

Automobiles

Premiumization trend visible in 2Ws and PVs

MM and MSIL outperform in PVs; BJAUT and TVSL in 2Ws

- We have analyzed model-wise data for two-wheelers (2Ws) and passenger vehicles (PVs) for YTDFY24. Following are the key highlights:
- In motorcycles, the 100cc segment's contribution has now fallen to 48.6% in YTDFY24 from 56.9% in FY20. As a result, Hero MotoCorp (HMCL) has lost its market share in domestic motorcycles by 300bp to 43% for YTDFY24.
- In the 125cc segment, TVS Motor (TVSL) has been the biggest outperformer, with its market share rising by ~680bp to 15.1%. In the 150-250cc segment, Bajaj Auto (BJAUT) has been the biggest gainer, with a 390bp jump in market share to 34.6%.
- In the 250cc+ segment, Royal Enfield (RE) has lost 400bp share to new launches from Harley Davidson (through HMCL) and Triumph (through BJAUT).
- In PVs, we believe Maruti Suzuki India (MSIL) has done well to sustain its share at 42%, despite the fact that the car segment, which contributes to 57% of its mix, has declined by 12% YoY.
- For MSIL, Fronx and Grand Vitara continue to drive UV growth, while Jimny is not doing well.
- Mahindra and Mahindra's (MM) biggest growth driver in UVs in FY24 has been Scorpio.
- For Hyundai, the launch of Exter has helped boost volumes in the compact SUV segment without materially cannibalizing Venue sales.
- While we expect 2Ws to continue to outperform other segments even in FY25, this seems fully priced in after the recent strong rally in 2W stocks. MM is our top pick among Auto OEMs as we expect new launches to continue to help the company drive market share gains in PVs.

"Industry ASPs for PVs has increased by INR100k to INR1.15 mn this fiscal due to rise in UV contribution."

**Mr. Shashank
Srivastava Executive
Director, MSIL**

2Ws update

- The overall ICE 2W industry (including exports) has posted 8.6% YoY growth for YTDFY24 to 19.2mn units. Domestic sales have increased by 12.5% YoY, whereas exports have declined 8% YoY due to global inflationary headwinds.
- Within domestic 2Ws, motorcycles are up 13.4% YoY for YTD, scooters are up 11% YoY and mopeds are up 9% YoY.
- Given the outperformance of motorcycles, their contribution in overall 2W mix has increased by 50bp YoY to 66.4% for YTDFY24, while the contribution of ICE scooters has declined by 50bp to 30.8% and mopeds largely stable at 2.7%.
- **Domestic motorcycles:** The growth in domestic motorcycles has been driven largely by the 125cc and above segments: 125cc segment up 15% YoY, 150-250cc segment up 22% YoY and the 250cc+ segment up 19% YoY. On the other hand, the 100cc segment continues to underperform the industry and is up about 9% YoY. Given the overall weakness in the 100cc segment, HMCL continues to lose share, down 300bp YoY at 43% for YTDFY24. On the other hand, BJAUT has gained 100bp to 18.3% and TVS has gained 180bp to 10.6%.

Research analyst - Aniket Mhatre (Aniket.Mhatre@MotilalOswal.com)

Research analyst - Amber Shukla (Amber.Shukla@MotilalOswal.com) | **Aniket Desai** (Aniket.Desai@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.

Market share movement in each of the motorcycle categories

- **100cc segment:** Given its sustained underperformance over the years, the 100cc segment's contribution in motorcycles stands at 48.6% for YTD FY24 vs. 56.9% in FY20. Honda Motorcycle and Scooter India (HMSI) has gained ~300bp share YoY to 6.1%, led by a ramp-up of its Shine 100cc. HMCL's market share, on the other hand, has declined by 140bp to 77.4% given its dominant position in this segment. BJAUT's share has also fallen by 150bp to 10.3% as the company seems to be focusing more on the 125cc+ segments.
- **125cc segment:** The segment has posted 15% YoY growth for YTD FY24. On the back of its continued outperformance, the segment's contribution to domestic motorcycles has now increased to 27.4% for YTD FY24 (vs. 21% in FY20). TVSL has substantially outperformed peers with 111% YoY growth and a 685bp gain in market share to 15.1% in this segment. BJAUT has also outperformed industry growth and posted 29% YoY growth and a 290bp share gain to 27.2%. On the other hand, while HMSI's market share has dropped by 680bp to 40.6%, HMCL saw a 300bp loss in share to 17.1% for YTD FY24. This is why the success of HMCL's recently launched Xtreme 125R will be very critical in helping it recover its lost share in 125cc (dispatched 3,504 units in Feb'24).
- **150-200cc segment:** This segment has now grown by 22% YoY for YTD and makes up for 15.9% of domestic motorcycles (largely stable relative to FY20 level). Both BJAUT (+37% YoY) and HMSI (+31% YoY) have outperformed peers. While BJAUT has gained 390bp share to 34.6%, HMSI has gained 100bp share to 16.3%. On the other hand, while TVSL's share has fallen by 130bp to 21.2%, India Yamaha's share has declined by 300bps to 22.5%. Even HMCL has seen a 90bp fall in its market share to 3.8%, despite a low base and new launches.
- **250cc+ segment:** The segment has posted 19% YoY growth for YTD FY24 and now forms 8.1% of domestic motorcycles (vs. 6.1% in FY20). New players continue to gain share at the expense of RE, which has underperformed the industry and grown 14% YoY for YTD FY24. As a result, it has seen about 400bp market share decline in this category to 88.5%. However, it is also important to note that BJAUT Triumph (averaging 2.8k units per month YTD) and HMCL HD (averaging 2.4k units per month YTD) have not been able to ramp up on expected lines so far.
- **ICE scooters:** The segment has grown 11% YoY for YTD FY24. Suzuki has substantially outperformed with 26% YoY growth and has increased its market share by 200bp to 16.3%. On the other hand, HMSI's share has declined by 260bp to 47.4% and TVSL's share has inched lower by 30bp to 23.3%.

Highlights on specific models:

- HMSI's Shine100 is now averaging 24k units per month for YTD FY24.
- It is important to highlight that part of the reason for HMSI's market share loss was the company's persistent production-related issues. Those issues seem to be behind now as Shine 125cc is now averaging 119k units per month since Aug'23 from an average of 89k units per month in the first four months of FY24. Even in the 150-250cc segment, HMSI is now averaging around 30k units per month vs. nil in the first two months.
- BJAUT seems to have discontinued its CT125cc product, which has clocked nil sales for the last two months now.

- Despite a new launch, HMCL has not been able to improve sales of Xtreme160R, which is averaging about 2.8k units per month.
- The newly launched Karizma seems to be taking time to ramp up and has ramped up to 2,100 units in Feb'24.
- For RE, one trend is that Hunter sales are now slowing down (averaging 13.8k units for 2H vs. 16k units for 1H), Bullet 350cc sales have picked up (averaging 14.8k units per month for 2H vs. 10k units per month for 1H).
- In scooters, Xoom volumes seem to be fizzling out now (5k units per month in 2H and 3.3k for the last two months vs. 9.5k units per month for 1H). On the other hand, Destiny 125 has picked up very well (averaging 14k units per month from 9k units per month for 1H).

Passenger Vehicle segment update

- The PV industry has so far grown by 8.4% YoY for YTD FY24. However, UVs continue to outperform PVs and are up 26% YoY for YTD. On the other hand, cars have declined by 11% YoY so far. As a result, UVs' contribution has now increased to 59.4% of PV sales (vs. 34% in FY20), while cars' contribution has slipped to 37% of total volumes (vs. 61% in FY20).
- **Car segment:** Among key players, Tata Motors (TTMT) has outperformed the car segment and has posted 3.5% YoY growth, led by healthy demand for its twin cylinder CNG tech. Even Toyota has posted strong growth at 34% YoY. On the other hand, MSIL has seen a 12.4% YoY decline and Hyundai has posted a 13.7% YoY decline. Overall, MSIL has lost 80bp share to 63% and Hyundai has lost 40bp share to 14.7%. Similarly, TTMT has gained 170bp share to 12% and Toyota has gained 120bp share to 3.5%.
- **UV segment:** MSIL (+77%), MM (+31%), Hyundai (+28%) and Toyota (+44%) have all outperformed the industry in YTD FY24. On the other hand, TTMT has posted just 5% YoY growth, while Kia sales have declined 9% YoY. As a result, MSIL has been the biggest gainer, with a 740bp rise in its market share to 25.5%. While MM has gained 60bp share to 18.3%, Hyundai has gained 30bp share to 15.4%. Meanwhile, TTMT has lost 300bp share to 14.9% and Kia has lost 390bp share to 10%.
- **Domestic PVs:** It is important to highlight that despite a 12% decline in cars (56% of its mix), MSIL has been able to marginally gain share in PVs to 41.8%, led by a strong outperformance in UVs. While MM has gained 180bp share to 10.9%, Hyundai has gained 140bp share to 9.2% and Toyota has gained 130bp share to 5.7%. On the other hand, TTMT has lost 40bp share to 13.5% and Kia has lost 110bp share to 5.8%.

Highlights on specific models:

- One of the key growth drivers for MSIL has been Fronx, which is now averaging 11k units per month since its launch in Apr'23 and has been improving (Jan-Feb sales at 14k units per month)
- Grand Vitara has also scaled up well for MSIL and has averaged 10k units per month in YTD.
- On the other hand, Jimny seems to be fizzling out. While it started with an average of around 3k units per month in the first few months, the model is now clocking just 400 units per month for the last three months.

- MM's biggest growth driver has been Scorpio, which is now averaging 11.4k units per month for YTD and 14.5k per month for the last two months vs. 6.4k units per month last year.
- XUV400 has now picked up to about 1,500 units per month for the last two months.
- For Hyundai, the launch of Exter has helped ramp up its volumes in the compact SUV segment. Before its launch, Venue was averaging about 11k units in this category. After the launch, Hyundai is now selling 19k units per month in this segment, with 8k units of Exter alone without any material cannibalization to Venue so far.
- HSI's Elevate is so far selling an average of 4.5k units per month for the last six months since launch.
- Toyota has gradually addressed its supply issues and has now been able to ramp up its Innova sales to 8.5k units per month since May'23, split largely equally between Innova Crysta and Hycross.
- MSIL's Invicto has been selling at a run rate of just under 500 units per month.

Valuation and view

- While we expect the 2W segment to continue to outperform other segments even in FY25, this is fully priced in after the recent strong rally in 2W stocks.
- MM is our top pick among Auto OEMs as we expect new launches to continue to help the company drive market share gains in PVs.

Exhibit 1: Domestic 2W ICE up 13% YoY YTD

Total domestic 2Ws ICE (units '000)	Feb-24	YoY (%)	YTD FY24	YoY (%)
HMCL	444	16	4,943	6
HMSI	414	82	4,172	9
BJAUT	155	32	1,954	21
TVSL	252	22	2,721	20
Others	211	30	2,280	20
Total	1,476	35	16,070	13

Source: SIAM, MOFSL

Exhibit 2: HMCL has lost around 180bp share in 2Ws for YTD

2W Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
HMCL	30	-483	31	-181
HMSI	28	732	26	-84
BJAUT	11	-23	12	81
TVSL	17	-174	17	99
Others	14	-53	14	86

Source: SIAM, MOFSL

Exhibit 3: Domestic motorcycle up 13% YoY YTD

Motorcycles (units '000)	Feb-24	YoY (%)	YTD FY24	YoY (%)
HMCL	415	15	4,590	6
BJAUT	155	32	1,954	21
TVSL	104	17	1,126	37
HMSI	184	385	1,820	14
RE	68	5	769	14
Others	38	4	414	9
Total	964	37	10,673	13

Source: SIAM, MOFSL

Exhibit 4: BJAUT and TVSL have gained share in motorcycles

Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
HMCL	43	-799	43	-294
BJAUT	16	-58	18	109
TVSL	11	-184	11	185
HMSI	19	1372	17	12
RE	7	-208	7	3
Others	4	-123	4	-14

Source: SIAM, MOFSL

Exhibit 5: Domestic ICE scooters up 11% YoY for YTD

Scooters - ICE (units '000)	Feb-24	YoY (%)	YTD FY24	YoY (%)
HMSI	230	21	2,352	5
TVSL	106	31	1,154	10
Suzuki	81	61	808	26
HMCL	29	31	353	8
Others	24	115	289	37
Total	470	33	4,956	11

Source: SIAM, MOFSL

Exhibit 6: Suzuki has outperformed in scooters

Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
HMSI	49	-459	47	-261
TVSL	23	-32	23	-29
Suzuki	17	305	16	198
HMCL	6	-7	7	-19
Others	5	193	6	111

Source: SIAM, MOFSL

Exhibit 7: 100cc motorcycles volumes up 9% YoY

100cc motorcycles (units '000)	Feb-24	YoY (%)	YTD FY24	YoY (%)
HMCL	371	13	4,013	7
BJAUT	33	25	532	-6
TVSL	25	5	321	9
HMSI	31	4367	317	109
Total	460	22	5,183	9

Source: SIAM, MOFSL

Exhibit 8: HMSI has gained share in 100cc for YTD

100cc Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
HMCL	81	-593	77	-137
BJAUT	7	21	10	-157
TVSL	5	-83	6	0
HMSI	7	655	6	293

Source: SIAM, MOFSL

Exhibit 9: 125cc segment volumes up 15% for YTD

125cc segment (units '000)	Feb-24	YoY (%)	YTD FY24	YoY (%)
HMSI	120	237	1,187	-1
HMCL	34	12	500	-2
BJAUT	62	23	794	29
TVSL	42	39	440	111
Total	259	76	2,921	15

Source: SIAM, MOFSL

Exhibit 10: TVSL and BJAUT have gained share in 125cc

125cc Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
HMSI	46	2226	41	-676
HMCL	13	-759	17	-299
BJAUT	24	-1033	27	290
TVSL	16	-434	15	685

Source: SIAM, MOFSL

Exhibit 11: 150-250cc segment volumes up 22% for YTD

150-250cc ((units '000))	Feb-24	YoY (%)	YTD FY24	YoY (%)
BJAUT	56	44	589	37
TVSL	37	5	360	15
HMSI	29	2021	278	31
Yamaha	36	14	382	8
HMCL	8	266	65	0
Others	2	-5	27	47
Total	166	51	1,701	22

Source: SIAM, MOFSL

Exhibit 12: BJAUT and HMSI have outperformed in 150-250cc

Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
BJAUT	34	-153	35	387
TVSL	22	-963	21	-131
HMSI	17	1598	16	107
Yamaha	21	-687	22	-304
HMCL	5	272	4	-86
Others	1	-67	2	27

Source: SIAM, MOFSL

Exhibit 13: >250cc segment volume up 19% YoY for YTD

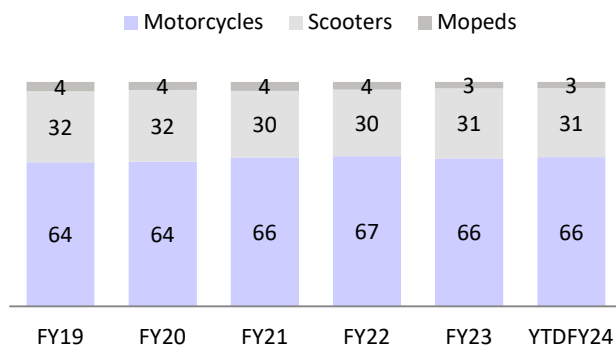
250cc and above (units '000)	Feb-24	YoY (%)	YTD FY24	YoY (%)
RE	68	5	769	14
HMSI	4	1296	39	27
BJAUT	3	143	38	173
HMCL	2		12	
TVSL	1	53	5	36
Others	1	-82	5	-1
Total	79	13	869	19

Source: SIAM, MOFSL

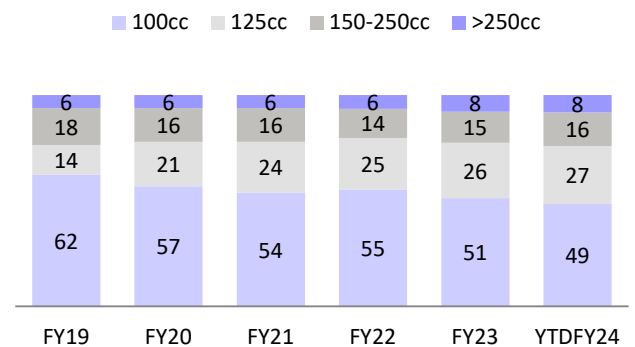
Exhibit 14: RE has lost share in >250cc segment

Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
RE	86	-623	89	-416
HMSI	6	519	4	28
BJAUT	4	219	4	248
HMCL	3	281	1	143
TVSL	1	19	1	8
Others	1	-415	1	-11

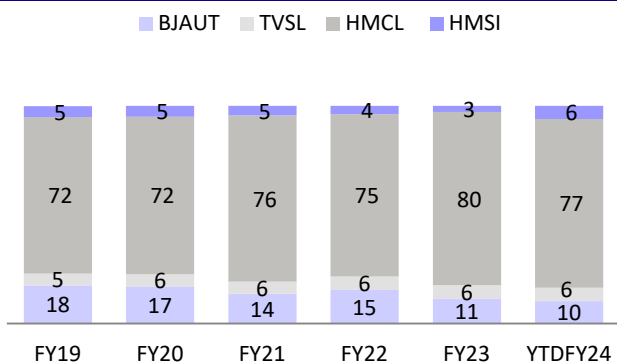
Source: SIAM, MOFSL

Exhibit 15: Two Wheeler segmental share trend (in %)

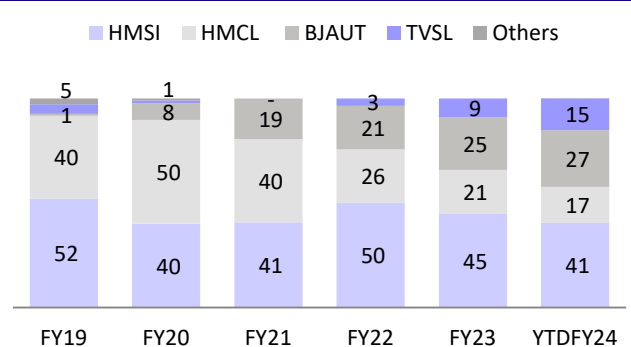
Source: SIAM, MOFSL

Exhibit 16: Motorcycles segmental share trend (in %)

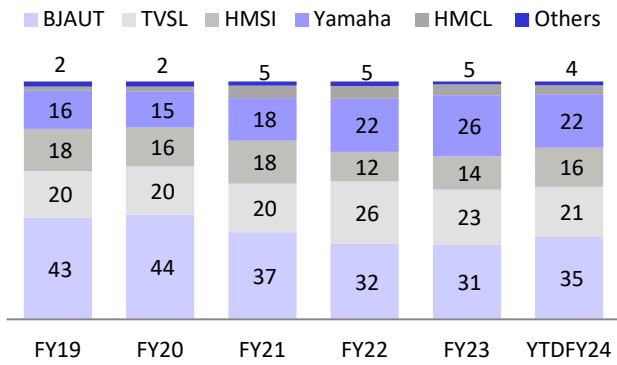
Source: SIAM, MOFSL

Exhibit 17: Market share trend in 100cc (in %)

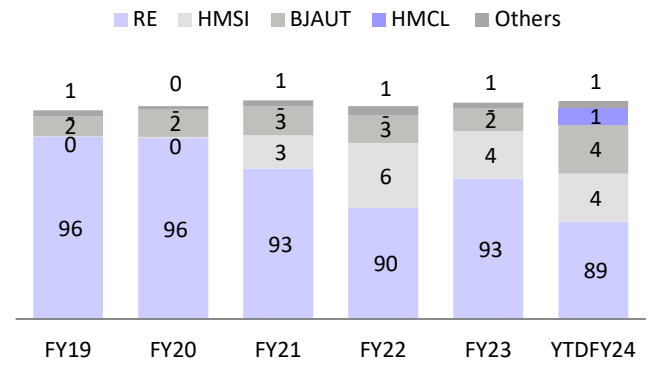
Source: SIAM, MOFSL

Exhibit 18: Market share trend in 125cc (in %)

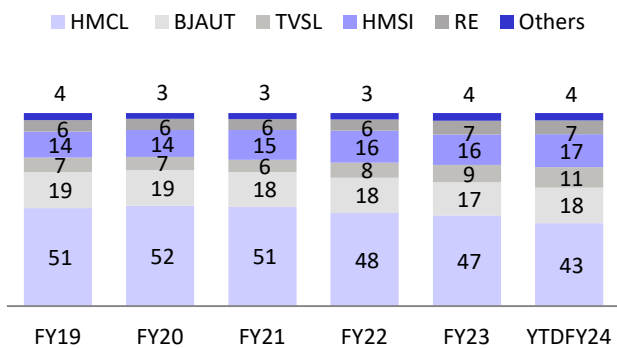
Source: SIAM, MOFSL

Exhibit 19: Market share trend in 150-200cc segment (in %)

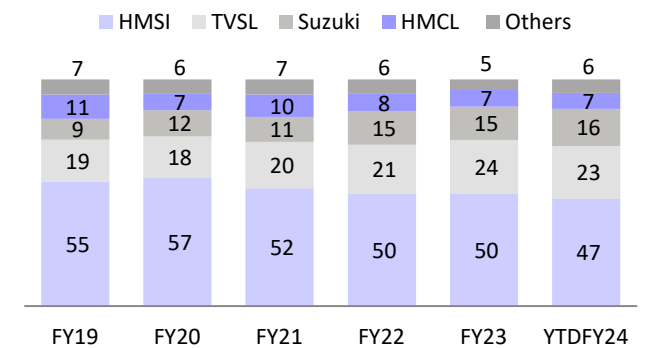
Source: SIAM, MOFSL

Exhibit 20: Market share trend in >250cc segment (in %)

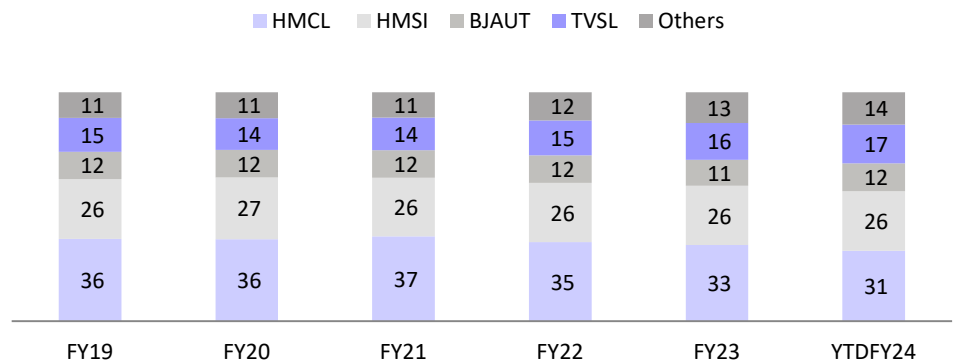
Source: SIAM, MOFSL

Exhibit 21: Market share trend in domestic motorcycles (in %)

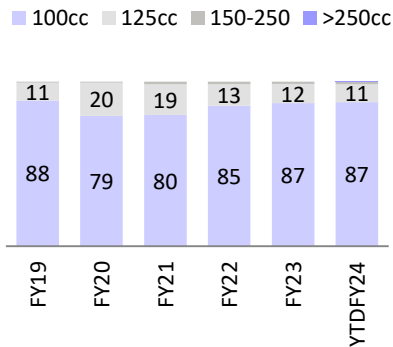
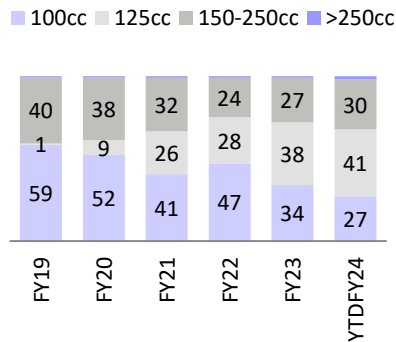
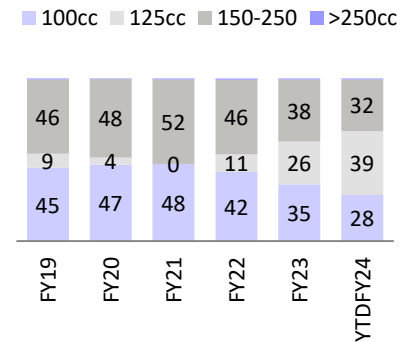
Source: SIAM, MOFSL

Exhibit 22: Market share trend in scooters segment (in %)

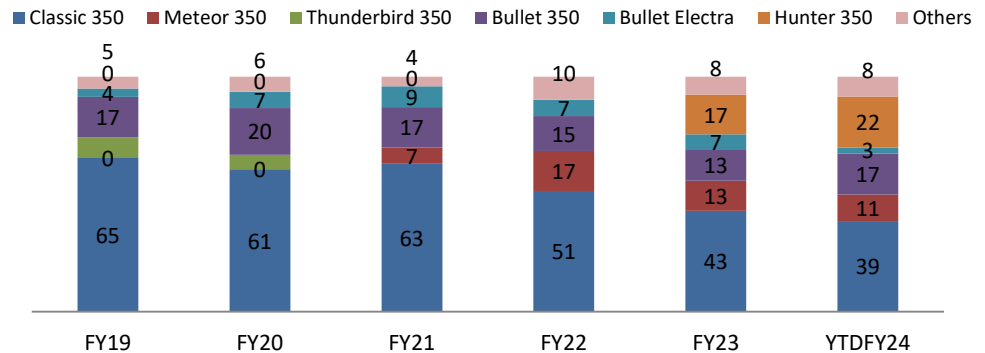
Source: SIAM, MOFSL

Exhibit 23: Overall market share in domestic 2W ICE category (in %)

Source: SIAM, MOFSL

Exhibit 24: HMCL: product mix trend (in %)**Exhibit 25: BJAUT: product mix trend (in %)****Exhibit 26: TVSL: product mix trend (in %)**

Source: SIAM, MOFSL

Exhibit 27: RE product mix trend (in %)

Source: SIAM, MOFSL

Exhibit 28: Domestic PV volumes up 8% YoY

Passenger Vehicles (in '000 units)	Feb-24	YoY (%)	YTD FY24	YoY (%)
MSIL	160	9	1,607	9
M&M	42	40	419	30
Hyundai	33	48	353	28
TTMT	51	20	521	5
Kia	20	-18	224	-9
Toyota	23	52	220	42
Others	40	-23	504	-13
Total	371	11	3,847	8

Source: SIAM, MOFSL

Exhibit 29: MSIL has done well to maintain share in PVs

Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
MSIL	43	-82	42	23
M&M	11	237	11	179
Hyundai	9	228	9	143
TTMT	14	102	14	-40
Kia	5	-190	6	-115
Toyota	6	171	6	135
Others	11	-465	13	-324

Source: SIAM, MOFSL

Exhibit 30: Domestic cars down 11% YoY for YTD

Cars (in '000 units)	Feb-24	YoY (%)	YTD FY24	YoY (%)
MSIL	87	-15	898	-12
Hyundai	17	-31	209	-14
TTMT	13	-5	170	3
Honda	4	-35	49	-38
Toyota	5	12	50	34
Others	3	-27	48	-17
Total	129	-17	1,425	-11

Source: SIAM, MOFSL

Exhibit 31: TTMT and Toyota have gained share in cars

Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
MSIL	67	154	63	-76
Hyundai	13	-268	15	-39
TTMT	10	137	12	172
Honda	3	-84	3	-151
Toyota	4	96	4	119
Others	3	-35	3	-25

Source: SIAM, MOFSL

Exhibit 32: Domestic UV volumes up 26% YoY YTD

Utility Vehicles(in '000 units)	Feb-24	YoY (%)	YTD FY24	YoY (%)
MSIL	61	83	584	77
M&M	42	40	419	31
Hyundai	33	48	353	28
TTMT	37	30	340	5
Kia	20	-18	224	-9
Toyota	19	68	170	44
Others	16	-4	197	-1
Total	228	37	2,287	26

Source: SIAM, MOFSL

Exhibit 33: MSIL/MM/Toyota are key outperformers in UVs

Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
MSIL	27	668	26	738
M&M	19	43	18	63
Hyundai	15	111	15	28
TTMT	16	-87	15	-303
Kia	9	-591	10	-386
Toyota	8	148	7	94
Others	7	-292	9	-235

Source: SIAM, MOFSL

Exhibit 34: Domestic Vans performance for YTD

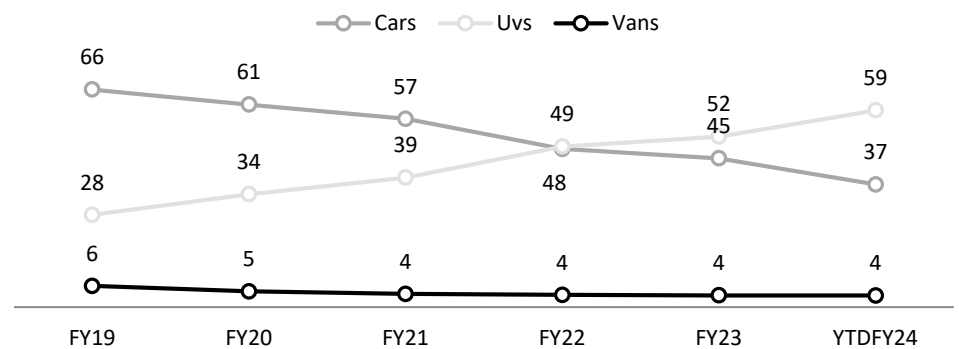
Vans (in '000 units)	Feb-24	YoY (%)	YTD FY24	YoY (%)
MSIL	12	7	125	5
M&M	0	-100	0	-99
TTMT	1	105	10	97
Total	13	9	135	7

Source: SIAM, MOFSL

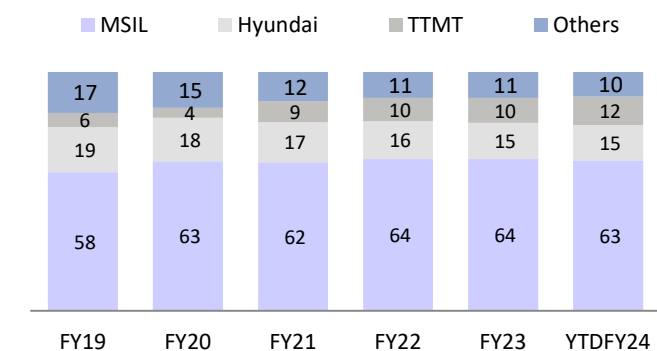
Exhibit 35: Market share in Vans for YTD

Market Share (%)	Feb-24	YoY (bps)	YTD FY24	YoY (bps)
MSIL	93	-206	92	-183
M&M	-	-115	0	-162
TTMT	7	321	8	344

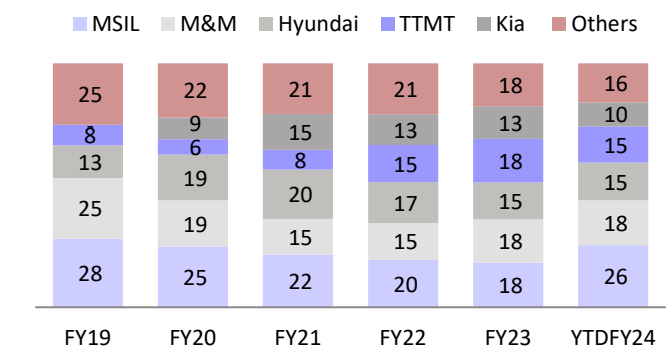
Source: SIAM, MOFSL

Exhibit 36: UV mix now at 59% of PVs

Source: SIAM, MOFSL

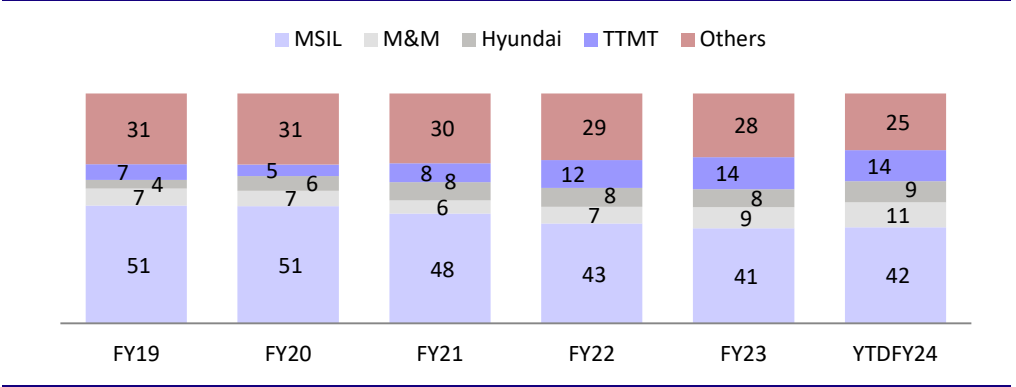
Exhibit 37: Market share trend in cars segment (in %)

Source: SIAM, MOFSL

Exhibit 38: Market share trend in UV segment (in %)

Source: SIAM, MOFSL

Exhibit 39: Market share trend in PV segment (in %)



Source: SIAM, MOFSL

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

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) 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 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 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

Analyst ownership of the stock

Companies where there is interest

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") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

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.