LG Electronics India

BSE SENSEX	S&P CNX
80,239	24,866

CMP: INR1,592 **TP: INR1,860 (+17%)** **Buy**

Demand recovery in sight; margin poised to improve

Category outperformance continues; scaling up new growth engines

- **Our recent interaction with LG Electronics India (LGEIL) management suggests that LGEIL continues to gain market share across key categories despite mixed industry trends, with refrigerators growing marginally against a 1.5-2.0% industry decline and TVs delivering 6.4% growth vs. 3.8% growth for the industry. In RAC, LGEIL outperformed with a lower volume decline (~4% vs. ~6% industry). The strong growth is being driven by premiumization and deeper portfolio expansion, with the entry into five-star two-ton, sub-one-ton, and fixed-speed AC segments, significantly widening its addressable market across price and capacity bands. It has implemented calibrated price hikes across categories to offset cost pressure. The company is also scaling adjacencies – AMC, B2B and export businesses.**
- **We estimate LGEIL's revenue/EBITDA/PAT CAGR at 10%/22%/23% over FY26-28. The stock trades at 46x/39x FY27/FY28E EPS. We value LGEIL at 45x FY28E EPS to arrive at our TP of INR1,860. Reiterate BUY.**

Sustained market share gains, demand momentum strong

- LGEIL continues to demonstrate resilient market share gains across key product categories despite mixed industry demand conditions. Refrigerator market declined 1.5-2.0%, yet LGEIL recorded marginal growth, supported by premium product expansion, including French door models in Nov'25 and an expanded bottom-freezer portfolio. The company holds a strong ~43% share in side-by-side refrigerators.
- In televisions, industry growth stood at 3.8%, whereas LG outperformed with 6.4% growth, leading to consistent share gains and narrowing the gap with Samsung Electronics to 4.3%. LGEIL market share in TV stood at 27.4%.
- In RAC, industry volumes declined ~6%, while LGEIL saw a relatively lower decline of ~4%, resulting in further share improvement. The gap with VOLT has narrowed to ~1% now.
- LGEIL indicated strong momentum across product categories, particularly televisions and washing machines, with likely double-digit growth aided by demand tailwinds such as GST rationalization and festive consumption. The company aims to complete ~55% of RAC seasonal targets during Jan-Mar'26, supported by early channel filling for new star-rated models and stable pricing from launch.

Portfolio expansion, premium mix, and distribution strength led growth

- Growth is being led by premiumization and expansion into new under-represented segments. It has strategically expanded RAC portfolio, entering into the five-star two-ton AC and sub-one-ton models under the Essential series to tap into compact-room demand and affordable premium segment. Further, recognizing that ~12% of the industry comprises fixed-speed ACs, LGEIL has now entered this segment as well, introducing energy-efficient three-star models. These launches meaningfully broaden its addressable market and enhance participation across key capacity and price bands.

Stock Info

Bloomberg	LGEL IN
Equity Shares (m)	679
M.Cap.(INRb)/(USDb)	1080.9 / 11.8
52-Week Range (INR)	1749 / 1300
1, 6, 12 Rel. Per (%)	12/-/-
12M Avg Val (INR M)	3393
Free float (%)	15.0

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	247.3	272.3	300.5
EBITDA	25.6	32.8	38.3
Adj PAT	18.3	23.7	27.7
EBITDA Margin (%)	10.3	12.0	12.7
EPS (INR)	27.0	35.0	40.9
EPS Gr. (%)	(17.0)	29.7	16.9
BV/Sh (INR)	105.1	127.8	154.4
Ratios			
Net D/E	(0.6)	(0.6)	(0.5)
RoE (%)	27.9	30.0	29.0
RoCE (%)	29.0	31.2	29.9
Payout (%)	35.0	35.0	35.0
Valuations			
P/E (x)	59.1	45.5	39.0
P/BV (x)	15.1	12.5	10.3
EV/EBITDA (x)	40.5	31.5	26.8
Div Yield (%)	0.6	0.8	0.9
FCF Yield (%)	1.1	0.8	1.1

Shareholding pattern (%)

As On	Dec-25
Promoter	85
DII	3
FII	7.2
Others	4.9

FII Includes depository receipts

Sanjeev Kumar Singh - Research analyst (Sanjeev.Singh@MotilalOswal.com)
Research analyst: Mudit Agarwal (Mudit.Agarwal@MotilalOswal.com) | **Abhishek Sheth** (Abhishek.Sheth@MotilalOswal.com)

- The Essential Series continues to gain traction, targeting first-time buyers and underpenetrated markets across refrigerators, washing machines, and RACs. The company is expanding refrigerator offerings from four models to 11, launching 10kg washing machines and introducing 0.9-ton inverter ACs for the affordable premium segment.
- Dealer preference remains strong given LGEIL's higher sell-through and stable pricing, supporting shelf visibility across its 36,000+ touchpoints and 800+ franchise-owned stores. Distribution reach remains a structural advantage, with ~500 distributors servicing 100–500 sub-dealers each, particularly strong in Tier-2 markets. Manufacturing continues to be segmented by product positioning, with premium categories (TV, WMs, side-by-side refrigerators) produced in Pune and mass products in Noida.

Calibrated price hike and cost-saving measures to drive margin expansion

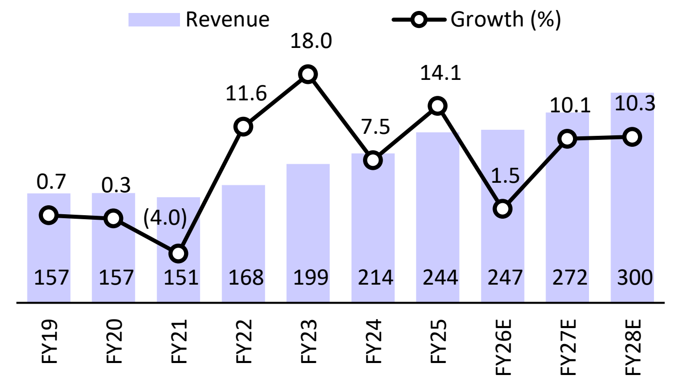
- The company has implemented price increases across categories to offset cost pressures, with ~9% for 5-star ACs, ~7% for 3-star ACs, and ~2% hikes in refrigerators and washing machines from Oct'25, alongside reduced promotional intensity. The price hike was inevitable due to the cost pressure amid higher input material costs, rupee depreciation, regulatory changes in scrap procurement pricing (increased minimum price) mandated by government-approved vendors, and new energy efficiency norms.
- After near-term margin pressure, management expects structural margin gains through mix enrichment and premiumization. Premium products contribute ~28% of sales vs. industry levels of ~16-17%, with further upside expected. Product engineering initiatives such as simplified refrigerator components and motor technology optimization in washing machines are designed to maintain affordability without compromising margins. Its RAC portfolio is positioned at ~10% premium to Voltas and ~4% above Daikin, reflecting brand strength.
- Localization continues to strengthen with domestic sourcing rising from 45-46% three years ago to 57-58% currently, with a target of ~65% over 3-4 years. Key components, including compressors, PCBs, and heat exchangers, are increasingly manufactured in-house, while panel sourcing from TCL locally has risen from zero in FY22 to ~30% currently, with a 50% target. Compressor capacity expansion remains a strategic priority. It consumes 1.8m compressors annually, with 0.9m currently produced in-house. New compressor facility is targeted by Mar'27 (Phase-2 of Sri City expansion), which should meaningfully reduce cost dependence on external suppliers.
- Annual maintenance contracts are expected to grow from USD40m in CY24 and USD60m in CY25 to USD100m by CY26. The B2B segment (~10% of revenue) includes VRF systems, cassette ACs, Chillers, data-center cooling solutions, HVAC equipment and interactive displays. B2B segment was growing at ~20% over the past few years, while it is estimated to be flat YoY in FY26.
- LGEIL plans to significantly scale up its export contribution. It has commenced manufacturing side-by-side refrigerator models that meet US specifications and has already secured export orders for these products. In addition, it exports mid- and entry-level products to over 50 neighboring countries and is strengthening its distribution network in these markets to drive growth. LGEIL is also targeting an expansion of microwave exports to Europe going forward.

Valuation and view

- LGEIL has established itself as a strong player in various consumer electrical categories, such as TVs, refrigerators, washing machines, RACs, and microwave ovens. The industry outlook remains constructive, led by rising preference for premium, energy-efficient products, while low penetration levels continue to offer volume-led growth opportunities.
- We estimate a CAGR of ~10%/22%/23% in revenue/EBITDA/PAT over FY26-28. We estimate OPM to expand to 12.0%/12.7% by FY27/FY28 vs. 10.3% in FY26. It has consistently generated positive operating cash flows over the years. We estimate a cumulative OCF of INR72b during FY26-28; however, its capex plans for the Sri City plant (INR39b to be spent during FY26-28E) are expected to moderate its FCF. Cumulative FCF during FY26-28 is estimated at INR33b.
- The stock trades at 46x/39x FY27/FY28E EPS. We value LGEIL at 45x FY28E EPS to arrive at our TP of INR1,860. Reiterate BUY.

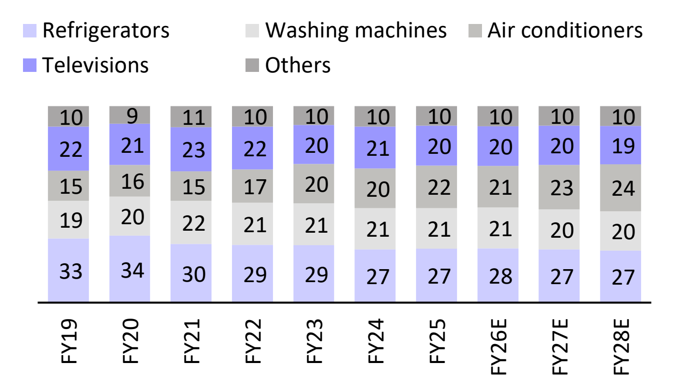
Story in charts

Exhibit 1: Revenue to clock a CAGR of ~10% over FY26-28E



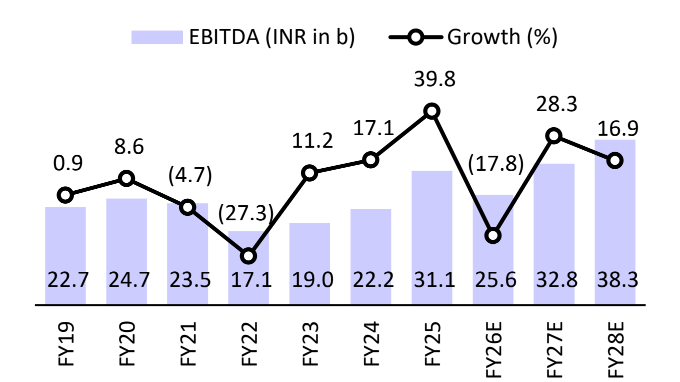
Source: MOFSL, Company

Exhibit 2: Revenue break-up across product categories



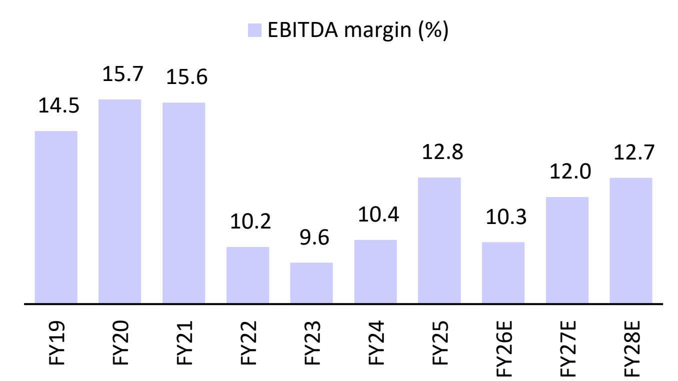
Source: MOFSL, Company

Exhibit 3: EBITDA to clock a CAGR of ~22% over FY26-28



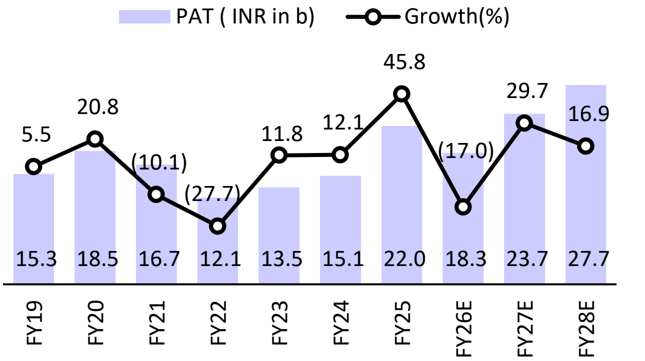
Source: MOFSL, Company

Exhibit 4: EBITDA margin to improve in FY27-28 vs. FY26E



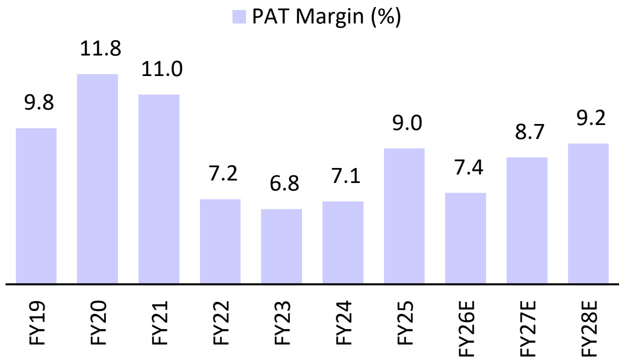
Source: MOFSL, Company

Exhibit 5: PAT to register a CAGR of ~23% over FY26-28E



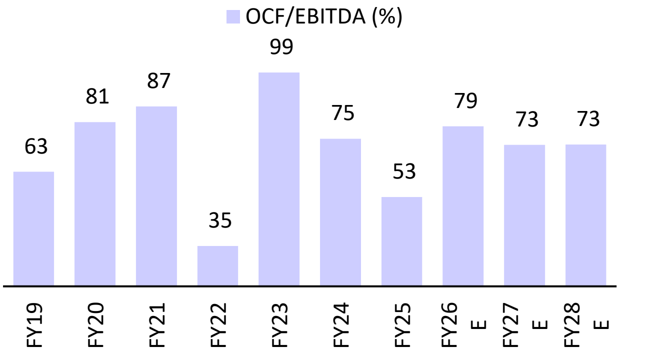
Source: MOFSL, Company

Exhibit 6: PAT margin to increase over FY27-28E vs. FY26E



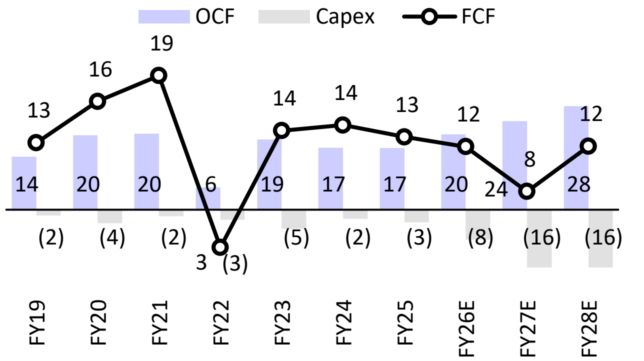
Source: MOFSL, Company

Exhibit 7: OCF/EBITDA conversion



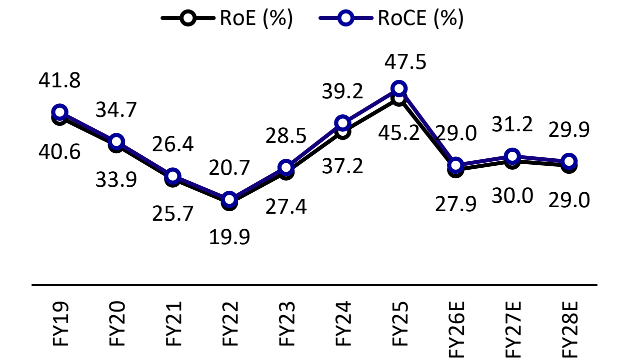
Source: MOFSL, Company

Exhibit 8: FCF to decline in FY27E on higher capex



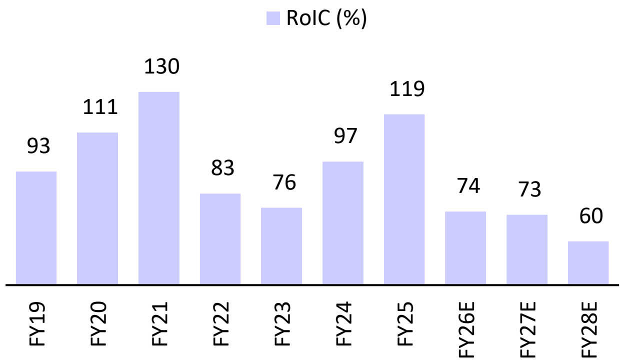
Source: MOFSL, Company

Exhibit 9: ROE/ROCE to stable over FY27-28E vs. FY26E



Source: MOFSL, Industry, Company

Exhibit 10: ROIC to moderate in initial high capex period



Source: MOFSL, Industry, Company

Financials and valuations (Consolidated)

Income Statement								(INR M)
Y/E March	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Net Sales	**1,50,866**	**1,68,342**	**1,98,646**	**2,13,520**	**2,43,666**	**2,47,336**	**2,72,341**	**3,00,500**
Change (%)	-4.0	11.6	18.0	7.5	14.1	1.5	10.1	10.3
Raw Materials	97,679	1,18,005	1,40,281	1,49,302	1,65,801	1,72,393	1,85,737	2,03,138
Gross margin (%)	35.3	29.9	29.4	30.1	32.0	30.3	31.8	32.4
Staff Cost	6,610	7,255	7,992	8,868	9,628	10,398	11,438	12,582
Other Expenses	23,068	25,995	31,380	33,101	37,136	38,994	42,392	46,474
EBITDA	**23,509**	**17,087**	**18,993**	**22,249**	**31,101**	**25,550**	**32,775**	**38,306**
% of Net Sales	15.6	10.2	9.6	10.4	12.8	10.3	12.0	12.7
Depreciation	2,439	2,584	3,004	3,644	3,804	3,866	4,097	4,913
Interest	156	225	226	285	306	359	384	403
Other Income	1,702	2,038	2,440	2,051	2,640	3,088	3,622	4,309
PBT	**22,616**	**16,316**	**18,203**	**20,371**	**29,631**	**24,414**	**31,917**	**37,299**
Tax	5,951	4,260	4,723	5,260	7,598	6,260	8,184	9,564
Rate (%)	26.3	26.1	25.9	25.8	25.6	25.6	25.6	25.6
Extra-ordinary Inc.(net)	0	0	0	0	0	-125	0	0
Reported PAT	**16,665**	**12,056**	**13,480**	**15,111**	**22,033**	**18,029**	**23,733**	**27,735**
Change (%)	-10.1	-27.7	11.8	12.1	45.8	-18.2	31.6	16.9
Adjusted PAT	**16,665**	**12,056**	**13,480**	**15,111**	**22,033**	**18,293**	**23,733**	**27,735**
Change (%)	-10.1	-27.7	11.8	12.1	45.8	-17.0	29.7	16.9

Balance Sheet (Consolidated)								(INR M)
Y/E March	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Share Capital	1,131	1,131	1,131	1,131	6,788	6,788	6,788	6,788
Reserves	64,734	53,876	42,431	36,591	52,914	64,541	79,967	97,995
Net Worth	**65,865**	**55,007**	**43,562**	**37,722**	**59,702**	**71,328**	**86,755**	**1,04,783**
Loans	0	0	0	0	0	0	0	0
Deferred Tax Liability	-1,432	-1,278	-1,365	-1,720	-2,040	-2,040	-2,040	-2,040
Capital Employed	**64,433**	**53,729**	**42,197**	**36,002**	**57,662**	**69,288**	**84,715**	**1,02,742**
Gross Fixed Assets	22,781	24,840	30,146	32,839	35,801	38,554	45,054	70,554
Less: Depreciation	12,292	14,365	16,719	19,651	22,510	26,376	30,473	35,386
Net Fixed Assets	**10,489**	**10,475**	**13,427**	**13,188**	**13,291**	**12,178**	**14,581**	**35,168**
Capital WIP	338	1,030	246	244	753	6,000	15,000	5,000
Investments	0	0	0	0	0	0	0	0
Curr. Assets	**98,331**	**81,409**	**74,883**	**69,832**	**99,087**	**1,07,374**	**1,16,803**	**1,30,331**
Inventory	26,418	24,094	26,410	23,974	30,315	30,493	33,576	37,048
Debtors	10,595	13,811	14,995	17,970	23,612	23,967	26,390	29,119
Cash & Bank Balance	55,108	37,094	27,626	22,226	37,415	46,048	49,278	55,825
Other Current Assets	6,161	6,331	5,783	5,589	7,659	6,776	7,461	8,233
Current Liab. & Prov.	**44,725**	**39,185**	**46,359**	**47,262**	**55,470**	**56,263**	**61,669**	**67,757**
Creditors	33,397	25,984	31,192	30,351	34,049	34,562	38,056	41,991
Other Liabilities	9,154	11,433	13,108	14,504	18,629	18,910	20,822	22,974
Provisions	2,174	1,768	2,059	2,407	2,791	2,791	2,791	2,791
Net Current Assets	**53,606**	**42,224**	**28,524**	**22,570**	**43,617**	**51,110**	**55,134**	**62,575**
Application of Funds	**64,433**	**53,729**	**42,197**	**36,002**	**57,662**	**69,288**	**84,715**	**1,02,742**

Financials and valuations (Consolidated)

Ratios								
Y/E March	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Basic (INR)								
Adjusted EPS	**24.6**	**17.8**	**19.9**	**22.3**	**32.5**	**27.0**	**35.0**	**40.9**
Growth (%)	-10.1	-27.7	11.8	12.1	45.8	-17.0	29.7	16.9
Cash EPS	28.1	21.6	24.3	27.6	38.1	32.6	41.0	48.1
Book Value	97.0	81.0	64.2	55.6	88.0	105.1	127.8	154.4
DPS	11.8	20.0	22.0	18.5	0.0	9.4	12.2	14.3
Payout (incl. Div. Tax.)	80.0	187.7	184.6	138.5	0.0	35.0	35.0	35.0
Valuation (x)								
P/Sales	11.9	10.7	9.1	8.4	4.4	4.4	4.0	3.6
P/E (standalone)	64.8	89.6	80.2	71.5	49.0	59.1	45.5	39.0
Cash P/E	56.6	73.8	65.6	57.6	41.8	48.8	38.8	33.1
EV/EBITDA	43.6	61.1	55.4	47.6	33.5	40.5	31.5	26.8
EV/Sales	6.8	6.2	5.3	5.0	4.3	4.2	3.8	3.4
Price/Book Value	16.4	19.6	24.8	28.6	18.1	15.1	12.5	10.3
Dividend Yield (%)	0.7	1.3	1.4	1.2	0.0	0.6	0.8	0.9
Profitability Ratios (%)								
RoE	25.7	19.9	27.4	37.2	45.2	27.9	30.0	29.0
RoCE	26.4	20.7	28.5	39.2	47.5	29.0	31.2	29.9
RoIC	129.7	82.6	75.9	97.4	119.3	74.2	72.7	60.3
Turnover Ratios								
Debtors (Days)	26	30	28	31	35	35	35	35
Inventory (Days)	64	52	49	41	45	45	45	45
Creditors. (Days)	81	56	57	52	51	51	51	51
Asset Turnover (x)	2.3	3.1	4.7	5.9	4.2	3.6	3.2	2.9
Leverage Ratio								
Net Debt/Equity (x)	-0.8	-0.7	-0.6	-0.6	-0.6	-0.6	-0.6	-0.5

Cash Flow Statement								(INR M)
Y/E March	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
PBT before EO Items	**20,880**	**15,575**	**18,292**	**20,562**	**29,472**	**24,289**	**31,917**	**37,299**
Add : Depreciation	2,460	2,612	3,004	3,644	3,804	3,866	4,097	4,913
Interest	(1,467)	(1,399)	(1,977)	(1,720)	(2,172)	(2,730)	(3,239)	(3,906)
Less : Direct Taxes Paid	5,676	4,016	4,425	5,698	7,539	6,260	8,184	9,564
(Inc)/Dec in WC	(4,229)	6,793	(3,988)	125	7,025	(1,141)	794	894
CF from Operations	**20,426**	**5,979**	**18,882**	**16,663**	**16,539**	**20,307**	**23,797**	**27,848**
(Inc)/Dec in FA	(1,749)	(2,695)	(5,138)	(2,411)	(3,346)	(8,000)	(15,500)	(15,500)
Free Cash Flow	**18,677**	**3,284**	**13,744**	**14,252**	**13,193**	**12,307**	**8,297**	**12,348**
(Pur)/Sale of Investments	2,051	1,963	2,399	2,197	3,070	3,088	3,622	4,309
CF from Investments	**302**	**(732)**	**(2,739)**	**(214)**	**(275)**	**(4,912)**	**(11,878)**	**(11,191)**
(Inc)/Dec in Net Worth / Others	(243)	(414)	(494)	(654)	(770)	-	-	-
(Inc)/Dec in Debt	-	-	-	-	-	-	-	-
Less : Interest Paid	156	225	225	269	305	359	384	403
Dividend Paid	13,327	22,626	24,888	20,929	-	6,403	8,307	9,707
CF from Fin. Activity	**(13,726)**	**(23,265)**	**(25,607)**	**(21,852)**	**(1,075)**	**(6,761)**	**(8,690)**	**(10,110)**
Inc/Dec of Cash	**7,002**	**(18,018)**	**(9,464)**	**(5,403)**	**15,189**	**8,634**	**3,229**	**6,547**
Add: Beginning Balance (including bank deposits)	48,106	55,112	37,090	27,629	22,226	37,415	46,048	49,278
Closing Balance	**55,108**	**37,094**	**27,626**	**22,226**	**37,415**	**46,048**	**49,278**	**55,825**

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

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

Disclosures

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

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

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

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

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

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

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

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

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

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

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

Grievance Redressal Cell:

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

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

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