

August 8, 2025

Q1FY26 Result Update

☑ Change in Estimates | ☑ Target | ☑ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	HOLD		BUY	
Target Price	3,895		3,647	
Sales (Rs. m)	1,17,287	1,33,906	1,16,624	1,32,710
% Chng.	0.6	0.9		
EBITDA (Rs. m)	23,598	26,955	22,882	25,985
% Chng.	3.1	3.7		
EPS (Rs.)	78.4	90.6	75.9	86.8
% Chng.	3.3	4.3		

Key Financials - Standalone

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	89,586	1,03,394	1,17,287	1,33,906
EBITDA (Rs. m)	17,614	20,680	23,598	26,955
Margin (%)	19.7	20.0	20.1	20.1
PAT (Rs. m)	16,619	19,058	21,738	25,108
EPS (Rs.)	60.0	68.8	78.4	90.6
Gr. (%)	45.7	14.7	14.1	15.5
DPS (Rs.)	38.0	51.5	52.5	60.7
Yield (%)	1.0	1.4	1.4	1.6
RoE (%)	28.8	28.9	28.5	28.6
RoCE (%)	26.7	28.3	28.2	28.2
EV/Sales (x)	11.5	9.9	8.7	7.6
EV/EBITDA (x)	58.5	49.4	43.0	37.5
PE (x)	63.5	55.4	48.5	42.0
P/BV (x)	17.1	15.0	12.8	11.3

Key Data

CUMM.BO | KKC IN

52-W High / Low	Rs.3,929 / Rs.2,580
Sensex / Nifty	79,858 / 24,363
Market Cap	Rs.1,055bn/ \$ 12,038m
Shares Outstanding	277m
3M Avg. Daily Value	Rs.2107.99m

Shareholding Pattern (%)

Promoter's	51.00
Foreign	17.50
Domestic Institution	22.53
Public & Others	8.97
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	9.5	32.6	2.1
Relative	14.7	29.2	0.9

Amit Anwani

amitanwani@plindia.com | 91-22-66322250

Prathmesh Salunkhe

prathmeshsalunkhe@plindia.com | 91-22-66322324

Hitesh Agarwal

hiteshagarwal@plindia.com | 91-22-66322535

Strong Q1; demand outlook optimistic

Quick Pointers:

- Q1FY26 domestic/export mix stood at 82%/18% (vs 83%/17% in Q1FY25).
- Domestic powergen revenue grew ~32% YoY to Rs10.6bn with revenue mix stood at 60%/11%/21%/8% for HHP/HHD/MHP/LHP.

Cummins India (KKC) delivered a strong quarterly performance with revenue growing 26.2% YoY and EBITDA margin expanding by 117 bps YoY to 21.4%. Management guided for double-digit revenue growth in FY26 on the back of strong demand across segments. In Powergen, CPCB IV+ compliant products accounted for ~60% of domestic sales, with overall volumes reaching CPCB II levels and pricing stabilizing despite competitive pressure. Key end markets including infrastructure, airports, healthcare, and manufacturing continue to drive Powergen growth. The Industrial segment maintained steady momentum, supported by strong execution and growing aftermarket services across Railways, Construction, Mining, and Compressors. New product launches and deeper market penetration further bolstered the Distribution segment. On the export front, Latin America and Europe remained primary growth drivers, although management remains cautiously optimistic amid global uncertainties. We revise our FY26/27 EPS estimates by 3.3%/4.3% factoring in strong execution and demand in domestic and export markets. We downgrade our rating from 'Buy' to 'Hold' given a recent rally in stock and valuing a stock at a PE of 43x Mar'27E (42x Mar'27E earlier) with revised TP of Rs3,895 (Rs3,646 earlier). The stock is trading at a P/E of 48.5x/42.0x FY26/27E.

Long term view: We expect Cummins' outlook to remain intact given 1) strong domestic demand in Powergen across sectors with CPCB 4+ products witnessing traction, 2) maintain margin profile and 3) ample room for growth in the Distribution business.

Profitability driven by better operating leverage: Standalone revenue increased by 26.4% YoY to Rs28.6bn (PL: Rs24.9bn), led by strong growth in domestic (24.7% YoY to Rs23.4bn) and increase in export sales 34.4% YoY at Rs5.2bn. Gross margin contracted by 77bps YoY to 37.0% (PL: 36.2%). EBITDA increased by 33.4% YoY to Rs6.2bn (PL: Rs4.9bn) with EBITDA margin expanded by 117bps YoY to 21.4% (PL: 19.4%) driven by better operating leverage. PBT (ex. Extra ordinaries) increased by 31.7% YoY to Rs7.3bn (PL: Rs5.8bn) aided by lower interest cost (-44.3% YoY to Rs27mn). Adj.PAT increased by 32.2% YoY to Rs5.6bn (PL: Rs4.4bn) driven by increase in other income (+15.6% YoY to Rs1.5bn) and marginal decrease in effective rate.

Strong domestic growth aided by powergen : Domestic sales grew by 24.7% YoY to Rs23.4bn driven by Powergen (+32% YoY), Industrial (+12 YoY) and Distribution (+19% YoY). In Q1FY26 Domestic powergen revenue mix stood at 60%/11%/21%/8% for HHP/HHD/MHP/LHP. Exports increased by 34.4% YoY, to Rs5.2bn. Export mix stood at 43%/48%/9% for LHP/HHP/Spares in Q1FY26. LHP exports increased by ~45% YoY to Rs2.3bn, while HHP exports increased by ~25% YoY to Rs2.5bn and spares increased by 44% YoY to Rs460mn.


Exhibit 1: Revenue increased by 26.4% YoY to Rs28.6bn led by strong growth in domestic 24.7% YoY to Rs23.4bn

Y/e March (Rs mn)	Q1FY26	Q1FY25	YoY gr.	Q1FY26E	% Var.	Q4FY25	QoQ gr.	FY26E	FY25	YoY gr.
Sales	28,587	22,620	26.4%	24,917	14.7%	24,144	18.4%	1,15,440	1,01,662	13.6%
Other operating income	481	422	14.1%	435	10.6%	425	13.1%	1,847	1,732	6.6%
Total Revenue	29,068	23,042	26.2%	25,352	14.7%	24,569	18.3%	1,17,287	1,03,394	13.4%
Gross Profit	10,752	8,701	23.6%	9,178	17.2%	9,131	17.7%	42,575	37,478	13.6%
Margin (%)	37.0	37.8	(77)	36.2	78.9	37.2	(18)	36.3	36.2	5
Employee Cost	1,994	1,816	9.8%	1,977	0.9%	1,668	19.6%	8,797	7,740	13.7%
as % of sales	6.9	7.9	(102)	7.8	(93.9)	6.8	7	7.5	7.5	1
Other expenditure	2,523	2,212	14.1%	2,282	10.6%	2,267	11.3%	10,181	9,058	12.4%
as % of sales	8.7	9.6	(92)	9.0	(32.2)	9.2	(55)	8.7	8.8	(8)
EBITDA	6,235	4,673	33.4%	4,918	26.8%	5,197	20.0%	23,598	20,680	14.1%
Margin (%)	21.4	20.3	117	19.4	205.0	21.2	30	20.1	20.0	12
Depreciation	479	439	9.2%	470	2.0%	457	4.8%	1,973	1,829	7.9%
EBIT	5,756	4,235	35.9%	4,448	29.4%	4,739	21.4%	21,625	18,851	14.7%
Margin (%)	19.8	18.4	142	17.5	225.5	19.3	51	18.4	18.2	21
Other Income	1,529	1,322	15.6%	1,400	9.2%	2,119	-27.9%	7,037	6,261	12.4%
Interest	27	48	-44.3%	30	-11.7%	52	-48.5%	59	151	-60.8%
PBT (ex. Extra-ordinaries)	7,258	5,509	31.7%	5,818	24.7%	6,807	6.6%	28,603	24,961	14.6%
Margin (%)	25.0	23.9	106	22.9	201.9	27.7	(274)	24.4	24.1	25
Extraordinary Items	442	-	-	-	-	-	-	-	-	-
PBT	7,700	5,509	39.8%	5,818	32.3%	6,807	13.1%	28,603	24,961	14.6%
Total Tax	1,807	1,311	37.8%	1,408	28.3%	1,593	13.4%	6,865	5,904	16.3%
Effective Tax Rate (%)	23.5	23.8	(33)	24.2	(73.4)	23.4	6	24.0	23.7	35
Reported PAT	5,893	4,198	40.4%	4,410	33.6%	5,214	13.0%	21,738	19,058	14.1%
Adj. PAT	5,555	4,198	32.3%	4,410	26.0%	5,214	6.5%	21,738	19,058	14.1%
Margin (%)	19.1	18.2	89	17.4	171.3	21.2	(211)	18.5	18.4	10
Adj. EPS	20.0	15.1	32.3%	15.9	26.0%	18.8	6.5%	78.4	68.8	14.1%

Source: Company, PL

Exhibit 2: Export increased by 34.4% YoY was aided by robust growth in Low HP of 45.2% YoY

Revenue Mix (Rs mn)	Q1FY26	Q1FY25	YoY gr.	Q4FY25	QoQ gr.	FY26E	FY25	YoY gr.
By Geography								
Domestic	23,360	18,730	24.7%	19,350	20.7%	95,932	83,950	14.3%
Exports	5,230	3,890	34.4%	4,790	9.2%	19,509	17,710	10.2%
Domestic breakup								
Power Generation	10,560	8,030	31.5%	8,740	20.8%	44,206	38,440	15.0%
Distribution	7,770	6,510	19.4%	6,310	23.1%	31,680	26,870	17.9%
Industrial	4,180	3,720	12.4%	3,790	10.3%	20,046	16,680	20.2%
Export breakup								
Low HP	2,250	1,550	45.2%	2,150	4.7%	8,624	7,840	10.0%
High HP	2,520	2,020	24.8%	2,180	15.6%	9,042	8,220	10.0%
Spares	460	320	43.8%	460	0.0%	1,843	1,660	11.0%

Source: PL

Conference Call Highlights

- **Guidance:** Despite a strong performance in Q1, the management has reaffirmed its guidance of double-digit growth for FY26, citing ongoing global uncertainties as a reason for maintaining a cautious outlook
- **Powergen revenue increased by ~32% YoY to Rs10.6bn** driven by strong execution and broad-based growth across both domestic and export markets. The segment continues to gain traction in mission-critical sectors such as roads, airports, data centers, hospitals, and the pharmaceutical industry. Additionally, the quarter saw increased demand from the quick commerce segment. While the company faces competition from both domestic and international players, strong brand acceptance continues to support KKC in sustaining its market position. The CPCB IV+ products contributed approximately 60% to domestic Market volumes have recovered to levels previously seen under CPCB II, and pricing has been largely stabilized.
- **Industrial revenue grew by ~12% YoY to Rs4.2bn.** Growth was supported by increasing orders for diesel-electric tower cars and power cars, contributing to steady performance in the Railways segment. The Construction segment also witnessed stable growth, although some projects were impacted by the early onset of the monsoon. Meanwhile, the Compressors segment continued its positive momentum, driven by consistent demand. Management highlighted that strong execution capabilities and robust aftermarket services are expected to be key drivers of future growth in this segment.
- **Distribution revenue increased 19% YoY to ~Rs7.8bn.** driven by improved market penetration across Powergen, Railways, and aftermarket solutions. The launch of new products has also begun contributing meaningfully to the segment's performance. Management indicated that future growth is expected to remain balanced between Powergen and Industrial segments. While the contribution from Powergen CPCB IV+ will be significant, it is not expected to offset the growing contributions from industrial sub-segments such as Railways and Mining.
- **Exports Increased by ~34% YoY to Rs5.2bn.** Latin America and Europe continued to remain the primary growth driver for the company's exports. However, given the global uncertainties management remains cautiously optimistic about the outlook for exports. LHP exports (+45% YoY to Rs2.3bn) and HHP exports (+25% YoY to Rs2.5bn) along with growth in spares (+44% to Rs840mn) contributed to the jump in exports in Q1FY26
- **Battery Energy Storage Sysytem** - The product was launched in Q1 FY26, with the order book still developing as the company engages with customers to tailor value-driven solutions. Management sees no risk of cannibalization, as gensets serve backup needs while BESS complements the broader energy mix. Both offerings are positioned to meet different customer requirements.

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	89,586	1,03,394	1,17,287	1,33,906
YoY gr. (%)	15.7	15.4	13.4	14.2
Cost of Goods Sold	57,701	65,916	74,712	85,164
Gross Profit	31,886	37,478	42,575	48,742
Margin (%)	35.6	36.2	36.3	36.4
Employee Cost	7,793	7,740	8,797	10,311
Other Expenses	6,479	9,058	10,181	11,476
EBITDA	17,614	20,680	23,598	26,955
YoY gr. (%)	41.7	17.4	14.1	14.2
Margin (%)	19.7	20.0	20.1	20.1
Depreciation and Amortization	1,576	1,829	1,973	2,114
EBIT	16,037	18,851	21,625	24,841
Margin (%)	17.9	18.2	18.4	18.6
Net Interest	268	151	59	59
Other Income	5,678	6,261	7,037	8,168
Profit Before Tax	21,431	24,961	28,603	32,950
Margin (%)	23.9	24.1	24.4	24.6
Total Tax	4,824	5,904	6,865	7,842
Effective tax rate (%)	22.5	23.7	24.0	23.8
Profit after tax	16,606	19,058	21,738	25,108
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	16,619	19,058	21,738	25,108
YoY gr. (%)	45.7	14.7	14.1	15.5
Margin (%)	18.6	18.4	18.5	18.8
Extra Ord. Income / (Exp)	(13)	-	-	-
Reported PAT	16,606	19,058	21,738	25,108
YoY gr. (%)	47.0	14.8	14.1	15.5
Margin (%)	18.5	18.4	18.5	18.8
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	16,606	19,058	21,738	25,108
Equity Shares O/s (m)	277	277	277	277
EPS (Rs)	60.0	68.8	78.4	90.6

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	21,485	22,893	25,193	27,493
Tangibles	21,485	22,893	25,193	27,493
Intangibles	-	-	-	-
Acc: Dep / Amortization	9,604	9,970	11,943	14,057
Tangibles	9,604	9,970	11,943	14,057
Intangibles	-	-	-	-
Net fixed assets	11,881	12,923	13,250	13,436
Tangibles	11,881	12,923	13,250	13,436
Intangibles	-	-	-	-
Capital Work In Progress	2,265	2,211	2,211	2,211
Goodwill	-	-	-	-
Non-Current Investments	10,279	9,749	11,139	12,322
Net Deferred tax assets	(941)	(913)	(913)	(913)
Other Non-Current Assets	1,518	1,468	1,701	1,942
Current Assets				
Investments	11,782	9,321	11,321	13,321
Inventories	9,369	10,222	12,853	15,408
Trade receivables	20,776	22,925	25,618	29,248
Cash & Bank Balance	15,047	25,103	28,700	30,162
Other Current Assets	1,697	1,469	1,642	1,875
Total Assets	84,985	96,057	1,09,198	1,20,795
Equity				
Equity Share Capital	554	554	554	554
Other Equity	61,077	69,626	82,078	92,621
Total Networth	61,631	70,180	82,633	93,176
Non-Current Liabilities				
Long Term borrowings	144	204	204	204
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	1,061	92	92	92
Trade payables	14,024	15,682	16,388	18,343
Other current liabilities	7,184	8,985	8,968	8,067
Total Equity & Liabilities	84,985	96,057	1,09,198	1,20,795

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	21,431	24,961	28,603	32,950
Add. Depreciation	1,576	1,829	1,973	2,114
Add. Interest	268	151	59	59
Less Financial Other Income	5,678	6,261	7,037	8,168
Add. Other	(3,657)	(3,783)	-	-
Op. profit before WC changes	19,617	23,158	30,635	35,123
Net Changes-WC	(1,845)	(657)	(5,169)	(5,738)
Direct tax	(4,972)	(5,614)	(6,865)	(7,842)
Net cash from Op. activities	12,801	16,888	18,602	21,544
Capital expenditures	(3,631)	664	(5,660)	(5,457)
Interest / Dividend Income	3,106	3,491	-	-
Others	(2,148)	-	-	-
Net Cash from Inv. activities	(2,673)	4,156	(5,660)	(5,457)
Issue of share cap. / premium	-	-	-	-
Debt changes	(2,500)	(1,000)	-	-
Dividend paid	(8,593)	(10,534)	(9,286)	(14,565)
Interest paid	(173)	(51)	(59)	(59)
Others	(60)	(74)	-	-
Net cash from Fin. activities	(11,326)	(11,659)	(9,346)	(14,624)
Net change in cash	(1,198)	9,384	3,597	1,462
Free Cash Flow	9,950	14,512	16,302	19,244

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	60.0	68.8	78.4	90.6
CEPS	65.6	75.3	85.5	98.2
BVPS	222.3	253.2	298.1	336.1
FCF	35.9	52.4	58.8	69.4
DPS	38.0	51.5	52.5	60.7
Return Ratio(%)				
RoCE	26.7	28.3	28.2	28.2
ROIC	37.3	44.7	44.8	42.3
RoE	28.8	28.9	28.5	28.6
Balance Sheet				
Net Debt : Equity (x)	(0.4)	(0.5)	(0.5)	(0.5)
Net Working Capital (Days)	66	62	69	72
Valuation(x)				
PER	63.5	55.4	48.5	42.0
P/B	17.1	15.0	12.8	11.3
P/CEPS	58.0	50.5	44.5	38.8
EV/EBITDA	58.5	49.4	43.0	37.5
EV/Sales	11.5	9.9	8.7	7.6
Dividend Yield (%)	1.0	1.4	1.4	1.6

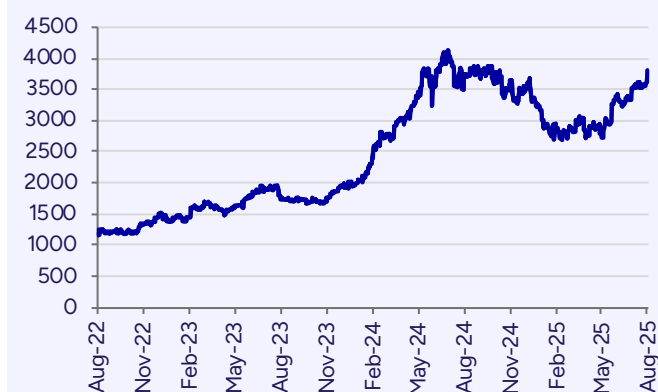
Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q2FY25	Q3FY25	Q4FY25	Q1FY26
Net Revenue	24,923	30,860	24,569	29,068
YoY gr. (%)	31.2	21.8	6.1	26.2
Raw Material Expenses	16,006	20,132	15,438	18,316
Gross Profit	8,917	10,729	9,131	10,752
Margin (%)	35.8	34.8	37.2	37.0
EBITDA	4,810	6,000	5,197	6,235
YoY gr. (%)	42.1	11.5	(4.5)	33.4
Margin (%)	19.3	19.4	21.2	21.4
Depreciation / Depletion	452	481	457	479
EBIT	4,358	5,519	4,739	5,756
Margin (%)	17.5	17.9	19.3	19.8
Net Interest	26	27	52	27
Other Income	1,611	1,209	2,119	1,529
Profit before Tax	5,944	6,702	6,807	7,700
Margin (%)	23.8	21.7	27.7	26.5
Total Tax	1,438	1,562	1,593	1,807
Effective tax rate (%)	24.2	23.3	23.4	23.5
Profit after Tax	4,506	5,140	5,214	5,893
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	4,506	5,140	5,214	5,555
YoY gr. (%)	37.2	12.7	(7.2)	32.3
Margin (%)	18.1	16.7	21.2	19.1
Extra Ord. Income / (Exp)	-	-	-	338
Reported PAT	4,506	5,140	5,214	5,893
YoY gr. (%)	37.2	13.0	(7.2)	40.4
Margin (%)	18.1	16.7	21.2	20.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	4,506	5,140	5,214	5,893
Avg. Shares O/s (m)	277	277	277	277
EPS (Rs)	16.3	18.5	18.8	20.0

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Jul-25	BUY	3,647	3,478
2	29-May-25	BUY	3,646	3,169
3	09-Apr-25	BUY	3,309	2,746
4	10-Feb-25	BUY	3,723	2,870
5	09-Jan-25	Accumulate	4,139	3,164
6	08-Nov-24	Accumulate	4,138	3,655
7	07-Oct-24	Accumulate	4,081	3,624

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ABB India	Accumulate	5,600	5,093
2	Apar Industries	Hold	9,540	9,682
3	BEML	Hold	4,142	4,522
4	Bharat Electronics	Hold	374	387
5	BHEL	Hold	215	228
6	Carborundum Universal	Hold	1,028	994
7	Cummins India	BUY	3,647	3,478
8	Elgi Equipments	Accumulate	559	535
9	Engineers India	Accumulate	250	242
10	GE Vernova T&D India	Accumulate	2,706	2,473
11	Grindwell Norton	Hold	1,739	1,635
12	Harsha Engineers International	Hold	402	423
13	Hindustan Aeronautics	Accumulate	5,500	5,003
14	Ingersoll-Rand (India)	BUY	4,522	4,045
15	Kalpataru Projects International	Accumulate	1,268	1,190
16	KEC International	Accumulate	911	860
17	Kirloskar Pneumatic Company	BUY	1,636	1,316
18	Larsen & Toubro	BUY	4,144	3,496
19	Praj Industries	BUY	545	497
20	Siemens	Accumulate	3,497	3,291
21	Thermax	Hold	3,633	3,779
22	Triveni Turbine	BUY	650	533
23	Voltamp Transformers	BUY	10,285	8,892

PL's Recommendation Nomenclature (Absolute Performance)

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

ANALYST CERTIFICATION

(Indian Clients)

We/I, Mr. Amit Anwani- MBA (Finance), Mr. Prathmesh Salunkhe- MBA Finance, Mr. Hitesh Agarwal- MBA Finance 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.

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 associates or his 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. Amit Anwani- MBA (Finance), Mr. Prathmesh Salunkhe- MBA Finance, Mr. Hitesh Agarwal- MBA Finance 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.

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