

## IT Services: In Limbo

- 1QFY26 was a disappointing quarter for Indian IT services companies. While seasonality offered some respite in reported growth, management commentary remained uniformly downbeat on demand. About 54% of the companies under our coverage missed revenue estimates, whereas 31% missed margin estimates (only 23% beat estimates). Our observations regarding the quarter:
  - 1) Productivity gains are starting to bite; 2) Mid-tier firms are finally feeling the pinch;
  - 3) Margins are suffering across the board, potentially signaling a painful realignment;
  - 4) Valuations are not the problem anymore, but questions are being asked of the structural demand outlook.
- As we have argued before in our report dated 5th Jun'25 ([Productivity gains and Indian IT – What is the value at risk?](#)), deflation in legacy services is not new. Historically, however, each tech transition cycle has triggered a growth spurt. This time, GenAI is making the legacy drag worse, but the anticipated wave of GenAI-led spending is yet to materialize—prolonging the slowdown and muddying the recovery. We continue to prefer bottom-up plays in IT: HCLT and TechM in largecaps and Coforge in mid-tier.

### 1) Productivity gains starting to bite

- As we outlined in our Jun'25 note, GenAI is driving significant efficiency across software development and maintenance, especially in areas like coding, testing, and debugging. With 35-45% of industry revenues tied to ADM, even partial automation poses a meaningful headwind.
- We estimated that up to 10-15% of current revenues could come under pressure as clients start getting more for less, making productivity a structural challenge (see exhibit 1).
- This quarter, more companies began acknowledging that GenAI-led productivity is translating into commercial pressure. Infosys noted that *clients are becoming aware of productivity gains*, and that pricing conversations have already started. LTIMindtree similarly flagged that some clients are *“asking how productivity improvement reflects in commercials.”* Wipro observed that *“as productivity improves, there are natural questions on pricing models.”*
- HCLTech did not directly reference pricing but admitted that people released from productivity gains could not be redeployed.

### 2) Midcaps feeling the pinch, finally

- Mid-tier firms have done admirably well over the past couple of years and have grown despite macros not being in favor. This has come at the cost of margins and cash flows (exhibit 2). That said, Persistent and Hexaware both called out tough macros, suggesting that mid-tier companies are feeling the pinch of a weak demand environment.
- Hexaware's YoY growth rate has declined from 14% in CY23-CY24 to 7.5% this quarter in cc terms, and we expect CY25 growth rates to remain subdued. For PSYS, FY24-FY25 growth was 19%, but this quarter, growth came in at 18%, and the sequential build-out suggests further slowdown. Coforge continues to do well, but at the cost of robust cash flows. While MPHL's deal TCV was healthy, revenue conversion still remains to be seen.

### 3) Legacy slowdown is not the problem, absence of new cycle is

- Indian IT sector's legacy business deflation is nothing new: what is biting is the absence of a new technology cycle to replace the old. During earlier transitions (e.g., from IMS to cloud, or from legacy app dev to digital), vendors were quick to scale up new offerings that more than compensated for the decline in older lines of business (exhibit 3 to 5).
- This time, GenAI is exacerbating the deflationary pain, but there is no budgetary expansion from a new tech cycle in sight. Clients are experimenting, but large-scale rollouts are limited, and traditional programs continue to get rationalized or delayed. As a result, the deflation in legacy services is not being offset.

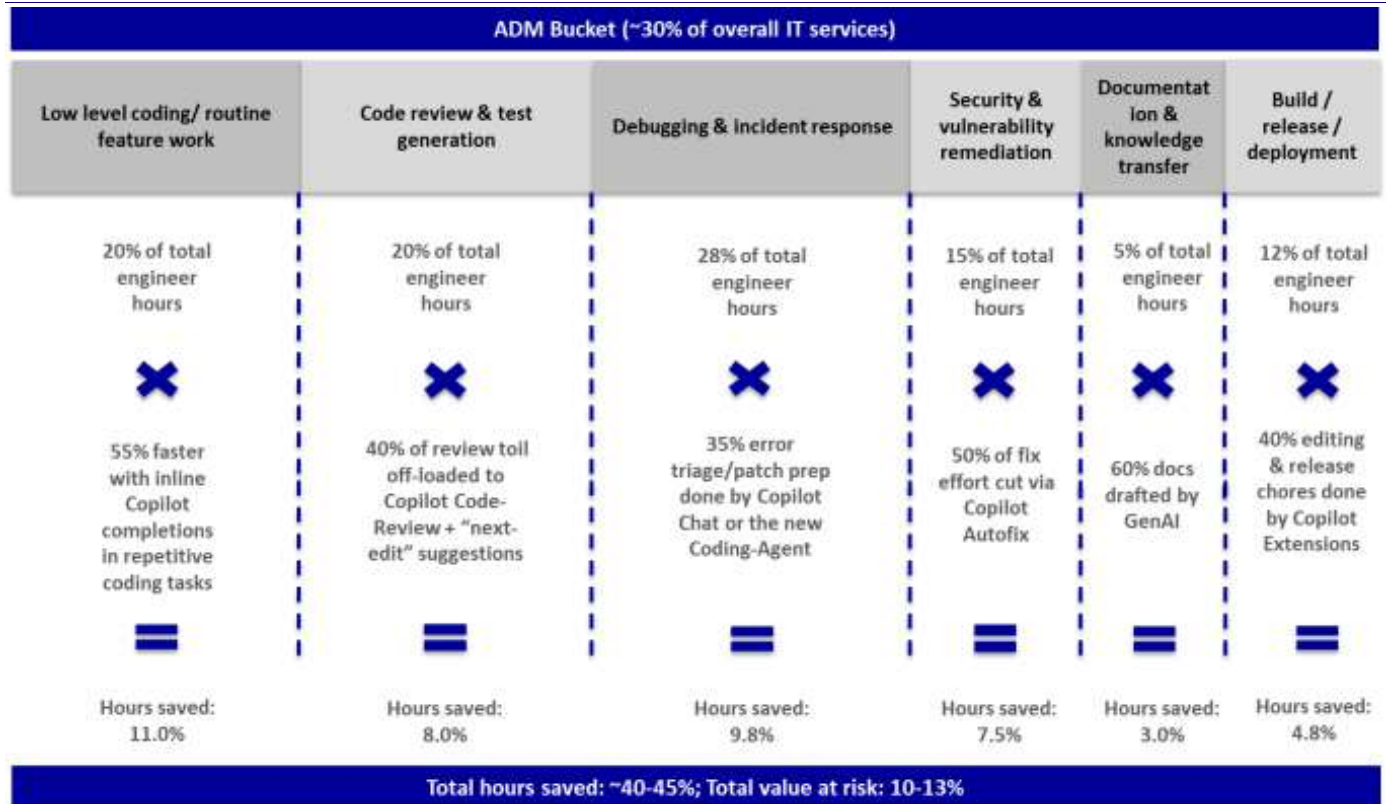
### 4) Margins suffering across the board, could be the beginning of a painful realignment

- Margins saw meaningful compression across our coverage universe on a YoY basis, with GenAI-led productivity gains hitting near-term revenue and pricing harder than initially anticipated. Of the 13 companies under coverage, eight reported a YoY decline in EBIT margins.
- First, demand weakness has created pricing pressure. Vendors are undercutting each other just to stay in the game, and that is visible in profitability. Second, the GenAI curve itself is margin-dilutive in the near term. Investments are ramping up, but the monetization is hard to come by.
- Margins are being impacted from multiple fronts like pricing, client behavior, and a GenAI transition. But it could be the beginning of a painful realignment, as vendors will need to search for different pricing and delivery models to cope.
- Tier-1 companies reported a margin decline of ~20bp YoY, while Tier-2 companies saw a sharper fall of 90bp this quarter. The margin contraction for Tier-1 was primarily driven by subdued revenue growth, wage hikes (INFO), lower utilization, and investments in capabilities (TCS). For Tier-2, the decline was mainly due to pricing and volume softness, one-off costs (HEXT), and the absence of meaningful margin levers (PSYS).

### 5) Valuations are not the problem, but structural demand is

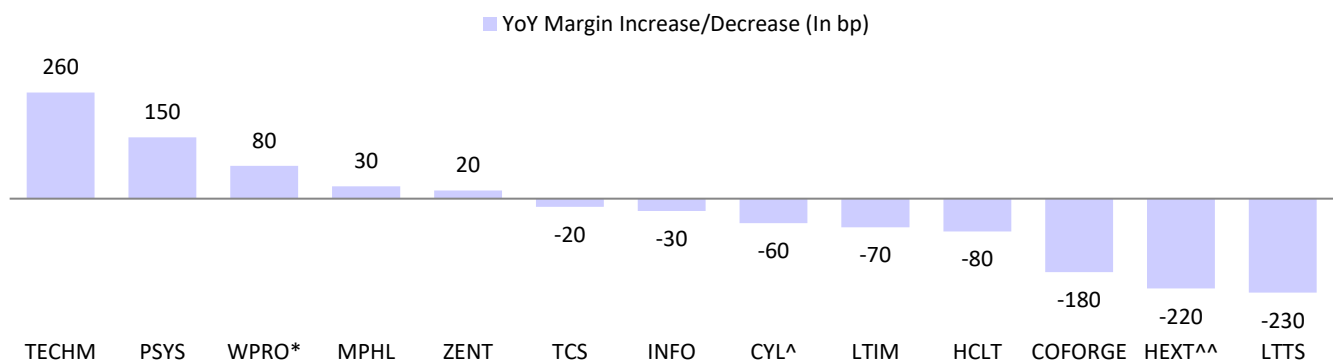
- As argued in our note dated 28th Apr'25 ([What lies ahead for Indian IT: The good, the bad, and the unlikely](#)), a major re-rating for the sector hinges on the emergence of a new tech cycle and meaningful earnings upgrades. We continue to prioritize a bottom-up play in IT: HCLT and TechM in largecaps and Coforge in mid-tier.
- We prefer **TECHM**, as we see early signs of transformation under new leadership and improving execution in BFSI. Margin expectations are now more reasonable, and niche offerings are resonating well. We believe TechM's transformation remains relatively decoupled from discretionary spending. **We continue to like HCLT for its all-weather portfolio.**
- **In mid-caps, Coforge remains our top pick.** The previous downcycle showed that mid-tier firms can thrive in cost-focused environments. Coforge's recent deal with Sabre is a strong indicator that mid-tiers now have both the scale and the solution maturity to win cost-saving deals.

**Exhibit 1: GenAI could automate ~43% of ADM hours, putting ~13% of overall IT services' value at risk**



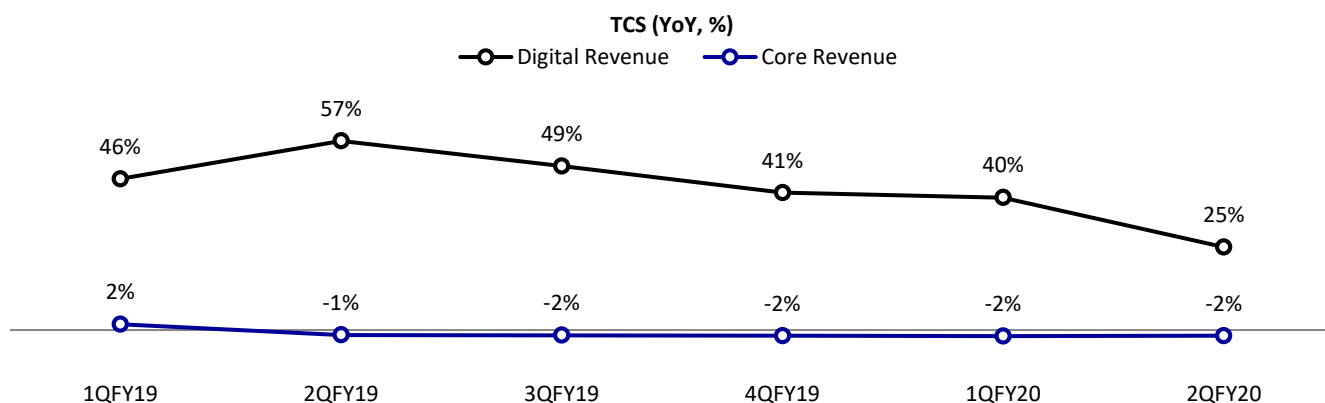
Source: Industry, MOFSL

**Exhibit 2: YoY margin compression signals the impact from pricing, client behavior, and GenAI transition**



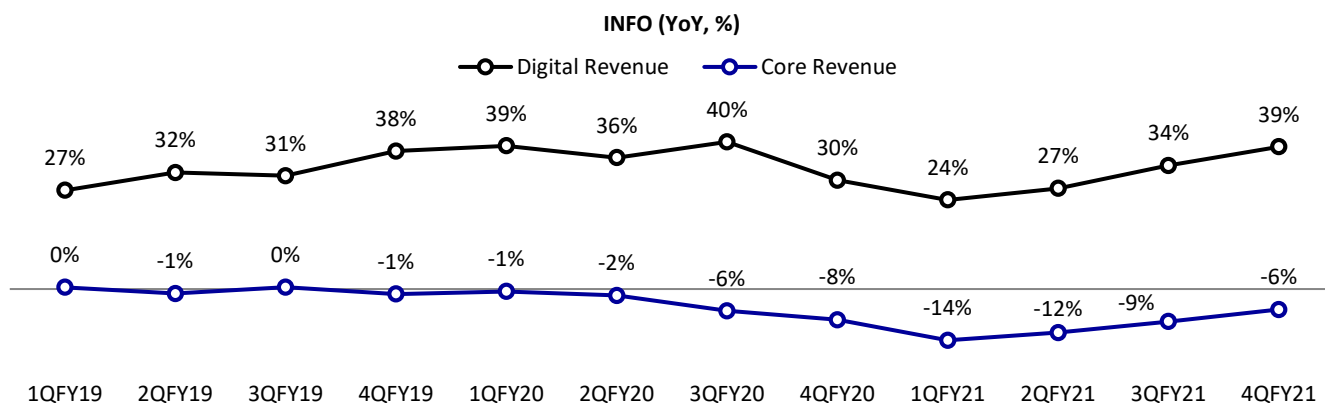
Source: MOFSL; \*WPRO's IT service margin; ^CYL DET Business; ^^after adjusting for one-offs, HEXT's normalized EBIT margin was 14.1%.

**Exhibit 3: TCS's digital revenue saw acceleration in the pre-Covid years as enterprises prioritized transformation**



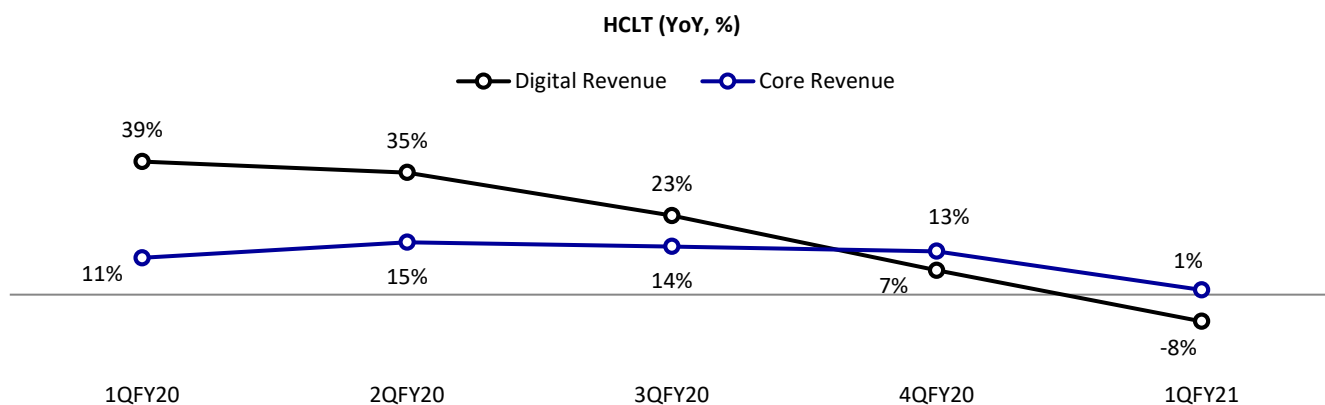
Source: MOFSL, Company

**Exhibit 4: Infosys's core business faced revenue pressure during the same period as digital adoption cannibalized legacy services**



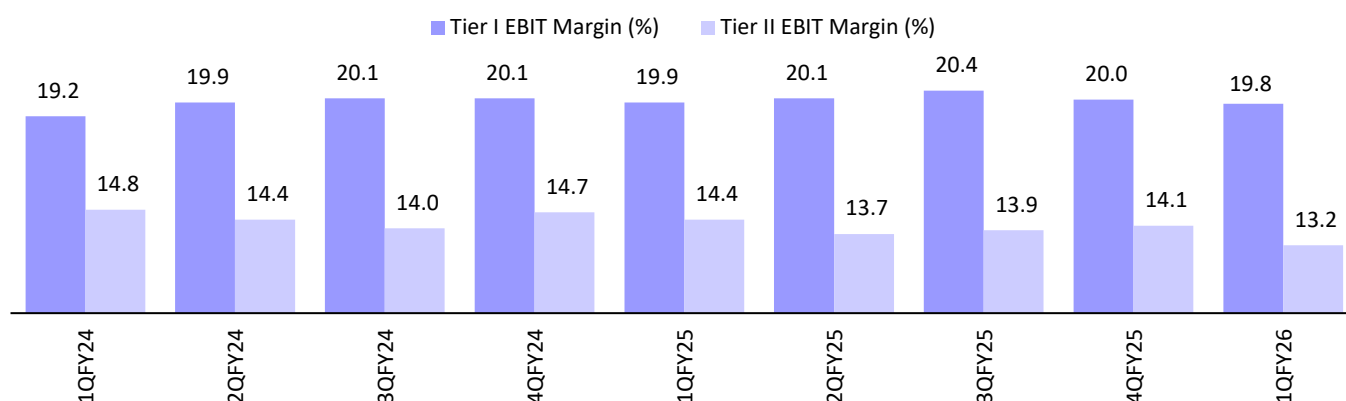
Source: MOFSL, Company

**Exhibit 5: HCLT also followed a similar trend as digital revenue upsurge weighed on legacy services**



Source: MOFSL, Company

**Exhibit 6: Tier-I/Tier-II both saw margin decline in this quarter**



Source: MOFSL, Company

**Exhibit 7: Revenue and margin estimate misses and beats for our coverage companies**

Companies	Revenue	Margin
TCS	Miss	Beat
INFO	Beat	In-line
HCLT	Beat	Miss
WPRO	Beat	In-line
TECHM	Miss	Beat
LTIM	Miss	In-line
LTTS	Miss	Beat
MPHL	Miss	In-line
HEXT	Miss	In-line
PSYS	Miss	Miss
COFORGE	Beat	Miss
ZENT	In-line	In-line
CYL*	In-line	Miss

Source: MOFSL; Note: \*DET Business

**Exhibit 8: Earnings cuts for FY26E/FY27E vs. preview numbers**

Companies	FY26E	FY27E
TCS	0.7%	0.1%
INFO	0.8%	-0.9%
HCLT	-6.0%	-3.7%
WPRO	2.0%	1.7%
TECHM	-0.2%	0.2%
LTIM	-0.9%	0.3%
LTTS	-4.0%	-2.2%
MPHL	0.1%	0.8%
HEXT^	-2.7%	-3.5%
PSYS	-2.2%	-2.8%
COFORGE	-5.1%	-2.2%
ZENT	3.5%	-0.9%
CYL*	-3.9%	-5.0%

Source: MOFSL; Note: \*DET Business; ^HEXT figures are for CY25E/CY26E.

**Exhibit 9: Recent commentaries of the Tier-1 IT pack**

Companies	2QFY26 Commentary	Near-term headwinds
<b>TCS</b>	1. Demand recovery hinges on easing of decision-making delays and macro clarity, especially around the new US presidential bill.	1. BFSI and Healthcare verticals remain cautious, especially in the US and Europe, with regulatory and pricing headwinds.
	2. Strong client interest in AI, data modernization, and cost optimization continues to shape deal wins across geographies.	2. Communication and Media clients continue to reprioritize spending, delaying AI and transformation rollouts.
	3. AI-led productivity gains are being embedded in pricing; margin trajectory supported by lower third-party costs and operating leverage.	3. BSNL deal ramp-up may pressure margins temporarily; India business recovery hinges on pace of execution.
	4. Management confident of sustaining USD7-9b TCV run-rate; BSNL deal execution to start from 2QFY26.	4. Attrition remains slightly above comfort levels; no clarity yet on wage hikes.
<b>INFO</b>	1. INFO remains well-positioned to benefit from AI-led transformation and large-scale vendor consolidation deals, especially in BFSI, Manufacturing, and Europe.	1. Discretionary tech spends in Consumer, Retail, and Auto remain subdued due to macro softness, tariffs, and supply chain disruptions.
	2. Strong large deal wins in 1H, with 1HFY26 expected to remain stronger than 2HFY26 due to seasonality and current visibility.	2. Wage-related cost headwinds (rolled out in 1Q and Apr'25) continue to weigh on margins; timing of next wage hike is still uncertain.
	3. Consolidation-led wins are ramping up across North America and Europe; scaling efforts in GCCs and Agentic AI use cases are accelerating.	3. Communications clients are tightening IT budgets, focusing instead on AI/automation-led efficiency.
	4. Margin performance is under pressure due to wage hikes and investments in growth, but structural levers like pricing, productivity, and Project Maximus continue to offer cushion.	4. High utilization may require fresh hiring to support volume growth, which could impact short-term margin trajectory.
<b>HCLT</b>	1. Demand environment remains stable with vertical-specific variations; optimism maintained on deal closures that slipped from 1Q to 2Q.	1. Margin pressures to persist in 2Q due to low utilization, delayed deal ramp-ups, and a higher bench from auto ramp-downs.
	2. Strong traction in Tech Services and Engineering continues, supported by conversational AI, telecom engineering, and Agentic AI solutions.	2. Restructuring costs from underutilized overseas facilities and talent realignment will continue through 2Q-4Q.
	3. BFSI remains resilient with vendor consolidation-led visibility; Digital and Application Modernization pipelines remain strong.	3. Automotive vertical remains weak; recovery timeline uncertain.
	4. Gradual ramp-up of large deals expected to strengthen in 2H; ER&D and GenAI offerings positioned as long-term growth levers.	4. One-time impact from a client bankruptcy affected 1Q and may cause lingering effects on resource planning.
	5. Margin recovery expected post 2Q, as restructuring efforts and GenAI/GTM investments normalize by FY27.	5. GenAI and GTM investments still weigh on margins, though normalization is expected longer-term.
<b>WPRO</b>	1. Revenue performance guided in the range of -1% to +1% QoQ CC for 2Q, as deal transitions continue; 2H is expected to be stronger with better revenue conversion.	1. Softness in Manufacturing and a continued pause in a large SAP program in the Consumer vertical are likely to weigh on segment growth.
	2. Strong TCV of USD4.9b (+51% YoY) and 16 large deals—many from vendor consolidation—enhance visibility for 2HFY26.	2. Deal transition-related revenue contribution may remain back-ended, muting near-term QoQ growth.
	3. BFSI remains a key anchor vertical with two mega deal wins; Healthcare and Telecom continue to show stable demand.	3. One-off restructuring costs in Europe may have lingering effects on local profitability and workforce restructuring.
	4. AI and platform modernization are driving new client engagements, particularly in Tech & Services.	
	5. Margin pressures from deal ramp-ups expected to be temporary; company focusing on levers such as AI productivity, utilization, and G&A optimization for margin resilience.	

TECHM	1. Revenue contribution from large deals signed in 1Q and 2Q is expected to pick up as transitions complete and conditions stabilize.	1. Hi-Tech vertical remains under pressure due to ongoing restructuring at key semiconductor clients; gradual recovery only expected in 2HFY26.
	2. FY26 expected to be better than FY25, with strong traction in BFSI, Retail, and Telecom; Telecom pipeline in Europe shows promise due to consolidation.	2. Automotive-related Manufacturing spends remain soft, especially in the US; offsets from Aerospace not sufficient near-term.
	3. "Turbocharge" program driving faster-than-average growth from large clients; added 15 new Fortune 500 clients.	3. Utilization remains suboptimal due to training and ramp-readiness; higher visa costs and some subcontracting pressures may persist.
	4. Margin tailwinds from operational leverage, Project Fortius, and centralization of support functions.	5. Despite stable Telecom spend, execution challenges in India and MEA could affect localized delivery.
LTIM	1. Strong order inflow momentum sustained for the third consecutive quarter (USD1.6b+ TCV), supported by sales transformation and GCC-as-a-Service traction.	1. BFSI spending remains cautious, especially in select large accounts, affecting overall deal flow.
	2. Fit4Future program continues to deliver margin efficiency, aided by increased utilization and internal AI adoption.	2. Hi-Tech margins under pressure due to late-quarter ramp-ups and evolving customer models.
	3. Strategic wins in Agribusiness and ramp-up of Manufacturing deals offer medium-term visibility; margins expected to improve as these stabilize.	3. Healthcare & Public Services verticals face volume softness and cyclical margin headwinds; large public sector project closure may impact short-term revenue.
	4. Technology and Media verticals have stabilized, and the Blueverse AI suite opens new enterprise transformation opportunities.	4. Visa and travel-related cost headwinds impacted margins in 1Q and may persist in 2Q.
		5. Wage hike timeline remains uncertain; decision pending.

Source: MOFSL, Company

## NOTES



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	$\geq 15\%$
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 be 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](http://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 Limited are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>.

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

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. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>.

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://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 Securities (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](mailto:grievances@motilaloswal.com).

Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

#### Specific Disclosures

- 1 MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- 2 MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- 3 MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- 4 MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- 5 Research Analyst has not served as director/officer/employee in the subject company
- 6 MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 7 MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- 8 MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- 9 MOFSL has not received any compensation or other benefits from third party in connection with the research report
- 10 MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- 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.
- received compensation/other benefits from the subject company in the past 12 months
- 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.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- 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)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL have not received any compensation or other benefits from third party in connection with 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.

#### 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.

#### 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.

#### 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, nor 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 dp@motilaloswal.com.