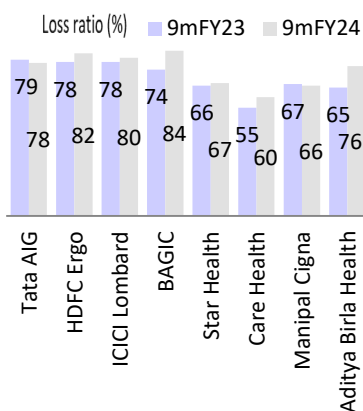


Indian Health Insurance

Loss ratio trends for 9MFY24



Source: MOFSL

Loss ratios likely to moderate from the elevated 3QFY24 levels

- As a follow up to our [SAHI thematic report](#), we analyze the industry trends along with the financial performance of SAHIs and the health segment of key private players.
- Slow growth and high loss ratios have been the key concerns for STARHEAL. However, we note that the growth has been steady (16-18% YoY) and is driven by price hikes and the sum assured. The policy growth rate has been restricted, though, owing to the company's conscious strategy of exiting certain cohorts.
- Loss ratios for HDFC Ergo/ICICI Lombard/BAGIC rose 210bp/110bp/1,520bp YoY in 3QFY24, while Star Health/Care Health/Aditya Birla Health reported 390bp/620bp/360bp YoY increase in loss ratios during the quarter. The increase was primarily due to the elevated claims for respiratory disorders until Oct'23.
- However, our channel checks have indicated an improved trajectory over the past three months, which would help improve the loss ratios in 4QFY24.
- Overall premiums in the health insurance segment continue to grow at a healthy pace, with 10MFY24 growth at 20.8% YoY vs. overall general insurance industry growth of 13.1% YoY. The segment contributed 37.7% of the total premium vs. 35.3% in 10MFY23.
- The retail health insurance segment recorded healthy growth of 19.1%/21.5% YoY in 10MFY24/Jan'24. Within this, SAHIs/Private/PSUs grew 24%/17%/10% YoY over 10MFY24 and rose 26%/17%/14% YoY in Jan'24.
- With EOM regulations in force, the group segment posted a robust growth of 20%/16% YoY in 10MFY24/Jan'24. Within this, SAHIs/Private/PSUs grew 36%/31%/9% YoY over 10MFY24 and rose 36%/19%/1% YoY in Jan'24.
- Considering the long-term growth potential for the industry, along with investments by STARHEAL in profitable channels and products, we reiterate our BUY rating on the stock with a TP of INR730 (based on 30x FY26E EPS).

Premium growth remains healthy across segments

- During 10MFY24, the overall health insurance industry posted a growth of 20.8% YoY fueled by 19.1%/20.0%/27.0% YoY growth in Retail/Group/Govt. schemes. SAHIs/Pvt/PSUs recorded a growth of 27%/41%/5% YoY. Ex-BAGIC, which saw a 126% YoY surge, the private players posted a growth of 28% YoY.
- In the retail health segment, SAHIs/Pvt/PSUs registered growth of 24%/17%/10% YoY. The growth was fueled primarily by the price hikes implemented and increase in the sum assured.
- In terms of growth in retail health, CARE led the SAHI pack (~46% growth) over 10MFY24. Growth for STARHEAL was restricted to 17% YoY, owing to its conscious strategy of exiting certain high-loss ratio cohorts. Similarly, among private companies, TATA AIG/ILOM/HDFC Ergo/BAGIC reported growth of 30%/20%/14%/12% YoY.
- During 9MFY24, the policy growth rate for STARHEAL/CARE/Manipal Cigna/Aditya Birla Health stood at 1.8%/13.1%/2.8%/6.7% YoY. For private sector players, the rate of policy growth/decline for ILOM/Tata AIA/HDFC Ergo was 6.8%/6%/-3.2% YoY.
- In terms of growth in group health, Niva led the SAHI pack (~75% growth) over 10MFY24. Among private companies, TATA AIG/ILOM/HDFC Ergo/BAGIC reported growth of 25%/31%/24%/46% YoY.

Research Analyst: Prayesh Jain (Prayesh.Jain@MotilalOswal.com) | Nemin Doshi (Nemin.Doshi@MotilalOswal.com)

Research Analyst: Nitin Aggarwal (Nitin.Aggarwal@MotilalOswal.com) | Muskan Chopra (Muskan.Chopra@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

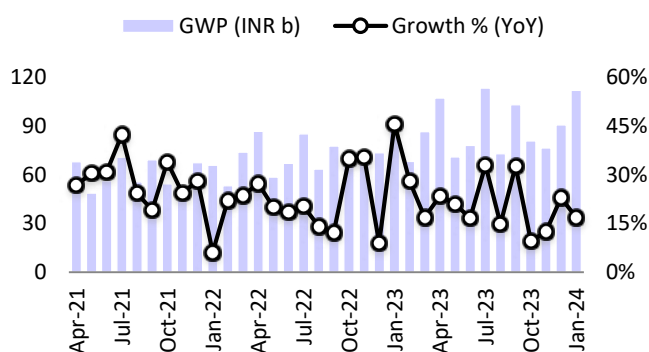
Profitability to rebound

- During 2Q and 3QFY24, loss ratio for the industry was elevated due to the spike in monsoon-related respiratory disorders. Against previous year trends, the incidences were significantly higher in Oct'23, as the month had sporadic rains.
- However, our recent channel checks have indicated that the loss ratios have normalized since Nov'23, and have extended in 4QFY24 as well.
- Among SAHIs, STARHEAL/CARE/Aditya Birla posted an increase in the loss ratios to 67%/60%/76% for 9MFY24. Manipal Cigna, on the other hand, recorded a slight moderation in the loss ratio to 66% during the period.
- Among private health insurance players, ILOM/HDFC Ergo/BAGIC reported an increase in the loss ratios to 80%/82%/84% for 9MFY24. TATA AIG, on the other hand, recorded a moderation in loss ratio to 77.6% during the period.
- The insurance companies have implemented price hikes across the retail and group health insurance products. The benefits of these hikes will be reaped over the next 3-4 quarters.
- From a profitability perspective, the claim ratios would normalize as price hikes would offset medical inflation. The Expense of Management (EOM) ratios should moderate with scale benefits. The EOM regulations will help companies manage between commissions and expenses, thus enabling growth across all channels. Consequently, with these benefits, we believe that the overall combined ratio will improve going forward.
- Among SAHIs, STARHEAL/CARE/Aditya Birla reported an increase in combined ratios to 98%/97%/121% for 9MFY24. Manipal Cigna, on the other hand, posted a slight improvement in the combined ratio to 116% for the period.
- Among private health insurance players, ILOM/HDFC Ergo recorded an increase in combined ratios to 107%/104% for 9MFY24. TATA AIG/BAGIC, on the other hand, posted an improvement in the combined ratios to 112%/101% for the period.

Valuation and view

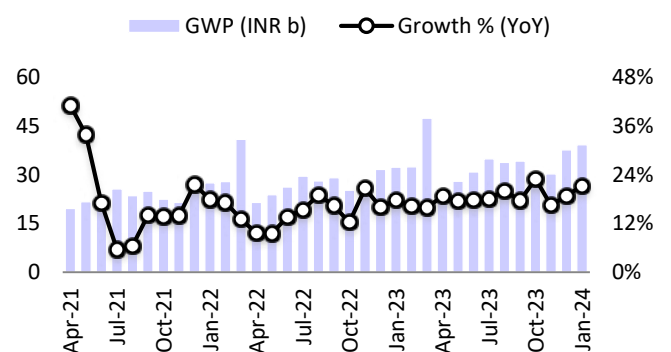
- Considering the long-term potential, the overall health insurance industry is well poised for growth and is on track to achieve 5x-8x industry size by 2030. We remain optimistic on the overall prospects for STARHEAL, backed by: a) its strong growth in the retail health industry, given the under-penetration, b) its increasing focus on tightening the underwriting standards, c) the strong push from the banca channel, where it will underwrite benefit-based products that have a relatively better profitability, d) the sustained growth in specialized products, and 5) its deepening presence. We expect STARHEAL to report a NEP/PAT CAGR of 17%/34% during FY23-26. **We reiterate our BUY rating with a TP of INR730 (based on 30x FY26E EPS).**

Exhibit 1: Health insurance GWP remains strong

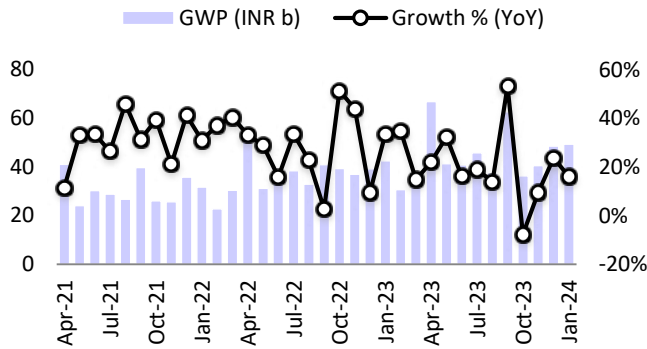


Source: MOFSL

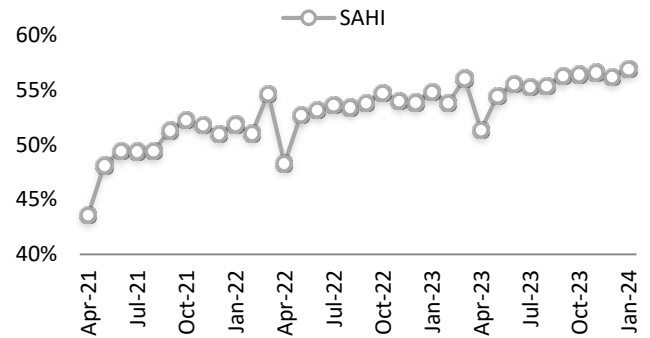
Exhibit 2: Retail health growth continues to be healthy



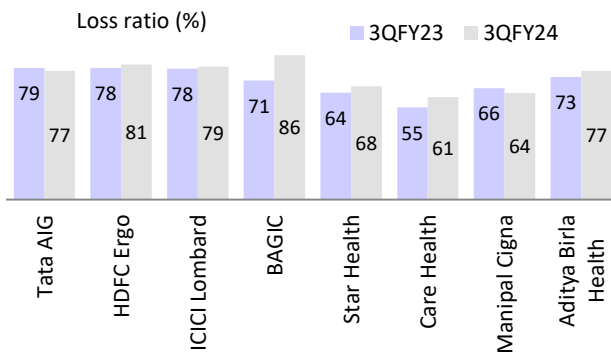
Source: MOFSL

Exhibit 3: Group segment premiums continue to grow

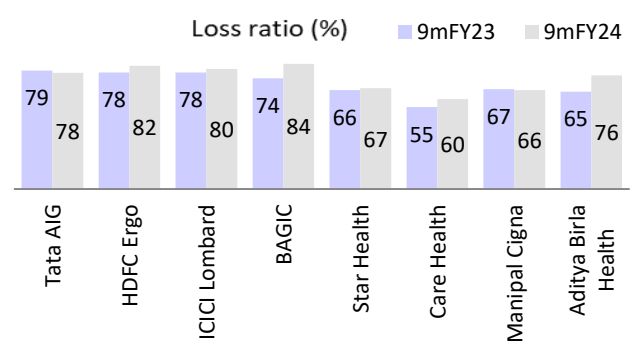
Source: MOFSL

Exhibit 4: SAHI's market share in retail health continues to trend up

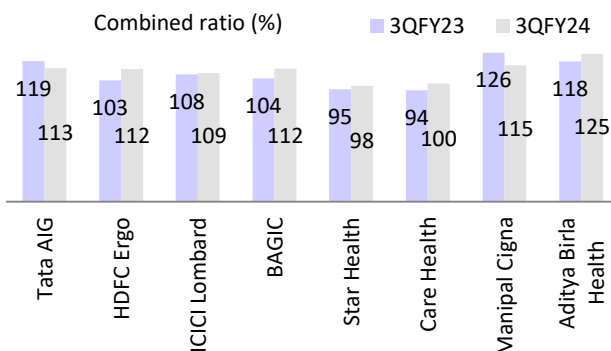
Source: MOFSL

Exhibit 5: Loss ratio trends for 3QFY24

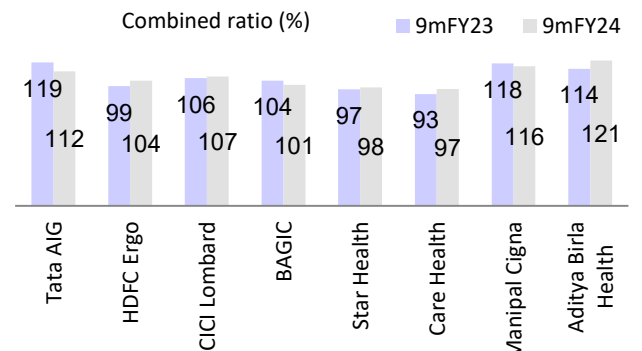
Source: MOFSL

Exhibit 6: Loss ratio trends for 9MFY24

Source: MOFSL

Exhibit 7: Combined ratio trends for 3QFY24

Source: MOFSL

Exhibit 8: Combined ratio trends for 9MFY24

Source: MOFSL

Note – For multi-line players, the above charts reflect data points only for the Health segment

Exhibit 9: STARHEAL's performance

INR m	3QFY24	3QFY23	% YoY	9mFY24	9mFY23	% YoY
Retail	33,012	28,306	16.6	94,346	80,455	17.3
Group	2,535	2,171	16.8	7,032	5,717	23.0
PA	490	487	0.6	1,431	1,335	7.2
Travel	11	4	158.5	45	13	243.8
GDP	36,058	30,967	16.4	1,02,861	87,532	17.5
NWP	31,519	29,434	7.1	94,974	83,264	14.1
NEP	32,936	28,672	14.9	95,430	83,491	14.3
Net claims	22,295	18,278	22.0	64,226	55,150	16.5
Claims ratio	67.7	63.7	394bp	67.3	66.1	125bp
Net commission	3,499	4,026	-13.1	12,021	11,210	7.2
Commission ratio	11.1	13.7	-258bp	12.7	13.5	-81bp
Opex	6,001	5,115	17.3	17,370	14,436	20.3
Opex ratio	19.0	17.4	166bp	18.3	17.3	95bp
U/W Profit/(Loss)	1,142	1,253		1,813	2,695	
Combined ratio	97.8	94.8	302bp	98.2	96.9	139bp

Source: Company, MOFSL

Exhibit 10: Care Health's performance

INR m	3QFY24	3QFY23	% YoY	9mFY24	9mFY23	% YoY
Retail	9,416	6,416	46.8	26,484	18,076	46.5
Group	6,319	4,981	26.9	19,226	14,766	30.2
PA	493	874	-43.6	1,632	2,611	-37.5
Travel	204	237	-14.0	930	1,008	-7.8
GDP	16,432	12,508	31.4	48,271	36,461	32.4
NWP	14,490	11,178	29.6	42,534	32,573	30.6
NEP	12,834	9,696	32.4	37,316	27,304	36.7
Net claims	7,851	5,334	47.2	22,416	14,958	49.9
Claims ratio	61.2	55.0	616bp	60.1	54.8	529bp
Net commission	2,451	1,342	82.6	6,999	3,384	106.8
Commission ratio	16.9	12.0	491bp	16.5	10.4	607bp
Opex	3,141	3,030	3.6	8,709	8,998	-3.2
Opex ratio	21.7	27.1	-544bp	20.5	27.6	-715bp
U/W Profit/(Loss)	-609	-11		-808	-35	
Combined ratio	99.8	94.1	563bp	97.0	92.8	421bp

Source: Company, MOFSL

Exhibit 11: Manipal Cigna's performance

INR m	3QFY24	3QFY23	% YoY	9mFY24	9mFY23	% YoY
Retail	1,758	1,362	29.1	5,063	3,883	30.4
Group	2,106	1,982	6.3	6,091	5,271	15.6
PA	77	88	-13.0	238	221	7.8
Travel	5	4	22.7	17	11	44.7
GDP	3,946	3,436	14.8	11,409	9,387	21.5
NWP	3,775	3,274	15.3	10,916	8,972	21.7
NEP	3,524	2,815	25.2	9,946	7,758	28.2
Net claims	2,244	1,871	19.9	6,568	5,177	26.9
Claims ratio	63.7	66.5	-279bp	66.0	66.7	-70bp
Net commission	843	353	139.2	2,112	942	124.2
Commission ratio	22.3	10.8	1157bp	19.3	10.5	885bp
Opex	1,095	1,589	-31.1	3,328	3,690	-9.8
Opex ratio	29.0	48.5	-1952bp	30.5	41.1	-1064bp
U/W Profit/(Loss)	-658	-997		-2,062	-2,051	
Combined ratio	115.0	125.8	-1074bp	115.9	118.4	-249bp

Source: Company, MOFSL

Exhibit 12: Aditya Birla Health's performance

INR m	3QFY24	3QFY23	% YoY	9mFY24	9mFY23	% YoY
Retail	2,609	1,826	42.9	7,325	5,753	27.3
Group	5,167	3,639	42.0	14,966	11,633	28.7
PA	534	413	29.4	1,443	1,199	20.4
GDP	8,389	5,878	42.7	23,994	18,584	29.1
NWP	6,588	4,861	35.5	18,747	15,366	22.0
NEP	5,809	4,100	41.7	16,941	12,495	35.6
Net claims	4,465	3,002	48.7	12,870	8,126	58.4
Claims ratio	76.9	73.2	364bp	76.0	65.0	1093bp
Net commission	1,080	397	172.0	3,036	804	277.8
Commission ratio	16.4	8.2	822bp	16.2	5.2	1096bp
Opex	2,078	1,793	15.9	5,350	6,684	-20.0
Opex ratio	31.5	36.9	-534bp	28.5	43.5	-1496bp
U/W Profit/(Loss)	-1,814	-1,092		-4,314	-3,118	
Combined ratio	124.8	118.3	653bp	120.7	113.8	694bp

Source: Company, MOFSL

Exhibit 13: ICICI Lombard's performance (Health segment)

INR m	3QFY24	3QFY23	% YoY	9mFY24	9mFY23	% YoY
Retail	2,868	2,468	16.2	8,475	7,112	19.2
Group	10,922	8,586	27.2	37,121	28,215	31.6
PA	1,996	1,564	27.6	5,711	4,353	31.2
Travel	464	438	5.9	1,885	1,714	9.9
GDP	16,251	13,057	24.5	53,192	41,393	28.5
NWP	14,741	11,007	33.9	47,574	35,692	33.3
NEP	15,473	11,230	37.8	42,406	31,903	32.9
Net claims	12,261	8,776	39.7	34,007	24,876	36.7
Claims ratio	79.2	78.1	109bp	80.2	78.0	222bp
Net commission	1,609	56	2,768.6	4,417	216	1,948.8
Commission ratio	10.9	0.5	1041bp	9.3	0.6	868bp
Opex	2,726	3,183	-14.4	8,481	9,806	-13.5
Opex ratio	18.5	28.9	-1042bp	17.8	27.5	-965bp
U/W Profit/(Loss)	-1,123	-785		-4,499	-2,995	
Combined ratio	108.6	107.6	107bp	107.3	106.1	125bp

Source: Company, MOFSL

Exhibit 14: BAGIC's performance (Health segment)

INR m	3QFY24	3QFY23	% YoY	9mFY24	9mFY23	% YoY
Retail	2,329	2,039	14.3	6,871	6,175	11.3
Group	5,892	4,347	35.6	21,364	14,640	45.9
Govt	2,280	0	-	25,325	1,927	
PA	540	635	-15.0	1,840	1,669	10.2
Travel	408	341	19.8	1,526	1,277	19.5
GDP	11,450	7,361	55.5	56,926	25,689	121.6
NWP	7,445	6,199	20.1	25,663	18,544	38.4
NEP	7,532	5,764	30.7	20,629	16,773	23.0
Net claims	6,495	4,093	58.7	17,277	12,421	39.1
Claims ratio	86.2	71.0	1521bp	83.8	74.1	970bp
Net commission	618	208	197.3	168	64	161.4
Commission ratio	8.3	3.4	495bp	0.7	0.3	31bp
Opex	1,323	1,836	-27.9	4,143	5,471	-24.3
Opex ratio	17.8	29.6	-1185bp	16.1	29.5	-1336bp
U/W Profit/(Loss)	-905	-374		-959	-1,183	
Combined ratio	112.3	104.0	832bp	100.6	103.9	-335bp

Source: Company, MOFSL

Exhibit 15: HDFC Ergo's Health performance

INR m	3QFY24	3QFY23	% YoY	9mFY24	9mFY23	% YoY
Retail	9,221	7,941	16.1	26,135	22,910	14.1
Group	4,285	3,228	32.7	12,809	10,250	25.0
PA	1,257	1,292	-2.7	4,428	4,862	-8.9
Travel	55	56	-1.6	269	248	8.7
GDP	14,818	12,517	18.4	43,641	38,270	14.0
NWP	8,807	8,085	8.9	27,009	25,108	7.6
NEP	9,786	8,859	10.5	29,001	25,789	12.5
Net claims	7,887	6,951	13.5	23,909	20,114	18.9
Claims ratio	80.6	78.5	213bp	82.4	78.0	445bp
Net commission	1,000	-62	-1,707.6	1,368	-328	-517.3
Commission ratio	11.4	-0.8	1212bp	5.1	-1.3	637bp
Opex	1,757	2,010	-12.6	4,424	5,688	-22.2
Opex ratio	19.9	24.9	-492bp	16.4	22.7	-627bp
U/W Profit/(Loss)	-857	-40		-700	315	
Combined ratio	111.9	102.6	933bp	103.9	99.3	454bp

Source: Company, MOFSL

Exhibit 16: Tata AIG's Health performance

INR m	3QFY24	3QFY23	% YoY	9mFY24	9mFY23	% YoY
Retail	1,975	1,522	29.8	5,810	4,464	30.1
Group	3,904	3,280	19.0	12,686	9,930	27.8
PA	475	1,663	-71.4	1,494	3,812	-60.8
Travel	803	600	33.9	2,677	2,071	29.3
GDP	7,158	7,064	1.3	22,667	20,277	11.8
NWP	6,261	5,577	12.3	20,116	16,670	20.7
NEP	6,095	5,178	17.7	17,669	15,175	16.4
Net claims	4,681	4,071	15.0	13,708	12,013	14.1
Claims ratio	76.8	78.6	-181bp	77.6	79.2	-158bp
Net commission	1,171	379	209.5	3,535	1,042	239.1
Commission ratio	18.7	6.8	1192bp	17.6	6.3	1132bp
Opex	1,078	1,851	-41.8	3,313	5,610	-40.9
Opex ratio	17.2	33.2	-1598bp	16.5	33.7	-1718bp
U/W Profit/(Loss)	-836	-1,122		-2,887	-3,491	
Combined ratio	112.7	118.6	-586bp	111.6	119.1	-745bp

Source: Company, MOFSL

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

NOTES

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

MOFSL, its associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

In the past 12 months, MOFSL or any of its associates may have:

- received any compensation/other benefits from the subject company of this report
- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:

- a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
- (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement	Companies where there is interest
Analyst ownership of the stock	No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co. Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act of Singapore. Accordingly, if a Singapore person is not, or ceases to be, such an investor, they must immediately discontinue any use of this Report and inform MOCMSPL.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

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

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

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.