

April 22, 2025

Q4FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	HOLD		HOLD	
Target Price	287		274	
Sales (Rs. m)	71,093	81,181	71,243	81,374
% Chng.	(0.2)	(0.2)		
EBITDA (Rs. m)	3,775	4,666	3,756	4,607
% Chng.	0.5	1.3		
EPS (Rs.)	6.5	14.3	6.3	13.7
% Chng.	3.3	4.4		

Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	55,060	61,048	71,093	81,181
EBITDA (Rs. m)	2,290	2,841	3,775	4,666
Margin (%)	4.2	4.7	5.3	5.7
PAT (Rs. m)	(623)	(358)	467	1,033
EPS (Rs.)	(8.7)	(5.0)	6.5	14.3
Gr. (%)	NA	NA	NA	121.3
DPS (Rs.)	2.5	2.5	2.5	2.5
Yield (%)	0.8	0.8	0.8	0.8
RoE (%)	NA	NA	10.3	20.3
RoCE (%)	2.2	6.8	15.3	21.8
EV/Sales (x)	0.5	0.4	0.3	0.3
EV/EBITDA (x)	10.9	9.0	6.5	5.2
PE (x)	NA	NA	47.9	21.6
P/BV (x)	4.5	5.1	4.8	4.1

Key Data

MALO.BO | MAHLOG IN

52-W High / Low	Rs.555 / Rs.238
Sensex / Nifty	79,409 / 24,126
Market Cap	Rs.22bn/ \$ 263m
Shares Outstanding	72m
3M Avg. Daily Value	Rs.69.39m

Shareholding Pattern (%)

Promoter's	57.97
Foreign	5.22
Domestic Institution	13.85
Public & Others	22.96
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	15.4	(36.9)	(31.8)
Relative	11.7	(35.6)	(37.3)

Jinesh Joshi

jineshjoshi@plindia.com | 91-22-66322238

Stuti Beria

stutiberia@plindia.com | 91-22-66322246

Dhvanit Shah

dhvanitshah@plindia.com | 91-22-66322258

Turnaround in express business key to re-rating

Quick Pointers:

- Mr Rampraveen Swaminathan, MD & CEO, resigns from his post. Mr Hemant Sikka will take over as MD & CEO from 05th May 2025
- Express business has secured new monthly orders of ~5,000 MT

While Mahindra Logistics Ltd's (MLL) top-line missed our estimate by 7% due to lower demand in core 3PL segment, operating performance was broadly in-line with EBITDA margin of 5.0% (PLe 4.6%). Though EBITDA losses in B2B express business have narrowed from Rs803mn in FY24 to Rs511mn in FY25, a complete turnaround in near term continues to remain a cause of concern. While management expects EBITDA break-even by 2QFY26E, incremental volumes of ~6K tons per month would be required to achieve the same. We believe this could be challenging given the overall demand scenario and prevailing competitive landscape. In addition, unabsorbed white space of ~1.5mn sq ft is making fixed cost absorption a challenge. We expect sales CAGR of 15.3% over FY25-FY27E with an EBITDA margin of 5.3%/5.7% in FY26E/FY27E. We maintain HOLD on the stock with a TP of 287 (20x FY27E EPS; no change in target multiple) given the ongoing challenges in B2B express business.

Top-line increased by 8.2% YoY with a GM of 13.4%: Consolidated revenue grew by 8.2% YoY to Rs15,695mn (PLe Rs16,934mn). Divergence on topline level was on account of lower demand in core 3PL segment. Gross profit declined by 0.2% YoY to Rs2,108mn (PLe Rs2,497mn), with a margin of 13.4% as against a margin of 14.6% in 4QFY24.

EBITDA increased 37.3% YoY: EBITDA improved by 37.3% YoY to Rs777mn (PLe Rs785mn) with a margin of 5.0%. Other expenses declined 38.5% YoY to Rs 374mn (PLe Rs621mn) thereby contributing positively to EBITDA. EBITDA loss at MLL Express (Rivigo) stood at Rs116mn. Losses after tax stood at Rs67mn (PLe loss of Rs1mn) in 4QFY25.

Con-call highlights: **1)** Contracted ~1 mn sq. ft. of additional space and is expected to be fully occupied before Diwali. **2)** Express business saw strong traction in 4QFY25, with new contracts of ~5,000 MT per month. **3)** Warehousing revenue for 4QFY25 stood at ~Rs 2,970mn, up from ~Rs 2,490mn in 4QFY24. **4)** Kolkata project (~4.7 lakh sq. ft.) is 50% commissioned with the balance area expected to be leased out by Sep'25; Phaltan Phase-1 (~3.3 lakh sq. ft.) is fully sold out; Agartala (~1.3 lakh sq. ft.) is 50% sold out and balance will be commissioned by 1QFY26; Pune - Ascendas (~4.9 lakh sq. ft.) is newly launched, with 50% expected to be absorbed by Jul'25. **5)** Additional volumes of ~6,000 tons per month are required to achieve EBITDA breakeven in the B2B express business **6)** Revenue of B2B express business was down on YoY basis as yields declined by ~1.2% and volumes were down by ~1.5–2% during the quarter. **7)** Management expects mid-teen growth in the B2B express segment in FY26E.

Exhibit 1: Q4FY25 Results Overview

Y/e March (Rs mn)	4QFY25	4QFY24	YoY gr.	3QFY25	QoQ gr.	4QFY25E	Variation (%)	FY25	FY24	YoY gr.
Net revenue	15,695	14,508	8.2%	15,942	-1.5%	16,934	-7.3%	61,048	55,060	10.9%
Variable cost of sales	13,588	12,395	9.6%	13,813	-1.6%	14,438	-5.9%	52,609	46,880	12.2%
<i>% of net sales</i>	<i>86.6%</i>	<i>85.4%</i>		<i>86.6%</i>		<i>85.3%</i>		<i>86.2%</i>	<i>85.1%</i>	
Employee expense	956	938	2.0%	1,013	-5.6%	1,090	-12.2%	4,036	4,047	-0.3%
<i>% of net sales</i>	<i>6.1%</i>	<i>6.5%</i>		<i>6.4%</i>		<i>6.4%</i>		<i>6.6%</i>	<i>7.4%</i>	
Other expense	374	608	-38.5%	379	-1.3%	621	-39.8%	1,563	1,842	-15.2%
<i>% of net sales</i>	<i>2.4%</i>	<i>4.2%</i>		<i>2.4%</i>		<i>3.7%</i>		<i>2.6%</i>	<i>3.3%</i>	
Total expense	14,918	13,942	7.0%	15,205	-1.9%	16,149	-7.6%	58,208	52,769	10.3%
EBITDA	777	566	37.3%	737	5.4%	785	-1.1%	2,841	2,290	24.0%
<i>EBITDA Margin (%)</i>	<i>5.0%</i>	<i>3.9%</i>		<i>4.6%</i>		<i>4.6%</i>		<i>4.7%</i>	<i>4.2%</i>	
Depreciation	584	512	14.1%	590	-1.0%	605	-3.5%	2,263	2,090	8.3%
EBIT	193	54	256.7%	147	31.4%	180		578	200	188.2%
Interest expense	206	174	18.4%	221	-6.8%	229	-10.1%	812	682	19.1%
Other income	22	29	-24.7%	63	-65.3%	71	-69.4%	158	179	-11.6%
Extraordinary income/expense	-	-	NA	-	NA	-	NA	-	38	NA
Share of profit from associates	0.2	-	NA	(0)	NA	-	NA	(0)	(10)	
PBT	9	(91)	NA	(12)	NA	22	-59.9%	(76)	(275)	NA
Total tax	62	27	132.0%	61	2.1%	6	1016.4%	223	257	-13.0%
PAT	(54)	(118)	NA	(73)	NA	17	NA	(300)	(531)	NA
<i>PAT margin (%)</i>	<i>NM</i>	<i>NM</i>		<i>NM</i>		<i>0.1%</i>		<i>NM</i>	<i>NM</i>	<i>NA</i>

Source: Company, PL

Exhibit 2: Standalone business witnesses margin expansion

Rs in bn	4QFY25	3QFY25	QoQ gr.	4QFY24	YoY gr.
MLL Standalone					
Revenue	12,931.0	13,269.0	-2.5%	11,833.0	9.3%
EBITDA	797.0	769.0	3.6%	638.0	24.9%
EBITDA margin (%)	6.2%	5.8%		5.4%	
PAT	131.0	116.0	12.9%	79.0	65.8%
PAT margin (%)	1.0%	0.9%		0.7%	
Lords freight					
Revenue	694.0	715.0	-2.9%	634.0	9.5%
EBITDA	10.0	15.0	-33.3%	11.0	-9.1%
EBITDA margin (%)	1.4%	2.1%		1.7%	
PAT	8.0	15.0	-46.7%	12.0	-33.3%
PAT margin (%)	1.2%	2.1%		1.9%	
MLL mobility					
Revenue	800.0	781.0	2.4%	837.0	-4.4%
EBITDA	16.0	12.0	33.3%	31.0	-48.4%
EBITDA margin (%)	2.0%	1.5%		3.7%	
PAT	13.0	8.0	62.5%	23.0	-43.5%
PAT margin (%)	1.6%	1.0%		2.7%	
MLL Express					
Revenue	938.0	891.0	5.3%	972.0	-3.5%
EBITDA	-116.0	-134.0	NA	-148.0	NA
EBITDA margin (%)	NA	NA		NA	
PAT	-237.0	-248.0	NA	-249.0	NA
PAT margin (%)	NA	NA		NA	
2x2 Logistics					
Revenue	244.0	253.0	-3.6%	146.0	67.1%
EBITDA	68.0	71.0	-4.2%	33.0	106.1%
EBITDA margin (%)	27.9%	28.1%		22.6%	
PAT	18.0	21.0	-14.3%	11.0	63.6%
PAT margin (%)	7.4%	8.3%		7.5%	
V-Link					
Revenue	68.0	-	NA	-	NA
EBITDA	(1.0)	(2.0)	NA	(3.0)	NA
EBITDA margin (%)	NA	NA		NA	
PAT	(2.0)	(2.0)	NA	(4.0)	NA
PAT margin (%)	NA	NA		NA	
Whizzard					
Revenue	420.0	422.0	-0.5%	320.0	31.3%
EBITDA	3.0	5.0	-40.0%	3.0	0.0%
EBITDA margin (%)	0.7%	1.2%		NA	
PAT	-	1.0	NA	1.0	NA
PAT margin (%)	NA	0.2%		NA	

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	55,060	61,048	71,093	81,181
YoY gr. (%)	7.4	10.9	16.5	14.2
Cost of Goods Sold	46,880	52,609	60,483	68,782
Gross Profit	8,180	8,439	10,610	12,399
Margin (%)	14.9	13.8	14.9	15.3
Employee Cost	4,047	4,036	4,733	5,374
Other Expenses	1,842	1,563	2,102	2,359
EBITDA	2,290	2,841	3,775	4,666
YoY gr. (%)	(11.8)	24.0	32.9	23.6
Margin (%)	4.2	4.7	5.3	5.7
Depreciation and Amortization	2,090	2,263	2,437	2,627
EBIT	200	578	1,338	2,039
Margin (%)	0.4	0.9	1.9	2.5
Net Interest	682	812	940	999
Other Income	179	158	304	423
Profit Before Tax	(264)	(76)	702	1,463
Margin (%)	NA	NA	1.0	1.8
Total Tax	257	223	177	368
Effective tax rate (%)	NA	NA	25.2	25.2
Profit after tax	(521)	(300)	525	1,095
Minority interest	17	59	59	62
Share Profit from Associate	(10)	0	0	-
Adjusted PAT	(623)	(358)	467	1,033
YoY gr. (%)	NA	NA	NA	121.3
Margin (%)	(1.1)	(0.6)	0.7	1.3
Extra Ord. Income / (Exp)	75	-	-	-
Reported PAT	(548)	(358)	467	1,033
YoY gr. (%)	NA	NA	NA	121.3
Margin (%)	(1.0)	(0.6)	0.7	1.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	(548)	(358)	467	1,033
Equity Shares O/s (m)	72	72	72	72
EPS (Rs)	(8.7)	(5.0)	6.5	14.3

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	7,735	9,192	10,444	11,244
Tangibles	4,826	6,143	7,335	8,035
Intangibles	2,909	3,048	3,109	3,209
Acc: Dep / Amortization	3,463	4,447	5,387	6,399
Tangibles	2,807	3,484	4,144	4,867
Intangibles	656	963	1,242	1,531
Net fixed assets	4,272	4,745	5,058	4,846
Tangibles	2,019	2,660	3,191	3,168
Intangibles	2,254	2,086	1,867	1,678
Capital Work In Progress	162	458	458	458
Goodwill	588	588	588	588
Non-Current Investments	701	520	-	893
Net Deferred tax assets	453	442	442	442
Other Non-Current Assets	5,193	5,059	5,168	5,248
Current Assets				
Investments	59	206	206	206
Inventories	-	-	-	-
Trade receivables	7,019	6,251	8,765	9,786
Cash & Bank Balance	711	760	1,716	2,283
Other Current Assets	972	1,180	1,209	1,380
Total Assets	24,772	25,802	29,524	32,800
Equity				
Equity Share Capital	720	721	721	721
Other Equity	4,204	3,658	3,944	4,797
Total Network	4,925	4,379	4,665	5,518
Non-Current Liabilities				
Long Term borrowings	2,236	4,105	4,105	4,105
Provisions	336	340	369	390
Other non current liabilities	2,720	3,076	3,238	3,486
Current Liabilities				
ST Debt / Current of LT Debt	1,150	137	137	137
Trade payables	11,112	10,997	14,413	16,459
Other current liabilities	2,176	2,587	2,418	2,529
Total Equity & Liabilities	24,772	25,802	29,523	32,800

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	(264)	(77)	702	1,463
Add. Depreciation	2,090	2,263	2,437	2,627
Add. Interest	682	812	940	999
Less Financial Other Income	179	158	304	423
Add. Other	203	87	-	-
Op. profit before WC changes	2,710	3,086	4,078	5,089
Net Changes-WC	(312)	95	415	227
Direct tax	(129)	252	(235)	(430)
Net cash from Op. activities	2,269	3,432	4,258	4,886
Capital expenditures	(617)	(1,759)	(1,192)	(700)
Interest / Dividend Income	44	14	-	-
Others	30	197	(1,148)	(2,688)
Net Cash from Inv. activities	(543)	(1,548)	(2,339)	(3,388)
Issue of share cap. / premium	0	1	-	-
Debt changes	(655)	856	-	-
Dividend paid	(180)	(180)	(180)	(180)
Interest paid	(318)	(426)	(940)	(999)
Others	(1,607)	(1,729)	157	247
Net cash from Fin. activities	(2,761)	(1,477)	(963)	(932)
Net change in cash	(1,036)	407	957	567
Free Cash Flow	1,559	1,623	3,067	4,186

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	(8.7)	(5.0)	6.5	14.3
CEPS	20.4	26.4	40.3	50.7
BVPS	68.4	60.7	64.7	76.5
FCF	21.6	22.5	42.5	58.0
DPS	2.5	2.5	2.5	2.5
Return Ratio(%)				
RoCE	2.2	6.8	15.3	21.8
ROIC	4.8	30.2	14.6	22.3
RoE	NA	NA	10.3	20.3
Balance Sheet				
Net Debt : Equity (x)	0.5	0.7	0.5	0.3
Net Working Capital (Days)	(27)	(28)	(29)	(30)
Valuation(x)				
PER	NA	NA	47.9	21.6
P/B	4.5	5.1	4.8	4.1
P/CEPS	15.2	11.7	7.7	6.1
EV/EBITDA	10.9	9.0	6.5	5.2
EV/Sales	0.5	0.4	0.3	0.3
Dividend Yield (%)	0.8	0.8	0.8	0.8

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net Revenue	14,200	15,211	15,942	15,695
YoY gr. (%)	9.8	11.5	14.1	8.2
Raw Material Expenses	12,140	13,069	13,813	13,588
Gross Profit	2,061	2,143	2,129	2,108
Margin (%)	14.5	14.1	13.4	13.4
EBITDA	663	664	737	777
YoY gr. (%)	(0.5)	23.9	41.1	37.3
Margin (%)	4.7	4.4	4.6	5.0
Depreciation / Depletion	185	202	590	584
EBIT	478	462	147	193
Margin (%)	3.4	3.0	0.9	1.2
Net Interest	94	104	221	206
Other Income	57	17	63	22
Profit before Tax	440	375	(12)	9
Margin (%)	3.1	2.5	NA	0.1
Total Tax	53	46	61	62
Effective tax rate (%)	12.1	12.4	NA	717.2
Profit after Tax	387	329	(73)	(54)
Minority interest	15	11	18	15
Share Profit from Associates	-	-	-	-
Adjusted PAT	372	317	(91)	(68)
YoY gr. (%)	3,028.6	NA	NA	NA
Margin (%)	2.6	2.1	(0.6)	(0.4)
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	372	317	(91)	(68)
YoY gr. (%)	3,028.6	NA	NA	NA
Margin (%)	2.6	2.1	(0.6)	(0.4)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	372	317	(91)	(68)
Avg. Shares O/s (m)	72	72	72	72
EPS (Rs)	5.2	4.4	(1.3)	(0.9)

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	09-Apr-25	Hold	274	270
2	29-Jan-25	Hold	399	354
3	09-Jan-25	UR	-	371
4	23-Oct-24	Hold	496	444
5	08-Oct-24	Hold	500	480
6	05-Jul-24	Accumulate	508	520
7	23-Apr-24	Accumulate	500	452

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Chalet Hotels	BUY	1,108	825
2	Delhivery	BUY	350	249
3	DOMS Industries	BUY	3,308	2,635
4	Imagicaaworld Entertainment	BUY	97	67
5	Indian Railway Catering and Tourism Corporation	BUY	850	715
6	InterGlobe Aviation	BUY	5,875	5,157
7	Lemon Tree Hotels	BUY	173	139
8	Mahindra Logistics	Hold	274	270
9	Navneet Education	Hold	152	136
10	Nazara Technologies	BUY	1,127	973
11	PVR Inox	Hold	1,027	884
12	S Chand and Company	BUY	294	193
13	Safari Industries (India)	BUY	2,557	1,989
14	Samhi Hotels	BUY	267	176
15	TCI Express	BUY	924	636
16	V.I.P. Industries	BUY	433	265
17	Zee Entertainment Enterprises	Hold	123	108

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. Jinesh Joshi- MS(Finance) and CFA, Ms. Stuti Beria- MBA Finance, Mr. Dhvanit Shah- CA 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. Jinesh Joshi- MS(Finance) and CFA, Ms. Stuti Beria- MBA Finance, Mr. Dhvanit Shah- CA 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