Buy



# **Hero MotoCorp**

 BSE Sensex
 S&P CNX

 85,525
 26,177



Bloomberg	HMCL IN
Equity Shares (m)	200
M.Cap.(INRb)/(USDb)	1149.3 / 12.8
52-Week Range (INR)	6390 / 3323
1, 6, 12 Rel. Per (%)	-5/30/24
12M Avg Val (INR m)	3531

#### Financials & Valuations (INR b)

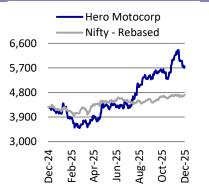
	•		
Y/E March	<b>2026E</b>	2027E	2028E
Sales	449.1	490.9	536.7
EBITDA	66.1	74.6	81.4
Adj. PAT	51.7	59.1	65.6
Adj. EPS (INR)	258.4	295.0	327.6
EPS Gr. (%)	14.3	14.2	11.0
BV/Sh. (INR)	1,073	1,168	1,265
Ratios			
RoE (%)	25.1	26.3	26.9
RoCE (%)	24.5	25.8	26.4
Payout (%)	67.7	67.8	70.2
Valuations			
P/E (x)	22.2	19.5	17.5
P/BV (x)	5.4	4.9	4.5
Div. Yield (%)	3.0	3.5	4.0
FCF Yield (%)	4.9	5.1	5.7

#### **Shareholding Pattern (%)**

(, - ,						
As of	Sep-25	Jun-25	Sep-24			
Promoter	34.7	34.7	34.8			
DII	26.4	27.8	27.0			
FII	28.8	27.0	29.6			
Others	10.1	10.4	8.7			

FII includes depository receipts

## Stock Performance (1-year)



Demand momentum for 2Ws likely to sustain

TP: INR6,782 (+18%)

# Demand momentum for 2003 likely to sus

# Pick up in rural demand bodes well for HMCL

CMP: INR5,744

We met with the management of Hero MotoCorp (HMCL) to discuss the demand trends in the domestic 2W market and the company's plan to capitalize on the same. Demand for 2Ws has picked up well post-GST rate cuts, and it is expected to be sustained, according to the management. Demand was aided by positive rural sentiment which bodes well for HMCL. Management has maintained its volume growth guidance of 8-10% for the 2W industry for H2. While it remains a dominant player in the entry segment, HMCL targets to recover lost share in the 125cc segment post recent variant launches of Glamour and Xtreme125R, which have been well received in the market. HMCL's scooter segment, both on ICE and EVs, has also picked up well. Management remains confident of a gradual market share recovery in the coming quarters. HMCL's focus on the top 10 export markets has helped revive its export momentum. We project a revenue/EBITDA/PAT CAGR of ~10%/12%/13% over FY25-28. We reiterate our BUY rating with a TP of INR6,782 (based on 20x Sep'27E EPS + INR141/423 for Hero FinCorp/Ather after a 20% Holdco discount).

# Demand momentum for 2Ws likely to be sustained

Motorcycle demand appears to have bounced back after the GST rate cuts, as is visible in the Oct and Nov'25 sales trends. More importantly, demand has been broad-based, with healthy growth visible across all segments. Management expects the entry-level demand to be sustained, given the positive rural sentiments. Further, the company expects to recover the lost share in the 125cc segment, aided by healthy feedback for the recently launched Glamour upgrade and the Xtreme125R dual-channel ABS variant. Overall, management expects the industry to post about 8-10% growth in 2Ws in H2.

# Scooters have picked up well

In scooters, HMCL has been outperforming peers over the last few months on the back of a healthy acceptance for products like Destiny125. As a result, in a highly competitive market, HMCL's scooter market share has improved by 80 bps YoY on a YTD basis to 5.9%. In EVs, the Vida VX2 has been very well received by customers, and its market share has improved to 12% currently. It targets to take this to 14-15% by the end of Mar'26. Over the long term, HMCL aims for a leadership position in EVs.

## Export momentum likely to be maintained

HMCL's 2W exports have recovered, aided by focusing on the top 10 markets, which drive ~80% of its volumes. Growth is being driven by locally tailored launches and continuous strengthening of service, dealer, and export capacity. Exports now form ~8% of volumes, with a target to reach 10% by Mar'26.

## Valuation and View

We expect HMCL to deliver a volume CAGR of ~6% over FY25-28, driven by rural recovery and a ramp-up in exports. We project a CAGR of ~10%/12%/13% in revenue/EBITDA/PAT over FY26-28. We reiterate our BUY rating with a TP of INR6,782 (based on 20x Sep'27E EPS + INR141/423 for Hero FinCorp/Ather after a 20% Holdco discount).

Research analyst - Aniket Mhatre (Aniket.Mhatre@MotilalOswal.com)

Research analyst - Jeemit Shah (Jeemit.Shah@MotilalOswal.com) | Uday Nair (Uday.Nair@MotilalOswal.com)

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



# Key highlights from the management meeting

## **Update on domestic motorcycles**

- In order to remove volatility in numbers due to the impact of pent-up demand, management is considering a 100-day period for sales comparison, viz., about one month before and after the festive season. In these 100 days, HMCL's retail sales have outperformed the industry. Its retail sales grew 21% YoY, gaining 80bp market share YoY, according to the management. In fact, HMCL highlighted that the growth in Oct and Nov has been even higher than this 100-day period.
- The quality of growth was broad-based: all segments and brands recorded growth. Within 2Ws, the entry motorcycle segment grew 13%, scooters grew over 30%, and other segments grew in double digits.
- Further, growth was also driven across all regions. In fact, all regions posted double-digit growth except the central zone, which posted high single-digit growth. The relative weakness in the central zone was largely driven by weak sales in MP, which was in turn hit by the unseasonal monsoons.
- Management indicated that while it has fully passed on the GST rate cut benefit to consumers, it has taken this opportunity to reduce discounts on its products. However, the company has used this lever to increase its promotions across different brands.
- The Glamour relaunch has been well received, and it has initially been launched in the South and East, which are its key regions. One expects Glamour to be pan-India in the coming months.
- HMCL has launched a refresh of the Xtreme 125cc model with dual-channel ABS, which is a segment-first feature. On the back of both launches, management expects to regain share in the 125cc segment in the coming quarters.
- HMCL continues to focus on building its brand in the premium segment (150-250cc). It would look to launch an upgraded Xtreme160R soon. Further, its Xpulse model continues to do well in its segment. HMCL has recently launched the all-new HD440 X, which comes with a much better fit and finish, and its advertising campaign has started recently.
- For the premium customers, the company so far has about 100 "Premia" outlets, which are likely to ramp up to 125 by Mar'26 and further to 225 by Mar'27. By then, they would have covered almost 90% of the addressable market for premium motorcycles, as per management. Beyond this, management would intend to use the Hero2.0 stores to sell premium brands.
- According to management, footfalls in premia stores are higher than those at its Hero 2.0 stores, and conversion rates stand at 14-16%, which is almost 2x that of Hero 2.0 stores. As per HMCL, over 50% of dealers running Premia stores for over 12 months have already reached break-even levels.

# **Update on domestic scooters**

- In scooters, HMCL has been outperforming peers over the last few months on the back of good acceptance for products like Destiny125, Xoom, etc. As a result, in a highly competitive market, HMCL's scooter market share has improved by 80 bps YoY on a YTD basis to 5.9%. Given the momentum, management targets to reach 9% in retail market share in scooters by Mar'26.
- In EVs, the Vida VX2 has been very well received by customers, and HMCL has now seen its market share improve to 12% and targets to take this to 14-15% by the end of Mar'25.
- The removable battery feature that can be charged at home using a normal plug is likely to be one of the key USPs of this product.



- Management did highlight that although the swappable battery feature has not been a high contributor to sales, it has helped generate very high walk-ins in showrooms and thereby helped boost sales.
- In the EV domain, HMCL is now present in 440 cities with the Vida EV brand, supported by a charging network of ~4,500 points for HMCL's Vida customers.
- HMCL is currently in the process of doubling its capacity in EV 2Ws to 30k per month, which should be operational by the end of March. Over the long term, the company aims for a leadership position in EVs.
- HMCL has recently taken a price hike of 10%. Further, it expects to receive the PLI eligibility certificate in 4Q. On the back of these, along with its aggressive cost reduction initiatives, management aims to have a positive contribution to EVs by 1QFY27E. It is likely to take about 15-18 months for the segment to become EBITDA positive in EVs after that.

### **Overall feedback on domestic 2Ws**

- Given the multiple model launches over the last 12 months, HMCL has indicated that it would refrain from launching any new brand in the near term and look to leverage these launches through targeted campaigns.
- The company's upcoming new launches would include Xtreme variants in the premium segment, the recently unveiled HD 440, and a few Vida variants. HMCL would also look to launch a couple of upgrades in the premium segment next year, apart from a couple of Vida variant launches.
- Finished goods inventory has reduced to five weeks now, and management would look to maintain this level of dealer inventory going forward as well.
- HMCL has maintained its industry growth guidance of 8-10% for the rest of the fiscal.
- On the raw material front, management noted an inflationary trend in aluminum and copper. However, currency depreciation is likely to be a net positive, as the company's exports exceed its imports, providing a natural hedge and some margin support.
- On the proposed ABS deadline, the SIAM representatives have requested the government to consider cheaper yet safer options, such as CBS for 2Ws. They continue to await clarity on the same.

# Exports – healthy pick-up, albeit over a low base

- HMCL is now seeing a healthy pick-up in the exports business as well. HMCL currently has around 8% contribution from exports, with a target to increase this to 10% by Mar'26.
- The strategy is to focus on the top 10 markets, which together account for about 80% of export volumes. The top 10 markets include Bangladesh, Colombia, Mexico, Nigeria, Turkey, Nepal, Sri Lanka, and the Philippines, with an average market share across these markets of around 12%.
- Product launches in these markets have been tailored specifically to local customer requirements. Notably, around 40% of exports now come from premium products, with Xtreme 160, Xtreme 250, and Xpulse 200 performing particularly well.
- HMCL is now working towards raising its export capacity to cater to higher demand.



Exhibit 1: Snapshot of the revenue model

000 units	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total M/Cycles	5,333	4,628	4,959	5,191	5,476	5,694	6,056	6,443
Growth (%)	-11.0	-13.2	7.2	4.7	5.5	4.0	6.4	6.4
% of total volumes	92.1	93.6	93.1	92.3	92.8	90.6	90.6	90.7
Total Scooters	458	316	369	431	423	591	627	664
Growth (%)	9.2	-30.9	16.8	16.6	-1.9	39.9	6.0	6.0
% of total volumes	7.9	6.4	6.9	7.7	7.2	9.4	9.4	9.3
Total volumes	5,792	4,944	5,329	5,621	5,899	6,285	6,683	7,107
Growth (%)	-9.6	-14.6	7.8	5.5	4.9	6.5	6.3	6.4
- of which Exports	172	290	162	171	258	348	390	437
% of total volumes	3.3	6.5	3.3	3.3	4.8	6.1	6.4	6.8
Net Realizations (INR/unit)	53,182	59,152	63,443	66,630	68,945	71,458	73,460	75,518
Growth (%)	18.8	10.7	8.4	6.0	3.6	3.4	2.8	2.8
Net Revenues (INR b)	308	292	338	375	407	449	491	537
Growth (%)	6.8	-5.0	15.6	10.8	8.6	10.4	9.3	9.3

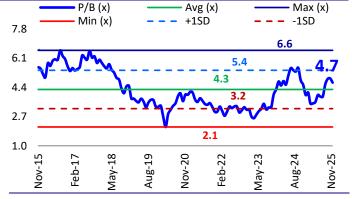
SIAM, Company, MOFSL

### Valuation and view

- We expect HMCL to deliver a volume CAGR of ~6% over FY25-28, driven by 1) new model launches in scooters and motorcycles, 2) the recently launched variants in the 125cc motorcycle segment, and 3) a ramp-up in exports.
- Gradual rural revival bodes well for HMCL: Rural sentiments are positive, given positive terms of trade for farmers and a healthy monsoon so far. Further, management has indicated that it is seeing a gradual recovery in rural markets currently. Given that HMCL has a dominant 100-110cc portfolio, any recovery in the rural region bodes well for the company.
- Exports offer a huge headroom for growth: Exports to emerging markets present a huge opportunity (~2x that of the Indian market) for HMCL, given that it has a relatively smaller presence in exports so far. Over the years, HMCL has been working on launching new products customized to key markets, revamping its distribution network, and investing in brand building in key markets. In FY25, HMCL posted 43% YoY growth in exports, at 2x the industry growth, and targets 40%+ growth in FY26E as well. We expect exports to continue to be a steady growth driver for HMCL in the coming years.
- We expect HMCL to deliver a volume CAGR of ~6% over FY25-28, driven by new launches and a ramp-up in exports. HMCL will also benefit from a gradual rural recovery, given strong brand equity in the economy and executive segments. We project a CAGR of ~10%/12%/13% in revenue/EBITDA/PAT over FY25-28. We reiterate our BUY rating on the stock with a TP of INR6,782 (based on a 20x Sep'27E EPS + INR141/INR423 for Hero FinCorp/Ather post-20% Holdco discount).

Exhibit 2: P/E and P/B bands



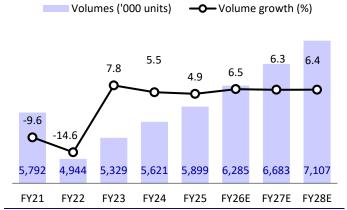


Source: MOFSL Source: MOFSL



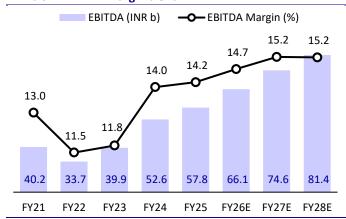
# **Story in charts**

# Exhibit 3: Steady growth expected, led by rural recovery



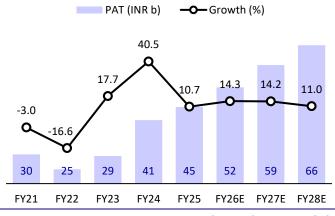
Source: Company, MOFSL

# **Exhibit 4: EBITDA margin trend**



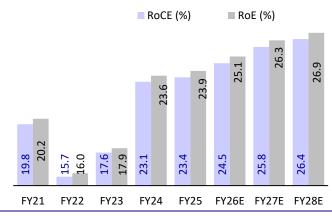
Source: Company, MOFSL

**Exhibit 5: PAT growth to be steady** 



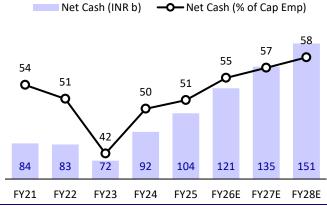
Source: Company, MOFSL

**Exhibit 6: Trend in return ratios** 



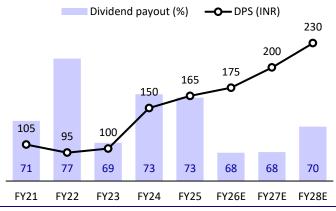
Source: Company, MOFSL

**Exhibit 7: Trend in cash levels** 



Source: Company, MOFSL

**Exhibit 8: Dividend payout trends** 



Source: Company, MOFSL



# **Financials and valuations**

Income Statement								(INR m)
Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
Volumes ('000)	5,792	4,944	5,329	5,621	5,899	6,285	6,683	7,107
Volume Growth (%)	-9.6	-14.6	7.8	5.5	4.9	6.5	6.3	6.4
Net Revenues	308,006	292,455	338,057	374,557	406,719	449,114	490,933	536,737
Change (%)	6.8	-5.0	15.6	10.8	8.6	10.4	9.3	9.3
EBITDA	40,192	33,688	39,862	52,557	57,832	66,122	74,571	81,423
EBITDA Margin (%)	13.0	11.5	11.8	14.0	14.2	14.7	15.2	15.2
Depreciation	6,769	6,498	6,570	7,114	7,759	8,008	8,321	8,635
EBIT	33,424	27,190	33,293	45,443	50,074	58,114	66,250	72,788
Interest cost	218	258	199	185	199	240	203	205
Other Income	5,799	5,569	5,652	8,926	10,559	10,787	12,336	14,385
Non-recurring Expense	0	0	0	1,600	0	0	0	0
PBT	39,004	32,501	38,746	52,584	60,434	68,661	78,382	86,968
Tax	9,362	7,771	9,640	12,904	15,179	16,920	19,314	21,391
Effective Tax Rate (%)	24.0	23.9	24.9	24.5	25.1	24.6	24.6	24.6
Adj. PAT	29,642	24,730	29,106	40,887	45,255	51,741	59,068	65,577
Change (%)	-3.0	-16.6	17.7	40.5	10.7	14.3	14.2	11.0
Balance Sheet								(INR m)
Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sources of Funds								
Share Capital	400	400	400	400	400	400	400	400
Reserves	151,585	157,430	166,651	179,462	197,669	214,374	233,402	252,933
Net Worth	151,984	157,829	167,051	179,862	198,069	214,775	233,803	253,333
Deferred Tax	4,041	3,833	4,054	4,348	5,096	5,096	5,096	5,096
Capital Employed	156,025	161,662	171,105	184,210	203,165	219,871	238,899	258,429
Application of Funds								
Gross Fixed Assets	142,362	146,657	151,942	157,862	165,383	175,383	186,383	197,383
Less: Depreciation	82,478	88,592	94,328	99,522	106,369	114,376	122,697	131,332
Net Fixed Assets	59,884	58,065	57,614	58,340	59,014	61,006	63,685	66,051
Capital WIP	4,366	4,582	4,638	4,805	4,925	4,925	4,925	4,925
Investments	105,876	107,288	111,875	131,551	150,445	164,445	180,445	198,445
Curr.Assets, L & Adv.	51,485	47,206	58,504	61,019	64,817	73,361	81,781	89,864
Inventory	14,696	11,227	14,341	14,438	14,576	18,141	19,830	21,680
Sundry Debtors	24,268	23,043	27,982	27,034	36,744	33,863	37,017	40,470
Cash & Bank Balances	1,692	987	1,684	5,399	2,891	9,670	12,158	13,746
Loans & Advances	892	402	436	457	271	298	326	356
Others	9,938	11,547	14,062	13,691	10,335	11,389	12,449	13,611
Current Liab. & Prov.	65,585	55,478	61,527	71,506	76,037	83,867	91,937	100,856
Sundry Creditors	52,046	42,603	47,045	55,282	55,661	66,517	72,711	79,495
Other Liabilities	10,211	9,490	10,744	11,516	13,317	12,094	13,220	14,454
Provisions	3,328	3,385	3,738	4,708	7,058	5,255	6,006	6,907
Net Current Assets	-14,101	-8,272	-3,022	-10,487	-11,220	-10,505	-10,157	-10,991
Application of Funds	156,025	161,662	171,105	184,210	203,165	219,871	238,899	258,429

Application of Funds
E: MOFSL Estimates



# **Financials and valuations**

Ratios								
Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)								
EPS	148.4	123.8	145.6	204.6	226.0	258.4	295.0	327.6
EPS Growth (%)	-3.0	-16.6	17.7	40.5	10.5	14.3	14.2	11.0
Cash EPS	182.2	156.3	178.5	234.1	264.8	298.4	336.6	370.7
Book Value per Share	760.7	789.9	835.9	900.0	989.4	1,072.8	1,167.8	1,265.4
DPS	105.0	95.0	100.0	150.0	165.0	175.0	200.0	230.0
Payout (Incl. Div. Tax) %	70.8	76.8	68.7	73.3	73.0	67.7	67.8	70.2
Valuation (x)								
P/E	39.0	46.7	39.7	28.3	25.6	22.4	19.6	17.6
EV/EBITDA	26.1	31.1	26.1	19.4	17.4	14.9	12.9	11.6
EV/Sales	3.4	3.6	3.1	2.7	2.5	2.2	2.0	1.8
Price to Book Value	7.6	7.3	6.9	6.4	5.8	5.4	5.0	4.6
Dividend Yield (%)	1.8	1.6	1.7	2.6	2.9	3.0	3.5	4.0
Profitability Ratios (%)								
RoE	20.2	16.0	17.9	23.6	23.9	25.1	26.3	26.9
RoCE	19.8	15.7	17.6	23.1	23.4	24.5	25.8	26.4
RoIC	50.1	44.5	49.2	71.9	85.8	102.2	121.5	132.8
Turnover Ratios								
Debtors (Days)	30	30	32	28	35	29	29	29
Inventory (Days)	18	15	16	15	14	16	16	16
Creditors (Days)	62	53	51	54	50	54	54	54
Working Capital (Days)	-17	-10	-3	-10	-10	-9	-8	-7
Asset Turnover (x)	2.0	1.8	2.0	2.0	2.0	2.0	2.1	2.1
Fixed Asset Turnover	2.2	2.0	2.3	2.4	2.5	2.6	2.7	2.8
Cash Flow Statement								(INR m)
Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
Profit before Tax	39,004	32,501	38,746	52,584	60,434	68,661	78,382	86,968
Depreciation & Amort.	6,769	6,498	6,570	7,114	7,759	8,008	8,321	8,635
Direct Taxes Paid	-9,759	-7,688	-8,496	-13,142	-15,341	-16,920	-19,314	-21,391
(Inc)/Dec in Working Capital	10,700	-6,825	-5,832	10,747	-3,036	6,065	2,140	2,423
Other Items	-4,987	-4,283	-5,197	-6,637	-7,997	240	203	205
CF from Oper. Activity	41,727	20,203	25,791	50,665	41,819	66,054	69,732	76,839
Extraordinary Items	0	0	0	-1,600	0	0	0	0
CF after EO Items	41,727	20,203	25,791	49,065	41,819	66,054	69,732	76,839
(Inc)/Dec in FA+CWIP	-5,101	-5,240	-5,675	-7,102	-8,103	-10,000	-11,000	-11,000
Free Cash Flow	36,626	14,963	20,115	43,563	33,716	56,054	58,732	65,839
(Pur)/Sale of Invest.	-16,998	3,721	987	-10,917	-7,755	-14,000	-16,000	-18,000
CF from Inv. Activity	-22,099	-1,519	-4,688	-18,019	-15,858	-24,000	-27,000	-29,000
Interest Paid	-515	-458	-455	-449	-540	-240	-203	-205
Dividends Paid	-18,900	-18,931	-19,951	-26,883	-27,929	-35,035	-40,040	-46,046
CF from Fin. Activity	-19,415	-19,389	-20,406	-27,331	-28,469	-35,275	-40,243	-46,251
Inc/(Dec) in Cash	213	-705	697	3,715	-2,508	6,779	2,489	1,588
Add: Beginning Balance	1,479	1,692	987	1,684	5,399	2,891	9,669	12,158
Closing Balance	1,692	987	1,684	5,399	2,891	9,669	12,158	13,746

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

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

#### Disclosures

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd.

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 Details of pending Enquiry Proceedings Motilal Oswal Financial Services Limited available of axy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at <a href="www.nseindia.com">www.nseindia.com</a>, <a href="www.nseindia.com">www.bseindia.com</a>. 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.

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 Motifal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motifal 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

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 2011294012), 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
- 3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months. MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report. MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- 5 Research Analyst has not served as an officer, director or employee of subject company(ies).
- 6
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.

  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)
- 8. 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:

23 December 2025 9



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

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

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

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

#### Terms & Conditions:

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

#### Disclaimer:

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

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

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

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

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

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent - CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

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

23 December 2025 10