

Cera Sanitaryware

BSE Sensex 73,320 S&P CNX 22,713

CERA

Bloomberg	CRS IN
Equity Shares (m)	13
M.Cap.(INRb)/(USD\$)	60.3 / 0.6
52-Week Range (INR)	7275 / 4461
1, 6, 12 Rel. Per (%)	6/-15/-16
12M Avg Val (INR M)	171
Free float (%)	45.6

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	20.3	22.5	25.1
EBITDA	2.6	3.4	4.0
Adj. PAT	2.2	2.7	3.1
Adj. EPS (INR)	166.9	209.0	239.6
EPS Gr. (%)	-13.2	25.2	14.7
BV/Sh. (INR)	1,137.1	1,271.1	1,425.7

Ratios

RoE (%)	14.7	16.4	16.8
RoCE (%)	19.0	22.1	22.8
Payout (%)	42.6	35.9	35.5

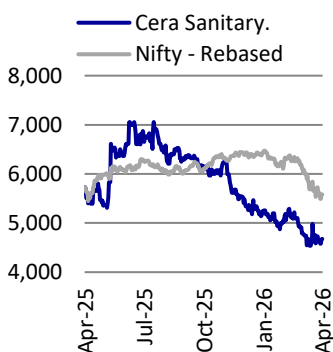
Valuations

P/E (x)	28.0	22.4	19.5
P/BV (x)	4.1	3.7	3.3
EV/EBITDA (x)	20.0	15.1	12.7
Div. Yield (%)	1.4	1.6	1.8

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	54.4	54.4	54.4
DII	14.0	13.6	6.3
FII	14.7	15.8	22.2
Others	16.9	16.2	17.2

Stock Performance (1-year)



CMP: INR 4,677 TP: INR 5,990 (+28%) Upgrade to Buy
Healthy demand momentum continues in 4QFY26

Cera Sanitaryware (CRS) continued to witness healthy demand momentum in 4QFY26 after clocking a healthy 11% revenue growth in 3Q, following a <5% growth since 2HFY24. In our recent interaction, management remained optimistic about reporting double-digit growth in FY27, with a gradual expansion in margins as one-off cost factors disappear in the coming period. Further, the company's production remains unaffected, supported by sufficient gas supply from Gail (100%) and Sabarmati (80%). We keep our earnings estimate intact and expect an 11%/23%/20% CAGR in revenue/EBITDA/PAT over FY26E-28, with EBITDA margin recovering toward 16%. A high cash surplus (~INR10b likely in FY28) will help CRS to weather the storm in case of tough times. After a ~15% correction in scrip from its Feb'26 high, CRS's scrip appears attractive at ~19x FY28E P/E (vs. 33x 10-year average). We, thus, upgrade our rating on CRS to BUY with a revised TP of INR5,990, based on 25x FY28E P/E.

Key highlights from our interaction with the management

- Demand momentum remained healthy, and a double-digit revenue growth is likely in 4QFY26, in line with management guidance.
- Management also expects double-digit revenue growth in FY27.
- Margins have seen contraction in the last few quarters due to factors such as: 1) a rise in trade discount due to a greater mix of project sales; 2) a rise in brass prices; 3) higher publicity costs associated with phasing out certain SKUs; and 4) new brand launch-related expenses.
- Management expects a gradual recovery in margins (13-14% in 4QFY26 and 15%+ from 2HFY27 onwards) as some one-off costs disappear.
- The company's production has remained unaffected, supported by sufficient gas supply from Gail (100%) and Sabarmati (80%), compared to a more than 50% cut in gas supply for Morbi-based players, which has led to the shutdown of most plants in the region.
- CRS has taken two price hikes in Mar'26 of 4% in Sanitaryware and 11% in Faucetware, following raw material cost inflation, to protect margins.
- Faucetware plant utilization is near optimal level, while Sanitaryware plant is operating at ~80%. Faucetware capacity can be scaled up from 0.4m units to 0.6m units in 4-6 months at existing location, as needed.
- The company has acquired a land parcel near Kadi, Gujarat, for a Sanitaryware greenfield facility. It will decide on the timeline to set up capacity in the next few months.
- *The Polipluz* brand is focused on driving volumes through store expansion.
- *The Senator* brand aims to elevate CRS' positioning in the premium segment, rather than solely driving volume.
- The company is in the process of appointing brand ambassadors soon.

Ashish Poddar - Research Analyst (Ashish.Poddar@MotilalOswal.com)

Krishna Zaveri - Research Analyst (Krishna.Zaveri@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

India’s top sanitary and bathware brand

Founded in 1980, CRS is India’s third-largest sanitaryware player and a leading faucet brand in the bathware industry with ~8% combined organized market share. It has an annual capacity of 2.5m pieces of sanitaryware and 4m pieces of faucetware, largely comprising products in the mid-premium range. Its manufacturing plants are based in Kadi (Gujarat), the ceramic hub of India. Building on its earlier asset-light model, the company has ramped up capex over the last 2-3 years to develop in-house capacity for mid-premium range products, while continuing to outsource mass-mid-range product requirements. CRS’s three brands (Senator, CERA Luxe, and CERA) cater to its products at different price points. The company has a highly penetrated distribution network with 6,600+ dealer partners, 25,500+ retailers, 1,850 brand stores, and 13 company-owned experience centers. Rising aspirations and the affordability of consumers are driving premiumization in tier 2/3 towns (over 70% revenue exposure), despite the company increasing its presence in the niche premium category. CRS has adopted a risk-averse business model thus far, with retail sales contributing ~80% to total revenue. However, looking at the robust prospects, it now intends to increase its focus on institutional sales as well, with a dedicated sales team in place.

Exhibit 1: CRS commands ~8% organized market share in India’s sanitary and bathware industry

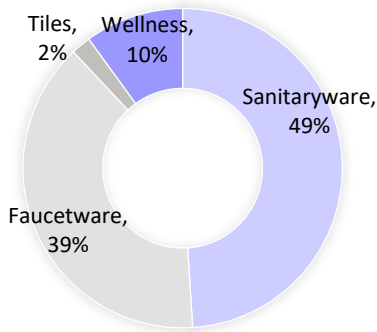
Market size of India’s sanitary & bathware (INR b)	331.0
Organised market share	62%
Organised market (INR b)	205.2
CRS’ FY25 revenue (INR b)	16.9
CRS’ total market share (%)	5.1
CRS’ organised market share (%)	8.2

Source: Company

Wide product offerings; premiumization-driven growth

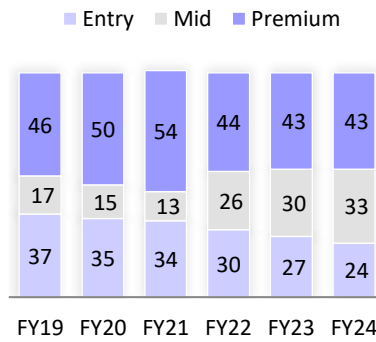
CRS has vast product offerings throughout the value chain (mass to luxury), which are sold through its three brands (*Senator, CERA Luxe, and CERA*), pan-India, through a multilayer marketing infrastructure as well as through continued brand efforts. Starting with sanitaryware over four decades ago, CRS now has a wide product basket (added faucets in FY11 and tiles in FY13). Regular introduction of new SKUs, refreshing running SKUs, and entry into new product lines have helped the company expand its portfolio. While gaining strength in the mass-mid segment through its *CERA* and the newly launched *Polipluz* brands, the company has also been focusing on the premium segment through its *Senator* and *CERA Luxe* brands. The premiumization trend in tier 2/3 towns (CRS’ focus) has also led the company to address the changing requirements of these markets. The mid and premium segments combined generated over 75% of total revenue in FY25. Following a 6% revenue CAGR over FY19-25, we estimate a 9% revenue CAGR over FY25-28. CRS is tracking industry growth in the sanitaryware and faucetware categories, as it will continue to expand its channel and product basket with heightened branding efforts.

Exhibit 2: Segment revenue (FY25, %)



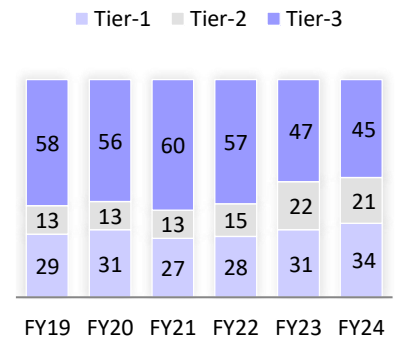
Source: Company

Exhibit 3: Range-wise revenue mix (%)



Source: Company

Exhibit 4: Tier-wise revenue mix (%)

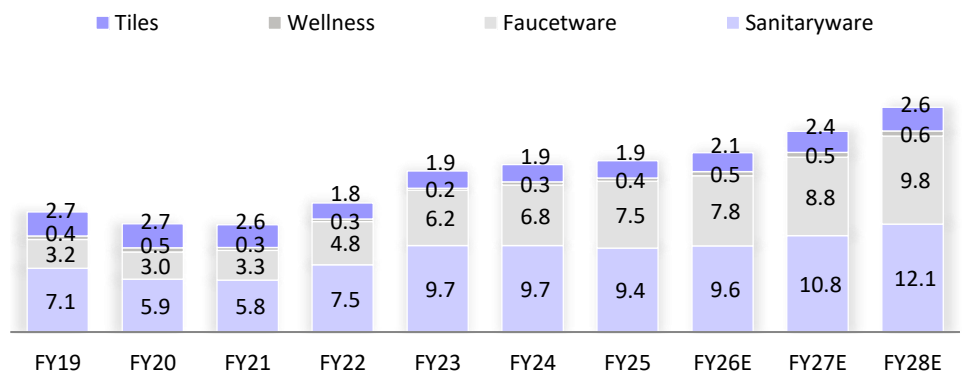


Source: Company

Diversification in faucetware working well

CRS enjoys a wide product basket in the bathware category. The company added faucets in FY11 and tiles in FY13. In FY25, non-sanitaryware products accounted for 51% share of the total revenue, a substantial diversification from a single product line. Notably, all these diversifications were achieved without CRS leveraging its balance sheet. Over these years, faucetware has scaled up rapidly (15% revenue CAGR over FY19-25; ~INR7.5b revenue in FY25, 39% mix in total), delivering the best margins within the pack. Traction in tiles (~INR1.9b revenue in FY25, 10% mix), though, has been slow due to low brand salience and intense competition; CRS's focus remains on the high-end GVT segment to profitably grow the division. Wellness is a niche segment (comprising bathroom cubicles/partitions/shower panels) and may face limitations in scaling. Faucetware capacity was expanded from 0.3m pieces per month in FY23 to 0.4m pieces in FY25. Sanitaryware capex will be executed in due course. Additional capacities at new locations would also mitigate the risk of production disruption at a single location.

Exhibit 5: Sanitary & faucetware-highest contributors to revenue (INR b)



Source: Company, MOFSL

Healthy cash flow due to a strict credit policy

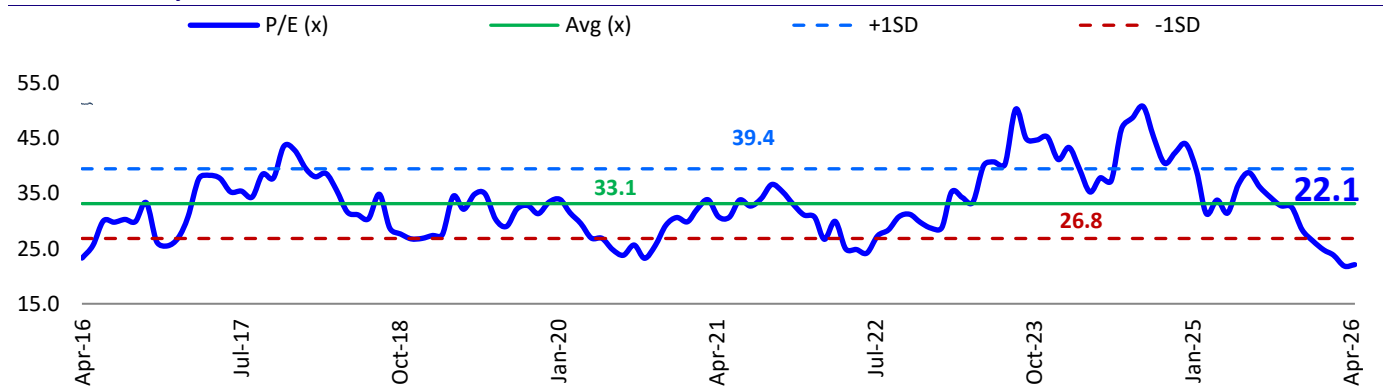
CRS's strong cash flows (OCF/EBITDA ~75%, FCF/PAT ~109% average over FY19-25) have been driven by its strict credit policy, healthy margins, and asset-light business model. However, these metrics weakened in FY25 due to an increase in the working capital cycle. Management expects them to normalize in FY26. Leveraging an asset-light model, the company has rapidly widened its product offerings. It has also paid regular dividends over the last 30+ years (30%+ payout ratio in the last three years). We expect CRS to generate ~INR6b of FCF over FY25-28. We also project the company to generate over INR10b cash in FY28 (~INR6b in FY25).

Key exhibits

Exhibit 6: Consolidated quarterly performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	4,007	4,926	4,493	5,805	4,194	4,879	4,990	6,231	19,262	20,294
YoY Change (%)	-6.6	6.4	2.4	5.8	4.7	-0.9	11.1	7.3	2.5	5.4
Total Expenditure	3,427	4,205	3,899	4,724	3,663	4,208	4,479	5,311	16,263	17,661
EBITDA	581	721	594	1,081	531	671	511	920	2,998	2,633
Margins (%)	14.5	14.6	13.2	18.6	12.7	13.8	10.2	14.8	15.6	13.0
Depreciation	90	107	98	106	91	98	98	99	407	386
Interest	13	26	18	17	14	16	20	20	75	70
Other Income	159	178	121	151	186	166	114	119	605	585
PBT before EO expense	637	765	599	1,110	612	722	507	920	3,122	2,761
Extra-Ord expense	0	0	0	-15	0	0	-185	0	-15	-185
PBT	637	765	599	1,095	612	722	322	920	3,107	2,577
Tax	163	79	140	232	146	156	86	221	620	608
Rate (%)	25.5	10.3	23.4	21.2	23.9	21.6	26.6	24.0	20.0	23.6
Minority Interest	4	6	0	6	0	0	0	0	22	0
Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	471	680	459	856	466	566	237	699	2,465	1,968
Adj PAT	471	680	459	871	466	566	421	699	2,480	2,153
YoY Change (%)	-16.4	16.3	-9.9	16.3	-1.0	-16.7	-8.1	-19.8	3.1	-13.2
Margins (%)	11.7	13.8	10.2	15.0	11.1	11.6	8.4	11.2	12.9	10.6

Exhibit 7: One-year forward P/E band and standard deviation



Source: Bloomberg, MOFSL

Exhibit 8: Revenue mix trend (% , annual standalone)

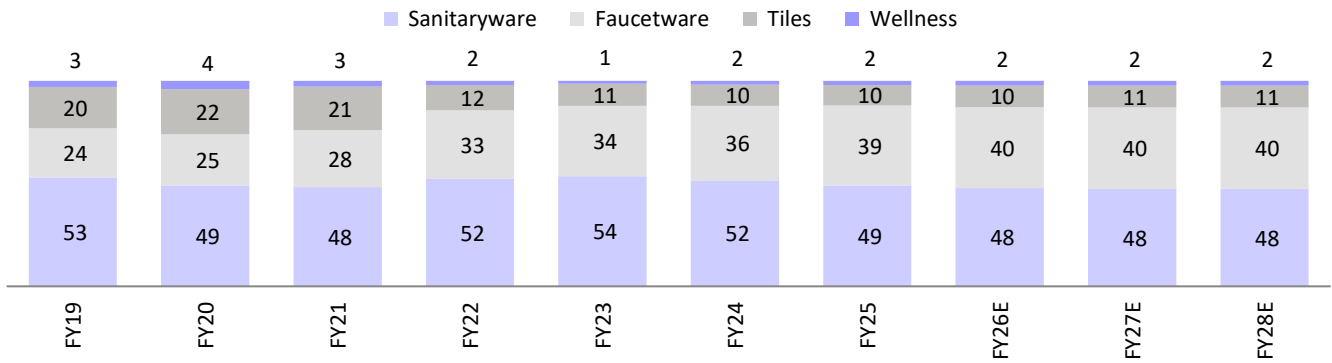


Exhibit 9: Consolidated annual revenue and growth trends

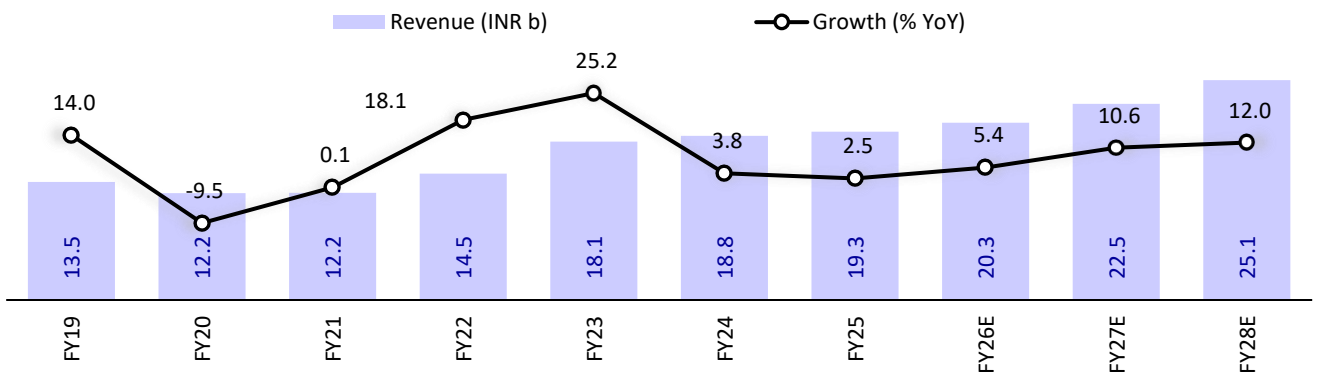
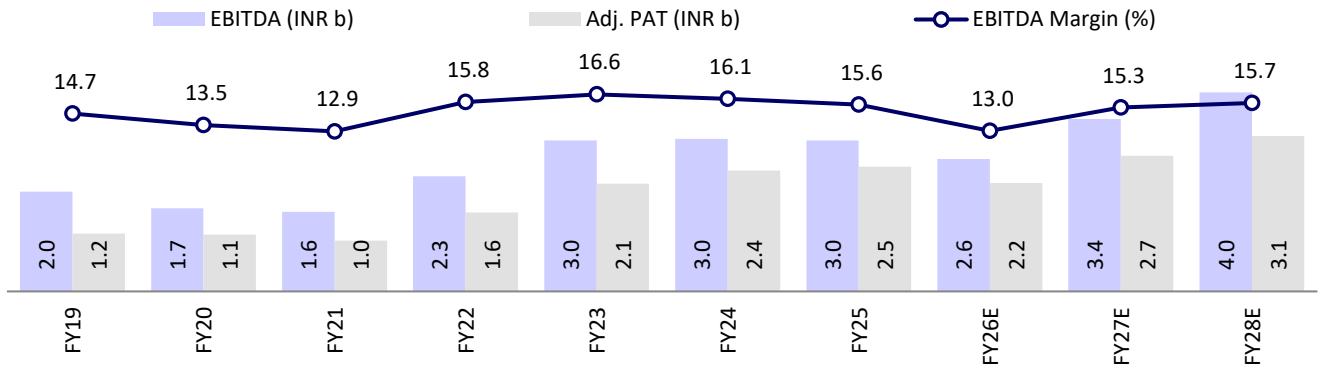


Exhibit 10: EBITDA, Adj. PAT and margin annual trends (%)



Financials and valuations

Consolidated - Income Statement						(INR m)		
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Income from Operations	12,243	14,458	18,105	18,794	19,262	20,294	22,455	25,150
Change (%)	0.1	18.1	25.2	3.8	2.5	5.4	10.6	12.0
RM Cost	6,268	6,836	8,246	8,828	9,119	10,051	10,784	12,003
Employees Cost	1,537	1,936	2,147	2,309	2,453	2,732	2,933	3,260
Other Expenses	2,858	3,399	4,710	4,624	4,691	4,879	5,308	5,929
Total Expenditure	10,663	12,171	15,103	15,761	16,263	17,661	19,026	21,192
% of Sales	87.1	84.2	83.4	83.9	84.4	87.0	84.7	84.3
EBITDA	1,581	2,287	3,002	3,033	2,998	2,633	3,430	3,958
Margin (%)	12.9	15.8	16.6	16.1	15.6	13.0	15.3	15.7
Depreciation	396	324	326	365	407	386	449	490
EBIT	1,185	1,963	2,676	2,667	2,592	2,247	2,980	3,468
Int. and Finance Charges	97	53	60	58	75	70	52	43
Other Income	252	236	284	595	605	585	618	641
PBT bef. EO Exp.	1,339	2,147	2,899	3,204	3,122	2,761	3,546	4,066
EO Items	0	-57	-50	-16	-15	-185	0	0
PBT after EO Exp.	1,339	2,090	2,849	3,188	3,107	2,577	3,546	4,066
Total Tax	340	560	738	775	620	608	851	976
Tax Rate (%)	25.4	26.8	25.9	24.3	20.0	23.6	24.0	24.0
Share of Profit/Loss of JV	0	0	0	0	0	0	0	0
Share of Minority Interests	-8	19	16	23	22	0	0	0
Reported PAT	1,008	1,511	2,094	2,390	2,465	1,968	2,695	3,090
Adjusted PAT	1,008	1,568	2,144	2,406	2,480	2,153	2,695	3,090
Change (%)	-11.0	55.6	36.7	12.2	3.1	-13.2	25.2	14.7
Margin (%)	8.2	10.8	11.8	12.8	12.9	10.6	12.0	12.3

Consolidated - Balance Sheet						(INR m)		
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	65	65	65	65	64	64	64	64
Total Reserves	8,652	10,086	11,661	13,393	13,471	14,601	16,329	18,323
Net Worth	8,717	10,152	11,726	13,458	13,536	14,666	16,394	18,388
Minority Interest	117	142	106	128	147	157	167	177
Total Loans	1,221	657	745	667	895	785	675	565
Deferred Tax Liabilities	303	354	376	482	407	397	387	377
Capital Employed	10,358	11,305	12,953	14,735	14,985	16,005	17,623	19,507
Gross Block	6,558	6,097	6,448	7,158	7,812	8,212	8,612	9,012
Less: Accum. Deprn.	2,403	2,727	3,053	3,419	3,825	4,211	4,661	5,151
Net Fixed Assets	4,155	3,370	3,395	3,740	3,986	4,000	3,951	3,861
Goodwill on Consolidation								
Capital WIP	13	7	169	130	108	98	88	78
Total Investments	4,743	5,620	6,628	8,025	6,968	8,268	8,868	9,768
Curr. Assets, Loans&Adv.	4,866	5,585	6,575	6,561	7,567	7,180	8,294	9,467
Inventory	1,997	2,937	3,825	3,636	4,105	4,170	4,614	5,168
Account Receivables	2,095	1,648	1,892	2,026	2,711	2,502	2,768	3,101
Cash and Bank Balance	104	243	262	372	316	53	437	704
Loans and Advances	670	757	596	527	435	455	475	495
Curr. Liability & Prov.	3,418	3,276	3,813	3,721	3,645	3,542	3,579	3,667
Account Payables	1,554	1,893	2,069	1,790	1,879	1,946	2,153	2,412
Other Current Liabilities	1,737	1,269	1,524	1,675	1,478	1,278	1,078	878
Provisions	127	114	220	256	287	317	347	377
Net Current Assets	1,448	2,309	2,762	2,841	3,922	3,638	4,715	5,800
Misc Expenditure	0	0	0	0	0	0	0	0
Appl. of Funds	10,358	11,305	12,953	14,735	14,985	16,005	17,623	19,507

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)								
Adj EPS	78.1	121.6	166.2	186.5	192.3	166.9	209.0	239.6
Cash EPS	108.8	146.7	191.5	214.9	223.8	196.9	243.8	277.6
BV/Share	676	787	909	1,043	1,049	1,137	1,271	1,426
DPS	13.0	35.0	50.0	60.0	65.0	65.0	75.0	85.0
Payout (%)	16.6	29.9	30.8	32.4	34.0	42.6	35.9	35.5
Valuation (x)								
P/E	59.8	38.4	28.1	25.0	24.3	28.0	22.4	19.5
Cash P/E	42.9	31.8	24.4	21.7	20.9	23.7	19.2	16.8
P/BV	6.9	5.9	5.1	4.5	4.5	4.1	3.7	3.3
EV/Sales	4.7	3.8	3.0	2.8	2.8	2.6	2.3	2.0
EV/EBITDA	36.1	24.2	18.1	17.4	18.0	20.0	15.1	12.7
Dividend Yield (%)	0.3	0.7	1.1	1.3	1.4	1.4	1.6	1.8
FCF per share	196.9	57.4	96.2	134.7	72.9	112.4	114.3	136.0
Return Ratios (%)								
RoE	11.6	15.4	18.3	17.9	18.3	14.7	16.4	16.8
RoCE (pre-tax)	15.2	21.2	25.4	24.5	22.4	19.0	22.1	22.8
RoIC (pre-tax)	21.1	37.1	49.0	51.0	44.2	36.1	44.8	47.1
Working Capital Ratios								
Fixed Asset Turnover (x)	1.9	2.4	2.8	2.6	2.5	2.5	2.6	2.8
Net Working Capital Cycle (Days)	76	68	74	75	94	85	85	85
Debtor (Days)	62	42	38	39	51	45	45	45
Inventory (Days)	60	74	77	71	78	75	75	75
Creditor (Days)	46	48	42	35	36	35	35	35
Leverage Ratio (x)								
Current Ratio	1.4	1.7	1.7	1.8	2.1	2.0	2.3	2.6
Interest Cover Ratio	14.8	41.6	48.9	56.0	42.7	40.3	69.7	96.1
Net Debt/Equity	-0.4	-0.5	-0.5	-0.6	-0.5	-0.5	-0.5	-0.5

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	1,339	2,090	2,849	3,188	3,107	2,577	3,546	4,066
Depreciation	396	324	326	365	407	386	449	490
Interest & Finance Charges	97	53	60	58	75	70	52	43
Direct Taxes Paid	-296	-523	-727	-783	-595	-629	-871	-996
(Inc)/Dec in WC	1,316	-933	-768	154	-925	21	-693	-818
CF from Operations	2,851	1,011	1,740	2,983	2,068	2,425	2,482	2,786
Others	-171	-121	-116	-623	-848	-585	-618	-641
CF from Operating incl EO	2,680	890	1,624	2,360	1,220	1,840	1,865	2,144
(Inc)/Dec in FA	-140	-150	-383	-622	-280	-390	-390	-390
Free Cash Flow	2,540	740	1,241	1,738	940	1,450	1,475	1,754
(Pur)/Sale of Investments	-2,313	-601	-701	-843	1,511	-1,300	-600	-900
Others	30	32	29	37	36	585	618	641
CF from Investments	-2,423	-719	-1,054	-1,428	1,266	-1,105	-372	-649
Issue of Shares	0	0	0	0	-1,621	0	0	0
Inc/(Dec) in Debt	-83	214	-13	-49	-24	-110	-110	-110
Interest Paid	-79	-65	-36	-32	-23	-70	-52	-43
Dividend Paid	0	-169	-455	-650	-780	-838	-967	-1,096
Others	-27	-86	-92	-104	-153	20	20	20
CF from Fin. Activity	-188	-106	-596	-835	-2,601	-998	-1,109	-1,229
Inc/Dec of Cash	68	65	-26	97	-114	-263	384	267
Opening Balance	8	74	139	113	210	95	-168	216
Other cash & cash equivalent								
Closing Balance	77	139	113	210	95	-168	216	483

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. INH00000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

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

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH00000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement. The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

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

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

Nainesh

Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies). MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- 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.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- 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, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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

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

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

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

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

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