

May 26, 2025

Q4FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
Rating	BUY		BUY	
Target Price	1,725		1,785	
Sales (Rs. m)	18,013	21,434	17,629	21,528
% Chng.	2.2	(0.4)		
EBITDA (Rs. m)	5,906	7,135	5,928	7,198
% Chng.	(0.4)	(0.9)		
EPS (Rs.)	29.4	37.8	30.8	38.8
% Chng.	(4.7)	(2.8)		

Key Financials - Consolidated

Y/e Mar	FY24	FY25	FY26E	FY27E
Sales (Rs. m)	12,969	15,158	18,013	21,434
EBITDA (Rs. m)	4,289	4,898	5,906	7,135
Margin (%)	33.1	32.3	32.8	33.3
PAT (Rs. m)	2,170	2,434	2,983	3,836
EPS (Rs.)	21.4	24.0	29.4	37.8
Gr. (%)	2.9	12.1	22.6	28.6
DPS (Rs.)	3.5	3.5	4.6	5.8
Yield (%)	0.3	0.3	0.3	0.4
RoE (%)	18.7	17.8	18.7	20.4
RoCE (%)	17.3	16.5	17.1	18.2
EV/Sales (x)	10.5	9.0	7.4	6.1
EV/EBITDA (x)	31.6	27.9	22.7	18.3
PE (x)	63.5	56.6	46.2	35.9
P/BV (x)	10.9	9.4	8.0	6.7

Key Data RAIB.BO | RAINBOW IN

52-W High / Low	Rs.1,710 / Rs.1,079
Sensex / Nifty	82,176 / 25,001
Market Cap	Rs.138bn/ \$ 1,620m
Shares Outstanding	102m
3M Avg. Daily Value	Rs.360.58m

Shareholding Pattern (%)

Promoter's	49.85
Foreign	23.69
Domestic Institution	15.33
Public & Others	11.13
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(2.8)	(17.4)	9.0
Relative	(6.3)	(19.6)	0.1

Param Desai

paramdesai@plindia.com | 91-22-66322259

Sanketa Kohale

sanketakahale@plindia.com | 91-22-66322426

EBITDA miss due to weaker occupancy

Quick Pointers:

- EBITDA loss of Rs120-130mn reported across 3 new units in FY25
- Bed expansion of 1,000 planned over FY25-28E; 780 beds already announced

RAINBOW's Q4FY25 consolidated EBITDA grew by 9% YoY (down 15% QoQ) to Rs1.15bn, but 5% below our estimates due to weaker occupancy. RAINBOW enjoys higher margins, strong FCF generation with net cash B/S, and healthy return ratios because of the asset-light hub-and-spoke model, it being the only integrated multi-specialty pediatric hospital chain in India offering comprehensive services, and its full-time doctor engagement model. Strategic expansion across its core markets in South India also augurs well for its sustainable growth. Our FY26E and FY27E EBITDA estimates broadly remain unchanged, while PAT stands reduced by 3-5%. Overall, we see 22% EBITDA/26% PAT CAGR over FY25-27E with healthy RoE/RoCE of ~21%/25%. Maintain 'Buy' rating with TP of Rs1,725/share valuing at 27x EV/EBITDA based on pre-IndAS FY27E EBITDA.

- EBITDA miss:** RAINBOW reported EBITDA of Rs1.15bn, 5% below our estimates. Margins were flat YoY at 31% (down ~280bps QoQ), on account of seasonal weakness in Pediatrics and losses from new units. Pre-IndAS EBITDA came in at Rs923mn, up 8% YoY. OPM stood at 24.9%, flat YoY. Adj PAT increased 11% YoY to Rs566mn.
- Lower occupancy due to seasonality; higher ARPOB:** Revenue grew 9% YoY to Rs3.7bn, vs our estimates of Rs3.8bn. ARPOB increased 7% YoY to Rs58.1k per day aided by better case mix and reduction in ALOS from 2.84 days in Q4FY24 to 2.77 days. FY25 ARPOB was at Rs54k per day, down 3% YoY impacted by case mix. Average occupancy for Q4FY25 decreased by 200bps YoY (670bps QoQ) to 46.5% due to seasonality. Occupancy of mature units declined by 510bps YoY to 52%, while that of new units improved by 590bps YoY to 36%. IP and OP volumes improved 4% and 3% YoY, respectively.
- Key con-call takeaways: (1) Bed expansion** – Total 250 beds will be added in FY26. 100 beds in Rajahmundry, AP, are expected to be commissioned in Q1FY26, and 90 beds in Electronic City & 60 beds in Hennur, Bengaluru, are likely to be operationalized by Q2FY26 end. 130 beds in Coimbatore are expected to commence operations by Q4FY27 end. Project work in Gurugram (Sector 56 & 44) is in full swing with the hybrid steel-column structure targeted to be commissioned in Oct–Nov'27. **(2) Capex** – Capex stood at Rs437mn in Q4 and Rs1.5bn in FY25. The management reiterated capex guidance at Rs6.5bn for the next 3 years. **(3) Mature hospitals** are expected to grow at **8–10%** annually with strong margins and pricing power. Total 124 beds (100 beds at Rainbow Children's Heart Institute & 24 beds at Rosewalk Hospital) will be moved from new to mature hospitals category by FY26 end. **(4) EBITDA loss** from 3 new hospitals in FY25 was at Rs120–130mn, with Hyderabad unit having achieved break-even, Bengaluru nearing break-even and Chennai slightly behind the schedule due to higher capex and talent

onboarding challenges, but expected to break even in FY26, resulting in neutral EBITDA contribution. **(5) Pre-IndAS margin guidance** stands at +25% for FY26 with the management aiming to reach 26–26.5% subject to occupancy and ARPP ramp-up. **(6) International revenue** decreased to Rs307mn in FY25 from Rs440mn in FY24, due to reduced medical travel from Bangladesh, Oman, Kenya and Sudan. **(7) IVF units** contributed 2.6% of FY25 revenue. **(8) RAINBOW** had Rs7bn of cash in hand as of Mar'25. **(9) 70+** doctors have been recruited in FY25 across the network and specialties, including surgery, neonatology and pediatrics. Doctor recruitment is nearly completed in case of Rajahmundry hospital, whereas it is underway for Electronic City & Hennur units.

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

Y/e March	4QFY25	4QFY24	YoY gr. (%)	3QFY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
Net Sales	3,701	3,411	8.5	3,981	(7.0)	15,158	12,969	16.9
COGS	470	419	12.2	537	(12.4)	1,949	1,653	17.9
<i>% of Net Sales</i>	<i>12.7</i>	<i>12.3</i>		<i>13.5</i>		<i>12.9</i>	<i>12.7</i>	
Employee Cost	543	484	12.2	493	10.2	2,064	1,762	17.1
<i>% of Net Sales</i>	<i>14.7</i>	<i>14.2</i>		<i>12.4</i>		<i>21.6</i>	<i>18.4</i>	
Other Expenses	1,540	1,452	6.1	1,607	(4.1)	6,247	5,266	18.6
<i>% of Net Sales</i>	<i>41.6</i>	<i>42.6</i>		<i>40.4</i>		<i>65.4</i>	<i>55.1</i>	
Total	2,554	2,356	8.4	2,637	(3.2)	10,260	8,680	18.2
EBITDA	1,147	1,055	8.7	1,344	(14.6)	4,898	4,289	14.2
<i>Margins (%)</i>	<i>31.0</i>	<i>30.9</i>		<i>33.8</i>		<i>32.3</i>	<i>33.1</i>	
Other Income	145	128	13.7	133	9.4	510	371	37.6
Interest	181	168	7.6	181	0.3	725	591	22.7
Depreciation	342	323	5.8	352	(3.0)	1,384	1,121	23.5
PBT	770	692	11.3	943	(18.4)	3,299	2,948	11.9
Tax	204	181	12.7	254	(19.6)	858	765	12.1
<i>Tax rate %</i>	<i>26.5</i>	<i>26.2</i>		<i>26.9</i>		<i>26.0</i>	<i>26.0</i>	
PAT	566	511	10.7	689	(18.0)	2,442	2,183	11.9
Extraordinary items	-	-	NA	-	NA	-	-	NA
Minority Interest	2	1		3		8	13	(37.6)
Reported PAT	563	510	10.5	687	(18.0)	2,434	2,170	12.1

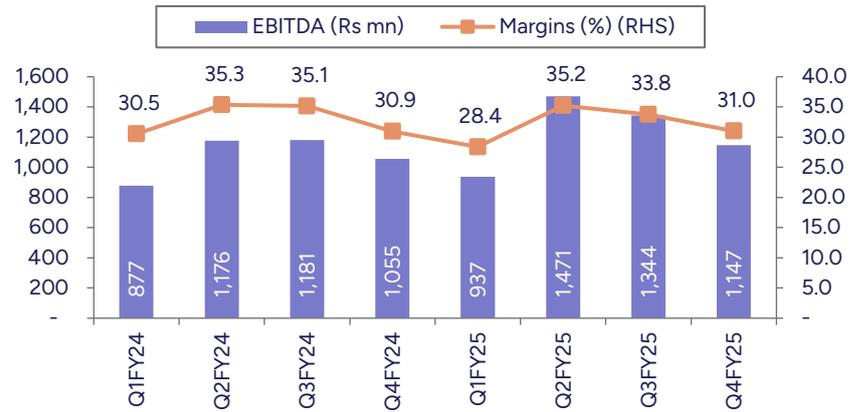
Source: Company, PL

Exhibit 2: New units ramping up well with ~39% YoY growth for FY25

	4QFY25	4QFY24	YoY gr. (%)	3QFY25	QoQ gr. (%)	FY25	FY24	YoY gr. (%)
Matured Hospitals								
Operating beds	1,001	972		1,001		1,523	1,427	
ARPOB	60,052	55,367	8.5	55,536	8.1	55,679	56,806	(2.0)
Occupancy (%)	52.2	57.3		60.3		57.8	54.5	
Revenues (in mn)	2,863	2,814	1.8	3,059	(6.4)	11,764	10,495	12.1
New Hospitals								
Operating beds	522	455		522		522	364	
ARPOB	52,451	49,320	6.3	47,181	11.2	48,751	51,347	(5.1)
Occupancy (%)	35.6	29.7		39.6		36.5	30.5	
Revenues (in mn)	889	608	46.2	890	(0.1)	3,392	2,439	39.1

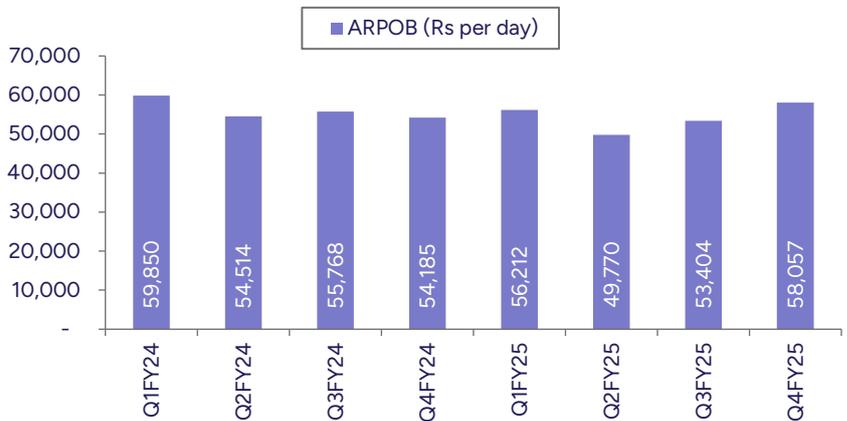
Source: Company, PL

Exhibit 3: Margins decline QoQ due to seasonality & losses from new units in Q4



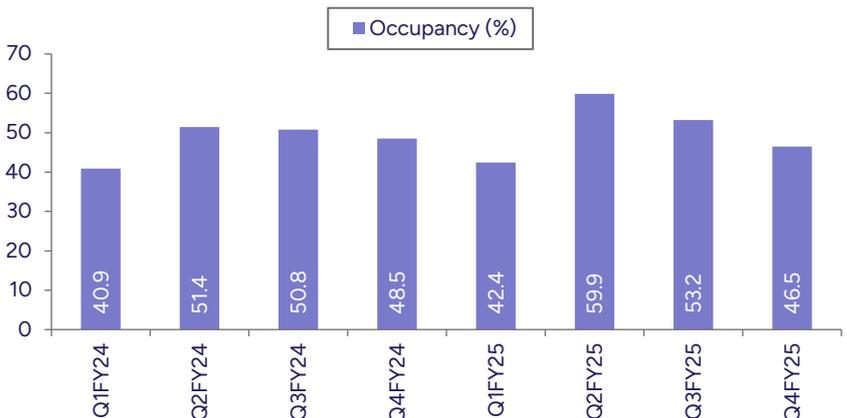
Source: Company, PL

Exhibit 4: Higher ARPOB due to reduced ALOS and case mix



Source: Company, PL

Exhibit 5: Occupancy declines by 200bps YoY



Source: Company, PL

Exhibit 6: Inpatient volumes grow ~4% YoY



Source: Company, PL

Exhibit 7: Outpatient volumes grow 3% YoY



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Net Revenues	12,969	15,158	18,013	21,434
YoY gr. (%)	10.5	16.9	18.8	19.0
Cost of Goods Sold	1,653	1,949	2,432	2,894
Gross Profit	11,316	13,209	15,582	18,540
Margin (%)	87.3	87.1	86.5	86.5
Employee Cost	1,762	2,064	2,414	2,825
Other Expenses	5,266	6,247	7,261	8,580
EBITDA	4,289	4,898	5,906	7,135
YoY gr. (%)	8.2	14.2	20.6	20.8
Margin (%)	33.1	32.3	32.8	33.3
Depreciation and Amortization	1,121	1,384	1,720	1,932
EBIT	3,168	3,514	4,185	5,203
Margin (%)	24.4	23.2	23.2	24.3
Net Interest	591	725	833	888
Other Income	371	510	699	896
Profit Before Tax	2,948	3,299	4,052	5,211
Margin (%)	22.7	21.8	22.5	24.3
Total Tax	765	858	1,053	1,355
Effective tax rate (%)	26.0	26.0	26.0	26.0
Profit after tax	2,183	2,442	2,998	3,856
Minority interest	13	8	15	20
Share Profit from Associate	-	-	-	-
Adjusted PAT	2,170	2,434	2,983	3,836
YoY gr. (%)	2.9	12.1	22.6	28.6
Margin (%)	16.7	16.1	16.6	17.9
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	2,170	2,434	2,983	3,836
YoY gr. (%)	2.9	12.1	22.6	28.6
Margin (%)	16.7	16.1	16.6	17.9
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	2,170	2,434	2,983	3,836
Equity Shares O/s (m)	102	102	102	102
EPS (Rs)	21.4	24.0	29.4	37.8

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
Non-Current Assets				
Gross Block	15,977	18,759	22,177	24,510
Tangibles	15,875	18,649	22,067	24,400
Intangibles	102	110	110	110
Acc: Dep / Amortization	3,386	4,771	6,491	8,423
Tangibles	3,386	4,771	6,491	8,423
Intangibles	-	-	-	-
Net fixed assets	12,591	13,988	15,686	16,087
Tangibles	12,489	13,878	15,576	15,977
Intangibles	102	110	110	110
Capital Work In Progress	138	278	278	278
Goodwill	-	-	-	-
Non-Current Investments	3,672	6,325	6,325	6,325
Net Deferred tax assets	260	296	296	296
Other Non-Current Assets	1,902	370	370	370
Current Assets				
Investments	-	-	-	-
Inventories	240	276	345	411
Trade receivables	704	773	987	1,174
Cash & Bank Balance	2,051	1,257	3,780	7,197
Other Current Assets	146	177	178	230
Total Assets	21,704	23,770	28,275	32,398
Equity				
Equity Share Capital	1,015	1,016	1,016	1,016
Other Equity	11,574	13,666	16,179	19,426
Total Networkth	12,589	14,682	17,194	20,442
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	815	910	1,086	1,292
Other current liabilities	587	474	487	502
Total Equity & Liabilities	21,704	23,770	28,275	32,398

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY24	FY25	FY26E	FY27E
PBT	2,948	3,299	4,052	5,211
Add. Depreciation	1,121	1,384	1,720	1,932
Add. Interest	591	725	833	888
Less Financial Other Income	371	510	699	896
Add. Other	(369)	(588)	-	-
Op. profit before WC changes	4,291	4,820	6,605	8,031
Net Changes-WC	(190)	(8)	(108)	(47)
Direct tax	(886)	(856)	(1,053)	(1,355)
Net cash from Op. activities	3,214	3,957	5,444	6,629
Capital expenditures	(3,534)	(1,456)	(2,088)	(2,193)
Interest / Dividend Income	306	300	-	-
Others	963	(1,523)	-	-
Net Cash from Inv. activities	(2,265)	(2,678)	(2,088)	(2,193)
Issue of share cap. / premium	-	-	-	-
Debt changes	(725)	(873)	(852)	(878)
Dividend paid	(308)	(305)	(471)	(589)
Interest paid	-	-	-	-
Others	30	-	490	447
Net cash from Fin. activities	(1,003)	(1,178)	(833)	(1,019)
Net change in cash	(53)	101	2,523	3,417
Free Cash Flow	(321)	2,500	3,356	4,437

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY24	FY25	FY26E	FY27E
Per Share(Rs)				
EPS	21.4	24.0	29.4	37.8
CEPS	32.4	37.6	46.3	56.8
BVPS	124.0	144.6	169.3	201.3
FCF	(3.2)	24.6	33.0	43.7
DPS	3.5	3.5	4.6	5.8
Return Ratio(%)				
RoCE	17.3	16.5	17.1	18.2
ROIC	16.1	15.6	17.1	20.6
RoE	18.7	17.8	18.7	20.4
Balance Sheet				
Net Debt : Equity (x)	(0.2)	(0.1)	(0.2)	(0.4)
Net Working Capital (Days)	4	3	5	5
Valuation(x)				
PER	63.5	56.6	46.2	35.9
P/B	10.9	9.4	8.0	6.7
P/CEPS	41.9	36.1	29.3	23.9
EV/EBITDA	31.6	27.9	22.7	18.3
EV/Sales	10.5	9.0	7.4	6.1
Dividend Yield (%)	0.3	0.3	0.3	0.4

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Net Revenue	3,302	4,175	3,981	3,700
YoY gr. (%)	15.0	25.5	18.5	8.5
Raw Material Expenses	425	517	537	470
Gross Profit	2,877	3,658	3,444	3,230
Margin (%)	87.1	87.6	86.5	87.3
EBITDA	937	1,471	1,344	1,147
YoY gr. (%)	6.9	25.1	13.8	8.6
Margin (%)	28.4	35.2	33.8	31.0
Depreciation / Depletion	341	349	352	342
EBIT	596	1,122	991	805
Margin (%)	18.0	26.9	24.9	21.8
Net Interest	182	181	181	181
Other Income	119	113	133	145
Profit before Tax	534	1,054	943	769
Margin (%)	16.2	25.2	23.7	20.8
Total Tax	136	263	254	204
Effective tax rate (%)	25.5	25.0	26.9	26.5
Profit after Tax	397	790	689	565
Minority interest	2	1	3	2
Share Profit from Associates	-	-	-	-
Adjusted PAT	395	789	687	563
YoY gr. (%)	(3.6)	25.4	10.6	10.4
Margin (%)	12.0	18.9	17.3	15.2
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	395	789	687	563
YoY gr. (%)	(3.6)	25.4	10.6	10.4
Margin (%)	12.0	18.9	17.3	15.2
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	395	789	687	563
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	-	-	-	-

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Apr-25	BUY	1,785	1,406
2	10-Feb-25	BUY	1,785	1,369
3	13-Jan-25	BUY	1,785	1,552

Analyst Coverage Universe

Sr. No.	Company Name	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	1,510	1,097
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	555	523
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	1,560	1,644
18	Rainbow Children's Medicare	BUY	1,785	1,406
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