

Rural spending likely improved in FY25

Expect real PFCE to grow ~7% from 5.6% in FY24

- An analysis of 12 proxy indicators suggests that the rural sector's spending grew at an 11-quarter high in 4QFY25. Rural spending increased 6.6% YoY in 4QFY25, following a growth of 6.1% YoY in 3QFY25 and a decline of 2.5% in 4QFY24 (*Exhibit 1*). The acceleration was mainly led by an improvement in real agri wages, which grew at a 25-month high pace in 4QFY25. Additionally, fiscal real rural spending is expected to grow at a six-quarter high in 4QFY25 after contracting for five straight quarters. Additionally, the robust growth in tractor and fertilizer sales outweighed the deceleration in real agri exports growth, the six-quarter lowest growth in two-wheeler sales and the eight-quarter lowest growth in farm terms of trade. Consequently, real rural spending increased 3.9% YoY in FY25 after declining 1.1% in FY24. While real rural spending growth improved to 3.9% in FY25, it is still lower than the 5% growth in FY23.
- Urban consumption—estimated by compiling nine proxy indicators—grew at a four-quarter high pace of 6.2% YoY in 4QFY25 (vs. 6.1%/10.2% in 3QFY25/4QFY24). Urban consumption growth had decelerated to a six-quarter low of 5.2% in 2QFY25. A simple average of the nine indicators used to analyze urban spending trends suggests that urban spending grew at a four-year low pace of 5.8% in FY25, compared to 8.4%/8.6% growth in FY24/FY23. A detailed analysis of the nine indicators used in urban consumption confirms that three indicators—real salaries and wages of BSE500 companies, real personal credit, and real non-farm consumer imports—witnessed a sharp acceleration in growth, while IIP consumer durable goods, petrol consumption, domestic PV sales, and real house prices decelerated in 4QFY25 vs. 3QFY25.
- Rural spending witnessed an improvement in FY25 after contracting 1.1% in FY24, led by an improvement in real rural wages and reservoir levels. At the same time, the urban sector witnessed a deceleration, growing at the four-year lowest pace of 5.8% in FY25, vs. an average growth of 9% in the last three years. The divergence between rural and urban spending has come down in FY25 compared to the preceding three years (FY22-FY24). In the last two quarters of FY25, rural consumption growth outpaced urban consumption—which contrasts with FY22-FY24, when the latter grew faster than the former in each quarter. Although urban spending decelerated to a four-year low of 5.8% in FY25, acceleration in rural spending will likely help recover real Private Final Consumption Expenditure (PFCE) growth in FY25 from its FY24 lows. We expect real private consumption expenditure to grow at ~7% in FY25 vs. 5.6% in FY24.

Consequently, real rural spending increased 3.9% YoY in FY25 after declining 1.1% in FY24. While real rural spending growth improved to 3.9% in FY25, it is still lower than the 5% growth in FY23.

Rural consumption growth at an 11-quarter high in 4QFY25: An analysis of 12 proxy indicators suggests that the rural sector's¹ spending grew at an 11-quarter high in 4QFY25. Rural spending increased 6.6% YoY in 4QFY25, following a growth of 6.1% YoY in 3QFY25 and a decline of 2.5% in 4QFY24 (*Exhibit 1*). The acceleration was mainly led by an improvement in real agri wages, which grew at a 25-month high pace in 4QFY25. Fiscal real rural spending is expected to grow at a six-quarter high in 4QFY25 after contracting for five straight quarters. Additionally, the robust growth in tractor and fertilizer sales outweighed the deceleration in real agri exports growth, the six-quarter lowest growth in two-wheeler sales and the eight-quarter lowest growth in farm terms of trade. Consequently, real rural spending increased 3.9% YoY in FY25 after declining 1.1% in FY24. While real rural spending growth improved to 3.9% in FY25, it is still lower than the 5% growth in FY23. (*Exhibit 2*).

¹ The 12 proxy indicators include: 1) Real agricultural wages, 2) Real non-agricultural wages, 3) Two-wheeler sales, 4) Farmers' terms of trade, 5) Tractor sales, 6) Real agricultural exports, 7) Fertilizer sales, 8) Real agricultural credit, 9) IIP food products, 10) Reservoir levels, 11) Fiscal real rural spending, and 12) Real farm GVA. The rural consumption spending growth is estimated as the simple average of these 12 indicators.

Exhibit 1: Rural consumption grew at an 11-quarter high in 4QFY25...

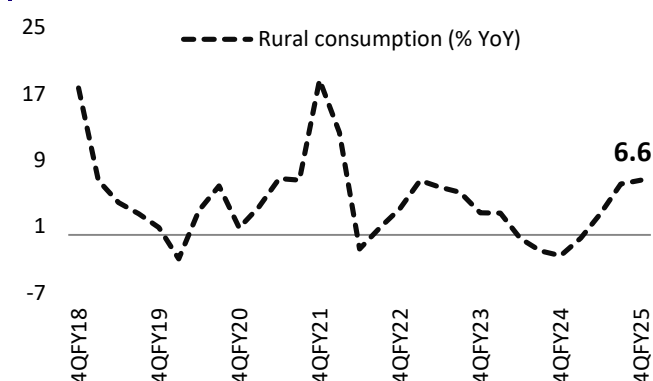
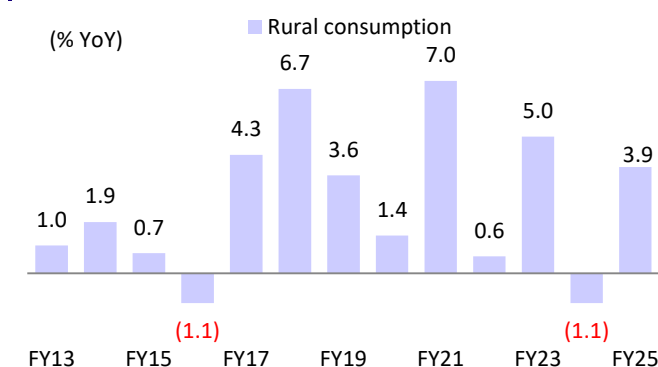


Exhibit 2: ...leading to a growth of 3.9% YoY in FY25, after declining 1.1% in FY24



Source: Various national sources, CEIC, MOFSL

A detailed analysis of key indicators used suggests that eight out of the 12 proxy indicators used for assessing rural spending trends have grown at a higher pace in 4QFY25 as compared to 4QFY24. (*Exhibit 3*).

Real agri wages grew at a 25-quarter high of 3.5% in 4QFY25 vs. a decline of 1.4% in 4QFY24 and a growth of 1.4% in 3QFY25, led by an improvement in reservoir levels (posted double-digit growth for the third straight month). (*Exhibit 4*). Fiscal real rural spending grew 4.6% in 4QFY25, marking its first expansion after contracting for five straight quarters. Additionally, tractor sales grew at an 11-quarter high in 4QFY25 (15.5% in 4QFY25 vs. -16.2% in 4QFY24) and fertilizer sales' growth was the highest in 12 months. On the other hand, two-wheeler sales' growth decelerated sharply (the lowest in six months, growing 1.4% in 4QFY25 vs. 24.9% in 4QFY24); (real) farm credit growth was the lowest in nine months; and (real) farm exports growth remained muted. (*Exhibit 5*).

According to the CSO's Second Advance Estimates (SAEs), real agricultural GVA is likely to grow 6.2% YoY in 4QFY25, following a growth of 5.6% YoY in 3QFY25; however, we believe that growth could be slightly lower than expected.

Exhibit 3: Summary of key indicators used in gauging rural consumption spending (% YoY)

Rural consumption indicators	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	FY21	FY22	FY23	FY24	FY25
Real agricultural GVA@	0.9	1.7	4.1	5.6	5.0	4.0	4.6	6.3	2.7	4.3
Real agricultural wages@#	(1.4)	(1.1)	0.2	1.4	3.5	0.8	(0.0)	0.0	(0.5)	1.0
Real non-agricultural wages#@	(0.0)	(1.1)	(0.5)	0.6	1.0	1.0	(0.4)	(1.1)	(0.3)	0.0
Two-Wheeler sales	24.9	20.4	12.6	3.0	1.4	(13.2)	(10.9)	17.7	13.4	9.1
Farm terms of trade\$	8.7	8.2	6.0	10.3	4.9	5.6	(11.6)	(10.6)	9.0	7.3
Tractors sales	(16.2)	0.6	0.0	12.7	15.5	26.5	(1.7)	10.2	(9.0)	6.7
Real agricultural exports#	(10.5)	(6.1)	(5.6)	12.6	2.1	11.3	15.4	(0.8)	(14.4)	0.6
Fertilizer sales	(13.8)	(4.5)	1.1	7.9	17.9	3.3	(0.7)	7.0	0.1	5.0
Real farm credit#	12.0	9.7	9.4	7.1	6.4	8.8	4.8	7.8	12.0	6.4
IIP: food products	0.3	(5.4)	0.7	(-1.1)	(-4.5)	(2.6)	5.9	3.8	1.5	(2.6)
Reservoir level	(15.5)	(20.0)	19.3	25.3	21.3	5.1	(2.8)	8.6	(16.2)	15.7
Fiscal real rural spending#~	10.6	17.0	18.2	16.5	16.8	33.4	5.0	10.7	(11.3)	(7.0)
Rural consumption*	(19.4)	(6.9)	(16.5)	(-11.7)	4.6	7.0	0.6	5.0	(1.1)	3.9

*Simple average of indicators

@ Our forecast for 4QFY25

\$ Output price inflation over input price inflation

Nominal data deflated by CPI for agricultural workers/rural workers (CPI-AW/RL)

~ Assuming that the GoI meets its FY25RE targets

Source: Various national sources, CEIC, MOFSL

Exhibit 4: Real farm wages growth at a 25-quarter high in 4QFY25...

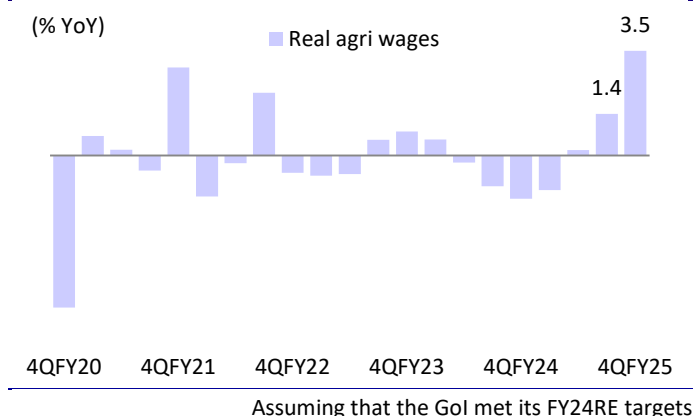
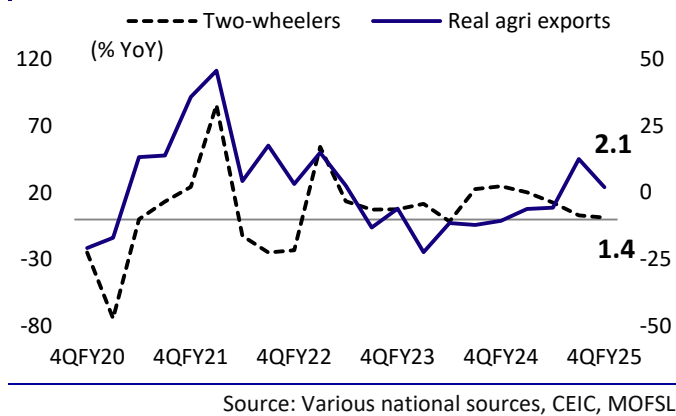


Exhibit 5: ...while two-wheeler sales and real farm credit growth decelerated



On a full-fiscal year basis, as many as eight out of 12 indicators posted higher growth in FY25 compared to FY24. Only two indicators posted contractions in FY25, compared to six in FY24.

Real farm wages grew at a six-year high pace of 1% in FY25 (vs. -0.5% in FY24), led by an improvement in reservoir levels, which posted a growth of 15.7% in FY25 vs. a decline of 16.2% in FY24. Real non-farm wages also witnessed an improvement, though lower than farm wages. (*Exhibit 6*). Fertilizer sales grew at a higher pace than FY24 (5% in FY25 vs. 0.1% in FY24); tractor sales grew 6.7% in FY25 after declining 9% in FY24; and real farm exports grew 0.6% in FY25, after contracting for two straight years. However, two-wheeler sales, real farm credit, and terms of trade grew slowly in FY25 (vs. FY24) and IIP food products marked their first contraction after growing for three straight years.

Assuming that the Government of India (GoI) meets its FY25 revised estimates (FY25RE), fiscal real rural spending is likely to have contracted 7% YoY in FY25 vs. a contraction of 11.3% in FY24, marking its second successive contraction (*Exhibit 7*).

Exhibit 6: Real farm wages growth at a six-year high in FY25...

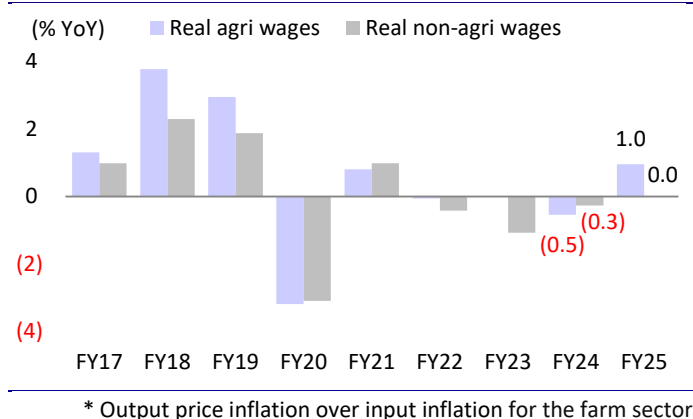
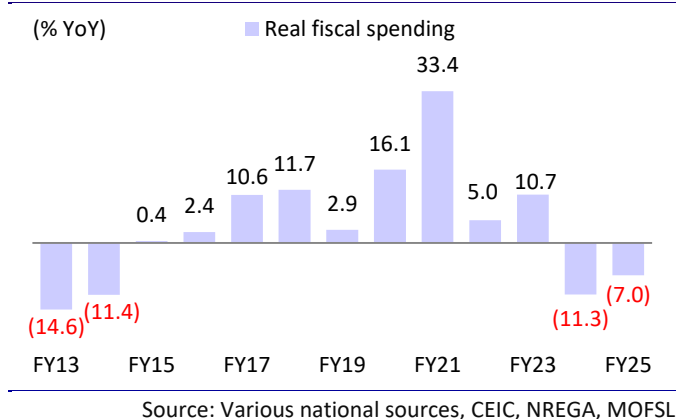


Exhibit 7: ...while real fiscal spending contracted for the second consecutive year



Urban consumption growth at a four-quarter high in 4QFY25: Urban consumption²—estimated by compiling nine proxy indicators—grew at a four-quarter high pace of 6.2% YoY in 4QFY25 (vs. 6.1%/10.2% in 3QFY25/4QFY24). Urban consumption growth had decelerated to a six-quarter low of 5.2% in

2QFY25. A simple average of the nine indicators used to analyze urban spending trends suggests that urban spending grew at a four-year low pace of 5.8% in FY25, compared to 8.4%/8.6% growth in FY24/FY23. (*Exhibits 8-9*).

Exhibit 8: Urban consumption grew at a four-quarter high in 4QFY25...

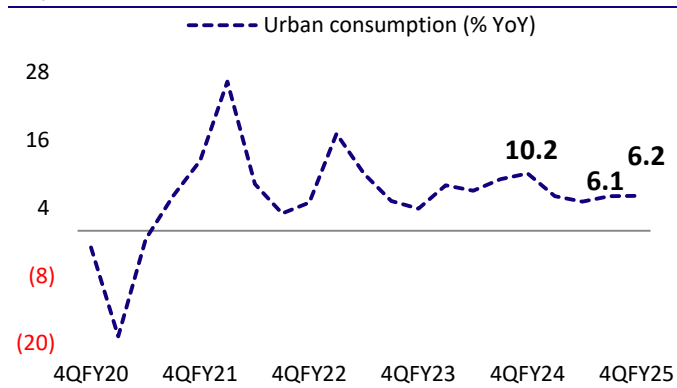
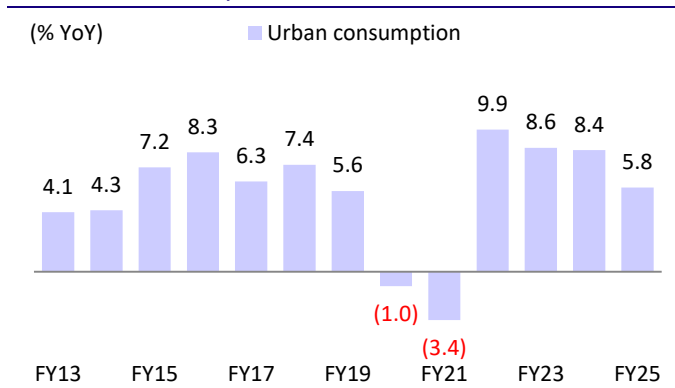


Exhibit 9: ...however, it declined to a four-year low growth of 5.8% YoY in FY25, slower than 8.4% in FY24



Source: Various national sources, CEIC, MOFSL

A detailed analysis of the nine indicators used in urban consumption confirms that three indicators—real salaries and wages of BSE500 companies, real personal credit, and real non-farm consumer imports—witnessed a sharp acceleration in growth, while IIP consumer durable goods, petrol consumption, domestic PV sales, and real house prices decelerated in 4QFY25 vs. 3QFY25. (*Exhibit 10*).

Exhibit 10: Summary of key indicators used in gauging urban consumption spending (% YoY)

Urban consumption indicators	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	FY21	FY22	FY23	FY24	FY25
Real non-farm GVA@	8.5	7.3	6.0	6.4	6.4	(5.6)	10.3	7.4	9.6	6.5
Real S&W of BSE500 companies	6.8	5.8	4.2	2.4	2.7	(1.6)	9.6	11.5	9.2	3.8
CPI non-food inflation	2.8	2.4	2.5	3.1	3.5	5.2	6.7	6.7	4.0	2.9
Domestic: PV sales	28.3	2.8	(1.9)	4.5	2.3	(6.1)	8.4	24.1	25.7	1.9
Real personal credit#	11.3	12.4	14.5	11.0	12.3	5.9	7.9	14.1	11.3	12.3
IIP: Consumer durable goods	11.2	10.7	6.6	9.0	5.8	(11.0)	7.4	0.6	3.6	8.0
Petrol consumption	8.4	7.1	7.3	9.7	5.8	(6.7)	10.3	13.4	6.4	7.5
Real house prices@	1.2	0.7	1.7	0.3	(0.3)	(1.1)	(1.3)	(0.5)	0.2	0.5
Real non-farm consumer imports#	12.9	5.8	5.5	8.5	17.2	(9.3)	29.4	0.2	5.8	9.3
Urban consumption*	10.2	6.1	5.2	6.1	6.2	(-3.4)	9.9	8.6	8.4	5.8

*Simple average of indicators
@ Our forecasts for 4QFY25

Nominal data deflated by CPI-for industrial workers (CPI-IW)
Source: Various national sources, CEIC, MOFSL

² **The nine proxy indicators include:** 1) Real salary & wages (S&W) of BSE500 companies, 2) CPI non-food inflation, 3) Real personal real credit, 4) IIP Consumer Durable Goods, 5) Petrol consumption, 6) Real house prices, 7) Real non-farm consumer imports, 8) passenger vehicle (PV) sales, and 9) Real non-farm GVA

As expected, there are similar movements in the sales of passenger vehicles (PVs) and petrol consumption in the country. The growth in PV sales and petrol consumption has decelerated in the past couple of quarters (barring 3QFY25). PV sales grew 2.3% in 4QFY25 (vs. 4.5% in 3QFY25), while petrol consumption grew 5.8% in 4QFY25, slower than 9.7% in 3QFY25. (*Exhibit 11*). On the other hand, real personal credit remained strong, printing its 12th consecutive double-digit growth of 12.3% in 4QFY25. (*Exhibit 12*).

Exhibit 11: PV sales and petrol consumption growth have decelerated over the past few quarters...

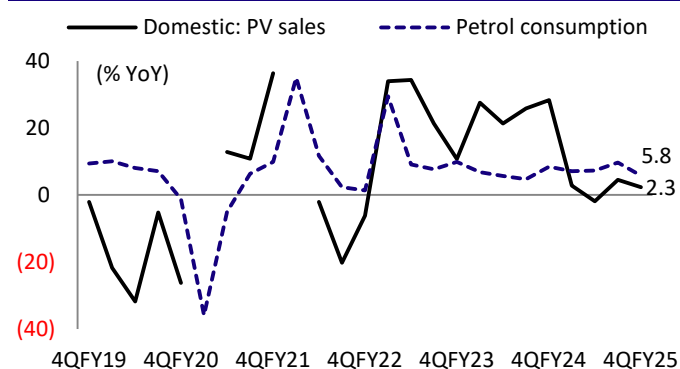
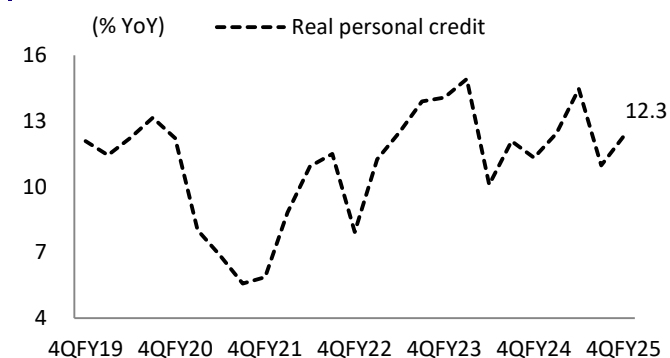


Exhibit 12: ...though real personal credit remained robust in 4QFY25



Based on limited data for 4QFY25
Source: Various national sources, CEIC, MOFSL

On a full-fiscal year basis, all nine indicators posted growth in FY25, of which four variables witnessed a sharp deceleration, while the remaining five saw an acceleration in growth. (*Exhibit 10 above*).

The domestic production of consumer durable goods and house prices showed an improvement in FY25. Output of consumer durable goods grew at a 14-year high of 8% YoY in FY25 vs. a growth of 3.6% YoY in FY24. The real house prices (assuming 2.6% YoY growth in 4QFY25) grew 0.5% YoY in FY25, the highest growth in seven years. On the other hand, the real salary & wages of BSE500 companies likely grew 3.8% YoY last year, the worst in four years and the lowest growth since FY19, barring FY21. (*Exhibits 13-14*).

Exhibit 13: Consumer durable goods & real house prices witnessed improvement in FY25...

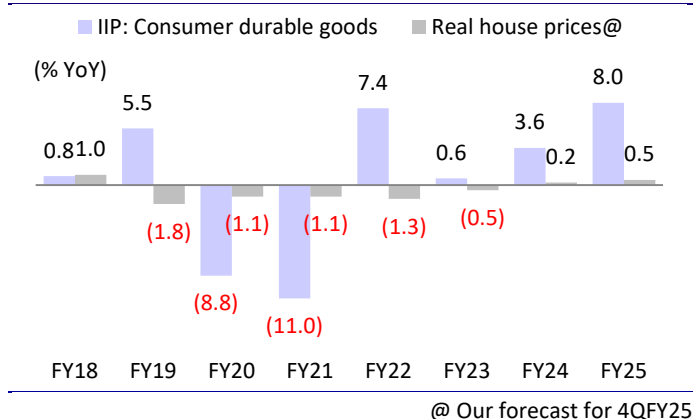
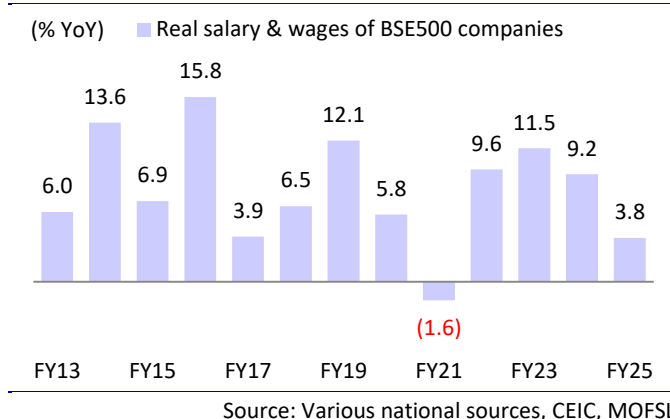


Exhibit 14: ...but real S&W of BSE500 companies grew at a four-year low of 3.8% in FY25



Source: Various national sources, CEIC, MOFSL

Conclusion: Real PFCE growth expected to improve in FY25...

Rural spending witnessed an improvement in FY25 after contracting 1.1% in FY24, led by an improvement in real rural wages and reservoir levels. At the same time, the urban sector witnessed a deceleration, growing at the four-year lowest pace of 5.8% in FY25 vs. an average growth of 9% in the last three years. (*Exhibit 15*). The divergence between rural and urban spending has come down in FY25 compared to the preceding three years (FY22-FY24). In the last two quarters of FY25, rural consumption growth outpaced urban consumption, which contrasts with FY22-FY24, when the latter grew faster than the former in each quarter.

Although urban spending decelerated to a four-year low of 5.8% in FY25, acceleration in rural spending will likely help recover real private final consumption expenditure (PFCE) growth in FY25 from its FY24 lows. We expect real private consumption expenditure to grow at ~7% in FY25 vs. 5.6% in FY24. (*Exhibit 16*).

Exhibit 15: Rural spending growth improved in FY25, while urban spending growth at a four-year low

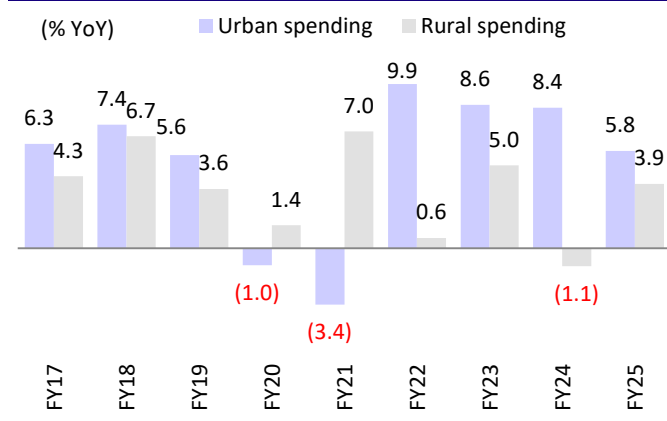
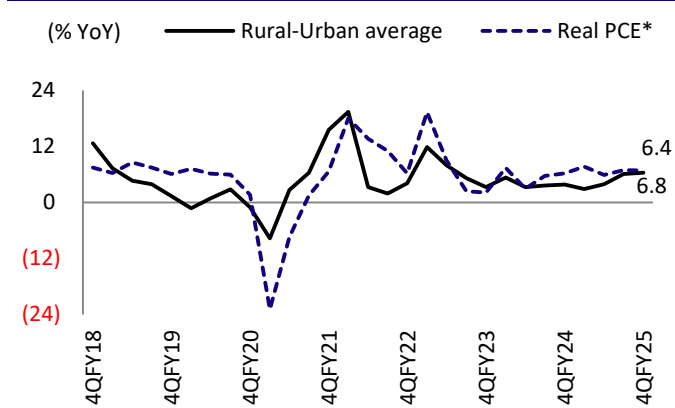


Exhibit 16: Real PFCE expected to grow ~7% in FY25, led by improvement in rural spending



* 4QFY25 is our forecast

Source: Various national sources, CEIC, MOFSL

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 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 Ltd. are available on the website at <http://online.reports.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 relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have 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. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, 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.

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

- received any compensation/other benefits from the subject company of this report
- 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.

- 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.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may 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.

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.

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.

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 AYY301) 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.: 022-3980 4263; 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.:022-71881085.

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL: IN-DP-16-2015; NSDL: IN-DP-NSDL-152-2000; 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.