Sharekhan by BNP PARIBAS

Powered by the Sharekhan 3R Research Philosophy

Stock Update | Result Update

# Laurus Labs Ltd

## Disappointing Q2; Medium-term outlook strong

| Pharmaceuticals | Sharekhan code: LAURUSLABS |
|---|---|
| Reco/View: Buy ↔ | CMP: Rs. 453 | Price Target: Rs. 600 ↓ |

↑ Upgrade ↔ Maintain ↓ Downgrade

**3R MATRIX**

| | + | = | - |
|---|---|---|---|
| Right Sector (RS) | ✓ | | |
| Right Quality (RQ) | ✓ | | |
| Right Valuation (RV) | ✓ | | |

\+ Positive = Neutral – Negative

**What has changed in 3R MATRIX**

| | Old | | New |
|---|---|---|---|
| RS | | ↔ | |
| RQ | | ↔ | |
| RV | | ↔ | |

**ESG Disclosure Score** NEW

ESG RISK RATING 43.39

Updated Oct 08, 2022

Severe Risk

| NEGL | LOW | MED | HIGH | SEVERE |
|---|---|---|---|---|
| 0-10 | 10-20 | 20-30 | 30-40 | 40+ |

Source: Morningstar

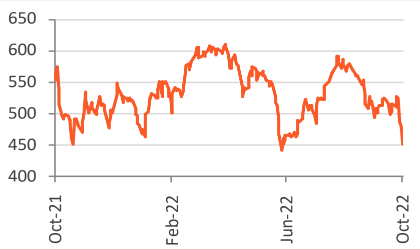
**Company details**

| | |
|---|---|
| Market cap: | Rs. 24,342 cr |
| 52-week high/low: | Rs. 626/433 |
| NSE volume: (No of shares) | 13.8 lakh |
| BSE code: | 540222 |
| NSE code: | LAURUSLABS |
| Free float: (No of shares) | 39.1 cr |

**Shareholding (%)**

| | |
|---|---|
| Promoters | 27.3 |
| FII | 24.6 |
| DII | 9.4 |
| Others | 38.7 |

**Price chart**




**Price performance**

| (%) | 1m | 3m | 6m | 12m |
|---|---|---|---|---|
| Absolute | -8.5 | -11.9 | -20.8 | -18.2 |
| Relative to Sensex | -12.7 | -18.5 | -24.6 | -15.9 |

*Sharekhan Research, Bloomberg*


**Summary**

- Laurus Labs Limited's (Laurus) Q2FY2023 performance was affected by weak ARV formulation (FDF) business performance due to lower volumes and adverse pricing in API/formulation, resulting in lower-than-expected revenue growth of 31% and EBIDTA margin standing flat at 28.5% due to unfavourable mix.
- Synthesis business was the highlight of the first half, with revenue growth of 3.7x; augmentation of R&D capacity and good demand will help in maintaining the momentum. Ability to weather pricing challenges and a slew of new launches will help ARV FDF business to quickly revive in the medium term.
- The company has lowered its revenue guidance to Rs. 65 bn from Rs. 72 bn earlier and expects EBIDTA margin to be at 30% in FY2023.
- The stock has corrected by ~14% post dismal Q2 performance and is currently trading at 23.2x/20.2x its FY2023E/FY2024E EPS. We retain Buy on Laurus with a revised PT of Rs. 600.


**Laurus Labs Limited (Laurus) posted below-par performance in Q2FY2023. The weak performance was on account of feeble ARV FDF (formulation) performance, which was affected by excess inventory-led depressed pricing and softening demand, resulting in lower sales volume (business fell 70% y-o-y). Overall, revenue and PAT grew by 31% and 15% y-o-y, respectively, which was below our as well as street's expectation during the quarter. Double-digit revenue growth can be attributed to strong 29% revenue growth in API sales and 4.6x growth in sales of the Synthesis (CDMO) business. Operating profit margin (OPM) stood almost flat at 28.5%, affected by unfavourable mix and lower pricing in the FDF business. This along with higher interest rate and tax incidence led to 15% y-o-y growth in Q2FY2023 PAT. The company's revenue and operating profit grew by 25% and 22%, respectively, in H1FY2023. The company lowered its revenue guidance to Rs. 65 bn from Rs. 72 bn earlier (90% of $1bn guidance earlier) due to weak performance of ARV FDF business, while OPM is expected to be at 30% in the medium term.**

**Key positives**

- The synthesis segment's sales staged an impressive 4.6x y-o-y growth to Rs. 720 crore, led by existing demand from new and existing clients.
- Other APIs (part of API business) registered healthy growth of 93% y-o-y in Q2 and 88% y-o-y in H1, following the new contract.

**Key negatives**

- ARV FDF sales decreased by 70% in Q2 impacted by lower volumes and pricing.
- Oncology revenues declined by 30% due to less offtake product and expected to recover in H2.

**Management Commentary**

- In view of below par performance of ARV FDF business performance (down 51% y-o-y) in H1FY2023 and current visibility of the key businesses the company has lowered its revenue guidance to Rs. 65 bn from Rs. 72 bn (i.e., US$ 1bn @ Rs. 72) earlier. It expects EBIDTA margin to be at 30% in the near term.
- In ARV FDF business, the company is expecting recovery from Q3FY2023, with demand in the developed market remaining stable with higher generic volumes. The company continues to remain calibrated in its bidding approach to ensure better profitability for the business. The company launched the lopinavir/ritonavir combination in the US in H1FY2023 and received USFDA approval for the abacavir/lamivudine combination in Q2FY2023, which is expected to be launched shortly. Additionally, the company is awaiting a few more product approvals, which should drive its growth in the coming years. With expected recovery in the ARV FDF business in H2FY2023, margin profile should also improve in H2FY2023.
- Laurus sees the synthesis business as a key growth driver and expects growth to be driven by client additions, increased business from existing clients, pipeline expansion, and capacity expansion coupled with a favourable demand environment. Share of revenue from the synthesis segment is expected to scale up substantially by FY2025.
- Laurus invested Rs. 416 crore in H1FY2023 on capex. The company has maintained its two years' guidance of investing around Rs. 2,000 crore across all the subsidiaries and divisions. In line with its focus on becoming an integrated pharma company, Laurus is investing in backward-integration programme and is creating more capacity. Further, additional investments are planned in the capacities of non-ARV spends.
- Effective tax rate for H1FY2023 is higher at 29% due to the change in SEZ profits exemption u/s 10AA to 50% from FY2023 for a period of five years, further evaluating to switch over to the composite rate.

**Revision in estimates –** We have revised downwards our earnings estimates for FY2023/FY2024 to factor in dismal operating performance in Q2FY2023, lower overall growth guidance by the company, and increased effective tax rate. We have introduced FY2025 earnings estimates through this note.

**Our Call**

**View – Retain Buy with a revised PT of Rs. 600:** During Q2FY2023, Laurus's performance was affected by dismal performance by the ARV FDF business, which also led to a decline in overall guidance for FY2023. However, encouraging growth prospects in key business verticals, which are well-supported by capacity expansion plans and a slew of new product launches, give visibility of good earnings growth in the medium term. The stock has corrected by 14% since the disappointing Q2 performance and is trading at 23.2x/20.2x its FY2023E/FY2024E earnings. We retain Buy on Laurus with a revised price target (PT) of Rs. 600.

**Key Risks**

Any delay in product approvals or any negative outcome of facility inspection by the USFDA can affect earnings prospects.

**Valuation (Consolidated)** Rs cr

| Particulars | FY21 | FY22 | FY23E | FY24E | FY25E |
|---|---|---|---|---|---|
| Sales | 4813.5 | 4935.6 | 6469.3 | 7242.7 | 8380.2 |
| OPM (%) | 32.2 | 28.8 | 29.0 | 30.3 | 30.5 |
| PAT | 983.9 | 832.2 | 1041.7 | 1196.5 | 1451.9 |
| EPS | 18.5 | 15.6 | 19.6 | 22.5 | 27.3 |
| P/E (x) | 24.5 | 29.0 | 23.2 | 20.2 | 16.6 |
| EV/EBIDTA (x) | 16.4 | 18.2 | 13.8 | 11.8 | 9.8 |
| ROE (%) | 37.9 | 24.8 | 23.7 | 21.4 | 20.6 |
| ROCE (%) | 32.2 | 21.6 | 23.6 | 22.9 | 24.2 |

*Source: Company; Sharekhan estimates*

### Disappointing Q2 - Revenue growth at 31% y-o-y; OPM down by 19 bps y-o-y

Laurus reported strong revenue growth of 30.9% y-o-y to Rs. 1,575.9 crore, driven by a 4.6x y-o-y jump in the Synthesis division's revenue to Rs. 720 crore, backed by business from existing customers and increased offtake. The FD segment's sales declined by 70% y-o-y Rs. 149 crore, impacted by softening demand and excess inventory-led depressed pricing. The API segment's sales grew by 29% y-o-y to Rs. 680 crore, aided by strong growth in the other API business and continued volume-based improvement in ARV APIs. OPM at 28.5% marginally declined by 19 bps y-o-y, mainly due to higher raw-material expenses. Operating profit grew by 30.1% y-o-y to Rs. 448.9 crore. Adjusted PAT grew by 14.6% y-o-y to Rs. 233.8 crore. For H1FY2023, revenue grew by 25.5% y-o-y to Rs. 3,114.8 crore, while PAT grew by 9.2% y-o-y to Rs. 486.3 crore. OPM declined by 84 bps y-o-y to 29%. R&D spends for H1FY2023 came in at Rs. 98 crore (3% of revenue) and increased by 8%. Capex incurred for H1FY2023 stood at Rs. 416 crore. The company declared an interim dividend of Rs. 0.8 per share for FY2023.

### Robust performance by the Synthesis segment

The synthesis segment's revenue grew by 4.6x y-o-y to Rs. 720 crore for Q2FY2023 and by 3.7x y-o-y to Rs. 1,297 crore in H1FY2023, led by accelerated demand from new and existing clients. A part of the growth can be attributed to ongoing execution of the purchase order. The company is working on 50 active projects at various stages of development (Phase I, II, and III + CMO) along with ongoing supplies for four commercial projects. Expansion in CDMO capability to include new opportunities and extended service offerings is on track with construction work already commenced for creating a new R&D centre (FY2024 completion) and three manufacturing units (FY2024/FY2025). The company expects growth in the synthesis segment to be driven by pipeline expansions, new client additions, favourable demand tailwinds, and pick up in nutraceutical and cosmeceutical areas.

### Strong double-digit growth in the API segment

The API segment's sales in Q2FY2023 grew by 29% y-o-y to Rs. 680 crore, while H1FY2023 revenue grew by 17% y-o-y to Rs. 1,263 crore, aided by new contract supplies within other APIs (93% y-o-y growth) and volume-based improvement in ARV APIs (20% y-o-y growth), which offset the decline in oncology due to less offtake of one key product (down by 30% y-o-y). Contribution of ARVs stood at 29% of sales for Q2FY2023, which is significantly lower than 42% in Q1FY2023. The company is building a portfolio of non-ARV APIs and has now filed 74 DMFs in the US to date. Overall, Laurus expects the ARV API segment's run-rate to normalise in FY2023 and sees the segment reviving, though the focus would be on non-ARV APIs for growth.

### Weak quarter for the formulations segment

The ARV FDF (formulation) segment reported revenue decline of 70%/51% y-o-y in Q2FY2023/H1FY2023 to Rs. 149/498 crore, respectively, mainly dragged by lower ARV business, which was impacted by lower volumes (due to weak procurement from global agencies) and lower pricing (excess inventory-led depressed pricing). Developed market growth remained stable with higher generic volumes. During H1FY2023, three product dossiers were filed in developed markets and a total of eight approvals were received (including Tentative). The company cumulatively filed 34 ANDAs in the US with 15 PARA IV filings and 11 FTF opportunities. Laurus developed a Novel Drug Delivery for pediatric use and expects to file NDA during Q3FY2023. The company inaugurated R&D lab for injectables in Q2 and brought Unit-2 brownfield capacity online during the quarter. Laurus expects 75% capacity utilisation from the new capacity by FY2023-end with higher utilisation for non-ARVs. Non-ARV formulations sales stood at Rs. 100 crore in 2QFY2023. By FY2024-end, Laurus expects most growth in formulations to be from non-ARV. The company would be launching two non-ARV formulations in EU in Q3FY2023 and one non-ARV formulation in the US in Q4FY2023.

### Laurus Bio to pick up momentum in the near term

Revenue from Laurus Bio stood at Rs. 27 crore in Q2FY2023, registering 4% y-o-y growth. In H1FY2023, revenue grew by 43% y-o-y to Rs. 57 crore. Demand outlook remains strong for Laurus Bio with scale, cost, and functionality being the core drivers for differentiation. The company expects fully operational benefits of new capacities to reflect through FY2023 and continues to focus on improving product offerings and go-to-market by leveraging the existing global partnership and chemistry skills. Laurus is evaluating a few land parcels for the creation of a new 1 million litre fermentation capacity. Overall, management eyes Laurus Bio's revenue to grow on a y-o-y basis for FY2023, but a meaningful contribution is expected in FY2025.

### R&D spends planned at 4% of revenue

For H1FY2023, the company has incurred Rs. 98 crore, or 3% of topline, as R&D investments. While for FY2022 and FY2021, the company had incurred 4% of sales towards R&D investments. Moreover, the company has a strong product pipeline for developed markets. Going ahead, the company plans to incur 4% of sales towards R&D expenses.

### Capex guidance retained at Rs. 2,000 crore over FY2023-FY2024

Capex in H1FY2023 was Rs. 416 crore and management has indicated that capex in H2FY2023 will be at similar level. The company has retained its capex guidance of Rs. 2,000 crore to be spent over FY2023-FY2024 with 50% to be spent on custom synthesis, while the remaining is expected to be spent on the non-ARV business (66% for non-ARV APIs and 33% on non-ARV formulations).

### Other key highlights

- **Revenue outlook for FY2023:** The company has lowered its earlier FY2023 sales guidance of Rs. 7,200 crore by 10% to Rs. 6,500 crore due to the impact on ARV formulations owing to high channel inventory, amid pricing headwinds, delay in new product approvals, and continued macroeconomic uncertainty.
- **Margin outlook for FY2023:** In Q2FY2023, gross margin declined by 63 bps y-o-y, while OPM declined by 19 bps y-o-y mainly due to adverse product mix and lower prices in the ARV segment. The company continues to guide for ~30% EBITDA margin in FY2023 despite growth projects in the non-ARV business with capex investments expected to remain at elevated levels, related operating expenses, and start-up cost for significant projects.
- **Long-term tenders to pick up momentum:** Long-term contracts are typically for three years with better pricing as compared to short-term contracts. In the past seven quarters, long-term contract-based sales were 75% for Laurus. However, in the past three quarters, long-term contract-based sales declined due to channel stocking. Management has indicated that long-term contracts will pick up momentum going ahead.
- **Expansion in specialty chemicals:** Management has indicated that the specialty chemicals business would be an adjacency to its existing business. It intends to make some chemicals, which it currently buys from third-party suppliers.
- **Higher tax rate:** Effective tax rate for H1FY2023 is higher at 29% due to the change in SEZ profits exemption to 50% from FY2023 for a period of five years. The company is further evaluating options to switch over to the composite rate.

**Results (Consolidated)** Rs cr

| Particulars | Q2FY23 | Q2FY22 | y-o-y % | Q1FY23 | q-o-q % |
|---|---|---|---|---|---|
| Total Sales | 1,575.9 | 1,203.5 | 30.9 | 1,538.9 | 2.4 |
| Expenditure | 1,127.0 | 858.4 | 31.3 | 1,084.8 | 3.9 |
| **Operating profit** | **448.9** | **345.1** | **30.1** | **454.2** | **-1.2** |
| Other income | 1.1 | 2.8 | -60.8 | 1.8 | -36.6 |
| **EBITDA** | **450.0** | **347.9** | **29.3** | **455.9** | **-1.3** |
| Interest | 40.1 | 22.1 | 81.2 | 29.3 | 37.1 |
| Depreciation | 81.8 | 63.2 | 29.5 | 70.8 | 15.6 |
| **PBT** | **328.1** | **262.6** | **24.9** | **355.9** | **-7.8** |
| Taxes | 94.3 | 58.6 | 60.8 | 103.3 | -8.8 |
| **Adjusted PAT** | **233.8** | **204.0** | **14.6** | **252.5** | **-7.4** |
| | | | **BPS** | | **BPS** |
| OPM % | 28.5 | 28.7 | -19 | 29.5 | -103 |
| Adj. PATM % | 14.8 | 16.9 | -211 | 16.4 | -157 |
| Tax Rate % | 28.7 | 22.3 | 640 | 29.0 | -30 |

*Source: Company, Sharekhan Research*

**Segment-wise performance**

| Segment | Q2FY23 | Q2FY22 | y-o-y % |
|---|---|---|---|
| Synthesis | 720 | 155 | 4.6x |
| API | 680 | 527 | 29 |
| Formulation | 149 | 495 | -70 |
| Laurus Bio | 27 | 26 | 4 |
| **Total** | **1,576** | **1,203** | **31** |

*Source: Company, Sharekhan Research*

## Outlook and Valuation

### ■ Sector view - Growth momentum to improve

Indian pharmaceutical companies are better placed to harness opportunities and report healthy growth going ahead. Indian companies are among the most competitive ones globally and hold a sizeable market share in most developed as well as other markets. Moreover, other factors such as easing of pricing pressures (especially in the US generics market), rise in product approvals and plant resolutions by the USFDA, strong growth prospects in domestic markets, and emerging opportunities in the API space would be key growth drivers. This would be complemented by strong capabilities developed by Indian companies (leading to a shift towards complex molecules and biosimilars) and commissioning of expanded capacities by select players over the medium term. Collectively, this indicates a strong growth potential going ahead for pharmaceutical companies.

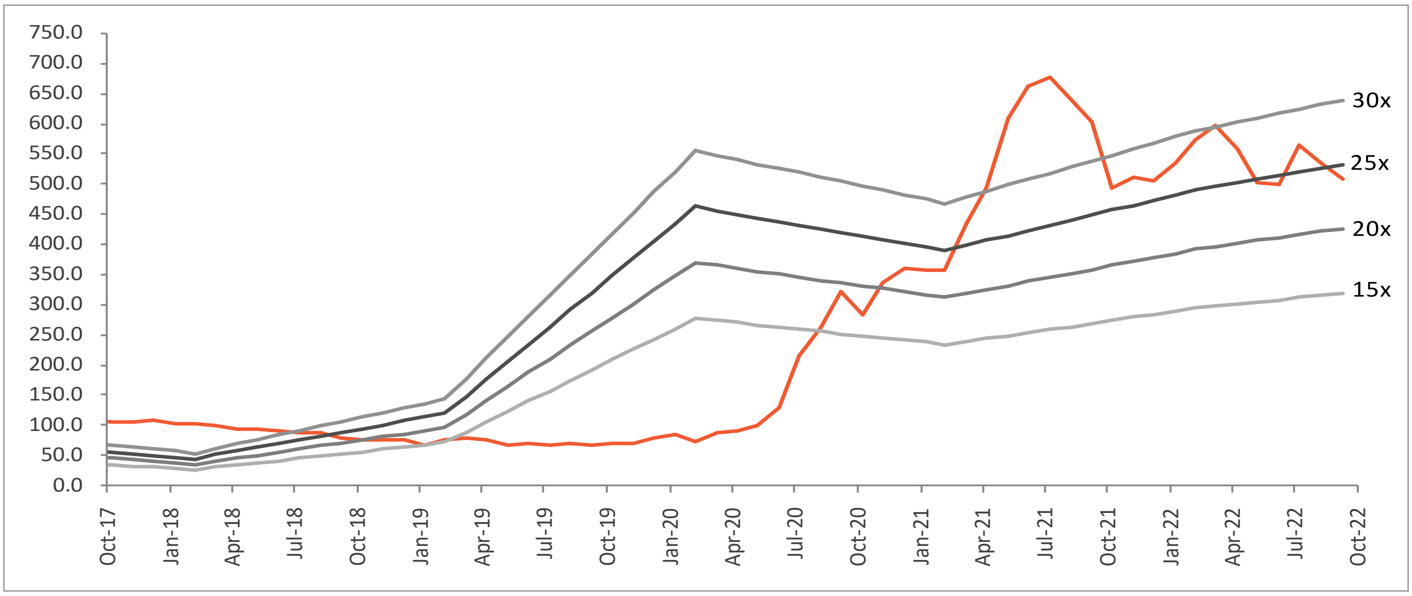
### ■ Company outlook - Medium-term growth prospects intact

Growth prospects across the synthesis and FDF business are strong and are well backed by improving demand and capacity expansion plans in the medium to long term. The company is enhancing its current portfolio, stepping up R&D activity, and strengthening and expanding manufacturing capabilities. Further, Laurus has doubled its formulations capacities so as to cater to surging demand. Management is confident of sustaining the strong growth momentum. Further, over the long term, Laurus is in the process to diversify into non-ARV-APIs of cardiology and diabetology segments and is in the process to reduce dependence on the ARV segment. In addition, the synthesis business is expected to grow strongly in the next two years with sustained new client additions, growth in the existing business, likely commercialisation of new products, and capacity expansions. Management is quite optimistic on performance of the synthesis division and sees this as one of the key growth drivers. Laurus Bio is also expected to grow substantially and would make the company a fully integrated player in the pharmaceutical space. However, channel de-stocking for ARVs and input costs pressures could act as transient issues, and management has witnessed the green shoots of the trend normalising for the ARV business.

### ■ Valuation -Retain Buy with a revised PT of Rs. 600

During Q2FY2023, Laurus's performance was affected by dismal performance by the ARV FDF business, which also led to a decline in overall guidance for FY2023. However, encouraging growth prospects in key business verticals, which are well-supported by capacity expansion plans and a slew of new product launches, give visibility of good earnings growth in the medium term. The stock has corrected by 14% since the disappointing Q2 performance and is trading at 23.2x/20.2x its FY2023E/FY2024E earnings. We retain Buy on Laurus with a revised price target (PT) of Rs. 600

**One-year forward P/E (x) band**




*Source: Sharekhan Research*

**Peer Comparison**

| Companies | CMP (Rs / Share) | O/S Shares (Cr) | MCAP (Rs Cr) | P/E (x) | | | EV / EBITDA (x) | | | RoE (%) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | FY22 | FY23E | FY24E | FY22 | FY23E | FY24E | FY22 | FY23E | FY24E |
| Laurus Labs | 453.0 | 53.7 | 24,342.4 | 29.0 | 23.2 | 20.2 | 18.2 | 13.8 | 11.8 | 24.8 | 23.7 | 21.4 |
| Granules | 354.5 | 24.8 | 8,802.0 | 21.2 | 17.0 | 13.3 | 13.1 | 10.3 | 8.3 | 16.0 | 17.3 | 18.8 |
| Divis Labs | 3,600.0 | 26.5 | 95,568.7 | 32.3 | 35.5 | 30.9 | 23.2 | 24.5 | 20.9 | 25.2 | 19.5 | 19.0 |

*Source: Company, Sharekhan Research*

## About company

Laurus is a leading research-driven pharmaceutical company, working with nine of the world's top 10 generic pharmaceutical companies in the world. Laurus sells APIs in 56 countries. The company's major focus areas include anti-retroviral, Hepatitis C, and oncology drugs. Oncology is one of its core competencies, where it offers a comprehensive range of APIs in this segment. Laurus is continuously extending its portfolio by focusing on molecules in diabetes, ophthalmology, and cardio-vascular therapy areas. Laurus has four distinct business units, namely: Generics API, Generics FDF, Ingredients, and Synthesis.

## Investment theme

Built on strong capabilities in chemical development and manufacturing, Laurus has developed a wide range of in-house APIs and intermediates. Laurus is one of the world's leading suppliers of anti-retroviral APIs and intermediates. The company's low-cost technologies give it an edge over other players. Leveraging on API cost advantage for forward integration into generic formulations (FDF) and capitalising on its leadership position in APIs (in key areas such as oncology, cardiovascular, anti-diabetics, and ophthalmology) with foray into other regulated markets will drive the company's business over the next couple of years. Moreover, the company is doubling its capacity to support growth in the formulations business, which points towards healthy growth going ahead. Overall, in the wake of an expected robust growth outlook, Laurus has embarked upon a massive capex programme for the next two years, which provides ample growth visibility.

## Key Risks

- Slower-than-expected ramp-up in formulations, API, or custom synthesis businesses.
- Reforms in the healthcare industry and uncertainty associated with pharmaceutical pricing could affect growth prospects

## Additional Data

**Key management personnel**

| | |
|---|---|
| Dr. Satyanarayana Chava | Founder and CEO |
| Mr. V Ravi Kumar | Executive Director and CFO |
| Dr. Lakshmana Rao C V | ED & Head, Quality |
| G. Venkateswar Reddy | Company Secretary and Compliance Officer |

*Source: Company*

**Top 10 shareholders**

| Sr. No. | Holder Name | Holding (%) |
|---|---|---|
| 1 | Capital Group Cos Inc. | 8.96 |
| 2 | New World Fund | 4.75 |
| 3 | Amansa Holdings | 3.94 |
| 4 | Smallcap World Fund | 3.43 |
| 5 | Anukar Projects | 3.25 |
| 6 | Life Insurance Corp India | 2.18 |
| 7 | Vanguard Group Inc. | 2.12 |
| 8 | Barclays Wealth Trustees India | 1.86 |
| 9 | Mirae Asset Global Investments | 1.43 |
| 10 | Sundaram AMC | 0.98 |

*Source: Bloomberg*

## Understanding the Sharekhan 3R Matrix

| | |
|---|---|
| **Right Sector** | |
| Positive | Strong industry fundamentals (favorable demand-supply scenario, consistent industry growth), increasing investments, higher entry barrier, and favorable government policies |
| Neutral | Stagnancy in the industry growth due to macro factors and lower incremental investments by Government/private companies |
| Negative | Unable to recover from low in the stable economic environment, adverse government policies affecting the business fundamentals and global challenges (currency headwinds and unfavorable policies implemented by global industrial institutions) and any significant increase in commodity prices affecting profitability. |
| **Right Quality** | |
| Positive | Sector leader, Strong management bandwidth, Strong financial track-record, Healthy Balance sheet/cash flows, differentiated product/service portfolio and Good corporate governance. |
| Neutral | Macro slowdown affecting near term growth profile, Untoward events such as natural calamities resulting in near term uncertainty, Company specific events such as factory shutdown, lack of positive triggers/events in near term, raw material price movement turning unfavourable |
| Negative | Weakening growth trend led by led by external/internal factors, reshuffling of key management personal, questionable corporate governance, high commodity prices/weak realisation environment resulting in margin pressure and detoriating balance sheet |
| **Right Valuation** | |
| Positive | Strong earnings growth expectation and improving return ratios but valuations are trading at discount to industry leaders/historical average multiples, Expansion in valuation multiple due to expected outperformance amongst its peers and Industry up-cycle with conducive business environment. |
| Neutral | Trading at par to historical valuations and having limited scope of expansion in valuation multiples. |
| Negative | Trading at premium valuations but earnings outlook are weak; Emergence of roadblocks such as corporate governance issue, adverse government policies and bleak global macro environment etc warranting for lower than historical valuation multiple. |

*Source: Sharekhan Research*

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**Registered Office:** Sharekhan Limited, The Ruby, 18th Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, INDIA, Tel: 022 - 67502000/ Fax: 022 - 24327343. Sharekhan Ltd.: SEBI Regn. Nos.: BSE / NSE / MSEI (CASH / F&O / CD) / MCX - Commodity: INZ000171337; DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669; Research Analyst: INH000006183.