

## Sequential recovery but overall print still weak; focus on capex execution...

**About the stock:** Hikal is predominantly a B2B player that provides intermediates and active ingredients to global pharmaceutical, animal health, crop protection and specialty chemical companies.

- Pharma & crop protection comprise 54% & 46% of sales, respectively. Pharma business (including animal healthcare) is currently divided into 60:40 ratio between APIs and CDMO
- In crop protection, ~70% of sales are derived from CDMO while remaining is from proprietary products, specialty chemicals & specialty biocides
- One of the largest suppliers of Gabapentin API (CNS). In crop protection, one of the largest suppliers of Thiabendazole (TBZ)

**Q3FY23 Results:** CDMO project supported the pharma business, margins suffer due to high input costs.

- Revenue increased 5% YoY to ₹ 540.2 crore
- EBITDA margins fell 425 YoY bps to 13.8%, steep increase in prices of solvents and utilities impacted the operational performance
- Adjusted PAT declined 41.5% YoY at ₹ 26.4 crore

**What should investors do?** Hikal's share price grew at a CAGR of 41.4% over the past three years.

- Upgrade from REDUCE to **HOLD** as we await recovery in EBITDA margin to reach base level of 18-20% and also consistency in performances

**Target Price and Valuation:** Valued at ₹ 375 i.e. 18x FY25E EPS of ₹ 20.7

### Key triggers for future price performance:

- Capex progress in both pharma and crop protection
- Margin improvement on the back of new high end products and several cost rationalisation and efficiency improvement measures
- Continuance in crop protection growth rate
- Commissioning of New Animal Health Multipurpose facility in Q2FY24
- Newer opportunities with various global innovators

**Alternate Stock Idea:** Apart from Hikal, in our healthcare coverage we like Laurus.

- Laurus Labs operates in the segment of generic APIs and FDFs (formulations), custom synthesis and biotechnology
- BUY with a target price of ₹ 400

# HIKAL

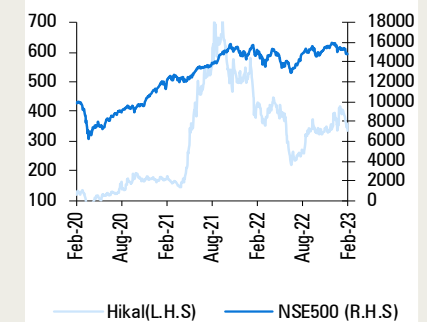
### Particulars

Particular	Amount
Market Cap	₹ 4131 crore
Debt (FY22)	₹ 675 crore
Cash (FY22)	₹ 49 crore
EV	₹ 4757 crore
52 week H/L (₹)	595/212
Equity capital	₹ 24.7 crore
Face value	₹ 2

### Shareholding pattern

(in %)	Mar-22	Jun-22	Sep-22	Dec-22
Promoter	68.8	68.8	68.8	68.8
Others	31.2	31.2	31.2	31.2

### Price Chart



### Recent Event & Key risks

- Acquisition of new customers in Latin America & Middle East
- Key Risk:** (i) Better than expected ramp-up in Pharma (ii) Delay in the commissioning of Panoli facility

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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	1507.3	1720.4	1942.7	13.9	2048.9	2333.1	2592.2	12.5
EBITDA	273.2	322.9	340.6	11.9	246.8	411.7	515.7	44.6
EBITDA Margins (%)	18.1	18.8	17.5		12.0	17.6	19.9	
Adjusted PAT	99.8	133.2	160.5	18.8	70.2	179.6	255.2	90.7
EPS (₹)	8.1	10.8	13.0		5.7	14.6	20.7	
PE (x)	42.6	31.9	26.5		60.6	23.7	16.7	
EV to EBITDA (x)	17.7	15.0	14.3		20.1	11.8	9.0	
Price to book (x)	5.2	4.6	4.0		3.8	3.3	2.8	
RoE (%)	12.2	14.3	15.0		6.3	14.1	17.0	
RoCE (%)	12.8	15.1	13.6		7.2	14.3	17.7	

## Key takeaways of recent quarter & conference call highlights

### Q3FY23 Results: CDMO project support pharma business, margins shrink due to higher input costs

- Hikal's revenues grew 5% YoY to ₹ 540.2 crore. On segmental front pharma segment showed a jump of 9% YoY to ₹ 292.2 crore and crop protection segment remained flat at ₹ 248 crore. The pharma business showed a growth on the back of increased volumes of CDMO products. EBITDA during the quarter was at ₹ 74.6 crore down 19.7% YoY and at ₹ 69.7 crore, up 7% QoQ. Margins came in at 13.8%, a decline of 425 bps YoY whereas an improvement of 133 bps QoQ. Steep increase in prices of solvents and utilities impacted the operational performance YoY. PAT was at ₹ 26.4 crore, impacted by 41.5% YoY
- Hikal's numbers were in line with on our estimates due to the outperformance in pharma business. Margins are still below the historically optimum level (18-20%) due to the significant increase in input costs for the pharma CDMO business although the management has indicated that prices have started to cool off. The impact can be seen in coming quarters and guided the company could reach legacy margin levels in the near future

### Q3FY23 Earnings Conference Call highlights:

#### Product mix:

##### Pharma:

- The performance was mainly driven by increased volumes of CDMO products
- The company is exploring newer opportunities with various global innovators
- Product pipeline remains strong, which are at various stages of development
- It has successfully acquired new customers in Latin America and Middle East market for API Generics
- It's new Animal Health Multipurpose facility remains on track and is expected to get commissioned in Q2FY24
- Overall volumes from this segment are expected to start coming back by Q2FY24

##### Crop protection:

- Many contracts remained in place for this segment but global uncertainties affected the performance
- It intends to launch new products through its multipurpose facility at Panoli, Gujarat. It is expected to get commission by the end of FY23
- Cost improvement remains the focus area, which should help improve the margins further

#### Other highlights:

- It is witnessing softer key input prices and, thus, expects the trend to normalise in coming quarters
- Increase in the interest cost due to interest rate hike as well as higher debt to cater to new capex
- Increasing penetration of new products across different geographies remains the other key focus area
- These new products are expected to be high end products with better margins
- It intends to spend ₹ 100 crore in Q4FY23
- The capacity utilisation is at 80% across both segments
- The company has added 26% stake in a solar power manufacturing player. This will provide increased renewable energy supply at two of Hikal's facilities. Its plan remains intact with its strategy for reducing carbon footprint across its value chain

ESG Disclosure Score*			
Score	FY20	FY21	FY22
Environmental	2.1	2.4	30.5
Social	16.9	25.2	27.8
Governance	83.6	83.6	83.6
<b>Overall ESG Score</b>	<b>34.2</b>	<b>37.1</b>	<b>47.3</b>

*Source: Bloomberg, ICICI Direct Research, \*Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures*

**Exhibit 1: Variance Analysis**

₹ crore	Q3FY23	Q3FY23E	Q3FY22	YoY (%)	Q2FY23	QoQ (%)	Comments
Revenue	540.2	554.3	514.5	5.0	558.8	-3.3	Revenue increased 19.1% YoY to ₹ 559 crore. Growth was mainly driven by robust demand in crop protection business, which grew 42% YoY
Raw Material Expenses	283.3	303.9	261.8	8.2	317.7	-10.8	
Gross Margins (%)	47.6	45.2	49.1	-155 bps	43.1	442 bps	
Employee Expenses	63.3	57.8	53.1	19.2	58.1	8.9	
Other Expenditure	119.1	116.4	106.7	11.6	113.3	5.2	
Operating Profit (EBITDA)	74.6	76.1	92.9	-19.7	69.7	7.0	
EBITDA (%)	13.8	13.7	18.1	-425 bps	12.5	133 bps	EBITDA margins declined 690 YoY bps to 12.5%, YoY decline due to increase in input cost, high energy and logistic cost
Interest	13.0	10.8	7.2	81.5	10.8	20.6	
Depreciation	28.3	27.4	24.7	14.5	27.4	3.1	
Other Income	2.5	1.2	0.6	340.4	1.3	100.8	
PBT	35.8	39.2	61.6	-41.9	32.8	9.2	
Exceptional Items	0.0	0.0	0.0	NA	0.0	NA	
Tax	9.4	9.5	16.4	-42.9	7.9	18.3	
Tax Rate (%)	26.2	24.2	26.6	-1.6	24.2	8.3	
Reported PAT	26.4	29.7	45.2	-41.6	24.8	6.3	
Adjusted PAT	26.4	29.7	45.2	-41.6	24.8	6.3	Adjusted PAT declined 43.6% YoY at ₹ 24.8 crore
EPS (₹)	2.1	2.4	3.7	-41.6	2.0	6.3	
<b>Key Metrics</b>							
Pharma	292.2	281.6	268.2	9.0	289.9	0.8	
Crop Protection	248.0	271.0	246.4	0.7	268.9	-7.8	YoY improvement due to robust demand and healthy

Source: Company, ICICI Direct Research

**Exhibit 2: Change in estimates**

₹ Crore)	FY23E			FY24E			Comments
	Old	New	Change	Old	New	Change	
Revenue	2,063.0	2,048.9	-0.7	2,375.7	2,333.1	-1.8	Changed mainly due to better offtake guidance for pharma CDMO as well as crop protection
EBITDA	255.6	246.8	-3.5	419.6	411.7	-1.9	
EBITDA Margin (%)	12.4	12.0	-35 bps	17.7	17.6	-2 bps	Changed amid inflation in input cost and logistic cost
PAT	83.6	70.2	-16.1	204.2	179.6	-12.1	
EPS (₹)	6.8	5.7	-16.1	16.6	14.6	-12.1	

Source: ICICI Direct Research

**Exhibit 3: Assumptions**

₹ crore)	Current					Earlier		Comment
	FY20	FY21	FY22	FY23E	FY24E	FY23E	FY24E	
Pharma	886.9	1,059.6	1,129.7	1,095.8	1,260.2	1,085.2	1,248.0	
Crop Protection	620.4	660.8	813.0	951.3	1,065.7	974.3	1,120.3	Ongoing capex at Panoli to be commissioned in Q4FY23

Source: ICICI Direct Research

**Exhibit 4: Financial Summary**

	Revenues	Growth	Adj. EPS	Growth	P/E	EV/EBITDA	RoE	RoCE
	(₹ crore)	(%)	(₹)	(%)	(x)	(X)	(%)	(%)
FY21	1720	14	10.8	33	31.9	15.0	14.3	15.1
FY22	1943	12.9	13.0	20.5	26.5	14.3	15.0	13.6
FY23E	2049	5.5	5.7	-56.3	60.6	20.1	6.3	7.2
FY24E	2333	13.9	14.6	155.8	23.7	11.8	14.1	14.3
FY25E	2592	11.1	20.7	42.1	16.7	9.0	17.0	17.7

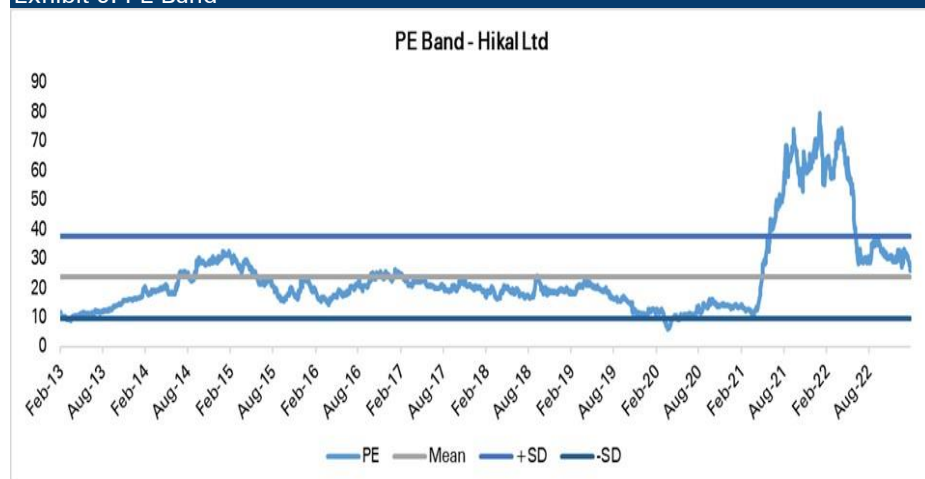
Source: ICICI Direct Research

Exhibit 5: Trends in Quarterly Performance

(₹ Crore)	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	YoY (%)	QoQ (%)
Total Operating Income	404.1	379.0	352.8	371.9	463.3	532.5	456.8	469.1	514.5	502.4	378.8	558.8	540.2	5.0	-3.3
Raw Material Expense	208.9	194.2	193.3	188.6	246.8	279.7	224.9	232.1	261.8	277.6	226.4	317.7	283.3	8.2	-10.8
% of revenue	51.7	51.2	54.8	50.7	53.3	52.5	49.2	49.5	50.9	55.3	59.8	56.9	52.4		
Gross Profit	195.2	184.8	159.4	183.4	216.5	252.7	231.9	236.9	252.7	224.8	152.4	241.1	257.0	1.7	6.6
Gross Profit Margin (%)	48.3	48.8	45.2	49.3	46.7	47.5	50.8	50.5	49.1	44.7	40.2	43.1	47.6	-155 bps	442 bps
Employee Expenses	41.9	40.0	42.0	39.0	41.1	42.3	48.1	48.6	53.1	53.6	43.2	58.1	63.3	19.2	8.9
% of revenue	10.4	10.6	11.9	10.5	8.9	7.9	10.5	10.4	10.3	10.7	11.4	10.4	11.7		
Other Expenses	77.7	74.2	64.9	74.6	84.1	101.2	88.0	97.5	106.7	110.2	86.5	113.3	119.1	11.6	5.2
% of revenue	19.2	19.6	18.4	20.1	18.2	19.0	19.3	20.8	20.7	21.9	22.8	20.3	22.0		
Total Expenditure	328.4	308.4	300.2	302.2	372.0	423.2	361.0	378.2	421.6	441.4	356.0	489.0	465.6	10.4	-4.8
% of revenue	81.3	81.4	85.1	81.2	80.3	79.5	79.0	80.6	81.9	87.9	94.0	87.5	86.2		
EBITDA	75.7	70.6	52.5	69.8	91.3	109.3	95.8	90.9	92.9	61.0	22.8	69.7	74.6	-19.7	7.0
EBITDA Margins (%)	18.7	18.6	14.9	18.8	19.7	20.5	21.0	19.4	18.1	12.1	6.0	12.5	13.8	-425 bps	133 bps
Depreciation	20.7	20.9	20.7	21.2	21.8	21.6	22.6	24.2	24.7	24.2	26.5	27.4	28.3	14.5	3.1
Interest	13.1	13.7	9.7	8.5	8.1	10.0	8.0	8.0	7.2	8.1	11.3	10.8	13.0	81.5	20.6
Other Income	0.5	1.7	0.6	1.0	0.5	2.9	3.2	0.9	0.6	0.3	3.3	1.3	2.5	340.4	100.8
Forex & EO	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
PBT	42.3	37.7	22.8	41.1	62.0	80.6	68.4	59.6	61.6	29.0	-11.8	32.8	35.8	-41.9	9.2
Total Tax	14.0	13.3	7.8	14.1	21.7	29.7	17.9	15.6	16.4	8.2	-2.9	7.9	9.4	-42.9	18.3
Tax rate (%)	33.0	35.1	34.2	34.3	35.0	36.8	26.1	26.1	26.6	28.5	24.7	24.2	26.2	-43.9	200.9
Adjusted PAT	28.4	24.5	15.0	27.0	40.3	50.9	50.5	44.1	45.2	20.7	-8.9	24.8	26.4	-41.6	6.3
EPS (₹)	2.3	2.0	1.2	2.2	3.3	4.1	4.1	3.6	3.7	1.7	-0.7	2.0	2.1	-41.6	6.3

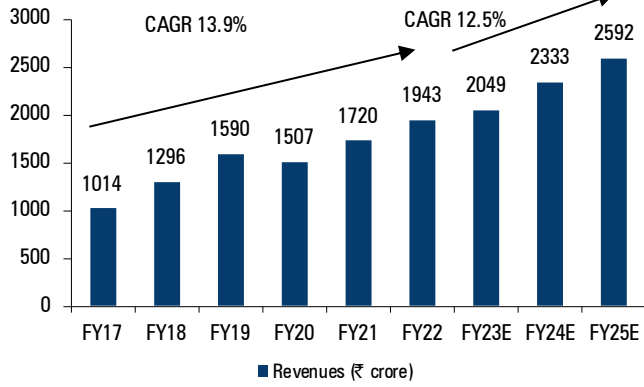
Source: ICICI Direct Research

Exhibit 6: PE Band



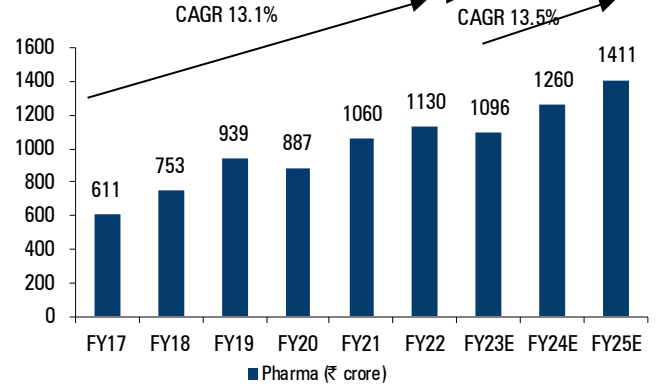
Source: ICICI Direct Research

Exhibit 7: Revenues to grow at 12.5% CAGR over FY23E-25E



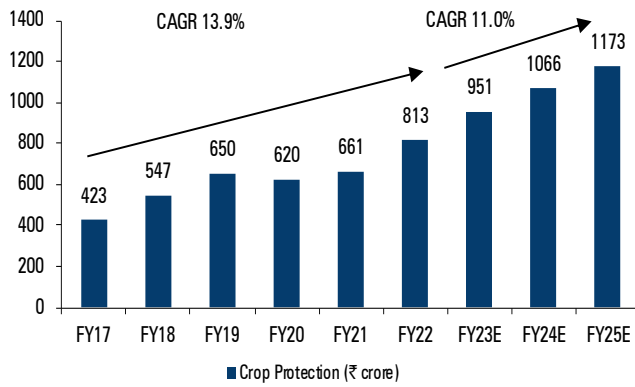
Source: Company, ICICI Direct Research

Exhibit 8: Pharma to grow at 13.5% CAGR over FY23E-25E



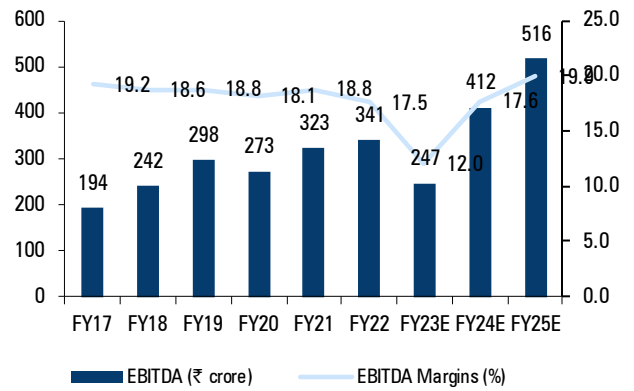
Source: Company, ICICI Direct Research

Exhibit 9: Crop to grow at 11.0% CAGR over FY23E-25E



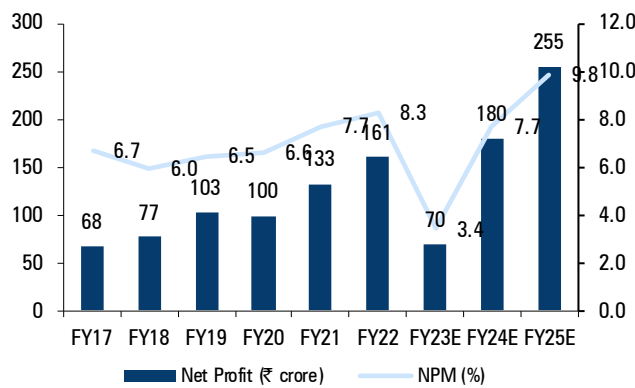
Source: Company, ICICI Direct Research

Exhibit 10: EBITDA & EBITDA margins trend



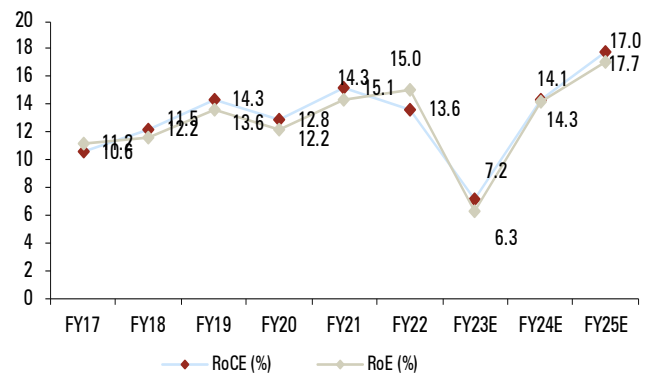
Source: Company, ICICI Direct Research

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)	FY21	FY22	FY23E	FY24E	FY25E
<b>Revenues</b>	<b>1,720.4</b>	<b>1,942.7</b>	<b>2,048.9</b>	<b>2,333.1</b>	<b>2,592.2</b>
Growth (%)	14.1	12.9	5.5	13.9	11.1
Raw Material Expenses	908.4	996.4	1,134.8	1,190.1	1,269.4
Employee Expenses	164.3	203.4	231.5	268.3	298.1
Other Manufacturing Expenses	324.9	402.4	435.9	463.0	509.0
<b>Total Operating Expenditure</b>	<b>1,397.6</b>	<b>1,602.2</b>	<b>1,802.2</b>	<b>1,921.4</b>	<b>2,076.5</b>
<b>EBITDA</b>	<b>322.9</b>	<b>340.6</b>	<b>246.8</b>	<b>411.7</b>	<b>515.7</b>
Growth (%)	18.2	5.5	-27.5	66.8	25.3
Interest	36.2	31.2	50.1	52.5	45.0
Depreciation	85.2	95.7	110.5	122.8	132.6
Other Income	5.0	4.9	8.3	7.0	7.8
<b>PBT before Exceptional Items</b>	<b>206.4</b>	<b>218.6</b>	<b>94.5</b>	<b>243.3</b>	<b>345.8</b>
Less: Forex & Exceptional Items	0.0	0.0	0.0	0.0	0.0
<b>PBT</b>	<b>206.4</b>	<b>218.6</b>	<b>94.5</b>	<b>243.3</b>	<b>345.8</b>
Total Tax	73.3	58.1	24.3	63.8	90.6
PAT before MI	133.2	160.5	70.2	179.6	255.2
Minority Interest	0.0	0.0	0.0	0.0	0.0
<b>PAT</b>	<b>133.2</b>	<b>160.5</b>	<b>70.2</b>	<b>179.6</b>	<b>255.2</b>
<b>Adjusted PAT</b>	<b>133.2</b>	<b>160.5</b>	<b>70.2</b>	<b>179.6</b>	<b>255.2</b>
Growth (%)	33.4	20.5	-56.3	155.8	42.1
EPS	10.8	13.0	5.7	14.6	20.7
EPS (Adjusted)	10.8	13.0	5.7	14.6	20.7

Source: Company, ICICI Direct Research

Exhibit 14: Cash flow statement					
	₹ crore				
(Year-end March)	FY21	FY22	FY23E	FY24E	FY25E
Profit/(Loss) after taxation	159.9	148.8	70.2	179.6	255.2
Add: Depreciation & Amortization	85.2	95.7	110.5	122.8	132.6
Add: Interest Cost	36.2	31.2	50.1	52.5	45.0
Net Increase in Current Assets	-98.9	-73.0	-83.4	-97.5	-101.3
Net Increase in Current Liabilities	41.0	91.7	47.7	28.3	35.7
Others	5.5	-0.62	0	0	0
<b>CF from operating activities</b>	<b>229.0</b>	<b>293.7</b>	<b>195.1</b>	<b>285.7</b>	<b>367.2</b>
(Inc)/dec in Fixed Assets	-157.6	-273.0	-300.0	-100.0	-100.0
(Inc)/dec in Investments	0.1	-9.9	0.0	0.0	0.0
Others	-1.4	7.1	80.0	1.2	1.4
<b>CF from investing activities</b>	<b>-158.9</b>	<b>-275.9</b>	<b>-220.0</b>	<b>-98.8</b>	<b>-98.6</b>
Inc / (Dec) in Equity Capital	0.0	0.0	0.0	0.0	0.0
Inc / (Dec) in sec. Loan	-33.3	66.5	125.0	-100.0	-100.0
Dividend & Dividend Tax	-14.8	-27.1	-17.3	-27.7	-27.7
Others	-48.8	-44.9	-50.1	-52.5	-45.0
<b>CF from financing activities</b>	<b>-96.9</b>	<b>-5.6</b>	<b>57.6</b>	<b>-180.2</b>	<b>-172.7</b>
Net Cash flow	-26.8	12.3	32.7	6.6	95.9
Opening Cash	63.6	36.8	49.1	81.8	88.4
<b>Closing Cash</b>	<b>36.8</b>	<b>49.1</b>	<b>81.8</b>	<b>88.4</b>	<b>184.3</b>
<b>Free Cash Flow</b>	<b>71.4</b>	<b>20.7</b>	<b>-104.9</b>	<b>185.7</b>	<b>267.2</b>

Source: Company, ICICI Direct Research

Exhibit 15: Balance Sheet					
	₹ crore				
(Year-end March)	FY21	FY22	FY23E	FY24E	FY25E
Equity Capital	24.7	24.7	24.7	24.7	24.7
Reserve and Surplus	908.7	1,043.3	1,096.3	1,248.1	1,475.5
Total Shareholders fund	933.4	1,068.0	1,120.9	1,272.8	1,500.2
Total Debt	610.3	675.0	800.0	700.0	600.0
Others Liabilities	59.6	89.0	93.7	98.8	104.3
<b>Source of Funds</b>	<b>1,603</b>	<b>1,832</b>	<b>2,015</b>	<b>2,072</b>	<b>2,205</b>
Gross Block - Fixed Assets	1,127.5	1,313.2	1,737.2	1,887.2	2,037.2
Accumulated Depreciation	414.9	503.0	613.4	736.3	868.9
Net Block	712.6	810.2	1,123.7	1,150.9	1,168.3
Capital WIP	254.2	285.2	161.2	111.2	61.2
Net Fixed Assets	966.8	1,095.4	1,284.9	1,262.1	1,229.5
Investments	0.6	10.9	10.9	10.9	10.9
Inventory	266.7	329.0	374.7	393.0	419.1
Cash	36.8	49.1	81.8	88.4	184.3
Debtors	485.5	437.7	461.6	525.7	584.1
Loans & Advances & Other CA	0.0	0.0	0.0	0.0	0.0
Total Current Assets	878.6	954.0	1,070.1	1,174.3	1,371.5
Creditors	229.6	249.1	283.7	297.5	317.3
Provisions & Other CL	80.4	132.0	145.1	159.6	175.5
Total Current Liabilities	310.0	381.1	428.8	457.1	492.8
Net Current Assets	568.6	572.9	641.3	717.2	878.7
LT L& A, Other Assets	67.2	73.9	77.6	81.5	85.6
<b>Application of Funds</b>	<b>1,603</b>	<b>1,753</b>	<b>2,015</b>	<b>2,072</b>	<b>2,205</b>

Source: Company, ICICI Direct Research

Exhibit 16: Key ratios					
(Year-end March)	FY21	FY22	FY23E	FY24E	FY25E
<b>Per share data (₹)</b>					
EPS	10.8	13.0	5.7	14.6	20.7
Cash EPS	15.7	19.2	13.3	22.3	29.2
BV	75.7	86.6	90.9	103.2	121.7
DPS	2.0	1.6	1.4	2.3	2.3
Cash Per Share	33.7	40.8	49.8	59.7	70.5
<b>Operating Ratios (%)</b>					
Gross Margins	47.2	48.7	44.6	49.0	51.0
EBITDA margins	18.8	17.5	12.0	17.6	19.9
Net Profit margins	7.7	8.3	3.4	7.7	9.8
Inventory days	0.8	0.8	0.7	0.6	0.6
Debtor days	103.0	82.2	82.2	82.2	82.2
Creditor days	92.3	91.2	91.2	91.2	91.2
Asset Turnover	1.5	1.5	1.2	1.2	1.3
<b>Return Ratios (%)</b>					
RoE	14.3	15.0	6.3	14.1	17.0
RoCE	15.1	13.6	7.2	14.3	17.7
RoIC	18.1	16.5	7.7	15.5	19.7
<b>Valuation Ratios (x)</b>					
P/E	31.9	26.5	60.6	23.7	16.7
EV / EBITDA	15.0	14.3	20.1	11.8	9.0
EV / Revenues	2.8	2.5	2.4	2.1	1.8
Market Cap / Revenues	2.5	2.2	2.1	1.8	1.6
Price to Book Value	4.6	4.0	3.8	3.3	2.8
<b>Solvency Ratios</b>					
Debt / Equity	0.7	0.6	0.7	0.6	0.4
Debt/EBITDA	1.9	2.0	3.2	1.7	1.2
Current Ratio	2.7	2.4	2.3	2.4	2.4

Source: Company, ICICI Direct Research

Exhibit 17: ICICI Direct Coverage Universe (Healthcare)

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	4164	5,230	Buy	59871	7.8	59.1	67.8	85.2	57.7	29.8	29.3	24.6	6.3	15.1	14.7	16.7	6.3	15.1	14.7	16.7
Narayana Hrudalaya	NARHRU	728	855	Buy	14887	-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	139	180	Buy	1501	3.9	5.4	7.9	11.1	17.6	13.3	9.4	7.2	6.5	8.4	12.9	15.8	5.1	6.7	9.1	11.5
Aster DM	ASTDM	204	300	Buy	10195	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	280	370	Buy	3889	-13.9	3.9	4.0	8.4	39.4	20.1	14.9	12.0	-0.9	5.0	9.3	12.3	-0.9	5.0	6.0	11.1
<b>Company</b>																					
<b>MNC Pharma</b>																					
Abbott India	ABBIND	20564	21,725	Hold	43700	325.0	375.9	452.0	543.1	63.3	54.7	45.5	37.9	33.8	36.6	38.6	37.5	26.5	28.3	30.1	29.0
P&G Health	MERLJM	4086	5,235	Buy	6782	106.5	116.0	150.0	163.6	38.4	35.2	27.2	25.0	32.2	39.8	42.5	38.0	25.1	31.2	32.0	28.5
Sanofi India	SANOFI	5383	6,385	Hold	12396	207.4	410.1	265.9	255.5	26.0	13.1	20.2	21.1	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	133.9	151.4	150.2	35.6	28.9	25.5	25.8	27.6	26.1	25.0	23.7	20.8	21.4	18.8	18.1
<b>Pharma</b>																					
Ajanta Pharma	AJAPHA	1180	1,385	Buy	15097	51.1	55.7	55.9	68.4	23.1	21.2	21.1	17.3	29.0	27.0	23.4	24.4	21.8	21.8	18.8	19.5
Alembic Pharma	ALEMPHA	527	550	Hold	10358	62.6	27.7	14.6	21.0	8.4	19.0	36.0	25.2	25.1	10.6	6.3	8.6	24.1	10.4	5.3	7.3
Aurobindo Pharma	AURPHA	405	540	Hold	23704	55.0	47.4	34.7	44.8	7.4	8.5	11.7	9.0	16.9	12.9	9.6	11.9	14.7	11.3	7.7	9.1
Biocon	BIOCON	235	290	Hold	28214	6.3	5.7	3.0	4.8	37.5	41.3	78.1	48.5	7.7	7.5	3.8	6.1	9.9	8.1	1.5	2.4
Zydus Lifesciences	CADHEA	433	480	Hold	43793	23.3	21.0	21.1	25.3	18.5	20.6	20.5	17.1	13.8	12.0	11.7	12.2	18.4	12.6	11.4	12.2
Cipla	CIPLA	1025	1,290	Buy	82716	29.8	32.9	38.3	45.5	34.4	31.1	26.8	22.5	17.0	16.3	18.4	19.1	13.1	12.7	13.3	14.1
Dr Reddy's Labs	DRREDD	4418	5,210	Buy	73576	117.6	127.2	262.2	215.5	37.6	34.7	16.9	20.5	13.1	13.0	24.2	20.8	11.1	11.0	18.9	13.8
Glenmark Pharma	GLEPHA	384	440	Hold	10842	32.9	42.7	36.4	50.0	11.7	9.0	10.5	7.7	13.9	14.8	16.0	16.0	13.1	13.2	10.2	12.4
Ipca Laboratories	IPCLAB	853	925	Hold	21630	44.9	34.8	24.5	35.7	19.0	24.5	34.8	23.9	27.1	17.4	13.3	16.5	24.2	16.1	10.3	13.3
Jubilant Pharmova	JUBLIF	344	395	Hold	5486	37.4	26.0	22.5	32.8	9.2	13.2	15.3	10.5	13.7	9.0	7.8	9.7	12.6	7.8	6.4	8.6
Lupin	LUPIN	741	680	Hold	33687	26.9	11.9	9.1	26.4	27.6	62.4	81.0	28.1	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	1008	1,210	Buy	241877	30.1	32.0	34.3	40.9	33.5	31.5	29.4	24.6	14.2	18.2	17.4	19.0	15.5	16.0	15.0	15.5
Torrent Pharma	TORPHA	1535	1,720	Hold	51951	37.0	32.0	37.6	45.6	41.5	47.9	40.8	33.6	17.6	19.7	18.3	21.1	21.4	18.2	18.8	19.4
Indoco Remedies	INDREM	328	440	Buy	3024	10.1	16.8	17.9	26.7	32.5	19.5	18.3	12.3	11.7	17.5	15.6	21.9	12.1	17.1	15.9	19.8
Caplin Point	CAPPOI	697	955	Buy	5291	81.7	85.3	79.0	74.8	8.5	8.2	8.8	9.3	25.3	24.2	23.4	0.0	20.4	20.2	20.2	18.2
Advanced Enzymes	ADVENZ	272	265	Reduce	3037	13.1	10.7	9.6	13.3	20.8	25.4	28.5	20.4	19.4	14.3	10.9	14.0	15.1	11.0	9.0	11.3
Hester Biosciences	HESPHA	1784	1,830	Hold	1517	44.4	45.7	37.8	58.6	40.2	39.0	47.2	30.4	16.2	10.9	9.5	12.7	16.5	15.0	11.3	15.4
<b>API/CRAMS</b>																					
Divi's Lab	DIVLAB	3168	3,685	Hold	84102	74.7	111.5	87.7	96.9	42.4	28.4	36.1	32.7	27.6	30.2	21.1	21.8	21.3	25.2	17.7	17.2
Hikal	HIKCHE	334	375	Hold	4283	10.8	13.0	6.8	16.6	30.9	25.7	49.2	20.2	15.1	13.6	7.2	14.3	14.3	15.0	6.3	14.1
Syngene Int.	SYNINT	569	610	Hold	22848	10.1	9.9	11.6	14.3	56.2	57.6	49.1	39.7	11.5	11.7	12.9	15.1	13.5	12.9	12.5	13.5
Granules India	GRANUL	289	355	Buy	7171	22.2	16.6	22.7	27.2	13.0	17.4	12.7	10.6	24.0	15.6	20.5	21.7	25.3	16.0	19.7	19.3
Laurus Labs	LAULAB	330	400	Buy	17802	18.3	15.4	16.5	19.1	18.0	21.4	20.0	17.3	31.7	21.3	21.8	24.3	37.9	24.7	21.9	23.6
Suven Pharmaceuticals	SUVPH	486	530	Buy	12383	14.2	17.8	14.7	17.7	34.1	27.3	33.0	27.5	31.2	37.5	26.0	25.6	30.7	29.7	20.6	20.5

Source: ICICI Direct Research

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