

May 13, 2025

Q4FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	1,720		1,750	
Sales (Rs. m)	14,484	17,672	14,862	17,466
% Chng.	(2.5)	1.2		
EBITDA (Rs. m)	3,609	4,250	3,679	4,223
% Chng.	(1.9)	0.6		
EPS (Rs.)	34.5	39.9	39.5	44.7
% Chng.	(12.7)	(10.8)		

Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	10,598	12,615	14,484	17,672
EBITDA (Rs. m)	2,285	2,965	3,609	4,250
Margin (%)	21.6	23.5	24.9	24.1
PAT (Rs. m)	1,630	1,935	2,261	2,616
EPS (Rs.)	24.9	29.5	34.5	39.9
Gr. (%)	92.7	18.7	16.8	15.7
DPS (Rs.)	0.9	1.0	1.2	1.2
Yield (%)	0.1	0.1	0.1	0.1
RoE (%)	21.2	15.3	15.4	15.4
RoCE (%)	18.6	16.8	16.1	16.6
EV/Sales (x)	8.5	7.3	6.3	5.2
EV/EBITDA (x)	39.5	30.9	25.5	21.7
PE (x)	57.2	48.2	41.3	35.7
P/BV (x)	8.0	6.9	5.9	5.1

Key Data JUPE.BO | JLHL IN

52-W High / Low	Rs.1,770 / Rs.1,068
Sensex / Nifty	82,430 / 24,925
Market Cap	Rs.93bn/ \$ 1,092m
Shares Outstanding	66m
3M Avg. Daily Value	Rs.57.22m

Shareholding Pattern (%)

Promoter's	40.91
Foreign	10.03
Domestic Institution	15.64
Public & Others	33.42
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(1.9)	(7.8)	14.8
Relative	(10.6)	(12.0)	1.2

Param Desai

paramdesai@plindia.com | 91-22-66322259

Sanketa Kohale

sanketakahale@plindia.com | 91-22-66322426

In-line EBITDA; bed expansion on track

Quick Pointers:

- Potential bed expansion in existing Thane unit with likely additional FSI
- 78 beds added at Indore in Q4FY25; visibility of 2,500 beds by FY28/29.

JLHL's Q4 consolidated EBITDA grew by 26% YoY (4% QoQ) to Rs783mn, largely in line with our estimates, aided by higher ARPOB. Its operational efficiency has been strong in the competitive markets of MMR. The company reported revenue/EBITDA CAGR of 20%/25% over FY22-25. Given its expansion plans, scale-up in occupancy and improving margins, growth momentum is expected to sustain over the medium term. We believe strategic greenfield expansions in densely populated micro-markets of western regions will drive sustainable growth. Our FY26E and FY27E EBITDA broadly remain unchanged, but PAT has been reduced by ~11% given the higher depreciation and interest charges. Overall, we see 20%/16% CAGR in EBITDA/PAT over FY25-27E with healthy return ratios of ~20%. Maintain 'BUY' rating with a revised TP of Rs1,720/share, valuing at 26x EV/EBITDA based on FY27E EBITDA.

- **In-line EBITDA; PAT growth muted due to higher depreciation charges:** JLHL reported EBITDA of Rs783mn, up 26% YoY. Margins improved by 260bps YoY (60 bps QoQ) to 24%. However, PAT growth was muted at 4% YoY due to higher depreciation and interest charges. Higher depreciation was driven by new bed additions at the Indore facility and lease-related right-of-use assets for the new Pune facility.
- **Strong ARPOB; QoQ occupancy declines due to new bed addition at Indore:** JLHL reported revenue growth of 13% YoY to Rs3.3bn, vs our estimates of Rs3.4bn. ARPOB improved 13% YoY to Rs65.5k per day, partly due to improvement in case mix and price hike taken in the self-payor category in Q4. FY25 ARPOB was at Rs60.6k, up 10% YoY. Average occupancy decreased by ~600bps YoY to less than 60%, due to addition of 78 beds at Indore unit. Occupancy at Thane and Pune units was stable QoQ. IP and OP volumes increased by 3% and 10% YoY, respectively.
- **Key con-call takeaways:** The company is on track to achieve its initial target of 2,500 beds across 6 hospitals in Western India in the next 3-4 years. It is also exploring more opportunities, which would be greenfield additions or in the form of acquisitions.
- **Bed expansion –** Total 3 greenfield projects are in the portfolio. These include 500 beds at **Dombivli**, construction of which is progressing well and ~250 beds are expected to be operational in Q1FY27. The second hospital in **Bibwewadi, Pune**, is at the excavation stage having received environmental clearance; construction is planned to commence post monsoon. In the case of the **Mira-Bhayandar hospital**, regulatory processes are underway for recently acquired 2 acres of land to build a 300-bed unit.

- **Capex** – Rs3.2bn has been spent in FY25, with Rs850mn toward Dombivli greenfield expansion, Rs400mn for brownfield expansion (Pune I and Indore), and Rs750mn toward Mira-Bhayandar land acquisition. JLHL had net cash of Rs2.8bn as of FY25.
- **Thane unit expansion** - Application has been submitted for additional FSI/floor, which is awaiting for environmental clearance and other statutory approvals. Further, Thane unit has been restructured in Q4 with 22 economy wards closed to make space for 2 new OTs, a cath lab, an expanded MRI facility, a daycare department, and ongoing OPD construction. This will potentially increase ARPOB and margins for the unit. The unit has seen **zero** attrition at the senior consultant level, despite new entrants in the market.
- **Indore unit** - During Q4, 78 beds were operationalized. Additionally, 11 beds are ready to be commissioned as occupancy ramps up to 60-65%.
- **ARPOB growth guidance** - Thane and Pune being mature units, ARPOB growth is expected to be inflation linked (5-6%). Indore may see higher ARPOB growth.
- Contribution from the insurance business increased to 55.8% in FY25 vs 54.9% in FY24.

Exhibit 1: Q4FY25 Result Overview (Rs mn) – In-line EBITDA, muted PAT growth

Y/e March	4QFY25	4QFY24	YoY gr. (%)	3QFY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
Net Sales	3,267	2,905	12.5	3,206	1.9	12,615	10,734	17.5
COGS	611	528	15.8	588	4.0	2,302	1,895	21.5
<i>% of Net Sales</i>	<i>18.7</i>	<i>18.2</i>		<i>18.3</i>		<i>18.2</i>	<i>17.7</i>	
Employee Cost	538	515	4.5	555	(3.1)	2,145	1,899	12.9
<i>% of Net Sales</i>	<i>16.5</i>	<i>17.7</i>		<i>17.3</i>		<i>17.0</i>	<i>17.7</i>	
Other Expenses	1,335	1,240	7.7	1,313	1.7	5,203	4,519	15.1
<i>% of Net Sales</i>	<i>40.9</i>	<i>42.7</i>		<i>40.9</i>		<i>41.2</i>	<i>42.1</i>	
Total	2,485	2,282	8.9	2,456	1.2	9,650	8,313	16.1
EBITDA	783	623	25.7	750	4.3	2,965	2,421	22.5
<i>Margins (%)</i>	<i>24.0</i>	<i>21.4</i>		<i>23.4</i>		<i>23.5</i>	<i>22.6</i>	
Other Income	70	90	(21.5)	83	(15.3)	287	220	30.1
Interest	56	9	502.3	28	100.2	106	263	(59.9)
Depreciation	176	104	69.6	140	26.1	570	424	34.5
PBT	621	599	3.6	666	(6.7)	2,577	1,954	31.9
Tax	172	169	1.7	140	22.7	642	188	241.4
<i>Tax rate %</i>	<i>27.7</i>	<i>28.3</i>		<i>21.1</i>		<i>24.9</i>	<i>9.6</i>	
PAT	449	430	4.4	525	(14.6)	1,935	1,766	9.6
Extraordinary items	-	(23)		-		-	-	
Minority Interest	-	-		-		-	-	
Reported PAT	449	453	(0.9)	525	(14.6)	1,935	1,766	9.6

Source: Company, PL

Exhibit 2: IP and OP volumes up by 8% and 11% YoY, respectively

Particulars (Rs m)	1HFY24	9MFY24	FY24	H1FY25	9MFY25	FY25
ARPOB (Rs per day)	53,075	53,585	54,871	57,700	59,100	60,600
Occupancy (%)	62.3	63.2	63.8	67.2	66.7	65.3
IP (#)	24,200	36,800	49,100	27,200	40,200	52,900
OP (#)	4,11,400	6,14,700	8,31,200	458,800	687,300	9,26,400
ALOS	3.89	3.92	3.93	3.85	3.88	3.89

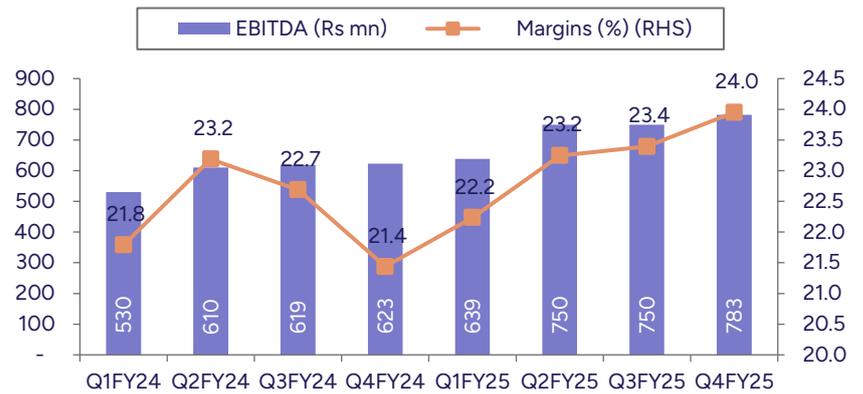
Source: Company, PL

Exhibit 3: Occupancy healthy YoY in FY25

	1HFY24	9MFY24	FY24	H1FY25	9MFY25	FY25
Avg. Occupancy						
Thane	71.7	71.7	72.0	72.0	72.1	72.1
Pune	61	61.8	62.3	67.0	65.1	65.5
Indore	49	51.4	52.7	59.0	60.5	54.9

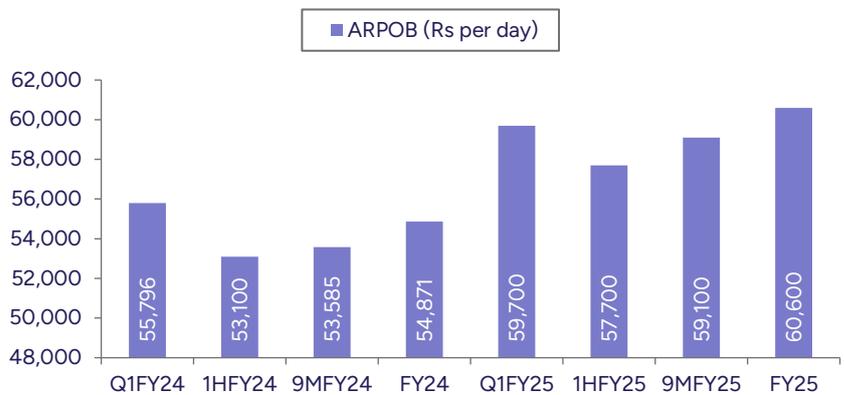
Source: Company, PL

Exhibit 4: EBITDA margins improve by 260 bps YoY and 60 bps QoQ



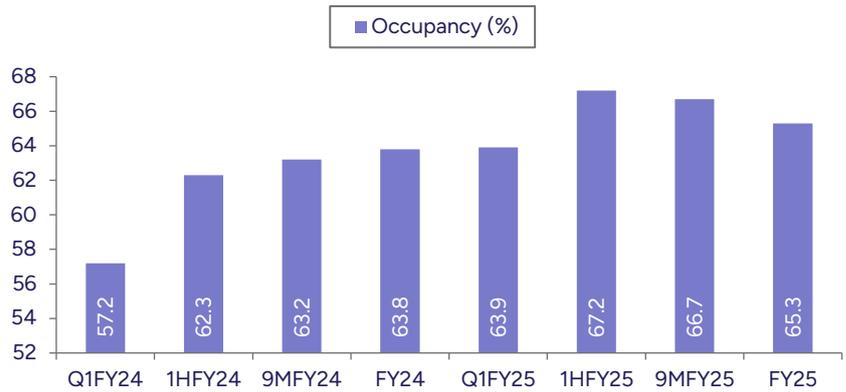
Source: Company, PL

Exhibit 5: Price hike and case mix aid ARPOB growth of 10% YoY in FY25



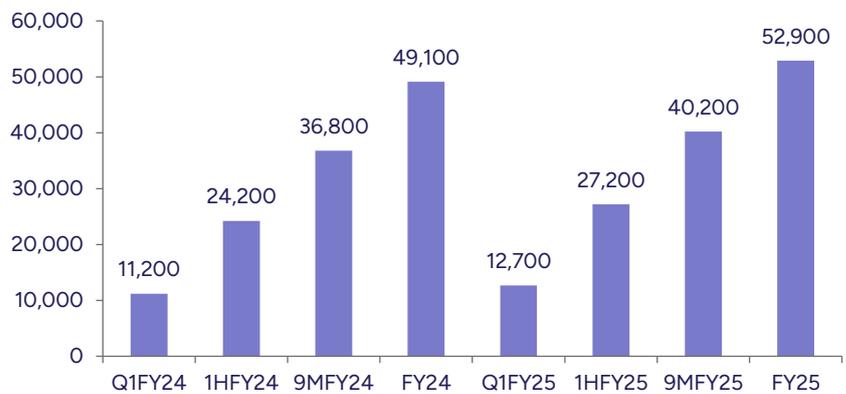
Source: Company, PL

Exhibit 6: Occupancy improves by 150 bps YoY for FY25



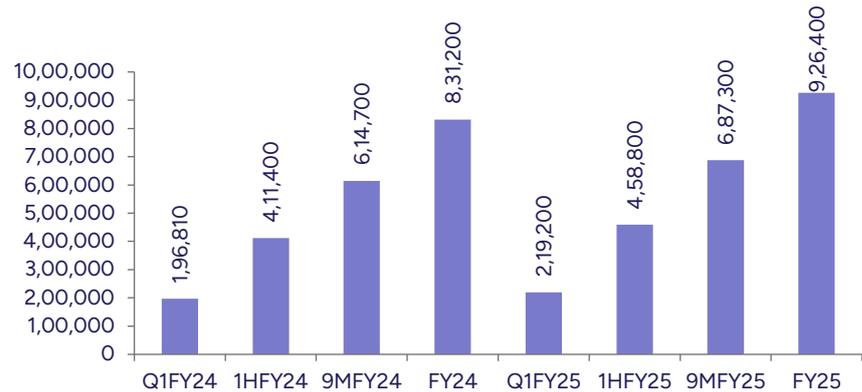
Source: Company, PL

Exhibit 7: Inpatient volumes grow 8% YoY in FY25



Source: Company, PL

Exhibit 8: Outpatient volumes grow 11% YoY in FY25



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	10,598	12,615	14,484	17,672
YoY gr. (%)	18.7	19.0	14.8	22.0
Cost of Goods Sold	1,895	2,302	2,575	3,146
Gross Profit	8,703	10,313	11,909	14,526
Margin (%)	82.1	81.8	82.2	82.2
Employee Cost	1,899	2,145	2,467	2,886
Other Expenses	4,519	5,203	5,833	7,390
EBITDA	2,285	2,965	3,609	4,250
YoY gr. (%)	13.5	29.8	21.7	17.8
Margin (%)	21.6	23.5	24.9	24.1
Depreciation and Amortization	424	570	719	885
EBIT	1,861	2,395	2,890	3,365
Margin (%)	17.6	19.0	20.0	19.0
Net Interest	263	106	240	228
Other Income	220	287	364	350
Profit Before Tax	1,818	2,577	3,014	3,488
Margin (%)	17.2	20.4	20.8	19.7
Total Tax	188	642	754	872
Effective tax rate (%)	10.3	24.9	25.0	25.0
Profit after tax	1,630	1,935	2,261	2,616
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	1,630	1,935	2,261	2,616
YoY gr. (%)	123.5	18.7	16.8	15.7
Margin (%)	15.4	15.3	15.6	14.8
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,630	1,935	2,261	2,616
YoY gr. (%)	123.5	18.7	16.8	15.7
Margin (%)	15.4	15.3	15.6	14.8
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,630	1,935	2,261	2,616
Equity Shares O/s (m)	66	66	66	66
EPS (Rs)	24.9	29.5	34.5	39.9

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	10,037	13,204	16,077	19,612
Tangibles	10,015	13,159	16,031	19,566
Intangibles	21	46	46	46
Acc: Dep / Amortization	2,860	3,430	4,149	5,034
Tangibles	2,860	3,430	4,149	5,034
Intangibles	-	-	-	-
Net fixed assets	7,176	9,774	11,928	14,578
Tangibles	7,155	9,728	11,882	14,533
Intangibles	21	46	46	46
Capital Work In Progress	740	1,851	1,851	1,851
Goodwill	-	-	-	-
Non-Current Investments	959	1,691	1,691	1,691
Net Deferred tax assets	(68)	(72)	(72)	(72)
Other Non-Current Assets	9	5	5	5
Current Assets				
Investments	-	-	-	-
Inventories	213	241	274	335
Trade receivables	572	419	588	718
Cash & Bank Balance	3,013	4,887	4,555	4,452
Other Current Assets	125	177	195	215
Total Assets	12,813	19,049	21,091	23,849
Equity				
Equity Share Capital	656	656	656	656
Other Equity	11,035	12,907	15,091	17,631
Total Network	11,690	13,562	15,747	18,287
Non-Current Liabilities				
Long Term borrowings	-	3,217	3,217	3,217
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	40	40	40
Trade payables	622	1,029	862	1,053
Other current liabilities	435	454	479	506
Total Equity & Liabilities	12,813	19,049	21,091	23,849

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	1,954	2,577	3,014	3,488
Add. Depreciation	424	570	719	885
Add. Interest	263	106	240	228
Less Financial Other Income	220	287	364	350
Add. Other	(190)	(577)	-	-
Op. profit before WC changes	2,451	2,675	3,973	4,600
Net Changes-WC	(809)	499	(362)	8
Direct tax	(497)	(642)	(754)	(872)
Net cash from Op. activities	1,145	2,533	2,857	3,736
Capital expenditures	(852)	(3,203)	(2,873)	(3,535)
Interest / Dividend Income	236	198	0	0
Others	(143)	919	-	-
Net Cash from Invt. activities	(759)	(2,086)	(2,872)	(3,535)
Issue of share cap. / premium	6,326	-	-	-
Debt changes	(4,725)	3,257	-	-
Dividend paid	(57)	(66)	(76)	(76)
Interest paid	(263)	(106)	(240)	(228)
Others	(1)	(1,658)	0	0
Net cash from Fin. activities	1,281	1,428	(316)	(304)
Net change in cash	1,667	1,875	(332)	(103)
Free Cash Flow	292	(675)	(16)	201

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	24.9	29.5	34.5	39.9
CEPS	31.3	38.2	45.4	53.4
BVPS	178.3	206.9	240.2	278.9
FCF	4.5	(10.3)	(0.2)	3.1
DPS	0.9	1.0	1.2	1.2
Return Ratio(%)				
RoCE	18.6	16.8	16.1	16.6
ROIC	19.0	16.9	17.5	17.4
RoE	21.2	15.3	15.4	15.4
Balance Sheet				
Net Debt : Equity (x)	(0.3)	(0.1)	(0.1)	(0.1)
Net Working Capital (Days)	6	(11)	-	-
Valuation(x)				
PER	57.2	48.2	41.3	35.7
P/B	8.0	6.9	5.9	5.1
P/CEPS	45.4	37.2	31.3	26.6
EV/EBITDA	39.5	30.9	25.5	21.7
EV/Sales	8.5	7.3	6.3	5.2
Dividend Yield (%)	0.1	0.1	0.1	0.1

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net Revenue	2,871	3,226	3,206	3,267
YoY gr. (%)	18.1	22.6	17.6	12.5
Raw Material Expenses	502	600	588	611
Gross Profit	2,369	2,626	2,618	2,656
Margin (%)	82.5	81.4	81.7	81.3
EBITDA	639	750	750	783
YoY gr. (%)	20.5	22.9	21.3	25.7
Margin (%)	22.2	23.2	23.4	24.0
Depreciation / Depletion	110	144	140	176
EBIT	529	606	610	606
Margin (%)	18.4	18.8	19.0	18.6
Net Interest	11	11	28	56
Other Income	84	94	83	70
Profit before Tax	601	689	666	621
Margin (%)	20.9	21.4	20.8	19.0
Total Tax	155	174	140	172
Effective tax rate (%)	25.8	25.2	21.1	27.7
Profit after Tax	446	515	525	449
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	446	515	525	449
YoY gr. (%)	(17.4)	52.9	20.3	(0.9)
Margin (%)	15.5	16.0	16.4	13.7
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	446	515	525	449
YoY gr. (%)	(19.4)	49.5	19.9	4.4
Margin (%)	15.5	16.0	16.4	13.7
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	446	515	525	449
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	6.8	7.9	8.0	6.8

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Apr-25	BUY	1,750	1,480
2	10-Feb-25	BUY	1,750	1,607
3	08-Jan-25	BUY	1,660	1,565
4	12-Nov-24	BUY	1,660	1,482
5	07-Oct-24	BUY	1,475	1,432
6	12-Aug-24	BUY	1,475	1,315
7	08-Jul-24	BUY	1,360	1,330

Analyst Coverage Universe

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	Apollo Hospitals Enterprise	BUY	8,100	6,683
2	Aster DM Healthcare	BUY	620	476
3	Aurobindo Pharma	BUY	1,510	1,097
4	Cipla	BUY	1,730	1,416
5	Divi's Laboratories	Accumulate	6,250	5,309
6	Dr. Reddy's Laboratories	Reduce	1,335	1,088
7	Eris Lifesciences	BUY	1,450	1,275
8	Fortis Healthcare	BUY	760	636
9	HealthCare Global Enterprises	BUY	555	523
10	Indoco Remedies	Hold	325	233
11	Ipca Laboratories	Accumulate	1,700	1,316
12	J.B. Chemicals & Pharmaceuticals	BUY	2,075	1,518
13	Jupiter Life Line Hospitals	BUY	1,750	1,480
14	Krishna Institute of Medical Sciences	BUY	725	567
15	Lupin	BUY	2,420	1,923
16	Max Healthcare Institute	BUY	1,300	1,084
17	Narayana Hrudayalaya	BUY	1,560	1,644
18	Rainbow Children's Medicare	BUY	1,785	1,406
19	Sun Pharmaceutical Industries	BUY	2,275	1,677
20	Sunteck Realty	BUY	650	401
21	Torrent Pharmaceuticals	Accumulate	3,750	3,234
22	Zydus Lifesciences	Accumulate	1,050	841

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

ANALYST CERTIFICATION

(Indian Clients)

We/I, Mr. Param Desai- MBA Finance, Ms. Sanketa Kohale- MBA Finance Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

(US Clients)

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might 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 twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Param Desai- MBA Finance, Ms. Sanketa Kohale- MBA Finance Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts 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.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company 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 or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., 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 Prabhudas Lilladher Pvt. Ltd. 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, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com