

January 22, 2025

Q3FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	700		670	
Sales (Rs. m)	17,930	24,565	19,571	24,565
% Chng.	(8.4)	-		
EBITDA (Rs. m)	5,395	7,495	6,036	7,495
% Chng.	(10.6)	-		
EPS (Rs.)	30.0	39.4	32.3	39.4
% Chng.	(7.0)	-		

Key Financials - Consolidated

Y/e Mar	FY24	FY25E	FY26E	FY27E
Sales (Rs. m)	5,648	9,447	17,930	24,565
EBITDA (Rs. m)	1,173	1,865	5,395	7,495
Margin (%)	20.8	19.7	30.1	30.5
PAT (Rs. m)	709	1,527	4,396	5,771
EPS (Rs.)	4.8	10.4	30.0	39.4
Gr. (%)	4,727.9	115.3	187.9	31.3
DPS (Rs.)	1.0	1.5	2.0	-
Yield (%)	0.2	0.3	0.4	-
RoE (%)	2.4	4.8	12.7	14.7
RoCE (%)	3.1	4.9	13.7	17.0
EV/Sales (x)	13.3	7.9	4.1	2.9
EV/EBITDA (x)	63.9	40.0	13.5	9.4
PE (x)	101.9	47.3	16.4	12.5
P/BV (x)	2.3	2.2	2.0	1.7

Key Data

SUNT.BO | SRIN IN

52-W High / Low	Rs.699 / Rs.380
Sensex / Nifty	75,838 / 23,025
Market Cap	Rs.72bn/ \$ 835m
Shares Outstanding	146m
3M Avg. Daily Value	Rs.128.96m

Shareholding Pattern (%)

Promoter's	63.24
Foreign	19.76
Domestic Institution	8.26
Public & Others	8.74
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(0.3)	(17.8)	9.1
Relative	2.6	(12.6)	2.7

Param Desai

paramdesai@plindia.com | 91-22-66322259

Sanketa Kohale

sanketakhale@plindia.com | 91-22-66322426

Strong pre-sales aided by Uber luxury projects

Quick Pointers:

- Continues to guide pre-sales growth of 25-30% in FY26.
- Collections to improve in coming quarters.

Sunteck Realty (SRIN) reported healthy pre-sales (40% YoY) and steady collections (up 26% QoQ) in Q3. SRIN's proven ability to market ultra-luxury projects, aggressive and multi-pronged land acquisition capabilities in various micro markets across Mumbai Metropolitan Region (MMR) is an interesting play on Mumbai's high value real estate market. We expect company's pre-sales to grow +35% CAGR over FY24-27E aided by ongoing projects and strong new launches pipeline including new Dubai JV project. Further given likely strong cash flow generation and JV with IFC, we see SRIN to step up new project additions which will be a key catalyst for stock performance. Adoption of asset light model has enabled the company to acquire scale without straining its balance sheet. Maintain 'Buy' rating with a TP of Rs. 700/share.

BKC projects aided sales momentum: Operationally, SRIN reported EBITDA of Rs 484mn vs Rs 374mn in Q2FY25. Consolidated revenues grew robust by 281% YoY to Rs. 1.6bn. The revenues were aided by BKC projects. PAT came in at Rs. 425mn vs Rs. 346mn QoQ and a loss of Rs. 97mn YoY. During the quarter, the company continued to improve its net cash position by Rs. 20mn to Rs. 610mn.

Pre-sales aided by newly launched Nepean Sea Road phase 1 project: SRIN's pre-sales improved 40% YoY to Rs 6.35bn (up 21% QoQ); aided by newly launched Nepean Sea Road project. Uber luxury projects (3 BKC projects and Nepean Sea Road projects) contributed 66% (Rs 4.2bn) to total pre-sales while high mid-income projects (Sunteck City, Beach residencies, Sky Park projects) contributed 19% (Rs. 1.2bn) to total pre-sales. During Q3, average realization increased 106% YoY (104% QoQ) to Rs. 22,615 psf. Collections de-grew by 23% YoY. However, it increased by 26% QoQ to Rs.3.4bn and expect to see pick up in coming quarters.

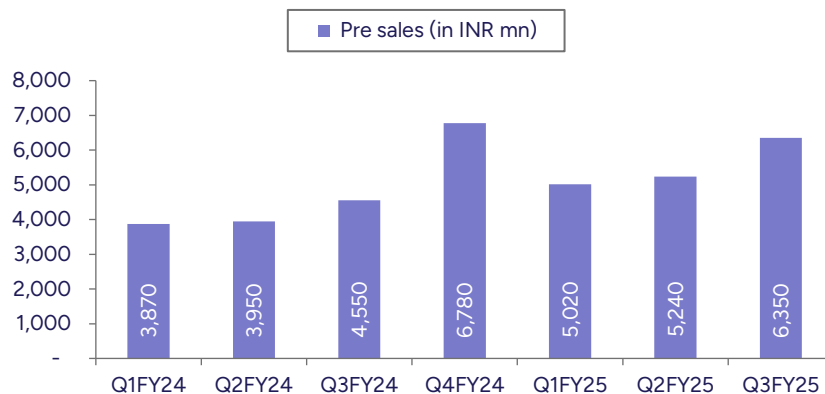
Key con-call takeaways: (1) Pre-sales guidance – Continue to guide 25-30% pre-sales guidance for FY26E. **(2) New launches plan for Q4FY25 and FY26** - Mgmt plans to launch two towers at ODC Goregaon with ~1msf area (GDV of Rs. 30bn), a tower at Beach Residences in Vasai (GDV of Rs. 2.5-3bn), and a tower in Mira Road (GDV of Rs. 6-7bn) in Q4. All projects are at an advanced stage in their approvals process. Subsequent phases and new towers are planned to launch in ODC Goregaon, Naigaon, and Dubai in FY26. Management also intends to launch new projects from Sunteck's existing portfolio, which comprises developments in Bandra, Borivali, and other key locations. **(3) Nepean Sea Road project** - encompasses a total area of 0.25-0.27 msf with a GDV of Rs. 54bn. This includes incremental GDV of Rs. 24bn from Nepean Sea Road phase 2 added during Q3. **(4) Annuity project** - The commercial project at ODC in Goregaon is slated for completion by FY28. **(5) Collections** – Completion of 4th Avenue in ODC and the commencement of construction at Sky-park in Mira Road, coupled with ongoing progress at SBR in Vasai and Crescent Park in Kalyan, are expected to substantially boost collections in coming quarters. **(6)** Generated Rs 3.1bn of net operating cash flow for 9MFY25. **(7)** Next debt to equity stood at 0.02x in Q3.

Exhibit 1: Q3FY25 Result Overview (Rs mn) – Operationally Healthy quarter

Y/e March	3QFY25	3QFY24	YoY gr. (%)	2QFY25	QoQ gr. (%)	9MFY25	9MFY24	YoY gr. (%)
Net Sales	1,618	424	281.1	1,690	(4.3)	6,471	1,380	369.0
COGS	500	(28)	(1,878.8)	829	(39.7)	3,645	223	1,533.6
<i>% of Net Sales</i>	<i>30.9</i>	<i>(6.6)</i>		<i>49.0</i>		<i>56.3</i>	<i>16.2</i>	
Employee Cost	274	230	19.2	242	13.3	752	675	11.4
<i>% of Net Sales</i>	<i>17.0</i>	<i>54.2</i>		<i>14.3</i>		<i>11.6</i>	<i>48.9</i>	
Other Expenses	360	371	(3.0)	245	46.6	902	846	6.7
<i>% of Net Sales</i>	<i>22.2</i>	<i>87.3</i>		<i>14.5</i>		<i>13.9</i>	<i>61.3</i>	
Total	1,134	573	98.0	1,317	(13.9)	5,299	1,744	203.9
EBITDA	484	(148)	(426.4)	374	29.4	1,171	(364)	(421.7)
<i>Margins (%)</i>	<i>29.9</i>	<i>(34.9)</i>		<i>22.1</i>		<i>18.1</i>	<i>(26.4)</i>	
Other Income	130	185	(29.8)	130	0.0	378	477	(20.8)
Interest	87	171	(48.8)	99	(11.9)	289	502	(42.4)
Depreciation	31	24	29.3	36	(13.7)	101	64	57.3
PBT	495	(158)	(413.6)	368	34.4	1,159	(454)	(355.3)
Tax	69	(55)	(225.0)	22	218.1	161	(146)	(210.5)
<i>Tax rate %</i>	<i>13.9</i>	<i>34.9</i>		<i>5.9</i>		<i>13.9</i>	<i>32.1</i>	
PAT	426	(103)	(514.7)	347	22.9	998	(308)	(423.9)
Share in (loss)/profit of associate	(1)	6		(1)		2	4	
Reported PAT	425	(97)	(537.1)	346	22.8	999	(304)	(428.6)

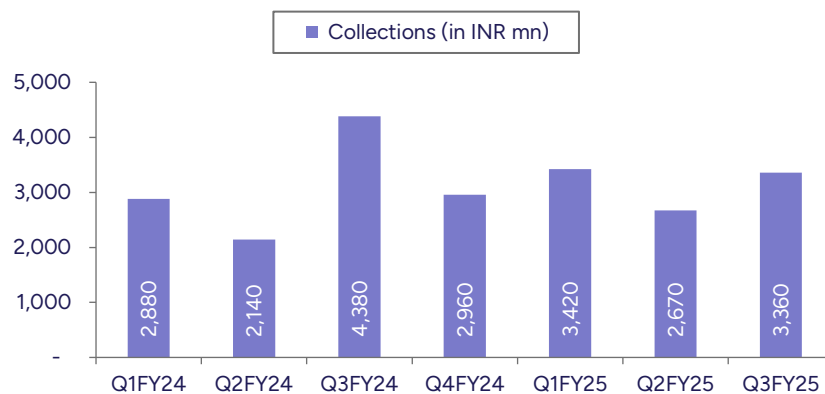
Source: Company, PL

Exhibit 2: Healthy pre-sales led by Uber luxury projects



Source: Company, PL

Exhibit 3: Collections improved by 26% QoQ



Source: Company, PL

Exhibit 4: Pre-sales and collections break up (in mn)

Segment	Projects	Pre-sales (~Rs in mn)			Collections (~Rs in mn)		
		Q3FY25	9MFY25	FY24	Q3FY25	9MFY25	FY24
Uber Luxury	Signature, Signia	4,220	6,930	2,450	1,400	2,670	2,200
High Mid-income	Sunteck City, SBR, Sky Park	1,210	5,670	9,680	530	2,050	4,130
Low Mid-Income	Sunteck World	830	3,180	4,870	1,050	3,780	1,770
Others	Sunteck	90	820	2,150	390	950	4,250
Total		6,350	16,600	19,150	3,370	9,450	12,350

Source: Company, PL

Exhibit 5: NAV valuations Summary

	(Rs mn)	% of total	NAV per share
Residential	81,127	79%	554
Commercial (Sell)	15,270	15%	104
Commercial (Lease)	6,005	6%	41
Gross NAV	1,02,402	100%	699
Add: Cash	3,858		26
Less: Gross Debt	-3,749		-26
Net NAV	1,02,510		
Outstanding shares (m)	146.5		
NAV per share	700		

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25E	FY26E	FY27E
Net Revenues	5,648	9,447	17,930	24,565
YoY gr. (%)	55.8	67.3	89.8	37.0
Cost of Goods Sold	2,353	5,007	9,464	13,407
Gross Profit	3,296	4,440	8,466	11,158
Margin (%)	58.4	47.0	47.2	45.4
Employee Cost	903	1,083	1,300	1,560
Other Expenses	-	-	-	-
EBITDA	1,173	1,865	5,395	7,495
YoY gr. (%)	82.8	59.0	189.3	38.9
Margin (%)	20.8	19.7	30.1	30.5
Depreciation and Amortization	95	130	140	150
EBIT	1,078	1,735	5,255	7,345
Margin (%)	19.1	18.4	29.3	29.9
Net Interest	684	375	412	412
Other Income	555	500	650	760
Profit Before Tax	949	1,860	5,493	7,692
Margin (%)	16.8	19.7	30.6	31.3
Total Tax	240	335	1,099	1,923
Effective tax rate (%)	25.3	18.0	20.0	25.0
Profit after tax	708	1,525	4,394	5,769
Minority interest	-	-	-	-
Share Profit from Associate	1	2	2	2
Adjusted PAT	709	1,527	4,396	5,771
YoY gr. (%)	4,934.3	115.3	187.9	31.3
Margin (%)	12.6	16.2	24.5	23.5
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	709	1,527	4,396	5,771
YoY gr. (%)	4,934.3	115.3	187.9	31.3
Margin (%)	12.6	16.2	24.5	23.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	709	1,527	4,396	5,771
Equity Shares O/s (m)	146	146	146	146
EPS (Rs)	4.8	10.4	30.0	39.4

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25E	FY26E	FY27E
Non-Current Assets				
Gross Block	5,255	5,355	5,855	6,655
Tangibles	5,255	5,355	5,855	6,655
Intangibles	-	-	-	-
Acc: Dep / Amortization	374	504	644	794
Tangibles	374	504	644	794
Intangibles	-	-	-	-
Net fixed assets	4,881	4,851	5,211	5,861
Tangibles	4,881	4,851	5,211	5,861
Intangibles	-	-	-	-
Capital Work In Progress	183	183	183	183
Goodwill	25	25	25	25
Non-Current Investments	5,204	5,786	6,484	7,322
Net Deferred tax assets	400	400	400	400
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	-	-	-	-
Inventories	59,663	61,729	64,935	69,064
Trade receivables	2,925	3,725	4,725	5,725
Cash & Bank Balance	1,058	1,550	3,083	5,272
Other Current Assets	4,838	5,000	5,200	5,400
Total Assets	78,778	82,850	89,846	98,853
Equity				
Equity Share Capital	146	146	146	146
Other Equity	31,095	32,403	36,506	41,984
Total Network	31,242	32,549	36,653	42,131
Non-Current Liabilities				
Long Term borrowings	2,507	2,507	2,507	2,507
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	1,243	1,243	1,243	1,243
Trade payables	2,916	3,208	3,528	3,881
Other current liabilities	41,270	43,744	46,316	49,491
Total Equity & Liabilities	78,778	82,850	89,846	98,853

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25E	FY26E	FY27E
PBT	949	1,860	5,493	7,692
Add. Depreciation	95	130	140	150
Add. Interest	684	375	412	412
Less Financial Other Income	555	500	650	760
Add. Other	(2,263)	2	2	2
Op. profit before WC changes	(535)	2,367	6,047	8,257
Net Changes-WC	1,745	(845)	(2,211)	(2,639)
Direct tax	(240)	(335)	(1,099)	(1,923)
Net cash from Op. activities	969	1,187	2,738	3,695
Capital expenditures	197	(100)	(500)	(800)
Interest / Dividend Income	-	-	-	-
Others	2,314	-	-	-
Net Cash from Inv. activities	2,511	(100)	(500)	(800)
Issue of share cap. / premium	6	-	-	-
Debt changes	(3,105)	-	-	-
Dividend paid	(146)	(220)	(293)	(293)
Interest paid	(684)	(375)	(412)	(412)
Others	197	-	-	-
Net cash from Fin. activities	(3,731)	(595)	(705)	(705)
Net change in cash	(251)	492	1,532	2,189
Free Cash Flow	1,166	1,087	2,238	2,895

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Net Revenue	4,269	3,163	1,690	1,618
YoY gr. (%)	773.4	348.2	577.9	281.1
Raw Material Expenses	2,121	2,316	829	500
Gross Profit	2,148	846	861	1,118
Margin (%)	50.3	26.8	51.0	69.1
EBITDA	1,534	314	374	484
YoY gr. (%)	(1,785.7)	(521.0)	(364.4)	(426.4)
Margin (%)	35.9	9.9	22.1	29.9
Depreciation / Depletion	31	34	36	31
EBIT	1,503	280	338	453
Margin (%)	35.2	8.9	20.0	28.0
Net Interest	182	103	99	87
Other Income	81	117	130	130
Profit before Tax	1,402	295	368	495
Margin (%)	32.9	9.3	21.8	30.6
Total Tax	386	70	22	69
Effective tax rate (%)	27.5	23.9	5.9	13.9
Profit after Tax	1,016	224	347	426
Minority interest	3	(3)	1	1
Share Profit from Associates	-	-	-	-
Adjusted PAT	1,013	228	346	425
YoY gr. (%)	(462.7)	(438.2)	(348.3)	(537.1)
Margin (%)	23.7	7.2	20.5	26.3
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,013	228	346	425
YoY gr. (%)	(462.7)	(438.2)	(348.3)	(537.1)
Margin (%)	23.7	7.2	20.5	26.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,013	228	346	425
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	6.9	1.6	2.4	2.9

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25E	FY26E	FY27E
Per Share(Rs)				
EPS	4.8	10.4	30.0	39.4
CEPS	5.5	11.3	31.0	40.4
BVPS	213.3	222.2	250.2	287.6
FCF	8.0	7.4	15.3	19.8
DPS	1.0	1.5	2.0	-
Return Ratio(%)				
RoCE	3.1	4.9	13.7	17.0
ROIC	1.4	2.1	6.1	7.8
RoE	2.4	4.8	12.7	14.7
Balance Sheet				
Net Debt : Equity (x)	0.1	0.1	0.0	0.0
Net Working Capital (Days)	3,856	2,405	1,346	1,054
Valuation(x)				
PER	101.9	47.3	16.4	12.5
P/B	2.3	2.2	2.0	1.7
P/CEPS	89.9	43.6	15.9	12.2
EV/EBITDA	63.9	40.0	13.5	9.4
EV/Sales	13.3	7.9	4.1	2.9
Dividend Yield (%)	0.2	0.3	0.4	-

Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY24	FY25E	FY26E	FY27E
Real estate revenues	5,471	8,887	17,213	23,866
Lease Rent	103	486	643	625

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	14-Nov-24	BUY	670	490
2	19-Aug-24	BUY	700	588
3	02-Jun-24	BUY	600	471
4	23-Jan-24	BUY	565	452

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Apollo Hospitals Enterprise	BUY	8,000	7,437
2	Aster DM Healthcare	BUY	620	524
3	Aurobindo Pharma	Accumulate	1,475	1,298
4	Cipla	BUY	1,730	1,497
5	Divi's Laboratories	Accumulate	6,000	5,920
6	Dr. Reddy's Laboratories	Reduce	1,335	1,353
7	Eris Lifesciences	BUY	1,420	1,301
8	Fortis Healthcare	BUY	710	735
9	HealthCare Global Enterprises	BUY	535	488
10	Indoco Remedies	Accumulate	320	337
11	Ipca Laboratories	Accumulate	1,700	1,736
12	J.B. Chemicals & Pharmaceuticals	BUY	2,250	1,896
13	Jupiter Life Line Hospitals	BUY	1,660	1,565
14	Krishna Institute of Medical Sciences	BUY	675	649
15	Lupin	BUY	2,420	2,359
16	Max Healthcare Institute	BUY	1,200	1,198
17	Narayana Hrudayalaya	BUY	1,420	1,351
18	Rainbow Children's Medicare	BUY	1,785	1,552
19	Sun Pharmaceutical Industries	BUY	2,100	1,853
20	Sunteck Realty	BUY	670	490
21	Torrent Pharmaceuticals	Accumulate	3,600	3,404
22	Zydus Lifesciences	Accumulate	1,050	1,001

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