

Strong LatAm growth drives numbers...

Q2FY21 revenues grew 18% YoY to ₹ 268 crore. EBITDA margins improved 131 bps YoY to 32.6% due to higher gross margins partially offset by higher staff costs due to recently acquired subsidiaries. Sequential margin improvement (up 279 bps) was on account of a better overall operational performance. Subsequently, EBITDA grew 22.9% YoY, 22.1% QoQ to ₹ 87 crore. However, PAT remained flattish (down 0.7%) YoY at ₹ 57 crore due to lower other income and higher tax outgo.

Robust growth in emerging markets likely to continue

Emerging markets (EM) account for 92% of revenues and consist of LatAm - 87% (both Central, South America) and Africa- 5%. Revenues grew at 25% CAGR over a decade mainly due to 1) early mover advantage in these untapped markets, 2) geographical expansion (starting with two countries to 10 currently), 3) ability to address market gaps, especially in generics space (via trading model) with a hold on end-to-end distribution channels. We expect growth momentum to persist mainly due to further expansion in front end, increasing product basket, change in product mix, launching of own brands. Also, entry into South American countries is likely to propel growth. We expect EM revenues to grow at ~21% CAGR in FY20-23E to ₹ 1365 crore.

Foray into high risk-high return US injectable market

With a calculated approach to focus on injectables in the US, the company established an injectable plant in Tamil Nadu in 2014. Currently, the portfolio comprises 19 filed ANDAs, of which nine have already been approved. At present, the company has ~40 products in the pipeline. In FY20, revenue contribution from the US increased to 8% from just 2% in FY19. We expect US revenues to grow at ~35% CAGR in FY20-23E to ₹ 173 crore on the back of incremental product launches.

Valuation & Outlook

Q2 results were above I-direct estimates on all fronts. After scripting a unique story by growing in uncharted territories, Caplin is looking at growth in known markets. These new markets of South America, US are a big opportunity but fraught with new challenges. That said, we continue to believe in Caplin's capability to replicate the success story in new markets. Secondly, despite likely dent in margins, return ratios due to investment phase in new markets, these prints continue to demonstrate earnings, balance sheet strength. By thriving in lesser known CA markets and cracking the most difficult US generic pharma code of injectables, that too in different therapies, Caplin has created its own identity with long drawn plans on the back of significant capex lever. The company continues to offer a compelling risk-reward scenario at current valuations. We maintain **BUY** rating and arrive at our target price of ₹ 605 (12x FY23E EPS of ₹ 50.3).



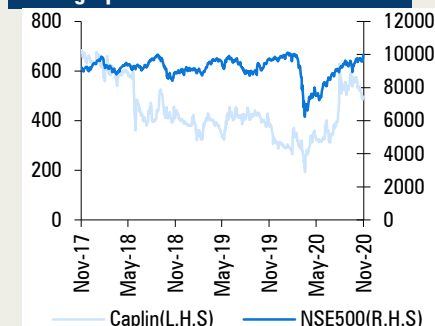
Particulars

Particular	Amount
Market Capitalisation	₹3700 crore
Debt (FY 20)	₹39 crore
Cash (FY 20)	₹223 crore
EV	₹3516 crore
52 week H/L	686/180
Equity capital	₹15.1 crore
Face value	₹2

Key Highlights

- Q2 revenues up 18% YoY to ₹ 268 crore. EBITDA margins improve 131 bps YoY to 32.6% amid higher gross margins offset by higher staff costs
- We continue to believe in Caplin's capability to replicate the success story in new markets
- Maintain BUY

Price graph



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Key Financial Summary

₹Crore	FY20	FY21E	FY22E	FY23E	CAGR FY20-23E (%)
Revenues	863.2	1097.8	1358.4	1575.8	22.2
EBITDA	260.1	339.7	416.4	486.8	23.2
EBITDA Margins (%)	30.1	30.9	30.7	30.9	
Net Profit	215.0	253.3	329.0	380.5	21.0
EPS (Adjusted)	28.4	33.5	43.5	50.3	
PE (x)	17.2	14.6	11.2	9.7	
RoCE (%)	26.5	26.9	28.1	26.5	
RoE (%)	22.7	21.5	22.3	20.8	

Source: ICICI Direct Research; Company

Exhibit 1: Variance Analysis

	Q2FY21	Q2FY20	Q1FY21	YoY (%)	QoQ (%)	Comments
Revenue	268.1	227.2	240.1	18.0	11.7	YoY growth mainly due to strong growth in emerging generic markets
Raw Material Expenses	120.4	109.4	108.8	10.0	10.6	
Gross margins (%)	55.1	51.8	54.7	327 bps	43 bps	Improved amid value added products launched
Employee Expenses	25.3	16.0	25.9	58.3	-2.3	
Other Expenditure	35.1	30.7	33.8	14.2	3.7	
Total Operating Expenditure	180.7	156.1	168.5	15.8	7.2	
EBITDA	87.4	71.1	71.6	22.9	22.1	
EBITDA (%)	32.6	31.3	29.8	131 bps	279 bps	Strong improvement in gross margins partly offset by higher employee cost
Interest	0.5	0.1	0.5	499.3	-5.9	
Depreciation	8.9	7.4	9.0	19.9	-0.9	
Other income	1.8	6.9	6.5	-74.5	-72.9	
PBT before EO	79.8	70.5	68.6	13.2	16.3	
Less: Exceptional Items	0.0	0.0	0.0	0.0	0.0	
PBT	79.8	70.5	68.6	13.2	16.3	
Tax	17.0	13.3	14.1	28.3	20.8	
MI & Share of loss/ (gain) assoc	5.9	0.0	0.0	LP	NM	
Adj. Net Profit	56.9	57.3	54.5	-0.7	4.3	Delta vis-à-vis EBITDA mainly due to lower other income and higher tax rate (21.3% vs 18.8% in Q2FY20)

Source: ICICI Direct Research

Exhibit 2: Change in Estimates

	FY21E			FY22E			Comments
(₹ Crore)	Old	New	% Change	Old	New	% Change	
Revenue	1,076.7	1,097.8	2.0	1,343.7	1,358.4	1.1	
EBITDA	318.5	339.7	6.7	410.9	416.4	1.3	
EBITDA Margin (%)	29.6	30.9	136 bps	30.6	30.7	7 bps	Increased mainly due to higher-than-expected margins in H1
PAT	251.2	253.3	0.8	337.1	329.0	-2.4	
EPS (₹)	33.2	33.5	0.8	44.6	43.5	-2.4	

Source: ICICI Direct Research

Conference Call Highlights

- Cash flow from operations (CFO) at ₹ 193 crore in H1FY21
- Receivable days stable at 94 days
- Capex plans
 - over 24-30 months (all to be near Chennai facility) with a capex outgo should be up to ₹ 350-400 crore-
 - (a) Oncology facility for oral solid dosages and injectables
 - (b) General category facility for oral solid and semi solid dosages, targeting approvals from EU, Brazil, South Africa and Russia, with US at a later stage. This facility will also cater to increased demand from existing LatAm markets
 - (c) Oral solid, semi solid and injectable facility for hormones for regulated and RoW markets
 - (d) Penem facility for regulated markets
 - API facility to be completed by FY21
 - construction of a centralised warehouse in Latin America
- US
 - The company launched two products in the US in Q2FY21. As on date, 19 ANDAs have been filed with seven out of nine approved ANDAs having been launched, remaining two to be launched in the next three months
 - pipeline of 40 ANDAs to be filed within the next 36 months, with addressable market size of US\$2.8 billion
 - Gross margins at ~40-50%
 - Signed CMO partnerships for three complex products (injectables: 2; Ophthalmic: 1), to be filed in the US and worldwide within 18 months (approval may take 30-32 months)
 - Expects to file 14 new ANDAs in the next 12 months (nine – injectables; five – ophthalmic)
 - Expecting seven more ANDA approvals in H2FY21
 - Total 12 API DMF filings to be completed through CMO partnership, within next 12-15 months
 - Caplin steriles – looking for two more expansions relating to pre-mix bag lines (₹ 9-10 crore + ₹ 6-7 crore)
 - (a) Front-end presence by mid-FY22
 - (b) Breakeven expected in 18 months
 - (c) ₹ 30 crore revenue in H1FY21
 - (i) Milestone income ₹ 10 crore vs ₹ 20 crore in H1FY20
 - (d) H2FY21 to be higher YoY
- In last stages of finalising agreements with partners in Canada and Australia for filing 10 products (7 – Canada; 3 – Australia). Products to be launched by FY22
- Plan to be backward integrated with own APIs for 70% of all filings by 2024

- R&D levels to continue at current levels, current employee cost is sustainable
- Caplin may look at acquisition opportunities in India (API) and Mexico (liquid & ointments)
- US to contribute 30-35% topline in four to five years
- Manufacturing of own API started in CMO at Vizag, for Latin American markets, targeting reduction in costs to the extent of 10-15% over 3-4 quarters against current procurement costs, for Top 10 products (Top 2 provide 20% revenues, rest 8 provide ~10-15%)
- plans to enter private business (not government tenders) in larger LatAm markets such as Uruguay, Chile, Brazil, Mexico.

Exhibit 3: Quarterly Financials

(₹ crore)	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20	Q4FY20	Q1FY21	Q2FY21	YoY (%)	QoQ (%)
Total Operating Income	155.9	159.0	187.3	192.6	227.2	228.2	215.2	240.1	268.1	18.0	11.7
Raw Material Expenses	70.3	68.2	86.2	85.2	109.4	107.1	111.4	108.8	120.4	10.0	10.6
% of Revenue	45.1	42.9	46.0	44.2	48.2	46.9	51.8	45.3	44.9	-327 bps	-43 bps
Gross Profit	85.6	90.8	101.1	107.4	117.8	121.1	103.8	131.3	147.8	25.5	12.6
Gross Profit Margin (%)	54.9	57.1	54.0	55.8	51.8	53.1	48.2	54.7	55.1	327 bps	43 bps
Employee Expenses	11.5	11.7	12.4	15.6	16.0	17.7	18.5	25.9	25.3	58.3	-2.3
% of Revenue	7.4	7.4	6.6	8.1	7.0	7.7	8.6	10.8	9.4	240 bps	-135 bps
Other Expenditure	18.3	21.3	24.0	24.4	30.7	35.6	31.5	33.8	35.1	14.2	3.7
% of Revenue	11.8	13.4	12.8	12.7	13.5	15.6	14.6	14.1	13.1	-44 bps	-101 bps
Total Expenditure	100.1	101.3	122.6	125.2	156.1	160.4	161.4	168.5	180.7	15.8	7.2
% of Revenue	64.2	63.7	65.4	65.0	68.7	70.3	75.0	70.2	67.4	-131 bps	-279 bps
EBITDA	55.8	57.8	64.8	67.4	71.1	67.8	53.8	71.6	87.4	22.9	22.1
EBITDA Margin (%)	35.8	36.3	34.6	35.0	31.3	29.7	25.0	29.8	32.6	131 bps	279 bps
Other Income	7.0	7.7	2.7	4.5	6.9	10.3	19.6	6.5	1.8	-74.5	-72.9
Interest	0.0	0.0	0.0	0.0	0.1	0.1	0.2	0.5	0.5	499.3	-5.9
Depreciation	5.6	5.7	6.7	7.4	7.4	8.4	8.4	9.0	8.9	19.9	-0.9
PBT	57.2	59.8	60.7	64.5	70.5	69.6	64.9	68.6	79.8	13.2	16.3
Total Tax	13.7	14.0	10.8	14.4	13.3	10.7	16.0	14.1	17.0	28.3	20.8
Tax rate (%)	24.0	23.4	17.9	22.3	18.8	15.4	24.7	20.5	21.3	250 bps	79 bps
PAT	43.5	45.8	49.8	50.2	57.3	58.6	48.9	54.5	56.9	-0.7	4.3
PAT Margin (%)	27.9	28.8	26.6	26.1	25.2	25.7	22.7	22.7	21.2	-401 bps	-150 bps

Source: ICICI Direct Research, Company

Company Background

Established in 1990 by first generation entrepreneur CC Paarthipan, the company as a matter of strategy focused on emerging markets of LatAm (Central and South America), Francophone and Southern Africa to cash in on the early mover advantage in the then untapped markets.

Over the years, the company has established a strong and deeper presence in semi-regulated markets of Central America (CA) such as Guatemala, El Salvador, Nicaragua, Ecuador and Honduras among others. It is also one of the leading formulation suppliers in these regions.

Another peculiarity is the focus on supply chain efficiencies by reducing intermediaries. For emerging market (mainly comprising CA countries), it procures finished goods from China and supplies them to these geographies by leveraging the trade agreements between China and some of these countries. Thus, besides in-house manufacturing (40%), it outsources ~40% of its products directly from China [and from some Indian vendors (20%)]. To further expand the horizon, the company is now entering South American (Latin America or LatAm consists of Central American markets and South American markets) countries like Chile, Columbia, Brazil and Mexico. The company has also forayed into the US injectable market and has plans to venture into other regulated markets such as Canada and Australia.

The company derives entire revenues through exports with 92% of revenues coming from Emerging Markets (LatAm + Africa) where it has established an end-to-end business model through last mile logistical solutions for its exclusive distributors. The company employs 350+ scientists and has 4000+ internationally registered products.

Caplin has a total annual product capacity of 1500 million tablets, 400 million capsules, 65 million vials of liquid injections, 20 million liquid injection ampoules, 220 million soft gels, 30 million suppositories, 6 million bottles of liquids, 12 million pre-filled syringes, 12 million Pre-Mix bags, 1 million bottles of dry syrup and 12 million ophthalmic units.

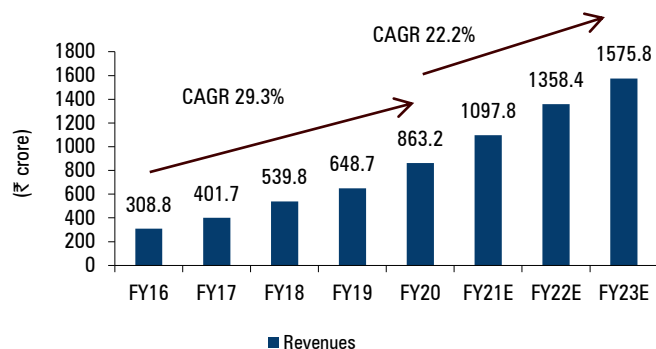
The company launched its first product in the US market in FY18. The process for setting up a dedicated US focused injectable plant began in FY14. In the US, the company filed 19 ANDAs on its own and with partners till date with nine approvals from the USFDA (three with partners). Caplin is also working on a portfolio of 40 simple and complex injectable and ophthalmic products, to be filed over the next four years.

The company has also set up Amaris Clinical, a Clinical Research division for BE/BA studies, which will be targeting the regulatory approvals for the US, China, Brazil, Chile and Colombia.

Caplin currently has four subsidiaries: Caplin Steriles Ltd, Argus SaludPharma LLP, Caplin Point Far East Ltd – Hong Kong, Caplin Point Laboratories Colombia SAS Colombia. Also, Caplin has step down subsidiaries in El Salvador, Nicaragua and Honduras, which are held through its wholly owned subsidiary in Hong Kong.

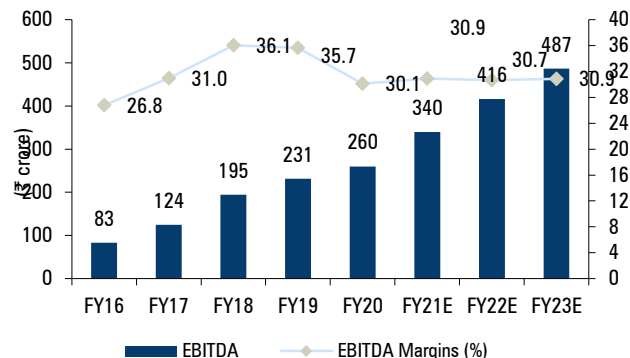
It also started a JV with a large Chinese distribution firm, 'Hainan Jointown Pharmaceuticals' for entry into China for intermediates, API and formulations. In FY19, the company had raised ₹ 218 crore from Fidelity by issuing preferential shares for the injectable business earmarked for the US. The funds will be utilised for operational expenditure, R&D and potential future capex.

Exhibit 4: Revenues to grow at 22% FY20-23E CAGR



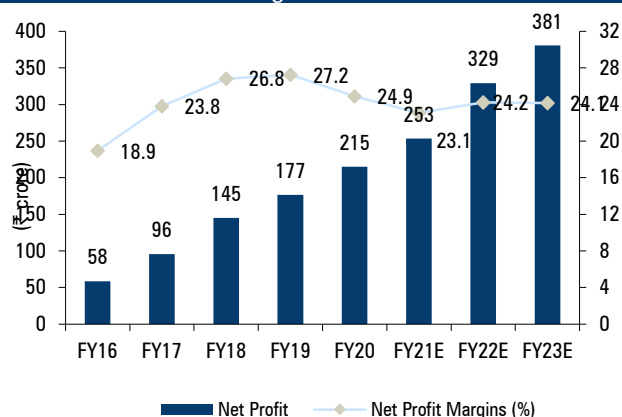
Source: ICICI Direct Research, Company

Exhibit 5: EBITDA & EBITDA margins trend



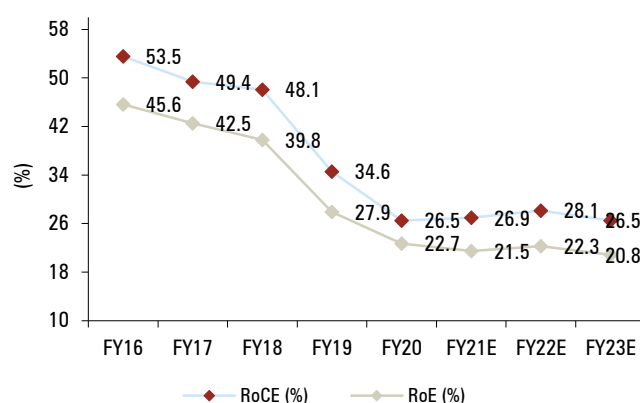
Source: ICICI Direct Research, Company

Exhibit 6: PAT & PAT margins trend



Source: ICICI Direct Research, Company

Exhibit 7: RoE & RoCE trend



Source: ICICI Direct Research, Company

Exhibit 8: Valuation

	Revenues	Growth	EPS	Growth	P/E	EV/EBITDA	RoE	RoCE
	(₹ crore)	(%)	(₹)	(%)	(x)	(X)	(%)	(%)
FY 20	863	33.1	28.4	21.8	17.2	13.3	22.7	26.5
FY 21E	1098	27.2	33.5	17.8	14.6	9.3	21.5	26.9
FY 22E	1358	23.7	43.5	29.9	11.2	7.2	22.3	28.1
FY 23E	1576	16.0	50.3	15.7	9.7	5.6	20.8	26.5

Source: ICICI Direct Research, Company

Exhibit 9: Shareholding Pattern

(in %)	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20
Promoter	69.0	69.0	69.0	69.0	69.0
Others	31.0	31.0	31.0	31.0	31.0

Source: ICICI Direct Research, Company

Financial Summary

Exhibit 10: Profit & Loss (₹ crore)

(Year-end March)	FY20	FY21E	FY22E	FY23E
Total Operating Income	863.2	1,097.8	1,358.4	1,575.8
Growth (%)	33.1	27.2	23.7	16.0
Raw Material Expenses	413.2	509.4	636.9	738.8
Gross Profit	450.0	588.3	721.5	836.9
Gross Profit Margins (%)	52.1	53.6	53.1	53.1
Employee Expenses	67.8	102.7	124.3	144.2
Other Expenditure	122.2	146.0	180.8	206.0
Total Operating Expenditure	603.1	758.1	942.0	1,089.0
EBITDA	260.1	339.7	416.4	486.8
Growth (%)	12.4	30.6	22.6	16.9
Interest	0.3	2.0	3.9	3.9
Depreciation	31.6	35.6	45.2	58.2
Other Income	41.3	33.0	65.2	75.6
PBT before Exceptional I	269.5	335.0	432.6	500.4
Less: Exceptional Items	0.0	0.0	0.0	0.0
PBT after Exceptional Items	269.5	335.0	432.6	500.4
Total Tax	54.4	72.1	95.2	110.1
PAT before MI	215.1	262.9	337.4	390.3
Minority Interest	0.1	9.6	8.4	9.8
PAT	215.0	253.3	329.0	380.5
Growth (%)	21.8	17.8	29.9	15.7
EPS (Adjusted)	28.4	33.5	43.5	50.3

Source: ICICI Direct Research

Exhibit 11: Cash Flow Statement (₹ crore)

(Year-end March)	FY20	FY21E	FY22E	FY23E
Profit/(Loss) after taxation	214.7	253.3	329.0	380.5
Add: Depreciation & Amort	31.6	35.6	45.2	58.2
Net Increase in Current As:	-223.7	72.6	-96.6	-81.4
Net Increase in Current Lia	46.6	40.3	26.5	22.6
Others	-24.5	2.0	3.9	3.9
CF from Operating activi	44.7	403.9	308.0	383.9
(Purchase)/Sale of Fixed A	-67.6	-100.0	-100.0	-100.0
Investments	9.7	-200.0	-200.0	-200.0
Others	4.0	1.1	1.2	1.2
CF from Investing activiti	-54.0	-298.9	-298.8	-298.8
Proceeds from Preference :	113.0	0.0	0.0	0.0
(inc)/Dec in Loan	0.0	0.0	0.0	0.0
Dividend & Dividend tax	-32.5	-22.7	-30.3	-30.3
Other	-0.7	-2.0	-3.9	-3.9
CF from Financing activi	79.8	-24.7	-34.1	-34.1
Net Cash Flow	70.4	80.3	-25.0	51.0
Cash and Cash Equivalent	153.0	223.4	303.8	278.8
Cash	223.4	303.8	278.8	329.8
Free Cash Flow	-23.0	303.9	208.0	283.9

Source: ICICI Direct Research

Exhibit 12: Balance Sheet (₹ crore)

(Year-end March)	FY20	FY21E	FY22E	FY23E
Equity Capital	15.1	15.1	15.1	15.1
Reserve and Surplus	932.8	1,163.4	1,462.1	1,812.4
Total Shareholders funds	947.9	1,178.5	1,477.2	1,827.5
Total Debt	38.6	38.6	38.6	38.6
Deferred Tax Liability	10.1	10.6	11.1	11.7
Other Non Current Liabilities	22.1	23.2	24.4	25.6
Source of Funds	1,018.7	1,251.0	1,551.4	1,903.4
Gross Block - Fixed Assets	354.8	384.8	554.8	654.8
Accumulated Depreciation	82.3	117.9	163.2	221.4
Net Block	272.5	266.9	391.6	433.4
Capital WIP	20.1	90.1	20.1	20.1
Fixed Assets	292.6	357.0	411.8	453.5
Investments	60.8	260.8	460.8	660.8
LT Loans and Advances	10.0	10.6	11.1	11.6
Inventory	238.2	90.2	111.7	129.5
Debtors	229.0	300.8	372.2	431.7
ST Loans and Advances	68.3	71.7	75.3	79.1
Other Current Assets	3.4	3.5	3.7	3.9
Cash	223.4	303.8	278.8	329.8
Total Current Assets	762.3	770.0	841.7	974.0
Creditors	64.1	102.3	126.6	146.9
Provisions	0.9	1.0	1.0	1.1
Other Current Liabilities	42.0	44.1	46.3	48.6
Total Current Liabilities	107.0	147.4	173.9	196.5
Net Current Assets	655.3	622.7	667.8	777.5
Application of Funds	1,018.7	1,251.0	1,551.4	1,903.4

Source: ICICI Direct Research

Exhibit 13: Key Ratios (₹ crore)

(Year-end March)	FY20	FY21E	FY22E	FY23E
Per share data (₹)				
Reported EPS	28.4	33.5	43.5	50.3
Cash EPS	25.5	30.5	39.5	46.3
BV per share	125.3	155.8	195.3	241.6
Cash per Share	29.5	40.2	36.9	43.6
Dividend per share	2.9	3.0	4.0	4.0
Operating Ratios (%)				
Gross Profit Margins	52.1	53.6	53.1	53.1
EBITDA margins	30.1	30.9	30.7	30.9
PAT Margins	24.9	23.1	24.2	24.1
Cash Conversion Cycle	170.4	96.0	96.0	96.0
Asset Turnover	2.4	2.9	2.4	2.4
EBITDA conversion Rate	17.2	118.9	74.0	78.9
Return Ratios (%)				
RoE	22.7	21.5	22.3	20.8
RoCE	26.5	26.9	28.1	26.5
RoIC	32.0	50.9	46.9	48.0
Valuation Ratios (x)				
P/E	17.2	14.6	11.2	9.7
EV / EBITDA	13.3	9.3	7.2	5.6
EV / Net Sales	4.0	2.9	2.2	1.7
Market Cap / Sales	4.3	3.4	2.7	2.3
Price to Book Value	3.9	3.1	2.5	2.0
Solvency Ratios				
Debt / EBITDA	0.1	0.1	0.1	0.1
Debt / Equity	0.0	0.0	0.0	0.0
Current Ratio	5.0	3.2	3.2	3.3

Source: ICICI Direct Research

Exhibit 14: ICICI Direct universal Coverage (Healthcare)

Company	I-Direct Code	CMP (₹)	TP (₹)	Rating	M Cap (₹cr)	EPS (₹)				PE(x)				RoCE (%)				RoE (%)			
						FY19	FY20	FY21E	FY22E	FY19	FY20	FY21E	FY22E	FY19	FY20	FY21E	FY22E	FY19	FY20	FY21E	FY22E
Ajanta Pharma	AJAPHA	1611	1,960	Buy	14062	43.5	53.4	62.7	73.8	37.0	30.2	25.7	21.8	21.8	24.7	25.4	24.5	17.1	18.1	18.4	18.6
Alembic Pharma	ALEMPHA	995	1,170	Buy	19548	31.4	46.3	59.7	48.4	31.6	21.5	16.6	20.6	19.6	21.0	22.2	16.9	21.8	27.1	22.9	16.2
Apollo Hospital	APOHOS	2123	1,970	Buy	29531	17.0	23.3	-11.4	28.7	125.1	91.0	NA	73.9	8.8	10.2	3.9	15.2	7.1	9.7	-4.6	10.5
Aurobindo Pharma	AURPHA	791	1,025	Buy	46345	41.9	48.8	58.4	65.4	18.9	16.2	13.6	12.1	15.9	17.2	18.2	18.0	17.7	17.0	15.0	14.5
Biocon	BIOCON	413	500	Buy	49596	6.2	5.8	8.4	15.8	66.6	71.0	49.5	26.2	10.9	10.2	11.7	18.2	12.2	10.4	13.2	20.3
Cadila Healthcare	CADHEA	443	555	Buy	45342	18.1	14.0	19.8	22.1	24.5	31.7	22.3	20.0	12.8	10.7	13.6	14.3	17.8	13.8	15.7	15.4
Cipla	CIPLA	794	900	Buy	63985	18.6	19.2	30.3	36.0	42.7	41.3	26.1	22.0	10.9	12.0	16.4	17.3	10.0	9.8	13.7	14.2
Divi's Lab	DIVLAB	3209	3,260	Buy	85189	51.0	51.9	70.7	85.7	63.0	61.9	45.4	37.5	25.5	23.9	27.1	26.5	19.4	18.8	21.2	21.0
Dr Reddy's Lab	DRREDD	4959	6,000	Buy	82440	114.7	121.9	168.4	194.4	43.2	40.7	29.5	25.5	10.7	9.6	17.5	19.3	13.6	13.0	15.5	15.5
Glenmark Pharma	GLEPHA	510	560	Buy	14376	26.9	26.4	32.8	39.9	18.9	19.3	15.5	12.8	15.3	12.7	13.8	14.9	13.5	12.2	13.3	14.0
Hikal	HIKCHE	171	230	Buy	2104	8.4	8.1	10.2	12.2	20.4	21.1	16.8	13.9	14.3	12.8	13.6	14.9	13.6	12.2	13.5	14.2
Ipca Laboratories	IPCLAB	2368	2,400	Buy	30034	35.1	47.8	92.3	93.4	67.6	49.5	25.7	25.4	15.0	17.6	26.9	22.4	14.2	16.6	24.5	20.0
Jubilant Life	JUBLIF	702	850	Buy	11185	54.9	59.9	54.4	70.3	12.8	11.7	12.9	10.0	14.3	14.4	14.7	16.9	17.8	16.6	13.2	14.7
Lupin	LUPIN	936	985	Hold	42427	16.5	-12.7	22.6	38.4	56.6	NA	41.4	24.4	9.4	9.7	8.9	13.5	5.4	-4.6	7.6	11.6
Narayana Hrudayam	NARHRU	346	405	Buy	7061	2.9	6.4	-4.2	8.3	119.0	54.4	NA	41.5	7.7	11.0	-2.4	12.8	5.5	11.4	-8.3	14.2
Natco Pharma	NATPHA	918	950	Buy	16727	35.4	25.3	31.0	29.7	25.9	36.3	29.6	30.9	21.3	14.0	16.1	14.2	18.5	12.2	13.4	11.6
Sun Pharma	SUNPHA	513	585	Buy	122963	15.9	16.8	25.5	23.1	32.3	30.5	20.1	22.2	10.3	10.0	11.4	12.4	9.2	8.9	12.9	10.5
Syngene Int.	SYNINT	548	635	Buy	21928	8.3	10.3	9.5	13.2	66.3	53.2	57.5	41.6	14.8	14.5	12.4	15.8	16.8	15.7	14.9	17.2
Torrent Pharmaceuticals	TORPHA	2604	3,135	Buy	44070	48.9	60.6	71.0	85.9	53.2	43.0	36.7	30.3	14.2	15.4	18.0	20.2	17.5	21.2	21.0	21.3
Shalby	SHALIM	92	100	Hold	997	2.9	2.6	4.2	4.8	31.5	36.2	22.1	19.2	6.8	7.2	5.8	7.8	4.1	3.5	5.3	5.9
Aster DM	ASTDM	134	160	Buy	6693	6.7	5.5	-0.3	8.3	20.1	24.2	NA	16.1	8.3	7.1	3.4	8.7	10.4	8.5	-0.5	11.3
Indoco Remedies	INDREM	255	330	Buy	2349	-0.3	2.6	11.0	15.0	NA	97.4	23.2	17.0	1.0	5.1	13.5	16.9	-0.4	3.5	13.2	15.6
Caplin Point Laboratories	CAPPOI	489	605	Buy	3700	23.3	28.4	33.5	43.5	21.0	17.2	14.6	11.2	34.6	26.5	26.9	28.1	27.9	22.7	21.5	22.3
Granules India	GRANUL	374	460	Buy	9257	9.5	12.4	21.4	25.2	39.2	30.1	17.5	14.8	11.8	15.2	22.9	23.1	15.5	16.7	22.6	21.2
Laurus Labs	LAULAB	282	390	Buy	15118	1.7	4.8	16.0	17.7	161.2	59.2	17.6	15.9	7.7	13.0	30.4	28.0	6.0	14.4	33.8	27.9

Source: ICICI Direct Research, Bloomberg

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Sell: <-15%



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