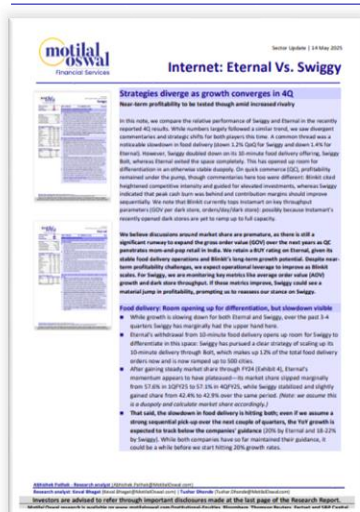


Internet: Eternal & Swiggy



A buffet of tailwinds

Upgrade Swiggy to BUY; maintain BUY on Eternal

The food delivery and quick commerce industry has faced multiple headwinds over the past few months. **Food delivery (FD) growth slowed** due to weak consumption and macro pressures, while **quick commerce (QC) profitability came under strain** from heightened competition, accelerated dark store rollouts, and elevated customer acquisition costs. We now believe the cycle is turning.

We believe FD growth, which was stunted at 17-18%, could accelerate beyond 20% in the next 2-4 quarters, driven by the upcoming festive season, as well as a spur from the recent GST reforms. In QC, all changes point to easing competition: 1) new entrants have found it difficult to execute and make a meaningful dent in QC market share; 2) we expect most players to moderate dark store expansion pace, which peaked in 4QFY25; 3) an intense focus on cost among the top 3 players should lead to lower discounting, reducing CAC; 4) GST reforms could accelerate QC adoption in non-metro cities.

In summary, we believe the perfect storm has given way to multiple tailwinds. We raise our FD growth estimates for both Zomato and Swiggy to 21-23% for FY26-FY27 (19-20% earlier) and value the FD businesses at 35x FY27E adjusted EBTIDA (27x earlier). We also bring our profitability assumptions for QC forward for Instamart and Blinkit. These lead to upgraded TPs for both Swiggy and Eternal. We **upgrade Swiggy to BUY** with a TP of INR560, implying 32% upside, and **retain our BUY rating** on Eternal with a TP of INR420, implying 29% upside.

Food Delivery: Time to eat that cake

- **FD growth had decelerated meaningfully in recent quarters**, weighed down by weak consumer sentiment and broader macro headwinds. As shown in Exhibit 9, FD GOV growth slowed from 19-20% in FY23-24 to 18% in FY25 for both Swiggy/Zomato. We now see this trend reversing.
- **Discretionary spending could rebound**, supported by GST reforms that leave more disposable income in the consumer's hands. As confidence returns, both dining-out and at-home delivery should accelerate too, providing a boost to platform order volumes as well as order frequency.
- **We raise our FD growth estimates** and now forecast **23% CAGR in GMV over FY26-28 vs. 19% earlier**.

Quick Commerce: Counting calories

- The QC industry is transitioning from the land-grab phase to a more cost-conscious operating model.
- **Past pressures:**
 - **High competitive intensity:** Between **Sep'24 and Apr'25**, customer acquisition costs and dark store expansion peaked as all major players pushed aggressively to capture share. Intense discounting and promotional burn led to contribution margin loss across much of the industry.

- **Dark store expansion:** The number of dark stores grew rapidly during this period, pressuring utilization and economics (Exhibit 8).
- **Customer acquisition costs:** These costs surged to unsustainable levels as platforms fought for new users, pushing payback periods further out, leading to poor contribution margins (Exhibit 10).
- **What is changing:**
- **Rational competition:** We believe discounting intensity will ease going forward, supported by measured aggression by new entrants as well as incumbents. We expect this rationalization to deepen over the next few quarters.
- **Moderation in dark store expansion:** Swiggy has slowed its rollout pace, focusing instead on sweating existing assets. Blinkit, while still expanding, benefits from higher density and leadership positioning.
- **Policy support:** Lower GST burden provides a structural tailwind for penetration and unit economics.
- **Improving operating leverage:** With expansion peaking behind us, dark store costs as a % of GMV should decline steadily, driving margin expansion.

Regarding Section 9(5) and the additional GST burden on delivery charges

- The **new GST regime has explicitly brought delivery fees (charged to customers) under Section 9(5)**, requiring platforms like Swiggy and Zomato to pay GST directly on this component.
- Previously, aggregators were already liable for restaurants and small sellers (since Jan-2022), but **delivery services were excluded**, creating a loophole. This gap triggered large tax notices—on Zomato and Swiggy over the past couple of years—as authorities argued that delivery workers or customers should bear the burden.
- The recent clarification closes this gap, formalizing liability at the platform level. It is unclear whether companies will pass this on to consumers or absorb it; either way, the impact is modest ($\approx 0.3\text{-}0.5\%$ of EBITDA for FD), and we believe the knock-on positives from higher consumption and quick commerce adoption outweigh this.

Valuation and view: Upgrade Swiggy to BUY; raise estimates

- We raise our FD growth estimates for both **Zomato and Swiggy to 21-23% for FY26-27** (vs. 19-20% earlier). To capture this stronger growth outlook, we now **value FD businesses at 35x FY27E adjusted EBITDA**, compared to 27x earlier, reflecting not only faster top-line recovery but also improved visibility on profitability.
- On the QC side, we bring forward our **profitability assumptions for Instamart and Blinkit**, as easing competitive intensity, moderating dark store expansion, and declining customer acquisition costs have accelerated the path to breakeven. We expect contribution margins to recover meaningfully over the next few quarters.
- The revisions lead to **upgraded target prices for both Swiggy and Eternal**. We upgrade **Swiggy to BUY** with a TP of INR560 (implying 32% upside), reflecting the inflection in FD growth and improved unit economics in QC. We **retain our BUY rating on Eternal** with a TP of INR420 (implying 29% upside), as we continue to see structural tailwinds and upside to earnings estimates for the company.

Eternal's valuation and change in estimates

Exhibit 1: Summary of our revised estimates

	Revised estimates		Earlier estimates		Change (%/bp)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue (INR m)	3,40,676	5,58,105	3,39,444	5,41,174	0.4%	3.1%
EBITDA (INR m)	12,507	42,752	12,319	36,378	1.5%	17.5%
EBITDA Margin	3.7	7.7	3.6	6.7	4bp	94bp
PAT	10,922	41,213	10,766	35,134	1.5%	17.3%
PAT Margin	3.2	7.4	3.2	6.5	3bp	89bp
EPS	1.22	4.59	1.20	3.92	1.5%	17.3%

Source: MOFSL

Exhibit 2: Quick commerce's DCF assumptions

DCF Assumptions & Valuation

Quick Commerce

Order growth (FY25-37)	29.7%
AOV growth (FY25-37)	1.2%
GOV growth (FY25-37)	31.1%

Source: MOFSL

Exhibit 3: Eternal's SoTP-based TP at INR420

Assumptions and Valuation	Food Delivery	Quick Commerce (DCF)	Other businesses	Cash	Total
Valuation methodology	Valued at EV/EBITDA multiple	DCF	Ascribing ~USD1bn value to Hyperpure, Going Out, and any other residual business		
WACC	-	11.5%	-		
Terminal Growth	-	5.5%	-		
EV/EBITDA multiple	35x	-	-		
EV (INR mn)	8,93,601	23,37,328	83,000	1,15,860	
Contribution (INR rounded)	110	287	10	14	420

Source: MOFSL

Swiggy's valuation and change in estimate

Exhibit 4: Summary of our revised estimates

	Revised		Earlier		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue (INR m)	2,28,845	3,28,185	2,23,281	3,05,603	2.5%	7.4%
EBITDA (INR m)	-32,960	-9,788	-33,740	-19,363	-2.3%	-49.5%
EBITDA Margin	-14.4	-3.0	-15.1	-6.3	71bp	335bp
PAT	-38,353	-16,875	-38,939	-25,660	-1.5%	-34.2%
PAT Margin	-16.8	-5.1	-17.4	-8.4	68bp	325bp
EPS	-16.77	-7.38	-17.03	-11.22	-1.5%	-34.2%

Source: MOFSL

Exhibit 5: DCF assumptions and valuation

DCF Assumptions & Valuation

Quick Commerce

Order growth (FY25-37)	29.2%
AOV growth (FY25-37)	3.4%
GOV growth (FY25-37)	33.6%

Source: MOFSL

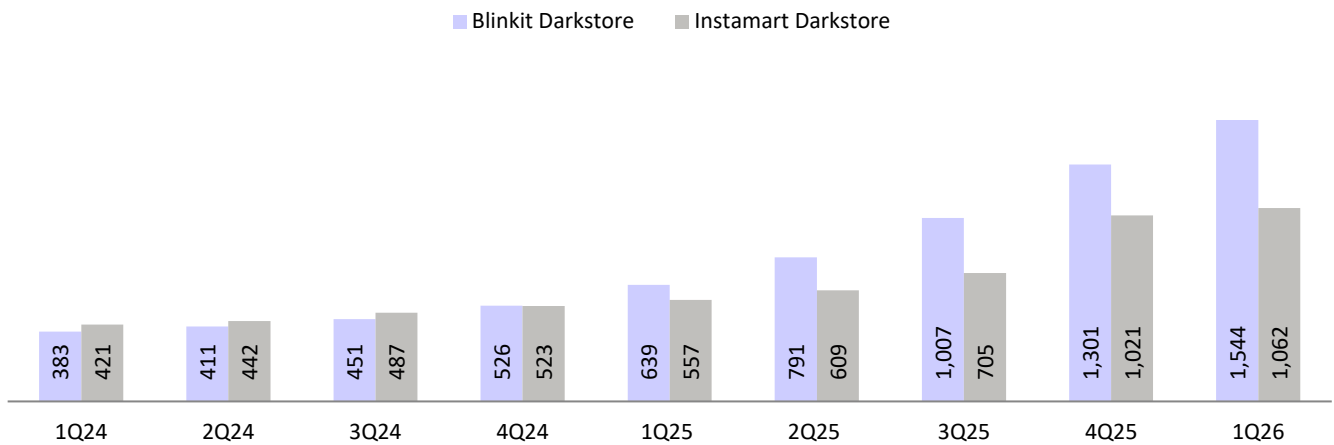
Exhibit 6: SoTP-based TP at INR560

Segment	Methodology	Methodology description	Valuation toward SWIGGY (INR b)	Contribution (INR per share)
Food Delivery Business	Multiples	❖ 35x FY27E EV/EBITDA	554	242
		❖ Estimate 34% GOV CAGR and avg. contribution margin of 3.0% over FY25-37. Our WACC/terminal growth estimate stands at 12.5%/6.5%, respectively.		
Quick Commerce Business	DCF		599	262
Other businesses		❖ Ascribing ~USD1bn value to Out of Home Consumption and Supply Chain businesses	83	36
Cash on the books			54	23
Total (Rounded)				560

Source: MOFSL

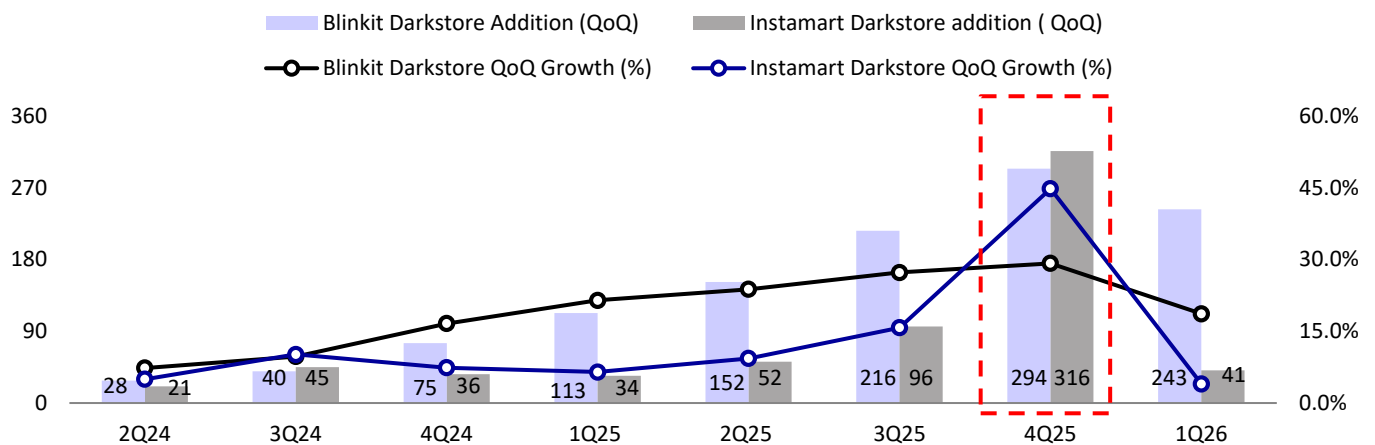
Story in charts

Exhibit 7: Blinkit leads in dark stores, but Instamart has narrowed the gap in recent quarters.



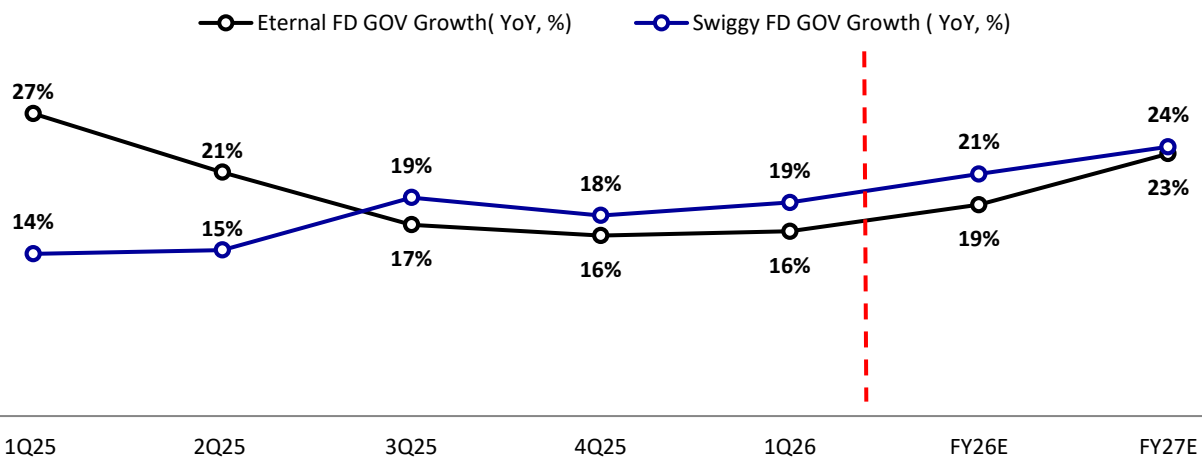
Source: MOFSL, Company

Exhibit 8: Blinkit and Instamart added the highest number of stores in 4Q; going forward, Blinkit aims for 2,000 stores, while Instamart will expand selectively.



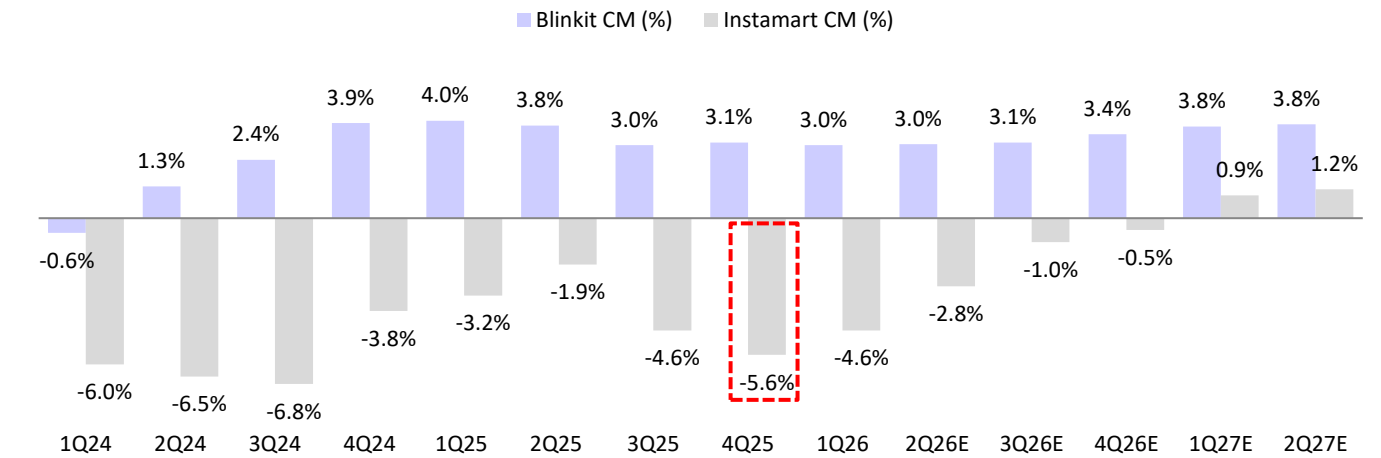
Source: MOFSL, Company

Exhibit 9: Food delivery is now steady-state business for both peers and we expect 21-23% GOV growth



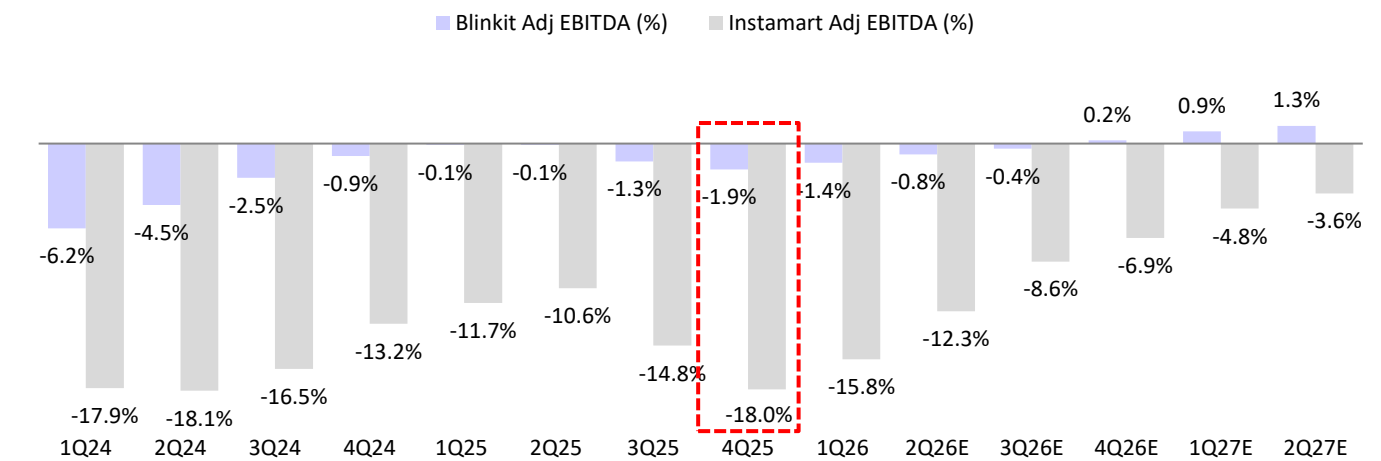
Source: MOFSL, Company

Exhibit 10: Instamart CM losses have peaked out in 4QFY25 and we expect CM for both companies to improve gradually on the back of easing competitive intensity, moderating dark store expansion, and declining customer acquisition costs



Source: MOFSL, Company

Exhibit 11: We expect Blinkit's operating breakeven by 1QFY27E, while Instamart's improved contribution margin and lower fixed costs should improve EBITDA margins



Source: MOFSL, Company

Financials and valuations - Eternal

Revenue Model						(INR M)	
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
MTU (Mn)	6.8	14.7	17.1	18.4	20.6	24.7	28.2
Order Frequency	2.9	3.0	3.2	3.5	3.6	3.6	3.8
Orders/ Month	19.9	44.7	54.0	63.9	73.9	87.6	107.7
Orders/ Year	239	537	648	766	886	1,051	1,293
AOV	397	398	407	420	436	436	436
Delivery GOV	94,829	2,13,565	2,63,381	3,22,039	3,86,430	4,58,319	5,63,615
Take Rate (%)	15.8	17.2	17.2	19.7	20.9	21.4	21.5
Delivery Revenue	15,003	36,645	45,381	63,572	80,796	97,995	1,21,177
Blinkit Revenue	0	0	8,058	23,020	52,060	1,24,365	2,59,137
Hyperpure revenue	2,002	5,376	15,061	31,720	61,960	1,08,790	1,65,435
Others	2,933	-97	2,294	2,828	7,614	9,526	12,356
Revenue	19,938	41,924	70,794	1,21,140	2,02,430	3,40,676	5,58,105
Income statement						(INR M)	
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Sales	19,938	41,924	70,794	1,21,140	2,02,430	3,40,676	5,58,105
Change (%)	-23.5	110.3	68.9	71.1	67.1	68.3	63.8
Inventory of traded goods	1,919	5,246	13,952	28,820	55,650	1,02,671	1,53,854
Employee Expenses	7,408	16,331	14,650	16,590	25,580	41,445	72,488
Other direct expenses	-8,333	-14,125	2,173	19,990	38,340	67,296	1,16,316
Gross Profit	-925	2,206	16,823	36,580	63,920	1,08,741	1,88,803
% of Net Sales	-4.6	5.3	23.8	30.2	31.6	31.9	33.8
Other Expenses	3,746	20,714	28,936	36,160	57,544	96,234	1,46,051
EBITDA	-4,672	-18,508	-12,113	420	6,376	12,507	42,752
% of Net Sales	-23.4	-44.1	-17.1	0.3	3.1	3.7	7.7
Depreciation	1,377	1,503	4,369	5,260	8,630	15,245	17,220
EBIT	-6,049	-20,011	-16,482	-4,840	-2,254	-2,738	25,532
% of Net Sales	-30.3	-47.7	-23.3	-4.0	-1.1	-0.8	4.6
Other Income (net)	1,146	4,829	6,328	7,750	9,230	17,127	20,282
PBT	-4,904	-15,182	-10,154	2,910	6,976	14,389	45,814
Tax	13	20	-436	-600	1,700	3,467	4,601
Rate (%)	-0.3	-0.1	4.3	-20.6	24.4	24.1	10.0
PAT	-4,917	-15,202	-9,718	3,510	5,276	10,922	41,213
Extraordinary gains/loss	-3,248	2,974	1	0	0	0	0
Adjusted PAT	-8,164	-12,228	-9,717	3,510	5,276	10,922	41,213
Minority Interest	-36	3	-3	0	0	0	0
Reported PAT	-8,128	-12,225	-9,720	3,510	5,276	10,922	41,213
Balance Sheet						(INR M)	
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Share capital	4,550	7,643	8,364	8,680	9,070	9,070	9,070
Reserves	76,438	1,57,412	1,86,234	1,95,450	2,94,100	3,05,022	3,46,235
Net Worth	80,987	1,65,055	1,94,598	2,04,130	3,03,170	3,14,092	3,55,305
Minority Interest & Others	-57	-66	-66	-70	-70	-70	-70
Loans	0	0	58	0	0	0	0
Capital Employed	80,930	1,64,989	1,94,590	2,04,060	3,03,100	3,14,022	3,55,235
Net Block	838	1,157	6,432	9,950	29,340	38,279	41,069
Intangibles	14,553	12,892	57,071	54,710	66,490	58,058	52,000
Other LT assets	30,138	83,771	44,174	1,14,320	1,43,390	1,43,390	1,43,390
Curr. Assets	41,505	75,450	1,08,310	54,580	1,17,010	1,37,404	1,97,578
Debtors	1,299	1,599	4,569	7,940	19,460	32,750	53,652
Cash & Bank Balance	3,065	3,923	2,181	3,090	6,660	13,764	53,036
Investments	28,024	28,149	52,837	17,020	52,200	52,200	52,200
Other Current Assets	9,118	41,779	48,723	26,530	38,690	38,690	38,690
Current Liab. & Prov	6,105	8,281	21,397	29,500	53,130	63,108	78,800
Net Current Assets	35,400	67,169	86,913	25,080	63,880	74,297	1,18,778
Application of Funds	80,930	1,64,989	1,94,590	2,04,060	3,03,100	3,14,024	3,55,237

Financials and valuations - Eternal

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)							
EPS	-1.0	-1.7	-1.2	0.4	0.6	1.2	4.6
Cash EPS	-0.8	-1.5	-0.7	1.0	1.6	2.9	6.5
Book Value	15.0	22.6	24.1	23.7	33.8	35.0	39.6
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)							
P/E	NA	NA	NA	NA	NA	NA	NA
Cash P/E	NA	NA	NA	NA	NA	NA	NA
EV/EBITDA	NA	NA	NA	NA	NA	NA	NA
EV/Sales	88.3	56.9	37.3	23.3	14.5	8.6	5.2
Price/Book Value	21.8	14.5	13.6	13.8	9.7	9.4	8.3
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profitability Ratios (%)							
RoE	(18.5)	(9.9)	(5.4)	1.8	2.1	3.5	12.3
RoCE	(11.7)	(16.2)	(8.6)	(2.8)	(0.6)	(0.6)	6.5
Turnover Ratios							
Debtors (Days)	24	14	24	24	35	35	35
Fixed Asset Turnover (x)	23.8	36.2	11.0	12.2	6.9	8.9	13.6

Cash Flow Statement

(INR Mn)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
CF from Operations	-2,798	-9,221	-6,373	6,330	15,190	14,787	45,032
Cash for Working Capital	-7,567	2,483	-1,759	1,180	-10,930	-3,312	-5,209
Net Operating CF	-10,365	-6,738	-8,132	7,510	4,260	11,475	39,823
Net Purchase of FA	-104	-572	-1,014	-2,020	-9,310	-15,752	-13,953
Free Cash Flow	-10,469	-7,310	-9,146	5,490	-5,050	-4,277	25,870
Net Purchase of Invest.	-52,332	-78,806	5,587	-1,450	-70,620	19,680	22,960
Net Cash from Invest.	-52,436	-79,378	4,573	-3,470	-79,930	3,928	9,008
Proc. from equity issues	66,083	90,000	40	230	85,010	-2,280	-2,280
Proceeds from LTB/STB	-26	-13	-231	-400	0	0	0
Others	-2,038	-2,489	-1,083	-1,900	-4,590	-2,553	-2,679
Dividend Payments	0	0	0	0	0	0	0
Cash Flow from Fin.	64,019	87,498	-1,274	-2,070	80,420	-4,833	-4,959
Net Cash Flow	1,218	1,382	-4,833	1,970	4,750	10,570	43,872
Opening Cash Bal.	1,672	3,065	3,923	2,181	3,091	6,661	13,764
Forex differences	-10	-332	3,399	-10	0	0	0
Add: Net Cash	1,218	1,382	-4,833	1,970	4,750	10,570	43,872
Closing Cash Bal.	2,880	4,115	2,489	4,141	7,841	17,231	57,637

Financials and valuations - Swiggy

Revenue Model					(INR m)	
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
MTU (m)	9.9	11.6	12.7	14.7	17.6	20.6
Order Frequency	3.8	3.7	3.8	3.7	3.8	4.0
Orders/ Month	37.8	43.1	48.1	55.0	66.7	82.5
Orders/ Year	454	517	578	660	801	990
AOV	407	416	428	436	436	436
Delivery GOV	1,84,788	2,15,171	2,47,174	2,87,823	3,49,073	4,31,708
Take Rate (%)	18.4	19.2	20.9	22.1	22.4	22.5
Delivery Revenue	33,913	41,300	51,601	63,529	78,348	97,134
Instamart Revenue	828	4,514	9,786	21,296	45,370	90,622
Out-of-home consumption revenue	0	777	1,572	2,385	3,248	4,547
Others	22,307	36,056	49,515	65,058	1,01,880	1,35,882
Revenue	57,049	82,646	1,12,474	1,52,268	2,28,845	3,28,185

Income statement					(INR m)	
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Sales	57,049	82,646	1,12,474	1,52,268	2,28,845	3,28,185
Change (%)	NA	44.9	36.1	35.4	50.3	43.4
Inventory of traded goods	22,680	33,809	46,042	60,015	95,601	1,28,874
Employee Expenses	17,085	21,298	20,122	25,489	29,364	39,226
Other direct expenses	199	6,241	26,189	41,275	74,517	1,20,858
Gross Profit	17,284	27,539	46,310	66,764	1,03,881	1,60,084
% of Net Sales	30.3	33.3	41.2	43.8	45.4	48.8
Other Expenses	53,794	70,297	68,390	94,622	1,36,840	1,69,872
EBITDA	-36,511	-42,758	-22,080	-27,858	-32,960	-9,788
% of Net Sales	-64.0	-51.7	-19.6	-18.3	-14.4	-3.0
Depreciation	1,701	2,858	4,206	6,123	9,153	11,486
EBIT	-38,212	-45,616	-26,286	-33,981	-42,113	-21,275
% of Net Sales	-67.0	-55.2	-23.4	-22.3	-18.4	-6.5
Other Income (net)	3,665	3,917	3,156	2,956	3,760	4,400
PBT	-34,547	-41,699	-23,130	-31,025	-38,353	-16,875
Tax	0	0	0	0	0	0
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0
PAT	-34,547	-41,699	-23,130	-31,025	-38,353	-16,875
Extraordinary gains/loss	1,732	93	306	118	0	0
Adjusted PAT	-36,279	-41,792	-23,436	-31,143	-38,353	-16,875
Minority Interest	10	1	66	26	10	0
Reported PAT	-36,289	-41,793	-23,502	-31,169	-38,363	-16,875
Change (%)	NA	NA	NA	NA	NA	NA

Balance Sheet					(INR m)	
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Share capital	1,55,634	1,55,652	1,55,763	2,286	2,286	2,286
Reserves	-32,965	-65,086	-77,848	99,908	69,516	60,601
Net Worth	1,22,669	90,566	77,915	1,02,195	71,802	62,888
Loans	0	0	960	0	0	0
Capital Employed	1,22,669	90,566	78,874	1,02,195	71,802	62,888
Net Block	7,738	8,596	10,406	26,838	28,969	30,610
Intangibles	272	6,455	10,008	9,470	9,470	9,470
Other LT assets	14,711	19,529	17,514	24,690	24,690	24,690
Curr. Assets	1,21,336	78,227	67,366	91,056	58,275	55,499
Debtors	11,119	10,623	9,639	24,625	19,611	28,124
Cash & Bank Balance	10,961	8,325	8,691	12,306	34,558	23,270
Investments	90,757	48,885	37,323	33,921	0	0
Other Current Assets	8,498	10,393	11,714	20,203	4,105	4,105
Current Liab. & Prov	21,388	22,240	26,420	49,858	49,601	57,381
Net Current Assets	99,948	55,987	40,946	41,197	8,673	-1,882
Application of Funds	1,22,669	90,566	78,874	1,02,195	71,802	62,888

Financials and valuations - Swiggy

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)						
EPS	-18.6	-19.3	-10.7	-13.6	-16.8	-7.4
Cash EPS	-17.8	-18.0	-8.8	-11.0	-12.8	-2.4
Book Value	63.0	41.9	35.5	44.7	31.4	27.5
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Payout %	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)						
P/E	NA	NA	NA	NA	NA	NA
Cash P/E	NA	NA	NA	NA	NA	NA
EV/EBITDA	NA	NA	NA	NA	NA	NA
EV/Sales	14.4	11.1	8.3	6.3	4.1	2.9
Price/Book Value	6.8	10.2	12.1	9.6	13.6	15.6
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0
Profitability Ratios (%)						
RoE	(29.6)	(39.2)	(27.8)	(34.6)	(44.1)	(25.1)
RoCE	(30.0)	(40.9)	(29.2)	(33.9)	(41.7)	(26.2)
Turnover Ratios						
Debtors (Days)	71	47	31	59	31	31
Fixed Asset Turnover (x)	7.4	9.6	10.8	5.7	7.9	10.7

Cash Flow Statement

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
(INR m)						
CF from Operations	-32,128	-39,460	-15,115	-15,474	-25,000	-1,828
Cash for Working Capital	-6,876	-1,139	1,988	-6,221	4,757	-733
Net Operating CF	-39,004	-40,599	-13,127	-21,695	-20,242	-2,561
Net Purchase of FA	-2,274	-1,573	-3,440	-7,433	36,789	0
Free Cash Flow	-41,278	-42,172	-16,567	-29,128	16,546	-2,561
Net Purchase of Invest.	-89,327	41,251	18,025	-6,291	6,717	-7,927
Net Cash from Invest.	-91,601	39,678	14,585	-13,724	43,505	-7,927
Proc. from equity issues	1,39,058	0	0	45,043	0	0
Proceeds from LTB/STB	-918	0	1,076	-1,643	0	0
Others	-1,799	-1,715	-2,304	-4,367	-1,010	-800
Dividend Payments	0	0	0	0	0	0
Cash Flow from Fin.	1,36,341	-1,715	-1,228	39,034	-1,010	-800
Net Cash Flow	5,736	-2,636	229	3,615	22,253	-11,288
Opening Cash Bal.	5,225	10,961	8,325	8,691	12,306	34,558
Forex differences	0	0	137	0	0	0
Add: Net Cash	5,736	-2,636	229	3,615	22,253	-11,288
Closing Cash Bal.	10,961	8,325	8,691	12,306	34,558	23,270

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

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://online.reports.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>

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 Analyst 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: No.
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, 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: 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 dp@motilaloswal.com.