



A STEP TOWARDS  
FINANCIAL FREEDOM  
SEBI Registered Research Analyst

[www.lokeshsethia.com](http://www.lokeshsethia.com)

Date:- April 14, 2019

## Yearly Recommendation

### BIOCON

CMP	ACTION	TARGET 1	TARGET 2	STOP LOSS	TIME PERIOD
634	BUY	765	780	543	ONE YEAR

#### ABOUT COMPANY:

Biocon is Asia's premier biopharmaceutical company that is driven by the vision to make a difference to global healthcare through improved access to high quality, life-saving biotherapeutics by making them affordable for patients across the world.

Biocon have evolved from manufacturing pharmaceuticals like statins and immunosuppressants, to discovering, developing and producing biologics in chronic therapies such as diabetes, oncology and immunology for global markets. This has translated into a diversified and differentiated pipeline of fermentation-derived complex generics, biosimilars that include insulins and monoclonal antibodies, and novel biologics.

Biocon is among the few companies globally to have received approvals for its biosimilars from developed countries like the U.S., EU, Australia and Japan. Our credibility as a serious player in the biosimilars sector was first established with the Japanese approval for Insulin Glargine. The credibility was enhanced when Biocon, along with partner Mylan, became the first globally to get biosimilar Trastuzumab and Pegfilgrastim approved in the U.S. in 2017 and 2018, respectively. Biocon Bioconre also among the first few to receive Insulin Glargine approval in Europe and Australia for Insulin Glargine, both in partnership with Mylan. Biocon have also established our presence in key

emerging markets through safe, effective and high quality biosimilars including recombinant human insulin.

A combination of specialized talent, state-of-the-art research and manufacturing infrastructure and a culture of deep science and regulatory compliance have differentiated us in the marketplace and given us a distinct competitive edge. It has also led to Biocon being recognized as a credible global biopharmaceuticals player.

<b>KEY FINANCIAL RATIOS</b>	
<b>MARKET CAP</b>	<b>37740 CR</b>
<b>STOCK PE</b>	<b>57.35</b>
<b>PROMOTER HOLDING</b>	<b>60.67%</b>
<b>CHANGE IN PROMOTER HOLDING LAST 3 YEARS</b>	<b>-0.05%</b>
<b>DEBT</b>	<b>2264CR</b>
<b>DEBT TO EQUITY RATIO</b>	<b>0.44</b>
<b>ROCE</b>	<b>8.41%</b>
<b>ROE</b>	<b>11.25%</b>
<b>EPS</b>	<b>13.91</b>
<b>52 BIOCONEK HIGH</b>	<b>718</b>
<b>52 BIOCONEK LOW</b>	<b>543</b>

### **BUSINESS HIGHLIGHT**

<b>Narration</b>	<b>31-03-2014</b>	<b>31-03-2015</b>	<b>31-03-2016</b>	<b>31-03-2017</b>	<b>01-03-2018</b>	<b>1-3-2019E</b>
<b>Sales</b>	2,877.30	3,089.80	3,347.40	3,891.10	4,123.40	<b>5,155.10</b>
<b>Expenses</b>	2,385.30	2,674.30	2,789.40	3,048.20	3,464.60	<b>3,964.90</b>
<b>Operating Profit</b>	492.00	415.50	558.00	842.90	658.80	<b>1,190.20</b>
<b>Other Income</b>	55.90	187.90	369.30	173.40	227.50	
<b>Depreciation</b>	203.60	221.00	248.70	277.20	385.10	<b>423.30</b>
<b>Interest</b>	1.70	8.90	29.30	26.00	61.50	<b>71.90</b>
<b>Profit before tax</b>	537.70	624.10	751.30	849.70	610.00	<b>695.00</b>
<b>Tax</b>	106.90	95.70	142.20	161.60	156.90	<b>0.19</b>
<b>Net profit</b>	413.80	497.40	550.40	612.10	372.40	<b>563.85</b>
<b>EPS</b>	6.90	8.29	9.17	10.20	6.21	<b>9.40</b>
<b>Price to earning</b>	21.83	18.55	19.74	36.35	101.18	<b>50.80</b>
<b>Price</b>	150.55	153.79	181.09	370.80	628.01	



## TECHNICAL VIEW



The stock trading at ₹. 629 on 12 April 2019. It made a 52-week low at ₹. 543 and a 52-week high of ₹. 718. The 200 days Exponential Moving Average (EMA) of the stock is currently at ₹ 434. The stock has trading under Symmetrical Triangle pattern on the weekly chart. Biocon also holding its all start to long-term moving average. From last 4 days, stock tread in a positive direction and formed “**Higher Low**” formation. Increase in price with increase in volume suggest farther upside also possible. RSI and MACD also showing positive momentum.

## Reach US



## DISCLAIMER

This is solely for information of clients of LOKESHSETHIA.COM and does not construe to be an investment advice. It is also not intended as an offer or solicitation for the purchase and sale of any financial instruments. Any action taken by you on the basis of the information contained herein is your responsibility alone and LOKESH SETHIA its subsidiaries or its employees or associates will not be liable in any manner for the consequences of such action taken by you. Biocon have exercised due diligence in checking the correctness and authenticity of the information contained in this recommendation, but LOKESHSETHIA.COM or any of its subsidiaries or associates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this recommendation or any action taken on basis of this information. Technical analysis studies market psychology, price patterns and volume levels. It is used to forecast future price and market movements. Technical analysis is complementary to fundamental analysis and news sources. The recommendations issued herewith might be contrary to recommendations issued by LOKESHSETHIA.COM in the company research undertaken as the recommendations stated in this report is derived purely from technical analysis. LOKESHSETHIA.COM has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; LOKESHSETHIA.COM makes no guarantee, representation or warranty and accepts no responsibility or liability as to its accuracy or completeness. The opinions contained within the report are based upon publicly available information at the time of publication and are subject to change without notice. The information and any disclosures provided herein are in summary form and have been prepared for informational purposes. The recommendations and suggested price levels are intended purely for trading purposes. The recommendations are valid for the day of the report hoBioconver trading trends and volumes might vary substantially on an intraday basis and the recommendations may be subject to change. The information and any disclosures provided herein may be considered confidential. Any use, distribution, modification, copying, forwarding or disclosure by any person is strictly prohibited. The information and any disclosures provided herein do not constitute a solicitation or offer to purchase or sell any security or other financial product or instrument. The current performance may be unaudited. Past performance does not guarantee future returns. There can be no assurance that investments will achieve any targeted rates of return, and there is no guarantee against the loss of your entire investment.

POTENTIAL CONFLICT OF INTEREST DISCLOSURE (as on date of report) Disclosure of interest statement –

- Analyst interest of the stock /Instrument(s): - No.
- Firm interest of the stock / Instrument (s): - No.

LOKESHSETHIA.COM