

United Breweries

Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR1,420 **TP: INR1,425** **Neutral**

Weak performance; near-term pressure on margins

Bloomberg	UBBL IN
Equity Shares (m)	264
M.Cap.(INRb)/(USD\$b)	373.6 / 3.9
52-Week Range (INR)	2245 / 1382
1, 6, 12 Rel. Per (%)	-11/-17/-34
12M Avg Val (INR M)	310

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Net Sales	92.3	103.7	115.3
Sales Gr. (%)	3.7	12.3	11.2
EBITDA	8.1	9.9	12.3
Margin (%)	8.7	9.6	10.7
Adj. PAT	3.7	5.4	7.3
Adj. EPS (INR)	14.1	20.5	27.8
EPS Gr. (%)	-19.9	45.1	35.4
BV/Sh. (INR)	170.9	181.9	196.8

Ratios

RoE (%)	8.4	11.6	14.7
RoCE (%)	9.5	12.4	15.4

Valuations

P/E (x)	100.4	69.1	51.1
P/BV (x)	8.3	7.8	7.2
EV/EBITDA (x)	45.9	36.9	29.5

Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	70.8	70.8	70.8
DII	19.2	18.6	17.3
FII	4.9	5.5	6.9
Others	5.0	5.1	4.9

FII includes depository receipts

- United Breweries (UBBL) reported a 3% YoY decline in revenue (est. +7%, +4% in 3Q), despite 4% volume growth. Secondary volume growth was healthy at 8–9% YoY. Realization was down 7% because of a temporary higher mix of contract manufacturing. The premium portfolio delivered a healthy 16% volume growth (21% in FY26). Beer industry growth was ~10% at the consumer level, supported by favorable regulatory developments, improved affordability, and stable demand conditions.
- GM expanded 330bp YoY to 45.4% (est. 42.9%), aided by premiumization, pricing actions, and improved procurement efficiencies. Brand investments increased by ~27% YoY, ahead of the peak summer season. EBITDA contracted 180bp YoY to 6.2% (est. 7.8%). Such volatility in EBITDA margin has been witnessed in the previous quarters as well.
- The company indicated a cost pressure of INR 4–5bn amid ongoing geopolitical disruptions due to inflation in packaging materials, energy, and logistics. However, the company already expects to mitigate ~50% of this cost impact through productivity initiatives, selective pricing actions, and rationalization of trade spends in low-margin markets.
- Management expects high single-digit volume growth and double-digit revenue growth in FY27. Cost inflation will continue to impact GM; we build lower overhead costs driven by cost efficiencies, which will cover the RM cost pressure. We model a 9.5% EBITDA margin for FY27, but there can be downside risk in the margin if cost inflation sustains. Given rich valuations and lingering cost headwinds, **we reiterate our Neutral rating** on the stock with a TP of INR1,425 (premised on 50x Mar'28E EPS).

Miss on all fronts; the volatile quarterly trend continues

- Weak revenue; premium volumes up 16%:** UBBL's standalone net sales declined by 3% YoY to INR22.5b (est. INR24.7b) despite volume up by 4% (est. +4%). Secondary sales growth was at 8-9%; inventory correction impacted primary performance. The price mix performance was negative due to a higher mix of contract manufacturing. The Premium portfolio continues to grow strongly and posted 16% volume growth (+21% in FY26).
- Miss on operating margins:** Gross margin expanded 330bp YoY to 45.4% (est. 43%). Other expenses were up 14%, while employee expenses inched up 2% YoY. EBITDA margin contracted 180bp YoY to 6.2% (est. 7.8%, 10.9% in 3QFY26).
- Dip in profitability:** The EBITDA fell 25% YoY to INR1.4b (est. INR1.9b). Interest costs were up ~395% YoY to INR290m (est. INR173m). APAT dipped 46% YoY to INR530m (est. INR1,045m). There was an exceptional gain of INR740m in the quarter due to the transfer of freehold land.
- In FY26, net sales grew 4%, while EBITDA/APAT dipped 4%/20%.

Highlights from the management commentary

- The company highlighted that the beer category witnessed a strong recovery in 4Q, with ~10% growth. Growth was broad-based, with most markets contributing positively. Category growth was supported by regulatory developments, improved affordability, and stable demand conditions.
- Management indicated that the weak price-mix performance in the quarter is not structural, as it was hit by temporary factors such as inventory correction and higher reliance on contract manufacturing.
- Cost pressures remain elevated, driven by inflation in packaging materials, energy, and logistics, due to geopolitical disruptions (INR4-5bn impact). The company has already identified mitigation plans for ~50% cost increase (INR2.0-2.5b) through productivity initiatives, selective pricing actions, and rationalization of trade spends in low-margin markets.
- The company expects high-single-digit volume growth in FY27, which will lead to double-digit revenue growth.

Valuation and view

- We cut our EPS estimates by 13-15% for FY27 and FY28 due to cost inflation and consistent delay in margin recovery.
- The beer industry is seeing a recovery supported by favorable regulatory developments, improved affordability, and stable demand conditions. A favorable policy environment remains a key growth driver, with no major tax hikes on beer across most recent state policies and relatively higher taxation on spirits improving beer affordability. Management is expecting the mid to high single-digit volume growth in FY27, which will lead to double-digit revenue growth.
- Management expects high single-digit volume growth and double-digit revenue growth in FY27. Cost inflation will continue to impact GM; we build lower overhead costs driven by cost efficiencies, which will cover the RM cost pressure. We model a 9.5% EBITDA margin for FY27, but there can be downside risk in the margin if cost inflation sustains. Given rich valuations and lingering cost headwinds, **we reiterate our Neutral rating** on the stock with a TP of INR1,425 (premised on 50x Mar'28E EPS).

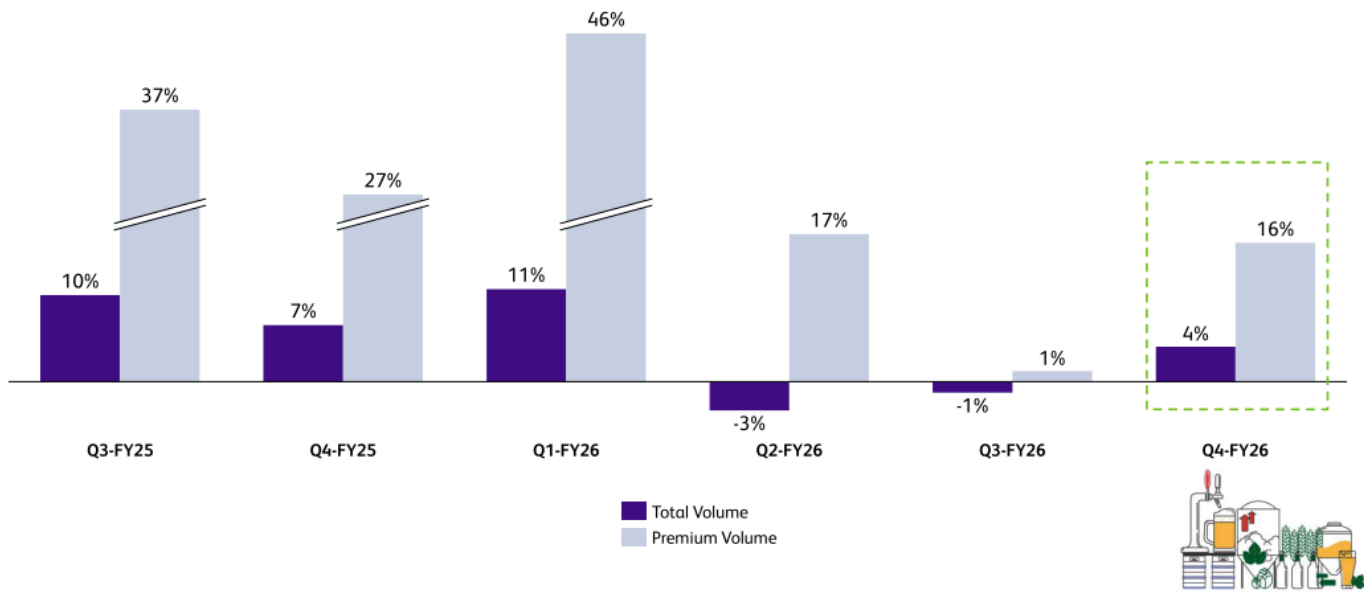
Standalone Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26	FY26	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		4QE		
Volume growth (%)	5	5	8	5	11	-3	-1	4	6	7	4	
Net Sales	24,730	21,147	19,984	23,214	28,624	20,511	20,714	22,478	89,074	92,327	24,739	-9.1%
YoY Change (%)	8.8	12.0	9.6	8.9	15.7	-3.0	3.7	-3.2	9.7	3.7	6.6	
Gross Profit	10,642	9,272	8,619	9,772	12,176	8,779	9,393	10,209	38,305	40,557	10,609	-3.8%
Margin (%)	43.0	43.8	43.1	42.1	42.5	42.8	45.3	45.4	43.0	43.9	42.9	
EBITDA	2,847	2,268	1,411	1,862	3,105	1,301	2,255	1,391	8,390	8,053	1,935	-28.1%
YoY Change (%)	27.8	22.9	-3.0	31.2	9.1	-42.6	59.8	-25.3	20.5	-4.0	3.9	
Margins (%)	11.5	10.7	7.1	8.0	10.8	6.3	10.9	6.2	9.4	8.7	7.8	
Depreciation	577	571	613	567	628	640	689	759	2,327	2,716	693	
Interest	16	22	32	59	112	147	169	290	129	717	173	
Other Income	73	105	101	79	110	150	109	78	357	446	82	
PBT before EO expense	2,327	1,781	867	1,316	2,475	665	1,506	420	6,291	5,066	1,151	-63.5%
Tax	595	458	227	342	638	196	510	144	1,622	1,487	106	
Rate (%)	25.5	25.7	26.2	26.0	25.8	29.4	33.9	34.2	26.9	27.3	9.2	
Reported PAT	1,733	1,322	383	974	1,837	469	808	1,017	4,412	4,132	1,045	
Adj PAT	1,733	1,322	640	974	1,837	469	932	530	4,669	3,741	1,045	-49.3%
YoY Change (%)	27.3	22.9	-24.5	20.5	6.0	-64.5	45.6	-45.6	13.6	-19.9	7.3	
Margins (%)	7.0	6.3	3.2	4.2	6.4	2.3	4.5	2.4	5.2	4.1	4.2	

E: MOFSL Estimates

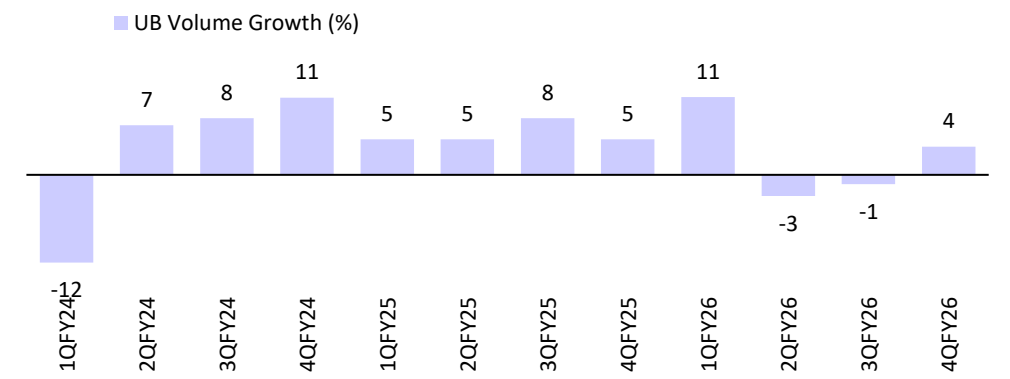
Exhibit 1: Quarterly volume growth

UBL Quarterly Volume Development (Based on HL)



Source: Company presentation

Exhibit 2: Volume grew 4% YoY in 4QFY26





Key highlights from the management commentary

Business and operating performance

- The company highlighted that the beer category witnessed a strong recovery in 4Q, with ~10% growth. Growth was broad-based, with most markets contributing positively.
- Category growth was supported by regulatory developments, improved affordability, and stable demand conditions.
- Favorable policy environment remains a key growth driver, with no major tax hikes on beer across most recent state policies and relatively higher taxation on spirits improving beer affordability.
- The company saw strong growth in ~14 states (~42% of business), with >30% growth in some markets.
- **The company reported ~4% volume growth during the quarter. Underlying demand (secondary sales) remained largely in line with category growth (8-9%).**
- Reported volume growth was impacted by base effects and a primary vs secondary sales mismatch.
- **Premium portfolio volume grew 21% for FY26, with premium mix still below 10% of total volume.**
- **Management indicated that the weak price-mix performance in the quarter is not structural, as it was impacted by temporary factors such as inventory correction and higher reliance on contract manufacturing.**
- Ongoing capacity additions, including new can lines and brewery expansions, are expected to improve the mix and reduce dependence on contract manufacturing over time.
- UBBL highlighted no supply-side constraints, with strong backward integration and supplier diversification ensuring the availability of bottles and cans.
- The industry has seen a sharp rise in competitive intensity. However, the company remains focused on sustainable value-led growth.
- Early signs of stress are emerging among smaller and contract players, with some facing challenges in sourcing packaging materials and temporarily halting production. The impact is expected to become more visible over the next few months.
- **The company expects mid- to high-single-digit volume growth in FY27, which will lead to double-digit revenue growth.**

Cost and Margins

- Gross margins improve 330bp YoY, supported by premiumization, pricing actions, improved procurement efficiencies, and favorable sourcing mix.
- EBITDA margin declined 180bp YoY, primarily due to deliberate strategic investments.
- The company increased brand investments by ~27% YoY ahead of the peak season to support brand equity and visibility.
- **Cost pressures remain elevated, driven by inflation in packaging materials, energy, and logistics, due to geopolitical disruptions (INR4-5bn impact).**
- The company has already identified mitigation plans for ~50% cost increase (INR2-2.5bn) through productivity initiatives, selective pricing actions, and rationalization of trade spends in low-margin markets.

Capex

- The company expects the U.P. greenfield brewery to be commissioned by FY27, with civil work already underway.
- Two new can lines in Telangana and Maharashtra are expected to be operational by July'27.
- These capacity additions will unlock incremental growth opportunities, especially in underpenetrated segments like cans, where the current market share is low (~2%).

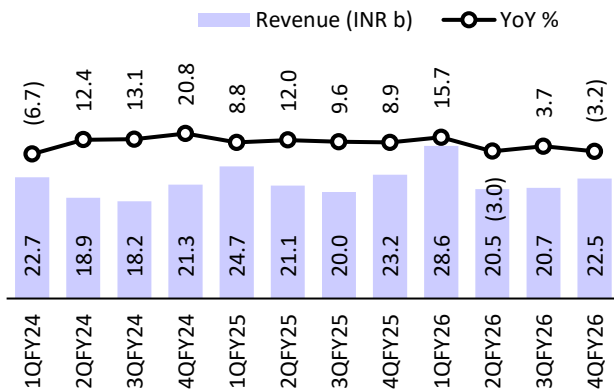
Innovation

- The company plans to expand Heineken production capacity across multiple regions, including North (via the upcoming U.P. brewery) and East India, over the next two years.
- Other innovations, such as Kingfisher Smooth, have shown strong early traction, with high repeat consumption in initial markets like Rajasthan.
- The company recognizes flavoured beer as an emerging innovation platform and has already tested products like Kingfisher Flavours in select markets (Goa and Daman).
- While craft and niche players are gaining traction, the company is selectively evaluating opportunities rather than aggressively expanding.
- Management is also engaging with local craft players to understand evolving consumer trends and explore potential partnerships.

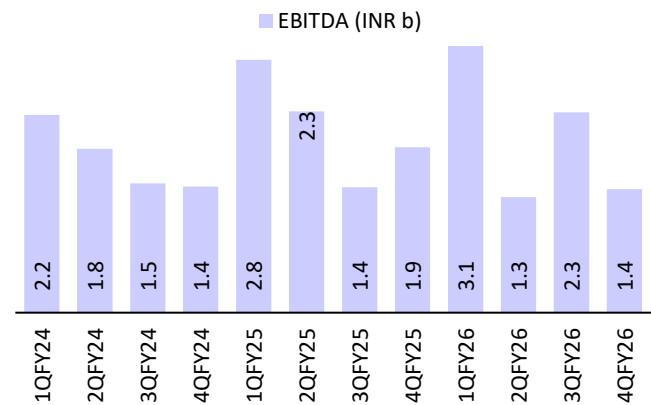
State performance

- The Karnataka policy is in a positive direction, with improvements in ease of doing business and a proposed shift towards ABV-based taxation, which is expected to structurally support beer consumption growth.
- In Telangana, no price hikes have been implemented so far, and the company, along with the industry, remains in active discussions with the government to address the ongoing cost inflation pressures.
- Maharashtra continues to be a strong growth market, with both category and company volumes growing at >20%, indicating sustained momentum.

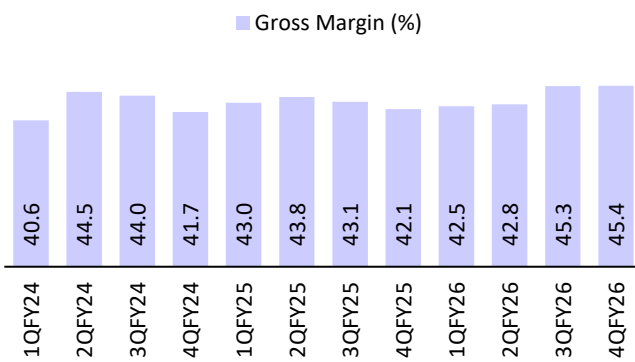
Key Exhibits

Exhibit 3: Net sales declined ~3% YoY to INR22.5b


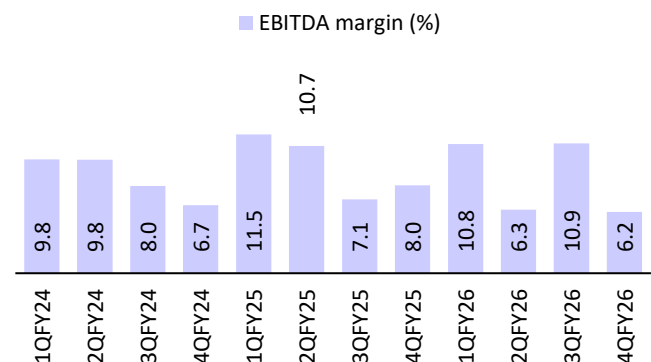
Sources: Company reports, MOFSL

Exhibit 4: EBITDA declined 25% YoY to INR1.4b


Source: Company reports, MOFSL

Exhibit 5: Gross margin expanded 330bp YoY to 45.4%


Sources: Company reports, MOFSL

Exhibit 6: EBITDA margin contracted 180bp YoY to 6.2%


Source: Company reports, MOFSL

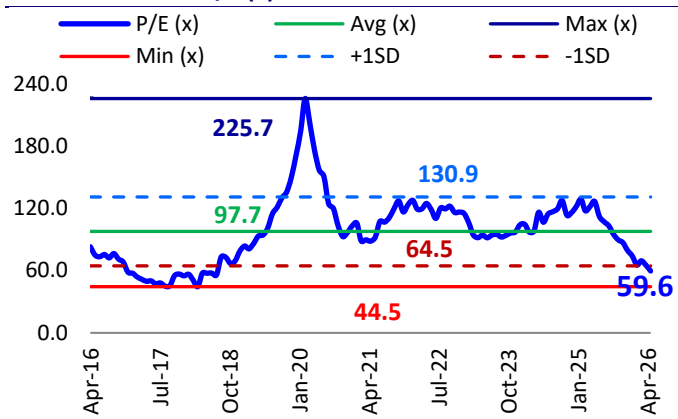
Valuation and view

- We cut our EPS estimates by 13-15% for FY27 and FY28 due to cost inflation and consistent delay in margin recovery.
- The beer industry is seeing a recovery supported by favorable regulatory developments, improved affordability, and stable demand conditions. A favorable policy environment remains a key growth driver, with no major tax hikes on beer across most recent state policies and relatively higher taxation on spirits improving beer affordability. Management is expecting the mid to high single-digit volume growth in FY27, which will lead to double-digit revenue growth.
- Management expects high single-digit volume growth and double-digit revenue growth in FY27. Cost inflation will continue to impact GM; we build lower overhead costs driven by cost efficiencies, which will cover the RM cost pressure. We model a 9.5% EBITDA margin for FY27, but there can be downside risk in the margin if cost inflation sustains. Given rich valuations and lingering cost headwinds, **we reiterate our Neutral rating** on the stock with a TP of INR1,425 (premised on 50x Mar'28E EPS).

Exhibit 7: We largely maintain our EPS estimates for FY27 and FY28

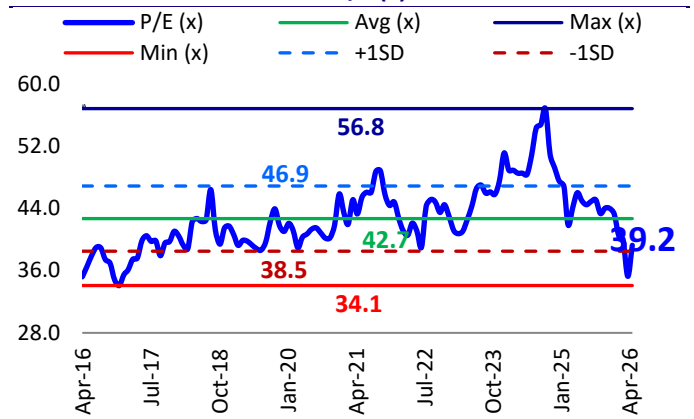
INR m	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Total Income	1,03,680	1,15,334	1,05,194	1,17,559	(1.4)	(1.9)
EBITDA	9,912	12,287	11,021	14,169	(10.1)	(13.3)
Adjusted PAT	5,429	7,349	6,266	8,708	(13.3)	(15.6)

Exhibit 8: UBBL's P/E (x)



Source: MOFSL

Exhibit 9: Consumer sector's P/E (x)



Source: MOFSL

Financials and valuations

Consolidated - Income Statement

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total Income from Operations	65,092	42,431	58,384	74,999	81,227	89,074	92,327	1,03,680	1,15,334
Change (%)	0.5	-34.8	37.6	28.5	8.3	9.7	3.7	12.3	11.2
Raw Materials	31,511	20,294	29,261	42,654	46,524	50,768	51,770	58,787	65,048
% of Sales	48.4	47.8	50.1	56.9	57.3	57.0	56.1	56.7	56.4
Gross Profit	33,581	22,137	29,123	32,346	34,703	38,305	40,557	44,894	50,286
Margin (%)	51.6	52.2	49.9	43.1	42.7	43.0	43.9	43.3	43.6
EBITDA	8,758	3,811	6,966	6,162	6,962	8,390	8,053	9,912	12,287
Margin (%)	13.5	9.0	11.9	8.2	8.6	9.4	8.7	9.6	10.7
Depreciation	2,851	2,320	2,172	2,106	2,119	2,327	2,716	2,798	2,882
EBIT	5,907	1,491	4,794	4,056	4,843	6,063	5,337	7,114	9,406
Int. and Finance Charges	311	227	148	46	69	129	717	500	450
Other Income	93	503	298	494	737	357	446	625	844
PBT bef. EO Exp.	5,689	1,766	4,944	4,504	5,511	6,291	5,066	7,239	9,799
EO Items	0	-72	-263	-248	0	-258	391	0	0
PBT after EO Exp.	5,689	1,694	4,682	4,257	5,511	6,034	5,457	7,239	9,799
Total Tax	1,406	556	1,284	1,210	1,403	1,622	1,487	1,810	2,450
Tax Rate (%)	24.7	32.8	27.4	28.4	25.5	26.9	27.3	25.0	25.0
Less: Minority Interest	6	6	0	0	0	0	0	0	0
Reported PAT	4,277	1,132	3,398	3,047	4,109	4,412	4,132	5,429	7,349
Adjusted PAT	4,277	1,204	3,661	3,295	4,109	4,669	3,741	5,429	7,349
Change (%)	-24.0	-71.8	204.0	-10.0	24.7	13.6	-19.9	45.1	35.4
Margin (%)	6.6	2.8	6.3	4.4	5.1	5.2	4.1	5.2	6.4

Consolidated - Balance Sheet

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	264	264	264	264	264	264	264	264	264
Total Reserves	34,938	35,558	39,087	39,385	41,519	43,327	44,909	47,819	51,758
Net Worth	35,203	35,823	39,351	39,649	41,783	43,592	45,173	48,083	52,023
Minority Interest	33	38	41	46	52	0	0	0	0
Total Loans	1,691	1,154	0	0	0	0	0	0	0
Capital Employed	36,927	37,014	39,393	39,695	41,836	43,592	45,173	48,083	52,023
Gross Block	45,077	47,808	49,615	51,102	52,466	54,440	60,164	63,164	66,164
Less: Accum. Deprn.	26,058	28,378	30,550	32,656	34,775	37,102	39,818	42,616	45,497
Net Fixed Assets	19,019	19,430	19,065	18,446	17,691	17,338	20,345	20,548	20,666
Goodwill on Consolidation	242	65	65	65	65	65	65	65	65
Capital WIP	1,991	1,288	1,099	771	1,727	2,510	5,092	1,918	1,284
Total Investments	3	61	84	81	80	155	154	154	154
Curr. Assets, Loans&Adv.	34,254	37,679	39,182	43,442	50,972	62,049	71,154	76,499	84,908
Inventory	10,939	11,367	9,358	14,278	13,687	16,149	21,479	21,129	23,108
Account Receivables	13,504	13,950	12,549	14,073	23,138	28,601	29,431	30,221	32,976
Cash and Bank Balance	786	4,693	9,097	3,953	2,142	4,419	5,713	10,036	13,107
Loans and Advances	9,025	7,669	8,178	11,138	12,004	12,879	14,531	15,112	15,717
Curr. Liability & Prov.	18,582	21,507	20,101	23,109	28,698	38,525	51,636	51,100	55,054
Account Payables	5,450	6,181	6,380	7,170	9,485	11,492	17,985	16,102	18,656
Provisions	13,131	15,326	13,721	15,939	19,214	27,032	33,652	34,998	36,398
Net Current Assets	15,672	16,171	19,081	20,333	22,274	23,524	19,517	25,399	29,854
Appl. of Funds	36,927	37,014	39,393	39,695	41,836	43,592	45,173	48,083	52,023

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)									
EPS	16.2	4.6	13.8	12.5	15.5	17.7	14.1	20.5	27.8
Cash EPS	27.0	13.3	22.1	20.4	23.6	26.5	24.4	31.1	38.7
BV/Share	133.1	135.5	148.8	150.0	158.0	164.9	170.9	181.9	196.8
DPS	2.5	0.5	10.5	7.5	10.0	10.0	10.0	8.2	11.1
Payout (%)	15.5	11.7	81.7	65.1	64.4	59.9	64.0	40.0	40.0
Valuation (x)									
P/E	88	312	103	114	91	80	100	69.1	51.1
Cash P/E	52.7	106.5	64.4	69.5	60.3	53.7	58.1	45.6	36.7
P/BV	10.7	10.5	9.5	9.5	9.0	8.6	8.3	7.8	7.2
EV/Sales	5.8	8.8	6.3	5.0	4.6	4.2	4.0	3.5	3.1
EV/EBITDA	43	98	53	60	54	44	46	36.9	29.5
Dividend Yield (%)	0.2	0.0	0.7	0.5	0.7	0.7	0.7	0.6	0.8
FCF per share	4.0	17.8	27.5	-10.4	-4.3	-0.8	0.1	26.7	1.6
Return Ratios (%)									
RoE	12.8	3.4	9.7	8.3	10.1	10.9	8.4	11.6	14.7
RoCE	12.8	3.6	9.7	8.2	10.2	11.0	9.5	12.4	15.4
RoIC	13.5	3.1	11.6	9.1	9.9	11.9	11.0	15.2	19.2
Working Capital Ratios									
Fixed Asset Turnover (x)	1.4	0.9	1.2	1.5	1.5	1.6	1.5	1.6	1.7
Asset Turnover (x)	1.8	1.1	1.5	1.9	1.9	2.0	2.0	2.2	2.2
Inventory (Days)	60	96	65	58	63	61	74	75	70
Debtor (Days)	80	118	83	65	84	106	115	105	100
Creditor (Days)	32	50	39	33	37	43	58	60	55
Working Cap. (Days)	108	164	108	89	109	124	131	120	115
Leverage Ratio (x)									
Current Ratio	1.8	1.8	1.9	1.9	1.8	1.6	1.4	1.5	1.5
Interest Cover Ratio	19.0	6.6	32.4	87.4	70.3	47.2	7.4	14.2	20.9
Debt/Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	5,689	1,694	4,944	4,173	5,511	6,291	5,066	7,239	9,799
Depreciation	2,851	2,320	2,172	2,106	2,119	2,327	2,716	2,798	2,882
Interest & Finance Charges	305	224	146	44	67	121	681	500	450
Direct Taxes Paid	-1,903	-823	-1,301	-1,397	-1,388	-1,913	-2,142	-1,357	-1,837
(Inc)/Dec in WC	-2,196	2,976	2,994	-6,160	-5,166	-4,223	-1,564	861	-7,893
CF from Operations	4,746	6,392	8,956	-1,234	1,144	2,603	4,756	10,041	3,400
Others	332	-189	40	39	-370	-268	-400	0	0
CF from Operating incl EO	5,078	6,203	8,996	-1,196	773	2,335	4,357	10,041	3,400
(Inc)/Dec in FA	-4,033	-1,498	-1,728	-1,543	-1,907	-2,546	-4,320	-2,980	-2,980
Free Cash Flow	1,045	4,705	7,268	-2,739	-1,134	-211	37	7,061	420
(Pur)/Sale of Investments	0	0	13	3	0	0	0	0	0
Others	231	86	-10	515	625	315	339	185	6,291
CF from Investments	-3,802	-1,412	-1,726	-1,025	-1,282	-2,231	-3,981	-2,795	3,311
Inc/(Dec) in Debt	115	61	-2,551	-100	0	0	0	0	0
Interest Paid	-268	-281	-181	-45	-19	-61	-546	-500	-450
Dividend Paid	-800	-663	-134	-2,779	-1,985	-2,644	-2,487	-2,172	-2,940
Others	0	0	0	0	701	4,879	3,950	-251	-251
CF from Fin. Activity	-952	-884	-2,867	-2,923	-1,302	2,174	917	-2,923	-3,641
Inc/Dec of Cash	324	3,907	4,404	-5,144	-1,811	2,277	1,293	4,323	3,071
Opening Balance	462	786	4,693	9,097	3,953	2,142	4,419	5,713	10,036
Closing Balance	786	4,693	9,097	3,953	2,142	4,419	5,713	10,036	13,107

E: MOFSL Estimates

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

NOTES

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

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

Disclosures

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

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

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

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

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

1. 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 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.