

October 17, 2025

Q2FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	HOLD		HOLD	
Target Price	1,276		1,302	
Sales (Rs. m)	34,353	40,785	33,995	40,270
% Chng.	1.1	1.3		
EBITDA (Rs. m)	10,197	12,154	10,201	12,133
% Chng.	-	0.2		
EPS (Rs.)	17.2	20.5	18.0	21.6
% Chng.	(4.3)	(4.9)		

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	25,074	28,918	34,353	40,785
EBITDA (Rs. m)	7,574	8,616	10,197	12,154
Margin (%)	30.2	29.8	29.7	29.8
PAT (Rs. m)	3,506	4,003	4,661	5,563
EPS (Rs.)	13.0	14.8	17.2	20.5
Gr. (%)	(14.6)	14.2	16.4	19.3
DPS (Rs.)	19.7	6.5	8.5	10.5
Yield (%)	1.6	0.5	0.7	0.9
RoE (%)	19.6	22.1	22.9	24.3
RoCE (%)	28.0	30.2	31.7	33.9
EV/Sales (x)	12.8	11.0	9.2	7.7
EV/EBITDA (x)	42.4	36.9	31.0	25.8
PE (x)	92.8	81.3	69.9	58.6
P/BV (x)	19.2	17.1	15.2	13.5

Key Data METB.BO | METROBRA IN

52-W High / Low	Rs.1,340 / Rs.890
Sensex / Nifty	83,952 / 25,710
Market Cap	Rs.328bn / \$ 3,725m
Shares Outstanding	272m
3M Avg. Daily Value	Rs.127.85m

Shareholding Pattern (%)

Promoter's	71.86
Foreign	3.89
Domestic Institution	7.36
Public & Others	16.90
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(8.9)	9.8	(3.9)
Relative	(10.3)	2.7	(7.3)

Amnish Aggarwal

amnishaggarwal@plindia.com | 91-22-66322233

Vishwa Solanki

vishwasolanki@plindia.com | 91-22-66322244

Parth Thakker

parththakker@plindia.com |

Macro tailwinds to trigger demand revival in 2H

Quick Pointers:

- New formats like FILA, Clarks, Footlocker will add to growth from FY27
- Old inventory to be exhausted by end of FY26, lower pricing to spur demand

We cut FY27/FY28 EPS estimates by 4.3/4.9% driven by 1) Higher store additions in across new and existing formats resulting in increased overheads and 2) elevated A&P spends to nurture new brands. We believe operating parameters to improve with a lag led by 1) expected expansion in Tier-2 and Tier-3 cities with Metro, Mochi and Walkway. 2) Normalization of BIS-related issues by end of FY26 resulting in faster store expansion in Footlocker and FILA and 3) launch of Clarks EBO's in FY27.

MBL's growth plans remain on track, supported by 1) Entry into new cities. 2) Healthy online/omni-channel contribution, accounting for ~14.2% of total sales (39% YoY sales growth). 3) 100bps increase in share of products priced above ₹3,000 now making up ~54% of total sales. 4) Accelerated store openings in Walkway format (10 in 2Q26) aimed at capturing the value-conscious consumer (Tier-2 cities) and positioning MBL as a comprehensive footwear destination. We believe the benefits of GST 2.0, along with tailwinds from the upcoming wedding season, will accelerate growth in 2H26. we see the key growth delta emerging from Clarks, FILA and Foot Locker as MBL launches new EBO's and complements its product range. We estimate 16.6% EPS CAGR over FY25-FY28 and assign a DCF based target price of Rs1276 (Rs1302 earlier). We expect back ended returns given rich valuations of 58.6x FY28 EPS. Retain Hold.

Consol Revenues Consol Revenues grew by 11.2% YoY to Rs6.5bn. Gross margins expanded by 22bps YoY to 55.3% EBITDA grew by 10.3% YoY to Rs1.7bn (PLe:Rs1.67bn). Margins contracted by 23bps YoY to 26.2%. (PLe:26%). Adj PAT declined by 3% YoY to Rs0.7bn. Sales/store grew by 1.1% YoY.

Concall highlights: 1) Q2FY26 sales could not get full benefit from the early festival season due to prolonged rains and as consumers deferred purchases due to GST rationalization. 2) Q3 demand outlook is positive led by GST cut and onset of wedding season. 3) MBL added 42 stores with 4 closures, footlocker saw 4 additions while walkway saw 10 addition (on a base of 74 stores) 4) Ecommerce sales (including omni-channel) grew by 39% and now contribute 14.2% to the overall revenues 5) MBL introduced Clark's Cloudstepper ladies' range in ~ 200 MBOs and are seeing encouraging customer response. 6) MBL plans to launch complete product range for Clarks in H2FY26 with first EBO to come by H1FY27. 7) The supply chain disruption due to BIS regulations is expected to fully normalize by end of FY26 8) FILA started local manufacturing amidst BIS related norms and plans to open new EBO in H2FY26 with focus on new launches and pricing 9) MBL increased marketing spends by 100bps in Q2

Exhibit 1: Consol revenue up by 11.2% YoY, margins down by ~22ps YoY

Y/e March (Rs mn)	2QFY26	2QFY25	YoY gr. (%)	2QFY26E	% Var.	1QFY26	1HFY26	1HFY25	YoY gr. (%)
Net Sales	6,511	5,855	11.2	6,440	1.1	6,282	12,794	11,615	10.1
Gross Profit	3,598	3,222	11.7	3,542	1.6	3,727	7,325	6,649	10.2
% of NS	55.3	55.0	21.6	55.0	0.3	59.3	57.3	57.2	0.0
Other Expenses	1,890	1,674	12.9	1,868	1.2	1,788	3,679	3,297	11.6
% of NS	29.0	28.6	44.2	29.0	0.0	28.5	28.8	28.4	0.4
EBITDA	1,707	1,548	10.3	1,674	2.0	1,939	3,646	3,352	8.8
Margins %	26.2	26.4	(22.6)	26.0	0.2	30.9	28.5	28.9	(35.8)
Depreciation	784	624	25.6	710	10.4	688	1,472	1,224	20.3
Interest	294	218	34.9	245	20.2	237	531	426	24.7
Other Income	282	234	20.6	240	17.4	286	568	467	21.5
PBT	911	939	(3.1)	959	(5.1)	1,300	2,210	2,169	1.9
Tax	221	225	(1.5)	245	(9.5)	320	542	534	1.5
Tax rate %	24.3	23.9	0.4	25.5	(1.2)	24.6	24.5	24.6	(0.1)
Share of JV/Associates	1	5	(88.2)			9	9	7	29.6
Non-controlling Interest	13	22	(41.9)	20		3	16	28	(42.8)
Adjusted PAT	677	698	(3.0)	695	(2.6)	985	1,662	1,615	2.9

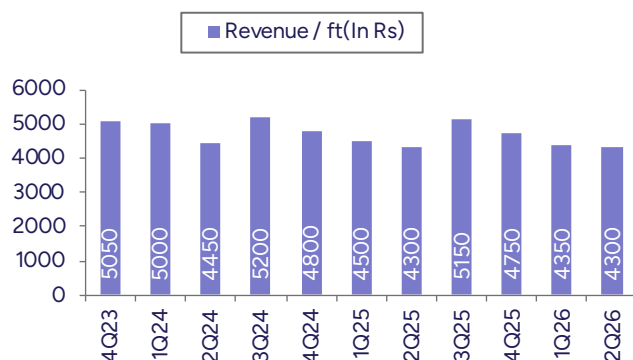
Source: Company, PL

Exhibit 2: >Rs3000/pair share in sales mix up 100bps YoY

Product Pricing wise Sales Mix (Rs)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
>3,000	49%	48%	49%	50%	54%	53%	54%	50%	56%	54%
1,501-3,000	39%	38%	38%	37%	35%	34%	34%	37%	33%	34%
501-1,500	8%	10%	9%	9%	6%	8%	8%	9%	6%	8%
<500	4%	4%	4%	4%	5%	5%	4%	4%	5%	4%
Own Brands Contribution										
Own Brands	70%	70%	72%	73%	73%	72%	72%	74%	72%	71%
Third Party	30%	30%	28%	27%	27%	28%	28%	26%	28%	29%

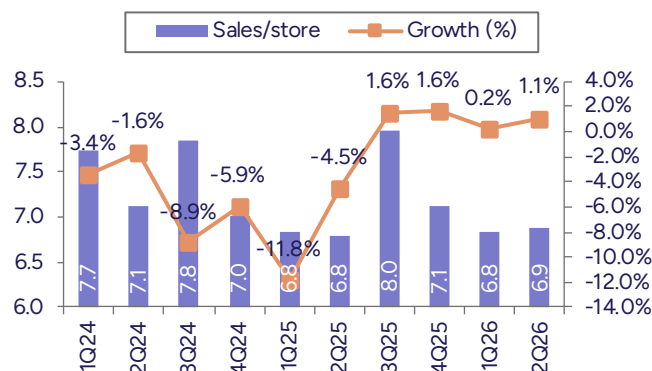
Source: Company, PL

Exhibit 3: Revenue/sq.ft remained flat YoY



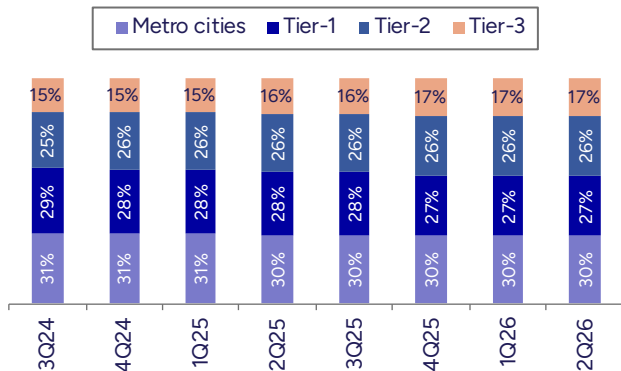
Source: Company, PL

Exhibit 4: Sales/store increased by 1.1% YoY



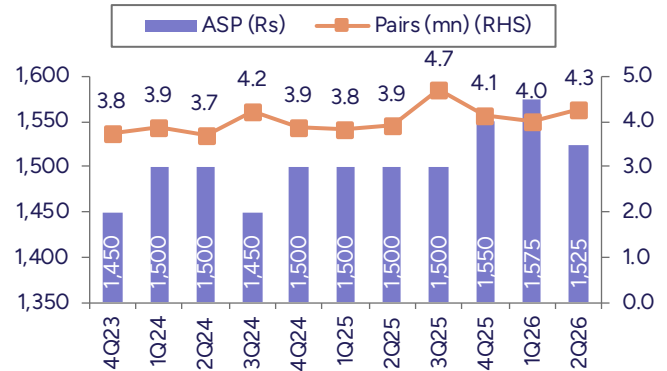
Source: Company, PL

Exhibit 5: Saliency of metro cities stable at 30-31%



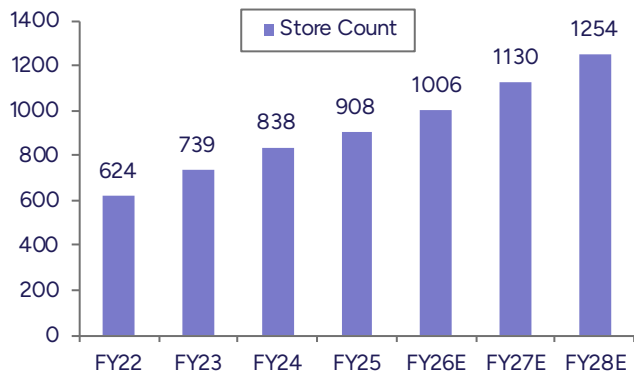
Source: Company, PL

Exhibit 6: ASP at Rs1525 with 4.3mn pairs sold in 2Q26



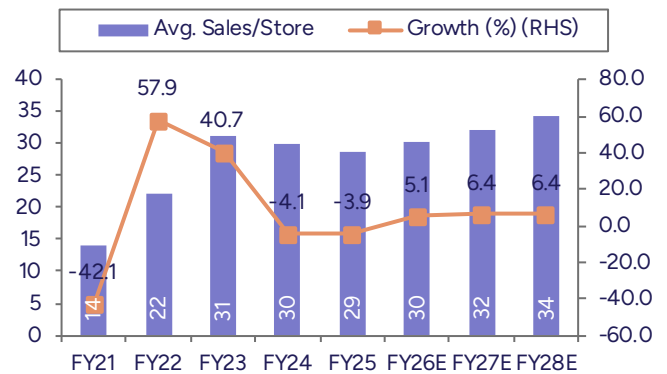
Source: Company, PL

Exhibit 7: ~346 stores to be added over FY25-FY28



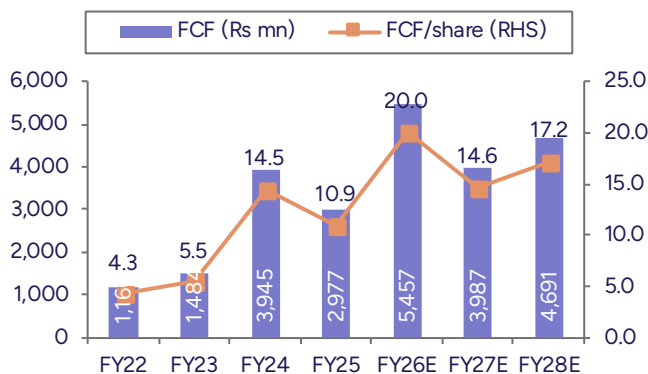
Source: Company, PL

Exhibit 8: Sales/store to increase by ~6% over FY25-28



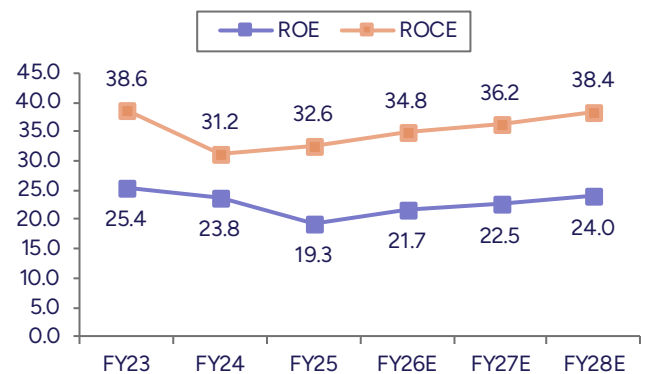
Source: Company, PL

Exhibit 9: FCF shows healthy growth over long term



Source: Company, PL

Exhibit 10: ROE & ROCE to stabilize at healthy levels



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	25,074	28,918	34,353	40,785
YoY gr. (%)	6.4	15.3	18.8	18.7
Cost of Goods Sold	10,609	12,319	14,634	17,375
Gross Profit	14,465	16,599	19,719	23,411
Margin (%)	57.7	57.4	57.4	57.4
Employee Cost	2,450	2,801	3,367	3,961
Other Expenses	4,441	5,181	6,155	7,297
EBITDA	7,574	8,616	10,197	12,154
YoY gr. (%)	8.3	13.8	18.3	19.2
Margin (%)	30.2	29.8	29.7	29.8
Depreciation and Amortization	2,580	3,128	3,725	4,390
EBIT	4,994	5,488	6,472	7,764
Margin (%)	19.9	19.0	18.8	19.0
Net Interest	905	1,012	1,149	1,354
Other Income	930	930	1,011	1,148
Profit Before Tax	5,019	5,406	6,335	7,558
Margin (%)	20.0	18.7	18.4	18.5
Total Tax	1,491	1,379	1,647	1,965
Effective tax rate (%)	29.7	25.5	26.0	26.0
Profit after tax	3,528	4,028	4,688	5,593
Minority interest	39	42	47	51
Share Profit from Associate	16	18	20	22
Adjusted PAT	3,506	4,003	4,661	5,563
YoY gr. (%)	(15.0)	14.2	16.4	19.4
Margin (%)	14.0	13.8	13.6	13.6
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	3,506	4,003	4,661	5,563
YoY gr. (%)	(15.0)	14.2	16.4	19.4
Margin (%)	14.0	13.8	13.6	13.6
Other Comprehensive Income	(2)	-	-	-
Total Comprehensive Income	3,504	4,003	4,661	5,563
Equity Shares O/s (m)	272	272	272	272
EPS (Rs)	13.0	14.8	17.2	20.5

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	7,413	8,451	9,792	11,363
Tangibles	5,880	6,888	8,198	9,737
Intangibles	1,532	1,563	1,594	1,626
Acc: Dep / Amortization	2,478	3,205	4,067	5,087
Tangibles	2,173	2,814	3,588	4,519
Intangibles	305	391	479	568
Net fixed assets	4,934	5,246	5,725	6,276
Tangibles	3,707	4,074	4,609	5,219
Intangibles	1,227	1,172	1,115	1,058
Capital Work In Progress	94	228	247	276
Goodwill	409	409	409	409
Non-Current Investments	1,136	1,274	1,439	1,605
Net Deferred tax assets	340	448	575	726
Other Non-Current Assets	10,748	12,136	13,688	15,035
Current Assets				
Investments	5,356	9,254	10,993	13,459
Inventories	6,369	7,415	8,588	10,196
Trade receivables	912	1,070	1,224	1,509
Cash & Bank Balance	948	200	324	286
Other Current Assets	293	338	402	477
Total Assets	33,344	38,278	43,937	50,678
Equity				
Equity Share Capital	1,361	1,361	1,361	1,361
Other Equity	15,730	17,850	20,204	22,916
Total Network	17,091	19,212	21,565	24,277
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	8	9	11	12
Other non current liabilities	10,545	11,866	13,947	16,442
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	2,258	3,181	3,731	4,461
Other current liabilities	3,154	3,721	4,396	5,197
Total Equity & Liabilities	33,344	38,278	43,937	50,678

Source: Company Data, PL Research


Cash Flow (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	5,019	5,406	6,335	7,558
Add. Depreciation	2,580	3,128	3,725	4,390
Add. Interest	905	1,012	1,149	1,354
Less Financial Other Income	930	930	1,011	1,148
Add. Other	873	1,082	1,803	2,196
Op. profit before WC changes	9,378	10,628	13,011	15,497
Net Changes-WC	(582)	1,784	(231)	(536)
Direct tax	(1,494)	(1,379)	(1,647)	(1,965)
Net cash from Op. activities	7,302	11,034	11,133	12,996
Capital expenditures	(3,794)	(4,968)	(5,786)	(6,333)
Interest / Dividend Income	-	-	-	-
Others	2,946	(3,896)	(1,739)	(2,466)
Net Cash from Inv. activities	(848)	(8,863)	(7,525)	(8,799)
Issue of share cap. / premium	287	(143)	(27)	(30)
Debt changes	-	-	-	-
Dividend paid	(5,362)	(1,765)	(2,308)	(2,851)
Interest paid	(905)	(1,012)	(1,149)	(1,354)
Others	(5)	-	-	-
Net cash from Fin. activities	(5,985)	(2,919)	(3,483)	(4,234)
Net change in cash	469	(749)	124	(38)
Free Cash Flow	3,508	6,067	5,346	6,663

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY25	FY26E	FY27E	FY28E
Per Share(Rs)				
EPS	13.0	14.8	17.2	20.5
CEPS	22.4	26.2	30.8	36.6
BVPS	62.8	70.6	79.2	89.2
FCF	12.9	22.3	19.6	24.5
DPS	19.7	6.5	8.5	10.5
Return Ratio(%)				
RoCE	28.0	30.2	31.7	33.9
ROIC	18.5	19.0	19.8	21.0
RoE	19.6	22.1	22.9	24.3
Balance Sheet				
Net Debt : Equity (x)	(0.4)	(0.5)	(0.5)	(0.6)
Net Working Capital (Days)	73	67	65	65
Valuation(x)				
PER	92.8	81.3	69.9	58.6
P/B	19.2	17.1	15.2	13.5
P/CEPS	53.8	45.9	39.1	32.9
EV/EBITDA	42.4	36.9	31.0	25.8
EV/Sales	12.8	11.0	9.2	7.7
Dividend Yield (%)	1.6	0.5	0.7	0.9

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Net Revenue	7,031	6,428	6,282	6,511
YoY gr. (%)	10.6	10.3	9.1	11.2
Raw Material Expenses	2,908	2,734	2,555	2,914
Gross Profit	4,123	3,694	3,727	3,598
Margin (%)	58.6	57.5	59.3	55.3
EBITDA	2,250	1,972	1,939	1,707
YoY gr. (%)	13.1	24.3	7.5	10.3
Margin (%)	32.0	30.7	30.9	26.2
Depreciation / Depletion	655	701	688	784
EBIT	1,595	1,271	1,251	923
Margin (%)	22.7	19.8	19.9	14.2
Net Interest	235	244	237	294
Other Income	232	231	286	282
Profit before Tax	1,593	1,258	1,300	911
Margin (%)	22.7	19.6	20.7	14.0
Total Tax	649	309	320	221
Effective tax rate (%)	40.7	24.5	24.6	24.3
Profit after Tax	944	949	979	689
Minority interest	5	6	3	13
Share Profit from Associates	7	4	9	1
Adjusted PAT	946	947	985	677
YoY gr. (%)	(3.3)	(38.9)	7.4	(3.0)
Margin (%)	13.5	14.7	15.7	10.4
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	946	947	985	677
YoY gr. (%)	(3.3)	(38.9)	7.4	(3.0)
Margin (%)	13.5	14.7	15.7	10.4
Other Comprehensive Income	(1)	-	1	(1)
Total Comprehensive Income	945	947	986	676
Avg. Shares O/s (m)	136	136	137	136
EPS (Rs)	3.5	3.5	3.6	2.5

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Oct-25	Hold	1,302	1,267
2	25-Sep-25	Hold	1,302	1,281
3	08-Aug-25	Hold	1,135	1,095
4	09-Jul-25	Hold	1,195	1,167
5	23-May-25	Hold	1,195	1,211
6	09-Apr-25	Hold	1,162	1,046
7	17-Jan-25	Hold	1,177	1,199
8	08-Jan-25	Hold	1,208	1,251
9	24-Oct-24	Hold	1,208	1,165

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Asian Paints	Reduce	2,248	2,353
2	Avenue Supermarts	Hold	4,111	4,320
3	Britannia Industries	BUY	6,484	5,897
4	Colgate Palmolive	Hold	2,453	2,235
5	Dabur India	Hold	515	492
6	Emami	Accumulate	608	552
7	Hindustan Unilever	Accumulate	2,746	2,517
8	ITC	BUY	530	400
9	Jubilant FoodWorks	Hold	670	614
10	Kansai Nerolac Paints	Accumulate	272	246
11	Marico	Accumulate	778	715
12	Metro Brands	Hold	1,302	1,267
13	Mold-tek Packaging	Accumulate	821	761
14	Nestle India	Hold	1,359	1,277
15	Pidilite Industries	BUY	1,714	1,471
16	Restaurant Brands Asia	Accumulate	87	75
17	Titan Company	BUY	3,902	3,418
18	Westlife Foodworld	Hold	748	677

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. Amnish Aggarwal- MBA, CFA, Mr. Vishwa Solanki- PGDM - Finance, Mr. Parth Thakker- BFM, Passed CFA Level II 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. Amnish Aggarwal- MBA, CFA, Mr. Vishwa Solanki- PGDM - Finance, Mr. Parth Thakker- BFM, Passed CFA Level II 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.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

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