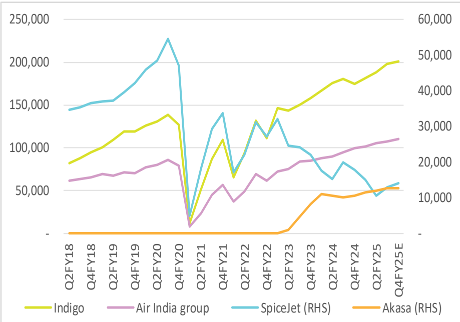
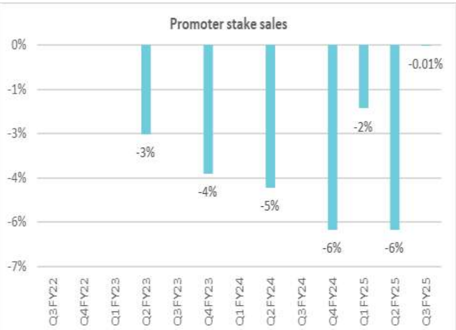
AVIATION MONTHLY

SECTOR UPDATE

Scheduled flights clock 12% YoY growth in Q4, led by IndiGo (+15%)



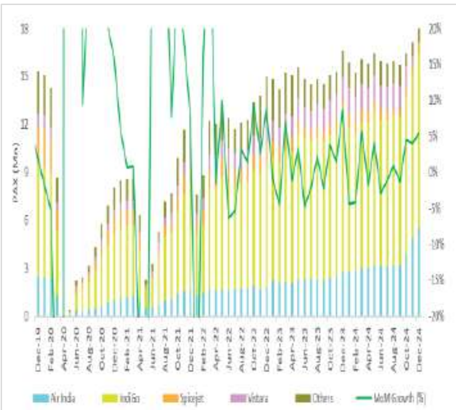
Continuous promoter stake sales



Dec: Total PAX +9% YoY (IndiGo 13%); PLF: -185bp

Particulars	Industry (Dec'24) YoY %	Industry (Dec'24) MoM %	IndiGo (Dec'24) YoY %	IndiGo (Dec'24) MoM %
PAX (in Mn)	9%	5%	13%	7%
Dom PAX (in Mn)	8%	5%	12%	6%
Intl PAX (in Mn)	10%	8%	19%	11%
ASKM (Bn KMs)	11%	5%	13%	6%
PLF(%)	-185 bps	-54 bps	-3 bps	32 bps

PAX Dec-24: Total +9% YoY/International +10%



Q4 flights growth healthy, led by IndiGo

We capture scheduled flights, PAX, capacity and market shares.

Highlights: i) Scheduled flights growth healthy at 12% YoY in Q4 led by IndiGo's 15% rise. ii) Industry ASKM growth at 11% YoY outpacing PAX growth at 9% in Dec-24, leading to by 185bp fall in industry PLF. iii) Dec-24 total PAX grew 9% YoY (IndiGo: +13% YoY). iv) IndiGo could see the customary half-yearly stake sale by co-promoter in Q4FY25, acting as an overhang on the stock. v) IndiGo has damp-leased wide-bodied aircraft as a stopgap arrangement until it procures its own aircraft 2027 onwards, pressurising profitability as it seeds the long-haul market. vi) We maintain 'HOLD' on both IndiGo and SpiceJet given excessive valuations and uncertainty on growth post the recent QIP, respectively.

Scheduled flights growth robust at 12% YoY in Q4, IndiGo leads

Scheduled flights in Q4FY25 stand at ~339k, set to grow at a healthy 12% YoY as domestic flights rise 10% with international flights even stronger, up 23%. IndiGo is leading the way as its scheduled flights are set to expand 15% YoY with domestic flights rising 13% and international by one-third in Q4. As a result, IndiGo's domestic market share could potentially rise from 64% in Dec-24.

Promoter stake sales a potential overhang on IndiGo stock price

Continuous sales by the co-promoter is likely to be an overhang on the stock price. We observe a sizeable stake sale (3–6%) every six months in Q2/Q4 since FY23 with another sale likely in Q4FY25. We reckon a complete exit in two–three tranches for the remaining ~13.5% share of the exiting co-promoter.

Industry ASKM > PAX growth in Dec-24; PLFs weaken

In Dec-24, industry ASKM (capacity) increased by 11% YoY versus overall PAX growth at 9%. We reckon this is the key reason for industry PLF to decrease 185bp YoY. Compared with the industry, IndiGo relatively outperformed with 13% YoY PAX growth versus 9% for the industry, 91% PLF versus industry PLF at 89% and 13% YoY ASKM growth versus 11% ASKM increase for the industry. IndiGo's domestic market share in Dec-24 stood at 64%, up 238bp YoY led by better PLF and ASKM growth.

IndiGo damp leases wide-bodied aircraft; international foray risky

IndiGo has signed a damp-lease agreement with Norse Atlantic for one wide bodied aircraft (Boeing 787-9 Dreamliner) with operations to start in Mar-25 for servicing long-haul routes, primarily to Europe, as per media reports. The initial term is for six months, extendable up to 18 months. This follows an LoI signed in Nov-24 between the two for leasing six aircraft. We view this move as a stopgap arrangement until IndiGo gets its own wide-bodied aircraft while the company is also likely seeding the market, albeit at a high cost. Deliveries of IndiGo's own wide-bodied aircraft are due 2027 onwards. We argue IndiGo's international foray is fraught due to inexperience and relatively high competition vis-à-vis India's domestic market—a duopoly.

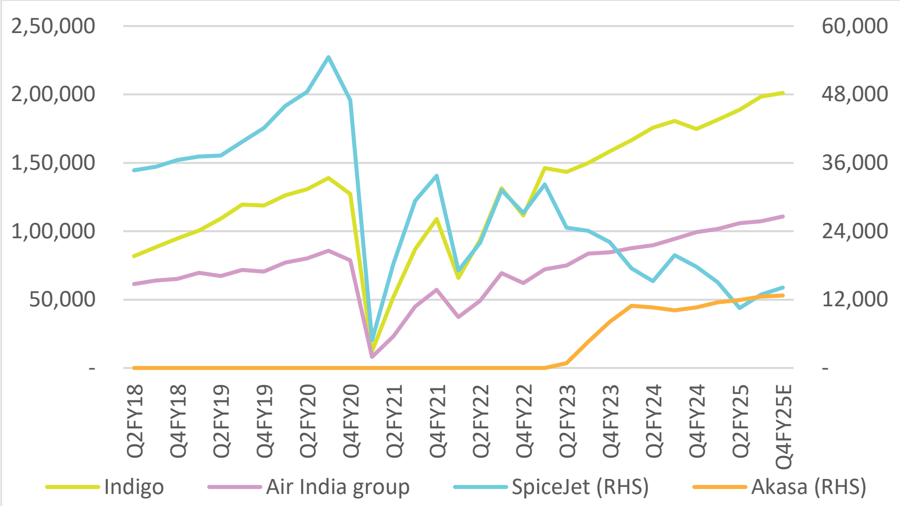
Jal Irani
Jal.Irani@nuvama.com

Tanay Kotecha
tanay.kotecha@nuvama.com

Akshay Mane
akshay.mane@nuvama.com

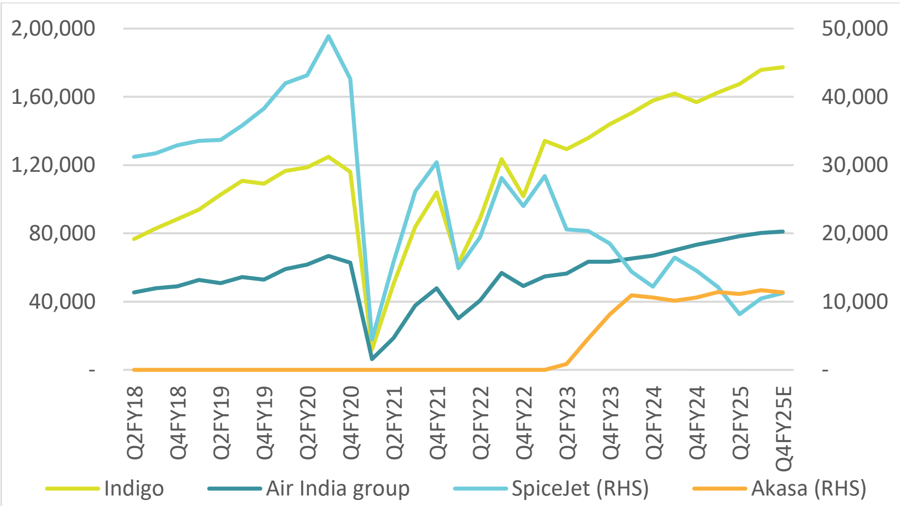
Scheduled flights growth healthy at 12% YoY in Q4; IndiGo leading the way

Exhibit 1: Scheduled flights growth robust at 12% YoY in Q4FY25 (IndiGo +15%)



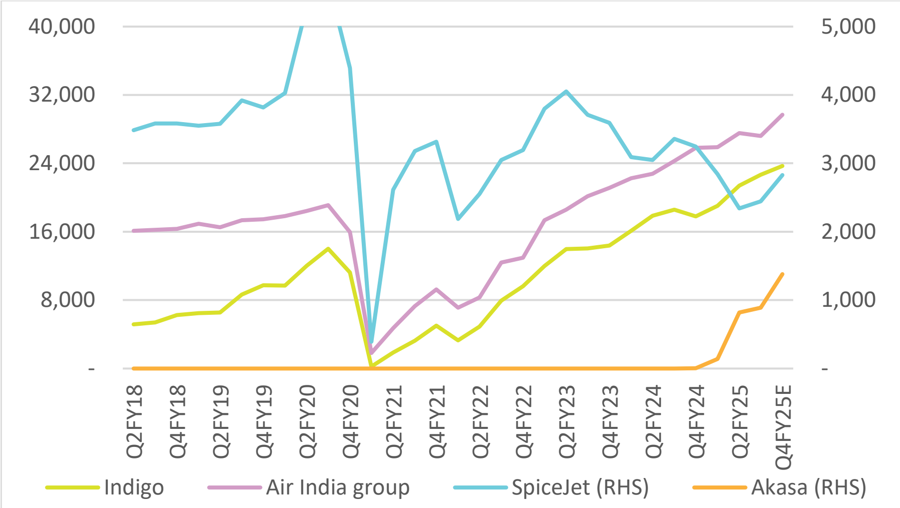
Source: DGCA, Bloomberg, Nuvama Research

Exhibit 2: Domestic scheduled flights growth healthy at 10% (IndiGo +13%)



Source: DGCA, Bloomberg, Nuvama Research

Exhibit 3: International scheduled flights growth strong at 23% (IndiGo up one-third)



Source: DGCA, Bloomberg, Nuvama Research

Exhibit 4: Industry overview: Total PAX +9% YoY (IndiGo +13%); Industry PLF: -185bp YoY (IndiGo -3bp) in Dec-24

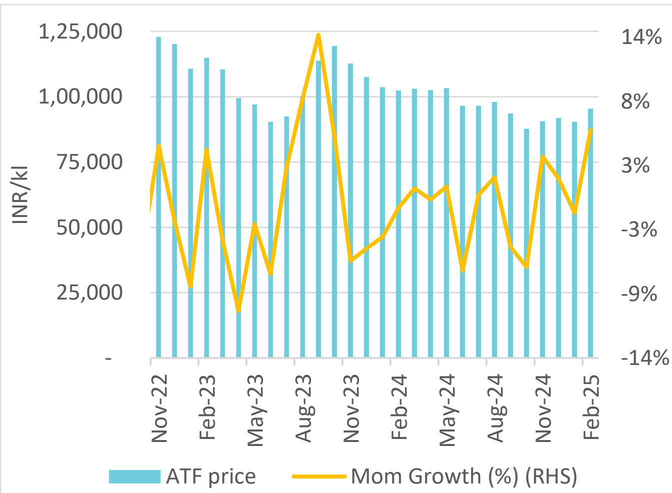
Particulars	Industry	Industry	Industry	IndiGo	IndiGo	IndiGo
	(Dec'24)	(Dec'24) YoY %	(Dec'24) MoM %	(Dec'24)	(Dec'24) YoY %	(Dec'24) MoM %
PAX (in Mn)	18.0	9%	5%	11.0	13%	7%
Dom PAX (in Mn)	15.0	8%	5%	9.6	12%	6%
Intl PAX (in Mn)	3.1	10%	8%	1.3	19%	11%
ASKM (Bn KMs)	16.5	11%	5%	10.1	13%	6%
PLF(%)	89	-185 bps	-54 bps	91	-3 bps	32 bps

Source: DGCA, Nuvama Research

Bearish crude outlook to support margins; ATF price rise temporary

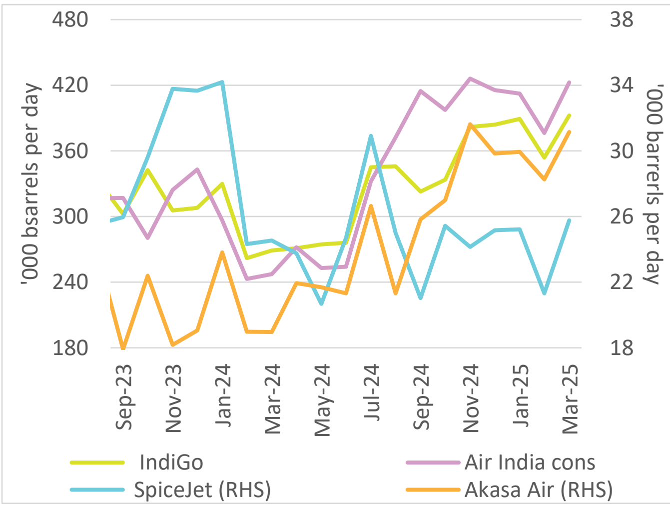
A bearish outlook for crude is likely to result in lower ATF prices for airlines, thereby supporting margins. The 6% sequential ATF price hike is temporary due to a sharp spike in crude prices during Jan-25 as OPEC delayed a reversal of production cuts. ATF demand in India is set to rise to ~870kbpd in Mar-25 on an improvement in connectivity to new cities, increasing travel distances.

Exhibit 5: ATF prices down 7% YoY; -+6 MoM in Feb-25



Source: Company, Nuvama Research

Exhibit 6: ATF consumption seen at ~870kbpd in Mar-25

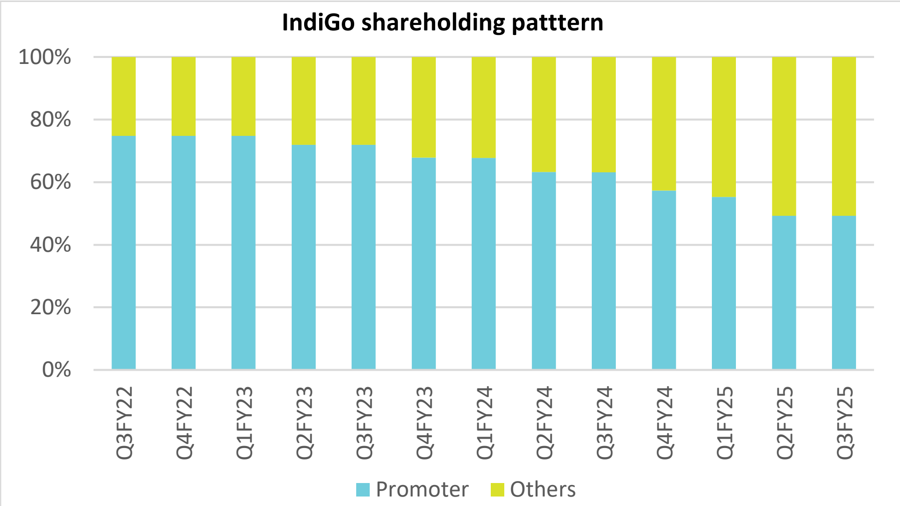


Source: Bloomberg, Nuvama Research

Promoter stake sales, an overhang

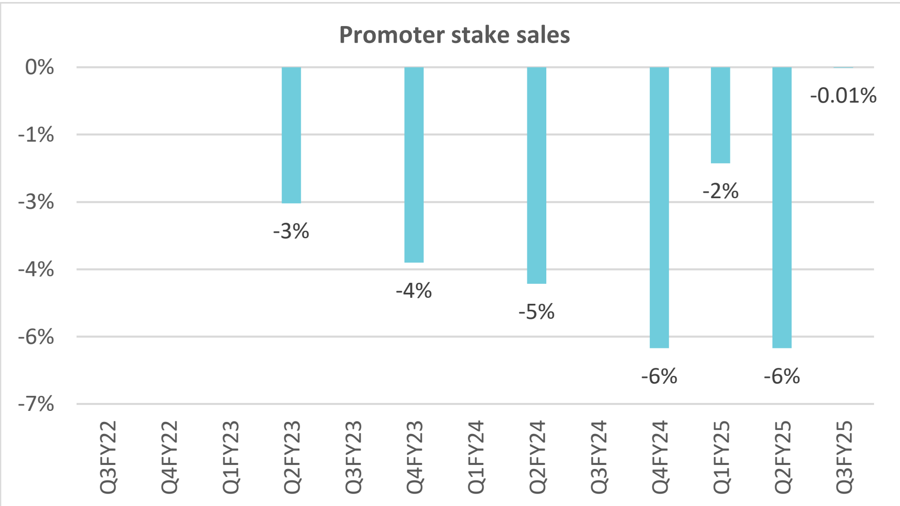
In the wake of a disagreement among promoters, one of the major promoters has been continuously selling stake in the company—with the final objective of exiting the company. At Q3FY22, the exiting promoter's stake stood at 36.6%, which has reduced to 13.5%. We observe the exiting promoter has been paring stake every six months or so since the Sep-22 quarter. As a surprise to the market, the other promoter sold a 2% stake in Q1FY25 (first time since the company listed), which raised speculation of both promoters exiting the company. However, a clarification from the other promoter alleviated those concerns given the intended objective of the sale was primarily to fund other business ventures of the promoter group.

Exhibit 7: Promoter stake has been continuously falling in recent quarters…



Source: Company, Nuvama Research

Exhibit 8: …as exiting promoter has been selling stakes every six months or so



Source: Company, Nuvama Research

Key news highlights

- Budget-carrier IndiGo has signed a lease agreement with Norway-based Norse Atlantic Airways for a Boeing 787-9 Dreamliner, the Norwegian airlines said in a press release on Thursday. The aircraft is likely to begin operations in Mar-25, marking a key step in IndiGo's efforts to expand its long-haul international services. *(refer to **Business Standard**).*

- Airlines including IndiGo, Air India and Akasa Air are all betting on expansion of their international operations for profitability and growth in 2026 and beyond, with all domestic airlines collectively looking to increase their market share in the international segment beyond the 50% mark in 2025. An analysis of international passenger traffic data by airline from the Directorate General of Civil Aviation (DGCA) for the first three quarters of 2024 shows that Indian carriers accounted for an all-time high of 45.6% market carrying around 24.2 million passengers, when compared with 20.68 million passengers carried in the same period in 2023. *(refer to **Moneycontrol**).*

- Akasa Air has brought marquee investors on board, in an effort to infuse fresh capital into the airline, including names Premji Invest, Dr Ranjan Pai, and 360 ONE Asset, a statement by the airline said. The Jhunjhunwala family too has also committed additional capital infusion into the airline. The airlines said that the funds raised will fuel its path to becoming one of the top 30 airlines in the world by the end of this decade. (refer to ***Moneycontrol*****).**

- As many as 268 instances of aircraft malfunctioning were reported by private airlines in the 13 months ended January this year, according to official data. Data presented to the Lok Sabha as part of a written reply by the civil aviation ministry on Thursday showed that in 2023, the number of such instances stood at 384. *(refer to **The Economic Times**).*

- Air India and Virgin Australia have entered into a new codeshare partnership, enhancing travel connectivity between India and Australia. This agreement allows Air India to place its 'AI' code on Virgin Australia flights, offering seamless onward connections for passengers travelling beyond Sydney and Melbourne to 16 destinations in Australia and New Zealand. *(refer to **Financial Express**).*

- Air India Express, a subsidiary of Air India and a part of the Tata Group, is all set to connect Kolkata with the Hindon airport in Ghaziabad district of Uttar Pradesh, an airline spokesperson said. The spokesperson also claimed that AI Express will be the first airline to operate out of Hindon airport with a jet engine airliner and Kolkata will be the first place to be connected with the big plane *(refer to **Hindustan Times**).*

- The Directorate General of Civil Aviation imposed a financial penalty of INR3mn in December last year on Air India Express for installing and operating a Boeing aircraft with an external livery without its permission, Parliament was informed. According to the data shared as part of the written reply, a total of 23 enforcement actions were taken by three directorates under the DGCA in 2024 (refer to ***Business Standard*****).**

Exhibit 9: Domestic carriers to add 84 aircraft in FY25

Indian airlines are projected to have a registered fleet of more than 800 aircraft by the end of FY2025, an increase of 84 aircraft over FY2024

Aircraft induction projections, Apr-2023–Mar-2024

Airline	Fleet size in Mar-2024 (including AoG)	Net inductions expected in Mar-2024 by end Mar-2025	Projected fleet for Mar-2025	Current fleet	Current projection for Mar-2025
IndiGo	367	33	400	395	410 • Includes wet leased fleet • Expect 777 wet leases to continue
AIR INDIA	270	45	315	300-304	315-319 • Air India Express: 120 • Air India: 195-199
SpiceJet	66	–	66	56	56
Akasa Air	24	7	31	25	25-26
Total	**728**	**84**	**812**	**776-780**	**806-811**

Air India Group includes Air India, Vistara, Air India Express and AirAsia India
Source: CAPA India research and analysis

Indicative only for strategic reasons

CAPA

© 2024 CAPA India

Source: CAPA

Exhibit 10: Grounded aircraft set to reduce, increasing capacities

Around 120 aircraft are still expected to be grounded by Mar-2025, due to supply chain and other issues. This will be down from 150+ in Mar-2024.

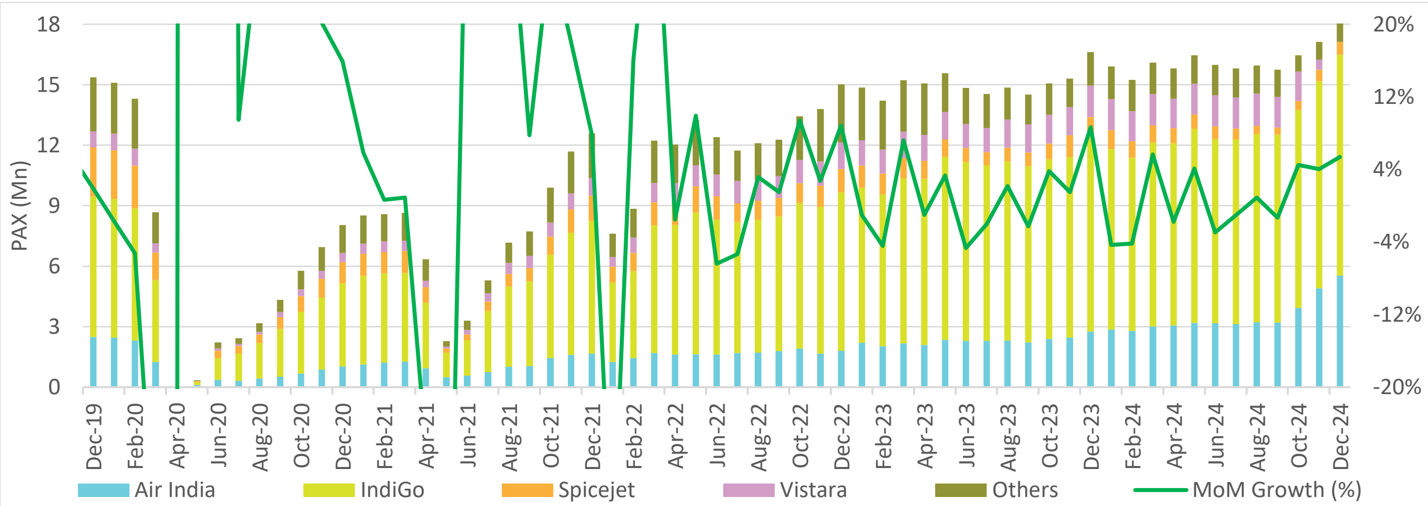
Airline	Estimated grounded aircraft Mar-2024	Estimated grounded aircraft Mar-2025	Comments
IndiGo	75–80	70+	▪ Aircraft grounded primarily due to supply chain issues. These are our estimates and actuals may vary. ▪ Marginal improvement in the supply of engines.
Air India	25–30	30	▪ Aircraft grounded due to engine supply and spare parts issues.
SpiceJet	34	20+	▪ Expect around half of the current ~40 grounded aircraft to be returned to service by the end of the FY
Total Operating fleet (excluding aircraft on ground)	584–594	686-691	▪ Limited change in the grounded fleet, the increase in the operating fleet is largely due to induction of aircraft by IndiGo and Air India Express.

Note: Based on CAPA India estimates, actuals may vary
Source: CAPA India research and analysis

CAPA

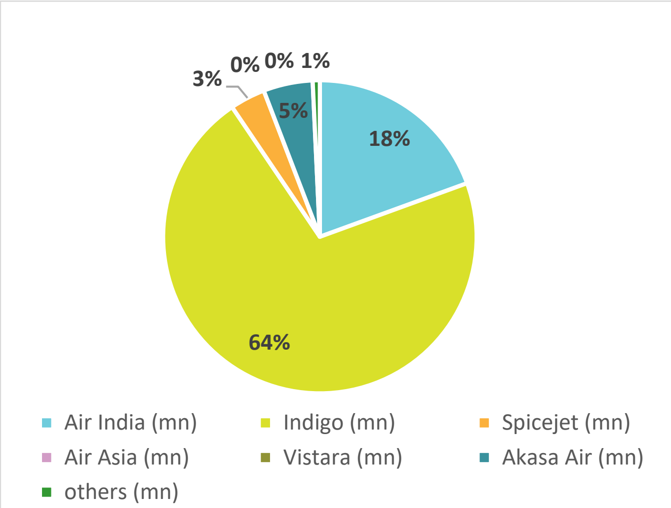
Source: CAPA

Exhibit 11: Total PAX +9% YoY/+5% MoM in Dec-24



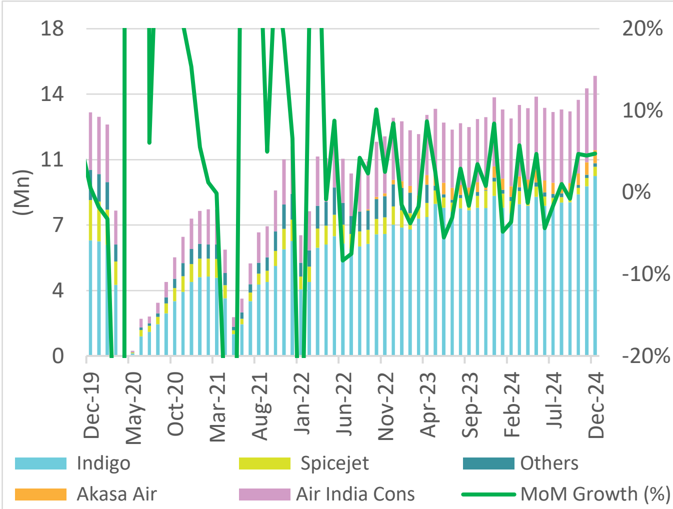
Source: DGCA, Nuvama Research

Exhibit 12: IndiGo leads with 64% domestic market share



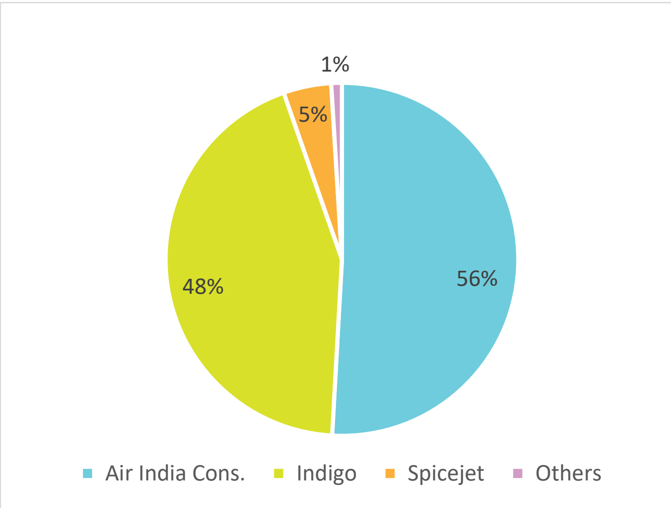
Source: DGCA, Nuvama Research

Exhibit 13: Domestic PAX up 8% YoY/5% MoM in Dec-24



Source: DGCA, Nuvama Research

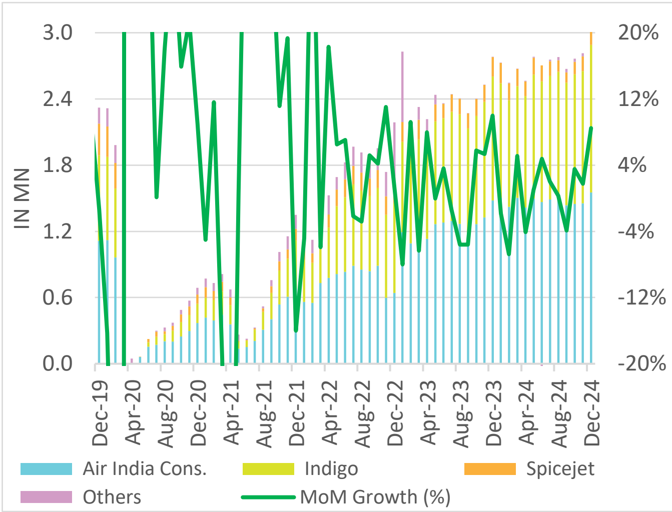
Exhibit 14: Air India group leads international market share*



Source: DGCA, Nuvama Research

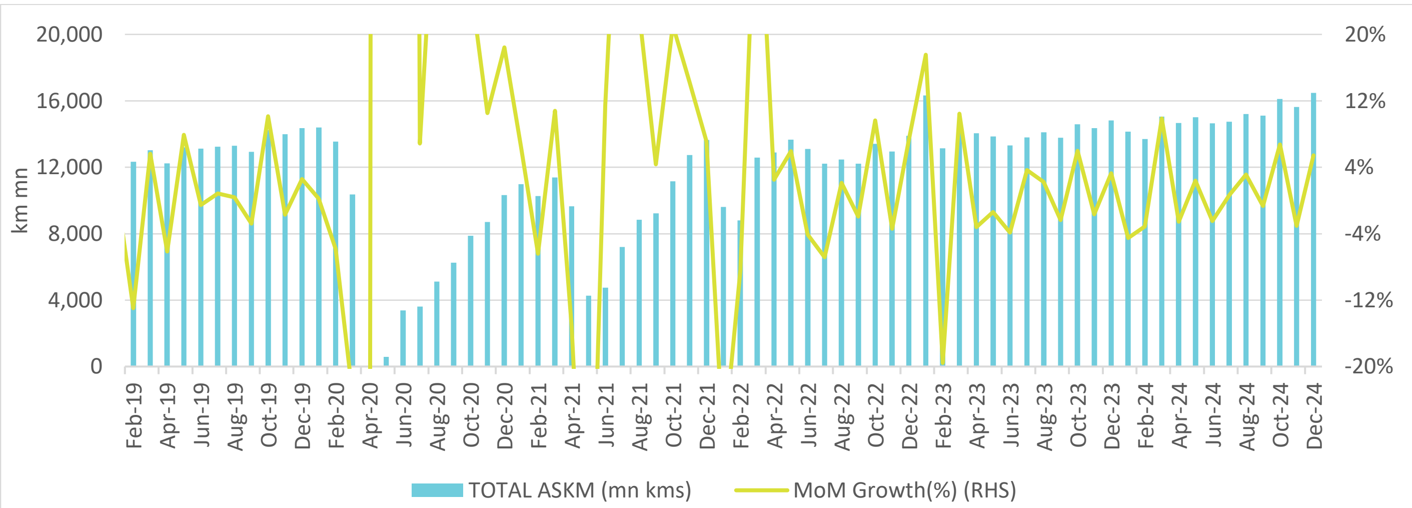
**among Indian airlines with a 56% share*

Exhibit 15: International PAX up 10% YoY/8% MoM in Dec-24



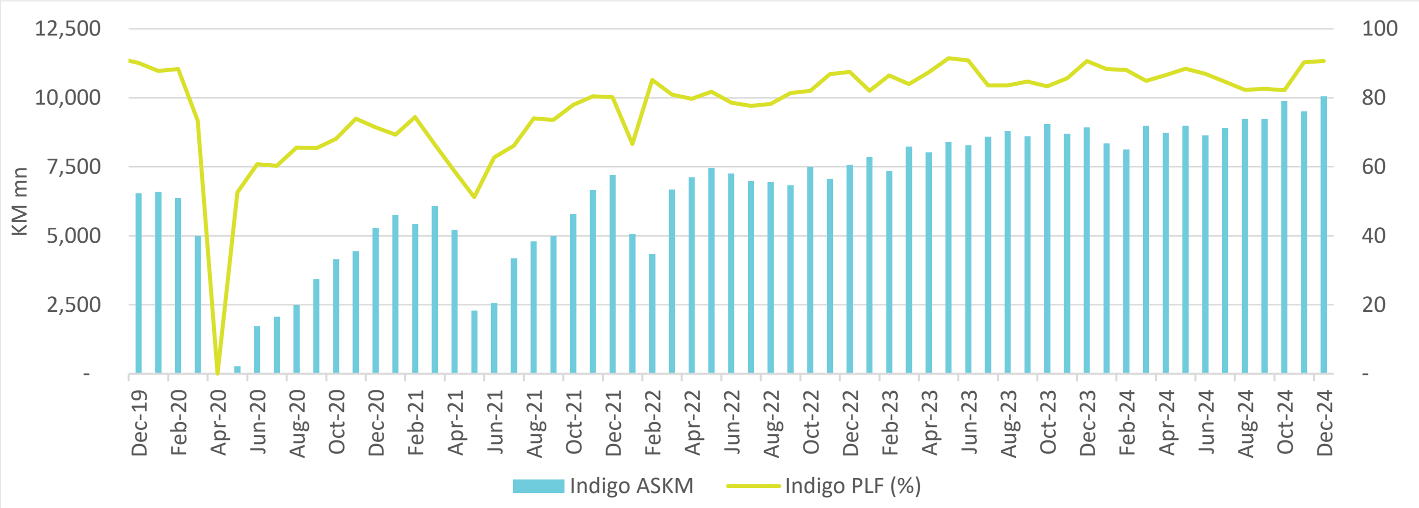
Source: DGCA, Nuvama Research

Exhibit 16: Total Indian aviation ASKM up 11% YoY/5% MoM in Dec-24



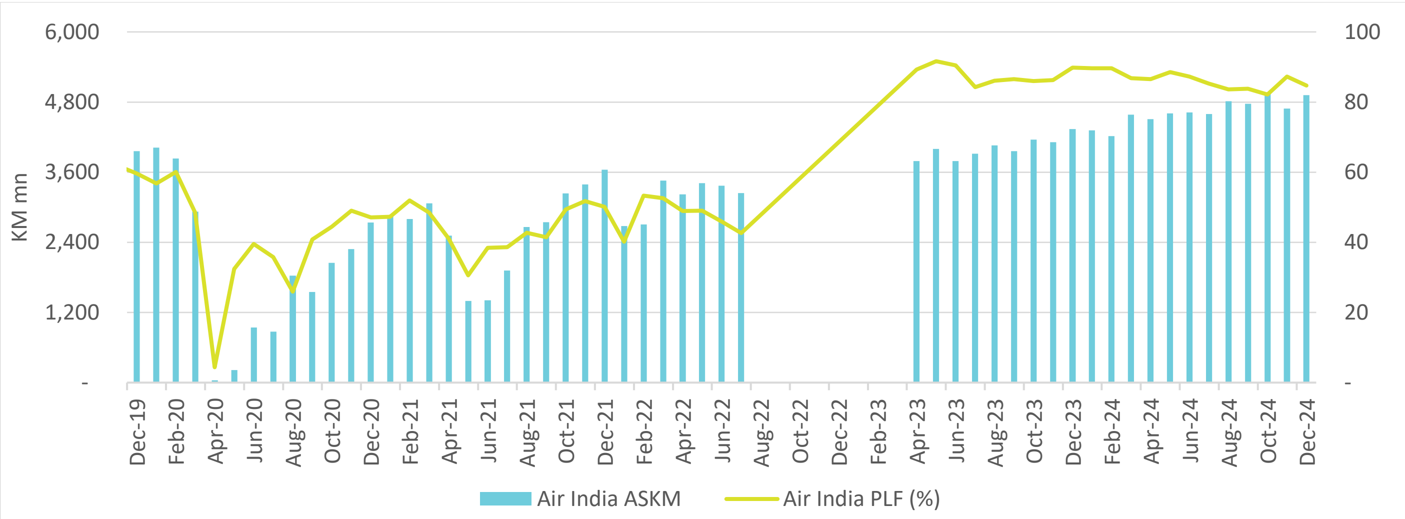
Source: DGCA, Nuvama Research

Exhibit 17: IndiGo ASKM rises 13% YoY led by expansion of fleet; PLF at 91% (-3bp YoY) in Dec-24



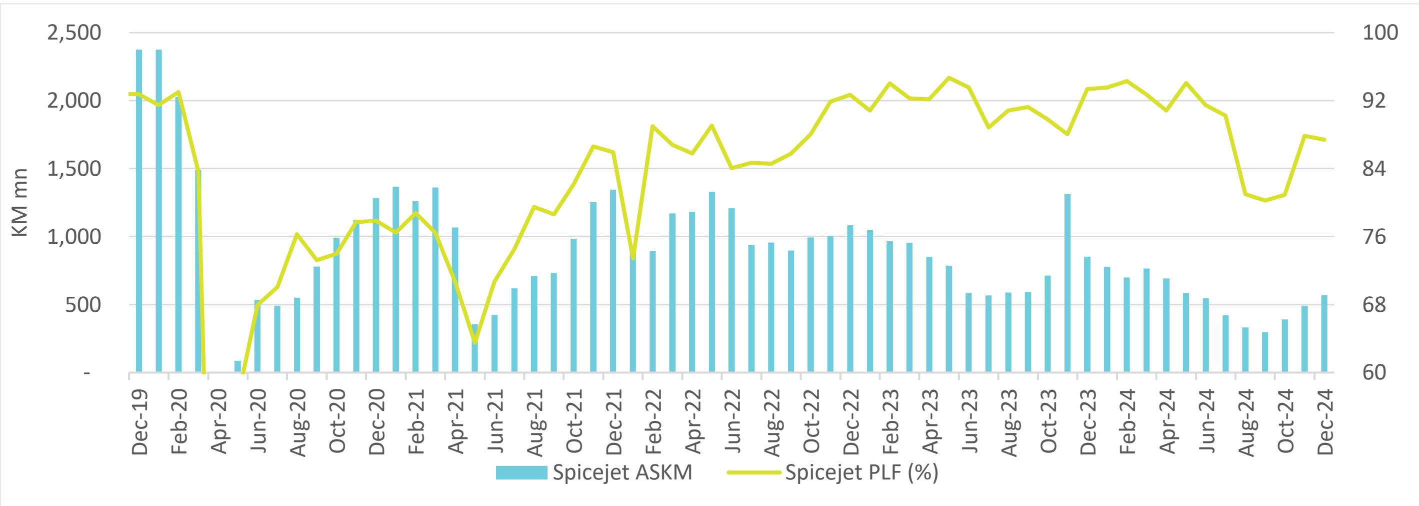
Source: DGCA, Nuvama Research

Exhibit 18: Air India ASKM up 13% YoY/up 5% MoM; PLF at 85% (-259bp MoM) in Dec-24



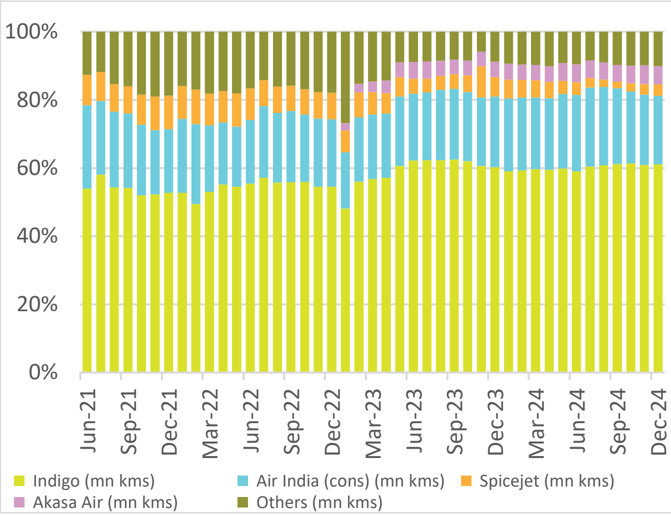
Source: DGCA, Nuvama Research

Exhibit 19: SpiceJet ASKM down 33% YoY/up 16% MoM; PLF at 87% (-45bp MoM) in Dec-24



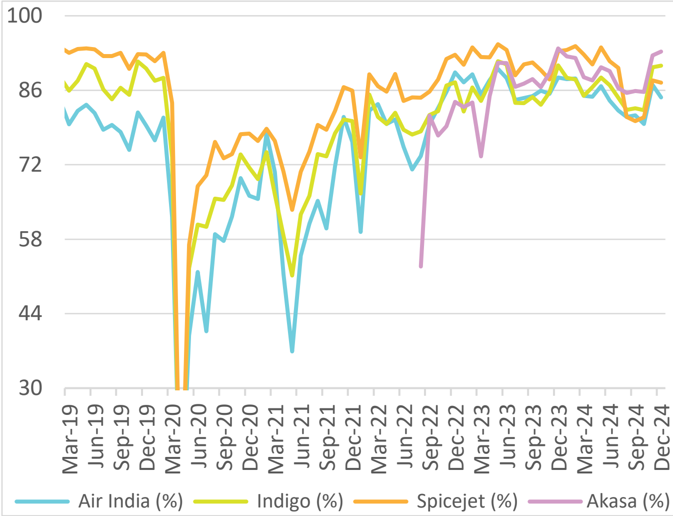
Source: DGCA, Nuvama Research

Exhibit 20: Domestic ASKM share by airline; IndiGo tops*



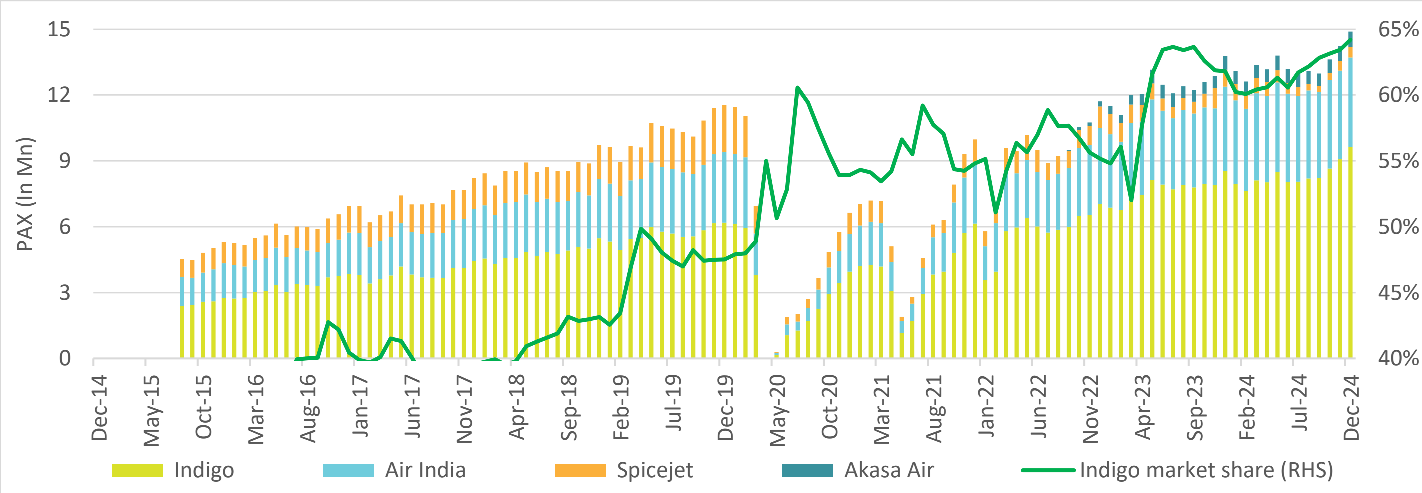
Source: DGCA, Nuvama Research
**in Dec-24*

Exhibit 21: PLFs dip 185bp YoY in Dec-24



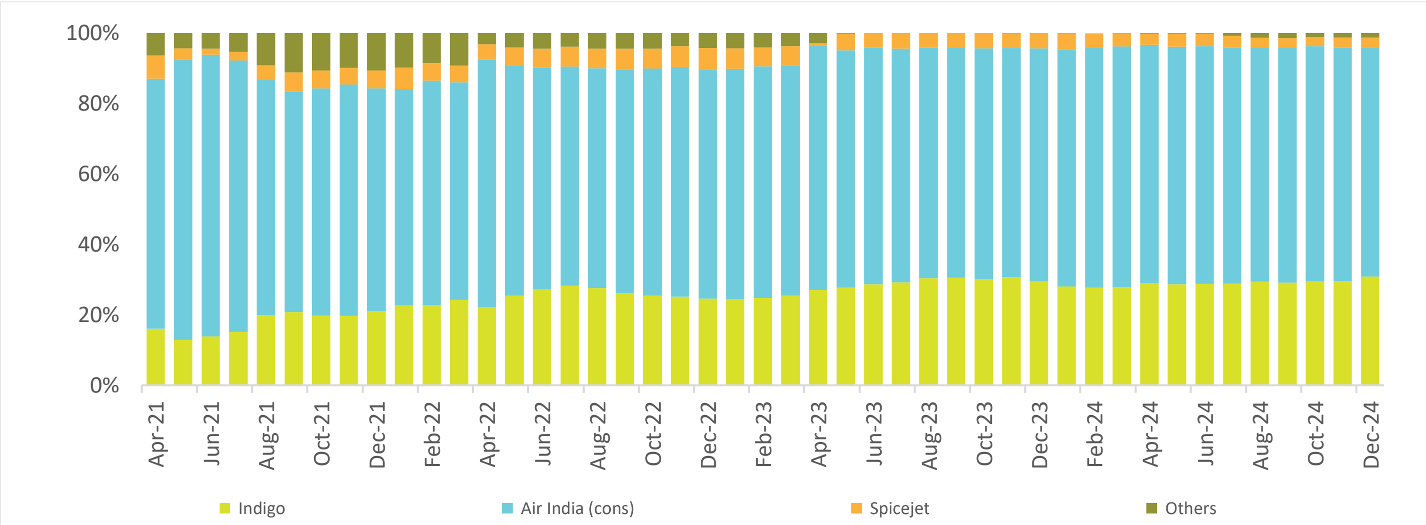
Source: DGCA, Nuvama Research

Exhibit 22: IndiGo's domestic market share up 238bp YoY to 64% in Dec-24



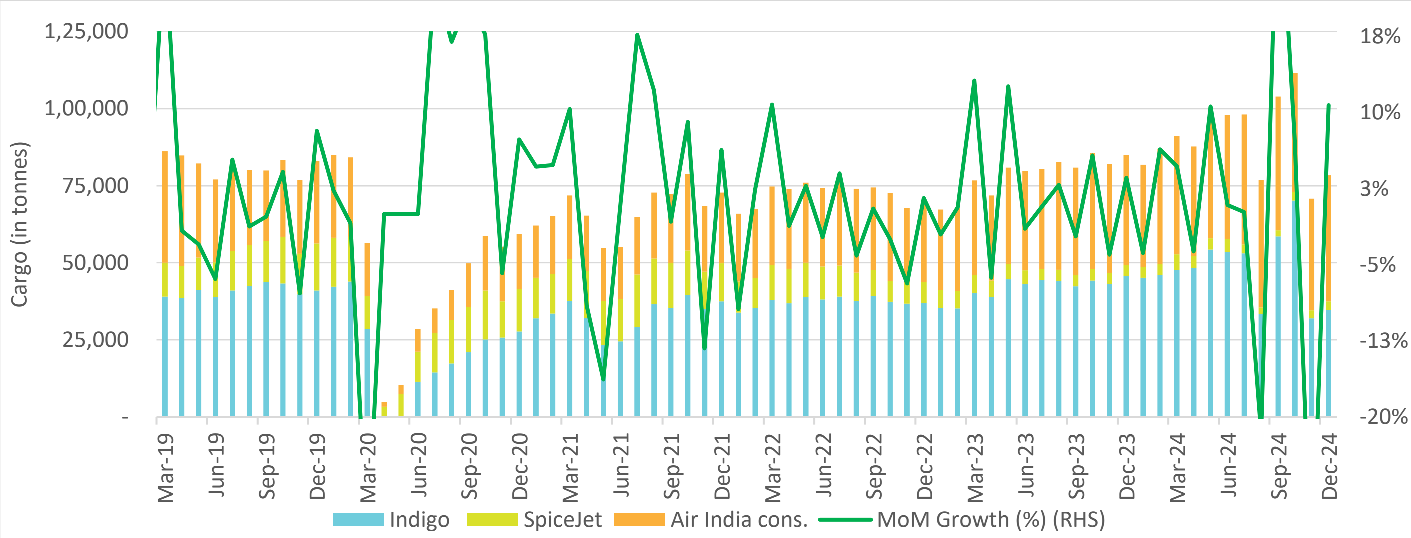
Source: DGCA, Nuvama Research

Exhibit 23: International ASKM share by airline; Air India group maintains lead in Dec-24



Source: DGCA, Nuvama Research

Exhibit 24: Air cargo down 7% YoY in Dec-24



Source: DGCA, Company, Nuvama Research

Exhibit 25: Peer comparison in domestic aviation market

Table	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
PAX (Mn)																
Indigo	7.80	7.93	7.90	8.56	7.93	7.63	8.11	8.03	8.51	8.04	8.05	8.20	8.22	8.65	9.08	9.62
Spicejet	0.55	0.63	0.94	0.78	0.74	0.66	0.70	0.62	0.55	0.50	0.41	0.30	0.26	0.34	0.44	0.49
Air India Group	5.41	5.57	5.52	6.00	5.93	5.78	6.01	5.87	6.07	5.96	5.81	5.96	5.80	5.28	4.45	4.09
Akasa	0.52	0.52	0.54	0.60	0.60	0.57	0.59	0.58	0.66	0.63	0.60	0.59	0.57	0.62	0.67	0.69
RPKM (Mn Km)																
Indigo	7,288	7,539	7,453	8,098	7,377	7,157	7,631	7,557	7,950	7,515	7,532	7,603	7,627	8,132	8,596	9,117
Spicejet	539	640	1,156	795	727	661	710	630	549	499	381	268	238	315	432	498
Air India Group	3,424	3,576	3,547	3,895	3,869	3,776	3,979	3,902	4,076	4,036	3,916	4,023	3,997	4,065	4,091	4,166
Akasa	527	541	545	620	611	571	598	603	708	692	659	650	635	714	804	813
ASKM (Mn Km)																
Indigo	8,605	9,050	8,703	8,930	8,351	8,127	8,984	8,730	8,990	8,640	8,903	9,236	9,235	9,887	9,517	10,058
Spicejet	590	713	1,313	851	777	700	766	693	584	546	422	331	296	390	492	569
Air India Group	3,957	4,159	4,111	4,338	4,318	4,215	4,584	4,508	4,603	4,624	4,594	4,814	4,770	4,946	4,688	4,920
Akasa	598	625	611	660	661	620	676	686	784	772	763	760	739	834	869	872
PLF (%)																
Indigo	85	83	86	91	88	88	85	87	88	87	85	82	83	82	90	91
Spicejet	91	90	88	93	94	94	93	91	94	91	90	81	80	81	88	87
Air India Group	87	86	86	90	90	90	87	87	89	87	85	84	84	82	87	85
Akasa	88	87	89	94	92	92	88	88	90	90	86	86	86	86	93	93

Source: DGCA, Nuvama Research

Exhibit 26: Global airline peers valuation

Company	Mcap	EV	EBITDAR (LC mn)			EV/EBITDAR (x)			ROE (%)		
	(USD mn)	(LC mn)	FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E
India Aviation											
Indigo	19,557	1,932,199	176,405	198,592	226,537	11.0	9.7	8.5	NM	NM	NM
Spicejet	651	108,211	20,415	24,119	21,863	5.3	4.5	4.9	NM	NM	NM
India Aviation-Mean						**8.1**	**7.1**	**6.7**			
US Aviation											
Delta Airlines	41,561	61,263	9,135	9,098	10,554	6.7	6.7	5.8	44.3	32.5	29.5
American Airlines	10,567	41,127	7,225	6,297	7,148	5.7	6.5	5.8	-6.7	-10.7	NM
South West Airlines	17,780	17,135	2,430	2,223	2,909	7.1	7.7	5.9	7.6	4.9	10.0
US Aviation-Mean						**6.5**	**7.0**	**5.8**	**15.1**	**8.9**	**19.7**
Europe Aviation											
Ryanair	22,356	21,399	3,125	2,823	3,344	6.8	7.6	6.4	28.4	21.1	24.0
Lufthansa	8,180	12,956	5,832	4,584	5,240	2.2	2.8	2.5	19.3	10.7	12.4
Europe Aviation-Mean						**4.5**	**5.2**	**4.4**	**23.8**	**15.9**	**18.2**
APAC Aviation											
Singapore Airlines	14,232	23,098	4,968	4,192	3,964	4.6	5.5	5.8	14.5	13.8	8.8
Air China	14,561	313,775	29,463	29,841	37,071	10.6	10.5	8.5	-0.6	0.5	11.9
Cathay Pacific Airways Ltd	8,314	122,380	28,066	26,807	27,082	4.4	4.6	4.5	14.6	13.8	13.6
Japan Airlines Co Ltd	7,487	1,378,110	283,643	317,591	333,578	4.9	4.3	4.1	10.7	10.8	11.1
APAC Aviation-Mean						**6.1**	**6.2**	**5.7**	**9.8**	**9.7**	**11.4**
Global Aviation-Mean						**6.3**	**6.4**	**5.7**	**16.2**	**11.5**	**16.4**

Source: Bloomberg, Nuvama Research

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

ABNEESH KUMAR ROY

Digitally signed by ABNEESH KUMAR ROY
DN: c=IN, o=Personal,
pseudonym=47IeWj0vIzKRUdWSEFvWUquxP0HUOyNu,
2.5.4.20=e648fc28137c6fa4c0e6296c524ee518d54fd4f7ba4be4d07cb750c531c68e2c,
postalCode=400098, st=Maharashtra,
serialNumber=7370c9de10fb28bbf7cbc6f71afe3cfe848fa7245a8d681629dc3093fb2a8ea9,
cn=ABNEESH KUMAR ROY
Date: 2025.02.20 23:20:46 +05'30'
Adobe Acrobat version: 2024.005.20399