

# Pharmaceuticals

---

## *2QFY19 Results Preview*

10 Oct 2018

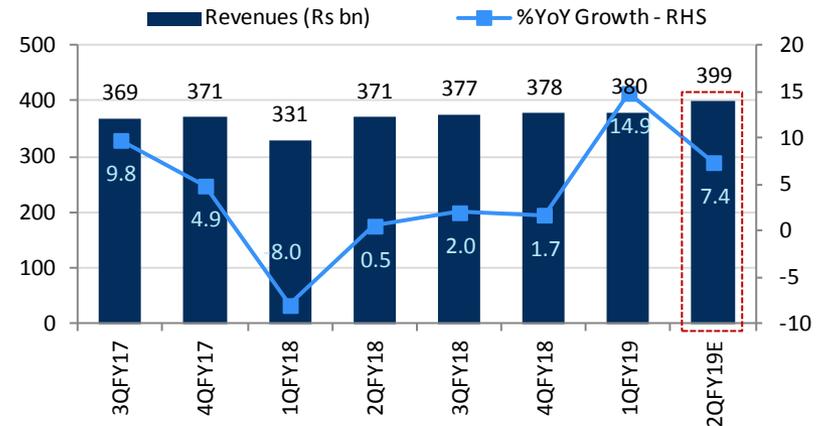
**Amey Chalke**  
amey.chalke@hdfcsec.com  
+91-22-6171-7321

**Eshan Desai**  
eshan.desai@hdfcsec.com  
+91-22-6639-2476

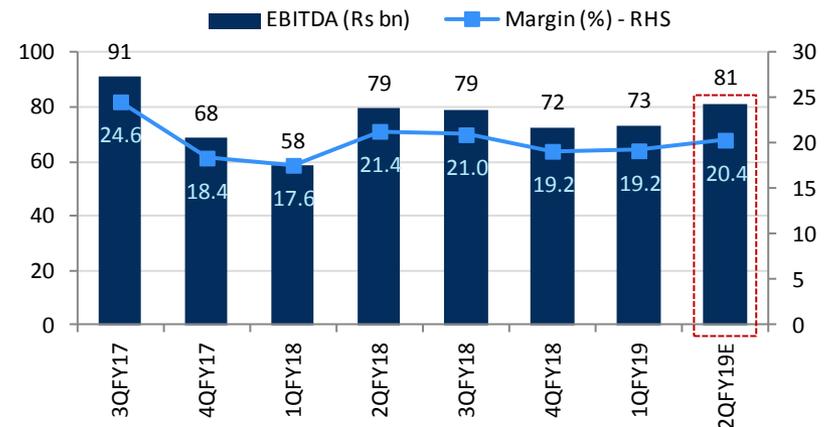
# Odds in favour

- This will be the fifth straight quarter with a positive sequential top line growth for our coverage companies. With ~9% fall in rupee and stabilizing US base business, coverage EBITDA margin is likely to increase 130bps QoQ (20.2%) in 2QFY19. On YoY comparison, the universe growth would remain subdued at 6.7% and margin to decline on a high base of 2QFY18 (affected by GST restocking). With US regulatory issues getting resolved, consolidation at manufacturer level continues in the US, and withdrawal of non-profitable products by key US generic companies, we believe Indian companies should start reporting substantial improvement in their operational performance from 3QFY19. As we have guided in our sector note 'comeback on the cards' released in June 2018, we expect pharma stocks to outperform in 2HFY19.
- Improved generic performance:** Except DRRD, which will witness price erosion in the US base business, we anticipate improved performance by large generic companies in 2QFY19. SUNP, LPC, CIPLA, CDH and ARBP to see their top line growing and profitability to go up sequentially. CDH is likely to surprise positively with strong EBITDA margins on account of gAsacol HD launch in August 2018. ARBP will see a recovery in their US business with injectable sales going up and likely to report 20%+ EBITDA margin in 2QFY19. In midsize companies, ALPM's performance will be benefitted from Valsartan price hikes while Glenmark to report strong US sales with gWelchol ramp up in 2QFY19. Alkem's YoY performance will remain muted due to the unfavorable base of 2HFY18 which reflects strong post-GST restocking. TRP is likely to post bumper YoY growth driven by Unichem acquisition, however sequentially we expect no improvement in the performance.
- CRAMS companies to benefit from Rupee fall:** Within CRAMS and diversified business models, DIVIS, SUVEN and JUBILANT are likely to report strong numbers in 2QFY19. DIVIS will benefit from the falling rupee and Valsartan API supplies while SUVEN and JUBILANT will report better business mix boosting profitability higher in this quarter. DCAL will benefit from expanded capacity at Swiss subsidiary and better pricing in Vit D.
- Top picks: Sun Pharma, Lupin, Alkem, Dishman**

## Expect ~7% YoY Rev Increase For Our Coverage Universe



## Overall EBITDA Margin To Improve



# Odds in favour

COMPANY	2QFY19E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Sun Pharma	AVG	<ul style="list-style-type: none"> <li>Top-line growth is expected at 12% YoY driven by a recovery in the US business post Halol resolution. Sequential growth to remain muted at 3-4%. Domestic business should remain flat sequentially, and at par with market growth.</li> <li>EBITDA margin improvement will remain muted because of increased spend on the specialty business. The margin is expected to come in at ~23%, up 200bps YoY and flat QoQ.</li> </ul>	<ul style="list-style-type: none"> <li>Specialty product pipeline and R&amp;D spend</li> <li>Updates on approvals and launches</li> </ul>
Cipla	GOOD	<ul style="list-style-type: none"> <li>Revenue is likely to grow 9% YoY/ 13% QoQ led by growth in major segments. Domestic revenue is expected to benefit from the strong acute season. US revenue will boost overall performance owing to the depreciating INR (down 9% over the quarter) and the absence of certain one-offs seen in the previous quarter.</li> <li>EBITDA margin will expand to 19% (up 60bps QoQ) owing to improvement in gross margin and strong domestic business.</li> </ul>	<ul style="list-style-type: none"> <li>Certain approvals like gTaxotere, gReyataz, gVoltaren received during the quarter, and gSensipar received in 1Q</li> </ul>
Aurobindo Pharma	GOOD	<ul style="list-style-type: none"> <li>Revenue is likely to decline 4% YoY and remain flat QoQ. Sequential growth in the US business is likely, driven by a recovery in injectables and new product launches. The ARV segment should gain traction post the slump in the previous quarter.</li> <li>EBITDA margin is expected to come in at ~21%, sequential improvement of 280bps owing to the absence of one-off shelf stock adjustment seen in the previous quarter.</li> </ul>	<ul style="list-style-type: none"> <li>Details on new product approvals and launches</li> <li>Comments on ARV business performance</li> </ul>

# Odds in favour

COMPANY	2QFY19E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Dr Reddy's Labs	BAD	<ul style="list-style-type: none"> <li>Top-line growth to the tune of 11% YoY and 5.6% QoQ is expected for the quarter. US revenue growth will be muted due to the absence of gSuboxone sales, whereas EM growth trajectory will continue with Russia and CIS further gaining traction.</li> <li>EBITDA margin is likely to remain flat YoY but decline ~150bps QoQ due to the absence of gSuboxone.</li> </ul>	<ul style="list-style-type: none"> <li>Update on key launches including gNuvaring and gCopaxone</li> <li><b>With improved visibility on the US business, and focus on cost optimization and accountability, we upgrade the stock to BUY with a TP of Rs 2,715</b></li> </ul>
Cadila Healthcare	GOOD	<ul style="list-style-type: none"> <li>Revenue is expected to decline 5% YoY but grow 6% QoQ. The US segment (accounting for 45% of total revenue) to show 14% sequential growth aided by gAsacol HD and gToprol XL.</li> <li>EBITDA margin at 24% will be up 200bps QoQ on the back of increased contribution from gAsacol HD.</li> </ul>	<ul style="list-style-type: none"> <li>Sales performance of key launches like gAsacol HD and gToprol XL</li> </ul>
Lupin	AVG	<ul style="list-style-type: none"> <li>Troubles faced in the US business, as well as muted performance in the domestic business, will cause a 3% YoY decline in revenue (will remain sequentially flat). The decline in Metformin franchise has led to a sharp fall in US revenues YoY. Recovery in flu season and key product launches would only happen in 2HFY19.</li> <li>EBITDA margin will be at ~14.7%, recovering 100bps QoQ.</li> </ul>	<ul style="list-style-type: none"> <li>US business outlook and key product launches</li> </ul>
Divi's Labs	GOOD	<ul style="list-style-type: none"> <li>Expecting a growth of 15% YoY in revenues owing to a low base hit by import alert (now lifted), whereas 3% QoQ growth due to INR depreciation. Generics segment is expected to continue growth at 9% QoQ.</li> <li>EBITDA margin should be at ~37%, up 180bps QoQ due to improvement in gross margin led by the benefit of currency depreciation.</li> </ul>	<ul style="list-style-type: none"> <li>Comments on expected growth for FY19</li> <li>Outlook of raw material prices</li> </ul>

# Odds in favour

COMPANY	2QFY19E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Torrent Pharma	GOOD	<ul style="list-style-type: none"> <li>Revenue is expected to show growth of 35% YoY largely driven by the integration of Unichem's portfolio. Sequentially, the domestic business is expected to remain flat whereas the US business will benefit from currency depreciation leading to 3% revenue growth.</li> <li>EBITDA margin is expected to be at ~26%, slightly improving sequentially owing to incomplete field-force rationalization.</li> </ul>	<ul style="list-style-type: none"> <li>Pick-up in filings for the US market</li> <li>Timeline for launches of in-hand products in the US market</li> <li><b>Post recent correction, we are upgrading the stock to BUY with a TP of Rs 1,800</b></li> </ul>
Alkem Labs	AVG	<ul style="list-style-type: none"> <li>Revenue is expected to grow 3% YoY due to a high base, and 15% QoQ inflated by an order of 1Q (amounting to Rs 1.9bn) being deferred to 2Q.</li> <li>EBITDA margin to come in at ~18%, recovering 500bps QoQ owing to previous quarter's order being deferred to 2Q.</li> </ul>	<ul style="list-style-type: none"> <li>Commentary on US business ramp-up</li> <li>Performance in other international markets</li> </ul>
Glenmark	GOOD	<ul style="list-style-type: none"> <li>Top-line is likely to show a growth of 9% YoY and 13% QoQ. The domestic business is expected to remain flat YoY, leading to muted growth. Sequential improvement is on the back of Welchol and Tacrolimus.</li> <li>EBITDA margin is likely to show a minor improvement of 180bps QoQ coming up to ~18% due to better business mix.</li> </ul>	<ul style="list-style-type: none"> <li>Comments on limited-competition opportunities and new launches</li> </ul>
Alembic Pharma	GOOD	<ul style="list-style-type: none"> <li>Revenue is likely to grow 19% YoY and 9% QoQ. The domestic business is to decline ~7% YoY due to a large base. Sequential growth will be aided by a seasonally strong acute quarter in the domestic business and capitalization of Valsartan opportunity for the US business.</li> <li>EBITDA margin to improve sequentially by ~200bps coming to ~20% owing to the Valsartan opportunity and strong domestic quarter.</li> </ul>	<ul style="list-style-type: none"> <li>Developments in oral, derma, and injectables plants</li> <li>Price erosion in the US</li> </ul>

# Odds in favour

COMPANY	2QFY19E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
<b>Jubilant Life Sciences</b>	<b>GOOD</b>	<ul style="list-style-type: none"> <li>Revenue is expected to see a 30% YoY growth due to the Triad acquisition and gaining traction in other segments. Sequential growth is expected to be around 3% due to a subdued performance of LSI.</li> <li>EBITDA margin would come to ~22% largely remaining flat.</li> </ul>	<ul style="list-style-type: none"> <li>Comments on Rubifil installation and capacity expansion</li> <li>Update on raw material pricing issues and Vitamin B3 demand</li> </ul>
<b>Laurus Labs</b>	<b>BAD</b>	<ul style="list-style-type: none"> <li>Revenue growth is expected to remain muted at ~3% YoY and QoQ due to the fall in ARV API prices and decline in Hep-C API sales.</li> <li>EBITDA margin would improve 200bps QoQ to ~17%, still down ~400bps YoY with a reduced impact of raw material price hike.</li> </ul>	<ul style="list-style-type: none"> <li>ARV tender opportunity update</li> <li>Outlook for key API segments</li> </ul>
<b>Strides Shasun</b>	<b>AVG</b>	<ul style="list-style-type: none"> <li>Drop in the US and institutional business segments will lead to a decline of 13% YoY in revenue. We expect revenue to remain flat sequentially. US revenue growth would start improving from 3QFY19 with Ibuprofen Softgel and Tamiflu launches as well as re-launches of key products like Ibuprofen tablet and gLovaza.</li> <li>EBITDA margin should recover ~250bps QoQ owing to better business mix within the institutional business segment.</li> </ul>	<ul style="list-style-type: none"> <li>Sequential recovery in institutional business</li> <li>Update on product approvals and launches</li> </ul>
<b>Dishman Carbogen</b>	<b>GOOD</b>	<ul style="list-style-type: none"> <li>Revenue is likely to grow 3% YoY and decline 5% QoQ with the CRAMS segment remaining largely flat. Revenue from the new building in Swiss entity will start showing up from this quarter.</li> <li>Expecting EBITDA margin at ~27% showing 200bps improvement aided by the commencement of revenue from CA's new building.</li> </ul>	<ul style="list-style-type: none"> <li>Contribution from the new building of Swiss entity and guidance for the coming quarters</li> <li>Outlook for Vitamin D analogues business</li> </ul>

# Odds in favour

COMPANY	2QFY19E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Suven Life Sciences	GOOD	<ul style="list-style-type: none"> <li>Revenue growth of 39% YoY will be driven by the CRAMS segment, whereas the sequential decline of 23% will be on account of decline in Specialty business.</li> <li>Improvement in the business mix will lead to a sequential improvement of ~600bps in EBITDA margin, expected at 36% for the quarter.</li> </ul>	<ul style="list-style-type: none"> <li>Guidance for commercial supplies</li> <li>Progress of clinical trials for SUV 502</li> </ul>
Granules India	GOOD	<ul style="list-style-type: none"> <li>Expecting revenue to grow at 18% YoY and 3% QoQ owing to gMethergine launch and capacity expansion for APIs and PFIs.</li> <li>EBITDA margin to remain sequentially flat at ~16.5%, eroding ~300bps YoY due to higher raw material cost.</li> </ul>	<ul style="list-style-type: none"> <li>Margin improvement by passing on increased raw material costs</li> <li>Comments on gMethergine market share</li> </ul>
Neuland Labs	AVG	<ul style="list-style-type: none"> <li>Revenue to grow ~22% YoY on a low base, and remain flat sequentially. CMS segment likely to gain traction.</li> <li>EBITDA margin should improve sequentially on the back of lower contribution of low-margin Prime API segment and passing on of raw material price hike.</li> </ul>	<ul style="list-style-type: none"> <li>Ramp up in niche API molecules and new approvals</li> <li>Progress on various CMS projects</li> </ul>

# Financial Summary

Company	NET SALES (Rs bn)			EBITDA (Rs bn)			EBITDA Margin (%)			APAT (Rs bn)			Adj. EPS (Rs/sh)		
	2Q FY19E	QoQ (%)	YoY (%)	2Q FY19E	QoQ (%)	YoY (%)	2Q FY19E	QoQ (bps)	YoY (bps)	2Q FY19E	QoQ (%)	YoY (%)	2Q FY19E	1Q FY19	2Q FY18
Sun Pharma	74.8	3.6	12.5	17.0	6.0	23.8	22.8	51.6	207.2	10.7	8.7	17.1	4.4	4.1	3.8
Cipla	44.4	12.7	8.8	8.5	16.4	5.1	19.0	59.4	(66.9)	3.9	(12.7)	(6.7)	4.9	5.6	5.3
Aurobindo Pharma	42.6	0.3	(3.9)	9.0	15.8	(19.3)	21.2	283.0	(402.5)	5.6	9.8	(28.3)	9.6	7.8	13.3
Dr. Reddy's Labs	39.3	5.6	10.8	7.4	(2.4)	11.5	18.8	(153.2)	11.8	3.8	(17.6)	32.0	22.7	27.5	17.2
Cadila Healthcare	30.7	5.9	(5.2)	7.5	15.5	(13.0)	24.3	202.4	(218.9)	5.3	14.5	4.8	5.2	4.5	4.9
Lupin	38.4	(0.4)	(2.9)	5.6	7.0	(33.9)	14.7	102.4	(689.5)	1.9	(8.3)	(59.1)	4.1	4.5	10.1
Divi's Labs	10.2	2.9	15.0	3.8	8.2	37.3	37.2	183.9	605.1	2.9	19.4	45.7	10.8	9.0	7.4
Torrent Pharma	19.2	2.7	34.6	5.0	5.5	52.9	26.2	67.6	313.4	1.9	18.4	(5.4)	11.4	9.6	12.1
Alkem Labs	19.2	15.1	3.1	3.4	59.6	(25.8)	17.8	495.4	(690.3)	2.2	63.1	(30.2)	18.7	11.5	26.8
Glenmark Pharma	24.5	15.2	10.3	4.4	26.0	12.5	17.8	153.2	35.6	2.1	(5.7)	2.8	10.8	9.0	7.4
Alembic Pharma	9.4	8.7	18.8	1.8	20.9	1.9	19.5	196.2	(323.0)	1.1	21.9	(9.3)	5.8	4.8	6.4
Jubilant Life Sciences	21.4	2.8	30.1	4.8	8.9	55.7	22.3	125.0	366.0	2.5	25.8	96.5	16.2	12.9	8.2
Laurus Labs	5.5	2.7	2.8	0.9	15.5	(17.4)	16.8	185.5	(410.1)	0.3	57.0	(46.7)	2.5	1.6	4.6
Strides Shasun	6.7	1.0	(12.9)	1.0	21.3	(1.7)	14.6	245.1	167.0	0.2	2784.6	(2.0)	2.5	0.1	2.6
Dishman Carbogen	4.6	(5.1)	3.1	1.2	1.4	(7.9)	26.8	173.4	(318.8)	0.4	7.2	(12.2)	2.6	2.5	3.0
Suven Life Sciences	1.5	(22.6)	38.8	0.5	(7.6)	19.6	36.3	590.9	(581.7)	0.4	(8.3)	12.2	2.8	3.1	2.5
Granules India	4.7	2.6	18.5	0.8	6.9	0.9	16.7	66.8	(290.7)	0.4	(18.7)	4.4	1.7	2.0	1.8
Neuland Labs	1.5	(0.6)	21.6	0.2	67.1	4.4	9.8	397.3	(160.7)	0.0	821.0	46.5	4.3	0.5	2.9
<b>Aggregate</b>	<b>398.6</b>	<b>5.6</b>	<b>20.6</b>	<b>81.3</b>	<b>11.4</b>	<b>2.5</b>	<b>20.4</b>	<b>104.8</b>	<b>(360.7)</b>	<b>45.0</b>	<b>6.9</b>	<b>(3.2)</b>			

Source: Company, HDFC sec Inst Research

# Peer Set Comparison

Company	Mcap (Rs bn)	CMP (Rs/sh)	Reco	TP/ FV	EPS (Rs/sh)				P/E (x)				RoE (%)			
					FY18	FY19E	FY20E	FY21E	FY18	FY19E	FY20E	FY21E	FY18	FY19E	FY20E	FY21E
Sun Pharma	1,454	604	BUY	710	13.0	17.1	24.9	28.5	46.6	35.3	24.3	21.2	8.3	10.4	13.6	13.9
Cipla	513	639	NEU	660	17.6	20.1	25.7	34.5	36.3	31.8	24.9	18.5	10.6	10.8	12.5	14.9
Aurobindo Pharma	431	736	BUY	875	41.4	38.2	56.6	59.8	17.8	19.3	13.0	12.3	23.0	17.6	21.6	18.8
Dr Reddy's Labs**	397	2,340	BUY	2,715	59.2	100.9	105.4	140.8	39.5	23.2	22.2	16.6	7.8	12.5	11.5	13.3
Cadila Healthcare	386	376	BUY	470	13.0	17.4	20.5	22.4	28.9	21.7	18.4	16.8	17.0	18.6	18.4	18.6
Lupin	382	850	BUY	1,160	38.0	28.6	47.4	58.1	22.3	29.8	18.0	14.6	12.7	9.2	14.0	15.2
Divi's Labs	339	1,277	NEU	1,270	33.0	46.7	53.3	61.8	38.7	27.4	24.0	20.7	15.5	19.4	19.4	19.7
Torrent Pharma**	266	1,569	BUY	1,800	40.1	47.5	71.6	92.1	39.2	33.0	21.9	17.0	15.1	16.3	21.3	23.1
Alkem Laboratories	235	1,969	BUY	2,400	57.6	74.0	97.4	121.1	34.2	26.6	20.2	16.3	14.8	17.0	19.4	20.7
Glenmark	168	597	BUY	800	17.5	28.6	35.9	47.3	34.2	20.9	16.6	12.6	9.4	13.5	14.9	17.0
Alembic Pharma	104	554	NEU	600	21.9	24.2	29.7	35.6	25.3	22.9	17.9	14.7	20.0	19.0	20.8	21.3
Jubilant Life Sciences	104	670	BUY	955	46.6	55.6	66.1	82.1	14.4	12.0	10.1	8.2	19.3	19.3	19.3	20.1
Laurus Labs	42	401	NR	505	15.8	12.9	23.4	32.5	25.3	31.1	17.2	12.3	11.9	8.8	14.3	17.1
Strides Shasun	36	408	BUY	490	12.7	16.0	25.3	35.8	32.1	25.5	16.1	11.4	2.7	5.7	8.5	11.1
Dishman Carbogen Amcis	35	214	BUY	415	9.6	13.1	17.6	23.2	22.3	16.3	12.1	9.2	3.1	4.1	5.3	6.6
Suven Life Sciences	31	244	NR	450	9.7	9.8	11.0	12.5	25.1	24.9	22.3	19.5	17.2	15.2	15.0	15.2
Granules India	23	93	BUY	130	5.2	7.8	10.0	11.9	17.7	11.9	9.3	7.8	12.0	14.3	16.5	17.6
Neuland Labs	5	609	BUY	835	11.0	17.4	57.1	62.2	55.5	35.0	10.7	9.8	2.2	3.5	10.0	12.3

Source: Company, HDFC sec Inst Research

\*\*Reco changes: Upgrade to BUY Dr Reddy and Torrent Pharma

## INSTITUTIONAL RESEARCH

**Rating Definitions**

BUY	: Where the stock is expected to deliver more than 10% returns over the next 12 month period
NEUTRAL	: Where the stock is expected to deliver (-) 10% to 10% returns over the next 12 month period
SELL	: Where the stock is expected to deliver less than (-) 10% returns over the next 12 month period

**Disclosure:**

We, **Amey Chalke, MBA & Eshan Desai, MBA**, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. HSL has no material adverse disciplinary history as on the date of publication of this report. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Research Analyst or his/her relative or HDFC Securities Ltd. **does not have** any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate **does not have** any material conflict of interest.

**Any holding in stock –No**

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

**Disclaimer:**

This report has been prepared by HDFC Securities Ltd and is meant for sole use by the recipient and not for circulation. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. This document is for information purposes only. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete and this document is not, and should not be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any individual in such country, especially, USA, the same may be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published for any purposes without prior written approval of HSL. Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months. HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.

HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066 Compliance Officer: Binkle R. Oza Email: [complianceofficer@hdfcsec.com](mailto:complianceofficer@hdfcsec.com) Phone: (022) 3045 3600 HDFC Securities Limited, SEBI Reg. No.: NSE-INB/F/E 231109431, BSE-INB/F 011109437, AMFI Reg. No. ARN: 13549, PFRDA Reg. No. POP: 04102015, IRDA Corporate Agent License No.: HDF 2806925/HDF C000222657, SEBI Research Analyst Reg. No.: INH000002475, CIN - U67120MH2000PLC152193 **10**  
Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

---

**HDFC securities****Institutional Equities**

Unit No. 1602, 16th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel,  
Mumbai - 400 013

Board : +91-22-6171 7330

[www.hdfcsec.com](http://www.hdfcsec.com)