Financials - NBFC

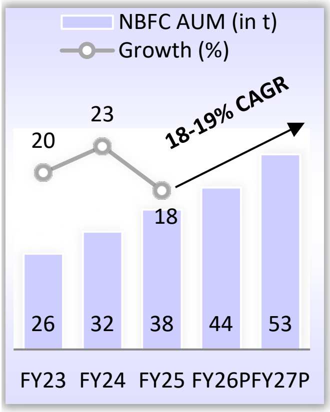
Navigating growth with discipline

We attended the CRISIL NBFC Summit 2025, featuring various industry experts who shared their insights on the overall NBFC sector, mortgage financiers, vehicle/diversified financiers, and specialized lenders. Following are the key takeaways from the seminar:

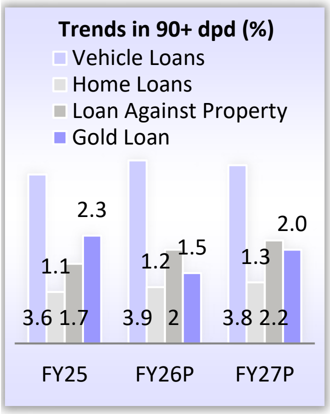
Outlook on the overall NBFC sector

- India's NBFC ecosystem is entering a phase of high growth and heightened discipline, supported by robust macro fundamentals, policy tailwinds, and broad-based balance-sheet strength. The NBFC sector's AUM is projected to compound at 18-19% over FY26-27, taking the NBFC book beyond INR50t by Mar'27.
- Over FY15-25, NBFC AUM expanded at ~14% (closer to 18%, excluding the COVID period). However, over FY25-27, growth is expected to increasingly diverge across asset classes, shaping competitive dynamics and strategic positioning among lenders.
- The operating environment remains favorable, underpinned by GST rationalization, contained inflation, improving rural income, and the onset of monetary easing, albeit with incomplete rate transmission. Simultaneously, the sector is contending with rising customer leverage, uneven asset-quality trends across granular retail products, and intensifying competition on both the asset and liability sides.
- Asset quality is likely to remain range-bound across major lending segments, though select pockets continue to show vulnerability. Delinquencies have inched up in vehicle finance and small-ticket MSME loans, while microfinance, despite recent gains, remains a segment to monitor. Early stress is visible in small-ticket products, reinforcing the need for sharper underwriting and more proactive portfolio surveillance.
- Profitability is expected to remain robust, albeit with some moderation, as credit costs rise from their cyclical lows. Return on managed assets (RoMA) is expected to remain close to 2.5% in FY26P before tapering to ~2.4% in FY27P, as the benefit of lower rates is partly offset by a normalization of credit costs. Overall, earnings strength remains solid, supported by strong capitalization and liquidity buffers, though meaningful upside appears capped by asset-quality mean reversion and continued competitive pressure on pricing.
- **The NBFC sector is positioned for its strongest growth phase in a decade. However, the next phase will not reward AUM expansion alone. Investors are likely to prioritize NBFCs that will: 1) grow within risk appetite, not ahead of it; 2) diversify liabilities early, not reactively; and 3) scale analytics & data science across the lifecycle.**

NBFC sector to grow at 18-19% over the next two years

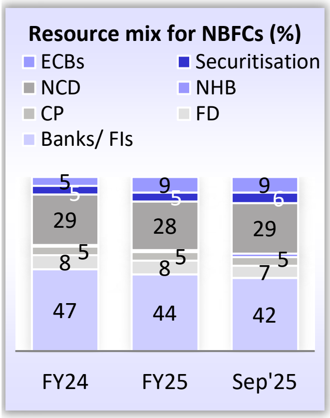


Asset quality pressure present across all segments in FY26, except for gold



Research Analyst: Abhijit Tibrewal (Abhijit.Tibrewal@MotilalOswal.com) | **Nitin Aggarwal** (Nitin.Aggarwal@MotilalOswal.com)
Research Analyst: Raghav Khemani (Raghav.Khemani@MotilalOswal.com) | **Pranav Nawale** (Pranav.Nawale@MotilalOswal.com)

Resource mix for NBFCs (%)



Mortgage Finance: Steady growth amid rising competitive pressure

- India's mortgage finance sector is entering a steadier but more competitive phase, with long-term housing demand keeping growth healthy at 18-19% annually toward a nearly INR20t book by FY27.
- Growth is becoming increasingly polarized: prime salaried lenders with strong liabilities are likely to grow in line with the system, while affordable HFCs should continue to expand faster, despite a recent moderation, driven by changes in disbursement recognition practices, tighter credit discipline, and talent shortages. Home loans will remain the largest segment but are expected to gradually lose share as LAP and affordable housing grow more rapidly, supported by deeper non-metro penetration.
- Competition, especially from PSU banks, has intensified, pressuring pricing and driving record levels of balance transfers. This, in turn, has weighed on margins, though this may stabilize by FY26-end. Asset quality is showing early signs of stress in small-ticket loans due to seasoning and borrower pressure, with NPAs expected to inch up through FY27.
- Overall, while the mortgage finance sector retains a strong long-term growth runway, the operating environment is becoming increasingly competitive and risk-sensitive. Margin pressures, portfolio seasoning, rising small-ticket stress in LAP, and evolving funding structures will be key variables influencing performance over the next two to three years.

Vehicle Finance: Balancing core strength with diversification into newer segments

- India's vehicle financing sector is set for steady expansion, with AUM expected to grow 16-17% annually, supported by stronger vehicle sales, GST-led affordability gains, healthier rural incomes, and rising consumption. Used vehicle finance continues to outpace new vehicle loans, driven by better risk-adjusted returns and increasing customer acceptance, emerging as a major growth engine.
- Demand remains firm across segments, with PVs showing the strongest post-GST momentum, CVs expected to grow ~3-4%, and tractors ~8-10%, driving overall vehicle finance AUM toward INR11t by FY27. The portfolio mix is shifting as cars/UVs gain share and lenders diversify into home loans, LAP, MSME, and unsecured products, thus reducing cyclicality.
- Asset quality remains broadly stable, though early delinquencies have ticked up, with 90+dpd expected to rise modestly this year before improving as macros strengthen. Profitability may soften slightly due to higher credit costs, but NIMs are likely to hold steady and opex contained, keeping RoMA around ~2.3% this year, with recovery expected next year. Overall, strong demand, rising used-vehicle penetration, and continued diversification position the sector for sustained and balanced growth despite near-term delinquency pressures.

Specialized lenders: Growth moderates as risk curves steepen

- The specialized NBFC segment has been one of the fastest-growing areas of the NBFC landscape, doubling its share of system AUM by focusing on underpenetrated niches such as affordable housing, personal loans, MSME finance, and education loans.

- However, growth is now entering a more moderate and risk-disciplined phase as delinquencies rise in select pockets, particularly unsecured MSME loans, while secured MSME portfolios are showing early-bucket stress. Secured MSME lending has expanded sharply in recent years, but is likely to slow amid tighter underwriting, with early delinquencies rising and profitability pressured by margin contraction.
- Personal loans, after a period of hyper-growth, are normalizing, with early buckets stabilizing and portfolios rebalancing toward higher-ticket customers. Profitability is expected to gradually improve as credit costs stabilize.
- Education loans remain the most resilient segment, with strong yields, low credit cost volatility, and stable asset quality despite recent visa-related growth moderation.
- Overall, the segment has a strong long-term potential but is clearly transitioning into a phase that demands sharper segmentation, disciplined growth, and tighter risk management.

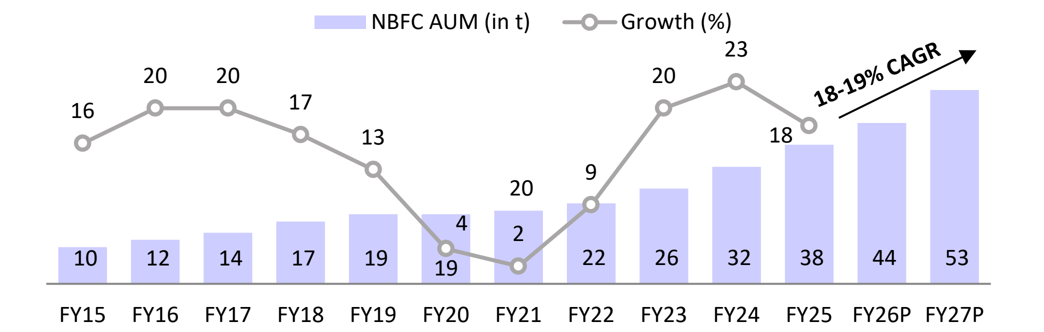
Exhibit 1: Trends in individual product segments

Lending Segment	Trend	Key Insight
Vehicle	Steady	❖ Benefiting from consumption and GST rate cuts; early-bucket delinquencies inching up
Home	Marginal moderation	❖ Still the most resilient product; continues to deliver the best asset quality
Gold	Strong acceleration	❖ Counter-cyclical + easy liquidity → fastest AUM growth over the next two years
LAP / Secured MSME	High momentum	❖ Small-ticket LAP vulnerable; large-ticket remains strong
Wholesale	Recovery underway	❖ Capex cycle aiding growth selectively
Unsecured (PL & Business)	Selective growth	❖ Peak stress FY24–FY25; growth continues but with sharper risk filters
Microfinance	Normalization after the FY24 spike	❖ Discipline returning; lower growth outlook near term

Exhibit 2: Panel discussion – Standout insights

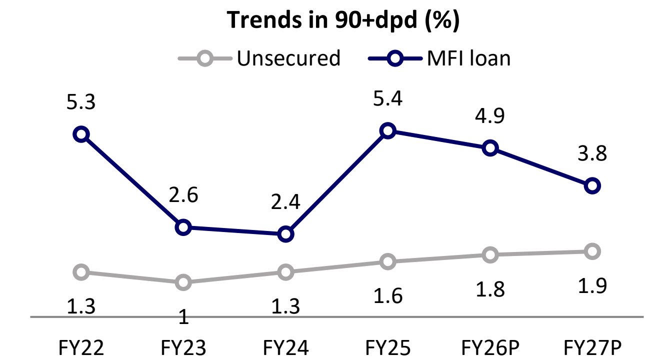
Institution	Strategic Posture	Standout Insight
Tata Capital	Growth with risk discipline	❖ Optimistic on demand; expects capex and industrial growth to cascade into MSME credit; highlighted the need for liability diversification
L&T Finance	Retail pivot execution	❖ After a tough FY24, growth revival underway across MFI and tractor; selective in small-ticket LAP and CV
IIFL Finance	Multi-product retail scaling	❖ Sees rapid demand normalization in gold and MSME; believes competition in gold is manageable, given the large unmet market
Muthoot Finance	Gold leadership	❖ Gold demand increases as borrowers shift from unsecured credit following funding tightening; strong retention due to ops and customer proximity
Muthoot Fincorp	Gold + MSME focus	❖ Market expansion across semi-urban/rural; sees long runway for secured borrowing products beyond gold

Exhibit 3: NBFC sector to grow at 18-19% over the next two years



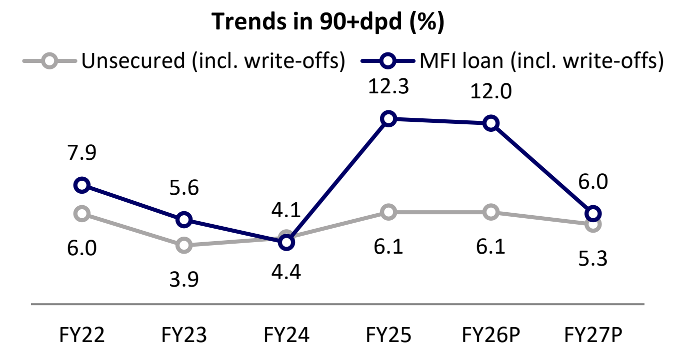
Source: CRISIL, MOFSL

Exhibit 4: 90+dpd to ease in unsecured and MFI loans in FY26/FY27E



Source: MOFSL, CRISIL

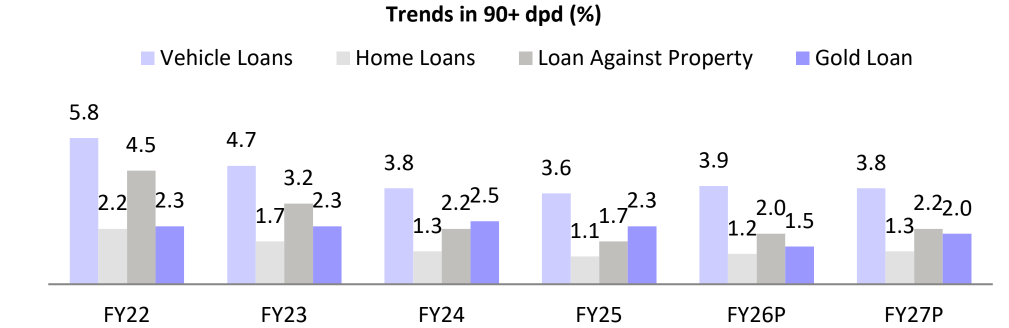
Exhibit 5: 90+dpd (incl. write-offs) to remain elevated in FY26 and start moderating from FY27 onwards



Source: MOFSL, CRISIL

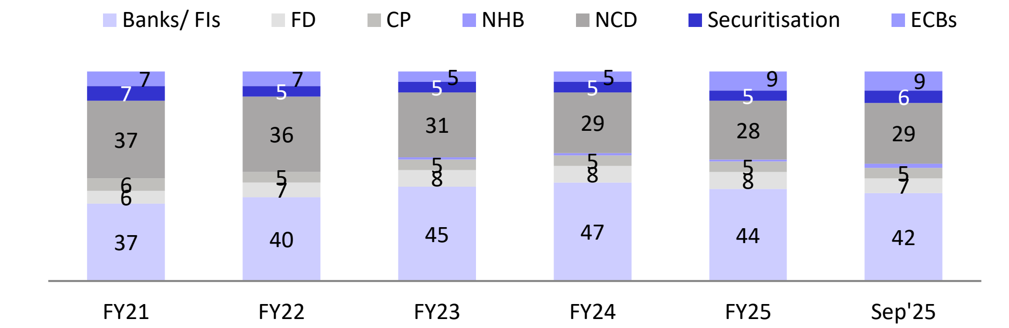
Note: Unsecured loans include consumer loans, business loans to MSMEs, and credit card receivables

Exhibit 6: Asset quality pressure present across all segments in FY26, except for gold



Note: LAP includes secured MSME; Source: MOFSL, CRISIL

Exhibit 7: Resource mix for NBFCs (%)



Source: MOFSL, CRISIL

Mortgage Finance: Steady growth amid rising competitive pressure

- India's mortgage finance industry is entering a phase of stable but more disciplined growth, supported by structural housing demand yet challenged by pricing aggression, portfolio seasoning, and evolving risk dynamics. Mortgage penetration remains low at roughly 16.6% of GDP, and sector AUM is expected to grow at about 18-19% annually, taking the overall mortgage book to nearly INR20t by FY27.
- Growth trajectories across NBFCs and HFCs remain closely tied to liability strength and the ability to self-fund expansion. Players operating in the most prime salaried segments with deep bank integration or AAA ratings are likely to grow in line with system averages. In contrast, affordable housing lenders continue to benefit from base effects, enabling significantly faster percentage growth.
- Home loans will continue to be the largest segment, though their share within total mortgages is likely to decline from 59% in Mar'25 to ~54% by Mar'27, reflecting faster expansion in LAP and affordable housing. Disbursement trends indicate continued deepening in non-metro and rural markets, with nearly half of new loans directed toward self-construction and resale properties.
- Affordable housing finance, which grew 31% in FY24, is expected to moderate to ~20-21% growth, though the long-term opportunity remains intact. The share of affordable HFCs in the mortgage pool is projected to rise to 25% by FY27 from 17% in FY21, driven by strong demand in lower-ticket segments and expanding reach of specialized lenders.
- The moderation in affordable housing growth appears largely driven by internal industry factors rather than external constraints. In the panel discussion, the lenders highlighted that the shift from booking-based to handover-based disbursement recognition has reduced reported growth by 5-7%. Additionally, sector-wide credit challenges have pushed many players to temper disbursements and refocus on collection efficiency. A significant talent shortage in sales and credit roles has further slowed expansion.
- Competitive intensity has increased materially in the prime salaried home-loan market, with public sector banks aggressively gaining share through sharper pricing. The share of home loans with interest rates below 9% has significantly increased, reaching ~63% as of Mar'25, compared to ~46% as of Mar'24. This competition has resulted in a 40% increase in balance transfers in the current fiscal year. Margins are set to soften this year but should stabilize and recover to some extent in FY26 as funding and rate conditions settle. Sector-wide RoMA is likely to hold steady at 2% for FY26-27.
- Asset quality is showing early signs of pressure, especially in small-ticket loans. The lagged NPA for home loans is projected to rise from 3.1% in Mar'25 to about 3.7% by Mar'27. Nearly two-thirds of lenders in the sub-INR1.5m ticket segment saw NPA deterioration between Mar'24 and Mar'25, driven by seasoning effects, elevated borrower stress, and overlaps with microfinance customer profiles. Both home loan and LAP NPAs are expected to edge up, calling for tighter underwriting, stronger borrower segmentation, and closer portfolio monitoring. Performance of small-ticket loans will remain a critical watchpoint over the medium term.
- Nearly two-thirds of lenders in the sub-INR1.5m ticket segment have reported NPA deterioration over the last year due to seasoning effects, higher borrower stress, and overlaps with microfinance borrower segments. Slippages are expected to rise in both home loan and LAP books, underscoring the need for

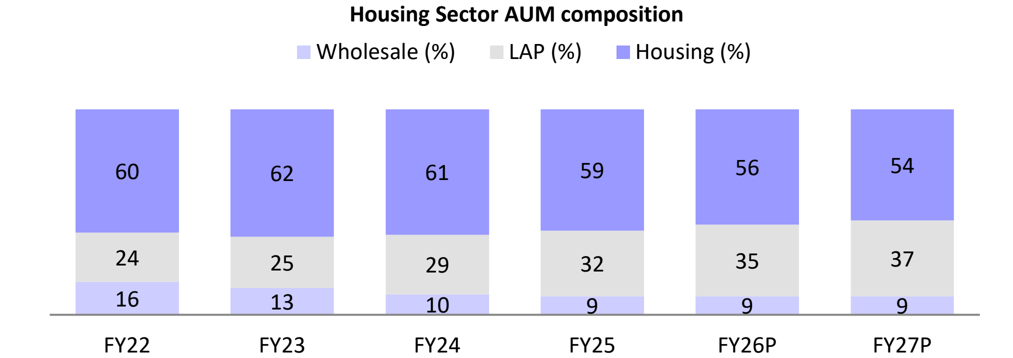
sharper underwriting, deeper borrower segmentation, and closer monitoring. Lenders also noted signs of overheating in the sub-INR5m segment, where repayment capacity is becoming increasingly stretched.

Evolving Business Models:

- Developer Finance is unlikely to return to its previous role as the primary 'profit balancer' for mortgage-focused NBFCs. This segment has largely shifted to alternative investment fund (AIF) platforms.
- Dual Licenses (HFC/NBFC) provide benefits by allowing dedicated teams and segment-specific focus, recognizing that the entities are often viewed as two separate industries despite increasing regulatory alignment.

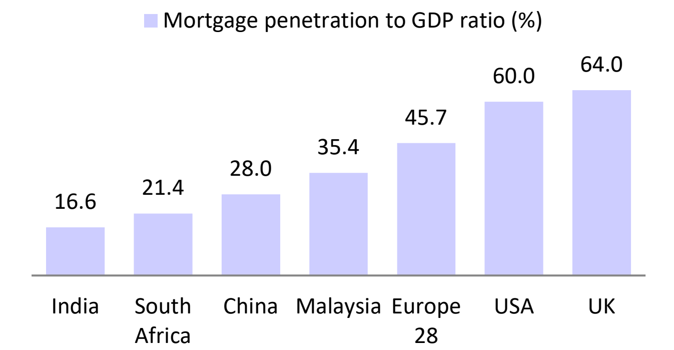
Overall, while the mortgage finance sector retains a strong long-term growth runway, the operating environment is becoming more competitive and risk-sensitive. Margin pressures, portfolio seasoning, rising small-ticket stress, and evolving funding structures will be key variables influencing performance over the next two to three years.

Exhibit 8: Home loans constitute the largest share of housing sector AUM, though their share is gradually declining due to strong LAP growth



Source: MOFSL, CRISIL

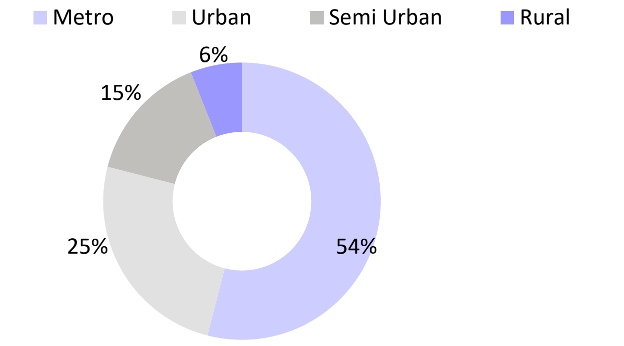
Exhibit 9: India's mortgage penetration is still low compared to many emerging markets



Source: MOFSL, CRISIL

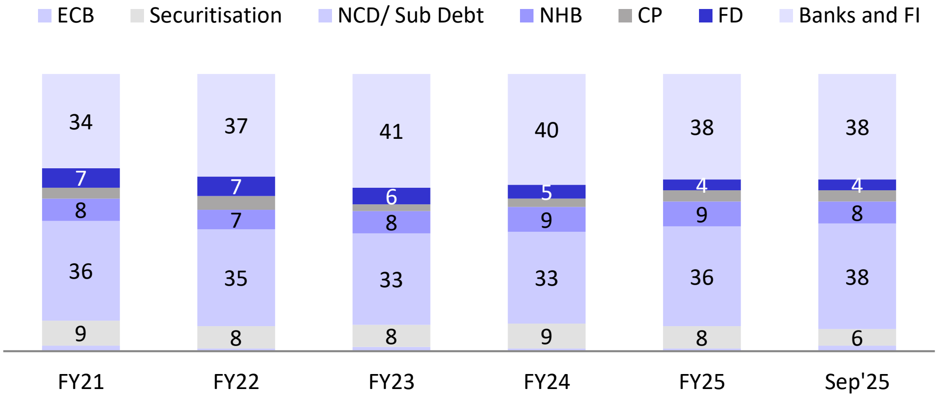
Note: As of CY17, Indian mortgage-to-GDP is for FY25; Europe 28, Malaysia, and UK as of Dec'18; Europe 28 includes 28 European Union members.

Exhibit 10: Bank portfolio geographical allocation (%)



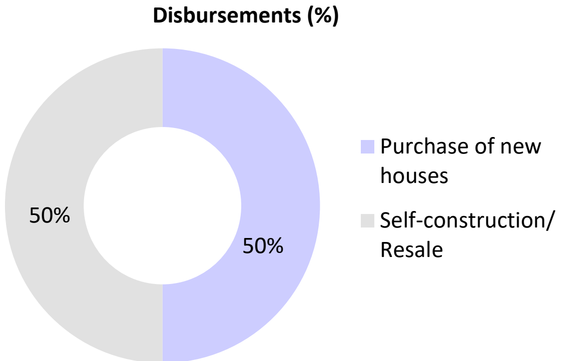
Source: MOFSL, CRISIL

Exhibit 11: Resource mix for HFCs (%)



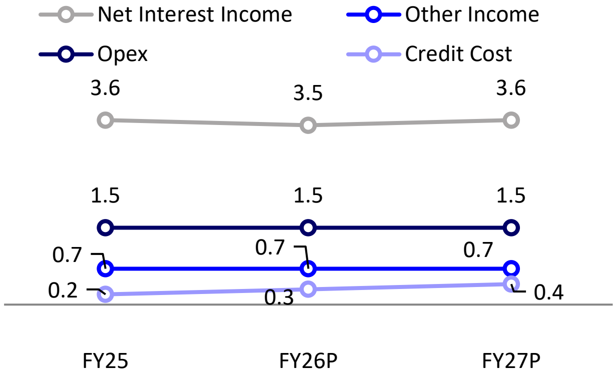
Source: MOFSL, CRISIL

Exhibit 12: ~50% of disbursements are toward self-construction/resale of properties



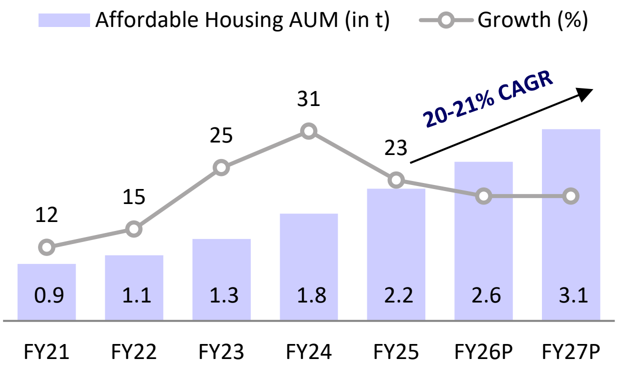
Source: MOFSL, CRISIL

Exhibit 13: Profitability parameters for HFCs (% of average managed assets)



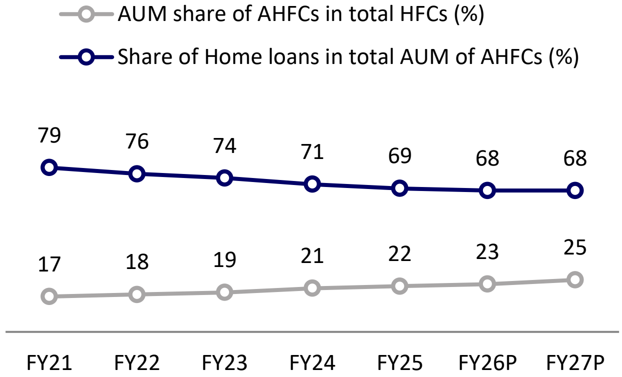
Source: MOFSL, CRISIL

Exhibit 14: Affordable housing growth to moderate to 20-21% from peak levels of 31% in FY24



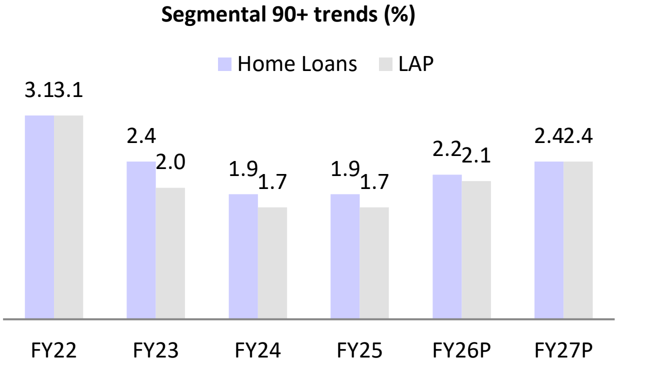
Note: Data for AHFCs is from the sample of 30 companies; Source: MOFSL, CRISIL

Exhibit 15: Share of AHFCs in overall HFC AUM gradually rising



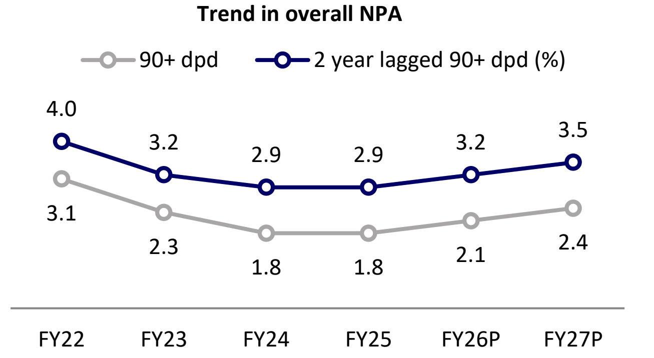
Source: MOFSL, CRISIL

Exhibit 16: 90+dpd to rise in FY26/FY27P



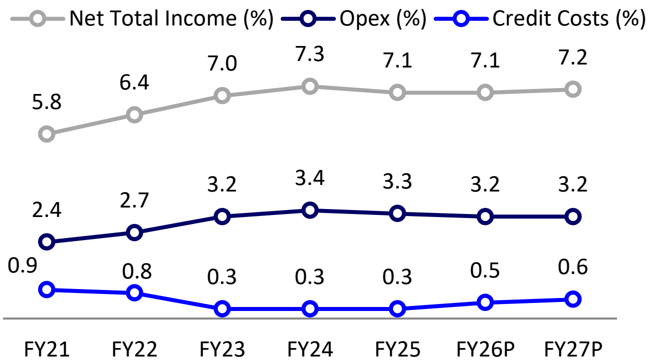
Source: MOFSL, CRISIL

Exhibit 17: Overall NPAs across the housing sector have inched up in FY26



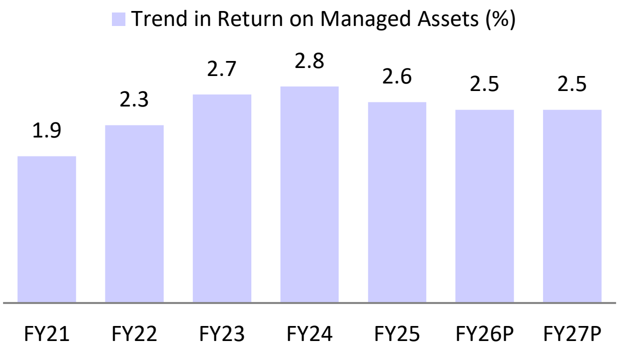
Source: MOFSL, CRISIL

Exhibit 18: Key metrics for HFCs (%)



Source: MOFSL, CRISIL

Exhibit 19: RoMA to decline in FY26/FY27 due to rising competition and increased delinquencies



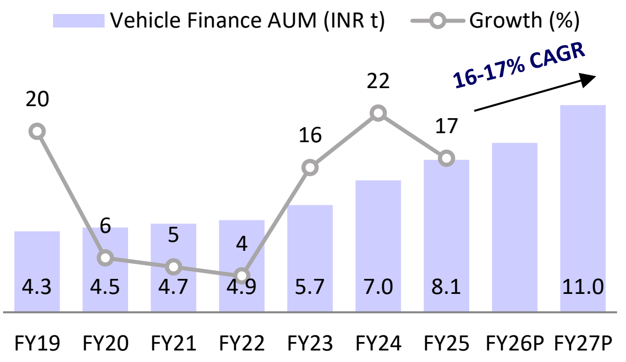
Source: MOFSL, CRISIL

Vehicle Finance: Balancing core strength with diversification into newer segments

- The vehicle financing sector is poised for sustained growth, with AUM projected to expand at ~16-17% annually over the next two years. This momentum is driven by a revival in vehicle demand, GST-led affordability gains, improving rural incomes, and a broader consumption uptick. Notably, used vehicle financing is outpacing new vehicle loans, supported by superior risk-adjusted returns and growing customer acceptance, making it a key contributor to overall portfolio expansion.
- PVs have gained the strongest traction post-GST cuts, with a clear pickup in demand in the second half of the year. CVs are expected to grow at ~3-4%, supported by improved infrastructure activity and healthy demand for used CVs. Tractor sales are poised for 8-10% growth, reflecting improved monsoon patterns and stable farm income. Overall vehicle finance AUM is projected to reach INR11t by Mar'27.
- A key structural trend shaping the industry is the faster growth of used vehicle financing relative to new vehicle financing. Almost all major lenders have seen their used vehicle portfolios expand more rapidly over the last five years, driven by higher customer acceptance, better formalization of the used vehicle market, and more favorable risk-adjusted returns.
- The portfolio composition is also evolving, with the share of cars and utility vehicles expected to increase from about 29% of total vehicle AUM to nearly ~37% by FY27. At the same time, vehicle financiers are steadily broadening their product mix beyond their traditional domain. The proportion of non-vehicle loans has risen from 19% in FY19 to around 23% in FY23, driven by growth in home loans, LAP, MSME credit, and unsecured products. This diversification is enabling lenders to smooth earnings and mitigate the cyclicality inherent in pure vehicle finance portfolios.
- Asset quality remains broadly stable, though early-bucket delinquencies have inched up in recent quarters. The 90+dpd bucket improved last year on the back of strong rollbacks, but is likely to rise modestly this fiscal, especially in commercial vehicle and two- and three-wheeler portfolios. A gradual improvement is expected next year as macro conditions strengthen.
- Profitability is expected to ease slightly this year, primarily due to higher credit costs, even as NIMs remain largely stable given the predominantly fixed-rate nature of vehicle loan portfolios. Operating expenses should remain well-contained, with scale benefits helping absorb the cost of diversification into new segments. Return on managed assets is likely to dip to around 2.3% this year, but should recover to ~2.4% next year as credit costs normalize.

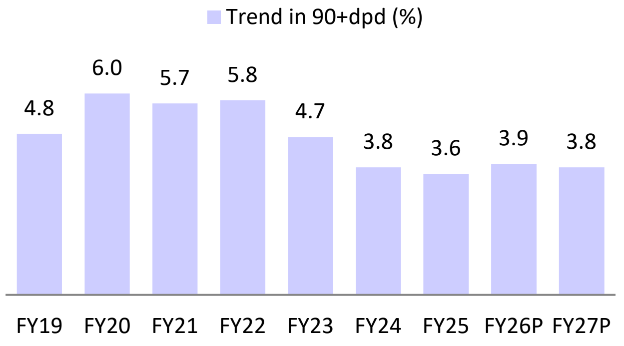
The sector is entering its next phase amid a supportive demand environment, increasing used-vehicle adoption, a robust rural recovery, and favorable policy tailwinds. Although delinquencies and credit costs require close attention, growth prospects remain strong, and profitability is expected to remain stable over the medium term. A mix of core vehicle finance strength and diversification into non-vehicle segments positions lenders for sustained, balanced expansion.

Exhibit 20: VF AUM to grow 16-17% over FY26-FY27



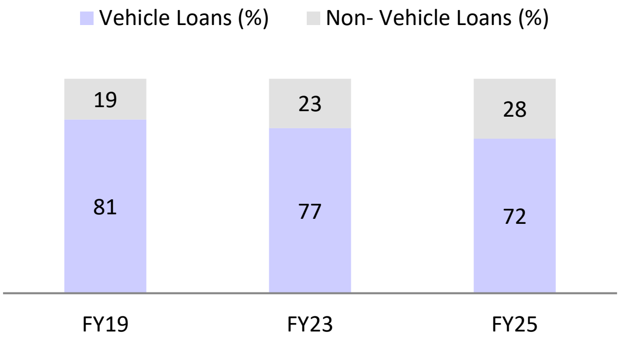
Source: MOFSL, CRISIL

Exhibit 21: 90+dpd expected to rise in FY26P



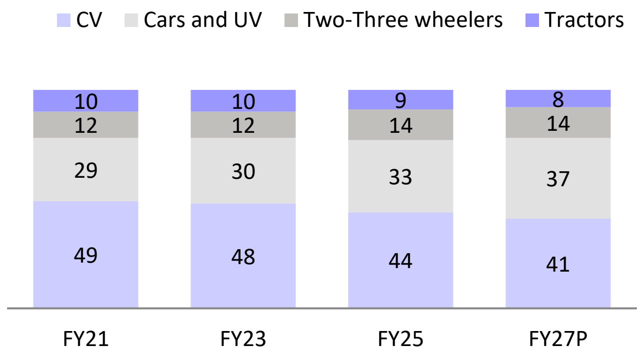
Source: MOFSL, CRISIL

Exhibit 22: VF: Mix of auto and non-auto loans (%)



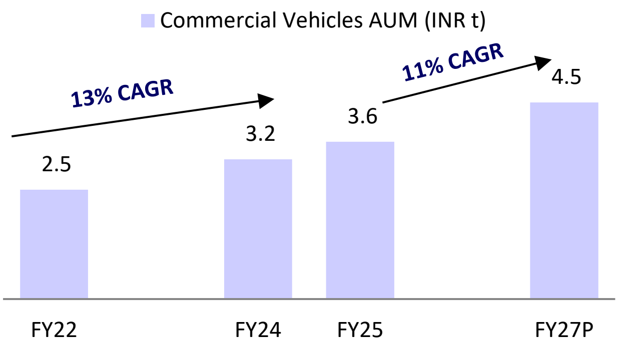
Source: MOFSL, CRISIL

Exhibit 23: AUM mix of vehicle financiers (%)



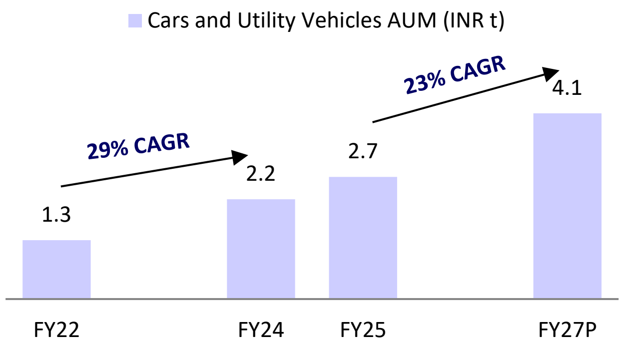
Source: MOFSL, CRISIL

Exhibit 24: CV loans AUM to post 11% CAGR from FY25-FY27P



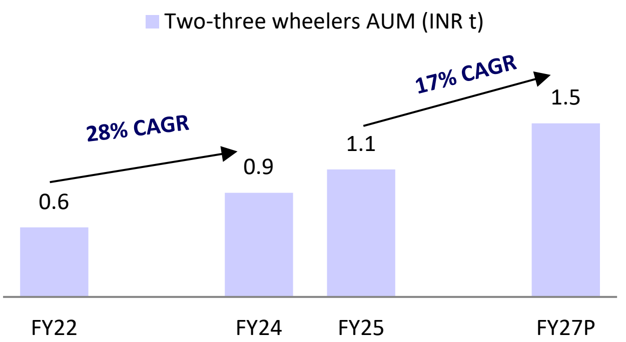
Source: MOFSL, CRISIL

Exhibit 25: Cars and UV AUM to post 23% CAGR from FY25-FY27P



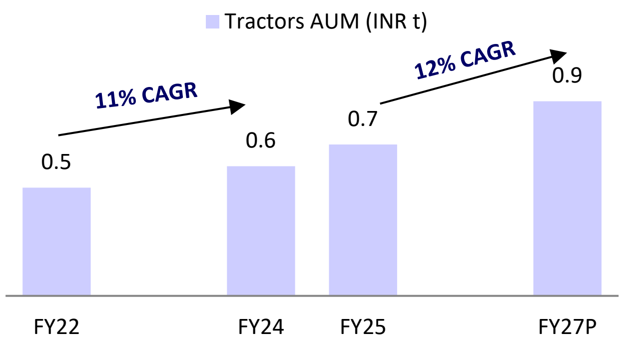
Source: MOFSL, CRISIL

Exhibit 26: 2W-3W loans AUM to post 17% CAGR from FY25-FY27P



Source: MOFSL, CRISIL

Exhibit 27: Tractor AUM to post 12% CAGR from FY25-FY27P

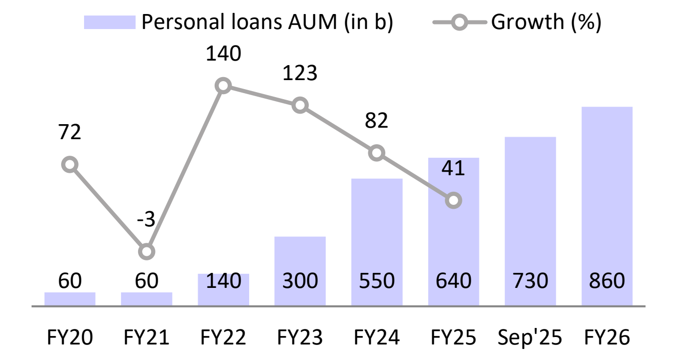


Source: MOFSL, CRISIL

Specialized lenders: Growth moderates as risk curves steepen

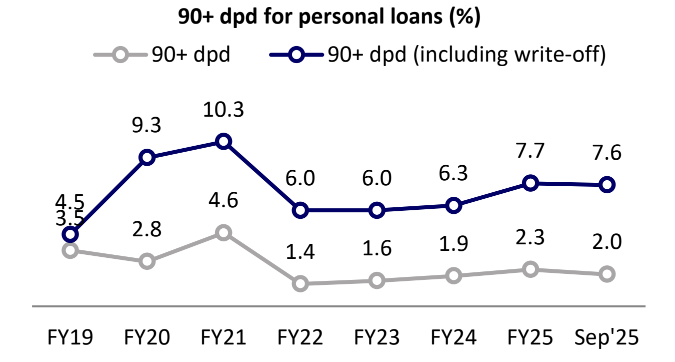
- The specialized NBFC segment, targeting niche or underpenetrated segments such as affordable housing, personal loans, MSME financing, and education loans, has been among the fastest-growing pockets of the Indian NBFC ecosystem over the past five years, doubling its share of total NBFC AUM.
- While growth remains positive, the sector is entering a more disciplined phase with moderated expansion, rising delinquencies in select segments, and the need for calibrated risk management. Asset quality stress is most visible in unsecured MSME loans, with secured MSME portfolios showing early-bucket pressure. Personal loan delinquencies are stabilizing, and funding remains largely reliant on banks and large NBFCs.
- **Secured MSME Segment:** The secured MSME segment, focused primarily on Tier-3/Tier-4 geographies and secured against residential or commercial property, has grown from INR100b in FY20 to INR650b in 1HFY26. While growth has been resilient, future expansion is expected to moderate due to a more conservative stance by lenders. Asset quality shows rising early-bucket delinquencies with 30+dpd at ~6.4% as of Sep'25 vs ~4.5% in Mar'24, though still below historical peaks. Profitability is likely to moderate in FY26 due to margin contraction and higher credit costs.
- **Unsecured MSME Segment:** Unsecured MSME loans, including business loans and supply chain finance, experienced rapid growth post-COVID, but have decelerated meaningfully over the past 18 months. In FY26, growth is expected to remain muted amid rising delinquencies. Asset quality pressures stem from higher borrower leverage and overlap with microfinance-like exposures.
- **Personal Loans:** Personal loans, primarily short-tenor (up to 12 months) and modest ticket sizes (INR50k–INR250k), drove the highest growth among specialized NBFCs (~75% CAGR over FY20-FY24). In FY25, the growth in this segment slowed due to regulatory interventions and more selective customer acquisition. Early-bucket delinquencies are stabilizing, although risk varies by ticket size and borrower profile. Loans below INR50k, previously 75% of portfolio, now form ~30%, reflecting portfolio rebalancing. Profitability is expected to recover gradually as credit costs stabilize and operational efficiencies improve.
- **Education Loans:** Education financing continues to benefit from rising tuition costs, increasing aspirations, and disciplined underwriting. Growth is moderating due to visa restrictions and policy tightening in the US (~30% drop in inflows) and Canada, prompting NBFCs to diversify toward the UK, Germany, and Ireland. Asset quality remains robust as ~85% of the portfolio is under moratorium; repayment history from alumni also supports performance. Profitability remains strong due to high yields and low credit cost volatility.

Exhibit 28: Personal loans: AUM growth (%)



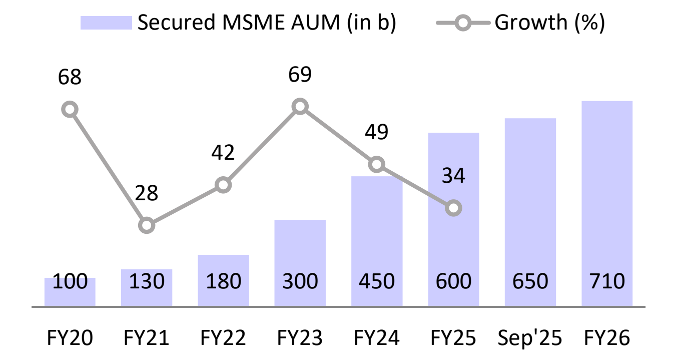
Source: MOFSL, CRISIL

Exhibit 29: Delinquencies in personal loans



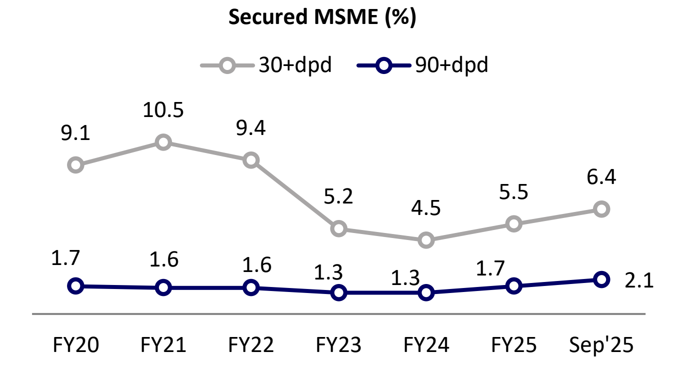
Source: MOFSL, CRISIL

Exhibit 30: Secured MSME: AUM growth (%)



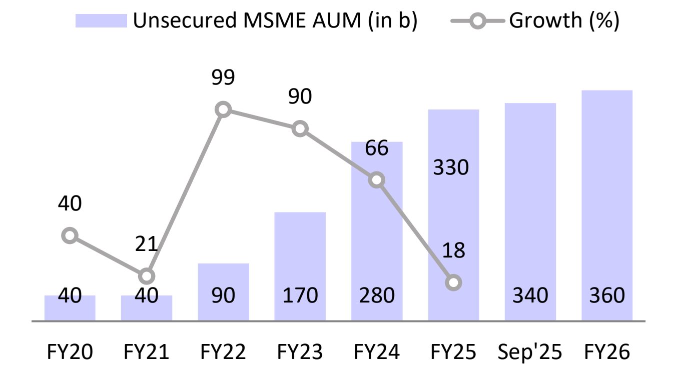
Source: MOFSL, CRISIL

Exhibit 31: Delinquencies in secured MSME book



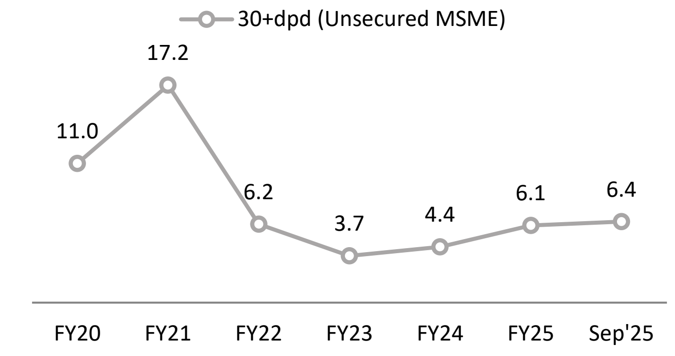
Source: MOFSL, CRISIL

Exhibit 32: Unsecured MSME: AUM growth (%)



Source: MOFSL, CRISIL

Exhibit 33: Delinquencies in unsecured MSME book (%)



Source: MOFSL, CRISIL

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 be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 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

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

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

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

For Singapore

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

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

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: No.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

****

The associates of MOFSL may have:
- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

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

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, 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.