

ITC's FY26 annual report highlights its focus on creating a future-forward enterprise, driven by its ITC NEXT strategy which emphasizes creating new drivers of growth innovation, supply chain agility, digital, etc. The cigarette business is in a flux due to a sharp tax hike, which has hurt volumes. Its FMCG-Others business is now one of the largest FMCG companies in India, with revenue of ~Rs242bn in FY26 (aspires to be the No 1 FMCG firm in India). Balance sheet remains healthy, with strong cash generation of over Rs150bn in FY26. We maintain ADD and TP of Rs310.

Cigarettes – turbulent times ahead due to unprecedented tax hikes

FY26 started well for the company with resilient volume growth, with continued focus on strengthening its product portfolio. In FY26, ITC launched 15+ new products/variants, including Classic Clove, American Club Super Slims, Gold Flake Kings Longs, etc. However, the unprecedented tax hike in Feb-26 disrupted the industry, leading to sharp price increases, mix change, etc, which, in turn, impacted volumes, in our view. We expect the industry to remain in flux over the coming quarters, and expect cigarette volumes to decline by high single-digits. As price increases have largely been lower than the tax hike, we expect EBIT margin to remain under pressure as well.

FMCG-Others is on a healthy growth trajectory, with improving margins

ITC's FMCG-Others segment revenue grew ~10% yoy to Rs242bn, with EBITDA margin expanding by 20bps yoy to 10%. Branded Packaged Foods (84% of sales) drove overall growth, led by market extensions in Aashirvaad, Sunfeast, and Bingo!, alongside macro tailwinds and premiumization. The management fortified its future pipeline by launching ~100 new products, scaling digital acquisitions (Rs13.5bn revenue run rate), and expanding a fresh food cloud-kitchen network.

Other businesses

The Paperboard business navigated early margin pressure from cheap imports and soaring wood costs, recovering in 2HFY26 via cooling raw material prices and import protections (MIP). Agri business was impacted by geopolitical and policy headwinds, and ITC aims to sustain profitability by focusing on high-margin, value-added adjacencies.

Other highlights

1) ITC generated a robust Rs170bn in operating cash flow in FY26 and Rs150bn in free cash flow, maintaining an 85–90% dividend payout ratio. 2) Annual capex rose yoy to ~Rs25bn, led by increases in both cigarettes and FMCG-Others segments. 3) Working capital days increased slightly to 80 days, led by higher inventory days. 4) ITC paid ~Rs4bn to British American Tobacco to acquire assets of three brands (Dunhill, Rothmans, and Benson & Hedges) for the India market.

ITC: Financial Snapshot (Standalone)

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	693,256	719,838	749,228	832,393	886,239
EBITDA	240,269	252,082	221,730	247,187	257,173
Adj. PAT	195,660	204,703	180,150	200,313	209,031
Adj. EPS (Rs)	16.4	14.4	16.0	16.7	17.6
EBITDA margin (%)	35.0	29.6	29.7	29.0	28.7
EBITDA growth (%)	4.9	(12.0)	11.5	4.0	5.6
Adj. EPS growth (%)	4.6	(12.2)	11.1	4.4	5.7
RoE (%)	29.2	26.1	28.5	28.9	29.3
RoIC (%)	58.4	50.2	54.2	53.9	53.7
P/E (x)	17.8	20.1	18.1	17.4	16.4
EV/EBITDA (x)	12.8	14.6	13.1	12.6	11.9
P/B (x)	5.3	5.2	5.2	4.9	4.7
FCFF yield (%)	4.7	4.7	4.5	4.3	5.0

Source: Company, Emkay Research

Target Price – 12M	Jun-27
Change in TP (%)	NA
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	6.9

Stock Data	ITC IN
52-week High (Rs)	427
52-week Low (Rs)	275
Shares outstanding (mn)	12,529.5
Market-cap (Rs bn)	3,632
Market-cap (USD mn)	38,076
Net-debt, FY27E (Rs mn)	(371,648.7)
ADTV-3M (mn shares)	25.8
ADTV-3M (Rs mn)	5,610.6
ADTV-3M (USD mn)	58.8
Free float (%)	100.0
Nifty-50	24,175.7
INR/USD	95.4

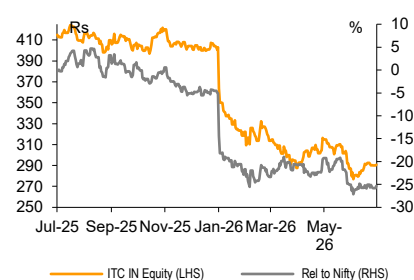
Shareholding, Mar-26

Promoters (%)	0.0
FPIs/MFs (%)	34.8/49.1

Price Performance

(%)	1M	3M	12M
Absolute	2.3	(1.0)	(29.8)
Rel. to Nifty	(0.6)	(7.0)	(26.1)

1-Year share price trend (Rs)



Rajesh Kumar

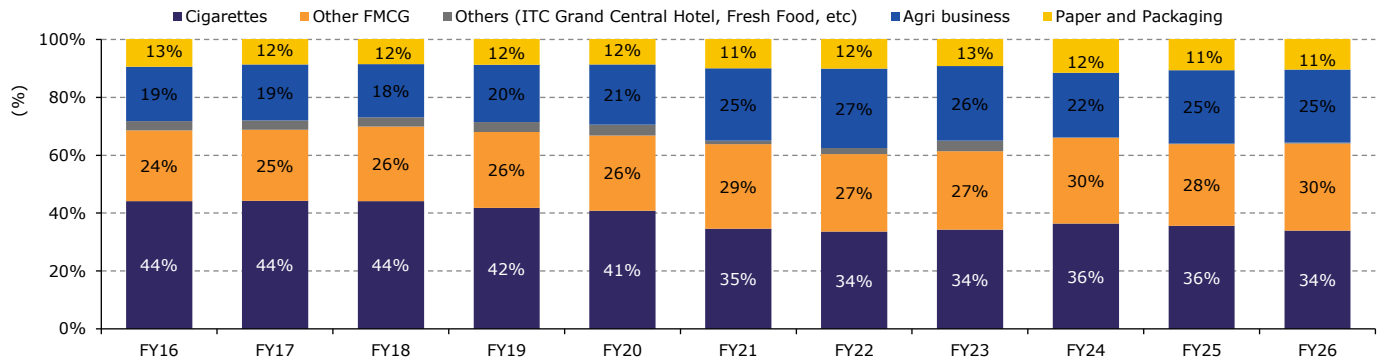
rajesh.kumar@emkayglobal.com
+91-22-66121257

Mohit Dodeja

mohit.dodeja@emkayglobal.com
+91-22-66242481

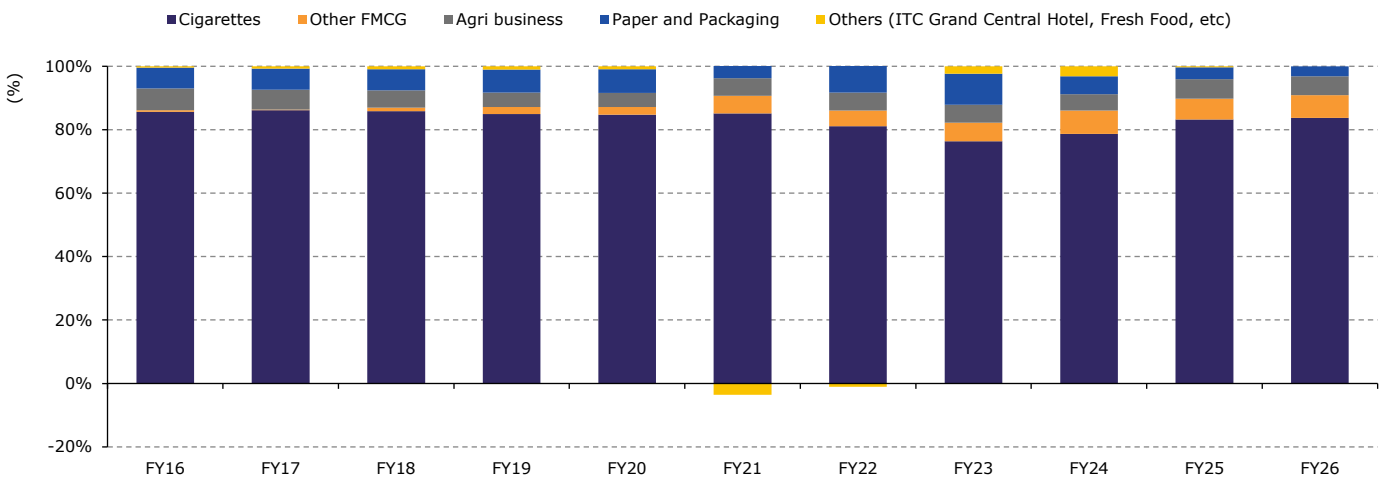
ITC – Business snapshot

Exhibit 1: Cigarette business continues to be the largest business segment for ITC, with revenue contribution of ~34% in FY26



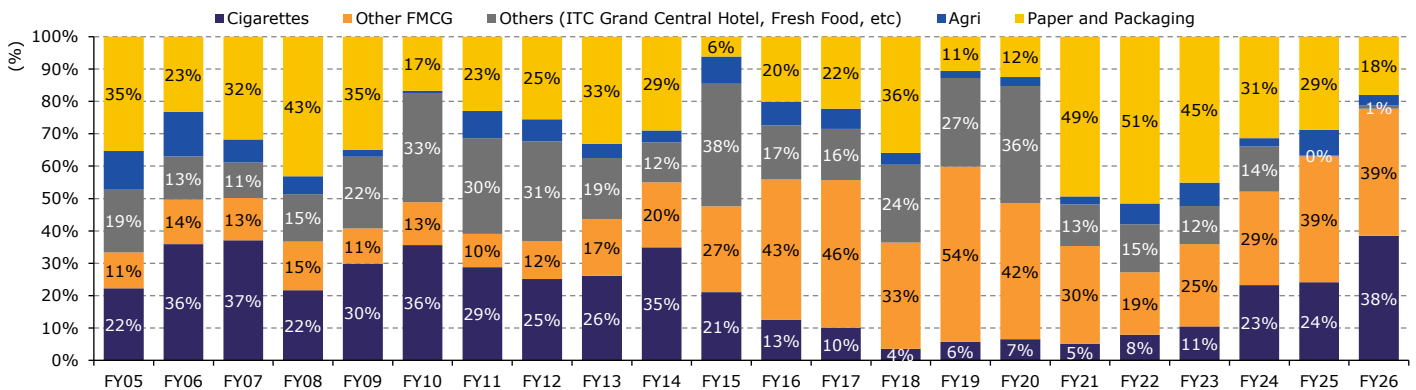
Source: Company, Emkay Research

Exhibit 2: In terms of profitability, cigarette business’s contribution is much higher, at over 80% of total EBIT for the company



Source: Company, Emkay Research

Exhibit 3: FMCG-Others has seen a sharp increase in its capex in past two years; together with the cigarettes business, it accounted for almost two-thirds of total annual capex for the company in FY26



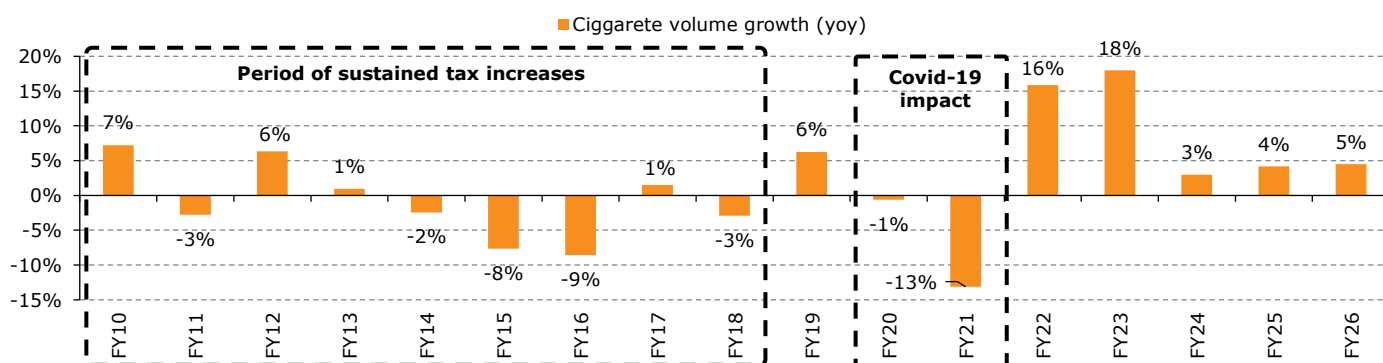
Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Cigarettes – Turbulent times due to unprecedented tax hike

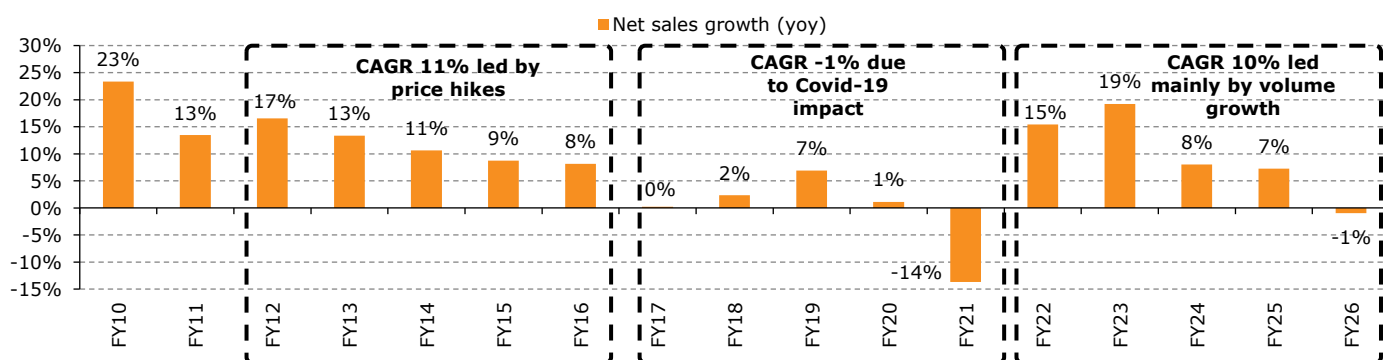
- Cigarette business performance was resilient in FY26, with mid-single-digit volume growth. However, the sharp tax hike in 4Q impacted the price-volume growth dynamics greatly. For full-year FY26, gross sales rose c14% yoy, led by a sharp rise in excise duty, but on a net basis, sales declined c1% yoy.
- The government increased the GST rate from 28% of transaction value to 40% of retail sale price, along with a steep hike in excise duties wef 1-Feb-26, along with phasing out of compensation cess. The excise duty hike has been the highest on the KSFT (84mm) segment and the least on the DSFT (up to 65mm) segment.
- ITC has taken several rounds of price increases across different segments to pass on the tax hikes. For instance, in the KSFT segment, the entire tax hike was passed on with a price hike of ~40%. The price hike has been lower in the smaller-length segments which have relatively higher elasticity of demand.
- As a result, volume growth is expected to be impacted. Also, the launch of KSFT brands in the smaller-size (74mm) segment to retain the old price point to retain consumers will impact the overall mix and hence profitability. The situation remains uncertain, as the price-volume dynamics are far from stabilizing, in our view, and we believe it will take a few more quarters at least for a trend to emerge.
- Margins faced headwinds from the consumption of high-cost leaf tobacco inventory, which the management mitigated partially through product mix enrichment and strategic cost controls.

Exhibit 4: ITC’s cigarette volume growth has been resilient in past few years



Source: Company, Emkay Research

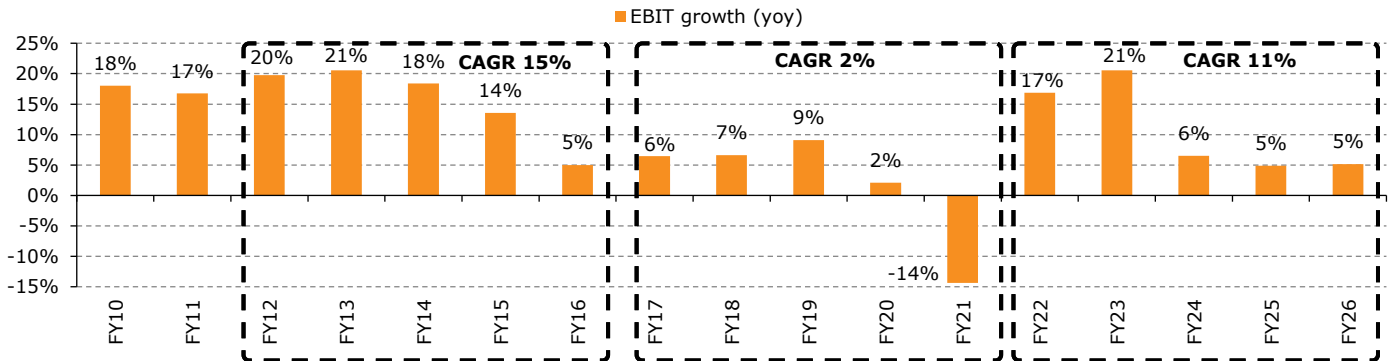
Exhibit 5: ITC’s cigarette net sales saw a healthy CAGR of 10% in past five years, led by volume growth



Source: Company, Emkay Research

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions)

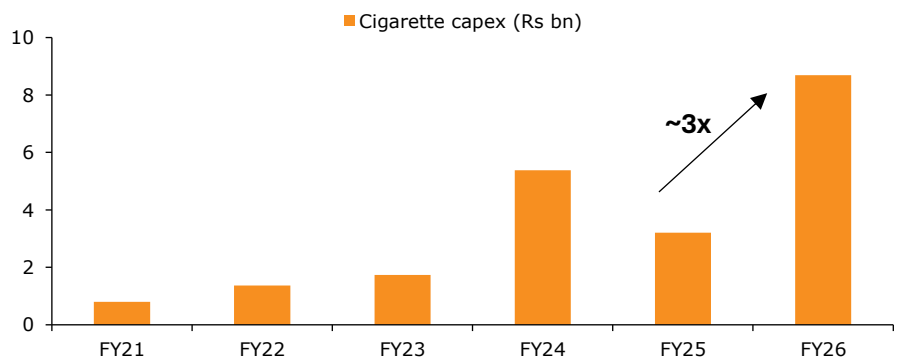
Exhibit 6: ITC's cigarette EBIT expanded at a CAGR of 11% in past five years



Source: Company, Emkay Research

ITC's cigarette business saw a sharp increase in capex to Rs8.7bn in FY26

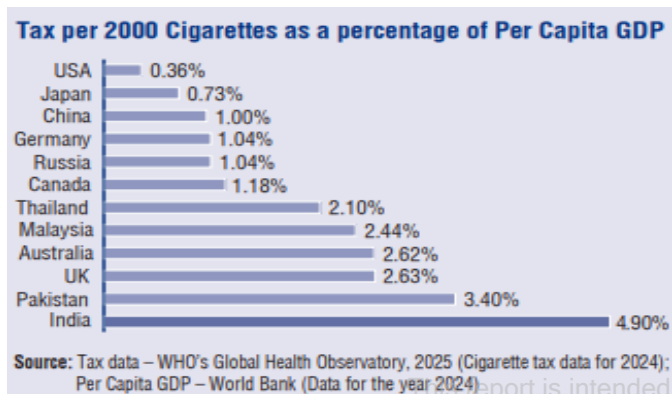
Exhibit 7: Capex trend for ITC's cigarette business



Source: Company, Emkay Research

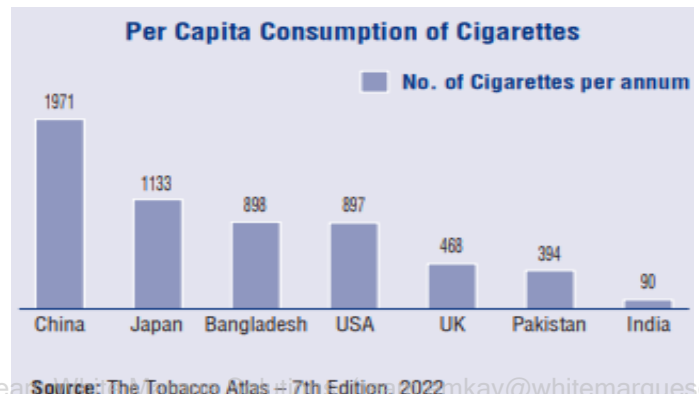
- Legal cigarettes make up just 10% of total tobacco consumption in India (vs 90% global average). However, they contribute over 80% (4/5th) to the tax revenue generated from the entire tobacco sector. The illicit cigarette market now accounts for about 1/3rd of the legal market size, making India the 4th largest illicit cigarette market globally, according to Euromonitor.
- India accounts for less than 2% of global cigarette consumption despite housing 18% of the world's population. India's per capita consumption is just 90 cigarettes per year – vastly lower than in China (1,971), Japan (1,133), and Pakistan (394).
- Cigarette taxes in India are among the highest globally when measured against per-capita GDP. At 4.90%, India's tax rate is 14 times higher than in the US (0.36%), 7 times higher than in Japan (0.73%), and 5 times higher than in Germany (1.04%).

Exhibit 8: India attracts the highest taxation on cigarettes...



Source: Company, Emkay Research

Exhibit 9: ...but has the lowest per capita consumption



Source: Company, Emkay Research

Exhibit 10: Summary of tax changes on cigarettes

(Rs)	Old tax structure			
	GST (on transaction value)	Basic Excise Duty (per 1,000 sticks)	NCCD (per 1,000 sticks)	Compensation Cess
DSFT (up to 65mm)	28%	2,076	510	5%
RSFT (>65mm to 70mm)	28%	2,750	510	5%
LSFT (>70mm to 75mm)	28%	3,680	630	5%
KSFT (>75mm)	28%	4,170	850	36%
Cigarette segment	Current tax structure			
	GST (on MRP)	Basic Excise Duty (per 1,000 sticks)	NCCD (per 1000 sticks)	Compensation Cess
DSFT (up to 65mm)	40%	2,100	510	0
RSFT (>65mm to 70mm)	40%	4,000	510	0
LSFT (>70mm to 75mm)	40%	5,400	630	0
KSFT (>75mm)	40%	8,500	850	0

Source: Government of India, Emkay Research

Fortifying product portfolio with innovation

The company has consistently focused on strengthening its product portfolio. In FY26, it launched 15+ new products/variants, including Classic Clove, American Club Super Slims, Gold Flake Kings Longs, etc.

The business strengthened its presence in focus markets with the launch of several differentiated offerings across segments. During the year, differentiated and premium products performed well, successfully leveraging core mainstream trademarks and continuous innovation. Several innovative variants were launched under the flagship *Classic*, *Gold Flake*, *American Club*, and *Players* brands, as per the annual report.

Exhibit 11: Recent launches in cigarettes

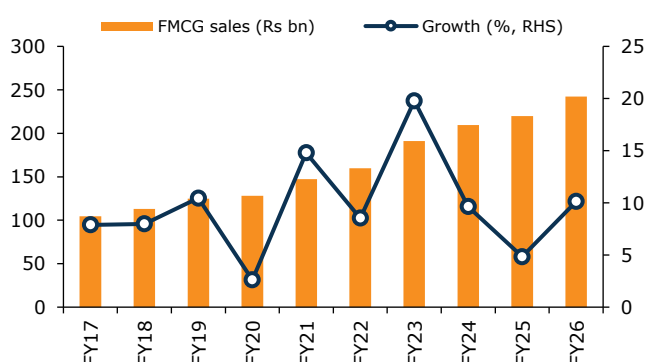
Innovation	Portfolio Fortification	Recent Introductions/ New Variants
<ul style="list-style-type: none"> • Classic Connect • American Club Clove Mint • Gold Flake Indie Mint 	<ul style="list-style-type: none"> • Gold Flake • Classic • Silk Cut Red • Scissors • Flake Spl 	<ul style="list-style-type: none"> • Classic Clove • Classic Refined Taste Sleek • Gold Flake Kings Sleek • Gold Flake Social 2-Pod • Gold Flake SLK Range • Gold Flake Snap Mint • Gold Flake Smart Pro • American Club Super Slims • American Club Fruity (RSFT) • Player Magic Mix • Capstan Clove • Wills Clove • Flake Insta Fresh • Flake Power Play • Gold Flake Kings Longs • Classic Longs • American Club Fruity Longs • Gold Flake Premium Deluxe • Scissors Deluxe • Players Minty Cool Deluxe • Wave Ice Mint Deluxe

Source: Company, Emkay Research

FMCG-Others – Strong performance continued

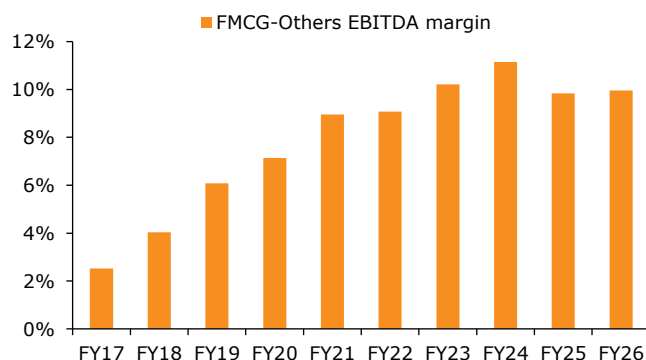
- The FMCG-Others segment recorded revenue of Rs242bn (~USD2.5bn), reflecting a healthy 10.1% growth over the previous fiscal year. In the past five years, revenue expanded at a CAGR of c10% and at current scale, it is one of the largest FMCG companies in India.
- The portfolio now commands an annual consumer spend of over Rs370bn, establishing a deep direct reach across ~280mn Indian households.
- EBITDA growth at ~11% was marginally ahead of sales growth, with EBITDA margin of 10%, up by 20bps yoy. This was driven by economies of scale, a superior product mix, disciplined cost controls, and supply chain efficiencies.
- Performance firmed up substantially in 2HFY26, backed by improving consumer sentiment and macro tailwinds like income tax cuts and lower interest rates.

Exhibit 12: FMCG-Others revenue saw 10% CAGR in past five years



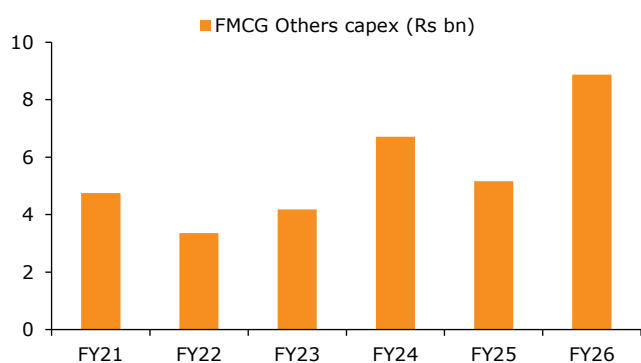
Source: Company, Emkay Research

Exhibit 13: FMCG-Others EBITDA margin is healthy at c10% in FY26



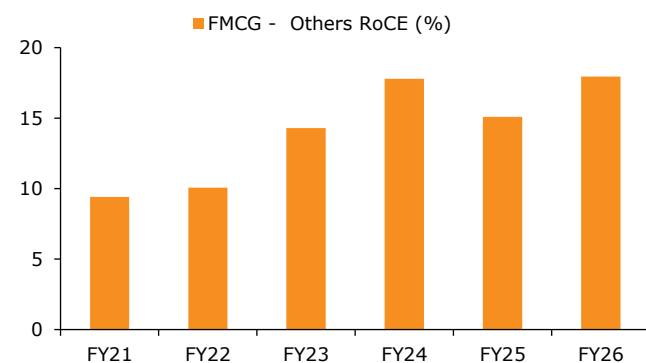
Source: Company, Emkay Research

Exhibit 14: Segment capex trends



Source: Company, Emkay Research

Exhibit 15: RoCE has improved to >15%



Source: Company, Emkay Research

Adjacencies and premiumization key focus areas

- ITC's long-term growth architecture focuses on expanding its 30+ core mother brands into high-margin value-added adjacencies (eg, *Aashirvaad* to Dairy and Spices, *Sunfeast* to Cakes, and *Fiama* to Body Wash).
- Drawing on the Life Sciences and Technology Centre (LSTC) platform, the segment launched ~100 new products during the year across premium need spaces like Health and Nutrition, Indulgence, and Convenience.
- The company continues to fortify its future-ready pipeline by acquiring high-growth, digital-first, and organic brands. Recent acquisitions, including *24 Mantra Organic*, *Yoga Bar*, *Mother Sparsh*, and *Prasuma*, have achieved a combined annual revenue run rate (ARR) of over Rs13.5bn.

Exhibit 16: Some examples of adjacencies



Source: Company, Emkay Research

Exhibit 17: Some examples of driving premiumization in foods

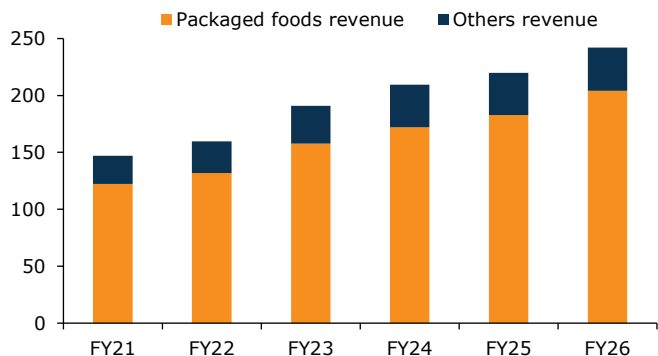


Source: Company, Emkay Research

Branded packaged foods driving overall growth

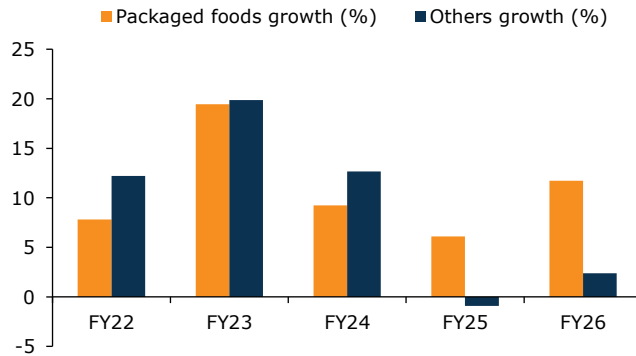
- Branded packaged foods reported revenue of ~Rs204bn in FY26, accounting for ~84% of total sales of the FMCG-Others segment. The Others segment consists of personal care, stationery, Agarbatti, etc, and accounts for the remaining 16% of sales.
- In the past five years, packaged foods revenue saw 11% CAGR, while the Others segment expanded at a slightly slower rate of ~9%. However, in past two years, the packaged foods segment has grown at a much faster pace (~9% CAGR) than the others segment (~1% CAGR).
- *Aashirvaad* sustained its momentum via premium protein and organic extensions, with value-added variants growing 3x over the past 5 years. In Spices, *Sunrise* strengthened its West Bengal leadership and pushed regional innovations, while *Aashirvaad Spices* consolidated its South Indian footprint.
- *Sunfeast Dark Fantasy* fortified its No 1 premium biscuit position, becoming the top overall biscuit brand in Modern Trade. *Bingo!* retained its snack leadership through hyper-local regional variants and new baked formats.
- The Frozen Foods portfolio scaled to over 80 products under *ITC Master Chef* and *Farmland*. Paired with the strategic acquisition of *Ample Foods (Prasuma and Meatigo)*, the multi-cuisine frozen play expanded its direct footprint to over 200 towns.
- *Aashirvaad Svasti* dairy registered robust growth across East India, premiumizing via its 'Select' milk variant. The confectionery and chocolate portfolio was premiumized through *Fabelle* retail footprint expansion and *Sunfeast Fantastik* rollouts.

Exhibit 18: Of the total revenue of ~Rs242bn in FY26, packaged foods accounted for c84%



Source: Company, Emkay Research

Exhibit 19: In past two years, packaged foods segment has grown much faster than the Others segment



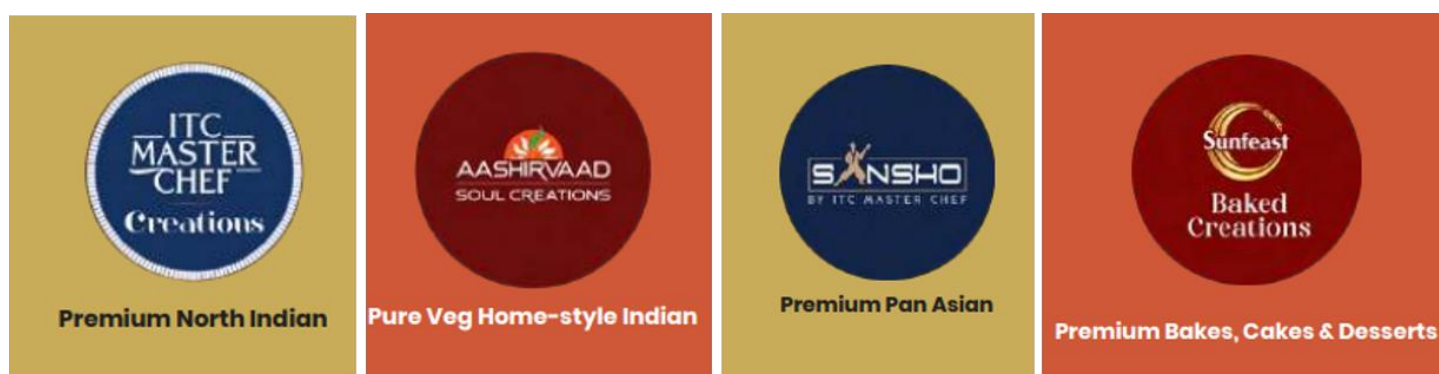
Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions.com)

Fresh food – creating a new vector of growth

- This segment is a new vector of growth for the company; it will serve as an access to premium food experiences for Indian consumers.
- The business is anchored on a portfolio of distinct brands, namely 'ITC Master Chef Creations', 'ITC Aashirvaad Soul Creations', 'ITC Sunfeast Baked Creations', and 'Sansho by ITC Master Chef', which are designed to address multiple cuisines, price points, and consumption occasions.
- The brands are currently present across select metropolitan markets and are offered to consumers through leading online food delivery platforms.
- During FY26, the business recorded rapid growth and also expanded its operating footprint to ~70 cloud kitchens.
- This is being reported in the Others segment, as it had a meaningful scale-up since incubation.

Exhibit 20: ITC operates its fresh food business under 4 brands - ITC Master Chef Creations, ITC Aashirvaad Soul Creations, ITC Sunfeast Baked Creations, and Sansho by ITC Master Chef



Source: Company, Emkay Research

Omni-channel distribution network with total reach of ~7mn outlets

- Digitally enabled sales channels (e-Commerce, Quick Commerce) alongside Modern Trade scaled rapidly to account for a substantial 34% of ITC's total FMCG portfolio.
- ITC has total distribution reach of ~7mn retail outlets, with over 40% handled via direct distribution – expanding overall market coverage to ~2.1x of pre-pandemic levels.
- The proprietary eB2B platform, **UNNATI**, was successfully scaled to cover over 8 lakh outlets, executing direct retail order capture and providing data-led hyperlocal predictive analytics.
- Operationally, 12 Integrated Consumer Goods Manufacturing and Logistics (ICMLs) facilities are now live. Co-located with automated Ancillary Manufacturing (AMLFs) units, they ensure structural advantages in freight reduction, inventory management, and product freshness.

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Exhibit 21: ITC has a wide distribution network of ~7mn retail outlets

Source: Company, Emkay Research

Exhibit 22: Comparison of total distribution reach across companies

Offline reach comparison (mn outlets)	Direct	Indirect	Total
HUL	3.0	6.0	9.0
ITC	2.5	4.5	7.0
Nestlé India	1.6	3.6	5.2
Britannia	2.6	3.7	6.3
GCPL	1.0	5.0	6.0
Dabur	1.4	6.5	7.9
Marico	1.0	4.8	5.8
Colgate-Palmolive India	1.0	4.6	5.6
Emami	0.9	4.0	4.9
Honasa (GT sales)	0.0	0.1	0.1
Bikaji	0.2	0.8	1.0

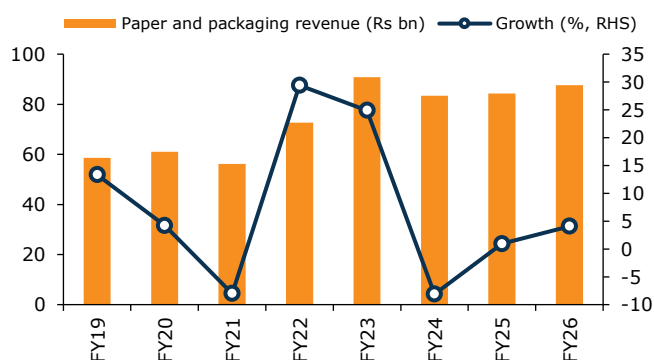
Source: Company, Media articles, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions.com)

Paperboards, paper, and packaging – Policy relief to aid profitability

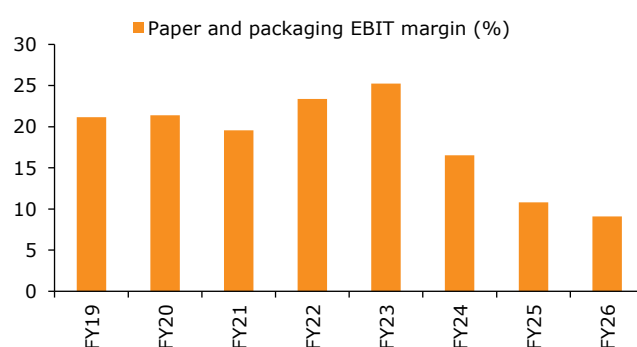
- The Indian paper and paperboard industry faced a tough operating environment, hit by weak domestic demand and cheap imports flooded from China and Indonesia, which severely depressed domestic prices. Operating performance staged a gradual recovery in 2HFY26, thanks to the cooling down of wood prices and improved market realizations.
- On the raw material front, wood costs stayed elevated due to tight supply conditions. The combination of falling market prices and soaring wood costs put heavy pressure on profit margins during the first half of the fiscal.
- The imposition of a Minimum Import Price (MIP) on virgin multi-layer paperboard (effective 22-Aug-25) provided vital relief, successfully cutting down the influx of cheap imports from China, Indonesia, and Chile.
- ITC countered the macro shocks by leveraging its integrated business model, driving digital-led quality improvements, pushing value-based customer engagement, and scaling up its sustainable plastic-substitution products.
- The business secured its long-term raw material pipeline by achieving its highest-ever plantation coverage of ~66,000 hectares during the year.
- ITC signed a Business Transfer Agreement to acquire the Century Pulp and Paper (CPP) undertaking, adding an installed capacity of 4.8 lakh tonnes per annum. It secured Competition Commission of India (CCI)'s approval on 16-Dec-25. Further, it received approval from the Ministry of Environment, Forest and Climate Change on 18-Mar-26. The acquisition of the CPP undertaking is expected to be completed in the near term upon receipt of key statutory approvals.

Exhibit 23: Revenue growth has been muted in past three years



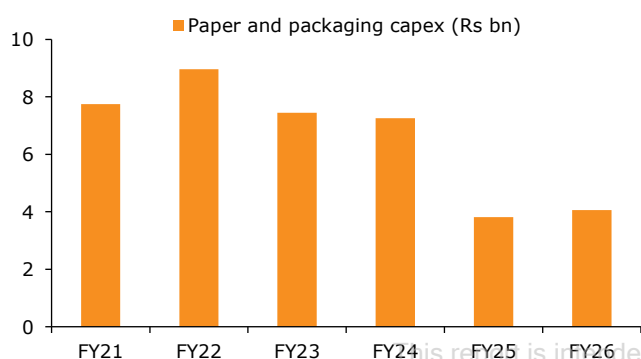
Source: Company, Emkay Research

Exhibit 24: EBIT margin deteriorated due to lower realization



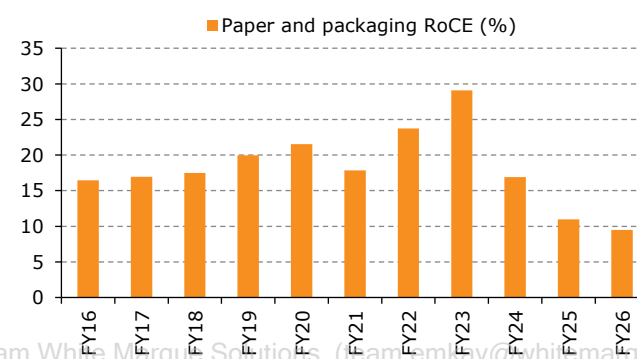
Source: Company, Emkay Research

Exhibit 25: Capex has averaged ~Rs4bn in past two years



Source: Company, Emkay Research

Exhibit 26: RoCE has deteriorated due to lower profitability



Source: Company, Emkay Research

Innovation

- **Platform 1 (Barrier-coated boards):** Includes the sustainable, recyclable, and compostable '**Filo**' series (*FiloBev* for cups, *FiloServe* for QSRs, *FiloPack/FiloTub* for packaging, and *FiloBowl* for food delivery). The entire *Filo* portfolio clocked double-digit growth in the domestic market this year.
- **Platform 2 (Fusion boards):** Fully recyclable, first-to-market boards, designed specifically to replace plastic foam boards.
- **Platform 3 (Moulded fibre products):** Run via the wholly owned subsidiary ITC Fibre Innovations Limited (IFIL) at its plant in Madhya Pradesh. Despite global tariff disruptions in the US market, the management is executing agile operational plans to accelerate growth using differentiated natural-fibre packaging.

Exhibit 27: ITC has launched several sustainable packaging products

New Offerings	Value-accretive Acquisition
 <p>eco byte</p> <p>Ecobyte: A germ-free and grease-resistant product offering a safe and interactive packaging choice for all culinary creations</p>  <p>FiloBev Mini: Designed to replace single-use plastic and LDPE-coated cups (45 ml-90 ml) for serving beverages</p>	 <p>ITC has signed a Business Transfer Agreement to acquire the Pulp and Paper undertaking of Aditya Birla Real Estate Limited, a strong strategic fit with ITC's Paperboards and Paper business</p>

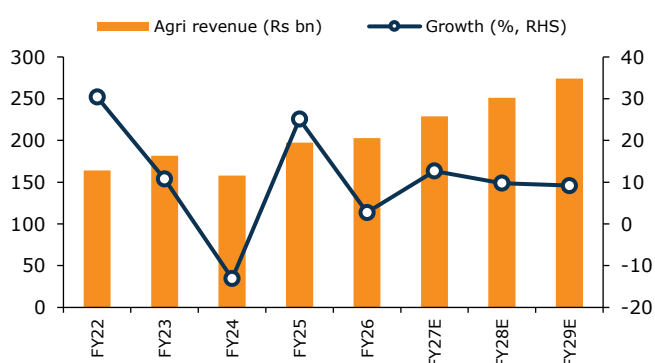
Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Agri business – the internal sourcing engine

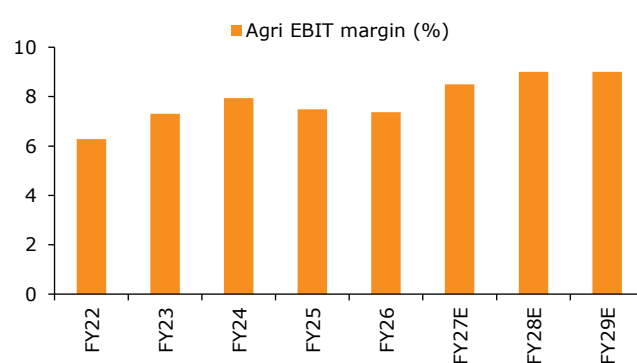
- The business acts as a critical backward-integration engine for ITC's FMCG portfolio, securing high-quality, traceable raw materials for brands like *Aashirvaad* (atta) and *YiPPee!* (noodles). The segment handles massive sourcing volumes across multiple crop value chains, managing millions of tonnes of agricultural produce annually.
- ITC solidified its position as one of India's leading agricultural exporters, shipping premium leaf tobacco, food-safe spices, marine products, coffee, and food grains to key global markets.
- The business navigated a highly volatile global trade environment, characterized by geopolitical tensions, shifting export policies, and high freight costs.
- To cushion the impact of trade restrictions on core commodities, the segment aggressively pivoted toward high-margin, value-added agricultural adjacencies.

Exhibit 28: Agri – revenue and growth trend



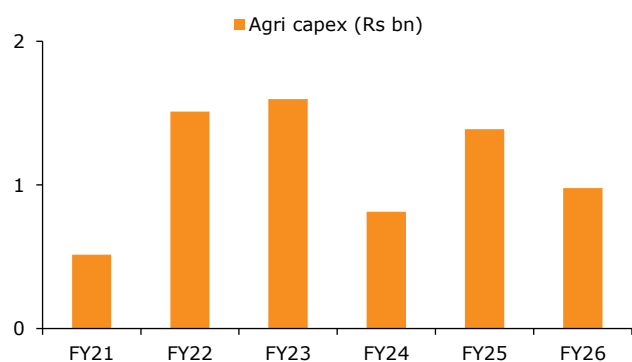
Source: Company, Emkay Research

Exhibit 29: Agri – EBIT margin trend



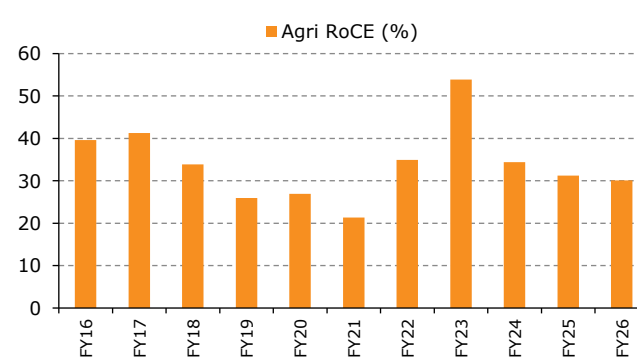
Source: Company, Emkay Research

Exhibit 30: Capex



Source: Company, Emkay Research

Exhibit 31: Agri – EBIT margin trend



Source: Company, Emkay Research

Value-added adjacencies and higher-margin play

- ITC's state-of-the-art processing facility in Guntur expanded its reach, exporting sterilized, ultra-low-residue spices that comply with the world's most stringent food safety regulations (such as EU and US FDA standards).
- Operating through its wholly owned subsidiary, *ITC Indus Nordiko*, the business scaled up its production of premium, US/EU-grade nicotine derivatives aimed at high-value global nicotine replacement therapy and cessation markets.
- ITC successfully opened up new, high-potential destination markets across North America and North-East Asia, reinforcing its position as India's premier leaf tobacco exporter.

This report is intended for Team White Margue Solutions. (team.emkay@whitemarguesolutions.com)

- The next-gen *ITCMAARS* (Metamarket for Advanced Agriculture and Rural Services) platform expanded rapidly. It currently empowers over 2.6mn farmers across 2,184 FPOs, with a long-term goal to onboard 10mn farmers by 2030.
- ITC scaled its climate-resilience programs across more than 2.5mn acres, helping farmers optimize input costs, adopt water-saving techniques, and shield crop yields from extreme weather anomalies.

Exhibit 32: ITC's agri business is going beyond commodities to create higher value-addition crops

Nicotine & Nicotine Derivatives

- Stringent quality specifications – 99.5% purity
- US/EU pharmacopoeia standards



Largest integrated manufacturing facility in India for nicotine and nicotine derivative products in Mysuru

Biological Extracts

- High-quality extracts from Ashwagandha and Turmeric for nutraceutical and cosmetics industry
- Developing high value-added proprietary formulations



Turmeric and Ashwagandha extracts

100-acre farm for medicinal and aromatic plants in Madhya Pradesh

Source: Company, Emkay Research

Key subsidiaries, JVs, and associates

Exhibit 33: List of key subsidiaries, associates and JVs

Entity	Type	Commentary
ITC Hotels	Associate	Demerged effective 1-Jan-25 (with the company holding 39.85% stake); the business delivered strong performance, with 16% growth in revenue across a portfolio of over 150 hotels and 14,000 keys.
ITC Infotech India	Subsidiary	Recorded robust performance despite political disruptions, generating topline of Rs57bn (vs Rs53bn in FY25) and net profit of Rs13bn.
Surya Nepal	Subsidiary	Topline grew 14% to Rs48bn (vs Rs42bn in FY25); maintained EBITDA margin of 18.5% in FY26 as well.
Technico Agri Sciences	Subsidiary	Achieved its highest-ever revenue from seed potato sales during the year, at Rs4.2bn.
ITC Filtrona	Joint Venture	Consolidated its market position to grow sales to Rs8.6bn (up from Rs7.6bn in FY25).
ITC IndiVision	Subsidiary	Progressed its nicotine derivative manufacturing operations, scaling up commercial shipments in the latter half of FY26 to record an income of Rs0.69bn.

Source: Company, Emkay Research

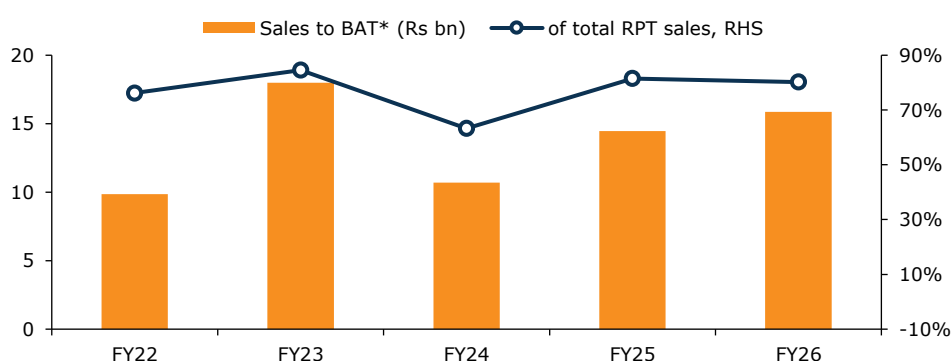
This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions)

Key takeaways from related-party transactions

- British American Tobacco (BAT) holds 22.91% stake in ITC through tobacco manufacturers India (17.79%), Myddleton investment (3.88%), and Rothman International Enterprises (1.24%) as on 31-Mar-26.
- The sale to British American Tobacco has increased in the recent years to ~Rs16bn (vs ~Rs11bn in FY23). This primarily includes the sale of leaf tobacco.
- ITC acquired the assets of Dunhill, Rothmans, Benson & Hedges from BAT for the Indian market. It paid a total consideration of ~Rs4bn in FY26 to acquire the PP&E and intangible assets of these brands in FY26.
- Tobacco manufacturers India and the Myddleton investment received dividend of ~Rs32bn and ~Rs7bn, respectively, from ITC in FY26 (vs ~Rs36bn and ~Rs6.8bn, respectively, in FY25).

Sales to BAT consists mainly of leaf tobacco

Exhibit 34: BAT is the primary party in the company's related-party sales transactions



Source: Company, Emkay Research; Note: *BAT refers to British American Tobacco

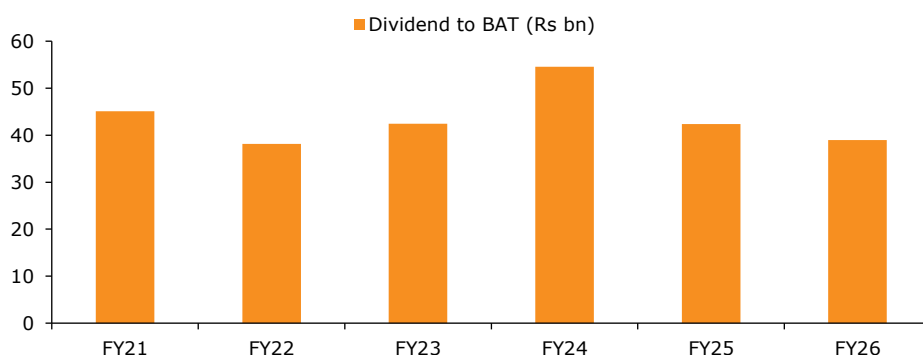
Earlier, ITC manufactured and sold these brands in India under a licensing arrangement

Exhibit 35: ITC acquired the assets for Indian market for the below companies in FY26

Company	Transaction amount (Rs mn)
Benson & Hedges (Overseas)	2,861
Dunhill Tobacco of London	731
Rothmans of Pall Mall	443

Source: Company, Emkay Research

Exhibit 36: Dividend paid to BAT* over the years



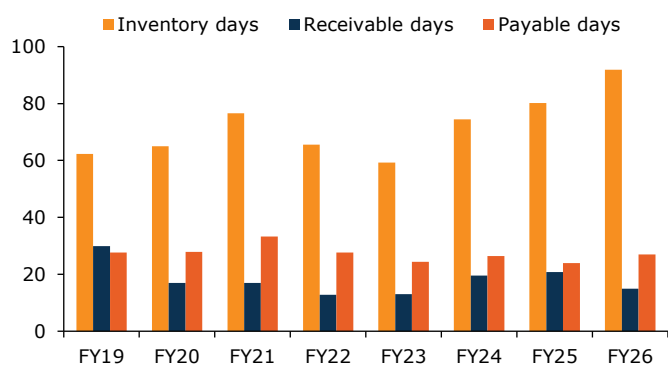
Source: Company, Emkay Research; Note: * Includes dividend to Tobacco manufacturers India and the Myddleton investment

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Balance sheet and cash flow

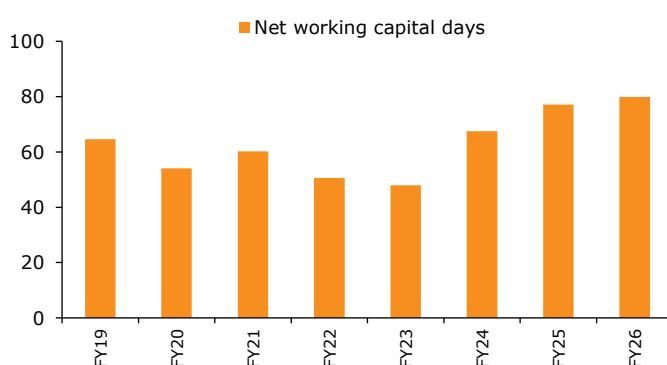
- Working capital days increased by ~12 days in FY26, led mainly by higher inventory days which was on account of a sharp increase in excise duty. Receivables days decreased by ~6 days, while payables days increased by ~3 days.
- Annual capex was ~Rs25bn in FY26, higher than in FY25, mainly led by the FMCG business (including cigarettes). Cigarettes business saw capex of Rs8.7bn in FY26, up sharply from ~Rs3.2bn in FY25. FMCG-Others also witnessed an increase in capex to ~Rs8.9bn from ~Rs5.2bn in FY25.
- Cash flow from operations increased consistently in the past 4 years, reaching ~Rs170bn in FY26. Free cash flow has also been strong at ~Rs150bn in FY26, up from Rs136bn over FY23-24.
- Dividend payout has been maintained by the company throughout the years, with payout ratio at ~85-90% for the past 3 years.
- The company has a net cash balance of Rs163bn as on 31-Mar-26.

Exhibit 37: ITC's inventory days have risen consistently in past four years



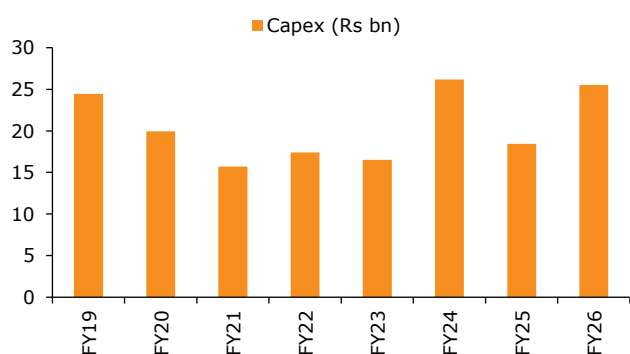
Source: Company, Emkay Research

Exhibit 38: Net working capital days increased by 3 days in FY26 to 80 days



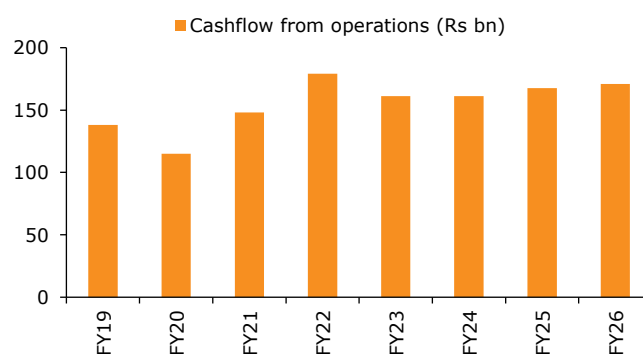
Source: Company, Emkay Research

Exhibit 39: Annual capex spend was ~Rs25bn in FY26



Source: Company, Emkay Research

Exhibit 40: Cashflow from operations inched up to ~Rs170bn in FY26

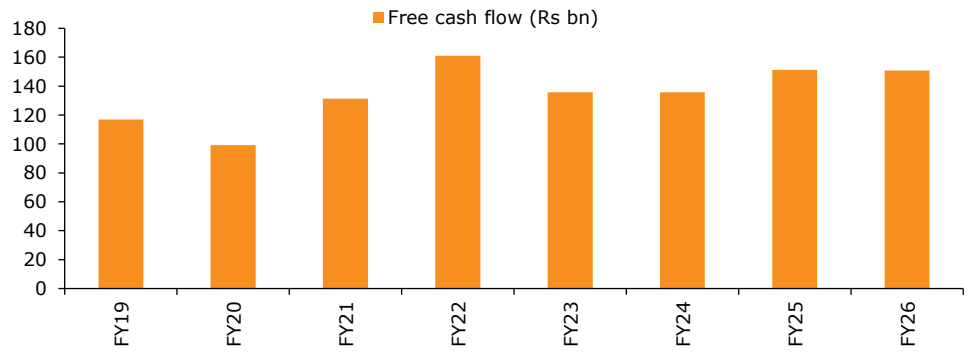


Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

ITC generated cumulative FCF of >Rs730bn in past five years

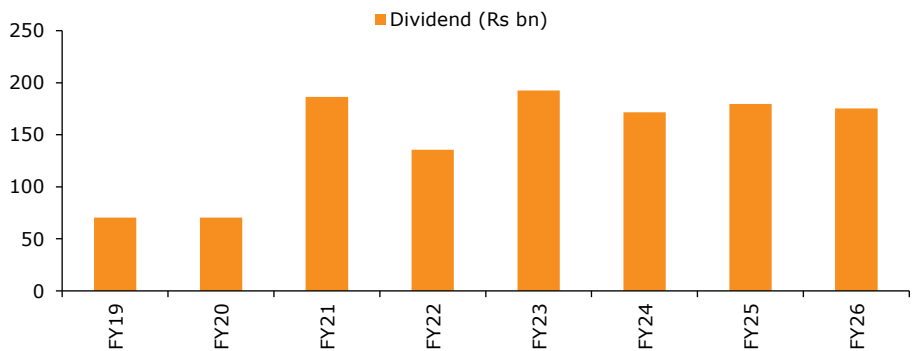
Exhibit 41: FCF has also been strong at ~Rs150bn in FY26



Source: Company, Emkay Research

ITC has consistently maintained dividend payout ratio of 85-90% over the past several years

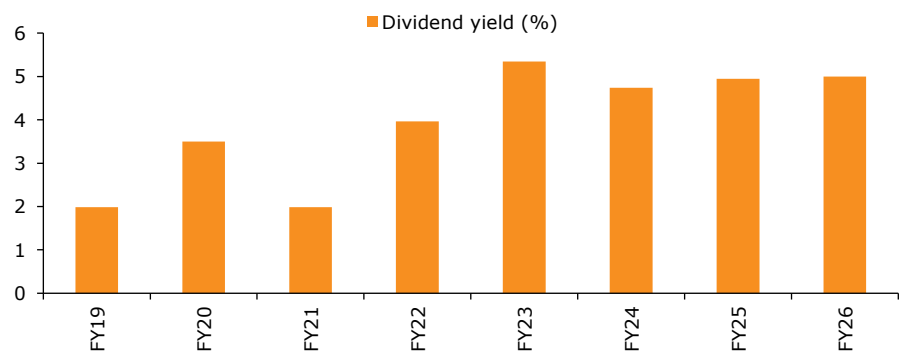
Exhibit 42: Dividend payment trend



Source: Company, Emkay Research

ITC's dividend yield of 4-5% is much higher than FMCG peers'

Exhibit 43: Dividend yield trend

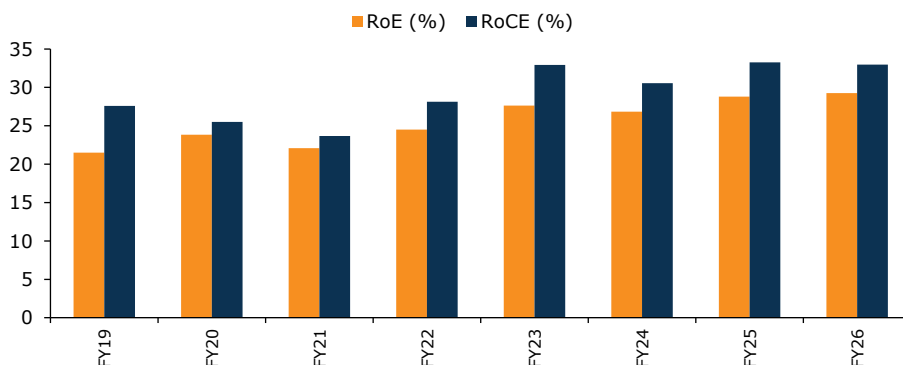


Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Return profile for ITC has consistently improved in the past few years, led by higher profitability and also partly due to the demerger of the hotels business

Exhibit 44: Return profile trajectory for the company

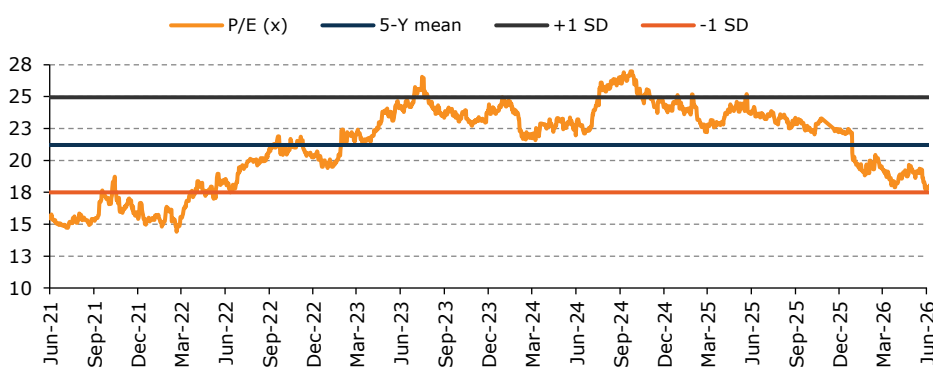


Source: Company, Emkay Research

Valuation

ITC currently trades at ~18x 1-year forward PER, which is at -1SD of its past five-year average

Exhibit 45: ITC – 1-year forward PER



Source: Bloomberg, Emkay Research

Sum-of-the-parts (SOTP) valuation for ITC

Exhibit 46: ITC – SOTP-based valuation

Segment	Valuation methodology	Unit	Jun-28 est	Multiple (x)	Rs/share
Cigarette	PER	EPS (Rs)	9.3	8.0	74
FMCG-Others	EV/Sales	Sales (Rs mn)	3,06,938	5.0	122
Agri	EV/Sales	Sales (Rs mn)	2,56,764	1.5	31
Paper	EV/EBITDA	EBITDA (Rs mn)	29,693	6.0	14
ITC Infotech	PER	EPS (Rs)	1.0	25.0	25
Net cash		Actual (Rs mn)		1.0	30
ITC Hotel (40% stake; with 20% holding company discount)					9
Target price (Rs)					310

Source: Emkay Research

ITC: Standalone Financials and Valuations

Profit and Loss

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	693,256	719,838	749,228	832,393	886,239
Revenue growth (%)	3.8	4.1	11.1	6.5	6.8
EBITDA	240,269	252,082	221,730	247,187	257,173
EBITDA growth (%)	4.9	(12.0)	11.5	4.0	5.6
Depreciation & Amortization	14,419	14,740	15,019	15,215	15,277
EBIT	225,850	237,342	206,711	231,972	241,896
EBIT growth (%)	5.1	(12.9)	12.2	4.3	5.8
Other operating income	7,715	7,726	7,803	8,584	9,442
Other income	34,543	32,872	34,515	36,241	38,053
Financial expense	364	699	769	846	931
PBT	260,029	269,515	240,457	267,366	279,018
Extraordinary items	5,280	(1,839)	0	0	0
Taxes	64,370	64,812	60,307	67,053	69,987
Minority interest	-	-	-	-	-
Income from JV/Associates	-	-	-	-	-
Reported PAT	200,939	202,864	180,150	200,313	209,031
PAT growth (%)	1.0	(11.2)	11.2	4.4	5.7
Adjusted PAT	195,660	204,703	180,150	200,313	209,031
Diluted EPS (Rs)	16.4	14.4	16.0	16.7	17.6
Diluted EPS growth (%)	4.6	(12.2)	11.1	4.4	5.7
DPS (Rs)	14.4	14.0	13.0	15.0	16.5
Dividend payout (%)	88.5	97.4	81.3	89.9	93.6
EBITDA margin (%)	35.0	29.6	29.7	29.0	28.7
EBIT margin (%)	33.0	27.6	27.9	27.3	27.0
Effective tax rate (%)	24.0	25.1	25.1	25.1	25.1
NOPLAT (pre-IndAS)	180,267	154,868	173,795	181,220	191,722
Shares outstanding (mn)	12,485	12,485	12,514	12,530	12,530

Source: Company, Emkay Research

Cash flows

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	236,643	205,941	231,125	240,965	254,901
Others (non-cash items)	(191,356)	(26,297)	(33,198)	(32,183)	(32,678)
Taxes paid	(58,449)	(57,953)	(60,307)	(67,053)	(69,987)
Change in NWC	(22,004)	(24,955)	13,674	(15,799)	(553)
Operating cash flow	167,539	170,950	176,414	168,393	192,008
Capital expenditure	(16,309)	(20,200)	(30,000)	(30,000)	(30,000)
Acquisition of business	0	0	0	0	0
Interest & dividend income	20,067	18,287	34,515	36,241	38,053
Investing cash flow	1,385	(15,384)	14,515	6,241	8,053
Equity raised/(repaid)	7,973	4,049	0	0	0
Debt raised/(repaid)	(15)	19,513	(9,932)	(9,929)	(187)
Payment of lease liabilities	-	-	-	-	-
Interest paid	(448)	(499)	(769)	(846)	(931)
Dividend paid (incl tax)	(174,967)	(179,676)	(175,413)	(162,884)	(187,943)
Others	(199)	(328)	0	0	0
Financing cash flow	(167,656)	(156,942)	(186,114)	(173,658)	(189,061)
Net chg in Cash	1,268	(1,376)	4,816	975	11,001
OCF	167,539	170,950	176,414	168,393	192,008
Adj. OCF (w/o NWC chg.)	189,543	195,904	162,740	184,191	192,561
FCFF	151,230	150,749	146,414	138,393	162,008
FCFE	170,598	168,267	180,084	173,703	199,037
OCF/EBITDA (%)	66.5	77.1	71.4	65.5	70.7
FCFE/PAT (%)	84.1	93.4	89.9	83.1	90.1
FCFF/NOPLAT (%)	83.9	97.3	84.2	76.4	84.5

Source: Company, Emkay Research

Balance Sheet

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	12,514	12,530	12,530	12,530	12,530
Reserves & Surplus	666,423	686,757	692,263	730,539	752,558
Net worth	678,937	699,286	704,793	743,069	765,088
Minority interests	-	-	-	-	-
Non-current liab. & prov.	25,564	30,653	32,185	33,794	35,484
Total debt	1,568	21,624	11,692	1,763	1,576
Total liabilities & equity	706,068	751,563	748,670	778,627	802,148
Net tangible fixed assets	194,479	200,466	215,447	230,232	244,955
Net intangible assets	0	0	0	0	0
Net ROU assets	5,419	4,252	4,252	4,253	4,254
Capital WIP	10,707	15,542	15,542	15,542	15,542
Goodwill	-	-	-	-	-
Investments [JV/Associates]	23,936	23,936	23,936	23,936	23,936
Cash & equivalents	367,739	388,528	383,341	384,315	395,315
Current assets (ex-cash)	237,768	256,438	241,769	265,858	281,351
Current Liab. & Prov.	133,979	137,596	135,617	145,509	163,204
NWC (ex-cash)	103,789	118,842	106,152	120,349	118,147
Total assets	706,068	751,563	748,670	778,627	802,148
Net debt	(366,171)	(366,901)	(371,649)	(382,552)	(393,738)
Capital employed	706,068	751,563	748,670	778,627	802,148
Invested capital	298,268	319,307	321,599	350,580	363,101
BVPS (Rs)	54.4	55.9	56.3	59.3	61.1
Net Debt/Equity (x)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Net Debt/EBITDA (x)	(1.5)	(1.7)	(1.5)	(1.5)	(1.5)
Interest coverage (x)	386.4	313.5	316.9	300.7	288.9
RoCE (%)	38.5	34.4	37.3	38.3	39.2

Source: Company, Emkay Research

Valuations and key Ratios

Y/E March	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	17.8	20.1	18.1	17.4	16.4
EV/CE(x)	4.8	4.5	4.5	4.3	4.2
P/B (x)	5.3	5.2	5.2	4.9	4.7
EV/Sales (x)	4.5	4.4	3.9	3.7	3.5
EV/EBITDA (x)	12.8	14.6	13.1	12.6	11.9
EV/EBIT(x)	13.6	15.6	13.9	13.4	12.6
EV/IC (x)	10.8	10.1	10.1	9.2	8.9
FCFF yield (%)	4.7	4.7	4.5	4.3	5.0
FCFE yield (%)	4.7	4.6	5.0	4.8	5.5
Dividend yield (%)	5.0	4.8	4.5	5.2	5.7
DuPont-RoE split					
Net profit margin (%)	28.4	24.0	24.1	23.6	23.3
Total asset turnover (x)	1.0	1.0	1.1	1.2	1.2
Assets/Equity (x)	1.0	1.1	1.1	1.0	1.0
RoE (%)	29.2	26.1	28.5	28.9	29.3
DuPont-RoIC					
NOPLAT margin (%)	25.0	20.7	20.9	20.4	20.3
IC turnover (x)	2.3	2.4	2.6	2.6	2.7
RoIC (%)	58.4	50.2	54.2	53.9	53.7
Operating metrics					
Core NWC days	52.6	57.9	46.5	49.6	45.6
Total NWC days	52.6	57.9	46.5	49.6	45.6
Fixed asset turnover	1.7	1.8	1.9	1.9	1.9
Opex-to-revenue (%)	20.2	21.2	20.8	21.0	20.9

Source: Company, Emkay Research

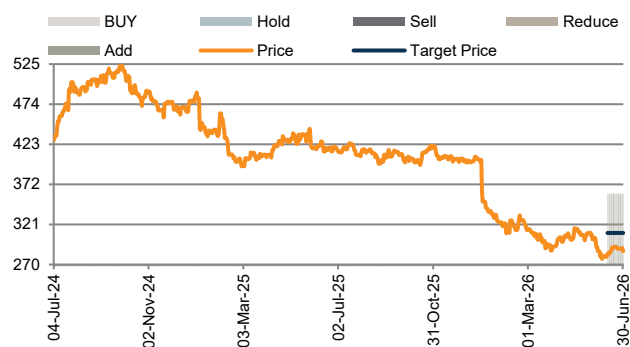
This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions.com)

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
10-Jun-26	284	310	Add	Rajesh Kumar

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to be as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall 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. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. 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.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Disclaimer for U.S. persons only: Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions.com)

RESTRICTIONS ON DISTRIBUTION

This report is not directed to, 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 or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons¹ may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests² in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

¹ An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of July 02, 2026
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report
Disclosure of previous investment recommendation produced:
- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of July 02, 2026
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the July 02, 2026
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India

Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions.com)

OTHER DISCLAIMERS AND DISCLOSURES:**Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) :-**

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

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

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions.com)