

Rating: BUY | CMP: Rs3,700 | TP: Rs5,502

February 6, 2026

Q3FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY	BUY	BUY	BUY
Target Price	5,502	5,542	5,542	5,542
Sales (Rs. m)	59,561	84,328	61,060	84,034
% Chng.	(2.5)	0.4	0.4	0.4
EBITDA (Rs. m)	9,351	13,240	9,586	13,193
% Chng.	(2.5)	0.4	0.4	0.4
EPS (Rs.)	88.8	121.9	91.3	121.2
% Chng.	(2.7)	0.6	0.6	0.6

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	27,218	40,000	59,561	84,328
EBITDA (Rs. m)	4,107	6,360	9,351	13,240
Margin (%)	15.1	15.9	15.7	15.7
PAT (Rs. m)	2,934	4,301	5,946	8,162
EPS (Rs.)	45.8	64.2	88.8	121.9
Gr. (%)	59.7	40.3	38.2	37.3
DPS (Rs.)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	11.0	11.3	11.7	14.1
RoCE (%)	14.5	15.4	15.9	18.7
EV/Sales (x)	8.6	6.0	4.1	3.0
EV/EBITDA (x)	57.3	37.9	26.3	19.0
PE (x)	80.8	57.6	41.7	30.4
P/BV (x)	8.3	5.2	4.6	4.0

Key Data	KAYN.BO KAYNES IN
52-W High / Low	Rs.7,705 / Rs.3,295
Sensex / Nifty	83,580 / 25,694
Market Cap	Rs.248bn/ \$ 2,736m
Shares Outstanding	67m
3M Avg. Daily Value	Rs.10956.88m

Shareholding Pattern (%)

Promoter's	53.46
Foreign	8.87
Domestic Institution	16.73
Public & Others	20.94
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(2.4)	(38.7)	(13.8)
Relative	(0.7)	(40.9)	(19.5)

Praveen Sahay

praveensahay@plindia.com | 91-22-66322369

Rahul Shah

rahulshah@plindia.com | 91-22-66322534

Guidance maintained, WC days to improve

The automotive segment grew by 41.6%, whereas industrial decline by 5% mainly due to lower smart meter reliance, in Q4FY26 company expects Rs 3bn from smart meters, rest from diversified industrial verticals. Company has maintained its revised FY26 revenue guidance of Rs 40-41bn, with EBITDA margin of 16%. Also, indicated Rs 3bn revenue deferment in the railway segment to FY27. Company expects working capital days to decline to 85days by end of FY26 from 139days in 9MFY26, with positive OCF expected by end of FY26. In Q3FY26 company is having an order book of Rs 91bn. We have downward revised our FY27E earnings estimate by 2.7% and tweak estimates for FY28E and Maintained 'BUY' rating. Our DCF-based TP is Rs 5,502, implying PE of 45x Mar'28E earnings We estimate FY26-28E revenue/EBITDA/PAT CAGR of 45.2%/44.3%/37.7%.

Q3FY26 financial Performance: Revenues grew by 21.6% YoY at Rs 8.0bn (PLe: Rs 9.3bn). Automotive/Medical/IT&IOT/Aerospace segment revenue grew by ~42%/17%/296%/1340% whereas Industrial/Railways segment revenue decline by 5%/~20% YoY in Q3FY26. EBITDA grew by 26.9% YoY to Rs 1.2bn (PLe: Rs1.4bn). EBITDA margins expanded by ~60bps to 14.8% (PLe: 15.4%). PBT grew by 47% YoY to Rs1.2bn, Mainly due to higher other income which grew by ~82% YoY (PLe: Rs 1.0bn). PAT grew by 15.3% YoY to Rs 766mn (PLe: Rs 772mn). Company orderbook grew by 50% YoY to Rs 91bn in Q3FY26.

9MFY26 financial Performance: Revenues grew by 37.2% YoY at Rs 24bn. Automotive/Medical/IT&IOT/Aerospace/Industrial/Railways segment revenue grew by 32%/37%/106%/174%/35%/18%. EBITDA grew by ~57% YoY to Rs 3.8bn. EBITDA margins expanded by ~200bps to 16.0%. PBT grew by 60% YoY to Rs 3.7bn. PAT grew by 53.6% YoY to Rs 2.7bn.

Con call highlights: **1)** Keynes has maintained its FY26 revenue guidance of Rs 40-41bn, with EBITDA margin of 16%, and Rs 3bn revenue deferment in the railway segment to FY27. **2)** In Q4FY26, the company expects revenue of Rs 17bn, of which Rs 3 bn will come from smart meters. **3)** Company has progressed from intent to execution in its semiconductor journey, with the Sanand OSAT facility now operational and ramping up. The company has also secured FSA (Fiscal Support Agreements) approval under the ISM Framework. **4)** Keynes' HDI PCB initiative, through its Rs15bn Chennai facility, targets high-end, multi-layer PCBs for defense, aerospace, and strategic industries, aiming to generate Rs15bn in PCB revenues and Rs13.5 bn in EMS revenues from existing customers, while strengthening customer engagement from design to assembly and enhancing its electronics value chain positioning. **5)** Keynes' working capital rose ~23 days in Q3FY26 compared to Q2FY26 due to higher inventories for custom orders. Management expects it to normalize to 70-85 days by FY26 through higher throughput, improved collections, and supply chain finance programs. **6)** Though there was a minor shortfall of Rs550mn in 9M FY26, Keynes is expected to report positive OCF at the consolidated level for the full year FY26. By FY28, the EMS, OSAT, and PCB segments are projected to generate significant positive cash flows. **7)** Keynes maintains its USD 1bn revenue target for FY28, driven by EMS,

OSAT, and PCB growth. EMS growth is supported by indigenization and government demand in aerospace, defense, and railways. OSAT and PCB are in final factory phases, with minimum guidance of Rs15bn (OSAT) and Rs 10bn (PCB). **8)** The ODM segment, including smart meters with higher margins, contributes 20% to the order book. Iskra and August generated Rs 3 bn in Q3FY26, bringing total smart metering revenue for FY26 to around Rs 7–8 bn. The company manages product concentration and plans to focus on aerospace and railways for growth next year. The current 20% share of ODM and product engineering orders is a minimum and is expected to increase by 5–7% as more orders are finalized. **9)** Keynes plans minimal CapEx for EMS, focusing on debottlenecking existing lines. For OSAT and PC Board, total CapEx is Rs 13bn and Rs 14bn respectively, with 50% central and 20% state government subsidies.

Exhibit 1: Q1FY26 result overview: Sales increased by 21.6% YoY, PAT grew by 15.3% YoY

Y/e March (Rs mn)	Q3FY26	Q3FY25	YoY gr. (%)	Q3FY26E	%Var.	Q2FY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Net Sales	8,040	6,612	21.6	9,257	-13.1	9,062	-11.3	23,837	17,373	37.2
Expenditure										
Operating & Manufacturing Expenses	5,265	4,573	15.1	6,109	-13.8	6,013	-12.4	15,234	12,311	23.7
% of Net Sales	65.5	69.2		66.0		66.4		63.9	70.9	
Gross Profit	2,776	2,038	36.2	3,147	-11.8	3,049	-9.0	8,603	5,062	70.0
Gross margin (%)	34.5	30.8	3.69	34.0	0.52	33.6		36.1	29.1	
Personnel Cost	866	578	49.8	833	4.0	773	12.1	2,228	1,312	69.8
% of Net Sales	10.8	8.7		9.0		8.5		9.3	7.6	
Other Expenses	716	520	37.8	889	-19.4	797	-10.1	2,572	1,319	95.0
% of Net Sales	8.9	7.9		9.6		8.8		10.8	7.6	
Total Expenditure	6,847	5,671	20.7	7,831	-12.6	7,582	-9.7	20,034	14,942	34.1
EBITDA	1,193	940	26.9	1,426	-16.3	1,480	-19.4	3,804	2,431	56.5
Margin (%)	14.8	14.2	0.62	15.4	-0.56	16.3		16.0	14.0	
Depreciation	204	108	88.1	313	-34.9	166	22.7	527	278	89.4
EBIT	989	832	18.9	1,112	-11.1	1,314	-24.7	3,277	2,153	52.2
Other income	448	246	81.8	159	181.5	431	4.0	1,150	865	32.9
Interest	249	270	-7.8	240	3.6	228	9.2	761	718	5.9
PBT	1,189	808	47.0	1,031	15.3	1,517	-21.6	3,666	2,299	59.5
Total Taxes	397	144	175.8	260	52.9	303	31.1	914	524	74.5
ETR (%)	33.4	17.8		25.2		20.0		24.9	22.8	
Adj PAT	792	665	19.1	772	2.6	1,214	-34.8	2,752	1,775	55.0
Exceptional Items	-25	-						-25	-	
Reported PAT	766	665	15.3	772	(0.7)	1,214	-36.9	2,727	1,775	53.6

Source: Company, PL

Exhibit 2: Segmental breakup: Automotive/Industrial contributed 33%/44% in Q3FY26

Y/e March (Rs mn)	Q3FY26	Q3FY25	YoY gr. (%)	Q2FY26	QoQ gr. (%)	9MFY26	9MFY25	YoY gr. (%)
Revenues								
Automotive	2,613	1846	41.6	2004	30.4	6,436	4864	32.3
Industrial	3,520	3,717	(5.3)	5378	(34.5)	12,872	9555	34.7
Railways	324	404	(19.6)	634	(48.9)	1,430	1216	17.6
Medical	161	138	16.9	249	(35.3)	477	347	37.2
IoT/IT, Consumer and others	1,166	294	295.9	643	81.4	2,145	1042	105.8
Aerospace, Outerspace and Strategic tech	256	18	1,344.5	154	66.2	477	174	174.4

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	27,218	40,000	59,561	84,328
YoY gr. (%)	50.8	47.0	48.9	41.6
Cost of Goods Sold	-	-	-	-
Gross Profit	8,220	14,640	21,680	30,695
Margin (%)	30.2	36.6	36.4	36.4
Employee Cost	1,781	3,280	4,765	6,746
Other Expenses	-	-	-	-
EBITDA	4,107	6,360	9,351	13,240
YoY gr. (%)	61.6	54.9	47.0	41.6
Margin (%)	15.1	15.9	15.7	15.7
Depreciation and Amortization	447	824	1,272	1,647
EBIT	3,660	5,536	8,079	11,593
Margin (%)	13.4	13.8	13.6	13.7
Net Interest	1,013	1,109	991	1,391
Other Income	1,070	1,350	850	695
Profit Before Tax	3,716	5,777	7,939	10,897
Margin (%)	13.7	14.4	13.3	12.9
Total Tax	782	1,450	1,993	2,735
Effective tax rate (%)	21.0	25.1	25.1	25.1
Profit after tax	2,934	4,327	5,946	8,162
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	2,934	4,301	5,946	8,162
YoY gr. (%)	60.1	46.6	38.2	37.3
Margin (%)	10.8	10.8	10.0	9.7
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	2,934	4,301	5,946	8,162
YoY gr. (%)	60.1	46.6	38.2	37.3
Margin (%)	10.8	10.8	10.0	9.7
Other Comprehensive Income	10	-	-	-
Total Comprehensive Income	2,944	4,301	5,946	8,162
Equity Shares O/s (m)	64	67	67	67
EPS (Rs)	45.8	64.2	88.8	121.9

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	7,895	17,573	24,100	31,093
Tangibles	6,263	15,811	22,198	29,051
Intangibles	1,633	1,763	1,903	2,043
Acc: Dep / Amortization	1,522	2,209	3,306	4,745
Tangibles	1,218	1,769	2,720	4,001
Intangibles	304	440	586	744
Net fixed assets	6,374	15,364	20,794	26,348
Capital Work In Progress	5,848	6,848	7,242	7,925
Goodwill	141	141	141	141
Non-Current Investments	1,475	1,484	1,491	1,560
Net Deferred tax assets	(130)	(193)	(281)	(281)
Other Non-Current Assets	5,742	5,733	5,733	5,733
Current Assets				
Investments	-	-	-	-
Inventories	8,144	12,055	17,950	25,414
Trade receivables	5,746	10,082	15,013	21,255
Cash & Bank Balance	10,563	10,807	7,933	5,405
Other Current Assets	2,093	2,302	2,533	2,786
Total Assets	46,412	65,132	79,176	96,948
Equity				
Equity Share Capital	641	670	670	670
Other Equity	27,762	47,352	53,299	61,460
Total Networth	28,403	48,022	53,968	62,130
Non-Current Liabilities				
Long Term borrowings	675	538	538	538
Provisions	344	467	578	735
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	8,080	3,501	6,001	8,501
Trade payables	6,829	10,411	15,502	21,948
Other current liabilities	1,912	1,960	2,268	2,775
Total Equity & Liabilities	46,412	65,132	79,176	96,948

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	3,716	5,777	7,939	10,897
Add. Depreciation	447	824	1,272	1,647
Add. Interest	1,013	1,109	991	1,391
Less Financial Other Income	1,070	1,350	850	695
Add. Other	(834)	(850)	(650)	(495)
Op. profit before WC changes	4,343	6,860	9,551	13,440
Net Changes-WC	(4,522)	(4,665)	(5,734)	(7,260)
Direct tax	(644)	(1,450)	(1,993)	(2,735)
Net cash from Op. activities	(823)	745	1,824	3,444
Capital expenditures	(9,487)	(10,814)	(7,096)	(7,884)
Interest / Dividend Income	957	850	650	495
Others	4,984	-	-	-
Net Cash from Inv. activities	(3,547)	(9,964)	(6,446)	(7,389)
Issue of share cap. / premium	27	19,619	5,946	8,162
Debt changes	5,694	(4,589)	2,564	2,599
Dividend paid	-	-	-	-
Interest paid	(1,013)	(1,109)	(991)	(1,391)
Others	(58)	-	-	-
Net cash from Fin. activities	4,650	13,921	7,519	9,370
Net change in cash	280	4,702	2,898	5,426
Free Cash Flow	(10,311)	(10,069)	(5,272)	(4,439)

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E	
Per Share(Rs)					
EPS		45.8	64.2	88.8	121.9
CEPS		52.8	76.6	107.8	146.5
BVPS		443.2	717.2	806.0	927.9
FCF		(160.9)	(150.4)	(78.7)	(66.3)
DPS		-	-	-	-
Return Ratio(%)					
RoCE		14.5	15.4	15.9	18.7
ROIC		13.1	12.3	12.5	14.4
RoE		11.0	11.3	11.7	14.1
Balance Sheet					
Net Debt : Equity (x)		(0.1)	(0.1)	0.0	0.1
Net Working Capital (Days)		95	107	107	107
Valuation(x)					
PER		80.8	57.6	41.7	30.4
P/B		8.3	5.2	4.6	4.0
P/CEPS		70.1	48.3	34.3	25.3
EV/EBITDA		57.3	37.9	26.3	19.0
EV/Sales		8.6	6.0	4.1	3.0
Dividend Yield (%)		-	-	-	-

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	9,845	6,735	9,062	8,040
YoY gr. (%)	54.5	33.6	58.4	21.6
Raw Material Expenses	6,687	3,956	6,013	5,265
Gross Profit	3,158	2,779	3,049	2,776
Margin (%)	32.1	41.3	33.6	34.5
EBITDA	1,679	1,130	1,480	1,193
YoY gr. (%)	76.3	69.0	80.2	26.9
Margin (%)	17.1	16.8	16.3	14.8
Depreciation / Depletion	169	156	166	204
EBIT	1,509	974	1,314	989
Margin (%)	15.3	14.5	14.5	12.3
Net Interest	295	284	228	249
Other Income	205	271	431	448
Profit before Tax	1,419	961	1,517	1,189
Margin (%)	14.4	14.3	16.7	14.8
Total Tax	257	215	303	397
Effective tax rate (%)	18.1	22.3	20.0	33.4
Profit after Tax	1,162	746	1,214	792
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	1,162	746	1,214	766
YoY gr. (%)	43.0	46.8	101.7	15.3
Margin (%)	11.8	11.1	13.4	9.5
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	1,162	746	1,214	766
YoY gr. (%)	43.0	46.8	101.7	15.3
Margin (%)	11.8	11.1	13.4	9.5
Other Comprehensive Income	2	(6)	-	(3)
Total Comprehensive Income	1,164	740	1,214	764
Avg. Shares O/s (m)	67	67	67	67
EPS (Rs)	17.4	11.1	18.1	11.4

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	06-Jan-26	BUY	5,542	3,998
2	09-Dec-25	BUY	5,624	3,807
3	26-Nov-25	BUY	7,565	5,778
4	05-Nov-25	Accumulate	7,565	6,659
5	07-Oct-25	Hold	7,427	7,593
6	05-Aug-25	Hold	6,367	6,326
7	31-Jul-25	Hold	6,367	6,172
8	29-Jul-25	Hold	6,068	5,542
9	04-Jul-25	Hold	6,068	6,176
10	16-May-25	Hold	5,744	6,263

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Amber Enterprises India	BUY	8,263	6,712
2	Astral Ltd.	BUY	1,736	1,487
3	Avalon Technologies	BUY	1,100	908
4	Bajaj Electricals	BUY	597	476
5	Cello World	BUY	732	533
6	Century Plyboard (I)	Hold	842	811
7	Cera Sanitaryware	BUY	7,372	5,177
8	Crompton Greaves Consumer Electricals	BUY	362	263
9	Cyient DLM	Accumulate	418	364
10	Finolex Industries	Accumulate	199	175
11	Greenpanel Industries	BUY	369	229
12	Havells India	Accumulate	1,634	1,447
13	Kajaria Ceramics	BUY	1,056	902
14	Kaynes Technology India	BUY	5,542	3,998
15	KEI Industries	BUY	5,573	3,853
16	LG Electronics India	BUY	1,920	1,456
17	Polycab India	BUY	9,744	7,122
18	Premier Energies	BUY	892	683
19	R R Kabel	BUY	1,844	1,356
20	Supreme Industries	BUY	4,566	3,349
21	Syrma SGS Technology	BUY	929	755
22	Vikram Solar	BUY	326	215
23	Volta	Hold	1,442	1,349
24	Waaree Energies	BUY	3,600	2,599

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

ANALYST CERTIFICATION

(Indian Clients)

We/I, Mr. Praveen Sahay- MBA Finance, Mr. Rahul Shah- 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. Praveen Sahay- MBA Finance, Mr. Rahul Shah- 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