



The Eagle Eye – January 2026

Indian market manages double-digit gain in volatile CY25

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

CONTENTS

GLOBAL MARKETS

- ❖ India posts gains but lags global peers in CY25, remains among the top performers in the decade
- ❖ Global interest rate easing cycle near its end
- ❖ Gold and silver glitter through the year

DOMESTIC MARKETS

- ❖ Nifty-50 clocks 10th consecutive year of positive return
- ❖ The outperformers and underperformers of the Nifty-50 over the past decade
- ❖ Market breadth flips: Strong CY24 participation gives way to CY25 correction
- ❖ India VIX hits historic low amid market consolidation

FLOWS AND VOLUMES

- ❖ Historic divergence: Record DII inflows and FII outflows in CY25
- ❖ Average daily cash volumes decline; F&O volumes dip MoM
- ❖ Forex reserves near all-time highs; INR further dips MoM

KEY RESEARCH REPORTS

- ❖ Initiating coverages on:
 - Healthcare | BPO
 - Arvind Fashions
 - Astra Microwave Products
 - Crompton Greaves
 - Aditya Birla Real Estate
 - FSN E-Commerce Ventures
 - Midwest
 - Zydus wellness
- ❖ India Strategy: Fundraising'24-25: Bigger, broader, and still accelerating!

MULTI-YEAR HIGHS/LOWS

- ❖ India-developed market yield spreads at a multi-year low
- ❖ PSUs scale up as segment leadership changes
- ❖ Record-high domestic flows and equity fundraising
- ❖ Stable SIP momentum supports record MF AUM growth

VALUATIONS

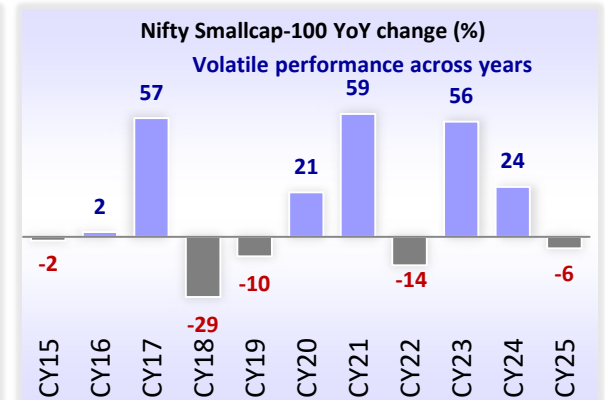
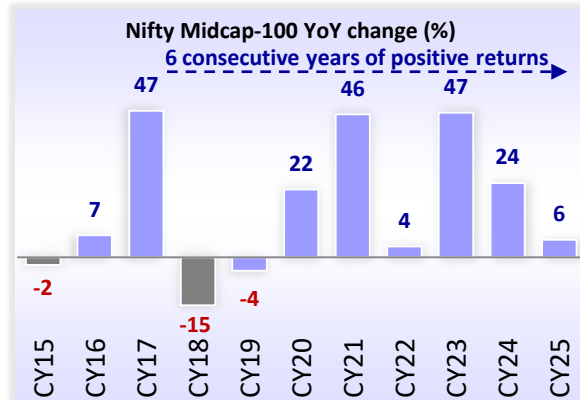
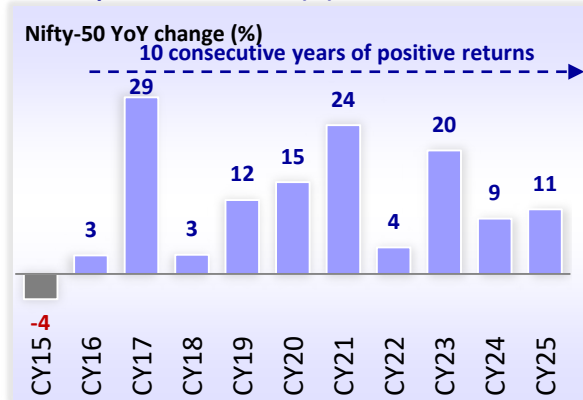
- ❖ Large-cap valuations hover near average; SMID valuations remain elevated
- ❖ Private banks the only sector trading below their average valuations
- ❖ India's market cap-to-GDP ratio remains elevated

A view from the EAGLE'S EYE!

KEY EXHIBITS Nifty-50 posts gains for 10th consecutive year

- ❖ Indian equity markets delivered yet another year of positive returns despite a highly volatile environment. In CY25, the Nifty 50 rose 11% YoY, while the Nifty Midcap-100 gained 6% YoY. In contrast, the Nifty Smallcap-100 declined 6% YoY.
- ❖ Given the year of consolidation, returns remained well below the 3-, 5-, and 10-year CAGR.

Indices performance YoY (%)



Trends in Nifty indices' performances (%) — Sharp reversions to the mean clearly visible in their annual performance. CY25 returns were well below 3-, 5- and 10-year CAGR across indices

Year	Nifty-50 Closing	CAGR (%)				Nifty Midcap 100 Closing	CAGR (%)				Nifty Smallcap 100 Closing	CAGR (%)			
		1yr	3yrs	5yrs	10yrs		1yr	3yrs	5yrs	10yrs		1yr	3yrs	5yrs	10yrs
Dec-14	8,283	31	21	10	15	12,584	56	27	11	15	5,273	55	25	9	15
Dec-15	7,946	-4	10	5	11	13,397	6	16	9	13	5,653	7	15	7	10
Dec-16	8,186	3	9	12	8	14,351	7	21	19	11	5,781	2	19	16	6
Dec-17	10,531	29	8	12	6	21,134	47	19	20	9	9,093	57	20	20	5
Dec-18	10,863	3	11	11	14	17,876	-15	10	17	17	6,449	-29	4	14	14
Dec-19	12,168	12	14	8	9	17,103	-4	6	6	9	5,835	-10	0	2	5
Dec-20	13,982	15	10	12	9	20,843	22	0	9	9	7,088	21	-8	5	6
Dec-21	17,354	24	17	16	14	30,443	46	19	16	17	11,289	59	21	14	15
Dec-22	18,105	4	14	11	12	31,509	4	23	8	14	9,731	-14	19	1	10
Dec-23	21,731	20	16	15	13	46,182	47	30	21	19	15,144	56	29	19	16
Dec-24	23,645	9	11	14	11	57,199	24	23	27	16	18,769	24	18	26	14
Dec-25	26,130	11	13	13	13	60,485	6	24	24	16	17,714	-6	22	20	12

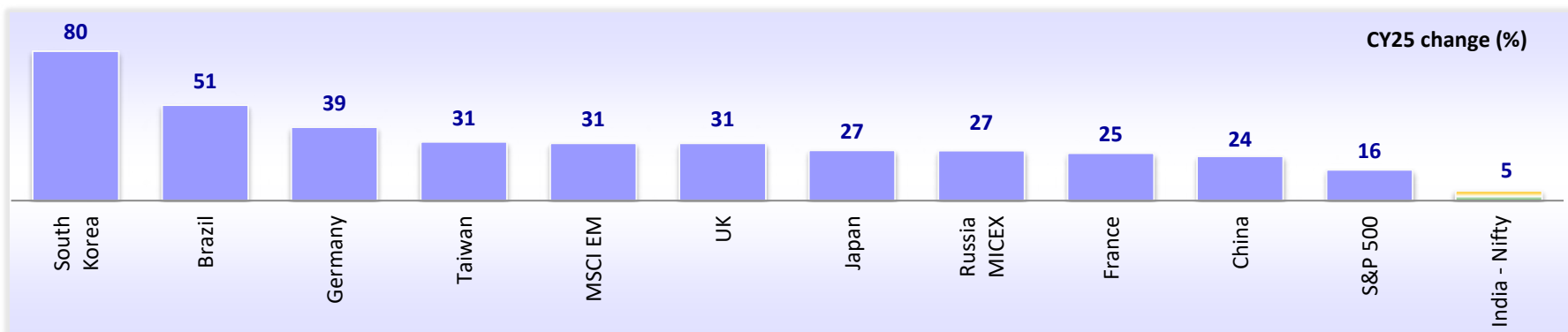
KEY EXHIBITS India lags global peers in CY25, remains among the top performers in the decade

- ❖ While India outperformed most global markets on 5- and 10-year CAGR, it was the weakest among most global markets in CY25. Sharp INR depreciation further weighed on USD-denominated returns for Indian equities.
- ❖ South Korea, Brazil, Germany and Taiwan emerged as the best-performing markets during the year.

Global market cap rank and growth

Country	Mkt Cap Rank						Mcap (USD T)	CY25 YoY Chg (%)	CY25 CAGR (%)	
	CY05	CY10	CY15	CY20	CY24	Dec-25			5 Year	10 Year
United States	1	1	1	1	1	1	72.1	16	11	12
China	18	5	2	2	2	2	13.4	34	4	7
Japan	2	2	3	3	3	3	7.7	20	2	4
Hong Kong	5	4	4	4	4	4	7.3	30	2	6
India	14	8	10	8	5	5	5.3	3	16	13
Canada	7	6	8	7	6	6	4.2	36	10	10
United Kingdom	3	3	5	5	7	7	3.9	27	3	1
France	4	7	6	6	8	8	3.6	23	4	6
Taiwan	15	15	13	12	9	9	3.3	31	13	14
Germany	6	9	7	9	10	10	3.1	29	4	5
South Korea	11	13	11	10	13	11	2.7	77	5	8
Switzerland	9	12	9	11	11	12	2.6	30	5	5
Australia	10	10	12	13	12	13	1.9	19	3	6
Sweden	17	18	14	14	15	14	1.3	32	3	7
Spain	13	16	15	17	17	15	1.3	62	13	7
Netherlands	19	25	20	15	16	16	1.3	30	5	12
Italy	8	17	16	19	20	17	1.1	57	12	7
Indonesia	39	23	26	22	18	19	0.9	25	14	10
Russia	12	14	22	20	22	20	0.9	51	8	9

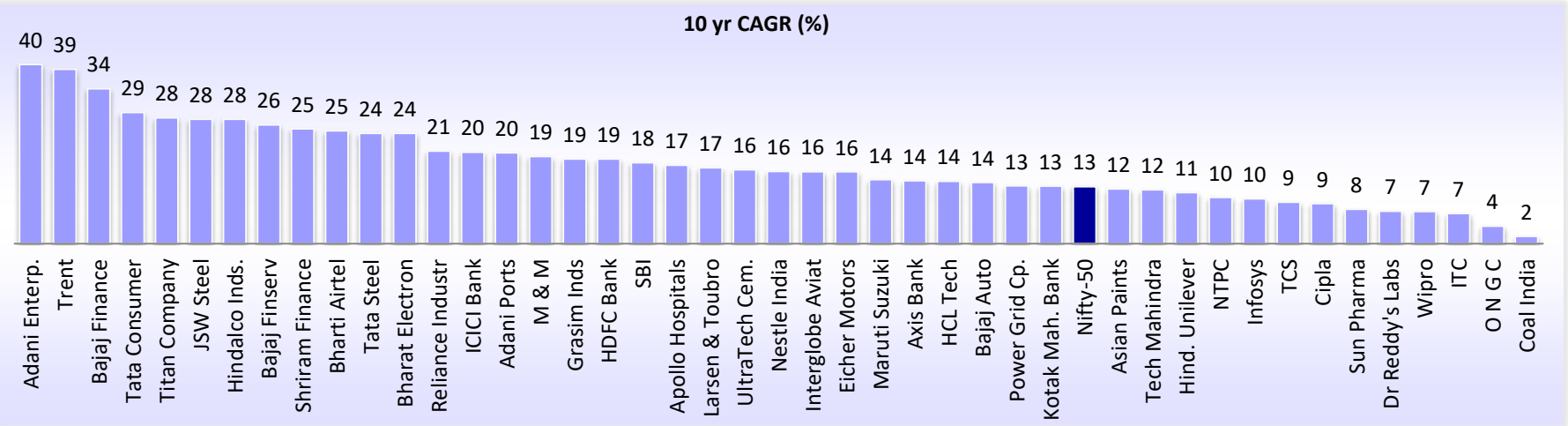
CY25 performance of global equity indices in USD terms (%)



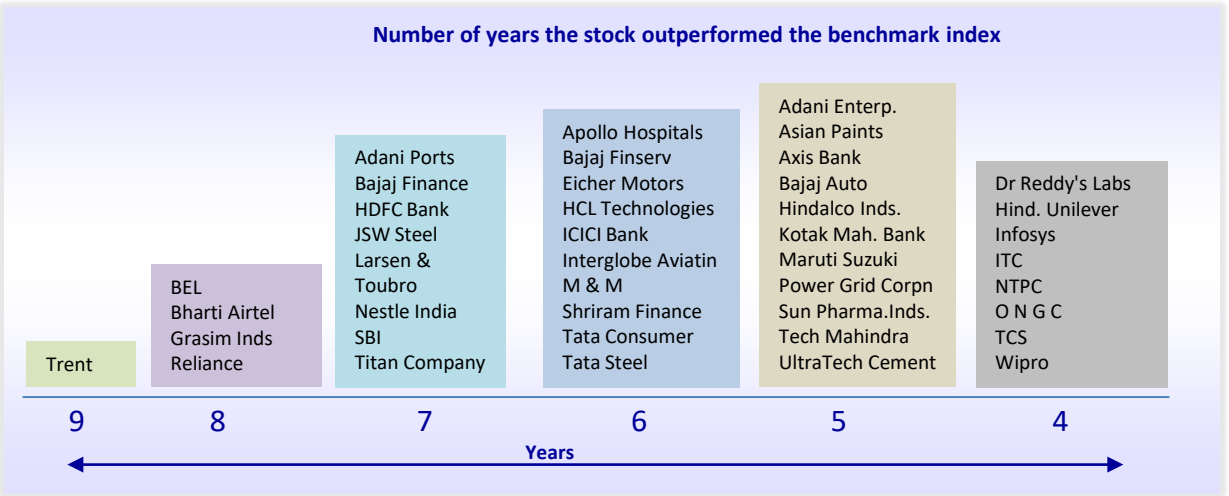
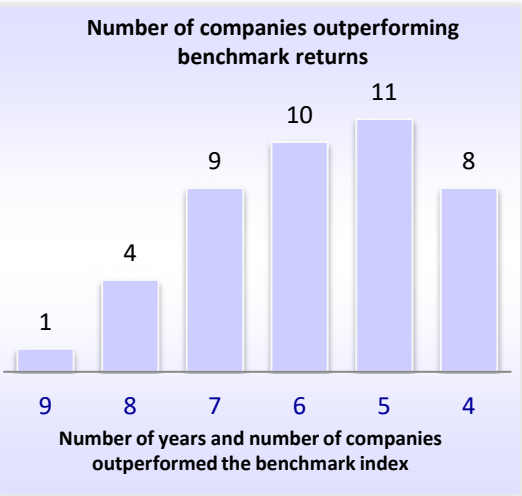
KEY EXHIBITS The outperformers and underperformers of the Nifty-50 over the past decade

❖ About 31 companies have outperformed the Nifty-50 on a 10-year CAGR basis.

Adani Enterprises, Trent and Bajaj Finance were the best-performing Nifty stocks over the past decade



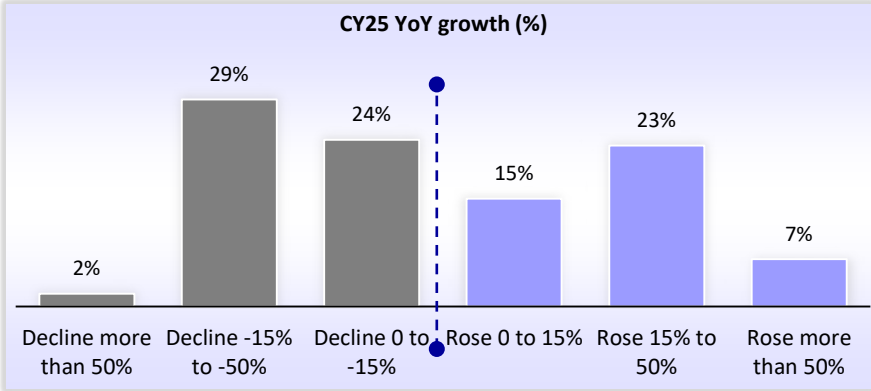
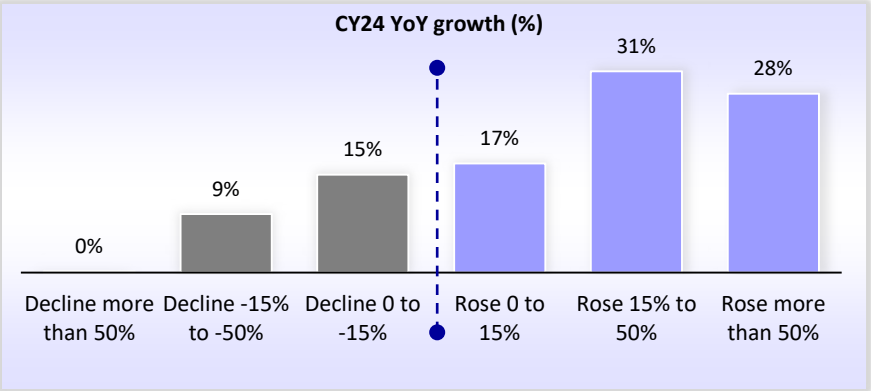
About 35 companies have outperformed the Nifty-50 index for five and more years over the past decade



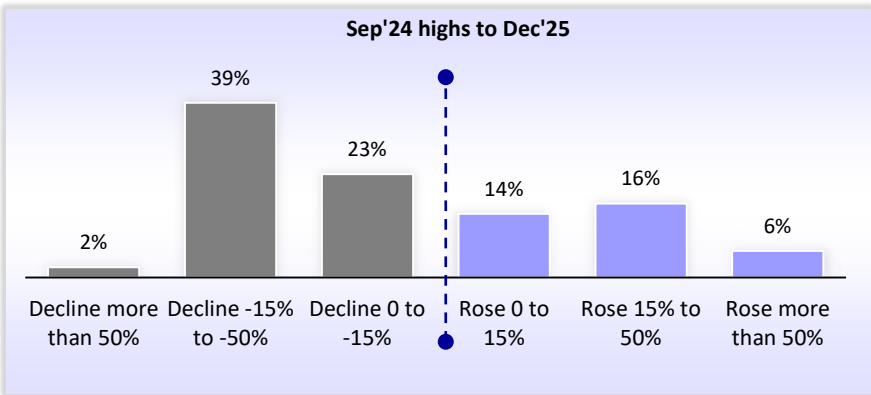
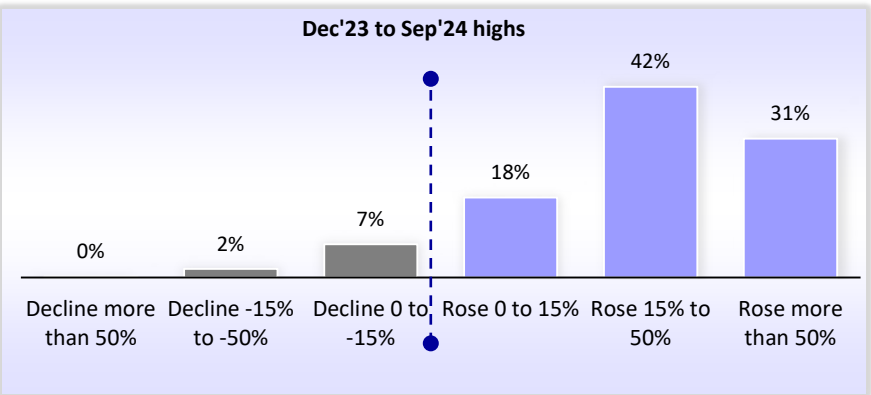
KEY EXHIBITS Market breadth flips: Strong CY24 participation gives way to CY25 correction

- ❖ One year of market consolidation and correction in broader markets has resulted in a sharply divergent picture of stock performance over the past two years, particularly when viewed relative to their respective highs.
- ❖ While about 76% of Nifty-500 constituents rose in CY24, nearly 55% posted declines in CY25.
- ❖ Similarly, although 73% of stocks gained more than 15% between Dec'23 and Sep'24, only 22% delivered gains above 15% between Sep'24 and Dec'25, highlighting the sharp shift in market breadth and momentum.

Nifty-500 stock performance distribution: CY24 vs. CY25



Nifty-500 stock performance distribution: Dec'23 to Sep'24 highs vs. Sep'24 highs to Dec'25

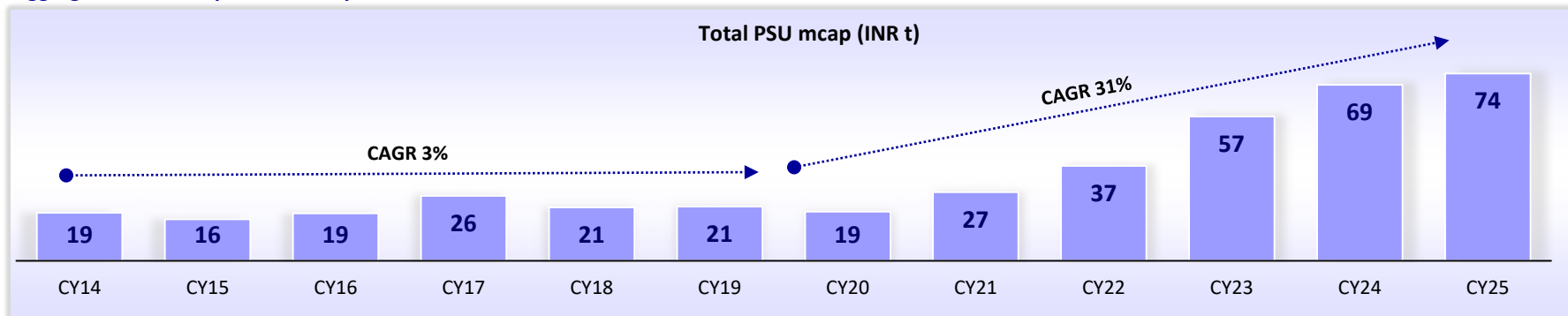


Note - The analysis considers Nifty-500 constituents across the period

KEY EXHIBITS PSUs scale up as segment leadership changes

- ❖ Indian public sector undertakings (PSUs) have witnessed a significant increase in market capitalization over the past decade, rising 4.5x to ~INR74t by 2025. Most of this expansion has occurred since 2020, with PSU market capitalization growing 3.8x over the past five years.
- ❖ The evolving PSU landscape has also led to a notable reshuffling among the top 10 PSUs and across sectors. While commodities dominated PSU market capitalization in 2015, Financials and Defense have emerged as the leading sectors by 2025, with commodities slipping down the rankings. Notably, the top three PSUs by market capitalization, SBI, LIC, and NTPC, now together account for more market value than the entire PSU market capitalization in 2015.

Aggregate market cap of PSU companies



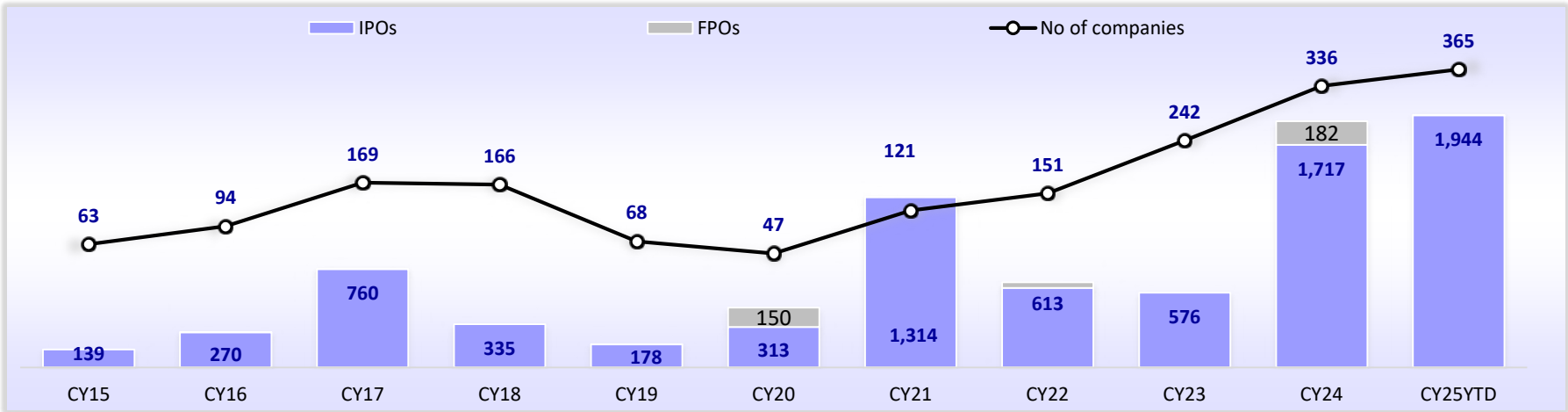
Top 10 PSU market cap trend

2015				2020				2025			
PSU	Sector	Mcap (INR t)	Contrib. (%)	PSU	Sector	Mcap (INR t)	Contrib. (%)	PSU	Sector	Mcap (INR t)	Contribution (%)
Coal India	Mining	2.1	13%	SBI	Banks	2.5	15%	SBI	Banks	9.1	12%
ONGC	O&G	2.1	13%	ONGC	O&G	1.2	7%	LIC	Insurance	5.4	7%
SBI	Banks	1.7	11%	Power Grid Corp	Power	1.0	6%	NTPC	Power	3.2	4%
NTPC	Power	1.2	7%	NTPC	Power	1.0	6%	ONGC	O&G	3.0	4%
IOC	O&G	1.0	6%	SBI Life Ins.	Insurance	0.9	6%	HAL	Defence	2.9	4%
Power Grid Corp	Power	0.7	5%	IOC	Refineries	0.9	5%	BEL	Defence	2.9	4%
BPCL	O&G	0.6	4%	Coal India	Mining	0.8	5%	Coal India	Mining	2.5	3%
GAIL (India)	O&G	0.5	3%	BPCL	O&G	0.8	5%	Power Grid Corp	Power	2.5	3%
BHEL	Capital Goods	0.4	3%	SBI Cards	Finance	0.8	5%	IOC	O&G	2.4	3%
Bank of Baroda	Banks	0.4	2%	GAIL (India)	O&G	0.6	3%	SBI Life Ins.	Insurance	2.0	3%
Others		5.5	34%	Others		9.0	46%	Others		37.1	50%
Total PSUs (85)		16.3		Total PSUs (104)		19.3		Total PSUs (117)		73.7	

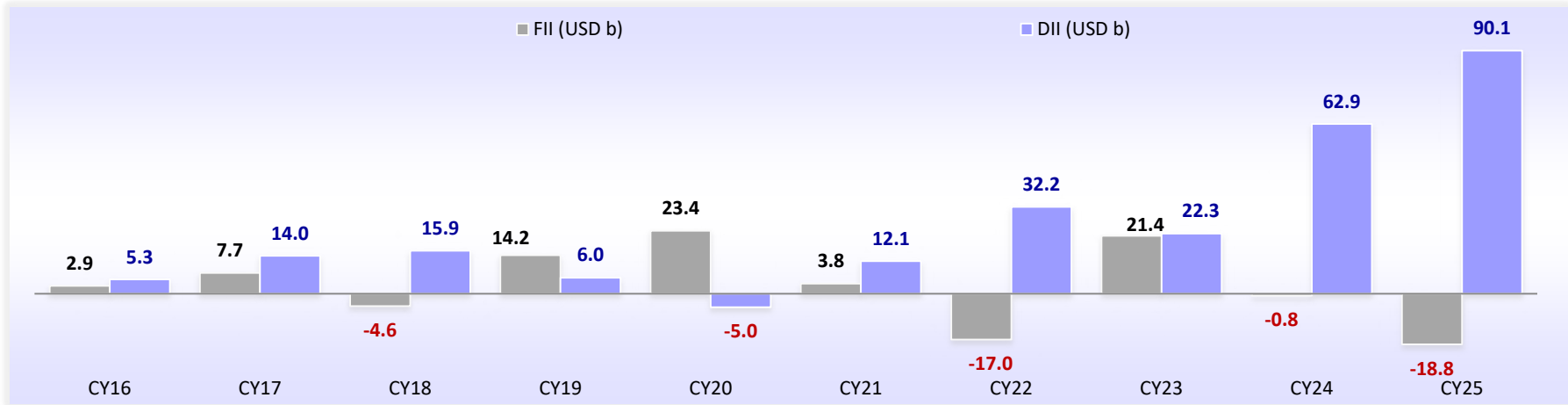
KEY EXHIBITS Record-high domestic flows and equity fundraising

- ❖ CY25 was another impressive year for the Indian primary market, with INR1.95t raised through more than 365 IPOs to date, surpassing the previous record of INR1.90t mobilized via 336 IPOs in CY24.
- ❖ Buoyant domestic participation drove DII inflows to a record high of USD90b, while total annual SIP flows rose 13% YoY to INR3t in CY25.

Equity raising through IPO and FPOs remains strong (INR b)



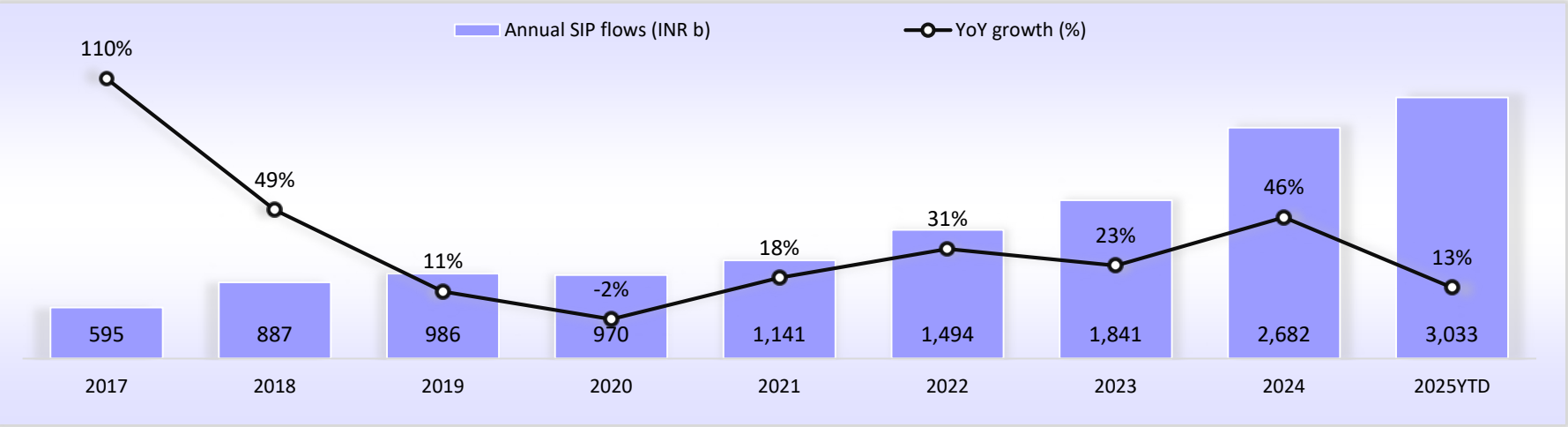
Institutional flows



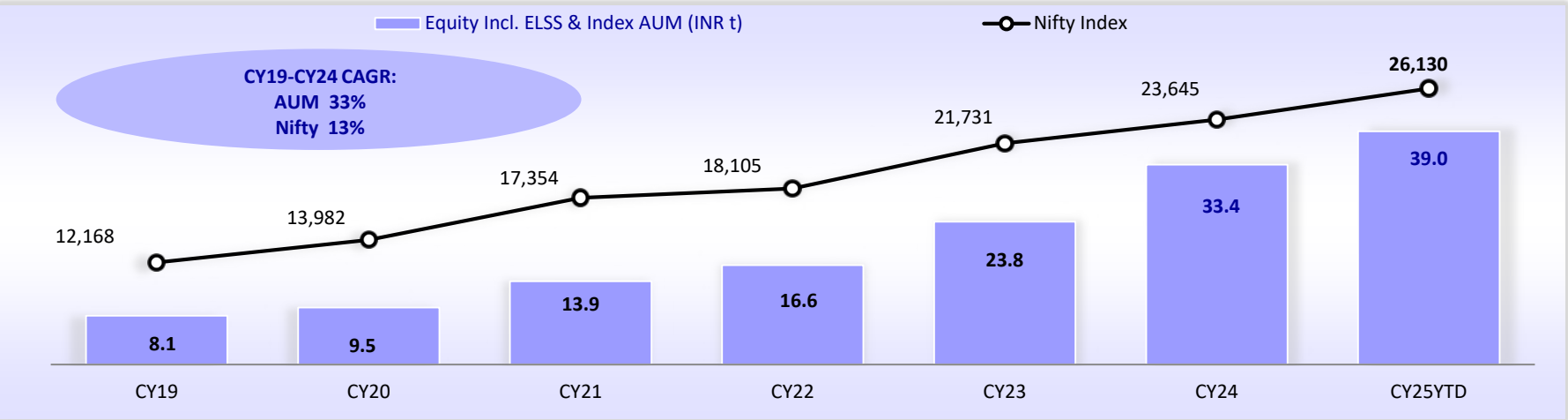
KEY EXHIBITS Stable SIP momentum supports record growth in MF AUM

❖ Monthly SIP flows remained consistently above USD3b throughout CY25. Supported by steady SIP inflows, Equity AUM reached an all-time high of INR39t by Nov'25.

Record SIP inflows underscore retail confidence



Equity Incl. ELSS & Index AUM (INR t)

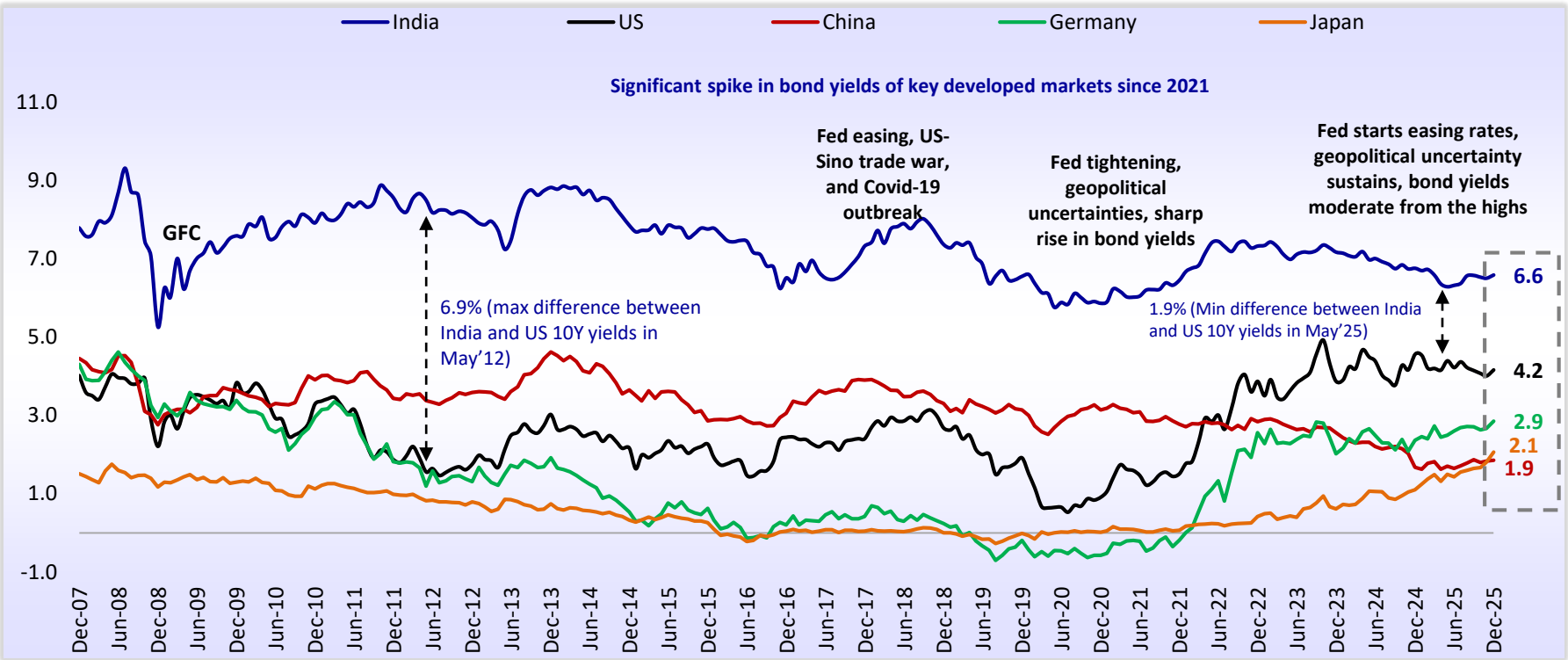


Note: Equity AUM and SIP flows data is as of Nov'25

KEY EXHIBITS India-developed market yield spreads at multi-year low

- ❖ **Compression driven by developed markets:** The 10-year yield spread between India and the US, Japan, and Germany fell to a 15-year low in 2025, led by a sharp rise in developed market bond yields due to persistent inflation, higher-for-longer rate expectations, heavy sovereign issuance, and reduced central bank support.
- ❖ **Supportive domestic factors in India:** In contrast, India's bond yields moderated amid easing inflation, improving fiscal metrics, ample domestic liquidity, and expectations of a stable-to-accommodative RBI stance, reinforced by steady investor demand.
- ❖ India's 10-year government bond yield was up 10bp MoM at 6.6%, while the US yield was up 20bp MoM at 4.2%. As a result, the yield spread contracted marginally by 10bp MoM to 2.4% in Dec'25.

10Y yield spread of India, US, Japan, Germany and China



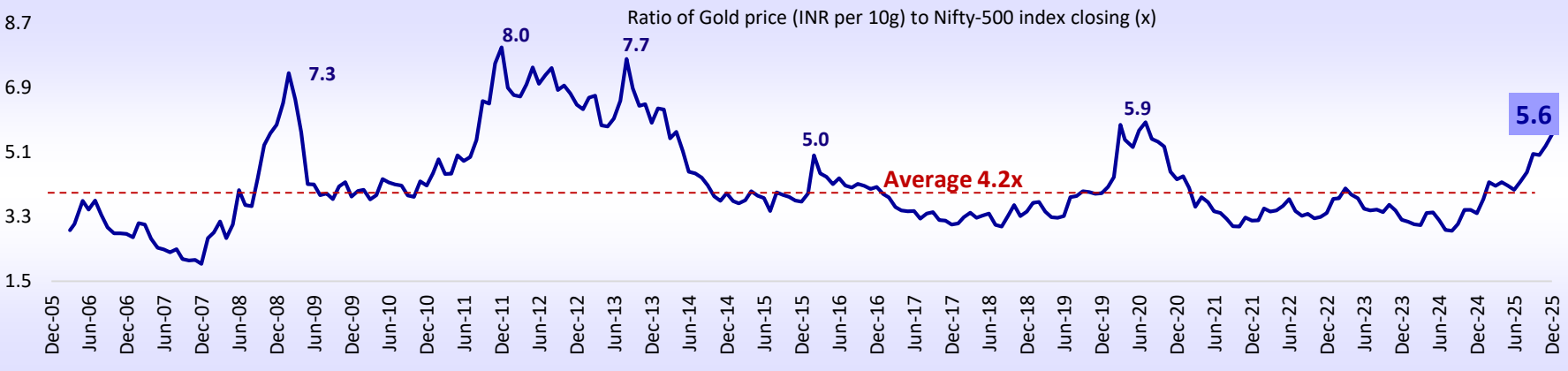
Maximum and minimum 10-year bond yields spread since Dec-07

	US		Japan		Germany		China	
Max	May-12	6.9	Dec-11	5.1	Aug-14	7.7	Feb-14	8.3
Min	May-25	1.9	Dec-08	2.5	Dec-08	2.3	Dec-08	4.1

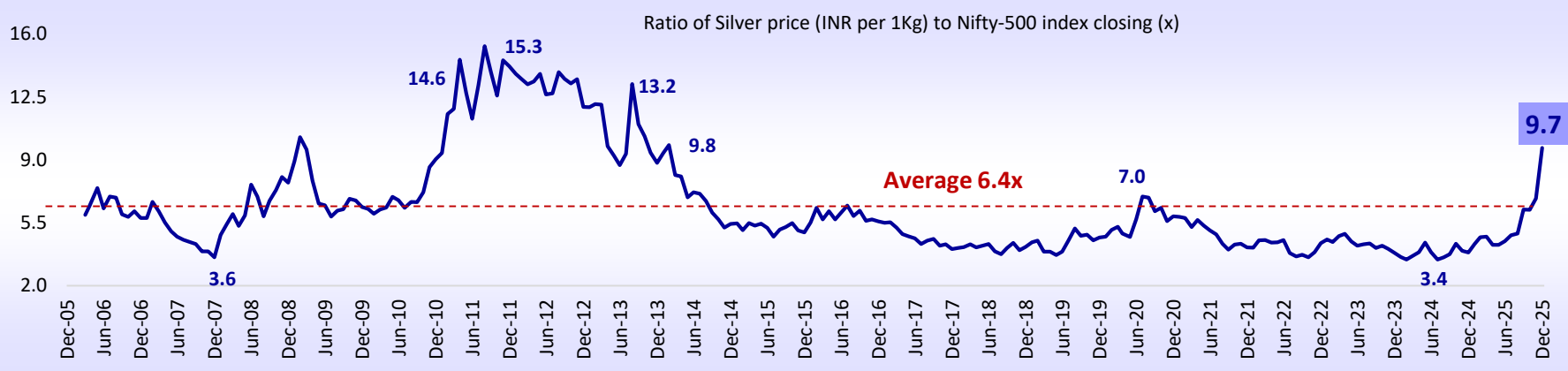
KEY EXHIBITS Gold and silver glitter through the year

- ❖ **Gold and silver at all-time highs:** Ongoing geopolitical challenges, and strong central bank demand propelled gold prices to an all-time high of over INR143,000 per 10g (USD4,513 per oz), before closing the year at INR132,820 per 10g (USD4,327 per oz). Silver surged more than 180% in 2025, crossing INR250,000 per kg (~USD80 per oz), making it the best-performing asset class in CY25.
- ❖ The rally was driven by strong demand from solar adoption, renewable energy expansion, electric vehicles, and electronics manufacturing, leading to a demand-supply mismatch and higher prices for the white metal. Gold and silver significantly outperformed equities in 2025, reinforcing the case for equities to outperform these assets going forward in mean reversion.

Ratio of gold price (in INR/10g) to Nifty-500 was close to 2020 highs



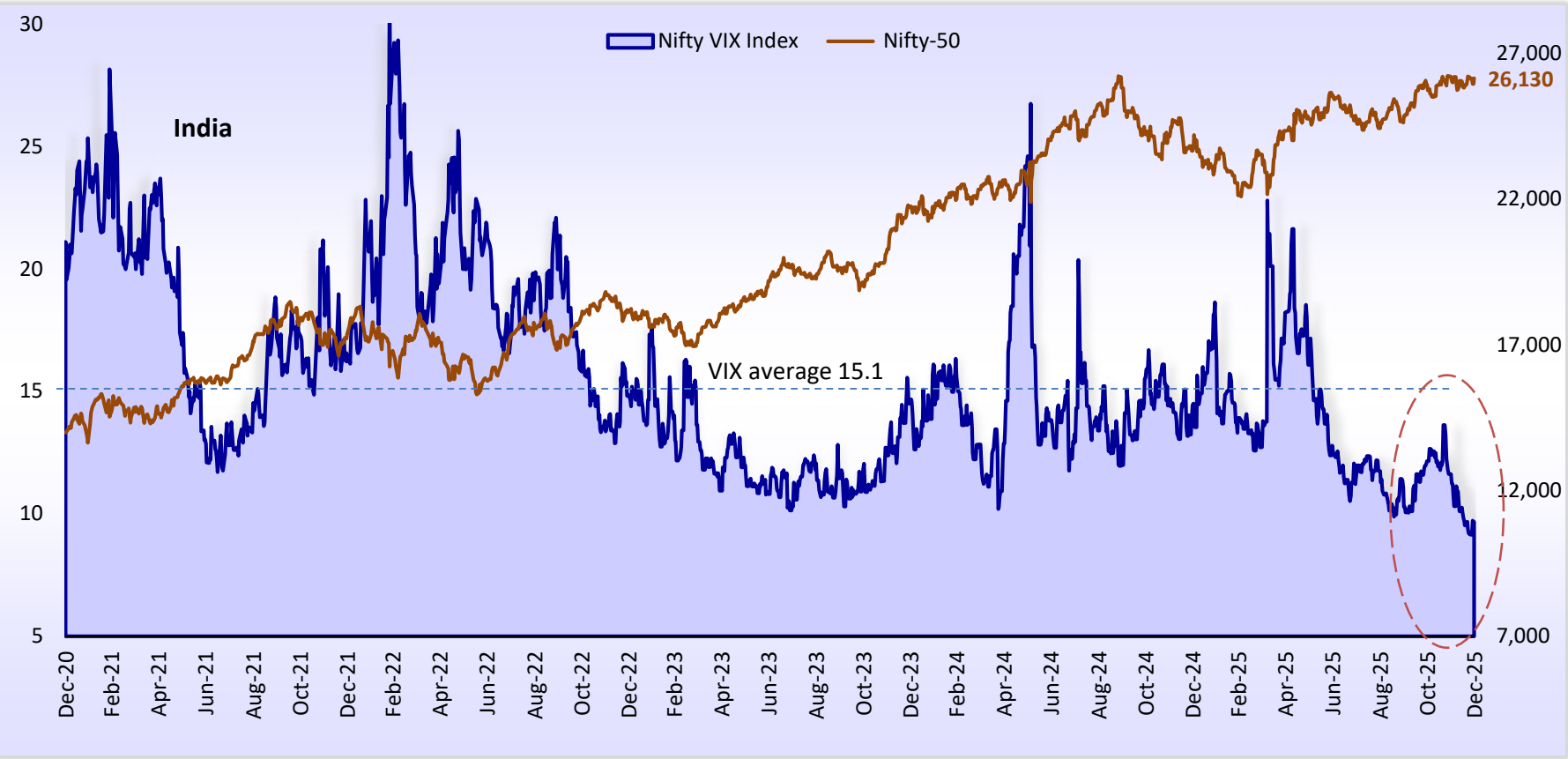
A sharp rally in silver prices in Dec '25 pushed the ratio of silver prices (INR/kg) to the Nifty-500 index close to its highest level since Feb '14



KEY EXHIBITS India VIX hits historic low amid market consolidation

- ❖ India VIX declined to an all-time low of 9.2 in Dec'25, down sharply from its May '25 peak of 21.6 and well below the CY25 average of 15.1
- ❖ This suggests that markets are pricing in low perceived risk and subdued volatility, reflecting strong investor confidence and the absence of any near-term triggers that could disrupt market stability.

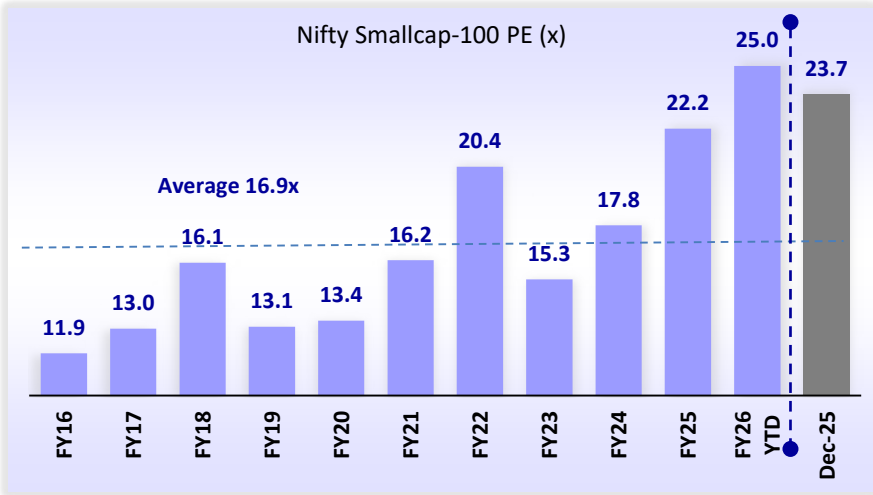
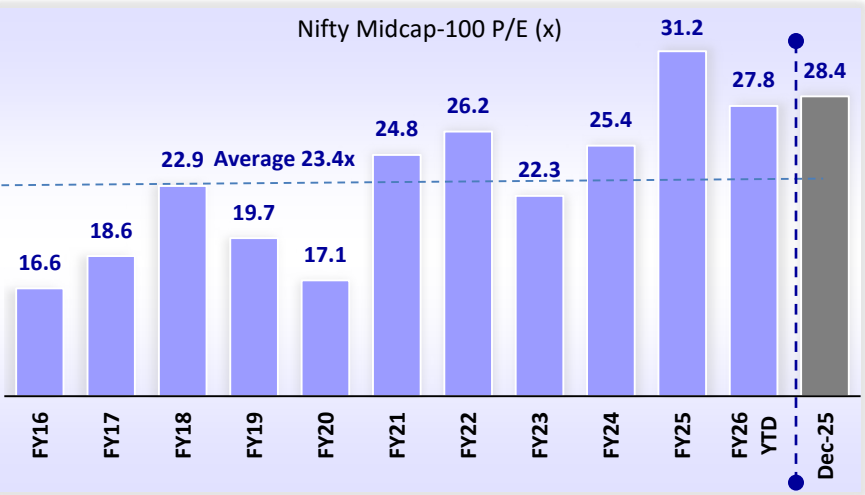
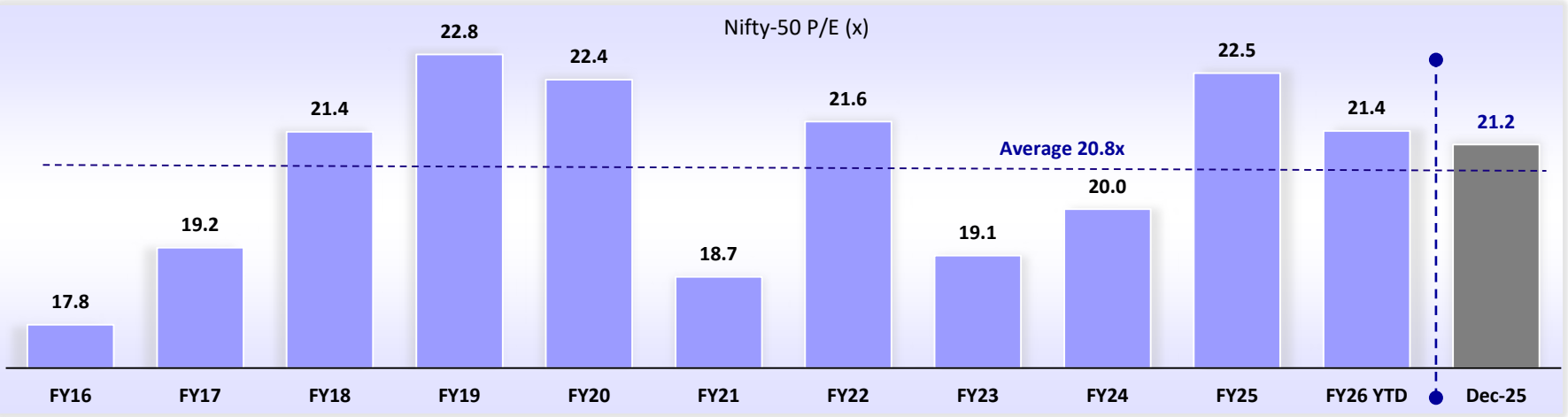
India VIX vs. Nifty-50



KEY EXHIBITS Largecap valuations hover near their averages; SMIDs' remain elevated

- ❖ The Nifty-50's one-year forward P/E stood at 21.2x, near its long-period average (LPA) of 20.8x.
- ❖ In contrast, the Nifty Midcap-100 and the Nifty Smallcap-100 indices are trading at 28.4x and 23.7x, respectively, representing a premium of ~22% and ~40% to their respective LTAs.

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

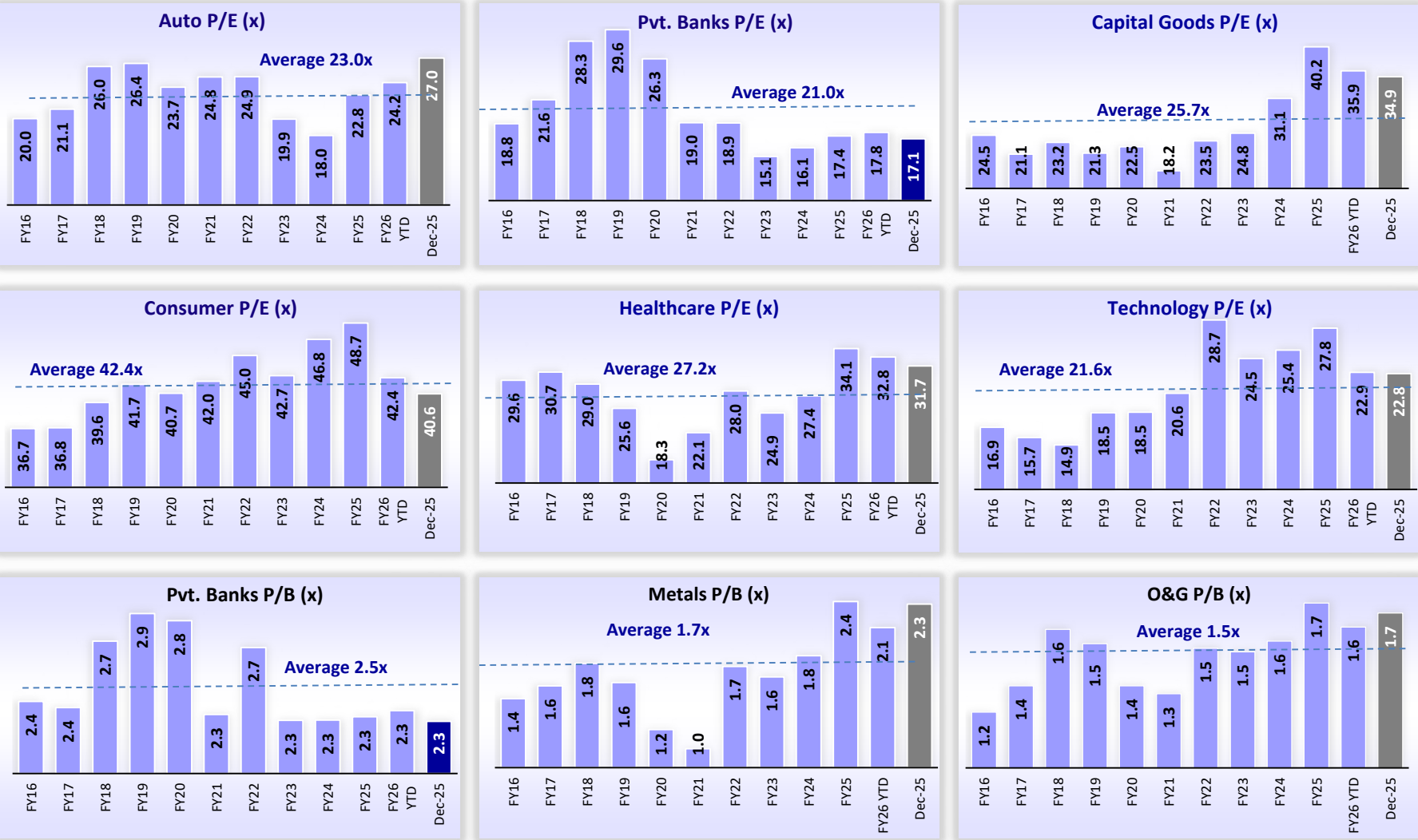


Note: The bars represent the 12-month average of one-year forward P/E on an FY basis as of 31st Dec'25

KEY EXHIBITS

Private banks the only sector trading below their average valuations

❖ Private banks’ valuations have been trading below the 10-year average, while they have remained above the average for Automobile, Capital Goods, Consumer, Healthcare, Technology, Metals, and O&G.

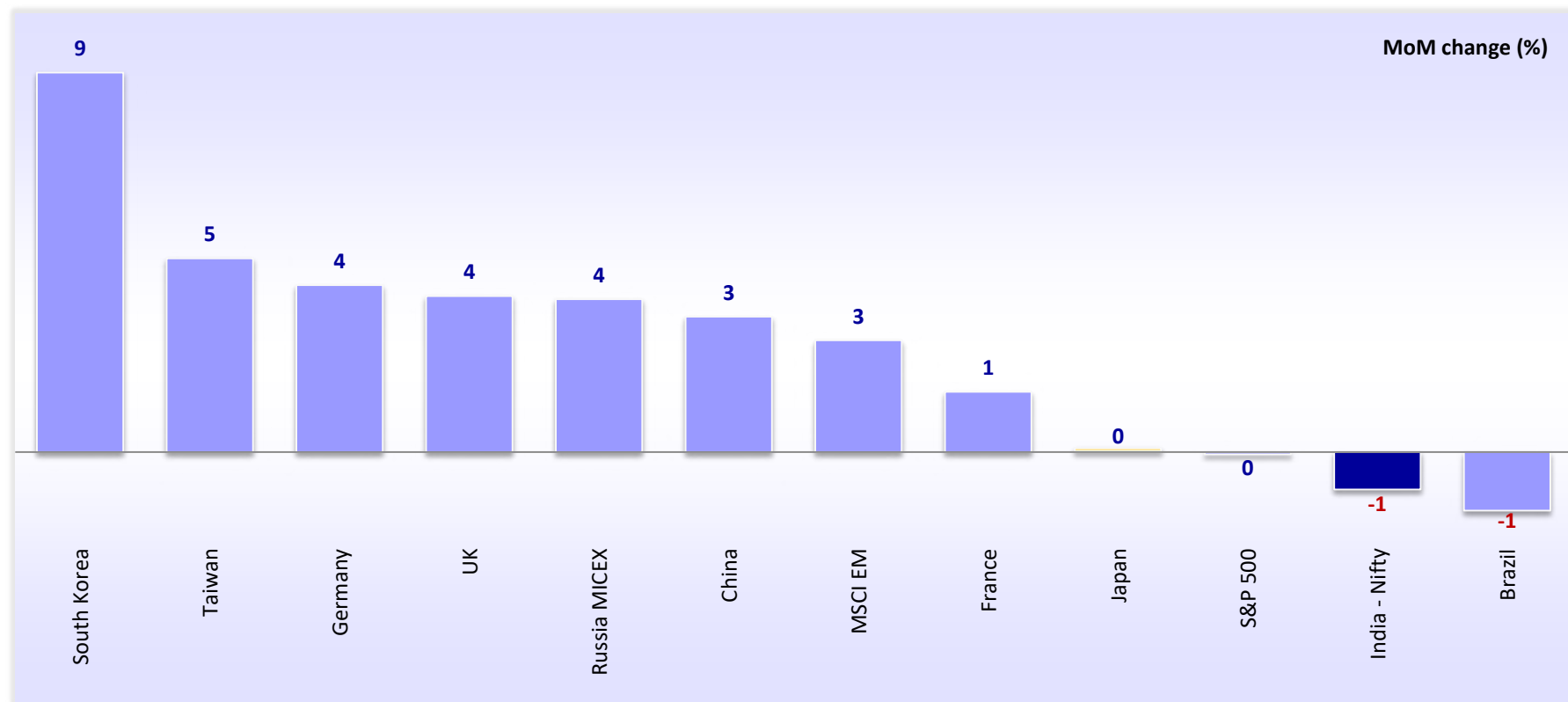


Note: The bars represent the 12-month average of one-year fwd P/E and P/B across MOFSL Universe sectors as of Dec’25; blue and grey bars represent the latest sectoral valuations below and above the 10-year average, respectively.

Macro, Markets, and More...

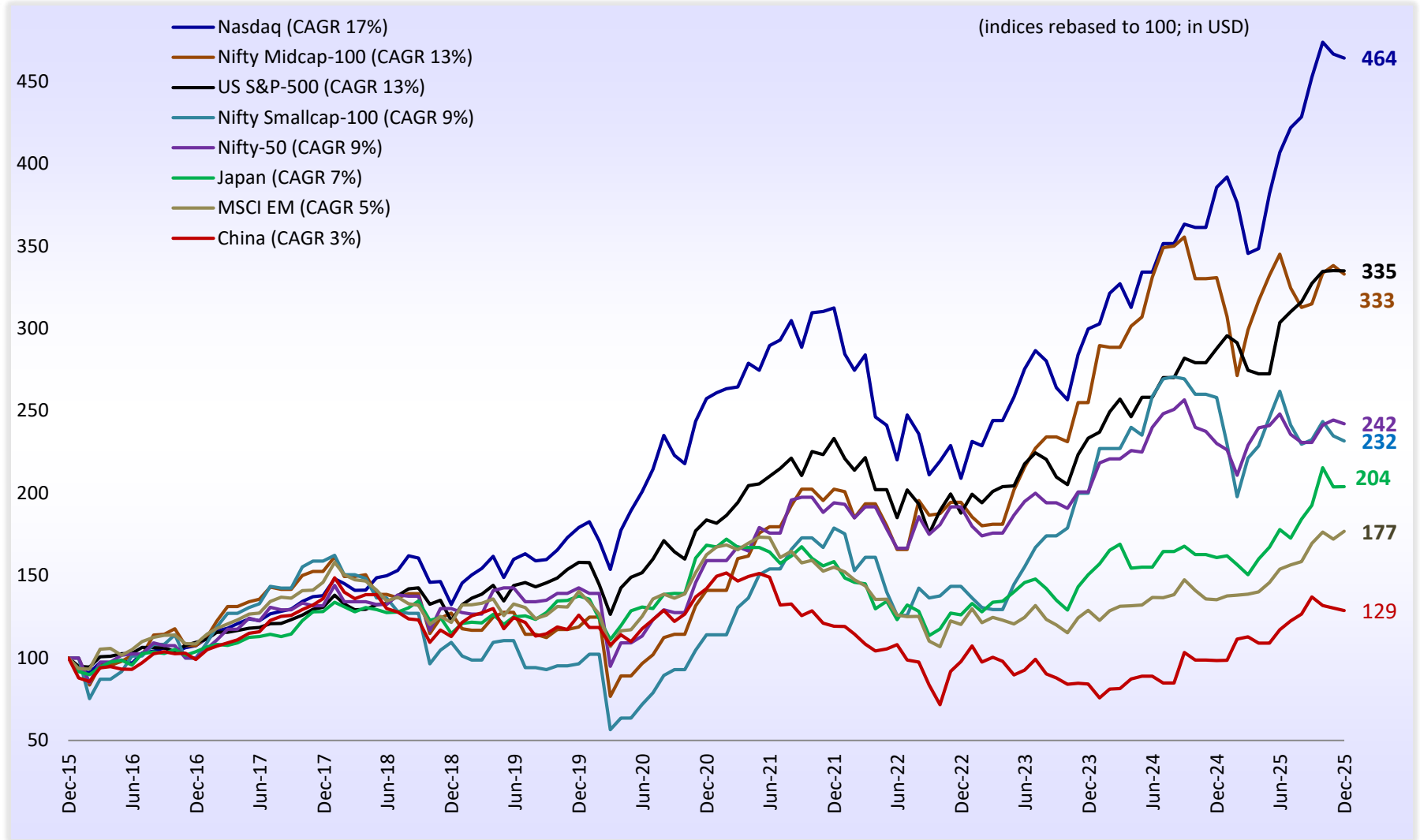
India underperforms global peers in Dec'25

MoM performance of global equity indices in USD terms (%)



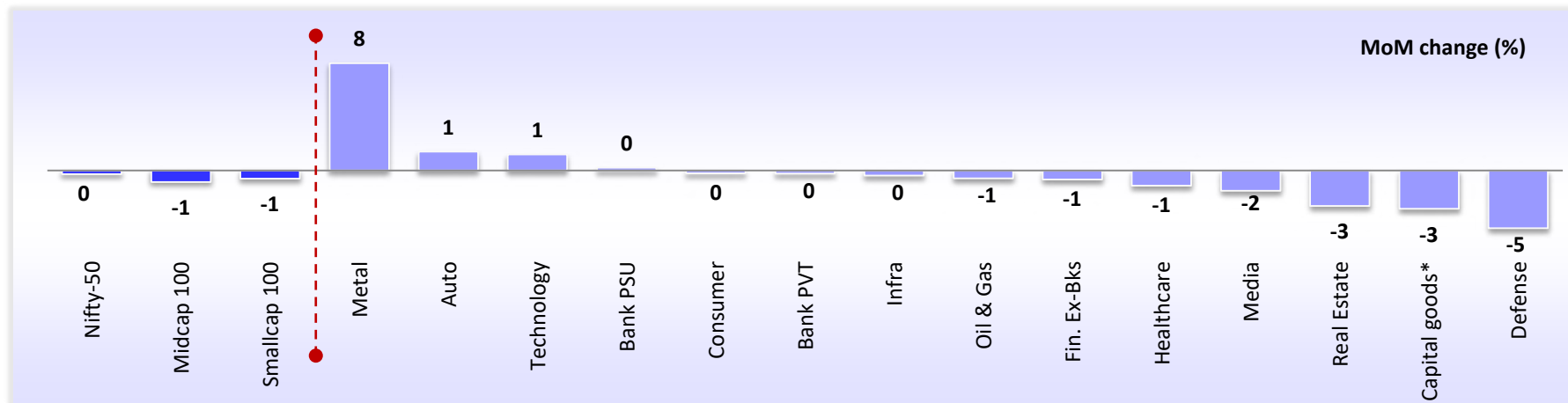
US dominates, Nifty Midcap-100 outperformance moderates in CY25

Performance of the Nifty 50, Nifty Midcap 100, and Nifty Smallcap 100 vs. the US Nasdaq, US S&P500, and China

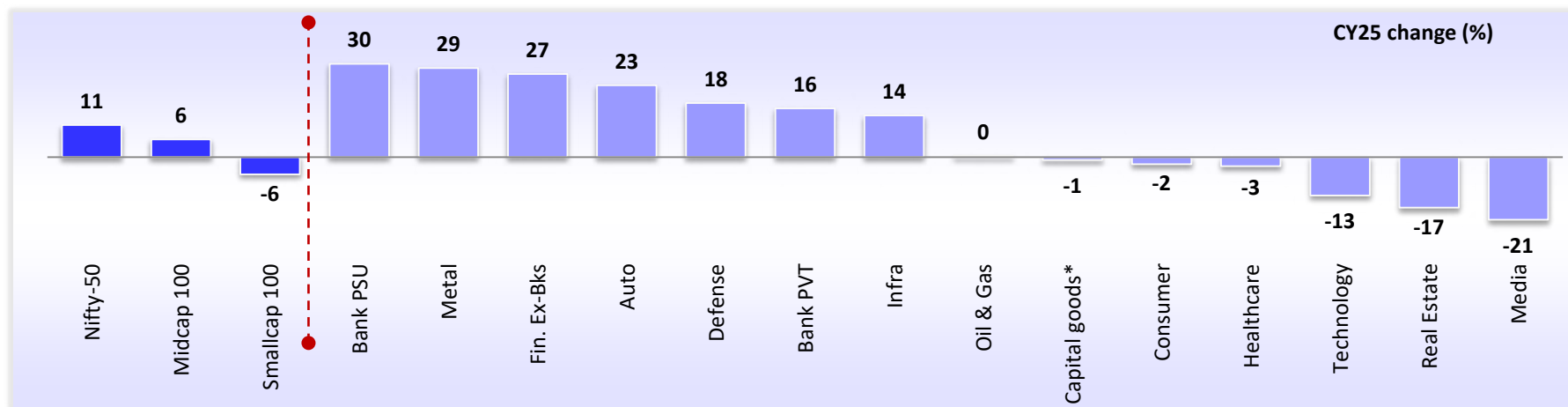


Largecaps outperform by a wide margin; PSBs and Metals lead in CY25

Sectoral performance MoM (%): Metals, Auto and Technology posted healthy MoM gains, while Defense, Capital Goods and Real Estate declined MoM



Sectoral performance in CY25 (%): PSBs, Metals, Financials Ex- Banks, and Auto remained the best performing sectors, while Media, RE, and Technology declined sharply during the year

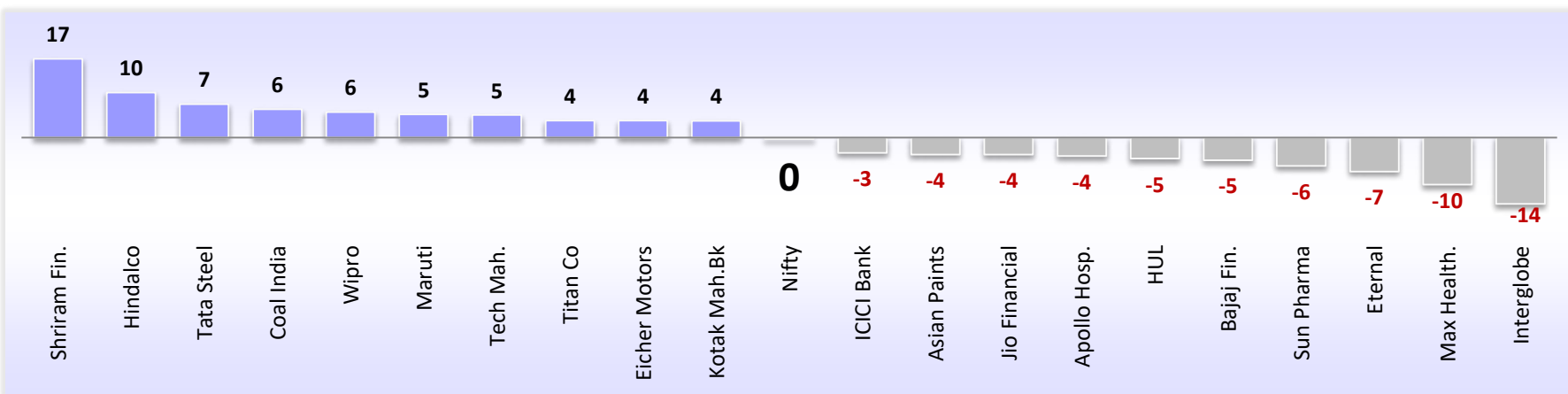


Note: (*) represents BSE Capital Goods Index.

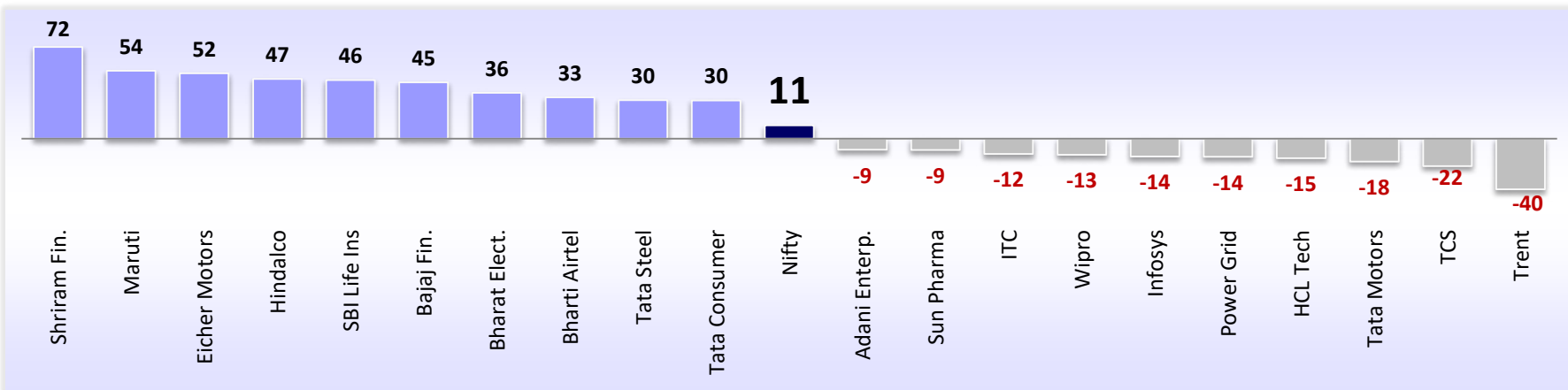
About 54% of Nifty constituents end higher in Dec'25

- ❖ Among Nifty constituents, 27 stocks closed higher MoM in Dec'25. Shriram finance, Hindalco and TATA Steel were the leaders, whereas Interglobe Av., Max Healthcare and Eternal were among the laggards.
- ❖ About 32 Nifty constituents ended higher in CY25. Shriram finance, Maruti and Eicher were the top gainers, whereas Trent, TCS, and Tata Motors were the key laggards.

Best and worst Nifty performers on MoM basis (%)



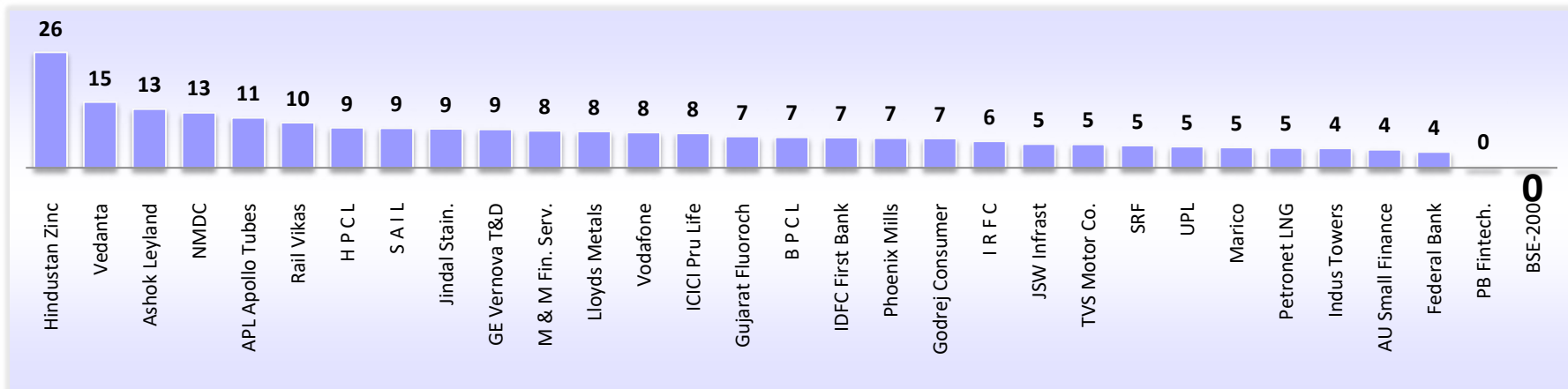
Best and worst Nifty performers in CY25 (%)



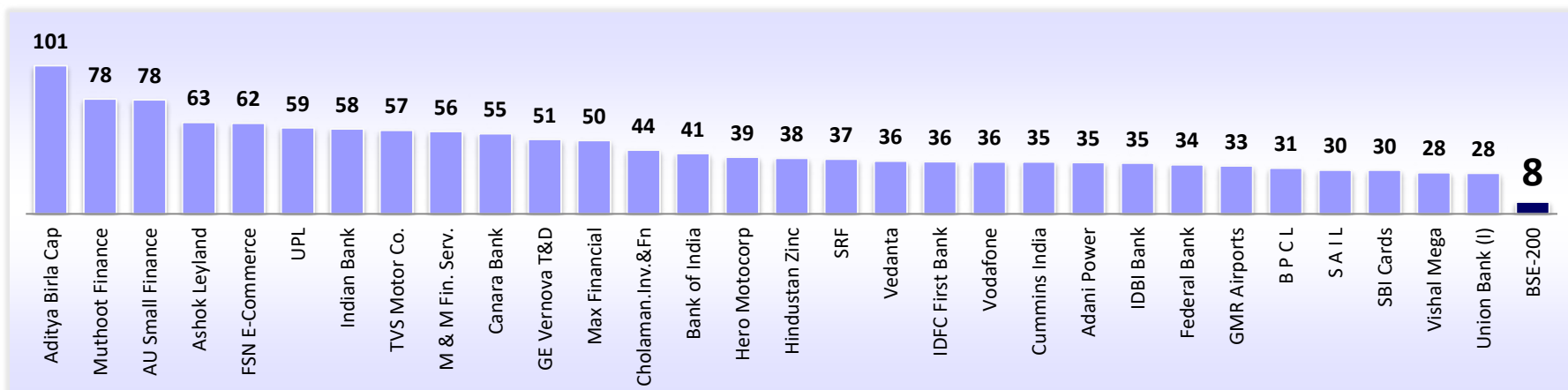
About 45% of BSE-200 constituents end higher in Dec'25

- ❖ In Dec'25, about 90 BSE-200 stocks closed higher. Hindustan Zinc, Vedanta and Ashok Leyland gained the most during the month.
- ❖ About 112 BSE-200 constituents ended higher in CY25. Aditya Birla Cap, Muthoot Finance, and AU Small Finance were the top gainers.

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



Top gainers within BSE-200 in CY25 (%)*

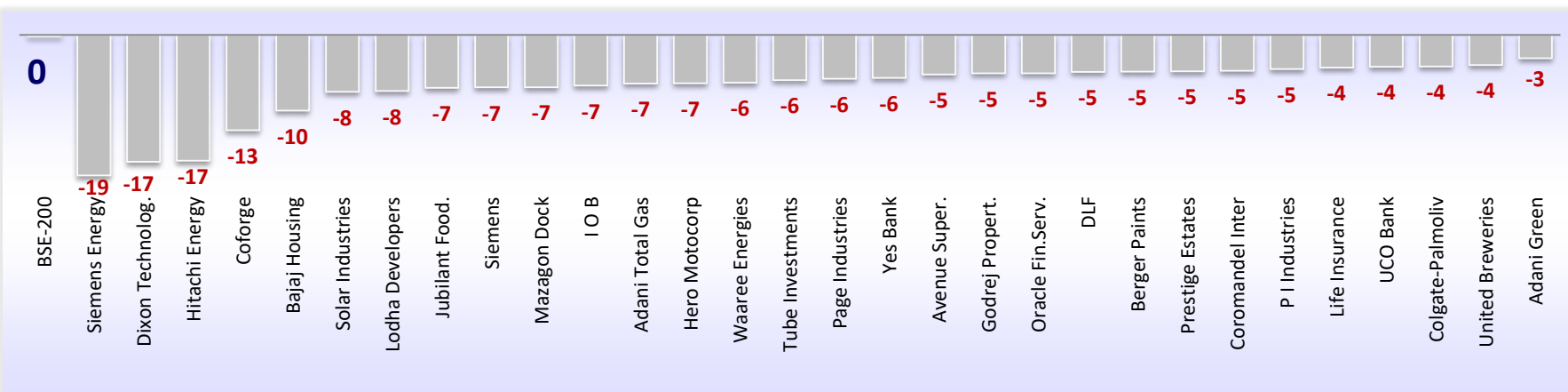


*The list excludes Nifty-50 constituents.

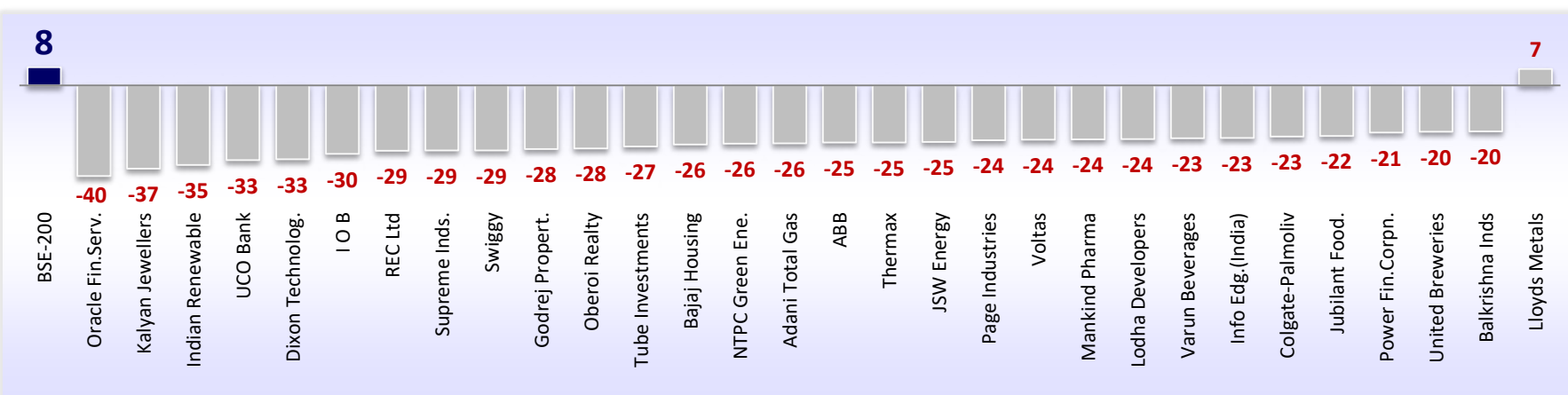
About 55% of BSE-200 constituents end lower in Dec'25

- ❖ In Dec'25, 110 companies closed lower. Siemens Energy, Dixon Tech. and Hitachi Energy were among the key laggards.
- ❖ About 88 of BSE-200 companies ended lower in CY25. Oracle Fin.Serv., Kalyan Jewellers, and Indian Renewable were the key laggards in CY25.

Key laggards among BSE-200 constituents on MoM basis (%)*



Key laggards among BSE-200 constituents in CY25 (%)*



*The list excludes Nifty-50 constituents.

Nifty's sectoral weights: Metals, Technology and Auto gain weight; Pvt Banks, Healthcare and Consumer dip MoM

- ❖ Metals (+20bp), Technology (+20bp) and Auto (+20bp) weights rose MoM each, while Pvt Banks (-30bp), Healthcare (-20bp) and Consumer (-10bp) weights contracted MoM.
- ❖ In CY25, Technology (-370bp), Consumer (-150bp), and Pvt. Banks (-60bp) witnessed the sharpest decline in weight. In contrast, NBFCs & Insurance (+200bp), Telecom (+90bp), PSBs (+50bp), Metals (+50bp) and O&G (+50bp) recorded the highest gains.

Nifty – sectoral weights (%)

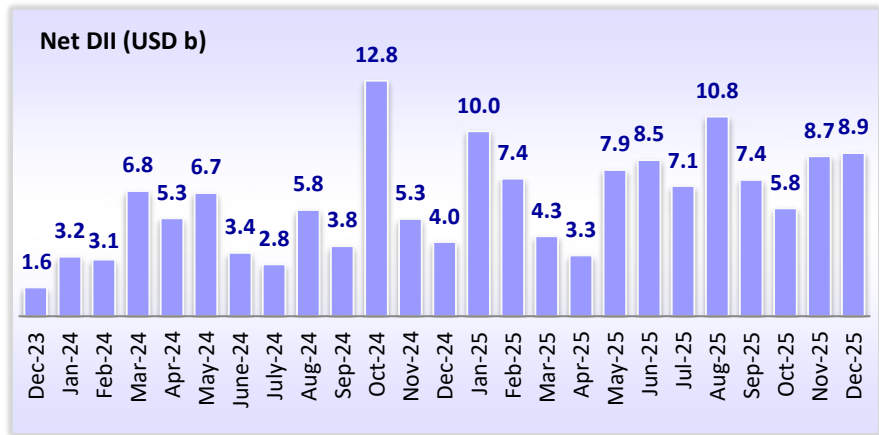
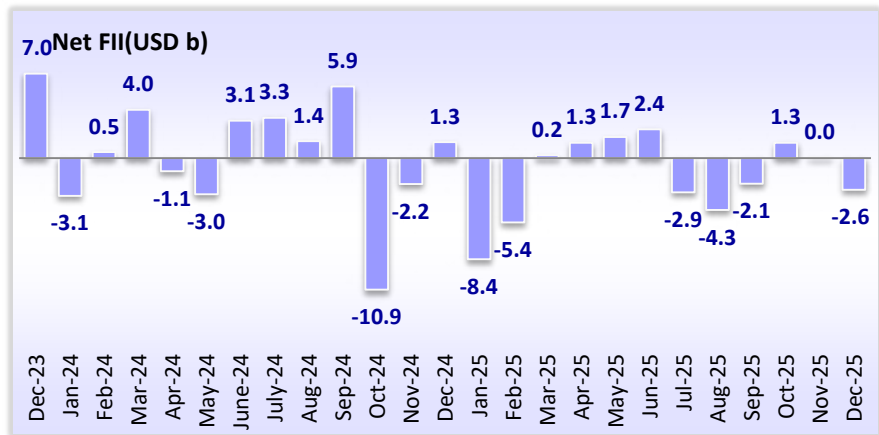
	Weightage in the Nifty (%)									
	Dec'08	Dec'12	Dec'20	Dec'21	Dec'22	Dec'23	Dec'24	Mar'24	Nov'25	Dec'25
Automobiles	2.5	8.8	5.4	5.0	5.3	6.5	7.4	7.6	6.8	7.0
Banks – Private	5.0	16.9	24.7	21.9	24.2	28.2	27.1	25.6	26.9	26.5
Banks – Public	5.4	4.7	1.8	2.3	2.9	2.6	2.9	2.9	3.4	3.4
NBFC + Insurance	2.3	7.9	12.3	11.4	10.6	4.5	4.6	5.0	6.6	6.6
Capital Goods	7.7	5.9	2.6	3.0	3.1	4.4	5.0	4.5	5.2	5.2
Cement	1.7	4.2	2.2	2.4	1.8	2.1	2.1	2.0	2.0	2.1
Consumer	6.5	12.3	10.4	9.4	10.3	10.8	9.0	9.5	7.6	7.5
Healthcare	2.6	5.0	3.6	3.4	3.8	4.0	4.2	4.4	4.3	4.2
Metals	4.8	3.8	2.0	2.9	2.9	3.0	2.7	2.9	3.1	3.2
Oil and Gas	24.5	12.3	12.5	12.3	12.1	10.5	9.2	11.9	9.7	9.7
Reliance	10.6	7.4	10.7	10.8	11.0	9.2	7.8	10.2	8.9	8.9
Retail	0.0	0.0	1.1	1.4	1.4	1.6	2.8	1.6	2.1	2.2
Telecom	11.6	2.0	2.0	2.1	2.5	2.7	4.0	3.2	4.8	4.9
Technology	9.0	11.4	16.3	19.1	14.0	13.6	14.1	13.0	10.2	10.4
Utilities	13.3	4.5	2.1	2.1	2.5	3.6	3.6	3.9	3.0	3.1
Miscellaneous	3.3	0.5	1.0	1.2	2.6	1.9	1.4	1.9	4.3	4.0
Nifty	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Note: The merger of HDFC Bank and HDFC Ltd. resulted in a shift in weightage from NBFCs to private banks in CY23. Britannia and BPCL were replaced with Jio Financials and Eternal in Mar'25, and IndusInd Bank and Hero Motocorp were replaced with Interglobal Aviation and Max Healthcare in Sep'24.

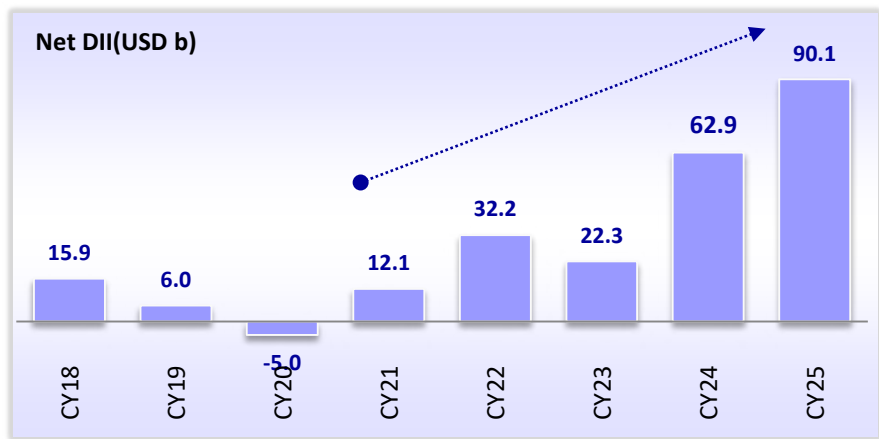
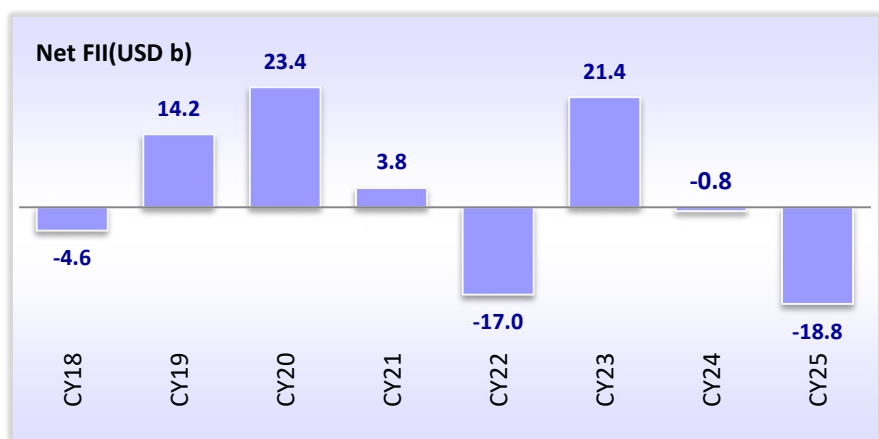
Historic divergence: Record DII inflows and FII outflows in CY25

- ❖ DIIs invested a record USD90.1b in CY25, surpassing CY24 inflows by 43%, while FIIs sold a record USD19b worth of Indian equities, marking the sharpest divergence in annual flows on record.
- ❖ In Dec'25, DIIs invested USD8.9b, extending their streak to the 29th consecutive month of net inflows, while FII outflows stood at USD2.6b during the month.
- ❖ Over CY21-CY25, cumulative DII inflows touched a record of ~USD220b, while net FII outflows amounted to USD11.4b.

Monthly institutional flows (USD b)



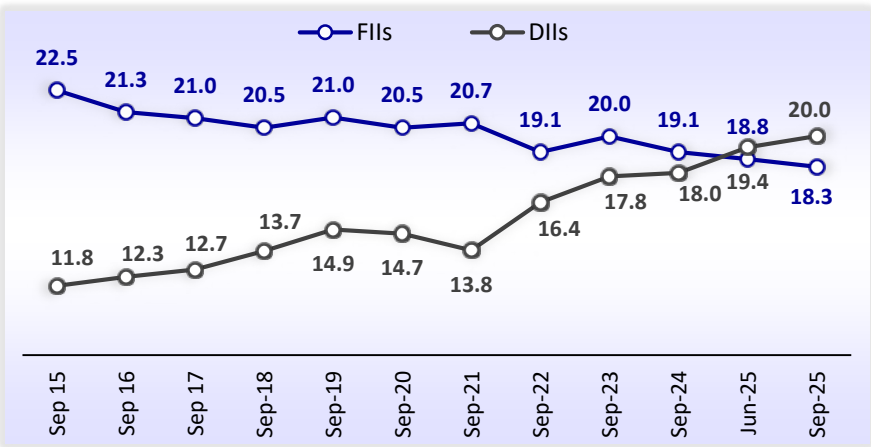
Yearly institutional flows (USD b)



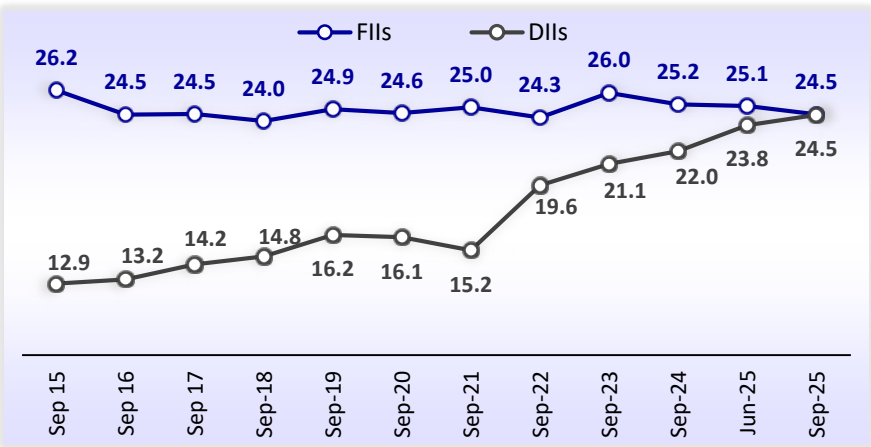
Institutional holdings: DIIs extend their lead in ownership

- ❖ Strong domestic inflows and buoyant capital markets drove a historic shift in ownership, with DII holdings surpassing FII holdings in Nifty-500 companies for the first time in Mar’25 and rising further in Sep’25.
- ❖ Both promoter and FII holdings declined to all-time lows of 49.3% and 18.3%, respectively, in Sep’25, while public holdings remained stable at 12.4% in NSE-500.

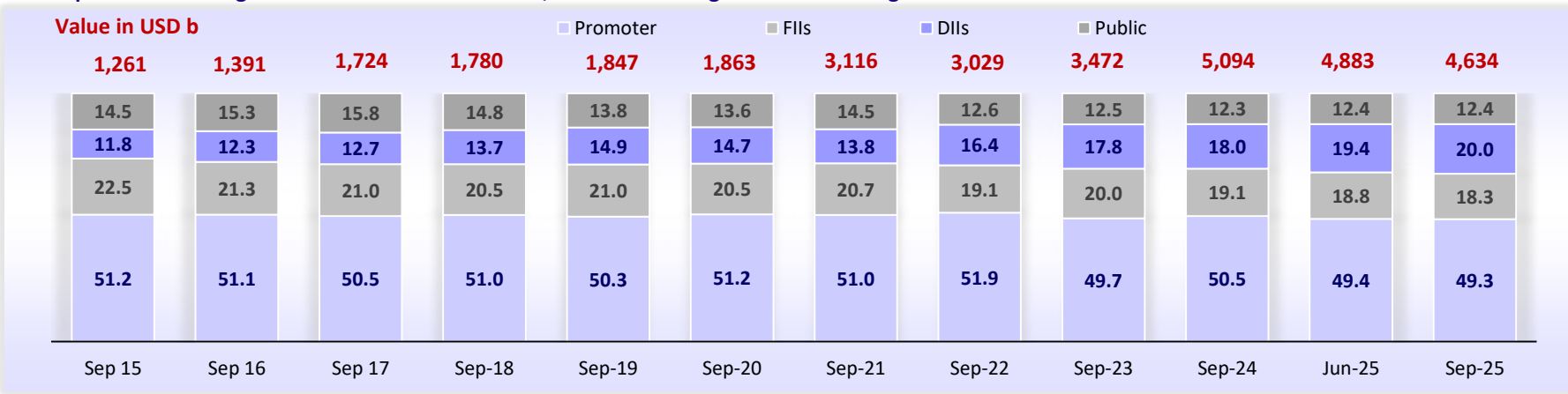
Trends in FII/DII holdings for Nifty-500 (%)



Trends in FII/DII holdings for Nifty-50 (%)



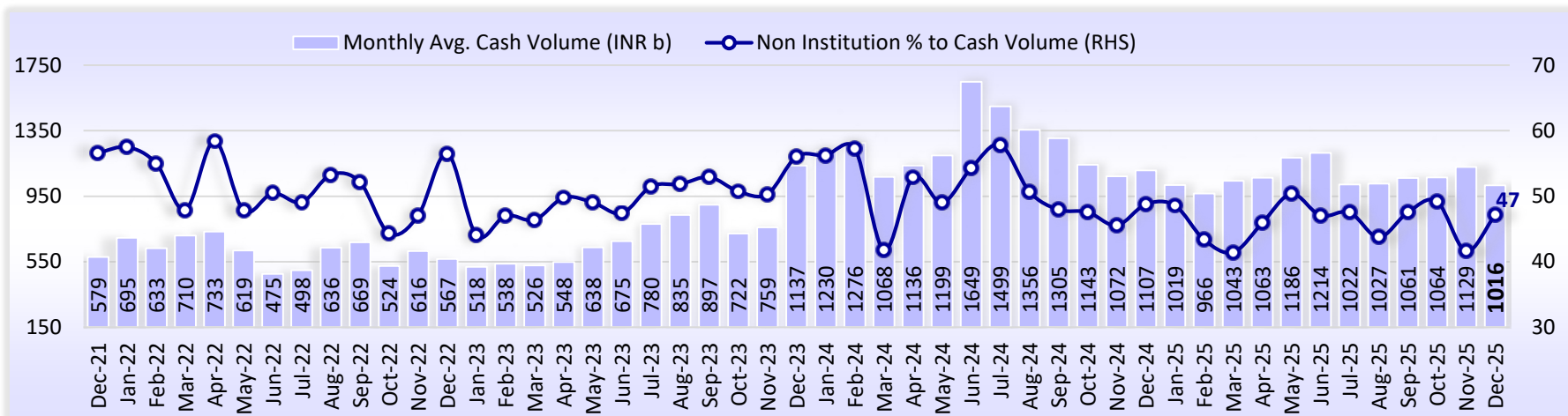
FII and promoter holdings in NSE-500 at an all-time low, while DII holdings at an all-time high



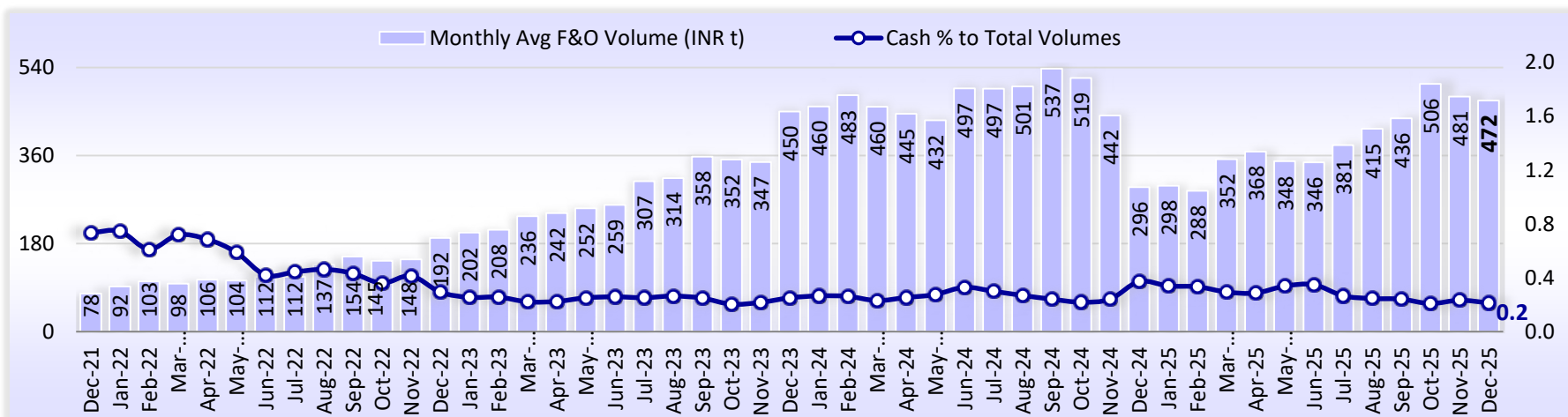
Average daily cash volumes decline; F&O volumes dip MoM

- ❖ Average daily cash volumes fell 10% MoM in Dec'25 to INR1.02t. Non-institutional participation rose 500bp MoM, accounting for 47% of total cash volumes. Notably, non-institutional volumes declined to a 10-month low.
- ❖ Monthly average F&O volumes declined 2% MoM to INR472t in Dec'25.

Monthly average cash volumes (INR b)



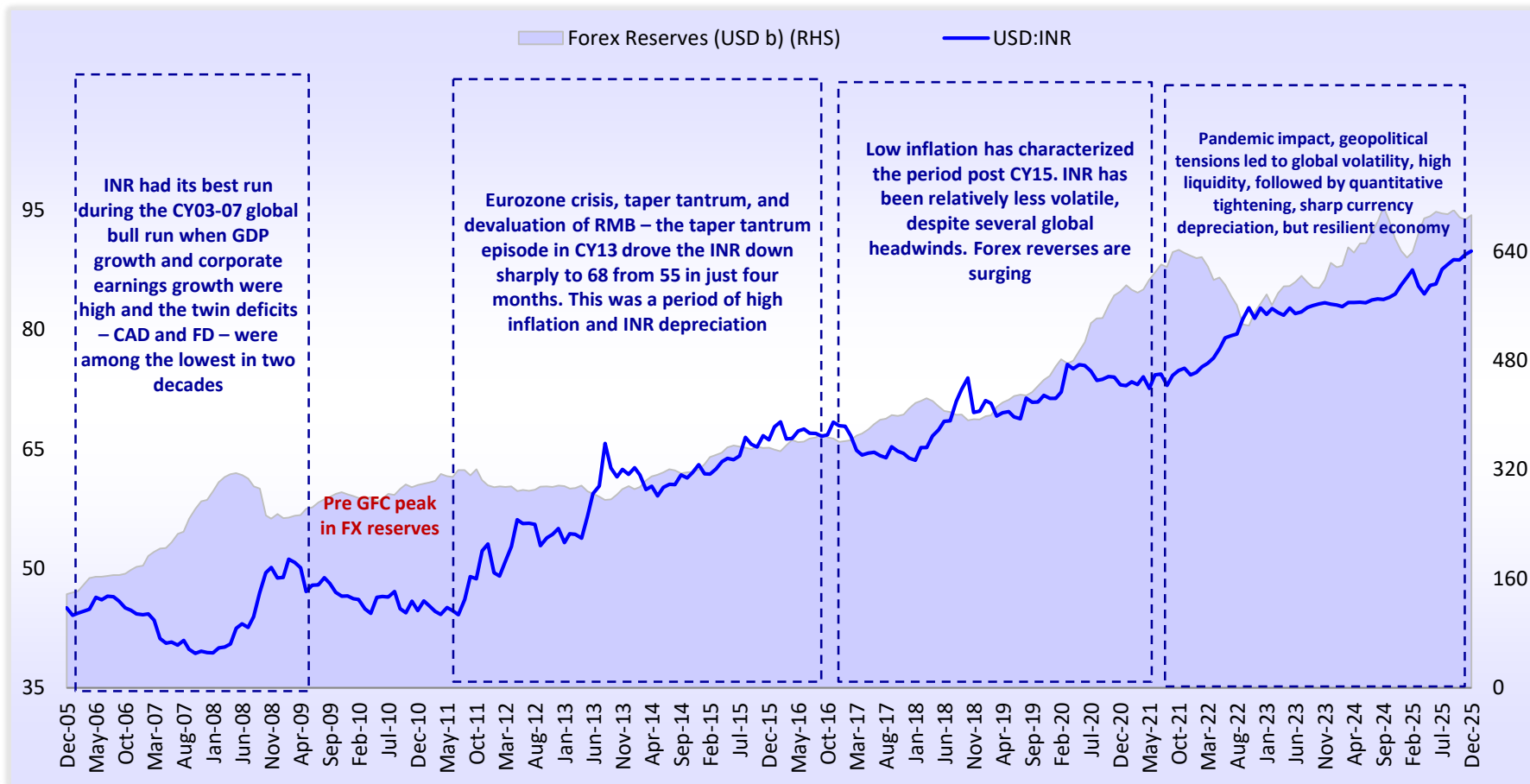
Monthly average F&O volumes (INR t)



Forex reserves near all-time highs; INR further dips MoM

- ❖ India's forex reserves rose 1% MoM to USD693b, close to the all-time high of USD705b recorded in Sep'24.
- ❖ On the currency front, USD/INR depreciated sharply by 0.5% MoM to 89. INR weakened 5% in CY25, making it the weakest currency among key emerging markets during the year.

Forex reserves (USD b)



Source: Bloomberg, MOFSL

Notable reports from MOFSL's research desk published in Dec'25 (1/3)

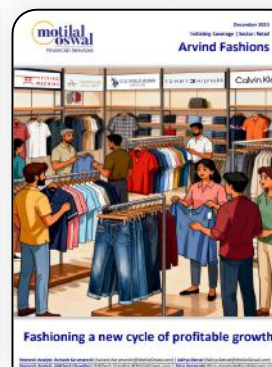
Initiating Coverage | Healthcare | BPO | Regulation + Staff Shortages + Rising Costs → Outsourcing [Report link>>](#)

- ❖ The Indian BPO industry is globally known for its scale, cost efficiency, and operational excellence. Broadly, the growth (FY05-25 CAGR ~12%) of Indian BPO exports mirrors the journey of Indian IT services exports. India's BPO services market was estimated at USD45-50b in CY24 and projected to reach ~USD109b by CY33 (CAGR of ~8.7%), according to industry estimates.
- ❖ **Sagility, Indegene, and IKS** stand as pivotal players in the dynamic Indian Business Process Management (BPM) and Healthcare IT landscape. They have successfully carved out strong market positions, particularly across the critical healthcare and life sciences verticals. While cost-efficiency demands from global clients and complex regulatory changes remain consistent drivers for outsourcing, we believe the sector's structural growth is increasingly fueled by several profound trends.
- ❖ These include the accelerating need for digital transformation across the global healthcare ecosystem, the massive adoption of AI and analytics in clinical and commercial operations, and the relentless drive for patient-centric engagement strategies. Furthermore, the rise of specialized services, such as medical coding and RCM—core competencies of these firms—is pushing demand for highly skilled outsourcing partners.
- ❖ We initiate coverage on IKS and Sagility with a BUY rating and Indegene with a Neutral rating. We anticipate that these companies will effectively capitalize on both volume expansion in foundational services and value premiumization in their advanced digital offerings.



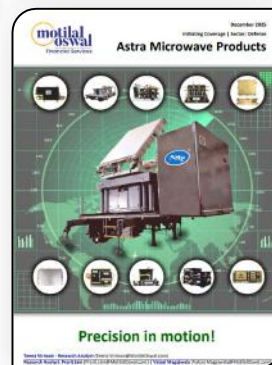
Initiating Coverage | Arvind Fashions | Fashioning a new cycle of profitable growth! [Report link>>](#)

- ❖ Arvind Fashions (AFL), part of the Lalbhai Group, is a leading branded apparel company with a portfolio of marquee brands such as U.S. Polo Assn. (USPA), Arrow, Tommy Hilfiger, Calvin Klein, and Flying Machine.
- ❖ After the Covid period, AFL executed a notable turnaround by exiting non-core businesses like Unlimited and Sephora to focus on profitability and capital efficiency. Despite exiting the businesses that generated ~32% of its FY19 revenue, AFL surpassed its pre-Covid revenue by FY25, driven by its power brands. A sharp portfolio, consignment-led model, and asset-light structure have improved margins and returns, with RoIC rising from 5% in FY19 to 12% in FY25.
- ❖ AFL has now evolved into a lifestyle category, with ~15% of its revenue coming from adjacent categories.
- ❖ Its shift to a consignment-led model improved pricing control and margins, with an asset light structure driving faster scale-up, strong cash generation (FCFF of INR6.6b over FY26-28E) and RoE/RoIC expansion to 25%/28% by FY28E. We believe AFL is well placed to deliver a CAGR of 13%/25%/32% in revenue/Pre-IND AS EBITDA/PAT over FY26-28E. Initiate coverage on AFL with a BUY rating and an SoTP-based TP of INR725, implying 38x Dec'27E EPS.



Initiating Coverage | Astra Microwave Products | Precision in motion! [Report link>>](#)

- ❖ Astra Microwave Products (AMPL) designs and manufactures high-quality radio frequency and microwave modules, subsystems, and systems in India. The company is moving from being a subsystem-level player to a complete system solutions provider and is eyeing opportunities from Active Electronically Scanned Array (AESA) radar, Uttam radar, meteorological orders, repeat orders from the Navy, and counter-drone orders over the next few years.
- ❖ The company's order book stood at INR22b as of 30th Sep'25. AMPL posted 13% revenue CAGR over FY21-25. Driven by a changing business mix, the company was able to improve its EBITDA margin notably to 25.6% in FY25 from 12.3% in FY21. We expect the company's revenue to post an 18% CAGR over FY25-28 and project its margin to improve 40bp over the same period to reach ~26% by FY28. This would lead to a PAT CAGR of 23% over the same period.
- ❖ We initiate coverage on AMPL with a BUY rating and a TP of INR1,100, based on 38x Dec'27 estimates. This valuation reflects a 15% discount compared to larger defense PSUs owing to its smaller size. We consider AMPL a long-term investment opportunity in defense electronics, anticipating its revenue growth to accelerate between FY27 and FY30 as larger orders are awarded by the Ministry of Defence (MoD) and defense PSUs.



Notable reports from MOFSL's research desk published in Dec'25 (2/3)

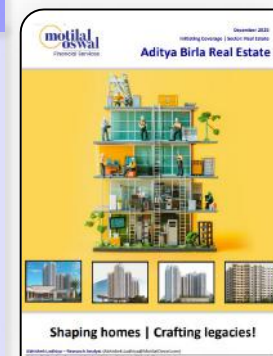
Initiating Coverage | Crompton Greaves Consumer Electricals | Crompton 2.0 unlocking potential! [Report link>>](#)

- ❖ A leading consumer electricals company: Crompton Greaves Consumer Electricals (CROMPTON) is a prominent player in India's consumer electricals sector, with a strong presence across fans, lighting, pumps, and household appliances. The company is a market leader in the fans segment with ~25% market share and in residential pumps with ~30% market share. CROMPTON is among the top three companies in the lighting segment and is also one of the top five companies in the consumer appliances segment.
- ❖ Butterfly to enhance the appliances portfolio: CROMPTON acquired a majority stake (55%) in Butterfly Gandhimathi Appliances (BGAL) in Mar'22; it currently holds a 75% stake in the company. BGAL is one of the largest integrated domestic kitchen appliance manufacturers in India, and this acquisition has allowed CROMPTON to expand its appliance portfolio. The company anticipates realizing various revenue and cost synergies in the short to medium term and plans to leverage mutual strengths to expand its industry share and market reach.
- ❖ Earnings and return ratios to improve following a dip in FY26E: We initiate coverage on CROMPTON with a BUY rating and a TP of INR350. Our TP is premised on 35x Dec'27E EPS. We estimate an EBITDA/PAT CAGR of 17%/21% over FY26-28 after a decline of 12%/16% in FY26E primarily due to weather-related disruptions, which impacted the ECD segment's performance. We expect OPM to be 10.3%/11.2% in FY27/FY28E vs. 9.7% in FY26.



Initiating Coverage | Aditya Birla Real Estate | Shaping homes | Crafting legacies! [Report link>>](#)

- ❖ Aditya Birla Real Estate (ABREL), the rebranded identity of Century Textiles & Industries, has swiftly transformed into a focused real estate developer by leveraging the Birla Estates platform launched in 2016. The company has steadily scaled its presence across Mumbai, NCR, Bengaluru, and Pune, with a clear focus on premium and luxury residential projects, while selectively incorporating mixed-use and commercial assets.
- ❖ Backed by disciplined land acquisition and capital-light partnerships, ABREL has built a launch pipeline of INR698.7b GDV (of which INR513.0b is unsold), with marquee projects such as Birla Niyaara in Mumbai and Birla Arika in Gurugram driving strong sales momentum. In FY25, ABREL recorded presales of INR80.9b, with collections more than doubling YoY to INR26.6b. However, profitability was impacted by the divestment of legacy businesses, resulting in a net loss of INR1.6b vs a profit of INR505m in FY24.
- ❖ With completions on track, revenue is poised to clock a 69% CAGR over FY25-28E to reach INR58.9b. It is likely to post a 20% YoY growth in FY26 to INR14.6b. EBITDA and PAT are expected to see multifold growth at INR10.1b and INR9.8b, respectively, in FY28. With a robust project pipeline, deep parentage support, and improving execution, ABREL is well-placed to post a 26% CAGR in presales over FY25-28E and emerge as a top-tier player in the Indian real estate market.



Initiating Coverage | FSN E-Commerce Ventures | Beauty, Fashion, and a Full Valuation [Report link>>](#)

- ❖ FSN E-Commerce Ventures (Nykaa) is a leading specialty platform for beauty and personal care (BPC) products, bringing brands, consumers and discovery together in one focused ecosystem. With a ~27% share in India's online BPC market, Nykaa operates as a category specialist in a segment where product authenticity, brand trust and guided discovery drive purchase decisions more often than aggressive discounting or assortment.
- ❖ While generalist e-commerce platforms compete on logistics and discounting, Nykaa operates on a platform where content, influence and brand trust drive consumer behavior. Its inventory-led model for beauty products, direct brand relationships and omni-channel presence continue to differentiate it in a market plagued by counterfeits and commoditization.
- ❖ We value Nykaa on the SoTP basis. For the BPC business, we ascribe a 50x EV/EBITDA multiple, reflecting its category leadership, higher margins vs. horizontals, and better earnings visibility from owned brands, implying a per-share value of INR255. For the fashion business, we use the DCF approach, implying a per-share value of INR31. Adjusting for net debt, we arrive at a target price of INR280, implying 11% upside. Following the strong share price performance over the past year, the risk-reward appears balanced, limiting near-term upside; accordingly, we initiate coverage on Nykaa with a NEUTRAL rating.



Notable reports from MOFSL's research desk published in Dec'25 (3/3)

Initiating Coverage | Midwest | Strong core | strategic diversification | superior profitability

[Report link>>](#)

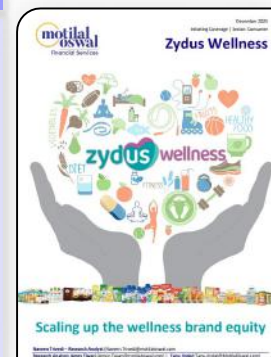
- ❖ Midwest Ltd. (MIDWESTL) is India's largest producer and exporter of premium Black Galaxy Granite. It holds over 60% of India's export market share and is a leading player in Absolute Black Granite. The company is vertically integrated across the granite supply chain, operating 20 mines, and has generated ~INR6.3b in revenue during FY25, with a CAGR exceeding 21% over the past five years. MIDWESTL boasts a best-in-class EBITDA margin of 27.4%, with a CAGR of more than 44% during the same period, outperforming its granite industry peers.
- ❖ MIDWESTL offers a unique combination of a near monopoly cash cow (Black Galaxy/ Absolute) that funds two new high-growth, high-margin businesses (Quartz and HMS) with minimal balance-sheet strain. These expansions will diversify revenue reducing concentration risk from ~96-98% granite share in FY25 to ~50% by FY28E. Its overall revenue and EBITDA are likely to post a 36% and 47% CAGR (vs. ~12% CAGR each for Granite) over FY25-28E, respectively, supported by the Quartz and HMS. Adj PAT to see 56% CAGR growth over FY25-28E.
- ❖ MIDWESTL's net debt stood at INR2.2b, translating into a Net Debt/EBITDA of 1.3x as of FY25. The ratio is expected to dip to less than 1x due to the rising operating profit going forward. As quartz and HMS operations scale up by FY27-28, OCF is likely to exceed INR2b annually, turning FCF structurally positive. We initiate coverage on MIDWESTL with a BUY rating. We value the company at 13x FY28E EV/EBITDA to arrive at our TP of INR2,00.



Initiating Coverage | Zydus Wellness | Scaling up the wellness brand equity

[Report link>>](#)

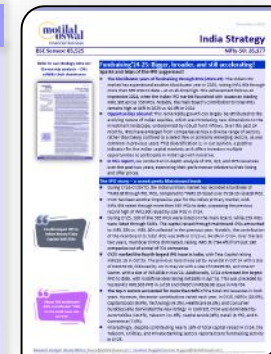
- ❖ Zydus Wellness is a diversified health and nutrition company (~INR40bn revenue) with leadership in several consumer wellness categories. The company's core portfolio consists of sugar substitutes (Sugar Free), glucose powders (GluconD), skincare (Everyuth), functional foods (Nutralite), prickly-heat powder (Nycil), and nutritional beverages (Complan). Zydus maintains dominant positions in its core categories. Recent acquisitions, including Naturell (RiteBite Max Protein) and Comfort Click (VMS portfolio), have expanded the company's presence across emerging consumption trends such as high-protein snacks, preventive health, and digital-first nutrition.
- ❖ Zydus has one of the best risk-reward profiles among peers with a similar market cap (<INR150b). With 70% promoter holding, professional leadership, best corporate background, and presence in futuristic relevant categories, we believe the company deserves a better valuation multiple. The valuation multiple is currently low given its low earnings growth in the past decade (10-year CAGR of 7-8%). With stability in the core portfolio (took initial period for stabilizing sizable acquisition) and promising new growth engines, we expect Zydus to deliver much superior earnings growth than it delivered in the past. We model 14% organic EBITDA CAGR and 36% consolidated EBITDA CAGR during FY25-28E. The stock is at 22x P/E and 16x EV/EBITDA FY28E, a 30%-35% discount to other FMCG peers, and offering the best risk-reward profile in the sub-INR150b market-cap consumer universe.
- ❖ Based on SoTP, we value the India business at 27x EV/EBITDA FY28E and International (Comfort Click) at 15x EV/EBITDA FY28E to arrive at a TP of INR575 (implied consolidated 22x EV/EBITDA and 30x P/E at FY28). We initiate coverage on Zydus with a BUY rating.



India Strategy | Fundraising'24-25: Bigger, broader, and still accelerating!

[Report link>>](#)

- ❖ **The blockbuster years of fundraising through IPOs (2024-25):** The Indian IPO market has experienced another blockbuster year in 2025, raising INR1.95t through more than 365 IPOs to date – at an all-time high. This achievement follows an impressive 2024, when the Indian IPO market flourished with issuances totaling INR1.90t across 336 IPOs. Notably, the main board's contribution to total IPOs remains high at 94% in 2025 vs. 94.8% in 2024.
- ❖ **Opportunities abound:** This remarkable growth can largely be attributed to the evolving nature of Indian equities, which are introducing new dimensions to the investment landscape, underpinned by robust fund inflows. Over the past 24 months, IPOs have emerged from companies across a diverse range of sectors, rather than being confined to a select few or primarily emerging sectors, as was common in previous years. This diversification is, in our opinion, a positive indicator for the Indian capital markets, as it offers investors multiple opportunities to participate in India's growth narrative.
- ❖ During CY24-CY25, the Indian primary market has recorded a fundraise of ~INR3.8t through 701 IPOs, compared to ~INR3.2t raised over CY19-23 via 629 IPOs. During CY25, 106 of the 365 IPOs were listed on the main board, while 259 IPOs were listed through SMEs. The capital raised through mainboard IPOs amounted to INR1.83t vs. INR1.80t collected in the previous year. Notably, the contribution of the mainboard to total IPOs was 94% in CY25 vs. 94.8% in CY24.



Valuations: Key observations

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

- ❖ The 12-month trailing P/E for Nifty-50, at 24.2x, was 5% above its LTA.
- ❖ At 3.6x, the 12-month trailing P/B was 13% above its historical average of 3.1x.

12-month trailing Nifty P/E (x)



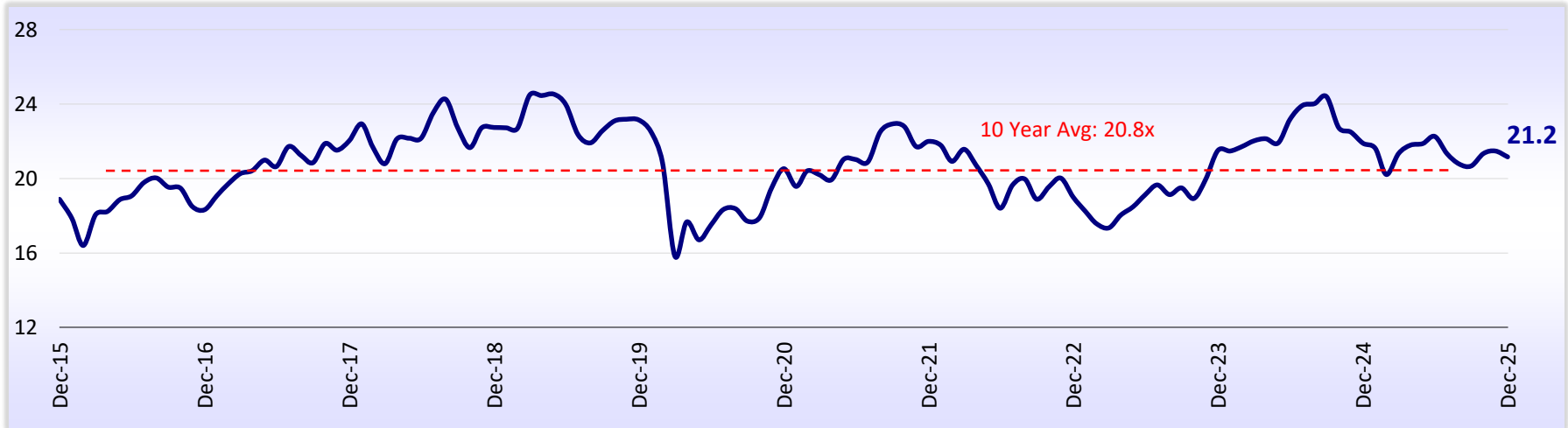
12-month trailing Nifty P/B (x)



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

- ❖ Nifty's 12-month forward P/E at 21.2x was 2% above its LTA of 20.8x, but it was down 13% from the Sep'24 high.
- ❖ At 3.2x, the 12-month forward P/B traded at a 11% premium to its LTA of 2.9x.

12-month forward Nifty P/E (x)



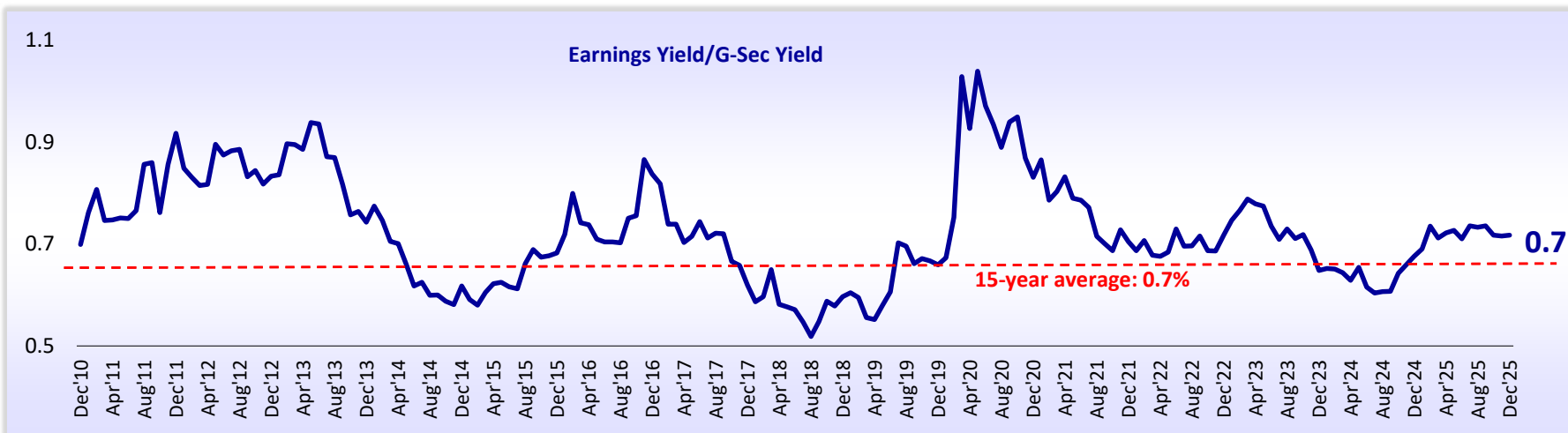
12-month forward Nifty P/B (x)



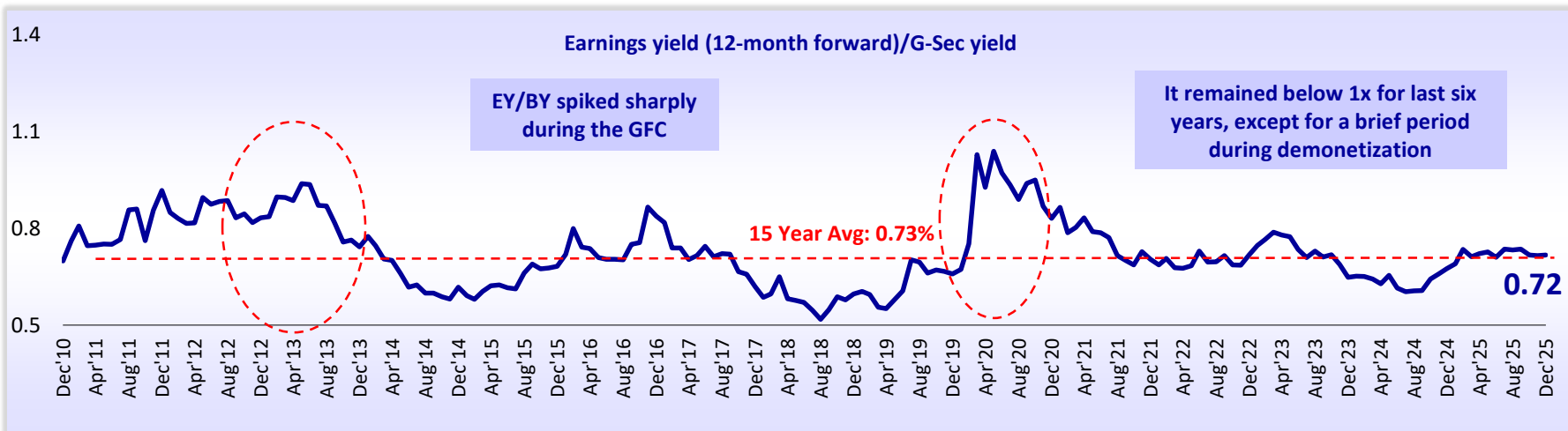
EY/BY ratio remains flat MoM

- India's 10Y bond yield stood at 6.6% (up 10bp MoM). Consequently, the earnings yield-to-bond yield (EY/BY) remained flat MoM at 0.7x on both trailing and forward basis at their LPA.

Trailing earnings yield/G-Sec yield (x)



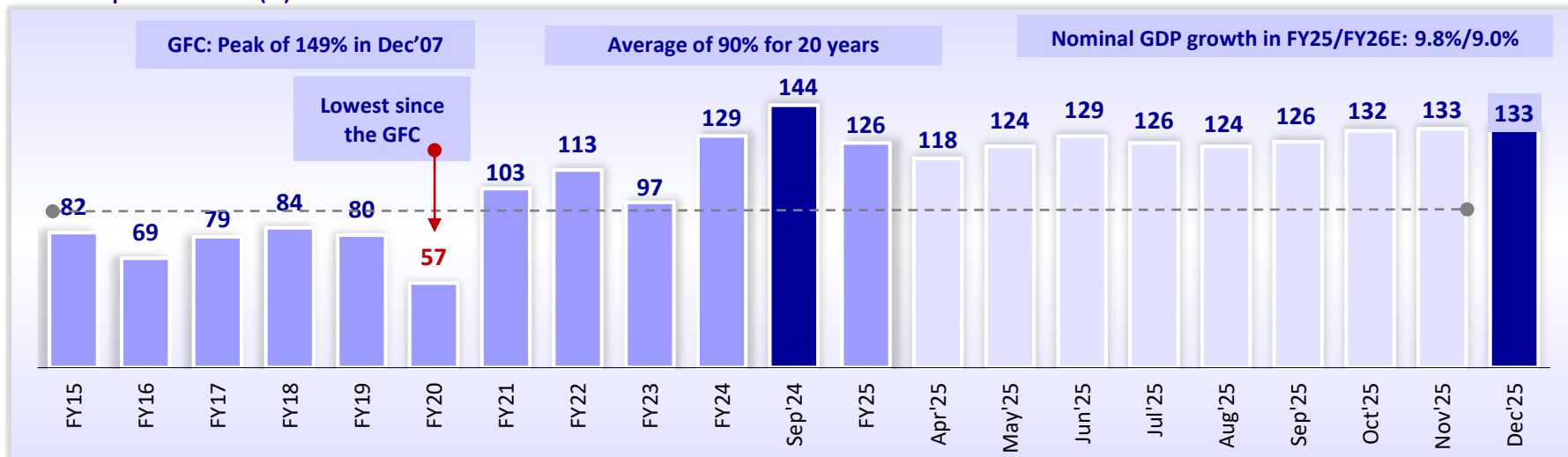
Forward earnings yield/G-Sec yield (x)



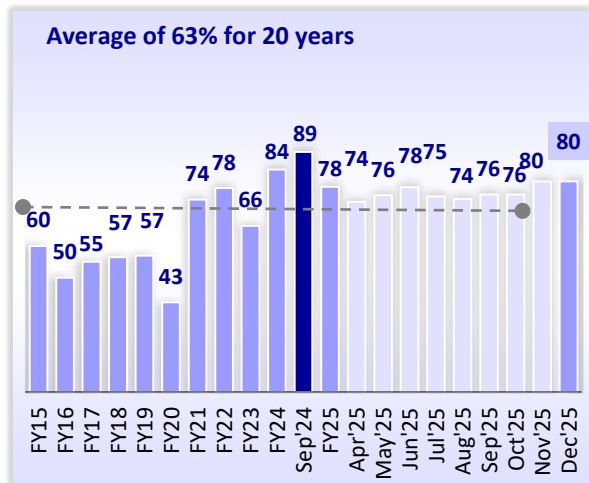
India's market cap-to-GDP ratio remains elevated

- ❖ India's market cap-to-GDP ratio is projected to be at 133% in FY26, lower than the peak of 144% in Sep'24 but above the Feb'25 low of 118%.
- ❖ The market cap-to-GDP ratio for broader markets continues to trade at a significant premium to the long-term average. The ratio for midcaps and smallcaps is trading near its Sep'24 highs of 27% each.

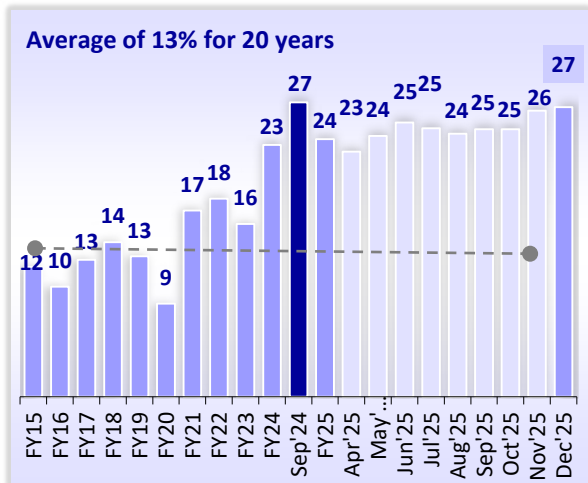
Market cap-to-GDP ratio (%) – Overall



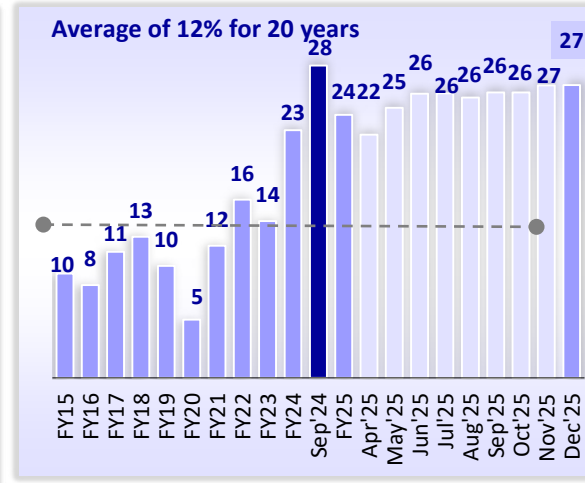
Market cap-to-GDP ratio (%) – Top 100 Large-caps



Market cap-to-GDP ratio (%) – 101 to 250th Mid-caps



Market cap-to-GDP ratio (%) – Small-caps, 250th onwards

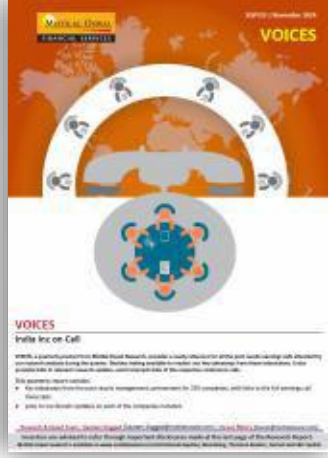
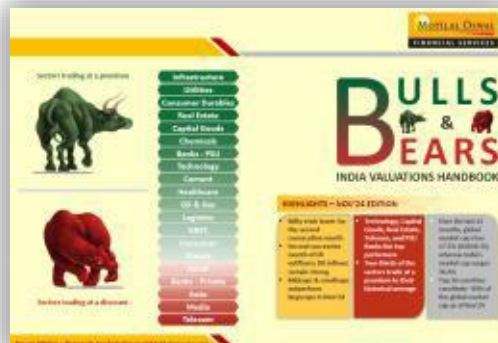


Top Ideas: MOFSL

Company	Mcap (USDb)	CMP	EPS (INR)			EPS CAGR (%)	PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25-27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Preferred large cap stocks															
Bharti Airtel	142.4	2,107	52.4	67.1	87.4	29.2	40.2	31.4	24.1	8.8	6.7	5.7	24.5	26.4	27.9
ICICI Bank	106.0	1,355	71.8	81.5	94.8	14.9	18.9	16.6	14.3	2.9	2.5	2.2	16.5	16.3	16.4
St Bk of India	100.8	999	95.6	104.5	121.6	12.8	10.5	9.6	8.2	1.6	1.4	1.2	17.0	15.6	15.5
Infosys	75.0	1,641	69.3	74.7	83.5	9.8	23.7	22.0	19.7	8.7	8.7	8.7	33.1	39.7	44.2
Larsen & Toubro	63.1	4,163	130.2	154.9	184.9	19.2	32.0	26.9	22.5	5.2	4.6	4.0	17.2	18.1	19.0
M & M	51.9	3,802	120.5	147.0	175.0	20.5	31.5	25.9	21.7	6.3	5.2	4.4	21.5	22.1	22.0
Titan Company	39.9	4,051	56.8	67.2	79.5	18.3	71.3	60.2	51.0	23.8	18.6	14.8	37.7	34.7	32.4
Bharat Electronics	32.2	403	8.3	9.9	11.5	17.4	48.5	40.8	35.2	11.7	9.4	7.6	24.2	23.0	21.6
Tata Steel	25.2	183	9.4	14.2	15.7	29.1	19.4	12.9	11.7	2.3	2.0	1.7	12.3	16.4	15.8
Interglobe Aviat	21.9	5,106	140.0	205.3	243.2	31.8	36.5	24.9	21.0	13.6	8.9	6.4	45.6	43.6	35.6
TVS Motor Co.	20.0	3,855	76.2	96.4	121.9	26.5	50.6	40.0	31.6	14.2	11.0	8.6	31.7	31.0	30.5
Tech Mahindra	17.5	1,613	59.8	80.0	89.4	22.3	26.9	20.1	18.0	5.1	4.9	4.7	19.1	24.8	26.6
Indian Hotels	11.7	748	13.0	15.7	17.4	15.8	57.5	47.6	42.9	8.2	7.1	6.1	15.4	16.0	15.3
Max Healthcare	11.3	1,063	18.1	23.7	25.9	19.7	58.7	44.9	41.0	8.4	7.2	6.1	15.4	17.3	16.2
Preferred Midcap/Smallcap stocks															
Swiggy	10.8	387	-17.2	-8.7	3.8	LP	NM	NM	101.8	12.5	15.1	12.8	-45.5	-30.9	13.6
Dixon Tech.	8.1	12,181	174.9	276.9	363.8	44.2	69.6	44.0	33.5	18.3	13.1	9.5	30.0	34.7	32.8
Suzlon Energy	8.0	54	1.4	2.2	2.5	34.3	39.6	25.1	22.0	8.5	6.4	4.9	25.3	29.1	25.3
Jindal Stainless	7.8	856	38.1	44.5	50.3	14.8	22.4	19.2	17.0	3.6	3.1	2.6	16.1	16.0	15.5
Coforge	6.2	1,651	44.0	56.6	74.8	30.4	37.5	29.2	22.1	7.8	7.0	6.1	17.3	20.7	24.5
Radico Khaitan	4.8	3,095	41.9	53.3	65.5	25.0	73.9	58.0	47.3	13.2	11.2	9.4	17.9	19.2	19.9
Delhivery	3.3	404	3.4	6.3	8.3	55.5	118.2	64.6	48.9	3.1	3.0	2.8	2.7	4.7	5.9
Angel One	2.4	2,388	91.1	136.0	187.2	43.4	26.2	17.6	12.8	3.2	2.8	2.5	14.0	18.7	22.5
V-Mart Retail	0.6	700	15.7	21.9	28.7	35.1	44.6	32.0	24.4	5.9	5.0	4.2	14.3	17.0	18.6
VIP Inds.	0.6	389	-4.6	7.8	11.9	LP	NM	50.0	32.6	10.0	8.3	6.6	-11.3	18.2	22.5

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

Quant Research & India Strategy Gallery



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

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

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

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

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

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

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

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

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

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

Terms & Conditions:

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

Analyst Certification

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

Disclosure of Interest Statement

Analyst ownership of the stock

Companies where there is interest

No

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

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

For Singapore

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

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

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Disclaimer:

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

This report is meant for the clients of Motilal Oswal only.

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

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN .: 146822. IRDA Corporate Agent - CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.