

Vishal Mega Mart | BUY

Building the next leg

VMM held its analyst meet today. The key takeaways are: i) It sees a clear opportunity to scale to 2,000+ large-format stores (versus 833 at present) and plans 100+ additions annually, providing a long runway for growth. Further, the small-format pilot in UP and Haryana, with operating metrics at par with those of large formats, opens up 4,000+ additional stores; ii) Digital commerce, now live in 500+ towns and cash break even, contributes 2–10% to store revenue (above the original 5% target); iii) The company launched a pilot for a clothing-focused format under 'Belong & Co.', targeting urban and affluent young consumers; iv) It continues to reinvest gross margin gains from operating leverage into improving quality and pricing; digital commerce the only gross-margin-dilutive initiative; v) It is investing ahead of the curve in automated warehouses and RFID to drive inventory freshness, curb shrinkage and lower in-store storage costs; and vi) It is targeting double-digit SSSG for the full year. We cut our FY27–29E EPS estimates by ~4% to factor in continued investments across stores, digital commerce, supply chain automation and technology. We maintain BUY with a revised DCF-based TP of INR 134 (WACC 11.75%; terminal growth 5.5%); implying ~44x P/E multiple Sep'28.

- **Store expansion: small formats add second leg to store runway:** Management has identified 2,000 large-format locations, with each store requiring a catchment of ~80k population. In UP and Haryana, VMM is 2–3 years away from exhausting relevant towns for large stores. There it has piloted smaller stores over the last 18–20 months in towns with ~40k population and is now rolling out the format across both states. Operating metrics in the pilot are in line with those of large formats. In states that still have large-format headroom, it will not open small stores. Management said one large store is roughly two small stores in size but the execution effort/store is similar.
- **Digital commerce emerging as an incremental growth engine:** The business runs out of existing stores, keeping space and inventory fungible across channels. After 18 months spent strengthening operations, delivery delays are <2% and fill rates 95%+. With traction ahead of the initial target, management has raised its ambition and will step up investment. Gross margin is lower than in stores, given a higher FMCG mix (~70% versus ~25% in store) and incremental delivery costs. Management still sees it as strategic: ~20% of VMM's customers are new; it reaches 500+ towns versus 30–50 for e-commerce players and skipping them would risk losing customers.
- **'Belong & Co.' aimed at a different customer.** The 10-day-old apparel format targets urban, affluent young consumers and will be located in higher end malls. Management is optimistic but is taking a financially conservative approach given the early stage.
- **Operating leverage reinvested into quality:** Annual volume growth of 17–18% drives operating leverage across categories, which the company has reinvested into quality and pricing in the last two years. Examples include in apparel, where it is close to converting all merchandise beyond opening price points from polyester to cotton. This will continue until functional quality is comparable across price points.
- **Building a modern supply chain:** VMM is automating its 0.6mn sqft Haryana warehouse and plans to add three more mother warehouses, which will supply to regional warehouses on city outskirts. These lower-rental regional warehouses will replenish stores daily, removing storage from stores and improving inventory freshness. Automation should also bring operating leverage to warehouse labour costs. Its RFID rollout, started in Delhi NCR, should help curb shrinkage.

Financial Summary					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Sales	107,163	129,063	153,799	182,169	214,794
Sales Growth (%)	20.2	20.4	19.2	18.4	17.9
EBITDA	15,302	18,836	21,811	26,300	31,408
EBITDA Margin (%)	14.3	14.6	14.2	14.4	14.6
Adjusted Net Profit	6,320	8,392	10,097	12,705	15,809
Diluted EPS (INR)	1.4	1.8	2.2	2.7	3.4
Diluted EPS Growth (%)	34.2	30.6	20.3	25.8	24.4
ROIC (%)	12.7	16.0	18.0	21.6	25.6
ROE (%)	10.5	12.1	13.0	15.0	17.2
P/E (x)	77.1	59.0	49.1	39.0	31.3
P/B (x)	7.6	6.7	6.1	5.6	5.2
EV/EBITDA (x)	31.9	25.5	21.8	17.9	14.8
Dividend Yield (x)	-	-	-	-	-

Source: Company data, JM Financial. Note: Valuations as of September 23, 2026



Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	INR134
Upside/(Downside)	27.0%
Previous Price Target	INR150
Change	-5.3%

Key Data – VMM IN EQUITY

Current Market Price	INR106
Market cap (bn)	INR496.6/US\$5.2
Free Float (%)	52.3
Shares in issue (mn)	4,684.8
Diluted share (mn)	4,673
3-mon avg daily val (mn)	INR1,499.6/US\$15.7
52-week range	INR152/99
Sensex/Nifty	74,828/23,447
INR/US\$	95.7

Price Performance

%	1M	6M	12M
Absolute	2.5	6.3	-29.3
Relative*	6.0	5.3	-22.8

*To the NSE Nifty 50

*This note marks transfer of coverage to
Vaishnavi Mandhaniya*

Vaishnavi Mandhaniya

vaishnavi.mandhaniya@jmfll.com
Tel: (91 22) 69703637

JM Financial Research is also available on:
Bloomberg - JMFR <GO>, FactSet, LSEG and
S&P Capital IQ

Please see Appendix I at the end of this report
for Important Disclosures and Disclaimers and
Research Analyst Certification.

Exhibit 1: We tweak our estimates

INR mn	FY27E			FY28E			FY29E		
	Revised	Earlier	Chng (%)	Revised	Earlier	Chng (%)	Revised	Earlier	Chng (%)
Revenues	1,53,799	1,53,924	(0.1)	1,82,169	1,82,769	(0.3)	2,14,794	2,16,444	(0.8)
EBITDA	21,811	22,705	(3.9)	26,300	27,592	(4.7)	31,408	33,093	(5.1)
EBITDA margin (%)	14.2	14.8	-57bps	14.4	15.1	-66bps	14.6	15.3	-67bps
Net income	10,097	10,654	(5.2)	12,705	13,390	(5.1)	15,809	16,538	(4.4)
EPS (INR/share)	2.2	2.3	(4.5)	2.7	2.8	(3.9)	3.4	3.5	(3.0)

Source: Company, JM Financial

Detailed takeaways from analyst meet

Apparel

- **Business strategy:** VMM's apparel team is focused on differentiating through fashionability, functionality and quality while targeting ~90% full-price sell-through. It benchmarks leading global retailers and uses weekly sell-through data to identify bestsellers, allowing successful products to be replenished quickly and weaker products to be exited or discounted earlier. Its fast-fashion approach also limits initial seasonal buying and uses subsequent sales data to refine the assortment, supporting higher inventory freshness and reducing end-of-season liquidation.

General merchandise

- **Business strategy:** VMM's general merchandise strategy focuses on continuous newness, innovation and functionality, with the team benchmarking global brands across categories such as home, footwear, lifestyle and appliances. AI-enabled tools and regular store visits are being used to track global trends and identify products that can be introduced faster. Bestsellers are scaled across the network while weaker products are flushed out, with new designs and articles introduced every week to maintain inventory freshness.

FMCG

- **Strong vendor and quality control to drive FMCG scale:** VMM's FMCG business leverages a large vendor network, with stringent vendor selection based on both quality standards and capacity requirements. It conducts regular price benchmarking and maintains quality oversight throughout production, including presence at manufacturing lots for food products. The scale of demand has also encouraged several vendors to add capacity specifically to serve the company.

Store network

- **Store network continues to deepen across regions:** VMM currently operates 833 stores across 570+ towns and has a runway to add 400–500 stores over the next 4–5 years. Southern markets such as Karnataka, Telangana, Andhra Pradesh and Kerala remain areas of expansion, while it has also begun piloting stores in Gujarat and Maharashtra. The focus remains on selecting locations that offer sufficient demand and profitability while avoiding cannibalisation within the network.
- **Disciplined site selection protects store economics:** New locations are evaluated through a structured process combining local market mapping, competitor rental benchmarking and revenue potential assessment. It uses ~5% of projected sales in year 3 for newer stores as the upper bound for rent, while seeking to keep rentals lower wherever possible. Around 80% of stores are on fixed rentals, with the balance using revenue-sharing arrangements.
- **Store refurbishment to keep pace with changing aspirations:** It is increasingly focusing on upgrading its existing store network alongside new-store additions, with 30–40 stores refurbished annually. Management believes newer and refurbished stores can outperform older legacy stores, while reducing building heights and optimising inventory storage are also helping improve store economics. The broader objective is to ensure that the physical store experience evolves alongside the company's increasingly aspirational merchandise.

Inventory management

- **RFID to improve inventory visibility and shrinkage:** The company is rolling out RFID across its apparel operations, with the technology combining inventory tracking and anti-theft functionality. To address the high cost of disposable tags, it has developed a reusable solution that can bring

the effective tag cost down to ~ INR 1 per garment from INR 3–4 for paper RFID tags. The rollout has started in Delhi NCR and is expected to extend across the country during the year, with the system designed to prevent tags from being removed before checkout and thereby reduce store-level shrinkage.

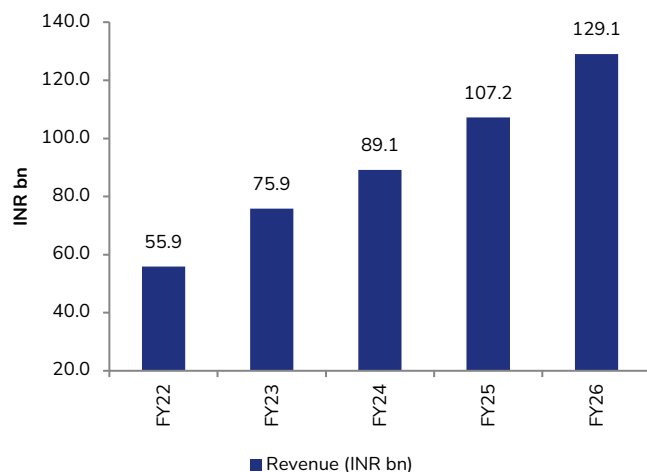
- **Focus on high full-price sell-through:** VMM targets ~90% full-price sell-through, with slow-moving products identified monthly and discounted well before they become aged inventory. The remaining ~10% is liquidated at the store level, while seasonal inventory such as winter merchandise can be returned to the distribution centre and prepared for the following year. This approach reduces the risk of significant end-of-season inventory accumulation and supports tighter provisioning based on net realisable value versus cost.

Outlook

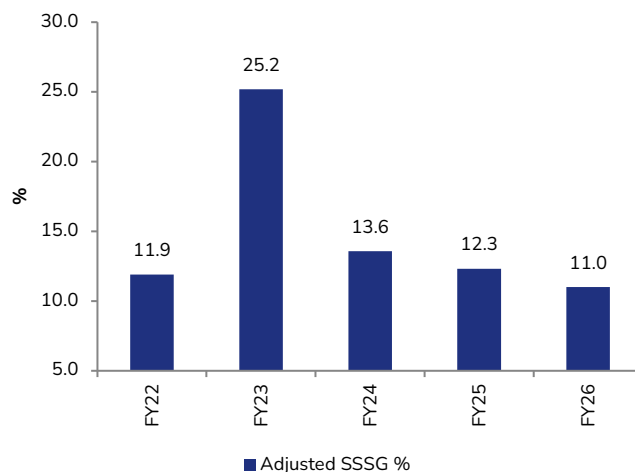
- **Double-digit SSSG target:** It is targeting double-digit SSSG for the full year, with management highlighting that quarterly trends may be affected by the shifts in the festive calendar.

Others

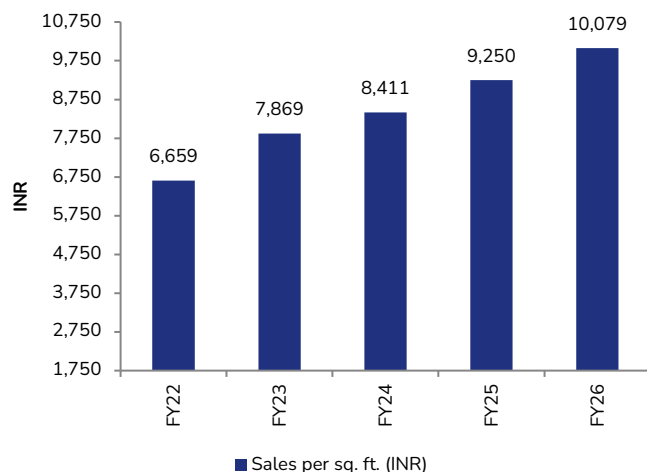
- **Investing ahead of the growth curve:** The company is generating sufficient FCF to fund store expansion while investing ahead of demand in initiatives such as AI, RFID, computer-aided design for garment cutting and supply chain capacity. It is also building organisational capability ahead of the expected scale-up, with the INR 250bn revenue ambition over the next five years (not a formal target). The focus is on creating the required people, processes and infrastructure in the next 1–2 years to support longer-term growth.
- **Improving productivity still a key lever:** It is using multiple levers to improve store and employee productivity, including apprentice and part-time employee schemes, cross-training associates across roles and handheld devices to reduce checkout workloads. It also operates a variable cost structure in areas such as air-conditioning, adjusting usage to customer footfall during the day. These initiatives are intended to create operating leverage as store volumes increase.
- **Maintains cost leadership:** VMM uses detailed cost sheets to benchmark vendor costs across commodities, logistics, packaging and vendor margins, with pricing and negotiations revisited regularly. It also identifies unnecessary costs within the product and packaging structure and passes savings through to customers where possible. Operating leverage from increasing scale should further support its ability to maintain sharp pricing without compromising product quality.
- **Balancing affordability with aspiration:** VMM's strategy is centred on making increasingly global and aspirational products affordable to Indian consumers, while maintaining quality across price points. Rather than making trade-offs between fashionability, functionality, quality and price, the company aims to strengthen all four, with the opening price point remaining particularly important for driving customer upgrades from unorganised retail. This positioning is supported by extensive benchmarking of global retailers and continuous product and price benchmarking.

Exhibit 2: Consolidated revenue grows 20% YoY to INR 129bn

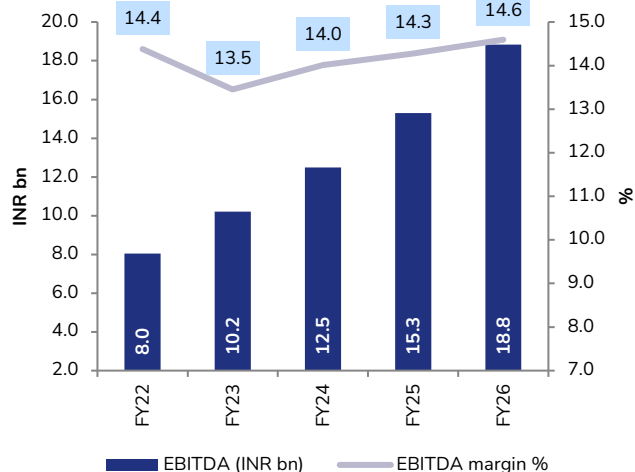
Source: Company, JM Financial

Exhibit 3: Adjusted SSSG stood at 11% in FY26

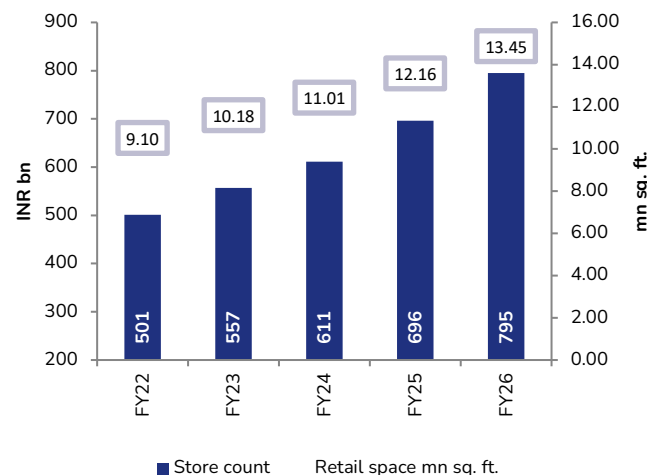
Source: Company, JM Financial

Exhibit 4: Sales/sqft rose 9% YoY to INR 10,079

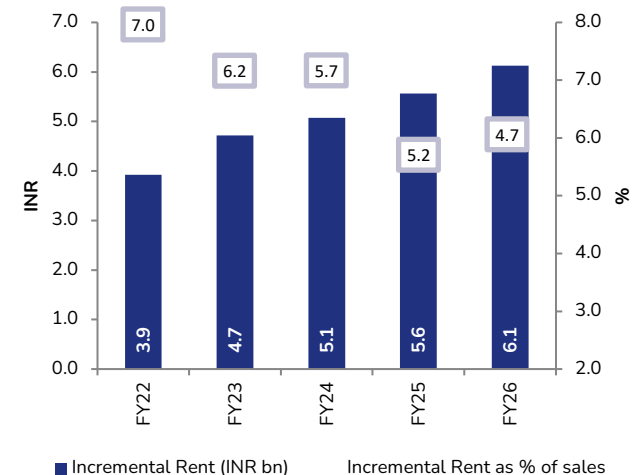
Source: Company, JM Financial

Exhibit 5: Reported EBITDA margin expanded 32bps YoY to 14.6%

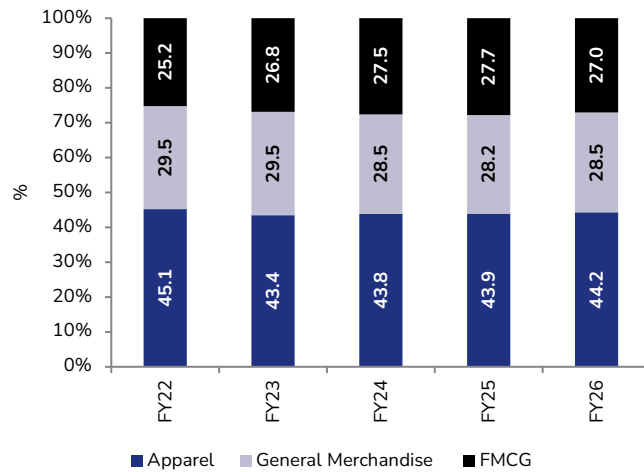
Source: Company, JM Financial

Exhibit 6: Net store additions 99 in FY26

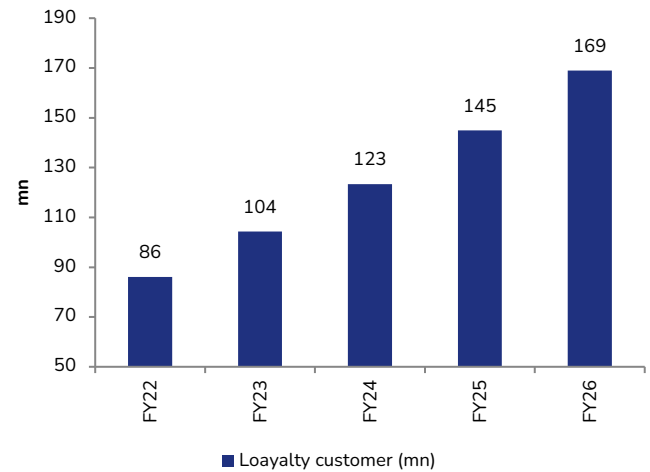
Source: Company, JM Financial

Exhibit 7: Incremental rent decreased 44bps to 4.7% of sales YoY

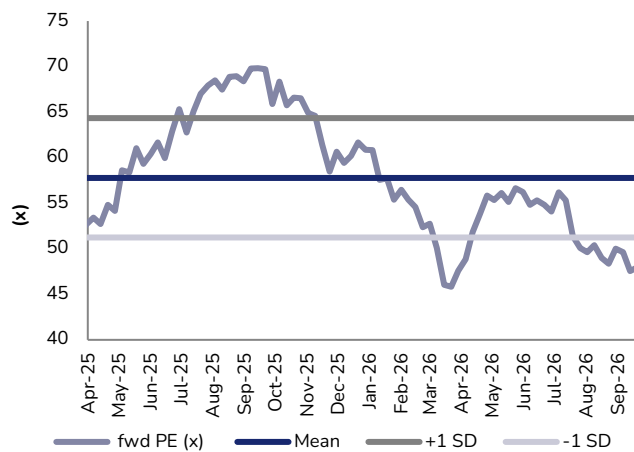
Source: Company, JM Financial

Exhibit 8: Apparel and GM share up 30bps each YoY in FY26

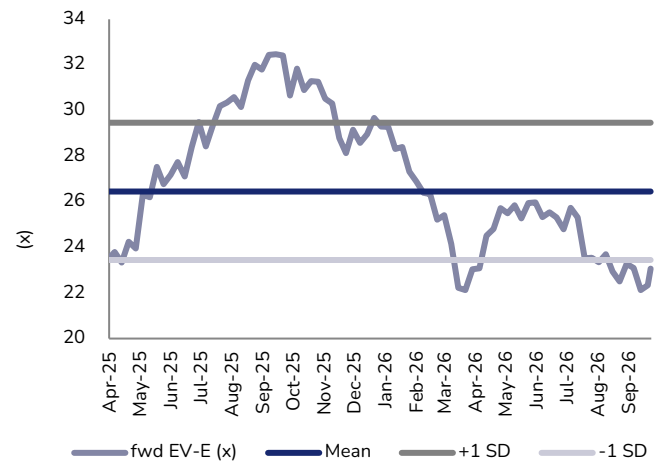
Source: Company, JM Financial

Exhibit 9: Loyalty customers increase 17% YoY to 169mn in FY26

Source: Company, JM Financial

Exhibit 10: PE (x) 1Y forward

Source: Company, JM Financial

Exhibit 11: EV-EBITDA (x) 1Y forward

Source: Company, JM Financial

VMM - Financial Tables (Consolidated)

Income Statement (INR mn)					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Sales	107,163	129,063	153,799	182,169	214,794
Sales Growth (%)	20.2	20.4	19.2	18.4	17.9
Other Operating Income	-	-	-	-	-
Total Revenue	107,163	129,063	153,799	182,169	214,794
Cost of Goods Sold/Op. Exp	76,636	92,382	110,319	130,486	153,641
Personnel Cost	6,406	7,283	8,987	10,626	12,508
Other Expenses	8,820	10,561	12,683	14,756	17,238
EBITDA	15,302	18,836	21,811	26,300	31,408
EBITDA Margin (%)	14.3	14.6	14.2	14.4	14.6
EBITDA Growth (%)	22.6	23.1	15.8	20.6	19.4
Depn. & Amort.	5,902	6,734	7,674	8,627	9,648
EBIT	9,399	12,102	14,137	17,674	21,761
Other Income	586	863	1,287	1,499	1,811
Finance Cost	1,492	1,715	1,888	2,141	2,379
PBT before Excep. & Forex	8,493	11,250	13,535	17,032	21,193
Excep. & Forex Inc./Loss(-)	-	-	-	-	-
PBT	8,493	11,250	13,535	17,032	21,193
Taxes	2,173	2,858	3,438	4,326	5,383
Extraordinary Inc./Loss(-)	-	-	-	-	-
Assoc. Profit/Min. Int.(-)	-	-	-	-	-
Reported Net Profit	6,320	8,392	10,097	12,705	15,809
Adjusted Net Profit	6,320	8,392	10,097	12,705	15,809
Net Margin (%)	5.9	6.5	6.6	7.0	7.4
Diluted Share Cap. (mn)	4,597	4,673	4,673	4,673	4,673
Diluted EPS (INR)	1.4	1.8	2.2	2.7	3.4
Diluted EPS Growth (%)	34.2	30.6	20.3	25.8	24.4
Total Dividend + Tax	-	-	-	-	-
Dividend Per Share (INR)	-	-	-	-	-

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Profit before Tax	8,493	11,250	13,535	17,032	21,193
Depn. & Amort.	5,902	6,734	7,674	8,627	9,648
Net Interest Exp. / Inc. (-)	1,492	1,715	1,888	2,141	2,379
Inc (-) / Dec in WCap.	507	377	-2,131	-1,400	-1,561
Others	-4	-608	-1,287	-1,499	-1,811
Taxes Paid	-2,400	-3,255	-3,438	-4,326	-5,383
Operating Cash Flow	13,991	16,213	16,241	20,573	24,464
Capex	-2,638	-3,249	-3,331	-3,483	-3,640
Free Cash Flow	11,352	12,964	12,911	17,090	20,824
Inc (-) / Dec in Investments	-3,496	-6,669	-	-	-
Others	30	39	1,287	1,499	1,811
Investing Cash Flow	-6,105	-9,879	-2,044	-1,984	-1,829
Inc / Dec (-) in Capital	897	1,241	-	-	-
Dividend + Tax thereon	-	-	-3,271	-5,608	-7,944
Inc / Dec (-) in Loans	-	-	-	-	-
Others	-5,683	-6,243	-7,071	-8,090	-9,223
Financing Cash Flow	-4,786	-5,003	-10,342	-13,698	-17,167
Inc / Dec (-) in Cash	3,100	1,331	3,855	4,891	5,468
Opening Cash Balance	1,537	4,618	5,949	9,804	14,695
Closing Cash Balance	4,637	5,949	9,804	14,695	20,162

Source: Company, JM Financial

Balance Sheet (INR mn)					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Shareholders Fund	64,013	74,133	80,958	88,056	95,921
Share Capital	45,974	46,731	46,731	46,731	46,731
Reserves & Surplus	18,039	27,401	34,227	41,325	49,190
Preference Share Capital	-	-	-	-	-
Minority Interest	-	-	-	-	-
Total Loans	-	-	-	-	-
Def. Tax Liab. / Assets (-)	-	-	-	-	-
Other non-current liabilities / Lease Liabilities	17,294	19,880	22,305	24,620	26,705
Total - Equity & Liab.	81,307	94,012	103,263	112,676	122,625
Net Fixed Assets	50,028	51,309	52,330	53,094	53,546
Gross Fixed Assets	14,921	17,578	20,909	24,392	28,033
Intangible Assets	42,941	43,014	43,014	43,014	43,014
Less: Depn. & Amort.	7,970	9,619	11,930	14,649	17,837
Capital WIP	136	336	336	336	336
Investments	3,873	11,190	11,190	11,190	11,190
Current Assets	30,573	34,150	44,273	55,367	67,989
Inventories	18,503	20,170	25,282	30,195	35,897
Sundry Debtors	664	278	332	393	463
Cash & Bank Balances	4,637	5,949	9,804	14,695	20,162
Loans & Advances	-	-	-	-	-
Other Current Assets	6,769	7,753	8,855	10,085	11,467
Current Liab. & Prov.	18,624	20,482	24,618	29,421	35,015
Current Liabilities	18,214	20,195	23,682	27,646	32,173
Provisions & Others	409	287	936	1,775	2,842
Net Current Assets	8,521	9,662	15,263	21,149	27,742
Other Non Current Assets/ROU Assets	18,885	21,851	24,480	27,243	30,147
Total - Assets	81,307	94,012	103,263	112,676	122,625

Source: Company, JM Financial

DuPont Analysis					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Margin (%)	5.9	6.5	6.6	7.0	7.4
Asset Turnover (x)	1.4	1.5	1.6	1.7	1.8
Leverage Factor (x)	1.3	1.3	1.3	1.3	1.3
RoE (%)	10.5	12.1	13.0	15.0	17.2

Source: Company, JM Financial

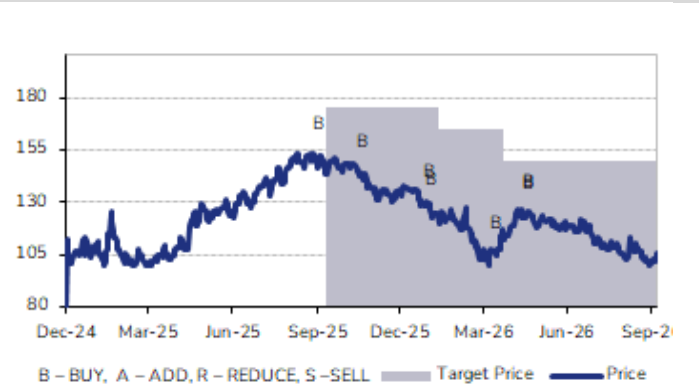
Key Ratios					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
BV/Share (INR)	13.9	15.9	17.3	18.8	20.5
ROIC (%)	12.7	16.0	18.0	21.6	25.6
ROE (%)	10.5	12.1	13.0	15.0	17.2
Net Debt/Equity (x)	-0.1	-0.2	-0.3	-0.3	-0.3
P/E (x)	77.1	59.0	49.1	39.0	31.3
P/B (x)	7.6	6.7	6.1	5.6	5.2
EV/EBITDA (x)	31.9	25.5	21.8	17.9	14.8
EV/Sales (x)	4.6	3.7	3.1	2.6	2.2
Debtor days	2	1	1	1	1
Inventory days	63	57	60	61	61
Creditor days	50	46	46	46	46

Source: Company, JM Financial

VMM – Recommendation history table

Date	Recommendation	Target Price	% Change
16-May-26	BUY	150	0.0
15-May-26	BUY	150	0.0
9-Apr-26	BUY	150	-9.1
28-Jan-26	BUY	165	-5.7
27-Jan-26	BUY	175	0.0
14-Nov-25	BUY	175	0.0
28-Sep-25	BUY	175	

VMM – Recommendation history chart



APPENDIX I

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

Research Analyst(s) Certification

The Research Analyst(s), 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 or indirectly related to the specific recommendations or views expressed in this research report.

Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return $\geq$ 15% over the next twelve months.
ADD	Expected return $\geq$ 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return $\geq$ -10% and $<$ 5% over the next twelve months.
SELL	Expected return $<$ -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Important Disclosures

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or 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 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 company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives, own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

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 JM Financial Institutional Securities and/or its affiliated company(ies) 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 a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click [here](#) to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

Additional disclosure only for U.S. persons: JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1177 Avenue of the Americas, 5th Floor, Offices 5045 and 5046, New York, New York 10036. Telephone +1 (646) 452 7004 / +1 (646) 452 7005 which is registered with the SEC and is a member of FINRA and SIPC.

Additional disclosure only for U.K. persons: Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

Additional disclosure only for Canadian persons: This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an "accredited investor" as such term is defined in National Instrument 45-106 Prospectus Exemptions and a "permitted client" as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.

Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancialresearch@jmfl.com | www.jmfl.com

Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com

Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com
