

# Ipca Lab

Refer to important disclosures at the end of this report

## All-round miss on lower export API revenues

- We maintain our Hold rating on Ipca with a revised TP of Rs1,060, as we await more clarity on input cost trends and the revenue growth trajectory. We lower FY22E EPS by ~5% to reflect the Q3 miss. We also trim FY23E/FY24E EPS by ~4%/3%.
- Q3 revenue, EBITDA and PAT missed our estimates by 3%, 10%, and 21%, respectively. The miss was driven by lower-than-expected export revenues and higher raw material costs, along with higher power, fuel and logistics costs.
- Ipca has guided for 20% revenue growth on a standalone basis in Q4. It expects UK and API businesses to remain subdued and the institutional business to post solid qoq growth. Gross margins are expected to remain stable in Q4, while seasonally lower domestic revenues are likely to impact operating profitability. Management will provide the FY23 outlook in Q4.
- We reduce our TP to Rs1,060 from Rs1,120 earlier, which implies a 21x P/E on FY24E EPS. Upside risks: better-than-expected export growth, resolution of US FDA import alert and a decline in raw material prices. Downside risks: lower-than-expected growth and slowdown in IPM.

**Weak segmental performance, especially exports:** Export formulations revenue was down 19% yoy in Q3 due to a sharp decline in the institutional tender and generics businesses, partially offset by the branded business. Export API revenue was also down 20% yoy, as sartan API exports remained subdued due to the Azido impurity issue. On the contrary, domestic formulations revenue grew by 23% yoy on the back of strong performance across therapies. Domestic API revenue also increased by 16% yoy.

**Guiding for softer Q4:** Management has guided for 20% revenue growth in Q4 and expects profitability to remain weak due to the seasonally low domestic business. The sartan API issue drags on as the company is finalizing another process to improve the yield to the earlier levels. As a result, the company expects the export API business to bounce back in Q1FY23 and is confident of recapturing the market share in FY23. The generic export business is likely to be impacted for the next 3-4 quarters as the company sorts out the UK distribution issue, where the company is now marketing 6-7 products on its own and plans to market all the 40-50 products next year. The FY22 revenue guidance of Rs3.5bn for the institutional business was reaffirmed. While management will be sharing detailed guidance for FY23, it plans to add 700-800 MRs to its current base of 5,000 MRs.

**Maintain Hold:** We cut FY22E EPS by ~5% to reflect the Q3 miss and softer Q4 expectations. We lower our FY23E/FY24E EPS by ~4%/3%. Though we continue to like Ipca's integrated business model, the lingering uncertainty on raw material cost pressures, demand softness in Europe, and sartan-related issues keep us on the sideline. The US FDA inspection timeline also remains unclear. We maintain Hold with a revised TP of Rs1,060, implying a 21x P/E on our FY24E EPS.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Pharmaceuticals \(Page 8\)](#)

### Financial Snapshot (Consolidated)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Net Sales	46,487	54,200	58,756	66,140	73,349
EBITDA	9,343	15,444	13,441	16,204	19,071
EBITDA Margin (%)	20.1	28.5	22.9	24.5	26.0
APAT	6,342	11,400	9,692	11,683	12,817
EPS (Rs)	25.1	45.1	38.2	46.0	50.5
EPS (% chg)	43.4	79.8	(15.3)	20.5	9.7
ROE (%)	18.8	27.4	18.9	19.3	18.2
P/E (x)	39.4	21.9	25.9	21.5	19.6
EV/EBITDA (x)	27.0	16.0	18.1	14.7	12.1
P/BV (x)	6.9	5.3	4.5	3.8	3.3

Source: Company, Emkay Research

<b>CMP</b> Rs 989 as of (February 15, 2022)	<b>Target Price</b> Rs 1,060 (▼) 12 months
<b>Rating</b> HOLD (■)	<b>Upside</b> 7.2 %

### Change in Estimates

EPS Chg FY22E/FY23E (%)	(5)/(4)
Target Price change (%)	(5)
Target Period (Months)	12
Previous Reco	HOLD

### Emkay vs Consensus

	EPS Estimates	
	FY22E	FY23E
Emkay	38.2	46.0
Consensus	45.7	56.2
Mean Consensus TP (12M)	Rs 1,293	

### Stock Details

Bloomberg Code	IPCA IN
Face Value (Rs)	2
Shares outstanding (mn)	254
52 Week H/L	1,384 / 893
M Cap (Rs bn/USD bn)	251 / 3.33
Daily Avg Volume (nos.)	11,06,791
Daily Avg Turnover (US\$ mn)	15.3

### Shareholding Pattern Dec '21

Promoters	46.3%
FIIIs	12.3%
DIIIs	30.0%
Public and Others	11.4%

### Price Performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	(7)	(10)	(17)	4
<b>Rel. to Nifty</b>	(2)	(6)	(21)	(8)

### Relative price chart



Source: Bloomberg

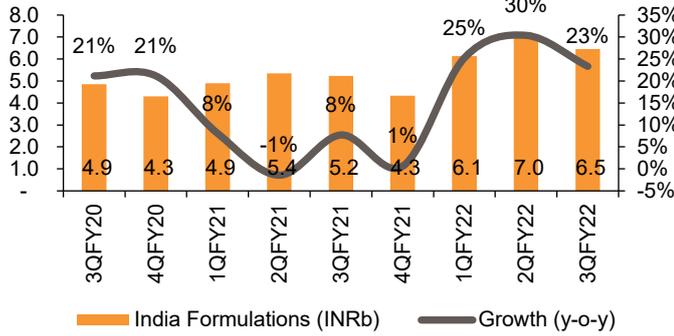
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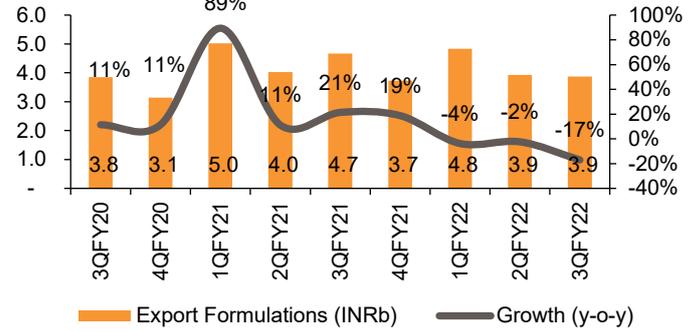
# Story in Charts

**Exhibit 1: India branded revenue saw robust growth**



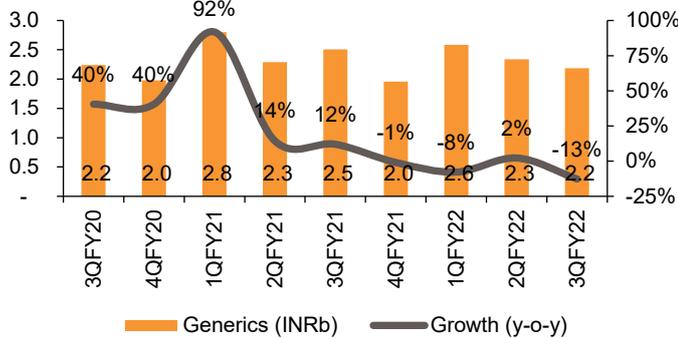
Source: Company, Emkay Research

**Exhibit 2: Export formulation revenues back to pre-Covid levels**



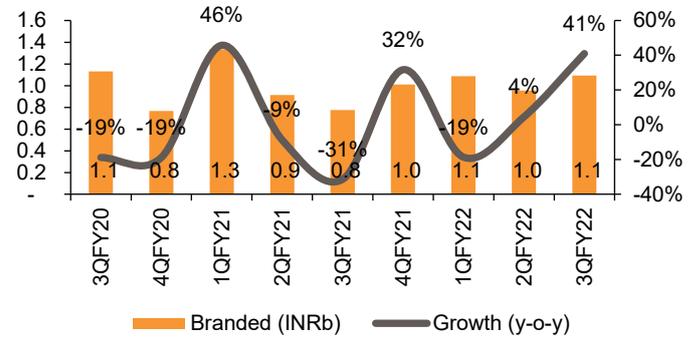
Source: Company, Emkay Research

**Exhibit 3: Generics revenue fell back to pre-Covid levels**



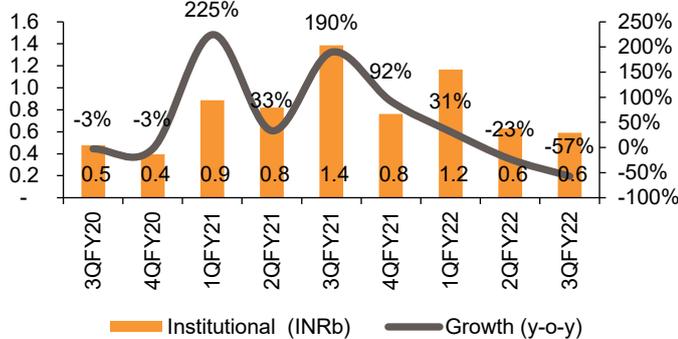
Source: Company, Emkay Research

**Exhibit 4: Branded RoW business saw robust growth**



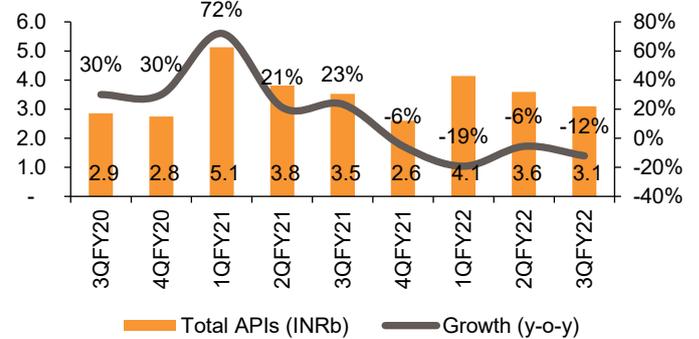
Source: Company, Emkay Research

**Exhibit 5: Institutional business fell back to pre-Covid levels**



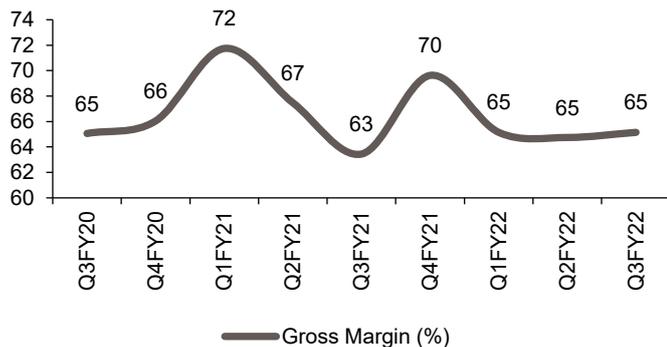
Source: Company, Emkay Research

**Exhibit 6: While API business was also weak and fell 12% yoy**



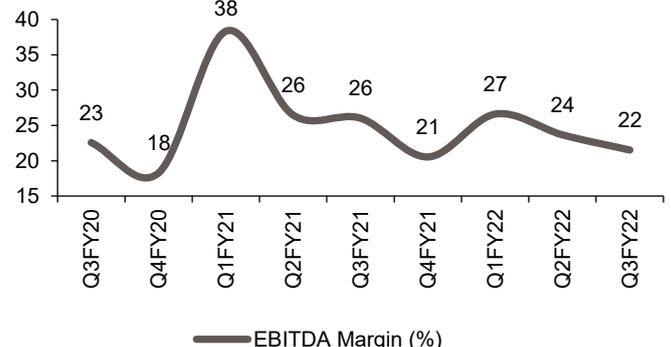
Source: Company, Emkay Research

**Exhibit 7: Gross margins were steady and fell marginally**



Source: Company, Emkay Research

**Exhibit 8: Higher other expenses resulted in EBITDA decline**



Source: Company, Emkay Research

**Exhibit 9: All round miss**

Particulars (Rs mn)	3QFY22	3QFY21	YoY (%)	2QFY22	QoQ (%)	3QFY22 Emkay est	Var (%)
Total revenue	14,305	14,098	1	15,444	(7)	14,800	(3)
COGS	4,986	5,154	(3)	5,445	(8)	5,106	(2)
% of revenues	34.9	36.6	-170	35.3	-40	34.5	35
Personnel exp	2,837	2,451	16	2,964	(4)	2,960	(4)
% of revenues	19.8	17.4	245	19.2	64	20.0	-17
Other & R&D	3,404	2,824	21	3,381	1	3,330	2
% of revenues	23.8	20.0	376	21.9	191	22.5	130
EBITDA	3,078	3,669	(16)	3,655	(16)	3,404	(10)
EBITDAM (%)	21.5	26.0	-451	23.7	-215	23.0	-148
Depreciation & Amortization	587	535	10	570	3	545	8
EBIT	2,492	3,134	(21)	3,085	(19)	2,859	(13)
EBITM (%)	17.4	22.2	-481	20.0	-256	19.3	-190
Other income	129	154	(16)	181	(28)	170	(24)
Interest cost	14	23	(38)	11	35	9	62
PBT	2,607	3,265	(20)	3,255	(20)	3,020	(14)
Tax	573	567	1	679	(16)	544	5
% Tax rate	22	17	462	21	113	18	399
Minorities / Associates	(64)	(22)	na	(75)	na	12	na
Adjusted Net profit	1,970	2,676	(26)	2,501	(21)	2,489	(21)
Exceptional items	0	0	na	0	na	0	na
Reported Net profit	1,970	2,676	(26)	2,501	(21)	2,489	(21)
EPS (Rs)	7.8	10.5	(26)	9.9	(21)	9.8	(21)

Source: Company, Emkay Research

**Exhibit 10: Lower than expected revenues across segments except Domestic API**

Particulars (Rs mn)	3QFY22	3QFY21	YoY (%)	2QFY22	QoQ (%)	3QFY22 Emkay est	Var (%)
Branded	1,092	775	41	955	14	1,181	(7)
Institutional	592	1,386	(57)	630	(6)	985	(40)
Generics	1,791	2,151	(17)	1,925	(7)	1,896	(6)
Total Exports formulations	3,475	4,312	(19)	3,510	(1)	4,062	(14)
Exports API	2,238	2,781	(20)	2,868	(22)	2,401	(7)
Domestic formulations	6,453	5,232	23	6,982	(8)	6,487	(1)
Domestic API	856	740	16	729	17	740	16
Revenues from Subsidiaries	1,020	946	8	1,186	(14)	794	-
Other operating income	263	88	199	169	56	316	-
Total operating revenue	14,305	14,098	1	15,444	(7)	14,800	(3)

Source: Company, Emkay Research

**Exhibit 11: Actual vs Estimates (Q3FY22)**

(Rs mn)	Actual	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Revenues	14,305	14,800	14,579	-3.3%	-1.9%	Revenue miss led by lower-than-expected revenues across segments
EBITDA	3,078	3,404	3,174	-9.6%	-3.0%	EBITDA miss led by revenue and gross margin miss
EBITDA margin	21.5%	25.5%	21.8%	-398bps	-25bps	
Adj. PAT	1,970	2,489	2,263	-20.9%	-13.0%	PAT miss due to EBITDA miss

Source: Company, Emkay Research

## Changes in estimates

### Exhibit 12: We lower our earnings estimates

Y/E, Mar (Rs. mn)	FY22E			FY23E			FY24E		
	Earlier	Revised	% Change	Earlier	Revised	% Change	Earlier	Revised	% Change
Revenues	60,264	58,756	-3%	67,302	66,140	-2%	74,583	73,349	-2%
EBITDA	13,958	13,441	-4%	16,826	16,204	-4%	19,392	19,071	-2%
EBITDAM (%)	23.2%	22.9%	-29bps	25.0%	24.5%	-50bps	26.0%	26.0%	0bps
APAT	10,113	9,692	-4%	12,179	11,683	-4%	13,121	12,817	-2%
EPS (Rs)	40.0	38.2	-5%	48.2	46.0	-4%	51.9	50.5	-3%

Source: Company, Emkay Research

## Con-call takeaways

- Excluding exceptional business last year, the company has achieved 13% growth in 9MFY22. Branded domestic and RoW markets saw a strong performance.
- The institutional business included Rs350mn of exceptional business last year. For FY22, management is confident of achieving its guidance of Rs3.5bn revenues in the international business.
- Generic biz in UK is impacted by lower shipments because of a delay in payments, and hence the company has halted shipments. The company has started its own distribution, which will take time to build. The company needs to get approval from the EMA, which will take at least 3-4 quarters. They have got only 6-7 approvals out of the 40 approvals.
- The API business was impacted by sartan API impurities; the issue is resolved now and Ipca has started production. By Q1FY23, management expects stability in the business. The company has already started signing yearly contracts with customers and expects to get back its volumes in FY23. The stabilization has taken time because after resolving the issue and operating on the newer process led to a decline in capacity. Hence, the company was working on getting back its earlier capacity.
- Despite the rise in costs, Q3 gross margins have been stabled because of a better product mix. Management expects to sustain current margins, as there is uncertainty regarding a fall in costs.
- PBT was affected by higher energy, manufacturing, marketing, logistic costs.
- The company gave revenue growth guidance of 20% for Q4FY22 on a standalone basis.
- The generic price increase was low because of slow demand.
- The India business grew by 31% in 9MFY22, out of which 25% is volume growth and the balance is price growth.
- There are two plants in Dewas. The bigger plant will be commercialized in Apr'22 and the smaller plant will be commercialized at the beginning of FY23.
- Lykaa labs: The integration process is going on and will take some time to complete. The promoters are holding 20% of the company, while Ipca is holding more than 20%. Ipca will become the promoters of the company post the deal completion.
- The company has been growing at 1.5x overall market growth. And management believes that this trend will continue.
- Tax: The company has not opted for the new tax rate regime as there is still Rs3.6bn of credit to be availed. This credit should be utilized in FY22 and FY23. This will result in an increase in ETR from 18% to 25% in FY24.
- Other expenses: The run rate of Rs3.4bn shall continue as the operations have normalized.
- The company has the NLEM portfolio of 25%, and price increases will be effective from 1<sup>st</sup> April, amounting to Rs500mn for the portfolio.
- The company has around 5000 MRs and plans to add 700-800 MRs next year because of the addition of the ortho division and CVS.

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**Key Financials (Consolidated)****Income Statement**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
<b>Net Sales</b>	<b>46,487</b>	<b>54,200</b>	<b>58,756</b>	<b>66,140</b>	<b>73,349</b>
<b>Expenditure</b>	<b>37,144</b>	<b>38,756</b>	<b>45,316</b>	<b>49,936</b>	<b>54,278</b>
<b>EBITDA</b>	<b>9,343</b>	<b>15,444</b>	<b>13,441</b>	<b>16,204</b>	<b>19,071</b>
Depreciation	2,105	2,092	2,218	2,496	2,631
<b>EBIT</b>	<b>7,238</b>	<b>13,352</b>	<b>11,223</b>	<b>13,708</b>	<b>16,439</b>
Other Income	670	628	730	675	798
Interest expenses	165	90	46	42	33
<b>PBT</b>	<b>7,743</b>	<b>13,890</b>	<b>11,906</b>	<b>14,342</b>	<b>17,205</b>
Tax	1,353	2,401	2,143	2,581	4,301
Extraordinary Items	(276)	0	0	0	0
Minority Int./Income from Assoc.	(49)	(89)	(71)	(77)	(86)
<b>Reported Net Income</b>	<b>6,065</b>	<b>11,400</b>	<b>9,692</b>	<b>11,683</b>	<b>12,817</b>
<b>Adjusted PAT</b>	<b>6,342</b>	<b>11,400</b>	<b>9,692</b>	<b>11,683</b>	<b>12,817</b>

**Balance Sheet**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity share capital	252	252	252	252	252
Reserves & surplus	36,022	46,764	55,374	64,949	75,651
<b>Net worth</b>	<b>36,275</b>	<b>47,017</b>	<b>55,626</b>	<b>65,202</b>	<b>75,903</b>
<b>Minority Interest</b>	<b>136</b>	<b>145</b>	<b>217</b>	<b>294</b>	<b>380</b>
<b>Loan Funds</b>	<b>4,139</b>	<b>1,857</b>	<b>1,675</b>	<b>1,310</b>	<b>763</b>
Other Liabilities	1,893	1,825	1,825	1,825	1,825
<b>Total Liabilities</b>	<b>42,444</b>	<b>50,844</b>	<b>59,343</b>	<b>68,631</b>	<b>78,872</b>
<b>Net block</b>	<b>20,807</b>	<b>22,066</b>	<b>25,348</b>	<b>26,852</b>	<b>28,221</b>
<b>Investment</b>	<b>2,382</b>	<b>3,396</b>	<b>3,396</b>	<b>3,396</b>	<b>3,396</b>
<b>Current Assets</b>	<b>28,557</b>	<b>34,370</b>	<b>40,170</b>	<b>49,016</b>	<b>58,887</b>
Cash & bank balance	1,809	3,651	8,441	13,300	19,278
Other Current Assets	4,565	6,653	7,051	7,937	8,802
<b>Current liabilities &amp; Provision</b>	<b>10,155</b>	<b>9,839</b>	<b>10,423</b>	<b>11,485</b>	<b>12,484</b>
<b>Net current assets</b>	<b>18,402</b>	<b>24,530</b>	<b>29,747</b>	<b>37,531</b>	<b>46,403</b>
Misc. exp	0	0	0	0	0
<b>Total Assets</b>	<b>42,444</b>	<b>50,844</b>	<b>59,343</b>	<b>68,631</b>	<b>78,872</b>

**Cash Flow**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
<b>PBT (Ex-Other income)</b>	<b>7,073</b>	<b>13,262</b>	<b>11,176</b>	<b>13,666</b>	<b>16,407</b>
Depreciation & Amortisation	2,105	2,092	2,218	2,496	2,631
Chg in working cap	(2,637)	(2,363)	(426)	(2,925)	(2,894)
<b>Operating Cashflow</b>	<b>5,643</b>	<b>10,591</b>	<b>10,800</b>	<b>10,621</b>	<b>11,790</b>
Capital expenditure	(4,024)	(3,616)	(5,500)	(4,000)	(4,000)
<b>Free Cash Flow</b>	<b>1,620</b>	<b>6,975</b>	<b>5,300</b>	<b>6,621</b>	<b>7,790</b>
Investments	0	(1,591)	0	0	0
Other Investing Cash Flow	0	(3,183)	0	0	0
<b>Investing Cashflow</b>	<b>(4,024)</b>	<b>(8,390)</b>	<b>(5,500)</b>	<b>(4,000)</b>	<b>(4,000)</b>
Equity Capital Raised	119	358	0	0	0
Loans Taken / (Repaid)	(63)	(2,258)	(182)	(365)	(547)
Dividend paid (incl tax)	(1,217)	(1,015)	(1,011)	(2,030)	(2,030)
Other Financing Cash Flow	(1,329)	(74)	730	675	798
<b>Financing Cashflow</b>	<b>(2,634)</b>	<b>(3,058)</b>	<b>(509)</b>	<b>(1,762)</b>	<b>(1,811)</b>
<b>Net chg in cash</b>	<b>(1,014)</b>	<b>(857)</b>	<b>4,791</b>	<b>4,859</b>	<b>5,978</b>
Opening cash position	2,823	1,809	952	5,743	10,602
<b>Closing cash position</b>	<b>1,809</b>	<b>3,651</b>	<b>8,441</b>	<b>13,300</b>	<b>19,278</b>

Source: Company, Emkay Research

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**Key Ratios**

<b>Profitability (%)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EBITDA Margin	20.1	28.5	22.9	24.5	26.0
EBIT Margin	15.6	24.6	19.1	20.7	22.4
Effective Tax Rate	17.5	17.3	18.0	18.0	25.0
Net Margin	13.7	21.2	16.6	17.8	17.6
ROCE	19.2	29.8	21.1	22.1	22.9
ROE	18.8	27.4	18.9	19.3	18.2
RoIC	21.0	33.2	25.1	28.1	30.9

<b>Per Share Data (Rs)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EPS	25.1	45.1	38.2	46.0	50.5
CEPS	33.4	53.4	46.9	55.9	60.9
BVPS	143.5	186.1	219.3	257.0	299.2
DPS	14.7	14.7	14.7	14.7	14.7

<b>Valuations (x)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
PER	39.4	21.9	25.9	21.5	19.6
P/CEPS	29.6	18.5	21.1	17.7	16.2
P/BV	6.9	5.3	4.5	3.8	3.3
EV / Sales	5.4	4.6	4.1	3.6	3.2
EV / EBITDA	27.0	16.0	18.1	14.7	12.1
Dividend Yield (%)	1.5	1.5	1.5	1.5	1.5

<b>Gearing Ratio (x)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Net Debt/ Equity	0.1	(0.1)	(0.1)	(0.2)	(0.3)
Net Debt/EBIDTA	0.2	(0.2)	(0.6)	(0.8)	(1.0)
Working Cap Cycle (days)	130.3	140.6	132.4	133.7	135.0

<b>Growth (%)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Revenue	23.2	16.6	8.4	12.6	10.9
EBITDA	35.0	65.3	(13.0)	20.6	17.7
EBIT	42.1	84.5	(15.9)	22.1	19.9
PAT	37.2	88.0	(15.0)	20.5	9.7

<b>Quarterly (Rs mn)</b>	<b>Q3FY21</b>	<b>Q4FY21</b>	<b>Q1FY22</b>	<b>Q2FY22</b>	<b>Q3FY22</b>
Revenue	14,098	11,147	15,658	15,444	14,305
EBITDA	3,669	2,289	4,165	3,655	3,078
<b>EBITDA Margin (%)</b>	<b>26.0</b>	<b>20.5</b>	<b>26.6</b>	<b>23.7</b>	<b>21.5</b>
PAT	2,676	1,613	3,067	2,501	1,970
<b>EPS (Rs)</b>	<b>10.6</b>	<b>6.4</b>	<b>12.1</b>	<b>9.9</b>	<b>7.8</b>

Source: Company, Emkay Research

<b>Shareholding Pattern (%)</b>	<b>Dec-20</b>	<b>Mar-21</b>	<b>Jun-21</b>	<b>Sep-21</b>	<b>Dec-21</b>
Promoters	46.3	46.3	46.3	46.3	46.3
FIs	18.2	17.5	17.8	18.5	12.3
DIs	24.2	24.8	25.1	25.2	30.0
Public and Others	11.3	11.4	10.8	10.0	11.4

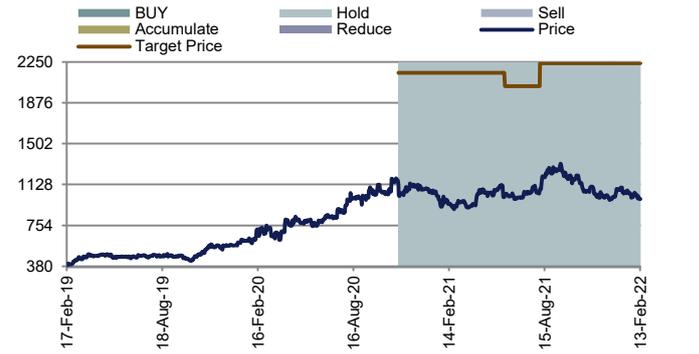
Source: Capitaline

## RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
16-Nov-21	1,077	2,240	12m	Hold	Kunal Dhamesha
12-Nov-21	1,109	2,240	12m	Hold	Kunal Dhamesha
11-Oct-21	1,179	2,240	12m	Hold	Kunal Dhamesha
11-Sep-21	1,262	2,240	12m	Hold	Kunal Dhamesha
05-Sep-21	1,268	2,240	12m	Hold	Kunal Dhamesha
13-Aug-21	1,193	2,240	12m	Hold	Kunal Dhamesha
06-Aug-21	1,086	2,240	12m	Hold	Kunal Dhamesha
13-Jul-21	1,045	2,030	12m	Hold	Kunal Dhamesha
11-Jul-21	1,045	2,030	12m	Hold	Kunal Dhamesha
13-Jun-21	1,023	2,030	12m	Hold	Kunal Dhamesha
31-May-21	1,035	2,030	12m	Hold	Kunal Dhamesha
13-Apr-21	1,080	2,150	12m	Hold	Kunal Dhamesha
12-Mar-21	976	2,150	12m	Hold	Kunal Dhamesha
14-Feb-21	949	2,150	12m	Hold	Kunal Dhamesha
05-Feb-21	966	2,150	12m	Hold	Kunal Dhamesha
12-Jan-21	1,058	2,150	12m	Hold	Kunal Dhamesha
16-Dec-20	1,125	2,150	12m	Hold	Kunal Dhamesha
09-Nov-20	1,131	2,150	12m	Hold	Kunal Dhamesha

Source: Company, Emkay Research

## RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

## Emkay Alpha Portfolio – Pharmaceuticals



**Analyst: Dr. Kunal Dhamesha**

### Contact Details

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+91-22-6612 1254

### Sector

Pharmaceuticals

### Analyst bio

Dr. Kunal Dhamesha is an MBBS and has completed his MBA from IIM Lucknow. As an equity analyst, he has tracked multiple healthcare verticals for 9+ years. His team currently covers 7 stocks.

### EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight based on Current NAV	Change vs last published EAP (bps)
<b>Pharmaceuticals</b>	<b>2.76</b>	<b>2.76</b>	<b>0%</b>	<b>0</b>	<b>100.00</b>	
Aurobindo Pharma	0.20	0.14	-27%	-5	5.15	0
Cadila Healthcare	0.10	0.00	-100%	-10	0.00	0
Cipla	0.50	0.54	10%	5	19.75	0
Dr. Reddy's Lab	0.52	0.57	9%	5	20.56	0
Gland Pharma	0.18	0.20	12%	2	7.15	0
Ipsca Lab	0.13	0.13	-3%	0	4.67	0
Lupin	0.19	0.19	1%	0	6.87	0
Sun Pharma	0.95	0.99	4%	4	35.84	0
<b>Cash</b>	<b>0.00</b>	<b>0.00</b>	<b>NA</b>	<b>0</b>	<b>0.00</b>	<b>0</b>

Source: Emkay Research

\* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

### Sector portfolio NAV

	Base					Latest
	1-Apr-19	15-Feb-21	13-Aug-21	15-Nov-21	14-Jan-22	14-Feb-22
EAP - Pharmaceuticals	100.0	166.2	178.6	182.7	184.6	176.9
BSE200 Neutral Weighted Portfolio (ETF)	100.0	154.7	165.4	166.9	167.5	160.2

\*Performance measurement base date 1<sup>st</sup> April 2019

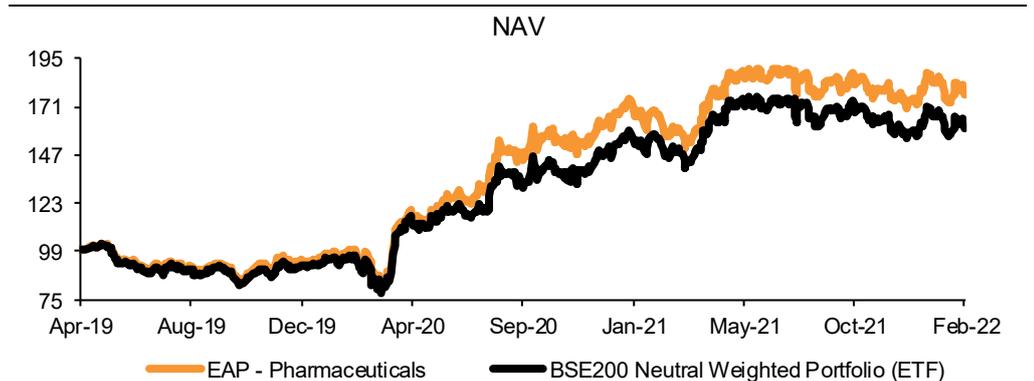
Source: Emkay Research

### Price Performance (%)

	1m	3m	6m	12m
EAP - Pharmaceuticals	-4.2%	-3.2%	-1.0%	6.4%
BSE200 Neutral Weighted Portfolio (ETF)	-4.4%	-4.0%	-3.2%	3.5%

Source: Emkay Research

### NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

## Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 16 Feb 2022 00:35:16 (SGT)

Dissemination Date: 16 Feb 2022 00:36:16 (SGT)

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