

Mankind Pharma

Estimate change



TP change



Rating change

Bloomberg	MANKIND IN
Equity Shares (m)	413
M.Cap.(INRb)/(USDb)	1044.4 / 12.2
52-Week Range (INR)	3055 / 1901
1, 6, 12 Rel. Per (%)	-5/-7/11
12M Avg Val (INR M)	1529

Financials & Valuations (INR b)

Y/E MARCH	FY25	FY26E	FY27E
Sales	122.1	146.2	164.3
EBITDA	30.4	38.6	44.7
Adj. PAT	20.3	20.0	27.1
EBIT Margin (%)	24.9	26.4	27.2
Cons. Adj. EPS (INR)	49.2	48.5	65.7
EPS Gr. (%)	6.0	-1.3	35.4
BV/Sh. (INR)	347.4	384.7	435.2
Ratios			
Net D:E	0.4	0.2	0.0
RoE (%)	17.1	13.3	16.0
RoCE (%)	14.7	11.0	14.0
Payout (%)	20.7	20.0	20.0
Valuations			
P/E (x)	51.5	52.2	38.5
EV/EBITDA (x)	34.0	29.1	24.5
Div. Yield (%)	0.4	0.4	0.5
FCF Yield (%)	2.8	6.0	5.6
EV/Sales (x)	8.5	7.7	6.7

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	72.7	72.7	74.9
DII	11.5	11.1	11.1
FII	12.9	13.3	9.9
Others	2.9	2.9	4.1

FII Includes depository receipts

CMP: INR2,531

TP: INR2,910 (+15%)

Buy

Higher marketing/promotional costs drive a miss

Work-in-progress to enhance productivity/integrate BSV

- Mankind Pharma (Mankind) delivered in-line revenue in 4QFY25; however, EBITDA/PAT came in 14%/12% below our estimates. Higher-than-expected spending on marketing and promotional activities affected the company's 4Q performance.
- In the domestic formulation (DF) market, Mankind has been consistently focusing on increasing the chronic share in its portfolio and outperforming the industry. The company outperformed the industry in chronic therapies by 230bp YoY in 4Q.
- Mankind undertook a review of its BSV portfolio review after acquisition. It also tried to implement measures to integrate with Mankind offerings. This process affected the BSV business to some extent. Having said this, it is now well positioned to take the portfolio on a superior growth path.
- We cut our earnings estimates by 12%/9% for FY26/FY27, factoring in a) slower growth in acute therapies at the industry level, b) higher financial leverage, and c) increased product development/marketing spend. We value Mankind at 44x 12M forward earnings to arrive at a price target of INR2,910.
- FY25/FY26 are transformative years for Mankind. It undertook course correction measures in its MR team of 16,500 people to considerably improve productivity. With strong focus on differentiated offerings, it acquired BSV, which provided Mankind access to a specialty complex portfolio and strong R&D capability/manufacturing capacity in domestic as well as export markets.
- FY26 would be the year of integrating BSV. Further, higher financial leverage taken to acquire BSV would weigh on earnings growth in FY26. Having said this, we expect Mankind to deliver 35% YoY earnings growth in FY27 with improved sales/profitability of overall business and reduction in interest cost. Maintain BUY.

Segmental mix benefit offset to some extent by higher opex YoY

- Sales grew 26.1% YoY to INR30.7b for the quarter (vs est INR30.6b).
- DF revenue (83% of sales) grew 17% YoY to INR25.4b for the quarter. Prescription business (Rx; 93% of DF sales) grew 17.2% YoY to INR23.6b, aided by 7% YoY organic growth and addition of BSV domestic business.
- Consumer business (7% of domestic sales) grew 14.1% YoY to INR1.7b.
- Exports (17% of sales) grew 100.4% YoY to INR5.3b, aided by new launches and BSV addition. The organic YoY growth in exports was 25% for 4QFY25.
- Gross margin expanded by 180bp to 71.6 % due to change in product mix.
- EBITDA margin contracted 120bp YoY to 23% owing to higher other expenses (+350bp YoY as % of sales), offset by lower employee benefit expenses (-60bp YoY as % of sales) and higher gross margins.
- There was a one-time expense related to BSV to the tune of INR250m.

- Adj. for the same, EBITDA grew 20% YoY to INR7b (our estimates of INR8.1b).
- Sale of non-core assets (Mahananda spa) led to a capital gain of INR1.5b.
- Adjusting for the same, PAT declined 31% YoY to INR3.2b (our est: INR3.6b).
- For FY25, revenue/EBITDA/PAT grew 18%/19%/5% YoY to INR122b/INR30b/INR20b.

Highlights from the management commentary

- Mankind enhanced marketing spend during the quarter for select product launches, driving opex higher for the quarter.
- It guided for EBITDA margin to be 25-26% for FY26.
- Mankind guided for revenue growth 1.2x IPM growth from chronic therapies and acute therapies' revenue growth in line with IPM growth for FY26.
- The company expects YoY growth in exports to be in single digits in FY26.

Y/E March									(INR m)		
	FY24				FY25				FY24	FY25E	Est Var %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Gross Sales	25,786	27,081	26,070	24,411	28,934	30,765	31,988	30,794	1,03,348	1,22,074	30,688 0.3
YoY Change (%)	18.3	11.6	24.7	18.9	12.2	13.6	22.7	26.1	18.1	18.1	25.7
Total Expenditure	19,238	20,254	20,004	18,500	21,697	22,265	23,828	23,712	77,996	91,645	22,490
EBITDA	6,548	6,827	6,065	5,911	7,238	8,500	8,160	7,082	25,351	30,429	8,198 -13.6
YoY growth %	34.5	9.9	29.7	30.7	10.5	24.5	34.5	19.8	24.9	20.0	38.7
Margins (%)	25.4	25.2	23.3	24.2	25.0	27.6	25.5	23.0	24.5	24.9	26.7
Depreciation	874	965	1,097	1,047	1,077	1,056	1,872	2,309	3,983	6,212	2,156
Interest	63	86	92	94	109	71	2,209	1,905	335	4,294	1,796
Other Income	586	600	701	921	1,006	1,094	770	1,013	2,809	5,368	351
PBT before EO expense	6,197	6,375	5,577	5,692	7,057	8,468	4,849	3,881	23,842	25,291	4,596 -15.6
Extra-Ord expense	0	0	0	0	420	0	0	-1,250	0	-830	0
PBT	6,197	6,375	5,577	5,692	6,637	8,468	4,849	5,131	23,842	26,121	4,596
Tax	1,303	1,298	1,025	950	1,246	1,904	1,105	864	4,576	5,097	873
Rate (%)	21.0	20.4	18.4	16.7	18.8	22.5	22.8	16.8	19.2	19.5	19.0
Minority Interest & P/L of Asso. Cos.	25.9	66.8	14.5	29.5	26.7	28.4	8.5	15.6	136.6	79.2	73.0
Reported PAT	4,869	5,010	4,538	4,712	5,365	6,535	3,736	4,251	19,129	20,944	3,650 16.5
Adj PAT	4,869	5,010	4,538	4,712	5,706	6,535	3,736	3,212	19,129	20,283	3,650 -12.0
YoY Change (%)	53.9	12.8	47.3	50.5	17.2	30.4	-17.7	-31.8	38.4	6.0	-22.5
Margins (%)	18.9	18.5	17.4	19.3	19.7	21.2	11.7	10.4	18.5	16.6	11.9
EPS	12.2	12.5	11.3	11.8	14.2	16.3	9.3	8.0	47.8	49.2	9.1

Sum of 4 quarters would not match annual number due to sale of non-core assets in 4QFY25



Management call highlights

- The course correction in BSV portfolio post acquisition affected FY25 performance. It remains confident of 18-20% YoY growth in FY26.
- There will be additional one-time regulatory costs related to BSV in FY26.
- Mankind guided for R&D spend of 3% of sales in FY26.
- The company would be maintaining its MR strength over the near term and continue to focus on improving the productivity to drive better growth as well as profitability.
- The regulatory impact on 'Unwanted 72' affected the growth in acute portfolio to some extent in FY25.
- Mankind's efforts to better growth of consumer health segment have fructified in FY25, with 15% YoY growth (vs. modest 2% YoY growth in FY24). With new product launches and enhanced marketing efforts, Mankind intends to sustain the revived growth in this segment.

- Mankind has targeted EBITDA:Net debt ratio of 1:1 by the end of FY26 vs. 1.8x (FY25).
- The ETR for FY26 is expected to be 21-22%.

Segment-focused initiatives to enhance growth visibility

DF: Aims to outperform industry on consistent basis

- Mankind delivered 13% YoY growth in DF segment to INR106b in FY25. Secondary sales grew 7.5% YoY vs. 8% growth in IPM. Adjusting for the regulatory impact on one product in acute therapy, the YoY growth for Mankind was 8.5%.
- Specifically, the chronic therapies of Mankind grew 1.3x IPM growth in the similar period.
- The cardiovascular therapy posted a 16% CAGR vs. IPM CAGR of 10% and anti-diabetes therapy recorded a CAGR of 12% YoY vs. IPM CAGR of 7% over FY21-25. Specifically, for FY25, cardiovascular therapy grew 15% YoY vs. IPM growth of 10% and anti-diabetes therapy grew 9.4% YoY vs. 7.1% at IPM level.
- Mankind reported YoY growth of 0.5%/4%/2.8% in price/volume/new launches for FY25.
- It has also implemented measures to re-calibrate the efforts of MRs to boost productivity.
- In addition, BSV integration is progressing well, with Mankind scaling up its women's health specialty portfolio. It is also utilizing BSV's technology platform to build recombinants and biologics.
- Overall, we expect Mankind to post a 14% sales CAGR in DF, reaching INR128b over FY25-27.

Consumer Healthcare: renewed strategy driving better growth outlook

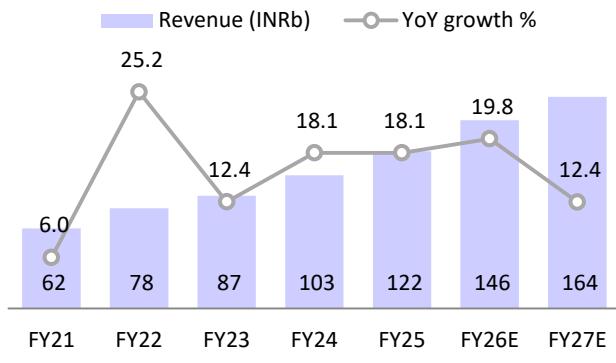
- After weakness in FY24, Mankind delivered 15% YoY growth in revenue to INR8b in consumer health segment in FY25.
- Specifically, products like Manforce Condom, Gas-o-fast and health OK grew 17%/29%/23% YoY in FY25. It also witnessed strong traction in Epic ThinX, Nimulid and Ovanews in FY25.
- With new offerings and extensive marketing efforts, we expect Consumer health segment to garner 14% sales CAGR to reach INR10.6b over FY25-27.

Maintain BUY

- We cut our earnings estimates by 12%/9% for FY26/FY27, factoring in a) slower growth in acute therapies at industry level, b) higher financial leverage, and c) increased product development/marketing spending. We value Mankind at 44x 12M forward earnings to arrive at a price target of INR2,910.
- FY25/FY26 are transformative years for Mankind. It undertook course correction measures in its MR team of 16,500 people to considerably improve productivity. With strong focus on differentiated offerings, it acquired BSV, which provided Mankind access to a specialty complex portfolio and strong R&D/manufacturing capacity in domestic as well as export markets.
- FY26 would be the year of integrating BSV. Further, higher financial leverage taken to acquire BSV would weigh on earnings growth in FY26. Having said this, we expect Mankind to deliver 35% YoY earnings growth in FY27 with improved sales/profitability of overall business and reduction in interest cost. Maintain BUY.

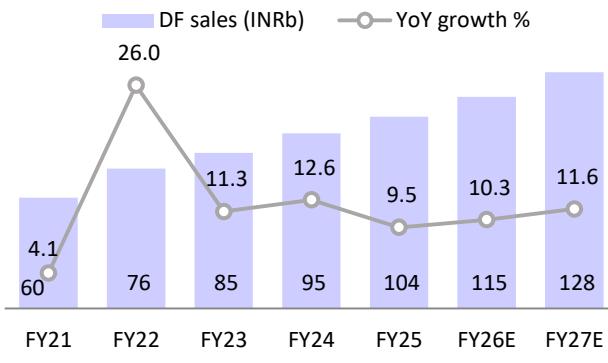
Story in charts

Exhibit 1: Expect 16% sales CAGR over FY25-27



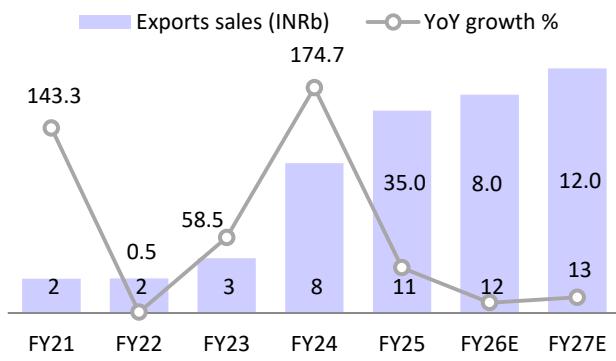
Source: Company, MOFSL

Exhibit 2: Expect 11% CAGR in DF (Ex-BSV) sales over FY25-27



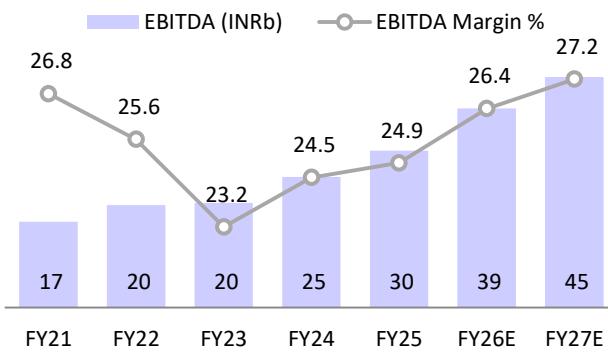
Source: Company, MOFSL

Exhibit 3: Expect export (ex-BSV) sales CAGR of 10% over FY25-27



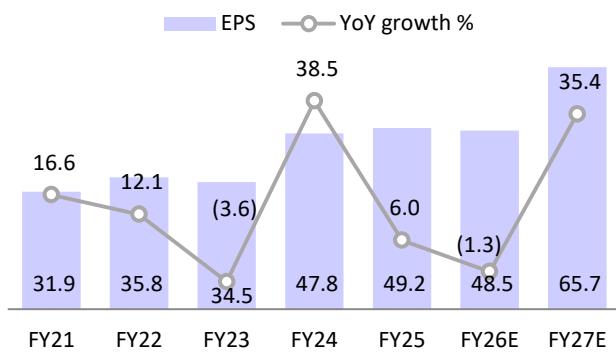
Source: Company, MOFSL

Exhibit 4: EBITDA margin to expand to ~27% by FY27



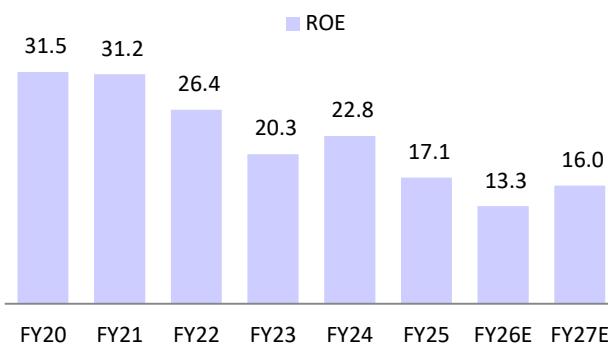
Source: Company, MOFSL

Exhibit 5: Expect EPS CAGR of 16% over FY25-27



Source: Company, MOFSL

Exhibit 6: BSV acquisition impacting return ratios over the medium term



Source: Company, MOFSL

Financials and Valuations

Mankind Pharma - Income Statement							(INRm)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Total Income from Operations	62,144	77,816	87,490	1,03,348	1,22,073	1,46,192	1,64,327
Change (%)	6.0	25.2	12.4	18.1	18.1	19.8	12.4
Total Expenditure	45,486	57,922	67,201	77,997	91,645	1,07,598	1,19,630
% of Sales	73.2	74.4	76.8	75.5	75.1	73.6	72.8
Gross Profit	44,338	53,598	58,354	71,251	87,183	1,03,650	1,16,015
EBITDA	16,658	19,894	20,289	25,351	30,428	38,595	44,697
Margin (%)	26.8	25.6	23.2	24.5	24.9	26.4	27.2
Depreciation	1,190	1,666	3,259	3,983	6,212	8,758	8,110
EBIT	15,468	18,227	17,030	21,368	24,216	29,837	36,587
Int. and Finance Charges	201	586	445	335	4,294	5,786	3,586
Other Income	1,709	1,960	1,286	2,809	5,368	1,400	1,700
PBT bef. EO Exp.	16,976	19,602	17,871	23,842	25,290	25,451	34,700
EO Items	-177	0	1,275	0	-830	0	0
PBT after EO Exp.	16,799	19,602	16,597	23,842	26,120	25,451	34,700
Total Tax	3,986	5,216	3,616	4,576	5,097	5,345	7,495
Tax Rate (%)	23.7	26.6	21.8	19.2	19.5	21.0	21.6
Minority Interest	159	50	162	137	79	79	79
Reported PAT	12,654	14,335	12,819	19,129	20,943	20,027	27,126
Adjusted PAT	12,789	14,335	13,816	19,129	20,282	20,027	27,126
Change (%)	16.6	12.1	-3.6	38.5	6.0	-1.3	35.4
Margin (%)	20.6	18.4	15.8	18.5	16.6	13.7	16.5
Balance sheet							(INRm)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Share Capital	401	401	401	401	413	413	413
Other equity	46,819	61,152	73,952	93,230	1,42,911	1,58,311	1,79,142
Net Worth	47,220	61,552	74,352	93,631	1,43,324	1,58,724	1,79,554
Minority Interest	1,409	1,611	1,881	2,127	2,358	2,279	2,200
Total Loans	2,345	8,680	1,626	1,960	84,830	59,830	29,830
Deferred Tax Liabilities	-360	163	475	87	17,046	17,046	17,046
Other Non-Current Liabilities	856	1,031	1,557	2,050	2,512	3,009	3,382
Capital Employed	51,471	73,038	79,892	99,855	2,50,071	2,40,888	2,32,012
Gross Block	21,395	42,261	52,149	59,078	1,45,210	1,46,710	1,48,210
Less: Accum. Deprn.	5,011	6,638	9,897	13,879	20,091	28,849	36,959
Net Fixed Assets	16,385	35,623	42,253	45,199	1,25,119	1,17,861	1,11,251
Goodwill on Consolidation	204	204	200	200	64,926	64,926	64,926
Capital WIP	3,720	7,015	5,501	2,818	8,257	8,257	8,257
Total Investments	15,175	11,149	14,619	26,027	22,423	22,423	22,423
Other Non-Current Assets	1,748	1,770	1,759	1,483	2,818	3,374	3,793
Curr. Assets, Loans&Adv.	26,005	35,324	32,491	43,101	52,974	56,963	58,813
Inventory	11,835	17,602	14,985	15,535	20,937	26,034	29,264
Account Receivables	3,306	3,882	5,764	8,483	15,383	17,223	18,459
Cash and Bank Balance	7,007	4,059	4,532	11,980	5,545	10,062	6,994
Loans and Advances	3,856	9,780	7,210	7,104	11,109	3,645	4,097
Curr. Liability & Prov.	11,765	18,046	16,931	18,973	26,446	32,917	37,450
Account Payables	6,670	10,764	10,082	11,030	11,334	14,820	17,108
Other Current Liabilities	2,754	4,638	2,999	2,819	6,922	8,290	9,318
Provisions	2,342	2,645	3,849	5,124	8,189	9,807	11,024
Net Current Assets	14,239	17,277	15,560	24,128	26,529	24,047	21,363
Appl. of Funds	51,470	73,038	79,892	99,855	2,50,071	2,40,888	2,32,012

Financials and Valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)							
EPS	31.9	35.8	34.5	47.8	49.2	48.5	65.7
Cash EPS	34.9	39.9	42.6	57.7	64.2	69.8	85.4
BV/Share	117.9	153.7	185.6	233.7	347.4	384.7	435.2
DPS	0.0	0.0	0.0	9.6	10.2	9.7	13.1
Payout (%)	0.0	0.0	0.0	20.0	20.7	20.0	20.0
Valuation (x)							
P/E	79.3	70.8	73.4	53.0	51.5	52.2	38.5
Cash P/E	72.6	63.4	59.4	43.9	39.4	36.3	29.7
P/BV	21.5	16.5	13.6	10.8	7.3	6.6	5.8
EV/Sales	16.3	13.0	11.7	9.8	8.5	7.7	6.7
EV/EBITDA	60.7	50.8	50.2	39.9	34.0	29.1	24.5
Dividend Yield (%)	NA	NA	NA	0.4	0.4	0.4	0.5
FCF per share	20.6	-35.5	25.7	45.9	47.6	100.6	93.7
Return Ratios (%)							
RoE	31.2	26.4	20.3	22.8	17.1	13.3	16.0
RoCE	30.6	24.7	19.6	22.8	14.7	11.0	14.0
RoIC	48.9	35.0	25.1	24.8	11.8	9.9	12.4
Working Capital Ratios							
Asset Turnover (x)	1.2	1.1	1.1	1.0	0.5	0.6	0.7
Inventory (Days)	61	69	68	54	55	59	61
Debtor (Days)	19	18	24	30	46	43	41
Creditor (Days)	39	50	42	39	34	37	38
Leverage Ratio (x)							
Net Debt/Equity	-0.4	-0.1	-0.2	-0.4	0.4	0.2	0.0

Cash Flow statement

(INRm)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
OP/(Loss) before Tax	16,916	19,746	16,712	23,994	25,248	25,451	34,700
Depreciation	1,190	1,666	3,259	3,983	6,212	8,758	8,110
Interest & Finance Charges	201	321	445	330	4,040	5,786	3,586
Direct Taxes Paid	-4,541	-4,995	-3,231	-4,795	-5,668	-5,345	-7,495
(Inc)/Dec in WC	-946	-5,861	1,667	204	-1,464	6,938	-429
CF from Operations	12,820	10,877	18,852	23,714	28,368	41,589	38,472
Others	-1,448	-1,679	-719	-2,190	-4,234	1,400	1,700
CF from Operating incl EO	11,372	9,198	18,133	21,524	24,134	42,989	40,172
(Inc)/Dec in FA/IA	-3,116	-23,424	-7,830	-3,147	-4,488	-1,500	-1,500
Free Cash Flow	8,257	-14,226	10,303	18,377	19,646	41,489	38,672
(Pur)/Sale of Investments	-6,183	4,921	-1,892	-17,388	-5,471	0	0
Others	-2,924	4,811	-819	388	-1,16,277	-1,400	-1,700
CF from Investments	-12,222	-13,691	-10,541	-20,147	-1,26,236	-2,900	-3,200
Increase in equity capital					29,632	0	0
Inc/(Dec) in Debt	1,105	6,242	-6,978	315	73,782	-25,000	-30,000
Interest Paid	-171	-178	-419	-262	-981	-5,786	-3,586
Dividend paid					0	-4,706	-6,375
CF from Fin. Activity	-78	6,046	-7,119	6,740	95,668	-35,572	-40,040
Inc/Dec of Cash	-928	1,553	472	8,118	-6,435	4,517	-3,068
Opening Balance	2,197	1,273	4,059	4,532	11,980	5,545	10,062
Closing Balance	1,270	2,826	4,532	12,650	5,545	10,062	6,994
Total Cash & Cash Eq	7,007	4,059	4,532	11,980	5,545	10,062	6,994

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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 Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL (erstwhile Motilal Oswal Securities Limited - 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), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCR and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf>

MOFSL 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 MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL 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 MOFSL 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. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL 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 MOFSL & 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 I 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 Financial Services Limited (MOFSL) 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 MOFSL 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 MOFSL, 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., MOFSL 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

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani

Email: nainesh.rajani@motilaloswal.com

Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).

6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
 7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
 8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
 9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
 10. MOFSL has not engaged in market making activity for the subject company.
-

The associates of MOFSL may have:

financial interest in the subject company

actual/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 or date of the public appearance.

received compensation/other benefits from the subject company in the past 12 months

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 MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

acted as a manager or co-manager of public offering of securities of the subject company in past 12 months

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)

received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.

Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

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.

Terms & Conditions:

This report has been prepared by MOFSL 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 MOFSL. 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. MOFSL will not treat recipients as customers by virtue of their receiving this report.

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 alterations to this statement as may be required from time to time without any prior approval. MOFSL, 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 MOFSL. 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 MOFSL 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 MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL 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.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI : ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrivances@motilaloswal.com.