

## Near-term growth headwinds; efforts to mitigate impact of tech transformation

We met with the senior leadership team of Can Fin Homes (CANF), represented by Mr. Suresh Iyer, MD & CEO, at their corporate office in Bangalore to discuss the company's growth outlook, the impact of the current situation in Karnataka and Telangana, and how the company plans to mitigate the potential impact of its ongoing tech transformation on disbursements.

CANF is navigating near-term business challenges in Karnataka, driven by lower e-Khata issuances and weak property transactions in Telangana due to Project Hydra. While disbursement trends in Karnataka show signs of recovery, the outlook in Telangana remains weak, potentially leading to subdued loan growth in FY25. However, the company remains confident in achieving ~20% disbursements growth in FY26. CANF has embarked on a large-scale technology transformation aimed at enhancing operational efficiency, streamlining processes, and reinforcing risk management. The management outlined the steps being taken to mitigate the potential impact of this tech transformation on business volumes. The company is leveraging digital advancements such as Aadhaar-based verification, geo-tagging, and centralized disbursements to strengthen processes and elevate customer experience. Its disciplined funding strategy will ensure stability in a declining interest rate environment and help safeguard NIMs. With strong momentum in other key markets (excl. Karnataka and Telangana), along with an expanding branch network, CANF is well-positioned to deliver stronger loan growth (while maintaining its pristine asset quality) from FY26 onwards.

### Can Fin Homes



### Shri Suresh Iyer, MD & CEO, Can Fin Homes

Shri Suresh Srinivasan Iyer has over 25 years of professional experience at Gruh Finance, having worked across multiple positions and functions, including Sales, Operations, IT Strategy, Policy & Pricing, Risk, Recovery, and Legal. He has risen through the ranks over the years with successful contributions in all the roles and functions.

## Navigating near-term headwinds in Karnataka and Telangana

- CANF has faced near-term disruptions due to e-Khata challenges in Karnataka and uncertainties stemming from Project Hydra in Telangana. While conditions are gradually improving, the impact has been significant, particularly due to the company's extensive presence in Karnataka.
- During 1HFY25, CANF achieved strong double-digit growth in Karnataka. However, due to recent disruptions in the state, full-year FY25 disbursements in Karnataka are expected to remain largely flat YoY. While there has been no significant improvement in e-Khata issuances over the last 15-20 days, issuances from the Bruhat Bengaluru Mahanagara Palike (BBMP) have shown some improvement, leading to better business volumes in Karnataka. Disbursement trends are showing signs of recovery, with Jan'25 and Feb'25 disbursements exceeding ~INR2b, and Mar'25 disbursements in Karnataka expected to exceed INR2.5b.
- Additionally, Project Hydra in Telangana presents certain challenges, as the government is individually assessing properties to determine their classification as authorized, unauthorized, or government-owned land. Given the uncertainty surrounding property classifications, CANF is exercising caution when sanctioning loans in the state. However, none of the properties financed by the company have been subject to demolition so far. As a result, disbursements in Telangana have declined ~33% YoY in 9MFY25. Despite this, the company does not anticipate any further moderation in business volumes and expects disbursements to recover next year as the situation stabilizes.
- While disbursements in Karnataka and Telangana were impacted, growth in other states was largely in line with the company's expectations. Northern states exhibited ~20% YoY growth, while Western states showed ~15% YoY growth in disbursements.
- Despite the temporary setbacks in Karnataka and Telangana, CANF is confident that it can achieve ~20% YoY growth in disbursements once conditions stabilize.

Research Analyst: Abhijit Tibrewal (Abhijit.Tibrewal@MotilalOswal.com)

Research Analyst: Nitin Aggarwal (Nitin.Aggarwal@MotilalOswal.com) | Raghav Khemani (Raghav.Khemani@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](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

## Transforming technology with minimal disruption for greater efficiency

- CANF is undergoing a comprehensive technology transformation to enhance its operational efficiency. Historically, tech transformations have often disrupted operations, and a key challenge in this transition has been the lack of integration between the Loan Origination System (LOS) and Loan Management System (LMS) due to different service providers. This issue is further exacerbated by resistance to system changes and compatibility constraints with the existing accounting infrastructure.
- To address this issue, the company has strategically sourced both the LOS and LMS from the same vendor and awarded the tech transformation project to a vendor with proven large-scale execution capabilities, aiming to minimize disruptions.
- CANF has set up a dedicated IT transformation team to oversee the transition and ensure seamless implementation. Additionally, the company has partnered with IBM to develop a structured employee training program, equipping its workforce with the necessary skills to effectively adapt to the new system.
- **Budgeted spending on tech transformation:** CANF anticipates a ~1% increase in the cost-to-income ratio from FY27 onwards, driven by a total investment of INR2.97b (INR1b in capex and INR1.97b in opex). The project is scheduled for completion by 31<sup>st</sup> Dec'25. After implementation, annual technology costs are expected to rise to INR550m (INR350m in opex and INR200m in depreciation on capex). Given that the company currently incurs INR150m in technology expenses, the net impact on PBT is projected to be INR400m per year.
- **Key digital initiatives:** CANF has already enhanced several of its digital capabilities, including Aadhaar verification via UIDAI, automated bank statement retrieval through Account Aggregators, property valuation with Valocity, geo-tagging for site visits, and CIBIL integration through Karza to streamline the credit assessment process.

## Well-placed to manage NIM volatility from rate cuts

- CANF anticipates a ~5-7bp reduction in its overall cost of borrowings due to the recent repo rate cut, which it plans to pass on to customers from Apr'25 after realizing the benefits during quarterly repayments in the last week of March. With 60% of its borrowings sourced from banks, of which ~80% is linked to the Repo/EBLR, the company is well-positioned to capitalize on the declining interest rate environment.
- The company does not foresee any material impact on its NIMs from the recent repo rate cut. Since CANF's loans to customers are benchmarked to its internal PLR rather than EBLR, rate reductions to customers will only be passed on once there is a corresponding decline in its cost of funds. Additionally, a steady increase in LAP and self-employed borrowers is expected to help sustain margins. CANF has guided for spreads of ~2.5% and NIMs of ~3.5% going forward.
- Furthermore, only ~20-25% of CANF's loan book is currently on a quarterly reset cycle, limiting any immediate impact. However, the company anticipates that an increasing number of customers will opt for quarterly interest rate resets as the interest rates cycle continues to decline.

## Strengthening growth through branch expansion

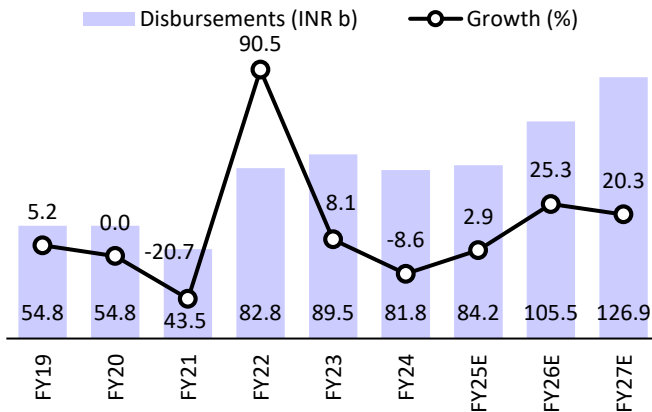
- CANF expanded its network with 14 new branches over the past 18 months, which now contribute ~INR300m in incremental monthly disbursements. These branches are expected to achieve breakeven within 18-24 months and contribute ~INR600m in incremental monthly disbursements by Dec'25.
- The company aims to further expand its footprint by adding 15 new branches in FY26, which will support its targeted ~20% YoY growth in disbursements next year.

## Valuation and view

- CANF has consistently maintained strong asset quality over the years, and we expect this trend to continue. However, to achieve its guided loan growth and unlock further valuation re-rating, the company will need to accelerate disbursements in the coming quarters. A sustained pickup in loan growth, combined with steady margins and controlled credit costs, will be key factors driving investor confidence.
- We estimate a loan CAGR of ~12% over FY24-27, as there may be some transitory impact on business volumes while the company undergoes its tech transformation. The stock trades at 1.2x FY27 P/BV, and we estimate a CAGR of 10%/9%/12% in NII/PPOP/PAT over FY24-27, with an RoA of 2.2% and RoE of ~16% in FY27. We maintain a Neutral rating on the stock with a TP of INR675 (premised on 1.4x Sep'26E P/BV).

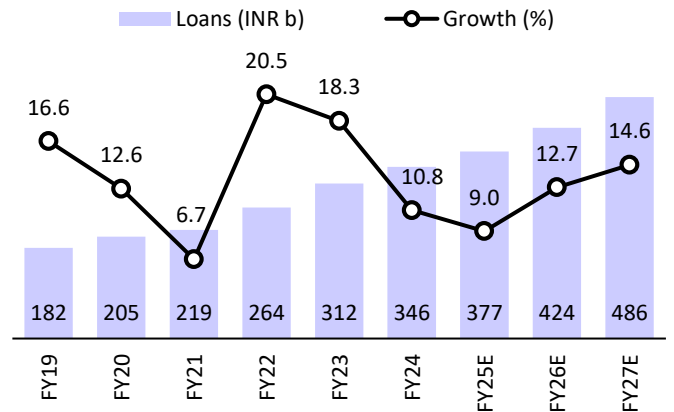
## Story in charts

**Exhibit 1: Disbursements CAGR of ~16% over FY24-27**



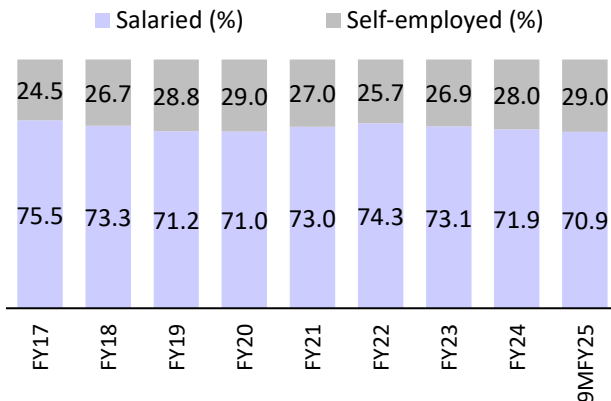
Sources: MOFSL, Company reports

**Exhibit 2: Loan CAGR of ~12% over FY24-27**



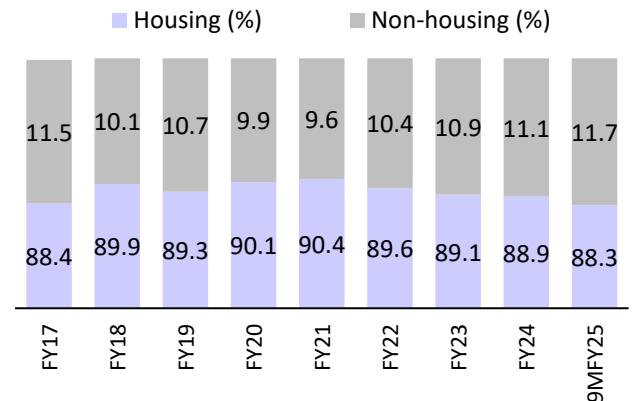
Sources: MOFSL, Company reports

**Exhibit 3: Share of self-employed customers improving (%)**



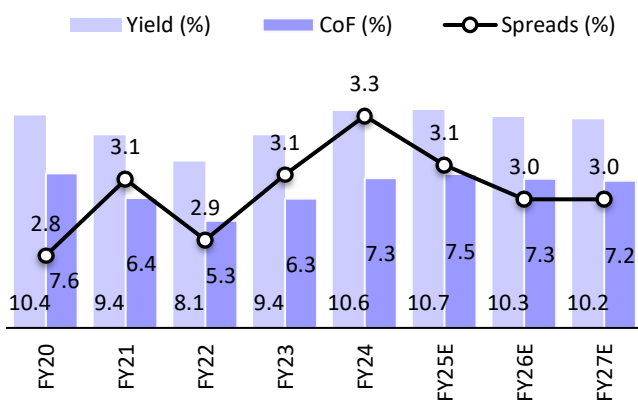
Sources: MOFSL, company reports

**Exhibit 4: Share of housing loans gradually coming down**



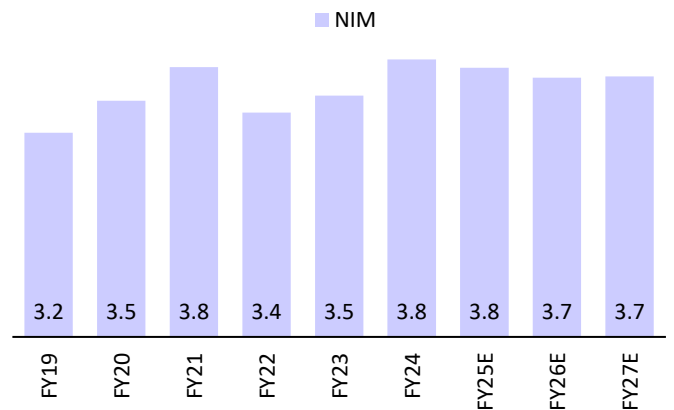
Sources: MOFSL, company reports

**Exhibit 5: Spreads to exhibit a minor decline**



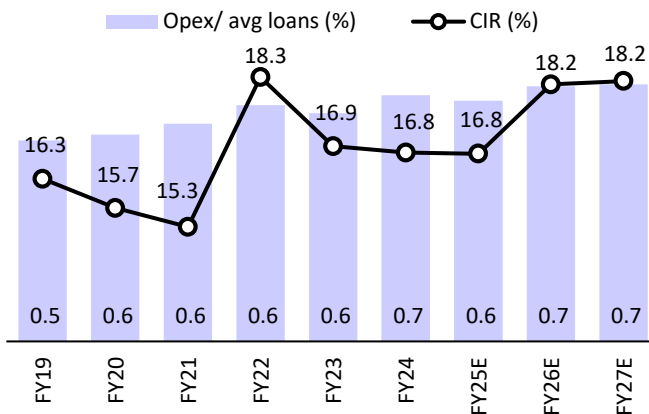
Sources: MOFSL, company reports

**Exhibit 6: NIMs to stabilize at ~3.7% in FY26/FY27**



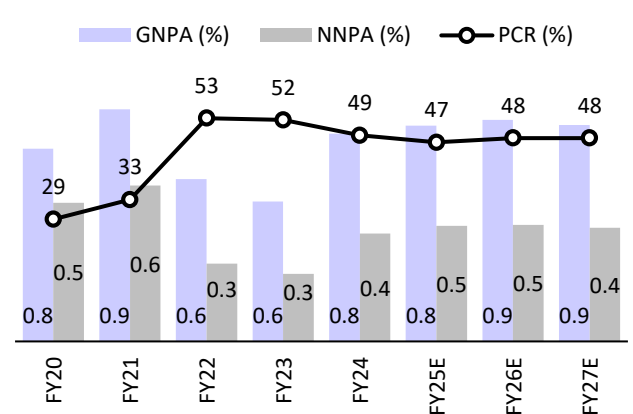
Sources: MOFSL, company reports

**Exhibit 7: Opex/Avg loans to increase to ~0.7% in FY26/FY27**



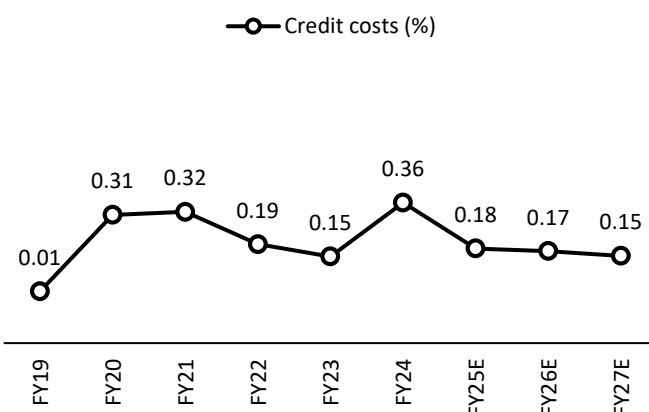
Sources: MOFSL, company reports

**Exhibit 8: Asset quality to remain largely stable**



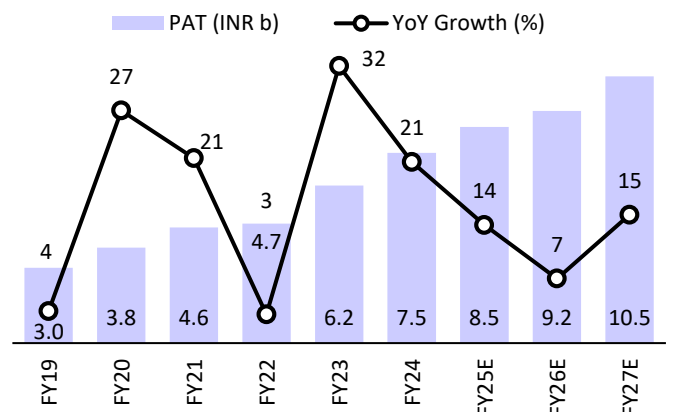
Sources: MOFSL, company reports

**Exhibit 9: Credit costs benign at ~15-17bp over FY26-FY27**



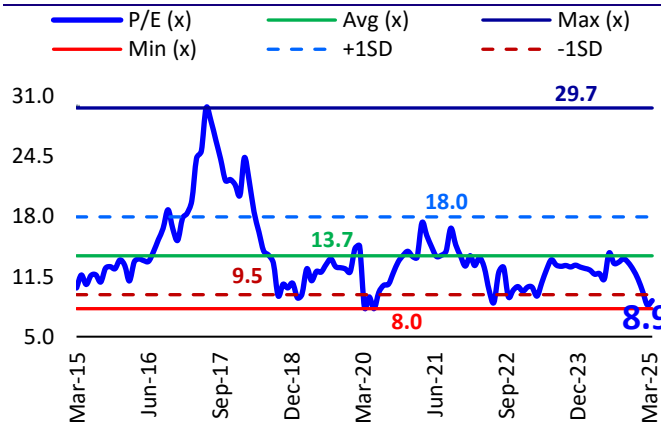
Sources: MOFSL, company reports

**Exhibit 10: Expect PAT CAGR of ~12% over FY24-FY27**



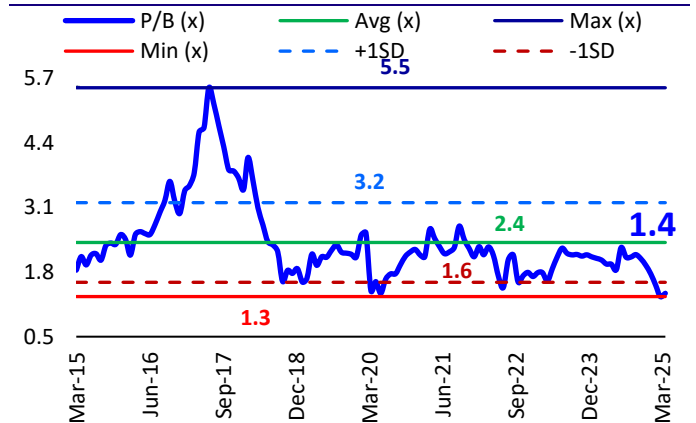
Sources: MOFSL, company reports

**Exhibit 11: One-year forward P/E ratio**



Sources: MOFSL, company reports

**Exhibit 12: One-year forward P/B ratio**



Sources: MOFSL, company reports

## Financials and valuations

### Income statement

								INR m	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Interest Income	17,134	20,189	20,064	19,697	27,154	34,899	38,529	41,338	46,542
Interest Expended	11,693	13,442	12,083	11,535	17,009	22,314	24,956	26,622	29,753
<b>Net Interest Income</b>	<b>5,441</b>	<b>6,747</b>	<b>7,980</b>	<b>8,162</b>	<b>10,146</b>	<b>12,585</b>	<b>13,573</b>	<b>14,717</b>	<b>16,790</b>
Change (%)	6.8	24.0	18.3	2.3	24.3	24.0	7.8	8.4	14.1
Other Income	179	115	121	188	277	348	333	381	437
<b>Net Income</b>	<b>5,621</b>	<b>6,862</b>	<b>8,101</b>	<b>8,350</b>	<b>10,423</b>	<b>12,933</b>	<b>13,906</b>	<b>15,098</b>	<b>17,227</b>
Change (%)	3.9	22.1	18.0	3.1	24.8	24.1	7.5	8.6	14.1
Operating Expenses	915	1,076	1,240	1,530	1,765	2,173	2,333	2,744	3,143
<b>Operating Income</b>	<b>4,706</b>	<b>5,786</b>	<b>6,861</b>	<b>6,820</b>	<b>8,658</b>	<b>10,760</b>	<b>11,573</b>	<b>12,354</b>	<b>14,084</b>
Change (%)	3.8	23.0	18.6	-0.6	26.9	24.3	7.6	6.8	14.0
Provisions/write offs	11	603	685	469	418	1,185	640	670	674
<b>PBT</b>	<b>4,695</b>	<b>5,183</b>	<b>6,176</b>	<b>6,351</b>	<b>8,240</b>	<b>9,575</b>	<b>10,933</b>	<b>11,685</b>	<b>13,410</b>
Tax	1,728	1,422	1,615	1,640	2,028	2,068	2,405	2,524	2,896
Tax Rate (%)	36.8	27.4	26.2	25.8	24.6	21.6	22.0	21.6	21.6
<b>Reported PAT</b>	<b>2,967</b>	<b>3,761</b>	<b>4,561</b>	<b>4,711</b>	<b>6,212</b>	<b>7,507</b>	<b>8,527</b>	<b>9,161</b>	<b>10,513</b>
Change (%)	4	27	21	3	32	21	14	7	15
Proposed Dividend (incl. tax)	321	321	266	399	466	799	799	866	866

### Balance sheet

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Capital	266	266	266	266	266	266	266	266	266
Reserves & Surplus	17,556	21,234	25,832	30,400	36,206	43,172	50,901	59,196	68,843
<b>Net Worth</b>	<b>17,822</b>	<b>21,501</b>	<b>26,098</b>	<b>30,666</b>	<b>36,473</b>	<b>43,439</b>	<b>51,167</b>	<b>59,462</b>	<b>69,110</b>
Borrowings	1,67,974	1,87,484	1,92,929	2,46,477	2,90,681	3,18,629	3,43,519	3,85,840	4,40,627
Change (%)	20.7	11.6	2.9	27.8	17.9	9.6	7.8	12.3	14.2
Other liabilities	1,500	1,451	1,710	2,300	3,551	3,948	4,737	5,685	6,821
<b>Total Liabilities</b>	<b>1,87,295</b>	<b>2,10,436</b>	<b>2,20,737</b>	<b>2,79,443</b>	<b>3,30,705</b>	<b>3,66,015</b>	<b>3,99,423</b>	<b>4,50,986</b>	<b>5,16,558</b>
<b>Loans</b>	<b>1,82,342</b>	<b>2,05,257</b>	<b>2,18,915</b>	<b>2,63,781</b>	<b>3,11,933</b>	<b>3,45,531</b>	<b>3,76,665</b>	<b>4,24,466</b>	<b>4,86,343</b>
Change (%)	16.6	12.6	6.7	20.5	18.3	10.8	9.0	12.7	14.6
Investments	163	243	496	11,260	14,590	14,590	16,779	19,296	22,190
Change (%)	1.9	49.1	104.1	2,169.9	29.6	0.0	15.0	15.0	15.0
Net Fixed Assets	99	379	378	346	454	526	610	707	819
Other assets	4,692	4,557	948	4,057	3,727	5,368	5,369	6,518	7,206
<b>Total Assets</b>	<b>1,87,295</b>	<b>2,10,436</b>	<b>2,20,737</b>	<b>2,79,443</b>	<b>3,30,705</b>	<b>3,66,015</b>	<b>3,99,423</b>	<b>4,50,986</b>	<b>5,16,558</b>

E: MOFSL Estimates

## Financials and valuations

Ratios	(%)								
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Yield on loans	10.1	10.4	9.44	8.14	9.4	10.6	10.7	10.3	10.2
Cost of funds	7.6	7.6	6.35	5.25	6.3	7.3	7.5	7.3	7.2
Spread	2.5	2.8	3.1	2.9	3.1	3.3	3.1	3.0	3.0
Net Interest Margin	3.2	3.5	3.8	3.4	3.5	3.8	3.8	3.7	3.7
<b>Profitability Ratios (%)</b>									
RoE	18.2	19.1	19.2	16.6	18.5	18.8	18.0	16.6	16.4
RoA	1.7	1.9	2.1	1.9	2.0	2.2	2.2	2.2	2.2
C/I ratio	16.3	15.7	15.3	18.3	16.9	16.8	16.8	18.2	18.2
<b>Asset Quality (%)</b>									
Gross NPAs	1,135	1,571	2,019	1,706	1,738	2,860	3,232	3,738	4,187
Gross NPAs to Adv.	0.6	0.8	0.9	0.6	0.6	0.8	0.8	0.9	0.9
Net NPAs	795	1,118	1,343	807	829	1,468	1,713	1,944	2,177
Net NPAs to Adv.	0.4	0.5	0.6	0.3	0.3	0.4	0.5	0.5	0.4
PCR	30.0	28.8	33.5	52.7	52.3	48.7	47.0	48.0	48.0
<b>VALUATION</b>									
Book Value (INR)	134	161	196	230	274	326	384	447	519
<b>Price-BV (x)</b>	<b>4.7</b>	<b>3.9</b>	<b>3.2</b>	<b>2.7</b>	<b>2.3</b>	<b>1.9</b>	<b>1.6</b>	<b>1.4</b>	<b>1.2</b>
EPS (INR)	22.3	28.2	34.2	35.4	46.7	56.4	64.0	68.8	78.9
EPS Growth YoY	3.7	26.8	21.3	3.3	31.9	20.8	13.6	7.4	14.8
<b>Price-Earnings (x)</b>	<b>28.0</b>	<b>22.1</b>	<b>18.2</b>	<b>17.6</b>	<b>13.4</b>	<b>11.1</b>	<b>9.7</b>	<b>9.1</b>	<b>7.9</b>
Dividend per share (INR)	2.0	2.0	2.0	3.0	3.5	6.0	6.0	6.5	6.5
<b>Dividend yield (%)</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.5</b>	<b>0.6</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

E: MOFSL Estimates

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



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

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

#### Disclosures

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://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://online.reports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.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>.

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

#### Regional Disclosures (outside India)

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

#### For Hong Kong:

This report is distributed in Hong Kong by 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](mailto:grievances@motilaloswal.com).

Nainesh Rajani

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

Contact: (+65) 8328 0276

#### Specific Disclosures

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

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months

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

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

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

#### Analyst Certification

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

#### Terms & Conditions:

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

#### Disclaimer:

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

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

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

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

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

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

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

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

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