

Aurobindo Pharma

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR839 **TP: INR980 (+17%)** **Buy**

Formulations, superior product mix drive earnings

Progress on track for complex portfolio buildup

- Aurobindo Pharma (ARBP) delivered better-than-expected EBITDA, led by a) strong off-take in the ARV / Growth Market segment, b) revival in EU sales, c) steady ramp-up in US sales, and d) better gross margins (GM). Increased R&D spend, to some extent, affected profitability for the quarter.
- We tweak our EPS estimate for ARBP for FY21/FY22, factoring in: a) a superior product mix, b) a higher spend on complex product development, and c) higher other income. We continue to value ARBP at 15x 12M forward earnings to arrive at TP of INR980. We remain positive on ARBP on the back of: a) a robust ANDA pipeline, b) enhanced efforts toward developing as well as building manufacturing capacity for future products – comprising biosimilars, inhalers, transdermals, nasals, and injectables – for the developed markets, c) a steady base portfolio, and d) a healthy balance sheet. Reiterate Buy.

Superior product mix drives profitability

- ARBP's 2QFY21 sales were up 15.8% YoY to INR64.8b (est. INR61.8b), led by the Formulations segment (+18% YoY to INR56b).
- Anti-Retroviral (ARV) Formulation sales more than doubled YoY to INR5b (8% of sales). Growth Market sales were up 40% YoY to INR4.5b (7% of sales); US sales grew 12.5% YoY to INR32b (+6.6% YoY in CC terms to USD430m; 49% of sales). Europe sales grew 8.1% YoY to INR15.2b (23% of sales); API sales grew 3% to INR8.3b (13% of sales).
- The GM expanded 350bp YoY to 61.2%, led by a superior product mix.
- The EBITDA margin expanded at a lower rate of 130bp to 22.1% (est. 21.7%) on increased R&D spend (+230bps as a percentage of sales).
- EBITDA was up 22.7% YoY to INR14.3b (est. INR13.4b).
- Adj. PAT grew 19.7% YoY to INR8b (est. INR7.9b), led by revenue growth and better operating margins, partially offset by a higher tax rate.
- 1HFY21 revenue / EBITDA / adjusted PAT grew 12.3%/18.9%/22.8% YoY to INR124b/INR27.5b/INR16.1b.

Highlights from management commentary

- While the gross margin stood at 61% for 2QFY21, the sustainable gross margin is expected to be 58–59% (excluding forex benefit).
- Injectables sales are expected to reach USD650–700m over the next three years from the current annual run-rate of USD380m.
- ARBP would have the vaccine manufacturing setup completed by Mar–Apr'21. It has the capability to meet the fill-finish part of the manufacturing. Drug substance manufacturing would depend on partner requirement.
- ARBP guided for annual capex of USD180–200m over the next 2–3 years. The capex is largely toward a) setting up an injectables facility for the US/EU market at Vizag, b) setting up capacity for inhaler/derma, c) API capacity expansion, and d) debottlenecking/maintenance.

Bloomberg	ARBP IN
Equity Shares (m)	586
M.Cap.(INRb)/(USDb)	491.6 / 6.4
52-Week Range (INR)	968 / 281
1, 6, 12 Rel. Per (%)	-6/-17/84
12M Avg Val (INR M)	3448

Financials & Valuations (INR b)

Y/E MARCH	2020	2021E	2022E
Sales	231.0	254.5	262.8
EBITDA	48.6	55.5	59.1
Adj. PAT	28.8	33.0	36.3
EBIT Margin (%)	16.9	17.8	18.2
Cons. Adj. EPS (INR)	49.2	56.3	61.9
EPS Gr. (%)	13.9	14.6	9.8
BV/Sh. (INR)	286.9	340.4	398.8

Ratios

Net D:E	0.2	0.1	-0.1
RoE (%)	18.8	18.0	16.7
RoCE (%)	14.1	14.5	14.1
Payout (%)	5.2	4.5	5.7

Valuations

P/E (x)	16.6	14.4	13.2
EV/EBITDA (x)	10.3	8.8	7.8
Div. Yield (%)	0.3	0.3	0.4
FCF Yield (%)	6.2	2.9	6.4
EV/Sales (x)	2.2	1.9	1.7

Shareholding pattern (%)

As On	Sep-20	Jun-20	Sep-19
Promoter	52.0	52.0	51.9
DII	13.7	12.6	13.0
FII	23.0	22.6	22.0
Others	11.3	12.8	13.2

FII Includes depository receipts

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Valuation and view

- We tweak our EPS estimate for ARBP for FY21/FY22, factoring in increased R&D spending on complex products and higher other income from cash generated on account of sale of the Natrol business.
- We expect a 12% earnings CAGR over FY20–23 (on a high base of FY20, including Natrol sales), led by new launches / increased market share in key markets (US/EU), 180bp margin expansion, and lower financial leverage.
- We value ARBP at 15x 12M forward earnings and arrive at TP of INR980.
- We remain positive on ARBP's a) capability to build a niche portfolio, b) cost efficiency owing to the complete integration of manufacturing, and c) lower financial leverage. Maintain Buy.

Quarterly performance (Consolidated)

(INR m)

Y/E March	FY20				FY21E				FY20	FY21E	FY21E	vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	54,446	56,005	58,950	61,584	59,248	64,834	66,286	64,139	230,985	254,508	61,843	4.8%
YoY Change (%)	28.1	17.9	11.9	16.4	8.8	15.8	12.4	4.1	18.1	10.2	10.4	
EBITDA	11,464	11,675	12,080	13,424	13,174	14,328	14,450	13,531	48,643	55,483	13,420	6.8%
YoY Change (%)	47.1	13.8	11.2	18.8	14.9	22.7	19.6	0.8	20.9	14.1	15.0	
Margins (%)	21.1	20.8	20.5	21.8	22.2	22.1	21.8	21.1	21.1	21.8	21.7	
Depreciation	2,409	2,433	2,501	2,324	2,555	2,573	2,610	2,502	9,667	10,241	2,570	
EBIT	9,055	9,241	9,579	11,100	10,618	11,755	11,840	11,029	38,976	45,242	10,850	
YoY Change (%)	45.0	7.2	3.8	17.6	17.3	27.2	23.6	-0.6	16.2	16.1	17	
Interest	499	409	371	318	211	157	280	331	1,598	979	230	
Other Income	110	206	220	326	934	472	490	705	862	2,600	160	
PBT before EO expense	8,666	9,038	9,428	11,108	11,341	12,069	12,050	11,402	38,240	46,863	10,780	12.0%
Forex loss/(gain)	-48	272	-89	262	378	-66	0	0	397	312	0	
Exceptional (expenses)/income	(127)	(128)	-129	123	0	0	0	0	(261)	0	0	
PBT	8,587	8,638	9,388	10,969	10,964	12,135	12,050	11,402	37,582	46,551	10,780	12.6%
Tax	2,278	2,244	2,329	2,285	3,037	3,873	3,254	3,104	9,135	13,267	2,857	
Rate (%)	26.5	26.0	24.8	20.8	27.7	31.9	27.0	27.2	24.3	28.5	26.5	
Minority Interest	-47	-1	6	185	120	205	120	55	143	500	40	
Reported PAT	6,357	6,395	7,053	8,499	7,807	8,057	8,677	8,244	28,304	32,784	7,883	2.2%
Adj PAT	6,415	6,691	7,083	8,609	8,080	8,012	8,677	8,244	28,798	33,007	7,883	1.6%
YoY Change (%)	25.9	0.9	2.3	29.7	26.0	19.7	22.5	-4.2	13.9	14.6	17.8	
Margins (%)	11.8	11.9	12.0	14.0	13.6	12.4	13.1	12.9	12.5	13.0	12.7	

Key performance Indicators (Consolidated)

(INR m)

Y/E March	FY20E				FY21E				FY20	FY21E	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			
Formulations	47,119	47,939	51,050	54,012	51,444	56,536	57,757	56,860	200,119	222,596	54,510
YoY Change (%)	34.6	21.8	17.4	23.5	9.2	17.9	13.1	5.3	23.9	11.2	13.7
ARV form.	3,185	2,379	3,134	3,818	4,255	5,030	4,388	3,848	12,515	17,521	3,806
YoY Change (%)	104.7	-2.5	11.4	31.0	33.6	111.4	40.0	0.8	28.7	40.0	60.0
US generic form.	26,884	28,355	29,694	29,903	31,071	31,898	32,960	31,972	114,835	127,901	32,466
YoY Change (%)	42.3	27.3	22.0	20.5	15.6	12.5	11.0	6.9	27.2	11.4	14.5
EU and ROW form.	17,050	17,205	18,222	20,291	16,118	19,608	20,409	21,039	72,769	77,174	18,237
YoY Change (%)	17.1	17.5	11.6	26.7	-5.5	14.0	12.0	3.7	18.2	6.1	6.0
APIs	7,322	8,058	7,898	7,556	7,802	8,290	8,530	6,875	30,834	31,912	7,333
YoY Change (%)	-2.1	-1.3	-14.3	-17.6	6.6	2.9	8.0	-9.0	-9.4	3.5	-9.0
Cost Break-up											
RM Cost (% of Sales)	42.2	42.3	43.5	40.6	40.6	38.8	39.5	39.2	42.1	39.5	41.9
Staff Cost (% of Sales)	14.3	13.9	13.5	14.0	15.0	14.1	13.8	14.4	13.9	14.3	14.3
R&D Expenses(% of Sales)	4.5	4.0	4.3	3.9	4.3	6.3	6.5	6.8	4.1	6.0	4
Other Cost (% of Sales)	17.9	19.0	18.2	19.6	17.8	18.7	18.4	18.6	18.5	18.4	19
Gross Margins(%)	57.8	57.7	56.5	59.4	59.4	61.2	60.5	60.8	57.9	60.5	58.1
EBITDA Margins(%)	21.1	20.8	20.5	21.8	22.2	22.1	21.8	21.1	21.1	21.8	20.5
EBIT Margins(%)	16.6	16.5	16.2	18.0	17.9	18.1	17.9	17.2	16.9	17.8	16

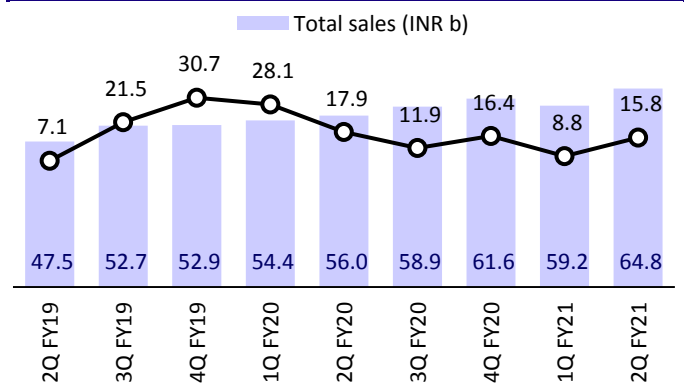


Conference call highlights

- ARBP filed 24 ANDAs (including 10 injectables) and launched 17 (including six injectables) in 2QFY21.
- Some recovery is seen in elective surgeries, which is driving the Injectables business for ARBP.
- ARBP has achieved double-digit profitability in the EU segment.
- The sales momentum in ARV could sustain, with annual demand from TLD expected to reach 14–15m tablets over the medium term from 8–9m tablets currently.
- ARBP has ~20% market share in the ARV space.
- ARBP is developing 13 biosimilars. It has completed phase I trials for one of the products and would submit a licensure to enable phase III trials in the EU. ARBP would commence phase III for another product from FY22.
- It expects to file 3–4 products in the Topicals segment in FY21.
- It expects to file products in the Inhaler, Transdermal, Nasal, Oncology, and Depot Injections segments over the next 3–4 years.
- ARBP expects R&D spend to be 5.5–6% of sales in FY21.
- The USFDA completed CAPA at Unit 1/9/11 and awaits feedback from the administration.

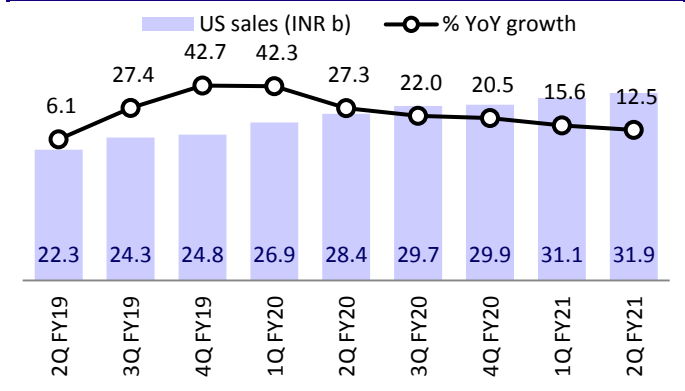
Key exhibits

Exhibit 1: Revenue up 16% YoY in 2QFY21



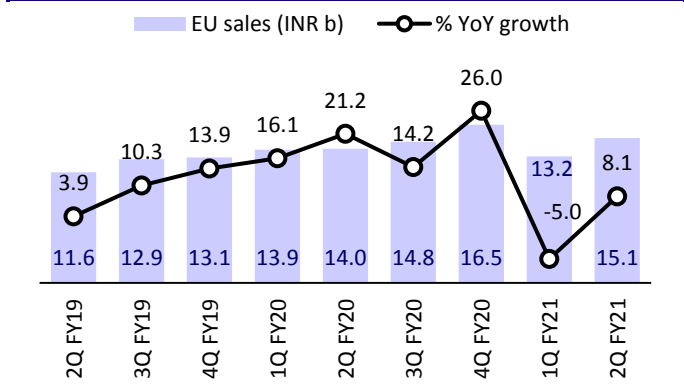
Source: MOFSL, Company

Exhibit 2: US sales up 12.5% YoY for 2QFY21



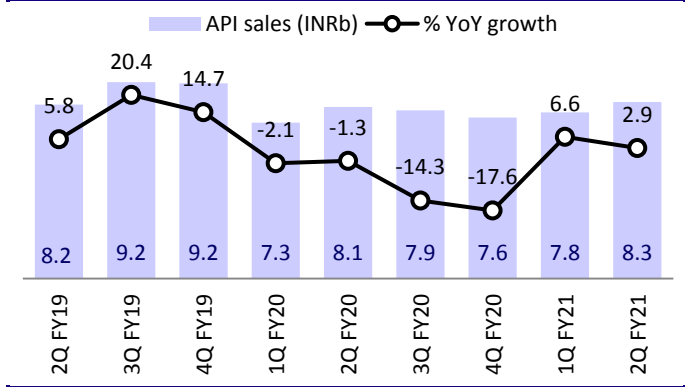
Source: MOFSL, Company

Exhibit 3: EU sales up 8.1% YoY in 2QFY21

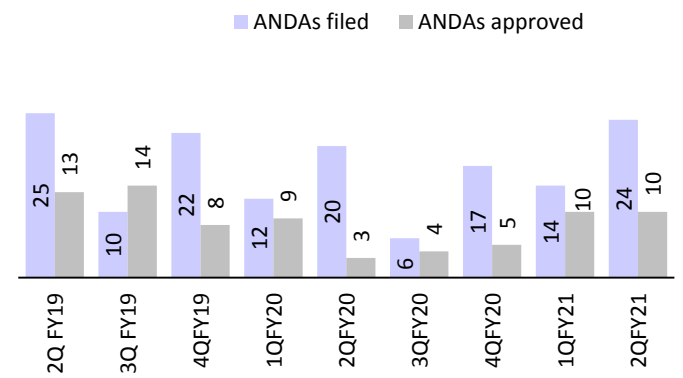


Source: MOFSL, Company

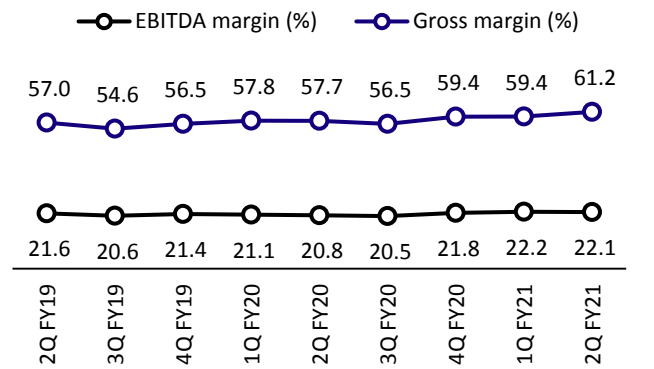
Exhibit 4: API sales up ~3% YoY



Source: MOFSL, Company

Exhibit 5: ARBP files for 24 ANDAs in 2Q

Source: MOFSL, Company

Exhibit 6: Gross margin expands 350bp YoY

Source: MOFSL, Company

Robust outlook across segments

US – superior execution in base business; WIP for niche portfolio buildup

- ARBP exhibited 6.4% YoY growth in constant-currency terms in US revenue for 1HYFY21. This was ascribed to healthy growth in oral solids and partly to product additions. The injectables off-take has seen healthy recovery QoQ with the easing of the COVID-led lockdown.
- ARBP has a strong pipeline, with 180 ANDAs pending approval, of which 66 are injectables. Furthermore, it has 290 products under various stages of development. The launch momentum remains healthy with 23 (incl. 7 injectables) in 1HYFY21.
- ARBP is developing / filing for complex products in domains such as Inhalers, Topicals, Transdermals, Biosimilars, and Depot Injections as well as undertaking capex to not only drive revenue growth but also improve profitability. Considering mid-single-digit price erosion in the base business, a healthy product pipeline, and sale of the Natrol business, we expect ARBP to deliver a 3% sales CAGR (in constant-currency terms) to USD1.8b over FY20–23.

Europe business back on recovery path

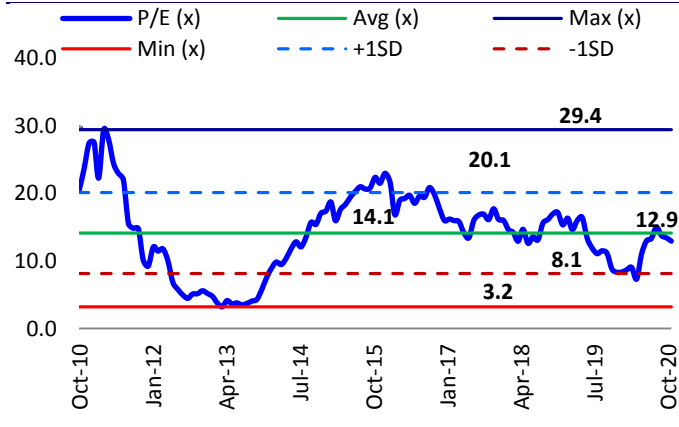
- EU sales were flat YoY at INR28.4b for 1HYFY21. ARBP is on track to a) improve traction in Injectables with the easing of the lockdown, b) steadily shift manufacturing to India, c) enter newer markets, and d) expand product offerings.
- Accordingly, we expect a 7% sales CAGR in the Europe sales to INR72.5b over FY20–23. Furthermore, with improving margins in the Apotex business and an increasing shift in manufacturing to India, we expect better profitability in the overall Europe business going forward.

Expect 12% earnings growth over FY20–23, driven by complex generics

- We tweak our EPS estimate for ARBP for FY21/FY22, factoring in: a) increased R&D spending on complex products, b) a superior product mix, and c) higher other income from surplus cash generated on sale of the Natrol business.
- We expect 12% (on a high base of FY20, including Natrol sales) earnings CAGR over FY20–23, led by new launches / increased market share in key markets (US/EU) and lower financial leverage.
- We value ARBP at 15x 12M forward earnings and arrive at TP of INR980.

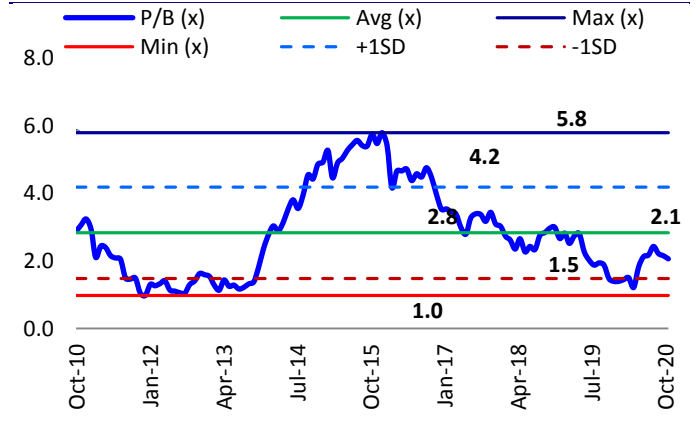
- We remain positive on ARBP’s a) capability to build a niche portfolio – Biosimilars/Topicals (filings from FY21) Transdermal Patches / Inhalers / Nasals / Onco and Hormone Products / Depot Injections (filings beginning next year), b) established presence across the manufacturing value chain in the US market, and c) improving trajectory of profitability in the EU market. Maintain Buy.

Exhibit 7: P/E chart



Source: MOFSL, Company, Bloomberg

Exhibit 8: P/B chart



Source: MOFSL, Company, Bloomberg

Story in charts

Exhibit 9: Expect sales CAGR of 7% over FY20–23

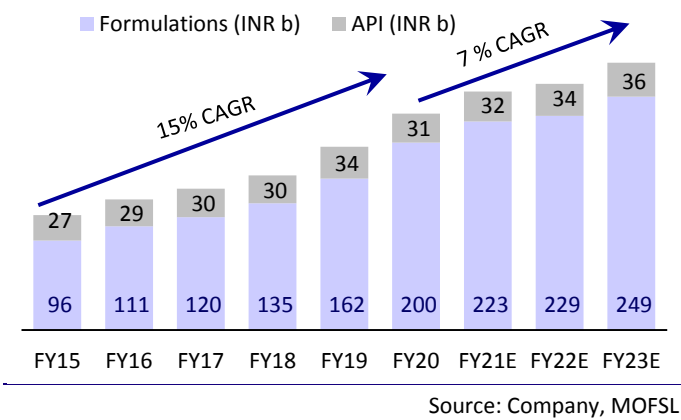


Exhibit 10: US sales to exhibit 5% (INR terms) CAGR over FY20–23

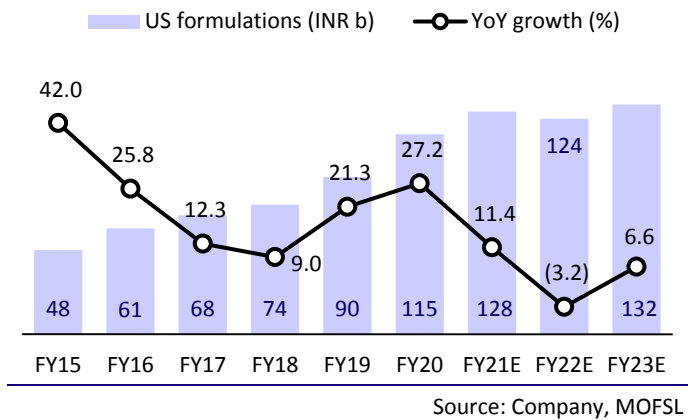


Exhibit 11: Margins to improve from FY20 levels

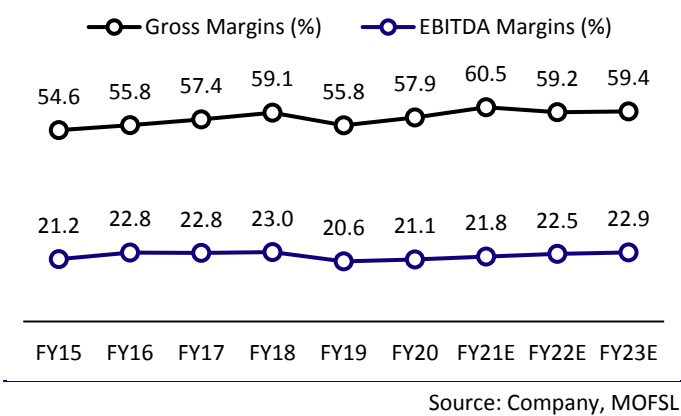


Exhibit 12: Expect EBITDA CAGR of ~10% over FY20–23

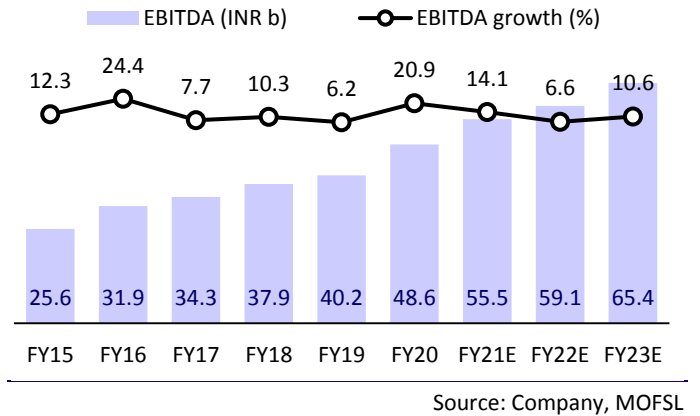


Exhibit 13: R&D expense to increase going forward

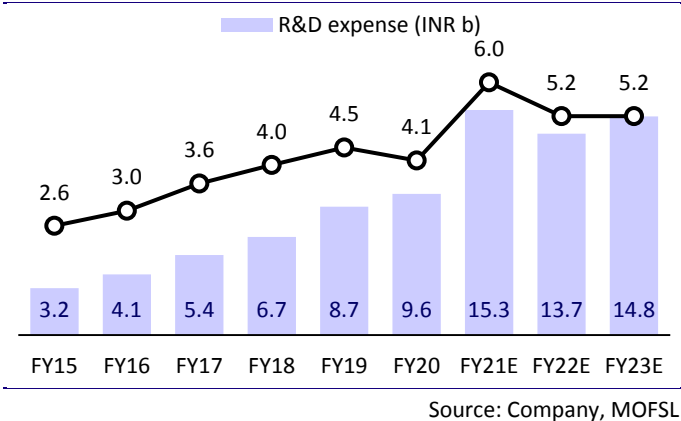
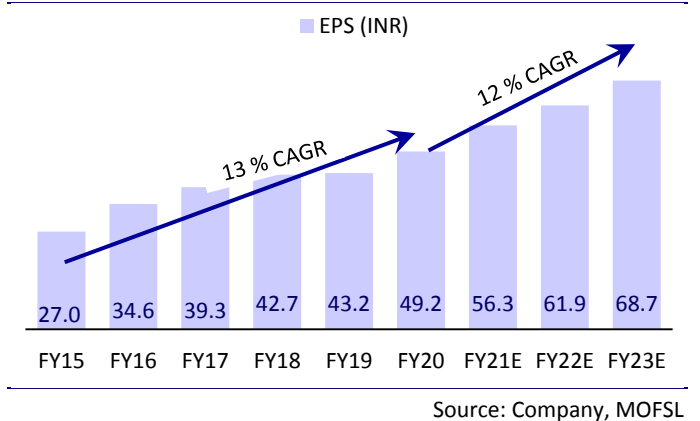


Exhibit 14: Expect EPS CAGR of ~12% over FY20–23



Financials and valuations

Consolidated - Income Statement

(INR m)

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Total Income from Operations	121,205	139,553	150,897	164,998	195,636	230,985	254,508	262,762	285,428
Change (%)	49.6	15.1	8.1	9.3	18.6	18.1	10.2	3.2	8.6
Total Expenditure	95,569	107,671	116,556	127,113	155,416	182,342	199,025	203,640	220,065
EBITDA	25,636	31,882	34,341	37,885	40,219	48,643	55,483	59,121	65,363
Margin (%)	21.2	22.8	22.8	23.0	20.6	21.1	21.8	22.5	22.9
Depreciation	3,326	3,924	4,276	5,580	6,680	9,667	10,241	11,207	12,236
EBIT	22,310	27,958	30,065	32,305	33,540	38,976	45,242	47,915	53,127
Int. and Finance Charges	843	927	667	777	1,627	1,598	979	813	672
Other Income	808	701	538	1,020	1,157	862	2,600	2,490	2,200
PBT bef. EO Exp.	22,275	27,733	29,936	32,548	33,070	38,240	46,863	49,592	54,655
EO Items	-596	-304	621	-168	-2,183	-658	-312	0	0
PBT after EO Exp.	21,679	27,429	30,557	32,380	30,887	37,582	46,551	49,592	54,655
Current Tax	5,966	7,207	7,596	8,183	7,269	9,135	13,267	13,390	14,484
Tax Rate (%)	27.5	26.3	24.9	25.3	23.5	24.3	28.5	27.0	26.5
Less: Minority Interest	-45	-30	-55	-34	-29	143	500	-55	-90
Reported PAT	15,758	20,252	23,015	24,231	23,647	28,304	32,784	36,256	40,261
Adjusted PAT	15,758	20,251	23,015	25,021	25,288	28,798	33,007	36,256	40,261
Change (%)	19.1	28.5	13.6	8.7	1.1	13.9	14.6	9.8	11.0
Margin (%)	13.0	14.5	15.3	15.2	12.9	12.5	13.0	13.8	14.1

Consolidated - Balance Sheet

(INR m)

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Equity Share Capital	584	585	586	586	586	586	586	586	586
Total Reserves	50,975	72,288	93,133	116,218	138,322	167,518	198,837	233,043	270,960
Net Worth	51,559	72,873	93,719	116,804	138,908	168,104	199,423	233,629	271,546
Minority Interest	258	26	21	18	16	1	1	1	1
Deferred Liabilities	2,058	-1,823	-1,185	765	980	1,393	1,421	1,449	1,478
Total Loans	38,636	44,155	30,841	44,825	67,532	54,223	48,801	41,481	33,184
Capital Employed	92,511	115,230	123,397	162,413	207,436	223,721	249,646	276,560	306,210
Gross Block	53,821	41,312	53,650	70,719	97,987	116,412	127,412	139,412	151,912
Less: Accum. Deprn.	17,405	3,455	7,168	11,843	18,298	27,965	38,206	49,412	61,648
Net Fixed Assets	36,416	37,856	46,482	58,876	79,689	88,447	89,206	89,999	90,264
Goodwill on Consolidation	640	4,063	4,063	8,165	8,325	9,159	9,159	9,159	9,159
Capital WIP	4,196	8,359	12,374	13,995	13,419	16,218	16,218	16,218	16,218
Total Investments	198	1,230	2,459	3,115	3,602	5,547	5,547	5,547	5,547
Curr. Assets, Loans&Adv.	87,647	105,631	95,439	125,312	157,675	168,260	189,360	214,394	248,426
Inventory	36,113	40,561	43,305	58,584	72,456	76,999	79,874	82,241	87,310
Account Receivables	35,392	46,067	35,042	38,721	34,150	43,152	55,783	55,432	68,815
Cash and Bank Balance	4,691	7,904	5,135	12,616	19,572	28,422	36,504	59,521	75,101
Loans and Advances	11,451	11,099	11,957	15,390	31,498	19,689	17,200	17,200	17,200
Curr. Liability & Prov.	36,587	41,909	37,420	47,051	55,275	63,911	59,845	58,758	63,404
Account Payables	20,511	24,570	24,883	26,274	25,522	25,450	29,220	28,132	32,778
Other Current Liabilities	13,650	15,776	11,415	18,209	26,104	33,547	30,000	30,000	30,000
Provisions	2,426	1,563	1,123	2,568	3,649	4,914	625	626	626
Net Current Assets	51,060	63,722	58,019	78,260	102,400	104,350	129,515	155,636	185,022
Appl. of Funds	92,511	115,230	123,397	162,413	207,436	223,721	249,646	276,560	306,210

Financials and valuations

Ratios

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
EPS	27.0	34.6	39.3	42.7	43.2	49.2	56.3	61.9	68.7
Cash EPS	32.7	41.3	46.6	52.2	54.6	65.7	73.8	81.0	89.6
BV/Share	88.3	124.5	160.0	199.4	237.1	286.9	340.4	398.8	463.5
DPS	2.2	2.3	1.9	3.7	2.5	2.5	2.5	3.5	4.0
Payout (%)	9.9	8.0	6.0	10.9	6.8	5.2	4.5	5.7	5.8
Valuation (x)									
P/E	30.2	23.5	20.7	19.1	18.9	16.6	14.4	13.2	11.8
Cash P/E	24.9	19.7	17.5	15.6	14.9	12.4	11.0	10.0	9.1
P/BV	9.2	6.5	5.1	4.1	3.4	2.8	2.4	2.0	1.8
EV/Sales	4.2	3.7	3.3	3.1	2.7	2.2	1.9	1.7	1.5
EV/EBITDA	19.9	16.1	14.6	13.4	13.1	10.3	8.8	7.8	6.7
Dividend Yield (%)	0.3	0.3	0.2	0.5	0.3	0.3	0.3	0.4	0.5
FCF per share	-3.5	5.3	27.0	7.2	1.6	50.4	23.6	52.3	41.9
Return Ratios (%)									
RoE	35.4	32.5	27.6	23.8	19.8	18.8	18.0	16.7	15.9
RoCE	20.4	20.4	19.0	17.4	14.4	14.1	14.5	14.1	14.0
RoIC	20.9	22.8	22.5	20.4	16.9	17.1	17.7	18.1	19.3
Working Capital Ratios									
Fixed Asset Turnover (x)	2.3	3.4	2.8	2.3	2.0	2.0	2.0	1.9	1.9
Inventory (Days)	198	227	238	275	277	280	285	276	267
Debtor (Days)	91	107	98	82	68	61	71	77	79
Creditor (Days)	113	134	140	138	109	96	99	98	96
Working Cap. (Days)	177	200	196	219	235	246	256	256	251
Leverage Ratio (x)									
Current Ratio	2.4	2.5	2.6	2.7	2.9	2.6	3.2	3.6	3.9
Interest Cover Ratio	26	30	45	42	21	24	46	59	79
Net Debt/Equity	0.7	0.5	0.3	0.3	0.3	0.2	0.1	-0.1	-0.2

Consolidated - Cash Flow Statement

Y/E March	FY15	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
OP/(Loss) before Tax	22,310	27,443	30,608	32,412	30,914	37,430	46,863	49,592	54,655
Depreciation	3,326	3,924	4,276	5,580	6,680	9,667	10,241	11,207	12,236
Interest / Dividend received	808	689	384	509	1,370	1,207	-1,621	-1,677	-1,528
Direct Taxes Paid	-5,966	-7,326	-7,737	-6,986	-7,698	-7,298	-13,267	-13,390	-14,484
(Inc)/Dec in WC	-2,515	-10,794	5,341	-10,358	-14,845	2,769	-17,083	-3,103	-13,806
CF from Operations	17,963	13,936	32,872	21,157	16,420	43,775	25,132	42,628	37,073
Others	-5,595	3,660	-86	-1,612	90	38	-312	0	0
CF from Operating incl EO	12,368	17,595	32,786	19,545	16,510	43,813	24,820	42,628	37,073
(inc)/dec in FA	-14,389	-14,475	-16,942	-15,299	-15,591	-14,311	-11,000	-12,000	-12,500
Free Cash Flow	-2,020	3,121	15,844	4,246	919	29,502	13,820	30,628	24,573
(Pur)/Sale of Investments	-305	23	-929	-3,967	-13,435	-1,366	0	0	0
CF from Investments	-14,085	-13,801	-17,870	-19,266	-29,026	-15,677	-11,000	-12,000	-12,500
Change in networkth									
Inc/(Dec) in Debt	2,298	6,033	-17,279	2,858	26,242	-13,130	-5,422	-7,320	-8,296
Interest Paid	-843	-835	-568	-742	-1,515	-1,266	-979	-813	-672
Dividend Paid	-1,563	-1,616	-1,372	-2,641	-1,599	-1,884	-1,465	-2,051	-2,344
Others	1,121	-3,391	1,537	7,745	-3,358	-2,773	2,128	2,573	2,319
CF from Fin. Activity	1,013	191	-17,683	7,220	19,771	-19,053	-5,738	-7,610	-8,993
Inc/Dec of Cash	-705	3,986	-2,767	7,499	7,254	9,083	8,082	23,018	15,580
Opening Balance	1,480	4,691	7,904	5,135	12,616	19,572	28,422	36,504	59,521
Others incl. impact of fx	3,915	-773	-2	-18	-299	-233			
Closing Balance	4,691	7,904	5,135	12,616	19,572	28,422	36,504	59,521	75,101

(INR m)

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

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