

Premium Motorcycle Demand & Expansion-Led Growth

Est. Vs. Actual for Q4FY26: Revenue – **INLINE**; EBITDA – **INLINE**; PAT – **INLINE**

Change in Estimates post Q4FY26

FY27E/FY28E: Revenue: 2.8%/2.8%; EBITDA: 2.0%/-0.4%; PAT: 1%/-0.4%

Recommendation Rationale

- Aggressive Capacity Expansion Provides Long-Term Growth Visibility:** Royal Enfield announced a multi-phase capacity expansion roadmap to support sustained growth momentum. Existing capacity of ~1.4 Mn units will increase to ~1.6 Mn units by Jun/Jul'26 through debottlenecking initiatives and the addition of 500 modules/day. Further, the recently approved Rs 958 Cr brownfield expansion at the Tamil Nadu facility will take overall capacity to ~2 Mn units by Q2FY28. Additionally, the company signed an MoU with the Andhra Pradesh government for a future greenfield facility spanning 261 acres, reflecting management's confidence in long-term premium motorcycle demand.
- International Business Emerging as a Key Growth Driver:** International volumes remained robust during FY26, with exports growing ~20% YoY to 1.2 Lc units, led by strong momentum in Latin America and SAARC markets. Brazil emerged as the largest international market after India with ~71% YoY growth, supported by strong traction for the Guerrilla 450 and Himalayan 450. While Europe remains temporarily impacted by OBD2B-related inventory adjustments and macro weakness, management remains cautiously optimistic on export growth and continues to focus on deepening market penetration in existing high-potential regions rather than aggressive geographic expansion.
- Flying Flea EV Platform Adds Long-Term Strategic Optionality:** Royal Enfield officially entered the electric mobility segment with the launch of the Flying Flea C6 in Bangalore, receiving encouraging customer response and strong media reviews. Management highlighted that the EV strategy will follow a calibrated city-by-city rollout approach, focused on building a differentiated "city-plus" premium electric mobility category rather than pursuing aggressive near-term volumes. The Flying Flea platform represents an important strategic long-term optionality that can strengthen Royal Enfield's positioning in the evolving premium EV motorcycle ecosystem.

Sector Outlook: Positive

Company Outlook & Guidance: Management remains focused on sustaining strong domestic volume growth through new launches, product refreshes and capacity expansion while further strengthening market leadership. The company remains cautiously optimistic on exports amid strong traction in Latin America and SAARC markets, despite weakness in Europe.

Current Valuation: We value RE's standalone business at 31x FY28E EPS (Earlier: Unchanged) and VECV at 12x EV/EBITDA on FY28E EBITDA (Earlier: Unchanged).

Current TP: Rs 8,060/share (Unchanged)

Recommendation: We maintain a **BUY** rating on the stock, driven by strong volume momentum across Royal Enfield and VECV, supported by favourable market conditions.

Financial Performance: Q4FY26 standalone revenue (in line) rose ~16% YoY but fell 1.4% QoQ, driven by 12% YoY volume growth, while ASP inclined ~3% YoY due to a favourable product mix. EBITDA (in line) grew 21% YoY but declined 4.2% QoQ. EBITDA margin stood at 25.8%, beating estimates by 11 bps and was up 112 bps YoY but down 74 bps QoQ. The YoY increase was primarily attributed to a stronger product mix, stable commodity costs, and lower other expenses. PAT (in line) rose 10% YoY but declined 4.2% QoQ.

Outlook: We expect RE volumes to grow at a 10% CAGR over FY26–28E, while standalone revenue and EBITDA are projected to register an 11% CAGR each during the same period. The long-term growth outlook for VECV remains strong, supported by robust execution capabilities and healthy traction in the EV and SCV segments.

Valuation & Recommendation: In light of strong volume momentum and an improving outlook, we maintain a **BUY** rating on the stock, with a target price of Rs 8,060/share (earlier: Unchanged). We value the RE standalone business at a sustainable PE of 31x on FY28E EPS (earlier: Unchanged) and VECV at 12x EV/EBITDA on FY28E EBITDA (earlier: Unchanged), implying a 15% upside from the CMP.

Key Financials (Standalone)

(Rs Cr)	Q4FY26	QoQ (%)	YoY (%)	Axis Est.	Variance
Net Sales	5,901	-1.4%	15.6%	5,890	0.2%
EBITDA	1,523	-4.2%	20.8%	1,514	0.6%
EBITDA Margin	25.8%	-74 bps	112 bps	25.7%	11 bps
Net Profit	1,236	-4.2%	9.9%	1,246	-0.8%
EPS (Rs)	45.1	-4.2%	9.7%	45.4	-0.8%

Source: Company, Axis Securities Research

(CMP as of 22nd May, 2026)

CMP (Rs)	6,982
Upside /Downside (%)	15%
High/Low (Rs)	8,233/5,220
Market cap (Cr)	1,91,512
Avg. daily vol. (6m) Shrs.	487,704
No. of shares (Cr)	27.43

Shareholding (%)

	Sep-25	Dec-25	Mar-26
Promoter	49.1	49.1	49.1
FIIs	27.0	27.0	26.8
MFs/UTI	10.9	10.9	11.0
Financial Inst.	0.0	0.0	0.0
Others	13.1	13.1	13.1

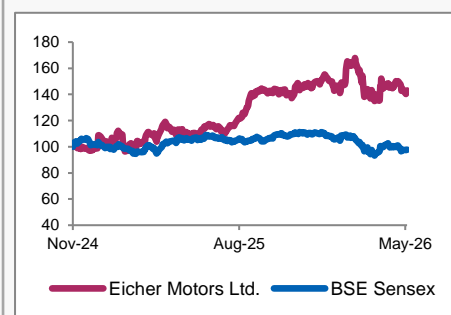
Financial & Valuations

Y/E March (Rs Cr)	FY27E	FY28E
Net Sales	26,058	28,678
EBITDA	6,586	7,154
Net Profit	5,789	6,359
EPS (Rs.)	211.7	232.6
PER (x)	33.0	31.4
EV/ EBITDA	27.9	24.6
P/BV (x)	8.0	7.2
RoE (%)	25.3	24.6

Change in Estimates (%)

Y/E Mar	FY27E	FY28E
Sales	2.8%	2.8%
EBITDA	2.0%	-0.4%
PAT	1.0%	-0.4%

Relative Performance



Source: Ace Equity, Axis Securities Research

Results Gallery

[Q3FY26](#)
[Q2FY26](#)
[Q1FY26](#)
[Q4FY25](#)

Sanchit Karekar

Auto Analyst

Email: sanchit.karekari@axissecurities.in

Key Concall Highlights

- VECV Reports Record FY26 Performance Across Segments:** VECV delivered its highest-ever annual performance during FY26, with total volumes crossing 1,03,404 units (+14.7% YoY). FY26 consolidated revenue stood at Rs 27,077 Cr, while EBITDA and PAT came in at Rs 2,563 Cr and Rs 1,471 Cr, respectively. Heavy-duty truck volumes grew 14.1% YoY to 25,125 units with market share improving to 9.1%, while exports surged 35.6% YoY to 7,024 units despite challenging global conditions. The spare parts business also remained resilient with revenues increasing 13.9% YoY to Rs 3,046 Cr, highlighting strong aftermarket contribution.
- Financing JV With Volvo Strengthens Long-Term Ecosystem Integration:** Eicher Motors announced a 50:50 joint venture with Volvo Financial Services India to enter the vehicle financing and leasing business. The company plans to invest up to Rs 750 Cr for its 50% stake, while Volvo Financial Services India already operates with an AUM base and more than 10 years of India experience. Management indicated that the JV will serve Royal Enfield, VECV, and Volvo customers in India, helping improve financing accessibility, customer experience and sales conversion while creating a new long-term profit pool opportunity for Eicher Motors.
- Production Facilities Running at Elevated Utilisation Levels:** Royal Enfield continues to operate with extremely lean inventory levels of only ~7-8 days, reflecting strong retail demand and supply-side tightness. Existing manufacturing capacity of ~1.4 Mn units is operating at elevated utilisation levels, prompting near-term debottlenecking initiatives and longer-term brownfield and greenfield expansion plans. At VECV, management highlighted continued strong utilisation across plants, supported by healthy demand across heavy-duty trucks, buses and exports.
- Allied Businesses Continue to Deliver Healthy Growth and Margin Support:** Royal Enfield's allied businesses maintained strong momentum during FY26 with apparel revenues growing 21% YoY, genuine motorcycle accessories increasing 32% YoY, and spare parts business rising 18% YoY. Management highlighted that these ecosystem-led businesses continue to improve customer engagement, strengthen brand stickiness and support higher-margin revenue streams, gradually becoming a meaningful contributor to overall profitability.
- Strong Youth Penetration and Brand Engagement Continue to Strengthen Franchise:** Management highlighted that nearly one out of every three Royal Enfield customers is now below the age of 25, reflecting strong traction among younger buyers. Community-led initiatives such as Hunter Hood, Guerrilla Nights, One Ride, and Motoverse 2025 continue to strengthen brand engagement and customer loyalty. The company also noted that Hunter 350 and Guerrilla platforms are resonating particularly well with first-time premium motorcycle buyers and urban youth demographics.
- Commodity Inflation Remains a Near-Term Margin Headwind:** Management highlighted that commodity inflation remains elevated at ~3-3.5%, driven by higher raw material and supply chain costs. To mitigate the impact, Royal Enfield implemented a ~1.75% price increase in Apr'26 along with multiple value-engineering, procurement optimisation, and cost-control initiatives. While only nearly half of the inflationary impact has been recovered through pricing actions, strong operating leverage and healthy volume growth are expected to support margins going forward.
- Brazil Continues to Emerge as a Strategic International Market:** Brazil remained one of the strongest-performing international markets during FY26 with ~71% YoY growth, making it Royal Enfield's second-largest market globally after India. The company highlighted strong acceptance of its mid-size motorcycle portfolio, with Guerrilla 450 winning Motorcycle of the Year and Himalayan 450 receiving Trail Bike of the Year recognition in the country. Management continues to focus on strengthening local market penetration and long-term brand building in Latin America.
- International Business Faces Temporary Weakness in Europe Amid OBD2B Transition:** Management acknowledged that Europe remains impacted by temporary demand weakness and elevated inventory levels arising from OBD2B-related pre-registration adjustments. While retail traction remains stable and Royal Enfield continues to maintain market share in Europe, wholesale growth is expected to remain subdued until channel inventory normalisation takes place. The company, however, highlighted that exposure to the US market remains limited at only ~3% of overall volumes, reducing tariff-related risks.
- Electric Commercial Vehicle Portfolio Continues to Scale Up at VECV:** VECV highlighted continued progress in electric commercial vehicles with growing traction across electric trucks and buses. During FY26, the company delivered 726 electric trucks under the Co-Ax platform while continuing to strengthen its electric bus portfolio across 9m, 12m and 13.5m segments. Management indicated that order inflows remain healthy with increasing participation across public transportation and fleet electrification tenders, positioning VECV favourably for long-term EV-led commercial vehicle growth.

Key Risks to Our Estimates and TP

- Increasing competitive intensity poses a risk to the company in the >250cc segment, where it holds the highest market share.
- Macro-economic headwinds, driving lower exports for longer (than our estimates), could pose a downside risk.

Change in Estimates

	Revised		Old		% Change	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Sales	26,058	28,678	25,353	27,910	2.8%	2.8%
EBITDA	6,586	26,058	6,455	7,183	2.0%	2.8%
PAT	5,789	26,058	5,729	6,382	1.0%	2.8%
EPS	212	233	210	233.0	1.0%	-0.2%

Source: Company, Axis Securities Research

Q4FY26 Results Review (Standalone)

YE March (Rs Cr)	Q4FY26	Axis Sec Estimates	Axis Sec Var (%)	Q3FY26	QoQ (%)	Q4FY25	YoY (%)
Domestic 2W	2,85,435	2,85,435		3,00,426	-5.0%	2,49,901	14.2%
Exports 2W	32,126	32,126		28,769	11.7%	32,922	-2.4%
Total Volumes (Units)	3,17,561	3,17,561		3,29,195	-3.5%	2,82,823	12.3%
		0					
Total Revenue from operations	5,901	5,890	0.2%	5,988	-1.4%	5,107	15.6%
ASP (Rs/ vehicle in lakhs)	1.86	1.85	0.2%	1.82	2.2%	1.81	2.9%
Less:		0%					
Net Raw Material consumed	3,308	3,240	2.1%	3,333	-0.8%	2,861	15.6%
Other Exp.	696	736	-5.5%	670	3.9%	665	4.7%
Personnel	375	401	-6.4%	395	-5.2%	320	17.0%
Total Expenditure	4,378	4,376	0.0%	4,398	-0.4%	3,846	13.9%
EBITDA	1,523	1,514	0.6%	1,590	-4.2%	1,261	20.8%
Less: Depreciation	216	168	28.3%	199	8.5%	189	14.4%
EBIT	1,307	1,346	-2.8%	1,391	-6.0%	1,072	21.9%
Less: Interest	7	7	-10.0%	7	-6.0%	9	-21.7%
Add: Other Income	357	273	30.6%	339	5.1%	354	0.8%
Profit Before Extraordinary Items and Tax	1,657	1,611	2.9%	1,723	-3.8%	1,418	16.9%
Extraordinary Expense/(Income)	0	0		-55		0	
Profit Before Tax	1,657	1,611	2.9%	1,668	-0.6%	1,418	16.9%
Less: Total Tax	421	365	15.4%	378	11.5%	292	44.0%
Profit After Tax	1,236	1,246	-0.8%	1,290	-4.2%	1,125	9.9%
Adj. Net Profit	1,236	1,246	-0.8%	1,290	-4.2%	1,125	9.9%
Shares Outstanding (Cr)	27	27	0.0%	27	27.0%	27	
Reported EPS (Rs.)	45.1	45.4	-0.8%	47.0	-4.2%	41.1	9.7%
Adj. EPS (Rs.)	45.1	45.4	-0.8%	47.0	-4.2%	41.1	9.7%
Cost & Margin Analysis	Q4FY26	Axis Sec Estimates	Change in bps	Q3FY26	Change in bps	Q4FY25	Change in bps
Net Raw Material/Net Sales (%)	56.0%	55.0%	105	55.7%	38	56.0%	2
Other Exp./Net Sales (%)	11.8%	12.5%	(71)	11.2%	61	13.0%	-122
Personnel/Net Sales (%)	6.4%	6.8%	(45)	6.6%	-25	6.3%	8
GM (%)	44.0%	45.0%	(105)	44.3%	-38	44.0%	-2
EBITDA Margin (%)	25.8%	25.7%	11	26.6%	-74	24.7%	112
EBIT (%)	22.2%	22.8%	(69)	23.2%	-108	21.0%	115
PBT Margin (%)	28.1%	27.4%	73	27.9%	23	27.8%	32
NPM (%)	20.9%	21.2%	(21)	21.5%	-59	22.0%	-108
Adj. NPM (%)	20.9%	21.2%	(21)	21.5%	-59	22.0%	-108
Effective Tax Rate (%)	25.4%	22.6%	276	22.6%	276	20.6%	477

Source: Company, Axis Securities research

Financials (Standalone)

Profit & Loss

(Rs Cr)

Y/E March (Rs Cr)	FY25	FY26	FY27E	FY28E
Net revenues	18,451	22,700	26,058	28,678
Operating expenses	13,683	16,887	19,471	20,644
EBIDTA	4,768	5,813	6,586	7,154
EBITDA margin (%)	25.8	25.6	25.3	25.7
Other income	1,359	1,611	1,711	1,911
Interest	14	28	30	31
Depreciation	684	788	846	882
Profit Before Tax	5,430	6,608	7,422	8,155
Tax	1,189	1,596	1,633	1,794
Reported Net Profit	4,240	5,012	5,789	6,361
Net Margin (%)	23.0	22.1	22.2	22.9
Adjusted Net Profit	4,240	5,012	5,789	6,359

Source: Company, Axis Securities research

Balance Sheet

(Rs Cr)

Y/E March (Rs Cr)	FY25	FY26	FY27E	FY28E
Equity capital	27	27	27	27
Reserves & surplus	18,472	21,780	23,881	27,793
Shareholders' funds	18,500	21,808	23,908	27,821
Total Loans	810	962	962	962
Deferred tax liability	521	689	689	689
Total Liabilities and Equity	19,831	23,459	25,559	29,152
Gross block	7,297	8,297	9,297	10,297
Depreciation	3,962	4,703	5,495	6,376
Net block	3,335	3,670	3,802	3,920
Capital WIP	477	734	477	477
Investments	13,248	14,306	15,880	17,280
Inventory	1,106	1,302	1,783	1,945
Debtors	1,081	1,340	1,530	1,683
Cash & Bank Bal	3,034	3,100	4,484	7,066
Loans & Advances	1,567	3,781	3,781	3,781
Current Assets	6,788	9,523	9,254	12,150
Sundry Creditors	2,446	2,691	3,480	3,796
Other Current Liability	1,571	2,083	1,628	1,818
Current Liability & Provisions	4,016	4,774	4,987	5,498
Net current assets	2,772	4,749	5,090	7,475
Total Assets	19,831	23,459	25,249	29,152

Source: Company, Axis Securities research

Cash Flow
(Rs Cr)

Y/E March (Rs Cr)	FY25	FY26	FY27E	FY28E
EBIT	4,084	5,025	5,741	6,272
Other Income	1,359	1,611	1,711	1,911
Depreciation & Amortization	684	788	846	882
Interest paid (-)	14	28	30	31
Tax paid (-)	(1,189)	(1,596)	(1,633)	(1,794)
Extra Ord Income	(1,309)	-	-	-
Operating Cash Flow	3,643	5,856	6,695	7,301
Change in Working Capital	109	(1,957)	265	188
Cash flow from Operations	3,752	3,900	6,960	7,499
Capex	(654)	(1,000)	(1,000)	(1,000)
Strategic Investment	-	-	-	-
Non-Strategic Investment	(1,616)	(1,058)	(1,574)	(1,574)
Cash flow from Investing	(2,270)	(2,058)	(2,574)	(2,574)
Change in borrowing	(128)	152	-	-
Others	-	-	-	-
Dividends paid (-)	(1,936)	(2,236)	(2,456)	(2,456)
Cash Flow from Financial Activities	(2,064)	(2,084)	(2,456)	(2,456)
Change in Cash	(619)	(243)	1,861	2,643
Opening cash	45	117	(439)	3,610
Closing cash	990	434	4,484	7,066

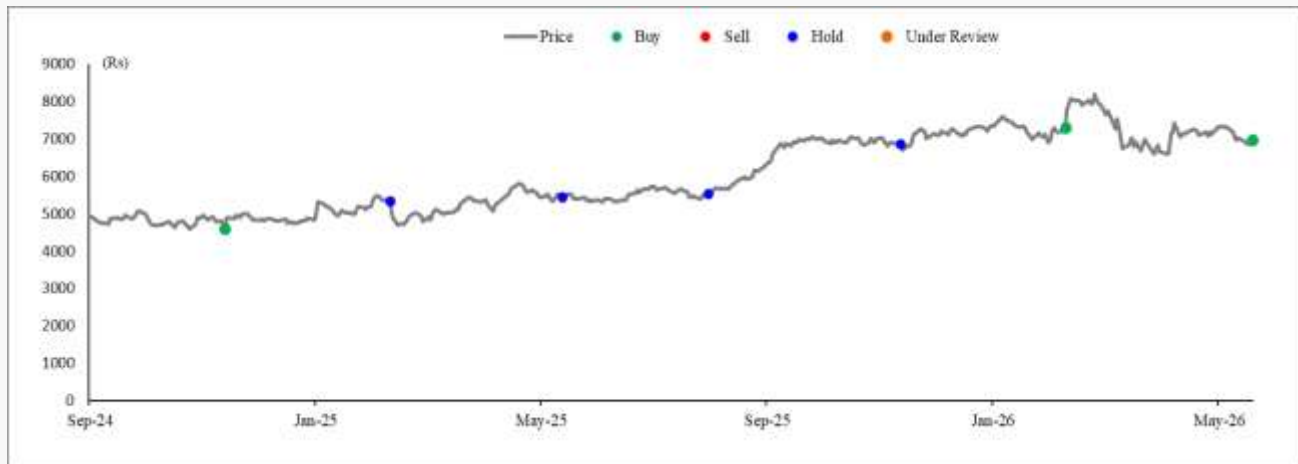
Source: Company, Axis Securities research

Ratio Analysis
(%)

Y/E March	FY25	FY26	FY27E	FY28E
Revenue Growth	14.8	23.0	14.8	10.1
EBITDA Margin	25.8	25.6	25.3	25.7
Net Profit Margin	23.0	22.1	22.2	22.9
ROCE (%)	23.0	23.3	23.7	23.5
ROE (%)	24.8	24.9	25.3	24.6
EPS (Rs)	155.1	183.3	211.7	232.6
P/E (x)	45.0	38.1	33.0	31.4
P/ BV (x)	10.3	8.8	8.0	7.2
EV/ EBITDA (x)	36.8	30.0	27.9	24.6
Fixed Assets Turnover Ratio (x)	4.8	5.2	5.9	6.3
Debt / Equity (x)	0.0	0.0	0.0	0.0
EV/ Sales (x)	9.5	7.7	7.1	6.3

Source: Company, Axis Securities Research

Eicher Motors Ltd Price Chart and Recommendation History



Date	Reco	TP	Research
09-Aug-24	BUY	5,060	Result Update
14-Nov-24	BUY	5,050	Result Update
11-Feb-25	HOLD	5,060	Result Update
15-May-25	HOLD	5,635	Result Update
04-Aug-25	HOLD	5,635	Result Update
14-Nov-25	HOLD	6,785	Result Update
11-Feb-26	BUY	8,060	Result Update
25-May-26	BUY	8,060	Result Update

Source: Axis Securities Research

DISCLAIMER:

Axis Direct is the brand under Axis Securities Limited, which is a 100% subsidiary of Axis Bank Limited. Axis Bank Ltd. is a listed public company and one of India's largest private sector banks, and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on www.axisbank.com.

Axis Securities Limited is registered as a

- Stock Broker, Depository Participant, Portfolio Manager, Investment Adviser and Research Analyst with the Securities and Exchange Board of India
- Corporate Agent with Insurance Regulatory and Development Authority of India
- Point of Presence with Pension Fund Regulatory and Development Authority
- Distributor for Mutual Funds with AMFI

Registration Details:

SEBI Single Reg. No.- NSE, BSE, MSEI, MCX & NCDEX – INZ000161633 | SEBI Depository Participant Reg. No. IN-DP-403-2019 | Portfolio Manager Reg. No.- INP000000654 | Investment Advisor Reg No. INA000000615 | SEBI-Research Analyst Reg. No. INH000000297 | IRDA Corporate Agent (Composite) Reg. No. CA0073| PFRDA – POP Reg. No. POP387122023 | Mutual Fund Distributor ARN- 64610.

Compliance Officer Details: Name – Mr Rajiv Kejriwal, Tel No. – 022-68555574, Email id – compliance.officer@axisdirect.in;

Registered Office Address – Axis Securities Limited, Unit No.002, Building- A, Agastya Corporate Park, Piramal Realty, Kamani Junction, Kurla (W), Mumbai – 400070.

Administrative office address: Axis Securities Limited, Aarum Q Parc, Q2 Building, Unit No. 1001, 10th Floor, Level – 6, Plot No. 4/1 TTC, Thane – Belapur Road, Ghansoli, Navi Mumbai, Pin Code – 400710.

In case of any grievances, please call us at 022-40508080 or write to us at helpdesk@axisdirect.in.

We hereby declare that our activities have neither been suspended nor have we defaulted with any stock exchange authority with whom we are registered in the last five years. However, SEBI, Exchanges, Clearing Corporations and Depositories, etc. have conducted the routine inspection and based on their observations have issued advice/warning/show cause notices/deficiency letters/ or levied penalty or imposed charges for certain deviations observed in inspections or in the normal course of business, as a Stock Broker/Depository Participant/Portfolio Manager. We have not been debarred from doing business by any Stock Exchange/SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point in time.

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

By referring to any particular sector, Axis Securities does not provide any promise or assurance of a favourable view for a particular industry or sector or business group in any manner.

Registration granted by SEBI, membership of RAASB (in case of RA's) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors. Our research should not be considered as an advertisement or advice, professional or otherwise. This research report and its respective content by Axis Securities made available on this page or otherwise do not constitute an offer to sell or purchase or subscribe for any securities or solicitation of any investments or investment services for the residents of Canada and/or the USA or any jurisdiction where such an offer or solicitation would be illegal.

Subject company(ies) may have been clients during the twelve months preceding the date of distribution of the research report. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment of its original date of publication by ASL and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

The information and opinions in this report have been prepared by Axis Securities and are subject to change without notice. The report and information contained herein are 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 of Axis Securities. The report must not be used as a singular basis for any investment decision. The views herein are of a general nature and do not consider the risk appetite, investment objective or the particular circumstances of an individual investor. The investor is requested to take into consideration all the risk factors, including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

While we would endeavour to update the information herein on a reasonable basis, Axis Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Axis Securities from doing so. Non-rated securities indicate that the rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or Axis Securities policies, in circumstances where Axis Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained in good faith from public sources and sources believed to be reliable, but no independent verification has been made, nor is its accuracy or completeness guaranteed. This report and information herein are solely for informational purposes and shall 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. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Axis Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and/or 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 the needs of the specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Axis Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see the Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Axis Securities or its associates might have managed or co-managed a public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months. Axis Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. Axis Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking, or brokerage services from the companies mentioned in the report in the past twelve months. Axis Securities encourages independence in research report preparation and strives to minimise conflict in the preparation of research reports. Axis Securities or its associates, or its analysts, did not receive any compensation or other benefits from the companies mentioned in the report or a third party in connection with the preparation of the research report.

Accordingly, neither Axis Securities nor Research Analysts and/or their relatives have any material conflict of interest at the time of publication of this report. Please note that Axis Securities has a proprietary trading desk. This desk maintains an arm's length distance from the Research team, and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Research Analyst may have served as an officer, director or employee of the subject company(ies). Axis Securities or Research Analysts, or their relatives, do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report. Since associates of Axis Securities and Axis Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one per cent or more or other material conflicts of interest in various companies, including the subject company/companies mentioned in this report. Axis Securities may have issued other reports that are inconsistent with and reach different conclusions from the information presented in this report. Certain transactions-including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centre on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein 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/company (ies) discussed herein or act as advisor or lender/borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Axis Securities may have proprietary long/short positions in the above-mentioned scrip(s) and therefore may be considered as interested. This should not be construed as an invitation or solicitation to do business with Axis Securities. Axis Securities is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independently of the PCG research, and accordingly, PMS may have positions contrary to the PCG research recommendation.

This research report is issued in India by Axis Securities Limited in accordance with the Securities and Exchange Board of India (Research Analysts) Regulations, 2014. It is intended solely for persons residing in India. The report is not directed at or intended for distribution to, or use by, any person or entity resident in the United States of America, Canada, or in any jurisdiction where such distribution, publication, availability, or use would be contrary to applicable securities laws, including the U.S. Securities Exchange Act of 1934, regulations of the U.S. Securities and Exchange Commission (SEC), and regulations of the Canadian Securities Administrators (CSA).

RATING SCALE: Definitions of ratings

Ratings	Expected absolute returns over 12 – 18 months
BUY	More than 10%
HOLD	Between 10% and -10%
SELL	Less than -10%
NOT RATED	We have forward-looking estimates for the stock, but we refrain from assigning a valuation and recommendation.
UNDER REVIEW	We will revisit our recommendation, valuation and estimates on the stock following recent events.
NO STANCE	We do not have any forward-looking estimates, valuations or recommendations for the stock.

Note: Returns stated in the rating scale are our internal benchmark.