

June 1, 2025

Q4FY25 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	8,100		8,100	
Sales (Rs. m)	2,48,549	2,93,728	2,50,490	2,88,865
% Chng.	(0.8)	1.7		
EBITDA (Rs. m)	38,328	48,978	39,013	49,158
% Chng.	(1.8)	(0.4)		
EPS (Rs.)	136.0	186.4	137.7	188.0
% Chng.	(1.2)	(0.9)		

Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	1,90,592	2,17,940	2,48,549	2,93,728
EBITDA (Rs. m)	23,907	30,218	38,328	48,978
Margin (%)	12.5	13.9	15.4	16.7
PAT (Rs. m)	8,986	14,459	19,556	26,799
EPS (Rs.)	62.5	100.5	136.0	186.4
Gr. (%)	9.7	60.9	35.3	37.0
DPS (Rs.)	11.4	11.4	14.8	17.1
Yield (%)	0.2	0.2	0.2	0.2
RoE (%)	13.7	19.1	21.6	24.1
RoCE (%)	17.9	19.2	21.5	25.7
EV/Sales (x)	5.3	4.7	4.1	3.4
EV/EBITDA (x)	42.0	33.6	26.3	20.3
PE (x)	110.1	68.4	50.6	36.9
P/BV (x)	14.3	12.0	10.0	8.0

Key Data

APLH.BO | APLH IN

52-W High / Low	Rs.7,545 / Rs.5,691
Sensex / Nifty	81,451 / 24,751
Market Cap	Rs.989bn / \$ 11,560m
Shares Outstanding	144m
3M Avg. Daily Value	Rs.2720.2m

Shareholding Pattern (%)

Promoter's	29.34
Foreign	42.74
Domestic Institution	22.51
Public & Others	5.41
Promoter Pledge (Rs bn)	39.62

Stock Performance (%)

	1M	6M	12M
Absolute	(1.4)	0.8	19.3
Relative	(2.8)	(1.3)	8.2

Param Desai

paramdesai@plindia.com | 91-22-66322259

Sanketa Kohale

sanketakhale@plindia.com | 91-22-66322426

In line quarter; Guided stable hospital margins

Quick Pointers:

- Hospital OPM guided at 24% (flat YoY) despite capacity addition in FY26
- Reiterated EBITDA break-even in 24x7 by 2HFY26; expects 30% jump in GMV.

Apollo Hospitals Enterprise (APHS) reported consolidated EBITDA of Rs7.7bn (up 20% YoY), was in line with our estimates. Adjusted for 24x7 losses and ESOPs cost (~Rs1.6bn), EBITDA was Rs9.3bn, up 18% YoY. The recent stake sale in HealthCo to Advent and merger with Keimed are a positive step and will lead to an integrated pharmacy distribution business complemented by the fast-growing omni-channel digital health business. Scale-up in Apollo HealthCo has been on track with likely breakeven in EBITDA of digital business over the next 3-4 quarters. Further, the management guidance of Rs20bn EBITDA of the merged entity by FY28, provides comfort. Our FY26E and FY27E EBITDA estimates broadly remain unchanged. Overall, we estimate 16% EBITDA CAGR over FY25-27E (ex 24x7 losses). We maintain 'BUY' rating with TP of Rs8,100/share. We ascribe 26x EV/EBITDA multiple to hospital and offline pharmacy and assign 1x sales to the 24/7.

- In-line EBITDA; 16% YoY growth in hospital:** Consolidated EBITDA at Rs7.7bn; up 20% YoY. 24x7 digital app expenses were at Rs1.15bn (flat QoQ) and higher ESOP related non-cash expenses of Rs 455mn in Q4 (Rs268mn in Q3). Pharmacy OPM adjusted for 24x7 improved by 30bps YoY to 8.3%. Apollo HealthCo reported EBITDA of Rs 364mn vs Rs 587mn in Q3. Overall hospital EBITDA growth was at 16% YoY with OPM of 24.3% (up 120bps YoY). AHLL reported EBITDA of Rs 472mn (up 32% YoY) with 12% OPM.
- Steady occupancy; healthy growth in ARPOB:** Overall occupancy stood at 67% vs 68% in Q3 impacted by seasonal weakness and lower international patient footfalls, especially from Bangladesh. ARPOB was up 5% QoQ and 7% YoY to Rs63.6K; aided by higher surgical volumes and improved case-payor mix. Overall consol and hospital revenues grew by 13% and 10% YoY, while HealthCo registered 17% YoY growth in revenues. APLH had become net cash positive in Q2 due to the receipt of funds from the stake sale in HealthCo to Advent. Net cash stands at Rs 109mn vs Rs1.4bn QoQ.

Key con-call takeaways: 1) Bed expansion – The expansion plan of 3,577 census beds over the next 3–4 years is progressing well, with a total capex of Rs76bn, of which Rs 55.2bn remains to be deployed. New hospitals in Pune, Kolkata, and Sarjapur-1 to be operational in Q3. **Sarjapur-2** (500-bed) greenfield project located nearby; both Sarjapur units to be operated as an integrated 1.5k bed hub in Bengaluru. Brownfield additions of 80beds each at Jubilee Hills and Secunderabad, targeted for commissioning in FY26. Hyderabad and Gurugram units are scheduled to be operational by March'26.

2) Hospitals – 140bps margin contraction is expected in FY26E due to expansion, offset by an 80bps gain from cost optimization and 60bps from improved

payor/case mix and higher occupancy; hospital revenues will grow organically in the low-to-mid teens, with new expansions contributing an additional Rs 10bn in FY27E.

3) Apollo 24x7 - EBITDA break-even is reiterated for 2HFY26 at Rs 10bn quarterly GMV, with FY26 GMV expected to grow 25–30%. ESOP costs are guided at Rs 1bn for FY26, declining to Rs 300–330mn in FY27E. GMV increased by 17% YoY to Rs 8bn. Digital platform 24x7 added 2 million new users. Insurance business is currently partnered with 4 insurers, with plans to go onboard with another 4 insurance companies. Insurance revenue has doubled since its Q1FY26 launch, with a FY26E target of Rs 750m. GMV-to-revenue conversion is expected to improve from 36–37% to 45–47% in FY27E as the insurance business scale up

4) HealthCo + Keimed – Reiterated combine target of Rs 250bn revenue with a 24% CAGR over FY25–27E, driven by +20% growth in Offline Pharmacy and Keimed, and 25–30% in 24x7. EBITDA margins of 7–8% to be supported by digital break-even, lower ESOP costs, and 40–50bps Keimed margin gains. Keimed merger to complete by 1QFY27.

5) Offline pharmacy – 596 net new stores were opened in FY25. Reiterated plans to open 600stores annually.

6) AHLL- Diagnostics revenue stood at Rs.1.3bn. expects high-teens revenue growth in Diagnostics, with 200–300bps margin improvement; long-term margin target of 20% driven by lab expansion and volume growth.

Exhibit 1: Q4FY25 Result Overview (Rs mn) – in line EBITDA

Y/e March	4QFY25	4QFY24	YoY gr. (%)	3QFY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
Net Sales	55,922	49,439	13.1	55,269	1.2	2,17,940	1,90,592	14.3
COGS	29,286	25,457	15.0	29,007	1.0	1,13,100	98,055	15.3
<i>% of Net Sales</i>	<i>52.4</i>	<i>51.5</i>		<i>52.5</i>		<i>51.9</i>	<i>51.4</i>	
Employee Expenses	7,246	6,449	12.4	6,864	5.6	27,692	24,937	11.0
<i>% of Net Sales</i>	<i>13.0</i>	<i>13.0</i>		<i>12.4</i>		<i>12.7</i>	<i>13.1</i>	
Other Expenses	11,693	11,128	5.1	11,783	(0.8)	46,930	43,693	7.4
<i>% of Net Sales</i>	<i>20.9</i>	<i>22.5</i>		<i>21.3</i>		<i>21.5</i>	<i>22.9</i>	
Total Expenses	48,225	43,034	12.1	47,654	1.2	1,87,722	1,66,685	12.6
EBITDA	7,697	6,405	20.2	7,615	1.1	30,218	23,907	26.4
<i>Margins (%)</i>	<i>13.8</i>	<i>13.0</i>		<i>13.8</i>		<i>13.9</i>	<i>12.5</i>	
Other Income	611	281	117.4	638	(4.2)	2,003	1,063	88.4
Interest	1,148	1,193	(3.8)	1,098	4.6	4,585	4,494	2.0
Depreciation	2,110	1,897	11.2	1,846	14.3	7,575	6,870	10.3
PBT	5,050	3,596	40.4	5,309	(4.9)	20,061	13,606	47.4
Total tax	1,010	1,098	(8.0)	1,568	(35.6)	5,340	4,455	19.9
<i>Tax rate (%)</i>	<i>20.0</i>	<i>30.5</i>		<i>29.5</i>		<i>26.6</i>	<i>32.7</i>	
Reported PAT	4,040	2,498	61.7	3,741	8.0	14,721	9,151	60.9
Share of profit from associates	105	86	22.1	53	98.1	330	180	83.3
Minority interest	249	46		71	250.7	592	364	62.6
Consol PAT	3,896	2,538	53.5	3,723	4.6	14,459	8,967	61.2
Extra-ordinary Items	-	-		-		-	19	
Adj. PAT	3,896	2,538	53.5	3,723	4.6	14,459	8,986	60.9

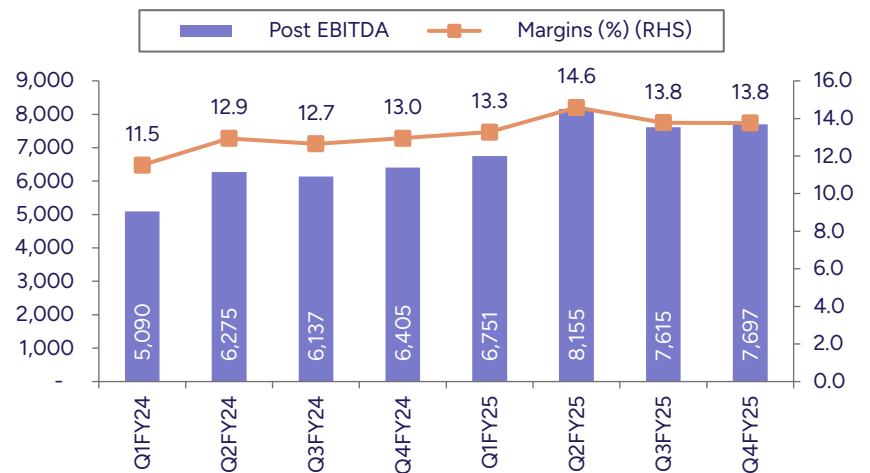
Source: Company, PL

Exhibit 2: Healthy YoY revenue growth across segments

Break up of revenues	4QFY25	4QFY24	YoY gr. (%)	3QFY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
Healthcare	28,219	25,626	10.1	27,850	1.3	1,11,475	98,670	13.0
% of Net Sales	50.5%	51.8%		50.4%		51.1%	51.8%	
SAP	23,763	20,267	17.2	23,524	1.0	90,930	78,269	16.2
% of Net Sales	42.5%	41.0%		42.6%		41.7%	41.1%	
AHLL	3,940	3,547	11.1	3,895	1.2	15,535	13,653	13.8
% of Net Sales	7.0%	7.2%		7.0%		7.1%	7.2%	
Total Sales	55,922	49,439	13.1	55,269	1.2	2,17,940	1,90,592	14.3

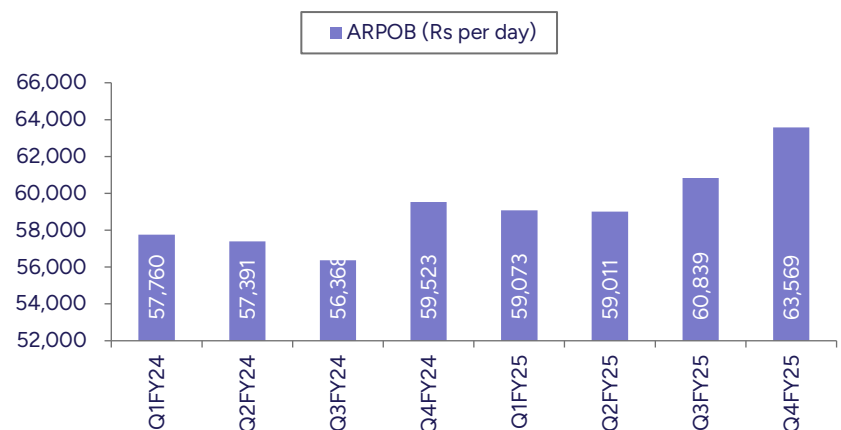
Source: Company, PL

Exhibit 3: Margin improved by 80bps YoY due to operational leverage



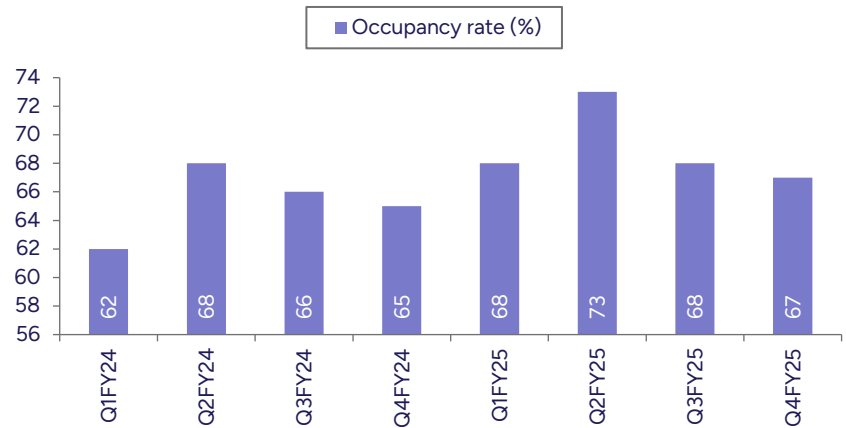
Source: Company, PL

Exhibit 4: ARPOB growth of 7% YoY; led by better case & payor mix



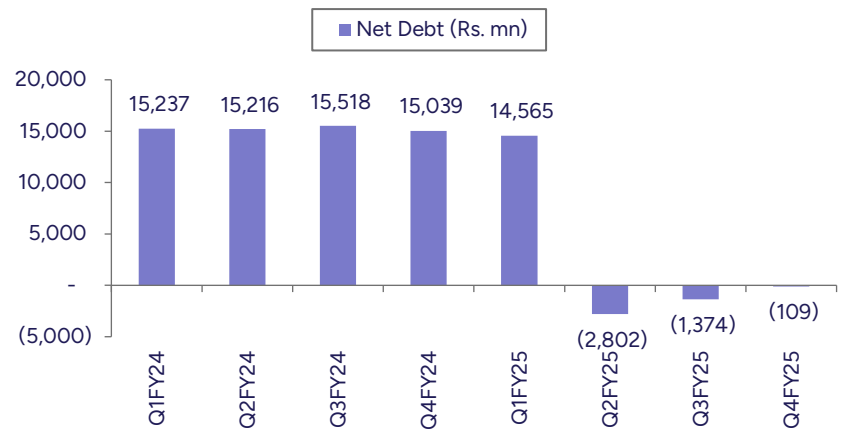
Source: Company, PL

Exhibit 5: QoQ occupancy was impacted by lower international patients



Source: Company, PL

Exhibit 6: Turned net cash company through stake sale in HealthCo from Q2



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	1,90,592	2,17,940	2,48,549	2,93,728
YoY gr. (%)	14.7	14.3	14.0	18.2
Cost of Goods Sold	98,055	1,13,100	1,24,274	1,46,864
Gross Profit	92,537	1,04,840	1,24,274	1,46,864
Margin (%)	48.6	48.1	50.0	50.0
Employee Cost	24,937	27,692	32,400	37,908
Other Expenses	43,693	46,930	53,546	59,978
EBITDA	23,907	30,218	38,328	48,978
YoY gr. (%)	16.6	26.4	26.8	27.8
Margin (%)	12.5	13.9	15.4	16.7
Depreciation and Amortization	6,870	7,575	7,802	8,036
EBIT	17,037	22,643	30,526	40,942
Margin (%)	8.9	10.4	12.3	13.9
Net Interest	4,494	4,585	4,500	4,300
Other Income	1,063	2,003	1,800	2,000
Profit Before Tax	13,606	20,061	27,826	38,642
Margin (%)	7.1	9.2	11.2	13.2
Total Tax	4,455	5,340	8,070	11,593
Effective tax rate (%)	32.7	26.6	29.0	30.0
Profit after tax	9,151	14,721	19,756	27,049
Minority interest	364	592	500	550
Share Profit from Associate	180	330	300	300
Adjusted PAT	8,986	14,459	19,556	26,799
YoY gr. (%)	9.7	60.9	35.3	37.0
Margin (%)	4.7	6.6	7.9	9.1
Extra Ord. Income / (Exp)	(19)	-	-	-
Reported PAT	8,967	14,459	19,556	26,799
YoY gr. (%)	9.5	61.2	35.3	37.0
Margin (%)	4.7	6.6	7.9	9.1
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	8,967	14,459	19,556	26,799
Equity Shares O/s (m)	144	144	144	144
EPS (Rs)	62.5	100.5	136.0	186.4

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	1,13,955	1,29,687	1,44,687	1,59,687
Tangibles	1,13,955	1,29,687	1,44,687	1,59,687
Intangibles	-	-	-	-
Acc: Dep / Amortization	47,216	54,791	62,594	70,630
Tangibles	47,216	54,791	62,594	70,630
Intangibles	-	-	-	-
Net fixed assets	66,739	74,896	82,094	89,057
Tangibles	66,739	74,896	82,094	89,057
Intangibles	-	-	-	-
Capital Work In Progress	8,728	9,210	9,210	9,210
Goodwill	10,123	10,305	10,305	10,305
Non-Current Investments	3,055	10,573	10,573	10,573
Net Deferred tax assets	(4,389)	(4,449)	(4,449)	(4,449)
Other Non-Current Assets	19,743	24,653	24,653	24,653
Current Assets				
Investments	6,840	14,323	14,323	14,323
Inventories	4,598	4,808	6,214	7,343
Trade receivables	25,149	30,161	33,554	39,653
Cash & Bank Balance	9,338	13,602	17,332	25,744
Other Current Assets	-	-	-	-
Total Assets	1,67,422	2,06,443	2,23,560	2,47,695
Equity				
Equity Share Capital	719	719	719	719
Other Equity	68,635	81,404	98,520	1,22,503
Total Networth	69,354	82,123	99,239	1,23,222
Non-Current Liabilities				
Long Term borrowings	22,356	44,170	41,170	38,170
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	9,263	8,582	8,582	8,582
Trade payables	23,686	22,405	24,855	29,373
Other current liabilities	34,523	40,308	40,860	39,494
Total Equity & Liabilities	1,67,422	2,06,443	2,23,560	2,47,695

Source: Company Data, PL Research



Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	9,350	15,051	27,826	38,642
Add. Depreciation	6,870	7,575	7,802	8,036
Add. Interest	4,494	4,585	4,500	4,300
Less Financial Other Income	1,063	2,003	1,800	2,000
Add. Other	5,083	5,052	(200)	(250)
Op. profit before WC changes	25,797	32,263	39,928	50,728
Net Changes-WC	(1,928)	(5,769)	(3,188)	(5,607)
Direct tax	(4,667)	(4,860)	(8,070)	(11,593)
Net cash from Op. activities	19,202	21,634	28,670	33,529
Capital expenditures	(11,349)	(16,978)	(15,000)	(15,000)
Interest / Dividend Income	-	-	-	-
Others	3,403	(11,918)	-	-
Net Cash from Invst. activities	(7,946)	(28,896)	(15,000)	(15,000)
Issue of share cap. / premium	-	-	-	-
Debt changes	4,535	21,431	(3,000)	(3,000)
Dividend paid	(2,157)	(2,732)	(2,441)	(2,816)
Interest paid	(4,494)	(4,585)	(4,500)	(4,300)
Others	(134)	2,322	-	-
Net cash from Fin. activities	(2,250)	16,436	(9,941)	(10,116)
Net change in cash	9,006	9,174	3,730	8,412
Free Cash Flow	7,853	4,656	13,670	18,529

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net Revenue	50,856	55,893	55,269	55,922
YoY gr. (%)	15.1	15.3	13.9	13.1
Raw Material Expenses	26,230	28,577	29,007	29,286
Gross Profit	24,626	27,316	26,262	26,636
Margin (%)	48.4	48.9	47.5	47.6
EBITDA	6,751	8,155	7,615	7,697
YoY gr. (%)	32.6	30.0	24.1	20.2
Margin (%)	13.3	14.6	13.8	13.8
Depreciation / Depletion	1,774	1,845	1,846	2,110
EBIT	4,977	6,310	5,769	5,587
Margin (%)	9.8	11.3	10.4	10.0
Net Interest	1,164	1,175	1,098	1,148
Other Income	372	382	638	611
Profit before Tax	4,185	5,517	5,309	5,050
Margin (%)	8.2	9.9	9.6	9.0
Total Tax	1,145	1,617	1,568	1,010
Effective tax rate (%)	27.4	29.3	29.5	20.0
Profit after Tax	3,040	3,900	3,741	4,040
Minority interest	103	169	71	249
Share Profit from Associates	115	57	53	105
Adjusted PAT	3,052	3,788	3,723	3,896
YoY gr. (%)	83.2	64.0	51.8	53.5
Margin (%)	6.0	6.8	6.7	7.0
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	3,052	3,788	3,723	3,896
YoY gr. (%)	83.2	64.0	51.8	53.5
Margin (%)	6.0	6.8	6.7	7.0
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	3,052	3,788	3,723	3,896
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	21.2	26.3	25.9	27.1

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	62.5	100.5	136.0	186.4
CEPS	110.3	153.2	190.3	242.3
BVPS	482.3	571.1	690.1	856.9
FCF	54.6	32.4	95.1	128.8
DPS	11.4	11.4	14.8	17.1
Return Ratio(%)				
RoCE	17.9	19.2	21.5	25.7
ROIC	11.3	12.7	15.9	19.7
RoE	13.7	19.1	21.6	24.1
Balance Sheet				
Net Debt : Equity (x)	0.2	0.3	0.2	0.1
Net Working Capital (Days)	12	21	22	22
Valuation(x)				
PER	110.1	68.4	50.6	36.9
P/B	14.3	12.0	10.0	8.0
P/CEPS	62.4	44.9	36.2	28.4
EV/EBITDA	42.0	33.6	26.3	20.3
EV/Sales	5.3	4.7	4.1	3.4
Dividend Yield (%)	0.2	0.2	0.2	0.2

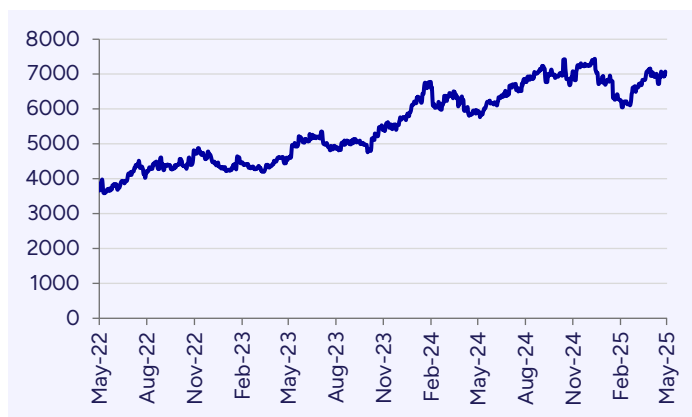
Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Pharmacy	78,269	90,930	1,05,648	1,21,248
AHLL	13,653	15,535	17,555	19,661
Healthcare services	98,670	1,11,475	1,25,346	1,52,818

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Apr-25	BUY	8,100	6,683
2	12-Feb-25	BUY	8,100	6,317
3	08-Jan-25	BUY	8,000	7,437
4	08-Nov-24	BUY	8,000	7,410
5	07-Oct-24	BUY	7,150	6,774
6	15-Aug-24	BUY	7,150	6,516
7	08-Jul-24	BUY	7,050	6,335

Analyst Coverage Universe

Sr. No.	CompanyName	Rating	TP (Rs)	Share Price (Rs)
1	Apollo Hospitals Enterprise	BUY	8,100	6,683
2	Aster DM Healthcare	BUY	620	551
3	Aurobindo Pharma	BUY	1,440	1,191
4	Cipla	BUY	1,730	1,520
5	Divi's Laboratories	Accumulate	6,800	6,280
6	Dr. Reddy's Laboratories	Reduce	1,225	1,156
7	Eris Lifesciences	BUY	1,740	1,444
8	Fortis Healthcare	BUY	785	672
9	HealthCare Global Enterprises	BUY	620	560
10	Indoco Remedies	Hold	325	233
11	Ipca Laboratories	Accumulate	1,700	1,316
12	J.B. Chemicals & Pharmaceuticals	BUY	2,030	1,641
13	Jupiter Life Line Hospitals	BUY	1,720	1,422
14	Krishna Institute of Medical Sciences	BUY	725	656
15	Lupin	BUY	2,400	2,073
16	Max Healthcare Institute	BUY	1,300	1,142
17	Narayana Hrudayalaya	BUY	1,950	1,743
18	Rainbow Children's Medicare	BUY	1,725	1,358
19	Sun Pharmaceutical Industries	BUY	2,000	1,719
20	Sunteck Realty	BUY	650	401
21	Torrent Pharmaceuticals	Accumulate	3,670	3,233
22	Zydus Lifesciences	Accumulate	970	884

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