Tata Motors (TTMT IN)

Now time for big Cat (Jaguar) to roar!

INDIA | AUTOMOBILES| Company Update

12 February 2015

Tata Motors stock price has corrected ~10% after 3Q results on management guidance of decline in JLR EBITDA margin due to bunch-up of upcoming launch costs, fixed cost addition on new plants and new China financial reporting structure (below EBITDA as profit from JV). Leaving aside the debate on EBITDA margin (%), we dug deeper into upcoming product/variant launches plans of both JLR to ascertain top-line and EBITDA growth. With volume ramp-up from new model/variants, we expect JLR to deliver EBITDA and PAT growth of ~20% despite 150bp margin slippage. We believe domestic business is on the cusp of turnaround with acceleration in M&HCV volume, LCV volume bottoming-out, good traction of new PV launches and end of financing related write-downs. Maintain BUY with a revised TP of Rs675 (earlier Rs550) as we roll forward to FY17E.

Impact of new JLR launches – Jaguar volume to grow 3x by FY17E. With launch of XE (May), XF (November) and Jaguar Crossover (2016), we expect Jaguar volume to grow ~3x to ~260k units by FY17E. Our volume confidence on these new launches is supported by all new lightweight aluminum architecture, introduction of 2ltr engine, better fuel/emission standards and strong product reviews. In addition, new Discovery Sports, 2tr engine and Coupe variant launch in Evoque will keep Land Rover growth momentum intact (~15% CAGR). Impact of low engine size (2ltr) on volume can be gauged from 35% growth in Volvo XC60 in 2014 after 2ltr diesel engine option despite being a 7-yr old model. Thus, our JLR FY16/FY17 volume assumptions of 635k/789k units have more upside than downside risk.

JLR margin concern overdone – 17% EBITDA margins are good enough. We believe concern on EBITDA margin going down by 150-200bp from all-time high of ~19.5% in YTD'FY15 are uncalled for as hedging gains led ~80bp margin addition in 1H'15. Thus, we believe sustainability of peak margins are too much to ask from a global operation fragile with region specific issues and wild currency movements. Also, change in China reporting structure below EBITDA is just an accounting change and wouldn't impact overall profitability despite profit sharing to JV partners. Since ~60% components for China JV is likely to be supply by JLR along with royalty payout, we believe JLR margin to positively surprise.

Domestic business – Signs of improvement, but major turnaround in FY17E. With gradual improvement in M&HCV volume, end of LCV pains in 1H'FY16E and decent traction of domestic PV business with two new launches (Zest & Bolt), we expect standalone business to turn profitable at PAT levels in FY16. However, we expect major turnaround in financial performance to happen in FY17E as write-downs related to vehicle financing arms go away. We are building in standalone EBITDA margin of 5.8%/6.4% in FY16/FY17E respectively and chances of positive margin surprise in FY17E is significantly high, in our view.

- Two new passenger vehicle launches in 2015 with one small car (competitor to Alto) and another compact SUV (competitor to Duster/EcoSports). Company intends to keep PV product momentum with 2 new launches each year up to 2020.
- Launch of Winger/Venture/Pick-up replacement in 2015 to improve competitiveness vis-à-vis Force Motors and M&M models in respective segments.

Maintain BUY: We maintain our FY16 estimates and introduce FY17E in our model. For JLR we build a volume growth of 31%/24% along with EBITDA margins of 17.4%/17% in FY16/FY17E. We raise our SOTP based target price upwards to Rs675 from Rs550 earlier as we roll forward to FY17E multiples. Since the stock is trading at ~7x FY17E, cheapest in the Indian auto OEM space. We believe concerns are overdone as has been in the past like company guiding for negative free cash flow at JLR but eventually reporting much higher free cash flow (>GBP600mn) in FY14/FY15. Maintain **BUY** with a revised TP of Rs675.

BUY (Maintain)

CMP RS 559

TARGET RS 675 (+21%)

COMPANY DATA

O/S SHARES (MN) :	2694
MARKET CAP (RSBN) :	1507
MARKET CAP (USDBN) :	24.2
52 - WK HI/LO (RS) :	612 / 371
LIQUIDITY 3M (USDMN) :	45.5
PAR VALUE (RS) :	2

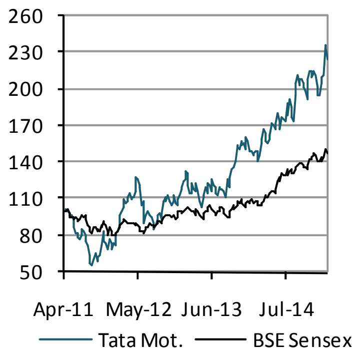
SHARE HOLDING PATTERN, %

PROMOTERS :	34.3
FII / NRI :	47.8
FI / MF :	10.9
NON PROMOTER CORP. HOLDINGS :	0.4
PUBLIC & OTHERS :	6.5

PRICE PERFORMANCE, %

	1MTH	3MTH	1YR
ABS	7.0	7.1	49.2
REL TO BSE	3.1	4.9	9.1

PRICE VS. SENSEX



Source: Phillip Capital India Research

KEY FINANCIALS

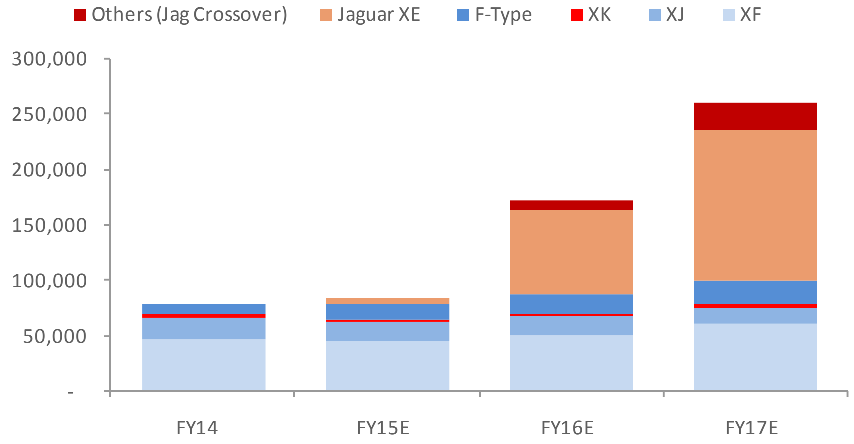
Rs bn	FY15E	FY16E	FY17E
Net Sales	2,379	2,839	3,575
EBIDTA	364	498	590
Net Profit	139	217	259
EPS, Rs	43.2	67.5	80.4
PER, x	12.9	8.3	6.9
EV/EBIDTA, x	6.3	4.7	3.9
P/BV, x	2.3	1.8	1.4
ROE, %	17.7	21.7	20.6
Debt/Equity (%)	87.7	75.9	66.0

Source: PhillipCapital India Research Est.

Dhawal Doshi (+ 9122 6667 9969)

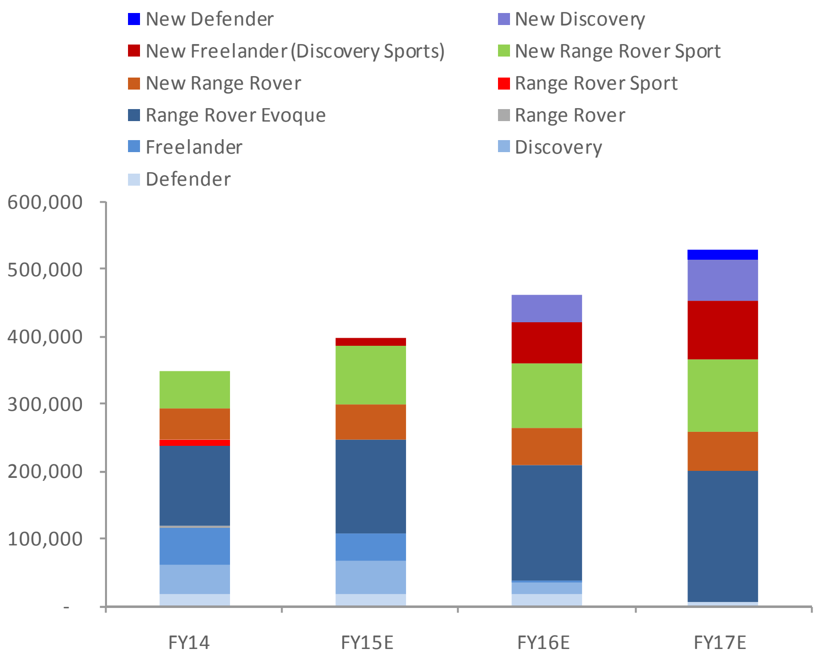
Priya Ranjan (+ 9122 6667 9965)

Jaguar volume – Expect to reach ~260k by FY17E



Source: Company, PhillipCapital India Research

Land Rover volume –Expect 15% CAGR over next two years



Source: Company, PhillipCapital India Research

Key JLR assumptions

JLR (GBP mn)	FY15E	FY16E	FY17E
Total volume	483,249	635,060	788,962
Revenue	22,883	29,170	35,786
EBITDA	4,298	5,089	6,042
EBITDA Margin (%)	***18.8***	***17.4***	***17.0***
PAT	2,413	2,921	3,587

Key standalone business assumptions

Standalone (Rs mn)	FY15E	FY16E	FY17E
Total volume	501,638	634,537	743,326
Revenue	368,315	465,868	559,469
EBITDA	(12,201)	27,225	35,869
EBITDA Margin (%)	***(3.3)***	***5.8***	***6.4***
PAT	(22,618)	7,058	15,579

Source: Company, PhillipCapital India Research

SOTP

Particulars	Value (INR)	Methodology
Tata Motors Standalone	112	10x FY17E EV/EBITDA
JLR	593	4.5x FY17E EV/EBITDA
Tata Motors Subsidiaries	23	Valuation of top 6 subsidiaries
Net Automotive Debt	(53)	Net Automotive Debt
Net value	**675**	
Tata Motors Standalone	**Value (INR)**	**Methodology**
FY17E EBITDA	35,869	Estimated EBITDA margin of 6.4% in FY17
Multiple	10.0	Inline with historical valuations
EV	358,690	
Net debt	170,882	Excluding debt for vehicle financing
Equity value	187,808	
Value per share	**112**	
JLR	**Value (INR)**	**Methodology**
FY17E EBITDA	508,937	Without any charge for R&D amortisation
Less: R&D expenses capitalised	(85,000)	GBP 850mn R&D expenses capitalised every year.
Adjusted EBITDA	423,937	
Multiple (x)	4.5	Inline with global peers
EV	1,907,716	
Value per share	**593**	

Source: Company, PhillipCapital India Research

Financials

Income Statement

Y/E Mar, Rs mn	FY14	FY15e	FY16e	FY17e
Net sales	**2,306,771**	**2,379,230**	**2,838,955**	**3,575,221**
Growth, %	23	3	19	26
Other income	21,566	11,665	11,865	12,075
Total income	2,328,337	2,390,895	2,850,820	3,587,296
Raw material expenses	-1,435,864	-1,495,748	-1,755,590	-2,217,036
Employee expenses	-215,564	-218,397	-261,513	-317,305
Other Operating expenses	-302,879	-312,893	-336,073	-463,009
EBITDA (Core)	**374,029**	**363,857**	**497,645**	**589,946**
Growth, %	40.8	(2.7)	36.8	18.5
Margin, %	16.2	15.3	17.5	16.5
Depreciation	-110,782	-149,428	-176,157	-213,207
EBIT	**263,248**	**214,429**	**321,488**	**376,740**
Growth, %	38.6	(18.5)	49.9	17.2
Margin, %	11.4	9.0	11.3	10.5
Interest paid	-47,338	-42,328	-47,140	-51,690
Other Non-Operating Income	8,286	13,039	13,682	17,988
Non-recurring Items	0	0	0	0
Pre-tax profit	**198,544**	**185,140**	**288,030**	**343,038**
Tax provided	-47,648	-44,434	-69,127	-82,329
Profit after tax	**150,896**	**140,707**	**218,903**	**260,709**
Others (Minorities, Associates)	-595	-982	-1,088	-1,206
Net Profit	**149,764**	**139,188**	**217,278**	**258,966**
Growth, %	41.4	(0.5)	56.1	19.2
Net Profit (adjusted)	**140**	**139**	**217**	**259**
Unadj. shares (m)	3,219	3,219	3,219	3,219
Wtd avg shares (m)	3,219	3,219	3,219	3,219

Balance Sheet

Y/E Mar, Rs mn	FY14	FY15e	FY16e	FY17e
Cash & bank	297,118	206,446	233,883	352,481
Debtors	105,742	117,332	140,003	176,312
Inventory	272,709	260,738	311,118	391,805
Loans & advances	217,548	236,958	259,475	285,594
Other current assets	152,987	152,987	152,987	152,987
Total current assets	1,046,103	974,460	1,097,466	1,359,178
Investments	106,867	156,867	206,867	256,867
Gross fixed assets	1,379,071	1,709,071	2,099,071	2,489,071
Less: Depreciation	-688,154	-837,582	-1,013,739	-1,226,946
Add: Capital WIP	332,626	332,626	332,626	332,626
Net fixed assets	1,023,542	1,204,114	1,417,957	1,594,750
Total assets	**2,176,512**	**2,335,441**	**2,722,290**	**3,210,796**
Current liabilities	715,986	664,304	765,066	926,439
Provisions	201,610	196,262	197,022	197,326
Total current liabilities	917,596	860,566	962,088	1,123,765
Non-current liabilities	604,414	682,482	752,482	822,482
Total liabilities	1,522,010	1,543,048	1,714,570	1,946,247
Paid-up capital	6,438	6,438	6,438	6,438
Reserves & surplus	643,858	780,767	995,005	1,250,628
Shareholders' equity	654,502	792,393	1,007,720	1,264,549
Total equity & liabilities	2,176,513	2,335,441	2,722,290	3,210,796
Cash & bank	**297,118**	**206,446**	**233,883**	**352,481**

Cash Flow

	FY14	FY15e	FY16e	FY17e
Pre-tax profit	198,544	185,140	288,030	343,038
Depreciation	110,782	149,428	176,157	213,207
Chg in working capital	22,944	-76,059	5,953	18,563
Total tax paid	-47,648	-44,434	-69,127	-82,329
Other operating activities	0	0	0	0
Cash flow from operating activities	284,621	214,076	401,013	492,478
Capital expenditure	-398,464	-330,000	-390,000	-390,000
Chg in investments	-16,290	-50,000	-50,000	-50,000
Cash flow from investing activities	-414,754	-380,000	-440,000	-440,000
Free cash flow	-130,132	-165,924	-38,987	52,478
Equity raised/(repaid)	130,421	-993	-1,297	-841
Debt raised/(repaid)	80,509	78,068	70,000	70,000
Dividend (incl. tax)	-1,791	-1,823	-2,279	-3,039
Cash flow from financing activities	206,270	75,252	66,424	66,120
Net chg in cash	76,137	-90,672	27,437	118,598

Valuation Ratios

	FY14	FY15e	FY16e	FY17e
Per Share data				
EPS (INR)	43.5	43.2	67.5	80.4
Growth, %	40.2	(0.5)	56.1	19.2
Book NAV/share (INR)	202.0	244.5	311.1	390.5
FDEPS (INR)	43.5	43.2	67.5	80.4
CEPS (INR)	77.9	89.7	122.2	146.7
CFPS (INR)	93.8	62.5	120.3	147.4
DPS (INR)	0.5	0.6	0.8	0.9
Return ratios				
Return on assets (%)	9.5	7.4	9.8	9.9
Return on equity (%)	21.5	17.7	21.7	20.6
Return on capital employed (%)	14.7	10.8	13.9	13.9
Turnover ratios				
Asset turnover (x)	2.6	2.0	2.0	2.2
Sales/Total assets (x)	1.2	1.1	1.1	1.2
Sales/Net FA (x)	2.6	2.1	2.2	2.4
Working capital days	1.8	13.4	10.5	6.4
Liquidity ratios				
Current ratio (x)	1.4	1.4	1.4	1.4
Quick ratio (x)	1.0	1.0	1.0	1.0
Interest cover (x)	5.6	5.1	6.8	7.3
Dividend cover (x)	90.6	72.1	84.4	91.4
Total debt/Equity (%)	94.1	87.7	75.9	66.0
Net debt/Equity (%)	48.4	61.5	52.6	38.0
Valuation				
PER (x)	12.8	12.9	8.3	6.9
Price/Book (x)	2.8	2.3	1.8	1.4
EV/Net sales (x)	0.9	1.0	0.8	0.6
EV/EBITDA (x)	5.6	6.3	4.7	3.9
EV/EBIT (x)	8.0	10.6	7.2	6.0

Source: Company, PhillipCapital India Research Estimates

Management

Vineet Bhatnagar (Managing Director)	(91 22) 2300 2999
Kinshuk Bharti Tiwari (Head – Institutional Equity)	(91 22) 6667 9946
Jignesh Shah (Head – Equity Derivatives)	(91 22) 6667 9735

Research

Automobiles
Dhawal Doshi (9122) 6667 9769
Priya Ranjan (9122) 6667 9965

Banking, NBFCs
Manish Agarwalla (9122) 6667 9962
Pradeep Agrawal (9122) 6667 9953
Paresh Jain (9122) 6667 9948

Consumer, Media, Telecom
Naveen Kulkarni, CFA, FRM (9122) 6667 9947
Jubil Jain (9122) 6667 9766
Manoj Behera (9122) 6667 9973

Cement
Vaibhav Agarwal (9122) 6667 9967

Economics
Anjali Verma (9122) 6667 9969

Engineering, Capital Goods
Ankur Sharma (9122) 6667 9759
Hrishikesh Bhagat (9122) 6667 9986

Infrastructure & IT Services
Vibhor Singhal (9122) 6667 9949
Deepan Kapadia (9122) 6667 9992

Midcap
Vikram Suryavanshi (9122) 6667 9951

Metals
Dhawal Doshi (9122) 6667 9769
Ankit Gor (9122) 6667 9987

Oil&Gas, Agri Inputs
Gauri Anand (9122) 6667 9943
Deepak Pareek (9122) 6667 9950

Pharma
Surya Patra (9122) 6667 9768
Mehul Sheth (9122) 6667 9996

Retail, Real Estate
Abhishek Ranganathan, CFA (9122) 6667 9952

Portfolio Strategy
Anindya Bhowmik (9122) 6667 9764

Technicals
Subodh Gupta, CMT (9122) 6667 9762

Production Manager
Ganesh Deorukhkar (9122) 6667 9966

Sr. Manager – Equities Support
Rosie Ferns (9122) 6667 9971

Sales & Distribution

Ashvin Patil (9122) 6667 9991
Shubhangi Agrawal (9122) 6667 9964
Kishor Binwal (9122) 6667 9989
Sidharth Agrawal (9122) 6667 9934
Bhavin Shah (9122) 6667 9974

Sales Trader
Dilesh Doshi (9122) 6667 9747
Suniil Pandit (9122) 6667 9745

Execution
Mayur Shah (9122) 6667 9945

Corporate Communications

Zarine Damania (9122) 6667 9976

Contact Information (Regional Member Companies)

SINGAPORE
Phillip Securities Pte Ltd
250 North Bridge Road, #06-00 Raffles City Tower,
Singapore 179101
Tel : (65) 6533 6001 Fax: (65) 6535 3834
www.phillip.com.sg

MALAYSIA
Phillip Capital Management Sdn Bhd
B-3-6 Block B Level 3, Megan Avenue II,
No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur
Tel (60) 3 2162 8841 Fax (60) 3 2166 5099
www.poems.com.my

HONG KONG
Phillip Securities (HK) Ltd
11/F United Centre 95 Queensway Hong Kong
Tel (852) 2277 6600 Fax: (852) 2868 5307
www.phillip.com.hk

JAPAN
Phillip Securities Japan, Ltd
4-2 Nihonbashi Kabutocho, Chuo-ku
Tokyo 103-0026
Tel: (81) 3 3666 2101 Fax: (81) 3 3664 0141
www.phillip.co.jp

INDONESIA
PT Phillip Securities Indonesia
ANZ Tower Level 23B, Jl Jend Sudirman Kav 33A,
Jakarta 10220, Indonesia
Tel (62) 21 5790 0800 Fax: (62) 21 5790 0809
www.phillip.co.id

CHINA
Phillip Financial Advisory (Shanghai) Co. Ltd.
No 550 Yan An East Road, Ocean Tower Unit 2318
Shanghai 200 001
Tel (86) 21 5169 9200 Fax: (86) 21 6351 2940
www.phillip.com.cn

THAILAND
Phillip Securities (Thailand) Public Co. Ltd.
15th Floor, Vorawat Building, 849 Silom Road,
Silom, Bangrak, Bangkok 10500 Thailand
Tel (66) 2 2268 0999 Fax: (66) 2 2268 0921
www.phillip.co.th

FRANCE
King & Shaxson Capital Ltd.
3rd Floor, 35 Rue de la Bienfaisance
75008 Paris France
Tel (33) 1 4563 3100 Fax : (33) 1 4563 6017
www.kingandshaxson.com

UNITED KINGDOM
King & Shaxson Ltd.
6th Floor, Candlewick House, 120 Cannon Street
London, EC4N 6AS
Tel (44) 20 7929 5300 Fax: (44) 20 7283 6835
www.kingandshaxson.com

UNITED STATES
Phillip Futures Inc.
141 W Jackson Blvd Ste 3050
The Chicago Board of Trade Building
Chicago, IL 60604 USA
Tel (1) 312 356 9000 Fax: (1) 312 356 9005

AUSTRALIA
PhillipCapital Australia
Level 37, 530 Collins Street
Melbourne, Victoria 3000, Australia
Tel: (61) 3 9629 8380 Fax: (61) 3 9614 8309
www.phillipcapital.com.au

SRI LANKA
Asha Phillip Securities Limited
Level 4, Millennium House, 46/58 Navam Mawatha,
Colombo 2, Sri Lanka
Tel: (94) 11 2429 100 Fax: (94) 11 2429 199
www.ashaphillip.net/home.htm

INDIA
PhillipCapital (India) Private Limited
No. 1, 18th Floor, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel West, Mumbai 400013
Tel: (9122) 2300 2999 Fax: (9122) 6667 9955 www.phillipcapital.in

Disclosures and Disclaimers

PhillipCapital (India) Pvt. Ltd. has three independent equity research groups: Institutional Equities, Institutional Equity Derivatives and Private Client Group. This report has been prepared by Institutional Equities Group. The views and opinions expressed in this document may or may not match or may be contrary at times with the views, estimates, rating, target price of the other equity research groups of PhillipCapital (India) Pvt. Ltd.

This report is issued by PhillipCapital (India) Pvt. Ltd. which is regulated by SEBI. PhillipCapital (India) Pvt. Ltd. is a subsidiary of Phillip (Mauritius) Pvt. Ltd. References to "PCIPL" in this report shall mean PhillipCapital (India) Pvt. Ltd unless otherwise stated. This report is prepared and distributed by PCIPL for information purposes only and neither the information contained herein nor any opinion expressed should be construed or deemed to be construed as solicitation or as offering advice for the purposes of the purchase or sale of any security, investment or derivatives. The information and opinions contained in the Report were considered by PCIPL to be valid when published. The report also contains information provided to PCIPL by third parties. The source of such information will usually be disclosed in the report. Whilst PCIPL has taken all reasonable steps to ensure that this information is correct, PCIPL does not offer any warranty as to the accuracy or completeness of such information. Any person placing reliance on the report to undertake trading does so entirely at his or her own risk and PCIPL does not accept any liability as a result. Securities and Derivatives markets may be subject to rapid and unexpected price movements and past performance is not necessarily an indication to future performance.

This report does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors must undertake independent analysis with their own legal, tax and financial advisors and reach their own regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in this report and should understand that statements regarding future prospects may not be realized. In no circumstances it be used or considered as an offer to sell or a solicitation of any offer to buy or sell the Securities mentioned in it. The information contained in the research reports may have been taken from trade and statistical services and other sources, which we believe are reliable. PhillipCapital (India) Pvt. Ltd. or any of its group/associate/affiliate companies do not guarantee that such information is accurate or complete and it should not be relied upon as such. Any opinions expressed reflect judgments at this date and are subject to change without notice

Important: These disclosures and disclaimers must be read in conjunction with the research report of which it forms part. Receipt and use of the research report is subject to all aspects of these disclosures and disclaimers. Additional information about the issuers and securities discussed in this research report is available on request.

Certifications: The research analyst(s) who prepared this research report hereby certifies that the views expressed in this research report accurately reflect the research analyst's personal views about all of the subject issuers and/or securities, that the analyst have no known conflict of interest and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific views or recommendations contained in this research report. The Research Analyst certifies that he /she or his / her family members does not own the stock(s) covered in this research report.

Independence/Conflict: PhillipCapital (India) Pvt. Ltd. has not had an investment banking relationship with, and has not received any compensation for investment banking services from, the subject issuers in the past twelve (12) months, and PhillipCapital (India) Pvt. Ltd does not anticipate receiving or intend to seek compensation for investment banking services from the subject issuers in the next three (3) months. PhillipCapital (India) Pvt. Ltd is not a market maker in the securities mentioned in this research report, although it or its employees, directors, or affiliates may hold either long or short positions in such securities. PhillipCapital (India) Pvt. Ltd may not hold more than 1% of the shares of the company(ies) covered in this report.

Suitability and Risks: This research report is for informational purposes only and is not tailored to the specific investment objectives, financial situation or particular requirements of any individual recipient hereof. Certain securities may give rise to substantial risks and may not be suitable for certain investors. Each investor must make its own determination as to the appropriateness of any securities referred to in this research report based upon the legal, tax and accounting considerations applicable to such investor and its own investment objectives or strategy, its financial situation and its investing experience. The value of any security may be positively or adversely affected by changes in foreign exchange or interest rates, as well as by other financial, economic or political factors. Past performance is not necessarily indicative of future performance or results.

Sources, Completeness and Accuracy: The material herein is based upon information obtained from sources that PCIPL and the research analyst believe to be reliable, but neither PCIPL nor the research analyst represents or guarantees that the information contained herein is accurate or complete and it should not be relied upon as such. Opinions expressed herein are current opinions as of the date appearing on this material and are subject to change without notice. Furthermore, PCIPL is under no obligation to update or keep the information current.

Caution: Risk of loss in trading in can be substantial. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.

For U.S. persons only: This research report is a product of PhillipCapital (India) 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 PhillipCapital (India) 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, PhillipCapital (India) 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.

PhillipCapital (India) Pvt. Ltd.
Registered office: No. 1, 18th Floor, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel West, Mumbai 400013