

CHOLAMANDALAM

RESULT UPDATE

KEY DATA

Rating	HOLD
Sector relative	Neutral
Price (INR)	1,702
12 month price target (INR)	1,650
52 Week High/Low	1,782/1,168
Market cap (INR bn/USD bn)	1,431/16.2
Free float (%)	50.0
Avg. daily value traded (INR mn)	2,335.5

SHAREHOLDING PATTERN

	Sep-25	Jun-25	Mar-25
Promoter	49.9%	49.9%	49.9%
FII	26.9%	28.0%	28.2%
DII	17.3%	16.1%	15.5%
Pledge	0.0%	0.0%	0.0%

FINANCIALS

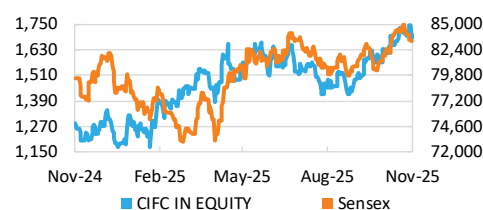
(INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Revenue	79305	105961	134706	167422
PPoP	59039	82311	103949	129720
Adjusted profit	34228	42585	49872	64225
Diluted EPS (INR)	40.7	50.6	58.1	74.8
EPS growth (%)	25.6	24.3	14.8	28.8
RoAE (%)	20.2	19.7	18.5	19.2
P/E (x)	41.8	33.6	29.3	22.7
P/ABV (x)	7.3	6.1	4.8	4.0

CHANGE IN ESTIMATES

	Revised estimates		% Revision	
Year to March	FY26E	FY27E	FY26E	FY27E
Revenue	1,70,203	2,08,987	0.0%	0.0%
PPoP	1,03,949	1,29,720	0.0%	0.0%
Adjusted profit	49,872	64,225	0.0%	0.0%
Diluted EPS (INR)	58.1	74.8	0.0%	0.0%

PRICE PERFORMANCE



Q2FY26 – Mixed performance

CIFC reported soft disbursal growth in Q2FY26 at 0.5% YoY/QoQ. Given flat disbursal growth, AUM growth slowed to 4% QoQ/21% YoY. NIM rose 10bp QoQ. Opex increased sharply by 11% QoQ driven by higher employee expenses. GS2 rose 5% QoQ while GS3 grew sharply by 10%. Credit cost fell marginally, but remains elevated and much higher than normalised at 1.83% of AUM in Q2FY26 versus 1.87% QoQ.

Management guides for a better H2 with better growth and lower credit cost. While AUM growth slowed to 21%, the CEO is confident of maintaining AUM growth well above 20% for FY26E. Maintain 'HOLD' on the back of steep valuation and soft results. Revise TP to INR1,650/4.7x FY26E BV from INR1,520/4.3x.

Disbursal growth remains weak; PPOP/PAT below consensus

Disbursal growth was flat both QoQ/YoY on the back of a soft Q1 when disbursals fell 8% QoQ/remained flat YoY. CV disbursals grew 10% YoY/-1% QoQ, HL declined -7% YoY/-4% QoQ, LAP grew 8% YoY/-2% QoQ and CSEL grew -40% YoY/+5% QoQ. With soft disbursal growth, AUM growth slowed to 21% from 23% YoY and guidance of 22–24%. Borrowings grew 19% YoY/3% QoQ with non-bank borrowings growing faster. CIFC changed the PLR on HL/LAP by 15bp. Reported NIM improved 10bp QoQ while calculated NIM improved 15bp QoQ. NII grew 25% YoY/6% QoQ. Opex grew higher-than-expected at 11% QoQ/22% YoY led by employee expenses. PPOP grew 2% QoQ/28% YoY, 5% below consensus. Provisions rose 43% YoY/2% QoQ. PAT grew 20% YoY/2% QoQ, which is 6% below consensus. RoA fell to 2.2% from 2.3%.

Asset quality remains soft with rise in GS2 and GS3

GS2 rose 5% QoQ. GS3 rose sharply by 10% QoQ. GS3 rose 9% in VF, 16% in HL, 11% in LAP, 14% SME, 3% in CSEL and 41% in SBPL. The rise in stress in VF is driven by rains, which lowers capacity utilisation in CV and CE, and delayed payments to contractors. HL stress is elevated due to time taken to manage non-SARFESI loans. 50% of HL is covered by SARFESI. Stage 3 ECL fell marginally to 43.2%.

Guidance – Pickup in growth and decline in NPLS in H2

Management is confident of growth picking up in H2. Due to the festive holidays, some property registrations were delayed and would happen in Q3 boosting HL/LAP loans. GST cut will be positive for demand. Gold is also an incremental contributor to growth. As such, management does not envisage AUM growth slipping below 20%. Asset quality is likely to pick up in H2. CSEL stress has peaked out. VF stress is also likely to reduce. NIM is likely to improve 10–15bp in H2FY26 driven by a reduction in CoF and warrant conversion.

Financials

Year to March	Q2FY26	Q2FY25	% Change	Q1FY26	% Change
Net Revenue	40,746	32,376	25.9	31,838	28.0
Pre-provisioning Profits	24,578	19,221	27.9	24,117	1.9
Reported Profits	11,553	9,631	20.0	11,359	1.7
EPS	54.9	45.8	19.8	54.0	1.6

Financial Statements

Income Statement (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Net interest income	79,305	1,05,961	1,34,706	1,67,422
Non interest income	20,552	29,738	35,497	41,565
Fee and forex income	10,466	16,665	21,211	26,185
Other income	8,481	11,108	12,124	13,110
Investment profits	1,606	1,966	2,162	2,270
Net revenues	99,857	1,35,699	1,70,203	2,08,987
Operating expense	40,818	53,388	66,255	79,267
Employee exp.	23,306	32,805	42,647	52,455
Other opex	17,512	20,583	23,608	26,811
Preprovision profit	59,039	82,311	1,03,949	1,29,720
Provisions	13,218	24,943	36,764	43,200
PBT	45,821	57,369	67,184	86,520
Taxes	11,593	14,783	17,313	22,296
PAT	34,228	42,585	49,872	64,225
Extraordinaries	0	0	0	0
Reported PAT	34,228	42,585	49,872	64,225

Important Ratios (%)

Year to March	FY24A	FY25A	FY26E	FY27E
Net interest margins	6.3	6.4	6.6	6.8
Cost-income	40.9	39.3	38.9	37.9
Tax rate	25.3	25.8	25.8	25.8

Valuation Metrics

Year to March	FY24A	FY25A	FY26E	FY27E
Diluted PE (x)	41.8	33.6	29.3	22.7
Price/BV (x)	7.3	6.1	4.8	4.0

Source: Company and Nuvama estimates

Balance Sheet (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Equity capital	1,681	1,683	1,716	1,716
Reserves	1,93,885	2,34,592	3,02,403	3,64,054
Net worth	1,95,565	2,36,274	3,04,120	3,65,770
Borrowings	13,44,736	17,49,461	20,94,451	25,37,997
Total	15,64,508	20,16,476	24,37,919	29,54,133
Assets				
Loans	14,44,243	18,19,299	22,19,227	26,91,897
Investments	41,002	63,904	62,834	76,140
Cash & equi.	43,202	94,007	1,12,834	1,38,828
Fixed assets	15,696	17,792	19,749	21,921
Other assets	13,824	12,007	13,809	15,880
Total	15,64,508	20,16,476	24,37,919	29,54,133
BV/share (INR)	232.7	280.9	354.4	426.2

Balance Sheet Ratios (%)

Year to March	FY24A	FY25A	FY26E	FY27E
Credit growth	37.9	26.0	22.0	21.3
Gross stage 3	2.5	2.8	2.8	2.8

ROA Decomposition (%)

Year to March	FY24A	FY25A	FY26E	FY27E
NII/Assets	6.2	6.3	6.3	6.5
Net revenues/assets	7.4	7.6	7.6	7.8
Opex/Assets	3.0	3.0	3.0	2.9
Provisions/Assets	1.0	1.4	1.7	1.6
Taxes/Assets	0.9	0.8	0.8	0.8
Total costs/Assets	4.9	5.2	5.4	5.4
RoA	2.5	2.4	2.2	2.4
Equity/Assets	8.0	8.3	8.2	8.0
RoAE	20.2	19.7	18.5	19.2

Valuation Drivers

Year to March	FY24A	FY25A	FY26E	FY27E
EPS growth (%)	25.6	24.3	14.8	28.8
RoAE	20.2	19.7	18.5	19.2

Q2FY26 earnings call: Key takeaways

Management guidance

- AUM growth guidance of 20% plus was maintained, driven by a likely stronger recovery in demand in H2FY26. The full impact of recent changes, including rationalised GST rates and repo rate reductions, was not fully visible in Q2 due to transitional issues, but the medium-term outlook remains strong.
- Disbursement growth is likely to be healthy in H2FY26, though likely to be below the earlier 10% full-year target.
- The long-term plan for the CSEL book is to maintain its current share of around 7–8% of AUM, with growth led by consumer durable and D2C digital lending channels.
- NIM is likely to improve 10–15bp in H2FY26, driven by a reduction in CoF through MCLR rate cuts from banks and partial benefits from remaining INR2bn warrant conversions, which will flow through over the next three quarters.
- Management remains cautious on the extended monsoon and its possible impact on harvest in the coming quarter.
- The focus would remain on achieving a credit cost of 1.6% for FY26, with better visibility emerging post the Q3FY26 performance.

Loans and disbursements

- Q2FY26 disbursements were INR244.42bn with muted growth due to changes in home registration processes, higher festive holidays and the strategic exit from fintech-led CSEL originations.
- Following GST rate cuts, VF disbursement volumes rose 18% in October, though ticket sizes fell around 8% due to GST deflation.
- CV growth is likely to be led by light and small commercial vehicles from Q3FY26, with HCV growth likely to pick up from Q4FY26.
- The PV growth strategy is focused on targeting self-employed customers in Tier 3, 4, and 5 cities instead of competing with PSU banks in the salaried segment.
- The Tractor book has been declining over recent quarters as a conscious call due to lower yields and high dealer payouts. The entire tractor vertical has been revamped with growth now likely to come from the used as well as new tractor segment.
- Home loan disbursements remained weak during the quarter due to procedural delays in registration in certain markets and higher festive holidays, though AUM growth remained healthy at 28%.
- The gold loan business is likely to contribute meaningfully Q3 onwards.

Yield, cost and margins

- There was a PLR change of 15bp that was passed on to customers for the loan against property (LAP) book.
- The asset-side yield pressure in the SBPL segment is attributed to the average asset movement, as the business started three years ago. The marginal yield remains the same.

- The Gold Loan strategy is to maintain pricing at par with peers while focusing on ease of access and customer experience rather than price-based competition.

Asset quality

- CSEL delinquencies were higher due to customer over-leverage in the unsecured business loan portfolio and partner selection issues, which led to multiple simultaneous loans. Underwriting norms have been tightened and borrower monitoring enhanced in the unsecured business loans segment.
- Management said credit losses in CSEL have now peaked, and the company expects the impact to moderate going forward.
- Stage 2 ratios remained stable during the quarter, with VF segment performance steady despite the monsoon impact. However, stage 3 in absolute terms has been higher as capacity utilisation for CV/CE was hurt by the monsoon effect. Portfolio's performance to improve over Q3 and Q4 as capacity utilisation starts rising.
- Increase in GNPA for affordable home loans was attributed to the time taken to manage non-SARFAESI assets, which are eventually sold to ARCs.

Exhibit 1: Change in estimates

	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
	Old		New		% Change	
NII, INR Mn	1,34,706	1,67,422	1,34,706	1,67,422	0.0%	0.0%
PAT, INR Mn	49,872	64,225	49,872	64,225	0.0%	0.0%
EPS, INR	58.1	74.8	58.1	74.8	0.0%	0.0%
BVPS, INR	354.4	426.2	354.4	426.2	0.0%	0.0%
Target price, INR		1,520		1,650		8.6%
CMP				1,702		
% downside				-3%		
Rating		HOLD		HOLD		

Source: Company, Nuvama Research

Exhibit 2: Net credit cost reported by segment

%	Q2FY26	Q1FY26	Q2FY25
VF	2.10	2.20	1.80
LAP	0.30	0.30	0.10
HL	0.50	0.60	0.40
CSEL	7.00	6.70	4.10
SME	1.00	1.10	0.60
SBPL	2.30	2.10	1.00
Total reported	1.70	1.80	1.40

Source: Company, Nuvama Research

Exhibit 3: GS3 breakdown by segment

INR, mn	Q2FY26	Q1FY26	Q2FY25	YoY	QoQ
Gross Stage 3	66,270	60,400	47,080	40.8%	9.7%
Vehicle Finance	45,350	41,750	33,880	33.9%	8.6%
LAP	10,080	9,090	7,800	29.2%	10.9%
Home Loans	3,760	3,240	1,800	108.9%	16.0%
Gold Loans	30	10	0	NA	200.0%
Others, of which	7,060	6,310	3,600	96.1%	11.9%
- CSEL	3,420	3,330	2,240	52.7%	2.7%
- SME	2,360	2,070	1,160	103.4%	14.0%
- SBPL	1,280	910	200	540.0%	40.7%

Source: Company, Nuvama Research

Exhibit 4: Asset quality summary

	Q2FY26	Q1FY26	QoQ
GS1 (INR mn)	18,53,380	17,95,480	3.2%
GS2 (INR mn)	61,160	58,330	4.9%
GS3 (INR mn)	66,270	60,400	9.7%
GS1, %	93.6	93.8	-23 bp
GS2, %	3.1	3.1	4 bp
GS3, %	3.3	3.2	19 bp
ECL GS1, %	0.4	0.4	-1 bp
ECL GS2, %	8.4	8.5	-14 bp
ECL GS3, %	43.2	43.7	-48 bp

Source: Company, Nuvama Research

Exhibit 5: Key reported profitability ratios

%	Q2FY26	Q1FY26	Q2FY25	YoY	QoQ
Yield on loans	14.7	14.8	14.6	10 bp	-10 bp
Cost of funds	6.8	7.0	7.1	-30 bp	-20 bp
Overall NIM	7.9	7.8	7.5	40 bp	10 bp
Expense Ratio	3.1	2.9	3.0	10 bp	20 bp
Loans Losses and Prov	1.7	1.8	1.4	30 bp	-10 bp
RoA (PBT)	3.0	3.1	3.0	0 bp	-10 bp
RoA (PAT)	2.2	2.3	2.2	0 bp	-10 bp
NIM (Calculated) (on avg AUM)	6.9	6.8	6.8	13 bp	15 bp
Credit cost (Calculated) (on avg AUM)	1.8	1.9	1.6	28 bp	-4 bp

Source: Company, Nuvama Research

Exhibit 6: Breakdown of disbursements

INR, mn	Q2FY26	Q1FY26	Q2FY25	YoY (%)	QoQ (%)
Vehicle Finance	1,35,390	1,36,470	1,23,360	9.8%	-0.8%
LAP	46,300	47,050	42,950	7.8%	-1.6%
Home loans	16,970	17,640	18,230	-6.9%	-3.8%
Gold loans	4,670	1,000	-	NA	367.0%
Others, of which	41,080	41,100	58,590	-29.9%	0.0%
- CSEL	21,420	20,460	35,880	-40.3%	4.7%
- SME	15,810	17,050	19,590	-19.3%	-7.3%
- SBPL	3,850	3,590	3,120	23.4%	7.2%
Total	2,44,420	2,43,250	2,43,140	0.5%	0.5%

Source: Company, Nuvama Research

Exhibit 7: AUM breakdown

INR, mn	Q2FY26	Q1FY26	Q2FY25	YoY (%)	QoQ (%)
Vehicle Finance	10,75,680	10,47,200	9,20,120	16.9%	2.7%
LAP	4,63,020	4,39,430	3,48,240	33.0%	5.4%
Home Loans	2,04,050	1,93,990	1,58,920	28.4%	5.2%
Gold Loans	4,560	970	-	NA	370.1%
Others, of which	2,44,280	2,39,890	2,19,150	11.5%	1.8%
- CSEL	1,39,520	1,41,990	1,41,750	-1.6%	-1.7%
- SME	75,440	71,190	58,770	28.4%	6.0%
- SBPL	29,320	26,710	18,630	57.4%	9.8%
Total	19,91,590	19,21,480	16,46,430	21.0%	3.6%

Source: Company, Nuvama Research

Exhibit 8: Income statement summary

INR, mn	Q2FY26	Q1FY26	Q2FY25	YoY (%)	QoQ (%)
Interest Income	68,942	66,501	57,680	19.5%	3.7%
Interest Expenses	35,155	34,663	30,551	15.1%	1.4%
Net Interest Income	33,787	31,838	27,128	24.5%	6.1%
Other Income	6,959	6,807	5,248	32.6%	2.2%
Total Income	40,746	38,645	32,376	25.9%	5.4%
Operating expenses	16,169	14,528	13,155	22.9%	11.3%
- Employee expenses	10,632	9,243	7,947	33.8%	15.0%
- Other expenses	5,537	5,285	5,209	6.3%	4.8%
Operating Profit	24,578	24,117	19,221	27.9%	1.9%
Provisions	8,970	8,821	6,235	43.9%	1.7%
Profit before tax	15,608	15,296	12,986	20.2%	2.0%
Tax	4,054	3,937	3,355	20.8%	3.0%
Profit after tax	11,553	11,359	9,631	20.0%	1.7%

Source: Company, Nuvama Research

Company Description

Cholamandalam Investment and Finance Company (CIFIC) is a leading NBFC in India and a part of the Chennai-based Murugappa Group. Established in 1978, CIFIC has built a strong presence in the financial services sector, catering to diverse customer segments with a focus on vehicle finance, LAP and HL. In recent years, the company has expanded into consumer and small enterprise loans (CSEL), secured business and personal loans (SBPL), and SME finance, reinforcing its position as a diversified lender.

Investment Theme

Management guides to a better 2H with better growth and lower credit cost. While AUM growth slowed to 21%, the CEO is confident of maintaining AUM growth well above 20% for FY26E. We maintain HOLD on steep valuation and soft results. We revise TP to INR 1,650/4.7x BVFY26E from INR 1,520/4.3x.

Key Risks

- Slower-than-expected pickup in vehicle demand
- Credit cost remaining sticky
- Pressure on yields due to change in mix

Additional Data

Management

Chairman	Mr. Vellayan Subbiah
MD	Mr. Ravindra Kundu
CFO	MR. Arul Selvan
CRO	Mr. Ajay Bhatia
Auditor	M/s. B. K. Khare & Co.

Holdings – Top 10*

% Holding		% Holding	
Axis MF	2.04	Invesco	1.20
New World Fund	1.72	Motilal MF	1.15
SBI MF	1.39	Govt. Pension Fund	1.12
NPS Trust	1.31		
Smallcap World	1.29		

*Latest public data

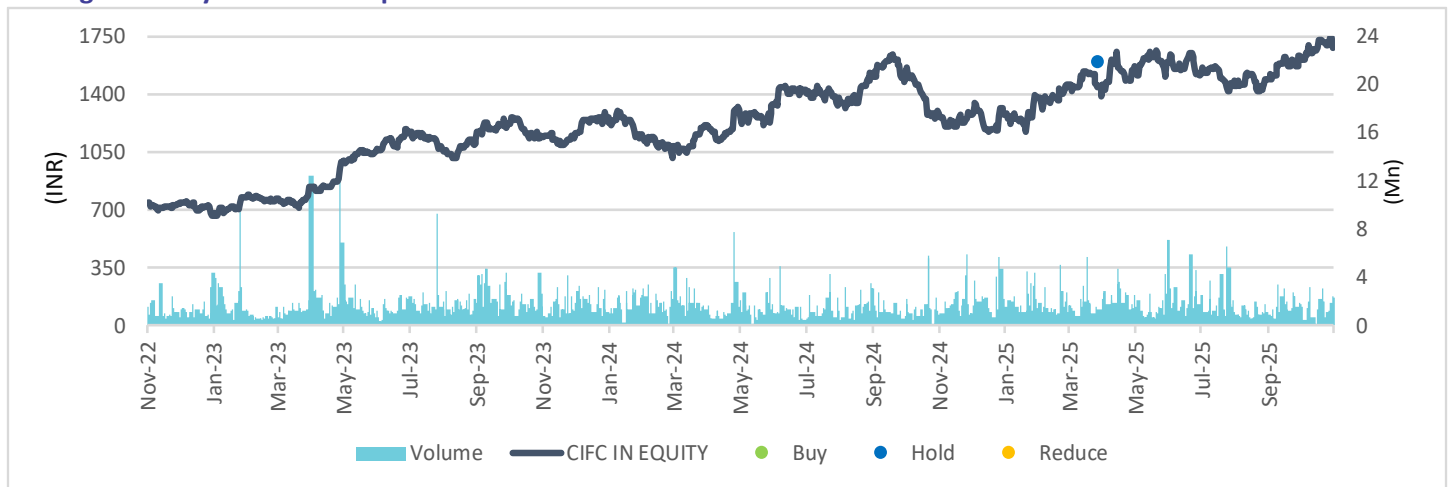
Recent Company Research

Date	Title	Price	Reco
01-Aug-25	Q1FY26 – Sharp rise in credit cost; <i>Result Update</i>	1,422	Hold
26-Apr-25	Q4FY25 – A mixed set; <i>Result Update</i>	1,541	Hold
02-Apr-25	Richly valued: Offering slim pickings; <i>Initiating Coverage</i>	1,460	Hold

Recent Sector Research

Date	Name of Co./Sector	Title
01-Nov-25	Spandana Sphoorty	Still a loss, but recovering slowly; <i>Result Update</i>
31-Oct-25	Capri Global Capital	Growth intact; <i>Result Update</i>
31-Oct-25	Shriram Finance	Strong Q2FY26; credit cost below 2%; <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%	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
