

Sequential recovery but outlook still cautious; 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 comprises 55% & 45% of sales, respectively. Pharma business (including animal healthcare) is currently divided between APIs and CDMO
- In crop protection, ~70% of sales are derived from CDMO while remaining is from proprietary products, specialty chemicals & specialty biocides

Q4FY23 Results: In line revenues with improved operational performance.

- Revenue increased 8.5% YoY to ₹ 545.3 crore
- EBITDA during the quarter was at ₹ 88 crore, up 44.3%. Margins came in at 16.1%, an improvement of 400 bps YoY
- Adjusted PAT came in at ₹ 36 crore

What should investors do? Hikal's share price grew at a CAGR of 38.4% over the past three years.

- We maintain **HOLD** as we await a recovery in EBITDA margins to reach base level of 18-20% and also consistency in its performances

Target Price and Valuation: Valued at ₹ 306 i.e. 18x FY25E EPS of ₹ 17

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 H1FY24
- Newer opportunities with various global innovators

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

- Granules India is a vertically integrated company that manufactures API, intermediates and finished dosages
- BUY with a target price of ₹ 360

HIKAL

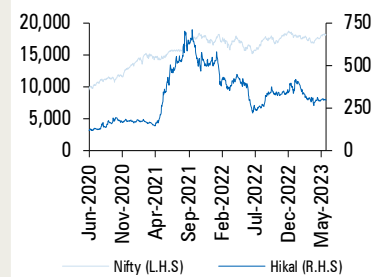
Particulars

Particular	Amount
Market Cap	₹ 3798 crore
Debt (FY23)	₹ 748 crore
Cash (FY23)	₹ 60 crore
EV	₹ 4486 crore
52 week H/L (₹)	427/296
Equity capital	₹ 24.7 crore
Face value	₹ 2

Shareholding pattern

(in %)	Jun-22	Sep-22	Dec-22	Mar-23
Promoter	68.8	68.8	68.8	68.8
Others	31.2	31.2	31.2	31.2

Price Chart



Recent Event & Key risks

- Panoli site concluded with zero 483 observations
- Key Risk:** (i) Better than expected ramp-up in pharma (ii) Delay in commissioning of Panoli facility

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Key Financial Summary

Key Financials (₹ Crore)	FY21	FY22	FY23	5 year CAGR (FY17-22)	FY24E	FY25E	2 year CAGR (FY23-25E)
Revenues	1720.4	1942.7	2023.0	13.9	2239.4	2501.8	11.2
EBITDA	322.9	340.6	255.1	11.9	360.9	454.7	33.5
EBITDA Margins (%)	18.8	17.5	12.6		16.1	18.2	
Adjusted PAT	133.2	160.5	78.4	18.8	141.8	209.4	63.4
EPS (₹)	10.8	13.0	6.4		11.5	17.0	
PE (x)	29.1	24.1	49.4		27.3	18.5	
EV to EBITDA (x)	13.8	13.2	17.9		12.6	9.7	
Price to book (x)	4.1	3.6	3.4		3.1	2.7	
RoE (%)	14.3	15.0	6.9		11.2	14.4	
RoCE (%)	15.1	13.6	7.7		11.5	14.8	

Source: ICICI Direct Research

Key takeaways of recent quarter & conference call highlights

Q4FY23 Results: In line revenues with improved operational performance

- Revenues grew 8.5% YoY to ₹ 545.3 crore. On the segmental front, pharma segment showed flat growth of 0.3% to ₹ 308.8 crore while crop protection segment was up 21.6% at ₹ 236.5 crore. EBITDA during the quarter was at ₹ 88 crore, up 44.3%. Margins came in at 16.1%, an improvement of 400 bps YoY. PAT was at ₹ 36 crore
- Sales, although in line with our estimates, were skewed with pharma sales above our estimates whereas crop protection was below our estimates. Margins were better than our estimates mainly due to lower-than-expected RM costs. However, the management commentary was cautious with margin pressure in H1 as well as slow depleting channel inventory both in pharma and crop protection. It seems that the new capex velocity could be slower than expected due to global macros as well as intense competition

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
Overall ESG Score	34.2	37.1	47.3

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

Q4FY23 Earnings Conference Call highlights:

Product mix:

Pharma:

- The performance was mainly supported by traction from existing as well as new clients in the CDMO space
- It's new Animal Health Multipurpose facility at Panoli remains on track and is expected to get commissioned in H1FY24
- Price erosion is stabilising supported by favourable logistic cost
- The company maintained its market share in legacy products
- It expects significant traction to come in from diabetes products
- It intends to venture into newer products with the help of backward integration

Crop protection:

- The management is experiencing higher enquiries from CDMO players and is in advanced discussion with various global innovators, which would help them explore new opportunities
- Inventory correction across the supply chain is expected to normalise in the coming quarters

Other highlights:

- It is witnessing softer key input prices and, thus, expects the trend to normalise in coming quarters
- R&D spend for the period was at ~4%
- It intends to file three to four DMFs every year
- Aims to launch a couple of products in FY24
- Increasing penetration of new products across different geographies remains the other key focus area
- It announced a capex spend of ₹ 200 crore for FY24

Exhibit 1: Variance Analysis

Particulars ₹ crore	Q4FY23	Q4FY22	YoY (%)	Q3FY23	QoQ (%)	Comments
Revenue	545.3	502.4	8.5	540.2	0.9	Change in product mix and increased demand for core products
Raw Material Expenses	279.7	277.6	0.8	283.3	-1.2	
Gross Margins (%)	48.7	44.7	395 bps	47.6	113 bps	Softening of key raw material prices
Employee Expenses	57.8	53.6	7.9	63.3	-8.6	
Other Expenditure	119.7	110.2	8.7	119.1	0.5	
Operating Profit (EBITDA)	88.0	61.0	44.3	74.6	18.0	Delta vis-a-vis gross profits
EBITDA (%)	16.1	12.1	400 bps	13.8	233 bps	
Interest	13.0	8.1	60.6	13.0	-0.4	
Depreciation	26.8	24.2	10.7	28.3	-5.1	
Other Income	0.4	0.3	40.7	2.5	-84.9	
PBT	48.6	29.0	67.8	35.8	35.7	
Exceptional Items	0.0	0.0	NA	0.0	NA	
Tax	12.6	8.2	52.7	9.4	34.1	
Tax Rate (%)	25.9	28.5	-9.0	26.2	-1.2	
Reported PAT	36.0	20.7	73.8	26.4	36.3	
Adjusted PAT	36.0	20.7	73.8	26.4	36.3	
EPS (₹)	2.9	1.7	73.8	2.1	36.3	
Key Metrics						
Pharma	308.8	307.9	0.3	292.2	5.7	
Crop Protection	236.5	194.4	21.6	248.0	-4.7	Improvement due to increased demand for the products

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

₹ Crore	FY23			FY24E			FY25E			Comments
	Old	New	Change	Old	New	Change	Old	New	% Change	
Revenue	2,048.9	2,023.0	-1.3	2,333.1	2,239.4	-4.0	2,592.2	2,501.8	-3.5	
EBITDA	246.8	255.1	3.4	411.7	360.9	-12.3	515.7	454.7	-11.8	Operating leverage to pan out slower
EBITDA Margin (%)	12.0	12.6	57 bps	17.6	16.1	-153 bps	19.9	18.2	-172 bps	
PAT	70.2	78.4	11.7	179.6	141.8	-21.0	255.2	209.4	-17.9	
EPS (₹)	5.7	6.4	11.7	14.6	11.5	-21.0	20.7	17.0	-17.9	

Source: ICICI Direct Research

Exhibit 3: Assumptions

₹ crore	Current					Earlier				Comment
	FY20	FY21	FY22	FY23	FY24E	FY25E	FY23E	FY24E	FY25E	
Pharma	886.9	1,059.6	1,129.7	1,115.2	1,256.8	1,421.4	1,095.8	1,260.2	1,411.4	
Crop Protection	620.4	660.8	813.0	907.9	975.8	1,072.8	951.3	1,065.7	1,172.8	Lower volume offtake

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	29.1	13.8	14.3	15.1
FY22	1943	12.9	13.0	20.5	24.1	13.2	15.0	13.6
FY23	2023	4.1	6.4	-51.2	49.4	17.9	6.9	7.7
FY24E	2239	10.7	11.5	80.9	27.3	12.6	11.2	11.5
FY25E	2502	11.7	17.0	47.7	18.5	9.7	14.4	14.8

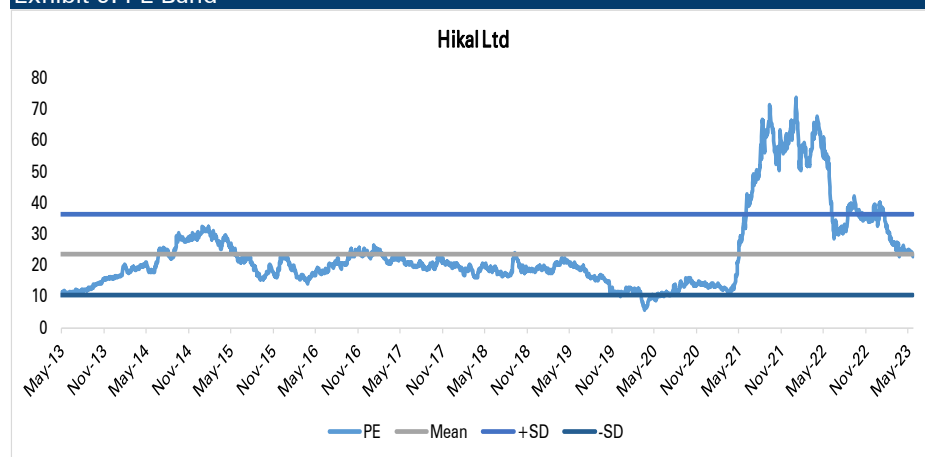
Source: ICICI Direct Research

Exhibit 5: Trends in Quarterly Performance

(₹ Crore)	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	YoY (%)	QoQ (%)
Total Operating Income	379.0	352.8	371.9	463.3	532.5	456.8	469.1	514.5	502.4	378.8	558.8	540.2	545.3	8.5	0.9
Raw Material Expenses	194.2	193.3	188.6	246.8	279.7	224.9	232.1	261.8	277.6	226.4	317.7	283.3	279.7	0.8	-1.2
% of revenue	51.2	54.8	50.7	53.3	52.5	49.2	49.5	50.9	55.3	59.8	56.9	52.4	51.3		
Gross Profit	184.8	159.4	183.4	216.5	252.7	231.9	236.9	252.7	224.8	152.4	241.1	257.0	265.6	18.1	3.3
Gross Profit Margin (%)	48.8	45.2	49.3	46.7	47.5	50.8	50.5	49.1	44.7	40.2	43.1	47.6	48.7	395 bps	113 bps
Employee Expenses	40.0	42.0	39.0	41.1	42.3	48.1	48.6	53.1	53.6	43.2	58.1	63.3	57.8	7.9	-8.6
% of revenue	10.6	11.9	10.5	8.9	7.9	10.5	10.4	10.3	10.7	11.4	10.4	11.7	10.6		
Other Expenses	74.2	64.9	74.6	84.1	101.2	88.0	97.5	106.7	110.2	86.5	113.3	119.1	119.7	8.7	0.5
% of revenue	19.6	18.4	20.1	18.2	19.0	19.3	20.8	20.7	21.9	22.8	20.3	22.0	22.0		
Total Expenditure	308.4	300.2	302.2	372.0	423.2	361.0	378.2	421.6	441.4	356.0	489.0	465.6	457.3	3.6	-1.8
% of revenue	81.4	85.1	81.2	80.3	79.5	79.0	80.6	81.9	87.9	94.0	87.5	86.2	83.9		
EBITDA	70.6	52.5	69.8	91.3	109.3	95.8	90.9	92.9	61.0	22.8	69.7	74.6	88.0	44.3	18.0
EBITDA Margins (%)	18.6	14.9	18.8	19.7	20.5	21.0	19.4	18.1	12.1	6.0	12.5	13.8	16.1	400 bps	233 bps
Depreciation	20.9	20.7	21.2	21.8	21.6	22.6	24.2	24.7	24.2	26.5	27.4	28.3	26.8	10.7	-5.1
Interest	13.7	9.7	8.5	8.1	10.0	8.0	8.0	7.2	8.1	11.3	10.8	13.0	13.0	60.6	-0.4
Other Income	1.7	0.6	1.0	0.5	2.9	3.2	0.9	0.6	0.3	3.3	1.3	2.5	0.4	40.7	-84.9
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	37.7	22.8	41.1	62.0	80.6	68.4	59.6	61.6	29.0	-11.8	32.8	35.8	48.6	67.8	35.7
Total Tax	13.3	7.8	14.1	21.7	29.7	17.9	15.6	16.4	8.2	-2.9	7.9	9.4	12.6	52.7	34.1
Tax rate (%)	35.1	34.2	34.3	35.0	36.8	26.1	26.1	26.6	28.5	24.7	24.2	26.2	25.9	-256.7	-31.3
Adjusted PAT	24.5	15.0	27.0	40.3	50.9	50.5	44.1	45.2	20.7	-8.9	24.8	26.4	36.0	73.8	36.3
EPS (₹)	2.0	1.2	2.2	3.3	4.1	4.1	3.6	3.7	1.7	-0.7	2.0	2.1	2.9	73.8	36.3

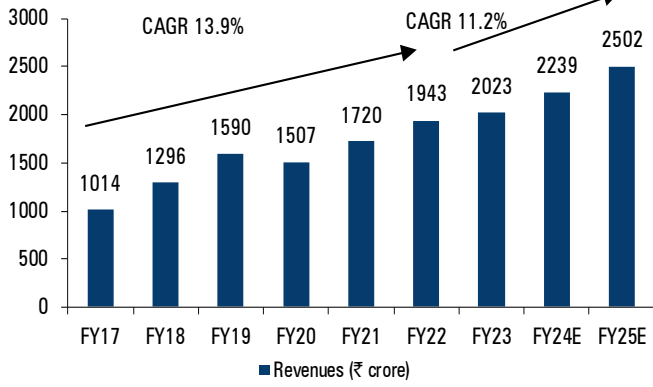
Source: ICICI Direct Research

Exhibit 6: PE Band



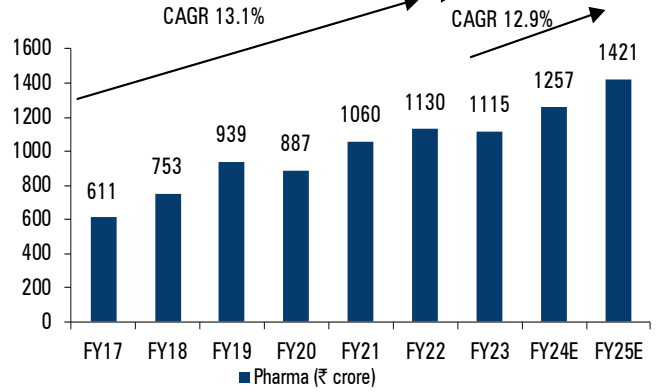
Source: ICICI Direct Research

Exhibit 7: Revenues to grow at 11.2% CAGR over FY23-25E



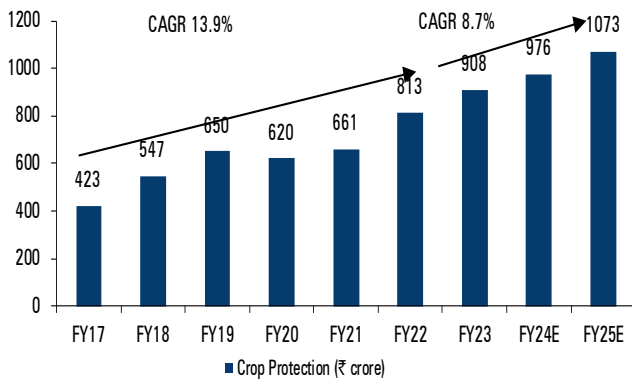
Source: Company, ICICI Direct Research

Exhibit 8: Pharma to grow at 12.9% CAGR over FY23-25E



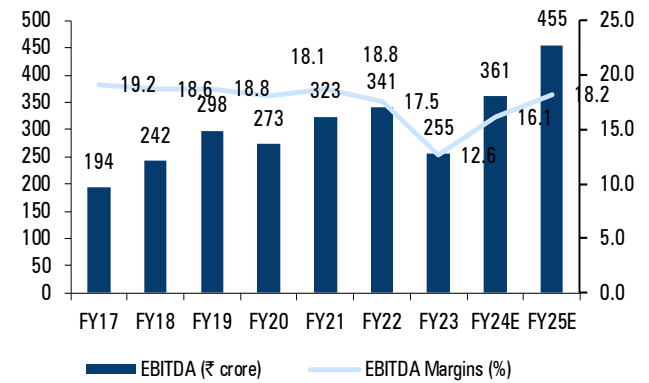
Source: Company, ICICI Direct Research

Exhibit 9: Crop to grow at 8.7% CAGR over FY23-25E



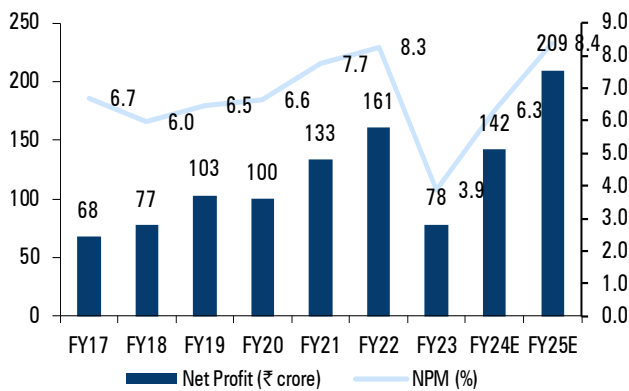
Source: Company, ICICI Direct Research

Exhibit 10: EBITDA & EBITDA margins trend



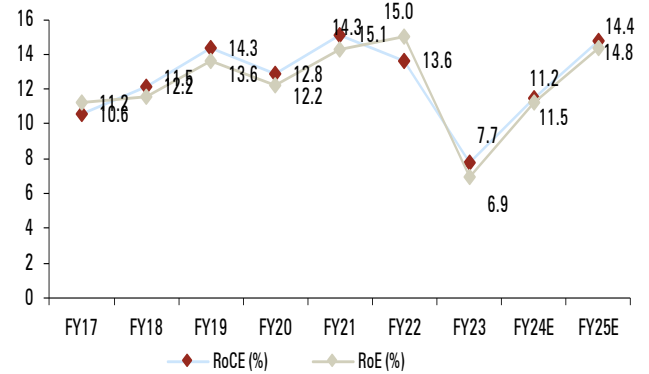
Source: Company, ICICI Direct Research

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	FY23	FY24E	FY25E	
Revenues	1,942.7	2,023.0	2,239.4	2,501.8	
Growth (%)	12.9	4.1	10.7	11.7	
Raw Material Expenses	996.4	1,107.0	1,163.6	1,273.7	
Employee Expenses	203.4	222.4	286.6	337.7	
Other Manufacturing Expenses	402.4	438.5	428.2	435.7	
Total Operating Expenditure	1,602.2	1,768.0	1,878.5	2,047.2	
EBITDA	340.6	255.1	360.9	454.7	
Growth (%)	5.5	-25.1	41.5	26.0	
Interest	31.2	48.1	51.9	45.0	
Depreciation	95.7	109.0	124.4	134.7	
Other Income	4.9	7.4	6.7	7.5	
PBT before Exceptional Items	218.6	105.4	191.3	282.6	
Less: Forex & Exceptional Items	0.0	0.0	0.0	0.0	
PBT	218.6	105.4	191.3	282.6	
Total Tax	58.1	27.0	49.5	73.2	
PAT before MI	160.5	78.4	141.8	209.4	
Minority Interest	0.0	0.0	0.0	0.0	
PAT	160.5	78.4	141.8	209.4	
Adjusted PAT	160.5	78.4	141.8	209.4	
Growth (%)	20.5	-51.2	80.9	47.7	
EPS	13.0	6.4	11.5	17.0	

Source: Company, ICICI Direct Research

Exhibit 14: Cash flow statement					₹ crore
(Year-end March)	FY22	FY23	FY24E	FY25E	
Profit/(Loss) after taxation	148.8	76.6	141.8	209.4	
Add: Depreciation & Amortization	95.7	109.0	124.4	134.7	
Add: Interest Cost	31.2	48.1	51.9	45.0	
Net Increase in Current Assets	-73.0	22.4	-75.5	-102.1	
Net Increase in Current Liabilities	91.7	53.2	24.9	41.0	
Others	-0.62	6.02	0	0	
CF from operating activities	293.7	315.3	267.5	327.9	
(Inc)/dec in Fixed Assets	-273.0	-302.6	-200.0	-100.0	
(Inc)/dec in Investments	-9.9	0.6	0.0	0.0	
Others	7.1	9.7	0.6	0.7	
CF from investing activities	-275.9	-292.3	-199.4	-99.3	
Inc / (Dec) in Equity Capital	0.0	0.0	0.0	0.0	
Inc / (Dec) in sec. Loan	66.5	69.1	0.0	-100.0	
Dividend & Dividend Tax	-27.1	-12.3	-14.8	-14.8	
Others	-44.9	-64.5	-56.6	-45.0	
CF from financing activities	-5.6	-7.7	-71.4	-159.8	
Net Cash flow	12.3	15.3	-3.3	68.9	
Opening Cash	36.8	49.1	64.4	61.1	
Closing Cash	49.1	64.4	61.1	129.9	
Free Cash Flow	20.7	12.7	67.5	227.9	

Source: Company, ICICI Direct Research

Exhibit 15: Balance Sheet					₹ crore
(Year-end March)	FY22	FY23	FY24E	FY25E	
Equity Capital	24.7	24.7	24.7	24.7	
Reserve and Surplus	1,043.3	1,108.8	1,235.8	1,430.4	
Total Shareholders fund	1,068.0	1,133.5	1,260.5	1,455.0	
Total Debt	675.0	748.2	748.2	648.2	
Others Liabilities	89.0	100.6	105.2	110.2	
Source of Funds	1,832	1,982	2,114	2,213	
Gross Block - Fixed Assets	1,392.1	1,570.3	1,820.3	1,970.3	
Accumulated Depreciation	503.0	612.0	736.4	871.1	
Net Block	889.1	958.3	1,083.9	1,099.2	
Capital WIP	285.2	402.1	352.1	302.1	
Net Fixed Assets	1,174.3	1,360.4	1,436.0	1,401.3	
Investments	10.9	5.3	5.3	5.3	
Inventory	329.0	316.7	332.9	364.4	
Cash	49.1	59.6	61.1	129.9	
Debtors	437.7	441.8	489.0	546.3	
Loans & Advances & Other CA	0.0	0.0	0.0	0.0	
Total Current Assets	954.0	939.0	1,016.1	1,187.0	
Creditors	249.1	313.3	329.3	360.4	
Provisions & Other CL	132.0	90.0	98.9	108.7	
Total Current Liabilities	381.1	403.2	428.2	469.1	
Net Current Assets	572.9	535.8	587.9	717.9	
LT L& A, Other Assets	73.9	80.7	84.7	89.0	
Application of Funds	1,832	1,982	2,114	2,213	

Source: Company, ICICI Direct Research

Exhibit 16: Key ratios				
(Year-end March)	FY22	FY23	FY24E	FY25E
Per share data (₹)				
EPS	13.0	6.4	11.5	17.0
Cash EPS	19.2	14.0	20.4	26.7
BV	86.6	91.9	102.2	118.0
DPS	1.6	1.2	1.2	1.2
Cash Per Share	40.8	49.6	59.7	70.6
Operating Ratios (%)				
Gross Margins	48.7	45.3	48.0	49.1
EBITDA margins	17.5	12.6	16.1	18.2
Net Profit margins	8.3	3.9	6.3	8.4
Inventory days	0.7	0.7	0.6	0.6
Debtor days	82.2	79.7	79.7	79.7
Creditor days	91.2	103.3	103.3	103.3
Asset Turnover	1.4	1.3	1.2	1.3
Return Ratios (%)				
RoE	15.0	6.9	11.2	14.4
RoCE	13.6	7.7	11.5	14.8
RoIC	16.5	9.6	13.9	18.0
Valuation Ratios (x)				
P/E	24.1	49.4	27.3	18.5
EV / EBITDA	13.2	17.9	12.6	9.7
EV / Revenues	2.3	2.3	2.0	1.8
Market Cap / Revenues	2.0	1.9	1.7	1.5
Price to Book Value	3.6	3.4	3.1	2.7
Solvency Ratios				
Debt / Equity	0.6	0.7	0.6	0.4
Debt/EBITDA	2.0	2.9	2.1	1.4
Current Ratio	2.4	2.2	2.2	2.3

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 (%)				
						FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY25E	
Hospitals																					
Apollo Hospitals	APOHOS	4698	5,460	Buy	67649	59.1	60.5	80.2	126.8	30.2	31.6	25.8	18.8	15.1	14.1	16.6	21.8	15.1	13.8	16.0	21.1
Narayana Hrudalaya	NARHRU	869	990	Buy	17719	16.7	29.7	27.0	32.0	26.9	18.0	16.1	13.7	20.5	25.2	19.1	19.4	23.0	28.4	20.7	19.8
Shalby	SHALIM	139	170	Buy	1503	5.4	6.3	8.2	10.3	12.8	10.9	8.1	6.7	8.4	9.9	11.8	13.9	6.7	7.4	8.9	10.2
Aster DM	ASTDM	259	280	Buy	12955	10.5	8.6	18.1	23.6	10.1	9.3	6.2	4.7	9.0	8.7	13.6	15.4	13.3	9.8	17.1	18.2
Healthcare Global	HEAGLO	305	390	Buy	4241	3.9	2.1	6.4	8.6	20.8	16.4	12.3	10.6	5.0	8.1	12.5	14.3	5.0	3.4	9.4	11.2
Rainbow Children's Medicare	RAICHI	968	900	Hold	9875	13.6	20.8	19.2	20.2	30.3	26.4	24.6	20.9	20.2	17.8	14.5	16.5	22.9	19.9	15.5	14.0
Company																					
Company	I-Direct Code	CMP (₹)	TP (₹)	Rating	M Cap (₹ cr)	EPS (₹)				P/E(x)				RoCE (%)			RoE (%)				
						FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E	FY22	FY23E	FY24E	FY25E
MNC Pharma																					
Abbott India	ABBIND	22012	20,315	Hold	46226	380.3	452.1	501.7	564.3	57.9	48.7	43.9	39.0	36.6	38.7	34.1	31.0	28.3	29.8	26.1	23.6
P&G Health	MERLIM	5198	5,620	Buy	8836	113.2	152.2	144.4	165.2	45.9	34.2	36.0	31.5	39.8	43.7	34.5	33.6	31.2	33.2	26.5	25.7
Sanofi India	SANOFI	6811	6,270	Hold	15664	410.6	269.8	251.4	272.7	16.6	25.2	27.1	25.0	33.3	55.1	49.6	45.0	25.9	41.2	36.9	33.3
Pfizer	PFIZER	3790	3,830	Hold	17434	133.2	135.6	135.7	147.2	28.5	27.9	27.9	25.7	26.1	24.8	22.7	21.6	21.4	18.4	17.1	16.3
Pharma																					
Ajanta Pharma	AJAPHA	1301	1,520	Buy	16657	39.5	49.2	48.0	50.1	33.0	26.4	27.1	26.0	25.3	23.4	21.9	19.8	20.2	19.9	16.4	14.8
Alembic Pharma	ALEMPHA	559	530	Hold	11019	27.7	17.4	14.1	22.1	20.2	32.2	39.7	25.3	10.6	8.6	8.0	11.6	10.4	7.8	6.2	9.1
Aurobindo Pharma	AURPHA	642	615	Hold	37598	47.4	33.0	50.0	55.8	13.5	19.4	12.8	11.5	12.9	8.6	12.2	12.7	11.3	7.2	9.9	10.0
Biocon	BIOCON	241	235	Hold	28890	5.7	5.7	8.8	15.4	42.2	42.2	27.3	15.7	7.5	3.9	5.6	6.8	8.1	3.8	5.6	9.0
Zydus Lifesciences	CADHEA	508	600	Buy	52050	21.0	21.6	25.3	33.3	24.2	23.5	20.1	15.3	12.0	14.2	14.8	14.9	12.6	12.6	13.1	14.8
Cipla	CIPLA	958	1,090	Buy	77282	32.9	36.4	42.7	48.2	29.1	26.3	22.4	19.9	16.7	17.4	17.8	18.2	12.7	12.5	13.2	13.4
Dr Reddy's Lab	DRREDD	4518	5,520	Buy	74998	127.2	269.3	230.2	256.5	35.5	16.8	19.6	17.6	12.5	23.9	18.8	21.1	11.0	19.2	14.4	14.2
Glenmark	GLEPHA	593	580	Hold	16721	42.7	37.8	34.6	41.3	13.9	15.7	17.1	14.4	14.8	13.4	13.5	14.9	13.2	11.2	9.4	10.1
Ipca Lab	IPCLAB	689	885	Hold	17488	34.8	20.8	31.4	37.0	19.8	33.1	21.9	18.6	17.4	12.1	15.7	16.5	16.1	8.9	12.1	12.7
Lupin	LUPIN	809	725	Hold	36787	11.9	8.3	25.6	33.0	68.1	97.2	31.5	24.5	3.4	5.7	11.0	13.0	4.4	3.0	8.6	10.2
Natco	NATPHA	630	565	Hold	11524	9.3	36.3	40.3	30.2	67.8	17.3	15.6	20.8	4.6	15.9	16.5	11.6	4.0	13.9	13.6	9.4
Sun Pharma	SUNPHA	960	1,140	Buy	230340	32.0	36.1	35.8	40.8	30.0	26.6	26.8	23.5	18.2	15.3	15.5	15.8	16.0	15.5	13.6	13.7
Torrent Pharma	TORPHA	1714	1,720	Hold	57928	32.0	36.3	45.1	53.8	53.5	47.2	38.0	31.8	19.7	17.1	20.4	23.3	18.2	17.9	19.0	19.4
Indoco Remedies	INDREM	340	405	Buy	3125	16.8	15.6	21.3	27.1	20.2	21.8	16.0	12.5	17.5	12.7	15.8	18.9	17.1	14.0	16.5	17.9
Caplin Point	CAPPOI	744	900	Buy	5653	39.5	49.2	48.0	50.1	18.9	15.1	15.5	14.8	25.3	23.4	21.9	19.8	20.2	19.9	16.4	14.8
Advanced Enzyme	ADVENZ	277	310	Hold	3101	11.5	13.1	10.7	10.7	24.0	21.2	25.9	25.9	14.3	10.9	13.4	14.2	11.0	8.7	10.7	11.3
Hester Bios	HESPHA	1635	1,490	Reduce	1472	45.7	31.1	40.5	53.3	35.8	52.6	40.4	30.7	10.9	7.5	8.8	10.3	15.0	9.4	11.2	13.1
API/CRAMS																					
Divi's Lab	DIVLAB	3469	3,575	Buy	91926	111.5	68.7	78.3	89.4	31.1	50.5	44.3	38.8	30.2	17.8	18.9	19.4	25.2	14.3	14.8	15.2
Hikal	HIKCHE	308	305	Hold	3788	13.0	6.4	11.5	17.0	23.7	48.4	26.8	18.1	13.6	7.7	11.5	14.8	15.0	6.9	11.2	14.4
Syngene International	SYNINT	720	740	Buy	28852	9.9	11.6	13.3	17.9	72.9	62.1	54.0	40.2	11.7	13.8	14.2	16.9	12.9	12.8	13.0	14.9
Granules India	GRANUL	284	360	Buy	3487	16.6	20.8	21.8	27.8	17.0	13.6	13.0	10.2	15.6	18.5	17.8	19.4	16.0	18.2	16.2	17.3
Laurus Labs	LAULAB	333	300	Hold	17877	15.4	14.7	10.5	10.5	21.6	22.6	31.7	31.7	21.3	19.8	14.6	16.0	24.7	19.6	12.4	13.5
Suven Pharma	SUVPH	477	530	Buy	12161	17.8	14.7	17.7	20.0	26.8	32.4	27.0	23.8	37.5	26.0	25.6	24.5	29.7	20.6	20.5	19.5

Source: ICICI Direct Research

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Reduce: -15% to -5%;

Sell: < -15%



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