

# Q3FY24 Result Update

## Can Fin Homes

### Key re-rating triggers in place; Mixed bag for Q3

- A fraud at Can Fin Homes' (CANF) Ambala branch in Q2FY24 led to the complete overhaul of its underwriting process. The transition to a centralised disbursement and reconciliation system in October 2023 resulted in a sequential moderation in disbursement and overall credit growth in Q3FY24. Disbursements fell 23% YoY and 7% QoQ to INR1,879cr in Q3 which led to a moderation in AUM growth against the management's earlier guidance of an acceleration in disbursements in H2FY24.
- CANF reported healthy NIM expansion (up 45bp YoY and 12bp QoQ) at 3.92%, leading to NII growth of 31% YoY and 4% QoQ. We expect NIM to stay elevated for the next few quarters due to: i) a rating upgrade by ICRA to AAA from AA; and ii) expectations of NHB refinancing. Other income was steady at INR7cr. Net revenue grew 31% YoY and 4% QoQ to INR336cr (3% beat).
- Opex came in lower than anticipated aided by lower employee expense. Total opex fell 6% QoQ, translating into a C/I ratio of 15% (est. 17%). Opex is expected to stay higher due to an IT expense of INR15-20cr in FY25. PPOP grew 35% YoY and 6% QoQ to INR287cr (6% beat).
- We had estimated a credit cost of 40bp due to a higher restructured book. CANF reported an in-line credit cost. A higher-than-expected margin expansion and lower operating expenses led to an 8% beat on PAT at INR200cr, up 32% YoY and 27% QoQ. We expect credit cost to stay in the 10–15bp range over the next few quarters.
- It reported healthy return ratios in Q3FY24, with a RoA/RoE of 2.3%/19.4%. We expect a RoA of 2.1%/2.2% and a RoE of 18%/18.5% in FY24/FY25.
- The entire restructured book emerged from the moratorium in November 2023. Slippages from the restructured pool were elevated, resulting in a further deterioration in asset quality.
- We expect credit growth to accelerate from FY25 with the tightening of systems and processes, a strong distribution channel, the centralising of the credit underwriting process, a stable NIM and return ratios, and an improvement in asset quality. We reiterate 'BUY' with a TP of INR900.

### Credit growth moderates, pares guidance for FY24

An overhaul of its credit underwriting procedure led to a moderation in disbursement, which reduced the pace of AUM growth in Q3FY24. Advances grew at a moderate 13% YoY and 2% QoQ to INR34,053cr due to the aforesaid reasons. Overall credit growth was aided by top-up loans (up 17% YoY and 3% QoQ) and mortgage loans/flexi LAP (up 14% YoY and 1% QoQ). Housing loans grew 13% YoY and 2% QoQ and constituted 89.1% (unchanged sequentially) of overall advances. The management is targeting a disbursement of ~INR2,500cr/INR1,000cr in Q4FY24/FY25, translating into a loan growth of 13–14%/16–18% in FY24/FY25. We believe a credit growth of 16–18% is achievable on account of the modernisation of the entire system and processes, strengthening of the distribution channel, a higher ticket size, and a centralised credit underwriting process.

### Deterioration in asset quality due to slippages from the restructured book

The entire restructured book emerged from the moratorium in November 2023. Slippages from the restructured pool were elevated (added ~0.28% to GNPA), leading to a deterioration in asset quality. GNPA/NNPA rose 15bp/6bp to 0.91%/0.49%. PCR stood at 45.8%. To counter the elevated slippages from the restructured book, it provided a management overlay of ~INR34cr. Asset quality remained stable despite adjusting for slippages from the restructured book. Stage-2 assets grew 130bp QoQ to 4.7%. The management guided at a GNPA of 0.7–0.8% for FY24.

### Valuation and view

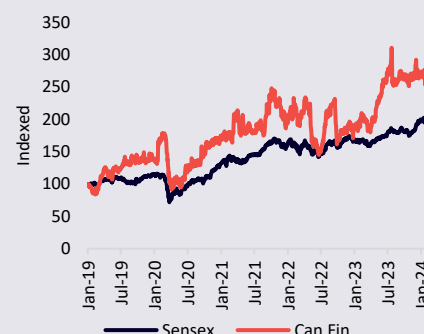
CANF posted a mixed bag of earnings in Q3FY24. A subdued disbursement led to muted loan growth and a deterioration in asset quality. A significant expansion in NIM resulted in healthy operational numbers as well as return ratios. We expect an acceleration in credit growth with a stable NIM, elevated return ratios, and an improvement in asset quality. Given the attractive valuations and expected improvement in most parameters, we reiterate 'BUY' with a revised TP of INR 900 from INR 920 due to 4-5% earning cut, implying an upside of 20% from its CMP.

### Key financials

Year to March (INR cr)	FY21	FY22	FY23	FY24E	FY25E
Net revenue	810	835	1,042	1,278	1,470
PAT	456	470	621	730	877
EPS (INR)	2	3	4	4	5
Adjusted BV (INR)	193	228.5	272.1	322.5	389.5
P/E ratio (x)	21.8	21.1	16.0	13.6	11.3
P/ABV ratio (x)	3.9	3.3	2.7	2.3	1.9
RoA (%)	2.1	1.9	2.0	2.1	2.2
RoE (%)	19.2	16.6	18.5	18.3	18.5

**CMP: INR747**  
**Rating: BUY**  
**Target price: INR900**  
**Upside: 20%**  
**Date: January 25, 2024**

Bloomberg:	CANF:IN
52-week range (INR):	508/909
M-cap (INR cr):	9,659
Promoter holding (%)	30



**Raj Jha**  
 raj.jha@nuvama.com

**Umang Patil**  
 umang.patil@nuvama.com

### Q3FY24 result highlights

INR cr	Q3FY24	Q3FY23	YoY change	Q2FY24	QoQ change
Interest income	895	705	27%	865	3%
Interest expense	566	453	25%	548	3%
<b>Net interest income</b>	<b>329</b>	<b>252</b>	<b>31%</b>	<b>317</b>	<b>4%</b>
Other income	7	5	40%	6	22%
<b>Net revenue</b>	<b>336</b>	<b>257</b>	<b>31%</b>	<b>323</b>	<b>4%</b>
Operating expense	49	44	13%	52	(6%)
<b>Operating profit</b>	<b>286</b>	<b>213</b>	<b>35%</b>	<b>270</b>	<b>6%</b>
Provisions and contingencies	31	8	266%	72	(57%)
PBT	256	205	25%	198	29%
Tax	56	53	5%	40	39%
<b>PAT</b>	<b>200</b>	<b>151</b>	<b>32%</b>	<b>158</b>	<b>27%</b>
Equity capital	13.3	13.3	0	13.3	0
Adjusted EPS (INR)	15	11.4	32%	11.9	27%

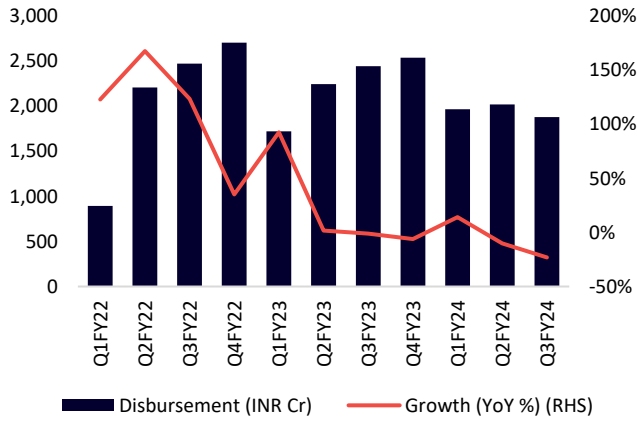
Ratios	Q3FY24	Q3FY23	YoY change	Q2FY24	QoQ change
C/I ratio	14.71	17.08	(236bp)	16.25	(154bp)
Reported yield on advances	9.91	8.87	104bp	10.07	(16bp)
Reported cost of funds	7.35	6.63	72bp	7.32	3bp
Spread	2.56	2.24	32bp	2.75	(19bp)
Reported NIM	3.92	3.47	45bp	3.80	12bp

Balance Sheet	Q3FY24	Q3FY23	YoY change	Q2FY24	QoQ change
AUM	34,053	30,115	13%	33,359	2.1%
Disbursement	1,879	2,444	(23%)	2,019	(7%)

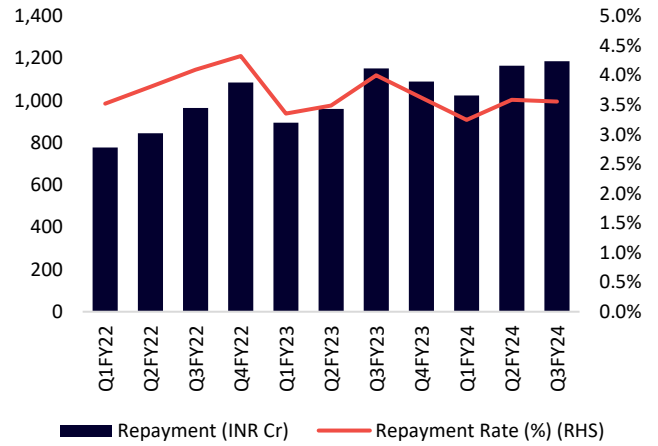
Asset quality	Q3FY24	Q3FY23	YoY change	Q2FY24	QoQ change
GNPA (%)	0.91	0.6	31bp	0.76	15bp
NNPA (%)	0.49	0.3	19bp	0.43	6bp
PCR (%)	45.8	50.7	(491bp)	44	178bp

### Financials in charts

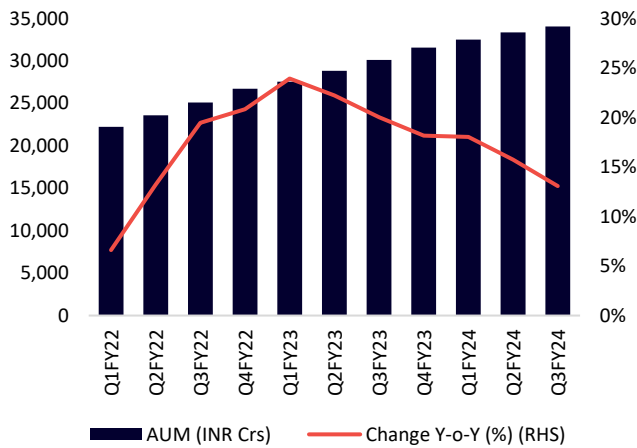
**Exhibit 1: Internal overhaul led to moderation in disbursement**



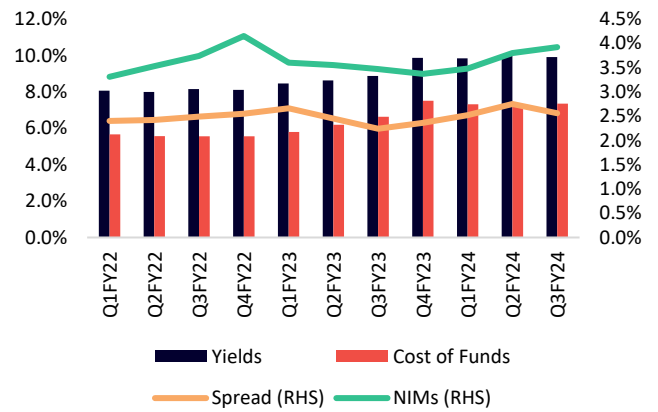
**Exhibit 2: The repayment rate has remained stable**



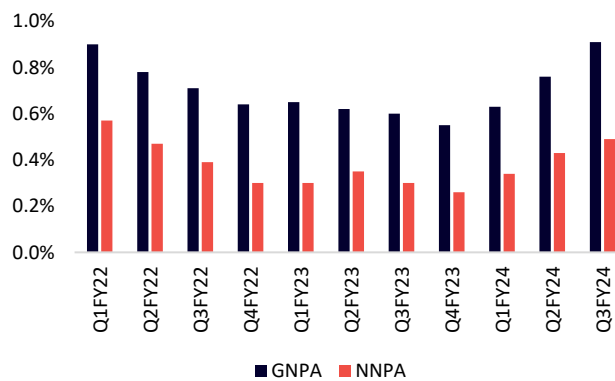
**Exhibit 3: AUM growth moderates**



**Exhibit 4: NIM expands QoQ**



**Exhibit 5: Asset quality witnessed a deterioration**



Source: Nuvama Wealth Research

## Previous outlook

**Q2FY24:** CANF posted a mixed Q2FY24, which was along anticipated lines. An impressive NIM expansion offset by higher credit cost. The deterioration in asset quality was expected due to an elevated restructuring book. We expect high-teen credit growth with elevated NIM. A tight leash on credit and operating cost will result in a firm-up in return ratios. We reiterate 'BUY' with a revised TP of INR920 (target price cut from INR 980 to 920 due to earning cut), an upside of 20% from its CMP.

**Q1FY24:** CANF posted healthy operational numbers and return ratios. Credit growth was along its guided path. However, asset quality weakened marginally. We expect high-teen credit growth. Asset repricing will lead to an improvement in margin. A tight leash on credit and operating cost will result in a firm-up in return ratios. We reiterate 'BUY' with a revised TP of INR980 (earlier INR780), an upside of 17% from its CMP.



### Company profile

CANF is a South India-based housing finance company focusing on Tier II, III, and IV cities. It was set up by Canara Bank in 1987, which holds a 29.99% stake. Its customer profile includes salaried and professional individuals (72% of total loans, mostly low risk) and self-employed and non-professionals (26% of total loans). It primarily caters to the medium ticket-size segment (incremental average ticket size of ~INR25lk for housing loans). AUM grew 13% YoY to INR34,053cr in Q3FY24.

### Key risks

- An economic slowdown can impact the growth trajectory and result in asset quality deterioration.
- Possible impact of a stake sale by CBK on the cost of funds.
- Possible impact of aggressive BT cuts due to interest rate hikes.

### Financials

Income Statement					(INR cr)
Year to March	FY21	FY22	FY23	FY24E	FY25E
Interest income	2,006	1,970	2,715	3,439	3,922
Interest charges	1,208	1,154	1,701	2,186	2,486
Net interest income	798	816	1,015	1,253	1,436
Fee & other income	12	19	28	25	34
Net revenues	810	835	1,042	1,278	1,470
Operating expense	124	154	176	205	242
- Employee exp	70	77	84	96	113
- Other opex	54	77	93	110	129
Preprovision profit	686	681	866	1,073	1,228
Provisions	69	47	42	125	59
PBT	618	634	824	948	1,170
Taxes	162	164	203	218	292
PAT	456	470	621	730	877
Extraordinaries	0	0	0	0	0
Reported PAT	456	470	621	730	877
Basic number of shares (cr)	13	13	13	13	13
Basic EPS (INR)	34	35	47	55	66
Diluted number of shares (cr)	13	13	13	13	13
Diluted EPS (INR)	34	35	47	55	66
DPS (INR)	2	3	4	4	5
Payout ratio (%)	6	8	8	7	7

Balance Sheet					(INR cr)
Year to March	FY21	FY22	FY23	FY24E	FY25E
Paid Capital	27	27	27	27	27
Reserve & Surplus	2,583	3,040	3,621	4,297	5,115
Shareholder's Fund	2,610	3,067	3,647	4,324	5,141
Total Borrowings	19,293	24,648	29,258	33,208	38,854
Other Liabilities	171	230	165	185	207
<b>Total Liabilities</b>	<b>22,074</b>	<b>27,944</b>	<b>33,070</b>	<b>37,717</b>	<b>44,202</b>
Cash & Bank Balance	22	324	308	287	296
Investment	50	1,126	1,459	1,614	1,691
Loan & Advances	21,891	26,378	31,193	34,962	40,982
Net Fixed Assets	38	35	45	47	51
Other assets	73	82	64	807	1,182
<b>Total Assets</b>	<b>22,074</b>	<b>27,944</b>	<b>33,070</b>	<b>37,717</b>	<b>44,202</b>

Growth ratios (%)					
Year to March	FY21	FY22	FY23	FY24E	FY25E
NII growth	18.3	2.3	24.3	23.5	14.6
Net revenues growth	18.0	3.1	24.8	22.7	15.0
Opex growth	15.2	24.2	14.6	16.4	17.9
PPP growth	18.6	(0.7)	27.1	23.9	14.5
Provisions growth	13.6	-31.5	-11.0	198.8	-53.0
PAT growth	21.3	3.1	32.1	17.5	20.2

### Operating ratios (%)

Year to March	FY21	FY22	FY23	FY24E	FY25E
Yield on advances	9.4	7.9	8.9	9.8	9.7
Cost of funds	6.4	5.3	6.3	7.0	6.9
Spread	3.0	2.7	2.6	2.8	2.8
Net interest margin	3.7	3.3	3.3	3.6	3.6
Cost-to-income ratio	15.3	18.4	16.9	16.1	16.5
Tax rate	26.2	25.9	24.6	23.0	25.0

### Balance Sheet ratios (%)

Year to March	FY21	FY22	FY23	FY24E	FY25E
Loan growth	6.7	20.5	18.3	13.3	17.9
EA growth	4.9	26.7	18.4	13.0	17.2
Gross NPA ratio	0.9	0.6	0.6	0.9	0.7
Net NPA ratio	0.6	0.3	0.3	0.4	0.4
Provision coverage	33	53	53	50	42

### RoE decomposition (%)

Year to March	FY21	FY22	FY23	FY24E	FY25E
Net interest income/assets ratio	3.7	3.3	3.3	3.6	3.6
Other income/assets ratio	0.1	0.1	0.1	0.1	0.1
Net revenue/assets ratio	3.8	3.4	3.4	3.6	3.6
Operating expense/assets ratio	0.6	0.6	0.6	0.6	0.6
Provisions/assets ratio	0.3	0.2	0.1	0.4	0.1
Taxes/assets ratio	0.8	0.7	0.7	0.6	0.7
Total costs/assets ratio	1.7	1.5	1.4	1.6	1.5
RoA	2.1	1.9	2.0	2.1	2.2
Equity/assets ratio	9.0	8.8	9.1	8.8	8.5
RoAE	19.2	16.6	18.5	18.3	18.5

### Valuation metrics

Year to March	FY21	FY22	FY23	FY24E	FY25E
Diluted EPS (INR)	34.3	35.3	46.7	54.8	65.9
EPS growth (%)	21.3	3.1	32.1	17.5	20.2
Adjusted BV per share	193.0	228.5	272.1	321.3	382.4
Diluted P/E (x)	21.8	21.1	16.0	13.6	11.3
Price/Adj. Book Value(x)	3.9	3.3	2.7	2.3	1.9
Price/ Earning (x)	21.8	21.1	16.0	13.6	11.3

**Nuvama Wealth and Investment Limited**, Eight Floor 801 to 804, Inspire BKC G Block, BKC Main Road, Bandra Kurla Complex,  
Bandra East, Mumbai-400051

---

**Sandeep Raina**

Head of Research – Professional Client Group

[sandeep.raina@nuvama.com](mailto:sandeep.raina@nuvama.com)

---



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited) ("NWIL" or ("Research Entity") a company duly incorporated under the Companies Act, 1956 (CIN No U65100GJ2008PLC077462) having its Registered office situated at 201 to 203, Zodiac Plaza, Xavier College Road, Off C G Road, Ahmedabad, Gujarat - 380009. It 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 Srijith Menon, Email address: [complianceofficer.nwil@nuvama.com](mailto:complianceofficer.nwil@nuvama.com). Corporate Office Eight Floor 801 to 804, Inspire BKC G Block, BKC Main Road, Bandra Kurla Complex, Bandra East, Mumbai-400051

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. (c) NWIL 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 NWIL. (e) Registration granted by SEBI and certification from NISM in no way guarantee performance of NWIL or provide any assurance of returns to investors and clients.

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.

**INVESTMENT IN SECURITIES MARKET ARE SUBJECT TO MARKET RISKS. READ ALL THE RELATED DOCUMENTS CAREFULLY BEFORE INVESTING.**