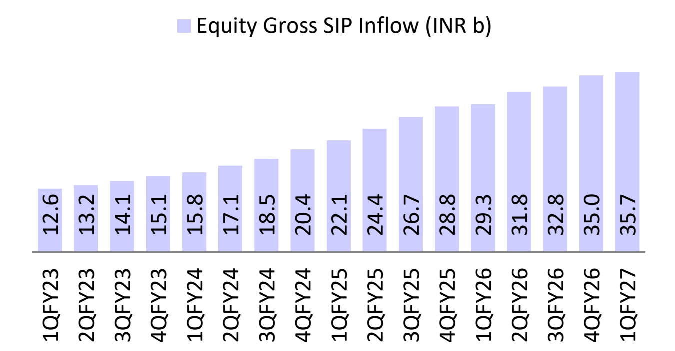
Source: Company, MOFSL

Exhibit 3: Monthly SIP flows remained stable



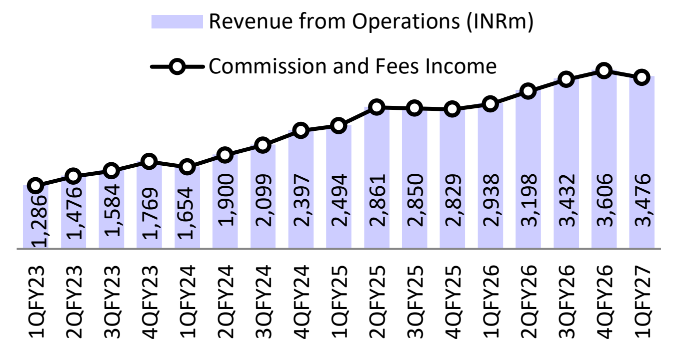
Source: Company, MOFSL

Exhibit 4: Equity SIP flows continued to grow steadily



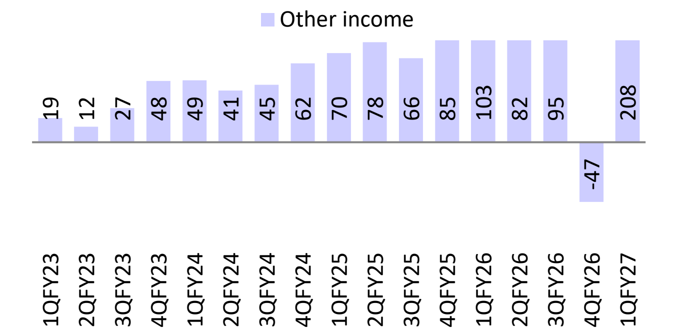
Source: Company, MOFSL

Exhibit 5: Revenue stood at INR3.5b in 1QFY27



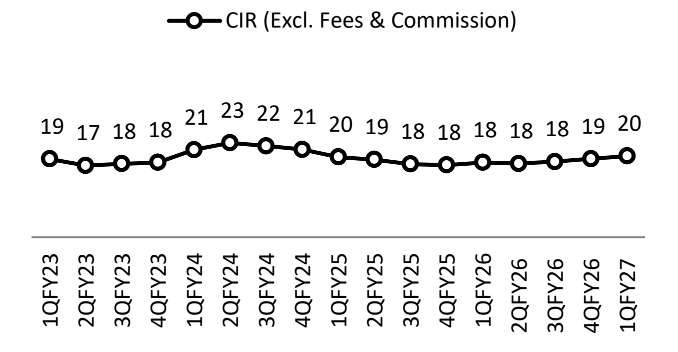
Source: MOFSL, Company

Exhibit 6: Other income surged due to MTM gains



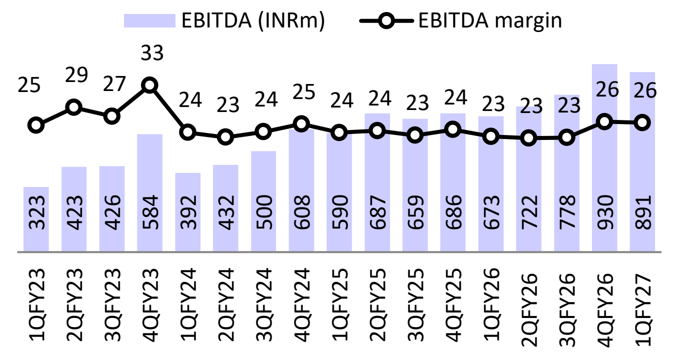
Source: MOFSL, Company

Exhibit 7: C/I ratio (%) stood at ~20% in 1QFY27



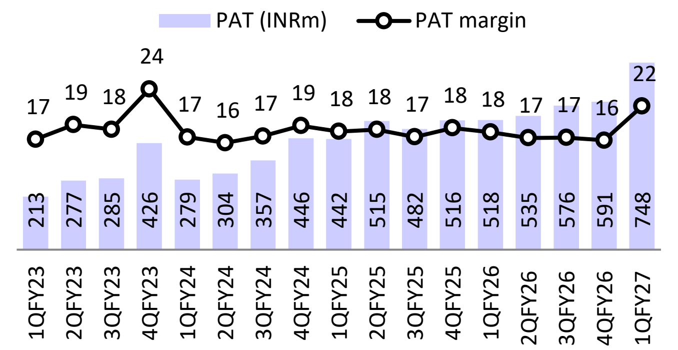
Source: MOFSL, Company

Exhibit 8: EBITDA margins (%) were stable QoQ



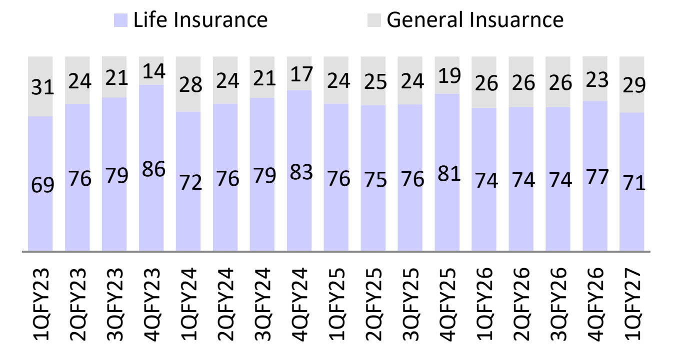
Source: MOFSL, Company

Exhibit 9: PAT margin stood at 22% in 1QFY27



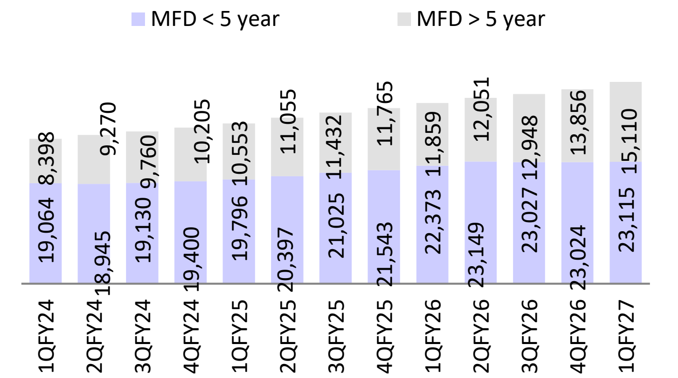
Source: MOFSL, Company

Exhibit 10: Insurance premium mix (%)



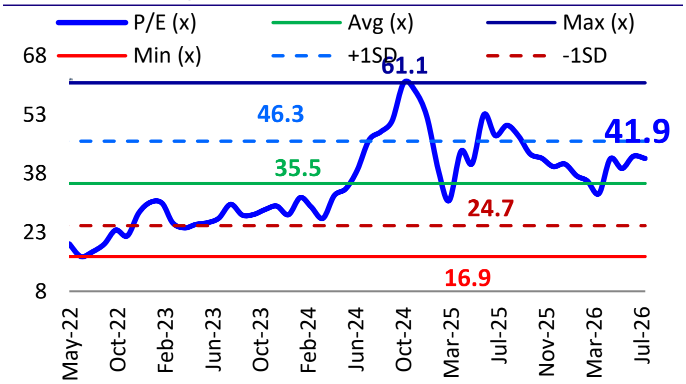
Source: MOFSL, Company

Exhibit 11: MFD trends



Source: MOFSL, Company

Exhibit 12: One-year forward P/E



Source: MOFSL, Company

Financials and valuations

Income Statement

(INR m)

Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Commission and Fees Income	**2,293**	**2,776**	**4,428**	**6,048**	**7,990**	**10,960**	**13,065**	**14,928**	**18,059**
Other Operating income	**55**	**89**	**80**	**65**	**60**	**76**	**109**	**119**	**131**
Revenue From Operations	**2,348**	**2,865**	**4,508**	**6,113**	**8,050**	**11,036**	**13,174**	**15,048**	**18,190**
Change (%)	5.8	22.0	57.3	35.6	31.7	37.1	19.4	14.2	20.9
Commission and Fees expenses	1,205	1,531	2,464	3,252	4,354	6,380	7,645	8,262	10,009
Employee benefits expense	489	555	693	833	928	1,109	1,378	1,708	1,964
Impairment of FI	12	20	-1	-20	0	0	0	0	0
Other expenses	176	140	199	295	837	922	1,049	1,309	1,546
Operating Expenses	**1,882**	**2,246**	**3,355**	**4,359**	**6,119**	**8,412**	**10,071**	**11,279**	**13,519**
Change (%)	2.4	19.4	49.4	29.9	40.4	37.5	19.7	12.0	19.9
Operating Profit	**467**	**619**	**1,153**	**1,754**	1,931	2,624	3,103	3,769	4,671
Other Income	14	84	78	75	196	299	233	543	666
Depreciation	79	81	134	240	248	279	308	327	346
Finance Cost	27	17	26	21	21	24	48	64	77
Exceptional items	0	0	0	0	0	0	0	0	0
Profit Before Tax	**374**	**605**	**1,071**	**1,568**	**1,858**	**2,621**	**2,980**	**3,921**	**4,913**
Change (%)	30.6	61.7	77.0	46.4	18.5	41.1	13.7	31.6	25.3
Tax	96	152	268	401	471	664	759	980	1,228
Tax Rate (%)	25.6	25.2	25.0	25.6	25.3	25.3	25.5	25.0	25.0
PAT	**279**	**453**	**803**	**1,167**	**1,387**	**1,957**	**2,221**	**2,940**	**3,685**
Change (%)	32.5	62.6	77.4	45.2	18.9	41.1	13.5	32.4	25.3
Dividend	5	5	41	62	83	104	145	186	228

Balance Sheet

Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Equity Share Capital	10	10	207	207	207	207	207	207	207
Reserves & Surplus	1,115	1,566	2,169	3,293	4,607	6,470	8,620	11,374	14,832
Net Worth	**1,125**	**1,576**	**2,376**	**3,500**	**4,814**	**6,677**	**8,827**	**11,581**	**15,039**
Borrowings	78	26	0	0	0	0	0	0	0
Other Liabilities	758	1,247	1,624	1,699	2,762	2,760	3,417	3,588	3,767
Total Liabilities	**1,961**	**2,850**	**4,000**	**5,199**	**7,576**	**9,437**	**12,244**	**15,169**	**18,806**
Cash and Investments	1,035	1,598	967	2,127	3,780	5,436	6,823	9,094	11,952
Change (%)	41.4	54.4	-39.5	120.0	77.7	43.8	25.5	33.3	31.4
Loans	9	5	7	9	**10**	**11**	**175**	**192**	**211**
Net Fixed Assets	179	166	157	148	163	303	302	347	434
Current Assets	737	1,080	2,870	2,915	3,622	3,686	4,945	5,537	6,209
Total Assets	**1,961**	**2,850**	**4,000**	**5,199**	**7,576**	**9,437**	**12,244**	**15,169**	**18,806**

E: MOSL Estimates

Financials and valuations

Cash Flow

INR m	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
PAT	279	453	803	1,167	1,387	1,957	2,221	2,940	3,685
Change in Accumulated Depreciation	79	81	134	240	248	279	308	327	346
Change in Reserves	21	3	38	19	9	10	75	0	0
Finance cost	27	17	26	21	21	24	48	64	77
Other Income	-14	-84	-78	-75	-196	-299	-233	-543	-666
Change in Working Capital	173	143	45	-110	207	-220	316	-358	-410
Cashflow from Operation	565	614	968	1,261	1,676	1,750	2,734	2,431	3,032
Other Income	14	84	78	75	196	299	233	543	666
Change in Investments	6	-140	-188	-1,040	-1,031	-1,194	-2,313	-1,178	-1,760
Change in Loans	-129	-46	6	38	33	102	36	17	18
Change in Fixed Asset	-111	-71	-1,614	-137	-139	-367	-1,259	-452	-533
Cashflow from Investing	-220	-172	-1,718	-1,064	-941	-1,160	-3,304	-1,071	-1,610
Interest Expense	-27	-17	-26	-21	-21	-24	-48	-64	-77
Dividend Expense	-5	-5	-41	-62	-83	-104	-145	-186	-228
Cashflow from Financing	-32	-22	-67	-83	-104	-127	-192	-250	-305
Net Cashflow	313	419	-818	123	622	463	-762	1,110	1,118
Opening Cash	660	973	1,392	575	698	1,320	1,783	1,021	2,131
Closing Cash	973	1,392	575	698	1,320	1,783	1,021	2,131	3,249

Ratios (%)

Y/E March	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
As a percentage of Revenues									
Commission and Fees Income	97.6	96.9	98.2	98.9	99.3	99.3	99.2	99.2	99.3
Other Operating income	2.4	3.1	1.8	1.1	0.7	0.7	0.8	0.8	0.7
Total cost	**80.1**	**78.4**	**74.4**	**71.3**	**76.0**	**76.2**	**76.4**	**75.0**	**74.3**
Commission and Fees expenses	51.3	53.4	54.7	53.2	**54.1**	**57.8**	**58.0**	**54.9**	**55.0**
Employee Cost	20.8	19.4	15.4	13.6	11.5	10.1	10.5	11.4	10.8
Other Opex Cost	8.0	5.6	4.4	4.5	10.4	8.4	8.0	8.7	8.5
PBT	**15.9**	**21.1**	**23.8**	**25.7**	**23.1**	**23.8**	**22.6**	**26.1**	**27.0**
PAT	**11.9**	**15.8**	**17.8**	**19.1**	**17.2**	**17.7**	**16.9**	**19.5**	**20.3**
Profitability Ratios (%)									
RoE	28.5	33.5	40.7	39.7	33.4	34.1	28.6	28.8	27.7
Dividend Payout Ratio	37.1	22.8	5.1	5.3	6.0	5.3	6.5	6.3	6.2

Valuations	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
BVPS (INR)	27.2	38.1	57.4	84.5	116.3	161.3	213.2	279.7	363.2
Price-BV (x)	**105.0**	**75.0**	**49.7**	**33.8**	**24.6**	**17.7**	**13.4**	**10.2**	**7.9**
EPS (INR)	6.7	11.0	19.4	28.2	33.5	47.3	53.6	71.0	89.0
Change (%)	32.7	62.6	77.2	45.1	18.9	41.1	13.5	32.4	25.3
Price-Earnings (x)	**423.4**	**260.4**	**147.0**	**101.3**	**85.2**	**60.4**	**53.2**	**40.2**	**32.1**
DPS (INR)	2.5	2.5	1.0	1.5	2.0	2.5	3.5	4.5	5.5
Dividend Yield (%)	**0.1**	**0.1**	**0.0**	**0.1**	**0.1**	**0.1**	**0.1**	**0.2**	**0.2**

E: MOFSL Estimates

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.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/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

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

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

.

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).

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

****

The associates of MOFSL may have:
financial interest in the subject company
actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
received compensation/other benefits from the subject company in the past 12 months
any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
Served subject company as its clients during twelve months preceding the date of distribution of the research report.
The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

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

This report is meant for the clients of Motilal Oswal only.
Investment in securities market are subject to market risks. Read all the related documents carefully before investing.
Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors
Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.
Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.
Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.
Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.