

**BSE SENSEX**

33,371

**S&P CNX**

10,350


**Stock Info**

Bloomberg	LPC IN
Equity Shares (m)	452
52-Week Range (INR)	1,572/846
1, 6, 12 Rel. Per (%)	-22/-42/-65
M.Cap. (INR b)	385.1
M.Cap. (USD b)	5.8
Avg Val, INRm	1,765.2
Free float (%)	53.2

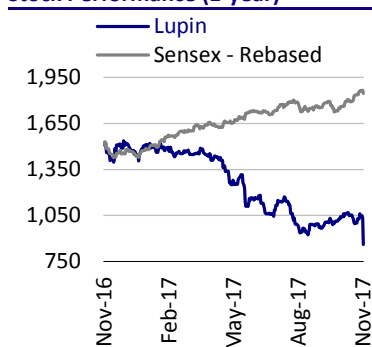
**Financials Snapshot (INR b)**

Y/E Mar	2017	2018E	2019E
Net Sales	174.9	160.4	182.3
EBITDA	44.9	34.5	38.3
PAT	25.6	17.0	19.3
EPS (INR)	56.6	37.6	42.7
Gr. (%)	12.4	-33.6	13.7
BV/Sh (INR)	298.9	326.0	358.2
RoE (%)	20.9	12.0	12.5
RoCE (%)	13.3	8.3	8.7
P/E (x)	15.2	22.9	20.1
P/BV (x)	2.9	2.6	2.4

**Shareholding pattern (%)**

As On	Sep-17	Jun-17	Sep-16
Promoter	46.8	46.7	46.7
DII	12.4	9.8	7.2
FII	27.7	30.9	34.7
Others	13.1	12.6	11.4

FII Includes depository receipts

**Stock Performance (1-year)**

**CMP: INR861**
**TP: INR1,000(+16%)**
**Buy**
**Goa and Indore plant receives Warning Letter**

~1/3<sup>rd</sup> of pending ANDAs from these two facilities

- No data integrity issue was highlighted in the warning letter. Two key things highlighted by US FDA in the Warning Letter was – 1) investigation of OOS studies was not proper; 2) hold time study procedure requires changes
- LPC is required to do retrospective OOS and hold time studies to come out of WL status
- ~40-50 pending ANDA approvals are from these two facilities. LPC is planning to initiate site transfer for ~12 pending ANDAs.
- Amongst future launches Levothyroxine and Tamiflu are not from these plants.
- **Warning Letter is a negative surprise:** Lupin announced that Goa and Pithampur (Unit-2) based formulations plant received import alert. This is a negative surprise as the company in its 2QFY18 earnings call (few days back) said that they are expecting full resolution in next two months. Given that existing business in US is coming under pressure due to new competition in Glumetza and Fortamet and channel consolidation, new approvals are key to drive growth and sustain current business.
- **No data integrity issue but needs to do retrospective studies:** LPC management mentioned that no data integrity issue was highlighted by US FDA in WL. LPC is required to do retrospective OOS and hold time studies to come out of WL status. LPC believes that retrospective studies will have to be done from Jan 2014. However, LPC will get more clarity regarding this in its meeting with US FDA. LPC has done retrospective studies for OOS at Goa plant in 2015 and 2016 and can use that data also. LPC believes that the company will be ready for re-inspection in 6 months. Currently we assume resolution of WL at these two plants by 2H FY19E (typically WL resolution takes 12-18 months).
- **Key plants for LPC; early resolution critical:** Out of 158 pending ANDAs, ~40-50 are pending from these two facilities. Out of these ~20-25 approvals were expected in next 12- 18 months. LPC is planning to initiate site transfer for ~12 key ANDAs. Though Tamiflu and Levothyroxine approval will not get impacted due to this, key approvals including Ranexa, Toprol XL, Sevelamer and few other ER products will get stuck due to this. We also expect margins to come under pressure due to negative operating leverage and remediation cost related to retrospective studies and consultant cost. LPC does not expect any supply disruption due to issuance of WL.
- **Near term pressure to persist; stock factoring most of the negatives:** LPC has invested ~INR60b on R&D between FY16-18E (much higher than what it invested in a decade prior to that). GMP compliance is key to monetize this investment. Though in near term stock will remain under pressure, key approvals in US and resolution of WL status (expected in 12 months) will help create value in 12-18 months. We maintain Buy with a TP of INR1,000 @ 20x 1H FY20E PER (vs INR1,215 @ 21x 1H FY20E PER). We have cut FY19E EPS by ~17% as we build impact of WL at Goa and Indore (Unit-2).

**Kumar Saurabh – Research analyst** (Kumar.Saurabh@MotilalOswal.com); +91 22 6129 1519

**Ankeet Pandya – Research analyst** (Ankeet.Pandya@MotilalOswal.com)

**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

**Exhibit 1: Most frequent 483 observations found in last few years (%)**

	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Procedures not in writing, fully followed	22.1	26.5	21.5	22.5	22.5	23.6	21.3
Scientifically sound laboratory controls	12.7	16.4	14.6	14.3	16.9	19.2	19.2
Investigations of discrepancies, failures	14.7	16.2	15.1	19.0	14.6	18.3	18.2
Absence of Written Procedures	11.9	16.9	14.7	15.4	13.5	14.0	12.3
Environmental Monitoring System	2.0	1.5	0.8	4.5	6.5	12.2	11.3

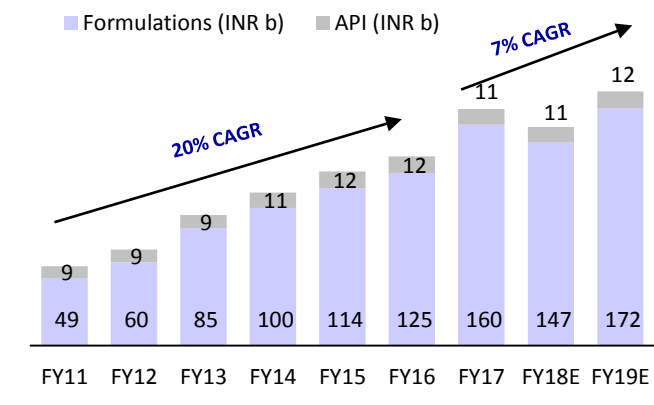
Source: Company, MOSL

**Key Con-call takeaways**

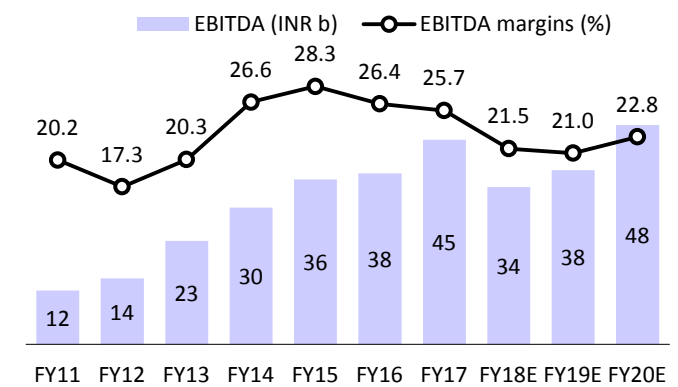
- The observations are not related to any data integrity.
- The warning letter won't impact the current US business of US, but is expected although it will lead to a delay in approvals of key products.
- 483s were mainly related to handling out of specifications obtained during the testing of commercial drugs and Hold time study.
- Company guided that it will be ready for re-inspection in after six 6 months.
- It takes 12-18 months to get resolution, but management is targeting to get it resolved earlier.
- Of the total 158 pending ANDAs, 40-50 are from these two facilities.
- Company plans to initiate site transfer for ~12 products (will transfer key products first).
- Extended Release products will require bio studies as the company does site transfer of ER products.
- Levothyroxine and Tamiflu have not been filed from these two facilities.
- Both the plants will get clearance together.

## Story in charts

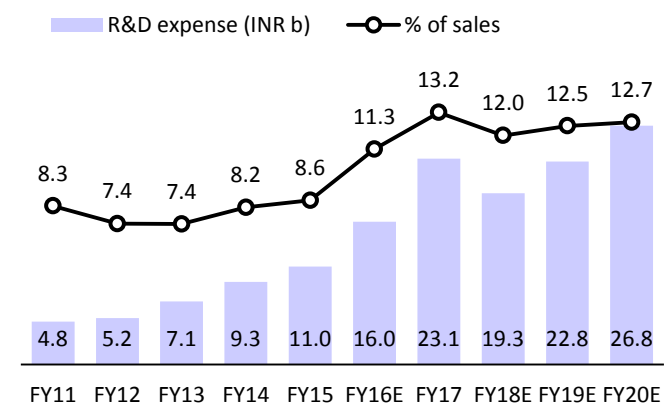
**Exhibit 2: Growth to slow down due to regulatory issues**



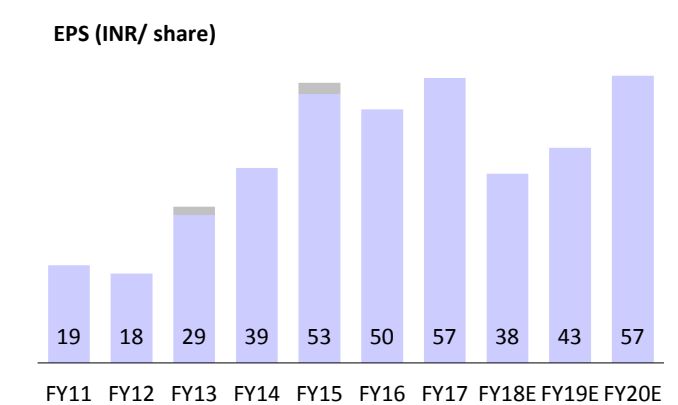
**Exhibit 3: Margins to remain under pressure due to pricing pressure**



**Exhibit 4: R&D expense to be in the range of 12-13%**



**Exhibit 5: EPS to remain muted till FY20**



## Financials and Valuations

Income Statement						(INR Million)		
Y/E Mar	2013	2014	2015	2016	2017	2018E	2019E	2020E
<b>Net Sales</b>	<b>96,413</b>	<b>112,866</b>	<b>127,700</b>	<b>142,085</b>	<b>174,943</b>	<b>160,442</b>	<b>182,264</b>	<b>211,217</b>
Change (%)	36.1	17.1	13.1	11.3	23.1	-8.3	13.6	15.9
<b>EBITDA</b>	<b>22,700</b>	<b>30,028</b>	<b>36,196</b>	<b>37,534</b>	<b>44,931</b>	<b>34,495</b>	<b>38,275</b>	<b>48,157</b>
EBITDA Margin (%)	23.5	26.6	28.3	26.4	25.7	21.5	21.0	22.8
Depreciation	3,322	2,610	4,347	4,635	9,122	10,778	11,380	12,282
<b>EBIT</b>	<b>19,378</b>	<b>27,418</b>	<b>31,849</b>	<b>32,899</b>	<b>35,809</b>	<b>23,717</b>	<b>26,896</b>	<b>35,876</b>
Interest	410	267	98	446	1,525	2,111	2,026	1,942
Other Income	279	165	2,398	1,877	1,065	1,600	1,500	1,500
Extraordinary items	0	1,000	0	0	0	0	0	0
<b>PBT</b>	<b>19,246</b>	<b>28,317</b>	<b>34,148</b>	<b>34,330</b>	<b>35,349</b>	<b>23,206</b>	<b>26,369</b>	<b>35,434</b>
Tax	5,842	9,622	9,704	11,536	9,785	6,150	6,988	9,567
Tax Rate (%)	30.4	34.0	28.4	33.6	27.7	26.5	26.5	27.0
Min. Int. & Assoc. Share	263	331	412	88	-11	85	85	85
<b>Reported PAT</b>	<b>13,142</b>	<b>18,364</b>	<b>24,032</b>	<b>22,707</b>	<b>25,574</b>	<b>16,972</b>	<b>19,297</b>	<b>25,782</b>
<b>Adjusted PAT</b>	<b>13,142</b>	<b>17,364</b>	<b>24,032</b>	<b>22,707</b>	<b>25,574</b>	<b>16,972</b>	<b>19,297</b>	<b>25,782</b>
Change (%)	66.0	32.1	38.4	-5.5	12.6	-33.6	13.7	33.6

Balance Sheet						(INR Million)		
Y/E Mar	2013	2014	2015	2016	2017	2018E	2019E	2020E
Share Capital	895	897	899	901	903	903	903	903
Reserves	51,147	68,419	87,842	108,943	134,072	146,289	160,830	181,857
<b>Net Worth</b>	<b>52,042</b>	<b>69,316</b>	<b>88,741</b>	<b>109,844</b>	<b>134,975</b>	<b>147,192</b>	<b>161,733</b>	<b>182,760</b>
Debt	10,240	5,992	4,710	71,193	84,426	84,426	84,426	84,426
Deferred Tax	1,632	1,779	1,182	1,239	-1,128	-1,128	-1,128	-1,128
<b>Total Capital Employed</b>	<b>64,509</b>	<b>77,756</b>	<b>94,874</b>	<b>182,596</b>	<b>218,619</b>	<b>230,921</b>	<b>245,547</b>	<b>266,659</b>
Gross Fixed Assets	41,138	45,638	45,445	55,887	55,265	68,285	81,192	94,043
Less: Acc Depreciation	16,840	19,283	19,174	23,262	8,902	24,402	35,781	48,063
<b>Net Fixed Assets</b>	<b>24,298</b>	<b>26,355</b>	<b>26,271</b>	<b>32,625</b>	<b>46,363</b>	<b>43,883</b>	<b>45,411</b>	<b>45,980</b>
Capital WIP	3,107	3,041	5,760	9,812	7,150	6,925	6,812	6,756
Investments	21	1,785	16,584	75	220	220	220	220
<b>Current Assets</b>	<b>55,305</b>	<b>62,970</b>	<b>64,510</b>	<b>107,473</b>	<b>129,117</b>	<b>138,971</b>	<b>156,130</b>	<b>181,882</b>
Inventory	19,489	21,295	25,036	31,787	36,423	30,223	34,333	39,540
Debtors	21,870	24,641	26,566	45,498	43,073	41,997	47,709	55,288
Cash & Bank	4,349	7,975	4,814	8,379	27,994	45,010	52,221	65,049
Loans & Adv, Others	9,597	9,060	8,095	21,808	21,626	21,741	21,867	22,006
<b>Curr Liabs &amp; Provns</b>	<b>23,926</b>	<b>23,597</b>	<b>35,662</b>	<b>40,975</b>	<b>42,378</b>	<b>41,947</b>	<b>45,895</b>	<b>51,049</b>
Curr. Liabilities	19,241	18,818	28,299	32,318	34,576	29,682	33,547	38,442
Provisions	4,684	4,779	7,363	8,658	7,801	12,265	12,349	12,607
<b>Net Current Assets</b>	<b>31,379</b>	<b>39,374</b>	<b>28,848</b>	<b>66,498</b>	<b>86,739</b>	<b>97,024</b>	<b>110,235</b>	<b>130,834</b>
<b>Total Assets</b>	<b>64,509</b>	<b>77,756</b>	<b>94,874</b>	<b>182,596</b>	<b>218,619</b>	<b>230,921</b>	<b>245,547</b>	<b>266,659</b>

## Financials and Valuations

### Ratios

Y/E Mar	2013	2014	2015	2016	2017	2018E	2019E	2020E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>29.4</b>	<b>38.7</b>	<b>53.5</b>	<b>50.4</b>	<b>56.6</b>	<b>37.6</b>	<b>42.7</b>	<b>57.1</b>
Cash EPS	36.8	44.5	63.1	60.7	76.8	61.5	67.9	84.3
Book Value	116.3	154.6	197.4	243.8	298.9	326.0	358.2	404.7
DPS	4.0	6.0	7.5	7.5	9.0	9.0	9.0	9.0
Payout (incl. Div. Tax.)	15.9	16.0	16.9	17.9	18.6	28.0	24.6	18.4
<b>Valuation(x)</b>								
P/E				17.1	15.2	22.9	20.1	15.1
Cash P/E				14.2	11.2	14.0	12.7	10.2
Price / Book Value				3.5	2.9	2.6	2.4	2.1
EV/Sales				3.2	2.5	2.6	2.3	1.9
EV/EBITDA				11.9	9.8	12.3	10.9	8.4
Dividend Yield (%)				0.9	1.0	1.0	1.0	1.0
<b>Profitability Ratios (%)</b>								
RoE	28.5	28.6	30.4	22.9	20.9	12.0	12.5	15.0
RoCE	23.2	26.5	29.1	16.8	13.3	8.3	8.7	10.6
RoIC	25.4	29.7	34.4	18.8	14.9	9.6	10.8	13.8
<b>Turnover Ratios (%)</b>								
Asset Turnover (x)	1.5	1.5	1.3	0.8	0.8	0.7	0.7	0.8
Debtors (No. of Days)	83	80	76	117	90	96	96	96
Inventory (No. of Days)	74	69	72	82	76	69	69	68
<b>Leverage Ratios (%)</b>								
Net Debt/Equity (x)	0.1	0.0	0.0	0.6	0.4	0.3	0.2	0.1

### Cash Flow Statement

(INR Million)

Y/E Mar	2013	2014	2015	2016	2017	2018E	2019E	2020E
Adjusted EBITDA	22,700	30,028	36,196	37,534	44,931	34,495	38,275	48,157
Non cash opr. exp (inc)	278	165	2,398	1,877	1,065	1,600	1,500	1,500
(Inc)/Dec in Wkg. Cap.	-5,166	-4,368	7,364	-34,084	-626	6,731	-6,000	-7,771
Tax Paid	-5,652	-9,475	-10,300	-11,479	-12,152	-6,150	-6,988	-9,567
Other operating activities	0	1,000	0	0	0	0	0	0
<b>CF from Op. Activity</b>	<b>12,160</b>	<b>17,349</b>	<b>35,657</b>	<b>-6,152</b>	<b>33,219</b>	<b>36,676</b>	<b>26,787</b>	<b>32,319</b>
(Inc)/Dec in FA & CWIP	-4,497	-6,098	-17,191	-71,217	-24,759	-12,795	-12,795	-12,795
<b>Free cash flows</b>	<b>7,663</b>	<b>11,251</b>	<b>18,466</b>	<b>-77,369</b>	<b>8,460</b>	<b>23,881</b>	<b>13,992</b>	<b>19,524</b>
(Pur)/Sale of Invt	7	-1,764	-14,799	16,509	-145	0	0	0
Others	0	0	0	0	0	0	0	0
<b>CF from Inv. Activity</b>	<b>-4,490</b>	<b>-7,862</b>	<b>-31,991</b>	<b>-54,708</b>	<b>-24,904</b>	<b>-12,795</b>	<b>-12,795</b>	<b>-12,795</b>
Inc/(Dec) in Net Worth	475	1,593	-1,389	2,459	4,348	0	0	0
Inc / (Dec) in Debt	-5,317	-4,248	-1,282	66,483	13,233	0	0	0
Interest Paid	-410	-267	-98	-446	-1,525	-2,111	-2,026	-1,942
Divd Paid (incl Tax) & Others	-2,095	-2,939	-4,058	-4,071	-4,755	-4,755	-4,755	-4,755
<b>CF from Fin. Activity</b>	<b>-7,348</b>	<b>-5,861</b>	<b>-6,828</b>	<b>64,425</b>	<b>11,300</b>	<b>-6,866</b>	<b>-6,781</b>	<b>-6,697</b>
<b>Inc/(Dec) in Cash</b>	<b>323</b>	<b>3,626</b>	<b>-3,161</b>	<b>3,565</b>	<b>19,615</b>	<b>17,016</b>	<b>7,211</b>	<b>12,827</b>
Add: Opening Balance	4,025	4,349	7,975	4,814	8,379	27,994	45,010	52,221
<b>Closing Balance</b>	<b>4,348</b>	<b>7,975</b>	<b>4,814</b>	<b>8,379</b>	<b>27,994</b>	<b>45,010</b>	<b>52,221</b>	<b>65,049</b>

## Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Securities Ltd. (MOSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Investment Advisory Services, Depository participant services & distribution of various financial products. MOSL is a subsidiary company of Motilal Oswal Financial Service Ltd. (MOFSL). MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://www.motilaloswal.com). MOSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Metropolitan Stock Exchange Of India Ltd. (MSE) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) & National Securities Depository Limited (NSDL) and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products. Details of associate entities of Motilal Oswal Securities Limited are available on the website at <http://online.reports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

### Pending Regulatory Enquiries against Motilal Oswal Securities Limited by SEBI:

**SEBI pursuant to a complaint from client Shri C.R. Mohanraj alleging unauthorized trading, issued a letter dated 29th April 2014 to MOSL notifying appointment of an Adjudicating Officer as per SEBI regulations to hold inquiry and adjudge violation of SEBI Regulations; MOSL requested SEBI to provide all documents, records, investigation report relied upon by SEBI which were referred in Show Cause Notice and also sought personal hearing. The matter is currently pending.**

MOSL, it's associates, Research Analyst or their relative may have any financial interest in the subject company. MOSL and/or its associates and/or Research Analyst may have beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. MOSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (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; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. MOSL and/or its associates may have received any compensation from the subject company in the past 12 months.

In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, MOSL or any of its associates may have:

- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.
- Subject Company may have been a client of MOSL or its associates during twelve months preceding the date of distribution of the research report.

MOSL and it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report. To enhance transparency, MOSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

### Terms & Conditions:

This report has been prepared by MOSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential 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 MOSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other 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. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOSL will not treat recipients as customers by virtue of their receiving this report.

### Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

### Disclosure of Interest Statement

Analyst ownership of the stock

Lupin

No

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com). Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

### Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOSL & its group companies to registration or licensing requirements within such jurisdictions.

#### For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part 1 of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

#### For U.S.

Motilal Oswal Securities Limited (MOSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

#### For Singapore

Motilal Oswal Capital Markets Singapore Pte Limited is acting as an exempt financial advisor under section 23(1)(f) of the Financial Advisers Act (FAA) read with regulation 17(1)(d) of the Financial Advisers Regulations and is a subsidiary of Motilal Oswal Securities Limited in India. This research is distributed in Singapore by Motilal Oswal Capital Markets Singapore Pte Limited and it is only directed in Singapore to accredited investors, as defined in the Financial Advisers Regulations and the Securities and Futures Act (Chapter 289), as amended from time to time. In respect of any matter arising from or in connection with the research you could contact the following representatives of Motilal Oswal Capital Markets Singapore Pte Limited:

#### Disclaimer:

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. This report and information herein is solely for informational purpose and may 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. 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. 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. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOSL 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. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022-3980 4263; [www.motilaloswal.com](http://www.motilaloswal.com). Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 3080 1000. Compliance Officer: Neeraj Agarwal, Email Id: [na@motilaloswal.com](mailto:na@motilaloswal.com), Contact No.:022-30801085.

Registration details of group entities.: MOSL: NSE (Cash): INB231041238; NSE (F&O): INF231041238; NSE (CD): INE231041238; BSE (Cash): INB011041257; BSE(F&O): INF011041257; BSE(CD): MSE(Cash): INB261041231; MSE(F&O): INF261041231; MSE(CD): INE261041231; CDSL: IN-DP-16-2015; NSDL: IN-DP-NSDL-152-2000; Research Analyst: INH000000412. AMFI: ARN 17397. Investment Adviser: INA000007100. Motilal Oswal Asset Management Company Ltd. (MOAMC): PMS (Registration No.: INP000000670) offers PMS and Mutual Funds products. Motilal Oswal Wealth Management Ltd. (MOWML): PMS (Registration No.: INP000004409) offers wealth management solutions. \*Motilal Oswal Securities Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Bond, NCDs, Insurance and IPO products. \* Motilal Oswal Commodities Broker Pvt. Ltd. offers Commodities Products. \* Motilal Oswal Real Estate Investment Advisors II Pvt. Ltd. offers Real Estate products. \* Motilal Oswal Private Equity Investment Advisors Pvt. Ltd. offers Private Equity products