

**BUY****TP: Rs 2,553 | ▲ 16%****LUPIN**

| Pharmaceuticals

| 15 February 2026

## Multiple growth levers for multiple years

- Sales/EBITDA /APAT reported 8.2%/13.1%/25% above our estimates. EBITDA Margin reported 130 bps above our estimates
- US sales reported a record USD 350 mn in 3QFY26. US sales expected to sustain USD1bn post the FY26 high base
- Massive beat on estimates. Continue to ascribe 26x and roll forward to Dec'27 EPS to arrive at a PT of Rs 2553

**Foram Parekh**  
**Research Analyst**  
 research@bobcaps.in

**All round beat** – Lupin reported healthy set of earnings, with sales growth of 24.3% YoY driven by 54% YoY growth in the US region, 42% YoY growth in the Emerging Market region, 10.8% YoY growth in the Other Developed markets, and 5.6% YoY growth in the domestic region. This led to 390 bps YoY expansion in Gross Margin to 73.8% and 727 bps YoY increase in EBITDA Margin to 30.8%. During the quarter, there was an exceptional cost of Rs 4,265 mn attributed towards multiple costs, out of which Rs 512 mn is towards the new labour code, Rs 1348 mn towards Mirabegron settlement etc. Thus, reported PAT grew by 37% YoY to Rs 11.8bn and adjusting against exceptional costs and forex, PAT grew by 79% YoY to Rs 15.4 bn.

**US sales reported at an all-time high, driven by multiple factors** – US sales were 18% above our estimates to Rs 31bn. In cc terms, sales grew by 46% YoY and 11% QoQ to USD 350mn. The growth was driven by 1) Tolvaptan which had 180 days exclusivity till Nov'25, 2) higher volume growth in the base business due to healthy flu season, and 3) new product launches like Risperdal Consta (180 days exclusivity), Glucagon etc. which aided in offsetting single digit price erosion pressure. Going forward, the company is confident about sustaining its USD 1bn sales, with Mirabegron and Tolvaptan being the key contributors, and the launch of biosimilars like Pegfilgrastim and Ranibizumab in FY27, and Aflibercept and Etanercept by FY30. The company to also launch 505B2 products on the injectable front, which have the potential to scale up to USD 150mn over time. The company has a wide array of products like injectables, biosimilars, and respiratory; however, with Tolvaptan and Mirabegron cliffs and factoring in a high base, we expect sales to decline by 9% from FY26–28E to Rs 92bn in FY28E.

**Domestic region Rx portfolio growing in-line with the IPM** – Domestic sales were reported 2% above estimates, driven by the Rx portfolio, which grew by 10.9%, but was offset by the local tender business. The Rx sales were driven by the Chronic portfolio, which now contributes 67% of domestic sales vs. 64% in 3QFY25, due to better productivity from 8,900 MRs. Due to the unpredictable nature of the tender business, we expect the company's domestic region to grow at a 6% CAGR from FY26–28E to Rs 92bn in FY28E.

## Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	LPC IN/Rs 2,199
Market cap	US\$ 11.0bn
Free float	53%
3M ADV	US\$ 20.4mn
52wk high/low	Rs 2,245/Rs 1,795
Promoter/FPI/DII	46%/14%/29%

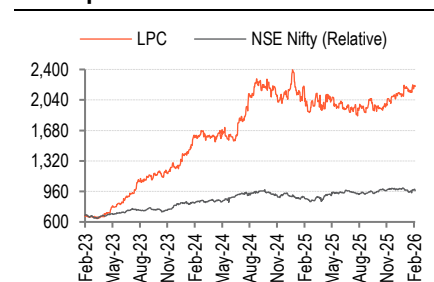
Source: NSE | Price as of 13 Feb 2026

## Key financials

Y/E 31 Mar	FY25A	FY26E	FY27E
Total revenue (Rs mn)	227,079	277,638	269,767
EBITDA (Rs mn)	52,775	76,276	66,884
Adj. net profit (Rs mn)	32,816	50,172	41,526
Adj. EPS (Rs)	72.5	110.9	91.8
Consensus EPS (Rs)	72.5	98.3	89.7
Adj. ROAE (%)	20.7	27.2	19.8
Adj. P/E (x)	30.3	19.8	24.0
EV/EBITDA (x)	19.0	13.4	15.7
Adj. EPS growth (%)	71.4	52.9	(17.2)

Source: Company, Bloomberg, BOBCAPS Research

## Stock performance



Source: NSE



**Emerging market growth driven by new launches** - Lupin's Emerging Markets reported sales 14% above our estimates at Rs 9.1bn. The growth in cc terms was 99%, driven by the launch of Dapagliflozin in Brazil, which offset the decline in the South Africa region. Other geographies in Emerging Markets include Mexico, the Philippines, and South Africa.

**Other Developed Markets expect to grow further** – This segment reported growth 11% above our estimates. The growth was driven by geographies such as Europe, Canada, and Australia. This region is expected to grow further with the closure of the Visu Pharma acquisition in 4QFY26. Visu Pharma is specialized in the Ophthalmology segment and has a presence in EU4 countries, with sales expected to be ~Euro 50mn and a 21% EBITDA margin, and is expected to scale up to 25% eventually. Organically, we expect this region to grow at a CAGR of 15% from FY26–28E to Rs 38bn in FY28E.

**EBITDA Margin guidance increased for FY26** – EBITDA margin for 3QFY26 was reported 130 bps above our estimates at 30.8%. The increase was due to a healthy Gross Margin, which was 80 bps above our estimates at 73.8%, driven by 1) a healthy product mix, 2) a lower share of 6% of total sales for the in-licenses portfolio, 3) increased volume due to LoE of drugs, and 4) cost rationalization. For 9MFY26, EBITDA margin was reported at 29.2%, primarily due to healthy margins from complex generics launches like Tolvaptan, which had 180 days of exclusivity, and Mirabegron. Thus, the management has increased EBITDA margin guidance to 27–28% from the earlier guidance of 25–26%. Due to the higher base, we expect Lupin's sustainable EBITDA margin to be 24.8% in FY27E and 25.7% in FY26E, driven by healthy Biosimilars and 505B2 products.

**Valuation** - Lupin has a rich portfolio of 80 products in the pipeline in the domestic business and biosimilars, with the biosimilars themselves have the potential to scale up to USD 100mn, and a specialty portfolio up to USD 150mn. Post-closure of the Visu Pharma acquisition, the Other Developed Market is also expected to continue its growth momentum; however, FY26 marks a year of a very high base.

However, there are many unbaked opportunities, such as the Semaglutide launch in the domestic market, injectable launches from the Naomi subsidiary, the newly ventured peptide opportunity, and the Visu Pharma acquisition; thus, we maintain a BUY on the stock. We continue to ascribe a PE of 26x vs. the 1-year forward PE of 22x due to its ability to crack complex products for three years in a row (Tiotropium, Mirabegron, and Tolvaptan) and the above mentioned opportunities and roll forward to Dec'27 EPS to arrive at a PT of Rs 2,555.

## Financial Highlights

**Fig 1 – Quarterly Snapshot**

(Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	BoB EST	Var. (%)
Net Sales	71,675	57,677	24.3	70,475	1.7	66,250	8.2
Total Expenses	49,580	44,018	12.6	49,099	1.0	46,706	6
(%) of net sales	69.2	76.3		69.7		70.5	
Raw material consumed	18,781	17,216	9.1	18,248	2.9	17,888	
(%) of net sales	26.2	29.8		25.9		27.0	
Staff cost	11,433	9,843	16.2	11,056	3.4	9,938	
(%) of net sales	16.0	17.1		15.7		15.0	
R&D cost	6,092	4,344	40.2	5,638	8.1	5,631	
(%) of net sales	8.5	7.5		8.0		8.5	
SG&A	13,274	12,615	5.2	14,158	(6.2)	13,250	
(%) of net sales	18.5	21.9		20.1		20.0	
EBITDA	22,095	13,659	61.8	21,376	3.4	19,544	13.1
Depreciation	3,130	2,715	15.3	3,168	(1.2)	2,981	
EBIT	18,965	10,945	73.3	18,208	4.2	16,563	
Interest	1,150	669	71.9	1,076	6.9	994	
Other Income	1,147	537	113.6	900	27.4	1,000	
PBT	18,963	10,813	75.4	18,032	5.2	16,569	
Less: Taxation	3,415	2,124		5,221		4,170	
PAT	15,547	8,689	78.9	12,811	21.4	12,398	25.4
Exceptional items	(3,742)	(100)		2,037		0	
PAT attributable to shareholders	11,805	8,590	37.4	14,848	(20.5)	12,398	(4.8)
<b>Key Ratios (%)</b>							
Gross Margin	73.8	70.2	390bps	74.1	238bps	73.0	
EBITDA Margin	30.8	23.7	727bps	30.3	415bps	29.5	
Tax / PBT	18.0	19.6		29.0		25.2	
NPM	21.7	15.1		18.2		18.7	
Recurring EPS (Rs)	34.2	19.1		28.2		27.2	

Source: Company, BOBCAPS Research

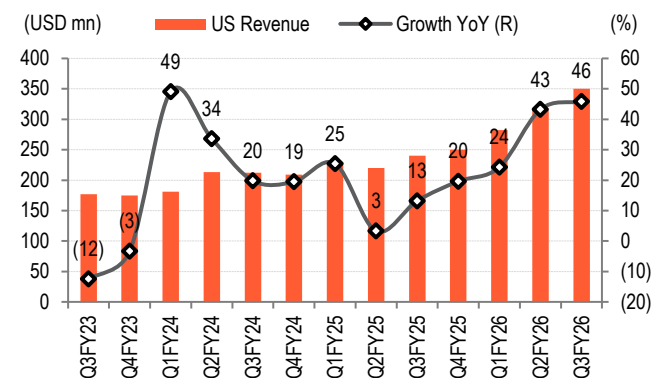
**Fig 2 – Segmental mix**

(Rs mn)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	BoB EST	Var. (%)
Formulations	68,810	53,295	29.1	65,746	4.7	61,719	11.5
US	31,132	20,221	54.0	27,624	12.7	26,304	18.4
India	20,387	19,305	5.6	20,777	(1.9)	20,077	1.5
Other Developed Markets	8,121	7,328	10.8	8,117	0.0	7,289	11.4
EM	9,170	6,441	42.4	9,228	(0.6)	8,049	13.9
APIs	2,195	2,891	(24.1)	2,568	(14.5)	2,602	(15.6)
Licensing Income	-	-		0		-	
Other Operating income	671	1,492	(55.0)	2,161	(69.0)	1,930	(65.2)
Net Sales	71,676	57,678	24.3	70,475	1.7	66,250	8.2

Source: Company, BOBCAPS Research

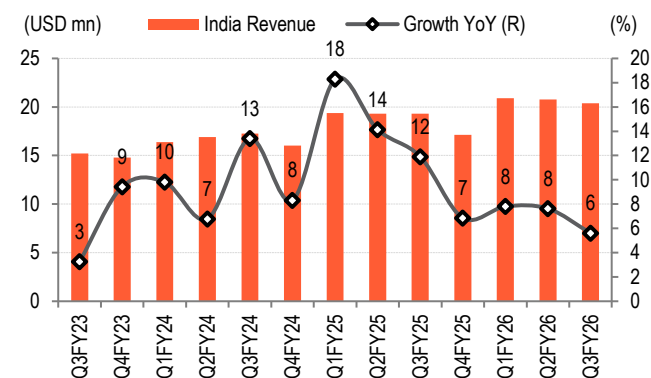
## Financial Charts

**Fig 3 – US sales increased with new product launches**



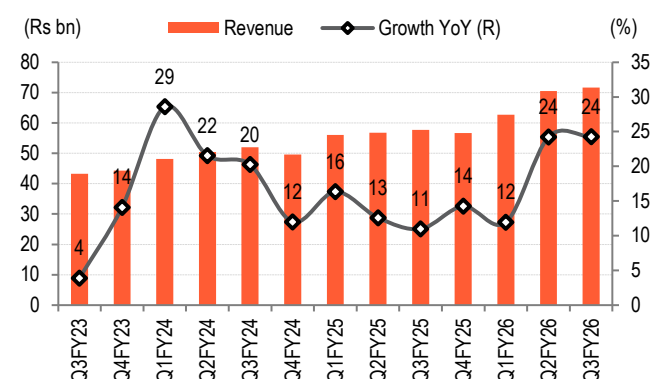
Source: Company, BOBCAPS Research

**Fig 4 – Domestic sales growth lowered due to slowdown in tender business**



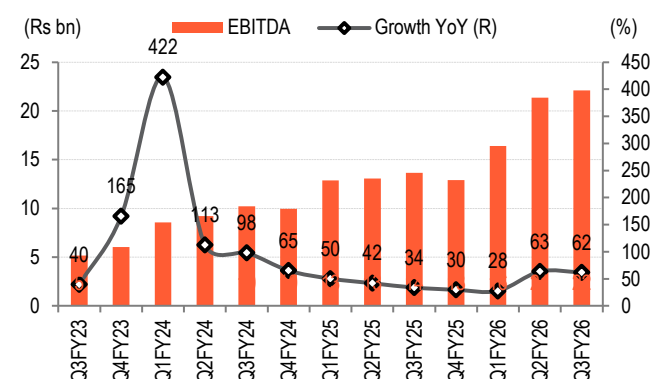
Source: Company, BOBCAPS Research

**Fig 5 – Sales increased due to better US sales**



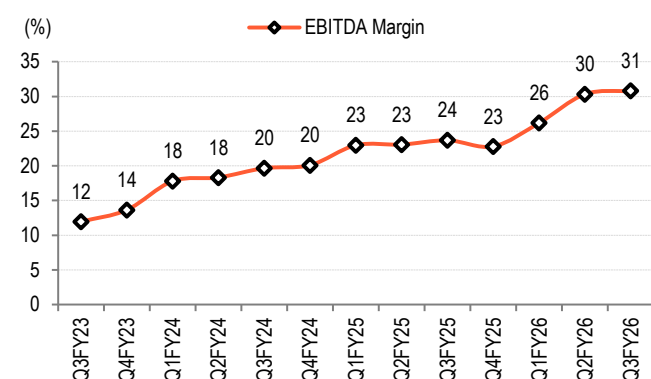
Source: Company, BOBCAPS Research

**Fig 6 – EBITDA sales driven by healthy product mix**



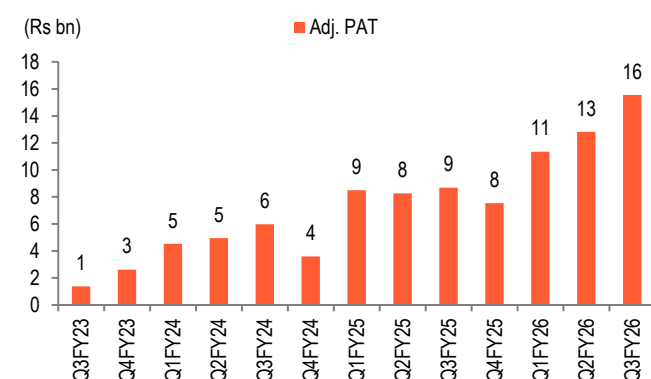
Source: Company, BOBCAPS Research

**Fig 7 – EBITDA Margin increased due to healthy product mix**



Source: Company, BOBCAPS Research

**Fig 8 – Healthy operations led to healthy PAT**



Source: Company, BOBCAPS Research

## Earnings call highlights

### Outlook

- Targeting doubling complex product share in US Business over next few years; specialty portfolio expansion via organic initiatives + targeted acquisitions.
- India formulations to outperform IPM by 1.2x–1.3x, supported by 11,000+ salesforce & 80+ launches pipeline, including innovative in-house and in-license products. Double digit growth is assured in Indian market as the market is growing strong.
- Other developed markets (Europe, Canada, Australia) at 11% of sales delivered 11% YoY Growth; contribution to rise post VisuPharma acquisition expected to complete this quarter (EUR 60mn+ revenue next fiscal year, ~21% starting margin, improving to 25–30%).
- Increasing R&D allocation toward specialty, injectables, green propellant products & 505(b)(2) Assets.
- FY26 R&D Guidance: 7.5–8.5% of sales.
- FY26 EBITDA margin guidance raised to **27–28%** (earlier 25–26%).
- FY27 EBITDA margin expected at **24–25%** (competition + higher R&D + tapering off top-line products).
- Q4 margins moderated due to higher R&D & lower PLI income.
- ETR for FY26 Guided: ~21–22%.
- Strong balance sheet; borrowing capacity ~\$1.5–1.6bn. Specialty M&A sweet spot (US, Europe & developed markets): **\$250–300mn**, with potential for higher values, targeting therapies like respiratory, neurology & ophthalmology.
- Expected the Injectable portfolio(US) ramping up in the next 3 years to \$100 million plus with the multiple the tens of millions of dollars in individual products and then biosimilars adding to it.
- Pegfilgrastim: Expected to launch in Q4FY26 with Numbers can be seen in next fiscal year.

### Key Pipeline & Growth Drivers

- US pipeline includes multiple product approvals & launches planned over next few years, particularly in injectables (Glucagon, Liraglutide, Risperdal Consta, Dalbavancin, Eribulin (Small Product), Ion Sucrose (Material)), respiratory, and biosimilars (Ranibizumab (FY27), on-body Pegfilgrastim, Aflibercept (FY30), Etanercept (FY30), Mepolizumab), with 505(b)(2) products starting in FY27.
- Over 50 active products in the pipeline, with near-term emphasis on respiratory complex injectables and biosimilars.

## US Business

- US sales stood at \$ 350 million, up 46% YoY and 11% QoQ (CC), highest ever quarterly sales.
- Growth driven by Tolvaptan (only generic; ~35% market share), launch of generic Risperdal Consta with CGT exclusivity (Nanomi long-acting platform), and base business volume growth.
- Seasonal products like Albuterol, Tiotropium and Oseltamivir supported growth; normalization expected over next two quarters.
- Low single-digit price erosion more than offset by volumes and new launches.
- Successful US FDA inspection of Pune biologics facility; approval received for Pegfilgrastim (first US biosimilar), launch expected shortly.
- Mirabegron will be a material contributor in next 2 years; currently ~40% generic share. Settlement includes USD 15 million past provision and USD 75 million future payment will spread over the next to Sept'27 (amortized; no EBITDA impact).
- Institutional business expected to scale meaningfully over next 3–5 years.
- Exclusive first-to-file status for Zywave with tentative approval; probabilistic potential launch in FY29.
- Development ongoing for Tiotropium, Elipta and NextPlanon (drug-device); filing for NextPlanon planned in FY28.

## India Business

- India revenue grew 5.6% YoY; core prescription business grew 10.9%, partially offset by lower tender sales in global institutional business.
- 9M prescription growth at 9.4% vs IPM 9.3%; 11.2% excluding LOE impact of products such as GIBTULIO & AJADUO.
- Q3 volume growth at 6.5%; 9M volume growth at 5.6%.
- Chronic share increased to 67% (from 65% QoQ); in-licensed product share reduced to 6%.
- Respiratory and Cardiac therapies grew 1.6x and 1.3x IPM respectively.
- 900 sales representatives added in last six months; continued expansion into new divisions and therapy areas.
- New obesity-focused division (~200 people) created ahead of semaglutide launch; oral formulation under parallel development.
- Partnership with Gan & Lee (China) for Bofanglutide (Novel fortnightly GLP-1 agonist).
- Semaglutide market estimated at Rs 1,500 crore in year one; Lupin targeting Rs 50–60 crore initially.

- Insulin opportunity and semaglutide expected to support near-term growth; aspiration to maintain double-digit growth vs market growth of 7–8%.
- Strong compliance track record with NAI for Nagpur Unit 1 and EIRs for Nagpur Unit 2 and Aurangabad facility.

### Other developed Markets

- Revenues at Rs 812 crore, up 11% YoY.
- Contribute ~11% of total sales; share expected to increase post VISUfarma acquisition.

### Emerging Markets

- Revenue grew 42% YoY led by Brazil, Mexico and Philippines.
- Brazil grew 99% YoY (local currency), driven by Dapagliflozin launch.
- Momentum expected to continue supported by product pipeline.

### Biosimilars & Strategic Positioning

- Management highlighted that PBMs are partnering now with biosimilars to really bring access to biosimilars in the marketplace.
- Selective pipeline strategy targeting first-wave or limited-competition launches.
- Biosimilars industry structurally less crowded vs small-molecule generics, improving long-term opportunity.

## Valuation methodology

Lupin's 9MFY26 earnings are well ahead of our estimates, and due to a healthy 3QFY26, we have revised our FY26 Sales/EBITDA/PAT by 9%/15%/23%, respectively. This brings the risk of a high-base effect amidst the Tolvaptan and Mirabegron cliffs, though they would continue to remain meaningful contributors to US sales. Thus, we expect FY27/FY28 to be normalized years, and on the high base of FY26, we expect Sales/EBITDA/PAT CAGR to grow at 1%/-2%/-3%, respectively, from FY26–28E.

Lupin has a rich portfolio of 80 products in the pipeline in the domestic business and biosimilars, with the biosimilars themselves having the potential to scale up to USD 100mn, and a specialty portfolio up to USD 150mn. Post-closure of the Visu Pharma acquisition, the Other Developed Market is also expected to continue its growth momentum; however, FY26 marks a year of a very high base.

However, there are many unbaked opportunities, such as the Semaglutide launch in the domestic market, injectable launches from the Naomi subsidiary, the newly ventured peptide opportunity, and the Visu Pharma acquisition; thus, we maintain a BUY on the stock. We continue to ascribe a PE of 26x vs. the 1-year forward PE of 22x due to its ability to crack complex products for three years in a row (Tiotropium, Mirabegron, and Tolvaptan) and the above mentioned opportunities and roll forward to Dec'27 EPS to arrive at a PT of Rs 2,555.

**Fig 9 – Change in Estimates**

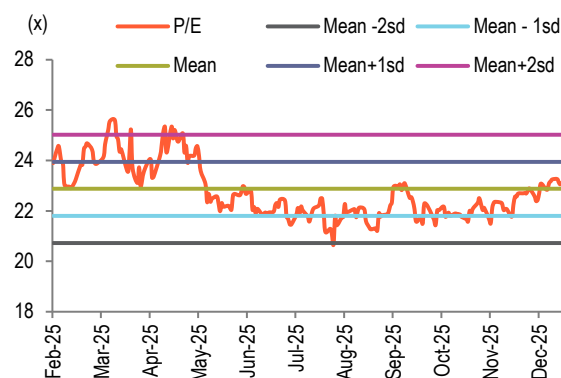
(Rs mn)	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Sales	277,638	269,767	283,096	254,550	268,873	282,283	9.1	0.3	0.3
EBITDA	76,276	66,884	72,693	66,485	67,913	73,796	14.7	(1.5)	(1.5)
EBITDA margin (%)	27.5	24.8	25.7	26.1	25.3	26.1	170bps	(23bps)	64bps
EPS (Rs)	110.9	91.8	100.5	90	92	101	22.9	(0.5)	(0.6)

Source: Company, BOBCAPS Research



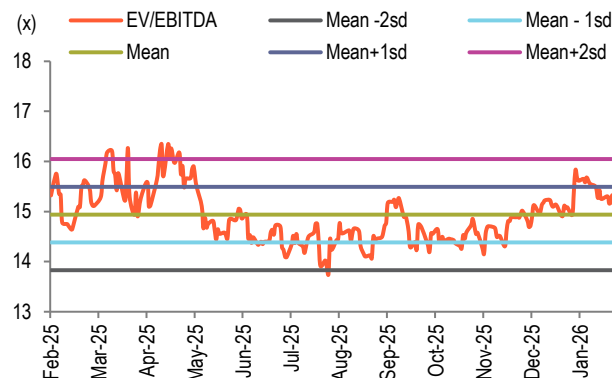
## Valuation Bands

**Fig 10 – 1YF PE Band**



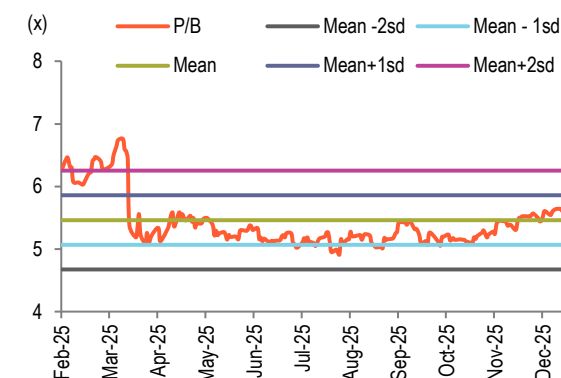
Source: Bloomberg

**Fig 11 – 1Y F EV/EBITDA Band**



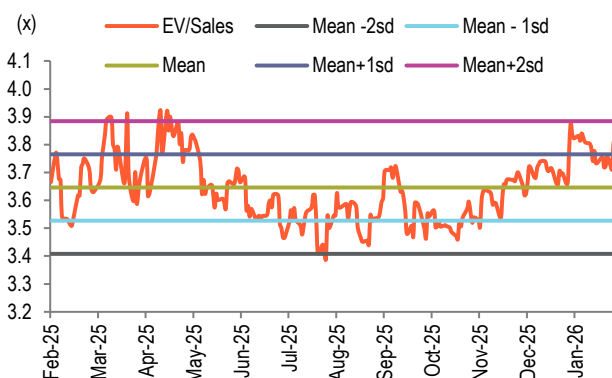
Source: Bloomberg

**Fig 12 – 1Y F P/BV Band**



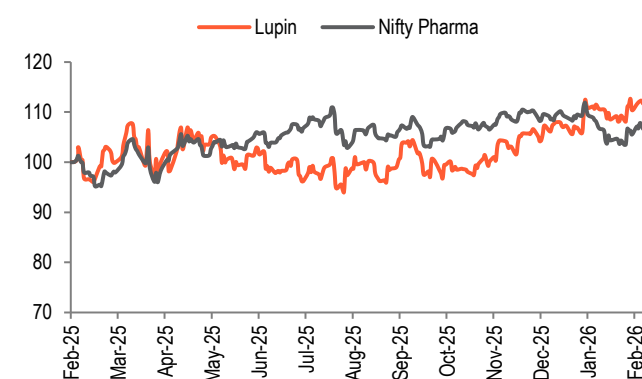
Source: Bloomberg

**Fig 13 – 1Y F EV/Sales Band**



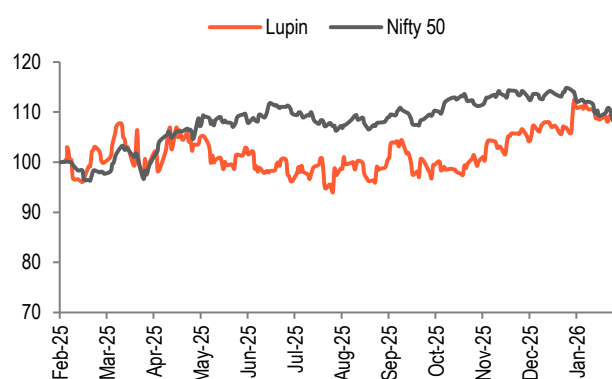
Source: Bloomberg

**Fig 14 – Lupin vs Nifty 50**



Source: Bloomberg

**Fig 15 – Lupin vs Nifty 50**



Source: Bloomberg

## Financials

### Income Statement

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Total revenue</b>	<b>200,106</b>	<b>227,079</b>	<b>277,638</b>	<b>269,767</b>	<b>283,096</b>
EBITDA	38,105	52,775	76,276	66,884	72,693
Depreciation	11,968	11,693	12,550	13,126	13,702
EBIT	26,137	41,083	63,726	53,758	58,991
Net interest inc./(exp.)	(3,116)	(2,949)	(3,774)	(4,481)	(4,257)
Other inc./(exp.)	1,202	2,016	3,900	3,700	3,300
Exceptional items	0	0	0	0	0
EBT	24,223	40,150	63,853	52,977	58,034
Income taxes	4,867	7,087	13,409	11,125	12,187
Extraordinary items	0	0	846	846	846
Min. int./Inc. from assoc.	211	246	271	325	390
<b>Reported net profit</b>	<b>19,145</b>	<b>32,816</b>	<b>51,019</b>	<b>42,373</b>	<b>46,303</b>
Adjustments	0	0	(846)	(846)	(846)
<b>Adjusted net profit</b>	<b>19,145</b>	<b>32,816</b>	<b>50,172</b>	<b>41,526</b>	<b>45,456</b>

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
Accounts payables	29,581	29,632	32,436	33,851	35,524
Other current liabilities	30,954	31,664	31,664	31,664	31,664
Provisions	9,003	7,093	23,811	21,069	23,061
Debt funds	26,699	50,767	31,449	29,877	28,383
Other liabilities	0	0	0	0	0
Equity capital	911	913	913	913	913
Reserves & surplus	142,823	172,029	195,489	222,070	251,116
Shareholders' fund	143,734	172,942	196,403	222,983	252,029
<b>Total liab. and equities</b>	<b>239,972</b>	<b>292,097</b>	<b>315,763</b>	<b>339,444</b>	<b>370,661</b>
Cash and cash eq.	12,736	46,231	56,630	87,510	116,877
Accounts receivables	46,921	54,971	62,289	60,523	63,513
Inventories	49,539	54,764	63,763	61,955	65,016
Other current assets	39,734	43,162	44,162	45,162	46,162
Investments	10,746	10,868	10,868	10,868	10,868
Net fixed assets	51,089	56,221	51,671	46,545	40,843
CWIP	5,957	3,555	4,055	4,555	5,055
Intangible assets	23,250	22,326	22,326	22,326	22,326
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
<b>Total assets</b>	<b>239,972</b>	<b>292,097</b>	<b>315,763</b>	<b>339,444</b>	<b>370,661</b>

### Cash Flows

Y/E 31 Mar (Rs mn)	FY24A	FY25A	FY26E	FY27E	FY28E
<b>Cash flow from operations</b>	<b>30,803</b>	<b>26,979</b>	<b>69,549</b>	<b>61,226</b>	<b>60,875</b>
Capital expenditures	(7,361)	(13,498)	(8,500)	(8,500)	(8,500)
Change in investments	(5,577)	(122)	0	0	0
Other investing cash flows	0	0	0	0	0
<b>Cash flow from investing</b>	<b>(12,938)</b>	<b>(13,620)</b>	<b>(8,500)</b>	<b>(8,500)</b>	<b>(8,500)</b>
Equities issued/Others	1	2	0	0	0
Debt raised/repaid	(15,741)	24,067	(19,318)	(1,572)	(1,494)
Interest expenses	(3,116)	(2,949)	(3,774)	(4,481)	(4,257)
Dividends paid	(5,249)	(2,732)	(19,015)	(15,792)	(17,257)
Other financing cash flows	6,045	1,747	(8,544)	0	0
<b>Cash flow from financing</b>	<b>(18,060)</b>	<b>20,135</b>	<b>(50,650)</b>	<b>(21,846)</b>	<b>(23,008)</b>
<b>Chg in cash &amp; cash eq.</b>	<b>(195)</b>	<b>33,495</b>	<b>10,399</b>	<b>30,880</b>	<b>29,367</b>
<b>Closing cash &amp; cash eq.</b>	<b>12,736</b>	<b>46,231</b>	<b>56,630</b>	<b>87,510</b>	<b>116,877</b>

### Per Share

Y/E 31 Mar (Rs)	FY24A	FY25A	FY26E	FY27E	FY28E
Reported EPS	42.0	72.0	112.0	93.0	101.6
Adjusted EPS	42.3	72.5	110.9	91.8	100.5
Dividend per share	15.8	27.0	42.0	34.9	38.1
Book value per share	315.8	380.2	432.0	490.8	555.0

### Valuations Ratios

Y/E 31 Mar (x)	FY24A	FY25A	FY26E	FY27E	FY28E
EV/Sales	4.9	4.4	3.7	3.9	3.8
EV/EBITDA	25.9	19.0	13.4	15.7	14.9
Adjusted P/E	52.0	30.3	19.8	24.0	21.9
P/BV	7.0	5.8	5.1	4.5	4.0

### DuPont Analysis

Y/E 31 Mar (%)	FY24A	FY25A	FY26E	FY27E	FY28E
Tax burden (Net profit/PBT)	79.0	81.7	78.6	78.4	78.3
Interest burden (PBT/EBIT)	92.7	97.7	100.2	98.5	98.4
EBIT margin (EBIT/Revenue)	13.1	18.1	23.0	19.9	20.8
Asset turnover (Rev./Avg TA)	21.3	21.3	22.8	20.6	19.9
Leverage (Avg TA/Avg Equity)	1.7	1.7	1.6	1.6	1.5
<b>Adjusted ROAE</b>	<b>14.2</b>	<b>20.7</b>	<b>27.2</b>	<b>19.8</b>	<b>19.1</b>

### Ratio Analysis

Y/E 31 Mar	FY24A	FY25A	FY26E	FY27E	FY28E
<b>YoY growth (%)</b>					
Revenue	20.2	13.5	22.3	(2.8)	4.9
EBITDA	111.9	38.5	44.5	(12.3)	8.7
Adjusted EPS	345.1	71.4	52.9	(17.2)	9.5

### Profitability & Return ratios (%)

EBITDA margin	19.0	23.2	27.5	24.8	25.7
EBIT margin	13.1	18.1	23.0	19.9	20.8
Adjusted profit margin	9.6	14.5	18.1	15.4	16.1
Adjusted ROAE	14.2	20.7	27.2	19.8	19.1
ROCE	12.4	17.3	22.9	18.2	17.8

### Working capital days (days)

Receivables	84	82	82	82	82
Inventory	86	84	84	84	84
Payables	151	158	158	158	158

### Ratios (x)

Gross asset turnover	1.3	1.3	1.6	1.4	1.5
Current ratio	2.1	2.9	2.6	2.9	3.2
Net interest coverage ratio	8.4	13.9	16.9	12.0	13.9
<b>Adjusted debt/equity</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.4)</b>

Source: Company, BOBCAPS Research | Note: TA = Total Assets

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA ("US") OR IN OR INTO ANY OTHER JURISDICTION IF SUCH AN ACTION IS PROHIBITED BY APPLICABLE LAW.

## Disclaimer

Name of the Research Entity: **BOB Capital Markets Limited**

Registered office Address: **1704, B Wing, Parinee Crescenzo, G Block, BKC, Bandra East, Mumbai 400051**

SEBI Research Analyst Registration No: **INH000000040 valid till 01 February 2030**

Brand Name: **BOBCAPS**

Trade Name: **www.barodaetrade.com**

CIN: **U65999MH1996GOI098009**



Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

### Recommendation scale: Recommendations and Absolute returns (%) over 12 months

**BUY** – Expected return >+15%

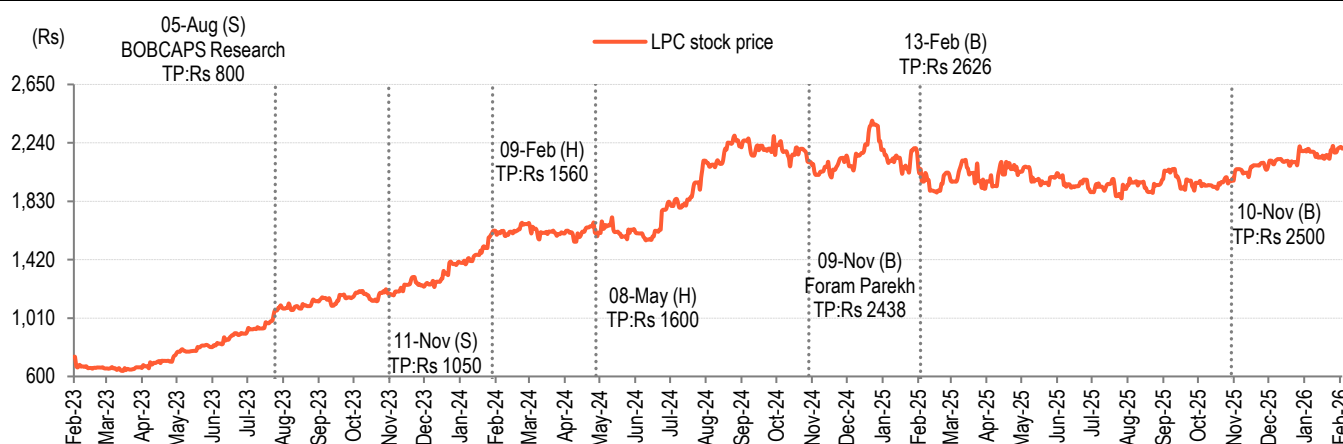
**HOLD** – Expected return from -6% to +15%

**SELL** – Expected return <-6%

**Note:** Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

### Ratings and Target Price (3-year history): LUPIN (LPC IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

### Analyst certification

The research analyst(s) authoring this report hereby certifies that (1) all of the views expressed in this research report accurately reflect his/her personal views about the subject company or companies and its or their securities, and (2) no part of his/her compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of BOB Capital Markets Limited (BOBCAPS).

### General disclaimers

BOBCAPS is engaged in the business of Stock Broking and Investment Banking. BOBCAPS is a member of the National Stock Exchange of India Limited and BSE Limited and is also a SEBI-registered Category I Merchant Banker. BOBCAPS is a wholly owned subsidiary of Bank of Baroda which has its various subsidiaries engaged in the businesses of stock broking, lending, asset management, life insurance, health insurance and wealth management, among others.

BOBCAPS's activities have neither been suspended nor has it defaulted with any stock exchange authority with whom it has been registered in the last five years. BOBCAPS has not been debarred from doing business by any stock exchange or SEBI or any other authority. No disciplinary action has been taken by any regulatory authority against BOBCAPS affecting its equity research analysis activities.

BOBCAPS is also a SEBI-registered intermediary for the broking business having SEBI Single Registration Certificate No.: INZ000159332 dated 20 November 2017.

BOBCAPS prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, BOBCAPS prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction. We are not soliciting any action based on this material. It is for the general information of BOBCAPS's clients. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. BOBCAPS research reports follow rules laid down by Securities and Exchange Board of India and individuals employed as research analysts are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research reports.

The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. BOBCAPS does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding any potential investment in certain transactions — including those involving futures, options, and other derivatives as well as non-investment-grade securities — that give rise to substantial risk and are not suitable for all investors. The material is based on information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Opinions expressed are our current opinions as of the date appearing on this material only. We endeavour to update on a reasonable basis the information discussed in this material, but regulatory, compliance, or other reasons may prevent us from doing so.

We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have “long” or “short” positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein and may from time to time add to or dispose of any such securities (or investment). We and our affiliates may assume an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis, and may also perform or seek to perform investment banking or advisory services for or relating to these companies and may also be represented in the supervisory board or any other committee of these companies.

For the purpose of calculating whether BOBCAPS and its affiliates hold, beneficially own, or control, including the right to vote for directors, one per cent or more of the equity shares of the subject company, the holdings of the issuer of the research report is also included.

BOBCAPS and its non-US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non-US issuers, prior to or immediately following its publication. Foreign currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of or income derived from the investment. In addition, investors in securities such as ADRs, the value of which are influenced by foreign currencies, effectively assume currency risk. In addition, options involve risks and are not suitable for all investors. Please ensure that you have read and understood the Risk disclosure document before entering into any derivative transactions.

No part of this material may be (1) copied, photocopied, or duplicated in any form by any means or (2) redistributed without BOBCAPS's prior written consent.

#### **Company-specific disclosures under SEBI (Research Analysts) Regulations, 2014**

The research analyst(s) or his/her relatives do not have any material conflict of interest at the time of publication of this research report.

BOBCAPS or its research analyst(s) or his/her relatives do not have any financial interest in the subject company. BOBCAPS or its research analyst(s) or his/her relatives do not have actual/beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

The research analyst(s) has not received any compensation from the subject company or third party in the past 12 months in connection with research report/activities. Compensation of the research analyst(s) is not based on any specific merchant banking, investment banking or brokerage service transactions.

BOBCAPS or its research analyst(s) is not engaged in any market making activities for the subject company.

The research analyst(s) has not served as an officer, director or employee of the subject company.

BOBCAPS or its associates may have material conflict of interest at the time of publication of this research report.

BOBCAPS's associates may have financial interest in the subject company. BOBCAPS's associates may hold actual / beneficial ownership of one per cent or more securities in the subject company at the end of the month immediately preceding the date of publication of this report.

BOBCAPS or its associates may have managed or co-managed a public offering of securities for the subject company or may have been mandated by the subject company for any other assignment in the past 12 months.

BOBCAPS may have received compensation from the subject company in the past 12 months. BOBCAPS may from time to time solicit or perform investment banking services for the subject company. BOBCAPS or its associates may have received compensation from the subject company in the past 12 months for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory services in a merger or specific transaction. BOBCAPS or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

#### **Other disclaimers**

BOBCAPS and MAYBANK (as defined below) make no representation or warranty, express or implied, as to the accuracy or completeness of any information obtained from third parties and expressly disclaim the merchantability, suitability, quality and fitness of this report. The information in this report has not been independently verified, is provided on an “as is” basis, should not be relied on by you in connection with any contract or commitment, and should not be used as a substitute for enquiries, procedures and advice which ought to be undertaken by you. This report also does not constitute an offer or solicitation to buy or sell any securities referred to herein and you should not construe this report as investment advice. All opinions and estimates contained in this report constitute BOBCAPS's judgment as of the date of this report and are subject to change without notice, and there is no obligation on BOBCAPS or MAYBANK to update this report upon issuance. This report and the information contained herein may not be reproduced, redistributed, disseminated or copied by any means without the prior consent of BOBCAPS and MAYBANK.

To the full extent permitted by law neither BOBCAPS, MAYBANK nor any of their respective affiliates, nor any other person, accepts any liability howsoever arising, whether in contract, tort, negligence, strict liability or any other basis, including without limitation, direct or indirect, special, incidental, consequential or punitive damages arising from any use of this report or the information contained herein. By accepting this report, you agree and undertake to fully indemnify and hold harmless BOBCAPS and MAYBANK from and against claims, charges, actions, proceedings, losses, liabilities, damages, expenses and demands (collectively, the “Losses”) which BOBCAPS and/or MAYBANK may incur or suffer in any jurisdiction including but not limited to those Losses incurred by BOBCAPS and/or MAYBANK as a result of any proceedings or actions brought against them by any regulators and/or authorities, and which in any case are directly or indirectly occasioned by or result from or are attributable to anything done or omitted in relation to or arising from or in connection with this report.

#### **Distribution into the United Kingdom (“UK”):**

This research report will only be distributed in the United Kingdom, in accordance with the applicable laws and regulations of the UK, by Maybank Securities (London) Ltd (“MSL”) who is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom (MSL and its affiliates are collectively referred to as “MAYBANK”). BOBCAPS is not authorized to directly distribute this research report in the UK.

This report has not been prepared by BOBCAPS in accordance with the UK's legal and regulatory requirements.

This research report is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of MAYBANK as selected by MAYBANK solely at its discretion; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended from time to time (the “Order”), or (c) fall within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc. as mentioned in the stated Article) of the Order; (all such persons together being referred to as “relevant persons”).

This research report is directed only at relevant persons and must not be acted on or relied on by any persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

The relevant person as recipient of this research report is not permitted to reproduce, change, remove, pass on, distribute or disseminate the data or make it available to third parties without the written permission of BOBCAPS or MAYBANK. Any decision taken by the relevant person(s) pursuant to the research report shall be solely at their costs and consequences and BOBCAPS and MAYBANK shall not have any liability of whatsoever nature in this regard.

#### **No distribution into the US:**

This report will not be distributed in the US and no US person may rely on this communication.

#### **Other jurisdictions:**

This report has been prepared in accordance with SEBI (Research Analysts) Regulations and not in accordance with local regulatory requirements of any other jurisdiction. In any other jurisdictions, this report is only for distribution (subject to applicable legal or regulatory restrictions) to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions by Maybank Securities Pte Ltd. (Singapore) and / or by any broker-dealer affiliate or such other affiliate as determined by Malayan Banking Berhad.

If the recipient of this report is not as specified above, then it should not act upon this report and return the same to the sender.

By accepting this report, you agree to be bound by the foregoing limitations.