motilal oswal Financial Services

EcoScope
The Economy Observer

Inflation bites back: Rate hike cycle has further to run

- Key takeaway: The October MPC minutes signal a decisive shift in India's monetary policy, with inflation risks increasingly dictating the policy direction. The RBI raised the repo rate by 25bp to 5.50% and shifted its stance from neutral to "calibrated tightening". While all six members supported the rate hike, the stance decision exposed differences in their assessment of the appropriate policy response, with Nagesh Kumar and Ram Singh favoring a neutral stance. The minutes suggest that the easing phase has ended, with the focus shifting toward the extent and timing of further tightening.
- Broad agreement on inflation risks, differences on the policy stance: Governor Sanjay Malhotra emphasized that inflationary pressures were broadening beyond food and fuel, with the share of CPI items recording inflation above 4% rising from 20% in March to 37% in August, warranting action to contain second-round effects. Indranil Bhattacharyya also stressed the risks of persistent underlying inflation, inflation expectations, and cost pass-through, supporting a pre-emptive policy response. Poonam Gupta acknowledged that the shock was largely supply-driven and not yet fully entrenched, but argued that the projected rise in inflation and monetary-policy transmission lags warranted acting early. Saugata Bhattacharya highlighted resilient economic activity and credit growth alongside input-cost pressures, while cautioning against excessive tightening. In contrast, Nagesh Kumar and Ram Singh supported the rate hike but favored retaining a neutral stance. Dr. Kumar pointed to resilient growth, manufacturing and employment, arguing that uncertainty warranted policy flexibility. Prof. Singh warned that a tightening signal could prolong the rate-hike cycle and weigh on consumption, investment, and demand, despite rising core inflation and expectations. Overall, members broadly recognized the need to contain inflation, but differed on whether the RBI should explicitly signal further tightening or preserve greater flexibility.
- Inflation risks becoming harder to ignore. The RBI expects CPI inflation to average 5.2% in FY27, with inflation averaging around 5.8% over the next three quarters. Rising core inflation, a broader spread of price increases and elevated household inflation expectations raise concerns about second-round effects. El Niño-related risks to rabi output could add to food inflation, while rupee depreciation increases the risk of imported price pressures. Meanwhile, escalating tensions in West Asia and renewed attacks on energy infrastructure and shipping have heightened concerns over oil supply disruptions, adding to price pressures. At the same time, the RBI raised its FY27 GDP growth forecast to 7.1% from 6.7%, suggesting that resilient domestic activity provides some room to prioritize price stability.
- Our opinion: The tightening cycle has further to run. We expect cumulative rate hikes of 100bp from the pre-October repo rate of 5.25%, taking the repo rate to 6.25%. The October hike and shift to calibrated tightening mark a hawkish pivot, with rate cuts effectively off the table in the near term. We expect a further 25bp hike in December, taking the repo rate to 5.75%, followed by another 50bp over subsequent meetings. The pace will depend on the evolution of crude oil prices, inflation diffusion, core inflation, household expectations and currency conditions.
- Persistent inflation risks, elevated global bond yields, dollar strength and foreign portfolio outflows are likely to keep domestic bond yields elevated and exert continued pressure on the rupee. With the 10-year G-sec yield currently at around 7.4%, we expect it to rise towards 7.5–7.6% by end-FY27. Meanwhile, the rupee remains vulnerable to depreciation amid a strong dollar, elevated US yields and persistent capital outflows. We expect the USD/INR to average around 96 in FY27.

Repo Rate	FY27 GDP Growth Forecast	FY27 CPI Forecast
5.50%	7.1%	5.2%
+25bp	+40bp revision	3Q: 6.0%

Radhika Piplani – Research Analyst (Radhika.Piplani@motilaloswal.com)
Tanisha Ladha– Research Analyst (Tanisha.Ladha@MotilalOswal.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.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Exhibit 1: The RBI increased its FY27 inflation forecast to 5.2% in the Oct'26 policy from 5% in the Aug'26 policy meet

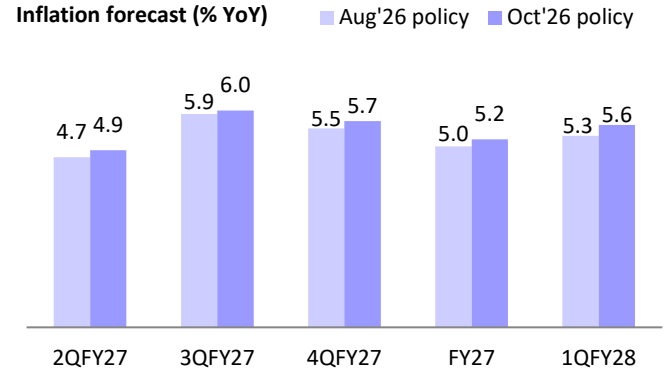
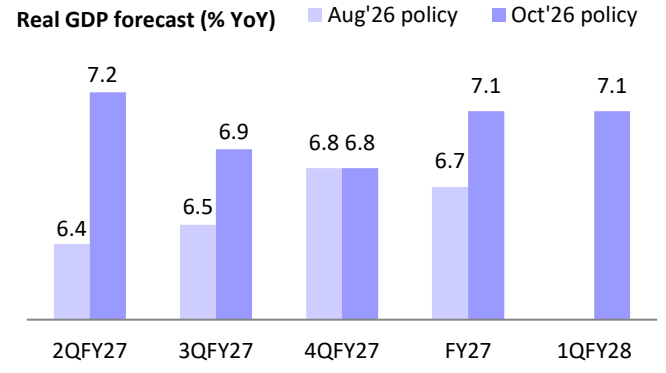


Exhibit 2: The RBI raised its FY27 real GDP forecast to 7.1% in the Oct'26 policy from 6.7% in the Aug'26 policy meet



Source: RBI, MOFSL

Exhibit 3: Repo rate was hiked by 25bp to 5.50% in the Oct'26 policy, in line with expectations

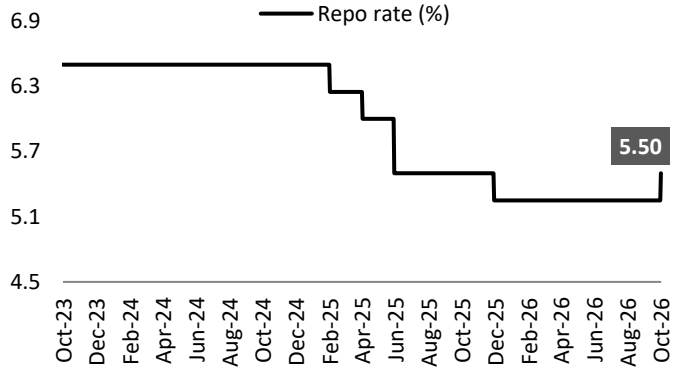
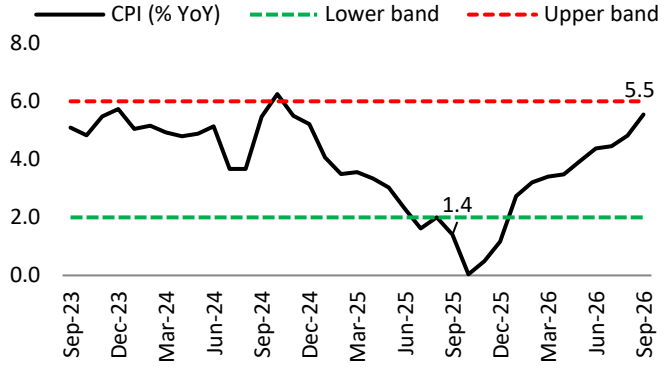


Exhibit 4: Inflation increased to 5.5% in Sep'26 from 4.8% in Aug'26



Source: RBI, MOFSL

1. Inflation risks dominate the policy debate

- The minutes reveal growing concerns about the broadening of inflationary pressures beyond food and fuel. Headline CPI inflation increased to 4.8% YoY in Aug from 4.5% in July, while core inflation rose to 4.2%. More importantly, the share of CPI items recording inflation above 4% increased from 20% in Mar to 37% in August, suggesting that price pressures are becoming more widespread.
- The MPC projects headline inflation to average nearly 5.8% over the next three quarters, with inflation expected to reach the upper tolerance limit of 6% in 3QFY27. Although the initial inflation impulse has largely originated from adverse supply-side developments, including elevated crude oil prices, global commodity prices, and below-normal monsoon conditions—**members expressed concern that sustained input-cost pressures could eventually translate into higher consumer prices and inflation expectations.**
- **However, the minutes also acknowledge that evidence of supply-side pressures becoming entrenched in firms' pricing behavior remains limited**. This distinction explains the disagreement within the MPC: some members favor pre-emptive tightening to prevent inflation persistence, while others caution against an overly restrictive response to supply-driven price pressures.

2. What each MPC member said?

The individual statements reveal substantial agreement on the need to address inflation risks, but also meaningful differences in the interpretation of the available evidence and the appropriate policy response. The following summaries capture the main arguments and our interpretation of each member's position.

Sanjay Malhotra

RBI Governor | Position on stance: Calibrated tightening

Inflation broadening warrants a policy recalibration

- Inflation diffusion has increased materially: 37% of CPI items recorded inflation above 4% in August, compared with 20% in March.
- Core inflation rose to 4.2%, while core inflation excluding precious metals reached 2.9%, with strong monthly momentum of 0.5%.
- Monetary policy should prevent supply shocks from feeding into wage expectations and firms' pricing behavior.
- Strong growth in money and credit aggregates creates potential demand-side risks, although these have not yet been firmly established.
- Further rate increases depend on underlying inflation, diffusion, second-round effects and demand conditions.

Our interpretation: The Governor has narrowed the near-term policy choices to a hike or pause. This is a hawkish change in communication, but not a commitment to a predetermined sequence of hikes.

Dr. Nagesh Kumar

External member | Position on stance: Neutral

Growth resilience supports a hike, but uncertainty favors flexibility

- GDP grew 7.8% in 1QFY27, supported by manufacturing growth of 9.2% and encouraging employment implications.
- The investment rate, measured by GFCF as a share of GDP, increased to 34.3% from 31.4% a year earlier, suggesting an emerging private investment cycle.
- Industrial credit, capital-goods output, data-center investments, and global capability centers reinforce the positive investment outlook.
- Merchandise and services exports remain resilient; FCNR(B) inflows have supported external financing and the rupee.
- Inflation is primarily supply-driven, without convincing signs of economic overheating or broad generalization. A 25bp hike can help manage expectations without committing to a tightening cycle.

Our interpretation: Dr. Kumar's position is not opposition to higher rates. He supports a measured response to inflation while retaining flexibility to react to geopolitical, trade, and investment risks.

Saugata Bhattacharya

External member | Position on stance: Calibrated tightening

Real rates and external vulnerabilities strengthen the case for tightening

- Wholesale input-cost inflation near 9% and evidence of producer-to-consumer price pass-through suggest risks of inflation persistence.
- Broadening bank credit growth and resilient activity indicate that any remaining output slack may be diminishing.

- Current and projected real interest rates appear insufficiently restrictive to ensure price stability; he references an earlier estimated natural real rate of 1.4–1.9%.
- India's external balance is vulnerable to tighter global financing conditions; an adequate interest-rate differential can help attract debt capital.
- Domestic financial conditions have already tightened, reducing the need for large or rapid policy adjustments. Excessive tightening could weaken growth and capital inflows.

Our interpretation: Mr. Bhattacharya makes a case for higher real interest rates while recognizing that financial markets are already transmitting restraint. His position favors tightening at a carefully calibrated pace.

Prof. Ram Singh

External member | Position on stance: Neutral

Mild hikes, not an extended high-for-long cycle

- Core inflation and diffusion indicators point to some widening of price pressures; three-month household inflation expectations reached 9.9%.
- Strong credit growth creates a risk that supply-driven inflation could interact with demand pressures.
- A modest rate increase is justified to improve the real policy-rate position and anchor expectations.
- Evidence of overheating remains limited: a wage-price spiral, unusual capacity pressure and excessive private demand are largely absent.
- An explicit tightening stance could damage automobiles, real estate, discretionary spending and private investment, particularly as growth moderates and input costs rise.

Our interpretation: Prof. Singh favors incremental rate increases where needed but opposes signaling a prolonged hiking cycle. His dissent is about forward guidance and growth costs, not the immediate 25bp increase.

Indranil Bhattacharyya

RBI Executive Director | Position on stance: Calibrated tightening

Act before inflation expectations become unanchored

- Weighted-median and trimmed-mean inflation measures have increased, indicating stronger underlying inflation momentum.
- Inflation expectations have risen among urban and rural households, with some evidence of input-cost pass-through in restaurants and prepared food.
- Persistent crude and food price shocks could interact with resilient demand and strong monetary and credit growth.
- Waiting for definitive evidence of entrenchment risks requiring a larger and more damaging policy response later.
- Calibrated tightening communicates that near-term choices are a rate hike or pause, while retaining data dependence.

Our interpretation: Mr. Bhattacharyya presents a strong argument for pre-emptive action: delaying tightening could ultimately increase both the inflation and output costs of restoring price stability.

Dr. Poonam Gupta

RBI Deputy Governor | Position on stance: Calibrated tightening

Policy lags justify acting before second-round effects appear

- The inflation shock is still predominantly external and supply-driven, with limited evidence of sustained core-price entrenchment.
- Nevertheless, headline CPI is projected to touch 6% in 3QFY27, while strong GDP growth gives policy room to respond.
- Monetary policy acts with a lag, so waiting for clear evidence of generalization may lead to an unnecessarily delayed response.
- Timely responses when inflation approaches tolerance limits have supported the credibility of India's inflation-targeting framework.
- Additional hikes may be warranted if inflation diffusion, expectations, or input-cost pass-through worsen; their magnitude and timing remain data-dependent.

Our interpretation: Dr. Gupta's position is preventive rather than a claim that inflation is already entrenched. She supports early action to preserve credibility and limit future policy costs.

3. The real disagreement: Inflation persistence vs growth risks

The degree of inflation generalization

Malhotra, Saugata Bhattacharya, Ram Singh, and Indranil Bhattacharyya pointed to evidence of broadening price pressures. Nagesh Kumar argued that inflation remained predominantly supply-driven without signs of overheating. Poonam Gupta also acknowledged limited evidence of entrenchment but favored acting before the risk became more pronounced.

The appropriate real interest rate

Saugata Bhattacharya questioned whether prevailing real interest rates were sufficiently restrictive, while Ram Singh argued that projected inflation could push the ex-post real policy rate into negative territory. Both acknowledged the importance of avoiding excessive tightening, particularly given already restrictive financial conditions and the potential implications for investment.

The signaling effect of the policy stance

Four members supported calibrated tightening as a means of reinforcing the RBI's inflation-fighting credibility and preparing markets for the possibility of additional rate increases. Nagesh Kumar and Ram Singh preferred retaining a neutral stance. Prof. Singh warned that signaling a prolonged tightening cycle could weaken demand and private investment even before further rate hikes materialize.

Exhibit 5: Member comparison matrix

Dimension	Malhotra	Kumar	S. Bhattacharya	Singh	I. Bhattacharyya	Gupta
Supports October hike	Yes	Yes	Yes	Yes	Yes	Yes
Supports tightening stance	Yes	No	Yes	No	Yes	Yes
Inflation broadening	High	Lower emphasis	High	High	High	Medium
Growth / over-tightening risks	Medium	High	High	High	Lower emphasis	Medium
Further hikes	Conditional	Not explicit	Conditional	Conditional	Conditional	Conditional

Note: Qualitative classifications are our interpretation of the members' statements, not official RBI scores. "Conditional" means further action depends on incoming data.

4. Further tightening possible, but the pace will matter

- The October minutes strengthen the case for a restrictive monetary policy bias in the coming months. Stronger-than-expected GDP growth provides the RBI with some room to prioritize inflation control, while the projected rise in CPI inflation toward 6% in 3QFY27 increases the possibility of further policy action. However, the 4–2 divergence on the policy stance indicates that the committee is unlikely to favor aggressive tightening without clearer evidence of inflation persistence or stronger demand-side pressures.
- Importantly, the MPC has not committed to a predetermined rate-hike cycle. The Governor's statement leaves room for a pause, while several members acknowledge that monetary conditions have already tightened and that excessive rate increases could undermine investment and growth. The trajectory of underlying inflation, inflation expectations, credit growth, commodity prices, and exchange-rate developments will be critical in determining the next policy move.

5. Market implications

Rates, bonds, and the rupee: Persistent inflation risks, elevated global bond yields, dollar strength and foreign portfolio outflows are likely to keep domestic bond yields elevated and exert continued pressure on the rupee. With the 10-year G-sec yield currently at around 7.4%, we expect it to rise towards 7.5-7.6% by end-FY27. Meanwhile, the rupee remains vulnerable to depreciation amid a strong dollar, elevated US yields and persistent capital outflows. We expect the USD/INR to average around 96 in FY27.

Exhibit 6: Market Implications

Market / Channel	Assessment
10-year G-sec yield	❖ A tightening bias and inflation risks could keep yields elevated, although market pricing and government borrowing dynamics will influence the extent of any further rise.
NBFCs	❖ Higher borrowing costs and tighter funding conditions could weigh on NBFCs' margins and profitability, particularly for smaller players with greater reliance on market borrowings. Rising funding costs may also lead to higher lending rates, potentially affecting credit demand.
Rupee	❖ Higher domestic rates may offer some support, but oil prices, capital flows and the global dollar environment will remain more important near-term drivers.
Equities	❖ Rate-sensitive sectors such as real estate, automobiles and discretionary consumption could face valuation and demand headwinds.
Private capex	❖ Sustained growth and credit availability provide support, but a prolonged tightening cycle could increase financing costs and delay investment decisions.

6. Our view

- The October MPC minutes suggest that India's monetary policy has entered a new phase, characterized by greater vigilance toward inflation persistence and a willingness to act before supply-side shocks become embedded in underlying prices. **The unanimous rate hike underscores the committee's shared concern about the inflation outlook, while the disagreement on the policy stance highlights the trade-off between anchoring inflation expectations and preserving growth momentum.**
- Inflation risks remain elevated despite some moderation in crude oil prices from their September highs, with geopolitical uncertainty keeping the outlook volatile. **The RBI's projection that inflation will average around 5.8% over the next three quarters, remaining above 5.5% in each quarter, points to a less benign trajectory.** Rising inflation diffusion, firmer core inflation, and elevated household inflation expectations increase the risk of second-round price pressures, while El Niño-related risks to rabi output could add to food inflation. Resilient domestic growth provides the RBI with room to prioritize price stability, while elevated US yields, dollar strength, and persistent foreign portfolio outflows are adding to pressure on the rupee and increasing imported inflation risks.
- We believe the RBI retains room for further measured tightening, particularly if elevated crude oil prices, food inflation and currency pressures sustain the upward momentum in headline and core inflation.
- **Base case: We expect the RBI to deliver a cumulative 100bp rate hike over the current tightening cycle, taking the repo rate to 6.25%. The 25bp hike in Oct'26, alongside the shift in stance from neutral to "calibrated tightening", marks a clear hawkish pivot, with rate cuts effectively off the table in the near term**. We expect a further 25bp hike in Dec'26, taking the repo rate to 5.75%, followed by another 50bp of tightening over subsequent meetings.
- Ultimately, the October minutes reinforce a policy framework in which inflation risks dominate near-term decisions, but the extent of monetary tightening remains conditional rather than predetermined. For financial markets, this suggests continued pressure on borrowing costs and bond yields, with incoming inflation data and the RBI's assessment of inflation persistence likely to be the principal determinants of the policy path.

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

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:

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

Disclaimer:

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

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

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

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

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

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI 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.