Sharekhan by BNP PARIBAS

Powered by the Sharekhan 3R Research Philosophy

Stock Update

Result Update

Biocon Ltd

Strong Q3 performance; Maintain Buy

Pharmaceuticals	Sharekhan code: BIOCON

Reco/View: Buy	↔	CMP: **Rs. 227**	Price Target: **Rs. 266**	↓

↑ 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	25.54
Updated Dec 08, 2022	

Medium Risk

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

Source: Morningstar

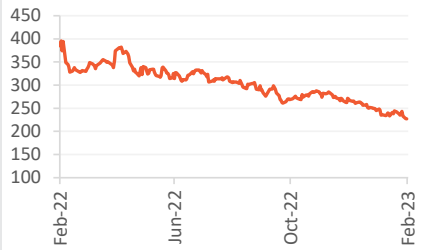
Company details

Market cap:	Rs. 26,797 cr
52-week high/low:	Rs. 397 /223
NSE volume: (No of shares)	26.1 lakh
BSE code:	532523
NSE code:	BIOCON
Free float: (No of shares)	47.2 cr

Shareholding (%)

Promoters	60.6
FII	14.4
DII	8.6
Others	16.3

Price chart



Price performance

(%)	1m	3m	6m	12m
Absolute	-9.0	-21.0	-27.0	-41.0
Relative to Sensex	-7.7	-18.5	-28.8	-45.4

Sharekhan Research, Bloomberg

Summary

- Biocon registered strong operating performance in Q3, with revenue growing in strong double digits.
- Revenue grew by 35% y-o-y to Rs. 2,941 crore, driven by strong 54% y-o-y growth in the biologics segment, 23% y-o-y growth in research services (Syngene), and 18.2% y-o-y growth in the generic segment.
- Consolidation of Viatris' biosimilar business will add to the growth of Biocon Biosimilars in Q4FY2023; and going forward, it will immensely help in overall revenue growth and expansion in profitability.
- The stock is currently trading at reasonably attractive levels of 29.7x/16.9x its FY2024/ FY2025E revised earnings. Hence, we maintain Buy with a revised PT of Rs. 266.

Biocon Limited (Biocon) reported strong Q3FY2023 performance. The company's revenue grew at a strong pace of 35% on account of broad-based growth across key verticals, while higher cost continued to pressurise the profitability, somewhat. Overall revenue grew by 35% y-o-y to Rs. 2,941 crore with 54% growth in biosimilars, 23% in research services, and 18% growth in the generic business. Consolidation of Viatris' biosimilar business to its Biocon biologics' segment will add to growth of the biosimilars business in Q4FY2023; and going forward, it will immensely help in overall revenue growth and expansion in profitability.

Key positives

- Strong growth across segments such as biosimilars, generics, and Syngene.

Key negatives

- Margins contracted by 54 bps, 130 bps, and 80 bps y-o-y across EBITDA, EBIT, and NPM levels in Q3FY2023, respectively, due to increased operating and finance costs.

Management Commentary

- Likely to have strong growth across segments, especially in Biocon Biologics with Viatris' acquisition.
- R&D spend is expected to normalize to 12% of revenue over a period of time from 16% of revenue currently.
- In Europe, there are 7-8 products approved. The focus will be on Europe to launch all the products and gain growth in the region to drive overall growth in FY2024 and beyond. SG&A cost post the acquisition is expected to be absorbed in core EBITDA.

Revision in estimates – We expect the company's revenue and earnings to post a 34.7% and 28.6% CAGR over FY2022E-FY2025E, respectively, as the company's revenue and earnings potential have improved with strong growth across its segments, especially in biosimilars due to the acquisition of Viatris' biosimilar business and market share gains in its commercial products and new product launches across geographies. The strong revenue growth with the integration of Viatris' acquired partnered biosimilar business in its Biocon Biologic business segment, fully will help expand margins but increased depreciation and interest costs will lead to slower growth in earnings.

Our Call

Valuation: Maintain Buy with a revised PT of Rs. 266: Consolidation of Viatris' biosimilar business will add to the growth of Biocon Biosimilars in Q4FY2023. Going forward, it will immensely help in revenue growth and expansion in profitability margins. We have arrived at a revised price target (PT) of Rs. 266 (earlier Rs. 340). At the CMP, the stock is trading at a reasonably attractive valuation level of 29.7x/16.9x its FY2024E/FY2025E earnings. We maintain our Buy rating with a revised PT of Rs. 266.

Key Risks

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

Valuation (Consolidated) Rs cr

Particulars	FY21	FY22	FY22E	FY23E	FY24E
Net sales	7,144	8,184	10,891	16,838	19,997
Operating Profit	1,680	1,919	2,287	4,001	5,240
OPM (%)	23.5%	23.4%	21.0%	23.8%	26.2%
Adj. PAT	611	758	510	918	1,614
EPS (Rs)	5.1	6.3	4.3	7.7	13.4
PER (x)	44.6	36.0	53.4	29.7	16.9
EV/EBITDA (x)	17.7	15.9	36.1	20.5	15.9
ROCE (%)	6.5	7.9	4.4	4.9	11.5
RONW (%)	8.0	9.0	10.8	13.1	14.7

Source: Company; Sharekhan estimates

Mixed Q3 – Revenue growth at 35.3% y-o-y; EBITDA margin contracted by 54 bps y-o-y

Biocon's revenue at Rs. 2,941.1 crore grew by 35.3% y-o-y and was ahead of our estimate of Rs. 2,345 crore. Revenue growth was driven by strong 53.6% y-o-y growth in the biologics segment, 22.6% y-o-y growth in research services (Syngene), and 18.2% y-o-y growth in the generic segment. EBITDA margin at 21.9% declined marginally by 54 bps y-o-y, which can be largely attributed to higher other and R&D expenses. EBITDA margin was much lower than our estimate of 26.8% though. Consequently, operating profit grew by just 32% to Rs. 644.3 crore. Lower other income and higher interest and depreciation led to 22.7% y-o-y rise in adjusted profit to Rs. 229.6 crore, largely in line with our expectation of Rs. 236 crore. Exceptional item includes an exceptional loss of Rs. 27.4 crore, which pertains to Viatris' deal-related expenses.

Segment-wise update

Biosimilars: Biocon Biologics Limited (BBL)

Revenue from the biosimilar segment reached the highest-ever quarterly revenue of Rs. 1,507 crore, up by strong 53.6% y-o-y. This was driven by the acquisition of Viatris' biosimilar business, market share gains in the U.S. and EU from existing products, and new products launched in eight new markets in Q3FY2023. The acquisition of Viatris is expected to improve Biocon's position as a fully integrated global biosimilar enterprise. The full quarter results of Viatris will start reflecting from Q4FY2023. As the company progressed on its pipeline of products, R&D spend increased to Rs. 280 crore in Q3FY2023 from Rs. 184 crore in Q2FY2023. PBT of the segment fell 17.5% y-o-y (+31.2% q-o-q) to Rs. 102.1 crore, while PBT margin declined by 584 bps y-o-y (-102 bps q-o-q) to 6.8% in Q3FY2023. BBL increased its market share in its key commercialised biosimilars in the advanced markets such as bPegfilgrastim, bTrastuzumab, and bGlargine in Q3FY2023, which have crossed 10% market share, each in the U.S. (Source: IQVIA December 2022); and bTrastuzumab witnessed strong uptake in Europe with a market share of 17% in France and 20% in Italy. Similarly, for bAdalimumab, the company gained an 18% market share in Germany and 10% in France. During the quarter, the company launched bBevacizumab in Australia and bGlargine and bAspart in Canada. Emerging markets also delivered a strong performance, driven by insulin and monoclonal antibodies. The company expanded its global reach through eight new product launches. In India, bGlargine expanded its market share to 13% in Q3FY2023 and sales of oncology products doubled, driven by bTrastuzumab, Nimotuzumab, and bBevacizumab. Recent tender wins for rh-insulin and bTrastuzumab will help drive growth in emerging markets, going forward.

Generics: APIs and Generic Formulations

Revenue from generics/small molecules grew by 18.2% y-o-y to Rs. 718 crore, aided by immunosuppressant APIs and generic formulations, which, in turn, was driven by increased sales of statins and recent product launches. PBT increased by 8.3% y-o-y to Rs. 72.1 crore. PBT margin remained flat y-o-y but increased by 136 bps q-o-q to 10% in Q3FY2023. Geographical expansion continued with the signing of a partnership with Zentiva for commercialising Liraglutide in Europe and entering into a long-term strategic partnership with Farmanguinhos in Brazil for the supply and tech transfer of a finished dose formulation immunosuppressant product. The partnerships are expected to drive mid-teens growth in the short-medium term. The company has gained key product approvals for formulations in Europe. The generics segment expects growth to be driven by new product launches, strengthening of the product pipeline, and execution of key capex projects.

Novel Biologics

The company has ramped up patient enrolment for the pivotal Phase III clinical study of Itolizumab in patients with acute graft – versus – hot disease (aGVHD). The company is underway with the enrolment for phase 1b clinical study for Lupus Nephritis and topline data is expected to be announced in CY2023. Patient dosing has commenced for Phase II clinical trial underway in India for patients with Ulcerative Colitis.

Results (Consolidated) **Rs cr**

Particulars	Q3FY23	Q3FY23	YoY %	Q2FY23	QoQ %
Total Income	2941.1	2174.0	35.3	2319.7	26.8
Expenditure	2296.8	1686.0	36.2	1849.0	24.2
EBITDA	644.3	488.0	32.0	470.7	36.9
Depreciation	301.1	206.0	46.2	231.0	30.3
EBIT	343.2	282.0	-14.1	239.7	43.2
Interest	120.3	15.0	702.0	30.0	301.0
Other income	78.6	48.8	61.1	65.0	20.9
PBT	301.5	315.8	-4.5	274.7	9.8
Tax	-4.8	49.0	NM	41.0	NM
Share of JV + MI	-76.7	-79.7	-3.8	-62.8	22.1
Adj. Profit	229.6	187.1	22.7	170.9	34.3
Exceptional Item (Net)	-271.4	0.0	-	-124.0	-
Reported PAT	-41.8	187.1	-122.3	46.9	-189.1
Adj. EPS (Rs.)	**1.9**	**1.6**	**22.7**	**1.4**	**34.3**
Reported EPS (Rs.)	**-0.3**	**1.6**	**-122.3**	**0.4**	**-189.1**
Margins			**BPS**		**BPS**
EBITDA (%)	21.9	22.4	-54	20.3	162
EBIT margin (%)	11.7	13.0	-130	10.3	134
Adj. NPM (%)	7.8	8.6	-80	7.4	44

Source: Company, Sharekhan Research

Rs cr

Revenue	Q3FY23	Q3FY23	YoY %	Q2FY23	QoQ %
Generics	717.6	607.4	18.1	622.8	15.2
Biosimilars	1506.6	981.4	53.5	997.4	51.1
Novel Biologics	0.0	15.6	-100.0	0.0	NM
Research Service	785.9	641.4	22.5	768.1	2.3
Gross Total	**3010.1**	**2245.8**	**34.0**	**2388.3**	**26.0**
Intersegment	-69.0	-71.6	NM	-68.6	NM
Reported Revenue	**2941.1**	**2174.2**	**35.3**	**2319.7**	**26.8**

Source: Company, Sharekhan Research

Rs cr

PBT (Rs. cr)	Q3FY23	Q3FY23	YoY %	Q2FY23	QoQ %
Generics	72.1	66.6	8.3	54.1	33.3
Biosimilars	102.1	123.8	-17.5	77.8	31.2
Novel Biologics	-37.4	-49.2	-24.0	-5.5	NM
Research Service	139.9	128.4	9.0	130.0	NM
Gross Total	**276.7**	**269.6**	**2.6**	**256.4**	**7.9**
Unallocated	30.8	0.7	NM	10.3	NM
PBT before exceptional	**245.9**	**268.9**	**-8.6**	**246.1**	**-0.1**

Source: Company, Sharekhan Research

Q3FY2023 – Conference call highlights:

- **Guidance:** Management expects the company to have strong growth across segments, especially in Biocon Biologics with Viatris' acquisition. R&D spend is expected to normalise to 12% of revenue over a period of time from 16% of revenue currently. In Europe, there are 7-8 products approved. The focus will be on Europe to launch all the products and gain growth in the region to drive overall growth in FY2024 and beyond. SG&A cost post the acquisition is expected to be absorbed in core EBITDA.
- **Funding for acquisition:** The company has raised US$420 million of Mezzanine financing to part finance the US$650 million equity infusion into Biocon Biologics. The segment has entered into an agreement with Kotak Strategic Situations Fund for structured funding up to Rs. 1,200 crore. This funding together with the recently concluded stake sale in Syngene is expected to help reduce debt. The company is also in talks with PE funds to pare down debt further. The company continues to hold a major stake in Syngene at 54.9%. The company is divesting its stake in Syngene (Clinical Research arm) to help reduce debt and increase public float for Syngene's shares.
- **Generic:** In Q3FY2023, Biocon obtained the approval for Fingolimod capsules and Lenalidomide capsules, an in-licensed product in the UK, Prazosin capsules, an in-licensed product in the U.S., and Mycophenolic acid tablets and Tacrolimus tablets in MoW markets. In November 2022, the company signed a semi-exclusive agreement with Zentiva, a leading European pharma company. Under the agreement, Biocon will manufacture and supply Liraglutide to Zentiva for its commercialisation in 30 countries across Europe. It is a vertically integrated, complex formulations, drug-device combination used in the treatment and management of Type II diabetes and obesity. The company has also entered into a long-term strategic partnership with Farmanguinhos in Brazil for the supply and tech transfer of an immunosuppressant finished dosage formulations (FDF) product. The European Directorate (ED) for the quality of Medicines and Healthcare (EDQM) issued a Good Manufacturing Practice (GMP) certificate of compliance for the API manufacturing facility in Bengaluru, following GMP inspection of the site conducted in September 2022. Biocon's greenfield immunosuppressant API facility in Vishakhapatnam and peptide facility in Bengaluru have commenced with validation batches at both sites, which are expected to be completed by H1FY2024.
- **Biosimilars** - This quarter includes about a month's contribution from the acquired global biosimilar business of Viatris. As investments in the biosimilar pipeline grow, R&D costs increased to Rs. 280 crore.
- **Advanced markets** - In Q3FY2023, the company continued to witness increased market share of its key commercialised biosimilars in the advanced markets with Pegfilgrastim, Trastuzumab, and Glargine, all crossing 10% market share, each, in the U.S. (IQVIA December 2022). There was a strong uptake in Europe with Ogivri garnering a market share of 17% in France and 20% in Italy. Similarly, Hulio (Adalimumab) achieved a market share of 18% in Germany and 10% in France. The company launched Bevacizumab and Glargine and Aspart in Canada.
- **Emerging markets** - In Q3FY2023, the company continued to witness increased market share of its key commercialised biosimilars in advanced markets with Pegfilgrastim, Trastuzumab, and Glargine, all crossing 10% market share, each, in the U.S. (IQVIA December 2022). There was a strong uptake in Europe with Ogivri garnering a market share of 17% in France and 20% in Italy. Similarly, Hulio (Adalimumab) achieved a market share of 18% in Germany and 10% in France. The company launched Bevacizumab and Glargine and Aspart in Canada.
- **Other highlights:**
  - Post the pandemic, the USFDA's inspections have surged, leading to Form 483 observations and product launch delays.
  - Shreehas Tambe has joined the Board of Directors of Biocon Biologics Limited as CEO and MD with effect from December 5, 2022.

Outlook and Valuation

■ Sector view - View: Healthier growth prospects

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 U.S. generics market), improving product approvals, 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, biosimilars, and injectables) and the commissioning of expanded capacities by select players over the medium term. Collectively, this indicates a strong growth potential going ahead for Indian pharma companies.

■ Company outlook - Biologics to be a key growth driver

Biocon is a leading company manufacturing biosimilars in India and one of the few global companies to receive approvals for its products across the regulated markets of – U.S., EU, Japan, and other developed markets. A robust opportunity lies ahead in the biosimilars segment for Biocon, as some key global brands would lose patent exclusivity in the medium to long term. Price erosion in biosimilars is much lower than that in the other segments as of now, and this works to the company's advantage. Scientific expertise in developing and manufacturing complex biosimilars together with commercialisation strength of partner companies would further strengthen Biocon's presence globally in biosimilars. Moreover, with the possible listing of Biocon Biologics, there exists a significant value-unlocking opportunity going ahead.

■ Valuation - Maintain Buy with a revised PT of Rs. 266

Consolidation of Viatris' biosimilar business will add to the growth of Biocon Biosimilars in Q4FY2023. Going forward, it will immensely help in revenue growth and expansion in profitability margins. We have arrived at a revised price target (PT) of Rs. 266 (earlier Rs. 340). At the CMP, the stock is trading at a reasonably attractive valuation level of 29.7x/16.9x its FY2024E/FY2025E earnings. We maintain our Buy rating with a revised PT of Rs. 266.

Peer Comparison

Companies	CMP (Rs/ Share)	O/S Shares (Crs)	Mcap (Rs Cr)	P/E (x)			EV/EBITDA (x)			ROE (%)		
				FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
Sun Pharma	972	240	2,33,119	30.3	24.6	20.3	19.8	15.9	12.8	14.7	15.5	15.9
Biocon	227	120	27,272	53.4	29.7	16.9	36.1	20.5	15.9	10.8	13.1	14.7

Source: Company; Sharekhan Research

About company

Established in 1978, Bengaluru-based Biocon is India's premier biotechnology company. Biocon is now a fully integrated biopharma player with API manufacturing facilities, strong capabilities in biologics, innovative drug development, and a branded generics business in India. With over 25 years of expertise in fermentation technology, the company has built a strong presence in lucrative high-growth segments such as statins, immuno-suppressants, and anti-diabetes drugs. Biocon is among the few companies globally to have received approvals for its biosimilars from developed countries such as the U.S., EU, Australia, and Japan.

Investment theme

Biocon has one of the largest global biosimilars portfolios, spanning from recombinant human insulin (rh-insulin), insulin analogs, monoclonal antibodies, and other biologics for diabetes, oncology, and immunology. Thus, Biocon has the early-mover advantage as global markets have begun to accept biosimilars and the role they are expected to play in increasing access to high-quality and yet affordable drugs and improve the quality of life for patients around the world. The company is expected to benefit substantially from the opportunities in the lucrative biosimilars space, as some key global brands would lose patent exclusivity in the medium to long term. Scientific expertise in developing and manufacturing complex biosimilars together with commercialisation strength of partner companies would further strengthen Biocon's presence globally in biosimilars. Moreover, with the possible listing of Biocon Biologics, there exists a significant value-unlocking opportunity going ahead.

Key Risks

Any delay in product approvals, change in the regulatory landscape, or negative outcome of the facility inspection by the USFDA can affect future earnings prospects.

Additional Data

Key management personnel

Ms. Kiran Mazumdar Shaw	Executive Chairperson Biocon Limited
Mr. Siddharth Mittal	CEO and Managing Director
Mr. Indranil Sen	CFO
Mr. Mayank Verma	Company Secretary

Source: Company

Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	Life Insurance Corp India	4.25
2	Ahan I Limited	2.33
3	Vanguard Group Inc.	1.26
4	Chandavarkar Arun Suresh	1.10
5	BlackRock Inc	1.01
6	ICICI Prudential AMC	0.98
7	Aditya Birla Sun Life AMC	0.65
8	Biocon India Limited EMP TR	0.65
9	Beneficial HDGS Under MGT	0.46
10	Bank of Montreal	0.46

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

Sharekhan

by BNP PARIBAS

Know more about our products and services

For Private Circulation only

Disclaimer: This document has been prepared by Sharekhan Ltd. (SHAREKHAN) and is intended for use only by the person or entity to which it is addressed to. This Document may contain confidential and/or privileged material and is not for any type of circulation and any review, retransmission, or any other use is strictly prohibited. This Document is subject to changes without prior notice. This document does not constitute an offer to sell or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Though disseminated to all customers who are due to receive the same, not all customers may receive this report at the same time. SHAREKHAN will not treat recipients as customers by virtue of their receiving this report.

The information contained herein is obtained from publicly available data or other sources believed to be reliable and SHAREKHAN has not independently verified the accuracy and completeness of the said data and hence it should not be relied upon as such. While we would endeavour to update the information herein on reasonable basis, SHAREKHAN, its subsidiaries and associated companies, their directors and employees ("SHAREKHAN and affiliates") are under no obligation to update or keep the information current. Also, there may be regulatory, compliance, or other reasons that may prevent SHAREKHAN and affiliates from doing so. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipients of this report should also be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. We do not undertake to advise you as to any change of our views. Affiliates of Sharekhan may have issued other reports that are inconsistent with and reach different conclusions from the information presented in this report.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject SHAREKHAN and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

The analyst certifies that the analyst has not dealt or traded directly or indirectly in securities of the company and that all of the views expressed in this document accurately reflect his or her personal views about the subject company or companies and its or their securities and do not necessarily reflect those of SHAREKHAN. The analyst and SHAREKHAN further certifies that neither he or his relatives or Sharekhan associates has any direct or indirect financial interest nor have actual or beneficial ownership of 1% or more in the securities of the company at the end of the month immediately preceding the date of publication of the research report nor have any material conflict of interest nor has served as officer, director or employee or engaged in market making activity of the company. Further, the analyst has also not been a part of the team which has managed or co-managed the public offerings of the company and no part of the analyst's compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this document. Sharekhan Limited or its associates or analysts have not received any compensation for investment banking, merchant banking, brokerage services or any compensation or other benefits from the subject company or from third party in the past twelve months in connection with the research report.

Either, SHAREKHAN or its affiliates or its directors or employees / representatives / clients or their relatives may have position(s), make market, act as principal or engage in transactions of purchase or sell of securities, from time to time or may be materially interested in any of the securities or related securities referred to in this report and they may have used the information set forth herein before publication. SHAREKHAN may from time to time solicit from, or perform investment banking, or other services for, any company mentioned herein. Without limiting any of the foregoing, in no event shall SHAREKHAN, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind.

Compliance Officer: Ms. Binkle Oza; Tel: 022-61150000; email id: complianceofficer@sharekhan.com;

For any queries or grievances kindly email igc@sharekhan.com or contact: myaccount@sharekhan.com.

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.