

Star Health

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	STARHEAL IN
Equity Shares (m)	588
M.Cap.(INRb)/(USD\$)	229.1 / 2.7
52-Week Range (INR)	648 / 327
1, 6, 12 Rel. Per (%)	6/-24/-39
12M Avg Val (INR M)	564

Financials & Valuations (INR b)

Y/E March	2025	2026E	2027E
NEP	148.2	171.9	198.0
U/W Profit	-3.8	-2.3	0.2
PBT	8.6	10.7	14.4
PAT	6.5	8.0	10.8

Ratios (%)

Claims	70.3	69.5	69.0
Commission	14.4	15.0	15.0
Expense	16.4	15.2	14.2
Combined	101.1	99.7	98.2
RoE	9.5	10.8	12.9
EPS (INR)	11.0	13.6	18.4
EPS Growth (%)	-23.9	24.1	35.1

Valuations

P/E (x)	35.5	28.6	21.2
P/BV (x)	3.3	2.9	2.6

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	57.7	57.7	57.9
DII	15.4	16.5	11.1
FII	18.7	17.5	26.6
Others	8.2	8.3	4.4

FII Includes depository receipts

CMP: INR390

TP: INR460 (+18%)

Buy

Weak underwriting profitability due to elevated claims

- Star Health (STARHEAL)'s net earned premium rose 12% YoY to INR38b (in-line) in 4Q. For FY25, the net earned premium grew 15% YoY to INR148b.
- The claims ratio at 69.2% (vs. our est. of 68.1%) grew 510bp YoY in 4QFY25, with a 21% YoY increase in net claims incurred to INR26.3b (in-line). The rise was due to a higher claim frequency and severity. Operating expenses were in line, with the expense ratio (incl. commission ratio) at 29.9% (vs. our est. of 29.2%).
- The elevated claim ratio led to a 640bp YoY surge in the combined ratio to 99.2% (vs. our est. of 97.3%) in 4QFY25.
- A flat YoY performance with respect to investment income along with elevated claims resulted in a PAT of INR5.2m in 4QFY25. For FY25, PAT declined 24% YoY to INR6.5b.
- STARHEAL expects fresh business growth momentum, price correction across the product portfolio (20-40% hike in 60% of the products), and prudent selection in the micro-segment to fuel growth and improve loss ratios.
- Considering the performance in 4QFY25, we cut our FY25/FY26 PAT estimates by 13%/2%, factoring in an elevated claims ratio and reduction of our investment income estimates. **We reiterate our BUY rating with a TP of INR460 (based on 25x FY27E EPS).**

Combination of elevated claims and lower investment yield hurts PAT

- Gross written premium at INR51.4b grew 35% YoY (in line), driven by 37% YoY growth in retail health premium and 6% YoY de-growth in group health premium. The decline in the group health segment is the result of a recalibrated strategy towards reducing group health contribution.
- The underwriting loss for 4QFY25 came in at INR2.8b vs. the underwriting loss of INR0.9b in 4QFY24 (our est. of INR2.1b).
- Total investment income was INR2.9b (24% below est.), flat YoY, due to lesser profit booking in equity investments vs. previous quarters.
- The renewal premium ratio was at 97% for FY25 (vs. 98.4% in FY24). In FY25, fresh business contributed 23% to the mix (22% in FY24).
- The commission ratio at 15.8% (vs. our est. of 14.0%) grew 150bp YoY, while net commission grew 17% YoY to INR7.6b (11% above). This was due to a higher share of new business in the mix.
- The expense ratio at 14.2% (vs. our est. of 15.2%) declined by 20bp YoY on account of a 3% YoY decline in employee expenses while other expenses grew 22% YoY.
- For FY25, without considering the impact of the 1/n framework, the combined ratio grew 350bp YoY to 100.2% (101.1% considering the 1/n impact). The impact of 1/n was 90bp on the expense ratio.
- Investment assets stood at INR17.9t by the end of 4QFY25, reflecting an investment leverage of 2.5x. Investment yield for FY25 was 7.8% (vs. 7.7% in FY24).
- IFRS PAT was INR7.9b in FY25 compared to INR11b in FY24. Management has set a target to triple the FY24 IFRS PAT by FY28.

Key takeaways from the management commentary

- The company expects product-level loss ratios to decline 2-3%, driven by price correction of the respective products.
- The company witnessed 25% YoY growth in fresh retail GWP driven by renewed agent productivity, sharpened campaigns, and acceleration of digital channels.
- The claim frequency increased by over 7%, driven by movement from secondary to tertiary care hospitals, preference towards hospitalization, higher accessibility for hospitals, and a rise in preventive screening. Earlier, the claim frequency increase used to be 3-4%.

Valuation and view

- STARHEAL is witnessing the impact of: i) the 1/n accounting framework and ii) a significant rise in claim frequency and severity on the profitability of the company. Recent pricing actions may provide some relief from rising medical inflation and hospitalization trends and likely bring the claims ratio down gradually over the next few quarters. Scale benefits will help reduce the expense ratio, while the commission ratio is expected to remain in the current range.
- Considering the performance in 4QFY25, we cut our FY25/FY26 PAT estimates by 13%/2%, factoring in an elevated claims ratio and reduction of our investment income estimates. **We reiterate our BUY rating with a TP of INR460 (based on 25x FY27E EPS).**

Quarterly Performance

(INR b)

Y/E March	FY24				FY25				FY24	FY25	4Q FY25E	Act vs. Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q						
Net earned premium	30.4	32.1	32.9	34.0	35.2	37.0	38.0	38.0	129.4	148.2	38.2	-0.5	12%	0%
Investment Income	1.5	1.5	1.6	1.8	1.7	2.1	2.0	1.9	6.4	7.7	2.3	-16.7	4%	-7%
Total Income	31.9	33.6	34.6	35.8	36.9	39.1	40.0	39.9	135.8	155.9	40.4	-1.4	11%	0%
Change YoY (%)	13.6	15.0	15.9	17.1	15.7	16.6	15.8	11.5	15.4	14.8	13.1			
Incurring claims	19.9	22.0	22.3	21.8	23.8	27.0	27.1	26.3	86.0	104.2	26.0	1.1	21%	-3%
Net commission	3.7	4.9	3.5	6.5	4.3	5.5	5.0	7.6	18.5	22.4	6.9	10.7	17%	51%
Employee expense	3.6	4.0	3.9	4.7	3.7	4.5	4.1	4.6	16.1	16.9	5.1	-9.5	-3%	12%
Other expenses	1.8	2.0	2.1	1.8	2.0	2.0	2.2	2.3	7.8	8.5	2.4	-4.2	22%	2%
Total Operating Expenses	29.0	32.8	31.8	34.9	33.8	39.0	38.5	40.7	128.5	152.0	40.3	1.1	17%	6%
Change YoY (%)	14.5	17.0	16.0	17.1	16.6	18.7	21.1	16.8	-97.9	18.3	15.5			
Underwriting profit	1.5	-0.8	1.1	-0.9	1.4	-1.9	-0.5	-2.8	0.9	-3.8	-2.1		202%	462%
Operating profit	2.9	0.7	2.8	0.9	3.1	0.2	1.5	-0.9	7.3	3.9	0.2	NA	-197%	-157%
Shareholder's P/L														
Transfer from Policyholder's	2.9	0.7	2.8	0.9	3.1	0.2	1.5	-0.9	7.3	3.9	0.2	NA	-197%	-157%
Investment income	1.0	1.1	1.2	1.1	1.3	1.5	1.5	1.0	4.5	5.2	1.6	-36.4	-12%	-31%
Total Income	4.0	1.8	4.0	2.0	4.4	1.6	3.0	0.1	11.8	9.1	1.8		-93%	-95%
Provisions other than taxation	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	0.0	0.0	-			
Other expenses	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.5	0.5	0.1	10.1	15%	22%
Total Expenses	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.5	0.5	0.1	13.4	1%	26%
PBT	3.8	1.7	3.9	1.9	4.3	1.5	2.9	-0.0	11.3	8.6	1.6	NA	-100%	-100%
Change YoY (%)	33.5	38.5	37.6	39.5	10.9	-11.0	-26.0	.	-100.1	-23.7	.			
Tax Provisions	1.0	0.4	1.0	0.5	1.1	0.4	0.7	-0.0	2.8	2.2	0.4	NA	-103%	-102%
Net Profit	2.9	1.3	2.9	1.4	3.2	1.1	2.2	0.0	8.5	6.5	1.2	-99.6	-100%	-100%
Change YoY (%)	35.0	34.6	37.6	39.8	10.8	-11.2	-25.7	-99.6		-24%	-13.6			
Key Parameters (%)														
Claims ratio	65.4	68.7	67.7	64.1	67.6	72.8	71.4	69.2	66.5	70.3	68.1	114bp	512bp	-220bp
Commission ratio	13.1	13.7	11.1	14.3	13.5	13.8	14.1	15.8	13.2	14.4	14.0	172bp	151bp	163bp
Expense ratio	19.3	16.8	19.0	14.4	18.1	16.4	17.7	14.2	17.0	16.4	15.2	-100bp	-20bp	-354bp
Combined ratio	97.8	99.2	97.8	92.8	99.2	103.0	103.3	99.2	96.7	101.1	97.3	186bp	642bp	-410bp
Solvency	2.2	2.1	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.1	-			



Key takeaways from the management commentary

Outlook

- The company is focusing on profitable growth driven by sharper underwriting, introduction of products across customer cohorts, and seamless digital execution with real-time claims and robust self-service.
- It has maintained momentum in fresh business growth, with price corrections (20–40% hikes in 60% of the product portfolio) and measures in micro-segments to ensure prudent risk selection—these will be key drivers of growth.
- Digitized operations and continued investments in digital transformation are expected to enhance operational efficiency.
- The company expects product loss ratios to decline 2–3%, driven by price corrections in the respective products.
- It maintains its guidance of doubling the topline and tripling profitability (as per IFRS) by FY28.
- The company remains selective in group business, which has led to a decline in group loss ratios; management expects further improvement going forward.

FY25 performance

- STARHEAL maintains a dominant position with a 33% market share in the retail health segment.
- The company reported 25% YoY growth in fresh retail GWP, driven by improved agent productivity, targeted campaigns, and acceleration of digital channels.
- The contribution of the group segment to total GWP declined to 7% in 4QFY25 from 9% in 2QFY25, as part of the recalibration strategy.
- The company recorded 6% YoY growth in total policies issued in FY25.
- The average sum assured increased by 10% YoY to INR1.6m per policy, with 87% of the overall portfolio having a sum assured of INR0.5m and above.
- The fresh-to-renewal ratio improved to 23:77 from 22:78.
- The company has started building its equity book, aided by improved solvency. Equity now constitutes 15% of the investment portfolio. Lower profit booking in 4Q compared to previous quarters led to a decline in investment income.

Claim experience

- The increase in the claim ratio was driven by higher severity and frequency of claims, prompting the company to strengthen its reserves.
- Claim frequency rose by over 7%, driven by a shift from secondary to tertiary care hospitals, a preference towards hospitalization, increased accessibility, and more preventive screening. Previously, frequency increases were in the 3–4% range.
- Industry medical inflation stands at over 15%, but Star Health has managed to keep it below 10%. Higher incidence of surgical procedures versus medical cases in FY25 also contributed to increased severity.
- The claim rejection rate declined to 10% in FY25 from 13% in FY24.

Price hikes

- The FHO price correction led to a 5–6% customer drop-off. However, recent price corrections are based on customers' claims experience, leading to better persistency compared to the FHO price hike.
- Cohort-based pricing has been implemented on 60% of the product portfolio to improve retention and reward good customers.

Distribution channel

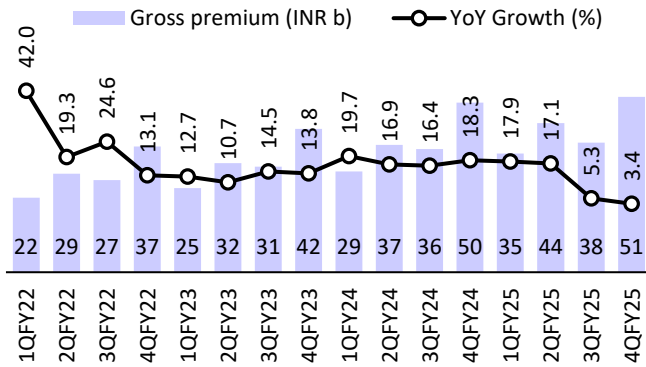
- The agency channel contributed 82% of GWP in FY25, with fresh business growing 16% YoY. The company added 74,000 new agents in FY25 and aims to grow the overall agent network to 1m, with deeper penetration in non-metro regions.
- The bancassurance channel has a network of 20,000 partners, with fresh business growing 13% YoY in FY25.
- The corporate channel, which focuses on serving MSMEs, contributed 3% of GWP in FY25, with fresh business growing 21% YoY. The proprietary SME calculator has strengthened relationships with agents.
- The digital channel contributed 8% to GWP in FY25, with the company's own proprietary digital platform accounting for 78% of the digital channel's contribution.

IFRS performance

- The claim ratio stood at 70.7% in FY25, compared to 66.5% in FY24.
- The expense ratio was 30.4%, compared to 30.7% in FY24.
- RoE stood at 9.5%, lower than the I-GAAP RoE, due to MTM declines in the investment portfolio in 4QFY25.

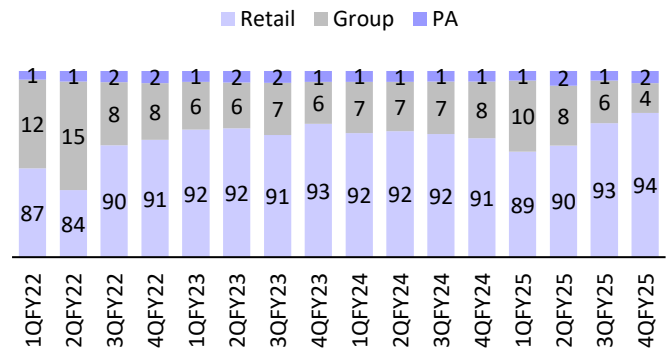
Key exhibits

Exhibit 1: Trends in gross premium



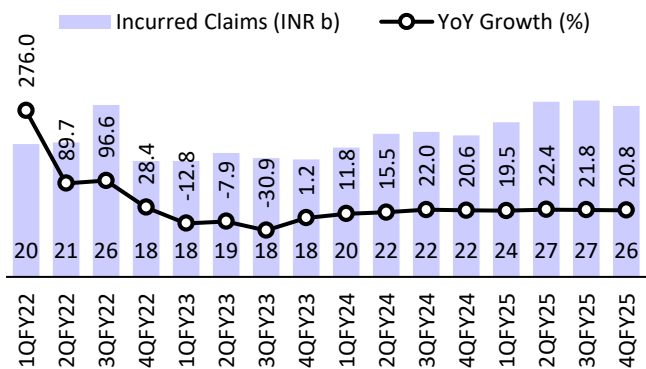
Source: MOFSL, Company

Exhibit 2: Share of retail health stood at 94%



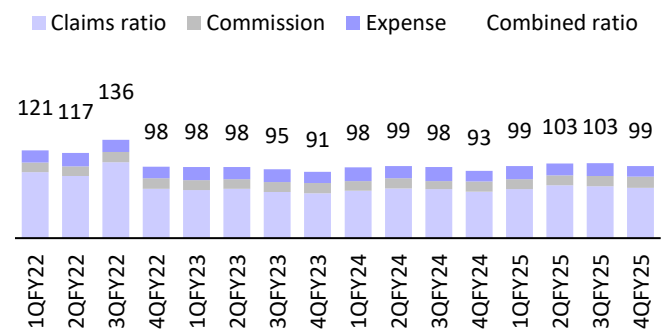
Source: MOFSL, Company

Exhibit 3: Incurred claims of INR26b in 4QFY25



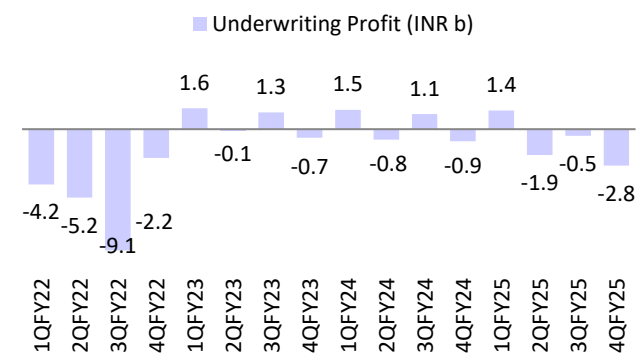
Source: MOFSL, Company

Exhibit 4: Combined ratio on the rise YoY



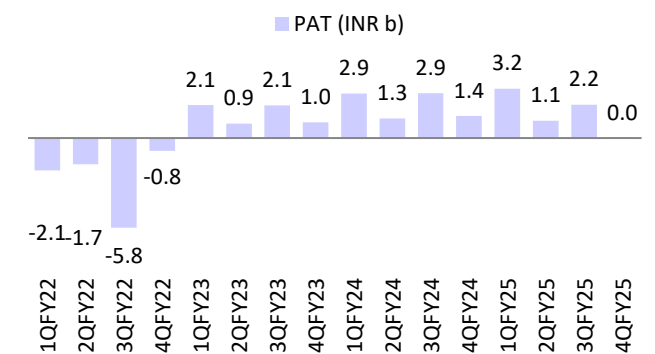
Source: MOFSL, Company

Exhibit 5: Underwriting loss at INR2.8b in 4QFY25



Source: MOFSL, Company

Exhibit 6: Trend in PAT



Source: MOFSL, Company

Financials and valuations

Income Statement

	(INR m)							
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
Retail Health	58,252	82,075	1,00,870	1,19,475	1,39,512	1,54,130	1,77,250	2,05,609
Group Health	8,897	9,963	12,066	8,076	10,824	11,038	9,051	10,137
PA	1,337	1,489	1,685	1,939	2,117	1,897	2,182	2,509
Total GDPI	68,651	93,885	1,14,635	1,29,525	1,52,545	1,67,814	1,88,482	2,18,256
Change (%)	27.1	36.8	22.1	13.0	17.8	10.0	12.3	15.8
NWP	52,395	71,794	1,08,096	1,23,196	1,40,674	1,55,252	1,80,943	2,09,525
NEP	46,841	46,266	98,092	1,12,616	1,29,383	1,48,222	1,71,896	1,98,002
Change (%)	27.9	-1.2	112.0	14.8	14.9	14.6	16.0	15.2
Net claims	30,874	43,695	85,400	73,204	85,999	1,04,194	1,19,468	1,36,621
Net commission	3,404	14,922	16,828	16,828	18,537	22,407	27,141	31,429
Expenses	11,013	14,031	18,443	20,538	23,944	25,406	27,546	29,769
Employee expenses	8,526	11,765	13,436	14,537	16,122	16,929	17,775	18,664
Other expenses	2,487	2,266	5,007	6,001	7,823	8,477	9,771	11,105
Underwriting Profit/(Loss)	1,550	-17,316	-20,673	2,046	903	-3,785	-2,259	183
Investment income (PH)	1,639	2,505	4,796	5,014	6,407	7,718	8,162	9,283
Operating profit	3,303	-14,811	-15,877	7,060	7,309	3,933	5,903	9,466
Investment income (SH)	1,212	1,718	3,214	3,287	4,089	5,135	5,296	5,480
PBT	4,062	-14,458	-14,024	8,264	11,289	8,611	10,691	14,439
Tax	1,389	-3,601	-3,559	2,078	2,838	2,152	2,673	3,610
Tax rate (%)	34.2	24.9	25.4	25.1	25.1	25.0	25.0	25.0
PAT	2,633	-10,857	-10,464	6,186	8,450	6,459	8,018	10,829

Balance sheet

	- (INR m)							
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
Equity Share Capital	4,906	5,481	5,755	5,817	5,853	5,878	5,878	5,878
Reserves & Surplus	14,132	29,516	40,285	59,839	60,429	64,359	72,377	83,206
Net Worth	19,038	34,996	46,040	65,656	66,282	70,236	78,255	89,084
FV change	31	-76	267	234	1,036	885	974	1,071
Borrowings	2,500	2,500	7,200	4,700	4,700	4,700	4,700	4,700
Other liabilities	38,361	67,589	81,629	92,988	1,08,525	1,32,025	1,30,019	1,46,306
Total Liabilities	59,930	1,05,010	1,35,136	1,63,577	1,80,543	2,07,846	2,13,947	2,41,161
Investments (SH)	18,110	27,941	44,939	53,459	63,361			
Investments (PH)	24,789	40,426	68,796	80,462	91,548	71,857	73,557	76,105
Net Fixed Assets	1,019	990	1,171	1,113	1,751	1,07,126	1,13,358	1,28,937
Def Tax Assets	70	4,213	7,767	5,689	3,582	1,849	1,899	1,949
Current Assets	9,827	12,650	6,828	8,444	12,990	3,512	3,512	3,512
Cash & Bank	6,114	18,790	5,635	14,410	7,312	16,817	18,888	21,872
Total Assets	59,930	1,05,010	1,35,136	1,63,577	1,80,543	6,684	2,733	8,786

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2026E
GWP growth	27.1	36.8	22.1	13.0	17.8	10.0	12.3	15.8
NWP growth	26.9	37.0	50.6	14.0	14.2	10.4	16.5	15.8
NEP growth	27.9	-1.2	112.0	14.8	14.9	14.6	16.0	15.2
Claim ratio	65.9	94.4	87.1	65.0	66.5	70.3	69.5	69.0
Commission ratio	6.5	20.8	15.6	13.7	13.2	14.4	15.0	15.0
Expense ratio	21.0	19.5	17.1	16.7	17.0	16.4	15.2	14.2
Combined ratio	93.4	134.8	119.7	95.3	96.7	101.1	99.7	98.2
Profitability Ratios (%)								
RoE	16.8	-40.2	-25.8	11.1	12.8	9.5	10.8	12.9

Valuations

	2020	2021	2022	2023	2024	2025	2026E	2026E
BVPS (INR)								
Change (%)	38.8	63.9	80.0	112.9	113.2	119.5	133.1	151.6
Price-BV (x)	43.9	64.6	25.3	41.1	0.3	5.5	11.4	13.8
EPS (INR)	11.3	6.9	5.5	3.9	3.9	3.3	2.9	2.6
Change (%)	5.4	-19.8	-18.2	10.6	14.4	11.0	13.6	18.4
Price-Earnings (x)	15.8	-469.1	-8.2	-158.5	35.8	-23.9	24.1	35.1
Market Cap/GDPI (x)			-24.1	41.3	30.4	35.5	28.6	21.2

E: MOFSL Estimates

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. 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 (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, 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

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

The associates of MOFSL may have:
financial interest in the subject company

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

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

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

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

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