

Ajanta Pharma (AJP IN)

Rating: BUY | CMP: Rs2,768 | TP: Rs3,200

January 31, 2026

Q3FY26 Result Update

☒ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

Rating	Current		Previous	
	FY27E	FY28E	FY27E	FY28E
Rating	BUY	BUY	BUY	BUY
Target Price	3,200	3,200	3,200	3,200
Sales (Rs. m)	60,717	70,509	59,975	69,657
% Chng.	1.2	1.2	1.2	1.2
EBITDA (Rs. m)	17,170	20,340	17,066	20,266
% Chng.	0.6	0.4	0.4	0.4
EPS (Rs.)	96.5	114.0	96.1	113.9
% Chng.	0.4	0.2	0.2	0.2

Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	46,481	53,487	60,717	70,509
EBITDA (Rs. m)	12,595	14,802	17,170	20,340
Margin (%)	27.1	27.7	28.3	28.8
PAT (Rs. m)	9,204	10,386	12,096	14,296
EPS (Rs.)	73.4	82.9	96.5	114.0
Gr. (%)	12.8	12.8	16.5	18.2
DPS (Rs.)	55.0	50.0	55.0	60.0
Yield (%)	2.0	1.8	2.0	2.2
RoE (%)	25.0	26.3	28.1	29.8
RoCE (%)	30.3	33.2	35.5	38.1
EV/Sales (x)	7.4	6.5	5.7	4.9
EV/EBITDA (x)	27.4	23.4	20.1	16.9
PE (x)	37.7	33.4	28.7	24.3
P/BV (x)	9.2	8.5	7.7	6.8

Key Data

	AJPH.BO AJP IN
52-W High / Low	Rs.3,080 / Rs.2,022
Sensex / Nifty	82,270 / 25,321
Market Cap	Rs.346bn/ \$ 3,759m
Shares Outstanding	125m
3M Avg. Daily Value	Rs.345.68m

Shareholding Pattern (%)

Promoter's	66.25
Foreign	7.97
Domestic Institution	18.58
Public & Others	7.20
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	1.5	(1.2)	3.4
Relative	4.5	(2.1)	(3.5)

Param Desai

paramdesai@plindia.com | 91-22-66322259

Kushal Shah

kushalshah@plindia.com | 91-22-66322490

Strong quarter aided by domestic and US market

Quick Pointers:

- Guided to sustained double-digit growth trajectory for US in FY27E.
- Margin guidance: GMs at 78% whereas EBITDA in the range 26-28%.

AJP's Q3FY26 EBITDA grew strongly by 19% YoY (Rs3.8bn; 27.8% OPM) which was 6% above our estimates. The beat was aided by higher revenues across domestic and US markets. The recent in-licensing agreement with Biocon for marketing semaglutide in 26 countries across RoW markets is good fit given its strong existing franchise across these markets. Further AJP's play on high growth branded generics (BGx) market spread across India, Asia and Africa which contributed 70% to total revenue in 9MFY26. Strong annual free cash flow of Rs8-10bn further supports sustained investments and potential inorganic opportunities, reinforcing medium-term growth visibility.

Overall, we expect EBITDA/PAT CAGR of 17% over FY26-28E with healthy RoE/RoCE of 28%/35% in FY27E. At CMP, AJP is trading at 24x P/E and 17x EV/EBITDA as of FY28E. Maintain BUY rating with TP of Rs3,200/share.

Healthy revenues across key markets: AJP reported revenue growth of 20% YoY to Rs 13.7bn, we est Rs 13.2bn. Domestic business grew by 19% YoY to Rs 4.1bn. Exports increased by 22% YoY to Rs 9.6bn. US was up 14% QoQ at \$45mn. Branded Africa business grew by 33% YoY while branded Asia business declined by 9% YoY. Institutional business improved, up 24% YoY to Rs 410mn.

Healthy GMs; staff cost remains elevated: EBITDA stood at Rs 3.8bn, up 19% YoY, 6% beat to our estimates. GMs improved 170bps YoY and 260bps QoQ to 79.2%. EBITDA margin stood at 27.8%, flat YoY. For 9M the YoY margins were down given higher staff cost led by MR addition. Other expenses came at Rs 3.7bn, up 24% YoY and 7% QoQ. Staff costs were up 25% YoY. Staff cost included Rs70mn one time cost related to new labor laws. R&D expenses were up 19% YoY to Rs 630mn, 4.6% of sales. Resultant PAT at Rs 2.7bn up 18% YoY.

Key concall takeaways:

Branded generic biz: Contributed 68% of the overall sales

India: Contributes 30% of the overall revenues

- Therapies such as Derma, Gynaec and ophthal performed well.
- Chronic portfolio contributed 65% of the revenues.
- Trade generic contributed Rs 480Mn up 10% YoY
- 11% of the portfolio is covered under NLEM.
- Launched 16 new products in 9M FY26 with 1 first to market product.

January 31, 2026

- Top 10 brands contributed 53% of the revenues.
- 300 MRs added in 9MFY26 (150 in Q3), taking total strength to 3,750
- PCPM 0.36Mn pa as on date
- Management reiterated confidence in high-teens India growth sustainability.

Africa:

- Contributes 17% of the overall revenues
- Growth of 33% YoY in Q3FY26 driven by product launches and deeper market penetration.

Asia:

- Branded Asia contributes 21% of the revenues.
- Spans 10 countries across Middle east, Southeast Asia and Central Asia.
- Asia branded business declined YoY due to timing of shipments; management guided for normalization from Q4FY26E as deferred supplies are executed.

US generics:

- It consists 29% of the overall sales.
- Growth driven by mkt share gain in existing products and seasonal flu demand.
- Guided to sustained double-digit growth trajectory in FY27E.

Biocon deal:

- AJP entered Semaglutide partnership with Biocon covering 26 emerging markets (23 exclusive and 3 semi exclusive) leveraging AJP's front end presence
- Biocon will supply finished formulations and regulatory dossiers, while Ajanta will manage country filings, branding, marketing, and commercialization.
- The partnership allows Ajanta to enter GLP-1 without R&D or capex risk, improving return profile.
- Revenue contribution expected from Q3/Q4FY27 onwards, with contingent on securing regulatory approvals across key markets

GLP – 1:

- Ajanta plans to launch semaglutide in India post patent expiry, leveraging its established cardio-diabetes sales infrastructure.
- Management highlighted no need for incremental salesforce, keeping operating costs contained.

- Management expects 15–20+ players in India, implying aggressive competition, but views India as a volume-led opportunity.
- In contrast, Asia and Africa are expected to see only 4–6 competitors, enabling better pricing and margins.
- GLP-1 is viewed as a medium-term growth lever, with meaningful contribution expected from FY27–FY28 rather than near term.

Other highlights:

- Margin: GMs at 78% whereas EBITDA in the range 26–28%.
- R&D spend stood at Rs 630mn, 4.7% of revenues. Guided for 5% levels.
- One-time provision of Rs 70Mn taken in Q3; no major incremental drag expected going forward
- Capex of Rs 2.3bn in 9M with FY26 guidance of Rs 3bn.
- Increasing thrust on acquisition.

Exhibit 1: Strong quarter, 19% YoY EBITDA growth

Y/e March	3QFY26	3QFY25	YoY gr. (%)	Q3FY26E	%Var	2QFY26	QoQ gr. (%)	9M FY26	9M FY25	YoY gr. (%)
Net Sales	13,748	11,461	20.0	13,169	4.4	13,537	1.6	40,312	34,777	15.9
Raw Material	2,863	2,578	11.0	2,963	(3.4)	3,168	(9.6)	8,790	7,873	11.6
% of Net Sales	20.8	22.5		22.5		23.4		21.8	22.6	
Personnel Cost	3,305	2,652	24.6	3,129	5.6	3,170	4.3	9,504	8,099	17.4
% of Net Sales	24.0	23.1		23.8		23.4		23.6	23.3	
Others	3,758	3,023	24.3	3,500	7.4	3,511	7.0	10,734	8,921	20.3
% of Net Sales	27.3	26.4		26.6		25.9		26.6	25.7	
Total Expenditure	9,926	8,253	20.3	9,592	3.5	9,849	0.8	29,028	24,894	16.6
EBITDA	3,822	3,208	19.1	3,577	6.9	3,688	3.6	11,284	9,883	14.2
Margin (%)	27.8	28.0		27.2		27.2	0.6	28.0	28.4	
Depreciation	435	360	21.0	430	1.2	430	1.3	1,278	1,043	22.5
EBIT	3,387	2,849	18.9	3,147	7.6	3,259	3.9	10,007	8,840	13.2
Other Income	250	304	(18.0)	180	38.7	593	(57.9)	1,106	764	44.8
Interest	51	79	(35.5)	30		34	50.4	138	147	(6.2)
PBT	3,586	3,074	16.7	3,297	8.8	3,818	(6.1)	10,975	9,457	16.1
Forex gains / (losses)	-	-		-	#DIV/0!	(410)		(660)	(260)	
Total Taxes	848	745	13.9	775	9.5	806	5.2	2,412	2,246	7.4
ETR (%)	23.7	24.2		23.5		21.1		22.0	23.8	
Extra-Ord. Inc./Exps.	-	-		-	#DIV/0!	-		-	-	
Reported PAT	2,738	2,329	17.6	2,522	8.6	2,602	5.2	7,903	6,951	13.7

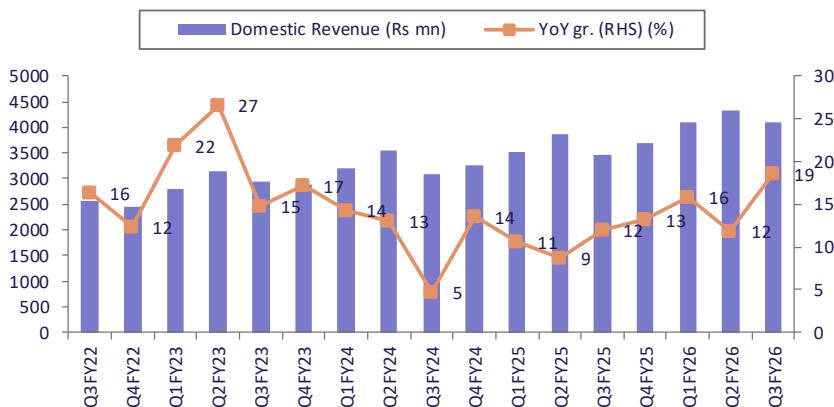
Source: Company, PL

Exhibit 2: Sources of Revenue – Growth aided by domestic and US business

Revenue break up (Rs mn)	3QFY26	3QFY25	YoY gr. (%)	2QFY26	QoQ gr. (%)	9M FY26	9M FY25	YoY gr. (%)
Domestic market	4,090	3,450	18.6	4,320	(5.3)	12,500	10,840	15.3
% of Sales	29.9	30.5		32.3		31.3	31.6	
International market (Exports)	9,580	7,850	22.0	9,060	5.7	27,440	23,460	17.0
% of Sales	70.1	69.5		67.7		68.7	68.4	
Africa	2,710	2,060	31.6	2,530	7.1	7,900	7,340	7.6
% of Sales	19.8	18.2		18.9		19.8	21.4	
Rx	2,300.0	1,730.0		2,210.0		6,790.0	6,160.0	
Tender	410.0	330.0		320.0		1,110.0	1,180.0	
Asia	2,880	3,160	(8.9)	3,100	(7.1)	9,020	8,890	1.5
% of Sales	21.1	28.0		23.2		22.6	25.9	
US generics	3,990	2,630	51.7	3,430	16.3	10,520	7,230	45.5
% of Sales	29.2	23.3		25.6		26.3	21.1	
Total	13,670	11,300	21.0	13,380	2.2	39,940	34,300	16.4

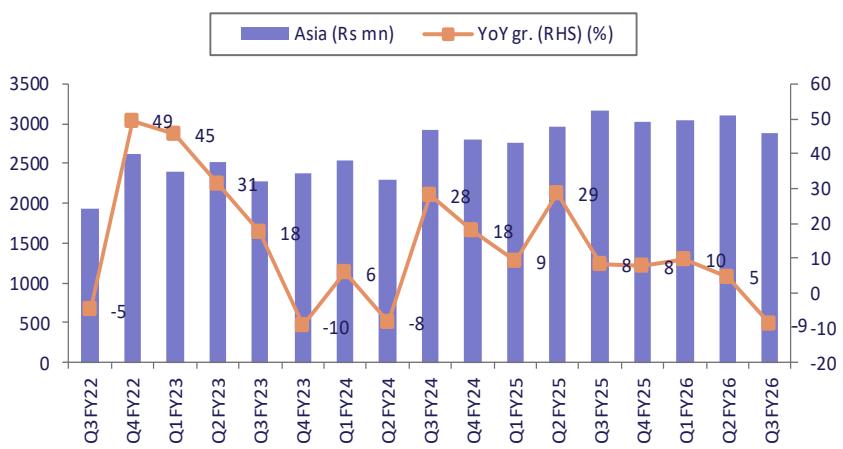
Source: Company, PL

Exhibit 3: Key therapies support growth YoY



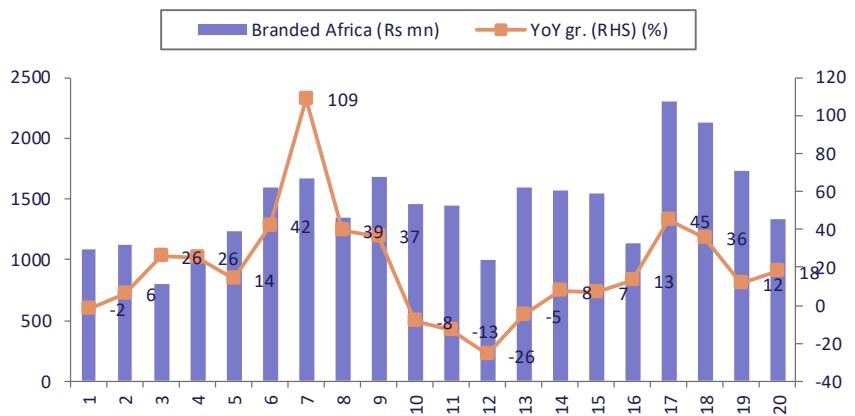
Source: Company, PL

Exhibit 4: Delay in order supply impacted Q3FY26



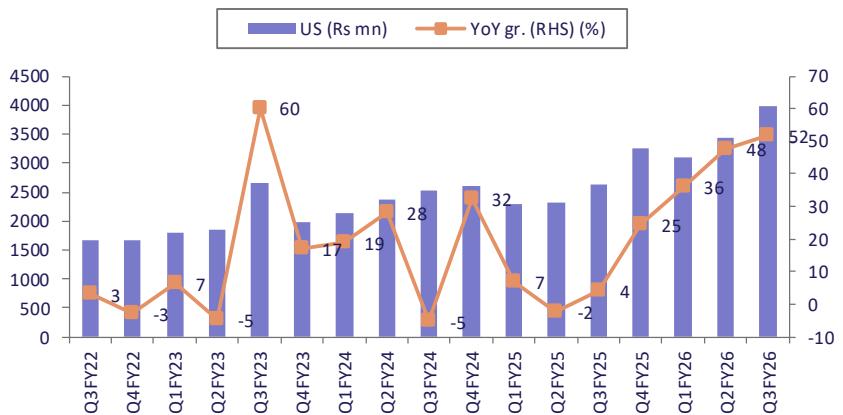
Source: Company, PL

Exhibit 5: Product launches and market penetration supported YoY



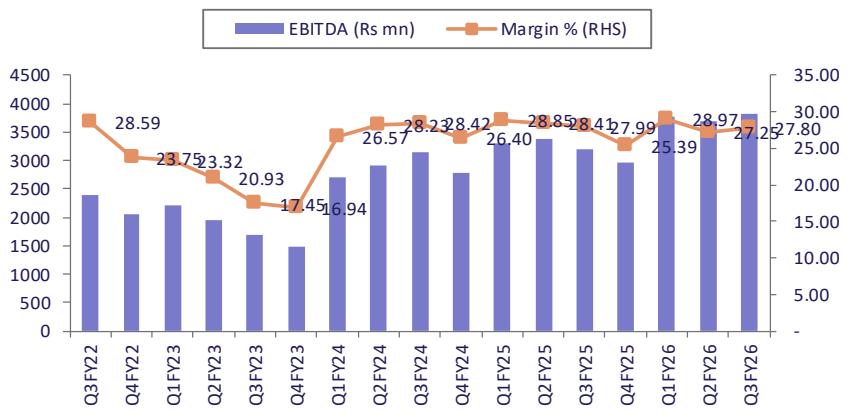
Source: Company, PL

Exhibit 6: New launches and mkt share gains aided growth



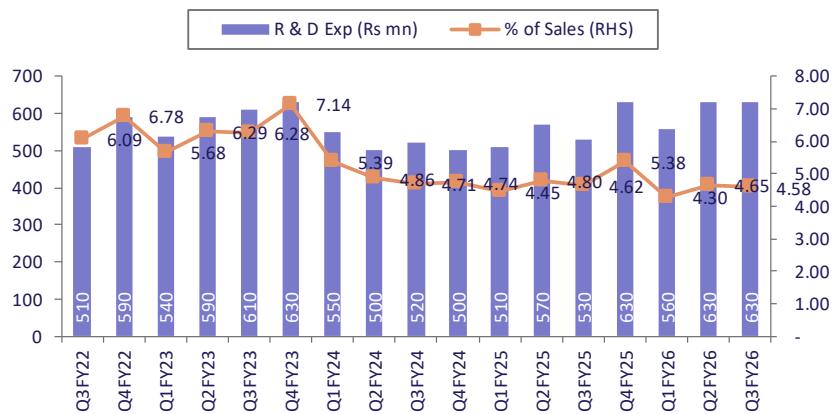
Source: Company, PL

Exhibit 7: EBITDA increased YoY, Margins at 27.8%



Source: Company, PL

Exhibit 8: Steady R&D spend at ~5% levels



Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Net Revenues	46,481	53,487	60,717	70,509
YoY gr. (%)	10.4	15.1	13.5	16.1
Cost of Goods Sold	24,071	27,106	30,810	35,903
Gross Profit	22,410	26,381	29,907	34,606
Margin (%)	48.2	49.3	49.3	49.1
Employee Cost	-	-	-	-
Other Expenses	9,815	11,579	12,737	14,266
EBITDA	12,595	14,802	17,170	20,340
YoY gr. (%)	7.5	17.5	16.0	18.5
Margin (%)	27.1	27.7	28.3	28.8
Depreciation and Amortization	1,441	1,706	1,872	2,047
EBIT	11,154	13,096	15,298	18,294
Margin (%)	24.0	24.5	25.2	25.9
Net Interest	207	200	200	200
Other Income	945	645	775	917
Profit Before Tax	11,892	13,541	15,873	19,010
Margin (%)	25.6	25.3	26.1	27.0
Total Tax	2,688	3,155	3,778	4,715
Effective tax rate (%)	22.6	23.3	23.8	24.8
Profit after tax	9,204	10,386	12,096	14,296
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	9,204	10,386	12,096	14,296
YoY gr. (%)	11.9	12.8	16.5	18.2
Margin (%)	19.8	19.4	19.9	20.3
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	9,204	10,386	12,096	14,296
YoY gr. (%)	11.9	12.8	16.5	18.2
Margin (%)	19.8	19.4	19.9	20.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	9,204	10,386	12,096	14,296
Equity Shares O/s (m)	125	125	125	125
EPS (Rs)	73.4	82.9	96.5	114.0

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
Non-Current Assets				
Gross Block	28,562	31,590	34,670	37,903
Tangibles	28,562	31,590	34,670	37,903
Intangibles	-	-	-	-
Acc: Dep / Amortization	11,848	13,554	15,426	17,473
Tangibles	11,848	13,554	15,426	17,473
Intangibles	-	-	-	-
Net fixed assets	16,714	18,036	19,244	20,430
Capital Work In Progress	2,669	2,669	2,669	2,669
Goodwill	-	-	-	-
Non-Current Investments	4,773	4,773	4,773	4,773
Net Deferred tax assets	(1,105)	(1,105)	(1,105)	(1,105)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	-	-	-	-
Inventories	9,039	10,284	11,680	13,584
Trade receivables	11,827	14,397	15,517	18,047
Cash & Bank Balance	1,762	736	2,102	3,333
Other Current Assets	3,248	3,572	3,930	4,323
Total Assets	50,150	54,597	60,057	67,315
Equity				
Equity Share Capital	251	251	251	251
Other Equity	37,652	40,799	44,932	50,541
Total Networth	37,903	41,050	45,182	50,791
Non-Current Liabilities				
Long Term borrowings	-	-	-	-
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	26	26	26	26
Trade payables	4,542	5,289	6,007	6,986
Other current liabilities	6,574	7,127	7,736	8,406
Total Equity & Liabilities	50,150	54,597	60,057	67,315

Source: Company Data, PL Research

Cash Flow (Rs m)					Key Financial Metrics				
Y/e Mar	FY25	FY26E	FY27E	FY28E	Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	11,892	13,541	15,873	19,010	Per Share(Rs)				
Add. Depreciation	1,441	1,706	1,872	2,047	EPS	73.4	82.9	96.5	114.0
Add. Interest	207	200	200	200	CEPS	84.9	96.5	111.4	130.4
Less Financial Other Income	945	645	775	917	BVPS	302.4	327.5	360.5	405.2
Add. Other	(157)	(681)	(897)	(1,253)	FCF	67.0	45.7	68.9	70.7
Op. profit before WC changes	13,383	14,766	17,049	20,004	DPS	55.0	50.0	55.0	60.0
Net Changes-WC	1,419	(2,851)	(1,560)	(3,191)	Return Ratio(%)				
Direct tax	(3,230)	(3,155)	(3,778)	(4,715)	RoCE	30.3	33.2	35.5	38.1
Net cash from Op. activities	11,572	8,760	11,711	12,098	ROIC	23.1	24.3	26.4	28.6
Capital expenditures	(3,179)	(3,028)	(3,080)	(3,233)	RoE	25.0	26.3	28.1	29.8
Interest / Dividend Income	-	-	-	-	Balance Sheet				
Others	-	-	-	-	Net Debt : Equity (x)	0.0	0.0	0.0	(0.1)
Net Cash from Inv. activities	(3,179)	(3,028)	(3,080)	(3,233)	Net Working Capital (Days)	128	132	127	128
Issue of share cap. / premium	-	-	-	-	Valuation(x)				
Debt changes	-	-	-	-	PER	37.7	33.4	28.7	24.3
Dividend paid	(7,007)	(7,239)	(7,963)	(8,687)	P/B	9.2	8.5	7.7	6.8
Interest paid	738	445	575	717	P/CEPS	32.6	28.7	24.8	21.2
Others	(1,668)	36	122	336	EV/EBITDA	27.4	23.4	20.1	16.9
Net cash from Fin. activities	(7,938)	(6,758)	(7,266)	(7,634)	EV/Sales	7.4	6.5	5.7	4.9
Net change in cash	455	(1,026)	1,366	1,231	Dividend Yield (%)	2.0	1.8	2.0	2.2
Free Cash Flow	8,393	5,732	8,632	8,865	Source: Company Data, PL Research				

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
Net Revenue	11,704	13,027	13,537	13,748
YoY gr. (%)	5.9	23.6	18.2	15.9
Raw Material Expenses	2,834	2,759	3,168	2,863
Gross Profit	8,870	10,268	10,369	10,886
Margin (%)	75.8	78.8	76.6	79.2
EBITDA	2,972	3,774	3,688	3,822
YoY gr. (%)	(5.4)	35.6	11.6	13.4
Margin (%)	25.4	29.0	27.2	27.8
Depreciation / Depletion	398	413	430	435
EBIT	2,574	3,361	3,259	3,387
Margin (%)	22.0	25.8	24.1	24.6
Net Interest	61	53	34	51
Other Income	181	263	593	250
Profit before Tax	2,694	3,571	3,818	3,586
Margin (%)	23.0	27.4	28.2	26.1
Total Tax	442	758	806	848
Effective tax rate (%)	16.4	21.2	21.1	23.7
Profit after Tax	2,253	2,813	3,012	2,738
Minority interest	85	71	143	40
Share Profit from Associates	-	-	-	-
Adjusted PAT	2,168	2,742	2,869	2,698
YoY gr. (%)	2.6	41.4	19.8	13.5
Margin (%)	18.5	21.1	21.2	19.6
Extra Ord. Income / (Exp)	-	-	-	-
Reported PAT	2,168	2,742	2,869	2,698
YoY gr. (%)	2.6	41.4	19.8	13.5
Margin (%)	18.5	21.1	21.2	19.6
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	2,168	2,742	2,869	2,698
Avg. Shares O/s (m)	-	-	-	-
EPS (Rs)	17.8	20.3	20.6	21.7

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jan-26	BUY	3,200	2,854
2	24-Dec-25	BUY	3,200	2,670
3	03-Nov-25	BUY	3,200	2,539
4	08-Oct-25	BUY	3,200	2,455
5	19-Sep-25	BUY	3,200	2,550

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Ajanta Pharma	BUY	3,200	2,854
2	Apollo Hospitals Enterprise	BUY	8,600	7,087
3	Aster DM Healthcare	BUY	775	615
4	Aurobindo Pharma	BUY	1,300	1,235
5	Brigade Enterprises	BUY	1,045	843
6	Cipla	Accumulate	1,440	1,315
7	Divi's Laboratories	Accumulate	7,050	6,643
8	Dr. Reddy's Laboratories	Reduce	1,300	1,157
9	Eris Lifesciences	BUY	1,900	1,553
10	Fortis Healthcare	BUY	1,120	915
11	Global Health	BUY	1,375	1,238
12	HealthCare Global Enterprises	BUY	850	657
13	Indoco Remedies	Hold	325	225
14	Ipcra Laboratories	BUY	1,600	1,514
15	J.B. Chemicals & Pharmaceuticals	BUY	2,300	1,927
16	Jupiter Life Line Hospitals	BUY	1,750	1,393
17	Krishna Institute of Medical Sciences	BUY	810	654
18	Lupin	BUY	2,400	2,214
19	Max Healthcare Institute	BUY	1,350	1,051
20	Narayana Hrudayalaya	BUY	2,100	1,901
21	Oberoi Realty	Accumulate	1,820	1,647
22	Prestige Estates Projects	BUY	1,880	1,500
23	Rainbow Children's Medicare	BUY	1,550	1,179
24	Sun Pharmaceutical Industries	BUY	1,875	1,783
25	Sunteck Realty	BUY	550	374
26	Torrent Pharmaceuticals	Accumulate	4,200	4,092
27	Zydus Lifesciences	Accumulate	1,020	928

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

ANALYST CERTIFICATION

(Indian Clients)

We/I, Mr. Param Desai- MBA Finance, Mr. Kushal Shah- CFP, Passed CFA Level I Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

(US Clients)

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Param Desai- MBA Finance, Mr. Kushal Shah- CFP, Passed CFA Level I Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

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

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

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com