

January 24, 2025

## Q3FY25 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

### Change in Estimates

	Current		Previous	
	FY26E	FY27E	FY26E	FY27E
<b>Rating</b>	<b>REDUCE</b>		<b>REDUCE</b>	
<b>Target Price</b>	<b>1,335</b>		<b>1,335</b>	
Sales (Rs. m)	3,53,540	3,57,654	3,60,055	3,57,230
% Chng.	(1.8)	0.1		
EBITDA (Rs. m)	92,172	74,512	95,100	71,241
% Chng.	(3.1)	4.6		
EPS (Rs.)	69.4	54.0	74.2	53.4
% Chng.	(6.4)	1.1		

### Key Financials - Consolidated

Y/e Mar	FY24	FY25E	FY26E	FY27E
Sales (Rs. bn)	279	324	354	358
EBITDA (Rs. bn)	78	88	92	75
Margin (%)	28.1	27.0	26.1	20.8
PAT (Rs. bn)	56	54	58	45
EPS (Rs.)	66.8	65.1	69.4	54.0
Gr. (%)	23.4	(2.5)	6.7	(22.2)
DPS (Rs.)	9.2	11.5	13.8	13.8
Yield (%)	0.7	0.9	1.1	1.1
RoE (%)	21.8	17.9	16.6	11.6
RoCE (%)	23.3	21.7	19.6	13.0
EV/Sales (x)	3.6	3.3	2.9	2.8
EV/EBITDA (x)	12.9	12.1	11.1	13.3
PE (x)	19.3	19.8	18.6	23.9
P/BV (x)	3.8	3.3	2.9	2.7

### Key Data REDY.BO | DRRD IN

52-W High / Low	Rs.1,421 / Rs.1,120
Sensex / Nifty	76,520 / 23,205
Market Cap	Rs.1,076bn/ \$ 12,443m
Shares Outstanding	834m
3M Avg. Daily Value	Rs.2698.45m

### Shareholding Pattern (%)

Promoter's	26.64
Foreign	26.85
Domestic Institution	22.89
Public & Others	23.46
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	(3.9)	(6.1)	13.6
Relative	(1.3)	(1.3)	4.5

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## Base business and US remain weak

### Quick Pointers:

- There was Rs1.26bn of license income booked in Q3.
- NRT business got consolidated from Q3 with Rs6bn revenues booked.

**Dr. Reddy's (DRRD) Q3FY25 EBITDA was below our estimate. The base business margins and US sales ex of gRevlimid and one offs continued to remain weak. We have scale up base business margins from current level of 16% to 19-20% in FY27E. Our FY26E EPS stands cut by 6% as we factor in lower gRevlimid sales however FY27E EPS broadly remain unchanged. DRRD have been investing cash flow from gRevlimid to build pipeline across peptides, biosimilars and GLP products; benefits of that may take some time. Further thin US pipeline in near term and competition in certain key products remains a key risk. At CMP, DRRD is trading at valuations of 24x P/E on FY27E and factors in recovery in base business margins. We maintain our 'Reduce' rating with TP of Rs1,335/share; valuing at 25x FY27E EPS. Any big ticket ANDA approvals and sharp recovery in base business margins are key risks to our call.**

- Revenue growth aided by consolidation of NRT portfolio:** DRRD's sales grew by 16% YoY at Rs 83.6bn. This was largely aided by consolidation of NRT business which registered Rs 6bn of revenues. Further there was Rs1.25bn of license income. Adj for NRT portfolio and licensing income, revenues grew by 6% YoY; below our estimate. US revenue came in at \$401mn. (\$445mn in Q2FY25) vs our est of \$450mn. Domestic business increased by 14% YoY to Rs 13.5bn aided by consolidation of Sanofi vaccine brands. Adj for this growth was moderate 6%. PSAl sales grew by 5% YoY aided by new launches and increase in volumes partially offset by price movement. Russia sales increased by 19% YoY. RoW sales grew by 7% YoY while EU sales adj for NRT portfolio grew by 22% YoY.
- Ex Revlimid and license income; margins continue to remain weak:** DRRD reported EBITDA of Rs 23bn, adj for NRT business (Rs 1.5n) & licensing income; EBITDA stood at Rs 20.3bn against our est of Rs 22bn. OPM came in at 27.5%. We believe ex gRevlimid, license income & PLI grant, margins stood at 16%. Segment wise PSAl margins came at 28.6% (30% in Q2FY25) whereas generic margins were at 61.3% (63.1% in Q2FY25). Other expenses adj for one offs in Q2 were up by 5% QoQ. R&D expenses came in at Rs 6.6bn (8% of revenues), up 20% YoY. Amortisation expenses came in higher given NRT business consolidation. EPS adj for gRevlimid and license came in at Rs 8/share.
- Key concall takeaways: US business:** Launched four new products with a total 11 products in 9MFY25. The QoQ decline was on account of lower sales from gRevlimid and market share loss in certain key products. Received CRL on the API side of Iron sucrose product which it intends to launch in coming quarter. **Semaglutide:** Generic opportunities will open from 2026 in markets like Canada, Brazil and India. Company expects to enter these markets from day one and believes they are fully integrated with API capabilities. Consolidated acquired portfolio of NRT. Launched 9 products across markets

during the quarter. **India:** Launched 6 new products including Toripalimab and Elobixibat. Mgmt cited Nestle JV is performing well. **Biosimilars:** Secured the marketing authorization for Rituximab in the UK and Denosumab has been filed in both US and Europe. **Russia:** Benefited from increased sales volumes, price hikes, and new launches YoY, partly offset by currency fluctuations. **EM's:** Launched 20 new products. **R&D:** Expects the investments to be in the range of 8.5-9% for FY25 with emphasis on complex generics and biosimilars. **Others:** Capex for the quarter was at Rs 7.1bn. Net interest expense for the quarter is ~Rs 20mn, due to unfavorable forex impact and reduced interest income after the NRT acquisition payout. SGA expense to remain at current 28% levels. Net cash stood at Rs 16bn.

**Exhibit 1: 3QFY25 Result Overview (Rs mn): Revenue growth driven by NRT portfolio consolidation**

Y/e March	3QFY25	3QFY24	YoY gr. (%)	2QFY25	QoQ gr. (%)	9MFY25	9MFY24	YoY gr. (%)
<b>Net Sales</b>	<b>83,586</b>	<b>72,148</b>	<b>15.9</b>	<b>80,162</b>	<b>4.3</b>	<b>2,40,475</b>	<b>2,08,334</b>	<b>15.4</b>
COGS	34,534	29,945	15.3	32,393	6.6	97,310	86,210	12.9
<i>% of Net Sales</i>	<i>41.3</i>	<i>41.5</i>		<i>40.4</i>		<i>40.5</i>	<i>41.4</i>	
SGA	19,398	16,458	17.9	19,032	1.9	57,311	45,582	25.7
<i>% of Net Sales</i>	<i>23.2</i>	<i>22.8</i>		<i>23.7</i>		<i>23.8</i>	<i>21.9</i>	
R&D	6,658	5,565	19.6	7,271	(8.4)	20,122	15,996	25.8
<i>% of Net Sales</i>	<i>8.0</i>	<i>7.7</i>		<i>9.1</i>		<i>8.4</i>	<i>7.7</i>	
Total Expenditure	60,590	51,968	16.6	58,696	3.2	1,74,743	1,47,788	18.2
<b>EBITDA</b>	<b>22,996</b>	<b>20,180</b>	<b>14.0</b>	<b>21,466</b>	<b>7.1</b>	<b>65,732</b>	<b>60,546</b>	<b>8.6</b>
<i>Margin (%)</i>	<i>27.5</i>	<i>28.0</i>		<i>26.8</i>		<i>27.3</i>	<i>29.1</i>	
Depreciation & Amortisation	4,719	3,770	25.2	3,975	18.7	12,504	11,143	12.2
<b>EBIT</b>	<b>18,277</b>	<b>16,410</b>	<b>11.4</b>	<b>17,491</b>	<b>4.5</b>	<b>53,228</b>	<b>49,403</b>	<b>7.7</b>
Other Income	439	967	(54.6)	984	(55.4)	1,893	3,543	(46.6)
Interest	20	(963)	(102.1)	(1,555)	(101.3)	(2,372)	(2,972)	(20.2)
<b>PBT</b>	<b>18,696</b>	<b>18,340</b>	<b>1.9</b>	<b>20,030</b>	<b>(6.7)</b>	<b>57,493</b>	<b>55,918</b>	<b>2.8</b>
Share of Profit of Equity	42	27		61		162	112	
Extra Ord Items	(4)	110		924		925	176	
Total Taxes	4,704	4,468	5.3	5,752	(18.2)	15,357	13,240	16.0
<i>ETR (%)</i>	<i>25.2</i>	<i>24.4</i>		<i>28.7</i>		<i>26.7</i>	<i>23.7</i>	
Minority Interest	(95)	-		862		767	-	
<b>Reported PAT</b>	<b>14,133</b>	<b>13,789</b>	<b>2.5</b>	<b>12,553</b>	<b>12.6</b>	<b>40,606</b>	<b>42,614</b>	<b>(4.7)</b>

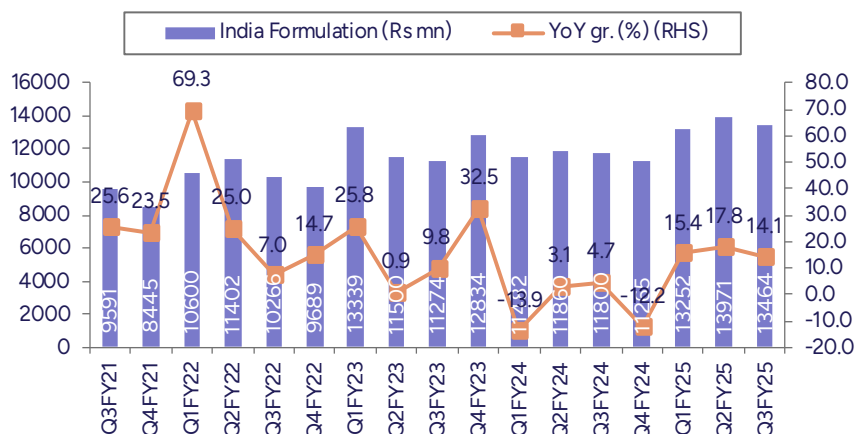
Source: Company, PL

**Exhibit 2: Sequential decline in US was offset by improved EU business**

Major Sources of Revenues	3QFY25	3QFY24	YoY gr. (%)	2QFY25	QoQ gr. (%)	9MFY25	9MFY24	YoY gr. (%)
PSAI	8,219	7,839	4.8	8,407	(2.2)	24,283	21,582	12.5
% of Net Sales	9.8	10.9		10.5		10.1	10.4	
Branded Formulation	73,753	63,095	16.9	71,576	3.0	2,14,186	1,84,187	16.3
India	13,464	11,800	14.1	13,971	(3.6)	40,687	35,142	15.8
% of Net Sales	16.1	16.4		17.4		16.9	16.9	
International	60,289	51,295	17.5	57,605	4.7	1,73,499	1,49,045	16.4
% of Net Sales	72.1	71.1		71.9		72.1	71.6	
Russia & CIS	9,400	8,200	14.6	9,000	4.4	25,800	23,800	8.4
% of Net Sales	11.2	11.4		11.2		10.7	11.4	
Europe	12,096	4,970	143.4	5,770	109.6	23,131	15,327	50.9
% of Net Sales	14.5	6.9		7.2		9.6	7.4	
North America Generics	33,834	33,492	1.0	37,281	(9.2)	1,09,577	97,170	12.8
% of Net Sales	40.5	46.4		46.5		45.6	46.7	
Emerging Mkt Generics	4,959	4,633	7.0	5,554	(10.7)	14,991	12,748	17.6
% of Net Sales	5.9	6.4		6.9		6.2	6.1	
Innovative Prod.	1,614	1,214	32.9	179	801.7	2,005	2,490	(19.5)
% of Net Sales	1.9	1.7		0.2		0.8	1.2	

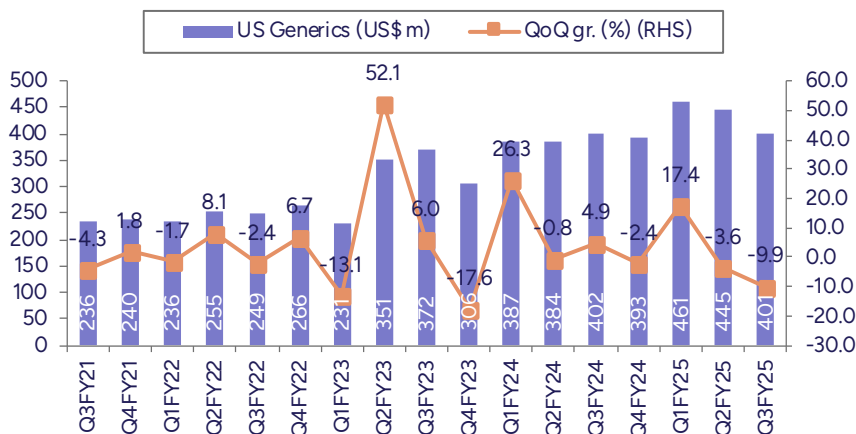
Source: Company, PL

**Exhibit 3: India Form (Rs mn): Adj for Sanofi vaccines moderate growth at 6%**



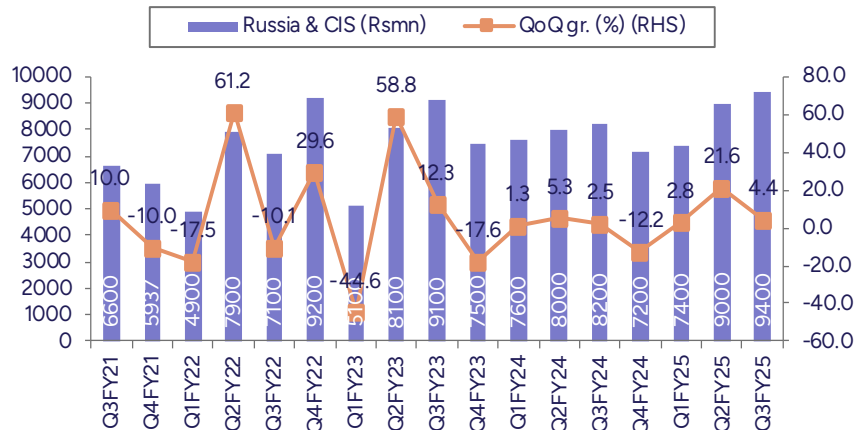
Source: Company, PL

**Exhibit 4: US Generic: Lower gRevlimid sales impacted QoQ decline**



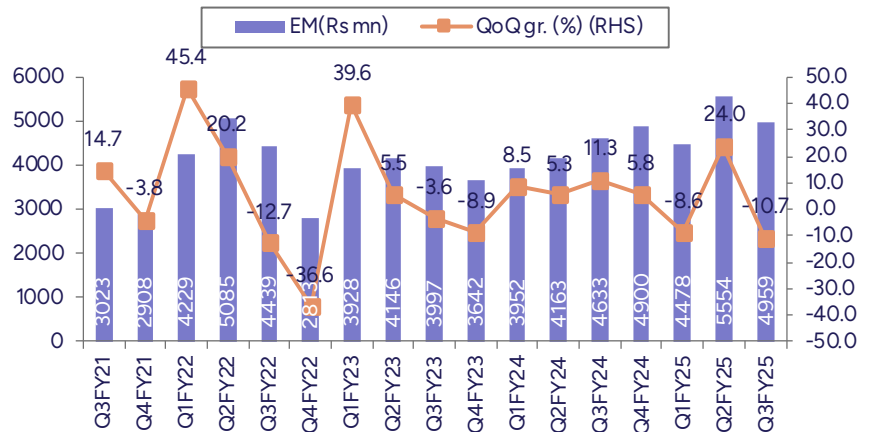
Source: Company, PL

**Exhibit 5: Russia & CIS (Rs mn): Price increase & higher volumes supported YoY**



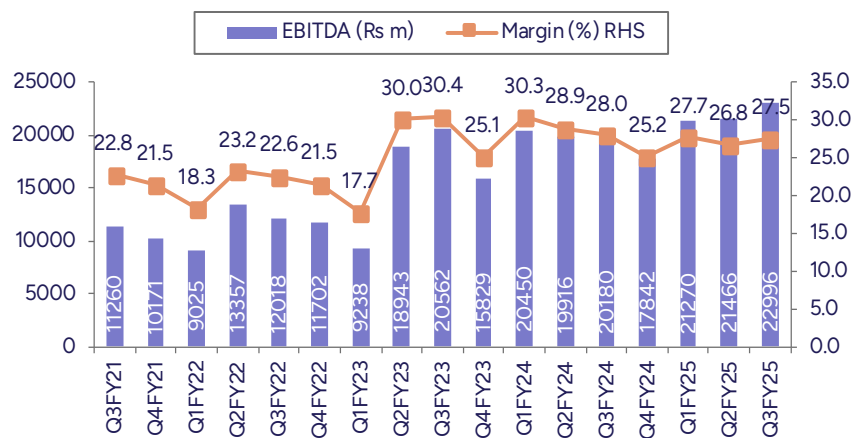
Source: Company, PL

**Exhibit 6: EMs: Market share expansion & new launches aided growth**



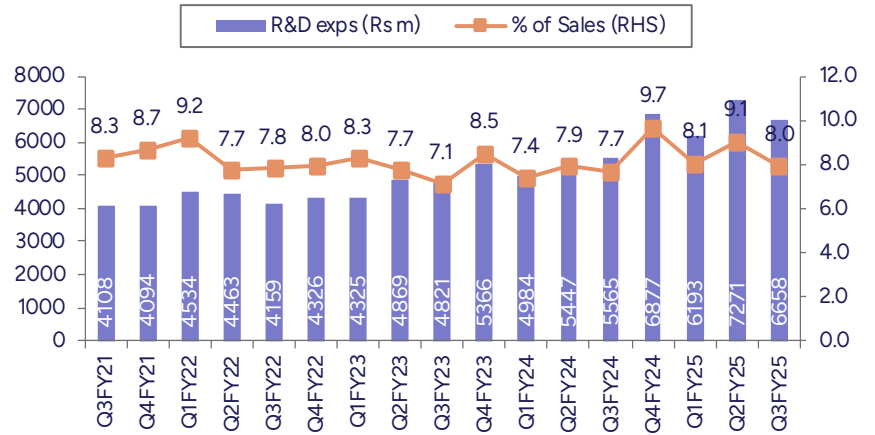
Source: Company, PL

**Exhibit 7: Adj for NRT and license income business EBITDA margin at 26.5%**



Source: Company, PL

**Exhibit 8: R&D spend stable at 8% YoY**



Source: Company, PL

## Financials

### Income Statement (Rs m)

Y/e Mar	FY24	FY25E	FY26E	FY27E
<b>Net Revenues</b>	<b>2,79,164</b>	<b>3,24,129</b>	<b>3,53,540</b>	<b>3,57,654</b>
YoY gr. (%)	13.5	16.1	9.1	1.2
Cost of Goods Sold	1,15,557	1,32,044	1,48,563	1,64,696
Gross Profit	1,63,607	1,92,086	2,04,977	1,92,958
Margin (%)	58.6	59.3	58.0	54.0
Employee Cost	-	-	-	-
Other Expenses	22,873	27,448	30,192	31,702
<b>EBITDA</b>	<b>78,392</b>	<b>87,585</b>	<b>92,172</b>	<b>74,512</b>
YoY gr. (%)	21.4	11.7	5.2	(19.2)
Margin (%)	28.1	27.0	26.1	20.8
Depreciation and Amortization	14,856	17,408	19,836	21,242
<b>EBIT</b>	<b>63,536</b>	<b>70,177</b>	<b>72,336</b>	<b>53,271</b>
Margin (%)	22.8	21.7	20.5	14.9
Net Interest	(8,193)	(4,500)	(5,000)	(6,800)
Other Income	-	-	-	-
<b>Profit Before Tax</b>	<b>71,729</b>	<b>74,677</b>	<b>77,336</b>	<b>60,071</b>
Margin (%)	25.7	23.0	21.9	16.8
Total Tax	16,186	19,043	19,721	15,318
Effective tax rate (%)	22.6	25.5	25.5	25.5
<b>Profit after tax</b>	<b>55,543</b>	<b>55,634</b>	<b>57,615</b>	<b>44,753</b>
Minority interest	-	(200)	-	-
Share Profit from Associate	147	220	300	300
<b>Adjusted PAT</b>	<b>55,684</b>	<b>54,272</b>	<b>57,915</b>	<b>45,053</b>
YoY gr. (%)	23.6	(2.5)	6.7	(22.2)
Margin (%)	19.9	16.7	16.4	12.6
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>55,684</b>	<b>54,272</b>	<b>57,915</b>	<b>45,053</b>
YoY gr. (%)	23.6	(2.5)	6.7	(22.2)
Margin (%)	19.9	16.7	16.4	12.6
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	55,684	54,272	57,915	45,053
<b>Equity Shares O/s (m)</b>	<b>834</b>	<b>834</b>	<b>834</b>	<b>834</b>
<b>EPS (Rs)</b>	<b>66.8</b>	<b>65.1</b>	<b>69.4</b>	<b>54.0</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY24	FY25E	FY26E	FY27E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>2,40,426</b>	<b>2,49,645</b>	<b>2,58,844</b>	<b>2,67,659</b>
Tangibles	1,81,304	2,01,304	2,23,304	2,45,304
Intangibles	59,122	48,340	35,539	22,354
<b>Acc: Dep / Amortization</b>	<b>1,26,589</b>	<b>1,33,215</b>	<b>1,40,250</b>	<b>1,48,307</b>
Tangibles	1,04,418	1,15,088	1,26,923	1,39,924
Intangibles	22,171	18,128	13,327	8,383
<b>Net fixed assets</b>	<b>1,13,837</b>	<b>1,16,429</b>	<b>1,18,594</b>	<b>1,19,352</b>
Tangibles	76,886	86,217	96,382	1,05,381
Intangibles	36,951	30,213	22,212	13,971
Capital Work In Progress	-	-	-	-
Goodwill	4,253	4,253	4,253	4,253
Non-Current Investments	5,255	62,635	67,255	67,255
Net Deferred tax assets	9,940	9,940	9,940	9,940
Other Non-Current Assets	1,632	1,632	1,632	1,632
<b>Current Assets</b>				
Investments	74,363	34,363	34,363	34,363
Inventories	63,552	76,531	83,475	84,446
Trade receivables	80,298	99,040	1,08,026	1,09,283
Cash & Bank Balance	7,107	5,006	35,090	72,129
Other Current Assets	26,447	27,769	29,158	30,616
<b>Total Assets</b>	<b>3,76,744</b>	<b>4,27,658</b>	<b>4,81,845</b>	<b>5,23,329</b>
<b>Equity</b>				
Equity Share Capital	834	834	834	834
Other Equity	2,79,716	3,24,397	3,70,803	4,04,347
<b>Total Network</b>	<b>2,80,550</b>	<b>3,25,231</b>	<b>3,71,637</b>	<b>4,05,181</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	5,990	5,990	5,990	5,990
Provisions	-	-	-	-
Other non current liabilities	4,833	4,833	4,833	4,833
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	14,030	14,030	14,030	14,030
Trade payables	30,191	33,011	37,141	41,174
Other current liabilities	51,090	54,503	58,154	62,062
<b>Total Equity &amp; Liabilities</b>	<b>3,76,744</b>	<b>4,27,658</b>	<b>4,81,845</b>	<b>5,23,329</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY24	FY25E	FY26E	FY27E
PBT	86,585	92,085	97,172	81,312
Add. Depreciation	14,856	17,408	19,836	21,242
Add. Interest	8,193	4,500	5,000	6,800
Less Financial Other Income	-	-	-	-
Add. Other	(27,723)	(21,908)	(24,836)	(28,042)
Op. profit before WC changes	81,911	92,085	97,172	81,312
Net Changes-WC	(16,430)	(26,810)	(9,538)	4,254
Direct tax	(20,047)	(19,043)	(19,721)	(15,318)
<b>Net cash from Op. activities</b>	<b>45,433</b>	<b>46,232</b>	<b>67,913</b>	<b>70,248</b>
Capital expenditures	(27,435)	(77,380)	(26,620)	(22,000)
Interest / Dividend Income	-	-	-	-
Others	-	-	-	-
<b>Net Cash from Invst. activities</b>	<b>(27,435)</b>	<b>(77,380)</b>	<b>(26,620)</b>	<b>(22,000)</b>
Issue of share cap. / premium	-	-	-	-
Debt changes	1,836	-	-	-
Dividend paid	(6,648)	(11,373)	(11,509)	(11,509)
Interest paid	-	-	-	-
Others	(11,858)	40,420	300	300
<b>Net cash from Fin. activities</b>	<b>(16,670)</b>	<b>29,047</b>	<b>(11,209)</b>	<b>(11,209)</b>
<b>Net change in cash</b>	<b>1,328</b>	<b>(2,101)</b>	<b>30,084</b>	<b>37,039</b>
Free Cash Flow	29,030	26,232	45,913	48,248

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY24	FY25E	FY26E	FY27E
<b>Per Share(Rs)</b>				
EPS	66.8	65.1	69.4	54.0
CEPS	84.6	85.9	93.2	79.5
BVPS	336.4	390.0	445.6	485.8
FCF	34.8	31.5	55.1	57.9
DPS	9.2	11.5	13.8	13.8
<b>Return Ratio(%)</b>				
RoCE	23.3	21.7	19.6	13.0
ROIC	21.5	18.1	17.5	12.8
RoE	21.8	17.9	16.6	11.6
<b>Balance Sheet</b>				
Net Debt : Equity (x)	(0.2)	(0.1)	(0.1)	(0.2)
Net Working Capital (Days)	149	161	159	156
<b>Valuation(x)</b>				
PER	19.3	19.8	18.6	23.9
P/B	3.8	3.3	2.9	2.7
P/CEPS	15.2	15.0	13.8	16.2
EV/EBITDA	12.9	12.1	11.1	13.3
EV/Sales	3.6	3.3	2.9	2.8
Dividend Yield (%)	0.7	0.9	1.1	1.1

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q4FY24	Q1FY25	Q2FY25	Q3FY25
<b>Net Revenue</b>	<b>70,830</b>	<b>76,727</b>	<b>80,162</b>	<b>83,586</b>
YoY gr. (%)	12.5	13.9	16.5	15.9
Raw Material Expenses	29,347	30,383	32,393	34,534
Gross Profit	41,483	46,344	47,769	49,052
Margin (%)	58.6	60.4	59.6	58.7
<b>EBITDA</b>	<b>17,842</b>	<b>21,270</b>	<b>21,466</b>	<b>22,996</b>
YoY gr. (%)	12.7	4.0	7.8	14.0
Margin (%)	25.2	27.7	26.8	27.5
Depreciation / Depletion	3,712	3,810	3,975	4,719
<b>EBIT</b>	<b>14,130</b>	<b>17,460</b>	<b>17,491</b>	<b>18,277</b>
Margin (%)	19.9	22.8	21.8	21.9
Net Interest	(1,022)	(837)	(1,555)	20
Other Income	656	470	984	439
<b>Profit before Tax</b>	<b>15,808</b>	<b>18,767</b>	<b>20,030</b>	<b>18,696</b>
Margin (%)	22.3	24.5	25.0	22.4
Total Tax	2,946	4,901	5,752	4,704
Effective tax rate (%)	18.6	26.1	28.7	25.2
<b>Profit after Tax</b>	<b>12,862</b>	<b>13,866</b>	<b>14,278</b>	<b>13,992</b>
Minority interest	-	-	-	-
Share Profit from Associates	35	59	61	42
<b>Adjusted PAT</b>	<b>13,070</b>	<b>13,920</b>	<b>13,415</b>	<b>14,038</b>
YoY gr. (%)	36.3	(0.7)	(9.4)	1.8
Margin (%)	18.5	18.1	16.7	16.8
Extra Ord. Income / (Exp)	(173)	5	924	(4)
<b>Reported PAT</b>	<b>12,897</b>	<b>13,925</b>	<b>14,339</b>	<b>14,034</b>
YoY gr. (%)	27.3	(0.8)	(3.5)	1.0
Margin (%)	18.2	18.1	17.9	16.8
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>12,897</b>	<b>13,925</b>	<b>14,339</b>	<b>14,034</b>
Avg. Shares O/s (m)	167	167	167	167
<b>EPS (Rs)</b>	<b>15.7</b>	<b>16.8</b>	<b>15.1</b>	<b>17.0</b>

Source: Company Data, PL Research

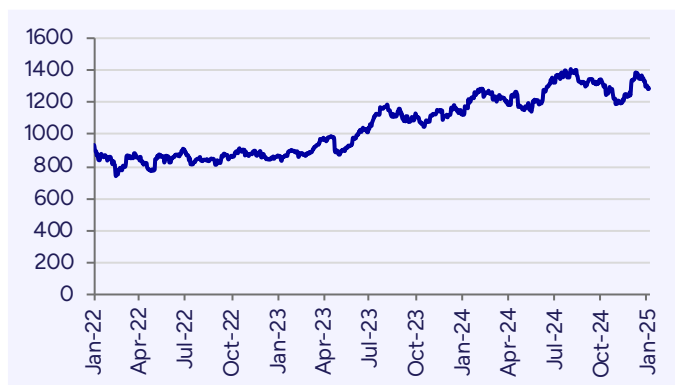
**Key Operating Metrics**

Y/e Mar	FY24	FY25E	FY26E	FY27E
India Formulations	46,407	54,120	59,532	66,080
US formulations	1,29,895	1,45,676	1,45,887	1,23,451
Russia	22,300	26,292	28,921	32,391
PSAI	29,801	33,377	36,047	38,931

Source: Company Data, PL Research

**Price Chart**

**Recommendation History**



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jan-25	Reduce	1,335	1,353
2	06-Nov-24	Reduce	1,335	1,272
3	07-Oct-24	Reduce	1,200	1,327
4	29-Jul-24	Reduce	1,200	1,376
5	08-Jul-24	Reduce	1,140	1,304
6	08-May-24	Reduce	1,140	1,252
7	08-Apr-24	Reduce	1,130	1,236
8	31-Jan-24	Reduce	1,130	1,168

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Apollo Hospitals Enterprise	BUY	8,000	7,437
2	Aster DM Healthcare	BUY	620	524
3	Aurobindo Pharma	Accumulate	1,475	1,298
4	Cipla	BUY	1,730	1,497
5	Divi's Laboratories	Accumulate	6,000	5,920
6	Dr. Reddy's Laboratories	Reduce	1,335	1,353
7	Eris Lifesciences	BUY	1,420	1,301
8	Fortis Healthcare	BUY	710	735
9	HealthCare Global Enterprises	BUY	535	488
10	Indoco Remedies	Hold	325	343
11	Ipca Laboratories	Accumulate	1,700	1,736
12	J.B. Chemicals & Pharmaceuticals	BUY	2,250	1,896
13	Jupiter Life Line Hospitals	BUY	1,660	1,565
14	Krishna Institute of Medical Sciences	BUY	675	649
15	Lupin	BUY	2,420	2,359
16	Max Healthcare Institute	BUY	1,200	1,198
17	Narayana Hrudayalaya	BUY	1,420	1,351
18	Rainbow Children's Medicare	BUY	1,785	1,552
19	Sun Pharmaceutical Industries	BUY	2,100	1,853
20	Suntech Realty	BUY	700	494
21	Torrent Pharmaceuticals	Accumulate	3,600	3,404
22	Zydus Lifesciences	Accumulate	1,050	1,001

**PL's Recommendation Nomenclature (Absolute Performance)**

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



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