

# Metro Brands (METROBRA IN)

Rating: HOLD | CMP: Rs1,070 | TP: Rs1,181

January 28, 2026

## Q3FY26 Result Update

Change in Estimates |  Target |  Reco

### Change in Estimates

Rating	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	HOLD	HOLD	HOLD	HOLD
Target Price	1,181	1,214	1,181	1,214
Sales (Rs. m)	33,681	39,995	33,467	39,742
% Chng.	0.6	0.6	0.6	0.6
EBITDA (Rs. m)	9,922	11,831	9,833	11,725
% Chng.	0.9	0.9	0.9	0.9
EPS (Rs.)	16.5	19.7	16.2	19.4
% Chng.	1.6	1.6	1.6	1.6

### Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	25,074	28,360	33,681	39,995
EBITDA (Rs. m)	7,574	8,532	9,922	11,831
Margin (%)	30.2	30.1	29.5	29.6
PAT (Rs. m)	3,506	3,996	4,462	5,328
EPS (Rs.)	13.0	14.8	16.5	19.7
Gr. (%)	(14.6)	13.9	11.7	19.4
DPS (Rs.)	19.7	6.5	8.5	10.5
Yield (%)	1.8	0.6	0.8	1.0
RoE (%)	19.6	22.0	22.0	23.6
RoCE (%)	28.0	29.9	30.7	33.0
EV/Sales (x)	11.4	9.9	8.3	6.9
EV/EBITDA (x)	37.6	33.0	28.2	23.5
PE (x)	82.6	72.5	64.9	54.4
P/BV (x)	17.0	15.2	13.6	12.2

Key Data	METB.BO   METROBRA IN
52-W High / Low	Rs.1,340 / Rs.890
Sensex / Nifty	81,857 / 25,175
Market Cap	Rs.292bn/ \$ 3,178m
Shares Outstanding	272m
3M Avg. Daily Value	Rs.84.08m

### Shareholding Pattern (%)

Promoter's	71.83
Foreign	3.82
Domestic Institution	7.51
Public & Others	16.84
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	(6.6)	(12.1)	(9.7)
Relative	(2.9)	(12.5)	(16.9)

**Amnish Aggarwal**

amnishaggarwal@plindia.com | 91-22-66322233

**Vishwa Solanki**

vishwasolanki@plindia.com | 91-22-66322244

## Macro tailwinds improve demand outlook

### Quick Pointers:

- Launched MetroActiv with 3 stores carrying leading global brands (Nike, Adidas, Skechers, ASICS).
- Management guided for 15% revenue CAGR in medium term with 10% sales from older stores and 5% from stores opened in current year

**We increase our FY27/FY28 EPS estimates by 1.6%/1.6% driven by 1) Healthy demand outlook 2) Focus on high margin athleisure segment with launch of MetroActiv and 3) Improving store economics with sales/store up by 4% YoY (highest growth is last 2 years). We believe operating parameters to further improve in coming quarters led by 1) expected expansion in Tier-2 and Tier-3 cities with Metro, Mochi and Walkway. 2) Normalization of BIS-related issues by end of 1HFY27 resulting in faster store expansion in Footlocker and FILA and 3) launch of Clarks EBO's in FY27.**

**MBL's growth plans remain on track, supported by 1) Entry into new cities. 2) Healthy online/omni-channel contribution, accounting for ~12% of total sales (24% YoY sales growth). 3) 100bps increase in share of products priced above ₹3,000 now making up ~55% of total sales. 4) Accelerated store openings in Walkway format (7 in 3Q26) aimed at capturing the value-conscious consumer (Tier-2 cities) and positioning MBL as a comprehensive footwear destination. We see the key growth delta emerging from MetroActiv, Clarks, FILA and Foot Locker as MBL launches new EBO's and complements its product range. We estimate 15.5% EPS CAGR over FY26-FY28 and assign a DCF based target price of Rs1181 (Rs1214 earlier). We expect back ended returns given rich valuations of 54.4xFY28 EPS. Retain Hold.**

**Consol Revenues:** Grew by 15.4% YoY to Rs8.1bn. Gross margins expanded by 45bps YoY to 59.1%. EBITDA grew by 17.7% YoY to Rs2.6bn (PLe:Rs2.5bn). Margins expanded by 65bps YoY to 32.7%. (PLe:31.5%). Adj PAT grew by 35.7% YoY.

**Concall highlights:** 1) Q3 saw strong demand led by festive and wedding season and reduction in GST rate for footwear <Rs2500. 2) January month has almost zero wedding days thus December sales remained impacted. 3) MBL does not use average store count for calculation of sales/sqft which impacts ratio. 4) Ecommerce sales grew by 24% and now contributes 12% to overall revenue vs 11% in Q3FY25. 5) MBL launched MetroActiv (3 stores), which will sell global brands such as Nike, Adidas, sketchers, Basics etc. 6) Company has introduced Clark's Cloudstepper ladies' range in ~ 200 MBOs and have observed good customer response. 7) Clarks will get complete product range supply by Q2FY27, MBL expects to open Clarks EBO by Q3FY27 post stabilization of supply chain 8) Global brands have begun receiving BIS approvals for overseas manufacturing units but expect supply chain stabilization to be delayed from Q4 FY26 to Q2 FY27. 9) Company plans to launch 2-3 new FILA EBO's in current quarter. 10) Once FILA stabilizes then GM are expected to be in line with company average

**MBL's launch of MetroActiv** marks a strategic expansion into the high-growth sports performance retail segment, diversifying its portfolio beyond core categories. By aggregating leading global brands (Nike, Adidas, Puma etc) under a single, curated platform, the company is well positioned to capitalize on rising athleisure adoption and increasing fitness awareness. We view MetroActiv as a scalable format that enhances MBL's premium positioning while broadening its addressable market across India.

**Exhibit 1: Consol revenue up by 15.4% YoY, margins up by ~65bps YoY**

Y/e March (Rs mn)	3QFY26	3QFY25	YoY gr. (%)	3QFY26E	% Var.	2QFY26	9MFY26	9MFY25	YoY gr. (%)
<b>Net Sales</b>	<b>8,113</b>	<b>7,031</b>	<b>15.4</b>	<b>7,945</b>	<b>2.1</b>	<b>6,511</b>	<b>20,907</b>	<b>18,646</b>	<b>12.1</b>
Gross Profit	4,794	4,123	16.3	4,608	4.0	3,598	12,119	10,772	12.5
% of NS	59.1	58.6	45.3	58.0	1.1	55.3	58.0	57.8	0.2
Other Expenses	2,145	1,873	14.5	2,105	1.9	1,890	5,823	5,169	12.7
% of NS	26.4	26.6	(19.6)	26.5	(0.1)	29.0	27.9	27.7	0.1
<b>EBITDA</b>	<b>2,649</b>	<b>2,250</b>	<b>17.7</b>	<b>2,503</b>	<b>5.9</b>	<b>1,707</b>	<b>6,296</b>	<b>5,602</b>	<b>12.4</b>
<b>Margins %</b>	<b>32.7</b>	<b>32.0</b>	<b>64.9</b>	<b>31.5</b>	<b>1.2</b>	<b>26.2</b>	<b>30.1</b>	<b>30.0</b>	<b>6.7</b>
Depreciation	799	655	22.0	810	(1.3)	784	2,272	1,879	20.9
Interest	288	235	22.8	260	10.8	294	819	661	24.0
Other Income	161	232	(30.6)	225	(28.4)	282	729	699	4.2
<b>PBT</b>	<b>1,723</b>	<b>1,593</b>	<b>8.2</b>	<b>1,658</b>	<b>3.9</b>	<b>911</b>	<b>3,933</b>	<b>3,762</b>	<b>4.6</b>
Tax	423	649	(34.7)	439	(3.6)	221	965	1,182	(18.4)
<b>Tax rate %</b>	<b>24.6</b>	<b>40.7</b>	<b>(16.2)</b>	<b>26.5</b>	<b>(1.9)</b>	<b>24.3</b>	<b>24.5</b>	<b>31.4</b>	<b>(6.9)</b>
Share of JV/Associates	4	7	(39.1)			1	13	14	(4.3)
Non-controlling Interest	20	5	304.0	10		13	36	33	10.4
<b>Adjusted PAT</b>	<b>1,284</b>	<b>946</b>	<b>35.7</b>	<b>1,208</b>	<b>6.2</b>	<b>677</b>	<b>2,946</b>	<b>2,561</b>	<b>15.0</b>

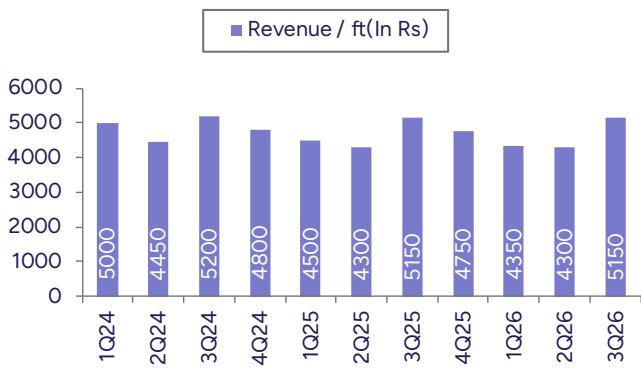
Source: Company, PL

**Exhibit 2: >Rs3000/pair share in sales mix up 100bps YoY**

Product Pricing wise Sales Mix (Rs)	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
>3,000	48%	49%	50%	54%	53%	54%	50%	56%	54%	55%
1,501-3,000	38%	38%	37%	35%	34%	34%	37%	33%	34%	33%
501-1,500	10%	9%	9%	6%	8%	8%	9%	6%	8%	8%
<500	4%	4%	4%	5%	5%	4%	4%	5%	4%	4%
<b>Own Brands Contribution</b>										
Own Brands	70%	72%	73%	73%	72%	72%	74%	72%	71%	73%
Third Party	30%	28%	27%	27%	28%	28%	26%	28%	29%	27%

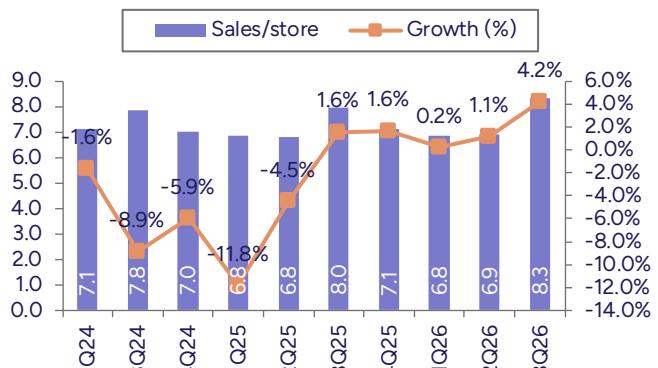
Source: Company, PL

Exhibit 3: Revenue/sq.ft flat YoY



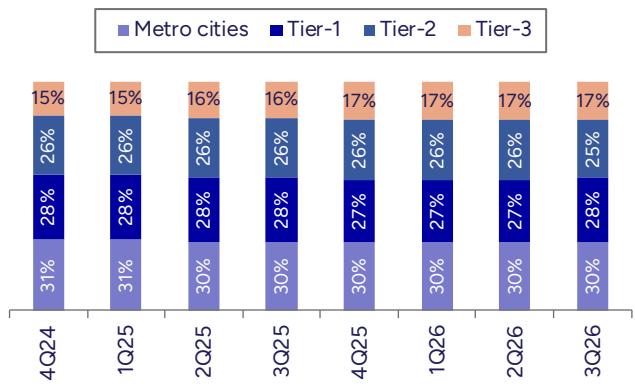
Source: Company, PL

Exhibit 4: Sales/store increased by 4.2% YoY



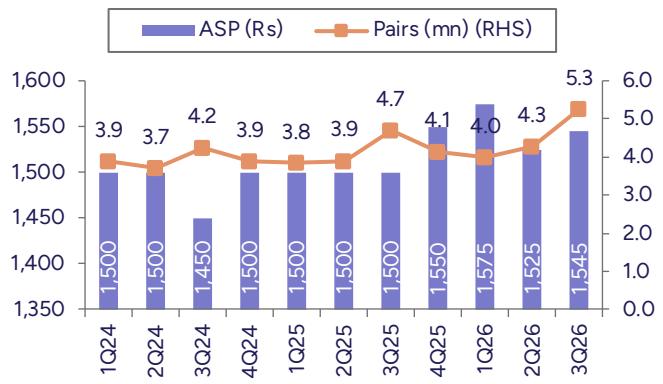
Source: Company, PL

Exhibit 5: Salience of metro cities stable at 30-31%



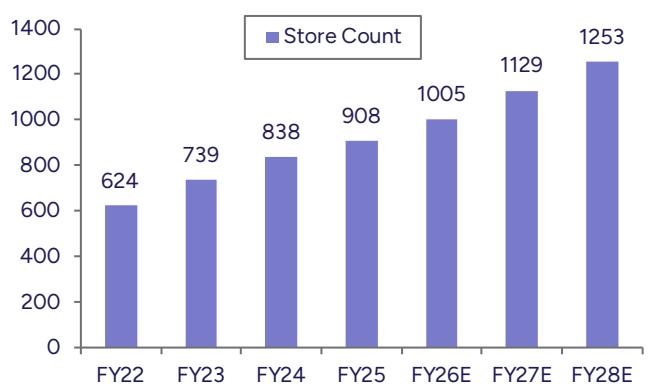
Source: Company, PL

Exhibit 6: ASP at ~Rs1545 with 5.3 mn pairs sold in 3Q26



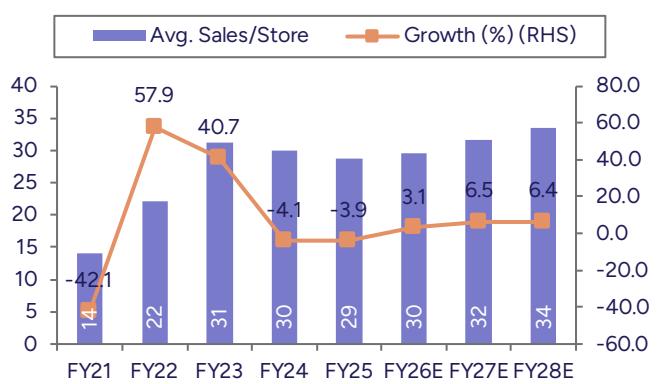
Source: Company, PL

Exhibit 7: ~248 stores to be added over FY26-FY28



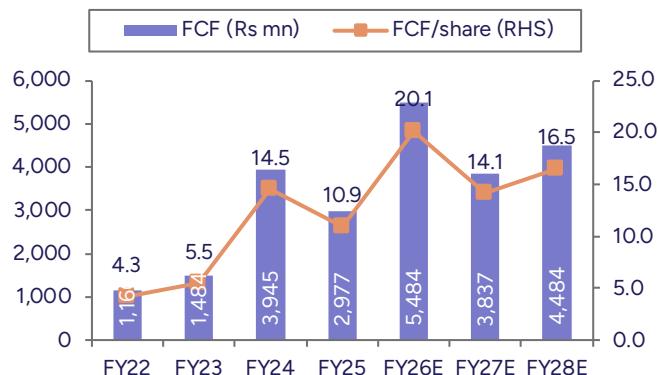
Source: Company, PL

Exhibit 8: Sales/store to increase by ~6.4% over FY26-28



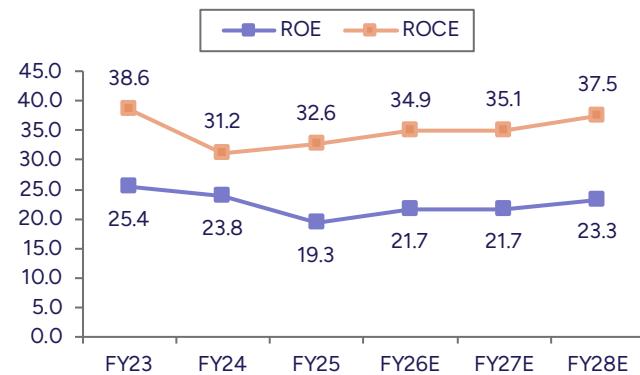
Source: Company, PL

**Exhibit 9: FCF shows healthy growth over long term**



Source: Company, PL

**Exhibit 10: ROE & ROCE to stabilize at healthy levels**



Source: Company, PL



## Financials

### Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Net Revenues</b>	<b>25,074</b>	<b>28,360</b>	<b>33,681</b>	<b>39,995</b>
YoY gr. (%)	6.4	13.1	18.8	18.7
Cost of Goods Sold	10,609	12,081	14,348	17,038
Gross Profit	14,465	16,279	19,333	22,957
Margin (%)	57.7	57.4	57.4	57.4
Employee Cost	2,450	2,799	3,364	3,957
Other Expenses	4,441	4,948	6,047	7,169
<b>EBITDA</b>	<b>7,574</b>	<b>8,532</b>	<b>9,922</b>	<b>11,831</b>
YoY gr. (%)	8.3	12.6	16.3	19.2
Margin (%)	30.2	30.1	29.5	29.6
Depreciation and Amortization	2,580	3,108	3,704	4,368
<b>EBIT</b>	<b>4,994</b>	<b>5,424</b>	<b>6,218</b>	<b>7,463</b>
Margin (%)	19.9	19.1	18.5	18.7
Net Interest	905	1,038	1,145	1,349
Other Income	930	1,011	993	1,127
<b>Profit Before Tax</b>	<b>5,019</b>	<b>5,396</b>	<b>6,066</b>	<b>7,240</b>
Margin (%)	20.0	19.0	18.0	18.1
Total Tax	1,491	1,376	1,577	1,883
Effective tax rate (%)	29.7	25.5	26.0	26.0
<b>Profit after tax</b>	<b>3,528</b>	<b>4,020</b>	<b>4,489</b>	<b>5,358</b>
Minority interest	39	42	47	51
Share Profit from Associate	16	18	20	22
<b>Adjusted PAT</b>	<b>3,506</b>	<b>3,996</b>	<b>4,462</b>	<b>5,328</b>
YoY gr. (%)	(15.0)	14.0	11.7	19.4
Margin (%)	14.0	14.1	13.2	13.3
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>3,506</b>	<b>3,996</b>	<b>4,462</b>	<b>5,328</b>
YoY gr. (%)	(15.0)	14.0	11.7	19.4
Margin (%)	14.0	14.1	13.2	13.3
Other Comprehensive Income	(2)	-	-	-
Total Comprehensive Income	3,504	3,996	4,462	5,328
<b>Equity Shares O/s (m)</b>	<b>272</b>	<b>272</b>	<b>272</b>	<b>272</b>
<b>EPS (Rs)</b>	<b>13.0</b>	<b>14.8</b>	<b>16.5</b>	<b>19.7</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>7,413</b>	<b>8,409</b>	<b>9,750</b>	<b>11,321</b>
Tangibles	5,880	6,846	8,156	9,695
Intangibles	1,532	1,563	1,594	1,626
<b>Acc: Dep / Amortization</b>	<b>2,478</b>	<b>3,201</b>	<b>4,058</b>	<b>5,074</b>
Tangibles	2,173	2,809	3,579	4,505
Intangibles	305	391	479	568
<b>Net fixed assets</b>	<b>4,934</b>	<b>5,209</b>	<b>5,691</b>	<b>6,247</b>
Tangibles	3,707	4,037	4,576	5,190
Intangibles	1,227	1,172	1,115	1,058
Capital Work In Progress	94	228	247	276
Goodwill	409	409	409	409
Non-Current Investments	1,136	1,270	1,434	1,601
Net Deferred tax assets	340	448	569	714
Other Non-Current Assets	10,748	12,019	13,577	14,930
<b>Current Assets</b>				
Investments	5,356	9,075	10,778	13,198
Inventories	6,369	7,272	8,420	9,999
Trade receivables	912	1,049	1,200	1,479
Cash & Bank Balance	948	559	535	302
Other Current Assets	293	332	394	468
<b>Total Assets</b>	<b>33,344</b>	<b>38,125</b>	<b>43,573</b>	<b>50,039</b>
<b>Equity</b>				
Equity Share Capital	1,361	1,361	1,361	1,361
Other Equity	15,730	17,843	19,997	22,474
<b>Total Networth</b>	<b>17,091</b>	<b>19,204</b>	<b>21,358</b>	<b>23,836</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	-	-	-	-
Provisions	8	9	11	12
Other non current liabilities	10,545	11,845	13,906	16,383
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	2,258	3,090	3,657	4,375
Other current liabilities	3,154	3,688	4,353	5,145
<b>Total Equity &amp; Liabilities</b>	<b>33,344</b>	<b>38,125</b>	<b>43,573</b>	<b>50,039</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	5,019	5,396	6,066	7,240
Add. Depreciation	2,580	3,108	3,704	4,368
Add. Interest	905	1,038	1,145	1,349
Less Financial Other Income	930	1,011	993	1,127
Add. Other	873	1,066	1,788	2,184
Op. profit before WC changes	9,378	10,608	12,702	15,141
Net Changes-WC	(582)	1,835	(192)	(520)
Direct tax	(1,494)	(1,376)	(1,577)	(1,883)
<b>Net cash from Op. activities</b>	<b>7,302</b>	<b>11,068</b>	<b>10,933</b>	<b>12,739</b>
Capital expenditures	(3,794)	(4,795)	(5,774)	(6,322)
Interest / Dividend Income	-	-	-	-
Others	2,946	(3,717)	(1,703)	(2,420)
<b>Net Cash from Inv. activities</b>	<b>(848)</b>	<b>(8,512)</b>	<b>(7,477)</b>	<b>(8,742)</b>
Issue of share cap. / premium	287	(143)	(27)	(30)
Debt changes	-	-	-	-
Dividend paid	(5,362)	(1,765)	(2,308)	(2,851)
Interest paid	(905)	(1,038)	(1,145)	(1,349)
Others	(5)	-	-	-
<b>Net cash from Fin. activities</b>	<b>(5,985)</b>	<b>(2,945)</b>	<b>(3,480)</b>	<b>(4,230)</b>
<b>Net change in cash</b>	<b>469</b>	<b>(390)</b>	<b>(24)</b>	<b>(233)</b>
Free Cash Flow	3,508	6,273	5,159	6,417

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Per Share(Rs)</b>				
EPS	13.0	14.8	16.5	19.7
CEPS	22.4	26.1	30.0	35.6
BVPS	62.8	70.5	78.5	87.6
FCF	12.9	23.0	18.9	23.6
DPS	19.7	6.5	8.5	10.5
<b>Return Ratio(%)</b>				
RoCE	28.0	29.9	30.7	33.0
ROIC	18.5	19.0	19.3	20.4
RoE	19.6	22.0	22.0	23.6
<b>Balance Sheet</b>				
Net Debt : Equity (x)	(0.4)	(0.5)	(0.5)	(0.6)
Net Working Capital (Days)	73	67	65	65
<b>Valuation(x)</b>				
PER	82.6	72.5	64.9	54.4
P/B	17.0	15.2	13.6	12.2
P/CEPS	47.9	41.0	35.7	30.0
EV/EBITDA	37.6	33.0	28.2	23.5
EV/Sales	11.4	9.9	8.3	6.9
Dividend Yield (%)	1.8	0.6	0.8	1.0

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
<b>Net Revenue</b>	<b>6,428</b>	<b>6,282</b>	<b>6,511</b>	<b>8,113</b>
YoY gr. (%)	10.3	9.1	11.2	15.4
Raw Material Expenses	2,734	2,555	2,914	3,319
Gross Profit	3,694	3,727	3,598	4,794
Margin (%)	57.5	59.3	55.3	59.1
<b>EBITDA</b>	<b>1,972</b>	<b>1,939</b>	<b>1,707</b>	<b>2,649</b>
YoY gr. (%)	24.3	7.5	10.3	17.7
Margin (%)	30.7	30.9	26.2	32.7
Depreciation / Depletion	701	688	784	799
<b>EBIT</b>	<b>1,271</b>	<b>1,251</b>	<b>923</b>	<b>1,850</b>
Margin (%)	19.8	19.9	14.2	22.8
Net Interest	244	237	294	288
Other Income	231	286	282	161
<b>Profit before Tax</b>	<b>1,258</b>	<b>1,300</b>	<b>911</b>	<b>1,723</b>
Margin (%)	19.6	20.7	14.0	21.2
Total Tax	309	320	221	423
Effective tax rate (%)	24.5	24.6	24.3	24.6
<b>Profit after Tax</b>	<b>949</b>	<b>979</b>	<b>689</b>	<b>1,300</b>
Minority interest	6	3	13	20
Share Profit from Associates	4	9	1	4
<b>Adjusted PAT</b>	<b>947</b>	<b>985</b>	<b>677</b>	<b>1,284</b>
YoY gr. (%)	(38.9)	7.4	(3.0)	35.7
Margin (%)	14.7	15.7	10.4	15.8
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>947</b>	<b>985</b>	<b>677</b>	<b>1,284</b>
YoY gr. (%)	(38.9)	7.4	(3.0)	35.7
Margin (%)	14.7	15.7	10.4	15.8
Other Comprehensive Income	-	1	(1)	(3)
<b>Total Comprehensive Income</b>	<b>947</b>	<b>986</b>	<b>676</b>	<b>1,280</b>
Avg. Shares O/s (m)	136	137	136	137
<b>EPS (Rs)</b>	<b>3.5</b>	<b>3.6</b>	<b>2.5</b>	<b>4.7</b>

Source: Company Data, PL Research

**Key Operating Metrics**

Y/e Mar	FY25	FY26E	FY27E	FY28E
Cost of Retail	3	13	16	16
Number of Stores added	120	144	147	157

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jan-26	Hold	1,214	1,156
2	17-Oct-25	Hold	1,276	1,203
3	08-Oct-25	Hold	1,302	1,267
4	25-Sep-25	Hold	1,302	1,281
5	08-Aug-25	Hold	1,135	1,095
6	09-Jul-25	Hold	1,195	1,167
7	23-May-25	Hold	1,195	1,211
8	09-Apr-25	Hold	1,162	1,046

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Asian Paints	Reduce	2,464	2,628
2	Avenue Supermarts	Hold	3,783	3,801
3	Britannia Industries	BUY	6,761	6,185
4	Colgate Palmolive	Hold	2,355	2,077
5	Dabur India	Hold	506	521
6	Emami	Accumulate	582	526
7	Hindustan Unilever	Accumulate	2,669	2,399
8	ITC	Reduce	348	341
9	Jubilant FoodWorks	BUY	666	537
10	Kansai Nerolac Paints	Accumulate	255	238
11	Marico	Accumulate	801	746
12	Metro Brands	Hold	1,214	1,156
13	Mold-tek Packaging	Accumulate	746	608
14	Nestle India	Hold	1,359	1,315
15	Pidilite Industries	BUY	1,714	1,515
16	Restaurant Brands Asia	Accumulate	81	64
17	Titan Company	BUY	4,600	4,273
18	Westlife Foodworld	Hold	579	525

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

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

## **ANALYST CERTIFICATION**

### **(Indian Clients)**

We/I, Mr. Amnish Aggarwal- MBA, CFA, Mr. Vishwa Solanki- PGDM - 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](http://www.plindia.com).

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

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

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

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

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

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

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

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

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

PL or its research analysts or its 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. Amnish Aggarwal- MBA, CFA, Mr. Vishwa Solanki- PGDM - 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.

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

### **US Clients**

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

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

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

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