

# Q3FY23 Result Update

## PSP Projects Limited

### Dismal performance due to poor execution

- PSP reported weak operating performance in 3QFY23 due to slower-than-expected revenue growth on account of lower share of revenue from projects in Uttar Pradesh. PSP reported revenue growth of just 3% Y-o-Y owing to weak execution, meanwhile net revenue came in at INR500.0 cr (vs our estimate of INR540.5 cr).
- PSP posted EBITDA margins of 12.4% in 3QFY23 (vs our estimate of 13.1%) compared to 15.7% in Q3FY22. EBITDA margin shrank 330 bps Y-o-Y due to the decline in WIP and finished goods inventory.
- The company's EBITDA came in at INR61.6 cr (vs our estimate of INR70.6 cr), recording de-growth of 18.9% Y-o-Y.
- PAT stood at INR35.29 cr (vs our estimate 44.2 cr) due to lower operating margins, decline in other income and increase in finance cost.
- The company's order book amounted to INR6,418 cr as of January 2023, which translates to revenue visibility of 3.7x of FY22 revenue. Furthermore, the management has a strong bidding pipeline of over INR4,500 cr.

### Dismal performance continues in 3QFY23; management revises revenue guidance

PSP's reported revenue growth of just 3% Y-o-Y in 3QFY23 owing to subdued execution of seven hospital and medical projects in UP. The soft execution was on account of delay in the completion of MEP works as well as in receiving the requisite approvals from the counter party. The management intends to accelerate the execution and expects revenue of around INR300 cr from the UP projects. As a result of subdued execution in 9MFY23, the management has revised revenue guidance to INR2,100 cr from the earlier guidance of INR2,200 cr.

PSP reported EBITDA margin of 12.4% in 3QFY23 as opposed to 15.7% in Q3FY22. EBITDA margin tightened 330 bps Y-o-Y due a decline in WIP and finished goods inventory. The management expects EBITDA margin to remain between 11% and 13% in the near term.

### Strong order book position supported by healthy order inflows

PSP has a strong order book position of INR6,418 cr as of January 2023 (including the recent order of INR1,344 cr from Surat Municipal Corporation). The order book translates to revenue visibility of 3.7x of FY22 revenue. Until YTD, the company has received orders of over ~INR3,300 cr against its guidance of INR2,500 cr for FY23E. Moreover, the management has revised the order inflow guidance to around INR3,900 cr in FY23E.

Excluding the recently won order of INR1,344 cr, 53% of the orders were from Gujarat, 32% from UP, 14% from Maharashtra and the rest from Rajasthan. Furthermore, the share of government orders was 56% in 9MFY23 compared to 68% in FY22. Segment-wise, government institutional projects represented 34%, government residential 18%, industrial 11%, institutional 26% and residential 11%.

### Outlook and valuation; maintain BUY

Despite the weak operating performance in 9MFY23, we expect the company's revenue and PAT to rise at a CAGR of 17% and 8%, respectively, during FY22–25E. We believe that PSP has not yet demonstrated its execution capabilities due to several consecutive soft quarters. However, we derive comfort from the healthy order book position of over INR6,418 cr, which is executable over the next 2–3 years. We believe PSP would benefit from its strong order book, healthy bidding pipeline, lean balance sheet, comfortable working capital cycle and favourable outlook for the construction sector. At CMP of INR684, PSP is trading at 13x/12x of FY24E/FY25E EPS and we reiterate BUY on PSP and revise our target price to INR751, valuing it at 13x of the FY25E EPS.

Year to March (INR cr)	Q3FY23	Q3FY22	YoY(%)	Q2FY23	QoQ(%)	FY22	FY23E	FY24E	FY25E
Net Revenue	500	486	3%	360	39%	1,748	2,002	2,381	2,793
EBITDA	62	76	-19%	39	56%	259	250	296	345
PAT	35	50	-29%	22	64%	167	158	182	208
EBITDA Margin	12%	16%		11%		15%	13%	12%	12%
PAT Margin	7%	10%		6%		10%	8%	8%	7%
EPS basic(INR)	10	14	-29%	6	64%	46	44	51	58
Diluted P/E (x)						12	15	14	12
EV/EBITDA (x)						7	9	8	7
RoCE (%)						32%	24%	23%	22%

Harsh Shah

Research Analyst

harsh.shah@nuvama.com

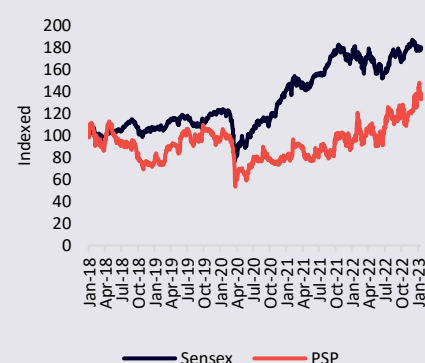
CMP INR 691

Rating: Buy

Target Price: INR751

Upside:9%

Date: January 19, 2023



## Key Management Commentary Highlights

### Operating Performance

- This quarter remained decent in terms of execution after two subsequent quarters. In Q3FY23, the company reported growth of 2% Y-o-Y.
- PSP reported revenue of INR165 cr in 3QFY23 and INR268 cr in 9MFY23 for seven projects in UP.
- The execution is expected to be streamlined going ahead.
- The company reported EBITDA margin of 12.4% in 3QFY23; it is expected to remain between 11% and 13% in the near future.
- PAT and PAT margins narrowed due to lower operating margins, decline in other income and increase in finance cost.
- The company is likely to benefit from the government's focus on infra and a pick-up in private capex.
- Employee expense went up on account of annual increments and a rise in managerial remuneration.
- The decrease in other income is attributed to the reversal of impairment of the loan given to the subsidiary company.

### Order book

- The company's order book stood at INR5,075 cr as of December 2023. In 9MFY23, PSP received order inflow of INR1,950 cr against INR978 cr in 9MFY22. The company was also awarded INR1,344 cr project from Surat Municipal Corporation.
- The company has a robust bidding pipeline of over INR4,500 cr. The opportunities include the INR1,200 cr gems and jewellery project in Mumbai, INR1,200 cr central vista project, INR500 private residential township, INR370 cr IT park in Chennai, INR300 cr industrial project in Hajira, INR200 cr MEP works of the Delhi metro project and INR120 cr residential tower in Ahmedabad.
- The Bhiwandi project is still under arbitration, and the arbitration judgement is likely to be received soon.
- The Bhiwandi and Rajasthan project accounted for around INR786 cr as of 30 December 2022.
- MEP work in UP projects are completed and execution is expected to ramp in UP projects.
- The company is declared L1 for the ~INR350 cr project from Gujarat Tourism. The order would be awarded as soon as approvals are granted.

### Capex

- The company is expected to incur capex of 3–4% of revenue.
- It incurred capex of INR29 cr in 3QFY23.

### Guidance

- The company has revised guidance for FY23E to INR2,100 cr from INR2,200 cr due to subdued execution in 9MFY23.
- The company is expecting order inflows of INR3,900 cr in FY23E.
- EBITDA margin is expected to remain in the range of 11–13%.

### Debt Structure and Liquidity

- The company recorded long-term borrowing of INR51 cr in 3QFY23 as opposed to INR46 cr in 2QFY23. Its short-term borrowing stood at INR140 cr.
- Out of the total credit facility of INR1,047 cr, fund-based utilisation is INR140 cr and non-fund-based utilisation is INR858 cr.
- Total FDs are INR316 cr, of which free FDs are INR60 cr and the balance INR253 cr is in under lien. FDs for security deposits stand at INR3 cr.
- Gross block is INR380 cr, net amount due from customers is INR15 cr, unbilled revenue is INR150 cr, retention money non-current is INR101 cr, retention money current is INR33 cr and mobilisation advances are 169 cr.
- Debtors days are 79, creditor days are 60 and inventory days are 22 days.

### Q3FY23 Result Highlights:

(INR Cr)	Q3FY23	Q3FY22	YoY(%)	Q2FY23	QoQ(%)
Net Revenues	500	486	3%	360	39%
Cost of Goods Sold	411	387	6%	293	41%
Gross Profit	89	98	-10%	67	32%
Employee Expenses	23	16	43%	22	4%
Other expenses	3	6	-40%	5	-34%
Operating Expenses	438	410	7%	320	37%
EBITDA	62	76	-19%	39	56%
Depreciation	10	9	5%	9	9%
EBIT	52	67	-22%	30	71%
Interest expenses	10	10	4%	7	44%
Other income	6	9	-29%	6	2%
PBT	48	66	-27%	30	63%
Tax	13	16	-17%	8	59%
Profit/Loss from Associates	0	-0	-119%	0	46%
Reported PAT	35	50	-29%	22	64%
Extraordinary Items	0	0	-	0	-
Adj PAT after Eol	35	50	-29%	22	64%
Equity Capital	36	36	-	36	-
No of Shares	3.6	3.6	-	3.6	-
EPS	10	14	-	6	-
EBITDA Margin	12.4%	15.7%	-	11.0%	-
PAT Margin	7.1%	10.3%	-	6.0%	-

## Previous Outlook

**Q2FY23:** Due to a weak operating performance in Q2FY23, we trimmed our revenue growth estimates by 7% for FY23. Furthermore, due to a decline in EBITDA margins, we lowered our expectation by 50bps in FY23E and 30bps in FY24E. Despite a weak operating performance in 1HFY23, we expect revenue and PAT to post a CAGR of 18% and 24%, respectively, during FY21–24E. We believe PSP would benefit from its strong orderbook position, healthy order inflow, lean balance sheet, comfortable working capital cycle and favourable outlook of the construction sector. PSP is currently trading at 10.9x of the FY24E EPS and we reiterate BUY on PSP and revise our target price to INR694, valuing it at 13x of the FY24E EPS.

**Q1FY23:** At CMP, the stock is trading at 10.9x FY24E EPS. The company reported decent execution and a robust bid pipeline in Q1FY23. We anticipate revenue and PAT to increase at a CAGR of 24% and 34%, respectively, during FY21–24E. PSP also enjoys a healthy balance sheet, better working capital and improved return ratios. We maintain our 'BUY' rating with a target price of INR715 (13x FY24E EPS).



### Financials

#### Income Statement (Consolidated)

Year to March	FY21	FY22	FY23E	FY24E	FY25E
Income from operations	1,241	1,748	2,002	2,381	2,793
Direct Expenses	396	499	731	870	1,010
Employee Cost	51	72	80	95	126
Other Expenses	659	918	941	1,119	1,313
Total operating expenses	1,106	1,490	1,752	2,084	2,448
EBITDA	135	259	250	296	345
Depreciation and amortisation	26	32	42	54	68
EBIT	109	227	208	243	277
Interest expenses	15	26	20	25	30
Other income	17	22	22	25	30
Profit before tax	111	222	210	243	277
Provision for tax	28	55	53	61	69
Core profit	83	167	158	182	208
Extraordinary items	-3	0	0	0	0
Profit after tax	81	167	158	182	208
Minority Interest	0	0	0	0	0
Share from associates	-2	0	0	0	0
Adjusted net profit	78	167	158	182	208
Equity shares outstanding (Crs)	3.6	3.6	3.6	3.6	3.6
EPS (INR) basic	21.7	46.3	43.8	50.5	57.7
Diluted shares (Crs)	3.6	3.6	3.6	3.6	3.6
EPS (INR) fully diluted	21.7	46.3	43.8	50.5	57.7
Dividend per share	0.0	0.0	0.0	0.0	0.0
Dividend payout (%)	0.0	0.0	0.0	0.0	0.0

#### Common size metrics- as % of net revenues

Year to March	FY21	FY22	FY23E	FY24E	FY25E
Operating expenses	89.1	85.2	87.5	87.6	87.7
Depreciation	2.1	1.8	2.1	2.3	2.4
Interest expenditure	1.2	1.5	1.0	1.1	1.1
EBITDA margins	10.9	14.8	12.5	12.5	12.4
Net profit margins	6.3	9.5	7.9	7.6	7.4

#### Growth metrics (%)

Year to March	FY21	FY22	FY23E	FY24E	FY25E
Revenues	(17.2)	40.9	14.5	18.9	17.3
EBITDA	(29.2)	91.9	(3.3)	18.4	16.4
PBT	(36.0)	100.2	(5.2)	15.3	14.2
Net profit after minority interest	(38.9)	113.0	(5.3)	15.3	14.2
EPS	(38.9)	113.0	(5.3)	15.3	14.2

### Balance Sheet (Consolidated)

(INR cr)

As on 31st March	FY21	FY22E	FY23E	FY24E	FY25E
Equity share capital	36	36	36	36	36
Warrants	1	2	3	3	3
Reserves & surplus	500	585	744	926	1,134
Shareholders funds	538	623	783	965	1,173
Borrowings	75	75	75	75	75
Minority interest	2	3	4	4	4
<b>Sources of funds</b>	<b>616</b>	<b>703</b>	<b>864</b>	<b>1,046</b>	<b>1,255</b>
Gross block	229	319	419	538	678
Depreciation	113	145	187	241	309
Net block	116	174	232	297	369
Capital work in progress	42	0	0	0	0
Total fixed assets	158	174	232	297	369
Goodwill	0	0	0	0	0
Non Current Assets	141	151	161	171	181
Inventories	89	100	146	192	220
Sundry debtors	227	291	334	376	439
Cash and equivalents	229	211	224	250	320
Loans and advances	121	0	0	0	0
Other current assets	27	178	214	257	309
Total current assets	693	780	917	1,076	1,288
Sundry creditors and others	260	273	300	327	384
Other Current Liabilities	64	131	152	176	206
Provisions	1	0	0	0	0
Total CL & provisions	325	405	452	504	590
Net current assets	368	376	465	572	698
Net Deferred tax	0	0	0	0	0
Misc expenditure	0	0	0	0	0
<b>Uses of funds</b>	<b>616</b>	<b>703</b>	<b>864</b>	<b>1,046</b>	<b>1,255</b>
Book value per share (INR)	171	195	240	291	349

### Cash flow statement

(INR cr)

Year to March	FY21	FY22E	FY23E	FY24E	FY25E
Net profit	81	167	158	182	208
Add: Depreciation	26	32	42	54	68
Add: Interest net of tax	11	19	15	19	22
Add: Deferred tax	1	2	3	3	3
Add: Others	12	0	0	0	0
Gross cash flow	130	220	217	257	301
Less: Changes in W. C.	56	82	77	80	56
Operating cash flow	71	138	140	177	245
Less: Capex	31	92	100	119	140
Less: Investment in subsidiaries	0	0	0	0	0
<b>Free cash flow</b>	<b>40</b>	<b>47</b>	<b>40</b>	<b>58</b>	<b>106</b>

### Profit & Efficiency Ratios

Year to March	FY21	FY22	FY23E	FY24E	FY25E
ROAE (%)	15%	27%	20%	19%	18%
ROACE (%)	18%	32%	24%	23%	22%
Debtors (days)	67	61	61	58	57
Current ratio	1.8	1.9	2.0	2.1	2.2
Gross Debt/Equity	0.0	0.1	0.1	0.1	0.1
Inventory (days)	26	21	27	30	29
Payable (days)	76	57	55	50	50
Cash conversion cycle (days)	16	25	33	37	36
Gross Debt/EBITDA	0.0	0.3	0.3	0.3	0.2
Net debt/Equity	(0.4)	(0.2)	(0.2)	(0.2)	(0.2)

### Valuation Parameters

Year to March	FY21	FY22	FY23E	FY24E	FY25E
Diluted EPS (INR)	22.4	46.3	43.8	50.5	57.7
Y-o-Y growth (%)	(37.1)	106.7	(5.3)	15.3	14.2
CEPS (INR)	29.6	55.2	55.5	65.5	76.6
Diluted P/E (x)	19.4	11.8	15.8	13.7	12.0
Price/BV(x)	2.9	3.1	3.2	2.6	2.1
EV/Sales (x)	1.1	1.0	1.2	1.0	0.8
EV/EBITDA (x)	9.9	7.1	9.3	7.8	6.5
Diluted shares O/S	3.6	3.6	3.6	3.6	3.6
Basic EPS	22.4	46.3	43.8	50.5	57.7
Basic PE (x)	19.4	11.8	12.5	10.8	9.5
Dividend yield (%)	0%	0%	0%	0%	0%

**Nuvama Wealth and Investment Limited**, Edelweiss House, Windsor Ln, Kolivery Village, MMRDA Area, Kalina, Santacruz East,  
Mumbai, Maharashtra 400098

---

**Sandeep Raina**

Sandeep.raina@nuvama.com

---



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited) ("NWIL") or ("Research Entity") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. The business of NWIL and its Associates (list available on [www.nuvamawealth.com](http://www.nuvamawealth.com)) are organized around five broad business groups: Credit including Housing and SME Finance, Commodities, Financial Markets, Asset Management and Life Insurance

Broking services offered by Nuvama Wealth and Investment Limited under SEBI Registration No. INZ 000005231. Name of the Compliance Officer: Mr. Pranav Tanna, Email address: [complianceofficer.nwil@nuvama.com](mailto:complianceofficer.nwil@nuvama.com). Corporate Office Edelweiss House, Off CST Road, Kalina, Mumbai 400098. Tel 022 40094400, 40885757, 40886278

This Report has been prepared by Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited) [NWIL] in the capacity of a Research Analyst having SEBI Registration No. INH000011103 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. 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 the securities of companies 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 NWIL and associates / 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. NWIL reserves the right to make modifications and alterations to this statement as may be required from time to time. NWIL 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. NWIL is committed to providing independent and transparent recommendation to its clients. Neither NWIL 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 NWIL. All layout, design, original artwork, concepts and other Intellectual Properties, remains the property and copyright of NWIL 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.

NWIL 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 NWIL to present the data. In no event shall NWIL 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 NWIL 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.

NWIL 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 thereof, of company(ies), 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. NWIL may have proprietary long/short position in the above mentioned scrip(s) and therefore should be considered as interested. 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 NWIL.

NWIL or its associates may have received compensation from the subject company in the past 12 months. NWIL or its associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. NWIL 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. NWIL 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. NWIL 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 NWIL's associates may have financial interest in the subject company. NWIL, 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

NWIL has financial interest in the subject companies: No

NWIL'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

NWIL 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 NWIL 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](http://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.

## DISCLAIMERS FOR INTERNATIONAL JURISDICTION

### Disclaimer for U.S. Persons

The content of the website does not constitute an offer or invitation to purchase or subscribe for any securities or solicitation of any investments or investment services and/or shall not be considered as an advertisement tool. "U.S. Persons" are generally defined as a natural person, residing in the United States or any entity organized or incorporated under the laws of the United States. US Citizens living abroad may also be deemed "US Persons" under certain rules. THIS DOCUMENT IS INTENDED SOLELY TO PROVIDE INFORMATION TO THE QUALIFIED INSTITUTIONAL INVESTORS ONLY AND IS NOT MEANT FOR RETAIL INVESTORS. If you are not the intended recipient you must not copy, distribute, or take any action or place reliance on it. If you have received this communication by error, please notify the sender immediately. This communication is intended solely for the person to whom it is addressed and may contain confidential or privileged information. The document is intended to be educational only and not for a marketing or prospecting purpose. The views and opinions expressed as part of this presentation do not necessarily state or reflect those of Nuvama, its holding company(ies), subsidiaries and associates including entities in overseas jurisdictions.

The content of the website or any information contained therein must not be distributed, published, reproduced, or disclosed (in whole or in part) by recipients to any other person. The content of the website must not be acted on or relied on by persons who are not qualified institutional investor. Any investment or investment activity to which this website relates, is available only to qualified institutional investor and will be engaged only with qualified institutional investor. Any person who is not a qualified institutional investor should not act or rely on this website or any of its contents

### Disclaimer for U.K. Persons:

The content of the website has not been approved by an authorized person within the meaning of the Financial Services and Markets Act 2000 ("FSMA"). In the United Kingdom, this document is intended for (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 DOCUMENT IS INTENDED SOLELY TO PROVIDE INFORMATION TO THE QUALIFIED INSTITUTIONAL INVESTORS ONLY AND IS NOT MEANT FOR RETAIL INVESTORS. If you are not the intended recipient you must not copy, distribute, or take any action or place reliance on it. If you have received this communication by error, please notify the sender immediately. This communication is intended solely for the person to whom it is addressed and may contain confidential or privileged information. The content of the document is intended to be educational only and not for a marketing or prospecting purpose. The views and opinions expressed as part of this document do not necessarily state or reflect those of Nuvama, its holding company (ies), subsidiaries and associates including entities in overseas jurisdictions.

### Disclaimer for Canadian Persons

The content of the website is NOT MEANT FOR RETAIL INVESTORS. IT IS INTENDED SOLELY TO PROVIDE INFORMATION TO THE PERMITTED CLIENTS ONLY (as defined in National Instrument 31-103 ("NI 31-103")) who are resident in the Province of Ontario, Canada (an "Ontario Permitted Client"). Any products or services described in this document are made available only in accordance with applicable Canadian securities law and only where they may be lawfully offered for sale. If the person accessing this document is not an Ontario Permitted Client, as specified above, then the recipient should not access the same. Nuvama and its group companies 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) Nuvama and its group companies 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) Nuvama's head office or principal place of business is located in India; (iii) all or substantially all of Nuvama's assets may be situated outside of Canada; (iv) there may be difficulty enforcing legal rights against Nuvama because of the above; and (v) the name and address of Nuvama Group'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. The content of the website must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person. This communication must not be acted on or relied on by persons who are not PERMITTED CLIENTS. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a PERMITTED CLIENTS should not act or rely on this communication or any of its contents.

### Disclaimer for UAE Persons

The content of the website is INTENDED SOLELY TO PROVIDE INFORMATION TO THE INSTITUTIONAL QUALIFIED INVESTORS ONLY AND IS NOT MEANT FOR RETAIL INVESTORS. Further, the information in this document does not constitute a public offer of securities in the United Arab Emirates and is not intended to be a public offer. The website has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority of the United Arab Emirates or the Dubai Financial Services Authority. The content of the website must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person. The website must not be acted on or relied on by persons who are not INSTITUTIONAL QUALIFIED INVESTORS. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a INSTITUTIONAL QUALIFIED INVESTORS should not act or rely on this communication or any of its contents. The content of the website must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person. The website must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication 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 communication or any of its contents.

### Disclaimer for Australia Persons

Any information set out on the website is only intended for persons who are "Professional Investors" as described in Section 761(G) of the Corporations Act 2001 (as amended). It is not intended to for any other class of persons and may not be relied upon by such persons and is therefore not intended for private individuals or those who would be classified as Retail Clients. All information on the website is general information only and is not to be considered any form of advice (whether investment or otherwise) or a recommendation, solicitation, or an offer to purchase or sell investments or related financial products or any financial services. The receiver of the website should make their own decisions based upon their own financial objectives and financial resources and, if in any doubt, should seek advice from an appropriate independent advisor. Nuvama and its group companies does not hold an Australian Financial Services License and is not licensed in Australia to provide financial product advice or services and is relying on "limited connection relief exemption" when dealing with "Professional Investors" (Wholesale client category) in Australia.

## Disclaimer for Singapore Persons

The content of the website IS INTENDED SOLELY TO PROVIDE INFORMATION ONLY TO THE INSTITUTIONAL OR ACCREDITED INVESTORS ONLY AND IS NOT MEANT FOR RETAIL INVESTORS AS DEFINED UNDER THE SECURITIES AND FUTURES ACT "SFA". If you are not the intended recipient you must not copy, distribute, or take any action or place reliance on it. If you have received this communication by error, please notify the sender immediately. Any such information contained or discussed in the document is subject to change and Nuvama and its group companies shall not have any responsibility to maintain the information made available or to supply any correction therewith. In no event will Nuvama and its group companies be liable for any special direct or indirect or consequential damages which may be incurred from the use of the information made available, even if it has been advised of the possibility of such damages. The company and its employees mentioned in these communications cannot be held liable for any error's inaccuracies and/or omission howsoever caused. Any opinion or advice if any herein is made on a general basis and is subject to change without notice. The information provided in this document may contain optimistic statements regarding future events or future financial performance of countries, markets, or companies. You must make your own financial assessment of the relevance, accuracy and adequacy of the information provided if any in this document. This document has not been reviewed by the Monetary Authority of Singapore "MAS".

## Additional Marketing Disclaimer for all other International Jurisdiction:

The content of this website is restricted in certain jurisdictions and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, by anyone in any jurisdiction in which such an offer or solicitation is not authorised or may not lawfully be made (without compliance with any registration or other legal requirements) or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer in any jurisdiction. The above information is for general guidance only, it is the responsibility of receivers to inform themselves as to any income or other tax consequences arising in the jurisdictions in which they are resident or domiciled or have any other presence for tax purposes, as well as any foreign exchange or other fiscal, or legal or regulatory restrictions which are relevant to their particular circumstances in connection with the acquisition, holding or disposal of any securities if any mentioned in this document. This document is strictly private and confidential and may not be reproduced or use for any other purpose and not be provided to any person other than the recipient thereof. If you are not the intended recipient you must not copy, distribute, or take any action or place reliance on it. If you have received this communication by error, please notify the sender immediately. Any such information contained or discussed on the website is subject to change and Nuvama Group or any of its Directors, Employees, agents or representatives shall not have any responsibility to maintain the information made available or to supply any correction therewith. In no event will Nuvama Group or any of its Directors, Employees, agents or representatives, be liable for any special direct or indirect or consequential damages which may be incurred from the use of the information made available, even if it has been advised of the possibility of such damages. The company and its employees mentioned in these communications cannot be held liable for any error's inaccuracies and/or omission howsoever caused. Any opinion or advice herein is made on a general basis and is subject to change without notice. The information provided in this website may contain optimistic statements regarding future events or future financial performance of countries, markets, or companies. You must make your own financial assessment of the relevance, accuracy and adequacy of the information provided therein.