

April 13, 2023

## India growth strong, positive surprises expected from US...

The I-direct Pharma universe is likely to witness decent growth during the quarter on a YoY basis, mainly led by continued traction in the domestic formulations business, which also had tailwinds from the respiratory and anti-infectives windfall during the quarter. The US portfolio is also expected to deliver decent growth amid favourable currency movement and new launches. Overall, the universe (13 coverage companies) is expected to post ~11% growth YoY to ₹ 49,424 crore.

Domestic formulations (select pack) are expected to experience a jump of ~13% YoY at ₹ 13,869 crore to be driven by significant traction from acute therapies like anti-infectives, respiratory, pain/ analgesic due to the flu season, incremental chronic disease prevalence, new products introduction, MR and geographical expansion and growing patient awareness campaigns by pharma companies.

On the US front, a favourable currency movement is likely to play out during the quarter as the rupee has depreciated 9.3% vis-à-vis the US\$ on a YoY basis. Besides currency movement, we expect growth to be driven by new launches, traction from specialty business and volume gains. We expect US (select pack) portfolio to grow ~16% YoY to ₹ 14,747 crore. Europe (select pack) is expected to grow ~10% YoY to ₹ 3,021 crore due to favourable currency movement (rupee has depreciated 4.5% vis-à-vis Euro YoY). API segment (select pack) is likely to grow 17.4% YoY to ₹ 5,097 crore.

### EBITDA margins to increase 380 bps to 22.6%

Due to better growth prospects of domestic formulations, favourable currency movement (except SA Rand), easing raw material and logistic costs with no higher priced inventory from previous quarter, we expect margins to hold up in Q4FY23. We expect EBITDA margins for I-direct pharma universe to improve 380 bps YoY to 22.6% (Note- Cipla, DRL had lower Q4FY22 base due to exceptional items).

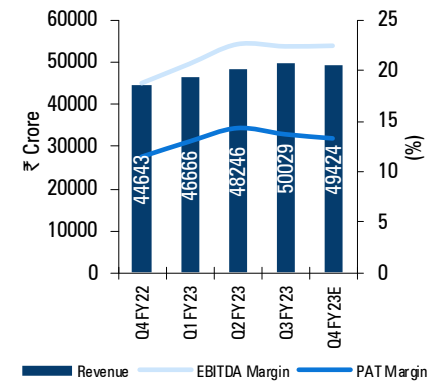
### Adjusted PAT to grow on back of EBITDA traction

PAT of our coverage universe is expected to increase 28.4% to ₹ 6,592 crore tracking strong EBITDA traction.

Company	Revenue		Change (%)		EBITDA		Change (%)		PAT		Change (%)	
	Q4FY23E	YoY	QoQ	Q4FY23E	YoY	QoQ	Q4FY23E	YoY	QoQ	Q4FY23E	YoY	QoQ
Alembic Pharma	1463	3.4%	-3.0%	250	56.2%	0.5%	96	171.1%	-21.2%			
Abbott India	1431	14.0%	7.9%	344	16.9%	8.6%	256	21.1%	3.7%			
Ajanta Pharma	934	7.3%	-3.9%	231	11.6%	36.0%	182	20.5%	35.5%			
Aurobindo	6440	10.9%	0.5%	1100	12.9%	15.2%	596	-18.8%	21.3%			
Zydus Lifescienc	4768	23.4%	9.3%	1011	40.9%	5.8%	639	54.9%	2.6%			
Cipla	5908	12.3%	1.7%	1329	77.3%	-5.6%	813	98.1%	1.5%			
Divi's Lab	1797	-28.6%	5.2%	503	-54.4%	23.3%	431	-51.9%	40.3%			
Dr Reddy's	6326	15.5%	-6.8%	1437	218.7%	-26.4%	856	162.9%	-31.6%			
Ipca Lab	1470	14.0%	-4.9%	250	13.9%	15.8%	142	8.8%	31.4%			
Lupin	4064	4.7%	-6.0%	571	152.1%	10.6%	195	-137.1%	36.1%			
Laurus Labs	1363	-4.3%	-11.8%	382	-3.8%	-5.4%	186	-19.2%	-8.1%			
Sun Pharma	11019	16.6%	-2.0%	3037	29.8%	1.1%	1917	21.1%	-11.5%			
Torrent Pharma	2441	14.6%	-2.0%	725	29.3%	0.2%	283	-47.5%	0.1%			
<b>Total</b>	<b>49424</b>	<b>10.7%</b>	<b>-1.2%</b>	<b>11170</b>	<b>32.9%</b>	<b>-0.9%</b>	<b>6592</b>	<b>28.4%</b>	<b>-4.2%</b>			

Source: Company, ICICI Direct Research

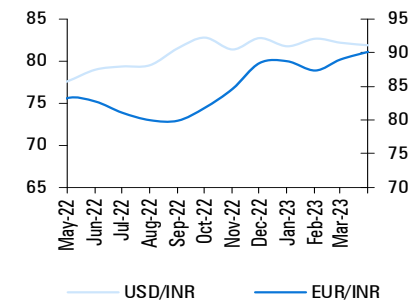
### Topline & Profitability (Coverage Universe)



### US approvals for Q4FY23 (Select pack)

Company	Final	Tentative
Alembic Pharma	0	2
Aurobindo Pharma	29	2
Zydus Lifesciences	28	5
Cipla	4	0
Dr. Reddy's Labs	9	0
Lupin	11	4
Sun Pharma	14	2
Laurus	1	0
Torrent Pharma	0	0

### Currency Movement



### Top Picks

Sun Pharma  
Cipla  
Dr. Reddy's Lab

### Research Analysts

Siddhant Khandekar  
siddhant.khandekar@icicisecurities.com

Kushal Shah  
kushal.shah@icicisecurities.com

Utkarsh Jain  
utkarsh.jain@icicisecurities.com

Exhibit 2: Company Specific view

Company	Remarks
Alembic Pharma	Revenues are expected to increase mere ~3% YoY to ₹ 1,463 crore as strong domestic formulations growth of 15% is likely to be pulled down by ~15% de-growth in the US. EBITDA is expected to grow 56.2% YoY to ₹ 250 crore. EBITDA margins are expected to increase 578 bps YoY to 17.1%. Subsequently, adjusted PAT is expected to touch ₹ 96 crore, up 171.1% YoY
Abbott India	Revenues are likely to show an improvement of 14% YoY to ₹ 1,431 crore. This is on the back of strong expectations from its brands such as Thyonorm, Duphaston, Udiliv, Duphalac. EBITDA is expected to increase 16.9% YoY to ₹ 344 crore while EBITDA margins are expected to increase 60 bps to ~24%. Adjusted PAT is expected to increase 21.1% YoY to ₹ 256 crore
Ajanta Pharma	Revenues are expected to grow 7.3% YoY to ₹ 934 crore on the back of ~13% growth in domestic formulations even as exports are likely to slow down. EBITDA is likely to improve 11.6% YoY at ₹ ~₹ 231 crore. EBITDA margins are expected to increase 100 bps YoY to 24.7%, mainly due to improvement in input costs. Adjusted PAT is expected to increase 20.5% YoY to ~₹ 182 crore
Aurobindo Pharma	Revenues are likely to increase 10.9% YoY to ₹ 6,440 crore on back of higher sales from US business, which are expected to grow 12.2% to ₹ 3,060 crore followed by Europe sales up 11 % YoY to ₹ 1,708 crore. Subsequently, EBITDA is expected to deliver 12.9% YoY to ₹ 1,100 crore. EBITDA margins are expected to increase 30 bps YoY to 17.1%. Adjusted PAT is expected to de-grow 18.8% YoY to ~₹ 596 crore due to higher base on account of an exceptional item in Q4FY22
Cipla	Revenues are expected to grow 12.3% YoY to ₹ 5,908 crore, mainly due to expectations of uptrend visible from both domestic formulations (+15%) and US business (+20%). RoW is likely to showcase 12% YoY growth whereas South Africa is expected to de-grow 15% . We expect gRevlimid to show strong volume growth. EBITDA is expected to grow 77.3% YoY to ₹ 1,329 crore. EBITDA margins are expected to increase 50 bps YoY to 23%. Subsequently, adjusted PAT is likely to double YoY to ₹ 813 crore
Divi's Lab	Revenues are expected to de grow 28.6% YoY to ₹ 1,797 crore, mainly due to 55% decline in Custom Synthesis segment to ₹ 722 crore, which had a higher base of Molnupiravir execution. APIs, on the other hand are expected to grow ~23% to ₹ 920 crore. EBITDA is expected to de-grow 54.4% to ₹ 503 crore whereas EBITDA margins are expected to decline 1584 bps YoY to 28%. Net profit is likely to de-grow 51.9% YoY to ₹ 431 crore
Dr Reddy's	Revenues are likely to show growth of 15.5% YoY to ₹ 6,326 crore mainly due to 22.7% growth in the US business to ₹ 2,451 crore. Europe revenues are expected to grow 10% YoY to ₹ 489 crore. Russia & CIS revenues are likely to remain flat YoY at ₹ 920 crore while domestic markets are expected to grow 8% to ₹ 1,046 crore. EBITDA is expected to increase 218.7% YoY at ₹ 1,437 crore. Such higher jump is seen on the back of lower base due to impairment loss & provisions related to Texas litigation in Q4FY22 of ₹ 756 crore, ₹ 98 crore respectively. EBITDA margins are likely to touch 22.7%. Adjusted PAT is likely to show an uptick 162.9% YoY to ₹ 856 crore
Ipca Lab	Revenues are expected to grow 14% YoY to ₹ 1,470 crore mainly due to YoY growth of 15% in domestic formulations to ₹ 635 crore followed by growth in export formulations by 8% YoY to ₹ 374 crore. APIs are expected to show robust performance, up 25.5% YoY to ₹ 324 crore. EBITDA is expected to increase 13.9% YoY to ₹ 250 crore. EBITDA margins are expected to remain flat YoY at 17%. Subsequently, adjusted net profit is expected to increase by 8.8% YoY to ₹ 142 crore
Laurus	Revenues are expected to show de-growth of 4.3% YoY to ₹ 1,363 crore tracking 42% lower sales from FDF at ₹ 286 crore. API business is expected to post 21.5% growth at ₹ 655 crore while Custom Synthesis business is expected to deliver 11.1% YoY growth to ₹ 400 crore. EBITDA is likely to get impacted by 3.8 % YoY to ₹ 382 crore. EBITDA margins are expected to decline 16 bps YoY to 28%. Adjusted PAT is expected to de-grow 19.2% YoY to ₹ 186 crore
Lupin	Revenues are expected to show growth of 4.7% YoY to ₹ 4,064 crore. India business to deliver growth of 8% at ₹ 1,459 crore. EBITDA is likely to grow 152.1% YoY to ₹ 571 crore. Q4FY22 included impairment charges of ₹ 129 crore. EBITDA margins are expected to touch 14.1% . Adjusted PAT is expected to de-grow 137.1% YoY to ₹ 195 crore
Sun Pharma	Revenues are likely to grow 16.6% YoY to ₹ 11,019 crore mainly on the back of 12% growth in domestic formulations to ₹ 3,468 crore and 21.1% growth in the US (supported by specialty and complex launches) to ₹ 3,542 crore. Emerging markets are likely to grow 18% YoY to ₹ 1,826 crore while RoW markets likely to grow at 12% YoY to ₹ 1,502 crore. EBITDA is expected to post growth of 29.8% YoY to ₹ 3,037 crore. EBITDA margins are likely to increase 278 bps to 27.6%. Adjusted PAT is likely to increase 21.1% YoY to ₹ 1,917 crore

Expected growth in Domestic formulations

India					
(₹ cr)	Q4FY23E	Q4FY22	%	Q3FY23	%
Abbott	1,431	1,255	14.0	1,326	7.9
Ajanta	261	231	13.0	272	-4.1
Alembic	516	449	15.0	545	-5.3
Cipla	2,510	2,183	15.0	2,563	-2.1
Dr Reddy's	1,046	969	8.0	1,127	-7.2
Ipca	635	552	15.0	702	-9.6
Lupin	1,459	1,351	8.0	1,521	-4.1
Sun Pharma	3,468	3,097	12.0	3,392	2.3
Torrent	1,227	1,034	18.6	1,259	-2.6
Zydus Lifesciences	1,315	1,164	13.0	1,232	6.8
Total	13869	12285	12.90	13940	-0.5

Expected growth in US formulations

US					
(₹ cr)	Q4FY23E	Q4FY22	%	Q3FY23	%
Alembic	474	557	-14.9	432	9.7
Ajanta	171	168	1.5	168	1.5
Aurobindo	3,060	2,728	12.2	3,001	1.9
Cipla	1,451	1,209	20.0	1,600	-9.3
Dr Reddy's	2,451	1,997	22.7	3,057	-19.8
Lupin	1,382	1,416	-2.4	1,527	-9.5
Sun Pharma	3,542	2,925	21.1	3,466	2.2
Torrent	287	282	1.8	291	-1.3
Zydus Lifesciences	1,929	1,423	35.6	1,925	0.2
Total	14747	12705	16.1	15467	-4.7

Expected growth in Europe formulations

Europe					
(₹ cr)	Q4FY23E	Q4FY22	%	Q3FY23	%
Aurobindo	1,708	1,541	10.9	1,701	0.4
Cipla	315	286	10.0	319	-1.2
Dr Reddy's	489	444	10.0	430	13.6
Lupin	187	197	-5.0	201	-6.8
Torrent	251	218	15.0	241	4.0
Zydus Lifesciences	71	63	12.0	71	0.6
Total	3021	2750	9.9	2962	2.0

Expected growth in API segment

API					
(₹ cr)	Q4FY23E	Q4FY22	%	Q3FY23	%
Alembic	266	222	20.0	326	-18.3
Aurobindo	959	913	5.0	955	0.4
Cipla	192	137	40.0	147	30.5
Divi's Lab	918	747	22.9	874	5.0
Dr Reddy's	869	756	15.0	780	11.4
Ipca Labs	324	258	25.5	322	0.4
Laurus Labs	655	539	21.5	632	3.6
Lupin	275	220	25.0	282	-2.2
Sun Pharma	476	414	15.0	515	-7.7
Zydus Lifesciences	164	136	20.0	188	-13.0
Total	5097	4341	17.4	5021	1.5

<p>Torrent Pharma</p>	<p>Revenues are expected grow 14.6% YoY to ₹ 2,441 crore mainly due to 18.6% YoY growth in domestic formulations (including Curatio) at ₹ 1,227 crore . Germany is likely to grow 15% YoY to ₹ 251 crore followed by Brazil, up 5% YoY at ₹ 264. EBITDA is likely to grow 29.3% YoY to ₹ 725 crore. EBITDA margins are expected to increase 339 bps YoY to 29.7%. Adjusted PAT is likely to be impacted by 47.5% YoY to ₹ 283 crore. (Q4FY22 includes ₹ 485 crores from discontinuance of liquid formulation business of US)</p>
<p>Zydus Lifesciences</p>	<p>Revenues are expected to grow 23.4% YoY to ₹ 4,768 crore on the back of strong numbers from US, up 35.6% at ₹ 1,929 crore followed by India and EU region up 13% and 12%, respectively. Sales from gRevlimid to remain strong during the quarter as well as dominance of market share would continue to prevail from its power brands. EBITDA is expected to grow 40.9% YoY to ₹ 1,011 crore. EBITDA margins are likely grow 263 bps YoY to 21.2%. Adjusted PAT is expected to come at ₹ 639 crore</p>

Source: Company, ICICI Direct Research

Exhibit 3: ICICI Direct Coverage Universe (Pharmaceuticals)

Company	I-Direct Code	CMP (₹)	TP (₹)	Rating	M Cap (₹ cr)	EPS (₹)				P/E(x)				RoCE (%)			RoE (%)				
						FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY25E	
<b>MNC Pharma</b>																					
Abbott India	ABBIND	22478	21,025	Hold	47205	380.3	476.5	519.3	584.0	59.1	47.2	43.3	38.5	36.6	39.7	35.6	33.5	28.3	30.9	27.5	25.8
P&G Health	MERLIM	4864	5,315	Buy	8269	113.2	165.6	166.2	183.2	43.0	29.4	29.3	26.5	39.8	51.2	44.7	43.1	31.2	38.6	33.5	32.2
Sanofi India	SANOFI	5944	6,270	Hold	13671	410.6	269.8	251.4	272.7	14.5	22.0	23.6	21.8	33.3	55.1	49.6	45.0	25.9	41.2	36.9	33.3
Pfizer	PFIZER	3757	4,505	Hold	17282	133.2	139.7	149.3	162.0	28.2	26.9	25.2	23.2	26.1	23.5	24.0	22.6	21.4	17.6	18.4	17.3
<b>Pharma</b>																					
Ajanta Pharma	AJAPHA	1261	1,385	Buy	16146	55.7	51.2	67.9	76.8	22.7	24.6	18.6	16.4	27.0	21.5	24.3	23.5	21.8	17.5	19.7	18.9
Alembic Pharma	ALEMPHA	524	550	Hold	10324	27.7	15.3	23.2	27.4	18.9	34.3	22.5	19.1	10.6	7.1	9.8	11.2	10.4	5.6	8.0	8.8
Aurobindo Pharma	AURPHA	564	525	Hold	33047	47.4	34.8	46.2	52.4	11.9	16.2	12.2	10.8	12.9	10.2	12.6	13.1	11.3	7.7	9.3	9.6
Biocon	BIOCON	224	230	Hold	26944	6.3	4.9	3.1	3.1	35.4	45.4	71.3	71.3	7.5	3.3	5.1	6.2	8.1	2.7	6.2	8.3
Zydus Lifesciences	CADHEA	502	500	Buy	51451	21.0	22.6	27.0	35.5	23.9	22.3	18.6	14.1	12.0	12.3	12.3	12.0	12.6	12.1	12.8	14.6
Cipla	CIPLA	915	1,290	Buy	73841	32.9	38.3	45.5	52.5	27.8	23.9	20.1	17.4	16.7	18.4	19.1	19.8	12.7	13.3	14.1	14.5
Dr Reddy's Lab	DRREDD	4839	5,210	Buy	80332	127.2	262.2	215.5	241.8	38.0	18.5	22.5	20.0	13.0	24.2	20.8	23.4	11.0	18.9	13.8	13.7
Glenmark	GLEPHA	490	440	Hold	13825	42.7	33.3	47.4	54.8	11.5	14.7	10.3	8.9	14.8	14.9	15.7	16.4	13.2	9.4	11.9	12.2
Ipca Lab	IPCLAB	818	885	Hold	20780	34.8	20.8	31.4	37.0	23.5	39.3	26.0	22.1	17.4	12.1	15.7	16.5	16.1	8.9	12.1	12.7
Lupin	LUPIN	671	725	Hold	30537	11.9	8.3	25.6	33.0	56.5	80.7	26.2	20.4	3.4	5.7	11.0	13.0	4.4	3.0	8.6	10.2
Natco	NATPHA	575	565	Hold	10531	9.3	36.3	40.3	30.2	61.9	15.8	14.3	19.0	4.6	15.9	16.5	11.6	4.0	13.9	13.6	9.4
Sun Pharma	SUNPHA	1003	1,210	Buy	240572	32.0	34.9	38.6	43.2	31.4	28.7	26.0	23.2	18.2	17.2	18.1	18.1	16.0	15.2	14.7	14.7
Torrent Pharma	TORPHA	1583	1,720	Hold	53494	32.0	36.3	45.1	53.8	49.4	43.6	35.1	29.4	19.7	17.1	20.4	23.3	18.2	17.9	19.0	19.4
Indoco Remedies	INDREM	329	440	Buy	3027	16.8	17.9	26.7	31.5	19.6	18.3	12.3	10.5	17.5	15.6	21.9	24.7	17.1	15.9	19.8	19.4
Caplin Point	CAPPOI	632	865	Buy	4802	39.5	48.8	47.9	47.9	16.0	12.9	13.2	13.2	25.3	23.5	22.4	22.4	20.2	20.2	16.7	16.7
Advanced Enzyme	ADVENZ	261	265	Reduce	2918	9.4	13.6	15.3	15.3	27.6	19.2	17.0	17.0	19.4	14.3	10.8	14.2	19.4	14.3	10.8	14.2
Hester Bios	HESPHA	1790	1,830	Hold	1611	45.7	35.6	49.7	59.8	39.1	50.2	36.0	29.9	10.9	9.9	10.9	12.0	15.0	10.7	13.5	14.4
<b>API/CRAMS</b>																					
Divi's Lab	DIVLAB	3179	2,945	Hold	84241	111.5	72.8	77.4	95.0	28.5	43.7	41.1	33.5	30.2	18.2	18.3	18.3	21.3	25.2	15.0	15.0
Hikal	HIKCHE	309	375	Hold	3804	13.0	5.7	14.6	20.7	23.8	54.3	21.2	14.9	13.6	7.2	14.3	17.7	15.0	6.3	14.1	17.0
Syngene International	SYNINT	616	610	Hold	24706	9.9	12.1	14.7	17.4	62.4	50.9	41.8	35.4	11.7	13.4	14.4	16.3	12.9	13.0	13.7	14.0
Granules India	GRANUL	298	355	Buy	7378	16.6	21.4	16.6	16.6	17.9	13.9	17.9	17.9	15.6	20.0	15.6	15.6	16.0	18.7	16.0	16.0
Laurus Labs	LAULAB	315	400	Buy	16889	15.4	16.5	19.1	19.1	20.4	19.0	16.5	16.5	21.3	21.8	21.5	22.0	24.7	21.4	20.2	19.5
Suven Pharma	SUVPH	465	530	Buy	11851	17.8	14.7	17.7	20.0	26.1	31.6	26.3	23.2	37.5	26.0	25.6	24.5	29.7	20.6	20.5	19.5

Source: ICICI Direct Research

## RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorises them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%;

Hold: -5% to 15%;

Reduce: -5% to -15%;

Sell: <-15%



**Pankaj Pandey**

**Head – Research**

**pankaj.pandey@icicisecurities.com**

ICICI Direct Research Desk,  
ICICI Securities Limited,  
1st Floor, AkruTI Trade Centre,  
Road No 7, MIDC,  
Andheri (East)  
Mumbai – 400 093  
research@icicidirect.com



## ANALYST CERTIFICATION

I/We, Siddhant Khandekar- Inter CA, Kushal Shah- CFA L1, CFP, Utkarsh Jain- MBA, Research Analysts, 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. 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. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

## Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icicidirect.com](http://icicidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities 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.

ICICI Securities 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.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates 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 ICICI Securities nor Research Analysts and their relatives 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.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

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 ICICI Securities 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.