ArihantCapital
Generating Wealth

Ajanta Pharma
Initiating Coverage

Growth momentum continues, US bounce back

22nd February 2018

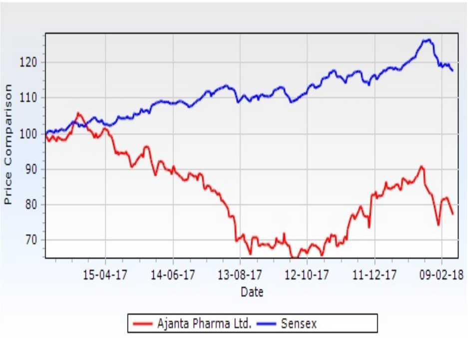
CMP:	**Rs.1356**
Target	**Rs 1500**
Recommendation	**HOLD**

Stock Info	
BSE Group	A
BSE Code	532331
NSE Symbol	AJANTPHARMA
Bloomberg	AJP.IN
Reuters	AJPH.BO
BSE Sensex	33,844
NSE Nifty	10,397

Market Info	
Market Capital	Rs. 11,692cr
Equity Capital	Rs.17.69 cr
6M Avg. Trading Vol.	284,515
52 Wk High/ Low	1852/1120
Face Value	Rs.2

Shareholding Pattern (%)	**(Dec 2017)**
Promoters	70.7
Domestic Institutions	5.9
Foreign Institutions	12.7
Public & Others	10.7

Price Vs Sensex Chart



Key Q3FY18 Highlights:

- Ajanta Pharma (AJP) delivered a better-than-expected 3QFY18 financial performance, with sales growing 10% YoY to Rs 587 crore.
- EBITDA margin showed a marginal improvement YoY to 33.6% .Lower other income and a higher tax outgo led to lower PAT growth of 3.4% YoY (v/s EBITDA growth of 11% YoY) to Rs 147 crore.
- Asia and the US drive growth for the quarter: Growth was led by strong sales performance in Asia (+78.9% YoY) and the US (+20% YoY), partly offset by lower YoY growth in Domestic formulation sales (+7% YoY) and a decline in Africa sales (-15% YoY). Superior product mix led to a 143bp YoY expansion in the gross margin to 81.3%, while higher employee cost and other expenses led to only 20bp YoY expansion in the EBITDA margin.
- **Strong revival in Asia sales:** For AJP, Asia delivered highest-ever quarterly sales of Rs 161 crore, led by new launches, enhanced marketing efforts, and a stable currency environment.
- **US sales bounce back sequentially:** US sales rose 20% YoY to Rs 71 crore , which can be attributed to two new launches, an increased market share in existing products, and subsiding price erosion.
- **Lower institutional sales hurt overall Africa sales:** Africa sales declined 14.7% YoY to Rs180 crore due to a decline in institutional sales, while branded generics remained on a strong footing.

Outlook & Valuation:

We believe that AJP's long-term fundamentals continue to remain healthy driven by strong traction in the US business (post US FDA clearance to its Dahej unit) and above industry growth in domestic business. Its Sales, EBITDA and PAT witnessed 24%, 37% and 44% CAGR, respectively through FY12-17 owing to strong growth in domestic formulation business (22% CAGR) and healthy growth in exports (21% CAGR). We have **HOLD** rating on the stock with a Target Price of Rs1500, valuing the stock at 25x FY19E EPS of Rs60.

Financial Snapshot:

Y/E March (Rs. In Crore)	FY17	FY18E	FY19E
Net Revenue	2,002	2,141	2,233
Growth %	14%	7%	4%
EBIDTA	689	666	719
EBIDTA Margin	34%	31%	32%
Net Profit	507	490	526
Growth %	22%	-3%	7%
EPS	58	56	60
P/E	31	32	29
ROE	32%	24%	20%

Business Outlook:

Over FY11-16, AJP delivered a phenomenal 30% CAGR in domestic formulations sales, as against industry CAGR of 14-15%. We believe that AJP's good pace of product launches, leading position in some products and improving MR efficiency should help it to outperform, despite industry growth lowering to 11-12%.

US business to be the driving force behind overall growth

- With product filings, manufacturing capacity and front end in place, we expect AJP to perform strongly in the US. **It has cumulative ANDA filings of 32, with 14 of these awaiting approvals (including two para IV filings).**
- Around 12-15 ANDAs are anticipated to be filed from FY18 on annualized basis. Given the reduction in the time required for approvals and the company's aggressive filings, we expect reasonable growth in US sales over next 3-4 years, subject to final approvals.
- **Based on management's guidance, we have factored in average revenue of USD2-3m per ANDA per annum**. Given AJP's performance in products like g-Zegerid and g-Abilify, there could be potential for garnering more than USD 5-8m per ANDA in some products, which would further drive revenue growth.

Therapy-specific strategy to drive growth in domestic formulations

- AJP witnessed strong growth in the domestic formulations business, with a focus on Ophthalmology, Cardiology and Dermatology. The company has launched 130+ products, which are first to market in the domestic formulations space. Aggressive launches and improving MR productivity had led to superior growth for AJP until FY15. However, product-specific issues moderated growth in FY16.
- A healthy launch pipeline and increased prescription share in Ophthalmology, superior growth of base molecules in Cardiology, shift in market share mix from cosmetology to prescription-based treatment in Dermatology, and new product launches in the pain segment are likely to drive overall domestic formulations revenue growth for AJP over next 2-3 years.

We expect moderate growth in Africa and Asia

- After exhibiting robust growth in the anti-malaria business in Africa (partly on the back of loss of business by one competitor), we expect it to decline further. This effect might continue going forward. We expect a decline in the institution business of about 15-20%.
- Currency headwinds impacted the branded generics business in Anglo Africa and Asia. However, we expect a gradual recovery in these businesses.

Cardiology: Better growth in base molecule to drive growth for AJP

- AJP has grown fastest in terms of five-year CAGR in cardiology therapy. AJP sales grew at a CAGR of 43% over FY12-16 to INR2b. The key group brands driving growth in the cardiology segment are MetXL, Atorfit and Rosufit. This group constitutes about 75% of total cardiology sales for AJP.

Dermatology: New product launches and increased share in existing products to drive growth

- AJP's dermatology segment growth was impacted due to a slowdown in sales of the **Melacare range of products**. Sales of the Melacare range of product (which form about 35-40% of the dermatology segment) were hit due to industry-wide stoppage of steroid-based Hydroquinone-Mometasone-Tretinoin drugs. As a result, AJP's dermatology therapy growth reduced to **2.5% YoY in FY16.** However, AJP is revamping up the team, adding new team, changing existing manpower and adding new product in Therapeutic segments. The entire process will take a year's time. Expect derma to come back to growth from FY20.

Ophthalmology:

AJP has more MRs (~850-870) compared to peers like Allergen, Alcon and Sun Pharma (MR strength of about 380, 270 and 250, respectively). Ophthalmology formed ~25% of branded formulation sales and grew by 22% on MAT ending December 2016 basis. The domestic ophthalmology market size is ~INR20b, where AJP has a market share of 7%, which is decent given the fragmented nature of the market. The key brands in the ophthalmology segment are Softdrops, Olopat and Apdrops. All the three brands are among the top 5 in their respective base molecule category, with a CAGR of 11.5%, 12.6% and 50%, respectively over the past three years. In case of Apdrops, over the past three years, AJP's CAGR has been better than the base molecule.

Overall superior growth of the ophthalmology portfolio is attributed to the higher number of ophthalmologists that the company deals with, as well as a considerable number of launches.

- The strategy implemented by MNC pharma companies like Allergen and Alcon has been to tap only tier 1 (top) ophthalmologists – the trend is of tier 2/3 ophthalmologists usually following prescriptions of tier 1 ophthalmologists. This categorization (tier 1/2/3) is based on the number of patients catered by the ophthalmologists (tier 1 ophthalmologists cater to the highest number of patients). On the other hand, AJP approaches ophthalmologists across tiers.
- AJP launched ~75-80 products in last 10 years, which is much higher than peers. Although the hit ratio of AJP might be lower, its strong launch trajectory drives overall revenue growth for AJP.

Top brands in Ophthalmology segment Key brands Base molecule Remarks

- **Soft Drops Carboxy Methyl Cellulose -** It is used to treat dry eye condition to create artificial tears. Though it is an old molecule, there is no substitute available.
- **Olopatadine Eye Drops** - It is used to treat Allergic eye condition. Though it an old molecule there is no better substitute.
- **Apdrops Moxifoloxacin + Ketorolac Moxifloxcin** is relatively new generation molecule. Available substitute are Tobramycin, gatifloxacin.

Asia Business:

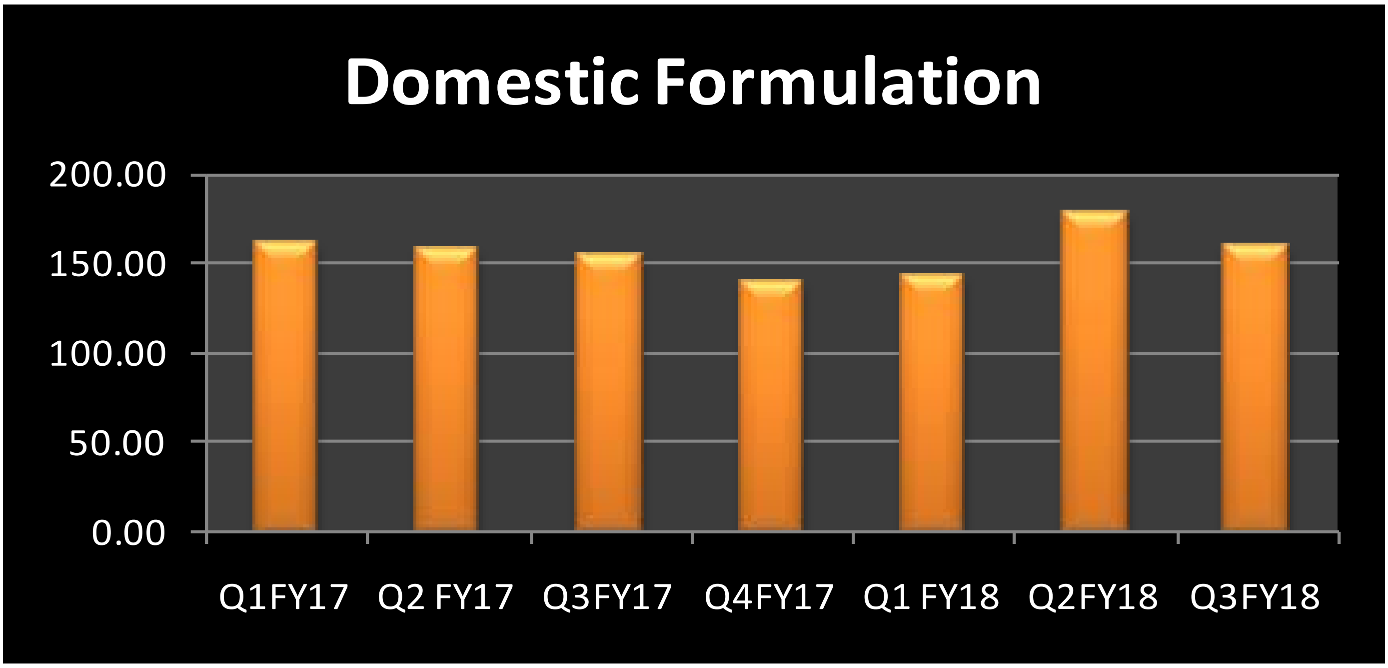
- AJP's Asia's business contributes 20-25% of the total revenue. This business had faced challenges due to currency devaluation & crude prices going down which affected economy of crude dependent countries. However, crude is coming up and recovery is expected as we have seen in Q3FY18 with 79% increase in revenue YoY. The best part for Asia is AJP has front end presence in the markets in each country for branded generics. It also has customized product baskets for each country. This gives an additional edge to grow in the market. We expect ASIA business to perform well and lead the growth for Ajanta Pharma.

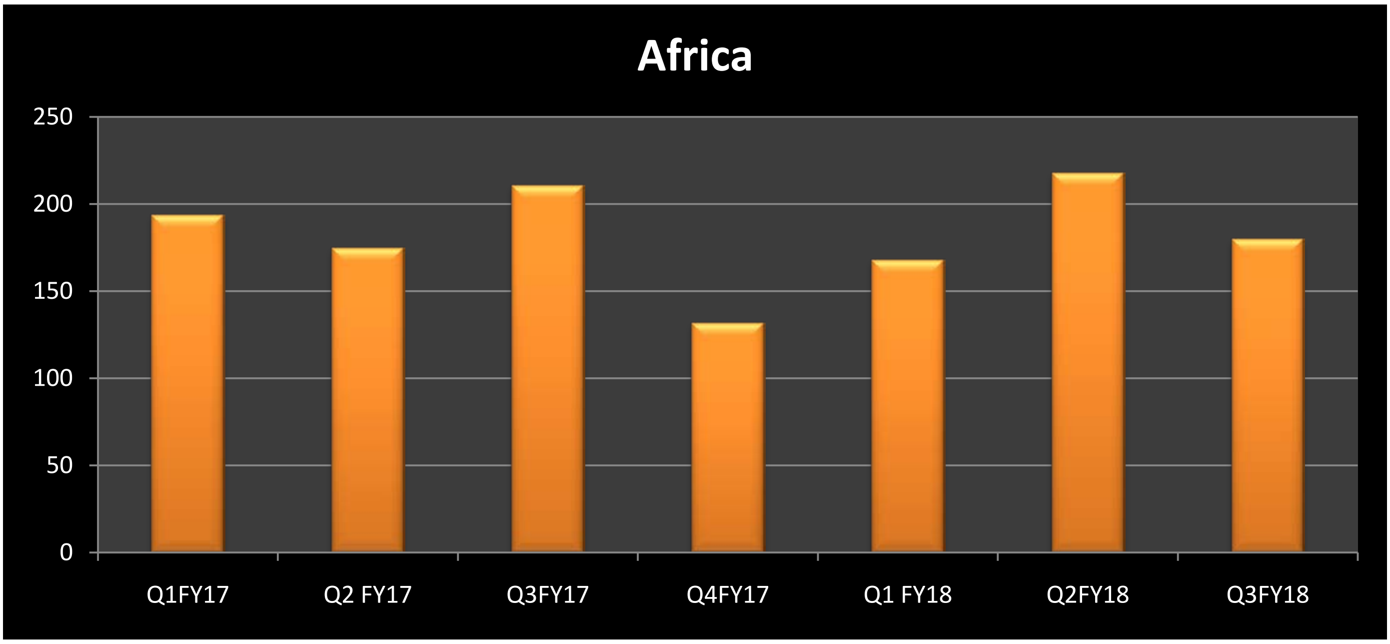
Africa Business:

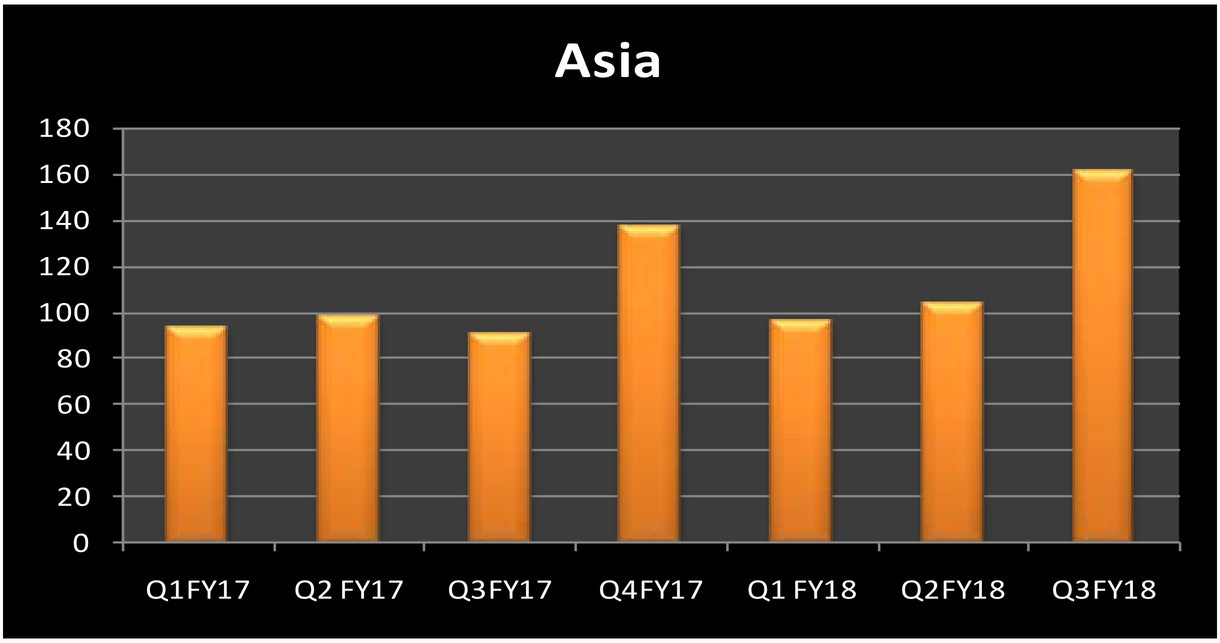
- AJP's Africa business revenue grew strongly to Rs 690 crore over FY12-16, led by a sharp 45% CAGR in its institutional anti-malaria business. The institutional anti-malaria business forms about 57% of the Africa business. Region-wise, AJP has institutional anti-malaria business in East Africa. Artemesinin-based artemether and Lumifrantine combination, and dispersible version of the same, are the major products supplied by AJP. Global fund and USAID are the major customers of AJP in the antimalarial business. Growth in the antimalarial business was led by a healthy increase in procurement by global fund and a reasonable gain in market share with its competitor, Ipca Lab, losing business due to regulatory hurdles. **However due to some headwinds the tender business for anti-malaria drugs for FY18 & FY19 is expected to decrease going ahead. May be a 15-20% decline. There is no clarity from the global fund and USAID as of now. This segment might suffer which would cause negative impact on the sales.**

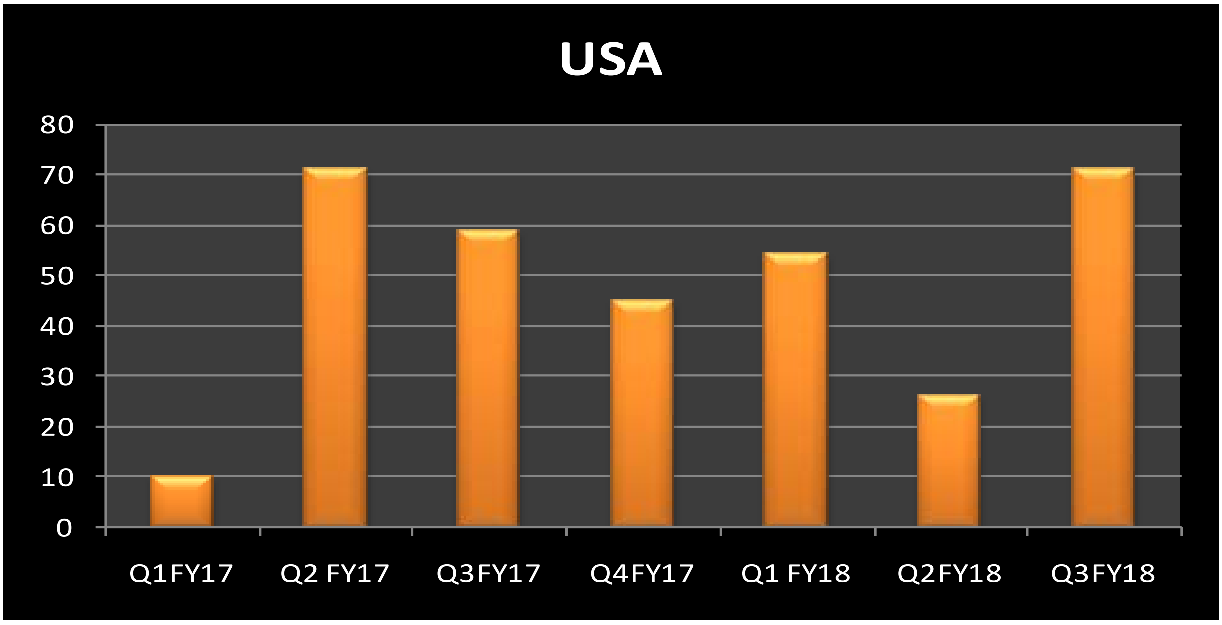
Sales Figures:

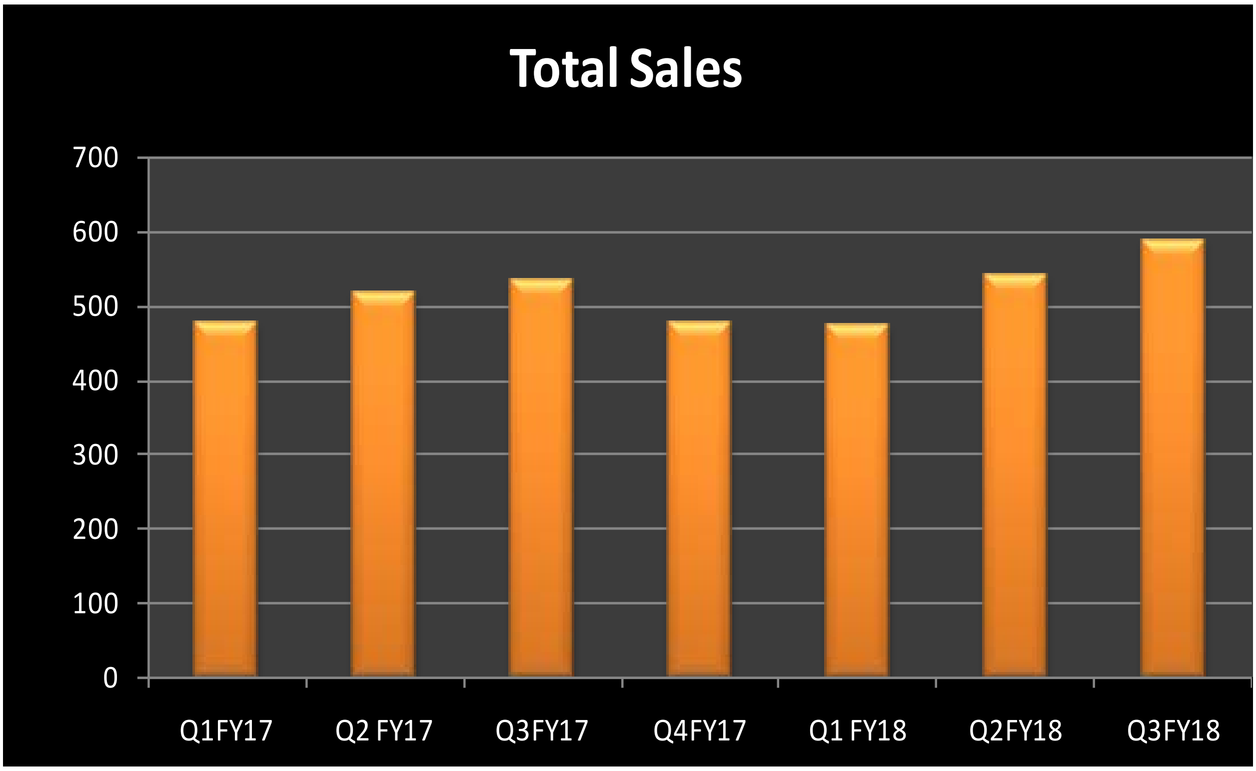
(Sales in Rs Crore)






Asia
180
160
140
120
100
80
60
40
20
0
Q1FY17
Q2 FY17
Q3FY17
Q4FY17
Q1 FY18
Q2FY18
Q3FY18


USA
80
70
60
50
40
30
20
10
0
Q1FY17
Q2 FY17
Q3FY17
Q4FY17
Q1 FY18
Q2FY18
Q3FY18



Financial Outlook:

Sr.No	Company Name	ROA (%)			ROE (%)		
		Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15
1	Ajanta Pharma Ltd.	31	32	30	37	41	43
2	Aurobindo Pharma Ltd.	14	14	14	28	33	35
3	Cadila Healthcare Ltd.	12	20	14	23	39	31
4	Lupin Ltd.	11	13	21	21	23	31
5	Natco Pharma Ltd.	23	10	10	33	15	17
6	Sun Pharmaceutical Industries Ltd.	14	11	15	23	19	25

Sr.No	Company Name	ROCE (%)			Asset Turnover(x)			Net Sales Growth(%)		
		Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15
1	Ajanta Pharma Ltd.	45.8	51.6	56.4	1.2	1.3	1.4	14.4	17.7	21.9
2	Aurobindo Pharma Ltd.	24.9	27.3	27.2	0.9	1.0	1.1	8.1	13.8	49.6
3	Cadila Healthcare Ltd.	16.5	28.6	23.2	0.8	1.0	1.0	0.0	9.0	19.8
4	Lupin Ltd.	18.5	24.4	40.3	0.7	0.8	1.1	22.7	11.6	13.1
5	Natco Pharma Ltd.	39.2	18.0	15.6	1.0	0.7	0.6	77.0	38.3	11.7
6	Sun Pharmaceutical Industries Ltd.	21.5	18.6	25.1	0.6	0.6	0.7	11.4	2.6	70.3

Sr.No	Company Name	Total Debt/Equity(x)			Current Ratio(x)		
		Mar-17	Mar-16	Mar-15	Mar-17	Mar-16	Mar-15
1	Ajanta Pharma Ltd.	0.00	0.07	0.09	3.79	2.94	2.54
2	Aurobindo Pharma Ltd.	0.36	0.69	0.86	1.39	1.31	1.35
3	Cadila Healthcare Ltd.	0.75	0.43	0.62	1.14	1.24	1.29
4	Lupin Ltd.	0.60	0.65	0.06	1.95	1.95	2.10
5	Natco Pharma Ltd.	0.14	0.09	0.37	1.74	1.70	1.17
6	Sun Pharmaceutical Industries Ltd.	0.27	0.26	0.35	1.84	2.28	1.79

Asset turnover gradually declining as outsourcing share decreases

Debt to Equity has gone down to zero

Current Ratio increasing and better than peers

Industry Outlook

Global Pharma Industry

As per IMS, global spending on medicines is expected to reach $1.4 trillion by FY 2020, representing an increase of 29-32% from FY 2015. The drivers of this growth will be diverse. In developed markets, brands will be instrumental, while in the pharmerging markets it will be driven by better usage and offset by patent expiries. Among the other key drivers to this growth trend are an ageing population and rising occurrence of chronic diseases. Technology and product innovation, increase in government funding and insurance coverage, and the positive impact of healthcare improvement provisions will also contribute. Going forward, by FY 2020, specialty medicines will command an increased share of spending – estimated at 36% in developed markets and 12% in pharmerging ones.

USA spending on medicines will reach $560-590 billion in FY 2020, seeing an increase of 34% over FY 2015. This growth will be driven by innovation, invoice price increases and exclusivity-loss impact. Generic medicines will continue to be the mainstay of the prescription medicine usage in the USA, rising from 88% to 91-92% of all dispensed prescriptions by FY 2020. However, an increasing share of medicines will be paid for by Medicare, Medicaid, and other government funded or mandated programme each imposing substantial discounts from list prices.

Growth in spending on medicines in pharmerging markets is expected to reach $125 billion by 2020 driven primarily by wider use of medicines. According to IMS Health, Africa is the world’s second fastest growing pharmaceutical market which is expected to reach $45 billion by FY 2020. The growth will be fuelled by increasing economic wealth and demand for treatments for chronic diseases in more urban, middle-class population.

India

The Indian pharmaceutical industry ranks 14th in the world by value of pharmaceutical products. A significant increase in domestic consumption due to the higher incidence of lifestyle diseases, increasing health awareness, growing population, greater penetration in rural markets, and a nascent, yet fast growing health insurance industry, are some factors influencing the growth of the pharmaceutical market. Moreover, the country's low-cost production base and the patent cliff in the global arena significantly support the export market which plays an important role in the growth of the industry.

The percentage contribution of the generic pharmaceutical market to the world is expected to increase from 28.5% in FY 2013 to 36% in FY 2019. India currently ranks fourth in the world among the highest generic pharmaceuticals producers and contributes 20% of global generic drug exports. Lifestyle segments such as cardiovascular, diabetes, CNS, oncology will continue to be fast growing owing to increased urbanisation and change in lifestyle patterns.

Outlook

The Indian Pharmaceutical Industry has been an important component of the pharma sector globally due to the recent changes in patent laws, the rising use of generics, cost competitiveness, and availability of the large scientific talent pool. The outlook for the Pharmaceutical industry remains largely positive over the next few years. India is the largest supplier of cost effective generic medicines to the developed world. With the varied range of medicines available for exports and with the availability of the largest number of approved pharmaceutical manufacturing facilities, India is all set to become the leader of pharmaceutical exports to the world. The augment of pharmaceutical outsourcing and investments by multinational companies, allied with the country's growing economy, persistent health insurance segment and better healthcare facilities, is expected to drive the market's growth.

Key Risks for Ajanta Pharma

- Delay in ANDA approvals would result in slower growth in the US business, impacting overall revenue growth. Lower-than-expected revenue from products post final approval in the US market would also impact overall revenue growth.
- Faster-than-expected re-entry of competitors in the anti-malaria business in Africa may lead to some market share loss.
- Delay in approvals from the DCGI/state governments for the domestic formulations business may affect the launch trajectory and thus sales.
- Late recovery in the economic environment may delay revival in the branded generics business in Asia.

About Ajanta Pharma

Ajanta Pharma (AJP) is a specialty pharmaceuticals company engaged in the development, manufacture and marketing of finished dosages. It started with repacking of generic products in 1973, and moved from OTC products to prescription-based products for the Indian market. It has established itself as a strong specialty player in the domestic market in Ophthalmology, Dermatology and Cardiology. In addition, it has strong presence into the international markets of Africa and Asia, and continues to build a strong foundation for the US market.

Key personnel at AJP

Yogesh Agrawal – Managing Director Mr Agrawal joined AJP in 1996 as management trainee and grew up the ranks to become Managing Director. He spearheads AJP's foray in regulated market and emerging international market. Under his leadership, AJP has transformed research and manufacturing capabilities, setting up state-of-art facilities that meet stringent regulatory requirements.

Rajesh Agrawal – Joint Managing Director Mr Agrawal joined AJP in 1999 and transformed the domestic formulations business to be one of the best performing market for the company. His keen focus on new products and strategizing has made Ajanta a leading player in the segments of cardiology, dermatology and ophthalmology in a very short period. Most of the new product launches, being first of its kind in the Indian market, are credited to his business acumen. He has also replicated this success in the Philippines, where Ajanta Pharma Philippines features among the fastest growing companies in that country for over three years

AJP business transformation till date

- 1979 - First manufacturing facility set up at Chikalthana.
- 1983 - Facility set up in Paithan Aurangabad and has approvals from USFDA and WHO prequalification.
- 1996 - Set up in Mauritius, Goodland to cater the African markets and has been compliant with WHO cGMP guidelines.
- 2009 - Facility set up in Chitegaon to meet the requirements of Emerging markets.
- 2009 - Facility set up in Waluj, Aurangabad. This facility is AJP's API facility mainly for captive consumption.
- 2014 - Facility set up in Dahej, Gujarat. Specially constructed to cater requirements of USA, WHO and Emerging markets.
- 2017 - Facility set up in Guwahati, Assam to cater to Indian and emerging markets.

USFDA inspection updates USFDA inspection history Paithan formulation plant –

- Re-inspected in Feb-17 and was issued with 1 observation.
- Was re-inspected in Mar-15 and was issued 0 observations. Received EIR in Jul-15.
- Was re-inspected in Sep-12 and was issued form 483 with 1 observation.
- Received EIR in Feb-13.
- Was inspected in May-08 and had 0 observations.
- Received EIR in Aug-08

Key Takeaways:

- Ajanta Dream Run (led by Africa) of 21% revenue CAGR over FY13-17 had turn south in Fy16/17(Asia Africa business down 20-30%) owing to currency and repatriation challenges.
- We believe US Business to offset the decline led by market share gain in new product launches through aggressive pricing. India will continue to grow driven by strong brands and entry into new therapies. We remain positive on Ajanta Pharma, driven by its superior performance in the emerging markets of India, Asia and Africa. Strong filing pace would enable a better performance in the US market over the medium term. Led by recovery in domestic formulations business.
- Inventory has been gradually restoring post GST roll-out from very low levels, and the streamlining of supply-side system is leading to sustained better offtake in domestic formulation (DF).
- After declining sharply in Q2FY18, US sales are expected to pick up, led by the launch of recently approved products and increased traction in existing products.

Peer Comparsion:

Pharma Comparison									
S.No.	Name	CMP	Current Mkt Cap	Current P/E	5 Year Avg P/E	EPS 12M	OPM FY17	ROE FY17	ROE 5Yr
		Rs.	Rs.Cr.			Rs.	%	%	%
1	SUNPHARMA	526	1,26,143	51	33	10	26	20	21
2	AUROPHARMA	571	33,455	14	19	41	23	28	30
3	LUPIN	814	36,782	26	24	31	23	21	25
4	CADILAHC	411	42,089	27	33	15	21	24	29
5	GLENMARK	525	14,814	18	23	30	23	28	24
6	**AJANTPHARM**	**1356**	**11,937**	**24**	**25**	**55**	**37**	**37**	**42**
7	BIOCON	580	34,779	94	28	6	27	14	13
8	TORNTPHARM	1354	22,910	35	20	39	22	22	38
9	IPCALAB	640	8,077	36	39	18	12	8	14
10	DRREDDY	2166	35,932	35	30	61	18	10	20
11	DIVISLAB	1007	26,729	31	22	33	36	22	26
12	NATCOPHARM	780	13,597	25	31	31	37	33	22

Quarterly Update:

Particulars (Rs. Cr)	**Q3FY18**	**Q2 FY 18**	**Q3 FY17**	**QoQ**	**YoY**
Revenue	587.05	540.38	533.11	9%	10%
COGS	87.57	82.33	97.72	6%	-10%
Employee cost	95.22	89.42	77.44	6%	23%
Other expenses	184.34	158.2	171.27	17%	8%
EBITDA	197.5	183.73	177.98	7%	11%
EBITDA Margin	34%	34%	**33%**	-1%	1%
Depreciation	14.98	14.55	15.3	3%	-2%
EBIT	182.52	169.18	162.68	8%	12%
EBIT Margin	31%	31%	**31%**	-1%	2%
Interest	0.14	0.09	0.82	56%	-83%
Other Income	15.15	9.18	19.19	65%	-21%
PBT	197.53	178.27	**181.05**	11%	9%
Tax paid	50.06	46.38	38.45	8%	30%
Effective tax rate%	25%	26%	21%	-3%	19%
Net Profit	147.47	131.89	**142.6**	12%	3%
EPS	16.76	14.99	16.21	12%	3%

Profit & Loss Statement			
Particulars (Rs. In Crore)	**FY17**	**FY18E**	**FY19E**
Revenue	**2002**	**2141**	**2233**
Employee costs	295	366	380
Operation and other expenses	603	676	670
Total Operating Expenses	1377	1533	1594
EBIDTA	**689**	**666**	**719**
EBIDTA Margin	34%	31%	32%
Depreciation	61	58	80
EBIT	628	608	639
Interest	3.49	0.44	0.44
Other Income	24	35	36
PBT	**648**	**643**	**674**
Tax	141	153	148
PAT	**507**	**490**	**526**
Growth (%)	22%	-3%	7%
EPS	**58**	**56**	**60**

Cash Flow Statement			
Particulars (Rs. In Crore)	**FY17**	**FY18E**	**FY19E**
Profit Before taxes	**648**	**643**	**674**
Add:- Depreciation	61	58	80
Change in Working Capital	29	-14	106
Cash generated from operations	751	686	860
Taxes paid	**143**	**153**	**148**
Net cash flow from operating activities	**608**	**533**	**711**
Purchase of fixed assets	-301	-300	-300
Others	-89	-100	-250
Net cash flow from investing activities	**-391**	**-400**	**-550**
Dividend paid, including dividend tax	-129	-127	-137
Other	**-78**	**-0.44**	**-0.44**
Net cash used in financing activities	-207	-128	-137
Net Cash Flow	**11**	**6**	**24**
Opening Cash balance	41	52	58
Closing Cash balance	**52**	**58**	**82**

Balance Sheet			
Particulars (Rs. In Crore)	**FY17**	**FY18E**	**FY19E**
Shareholder's funds			
Share Capital	17.69	17.69	17.69
Reserves & Surplus	1,550	2,040	2,565
Total	**1,568**	**2,057**	**2,583**
Total Non Current Liabilities	32	33	34
Total Current Liabilities	223	258	269
Total Liabilities	**1,823**	**2,348**	**2,886**
Net Block	589	993	1,142
Capital Work-in-Progress	338	397	514
Other Non Current Assets	14	34	34
Total Non Current Assets	976	1,465	1,731
Cash and bank balance	52	58	82
Total Current Assets	847	883	1,155
Total Assets	**1,823**	**2,348**	**2,886**

Key ratios			
Particulars	**FY17**	**FY18E**	**FY19E**
EPS	58	56	60
Book Value	177	232	291
DPS	7	7	7
Payout %	**23%**	**23%**	**23%**
Dividend Yield %	0.40%	0.40%	0.40%
P/E	31	32	29
EBIDTA Margin	34%	31%	32%
PBT Margin	**32%**	**30%**	**30%**
PAT Margin	25%	23%	24%
Debt/Equity	0.16	0.14	0.12
Current Ratio	3.8	3.4	4.3
ROE	32%	24%	20%

Arihant Research Desk

Email: research@arihantcapital.com
Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate park ,	Arihant House
Building No. 10, 1st Floor,	E-5 Ratlam Kothi
Andheri Ghatkopar Link Road	Indore - 452003, (M.P.)
Chakala, Andheri (E).	Tel: (91-731) 3016100
Mumbai – 400093	Fax: (91-731) 3016199
Tel: (91-22) 42254800	
Fax: (91-22) 42254880	

Stock Rating Scale

	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	<-5%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	www.arihantcapital.com	research@arihantcapital.com

Disclaimer:
This document has been prepared by Arihant Capital Markets Ltd. This document does not constitute an offer or solicitation for the purchase and sale of any financial instrument by Arihant. This document has been prepared and issued on the basis of publicly available information, internally developed data and other sources believed to be reliable. Whilst meticulous care has been taken to ensure that the facts stated are accurate and opinions given are fair and reasonable, neither the analyst nor any employee of our company is in any way is responsible for its contents and nor is its accuracy or completeness guaranteed. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Arihant may trade in investments, which are the subject of this document or in related investments and may have acted upon or used the information contained in this document or the research or the analysis on which it is based, before its publication. This is just a suggestion and Arihant will not be responsible for any profit or loss arising out of the decision taken by the reader of this document. Affiliates of Arihant may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. No matter contained in this document may be reproduced or copied without the consent of the firm.