

August 13, 2025

Q1FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	ACCUMULATE		ACCUMULATE	
Target Price	80		73	
Sales (Rs bn)	290	342	283	325
% Chng.	2.3	5.4		
EBITDA (Rs bn)	98	117	88	108
% Chng.	12.0	8.1		
EPS (Rs.)	8.5	10.2	7.6	9.4
% Chng.	11.4	8.5		

Key Financials - Standalone

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. bn)	213	239	290	342
EBITDA (Rs. bn)	73	81	98	117
Margin (%)	34.2	34.1	33.9	34.2
PAT (Rs bn)	58	65	75	90
EPS (Rs.)	19.7	7.4	8.5	10.2
Gr. (%)	24.3	(62.2)	14.5	19.6
DPS (Rs.)	7.3	3.3	3.0	3.3
Yield (%)	10.0	4.5	4.1	4.5
RoE (%)	23.9	23.6	23.3	23.8
RoCE (%)	32.4	31.8	31.0	31.8
EV/Sales (x)	0.5	2.3	1.8	1.5
EV/EBITDA (x)	1.4	6.8	5.4	4.4
PE (x)	3.7	9.8	8.5	7.1
P/BV (x)	0.8	2.1	1.8	1.6

Key Data NMDC.BO | NMDC IN

52-W High / Low	Rs.83 / Rs.60
Sensex / Nifty	80,540 / 24,619
Market Cap	Rs.638bn/ \$ 7,298m
Shares Outstanding	8,792m
3M Avg. Daily Value	Rs.1601.03m

Shareholding Pattern (%)

Promoter's	60.79
Foreign	12.21
Domestic Institution	14.48
Public & Others	12.52
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	5.1	14.9	(3.0)
Relative	7.7	8.6	(4.9)

Tushar Chaudhari

tusharchaudhari@plindia.com | 91-22-663222391

Prathmesh Salunkhe

prathmeshsalunkhe@plindia.com | 91-22-663222324

Strong start to FY26, execution is the key

Quick Pointers:

- NMDC has guided for ~55mt of sales volume for FY26.
- Moderate increase in employee cost and lower ramp up of KIOCL pellet plant aided NMDC to deliver an EBITDA/t of Rs2,152.

NMDC reported a strong Q1FY26 operating performance, driven by robust volume growth and better-than-expected pricing. Volumes grew 14% YoY supported by strong domestic steel demand supported by increased Gol spending and a lower base (volumes impacted by strike). Realizations rose 7.4% QoQ, led by price hikes undertaken for lump and fines from May'25. Moderate increase in employee cost and lower ramp up of KIOCL pellet plant aided NMDC to deliver an EBITDA/t of Rs2,152. Receivables from RINL/NSL continue to remain elevated, keeping the cash conversion cycle under pressure. The Karnataka Mineral Rights and Bearing Land Tax Bill remains a major uncertainty for NMDC, which is still pending at President of India.

Management aims to utilize maximum EC limits and produce ~55mt in FY26, though execution will be key given the monsoon in Karnataka and rising imports by domestic steel players. Anticipating sustained demand, NMDC raised iron ore prices from Aug'25, which should support EBITDA/t in Q2FY26. Legacy operations are expected to remain profitable in FY26, and the pellet plant, targeted for completion by FY26-end, should aid performance going forward. We maintain 50/55mt volumes for FY26/27E and expect NMDC to deliver Revenue/EBITDA/PAT CAGR of 20%/20%/17% respectively. At CMP, the stock is trading at 5.4x/4.4x EV of FY26/27E EBITDA. Maintain 'Accumulate' with a revised TP of Rs80 (earlier Rs73) valuing it at multiple of 5x EV of Mar'27E EBITDA.

- Revenue aided by strong volume:** Cons revenue grew 24% YoY to Rs67.3bn (down 4% QoQ; PLe 67.3bn) on strong 14% volume growth. Iron ore revenue grew 16% YoY to Rs62bn while pellet division revenue was Rs5.7bn (-13% QoQ). Iron ore sales volumes were up 14% YoY to 11.51mt while average ore realization improved 7.4% QoQ to Rs5,383/t (+2% YoY; better than PLe 5,213) on strong domestic iron ore pricing till Jun'25. NMDC cut its ore prices in Jul'25 by ~9% and again raised by 7-8% in August which should aid Q2.
- Cons EBITDA aided by lower employee costs and strong pricing:** Cons EBITDA improved 6% YoY to Rs24.8bn (+21% QoQ; PLe 21.8bn) on lower employee costs. Other expenses per ton increased 48% YoY to Rs670/t, employees cost decreased 8% YoY to Rs357/t (due to higher volumes and moderate 7% YoY increase); while royalty and cess per ton inched up 16% YoY to Rs2,327/t. Freight costs per ton increased 7% YoY to Rs109 while consumption of stores & spare parts was higher at Rs182/t. Resultant, blended EBITDA/t declined 7% YoY to Rs2,152 (up 33% QoQ; PLe Rs 1,886/t). Reported cons PAT was flat YoY to Rs19.67bn (+33% QoQ; PLe Rs17.3bn).

Other Highlights:

- The Karnataka Mineral Rights and Bearing Land tax bill is awaiting assent of President & KN Governor. If enacted NMDC is liable to pay taxes retrospectively and NMDC has considered Rs143bn as a contingent liability (amount increased by ~3bn QoQ).
- Post NMDC Steel demerger, Rs38.54bn (Rs36.6bn in Q4) is due on account of sale of iron ore and Rs1.52bn (Rs1.4bn in Q4) is due on account of employee services and purchase of HR Products as of 1QFY26. Another Rs39.95bn (Rs40.5bn in Q4) is due from RINL for supply of iron ore.
- As of June 30, 2025, NMDC's trade receivables from RINL stood at Rs40bn. With the CCEA's Rs114bn revival plan, lender support, and improved production, management expects full recovery. An expected credit loss of Rs0.47bn has been recognized based on the time value of money.
- One of the JV Company, NMDC-CMDC Limited, had issued letter of offer for Rights Issue mainly for capex for Deposit-4 and for Baloda Belmundi Diamond block. Company has subscribed to the issue amounting to Rs1.87bn and the shareholding remain unchanged. Accordingly, the total investment in the JV is Rs2.85bn (51% as on 30.06.2025).

Exhibit 1: Consolidated Q1FY26 Financial Performance (Rs bn)

Y/e March	1QFY26	1QFY25	YoY gr. (%)	1QFY26E	% Var.	4QFY25	QoQ gr. (%)	FY26E	FY25	YoY gr. (%)
Net Sales	67.4	54.1	24.5	67.3	0.1	70.0	(3.8)	289.8	239.1	21.2
Raw Material	2.7	1.1	156.0	5.9	(53.9)	2.8	(3.9)	7.6	10.3	(26.2)
% of Net Sales	4.0	2.0		8.7		4.0		2.6	4.3	
Staff Costs	4.1	3.9	5.9	4.5	(8.0)	5.5	(24.8)	19.5	18.0	8.6
% of Net Sales	6.1	7.2		6.6		7.8		6.7	7.5	
Royalty & cess	26.8	20.2	32.5	26.0	3.1	29.0	(7.7)	150.1	97.1	54.6
% of Net Sales	39.8	37.4		38.6		41.5		51.8	40.6	
Freight & Selling Expenses	1.3	1.0	23.0	1.1	11.8	1.6	(21.2)	6.0	5.4	11.1
% of Net Sales	1.9	1.9		1.7		2.3		2.1	2.3	
Other Expenses	7.7	4.5	69.7	8.1	(4.6)	10.6	(27.3)	8.4	26.8	(68.5)
% of Net Sales	11.4	8.4		12.0		15.1		2.9	11.2	
Total Expenditure	42.6	30.7	38.6	45.5	(6.5)	49.5	(14.0)	191.7	157.6	21.6
EBITDA	24.8	23.4	5.9	21.8	13.8	20.5	20.8	98.2	81.5	20.5
Margin (%)	36.8	43.2		32.4		29.3		33.9	34.1	
Depreciaton	1.1	0.7	47.3	0.4	190.4	1.4	(22.9)	5.7	4.2	34.8
Other income	3.0	3.6	(18)	2.7	10	4.9	(39.1)	12.1	15.9	(24)
EBIT	26.7	26.3	1.5	24.1	10.6	24.0	11.1	104.6	93.2	12.2
Interest	0.3	0.2	17.6	-		0.6	(58.2)	1.3	1.8	(26.5)
PBT	26.4	26.1	1.3	24.1	9.5	23.4	13.0	103.3	91.4	13.0
Extraordinary income/(expense)	-	-	NA	-		-	NA	-	-	NA
PBT (After EO)	26.4	26.1	1.3	24.1	9.5	23.4	13.0	103.3	91.4	13.0
Tax	6.8	6.4	4.8	6.8	(0.1)	8.5	(21.0)	28.4	26.0	9.1
% PBT	25.6	24.7		28.0		36.6		27.5	28.5	
Reported PAT	19.7	19.6	0.2	17.4	13.2	14.8	32.6	74.9	65.4	14.5
Adjusted PAT	19.7	19.6	0.2	17.4	13.2	14.8	32.6	74.9	65.4	14.5

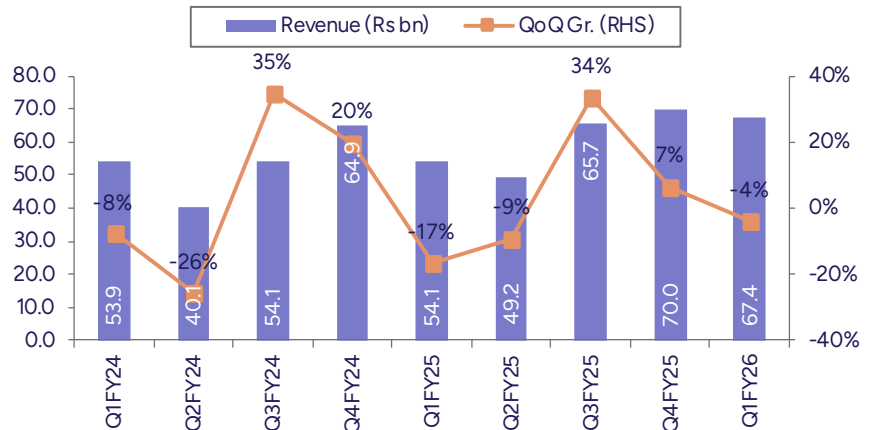
Source: Company, PL

Exhibit 2: Operating matrix

Particulars	1QFY26	1QFY25	YoY gr. (%)	1QFY26E	% Var.	4QFY25	QoQ gr. (%)	FY26E	FY25	YoY gr. (%)
Sales volume (mt)	11.52	10.08	14.3	11.55	(0.3)	12.67	(9.1)	50.0	44.4	12.6
Realization/t (Rs)	5,383	5,300	1.6	5,213	3.3	5,012	7.4	5,305	5,380	(1.4)
EBITDA/t (Rs)	2,152	2,342	(8.1)	1,886	14.1	1,619	32.9	1,962	1,834	7.0

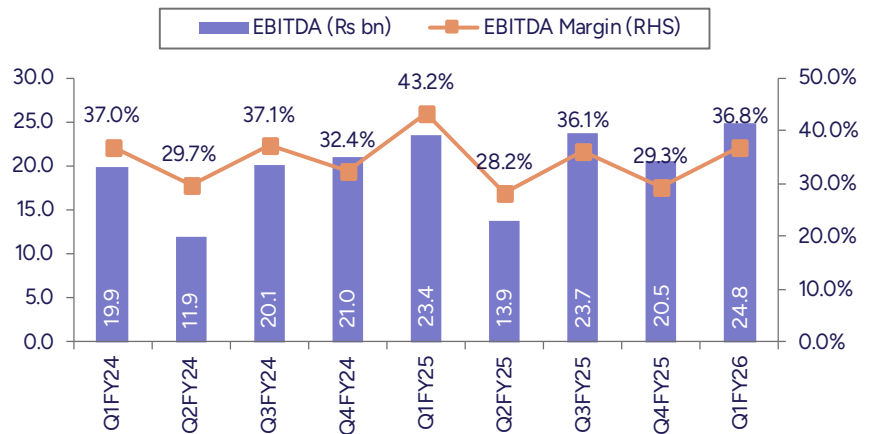
Source: Company, PL

Exhibit 3: Cons revenue grew 24% YoY aided by strong volume and pricing



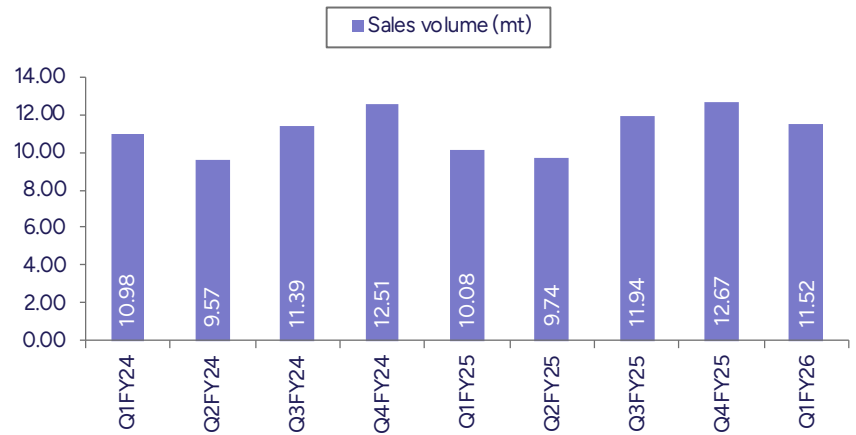
Source: Company, PL

Exhibit 4: Cons EBITDA grew 6% YoY led by lower employee costs



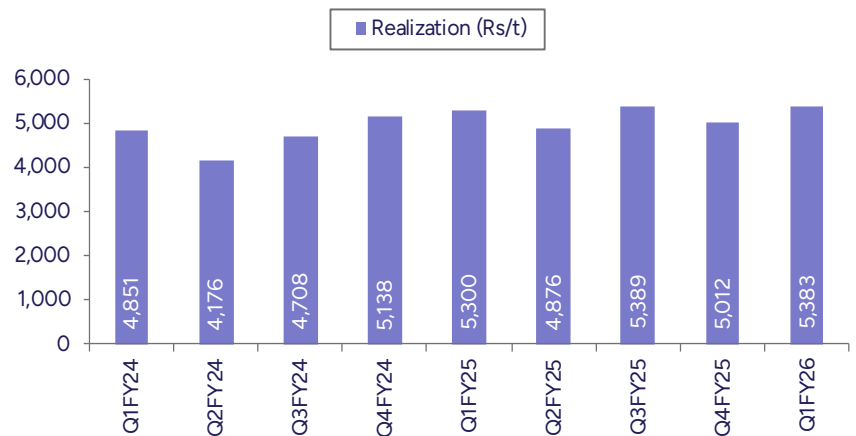
Source: Company, PL

Exhibit 5: Volume grew 14% YoY led by strong domestic steel demand



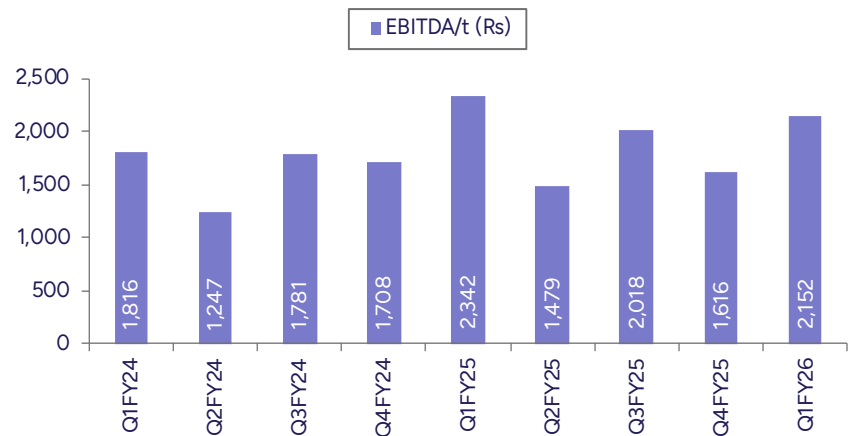
Source: Company, PL

Exhibit 6: Realization grew 7% QoQ on price hike undertaken in May'25



Source: Company, PL

Exhibit 7: EBITDA/t declined 7% YoY on higher volume



Source: Company, PL

Financials

Income Statement (Rs bn)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	213	239	290	342
YoY gr. (%)	20.6	12.2	21.2	18.1
Cost of Goods Sold	(1)	3	8	19
Gross Profit	214	236	282	323
Margin (%)	100.4	98.8	97.4	94.4
Employee Cost	16	18	20	21
Other Expenses	125	137	165	185
EBITDA	73	81	98	117
YoY gr. (%)	20.5	11.7	20.5	19.3
Margin (%)	34.2	34.1	33.9	34.2
Depreciation and Amortization	4	4	6	7
EBIT	69	77	93	110
Margin (%)	32.6	32.3	31.9	32.1
Net Interest	1	2	1	1
Other Income	14	16	12	15
Profit Before Tax	80	91	103	124
Margin (%)	37.3	38.3	35.6	36.1
Total Tax	24	26	28	34
Effective tax rate (%)	29.9	28.5	27.5	27.5
Profit after tax	56	65	75	90
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	58	65	75	90
YoY gr. (%)	24.3	13.3	14.5	19.6
Margin (%)	27.1	27.4	25.8	26.2
Extra Ord. Income / (Exp)	(2)	-	-	-
Reported PAT	56	65	75	90
YoY gr. (%)	0.6	17.4	14.5	19.6
Margin (%)	26.2	27.4	25.8	26.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	56	65	75	90
Equity Shares O/s (bn)	3	9	9	9
EPS (Rs)	19.7	7.4	8.5	10.2

Source: Company Data, PL Research

Balance Sheet Abstract (Rs bn)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	54	74	114	164
Tangibles	54	74	114	164
Intangibles	-	-	-	-
Acc: Dep / Amortization	20	24	30	37
Tangibles	20	24	30	37
Intangibles	-	-	-	-
Net fixed assets	34	50	85	127
Tangibles	34	50	85	127
Intangibles	-	-	-	-
Capital Work In Progress	32	47	47	57
Goodwill	-	-	-	-
Non-Current Investments	10	10	10	10
Net Deferred tax assets	3	3	3	3
Other Non-Current Assets	63	66	66	66
Current Assets				
Investments	-	-	-	-
Inventories	28	26	33	39
Trade receivables	35	77	79	94
Cash & Bank Balance	124	101	126	134
Other Current Assets	-	-	-	-
Total Assets	354	407	475	556
Equity				
Equity Share Capital	3	9	9	9
Other Equity	254	288	337	397
Total Network	257	297	346	406
Non-Current Liabilities				
Long Term borrowings	16	16	16	16
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	81	93	113	133
Other current liabilities	3	4	4	4
Total Equity & Liabilities	354	407	475	556

Source: Company Data, PL Research

Cash Flow (Rs bn)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	80	91	103	124
Add. Depreciation	4	4	6	7
Add. Interest	1	2	1	1
Less Financial Other Income	14	16	12	15
Add. Other	(10)	(16)	(12)	(15)
Op. profit before WC changes	73	81	98	117
Net Changes-WC	19	(33)	11	0
Direct tax	(18)	(26)	(28)	(34)
Net cash from Op. activities	74	23	81	83
Capital expenditures	(18)	(15)	(40)	(60)
Interest / Dividend Income	10	16	12	15
Others	(52)	-	-	-
Net Cash from Invt. activities	(61)	1	(28)	(45)
Issue of share cap. / premium	-	-	-	-
Debt changes	12	-	-	-
Dividend paid	(25)	(29)	(26)	(29)
Interest paid	(1)	(2)	(1)	(1)
Others	1	-	-	-
Net cash from Fin. activities	(13)	(31)	(28)	(30)
Net change in cash	0	(7)	25	8
Free Cash Flow	55	8	41	23

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	19.7	7.4	8.5	10.2
CEPS	20.9	7.9	9.2	11.0
BVPS	87.6	33.8	39.3	46.2
FCF	18.9	0.9	4.6	2.6
DPS	7.3	3.3	3.0	3.3
Return Ratio(%)				
RoCE	32.4	31.8	31.0	31.8
ROIC	36.6	28.8	31.7	30.8
RoE	23.9	23.6	23.3	23.8
Balance Sheet				
Net Debt : Equity (x)	(0.4)	(0.3)	(0.3)	(0.3)
Net Working Capital (Days)	(32)	17	0	0
Valuation(x)				
PER	3.7	9.8	8.5	7.1
P/B	0.8	2.1	1.8	1.6
P/CEPS	3.5	9.2	7.9	6.6
EV/EBITDA	1.4	6.8	5.4	4.4
EV/Sales	0.5	2.3	1.8	1.5
Dividend Yield (%)	10.0	4.5	4.1	4.5

Source: Company Data, PL Research

Quarterly Financials (Rs bn)

Y/e Mar	Q2FY25	Q3FY25	Q4FY25	Q1FY26
Net Revenue	49	66	70	67
YoY gr. (%)	22.5	21.4	7.9	24.5
Raw Material Expenses	7	-	3	3
Gross Profit	42	66	67	65
Margin (%)	86.3	100.5	96.0	96.0
EBITDA	14	24	21	25
YoY gr. (%)	16.4	18.2	(2.4)	5.9
Margin (%)	28.2	36.1	29.3	36.8
Depreciation / Depletion	1	1	1	1
EBIT	13	23	19	24
Margin (%)	26.1	34.6	27.3	35.2
Net Interest	-	1	1	-
Other Income	4	4	5	3
Profit before Tax	16	26	23	26
Margin (%)	32.8	39.3	33.4	39.2
Total Tax	4	7	9	7
Effective tax rate (%)	25.9	26.6	36.6	25.6
Profit after Tax	12	19	15	20
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	12	19	15	20
YoY gr. (%)	16.7	14.4	3.5	0.2
Margin (%)	24.3	28.9	21.2	29.2
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	12	19	15	20
YoY gr. (%)	16.7	29.0	4.8	0.2
Margin (%)	24.3	28.9	21.2	29.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	12	19	15	20
Avg. Shares O/s (bn)	3	9	9	9
EPS (Rs)	4.1	2.2	1.7	2.2

Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales volume (mt)	44.5	44.4	50.0	55.4
Realisation/t (Rs)	4,794	5,380	5,305	5,418
EBITDA/ton (Rs)	1,641	1,834	1,962	2,116

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jul-25	Accumulate	73	68
2	29-May-25	Accumulate	75	71
3	23-Apr-25	Accumulate	69	68
4	08-Apr-25	Accumulate	69	61
5	11-Feb-25	Accumulate	70	64
6	09-Jan-25	Accumulate	80	65
7	13-Nov-24	Accumulate	84	74
8	07-Oct-24	Accumulate	89	79
9	17-Aug-24	Accumulate	84	72

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ACC	BUY	2,543	1,890
2	Adani Port & SEZ	BUY	1,777	1,358
3	Ambuja Cement	BUY	685	593
4	Dalmia Bharat	Accumulate	2,395	2,270
5	Hindalco Industries	Accumulate	762	667
6	Jindal Stainless	Hold	678	683
7	Jindal Steel & Power	Accumulate	1,008	954
8	JSW Infrastructure	Accumulate	344	322
9	JSW Steel	Hold	1,068	1,034
10	National Aluminium Co.	BUY	228	187
11	NMDC	Accumulate	73	68
12	Nuvoco Vistas Corporation	Accumulate	422	390
13	Shree Cement	Hold	30,001	30,205
14	Steel Authority of India	Hold	133	126
15	Tata Steel	Accumulate	177	158
16	Ultratech Cement	Accumulate	13,634	12,561

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. Tushar Chaudhari- MMS-Finance, Mr. Prathmesh Salunkhe- 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. Tushar Chaudhari- MMS-Finance, Mr. Prathmesh Salunkhe- 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