LODHA

nuvama institutional equities

RESULT UPDATE

Decent quarter

Lodha Developers (Lodha) posted Q2FY26 pre-sales of ~INR45.7bn, up 7% YoY and collections of ~INR34.8bn, up 13% YoY. H1FY26 pre-sales at ~INR90bn are up 8% YoY. The company launched 7.8msf projects with GDV of ~INR133bn in H1FY26 and plans to launch 10msf projects with GDV of INR140bn in H2FY26. Lodha added six projects with GDV of ~INR250bn in H1FY26, achieving its full-year guidance in H1 itself.

Lodha would have to clock 29% YoY growth in pre-sales in H2FY26 to meet its FY26E booking guidance of INR210bn. This might prove challenging given housing sales in its core markets of the MMR and Pune are reporting moderation (refer ***Making sense of housing cycle***); retain 'BUY' with an unchanged TP of INR1,580.

Pre-sales and net debt increase YoY

Q2FY26 operational performance: Pre-sales rose 7% YoY/3% QoQ to INR45.7bn in Q2FY26 despite limited launches during the quarter. H1FY26 pre-sales at ~INR90bn were up 8% YoY. Management maintained guidance of ~INR210bn pre-sales for FY26E (up 19% YoY). They expect ~INR60bn pre-sales in Q3FY26 (+/-5%) on the back of non-launch weekly sales of ~INR3bn (as of Oct-25). Management reiterated Lodha is less dependent on launches compared with peers given sustenance sales contribute two–thirds to overall bookings for the company. On a like-to-like basis, H1FY26 prices are up 3% YoY; the company expects 5–6% YoY price hikes in FY26E. Lodha plans to enter the NCR market (mostly Gurugram) and expects to launch the first project in FY27E.

Healthy launch pipeline: The company launched five new projects/phases spanning ~3.9msf with a GDV of ~INR49bn in Q2FY26 (~7.8msf projects with GDV of INR133bn in H1FY26). With the Supreme Court greenlighting the Environmental Clearance (EC) process in late Aug-25, the company expects launches to pick up in H2FY26 and is looking to launch ~10msf projects with GDV of ~INR140bn in H2FY26.

Business development: The company added one project in the MMR during Q2FY26 with a GDV of INR23bn. With this, it has added six projects with a GDV of ~INR250bn in H1FY26 thereby achieving its FY26E guidance in H1FY26 itself.

Leverage rises: Gross collections in Q2FY26 expanded 13% YoY/21% QoQ to INR34.8bn. H1FY26 collections at ~INR63.6bn were up 10% YoY. Net OCF in H1FY26 was ~INR24bn, which is 31% of full year guidance. Bulk of the launches for the year would take place in H2FY26; consequently, OCF shall also grow in H2FY26. While net debt inched up QoQ to ~INR53.7bn, net debt-to-equity at ~0.25x remains below the ceiling of 0.5x.

Financials

Year to March	Q2FY26	Q2FY25	% Change	Q1FY26	% Change
Net Revenue	37,985	26,257	44.7	34,917	8.8
EBITDA	11,088	7,046	57.4	9,844	12.6
Adjusted Profit	7,898	4,231	86.7	6,751	17.0
Diluted EPS (INR)	16.4	8.8	86.7	14.0	17.0

KEY DATA

Rating	BUY
Sector relative	Neutral
Price (INR)	1,198
12 month price target (INR)	1,580
52 Week High/Low	1,534/1,035
Market cap (INR bn/USD bn)	1,196/13.5
Free float (%)	28.1
Avg. daily value traded (INR mn)	1,423.9

SHAREHOLDING PATTERN

	Sep-25	Jun-25	Mar-25
Promoter	71.87%	71.90%	71.94%
FII	24.11%	24.89%	24.64%
DII	2.73%	2.19%	2.36%
Pledge	0%	0%	0%

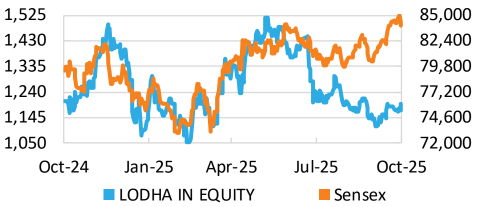
FINANCIALS (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Revenue	1,37,795	1,64,958	1,91,062	2,66,198
EBITDA	39,880	50,423	58,401	81,427
Adjusted profit	27,643	34,777	40,679	57,756
Diluted EPS (INR)	27.7	34.9	40.8	57.9
EPS growth (%)	66.6	25.8	17.0	42.0
RoAE (%)	14.3	15.7	16.0	19.5
P/E (x)	41.3	32.8	28.1	19.8
EV/EBITDA (x)	30.0	23.5	20.2	14.4
Dividend yield (%)	0	0	0	0

CHANGE IN ESTIMATES

	Revised estimates		% Revision	
Year to March	FY26E	FY27E	FY26E	FY27E
Revenue	1,64,958	1,91,062	0%	0%
EBITDA	50,423	58,401	0%	0%
Adjusted profit	34,777	40,679	-1%	-1%
Diluted EPS (INR)	34.9	40.8	-1%	-1%

PRICE PERFORMANCE



Parvez Qazi
Parvez.Qazi@nuvama.com

Vasudev Ganatra
Vasudev.Ganatra@nuvama.com

Financial Statements

Income Statement (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Total operating income	1,37,795	1,64,958	1,91,062	2,66,198
Gross profit	55,299	66,796	75,605	1,07,793
Employee costs	5,433	5,854	6,238	9,559
Other expenses	9,986	10,520	10,966	16,807
EBITDA	39,880	50,423	58,401	81,427
Depreciation	2,719	3,378	3,469	3,894
Less: Interest expense	5,495	4,790	5,000	4,999
Add: Other income	3,903	4,254	4,467	4,690
Profit before tax	35,555	46,509	54,399	77,223
Prov for tax	7,889	11,706	13,692	19,437
Less: Other adj	0	0	0	0
Reported profit	27,643	34,777	40,679	57,756
Less: Excp.item (net)	0	0	0	0
Adjusted profit	27,643	34,777	40,679	57,756
Diluted shares o/s	998	998	998	998
Adjusted diluted EPS	27.7	34.9	40.8	57.9
DPS (INR)	0	0	0	0
Tax rate (%)	22.2	25.2	25.2	25.2

Balance Sheet (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Share capital	9,976	9,976	9,976	9,976
Reserves	1,91,802	2,21,594	2,56,440	3,05,906
Shareholders funds	2,01,778	2,31,570	2,66,416	3,15,882
Minority interest	670	695	723	754
Borrowings	70,804	66,804	62,804	58,804
Trade payables	30,656	31,066	31,476	31,886
Other liabs & prov	415	440	465	490
Total liabilities	4,95,112	5,36,468	5,82,203	6,23,001
Net block	13,714	11,015	8,226	12,444
Intangible assets	0	0	0	0
Capital WIP	0	2,289	5,253	5,838
Total fixed assets	13,714	13,304	13,479	18,281
Non current inv	12,500	12,700	13,200	13,900
Cash/cash equivalent	17,415	23,054	25,722	30,842
Sundry debtors	7,763	11,547	11,464	15,972
Loans & advances	18,427	25,112	36,112	48,112
Other assets	4,25,293	4,50,750	4,82,226	4,95,893
Total assets	4,95,112	5,36,468	5,82,203	6,23,001

Important Ratios (%)

Year to March	FY25A	FY26E	FY27E	FY28E
Selling price infl. (%)	7.0	7.0	7.0	7.0
Const. cost infl. (%)	5.5	5.5	5.5	5.5
Gross margin (%)	40.1	40.5	39.6	40.5
EBITDA margin (%)	28.9	30.6	30.6	30.6
Net profit margin (%)	20.1	21.1	21.3	21.7
Revenue growth (% YoY)	33.6	19.7	15.8	39.3
EBITDA growth (% YoY)	49.0	26.4	15.8	39.4
Adj. profit growth (%)	67.1	25.8	17.0	42.0

Free Cash Flow (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Reported profit	27,666	34,802	40,707	57,786
Add: Depreciation	2,719	3,378	3,469	3,894
Interest (net of tax)	4,276	3,585	3,742	3,741
Others	0	0	0	0
Less: Changes in WC	40,065	20,188	27,431	34,674
Operating cash flow	(5,404)	21,577	20,486	30,747
Less: Capex	1,984	(410)	175	4,802
Free cash flow	(7,388)	21,987	20,311	25,945

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 (%)	4.0	2.9	2.6	1.9
Employee cost (%)	3.9	3.5	3.3	3.6
Other exp. (%)	7.2	6.4	5.7	6.3
Other inc. (%)	2.8	2.6	2.3	1.8
Dep. (% gr. block)	7.3	8.9	8.9	8.2
Effect. tax rate (%)	22.2	25.2	25.2	25.2

Key Ratios

Year to March	FY25A	FY26E	FY27E	FY28E
RoE (%)	14.3	15.7	16.0	19.5
RoCE (%)	10.5	12.2	13.0	16.4
Inventory days	1,559	1,398	1,271	969
Receivable days	21	21	22	19
Payable days	125	115	99	73
Working cap (% sales)	305.7	276.8	260.9	198.3
Gross debt/equity (x)	0.4	0.3	0.2	0.2
Net debt/equity (x)	0.3	0.2	0.1	0.1
Interest coverage (x)	6.8	9.8	11.0	15.5

Valuation Metrics

Year to March	FY25A	FY26E	FY27E	FY28E
Diluted P/E (x)	41.3	32.8	28.1	19.8
Price/BV (x)	5.7	4.9	4.3	3.6
EV/EBITDA (x)	30.0	23.5	20.2	14.4
Dividend yield (%)	0	0	0	0

Valuation Drivers

Year to March	FY25A	FY26E	FY27E	FY28E
EPS growth (%)	66.6	25.8	17.0	42.0
RoE (%)	14.3	15.7	16.0	19.5
EBITDA growth (%)	49.0	26.4	15.8	39.4
Payout ratio (%)	0	0	0	0

Source: Company and Nuvama estimates

Exhibit 1: Financial snapshot

Consolidated (INR mn)	Q2FY26	Q2FY25	YoY (%)	Q1FY26	QoQ (%)	FY25	FY26E	FY27E	FY28E
Revenues	37,985	26,257	44.7	34,917	8.8	1,37,795	1,64,958	1,91,062	2,66,198
Cost of Projects	21,991	15,720	39.9	20,950	5.0	82,496	98,162	1,15,457	1,58,405
Employee Benefit Expenses	1,710	1,403	21.9	1,520	12.5	5,433	5,854	6,238	9,559
Other expenses	3,196	2,088	53.1	2,603	22.8	9,986	10,520	10,966	16,807
Total expenditure	26,897	19,211	40.0	25,073	7.3	97,915	1,14,536	1,32,661	1,84,771
EBITDA	11,088	7,046	57.4	9,844	12.6	39,880	50,423	58,401	81,427
Other Income	804	589	36.5	1,330	(39.5)	3,903	4,254	4,467	4,690
Depreciation	714	665	7.4	659	8.3	2,719	3,378	3,469	3,894
Finance Cost	1,565	1,365	14.7	1,478	5.9	5,495	4,790	5,000	4,999
Profit before tax	9,613	5,605	71.5	9,037	6.4	35,569	46,509	54,399	77,223
Less: Tax	1,710	1,368	25.0	2,284	(25.1)	(7,889)	(11,706)	(13,692)	(19,437)
Add: Exceptional Items	-	-	NA	-	NA	-	-	-	-
Add: Share of associates	(5)	(6)	(16.7)	(2)	150.0	(14)	(25)	(28)	(31)
Profit after tax	7,898	4,231	86.7	6,751	17.0	27,666	34,777	40,679	57,756
Adjusted PAT	7,898	4,231	86.7	6,751	17.0	27,666	34,777	40,679	57,756
Adj. diluted EPS	7.9	4.3	85.2	6.7	16.8	27.7	34.9	40.8	57.9
As % of net revenues			YoY (bps)		QoQ (bps)				
Cost of construction	4.5	5.3	(84.2)	4.4	14.9	3.9	3.5	3.3	3.6
Total operating expenses	70.8	73.2	(235.6)	71.8	(99.8)	71.1	69.4	69.4	69.4
Depreciation	4.1	5.2	(107.9)	4.2	(11.3)	4.0	2.9	2.6	1.9
Interest expenditure	1.9	2.5	(65.3)	1.9	(0.8)	2.0	2.0	1.8	1.5

Source: Company, Nuvama Research

Exhibit 2: Operational snapshot

Particulars	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Pre-sales (INR mn)	33,500	35,300	34,100	42,300	40,300	42,900	45,100	48,100	44,500	45,700
Pre-sales (Developable area in msf)	2.8	2.6	2.6	3.3	2.4	NA	NA	NA	NA	NA
ASP (INR/sft)	11,964	13,577	13,115	12,818	16,792	NA	NA	NA	NA	NA
Gross collections (INR mn)	24,000	24,000	25,900	35,100	26,900	30,700	42,900	44,400	28,800	34,800
Net Debt (INR mn)	72,600	67,300	67,500	30,100	43,200	49,200	43,100	39,900	50,800	53,700
Net D/E	0.6	0.5	0.5	0.2	0.2	0.3	0.2	0.2	0.2	0.3

Source: Company, Nuvama Research

Exhibit 3: Q2FY26 performance

Micro-markets	Pre-sales (INR mn)	Average sales price (INR/sft)	Collections (INR mn)	Construction spend (INR mn)
South & Central	9,100	29,093	9,200	2,500
Thane	2,400	11,174	2,900	1,000
Extended Eastern Suburbs	4,300	7,150	7,700	3,200
Western Suburbs	1,800	20,162	3,100	1,000
Pune	11,600	9,758	5,000	1,700
Eastern Suburbs	5,900	20,846	3,400	900
Extended Western Suburbs	-	-	-	-
Bengaluru	10,200	12,040	2,600	400
Offices & Retail (for rent)	-	-	800	200
Digital Infrastructure	-	-	-	-
Land Sale and Tenancy	500	-	100	-
Total	45,700		34,800	10,800

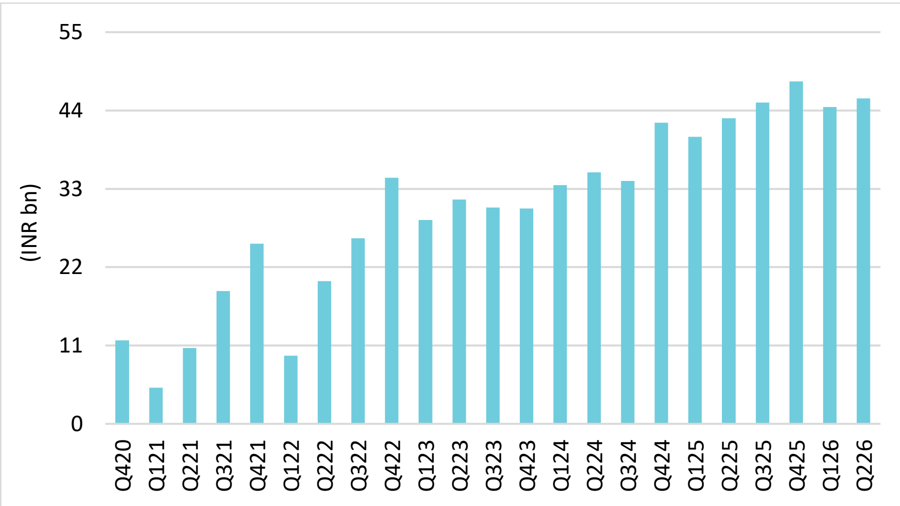
Source: Company, Nuvama Research

Conference call: Key highlights

- **Financial performance:** Q2FY26 revenue came in at INR38bn (up 45% YoY/9% QoQ). EBITDA margins came in at 29.2% (up 240bp YoY/100bp QoQ). Interest cost for the quarter was INR1.6bn (up 15% YoY/6% QoQ). PAT for the quarter came in at INR7.9bn (up 87% YoY/17% QoQ).
- **Adjusted EBITDA margin** fell ~210bp YoY (up ~10bp QoQ) to 34.4%.
- **Embedded EBITDA margin:** It is the estimated EBITDA margin on pre-sales (excluding DM sales) of the period with lifecycle costs, excluding finance cost. Embedded EBITDA margin came in at 32% for the quarter (32% in Q1FY26, 33% for FY25, 30% for FY24 and 32% for FY23) despite JDA projects contributing 50% to sales in Q2FY26.

  Embedded EBITDA on projects on own land was ~37% while those for JDA projects was ~27–30%.
- **Pre-sales:** Pre-sales increased 7% YoY/3% QoQ to INR45.7bn in Q2FY26—despite limited launches during the quarter.

Exhibit 4: Quarterly pre-sales



Source: Company, Nuvama Research

It has clocked pre-sales of ~INR90.2bn in H1FY26 (up 8% YoY).

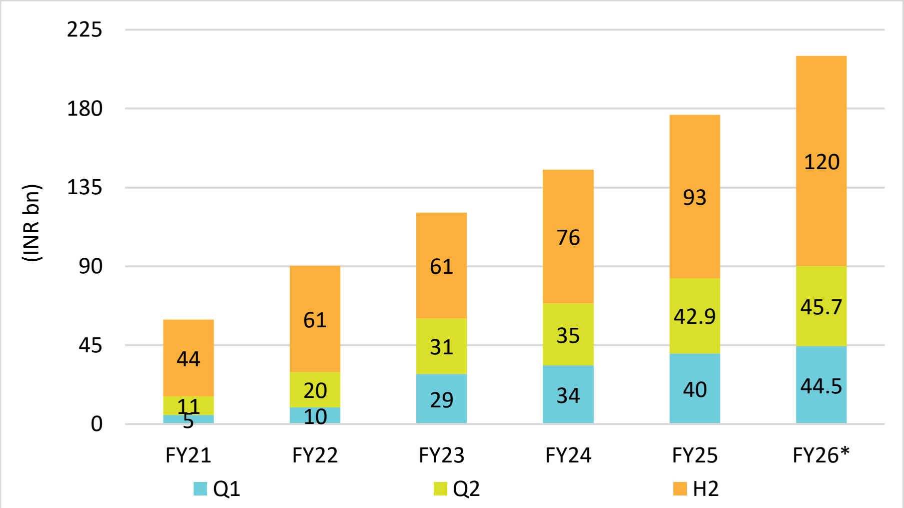
Despite a muted H1FY26, management is confident of achieving their guidance of pre-sales of ~INR210bn for the full year (~INR176bn in FY25 – up 21% YoY).

Management expects pre-sales of ~INR60bn in Q3FY26 (+/-5%). Lodha is clocking non-launch weekly sales of ~INR3bn (as of Oct-25).

Of the ~INR120bn expected pre-sales in H2FY26, ~INR70–75bn would accrue from sustenance sales and ~INR40–45bn from new launches. Contribution of launches to pre-sales was in the mid-thirties in FY25 and is anticipated at similar levels in FY26E as well.

The company will have to clock ~29% YoY growth in bookings during H2FY26 to meet its target.

Exhibit 5: On track to achieve full-year guidance



Source: Company, Nuvama Research

- **Guidance for FY26E**: Management envisages pre-sales of INR210bn (up 19% YoY), operating cash flow of INR77bn (up 17% YoY), business development of INR250bn (up 5% YoY), net-debt to equity below 0.5x and launch of 30 project/phase spanning 18msf with a GDV of ~INR273bn.

Exhibit 6: Strong guidance for FY26E

Particulars	FY26	FY25	YoY growth	H1FY26 actual	% achieved
	Guidance	Actual	Guidance	Actual	Actual
Pre-Sales (INR bn)	210	176	19%	90	43%
Operating cash flow (INR bn)	77	66	17%	24	31%
New Project Additions (INR bn)	250	237	5%	250	100%
Launches - msf	18.0	9.8	84%	7.8	43%
Launches - GDV	273	137	99%	133	49%
Net debt/ Equity	<0.5	0.2		<= 0.5x	

Source: Company, Nuvama Research

- **Entry in new geographies**: Lodha entered the Bengaluru market by launching its first project in Q3FY24. To date, it has sold ~INR39.3bn of inventory thereof. It acquired a ~70-acre project near Bengaluru airport in Q1FY26 with a GDV of ~INR100bn. Lodha recently acquired a prime 8.37-acre land parcel in Bengaluru for a consideration of ~INR5bn.

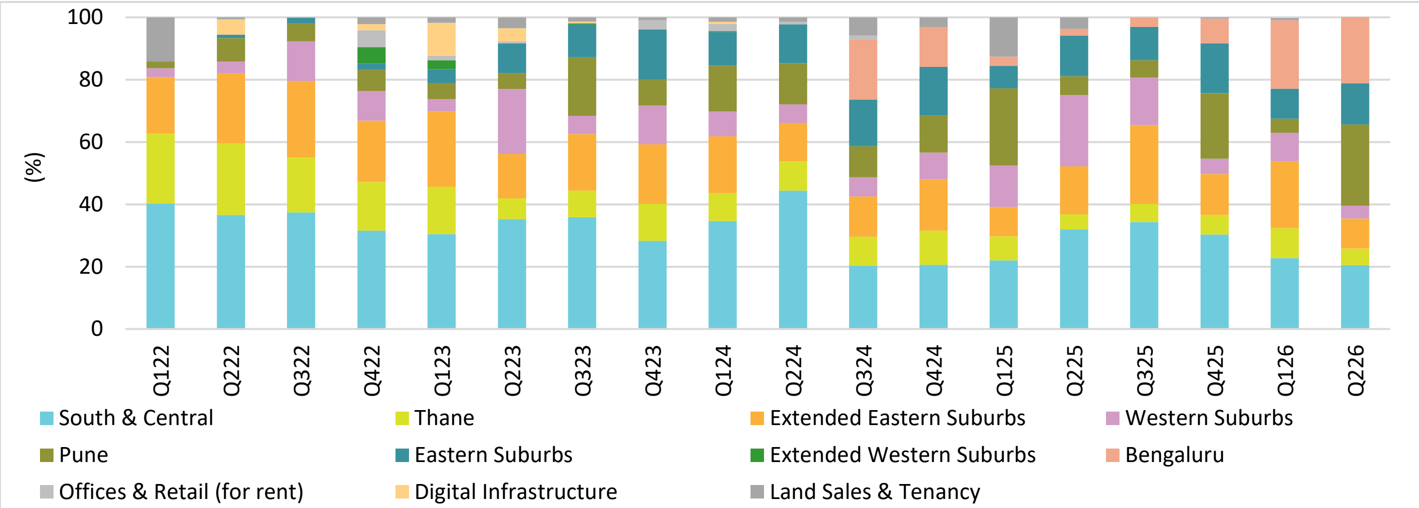
After completing its pilot phase in Bengaluru, the company is now entering the growth phase here. It is also looking to enter the NCR market (mostly in Gurugram) and expects its first launch in this market in FY27E.

- **Pre-sales split:** Contribution from the South-Central Mumbai region inched down to ~20% during the quarter (~23% in Q1FY26).

The share of Pune zoomed to 22% during the quarter from 4% in Q1FY26, taking away the share from extended eastern suburbs, western suburbs and Thane.

Bengaluru's share in bookings remained stable QoQ.

Exhibit 7: Quarterly sales breakdown by geography



Source: Company, Nuvama Research

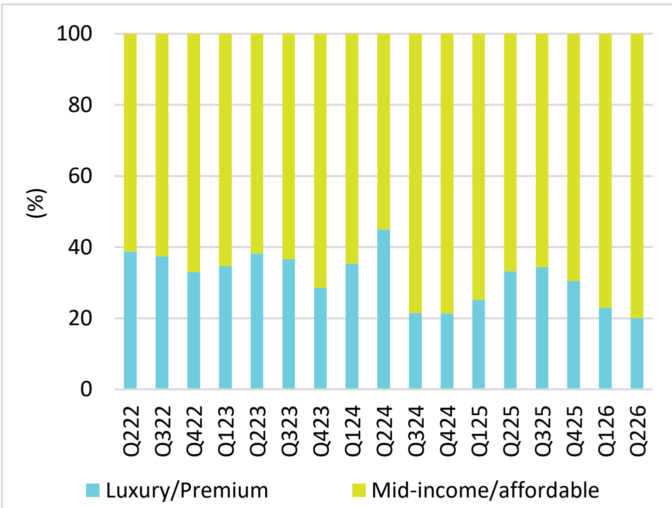
By segmental contribution, the affordable and mid-income segment accounted for 80% of residential sales during the quarter (against historical average of 65–70% annually).

GST rationalisation and reduction in income-tax rates has started benefiting consumer sentiments; as a result, sales in the mid-income segment have picked up. Management expects further rate cuts going ahead, which will boost consumption.

Exhibit 8: Share of luxury housing declines in H1FY26

Source: Company, Nuvama Research

Exhibit 9: Affordable segment share over quarters

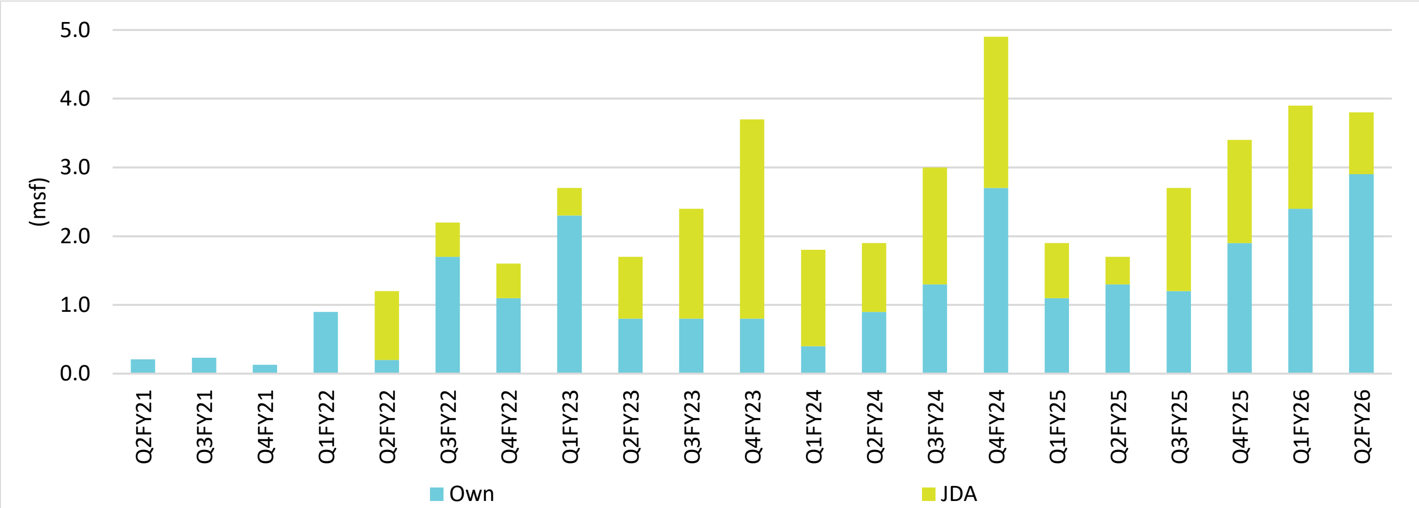


Source: Company, Nuvama Research

- **Price increase**: On average, Q2FY26 sales realisation increased 3% YoY on a like-to-like basis. Management has guided for price hikes of 5–6% YoY in FY26E. They opined that India is a volume opportunity and, hence, affordability needs to be kept intact. Hence, price hikes shall be kept ~200bp lower than the nominal wage growth.

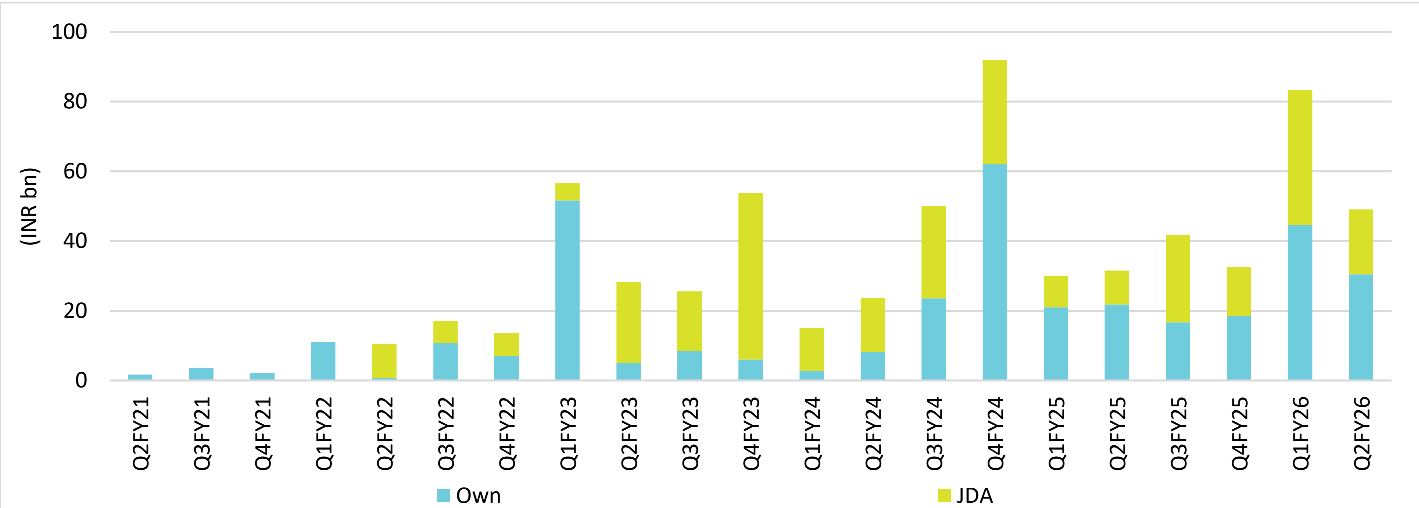
- **Project launches:** Lodha launched three projects and two new phases cumulatively spanning ~3.9msf during the quarter with GDV of INR49bn.

Exhibit 10: Newly launched area rises 129% YoY in Q2FY26



Source: Company, Nuvama Research

Exhibit 11: GDV of launches in Q2FY26 jumps 56% YoY



Source: Company, Nuvama Research

H1FY26 launches were ~7.8msf across 15 projects/phases with a GDV of INR133bn.

FY25 launches came in at ten projects and 14 new phases spanning ~9.8msf with a GDV of ~INR137.3bn (FY24 launches stood at ~11.7msf across 30 projects/phases with a GDV of INR182bn).

The company plans to launch six projects and nine new phases spanning 10msf with a combined GDV of ~INR140bn in H2FY26.

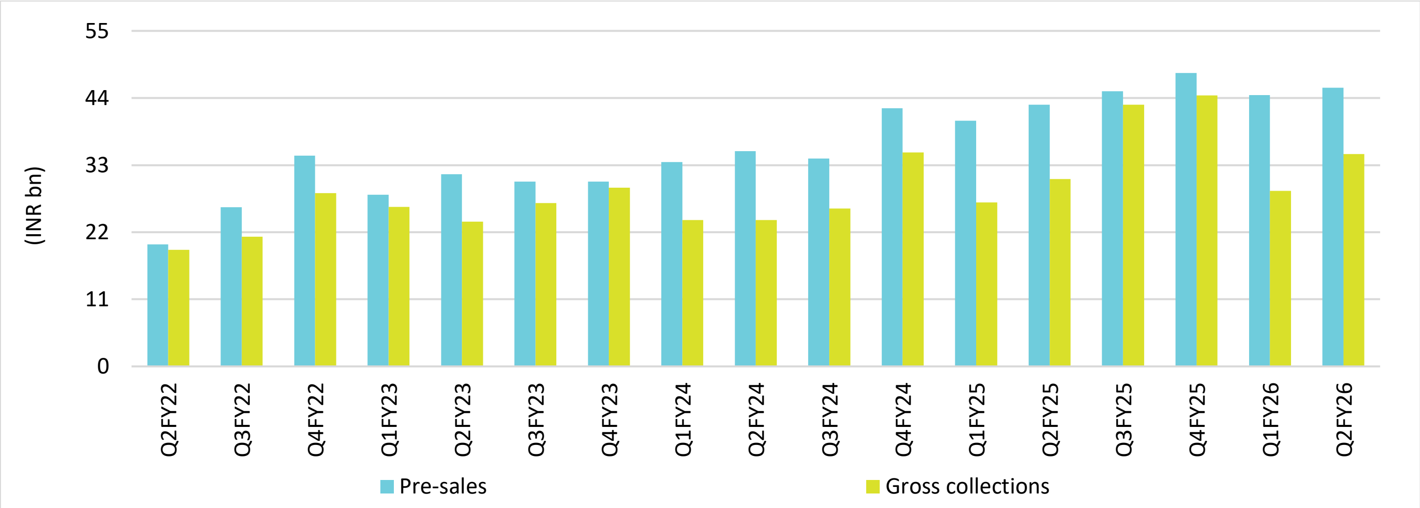
Exhibit 12: Healthy launch pipeline for H2FY26

Micro-market	Own/ JDA Project	New Projects			New Phase of existing projects			Total (2HFY26)		
		Area (Mn .Sq.ft)	Est. GDV (INR bn)	No of Projects	Area (Mn .Sq.ft)	Est. GDV (INR bn)	No of Projects	Area (Mn .Sq.ft)	Est. GDV (INR bn)	No of Projects
MMR - South Central	JDA	0.8	20.2	1	-	-	-	0.8	20.2	1
MMR - Western Suburbs	Own	0.8	25.5	2	-	-	-	0.8	25.5	2
MMR - Western Suburbs	JDA	1.3	20.0	1	-	-	-	1.3	20.0	1
MMR - Thane	Own	-	-	-	0.6	7.0	1	0.6	7.0	1
MMR - Extended Eastern Suburbs	Own	-	-	-	1.3	8.3	1	1.3	8.3	1
MMR - Eastern Suburbs	Own	-	-	-	0.2	3.5	1	0.2	3.5	1
MMR - Eastern Suburbs	JDA	-	-	-	0.4	7.3	1	0.4	7.3	1
Pune	Own	1.6	13.8	1	0.2	1.8	1	1.8	15.6	2
Pune	JDA	-	-	-	0.3	3.2	1	0.3	3.2	1
Bengaluru	Own	-	-	-	1.0	12.5	2	1.0	12.5	2
Bengaluru	JDA	1.1	11.6	1	0.4	5.3	1	1.4	16.9	2
Total		5.6	91.2	6	4.4	48.9	9	10.0	140.0	15

Source: Company, Nuvama Research

- **Collections:** Collections rose 13% YoY/21% QoQ to INR34.8bn in Q2FY26.

Exhibit 13: Pre-sales and collections trajectory over quarters

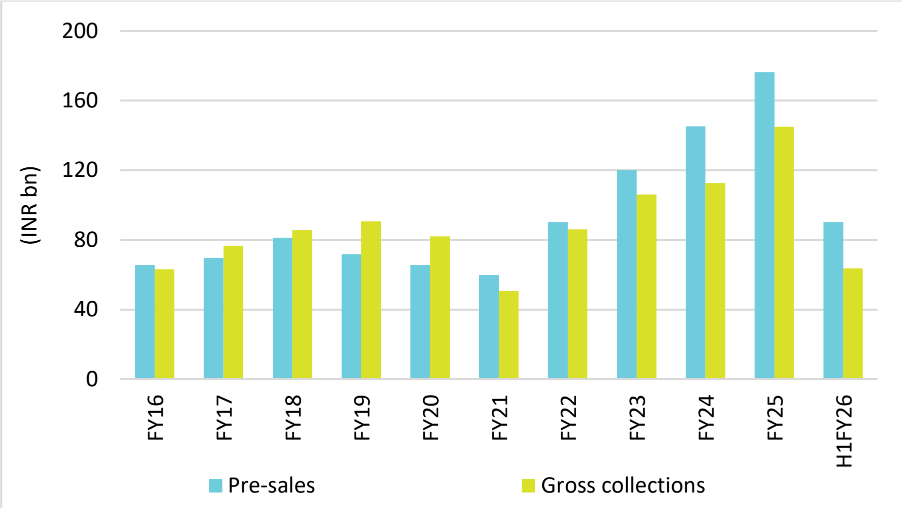


Source: Company, Nuvama Research

H1FY26 collections at ~INR63.6bn were up 10% YoY.

FY25 collections at INR114.9bn were up 29% YoY (highest-ever).

Exhibit 14: Annual pre-sales and collections trajectory

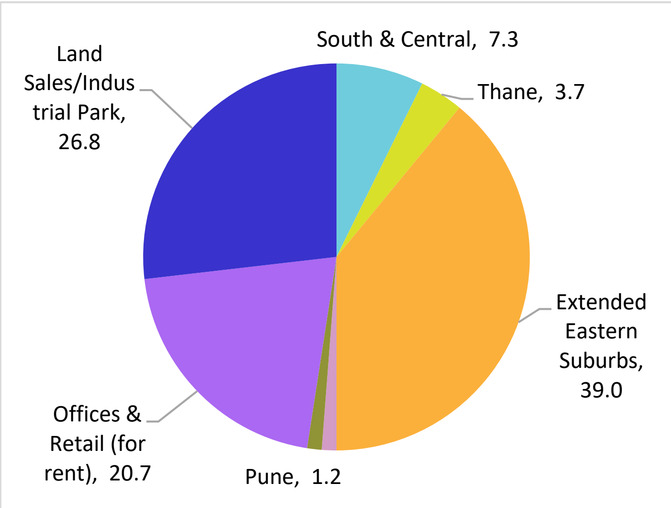


Source: Company, Nuvama Research

Ready unsold inventory remains flat sequentially: The company's ready unsold inventory remained flat QoQ at INR82bn in Q2FY26. However, in terms of area, ready unsold inventory increased QoQ to ~8.2msf from ~7.5msf at end-Q1FY26.

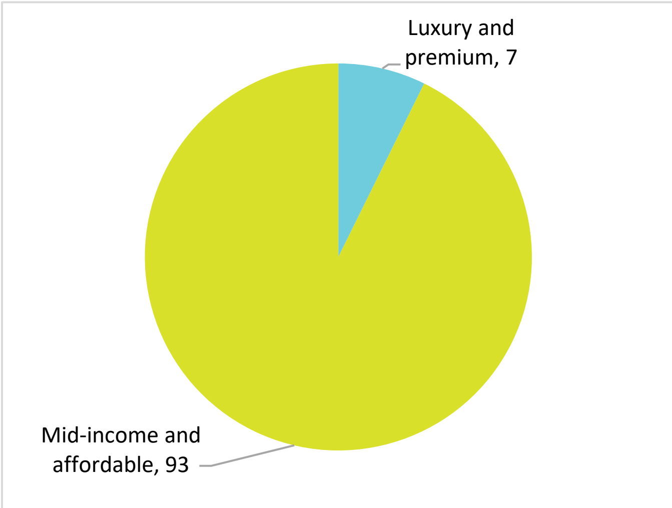
About 93% of this ready inventory pertains to the mid-income and affordable segment. The share of luxury and premium segment, mainly in the South and Central Mumbai micro-markets was 7% in Q2FY26.

Exhibit 15: Residential ready inventory split by micro-market



Source: Company, Nuvama Research

Exhibit 16: Residential ready inventory split by segment

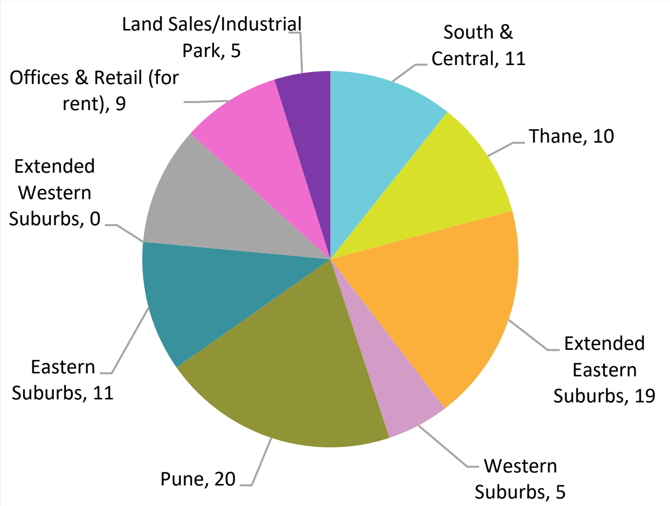


Source: Company, Nuvama Research

As far as ongoing projects are concerned, the company had ~18.7msf of unsold inventory at end-Q2FY26 (~18.4msf at end-Q1FY26); of this, ~2.5msf belonged to land sales/industrial park, office and retail projects with the balance being residential projects.

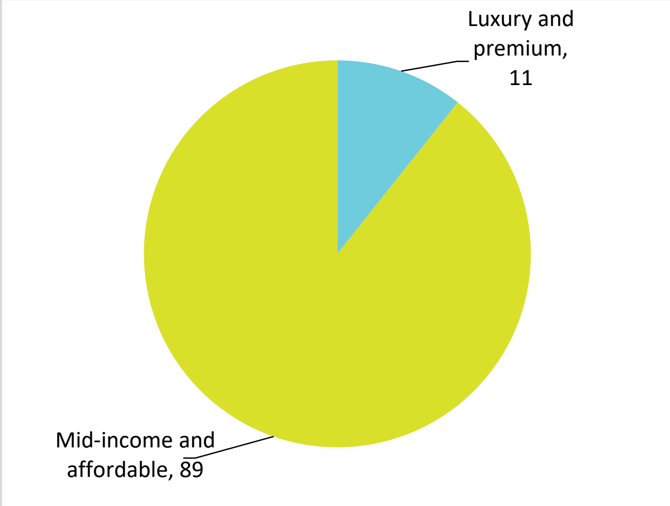
By value, ongoing unsold inventory rose QoQ to INR310bn from INR298bn in Q1FY26.

Exhibit 17: Ongoing residential inventory split by geography



Source: Company, Nuvama Research

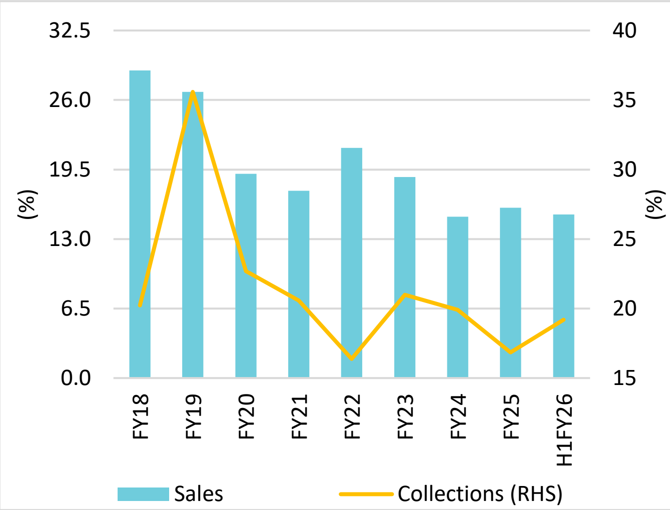
Exhibit 18: Ongoing residential inventory split by segment



Source: Company, Nuvama Research

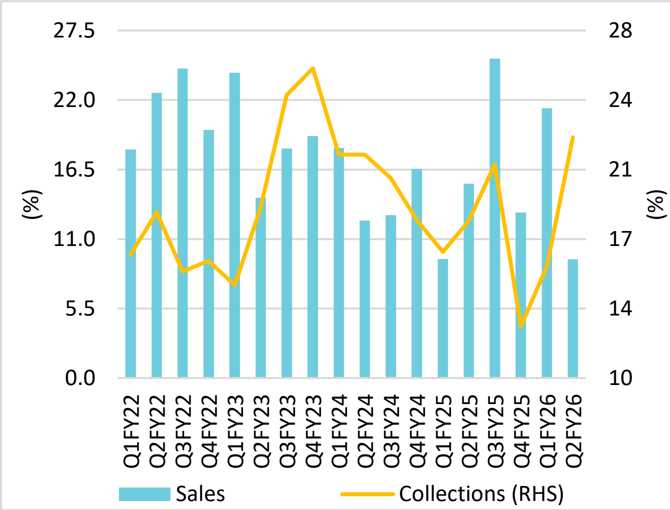
- **Township projects:** The share of township projects (Palava and Upper Thane) in sales decreased to ~9% during the quarter (21% in Q1FY26 and 15% in Q2FY25).

Exhibit 19: Share of township projects annually



Source: Company, Nuvama Research

Exhibit 20: Share of township projects over quarters



Source: Company, Nuvama Research

Historically, Palava has been a mid-income market segment. However, owing to the ongoing infrastructure developments around Palava, which would enhance its connectivity with prime locations of the city, management expects demand from various segments of buyers over the coming years. Lodha had thus launched a few upper mid-income, luxury and premium segment housing projects here in FY25.

These upper mid-income and above segment units priced at ~INR15mn-plus contributed ~20% to overall sales in Palava in FY25; management aims to scale this up to 50% by the end of the decade. Lodha expects INR80bn of annual pre-sales from Palava by 2030 with 50% EBITDA margin.

The luxury project at the upper end is being sold at a price of INR20,000/sq. ft. on carpet area, which is double the price of the entry-level project.

Due to this change in segmental mix, the price rise in Palava could be higher than the overall increase in wages. This coupled with moderate levels of cost inflation is likely to lead to an increase in gross margin in this micro-market, going ahead.

Management believes that the infrastructure developments such as the opening up of Airoli Katai Naka Corridor and the new Navi Mumbai airport in FY26, the bullet train, Thane-Dombivli link road, metro rail projects and Mumbai-Nagpur Expressway shall all boost sales in the Palava project.

Lodha still has ~600msf area pending to be developed in Palava and Upper-Thane.

- **Business development:** The company added one project in the MMR during Q2FY26 with GDV of INR23bn. With this, it has added six projects with GDV of ~INR250bn in H1FY26, thereby achieving its FY26E guidance in H1FY26 itself. It has a robust BD pipeline for H2FY26.

  In FY25, it had added ten projects (excluding Digital Infra) with GDV of ~INR237bn across the MMR, Bengaluru and Pune, surpassing its guidance of project additions with GDV of ~INR210bn. We believe the company is set to exceed its guidance in FY26E as well.

Exhibit 21: Projects added to date

Quarters	No. of projects	Est. GDV (INR bn)	Saleable area (msf)
H1FY26	6	250	
FY25	10	237	14.8
FY24	10	203	10.3
FY23	12	198	13.8
FY22	11	146	8.9
Total	49	1034	47.8

Source: Company, Nuvama Research

Exhibit 22: Projects added in H1FY26

Micro-market	Quarter	Saleable Area (msf)	Est. GDV (INR bn)
MMR - South & Central	Q1FY26	2.4	65
MMR - South & Central	Q1FY26	0.3	9
MMR - Western Suburbs	Q1FY26	2.3	44
Pune - North East	Q1FY26	2.4	25
Bangalore - North	Q1FY26	7	84
MMR - Western Suburbs	Q2FY26	NA	23
	Total H1FY26	**14.3**	**250**

Source: Company, Nuvama Research

- **Annuity business**: Lodha currently has an office and mall portfolio of ~3.7msf (including under-construction and planned spaces). It also has a presence in the digital infra space (~5.1msf), taking its total annuity portfolio to ~8.8msf, of which ~3.9msf is completed and ~3.5msf is already leased. The company has already incurred ~INR33.9bn capex towards building these assets and plans to spend ~INR20.1bn over the coming years.

  Lodha is targeting a total rental income of ~INR15bn by end-FY31E, of which it already has a visibility for ~INR11.6bn income.

Exhibit 23: Building annuity portfolio

Annuity Asset Type	Total Area	Area leased / Completed Area	Annualized Rental income from area leased	Estimated FY31 Annual Rental income	Already invested	Balance investment
	Msf		INR bn			
Retail & Office	3.7	1.2 / 1.7	2.1	5.7	17.4	12.2
Warehousing & Industrial	5.1	2.3* / 2.2	1.0	2.9	16.5	7.8
Facilities Management (incl. Digital App)				3.0		
Grand Total	**8.8**	**3.5 / 3.9**	**3.2**	**11.6**	**33.9**	**20.1**

Source: Company, Nuvama Research

- **Data centre**: Lodha has a large-scale Data Centre opportunity in Palava.

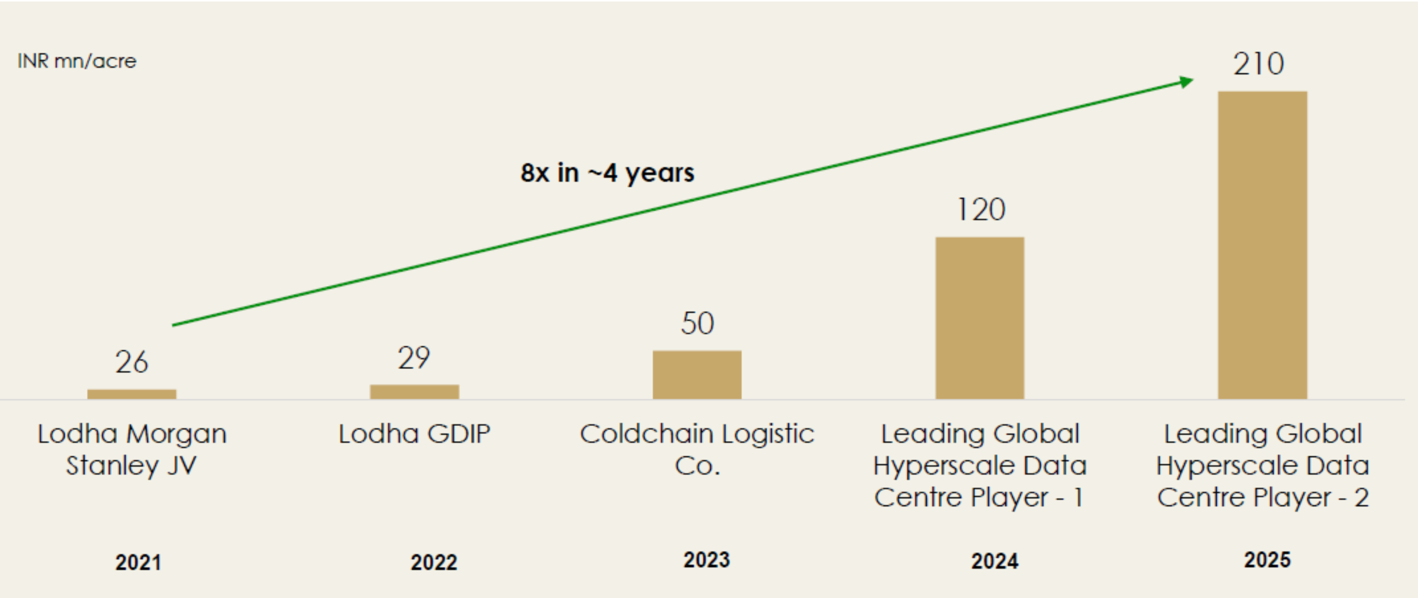
Exhibit 24: Opportunities in data centre in Palava for Lodha

- ✓ **Shovel ready** - Land, Permits, Power, Water in place; from agreement to operationalization in <24 months
- ✓ **Capacity** - ~3 GW of power availability, ~400 acres of land; further scalability is feasible
- ✓ **Exceptional infrastructure:**
  - 3 x 400 KV and 2X220 KV EHV power lines going through site, including national grid
  - Green (renewable) power
  - Availability of 100+ MLD of recycled water for cooling
  - 5 optic fiber routes (existing) and likely to further grow
- ✓ **Lowest costs:**
  - **Amongst lowest build costs globally**: US$ ~6.5 million / MW
  - Power cost of ~US$0.07 to 0.08/KWH
  - Feasible PUE of 1.20-1.30, leading to one of the **lowest total costs** (capex and operating)
- ✓ **Anchor operators — Amazon Web Services (AWS), STT**
- ✓ **Other considerations favoring Palava DC Park**:
  - Mumbai is India's primary hub for under sea cable landings
  - Latency:
    - To Europe (Marseilles): current - ~140-150 ms; best case - ~120 ms
    - To USA (Miami): current - ~220-240 ms; best case - ~170 ms
  - Significant benefits under Green Data Centre policy, Maharashtra to the tune of US$1 billion (across entire park)
  - Govt. of India policy on data center (draft circulated) to provide further benefits
- ✓ **Value of residual DC earmarked land @ current market rate (~INR 0.3 bn/acre): ~INR 100 bn. Third party land sales planned to be continued for next few years to strengthen eco-system at Palava**
- ✓ **Dedicated team exploring how to capture higher share of value through models like powered shell; partnerships with entities having strong AI knowledge / network**

Source: Company, Nuvama Research

Out of ~4,000 acres land in Palava, ~400 acres are earmarked for data centre as of now. As per management, land value has touched ~INR300mn/acre in Palava for data centre.

Exhibit 25: Realisation trajectory per acre in Palava over years



Source: Company, Nuvama Research

The company is exploring an opportunity in the powered shell data centre facility, which has a profit potential of ~INR25bn yearly. The capex on this is estimated to be ~USD6–7mn/MW. Assuming build-up of ~50 MW yearly, annual capex is likely to be ~USD300–350mn yearly with a 3:1 debt/equity structure.

- **Cash flows:** Q2FY26 net collections were INR31.2bn while surplus cash generated was INR0.9bn. It paid out dividends of ~INR3.7bn during the quarter.

Exhibit 26: Cash flow performance over quarters

Particulars (INR mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Collections	24,000	27,500	25,900	35,100	26,700	30,300	42,500	43,900	28,400	34,300
Repatriation form UK	-	24,700	5,500	-	-	-	-	-	-	-
Net Collections	21,200	24,700	28,800	32,100	23,200	27,500	40,000	40,000	25,300	31,200
Operating Expenses: -	-12,800	-12,200	-12,900	-11,600	-16,700	-16,100	-15,800	-16,800	-15,700	-16,800
Construction Expenses	-10,000	-8,500	-8,900	-8,600	-11,800	-10,100	-9,100	-11,200	-10,500	-10,100
SG&A	-3,500	-3,300	-4,100	-3,100	-4,000	-4,800	-4,400	-4,200	-3,900	-5,500
Taxes	700	-400	100	100	-900	-1,200	-2,300	-1,400	-1,300	-1,100
Cash flow from Operational activities	8,400	12,500	15,900	20,500	6,500	11,400	24,200	23,200	9,500	14,400
Land, Approvals & JV/JDA investment/ Growth investments	-8,200	-5,100	-13,200	-14,200	-18,000	-12,800	-13,300	-19,000	-17,000	-9,600
Interest payment	-2,000	-2,100	-1,800	-1,800	-1,500	-1,300	-1,300	-1,200	-1,300	-1,500
Income from annuity	-	-	-	-	300	400	400	400	400	500
Investment in annuity	-	-	-	-	-500	-1,300	-3,900	-300	-2,600	-3,000
Equity fund raise	-	-	-	32,800	-	-	-	-	-	-
Dividend	-	-	-1,000	-	-	-2,200	-	-	-	-3,700
Decrease/(Increase) in net debt	-1,800	5,300	-100	37,300	-13,200	-5,800	6,100	3,100	-10,900	-2,900

Source: Company, Nuvama Research

For H1FY26, the company generated net operating cash flow of ~INR24bn.

As a result of lower construction spends QoQ, the cash operating surplus improved to ~50% during the quarter.

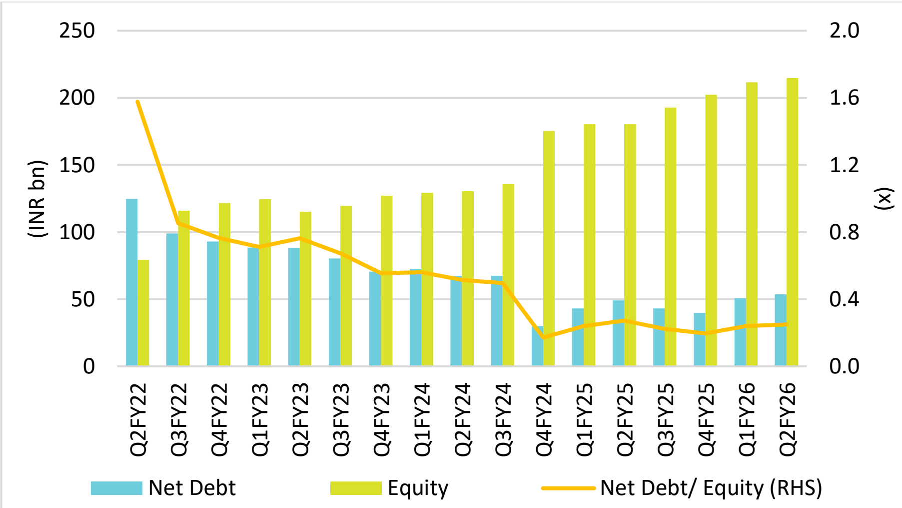
Exhibit 27: Common size cash flow statement

Direct method CF % of Collections	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Collections	100	100	100	100	100	100	100	100	100
Construction expenses	-34	-31	-27	-51	-37	-23	-28	-42	-32
Overheads and others	-13	-14	-10	-17	-17	-11	-11	-15	-18
Operating surplus	52	55	64	32	46	66	62	43	50
Interest	-9	-6	-6	-6	-5	-3	-3	-5	-5
Tax	-2	0	0	-4	-4	-6	-4	-5	-4
Dividend	0	3	0	0	8	0	0	0	12
Cash flow available for investments	42	52	58	22	45	57	55	33	54
Land, Approvals & JV/JDA investment/TDR	-21	-46	-44	-78	-47	-33	-48	-67	-31
net capex outflow	0	0	0	-1	-3	-9	0	-9	-8
other capital inflows	0	0	102	0	0	0	0	0	0
Net cash flow available for debt repayment	21	7	116	-57	-5	15	8	-43	15

Source: Company, Nuvama Research

- **Debt:** Healthy business development caused net debt to inch up ~INR2.9bn QoQ to INR53.7bn at end-Q2FY26. It remains below its ceiling of 0.5x net debt-to-equity at 0.25x.

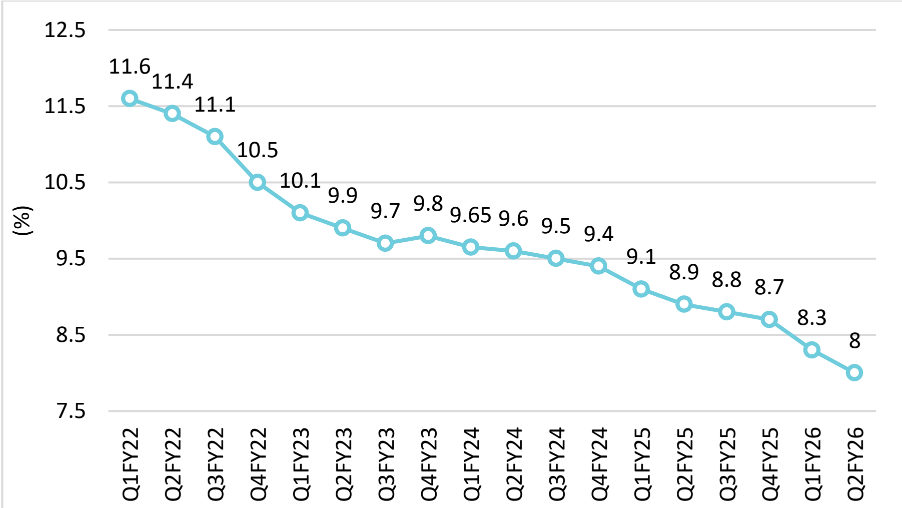
Exhibit 28: Net debt increases QoQ



Source: Company, Nuvama Research

- **Interest rate:** Average cost of debt decreased ~30bp QoQ/~90bp YoY to 8% during the quarter.

Exhibit 29: Interest rate (cost of debt) decreases in Q2FY26



Source: Company, Nuvama Research

- **Modest impact of cost inflation**: The company reported a moderation in construction cost since Mar-22.

  The construction cost inflation since the start of FY21 is at an annualised rate of ~3% per annum. This, in turn, implies an impact of less than 2% for the overall cost on the company's portfolio.

Exhibit 30: Inflation cost analysis

Commodity/Component	% Share in total cost	Mar-21 to Jun-25	
		% Change	Weighted Impact
Steel	11.7%	-13.2%	-1.6%
Flooring materials	5.2%	15.2%	0.8%
Electrical	3.8%	-3.5%	-0.1%
Plumbing	2.2%	-12.6%	-0.3%
Labour	34.2%	25.8%	8.8%
External Windows	3.3%	13.1%	0.4%
RMC	12.3%	10.8%	1.3%
Lifts & Elevators	3.7%	13.8%	0.5%
Carpentry Materials	2.3%	15.4%	0.4%
Painting	0.8%	6.3%	0.1%
CP Fittings	2.4%	15.7%	0.4%
Firefighting	1.7%	22.8%	0.4%
Gypsum	1.4%	55.60%	0.8%
Overall			**11.80%**

Source: Company, Nuvama Research

Outlook and valuation: Focus on cash flows; maintain 'BUY'

Revival in housing demand (refer to ***Burning bright; hope for more***) and Lodha's leadership in the MMR, strong execution skills, ready inventory liquidation and promising start to asset-light business development through the JDA mode coupled with industry consolidation (refer to ***Real Estate - Leadership Matters***) and interest cost reduction are likely to culminate in robust cash flows and debt reduction ahead. We believe management's focus on cash flows and geographical diversification in the MMR and Pune should keep its long-term growth trajectory intact.

Faster land monetisation at Palava, portfolio growth, geographical diversification and annuity asset sale can be potential stock catalysts. Maintain **'BUY/SN'** with a target price of INR1,580 (30% premium on Q2FY28E-based NAV of INR1,215).

Exhibit 31: SotP valuation

Particulars	**Value (INR mn)**	**Value (INR/share)**
Development Portfolio	5,39,429	542
Rental business	40,514	41
Industrial business	9,087	9
Land bank value	3,38,420	340
Business development	3,25,000	327
Less: Net Debt	44,083	44
Total value	12,08,367	1,215
NAV Premium		30%
Price Target		**1580**

Source: Nuvama Research

We argue a 30% premium to NAV valuation is fair for Lodha based on the following factors.

- Revival in housing demand.
- Potential market share gain due to consolidation in the realty space.
- Reduction in gearing and use of JDA mode lend capital flexibility to increase portfolio size and grow its NAV faster.
- Presence across the entire gamut of residential projects.
- Market leadership in MMR.
- Premium brand in the lucrative Mumbai market.
- Accelerating sales trajectory in Pune and Bengaluru.
- Increased opportunities in Palava and Upper Thane.

These factors contrast with a few negatives.

- Geographical concentration in MMR.
- Large unsold inventory likely to keep realisations in check.

Company Description

Lodha Developers Limited, incorporated in the year 1995, features among the largest developers in India, in terms of pre-sales.

It has operations in MMR, Pune and the Bengaluru market. The core business of the company is residential real estate development with a focus on affordable and mid-income housing. It has also started plotted developments (plots and villas) while venturing into the development of logistics and industrial parks. Additionally, it develops commercial real estate comprising corporate offices, IT campuses and boutique office spaces – concentrated in suburban locations of the MMR. Its retail projects focus on high-street retail with shopping and entertainment.

Investment Theme

Increasing geographical diversification, both inside and outside MMR.

Ready inventory liquidation, which can accelerate debt reduction.

Monetisation of annuity assets, which can hasten deleveraging.

Monetisation of land bank at Palava with the industrial parks business gaining traction.

Key Risks

Interest rate uncertainty: Uncertainty with respect to the quantum and timing of future rate hikes pose a risk for the sector as a whole.

Lack of progress on the debt reduction part: In case the company is unable to reduce debt significantly, it can increase the risk perception about the company.

Geographical concentration in MMR: Majority of OBER's operations are concentrated in the MMR. This exposes the company to risks arising out of disruptions in business activity in the region, as well as a lack of growth options due to market share hitting a ceiling

Additional Data

Management

Chairman	Mukund Chitale
CEO & MD	Abhishek Lodha
CFO	Sanjay Chauhan
Director	Shaishav Dharia
Auditor	MSKA & Associates

Holdings – Top 10*

	% Holding		% Holding
New World Fund	4.37	Ninety One UK	0.25
Gqg Partners	1.13	Kotak AMC	0.25
Nordea Bank	0.95	Invesco	0.17
Norges Bank	0.32	ICICI Pru	0.17
WBC Holdings	0.31	CIMB	0.16

**Latest public data*

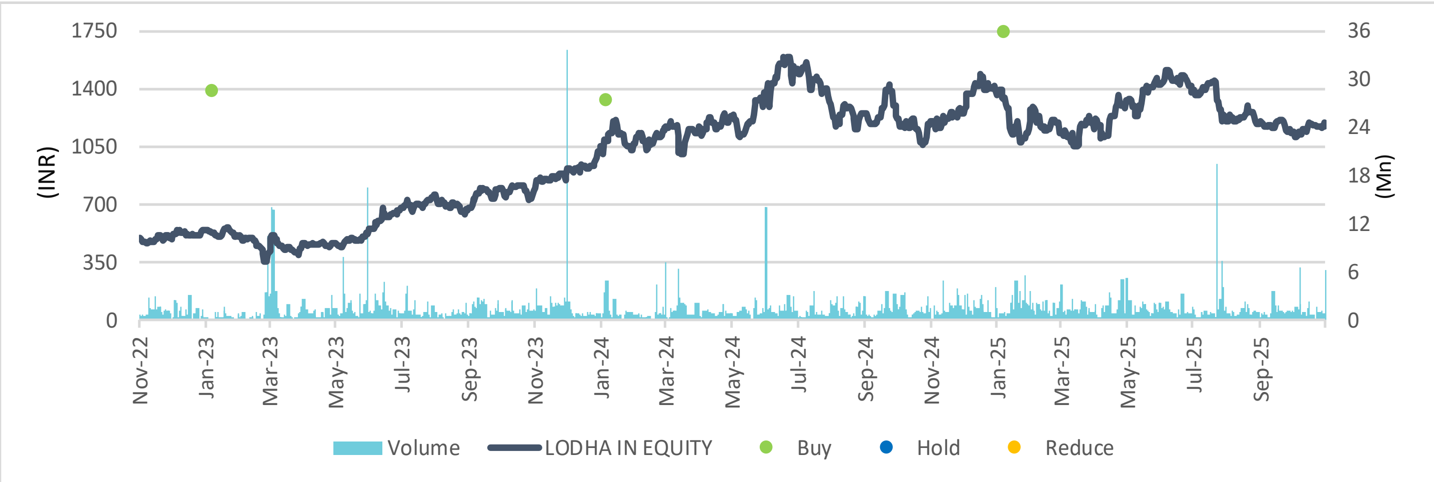
Recent Company Research

Date	Title	Price	Reco
07-Oct-25	Q2FY26: Steady performance; *Company Update*	1,145	Buy
28-Jul-25	Steady quarter; guidance intact; *Result Update*	1,279	Buy
07-Jul-25	Q1FY26: Steady performance; *Company Update*	1,377	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
30-Oct-25	Brigade Enterprises	Launches key to pre-sales growth; *Result Update*
27-Oct-25	Real Estate	Sep-25: Sales and launches fall YoY; *Sector Update*
20-Oct-25	Sunteck Realty	Q2FY26: Pre-sales remain healthy; *Result Update*

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%	68
Reduce	<-5%	37

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 officer: Mr. Abhijit Talekar, E-mail address: researchcompliance@nuvama.com Contact details +91 9004510449 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 other than intended 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

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 in the last 12 month period ending on the last day of the month immediately preceding the date of publication of the Report.: 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 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

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

Artificial Intelligence ("AI") tools may have been used (i) during the information gathering stage for compiling or collating the data from-(a) publicly available data sources; (b) databases to which NWML subscribes; and (c) internally generated research data, and/or (ii) for compiling summaries of the report.

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. REGISTRATION GRANTED BY SEBI, MEMBERSHIP OF RAASB AND CERTIFICATION FROM NISM IN NO WAY GUARANTEE PERFORMANCE OF NWML OR PROVIDE ANY ASSURANCE OF RETURNS TO INVESTORS AND CLIENTS.

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: 2025.10.31 19:50:01 +05'30'
Adobe Acrobat version: 2025.001.20813