

Ipca Lab

Refer to important disclosures at the end of this report

Strong guidance; retain Buy

CMP: Rs 1,563
as of (June 17, 2020)TP: Rs 1,782 (▲)
12 months

Rating: BUY (■)

Upside: 14.0 %

We appreciate your support in the [Asiamoney Brokers Poll 2020](#)

- Deferred shipments due to Covid-19 led to a 7% miss in revenues and 15% in operating profits. Shipments should normalize in Q1. Due to negative operating leverage, margins were 200bps below estimates even as gross margins improved.
- India growth was robust at 21% yoy, and IQVIA data shows Ipca is witnessing positive growth in April/May as well, compared to a low double-digit decline for the industry. Q1 will also benefit from higher HCQS sales (~Rs420mn additional sales to the govt).
- 14-17% revenue growth guidance is better than expected and underpins management's confidence in growth recovery. Ipca also guided for ~150bps margin expansion (assuming Rs/\$ is constant at Rs75) led by higher utilization of a few facilities.
- We have consistently highlighted the strong operating leverage in Ipca's business model and strong FY21 guidance, despite a weak macro, reinforce our view. We raise FY21/22E EPS by 7%/5% and retain Buy, with a revised TP of Rs1,782. Maintain OW in EAP.

Earnings miss due to Covid: Deferred shipments in the branded business (-19% yoy) led to a miss in revenue, even as domestic growth was robust at 21% yoy – partly due to pre-buying as also seen in peers. Per IQVIA, Ipca continues to report industry-leading growth, with 5-7% growth in April/May against a low double-digit decline for the industry. The API business was robust (+30% yoy), maintaining the strong momentum (FY21: +32% yoy). Gross margins improved 100bps qoq, but negative operating leverage impacted overall EBITDA margins (at 19.2%, 200bps below ests.). While the overall prescriptions are down at the industry level, Ipca should benefit in Q1 from HCQS sales to the government (~Rs420mn) and deferred shipments of ~Rs250mn from Q4.

Guidance underpins management confidence: Ipca's guidance of 14-17% revenue growth and ~150bps margin expansion in FY21 is encouraging and better than our earlier expectations of 11% growth, especially given weak macro. This bakes in a sharp recovery in the institutional business (Rs2.4bn vs. Rs1.8bn in FY20 with commencement of injectable sales), around 11% growth in India and continued momentum in the API business. We have consistently highlighted the strong underlying operating leverage in Ipca's business model, and management guidance reaffirms our view.

Retain Buy: We upgrade FY21/22E EPS by 7%/5%, in line with the strong margin guidance. We revise our target price to Rs1,782, valuing the stock at 24xMar'22 EPS (unchanged). Resilience of India sales and strong margin trajectory should drive stock's outperformance. Maintain OW in EAP. Risk: Any marked slowdown in domestic sales.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Pharmaceuticals \(page 10\)](#)

Financial Snapshot (Standalone)

(Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Net Sales	36,332	43,675	49,656	55,807	63,231
EBITDA	7,179	9,147	11,088	12,971	15,014
EBITDA Margin (%)	19.8	20.9	22.3	23.2	23.7
APAT	4,549	6,524	7,960	9,373	10,557
EPS (Rs)	36.0	51.7	63.1	74.3	83.6
EPS (% chg)	90.0	43.4	22.0	17.7	12.6
ROE (%)	15.7	19.1	19.4	18.9	17.8
P/E (x)	43.4	30.2	24.8	21.1	18.7
EV/EBITDA (x)	27.7	21.3	17.1	14.1	11.7
P/BV (x)	6.3	5.3	4.4	3.6	3.1

Source: Company, Emkay Research



Change in Estimates

EPS Chg FY21E/FY22E (%)	7/5
Target Price change (%)	5
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

	EPS Estimates	
	FY21E	FY22E
Emkay	63.1	74.3
Consensus	62.7	75.2
Mean Consensus TP (12M)	Rs 1,630	

Stock Details

Bloomberg Code	IPCA IN
Face Value (Rs)	2
Shares outstanding (mn)	126
52 Week H/L	1,825 / 844
M Cap (Rs bn/USD bn)	198 / 2.59
Daily Avg Volume (nos.)	6,80,007
Daily Avg Turnover (US\$ mn)	13.6

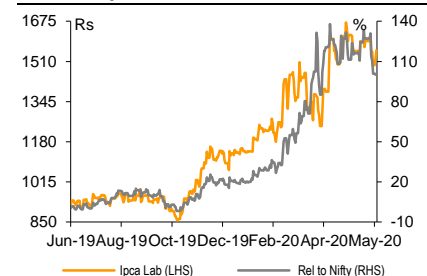
Shareholding Pattern Mar '20

Promoters	46.1%
FIIs	12.6%
DIIIs	26.6%
Public and Others	14.7%

Price Performance

(%)	1M	3M	6M	12M
Absolute	(2)	16	36	72
Rel. to Nifty	(9)	6	68	103

Relative price chart



Source: Bloomberg

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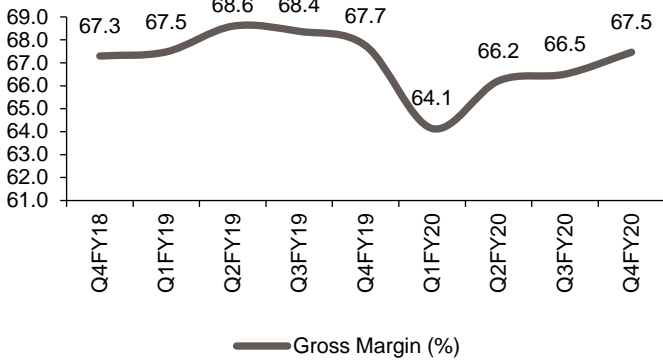
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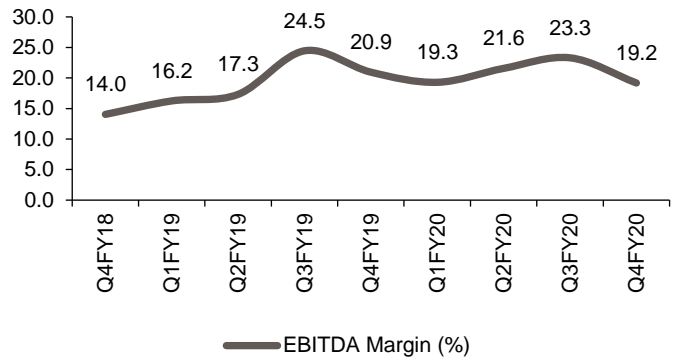
Story in Charts

Exhibit 1: Gross margins improved 100bps sequentially



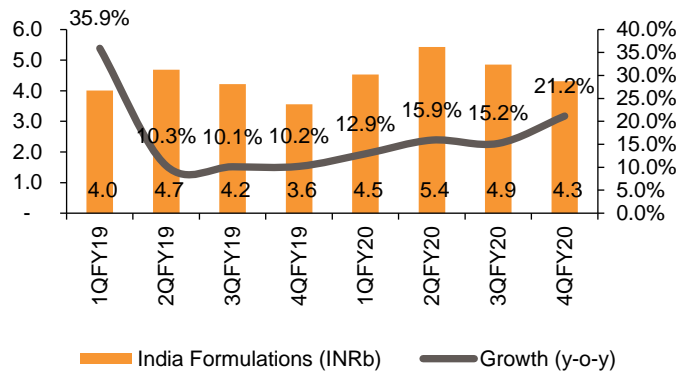
Source: Company

Exhibit 2: EBITDA margin was 200bps below estimates



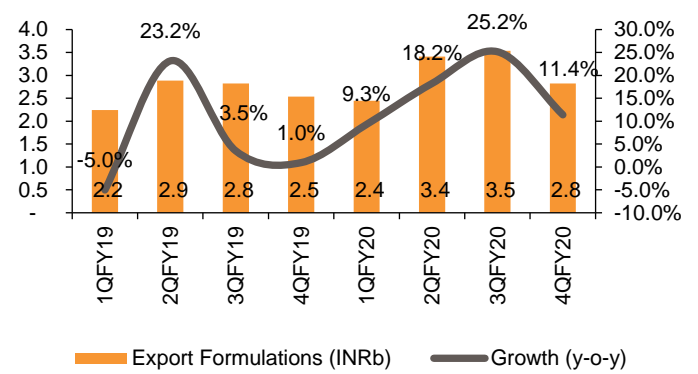
Source: Company

Exhibit 3: India business grew strongly at 21% yoy



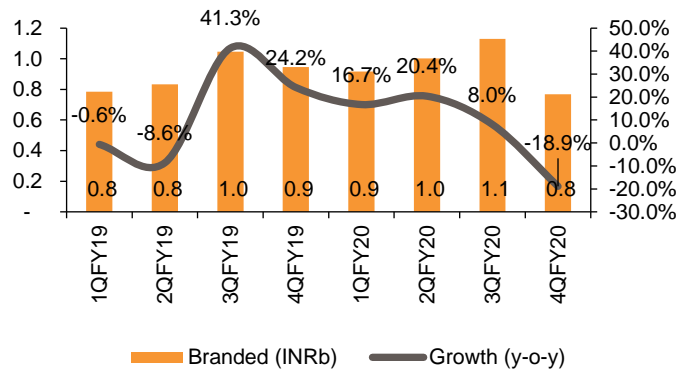
Source: Company

Exhibit 4: Exports grew 11% yoy driven by generics



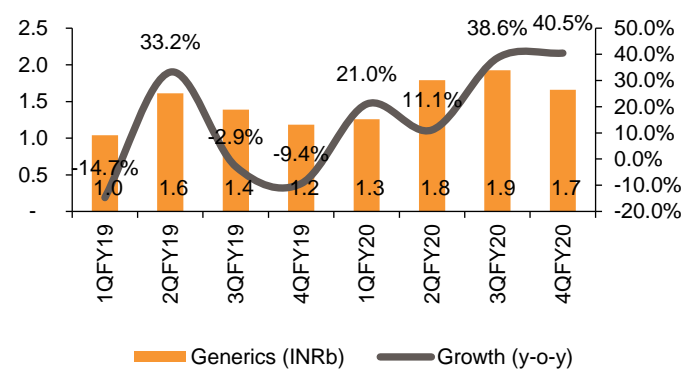
Source: Company

Exhibit 5: Branded exports were down 19% yoy



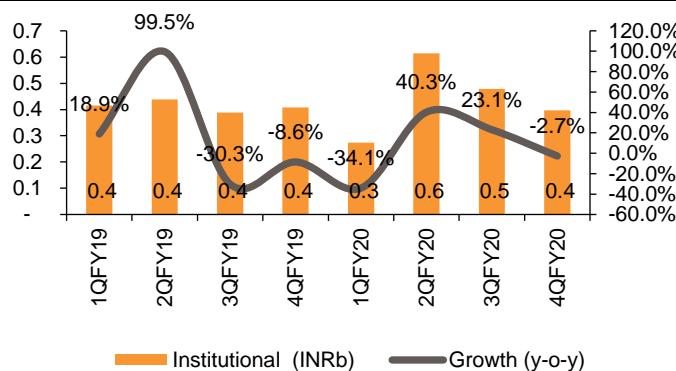
Source: Company

Exhibit 6: Generics saw strong growth at 40% yoy



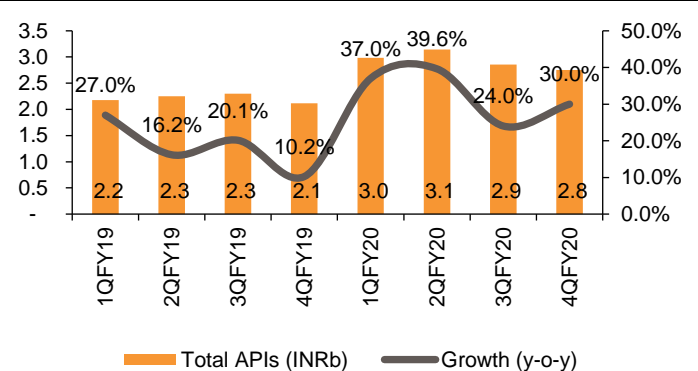
Source: Company

Exhibit 7: Institutional business declined 3% yoy



Source: Company

Exhibit 8: APIs continue to see strong momentum



Source: Company

Exhibit 9: Quarterly Snapshot (SA)

(Rs mn)	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20	YoY (%)	QoQ (%)
Revenue	9,978	9,476	8,338	10,110	12,126	11,391	10,048	20.5	-11.8
Consumption of RM	3,134	2,997	2,690	3,626	4,097	3,815	3,269	21.6	-14.3
<i>as % of sales</i>	<i>31.4</i>	<i>31.6</i>	<i>32.3</i>	<i>35.9</i>	<i>33.8</i>	<i>33.5</i>	<i>32.5</i>		
Employee costs	2,038	1,763	1,768	2,055	2,197	2,177	2,279	28.9	4.7
<i>as % of sales</i>	<i>20.4</i>	<i>18.6</i>	<i>21.2</i>	<i>20.3</i>	<i>18.1</i>	<i>19.1</i>	<i>22.7</i>		
Other expenditure	3,079	2,399	2,134	2,479	3,217	2,744	2,573	20.6	-6.2
<i>as % of sales</i>	<i>30.9</i>	<i>25.3</i>	<i>25.6</i>	<i>24.5</i>	<i>26.5</i>	<i>24.1</i>	<i>25.6</i>		
EBITDA	1,728	2,317	1,747	1,950	2,616	2,654	1,927	10.3	-27.4
<i>Margins (%)</i>	<i>17.3</i>	<i>24.5</i>	<i>20.9</i>	<i>19.3</i>	<i>21.6</i>	<i>23.3</i>	<i>19.2</i>		
Depreciation	432	426	416	420	451	462	454		
Other Income	138	126	146	194	143	176	133		
Interest	24	49	63	45	41	38	35		
PBT	1,410	1,968	1,414	1,680	2,267	2,331	1,572	11.2	-32.6
Total Tax	213	366	319	359	307	365	294		
Tax rate (%)	15.1	18.6	22.6	21.4	13.5	15.6	18.7		
PAT before MI	1,198	1,602	1,095	1,321	1,960	1,966	1,278	16.7	-35.0
Minority interest (MI)	-	-	-	-	-	-	-		
Adj. PAT before extraordinary	1,198	1,602	1,095	1,321	1,960	1,966	1,278	16.7	-35.0
Extraordinary expenses	-	-	-	-	-	-	-		
Reported PAT	1,198	1,602	1,095	1,321	1,960	1,966	1,278	16.7	-35.0
No. of shrs	126	126	126	126	126	126	126		
EPS	9.5	12.7	8.7	10.5	15.5	15.6	10.1		
Core EPS	9.5	12.7	8.7	10.5	15.5	15.6	10.1		
Margins (%)									
								bps	bps
Gross	68.6	68.4	67.7	64.1	66.2	66.5	67.5	-28	96
EBIDTA	17.3	24.5	20.9	19.3	21.6	23.3	19.2	-177	-412
EBIT	14.4	21.3	17.7	17.1	19.0	20.8	16.0	-172	-481
PBT	14.1	20.8	17.0	16.6	18.7	20.5	15.6	-132	-482
Adj. PAT	12.0	16.9	13.1	13.1	16.2	17.3	12.7	-41	-455
Effective Tax rate	15.1	18.6	22.6	21.4	13.5	15.6	18.7	-386.4	306.3

Source: Company

Exhibit 10: Quarterly Snapshot (Consolidated)

(Rs mn)	4QFY19	Q3FY20	Q4FY20	YoY (%)	QoQ (%)
Revenue	8,796	12,129	10,738	22.1	-11.5
Consumption of RM	3,067	4,238	3,646	18.9	-14.0
as % of sales	34.9	34.9	34.0		
Employee costs	1,871	2,313	2,422	29.4	4.7
as % of sales	21.3	19.1	22.6		
Other expenditure	2,212	2,841	2,985	34.9	5.1
as % of sales	25.2	23.4	27.8		
EBITDA	1,646	2,737	1,685	2.4	-38.4
Margins (%)	18.7	22.6	15.7		
Depreciation	448	508	639		
Other Income	153	181	137		
Interest	64	40	37		
PBT	1,286	2,370	1,146	-10.9	-51.6
Total Tax	317	369	292		
Tax rate (%)	24.6	15.6	25.5		
PAT before MI	970	2,001	854	-12.0	-57.3
Minority interest (MI)	10	25	23		
Adj. PAT before extraordinary	960	1,975	830	-13.5	-58.0
Extraordinary expenses	-	-	-		
Reported PAT	960	1,975	830	-13.5	-58.0
No. of shrs	126	126	126		
EPS	7.6	15.7	6.6		
Core EPS	7.6	15.7	6.6		

Source: Company

Exhibit 11: Quarterly Snapshot

	1QFY19	2QFY19	3QFY19	4QFY19	1QFY20	2QFY20	3QFY20	4QFY20	YoY (%)	QoQ (%)
India Formulations (Rs mn)	4,009	4,686	4,216	3,557	4,528	5,432	4,856	4,310	21.2	-11.3
Growth (y-o-y)	35.9%	10.3%	10.1%	10.2%	12.9%	15.9%	15.2%	21.2%		
Export Formulations (Rs mn)	2,240	2,883	2,824	2,536	2,448	3,408	3,534	2,825	11.4	-20.1
Growth (y-o-y)	-5.0%	23.2%	3.5%	1.0%	9.3%	18.2%	25.2%	11.4%		
Branded (Rs mn)	785	832	1,046	946	916	1,002	1,130	767	-18.9	-32.1
Growth (y-o-y)	-0.6%	-8.6%	41.3%	24.2%	16.7%	20.4%	8.0%	-18.9%		
Institutional (Rs mn)	415	438	389	408	273	615	478	397	-2.7	-17.0
Growth (y-o-y)	18.9%	99.5%	-30.3%	-8.6%	-34.1%	40.3%	23.1%	-2.7%		
Generics (Rs mn)	1,040	1,612	1,390	1,182	1,259	1,792	1,926	1,660	40.5	-13.8
Growth (y-o-y)	-14.7%	33.2%	-2.9%	-9.4%	21.0%	11.1%	38.6%	40.5%		
Total Formulations revenue	6,249	7,569	7,040	6,093	6,976	8,841	8,391	7,134	17.1	-15.0
Growth (y-o-y)	17.7%	14.9%	7.4%	6.2%	11.6%	16.8%	19.2%	17.1%		
Total APIs	2,178	2,252	2,301	2,116	2,983	3,144	2,854	2,751	30.0	-3.6
Growth (y-o-y)	27.0%	16.2%	20.1%	10.2%	37.0%	39.6%	24.0%	30.0%		
Indian APIs	600	514	445	460	657	672	532	649	40.9	22.0
Growth (y-o-y)	65.8%	7.5%	-24.2%	29.1%	9.5%	30.6%	19.5%	40.9%		
Export APIs	1,577	1,737	1,856	1,656	2,326	2,472	2,322	2,102	27.0	-9.5
Growth (y-o-y)	16.6%	19.0%	39.8%	5.9%	47.5%	42.3%	25.1%	27.0%		

Source: Company

Exhibit 12: Change in estimates

Rs mn	FY21E			FY22E			FY23E
	Old	New	% Change	Old	New	% Change	Introduce
Revenues	48,391	49,656	3%	54,067	55,807	3%	63,231
EBITDA	10,348	11,088	7%	12,308	12,971	5%	15,014
EBITDA margins (%)	21.4%	22.3%	95 bps	22.8%	23.2%	48 bps	23.7%
APAT	7,419	7,960	7%	8,901	9,373	5%	10,557
EPS	58.8	63.1	7%	70.5	74.3	5%	83.6

Source: Emkay Research

Exhibit 13: Actual vs Estimates

Figures in Rs mn	Actual	Estimates		% Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Revenue	10,048	10,752	10,593	-7%	-5%	Miss due to delayed shipments
EBITDA	1,927	2,301	2,162	-16%	-11%	
EBITDA margin (%)	19.2%	21.4%	20.4%	-222	-123	Negative operating leverage
APAT	1,278	1,607	1459	-20%	-12%	

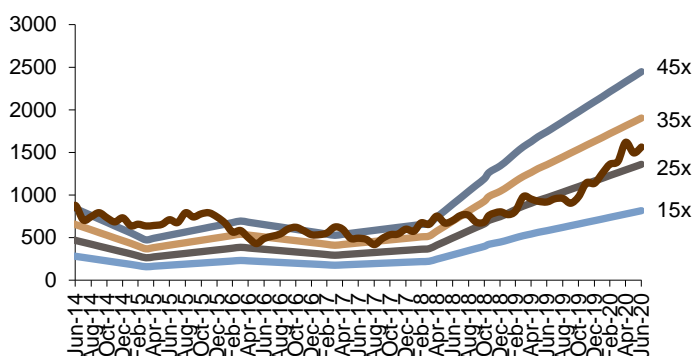
Source: Emkay Research

Con-call Highlights:

Operational highlights:

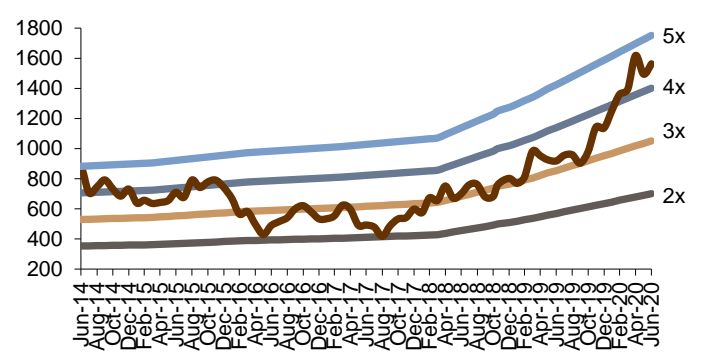
- Shipments worth Rs260mn were delayed due to lockdowns and were shifted to this quarter.
- Remediation cost for the quarter stood at Rs30mn (Rs160mn in FY20). This cost is expected to come down significantly in FY21. Pithampur and Piparia plants continue to be underutilized and incurring losses.
- R&D expense for FY20 stood at 2.5% of sales.
- Consolidated PAT includes Rs209mn forex loss. Subsidiaries incurred a loss of Rs447mn, which includes impairment charges of RS276mn with respect to US subsidiary. Onyx (UK CRAMS) reported positive PAT of Rs180mn.
- Bayshore reported revenue of Rs1.6bn in FY20, but due to a US\$2mn impairment charge, it reported a loss.
- Pisgah Labs – Certain projects were delayed due to Covid-19 and royalty reduced from US\$1mn to US\$0.2mn, as the partner lost the market share.
- **India**
 - As per IQVIA, the domestic market share improved from 1.58% in FY19 (Rank-21) to 1.67% (Rank-19).
 - Looking at the current situation with respect to Covid-19, there will be no MR additions in FY21.
 - IPCA sold 120mn HCQS tablets worth Rs420mn to Indian govt. and other state bodies. The company was exporting HCQS till May 25 before the govt. imposed ban. The company still has orders in the pipeline. HCQS production has increased from 17-18mn tons pre-Covid-19 to 25mntons now.
- **API**
 - Prices for HCQS API had gone up by almost 7-8x over the last couple of months, but Ipca had sufficient inventory and hence, not impacted. Prices are back to normal now.
 - Prices for Sartans have come off quite a bit, but now stable.
- **Others**
 - IPCA is currently facing capacity constraints in the API segment for which it is increasing capacity and setting up a new facility at Dewas (3 plants). It guided for Rs2.5bn capex in FY21. Of this, ~Rs500mn will be towards the Dewas plant, for which the company expects environmental clearance by June end and construction to begin by July end. This site will be ready by CY22-CY23. Balance capex will be used for upgradation of facilities, maintenance and building solar energy.
 - IPCA improved its asset turnover ratio from 2.3x in FY20 from 2.04x in FY19. Receivable days increased from 64 days in FY19 to 71 days in FY20 due to global lockdowns, while inventory days were flat at 107 days.
 - Expect the tax rate to be around 17% for FY21, due to the MAT credit.

Exhibit 14: P/E chart



Source: Bloomberg

Exhibit 15: P/B chart



Source: Bloomberg

Key Financials (Standalone)**Income Statement**

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Net Sales	36,332	43,675	49,656	55,807	63,231
Expenditure	29,153	34,528	38,568	42,836	48,218
EBITDA	7,179	9,147	11,088	12,971	15,014
Depreciation	1,719	1,787	1,929	2,124	2,319
EBIT	5,460	7,360	9,159	10,847	12,695
Other Income	299	647	760	800	850
Interest expenses	185	158	306	328	349
PBT	5,574	7,848	9,614	11,320	13,196
Tax	1,025	1,325	1,654	1,947	2,639
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
Reported Net Income	4,549	6,524	7,960	9,373	10,557
Adjusted PAT	4,549	6,524	7,960	9,373	10,557

Balance Sheet

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
Equity share capital	252	252	252	252	252
Reserves & surplus	30,924	36,900	44,814	53,872	64,113
Net worth	31,176	37,152	45,067	54,124	64,365
Minority Interest	0	0	0	0	0
Loan Funds	7,202	7,802	8,402	8,402	8,402
Net deferred tax liability	0	0	0	0	0
Total Liabilities	38,378	44,954	53,469	62,526	72,767
Net block	19,404	19,024	19,595	20,471	21,153
Investment	217	304	304	304	304
Current Assets	26,972	36,027	45,395	55,031	66,445
Cash & bank balance	5,751	10,551	16,430	22,478	29,562
Other Current Assets	2,485	2,883	3,278	3,684	4,174
Current liabilities & Provision	8,878	11,064	12,488	13,943	15,798
Net current assets	18,094	24,963	32,907	41,088	50,647
Misc. exp	0	0	0	0	0
Total Assets	38,378	44,954	53,469	62,526	72,767

Cash Flow

Y/E Mar (Rs mn)	FY19	FY20	FY21E	FY22E	FY23E
PBT (Ex-Other income) (NI+Dep)	5,275	7,202	8,854	10,520	12,346
Other Non-Cash items	0	0	0	0	0
Chg in working cap	(1,668)	(2,069)	(2,064)	(2,134)	(2,476)
Operating Cashflow	4,486	5,500	7,620	8,890	9,899
Capital expenditure	(1,527)	(1,407)	(2,500)	(3,000)	(3,000)
Free Cash Flow	2,960	4,094	5,120	5,890	6,899
Investments	137	(87)	0	0	0
Other Investing Cash Flow	0	0	0	0	0
Investing Cashflow	(1,091)	(847)	(1,740)	(2,200)	(2,150)
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	600	600	600	0	0
Dividend paid (incl tax)	(258)	(295)	(295)	(316)	(316)
Other Financing Cash Flow	0	0	0	0	0
Financing Cashflow	157	146	(1)	(643)	(665)
Net chg in cash	3,552	4,800	5,879	6,047	7,084
Opening cash position	2,199	5,751	10,551	16,430	22,478
Closing cash position	5,751	10,551	16,430	22,478	29,562

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY19	FY20	FY21E	FY22E	FY23E
EBITDA Margin	19.8	20.9	22.3	23.2	23.7
EBIT Margin	15.0	16.9	18.4	19.4	20.1
Effective Tax Rate	18.4	16.9	17.2	17.2	20.0
Net Margin	12.5	14.9	16.0	16.8	16.7
ROCE	16.0	19.2	20.2	20.1	20.0
ROE	15.7	19.1	19.4	18.9	17.8
RoIC	17.6	22.6	26.4	28.9	31.2

Per Share Data (Rs)	FY19	FY20	FY21E	FY22E	FY23E
EPS	36.0	51.7	63.1	74.3	83.6
CEPS	49.7	65.9	78.4	91.1	102.0
BVPS	247.0	294.4	357.1	428.9	510.0
DPS	2.0	2.3	2.3	2.5	2.5

Valuations (x)	FY19	FY20	FY21E	FY22E	FY23E
PER	43.4	30.2	24.8	21.1	18.7
P/CEPS	31.4	23.7	19.9	17.1	15.3
P/BV	6.3	5.3	4.4	3.6	3.1
EV / Sales	5.5	4.5	3.8	3.3	2.8
EV / EBITDA	27.7	21.3	17.1	14.1	11.7
Dividend Yield (%)	0.1	0.1	0.1	0.2	0.2

Gearing Ratio (x)	FY19	FY20	FY21E	FY22E	FY23E
Net Debt/ Equity	0.0	(0.1)	(0.2)	(0.3)	(0.3)
Net Debt/EBIDTA	0.2	(0.3)	(0.7)	(1.1)	(1.4)
Working Cap Cycle (days)	124.0	120.4	121.1	121.7	121.7

Growth (%)	FY19	FY20	FY21E	FY22E	FY23E
Revenue	10.6	20.2	13.7	12.4	13.3
EBITDA	57.9	27.4	21.2	17.0	15.7
EBIT	97.1	34.8	24.4	18.4	17.0
PAT	90.0	43.4	22.0	17.7	12.6

Quarterly (Rs mn)	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20
Revenue	8,338	10,110	12,126	11,391	10,048
EBITDA	1,747	1,950	2,615	2,654	1,927
EBITDA Margin (%)	20.9	19.3	21.6	23.3	19.2
PAT	1,095	1,321	1,959	1,966	1,278
EPS (Rs)	8.7	10.5	15.5	15.6	10.1

Source: Company, Emkay Research

Shareholding Pattern (%)	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Promoters	46.1	46.1	46.1	46.1	46.1
FIs	14.9	15.6	16.1	14.0	12.6
DIs	24.9	24.1	24.1	25.9	26.6
Public and Others	14.2	14.3	13.7	14.0	14.7

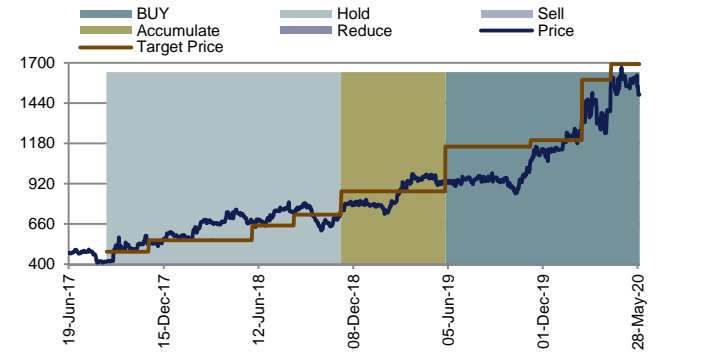
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
08-Apr-20	1,616	1,693	12m	Buy	Praful Bohra
13-Feb-20	1,419	1,590	12m	Buy	Praful Bohra
16-Dec-19	1,124	1,200	12m	Buy	Praful Bohra
26-Nov-19	1,117	1,200	12m	Buy	Praful Bohra
14-Nov-19	1,138	1,200	12m	Buy	Praful Bohra
08-Nov-19	1,070	1,200	12m	Buy	Praful Bohra
26-Aug-19	973	1,160	12m	Buy	Praful Bohra
19-Aug-19	953	1,160	12m	Buy	Praful Bohra
14-Aug-19	939	1,160	12m	Buy	Praful Bohra
31-May-19	938	1,160	12m	Buy	Praful Bohra
15-Nov-18	753	870	12m	Accumulate	Jatin Kotian
19-Sep-18	750	720	12m	Hold	Jatin Kotian
18-Aug-18	733	720	12m	Hold	Jatin Kotian
31-May-18	670	650	12m	Hold	Jatin Kotian
26-Apr-18	719	555	12m	Hold	Jatin Kotian
17-Nov-17	529	555	12m	Hold	Jatin Kotian
29-Aug-17	415	480	12m	Hold	Jatin Kotian

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Pharmaceuticals



Analyst: Praful Bohra

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Sector

Pharmaceuticals

Analyst bio

Praful Bohra holds an MBA in Finance and has more than 11 years of experience in equity research. His team currently covers 12 stocks in the Pharmaceuticals space.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
Pharmaceuticals	4.59	4.59	0%	0	100.00
Aurobindo Pharma	0.41	0.57	42%	17	12.51
Cadila Healthcare	0.17	0.22	25%	4	4.74
Cipla	0.61	0.64	5%	3	13.86
Divi's Lab	0.55	0.43	-23%	-13	9.32
Dr. Reddy's Lab	0.91	0.89	-3%	-3	19.28
Glenmark Pharma	0.11	0.11	-3%	0	2.34
Granules India	0.00	0.38	NA	38	8.37
Ipca Lab	0.20	0.27	34%	7	5.96
Lupin	0.42	0.55	33%	14	12.04
Sun Pharma	0.98	0.53	-46%	-45	11.57
Suven Life Sciences*	0.00	0.00	NA	0	0.00
Torrent Pharma	0.23	0.00	-100%	-23	0.00
Cash	0.00	0.00	NA	0	0.01

Source: Emkay Research

* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

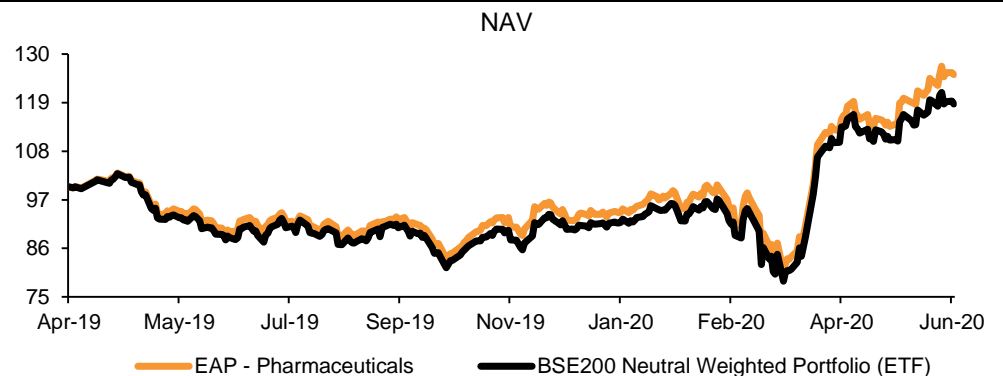
Sector portfolio NAV

	Base					Latest
	1-Apr-19	13-Sep-19	17-Dec-19	17-Mar-20	15-May-20	16-Jun-20
EAP - Pharmaceuticals	100.0	92.4	93.3	86.9	113.7	125.4
BSE200 Neutral Weighted Portfolio (ETF)	100.0	90.6	90.7	84.2	110.5	118.7

*Performance measurement base date 1st April 2019

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 18 Jun 2020 01:48:38 (SGT)

Dissemination Date: 18 Jun 2020 01:49:38 (SGT)

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