

Macrotech Developers

Estimate change



TP change



Rating change



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Bloomberg	LODHA IN
Equity Shares (m)	482
M.Cap.(INRb)/(USDb)	545.5 / 6.8
52-Week Range (INR)	1539 / 761
1, 6, 12 Rel. Per (%)	7/-/30
12M Avg Val (INR M)	455

Financials & Valuations (INR b)

Y/E Mar	FY22	FY23E	FY24E
Sales	92.3	95.3	94.3
EBITDA	21.2	22.2	24.4
EBITDA (%)	23.0	23.3	25.9
Net profit	12.1	14.3	18.3
EPS (Rs)	25.1	29.8	38.1
EPS Growth (%)	40.3	66.5	52.6
BV/Share (Rs)	252.6	281.2	319.3

Ratios

Net D/E	0.8	0.4	0.1
RoE (%)	13.6	11.2	12.7
RoCE (%)	7.3	7.7	9.2
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	45.1	38.0	29.8
P/BV (x)	4.5	4.0	3.5
EV/EBITDA (x)	30.1	27.5	23.2
Div Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Jun-22	Mar-22	Jun-21
Promoter	82.2	82.2	88.5
DII	1.9	1.5	1.0
FII	14.5	14.9	8.7
Others	1.4	1.4	1.8

CMP: INR1,133
TP: INR1,570 (+39%)
Buy

Tapping new markets; strong outlook on cash flows

FY23E launch pipeline raised to >11msf; pre-sales guidance reiterated

- Macrotech Developers (LODHA) reported its best ever first quarter pre-sales with bookings of INR28b. Of this, residential segment contributed INR24b (down 22% QoQ), while land sales and others accounted for the rest INR4b.
- Sales volume, however, dipped 27% QoQ to 2.2msf while blended realization improved 6% QoQ. LODHA raised prices by 1.5-2.0% QoQ at the portfolio level.
- The company launched 2.7msf of projects in 1QFY23 and further expects to launch 8.5msf in the remainder of FY23, taking the cumulative launches to 11.2msf v/s 8.7msf guided in 4QFY22. Additions included 2.1msf from new projects with saleable area of 5.1msf and GDV of INR62b.
- Management reiterated its FY23 pre-sales guidance of INR115b (+27% YoY), of which residential will contribute INR105b (+24% YoY).

Debt reduction continues; adopts formal dividend payout policy

- Collections rose 53% YoY but declined 8% QoQ to INR26b while OCF remained flat at INR14b in 1QFY23. Net surplus of INR4.4b was utilized to reduce net debt to INR88b. LODHA remains on track to reduce debt to below INR60b.
- Given the strong visibility on cash flows, the company adopted a formal dividend policy with intention to pay 15-20% of PAT starting FY23E. We estimate an annual payout of INR3-5b over FY23-26, at a yield of 0.5-1.0%

Key highlights from the management interaction

- Foray into Bengaluru:** LODHA entered the Bengaluru market by signing one JDA project having GDV of INR12b. The city has only 4-5 large developers and the company is targeting 10% market share over the next five years.
- Cost:** LODHA has witnessed 2.2% sequential decline in cost, bringing the overall annualized cost inflation to 9% p.a. since Apr'21. This, in turn, translates into an impact of <2% on cost basis on the overall portfolio. Further, it continues to take modest price hikes of 1.5-2% each quarter.
- Dividend:** LODHA has deliberated on key parameters such as maintaining surplus cash, future growth requirement, etc. before arriving at 15-20% payout. The company can revisit this depending on how things move in terms of both macroeconomic and business perspectives.

Valuations imply limited premium for sustained growth; Maintain BUY

- We maintain our pre-sales and cash flow estimates for LODHA as new project additions are already built-in to our estimates. However, we reduce our FY23 EBITDA/ PAT estimates by 9%/15%, respectively, as we incorporate higher interest charge-off in cost of sales and lower other income.
- The company continues to progress well both on deleveraging as well as seeking its '20-20-20' medium-term growth strategy as highlighted in our [recent report](#).
- At CMP, the stock trades at 1.1x P/NAV indicating limited premium for growth that the company will achieve beyond FY23E. **Maintain BUY with an unchanged TP of INR1,570, implying an upside potential of 39%.**

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Financial Performance (INR m)

Y/E March	FY22				FY23E				FY22	FY23E	FY23E	Variance
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Gross Sales	16,054	21,238	20,594	34,446	26,758	21,439	23,821	23,267	92,332	95,284	18,854	42
YoY Change (%)	221.0	136	36	36	67	1	16	-32	69.5	3.2	17.4	
Total Expenditure	12,295	17,320	15,737	25,733	22,091	16,403	17,532	17,102	71,085	73,128	14,327	
EBITDA	3,759	3,918	4,858	8,713	4,667	5,036	6,289	6,164	21,247	22,156	4,527	3
Margins (%)	23.4	18.4	23.6	25.3	17.4	23.5	26.4	26.5	23.0	23.3	24.0	
Adj. EBITDA (as per co.)	5,370	7,780	6,980	12,300	9,030	6,324	7,577	7,452	32,430	30,383	5,902	
Margins (%)	33.5	36.6	33.9	35.7	33.7	29.5	31.8	32.0	35.1	31.9	31.3	
Depreciation	186	184	187	190	196	192	192	189	748	769	192	
Interest	2,451	1,562	1,573	1,218	1,193	1,014	968	977	6,803	4,152	959	24
Other Income	1,070	778	893	719	0	710	710	937	3,460	2,357	710	-100
PBT before EO expense	2,191	2,950	3,991	8,023	3,278	4,540	5,839	5,935	17,156	19,591	4,086	-20
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	2,191	2,950	3,991	8,023	3,278	4,540	5,839	5,935	17,156	19,591	4,086	-20
Tax	588	719	1,131	2,643	559	1,203	1,547	1,883	5,080	5,192	1,083	
Rate (%)	26.8	24.4	28.3	32.9	17.0	26.5	26.5	31.7	0.3	0.3	26.5	
Minority Interest & Profit/Loss of Asso. Cos.	-5	-2	-3	0	6	15	15	15	-10	52	15	
Reported PAT	1,608	2,234	2,864	5,380	2,713	3,322	4,276	4,037	12,085	14,348	2,988	-9
Adj PAT (as per co.)	1,220	2,870	2,790	5,730	3,550	3,322	4,276	4,037	12,610	15,185	2,988	19
YoY Change (%)	-188.4	363	123	97	191	16	53	-30	270.9	20.4	144.9	
Margins (%)	7.6	13.5	13.5	16.6	13.3	15.5	18.0	17.4	13.7	15.9	15.8	-258bp

Source: Company, MOFSL

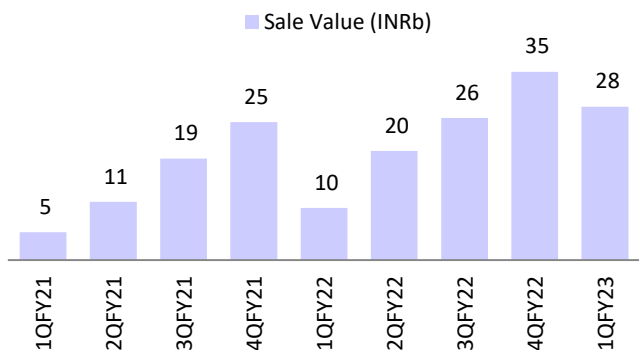
Exhibit 1: Operational Performance

Key metrics	FY22				FY23				FY22	FY23E	FY23E	Variance
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Sale Volume (msf)	0.7	1.8	2.4	3.0	2.2	1.9	2.5	3.1	8.0	9.7	2.1	5
Sale Value (INRb)	9.6	20.0	26.1	34.6	28.1	21.8	30.1	38.9	90.2	119.0	24.5	15
Collections (INRb)	17.1	19.1	21.3	28.4	26.2	22.0	25.0	27.3	77.6	100.5	20.8	26
Realization (INR/sft)	11,729	10,483	10,842	10,410	11,027	11,248	10,840	11,596	10,554	11,225	11,429	-4

Source: Company, MOFSL

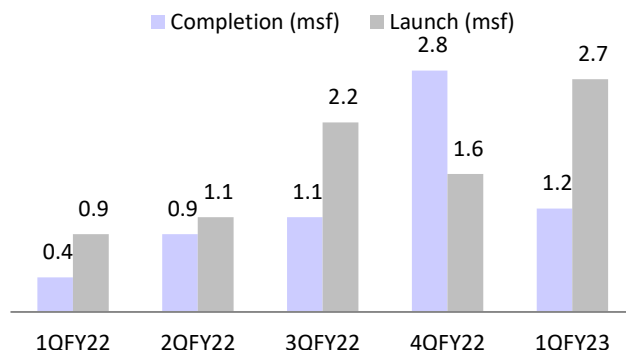
Key exhibits

Exhibit 2: Reported pre-sales of INR28b, up 194% YoY (on low base) but down 11% YoY



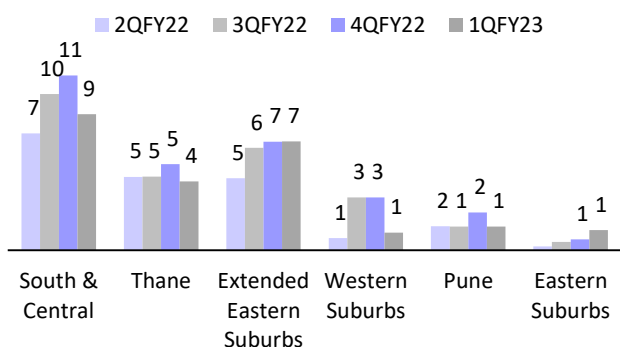
Source: Company, MOFSL

Exhibit 3: Launched 2.7msf and delivered 1.2msf during 1QFY23



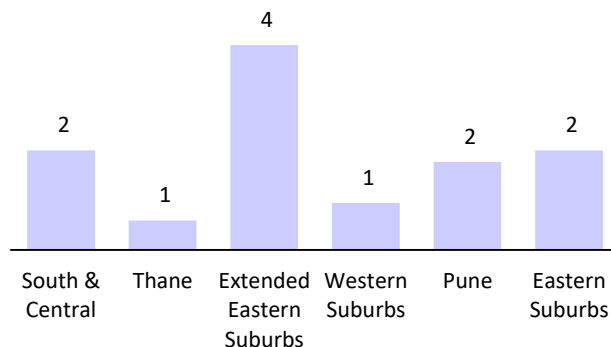
Source: Company, MOFSL

Exhibit 4: South & Central and Thane reported 22%/20% QoQ decline while sales in eastern suburbs were flat



Source: Company, MOFSL

Exhibit 5: Strong launch pipeline of 10msf for the next 12 months



Source: Company, MOFSL

Exhibit 6: Launch pipeline has a healthy mix of Own/JDA projects

Micro-market	Own/JDA	Area (msf)	Est. GDV (INR b)	No. of Projects
South Central	Own	1.4	49.5	3
South Central	JDA	0.3	21.9	1
Ext. Eastern Suburbs	Own	2.6	20.7	1
Eastern Suburbs	JDA	0.8	17.7	3
Western Suburbs	JDA	0.8	9.2	2
Thane	Own	0.5	7.9	2
Pune	JDA	1.4	4.9	1
Pune	Own	0.1	0.8	1
Bengaluru	JDA	0.7	0.55	1
Total		8.5	133.2	15

Source: MOFSL, Company

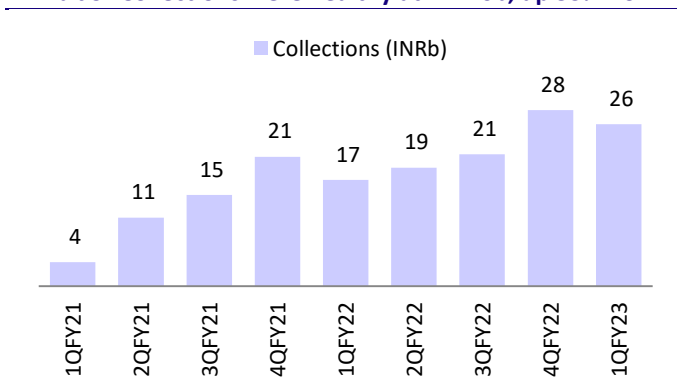
Exhibit 7: Signed three new JDA projects in 1QFY23; expects the deal addition momentum to continue

Micro-market	Saleable Area (msf)	Est GDV (INR b)	LODHA's commercial interest	Launched/Est. Launch
Signed till FY22				
MMR -Western Suburbs	1.2	15	Attributable PBT at 20% of GDV	Q3FY22
Pune	1.5	10	67.5% of Revenue	Q2FY22
MMR -Eastern Suburbs	0.6	10	69% of Revenue	Q2FY22
MMR -Eastern Suburbs	0.3	5	Attributable PBT at 18% of GDV	FY23
MMR -Western Suburbs	0.4	5	Attributable PBT at 20% of GDV	FY23
MMR -Eastern Suburbs	1.5	25	Attributable PBT at 18% of GDV	FY23
MMR -South Central	0.8	21	65% of Revenue	FY23
MMR -South Central	0.8	20	65% of Revenue	FY23
MMR -Eastern Suburbs	1	17	Attributable PBT at 18% of GDV	FY23
MMR -South Central	0.4	10	65% of Revenue	FY23
MMR -Eastern Suburbs	0.4	8	Attributable PBT at 20% of GDV	Q4FY22
Signed in 1QFY23				
MMR - South Central	0.5	24	50% of Revenue	FY23
Pune - South West	3.3	26	75% of Revenue	Starting FY23
Bengaluru - North	1.3	12	70% of Revenue	Starting FY23
1QFY23	5.1	62		
Total	14	208		

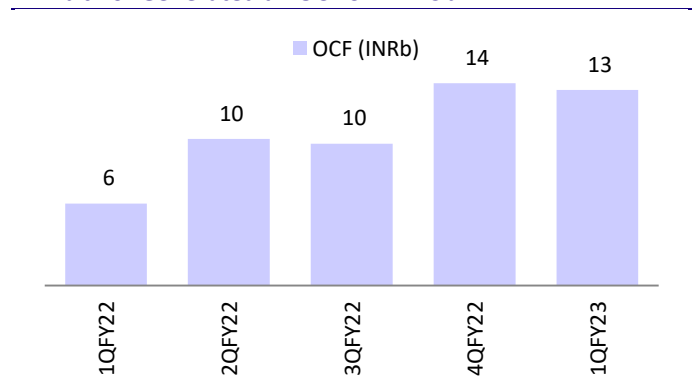
Exhibit 8: Overall cost inflation for its portfolio since Apr'22 has been ~2% and it has taken sufficient price hikes

Commodity/Component	% Share in total cost	% Change over Mar'21 to Mar'22	Mar'22 to Jun'22	
			% Change	Weighted Impact
Steel	12.9	35.1	-19.1	-2.5
Flooring Tiles	5.0	23.9	-2.0	-0.1
Electrical/Plumbing	11.8	10.1	-3.2	-0.4
Labour	34.4	3.0	1.3	0.4
External Windows	3.9	21.9	-8.4	-0.3
RMC	10.5	6.3	3.5	0.4
Lifts & Elevators	3.3	16.6	16.3	0.5
Carpentry Materials	3.5	15.5	0.0	0.0
Painting	3.8	13.1	9.9	0.4
Cement	0.4	14.8	12.9	0.1
Overall				-2.2

Source: Company, MOFSL

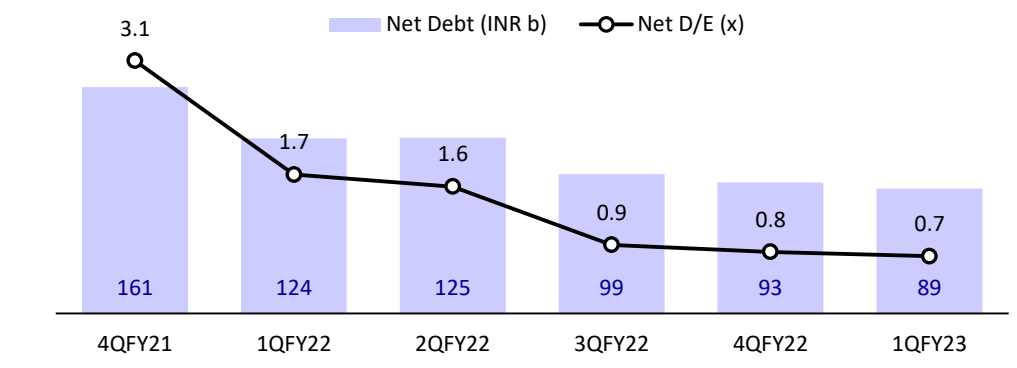
Exhibit 9: Collections were healthy at INR26b, up 53% YoY

Source: MOFSL, Company

Exhibit 10: Generated an OCF of INR13b

Source: MOFSL, Company

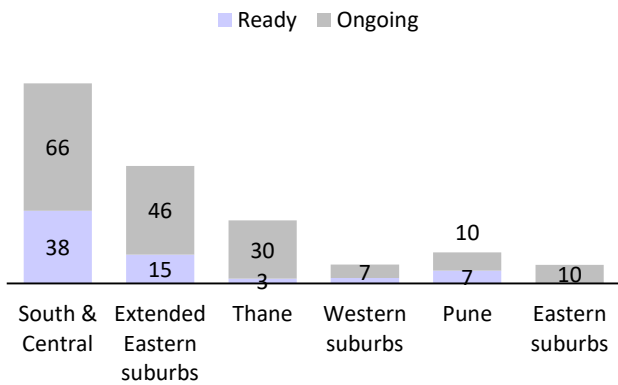
Exhibit 11: Since IPO, the company has seen consistent reduction in net debt



Source: MOFSL, Company

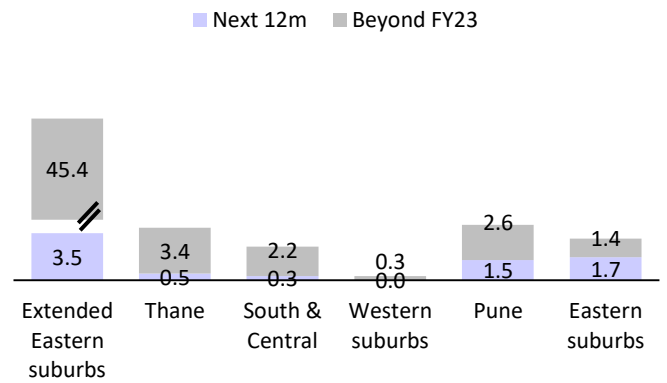
Story in charts

Exhibit 12: Focus on execution led to INR65b of ready inventory, with INR170b of inventory in progress



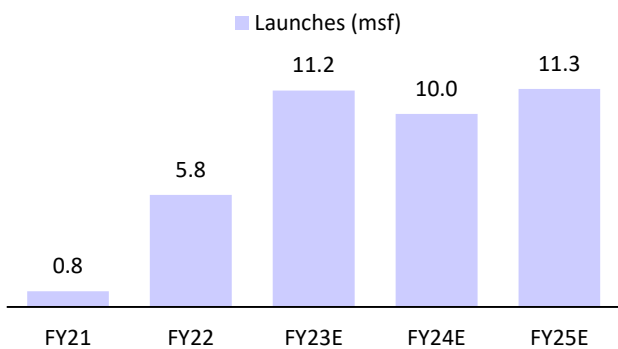
Source: Company, MOFSL

Exhibit 13: LODHA has strong 60msf of pipeline to be launched in the medium term



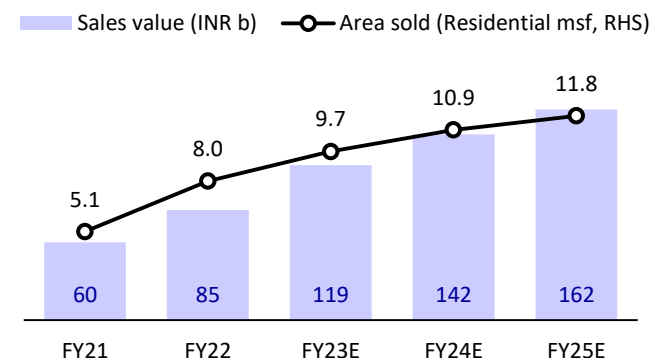
Source: Company, MOFSL

Exhibit 14: Expect launches to further rise from FY23 onwards



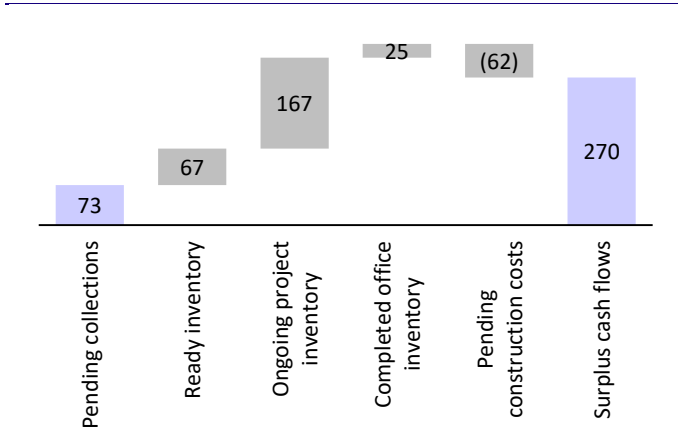
Source: MOFSL, Company

Exhibit 15: Anticipates pre-sales to report 24% CAGR over FY22-25 to INR162b



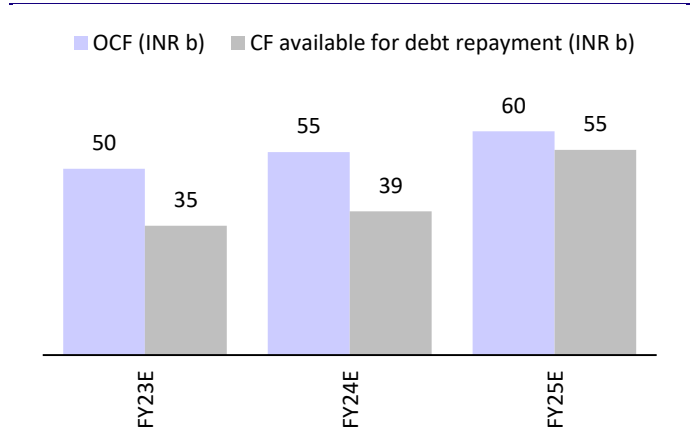
Source: MOFSL, Company

Exhibit 16: Over next 4-5 years, ongoing and completed project pipeline will contribute ~INR270b of cash flows



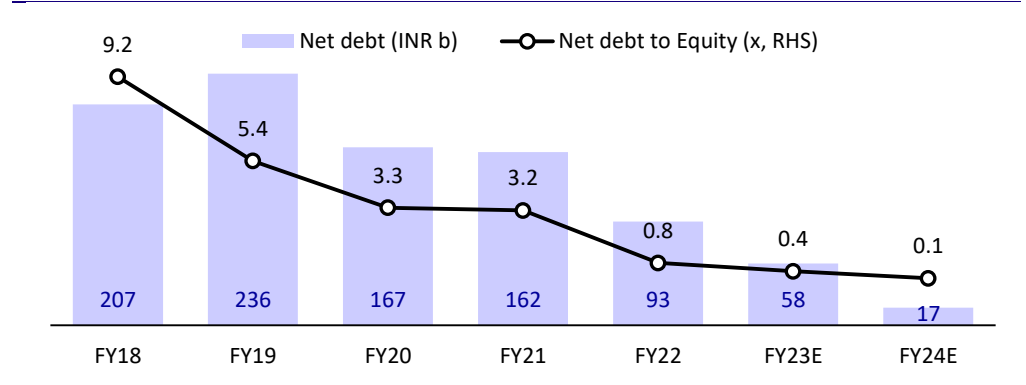
Source: Company, MOFSL

Exhibit 17: The company is likely to generate INR50b+ OCF in the next three years



Source: Company, MOFSL

Exhibit 18: Healthy cash flows could enable accelerated deleveraging



Source: MOFSL, Company

Exhibit 19: Based on our SoTP approach, we arrive at a NAV of INR814b (or INR1,570/share), implying 39% potential upside

Particulars	Rationale	Value (INR b)	Per share (INR)	Contribution	As a percentage of CMP
Residential	❖ DCF of four years cash flow at a WACC of 11.6% and terminal value assuming 5% long term growth	666	1,384	88%	122%
Commercial	❖ Cap rate of 9% for operational assets and DCF for ongoing and planned assets	46	95	6%	8%
Industrial	❖ PV of future cash flows discounted at a WACC of 12%	80	166	11%	15%
UK investment	❖ PV of future cash flows discounted at a WACC of 12%	22	46	3%	4%
Gross asset value		814	1,690	108%	149%
Net debt	❖ FY23E	(58)	(120)	-8%	-11%
Net asset value		756	1,570	100%	139%
No. of share (m)		481.5			
Target price (INR)		1,570			
CMP (INR)		1,113			
Upside (%)		39			

Source: MOFSL, Company



Highlights from the management commentary

Pune

- LODHA is looking at all micro-markets in tandem and will continue to add more projects going forward. The company has performed well until now as the current pipeline itself has the potential to add 10% to overall topline from FY23
- As execution gathers pace along with strong sales, the momentum will give more confidence to land owners to partner with LODHA

Platform for digital infra

- A dominant part of sale from digital infra in 1QFY23 was from the 110 acre land which the company injected in the platform. Land value at which it was sold to the platform stood at INR30m/acre.
- The company values Palava's land as a function of the size of transaction, use restrictions etc. On an average it is INR40m/acre but since this transaction was large in size, LODHA had little less realization.
- New platform with two PE players will have a pan-India presence and the company will continue to add assets to the platform. Management is already looking at NCR, Bengaluru and Pune with intended investments of over USD1b.

Stake dilution

- Given its high OCF generation, the company does not require any fresh capital currently and it has also adopted dividend policy now. Besides, it would not be prudent from a 20% RoE target perspective. Hence, a majority of the promoter share sales will happen through secondary sale.

South and Central Mumbai launch

- LODHA's market share in South/Central Mumbai remained resilient and it witnessed sales of INR3b from Park and INR3b from World Towers.
- Further, 2H is very strong in general, especially for South/Central Mumbai, and hence, sales should only increase from hereon.

Valuation and view: FY23 pre-sales guidance maintained; retain BUY

- We value LODHA on an SoTP basis: 1) The Residential segment is valued using the DCF of four-year cash flows at a WACC of 12% and terminal growth of 5%, 2) the Commercial business is valued at an 8% cap rate for operational assets and DCF for ongoing and planned assets, and 3) The Industrial and UK Investment is valued at a present value of future cash flows, discounted at a WACC of 12%.
- We arrive at a NAV of INR814b assuming net debt of INR58b in FY23, which in our view will be a sustainable run-rate for the company. Applying zero discount to its NAV, we arrive at a TP of INR1,570, implying a 39% upside potential.

Exhibit 20: Earnings revision summary

(INR m)	Old		New		Change	
	FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
Revenue	94,270	94,309	95,284	94,349	1%	0%
EBITDA	24,249	25,640	22,156	24,426	-9%	-5%
Adj. PAT	16,889	18,510	14,348	18,330	-15%	-1%
Pre-sales	1,18,517	1,40,566	1,18,988	1,42,447	0%	1%
Collections	1,00,335	1,12,555	1,00,455	1,13,332	0%	1%
OCF	50,075	55,234	50,156	54,638	0%	-1%

Source: MOFSL, Company

Financials and valuations

Consolidated – Income statement

	(INR m)						
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Total Income from Operations	1,35,272	1,19,070	1,24,426	54,486	92,332	95,284	94,349
Change (%)	NA	-12.0	4.5	-56.2	69.5	3.2	-1.0
Total Expenditure	1,02,375	87,399	1,05,223	40,766	71,085	73,128	69,924
% of Sales	75.7	73.4	84.6	74.8	77.0	76.7	74.1
EBITDA	32,897	31,670	19,203	13,720	21,247	22,156	24,426
Margin (%)	24.3	26.6	15.4	25.2	23.0	23.3	25.9
Depreciation	3,979	1,944	3,064	734	748	769	798
EBIT	28,917	29,726	16,139	12,985	20,499	21,387	23,628
Int. and Finance Charges	3,816	5,556	7,315	11,257	6,803	4,152	665
Other Income	1,994	719	1,184	3,231	3,460	2,357	2,046
PBT bef. EO Exp.	27,095	24,889	10,008	4,959	17,156	19,591	25,010
EO Items	0	0	56	-4,628	0	0	0
PBT after EO Exp.	27,095	24,889	10,064	332	17,156	19,591	25,010
Total Tax	9,201	8,449	2,615	-147	5,080	5,192	6,628
Tax Rate (%)	34.0	33.9	26.0	-44.4	29.6	26.5	26.5
Minority Interest	39	78	130	77	61	52	52
Reported PAT	17,855	16,361	7,319	402	12,014	14,348	18,330
Adjusted PAT	17,855	16,361	7,278	7,084	12,014	14,348	18,330
Change (%)	NA	-8.4	-55.5	-2.7	69.6	19.4	27.8
Margin (%)	13.2	13.7	5.8	13.0	13.0	15.1	19.4

Consolidated - Balance Sheet

	(INR m)						
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	3,959	3,959	3,959	3,959	4,815	4,815	4,815
Total Reserves	18,232	34,451	41,564	42,031	1,16,235	1,30,583	1,48,913
Net Worth	22,190	38,410	45,523	45,990	1,21,050	1,35,398	1,53,728
Minority Interest	359	5,348	5,192	5,269	568	568	568
Total Loans	2,26,161	2,56,406	1,84,232	1,81,669	1,15,367	82,367	37,367
Deferred Tax Liabilities	-11,033	-3,206	-935	-2,098	1,911	5,833	9,621
Capital Employed	2,37,678	2,96,958	2,34,011	2,30,829	2,38,896	2,24,166	2,01,283
Gross Block	16,850	17,704	17,499	17,608	18,318	19,087	19,885
Less: Accum. Deprn.	3,997	4,877	5,649	6,383	7,130	7,900	8,697
Net Fixed Assets	12,853	12,827	11,851	11,226	11,187	11,187	11,187
Investment Property	1,990	1,933	2,882	2,767	2,650	2,650	2,650
Goodwill on Consolidation	7,505	6,627	5,477	5,471	5,388	5,388	5,388
Capital WIP	59	63	63	63	0	0	0
Total Investments	13,841	14,050	15,529	15,794	5,740	5,688	5,636
Curr. Assets, Loans&Adv.	4,30,831	4,59,933	3,70,188	3,55,663	3,59,824	3,66,029	3,67,501
Inventory	3,91,635	4,15,124	2,90,314	2,83,007	2,73,583	2,65,823	2,61,115
Account Receivables	7,340	4,843	7,943	6,545	6,461	3,916	3,877
Cash and Bank Balance	5,224	6,575	1,870	3,668	12,457	18,968	15,186
Loans and Advances	26,632	33,390	70,061	62,442	67,322	77,322	87,322
Curr. Liability & Prov.	2,29,402	1,98,475	1,71,979	1,60,153	1,45,892	1,66,776	1,91,078
Account Payables	21,570	22,631	22,728	16,978	15,087	18,274	18,094
Other Current Liabilities	2,07,492	1,75,490	1,49,012	1,42,963	1,30,581	1,48,279	1,72,759
Provisions	340	354	239	212	224	224	224
Net Current Assets	2,01,429	2,61,457	1,98,210	1,95,509	2,13,932	1,99,253	1,76,423
Misc Expenditure	0	0	0	0	0	0	0
Appl. of Funds	2,37,678	2,96,958	2,34,011	2,30,829	2,38,896	2,24,166	2,01,284

Financials and valuations

Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Basic (INR)							
EPS	45.1	41.3	18.4	17.9	25.0	29.8	38.1
Cash EPS	55.2	46.2	26.1	19.7	26.5	31.4	39.7
BV/Share	56.1	97.0	115.0	116.2	251.4	281.2	319.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)							
P/E	28.1	30.7	68.9	70.8	48.1	34.0	26.6
Cash P/E	23.0	27.4	48.5	64.2	45.3	32.2	25.5
P/BV	22.6	13.1	11.0	10.9	4.8	3.6	3.2
EV/Sales	5.3	6.3	5.5	12.5	7.4	5.8	5.4
EV/EBITDA	22.0	23.7	35.6	49.5	32.1	24.9	20.9
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	16.5	-14.2	94.6	63.9	41.7	98.7	93.8
Return Ratios (%)							
RoE	160.9	54.0	17.3	15.5	14.4	11.2	12.7
RoCE	16.4	7.4	4.4	10.2	7.3	7.7	9.2
RoIC	17.5	7.9	4.8	8.8	6.7	7.5	9.1
Working Capital Ratios							
Fixed Asset Turnover (x)	8.0	6.7	7.1	3.1	5.0	5.0	4.7
Asset Turnover (x)	0.6	0.4	0.5	0.2	0.4	0.4	0.5
Inventory (Days)	1,057	1,273	852	1,896	1,082	1,018	1,010
Debtor (Days)	20	15	23	44	26	15	15
Creditor (Days)	58	69	67	114	60	70	70
Leverage Ratio (x)							
Current Ratio	1.9	2.3	2.2	2.2	2.5	2.2	1.9
Interest Cover Ratio	7.6	5.4	2.2	1.2	3.0	5.2	35.6
Net Debt/Equity	10.0	6.5	4.0	3.9	0.9	0.5	0.1

Consolidated - Cash Flow Statement

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
OP/(Loss) before Tax	27,095	24,889	10,007	4,959	17,156	19,591	25,010
Depreciation	3,979	1,944	3,064	734	748	769	798
Interest & Finance Charges	29,349	30,032	31,119	25,246	19,923	10,381	5,987
Direct Taxes Paid	-5,647	-3,116	-821	857	-1,778	-1,270	-2,840
(Inc)/Dec in WC	-47,652	-59,476	-4,112	-1,218	-13,565	21,189	19,048
CF from Operations	7,124	-5,726	39,257	30,579	22,483	50,661	48,002
Others	-164	1,095	-1,525	-5,339	-2,500	-2,357	-2,046
CF from Operating incl EO	6,960	-4,632	37,732	25,239	19,984	48,304	45,955
(Inc)/Dec in FA	-416	-991	-292	65	78	-769	-798
Free Cash Flow	6,544	-5,622	37,439	25,304	20,062	47,535	45,158
(Pur)/Sale of Investments	-5,583	-300	-2,822	-176	1,491	0	0
Others	-553	-552	5,231	4,310	9,820	2,357	2,046
CF from Investments	-6,552	-1,843	2,117	4,199	11,389	1,588	1,249
Issue of Shares	0	0	0	0	63,466	0	0
Inc/(Dec) in Debt	30,454	37,050	-11,362	-10,325	-66,138	-33,000	-45,000
Interest Paid	-30,214	-29,691	-30,534	-18,027	-19,427	-10,381	-5,987
Dividend Paid	0	0	0	0	0	0	0
Others	0	0	0	0	-6,777	0	0
CF from Fin. Activity	239	7,359	-41,896	-28,351	-28,877	-43,381	-50,987
Inc/Dec of Cash	647	885	-2,047	1,087	2,496	6,511	-3,783
Opening Balance	1,858	2,552	3,525	1,185	2,272	4,768	11,279
Closing Balance	2,505	3,437	1,479	2,272	4,768	11,279	7,496

NOTES

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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