

February 3, 2026

Q3FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	466		401	
Sales (Rs. m)	93,166	1,01,727	91,137	1,00,895
% Chng.	2.2	0.8		
EBITDA (Rs. m)	13,771	15,217	13,772	15,359
% Chng.	-	(0.9)		
EPS (Rs.)	15.2	18.8	14.9	18.5
% Chng.	2.0	1.8		

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	72,710	84,242	93,166	1,01,727
EBITDA (Rs. m)	10,010	11,400	13,771	15,217
Margin (%)	13.8	13.5	14.8	15.0
PAT (Rs. m)	3,290	3,751	5,502	6,824
EPS (Rs.)	9.1	10.3	15.2	18.8
Gr. (%)	(20.9)	13.9	46.7	24.0
DPS (Rs.)	0.5	0.5	0.8	0.9
Yield (%)	0.1	0.1	0.2	0.2
RoE (%)	6.0	6.5	8.8	10.0
RoCE (%)	6.2	6.7	8.0	8.8
EV/Sales (x)	2.6	2.4	2.1	1.9
EV/EBITDA (x)	19.0	17.5	14.2	12.5
PE (x)	47.3	41.5	28.3	22.8
P/BV (x)	2.8	2.6	2.4	2.2

Key Data ARTI.BO | ARTO IN

52-W High / Low	Rs.495 / Rs.338
Sensex / Nifty	83,739 / 25,728
Market Cap	Rs.156bn / \$ 1,726m
Shares Outstanding	363m
3M Avg. Daily Value	Rs.423.66m

Shareholding Pattern (%)

Promoter's	42.14
Foreign	6.69
Domestic Institution	18.22
Public & Others	32.94
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	14.0	5.7	(5.1)
Relative	16.7	1.8	(12.5)

Swarnendu Bhushan

swarnendubhushan@plindia.com | 91-22-66322260

Saurabh Ahire

saurabhahire@plindia.com | 91-22-66322537

Tejas Kadam

tejaskadam@plindia.com | 91-22-66322222

Multiple projects to be commissioned in CY26

Quick Pointers:

- MMA capacity to increase from 290ktpa to 360ktpa by end of Q4FY26
- Mgmt reiterates FY28 EBITDA guidance of Rs18-22bn; debt/EBITDA < 2.5x and ROCE > 15%

ARTO reported a topline of Rs23.1bn, up 26% YoY and 10% QoQ, driven by higher volumes across key products such as MMA, NT and DCB. Volumes in the energy business, which largely consists of MMA, increased 78% YoY and 13% QoQ, while overall company margins expanded by 100bps YoY, supported by a favorable gasoline-naphtha crack during the quarter. Non-energy business volumes grew 11% YoY, but declined 5% QoQ, with margins remaining under pressure in the agrochemicals and dyes segments. With US tariffs now reduced, volumes across the MMA and PDA value chain are expected to gain momentum in the near term. The company is pursuing multiple growth initiatives, including MMA debottlenecking, calcium chloride, PEDA, and other projects in Zone IV, which are expected to support growth going forward; however, margin pressure across a few products remains a key concern. Given the upcoming commissioning of multiple new projects over CY26 and the expected debottlenecking of MMA and DCB, which should drive near-term growth, we maintain 'Accumulate' rating with TP of Rs466, valuing the stock at 26x Dec'27 EPS. The stock is currently trading at 23x FY28 P/E.

- **Revenue increases by 10% QoQ/26% YoY:** Consolidated net revenue stood at Rs23.1bn, up 26% YoY and 10% QoQ (PLe: Rs20.9bn; Consensus: Rs20.8bn). Revenue growth was driven by higher volumes across key products such as MMA, NT and DCB, along with the resumption of MMA and PDCB exports to the US in Q3FY26. Gross margin declined by 50bps QoQ to 34% and increased by 70bps YoY, as raw material prices stabilized (vs. 33.3% in Q3FY25 and 34.5% in Q2FY26).
- **EBITDA increases by 36% YoY/10% QoQ:** EBITDA increased by 36% YoY and 10% QoQ to Rs3.2bn (PLe: Rs2.8bn, Consensus: Rs2.8bn). EBITDAM stood at 13.8% (PLe: 13.5%) as against 12.8% in Q3FY25 and 13.9% in Q2FY26, up by 100bps YoY due to better operating leverage. Exceptional item of Rs150mn (new labor code related expenses) was recognized during the quarter. PAT stood at Rs1,330mn, up by 183% YoY/ 25% QoQ; the sharp increase was supported by negative tax rate. PAT margin stood at 5.7% vs. 2.6% in Q3FY25 and 5% in Q2FY26.
- **Key concall takeaways:** (1) Global operating environment remained challenging during Q3FY26. (2) The India-EU FTA, anti-involution policy in China as well as the US tariff reduction are expected to boost business in near term. (3) Export: Domestic mix stood at 65%:35%, (4) MMA capacity is expected to increase from 290ktpa to 360ktpa by the end of Q4FY26. (5) MMA volumes increased during the quarter and is expected to further improve going ahead. (6) Tariff reduction will aid realization in MMA, which was impacted by the tariff until now. (7) In the non-energy business,

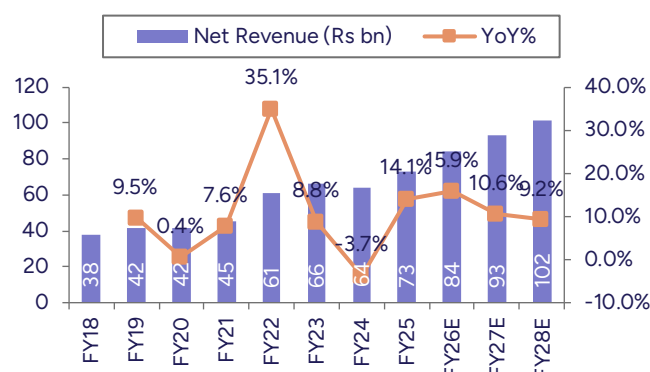
agrochemicals and dyes segments remained under pressure. **(9)** PDA product chain continued to witness volume pressure due to dependency on the US; volumes are expected to increase in the next few months. **(10)** DCB bottlenecking is likely to increase capacity to 140ktpa; it is used in manufacturing a PPS polymer used in EVs. **(11)** Margin profile is expected to improve in the non-energy segment of the business. **(12)** Capex for FY26 is expected to be Rs11bn vs. previous guidance of Rs10bn. **(13)** Capex for FY27 is likely to be lower. **(14)** Total capex for Zone IV is Rs16-18bn, most of which will be deployed by FY26 end; only Rs3-4bn will be carried over to next year. **(15)** MPP is expected to be commissioned in Q4FY26, while the other Zone IV blocks will be gradually commissioned through CY26. **(16)** Guidance of Rs18-22bn EBITDA by FY28 has been maintained.

Exhibit 1: Q3FY26 Result Overview - Consolidated (Rs mn)

Y/e March	Q3FY26	Q3FY25	YoY gr. (%)	Q3FY26E	% Var.	Q2FY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Net Sales	23,180	18,430	26%	20,886	11%	21,000	10%	60,930	53,260	14%
Gross Profit	7,870	6,140	28%	7,069	11%	7,250	9%	20,650	19,250	7%
Margin (%)	34.0%	33.3%		33.8%		34.5%		33.9%	36.1%	
EBITDA	3,210	2,360	36%	2,820	14%	2,910	10%	8,230	7,380	12%
Margin (%)	13.8%	12.8%		13.5%		13.9%		13.5%	13.9%	
Other Income	20	10		25		0		60	120	-50%
Depreciation	1,210	1,110	9%	1,249	-3%	1,200	1%	3,550	3,210	11%
EBIT	2,020	1,260	60%	1,596	27%	1,710	18%	4,740	4,290	10%
Interest	690	850	-19%	808	-15%	1,000	-31%	2,290	2,110	9%
PBT before exp	1,330	410	224%	788	69%	710	87%	2,450	2,180	12%
Total Tax	-150	-60	150%	14	-811%	-130	15%	-300	-160	88%
ETR (%)	-11.3%	-14.6%		1.8%		-18.3%		-12.2%	-7.3%	
Adj. PAT	1,480	470	215%	774	91%	840	76%	2,750	2,340	18%
Exceptional Items	150	0		0		-220		-70	0	
PAT	1,330	470	183%	774	72%	1,060	25%	2,820	2,340	21%

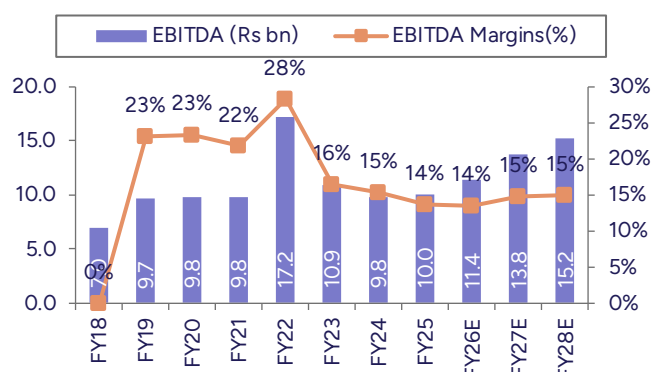
Source: Company, PL

Exhibit 2: Revenue to grow at CAGR of 11% over FY25-28E



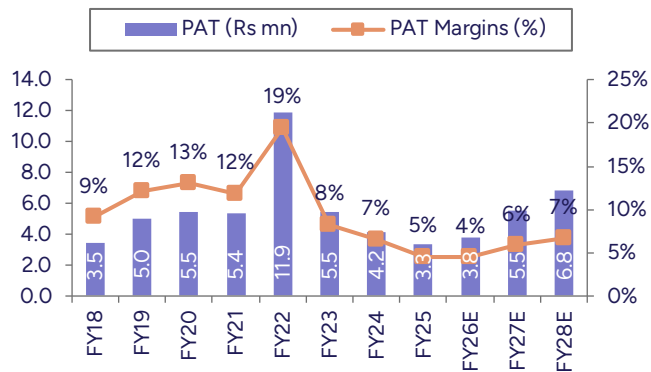
Source: Company, PL

Exhibit 3: EBITDA margin to reach 15% in FY28E



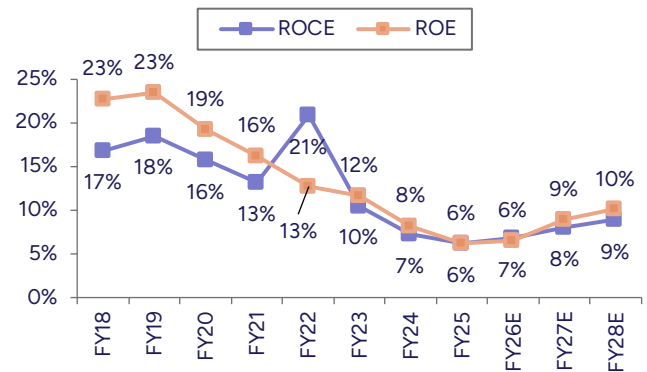
Source: Company, PL

Exhibit 4: PAT margin to reach 7% in FY28E



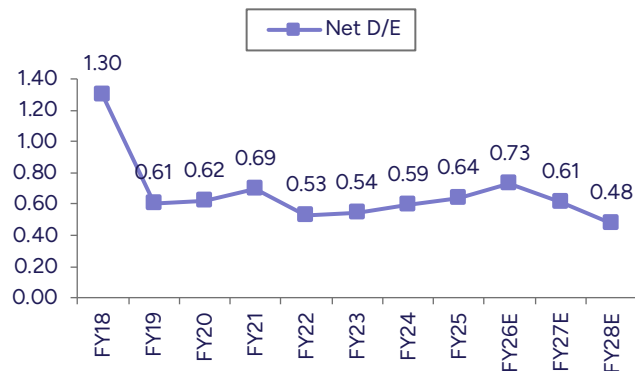
Source: Company, PL

Exhibit 5: Return ratios to hover at 9-10%



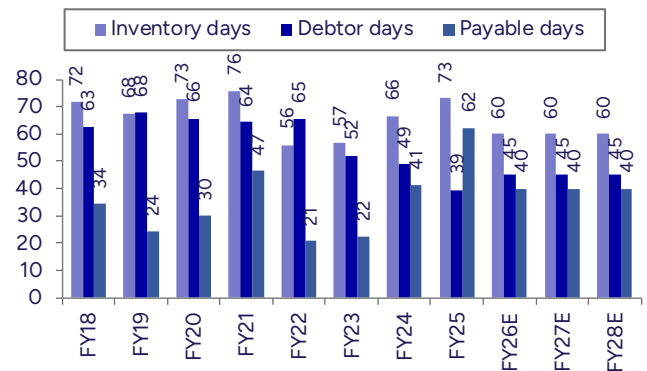
Source: Company, PL

Exhibit 6: Net D/E estimated at 0.5 for FY28E



Source: Company, PL

Exhibit 7: Working capital days at 60-65 days



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	72,710	84,242	93,166	1,01,727
YoY gr. (%)	14.1	15.9	10.6	9.2
Cost of Goods Sold	46,550	55,741	60,668	66,063
Gross Profit	26,160	28,501	32,497	35,664
Margin (%)	36.0	33.8	34.9	35.1
Employee Cost	4,220	4,296	4,751	5,188
Other Expenses	11,930	12,805	13,975	15,259
EBITDA	10,010	11,400	13,771	15,217
YoY gr. (%)	2.6	13.9	20.8	10.5
Margin (%)	13.8	13.5	14.8	15.0
Depreciation and Amortization	4,340	4,783	5,382	5,635
EBIT	5,670	6,617	8,389	9,583
Margin (%)	7.8	7.9	9.0	9.4
Net Interest	2,750	3,276	2,972	2,829
Other Income	140	100	140	140
Profit Before Tax	3,040	3,442	5,557	6,893
Margin (%)	4.2	4.1	6.0	6.8
Total Tax	(230)	(310)	56	69
Effective tax rate (%)	(7.6)	(9.0)	1.0	1.0
Profit after tax	3,270	3,751	5,502	6,824
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	3,290	3,751	5,502	6,824
YoY gr. (%)	(20.9)	14.0	46.7	24.0
Margin (%)	4.5	4.5	5.9	6.7
Extra Ord. Income / (Exp)	(20)	-	-	-
Reported PAT	3,270	3,751	5,502	6,824
YoY gr. (%)	(21.4)	14.7	46.7	24.0
Margin (%)	4.5	4.5	5.9	6.7
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,270	3,751	5,502	6,824
Equity Shares O/s (m)	362	363	363	363
EPS (Rs)	9.1	10.3	15.2	18.8

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	85,614	1,04,074	1,09,074	1,14,074
Tangibles	85,595	1,04,055	1,09,055	1,14,055
Intangibles	19	19	19	19
Acc: Dep / Amortization	22,364	27,147	32,529	38,163
Tangibles	22,284	27,067	32,449	38,083
Intangibles	80	80	80	80
Net fixed assets	63,760	77,437	77,055	76,421
Tangibles	63,821	77,498	77,116	76,482
Intangibles	(61)	(61)	(61)	(61)
Capital Work In Progress	14,540	6,800	6,800	6,800
Goodwill	-	-	-	-
Non-Current Investments	480	480	480	480
Net Deferred tax assets	2,180	2,180	2,180	2,180
Other Non-Current Assets	1,220	1,220	1,220	1,220
Current Assets				
Investments	-	-	-	-
Inventories	14,540	13,848	15,315	16,722
Trade receivables	7,860	10,386	11,486	12,542
Cash & Bank Balance	2,950	508	1,250	5,685
Other Current Assets	3,530	5,566	6,155	6,721
Total Assets	1,11,120	1,18,531	1,22,059	1,28,899
Equity				
Equity Share Capital	1,810	1,813	1,813	1,813
Other Equity	54,240	57,804	63,030	69,513
Total Network	56,050	59,616	64,843	71,326
Non-Current Liabilities				
Long Term borrowings	18,670	23,000	21,000	20,000
Provisions	150	150	150	150
Other non current liabilities	1,590	1,590	1,590	1,590
Current Liabilities				
ST Debt / Current of LT Debt	19,220	21,003	19,909	19,927
Trade payables	12,370	9,232	10,210	11,148
Other current liabilities	3,070	3,940	4,357	4,757
Total Equity & Liabilities	1,11,120	1,18,531	1,22,059	1,28,899

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	3,050	3,442	5,557	6,893
Add. Depreciation	4,340	4,783	5,382	5,635
Add. Interest	2,750	3,276	2,972	2,829
Less Financial Other Income	140	100	140	140
Add. Other	(90)	(100)	(140)	(140)
Op. profit before WC changes	10,050	11,400	13,771	15,217
Net Changes-WC	2,310	(6,381)	(1,810)	(1,737)
Direct tax	70	667	(18)	(33)
Net cash from Op. activities	12,430	5,686	11,943	13,447
Capital expenditures	(13,790)	(11,000)	(5,000)	(5,000)
Interest / Dividend Income	150	100	140	140
Others	(340)	-	-	-
Net Cash from Invst. activities	(13,980)	(10,900)	(4,860)	(4,860)
Issue of share cap. / premium	(100)	3	-	-
Debt changes	2,490	6,113	(3,093)	(982)
Dividend paid	(360)	(188)	(275)	(341)
Interest paid	(2,750)	(3,276)	(2,972)	(2,829)
Others	(20)	1,080	-	-
Net cash from Fin. activities	(740)	3,732	(6,340)	(4,152)
Net change in cash	(2,290)	(1,482)	743	4,435
Free Cash Flow	(1,430)	(5,314)	6,943	8,447

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	9.1	10.3	15.2	18.8
CEPS	21.1	23.5	30.0	34.4
BVPS	154.8	164.5	178.9	196.8
FCF	(4.0)	(14.7)	19.2	23.3
DPS	0.5	0.5	0.8	0.9
Return Ratio(%)				
RoCE	6.2	6.7	8.0	8.8
ROIC	7.0	7.4	8.0	9.0
RoE	6.0	6.5	8.8	10.0
Balance Sheet				
Net Debt : Equity (x)	0.6	0.7	0.6	0.5
Net Working Capital (Days)	50	65	65	65
Valuation(x)				
PER	47.3	41.5	28.3	22.8
P/B	2.8	2.6	2.4	2.2
P/CEPS	20.4	18.3	14.3	12.5
EV/EBITDA	19.0	17.5	14.2	12.5
EV/Sales	2.6	2.4	2.1	1.9
Dividend Yield (%)	0.1	0.1	0.2	0.2

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	19,490	16,750	21,000	23,180
YoY gr. (%)	9.9	(9.7)	29.0	25.8
Raw Material Expenses	12,510	11,220	13,750	15,310
Gross Profit	6,980	5,530	7,250	7,870
Margin (%)	35.8	33.0	34.5	34.0
EBITDA	2,690	2,110	2,910	3,210
YoY gr. (%)	(4.9)	(31.0)	48.5	36.0
Margin (%)	13.8	12.6	13.9	13.8
Depreciation / Depletion	1,130	1,140	1,200	1,210
EBIT	1,560	970	1,710	2,000
Margin (%)	8.0	5.8	8.1	8.6
Net Interest	640	600	1,000	690
Other Income	30	40	-	20
Profit before Tax	950	410	930	1,180
Margin (%)	4.9	2.4	4.4	5.1
Total Tax	(70)	(20)	(130)	(150)
Effective tax rate (%)	(7.4)	(4.9)	(14.0)	(12.7)
Profit after Tax	1,020	430	1,060	1,330
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	1,020	430	1,060	1,330
YoY gr. (%)	(22.7)	(68.8)	107.8	183.0
Margin (%)	5.2	2.6	5.0	5.7
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,020	430	1,060	1,330
YoY gr. (%)	(22.7)	(68.8)	107.8	183.0
Margin (%)	5.2	2.6	5.0	5.7
Other Comprehensive Income	240	40	(120)	-
Total Comprehensive Income	1,260	470	940	1,330
Avg. Shares O/s (m)	363	363	363	363
EPS (Rs)	2.8	1.2	2.9	3.7

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	07-Jan-26	Accumulate	401	375
2	23-Dec-25	Accumulate	403	375
3	07-Nov-25	Hold	403	392
4	07-Oct-25	Hold	395	377
5	01-Aug-25	Hold	420	407
6	07-Jul-25	Reduce	420	477
7	02-Jul-25	Reduce	420	484
8	09-May-25	Reduce	394	449
9	08-Apr-25	Reduce	330	356
10	04-Feb-25	Reduce	411	453

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Aarti Industries	Accumulate	401	375
2	Bharat Petroleum Corporation	Accumulate	381	349
3	Bharti Airtel	Accumulate	2,259	2,113
4	Clean Science and Technology	Hold	841	861
5	Deepak Nitrite	Hold	1,729	1,626
6	Fine Organic Industries	BUY	5,103	4,274
7	GAIL (India)	BUY	190	160
8	Gujarat Fluorochemicals	Hold	3,639	3,485
9	Gujarat Gas	Accumulate	422	399
10	Gujarat State Petronet	Hold	296	303
11	Hindustan Petroleum Corporation	Accumulate	457	428
12	Indian Oil Corporation	Accumulate	175	164
13	Indraprastha Gas	Hold	196	190
14	Jubilant Ingrevia	Hold	755	744
15	Laxmi Organic Industries	Reduce	125	143
16	Mahanagar Gas	BUY	1,356	1,074
17	Mangalore Refinery & Petrochemicals	Accumulate	162	151
18	Navin Fluorine International	Accumulate	6,722	5,751
19	NOCIL	Hold	152	148
20	Oil & Natural Gas Corporation	BUY	307	242
21	Oil India	BUY	538	426
22	Petronet LNG	Hold	281	295
23	Reliance Industries	BUY	1,683	1,458
24	SRF	Hold	2,894	2,883
25	Vinati Organics	Accumulate	1,671	1,496

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. Swarnendu Bhushan- IIT, MBA Finance, Mr. Saurabh Ahire- MBA, Passed CFA Level II, Mr. Tejas Kadam- BCom 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. Swarnendu Bhushan- IIT, MBA Finance, Mr. Saurabh Ahire- MBA, Passed CFA Level II, Mr. Tejas Kadam- BCom 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