



## The Eagle Eye – August 2025

### Market sentiment softens amid tariff tension

Gautam Duggad([Gautam.Duggad@motilaloswal.com](mailto:Gautam.Duggad@motilaloswal.com)) | Deven Mistry ([Deven@motilaloswal.com](mailto:Deven@motilaloswal.com))  
Abhishek Saraf ([Abhishek.Saraf@motilaloswal.com](mailto:Abhishek.Saraf@motilaloswal.com)) | Anshul Agarawal ([Aanshul.Agarawal@motilaloswal.com](mailto:Aanshul.Agarawal@motilaloswal.com))

# CONTENTS

## GLOBAL MARKETS

- ❖ The Indian market declines and underperforms major global peers during the month and YTD
- ❖ Decade in review: Nasdaq dominates, Nifty Midcap-100 shines, while China underperforms
- ❖ The Magnificent Seven continue to dominate the US and global markets
- ❖ The 10-year yield spread between India and the US hovers close to historical lows

## DOMESTIC MARKETS

- ❖ Broad-based market dips; Healthcare and Consumer witness modest gains
- ❖ About 70% of the Nifty constituents end lower in Jul'25
- ❖ About 50% of the BSE-200 constituents trade higher in CY25YTD
- ❖ Institutional holdings: DIIs continue to lead institutional ownership

## FLOWS AND VOLUMES

- ❖ FII flows turn negative after four months of net inflows, while DII inflows remain strong
- ❖ SIP flows remain strong; lump sum inflows rebound following a temporary dip
- ❖ Monthly average cash volumes decline, while F&O volumes rise
- ❖ Private banks gain weight sharply, while Technology declines

## KEY RESEARCH REPORTS

- ❖ Initiating Coverages on:
  - ❖ Bharat Dynamics
  - ❖ Vishal Mega Mart
  - ❖ Laxmi Dental
  - ❖ Va Tech Wabag
  - ❖ Delhivery
  - ❖ Inox Wind
- ❖ 1QFY26 Interim earnings review: Resilient quarter; poised for gains as Fiscal & Monetary measures kick in

## MULTI-YEAR HIGHS/LOWS

- ❖ Breadth of YoY gains narrows to a three-year low
- ❖ Pharma outperforms the benchmark more frequently than any other sector over the past two years
- ❖ Bank vs. IT divergence persists, now at a three-year high

## VALUATIONS

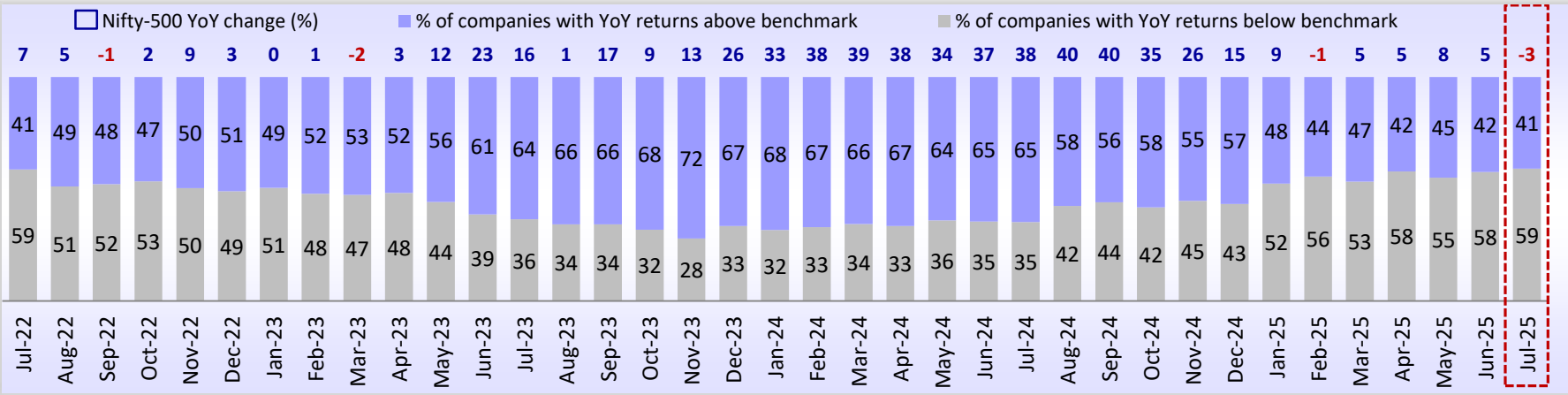
- ❖ Large-cap valuations near their average; small- and mid-caps remain stretched
- ❖ Auto and Pvt. Banks trade below their average valuations
- ❖ EY/BY ratio rises marginally MoM
- ❖ Tech dominance keeps the US market valuations elevated

# **A view from the EAGLE'S EYE!**

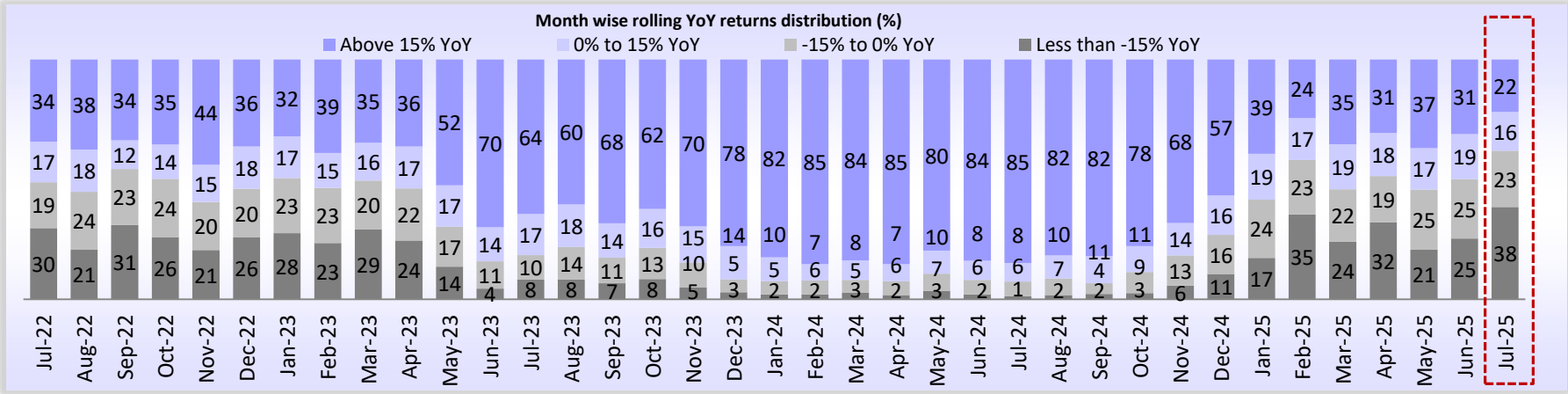
# KEY EXHIBITS    Breadth of YoY gains narrows to a three-year low

- ❖ The YoY change of Nifty-500 dipped to a five-year low level, declining 3% YoY in Jul'25 (over a high base of 38% YoY growth in Jul'24).
- ❖ Outperformance of the Nifty-500 constituents continued to slide, reaching a 36-month low, i.e., only 41% of stocks outperformed the Nifty-500 in Jul'25.
- ❖ Further, only about 22% of the Nifty-500 companies delivered more than 15% YoY returns compared to over 80% of companies a year ago.

Nity-500 constituents' rolling YoY performance relative to its index has fallen to its lowest level in three years



Share of positive and strong returns slips to a three-year low



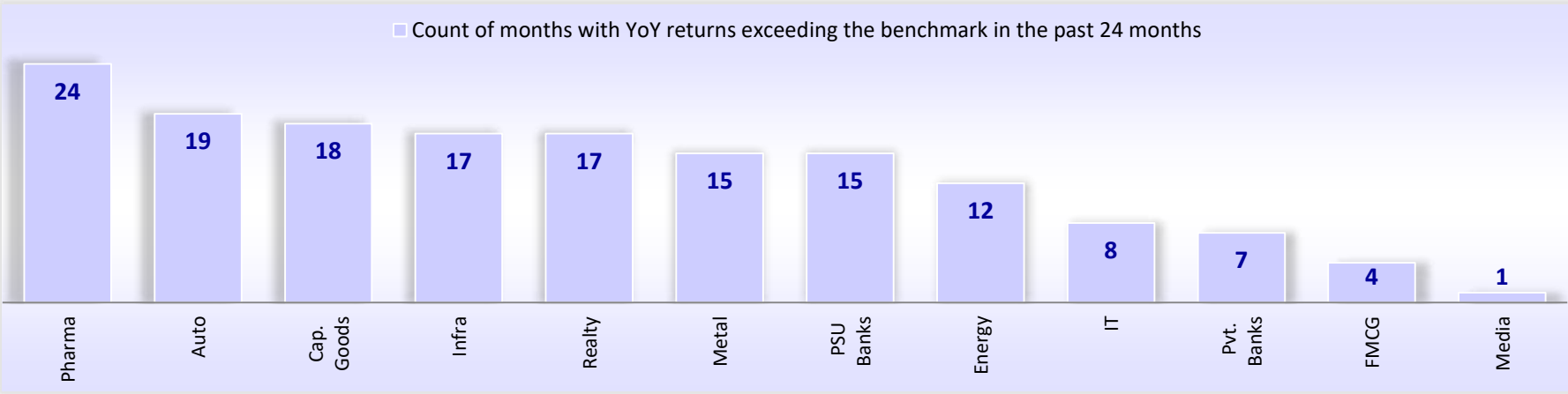
Note: Analysis is based on the benchmark Nifty-500 index and its constituents

KEY EXHIBITS

Pharma outperforms the benchmark more frequently than any other sector over the past two years

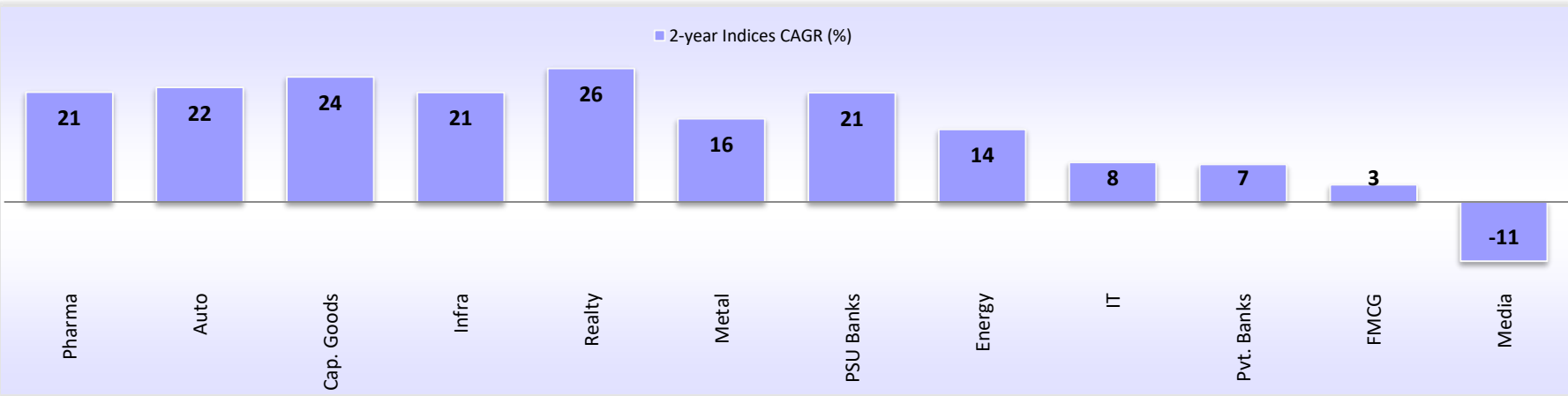
- ❖ Nifty-500 clocked a 16% CAGR over the past two years.
- ❖ Over the past 24 months, Nifty Pharma consistently outperformed the Nifty-500 each month, followed by Automobiles and Capital Goods..

Pharma has consistently outperformed the benchmark over the past 24 months



Note: Analysis is based on the benchmark Nifty-500 index

Real Estate and Capital Goods have posted the highest returns over the past 24 months

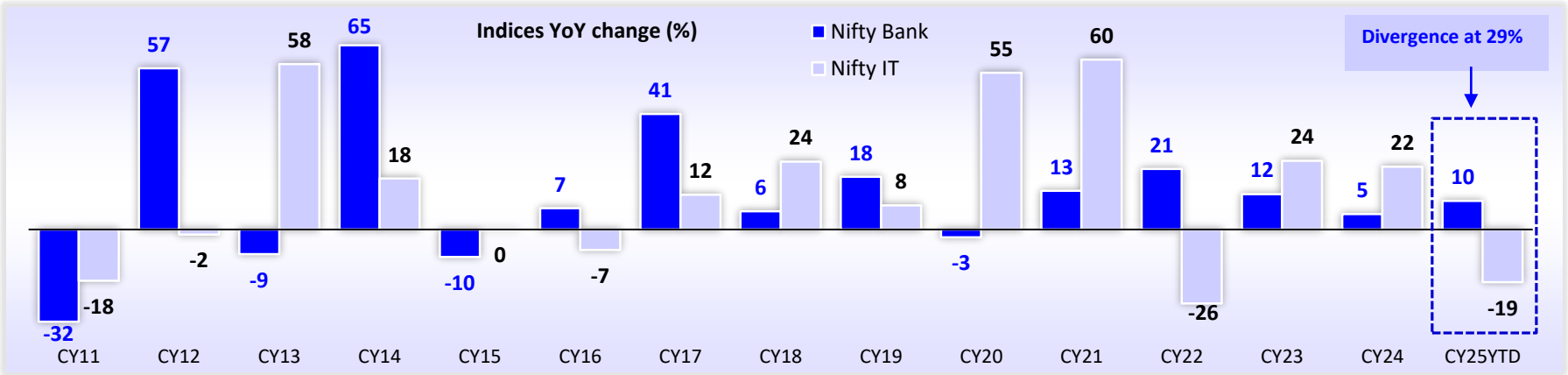


Note: All Nifty sectoral indices considered

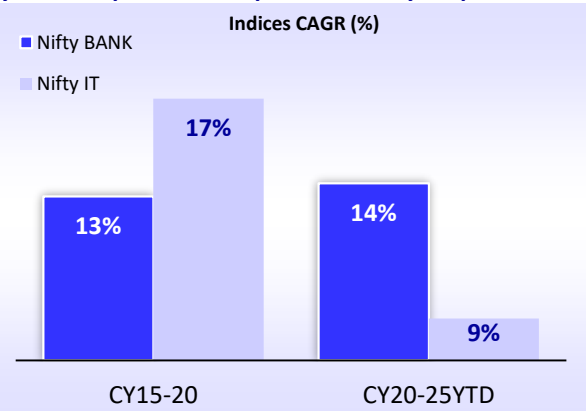
# KEY EXHIBITS    Bank vs. IT divergence persists, now at a three-year high

- ❖ Nifty Bank and IT have remained volatile over the past decade, with their return divergence ranging between ~10% and 60%. After a sharp outperformance by IT over banks in the previous two years, the trend has reversed, with Nifty Bank outperforming Nifty IT in CY25YTD.
- ❖ We expect Nifty Bank's aggregate earnings to record a CAGR of 11% over FY25–27, while Nifty IT's earnings are likely to post a slower CAGR of ~7%, amid the ongoing sectoral headwinds. Additionally, banking sector valuations remain reasonable relative to the broader market.
- ❖ Given the weaker earnings outlook for IT, coupled with more attractive valuations and stronger growth prospects for banks, we expect the divergence between the two sectors to persist through CY25.

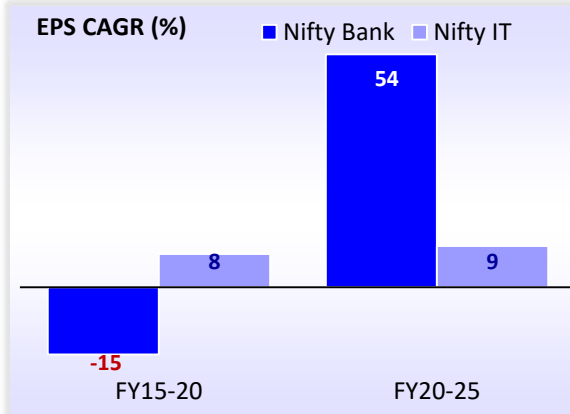
Nifty Bank and IT remained volatile during the decade, with combined return divergence ranging between ~10% and 60%



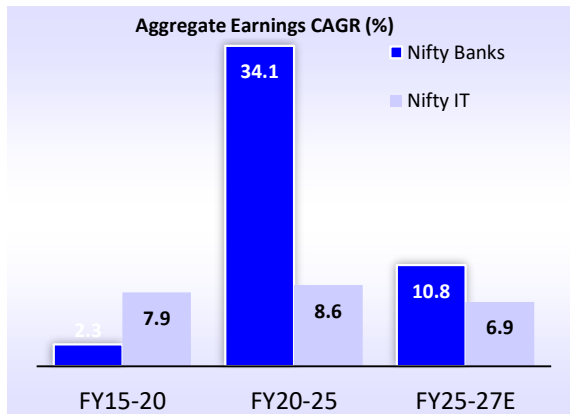
Nifty Bank has outperformed in the past five years compared to the previous five-year period



EPS of Nifty Bank grew more than IT between FY20 and FY25



Aggregate PAT growth of indices' constituents in the last decade

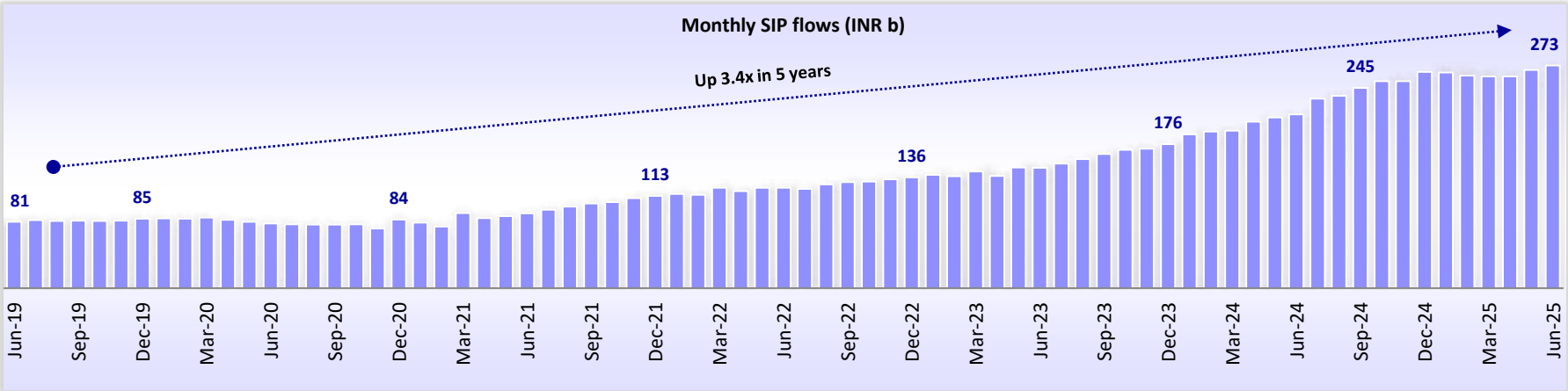


KEY EXHIBITS

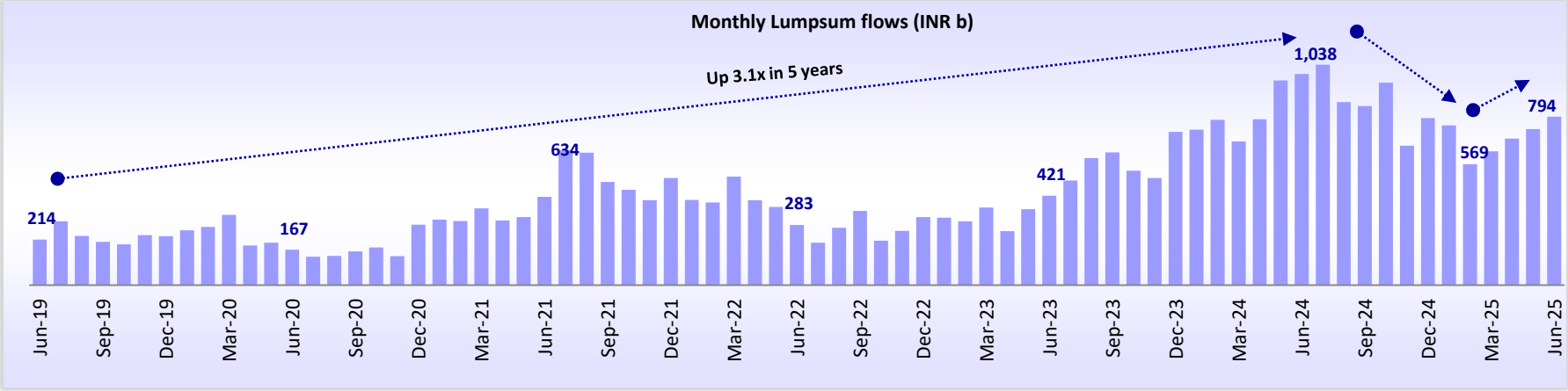
SIP flows remain strong; lump sum inflows rebound following a temporary dip

- ❖ SIP flows remained robust, sustaining momentum at over INR270b and consistently hitting new highs despite market volatility.
- ❖ Lump sum investment trends remained volatile but have shown a noticeable pickup from the March lows.

SIP flows continue to hit record highs



Lump sum flows regain momentum after a brief slump



Note: Monthly Lumpsum flows include net of Total equity inflows excluding SIP

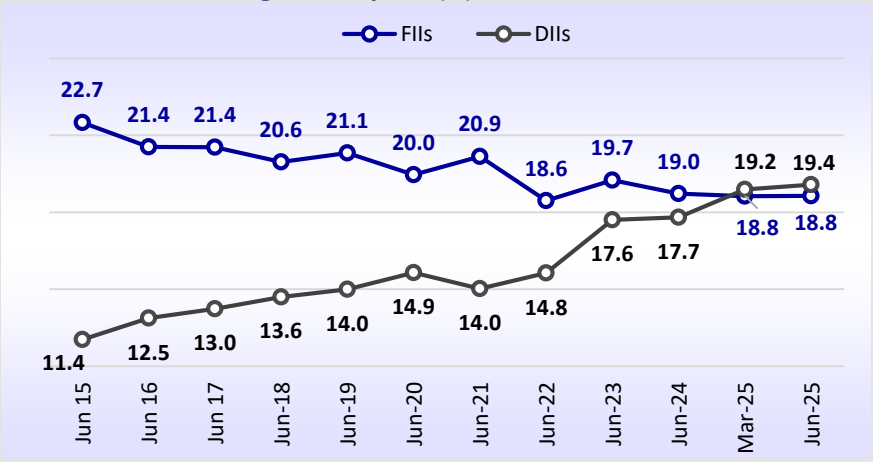


KEY EXHIBITS

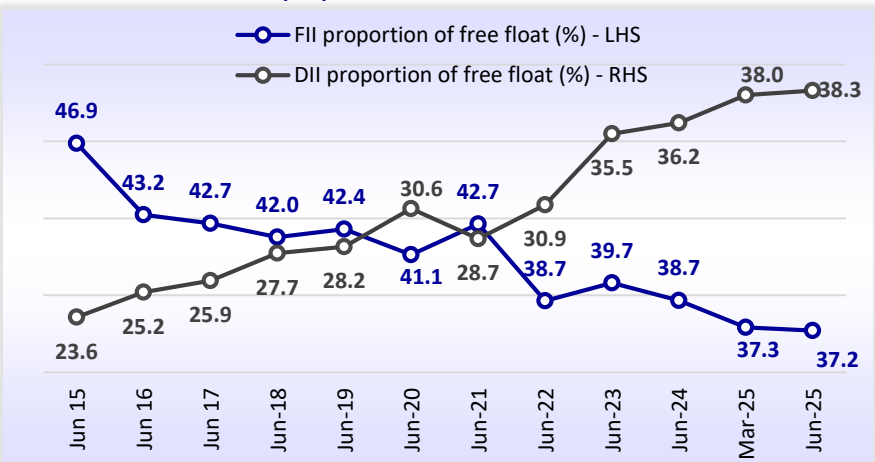
Institutional holdings: DIIs continue to lead institutional ownership

- ❖ Strong domestic inflows and buoyant capital markets led to a historic shift in ownership, with DII holdings surpassing FII holdings in the Nifty-500 companies for the first time in Mar'25, inching further up in Jun'25.
- ❖ Promoter holdings fell to an all-time low of 49.3% in Jun'25, while retail holdings remained stable.

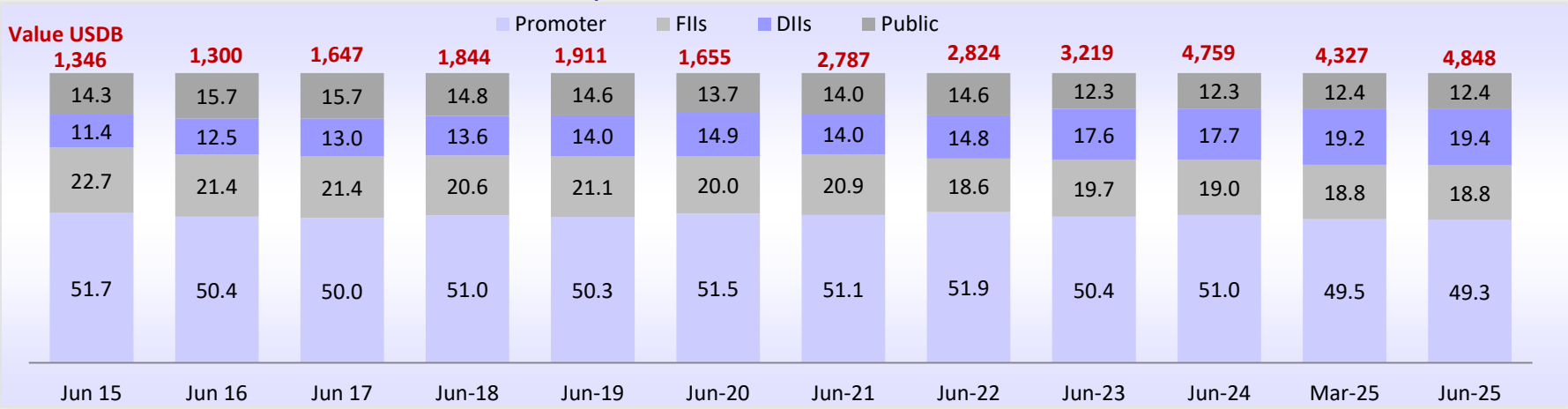
Trends in FII/DII holdings for Nifty-500 (%)



Trends in FII/DII share as proportion of free float



DIIs continued to raise their stakes for the fifth consecutive quarter



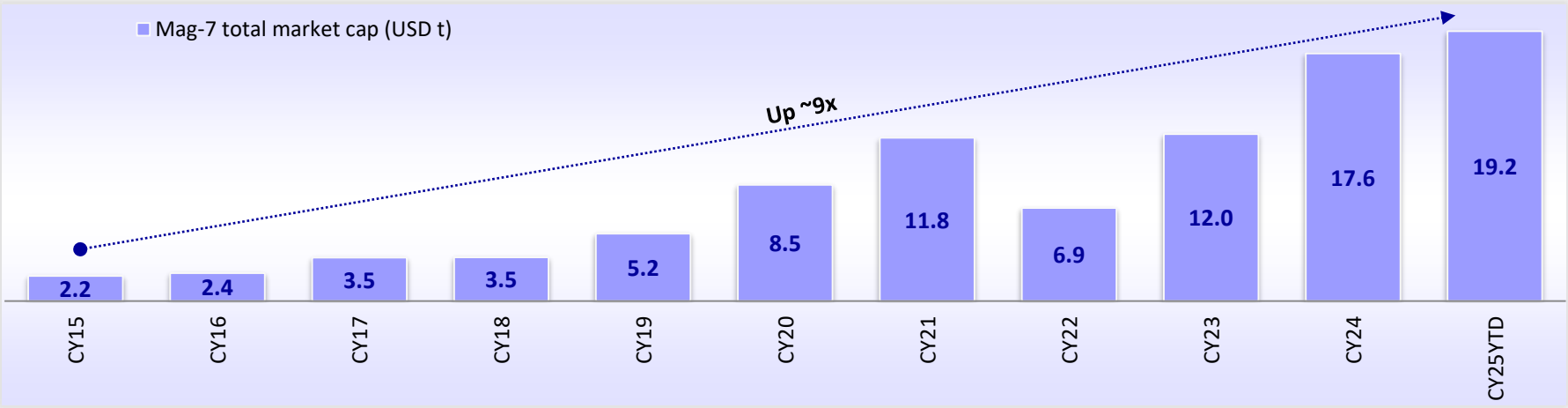


KEY EXHIBITS

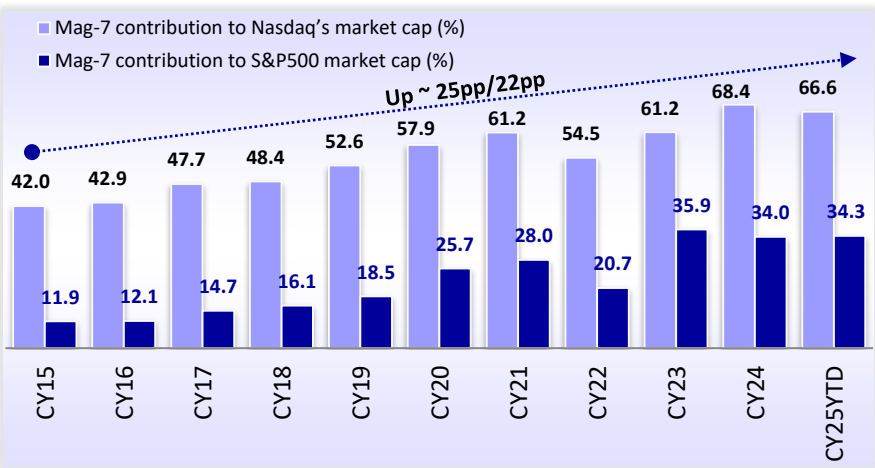
The Magnificent Seven continue to dominate the US and global markets

❖ The Magnificent Seven continue to lead markets, fuelled by strong earnings, dominant market share, and aggressive investments in AI and cloud technologies. Over the past decade, the Magnificent 7 have seen a meteoric rise in global market capitalization, collectively adding over USD19t in value. A large share of global equity inflows has gravitated toward these tech giants due to their consistent growth and innovation leadership.

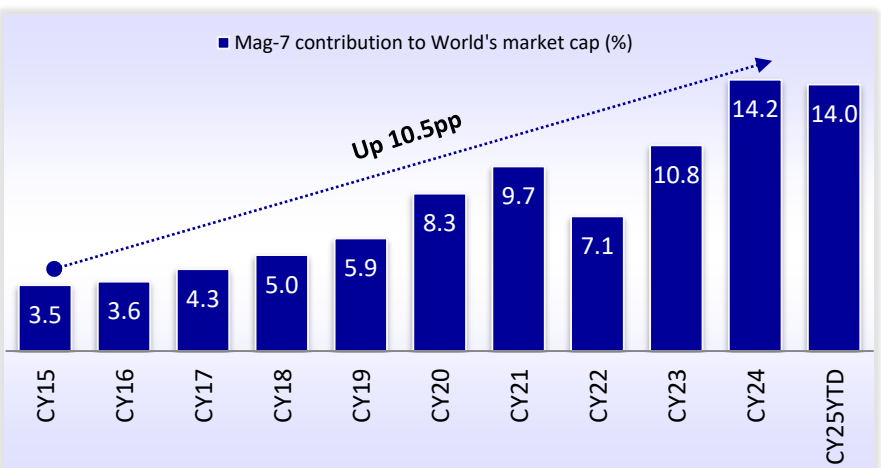
Aggregate market cap of the Magnificent Seven – the top US tech stocks, including NVIDIA, Microsoft, Apple, Alphabet, Amazon, Meta, and Tesla



Magnificent Seven make up over two-thirds of Nasdaq a third of S&P 500...



...their market cap now accounts for 14% of global market capitalization



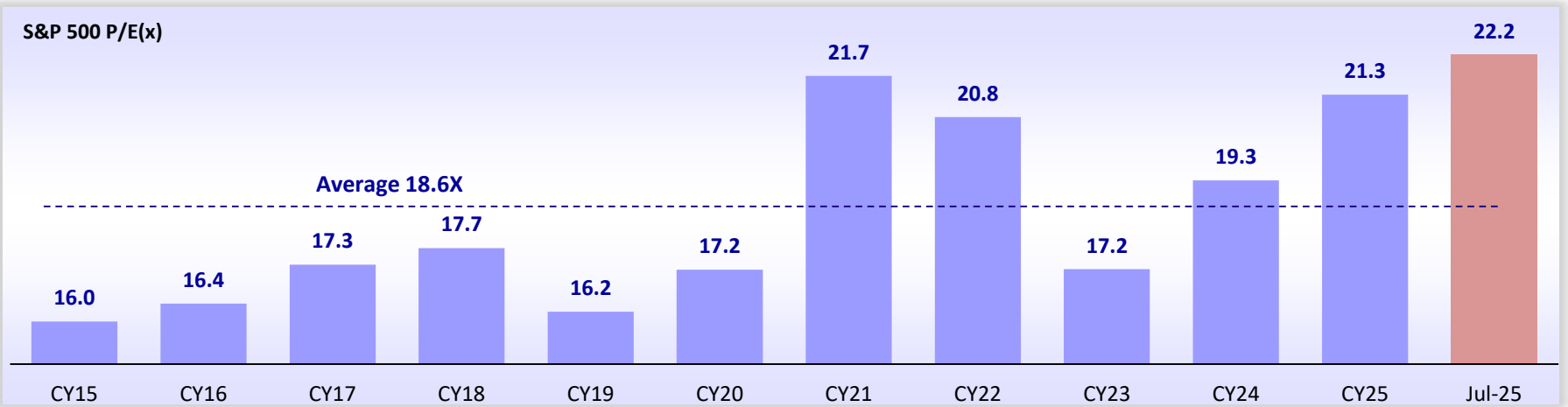
Note: PP represent percentage points

KEY EXHIBITS

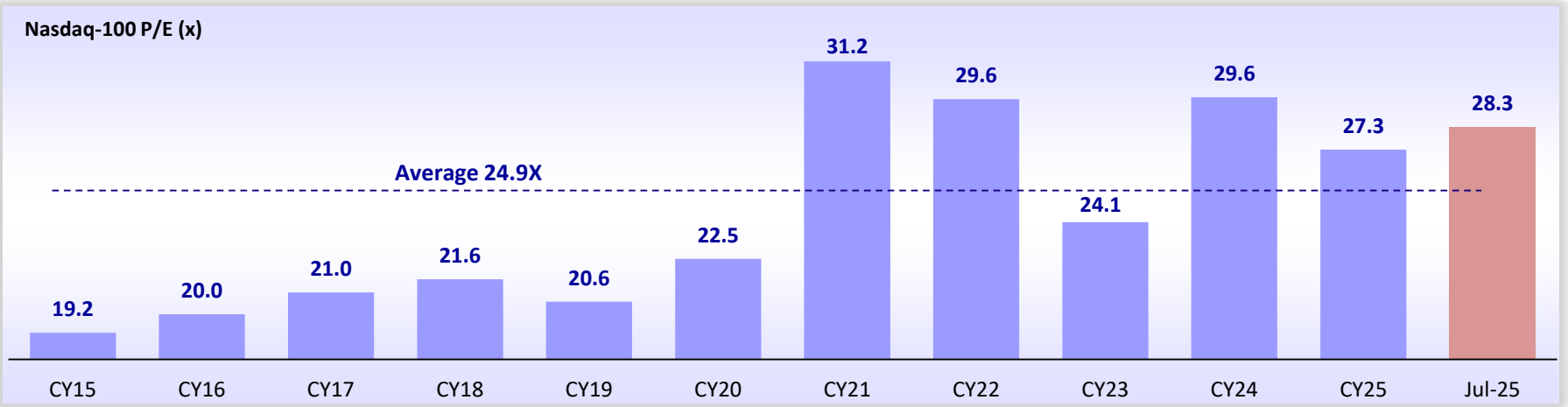
Tech dominance keeps the US market valuations elevated

❖ Valuations in the US equity market continue to expand, led by sustained strength in mega-cap tech stocks, particularly the Magnificent-7 cohort, which has seen robust earnings and investor optimism. The ongoing AI-driven rally has further boosted premium multiples in the technology sector, fueling broader index gains and pushing valuations well above historical averages.

The S&P 500's one-year forward P/E trading at a 19% premium to its 10-year average



The Nasdaq's one-year forward P/E trading at a 14% premium to its 10-year average

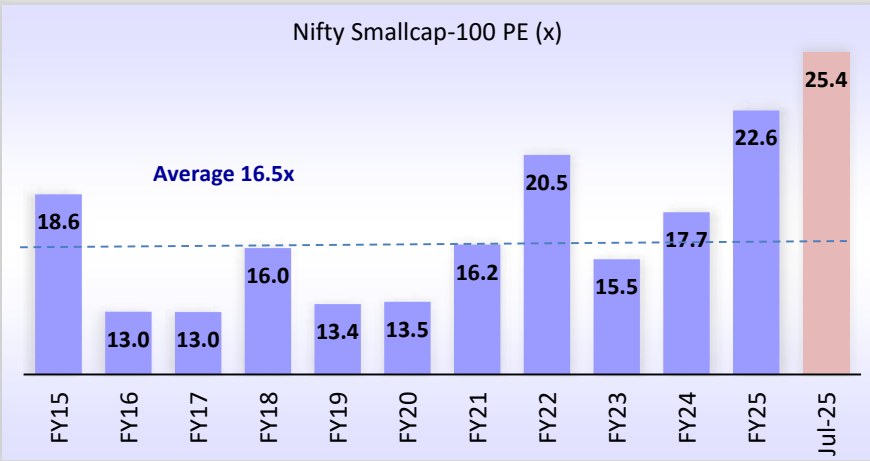
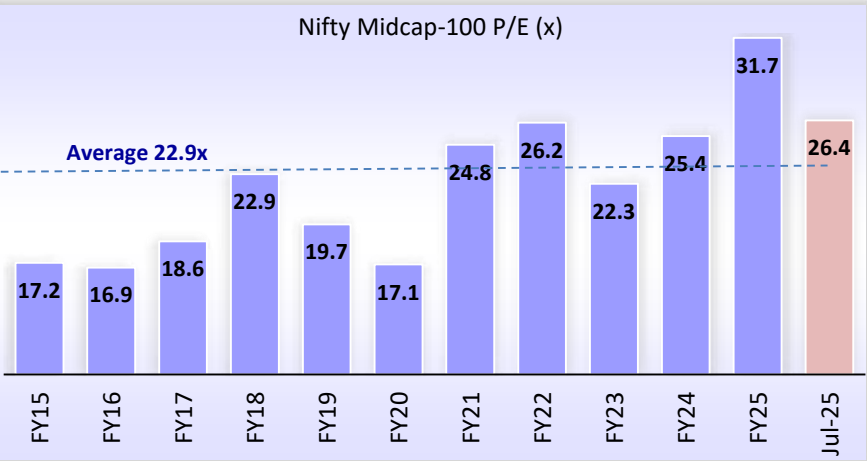
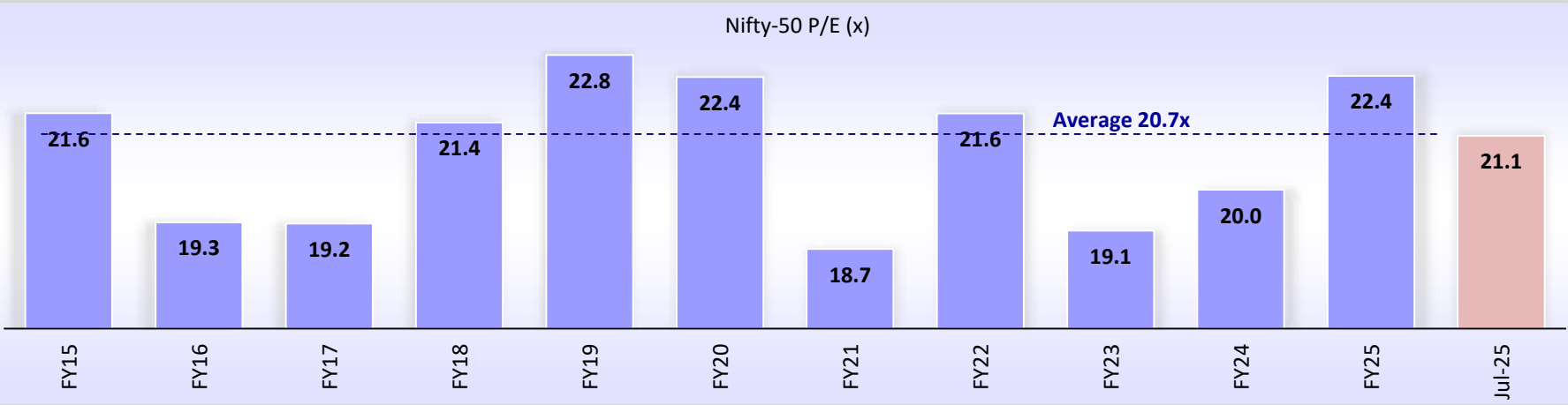


Note: The bars represents 12-month average of one-yr fwd P/E and as of 31<sup>st</sup> Jul'25

# KEY EXHIBITS Large-cap valuations near their average; small- and mid-caps remain stretched

- ❖ The Nifty-50's one-year forward P/E stood at 21.1x, about 2% above its long-period average (LPA) of 20.7x.
- ❖ In contrast, the Nifty Midcap-100 and Nifty Smallcap-100 indices are trading at 26.4x and 25.4x, representing premiums of ~15% and ~54% to their respective LTAs.

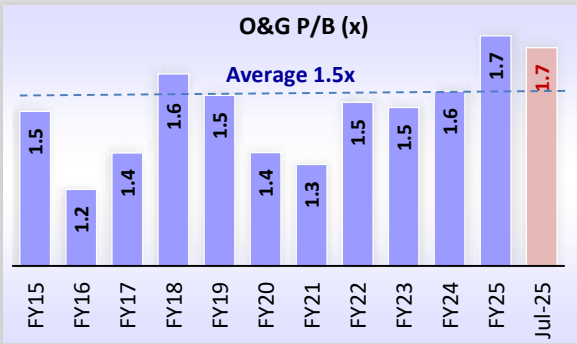
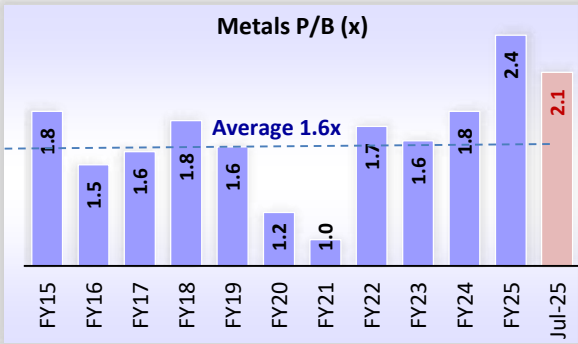
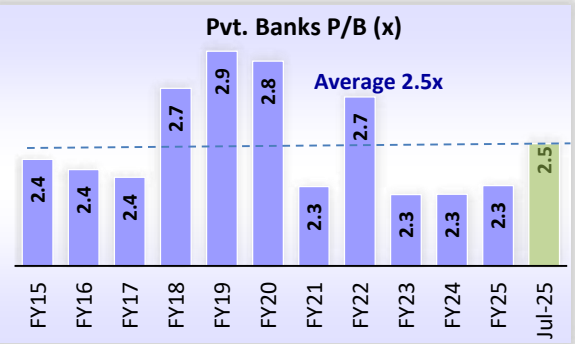
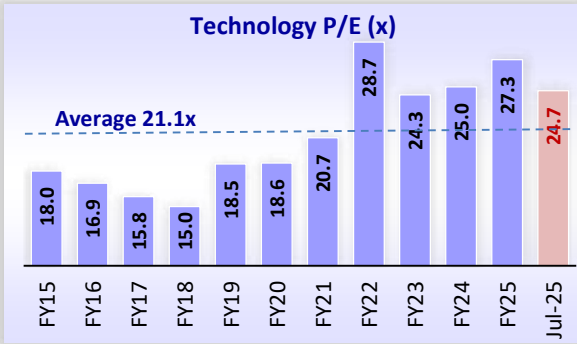
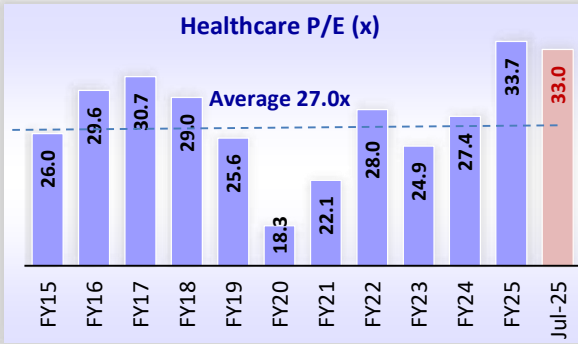
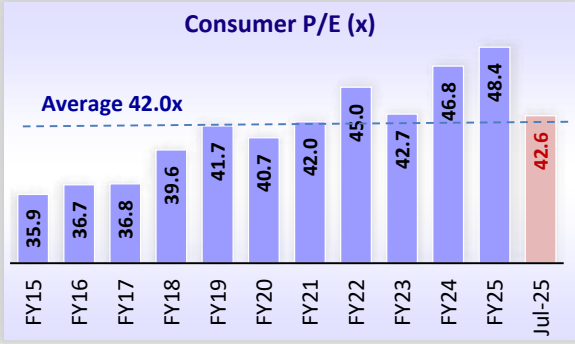
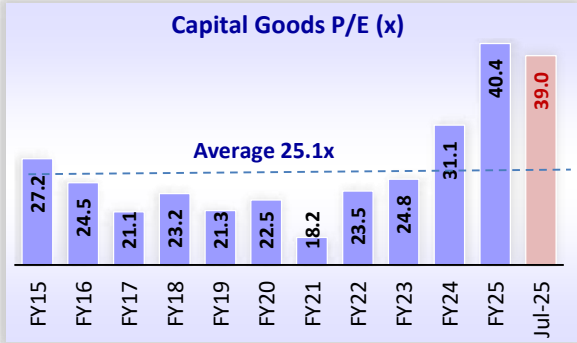
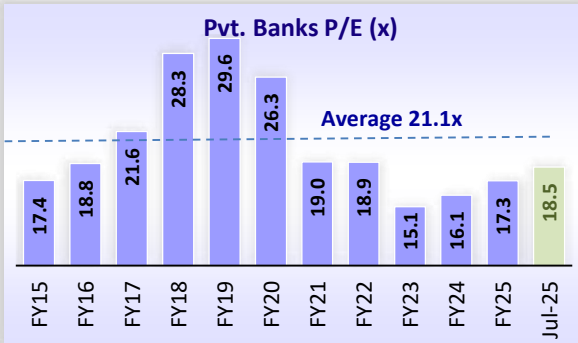
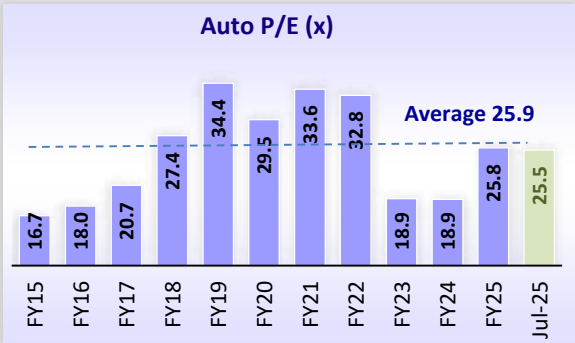
One-year forward P/E trends across the Nifty-50, Nifty Midcap-100, and Nifty Smallcap-100 indices (x)



Note: The bars represents 12-month average of one-yr fwd P/E and as of 31<sup>st</sup> Jul'25

# KEY EXHIBITS      Auto and Pvt. Banks trade below their average valuations

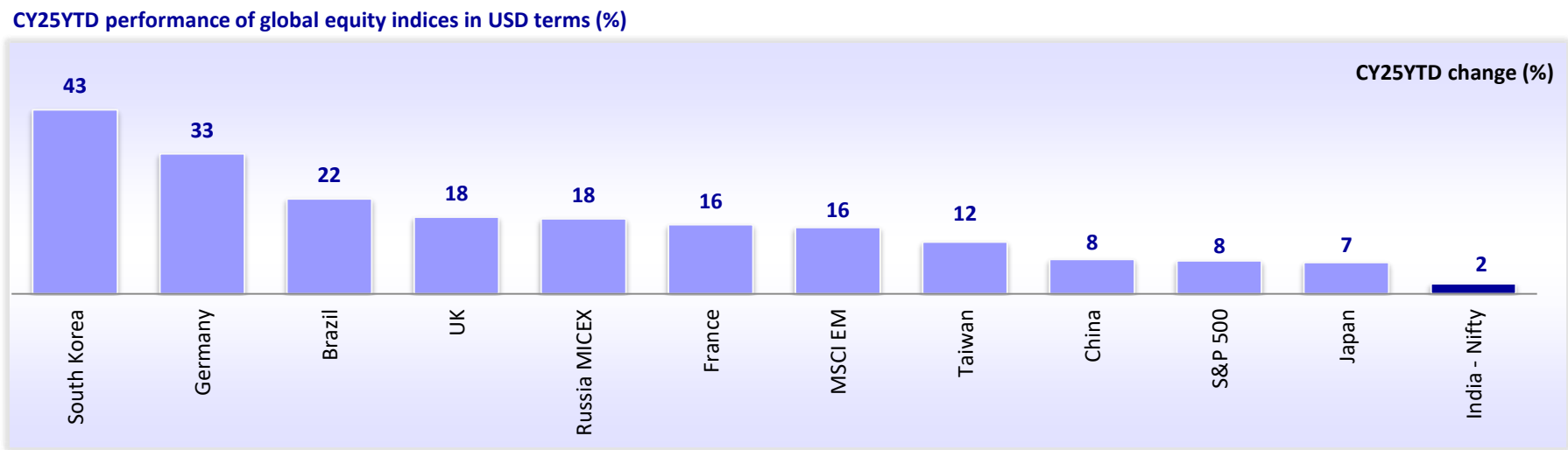
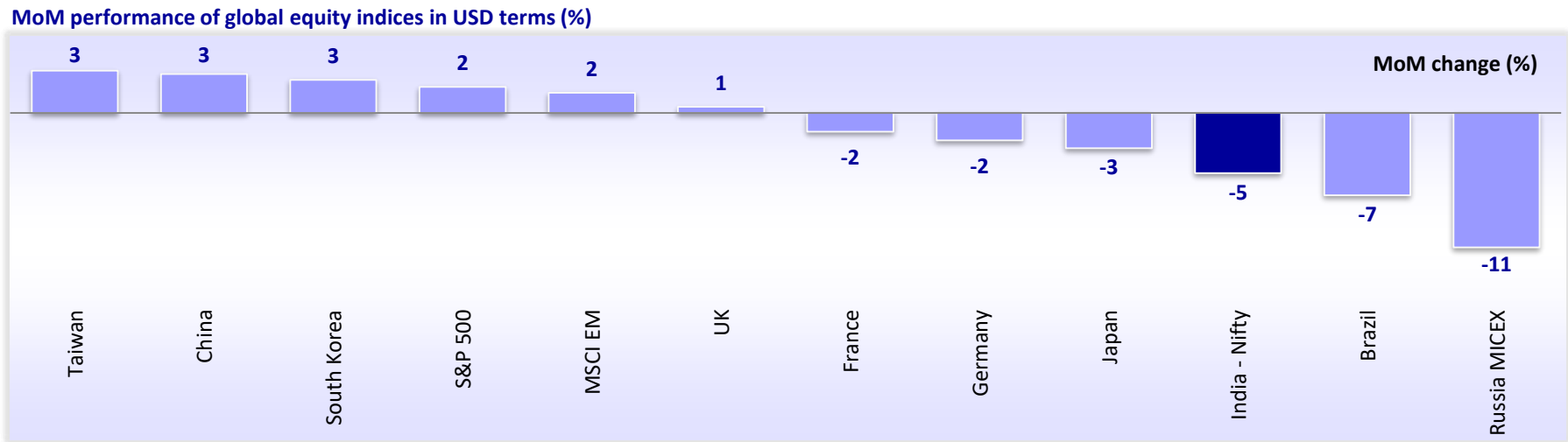
❖ Valuations have been trading below the 10-year average for Automobiles and Pvt. Banks, while they have remained above the 10-year average for Capital Goods, Healthcare, Technology, Metals, and O&G, and near to the average for Consumer.



Note: The bars represent 12-month average of one-year fwd P/E and P/B across MOFSL Universe sectors and as of 31<sup>st</sup> Jul'25; Green and red bars represent latest sectoral valuations below and above the 10-year average, respectively.

# Macro, Markets, and More...

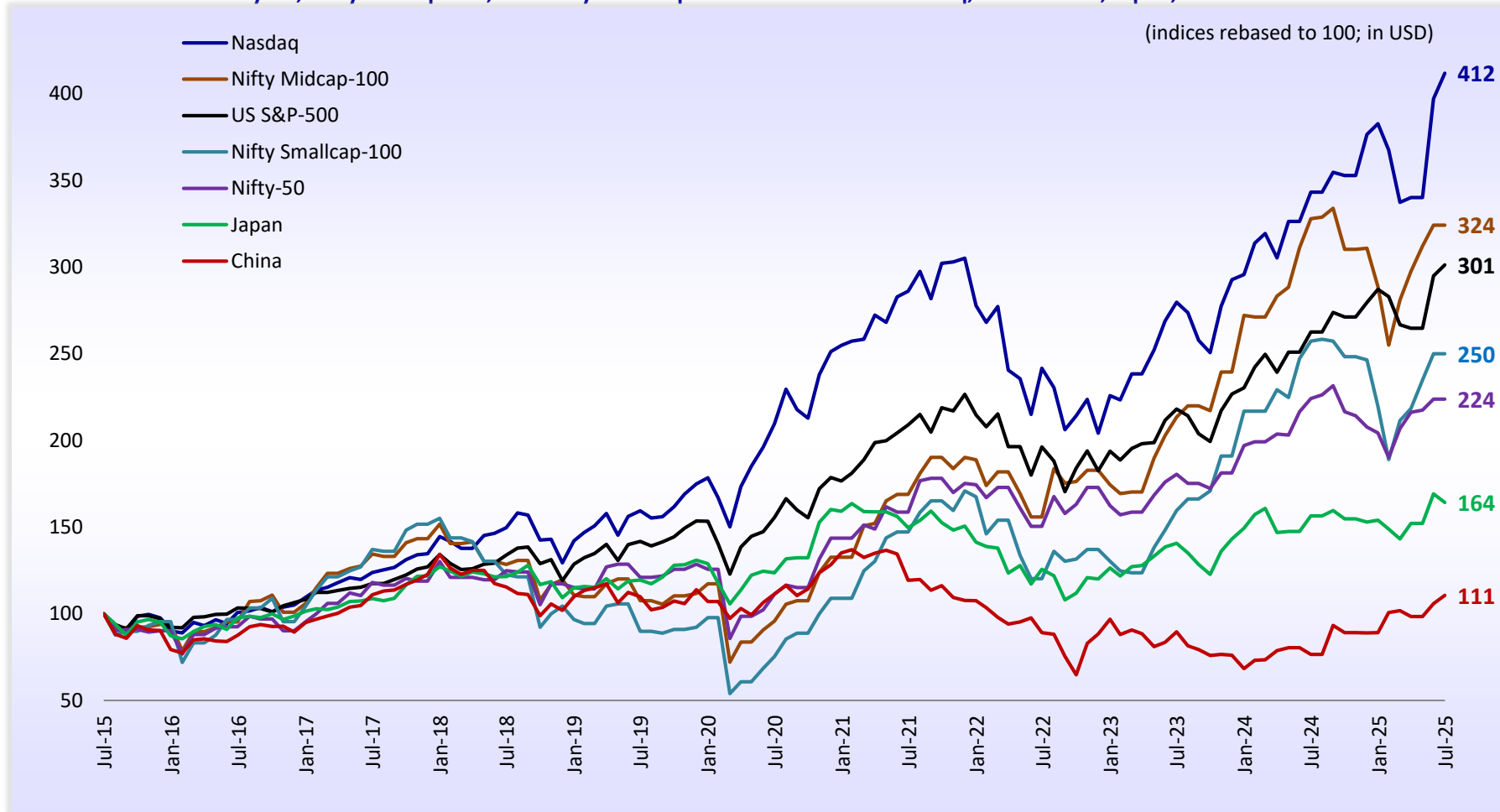
# The Indian market dips and underperforms major global peers during the month and YTD



# Decade in review: Nasdaq dominates, Nifty Midcap-100 shines, while China underperforms

❖ Over the past decade, the Nasdaq-100 delivered a 15% CAGR, followed by the Nifty Midcap-100 (12%), US S&P-500 (12%), Nifty Smallcap-100 (10%), Nifty-50 (8%), Japan (5%), and China (1%).

Performance of the Nifty-50, Nifty Midcap-100, and Nifty Smallcap-100 indices vs. the Nasdaq, US S&P-500, Japan, and China

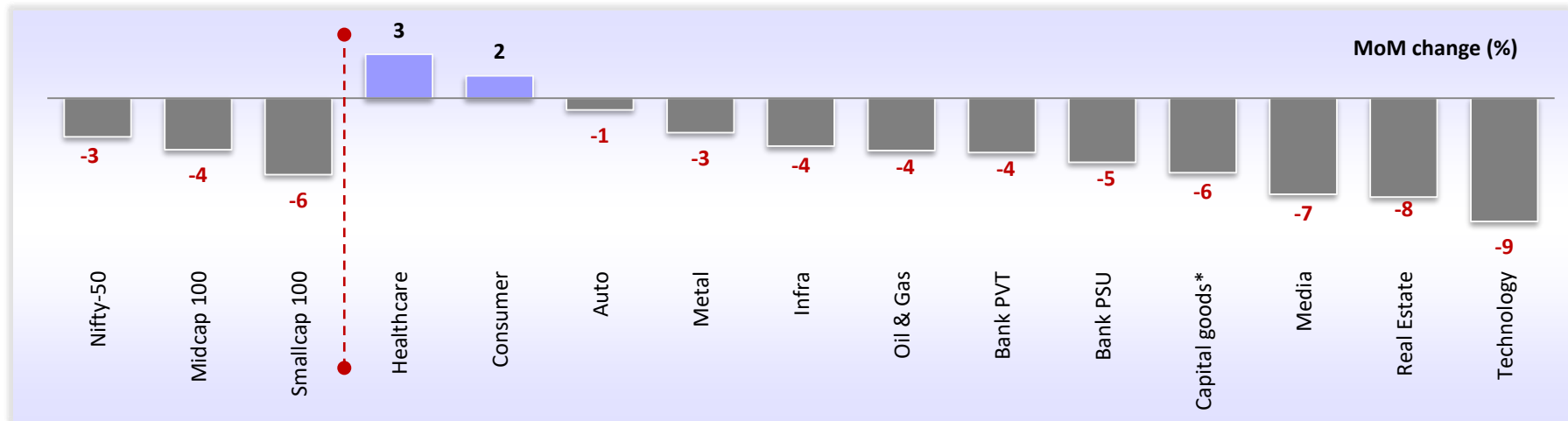


Source: Bloomberg, MOFSL

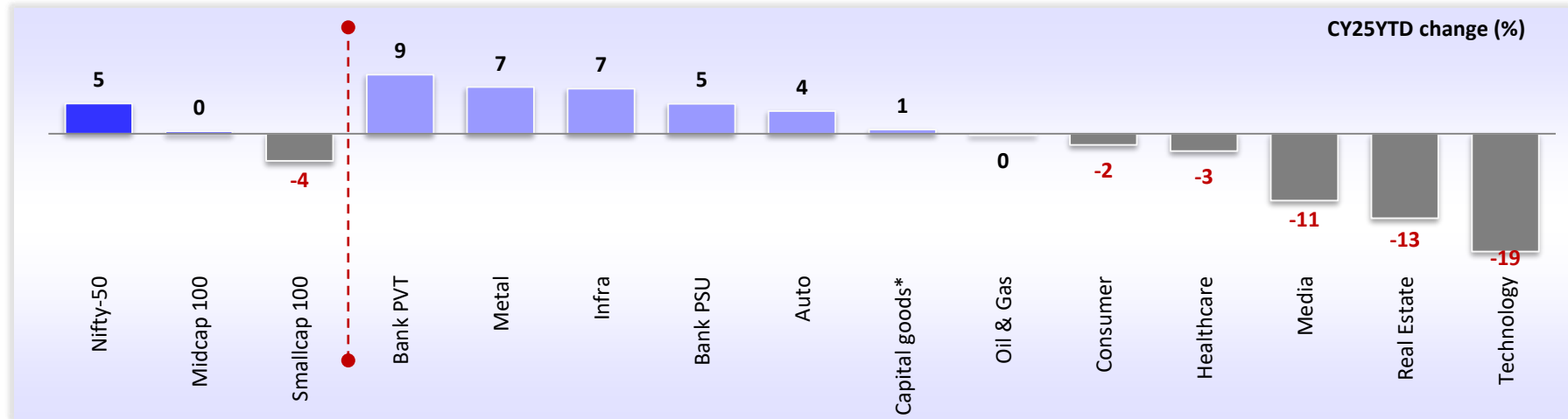


# Broad-based market dips; Healthcare and Consumer witness modest gains

Sectoral performance MoM (%): Broad-based weakness visible during the month



Sectoral performance in CY25YTD (%): Private Banks and Metals outperform, while Technology continues to remain the weakest

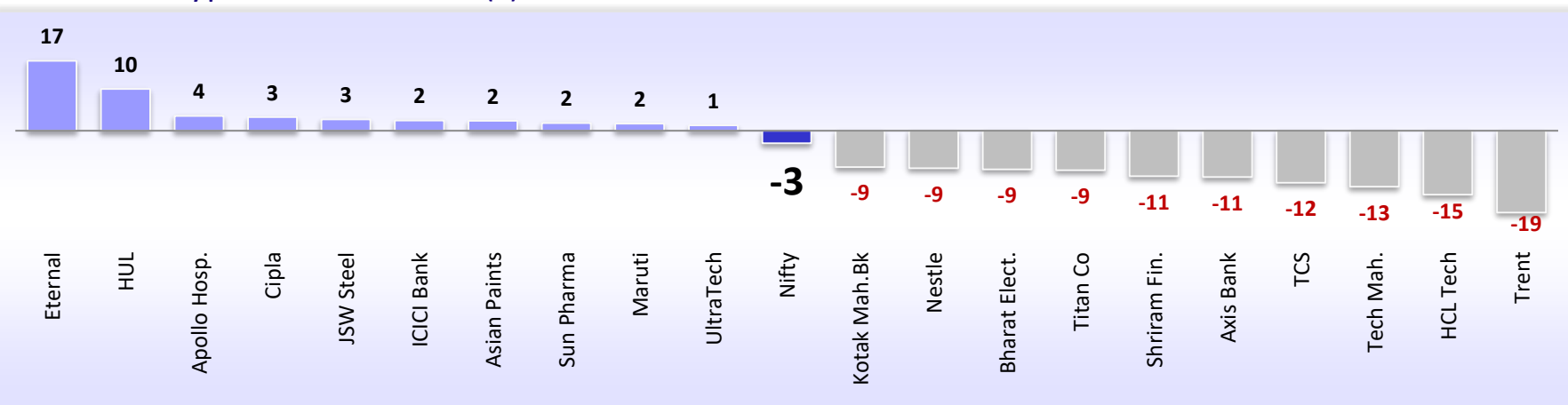


Note: (\*) represents BSE Capital goods index.

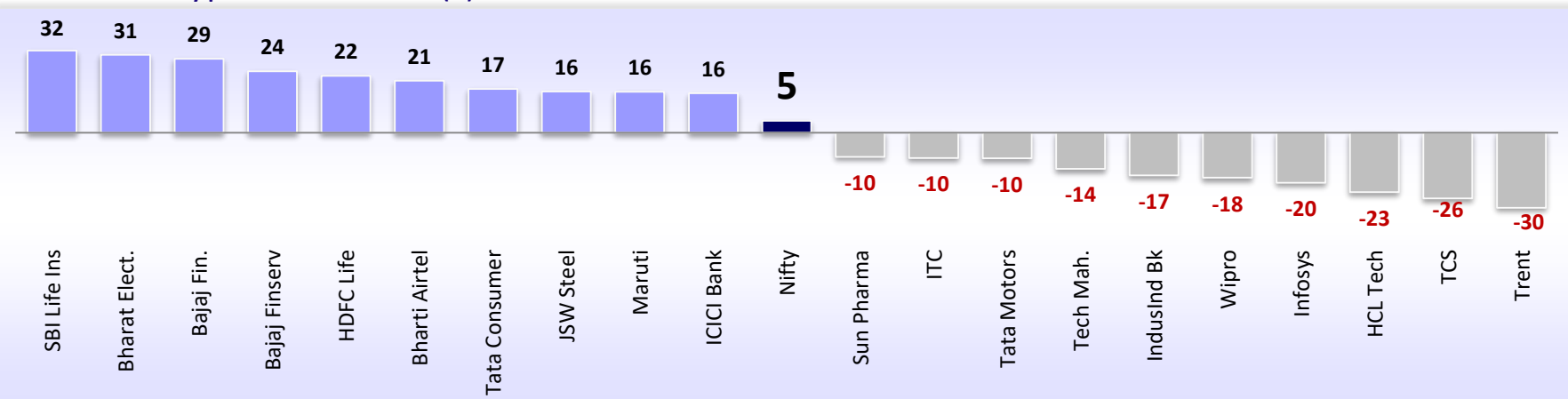
## About 70% of the Nifty constituents end lower in Jul'25

- ❖ Among Nifty constituents, 35 stocks closed lower MoM in Jul'25, with 26 underperforming the benchmark. Eternal and HUL posted notable gains, whereas Trent and HCL Tech were the key laggards.
- ❖ About 35 Nifty constituents trade higher in CY25YTD. SBI Life Ins., Bharat Electronics, and Bajaj Finance are the top gainers, whereas Trent, TCS, and HCL Tech are the key laggards.

Best and worst Nifty performers on a MoM basis (%)



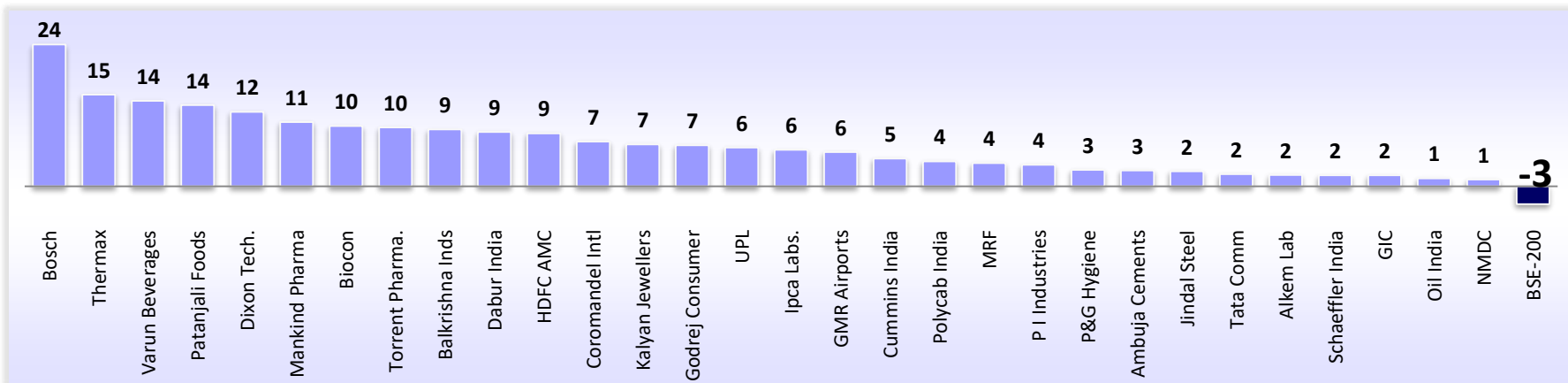
Best and worst Nifty performers in CY25YTD (%)



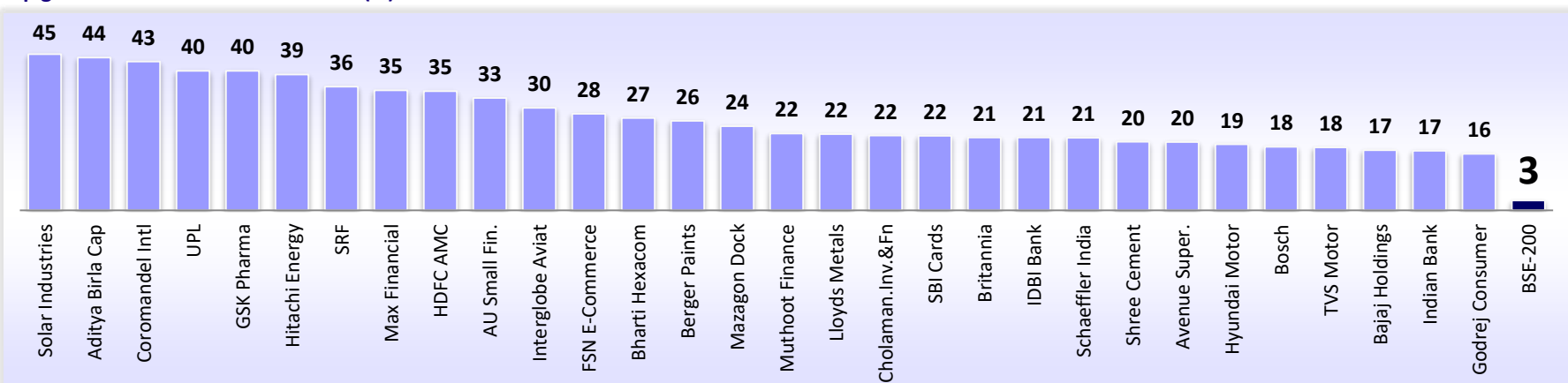
## About 36% of the BSE-200 constituents end higher in Jul'25

- ❖ In Jul'25, only 72 BSE-200 stocks closed higher. Bosch, Thermax, and VBL gained the most during the month.
- ❖ About 101 BSE-200 constituents trade higher in CY25YTD. Solar Industries, Aditya Birla Capital, and Coromandel are the top gainers.

Top gainers within BSE-200 on a MoM basis (%)\*



Top gainers within BSE-200 CY25YTD (%)\*

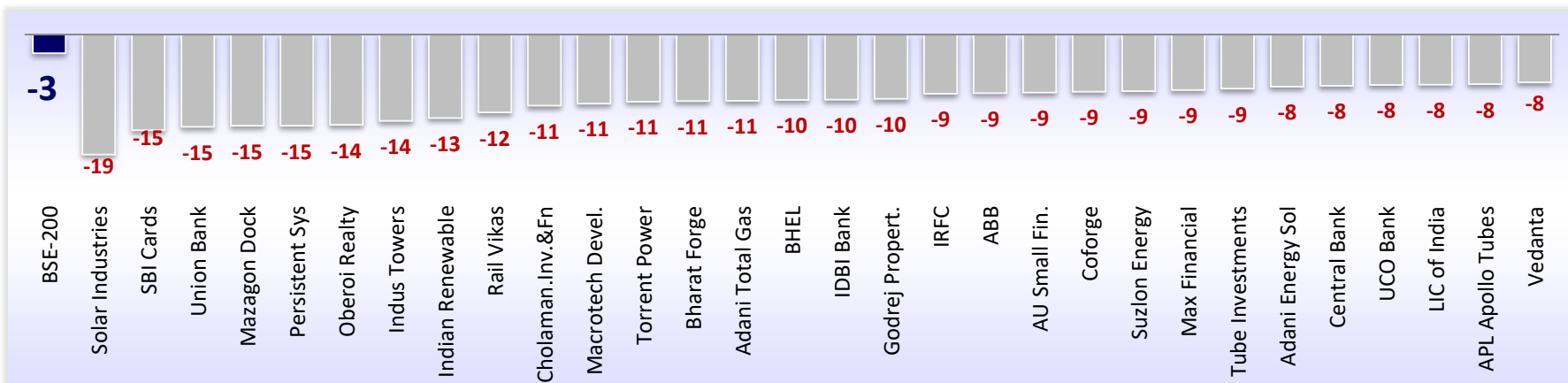


\*The list excludes Nifty constituents.

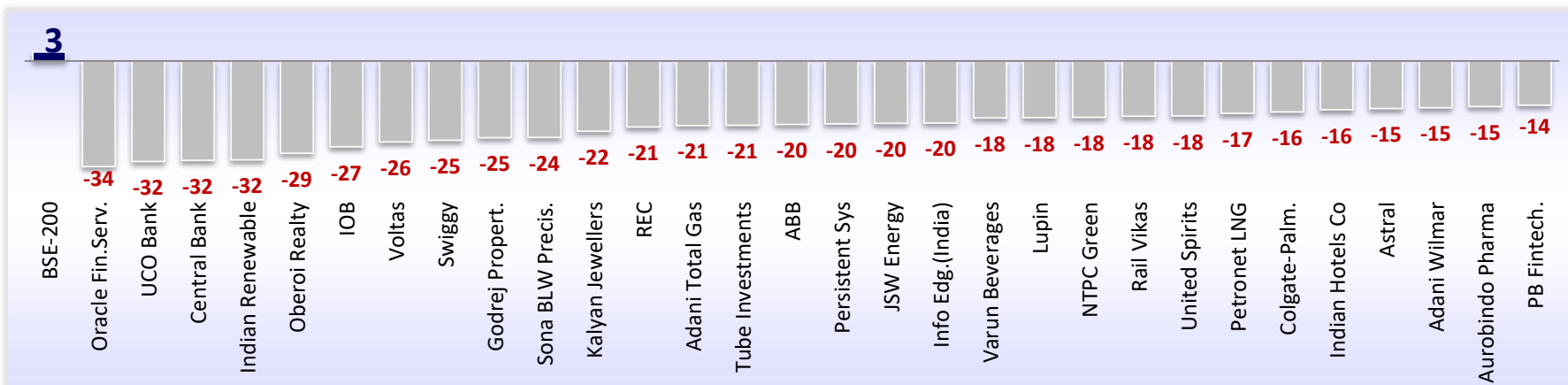
## About 64% of the BSE-200 constituents end lower in Jul'25

- ❖ In Jul'25, 128 companies closed lower. Solar Industries, SBI Cards, and Union Bank were among the key laggards.
- ❖ About 99 of the BSE-200 companies trade lower in CY25YTD. Oracle Financial, UCO Bank, and Central Bank are the key laggards in CY25YTD.

### Key laggards among the BSE-200 constituents on a MoM basis (%)\*



### Key laggards among the BSE-200 constituents in CY25YTD (%)\*



\*The list excludes Nifty constituents.

## Private banks gain weight sharply, while Technology declines

- ❖ In Jul'25, the weights of Private Banks, Consumer, and Healthcare rise 60bp, 30bp, and 20bp MoM, while Technology, Oil & Gas, and Retail saw a significant decline of 80bp, 40bp, and 30bp MoM, respectively, among the Nifty-50 constituents.

### Nifty sectoral weights (%)

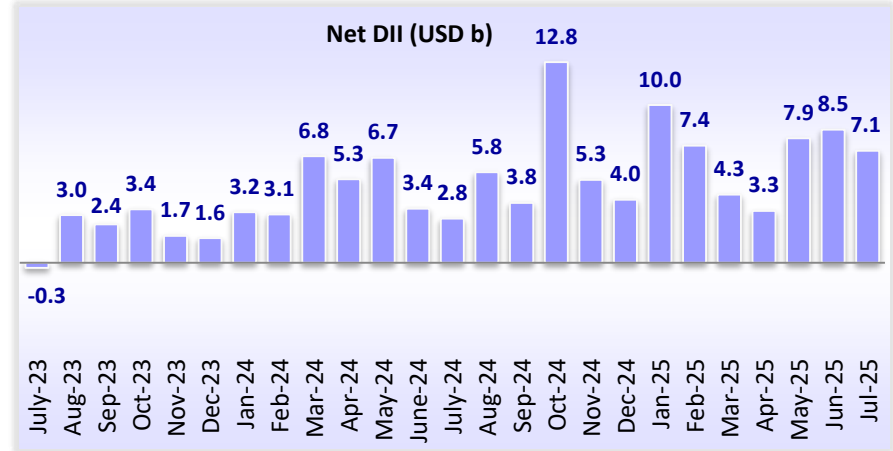
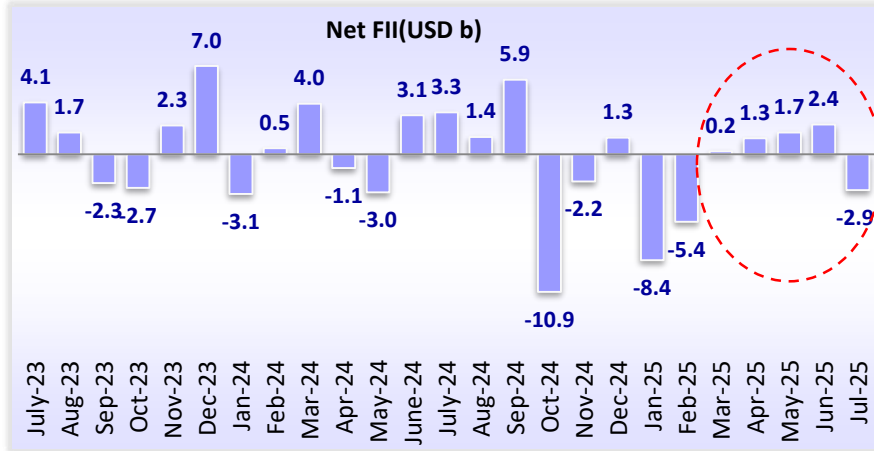
Sector	Weightage in the Nifty (%)									
	Dec'08	Dec'12	Dec'20	Dec'21	Dec'22	Dec'23	Dec'24	Mar'24	June'25	July'25
Automobiles	2.5	8.8	5.4	5.0	5.3	6.5	7.4	7.6	7.0	7.2
Banks – Private	5.0	16.9	24.7	21.9	24.2	28.2	27.1	25.6	28.3	28.9
Banks – Public	5.4	4.7	1.8	2.3	2.9	2.6	2.9	2.9	2.7	2.7
NBFC + Insurance	2.3	7.9	12.3	11.4	10.6	4.5	4.6	5.0	6.4	6.2
Capital Goods	7.7	5.9	2.6	3.0	3.1	4.4	5.0	4.5	5.0	5.0
Cement	1.7	4.2	2.2	2.4	1.8	2.1	2.1	2.0	2.2	2.2
Consumer	6.5	12.3	10.4	9.4	10.3	10.8	9.0	9.5	7.4	7.7
Healthcare	2.6	5.0	3.6	3.4	3.8	4.0	4.2	4.4	3.6	3.8
Metals	4.8	3.8	2.0	2.9	2.9	3.0	2.7	2.9	2.8	2.9
Oil and Gas	24.5	12.3	12.5	12.3	12.1	10.5	9.2	11.9	9.6	9.2
<b>Reliance</b>	<b>10.6</b>	<b>7.4</b>	<b>10.7</b>	<b>10.8</b>	<b>11.0</b>	<b>9.2</b>	<b>7.8</b>	<b>10.2</b>	<b>8.8</b>	<b>8.4</b>
Retail	0.0	0.0	1.1	1.4	1.4	1.6	2.8	1.6	2.5	2.2
Telecom	11.6	2.0	2.0	2.1	2.5	2.7	4.0	3.2	4.7	4.6
Technology	9.0	11.4	16.3	19.1	14.0	13.6	14.1	13.0	11.2	10.4
Utilities	13.3	4.5	2.1	2.1	2.5	3.6	3.6	3.9	3.3	3.3
Miscellaneous	3.3	0.5	1.0	1.2	2.6	1.9	1.4	1.9	3.1	3.4
<b>Nifty</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Note: The merger of HDFC Bank and HDFC Ltd. resulted in a shift in weightage from NBFCs to private banks in CY23. Britannia and BPCL were replaced with Jio Financials and Eternal in Mar'25

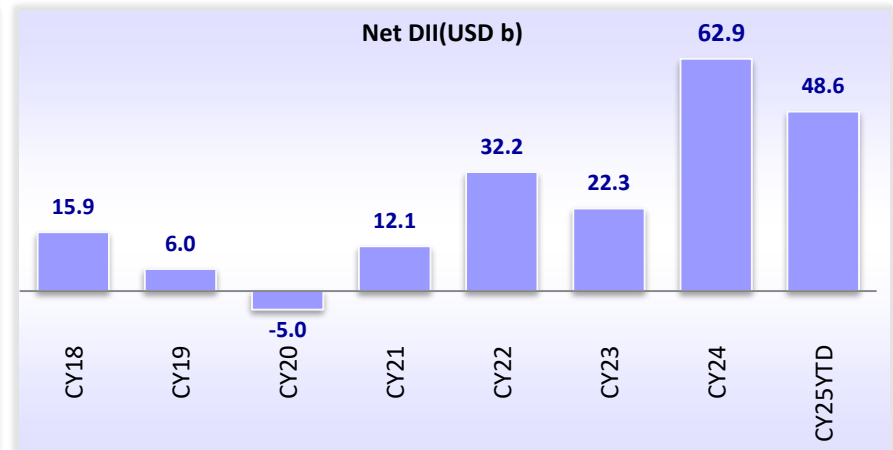
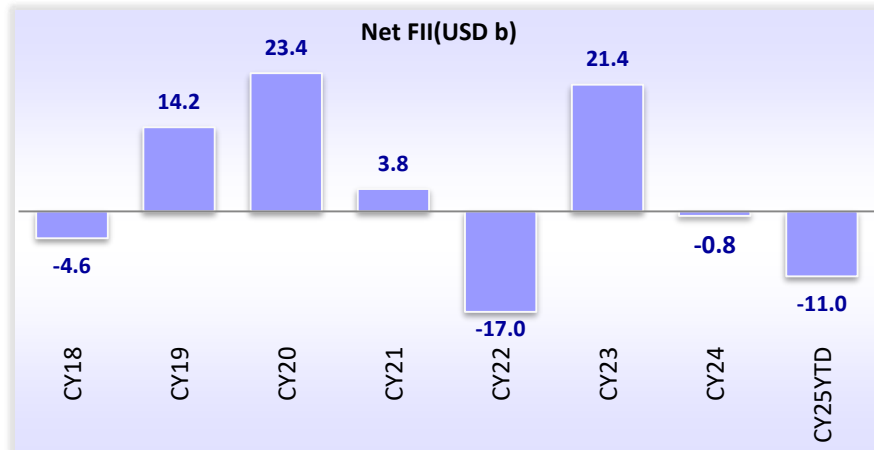
## FII flows turn negative after four months of net inflows, while DII inflows remain strong

- ❖ Monthly FII flows turned negative, declining ~USD3b after four consecutive months of inflows. Meanwhile, DIIs invested USD7.1b, marking their 24<sup>th</sup> straight month of inflows.
- ❖ In CY25YTD, DIIs have invested USD 48.6b, while FIIs have sold USD11b worth of Indian equities.
- ❖ During CY21–CY25 YTD, DII inflows reached a record of ~USD 178b, while net FII flows remained negative with an outflow of USD3.6b.

Monthly institutional flows (USD b)



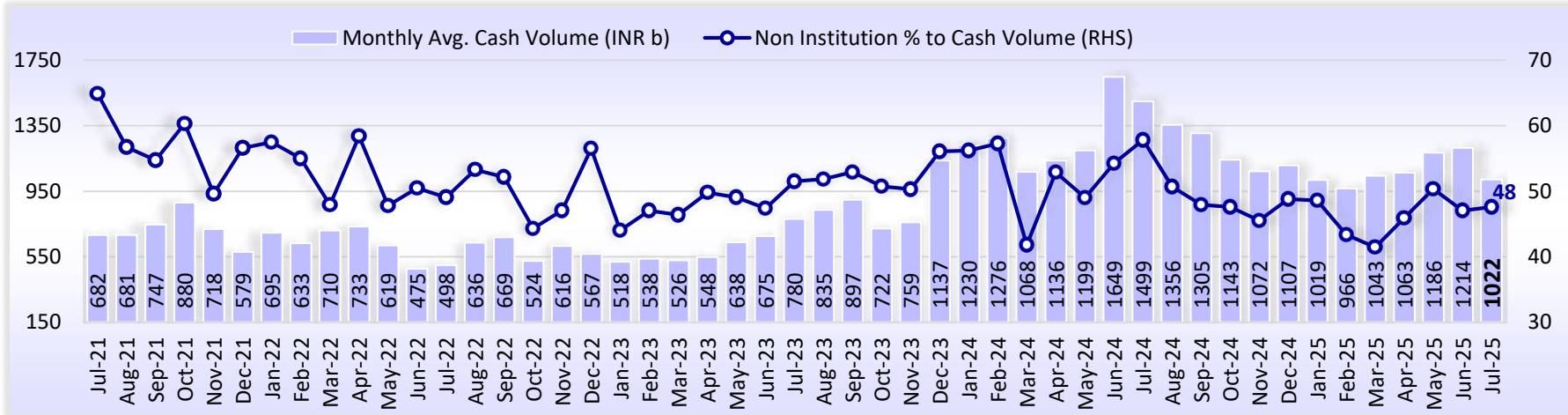
Yearly institutional flows (USD b)



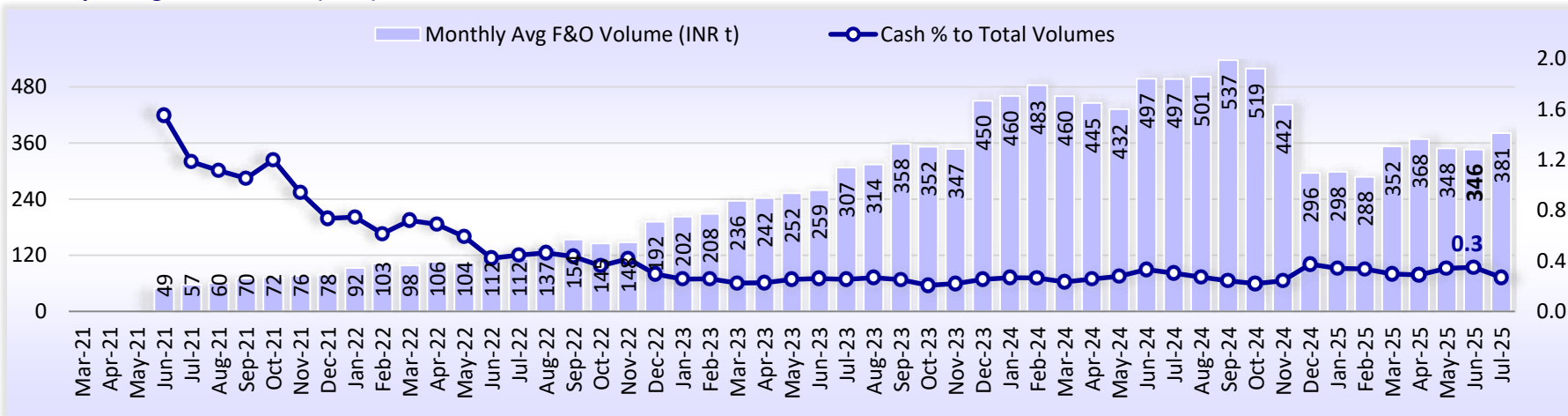
# Monthly average cash volumes decline, while F&O volumes rise

- ❖ Monthly average cash volumes dipped 16% MoM in Jul’25 to INR1.02t. Non-institutional participation rose 100bp MoM, accounting for 48% of total cash volumes.
- ❖ Monthly average F&O volumes rose 10% MoM, reaching the highest level in CY25, though still down 29% from the Sep’24 peak.

Monthly average cash volumes (INR b)



Monthly average F&O volumes (INR t)





# The 10-year yield spread between India and the US hovers close to historical lows

❖ India's 10-year government bond yield expanded 10bp MoM to 6.4% in Jul'25, while the US yield also rose 20bp MoM to 4.4%. As a result, the yield spread contracted 10bp MoM to 2.0% in Jul'25, near to an all-time low of 1.9% in May'25.

India-US 10Y bond yield (%)

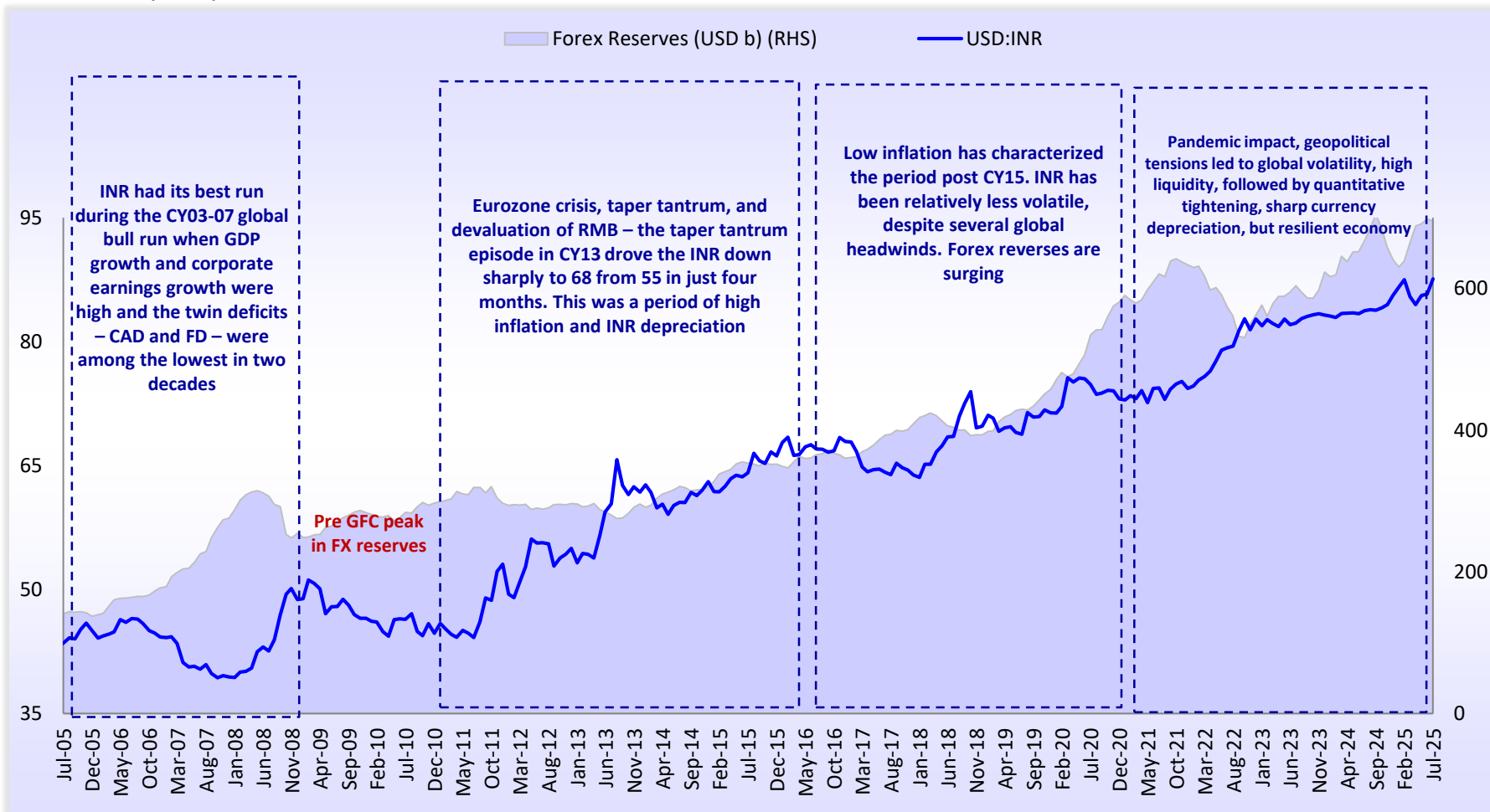


Source: Bloomberg, MOFSL

# Forex reserves remain stable and close to the all-time high

- ❖ India's forex reserves at USD695b in Jul'25 (up 10% from the Jan'25 low of USD 631b) are near to the all-time high of USD705b reached in Sep'24.
- ❖ On the currency front, INR weakened 2% MoM to 87.6 against the USD.

Forex reserves (USD b)



Source: Bloomberg, MOFSL

# KEY EXHIBITS 1QFY26 Interim earnings review: Resilient quarter

- ❖ As of 1<sup>st</sup> Aug'25, 184/38 companies within the MOFSL Universe/Nifty have announced their 1QFY26 results. The earnings of the aforementioned 184 MOFSL Universe companies grew 7% YoY (in line with our estimate) in 1QFY26. Ex-financials, the earnings for the MOFSL Universe grew 8% YoY (in line); whereas, barring Metals and O&G, the MOFSL Universe reported a 7% YoY earnings growth (in line).
- ❖ Earnings of the 38 Nifty companies have grown 7% YoY (vs. est. of +5.7% YoY), driven by RIL, HDFC Bank, ICICI Bank, JSW Steel, Bajaj Finance, L&T, and M&M.

## Sector wise 1QFY26 performance of the MOFSL Universe companies (INR b)

[Detailed report](#)

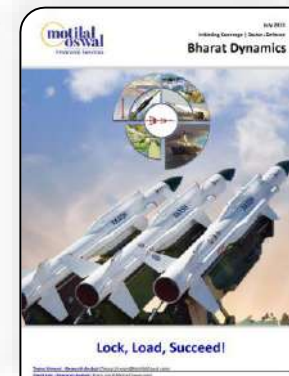
Sector (no of companies)	Sales				EBIDTA				PBT				PAT			
	Jun-25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)
Automobiles (11)	1,190	-0.4	12	3.2	157	-3.5	4	3.9	150	4.1	9	13.0	115	3.0	8	12.8
Capital Goods (6)	769	-19.6	13.7	0.6	83	-31.7	17.0	3.0	77	-32.0	26.9	8.0	50	-37.1	30.9	8.1
Cement (8)	498	-5.4	14	0.2	95	-2.8	44	2.0	63	-4.1	53	5.1	43	-4.7	47	1.4
Chemicals (5)	100	-2.5	7.1	-6.5	20	9.6	24.8	3.5	13	18.8	47.6	6.9	10	18.8	57.1	4.6
Consumer (13)	774	9.6	8	2.9	183	8.6	1	0.3	173	8.9	1	-0.2	129	9.3	1	-0.6
Consumer Durables (4)	160	-14.2	11.4	0.8	18	-22.2	21.0	6.1	17	-22.7	20.6	5.6	12	-23.4	20.3	5.8
EMS (5)	182	11.0	67	9.8	10	-10.0	67	13.5	7	-34.0	78	11.5	5	-10.2	61	10.1
Financials (48)	2,305	-9.0	6.7	0.4	1,492	9.4	16.3	9.9	1,101	1.0	4.3	2.8	822	-1.5	4.3	1.4
Banks-Private (10)	903	1.2	4	0.7	804	22.2	24	18.3	533	1.1	-4	-1.6	424	6.1	2	4.1
Banks-PSU (5)	465	-2.3	-0.7	0.6	356	-1.0	5.7	3.9	286	-4.3	14.1	7.6	181	-20.0	2.0	-6.8
Insurance (6)	519	-31.1	14	0.1	19	-44.2	4	-2.6	28	6.0	12	60.3	24	-1.3	12	8.7
NBFC - Lending (15)	361	1.1	14.8	-0.4	284	-0.4	13.5	-1.0	219	4.8	12.4	2.9	167	2.2	12.7	2.8
NBFC - Non Lending (12)	57	7.1	12	0.2	29	5.6	7	-0.4	36	21.8	7	5.9	27	20.5	8	4.8
Healthcare (10)	420	2.3	10.8	0.7	111	7.3	10.3	5.7	96	4.9	7.2	1.5	73	-1.4	8.2	-0.7
Infrastructure (1)	18	-6.0	-4	6.7	2	-23.2	-6	14.4	3	-22.9	7	21.4	2	-24.6	14	23.8
Logistics (4)	54	-0.4	12.7	-1.7	9	-8.3	10.6	-10.5	6	-12.9	7.9	-11.3	5	-17.4	15.8	-8.8
Media (1)	18	-16.5	-14	-6.5	2	-20.1	-16	-8.6	2	-24.7	-5	-8.3	1	-23.8	-7	-10.6
Metals (6)	2,035	-6.5	0.7	0.6	425	-3.3	6.6	-0.6	277	-5.7	0.5	3.5	190	-7.5	-1.8	5.5
Oil & Gas (6)	3,135	-7.7	2	-6.9	486	-3.9	5	-7.4	324	-6.5	10	-8.7	212	-9.7	7	-12.2
Real Estate (9)	76	-32.2	-3.0	-25.9	20	-31.3	-8.7	-40.2	28	-9.6	4.3	-16.6	21	-9.0	9.9	-17.0
Retail (10)	218	8.7	13	-0.8	22	18.9	7	-2.6	12	35.5	3	-3.1	9	31.7	3	-3.7
Staffing (3)	101	1.5	8.5	-0.1	3	-9.7	13.3	-4.2	2	-17.7	26.5	-12.1	2	-6.7	28.7	-6.5
Technology (13)	2,014	0.1	5	-0.3	441	-1.3	4	-1.9	425	1.0	6	0.8	316	0.6	7	1.2
Telecom (2)	140	2.2	8.0	-0.7	55	0.7	-2.7	1.2	26	-2.0	-10.2	2.9	19	-9.2	17.2	-3.4
Utilities (6)	763	0.7	2	-4.4	259	1.6	-3	-6.5	135	-11.6	10	2.2	103	-4.6	13	3.5
Others (13)	648	-7.5	17	0.5	108	-20.8	12	-2.4	40	-41.0	8	-7.5	34	-38.5	5	-4.6
<b>MOFSL Universe (184)</b>	<b>15,618</b>	<b>-5.2</b>	<b>6.5</b>	<b>-1.3</b>	<b>3,999</b>	<b>0.7</b>	<b>9.5</b>	<b>1.8</b>	<b>2,977</b>	<b>-3.0</b>	<b>6.6</b>	<b>1.2</b>	<b>2,175</b>	<b>-4.4</b>	<b>6.6</b>	<b>0.4</b>
<b>MOFSL Ex Financials (136)</b>	<b>13,313</b>	<b>-4.5</b>	<b>6.5</b>	<b>-1.5</b>	<b>2,507</b>	<b>-3.9</b>	<b>5.8</b>	<b>-2.5</b>	<b>1,876</b>	<b>-5.3</b>	<b>7.9</b>	<b>0.3</b>	<b>1,353</b>	<b>-6.1</b>	<b>8.0</b>	<b>-0.2</b>
<b>MOFSL Ex Metals &amp; Oil (172)</b>	<b>10,448</b>	<b>-4.1</b>	<b>9.1</b>	<b>0.2</b>	<b>3,088</b>	<b>2.0</b>	<b>10.7</b>	<b>3.7</b>	<b>2,376</b>	<b>-2.2</b>	<b>6.8</b>	<b>2.5</b>	<b>1,772</b>	<b>-3.4</b>	<b>7.4</b>	<b>1.6</b>
<b>Nifty (38)</b>	<b>10,381</b>	<b>-5.2</b>	<b>5.7</b>	<b>-1.8</b>	<b>2,723</b>	<b>3.8</b>	<b>10.8</b>	<b>2.9</b>	<b>2,068</b>	<b>-2.8</b>	<b>6.1</b>	<b>1.0</b>	<b>1,508</b>	<b>-1.1</b>	<b>7.5</b>	<b>1.6</b>

# Notable reports from MOFSL's research desk published this month

## Initiating Coverage | Bharat Dynamic | Lock, Load, Succeed!

[Report link>>](#)

- ❖ Bharat Dynamics (BDL) is a prominent player in missile technology within the defence sector and has established itself as a leading integrator for various missile platforms. With a focus on developing advanced guided missiles, underwater weapons, and airborne products, BDL currently holds an order book of ~INR227b and a prospect pipeline of INR500b. In recent years, BDL's revenue has been adversely impacted by supply chain disruptions and difficulties in procuring essential components through imports from Russia and Israel. However, these issues are beginning to resolve, and we anticipate a rebound in revenue growth.
- ❖ We estimate BDL's revenue CAGR at 35% over FY25-28. With ongoing investments in backward integration and an improved share of indigenized products, we expect BDL's EBITDA margin to remain strong at ~24-26%. This is anticipated to drive an EBITDA/PAT CAGR of 64%/51% over FY25-28. The stock currently trades at 70x/52x/38x P/E on FY26/FY27/FY28 estimates.
- ❖ We initiate coverage on the stock with a Neutral rating and a TP of INR1,900 based on 42x Sep'27E P/E. We like the business model of BDL and its ability to scale up its revenues and order book in current scenario, however, with fair valuations, we would look for lower price points to enter the stock.



## Initiating Coverage | Vishal Mega Mart | A play on rising aspirations in Tier 2+ India

[Report link>>](#)

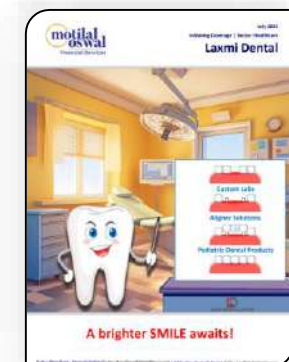
- ❖ Vishal Mega Mart (VMM) is one of India's largest offline-first value retailers, catering to a population of ~1b across the middle- and low income segments. VMM is a unique Indian retailer with: 1) a strong presence in tier 2+ cities (696 stores in 458 cities); 2) well-diversified exposure to key consumption baskets—Apparel (44%), General Merchandise (GM) & Fast-Moving Consumer Goods (FMCG; both ~28%); 3) a strong and affordable private brands portfolio (73% revenue share); and 4) one of the lowest cost structures in the industry.
- ❖ We believe VMM's uniqueness provides it with a strong moat against intense competition from both offline and online value retailers. Expect VMM to clock a revenue/EBITDA CAGR of 19%/20%, driven by: 1) ~13% CAGR in store additions, 2) consistent double-digit SSSG, and 3) modest operating leverage benefits.
- ❖ Given VMM's debt-free balance sheet and robust cost controls, we expect ~24% PAT CAGR and cumulative pre-IND-AS OCF/FCF generation of ~INR32b/INR23b over FY25-28.
- ❖ Initiate coverage on VMM with a BUY rating and a TP of INR165, premised on DCF-implied ~45x Sep'27E pre-INDAS 116 EV/EBITDA (implying ~31x Sep'27E reported EBITDA and ~69x Sep'27E P/E).



## Initiating Coverage | Laxmi Dental | A brighter SMILE awaits!

[Report link>>](#)

- ❖ Laxmi Dental (Laxmiden) is distinguished as India's only fully integrated provider of dental solutions, led by a highly experienced management team with extensive expertise in the field.
- ❖ Anchored by its digital edge, premium product focus, and extensive distribution reach, Laxmiden is well-positioned to achieve sustained growth and drive further margin expansion. Accordingly, we estimate a revenue/EBITDA/PAT CAGR of 24%/48%/62% to INR3.7b/INR900m/INR685m during FY25-27.
- ❖ Considering the supportive industry trend and Laxmiden's potential for sustained growth, we assign a 43x 12M forward earnings multiple to arrive at our TP of INR540. It is important to note that Laxmiden has no direct competitors in the listed space. The healthcare services sector is currently trading at an average 12M forward P/E multiple of 43-45x. The company's select focus on therapies, a customized and scalable business model, and strong growth momentum have led us to assign a similar multiple to Laxmiden. We initiate coverage on the stock with a BUY rating.

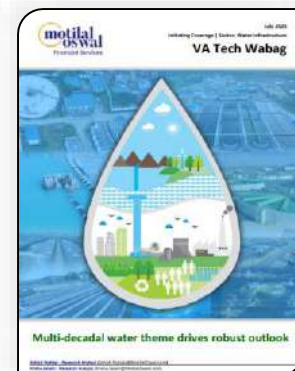


# Notable reports from MOFSL's research desk published this month (cont...)

## Initiating Coverage | VA Tech Wabag | Multi-decadal water theme drives robust outlook

[Report link>>](#)

- ❖ VATW is a 100 years old water technology player and provides solutions in the design, construction, and operation of wastewater projects. The company follows an asset-light model with high focus on engineering and procurement (EP) and operations and maintenance (O&M) works. We estimate a CAGR of 17%/22%/23% over FY25-28E. The current order book of ~INR137b (4.2x FY25 revenue) and a strong bid pipeline of up to INR200b provide 15-20% revenue growth visibility for the next 3-4 years, as guided by management. Its focus on large-scale projects in high-margin segments such as EP (aims 1/3rd mix in EPC) and O&M (18%/39% mix in revenue/order book, 5-20 years execution cycle) augurs well for margins.
- ❖ We expect VATW to sustain strong FCF generation with an average of INR3.5b annually over FY25- 28E, given its robust operating performance and scope for further improvement in the working capital cycle. Over FY25-28E, we expect further expansion in RoCE (from ~20% to ~24%), RoE (~14% to ~16%), and RoIC (~28% to ~39%), above its guided range..
- ❖ We initiate coverage on VA Tech Wabag (VATW) with a BUY rating and a target price of INR1,900, based on 26x FY27E P/E (premium to historical average of 18x on improved outlook). We believe that VATW has a robust outlook ahead on the back of a strong order book, improving margins and return ratios, and healthy FCF generation, making VATW a cash-rich company.



## Initiating Coverage | Delhivery | Built to scale, wired for speed!

[Report link>>](#)

- ❖ Delhivery is India's leading 3PL logistics player, catering to a wide network of ~19,000 pincodes. Delhivery, which commenced operations in 2011 as an express logistics player, has rapidly increased its presence in the PTL segment after the acquisition of Spoton Logistics in 2021. The company is India's premier logistics operator at present, with a market share of >20% in the express logistics space. With robust industry tailwinds and Delhivery's strong infrastructure in place, it is well placed to capitalize on the opportunity.
- ❖ We expect Delhivery to strengthen its market dominance and achieve a 14% revenue CAGR, driven by 18% revenue CAGR in PTL and 10% CAGR in the express parcel business. Strong revenue growth, coupled with improved cost structure, is expected to drive an EBITDA/APAT CAGR of 36/52% over FY25-28. With improved earnings, we expect RoE to improve to 5.6% in FY28 from 1.8% in FY25. With a strong B/S and negligible debt, Delhivery would comfortably be able to fund its capex requirements over the next few years.
- ❖ We initiate coverage on Delhivery with a BUY rating. We value the company using DCF, arriving at a TP of INR480 based on a WACC of 12% and terminal growth rate of 5% (implied EV/EBITDA of 36x on FY28). We believe Delhivery's focus on strategic acquisitions and providing integrated solutions will further strengthen its growth prospects.



## Initiating Coverage | INOX Wind | Energizing India's Wind Opportunity

[Report link>>](#)

- ❖ IWL is a leading vertically integrated player in India's wind energy sector, delivering end-to-end solutions from conception and commissioning to O&M of wind power projects. With a manufacturing capacity of 2.5GW annually across four facilities, IWL produces 2MW and 3MW Wind Turbine Generators (WTGs).
- ❖ As of FY25-end, IWL holds a robust order book of ~3.2GW, offering strong revenue visibility for at least two years. Its listed subsidiary, Inox Green Energy Services Ltd. (IGESL) (55.93% stake), manages a significant 5.1GW O&M portfolio. Meanwhile, its other subsidiary, Inox Renewable Solutions Limited (IRSL, 93% stake), is diversifying beyond wind EPC into solar, hybrid EPC, and specialized services such as crane operations broadening IWL's market reach and service offering.
- ❖ Valuation and view: We arrive at a TP of INR210 by applying a target P/E of 25x to FY27E EPS, which is at a 29% discount to our target multiple for SUEL. IWL is currently trading at FY27 P/E of 20.5x, which is at a 28% discount to its direct competitor, SUEL.



# Valuations: Key observations

---

## Valuations: Nifty's 12-month trailing P/E declines MoM

- ❖ The 12-month trailing P/E for Nifty-50, traded at 23.7x, was 3% above its LTA.
- ❖ At 3.5x, the 12-month trailing P/B was 11% above its historical average of 3.1x.

12-month trailing Nifty P/E (x)



12-month trailing Nifty P/B (x)





## Valuations: Nifty's 12-month forward P/E trades above its LTA

- ❖ Nifty's 12-month forward P/E, traded at 21.1x, was marginally above its LTA of 20.7x, but it was down 13% from the Sep'24 high.
- ❖ At 3.1x, the 12-month forward P/B traded at a 10% premium to its LTA of 2.8x.

12-month forward Nifty P/E (x)



12-month forward Nifty P/B (x)



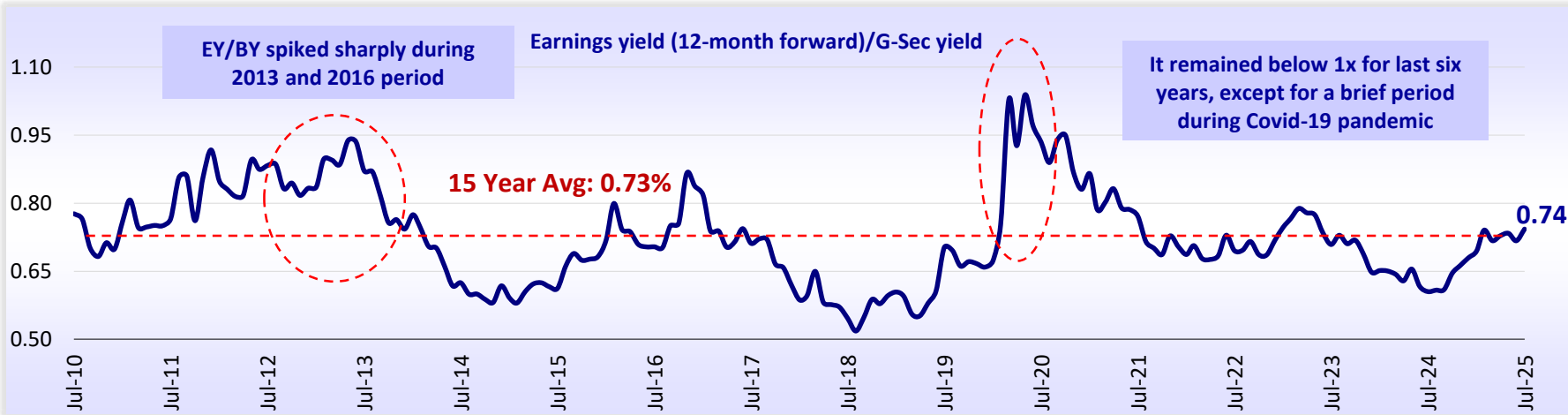
## EY/BY ratio rises marginally MoM

- ❖ India's 10Y bond yield stood at 6.4% (up 10bp MoM). Consequently, the Earnings yield to Bond yield (EY/BY) rose 3-4% MoM and traded near its LTA on both a trailing and forward basis.

Trailing earnings yield/G-Sec yield (x)



Forward earnings yield/G-Sec yield (x)



## NSE indices: Valuations above historical averages across the board

- ❖ Valuations of mid- and small-caps traded at a significant premium of 15% and 54% to their historical averages, respectively, while valuations for large caps traded at 2% above the LPA.
- ❖ Most of the sectoral indices have been trading at a significant premium to their LPA.

### NSE indices: Valuation snapshot

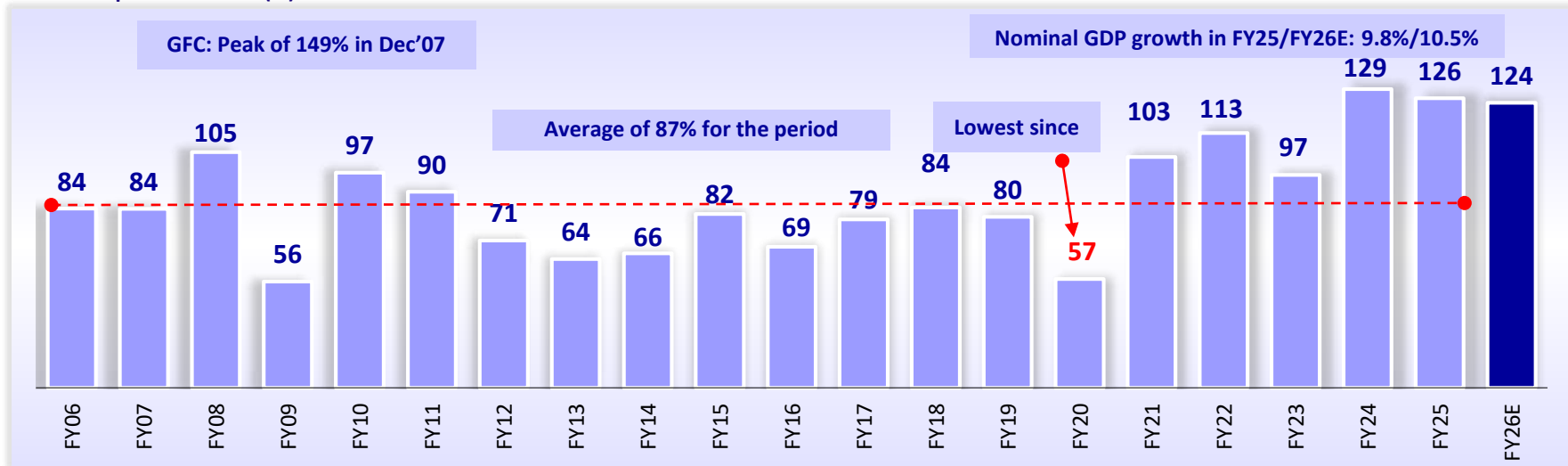
Indices	Nifty-50	Nifty Midcap-100	Nifty Smallcap-100	Nifty-500	Auto	BANK	FMCG	Capital Goods	IT	Metal	Energy
Jul'25 closing	24,768	57,401	17,967	22,915	23,656	55,962	68,237	55,812	35,302	9,285	35,116
YoY change (%)	-0.7	-2.7	-6.1	-2.6	-11.4	8.6	-9.8	-10.1	-13.6	-3.1	-20.3
EPS (12m fwd)	1,135	1,905	617	932	971	3,014	1,456	1,426	1,446	587	2,354
P/E (12m fwd)	21.1	26.4	25.4	24.6	24.4	18.6	46.9	39.1	24.4	15.8	14.9
P/E (10 yr average)	20.7	22.9	16.5	19.7	19.7	15.9	25.9	33.8	21.2	11.2	11.6
P/B (12m fwd)	3.1	4.3	3.5	3.5	3.7	2.2	8.3	9.5	6.3	2.0	2.1
P/B (10 yr average)	2.8	2.7	2.1	2.8	2.9	2.1	3.6	8.5	5.1	1.4	1.4
RoE (%)	14.9	13.9	12.3	14.2	16.2	11.9	18.0	26.8	25.8	13.0	14.3
RoA (%)	3.3	2.7	3.7	2.8	7.4	1.3	3.6	18.7	17.2	6.0	7.0

Source: Bloomberg, MOFSL; as of 31<sup>st</sup> July'25 | LPA: Long Period Average i.e. 10-year average

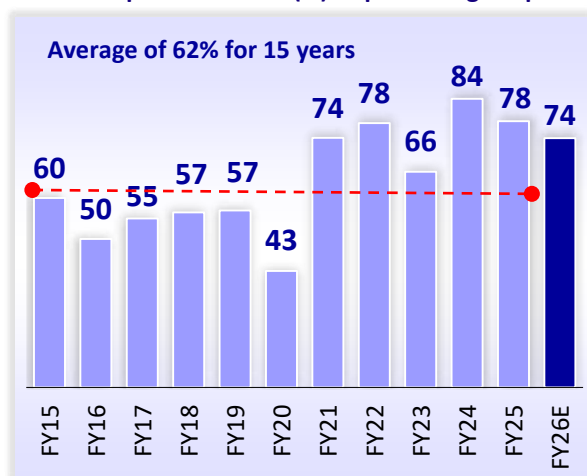
# India's market cap-to-GDP ratio continues to remain high

- ❖ India's market cap-to-GDP ratio is projected at 124% in FY26, lower than the peak of 146% in Sep'24 but above the Feb'25 low of 120%.
- ❖ The market cap-to-GDP ratio for broader markets continues to trade at a significant premium to the long-term average.

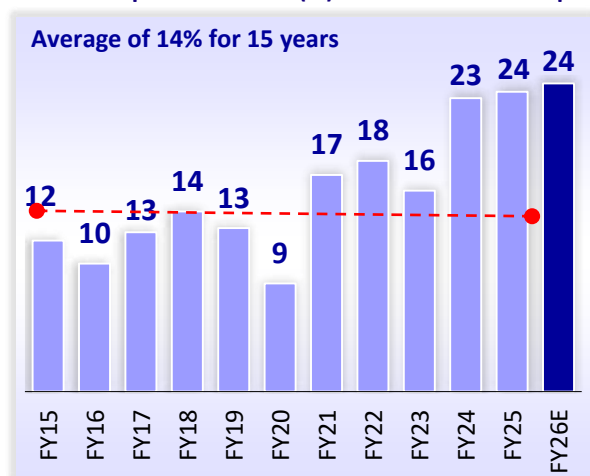
Market cap-to-GDP ratio (%) – Overall



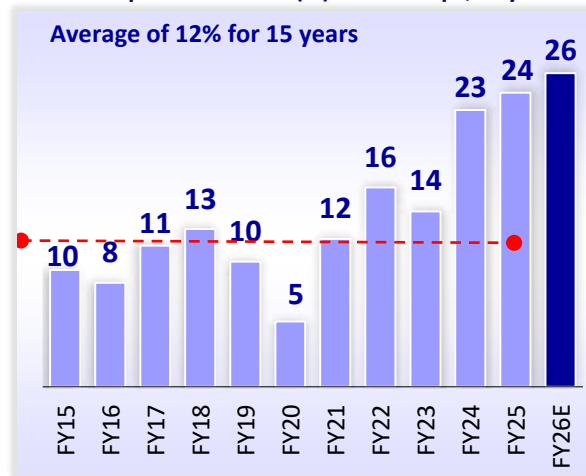
Market cap-to-GDP ratio (%) - Top 100 large-caps



Market cap-to-GDP ratio (%) - 101 to 250<sup>th</sup> mid-caps



Market cap-to-GDP ratio (%) - small-caps, beyond 250<sup>th</sup>

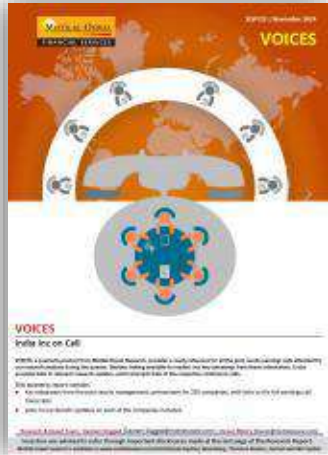


# Top ideas: MOFSL

Company	Mcap (USDb)	CMP	EPS (INR)			EPS CAGR (%) FY25-27E	PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E		FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Preferred large cap stocks															
Bharti Airtel	133.1	1,885	30.3	48.1	63.7	45.0	62.2	39.2	29.6	9.3	8.0	6.2	18.0	22.7	25.7
ICICI Bank	120.6	1,471	66.8	72.6	84.4	12.4	22.0	20.3	17.4	3.6	3.3	2.8	18.0	17.0	17.3
Larsen & Toubro	57.1	3,590	106.8	130.5	155.1	20.5	33.6	27.5	23.1	5.1	4.5	4.0	16.0	17.3	18.2
Sun Pharma	46.8	1,629	47.1	51.2	61.1	13.8	34.6	31.8	26.7	5.4	4.8	4.2	16.6	15.9	16.7
M & M	45.5	3,160	98.7	119.5	136.7	17.7	32.0	26.5	23.1	6.2	5.2	4.4	20.8	21.3	20.7
UltraTech Cem.	41.2	12,106	207.6	305.6	382.8	35.8	58.3	39.6	31.6	5.0	4.6	4.2	9.3	12.2	14.0
Titan Company	34.0	3,315	42.3	53.9	63.3	22.3	78.4	61.5	52.4	25.4	19.7	15.6	35.8	36.1	33.2
Bharat Electronics	32.0	377	7.2	8.2	9.8	16.5	52.1	45.9	38.4	14.0	11.0	8.8	26.8	24.0	22.9
Eternal	31.9	304	0.6	1.2	3.9	157.3	517.7	256.9	78.2	9.0	8.7	7.8	2.1	3.4	10.5
Tech Mahindra	16.4	1,439	47.9	61.3	78.3	27.8	30.0	23.5	18.4	4.7	4.5	4.4	15.7	19.6	24.2
TVS Motor Co.	15.2	2,859	57.1	67.1	79.6	18.1	50.1	42.6	35.9	13.7	10.8	8.7	30.7	28.4	26.8
Lodha Developers	14.0	1,206	28.7	37.9	40.2	18.5	42.1	31.9	30.0	5.8	5.0	4.3	14.6	16.7	15.4
Indian Hotels	12.0	741	11.8	13.4	16.1	16.8	62.7	55.4	45.9	9.4	8.1	7.0	16.3	15.7	16.3
Preferred Midcap/Smallcap stocks															
Dixon Tech.	11.6	16,836	117.2	169.3	265.1	50.4	143.7	99.4	63.5	33.7	25.5	18.3	30.0	29.2	33.6
SRF	10.3	2,984	46.1	68.7	92.6	41.8	64.8	43.4	32.2	7.0	6.3	5.4	11.4	15.3	18.0
Suzlon Energy	9.6	66	1.1	1.7	2.3	47.5	61.2	39.5	28.2	14.8	10.7	7.8	29.4	31.5	32.0
Coforge	6.7	1,704	25.2	46.4	58.9	52.9	67.6	36.7	28.9	8.8	7.9	7.0	13.9	17.1	20.7
Jindal Stainless	6.5	706	30.5	36.2	44.5	20.7	23.1	19.5	15.9	3.5	3.0	2.6	15.1	15.4	16.1
Supreme Inds.	6.3	4,246	75.6	85.0	119.6	25.7	56.1	49.9	35.5	9.5	8.6	7.3	17.8	18.0	22.2
Page Industries	6.2	46,765	652.9	749.1	877.2	15.9	71.6	62.4	53.3	37.1	30.6	25.3	51.8	48.9	47.5
Kaynes Tech	4.7	6,370	45.8	81.5	132.9	70.4	139.1	78.2	47.9	14.4	8.2	6.9	11.0	13.9	16.4
Radico Khaitan	4.2	2,841	25.8	36.4	47.1	35.1	110.1	78.1	60.4	14.1	12.3	10.6	12.8	15.8	17.6
UTI AMC	1.9	1,296	63.9	68.8	79.8	11.8	20.3	18.8	16.2	3.2	3.0	2.9	16.0	16.5	18.2
Niva Bupa Health	1.8	82	1.2	0.6	1.8	23.9	69.8	134.3	45.4	4.9	3.8	3.5	7.9	3.2	8.1

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

# Quant Research & India Strategy Gallery





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

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

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

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

(a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.

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

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

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

#### Terms & Conditions:

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



#### Analyst Certification

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

#### Disclosure of Interest Statement

Analyst ownership of the stock

Companies where there is interest

No

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

Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto: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
<b>Ms. Hemangi Date</b>	022 40548000 / 022 67490600	query@motilaloswal.com
<b>Ms. Kumud Upadhyay</b>	022 40548082	servicehead@motilaloswal.com
<b>Mr. Ajay Menon</b>	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.