

January 31, 2025

Q3FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	HOLD		HOLD	
Target Price	1,329		1,471	
Sales (Rs. m)	11,411	12,671	11,011	12,426
% Chng.	3.6	2.0		
EBITDA (Rs. m)	4,735	5,385	4,569	5,157
% Chng.	3.6	4.4		
EPS (Rs.)	31.1	35.0	30.2	33.7
% Chng.	3.0	3.8		

Key Financials - Consolidated

Y/e Mar	FY24	FY25E	FY26E	FY27E
Sales (Rs. m)	7,915	9,447	11,411	12,671
EBITDA (Rs. m)	3,321	3,769	4,735	5,385
Margin (%)	42.0	39.9	41.5	42.5
PAT (Rs. m)	2,440	2,578	3,309	3,716
EPS (Rs.)	23.0	24.3	31.1	35.0
Gr. (%)	(17.3)	5.6	28.3	12.3
DPS (Rs.)	5.0	5.3	6.8	7.6
Yield (%)	0.4	0.4	0.5	0.5
RoE (%)	22.1	19.8	21.6	20.5
RoCE (%)	25.9	23.5	25.4	24.3
EV/Sales (x)	18.6	15.5	12.8	11.5
EV/EBITDA (x)	44.3	38.9	30.9	27.0
PE (x)	60.3	57.1	44.5	39.6
P/BV (x)	12.2	10.5	8.8	7.5

Key Data CLEA.BO | CLEAN IN

52-W High / Low	Rs.1,690 / Rs.1,243
Sensex / Nifty	76,760 / 23,250
Market Cap	Rs.147bn/ \$ 1,699m
Shares Outstanding	106m
3M Avg. Daily Value	Rs.255.73m

Shareholding Pattern (%)

Promoter's	74.97
Foreign	5.98
Domestic Institution	5.46
Public & Others	13.60
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(0.7)	(12.5)	(1.4)
Relative	1.2	(7.2)	(8.6)

Swarnendu Bhushan

swarnendubhushan@plindia.com | 91-22-66322260

Saurabh Ahire

saurabhahire@plindia.com |

HALS volume to pick going ahead

Quick Pointers:

- Two new products commercialized during the quarter: DHDT, a pharma intermediate and BHT an antioxidant
- HALS volumes reached 200tn a month in Q3FY25 vs 135tn in Q2FY25

Clean Science and Technology (CLEAN) reported Q3FY25 revenue of Rs2.4bn, marking a 23.7% YoY increase and a 1.1% QoQ growth. The rise in revenue was primarily driven by higher sales volumes across segments, while product realizations largely remained stable. A slight decline in phenol prices, a key raw material, contributed to improved gross margins. Sales of HALS increased to 200tn per month, up from 135tn in the previous quarter, though the plant continues to operate at lower utilization levels. Management has provided guidance for HALS sales of 3,000–4,000tn in FY26, driven by both existing and newly launched products. During the quarter, the company introduced two new products: DHDT, a pharmaceutical intermediate, and BHT, an antioxidant. On the capex front, the Rs1.5bn investment in Performance Chemical 1 remains on track, with commercialization expected in July'26. Additionally, construction for a second performance chemical plant focused on water treatment is set to begin in Feb and is scheduled to be operational by Jan'26. Looking ahead, new capex projects are expected to drive revenue growth. However, the margin profile may face some pressure, as certain new products have lower profitability compared to the company's legacy offerings. At its current valuation of 40x FY27 EPS, we maintain a 'Hold' rating on Clean Science, with a target price of Rs1,329 valuing it at 38x FY27 EPS.

- Volume-led YoY growth in revenue:** Consolidated revenue stood at Rs2.4bn, 23.7% YoY/ 1.1% QoQ (PLe: Rs2.3bn, Consensus: Rs2.4bn). 9MFY25 revenue was 24.6% higher than 9MFY24. Revenue growth was driven by volume increase across segments. HALS sales volume and product mixing also improved during the quarter. Gross margin improved due to modest decrease in key raw material prices.
- EBITDA increased to 320bps sequentially:** EBITDA stood at Rs985mn, 13.7% YoY/ 9.8% QoQ (PLe: Rs906mn, Consensus: Rs902mn), EBITDA margin came at 40.9%, increased by 320bps QoQ (vs 44.5% in Q3FY24 and 37.7% in Q2FY25) due to a decrease in other operating expenses. Reported PAT was at Rs656mn, 4.8% YoY/11.7% QoQ. PAT margins were at 27% vs 32% in Q3FY24 and 25% in Q2FY25. Tax rate increased to 30% vs 23.3% Q3FY24 and 26.9% in Q2FY25.
- Concall takeaways: (1)** Revenue contribution: Performance Chemicals: 69%, Pharma and Agro Intermediate: 18%, FMCG: 13%. **(2)** Domestic:International mix stood at 40%:60%. **(3)** HALS volume was 200tn per month. **(4)** By next quarter HALS volume is expected to reach 300tn a month, and a total of 3000tn-4000tn of sales is expected in FY26. **(5)** Capex of Rs1.6bn incurred during 9MFY25, primarily in subsidiary. **(6)** Performance chemical 1 to be commercialized in H2FY26, 1.5bn will start in July. **(7)** Performance chemical

2, construction to start in Feb'25, expected to start in Dec-Jan'26. **(8)** Expanded solar capacity by 400KW at subsidiary. **(9)** BHT production is expected to be 2,000-3000mtpa, it has a realization of ~\$3 product and will have peak revenue of Rs600-700mn, no additional capex needed as it will be manufactured in existing HALS capacity. **(10)** Pharma intermediate samples are out to customers for approval. **(11)** Performance and pharma agro segment utilization stood at 65-70% and for FMCG segment it was at 80% during the quarter. **(12)** PBQ production will be ceased, it will be replaced with Barbituric acid, gross margin for this product will be ~50%, no additional capex will be required. **(13)** Power and fuel cost came down due to reduction in coal prices.

Exhibit 1: Q3FY25 Result Overview - Consolidated (Rs mn)

Consolidated	Q3FY25	Q3FY24	YoY gr.	Q3FY25E	% Var.	Q2FY25	QoQ gr.	9MFY25	9MFY24	YoY gr.
Net Sales	2,408	1,947	23.7%	2,312	4.2%	2,381	1.1%	7,030	5,640	24.6%
Gross Profit	1,529	1,301	17.5%	1,452	5.3%	1,486	2.9%	4,480	3,649	22.8%
Margin (%)	63.5%	66.8%		62.8%		62.4%		63.7%	64.7%	
EBITDA	985	866	13.7%	906	8.7%	897	9.8%	2,828	2,376	19.1%
Margin (%)	40.9%	44.5%		39.2%		37.7%		40.2%	42.1%	
Other Income	52	75		104		111		262	270	-2.7%
Depreciation	183	112	64.3%	177	3.8%	175	4.7%	516	331	56.0%
EBIT	854	830	2.9%	834	2.4%	832	2.6%	2,574	2,314	11.2%
Interest	1	0		2		0		3	3	
PBT before excep	853	829	2.8%	832	2.4%	832	2.5%	2,572	2,311	11.3%
Total Tax	256	193	32.7%	208	23.0%	224	14.2%	715	536	33.5%
ETR (%)	30%	23.3%		25.0%		26.9%		27.8%	23.2%	
Adj. PAT	656	626	4.8%	624	5.2%	587	11.7%	1,903	1,737	9.5%
Exceptional Items										
PAT	656	626	4.8%	624	5.2%	587	11.7%	1,903	1,737	9.5%

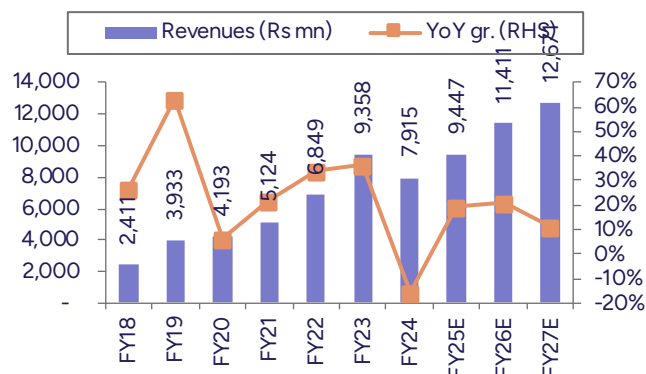
Source: Company, PL

Exhibit 2: Segmental Revenue (Rs mn)

Y/e March	Q3FY25	Q3FY24	YoY gr.	Q2FY25	QoQ gr.	9MFY25	9MFY24	YoY gr.
Performance Chemicals	1,662	1,305	27.4%	1,643	1.1%	4,850	3,779	28.4%
Pharma & Agro Intermediates	433	370	17.2%	429	1.1%	1,265	1,072	18.1%
FMCG Chemicals	313	253	23.7%	310	1.1%	914	751	21.6%
Total	2,408	1,928	24.9%	2,381	1.1%	7,030	5,601	25.5%

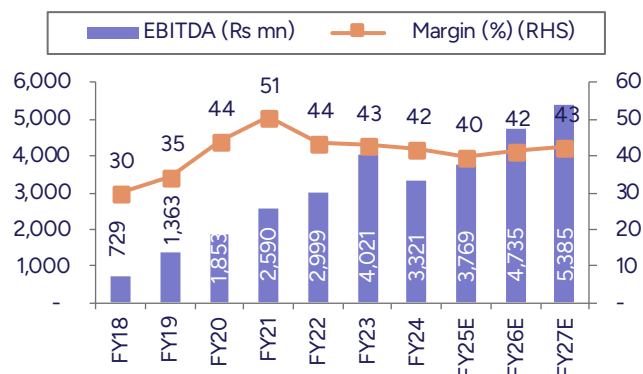
Source: Company, PL

Exhibit 3: Revenue to rise to Rs12.6bn by FY27



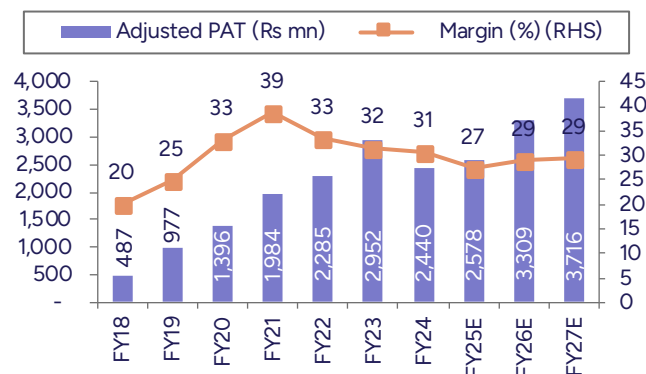
Source: Company, PL

Exhibit 4: EBITDAM to reach 43% in FY27



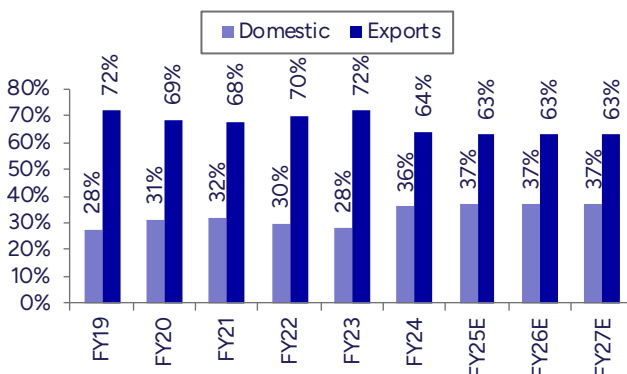
Source: Company, PL

Exhibit 5: PAT margins to reach 29% by FY27E



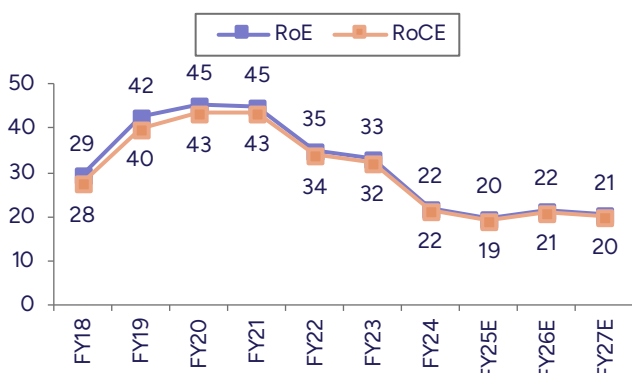
Source: Company, PL

Exhibit 6: Domestic market share to increase to 37%



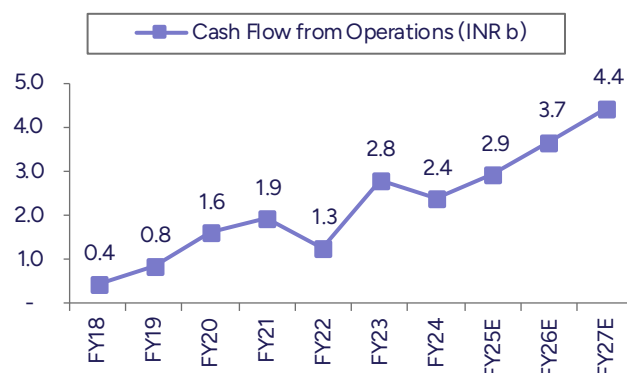
Source: Company, PL

Exhibit 7: Return ratios to be at ~21%



Source: Company, PL

Exhibit 8: Strong cash flow



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25E	FY26E	FY27E
Net Revenues	7,915	9,447	11,411	12,671
YoY gr. (%)	(15.4)	19.4	20.8	11.0
Cost of Goods Sold	2,771	3,448	4,165	4,625
Gross Profit	5,144	5,999	7,246	8,046
Margin (%)	65.0	63.5	63.5	63.5
Employee Cost	487	576	685	760
Other Expenses	1,337	1,653	1,826	1,901
EBITDA	3,321	3,769	4,735	5,385
YoY gr. (%)	(17.4)	13.5	25.6	13.7
Margin (%)	42.0	39.9	41.5	42.5
Depreciation and Amortization	459	706	833	997
EBIT	2,861	3,063	3,902	4,388
Margin (%)	36.2	32.4	34.2	34.6
Net Interest	9	4	5	5
Other Income	413	378	456	507
Profit Before Tax	3,265	3,437	4,354	4,890
Margin (%)	41.3	36.4	38.2	38.6
Total Tax	825	859	1,045	1,174
Effective tax rate (%)	25.3	25.0	24.0	24.0
Profit after tax	2,440	2,578	3,309	3,716
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	2,440	2,578	3,309	3,716
YoY gr. (%)	(17.3)	5.6	28.3	12.3
Margin (%)	30.8	27.3	29.0	29.3
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	2,440	2,578	3,309	3,716
YoY gr. (%)	(17.3)	5.6	28.3	12.3
Margin (%)	30.8	27.3	29.0	29.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	2,440	2,578	3,309	3,716
Equity Shares O/s (m)	106	106	106	106
EPS (Rs)	23.0	24.3	31.1	35.0

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25E	FY26E	FY27E
Non-Current Assets				
Gross Block	8,182	9,469	11,362	13,559
Tangibles	8,182	9,469	11,362	13,559
Intangibles	-	-	-	-
Acc: Dep / Amortization	1,821	2,527	3,361	4,357
Tangibles	1,821	2,527	3,361	4,357
Intangibles	-	-	-	-
Net fixed assets	6,361	6,942	8,002	9,202
Tangibles	6,361	6,942	8,002	9,202
Intangibles	-	-	-	-
Capital Work In Progress	573	1,287	1,893	2,197
Goodwill	-	-	-	-
Non-Current Investments	3,394	3,394	3,394	3,394
Net Deferred tax assets	(299)	(299)	(299)	(299)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	-	-	-	-
Inventories	1,237	1,476	1,783	1,980
Trade receivables	1,637	1,954	2,360	2,621
Cash & Bank Balance	106	460	908	2,008
Other Current Assets	654	781	944	1,048
Total Assets	13,963	16,293	19,284	22,449
Equity				
Equity Share Capital	106	106	106	106
Other Equity	11,925	13,942	16,531	19,438
Total Network	12,032	14,048	16,637	19,544
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	1,085	1,295	1,564	1,736
Other current liabilities	547	651	784	869
Total Equity & Liabilities	13,963	16,293	19,284	22,449

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25E	FY26E	FY27E
PBT	3,265	3,437	4,354	4,890
Add. Depreciation	459	706	833	997
Add. Interest	9	4	5	5
Less Financial Other Income	413	378	456	507
Add. Other	(313)	-	-	-
Op. profit before WC changes	3,420	4,147	5,192	5,892
Net Changes-WC	(295)	(369)	(473)	(304)
Direct tax	(755)	(859)	(1,045)	(1,174)
Net cash from Op. activities	2,371	2,919	3,674	4,414
Capital expenditures	(2,323)	(2,000)	(2,500)	(2,500)
Interest / Dividend Income	29	-	-	-
Others	435	-	-	-
Net Cash from Invst. activities	(1,859)	(2,000)	(2,500)	(2,500)
Issue of share cap. / premium	-	-	-	-
Debt changes	-	-	-	-
Dividend paid	(531)	(561)	(720)	(809)
Interest paid	(8)	(4)	(5)	(5)
Others	7	-	-	-
Net cash from Fin. activities	(532)	(565)	(725)	(814)
Net change in cash	(20)	353	448	1,100
Free Cash Flow	48	919	1,174	1,914

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25E	FY26E	FY27E
Per Share(Rs)				
EPS	23.0	24.3	31.1	35.0
CEPS	27.3	30.9	39.0	44.4
BVPS	113.2	132.2	156.6	183.9
FCF	0.5	8.6	11.0	18.0
DPS	5.0	5.3	6.8	7.6
Return Ratio(%)				
RoCE	25.9	23.5	25.4	24.3
ROIC	19.5	18.0	20.2	20.1
RoE	22.1	19.8	21.6	20.5
Balance Sheet				
Net Debt : Equity (x)	0.0	0.0	(0.1)	(0.1)
Net Working Capital (Days)	83	83	83	83
Valuation(x)				
PER	60.3	57.1	44.5	39.6
P/B	12.2	10.5	8.8	7.5
P/CEPS	50.8	44.8	35.5	31.2
EV/EBITDA	44.3	38.9	30.9	27.0
EV/Sales	18.6	15.5	12.8	11.5
Dividend Yield (%)	0.4	0.4	0.5	0.5

Source: Company Data, PL Research

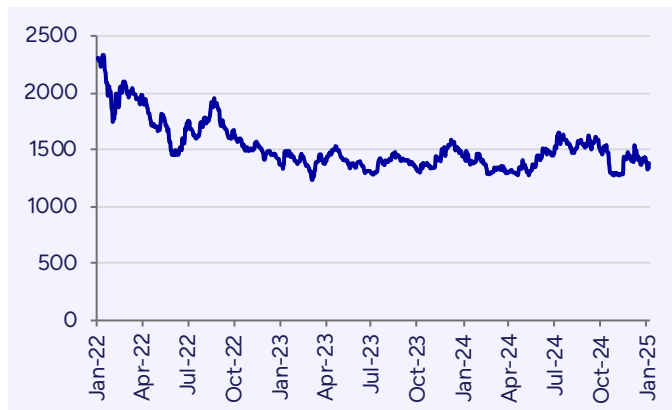
Quarterly Financials (Rs m)

Y/e Mar	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Net Revenue	2,275	2,240	2,381	2,408
YoY gr. (%)	4.9	19.1	31.5	23.7
Raw Material Expenses	780	775	895	879
Gross Profit	1,495	1,465	1,486	1,529
Margin (%)	65.7	65.4	62.4	63.5
EBITDA	945	947	897	985
YoY gr. (%)	(10.1)	24.3	19.8	13.7
Margin (%)	41.5	42.3	37.7	40.9
Depreciation / Depletion	127	158	175	183
EBIT	818	789	722	802
Margin (%)	36.0	35.2	30.3	33.3
Net Interest	6	1	-	1
Other Income	141	99	111	52
Profit before Tax	953	887	832	853
Margin (%)	41.9	39.6	34.9	35.4
Total Tax	250	228	245	196
Effective tax rate (%)	26.3	25.7	29.4	23.0
Profit after Tax	703	659	587	656
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
Adjusted PAT	703	659	587	656
YoY gr. (%)	(12.7)	11.8	12.6	4.8
Margin (%)	30.9	29.4	24.7	27.3
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	703	659	587	656
YoY gr. (%)	(12.7)	11.8	12.6	4.8
Margin (%)	30.9	29.4	24.7	27.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	703	659	587	656
Avg. Shares O/s (m)	106	106	106	106
EPS (Rs)	6.6	6.2	5.5	6.2

Source: Company Data, PL Research

Price Chart

Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jan-25	Hold	1,471	1,449
2	07-Nov-24	Hold	1,526	1,484
3	05-Oct-24	Hold	1,561	1,579
4	21-Sep-24	Hold	1,548	1,477
5	02-Aug-24	Hold	1,516	1,562
6	04-Jul-24	Hold	1,489	1,482
7	16-May-24	Hold	1,383	1,328
8	09-Apr-24	Hold	1,386	1,335
9	04-Feb-24	Hold	1,425	1,461

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Aarti Industries	Reduce	381	405
2	Bharat Petroleum Corporation	Hold	286	271
3	Bharti Airtel	Accumulate	1,783	1,599
4	Clean Science and Technology	Hold	1,471	1,449
5	Deepak Nitrite	Reduce	2,295	2,460
6	Fine Organic Industries	BUY	5,765	4,474
7	GAIL (India)	Hold	203	186
8	Gujarat Fluorochemicals	Reduce	3,190	3,537
9	Gujarat Gas	Sell	362	508
10	Gujarat State Petronet	Hold	351	359
11	Hindustan Petroleum Corporation	Hold	373	353
12	Indian Oil Corporation	Hold	124	123
13	Indraprastha Gas	Sell	300	383
14	Jubilant Ingrevia	Hold	680	660
15	Laxmi Organic Industries	Hold	237	226
16	Mahanagar Gas	Accumulate	1,412	1,267
17	Mangalore Refinery & Petrochemicals	Accumulate	168	145
18	Navin Fluorine International	Accumulate	3,672	3,478
19	NOCIL	Reduce	226	247
20	Oil & Natural Gas Corporation	BUY	300	260
21	Oil India	BUY	714	465
22	Petronet LNG	Reduce	276	291
23	Reliance Industries	Accumulate	1,472	1,266
24	SRF	Reduce	2,018	2,308
25	Vinati Organics	Accumulate	1,925	1,707

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. Swarnendu Bhushan- IIT, MBA Finance, Mr. Saurabh Ahire- MBA, 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. Swarnendu Bhushan- IIT, MBA Finance, Mr. Saurabh Ahire- MBA, 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.

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