

Aarti Pharmalabs Ltd - BUY

INSTITUTIONAL RESEARCH REPORT

16th January 2025



Aarti Pharmalabs Ltd

Strategic Expansion in Xanthine Derivatives and the CDMO Segment to Drive Strong Growth

Aarti Pharmalabs Limited (APL), formerly known as Aarti Organics, was established in 1984 as a wholly-owned subsidiary of Aarti Industries Limited and demerged into a separately listed entity in October 2022. The company operates across three key segments within the pharmaceutical industry: APIs and intermediates, CDMO/CMO services, and Xanthine-based intermediates. APL focuses on serving the regulated markets with its APIs and intermediates, while its extensive expertise in scale-up and commercial manufacturing within the CDMO/CMO business—spanning over two decades—has helped build strong customer confidence. Leveraging its strong chemistry and manufacturing capabilities, APL is committed to pursuing backward integration strategies to reduce reliance on China.

Largest integrated manufacturer of Xanthine derivatives in India

Aarti Pharmalabs Limited (APL) is the largest Indian manufacturer of xanthine derivatives, including caffeine, theophylline anhydrous, aminophylline, and Etophylline, which are widely used in beverages, nutraceuticals, and pharmaceuticals. These derivatives also serve as mild stimulants and bronchodilators, commonly employed in the treatment of asthma and influenza symptoms. With a global market share of 15-20% in xanthine derivatives, APL operates two dedicated manufacturing plants for these products and is expanding its production capacity from 5,000 to 9,000 metric tons per annum. This capacity expansion aims to strengthen its position as a key global supplier. Furthermore, APL is fully independent of China and maintains an integrated manufacturing model, positioning the company favorably in line with the "China + 1" strategy.

New Customer acquisition and Value-Added Products to Drive Long-Term Profitability

The company has outlined a clear strategy for future growth, focusing on strengthening its position in the API and CDMO segments by introducing value-added products and acquiring new customers. It is also expanding its manufacturing capabilities through an ongoing Greenfield capex project at Atali, which will add over 400 KL of reactor volume focused on CDMO/CMO and intermediate manufacturing, with commercialization expected in Q4FY25. Additionally, the company plans to enhance its leadership in the Xanthine segment through brownfield capacity expansion. With a target of 15% annual growth over the next three years and an expected EBITDA growth of 10-12% in FY25, these initiatives underscore the company's commitment to sustained growth and improved profitability.

Strong Growth Prospects in the CDMO Segment:

APL is a leading small-molecule CDMO/CMO in India, offering a comprehensive range of services for drug substance projects, including NCEs, APIs, RSMs, and intermediates. The company collaborates with 16 innovators and major pharmaceutical companies, providing end-to-end solutions from synthetic route design to commercial manufacturing. APL specializes in HPAPIs, cryogenic reactions, and hydrogenation, with a focus on late-stage scale-up projects that require cost optimization and increased production capacity. The CDMO/CMO segment is poised for significant growth, with the company currently engaged with 19 customers on 55 projects, 28 of which are in the commercial phase. APL aims to expand its CDMO business expecting 20-25% annual growth in the next three years. The segment nearly doubled in FY24 and is expected to sustain strong growth moving forward.

Valuation:

With the company's expansion plans in Xanthine derivatives, aimed at meeting the growing demand from existing clients and unlocking new opportunities in regulated markets, along with the ongoing greenfield project at Atali, Gujarat, which will add over 400 KL of reactor capacity, and its focus on late-phase CDMO projects, we estimate a target price of INR 788 for the stock. This target is based on a P/E ratio of 21x, applied to the projected FY27 EPS of INR 37.53. We initiate coverage on Aarti Pharmalabs (APL) with a Buy rating.

Financial Snapshot

Figures (in mn)	Q2FY25	Q2FY24	Y-o-Y(%)	Q1FY25	Q-o-Q(%)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenues	4,580	4,398	4%	5,555	-18%	19,452	18,526	21,077	23,829	26,868
EBITDA	937	880	6%	965	-3%	3,421	3,860	4,331	5,046	5,959
EBITDA (%)	20.5%	20.0%	44bps	17.4%	309bps	17.6%	20.8%	20.6%	21.2%	22.2%
PAT	546	518	5%	555	-1%	1,935	2,169	2,495	2,853	3,402
PAT Margins (%)	11.9%	11.8%	15bps	10.0%	194bps	9.9%	11.7%	11.8%	12.0%	12.7%
EPS	6.02	5.72	5%	6.12	-2%	21.35	23.93	27.53	31.48	37.53

BUY at CMP INR 659

Target Price INR 788

(Upside 20%)

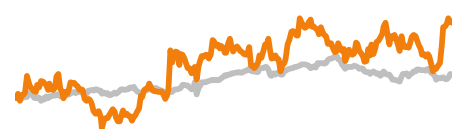
Initiating Coverage

Key Stock Data	
Company	Aarti Pharmalabs
Sector	Pharmaceuticals
Mkt Cap. (INR. bn)	59.76
CMP	659
NIFTY	23,312
O/s Shares (mn)	90.6
52 Week High/Low (INR.)	721/400
Face Value (INR.)	5.00

Shareholding (%)	Q3FY25
Promoters	44.65%
DIs	10.36%
FIs	8.64%
Others	36.34%

Financial Ratios				
	FY24A	FY25E	FY26E	FY27E
ROCE (%)	15.5%	14.2%	14.5%	15.5%
ROE (%)	12.3%	12.6%	12.7%	13.3%
P/E (x)	27.5x	23.9x	20.9x	17.6x

1-Year Relative Price Chart Return



— Nifty 50 — Aarti Pharmalabs

Company Overview

Aarti Pharmalabs Ltd. specializes in the manufacture of Xanthine derivatives, Active Pharmaceutical Ingredients (APIs), and intermediates, offering Contract Development and Manufacturing Organization (CDMO) and Contract Manufacturing Organization (CMO) services. The company has established itself as one of the largest producers of Xanthine derivatives in India. Notably, Aarti Pharmalabs is the only non-Chinese integrated manufacturer of caffeine. In addition to its core focus on Xanthine derivatives, the company manufactures APIs and intermediates for a range of lower-volume, higher-margin products. Its CDMO division serves innovative pharmaceutical companies, providing a comprehensive suite of services from development to commercialization. With a commitment to quality and innovation, Aarti Pharmalabs caters to global markets, including North America, Europe, and Asia, and boasts a diverse client base of over 500 global customers, such as Liconsa Laboratories and Caribbean Refrescos, along with prominent domestic clients like Dr. Reddy's Laboratories, Zydus Healthcare, and Glenmark Pharmaceuticals. Originally part of Aarti Industries, Aarti Pharmalabs was demerged in October 2022 and subsequently listed on the stock exchanges on January 30, 2023.

Exhibit 1: Key Milestones

Year	Particulars
1984	Aarti Organic Private Limited was incorporated
1992	Aarti Industries was listed on NSE and BSE
2001	Commissioned the first API manufacturing unit in Dombivli (Unit 1) and started the Xanthine unit
2005	Commissioned the first API manufacturing unit in Tarapur for Regulated Markets (Unit 4)
2008	Successfully completed the USFDA & EUGMP audit for Tarapur Unit 4
2009	Successfully completed the USFDA audit at the Intermediate facility (CSD) in Vapi
2013	Received EUGMP approval for Bicalutamide for the Oncology block at Unit 4
2016	Commissioned Caffeine production at Unit 5 with a capacity of 100 Metric Tons (MT) per month
2017	Successfully completed Cofepris, Mexico audits at Unit 4
2019	Successfully completed an audit by EDQM for Bicalutamide for the Oncology block at Unit 4
2022	- Expanded block for CSD in Vapi and API in Tarapur units - Acquired land at Atali for future growth - Successfully demerged the pharmaceutical business of Aarti Industries Limited to Aarti Pharmalabs Limited
2023	- Operationalized the third R&D center - Secured USFDA approval for Dombivli Unit - Commercialized Block V at Tarapur Unit 4 - Enhanced Xanthine capacity to 5,000 TPA

Revenue Mix

The company operates primarily across three segments: Xanthine derivatives and allied products, APIs and intermediates, and the CDMO/CMO segment. In FY24, Xanthine derivatives accounted for 53% of total revenue, while APIs and intermediates contributed 36%, and the CDMO/CMO segment added 11%.

Aarti Pharmalabs is the largest Indian manufacturer of Xanthine derivatives, including Caffeine, Theophylline Anhydrous, Aminophylline, Etophylline, and Theophylline, which are widely used across the beverages, nutraceuticals, and pharmaceutical industries.

In the API & Intermediates segment, the company specializes in the development and manufacturing of High Potent Active Pharmaceutical Ingredients (HPAPIs), meeting the growing demand for critical medications used in oncology, corticosteroids, and cytotoxic therapies.

Aarti Pharmalabs is one of India's leading small molecule Contract Development and Manufacturing Organizations (CDMO/CMO). The company offers comprehensive, end-to-end services for the development of small molecule New Chemical Entities (NCEs), spanning lab-scale research to pilot and commercial manufacturing. These services cover clinical phases (Ph-I/II/III), product launches, and commercial production. While the CDMO/CMO segment currently represents a smaller portion of the business, it holds significant growth potential in the coming years, particularly if the company secures contracts with innovative pharmaceutical companies. As the business expands, margin improvement is anticipated, driven by the "sticky" nature of relationships with innovator clients, which typically yield higher and more stable margins. Over the next 5-7 years, the CDMO/CMO segment is expected to deliver stronger margins, bolstered by increased contract wins and deeper client relationships.

Geographically, the domestic market accounted for 48% of revenues in FY24, while the international market contributed 52%. A significant portion of Aarti Pharmalabs' revenue is derived from exports, offering access to larger markets and the potential for higher margins. We expect this revenue distribution to remain largely unchanged going forward.

Exhibit 2: Revenue Split (FY24)

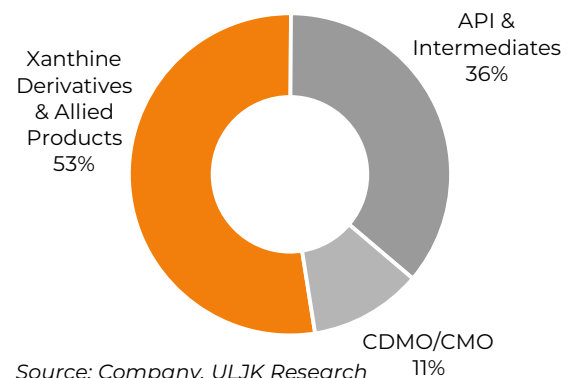


Exhibit 3: Geographical Split (FY24)

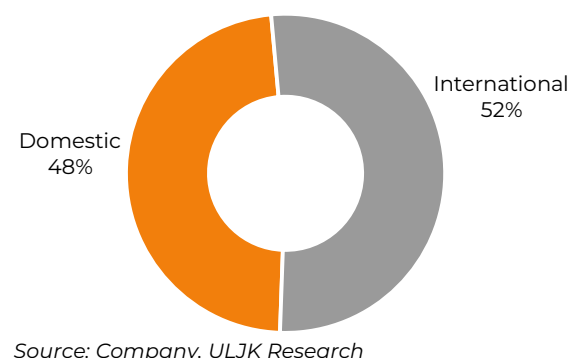


Exhibit 4: Geographical Presence



Xanthine Derivatives & Allied Products Segment

Aarti Pharmalabs is the largest fully backward-integrated manufacturer of Xanthine derivatives, operating two dedicated plants with a combined capacity of approximately 5,000 MTPA. With a global market share of 15-20%, the company has established a strong presence in the global Xanthine industry.

Xanthines are naturally occurring chemical compounds found in the human body and in coffee beans, with several derivatives falling under this chemistry. Aarti Pharmalabs manufactures a range of Xanthine derivatives, including caffeine, theophylline, aminophylline, and Etophylline, which share similar chemical structures. These products are primarily used in soft drinks, such as colas and energy drinks, and also have applications in pharmaceuticals and nutraceuticals. Caffeine, for example, is a key ingredient in beverages like Coca-Cola and Pepsi, and there is growing demand for energy drinks, with both companies launching their own affordable versions in recent years.

The energy drink market has experienced significant growth in recent years, with caffeine being a key ingredient in many of these products. In addition to their use in energy drinks, Xanthine derivatives are widely utilized in pharmaceuticals as bronchodilators for treating respiratory conditions such as asthma. They are also commonly found in pre-workout supplements, where their high caffeine content helps enhance performance.

High Entry Barriers in the Segment

For new entrants, achieving the scale at which Aarti Pharmalabs operates in this market has become increasingly challenging. The company benefits from significant entry barriers, including regulatory approvals and stringent qualification requirements from large customers, which can take considerable time for new players to meet. These barriers effectively deter potential competitors from entering this segment, providing Aarti Pharmalabs with a competitive advantage.

Geographical Mix in Xanthine Derivatives

About 47% of Aarti Pharmalabs' revenues from the Xanthine derivatives segment are generated through exports, while the remaining 53% is sold domestically. As the largest domestic player and one of the biggest integrated producers globally outside of China, the company stands out in the industry. While many countries rely on China for intermediates, which are then used for manufacturing, Aarti Pharmalabs operates independently of China. This independence is driven by strong customer demand for a supply chain free from reliance on Chinese manufacturing. To meet this demand, the company has pursued backward integration for Xanthine derivatives, enabling it to manufacture everything from Key Starting Materials (KSM) to the finished product.

The domestic market for Xanthine derivatives is facing heightened competition, particularly with increased volumes being imported from China, which has pressured pricing. In response, Aarti Pharmalabs has strategically shifted its focus toward more lucrative export markets, where it can achieve higher margins and better revenue potential.

Exhibit 5: Chemical Structures of Xanthine Derivatives

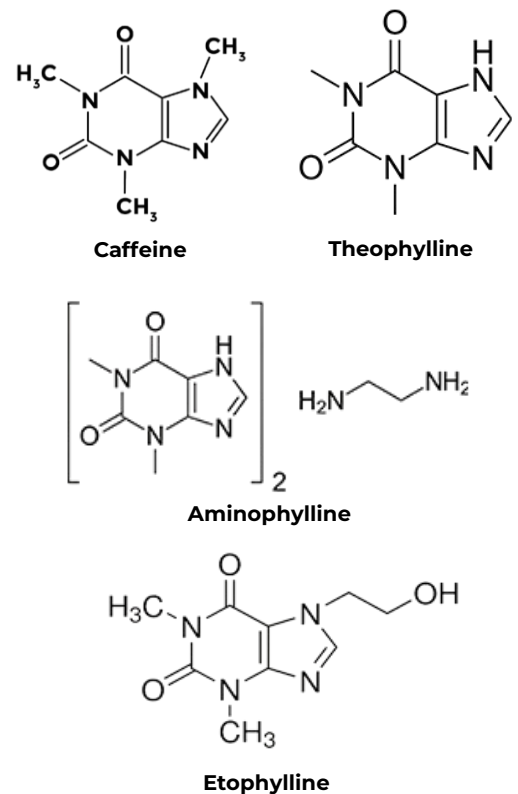
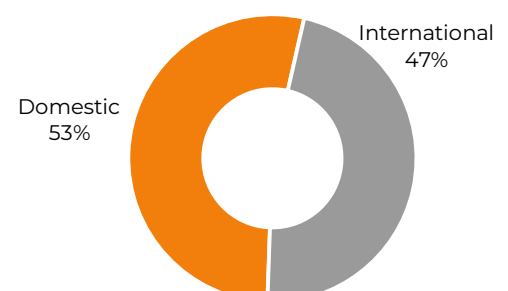


Exhibit 6: Xanthine Derivatives & Allied Products - Geographical Mix (FY24)



Source: Company, ULJK Research

Exhibit 7: Xanthine Derivatives Product Profile

Products	Application
Caffeine	The most common end use is in Beverages, Nutraceuticals and Pharmaceuticals.
Theophylline	Bronchodilator used to treat and prevent asthma and other respiratory diseases.
Aminophylline	Used in the treatment of active symptoms and blockage of airway due to asthma or other lung diseases such as emphysema or bronchitis. It is used in combination with other medicines.
DMAU (6-Amino-1,3-Dimethyl Uracil)	Commonly used in Plastic industry & intermediate for Caffeine
Etofylline	Bronchodilator used to treat and prevent asthma and other respiratory diseases.
Dimethyl Urea	The most common end use is in Synthesis of caffeine, theophylline, pharmaceuticals, textile, herbicides etc

Xanthine Global Market & Aarti Pharmed Labs Expansion plans

The global operational capacity for Xanthine derivatives is estimated to be around 40,000 to 50,000 tonnes, with China accounting for approximately 70% of this capacity. Aarti Pharmed Labs holds a significant share, operating around 12% to 15% of the total capacity, while the remaining capacity is distributed across Europe and other regions.

Aarti Pharmed Labs is in the process of expanding its Xanthine derivatives capacity from 5,000 MTPA to 9,000 MTPA over the next two years, across two sites in Dombivli, Maharashtra. The estimated cost of this expansion is approximately INR 1,500 million. The new facility has already secured commitments from clients who want to increase their sourcing from the company. Additionally, this expansion is aimed at unlocking growth opportunities in regulated pharmaceutical markets.

Historically, Aarti Pharmed Labs has primarily focused on non-pharmaceutical applications of Xanthine derivatives. However, moving forward, the company plans to target the pharmaceutical market and will begin the process of filing for regulatory approvals in the US and Europe later this year.

API & Intermediates Segment

In the API & Intermediates segment, Aarti Pharmed Labs has a presence across a wide range of therapeutic areas, including cardiovascular, anti-asthmatic, oncology, and central nervous system (CNS) treatments. The company specializes in manufacturing lower-volume, higher-margin products within these therapeutic categories. Additionally, Aarti Pharmed Labs produces intermediates for these APIs, leveraging backward integration, and supplies them to other API manufacturers. This backward integration across most of its APIs provides the company with greater control over the entire production value chain, ensuring the consistent quality of its intermediates.

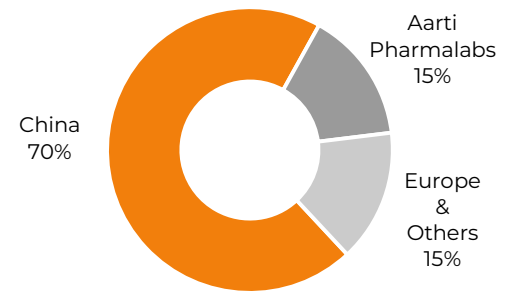
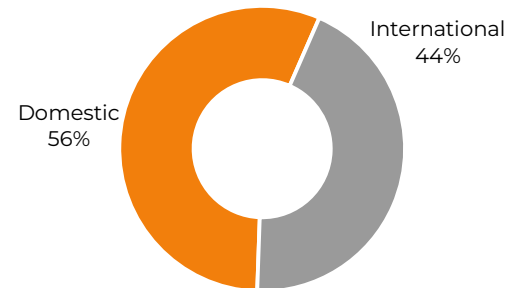
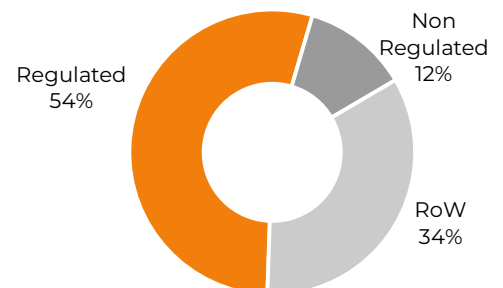
The company boasts strong capacity in producing High Potent APIs, and for corticosteroids, which are typically higher-margin products. About 56% of the company's revenues are derived from exports, with the majority coming from highly regulated markets such as the US, EU, and Japan. These markets, known for their stringent regulatory standards, offer companies the opportunity for better price realization despite higher production costs. As a result, businesses operating in these regions typically benefit from improved pricing.

Even the products sold domestically by Aarti Pharmed Labs are ultimately intended for export. For instance, the company supplies APIs to domestic players such as Dr. Reddy's, who then market these products in the US. These companies require APIs manufactured in US FDA-approved facilities, and Aarti Pharmed Labs meets this demand by providing them with high-quality APIs sourced from its own compliant manufacturing sites.

Exhibit 11: Aarti Pharmed Labs API Facility

Aarti Pharmed Labs' API manufacturing facility (Unit 4) is located in Tarapur, Maharashtra. This state-of-the-art facility comprises five manufacturing blocks, capable of synthesizing and manufacturing products from gram to multi-kilo scale. Among these blocks, two are dedicated to high-value products, such as corticosteroids and oncology APIs. The facility is equipped with 75 reactors, including SS, GLR, and PVDF reactors, with a total combined capacity of 225,000 liters.

Manufacturing Blocks	Specifications	Accreditations
Manufacturing Block No. 1	General API and NCE	USFDA
Manufacturing Block No. 2	Cortico Steroids API (Dedicated)	EU-GMP
Manufacturing Block No. 3	Oncology API (Dedicated)	WHO-GMP
Manufacturing Block No. 4	General API and NCE	ISO 9001:2000
Manufacturing Block No. 5:	General API and NCE	ISO 14001:2015 ISO 45001:2018

Exhibit 8: Xanthine Derivatives Global Market**Exhibit 9: API & Intermediates-Geographical Mix (FY24)****Exhibit 10: API & Intermediates-Market Segmentation (FY24)**

Source: Company, ULJK Research

Exhibit 12: APIs Product Portfolio

Therapeutic Areas	Products (API)
Cardiovascular	• RAMIPRIL
	• QUINAPRIL HCl
	• BENAZEPRIL HCl
	• PERINDOPRIL TERT-BUTYLAMINE
	• PERINDOPRIL ARGININE
	• RANOLAZINE
	• ENALAPRIL MALEATE
Anti Cancer	• TICAGRELOR
	• BICALUTAMIDE
	• IFOSFAMIDE
	• CYCLOPHOSPHAMIDE
	• MESNA
	• MERCAPTOPYRINE
	• AZATHIOPRINE
	• ENZALUTAMIDE
	• NILOTINIB
	• PALBOCICLIB
	• IBRUTINIB
	• VENETOCLAX
	• APALUTAMIDE
CNS Agent	• RUXOLITINIB
	• OLAPARIB
	• VENLAFAXINE HCl
	• VENLAFAXINE HCl POLYMORPH B
	• QUETIAPINE FUMARATE
	• BUPROPION HCl

One of the key products in Aarti Pharmed Labs' API segment is Ramipril, a drug used to treat hypertension and heart failure. The company manufactures both the API and the intermediate for this product, which is sold in the domestic market as well as exported in large quantities. Ramipril is one of the major contributors to the segment. The top three therapeutic areas—anti-hypertensive steroids, corticosteroids, and CNS products—represent the largest revenue streams for the company in the API segment. Additionally, the top three customers in this segment account for approximately 20-25% of total API revenues.

❑ Focus on High Value Segments in the API division

- Despite pricing pressures, Aarti Pharmed Labs has been able to maintain strong API margins by focusing on high-value segments, such as steroids and anti-cancer products. These segments are less competitive and offer higher profitability, enabling the company to sustain attractive margins.
- Additionally, Aarti Pharmed Labs has adopted a product mix strategy, phasing out low-margin products in favor of those that provide better returns. The company also maximizes efficiency by leveraging its multi-purpose facilities, ensuring optimal production processes.
- In the API and Intermediate business, Aarti Pharmed Labs is witnessing the commercialization of new products and partnerships, where its APIs are linked to final formulations. These developments are expected to drive growth in the coming period.
- Looking ahead, Aarti Pharmed Labs' strategy is to target the full addressable market, particularly in areas where the company leverages its strong technological expertise and backward integration capabilities, providing cost advantages. While some margin pressure may arise, the primary focus remains on driving EBITDA growth and increasing overall production.

Contract Development and Manufacturing Organization (CDMO) Segment

Aarti Pharmed Labs is a prominent small molecule Contract Development and Manufacturing Organization (CDMO/CMO) in India, providing comprehensive services for drug substance projects, including New Chemical Entities (NCEs), APIs, RSMs, and intermediates, to global innovative pharmaceutical and biotech companies. Notably, 90% of its CDMO business is derived from partnerships with innovator companies.

Exhibit 13: CDMO Process



The company offers end-to-end services for the development of small molecule NCEs, spanning lab-scale research to pilot and commercial manufacturing. Its expertise covers all clinical phases (Phase I/II/III), product launches, and the commercial production phase.

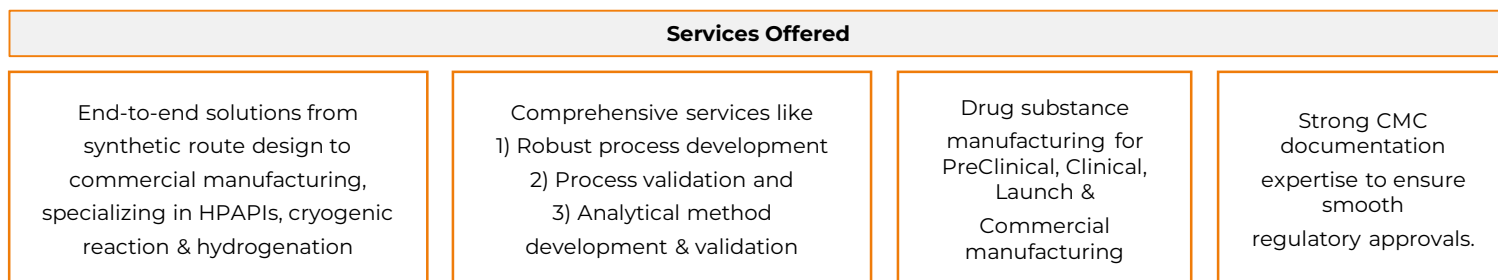
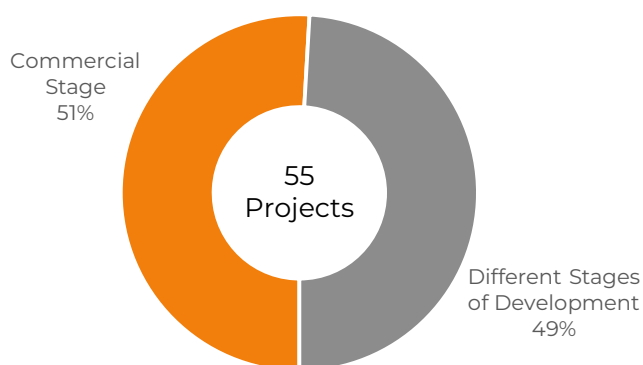


Exhibit 14: APL's CDMO Projects

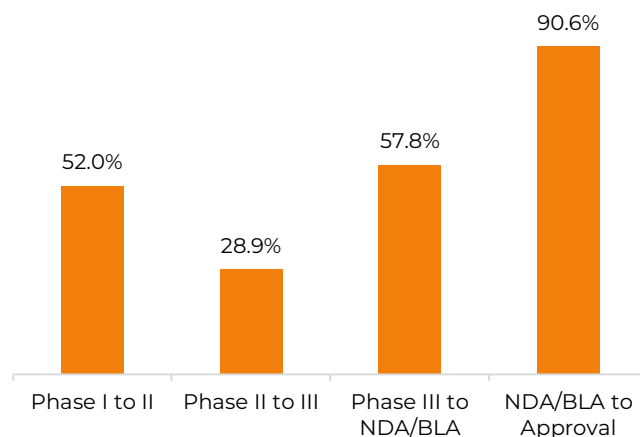


Source: Company, ULJK Research

Currently, the company is engaged with 19 customers across 55 projects, of which 28 are in the commercial stage and 27 are at various stages of development with the customers. As of FY24, the company had 18 customers, and by Q2FY25, it added one more, bringing the total number of customers in the CDMO segment to 19.

The company has a significant proportion of its molecules (~51%) in the commercial stage, which offers higher revenue potential compared to those in earlier stages of development. Exhibit 15 illustrates the overall phase transition success rates, highlighting that Phase II has a notably lower success rate than other phases. In contrast, Phase I and Phase III success rates are substantially higher, with Phase I slightly trailing Phase III. The highest success rate among the four development phases is observed at the New Drug Application (NDA)/Biologic License Application (BLA) filing phase.

Exhibit 15: Probability of Success in the Industry



Cost advantage for the Indian CDMO Players

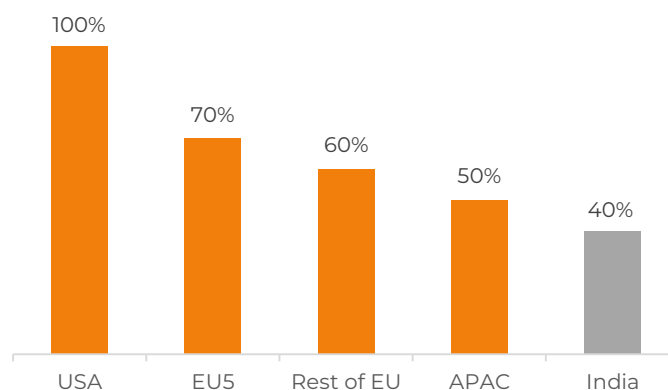
Indian CDMOs have significantly strengthened their capabilities, with access to a skilled talent pool, a cost-efficient operational base, and quality infrastructure that complies with GLP and cGMP standards. These advantages position Indian CDMOs to capitalize on the growing trend of R&D and manufacturing outsourcing by pharmaceutical innovators.

The tightening of intellectual property protection laws has further bolstered global pharmaceutical companies' confidence in Indian CDMO providers. Geographically, Indian CDMOs are strategically well-positioned to be integral parts of the de-risked supply chains increasingly sought by European and American companies.

Cost Advantage:

- Amid rising global price pressures, the need for cost efficiency has become more critical. Indian CDMOs stand out as preferred partners due to their significant cost advantages over global competitors. Notably, wage costs in the Indian pharmaceutical industry are considerably lower than in Europe and other developed markets.

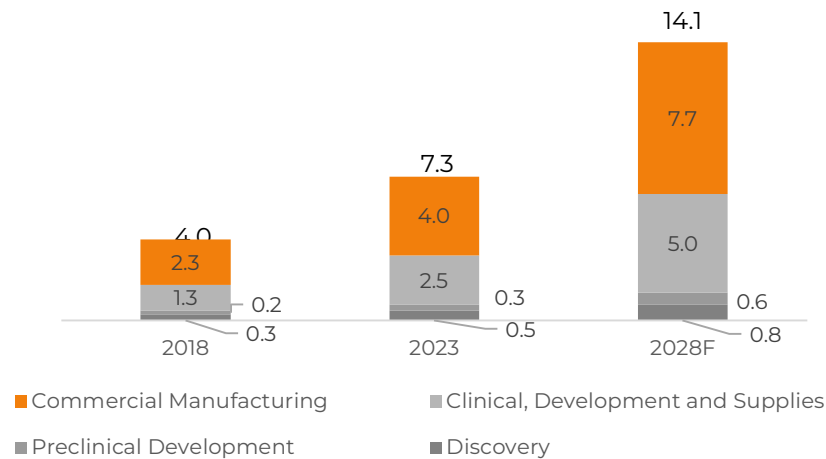
Exhibit 16: Cost Comparison with US manufacturing due to Outsourcing by Region



Source: Frost & Sullivan

Indian Contract Research Development and Manufacturing Organization (CRDMO) Industry

Exhibit 17: India CRDMO Market Size by Functions (USD Bn)

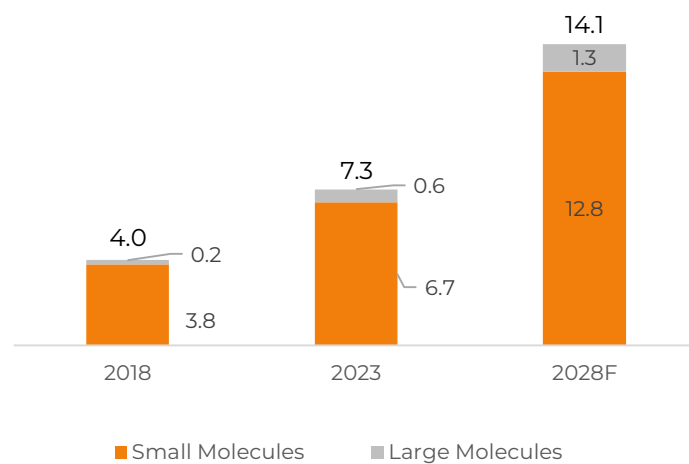


Source: Frost & Sullivan

The Indian CRDMO industry was valued at USD 4.0 billion in 2018 and grew to USD 7.3 billion in 2023, reflecting a CAGR of 12.6% from 2018 to 2023. By 2028, the industry is projected to nearly double, reaching USD 14.1 billion. This growth is largely driven by increased collaborations and partnerships within the industry. Among the various value chain functions, pre-clinical development is expected to expand at a significantly faster pace of 15.7% during FY23-28F. This growth is fueled by substantial improvements in the technical capabilities of Indian companies, which are driving higher R&D outsourcing demand from global pharmaceutical innovators. The strengthening of integrated offerings, particularly in Biology and DMPK capabilities, is further propelling growth in the discovery and pre-clinical segments.

In terms of market share by molecule type, the Indian CRDMO industry has been predominantly driven by small molecules, which accounted for over 90% of the total market in 2023. Despite the growing demand for large molecules, the dominance of small molecules is expected to persist, driven by the increasing prominence of Indian CRDMOs in global markets and the continued outsourcing of small molecule production. The Indian small molecule CRDMO market is projected to grow to USD 12.8 billion by 2028, reflecting a compound annual growth rate (CAGR) of 13.7% from 2023 to 2028.

Exhibit 18: India CRDMO Market Size by Molecules (USD Bn)



Source: Frost & Sullivan

Exhibit 19: Manufacturing Facilities

Location	Manufacturing Units	Reactor Capacity	Certification & Audit Date
Dombivali, Maharashtra	Unit I (API, Intermediates, CDMO)	30,000 litres	USFDA - June 2022
Vapi, Gujarat	Unit II (API, Intermediates, CDMO) Custom Synthesis Division	5,50,000 litres 125 reactors (SS reactors, GLR reactors, hydrogenator)	USFDA - Sep 2009, Aug 2017
	Unit III (Xanthine Unit)	300 metric tonnes per month (SS reactors, GLR reactors, and PP reactors)	
Tarapur, Maharashtra	Unit IV (API, CDMO API)	2,25,000 litres 75 reactors (SS reactors, GLR reactors & PVDF reactors)	USFDA - Mar 2008, Sep 2011, Mar 2015, Dec 2016, Feb 2020 EUGMP - Apr 2008, May 2012, Aug 2013, Jan 2015 EDQM - Sep 2019, KFDA - Nov 2017, COFEPRIS - Apr 2017, May 2017
	Unit V (Xanthine Unit)	69,000 litres (SS reactors)	
	Unit VI (Intermediate unit of Xanthine, speciality & allied products)	350 metric tonnes per day (SS reactors, GLR reactors, catalytic converters, and distillation systems)	
Atali, Gujarat	New unit under construction (CDMO, Intermediates)	- Adding volume of around 400+ KL capacity in Phase-1A. - Total of additional 1000 - 1200 KL manufacturing capacity is planned in next 4 - 5 years	

The company currently operates six manufacturing facilities, all of which are located in Gujarat and Maharashtra. Additionally, it is undertaking a significant greenfield capex project in Atali, Gujarat, to further expand its production capabilities.

❑ Multipurpose Plants (MPP)

➤ Aarti Pharmalabs primarily operates multi-purpose plants (MPP), as the company focuses on manufacturing lower-volume, higher-margin products. This enables the production of a diverse range of products. The company holds 42 US DMFs and 23 CEPs, consisting a portfolio of higher-value products.

Exhibit 20: Other Units

Location	Other Units
Vapi, Gujarat	
Nerul, Maharashtra	Research and Development Centres & Pilot Plant
Dombivali, Maharashtra	
Mumbai, Maharashtra	Head Office & Corporate Office

Clientele

Aarti Pharmalabs has a diversified product portfolio, comprising over 200 products across APIs, intermediates, Xanthine derivatives, and offerings spanning more than 14 therapeutic segments. The company also consistently has multiple products under development at any given time.

The company generates approximately 52% of its sales from exports to regions such as the US, Europe, and Russia. Its export clientele includes companies like Liconsa Laboratories and Caribbean Refrescos, while domestic customers include prominent players such as Dr. Reddy's Laboratories, Zydus Healthcare Ltd, and Glenmark Pharmaceuticals.

Exhibit 21: Clientele



Expansion Plans

❑ Strategic Greenfield Expansion at Atali, Gujarat

- Aarti Pharmalabs is undertaking a greenfield capex project of INR 3,750 million at Atali, Gujarat, focused on CDMO/CMO and intermediate manufacturing. The project spans 80 acres and will be developed in two phases. In Phase 1, multiple reactors with a combined capacity of over 400 KL will be operational, with the site expected to be commissioned by Q4FY25. Phase 2 is slated for completion by FY26. Additionally, the company has the flexibility to add one or two blocks of 250-300 KL capacity each year, depending on customer demand and the ramp-up of its CDMO/CMO business. This new capex is expected to deliver an asset turnover of 1-1.2x.

❑ Expansion in the Xanthine Derivatives Capacity

- Aarti Pharmalabs is expanding its Xanthine derivatives capacity from 5,000 MTPA to 9,000 MTPA over the next two years across its two sites in Dombivli, Maharashtra, with an estimated investment of INR 1,500 million. The new facility is already secured with customer contracts, as clients seek to increase their sourcing from the company, and Aarti Pharmalabs aims to tap into opportunities in regulated pharmaceutical markets. While the company has primarily focused on non-pharma applications of Xanthine derivatives to date, it plans to shift its focus towards the pharmaceutical sector and intends to file for regulatory approvals in the US and Europe later this year.

❑ Enhancing Production Capabilities with Expansion at USFDA-Approved Vapi Unit

- The expansion of the semi-commercial production capacity at the USFDA-approved intermediate unit in Vapi has been completed and is currently undergoing trial production. This expansion bridges the gap between small and medium batch sizes, enabling the company to offer production capabilities ranging from gram scale to ton scale within its CDMO/CMO business.

❑ Solar Project in Akola Projected to Drive Significant Energy Cost Savings

- The 20 MW solar energy project at Akola, Maharashtra, was successfully commissioned towards the end of Q2FY25, and the company expects significant energy cost savings in the second half of the financial year. The project, which involved an investment of INR 800 million, is expected to reduce the company's power costs by one-third. With operations commencing in September 2024, the company anticipates a payback period of 4-5 years and an expected return on investment (ROI) of 20% from this initiative.

Management Guidance:

The management has maintained its guidance for EBITDA growth of 10% to 12% in FY25, with a long-term target of ~15% annual growth in the coming years.

Key Strengths

❑ Manufacturing Competence with Backward Integration

- Aarti Pharmalabs has effectively leveraged backward integration to enhance its raw material supply chain, ensuring a consistent supply of high-quality materials and greater control over the production process. The company implemented backward integration for its Xanthine portfolio to meet customer demand for products that are completely independent of China. This integration was successfully completed and became operational in Q2FY24.

❑ Strong Foothold in High Value APIs:

- The company excels in the production of APIs and advanced intermediates, with a specialized focus on High Potent APIs (HPAPIs) that cater to the growing demand for critical drugs in oncology, corticosteroids, and cytotoxic therapies. The company operates dedicated manufacturing blocks for these high-margin products, including oncology and corticosteroid APIs, which are typically associated with superior profitability.

❑ Strategic Focus on Regulated Markets:

- Aarti Pharmalabs strategically targets regulated markets, leveraging its USFDA-approved facilities to drive growth. The company also holds global approvals from key markets including the EU, Japan, Korea, Mexico, Brazil, and China, ensuring compliance with stringent quality and regulatory standards. These certifications enable the company to command superior price realization in highly regulated markets, where adherence to strict regulatory requirements typically results in higher pricing power.

❑ Innovator Based CDMO Services:

- Aarti Pharmalabs specializes in late-phase projects, underpinned by its strong process engineering expertise and large-scale manufacturing capabilities. The company offers comprehensive services, including strong process development, process validation, and analytical method development and validation. In its CDMO segment, ~90% of the business is with innovator companies, which allows Aarti Pharmalabs to achieve higher margins due to the premium pricing associated with such partnerships.

Key Risks

❑ Closure of facility

- The company previously encountered an issue with its boiler, which resulted in a notice from the Pollution Control Board and a temporary closure of the plant. Although the plant was successfully restarted within a month, any failure to consistently comply with environmental regulations in the future could pose a risk of further government-imposed closures.

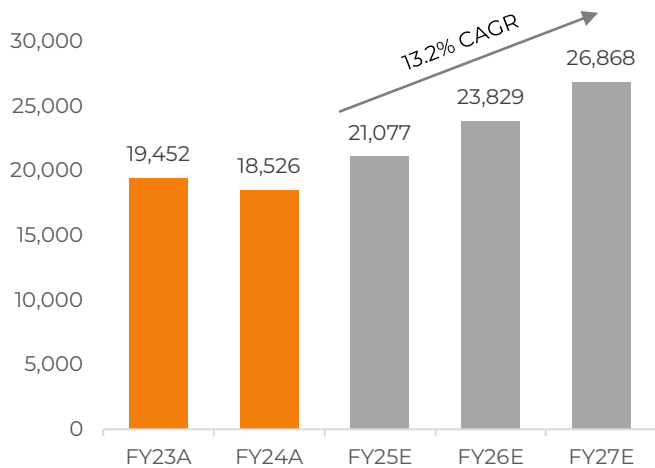
❑ Dumping by Chinese players

- In the event of overcapacity in the market, there is a potential risk of dumping from Chinese players which could lead to reduced price realizations in the domestic market and, consequently, negatively impact the company's margins.

Key Concall Highlights – Q2FY25

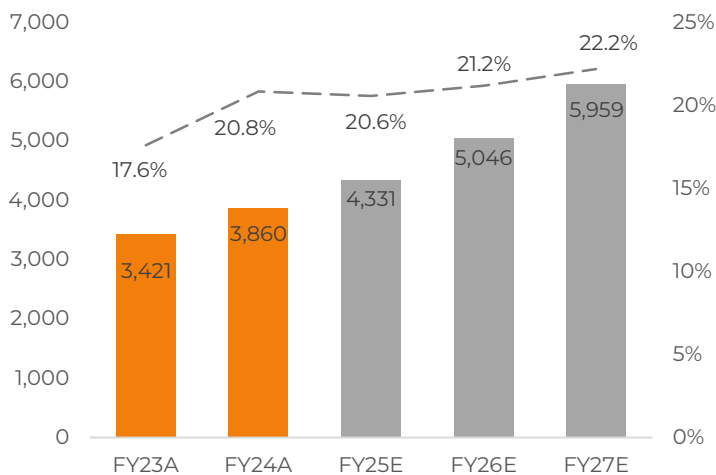
- The Xanthine derivatives segment accounted for 45% of the company's turnover in Q2. While the market continues to face strong competition from Chinese players, Aarti Pharmalabs' long-term partnerships with global industry leaders and its position as a dominant player in India help sustain its competitive edge globally. In Q2, the Xanthine derivatives facilities operated at near full capacity.
- The API and Intermediate business contributed 51% to the company's turnover in Q2. The revenue breakdown within this segment is as follows: 43% from regulated markets, 46% from the rest of the world (ROW), and 10% from non-regulated markets.
- The CDMO/CMO segment contributed 3% to the company's turnover during the quarter. Aarti Pharmalabs is currently engaged with 19 customers across 55 projects, of which 28 are in the commercial stage and 27 are at various stages of development. This underscores the company's strong presence in late-phase projects, which typically involve multi-stage products with long lead times.
- The CDMO/CMO segment experiences variability in sales across quarters due to the long lead times associated with multi-stage projects. Some high-value orders, for which delivery is scheduled later this year, will contribute to revenue in subsequent periods.
- For H1FY25, Aarti Pharmalabs reported a consolidated top line of INR 10,140 million, reflecting a 13% YoY growth. Consolidated EBITDA for the period stood at INR 1,970 million, compared to INR 1,740 million in H1FY24, marking a 13% YoY increase. The consolidated PAT for H1FY25 was INR 1,100 million, an 11% improvement compared to the same period last year.
- In Q4FY24, the company announced plans to expand its Xanthine derivatives capacity to 9,000 metric tonnes per annum. While Aarti Pharmalabs has primarily focused on non-pharmaceutical applications of Xanthine derivatives to date, the company intends to shift its focus towards the pharmaceutical market. To this end, Aarti Pharmalabs plans to file for regulatory approvals in the US and Europe within the year.
- The expansion of the semi-commercial production capacity at the USFDA-approved intermediate unit in Vapi has been completed and is currently in trial production. This expansion bridges the gap between small and medium batch sizes, enabling the company to offer a full range of production capabilities, from gram scale to ton scale, within its CDMO/CMO business.
- The solar energy project at Akola, Maharashtra, was successfully commissioned towards the end of Q2FY25. The company expects this initiative to deliver significant energy cost savings in the second half of the financial year.
- The greenfield project at Atali for CDMO/CMO and intermediate manufacturing is progressing as planned, with the company targeting site commissioning by Q4FY25.
- In the API and Intermediate business, the company is witnessing the commercialization of new products and partnerships, where the APIs are linked to final formulations. Despite facing pricing pressures, the overall business continues to experience growth.
- In the CDMO segment, due to the long lead times and extended gestation periods—some products having lead times of 7-8 months, which can vary by a couple of months—the company may experience delays, with certain projects spilling over into the next year. As a result, inventory levels have risen in the CDMO segment, and its contribution to turnover decreased to 3% in Q2FY25.
- The company aims to strengthen its engagement with customers in both regulated and semi-regulated markets. Notably, it successfully cleared inspections by the Brazilian health authority and the visa inspection, with zero observations. Additionally, the company has over 11 products approved for the Brazilian market.
- Despite the reduced contribution from the CDMO segment, the standalone gross margin has improved significantly on a QoQ basis, driven by a better product mix and a stronger focus on regulated markets.
- The company expects to have a mix of current overflow projects and new ones in the coming year, with clear visibility into the pipeline. In the CDMO/CMO market, there is typically a 9-12 month lead time for larger projects, providing the company with a good outlook on how the segment will evolve. Aarti Pharmalabs remains confident in its ability to drive growth in this segment moving forward.
- In H1FY25, the company invested INR 1,700 million in tangible assets, with an additional spend of approximately INR 2,500 million expected in H2FY25.
- The company has available space for brownfield expansion at its Tarapur facility, where it plans to increase API capacity in response to strong demand for anti-cancer products. The company is focused on debottlenecking existing capacities and is preparing to enhance production capabilities at this site.

Exhibit 22: Aarti Pharmalabs revenue likely to register a 13.2% CAGR over FY24-27. (INR mn)



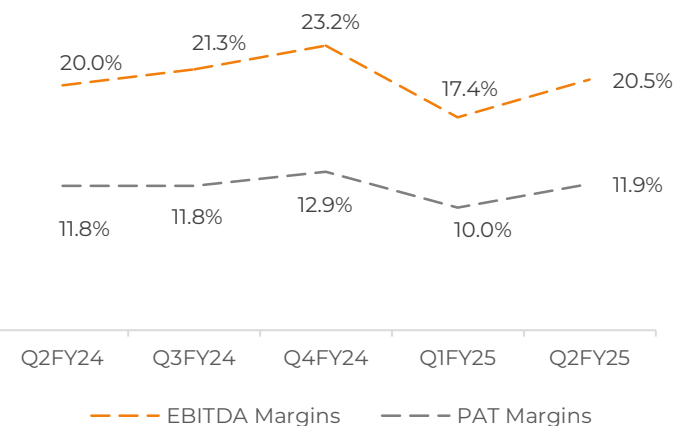
Source: Company, ULJK Research

Exhibit 24: EBITDA margins are anticipated to remain strong, ranging between 20-22%, driven by the company's focus on high-value products.



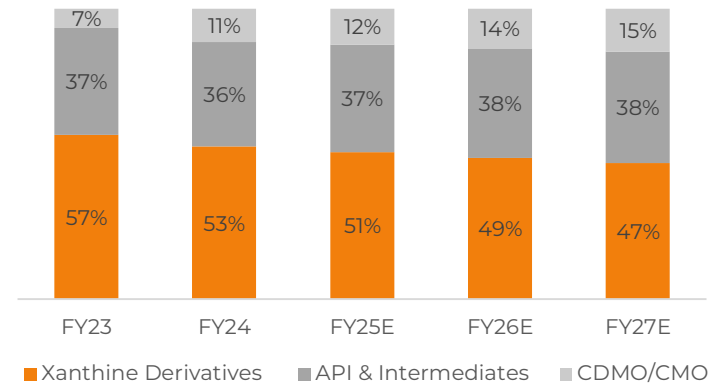
Source: Company, ULJK Research

Exhibit 26: EBITDA margins remained over 20% in Q2FY25, driven by an improved product mix and a stronger emphasis on regulated markets.



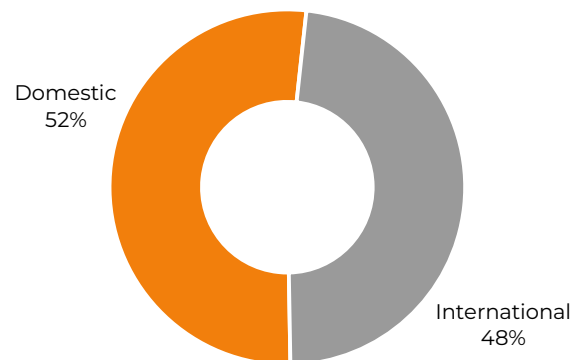
Source: Company, ULJK Research

Exhibit 23: The CDMO segment is projected to contribute 15% to revenue by FY27E, driven by the greenfield expansion project in this segment.



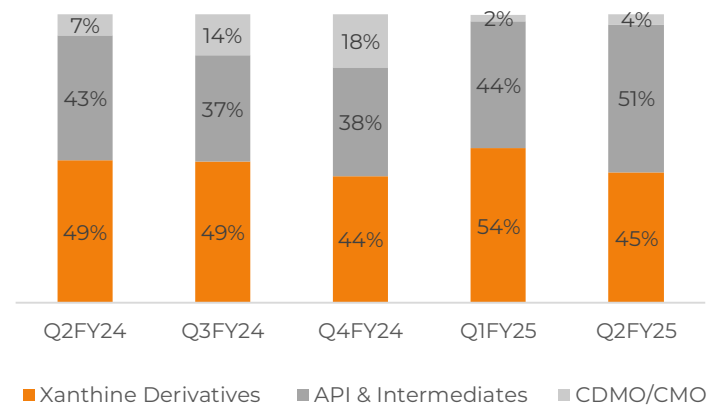
Source: Company, ULJK Research

Exhibit 25: Geographical Mix (H1FY25).



Source: Company, ULJK Research

Exhibit 27: The reduced contribution from the CDMO segment over the past two quarters is primarily due to extended lead times.



Source: Company, ULJK Research

Income Statement (INR mn)

Particulars	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue from operation	19,452	18,526	21,077	23,829	26,868
Op. Expenses	16,032	14,666	16,745	18,783	20,909
EBITDA	3,421	3,860	4,331	5,046	5,959
Depreciation & amortization	625	732	864	1,053	1,189
EBIT	2,795	3,128	3,467	3,993	4,770
Finance cost	211	172	196	251	306
Other income	23	49	56	63	71
PBT	2,608	3,005	3,327	3,804	4,536
Total tax expense	673	836	832	951	1,134
PAT	1,935	2,169	2,495	2,853	3,402

Margin Profile	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue Growth (%)	62.1%	-4.8%	13.8%	13.1%	12.8%
EBITDA Margin (%)	17.6%	20.8%	20.6%	21.2%	22.2%
EBIT Margin (%)	14.4%	16.9%	16.5%	16.8%	17.8%
Net Profit Margin (%)	9.9%	11.7%	11.8%	12.0%	12.7%

Cashflow Statement (INR mn)

Particulars	FY23A	FY24A	FY25E	FY26E	FY27E
PBT	2,608	3,005	3,327	3,804	4,536
Depreciation and amortization	625	732	864	1,053	1,189
Others	208	214	141	188	235
Changes in working capital	-316	-1,219	-1,063	-1,144	-1,288
Less: Taxes paid	-624	-569	-832	-951	-1,134
Cash flow from Operations	2,501	2,164	2,437	2,951	3,537
Cash flow from Investing	-1,578	-2,146	-4,144	-2,937	-2,929
Cash flow from Financing	-1,635	97	1,757	26	-523
Net Cash flow	-712	115	50	40	85
Opening balance	833	121	236	286	326
Closing balance	121	236	286	326	411

Financial Ratios

Particulars	FY23A	FY24A	FY25E	FY26E	FY27E
ROCE (%)	15.8%	15.5%	14.2%	14.5%	15.5%
ROE (%)	12.4%	12.3%	12.6%	12.7%	13.3%
Number of shares (mn)	91	91	91	91	91
EPS	21.35	23.93	27.53	31.48	37.53
P/E (x)	30.9x	27.5x	23.9x	20.9x	17.6x
P/BV (x)	3.8x	3.4x	3.0x	2.7x	2.3x
EV/EBITDA (x)	18.1x	16.1x	14.9x	12.9x	10.9x

Source: Company, ULJK Research

Balance sheet (INR mn)

Equity & Liabilities	FY23A	FY24A	FY25E	FY26E	FY27E
Equity share capital	453	453	453	453	453
Reserves & Surplus	15,132	17,117	19,391	21,992	25,092
Total Equity	15,585	17,570	19,844	22,445	25,545
Non-current liabilities					
Borrowings	2	0	1	1	1
Lease Liabilities	5	167	294	325	329
Provisions	54	61	61	61	61
Deferred Tax Liabilities	788	1,079	1,079	1,079	1,079
Current Liabilities					
Borrowings	2,142	2,641	4,654	5,144	5,222
Lease liabilities	4	45	79	87	89
Trade payables	3,395	3,783	4,281	4,813	5,437
Other financial liabilities	247	302	302	302	302
Provisions	55	63	63	63	63
Current tax liabilities (net)	35	0	0	0	0
Other current liabilities	128	110	110	110	110
Total Equity & Liabilities	22,440	25,821	30,768	34,431	38,239

Assets

Non-current Assets					
Fixed Assets- tangible	9,861	10,932	14,268	16,215	18,026
Fixed Assets- intangible	416	771	771	771	771
Investments	355	368	368	368	368
Loan	59	59	59	59	59
Other Financial assets	94	113	113	113	113
Other Non-Current Assets	25	123	123	123	123
Current Assets					
Inventories	6,020	6,429	7,274	8,179	9,239
Trade receivable	4,501	5,193	5,908	6,680	7,532
Cash and cash equivalents	121	236	286	326	411
Bank Balance	1	4	4	4	4
Investments	510	704	704	704	704
Other Financial assets	51	63	63	63	63
Loan	13	13	13	13	13
Other Current asset	413	780	780	780	780
Current Tax Assets	0	34	34	34	34
Total Assets	22,440	25,821	30,768	34,431	38,239

Working Capital Ratios

Particulars	FY23A	FY24A	FY25E	FY26E	FY27E
Inventory days	188	230	230	230	230
Receivable days	84	102	102	102	102
Payable days	106	135	135	135	135
Operating cycle	272	332	332	332	332
Cash conversion cycle	166	197	197	197	197
Current ratio	1.9x	1.9x	1.6x	1.6x	1.7x
Quick ratio	0.9x	1.0x	0.8x	0.8x	0.9x

ULJK returns compared to peers

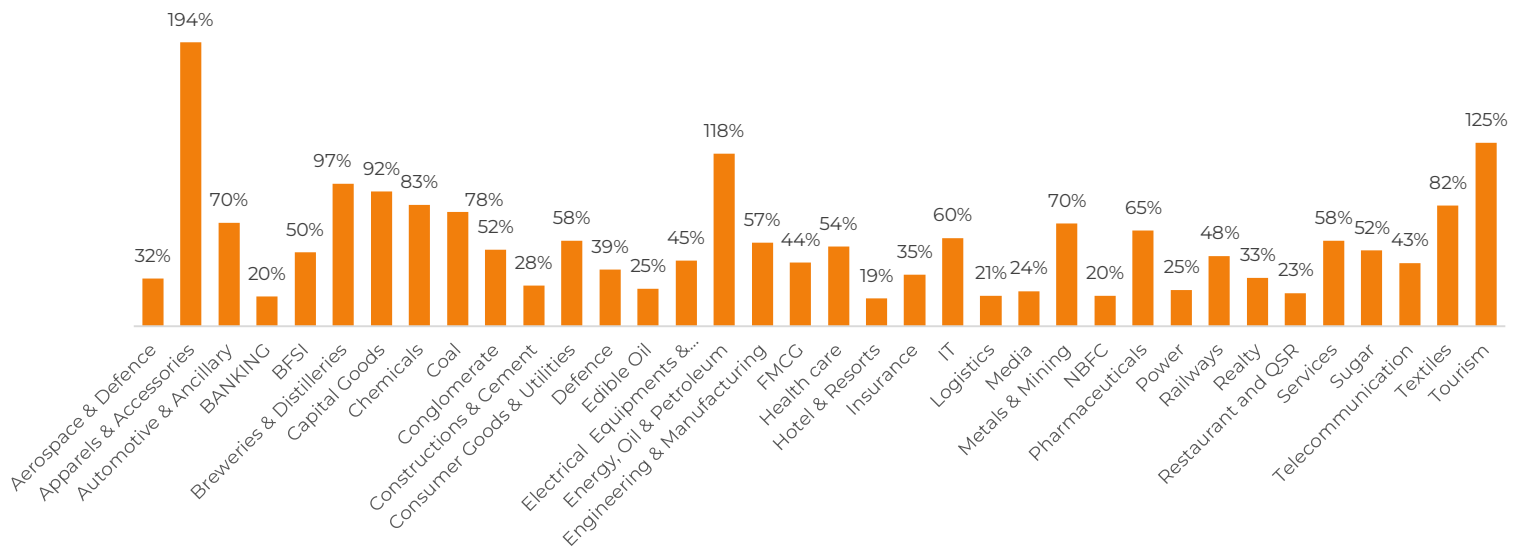
Period (months)	ULJK Average Return %	Peers Average Return %	Outperformance/Under performed compared to peers
12	27.25%	18.93%	44.0%
24	99.69%	63.62%	56.7%
36	102.79%	74.94%	37.2%

ULJK's 244 Companies Under Coverage

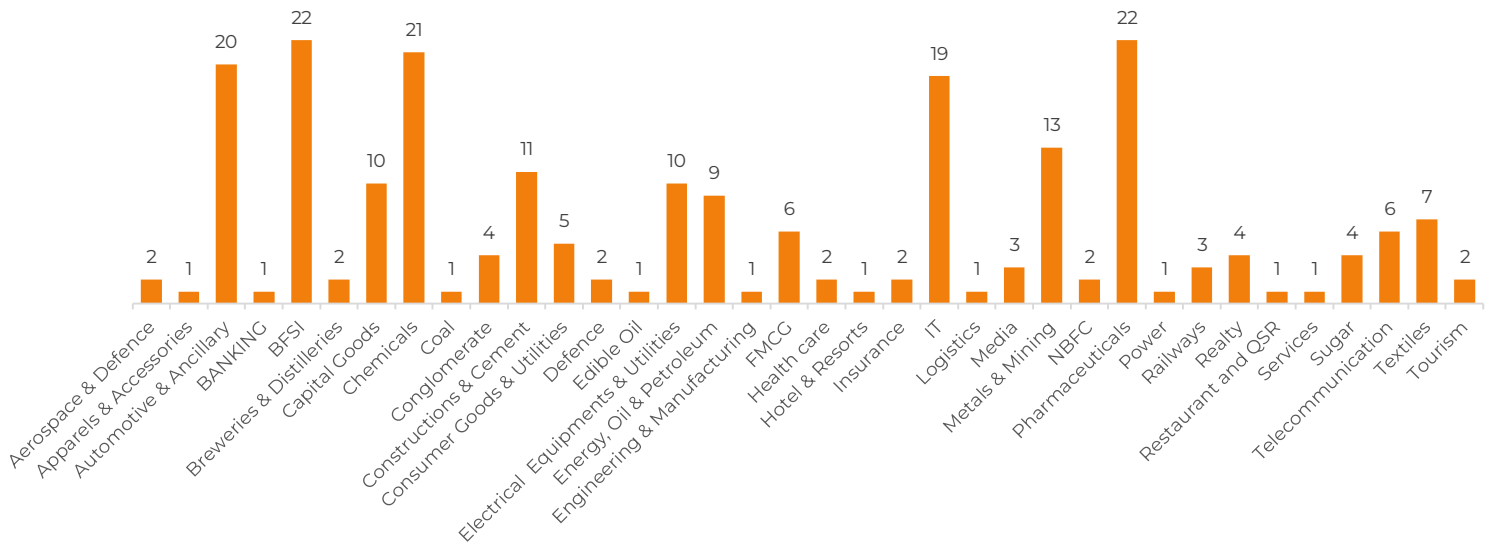
Source: Bloomberg

Aavas Financiers Ltd	Coal India Ltd	Hindustan Oil Exploration Co. Ltd	Marksans Pharma Ltd	Spandana Spoorthy Financial Ltd
ABB India Ltd	Cochin Shipyard Ltd	Hindustan Petroleum Corporation Ltd	Maruti Suzuki India Ltd	SRF Ltd
ABB Power Products and Systems Ltd	Coforge Ltd	Home First Finance Company	Mazagon Dock Shipbuilders Ltd	State Bank Of India
ACC Ltd	Container Corporation Of India Ltd	HT Media Ltd	Minda Corporation Ltd	Steel Authority Of India Ltd
Adani Ports and Special Economic Zone	Cummins India Ltd	ICICI Bank Ltd	Mindtree Ltd	Stove Kraft Ltd
Adani Power Ltd	Data Patterns Ltd	ICICI Lombard GIC Ltd	Monte Carlo Fashion Ltd	Sugog Telematics Ltd
Adani Wilmar Ltd	Ddev plastiks Industries Ltd	IDBI Bank Ltd	Motherson Sumi Systems Ltd	Sun Pharmaceuticals Ltd
Aether Industries Ltd.	Deepak Nitrite Ltd	IDFC First Bank Ltd	Nath Industries Ltd	Sun TV Network Ltd
Affle (India) Ltd	Devyani International Ltd	India Pesticides Ltd	Navin flourine international Ltd	Sunteck Realty Ltd
Amber Enterprises India Ltd	Dhampur Sugar Mills Ltd	Indiabulls Housing Finance	NBCC Ltd	Syngene International Ltd
Ambuja Cements Ltd	DLF Ltd	Indiabulls realestate Ltd	Nelco Ltd	Tata Chemicals Ltd.
AMI organics	Dr Reddy's Laboratories Ltd	Indian Bank Ltd	New India Assurance	Tata Communications Ltd
Anupam Rasayan India Limited	Dreamfolks Services Ltd	Indian Hotels Company Ltd	Newgen Software Solutions Ltd.	Tata consultancy services Ltd
APL Apollo Tubes Ltd	Dynamatic Technologies Ltd	Indian Oil Corporation Ltd	NMDC Ltd	Tata Motors Dvr Ltd
Apollo Tyres Ltd	Eclerx Services Ltd	Indian Railway Catering and Tourism Corporation Ltd	NTPC Ltd	Tata Motors Ltd
Arvind Ltd	Eris Lifesciences Ltd	Indo Count Industries Ltd	Oil and Natural Gas Corporation Ltd	Tata Power Co. Ltd
Asahi India Glass Ltd	Eveready Industries India Ltd	Indoco Remedies Ltd	Oriental Carbon & Chemicals Ltd	Tata Steel Ltd
Ashok Leyland Ltd	Everest Kanto Cylinder Ltd	Indus Tower Ltd	Parag Milk Foods Ltd	Tech Mahindra Ltd
Atul Ltd	Exide Industries Ltd	Infibeam Avenues Ltd	Parsvnath Developers	Technocraft Industries (India) Ltd
Au Small Finance Bank Ltd	Expleo Solutions Ltd	IRCON International Ltd	Parsvnath Developers Ltd	Tejas Network Ltd
Aurobindo Pharma Ltd	Federal Bank Ltd	ITC Ltd	Pennar Industries Ltd	Texmaco rail & Engineers Ltd
Axis Bank Ltd	Filatex India Ltd	ITD Cementation Ltd	Pfizer Ltd	Titagarh Rail Systems Ltd
Bajaj Healthcare Ltd	Firstsource Solution Ltd	Jaiprakash Power Venture Ltd	Piramal Enterprises Ltd	Torrent Power Ltd
Balrampur Chini	Five-Star Business Finance Ltd	Jindal SAW Ltd	Poonawalla Fincorp Ltd	Triveni Engineering & Industries Ltd
Bandhan Bank Ltd	Fortis Healthcare Ltd	Jindal Steel & Power Ltd	Power Finance Corporation Ltd	TVS Motor Company Ltd
Bank of Baroda	Gail (India) Ltd	JSW Steel Ltd	Power Grid Corporation Of India	UGRO Capital
Bank of India	Garden reach shipbuilders & Engineers Ltd	Jubilant Ingrevia Ltd	Praj Industries Ltd	Ujjivan Financial Services Ltd
BASF India Ltd	GE Power India Ltd	Jubilant Pharmova Ltd	Prestige estates Projects Ltd	United Drilling Ltd
Bata India Ltd	GE T&D India Ltd	Just Dial Ltd	Punjab National Bank	United Spirits Ltd
BF Utilities Ltd	General Insurance Corporation of India	Jyothy Labs Ltd	PVR Ltd	UPL Ltd
Bharat Bijlee Ltd	GHCL LTD	Kajaria Ceramics	Qess corp Ltd	Valiant Organics Ltd.
Bharat Electronics Ltd	Gland Pharma Ltd	KEC INTERNATIONAL LTD	Quick Heal Technologies Ltd	Varun Beverages Ltd
Bharat Forge Ltd	Glenmark Life sciences Ltd	Kernex Microsystem India Ltd	Railtel Corportaion Of India	Vedanta Ltd
Bharat Heavy Electricals Ltd	Glenmark Pharmaceuticals Ltd	Kotak Bank Ltd	RBL Bank Ltd	Verroc Engineering Ltd.
Bharat Petroleum Corp Ltd	Godfrey Phillips India Ltd	Krishna Institute of Medical Sciences Ltd.	Reliance Industries Ltd	V-guard industries Ltd
Bharti Airtel Ltd	Granuels Ltd	L&T finance holdings Ltd	RVNL LTD	Vijaya Diagnostics Ltd
Birla Corporation Ltd	Graphite India Ltd	L&T Financial Holdings Ltd	Sadbhav Infrastructure Project Ltd	Vinati Organics Ltd
Blue Star Ltd	Greaves Cotton Ltd	larsen & Toubro Ltd	SAKSOF LTD	Voltas Ltd
BSE Ltd	Gujarat Fluorochemicals Ltd	Larsen & Turbo Infotech Ltd	Samvardhana Motherson International Ltd	Welspun Corp Ltd
Cadila Healthcare Ltd	Happiest Minds Technologies Ltd	Laurus Labs Ltd	Sanghi Industries	Welspun Enterprises Ltd
Can Fin Homes Ltd	HBL POWER SYSTEMS LTD	LIC Housing Finance Ltd	Schneider Electric	Welspun India Ltd
Canara Bank	HCL Technologies Ltd	Life Insurance Corporation of India	Shalby Ltd	Yes Bank Ltd
Care Ratings Ltd	HDFC bank Ltd	Lumax Auto Technologies Ltd	Shilpa Medicare Ltd	Zee Entertainment Enterprises Ltd
CDSL Ltd	HDFC Ltd	Lupin Ltd	Shree Cement Ltd	Zensar Technologies Ltd
Century Textiles and Industries Ltd	HEG Ltd	Mahanagar Gas Ltd	Shree Renuka Sugars Ltd	ZF Steering Gear India Ltd
CESC Ltd	Heranba Industries Ltd	Mahindra & Mahindra Ltd	Shriram Finance	Zomato Ltd
Chemplast Sanmar Ltd	Himadri Speciality Chemical Ltd	Mahindra Holidays and Resorts India Ltd	Siemens Ltd	Zydus Lifesciences Ltd
Cipla Ltd	Himatsingka Seida Ltd	Man Infraconstruction Ltd	Solar Industries Pvt Ltd	Zydus Wellness Ltd
City Union Bank Ltd	Hindalco Industries Ltd	Mangalore Chemicals & Fertilizers Ltd	SP Apparel Ltd	

ULJK's Average Returns - Sector wise

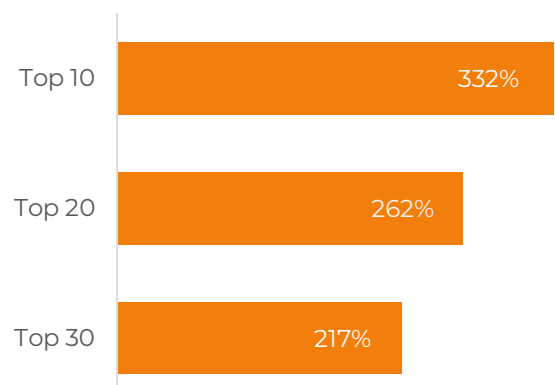
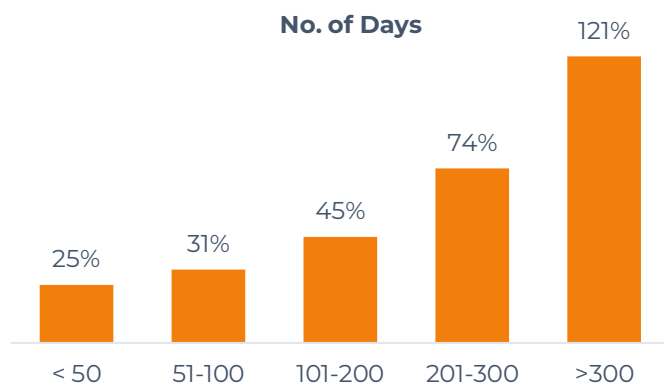


ULJK's Calls – Sector wise



Average Returns of Top Performing Stocks

Time wise (Days) to % Average Returns



Total Calls review: 242

Stocks	Sector	Type	Call Date	Call Price	Target	Exit Date	No of Days	Total Return %
Adani Power Ltd	Energy, Oil & Petroleum	BUY	19-11-2020	40	200	01-04-2022	498	400%
Ashok Leyland Ltd	Automotive & Ancillary	BUY	27-06-2020	52	165	03-09-2022	798	217%
BSE Ltd	BFSI	BUY	31-05-2021	959	3247	16-09-2024	1,204	239%
Dynumatic Technologies Ltd	Capital Goods	BUY	16-02-2021	868	3175	13-09-2021	209	266%
Eclerx Services Ltd	IT	BUY	28-12-2020	894	2455	16-09-2021	262	175%
Filatex India Ltd	Textiles	BUY	09-12-2020	38	135	14-01-2022	401	255%
GHCL Ltd	Chemicals	BUY	07-09-2020	164	557	22-03-2022	561	240%
Godfrey Philips Ltd	Breweries & Distilleries	BUY	04-07-2022	1,066	2868	28-02-2024	499	169%
Graphite India Ltd	Capital Goods	BUY	23-12-2020	285	630	03-04-2021	101	121%
Greaves Cotton Ltd	Capital Goods	BUY	27-08-2020	86	197	10-01-2022	501	129%
HEG Ltd	Capital Goods	BUY	23-12-2020	865	2010	02-04-2021	100	132%
Himadri Specialty Chemicals Ltd.	Chemicals	BUY	18-02-2023	88	614	17-09-2024	577	598%
Indian Bank Ltd	BFSI	BUY	20-08-2020	64	170	18-10-2021	424	166%
IRCTC Ltd	Tourism	BUY	19-11-2020	1375	4470	06-11-2021	352	225%
JSW energy Ltd	Energy, Oil & Petroleum	BUY	09-04-2021	88	388	30-09-2021	174	341%
Larsen & Toubro Ltd	Conglomerate	BUY	03-07-2020	941	2092	25-11-2022	875	122%
Mangalore Chemicals Ltd	Chemicals	BUY	09-12-2020	42	112	08-04-2022	485	167%
Marksans Pharma Ltd	Pharmaceuticals	BUY	14-02-2023	74	262	04-09-2024	568	254%
Minda Corp Ltd Ltd	Automotive & Ancillary	BUY	21-08-2020	80	170	01-11-2021	437	113%
Monte Carlo Fashions Ltd	Apparels & Accessories	BUY	21-12-2020	256	752	04-07-2022	560	194%
Nelco Ltd	IT	BUY	18-01-2021	208	643	28-09-2021	253	209%
NMDC Ltd	Metals & Mining	BUY	01-07-2020	81	203	12-05-2021	315	151%
ONGC Ltd	Energy, Oil & Petroleum	BUY	19-10-2020	72	154	05-11-2021	382	114%
Piramal Pharma Ltd	Pharmaceuticals	BUY	01-11-2023	104	303	07-11-2024	372	191%
SAIL Ltd	Metals & Mining	BUY	09-07-2020	35	140	30-04-2021	295	300%
State Bank of India Ltd	BFSI	BUY	07-07-2020	185	470	17-09-2021	437	154%
Stove Kraft Ltd	Consumer Goods & Utilities	BUY	14-05-2021	490	1052	28-09-2021	137	115%
Tata Chemicals Ltd	Chemicals	BUY	19-11-2020	352	949	05-10-2021	320	170%
TATA Motors Ltd	Automotive & Ancillary	BUY	07-07-2020	103	448	13-10-2021	463	335%
TVS Motors	Automotive & Ancillary	BUY	25-10-2021	618	2637	13-08-2024	1,023	327%

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Disclosure Appendix**Analyst Certification**

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