

CMP: ₹ 286

Target: ₹ 385 (35%)

Target Period: 12 months

February 10, 2023

## Steady quarter amid seasonality; outlook bullish...

**About the stock:** HCG operates one of the largest private cancer care networks in India with end-to-end solutions available under a single corporate entity. Owing to exclusive agreement with vendors, HCG procures equipment on a deferred payment basis. Milann offers seven fertility centres in India.

- HCG network has 22 comprehensive cancer centres (one in Kenya), four multi-specialty hospitals. HCG India, capacity beds: 1944; 1702 operational
- Revenue mix Q3FY23: HCG:96%, Milann:3.6%; occupancy Q3FY23: 65.7%; ARPOBD Q3FY23: 37,014.

**Q3FY23 Results:** HCG reported continued momentum at HCG centres this quarter.

- Revenues grew 1.1% QoQ to ₹ 424.7 crore
- EBITDA grew 1.1% YoY to ₹ 75.5 crore. EBITDA margins remained flat QoQ to 17.8%
- Adjusted net profit increased 2.2% QoQ to ₹ 7.5 crore

**What should investors do?** HCG's share price has grown at a CAGR of 34.14% over the past three years.

- Maintain **BUY** as 1) improvement in occupancies looks sustainable, 2) newer assets to turn profitable and complement existing centres 3) calibrated expansion of moving in metros and non-metros now coming to the fore

**Target Price and Valuation:** We value HCG at ₹ 385 (HCG existing centres and new centres at 12x & 10x, respectively, at FY25E EV/EBITDA and Milan centres at 1x FY25E EV/sales).

**Key triggers for future price performance:**

- HCG, with its integrated, one-stop-solution and focused model, is well poised to capture growing potential with pan-India focus on cancer therapy
- Focused on consolidating existing network through cost optimisation measures to improve margin and ramping up patient's footfall by engaging in direct-to patient promotion strategies
- Oncology cases are expected to increase by 100,000 to 350,000 cases a year which bodes well for HCG with hybrid presence (Metros/Tier-2,3 towns)
- De-leveraging of balance sheet, reduction of losses across new centres have substantially eased legacy overhangs, improvement in consolidated return ratio profile still remains a key

**Alternate Stock Idea:** Apart from HCG, in our hospital coverage we like Narayana.

- Narayana operates a duel model, which perfectly blends established "Asset-right" India business with a hospital in Cayman Islands
- BUY with a target price of ₹ 855

### Key Financial Summary

Key Financials (₹ Crore)	FY21	FY22	5 year CAGR (FY17-22)	FY23E	FY24E	FY25E	2 year CAGR (FY23E-25E)
Revenues	1013.4	1397.8	14.8	1684.7	1919.0	2102.1	11.7
EBITDA	126.2	236.5	17.6	300.7	371.2	410.8	16.9
EBITDA margins (%)	12.5	16.9		17.8	19.3	19.5	
Net Profit	-193.5	53.7	19.4	31.0	82.7	116.6	93.9
EPS (₹)	-7.2	-2.9		2.2	6.0	8.4	
PE (x)	NA	74.0		128.2	48.1	34.1	
EV to EBITDA (x)	38.9	19.8		15.3	12.0	10.3	
RoCE (%)	-0.9	5.0		8.7	12.7	14.7	
ROE	NA	NA		3.4	8.4	10.6	

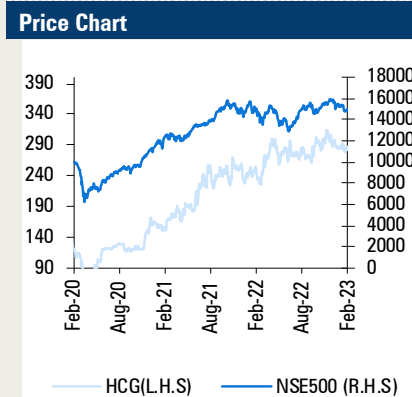
Source: Company, ICICI Direct Research

BUY



Particulars	Amount
Market Capitalisation	₹ 3976 crore
Debt (FY22)	₹ 915 crore
Cash (FY22)	₹ 198 crore
EV	₹ 4693 crore
52 week H/L	313/213
Equity capital	₹ 139.0 crore
Face value	₹ 10

Shareholding pattern				
(in %)	Mar-22	Jun-22	Sep-22	Dec-22
Promoter	71.4	71.4	71.4	71.4
Others	28.6	28.6	28.6	28.6



Recent Event & Key risks	
•	Introduction of latest radiation technology
•	<b>Key Risk:</b> (i) Slowdown in surgeries (ii) Increased competition in cancer treatment

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## Key takeaways of recent quarter & conference call highlights

### Q3FY23 Results: Revenues in line but slight miss on the margin front

- Revenues grew 1.1% QoQ to ₹ 424.7 crore, driven by growth in volumes and patient count across modalities. Revenues from matured centres came in at ₹ 306.5 crore (-0.81% QoQ) whereas ₹ 101.5 crore from Emerging centres (up 7.41% QoQ). EBITDA grew 1.1% QoQ to ₹ 75.5 crore. EBITDA margins stayed flat QoQ to 17.8% amid good operational leverage. Adjusted net profit increased 2.2% QoQ to ₹ 7.5 crore. Overall ARPOBD was at ₹ 37,014 up 0.27% QoQ. Overall AOR remained stable QoQ at 65.7%
- Numbers continued to improve on the revenues front. Several regions delivered high double-digit revenue growth on a QoQ basis. During the quarter, its international operations grew at a decent pace. HCG remains a compelling play on the oncology treatment theme in India. HCG is now focused on digital transformation, cost optimisation and efficiency enhancement, growth of medical value travel and inorganic acquisitions, which should augur well in the near future

### Q3FY23 Earnings Conference Call highlights:

#### Regional mix:

- Tamil Nadu showed highest growth with 15.13% QoQ jump
- Maharashtra contribution was up 9.03%
- Among its larger markets both Karnataka and Gujarat de-grew 2.11% and 2.63% QoQ, respectively
- Eastern region performed well (up 4.51% QoQ) whereas North India region disappointed, which was down 3.19% QoQ
- International operations grew at a robust rate of 76.97% QoQ

#### Other highlights:

- Milann – The company is looking to focus on market leadership in Bangalore and scaling up its North India centres in the near term
- Most of its emerging centres are inching towards maturity
- Emerging markets reflected in ARPOB during the quarter was largely supported by Rajkot, Jaipur region
- During the quarter it successfully commissioned more beds in Jaipur
- It plans to increase its clinical bandwidth
- Focus remains on new exploration especially in radiology space
- The management has guided that it is scaling up volumes and that remains the agenda on a priority basis. This would be followed by focus on ARPOB through improved payer mix
- Bangalore excellence centre achieved 27-28% EBITDA in Q3FY23
- Capex for 9MFY23 was at ₹ 96 crore
- Bed capacity is not a constraint. Hence, it does not intend to add further capex on this front
- In Q3FY23, there was 56% occupancy on installed bed basis (total capacity)
- The management remains confident on the Mumbai region as its strategy is to go for better payer mix compared to other cities, which will yield better ARPOB and margins, going ahead
- In intends to deploy all non-operational capacities in coming quarters
- Adoption of new technology would be the growth driver
- Its efforts to drive international patients through all modes remains intact. This is doing well and accounts for 5% of total revenue in Q3FY23

Exhibit 1: Variance Analysis

	Q3FY23	Q3FY22	Q2FY23	YoY (%)	QoQ (%)	Comments
Revenue	424.7	358.1	420.0	18.6	1.1	Revenues grew 1.1% QoQ to ₹ 424.7 crore, driven by growth in the volumes & patient count across modalities. Revenues from Matured centres came at ₹ 306.5 crore (-0.81% QoQ) whereas ₹ 101.5 crore from Emerging centres (up 7.41% QoQ).
Raw Material Expenses	107.5	89.5	102.4	20.1	5.0	
Employee Expenses	69.2	61.1	68.3	13.4	1.3	
Other Expenditure	172.4	145.6	174.6	18.4	-1.2	
Total Operating Expenditure	349.2	296.2	345.3	17.9	1.1	
EBITDA	75.5	61.9	74.7	22.1	1.1	EBITDA grew 1.1% QoQ to ₹ 75.5 crore. EBITDA margins remained flat QoQ to 17.8% amid good operational leverage
EBITDA (%)	17.8	17.3	17.8	51 bps	0 bps	
Interest	27.1	24.0	25.8	12.7	4.9	
Depreciation	40.8	41.4	40.8	-1.5	-0.1	
Other income	3.7	2.9	2.0	25.0	85.3	
PBT before EO	11.3	-0.6	10.0	LP	12.9	
Less: Exceptional Items	0.0	45.5	0.0	0.0	0.0	
PBT	11.3	-46.1	10.0	LP	12.9	
Tax	7.1	3.7	4.7	94.0	50.1	
MI & Share of loss/ (gain) asso.	-3.3	-4.0	-2.1	NA	NA	
Adjusted Net Profit	7.5	3.3	7.4	125.7	2.2	Adjusted net profit increased 2.2% QoQ to ₹ 7.5 crore

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

₹ Crore)	FY22		FY23E		FY24E			Comments
	Actual	Old	New	Change	Old	New	Change	
Revenue	1,397.8	1,700.0	1,684.7	-0.9	1,876.6	1,919.0	2.3	
EBITDA	236.5	311.4	300.7	-3.4	371.3	371.2	0.0	
EBITDA Margin (%)	16.9	18.3	17.8	-47 bps	19.8	19.3	-44 bps	Management Focusing on New Centers Volume growth, is likely to alter consolidated margins
PAT	-40.9	55.1	31.0	-43.7	116.1	82.7	-28.8	
EPS (₹)	2.8	2.9	1.6	-43.7	6.1	4.4	-28.8	

Source: ICICI Direct Research

Exhibit 3: Financial Summary

	Revenues	Growth	EPS	Growth	P/E	EV/EBITDA	RoE	RoCE
	(₹ crore)	(%)	(₹)	(%)	(x)	(X)	(%)	(%)
FY21	1013	-7.5	-7.2	54.2	NA	38.9	NA	-0.9
FY22	1398	37.9	-2.9	-127.8	74.0	19.8	NA	5.0
FY23E	1685	20.5	2.2	-42.3	128.2	15.3	3.4	8.7
FY24E	1919	13.9	6.0	166.7	48.1	12.0	8.4	12.7
FY25E	2102	9.5	8.4	40.9	34.1	10.3	10.6	14.7

Source: ICICI Direct Research

Exhibit 4: Valuation

Particulars	FY25E (₹ cr)	Valuation Matrix	Multiple (x)	Enterprise value (₹ cr)
HCG Centres (Existing)	404.3	EV/EBITDA	12.0	4851.8
HCG Centres (New)	63.6	EV/EBITDA	10.0	636.4
Milan Centres	112.3	EV/Sales	1.0	112.3
Net Debt FY25E (₹ cr)				250.7
Mcap (₹ cr)				5349.8
No of shares (cr)				13.9
<b>Per Share Value (₹)</b>				<b>385.0</b>
cmp				286.0
up/Down				35%

Source: ICICI Direct Research

Exhibit 5: EV/EBITDA Band



Source: ICICI Direct Research

## Financial Summary

Exhibit 6: Profit and loss statement					₹ crore
Year-end March	FY22	FY23E	FY24E	FY25E	
Total Operating Income	1,397.8	1,684.7	1,919.0	2,102.1	
Growth (%)	37.9	20.5	13.9	9.5	
Raw Material Expenses	354.9	416.4	474.3	519.6	
Gross Profit	1,042.9	1,268.3	1,444.7	1,582.5	
Gross Profit Margins (%)	74.6	75.3	75.3	75.3	
Employee Expenses	233.7	276.3	314.7	344.7	
Other Expenditure	572.7	690.9	786.8	861.9	
Total Operating Expenditure	1,161.3	1,383.6	1,575.9	1,726.2	
<b>EBITDA</b>	<b>236.5</b>	<b>300.7</b>	<b>371.2</b>	<b>410.8</b>	
Growth (%)	87.4	27.1	23.4	10.7	
Interest	97.8	105.0	91.3	74.4	
Depreciation	158.3	161.2	169.0	175.7	
Other Income	12.7	12.2	13.9	15.3	
<b>PBT before Exceptional Items</b>	<b>-6.8</b>	<b>46.8</b>	<b>124.8</b>	<b>175.9</b>	
Less: Exceptional Items	-94.6	0.0	0.0	0.0	
PBT after Exceptional Items	87.8	46.8	124.8	175.9	
Total Tax	48.9	29.2	77.9	109.8	
PAT before MI	38.9	17.6	46.9	66.1	
Minority Interest	-14.8	-13.4	-35.9	-50.5	
<b>PAT</b>	<b>53.7</b>	<b>31.0</b>	<b>82.7</b>	<b>116.6</b>	
Growth (%)	-127.8	-42.3	166.7	40.9	
<b>EPS (Adjusted)</b>	<b>-2.9</b>	<b>2.2</b>	<b>6.0</b>	<b>8.4</b>	

Source: Company, ICICI Direct Research

Exhibit 7: Cash flow statement					₹ crore
Year-end March	FY22	FY23E	FY24E	FY25E	
Profit/(Loss) after taxation	64.1	31.0	82.7	116.6	
Add: Depreciation & Amortization	158.3	161.2	169.0	175.7	
Net Increase in Current Assets	-152.1	-55.6	-47.7	-39.3	
Net Increase in Current Liabilities	47.0	52.6	52.5	47.7	
Others	102.9	105.0	91.3	74.4	
<b>CF from Operating activities</b>	<b>220.1</b>	<b>294.2</b>	<b>347.9</b>	<b>375.2</b>	
Investments	181.3	0.0	0.0	0.0	
(Purchase)/Sale of Fixed Assets	-70.4	-100.0	-100.0	-75.0	
Others	-19.5	-1.9	-1.7	-1.6	
<b>CF from Investing activities</b>	<b>91.4</b>	<b>-101.9</b>	<b>-101.7</b>	<b>-76.6</b>	
Proceeds from Equity	132.2	0.0	0.0	0.0	
(inc)/Dec in Loan	-119.3	-125.4	-124.1	-122.9	
Interest paid	-125.4	-105.0	-91.3	-74.4	
Other	-42.3	0.0	0.0	0.0	
<b>CF from Financing activities</b>	<b>-154.9</b>	<b>-230.3</b>	<b>-215.4</b>	<b>-197.3</b>	
<b>Net Cash Flow</b>	<b>156.7</b>	<b>-38.0</b>	<b>30.8</b>	<b>101.4</b>	
Cash and Cash Equivalent	40.9	197.5	159.5	190.3	
<b>Cash</b>	<b>197.5</b>	<b>159.5</b>	<b>190.3</b>	<b>291.7</b>	
<b>Free Cash Flow</b>	<b>149.7</b>	<b>194.2</b>	<b>247.9</b>	<b>300.2</b>	

Source: Company, ICICI Direct Research

Exhibit 8: Balance Sheet					₹ crore
Year-end March	FY22	FY23E	FY24E	FY25E	
Equity Capital	139.0	139.0	139.0	139.0	
Reserve and Surplus	731.3	762.3	845.0	961.6	
Total Shareholders funds	870.3	901.3	984.0	1,100.6	
Total Debt	914.7	789.3	665.2	542.4	
Deferred Tax Liability	1.3	1.4	1.5	1.7	
Minority Interest	13.4	14.8	16.3	17.9	
Long-Term Provisions	10.5	11.6	12.7	14.0	
Other Non Current Liabilities	25.5	28.1	30.9	33.9	
<b>Source of Funds</b>	<b>1,835.7</b>	<b>1,746.4</b>	<b>1,710.6</b>	<b>1,710.5</b>	
Gross Block - Fixed Assets	2,061.9	2,151.9	2,251.9	2,326.9	
Accumulated Depreciation	696.0	857.2	1,026.2	1,202.0	
Net Block	1,365.9	1,294.7	1,225.7	1,124.9	
Capital WIP	21.7	31.7	31.7	31.7	
Fixed Assets	1,387.6	1,326.4	1,257.4	1,156.6	
Goodwill on Consolidation	181.3	181.3	181.3	181.3	
Investments	8.8	8.8	8.8	8.8	
Deferred Tax Assets	6.0	6.2	6.6	6.9	
Long Term Loans and Advances	100.4	105.5	110.7	116.3	
Other non-Current Assets	33.1	34.8	36.5	38.3	
Inventory	30.0	35.2	40.1	43.9	
Debtors	217.5	262.1	298.5	327.0	
Loans and Advances	1.6	1.8	1.9	2.1	
Other Current Assets	55.8	61.4	67.5	74.3	
Cash	197.5	159.5	190.3	291.7	
Total Current Assets	502.4	519.9	598.4	739.0	
Creditors	194.0	227.6	259.2	284.0	
Provisions	17.3	19.0	20.9	23.0	
Other Current Liabilities	172.6	189.9	208.9	229.8	
Total Current Liabilities	383.9	436.5	489.0	536.7	
Net Current Assets	118.5	83.4	109.4	202.3	
<b>Application of Funds</b>	<b>1,835.7</b>	<b>1,746.4</b>	<b>1,710.6</b>	<b>1,710.5</b>	

Source: Company, ICICI Direct Research

Exhibit 9: Key ratios				
Year-end March	FY22	FY23E	FY24E	FY25E
<b>Per share data (₹)</b>				
Reported EPS	3.9	2.2	6.0	8.4
Cash EPS	8.4	13.8	18.1	21.0
BV per share	62.6	64.8	70.8	79.2
Cash per Share	14.2	11.5	13.7	21.0
Dividend per share	0.0	0.0	0.0	0.0
<b>Operating Ratios (%)</b>				
Gross Profit Margins	74.6	75.3	75.3	75.3
EBITDA margins	16.9	17.8	19.3	19.5
PAT Margins	-2.9	1.8	4.3	5.5
Cash Conversion Cycle	-111.9	-111.9	-111.9	-111.9
Asset Turnover	0.7	0.8	0.9	0.9
EBITDA conversion Rate	93.1	97.8	93.7	91.3
<b>Return Ratios (%)</b>				
RoE	NA	3.4	8.4	10.6
RoCE	5.0	8.7	12.7	14.7
RoIC	4.9	9.0	13.6	17.0
<b>Valuation Ratios (x)</b>				
P/E	74.0	128.2	48.1	34.1
EV / EBITDA	19.8	15.3	12.0	10.3
EV / Net Sales	3.4	2.7	2.3	2.0
Market Cap / Sales	2.8	2.4	2.1	1.9
Price to Book Value	4.6	4.4	4.0	3.6
<b>Solvency Ratios</b>				
Debt / EBITDA	3.9	2.6	1.8	1.3
Debt / Equity	1.1	0.9	0.7	0.5
Current Ratio	0.8	0.8	0.8	0.8
<b>Quick Ratio</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>
Inventory days	30.8	30.8	30.8	30.8
Debtor days	56.8	56.8	56.8	56.8
Creditor days	199.5	199.5	199.5	199.5
Net Debt/Equity	0.82	0.70	0.48	0.23

Source: Company, ICICI Direct Research

Exhibit 10: ICICI Direct 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
<b>Hospitals</b>																					
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
Company	I-Direct Code	CMP (₹)	TP (₹)	Rating	M Cap (₹ cr)	EPS (₹)				PE(x)				RoCE (%)			RoE (%)				
						FY21	FY22	FY23E	FY24E	FY21	FY22	FY23E	FY24E	FY21	FY22	FY23E	FY24E	FY21	FY22	FY23E	FY24E
<b>MNC Pharma</b>																					
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
<b>Pharma</b>																					
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	441	540	Hold	25822	55.0	47.4	34.7	44.8	8.0	9.3	12.7	9.8	16.9	12.9	9.6	11.9	14.7	11.3	7.7	9.1
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
<b>API/CRAMS</b>																					
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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Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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