

PVR INOX

RESULT UPDATE

KEY DATA

Rating	BUY
Sector relative	Outperformer
Price (INR)	963
12 month price target (INR)	1,545
52 Week High/Low	1,748/826
Market cap (INR bn/USD bn)	95/1.1
Free float (%)	81.2
Avg. daily value traded (INR mn)	476.0

SHAREHOLDING PATTERN

	Mar-25	Dec-24	Sep-24
Promoter	27.53%	27.49%	27.49%
FII	20.39%	19.21%	20.69%
DII	36.30%	40.03%	39.85%
Pledge	10.71%	5.93%	5.93%

FINANCIALS

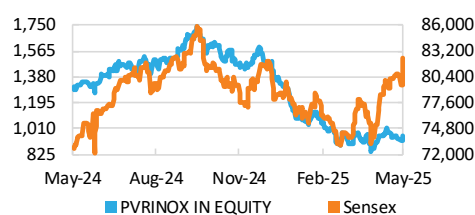
(INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Revenue	61,071	57,799	66,389	77,732
EBITDA	18,101	15,416	19,992	23,436
Adjusted profit	(320)	(2,796)	4,769	7,508
Diluted EPS (INR)	(3.3)	(28.5)	48.6	76.5
EPS growth (%)	(93.7)	772.9	nm	57.5
RoAE (%)	(0.4)	(3.9)	6.5	9.5
P/E (x)	nm	nm	19.9	12.6
EV/EBITDA (x)	14.0	16.0	11.9	9.7
Dividend yield (%)	0	0	0	0

CHANGE IN ESTIMATES

	Revised estimates		% Revision	
Year to March	FY26E	FY27E	FY26E	FY27E
Revenue	66,289	77,732	-5.3%	-3.6%
EBITDA	19,992	23,436	-4.0%	-2.6%
Adjusted profit	4,769	7,508	-4.8%	-5.0%
Diluted EPS (INR)	48.6	76.5	-5.0%	-5.2%

PRICE PERFORMANCE



More visibility in Regional and Hollywood

PVR INOX posted Q4FY25 revenue (flat YoY) and EBITDA (up 1.7% YoY), slightly above our estimates and reported a loss of INR1.3bn. Box office revenue inched up 3.5% YoY. F&B/ad revenue dipped 7.8%/7.9% YoY. ATP/SPH came in at INR258 (up 10.5% YoY)/INR125 (down 3.5% YoY) with footfall at 30.5mn (down 6.3% YoY). EBITDA margin at 22.7% was flat YoY. In Q4FY25, the company reduced net debt by ~INR1.7bn.

Factoring in the continued soft performance, we are cutting FY26E/27E EBITDA by 4%/2.6% and target EV/EBITDA multiple to 10x (earlier 11x), yielding a revised target price of INR1,545 (earlier INR1,765); maintain 'BUY'. The Regional and Hollywood content pipeline in Q1FY26 is robust.

Weak occupancy levels

What we like: ATP at INR258 was up 10.5% YoY. Gross debt fell to INR14.9bn versus INR16.6bn in Q3. Income from film distribution surged ~40% to INR548mn in Q4FY25 from INR397mn in Q3FY24 for distributing *Skyforce*. Regional box office clocked a 7% YoY rise. Re-releases contributed to 7.1mn footfalls for FY25 (5% of overall). Exit of underperforming screens saved INR80mn in EBITDA losses.

What we do not like: Footfalls at 30.5mn were down 6.3% YoY. SPH at INR125 was down 3.5% YoY. After posting its highest ever ad revenue in Q3, the company clocked a 7.9% fall YoY in Q4. Occupancy levels were 20.5% (22.6% in Q4FY24). Movie exhibition cost sharply increased 25.8% YoY.

Pipeline: In Q1FY26E, key Bollywood films slated for release are *Housefull 5* and *Sitare Zameen Par*. Hollywood releases include *Mission Impossible—The Final Reckoning*, *Formula One* and *Final Destination: Bloodlines*. Regional releases include *Thug Life* and *Kuberaa*.

Q4FY25 conference call highlights

PVR INOX expects to open 100–110 new screens in FY26 out of which majority will be under the capital light model. With the new screen additions, the company expects minimal impact on overall margins, but a significantly positive impact on overall cash flow in the near term. With a strong content pipeline in both Hollywood and Bollywood, it expects a strong comeback in FY26. Going forward, the company expects film hire cost to be in the range of 44.5–46%. Capex guidance for FY26 is ~4.25bn out of which INR2.5–3bn is on new projects and remainder on maintenance. Exiting underperforming screens saved the company over INR80mn in EBITDA losses. It opened three cinemas with 20 screens under the capital light model in Apr-25.

Financials

Year to March	Q4FY25	Q4FY24	% Change	Q3FY25	% Change
Net Revenue	12,498	12,564	(0.5)	17,173	(27.2)
EBITDA	2,831	2,784	1.7	5,277	(46.4)
Adjusted Profit	(1,250)	(1,295)	NM	360	NM
Diluted EPS (INR)	(12.8)	(13.2)	NM	3.7	NM

Financial Statements

Income Statement (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Total operating income	61,071	57,799	66,389	77,732
Gross profit	41,964	41,345	46,481	54,296
Employee costs	6,573	6,860	7,502	8,706
Other expenses	17,290	19,069	18,987	22,154
EBITDA	18,101	15,416	19,992	23,436
Depreciation	12,193	12,798	9,375	9,595
Less: Interest expense	7,913	8,095	5,987	5,500
Add: Other income	1,566	1,737	1,737	1,737
Profit before tax	(439)	(3,740)	6,367	10,078
Prov for tax	(112)	(934)	1,598	2,570
Less: Other adj	0	(3)	0	0
Reported profit	(320)	(2,796)	4,769	7,508
Less: Excp.item (net)	0	0	0	0
Adjusted profit	(320)	(2,796)	4,769	7,508
Diluted shares o/s	98	98	98	98
Adjusted diluted EPS	(3.3)	(28.5)	48.6	76.5
DPS (INR)	0	0	0	0
Tax rate (%)	25.5	25.0	25.1	25.5

Important Ratios (%)

Year to March	FY24A	FY25A	FY26E	FY27E
Average Ticket Price	259.0	259.0	273.2	293.5
Spend Per Head (SPH)	132.0	134.0	140.7	152.0
Footfall growth (%)	59.2	(9.6)	10.3	9.6
EBITDA margin (%)	29.6	26.7	30.1	30.2
Net profit margin (%)	(0.5)	(4.8)	7.2	9.7
Revenue growth (% YoY)	62.8	(5.4)	14.9	17.1
EBITDA growth (% YoY)	72.8	(14.8)	29.7	17.2
Adj. profit growth (%)	(90.1)	773.8	nm	57.5

Assumptions (%)

Year to March	FY24A	FY25A	FY26E	FY27E
GDP (YoY %)	6.0	6.0	6.0	6.0
Repo rate (%)	4.0	4.0	4.0	4.0
USD/INR (average)	72.0	72.0	72.0	72.0
Screen addition	130.0	5.0	100.0	150.0
Exhibition cost (%)	23.1	20.4	22.0	22.1
F&B COGS (% of sales)	8.2	8.1	8.0	8.1
Debtors days	14.0	15.3	15.0	16.0
Inventory days	13.8	17.8	18.0	25.0
Payable days	124.4	166.9	150.0	140.0

Valuation Metrics

Year to March	FY24A	FY25A	FY26E	FY27E
Diluted P/E (x)	nm	nm	19.9	12.6
Price/BV (x)	1.3	1.3	1.3	1.1
EV/EBITDA (x)	14.0	16.0	11.9	9.7
Dividend yield (%)	0	0	0	0

Source: Company and Nuvama estimates

Balance Sheet (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Share capital	981	982	982	982
Reserves	72,254	69,533	74,302	81,810
Shareholders funds	73,235	70,515	75,284	82,792
Minority interest	(3)	19	19	19
Borrowings	78,172	72,823	67,424	61,541
Trade payables	16,341	18,886	18,544	18,352
Other liabs & prov	459	381	381	381
Total liabilities	1,68,204	1,62,624	1,61,652	1,63,085
Net block	85,973	80,375	76,000	71,205
Intangible assets	58,808	58,687	58,687	58,687
Capital WIP	2,464	957	957	957
Total fixed assets	1,47,245	1,40,019	1,35,644	1,30,849
Non current inv	0	0	0	0
Cash/cash equivalent	4,038	5,289	8,214	13,140
Sundry debtors	2,346	2,430	2,728	3,407
Loans & advances	20	15	15	15
Other assets	8,443	8,970	9,150	9,773
Total assets	1,68,204	1,62,624	1,61,652	1,63,085

Free Cash Flow (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Reported profit	(320)	(2,796)	4,769	7,508
Add: Depreciation	12,193	12,798	9,375	9,595
Interest (net of tax)	7,913	8,095	5,987	5,500
Others	(1,212)	(2,267)	(1,737)	(1,737)
Less: Changes in WC	1,216	3,838	(3,219)	(4,378)
Operating cash flow	19,790	19,668	15,175	16,489
Less: Capex	6,269	3,243	5,000	4,800
Free cash flow	13,521	16,425	10,175	11,689

Key Ratios

Year to March	FY24A	FY25A	FY26E	FY27E
RoE (%)	(0.4)	(3.9)	6.5	9.5
RoCE (%)	5.0	3.0	8.6	10.9
Inventory days	14	18	18	25
Receivable days	14	15	15	16
Payable days	124	167	150	140
Working cap (% sales)	(11.2)	(14.6)	(7.1)	2.2
Gross debt/equity (x)	1.1	1.0	0.9	0.7
Net debt/equity (x)	1.0	1.0	0.8	0.6
Interest coverage (x)	0.7	0.3	1.8	2.5

Valuation Drivers

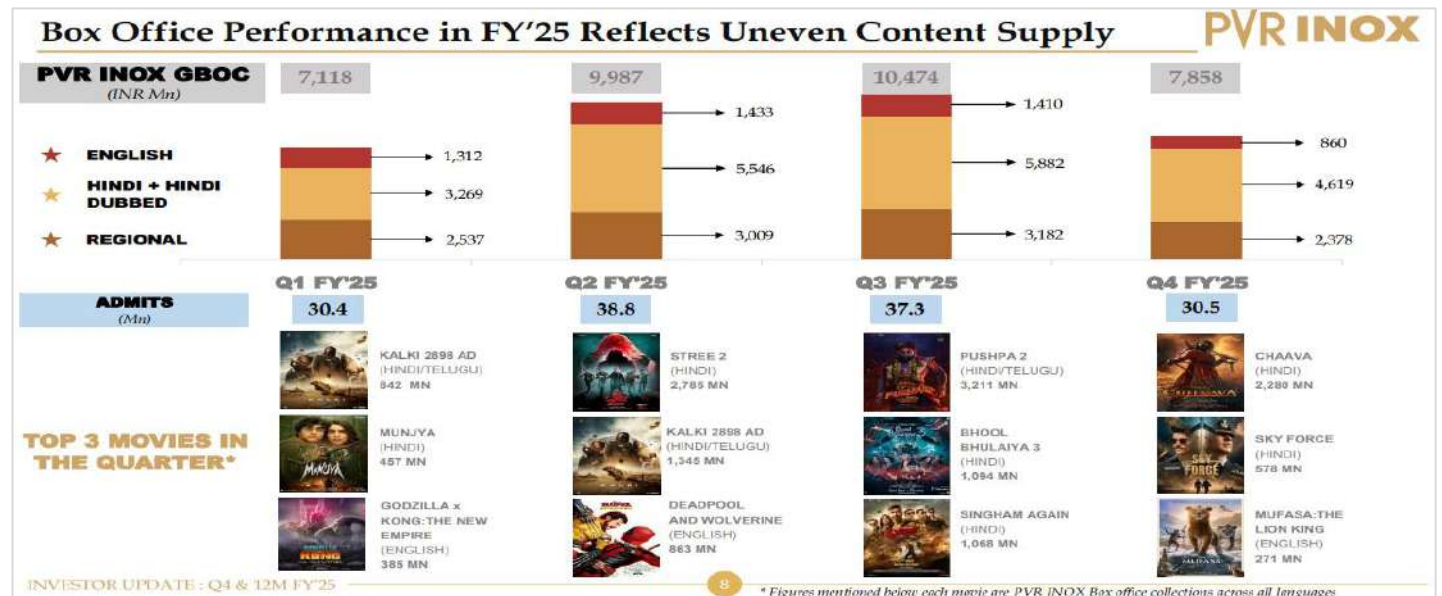
Year to March	FY24A	FY25A	FY26E	FY27E
EPS growth (%)	(93.7)	772.9	nm	57.5
RoE (%)	(0.4)	(3.9)	6.5	9.5
EBITDA growth (%)	72.8	(14.8)	29.7	17.2
Payout ratio (%)	nm	nm	0	0

Exhibit 1: Trends at a glance

Particulars	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net revenue (INR mn)	9,407	11,432	13,049	19,999	15,459	12,564	11,907	16,221	17,173	12,498
EBITDA (INR mn)	2,888	2,639	3,525	7,068	4,724	2,784	2,515	4,793	5,277	2,831
PAT (INR mn)	161	(3,334)	(816)	1,663	128	(1,295)	(1,787)	(118)	360	(1,250)
ATP (INR)	244	239	246	276	271	233	235	257	281	258
Net box office (INR mn)	4,355	6,016	6,945	11,193	8,308	6,353	5,935	8,376	8,791	6,447
Ad revenues (INR mn)	792	907	893	1,176	1,405	1,045	934	1,093	1,486	962
F&B revenue (INR mn)	2,884	3,520	4,277	6,412	4,763	4,132	4,018	5,232	5,209	3,811
Footfalls (mn)	21.8	30.5	33.9	48.4	36.5	32.6	30.4	38.8	37.3	30.5
No. of screens	903	1,689	1,707	1,702	1,708	1,748	1,754	1,747	1,728	1,743
SPH (INR)	133	119	130	136	132	129	134	136	140	125
Occupancy	26	22	22	32	25	23	20	26	26	21
Regional distribution of screens										
North	282	449	456	458	463	459	459	459	462	473
East	51	126	131	134	138	139	139	139	136	136
West	247	292	352	342	345	367	372	369	365	365
South	323	523	542	546	549	572	579	573	573	568
Central*		299	226	222	217	211	205	207	192	201
Total screens	903	1,689	1,707	1,702	1,708	1,748	1,754	1,747	1,728	1,743

Source: Company, Nuvama Research

Exhibit 2: Overall box office performance



Source: Company, Nuvama Research

Exhibit 3: Expense analysis

Expense Analysis – Consolidated

PVR INOX

Particulars (INR Mn)	Q4, FY'25		Q4, FY'24		12M, FY'25		12M, FY'24	
Weighted Average Screens ⁽¹⁾	1,688		1,674	0.8%	1,701		1,668	1.9%
Variable Cost	Reported (A)		Reported (B)	YoY Change (%) (A / B-1)	Reported (A)		Reported (B)	YoY Change (%) (A / B-1)
FHC (%)	42.6%		44.4%	-188 bps	44.6%		46.0%	-137 bps
COGS (%)	25.1%		27.4%	-237 bps	24.9%		25.2%	-27 bps
Fixed Cost								
Rent	3,076		2,993	2.8%	12,378		11,928	3.8%
CAM	903		832	8.5%	3,632		3,296	10.2%
Personnel	1,704		1,706	-0.1%	6,860		6,573	4.4%
Electricity & Water / Utilities	836		758	10.3%	3,949		3,853	2.5%
Other Expenses ex Movie Dist., Print	1,978		2,017	-1.9%	7,489		7,310	2.4%
Total Fixed Expenses ex Movie Dist.	8,497		8,306	2.3%	34,308		32,960	4.1%
Movie Dist., Print charges ⁽²⁾	584		646	-9.6%	3,281		1,883	74.2%
Total Fixed Expenses incl. Movie Dist.	9,081		8,952	1.4%	37,589		34,843	7.9%

Consolidated Financials

(1) Weighted average screens has been calculated basis the actual no. of days of operations of each cinema during the period, excluding 42 management screens across 12 cinemas

(2) Expenses relating to Distribution of movies

Source: Company, Nuvama Research

Q4FY25 conference call takeaways

Outlook

- The company expects to open 100–110 new screens in FY26 out of which majority will be under the capital light model.
- With the new screens additions, PVR INOX expects a minimal impact on overall margins, but anticipates a significantly positive impact on overall cash flow in the near term.
- Given a strong content pipeline in both Hollywood and Bollywood, it expects a strong comeback in FY26.
- An asset-light model would reduce capex leading to higher cash flows, which shall be used in debt reduction.
- Going forward, the company expects film hire cost to be in the range of 44.5%–46%.
- Capex guidance for FY26 is at ~4.25bn out of which INR2.5–3bn would be spent on new projects and the rest on maintenance capex.

Key highlights

- Admits at 30.5mn are down 6.3% YoY.
- ATP at INR258 is up 10.5% YoY.
- SPH at INR125 is down 3.5% YoY.
- Overall occupancy stayed at 20.5% during Q4FY25.
- Cinema count/screen count was 349 (down 2.8%)/1,723 (flat YoY).
- In FY25, gross box office collection dipped 9% YoY.
- Film hire cost is normally in the range of 45–46%. In FY25, it was 44.6% as the number of movies, which crossed INR1bn were fewer.

Screens

- In FY25, the company opened 77 new screens and closed 72 resulting in five net screen addition.
- As on date, PVR INOX has a diversified network of 1,743 screens across 111 cities.
- The company has signed 46 screen and 11 cinemas under the FOCO model and 55 screen and 12 cinemas under the asset light model totalling to 101 screens across 23 cinemas.
- Given the exit of underperforming screens, the company has saved over INR80mn in EBITDA losses.
- A majority of the screens that will be opened in FY26 will be under the asset light model. The company has opened three cinemas with 20 screens under this model at the start of FY26.
- At an overall level, EBITDA margins under the capital light model are lower than in the classic lease model.

- The company has signed two cinemas with one in Raipur (ad-free model) and another in Jabalpur. The revenue share is in the range of 8–8.5% plus a fee, which is on account of IT services totalling to ~10% share.
- Raipur is under ad free model. Hence, instead of ads, there are additional shows that the developer partner ends up running. If there is ad revenue the company takes 35% of the revenue.

Bollywood and Hollywood releases

- *Chaava* was the biggest hit in Q4FY25 grossing over INR7bn followed by *Sankranthiki Vasthunam* and *Sky Force*.
- *Empuran* with collection of INR1.25bn became the highest grossing Malayalam film.
- In April and May, movies such as *Jaat*, *Kesari 2* and *Raid 2* have done extremely well at the box office.
- Muted Bollywood and Hollywood releases have hurt overall GBOC.
- Hindi box office plunged by 26% due to a 14% drop in the number of Bollywood titles, lack of superstar movies and postponement of release dates.
- The English box office plummeted by 28% due to the lingering impact of 2023–24 Hollywood strike resulting in a 6% drop in the number of English releases due to the lack of tentpole releases.
- Hindi dubbed box office shot up by 153% due to *Pushpa 2* and *Kalki*, which emerged as pan-India hits, and indicates evolved consumer choices.
- Regional box office clocked a 7% increase.

Re-release

- Top three re-releases of FY25 were *Tumhaad*, *Interstellar* and *Sanam Teri Kasam*. It had 1240mn GBOC in FY25 with 7.1mn admits in FY25.

Change in Language mix

- Hindi box office share dropped from 51% to 41%. Hindi dubbed increased from 5% to 13%.
- English box office share dropped from 18% to 14%.
- Regional box office share jumped from 26% to 32%.

Content line-up in Q1FY26

- Bollywood: *Sitare Zameen Par* and *Housefull 5*.
- Hollywood: *Mission Impossible*, *Final Destination* and *Karate Kid Legends*.

Others

- Net debt stood at INR9522mn compared with INR12940mn in Mar-24 as the company had been aggressive in GST collection, recovering security deposits.
- Maddock had decided to release a movie, which was already being promoted at the cinemas for the last two months. The company has taken the matter to court and has got a stay against its release on the OTT platform.

Exhibit 4: Consolidated financial snapshot (INR mn)

Year to March	Q4FY25	Q4FY24	% change	Q3FY25	% change
Total Net Revenues	12,498	12,564	(0.5)	17,173	(27.2)
Exhibition cost	3,107	2,469	25.8	3,549	(12.5)
Food and Beverages cost	999	1,131	(11.7)	1,340	(25.4)
Employee expenses	1,704	1,706	(0.1)	1,740	(2.1)
Other costs	3,857	4,474	(13.8)	5,267	(26.8)
Total expenditure	9,667	9,780	(1.2)	11,896	(18.7)
EBITDA	2,831	2,784	1.7	5,277	(46.4)
D&A expense	3,161	3,028	4.4	3,201	(1.2)
EBIT	(330)	(244)	NM	2,076	NM
Less: Finance costs	1,959	1,999	(2.0)	2,031	(3.5)
Add: Other income	614	491	25.1	418	46.9
Profit before tax	(1,675)	(1,752)	NM	463	NM
Provision for Tax	(424)	(455)	(6.8)	107	NM
Less: Minority Interest	1	2	NM	4	NM
Add: Share of profit from Associates	-	-	-	-	-
Reported Profit	(1,250)	(1,295)	NM	360	NM
Adjusted Profit	(1,250)	(1,295)	NM	360	NM
No. of Diluted shares outstanding (mn)	98.0	98.0		98.0	
Adjusted Diluted EPS	-12.8	-13.2	NM	3.7	NM
as % of net revenues					
Exhibition cost	24.9	19.7	521	20.7	419
Cost of F&B	8.0	9.0	(101)	7.8	19
Employee cost	13.6	13.6	6	10.1	350
Other costs	30.9	35.6	(475)	30.7	19
EBITDA	22.7	22.2	49	30.7	(808)
Net profit	-10.0	-10.3	NM	2.1	NM

Source: Company, Nuvama Research

Company Description

PVR INOX Limited is the largest film exhibition company in India with 1743 screens across 111 cities (India and Sri Lanka). Since their inception, both PVR and INOX have created iconic cinema brands with storied histories of achieving significant milestones and setting benchmarks in the film exhibition industry. With a collective heritage of transforming out-of-home entertainment in the country, the merged company offers a wide range of cinema services such as child friendly audis, the latest screening technology, superior sound systems, and wide range of F&B offerings, film and non-film content and an array of formats in the premium screen category.

Investment Theme

With its primary focus on the movie exhibition business, the combined entity (PVR+INOX) will continue to ramp up margin-accretive segments such as F&B revenues and advertisement revenues, which in our view will drive the EBITDA expansion for the business. Aggressive expansion and focus on innovation to deliver growth for the business over the longer term.

Key Risks

- Unavailability of quality content.
- Slowdown in consumer discretionary spends.
- Delay in rollout of proposed multiplexes.
- Competition from other forms of entertainment such as OTT platforms and digital video platform.

Additional Data

Management

CEO - Revenue & ops	Gautam Dutta
CEO - Growth & investments	Pramod Arora
CFO	Nitin Sood
MD	Ajay Bijli
Auditor	S.R. Batliboi & Co. LLP

Holdings – Top 10*

% Holding		% Holding	
Nippon Life Ind	8.59	SBI Life Insura	3.14
ICICI prudentia	7.53	Vanguard Group	2.93
HDFC Asset Mana	5.93	SBI Funds Manag	1.98
Kotak Mahindra	4.23	ICICI prudentia	1.96
Prudential PLC	3.44	Blackrock Inc	1.87

*Latest public data

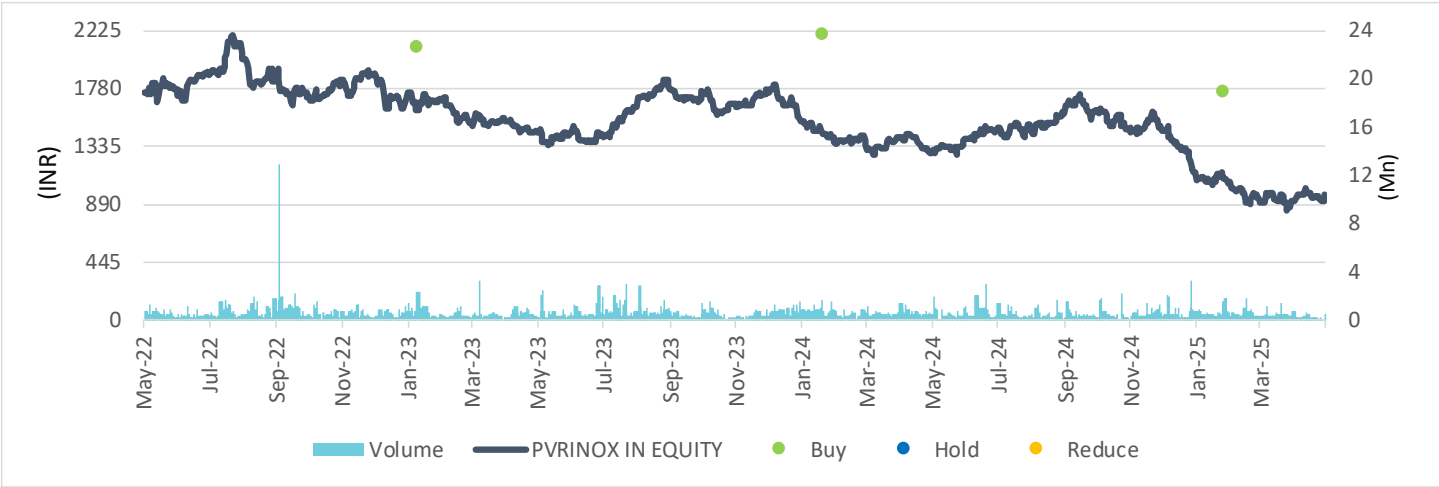
Recent Company Research

Date	Title	Price	Reco
17-Mar-25	Strong uptick in first two months; <i>Nuvama Flash</i>	900	Buy
06-Feb-25	Hindi movies remain inconsistent; <i>Result Update</i>	1,127	Buy
15-Oct-24	Hindi calendar remains erratic; <i>Result Update</i>	1,621	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
08-May-25	Zee Entertainment	Growth despite ad revenue slump; <i>Result Update</i>
02-Apr-25	Media	Subdued showing; <i>Sector Update</i>
06-Mar-25	Zee Entertainment	Promoter buying; Tempting valuation; <i>Nuvama Flash</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%	205
Hold	<15% and >-5%	63
Reduce	<-5%	34

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
