Sector Update | 13 July 2026

Financials - NBFCs

Val summary	Rating	CMP (INR)	TP (INR)
MSME			
Five-Star	Buy	546	650
Housing Finance			
LIC HF	Neutral	550	610
PNB HF	Buy	1,110	1,300
Bajaj Housing	Neutral	88	95
Aavas	Neutral	1,522	1,620
HomeFirst	Buy	1,223	1,425
CanFin	Neutral	920	975
Repco	Neutral	409	460
Vehicle Finance			
Cholamandalam	Buy	1,809	2,100
MMFS	Buy	341	395
Shriram Finance	Buy	1,044	1,230
Indostar	Buy	270	315
Gold Finance			
Muthoot	Neutral	3,130	3,050
Manappuram	Neutral	341	340
Diversified			
BAF	Neutral	1,020	1,120
Poonawalla	Buy	477	560
ABCL	Buy	408	470
LTFH	Buy	321	370
Piramal Finance	Buy	2,166	2,560
MAS Financial	Buy	322	380
IIFL Finance	Buy	553	660
HDB Financial	Neutral	755	800
Jio Financial	Buy	242	315
Northern Arc	Buy	327	390
Tata Capital	Neutral	360	390
Microfinance			
CreditAccess	Buy	1,528	1,820
Fusion Finance	Buy	234	270
Spandana Sphoorty	Neutral	305	295
Power Financiers			
PFC	Buy	407	515
REC	Buy	352	435

NBFCs: Liquidity tailwinds to meet cleaner balance sheets

Risks receding and growth cycle to strengthen

Cleaner balance sheets to meet abundant liquidity: After navigating nearly two-and-a-half years of asset-quality challenges across multiple retail lending segments, NBFCs are entering FY27 with cleaner balance sheets and improving growth visibility. With macro risks receding and banking system liquidity poised to improve, we believe the sector is well positioned to enter the next growth cycle from a position of fundamental strength.

The macro narrative has flipped; crude correction removes a key tail risk: The escalation in US-Iran hostilities and the spike in crude oil prices had materially altered the risk-reward for NBFCs by raising concerns around inflation, policy rate hikes and pressure on borrower cash flows. The subsequent peace agreement and a correction in crude prices have significantly diminished these risks. We now expect a broadly stable interest rate environment, while risks to the cash flow of commercial vehicle (CV) operators and MSMEs have also receded.

Liquidity could emerge as the next big catalyst for growth and margins: The key challenge for NBFCs over the past two quarters was not the availability of liquidity, but its price. Incremental borrowing costs continued to inch higher for most NBFCs and HFCs despite an easing policy rate environment. The impending liquidity influx into the banking system through FCNR(B) deposits could alter this dynamic. As banks look to efficiently deploy surplus liquidity, we expect NBFCs to benefit from improved funding availability, stronger negotiating power and a gradual moderation in incremental borrowing costs.

The trifecta is turning favorable – growth, margins and asset quality: We believe FY27 could mark the beginning of a broad-based earnings uptrend for NBFCs. Cleaner balance sheets and improving liquidity should support stronger loan growth; stable interest rates and moderating incremental borrowing costs should provide margin visibility; and normalizing asset quality should result in benign credit costs. Our 1QFY27 preview suggests that NBFCs are starting the year on a strong footing across all three earnings drivers.

Why this liquidity cycle could be different: Historically, periods of abundant liquidity have translated into stronger growth for NBFCs. We expect the same dynamic to play out again. However, the key difference this time is that NBFCs are entering the liquidity cycle after nearly two-and-a-half years of risk recalibration, tighter underwriting and balance-sheet clean-up. We consequently expect the next phase of growth to be supported by significantly stronger fundamentals.

Prefer diversified lenders and selective cyclical recovery plays: Within the sector, we prefer diversified lenders that can dynamically allocate capital across products and benefit from improving liquidity and accelerating credit growth. We also see opportunities to play the cyclical recovery in microfinance and micro-LAP. Our preferred picks are **Shriram Finance (SHFL), L&T Finance (LTF), Five-Star Business Finance and PNB Housing Finance (PNBHF)**. Key risks to our thesis are a weak monsoon and a potential re-escalation of geopolitical tensions in West Asia.

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

Exhibit 1: Why NBFCs, Why Now?

Phase	What changed?	Impact on NBFCs	Our stance
1. Asset-quality normalization	❖ After nearly 2.5 years of stress across credit cards, small-ticket PL, MFI, micro-LAP, unsecured business loans and vehicle finance, asset quality started improving in 3QFY26-4QFY26	❖ Cleaner balance sheets, normalizing credit costs and greater confidence to resume growth	**Turning constructive**
2. Geopolitical shock	❖ US-Iran hostilities drove a spike in crude oil prices, raising concerns around inflation, fuel price hikes and potential RBI policy tightening	❖ Risks emerged to margins, economic activity and borrower cash flows, particularly for CV operators and MSMEs	**Turned cautious**
3. Macro normalization	❖ US-Iran peace agreement and correction in crude oil prices reduced inflation and interest-rate risks	❖ Stable rate outlook and lower risks to CV operators and MSME cash flows	**Turning constructive again**
4. Liquidity tailwind	❖ Expected FCNR(B) inflows could boost banking system liquidity	❖ Better funding availability, stronger negotiating power for NBFCs and potential moderation in incremental borrowing costs	**Key catalyst**
5. Growth acceleration	❖ Cleaner balance sheets + abundant liquidity + stable margins + benign credit costs	❖ Potential for a broad-based earnings uptrend, driven by growth, margins and asset quality	**Positive for NBFCs**

Fundamentals now stacking up better for NBFCs

Exhibit 2: Valuation matrix for MOFSL NBFC Coverage

Val summary	Rating	CMP (INR)	Mkt. Cap (INRb)	EPS (INR)		BV (INR)		RoA (%)		RoE (%)		P/E (x)		P/BV (x)	
				FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
MSME															
Five-Star	Buy	546	162	39.5	48.1	288	333	6.7	6.8	14.7	15.5	13.8	11.3	1.9	1.6
Housing Finance															
LIC HF	Neutral	550	297	106.1	109.6	836	924	1.7	1.7	13.4	12.4	5.2	5.0	0.7	0.6
PNB HF	Buy	1,110	282	93.8	110.8	823	925	2.4	2.3	12.0	12.7	11.8	10.0	1.3	1.2
Bajaj Housing	Neutral	88	730	3.5	4.5	31	35	2.1	2.1	12.2	13.7	25.1	19.6	2.9	2.5
Aavas	Neutral	1,522	119	96.6	115.7	734	849	3.3	3.4	14.1	14.6	15.8	13.2	2.1	1.8
HomeFirst	Buy	1,223	126	64.4	74.7	477	548	4.0	3.8	14.4	14.6	19.0	16.4	2.6	2.2
CanFin	Neutral	920	122	84.2	92.7	519	597	2.4	2.3	17.4	16.6	10.9	9.9	1.8	1.5
Repco	Neutral	409	26	70.5	79.9	690	765	2.5	2.6	10.7	11.0	5.8	5.1	0.6	0.5
Vehicle Finance															
Cholamandalam	Buy	1,809	1,528	76.8	94.8	437	529	2.5	2.6	19.4	19.6	23.6	19.1	4.1	3.4
MMFS	Buy	341	468	24.9	29.0	196	217	2.2	2.3	13.3	14.1	13.7	11.8	1.7	1.6
Shriram Finance	Buy	1,044	1,942	56.4	70.5	494	551	3.8	4.0	14.6	13.5	18.5	14.8	2.1	1.9
Indostar	Buy	270	42	13.7	21.2	248	269	2.1	2.7	5.7	8.2	19.7	12.7	1.1	1.0
Gold Finance															
Muthoot	Neutral	3,130	1,227	316.1	340.7	1,212	1,504	6.3	5.7	29.4	25.1	9.9	9.2	2.6	2.1
Manappuram	Neutral	341	281	20.4	28.6	188	210	2.5	2.9	11.9	14.4	16.7	11.9	1.8	1.6
Diversified															
BAF	Neutral	1,020	6,238	40.7	51.3	223	266	4.0	4.2	19.8	21.0	25.0	19.9	4.6	3.8
Poonawalla	Buy	477	375	17.8	29.3	164	191	2.1	2.4	12.6	16.5	26.8	16.3	2.9	2.5
ABCL	Buy	408	1,040	17.9	23.3	155	175	-	-	12.6	14.1	22.8	17.5	2.6	2.3
LTFH	Buy	321	804	15.7	19.9	125	141	2.5	2.6	13.3	15.0	20.4	16.1	2.6	2.3
Piramal Finance	Buy	2,166	477	106.6	163.0	1,342	1,480	2.0	2.6	8.2	11.5	20.3	13.3	1.6	1.5
MAS Financial	Buy	322	57	24.8	28.6	183	208	3.2	3.1	14.5	14.6	13.0	11.3	1.8	1.5
IIFL Finance	Buy	553	231	59.8	80.0	383	457	2.7	2.9	16.8	19.0	9.2	6.9	1.4	1.2
HDB Financial	Neutral	755	610	38.1	46.3	287	333	2.4	2.6	14.2	14.9	19.8	16.3	2.6	2.3
Jio Financial	Buy	242	1,483	3.3	5.1	233	257	2.0	2.4	5.7	8.9	72.6	47.7	1.0	0.9
Northern Arc	Buy	327	50	33.5	43.7	275	319	2.9	3.2	13.0	14.7	9.8	7.5	1.2	1.0
Tata Capital	Neutral	360	1,505	16.4	21.2	125	146	2.1	2.3	14.0	15.7	22.0	17.0	2.9	2.5
Microfinance															
CreditAccess	Buy	1,528	248	109.7	129.3	599	729	5.0	4.9	20.2	19.5	13.9	11.8	2.5	2.1
Fusion Finance	Buy	234	37	18.6	27.7	171	198	3.4	4.3	11.6	15.0	12.5	8.4	1.4	1.2
Spandana Sphoorty	Neutral	305	24	10.6	41.6	273	315	1.3	4.0	4.1	14.1	28.9	7.3	1.1	1.0
Power Financiers															
PFC	Buy	407	1,333	62.2	66.7	354	401	3.2	3.2	18.7	17.7	6.5	6.1	1.1	1.0
REC	Buy	352	927	61.2	67.8	363	409	2.4	2.4	17.9	17.6	5.8	5.2	1.0	0.9

Stronger fundamentals set the stage for the next growth cycle

- The investment narrative for NBFCs has undergone significant shifts over the past few months. Until mid-Feb'26, we were becoming increasingly constructive on the sector after nearly two-and-a-half years of asset-quality headwinds across multiple retail lending segments. The subsequent escalation of US-Iran hostilities and the spike in crude oil prices materially altered the macroeconomic backdrop and introduced risks to inflation, interest rates, economic activity and asset quality. Consequently, we turned cautious on the sector.
- The macro environment has since changed meaningfully. The US-Iran peace agreement and subsequent corrections in crude oil prices have significantly reduced risks around inflation and policy rate hikes. At the same time, the impending liquidity influx into the Indian banking system through FCNR(B) deposits could emerge as a significant funding tailwind for NBFCs.
- We believe the combination of abundant liquidity, potentially easing incremental borrowing costs, stable margins and significantly cleaner balance sheets creates a favorable backdrop for NBFCs to accelerate growth. Importantly, unlike previous liquidity-driven growth cycles, NBFCs are entering this phase with stronger fundamentals and better asset quality.
- While a weak monsoon and the potential re-escalation in geopolitical tensions remain key risks, we believe the sector is well positioned to deliver a strong performance in FY27, provided it navigates the seasonally and operationally challenging 2QFY27 without significant disruptions.

From asset-quality stress to normalization

- NBFCs entered FY27 after navigating nearly two-and-a-half years of asset-quality challenges across a broad spectrum of retail lending products. The stress was unusually widespread. Credit cards, personal loans—particularly small-ticket personal loans—microfinance, micro-LAP and unsecured business loans all experienced varying degrees of asset-quality deterioration. Even secured lending products such as vehicle finance witnessed pockets of stress. The declining interest rate environment was arguably among the few meaningful positives for the sector during this period, providing some support to margins. However, this benefit was overshadowed by elevated credit costs, tighter underwriting standards and moderation in growth across several retail lending segments.
- By 3QFY26 and 4QFY26, however, early signs of improvement had become increasingly visible. Asset-quality trends started stabilizing across several stressed product segments, collection efficiencies improved and NBFCs became increasingly confident about gradually resuming growth.
- Consequently, NBFCs entered FY27 with significantly cleaner balance sheets and a greater ability to accelerate growth, including selectively within unsecured lending segments. At the same time, expectations of a stable interest-rate environment created a favorable backdrop for margins and earnings.

Geopolitical escalation temporarily derailed the investment thesis

- The escalation of US-Iran hostilities toward Feb'26 end materially changed the investment narrative for NBFCs. The spike in Brent crude oil prices created multiple risks for the Indian economy and the financial sector. Higher crude prices raised concerns about domestic fuel price increases following the conclusion of state elections. The subsequent increase in fuel prices created fears of higher inflation, which, in turn, raised expectations that the RBI could be forced to increase policy rates later in CY26.
- For NBFCs, the risks were twofold: First, higher policy rates could have reversed the favorable interest-rate cycle and created renewed pressure on funding costs and margins. Second, sustained higher fuel prices and inflation could have weakened economic activity and adversely affected the earnings and cash flows of commercial vehicle operators, truck owners and MSMEs. Consequently, vehicle financiers and MSME lenders appeared particularly vulnerable to a prolonged period of elevated crude oil prices. Given these macroeconomic uncertainties, we refrained from recommending an aggressive exposure to NBFCs during this period.

The macro narrative has flipped again

- The announcement and subsequent signing of the US-Iran peace agreement in early June marked another significant turning point. Brent crude oil prices corrected sharply, reducing concerns around imported inflation and materially lowering the probability of policy rate hikes by the RBI during CY26. We now expect a broadly stable interest-rate environment, which should be incrementally positive for NBFCs.
- The decline in crude prices has also reduced risks to the earnings and cash flows of CV operators and MSMEs. Consequently, we believe vehicle financiers are significantly less vulnerable than they would have been under a sustained high-crude-price scenario. The removal of these macroeconomic tail risks allows investors to refocus on the improving underlying fundamentals of the sector.

The next big catalyst: A liquidity-driven growth cycle

- The impending influx of liquidity into the Indian banking system through FCNR(B) deposits could emerge as one of the most important catalysts for NBFCs over the next few quarters. While these inflows should provide support to the Indian currency, they will simultaneously create significant liquidity within the banking system. Banks will need to deploy this liquidity efficiently. Failure to do so could weigh on margins. We believe NBFCs could emerge as significant beneficiaries of this liquidity deployment.
- Banks have historically been important providers of funding to NBFCs through term loans and other lending arrangements. As liquidity within the banking system improves, competition among banks to deploy funds could strengthen the negotiating position of NBFCs and potentially reduce incremental borrowing costs.
- This development is particularly important because one of the key challenges for NBFCs and HFCs over the past two quarters has been the rising incremental cost of borrowings. Despite policy rate cuts and changes in bank MCLRs, most

NBFCs and HFCs under our coverage (barring a few exceptions) have acknowledged that incremental borrowing costs have continued to inch higher.

- This divergence between policy rates and incremental funding costs has exerted pressure on margins. We believe improving banking system liquidity could gradually reverse this trend. NBFCs should be better positioned to negotiate funding costs with banks, particularly for term loans. Consequently, we expect incremental borrowing costs to moderate over the next few quarters.

Stable margins could provide the foundation for stronger earnings

- The combination of a stable interest-rate environment and potentially declining incremental borrowing costs creates a favorable margin outlook. This is important because the sector could potentially enter a phase where all three key earnings drivers – growth, margins and asset quality – move favorably at the same time.
- Over the past two-and-a-half years, NBFCs have had to navigate multiple challenges. Growth moderation and elevated credit costs have affected different segments at different points in time. FY27 could potentially mark a departure from this trend.
- Cleaner balance sheets should enable NBFCs to accelerate growth. Improving liquidity should support funding availability and borrowing costs. Stable interest rates should provide visibility on margins, while normalizing asset quality should result in benign credit costs. This combination creates the potential for a stronger and more broad-based earnings cycle.

Why this liquidity cycle could be different

- Historically, periods of abundant liquidity have typically translated into stronger growth for NBFCs. We expect this relationship to hold again. However, there is one important difference this time. NBFCs are entering the liquidity cycle with significantly cleaner balance sheets and stronger underlying fundamentals. The sector has spent the past two-and-a-half years recalibrating risk, tightening underwriting standards, strengthening collection infrastructure and addressing stress across multiple retail lending segments.
- Consequently, the next phase of growth should begin from a significantly stronger foundation. We believe this creates the potential for a healthier growth cycle, where acceleration in loan growth is accompanied by stable margins and benign credit costs.


Financials - NBFCs

Result Preview

Strength beyond seasonality: A strong start to FY27

1QFY27: Starting the year on a strong footing

Our 1QFY27 preview suggests that NBFCs are entering FY27 on a strong footing in terms of growth, margins and asset quality. Growth momentum remains healthy across several lending segments, while asset-quality trends continue to improve. Margin trajectories should also become increasingly stable as the benefits of improving liquidity and potentially lower incremental borrowing costs gradually emerge. We believe the combination of these factors should result in a healthy start to FY27.

2QFY27 will be the key quarter to watch

While we are constructive on the sector outlook, we believe 2QFY27 could be a relatively challenging quarter. The evolution of the monsoon, rural cash flows, geopolitical developments and commodity prices will need to be monitored closely. However, if NBFCs successfully navigate 2QFY27 without significant disruptions to growth, margins or asset quality, we believe the sector could be positioned for a very strong FY27. In that sense, 2QFY27 could emerge as an important validation point for our investment thesis.

Key risks

Weak monsoon and El Nino

The biggest near-term risk to our constructive view is the possibility of a weak monsoon in India due to El Niño conditions. India received significantly below-average rainfall in June, while forecasts also point toward below-average rainfall in July. Heavy rainfall during the first week of July helped reduce the cumulative rainfall deficit. However, the deficit could widen again if the monsoon loses momentum. The impact on agricultural activity is already becoming visible. The area planted by farmers as of early July remains materially lower than the previous year.

The rainfall outlook is particularly challenging for parts of Western and Southern India, including Maharashtra, Karnataka, Telangana, Andhra Pradesh and Kerala. A prolonged rainfall deficit could weaken rural cash flows and adversely affect demand and asset quality across rural-focused lending segments. Tractor financing, two-wheeler financing and microfinance could be particularly vulnerable. Consequently, monsoon trends and rural cash flows will remain among the most important variables to monitor over the next few months.

Re-escalation in US-Iran hostilities

The second key risk is a renewed escalation of geopolitical tensions in West Asia. The recent correction in crude oil prices has materially improved the macroeconomic outlook and reduced risks around inflation and policy rate hikes. However, any resumption of US-Iran hostilities could once again send crude oil prices sharply higher. This would revive concerns around imported inflation, fuel price increases, policy rate hikes and weaker economic activity. Vehicle financiers and MSME lenders would again become particularly vulnerable in such a scenario. Consequently, geopolitical developments and crude oil prices remain important risks to our sector thesis.

Investment view

- Our constructive view is underpinned by four factors – 1) NBFCs have emerged from nearly two-and-a-half years of asset-quality challenges with significantly cleaner balance sheets, 2) the correction in crude oil prices has reduced macroeconomic risks around inflation, interest rates and economic activity, 3) the impending liquidity influx into the banking system could improve funding availability for NBFCs and gradually reduce incremental borrowing costs, and 4) the combination of stronger growth, stable margins and normalizing asset quality creates the potential for a broad-based improvement in earnings.
- Historically, abundant liquidity has supported stronger NBFC growth. We expect the same dynamic to play out again. The key difference is that this time, NBFCs are entering the liquidity cycle with stronger fundamentals, cleaner balance sheets and better risk-management frameworks.
- While the weak monsoon and the potential re-escalation in geopolitical tensions remain important risks, we believe the risk-reward has turned favorable. If the sector successfully navigates the challenges of 2QFY27, we believe FY27 could emerge as a strong year for NBFCs, characterized by accelerating growth, stable margins, benign credit costs and improving earnings momentum.

Shriram Finance (BUY)

- SHFL remains well positioned to deliver industry-leading growth, supported by its strong rural franchise, diversified lending portfolio and strategic partnership with MUFG, which strengthens its capital base and supports medium-term AUM growth of ~18-20%.
- Healthy disbursement momentum across vehicle finance, MSME and gold loans, coupled with a structurally lower cost of funds, disciplined underwriting and improving operating leverage, is expected to drive sustained earnings growth.
- We expect SHFL to deliver FY26-28E AUM/PAT CAGR of ~17%/~29% while maintaining healthy asset quality and credit costs below 2%, reinforcing its position as our preferred pick in the vehicle finance space. We reiterate our BUY rating with a TP of INR1,230 (based on 2.2x Mar'28E P/BV).

L&T Finance (BUY)

- LTF is well-positioned to deliver a steady improvement in growth and profitability, driven by its ongoing transition toward a granular, retail-focused, and technology-led franchise. The company has built strong visibility on AUM growth, supported by the scaling of its core retail segments and emerging adjacencies, such as gold loans and micro-LAP, while maintaining a calibrated approach to risk.
- The company has invested in process automation and customer journeys. This, along with large partnerships with digital giants, should lead to stronger and more sustainable retail loan growth. LTF's relatively better navigation of the MFI credit cycle and diversification into non-leveraged MFI markets demonstrate its resilience and adaptability.
- With a rapidly expanding retail ecosystem, growing cross-selling capabilities, improving secured product mix, and technology-led operating leverage, we expect LTF to deliver a PAT CAGR of ~29% over FY26-28E, resulting in RoA/RoE

of 2.6%/15% by FY28E. We reiterate our BUY rating on LTF with a TP of INR370, based on 2.6x Mar’28E P/BV.

PNB Housing (BUY)

- PNBHF is well-positioned to deliver ~19% AUM CAGR over FY26-28E, driven by rapid expansion in affordable and emerging housing segments, improving branch productivity, and a calibrated foray into higher-yielding micro-housing.
- A favorable shift toward higher-yielding retail segments, sustained recoveries from written-off accounts, and disciplined credit underwriting are expected to support profitability while keeping credit costs contained over the medium term.
- We estimate loan/PAT CAGR of 20%/12% over FY26-28 and RoA/RoE of ~2.3%/12.7% in FY28. Reiterate BUY with a TP of INR1,300 (1.4x FY28E BVPS).

Five-Star Business Finance (BUY)

- Five-Star has exited a year of portfolio repair and has entered a phase of calibrated growth, supported by improving collections, stabilizing asset quality, and recovering disbursement momentum, while retaining one of the highest profitability profiles in the secured lending universe.
- Collection performance has strengthened steadily over the past few months, with overall collection efficiency expected to exceed 98% in 1QFY27. More importantly, the current bucket’s collection efficiency has consistently remained above 99%, indicating meaningful moderation in fresh stress formation and improving borrower repayment behavior. With collection trends approaching historically healthy levels, we believe the company has largely moved beyond the peak of the stress cycle, setting the stage for a gradual normalization in asset quality and credit costs.
- We believe Five-Star is well positioned to return to a healthier growth trajectory over FY27, supported by strong branch economics, improving traction across southern markets, and deeper penetration into its newer geographies. We estimate Five-Star to deliver a CAGR of ~22%/14% in AUM/PAT over FY26-28E, along with RoA/RoE of 6.8%/15.5% in FY28E. **We reiterate our BUY rating on the stock with a TP of INR650 (premised on 2x Mar’28E P/BV).**

Moderating bond yields to support funding costs

As highlighted in the table below, bond yields surged toward Mar'26 end and remained elevated through Apr'26, May'26 and the first week of Jun'26, primarily due to heightened geopolitical uncertainty and concerns over rising crude oil prices. However, yields have moderated in recent weeks as geopolitical tensions have eased and crude prices have corrected.

While the earlier rise is likely to exert some pressure on incremental borrowing costs for NBFCs in the near term, we expect bond yields to remain broadly stable going forward, limiting any meaningful increase in incremental cost of funds.

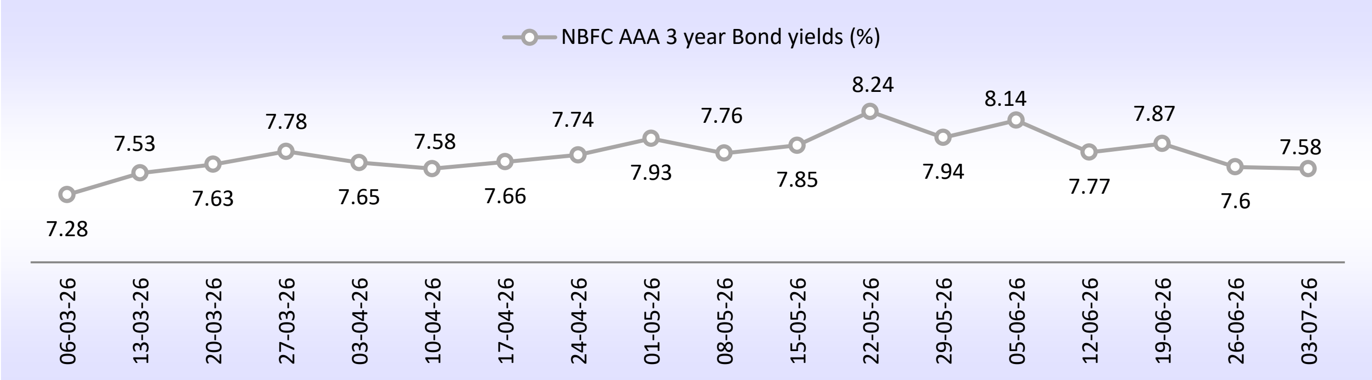
The easing of inflationary pressures and improvement in the macro environment are also expected to reduce the likelihood of any near-term RBI policy rate hikes. A stable interest rate environment, coupled with moderating bond yields, should support funding cost stability for NBFCs, improve visibility on lending spreads and margins, and provide a favorable backdrop for sustained credit growth and earnings over the medium term.

Exhibit 3: Bonds yields for AAA and AA+ rated companies over the past few weeks

Week ending	NBFC AAA 3-year bond yields (%)	NBFC AA+ 3-year bond yields (%)
30-01-2026	7.40	8.03
06-02-2026	7.25	7.78
13-02-2026	7.38	7.90
20-02-2026	7.27	7.89
27-02-2026	7.25	7.86
06-03-2026	7.28	7.78
13-03-2026	7.53	8.06
20-03-2026	**7.63**	**8.13**
27-03-2026	**7.78**	**8.30**
03-04-2026	**7.65**	**8.24**
10-04-2026	**7.58**	**8.19**
17-04-2026	**7.66**	**8.23**
24-04-2026	**7.74**	**8.31**
01-05-2026	**7.93**	**8.50**
08-05-2026	**7.76**	**8.30**
15-05-2026	**7.85**	**8.14**
22-05-2026	**8.24**	**8.65**
29-05-2026	7.94	8.45
05-06-2026	8.14	8.61
12-06-2026	7.77	8.18
19-06-2026	7.87	8.15
26-06-2026	7.60	8.22
03-07-2026	7.58	8.07

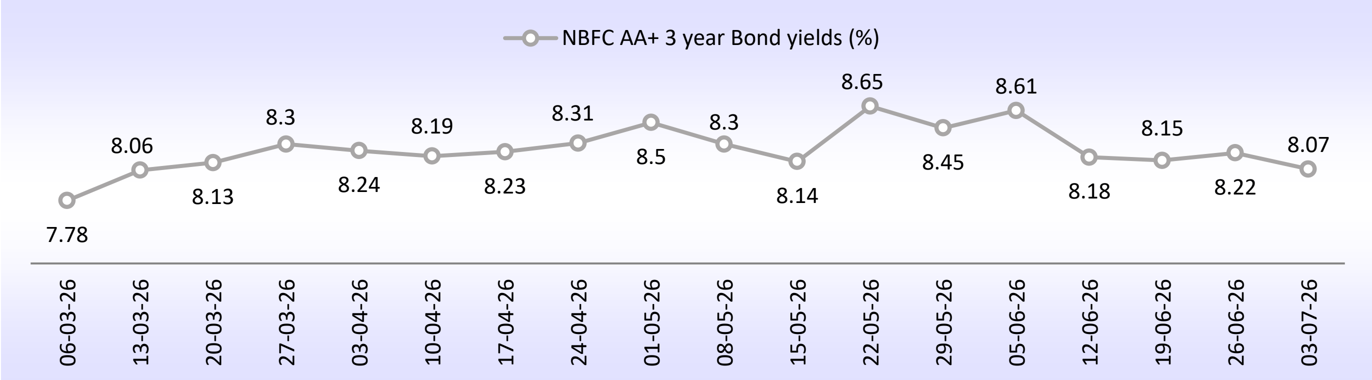
Source: MOFSL, Company

Exhibit 4: Bonds yields for NBFC AAA-rated companies over the past few weeks



Source: MOFSL, Bloomberg

Exhibit 5: Bonds yields for NBFC AA+ rated companies over the past few weeks

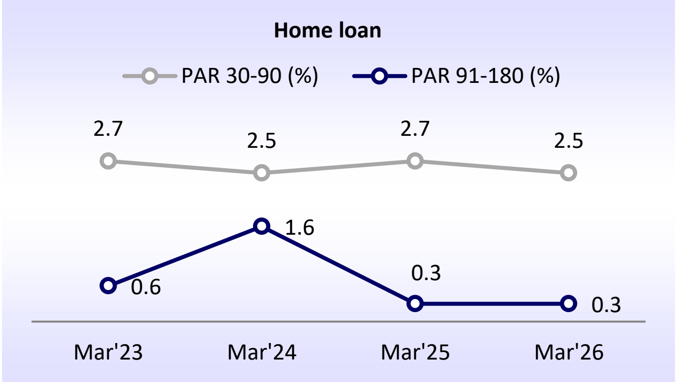


Source: MOFSL, Bloomberg

Broad-based asset quality improvement continues

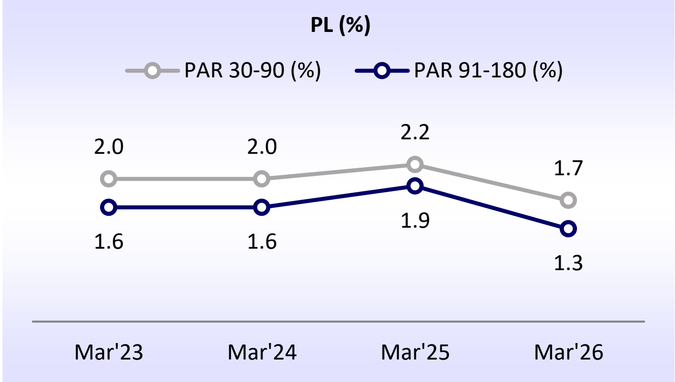
- As highlighted in the charts above, asset quality has improved meaningfully across all lending segments, with PAR levels declining sharply, particularly in the unsecured retail and MFI portfolios. The improvement reflects stronger collection efficiencies, tighter underwriting standards and better borrower discipline, resulting in a broad-based normalization in portfolio performance.
- With geopolitical tensions in West Asia easing and concerns around high crude oil prices receding, we expect the operating environment to remain supportive. Consequently, asset quality is likely to remain stable and continue improving, driving further moderation in credit costs and supporting earnings growth across the NBFC sector.
- While an El Niño-induced weak monsoon could pose near-term risks to rural incomes and borrower cash flows, we believe the sector is significantly better prepared than in previous cycles. Tighter underwriting, improved collection infrastructure, stronger balance sheets and better portfolio diversification should enable NBFCs to navigate any localized stress without materially impacting growth or asset quality.

Exhibit 6: PAR rates in home loan improve in FY26



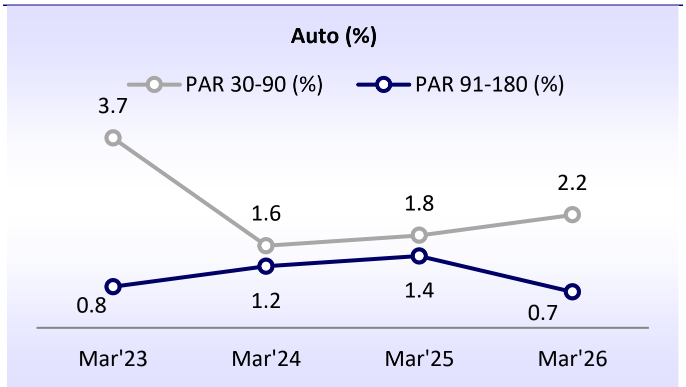
Source: MOFSL, CRIF

Exhibit 7: PAR rates in PL improve in FY26



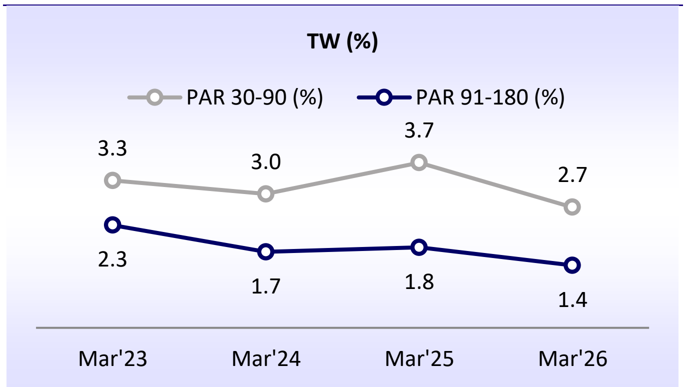
Source: MOFSL, CRIF

Exhibit 8: Slight increase in PAR 30-90 in auto loans



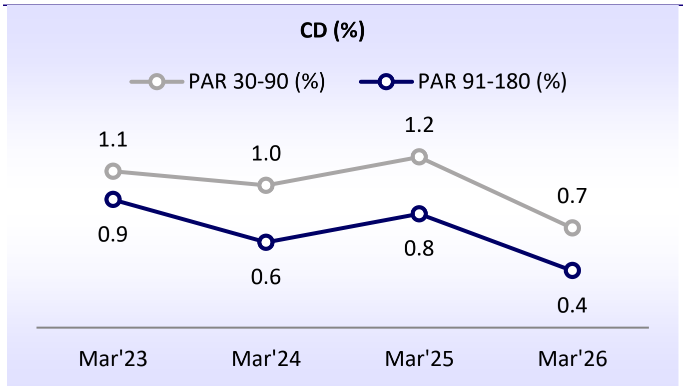
Source: MOFSL, CRIF

Exhibit 9: PAR rates in TW improve in FY26



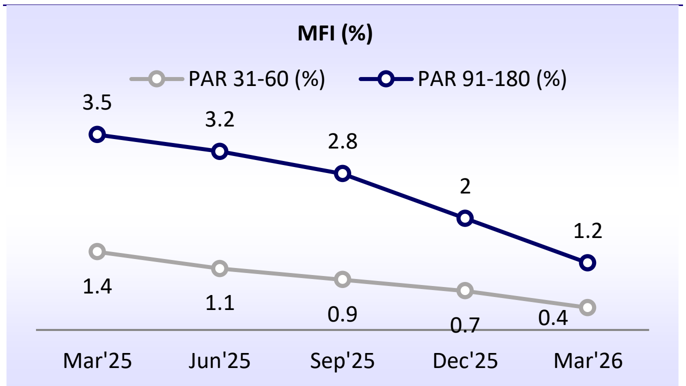
Source: MOFSL, CRIF

Exhibit 10: PAR rates in CD improve in FY26



Source: MOFSL, CRIF

Exhibit 11: PAR rates in MFI continue to improve



Source: MOFSL, MFIN

FCNR(B) measures to improve liquidity and support NBFC funding

- The RBI has announced twin forex swap facilities to encourage foreign capital flows, strengthen forex reserves and stabilize the USD/INR exchange rate. These measures should provide temporary relief in deposit mobilization, improve systemic liquidity and strengthen FX reserves in the near term.
- The borrowing cost for banks via ECB route will likely fall by 200-250bp, which will enable the system to raise resources while keeping funding costs under control. We note that the RBI introduced a swap window on similar lines in Sep'13, which led to inflows of USD27b in FCNR (B) deposits and USD34b in NRI deposits in FY14. This helped strengthen FX reserves by USD12b in FY14, while average USD-INR also appreciated by 3.4%.
- This is expected to result in USD40-50b of FX inflows in FY27. While these measures will aid business growth for the banking system, the improvement in profitability ratios will depend on the sourcing quality (mix of leveraged deposits vs. pure inflows), pricing discipline and the agility shown by banks in deploying these funds into loans. The larger proportion of FCNR (B) deposits will be backed by leverage, and thus, banks with a large customer franchise and an overseas presence are better positioned to garner a higher share of inflows.
- Although the measures are primarily targeted at banks, they are incrementally positive for NBFCs as well. Improved liquidity conditions and lower funding costs for banks should enhance credit availability to NBFCs and support a gradual moderation in borrowing costs. Well-rated NBFCs with diversified funding sources and strong banking relationships are likely to benefit the most, supporting funding spreads and credit growth over the medium term.

Exhibit 12: Borrowing Mix for housing finance companies (as of Mar'26)

Borrowing Mix as of Mar'26	Aavas	CAN FIN	Homefirst	PNBHF	LICHF	Repco	BHFL
Banks/ Term Loans	52	63	59	39	39	91	41
Assignment/Securitization	27		21				
NCDs	9	17	5	11	46	1	44
Deposits		1		25	4		
ECBs				8			
NHBs	11	16	15	14	7	6	10
CP		3		3	4	1	5
Others	1					1	
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: MOFSL, Company

Exhibit 13: Borrowing mix for diversified NBFCs (as of Mar'26)

Borrowing Mix as of Mar'26	BAF	LTFH	MAS	Poonawalla	Piramal	HDB Financial	IIFL	Tata capital
Banks/ Term Loans	30	59	48	48	40	45	43	40
Assignment/Securitization			23		6	3	21	
NCDs	37	22	15	31	33	31	29	32
Cash credit			11	7				
Deposits	16							
ECBs	5	8		6	19	13		9
NHBs								4
CP	11	7		6	1	2		12
Sub Debt & PDI	1		2	1		7		3
Others		4		1	1		7	
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: MOFSL, Company

Exhibit 14: Borrowing mix for vehicle and power financiers (as of Mar'26)

Borrowing Mix as of Mar'26	CIFC	MMFSL	SHFL	PFC	REC
Banks/ Term Loans	42	47	20	19	16
Assignment/Securitization	15	11	15		
NCDs	14	21	16	59	55
Cash credit	2				
Deposits		11	28		
ECBs	14		20	20	29
NHBs					
CP	5	5	-		-
Sub Debt & PDI	6		1		
Others		4	-	2	
Total	**98**	**100**	**100**	**100**	**100**

Source: MOFSL, Company

Exhibit 15: Borrowing mix for MFI, MSMEs and gold financiers (as of Mar'26)

Borrowing Mix as of Mar'26	CREDAG	Spandana	Fusion	Five-star	MGFL	MUTH
Banks/ Term Loans	67	66	73	68	47	49
Assignment/Securitization	6			17		
NCDs	4	35	9	10	7	26
Cash credit					17	
Deposits						
ECBs	24		18	6	22	19
NHBs						
CP					7	5
Sub Debt & PDI	-					-
Others					0	1
Total	**100**	**101**	**100**	**101**	**100**	**100**

Source: MOFSL, Company

Exhibit 16: Trends in cost of funds for our NBFC coverage over the past few quarters

Name	Reported CoF					
	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26
Bajaj Finance	8.0	8.0	7.8	7.5	7.5	7.4
Shriram Finance*	8.8	9.1	9.1	9.3	8.7	8.5
Cholamandalam	7.1	7.1	7.0	6.8	6.7	6.6
MMFSL*	7.9	7.7	7.7	7.3	7.3	7.0
IIFL Finance	9.2	9.4	9.5	9.4	9.3	9.0
Poonawalla	8.1	8.1	8.0	7.7	7.7	7.6
Tata Capital	7.8	7.9	7.8	7.4	7.2	7.1
HDB Financial	6.6	6.3	6.4	6.1	6.0	5.8
LTF	7.8	7.8	7.7	7.3	7.3	7.2
Jio Financial			7.9	7.1	7.0	7.0
Northern Arc Capital	9.4	8.7	8.9	8.5	8.5	8.5
Bajaj Housing	7.9	7.9	7.7	7.4	7.3	7.3
PNB Housing	7.8	7.8	7.8	7.7	7.5	7.4
Aavas	8.2	8.2	8.0	7.9	7.7	7.6
Repco	8.9	8.9	8.7	8.6	8.5	8.4
LICHF	7.8	7.7	7.5	7.4	7.3	7.3
Can Fin	7.5	7.6	7.5	7.3	7.3	7.2
Home First	8.4	8.4	8.4	8.1	8.1	7.9
CREDAG	9.8	9.8	9.7	9.6	9.4	9.2
Fusion	10.3	10.5	10.3	10.4	10.3	10.3
Spandana	12.2	12.1	12.3	12.2	12.6	13.2
Manappuram	9.4	9.4	9.2	9.1	8.8	8.8
Muthoot	7.0	7.3	7.4	7.3	7.6	7.4
PFC*	7.4	7.0	7.1	7.0	7.0	7.0
REC*	7.3	7.2	7.2	7.2	7.3	7.1
Five Star	9.6	9.6	9.5	9.3	9.1	9.0
MAS*	9.3	9.1	9.3	9.2	9.2	9.2
ABCAP*	6.9	6.7	6.7	6.5	6.3	6.2
Piramal Finance	9.2	9.1	9.1	9.0	9.0	8.8

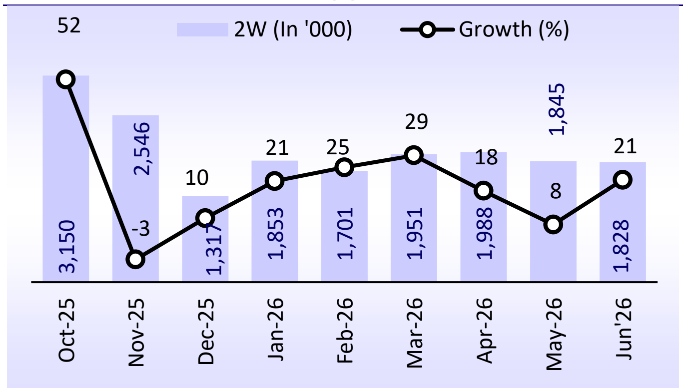
Source: MOFSL, Company

Note: CoF refers to the company's reported CoF. * indicates calculated CoF where the company has not disclosed the reported figures

Robust vehicle demand drives healthy AUM growth for vehicle financiers

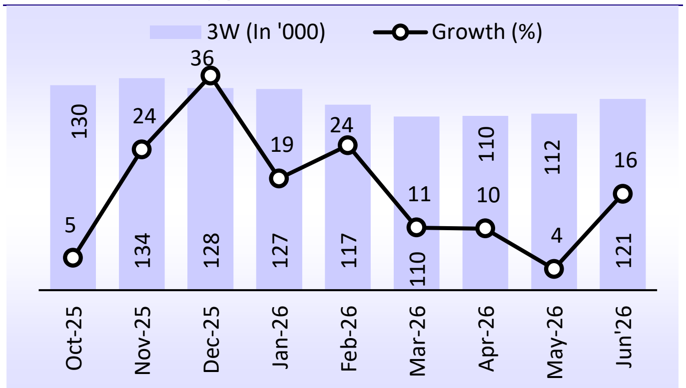
- Demand across the automotive sector remained healthy during 1QFY27, with robust retail sales recorded across all major segments, including CVs, PVs, 2Ws and tractors. The recovery in demand, which gained momentum following the GST rate cuts last year, has remained intact in FY27, as reflected in the consistently strong monthly retail sales trends during the quarter.
- The consistent improvement in vehicle sales should translate into healthy disbursement momentum and support strong AUM growth for vehicle financiers over the coming quarters. Coupled with improving replacement demand, stable financing conditions and resilient rural and urban demand, the outlook for vehicle-focused NBFCs remains constructive.
- Further, as highlighted in Exhibit 23, RBI data indicates that AUM growth across the NBFC sector remained healthy as of May'26 across most lending segments, driven by robust underlying credit demand, with the exception of power finance. The sustained growth momentum is expected to support healthy disbursements, operating leverage and earnings growth for NBFCs over the coming quarters.

Exhibit 17: 2Ws sustain strong growth in Jun'26



Source: MOFSL, FADA

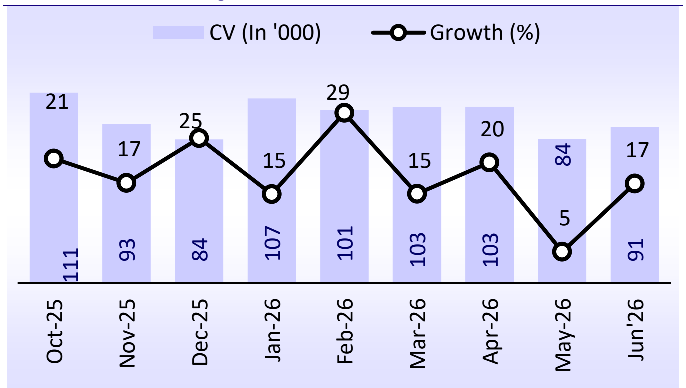
Exhibit 18: Healthy growth in 3W



Source: MOFSL, FADA

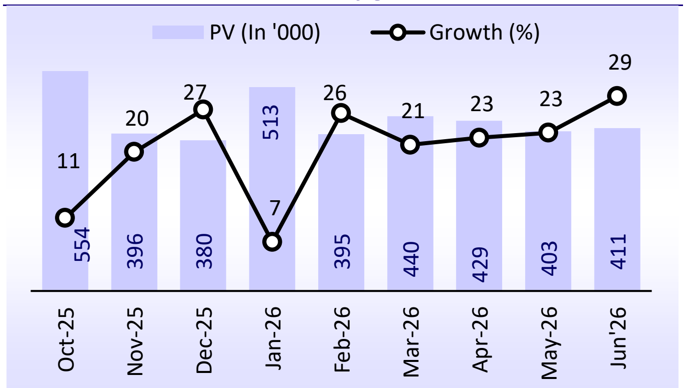
Note: Growth rates are calculated based on retail units sold.

Exhibit 19: Robust growth intact in CV in Jun'26



Source: MOFSL, FADA

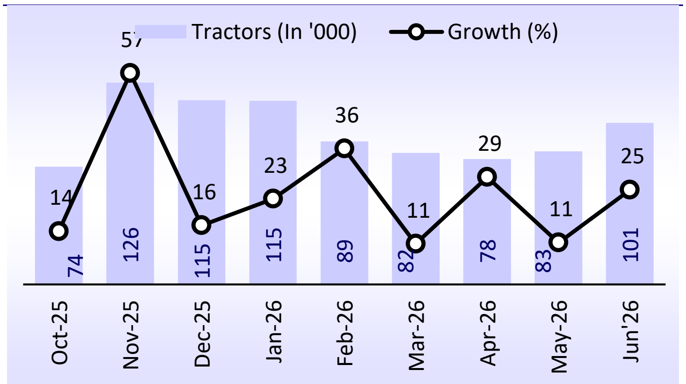
Exhibit 20: CVs maintain healthy growth in 1QFY27



Source: MOFSL, FADA

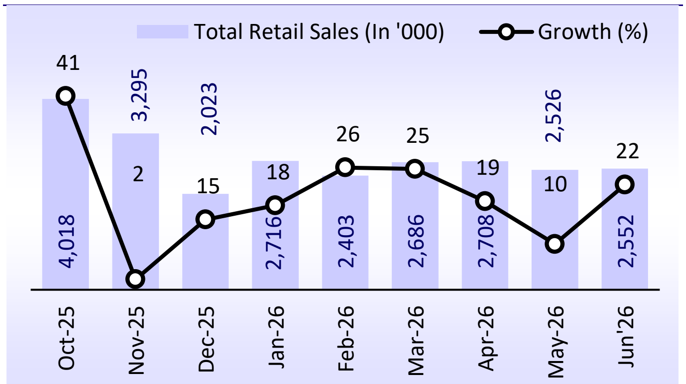
Note: Growth rates are calculated based on retail units sold.

Exhibit 21: Strong growth intact in tractors in 1QFY27



Source: MOFSL, FADA

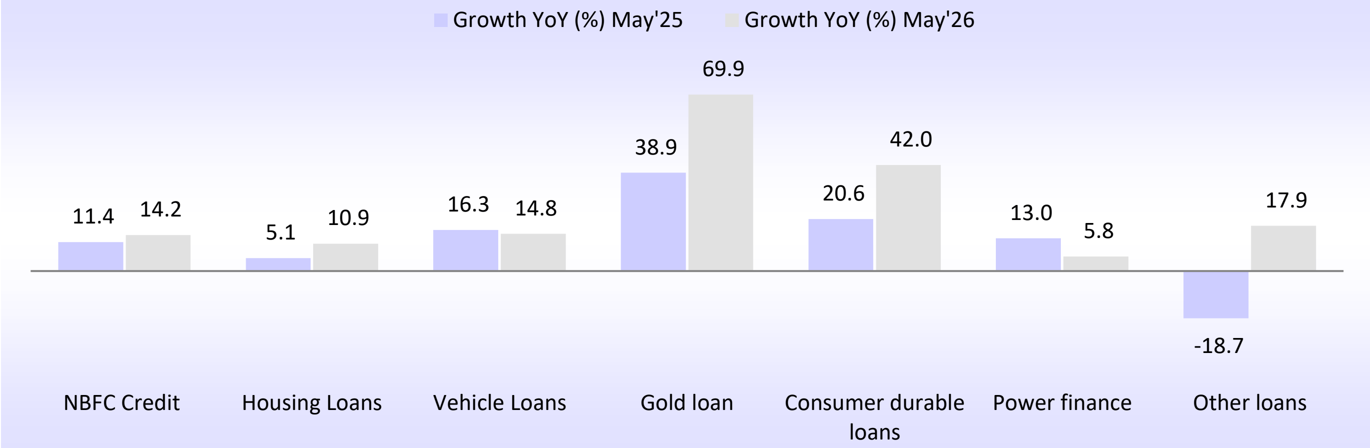
Exhibit 22: Robust retail growth in 1QFY27



Source: MOFSL, FADA

Note: Growth rates are calculated based on retail units sold.

Exhibit 23: AUM growth remains healthy across majority of the segments (except power finance) (%)



Source: MOFSL, RBI Data

Exhibit 24: Healthy AUM and PAT CAGR for NBFCs

Name	AUM CAGR (FY26-28E) (%)	PAT CAGR (FY26-28E)(%)	CRAR (%)	Tier1 (%)	Leverage (x)
Bajaj Finance	24.2	28.5	21.6	20.7	4.8
Shriram Finance	17.2	28.8	20.4	19.8	5.0
Cholamandalam	21.4	24.8	19.2	14.7	8.3
MMFSL	13.4	20.3	18.8	16.7	6.4
IIFL Finance	21.4	43.1	25.3	NA	6.0
Poonawalla	44.0	117.4	20.7	NA	5.2
Tata Capital	22.8	34.7	19.0	15.9	6.8
HDB Financial	16.0	23.0	21.4	17.1	6.4
LTF	23.3	29.3	18.3	17.6	4.9
Jio Financial	84.9	50.6	25.9	NA	3.4
Northern Arc Capital	21.5	32.2	NA	NA	4.1
Bajaj Housing	24.4	21.0	22.5	22.0	5.4
PNB Housing	19.7	12.3	27.3	26.9	4.9
Aavas	18.0	18.4	44.6	NA	4.2
Repco	11.9	5.1	35.4	NA	4.2
LICHF	6.9	3.8	NA	NA	8.2
Can Fin	13.6	6.6	23.1	21.3	7.7
Home First	24.0	20.1	44.1	43.8	4.0
CREDAG	20.8	63.2	24.4	23.6	4.0
Fusion	24.9	468.8	36.5	NA	4.0
Spandana	41.7	NA	35.9	NA	3.1
Manappuram	24.6	72.4	21.0	NA	4.3
Muthoot	19.9	16.2	20.8	19.8	4.6
PFC	9.6	4.8	23.4	21.9	6.2
REC	10.8	4.7	23.1	21.3	7.7
Five Star	21.8	13.7	51.9	NA	2.2
MAS	18.9	20.2	22.8	21.5	4.9
ABCapital (NBFC)	23.5	28.1	16.8	13.8	7.4
Piramal Finance	23.6	56.5	19.8	NA	3.7

Source: MOFSL, Company

Exhibit 25: Stock price returns of our NBFC coverage companies over the respective period (%)

Name	15D	1M	3M	6M	CYTD	1Yr
SENSEX	0.6	4.8	0.0	-7.2	-9.0	-6.8
NIFTY	0.6	4.3	0.6	-5.7	-7.4	-4.5
NSEBank	-0.2	5.3	3.8	-2.0	-2.6	1.9
NSEFIN	0.2	6.4	2.4	-2.0	-2.8	-0.6
BANKEX	0.1	5.8	4.3	-1.4	-1.6	3.0
FIVESTAR	9.9	27.0	27.5	7.6	0.2	-28.0
LICHF	-0.1	1.5	3.3	4.0	1.8	-9.3
PNBHOUSI	6.3	14.7	28.4	14.1	16.7	2.4
AAVAS	2.4	17.4	22.7	5.3	4.2	-21.9
HOMEFIRS	2.6	16.5	12.3	19.2	10.9	-11.0
CANF	3.5	8.4	8.8	2.8	-1.4	14.5
BAJAJHFL	0.7	6.4	2.5	-5.8	-6.6	-27.6
REPCO	-2.4	9.6	7.2	-2.0	-1.2	-4.1
CIFC	0.5	22.8	14.3	5.3	6.2	16.9
MMFS	3.7	22.9	12.8	-2.2	-15.4	27.4
SHFL	1.2	16.4	1.6	7.0	4.8	55.4
INDOSTAR	4.3	11.9	17.7	16.7	17.5	-19.8
MUTH	3.4	8.0	-12.4	-18.1	-17.9	18.3
MGFL	7.2	18.4	27.5	19.4	10.6	28.5
BAF	4.1	15.4	10.4	6.3	3.4	7.7
POONAWAL	8.3	25.5	19.2	3.2	-1.2	2.1
ABCAP	4.5	19.1	19.4	15.4	14.1	50.1
LTF	7.4	23.4	15.4	7.2	1.7	55.4
PIRAMALF	1.7	9.2	23.9	16.0	31.9	
MASFIN	3.5	8.8	4.7	4.0	-0.2	2.5
HDBFS	1.6	21.8	20.8	1.0	-1.3	-10.7
IIFL	8.4	11.4	21.4	-14.9	-9.5	6.1
CREDAG	4.5	20.5	24.9	15.3	20.0	19.4
FUSION	21.4	39.9	48.4	41.6	49.6	21.8
SPANDANA	14.3	30.5	41.2	24.5	13.2	14.9
POWF	-6.0	-5.8	-6.5	13.3	14.4	-5.3
RECL	-3.5	0.9	0.6	-3.2	-1.4	-11.5
TATACAP	-0.8	12.2	10.4	0.2	5.5	
JIOFIN	1.1	5.1	-0.5	-15.8	-18.0	-27.0
NACL	6.8	-5.7	-14.9	2.0	12.9	87.8

Note: Returns calculated from 10th Jul'26; **Source:** MOFSL, Bloomberg

NOTES

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

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

Disclosures

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

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

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

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

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

Specific Disclosures

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

The associates of MOFSL may have:

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

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

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

Analyst Certification

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

Terms & Conditions:

Disclaimer:

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.