

AHLUWALIA CONTRACTS

RESULT UPDATE

KEY DATA

Rating	BUY
Sector relative	Neutral
Price (INR)	953
12 month price target (INR)	1,094
52 Week High/Low	1,364/620
Market cap (INR bn/USD bn)	64/0.7
Free float (%)	42.0
Avg. daily value traded (INR mn)	74.5

SHAREHOLDING PATTERN

	Jun-25	Mar-25	Dec-24
Promoter	55.32%	55.32%	55.32%
FII	12.44%	12.07%	12.51%
DII	24.26%	24.33%	24.70%
Pledge	0%	0%	0%

FINANCIALS

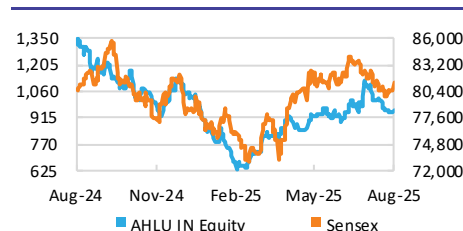
(INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Revenue	40,986	47,134	54,204	62,335
EBITDA	3,418	4,308	5,388	6,320
Adjusted profit	2,015	2,563	3,228	3,779
Diluted EPS (INR)	30.1	38.3	48.2	56.4
EPS growth (%)	11.6	27.2	26.0	17.1
RoAE (%)	11.8	13.3	14.6	14.7
P/E (x)	31.7	24.9	19.8	16.9
EV/EBITDA (x)	15.9	13.4	10.4	8.6
Dividend yield (%)	0.1	0.1	0.1	0.1

CHANGE IN ESTIMATES

	Revised estimates		% Revision	
Year to March	FY26E	FY27E	FY26E	FY27E
Revenue	54,204	62,335	0%	0%
EBITDA	5,388	6,320	0%	0%
Adjusted profit	2,563	3,228	-1%	-2%
Diluted EPS (INR)	38.3	48.2	-1%	-2%

PRICE PERFORMANCE



Healthy order intake

Ahluwalia Contracts (ACIL) posted Q1FY26 top line of INR10bn, up 9% YoY. EBITDA margin at 8.6% jumped ~200bp YoY while PAT surged 67% YoY. YTD FY26 order wins at ~INR39bn have been robust, taking the order book to ~INR166bn (book-to-bill at 4x). The company is also L1 in projects worth ~INR18bn. Net debt-to-equity stays at a comfortable (0.5)x with working capital cycle at 35 days. Management is targeting 15–20% revenue growth and double-digit margins in FY26E.

Robust order intake, execution pickup in large projects and improvement in margin remain key positives for the company. Maintain 'BUY' with a revised target price of INR1,094 (earlier INR1,080) based on a valuation rollover to Q1FY28E (22x P/E).

Revenue and margins improve YoY

ACIL's Q1FY26 revenue rose 9% YoY (fell 17% QoQ) to INR10bn. EBITDA margin increased ~200bp YoY (down 160bp QoQ) to 8.6% as: i) slow-moving orders neared completion; ii) execution of high-margin orders commenced; and iii) approvals were received for certain large orders. Adjusted PAT soared 67% YoY (fell 39% QoQ). The company has guided for 15–20% YoY growth in top line for FY26E/27E.

Steady ramp up in execution on key projects

The company has received some clearances on the CSMT project during the quarter. Management expects a peak monthly revenue run rate of ~INR600–700mn in this project and expects to clock ~INR4bn revenue in FY26E. Work on the Gems and Jewellery Park project should commence in Q3FY26E.

Net cash status maintained

Net cash decreased QoQ to ~INR9.2bn as the working capital cycle deteriorated to 35 days (from 31 days in Q4FY25). Net debt-to-equity remains at (0.5)x.

Order book remains robust

The company ended the quarter with an order book of ~INR166bn (book-to-bill of 4x). Management is targeting INR80bn in orders in FY26E. ACIL has already won projects worth ~INR39bn in the current fiscal and is L1 in ~INR18bn projects. Given ~41% of the order book is emanating from the residential segment, the company has slowed down on taking new orders in this segment and is now focusing on retail, commercial and institutional segments. While competition for public sector orders remains high, ACIL is looking to bid for marquee large-sized government jobs where margins are superior. Item-rate contracts are ~55% of the order book while EPC contracts comprise the balance.

Financials

Year to March	Q1FY26	Q1FY25	% Change	Q4FY25	% Change
Net Revenue	10,049	9,193	9.3	12,158	(17.4)
EBITDA	863	605	42.7	1,236	(30.2)
Adjusted Profit	511	306	67.0	832	(38.5)
Diluted EPS (INR)	7.6	4.6	67.0	12.4	(38.5)

Financial Statements

Income Statement (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Total operating income	40,986	47,134	54,204	62,335
Gross profit	7,787	9,144	10,895	12,591
Employee costs	3,516	3,855	4,379	4,973
Other expenses	853	981	1,128	1,298
EBITDA	3,418	4,308	5,388	6,320
Depreciation	666	978	1,296	1,467
Less: Interest expense	581	518	458	558
Add: Other income	554	615	682	757
Profit before tax	2,724	3,426	4,316	5,052
Prov for tax	709	863	1,088	1,273
Less: Other adj	0	0	0	0
Reported profit	2,015	2,563	3,228	3,779
Less: Excp.item (net)	0	0	0	0
Adjusted profit	2,015	2,563	3,228	3,779
Diluted shares o/s	67	67	67	67
Adjusted diluted EPS	30.1	38.3	48.2	56.4
DPS (INR)	0.5	0.5	0.5	0.5
Tax rate (%)	26.0	25.2	25.2	25.2

Important Ratios (%)

Year to March	FY25A	FY26E	FY27E	FY28E
Order intake (% YoY)	26.5	(11.5)	11.7	10.5
Book-to-bill ratio (x)	3.8	4.0	4.0	4.0
Gross margin (%)	19.0	19.4	20.1	20.2
EBITDA margin (%)	8.3	9.1	9.9	10.1
Net profit margin (%)	4.9	5.4	6.0	6.1
Revenue growth (% YoY)	6.3	15.0	15.0	15.0
EBITDA growth (% YoY)	(12.0)	26.0	25.1	17.3
Adj. profit growth (%)	11.6	27.2	26.0	17.1

Assumptions (%)

Year to March	FY25A	FY26E	FY27E	FY28E
GDP (YoY %)	6.0	6.2	7.0	7.0
Repo rate (%)	6.0	5.0	5.0	5.0
USD/INR (average)	84.0	82.0	81.0	81.0
Interest cost (%)	86.9	76.9	85.9	94.9
Employee cost (%)	157.8	187.6	219.3	251.9
Other exp. (%)	8.6	8.2	8.1	8.0
Other inc. (%)	2.1	2.1	2.1	2.1
Dep. (% gr. block)	1,905.0	4,955.0	2,002.0	2,002.0
Effect. tax rate (%)	25.2	25.2	25.2	25.2

Valuation Metrics

Year to March	FY25A	FY26E	FY27E	FY28E
Diluted P/E (x)	31.7	24.9	19.8	16.9
Price/BV (x)	3.5	3.1	2.7	2.3
EV/EBITDA (x)	15.9	13.4	10.4	8.6
Dividend yield (%)	0.1	0.1	0.1	0.1

Source: Company and Nuvama estimates

Balance Sheet (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Share capital	134	134	134	134
Reserves	17,867	20,430	23,658	27,437
Shareholders funds	18,001	20,564	23,792	27,571
Minority interest	0	0	0	0
Borrowings	140	140	140	140
Trade payables	8,472	9,321	11,141	13,452
Other liabs & prov	5,258	5,882	7,022	8,134
Total liabilities	36,720	40,757	46,945	54,149
Net block	4,489	8,517	9,228	9,767
Intangible assets	19	15	11	6
Capital WIP	116	69	69	69
Total fixed assets	4,624	8,601	9,308	9,842
Non current inv	63	63	63	63
Cash/cash equivalent	9,641	6,057	7,994	9,878
Sundry debtors	8,130	9,433	10,764	12,462
Loans & advances	8	10	11	13
Other assets	12,619	14,713	16,644	19,404
Total assets	36,720	40,757	46,945	54,149

Free Cash Flow (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Reported profit	2,015	2,563	3,228	3,779
Add: Depreciation	666	978	1,296	1,467
Interest (net of tax)	430	388	343	418
Others	2,412	(4,729)	(1,513)	(3,139)
Less: Changes in WC	(1,434)	2,170	585	1,361
Operating cash flow	4,090	1,370	3,939	3,885
Less: Capex	1,905	4,955	2,002	2,002
Free cash flow	2,185	(3,585)	1,937	1,883

Key Ratios

Year to March	FY25A	FY26E	FY27E	FY28E
RoE (%)	11.8	13.3	14.6	14.7
RoCE (%)	19.1	20.3	21.4	21.7
Inventory days	36	36	36	36
Receivable days	71	68	68	68
Payable days	85	85	86	90
Working cap (% sales)	39.8	31.1	31.2	31.8
Gross debt/equity (x)	0	0	0	0
Net debt/equity (x)	(0.5)	(0.3)	(0.3)	(0.4)
Interest coverage (x)	4.7	6.4	8.9	8.7

Valuation Drivers

Year to March	FY25A	FY26E	FY27E	FY28E
EPS growth (%)	11.6	27.2	26.0	17.1
RoE (%)	11.8	13.3	14.6	14.7
EBITDA growth (%)	(12.0)	26.0	25.1	17.3
Payout ratio (%)	1.7	1.3	1.0	0.9

Exhibit 1: Financial snapshot

Standalone (INR mn)	Q1FY26	Q1FY25	% YoY	Q4FY25	% QoQ	FY25	FY26E	FY27E	FY28E
Revenue	10,049	9,193	9.3	12,158	(17.4)	40,986	47,134	54,204	62,335
Direct cost	8,056	7,549	6.7	9,718	(17.1)	33,199	37,990	43,310	49,744
Staff cost	911	809	12.6	932	(2.2)	3,516	3,855	4,379	4,973
Other expenditure	218	231	(5.5)	273	(19.9)	853	981	1,128	1,298
Total expenditure	9,186	8,589	7.0	10,922	(15.9)	37,568	42,826	48,817	56,015
EBITDA	863	605	42.7	1,236	(30.2)	3,418	4,308	5,388	6,320
Depreciation	207	150	38.2	171	21.5	666	978	1,296	1,467
EBIT	655	454	44.2	1,065	(38.5)	2,752	3,330	4,092	4,853
Less: Interest Expense	119	148	(19.1)	128	(7.0)	581	518	458	558
Add: Other income	159	108	47.1	180	(12.0)	554	615	682	757
Add: Prior period items	0	0	NA	0	NA	0	0	0	0
Add: Exceptional items	0	0	NA	0	NA	0	0	0	0
PBT	695	415	67.5	1,117	(37.8)	2,724	3,426	4,316	5,052
Less: Provision for Tax	184	109	68.9	286	(35.8)	709	863	1,088	1,273
Reported profit	511	306	67.0	832	(38.5)	2,015	2,563	3,228	3,779
Adjusted profit	511	306	67.0	832	(38.5)	2,015	2,563	3,228	3,779
Equity capital	134	134	0.0	134	0.0	134	134	134	134
No. of Diluted shares outstanding (mn)	67	67	0.0	67	0.0	67	67	67	67
Adjusted Diluted EPS	7.6	4.6	67.0	12.4	(38.5)	30.1	38.3	48.2	56.4
As % of net revenues			YoY bps			QoQ bps			
Direct cost	80.2	82.1	(193.8)	79.9	24.3	81.0	80.6	79.9	79.8
Other expenses	2.2	2.5	(34.1)	2.2	(6.8)	2.1	2.1	2.1	2.1
EBITDA	8.6	6.6	201.1	10.2	(158.1)	8.3	9.1	9.9	10.1
Adjusted profit	5.1	3.3	175.8	6.8	(175.4)	4.9	5.4	6.0	6.1
Tax rate	26.4	26.2	22.1	25.6	84.7	26.0	25.2	25.2	25.2

Source: Company, Nuvama Research

Guidance

1. Revenue: 15–20% YoY growth in FY26E/27E
2. EBITDA margin: Double-digit margins in FY26E/27E
3. Order inflow: INR80bn in FY26E
4. Capex: INR5bn in FY26E and INR2bn in FY27E

Order book rises sequentially

ACIL ended Q1FY26 with an order book of ~INR166bn (~INR158bn at end-Q4FY25) and book-to-bill of 4x.

YTD order wins were ~INR39bn.

Exhibit 2: Major order-wins in YTD FY26

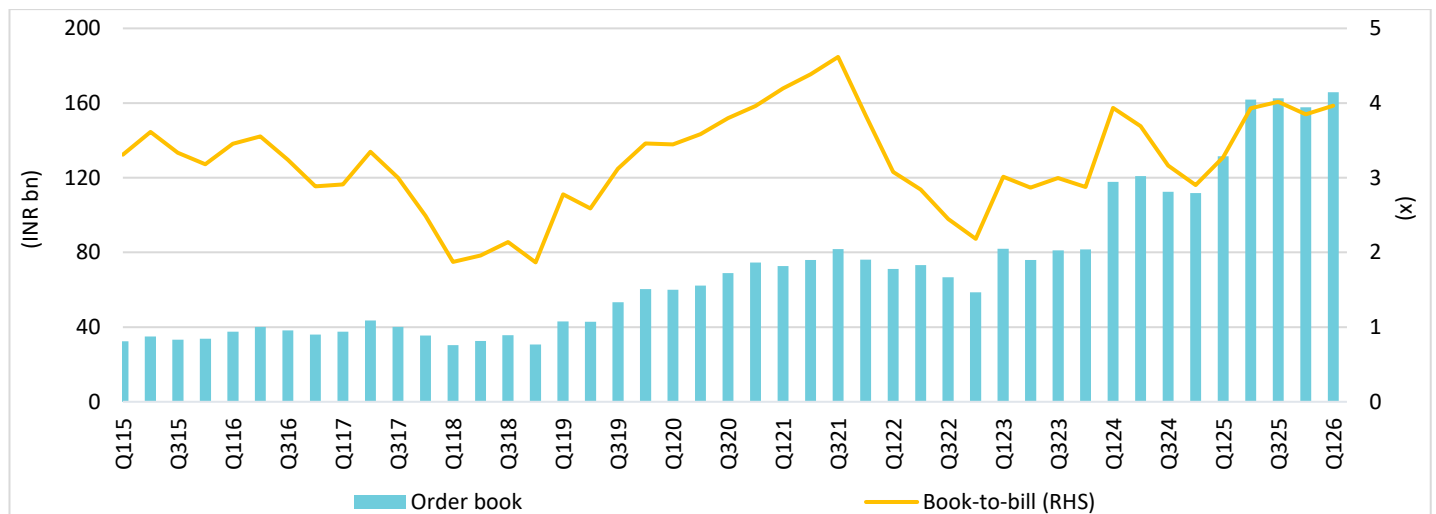
Date	Client	Segment	Value (in mn)	Project details
Jul-25	DLF	Residential	20,890	Civil and structure works Including rough finishing works for "The Dahlias" DLF5, Gurugram". Completion in 40 months
Jun-25	Whiteland Corporation Pvt Ltd	Residential	8,210	Construction of "Urban Resort" 7 numbers of residential towers at Sector-103, Gurugram.
Jun-25	Nestled Haven Estates Pvt Ltd & Maia Estates Pvt Ltd	Residential	2,826	Civil structure and architectural finishing work at Bengaluru - 560024 of "The Beacon"
Apr-25	Godrej Properties Ltd	Residential	3,965	Core and shell works of sub and super structure for all towers (T1,T2,T3 and T4) including NTA, Club & Retail, Boundary Wall, RWH, Waterproofing and LPS works at Godrej Riverine, Sector-44, Noida, Uttar Pradesh
	Other projects		3,000	
	Total Order FY26		38,891	

Source: Company, Nuvama Research

Currently, the company is L1 in two projects worth ~INR18bn. One of this is a University of Bhubaneshwar project worth ~INR10bn and the other is an MIDC project. Management expects to receive LoAs for both projects by end-Q2FY26. Including L1 orders, ACIL has already won ~INR57bn projects.

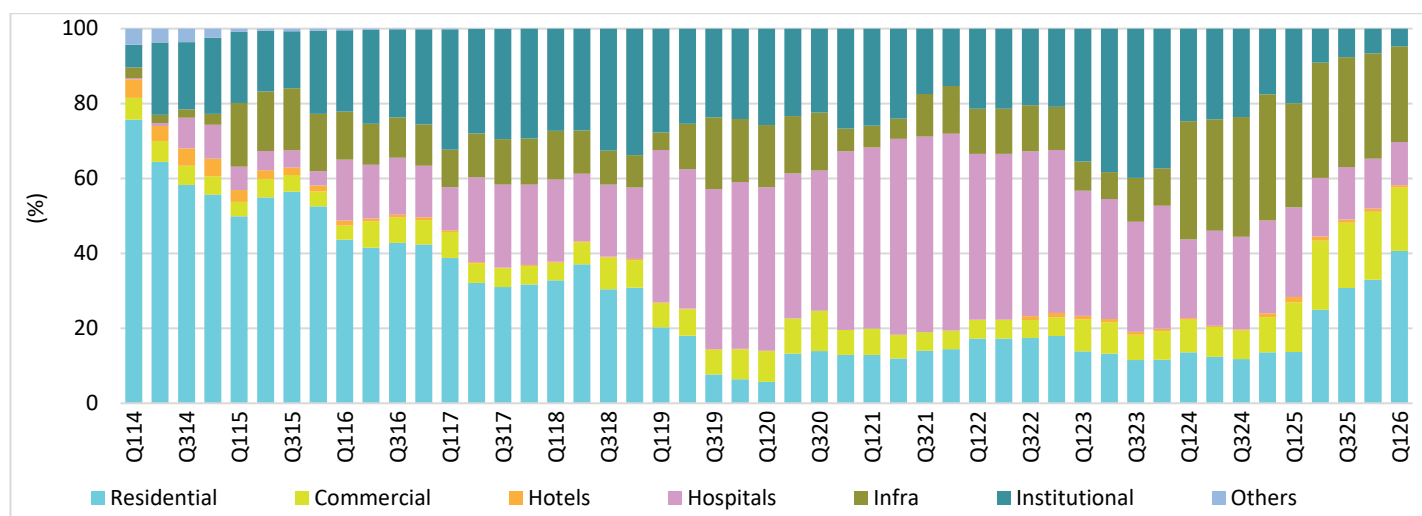
Over the last year, the company has started focusing on private sector. Hence, item-rate contracts now constitute 55% of the total order book while EPC projects comprise 45% share.

Exhibit 3: Revenue visibility remains high



Source: Company, Nuvama Research

Exhibit 4: Residential and infrastructure segments contribute two-thirds to overall order book

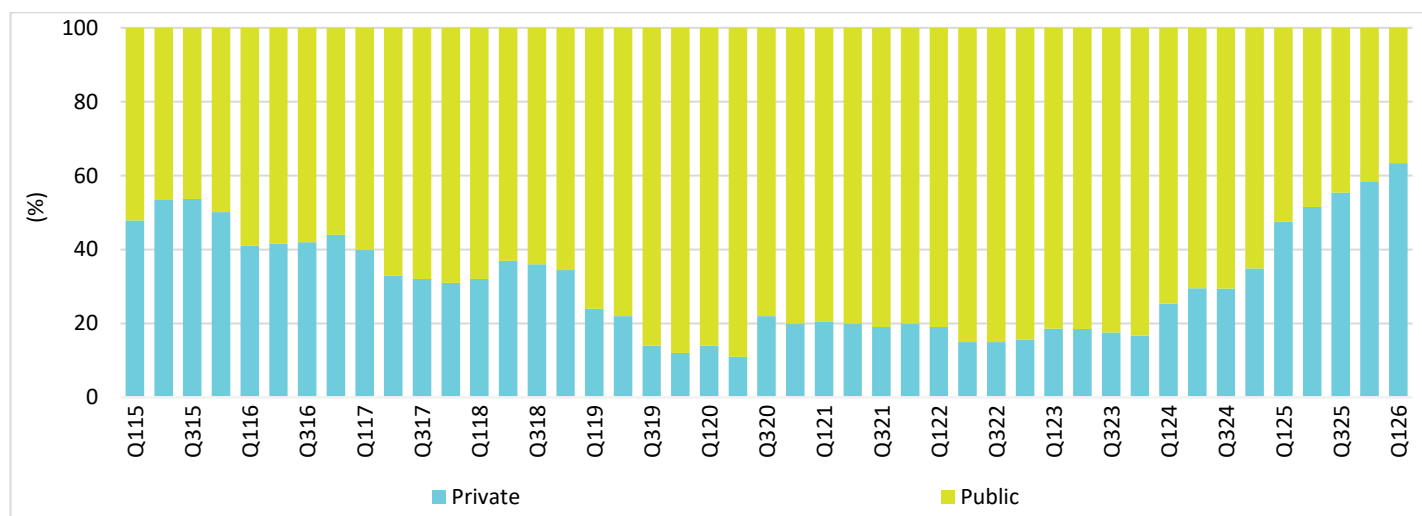


Source: Company, Nuvama Research

Public sector projects comprise ~37% of ACIL's order book (26.3% from the central government, ~1.6% from foreign governments and the balance from the state government); the balance comes from the private sector.

Going ahead, the company plans to maintain a 60:40 split between private and public sector clients in the order book as margins in the private sector are superior.

Exhibit 5: Share of public sector orders has come down



Source: Company, Nuvama Research

The northern region constitutes ~42% of the company's order book while the western region comprises 34%. The share of the eastern region remained steady QoQ at 18%.

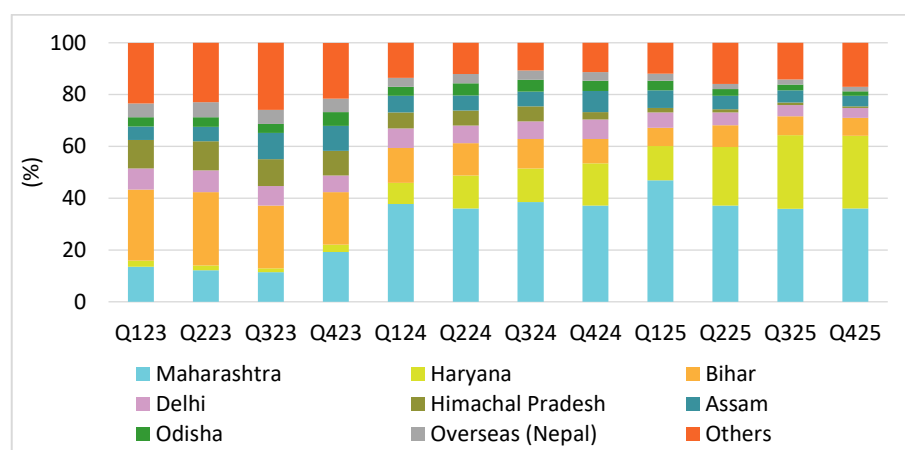
Exhibit 6: Well-diversified order book across geographies



Source: Company, Nuvama Research

By states, the company has higher value of orders under execution from Maharashtra (33%), followed by Haryana (30%) along with UP and Bihar (6–7% each) together comprising more than three-fourths of the total order book.

Exhibit 7: Maharashtra, Haryana, UP and Bihar account for ~76% of order book



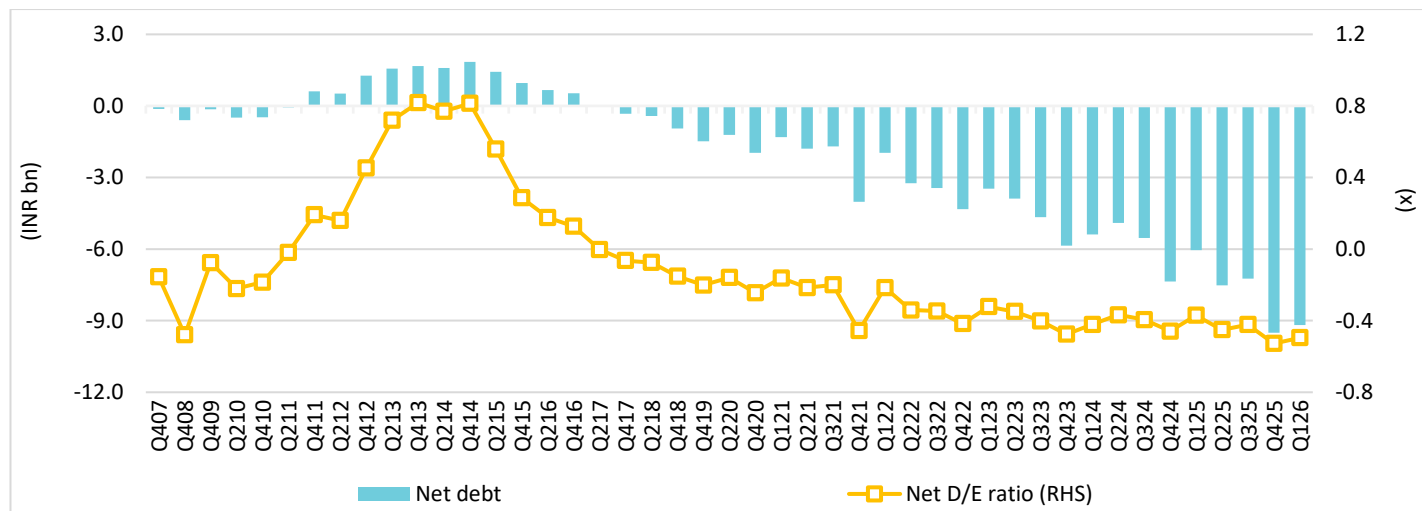
Source: Company, Nuvama Research

Maintains net cash position

Net cash was ~INR9.2bn (~INR9.5bn as on end-Q4FY25).

Leverage remains comfortable with net debt-to-equity at negative 0.5x.

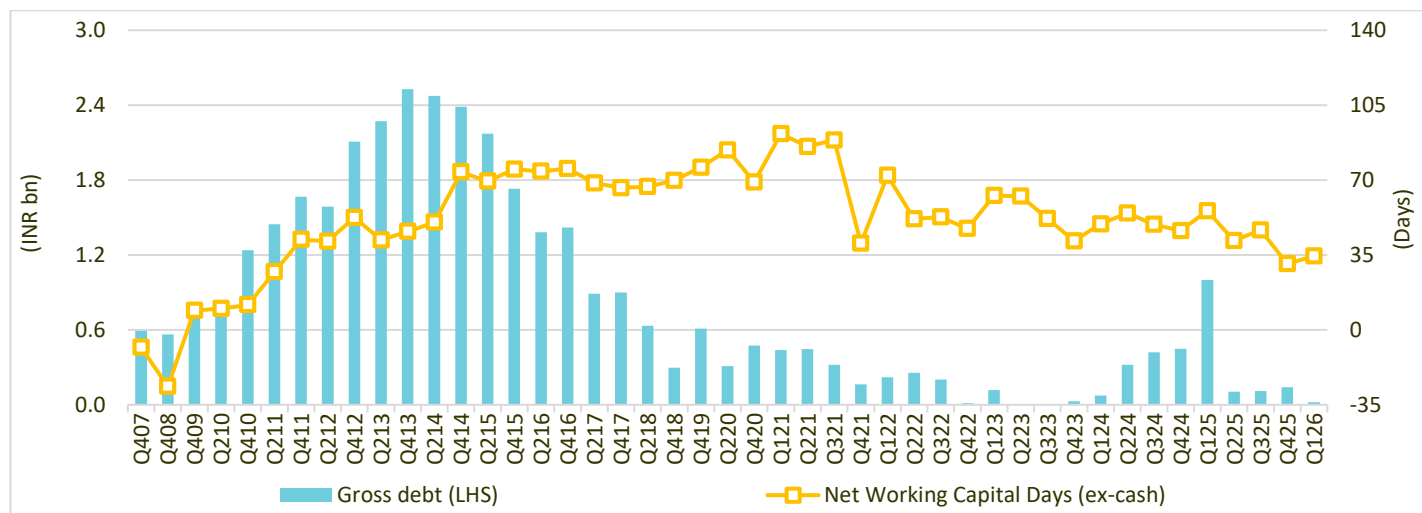
Exhibit 8: Healthy leverage levels



Source: Company, Nuvama Research

The working capital cycle increased QoQ to 35 days (31 days in Q4FY25).

Exhibit 9: Working capital cycle deteriorates sequentially

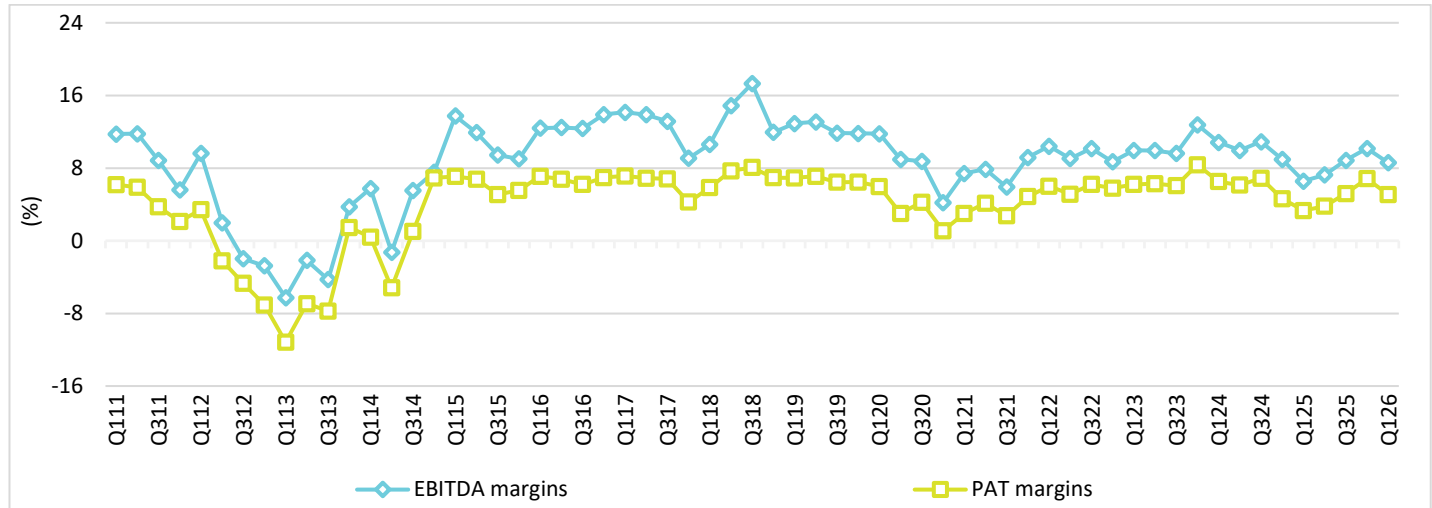


Source: Company, Nuvama Research

Q1FY26 conference call highlights

1. **EBITDA margin:** The EBITDA margin increased ~200bp YoY (down 160bp QoQ) to 8.6% in Q1FY26 as most slow-moving orders are now nearing completion.

Exhibit 10: EBITDA margin jumps YoY in Q1FY26



Source: Company, Nuvama Research

2. **Capex** incurred during Q1FY26 was ~INR520mn.
3. **Project updates**
 - **CSMT redevelopment project** – The company has started execution here and received some clearances during the quarter. However, it is still awaiting some more clearances.
 - **Gems and Jewellery project** – ACIL expects to get notice to proceed in Q3FY26E, after which it will start the design work.
 - **Medical college in Bihar, Chhapra** – This project had slowed down earlier due to funding issues. However, now funds have started coming in; hence the pace of work has also picked up. Due to a change in scope, the project size has increased.

Company Description

ACIL commenced operations in 1969 as an EPC company; it was incorporated as a private limited company in 1979 and got converted into a public limited company in 1990. It has carved a niche for itself as a specialised buildings contractor with strong execution track record.

Major segments for the company are:

Commercial: Construction of malls, shopping complexes and exhibition facilities; healthcare services, educational facilities and hospitality sector, corporate offices and buildings.

Industrial facilities: Construction of buildings for manufacturing facilities with structural steel work, sheeting, specialised flooring, external and internal finishes.

Infrastructure: Construction of airports, urban infrastructure, parking lots, metro stations, etc.

Housing (residential): Construction of buildings for group housing projects. ACIL executes turnkey projects, including civil, electrical, plumbing, fire-fighting, lifts, external and internal finishes and external landscaping.

Investment Theme

ACIL is a Delhi-based integrated construction company with more than four decades of experience in offering turnkey solutions in the building space. With a diversified services portfolio, it is one of the most reputable building contractors in India.

Singed by exposure to slow-moving/fixed price contracts from private sector clients during FY12–14, ACIL prudently sharpened focus on escalation clause-based orders from the public sector. Government projects ensure margin stability, payment security and greater confidence in execution timelines, all of which greatly de-risk the company's business model.

Key Risks

Execution delays/payment risk in private sector projects: Liquidity issues have put the spanner in the works of many developers' projects, thereby slowing execution. In addition, the receivables cycle from such clients is high. Exposure to such developers can lead to delays in project execution/elongated payment cycle for ACIL.

Additional Data

Management

C & MD and CEO	Bikramjit Ahluwalia
Director	Shobhit Uppal
Director	Vikas Ahluwalia
CFO	Satbeer Singh
Auditor	Amod Agrawal & Associates

Holdings – Top 10*

	% Holding		% Holding
SBI small cap	8.14	Franklin	1.70
Nalanda India E	5.49	Canara Robeco M	1.29
Axis MF	4.81	ABSL	1.17
DSP MF	3.73	Bajaj Allianz	0.13
Nalanda India F	3.69	TIAAA	0.03

*Latest public data

Recent Company Research

Date	Title	Price	Reco
02-Jun-25	Execution and margins improve; <i>Result Update</i>	937	Buy
12-Feb-25	Battling execution challenges; <i>Result Update</i>	706	Buy
18-Nov-24	Execution improves; margins weak; <i>Result Update</i>	998	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
14-Aug-25	PNC Infratech	Order inflows bring cheer ; <i>Result Update</i>
12-Aug-25	Ashoka Buildcon	Asset monetisation critical; <i>Result Update</i>
12-Aug-25	KNR Constructions	Order inflows improve; <i>Result 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%	198
Hold	<15% and >-5%	70
Reduce	<-5%	36

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
