

Sustained Market Share Gains & Strategic Growth Levers

Est. vs. Actual for Q2FY26: Revenue – **INLINE**; EBITDA – **MISS**; PAT – **INLINE**

Change in Estimates Post Q2FY26

FY26E/FY27E: Revenue: 2%/1.5%; EBITDA: 0.8%/2.5%; PAT: 3.9%/2.8%

Recommendation Rationale

- **Market Share Gains – Outperforming Industry Trends:** Ashok Leyland's MHCV volumes are estimated to have grown by 3–5% YoY in FY26, reflecting sustained demand momentum. We expect the company to maintain its market share at ~31.1% (vs 29.8% in the previous year) over the next two years. In the LCV segment, market share improved to ~15% YoY, highlighting the brand's strong competitive positioning and product excellence across the commercial vehicle (CV) spectrum.
- **HFL- Strong Growth and Value Unlock Potential:** Ashok Leyland's captive NBFC, Hinduja Leyland Finance (HFL), reported 26% YoY growth in AUM during Q2FY26, reaching Rs 52,635 Cr, with HHF AUM at Rs 14,903 Cr. PAT stood at Rs 196 Cr and NNPA at 1.59%. The upcoming merger with NXTDigital will pave the way for a public listing, unlocking value and further strengthening the balance sheet, with Ashok Leyland holding a 61.1% stake.
- **Capacity Expansion & Dealer Network – Enabling Scale:** The Andhra Pradesh plant is expected to ramp up to 200 units/month by year-end, while the upcoming Lucknow bus plant (Q3FY26) will enhance bus body-building capacity from 12,000 to over 20,000 units per year. The company continues to strengthen its retail presence, adding 27 MHCV and 26 LCV touchpoints in Q2, taking the total network to 1,100 MHCV and 876 LCV outlets, with a target of over 2,000 combined touchpoints by the end of FY26.

Sector Outlook: Positive

Company Outlook & Guidance: Management expects demand to improve post-monsoon, led by strong traction in heavy-duty trucks for mining, construction, and logistics. Stable freight rates, improving operator profitability, transmission of RBI rate cuts, and continued infrastructure spending provide strong tailwinds. Furthermore, optimising operational efficiencies, material cost reduction efforts, growing non-cyclical segments, and pricing discipline are expected to generate strong positive cash flows.

Current Valuation: 21x P/E on FY28E EPS and Rs 14/share for stake in HLF Ltd.

Current TP: Rs 160/share (Earlier TP: Rs 135/share)

Recommendation: We maintain our **BUY** rating on the stock.

Financial Performance: In Q2FY26, Ashok Leyland's revenue was at Rs 9,588 Cr (in line), up 9.3% YoY, led by 7.7% YoY volume growth, better product mix, and marginal ASP improvement. EBITDA (Miss) came in at Rs 970 Cr, up 6.4% YoY; EBITDA margin was 12.1% (Miss), up 52 bps YoY, on account of a richer product mix, better price realisation, and commodity cost control. PAT (in line) stood at Rs 799 Cr, up 16% YoY.

Key Financials (Standalone)

| (Rs Cr) | Q2FY26 | QoQ (%) | YoY (%) | Axis Est. | Variance |
|----------------|--------|---------|---------|-----------|----------|
| Net Sales | 9,588 | 9.9% | 9.3% | 9,534 | 0.6% |
| EBITDA | 1,162 | 19.9% | 14.2% | 1,229 | -5.5% |
| EBITDA Margin | 12.1% | 101 bps | 52 bps | 12.9% | -77 bps |
| Adj Net Profit | 799 | 34.6% | 16.2% | 788 | 1.3% |
| Adj EPS (Rs) | 1.36 | 34.6% | 16.2% | 1.34 | 1.3% |

Source: Company, Axis Securities Research

(CMP as of 12th November, 2025)

| | |
|---------------------------|----------|
| CMP (Rs) | 143 |
| Upside /Downside (%) | 12% |
| High/Low (Rs) | 147/95 |
| Market cap (Cr) | 85,787 |
| Avg. daily vol. (6m)Shrs. | 6,18,087 |
| No. of shares (Cr) | 587.31 |

Shareholding (%)

| | Mar-25 | Jun-25 | Sep-25 |
|--------------|--------------|--------------|--------------|
| Promoter | 51.5 | 51.5 | 51.5 |
| FII | 23.5 | 23.9 | 24.3 |
| Mutual Funds | 7.5 | 8.0 | 8.2 |
| Others | 17.5 | 16.7 | 15.9 |
| Total | 100.0 | 100.0 | 100.0 |

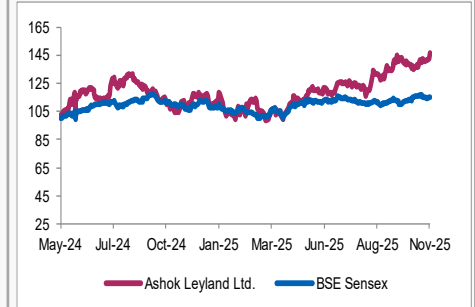
Financial & Valuations

| Y/E Mar (Rs Cr) | FY26E | FY27E | FY28E |
|-----------------|--------|--------|--------|
| Net Sales | 41,408 | 43,736 | 47,057 |
| EBITDA | 5,269 | 5,856 | 6,291 |
| Adj. Net Profit | 3,497 | 3,820 | 4,111 |
| EPS (Rs.) | 5.8 | 6.5 | 7.0 |
| PER (x) | 12.0 | 11.0 | 10.2 |
| EV/EBITDA (x) | 15.5 | 13.4 | 11.9 |
| P/BV (x) | 2.9 | 2.4 | 2.0 |
| ROE (%) | 26.4 | 23.5 | 20.9 |

Change in Estimates (%)

| Y/E Mar | FY26E | FY27E |
|---------|-------|-------|
| Sales | 2.0% | 1.5% |
| EBITDA | 0.8% | 2.5% |
| PAT | 3.9% | 2.8% |

Relative Performance



Source: Ace Equity, Axis Securities

Results Gallery

[Q1FY26](#)
[Q4FY25](#)
[Q3FY25](#)
[Q2FY25](#)

Sanchit Karekar
 Research Analyst
 Email: sanchit.karekar @axissecurities.in

Outlook

We remain positive on the long-term prospects of AL, factoring in a gradual recovery in the MHCV industry momentum and segmental diversification. We, therefore, arrive at a sustainable long-term volume guidance of 6% CAGR growth over FY25–28E, led by growth in export volumes. We estimate AL to post revenue/EBITDA/PAT growth of 7%/8%/8% CAGR over FY25–28E, on the back of incremental sales mix from non-cyclical business.

Valuation & Recommendation

Ashok Leyland delivered a robust Q2FY26 performance, underpinned by operational excellence, an aggressive product pipeline, and a solid balance sheet. The company's diversified revenue streams across MHCVs, LCVs, defence, power solutions, and exports provide resilience, while capacity expansions and dealership network growth ensure scalability. With a healthy macro backdrop of improving freight rates, stable fleet utilisation, and continued government capex spending, Ashok Leyland is strategically placed to capture both domestic and international CV market opportunities, justifying our **BUY** rating. We arrive at a TP of Rs 160/share (Earlier TP: Rs 135/share), valuing the stock at 21x P/E on FY28E EPS (Earlier 18x P/E FY28E) and assigning Rs 14/share for the stake in Hinduja Leyland Finance Ltd.

Key Highlights

- **EV Growth Engine; Switch Mobility and OHM Global:** Ashok Leyland's electric mobility strategy is anchored on two complementary pillars, Switch Mobility India and OHM Global. Switch India delivered a strong performance in H1FY26, selling approximately 600 electric buses and 600 ELCVs, supported by an order book exceeding 1,650 buses and strong traction in tenders from state transport undertakings. The company aims to become cash flow positive by FY27, driven by volume ramp-up, platform localisation, and cost optimisation. OHM Mobility, the group's E-MaaS subsidiary, focuses on operating electric bus fleets, thereby capturing recurring service revenues. As of Q2FY26, OHM has 1,100 buses in operation with 98%+ fleet availability and is on track to operate over 2,500 buses within the next 12 months. Its operational scale is supported by buses manufactured by Switch and procured under prior tender wins, creating a captive demand cycle for Ashok Leyland's EV arm. Together, Switch India and OHM Mobility position Ashok Leyland for future monetisation opportunities via potential strategic investors, while reinforcing technological leadership in the fast-growing Indian electric bus market.
- **International Business - Strong Export Momentum:** Exports rose 45% YoY in Q2FY26 to 4,784 units, led by strong growth traction in GCC, SAARC and Africa markets, with the UAE plant nearing full capacity utilisation. Saudi Arabia remains a high-growth geography.
- **Defence & Power Solutions:** While Q2FY26 defence revenue declined to Rs 120 Cr vs Rs 400 Cr last year, management remains bullish, backed by a Rs 1,000 Cr order book and Rs 2,000 Cr in tenders won. The power solutions segment posted a 28.5% YoY revenue increase, diversifying income streams and enhancing margin stability.
- **Capex & Balance Sheet Strength:** Capex stood at Rs 417 Cr and Rs 658 Cr in H1FY26, reflecting ongoing investments in capacity, product development and technology. The company ended Q2 with a net cash position of Rs 1,000 Cr, marking a Rs 1,500 Cr YoY improvement.
- **Non-diesel Portfolio:** Ashok Leyland continues to broaden its non-diesel portfolio, with two models of light electric trucks, three models of MHCV electric trucks, and multiple variants of electric buses already commercially available. The company has also ventured into alternative fuel technologies, including CNG, LNG, and hydrogen within its diesel range. Additionally, it is preparing to launch a new range of heavy-duty trucks with 320 to 360 HP power ratings, built on next-generation aggregates for superior reliability. These vehicles, equipped with advanced six-cylinder engines delivering segment-leading peak torque, are designed to ensure best-in-class turnaround times and higher earnings potential for customers.

Change in Estimates

| (Rs Cr) | Revised | | | Old | | | % Change | | |
|---------|---------|--------|--------|--------|--------|--------|----------|-------|-------|
| | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E |
| Sales | 41,408 | 43,736 | 47,057 | 40,608 | 43,089 | 45,948 | 2.0% | 1.5% | 2.4% |
| EBITDA | 5,269 | 5,856 | 6,291 | 5,228 | 5,715 | 6,057 | 0.8% | 2.5% | 3.9% |
| PAT | 3,497 | 3,820 | 4,111 | 3,366 | 3,714 | 3,935 | 3.9% | 2.8% | 4.5% |

Source: Company, Axis Securities Research

Q2FY26 Results Review

| YE March (Rs Cr) | Q2FY25 | Q1FY26 | Axis Sec Estimates | Q2FY26 | YoY (%) | QoQ (%) | Axis Sec Var (%) |
|---|------------------|------------------|--------------------|------------------|---------------|----------------|------------------|
| M&HCV | 25,685 | 25,661 | | 26,635 | 3.7% | 3.8% | |
| LCV | 16,629 | 15,566 | | 17,697 | 6.4% | 13.7% | |
| Total Domestic | 42,314 | 41,227 | | 44,332 | 4.8% | 7.5% | |
| M&HCV | 2,495 | 2,410 | | 4,083 | 63.6% | 69.4% | |
| LCV | 815 | 601 | | 701 | -14.0% | 16.6% | |
| Total Exports | 2,334 | 5,460 | | 4,784 | 105.0% | -12.4% | |
| Total Volume (units) | 44,648 | 46,687 | 49,116 | 49,116 | 10.0% | 5.2% | |
| | Q2FY25 | Q1FY26 | Axis Sec Estimates | Q2FY26 | YoY (%) | QoQ (%) | Axis Sec Var (%) |
| Net Sales | 8,769 | 8,725 | 9,534 | 9,588 | 9.3% | 9.9% | 0.6% |
| ASP (Rs/vehicle) | 19,63,992 | 18,68,724 | 19,41,197 | 19,52,150 | -0.6% | 4.5% | 0.6% |
| Less: | | | | | | | |
| Net Raw Material consumed | 6,241 | 6,163 | 6,769 | 6,824 | 9.3% | 10.7% | 0.8% |
| Other Manufacturing & Sales Exp. | 912 | 980 | 877 | 955 | 4.7% | -2.6% | 8.8% |
| Personnel | 599 | 612 | 659 | 648 | 8.2% | 5.8% | -1.6% |
| Total Expenditure | 7,752 | 7,755 | 8,305 | 8,426 | 8.7% | 8.7% | 1.5% |
| EBITDA | 1,017 | 970 | 1,229 | 1,162 | 14.2% | 19.9% | -5.5% |
| Less: Depreciation | 175 | 183 | 237 | 172 | -1.8% | -5.7% | -27.4% |
| EBIT | 842 | 787 | 992 | 990 | 17.6% | 25.8% | -0.2% |
| Less: Interest | 61 | 42 | 28 | 42 | -30.8% | 0.3% | 47.9% |
| Add: Other income | 97 | 53 | 88 | 135 | 38.6% | 155.0% | 53.6% |
| Profit Before Extraordinary Items and Tax | 878 | 798 | 1,051 | 1,083 | 23.2% | 35.7% | 3.0% |
| Less: Extraordinary Expense/(Income) | (117) | - | - | 40 | - | - | - |
| Profit Before Tax | 996 | 798 | 1,051 | 1,043 | 4.7% | 30.7% | -0.8% |
| Less: Total Tax | 226 | 204 | 263 | 272 | 20.3% | 33.1% | 3.3% |
| Profit After Tax | 770 | 594 | 788 | 771 | 0.1% | 29.9% | -2.2% |
| Adj. PAT | 688 | 594 | 788 | 799 | 16.2% | 34.6% | 1.3% |
| Shares Outstanding (Cr) | 587 | 587 | 587 | 587 | 0.0% | 0.0% | 0.0% |
| Reported EPS (Rs.) | 1.3 | 1.0 | 1.3 | 1.3 | 0.1% | 29.9% | -2.2% |
| Adj. EPS (Rs.) | 1.2 | 1.0 | 1.3 | 1.4 | 16.2% | 34.6% | 1.3% |
| Margin Analysis | Q2FY25 | Q1FY26 | Axis Sec Estimates | Q2FY26 | Change in bps | Change in bps | Change in bps |
| Gross Margins | 28.8% | 29.4% | 29.0% | 28.8% | 1 bps | -53 bps | -17 bps |
| EBITDA Margin | 11.6% | 11.1% | 12.9% | 12.1% | 52 bps | 101 bps | -77 bps |
| Adj. NPM | 7.8% | 6.8% | 8.3% | 8.3% | 49 bps | 153 bps | 6 bps |
| Effective Tax Rate | 25.7% | 25.6% | 25.0% | 26.0% | 35 bps | 48 bps | 105 bps |
| Cost Analysis | | | | | | | |
| RM/Net Sales | 71.2% | 70.6% | 71.0% | 71.2% | -1 bps | 53 bps | 17 bps |
| Other Mfg & Sales Exp/Net Sales | 10.4% | 11.2% | 9.2% | 10.0% | -44 bps | -128 bps | 76 bps |
| Personnel/Net Sales | 6.8% | 7.02% | 6.9% | 6.8% | -7 bps | -26 bps | -15 bps |

Source: Company, Axis Securities Research.

Financials (Standalone)

Profit & Loss

(Rs Cr)

| Y/E March (Rs Cr) | FY25 | FY26E | FY27E | FY28E |
|----------------------------|--------------|--------------|--------------|--------------|
| Net revenues | 38,753 | 41,408 | 43,736 | 47,057 |
| Operating expenses | 33,822 | 36,139 | 37,881 | 40,766 |
| EBITDA | 4,931 | 5,269 | 5,856 | 6,291 |
| EBITDA margin (%) | 12.7 | 12.7 | 13.4 | 13.4 |
| Other income | 250 | 363 | 351 | 351 |
| Interest | 217 | 141 | 136 | 136 |
| Depreciation | 719 | 858 | 977 | 1,025 |
| Profit Before Tax | 4,348 | 4,593 | 5,093 | 5,481 |
| Tax | 1,045 | 1,176 | 1,273 | 1,370 |
| Reported Net Profit | 3,303 | 3,417 | 3,820 | 4,111 |
| Net Margin (%) | 8.5 | 8.3 | 8.7 | 8.7 |
| Adjusted Net Profit | 3,224 | 3,497 | 3,820 | 4,111 |

Source: Company, Axis Securities Research

Balance Sheet

(Rs Cr)

| Y/E March (Rs Cr) | FY25 | FY26E | FY27E | FY28E |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Equity capital | 294 | 294 | 294 | 294 |
| Reserves & surplus | 11,225 | 14,055 | 17,287 | 20,811 |
| Shareholders' funds | 11,519 | 14,349 | 17,581 | 21,104 |
| Total Loans | 1,435 | 1,135 | 835 | 535 |
| Deferred tax liability | 548 | 548 | 548 | 548 |
| Total Liabilities and Equity | 13,502 | 16,032 | 18,964 | 22,187 |
| Gross block | 13,138 | 13,836 | 14,336 | 14,836 |
| Depreciation | 6,023 | 6,881 | 7,858 | 8,884 |
| Net block | 7,115 | 6,955 | 6,478 | 5,952 |
| Capital WIP | 448 | 250 | 250 | 250 |
| Investments | 8,673 | 8,873 | 9,073 | 9,273 |
| Inventory | 2,957 | 2,833 | 2,993 | 3,220 |
| Debtors | 2,887 | 3,971 | 4,194 | 4,512 |
| Cash & Bank Bal | 2,706 | 3,098 | 5,901 | 9,115 |
| Loans & Advances | 739 | 2,796 | 3,295 | 3,843 |
| Current Assets | 9,290 | 12,699 | 16,383 | 20,690 |
| Sundry Creditors | 7,305 | 7,426 | 7,784 | 8,376 |
| Other Current Liability | 4,719 | 5,319 | 5,435 | 5,601 |
| Current Liability & Provisions | 12,024 | 12,745 | 13,219 | 13,978 |
| Net current assets | (2,734) | (46) | 3,164 | 6,712 |
| Total Assets | 13,502 | 16,032 | 18,964 | 22,187 |

Source: Company, Axis Securities Research.

Cash Flow
(Rs Cr)

| Y/E March (Rs Cr) | FY25 | FY26E | FY27E | FY28E |
|---|---------------|--------------|--------------|--------------|
| EBIT | 4,211 | 4,411 | 4,878 | 5,266 |
| Other Income | 250 | 363 | 351 | 351 |
| Depreciation & Amortization | 719 | 858 | 977 | 1,025 |
| Interest paid (-) | -217 | -141 | -136 | -136 |
| Tax paid (-) | -1,045 | -1,176 | -1,273 | -1,370 |
| Extra Ord Income | 104 | -40 | 0 | 0 |
| Operating Cash Flow | 4,023 | 4,275 | 4,797 | 5,136 |
| Change in Working Capital | 1,359 | -2,295 | -407 | -335 |
| Cash flow from Operations | 5,382 | 1,980 | 4,390 | 4,801 |
| Capex | -1,579 | -500 | -500 | -500 |
| Investment | -3,113 | -200 | -200 | -200 |
| Cash flow from Investing | -4,692 | -700 | -700 | -700 |
| Change in borrowing | -819 | -300 | -300 | -300 |
| Others | -16 | 0 | 0 | 0 |
| Dividends paid (-) | -587 | -587 | -587 | -587 |
| Cashflow from Financial Activities | -1,422 | -887 | -887 | -887 |
| Change in Cash | -732 | 392 | 2,803 | 3,214 |
| Opening cash | 3,438 | 2,706 | 3,098 | 5,901 |
| Closing cash | 2,706 | 3,098 | 5,901 | 9,115 |

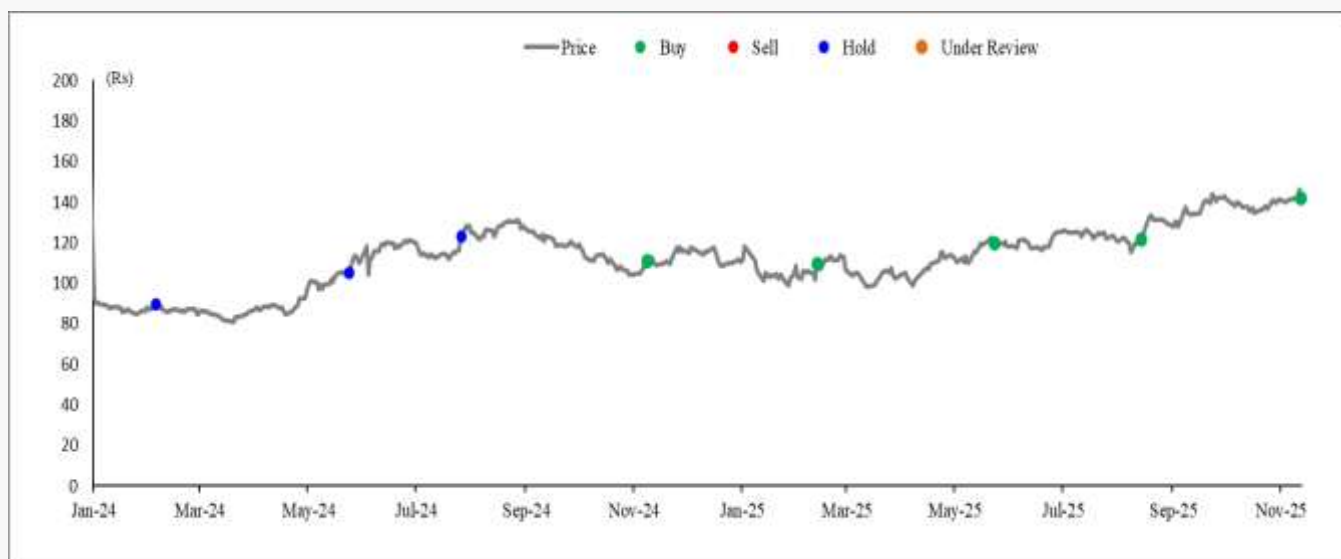
Source: Company, Axis Securities Research

Ratio Analysis
(%)

| Y/E March | FY25 | FY26E | FY27E | FY28E |
|---------------------------------|------|-------|-------|-------|
| Revenue Growth | 1.0 | 6.9 | 5.6 | 7.6 |
| EBITDA Margin | 12.7 | 12.7 | 13.4 | 13.4 |
| Net Profit Margin | 8.3 | 8.4 | 8.7 | 8.7 |
| ROCE (%) | 25.6 | 23.3 | 21.5 | 19.8 |
| ROE (%) | 30.8 | 26.4 | 23.5 | 20.9 |
| EPS | 11.0 | 5.8 | 6.5 | 7.0 |
| P/E (x) | 7.8 | 12.0 | 11.0 | 10.2 |
| P/ BV (x) | 2.2 | 2.9 | 2.4 | 2.0 |
| EV/ EBITDA (x) | 9.9 | 15.5 | 13.4 | 11.9 |
| Fixed Assets Turnover Ratio (x) | 6.2 | 7.0 | 8.0 | 9.5 |
| Debt / Equity (x) | 0.1 | 0.1 | 0.0 | 0.0 |
| EV/ Sales (x) | 1.3 | 2.0 | 1.8 | 1.6 |

Source: Company, Axis Securities Research

Ashok Leyland Price Chart and Recommendation History



Source: Axis Securities research

| Date | Reco | TP | Research |
|-----------|------|-----|---------------|
| 06-Feb-24 | HOLD | 93 | Result Update |
| 27-May-24 | HOLD | 111 | Result Update |
| 29-Jul-24 | HOLD | 115 | Result Update |
| 11-Nov-24 | BUY | 125 | Result Update |
| 13-Feb-25 | BUY | 123 | Result Update |
| 26-May-25 | BUY | 135 | Result Update |
| 18-Aug-25 | BUY | 135 | Result Update |
| 13-Nov-25 | BUY | 160 | 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, Aurum 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 BASL (in case of IAs) 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.