

# TVS Motor Company (TVSL IN)

Rating: ACCUMULATE | CMP: Rs3,655 | TP: Rs4,200

January 30, 2026

## Q3FY26 Result Update

Change in Estimates |  Target |  Reco

### Change in Estimates

	Current FY27E	Previous FY28E	Current FY27E	Previous FY28E
Rating	ACCUMULATE	ACCUMULATE		
Target Price	4,200	4,360		
Sales (Rs. m)	5,24,481	5,81,749	5,26,320	5,89,338
% Chng.	(0.3)	(1.3)		
EBITDA (Rs. m)	68,707	78,536	68,948	79,561
% Chng.	(0.3)	(1.3)		
EPS (Rs.)	91.3	105.0	93.6	110.2
% Chng.	(2.5)	(4.7)		

### Key Financials - Standalone

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	3,62,513	4,62,934	5,24,481	5,81,749
EBITDA (Rs. m)	44,540	59,256	68,707	78,536
Margin (%)	12.3	12.8	13.1	13.5
PAT (Rs. m)	27,105	36,325	43,358	49,868
EPS (Rs.)	57.1	76.5	91.3	105.0
Gr. (%)	30.1	34.0	19.4	15.0
DPS (Rs.)	10.0	11.0	12.5	10.0
Yield (%)	0.3	0.3	0.3	0.3
RoE (%)	30.7	31.6	29.1	26.2
RoCE (%)	31.6	34.7	33.0	30.9
EV/Sales (x)	4.9	3.8	3.3	3.0
EV/EBITDA (x)	39.6	29.7	25.5	22.3
PE (x)	64.1	47.8	40.0	34.8
P/BV (x)	17.5	13.3	10.3	8.2

### Key Data

	TVSM.BO   TVSL IN
52-W High / Low	Rs.3,909 / Rs.2,191
Sensex / Nifty	82,566 / 25,419
Market Cap	Rs.1,736bn / \$ 18,883m
Shares Outstanding	475m
3M Avg. Daily Value	Rs.2929.18m

### Shareholding Pattern (%)

Promoter's	50.27
Foreign	22.42
Domestic Institution	18.80
Public & Others	8.51
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	2.3	30.5	48.3
Relative	4.9	28.5	37.5

Aditya Jakhotia

adityajakhotia@plindia.com | 91-22-66322532

## Continues to outperform the industry

### Quick Pointers:

- EBITDA margin to continue to grow with scale, premiumization, cost reduction efforts and improved product mix
- EV penetration to improve as magnet shortages ease

**TVSL reported its highest-ever quarterly revenue and EBITDA margin, both beating estimates, aided by the recognition of PLI, demand improvement led by low inflation, improved product mix, price increases and cost reduction. The management expects domestic 2W industry to clock 8-9% CAGR in the long term driven by infra development, improved connectivity, and persistent mobility needs, and we believe TVSL is well positioned to outperform the industry. We estimate volume/realization CAGR of 12.7%/3.9% over FY25-28E translating to revenue/EBITDA/EPS CAGR of 17.1%/20.8%/22.5%. Retain 'ACCUMULATE' with TP of Rs4,200 (previously Rs4,360), valuing the stock at 42x P/E based on Sep'27 EPS, and Rs80 for TVS Credit Services Ltd.**

**Standalone op revenue at Rs124.8bn:** It grew 37.1% YoY, beating BBGe/PLe by 3.0%/3.5%. Realization grew +7.5% YoY/+2.2% QoQ. Gross margin stood at 28.8% (+40 bps YoY/-10 bps QoQ). EBITDA margin was 13.1% (+70bps YoY adjusted for PLI benefits, +40bps QoQ) beating BBGe/PLe by 40bps/10bps. EBITDA was Rs16.3bn (+51.1% YoY, +8.3% QoQ) while Adj. PAT of Rs9.7bn (+57.0% YoY, +7.2% QoQ) was +2.2%/-3.5% away from BBGe/PLe.

**TVSL outperforms industry sales:** In Q3 FY26, 2W ICE domestic sales for TVSL grew by 21% (industry: 16%) and international sales grew by 35% (industry: 23%) YoY. Total 2W ICE sales of TVSL grew by 25%, outpacing industry growth of 17% YoY. e-2Ws grew by 40% YoY to cross 106k units. Total 3W sales more than doubled to >60k units.

**EVs positive at gross margin level:** Growing faster than the industry, EVs are sequentially getting better at EBITDA level and should break even soon.. Q3 EV penetration stood at 30-32%, and Vahan market share went up in the EV L5 category. Apart from a few products above a certain price level, TVSL is receiving PLI benefits across its EV portfolio.

## Conference Call Highlights

- Exceptional expenses due to the new labor codes of Rs0.4bn and loss on fair valuation of an investment dragged reported PAT marginally.
- The management expects a good Q4 as well due to GST benefits, strong macros, improving rural sentiments, policy measures by RBI, etc.
- Industry sales are expected to grow more than 15%, translating to FY26 growth of ~9% YoY, with TVSL growing faster in both domestic and exports.
- TVSL received ~0.7% PLI benefits for its EV portfolio.
- 0.2-0.3% price increases taken at the start of Q3 partially offset the commodity inflation from platinum group metals, while overall impact from all commodities was ~0.4%.
- Growing economy and monetary policy measures are expected to improve liquidity and the credit environment.
- Supply shortfalls at the dealer level were due to plant maintenance, holiday seasons, etc. Capacity increase takes 2-3 months, and TVSL has been actively investing in that. EVs also should see full supply in a month's time as magnet shortages ease. Currently, TVSL is producing 30-32k units of iQube and ~10k units of Orbiter.
- Revenue from spares stood at Rs11.83bn (+25% YoY), contributing 9.5% to the operating revenue.
- Growth momentum in the international business came from LatAm and Africa (expected to continue), rebound in Sri Lanka, and Nepal continuing to do well. Europe isn't growing and challenges might continue for another few quarters. Exports revenue for the quarter was Rs29.09bn (+44% YoY).
- Norton's super-premium and luxury bike line-up is getting built, and it is gearing for India launch as well (previously guided for around Apr'26).
- For FY26, capex guidance has been increased slightly to Rs17bn (driven by planned capacity increases) and investments to Rs29bn (from Rs20bn), primarily for Norton and TVS Credit. During Q3FY26, TVSL invested Rs9.1bn in its subsidiaries.
- TVS Credit's book size at the end of Q3FY26 was Rs296.78bn (+9% YoY, +7% QoQ), and the customer base was more than 2.3cr (vs. 2.13cr in Q2FY26). Its PBT for Q3FY26 grew by 21% YoY to Rs3.9bn.

**Exhibit 1: Q3FY26 Result Overview (Rs mn)**

Y/e Mar	3QFY26	3QFY25	YoY gr. (%)	3QFY26E	% Var.	2QFY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
<b>Net Revenues</b>	<b>1,24,763</b>	<b>90,971</b>	<b>37.1</b>	<b>1,20,566</b>	<b>3.5</b>	<b>1,19,054</b>	<b>4.8</b>	<b>3,44,627</b>	<b>2,67,009</b>	<b>29.1</b>
Raw Materials	88,828	65,112	36.4	86,204	3.0	84,604	5.0	2,45,186	1,90,934	28.4
Gross Margin %	28.8	28.4	38 bps	28.5	30 bps	28.9	-13 bps	28.9	28.5	36 bps
Personnel	6,189	4,988	24.1	6,390	(3.1)	6,047	2.4	18,044	14,743	22.4
% of Net Sales	5.0	5.5	-52 bps	5.3	-34 bps	5.1	-12 bps	5.2	5.5	-29 bps
Manufacturing & Other Exp	13,405	10,056	33.3	12,298	9.0	13,317	0.7	37,340	30,117	24.0
% of Net Sales	10.7	11.1	-31 bps	10.2	54 bps	11.2	-44 bps	10.8	11.3	-44 bps
Total Expenditure	1,08,422	80,156	35.3	1,04,892	3.4	1,03,968	4.3	3,00,570	2,35,795	27.5
<b>EBITDA</b>	<b>16,341</b>	<b>10,815</b>	<b>51.1</b>	<b>15,674</b>	<b>4.3</b>	<b>15,086</b>	<b>8.3</b>	<b>44,057</b>	<b>31,214</b>	<b>41.1</b>
EBITDA Margin (%)	13.1	11.9	121 bps	13.0	10 bps	12.7	43 bps	12.8	11.7	109 bps
Depreciation	2,335	1,883	24.0	2,268	3.0	2,144	8.9	6,519	5,452	19.6
<b>EBIT</b>	<b>14,006</b>	<b>8,931</b>	<b>56.8</b>	<b>13,406</b>	<b>4.5</b>	<b>12,942</b>	<b>8.2</b>	<b>37,539</b>	<b>25,762</b>	<b>45.7</b>
Interest Expenses	579	338	71.6	382	51.6	466	24.4	1,448	1,029	40.7
Non-operating income	-280	-227	23.4	340		-213	31.3	(151)	435	(134.6)
Extraordinary Income	-	-				-		-	-	-
Extraordinary Expenses	414	-		0		-		413.7	-	-
<b>PBT</b>	<b>12,733</b>	<b>8,367</b>	<b>52.2</b>	<b>13,364</b>	<b>(4.7)</b>	<b>12,263</b>	<b>3.8</b>	<b>35,527</b>	<b>25,168</b>	<b>41.2</b>
Tax-Total	3,329	2,182	52.6	3,298	0.9	3,202	4.0	9,276	6,584	40.9
Tax Rate (%) - Total	26.1	26.1	7 bps	24.7	147 bps	26.1	3 bps	26.1	26.2	-5 bps
<b>Reported PAT</b>	<b>9,404</b>	<b>6,185</b>	<b>52.0</b>	<b>10,066</b>	<b>(6.6)</b>	<b>9,061</b>	<b>3.8</b>	<b>26,251</b>	<b>18,584</b>	<b>41.3</b>
<b>Adj. PAT</b>	<b>9,709</b>	<b>6,185</b>	<b>57.0</b>	<b>10,066</b>	<b>(3.5)</b>	<b>9,061</b>	<b>7.2</b>	<b>26,556</b>	<b>18,584</b>	<b>42.9</b>
PAT Margin	7.8	6.8	98 bps	8.3	-57 bps	7.6	17 bps	7.7	7.0	75 bps

Source: Company, PL

**Exhibit 2: Operating Metrics**

Y/e Mar	3QFY26	3QFY25	YoY gr. (%)	3QFY26E	% Var.	2QFY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
<b>Sales Volume (nos)</b>	<b>15,44,454</b>	<b>12,11,952</b>	<b>27.4</b>	<b>15,44,454</b>	-	<b>15,06,950</b>	<b>2.5</b>	<b>43,28,576</b>	<b>35,27,350</b>	<b>22.7</b>
Net Realisation/Vehicle	80,781	75,135	7.5	78,064	3.5	79,003	2.2	79,616.7	75,696.7	5.2
Material cost / vehicle	57,514	53,751	7.0	55,815	3.0	56,142	2.4	56,643.5	54,129.6	4.6
Gross Profit / vehicle	23,267	21,384	8.8	22,248	4.6	22,861	1.8	22,973.1	21,567.1	6.5
Employee cost /vehicle	4,007	4,044	(0.9)	4,137	(3.1)	4,013	(0.1)	4,168.5	4,179.7	(0.3)
Other expenses / vehicle	8,679	8,548	1.5	7,962	9.0	8,837	(1.8)	8,626.4	8,538.3	1.0
EBITDA/vehicle	10,580	8,791	20.3	10,148	4.3	10,011	5.7	10,178.2	8,849.2	15.0
Net Profit/vehicle	6,287	5,395	16.5	6,517	(3.5)	6,013	4.6	6,135.1	5,268.6	16.4

Source: Company, PL

## Financials

### Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Net Revenues</b>	<b>3,62,513</b>	<b>4,62,934</b>	<b>5,24,481</b>	<b>5,81,749</b>
YoY gr. (%)	14.1	27.7	13.3	10.9
Cost of Goods Sold	2,57,607	3,30,072	3,75,529	4,15,369
Gross Profit	1,04,907	1,32,862	1,48,953	1,66,380
Margin (%)	28.9	28.7	28.4	28.6
Employee Cost	19,703	24,073	27,273	30,251
Other Expenses	40,664	49,534	52,973	57,593
<b>EBITDA</b>	<b>44,540</b>	<b>59,256</b>	<b>68,707</b>	<b>78,536</b>
YoY gr. (%)	26.8	33.0	16.0	14.3
Margin (%)	12.3	12.8	13.1	13.5
Depreciation and Amortization	7,446	8,797	10,047	11,410
<b>EBIT</b>	<b>37,094</b>	<b>50,459</b>	<b>58,660</b>	<b>67,126</b>
Margin (%)	10.2	10.9	11.2	11.5
Net Interest	1,387	1,559	1,322	1,163
Other Income	580	56	473	528
<b>Profit Before Tax</b>	<b>36,288</b>	<b>48,956</b>	<b>57,810</b>	<b>66,491</b>
Margin (%)	10.0	10.6	11.0	11.4
Total Tax	9,183	12,631	14,453	16,623
Effective tax rate (%)	25.3	25.8	25.0	25.0
<b>Profit after tax</b>	<b>27,105</b>	<b>36,325</b>	<b>43,358</b>	<b>49,868</b>
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	<b>27,105</b>	<b>36,325</b>	<b>43,358</b>	<b>49,868</b>
YoY gr. (%)	30.1	34.0	19.4	15.0
Margin (%)	7.5	7.8	8.3	8.6
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>27,105</b>	<b>36,325</b>	<b>43,358</b>	<b>49,868</b>
YoY gr. (%)	30.1	34.0	19.4	15.0
Margin (%)	7.5	7.8	8.3	8.6
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	27,105	36,325	43,358	49,868
<b>Equity Shares O/s (m)</b>	<b>475</b>	<b>475</b>	<b>475</b>	<b>475</b>
<b>EPS (Rs)</b>	<b>57.1</b>	<b>76.5</b>	<b>91.3</b>	<b>105.0</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>1,01,833</b>	<b>1,18,083</b>	<b>1,36,283</b>	<b>1,56,283</b>
Tangibles	1,01,833	1,18,083	1,36,283	1,56,283
Intangibles	-	-	-	-
<b>Acc: Dep / Amortization</b>	<b>58,370</b>	<b>67,166</b>	<b>77,214</b>	<b>88,624</b>
Tangibles	58,370	67,166	77,214	88,624
Intangibles	-	-	-	-
<b>Net fixed assets</b>	<b>43,464</b>	<b>50,917</b>	<b>59,069</b>	<b>67,659</b>
Tangibles	43,464	50,917	59,069	67,659
Intangibles	-	-	-	-
Capital Work In Progress	12,388	13,138	14,338	15,538
Goodwill	-	-	-	-
Non-Current Investments	90,382	1,06,882	1,26,882	1,48,882
Net Deferred tax assets	(3,033)	(3,185)	(3,344)	(3,511)
Other Non-Current Assets	-	-	-	-
<b>Current Assets</b>				
Investments	-	-	-	-
Inventories	17,258	25,366	30,176	35,064
Trade receivables	12,801	19,025	24,428	30,283
Cash & Bank Balance	5,583	7,881	8,799	12,419
Other Current Assets	17,753	20,416	23,479	27,001
<b>Total Assets</b>	<b>1,99,629</b>	<b>2,43,625</b>	<b>2,87,171</b>	<b>3,36,847</b>
<b>Equity</b>				
Equity Share Capital	475	475	475	475
Other Equity	98,891	1,29,990	1,67,410	2,12,527
<b>Total Networth</b>	<b>99,366</b>	<b>1,30,466</b>	<b>1,67,885</b>	<b>2,13,002</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	10,271	9,021	7,021	6,021
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	21,021	20,806	20,296	19,810
Trade payables	61,537	76,099	84,779	90,849
Other current liabilities	4,401	4,049	3,846	3,654
<b>Total Equity &amp; Liabilities</b>	<b>1,99,629</b>	<b>2,43,625</b>	<b>2,87,171</b>	<b>3,36,847</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	36,288	48,956	57,810	66,491
Add. Depreciation	7,446	8,797	10,047	11,410
Add. Interest	1,387	1,559	1,322	1,163
Less Financial Other Income	580	56	473	528
Add. Other	(580)	(56)	(473)	(528)
Op. profit before WC changes	44,540	59,256	68,707	78,536
Net Changes-WC	1,890	(2,785)	(4,797)	(8,388)
Direct tax	(9,183)	(12,631)	(14,453)	(16,623)
<b>Net cash from Op. activities</b>	<b>37,247</b>	<b>43,840</b>	<b>49,457</b>	<b>53,525</b>
Capital expenditures	(16,278)	(17,000)	(12,000)	(12,000)
Interest / Dividend Income	-	-	-	-
Others	(14,420)	(16,444)	(19,527)	(21,472)
<b>Net Cash from Invt. activities</b>	<b>(30,698)</b>	<b>(33,444)</b>	<b>(31,527)</b>	<b>(33,472)</b>
Issue of share cap. / premium	-	-	-	-
Debt changes	696	(1,250)	(2,000)	(1,000)
Dividend paid	(4,751)	(5,226)	(5,939)	(4,751)
Interest paid	(1,387)	(1,559)	(1,322)	(1,163)
Others	-	-	-	-
<b>Net cash from Fin. activities</b>	<b>(5,441)</b>	<b>(8,035)</b>	<b>(9,261)</b>	<b>(6,914)</b>
<b>Net change in cash</b>	<b>1,108</b>	<b>2,360</b>	<b>8,670</b>	<b>13,139</b>
Free Cash Flow	20,970	26,840	37,457	41,525

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY25	FY26E	FY27E	FY28E	
<b>Per Share(Rs)</b>					
EPS		57.1	76.5	91.3	105.0
CEPS		72.7	95.0	112.4	129.0
BVPS		209.2	274.6	353.4	448.3
FCF		44.1	56.5	78.8	87.4
DPS		10.0	11.0	12.5	10.0
<b>Return Ratio(%)</b>					
RoCE		31.6	34.7	33.0	30.9
ROIC		24.8	27.2	26.0	24.6
RoE		30.7	31.6	29.1	26.2
<b>Balance Sheet</b>					
Net Debt : Equity (x)		0.3	0.2	0.1	0.1
Net Working Capital (Days)		(32)	(25)	(21)	(16)
<b>Valuation(x)</b>					
PER		64.1	47.8	40.0	34.8
P/B		17.5	13.3	10.3	8.2
P/CEPS		50.3	38.5	32.5	28.3
EV/EBITDA		39.6	29.7	25.5	22.3
EV/Sales		4.9	3.8	3.3	3.0
Dividend Yield (%)		0.3	0.3	0.3	0.3

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q3FY25	Q4FY25	Q1FY26	Q2FY26
<b>Net Revenue</b>	<b>90,971</b>	<b>95,504</b>	<b>1,00,810</b>	<b>1,19,054</b>
YoY gr. (%)	10.3	16.9	20.4	29.0
Raw Material Expenses	65,112	66,672	71,754	84,604
Gross Profit	25,858	28,832	29,056	34,450
Margin (%)	28.4	30.2	28.8	28.9
<b>EBITDA</b>	<b>10,815</b>	<b>13,326</b>	<b>12,630</b>	<b>15,086</b>
YoY gr. (%)	17.0	43.9	31.5	39.7
Margin (%)	11.9	14.0	12.5	12.7
Depreciation / Depletion	1,883	1,994	2,039	2,144
<b>EBIT</b>	<b>8,931</b>	<b>11,333</b>	<b>10,591</b>	<b>12,942</b>
Margin (%)	9.8	11.9	10.5	10.9
Net Interest	338	358	403	466
Other Income	(227)	145	343	(213)
<b>Profit before Tax</b>	<b>8,367</b>	<b>11,120</b>	<b>10,531</b>	<b>12,263</b>
Margin (%)	9.2	11.6	10.4	10.3
Total Tax	2,182	2,599	2,745	3,202
Effective tax rate (%)	26.1	23.4	26.1	26.1
<b>Profit after Tax</b>	<b>6,185</b>	<b>8,521</b>	<b>7,786</b>	<b>9,061</b>
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
<b>Adjusted PAT</b>	<b>6,185</b>	<b>8,521</b>	<b>7,786</b>	<b>9,061</b>
YoY gr. (%)	4.2	75.5	34.9	36.7
Margin (%)	6.8	8.9	7.7	7.6
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>6,185</b>	<b>8,521</b>	<b>7,786</b>	<b>9,061</b>
YoY gr. (%)	4.2	75.5	34.9	36.7
Margin (%)	6.8	8.9	7.7	7.6
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>6,185</b>	<b>8,521</b>	<b>7,786</b>	<b>9,061</b>
Avg. Shares O/s (m)	477	477	477	477
<b>EPS (Rs)</b>	<b>13.0</b>	<b>17.9</b>	<b>16.3</b>	<b>19.0</b>

Source: Company Data, PL Research

**Key Operating Metrics**

Y/e Mar	FY25	FY26E	FY27E	FY28E
Scooter volume (units)	19,03,508	23,58,542	25,51,637	27,09,676
Motorcycle volume (units)	21,95,228	26,97,236	29,75,008	32,12,522
Moped volume (units)	5,10,237	5,12,532	5,25,168	5,39,518
Total two-wheeler volume (units)	46,08,973	55,68,310	60,51,813	64,61,717
Three-wheeler volume (units)	1,34,663	2,18,400	2,75,095	3,20,915
Total volume (units)	47,43,636	57,86,710	63,26,908	67,82,631
Realisation per unit (Rs)	76,421	80,000	82,897	85,770

Source: Company Data, PL Research

### Price Chart



### Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jan-26	Accumulate	4,360	3,840
2	29-Oct-25	Accumulate	3,907	3,562
3	08-Oct-25	Accumulate	3,908	3,483
4	29-Apr-25	Hold	2,660	2,793
5	08-Apr-25	Hold	2,431	2,438

### Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Bajaj Auto	Hold	9,400	9,790
2	Eicher Motors	Hold	7,350	7,583
3	Hero Motocorp	Accumulate	6,620	5,981
4	Mahindra & Mahindra	Accumulate	4,100	3,749
5	Maruti Suzuki	Hold	16,700	16,809
6	TVS Motor Company	Accumulate	4,360	3,840

### PL's Recommendation Nomenclature (Absolute Performance)

<b>Buy</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly

## **ANALYST CERTIFICATION**

### **(Indian Clients)**

We/I, Mr. Aditya Jakhotia- MBA Finance, Passed CFA Level II Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### **(US Clients)**

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

## **DISCLAIMER**

### **Indian Clients**

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at [www.plindia.com](http://www.plindia.com).

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Aditya Jakhotia- MBA Finance, Passed CFA Level II Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts 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.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses 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.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (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 subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

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

### **US Clients**

This research report is a product of Prabhudas Lilladher Pvt. Ltd., 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 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 by Prabhudas Lilladher Pvt. Ltd. only 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, Prabhudas Lilladher Pvt. Ltd. has entered into an 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.

## **Prabhudas Lilladher Pvt. Ltd.**

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

[www.plindia.com](http://www.plindia.com)