



MOTILAL OSWAL | 18th Annual Global Investor Conference

SAVE THE DATE

19 Sept - 23 Sept, 2022

Be a part of India's Largest Investor Conference

75 INDIA RISING THE DIAMOND DECADE

Gautam Duggad

✉ Gautam.Duggad@motilaloswal.com

Deven Mistry

✉ Deven@motilaloswal.com

The Eagle Eye

September 2022

GLOBAL MARKETS

- ❖ Indian market among the leaders in Aug'22, continues to outperform
- ❖ India stands out, outperforming global markets YTD

MARKETS

- ❖ Top gainers among global cyclicals; Technology and Healthcare were the weakest in Aug'22
- ❖ Among Nifty constituents, nine closed lower in Aug'22. Around 28 constituents outperformed the benchmark
- ❖ A majority of BSE-200 constituents (81%) ended higher in Aug'22

FLOWS AND VOLUMES

- ❖ FII inflows at the highest since Jan'21, DIIs turn sellers after 17 months of buying
- ❖ Average daily cash volumes rose 28% MoM to INR636b in Aug'22. However, it is still 28% lower from its Oct'21 high
- ❖ Monthly institutional cash trading volumes rose 12% MoM to INR5.9t

MACROS

- ❖ Indian bond yields at 7.2%. The spread between Indian and US bond yields stood at 4% – the lowest since Feb'17
- ❖ On the currency front, the INR declined by 0.25% MoM v/s the USD
- ❖ India's forex reserves declined by USD78b from its Oct'21 peak to USD564b

COMMODITY PRICES

- ❖ Commodity inflation cools off from its recent highs, but remains volatile
- ❖ Crude Oil prices trade significantly lower from its Mar'22 high
- ❖ HRC prices fall 25% from its Apr'22 high
- ❖ TMT prices fall 22% from its Apr'22 high

VALUATIONS

- ❖ Nifty 12-month forward P/E, at 19.6x, is at a 6% premium to its LPA of 18.5x
- ❖ The 12-month trailing P/E for the Nifty stood at 22.8x, 14% higher than its LPA
- ❖ India's market capitalization-to-GDP ratio is currently at 107% (of FY23E GDP), above its long-term average of ~81%

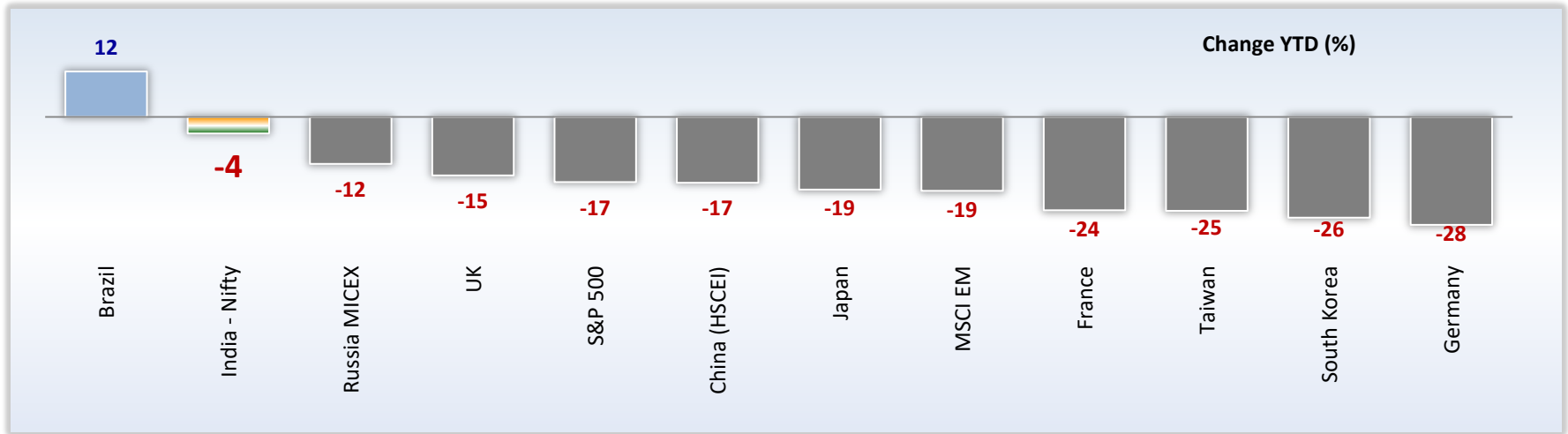
CONTENTS

Indian market among the leaders in Aug'22, continues to outperform YTD'22

World equity indices (MoM) in USD terms (%)

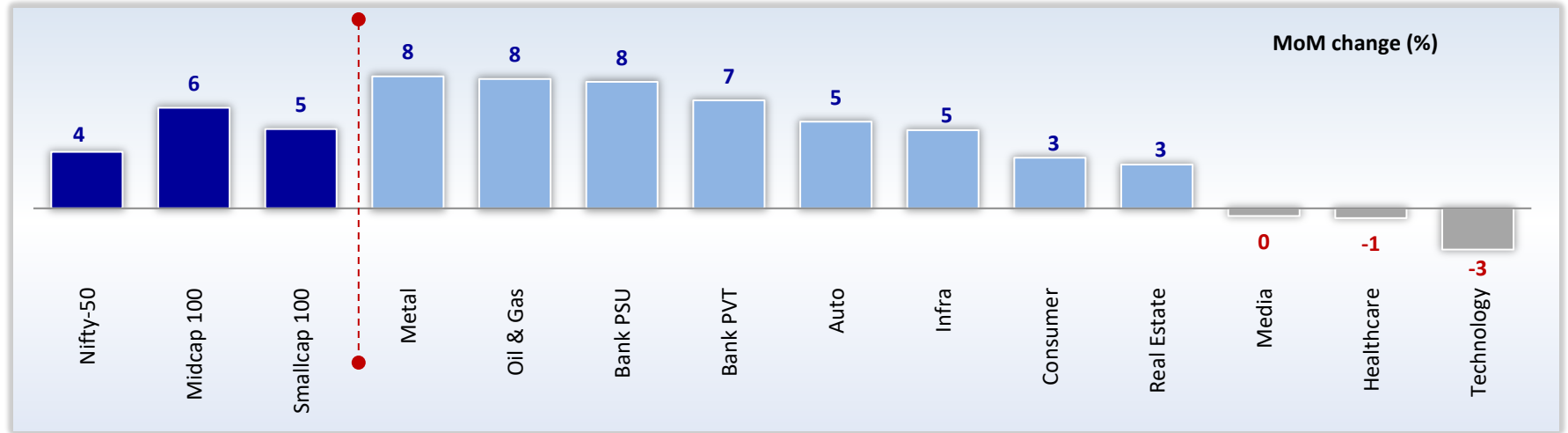


YTD performance of global equity indices in USD terms (%)

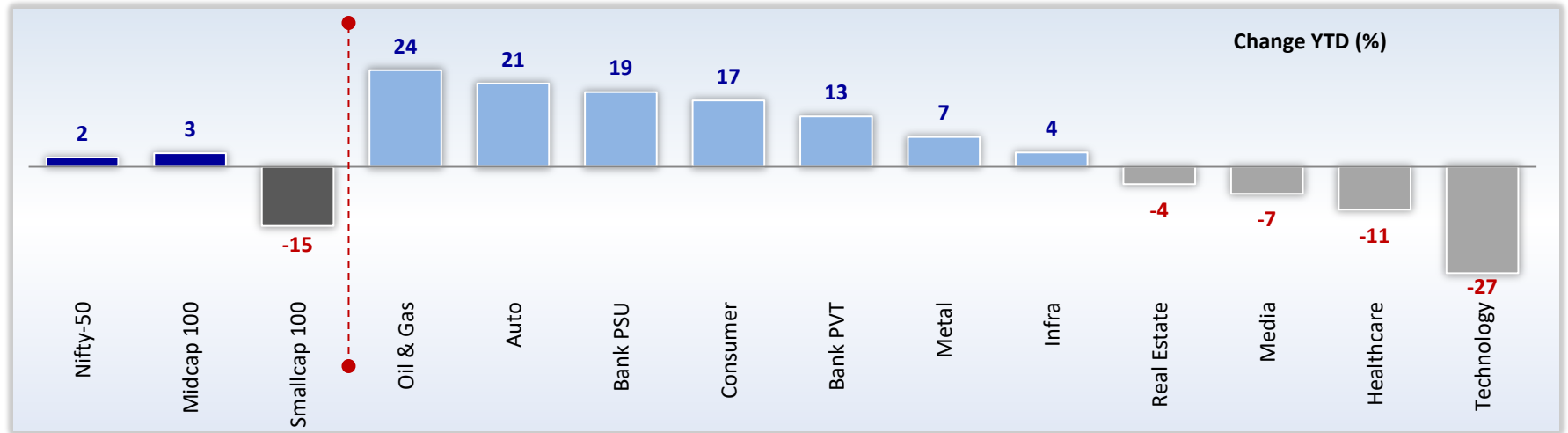


Top gainers among global cyclicals, Technology and Healthcare were the weakest in Aug'22

Sectoral performance MoM (%)



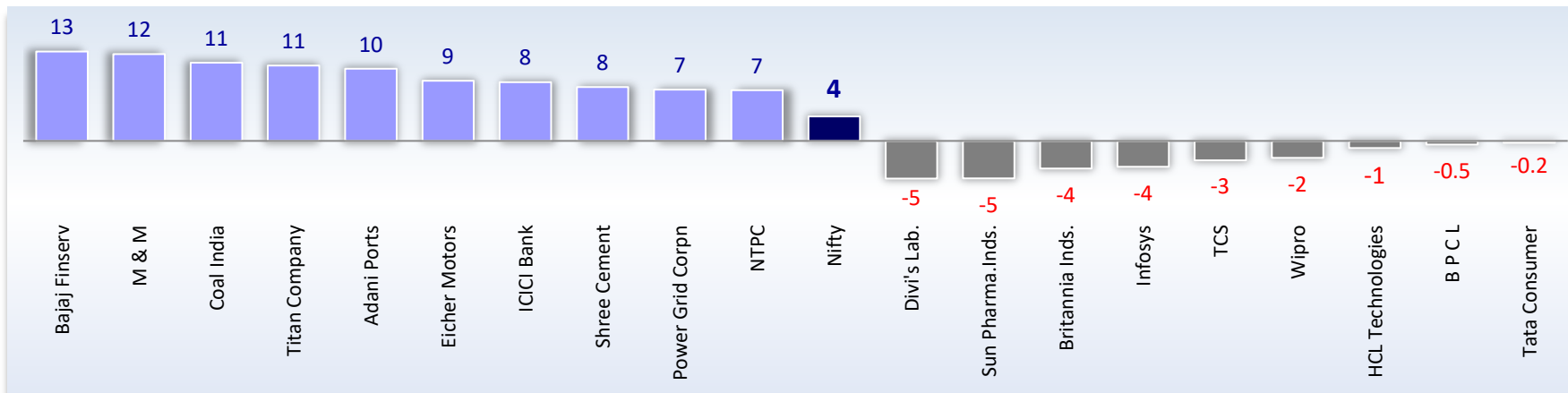
Sectoral performance YTD (%)



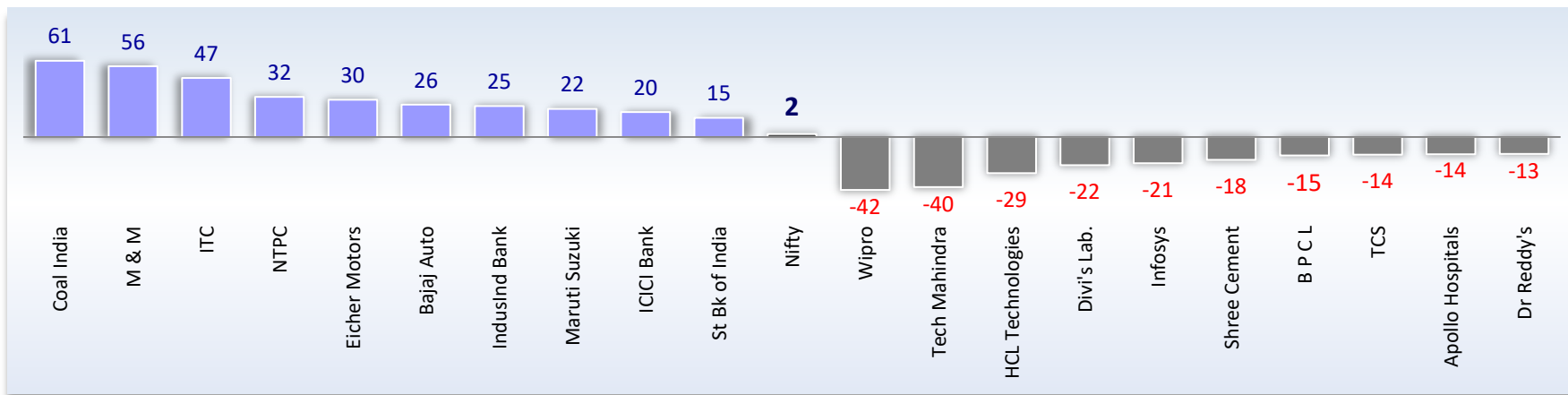
Around 82% of Nifty constituents gain in Aug'22

- ❖ Among Nifty companies, nine closed lower in Aug'22. Around 28 constituents outperformed the benchmark.
- ❖ Among Nifty constituents, 66% traded higher YTD. Coal India, M&M, ITC, NTPC, and Eicher Motors led the gainers pack.

Best and worst Nifty performers (MoM) in Aug'22 (%) – Bajaj Finserv, M&M, and Coal India are among the top gainers



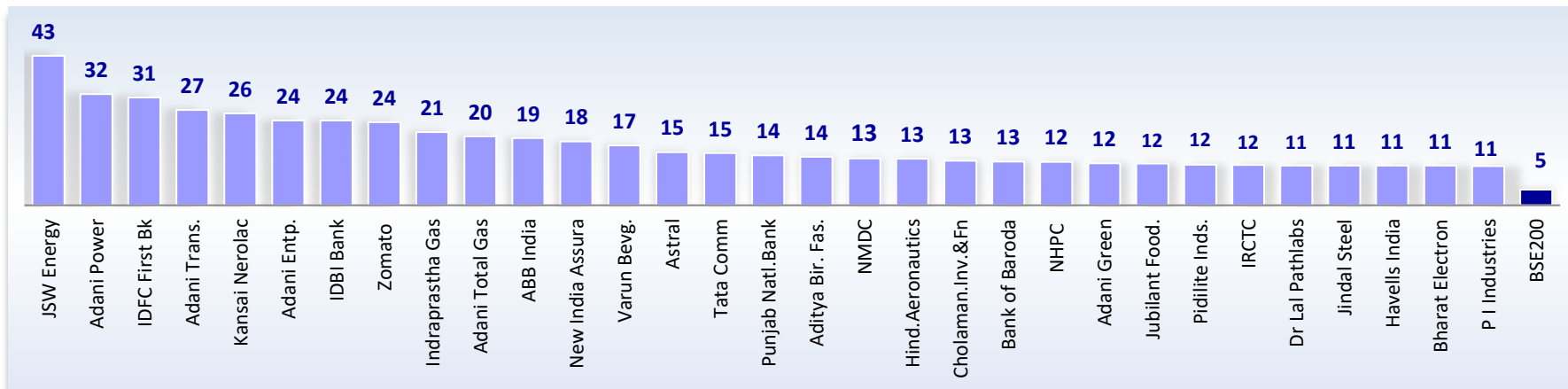
Best and worst Nifty performers YTD (%) – Coal India, M&M, and ITC are the top gainers, while Technology stocks continue to underperform



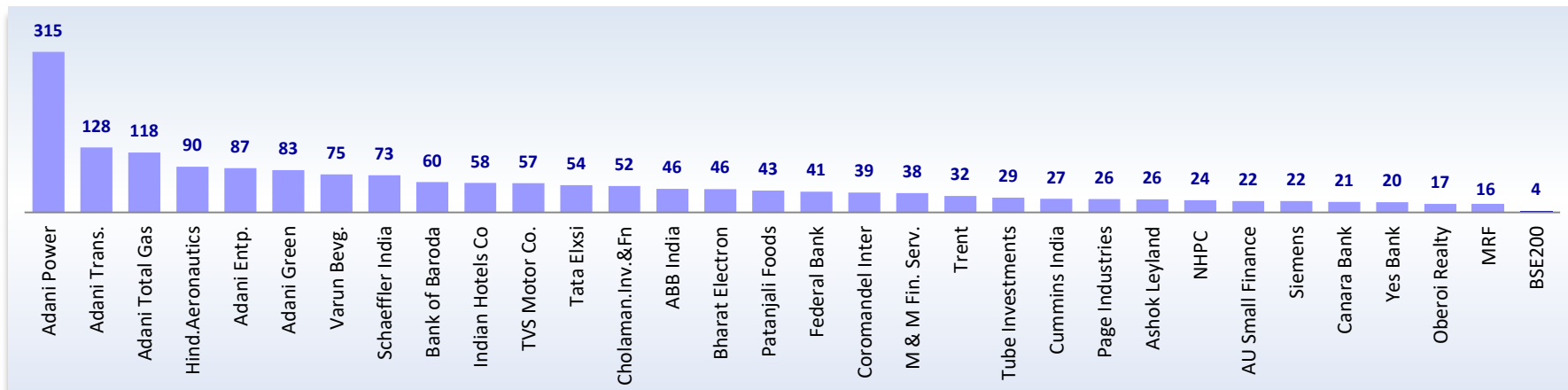
A majority of BSE-200 constituents (81%) closed higher in Aug'22

- ❖ About 81% of BSE-200 constituents closed higher than the benchmark in Aug'22. Around 45 companies gained over 10% in Aug'22.
- ❖ Around 50% of BSE-200 constituents traded higher YTD, with several Adani group companies leading the gainers pack.

Top gainers from the BSE-200 pack on a MoM basis (%)*



Top gainers from the BSE-200 pack YTD'CY22 (%)*

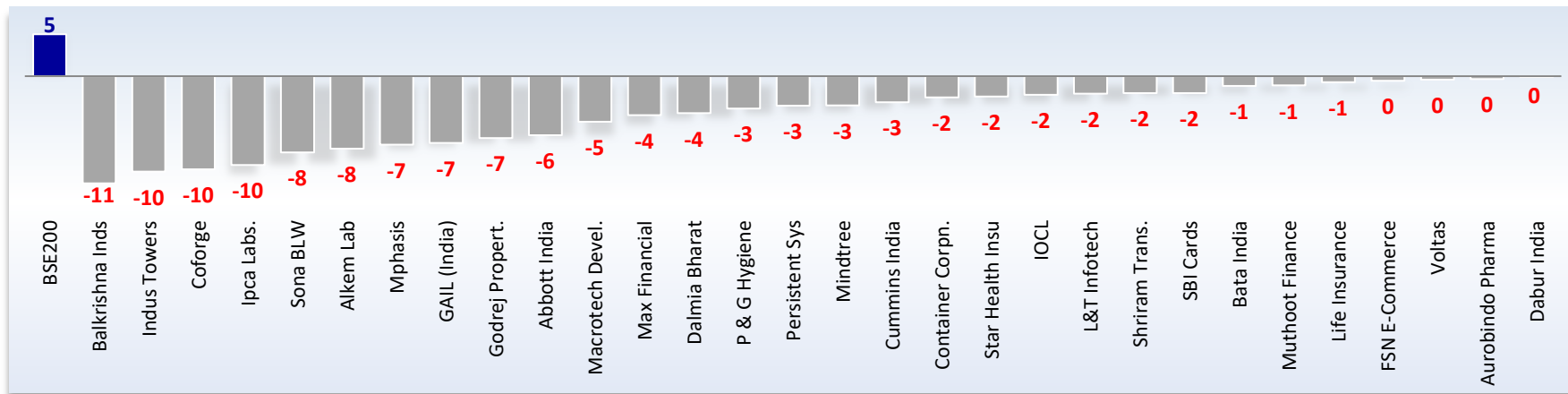


*List excludes Nifty constituents

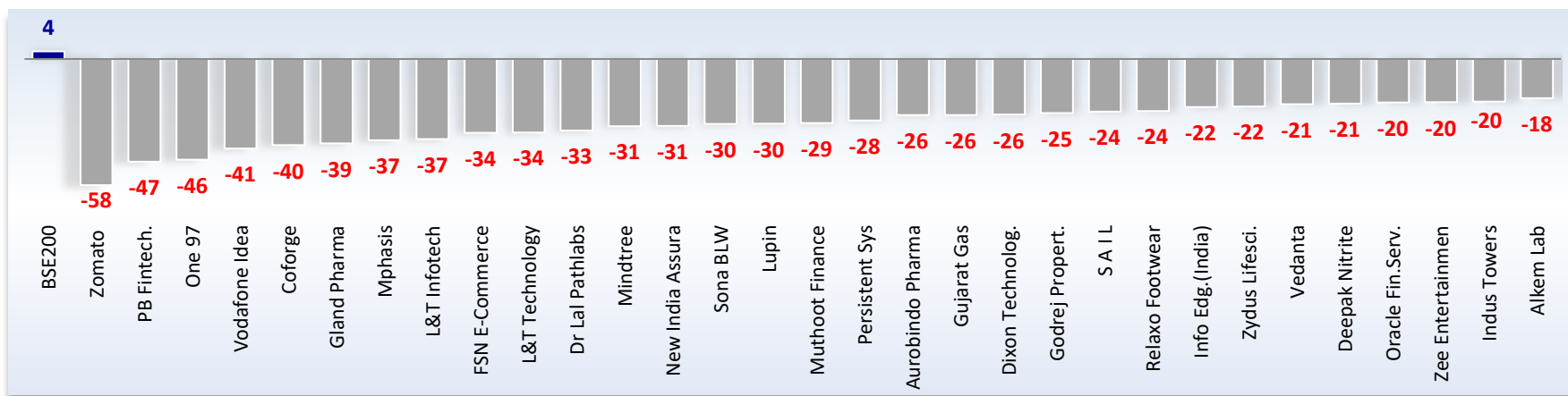
Around 19% of BSE-200 constituents decline in Aug'22

- ❖ Only 19% of BSE-200 constituents declined in Aug'22. Balkrishna Industries, Indus Towers, Coforge, and Ipca Laboratories were the key laggards MoM.
- ❖ Around 50% of BSE-200 companies are still trading lower YTD, of which seven companies are trading 40% lower and below.

A few key laggards among BSE-200 constituents on a MoM basis (%)*



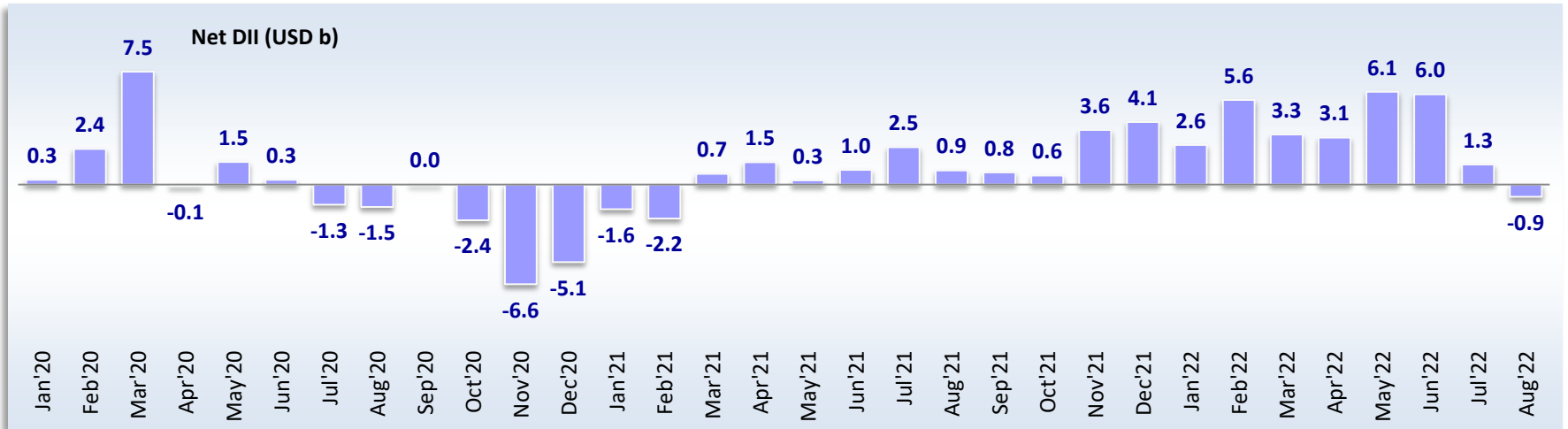
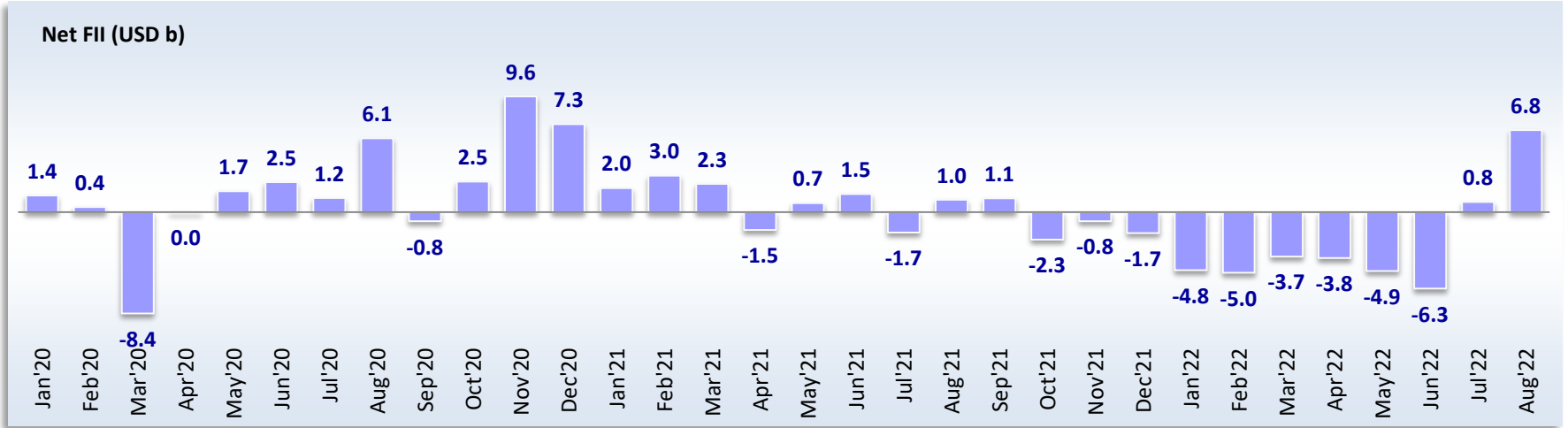
Biggest laggards among BSE-200 constituents YTD (%)*



*List excludes Nifty constituents

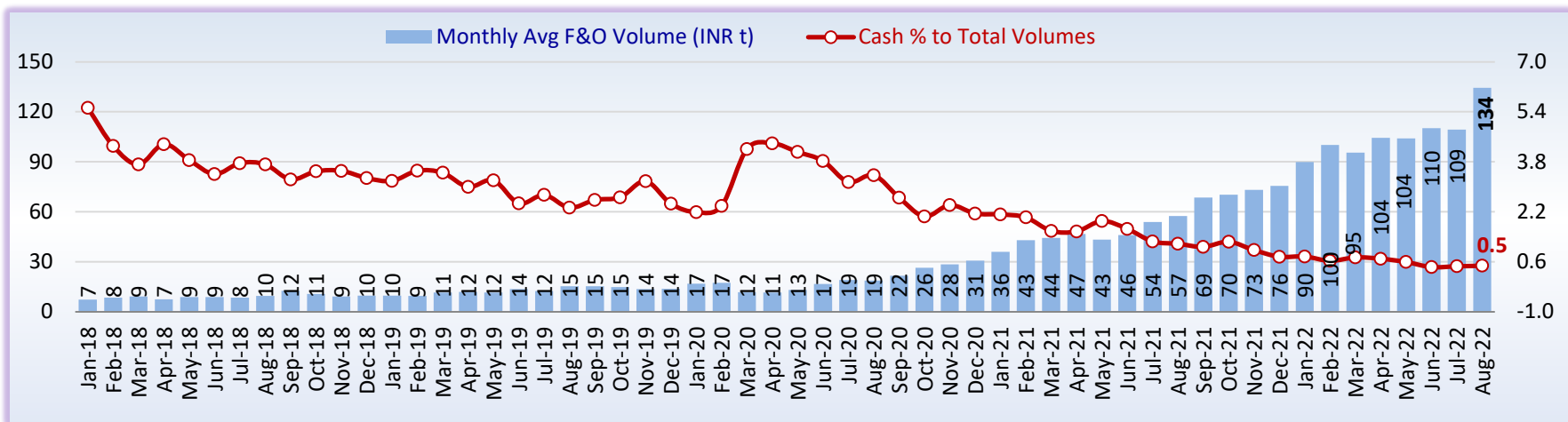
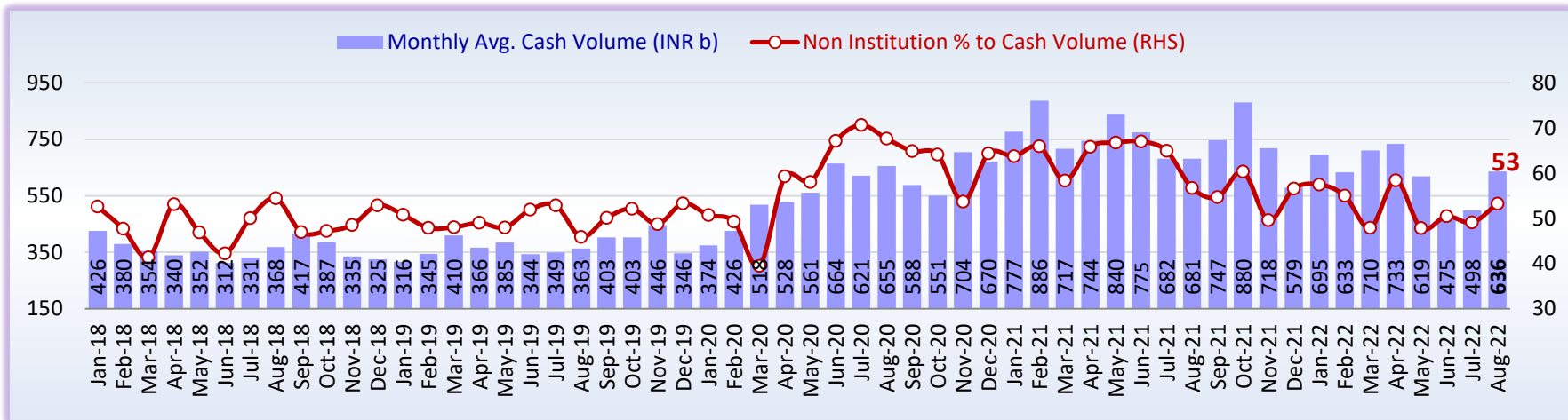
FII inflows at the highest since Dec'20, DIIs turn sellers after 17 months of buying

- ❖ FIIs recorded inflows of USD6.8b in Aug'22 – the highest since Dec'20. Outflows stood at USD20.9b YTD.
- ❖ DIIs turn sellers at USD0.9b in Aug'22 after 17 consecutive months of buying. Inflows stood at USD27.2b YTD.



Average daily cash volumes up 28% MoM after remaining weak in the past two months

- ❖ Average daily cash volumes rose 28% MoM to INR636b in Aug'22. However, it is still 28% lower from its Oct'21 high.
- ❖ Monthly institutional cash trading volumes rose 12% MoM to INR5.9t.

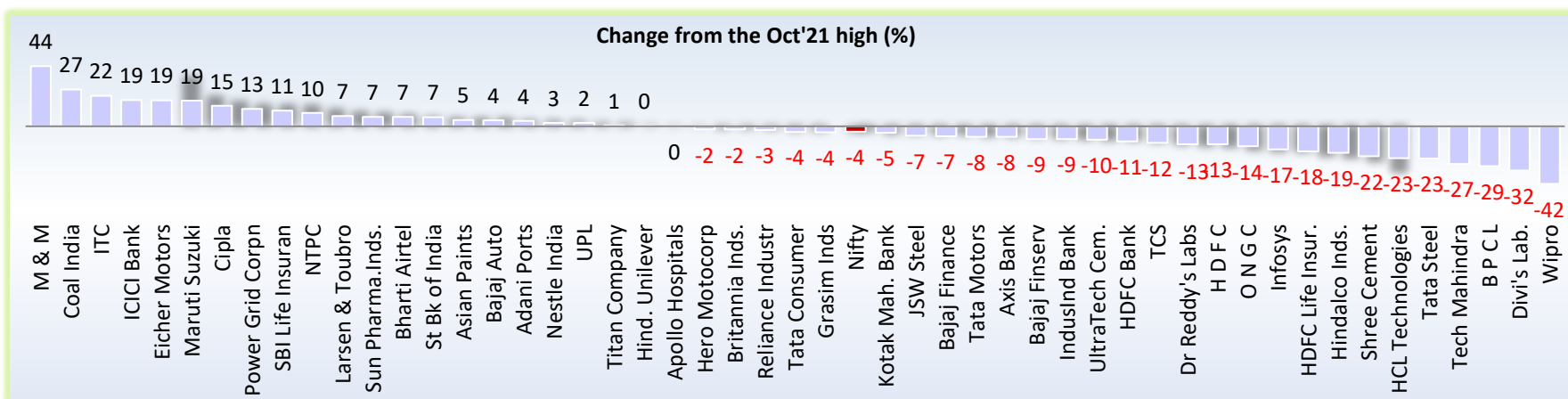


Autos, Oil and Gas, PSU Banks, and Consumer outperform the Nifty from its Oct'21 high

Auto, Oil and Gas, PSU Banks, and Consumer outperform the benchmark from its Oct'21 high



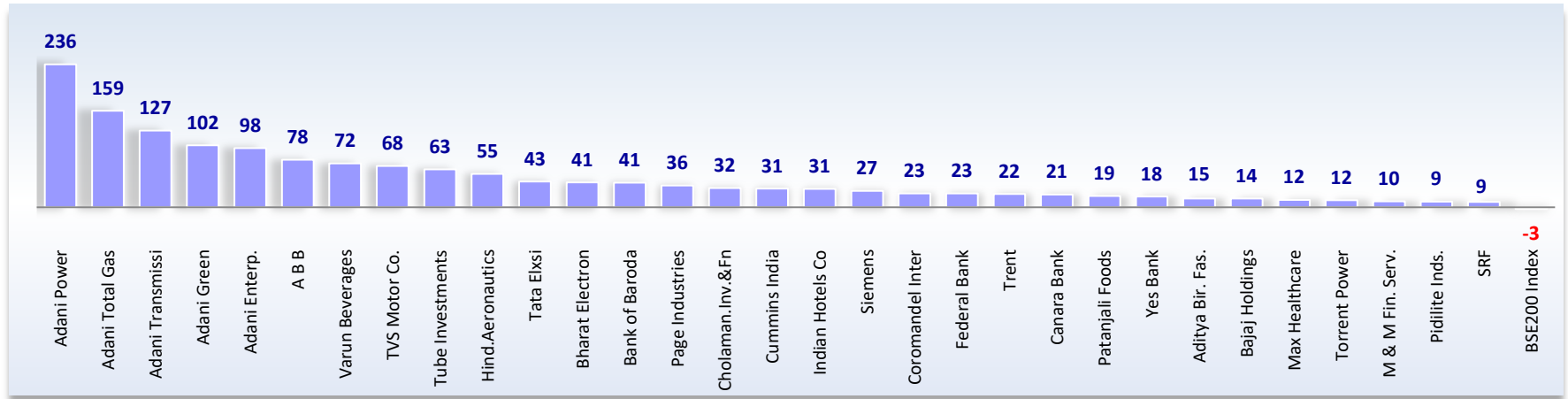
Nine Nifty constituents gained more than 10%, whereas 15 stocks declined more than 10% from its Oct'21 high



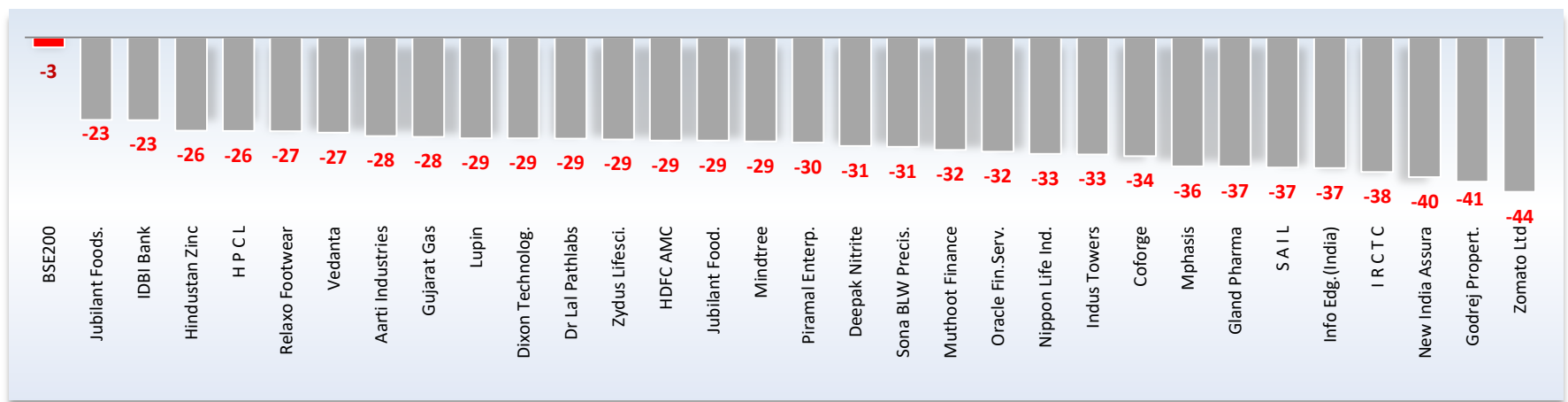
*As of 30th Aug'22; excluding Nifty companies; Nifty high as of 18th Oct'21

Around 32% of BSE-200 constituents trade above their Oct'21 highs

Around 28 companies* from the BSE-200 trade above 10% since Oct'21



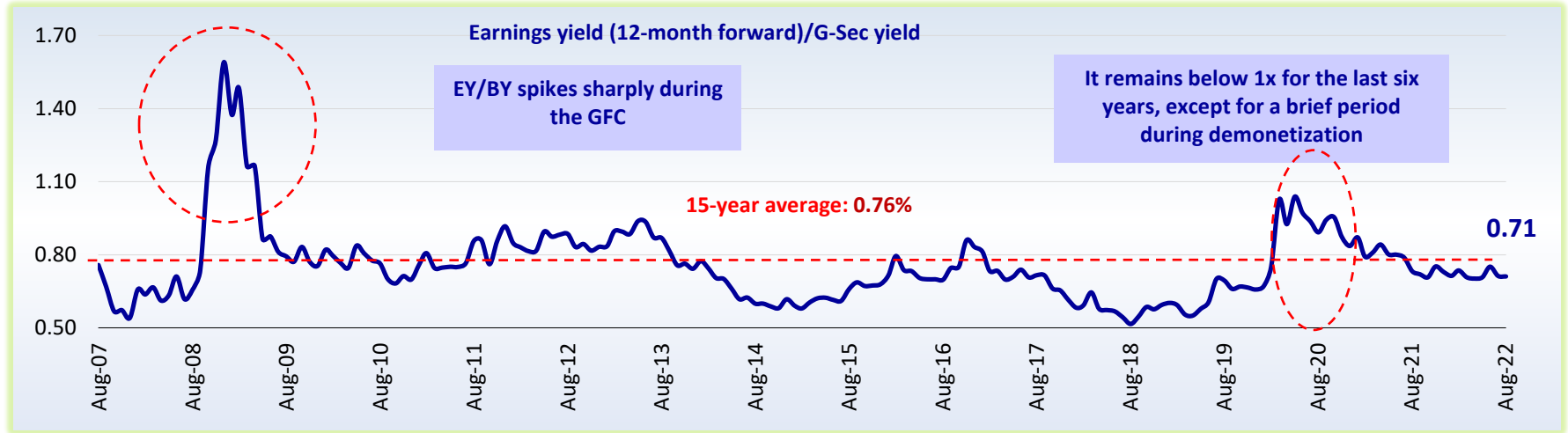
Around 79 companies* from the BSE-200 trade below 10% since Oct'21



* As of 30th Aug'22; Excluding Nifty 50 companies, Nifty high as on 18th Oct 2021

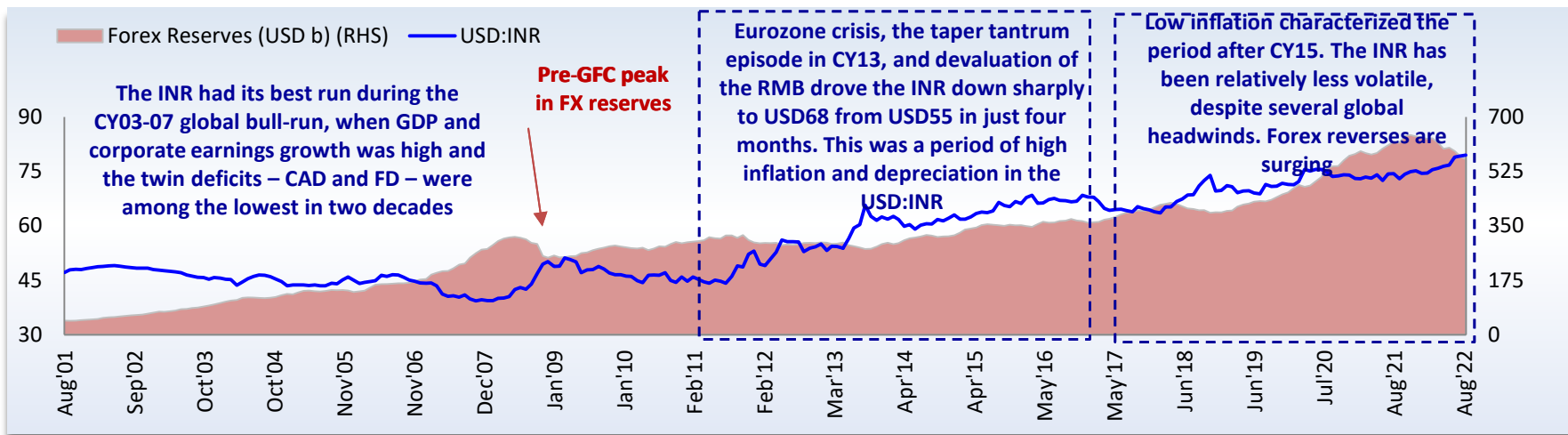
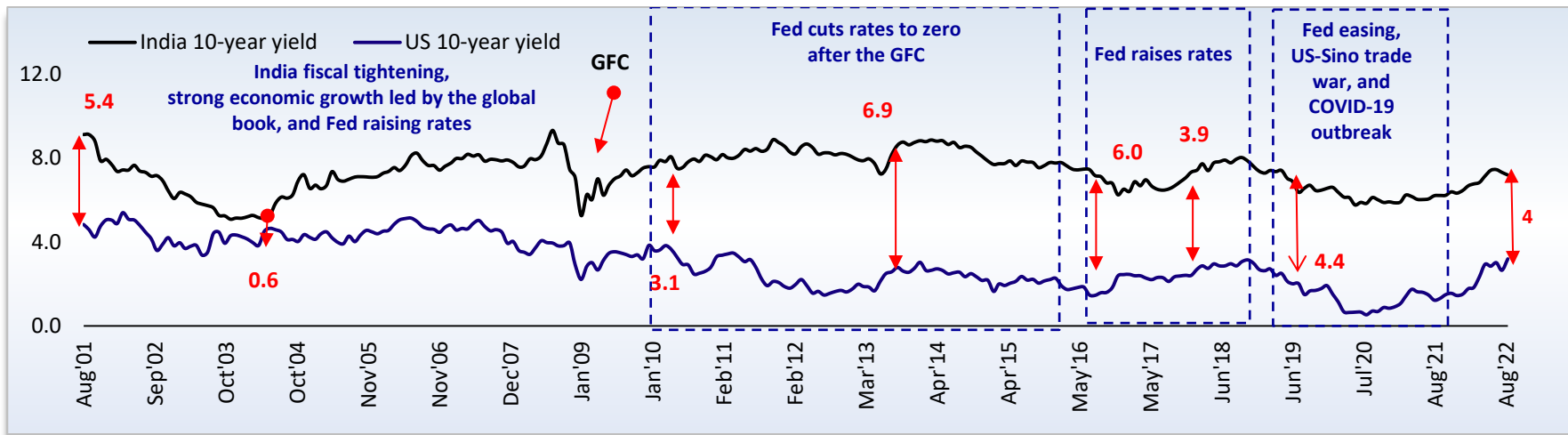
10-year G-Sec yield ~7.2%; EY/BY below its long-term mean

- ❖ India's 10-year bond yield cooled off to 7.2%, resulting in the EY/BY trading below its 15-year average of 0.76%.
- ❖ On a trailing basis, EY/BY remains lower than its LPA.



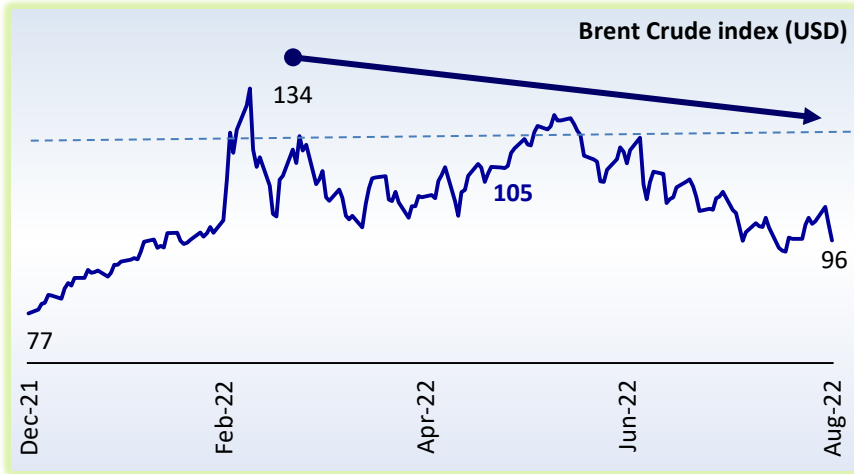
Spread between India and the US yield at 4% – the lowest since Feb'17

- ❖ Indian bond yield was stable at 7.2% as the spread between Indian and the US bond yields stood at 4% – the lowest since Feb'17.
- ❖ On the currency front, the USD:INR fell 0.25% MoM. India's forex reserves declined by USD78b from its peak of Oct'21 to USD564b. Reserves were at their lowest levels since Nov'20.

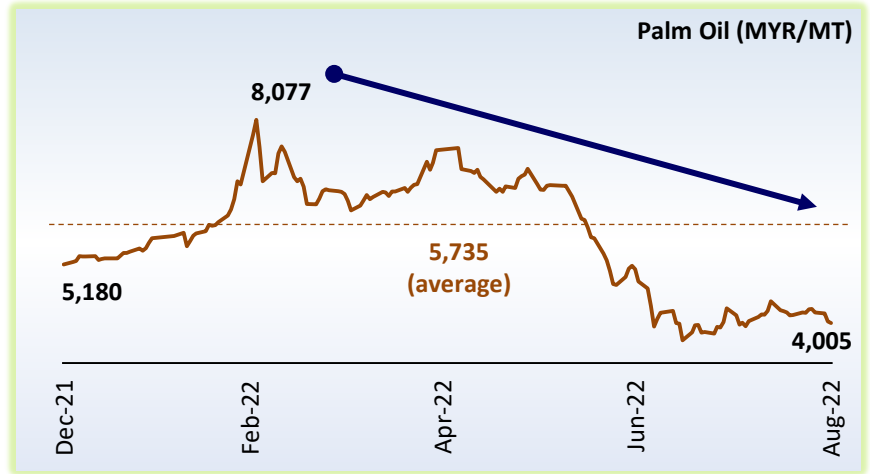


Commodity inflation cools off from recent highs, but remains volatile

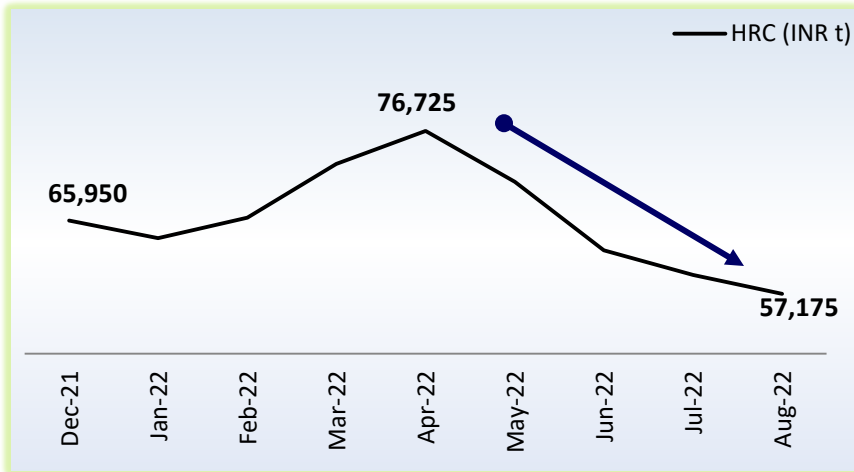
Crude Oil prices trade significantly lower from their Mar'22 highs



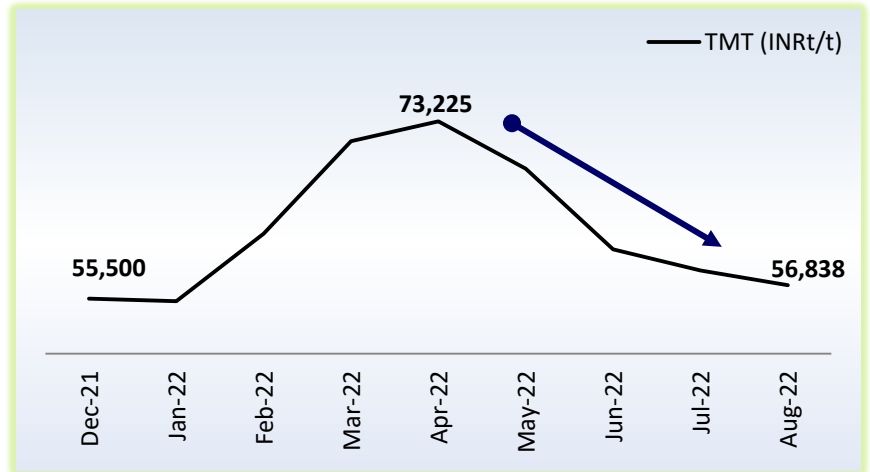
Palm Oil prices soften from its Apr'22 high



HRC prices 25% off from its Apr'22 high



TMT prices fell 22% from its Apr'22 high



As of 31st Aug'22

Source: Bloomberg, MOFSL

Nifty composition: Auto, Consumer, and Banks lead the YTD gainers pack

- ❖ The weightage of the Auto sector rose 105bp from Dec'21 to 6% – the highest since Dec'19 levels.
- ❖ The weightage of Private Banks grew 150bp YTD to 23.4%.
- ❖ The weightage of the Technology sector fell 490bp YTD to 14.2%.

Sector	Weightage in the Nifty (%)						
	Dec'04	Dec'08	Dec'12	Dec'20	Dec'21	Jul'22	Aug'22
Automobiles	6.7	2.5	8.8	5.4	5.0	5.8	6.0
Banks – Private	4.7	5	16.9	24.7	21.9	22.9	23.4
Banks – Public	5.8	5.4	4.7	1.8	2.3	2.7	2.6
NBFC + Insurance	2.1	2.3	7.9	12.3	11.4	10.9	11.0
Capital Goods	4	7.7	5.9	2.6	3	2.9	3.0
Cement	2.8	1.7	4.2	2.2	2.4	2.2	2.2
Consumer	7.8	6.5	12.3	10.4	9.4	10.8	10.7
Healthcare	6.3	2.6	5	3.6	3.4	3.9	3.8
Metals	8.2	4.8	3.8	2	2.9	2.8	2.8
Oil and Gas	27.1	24.5	12.3	12.5	12.3	12.6	12.8
Reliance Ind.	8.3	10.6	7.4	10.7	10.8	11.5	11.7
Telecom	6.3	11.6	2	2	2.1	2.2	2.3
Technology	14.5	9	11.4	16.3	19.1	15.1	14.2
Utilities	1.9	13.3	4.5	2.1	2.1	2.5	2.6
Miscellaneous	2	3.3	0.5	2.1	2.6	2.6	2.7
Nifty	100	100	100	100	100	100	100

Weightage of the Auto sector rises 150bp since Dec'21 to 6%

Weightage of the Technology sector falls 490bp YTD

India Strategy: Deciphering the 'In-N-Out' of institutional flows ([link](#))

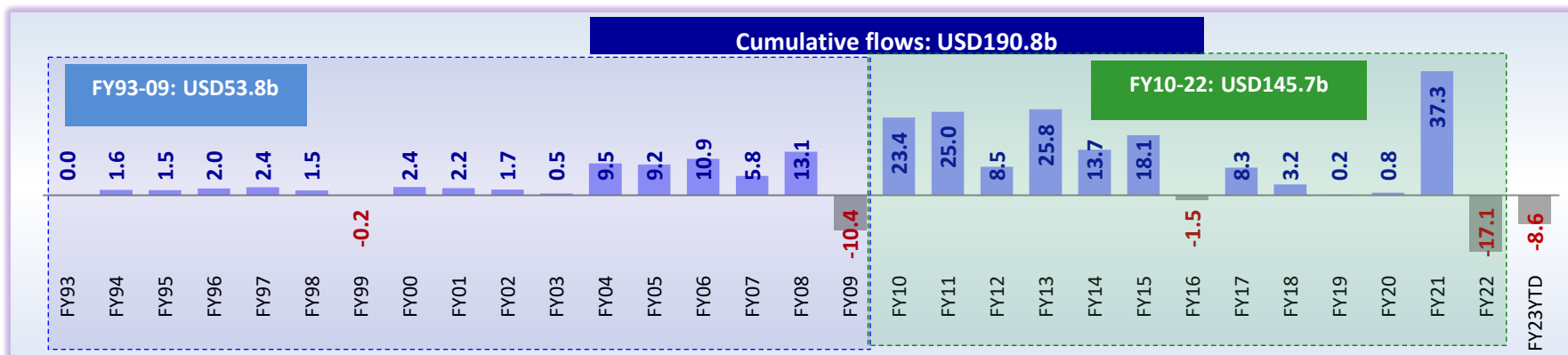
FII flows led the charge till FY15, but peters out subsequently

- ❖ In our detailed analysis of institutional flows over the last 15 years, we see contrasting trends in the dynamics of FII and DII flows in India, with a large part of the period under study being dominated by FII flows.
- ❖ While FII flows ebbed after FY15, DII flows accelerated meaningfully, especially MF inflows.

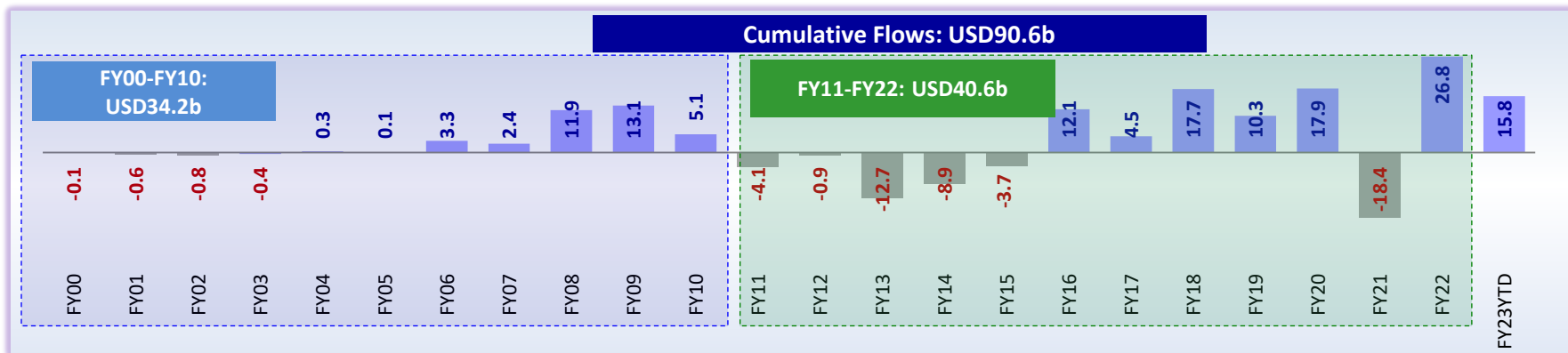
DII flows: Imposing faith in domestic investors

- ❖ **DII:** Over the last 23 years beginning FY00, DIIs have invested USD90.6b in Indian equities. However, the breakup of DIIs into MFs and excluding MFs was made available in FY07. Since then, DIIs have invested USD88.8b in the Indian market.
- ❖ **MFs:** Within DII flows, MF flows significantly picked up in the last eight years. MFs have invested USD83b in the Indian equity market.

FII investments in Indian equities stand at USD191b YTD, with outflows in only five years



DIIs invest USD90.6b till date, contributed majorly by MFs after FY15



India Strategy: Cherry-picking the Nifty 'chartbusters' ([link](#))

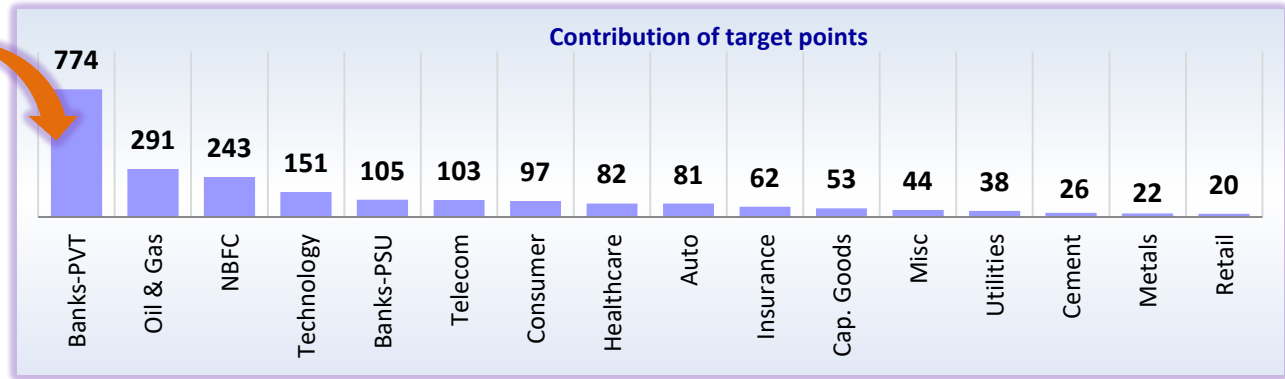
Consensus target prices point to a 13% upside for the Nifty

- ❖ Based on the consensus target prices for Nifty companies, there is potential for a 13% upside (2,192 points to 19,717).
- ❖ Private Banks (774 points), Oil and Gas (291 points), NBFCs (243 points), Technology (151 points), PSU Banks (105 points), Telecom (103 points), and Consumer (97 points) are likely to contribute the most to the upside in the Nifty.
- ❖ Stocks with the highest target upsides are UPL (36%), ONGC (32%), HDFC Life Insurance (28%), Axis Bank (25%), and Bharti Airtel (25%).

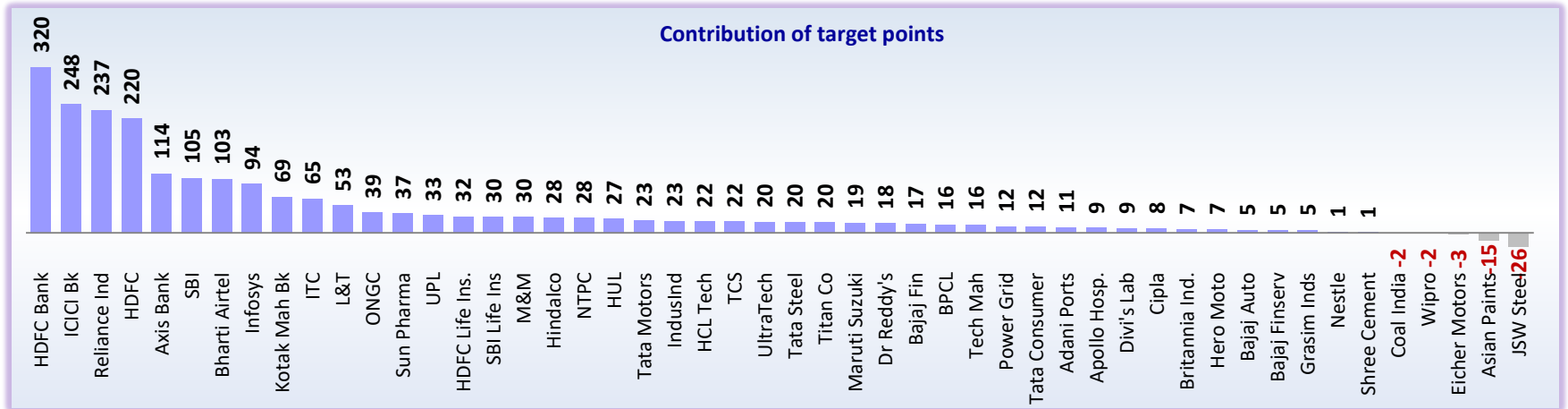
Nifty target based on consensus



Sector-wise contributors to index target



Top-10 stocks likely to contribute 72% to the Nifty's target upside

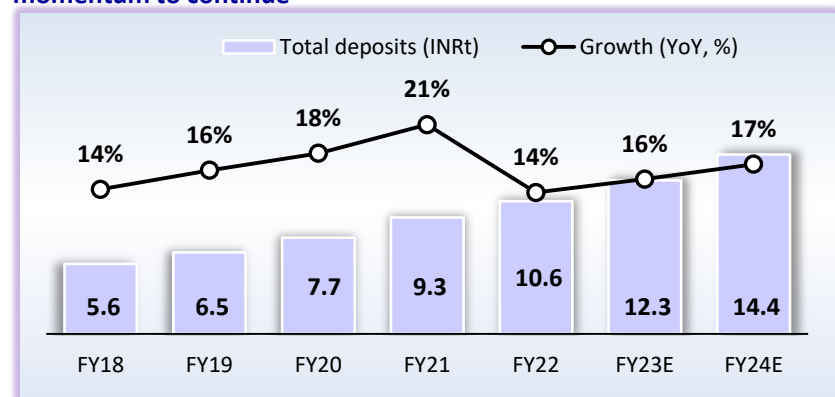


ICICI Bank – AR update: Strengthening its leadership with a best-in-class performance ([link](#))

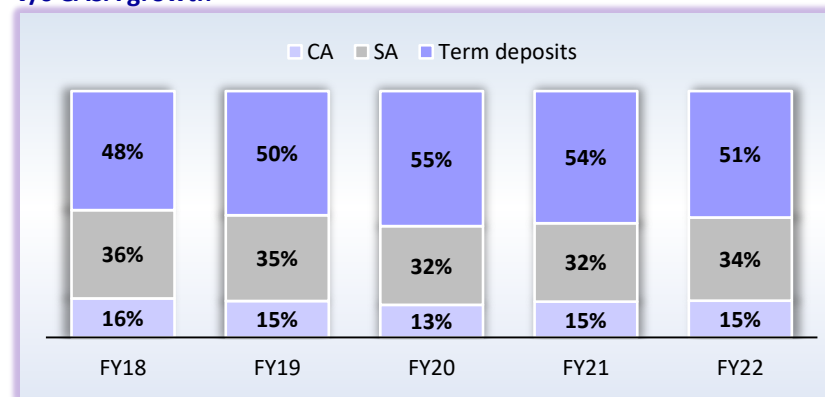
The focus is on granular Retail deposits; maintains a robust liability profile

- ❖ The management sees a strong growth in Retail deposits and has successfully maintained a robust liability franchise over the past few years. Total deposits/CASA clocked ~17%/~16% CAGR over FY17-22. CASA ratio marginally declined to 48.7% in FY22 from 50.4% in FY17. In FY22, growth in CASA deposits (up 20.1% YoY) exceeded overall growth in deposits (up 14.2%) and Term deposits grew 9%.

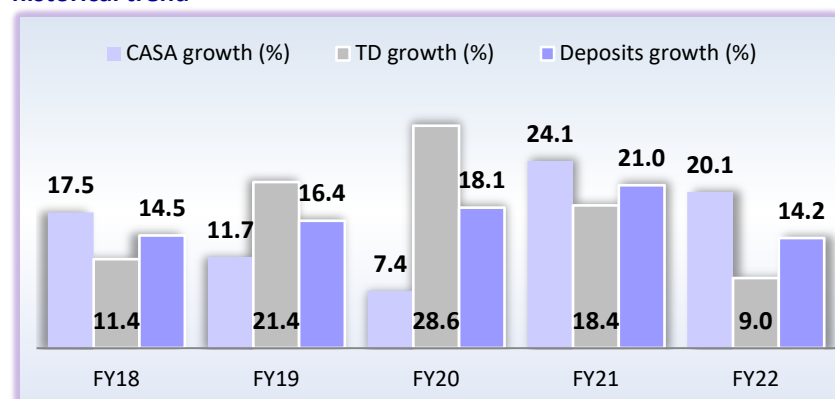
Total deposit clocks ~17% CAGR over FY17-22; expect a similar momentum to continue



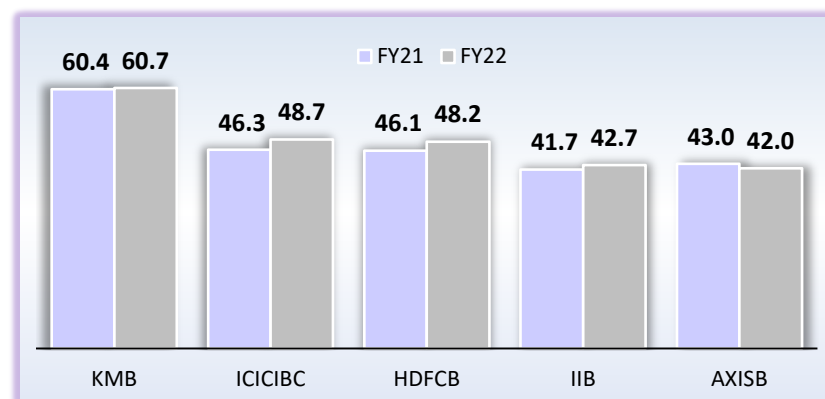
CASA ratio improves to 48.7% in FY22; CAGR in Term deposits up 350bp v/s CASA growth



Growth in Term deposits significantly lower in FY22 as against its historical trend



Strong CASA reflects ICICIB's competitive advantage over its peers

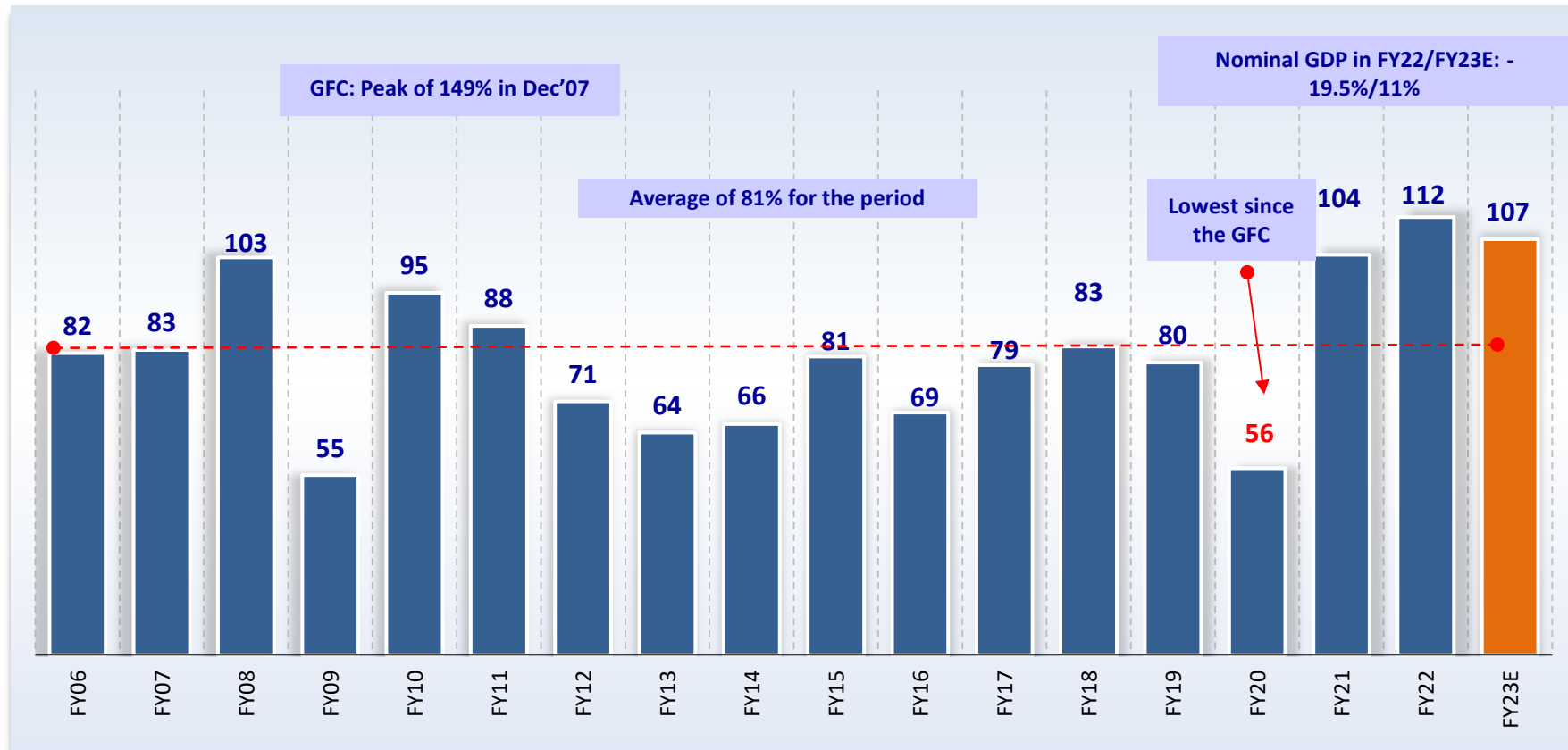


Valuations: Key observations

Market capitalization-to-GDP ratio declines from its FY22 highs, but above the 100% level

- ❖ India's market capitalization-to-GDP ratio has been volatile, at 56% (of FY20 GDP) in Mar'20 from 80% in FY19, and sharply bouncing back to 112% in FY22.
- ❖ The ratio now stands at 107% (of FY23E GDP), above its long-term average of ~81%.

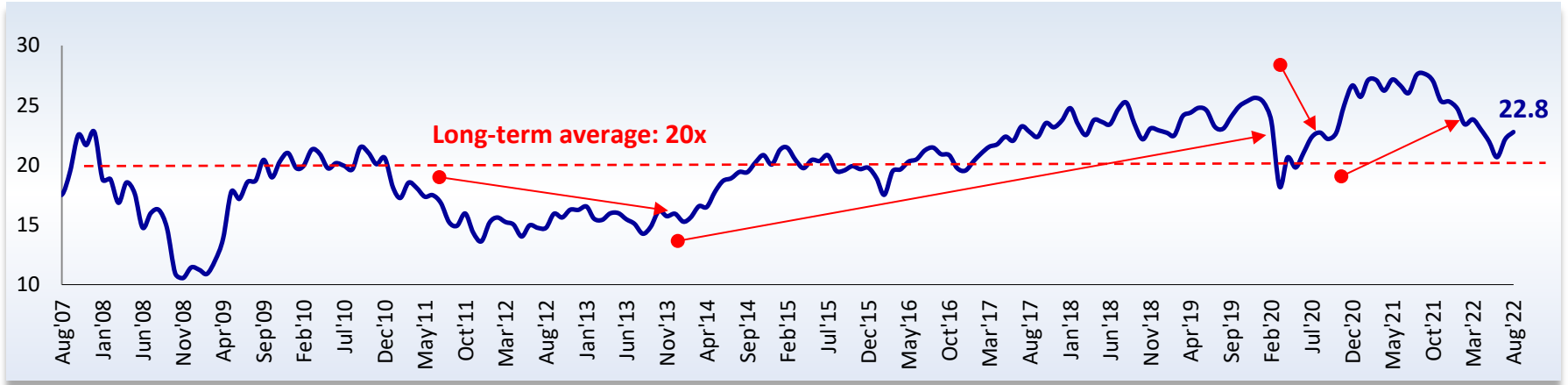
Market capitalization-to-GDP ratio (%)



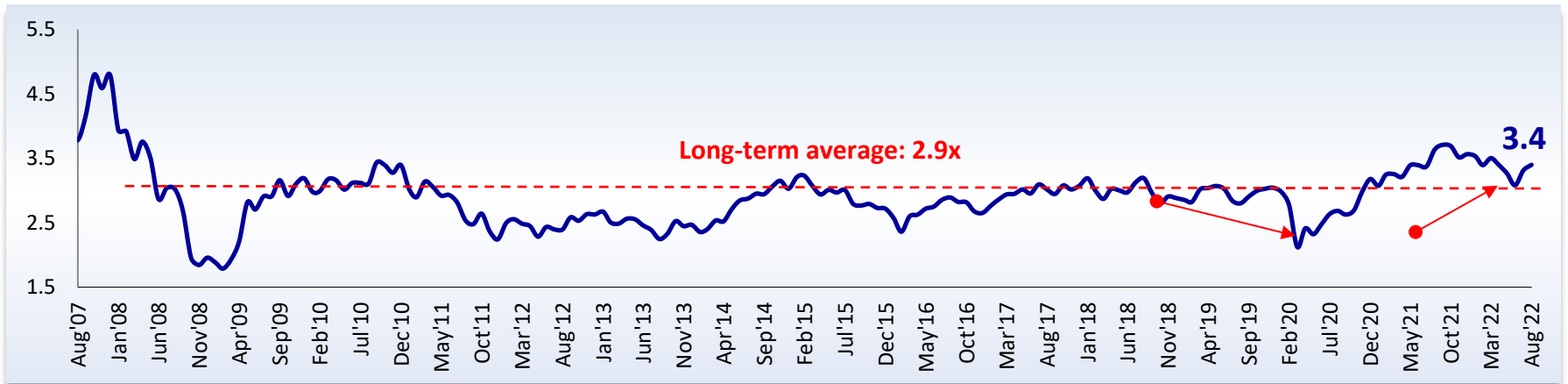
Valuations: Nifty's trailing P/E is at a 14% premium to its LPA

- ❖ The 12-month trailing P/E for the Nifty stood at 22.8x, 14% higher than its LPA.
- ❖ At 3.4x, the 12-month trailing P/B stood 16% above its historical average of 2.9x.

12-month trailing Nifty P/E (x)



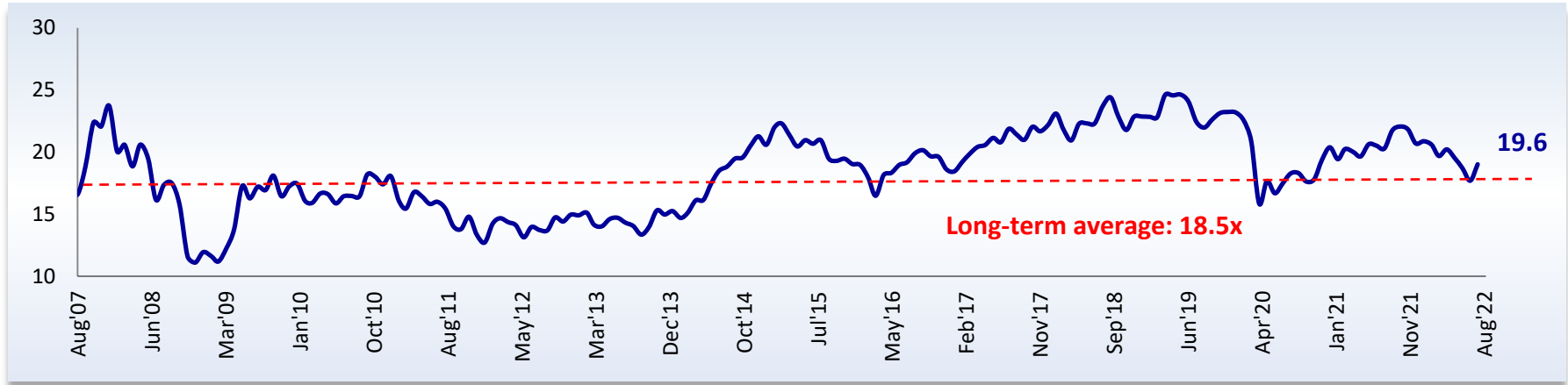
12-month trailing Nifty P/B (x)



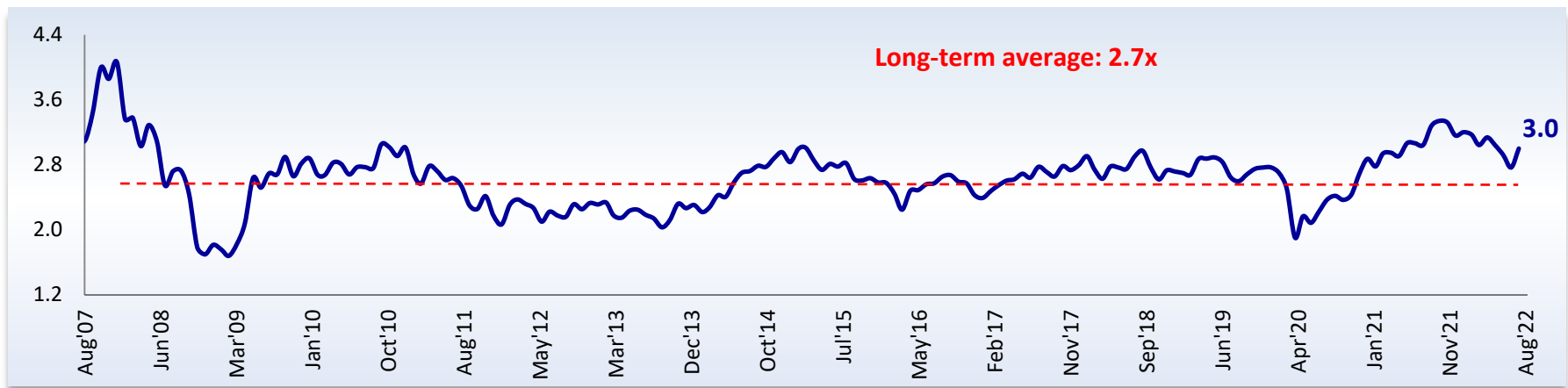
Valuations: Nifty 12-month forward P/E is at a 6% premium to its LPA

- ❖ Nifty 12-month forward P/E, at 19.6x, is at a 6% premium to its LPA of 18.5x.
- ❖ At 3x, the 12-month forward P/B stood at a 15% premium to the Nifty's historical average of 2.7x.

12-month forward Nifty P/E (x)

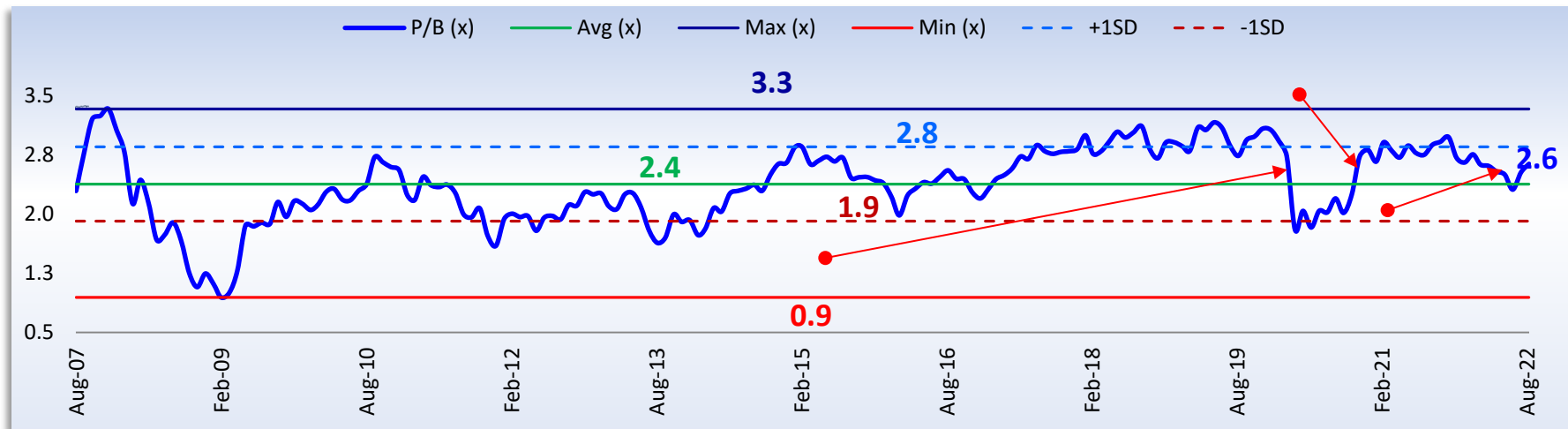


12-month forward Nifty P/B (x)

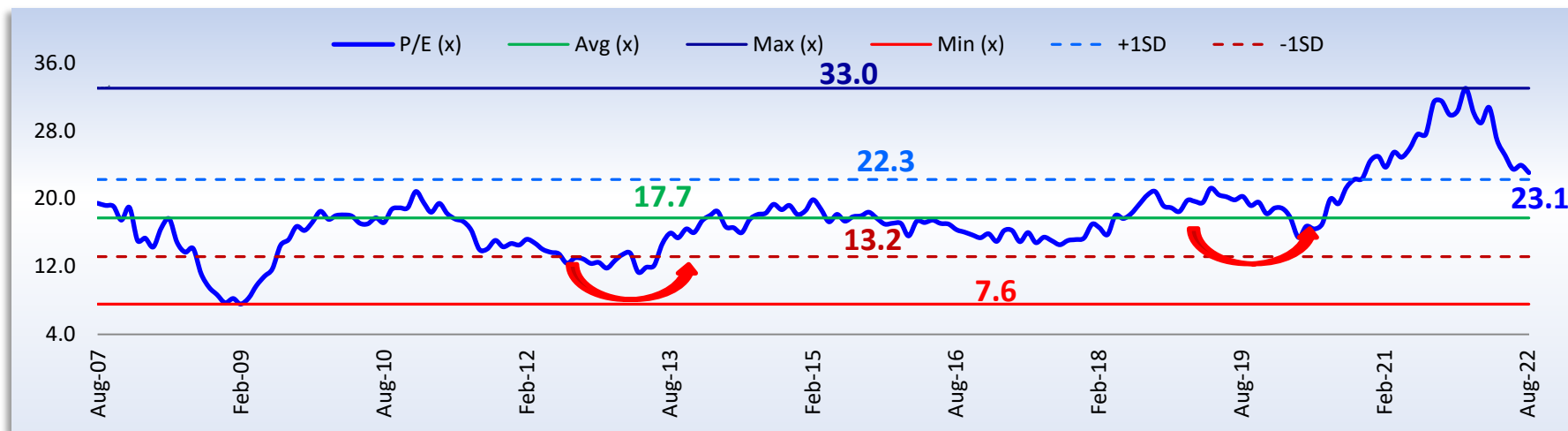


Sectoral valuations: Private Banks trade at a premium; IT 30% off from its Dec'21 peak

Private Banks trade at a 10% premium to its LPA

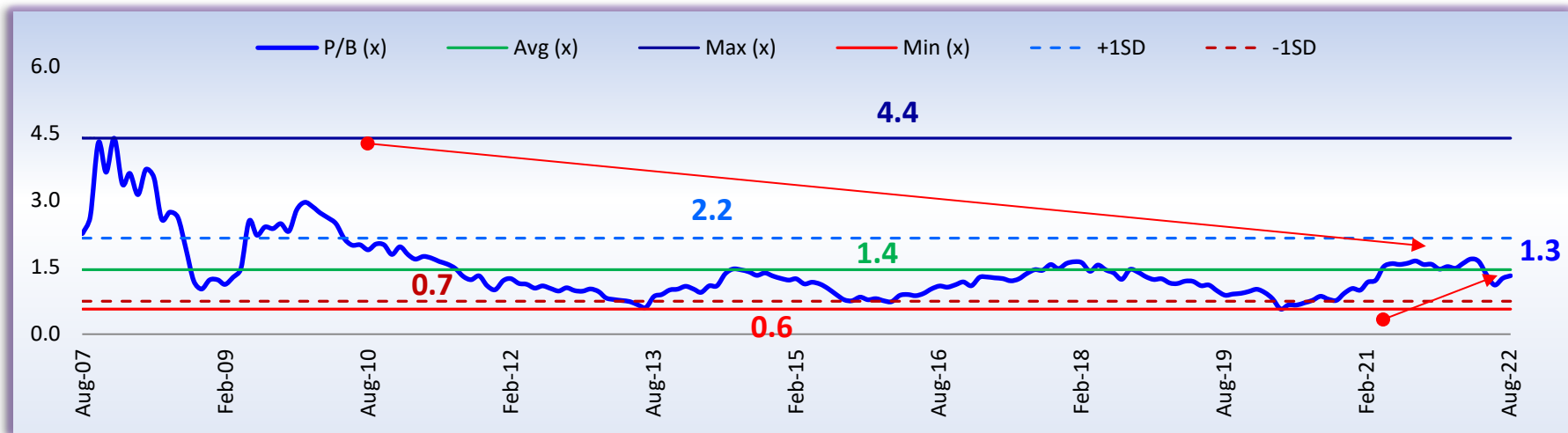


Valuations for the IT sector is 30% off from its Dec'21 peak after the recent correction

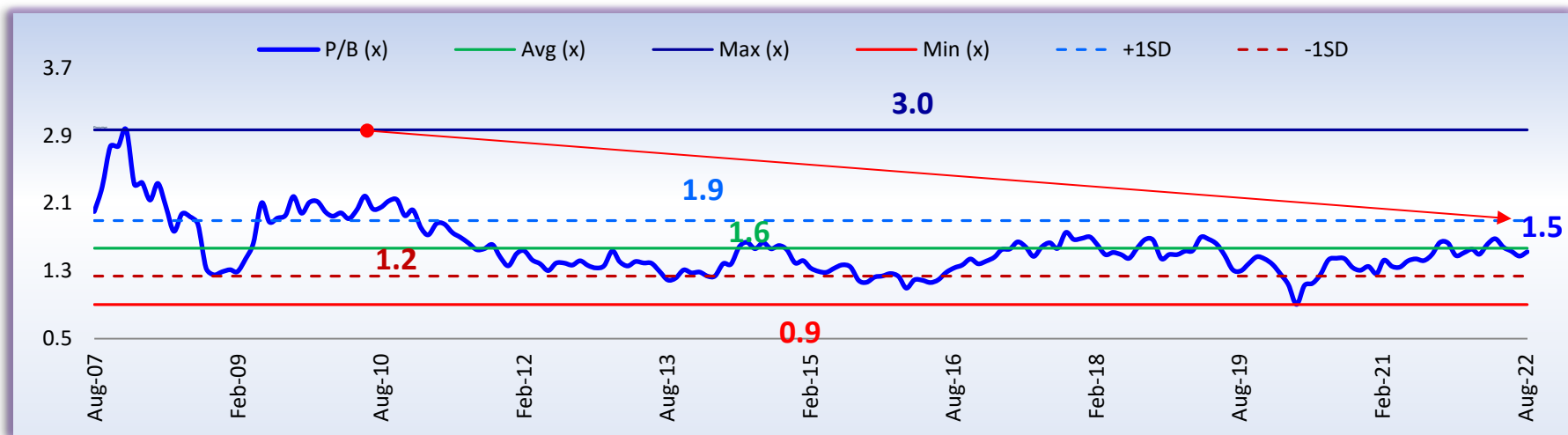


Sectoral valuations: Metals/O&G trade at a 9%/3% discount to their LPA

Metals: Valuations at 9% discount to its LPA after the recent easing of commodity prices

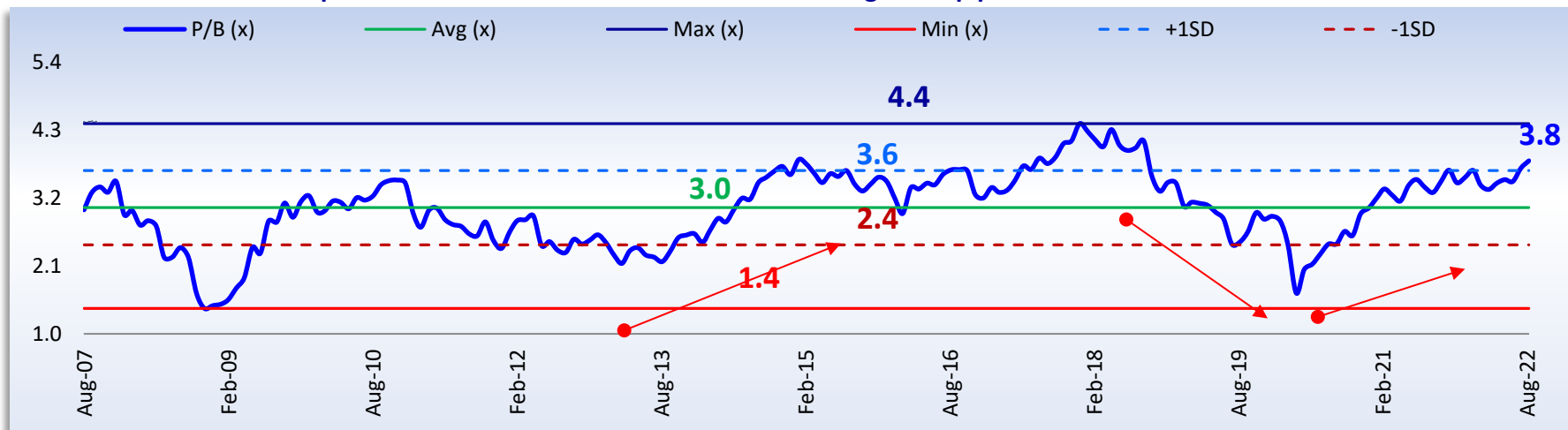


O&G: Valuations near to its LPA

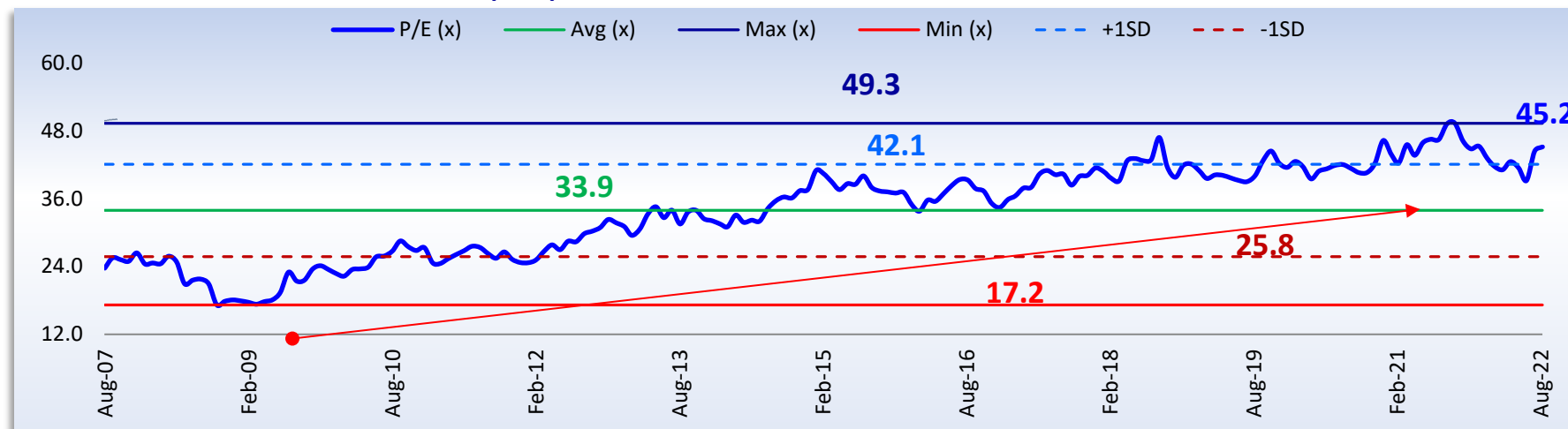


Sectoral valuations: Autos bounce back after a weak period

Auto valuation is at a 25% premium to its LPA. The sector has been among the top performers YTD



Consumer sector P/E is 8% off from its Sep'21 peak



Top ideas

Company	M-cap (USD b)	CMP (INR)	Corr. From	EPS (INR)			EPS CAGR (%)	P/E (x)			P/B (x)			RoE (%)		
			52W (%)	FY22	FY23E	FY24E	FY22-24	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
Preferred largecap stocks																
Reliance Ind.	204.2	2,560	-10	86.4	117.1	119.3	17.5	29.6	21.9	21.5	2.1	1.9	1.8	7.9	9.7	9.1
Infosys	84.3	1,464	-25	52.4	57.5	67.6	13.6	27.9	25.5	21.7	8.2	7.8	7.5	29.2	31.4	35.4
Hind. Unilever	77.1	2,606	-9	37.7	41.4	47.9	12.8	69.2	62.9	54.4	12.6	12.9	13.3	18.4	20.3	24.2
ICICI Bank	76.6	874	-2	33.7	42.7	52.1	24.4	26.0	20.5	16.8	3.6	3.1	2.6	15.0	16.4	17.1
State Bank of India	59.9	533	-3	39.6	50.6	67.3	30.3	13.5	10.5	7.9	1.6	1.4	1.2	13.0	14.7	17.0
Bharti Airtel	54.4	735	-7	5.6	12.2	18.2	80.4	131.5	60.5	40.4	6.2	4.6	4.1	5.0	8.7	10.8
ITC	49.0	318	-1	12.2	14.5	16.4	15.8	26.0	21.9	19.4	6.4	6.1	5.6	25.0	28.4	30.2
Maruti Suzuki	34.3	9,028	-2	128.4	230.7	382.8	72.6	70.3	39.1	23.6	5.0	4.6	4.1	7.0	11.6	17.1
Titan Company	29.3	2,623	-5	26.2	34.6	41.9	26.4	100.0	75.8	62.6	25.0	21.1	17.3	27.7	30.2	30.5
UltraTech Cement	24.0	6,625	-20	196.3	178.4	223.3	6.7	33.7	37.1	29.7	3.8	3.5	3.2	12.0	9.8	11.3
Hindalco Ind.	11.9	422	-34	61.3	49.7	53.8	-6.3	6.9	8.5	7.8	1.7	1.5	1.3	28.0	18.8	17.5
Apollo Hospitals	7.5	4,279	-28	68.1	62.1	88.9	14.3	62.9	69.0	48.2	10.5	9.0	7.6	19.1	14.6	17.7
Preferred midcap/smallcap stocks																
Macrotech Developers	6.6	1,084	-30	25.0	29.8	45.2	34.6	43.4	36.4	24.0	4.3	3.9	3.4	14.4	11.2	15.1
Ashok Leyland	6.0	163	0	0.1	3.1	7.2	728.0	1,541.6	52.2	22.5	6.5	6.2	5.2	0.4	12.2	25.2
Jubilant FoodWorks	5.1	618	-32	6.6	7.9	10.1	23.6	93.6	78.3	61.3	21.0	19.7	16.7	22.4	25.2	27.3
Clean Science	2.4	1,767	-35	21.5	30.6	41.5	38.9	82.1	57.7	42.6	24.4	18.0	13.2	34.9	35.9	35.8
M&M Financial	1.6	207	-3	8.0	11.8	13.1	27.6	25.8	17.6	15.8	1.7	1.6	1.5	6.6	9.3	9.7
Angel One	1.4	1,316	-35	75.4	86.7	97.9	13.9	17.4	15.2	13.4	6.9	5.3	4.2	46.0	39.5	35.0
VRL Logistics	0.7	616	-14	18.1	24.0	28.4	25.1	34.0	25.7	21.7	8.3	6.7	5.4	25.6	28.9	27.6
Lemon Tree Hotel	0.7	71	-10	-1.0	1.1	1.6	LP	NA	67.9	43.7	6.7	6.1	5.4	-8.7	9.4	13.1

Note: Stock prices as of 01st Sep'22; LP: Loss to profit

Quant Research & India Strategy Gallery

MOTILAL OSWAL

India Strategy
NSE Series: 58,895
Nifty 50: 17,485

BULLS & BEARS

INDIA VALUATIONS HANDBOOK

Devsen leading at a premium

Top Candidates

- Information Tech
- Technology
- Consumer
- Capital
- Bank - PSU
- Real Estate
- MFPI
- Logistics

Devsen leading at a discount

Bank - Private

- Auto
- Pharm
- IT & SaaS
- Metals
- Telecom

MARKET STATUS - 18/02/22 EDITION

- Market status is green as on 18/02/22. Nifty closed around 17,485, up 2% from 17,100.
- All major sectors and major stocks, real estate, IT, Pharma, Capital, Metals, and Power have seen gains.
- 100 stocks in the top performing markets globally.
- 100 stocks in the bottom performing markets globally.
- 100 stocks in the top performing markets globally.
- 100 stocks in the bottom performing markets globally.

Devsen Mistry - Research Analyst (Devsen@motilaloswal.com)

MOTILAL OSWAL

India Strategy
NSE Series: 58,895
Nifty 50: 17,485

FUND FOLIO

Indian Mutual Fund Tracker

Devsen Mistry - Research Analyst (Devsen@motilaloswal.com)

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

August 2022

₹1837.71 MF Industry's AUM rose 3.8% MoM

₹1835.21 Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

MOTILAL OSWAL

India Strategy
NSE Series: 58,895
Nifty 50: 17,485

COMPANIES

Devsen Mistry - Research Analyst (Devsen@motilaloswal.com)

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

March 2022

₹1837.71 MF Industry's AUM rose 3.8% MoM

₹1835.21 Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

MOTILAL OSWAL

India Strategy
NSE Series: 58,817
Nifty 50: 17,535

VOICES

Devsen Mistry - Research Analyst (Devsen@motilaloswal.com)

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

March 2022

₹1837.71 MF Industry's AUM rose 3.8% MoM

₹1835.21 Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

MOTILAL OSWAL

India Strategy
NSE Series: 58,817
Nifty 50: 17,535

VOICES

Devsen Mistry - Research Analyst (Devsen@motilaloswal.com)

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

March 2022

₹1837.71 MF Industry's AUM rose 3.8% MoM

₹1835.21 Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

MOTILAL OSWAL

India Strategy
NSE Series: 58,817
Nifty 50: 17,535

VOICES

Devsen Mistry - Research Analyst (Devsen@motilaloswal.com)

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

March 2022

₹1837.71 MF Industry's AUM rose 3.8% MoM

₹1835.21 Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

MOTILAL OSWAL

India Strategy
NSE Series: 58,817
Nifty 50: 17,535

VOICES

Devsen Mistry - Research Analyst (Devsen@motilaloswal.com)

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

March 2022

₹1837.71 MF Industry's AUM rose 3.8% MoM

₹1835.21 Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

Equity AUM reaches new high (₹33.31 MoM)

NOTES

Motilal Oswal Financial Services Limited

MEMBER OF BSE AND NSE

Motilal Oswal Tower, Sayani Road, Prabhadevi, Mumbai 400 025, INDIA

BOARD: +91 22 7193 4200 | WEBSITE: www.motilaloswal.com

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

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

Disclosures:

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH00000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Investment Advisory Services, Depository participant services & distribution of various financial products. MOFSL is a subsidiary company of Passionate Investment Management Pvt. Ltd.. (PIMPL). MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

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

MOFSL, its associates, Research Analyst or their relative may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst may have actual/beneficial ownership of 1% or more securities in the past 12 months. 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. Research Analyst may have served as director/officer, etc. in the subject company in the past 12 months. MOFSL and/or its associates may have received any compensation from the subject company in the past 12 months.

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

- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.
- Subject Company may have been a client of MOFSL or its associates in the past 12 months.

MOFSL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report. To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. 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.

Terms & Conditions:

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

Analyst Certification

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

Disclosure of Interest Statement

Companies where there is interest

▪ Analyst ownership of the stock

No

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.:

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

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

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore,

as per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisors Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

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.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 71934200/ 022-71934263; Website www.motilaloswal.com.

CIN No.: L67190MH2005PLC153397. Correspondence Office Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad(West), Mumbai- 400 064. Tel No: 022 7188 1000.

Registration Nos.: Motilal Oswal Financial Services Limited (MOFSL)*: INZ000158836(BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412. AMFI: ARN - 146822; Investment Adviser: INA000007100; Insurance Corporate Agent: CA0579 ;PMS:INP000006712. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP000000670); PMS and Mutual Funds are offered through MOAMC which is group company of MOFSL. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) is offered through MOWML, which is a group company of MOFSL. Motilal Oswal Financial Services Limited is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs, Insurance Products and IPOs. Real Estate is offered through Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. which is a group company of MOFSL. Private Equity is offered through Motilal Oswal Private Equity Investment Advisors Pvt. Ltd which is a group company of MOFSL. Research & Advisory services is backed by proper research. Please read the Risk Disclosure Document prescribed by the Stock Exchanges carefully before investing. There is no assurance or guarantee of the returns. Investment in securities market is subject to market risk, read all the related documents carefully before investing. Details of Compliance Officer: Name: Neeraj Agarwal, Email ID: na@motilaloswal.com, Contact No.:022-71881085.

* MOSL has been amalgamated with Motilal Oswal Financial Services Limited (MOFSL) w.e.f August 21, 2018 pursuant to order dated July 30, 2018 issued by Hon'ble National Company Law Tribunal, Mumbai Bench.