Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	85,186	0.6	9.0
Nifty-50	26,053	0.6	10.2
Nifty-M 100	60,949	0.2	6.6
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	6,642	0.4	12.9
Nasdaq	22,564	0.6	16.8
FTSE 100	9,507	-0.5	16.3
DAX	23,163	-0.1	16.3
Hang Seng	9,151	-0.3	25.5
Nikkei 225	48,538	-0.3	21.7
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	63	-0.5	-14.7
Gold ($/OZ)	4,078	0.3	55.4
Cu (US$/MT)	10,719	0.3	23.9
Almn (US$/MT)	2,768	0.9	9.6
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	88.6	0.0	3.5
USD/EUR	1.2	-0.4	11.4
USD/JPY	157.2	1.1	0.0
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	6.5	0.00	-0.3
10 Yrs AAA Corp	7.2	0.01	0.0
Flows (USD b)	**19-Nov**	**MTD**	**CYTD**
FIIs	0.18	0.19	-16.2
DIIs	0.15	5.83	78.3
Volumes (INRb)	**19-Nov**	**MTD***	**YTD***
Cash	1,052	1166	1072
F&O	1,16,473	2,88,875	2,32,321

Note: Flows, MTD includes provisional numbers. *Average

Today's top research idea

Larsen & Toubro: CMD meeting takeaways

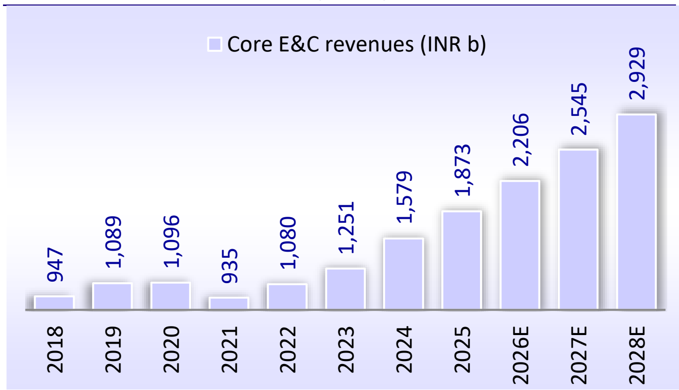
- We recently interacted with Mr. S. N. Subrahmanyan, Chairman and MD of Larsen & Toubro (LT), to get insights into the company's long-term growth strategy for domestic and international geographies, capital allocation and future focus areas.
- LT is optimistic about the Middle East region and expects ordering to grow in the mid-teens over the next five years from this region. Sector diversification and country diversification within the Middle East help LT tide over the volatility in oil prices. With private and government capex ramping up in select areas, LT overall hopes to maintain mid-teen growth in order inflows in the medium to long term.
- Management remains focused on its capital allocation strategy and expects to hive off non-core assets soon and keep investing in new-age areas over the next five years.
- We maintain our estimates and BUY rating on LT with an SoTP-based TP of INR4,500, based on 28x two-year forward earnings.

Research covered

Cos/Sector	Key Highlights
Larsen & Toubro	CMD meeting takeaways
India Strategy	Nifty-500 review: Broad-based growth amid challenges
Reliance Industries	Battery venture set to scale up in FY27
Life Insurance	1H ends on a positive note; multiple tailwinds for 2HFY26!
Infrastructure	NHAI awarding remains muted YTDFY26
Metals Monthly	Oct'25 – Ferrous prices remain subdued amid demand slowdown; Non-ferrous prices surge on tighter inventories

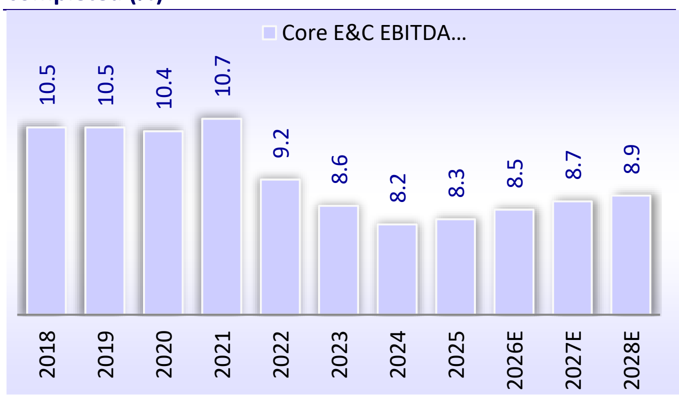
Chart of the Day: Larsen & Toubro (CMD meeting takeaways)

Consolidated revenue trend (INR b)



Source: MOFSL, Company

E&C EBITDA margin to improve as legacy projects are completed (%)



Source: MOFSL, Company

Research Team (Gautam.Duggad@MotilalOswal.com)

In the news today

Kindly click on textbox for the detailed news link

1

Natural gas demand down 15% in October on high international prices

High international prices and shrinking domestic output are dragging down India's natural gas consumption, which fell 14.6% in October as industries shift to cheaper liquid fuels amid softer oil prices.

2

Steelmakers' emission targets under review

India plans to recast emission-reduction targets for steelmakers after some errors were flagged in their calculation as per the norms announced earlier this year.

3

Banks seek tax sops for raising deposits, NBFCs make case for refinance window

Banks and financial institutions on Wednesday sought tax incentives for shoring up low-cost deposits, a dedicated refinance window for non-banking financial companies, or NBFCs, and tax relief on high-value insurance policies.

4

Finance Ministry approves Rs 8,300 cr for coastal highway project in Odisha

Odisha's Works Minister Prithiviraj Harichandan on Wednesday said the Union Finance Ministry has approved Rs 8,300 crore for the Rameshwar-Paradip coastal highway in the state.

5

NTPC Renewable starts 75.50 MW commercial supply from Khavda-I solar project

State-owned power giant NTPC on Wednesday said its step-down subsidiary NTPC Renewable Energy has begun commercial supply of electricity from a part of the capacity of 75.50 MW out of the 1,255 MW Khavda-I solar PV project in Gujarat.

6

Starbucks to keep India plans brewing despite competition

Starbucks, the world's largest coffee chain, said it is doubling down on India, even as the country's cafe market becomes increasingly crowded and profit remains elusive.

7

Asset Reconstruction Companies seek relief from multi-state loan registration

Asset Reconstruction Companies (ARCs) have urged the Centre in a letter to exempt them from registering Assignment Agreements in multiple states, seeking to ensure speedier disposal of bad loans and avoiding duplication of the existing legal charge

Larsen & Toubro

BSE SENSEX	S&P CNX
85,186	26,053

Bloomberg	LT IN
Equity Shares (m)	1376
M.Cap.(INRb)/(USDb)	5529.3 / 62.4
52-Week Range (INR)	4063 / 2965
1, 6, 12 Rel. Per (%)	3/7/4
12M Avg Val (INR M)	7275

Financials &Valuations (INR b)(INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Net Sales	2,968.3	3,408.9	3,908.7
EBITDA	310.5	360.0	415.0
PAT	179.0	212.9	254.1
EPS (INR)	130.2	154.9	184.9
GR. (%)	21.9	19.0	19.4
BV/Sh (INR)	800.1	906.9	1,034.3
Ratios			
ROE (%)	17.2	18.1	19.0
RoCE (%)	9.7	10.4	11.2
Payout (%)	31.1	31.1	31.1
Valuations			
P/E (X)	30.9	25.9	21.7
P/BV (X)	5.0	4.4	3.9
EV/EBITDA (X)	17.8	15.3	13.3
Div Yield (%)	1.0	1.2	1.4

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	0.0	0.0	0.0
DII	43.1	43.2	40.3
FII	20.3	20.2	22.7
Others	36.5	36.5	37.0

FII Includes depository receipts

CMP:INR4,019 TP: INR4,500 (+12%) Buy

CMD meeting takeaways

We recently interacted with Mr. S. N. Subrahmanyan, Chairman and MD of Larsen & Toubro (LT), to get insights into the company's long-term growth strategy for domestic and international geographies, capital allocation and future focus areas. LT is optimistic about the Middle East region and expects ordering to grow in the mid-teens over the next five years from this region. Sector diversification and country diversification within the Middle East help LT tide over the volatility in oil prices. With private and government capex ramping up in select areas, LT overall hopes to maintain mid-teen growth in order inflows in the medium to long term. Management remains focused on its capital allocation strategy and expects to hive off non-core assets soon and keep investing in new-age areas over the next five years. We maintain our estimates and BUY rating on LT with an SoTP-based TP of INR4,500, based on 28x two-year forward earnings.

Key investment thesis

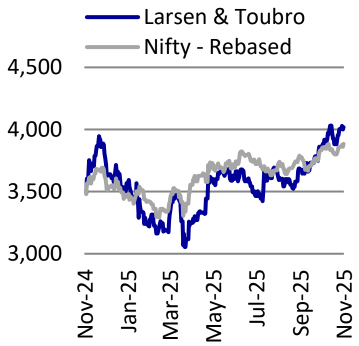
Middle East to remain a growth area for LT

LT management is optimistic about the opportunities in the Middle East and expects LT to benefit from continued ordering growth of 10-15% for the next five years from this region. The company has learnt from its past mistakes and now has 1) diversified its country base in the Middle East such as Saudi Arabia, Kuwait and Qatar, 2) diversified its project mix across hydrocarbon – onshore as well as offshore, gas-related projects, renewables, and transmission, and 3) good control over the supply chain network as well as labor supply. With international projects now forming nearly 49% of the order book, LT has well-defined clauses in the contracts if the payments get delayed from these projects. In our estimates, we have baked in an 11% CAGR in core E&C order inflows over FY25-28E.

Domestic capex is selective but growing

Domestic ordering for LT has remained largely flat over FY23-25, since there have been a limited number of large-sized projects from the government during the same period and since LT has maintained its selective stance in light of higher competition. The company is eyeing projects across thermal, nuclear, hydroelectric, renewable, urban infra, buildings and factories, state irrigation projects, and defense in the domestic segment. On the private capex side, LT is witnessing traction from areas like metals and mining, real estate, electronic manufacturing, refineries, thermal power, bigger projects from the Reliance Group, etc. These segments will continue to drive capex activity in the private sector, with big and chunkier projects expected in thermal and metals and mining. We expect a 5% CAGR in domestic order inflows over FY25-28.

Stock performance (one-year)



Optimistic about thermal BTG-related opportunities

The company is optimistic about thermal BTG opportunities and has already bagged two large projects: 1) NTPC order worth more than INR150b in Madhya Pradesh and Bihar, and 2) Adani Power order worth INR260b to set up 8x800MW thermal power units. The company is also in discussions with other large players in thermal power. With a large opportunity pipeline of 35-40GW of ordering over the next five years and with the BTG market largely being a two-player market, LT expects to benefit from incremental orders on an ongoing basis in thermal power. LT is also in discussions with Torrent Power for the upcoming thermal power opportunities.

Participation in defense programs

LT has formed a consortium with Bharat Electronics (BEL) for the AMCA program of the Indian Air Force. The consortium's scope of work includes development of the prototype airframe, jigs and fixtures, system integration, and flight certification for the next-generation stealth fighter. The shortlisting of eligible bidders is expected by 3QFY26, followed by the issue of the RFP in 4QFY26, and award of the prototype contract by 4QFY27. Besides AMCA, the company is expecting orders for guns, land systems, naval ships, etc. LT has also secured a contract from the Indian Army to indigenously produce BvS10 Sindhu vehicles at its Hazira Armoured Systems Complex with design and technical support from BAE Systems. Unlike global models where a single player owns a platform, India encourages multi-party bidding for the same order, which dilutes scale, continuity, and R&D payoff for private players like LT. The company expected revenue of ~INR100b from the defense segment in FY26.

Risk mitigation strategies for ultra-mega projects

Risks exist from areas such as 1) slowdown in capex spending and hence delayed payments, 2) commodity prices since these projects are fixed-price in nature, and 3) supply chain issues in procuring raw materials, labor issues, etc. LT has addressed these issues by maintaining a strong control over supply chain through rigorous vendor pre-qualification and a diversified labor base. The company has a balanced product mix sectors and geographies and targets multilateral-funded projects that offer greater stability and lower counterparty risks. The company's diverse global subsidiary base adds complexity to governance and performance monitoring. To manage this, LT has maintained a centralized oversight mechanism, conducts regular performance and compliance reviews, and has placed senior management on key subsidiary boards to ensure tighter control, alignment and timely intervention.

Focusing on capital allocation and non-core divestment stays

Management remains focused on overall capital allocation across new-age areas as well as on divestment of non-core assets. The divestment of Hyderabad metro is expected to be completed by Mar'26. Under the arrangement, the entire debt of INR130b of Hyderabad Metro would be taken over by SPV floated by Telangana govt, and LT will receive an equity of INR20b vs. its adjusted equity of INR10b (INR75b actual equity adjusted with accumulated losses of INR65b in Hyderabad Metro). The company is also evaluating the divestment of Nabha Power project. LT remains committed to investing in 1) expanding data center capacities, 2) electrolysers, 3) semi-conductor design (fabless) and industrial electronics, and 4) real estate as it plans to list its real estate division in a year. Overall, over the next five years, LT expects to invest a total of INR1t in all these areas.

Financial Outlook

We expect a CAGR of 11% in core EPC order inflows over FY25-28. With a strong track record of execution, we expect a 16% CAGR in core EPC revenue over the same period, with core EPC margin assumption of 8.5-8.9% for FY26-28. We thus expect a CAGR of 19%/22% in core EBITDA/PAT over FY25-28.

Valuation and view

At the current price, for core E&C, LT is trading at 31x/26x/21x P/E on FY26/27/28E earnings. We maintain our estimates and continue to value the company at 28x P/E on two-year forward earnings for core business and 25% holding company discount for subsidiaries. **We maintain BUY with an unchanged TP of INR4,500.**

Key risks and concerns

A slowdown in order inflows, geopolitical issues, delays in the completion of mega and ultra-mega projects, a sharp rise in commodity prices, an increase in working capital, and increased competition are a few downside risks to our estimates.

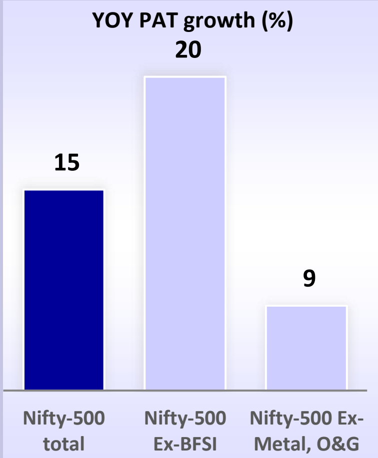
BSE Sensex: 85,186 | Nifty-50: 26,053

Nifty-500 review: Broad-based growth amid challenges

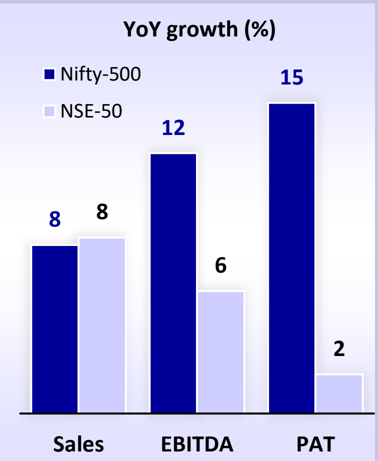
SMIDs outperform sharply

- Nifty-500 delivered a healthy double-digit earnings growth in 2QFY26, the highest in five quarters, despite geopolitical headwinds and weak consumption trends.
- Aggregate earnings of the Nifty-500 Universe grew 15% YoY. Ex-Financials, the reported aggregate earnings jumped 20% YoY. Ex-Metals and O&G, the aggregate earnings grew 9% YoY.
- Aggregate sales/EBITDA/adj. PAT of Nifty-500 companies grew 8%/12%/15% YoY to ~INR35t/INR8t/INR4t in 2QFY26.
- Corporate earnings in 2QFY26 were resonably driven by broad-based growth, with significant contributions from key sectors such as O&G (+59% YoY growth), NBFC (21% YoY), Metals (+18% YoY), Cement (+211% YoY), Capital Goods (30% YoY), Telecom (loss-to-profit), Retail (32% YoY), and Real Estate (22% YoY).
- Chemicals (+35% YoY) and Consumer Durables (+45% YoY) recorded strong growth on a soft base. Meanwhile, Technology (+8% YoY), Healthcare (+9% YoY), PSBs (+3% YoY), Consumer (+5% YoY), and Utilities (flat YoY) witnessed muted earnings growth. In contrast, Automobile (-16% YoY), Pvt. Banks (-3% YoY), and Media (-10% YoY) hurt overall earnings growth.
- **Mid-caps and small-caps notably outperform:** The 2Q earnings performance of the Nifty-500 was fueled by mid- and small-cap companies. Aggregate earnings of the Midcap-150 companies grew 27% YoY, while Smallcap-250 companies recorded a 37% YoY growth. In comparison, earnings growth for the large-caps (Nifty-100 const.) stood at 10% YoY. Weak performance by Private Banks and the Automobile sectors resulted in the relative underperformance of the large-cap universe compared to SMIDs.
- **Sectors and companies:** Of the 20 key sectors, 17 reported profit growth in 2Q. OMCs dominated, accounting for 33% of the incremental YoY accretion in earnings. The top 10 incremental profit contributors, primarily from O&G, Metals, Financials, and Telecom, together contributed around 64% of the incremental YoY earnings growth. About 230 companies within Nifty-500 reported an earnings growth of over 15% YoY, while 174 companies reported a decline or loss during the quarter.
- **The EBITDA margin** of Nifty-500 (excl. BFSI) came in at 16.9% (up 120bp YoY, down 30bp QoQ) in 2QFY26. Ex-commodities (i.e., Metals and O&G), the EBITDA margin stood at 18.8% (down 30bp YoY, down 80bp QoQ). 10 out of 16 major sectors (excl. Financials) reported EBITDA margin expansion during the quarter.
- **Earnings** of the Nifty-500 universe grew 12% YoY for **1HFY26**. Ex-Financials, the earnings grew 16% YoY, while ex-Metals and O&G, the earnings rose 8% YoY. The large-/mid-/small-cap earnings increased 9%/23%/19% in 1HFY26.

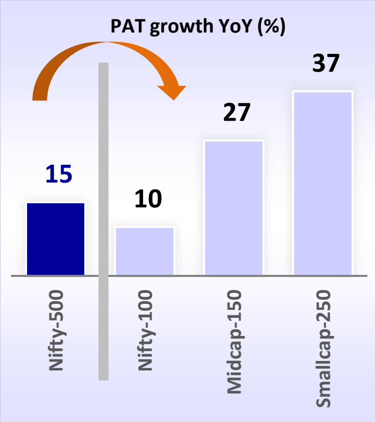
Nifty-500 performance in 2QFY26



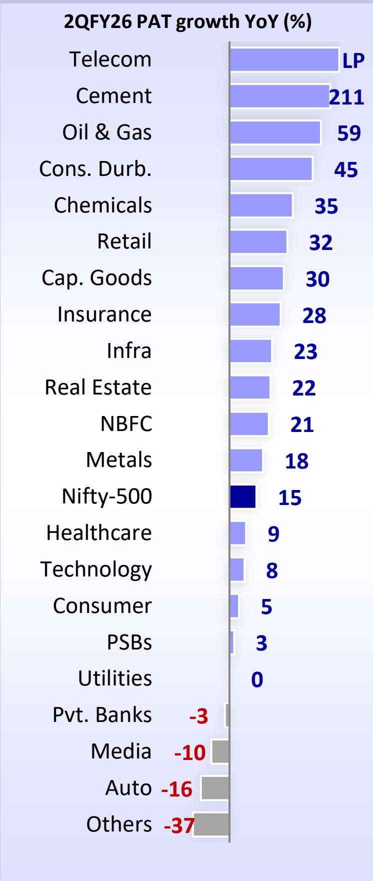
Nifty-500 vs. Nifty-50 earnings performance in 2QFY26



SMIDs outperform in 2QFY26 (%)



Nifty-500 sectoral earnings growth in 2QFY26



Key sectoral highlights for 2QFY26

- **Oil & Gas:** The sector contributed significantly to the aggregate earnings growth during the quarter, with EBITDA/PAT growth of 48%/59% YoY, mainly led by OMCs. Excl. OMCs, the O&G sector's EBITDA/PAT grew 7%/flat YoY in 2QFY26.
- **Metals:** The sector reported healthy PAT growth of 18% YoY over a soft base of 2QFY25. Growth was also boosted by a strong performance of Ferrous companies, better-than-expected NSR led the earnings beat despite softer realizations, while EBITDA rose 11% YoY on healthy volume and lower costs. Non-ferrous companies posted earnings growth led by favorable metal prices and steady volumes.
- **BFSI** reported 7% YoY earnings growth, primarily led by NBFCs (21% YoY), while the Banks posted a muted 2Q performance (flat YoY PAT growth). Several banks have guided for further NIM improvement in 2HFY26, driven by the benefits of the CRR cut, continued deposit repricing, and higher loan growth.
- **The cement** sector reported its second quarter of strong earnings growth, rising 3.1x YOY after four consecutive quarters of weak earnings. Reported sales and EBITDA of the sector grew 18% and 49% YoY, respectively.
- **Capital goods companies** reported a healthy quarter, with sales/EBITDA/PAT growth of 15%/17%/30% YoY, supported by better-than-expected order inflows and strong execution. Order inflows were particularly strong in the power T&D, renewables, and defense segments.
- **The telecom** sector reported a profit of INR32b in 2QFY26 compared to a loss of INR2b in 2QFY25, primarily driven by Bharti Airtel. However, other peers posted muted growth or a decline in earnings for the quarter.
- **Technology:** IT companies posted positive earnings growth on the already beaten-down expectations, with PAT growth of 8% YoY. Most large-cap IT companies reported a healthy performance supported by a seasonally strong quarter and steady deal ramp-ups. However, various management of several companies indicated that demand is subdued, with no clear signs of spending cycle recovery.
- The **Consumer** sector reported a third quarter of mid-single-digit earnings growth of 5% YoY. The sector reported the 10th quarter of muted revenue growth. Staple companies' demand was stable; however, the GST transition and an extended monsoon hit the overall performance during the quarter.
- The **Automobile** sector reported a weak quarter, with aggregate earnings down 16% YoY, dragged down by Tata Motors PV. Excluding TMPV, aggregate earnings for the sector grew 16% YoY. While the overall earnings print remained healthy across the sector, OEM companies fared better than Auto component companies during the quarter.

19 November 2025

Company Update | Sector: Oil & Gas

Reliance Industries

BSE SENSEX	S&P CNX
85,186	26,053

Reliance Industries Limited

Stock Info

Bloomberg	RELIANCE IN
Equity Shares (m)	13532
M.Cap.(INRb)/(USDb)	20555.1 / 232
52-Week Range (INR)	1551 / 1115
1, 6, 12 Rel. Per (%)	6/1/12
12M Avg Val (INR M)	16916
Free float (%)	50.9

Consol. Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	10,124	10,397	11,027
EBITDA	1,839	2,064	2,285
Adj PAT	752	830	919
EPS (INR)	55.6	61.3	67.9
EPS Gr. (%)	8.0	10.3	10.8
BV/Sh. (INR)	673	727	788
Ratios			
Net D/E	0.4	0.3	0.3
RoE (%)	8.6	8.8	9.0
RoCE (%)	8.5	8.8	9.2
Valuations			
P/E (x)	27.3	24.7	22.3
P/BV (x)	2.3	2.1	1.9
EV/EBITDA (x)	13.1	11.5	10.2
Div Yield (%)	0.8	0.5	0.5

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	49.1	49.1	49.1
DII	20.1	19.5	17.4
FII	20.1	20.8	23.1
Others	10.7	10.6	10.4

FII Includes depository receipts

CMP: INR1,519 TP: INR1,765 (+16%) Buy

Battery venture set to scale up in FY27

- Reliance Industries (RIL) continues to progress on the 40GWh battery GIGA factory, which is set to commence operations in early CY26. We raise the New Energy business valuation for RIL to INR174/sh (earlier INR 116/sh) as we incorporate value for the battery manufacturing segment. We estimate the FY30 New Energy EBITDA at INR169b, ~7% of FY28 Consol. EBITDA, and believe New Energy can be a significant growth driver post FY30. According to our estimate, the actual India demand for BESS can far exceed CEA's initial India FY32 BESS target of 236 GWh as battery costs decline and new use cases emerge (e.g., Green hydrogen, integration with thermal capacity). The Central government coming out with an approved list of battery manufacturers (similar to ALMM/ALCM) can be a significant growth driver for the sector.
- RIL's key long-term competitive advantage in battery manufacturing (and across new energy) remains scale, ability to undertake technologically complex projects, and an integrated and unique new energy ecosystem.
- We value the standalone business at 7.5x Dec'27E EV/EBITDA to arrive at a valuation of INR411/sh. We ascribe an equity valuation of INR585/sh to RJio and INR625/sh to Reliance Retail (factoring in the stake sale), as well as INR174/sh to the New Energy business.We reiterate our BUY rating on the stock with a TP of INR1,765.

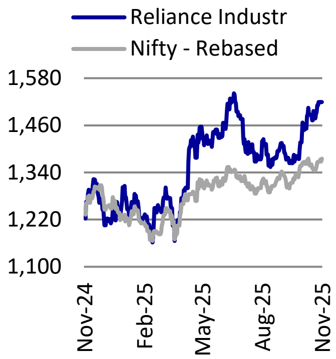
Targets to build a 40GWh battery Giga factory; scalable up to 100GWh

- RIL is on track to commission its first battery giga-factory in Jamnagar, Gujarat, in early CY26. This initial factory will have a production capacity of 40GWh per annum for battery energy storage. It has achieved significant construction and engineering progress on-site for the 40GWh manufacturing capacity, and production line equipment is on track for installation.
- The complex will later scale up modularly to 100GWh capacity, as announced in the Annual General Meeting of the Company, held in Aug'25.
- For the next couple of years, production from the battery GIGA factory might be consumed for captive purposes, given RIL is also set to make progress on the plan to install 100GW of renewable power generation capacity.

India's total addressable market for battery storage

- According to the National Electricity Plan (2023) by the Central Electricity Authority (CEA), India's energy storage capacity requirement is projected at 82.4GWh in FY27, comprising 47.7GWh from pumped storage (PSP) and 34.7GWh from battery energy storage systems (BESS) (link). This is expected to rise to 411.4GWh by FY32, including 175.2GWh from PSP and 236.2GWh from BESS. By 2047, the total requirement is projected to reach 2,380GWh, with 540GWh from PSP and 1,840GWh from BESS, driven by the expansion of renewable energy to meet India's Net Zero 2070 targets.

Stock's performance (one-year)



- Beyond India's 2030 vision of 500GW in renewable capacity, India may need to expand its installed capacity base by 50-60GW every year. Assuming 10%/30%/50% of this capacity needs battery backup, this implies an annual battery demand for 15-70GWhr.
- This estimate does not include the potential for 1) India to emerge as a key export hub for batteries, given India's sizeable captive demand, and 2) potential from new use cases such as integrating BESS solutions with thermal/gas capacity.
- The Ministry of Power – Central Electricity Authority has issued an advisory wherein all Renewable Energy Implementation Agencies (REIAs) and state utilities are advised to incorporate a minimum of 2-hour co-located Energy Storage Systems, equivalent to 10% of the installed solar project capacity, in future solar tenders. The advisory further mentions that the distribution licensees may also consider mandating 2-hour storage with rooftop solar plants.
- Overall, we believe BESS demand has the potential to far exceed CEA's initial estimated FY32 target of 236GWh.

We raise our New Energy valuation to INR174/sh; Revise our TP to INR1,765

- We were previously valuing only the integrated solar cell and module manufacturing business and attributed a value of INR116/share to this.
- Now we also incorporate value from the battery Giga factory as a part of our financial model and estimate a value of INR58/share for this business.
- This takes the cumulative value of the new energy business to INR174/share, i.e., ~10% of our TP. For the battery business, we assign an EV/EBITDA multiple of 15x to FY30 EBITDA and then discount the value back to FY28. In contrast, CATL (Contemporary Amperex Technology Co. Ltd) trades at CY27 EV/EBITDA of 11.2x currently.
- For both the integrated solar cell and module manufacturing business and the battery business, we assume only captive consumption until FY27 and assume 25%/75%/100% of sales in FY28/29/30 are to external customers.

Valuation and view

- We value the standalone business at 7.5x Dec'27E EV/EBITDA to arrive at a valuation of INR411/sh. We ascribe an equity valuation of INR585/sh to RJio and INR625/sh to Reliance Retail (factoring in the stake sale), as well as INR174/sh to the New Energy business. **We reiterate our BUY rating on the stock with a TP of INR1,765.**

Life Insurance

Performance Highlights	2QFY26	YoY
APE (INRb)		%
HDFCLIFE	41.9	8.6
IPRULIFE	24.2	-3.3
SBILIFE	59.5	10.4
MAXLIFE	25.1	15.5
LIC	163.8	-0.5
VNB Margin (%)		bp
HDFCLIFE	24.1	-17
IPRULIFE	24.4	104
SBILIFE	27.9	100
MAXLIFE	25.5	189
LIC	19.3	147

1H ends on a positive note; multiple tailwinds for 2HFY26!

VNB margin expansion in 2QFY26; GST impact on profitability

- **As mentioned in our recent sector update (Insuring a stronger 2H!), we expect the life insurance industry to enter 2HFY26 with significant tailwinds, including: 1) the GST waiver, 2) the anticipated rate-easing cycle driving stronger non-par and annuity growth; and 3) an improving mix towards protection and non-par. The early signs of the same were visible during 2QFY26.**
- **APE growth softened after mid-teen growth in Jul'25 as buyers delayed purchases following the GST exemption announcement, resulting in ~9% YoY growth in 2QFY26. Among the listed players, MAXLIFE witnessed the fastest growth of 16% YoY. However, the sector rebounded with a 19% YoY growth in Oct'25, reflecting strong momentum post the GST exemption.**
- **A higher non-par mix, increased sum assured, and rising rider attachments supported broad-based VNB margin expansion and absolute VNB growth across listed players, with MAXLIFE reporting the fastest growth (+25% YoY). While the loss of input tax credit (ITC) impacted the VNB margin during the quarter, insurers are making efforts to achieve normalcy in the medium term via distribution realignments and operational efficiency.**
- **Across the board, the product mix is shifting towards non-par savings, annuity, and protection, driven by customer preference for guaranteed solutions amid moderating interest rates and greater risk awareness. Rider attachments and higher sum-assured offerings are further strengthening the unit economics of ULIPs. The gap in the protection segment provides headroom for growth, with an additional boost from the GST exemption, which can also aid VNB margin expansion.**
- **Following 2QFY26 results, the companies have broadly maintained guidance for APE. The loss of ITC may potentially lead to a further drag on the VNB margin in 2HFY26, considering no changes in the commission structures. However, the impact is expected to be <1% on EV. Our preferred pick in the space is MAXLIFE with a one-year TP of INR2,100 (premised on 2.3x Sep27E P/EV) and HDFCLIFE with a one-year TP of INR910 (premised on 2.4x Sep27E P/EV).**

Growth recovery expected post GST exemption; slight impact on VNB

- **MAXLIFE:** Early signs of strong demand are visible, particularly in protection products. The company reported 17% YoY growth in APE for Oct'25. With a 10% APE growth in 2HFY25, we expect the momentum to sustain. The loss of ITC led to a 60bp impact on VNB margin in 1HFY26, and management expects a 300–350bp drag on a run-rate basis without any changes to commissions or any other actions. However, commission negotiations are ongoing, and other operating efficiencies are expected to help offset the impact.
- **HDFCLIFE:** The company posted retail protection growth of 50% post-GST exemption. While it witnessed a 7% YoY growth in APE for Oct'25, given the low base of 2HFY25 (APE growth of 10.6%), we expect recovery to follow. For 1HFY26, VNB margins were hit by 50bp due to loss of ITC, and management expects an impact of 3% for the full year on a gross basis, which is expected to be mitigated in 2-3 quarters through operational adjustments and distributor realignments.

- **SBILIFE:** The company reported a strong 19% YoY growth in APE for Oct'25, and we expect this momentum to sustain given the low 2HFY26 base of 8% APE growth. A 70-80bp impact on VNB margin was reported in 1HFY26 owing to the loss of ITC. For 2HFY26, management estimates an additional 20-30bp margin impact, though overall profitability should remain stable as product mix optimization and operational efficiencies begin to reflect.
- **IPRU Life:** Given the high base, IPRU has underperformed the industry over the past few months. The company reported a 9% YoY growth in APE for Oct'25, and we expect the trend to sustain as the base becomes favorable in 2HFY26 (2HFY25 APE growth of 7.6% vs 1HFY25 growth of 27%). VNB margin will be affected temporarily in 2HFY26 due to the loss of ITC, but management expects to see recovery through higher volumes and absolute VNB growth.
- **LIC:** LIC was the worst hit in 2HFY25, resulting in a 16% fall in APE, given the commission changes and new product introduction post surrender charges regulations. Considering that, there has been a sharp recovery in sales, with management expressing confidence that this momentum will sustain in the coming quarters. The company reported a 30% YoY growth in APE for Oct'25. It has already factored in the loss of ITC, which represents <0.5% impact on EV. This impact will potentially be offset by higher business volumes and cost optimization measures over time.

Exhibit 1: Snapshot – 2QFY26

INRb	HDFC Life			IPRU Life			SBI Life			Max Life			LIC		
	2QFY25	2QFY26	YoY	2QFY25	2QFY26	YoY	2QFY25	2QFY26	YoY	2QFY25	2QFY26	YoY	2QFY25	2QFY26	YoY
APE	38.6	41.9	9%	25.0	24.2	-3%	53.9	59.5	10%	21.7	25.1	16%	164.7	163.8	-1%
VNB	9.4	10.1	8%	5.9	5.9	1%	14.5	16.6	14%	5.1	6.4	25%	29.4	31.7	8%
VNB Margin (%)	24.3	24.1	-17bp	23.4	24.4	104bp	26.9	27.9	100bp	23.6	25.5	189bp	17.9	19.3	147bp
PAT	4.3	4.5	3%	2.5	3.0	19%	5.3	4.9	-7%	1.4	0.1	-96%	76.2	100.5	32%
AUM	3,249	3,600	11%	3,205	3,210	0%	4,390	4,815	10%	1,701	1,853	9%	55,395	57,229	3%
Key Ratios (%)															
Solvency	181.0	175.0	-600bp	188.6	213.2	2460bp	204.0	194.0	-1000bp	198.0	208.0	1000bp	198.0	213.0	1500bp
13th month persistency	82.5	80.8	-170bp	86.4	82.4	-400bp	84.2	85.4	121bp	87.0	85.0	-200bp	68.2	68.2	2bp
61st month persistency	67.9	62.9	-500bp	63.1	59.4	-370bp	55.9	56.2	38bp	52.0	54.0	200bp	54.8	55.1	36bp
Product mix (Total APE %)															
ULIP	30.3	40.1	982bp	51.8	49.0	-283bp	64.9	57.8	-712bp	44.0	34.7	-934bp	50.1	36.7	-1340bp
Par	14.0	23.5	946bp	-	-		5.9	4.7	-123bp	9.7	12.0	234bp	19.2	25.0	577bp
Non Par	40.2	20.2	-2000bp	27.8	26.9	-92bp	17.8	22.9	505bp	30.3	34.7	433bp	30.7	38.3	763bp
Protection	12.0	13.2	127bp	16.8	17.3	49bp	9.3	10.1	81bp	15.0	18.0	301bp			
Group	4.0	3.0	-100bp	3.5	6.8	330bp	2.0	4.5	250bp						
Channel mix (Individual APE %)															
Banca	56.4	58.2	188bp	29.4	30.6	120bp	57.7	56.8	-89bp	56.3	53.7	-264bp	3.1	4.6	151bp
Agency	17.0	19.5	250bp	31.2	24.8	-634bp	32.1	30.3	-184bp				95.0	92.0	-305bp
Others	26.6	22.2	-438bp	39.4	44.6	514bp	10.2	12.9	274bp	43.7	46.3	264bp	1.9	3.4	154bp

Infrastructure

NHAI awarding remains muted YTDFY26

- **The pace of project awarding by NHAI has remained subdued in FY26. As of mid-Nov'25, only ~504 km was awarded against the annual target of 6,376km. The slow start is attributed to a combination of factors, including a higher focus on land acquisition before awarding, procedural delays, and a temporary shift in focus towards project execution rather than new awards. The overall muted awarding has impacted order inflows for several road construction companies. However, companies now expect government awarding activity to gain traction and remain highly positive on a revival in the order book in 2HFY26.**
- **On the construction front, NHAI built 2,062kms of national highways from Apr'25 to mid-Nov'25, against the full-year target of ~6,000km. The focus remains on ramping up execution in the coming quarters to meet the annual targets. NHAI exceeded its highway construction target of 5,150km and built 5,614km in FY25.**
- **FASTag toll collections grew ~12% YoY in terms of volume and ~18% YoY in terms of value during Jul'25-Oct'25, supporting asset monetization plans.**
- **For FY26, NHAI has set an asset monetization target of INR300b (vs INR287b achieved in FY25). The monetization will primarily be routed through the Toll-Operate-Transfer (ToT) model and Infrastructure Investment Trusts (InvITs). To support this goal, NHAI has identified a pool of 24 assets spanning 1,472km for monetization in FY26. The proceeds will be deployed for highway development, debt repayment, and generating returns for investors. NHAI recently awarded its 17th ToT bundle to IRB Infrastructure for INR93b.**
- **The Dedicated Freight Corridor Corporation of India (DFCCIL) has commissioned 2,741km of the planned 2,843km for both the Eastern and Western Dedicated Freight Corridors (DFCs). The completion timeline is expected by Dec'25, following delays in land acquisition.**

Key Indicators

	FY24	FY25	FY26 (YTD)
Daily average FASTag toll collections (INR b)	1.8	2.0	2.24
Tenders awarded by NHAI (km)	2,500	4,080	504
Road construction by NHAI (km)	6,644	5,614	2,062

FASTag toll collections showing consistent improvement

FASTag toll collection volume improved ~12% YoY over Jul'25-Oct'25, while the collection value increased ~18% YoY. During FY25, FAStag toll collections increased 13% YoY. Higher toll collections play a crucial role in expediting the monetization process of road assets by the Ministry. Additionally, toll collections benefit companies that aim to monetize their existing toll assets.

Declining input prices to support margins for contractors

Steel and aluminum prices have decreased ~36% and ~14%, respectively, from their highs in Apr'22. Meanwhile, cement prices have decreased ~16% from their highs in Oct'23. With higher construction activities and stability in commodity prices, road contractors anticipate some improvement in profitability and margins in FY26.

Players with robust order books, strong balance sheets, and diversified operations well placed

Although there has been a slowdown in project awarding in FY24, FY25, and 1HFY26, the tender pipeline is currently robust. Entities with significant order backlogs, strong financial standings, and involvement across diverse sectors are well-positioned to benefit.

Metals Monthly

Oct'25 – Ferrous prices remain subdued amid demand slowdown; Non-ferrous prices surge on tighter inventories

- Monthly average rebar (BF-route) prices remained flat MoM at INR47,000/t in Oct'25. Price hikes implemented by mills early in the month have been rolled back due to the muted offtake.
- HRC monthly average prices declined INR1,000/t MoM to INR48,200/t amid sluggish demand and higher inventory in the channel.
- China's average flat steel prices have softened to USD466/t (-3% MoM and -4% from Aug'25 peak), at par with Mar'25 levels, caused by rising inventory to 3.1mt (+8% MoM) in Oct'25. China's landed steel prices in India remain at ~12% premium to India's domestic HRC prices.
- According to the Joint Plant Committee (JPC), crude steel production rose 3% MoM (+9% YoY) to 14mt in Oct'25, while finished steel production stood at 13.4mt (+2% MoM and +10% YoY).
- In Oct'25, India's steel imports declined 30% MoM and 56% YoY to 0.46mt. This was driven by strict trade norms, such as stringent BIS regulations, safeguard duty, and anti-dumping duty. Meanwhile, exports rose 10% MoM and 45% YoY to 0.64mt on account of active restocking in the EU ahead of CBAM implementation in Jan'26.
- Channel checks indicated that steel prices have reached a bottom and are expected to recover in the coming months. However, the inventory buildup at both mill and channel levels is likely to cap the upside.
- Prices for non-ferrous commodities increased MoM in Oct'25, with copper, aluminum, and zinc prices surging 7%, 5%, and 7% MoM to USD10,700/t, USD2,780/t, and USD3,150/t, respectively, on account of declining inventory levels. Meanwhile, lead/nickel prices remained flat MoM at USD1,970/t and INR15,100/t, respectively, in Oct'25.
- Alumina prices continued to remain under pressure at USD320/t (-5% MoM) amid factors like easing supply, with shifts in the supply-demand landscape.

Coking coal on steady rise; Iron ore prices ease amid muted demand

- The steady rise of premium hard coking coal prices, primarily driven by active demand from Chinese steelmakers amid extreme weather conditions, led to subdued domestic mining. The average premium hard coking coal prices (CNF Paradip, India) in Oct'25 stood at USD208/t, rising 2% MoM.
- In Oct'25, NMDC took an INR500/t price cut for fines and INR550/t for lumps on account of subdued demand, despite limited supply. For Nov'25, NMDC kept its iron ore prices largely unchanged.
- Domestic coal production declined 9% YoY to ~77mt (achieved ~98% of the monthly target), while Coal India production declined 10% YoY to 56mt in Oct'25. Domestic coal dispatches declined 5% YoY to 80mt in Oct'25. Dispatches to the power sector remained subdued, declining 25% YoY to 52mt, broadly offset by increased dispatches to the non-power sector by 81% YoY to 29mt in Oct'25.

Indian companies valuation

	Price	EV/ EBITDA (x)		P/B (x)	
	(INR)	FY26E	FY27E	FY26E	FY27E
Steel					
Tata	172	8.4	6.7	2.1	1.9
JSW	1,166	11.1	8.6	3.2	2.7
JINDALST	1,067	9.7	7.2	2.1	1.8
SAIL	138	7.6	6.3	0.9	0.9
Non-ferrous					
Vedanta	512	5.4	4.6	4.2	3.4
Hindalco	794	6.5	6.2	1.6	1.4
Nalco	257	5.5	5.3	2.1	1.8
Mining					
Coal	387	4.8	4.1	2.1	1.8
HZL	473	15.8	11.2	6.2	5.8
NMDC	75	5.7	4.8	1.9	1.6

Global companies valuation

Company	M. Cap	EV/EBITDA (x)		P/B (x)
	USD b	CY25/ FY26E	CY25/ FY27E	CY25/ FY26E
Steel				
AM	34	5.2	4.8	0.5
SSAB	7	4.3	4.7	0.8
Nucor	34	7.4	6.5	1.5
POSCO	17	5.7	5.4	0.4
JFE	7	7.1	5.9	0.4
Aluminum				
Norsk Hydro	14	5.4	5.0	1.3
Alcoa	9	4.6	3.9	1.3
Zinc				
Teck	20	6.7	5.8	1.1
Korea Zinc	14	17.0	15.7	2.5
Iron ore				
Vale	56	4.4	4.4	1.1
Diversified				
BHP	135	5.6	5.9	2.6
Rio	120	5.5	5.3	1.7

Endurance Technologies: CFO Reveals how company plans to hit growth targets despite ABS rule delays; R.S. Raja Gopal Sastry, Group CFO

- FY26 growth outlook remains strong with ~15% volume growth and 10–12% revenue growth, backed by new capacities and product launches.
- Antioxidants scaling well — 60% utilization, strong profitability, and contribution expected to rise to 15–16%.
- ATBS expansion driving momentum — 10,000-ton Phase 1 is fully booked; Phase 2 to go live by Apr–May 2026.
- Chinese import pressure persists, but potential anti-dumping duties could materially strengthen domestic competitiveness.

Read More

Vinati Organics: Antioxidants continue to do well for the company; Vinati Saraf Mutreja, MD & CEO

- FY26 growth outlook remains strong with ~15% volume growth and 10–12% revenue growth, backed by new capacities and product launches.
- Antioxidants scaling well — 60% utilization, strong profitability, and contribution expected to rise to 15–16%.
- ATBS expansion driving momentum — 10,000-ton Phase 1 is fully booked; Phase 2 to go live by Apr–May 2026.
- Chinese import pressure persists, but potential anti-dumping duties could materially strengthen domestic competitiveness.

Read More

Sequent Scientific - Viyash Lifesciences: Will focus on API business going forward; Hari Babu, Group CEO

- Merged entity targets leadership in animal health, while scaling both human health and formulations over the next 5 years.
- 20%+ revenue CAGR expected, with a clear path to ₹4,000cr revenue by FY27.
- 19% margins seen sustainable, with API profitability improving meaningfully from FY28.
- Balance sheet almost debt-free, with strong cash flows set to eliminate remaining debt soon.

Read More

Electronics Mart India: Target double-digit growth for the full year; Prateek Maheshwari, Co-Founder and Whole Time Director

- Q2 profit was hit by one-offs (fire loss + GST transition), but core demand is improving across large appliances and TVs.
- AC demand expected to rebound in Q3 after GST cuts, with inventory liquidation already underway.
- NCR cluster to grow 30–35%, supported by aggressive store expansion and rising footfalls.
- Guiding for low double-digit FY26 growth, with potential to reach ~15% in FY27 if early-summer demand is strong.

Read More

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 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL 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 and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

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

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

In the past 12 months, MOFSL or any of its associates may have:
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 it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
Research Analyst may have served as director/officer/employee in the subject company.
MOFSL and research analyst may engage in market making activity for the subject company.
MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:
a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
(b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.
To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

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

Disclosure of Interest Statement
Analyst ownership of the stock No
A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

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

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

For U.S.
MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and

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

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

For Singapore
In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. (“MOCMSPL”) (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as “institutional investors” as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore (“SFA”) or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an “institutional investor” nor an “accredited investor”, they must immediately discontinue any use of this Report and inform MOCMSPL .
In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.
Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Disclaimer:
This report is intended for distribution to Retail Investors.

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, enlistment as RA with Exchange 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
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@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, BSE enlistment no. 5028 . AMFI: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. 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.