Sharekhan by BNP PARIBAS

Powered by the Sharekhan 3R Research Philosophy

# Lupin Ltd

## Favourable product mix and tax cut to drive higher earnings growth

| Pharmaceuticals | Sharekhan code: LUPIN |
|---|---|

| Reco/View: Hold ↔ | CMP: Rs. 1,180 | Price Target: Rs. 1,274 ↑ |
|---|---|---|

↑ Upgrade ↔ Maintain ↓ Downgrade


**Summary**

- The company continues to enhance its profitability led by improved products mix primarily led by growth in the North America region. Healthy product mix aided in reporting 18% EBITDA Margin.
- For Q2FY2024, Lupin's performance was in line with estimates. The company continues to enhance its profitability led by improved products mix primarily led by growth in the North America region. Healthy product mix aided in reporting 18% EBITDA Margin.
- The company reported the highest-ever sales of USD213mn, led by launches like Tiotropium and Diazepam and healthy pick-up in the complex respiratory portfolio (~40% of sales).
- Given its focus on sustaining USD200mn sales and growing profitably across major segments, including the U.S. and India, we have increased our EBITDA margin to 18% for FY2024 from earlier 15%.
- The stock has rallied steeply in a year and now trades at ~263x/~19x its FY2025E/FY2026E revised earnings. Lupin's margin profile is lower than its peers and the stock has factored in all positives. Hence, we maintain HOLD with a revised PT of Rs. 1,274.


**For Q2FY2024, Lupin's performance was in-line with our estimates. The company posted strong operating revenue growth of 20.7% y-o-y to Rs. 4,939 crore. Growth was driven by strong 40.40% y-o-y rise in U.S. sales to Rs. 1,866 crore, led by a low base effect and recently launched first-to-market product like gSpiriva, gDarunavir, and sustained/rising market share in its products like Albuterol, Lisinopril, and gSuprep in the U.S. resulting in the highest-ever sales of USD213mn in a quarter. The company witnessed a 739bps y-o-y rise in gross profit margin (GPM) to 65.5%, indicating improved product mix and favourable operating leverage. Subsequently, OPM improved strongly by 785 bps y-o-y to 18.3%. The company has maintained its guidance of achieving 18% EBITDA margin in FY2024 and subsequently increase it to 20% by FY2026E, led by a strong product pipeline. Consequently, with 4% y-o-y growth in other income to Rs. 35 crore, partially offset by a 46% y-o-y increase in finance costs, the company was able to report PAT of Rs. 452.4 crore. The company's Pitampur unit 2 has sought clearance from the USFDA; hence, going forward, the company expects to launch 4-5 ophthalmic products from that plant.**

**Key positives**

- Robust growth of 40% y-o-y in the U.S. market due to the launch of gSpiriva and new product launches.
- U.S. sales in CC reported at the highest-ever level at USD213mn
- Europe recorded strong growth due to the ramp-up of generic foster in direct markets like U.K. and Germany
- Gross and EBITDA margins reported at 65.5% and 18.3%, respectively, owing to a healthy product mix.\

**Management Commentary**

- The company expects to retain USD sales of above USD200mn on a quarterly basis, led by new product launches.
- ETR for the full year is expected to remain between 21% and 22%.
- gSpiriva launched in the U.S. market has a 25% market share.
- Gross margins are expected to sustain at Q2FY2024 levels at 65%, led by a healthy product mix of complex products and softening of RM cost. Subsequently, EBITDA margin is expected to sustain at 18% in FY2024.
- The company expects the R&D absolute amount to sustain at current levels.
- Lupin continues to maintain the guidance of 18% or higher exit EBITDA and has increased EBITDA margin guidance to 20% by FY2026E, led by the launch of complex products and biosimilars.
- Pricing erosion in the U.S. has been at low single digits now as a result of the predatory pricing that existed before leading to players exiting.

**Revision in estimates –** We have enhanced our earnings estimates for FY2024-FY2025 to factor in better sales and earnings growth led by a strong beat reported in Q1FY2024.

**Our Call**

**Valuation – Maintain Hold with a revised PT of Rs. 1,274:** For Q2FY2024, Lupin reported an in-line performance. EBITDA margin stood at 18%, led by a healthy product mix. The company intends to sustain this sales momentum, driven by key product launches such as gSpiriva, Diazepam gel and pick-up in complex respiratory products. Over the long term, the company intends to drive its profitable growth by building up injectables and biosimilars' product pipeline from FY2024 onwards. The company's Pitampur unit-2 plant has been cleared by the USFDA, about 4-5 ophthalmic products are expected to be launched from here by FY2026E, where some would also enjoy FTF. In India, the company plans to grow its branded generics business by enhancing its sales force, opening of divisions and leveraging on growth traction in respiratory, cardiology, and diabetes therapy areas. A healthy product mix and ongoing cost-rationalisation efforts are likely to lead to sustaining gross margins and EBITDA margin of 65% and 18%, respectively. We believe the stock has rallied significantly in the near term, factoring in all the positives. At the CMP, the stock trades at ~26x/~19x its FY2025E/FY2026E revised earnings. As the company's margin profile is lower than its peers, we maintain Hold with a revised PT of Rs. 1,274.

**Key Risks**

1) Adverse development on the regulatory front can impact earnings prospects; 2) Currency risks; and 3) Delay in the inspection of Pithampur and Tarapur plants by USFDA.

**Valuation (Consolidated)** Rs cr

| Particulars | FY22 | FY23 | FY24E | FY25E | FY26E |
|---|---|---|---|---|---|
| Net sales | 16,193 | 16,270 | 18,761 | 20,847 | 22,832 |
| EBITDA | 2,166 | 1,721 | 3,014 | 4,096 | 4,713 |
| OPM (%) | 13.37 | 10.58 | 16.07 | 19.65 | 20.64 |
| Net profit | -1,510 | 448 | 1,497 | 2,072 | 2,531 |
| Adj. EPS (Rs) | 7.7 | 7.7 | 32.4 | 44.9 | 54.8 |
| PER (x) | 82.8 | 152.3 | 36.4 | 26.3 | 21.5 |
| P/BV (x) | 2.4 | 4.3 | 3.9 | 3.5 | 3.1 |
| RoCE (%) | 3.5 | 5.2 | 12.1 | 15.4 | 17.2 |

Source: Company; Sharekhan estimates

**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 | 35.2 |
|---|---|
| Updated Apr 13, 2023 | |

**High Risk**

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

Source: Morningstar

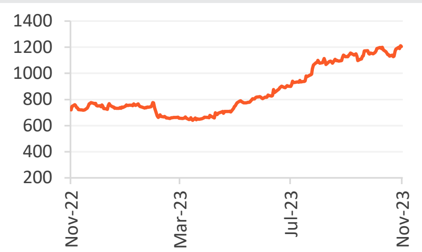
**Company details**

| | |
|---|---|
| Market cap: | Rs. 57,926 cr |
| 52-week high/low: | Rs. 1078.5 / 603 |
| NSE volume: (No of shares) | 49.8 lakh |
| BSE code: | 500257 |
| NSE code: | LUPIN |
| Free float: (No of shares) | 24.1 cr |

**Shareholding (%)**

| | |
|---|---|
| Promoters | 47.1 |
| FII | 13.9 |
| DII | 29.4 |
| Others | 9.63 |

**Price chart**




**Price performance**

| (%) | 1m | 3m | 6m | 12m |
|---|---|---|---|---|
| Absolute | 2.1 | 8.9 | 54.3 | 64.0 |
| Relative to Sensex | 3.8 | 10.1 | 49.2 | 57.9 |

Sharekhan Research, Bloomberg

Stock Update

Result Update

**Management Guidance**

- R&D cost is expected to be around Rs. 15-16bn in FY2024.
- The company maintained its ETR guidance – 21-22% for FY2024.
- U.S. business is expected to maintain a quarterly run rate of US$200mn+ in H2FY2024.
- Businesses other than India and U.S. is expected to grow in mid-teens for FY2024.
- EBITDA margin for H2FY2024 guided to be around 18%, similar to H1FY2024.
- Management aspires to reach EBITDA margin of 20% in the next few years.

**North America**

- U.S. business delivered continued growth in revenue and margins on the strength of a stable base business, launch of Tiotropium (gSpririva), and overall strong performance in respiratory products.
- Respiratory contributed more than 45% to total U.S. revenue in Q2FY2024.
- Innovation products constitute 40% of total U.S. sales.
- Received EIR for Nagpur OSD and Mandideep unit 2.
- Up-scaled its portfolio to a higher share of complex formulations, led by inhalation, injectables, and biosimilars.
- Strong pipeline with 40+ injectable and 20+ inhalation products.
- Currently, the company has 53 FTFs and 20 exclusive FTFs
- Darunavir was launched in Q1FY2024 and sales in Q2FY2024 were lower than Q1FY2024.
- Price erosion stabilisation is seen at mid-single digit level on the company's base line products.
- gSpiriva – The company launched gSpiriva and seems to be the only generic in this product currently and not hearing of any AG launch. Market size for the product is US$1bn. Expect gSpiriva substitution rate of 40% by mid-FY2025.
- The company expects gSpiriva to continue to ramp-up in FY2025 as it does not see any near-term substitution. Prices are expected to remain stable.
- The company has built in enough capacity for the U.S. as well as for other markets.
- The U.S. business is expected to grow pretty well on account of ramp up in this product along with other ophthalmic products in FY2025 and FY2026.
- Management expects to launch Spiriva in Australia, Canada, Europe and other multiple regions in the next 6 to 12 months.
- Growth is expected to be lower in Q3/Q4FY2024 vs. Q2FY2024 due to channel filling done.
- Pegfilgrastim - The company has received EIR for its Pune facility and will send an update to the agency and follow up with the approval.
- Ranibizumab – Under clinical trial and would take one year to file the product.
- Branded portfolio contribution for the quarter was lower than US$5mn.
- The company, in the next 2 to 3 years, will be more focused on complex generics, particularly inhalation and ophthalmic, exclusive first to files and have a good pipeline in place to drive the business growth towards complex generics with major contribution coming from respiratory.
- The company launched gDiazepam gel in the beginning of November 2023.

**India**

- India business recorded growth in line with the market, with better than the market's performance in therapy areas like cardiology, respiratory and GI. Diabetes declined during the quarter.
- Excluding NLEM, India sales grew by 8.9% y-o-y.
- In the anti-diabetes space, non-in-licensed portfolio has grown at 10% vis-a-vis IPM growth of 4.9%.

- Currently, the in-licensed portfolio constitutes around 13% of the company's IRF business vs. 15.5% in FY2023.
- Acquired five legacy brands from Menarini and Ondero trademark.
- Lupin's prescription business is well positioned to outperform IPM with key drivers in place.

**Pipeline Products**

- The company continues to build growth momentum, with both material first to files and complex generics.
- Received key product approvals like gTolvaptan and gXywav in October 2023 and expects to drive a big part of growth in the next couple of years, particularly gTolvaptan.
- Management believes that the pipeline is now well positioned to evolve into complex genetics with inhalation, injectables, and complex ophthalmic products, post Pithampur Unit-2 clearance.

**Results (Consolidated)** Rs cr

| Particulars | Q2FY24 | Q2FY23 | YoY % | Q1FY24 | QoQ % |
|---|---|---|---|---|---|
| Total sales | 4,939 | 4,091 | 20.7% | 4,742 | 4.2% |
| Expenditure | 4,115 | 3,711 | 10.9% | 3,958 | 4.0% |
| EBITDA | 923.2 | 434.2 | 112.6% | 856.5 | 7.8% |
| Depreciation | 248 | 203 | 21.8% | 235 | 5.6% |
| EBIT | 710 | 264 | NM | 645 | 10.2% |
| Other income | 35 | 34 | 4.0% | 23 | 55.0% |
| Interest | 81 | 55 | 46.9% | 86 | -5.9% |
| PBT | 630 | 210 | 200.5% | 559 | 12.7% |
| Tax | 172 | 75 | 129.4% | 130 | 32.6% |
| PAT | 458 | 134 | 240.2% | 429 | 6.7% |
| | | | **BPS** | | **BPS** |
| GPMs (%) | 65.5 | 58.1 | 739 | 65.4 | 12 |
| EBITDA (%) | 18.3 | 10.5 | 785 | 17.8 | 53 |
| NPM (%) | 9.3 | 3.3 | NM | 9.0 | 22 |
| Tax rate (%) | 27.4 | 35.8 | NM | 23.3 | 410 |

Source: Company, Sharekhan Research

**Segmental Revenue Mix** Rs cr

| Particulars | Q2FY24 | Q2FY23 | YoY % | Q1FY24 | QoQ % |
|---|---|---|---|---|---|
| North America | 1866.6 | 1329.5 | 40.4 | 1590.5 | 17.3 |
| India | 1691.5 | 1584.1 | 6.7 | 1638.4 | 3.2 |
| Growth Markets | 437.8 | 444.9 | -1.6 | 406.6 | 7.6 |
| EMEA | 475.9 | 384.2 | 23.8 | 398.7 | 19.3 |
| ROW | 199.0 | 98.6 | 101.8 | 165.5 | 20.2 |
| **Total Formulations** | **4670.8** | **3841.3** | **21.5** | **4199.7** | **11.2** |
| | | | | | |
| API | 268.4 | 249.9 | 7.4 | 337.1 | -20.3 |
| Consolidated sales | 4939.2 | 4091.2 | 20.7 | 4536.8 | 8.8 |

Source: Company, Sharekhan Research

## Outlook and Valuation

### ■ Sector view - Input cost easing with companies focusing on complex product launches

Over the years, Indian pharmaceutical companies have established themselves as a dependable source for global peers. A confluence of other factors, including a focus on specialty/complex products in addition to emerging opportunities in the API space, would be key growth drivers over the long term. The sector is witnessing an easing of input costs – of raw material, freight and power, which should aid the sector in expanding margins. The sector is also witnessing an easing of price erosion, followed by increasing contribution from new product launches. We believe the sector is in a sweet spot, where it is experiencing a healthy product mix and cost rationalisation, which increases operational profit of the companies. The sector is mainly a low-debt sector and increasing operational profit followed by experiencing advantage of low tax rate due to its operations in the SEZ sector; hence, overall, we stay positive on the sector.

### ■ Company outlook - Net profitability to improve

Lupin has been gaining strong margin expansions on the back of restructuring in the U.S. and intends to enhance it further with the help of the launching of complex generics and specialty products in respiratory, injectables, and biosimilar segments. The company is expected to see the launch of its key product, gSpiriva, in Q2FY2024. Additionally, it has added sales representatives in India by another 1,300; also, the company has been seeing improved traction for diabetes, cardiology, and respiratory products sales in India. Three out of five of its plants, which were going through regulatory actions, are compliant with the USFDA now. The company has guided for continued improvement in earnings on account of improved product mix, strong line-up of product launches, and lower taxes over the short-medium term.

### ■ Valuation - Maintain Hold with a revised PT of Rs. 1,274

For Q2FY2024, Lupin reported an in-line performance. EBITDA margin stood at 18%, led by a healthy product mix. The company intends to sustain this sales momentum, driven by key product launches such as gSpiriva, Diazepam gel and pick-up in complex respiratory products. Over the long term, the company intends to drive its profitable growth by building up injectables and biosimilars' product pipeline from FY2024 onwards. The company's Pitampur unit-2 plant has been cleared by the USFDA, about 4-5 ophthalmic products are expected to be launched from here by FY2026E, where some would also enjoy FTF. In India, the company plans to grow its branded generics business by enhancing its sales force, opening of divisions and leveraging on growth traction in respiratory, cardiology, and diabetes therapy areas. A healthy product mix and ongoing cost-rationalisation efforts are likely to lead to sustaining gross margins and EBITDA margin of 65% and 18%, respectively. We believe the stock has rallied significantly in the near term, factoring in all the positives. At the CMP, the stock trades at ~26x/~19x its FY2025E/FY2026E revised earnings. As the company's margin profile is lower than its peers, we maintain Hold with a revised PT of Rs. 1,274.

## About company

Over the past decade, Lupin has established itself as a leading generic player from India. U.S. and India are the company's largest markets and contribute around 37% and 35%, respectively, to the company's FY2021 sales. The company develops and commercialises a wide range of branded and generic formulations, biotechnology products, and APIs in over 100 markets in the U.S., India, South Africa, across Asia Pacific (APAC), Latin America (LATAM), Europe, and Middle East regions. While in India, Lupin is among the top 10 and fastest-growing companies as well. The company is also among the top five companies in terms of prescriptions in the U.S. Therapy wise, the company has a leadership position in the cardiovascular, anti-diabetic, and respiratory segments and has a significant presence in the anti-infective, gastrointestinal (GI), central nervous system (CNS), and women's health segments. In terms of manufacturing capabilities, Lupin has 15 manufacturing sites and seven research centres globally.

## Investment theme

Lupin is one of the leading pharmaceutical companies and is present in most markets globally. After establishing itself as a major player in the generics space, the company is making efforts to improve its presence in the specialty business. The U.S. is a key market for Lupin where it is grappling with issues surrounding high intensity of competition in the Oral Solid Dosage (OSD) segment in the U.S. It has been trying to restructure or optimise the U.S. business and enhance it with the help of launching of complex generics and specialty products in respiratory, injectables, and biosimilar segments. With improvement in U.S. profitability post restructuring and key product launches lined up, including gSpiriva, and as it has added sales representatives in India, we expect a sustained improvement in profitability on an operating and net basis.

## Key Risks

1) Delay in the resolution of USFDA issues at its plants.

2) Slower-than-expected ramp-up in gAlbuterol.

3) Currency risk.

## Additional Data

**Key management personnel**

| | |
|---|---|
| Manju D Gupta | Chairman |
| Dr. Kamal K. Sharma | Vice Chairman |
| Vinita Gupta | Chief Executive Officer |
| Nilesh Deshbandhu Gupta | Managing Director |
| Sunil Makharia | Interim CFO |

Source: Company

**Top 9 shareholders**

| Sr. No. | Holder Name | Holding (%) |
|---|---|---|
| 1 | Life Insurance Corp India | 8.23 |
| 2 | ICICI Prudential Blue-chip Fund | 5.58 |
| 3 | HDFC Trustee Company Ltd. | 4.05 |
| 4 | Nippon Life India Trustee Ltd. | 1.85 |
| 5 | Government Pension Fund Global | 1.57 |
| 6 | NPS Trust - LIC Pension Fund Sch-State Govt | 1.30 |
| 7 | SBI Long Term Equity Fund | 1.12 |
| 8 | HDFC Life Insurance | 1.07 |
| 9 | DSP Tax Saver Fund | 1.02 |

Source: BSE

## 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

## DISCLAIMER

This information/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 information/ document is subject to changes without prior notice.

Recommendation in reports based on technical and derivatives analysis is based on studying charts of a stock's price movement, trading volume, outstanding positions, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals. However, this would only apply for information/document focused on technical and derivatives research and shall not apply to reports/documents/ information focused on fundamental research.

This information/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 information/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 recommendations/ reports that are inconsistent with and reach different conclusions from the information presented in this recommendations/report.

This information/recommendation/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 might have dealt or traded directly or indirectly in securities of the company and that all 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 either he or his relatives or Sharekhan associates might have direct or indirect financial interest or might 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. The analyst and SHAREKHAN encourages independence in research report/ material preparation and strives to minimize conflict in preparation of research report. The analyst and SHAREKHAN does not have any material conflict of interest or has not served as officer, director or employee or engaged in market making activity of the company. The analyst and SHAREKHAN has 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 Ltd 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.

Forward-looking statements (if any) are provided to allow potential investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment. These statements are not a guarantee of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements. Sharekhan/its affiliates undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader/investors are cautioned not to place undue reliance on forward-looking statements and use their independent judgement before taking any investment decision.

Investment in securities market are subject to market risks, read all the related documents carefully before investing. The securities quoted are for illustration only and are not recommendatory. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges and the T&C on www.sharekhan.com

---

Registration and Contact Details: Name of Research Analyst - Sharekhan Limited, Research Analyst Regn No.: INH000006183. CIN): - U99999MH1995PLC087498. Registered Office: The Ruby, 18th Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, INDIA. Tel: 022-6115000.

Correspondence/Administrative Office: Gigaplex IT Park, Unit No 1001, 10th Floor, Building No.9, TTC Industrial Area, Digha, Airoli-West, Navi Mumbai – 400 708. Tel: 022 61169000 / 61150000, Fax No. 61169699.

Other registrations of 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.

Compliance Officer: Ms. Binkle Oza; Tel: 022-62263303; email id: complianceofficer@sharekhan.com

For any complaints/grievance, email us at igc@sharekhan.com or you may even call Customer Service desk on - 022- 41523200 / 022-69920600