BOBCAPS
TRUST | INNOVATION | EXCELLENCE

PHARMACEUTICALS | Q2FY26 Preview | 13 October 2025

Overall stable quarter expected

- **Sales/EBITDA/APAT for our coverage companies to grow by 7.4%/6.9%/4.3% respectively. EBITDA margin to remain flat at 24.8%**
- **Domestic region to grow by 9.3%, partially affected by lower GST rates; US to remain flat owing to the phasing of gRevlimid sales**
- **CDMO companies' sales to grow by 10% YoY, due to stable API prices. Our top pick remains SUN, LPC, COHANCE & BOOT**

Foram Parekh
Research Analyst
research@bobcaps.in

Stable earnings expected for our coverage universe – We expect sales to grow by 7.4% YoY and 3% QoQ to Rs 609 bn. Sales growth is to be driven by 9.4% YoY & 4.8% QoQ domestic growth, 0.1% YoY & 0.2% QoQ US growth and 10% YoY and 1.3% QoQ growth in CDMO companies. From our coverage stocks, Senores Pharma is expected to witness the highest sales growth of 55% YoY, whereas Cohance will likely report lowest sales growth of -9% YoY. EBITDA for our coverage is expected to grow by 7.4% YoY and 1.9% QoQ to Rs 152 bn, driven by healthy product mix. From our coverage, Laurus is expected to report the highest EBITDA growth of 77% YoY and Cohance is expected to report the lowest EBITDA of -43% YoY. EBITDA margin for the coverage universe is expected to be flattish at 24.8%. APAT is expected to grow by 4.9% YoY & 6.8% QoQ to Rs 101 bn. From our coverage, Laurus is expected to report the highest PAT growth of 459% YoY and Cohance should report the lowest EBITDA of -63% YoY.

Domestic sales to report closer to double-digit growth amidst downward revision of GST rates – We expect domestic growth for our universe to grow by 9.4% YoY and 4.8% QoQ to Rs 189 bn. As per Pharmarack data, IPM growth for 2QFY26 is 8%, driven by 5.6% value growth, -0.1% volume growth and 2.5% new product launches. Acute segment grew by 6%, while Chronic segment grew by 11%. Amongst therapies, Gastro therapy continues to report lower than IPM growth. From our coverage companies, we expect Sun Pharma to report the highest growth of 12% and Cipla/Lupin/Alkem to report lower growth of 8% each. Growth drivers for our coverage companies remain, higher MR productivity driven by new product launches and price hike.

US sales to stay flat due to price erosion in gRevlimid – For our coverage companies, US sales in INR terms are expected to remain flat at 0.1% YoY and 0.2% QoQ to Rs 168bn. We expect gRevlimid sales for Dr. Reddy's, Cipla and Sun while believe Aurobindo has exhausted on its quota. Amongst non Revlimid participating companies, we expect Ajanta to report the highest growth of 25%, followed by Lupin to grow by 15% YoY.

What to watch out for during 2QFY26 results

Sector specific

We would watch out for gRevlimid quota exhausted for all the gRevlimid participating companies or will it slip to Q3FY26 (Sun, Dr.Reddy's Cipla)

Increasing contribution from the European region as a measure to offset headwinds in the US

Volume growth in IPM has been negligible for the past 3-4 quarters. Post the announcement of downward GST rates from 15th Aug'25 till the implementation on 22nd Sep'25, there has been a deferred demand by the dealers/stockists, so would watch for volume growth

Companies specific

Ajanta – Company guided to file 10-12 ANDAs in FY26, with no ANDAs filed in 1QFY26, so have they filed ANDAs in 2QFY26 to achieve their guidance?

Alkem - In Q1FY26, Alkem had reported 12% domestic region growth, largely due to early monsoon. Is the company able to retain double-digit growth in a seasonally strong quarter?

Alembic – API is 10% of sales and a high-margin business. Has the segment started recovering with no intense price erosion?

Lupin - Newly launched Tolvapton is in its 180-day exclusive period. Is the company able to sustain high US sales of USD282mn reported in 1QFY26?

Dr. Reddy's – With Revlimid prices declining, US sales will likely be lower. Have NRT sales plateaued at Rs 6.7bn or is it expected to rise further?

Sun – Launched Leqselvi in 2QFY26 though competition in Ilumya persist, So, would the global specialty sales be able to report above USD 300 mn sales?

Cipla – How would be the recovery in market share of Lanreotide post resuming the supplies from partner's plant, following the shutdown of capacity expansion?

Aurobindo – How is Pen G production yielding good results and is it reflecting in backward integration?

Abbott – With Mixtard expected to go off the shelf in H2FY26 and with downward revision of GST rates, how is the margin likely to perform?

Eris - How has Biocon's portfolio performed and is it able to increase margins post achieving 30% EBITDA margin in 1QFY26?

Senores Pharma – How many numbers of ANDAs launched in their own products in the regulated markets from ~70 approved ANDAs to achieve 100% PAT growth in FY26?

Emcure – How are the Europe sales numbers after the launch of Liposomal Amphotericin B injectable in the UK?

Divi's – With the loss of exclusivity of Entresto in July'25, which was the key export product for the company, how much was the drag in Custom Synthesis sales during the quarter?

Cohance – The company faced destocking in 2 molecules in the Pharma CDMO segment in 1QFY26. Management said they would face destocking throughout FY26. What would Pharma CDMO sales and growth from niche technologies look like?

Laurus - Laurus Custom Synthesis segment contributed 31% of sales in 1QFY26. What would be the increase in segment contribution for rise in EBITDA margin?

Fig 1 – Earnings Preview table

	Net Sales (Rs mn)					EBITDA Margin (%)					Adjusted PAT (Rs mn)				
Y/E March	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QoQ (%)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QoQ (%)	Q2FY26E	Q2FY25	Q1FY26	YoY (%)	QoQ (%)
Abbott India	17,796	16327	17384	9.0	2.4	27.0	26.9	25.6	10.8	136.1	3,902	3586	3659	8.8	6.6
Ajanta	13398	11866	13027	12.9	2.9	26.5	26.2	27.0	27.7	(47.2)	2436	2165	2553	12.6	(4.6)
Alembic Pharma	17,843	16480	17107	8.3	4.3	17.0	14.5	16.4	248.2	55.4	1,706	1532	1544	11.3	10.5
Alkem	36,730	34147	33711	7.6	9.0	23.0	22.0	21.9	95.3	107.7	7,440	6886	6643	8.0	12.0
Aurobindo Pharma	81,765	77961	78681	4.9	3.9	20.5	20.1	20.4	39.7	10.8	9042	8175	8247	10.6	9.6
Cipla	74336	70510	69575	5.4	6.8	25.0	26.7	25.6	(174.2)	(55.7)	12655	13025	13032	(2.8)	(2.9)
Cohance Life	5,500	6046	5493	(9.0)	0.1	21.0	33.9	20.4	(1290.7)	60.9	541	1479	464	(63.4)	16.6
Divi's	26327	23380	24100	12.6	9.2	31.0	30.6	30.3	37.6	71.0	6201	5110	5460	21.4	13.6
Dr.Reddy's	86690	80162	85452	8.1	1.4	25.0	26.8	25.2	(181.9)	(20.2)	14532	12553	14178	15.8	2.5
Emcure Pharma	22,427	20020	21005	12.0	6.8	19.1	19.0	19.2	4.5	(15.9)	2,250	1946	2070	15.7	8.7
Eris	7,848	7390	7716	6.2	1.7	35.7	35.8	35.9	(11.2)	(18.0)	1,200	916	1180	31.0	1.7
Laurus Labs	14,036	12237	15696	14.7	(10.6)	22.5	14.6	24.3	792.7	(184.6)	1,110	198	1630	459.4	(31.9)
Lupin	61286	56727	62683	8.0	(2.2)	25.5	23.1	26.2	243.7	(68.5)	10051	8526	11306	17.9	(11.1)
Senores Pharma	1,570	1015	1380	54.6	13.7	25.5	23.8	24.8	170.2	73.7	234	137	197	70.0	18.3
Sun Pharma	141640	132914	138514	6.6	2.3	28.0	28.7	29.4	(67.2)	(140.2)	27492	30402	22786	(9.6)	20.6
Total	609,192	567,181	591,523	7.4	3.0	24.8	24.8	24.8	(0.04)	(0.02)	100,792	96,636	94,948	4.3	6.2

Source: Company, BOBCAPS Research

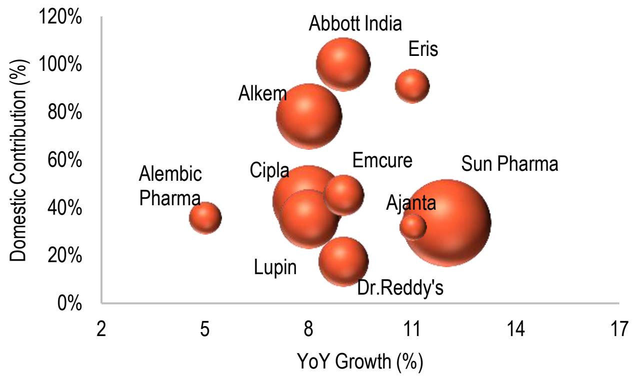
Geographical sales data

Fig 2 – Domestic sales (Rs mn)

Companies	YoY Growth (%)	Domestic Contribution (%)	Sales (Rs mn)
Sun Pharma	12	34	47,770
Dr.Reddy's	9	18	15,228
Cipla	8	43	31,838
Lupin	8	35	21,704
Ajanta	11	32	4,285
Alkem	8	78	26,749
Alembic Pharma	5	36	6,395
Abbott India	9	100	17,796
Emcure	9	45	10,170
Eris	11	91	7,148

Source: Company, BOBCAPS Research

Fig 3 – Domestic contribution Vs YoY growth



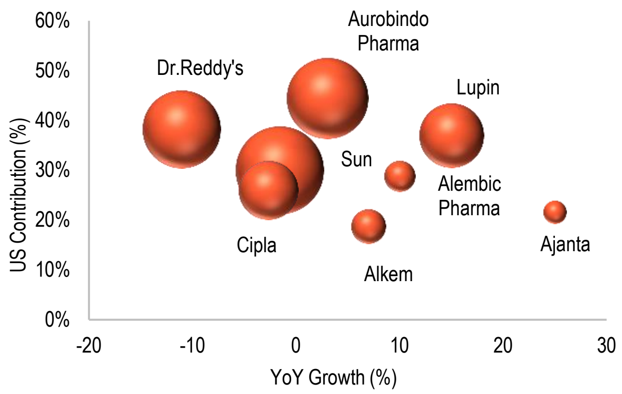
Source: Company, BOBCAPS Research

Fig 4 – US Sales (Rs mn)

Companies	YoY Growth (%)	US Contribution (%)	Sales (Rs mn)
Sun Pharma	(2)	30	42,594
Dr.Reddy's	(11)	38	33,150
Cipla	(3)	26	19,330
Lupin	15	37	22,668
Aurobindo Pharma	3	44	36,359
Ajanta	25	22	2,900
Alkem	7	19	6,394
Alembic Pharma	10	29	5,137

Source: Company, BOBCAPS Research

Fig 5 – US contribution Vs YoY growth



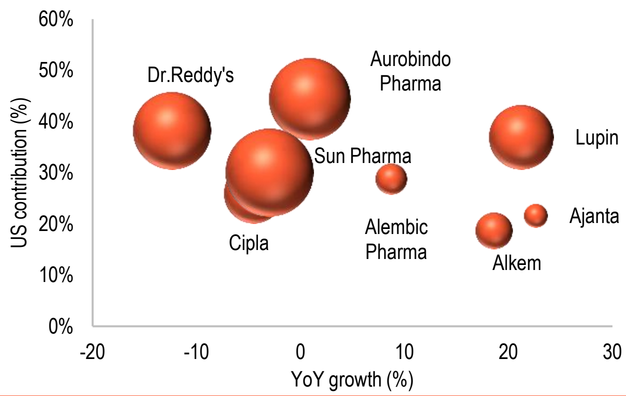
Source: Company, BOBCAPS Research

Fig 6 – US sales (USD mn)

Companies	YoY Growth (%)	US Contribution (%)	Sales (USD mn)
Ajanta	23	22	34
Alembic Pharma	9	29	60
Alkem	19	19	85
Aurobindo Pharma	1	44	428
Cipla	(5)	26	227
Dr.Reddy's	(12)	38	390
Lupin	21	37	267
Sun Pharma	(3)	30	501

Source: Company, BOBCAPS Research

Fig 7 – US contribution Vs YoY growth in US sales



Source: Company, BOBCAPS Research

Fig 8 – Abbott India

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (Rs mn)	16,327	17,384	17,796	2.37	9.00	Sales growth driven by higher chronic portfolio in domestic region that could get impacted by lower GST rates and the phasing of Mixtard sales
EBITDA (Rs mn)	4,390	4,456	4,804	7.81	9.44	
EBITDA Margin (%)	26.9	25.6	27.0	136bps	11bps	Expect EBITDA margin to increase due to healthy product mix and employee cost rationalisation
PAT (Rs mn)	3,586	3,659	3,902	6.64	8.80	
PAT margin (%)	22.0	21.0	21.9	88bps	(04bps)	

Source: Company, BOBCAPS Research

Fig 9 – Ajanta pharma

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	3,860	4,090	4,285	4.77	11.01	Domestic sales to be affected by downward revision of GST rates
US sales (Rs mn)	2,320	3,100	2,900	(6.45)	25.00	US sales growth to come from new product launches
Revenue (Rs mn)	11,866	13,027	13,398	2.85	12.91	Sales growth to be driven by double-digit growth in domestic, US and Asia regions
EBITDA (Rs mn)	3,112	3,514	3,551	1.06	14.10	
EBITDA Margin (%)	26.2	27.0	26.5	(47bps)	28bps	EBITDA margin to lower sequentially, due to lower domestic sales and higher opex towards newer therapies
PAT (Rs mn)	2,165	2,553	2,436	(4.58)	12.55	
PAT margin (%)	18.2	19.6	18.2	(142bps)	(06bps)	

Source: BOBCAPS Research, Company

Fig 10 – Alembic pharma

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	6,090	5,990	6,395	6.75	5.00	Domestic sales affected by lower traction in specialty portfolio which would be offset by growth in acute and animal health
US sales (Rs mn)	4,670	5,230	5,137	(1.78)	10.00	US growth to be led by new product launches
Revenue (Rs mn)	16,480	17,107	17,843	4.30	8.27	
EBITDA (Rs mn)	2,393	2,814	3,033	7.81	26.78	
EBITDA Margin (%)	14.5	16.4	17.0	55bps	248bps	Increased margin to be driven by healthy product mix from domestic and non US sales
PAT (Rs mn)	1,532	1,544	1,706	10.48	11.34	
PAT margin (%)	9.3	9.0	9.6	53bps	26bps	

Source: Company, BOBCAPS Research

Fig 11 – Alkem

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	24,767	22,650	26,749	18.10	8.00	Domestic sales to grow on seasonality, which would be offset by lowering GST rates
US sales (Rs mn)	5,976	6,982	6,394	(8.42)	7.00	US sales to be driven by new product launches
Revenue (Rs mn)	34,147	33,711	36,730	8.95	7.57	
EBITDA (Rs mn)	7,528	7,391	8,448	14.31	12.22	
EBITDA Margin (%)	22.0	21.9	23.0	108bps	95bps	Increase in EBITDA margin to be driven by higher sales from branded markets like India and ROW
PAT (Rs mn)	6,886	6,643	7,440	12.00	8.04	
PAT margin (%)	20.2	19.7	20.3	55bps	09bps	

Source: Company, BOBCAPS Research

Fig 12 – Aurobindo

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
US sales (Rs mn)	35,300	34,880	36,359	4.24	3.00	US sales expected to grow amidst no Revlimid sales in the quarter; sales growth likely on ramp-up in specialty injectable products due to shortage in the US
Revenue (Rs mn)	77,961	78,681	81,765	3.92	4.88	Revenue growth to be driven primarily by US and European sales
EBITDA (Rs mn)	15,661	16,034	16,750	4.47	6.95	
EBITDA Margin (%)	20.1	20.4	20.5	11bps	40bps	EBITDA growth to be driven by better product mix and employee cost rationalisation
PAT (Rs mn)	8,175	8,247	9,042	9.64	10.60	
PAT margin (%)	10.5	10.5	11.1	58bps	57bps	

Source: Company, BOBCAPS Research

Fig 13 – Cipla

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	29,480	30,700	31,838	3.71	8.00	Domestic sales growth of 8% to be driven from higher traction from Rx and OTC portfolio.
US sales (Rs mn)	19,860	19,330	19,330	0.00	(2.67)	US sales to be affected primarily by lower gRevlimid sales. Expect Revlimid sales of USD 25mn for 2QFY26 which can be offset by increased traction in Lanreotide and Abraxane launch
Revenue (Rs mn)	70,510	69,575	74,336	6.84	5.43	
EBITDA (Rs mn)	18,856	17,781	18,584	4.51	(1.44)	
EBITDA Margin (%)	26.7	25.6	25.0	(56bps)	(174bps)	EBITDA Margin expected to be lower with lower Revlimid sales
PAT (Rs mn)	13,025	13,032	12,655	(2.89)	(2.84)	
PAT margin (%)	18.5	18.7	17.0	(171bps)	(145bps)	

Source: Company, BOBCAPS Research

Fig 14 – Cohance

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (Rs mn)	6,046	5,493	5,500	0.13	(9.03)	Sales expected to decline due to persistent destocking in 2 molecules in Pharma CDMO segment
EBITDA (Rs mn)	2,050	1,120	1,155	3.12	(43.66)	
EBITDA Margin (%)	33.9	20.4	21.0	61bps	(1291bps)	EBITDA Margin to increase QoQ due to healthy traction in niche products
PAT (Rs mn)	1,479	464	541	16.59	(63.42)	
PAT margin (%)	24.5	8.4	9.8	139bps	(1463bps)	

Source: Company, BOBCAPS Research

Fig 15 – Divis labs

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (Rs mn)	23,380	24,100	26,327	9.24	12.61	Sales expected to grow in double digits with moderation in API prices, which would be offset by LOE of key product Entresto.
EBITDA (Rs mn)	7,160	7,300	8,161	11.80	13.99	
EBITDA Margin (%)	30.6	30.3	31.0	71bps	38bps	Margin expected to be flat due to lower Custom Synthesis sales due to LOE of Entresto.
PAT (Rs mn)	5,110	5,460	6,201	13.58	21.36	
PAT margin (%)	21.9	22.7	23.6	90bps	170bps	

Source: Company, BOBCAPS Research

Fig 16 – Dr Reddy's

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	13,971	14,711	15,228	3.52	9.00	Post restructuring internal domestic team and acquisition of Sanofi's portfolio, domestic sales to grow in high single digit.
US sales (Rs mn)	37,281	34,123	33,150	(2.85)	(11.08)	US sales growth affected by higher competition in Revlimid sales. We expect Revlimid sales of USD 100 mn for 2QFY26.
Revenue (Rs mn)	80,162	85,452	86,690	1.45	8.14	Revenue growth to be driven by higher sales in Europe, led by the NRT portfolio. We expect NRT sales of Rs 6.8bn.
EBITDA (Rs mn)	21,466	21,501	21,638	0.63	0.80	
EBITDA Margin (%)	26.8	25.2	25.0	(20bps)	(182bps)	Expect EBITDA margin to sustain 25% run rate, driven by healthy product mix from domestic and Europe regions.
PAT (Rs mn)	12,553	14,178	14,532	2.50	15.77	
PAT margin (%)	15.7	16.6	16.8	17bps	110bps	

Source: Company, BOBCAPS Research

Fig 17 – Emcure pharma

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	9,330	9,950	10,170	2.21	9.00	Domestic sales growth to be driven by Sanofi's portfolio.
Revenue (Rs mn)	20,020	21,005	22,427	6.77	12.02	Overall revenue growth driven by double-digit sales across regions
EBITDA (Rs mn)	3,809	4,039	4,277	5.89	12.29	
EBITDA Margin (%)	19.0	19.2	19.1	(16bps)	05bps	EBITDA margin to remain flat, due to the impact of GST rate rationalisation amidst better product mix.
PAT (Rs mn)	1,946	2,070	2,250	8.73	15.66	
PAT margin (%)	9.7	9.9	10.0	18bps	32bps	

Source: Company, BOBCAPS Research

Fig 18 – Eris

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	6,440	7,020	7,148	1.83	11.00	Domestic sales growth to be driven by higher sales across the Diabetese portfolio and increased traction from the ROW region
Revenue (Rs mn)	7,390	7,716	7,848	1.72	6.21	
EBITDA (Rs mn)	2,645	2,767	2,801	1.21	5.88	
EBITDA Margin (%)	35.8	35.9	35.7	(18bps)	(11bps)	EBITDA margin to remain flat due to the impact from GST rate rationalisation amidst better product mix
PAT (Rs mn)	916	1,180	1,200	1.73	31.05	
PAT margin (%)	12.4	15.3	15.3	00bps	290bps	

Source: Company, BOBCAPS Research

Fig 19 – Laurus labs

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (Rs mn)	12,237	15,696	14,036	(10.58)	14.70	Double-digit sales growth expected due to higher traction in CDMO sales. We expect CDMO contribution to increase to 32% in 2QFY26.
EBITDA (Rs mn)	1,783	3,821	3,158	(17.36)	77.09	
EBITDA Margin (%)	14.6	24.3	22.5	(185bps)	793bps	Margin expected to increase with higher traction from Custom Synthesis sales.
PAT (Rs mn)	198	1,630	1,110	(31.91)	459.45	
PAT margin (%)	1.6	10.4	7.9	(248bps)	629bps	

Source: Company, BOBCAPS Research

Fig 20 – Lupin

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	20,096	20,894	21,704	3.88	8.00	Domestic sales expected to increase as in-license sales proportion decreases
US sales (Rs mn)	19,711	24,041	22,668	(5.71)	15.00	Expect US sales to grow to USD 265mn, factoring in pricing pressure in the key product in Albeutrol, which can be offset by exclusivity of Tolvapton sales.
Revenue (Rs mn)	56,727	62,683	61,286	(2.23)	8.04	
EBITDA (Rs mn)	13,083	16,414	15,628	(4.79)	19.45	
EBITDA Margin (%)	23.1	26.2	25.5	(69bps)	244bps	EBITDA margin expected to increase with higher sales from key products
PAT (Rs mn)	8,526	11,306	10,051	(11.10)	17.88	
PAT margin (%)	15.0	18.0	16.4	(164bps)	137bps	

Source: Company, BOBCAPS Research

Fig 21 – Senores pharma

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Revenue (Rs mn)	1,015	1,380	1,570	13.74	54.60	Revenue growth to come primarily from both Own ANDAs and CDMO products in the regulated markets
EBITDA (Rs mn)	242	342	400	17.13	65.66	
EBITDA Margin (%)	23.8	24.8	25.5	74bps	170bps	Margin increment led by increased profitability from the emerging markets and regulated markets
PAT (Rs mn)	137	197	234	18.34	70.01	
PAT margin (%)	13.5	14.3	14.9	58bps	135bps	

Source: Company, BOBCAPS Research

Fig 22 – Sun pharma

	2QFY25	1QFY26	2QFY26E	QoQ growth (%)	YoY growth (%)	Comments
Domestic sales (Rs mn)	42,652	47,211	47,770	1.18	12.00	Domestic sales growth to be driven by volume growth and new product launches
US sales (Rs mn)	43,274	40,452	42,594	5.29	(1.57)	US growth expected to decline due to lower gRevlimid sales which to offset by US specialty portfolio
Revenue (Rs mn)	1,32,914	1,38,514	1,41,640	2.26	6.57	
EBITDA	38,109	40,726	39,659	(2.62)	4.07	
EBITDA Margin (%)	28.7	29.4	28.0	(140bps)	(67bps)	Expect EBITDA Margin to reduce with incorporation of launch cost for Leqselvi
PAT (Rs mn)	30,402	22,786	27,492	20.65	(9.57)	
PAT margin (%)	22.9	16.5	19.4	296bps	(346bps)	

Source: Company, BOBCAPS Research

Therapy-wise IPM trend

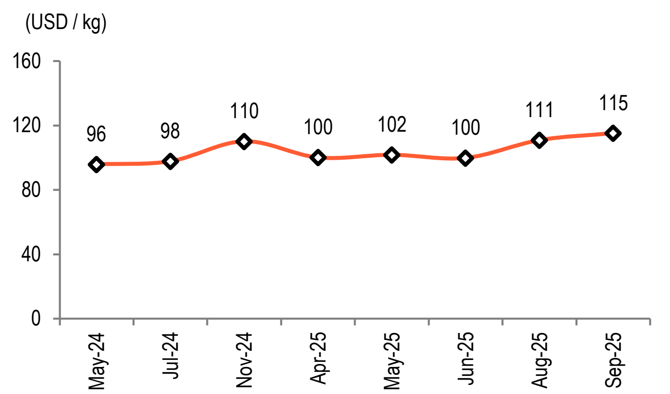
Fig 23 – IPM trend

Rs mn	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26
IPM	5,55,940	5,80,810	3,93,281	5,82,890	5,90,720
Cardiac	72,610	76,960	77,730	81,980	82,840
Anti-Infectives	48,720	70,540	42,972	44,190	45,710
Gastro Intestinal	68,240	66,190	44,342	51,630	74,870
Anti Diabetic	49,340	52,640	34,842	53,960	54,950
Vitamins	48,840	50,600	32,792	53,470	54,520
Respiratory	40,770	48,370	32,082	37,330	36,630
Pain	39,260	40,140	25,402	40,320	41,000
Derma	36,750	37,410	13,232	37,320	38,130
CNS	24,740	38,510	25,922	27,370	27,410
Gynaecology	17,070	17,380	12,022	18,830	19,200
Anti-Neoplastics	12,200	12,660	8,932	14,040	14,190
Hormones	9,260	9,590	6,392	9,440	9,400
Ophthalmology	9,700	10,750	7,012	11,410	11,440
Vaccines	4,640	5,020	3,392	5,480	5,680
Urology	9,150	9,400	6,252	9,900	10,090
Blood Related	17,350	17,790	11,132	18,900	19,370
Stomatologicals	3,630	3,850	2,602	4,010	4,140
Anti Malaria	1,920	1,690	892	1,470	1,580

Source: Company, BOBCAPS Research

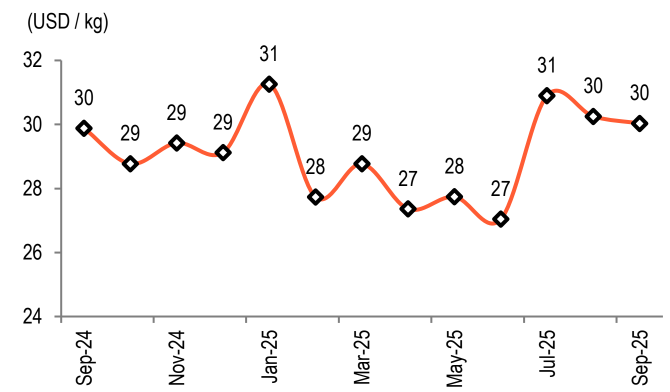
API price trend

Fig 24 – Iohexol



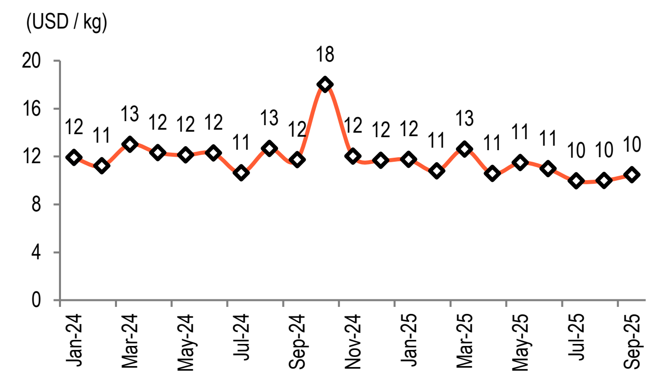
Source: Company, BOBCAPS Research

Fig 25 – Gabapentin



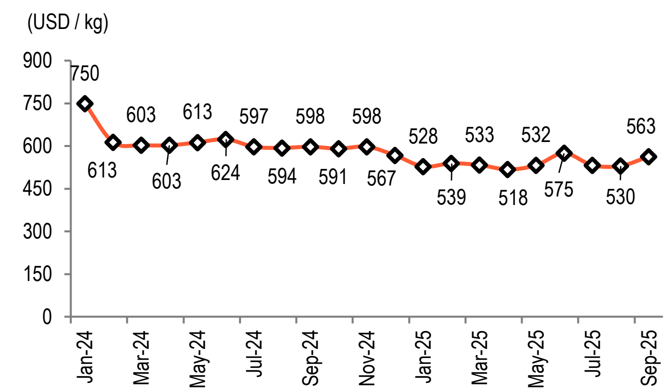
Source: Company, BOBCAPS Research

Fig 26 – Ibuprofen



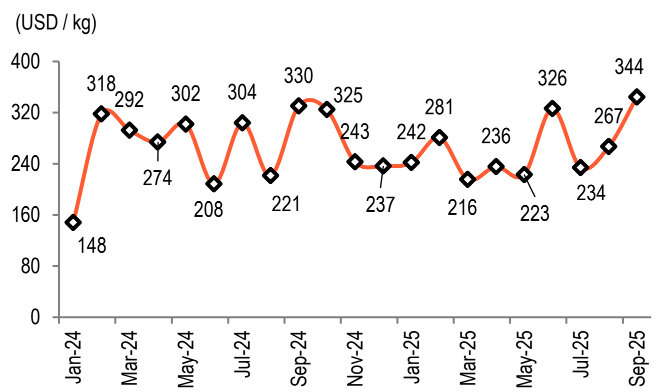
Source: Company, BOBCAPS Research

Fig 27 – Sacubitril Valsartan



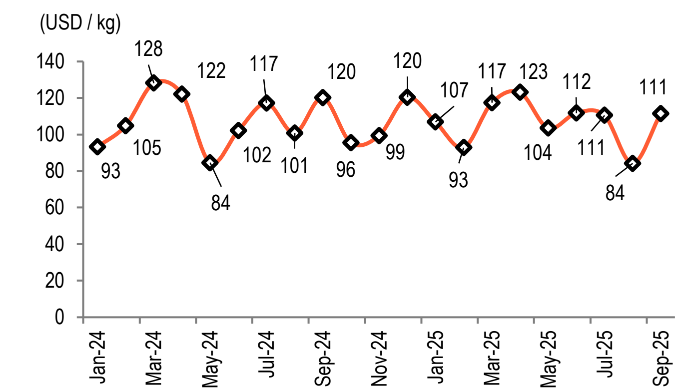
Source: Company, BOBCAPS Research

Fig 28 – Valsartan



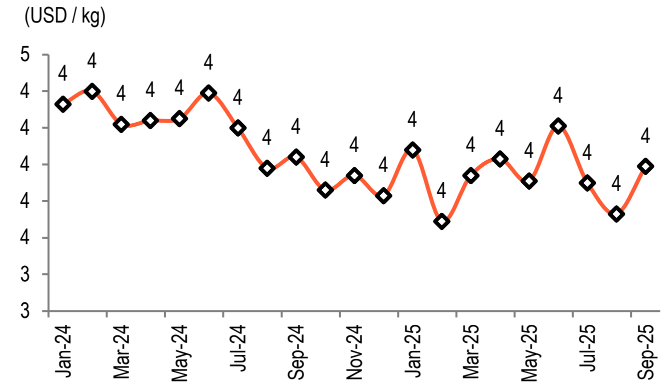
Source: Company, BOBCAPS Research

Fig 29 – Clopidogrel



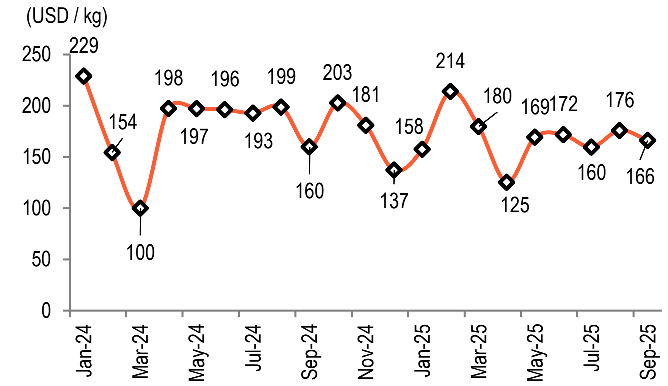
Source: Company, BOBCAPS Research

Fig 30 – Metformin



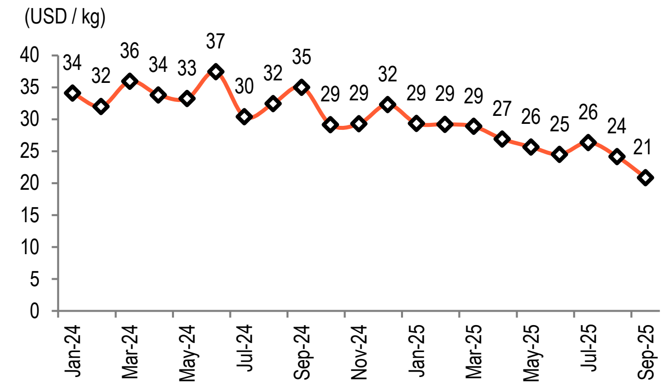
Source: Company, BOBCAPS Research

Fig 31 – Atorvastatin



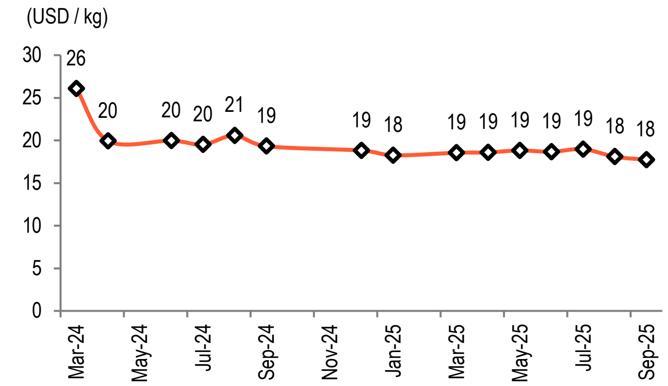
Source: Company, BOBCAPS Research

Fig 32 – Amoxicillin



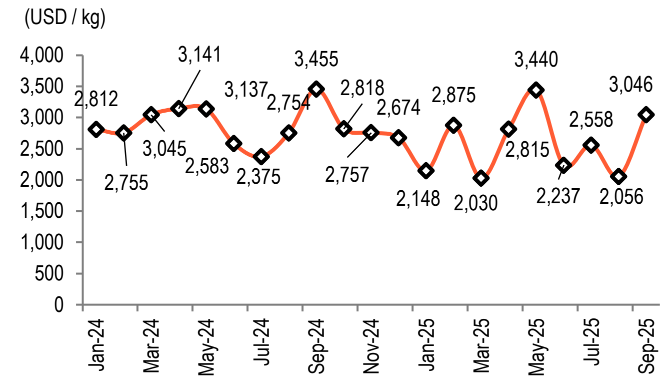
Source: Company, BOBCAPS Research

Fig 33 – Pantaprazole



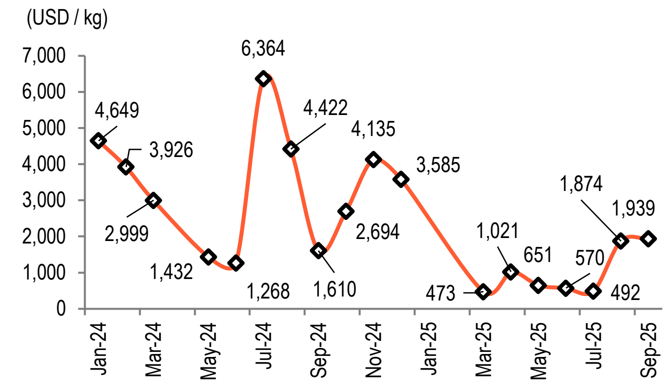
Source: Company, BOBCAPS Research

Fig 34 – Finasteride



Source: Company, BOBCAPS Research

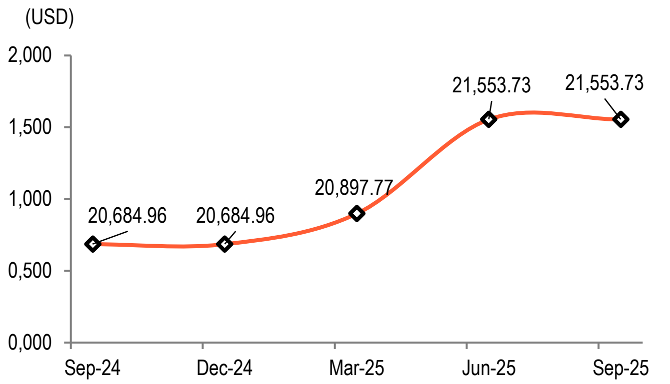
Fig 35 – Tenofovir Alafenamide Fumarate



Source: Company, BOBCAPS Research

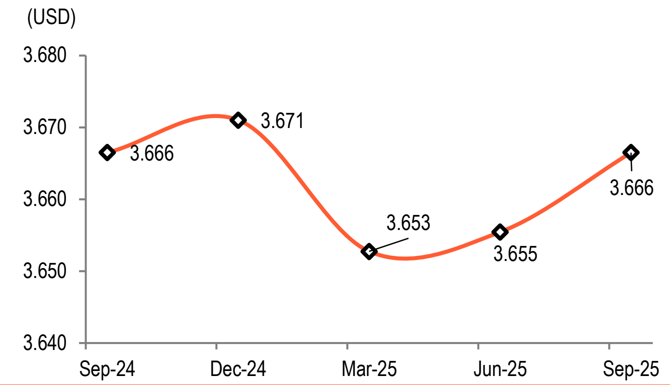
Average wholesale formulation prices

Fig 36 – Ilumya / syringe



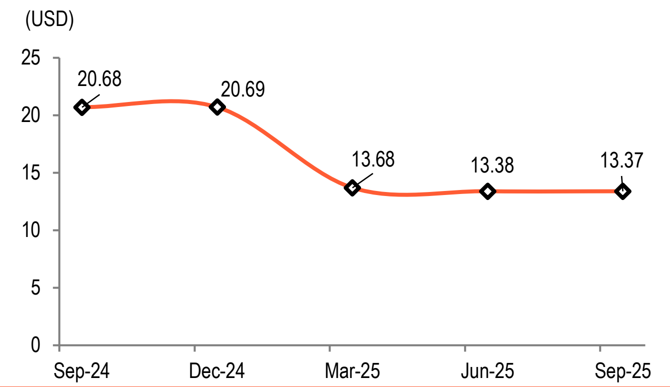
Source: Bloomberg, BOBCAPS Research

Fig 37 – Albuterol / inhaler



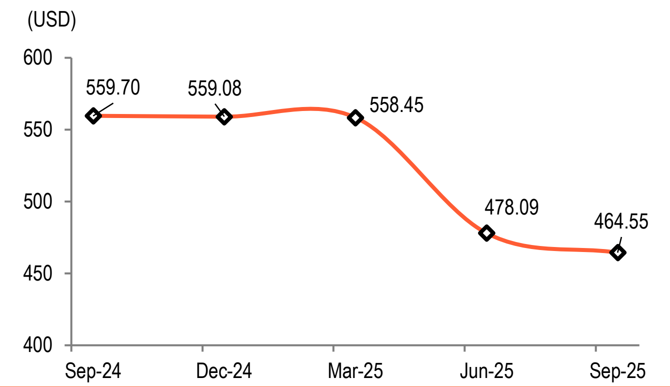
Source: Bloomberg, BOBCAPS Research

Fig 38 – Spiriva / capsule



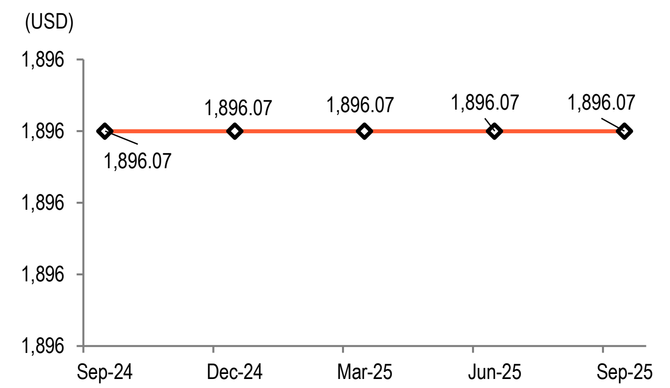
Source: Bloomberg, BOBCAPS Research

Fig 39 – Tolvaptan / tablet



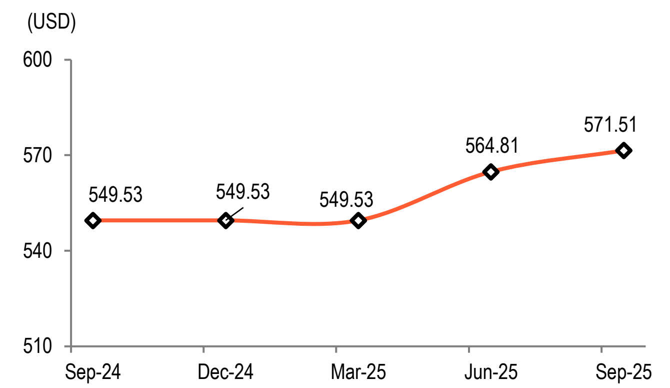
Source: Bloomberg, BOBCAPS Research

Fig 40 – Abraxane / injectable



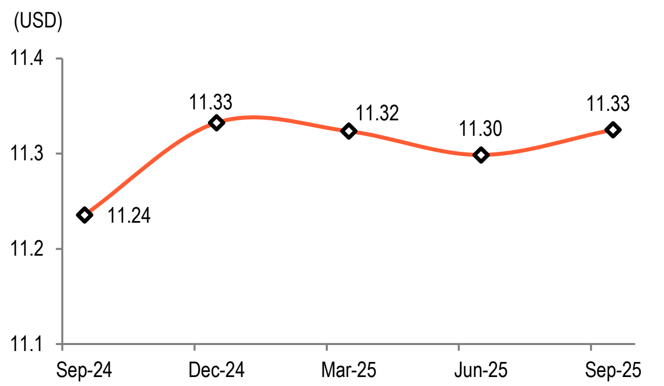
Source: Bloomberg, BOBCAPS Research

Fig 41 – Odomzo / capsule



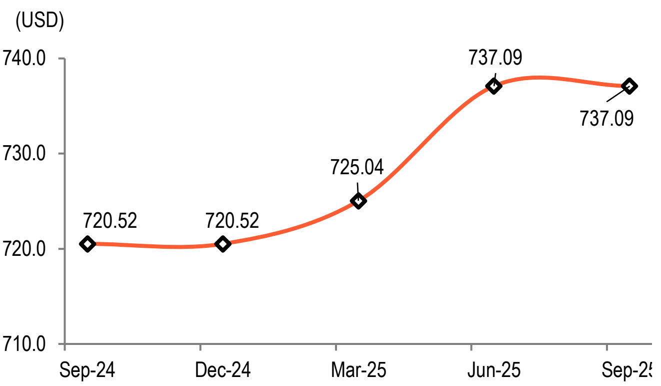
Source: Bloomberg, BOBCAPS Research

Fig 42 – Suboxone / oral strip



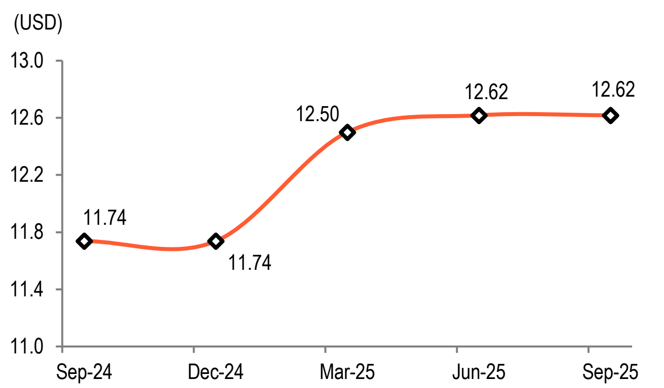
Source: Bloomberg, BOBCAPS Research

Fig 43 – Winlevi / 60g tube



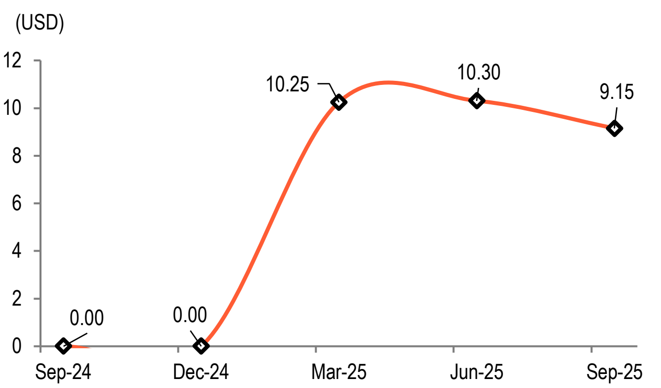
Source: Bloomberg, BOBCAPS Research

Fig 44 – Cequa / ophthalmic liquid dose



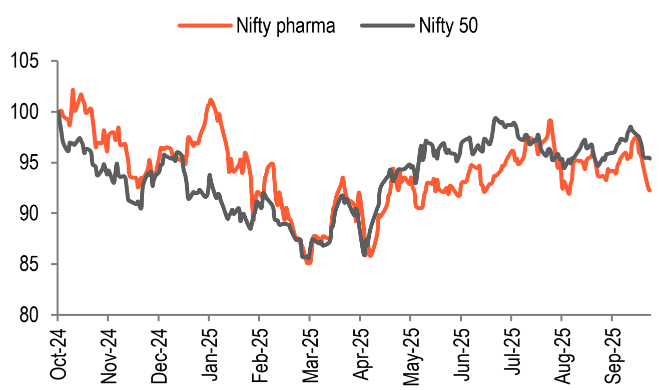
Source: Bloomberg, BOBCAPS Research

Fig 45 – Rivaroxaban / tablet



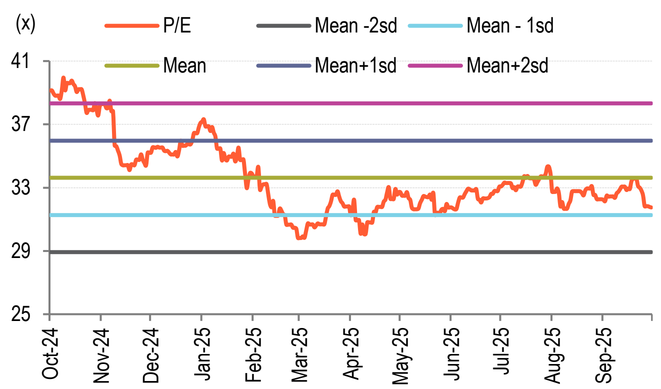
Source: Bloomberg, BOBCAPS Research

Fig 46 – Relative performance (Nifty pharma Vs nifty 50)



Source: Company, BOBCAPS Research

Fig 47 – Nifty pharma P/E band



Source: Company, BOBCAPS Research

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 03 February 2025**
Brand Name: **BOBCAPS**
Trade Name: **www.barodaetrade.com**
CIN: **U65999MH1996GOI098009**

Logo:

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.

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.

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.