

Estimate changes

TP change

Rating change



Bloomberg	NACL IN
Equity Shares (m)	1837
M.Cap.(INRb)/(USDb)	707.9 / 7.7
52-Week Range (INR)	432 / 138
1, 6, 12 Rel. Per (%)	24/104/91
12M Avg Val (INR M)	2815

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	179	175	186
EBITDA	85	70	74
Adj. PAT	60	47	49
EBITDA Margin (%)	47	40	40
Cons. Adj. EPS (INR)	32.8	25.6	26.8
EPS Gr. (%)	14	-22	5
BV/Sh. (INR)	121	144	167

Ratios

Net D:E	-0.4	-0.4	-0.5
RoE (%)	30	19	17
RoCE (%)	40	26	23
Payout (%)	26	16	15

Valuations

P/E (x)	11.7	15.1	14.4
P/BV (x)	3.2	2.7	2.3
EV/EBITDA(x)	7.3	8.5	7.5
Div. Yield (%)	2.2	1.0	1.0
FCF Yield (%)	6.1	5.5	5.5

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	51.3	51.3	51.3
DII	12.4	15.4	18.0
FII	19.7	16.2	14.1
Others	16.7	17.1	16.6

FII includes depository receipts

CMP: INR385

TP: INR350 (-9%)

Neutral

Strong alumina volumes and favorable aluminum prices drive earnings beat

- NALCO's (NACL) 3QFY26 revenue came in line with our estimate at INR47.3b (+2% YoY and +10% QoQ), primarily driven by favorable aluminum prices.
- EBITDA stood at INR21.8b (-6% YoY and +13% QoQ) vs. our est. of INR23.3b. EBITDA margin was 46.1% vs. 44.9% in 2QFY26 and 49.9% in 3QFY25.
- Adj. PAT stood at INR15.9b (+2% YoY and +12% QoQ), in line with our est. of INR16.6b, supported by strong operating performance.
- In 9MFY26, revenue stood at INR128b (+11% YoY), EBITDA at INR56b (+16% YoY) and APAT at INR40.7b (+27% YoY).
- The board approved a second interim dividend of INR4.5 per share in 3Q.

Aluminum business

- Revenue from the aluminum business stood at INR34.7b, up 20% YoY and 33% QoQ, aided by favorable LME prices.
- Metal production stood at 120kt (+4% YoY and +1% QoQ), while sales volume was at 126kt (+19% YoY and +13% QoQ).
- ASP for aluminum stood at USD3,077/t (+6% YoY and +4% QoQ), mainly driven by favorable LME prices.
- EBIT for the vertical was INR15.8b, up 67% YoY and 33% QoQ.

Chemical (Alumina) business

- Revenue from the chemical business declined 34% YoY and 10% QoQ to INR16.6b, mainly due to correction in global alumina prices.
- Alumina hydrate production stood at 574kt, up 4% YoY and flat QoQ, while sales volume grew by 7% YoY and 2% QoQ to 403kt.
- ASP for alumina hydrate stood at USD352/t (-46% YoY and -13% QoQ) due to sharp correction alumina prices from ~USD580/t to ~USD300/t over 9M.
- EBIT came in at INR5.1b, down 60% YoY and 18% QoQ in 3QFY26.

Key highlights from the management commentary

- Management expects alumina realizations to remain at USD310-320/t in 4Q (broadly in line with current levels).
- Current LME aluminum price is USD3,200/t vs. earlier expectations of USD2,900-3,000/t. The price surge is attributed to supply-side constraints, incl. smelter closures and China's capacity cap.
- For the near term, management expects LME aluminum prices to sustain at USD3,000/t. Looking ahead, for FY27, LME prices are likely to be in the range of USD2,800-3,000/t.
- The cost of production for 4Q is expected to be at INR150,000-160,000/t, with the current average trending at INR153,000-156,000/t. For 4Q, the costs are expected to inch up QoQ, primarily due to higher caustic soda prices, which could be offset by operational efficiencies.

- Caustic soda prices surged from ~USD39/kg to USD45/kg, resulting in a cost impact of ~INR820m, but offset by savings from reduced specific consumption (~INR1,290m) from ~121 kg/t last year to ~99 kg/t.
- NACL witnessed a temporary export disruption in the Middle East during Jan'26 due to regional tensions. It expects to recover volumes in Feb-Mar'26. NACL also reiterated the alumina sales target of ~1,250-1,300kt (~1.25-1.30mt aluminum sales target) for FY26, with a possible upside depending on 4Q execution.

Valuation and view

- NACL posted a strong performance during 3Q, led by favorable aluminum prices and strong volume, which helped to offset the muted alumina price impact during the quarter. With limited production room at the smelter, LME prices become a vital factor for near-term operating performance.
- NACL plans to significantly expand its capacity in the long run (total outlay INR300b). However, with the completion timeline of FY30, execution risks and cost escalations remain key concerns.
- Despite strong fundamentals, zero debt, favorable LME prices and a robust demand outlook for aluminum in India, the near-term upside is capped by limited production headroom, trade tension, on-time execution challenges, and regulatory risks.
- We raise our EBITDA/PAT estimates by 3%/7% for FY27/FY28, incorporating the favorable LME price benefits. **At CMP, NACL trades at 8.5x on EV/EBITDA and 2.7x on P/B. We reiterate our Neutral rating on the stock with a revised TP of INR350, valuing the stock at 7x EV/EBITDA on Sep'27 estimates.**

Consolidated quarterly performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Vs
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	Est %
Net Sales	28,561	40,015	46,622	52,678	38,069	42,923	47,310	50,779	1,67,876	1,79,081	47,842	-1.1
Change (YoY %)	(10.1)	31.5	39.3	47.2	33.3	7.3	1.5	(3.6)	27.7	6.7		
Change (QoQ %)	(20.2)	40.1	16.5	13.0	(27.7)	12.8	10.2	7.3				
Total Expenditure	19,219	24,525	23,347	25,140	23,148	23,665	25,517	21,953	92,230	94,283		
EBITDA	9,342	15,490	23,275	27,539	14,921	19,259	21,793	28,826	75,646	84,799	23,249	-6.3
Change (YoY %)	57.2	290.7	201.1	148.7	59.7	24.3	(6.4)	4.7	163.4	12.1		
Change (QoQ %)	(15.6)	65.8	50.3	18.3	(45.8)	29.1	13.2	32.3				
Interest	34	44	191	321	80	84	596	84	590	844		
Depreciation	1,743	1,798	2,857	878	1,783	1,738	1,821	1,867	7,276	7,209		
Other Income	605	718	991	1,256	1,235	1,515	1,941	1,110	3,570	5,800		
PBT (after EO)	8,170	14,366	21,219	27,596	14,293	18,952	21,316	27,985	71,351	82,546		
Total Tax	2,158	3,744	5,390	6,813	3,654	4,621	5,306	8,294	18,104	21,875		
% Tax	26.4	26.1	25.4	24.7	25.6	24.4	24.9	29.6	25.4	26.5		
PAT before MI and Asso.	6,012	10,622	15,829	20,784	10,639	14,332	16,010	19,691	53,247	60,671		
Sh. of Associate	(128)	(162)	(166)	(111)	(144)	(32)	(59)	(123)	(567)	(358)		
Reported PAT after MI/Asso.	5,884	10,460	15,663	20,672	10,495	14,299	15,952	19,568	52,679	60,313		
Adjusted PAT	5,884	10,460	15,663	20,672	10,495	14,299	15,952	19,568	52,679	60,313	16,600	-3.9
Change (YoY %)	76.3	458.3	232.8	205.5	78.4	36.7	1.8	(5.3)	164.9	14.5		
Change (QoQ %)	(13.0)	77.8	49.7	32.0	(49.2)	36.3	11.6	22.7				

E: MOFSL Estimates



Key highlights from the management commentary

Capex and capacity update/timeline

- NACL's 5th stream alumina refinery of 1mtpa is on track (+80% physical progress completed) for mechanical completion by Jun'26 (delayed from Sep'25 earlier).
- Commercial production will start by Jun'26 with an expected output of 300kt in FY27E (due to steady stabilization and target ramp-up of 1mt by FY28E).
- Capex guidance was ~INR17b for FY26 and is expected to be INR18-20b for FY27 (INR10b growth capex + INR7-8b maintenance capex). Management indicated that the capex intensity will rise from FY28 onward, driven by ordering for new smelting facilities around Apr-May'27.
- The company has spent ~INR50b to date on alumina refinery and the balance spending of INR5-6b is likely to be incurred in FY27.
- Brownfield aluminum smelter expansion of 0.5mtpa is progressing. The revised DPR is under preparation and is expected to be completed by Jun'26, followed by board approval, tendering by Mar'27, and ground-breaking thereafter.

Volume and demand guidance

- NACL witnessed a temporary export disruption in the Middle East during Jan'26 due to regional tensions; it expects to recover volumes in Feb-Mar'26. It has also reiterated the alumina sales target of ~1,250-1,300kt (~1.25-1.30mt aluminum sales target) for FY26, with a possible upside depending on 4Q execution.
- NACL executed four alumina shipments of ~30kt each per month in 3Q and the shipment mix comprised 3/4 spot-linked cargoes and 1/4 LME-linked cargo.
- Management indicated that the same shipment mix (broadly ~75% spot and ~25% LME-linked) is expected to continue in 4Q.
- Management plans to maximize profitability through continued volume growth, improved operational efficiencies, and better techno-economic factors, including caustic soda and CP coke consumption optimization.
- Alumina margins are expected to remain under pressure in 4Q over weak prices, while cost escalation is expected to be managed via operational efficiency.

Pricing and cost guidance

- Management expects alumina realizations to remain at USD310-320/t in 4Q (broadly in line with current levels).
- The current LME aluminum price is USD3,200/t vs. earlier expectations of USD2,900-3,000/t. The price surge is attributed to supply-side constraints, incl. smelter closures and China's capacity cap. For the near term, management expects LME aluminum prices to sustain at USD3,000/t. Looking ahead, for FY27, LME prices are likely to be in the range of USD2,800-3,000/t.
- The cost of production for 4Q is expected to be at INR150,000-160,000/t, with the current average trending at INR153,000-156,000/t. For 4Q, costs are expected to inch up QoQ, primarily due to higher caustic soda prices, which could be offset by operational efficiencies and improved specific consumption.
- Caustic soda prices surged from ~USD39/kg to ~USD45/kg, resulting in a cost impact of ~INR820m), which was offset by savings from reduced specific consumption (~INR1,290m) from ~121 kg/t last year to ~99 kg/t.

- The procurement contracts of caustic soda placed in Dec'26 were at elevated rates, which will have a negative price impact of ~INR7,000–8,000/t in 4Q.
- The company expects ~200-250 employees to retire, resulting in employee cost savings of ~INR0.7-1b. In FY27, only some provisions may be required for wage revisions, subject to Government of India committee guidelines.

Coal outlook

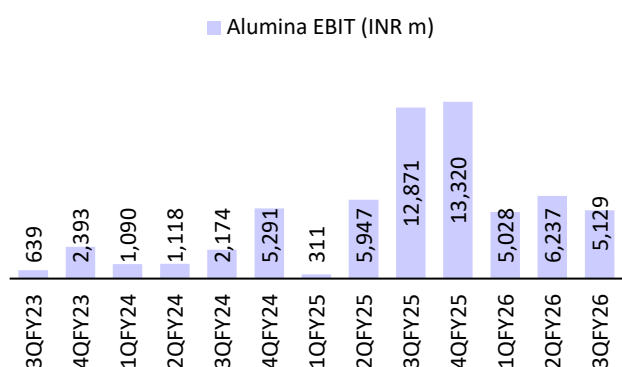
- NACL has achieved captive coal production rate of ~4mtpa (in line with stated target), materially reducing its dependence on e-auction and linkage coal.
- Incremental savings from captive coal usage are expected in 4Q, although the benefit is likely to moderate QoQ as linkage coal prices have declined, which narrows the arbitrage vs. captive coal.
- The current price differential between captive coal and linkage/FSA coal stands at ~INR200-250/t, with additional GST savings not applicable on captive coal, enhancing the overall cost advantage.

Other Highlights

- NACL is pursuing three parallel pilot-scale initiatives to extract critical and rare earth minerals, with no commercial-scale production at present.
- Signed an MoU with NML, Jamshedpur; currently in process of setting up a pilot facility for rare earth and critical mineral extraction from red mud, with technology development and validation expected to take ~1.5–2 years.
- MoU signed with a Chennai-based technology partner. Currently the reactor installed at site with red mud samples under active testing and results awaited.
- Focuses on gallium extraction from Bayer liquor (not red mud) under an MoU with BARC, where a pilot plant is being set up to evaluate technical and commercial feasibility.

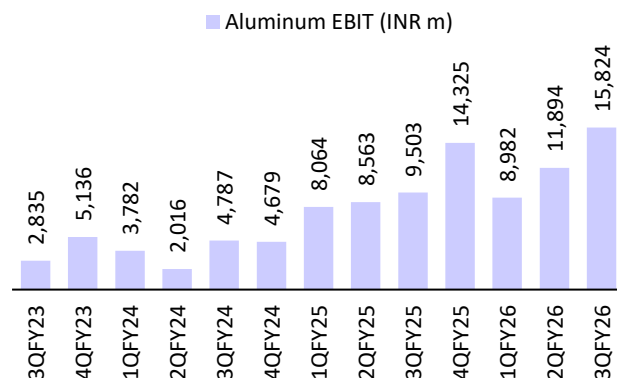
Story in charts

Exhibit 1: Alumina EBIT (INR m) declined in 3Q



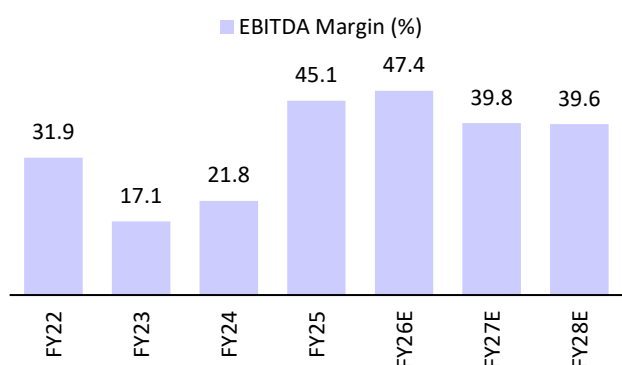
Source: MOFSL, Company

Exhibit 2: Aluminum EBIT (INR m) increased in 3Q



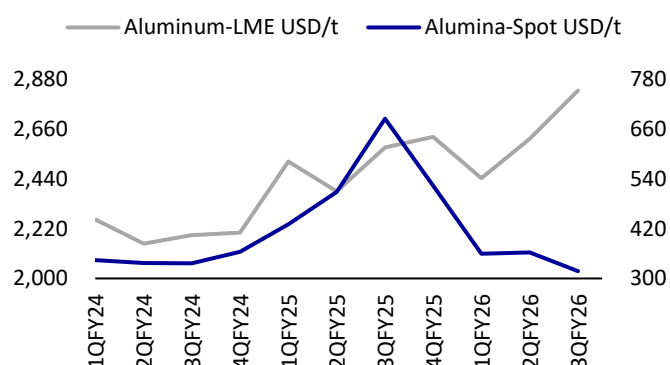
Source: MOFSL, Company

Exhibit 3: Consol. EBITDA margin %



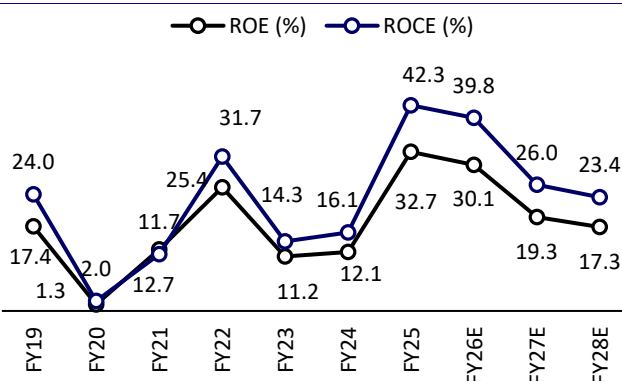
Source: MOFSL, Company

Exhibit 4: LME price movement (USD/t)



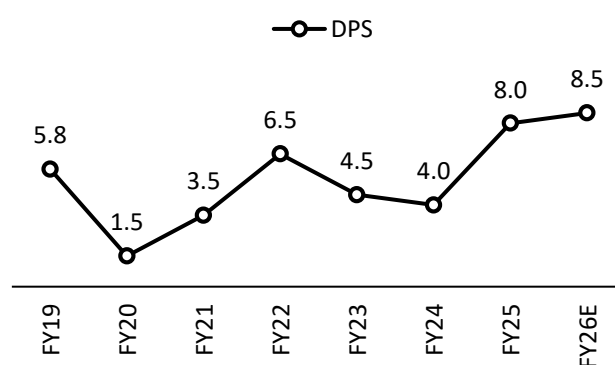
Source: MOFSL, Company

Exhibit 5: RoE and RoCE trends



Source: MOFSL, Company

Exhibit 6: Dividend per share (INR/t) trend



Source: MOFSL, Company

Exhibit 7: Valuation and TP

TP calculations	UoM	Sep'27E
NACL EBITDA	INR m	71,727
EV/EBITDA (x)	x	7.0
Target EV	INR m	5,02,092
add: cash surplus	INR m	1,34,130
Equity Value	INR m	6,36,222
No of Shares o/s	m	1,837
Target Price	INR/share	350

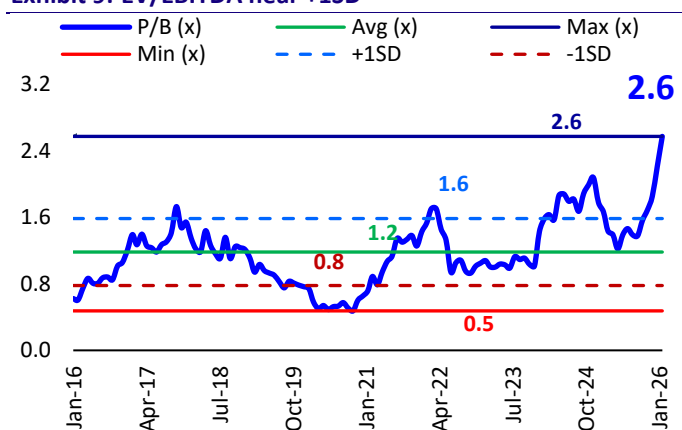
Source: MOFSL

Exhibit 8: Summary of the key changes to our estimates

	UoM	FY26E			FY27E			FY28E		
		New	Old	% change	New	Old	% change	New	Old	% change
Revenue	INR b	179	179	0.0%	175	173	1.3%	186	182	2.5%
EBITDA	"	85	85	0.0%	70	67	3.3%	74	69	6.5%
PAT	"	60.3	60.2	0.3%	47	45	3.3%	49	46	6.7%

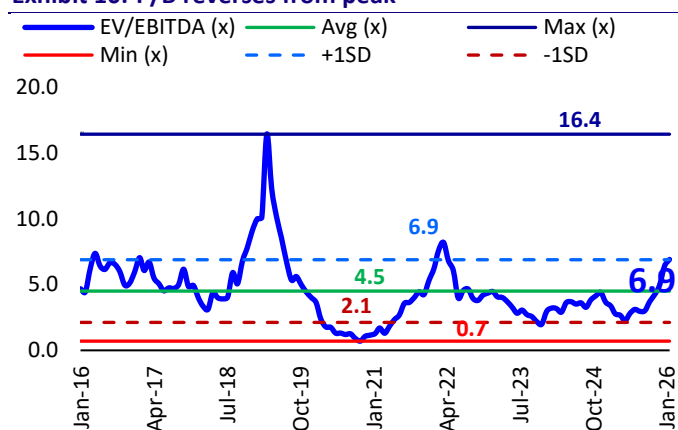
Source: MOFSL, Company

Exhibit 9: EV/EBITDA near +1SD



Source: MOFSL, Company Data

Exhibit 10: P/B reverses from peak



Source: MOFSL, Company Data

Financials and valuations

Income Statement									INR m	
Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Net Sales	1,14,993	84,718	89,558	1,41,808	1,42,337	1,31,477	1,67,876	1,79,081	1,74,774	1,86,244
Change (%)	20.9	(26.3)	5.7	58.3	0.4	(7.6)	27.7	6.7	(2.4)	6.6
Total Expenses	85,432	79,826	71,730	96,637	1,18,044	1,02,762	92,230	94,283	1,05,161	1,12,401
EBITDA	29,561	4,892	17,828	45,172	24,293	28,715	75,646	84,799	69,612	73,842
% of Net Sales	25.7	5.8	19.9	31.9	17.1	21.8	45.1	47.4	39.8	39.6
Depn. & Amortization	4,761	5,298	6,058	8,366	7,158	7,497	7,276	7,209	9,789	10,869
EBIT	24,800	(406)	11,770	36,806	17,135	21,218	68,371	77,590	59,824	62,974
Net Interest	24	57	71	231	129	172	590	844	559	559
Other income	3,259	2,726	1,466	2,974	2,544	2,521	3,570	5,800	5,800	5,800
PBT before EO	28,035	2,262	13,165	39,549	19,550	23,568	71,351	82,546	65,065	68,215
EO income	(649)	-	-	-	-	4,268	-	-	-	-
PBT after EO	27,386	2,262	13,165	39,549	19,550	27,836	71,351	82,546	65,065	68,215
Current tax	10,075	880	170	10,029	4,105	7,236	18,104	21,875	17,242	18,077
Deferred tax	-	-	-	-	-	-	-	-	-	-
Tax	10,075	880	170	10,029	4,105	7,236	18,104	21,875	17,242	18,077
Rate (%)	36.8	38.9	1.3	25.4	21.0	26.0	25.4	26.5	26.5	26.5
PAT before MI/sh. of Asso.	17,311	1,382	12,995	29,520	15,445	20,600	53,247	60,671	47,823	50,138
MI	-	-	-	-	-	-	-	-	-	-
Sh. of Associates	13	(2)	(1)	1	(1,098)	(715)	(567)	(358)	(874)	(931)
RPAT post MI/sh. of Asso.	17,324	1,380	12,994	29,521	14,347	19,885	52,679	60,313	46,949	49,207
Adjusted PAT	17,973	1,380	12,994	29,521	14,347	16,684	52,679	60,313	46,949	49,207
Change (%)	82.4	(92.3)	841.4	127.2	(51.4)	16.3	215.8	14.5	(22.2)	4.8

Balance Sheet									INR m	
Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share Capital	9,328	9,328	9,183	9,183	9,183	9,183	9,183	9,183	9,183	9,183
Reserves	95,517	90,553	97,624	1,16,341	1,22,081	1,34,698	1,68,871	2,13,931	2,54,407	2,97,199
Net Worth	1,04,845	99,881	1,06,807	1,25,524	1,31,264	1,43,881	1,78,054	2,23,114	2,63,590	3,06,382
Total Loans	668	123	461	207	478	392	1,242	1,242	1,242	1,242
Deferred Tax Liability	11,307	10,606	8,937	8,682	9,578	8,414	7,911	7,911	7,911	7,911
Capital Employed	1,16,820	1,10,610	1,16,205	1,34,412	1,41,319	1,52,687	1,87,208	2,32,268	2,72,744	3,15,535
Gross Block	91,154	98,160	1,05,504	1,10,486	1,16,918	1,25,213	1,36,144	1,54,144	1,72,144	1,90,144
Less: Accum. Depn.	18,297	23,312	28,900	37,054	43,889	51,386	58,662	65,870	75,659	86,527
Net Fixed Assets	72,857	74,848	76,605	73,432	73,028	73,827	77,482	88,274	96,485	1,03,616
Capital WIP	8,827	14,267	15,755	22,348	32,689	45,731	49,362	51,362	53,362	55,362
Investments	1,758	2,773	3,133	3,110	2,132	1,687	2,593	2,593	2,593	2,593
Curr. Assets	68,028	53,609	51,614	73,865	68,417	71,105	99,384	1,44,790	1,74,558	2,09,540
Inventories	12,100	16,969	14,763	16,462	18,402	18,297	19,088	24,922	24,323	25,919
Account Receivables	2,406	1,401	1,474	753	913	1,535	1,864	1,472	1,436	1,531
Cash and Bank Balance	35,772	20,355	19,982	37,701	22,631	27,481	59,417	85,989	1,17,172	1,48,387
Others	17,750	14,884	15,396	18,950	26,471	23,793	19,016	32,407	31,628	33,703
Curr. Liability & Prov.	34,650	34,886	30,900	38,343	34,947	39,664	41,614	54,751	54,254	55,576
Account Payables	13,069	7,956	9,772	14,807	12,743	15,146	7,492	20,629	20,133	21,454
Provisions & Others	21,581	26,930	21,128	23,536	22,204	24,518	34,121	34,121	34,121	34,121
Net Curr. Assets	33,378	18,723	20,714	35,522	33,470	31,442	57,771	90,039	1,20,304	1,53,964
Appl. of Funds	1,16,820	1,10,610	1,16,206	1,34,412	1,41,319	1,52,687	1,87,208	2,32,268	2,72,744	3,15,535

Financials and valuations

Ratios

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)										
EPS	9.6	0.7	7.1	16.1	7.8	9.1	28.7	32.8	25.6	26.8
Cash EPS	11.8	3.6	10.4	20.6	11.7	14.9	32.6	36.8	30.9	32.7
BV/Share	56.2	53.5	58.2	68.3	71.5	78.3	96.9	121.5	143.5	166.8
DPS	5.8	1.5	3.5	6.5	4.5	4.0	8.0	8.5	4.0	4.0
Payout (%)	59.7	202.7	49.5	40.4	57.6	44.0	27.9	25.9	15.6	14.9
Valuation (x)										
P/E	40.0	520.4	54.4	24.0	49.3	42.4	13.4	11.7	15.1	14.4
Cash P/E	32.5	107.5	37.1	18.7	32.9	25.8	11.8	10.5	12.5	11.8
P/BV	6.9	7.2	6.6	5.6	5.4	4.9	4.0	3.2	2.7	2.3
EV/Sales	5.9	8.2	7.6	4.7	4.8	5.2	3.9	3.5	3.4	3.0
EV/EBITDA	23.1	142.1	38.4	14.8	28.1	23.6	8.5	7.3	8.5	7.5
Dividend Yield (%)	1.5	0.4	0.9	1.7	1.2	1.0	2.1	2.2	1.0	1.0
Return Ratios (%)										
EBITDA Margins (%)	25.7	5.8	19.9	31.9	17.1	21.8	45.1	47.4	39.8	39.6
Net Profit Margins (%)	15.6	1.6	14.5	20.8	10.1	12.7	31.4	33.7	26.9	26.4
RoE	17.4	1.3	12.7	25.4	11.2	12.1	32.7	30.1	19.3	17.3
RoCE (pre-tax)	24.0	2.0	11.7	31.7	14.3	16.1	42.3	39.8	26.0	23.4
RoIC (pre-tax)	34.6	-0.6	15.6	49.5	22.1	26.3	89.0	92.3	62.3	60.3
Working Capital Ratios										
Fixed Asset Turnover (x)	1.3	0.9	0.8	1.3	1.2	1.1	1.2	1.2	1.0	1.0
Asset Turnover (x)	1.0	0.8	0.8	1.1	1.0	0.9	0.9	0.8	0.6	0.6
Debtor (Days)	8	6	6	2	2	4	3	3	3	3
Inventory (Days)	38	73	60	42	47	51	51	51	51	51
Payable (Days)	41	34	40	38	33	42	42	42	42	42
Leverage Ratio (x)										
Current Ratio	2.0	1.5	1.7	1.9	2.0	1.8	2.4	2.6	3.2	3.8

Cashflow Statement

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
										INR m
Pre-tax profit	27,399	2,262	12,995	29,514	14,347	19,885	52,679	82,546	65,065	68,215
Depreciation	4,761	5,298	6,058	8,366	7,158	7,236	18,104	7,209	9,789	10,869
(Inc)/Dec in Wkg. Cap.	3,274	(9,071)	3,819	3,942	(4,169)	1,781	(3,489)	(5,696)	918	(2,445)
Tax paid	(10,209)	(1,005)	(975)	(7,555)	(7,467)	(6,348)	(17,191)	(21,875)	(17,242)	(18,077)
Others (incl Fin. Cost)	(1,137)	(971)	93	5,316	(786)	4,639	7,957	844	559	559
CF from Op. Activity	24,089	(3,486)	21,990	39,584	9,083	27,193	58,061	63,028	59,088	59,121
(Inc)/Dec in FA + CWIP	(7,680)	(8,578)	(12,188)	(12,829)	(12,962)	(15,482)	(3,460)	(20,000)	(20,000)	(20,000)
Free Cash Flow to firm	16,409	(12,064)	9,802	26,755	(3,880)	11,712	54,601	43,028	39,088	39,121
(Pur)/Sale of Investments	1,272	15,953	(2,511)	(15,700)	11,189	(5,579)	(26,930)			
Interest & div	1,089	1,353	662	2,336	(1,569)	1,056	(9,315)			
CF from Inv. Activity	(5,319)	8,727	(14,037)	(26,192)	(3,343)	(20,005)	(39,705)	(20,000)	(20,000)	(20,000)
Equity raised/(repaid)	(5,074)	-	(1,701)	-	-	-	851	-	-	-
Int. Paid	-	(9)	(33)	(124)	(15)	(3)	(23)	(844)	(559)	(559)
Debt raised/(repaid)	218	(579)	338	(254)	(37)	(37)	(38)	-	-	-
Dividend (incl. tax)	(12,451)	(6,185)	(4,606)	(11,020)	(9,183)	(7,347)	(18,366)	(15,611)	(7,347)	(7,347)
CF from Fin. Activity	(17,308)	(6,773)	(6,002)	(11,398)	(9,235)	(7,387)	(17,577)	(16,455)	(7,906)	(7,906)
(Inc)/Dec in Cash	1,463	(1,531)	1,951	1,993	(3,495)	(198)	779	26,572	31,183	31,215
Add: opening Balance	254	1,716	185	2,135	4,128	633	435	1,214	27,786	58,969
Closing cash balance	1,716	185	2,135	4,128	633	435	1,214	27,786	58,969	90,184
Bank Balance	34,056	20,171	17,846	33,573	21,998	27,046	58,203	58,203	58,203	58,203
Closing Balance (incl. bank balance)	35,772	20,355	19,982	37,701	22,631	27,481	59,417	85,989	1,17,172	1,48,387

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SELL	< - 10%
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UNDER REVIEW	Rating may undergo a change
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