




# Nuvama Wealth

Estimate change	
TP change	
Rating change	

Bloomberg	NUVAMA IN
Equity Shares (m)	182
M.Cap.(INRb)/(USDb)	282.1 / 2.9
52-Week Range (INR)	1702 / 1097
1, 6, 12 Rel. Per (%)	21/-69/-68
12M Avg Val (INR M)	953

## Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Revenues	31.2	37.0	43.4
Opex	17.4	20.4	23.7
PBT	13.8	16.6	19.7
PAT	10.5	12.6	14.9
EPS (INR)	58	69	82
EPS Gr. (%)	6	20	19
BV/Sh. (INR)	234	277	333

## Ratios (%)

C/I ratio	55.7	55.1	54.5
PAT margin	33.6	33.9	34.3
RoE	27.5	27.9	27.7
Div. Payout	23.6	42.2	35.6

## Valuations

P/E (x)	26.9	22.3	18.8
P/BV (x)	6.6	5.6	4.6
Div. Yield (%)	0.9	1.9	1.9

## Shareholding Pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	54.1	54.2	54.8
DII	8.3	8.4	5.8
FII	17.0	16.4	16.6
Others	20.6	21.0	22.8

FII includes depository receipts

**CMP: INR1,547**      **TP: INR1,860 (+20%)**      **Buy**

## Revenue beat; elevated costs lead to an in-line EBITDA

- Nuvama Wealth's (NUVAMA) 4QFY26 operating revenue at INR8.3b grew 7% YoY (8% beat). The Wealth business grew 16% YoY (in line), Private grew 22% YoY (26% beat), while AMC declined 27% YoY (33% miss), and the overall capital market business declined 5% YoY (5% beat). For FY26, overall revenue grew 8% YoY to INR31.2b.
- Total operating expenses grew 10% YoY to INR4.8b (12% higher than estimates led by higher employee costs), with 11% YoY growth in employee expenses and 7% YoY growth in other opex. The cost-to-income ratio rose to 58% in 4QFY26 from 56.4% in 4QFY25 (our est. of 55.9%).
- EBITDA at INR3.5b was up 3% YoY (in-line). Higher-than-expected profit from associates resulted in a 5% PAT beat, which came in at INR2.7b (+5% YoY). For FY26, PAT grew 6% YoY to INR10.5b.
- Usage of AI tools should further improve RM productivity in both wealth management cohorts. AMC business may see some uptick in costs owing to new offerings planned, such as private credit and SIFs. A strong IPO pipeline will be beneficial for capital market revenue in FY27, while stable yields in the asset services segment will help in retaining the momentum.
- We raise our revenue estimates by 5% each but increase the C/I ratio by 90bp each for FY27E/FY28E, considering the company's 4Q performance. **Reiterate BUY with a revised TP of INR1,860 (based on SoTP valuations), implying an FY28E P/E of 23x.**

## Strong flow in wealth business; all-time high revenue in asset services Nuvama Wealth (30% of 4QFY26 revenue)

- Revenue was up 16% YoY to INR2.5b (in-line), driven by 17%/20% YoY growth in Managed Products and Investment Solutions (MPIS)/interest income. Brokerage income grew 5% YoY. MPIS revenue contribution increased YoY to 59% (57% in 3QFY25).
- Average client assets grew 14% YoY to ~INR1.1t, driven by robust net new money of INR48b and offset by MTM losses of INR90b. MPIS contributed net flows of INR24b (+75% YoY) out of total net flows of INR48b.
- The segment has over 1.3m clients serviced by the RM base of ~1.1k and ~8k external wealth managers (20% clients serviced by external RMs).
- CIR for 4Q improved YoY to 66.8% from 69.2% in 4QFY25 (vs. our est. of 67.3%), resulting in an operating PBT of INR829m (+26% YoY; 5% beat).
- Retention was largely stable YoY at 91bp.

## Nuvama Private (27% of total revenue)

- Revenue grew 22% YoY to ~INR2.2b (26% beat), driven by 44% YoY growth in ARR to INR1.3b (22% beat), while transactional revenue was flat YoY at INR894m (31% beat).
- The average client assets rose 7% YoY, with 23% YoY growth in ARR assets to INR537b and 5% YoY growth in transactional assets to INR1.4t. Net new money flowing into ARR assets stood at INR26.9b (INR21b in 4QFY25).

Prayesh Jain - Research Analyst (Prayesh.Jain@MotilalOswal.com) | Nitin Aggarwal (Nitin.Aggarwal@MotilalOswal.com)

Research Analyst: Kartikeya Mohata (Kartikeya.Mohata@MotilalOswal.com) | Muskan Chopra (Muskan.Chopra@motilalosal.com)

**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

Motilal Oswal research is available on [www.motilalosal.com/Institutional-Equities](http://www.motilalosal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

- The segment services 4,750+ families with 145+ RMs.
- CIR was largely stable YoY at 66.6% (vs. our est. of 66.4%), resulting in 21% YoY growth in operating PBT to INR749m (25% beat).
- Retention on ARR assets improved YoY to 102bp from 87bp in 4QFY25. Management expects the retention to be in the range of 85-100bp QoQ.

#### **Nuvama AMC (1% of total revenue)**

- Revenue declined 27% YoY to INR97m (33% miss), largely owing to a 31% YoY decline in the private markets. Management fee declined 37% YoY. The real estate management fee continues to grow and was at INR98m for the quarter.
- Fee-paying AUM represents 85% of closing AUM. Average fee-paying AUM grew 13% YoY to INR114b.
- Net new money of INR10b was largely driven by the real estate JV (INR7.6b). The new fund in the private market has witnessed robust traction with flows at INR2.1b (INR0.9b in 4QFY25), while a new private credit fund will be launched soon. Volatile markets led to low inflows in listed equities (INR0.3b) with the company awaiting an MF license to launch SIF offerings.
- Retention for private markets declined YoY to 65bp, while for listed equities, it was stable at 63bp. Real estate retention stood at 118bp for 4QFY26 (49bp in 4QFY25).
- Operating loss for this segment increased to INR137m. Including the PBT contribution from the real estate JV, the operating loss was INR106m.

#### **Nuvama Asset Services and Capital Markets (42% of revenue)**

- Asset services revenue grew 5% YoY to an all-time high of INR2.1b (14% beat) despite multiple headwinds like market volatility and loss of a large client. Retention at 2.7bp for 4QFY26 is expected to be largely stable going forward.
- The average assets under clearing declined 22% YoY to INR308b. The client count has surpassed 275.
- The IE/IB revenue declined 17% YoY to INR1.4b (6% miss), with a slowdown in the IPO pipeline and market volatility due to geopolitical conditions. 70% of the revenue was contributed by IE, and the remaining by IB segments.
- CIR for the segment stood at ~40%, stable YoY (vs. our est. of 37%), resulting in an operating PBT of INR2.1b (5% YoY decline; in line).

#### **Highlights from the management commentary**

- Lending has seen increased focus over the past 2–3 quarters, with gradual expansion in the loan book in both HNI/UHNI cohorts. NII contributes ~20–22% of Nuvama Wealth revenues, with further upside potential, and is expected to contribute 20-25% of Nuvama Private revenues (10-12% currently).
- The focus of the asset services business segment remains on gaining market share, with the company nearing a strategic collaboration with a global custodian.
- Fixed income contributes ~50% of IB revenues and is expected to continue growing at ~20–25% going forward.

#### **Valuation and view**

- NUVAMA has reported strong performance in 4Q, backed by robust flows in the wealth management businesses, offset by the MTM impact. The asset services have recovered significantly following the exit of a large client, with revenue achieving a new peak backed by new client additions. While the asset management business is at a nascent stage, new teams are being set up to

provide a complete set of offerings like private credit and SIF. Driven by the recovery in asset services business to pre-client loss levels, sustained revenue momentum in wealth management, and a gradually improving cost trajectory, we expect an 18%/19% revenue/PAT CAGR for FY26-28.

- We raise our revenue estimates by 5% each but increase the C/I ratio by 90bp each for FY27E/FY28E, considering the company's 4Q performance. **Reiterate BUY with a revised TP of INR1,860 (based on SoTP valuations), implying an FY28E P/E of 23x.**

**Quarterly Performance**

(INR m)

Y/E March	FY25				FY26				FY25	FY26	4Q FY26E	Actual vs Est. %	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Revenue from Operations	6,675	7,397	7,229	7,712	7,701	7,718	7,549	8,252	29,013	31,219	7,618	8.3	7.0	9.3
Change YoY (%)	60.2	50.2	29.5	29.5	15.4	4.3	4.4	7.0	40.7	7.6	-1.2			
Employee expenses	2,793	2,983	2,946	3,082	3,156	3,220	2,963	3,423	11,804	12,761	3,068	11.6	11.1	15.5
Total Operating Expenses	3,741	3,920	3,894	4,349	4,209	4,372	4,038	4,784	15,904	17,402	4,258	12.3	10.0	18.5
Change YoY (%)	27.9	30.0	18.8	21.6	12.5	11.5	3.7	10.0	24.3	9.4	-2.1			
<b>PBT</b>	<b>2,934</b>	<b>3,477</b>	<b>3,335</b>	<b>3,363</b>	<b>3,492</b>	<b>3,346</b>	<b>3,511</b>	<b>3,468</b>	<b>13,109</b>	<b>13,818</b>	<b>3,359</b>	<b>3.2</b>	3.1	(1.2)
Change YoY (%)	136.2	82.2	44.7	41.3	19.0	-3.8	5.3	3.1	67.3	5.4	-0.1			
Tax Provisions	760	902	824	848	868	853	890	863	3,334	3,474	839	2.9	1.8	(3.1)
<b>PAT</b>	<b>2,174</b>	<b>2,575</b>	<b>2,511</b>	<b>2,515</b>	<b>2,623</b>	<b>2,494</b>	<b>2,621</b>	<b>2,605</b>	<b>9,776</b>	<b>10,344</b>	<b>2,521</b>	<b>3.4</b>	3.6	(0.6)
Change YoY (%)	135.0	78.3	42.8	38.5	20.7	-3.2	4.4	3.6	64.4	5.8	0.2			
Associates' profit	37	0	6	37	15	46	-6	83	80	138	35	139.1	121.0	NA
<b>Net Profit</b>	<b>2,210</b>	<b>2,575</b>	<b>2,517</b>	<b>2,553</b>	<b>2,639</b>	<b>2,540</b>	<b>2,615</b>	<b>2,688</b>	<b>9,855</b>	<b>10,482</b>	<b>2,555</b>	<b>5.2</b>	5.3	2.8
Change YoY (%)	133.5	77.6	42.9	41.3	19.4	-1.4	3.9	5.3	65.2	6.4	0.1			
<b>Key Operating Parameters (%)</b>														bp
Cost to Income Ratio	56.0	53.0	53.9	56.4	54.7	56.6	53.5	58.0	54.8	55.7	55.9	207	158	449
PBT Margin	44.0	47.0	46.1	43.6	45.3	43.4	46.5	42.0	45.2	44.3	44.1	-207	-158	-449
PAT Margin	33.1	34.8	34.8	33.1	34.3	32.9	34.6	32.6	34.0	33.6	33.5	-97	-53	-207
<b>Avg AUM (INR b)</b>														
<b>Wealth Management</b>	<b>2,376</b>	<b>2,654</b>	<b>2,818</b>	<b>2,700</b>	<b>2,835</b>	<b>2,986</b>	<b>3,051</b>	<b>3,029</b>	<b>2,637</b>	<b>2,975</b>	<b>3,130</b>	<b>-3.2</b>	12.2	(0.7)
Nuvama Wealth	829	948	1,004	947	997	1,063	1,104	1,115	932	1,070	1,127	-1.1	17.7	0.9
Nuvama Private (excl. heldaway)	1,547	1,706	1,813	1,753	1,837	1,922	1,947	1,914	1,705	1,905	2,003	-4.4	9.2	(1.7)
<b>Asset Management</b>	<b>58</b>	<b>70</b>	<b>84</b>	<b>101</b>	<b>107</b>	<b>110</b>	<b>115</b>	<b>114</b>	<b>78</b>	<b>112</b>	<b>113</b>	<b>0.6</b>	12.8	(1.4)

**Changes to our estimates**

INR b Y/E March	New estimates		Old estimates		Change in estimates	
	2027E	2028E	2027E	2028E	2027E	2028E
Revenues	37.0	43.4	35.4	41.2	4.6%	5.4%
Opex	20.4	23.7	19.2	22.1	6.3%	7.0%
PBT	16.6	19.7	16.2	19.1	2.5%	3.4%
PAT	12.6	14.9	12.2	14.4	2.5%	3.4%
EPS (INR)	69	82	69	81	0.7%	1.5%
EPS Gr. (%)	20	19	18.7	17.7		
BV/Sh. (INR)	277	333	252	293	9.9%	13.6%
<b>Ratios (%)</b>						
C/I ratio	55.1	54.5	54.2	53.7	90 bps	85 bps
PAT margin	33.9	34.3	34.6	34.9	-69 bps	-65 bps
RoE	27.9	27.7	29.3	29.9	-139 bps	-227 bps



## Highlights from the management commentary

### Company performance

- Management highlighted early signs of consolidation within the AMC industry alongside rising traction for private markets and alternative assets. Client preference is increasingly shifting towards integrated multi-product wealth platforms.
- Globally, wealth platforms have evolved into diversified multi-product ecosystems, and management believes India could transition even faster than global peers.
- Cost-to-income ratios improved YoY across Wealth Management, Asset Services, and Capital Markets businesses. However, at the consolidated level, the firm-level C/I ratio increased due to the rising contribution of the wealth management business within the overall mix.
- PAG is expected to exit eventually, though management clarified that no formal process is currently underway.

### Nuvama Wealth

- MPIS continues to remain the core growth engine, contributing to the entire growth in recurring revenues during the year.
- Lending has seen increased focus over the past 2–3 quarters, with gradual expansion in the loan book. NII contributes ~20–22% of revenues, with further upside potential.
- NII growth lagged loan book growth due to ECL provisioning and the impact of elevated market volatility arising from geopolitical developments on the ESOP financing book. Management indicated there could be another quarter of lag between loan book growth and NII normalization before catch-up occurs.
- The RM franchise continues to undergo “seniorization,” with a significant portion of the team now comprising experienced relationship managers.
- AI-led tools are being deployed to enhance RM productivity, resulting in ~25% improvement in per-RM revenue, with a large portion attributable to AI adoption.
- Productivity gains are being driven by improving RM vintage as well as multiple AI-driven operational efficiency initiatives.
- Launched “Virasat,” an estate and legacy planning solution, targeting HNI clients with increasing inter-generational wealth planning requirements.
- Management continues to target net inflows of ~25–30% of opening MPIS AUM annually, with current trends remaining in line with this objective.
- The unlisted opportunities business remains relatively small, with future activity expected to focus on high-end credit transactions that are relatively insulated from geopolitical disruptions.
- Tier-2 and smaller cities contribute ~35–40% of business.
- Regret attrition remains low at ~3–4%.

### Nuvama Private

- Healthy growth momentum continues, with ARR growing consistently at ~25–30% and contributing ~60% of revenues.
- Yield profile remains strong at ~85–100bp, with retention yields expected to sustain at ~90–95bp.
- The platform continues to expand in-house advisory capabilities through full-fledged NDPMS, DPMS, and advisory PMS offerings.

- Lending has become a strategic focus area, though it currently contributes only ~10–12% of revenues, leaving significant headroom to scale towards ~20–25% over the next two years.
- Over the past four years, the business has expanded capacity by ~60%, with RM count increasing to ~150. Talent onboarding will continue going forward.
- Investments in technology and AI remain a key focus. The recently launched “Agentic AI” platform supports RMs by tracking client portfolios and performance analytics, driving ~10–15% increase in per-RM revenue productivity.
- Client concentration remains consistent with industry trends, with ~one-third of clients contributing ~70–75% of AUM.
- Regret attrition remains low at ~1–2%.

#### **Asset management**

- Commercial real estate strategy has scaled well, with acquisition completed for three marquee assets and ~40–50% of funds already deployed. A new ~INR25b fund is expected to be launched once ~70% deployment is achieved in the current fund by 2HFY27.
- Leadership within the private markets team has been strengthened, with a new ~INR 15b fund to be completed over the next 8–10 months.
- Management also expects to launch its first private credit fund (~INR 10–15b) during the year, with the team already in place.
- Public markets remained volatile during FY26, limiting HNI/UHNI allocation towards equities. The company is in the process of obtaining a mutual fund license, post which it intends to launch SIF offerings. Leadership additions have also been made within this vertical.
- Incremental investments and costs are expected as new schemes are launched and MF operations scale up.

#### **Asset services**

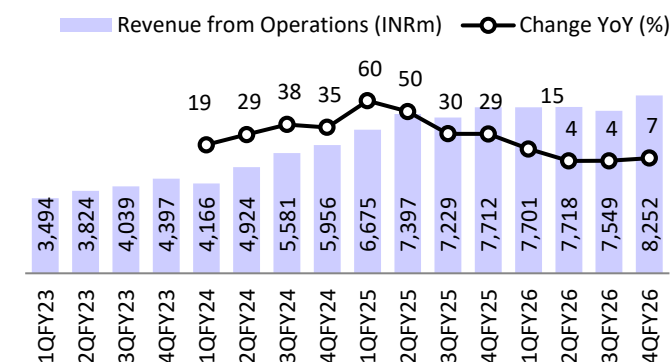
- The business has returned to its growth trajectory, with revenues surpassing 1QFY26 levels.
- Despite industry headwinds, including market volatility, yield compression concerns, and loss of certain clients, the segment continued to deliver revenue growth, highlighting the resilience of the market infrastructure-led model versus traditional capital market businesses.
- Focus remains on gaining market share, with the company nearing a strategic collaboration with a global custodian.
- Management believes yields should remain broadly stable unless there is a major shift in collateral mix from extremely large clients. Potential central bank tightening could create an upward bias to yields.

#### **Capital markets**

- Secondary market activity moderated during FY26.
- Primary markets remained healthy, with ~100 mainboard IPOs during the year.
- While activity slowed in 2HFY26, market share was broadly maintained at ~18–19% by issue value and ~15% by deal count.
- Fixed income contributes ~50% of IB revenues and is expected to continue growing at ~20–25% going forward.
- On the ECM side, the company currently has ~40–45 live mandates, providing confidence for a strong FY27 pipeline.
- Investment Banking and Institutional Equities revenues are broadly split ~30% and ~70%, respectively.

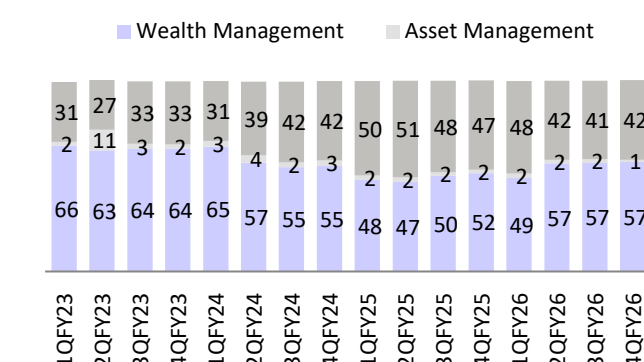
## Key exhibits

**Exhibit 1: Revenue grew 7% YoY in 4QFY26**



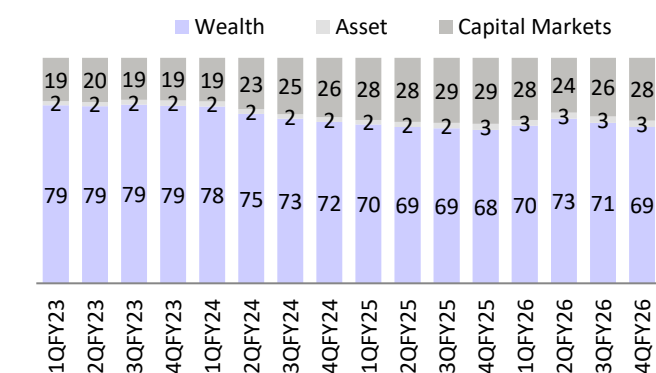
Source: MOFSL, Company

**Exhibit 2: Wealth management's contribution rose YoY**



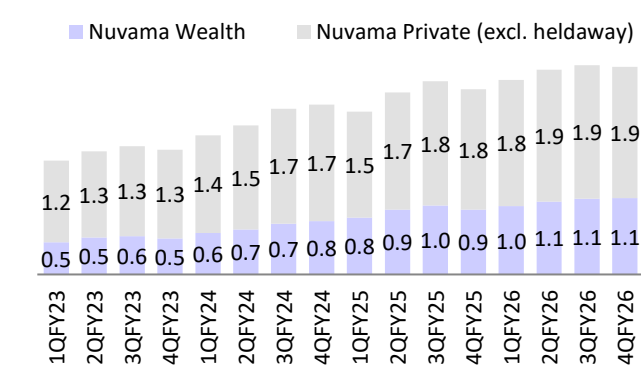
Source: MOFSL, Company

**Exhibit 3: Overall AUM mix**



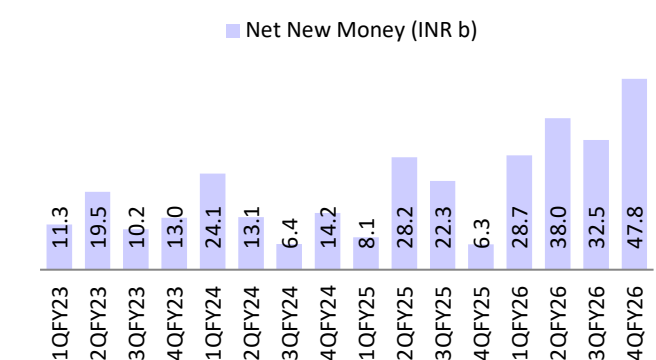
Source: MOFSL, Company

**Exhibit 4: Wealth management AUM (INRt)**



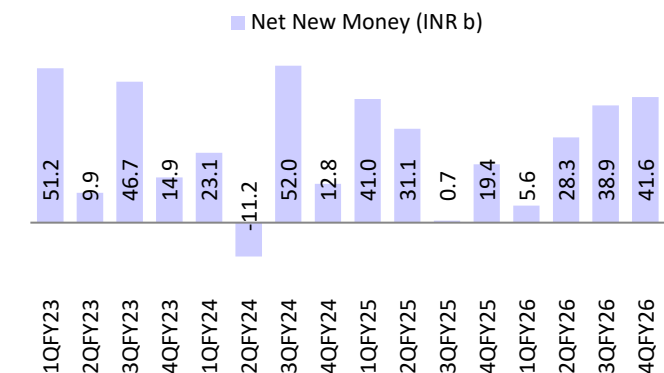
Source: MOFSL, Company

**Exhibit 5: Nuvama Wealth – Net new money trend**



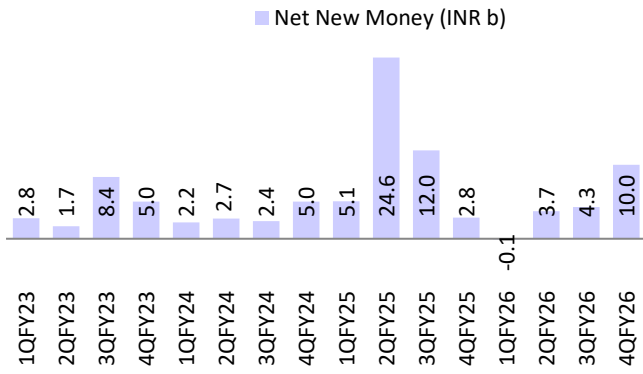
Source: MOFSL, Company

**Exhibit 6: Nuvama Private – Net new money trend**



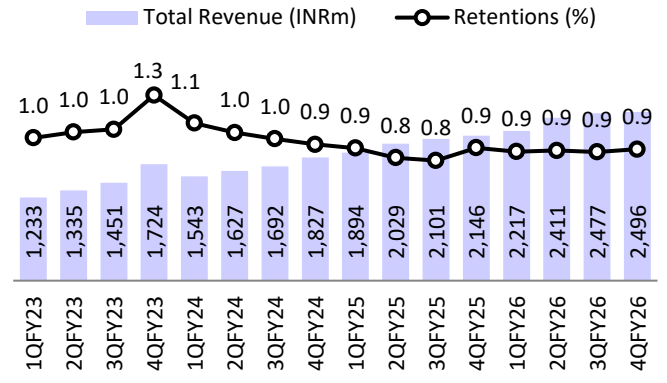
Source: MOFSL, Company

**Exhibit 7: Nuvama AMC – Net new money trend**



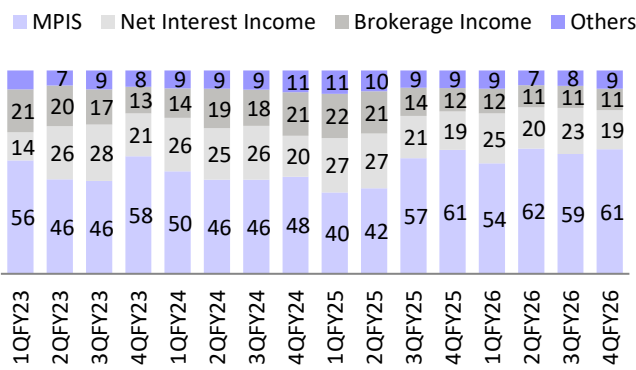
Source: MOFSL, Company

**Exhibit 8: Nuvama Wealth – revenue trend**



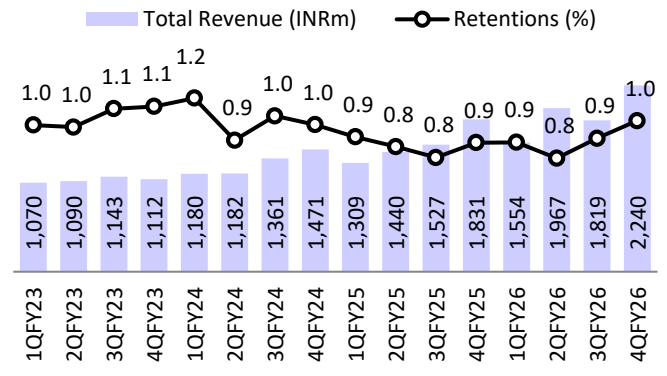
Source: MOFSL, Company

**Exhibit 9: Nuvama Wealth – revenue mix (%)**



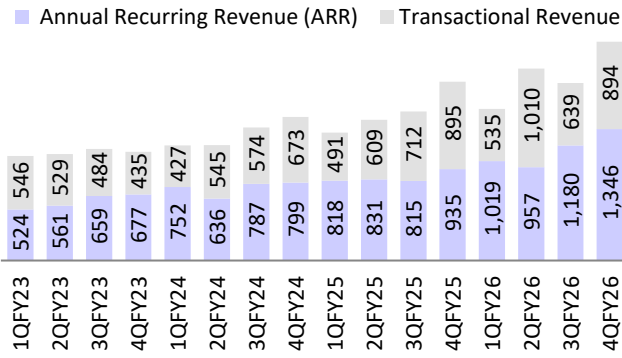
Source: MOFSL, Company

**Exhibit 10: Nuvama Private – revenue trend**



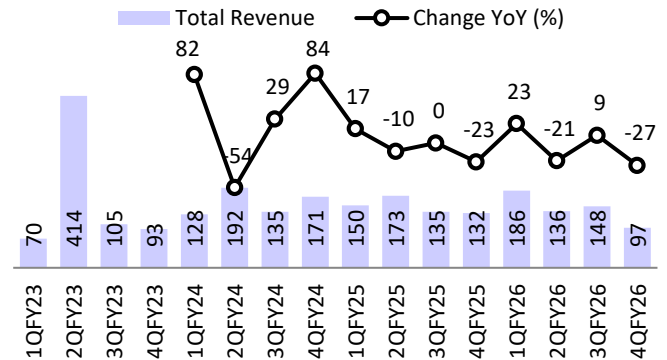
Source: MOFSL, Company

**Exhibit 11: Nuvama Private – revenue mix (INRm)**



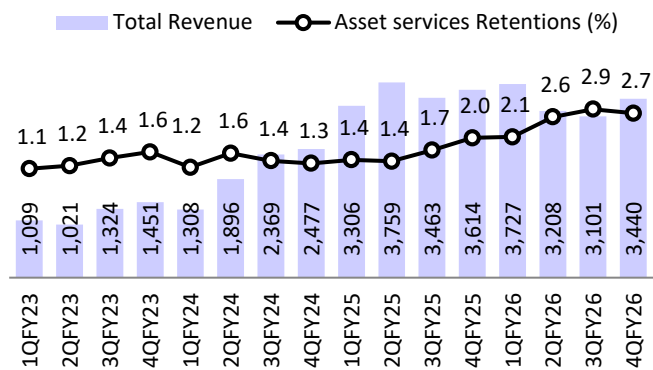
Source: MOFSL, Company

**Exhibit 12: Nuvama AMC – revenue trend**



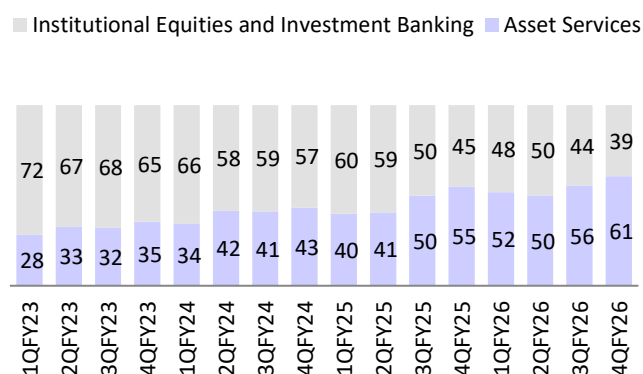
Source: MOFSL, Company

**Exhibit 13: Nuvama Capital Markets – revenue trend**



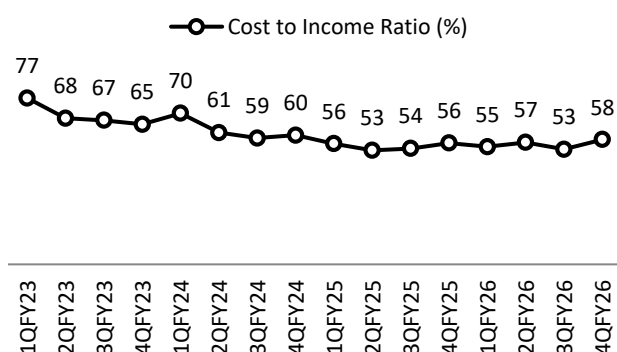
Source: MOFSL, Company

**Exhibit 14: Nuvama Capital Markets – revenue mix (%)**



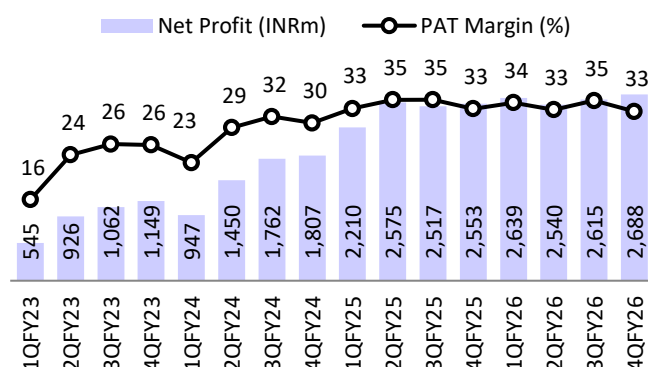
Source: MOFSL, Company

**Exhibit 15: Cost-to-income ratio trend**



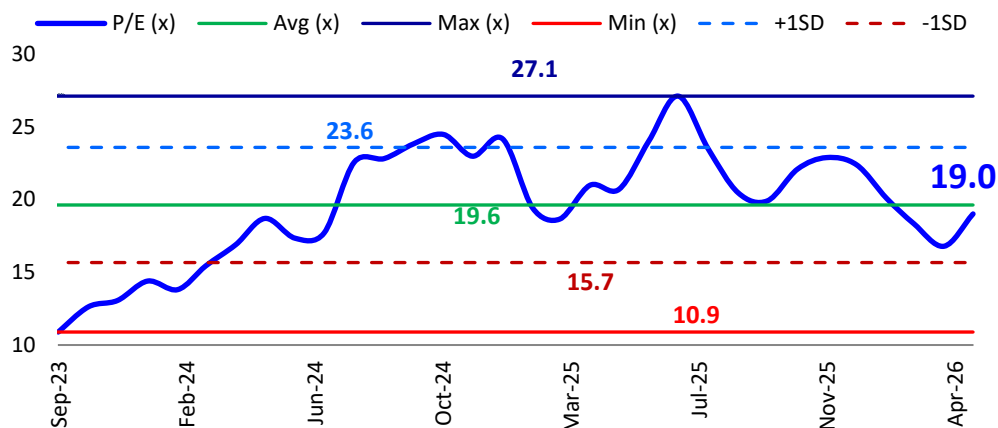
Source: MOFSL, Company

**Exhibit 16: PAT trend**



Source: MOFSL, Company

**Exhibit 17: One-year forward P/E**



Source: MOFSL, Company

## Financials and valuations

Income Statement							(INR m)	
Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Nuvama Wealth	2,746	4,089	5,744	6,688	8,169	9,602	11,138	13,315
Nuvama Private	2,097	3,415	4,415	5,193	6,107	7,580	9,139	10,833
Asset Management	3	196	682	626	591	566	1,004	1,381
Capital Markets	5,030	5,594	4,894	8,050	14,142	13,476	15,702	17,865
<b>Total Income</b>	<b>9,979</b>	<b>13,218</b>	<b>15,754</b>	<b>20,627</b>	<b>29,013</b>	<b>31,219</b>	<b>36,983</b>	<b>43,395</b>
Change (%)		32.5	19.2	30.9	40.7	7.6	18.5	17.3
Employee expenses	4,725	6,404	7,586	9,065	11,804	12,761	14,462	16,806
<b>Operating Profit</b>	<b>5,255</b>	<b>6,814</b>	<b>8,168</b>	<b>11,563</b>	<b>17,209</b>	<b>18,458</b>	<b>22,521</b>	<b>26,588</b>
Depreciation	501	713	886	1,364	944	1,125	1,181	1,240
Other Operating cost	2,080	2,181	2,393	2,362	3,156	3,516	4,726	5,624
<b>PBT before share from associates</b>	<b>2,674</b>	<b>3,920</b>	<b>4,889</b>	<b>7,836</b>	<b>13,109</b>	<b>13,818</b>	<b>16,614</b>	<b>19,724</b>
Change (%)		46.6	24.7	60.3	67.3	5.4	20.2	18.7
Tax	668	1,011	1,217	1,892	3,332	3,474	4,154	4,931
Tax Rate (%)	25.0	25.8	24.9	24.1	25.4	25.1	25.0	25.0
<b>PAT before share from associates</b>	<b>2,005</b>	<b>2,909</b>	<b>3,673</b>	<b>5,944</b>	<b>9,777</b>	<b>10,344</b>	<b>12,461</b>	<b>14,793</b>
Share from associates (net of taxes)	-9	10	10	21	74	138	90	90
<b>Consolidated PAT</b>	<b>1,996</b>	<b>2,919</b>	<b>3,682</b>	<b>5,965</b>	<b>9,851</b>	<b>10,482</b>	<b>12,551</b>	<b>14,883</b>
Change (%)		46.3	26.1	62.0	65.1	6.4	19.7	18.6
Dividend					5,296	2,471	5,296	5,296

Balance Sheet							(INR m)	
Y/E March	2021	2022	2023	2024	2025	2026	2027E	2028E
Equity Share Capital	172	172	351	353	353	364	364	364
Reserves & Surplus	15,923	18,957	22,237	28,635	34,571	40,867	48,486	58,437
<b>Net Worth</b>	<b>16,095</b>	<b>19,128</b>	<b>22,588</b>	<b>28,988</b>	<b>34,925</b>	<b>41,232</b>	<b>48,850</b>	<b>58,801</b>
Borrowings	14,116	35,336	53,980	67,457	78,388	1,15,435	1,29,287	1,44,802
Other Liabilities	44,301	51,518	50,589	1,07,424	1,70,557	1,88,246	2,45,269	3,19,675
<b>Total Liabilities</b>	<b>74,512</b>	<b>1,05,983</b>	<b>1,27,157</b>	<b>2,03,869</b>	<b>2,83,870</b>	<b>3,44,913</b>	<b>4,23,407</b>	<b>5,23,278</b>
Cash and Investments	45,783	47,196	54,975	1,27,835	2,04,562	2,23,294	2,74,373	3,38,952
Change (%)		3.1	16.5	132.5	60.0	9.2	22.9	23.5
<b>Loans</b>	<b>14,833</b>	<b>29,531</b>	<b>35,533</b>	<b>48,629</b>	<b>46,003</b>	<b>76,599</b>	<b>99,578</b>	<b>1,29,452</b>
Change (%)		99.1	20.3	36.9	-5.4	66.5	30.0	30.0
Net Fixed Assets	1,260	1,632	2,290	2,192	2,214	2,108	2,066	2,025
Current Assets	12,636	27,624	34,358	25,212	31,091	42,912	47,390	52,850
<b>Total Assets</b>	<b>74,512</b>	<b>1,05,983</b>	<b>1,27,157</b>	<b>2,03,869</b>	<b>2,83,870</b>	<b>3,44,913</b>	<b>4,23,407</b>	<b>5,23,278</b>

E: MOFSL Estimates

## Financials and valuations

Cashflow Statement							(INR m)	
Y/E March	2022	2023	2024	2025	2026	2027E	2028E	
PAT	2,919	3,682	5,965	9,851	10,482	12,551	14,883	
Change in Accumulated Depreciation	713	886	1,364	944	1,125	1,181	1,240	
Change in Reserves	114	-223	435	1,381	-1,710	364	364	
Change in Working Capital	-7,621	-7,596	65,963	57,420	5,702	52,543	68,946	
<b>Cashflow from Operation</b>	<b>-3,874</b>	<b>-3,251</b>	<b>73,727</b>	<b>69,596</b>	<b>15,599</b>	<b>66,639</b>	<b>85,434</b>	
Change in Investments	-15,153	-6,997	-13,102	2,121	-31,970	-23,338	-30,268	
Change in Loans	21,220	18,644	13,477	10,931	37,047	13,852	15,514	
Change in Fixed Asset	-1,235	-1,611	-1,249	-1,189	-845	-1,139	-1,199	
<b>Cashflow from Investing</b>	<b>4,832</b>	<b>10,035</b>	<b>-874</b>	<b>11,864</b>	<b>4,232</b>	<b>-10,625</b>	<b>-15,952</b>	
Dividend Expense	0	0	0	-5,296	-2,471	-5,296	-5,296	
<b>Cashflow from Financing</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-5,296</b>	<b>-2,471</b>	<b>-5,296</b>	<b>-5,296</b>	
<b>Net Cashflow</b>	<b>958</b>	<b>6,784</b>	<b>72,854</b>	<b>76,164</b>	<b>17,359</b>	<b>50,719</b>	<b>64,185</b>	
<b>Opening Cash</b>	<b>45,536</b>	<b>46,494</b>	<b>53,278</b>	<b>1,26,133</b>	<b>2,02,354</b>	<b>2,19,711</b>	<b>2,70,432</b>	
<b>Closing Cash</b>	<b>46,494</b>	<b>53,278</b>	<b>1,26,132</b>	<b>2,02,297</b>	<b>2,19,713</b>	<b>2,70,430</b>	<b>3,34,617</b>	

E: MOFSL Estimates

Valuations	2021	2022	2023	2024	2025	2026	2027E	2028E
BVPS (INR)	91	108	128	164	198	234	277	333
Change (%)		18.8	18.1	28.3	20.5	18.0	18.5	20.4
Price-BV (x)	<b>17.0</b>	<b>14.3</b>	<b>12.1</b>	<b>9.4</b>	<b>7.8</b>	<b>6.6</b>	<b>5.6</b>	<b>4.6</b>
EPS (INR)	11.1	16.2	20.4	33.0	54.4	57.5	69.3	82.3
Change (%)		45.1	26.2	61.8	64.5	5.8	20.5	18.7
Price-Earnings (x)	<b>138.7</b>	<b>95.6</b>	<b>75.8</b>	<b>46.8</b>	<b>28.5</b>	<b>26.9</b>	<b>22.3</b>	<b>18.8</b>
DPS (INR)					29.4	13.6	29.1	29.1
Dividend Yield (%)					<b>1.9</b>	<b>0.9</b>	<b>1.9</b>	<b>1.9</b>

E: MOFSL Estimates

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

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).

Motalal 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.motalaloswal.com](http://www.motalaloswal.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 Motalal Oswal Financial Services Ltd. are available on the website at <http://online-reports.motalaloswal.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 Motalal Oswal Financial Services Limited are available on the website at <https://qalaxy.motalaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>. As per Regulatory requirements, Research Audit Report is uploaded on [www.motalaloswal.com](http://www.motalaloswal.com) > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

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

**Regional Disclosures (outside India)**

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

**For Hong Kong:**

This report is distributed in Hong Kong by Motalal 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 Motalal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motalal 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.**

Motalal 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, Motalal 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 Motalal 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@motalaloswal.com](mailto:grievances@motalaloswal.com).

Nainesh Rajani

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

Contact: (+65) 8328 0276

**Specific Disclosures**

- 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: Yes.  
Nature of Financial interest is holding equity shares or derivatives of the subject company
- 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
- 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.
- 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.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- 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.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- 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, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

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

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

Registration granted by SEBI, 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 registered Mutual Fund Distributor and SIF Distributor: 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.