MOTILAL OSWAL FINANCIAL SERVICES

2 January 2025

MORNING INDIA

Market snapshot

Equities - India	Close	Chg .%	CY24.%
Sensex	78,507	0.5	8.2
Nifty-50	23,743	0.4	8.8
Nifty-M 100	57,451	0.4	23.9
Equities-Global	**Close**	**Chg .%**	**CY24.%**
S&P 500	5,882	-0.4	23.3
Nasdaq	19,311	-0.9	28.6
FTSE 100	8,173	0.6	5.7
DAX	19,909	0.0	18.8
Hang Seng	7,290	0.1	26.4
Nikkei 225	39,895	0.0	19.2
Commodities	**Close**	**Chg .%**	**CY24.%**
Brent (US$/Bbl)	74	0.2	-4.5
Gold ($/OZ)	2,625	0.7	27.2
Cu (US$/MT)	8,653	-1.6	2.2
Almn (US$/MT)	2,527	0.1	7.7
Currency	**Close**	**Chg .%**	**CY24.%**
USD/INR	85.6	0.1	2.9
USD/EUR	1.0	-0.5	-6.2
USD/JPY	157.2	0.3	11.5
YIELD (%)	**Close**	**1MChg**	**CY24 chg**
10 Yrs G-Sec	6.8	0.02	-0.4
10 Yrs AAA Corp	7.3	0.06	-0.5
Flows (USD b)	**1-Jan**	**MTD**	**CYTD**
FIIs	-0.2	1.11	-0.8
DIIs	0.20	4.21	62.9
Volumes (INRb)	**1-Jan**	**MTD***	**CYTD***
Cash	710	710	710
F&O	1,54,807	1,54,807	1,54,807

Note: Flows, MTD includes provisional numbers. *Average

Today's top research idea

Signature Global | Top Pick 2025: Scaling high with strong OCF generation

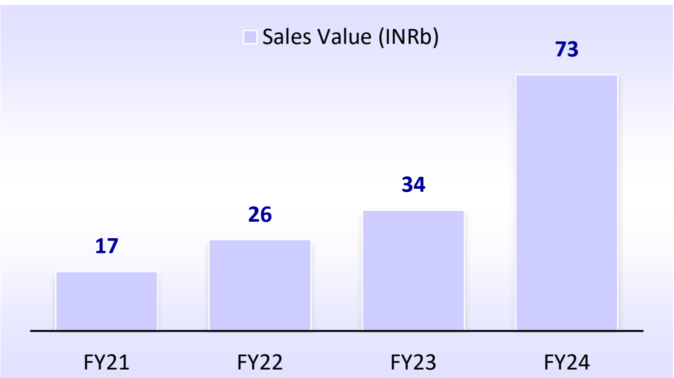
- Signature Global (SIGNATUR), with its strong presence in strategic locations in Gurugram, is on track to capitalize on the ongoing demand, guided by a strong project pipeline of 24.3msf.
- With a projected 35% CAGR growth in pre-sales over FY24-27, the company is set to cumulatively collect INR285b. Its strategic shift from the affordable to mid/mid-premium segment is expected to drive a strong cumulative OCF of INR95b. This will enable the company to turn net cash positive and reinvest in land to fuel future growth.
- We reiterate BUY with a TP of INR2,000/share and a potential upside of 50%.
- **Key risks to our TP include:** a) a slowdown in residential absorption, b) a delay in the monetization of forthcoming projects, and (c) slower BD convergence.

Research covered

Cos/Sector	Key Highlights
Signature Global	Top Pick 2025: Scaling high with strong OCF generation
Jubilant Foodworks	The Corner Office: Focusing on growth with better execution
Financials	NIM contraction to continue; remain watchful of potential turn in the interest rate cycle
Automobiles	PV, tractor dispatches surprise positively; 2W underwhelming
EcoScope	GST Monitor: Collections stood at INR1.77t in Dec'24

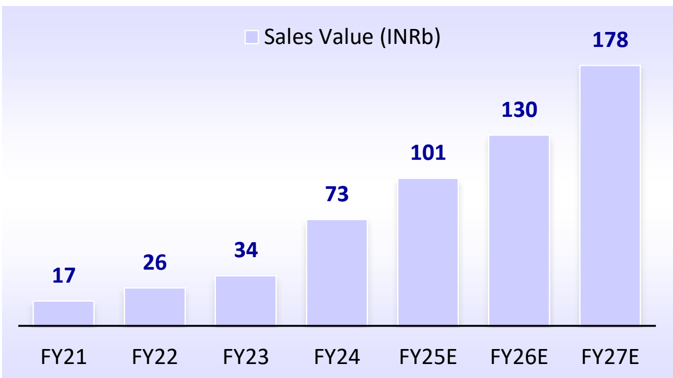
Chart of the Day: Signature Global (Scaling high with strong OCF generation)

Pre-sales posted a 63% CAGR over FY21-24…



Source: Company, MOFSL

…with a 35% CAGR expected over FY24-27



Source: Company, MOFSL

Research Team (Gautam.Duggad@MotilalOswal.com)

In the news today

Kindly click on textbox for the detailed news link

1

Suzuki Motorcycle India sales rise 22 pc to 96,804 units in December

Suzuki Motorcycle India Pvt Ltd reported a 22 per cent increase in total sales, achieving 96,804 units in December 2024. Domestic sales rose 14 per cent to 78,834 units, while exports surged 72 per cent to 17,970 units.

2

Vodafone Idea likely to sound war bugle with 5G march

Vodafone Idea (Vi) aims to launch 5G mobile broadband service in March 2025 with competitively priced plans. Vi will initially roll out 5G in India's top 75 cities, focusing on industrial hubs and high data usage zones.

3

Global steel sector struggling to generate profits, demand increasing in India: Tata Steel CEO

Tata Steel CEO TV Narendran highlights the global steel sector's struggle with profits due to China's pricing and urges the Indian government to protect domestic industries. Narendran emphasizes growing steel demand in India, the importance of value addition, leveraging mineral-rich states.

4

Q-comm sales hit record high on new year's eve

In 2024, e-commerce giants Amazon and Flipkart joined the fray, while domestic players such as Myntra, Nykaa, and Reliance Retail piloted faster delivery services.

5

Snapdeal cuts losses by 43 per cent to Rs 160 crore in FY24

The platform, where nearly 90% of the products are under Rs 1,000, targets value-focused consumers in tier-II cities and beyond.

6

Nishant Pitti resigns as CEO of Easy Trip Planners

The combined promoter stake in Easy Trip Planners has declined to 48.97% from 50.38%. Brothers Nishant, Rikant and Prashant Pitti are the promoters of the company.

7

Govt extends additional subsidy package of up to ₹3,850 cr for DAP fertiliser

The government on Wednesday extended additional subsidy on di-ammonium phosphate (DAP) beyond December 31, 2024, to help maintain retail prices of this key fertiliser at ₹1,350 per bag of 50 kg -- a move that could cost the exchequer up to ₹3,850 crore.

Signature Global

BSE SENSEX	S&P CNX
78,507	23,743

Bloomberg	SIGNATUR IN
Equity Shares (m)	141
M.Cap.(INRb)/(USDb)	190.1 / 2.2
52-Week Range (INR)	1647 / 877
1, 6, 12 Rel. Per (%)	2/-3/38
12M Avg Val (INR M)	891

Financials & Valuations (INR b)

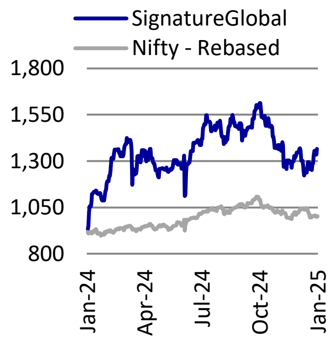
Y/E MARCH	FY25E	FY26E	FY27E
Sales	37.3	52.3	85.3
EBITDA	3.2	10.2	21.5
EBITDA Margin (%)	8.6	19.5	25.2
Adj PAT	2.7	8.2	16.9
Cons. EPS (Rs)	19.1	58.6	120.5
EPS Growth (%)	1522.4	207.1	105.7
BV/Share (Rs)	63.7	122.2	242.7
Ratios			
Net D:E	-0.2	-0.2	-0.1
RoE (%)	35.2	63.0	66.0
RoCE (%)	14.7	43.2	55.7
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	71.1	23.2	11.3
P/BV (x)	21.3	11.1	5.6
EV/EBITDA (x)	58.6	18.4	8.7
Div. Yield (%)	0.0	0.0	0.0

Shareholding Pattern (%)

As On	Sep-24	Jun-24	Sep-23
Promoter	69.6	69.6	69.6
DII	4.7	5.3	6.0
FII	12.2	8.3	5.4
Others	13.5	16.7	18.9

FII includes depository receipts

Stock Performance (1-year)



CMP: INR1,353 | TP: INR2,000 (+48%) | Buy

Scaling high with strong OCF generation

Tapping into strong demand in the mid-premium segment

Signature Global (SIGNATUR), with its strong presence in strategic locations in Gurugram, is on track to capitalize on the ongoing demand, guided by a strong project pipeline of 24.3msf. With a projected 35% CAGR growth in pre-sales over FY24-27, the company is set to cumulatively collect INR285b. Its strategic shift from the affordable to mid/mid-premium segment is expected to drive a strong cumulative OCF of INR95b. This will enable the company to turn net cash positive and reinvest in land to fuel future growth. We reiterate BUY with a TP of INR2,000/share and a potential upside of 50%.

Key risks to our TP include: a) a slowdown in residential absorption, b) a delay in the monetization of forthcoming projects, and (c) slower BD convergence.

Expects to clock 35% CAGR in pre-sales over FY24-27

- Since commencing operations in 2014, SIGNATUR has focused on the underserved segment of affordable and mid-income housing in Gurugram through the state government's policy.
- Its quick turnaround strategy (acquisition to launch) has led to a rapid scale-up. Further, its focus on value homes led to oversubscription (3x demand on average) of units at the time of the launch.
- In the past decade, the company has sold over 32,000 units or ~25msf and posted a pre-sales CAGR of 63% over FY21-24.
- The company posted a CAGR of ~13% in volumes, reflecting a substantial improvement in average realization, guided by its shift toward premium offerings.
- With a focus on premium offerings and a strong pipeline of 25.4msf, the company's pre-sales are expected to clock a 35% CAGR in value terms.

Presence in a segment with a clear preference bodes well for strong growth

- During FY14-22, the Gurugram market saw 85-92% of supply in the ticket size below INR30m, with demand following a similar absorption trend. Notably, SIGNATUR also catered to the same ticket size, which enabled the company to capture significant volumes.
- The company's strategy of moving from affordable to premium homes after FY22 was well-aligned with the changing trends, as the preference shifted toward homes priced at INR10m+, contributing 85%-98% to date.
- SIGNATUR's recently launched projects, with realizations exceeding INR10,000/sft and sizes over 1,000sft, fall in the bucket where there is a clear preference among homebuyers.

Strategic land parcel allows future land aggregation

- Gurugram has four key micro-markets that drive maximum demand, including Golf Course, Golf Course Extension (GCE), South Peripheral Road (SPR), and Dwarka Express Highway (DEH). However, with the expansion of the master plan, Sohna and Manesar are also witnessing strong demand.

- SIGNATUR has a strong presence in four of the hottest markets—SPR, DEH, Sohna, and Manesar—with 23.4msf of future potential. This is expected to generate a strong response similar to the recent launch of 9.6msf projects.
- Each sector of Gurugram spans over 300 acres, and the company has projects located adjacent to highway, which allows it to utilize FSI at its optimal level.
- While the remaining land in the same sector is situated behind the company's land, landowners are unable to fully utilize the potential FSI. Therefore, their options for monetizing the land are limited to either entering into a joint venture/development with SIGNATUR or selling the land. Since joint venture/development involves additional investments in approvals, the preferred option for many landowners is to sell the land directly to SIGNATUR.
- Therefore, the current strategic land parcels allow SIGNATUR to acquire land at highly competitive prices. However, the current cost of land is just INR1,000/sft or 10% of the sales realization, demonstrating the management's efficiency in procuring land at an optimal price.

Strong cash flow allows future investments in land and reduction of debt

- Currently, SIGNATUR is executing ~51msf of projects, with 25.3msf underway and 25.4msf in forthcoming projects that are set to be launched in the next 12-24 months.
- The company is estimated to cumulatively collect INR724b over FY25-30, while netting off construction, other overheads, and taxes will leave a cumulative net OCF of INR275b.
- Guided by strong cash flow generation, the company's balance sheet is expected to turn cash positive by the end of FY25, enabling it to utilize the surplus to fuel future growth.
- With strong OCF generation, SIGNATUR is set to continually reinvest in land to replenish its raw materials and capitalize on the ongoing demand in the residential segment.

Excellent execution ensures 90% CAGR topline growth over FY24-27

- SIGNATUR's approach of treating residential as an FMCG business, along with standardized offerings with respect to the design, layout, and adoption of construction technology, has enabled the company to shorten its construction cycle and reduce costs.
- As of Mar'24, the company has delivered 6msf and expects to deliver 16msf by FY26, achieving this within just one decade of operations, while some of its peers took more than a decade to reach this scale.
- SIGNATUR is scheduled to deliver ~51msf of ongoing and forthcoming projects in a record time of eight years, according to estimates. This will drive revenue growth at a projected 90% CAGR over FY24-27.
- SIGNATUR expects to recognize cumulative revenue of INR926b over FY25-32, with the delivery of ~51msf setting an execution benchmark for future projects.

Margin expansion not visible due to strong launches

- SIGNATUR’s embedded operating margins for its projects are upwards of 35%, while reported margins are far lower.
- The lower operating margins are attributed to higher indirect costs currently charged to the P&L for projects with lower realizations, which are in the revenue recognition phase. However, reported EBITDA margins are expected to show visible expansion from FY26 and steadily move toward embedded margins in the near future.
- FY26 and FY27 are expected to report 20% and 25% margins, respectively, as higher realization projects come up for recognition. Additionally, with the current visibility, all projects are expected to be launched by FY27, resulting in lower indirect cost recognition thereafter. As a result, a convergence of reported and embedded margins is expected beyond that.

Valuation and view

- As SIGNATUR prepares for a strong launch pipeline of premium projects, we expect it to deliver a 35% CAGR in bookings over FY24-27, sustaining the growth momentum.
- Strong pre-sales growth will drive a rapid scale-up in operations across key parameters, such as cash flows, revenue, and profitability, enhancing confidence in the company's execution capabilities and future growth potential.
- Based on the NPV method, we value SIGNATUR’s existing project pipeline of ~30msf (includes recent launch) at INR150b. Thus, the current valuation implies 34% of the going concern premium for the company, indicating that a significant portion of the future growth potential is yet to be accounted for.
- We reiterate our BUY rating with a TP of INR2,000/share, indicating a 50% upside potential.

Jubilant Foodworks

Sameer Khetarpal, CEO

Mr. Khetarpal has been CEO and MD of JUBI since Sep'22. He has over 25 years of experience in e-commerce, CPG, and management consulting. He previously led Amazon Fresh, Amazon Pharmacy, and Amazon Food, and was a partner at McKinsey & Company. Mr. Khetarpal holds an MBA from the Indian School of Business and an MS in Chemical Engineering from Lamar University, Texas.

Focusing on growth with better execution

We recently interacted with Mr. Sameer Khetarpal, CEO of Jubilant Foodworks (JUBI), to discuss the current demand trends, the company's growth outlook across business verticals, and its long-term strategy. Here are the key takeaways from the discussion:

- **JUBI has been sustaining an upward demand trajectory by prioritizing operational execution to increase customer footfalls/orders and it is looking to avoid the impact from overall subdued demand conditions. Unlike other QSR players, the company reported positive same-store sales growth (SSSG) in 1HFY25, with further improvements expected in 2HFY25. JUBI is strategically enhancing its market presence and operational efficiency through youth-focused marketing campaigns, innovative offerings, and portfolio diversification, including non-pizza cuisines like Dominos Cheesiken, Indo-Chinese (Hong's Kitchen) and chicken-based options (Popeyes). To improve localization and accelerate decision-making, the company has reorganized its regional footprint to seven from four. Investments in supply chain infrastructure (commissary, etc.), particularly in Bangalore, are ensuring product consistency and cost efficiencies and supporting aggressive store expansion. Management has identified three key priorities: (1) scale up Domino's further and increase order frequencies, (2) expand Popeyes store network and improve unit economics, and (3) foster team culture to be future-ready.**
- **Domino's continues to thrive with its strong value-for-money propositions, improved app engagements (12.8 million MAUs), and expanding menu options. Product innovations like Cheese Volcano pizzas and Cheesiken are catering to evolving consumer preferences. Popeyes has a multi-year growth story and JUBI is improving its product and unit economics to make it a profitable franchise. JUBI is also strengthening its global footprint by DP Eurasia business and is looking to drive long-term value. Domino's India has not taken a price hike in the last nine quarters and has absorbed high inflation through internal cost optimization and productivity enhancements. It has maintained a gross margin of ~76% in 1HFY25. The company remains focused on growth rather than margin expansion, with strong emphasis on customer acquisition, order frequencies and operational efficiencies. We value the India business at 40x EV/EBITDA (pre-IND AS) and the international business at 25x EV/EBITDA (pre-IND AS) on Dec'26E to arrive at our TP of INR800. We reiterate our Neutral rating on the stock.**

Company pillars for growth

JUBI is strategically focusing on expanding its market presence and enhancing operational efficiency. The company is strengthening its connection with the youth through innovative campaigns, tech-savvy marketing, and targeted offers like INR99 dine-in menus (attracted consumers during off-peak hours of 11AM to 3PM). The company is diversifying its portfolio into non-pizza cuisines, including Dominos Cheesiken, Indo-Chinese via Hong's Kitchen and chicken-based offerings through Popeyes, allowing the company to cater to evolving consumer preferences and mitigate its reliance on the core pizza segment. A strategic reorganization from four regions to seven regions enables better localization, faster decision-making, and improved alignment with regional market dynamics, particularly in tier-2 and tier-3 cities. Investments in supply chain infrastructure, such as a state-of-the-art commissary in Bangalore, ensure consistent product quality, cost efficiencies, and support for aggressive store expansion. Product innovation and customer-centric measures, including affordable menus and delivery fee waivers, have expanded accessibility and driven online order growth.

Focus on growth for flagship brand – Domino's

Domino's has several competitive advantages, including its strong value-for-money proposition, a 20-30-minute delivery promise, and superior unit economics that empower its entry into new markets. The continued digital investments have resulted in an increase in monthly active users (MAUs) to 12.8m from 10.3mn in 1QFY24. The company is strategically consolidating its international operations by acquiring DP Eurasia business. Localized menu options tailored to regional preferences have broadened consumer appeal, while smaller store formats in high-traffic areas optimize both accessibility and operational efficiency.

Focus on expansion and profitability of Popeyes

Popeyes is positioned as a key driver of JUBI's diversification strategy, catering to the growing demand for bold and premium chicken offerings in India. The brand focuses on expanding in high-visibility locations such as malls and high streets to enhance accessibility and brand presence. While leveraging Popeyes' global appeal, JUBI has tailored the menu to Indian tastes with innovative offerings like spicy chicken sandwiches and combo meals. Strategic marketing campaigns and partnerships have helped JUBI successfully build brand awareness and a loyal customer base. Operational efficiencies, including a streamlined supply chain, ensure consistent product quality and cost optimization. Limited-time offers and premium dine-in experiences have boosted customer engagement and repeat purchases. Popeyes also operates on a lean model that enhances gross margins while minimizing capex. With 54 restaurants across 22 cities, the company plans to scale up to 250 stores in the medium term. This positions Popeyes to capture a significant market share in India's fast-growing chicken QSR segment and underscores its importance as a growth lever for JUBI, driving diversification and long-term profitability.

Building a strong team and culture

JUBI emphasizes building a culture of innovation, collaboration, and inclusivity to drive operational excellence and growth. The company prioritizes employee development through enhanced training and leadership programs, ensuring that teams are equipped to execute ambitious goals. Diversity is a key focus, with women now comprising 34% of the workforce. Technology adoption streamlines processes, enabling employees to deliver superior customer experiences. Sustainability initiatives are deeply embedded, exemplified by the deployment of over 11,500 electric bikes, forming 47% of the delivery fleet, and implementing a "No Antibiotics Ever" policy in poultry sourcing. The company also advanced its renewable energy agenda with a power purchasing agreement for its Bangalore facility. By integrating cultural priorities with strategic objectives, JUBI fosters employee engagement, operational efficiency, and sustainable growth.

Product innovation

The company focuses on enhancing its product portfolio through innovation like Cheese Volcano pizzas (multiple flavors) and the Cheesiken range (fusion of chicken, cheese and rice). These products cater to evolving consumer preferences for indulgence and uniqueness, particularly targeting Gen Z with Instagram-worthy food items. Regional launches, such as Cheesiken in South India, and the affordable INR77 menu have exceeded expectations, showcasing strong consumer acceptance. The company plans to continue its aggressive innovation strategy by focusing on under-indexed categories like beverages, desserts, and snacking options. JUBI also enhances its existing offerings, i.e., adding new flavors in the cheese burst segment. JUBI has recently launched soft-serve category, available for dine-in at selected outlets in India - (1) vanilla softy, (2) mango sundae, (3) strawberry sundae, and (4) chocolate sundae. Globally, Domino's Bangladesh has introduced Texas BBQ Chicken and Choco Breadstick, while Popeyes has expanded its menu with six new chicken wing flavors. Hong's Kitchen has launched the "Momos of India" range, further diversifying its offerings.

Headroom for margin improvement

The company has identified opportunities for margin improvement through its proactive cost management initiatives like Project Vijay, which helped to mitigate some of the margin pressures caused by free delivery offerings and inflation. Despite not raising prices for the past nine quarters, the company has absorbed inflation through internal cost optimization and productivity improvements. However, the shift in consumer preference from dine-in to delivery, which typically results in lower margins, remains a challenge. Nevertheless, the company has maintained a gross margin of ~76% in 1HFY25. EBITDA margins (post IND-AS) came down to ~19% in 1HFY25 from the peaks of 24-25%. Management remains optimistic about further margin recovery as order volumes and operational efficiencies improve over time, although the company continues to prioritize growth over margin expansion.

Rapid store expansion continues

Store expansion continues to be a strategic priority, with 139 stores added in 1HFY25, bringing the total network to 3,130 stores. Domino's alone opened 101 new stores, including 84 in India and others in international markets. The company is aggressively targeting new locations, including university campuses, highways, and airports, while also entering smaller cities. These new stores are designed with a focus on delivery and compact formats to optimize costs. Management emphasizes that the unit economics of these stores remain favorable, with strong ROI and payback periods.

Valuation and view

JUBI has been the key beneficiary of healthy traffic growth for the delivery business. Delivery is expected to outperform in the near term, which will continue to lead to better growth metrics than JUBI's peers in the near term. Operating margin is likely to see a slower recovery owing to JUBI's continuous reinvestments in its core capabilities. We value India business at 40x EV/EBITDA (pre-IND AS) and international business at 25x EV/EBITDA (pre-IND AS) on Dec'26E to arrive at our TP of INR800. We reiterate our Neutral rating on the stock.

Store expansion continues across brands

Total Stores	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25
India:										
Domino's	1,625	1,701	1,760	1,816	1,838	1,888	1,928	1,995	2,029	2,079
Popeyes	6	8	12	13	17	22	32	42	50	54
Dunkin	25	24	24	21	21	21	25	31	36	32
Hong's Kitchen	17	14	12	13	15	18	22	28	33	34
Total Stores in India	**1,676**	**1,753**	**1,814**	**1,863**	**1,891**	**1,949**	**2,007**	**2,096**	**2,148**	**2,199**
Store addition	**51**	**77**	**61**	**49**	**28**	**58**	**58**	**89**	**52**	**51**
Srilanka and Bangladesh	46	51	60	65	70	73	76	78	80	85
Total Stores under MGT control	**1,722**	**1,804**	**1,874**	**1,928**	**1,961**	**2,022**	**2,083**	**2,174**	**2,228**	**2,284**
Store addition	**53**	**82**	**70**	**54**	**33**	**61**	**61**	**91**	**54**	**56**
DP Eurasia	-	-	859	859	714	742	761	817	829	846
Total	**1,722**	**1,804**	**2,733**	**2,787**	**2,675**	**2,764**	**2,844**	**2,991**	**3,057**	**3,130**
Store addition	**53**	**82**	**929**	**54**	**(112)**	**89**	**80**	**147**	**66**	**73**

Source: Company, MOFSL

Dominos growth metrics

Growth metrics	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25
Revenue Growth (%)	41.1	16.9	10.3	8.2	5.6	4.5	2.9	6.3	9.9	9.1
Dominos store growth (%)	17.8	18.5	17.7	15.9	13.1	11.0	9.5	9.9	10.4	10.1
Dominos Like-like SSG (%)	28.3	8.4	0.3	(0.6)	(1.3)	(1.3)	(2.9)	0.1	3.0	2.8
Dominos ADS per store (INR)	85,397	84,105	83,609	77,822	78,773	78,463	78,044	75,413	78,625	77,626
YoY Gr (%)	(0.8)	(1.1)	(5.6)	(7.4)	(7.8)	(6.7)	(6.7)	(3.1)	(0.2)	(1.1)

Source: Company, MOFSL

Dominos digital metrics trend

Digital KPIs	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25
Cumulative app downloads (mn)	95.4	104.4	113.8	122.3	132.3	142.9	152.0	161.4	171.7	182.6
Quarterly app downloads (mn)	8.2	9.0	9.4	8.5	10.0	10.6	9.1	9.4	10.3	10.9
Loyalty Program (mn)	2.1	7.2	10.6	13.6	16.8	19.5	21.5	23.1	24.9	27.8
MAU (App)	10.0	11.1	11.3	11.1	10.3	10.8	10.5	11.2	12.1	12.8

Source: Company, MOFSL

Financials

SCBs			
Month	WALR – O/s Loans	WALR - Fresh Loans	WATDR
Nov-23	9.81	9.41	6.79
Dec-23	9.81	9.32	6.83
Jan-24	9.83	9.43	6.85
Feb-24	9.81	9.36	6.86
Mar-24	9.83	9.37	6.88
Apr-24	9.81	9.55	6.91
May-24	9.86	9.45	6.92
Jun-24	9.89	9.32	6.91
Jul-24	9.89	9.40	6.92
Aug-24	9.89	9.41	6.93
Sep-24	9.88	9.37	6.95
Oct-24	9.88	9.54	6.96
Nov-24	9.87	9.40	6.98

PSBs			
Month	WALR – O/s Loans	WALR - Fresh Loans	WATDR
Nov-23	9.25	8.60	6.85
Dec-23	9.25	8.51	6.88
Jan-24	9.25	8.63	6.91
Feb-24	9.25	8.66	6.94
Mar-24	9.24	8.68	6.96
Apr-24	9.22	8.85	6.97
May-24	9.21	8.60	6.99
Jun-24	9.21	8.46	7.00
Jul-24	9.20	8.55	7.03
Aug-24	9.20	8.60	7.05
Sep-24	9.21	8.57	7.07
Oct-24	9.19	8.71	7.08
Nov-24	9.19	8.59	7.10

Private Banks			
Month	WALR - O/s Loans	WALR - Fresh Loans	WATDR
Oct-23	10.59	10.20	6.75
Nov-23	10.59	10.23	6.76
Dec-23	10.59	10.20	6.83
Jan-24	10.63	10.23	6.82
Feb-24	10.61	10.08	6.82
Mar-24	10.64	10.29	6.83
Apr-24	10.63	10.13	6.88
May-24	10.63	10.13	6.90
Jun-24	10.83	10.31	6.83
Jul-24	10.84	10.34	6.85
Aug-24	10.84	10.19	6.85
Sep-24	10.83	10.33	6.87
Oct-24	10.83	10.35	6.89
Nov-24	10.83	10.31	6.90

NIM contraction to continue; remain watchful of potential turn in the interest rate cycle

WALR on O/S loans declines, while WATDR continues to inch up

- **The Weighted Average Lending Rate (WALR) on fresh loans declined 14bp MoM in Nov'24, after a jump of 17bp in Oct'24. PSBs reported a 12bp decline MoM (up 14bp MoM in Oct'24), while PVBs declined just 4bp MoM (up 2bp MoM in Oct'24).**
- **The Weighted Average Term Deposit Rate (WATDR) for the system increased 2bp MoM to 6.98% (up 2bp MoM for PSBs and 1bp for PVBs). During Aug-Nov'24, WADTDR rose 5bp (5bp for PSBs as well as PVBs); this ongoing rise indicates that competition for deposits remains intense, while demand for credit moderates.**
- **Systemic credit growth declined sharply to 11.5% as of 13th Dec'24, driven by the rising stress in unsecured loans and elevated LDR levels. We project credit growth to be ~11% for FY25, with FY26 growth stabilizing at 12.5%.**
- **Repo rates remain unchanged since Feb'23, while lending rates have increased and stabilized recently. However, funding costs continue to rise due to ongoing liability re-pricing and higher deposit rates set by banks.**
- **We anticipate a continued negative bias in margins for the banking industry, with the expected reversal of the interest rate cycle in early CY25 likely to further compress lending yields. Consequently, we project NIMs to remain under pressure through FY26.**
- **Our top picks are ICICI, HDFCB, SBIN, FB, and AUBANK.**

WALR on fresh loan declines in Nov'24; flattish for the past three months

- WALR on fresh loans declined 14bp MoM (up 17bp in Oct'24), with a 12bp decline for PSBs and 4bp for PVBs. During Aug-Nov'24, WALR on fresh loans declined 1bp, with PSBs declining 1bp and PVB increasing 12bp.
- As of Nov'24, fresh rupee loans over repo premium stood at 3.81% for PVBs (3.85% in Oct and 3.84% in Sep) and 2.09% for PSBs (2.21% in Oct and 2.07% in Sep). Banks have largely kept lending rates steady, emphasizing balanced growth while safeguarding margins.
- **WALR on outstanding loans remained flat MoM** at 9.87%. It has stayed flattish over the past six months, fluctuating within the range of 9.8-9.9%.
- One-year MCLR for most PVBs increased 10-75bp YoY, with City Union recording the maximum increase of 75bp. For large PVBs, the MCLR expansion stood in the range of 10-25bp.

WATDR rises 2bp/1bp MoM for both PSBs and PVBs

- WATDR rose 2bp MoM in Nov'24, led by a 2bp gain for PSBs and 1bp for PVBs. During Aug-Nov'24, WATDR rose 5bp, with PSBs and PVBs both gaining 5bp each. The upward trend reflects growing competitiveness within the industry and is likely to keep the CoF elevated.
- With recent data indicating a system liquidity deficit and regulators injecting liquidity, deposit challenges are expected to persist for the foreseeable future. We anticipate higher TD rates, even with the expected rate cuts. Banks will continue to prioritize a well-balanced mix of LCR, CASA, and retail deposits.

Credit growth decelerates; deposit growth crucial for supporting credit expansion

- Systemic credit growth has slowed to ~11.5%, down from a peak of ~16%, driven by a deceleration in unsecured retail lending and moderated demand in select secured segments.
- Deposit growth has remained within a narrow range of 10-13% over the past 18 months, with a YTD increase of 7.8%, slightly outpacing the YTD credit growth of 7%. Moreover, deposit competition remains intense as banks focus on enhancing their CD ratios, with PSU banks also ramping up their efforts.
- **The deceleration in credit growth has been sharper than anticipated. However, the system's CD ratio remains elevated, making robust deposit growth essential to sustain credit growth. Consequently, we estimate credit growth to reach ~11% in FY25 and stabilize at 12.5% in FY26.**

CD ratio remains elevated; incremental CD ratio at 79.4% (decelerated from the highs of 102.4%)

- The outstanding LDR has declined to 79.7%, although nearing the highs of 80.3% recorded in Mar'24. While most PSBs have seen a rise in LDR recently, it remains lower vs their private counterparts.
- The incremental LDR for banks under our coverage stood at 50-120%, with HDFCB recording the lowest at 50% and SBI recording the highest at 120%. INBK's incremental LDR was 119%. The LCR ratio, however, remained at a comfortable level, with most large PVBs falling within the range of 112-136%.

NIMs to be at a negative bias; costs to stay elevated

- Although repo rates have remained unchanged since Feb'23, lending rates have adjusted at a slower pace, while borrowing costs have risen due to the ongoing repricing of liabilities. Additionally, many banks have slowed credit growth in response to increasing stress in unsecured loans, which could result in NIM contraction.
- Furthermore, data indicates that while rates on fresh loans remain sticky, deposit rates have increased, suggesting that NIM contraction may persist, albeit at a more gradual pace.

Our view: Maintain preference for ICICIBC, HDFCB, SBI, FB, and AUBANK

- We maintain our view that NIMs will remain under pressure due to slow growth in unsecured lending, rising costs, and an elevated CD ratio, which are likely to constrain credit growth.
- We are closely monitoring the potential shift in the interest rate cycle and the pace of monetary easing, as these factors will significantly influence margin trends. Additionally, robust deposit mobilization will be crucial, as the elevated CD ratio and rising inflation pose challenges for banks in reducing deposit rates and costs.
- Margins and the delinquency cycle in unsecured loans remain key focus areas. We anticipate an uptick in credit costs for select banks.
- As banks approach 3Q earnings, we expect further signs of a slowdown, particularly from unsecured loan stress. For 3QFY25, we estimate MOFSL Banking Universe earnings to grow 15.3% YoY, with sector earnings projected to post a 12.6% CAGR over FY25-27.
- **Our top picks are: ICICI, HDFCB, SBI, FB, and AUBANK.**

Automobiles

PV, tractor dispatches surprise positively; 2W underwhelming

Monthly dispatches for the PV and tractor segments exceeded expectations in Dec'24, growing ~21% and ~20% YoY, respectively. In the domestic 2W segment, BJAUT volumes declined by 4% YoY; HMCL, TVSL, and RE are yet to announce their numbers. A key highlight was MSIL's impressive performance with volumes of ~178k units, surpassing our estimate of ~150k, driven by growth in the lower-end segment alongside SUVs. MM reported robust growth in tractor volumes, whereas ESCORTS saw a decline. CV dispatches were largely in line, with MHCV volumes remaining flat YoY and LCVs growing by 6% YoY. AL has not yet disclosed its numbers.

- **2Ws (below estimate):** BJAUT volumes declined by 4% YoY to 272.2k (est. 295k). Domestic 2W dispatches fell YoY for the third consecutive month, down ~19% YoY in Dec'24. 2W exports grew by 15% YoY. HMCL, TVSL, and RE are yet to report their numbers.
- **PVs (above estimate):** Overall PV wholesales grew 15% YoY, with passenger cars and UVs likely to have grown by 31% and 15% YoY, respectively. MSIL's volumes stood at 178k units (+30% YoY, est. 149.6k), mainly driven by strong 35% YoY growth in the mini and compact segments. For MSIL, domestic volumes grew 27% YoY to 141k units and exports jumped 39% YoY. TTMT's PV volumes grew 1.4% YoY to 44.3k units (in line). Hyundai's volumes were below our estimate, down 7% YoY at 61.3k units (est. 66.6k), as domestic volumes declined 2% YoY and exports fell 20% YoY. MM UV volumes grew by 17% to 63k units (in line).
- **CVs (in line):** Overall CV volumes grew 2% YoY in Dec'24. CV sales for TTMT declined 1% YoY to 33.9k units (est. 34.8k). LCVs grew 4% YoY, while MHCVs dipped 6% YoY. VECV sales grew 4% YoY to 8.3k units (in line). AL is yet to announce its volumes for the month.
- **Tractors (above estimate):** MM tractor sales grew 20% YoY to 23k units (est. 87.9k), while Escorts reported a decline of 11% YoY to 5.5k units (est. ~6k). MM in its press release indicated that the overall agricultural sector is showing optimistic signs of favorable Kharif and rabi crop seasons, higher water reservoir levels and favorable sentiment among farmers, indicating strong growth ahead.
- **Valuation and view:** While the 2W segment has outperformed PVs so far in FY25, we expect its growth to moderate for the rest of the year. MSIL is our top pick among auto OEMs as it continues to be a play on the rural recovery with an attractive valuation. Additionally, we like MM for its healthy demand momentum in SUVs and recovery in tractors. We also like Hyundai as it appears well-aligned to benefit from the industry trends toward UVs.

GST Monitor: Collections stood at INR1.77t in Dec’24

Driven by higher revenues from domestic transactions

- **GST collections stood at INR1.77t in Dec’24, slightly lower than INR1.82t in Nov’24 and INR1.65t in Dec’23, driven by higher revenues from domestic transactions. Collections grew 7.3% YoY in Dec’24 (fourth consecutive month of less than 10% YoY growth) vs. a growth of 8.5% YoY in Nov’24 and 10.3% in Dec’23. For FY25YTD, GST collections stand at INR16.3t (+9.1% YoY) vs. INR15t in the same period last year (+11.7% YoY*; Exhibit 1).***
- **In Dec’24, CGST collections amounted to INR328b (up 7.9% YoY in Dec’24 vs. 14% YoY in Dec’23) and SGST collections stood at INR405b (up 6.8% YoY in Dec’24 vs. 13.7% YoY in Dec’23). IGST collections amounted to INR912b (up 8.3% YoY in Dec’24 vs. 7.4% YoY in Dec’23).**
- **In FY25YTD, CGST collections are INR3.0t (up 10.0% YoY) and SGST collections are INR3.8t (up 8.9% YoY). IGST collections stand at INR8.4t in FY25YTD (+9.3% YoY) vs. INR7.7t in FY24YTD. The increase in FY25TD GST collections YoY is mainly led by higher IGST collections *(Exhibit 2).***
- **GST collected on domestic activities grew 8.2% in Dec’24 vs. 13% in Dec’23. At the same time, GST collected on imports grew slowly by 4.6% YoY to INR443b in Dec’24 vs. a growth of 3.2% YoY in Dec’23. For FY25YTD, GST collected on imported goods has risen slowly by 6.0% YoY to INR4.0t, while GST collected on domestic activities has jumped 10.0% YoY. GST collected on domestic transactions accounted for 76.3% of the total GST receipts in FY25YTD vs. 75.7% in FY24YTD *(Exhibit 3).***
- **Overall, the government has collected GST of INR16.3t in FY25YTD (vs. INR15.0t during the same period last year). It means that GST collections have averaged INR1.81t per month in FY25YTD, compared to the budgeted estimate of INR1.88t per month. Lower GST collections so far indicate that the mop-up for FY25 may be lower than what has been estimated in the Budget. *(Exhibit 4)***

Exhibit 1: GST collections stood at INR1.77t in Dec’24…

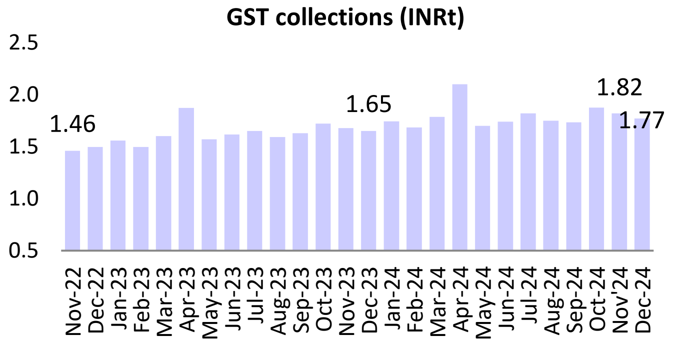


Exhibit 2: …led by higher IGST collections

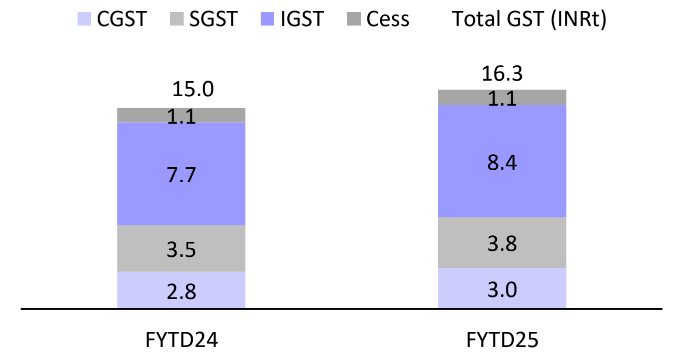


Exhibit 3: GST collected on domestic activities reached 76.3% in FY25YTD

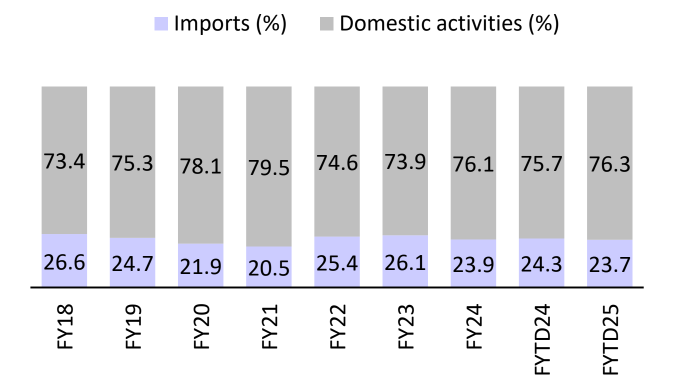
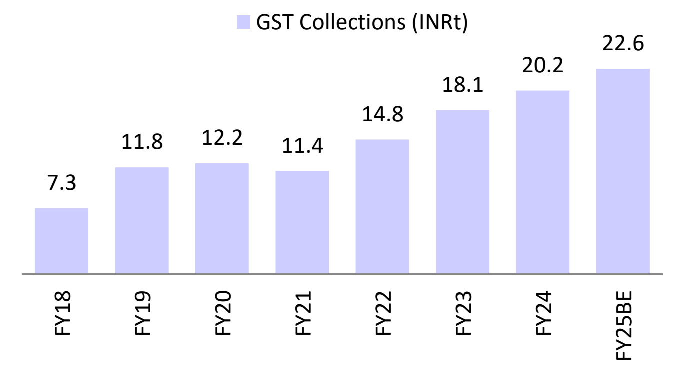


Exhibit 4: FY25 GST collections budgeted at INR22.6t, implying average monthly receipts of INR1.88t



Source: Finance Ministry, MOFSL

SBI: Don’t see deposit cost escalating, so margins will be stable; CS Setty, Chairman

- Continue investing in SBI’s digital and technology platforms
- Banking sector is now placing renewed focus on deposit mobilisation
- Don’t expect significant cost escalation on deposits
- Corporate credit growth is driven by renewables, roads and petrochemicals
- Housing sector is doing well, steel and cement sector is seeing consolidation
- NIMs are expected to stabilise

Read More

Jana Small Finance Bank: Asset quality trends, loan book & deposit growth update; Ajay Kanwal, MD & CEO

- Expectations are that second half could be better
- Not changing growth guidance for asset and deposit growth
- Don’t expect incremental pain in microfinance going ahead
- Going Ahead as well unsecured asset should be 20% of the total book
- Company’s main focus in secured assets
- Committed to keep NPAs less than 1% mark in FY25

Read More

BSE: Have seen over 20 crore mutual fund investors; Sundararaman Ramamurthy, MD & CEO

- Regulators have intervened and brought in steps which have led to fall in notional volumes
- Type of liquidity from hinterland has gone up
- Have seen over 20 cr of mutual fund investors
- Sensex volume have also gone down but quality of premium has increased
- Retail participation has come down and institutional participation and increased
- Premium realisation per contract has gone up

Read More

Mazagon Dock Shipbuilders: We are likely to get contracts for three more submarines; Sanjeev Singhal, CMD

- We are likely to get contracts for three more submarines
- Expect a healthy pipeline with respect to retrofitting the air independent propulsion plugs
- We are expecting growth of around 10-12% over last year in FY25; similar for FY26
- The liquidity damage refunds have contributed substantially to net income
- We expect at least two frigate deliveries in FY26

Read More

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://onlinereports.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, it's 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:
a) received any compensation/other benefits from the subject company of this report
b) managed or co-managed public offering of securities from subject company of this research report,
c) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
d) 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 it's 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	**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") (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.