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Rating Information	
Price (Rs)	515
Target Price (Rs)	459
Target Date	31st Dec'18
Target Set On	7th Nov'17
Implied yrs of growth (DCF)	20
Fair Value (DCF)	435
Fair Value (DDM)	107
Ind Benchmark	BSETHC
Model Portfolio Position	NA

Stock Information	
Market Cap (Rs Mn)	97,152
Free Float (%)	27.32 %
52 Wk H/L (Rs)	709.3/469.75
Avg Daily Volume (1yr)	80,095
Avg Daily Value (Rs Mn)	45
Equity Cap (Rs Mn)	377
Face Value (Rs)	2
Bloomberg Code	ALPM IN

Ownership	Recent	3M	12M
Promoters	72.7 %	0.0 %	-1.7 %
DII	3.7 %	0.5 %	0.8 %
FII	10.4 %	-0.4 %	-0.5 %
Public	13.2 %	-0.1 %	1.3 %

Price %	1M	3M	12M
Absolute	2.6 %	-2.8 %	-21.6 %
Vs Industry	2.2 %	-3.9 %	-12.5 %
Vs IPCA	5.4 %	18.4 %	-5.0 %
Vs Torrent	0.2 %	-1.6 %	-4.8 %

Consolidated Quarterly EPS forecast

Rs/Share	1Q	2Q	3Q	4Q
EPS (17A)	5.5	6.4	4.6	4.9
EPS (18E)	3.5	6.4	3.6	3.6

Alembic Pharmaceuticals Ltd.

2QFY18 Result: Estimate(↓), TP(↓), Rating(↓)

Regular Coverage

Absolute: Short
Relative: Underweight
11% downside in 14Months

Business remains under pressure - assign SHORT

Pharmaceutical

Alembic Pharma's (ALPM) 2QFY18 sales (-10% yoy to Rs 7.9bn) fell short of estimates due to below-expected US and domestic sales. However, EBITDA/PAT at Rs 1.8bn/1.2bn came in ahead of EE mainly on account of lower R&D and other expenses (on lower marketing costs). Going forward, the business is expected to remain under pressure owing to (1) commercialization of the new facility with no commensurate revenues, (2) dearth of high-value launches, (3) normalization of other expenses with an increase in marketing and selling expenses, and (4) higher R&D expenses. We slash FY18/FY19E by 11%/9% on factoring in the slow revenue uptick, and assign SHORT to the stock with a Dec'18 TP of Rs 459 set at 23x P/E.

US biz - New product filings in process; launches 18-24 months away: The US business reported sales of Rs 1.9bn, declining sequentially by Rs 200mn due to continued price erosion. We expect pain in the US business to continue owing to (1) dearth of high-value launches, (2) high price erosion and (3) delay in securing approvals of already-filed ANDAs. APLM mentioned it would start filing products from its oncology oral solid and Aleor (JV with Orbicular) facilities in the coming months. These facilities would require USFDA approval, which we do not expect any time before FY20E.

Update on new facilities: ALPM has completed its oncology oral solid facility and is likely to complete its Aleor facility by 2H, post which it would start filing products. Oncology and general injectable facilities are expected to be completed by next fiscal. ALPM will be expensing the overheads upfront on the completion of construction of these facilities.

Orit acquisition to be EPS accretive from first year: Recently, ALPM acquired US-based Orit Laboratories. Along with the acquisition, it received seven approved ANDAs and four ANDAs which are awaiting approval. Management stated that the acquisition was very small, and refrained from disclosing any numbers. The company would be focusing on improving margins as there is very little headroom for revenue growth in visiting products, considering the stiff competition. ALPM would be filing for product transfer to move manufacturing to India; additionally, it will be marketing through its own front-end.

Margins to decline in 2H: We expect margins to contract by 430bps in 2HFY18E over 1HFY18 owing to (1) higher R&D expenses, (2) commercialization of new facilities with no proportionate increase in immediate revenues, and (3) higher other expenses with increase normalization of selling and marketing expenditure. The company has guided for 20% margins in 2H, while we expect them to be lower at ~15.5%.

Nigerian facility destroyed due to fire: The company is working on re-building the facility, and to keep the momentum going, it will tie up with third parties to bring products to the market. Note that the event did not have any material impact on ALPM, as the facility's contribution was insignificant.

Change in Estimates

Rs. Mn	FY18E	Chg (%)	FY19E	Chg (%)
Sales	29,366	-7%	35,303	-4%
EBITDA	5,127	-8%	6,768	-4%
EPS (Rs.)	17	-11%	22	-9%

Consolidated Financials

Rs. Mn YE Mar	FY17E	FY18E	FY19E	FY20E
Sales	31,160	29,366	35,303	40,792
EBITDA	6,147	5,127	6,768	8,283
Depreciation	830	908	1,006	1,289
Interest Expense	46	177	329	239
Other Income	19	88	35	40
Reported PAT	4,030	3,235	4,239	5,300
Recurring PAT	4,030	3,235	4,239	5,300
Total Equity	19,011	21,475	24,742	28,802
Gross Debt	802	3,652	3,652	2,652
Cash	1,596	4,849	4,344	4,250
Rs Per Share	FY17E	FY18E	FY19E	FY20E
Earnings	21.4	17.2	22.5	28.1
Book Value	101	114	131	153
Dividends	4.0	3.5	4.5	5.6
FCFF	-9.0	6.9	4.1	12.4
P/E (x)	24.1	30.0	22.9	18.3
P/B (x)	5.1	4.5	3.9	3.4
EV/EBITDA (x)	15.8	18.9	14.4	11.7
ROE (%)	23 %	16 %	18 %	20 %
Core ROIC (%)	25 %	16 %	19 %	19 %
EBITDA Margin (%)	20 %	17 %	19 %	20 %
Net Margin (%)	13 %	11 %	12 %	13 %



Alembic Pharma

Absolute – Short

Relative – Underweight

11% downside in 14 Months

Exhibit 1: Quarterly sales break-up

Break Up	2QFY17	2QFY18
Domestic Formulations	3,639	3,850
As % of sales	49%	49%
Growth % yoy		6%
International Formulations	3,517	2,620
As % of sales	33%	33%
Growth % yoy	33%	-26%
API	1,640	1,420
As % of sales	18%	18%
Growth % yoy	-1%	-13%
Total	8,796	7,890
Growth % yoy		-10%

Source: Company, Equirus

Exhibit 2: Forecast: Key Assumptions & Forecasts

Break Up	FY17A	FY18E	FY19E	FY20E
Domestic Formulations	12,560	12,852	15,715	17,520
As % of sales	44%	44%	43%	42%
Growth % yoy	6%	2%	22%	11%
International Formulations	3,587	4,094	3,662	3,428
As % of sales	33%	18%	15%	13%
Growth % y/y	44%	-11%	38%	28%
API	6,052	5,470	5,744	6,031
As % of sales	21%	19%	16%	14%
Growth % y/y	16%	-10%	5%	5%
Total	22,198	22,416	25,120	26,979
Growth % y/y	18%	3%	21%	18%

Source: Company, Equirus



Quarterly performance, consolidated

	Q2FY18	Q2FY18E	Q1FY18	Q2FY17	% Change			Comments
					Q2FY18E	Q1FY18	Q2FY17	
Net Sales	7,893	8,427	6,482	8,794	-6%	22%	-10%	Lower on the account of below-expected sales in US and domestic biz
Cost of Goods Sold (COGS)	2,133	2,350	1,820	2,398	-9%	17%	-11%	
Employees' Cost	1,595	1,500	1,585	1,187	6%	1%	34%	
Other Expenditure	1,392	2,000	1,122	2,345	-30%	24%	-41%	
R&D Expenses	981	1,222	940	1,087	-20%	4%	-10%	
Total Expenditures	6101	7072	5468	7016	-14%	12%	-13%	
EBITDA	1792	1355	1014	1778	32%	77%	1%	Higher despite lower sales, mainly on higher gross margins and lower opex
Depreciation	257	217	218	206	18%	17%	24%	
EBIT	1,535	1,139	796	1,572	35%	93%	-2%	
Interest	4	29	9	10	-88%	-61%	-64%	
Other Income	77	5	2	5	1444%	4412%	1434%	Substantially higher
PBT	1,608	1,114	789	1,567	44%	104%	3%	
Tax	366	245	155	332	49%	136%	10%	
PAT before MI & Associates	1243	869	634	1236	43%	96%	1%	
Profit from Assoc.	-27	0	33	-37	-	-181%	-28%	
Recurring PAT	1,216	869	667	1,198	40%	82%	1%	
Reported PAT	1,216	869	667	1,198	40%	82%	1%	
EPS (Rs)	6.4	4.6	3.5	6.4	40%	82%	1%	On the account of higher gross margin, other income, and lower opex
EBITDA Margin	23%	16%	16%	20%	662	705	248	
EBIT Margin	19%	14%	12%	18%	594	717	158	
PBT Margin	20%	13%	12%	18%	715	821	256	
PAT Margin	15%	10%	10%	14%	509	512	178	
Tax Rate	23%	22%	20%	21%	74	311	158	



Company Snapshot

How we differ from Consensus

		Equirus	Consensus	% Diff	Comment
EPS	FY18E	17.2	27.4	-37 %	Mainly because we aren't expecting any higher value launches in FY18/19. As well as Margins will be hit by commercialization of new facilities.
	FY19E	22.5	33.3	-33 %	
Sales	FY18E	29,366	39,174	-25 %	
	FY19E	35,303	42,297	-17 %	
PAT	FY18E	3,235	5,306	-39 %	
	FY19E	4,239	6,340	-33 %	

Investment Argument

- There could be a further delay in the launch of high-value products like *Elmiron*, *Comtan*, *Sular* and *Toprol XL*, which are expected to drive revenue and earnings growth.
- Declining domestic market focus may impact growth. The number of first-time launches has been very thin in the recent past whereas ALPM's big brands (Azithral) have seen price declines. The combined impact could result in lower growth.

Risk to Our View

- USD/INR below than 65
- Approvals earlier than expected by us
- Regulatory issues related to USFDA

Key Triggers:

- FDC ban implementation as well as more products addition under NLEM may impact the domestic sales.

Sensitivity to Key Variables	% Change	% Impact on EPS
EBITDA Margin	-1 %	-8 %

DCF Valuations & Assumptions

Comparable valuation		Mkt Cap	Price	Target	EPS			P/E			BPS	P/B	RoE			Div Yield		
Company	Reco.	CMP	Rs. Mn.	Target	Date	FY17E	FY18E	FY19E	FY17E	FY18E	FY19E	FY17E	FY18E	FY17E	FY18E	FY19E	FY17E	FY18E
Alembic Pharma	Short	515	97,152	459	31st Dec'18	21.4	17.2	22.5	24.1	30.0	22.9	100.8	4.5	23 %	16 %	18 %	0.8 %	0.7 %
IPCA	Short	549	69,287	363	30th Jun'18	15.4	8.2	24.9	35.6	66.6	22.1	194.6	2.7	8 %	4 %	12 %	0.7 %	0.7 %
Torrent Pharma	ADD	1,269	2,14,702	1,394	30th Sep'18	54.9	53.1	61.3	23.1	23.9	20.7	255.9	4.3	24 %	19 %	19 %	1.1 %	1.0 %

Rf	Beta	Ke	Term. Growth	Debt/IC in Term. Yr
6.9 %	0.7	11.1 %	5.0 %	14.3 %

	FY18E	FY19E	FY20-22E	FY23-27E	FY28-37E
Sales Growth	-6%	20%	12%	10%	7%
NOPAT Margin	11%	13%	13%	13%	14%
IC Turnover	1.36	1.38	1.38	2.42	2.50
RoIC	16.3%	19.1%	18.6%	31.7%	36.2%
Years of strong growth	1	2	5	10	20
Valuation as on date (Rs)	175	212	237	367	396
Valuation as of Dec'18	192	234	261	403	435

Based on DCF, assuming 20 years of ~8% CAGR sales growth and ~30% average ROIC, we derive current fair value of Rs. 396 and 31st Dec'18 fair value of Rs. 435.

Company Description: Alembic is one of the oldest pharmaceutical companies in India, started in 1907. Earlier company was primarily domestic focused; however, post the demerger of company's core pharma business (now Alembic Pharma) from a combined entity of pharma and real estate in 2010, management started focusing aggressively on growth of generic business in regulated markets (US and Europe) and chronic therapies in domestic market. Driven by management's efforts, contribution of international generics (mainly US) in total business is likely to increase from 15% in FY13 to ~36% in FY16. In domestic formulations Chronic now contribute ~50% from earlier 25-30%. Over the last 4 years, company launched new specialty (chronic) therapies like ophthalmology, cardiology, diabetology, GI, gynaecology and derma in domestic market which are likely to sustain company's domestic growth momentum. Increased contribution of international generics and chronic therapies in domestic will significantly improve company's margin profile. Company has 1 USFDA approved formulation facility and 3 USFDA approved API plants.



Consolidated Quarterly Earnings Forecast and Key Drivers

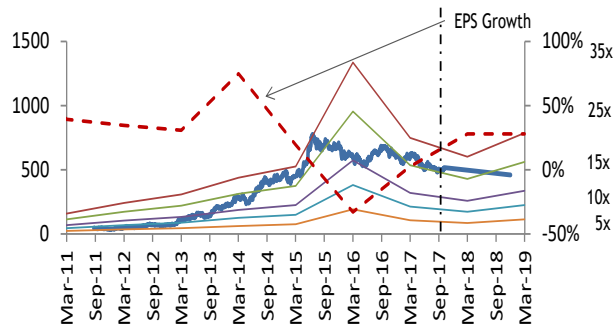
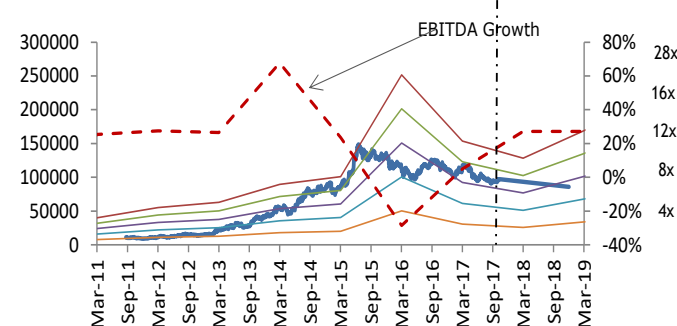
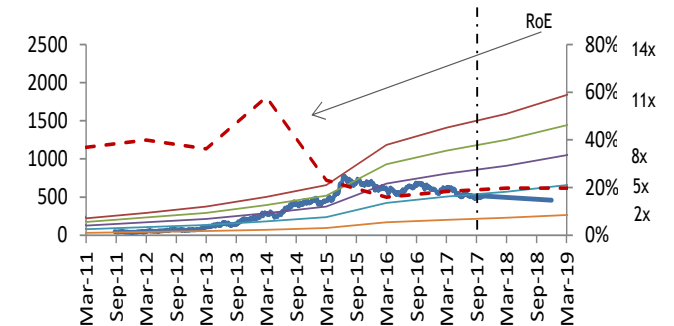
Rs in Mn	1Q17A	2Q17A	3Q17A	4Q17A	1Q18A	2Q18A	3Q18E	4Q18E	1Q19E	2Q19E	3Q19E	4Q19E	FY17A	FY18E	FY19E	FY20E
Revenue	7,280	8,794	7,707	7,378	6,482	7,893	7,513	7,478	7,844	9,309	8,963	9,187	31,160	29,366	35,303	40,792
Cost of Goods Sold (COGS)	1,909	2,398	2,077	2,005	1,820	2,133	2,029	2,019	2,180	2,590	2,493	2,468	8,390	8,001	9,731	11,005
Employees' Cost	1,163	1,187	1,494	1,379	1,585	1,595	1,600	1,600	1,776	1,787	1,792	1,792	5,223	6,381	7,146	7,932
Other Expenditure	1,844	2,345	1,475	1,525	1,122	1,392	1,622	1,600	1,500	1,573	1,833	1,808	7,188	5,737	6,714	7,453
R&D Expenses	795	1,087	1,208	1,124	940	981	1,100	1,100	1,098	1,303	1,255	1,286	4,213	4,120	4,942	6,119
EBITDA	1,570	1,778	1,454	1,346	1,014	1,792	1,163	1,159	1,290	2,056	1,590	1,833	6,147	5,127	6,768	8,283
Depreciation	194	206	211	218	218	257	217	217	252	252	252	252	830	908	1,006	1,289
EBIT	1,376	1,572	1,243	1,128	796	1,535	946	943	1,039	1,804	1,338	1,581	5,318	4,220	5,762	6,994
Interest	11	10	8	18	9	4	82	82	82	82	82	82	46	177	329	239
Other Income	4	5	2	9	2	77	5	5	9	9	9	9	19	88	35	40
PBT	1,369	1,567	1,237	1,118	789	1,608	869	865	965	1,731	1,265	1,508	5,291	4,131	5,468	6,795
Tax	333	332	393	165	155	366	191	190	212	381	278	332	1,222	902	1,203	1,495
PAT bef. MI & Assoc.	1,036	1,236	844	953	634	1,243	678	675	753	1,350	987	1,176	4,069	3,229	4,265	5,300
Minority Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit from Assoc.	0	-37	22	-24	33	-27	0	0	0	0	0	0	-39	6	-27	0
Recurring PAT	1,036	1,198	866	930	667	1,216	678	675	753	1,350	987	1,176	4,030	3,235	4,239	5,300
Extraordinaries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reported PAT	1,036	1,198	866	930	667	1,216	678	675	753	1,350	987	1,176	4,030	3,235	4,239	5,300
EPS (Rs)	5.50	6.36	4.59	4.93	3.54	6.45	3.59	3.58	3.99	7.16	5.23	6.24	21.38	17.16	22.48	28.12
Key Drivers																
Total Domestic Formulations	2,991	3,639	3,070	2,860	2,360	3,850	3,438	3,203	3,068	4,312	3,851	3,588	12,560	12,852	15,715	17,520
Total International Formulations	3,085	3,517	3,027	2,730	2,820	2,620	2,700	2,900	3,411	3,506	3,668	4,156	9,817	11,040	14,740	18,165
API	1,282	1,300	1,660	1,810	1,300	1,420	1,375	1,375	1,365	1,491	1,444	1,444	6,052	5,470	5,744	6,031
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sequential Growth (%)																
Revenue	16 %	21 %	-12 %	-4 %	-12 %	22 %	-5 %	0 %	5 %	19 %	-4 %	3 %	-	-	-	-
Cost of Goods Sold (COGS)	54 %	26 %	-13 %	-3 %	-9 %	17 %	-5 %	0 %	8 %	19 %	-4 %	-1 %	-	-	-	-
EBITDA	10 %	13 %	-18 %	-7 %	-25 %	77 %	-35 %	0 %	11 %	59 %	-23 %	15 %	-	-	-	-
EBIT	16 %	14 %	-21 %	-9 %	-29 %	93 %	-38 %	0 %	10 %	74 %	-26 %	18 %	-	-	-	-
Recurring PAT	13 %	16 %	-28 %	7 %	-28 %	82 %	-44 %	0 %	12 %	79 %	-27 %	19 %	-	-	-	-
EPS	13 %	16 %	-28 %	7 %	-28 %	82 %	-44 %	0 %	12 %	79 %	-27 %	19 %	-	-	-	-
Yearly Growth (%)																
Revenue	25 %	-13 %	-16 %	18 %	-11 %	-10 %	-3 %	1 %	21 %	18 %	19 %	23 %	-1 %	-6 %	20 %	16 %
EBITDA	54 %	-53 %	-62 %	-6 %	-35 %	1 %	-20 %	-14 %	27 %	15 %	37 %	58 %	-39 %	-17 %	32 %	22 %
EBIT	54 %	-57 %	-66 %	-5 %	-42 %	-2 %	-24 %	-16 %	31 %	18 %	41 %	68 %	-43 %	-21 %	37 %	21 %
Recurring PAT	48 %	-58 %	-68 %	1 %	-36 %	1 %	-22 %	-27 %	13 %	11 %	46 %	74 %	-44 %	-20 %	31 %	25 %
EPS	48 %	-58 %	-68 %	1 %	-36 %	1 %	-22 %	-27 %	13 %	11 %	46 %	74 %	-44 %	-20 %	31 %	25 %
Margin (%)																
EBITDA	22 %	20 %	19 %	18 %	16 %	23 %	15 %	15 %	16 %	22 %	18 %	20 %	20 %	17 %	19 %	20 %
EBIT	19 %	18 %	16 %	15 %	12 %	19 %	13 %	13 %	13 %	19 %	15 %	17 %	17 %	14 %	16 %	17 %
PBT	19 %	18 %	16 %	15 %	12 %	20 %	12 %	12 %	12 %	19 %	14 %	16 %	17 %	14 %	15 %	17 %
PAT	14 %	14 %	11 %	13 %	10 %	15 %	9 %	9 %	10 %	15 %	11 %	13 %	13 %	11 %	12 %	13 %

Consolidated Financials

P&L (Rs Mn)	FY17A	FY18E	FY19E	FY20E
Revenue	31,160	29,366	35,303	40,792
Op. Expenditure	25,013	24,239	28,534	32,509
EBITDA	6,147	5,127	6,768	8,283
Depreciation	830	908	1,006	1,289
EBIT	5,318	4,220	5,762	6,994
Interest Expense	46	177	329	239
Other Income	19	88	35	40
PBT	5,291	4,131	5,468	6,795
Tax	1,222	902	1,203	1,495
PAT bef. MI & Assoc.	4,069	3,229	4,265	5,300
Minority Interest	0	0	0	0
Profit from Assoc.	-39	6	-27	0
Recurring PAT	4,030	3,235	4,239	5,300
Extraordinaires	0	0	0	0
Reported PAT	4,030	3,235	4,239	5,300
FDEPS (Rs)	21.4	17.2	22.5	28.1
DPS (Rs)	4.0	3.5	4.5	5.6
CEPS (Rs)	25.8	22.0	27.8	35.0
FCFPS (Rs)	-9.0	6.9	4.1	12.4
BVPS (Rs)	100.8	113.9	131.2	152.8
EBITDAM (%)	20 %	17 %	19 %	20 %
PATM (%)	13 %	11 %	12 %	13 %
Tax Rate (%)	23 %	22 %	22 %	22 %
Sales Growth (%)	-1 %	-6 %	20 %	16 %
FDEPS Growth (%)	-44 %	-20 %	31 %	25 %

Balance Sheet (Rs Mn)	FY17A	FY18E	FY19E	FY20E
Equity Capital	377	377	377	377
Reserve	18,634	21,098	24,365	28,425
Networth	19,011	21,475	24,742	28,802
Long Term Debt	802	3,652	3,652	2,652
Def Tax Liability	1,067	1,067	1,067	1,067
Minority Interest	0	0	0	0
Account Payables	5,232	5,042	6,132	7,516
Other Curr Liabi	753	1,315	1,315	1,315
Total Liabilities & Equity	26,866	32,552	36,909	41,354
Net Fixed Assets	11,957	16,091	18,585	20,796
Capital WIP	0	0	0	0
Others	1,199	500	500	500
Inventory	6,328	5,480	7,198	8,823
Account Receivables	3,374	3,218	3,869	4,572
Other Current Assets	2,413	2,413	2,413	2,413
Cash	1,596	4,849	4,344	4,250
Total Assets	26,866	32,552	36,909	41,353
Non-cash Working Capital	6,129	4,754	6,033	6,976
Cash Conv Cycle	71.8	59.1	62.4	62.4
WC Turnover	5.1	6.2	5.9	5.8
FA Turnover	2.6	1.8	1.9	2.0
Net D/E	0.0	-0.1	0.0	-0.1
Revenue/Capital Employed	1.6	1.2	1.3	1.3
Capital Employed/Equity	1.1	1.2	1.2	1.2

Cash Flow (Rs Mn)	FY17A	FY18E	FY19E	FY20E
PBT	5,291	4,131	5,468	6,795
Depreciation	830	908	1,006	1,289
Others	0	0	0	0
Taxes Paid	1,222	902	1,203	1,495
Change in WC	-1,527	1,375	-1,279	-943
Operating C/F	3,372	5,512	3,993	5,646
Capex	-4,781	-5,042	-3,500	-3,500
Change in Invest	-365	699	0	0
Others	39	-6	27	0
Investing C/F	-5,106	-4,349	-3,473	-3,500
Change in Debt	-335	2,850	0	-1,000
Change in Equity	-110	-6	27	0
Others	-695	-759	-1,025	-1,240
Financing C/F	-1,139	2,085	-998	-2,240
Net change in cash	-2,873	3,248	-479	-94
RoE (%)	23 %	16 %	18 %	20 %
RoIC (%)	21 %	14 %	16 %	18 %
Core RoIC (%)	25 %	16 %	19 %	19 %
Div Payout (%)	22 %	24 %	24 %	23 %
P/E	24.1	30.0	22.9	18.3
P/B	5.1	4.5	3.9	3.4
P/FCFF	-57.2	74.7	125.2	41.7
EV/EBITDA	15.8	18.9	14.4	11.7
EV/Sales	3.1	3.3	2.8	2.4
Dividend Yield (%)	0.8 %	0.7 %	0.9 %	1.1 %

TTM P/E vs. 2 yr forward EPS growth

TTM EV/EBITDA vs. 2 yr forward EBITDA growth

TTM P/B vs. 2 yr forward RoE


Historical Consolidated Financials

P&L (Rs Mn)	FY14A	FY15A	FY16A	FY17A	Balance Sheet (Rs Mn)	FY14A	FY15A	FY16A	FY17A	Cash Flow (Rs Mn)	FY14A	FY15A	FY16A	FY17A
Revenue	18,632	20,561	31,404	31,160	Equity Capital	377	377	377	377	PBT	3,106	3,591	9,356	5,291
Op. Expenditure	15,055	16,532	21,344	25,013	Reserve	6,379	8,469	15,597	18,634	Depreciation	405	444	722	830
EBITDA	3,577	4,030	10,060	6,147	Networth	6,756	8,846	15,974	19,011	Others	255	2	0	0
Depreciation	405	444	722	830	Long Term Debt	776	2,385	1,137	802	Taxes Paid	683	694	2,160	1,222
EBIT	3,172	3,585	9,338	5,318	Def Tax Liability	421	536	840	1,067	Change in WC	-721	-1,625	574	-1,527
Interest Expense	98	18	37	46	Minority Interest	0	0	0	0	Operating C/F	2,362	1,718	8,492	3,372
Other Income	32	23	55	19	Account Payables	2,884	3,109	5,657	5,232	Capex	-819	-2,235	-2,428	-4,781
PBT	3,106	3,591	9,356	5,291	Other Curr Liabi	1,340	1,535	678	753	Change in Invest	0	-342	-811	-365
Tax	751	763	2,160	1,222	Total Liabilities & Equity	12,178	16,412	24,286	26,866	Others	8	21	0	39
PAT bef. MI & Assoc.	2,355	2,827	7,196	4,069	Net Fixed Assets	4,176	6,300	8,006	11,957	Investing C/F	-811	-2,556	-3,239	-5,106
Minority Interest	0	0	0	0	Capital WIP	0	0	0	0	Change in Debt	-855	1,572	-1,248	-335
Profit from Assoc.	0	0	0	-39	Others	34	23	834	1,199	Change in Equity	0	0	814	-110
Recurring PAT	2,355	2,827	7,196	4,030	Inventory	3,108	3,828	5,698	6,328	Others	-656	-705	-578	-695
Extraordinaires	0	0	0	0	Account Receivables	2,734	3,612	3,505	3,374	Financing C/F	-1,511	867	-1,013	-1,139
Reported PAT	2,355	2,827	7,196	4,030	Other Current Assets	1,887	2,381	1,735	2,413	Net change in cash	41	28	4,240	-2,873
EPS (Rs)	12.5	15.0	38.2	21.4	Cash	240	268	4,508	1,596	RoE (%)	40 %	36 %	58 %	23 %
DPS (Rs)	2.5	3.5	4.0	4.0	Total Assets	12,178	16,412	24,286	26,866	RoIC (%)	33 %	29 %	49 %	21 %
CEPS (Rs)	14.6	17.4	42.0	25.8	Non-cash Working Capital	3,504	5,177	4,603	6,129	Core RoIC (%)	33 %	29 %	57 %	25 %
FCFPS (Rs)	8.6	-4.4	28.0	-9.0	Cash Conv Cycle	68.6	91.9	53.5	71.8	Div Payout (%)	23 %	27 %	12 %	22 %
BVPS (Rs)	35.8	46.9	84.7	100.8	WC Turnover	5.3	4.0	6.8	5.1	P/E	41.3	34.4	13.5	24.1
EBITDAM (%)	19 %	20 %	32 %	20 %	FA Turnover	4.5	3.3	3.9	2.6	P/B	14.4	11.0	6.1	5.1
PATM (%)	13 %	14 %	23 %	13 %	Net D/E	0.1	0.2	-0.2	0.0	P/FCFF	59.7	-117.8	18.4	-57.2
Tax Rate (%)	24 %	21 %	23 %	23 %	Revenue/Capital Employed	2.5	2.1	2.1	1.6	EV/EBITDA	27.5	24.9	9.5	15.8
Sales growth (%)	23 %	10 %	53 %	-1 %	Capital Employed/Equity	1.5	1.2	1.3	1.2	EV/Sales	5.3	4.9	3.0	3.1
FDEPS growth (%)	42 %	20 %	155 %	-44 %						Dividend Yield (%)	0.5 %	0.7 %	0.7 %	0.8 %

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- ADD: ATR >= 5% but less than Ke over investment horizon
- REDUCE: ATR >= negative 10% but <5% over investment horizon
- SHORT: ATR < negative 10% over investment horizon

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- OVERWEIGHT: Likely to outperform the benchmark by at least 5% over investment horizon
- BENCHMARK: likely to perform in line with the benchmark
- UNDERWEIGHT: likely to under-perform the benchmark by at least 5% over investment horizon

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