

CMP: ₹ 464

Target: ₹ 525 (13%)

Target Period: 12 months

HOLD

February 10, 2023

Revenues beat but margins still below par..

About the stock: Aurobindo is a significant global generics player with 28 manufacturing facilities, including eight key formulations facilities in India and abroad along with three R&D centres. The current employee strength is more than 8000, which includes more than 750 scientists.

- Q3FY23: US formulations constitute (46.8%) of revenues followed by Europe (26.6%), APIs (14.9%), RoW (7.8%) & ARV (3.9%)
- Aurobindo is setting up a plant for production of Penicillin-G with capacity of 15,000 MT for ₹ 1850 crore, under the PLI scheme

Q3FY23 Results: Substantial revenue beat across regions. Margins in line.

- Revenues grew 6.7% YoY to ₹ 6407 crore due to strong performance in the US as well as Europe
- EBITDA de-grew 6.1% YoY to ₹ 954.5 crore while EBITDA margins de-grew 203 bps to 14.9%
- Adjusted PAT declined 13.7% YoY to ₹ 492 crore

What should investors do? Aurobindo's share price has de-grown at a CAGR of 5.15% over the past three years.

- We maintain **HOLD** as the US base business outlook is far from stable besides an elongated margin recovery due to pressure on GPM and higher R&D. Legacy cGMP and governance issues are expected to abate slowly

Target Price & Valuation: Valued at ₹ 525 at 10x P/E on FY25E EPS of ₹ 52.4.

Key triggers for future price performance:

- Aurobindo has one of the most enduring generics ecosystems among peers but recent cGMP related issues at some plants continue to weigh
- The company plans to venture into complex areas like biosimilars, vaccines & complex injectibles. Additionally, participation in the PLI scheme will enhance its backward integration in antibiotics, open new revenue streams
- It engages in continuous US filings and launches, incremental launches and filings in RoW markets along with site transfers and supplies for products covered under European deals

Alternate Stock Idea: Besides Aurobindo, we like Dr Reddy's in healthcare space.

- Dr Reddy's is poised to grow on the back of key launches across geographies with better margin profile due to cost rationalisation measures
- BUY with a target price of ₹ 5210



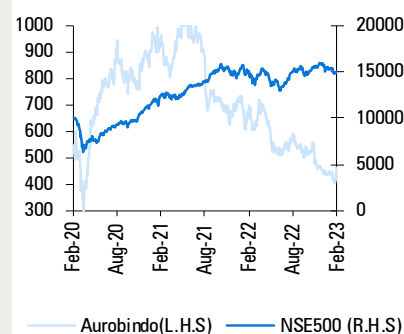
Particulars

Particular	Amount
Market Capitalisation	₹ 27188 crore
Debt (FY22)	₹ 2851 crore
Cash (FY22)	₹ 4190 crore
EV	₹ 25849 crore
52 week H/L (₹)	888/503
Equity capital	₹ 58.6 crore
Face value	₹ 1

Shareholding pattern

(in %)	Mar-22	Jun-22	Sep-22	Dec-22
Promoter	51.8	51.8	51.8	51.8
Others	48.2	48.2	48.2	48.2

Price Chart



Recent Event & Key risks

- EIR for North Carolina Plant
- Key Risk:** (i) Higher-than-expected price erosion (ii) Better traction from injectables

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Key Financial Summary

Key Financials (₹ crore)	FY20	FY21	FY22	5 year CAGR (FY17-22)	FY23E	FY24E	FY25E	2 year CAGR (FY23E-25E)
Revenues (₹ crore)	23098.5	24774.6	23455.5	9.2	24730.5	26956.0	29276.0	8.8
EBITDA (₹ crore)	4815.7	5333.4	4386.8	5.0	3813.3	4745.0	5213.2	16.9
EBITDA margins (%)	20.8	21.5	18.7		15.4	17.6	17.8	
Net Profit (₹ crore)	2857.1	3223.9	2776.1	2.8	2041.4	2705.9	3070.3	22.6
EPS (₹)	48.8	55.0	47.4		34.8	46.2	52.4	
PE (x)	9.6	5.1	10.3		13.3	10.0	8.9	
EV/EBITDA (%)	6.2	5.0	5.8		6.5	4.9	4.0	
ROE (%)	17.0	14.7	11.3		7.7	9.3	9.6	
ROCE (%)	17.2	16.9	12.9		10.2	12.6	13.1	

Source: Company, ICICI Direct Research

Key takeaways of recent quarter & conference call highlights

Q3FY23 Results: Substantial revenue beat propelled by major geographies

- Revenues grew 6.7% YoY to ₹ 6407 crore due to a strong performance in the US as well as Europe. EBITDA de-grew 6.1% YoY to ₹ 954.5 crore while EBITDA margins de-grew 203 bps to 14.9%. Adjusted PAT declined 13.7% YoY to ₹ 492 crore. US revenues grew 9.3% YoY to ₹ 3001 crore with RoW growing a massive 25.7% YoY to ₹ 499 crore. Europe was flat YoY at ₹ 1701 crore
- Revenue growth demonstrated decent traction both on a YoY and QoQ basis, especially in the US, which remains the core segment (47% contribution). However, EBITDA margins continue to trend at ~15% well, below the historic trend line of +20%, on account of higher R&D and other expenses. Progress on the injectable front besides addressing the lingering cGMP and governance issues is likely to weigh in the near future

Q3FY23 Earnings Conference Call highlights:

Segmental drivers:

- Overall, there was an improvement in momentum backed by a recovery across its business verticals during the quarter. US formulations contributed 46.8% followed by Europe 26.6%, Growth markets 7.8%, ARV 3.9%, API 14.9%. Price stability and volumes supported US business. Europe performance was mainly driven by increase in sales in France and Germany

Biosimilars:

- There are three products in Phase 3 portfolio that are still under clinical trials
- The product pipeline is maturing
- Earlier total ₹ 300 crore capex was earmarked for biosimilars from which most of the capex is over

Capex & R&D spends

- Capex for the quarter was at ₹ 415 crore, an incremental R&D spend of ₹ 140 crore over the previous quarter. Biosimilar remained the main driver of such incremental R&D. This includes Phase 3 portfolio products
- It made an investment of ~US\$39 million in Penicillin G PLI project during Q3FY23
- Major part of the capex was also incurred at its China plant where the installation part is over and exhibit batch testing is ongoing
- The capex plans at the Vizag plant are going as per schedule

Launches

- Injectable enjoyed one of the best quarters. Its launch rate includes five new products every quarter. The management has guided for more new launches, going forward
- It experienced increased penetration in oral segment in US markets
- The company launched 11 products including six injectables and filed 11 ANDAs including two injectables with USFDA in Q3FY23
- It received USFDA approval for Osteoarthritis drug. The product is expected to be launched in Q1FY24

Other highlights

- International business contributed 85% whereas domestic contributed 15% during the quarter
- Q3 in Europe is always strongest due to seasonality factor
- The management is escalating its Penicillin G project
- It enjoyed better pricing in terms of logistics
- Cost of debt 4%
- Expects good cash flow to come in from projects from FY25 onwards. Penicillin G project & biosimilar projects to add fuel to cash flow generation
- Focus remains to improve capacity utilisation and operational efficiency from API segment, which still remains the major cost contributor overall

Exhibit 1: Variance Analysis

₹ crore	Q3FY23	Q3FY23E	Q3FY22	Q2FY23	YoY (%)	QoQ (%)	Comments
Revenue	6,407.1	6,008.5	6,002.2	5,739.2	6.7	11.6	Revenues de-grew 3.4% to ₹ 5739 crore due to subdued performance in US as well as Europe
Raw Material Expense	2,907.5	2,703.8	2,744.2	2,568.0	5.9	13.2	
Employee Expenses	921.7	909.2	868.9	868.5	6.1	6.1	
Other Expenditure	1,623.4	1,487.3	1,372.8	1,512.1	18.3	7.4	
EBITDA	954.5	908.2	1,016.3	790.7	-6.1	20.7	YoY decline amid high input cost and price erosion in US
EBITDA (%)	14.9	15.1	16.9	13.8	-203 bps	112 bps	EBITDA de-grew 33.4% YoY to ₹ 791 crore while EBITDA margins de-grew 620 bps to 13.8 bps
Interest	45.0	25.3	16.1	25.3	178.7	77.8	
Depreciation	321.4	314.6	299.1	298.1	7.5	7.8	
Other Income	92.7	60.4	65.0	57.2	42.6	62.0	
PBT before EO & Foreign	680.8	628.8	766.1	524.5	-11.1	29.8	
EO	0.0	0.0	-34.8	0.0	NA	NA	
PBT	680.8	628.8	800.9	524.5	-15.0	29.8	
Tax	189.1	135.5	189.5	113.0	-0.2	67.4	
Tax Rate (%)	27.8	21.5	23.7	21.5	412 bps	623 bps	
PAT before MI	491.7	493.3	611.4	411.5	-19.6	19.5	
MI	-0.3	-0.2	-0.4	-0.1	-43.2	NA	
Net Profit	491.9	492.2	604.7	410.4	-18.7	19.9	
Adj. Net Profit	491.9	492.2	569.9	410.4	-13.7	19.9	Adjusted net profit declined 41.1% YoY to ₹ 410.4 crore
Key Metrics							
US	3,001.2	2,811.5	2,745.2	2,638.0	9.3	13.8	US price erosion has tempered down a bit. US injectable and ex-injectable business have de-grown 28% YoY and 15% YoY
Europe	1,701.2	1,583.4	1,694.0	1,516.0	0.4	12.2	
RoW	498.9	436.7	397.0	452.0	25.7	10.4	
ARV	251.2	202.8	156.0	164.0	61.0	53.2	YoY growth amid better offtake in ARV space in Q1FY23
API	954.6	959.5	1,010.0	969.0	-5.5	-1.5	

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

₹ Crore)	FY23E			FY24E			Comments
	Old	New	Change	Old	New	Change	
Revenue	24,259.9	24,730.5	1.9	26,661.2	26,956.0	1.1	Changed mainly due price erosion in OSDs as well as lower guidance by the management for global speciality
EBITDA	3,694.6	3,813.3	3.2	4,640.5	4,745.0	2.3	
EBITDA Margin (%)	15.2	15.4	19 bps	17.4	17.6	20 bps	Change mainly due to price erosion
Adj. PAT	2,036.1	2,041.4	0.3	2,627.5	2,705.9	3.0	
EPS (₹)	34.7	34.8	0.3	44.8	46.2	3.0	

Source: ICICI Direct Research

Exhibit 3: Assumptions

₹ crore)	Current				Earlier		Comments
	FY21	FY22	FY23E	FY24E	FY23E	FY24E	
US	12,324.5	11,122.0	11,641.7	12,666.7	11,425.1	12,725.1	Changed mainly due to lower-than-expected US base as well as injectables and lower guidance by the management for speciality
Europe	6,060.8	6,479.6	6,410.8	6,851.0	6,293.0	6,800.0	Appreciation of rupee against Euro
ARV	1,862.8	833.3	1,016.5	1,021.8	968.1	971.0	
RoW	1,438.0	1,503.9	1,811.9	1,993.1	1,749.7	1,924.7	
API	3,086.0	3,515.6	3,788.8	4,167.6	3,793.7	4,175.6	

Source: ICICI Direct Research

Exhibit 4: Financial Summary

	Revenues	Growth	Adj. EPS	Growth	P/E	EV/EBITDA	RoNW	RoCE
	(₹ crore)	(%)	(₹)	(%)	(x)	(X)	(%)	(%)
FY21	24775	7.3	91.0	12.8	5.1	5.0	14.7	16.9
FY22	23455	-5.3	45.2	-13.9	10.3	5.8	11.3	12.9
FY23E	24730	5.4	34.8	-26.5	13.3	6.5	7.7	10.2
FY24E	26956	9.0	46.2	32.5	10.0	4.9	9.3	12.6
FY25E	29276	8.6	52.4	13.5	8.9	4.0	9.6	13.1

Source: ICICI Direct Research

Exhibit 5: Trends in Quarterly Performance

(₹ Crore)	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	YoY (%)	QoQ(%)
Total Operating Income	6158.4	5924.8	6483.4	6364.9	6001.5	5702.0	5941.9	6002.2	5809.4	5809.4	6235.9	5739.2	6407.1	10.3	11.6
Raw Material Expenses	2503.4	2407.4	2515.7	2572.3	2407.1	2366.2	2505.6	2744.2	2524.2	2524.2	2886.7	2568.0	2907.5	15.2	13.2
% of revenue	40.6	40.6	38.8	40.4	40.1	41.5	42.2	45.7	43.5	43.5	46.3	44.7	45.4	193 bps	63 bps
Gross Profit	3655.1	3517.4	3967.7	3792.6	3594.4	3335.8	3436.3	3258.0	3285.2	3285.2	3349.2	3171.2	3499.6	6.5	10.4
GPM (%)	59.4	59.4	61.2	59.6	59.9	58.5	57.8	54.3	56.5	56.5	53.7	55.3	54.6	-193 bps	-63 bps
Employee Expenses	864.3	888.0	911.9	880.7	854.4	869.9	858.9	868.9	853.2	853.2	880.2	868.5	921.7	8.0	6.1
% of revenue	14.0	15.0	14.1	13.8	14.2	15.3	14.5	14.5	14.7	14.7	14.1	15.1	14.4	-30 bps	-75 bps
Other Manufacturing Expenses	1474.5	1372.0	1623.0	1543.3	1465.3	1256.4	1390.7	1372.8	1457.5	1457.5	1532.6	1512.1	1623.4	11.4	7.4
% revenues	23.9	23.2	25.0	24.2	24.4	22.0	23.4	22.9	25.1	25.1	24.6	26.3	25.3	25 bps	-101 bps
Total Expenditure	4842.2	4667.4	5050.6	4996.3	4726.8	4492.6	4755.2	4986.0	4835.0	4835.0	5299.4	4948.5	5452.6	12.8	10.2
% of revenue	78.6	78.8	77.9	78.5	78.8	78.8	80.0	83.1	83.2	83.2	85.0	86.2	85.1	188 bps	-112 bps
EBITDA	1316.2	1257.4	1432.8	1368.6	1274.7	1209.4	1186.7	1016.3	974.4	974.4	936.5	790.7	954.5	-2.0	20.7
EBITDA Margins (%)	21.4	21.2	22.1	21.5	21.2	21.2	20.0	16.9	16.8	16.8	15.0	13.8	14.9	-188 bps	112 bps
Depreciation	232.4	255.5	257.3	276.5	266.0	279.7	294.2	299.1	253.6	253.6	279.5	298.1	321.4	26.8	7.8
Interest	31.8	21.1	15.7	19.5	18.2	12.9	10.4	16.1	9.2	9.2	14.6	25.3	45.0	388.2	77.8
Other Income	32.6	115.6	53.8	133.4	78.1	109.9	96.6	65.0	48.9	48.9	40.6	57.2	92.7	89.5	62.0
Less: Forex & Exceptional	-12.3	0.0	0.0	-2813.9	-0.7	0.0	0.0	-34.8	162.8	162.8	0.0	0.0	0.0		
PBT	1096.8	1096.4	1213.5	4019.9	1069.2	1026.7	978.7	800.9	597.7	597.7	683.0	524.5	680.8	13.9	29.8
Total Tax	228.5	303.7	387.3	1059.1	259.7	247.7	270.9	189.5	17.5	17.5	158.6	113.0	189.1	981.2	67.4
Tax rate (%)	20.8	27.7	31.9	26.3	24.3	24.1	27.7	23.7	2.9	2.9	23.2	21.5	27.8	2485 bps	623 bps
PAT before MI	868.3	792.7	826.2	2960.8	809.6	779.0	707.8	611.4	580.3	580.3	524.4	411.5	491.7	-15.3	19.5
Minority Interest	-0.8	0.1	-0.6	-0.1	-0.4	0.0	-0.3	-0.4	-0.3	-0.3	-0.2	-0.1	-0.3	-21.9	99.1
Adjusted PAT	837.6	780.6	806.2	836.5	801.1	770.0	697.0	569.9	734.5	734.5	520.5	410.4	491.9	-33.0	19.9
EPS (₹)	14.3	13.3	13.8	14.3	13.7	13.1	11.9	9.7	12.5	12.5	8.9	7.0	8.4		

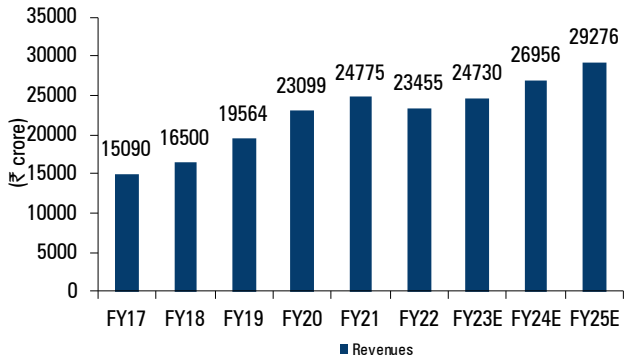
Source: ICICI Direct Research

Exhibit 6: PE Band



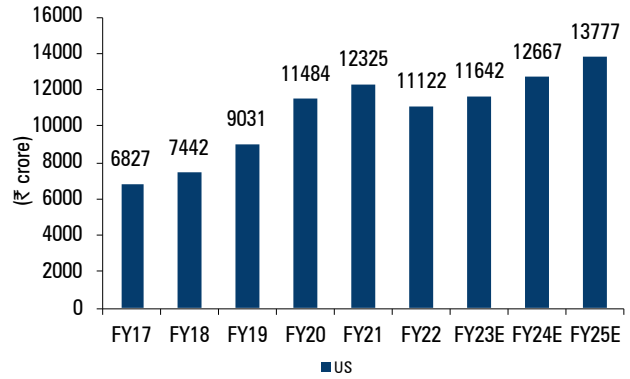
Source: ICICI Direct Research

Exhibit 7: Revenues to grow at ~8.8% CAGR in FY23E-25E



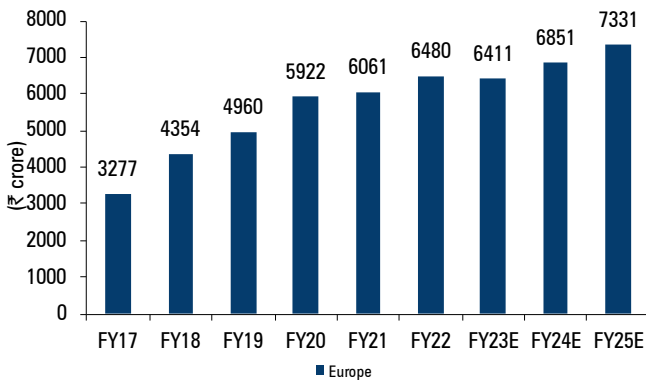
Source: Company, ICICI Direct Research

Exhibit 8: US to grow at CAGR of 8.8% over FY23E-25E



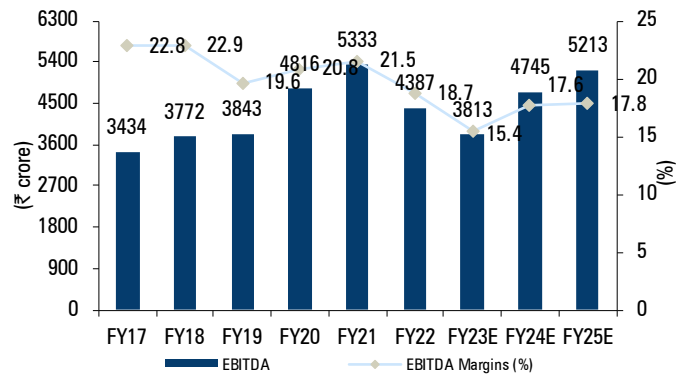
Source: Company, ICICI Direct Research

Exhibit 9: Europe to grow at CAGR of 6.9% over FY23E-25E



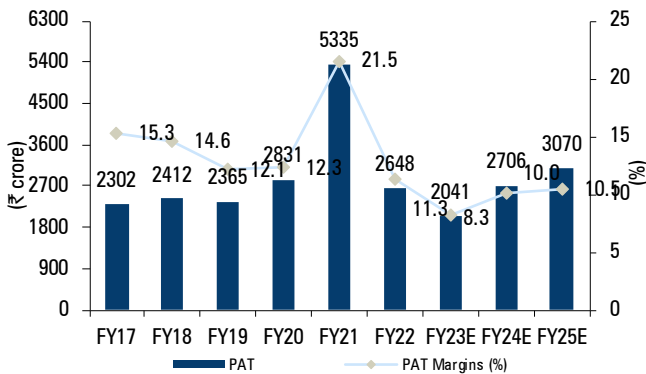
Source: Company, ICICI Direct Research

Exhibit 10: EBITDA & EBITDA margins trend



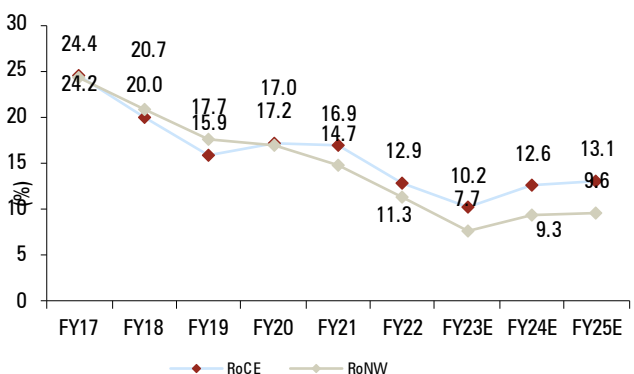
Source: Company, ICICI Direct Research

Exhibit 11: PAT & PAT margins trend



Source: Company, ICICI Direct Research

Exhibit 12: RoE & RoCE trend



Source: Company, ICICI Direct Research

Financial Summary

Exhibit 13: Profit and loss statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
Revenues	23,455.5	24,730.5	26,956.0	29,276.0
Growth (%)	-5.3	5.4	9.0	8.6
Raw Material Expenses	10,140.3	11,155.4	11,600.2	12,598.7
Employee Expenses	3,450.9	3,583.6	3,908.6	4,245.0
Other Manufacturing Expenses	5,477.5	6,178.1	6,702.2	7,219.1
Total Operating Expenditure	19,068.7	20,917.2	22,211.0	24,062.8
EBITDA	4,386.8	3,813.3	4,745.0	5,213.2
Growth (%)	-17.7	-13.1	24.4	9.9
Interest	48.6	129.8	33.8	-62.3
Depreciation	1,126.5	1,220.4	1,391.9	1,490.5
Other Income	320.4	281.4	386.1	419.3
PBT before Exceptional Items	3,532.0	2,744.5	3,705.4	4,204.4
Less: Forex & Exceptional Items	128.0	0.0	0.0	0.0
PBT	3,404.0	2,744.5	3,705.4	4,204.4
Total Tax	725.6	698.5	1,000.5	1,135.2
PAT before MI	2,678.4	2,045.9	2,704.9	3,069.2
Minorities and Associates	-30.2	-4.5	1.0	1.1
PAT	2,648.2	2,041.4	2,705.9	3,070.3
Adjusted PAT	2,776.1	2,041.4	2,705.9	3,070.3
Growth (%)	-13.9	-26.5	32.5	13.5
EPS (Diluted)	45.2	34.8	46.2	52.4
EPS (Adjusted)	47.4	34.8	46.2	52.4

Source: Company, ICICI Direct Research

Exhibit 14: Cash flow statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
Profit/(Loss) after taxation	2,114.6	2,041.4	2,705.9	3,070.3
Add: Depreciation & Amortization	1,126.5	1,220.4	1,391.9	1,490.5
Net Increase in Current Assets	1,099.8	-1,132.3	-882.7	-1,324.9
Net Increase in Current Liabilities	458.0	524.2	392.4	561.9
CF from operating activities	5,016.5	2,783.5	3,641.3	3,735.4
(Purchase)/Sale of Fixed Assets	-2,323.7	-2,000.0	-2,000.0	-1,000.0
(Inc)/dec in Investments	-406.7	0.0	0.0	0.0
Others	-601.1	-8.6	-7.7	-6.6
CF from investing activities	-3,331.5	-2,008.6	-2,007.7	-1,006.6
Issue of Equity Shares	0.0	0.0	0.0	0.0
Inc / (Dec) in Debt	-2,687.1	-1,500.0	-1,000.0	-1,000.0
Dividend & Dividend Tax	-263.7	-131.5	-174.3	-197.8
others	-18.5	-129.8	-33.8	62.3
CF from financing activities	-2,969.3	-1,761.3	-1,208.0	-1,135.4
Net Cash flow	-1,284.3	-986.4	425.6	1,593.4
Opening Cash	5,474.3	4,190.0	3,203.6	3,629.2
Closing Cash	4,190.0	3,203.6	3,629.2	5,222.7
Free Cash Flow	2,692.8	783.5	1,641.3	2,735.4
Free Cash Flow (US\$)	357.1	110.7	221.7	371.3

Source: Company, ICICI Direct Research

Exhibit 15: Balance Sheet				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
Equity Capital	58.6	58.6	58.6	58.6
Reserve and Surplus	24,517.4	26,427.3	28,958.9	31,831.5
Total Shareholders funds	24,576.0	26,485.9	29,017.5	31,890.1
Total Debt	2,851.3	1,351.3	351.3	-648.7
Deferred Tax Liability	411.0	452.1	497.3	547.0
Minority Interest	-1.9	-2.2	-2.4	-2.7
Long term Provisions	171.8	192.4	215.5	241.4
Other Non Current Liabilities	41.1	43.2	45.3	47.6
Source of Funds	28,049	28,523	30,124	32,075
Gross Block - Fixed Assets	14,969.6	16,719.6	19,069.6	20,419.6
Accumulated Depreciation	4,912.8	6,133.3	7,525.2	9,015.7
Net Block	10,056.7	10,586.3	11,544.4	11,403.9
Capital WIP	3,747.2	3,997.2	3,647.2	3,297.2
Net Fixed Assets	13,803.9	14,583.5	15,191.6	14,701.1
Goodwill on Consolidation	475.4	475.4	475.4	475.4
Investments	997.2	997.2	997.2	997.2
Inventory	7,553.9	8,310.1	8,641.4	9,385.2
Cash	4,190.0	3,203.6	3,629.2	5,222.7
Debtors	4,012.3	4,230.4	4,611.0	5,007.9
Loans & Advances & Other CA	1,987.7	2,145.7	2,316.4	2,500.7
Total Current Assets	17,743.8	17,889.8	19,198.0	22,116.4
Creditors	2,703.1	2,973.6	3,092.2	3,358.4
Provisions & Other CL	3,169.5	3,423.0	3,696.9	3,992.6
Total Current Liabilities	5,872.5	6,396.7	6,789.1	7,351.0
Net Current Assets	11,871.3	11,493.1	12,408.9	14,765.4
LT L&A, Other Assets	612.9	661.9	714.8	772.0
Deferred Tax Assets	288.6	311.7	336.6	363.5
Application of Funds	28,049	28,523	30,125	32,075

Source: Company, ICICI Direct Research

Exhibit 16: Key ratios				
(Year-end March)	FY22	FY23E	FY24E	FY25E
Per share data (₹)				
Adjusted EPS (Diluted)	47.4	34.8	46.2	52.4
BV per share	419.4	452.0	495.2	544.2
Dividend per share	9.0	2.2	3.0	3.4
Cash Per Share	71.5	54.7	61.9	89.1
Operating Ratios (%)				
Gross Profit Margins	56.8	54.9	57.0	57.0
EBITDA margins	18.7	15.4	17.6	17.8
Net Profit margins	11.8	8.3	10.0	10.5
Inventory days	271.9	271.9	271.9	271.9
Debtor days	62.4	62.4	62.4	62.4
Creditor days	97.3	97.3	97.3	97.3
Asset Turnover	1.8	1.7	1.6	1.6
EBITDA Conversion Rate	114.4	73.0	76.7	71.7
Return Ratios (%)				
RoE	11.3	7.7	9.3	9.6
RoCE	12.9	10.2	12.6	13.1
RoIC	16.7	12.5	15.1	16.2
Valuation Ratios (x)				
P/E	10.3	13.3	10.0	8.9
EV / EBITDA	5.8	6.5	4.9	4.0
EV / Net Sales	1.1	1.0	0.9	0.7
Market Cap / Sales	1.2	1.1	1.0	0.9
Price to Book Value	1.1	1.0	0.9	0.9
Solvency Ratios				
Debt / Equity	0.1	0.1	0.0	0.0
Debt / EBITDA	0.6	0.4	0.1	-0.1
Current Ratio	2.3	2.3	2.3	2.3

Source: Company, ICICI Direct Research

Exhibit 17: Healthcare Coverage Universe

Company	I-Direct Code	CMP (₹)	TP (₹)	Rating	M Cap (₹ cr)	EPS (₹)				EV/EBITDA(x)				RoCE (%)			RoE (%)				
						FY21	FY22	FY23E	FY24E	FY21	FY22	FY23E	FY24E	FY21	FY22	FY23E	FY24E	FY21	FY22	FY23E	FY24E
Hospitals																					
Apollo Hospitals	APOHOS	4384	5,230	Buy	63039	7.8	59.1	67.8	85.2	57.7	29.8	29.3	24.6	6.3	15.1	14.7	16.7	2.5	15.1	15.2	16.6
Narayana Hrudalaya	NARHRU	724	855	Buy	14806	-0.7	16.7	27.9	25.6	86.0	23.8	18.1	16.4	1.2	20.5	23.6	19.0	-1.3	23.0	28.0	20.6
Shalby	SHALJM	142	180	Buy	1529	3.9	5.4	6.9	9.5	17.6	13.3	9.4	7.2	6.5	8.4	11.5	13.9	5.1	6.7	8.0	10.1
Aster DM	ASTDM	208	300	Buy	10410	3.0	10.5	8.1	18.5	16.0	11.5	10.6	7.2	5.4	9.0	9.1	14.0	4.4	13.3	9.3	17.5
Healthcare Global	HEAGLO	285	385	Buy	3995	-13.9	3.9	2.2	6.0	39.4	20.1	14.9	12.0	-0.9	5.0	8.7	12.7	-0.9	5.0	3.4	8.4
MNC Pharma																					
Abbott India	ABBIND	20861	21,725	Hold	44328	328.9	380.3	457.4	549.6	63.4	54.8	45.6	38.0	33.8	36.6	38.5	37.4	26.5	28.3	30.0	28.9
P&G Health	MERLJM	4675	5,315	Buy	7771	106.5	116.0	150.0	163.6	43.9	40.3	31.2	28.6	32.2	39.8	42.5	38.0	25.1	31.2	32.0	28.5
Sanofi India	SANOFI	5317	6,385	Hold	12246	207.7	410.6	266.3	255.8	25.6	12.9	20.0	20.8	32.3	33.3	40.9	50.2	24.5	25.9	30.8	38.1
Pfizer	PFIZER	3867	4,505	Hold	17690	108.8	133.2	150.5	149.3	35.6	29.0	25.7	25.9	27.6	26.1	25.0	23.7	20.8	21.4	18.8	18.2
Pharma																					
Ajanta Pharma	AJAPHA	1205	1,505	Buy	15439	51.1	55.7	51.2	67.9	23.6	21.6	23.5	17.8	29.0	27.0	21.5	24.3	21.8	21.8	17.5	19.7
Alembic Pharma	ALEMPHA	522	545	Hold	10253	62.6	27.7	15.3	23.2	8.3	18.8	34.1	22.5	25.1	10.6	7.1	9.8	24.1	10.4	5.6	8.0
Aurobindo Pharma	AURPHA	464	525	Hold	27188	55.0	47.4	34.8	46.2	8.4	9.8	13.3	10.0	16.9	12.9	10.2	12.6	14.7	11.3	7.7	9.3
Biocon	BIOCON	243	290	Hold	29193	6.3	4.9	3.0	5.3	38.8	49.2	79.8	46.1	7.7	7.5	3.8	6.1	9.9	8.1	1.5	2.4
Zydus Lifesciences	CADHEA	473	500	Buy	47892	23.3	21.0	22.6	27.0	20.3	22.5	21.0	17.5	13.8	12.0	12.3	12.3	18.4	12.6	12.1	12.8
Cipla	CIPLA	1021	1,290	Buy	82409	29.9	32.9	38.3	45.5	34.1	31.0	26.7	22.4	17.0	16.7	18.4	19.1	13.1	12.7	13.3	14.1
Dr Reddy's Labs	DRREDD	4486	5,210	Buy	74709	117.6	127.2	262.2	215.5	38.2	35.3	17.1	20.8	13.1	13.0	24.2	20.8	11.1	11.0	18.9	13.8
Glenmark Pharma	GLEPHA	394	440	Hold	11123	32.9	42.7	36.4	50.0	12.0	9.2	10.8	7.9	13.9	14.8	16.0	16.0	13.1	13.2	10.2	12.4
Ipca Laboratories	IPCLAB	876	925	Hold	22222	44.9	34.8	24.5	35.7	19.5	25.1	35.7	24.6	27.1	17.4	13.3	16.5	24.2	16.1	10.3	13.3
Jubilant Pharmova	JUBLJF	322	395	Hold	5126	37.4	26.0	22.5	32.8	8.6	12.4	14.3	9.8	13.7	9.0	7.8	9.7	12.6	7.8	6.4	8.6
Lupin	LUPIN	774	680	Hold	35210	26.9	11.9	9.1	26.4	28.8	65.2	84.7	29.4	9.6	3.4	5.9	11.3	8.8	4.4	3.3	8.8
Natco Pharma	NATPHA	529	660	Hold	9665	24.2	9.3	38.6	46.3	21.9	56.8	13.7	11.4	13.1	4.6	16.8	18.5	10.7	4.0	14.6	15.2
Sun Pharma	SUNPHA	1007	1,210	Buy	241559	30.1	32.0	34.9	38.6	33.5	31.5	28.8	26.1	14.2	18.2	17.2	18.1	15.5	16.0	15.2	14.7
Torrent Pharma	TORPHA	1541	1,720	Hold	52167	37.0	32.0	36.3	45.1	41.7	48.1	42.4	34.2	17.6	19.7	17.1	20.4	21.4	18.2	17.9	19.0
Indoco Remedies	INDREM	332	440	Buy	3064	10.1	16.8	17.9	26.7	32.9	19.8	18.5	12.4	11.7	17.5	15.6	21.9	12.1	17.1	15.9	19.8
Caplin Point	CAPPOI	704	955	Buy	5346	31.9	39.5	48.9	53.0	22.1	17.8	14.4	13.3	25.4	25.3	24.2	23.4	20.4	20.2	20.2	18.2
Advanced Enzymes	ADVENZ	277	265	Reduce	3102	13.1	10.7	9.6	13.3	21.2	25.9	29.0	20.8	19.4	14.3	10.9	14.0	15.1	11.0	9.0	11.3
Hester Biosciences	HESPHA	1792	1,830	Hold	1524	44.4	45.7	35.6	49.7	40.4	39.2	50.3	36.1	16.2	10.9	9.9	10.9	16.5	15.0	10.7	13.5
API/CRAMS																					
Divi's Lab	DIVLAB	2823	2,945	Hold	74952	74.7	111.5	72.8	77.4	37.8	25.3	38.8	36.5	27.6	30.2	18.2	18.3	18.8	21.3	25.2	15.0
Hikal	HIKCHE	334	375	Hold	4283	10.8	13.0	5.7	14.6	30.9	25.7	58.7	22.9	15.1	13.6	7.2	14.3	14.3	15.0	6.3	14.1
Syngene Int.	SYNINT	571	610	Hold	22908	10.1	9.9	12.1	14.7	56.4	57.9	47.2	38.8	11.5	11.7	13.4	14.4	13.5	12.9	13.0	13.7
Granules India	GRANUL	289	355	Buy	7171	22.2	16.6	21.4	24.0	13.0	17.4	13.5	12.0	24.0	15.6	20.0	20.5	25.3	16.0	18.7	17.6
Laurus Labs	LAULAB	338	400	Buy	18220	18.3	15.4	16.5	19.1	18.5	21.9	20.4	17.7	31.7	21.3	21.8	21.5	37.9	24.7	21.4	20.2
Suven Pharmaceuticals	SUVPH	489	530	Buy	12453	14.2	17.8	14.7	17.7	34.4	27.4	33.2	27.6	31.2	37.5	26.0	25.6	30.7	29.7	20.6	20.5

Source: ICICI Direct Research

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