



## Mixed Q3, margin recovery remains main focus...

**About the stock:** Lupin is a multinational pharma company engaged in manufacturing & marketing branded & generic formulations, APIs, biotech products as well as OTC medicines across multiple dosage forms & therapeutic categories.

- It is the third largest generic player (by prescriptions) in the US (market leader: 44 products; Top three: 113 products) besides being the sixth largest company in the Indian pharmaceutical market
- The company continues to face headwinds especially on the US generics front due to persistent price erosion in OSD and plant compliance issues

**Q3FY23 Results:** Mixed set of numbers with revenue beat but margins miss.

- Revenues grew 3.9% YoY to ₹ 4322 crore
- EBITDA margins improved 303 bps YoY to 11.9%
- Adjusted PAT came in at ₹ 143 crore

**What should investors do?** Lupin's share price has grown at 1.6% CAGR over the past three years

- We have changed the rating from REDUCE to **HOLD** but maintain a neutral stance due to 1) sensitivity of margin recovery on few US launches, 2) ongoing cost rationalisation that is yet to bring sustainable cost reduction, 3) weak return ratios

**Target Price and Valuation:** Valued Lupin at ₹ 725 i.e. 22x FY25E EPS of ₹ 33.0.

**Key triggers for future price performance:**

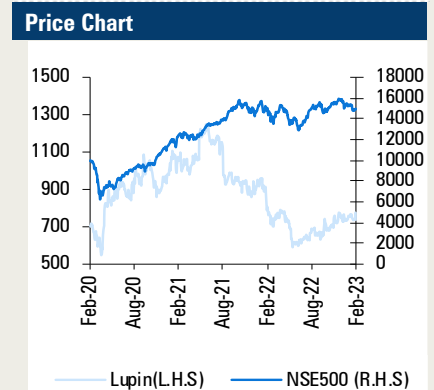
- US** - Resolving regulatory challenges and speeding up approvals and key launches (FY23: Spiriva and Darunavir) besides traction from recently acquired inhalation brands- Brovana® and Xopenex HFA®
- Lupin plans to strengthen the biosimilars portfolio, especially in EU and the US. Change in mix towards complex products and with expense optimisation to improve margin profile
- R&D investment earmarked now to evolve generic portfolio focused towards complex generics in injectable, inhalation along with biosimilars
- Exploring both organic and inorganic opportunities in different therapies for domestic formulations

**Alternate Stock Idea:** Apart from Lupin, in our healthcare coverage we like Cipla.

- Cipla has a long-drawn strategy of targeting four verticals viz. One-India, South Africa & EMs, US generics & specialty and lung leadership
- BUY with a target price of ₹ 1290

| Particulars           |               |
|-----------------------|---------------|
| Particular            | Amount        |
| Market Capitalisation | ₹ 33506 crore |
| Debt (FY22)           | ₹ 3936 crore  |
| Cash (FY22)           | ₹ 1098 crore  |
| EV                    | ₹ 36344 crore |
| 52 week H/L (₹)       | 805/583       |
| Equity capital        | ₹ 90.9 crore  |
| Face value (₹)        | ₹ 2           |

| Shareholding pattern |        |        |        |        |
|----------------------|--------|--------|--------|--------|
| (in %)               | Mar-22 | Jun-22 | Sep-22 | Dec-22 |
| Promoter             | 46.8   | 47.1   | 47.1   | 47.1   |
| Others               | 53.2   | 52.9   | 52.9   | 52.9   |



**Recent Event & Key risks**

- Completion of Somerset Audit
- Key Risk:** (i) Delay in resolution of regulatory hurdles (ii) Normalisation in US price erosion

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### Key Financial Summary

| Key Financials (₹ Crore) | FY21    | FY22    | 5 year CAGR (FY17-22) | FY23E   | FY24E   | FY25E   | 2 year CAGR (FY23E-25E) |
|--------------------------|---------|---------|-----------------------|---------|---------|---------|-------------------------|
| Revenues                 | 15163.0 | 16405.4 | -1.3                  | 16260.3 | 17686.5 | 19590.7 | 9.8                     |
| EBITDA                   | 2657.8  | 2097.2  | -14.1                 | 1754.9  | 2923.7  | 3531.9  | 41.9                    |
| EBITDA margins(%)        | 17.5    | 12.8    |                       | 10.8    | 16.5    | 18.0    |                         |
| Net Profit               | 1216.5  | 538.0   | -190.2                | 376.7   | 1161.3  | 1493.7  | 99.1                    |
| EPS (₹)                  | 26.9    | 11.9    |                       | 8.3     | 25.6    | 33.0    |                         |
| PE (x)                   | 27.4    | NA      |                       | 77.2    | 28.8    | 22.4    |                         |
| EV to EBITDA (x)         | 12.8    | 16.8    |                       | 20.2    | 11.6    | 9.3     |                         |
| RoNW (%)                 | 8.8     | 4.4     |                       | 3.0     | 8.6     | 10.2    |                         |
| RoCE (%)                 | 9.6     | 3.4     |                       | 5.7     | 11.0    | 13.0    |                         |
| Debt / Equity            | 0.4     | 0.3     |                       | 0.3     | 0.2     | 0.2     |                         |

## Key takeaways of recent quarter & conference call highlights

### Q3FY23 Results: Mixed set of numbers with revenue beat but margins miss

- Revenues grew 3.9% YoY to ₹ 4322 crore. India business grew 3.3% YoY to ₹ 1521 crore. US de-grew 3.2% YoY at ₹ 1527 crore. South Africa grew 16% YoY at ₹ 180 crore. RoW grew 22% YoY to ₹ 534.5 crore. API increased 9.8% YoY to ₹ 281 crore. EBITDA margins improved 303 bps YoY to 11.9%. Adjusted PAT came in at ₹ 143 crore
- Lupin continued to build on momentum in Q3 both on revenues and in particular on margins front. It experienced benefits from new launches and better flu season in the US, reduction in freight rates and continued savings from its optimisation measures. Key takeaway from the numbers was ~15% QoQ growth in the US even as other geographies performed below-par. However, the recovery in margins was not up to the mark. At ~12%, the margins are well below the historical trend of +20% and even the recent trend of +15%. The company's recovery path hinges on the margins recovery and would continue to weigh on the sentiments

### ESG Disclosure Score\*

| Score                    | FY20     | FY21        | FY22        |
|--------------------------|----------|-------------|-------------|
| Environmental            | -        | 17.5        | 20.9        |
| Social                   | -        | 20.2        | 34.4        |
| Governance               | -        | 78.6        | 78.6        |
| <b>Overall ESG Score</b> | <b>-</b> | <b>38.8</b> | <b>44.7</b> |

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

### Q3FY23 Earnings Conference Call highlights:

#### Segmental blend:

**India:** It gained significant launch momentum with multiple new introductions in the quarter.

- Therapeutic areas like Cardiac, GI, respiratory have delivered double digit growth during the quarter
- Its gynaecology and GI have actually been the fastest growth therapeutic areas
- Diabetes portfolio was in line with expectations. It is recovering from impact of patent expiries in the segment

**US:** Its respiratory franchise got strengthened with Albuterol's continuous strong performance.

- Also, there was a slight decline due to exit from low margin products, which were offset almost completely by seasonal products
- It faced price erosion in top brands like Brovana, Albuterol and Famotidine
- Focus remains on increasing complex share
- Its new product launches where it has either exclusivity or first to market position will drive growth of the US business in a profitable manner

**RoW:** The growth was driven from Germany and Australia markets.

- Men's health, Namuscla and Tempil were key performers in Germany whereas SCP acquisition augurs well for Australia business
- Currency benefits supported the Brazilian business

**API:** API business rebounded well. Revenues grew 9.8% YoY.

- Continued leadership in anti-TB Institutional business and increased ARV presence aided well

#### Launches:

- It launched Difizma – novel DPI combination in January 2023 in India
- In the US, it launched Formoterol (gPerforomist), Diclofenac 2% (Pennsaid AG), Rufinamide tablets and Paliperidone ER tablets in Q3FY23
- The management sees some hope in approval for products like diazepam gel and Nascobal post the recent successful Somerset audit
- It expects Tutopium as a substantial opportunity for FY24 with a significant runway, given the competitive dynamics

**Exhibit 1: Variance Analysis**

| (₹ crore)               | Q3FY23  | Q3FY23E | Q3FY22  | YoY (%)  | Q2FY23  | QoQ (%)  | Comments  |
|-------------------------|---------|---------|---------|----------|---------|----------|---|
| Revenue                 | 4,322.3 | 4,108.2 | 4,160.9 | 3.9      | 4,145.5 | 4.3      | Revenues grew 3.9% YoY to ₹ 4322 crore. India business grew 3.3% YoY to ₹1521 crore. US de-grew 3.2% YoY at |
| Raw Material Expenses   | 1,707.1 | 1,615.2 | 1,694.6 | 0.7      | 1,712.8 | -0.3     |   |
| as % of sales           | 39.5    | 38.8    | 40.7    | -123 bps | 41.3    | -182 bps |   |
| Employee Expenses       | 764.0   | 759.7   | 743.8   | 2.7      | 771.6   | -1.0     |   |
| Other Expenditure       | 1,335.0 | 1,165.6 | 1,351.8 | -1.2     | 1,226.9 | 8.8      |   |
| EBITDA                  | 516.1   | 622.3   | 370.7   | 39.2     | 434.2   | 18.9     |   |
| EBITDA (%)              | 11.9    | 15.0    | 8.9     | 303 bps  | 10.5    | 147 bps  | EBITDA margins improved by 303 bps YoY to 11.9%   |
| Interest                | 84.1    | 54.9    | 33.4    | 151.8    | 54.9    | 53.2     |   |
| Depreciation            | 220.4   | 267.2   | 203.4   | 8.3      | 203.5   | 8.3      |   |
| Other Income            | 18.0    | 0.9     | 34.1    | -47.3    | 14.9    | 20.2     |   |
| Less: Exceptional Items | 0.0     | 0.0     | 0.0     | NA       | 0.0     | NA       |   |
| PBT                     | 246.2   | 336.2   | 167.0   | 47.4     | 209.6   | 17.5     |   |
| Tax                     | 88.5    | 120.5   | -382.0  | -123.2   | 75.1    | 17.8     |   |
| PAT before MI           | 157.8   | 215.8   | 549.0   | -71.3    | 134.5   | 17.3     |   |
| Minority Interest       | 4.2     | 7.6     | 3.6     | 17.4     | 4.7     | -11.8    |   |
| Net Profit              | 153.6   | 208.1   | 545.5   | -71.8    | 129.8   | 18.4     |   |
| Adjusted PAT            | 143.0   | 208.1   | 545.5   | -73.8    | 117.7   | 21.5     | Adjusted PAT came at ₹143 crore.  |
| <b>Key Metrics</b>      |         |         |         |          |         |          |   |
| India                   | 1,521.3 | 1,667.0 | 1,473.3 | 3.3      | 1,584.1 | -4.0     | India grew 3.3 % to ₹ 1521.3 crore  |
| US                      | 1,527.1 | 1,171.9 | 1,577.5 | -3.2     | 1,329.5 | 14.9     | US business rebounded QoQ on the back of flu seasonality  |
| South Africa            | 179.7   | 155.8   | 154.7   | 16.1     | 168.0   | 6.9      |   |
| ROW markets             | 534.5   | 497.5   | 438.1   | 22.0     | 543.5   | -1.7     |   |
| API                     | 281.5   | 259.8   | 256.4   | 9.8      | 249.9   | 12.6     |   |

Source: Company, ICICI Direct Research

**Exhibit 2: Change in estimates**

| (₹ Crore)         | FY23E    |          |         | FY24E    |          |        | Comments   |
|-------------------|----------|----------|---------|----------|----------|--------|--|
|                   | Old      | New      | Change  | Old      | New      | Change |  |
| Revenue           | 15,829.6 | 16,260.3 | 2.7     | 17,353.5 | 17,686.5 | 1.9    | Increased mainly due to some key launches like spiriva, brovana, darunavir, suprep in US |
| EBITDA            | 1,756.5  | 1,754.9  | -0.1    | 2,865.3  | 2,923.7  | 2.0    |  |
| EBITDA Margin (%) | 11.1     | 10.8     | -30 bps | 16.5     | 16.5     | 2 bps  |  |
| PAT               | 537.7    | 432.3    | -19.6   | 1,252.4  | 1,161.3  | -7.3   |  |
| EPS (₹)           | 11.9     | 9.5      | -19.6   | 27.6     | 25.6     | -7.3   |  |

Source: ICICI Direct Research

**Exhibit 3: Assumptions**

| (₹ crore)              | Current |         |         |         | Earlier |         | Comments  |
|------------------------|---------|---------|---------|---------|---------|---------|---|
|                        | FY21    | FY22    | FY23E   | FY24E   | FY23E   | FY24E   |   |
| India                  | 5,271.2 | 6,004.1 | 6,029.6 | 6,632.5 | 6,212.4 | 6,957.9 | India business likely to continue on its growth trajectory organically (double digit) as well as by inorganic route |
| US                     | 5,552.0 | 5,755.8 | 5,249.3 | 5,752.1 | 5,035.9 | 5,573.2 |   |
| EMEA (Ex South Africa) | 681.4   | 670.6   | 797.5   | 893.2   | 784.5   | 878.6   |   |
| South Africa           | 596.6   | 688.5   | 693.2   | 730.1   | 693.2   | 730.1   |   |
| ROW markets            | 1,443.5 | 1,710.0 | 2,084.2 | 2,334.3 | 2,053.5 | 2,299.9 |   |
| API                    | 1,382.3 | 990.4   | 1,061.9 | 1,115.0 | 1,049.6 | 1,102.1 |   |

Source: ICICI Direct Research

**Exhibit 4: Financial Summary**

|       | Revenues  | Growth | EPS  | Growth | P/E  | EV/EBITDA | RoNW | RoCE |
|-------|-----------|--------|------|--------|------|-----------|------|------|
|       | (₹ crore) | (%)    | (₹)  | (%)    | (x)  | (X)       | (%)  | (%)  |
| FY21  | 15163     | -7.5   | 26.9 | NA     | 27.4 | 12.8      | 8.8  | 9.6  |
| FY22  | 16405     | 8.2    | 11.9 | NA     | NA   | 16.8      | 4.4  | 3.4  |
| FY23E | 16260     | -0.9   | 8.3  | -30.0  | 77.2 | 20.2      | 3.0  | 5.7  |
| FY24E | 17686     | 8.8    | 25.6 | 208.3  | 28.8 | 11.6      | 8.6  | 11.0 |
| FY25E | 19591     | 10.8   | 33.0 | 28.6   | 22.4 | 9.3       | 10.2 | 13.0 |

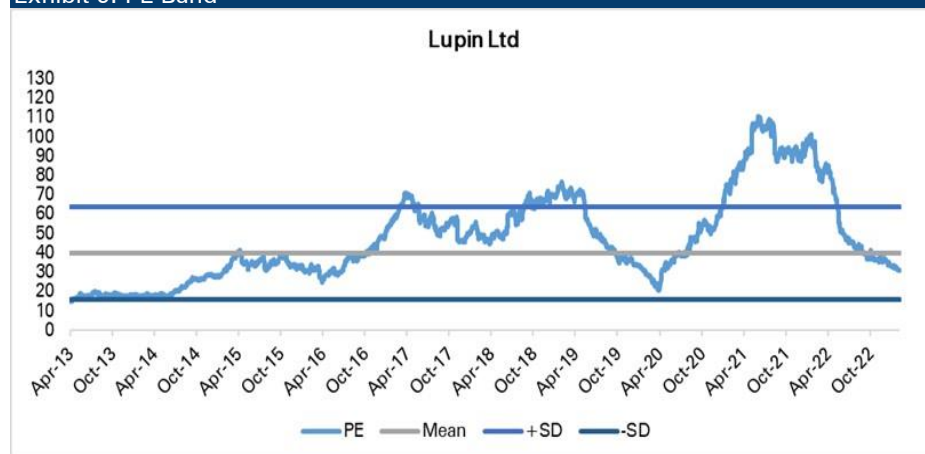
Source: ICICI Direct Research

Exhibit 5: Trends in Quarterly Performance

| (₹ crore)         | Q3FY20 | Q4FY20 | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | Q1FY22 | Q2FY22  | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | Q3FY23 | YoY (%) | QoQ (%) |
|-------------------|--------|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|--------|--------|---------|---------|
| US                | 1376.6 | 1579.1 | 1216   | 1398.4 | 1442.4 | 1495.2 | 1333   | 1429.1  | 1577.5 | 1416.2 | 1010.4 | 1329.5 | 1527.1 | -3.2    | 14.9    |
| EMEA (Ex South Af | 151.5  | 187.7  | 150.5  | 192.1  | 174.1  | 164.7  | 118.7  | 167.7   | 187.5  | 196.8  | 193.9  | 216.2  | 200.5  | 7.0     | -7.2    |
| Japan             | 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    |         |         |
| India             | 1296.9 | 1192.1 | 1285.4 | 1332.3 | 1366.9 | 1286.6 | 1636.2 | 1543.5  | 1473.3 | 1351.1 | 1492.0 | 1584.1 | 1521.3 | 3.3     | -4.0    |
| South Africa      | 139.8  | 177.3  | 99.5   | 133.8  | 153.1  | 210.2  | 142.6  | 180.7   | 154.7  | 210.4  | 139.6  | 168.0  | 179.7  | 16.1    | 6.9     |
| RoW               | 434.0  | 326.2  | 308.2  | 351.3  | 437.0  | 347.0  | 387.6  | 414.6   | 438.1  | 469.7  | 513.0  | 543.5  | 534.5  | 22.0    | -1.7    |
| API               | 317.3  | 328.6  | 409.0  | 373.9  | 343.8  | 255.6  | 245.9  | 267.8   | 256.4  | 220.3  | 255.1  | 249.9  | 281.5  | 9.8     | 12.6    |
| Net Sales         | 3716.1 | 3791.0 | 3468.6 | 3781.8 | 3917.3 | 3759.3 | 4237.4 | 4003.4  | 4087.5 | 3864.5 | 3604.0 | 4091.2 | 4244.6 | 3.8     | 3.8     |
| OOI               | 53.2   | 54.7   | 59.2   | 53.2   | 100.1  | 23.8   | 32.8   | 87.9    | 73.4   | 18.5   | 139.9  | 54.4   | 77.7   | 5.8     | 42.9    |
| Revenues          | 3769.3 | 3845.7 | 3527.9 | 3835.0 | 4017.4 | 3783.1 | 4270.2 | 4091.3  | 4160.9 | 3883.0 | 3743.8 | 4145.5 | 4322.3 | 3.9     | 4.3     |
| RM Cost           | 1359.3 | 1405.0 | 1288.0 | 1381.7 | 1375.0 | 1317.6 | 1528.0 | 1626.5  | 1694.6 | 1632.2 | 1609.8 | 1712.8 | 1707.1 | 0.7     | -0.3    |
| % of Revenue      | 36.1   | 36.5   | 36.5   | 36.0   | 34.2   | 34.8   | 35.8   | 39.8    | 40.7   | 42.0   | 43.0   | 41.3   | 39.5   |         |         |
| Gross Profit      | 2410.0 | 2440.8 | 2239.9 | 2453.3 | 2642.4 | 2465.5 | 2742.2 | 2464.9  | 2466.3 | 2250.8 | 2134.0 | 2432.8 | 2615.1 | 6.0     | 7.5     |
| GPM (%)           | 63.9   | 63.5   | 63.5   | 64.0   | 65.8   | 65.2   | 64.2   | 60.2    | 59.3   | 58.0   | 57.0   | 58.7   | 60.5   | 123     | 182     |
| Employee Cost     | 740.7  | 763.6  | 793.6  | 685.3  | 706.8  | 640.2  | 783.7  | 758.6   | 743.8  | 703.1  | 778.5  | 771.6  | 764.0  | 2.7     | -1.0    |
| % of Revenue      | 19.7   | 19.9   | 22.5   | 17.9   | 17.6   | 16.9   | 18.4   | 18.5    | 17.9   | 18.1   | 20.8   | 18.6   | 17.7   | -20.1   | -93.8   |
| Other expenditure | 1239.2 | 1150.9 | 958.2  | 1186.8 | 1156.9 | 1117.8 | 1030.9 | 1142.5  | 1351.8 | 1321.2 | 1191.6 | 1226.9 | 1335.0 | -1.2    | 8.8     |
| % of Revenue      | 32.9   | 29.9   | 27.2   | 30.9   | 28.8   | 29.5   | 24.1   | 27.9    | 32.5   | 34.0   | 31.8   | 29.6   | 30.9   |         |         |
| Total Expenditure | 3339.2 | 3319.4 | 3039.8 | 3253.8 | 3238.6 | 3075.6 | 3342.6 | 3527.6  | 3790.2 | 3656.6 | 3579.9 | 3711.4 | 3806.1 | 0.4     | 2.6     |
| % of Revenue      | 88.6   | 86.3   | 86.2   | 84.8   | 80.6   | 81.3   | 78.3   | 86.2    | 91.1   | 94.2   | 95.6   | 89.5   | 88.1   | -303.2  | -146.8  |
| EBITDA            | 430.1  | 526.3  | 488.1  | 581.2  | 778.7  | 707.6  | 927.6  | 563.7   | 370.7  | 226.5  | 163.9  | 434.2  | 516.1  | 39.2    | 18.9    |
| EBITDA Margin (%) | 11.4   | 13.7   | 13.8   | 15.2   | 19.4   | 18.7   | 21.7   | 13.8    | 8.9    | 5.8    | 4.4    | 10.5   | 11.9   | 303.2   | 146.8   |
| Other income      | 93.6   | 208.6  | 43.3   | 25.0   | 21.2   | 48.6   | 27.8   | 72.8    | 34.1   | 15.7   | 5.6    | 14.9   | 18.0   | -47.3   | 20.2    |
| Interest          | 88.6   | 107.4  | 44.3   | 33.6   | 30.9   | 31.8   | 33.5   | 34.4    | 33.4   | 41.5   | 42.8   | 54.9   | 84.1   | 151.8   | 53.2    |
| Depreciation      | 253.2  | 214.3  | 214.6  | 212.7  | 244.3  | 215.7  | 208.8  | 919.3   | 203.4  | 327.2  | 192.8  | 203.5  | 220.4  | 8.3     | 8.3     |
| PBT               | -106.8 | 496.4  | 272.5  | 359.8  | 524.7  | 508.6  | 713.2  | -2196.8 | 168.0  | -125.4 | -66.1  | 190.8  | 229.6  | 36.7    | 20.4    |
| Tax               | 767.0  | 105.1  | 164.3  | 146.7  | 83.5   | 54.0   | 202.3  | -109.9  | -382.0 | 426.7  | 89.1   | 75.1   | 88.5   | -123.2  | 17.8    |
| Tax rate (%)      | -718.3 | 21.2   | 60.3   | 40.8   | 15.9   | 10.6   | 28.4   | 5.0     | -227.4 | -340.4 | -134.8 | 39.4   | 38.5   |         |         |
| PAT               | -873.8 | 391.3  | 108.1  | 213.1  | 441.2  | 454.6  | 510.8  | -2086.9 | 550.0  | -552.1 | -155.2 | 115.7  | 141.2  | -74.3   | 22.0    |
| PAT Margin (%)    | -23.2  | 10.2   | 3.1    | 5.6    | 11.0   | 12.0   | 12.0   | -51.0   | 13.2   | -14.2  | -4.1   | 2.8    | 3.3    |         |         |
| Minority Interest | -7.5   | 1.7    | 1.8    | 2.5    | 3.1    | 4.0    | 5.7    | 3.2     | 3.6    | 6.3    | 2.3    | 4.7    | 4.2    | 17.4    | -11.8   |
| PAT After MI      | -866.3 | 389.6  | 106.3  | 210.6  | 438.1  | 450.6  | 505.1  | -2090.1 | 546.4  | -558.3 | -157.5 | 110.9  | 137.0  | -74.9   | 23.5    |
| Adjusted PAT      | 122.4  | 324.1  | 106.9  | 211.0  | 438.3  | 460.4  | 542.5  | -312.2  | 545.5  | -525.0 | -89.1  | 117.7  | 143.0  | -73.8   | 21.5    |
| EPS (₹)           | 2.7    | 7.1    | 2.4    | 4.6    | 9.6    | 10.1   | 11.9   | -6.9    | 12.0   | -11.5  | -2.0   | 2.6    | 3.1    |         |         |
| PAT (%)           | -23.0% | 10.1%  | 3.0%   | 5.5%   | 10.9%  | 11.9%  | 11.8%  | -51.1%  | 13.1%  | -14.4% | -4.2%  | 2.7%   | 3.2%   |         |         |

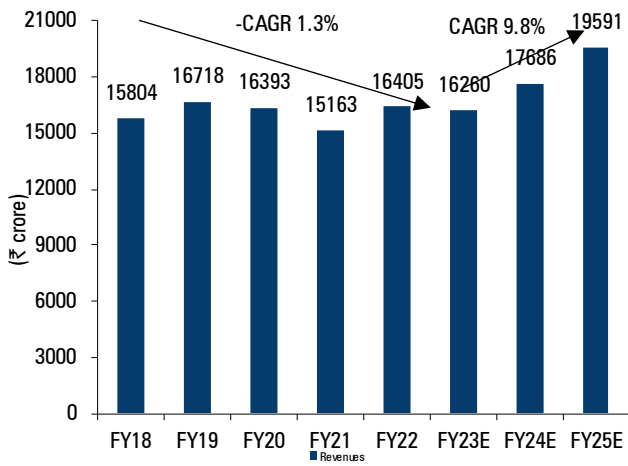
Source: ICICI Direct Research

Exhibit 6: PE Band



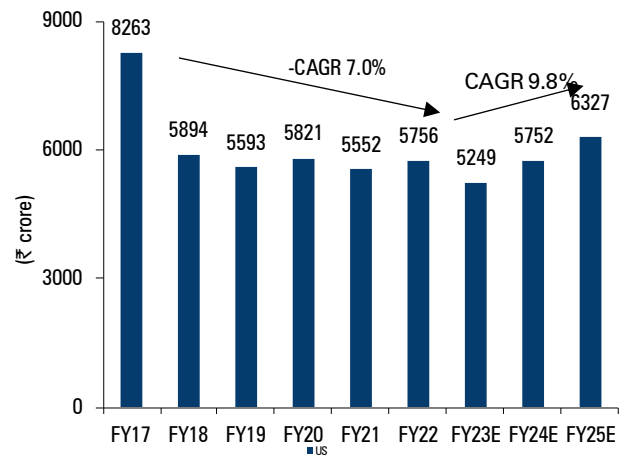
Source: ICICI Direct Research

Exhibit 7: Revenues to grow at 9.8% CAGR over FY23E-25E



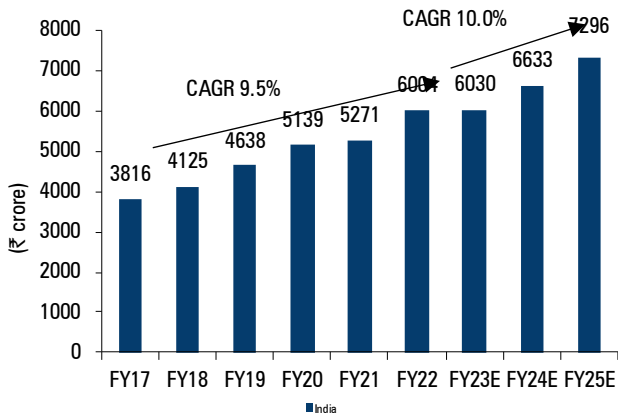
Source: Company, ICICI Direct Research

Exhibit 8: US to grow at 9.8 % CAGR over FY23E-25E



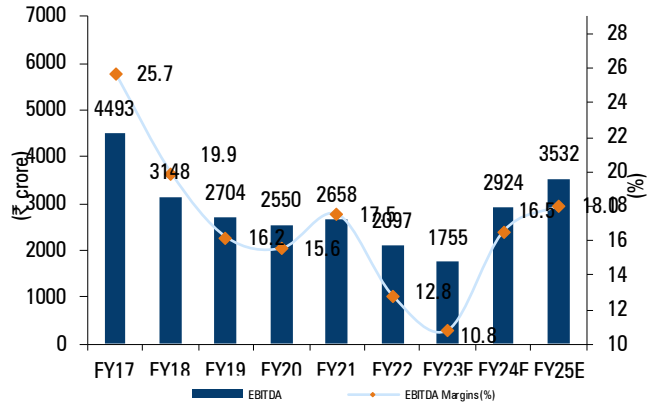
Source: Company, ICICI Direct Research

Exhibit 9: India to grow at CAGR of 10% over FY23E-25E



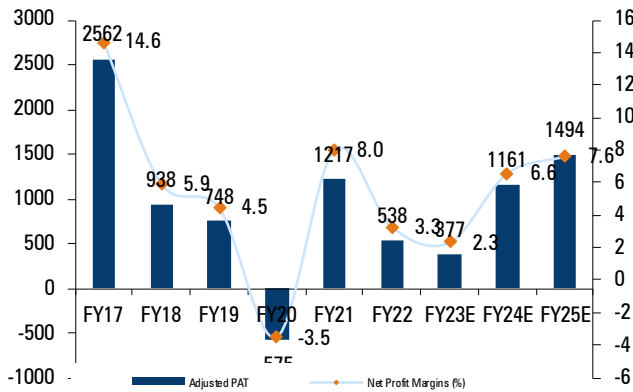
Source: Company, ICICI Direct Research

Exhibit 10: EBITDA & EBITDA margins trend



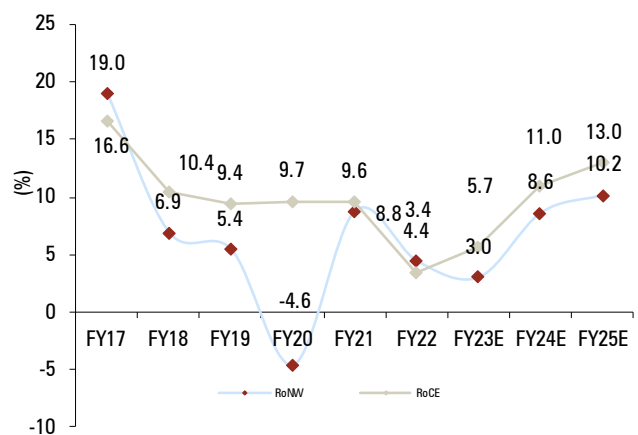
Source: Company, ICICI Direct Research

Exhibit 11: PAT & PAT margins trend



Source: Company, ICICI Direct Research

Exhibit 12: RoE & RoCE trend



Source: Company, ICICI Direct Research

**Exhibit 13: Power Brands**

| Brand            | Therapy           | Dec-19   | Dec-20   | Dec-21   | Dec-22   | CAGR 19-22 | YoY    |
|------------------|-------------------|----------|----------|----------|----------|------------|--------|
| GLUCONORM-       | ANTI DIABETIC     | 237.83   | 260.63   | 284.25   | 300.58   | 8.1%       | 5.7%   |
| HUMINSULIN       | ANTI DIABETIC     | 191.42   | 197.12   | 204.58   | 208.11   | 2.8%       | 1.7%   |
| BUDAMATE         | RESPIRATORY       | 146.87   | 160.23   | 184.03   | 201.86   | 11.2%      | 9.7%   |
| IVABRAD          | CARDIAC           | 74.08    | 91.07    | 115.20   | 125.97   | 19.4%      | 9.4%   |
| ONDERO           | ANTI DIABETIC     | 95.71    | 110.94   | 119.13   | 114.87   | 6.3%       | -3.6%  |
| AJADUO           | ANTI DIABETIC     | 50.41    | 82.21    | 100.86   | 114.52   | 31.5%      | 13.5%  |
| TONACT           | CARDIAC           | 97.24    | 106.56   | 108.10   | 110.02   | 4.2%       | 1.8%   |
| RABLET-D         | GASTRO INTESTINAL | 83.18    | 84.84    | 92.61    | 104.47   | 7.9%       | 12.8%  |
| GIBTULIO         | ANTI DIABETIC     | 111.20   | 132.71   | 121.00   | 102.06   | -2.8%      | -15.7% |
| TELEKAST-L       | ANTI-INFECTIVES   | 65.55    | 66.66    | 82.38    | 96.70    | 13.8%      | 17.4%  |
| Top 10 Brands    |                   | 1,153.49 | 1,292.98 | 1,412.15 | 1,479.16 | 8.6%       | 4.7%   |
| % of IQVIA sales |                   | 22.5%    | 24.1%    | 23.1%    | 22.8%    |            |        |
| Ex-Top 10 Brands |                   | 4,224.63 | 4,319.98 | 5,004.85 | 5,308.96 | 7.9%       | 6.1%   |

Source: IQVIA, ICICI Direct Research

**Exhibit 14: Therapeutic Break up**

| Therapy                     | Dec-19   | Dec-20   | Dec-21   | Dec-22   | CAGR 19-22 | YoY   |
|-----------------------------|----------|----------|----------|----------|------------|-------|
| ANTI DIABETIC               | 1,159.25 | 1,337.54 | 1,447.81 | 1,484.43 | 8.6%       | 2.5%  |
| CARDIAC                     | 1,062.46 | 1,215.93 | 1,374.11 | 1,458.47 | 11.1%      | 6.1%  |
| RESPIRATORY                 | 685.65   | 717.61   | 896.87   | 960.62   | 11.9%      | 7.1%  |
| GASTRO INTESTINAL           | 421.10   | 427.98   | 509.15   | 576.16   | 11.0%      | 13.2% |
| ANTI-INFECTIVES             | 543.11   | 448.62   | 496.76   | 460.95   | -5.3%      | -7.2% |
| GYNAEC.                     | 243.90   | 226.90   | 286.99   | 360.80   | 13.9%      | 25.7% |
| VITAMINS/MINERALS/NUTRIENTS | 299.11   | 300.05   | 361.60   | 349.78   | 5.4%       | -3.3% |
| NEURO / CNS                 | 247.08   | 275.91   | 304.67   | 328.17   | 9.9%       | 7.7%  |
| PAIN / ANALGESICS           | 260.51   | 230.33   | 255.97   | 283.15   | 2.8%       | 10.6% |
| ANTI-TB                     | 197.02   | 176.35   | 188.24   | 216.77   | 3.2%       | 15.2% |
| Top Therapies               | 5,119.19 | 5,357.21 | 6,122.16 | 6,479.31 | 8.2%       | 5.8%  |
| Total IQVIA Sales           | 5,378.12 | 5,612.96 | 6,417.00 | 6,788.12 | 8.1%       | 5.8%  |

Source: IQVIA, ICICI Direct Research

## Financial Summary

| Exhibit 15: Profit and loss statement |                 |                 |                 |                 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                       | ₹ crore         |                 |                 |                 |
| (Year-end March)                      | FY22            | FY23E           | FY24E           | FY25E           |
| <b>Total Operating Inco</b>           | <b>16,405.4</b> | <b>16,260.3</b> | <b>17,686.5</b> | <b>19,590.7</b> |
| Growth (%)                            | 8.2             | -0.9            | 8.8             | 10.8            |
| Raw Material Expenses                 | 6,481.2         | 6,608.7         | 6,720.9         | 7,248.5         |
| Employee Expenses                     | 2,989.3         | 3,029.8         | 3,316.2         | 3,496.9         |
| Other expenditure                     | 4,837.7         | 4,866.9         | 4,725.7         | 5,313.2         |
| Total Operating Expenditu             | 14,308.3        | 14,505.4        | 14,762.8        | 16,058.7        |
| <b>EBITDA</b>                         | <b>2,097.2</b>  | <b>1,754.9</b>  | <b>2,923.7</b>  | <b>3,531.9</b>  |
| Growth (%)                            | -21.1           | -16.3           | 66.6            | 20.8            |
| Depreciation                          | 1,658.7         | 837.1           | 1,131.6         | 1,184.1         |
| Interest                              | 142.8           | 237.6           | 190.9           | 158.4           |
| Other Income                          | 141.7           | 55.3            | 152.8           | 66.6            |
| PBT                                   | 505.8           | 839.3           | 1,753.9         | 2,256.0         |
| EO                                    | 1878.4          | 0.0             | 0.0             | 0.0             |
| Total Tax                             | 137.2           | 389.6           | 561.3           | 721.9           |
| PAT before MI                         | -1,509.8        | 449.7           | 1,192.7         | 1,534.1         |
| Minority Interest                     | 18.7            | 17.7            | 31.6            | 40.6            |
| <b>Adjusted PAT</b>                   | <b>538.0</b>    | <b>376.7</b>    | <b>1,161.3</b>  | <b>1,493.7</b>  |
| Growth (%)                            | NA              | -30.0           | 208.3           | 28.6            |
| <b>EPS (Adjusted)</b>                 | <b>11.9</b>     | <b>8.3</b>      | <b>25.6</b>     | <b>33.0</b>     |

Source: Company, ICICI Direct Research

| Exhibit 16: Cash flow statement   |                |                |                |                |
|-----------------------------------|----------------|----------------|----------------|----------------|
|                                   | ₹ crore        |                |                |                |
| (Year-end March)                  | FY22           | FY23E          | FY24E          | FY25E          |
| Profit/(Loss) after taxation      | -1325.3        | 432.3          | 1161.3         | 1493.7         |
| Depreciation                      | 1658.7         | 837.1          | 1131.6         | 1184.1         |
| Other operating Activities        | 142.8          | 237.6          | 190.9          | 158.4          |
| (inc)/dec in Current Assets       | -539.6         | -182.6         | -472.1         | -1016.7        |
| Inc/ (dec) in Current Liabilities | 524.5          | 264.8          | 491.9          | 468.5          |
| <b>CF from Operating Activiti</b> | <b>367.3</b>   | <b>1589.2</b>  | <b>2503.7</b>  | <b>2288.0</b>  |
| Purchase of Fixed Assets          | -1044.8        | -1350.0        | -750.0         | -750.0         |
| (Inc)/Dec in Investments          | 1589.1         | 0.0            | 0.0            | 0.0            |
| Other Investing Activities        | 16.3           | 49.3           | 54.1           | 59.5           |
| <b>CF from Investing Activiti</b> | <b>560.7</b>   | <b>-1300.7</b> | <b>-695.9</b>  | <b>-690.5</b>  |
| Inc / (Dec) in Loan Funds         | -1169.3        | -500.0         | -500.0         | -500.0         |
| Inc / (Dec) in Equity Capital     | 0.2            | 0.0            | 0.0            | 0.0            |
| Dividend and dividend tax         | -295           | -181           | -136           | -227           |
| Other Financing Activities        | -108.1         | -237.6         | -190.9         | -158.4         |
| <b>CF from Financing Activiti</b> | <b>-1572.3</b> | <b>-918.8</b>  | <b>-826.8</b>  | <b>-884.9</b>  |
| Net Cash Flow                     | -644           | -630           | 981            | 713            |
| Opening Cash                      | 1,742          | 1,098          | 468            | 1,449          |
| <b>Closing Cash</b>               | <b>1,098.1</b> | <b>467.8</b>   | <b>1,448.8</b> | <b>2,161.4</b> |
| <b>Free Cash flow</b>             | <b>-677.5</b>  | <b>239.2</b>   | <b>1,753.7</b> | <b>1,538.0</b> |

Source: Company, ICICI Direct Research

| Exhibit 17: Balance Sheet   |               |               |               |               |
|-----------------------------|---------------|---------------|---------------|---------------|
|                             | ₹ crore       |               |               |               |
| (Year-end March)            | FY22          | FY23E         | FY24E         | FY25E         |
| Equity Capital              | 90.9          | 90.9          | 90.9          | 90.9          |
| Reserve and Surplus         | 12,062.4      | 12,313.5      | 13,338.9      | 14,606.1      |
| Total Shareholders funds    | 12,153.3      | 12,404.4      | 13,429.8      | 14,697.0      |
| Total Debt                  | 3,936.4       | 3,436.4       | 2,936.4       | 2,436.4       |
| Deferred Tax Liability      | 240.8         | 264.9         | 291.4         | 320.5         |
| Minority Interest           | 68.7          | 75.6          | 83.1          | 91.5          |
| Other NCL & LT Provision    | 940.1         | 1,034.1       | 1,137.5       | 1,251.3       |
| <b>Total Liabilities</b>    | <b>17,339</b> | <b>17,215</b> | <b>17,878</b> | <b>18,797</b> |
| Gross Block - Fixed Asse    | 13,866.2      | 15,416.2      | 16,166.2      | 16,916.2      |
| Accumulated Depreciatio     | 8,608.7       | 9,445.8       | 10,577.4      | 11,761.6      |
| Net Block                   | 5,257.5       | 5,970.4       | 5,588.8       | 5,154.6       |
| Capital WIP                 | 1,146.3       | 946.3         | 946.3         | 946.3         |
| Total Fixed Assets          | 6,403.8       | 6,916.7       | 6,535.0       | 6,100.9       |
| Investments                 | 900.0         | 900.0         | 900.0         | 900.0         |
| Goodwill on Consolidation   | 2,124.1       | 2,124.1       | 2,124.1       | 2,124.1       |
| Inventory                   | 4,630.7       | 4,721.8       | 4,419.2       | 4,766.2       |
| Debtors                     | 4,261.9       | 4,189.0       | 4,782.8       | 5,253.5       |
| Loans and Advances          | 2.3           | 2.5           | 2.8           | 3.0           |
| Other Current Assets        | 1,642.2       | 1,806.4       | 1,987.0       | 2,185.8       |
| Cash                        | 1,098.1       | 467.8         | 1,448.8       | 2,161.4       |
| Total Current Assets        | 11,635.3      | 11,187.5      | 12,640.6      | 14,369.9      |
| Creditors                   | 2,282.9       | 2,327.8       | 2,577.9       | 2,780.3       |
| Provisions & Other CL       | 2,199.0       | 2,418.9       | 2,660.8       | 2,926.8       |
| Total Current Liabilities   | 4,481.9       | 4,746.7       | 5,238.6       | 5,707.1       |
| Net Current Assets          | 7,153.4       | 6,440.9       | 7,402.0       | 8,662.8       |
| Deferred Tax Assets         | 169.7         | 186.7         | 205.4         | 225.9         |
| Long term Loans and adv     | 0.2           | 0.2           | 0.3           | 0.3           |
| Other Non current assets    | 588.1         | 646.9         | 711.6         | 782.8         |
| <b>Application of Funds</b> | <b>17,339</b> | <b>17,215</b> | <b>17,878</b> | <b>18,797</b> |

Source: Company, ICICI Direct Research

| Exhibit 18: Key ratios      |       |       |       |       |
|-----------------------------|-------|-------|-------|-------|
| (Year-end March)            | FY22  | FY23E | FY24E | FY25E |
| <b>Per Share data (₹)</b>   |       |       |       |       |
| Reported EPS                | -33.7 | 9.5   | 25.6  | 33.0  |
| BV per share                | 268.3 | 273.8 | 296.4 | 324.4 |
| Dividend per share          | 4.0   | 3.0   | 5.0   | 5.0   |
| Cash per Share              | 24.2  | 10.3  | 32.0  | 47.7  |
| <b>Operating Ratios (%)</b> |       |       |       |       |
| Gross Margin                | 60.5  | 59.4  | 62.0  | 63.0  |
| EBITDA margin               | 12.8  | 10.8  | 16.5  | 18.0  |
| PAT Margin                  | 3.3   | 2.3   | 6.6   | 7.6   |
| Inventory Days              | 260.8 | 260.8 | 240.0 | 240.0 |
| Debtor Days                 | 94.8  | 94.0  | 98.7  | 97.9  |
| Creditor Days               | 128.6 | 128.6 | 140.0 | 140.0 |
| Asset Turnover              | 1.2   | 1.1   | 1.1   | 1.2   |
| EBITDA conversion Rate      | 17.5  | 90.6  | 85.6  | 64.8  |
| <b>Return Ratio (%)</b>     |       |       |       |       |
| RoE                         | 4.4   | 3.0   | 8.6   | 10.2  |
| RoCE                        | 3.4   | 5.7   | 11.0  | 13.0  |
| RoIC                        | 3.1   | 6.2   | 12.4  | 16.0  |
| <b>Valuation Ratios (x)</b> |       |       |       |       |
| P/E                         | NA    | 77.2  | 28.8  | 22.4  |
| EV / EBITDA                 | 16.8  | 20.2  | 11.6  | 9.3   |
| EV / Net Sales              | 2.2   | 2.2   | 1.9   | 1.7   |
| Market Cap / Sales          | 2.0   | 2.0   | 1.9   | 1.7   |
| Price to Book Value         | 2.7   | 2.7   | 2.5   | 2.3   |
| <b>Solvency Ratios</b>      |       |       |       |       |
| Debt / EBITDA               | 1.9   | 2.0   | 1.0   | 0.7   |
| Debt / Equity               | 0.3   | 0.3   | 0.2   | 0.2   |
| Current Ratio               | 2.4   | 2.3   | 2.1   | 2.1   |

Source: Company, ICICI Direct Research

Exhibit 19: 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        | 717     | 870    | Buy    | 14806        | -0.7    | 16.7  | 28.8  | 28.9  | 86.0         | 23.8 | 18.1  | 16.4  | 1.2      | 20.5 | 24.2  | 21.0  | -1.3    | 23.0 | 28.6  | 22.5  |
| Shalby                | SHALUM        | 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   |
| <b>Company</b>        |               |         |        |        |              |         |       |       |       |              |      |       |       |          |      |       |       |         |      |       |       |
| <b>MNC Pharma</b>     |               |         |        |        |              |         |       |       |       |              |      |       |       |          |      |       |       |         |      |       |       |
| Abbott India          | ABBIND        | 20743   | 21,725 | Hold   | 44328        | 328.9   | 380.3 | 476.5 | 519.3 | 63.1         | 54.5 | 43.5  | 39.9  | 33.8     | 36.6 | 39.7  | 35.6  | 26.5    | 28.3 | 30.9  | 27.5  |
| P&G Health            | MERLUM        | 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        | 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     | JUBLIF        | 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         | 737     | 725    | Hold   | 33490        | 26.9    | 11.9  | 8.3   | 25.6  | 27.4         | 62.1 | 88.6  | 28.8  | 9.6      | 3.4  | 5.7   | 11.0  | 8.8     | 4.4  | 3.0   | 8.6   |
| 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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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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