

MINDA CORPORATION

RESULT UPDATE

KEY DATA

Rating	BUY
Sector relative	Neutral
Price (INR)	580
12 month price target (INR)	650
52 Week High/Low	653/366
Market cap (INR bn/USD bn)	139/1.6
Free float (%)	33.0
Avg. daily value traded (INR mn)	310.9

SHAREHOLDING PATTERN

	Dec-24	Sep-24	Jun-24
Promoter	64.84%	64.84%	64.84%
FII	7.98%	7.62%	6.07%
DII	18.42%	18.87%	20.63%
Pledge	0.00%	0.00%	0.00%

FINANCIALS

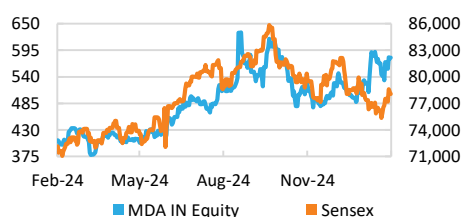
(INR mn)

Year to March	FY24A	FY25E	FY26E	FY27E
Revenue	46,511	51,822	60,498	68,599
EBITDA	5,144	5,913	7,087	8,244
Adjusted profit	2,272	3,010	3,876	4,828
Diluted EPS (INR)	9.5	12.6	16.2	20.2
EPS growth (%)	(20.1)	32.5	28.8	24.6
RoAE (%)	12.7	14.3	16.4	18.1
P/E (x)	61.1	46.2	35.8	28.8
EV/EBITDA (x)	28.1	24.1	21.3	18.2
Dividend yield (%)	0.2	0.3	0.4	0.5

CHANGE IN ESTIMATES

	Revised estimates		% Revision	
Year to March	FY26E	FY27E	FY26E	FY27E
Revenue	60,498	68,599	2	3
EBITDA	7,087	8,244	4	4
Adjusted profit	3,876	4,828	1	3
Diluted EPS (INR)	16.2	20.2	1	3

PRICE PERFORMANCE



In-line EBITDA; outlook remains bright

Q3FY25 revenue/EBITDA grew 7%/11% YoY to INR12.5bn/INR1.4bn, in line with estimates. Order wins continued with new lifetime orders of INR13bn and EV share at 25%. We are increasing FY25E–27E EPS by up to 3%, factoring in EPS accretive acquisition of Flash Electronics.

We are building in revenue/EPS CAGR of 15%/27% over FY25–27E along with average RoIC of 18%. Minda is a strong play on premiumisation, regulatory changes and EV penetration. E-2W kit value has more than doubled to INR30,000–35,000/unit, with addition of Flash's parts. Maintain 'BUY' with a TP of INR650 (earlier INR590) based on 32x FY27E EPS. We are raising target multiple from 30x to 32x factoring in robust outlook and rising capabilities in EV segment.

Q3FY25 EBITDA broadly along expected lines

Revenue increased 7% YoY to INR12.5bn (our estimate: INR12.6bn), in line with estimates. Revenue for information & connected systems (wiring harness, instrument clusters and sensors) increased 9% to INR6.5bn while revenue for Mechatronics (locking systems, die-castings and aftermarket) rose 6% to INR6.1bn. EBITDA grew 11% to INR1.4bn (our estimate: INR1.4bn), in line with estimates. EBITDA margin rose 30bp to 11.5%. Other income soared on a low base by 359% to INR91mn. Adjusted PAT jumped 24% to INR648mn (our estimate: INR673mn), below estimates owing to higher-than-expected tax rate.

Growth drivers in place

Minda is a play on premiumisation, import substitution, regulatory changes and disruptions such as EV penetration. It has built scale through tie-ups (Stoneridge, VAST, Infac, HCMF, EVQPOINT) and we forecast the recent Flash acquisition shall also support entry in emerging segments/components, rise in content per vehicle (CPV) and customer additions.

Minda has entered into a TLA with SANCO (China) to develop EV connecting systems, charging gun assemblies with sockets and accessories, bus bars, cell contact systems, power distribution units and battery distribution units. Moreover, Minda along with HCMF (Taiwan) is setting up a new plant in Pune for sunroof systems, likely to be commissioned by Q1FY26. Acquisition of Flash has enhanced its EV product portfolio across segments. For a E-2W, combined kit value is INR30,000–35,000, which can potentially rise to over INR40,000 when other components such as smart keys, telematics and wiring harnesses are included. For PV, CV segments, products are in development stage and likely to be launched soon. We expect a revenue CAGR of 15% over FY25–27E led by cyclical upturn in 2W/4W segments and increasing CPV.

Financials

Year to March	Q3FY25	Q3FY24	YoY (%)	Q2FY25	QoQ (%)
Net Revenue	12,526	11,658	7.4	12,900	-2.9
EBITDA	1,436	1,299	10.5	1,466	-2.1
Adjusted Profit	648	525	23.5	743	-12.8
Diluted EPS (INR)	2.7	2.2	23.5	3.1	(12.8)

Financial Statements

Income Statement (INR mn)

Year to March	FY24A	FY25E	FY26E	FY27E
Total operating income	46,511	51,822	60,498	68,599
Gross profit	17,273	19,401	22,769	25,956
Employee costs	7,285	7,806	9,052	10,196
Other expenses	4,844	5,682	6,630	7,516
EBITDA	5,144	5,913	7,087	8,244
Depreciation	1,658	1,912	2,014	2,158
Less: Interest expense	559	451	938	863
Add: Other income	157	409	246	270
Profit before tax	3,104	4,039	4,971	6,201
Prov for tax	832	1,029	1,095	1,373
Less: Other adj	0	0	0	0
Reported profit	2,272	3,010	3,876	4,828
Less: Excp.item (net)	0	0	0	0
Adjusted profit	2,272	3,010	3,876	4,828
Diluted shares o/s	239	239	239	239
Adjusted diluted EPS	9.5	12.6	16.2	20.2
DPS (INR)	1.4	1.9	2.4	3.0
Tax rate (%)	26.8	25.5	22.0	22.1

Important Ratios (%)

Year to March	FY24A	FY25E	FY26E	FY27E
Gross profit margin (%)	37.1	37.4	37.6	37.8
Staff cost % sales	15.7	15.1	15.0	14.9
Other expenses % sales	0.1	0.1	0.1	0.1
EBITDA margin (%)	11.1	11.4	11.7	12.0
Net profit margin (%)	4.9	5.8	6.4	7.0
Revenue growth (% YoY)	8.2	11.7	16.7	13.4
EBITDA growth (% YoY)	11.5	15.0	19.9	16.3
Adj. profit growth (%)	(20.1)	32.5	28.8	24.6

Assumptions

Year to March	FY24A	FY25E	FY26E	FY27E
Wiring Harness (INRmn)	13,953.3	15,510.5	17,301.5	19,134.7
Lockset (INRmn)	11,162.6	12,173.2	13,407.5	14,558.4
Die castings (INRmn)	7,441.8	9,243.9	10,650.9	12,180.1
Clusters (INRmn)	6,976.7	7,946.5	9,205.0	10,562.2
Others (INRmn)	6,976.7	6,948.0	9,932.9	12,163.6

Valuation Metrics

Year to March	FY24A	FY25E	FY26E	FY27E
Diluted P/E (x)	61.1	46.2	35.8	28.8
Price/BV (x)	7.0	6.2	5.6	4.9
EV/EBITDA (x)	28.1	24.1	21.3	18.2
Dividend yield (%)	0.2	0.3	0.4	0.5

Source: Company and Nuvama estimates

Balance Sheet (INR mn)

Year to March	FY24A	FY25E	FY26E	FY27E
Share capital	478	478	478	478
Reserves	19,328	21,811	24,520	27,923
Shareholders funds	19,807	22,289	24,999	28,401
Minority interest	0	0	0	0
Borrowings	5,353	13,000	12,000	11,000
Trade payables	7,137	8,925	10,419	11,814
Other liabs & prov	2,037	2,182	2,342	2,517
Total liabilities	34,390	46,454	49,817	53,791
Net block	10,501	11,621	12,637	13,509
Intangible assets	1,567	1,535	1,504	1,474
Capital WIP	632	632	632	632
Total fixed assets	12,700	13,788	14,774	15,615
Non-current inv	569	14,289	14,289	14,289
Cash/cash equivalent	1,920	679	518	769
Sundry debtors	8,044	7,724	9,017	10,224
Loans & advances	40	44	48	53
Other assets	9,914	8,725	9,966	11,135
Total assets	34,390	46,454	49,817	53,291

Free Cash Flow (INR mn)

Year to March	FY24A	FY25E	FY26E	FY27E
Reported profit	3,105	3,959	4,381	5,493
Add: Depreciation	1,658	1,912	2,014	2,158
Interest (net of tax)	448	451	938	863
Others	(12)	(409)	(246)	(270)
Less: Changes in WC	(1,308)	530	(885)	(810)
Operating cash flow	2,869	5,414	5,107	6,061
Less: Capex	(2,510)	(3,000)	(3,000)	(3,500)
Free cash flow	359	2,414	2,107	2,561

Key Ratios

Year to March	FY24A	FY25E	FY26E	FY27E
RoE (%)	12.7	14.3	16.4	18.1
RoCE (%)	11.1	10.8	10.9	12.3
Inventory days	69	69	72	74
Receivable days	57	56	51	51
Payable days	90	90	94	95
Working cap (% sales)	19.0	10.4	10.4	10.3
Gross debt/equity (x)	0.3	0.6	0.5	0.4
Net debt/equity (x)	0	0.6	0.5	0.4
Interest coverage (x)	6.5	9.8	5.7	7.4

Valuation Drivers

Year to March	FY24A	FY25E	FY26E	FY27E
EPS growth (%)	(20.1)	32.5	28.8	24.6
RoE (%)	12.7	14.3	16.4	18.1
EBITDA growth (%)	11.5	15.0	19.9	16.3
Payout ratio (%)	14.7	14.9	14.9	14.9

Q3FY25 conference call: Key takeaways

- **Mechatronics division:** Revenue grew 6% YoY, owing to strong demand in the domestic 2W segment and premiumisation of existing products. However, demand was subdued in Europe and the ASEAN region.
- **Information and connected systems division:** Revenue increased 9% YoY, led by outperformance in domestic 2W and PV OEM business, which was partially offset by a downturn in the CV segment.
- **Margin:** The company has achieved an all-time high EBITDA margin of 11.5% led by premiumisation, localisation, and better scale.
- **Order book:** Total order wins in Q3FY25 stood at INR12.5bn, with EV constituting 25%. Following this, total order wins in 9mFY25 were INR60bn.
- **Premiumisation:** The revenue share of smart keys is around 7–8% of the revenue in vehicle access vertical. Digital clusters contribute 8–10% of revenue in the driver information vertical. This share should increase ahead with premiumisation.
- **Kit value** for 2W (for both Minda and Flash together) is INR30,000–35,000 and is likely to increase further with the integration of more advanced products.
- **Cross-selling opportunity:** Management expects the cross-selling opportunity to Flash to be at INR5–6bn by 2030.
- **EV share:** Revenue share from EV is ~5–6%. Revenue share of EV for Flash Electronics is ~20%.

Exhibit 1: Change in estimates; increasing revenue/EPS estimates by up to 3% each

INR mn	Old estimates			New estimates			Variance (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Net revenues	51,842	59,043	66,813	51,822	60,498	68,599	0	2	3
EBITDA	5,852	6,841	7,938	5,913	7,087	8,244	1	4	4
Adjusted Profit	3,016	3,856	4,703	3,010	3,876	4,828	0	1	3
Diluted EPS (INR)	12.6	16.1	19.7	12.6	16.2	20.2	0	1	3

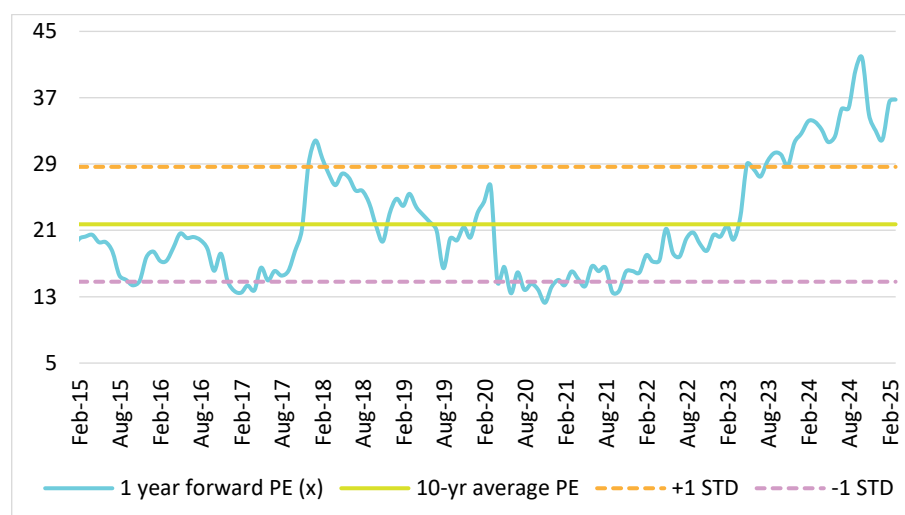
Source: Nuvama Research

Exhibit 2: Key revenue assumptions: 15% CAGR over FY25–27E

INR mn	FY23	FY24	FY25E	FY26E	FY27E	FY25-27E CAGR
Wiring Harness	12,900	13,953	15,511	17,302	19,135	11%
Growth %	39.8%	8.2%	11.2%	11.6%	10.6%	
Lockset	10,750	11,163	12,173	13,407	14,558	9%
Growth %	33.8%	3.8%	9.1%	10.1%	8.6%	
Die castings	6,450	7,442	9,244	10,651	12,180	15%
Growth %	35.5%	15.4%	24.2%	15.2%	14.4%	
Clusters	6,020	6,977	7,947	9,205	10,562	15%
Growth %	83.9%	15.9%	13.9%	15.8%	14.7%	
Others	6,880	6,977	6,948	9,933	12,164	32%
Growth %	54.1%	1.4%	-0.4%	42.9%	22.5%	
Total	43,001	46,511	51,822	60,498	68,599	15%
Growth %	44%	8%	11%	17%	13%	

Source: Company, Nuvama Research

Exhibit 3: 1Y forward P/E; valuations have re-rated on strong growth prospects



Source: Bloomberg, Nuvama Research

Exhibit 4: Quarterly snapshot (Consolidated)

Year to March	Q3FY25	Q3FY24	YoY (%)	Q2FY25	QoQ (%)
Net revenues	12,526	11,658	7.4	12,900	(2.9)
Raw material	7,714	7,257	6.3	8,122	(5.0)
Staff costs	1,999	1,865	7.2	1,927	3.7
Other expenses	1,377	1,238	11.3	1,385	(0.6)
Total expenditure	11,090	10,359	7.1	11,434	(3.0)
EBITDA	1,436	1,299	10.5	1,466	(2.1)
Depreciation	504	417	20.7	512	(1.7)
EBIT	932	881	5.7	954	(2.3)
Less: Interest Expense	119	143	(16.9)	111	7.4
Add: Other income	91	20	359.1	117	(22.0)
Add: Prior period items					
Add: Exceptional items					
Profit before tax	904	758	19.2	959	(5.8)
Less: Provision for Tax	260	250	4.1	252	3.5
Less: Minority Interest					
Add: Share of profit from associates	4	17	(74.1)	36	(87.7)
Reported Profit	648	525	23.5	743	(12.8)
Adjusted Profit	648	525	23.5	743	(12.8)
No. of Diluted shares outstanding	239	239	0.0	239	0.0
Adjusted Diluted EPS	2.7	2.2	23.5	3.1	(12.8)
As a % revenues					
Year to March	Q3FY25	Q3FY24	bps change (YoY)	Q2FY25	bps change (QoQ)
Gross margins	38.4	37.8	66	37.0	138
Raw material	61.6	62.2	(66)	63.0	(138)
Staff costs	16.0	16.0	(3)	14.9	102
Other expenses	11.0	10.6	38	10.7	26
EBIDTA	11.5	11.1	32	11.4	10
Adjusted net profit	5.2	4.5	67	5.8	(59)
Tax rate (% PBT)	28.8	33.0	(420)	26.2	257

Source: Company, Nuvama Research

Company Description

Incorporated in 1985, Minda Corporation is one of the leading automotive component manufacturing companies in India with a pan-India presence and international footprint. It is the flagship company of Spark Minda, which was part of the erstwhile Minda Group. It has 34 plants and offices in India and overseas markets. It has a diversified product portfolio that encompasses wiring harness, locksets, instrument clusters, die-castings, EV parts, sensors, starters/alternators, etc. It is the Top1 supplier in 2W/CV/Tractor wiring harness, Top1/Top2 in 2W electronic/mechanical locksets, Top1 in CV/Tractor instrument clusters, and is improving position in EV parts, sensors and sunroofs. It has a diversified customer base including Indian and global OEM and Tier-1 customers. For assimilating the latest technologies, Minda has a dedicated R&D facility and several global tie-ups – Stoneridge, Silca, Furukawa, VAST, Infac, Ride Vision, EVQ Point, Daesung Eltec, LocoNav and HSIN Chong Machinery Works.

Investment Theme

Minda has grown at an industry-beating 25% CAGR over FY21–24, as it profited from premiumisation, regulatory changes, EV shift and inorganic efforts. The company has a powertrain agnostic portfolio and EV transition will be a key growth driver in the long term. Further technological collaborations can open new product/ revenue streams.

We build in industry-beating revenue performance at 15% CAGR over FY25–27E. Furthermore, EPS CAGR to be higher at 27% owing to better scale, richer mix (higher smart key share), cost reduction initiatives such as low cost automation and increased localisation of wiring harness production and Flash acquisition. We retain 'BUY' with a TP of INR650, based on 32x FY27E EPS. We believe 32x P/E is justified due to consistent outperformance over industry growth, and upside risks to growth prospects on commencement of new revenue streams (for products such as Sunroofs, EV parts, etc) through global tie-ups.

Key risks

- Lower than expected growth in underlying automobile industry in domestic and overseas markets leading to cuts in revenue assumptions
- Increase in competitive intensity from local players and cheap imports, resulting in market share and margin pressures
- Notable spike in commodity prices, resulting in temporary negative impact on profitability
- Slower premiumisation rate leading to cuts in revenue assumptions

Additional Data

Management

Chairman & GCEO	Ashok Minda
ED-Group Finance & Strategy	Aakash Minda
CFO	Vinod Raheja
CTO	Suresh D
Auditor	S.R. Batliboi & Co. LLP

Holdings – Top 10*

	% Holding		% Holding
Axis MF	5.42	Vanguard Group	1.33
Quant MF	3.05	Edelweiss AMC	1.10
Birla MF	2.41	Mahindra ManuLife	0.84
Kotak AMC	1.87	Dimensional Fund	0.53
Kotak Life	1.40	IDFC MF	0.35

*Latest public data

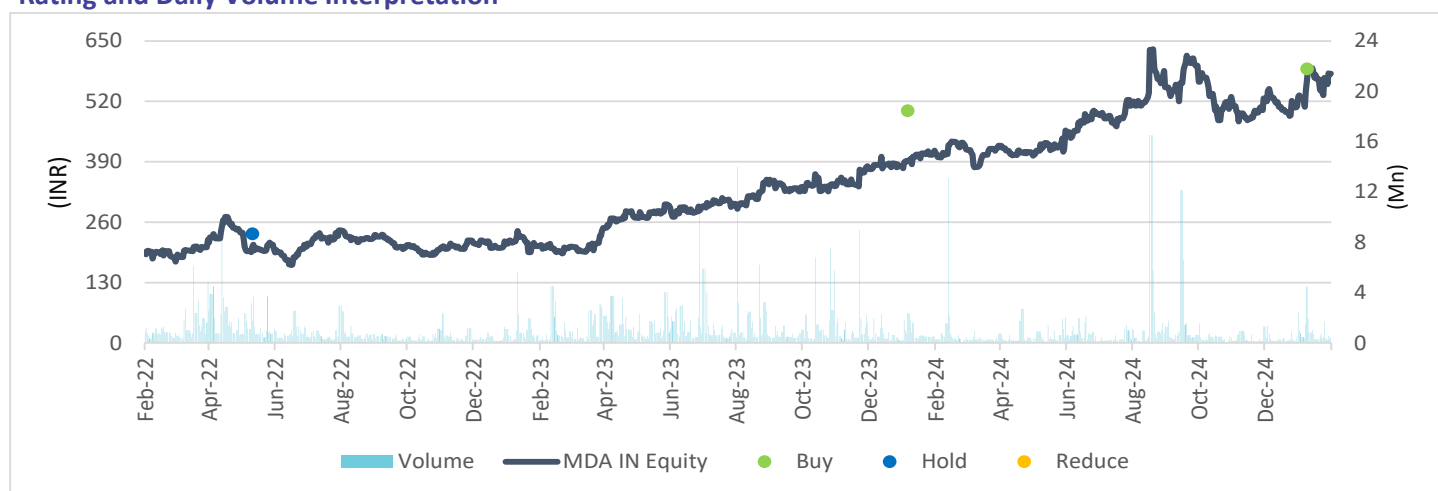
Recent Company Research

Date	Title	Price	Reco
15-Jan-25	Augmenting EV focus with Flash tie-up; <i>Nuvama Flash</i>	568	Buy
12-Nov-24	Minda Corporation (MDA IN, INR 494, BUY); <i>Result Update</i>	494	Buy
08-Aug-24	EBITDA beat; outlook remains bright; <i>Result Update</i>	520	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
23-Jan-25	SONA BLW PRECISION	Q3 undershoots; outlook stays positive; <i>Result Update</i>
16-Jan-25	CEAT	EBITDA undershoots; margins to improve; <i>Result Update</i>
11-Dec-24	CEAT	Camso buyout to expand OHT presence; <i>Company Update</i>

Rating and Daily Volume Interpretation



Source: Bloomberg, Nuvama research

Rating Rationale & Distribution: Nuvama Research

Rating	Expected absolute returns over 12 months	Rating Distribution
Buy	15%	226
Hold	<15% and >-5%	63
Reduce	<-5%	28

DISCLAIMER

Nuvama Wealth Management Limited (defined as “NWML” or “Research Entity”) a company duly incorporated under the Companies Act, 1956 (CIN No L67110MH1993PLC344634) having its Registered office situated at 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 is regulated by the Securities and Exchange Board of India (“SEBI”) and is licensed to carry on the business of broking, Investment Adviser, Research Analyst and other related activities. Name of Compliance/Grievance officer: Mr. Atul Bapna, E-mail address: complianceofficer.nwm@nuvama.com Contact details +91 (22) 6623 3478 Investor Grievance e-mail address- grievance.nwm@nuvama.com

This Report has been prepared by NWML in the capacity of a Research Analyst having SEBI Registration No.INH000011316 and Enlistment no. 5723 with BSE and distributed as per SEBI (Research Analysts) Regulations 2014. This report does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 includes Financial Instruments and Currency Derivatives. The information contained herein is from publicly available data or other sources believed to be reliable. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in Securities referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. The investment discussed or views expressed may not be suitable for all investors.

This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form 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 NWML and associates, subsidiaries / group companies to any registration or licensing requirements within such jurisdiction. The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose possession this report comes, should observe, any such restrictions. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. NWML reserves the right to make modifications and alterations to this statement as may be required from time to time. NWML or any of its associates / group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. NWML is committed to providing independent and transparent recommendation to its clients. Neither NWML nor any of its associates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance. The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. The information provided in these reports remains, unless otherwise stated, the copyright of NWML. All layout, design, original artwork, concepts and other Intellectual Properties, remains the property and copyright of NWML and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the copyright holders.

NWML shall not be liable for any delay or any other interruption which may occur in presenting the data due to any reason including network (Internet) reasons or snags in the system, break down of the system or any other equipment, server breakdown, maintenance shutdown, breakdown of communication services or inability of the NWML to present the data. In no event shall NWML be liable for any damages, including without limitation direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by the NWML through this report.

We offer our research services to clients as well as our prospects. Though this report is disseminated to all the customers simultaneously, not all customers may receive this report at the same time. We will not treat recipients as customers by virtue of their receiving this report.

NWML and its associates, officer, directors, and employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the Securities, mentioned herein or (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 subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance. (c) NWML may have proprietary long/short position in the above mentioned scrip(s) and therefore should be considered as interested. (d) The views provided herein are general in nature and do not consider risk appetite or investment objective of any particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with NWML (e) Registration granted by SEBI and certification from NISM in no way guarantee performance of NWML or provide any assurance of returns to investors and clients.

NWML or its associates may have received compensation from the subject company in the past 12 months. NWML or its associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. NWML or its associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Research analyst or his/her relative or NWML's associates may have financial interest in the subject company. NWML and/or its Group Companies, their Directors, affiliates and/or employees may have interests/ positions, financial or otherwise in the Securities/Currencies and other investment products mentioned in this report. NWML, its associates, research analyst and his/her relative may have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs and Currency Derivatives, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Research analyst has served as an officer, director or employee of subject Company: No

NWML has financial interest in the subject companies: No

NWML's Associates may have actual / beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report.

Research analyst or his/her relative has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

NWML has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

Subject company may have been client during twelve months preceding the date of distribution of the research report.

There were no instances of non-compliance by NWML on any matter related to the capital markets, resulting in significant and material disciplinary action during the last three years. A graph of daily closing prices of the securities is also available at www.nseindia.com

Analyst Certification:

The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Additional Disclaimers**Disclaimer for U.S. Persons**

This research report is a product of NWML, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by NWML only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, NWML has entered into an agreement with a U.S. registered broker-dealer, Nuvama Financial Services Inc. (formerly Edelweiss Financial Services Inc.) ("NFSI"). Transactions in securities discussed in this research report should be effected through NFSI.

Disclaimer for U.K. Persons

The contents of this research report have not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 ("FSMA").

In the United Kingdom, this research report is being distributed only to and is directed only at (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005 (the "Order"); (b) persons falling within Article 49(2)(a) to (d) of the Order (including high net worth companies and unincorporated associations); and (c) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons").

This research report must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this research report relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this research report or any of its contents. This research report must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person.

Disclaimer for Canadian Persons

This research report is a product of NWML, which is the employer of the research analysts who have prepared the research report. The research analysts preparing the research report are resident outside the Canada and are not associated persons of any Canadian registered adviser and/or dealer and, therefore, the analysts are not subject to supervision by a Canadian registered adviser and/or dealer, and are not required to satisfy the regulatory licensing requirements of the Ontario Securities Commission, other Canadian provincial securities regulators, the Investment Industry Regulatory Organization of Canada and are not required to otherwise comply with Canadian rules or regulations regarding, among other things, the research analysts' business or relationship with a subject company or trading of securities by a research analyst.

This report is intended for distribution by NWML only to "Permitted Clients" (as defined in National Instrument 31-103 ("NI 31-103")) who are resident in the Province of Ontario, Canada (an "Ontario Permitted Client"). If the recipient of this report is not an Ontario Permitted Client, as specified above, then the recipient should not act upon this report and should return the report to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any Canadian person.

NWML is relying on an exemption from the adviser and/or dealer registration requirements under NI 31-103 available to certain international advisers and/or dealers. Please be advised that (i) NWML is not registered in the Province of Ontario to trade in securities nor is it registered in the Province of Ontario to provide advice with respect to securities; (ii) NWML's head office or principal place of business is located in India; (iii) all or substantially all of NWML's assets may be situated outside of Canada; (iv) there may be difficulty enforcing legal rights against NWML because of the above; and (v) the name and address of the NWML's agent for service of process in the Province of Ontario is: Bamac Services Inc., 181 Bay Street, Suite 2100, Toronto, Ontario M5J 2T3 Canada.

Disclaimer for Singapore Persons

In Singapore, this report is being distributed by Nuvama Investment Advisors Private Limited (NIAPL) (Previously Edelweiss Investment Advisors Private Limited ("EIAPL")) (Co. Reg. No. 201016306H) which is a holder of a capital markets services license and an exempt financial adviser in Singapore and (ii) solely to persons who qualify as "institutional investors" or "accredited investors" as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Pursuant to regulations 33, 34, 35 and 36 of the Financial Advisers Regulations ("FAR"), sections 25, 27 and 36 of the Financial Advisers Act, Chapter 110 of Singapore shall not apply to NIAPL when providing any financial advisory services to an accredited investor (as defined in regulation 36 of the FAR. Persons in Singapore should contact NIAPL in respect of any matter arising from, or in connection with this publication/communication. This report is not suitable for private investors.

Disclaimer for Hong Kong persons

This report is distributed in Hong Kong by Nuvama Investment Advisors (Hong Kong) Private Limited (NIAHK) (Previously Edelweiss Securities (Hong Kong) Private Limited (ESHK)), a licensed corporation (BOM -874) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to Section 116(1) of the Securities and Futures Ordinance "SFO". 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 report also does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of any individual recipients. The Indian Analyst(s) who compile this report is/are not located in Hong Kong and is/are not licensed to carry on regulated activities in Hong Kong and does not / do not hold themselves out as being able to do so.

INVESTMENT IN SECURITIES MARKET ARE SUBJECT TO MARKET RISKS. READ ALL THE RELATED DOCUMENTS CAREFULLY BEFORE INVESTING.

Abneesh Roy

Head of Research Committee

Abneesh.Roy@nuvama.com
