JUBILANT PHARMOVA

COMPANY UPDATE

BRAVE HEART

KEY DATA

Rating	BUY
Sector relative	Outperformer
Price (INR)	903
12 month price target (INR)	1,385
52 Week High/Low	1,310/538
Market cap (INR bn/USD bn)	144/1.6
Free float (%)	49.3
Avg. daily value traded (INR mn)	312.4

SHAREHOLDING PATTERN

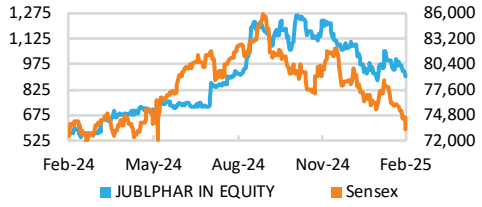
	Dec-24	Sep-24	Jun-24
Promoter	50.68%	50.68%	50.68%
FII	16.96%	17.94%	19.49%
DII	6.98%	5.66%	4.07%
Pledge	0%	0%	0%

FINANCIALS

(INR mn)

Year to March	FY25A	FY26E	FY27E	FY27E
Revenue	72,331	79,985	90,280	90,280
EBITDA	11,419	13,287	16,158	16,158
Adjusted profit	5,088	5,517	7,114	7,114
Diluted EPS (INR)	31.9	34.6	44.7	44.7
EPS growth (%)	160.3	8.4	29.0	29.0
RoAE (%)	14.3	8.7	10.4	10.4
P/E (x)	28.3	26.1	20.2	22.4
EV/EBITDA (x)	14.9	12.5	9.9	10.9
Dividend yield (%)	1.1	0.8	1.0	0.9

PRICE PERFORMANCE



Aims to double revenue, treble EBITDA by FY30

We attended Jubilant Pharmova's (JPL) in-person analyst meet, where the company brought the senior leaders of all businesses. The company unveiled its vision for 2030 and by FY30, it expects: i) 2x revenue to INR135bn; ii) 23–25% EBITDA margin; iii) achieving zero net debt position; and iv) reporting high-teens RoCE.

According to the guidance, implied revenue/EBITDA growth works out to a 12%/20% CAGR over FY24–30. We think near-term triggers are: i) Commissioning of line-3 at Spokane. ii) Ruby-Fill ramp-up and MIBG launch in FY27. iii) Sustained momentum of margin recovery and launch of six–eight products in generics business. iv) Strengthening of the balance sheet. Retain 'BUY' with an unchanged TP of INR1,385.

'Vision 2030' unveiled – 2x revenue with 23–25% margins

The company unveiled its 'Vision 2030' plan, which focuses on doubling revenue, achieving 23–25% EBITDA margin, high-teens RoCE and a zero net debt position by FY30. JPL is aiming to achieve this by doubling revenue in radiopharmaceuticals, radiopharmacies, CDMO-SI, generics and API segments while posting 3x/1.5x growth in drug discovery/allergy immunotherapy (AIT) segments. On the margin front, radiopharma's margin is likely to recover to 50% while that of radiopharmacies is likely to improve from ~3% in FY24 to 7–8% in FY30. Margins of CDMO-SI are likely to move to 25% while drug discovery is likely to sustain at the same levels as well. API margins are likely to cross the 15% threshold while AIT margins are likely to remain range bound in the 35–40% range. The generics segment is anticipated to continue to improve with margins in the 15–17% range in FY30.

Growth levers well-defined; all eyes on execution

JPL has outlined growth drivers by segment that can help it to achieve its guidance: i) Radiopharma segment: JPL estimates sustained growth with improvement in market share of Ruby-Fill as well as expects to launch MIBG and new PET, SPECT and therapeutic products. ii) Radiopharmacies: JPL is investing in six high-margin PET radiopharmacies across the US. iii) CDMO-SI: It is doubling Spokane manufacturing capacity and expects to on-board new customers. iv) CRDMO: It estimates to enter into a partnership with large pharma companies and also expects to grow custom API manufacturing. v) Allergy immunotherapy: Focusing to strengthen its competitive position. vi) Generics: Growth in non-US business and launches of six–eight new products in the US.

'Vision 2030' guidance enthusing; retain 'BUY'

At the guided range, JPL's implied revenue/EBITDA shall grow at a 12%/20% CAGR over FY24–30 given increase in EBITDA contribution from Radiopharmacies, CDRMO and generic business. We keep our estimates unchanged but note increased awareness of this complex business among investors. The stock is trading at 11x FY27 EV/EBITDA. Retain '**BUY'** with an unchanged TP of INR1,385, building in revenue/EBITDA/PAT CAGR of 10%/22%/54% over FY24–27E.

Shrikant Akolkar
Shrikant.Akolkar@nuvama.com

Aashita Jain
Aashita.Jain@nuvama.com

Gaurav Lakhotia
lakhotia.gaurav@nuvama.com

Financial Statements

Income Statement (INR mn)

Year to March	FY25A	FY26E	FY27E	FY27E
Total operating income	72,331	79,985	90,280	90,280
Gross profit	49,177	54,070	61,390	61,390
Employee costs	23,133	26,395	29,792	29,792
R&D cost	0	0	0	0
Other expenses	14,625	14,387	15,440	15,440
EBITDA	11,419	13,287	16,158	16,158
Depreciation	3,662	3,792	4,812	4,812
Less: Interest expense	2,376	1,800	1,600	1,600
Add: Other income	519	400	400	400
Profit before tax	5,900	8,095	10,146	10,146
Prov for tax	1,323	2,590	3,044	3,044
Less: Exceptional item	3,628	0	0	0
Reported profit	8,212	5,517	7,114	7,114
Adjusted profit	5,088	5,517	7,114	7,114
Diluted shares o/s	159	159	159	159
Adjusted diluted EPS	31.9	34.6	44.7	44.7
DPS (INR)	10.3	6.9	8.9	8.9
Tax rate (%)	22.4	32.0	30.0	30.0

Balance Sheet (INR mn)

Year to March	FY25A	FY26E	FY27E	FY27E
Share capital	158	158	158	158
Reserves	60,751	65,164	70,855	70,855
Shareholders funds	60,909	65,322	71,013	71,013
Minority interest	(128)	(128)	(128)	(128)
Borrowings	27,990	26,830	25,822	25,822
Trade payables	9,116	9,861	10,883	10,883
Other liabs & prov	10,126	11,198	12,639	12,639
Total liabilities	1,15,072	1,20,870	1,28,994	1,28,994
Net block	26,465	28,006	28,402	28,402
Intangible assets	35,374	34,159	33,488	33,488
Capital WIP	12,523	12,523	12,523	12,523
Total fixed assets	74,363	74,688	74,414	74,414
Non current inv	440	478	529	529
Cash/cash equivalent	2,190	4,630	8,882	8,882
Sundry debtors	9,908	10,738	11,872	11,872
Loans & advances	8	8	8	8
Other assets	23,459	25,447	28,139	28,139
Total assets	1,15,072	1,20,870	1,28,994	1,28,994

Important Ratios (%)

Year to March	FY25A	FY26E	FY27E	FY27E
Gross margin	47.0	42.0	45.0	45.0
R&D as a % of sales	13.0	8.1	23.0	23.0
Net Debt/EBITDA	23.5	20.7	21.0	21.0
EBITDA margin (%)	15.8	16.6	17.9	17.9
Net profit margin (%)	7.0	6.9	7.9	7.9
Revenue growth (% YoY)	7.9	10.6	12.9	12.9
EBITDA growth (% YoY)	26.8	16.4	21.6	21.6
Adj. profit growth (%)	160.3	8.4	29.0	29.0

Free Cash Flow (INR mn)

Year to March	FY25A	FY26E	FY27E	FY27E
Reported profit	9,524	8,095	10,146	10,146
Add: Depreciation	3,662	3,792	4,812	4,812
Interest (net of tax)	0	0	0	0
Others	1,363	(449)	(989)	(989)
Less: Changes in WC	(776)	(1,291)	(1,755)	(1,755)
Operating cash flow	13,772	10,147	12,214	12,214
Less: Capex	(8,902)	(4,096)	(4,537)	(4,537)
Free cash flow	4,870	6,051	7,677	7,677

Assumptions (%)

Year to March	FY25A	FY26E	FY27E	FY27E
GDP (YoY %)	6.0	6.2	6.2	6.2
Repo rate (%)	6.0	5.0	5.0	5.0
USD/INR (average)	84.0	82.0	82.0	82.0
Capex (USD mn)	7.4	8.0	13.0	13.0

Key Ratios

Year to March	FY25A	FY26E	FY27E	FY27E
RoE (%)	14.3	8.7	10.4	10.4
RoCE (%)	9.2	10.9	12.4	12.4
Inventory days	208	198	196	196
Receivable days	48	47	46	46
Payable days	139	134	131	131
Working cap (% sales)	19.0	18.4	17.8	17.8
Gross debt/equity (x)	0.5	0.4	0.4	0.4
Net debt/equity (x)	0.4	0.3	0.2	0.2
Interest coverage (x)	3.3	5.3	7.1	7.1

Valuation Metrics

Year to March	FY25A	FY26E	FY27E	FY27E
Diluted P/E (x)	28.3	26.1	20.2	22.4
Price/BV (x)	2.4	2.2	2.0	2.2
EV/EBITDA (x)	14.9	12.5	9.9	10.9
Dividend yield (%)	1.1	0.8	1.0	0.9

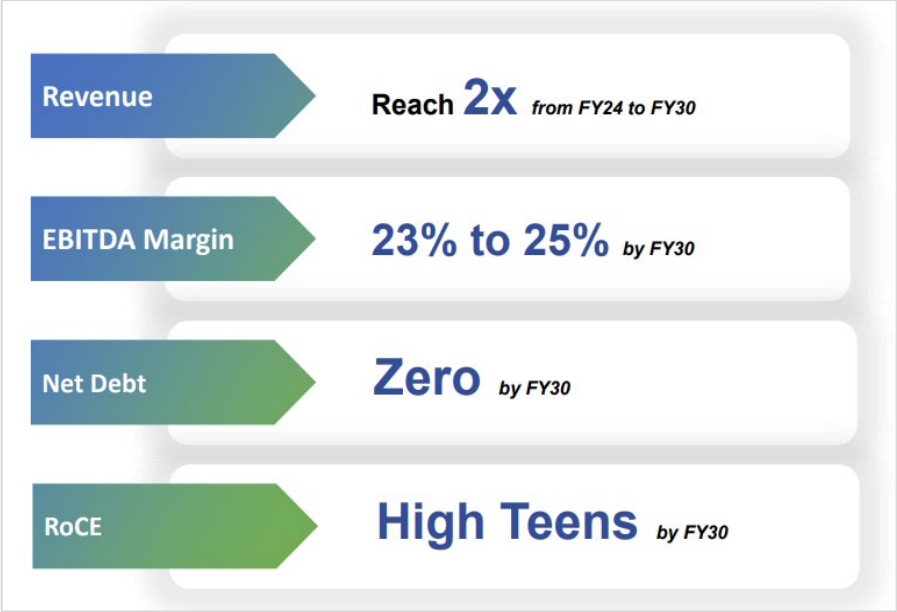
Valuation Drivers

Year to March	FY25A	FY26E	FY27E	FY27E
EPS growth (%)	160.3	8.4	29.0	29.0
RoE (%)	14.3	8.7	10.4	10.4
EBITDA growth (%)	26.8	16.4	21.6	21.6
Payout ratio (%)	20.0	20.0	20.0	20.0

Source: Company and Nuvama estimates

Snapshot of guidance provided under 'Vision 2030' plan

Exhibit 1: 'Vision 2030' guidance



Source: Company

Exhibit 2: Revenue anticipated to grow at a ~12% CAGR while EBITDA to increase at a ~20% CAGR if guidance is achieved

	FY24					FY30 (Guidance)					CAGR (FY24-FY30E)	
INR mn	**Revenue**	**Contribution**	**EBITDA margin**	**EBITDA**	**Contribution**	**Revenue**	**Contribution**	**EBITDA margin**	**EBITDA**	**Contribution**	**Revenue**	**EBITDA**
Radiopharmaceuticals	9,520	14%	50%	4,770	46%	19,040	14%	50%	9,520	31%	12%	12%
Radiopharmacies	20,500	31%	3%	560	5%	41,000	30%	8%	3,280	11%	12%	34%
CDMO-SI	11,170	17%	17%	1,920	19%	22,340	17%	25%	5,585	18%	12%	19%
Drug discovery	4,490	7%	24%	1,060	10%	13,470	10%	25%	3,368	11%	20%	21%
API	6,450	10%	10%	630	6%	12,900	10%	15%	1,935	6%	12%	21%
Allergy immunotherapy	6,790	10%	40%	2,730	27%	10,185	8%	40%	4,074	13%	7%	7%
Generics	7,750	12%	-18%	(1,410)	-14%	15,500	12%	17%	2,635	9%	12%	NA
Total	**66,670**		**15%**	**10,260**		**1,34,435**		**23%**	**30,397**		**12%**	**20%**

Source: Company, Nuvama Research

Exhibit 3: Regulatory compliance snapshot

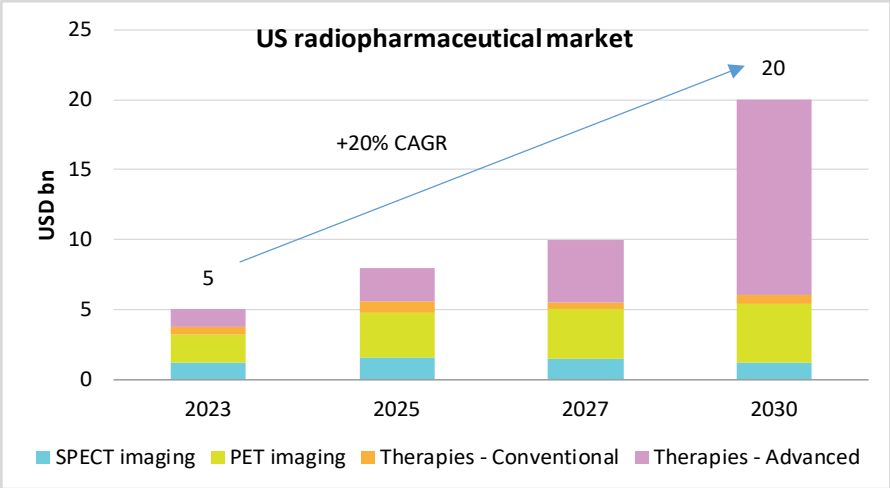
Business	Location	USFDA status	Period
Radiopharmaceuticals	Montreal, Canada	VAI	Apr-24
Allergy immunotherapy	Spokane, US	VAI	Sep-24
CDMO-SI	Spokane, US	VAI	Sep-24
CRDMO API	Nanjangud, India	VAI	Mar-23
Generics	Roorkee, India	VAI	Apr-24
CDMO-SI	Montreal, Canada	OAI (untitled)	Sep-24

Source: Company

Radiopharma: Ruby-Fill ramp-up; new SPECT and PET products

The overall US radiopharmaceutical market itself is likely to grow at a 20%-plus CAGR over 2023–30E from USD5bn to USD20bn, led by the launch of advanced therapies, new PET products and multiple high-value M&A deals in the space. JPL expects to capture a meaningful share of this overall industry growth.

Exhibit 4: US radiopharmaceutical market likely to grow at a ~20% CAGR



Source: Company, Nuvama Research

The radiopharmaceuticals business revenue (INR9.5bn in FY24) is anticipated to more than double by FY30 while maintaining margins above 50%, implying 12% EBITDA CAGR over FY24–30E. We note that this segment is currently seeing 47–48% EBITDA margins, which the company expects to improve by FY30. The company expects to achieve this with an improvement in Ruby-fill and new launches:

- **Ruby-Fill:** The company estimates to become a leader in cardiac PET imaging via Ruby-Fill, given its longer life per generator (seven weeks per generator) and saline push feature, which improves image quality. The market size is USD160mn and Ruby-fill has ~25% market share currently.
- **MIBG:** The product is currently in the clinical trials phase and JPL is guiding to launch this by FY27. The data package is being targeted to be sent to the USFDA by H2FY26. The product is likely to have peak annual sales of USD70–100mn.
- **Other new launches:** JPL plans to launch nine new PET and SPECT products with a TAM of USD550mn. Of this, two would be launched in FY27 (peak annual sales of USD20mn), three in FY28 (peak annual sales of USD60mn) and four in FY29 (peak annual sales of USD40mn).

Exhibit 5: New PET and SPECT product launches to drive growth

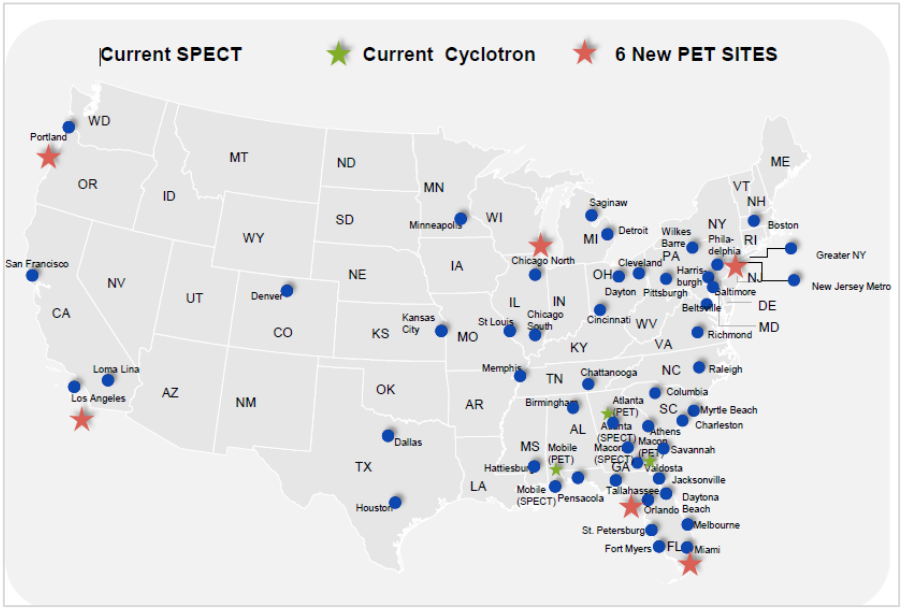
Timeline	Incremental TAM (USD mn)	Potential peak annual sales (USD mn)	No. of launches
FY27	50	20	2
FY28	250	60	3
FY29	250	40	4
Total	550	120	9

Source: Company

Radiopharmacy: Margin expansion on adding six new PET pharmacies

JPL operates the second largest radiopharmacy network in the US. Its pharmacies are compliant with USP825 regulations. Currently, it has 46 radiopharmacies with 20% volume market share and caters to ~1800 hospitals in the US.

Exhibit 6: Jubilant operates second largest radiopharmacy network in the US



Source: Nuvama Research

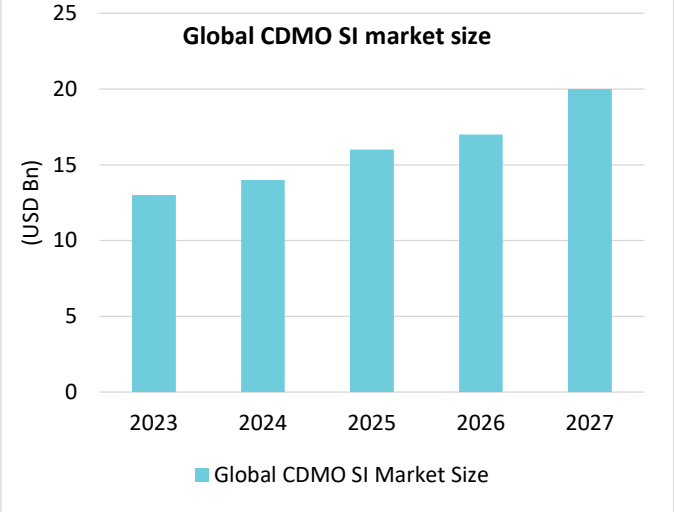
JPL is targeting to double its revenue from its FY24 base of INR20.5bn and expand margin by 400–500bp to 7–8% by FY30. This is likely to occur due to the expansion of the PET radiopharmacy network from three sites currently to nine by FY28. At a 1x asset turnover and USD50mn investment, RoCEs of more than 20%-plus are anticipated. The company expects its strong network to enable it to sign long-term contracts with PET radiopharmaceutical manufacturers.

CDMO-SI: Spokane capacity doubling; demand-supply gap widening

In the CDMO business, JPL has five of the top 20 pharma companies as its clients with top-ten customers having five-plus years of relationship and ~90% of the business being repeat from the existing customers, showing the nature of high stickiness in this business.

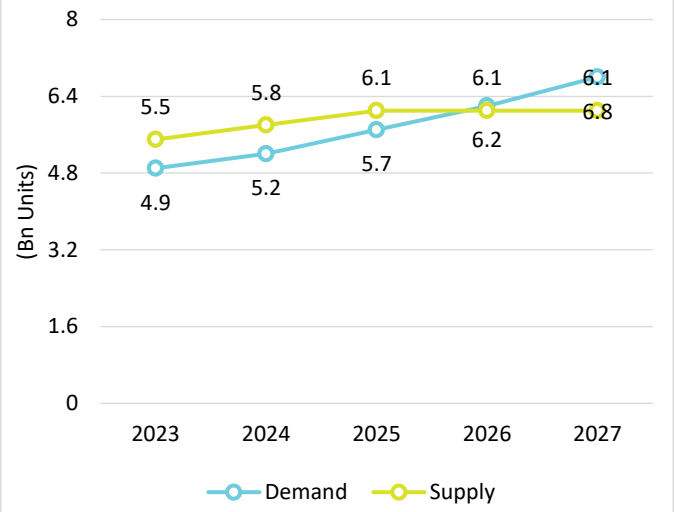
The global CDMO-SI market is likely to grow at a ~11% CAGR over 2023–27. The global demand for vial filling services is anticipated to outpace the supply in CY27, resulting in demand-supply gap of ~700mn vials. This may widen further given consolidation in the industry due to large acquisitions, with Novo-Catalent being a recent example. Furthermore, offshoring by innovators is taking a backseat due to the regulatory environment and the supply chain advantage that on shoring provides. Moreover, ~65% of the high-margin biologics product pipeline shall require sterile vials due to stability reasons and dosing preferences. This can prove to be a meaningful opportunity for a company such as JPL.

Exhibit 7: Global CDMO-SI market size



Source: Company

Exhibit 8: Demand-supply gaps of ~700mn vials by 2027



Source: Company

Exhibit 9: JPL has capabilities across liquid fill-finish and lyophilisation solutions

Source: Company

Exhibit 10: End-to-end CDMO services provided by company

Capability	Spokane	Montreal
Clinical Trial Manufacturing	●	
Commercial Fill Finish	●	●
Commercial Lyophilization	●	●
Ophthalmics		●
Secondary Packaging	●	●

Source: Company

Line 3 offers competitive advantage and potentially better pricing

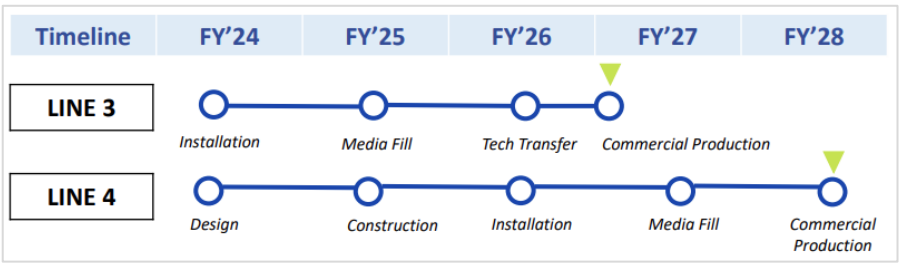
JPL has a competitive advantage at its line 3 and 4 due to advanced isolator technology. Many big pharma players have mandated that they shall be contracting only with those companies that have isolator technology. The isolator technology offers better pricing and hence, can also lead to better margins.

The benefits of isolator technology include:

- Operators do not need to wear aseptic garb, which reduces the cost and time associated with aseptic gowning/de-gowning operations.
- It enables it to run longer campaigns with much lower risk of batch contamination, as this technology can be run continuously over several days.
- A 100% weight testing rather than intermittent weight testing. The intermittent weight testing can lead to risk of all OOT/OOS challenges, which are minimised in isolator technology.

JPL is on track to double capacity at its Spokane, US facility with Line-3 likely to commence commercialisation from FY27 and Line-4 from FY28. The total investment stands at USD285mn including USD150mn funding from the US government.

Exhibit 11: Line-3 to be commercialised from FY27 while Line-4 from FY28

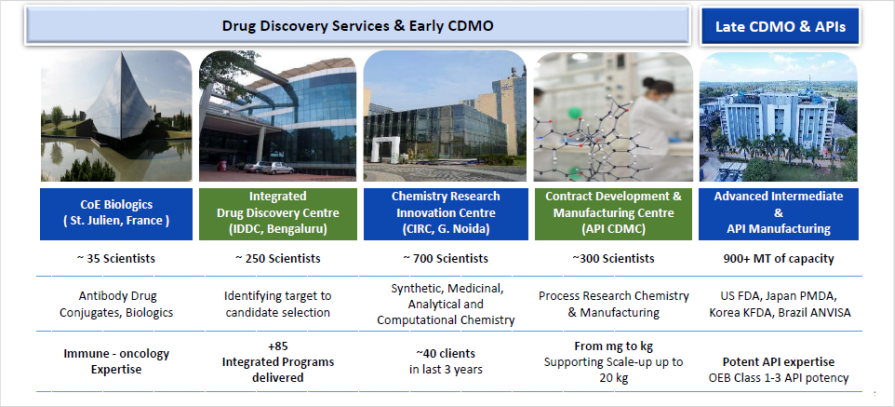


Source: Company

CRDMO: Focus on large pharma, growing CDMO and custom manufacturing in APIs

JPL believes India is well positioned to benefit from current industry developments. Its customers include eight of the top 20 pharma companies and its revenue from large pharma customers has seen ~5x growth. It has ~1300 scientists and has manufacturing capabilities to produce small molecules from mg to multi-tons. Its capacities are located in France, Delhi, Bengaluru and Mysore.

Exhibit 12: JPL's existing CRDMO infrastructure



Source: Company

Exhibit 13: Mapping JPL's capabilities in CRDMO segments

Source: Company

JPL aims to triple the drug discovery business from INR4.49bn in FY24 with >25% EBITDA margins. This shall be achieved by: i) Capacity expansion at current and new sites from 1,000 FTEs in FY25 to 4,000 FTEs in FY27. ii) Strengthening footprint in Europe. iii) By adding biologics capabilities (mAbs and ADCs) through partnership with Pierre Fabre. JPL has recently acquired an 80% stake in Pierre Fabre's immuno-oncology research site located in Saint-Julien-en-Genevois.

In the API segment, JPL expects to double its revenue by FY30 with margins reaching a healthy ~15% from the current breakeven position. This is likely to be done by leveraging GMP manufacturing capabilities for innovative NCEs and collaborating with large pharma companies. An improved biotech funding environment can also act as a tailwind for future growth.

AIT: Growth in non-US business while further improving position in US

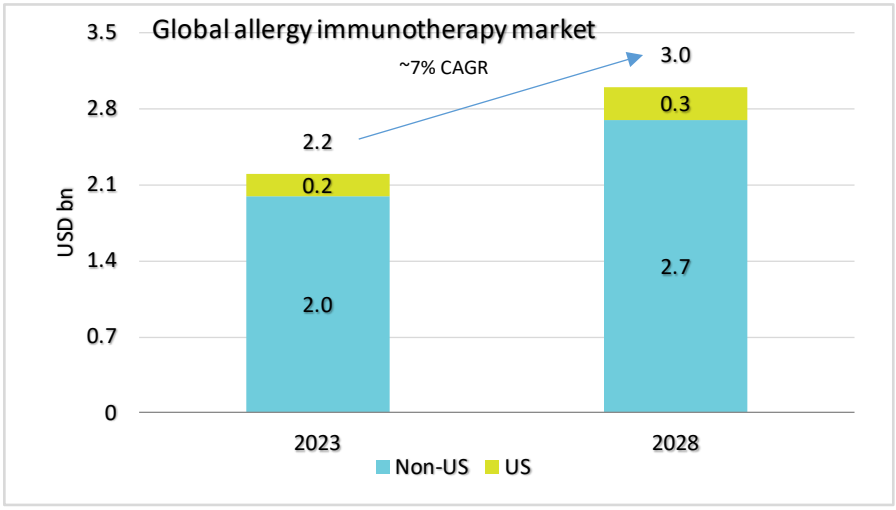
JPL has a century old HollisterStier brand in the US and has onshore manufacturing presence. It has a presence across several therapies and is sole supplier of venom extracts in the US. The company also has a presence outside the US in this therapy.

The global allergy immunotherapy (AIT) market is likely to grow at a ~7% CAGR over CY23–28. JPL is the second-largest player in the US sub-cutaneous AIT market. It has 200-plus allergenic and six venom extracts. The company has a dedicated sales force in the US while 2,000-plus allergists/ENTs are its customers. The US is a concentrated market with a complex supply chain and a challenging reimbursement landscape.

The company aims to grow in-line with the industry, aiming to grow its revenue by ~50% by FY30 (from FY24) with margin ranging at 35–40%. The company intends to achieve this by:

- Strengthening the competitive position in the US by retaining and growing venom customers and patient base via targeted marketing
- Increasing non-US venom sales through strategic partnerships in European markets.
- Developing new products and technologies by investing in R&D and building treatment innovation through alliances.

Exhibit 14: Global AIT market likely to grow at a ~7% CAGR over five-year period



Source: Company

Exhibit 15: JPL's allergy portfolio in the US

Source: Company

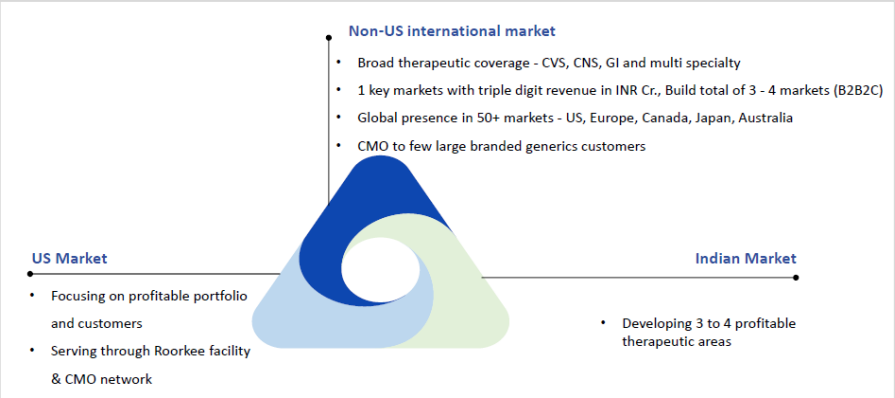
Generics: New launches, profitable growth in non-US markets and building branded India business

JPL operates in the US, India, Europe, Canada, Japan, Australia and other markets. The US business contributed ~60% of its revenue a few years back, which is now contributing ~40%.

The EBITDA margin of this business was -18% in FY24 but reached breakeven level in FY25. The company is further expecting to achieve a margin of 15–17% by FY30, with 2x growth in its revenue over this period. JPL has 33 ANDAs seeking approvals while it also anticipates to relaunch some of its dormant ANDAs from Roorkee unit as well as from third party CMO.

In the non-US international markets, JPL plans to launch six–eight new products annually and scale up in three–four key markets. In the India branded business, the company has plans to grow at 1.5x the industry growth rate, building a presence in anti-diabetes, hypertension and Dyslipidaemia with a ramp-up in weight management as a therapy.

Exhibit 16: Understanding JPL's generics business

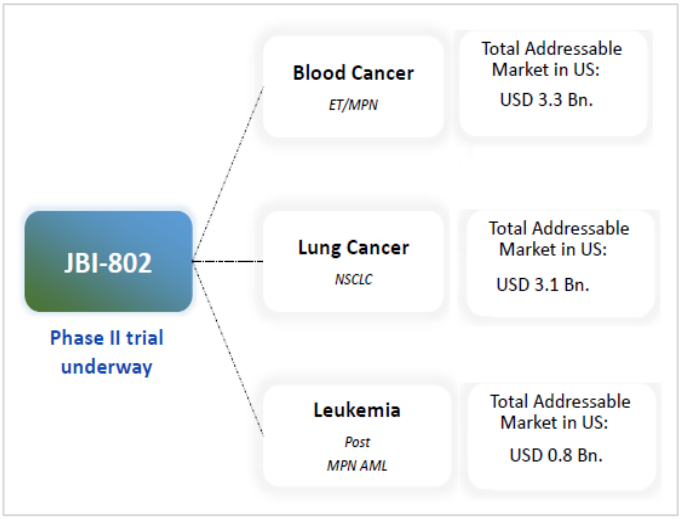


Source: Company

Proprietary novel drugs: Two key assets in clinical trials

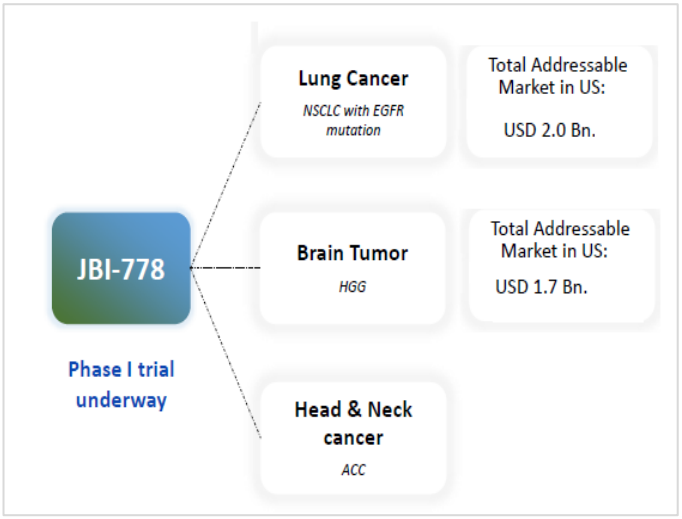
JPL has two assets under clinical trials: i) JBI-802: Phase II asset with potential TAM of >USD7bn in three potential indications. ii) JPI-778: Phase I asset with potential TAM of ~USD3.7bn in lung and brain cancer. Both these assets have orphan drug designations and it expects clinical data readouts in CY25/26.

Exhibit 17: JBI-802 in Phase II trial



Source: Company

Exhibit 18: JBI-778 in Phase I trial



Source: Company

Valuation

Jubilant Pharmova's business segments are slightly unconventional due to its presence in the US Radiopharma and allergy business. Therefore, we value Jubilant Pharmova based on SotP method and have selected nearly matching peers. Our SotP valuation yields a TP of INR1,385, which implies EV/EBITDA and P/E of 14x and 31x, respectively, on our FY27E forecasts. Retain '**BUY**'.

Exhibit 19: SotP valuation

Segment	FY27E EBITDA	FY28E	EV/EBITDA (x)	Enterprise value
Radiopharmaceuticals	6,062	6,694	15	93,356
Radiopharmacy	560	1,606	5	3,025
Allergy Immunotherapy	3,074	3,190	15	47,029
CDMO -Sterile Injectables	3,355	3,821	11	38,516
Drug discovery	2,025	2,317	18	35,647
API	1,004	1,066	8	8,032
Generics	1,158	1,078	6	6,367
Total	**17,238**		**13.5**	**2,31,972**
Gross Debt				25,822
Cash				8,882
Equity value				**2,15,033**
Equity value/share				1,350
BV/share of Proprietary Novel Drugs				14
I-MIBG : NPV/share				24
Target price				**1,385**
Upside				53%
Implied P/E on FY27E EPS				31

Source: Nuvama Research

Company Description

Incorporated in 1978 and part of the Jubilant Group, Jubilant Pharmova has a global presence across diverse business sectors, including Radiopharma, allergy immunotherapy, CDMO sterile injectables, CRDMO services, generics, and proprietary novel drugs. The company operates multiple manufacturing facilities serving regulated markets worldwide, including the US and Europe.

In the Radiopharma business, the company is involved in manufacturing and supply of radiopharmaceuticals in the US. The allergy immunotherapy business manufactures and supplies allergic extracts and venom products in the US and in some other markets such as Canada, Europe and Australia. Through its CDMO sterile injectables business, it offers manufacturing services including sterile fill and finish injectables (both liquid and lyophilisation), full-service ophthalmic offer and ampoules. The CRDMO business includes the drug discovery services business that provides contract R&D services and the CDMO-API business, which manufactures APIs. Jubilant Therapeutics is involved in the proprietary novel drugs business developing breakthrough therapies in oncology and for autoimmune disorders.

Investment Theme

Jubilant is among the top three radiopharmaceutical manufacturers in the US and this business has a 45-50% margin profile due to its backward and forward integration. Ruby-Fill (PET scan product) is set to drive growth and I-MIBG can be a game changer. Radiopharmacy, an attractive business due to lower competition driven by regulatory challenge and unwillingness of the hospitals to invest in the clean room infrastructure to prepare the formulations is expected to undergo a turnaround. JPL is also investing in 6 new PET pharmacies which should aid margins. In the allergy therapy business, it has a strategic advantage as it is the sole supplier of venom extracts in the US and the company also has plans to expand in other territories. In the CMO business, capacity expansion by adding new lines at both Spokane and Montreal in the sterile injectable/ophthalmic operations, can be a solid growth factor. The generic business is also seeing a turnaround with lifting of the import alert on Roorkee unit and closure of the Salisbury unit in the US. Strong cash flow generation and debt reduction should assist in overall profitability of the company.

Key Risks

- Impact of the potential change in import tariffs in the US
- Failure to get approval for I-MIBG and slower ramp-up in Ruby-Fill
- Delayed turnaround of generics and Radiopharmacy business
- Delayed commercialisation of Line 3 at Spokane
- Delay in clearance compliance challenges at Montreal

Additional Data

Management

Chairman	Shyam S. Bhartia
Co-Chairman	Hari S. Bhartia
Managing Director	Priyavrat Bhartia
Joint Managing Director	Arjun S Bhartia
Auditor	Walker Chandiok & Co. LLP

Holdings – Top 10*

	% Holding		% Holding
East Bridge Cap	3.92	MAV MGMT	3.15
Norges Bank	3.45	Nikita Resource	2.20
Miller Holdings	3.28	Vanguard	1.94
Estate of Rakes	3.28	Quant Money Man	1.92
Rekha Rakesh Jh	3.15	SBI Life	1.39

**Latest public data*

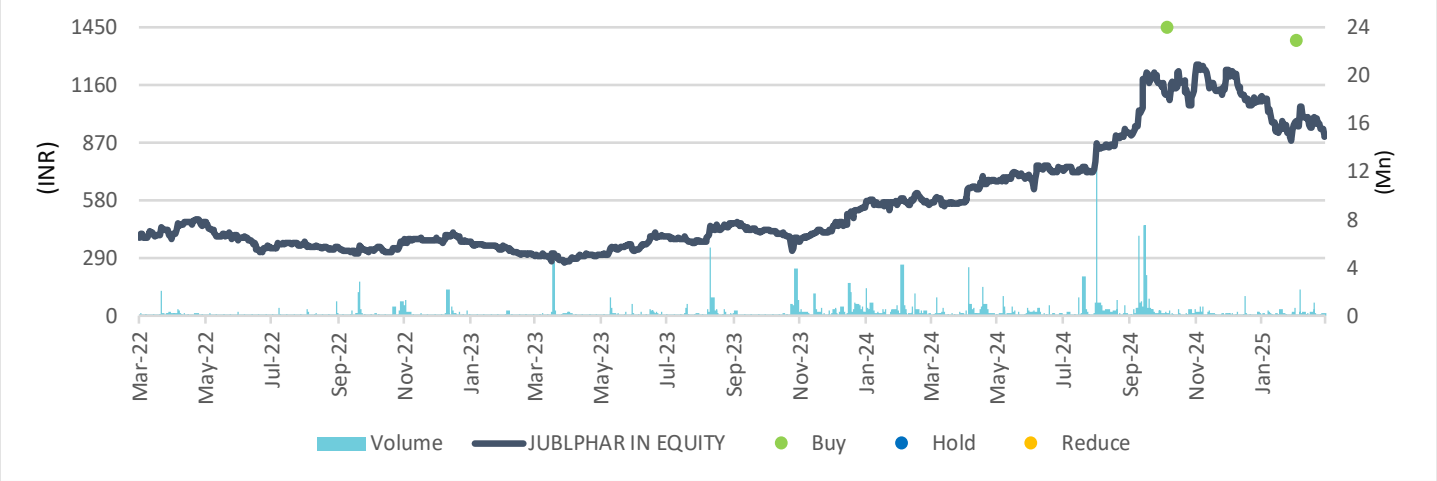
Recent Company Research

Date	Title	Price	Reco
01-Feb-25	Generics business sustains momentum; *Result Update*	984	Buy
25-Oct-24	'BRAVEHEART SERIES' Jubilant Pharmova (J; *Result Update*	1,058	Buy
04-Oct-24	Booster shot: A well-rounded strategy; *Initiating Coverage*	1,112	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
20-Feb-25	Pharmaceuticals	Chronic strong; gRevlimid to fade soon; *Sector Update*
13-Feb-25	Natco Pharma	All-round miss; upside constrained; *Result Update*
13-Feb-25	Ipca Laboratories	Multiple levers in India business ; *Result Update*

Rating and Daily Volume Interpretation



Source: Bloomberg, Nuvama research

Rating Rationale & Distribution: Nuvama Research

Rating	Expected absolute returns over 12 months	Rating Distribution
Buy	15%	232
Hold	<15% and >-5%	62
Reduce	<-5%	23

DISCLAIMER

Nuvama Wealth Management Limited (defined as "NWML" or "Research Entity") a company duly incorporated under the Companies Act, 1956 (CIN No L67110MH1993PLC344634) having its Registered office situated at 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, Investment Adviser, Research Analyst and other related activities. Name of Compliance/Grievance officer: Mr. Atul Bapna, E-mail address: complianceofficer.nwm@nuvama.com Contact details +91 (22) 6623 3478 Investor Grievance e-mail address- grievance.nwm@nuvama.com

This Report has been prepared by NWML in the capacity of a Research Analyst having SEBI Registration No.INH000011316 and Enlistment no. 5723 with BSE and distributed as per SEBI (Research Analysts) Regulations 2014. This report does not constitute an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 includes Financial Instruments and Currency Derivatives. The information contained herein is from publicly available data or other sources believed to be reliable. This report is provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this report should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in Securities referred to in this document (including the merits and risks involved), and should consult his own advisors to determine the merits and risks of such investment. The investment discussed or views expressed may not be suitable for all investors.

This information is strictly confidential and is being furnished to you solely for your information. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NWML and associates, subsidiaries / group companies to any registration or licensing requirements within such jurisdiction. The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose possession this report comes, should observe, any such restrictions. The information given in this report is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. NWML reserves the right to make modifications and alterations to this statement as may be required from time to time. NWML or any of its associates / group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. NWML is committed to providing independent and transparent recommendation to its clients. Neither NWML nor any of its associates, group companies, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including loss of revenue or lost profits that may arise from or in connection with the use of the information. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. Past performance is not necessarily a guide to future performance .The disclosures of interest statements incorporated in this report are provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. The information provided in these reports remains, unless otherwise stated, the copyright of NWML. All layout, design, original artwork, concepts and other Intellectual Properties, remains the property and copyright of NWML and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the copyright holders.

NWML shall not be liable for any delay or any other interruption which may occur in presenting the data due to any reason including network (Internet) reasons or snags in the system, break down of the system or any other equipment, server breakdown, maintenance shutdown, breakdown of communication services or inability of the NWML to present the data. In no event shall NWML be liable for any damages, including without limitation direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by the NWML through this report.

We offer our research services to clients as well as our prospects. Though this report is disseminated to all the customers simultaneously, not all customers may receive this report at the same time. We will not treat recipients as customers by virtue of their receiving this report.

NWML and its associates, officer, directors, and employees, research analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the Securities, mentioned herein or (b) be engaged in any other transaction involving such Securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company(ies) discussed herein or act as advisor or lender/borrower to such company(ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance. (c) NWML may have proprietary long/short position in the above mentioned scrip(s) and therefore should be considered as interested. (d) The views provided herein are general in nature and do not consider risk appetite or investment objective of any particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with NWML (e) Registration granted by SEBI and certification from NISM in no way guarantee performance of NWML or provide any assurance of returns to investors and clients.

NWML or its associates may have received compensation from the subject company in the past 12 months. NWML or its associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. NWML or its associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. NWML or its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Research analyst or his/her relative or NWML's associates may have financial interest in the subject company. NWML and/or its Group Companies, their Directors, affiliates and/or employees may have interests/ positions, financial or otherwise in the Securities/Currencies and other investment products mentioned in this report. NWML, its associates, research analyst and his/her relative may have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of research report or at the time of public appearance.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (i) exchange rates can be volatile and are subject to large fluctuations; (ii) the value of currencies may be affected by numerous market factors, including world and national economic, political and regulatory events, events in equity and debt markets and changes in interest rates; and (iii) currencies may be subject to devaluation or government imposed exchange controls which could affect the value of the currency. Investors in securities such as ADRs and Currency Derivatives, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Research analyst has served as an officer, director or employee of subject Company: No

NWML has financial interest in the subject companies: No

NWML's Associates may have actual / beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report.

Research analyst or his/her relative has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

NWML has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of research report: No

Subject company may have been client during twelve months preceding the date of distribution of the research report.

There were no instances of non-compliance by NWML on any matter related to the capital markets, resulting in significant and material disciplinary action during the last three years.
A graph of daily closing prices of the securities is also available at www.nseindia.com

Analyst Certification:
The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Additional Disclaimers

Disclaimer for U.S. Persons
This research report is a product of NWML, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by NWML only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, NWML has entered into an agreement with a U.S. registered broker-dealer, Nuvama Financial Services Inc. (formerly Edelweiss Financial Services Inc.) ("NFSI"). Transactions in securities discussed in this research report should be effected through NFSI.

Disclaimer for U.K. Persons
The contents of this research report have not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 ("FSMA").

In the United Kingdom, this research report is being distributed only to and is directed only at (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the FSMA (Financial Promotion) Order 2005 (the "Order"); (b) persons falling within Article 49(2)(a) to (d) of the Order (including high net worth companies and unincorporated associations); and (c) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons").

This research report must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this research report relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this research report or any of its contents. This research report must not be distributed, published, reproduced or disclosed (in whole or in part) by recipients to any other person.

Disclaimer for Canadian Persons
This research report is a product of NWML, which is the employer of the research analysts who have prepared the research report. The research analysts preparing the research report are resident outside the Canada and are not associated persons of any Canadian registered adviser and/or dealer and, therefore, the analysts are not subject to supervision by a Canadian registered adviser and/or dealer, and are not required to satisfy the regulatory licensing requirements of the Ontario Securities Commission, other Canadian provincial securities regulators, the Investment Industry Regulatory Organization of Canada and are not required to otherwise comply with Canadian rules or regulations regarding, among other things, the research analysts' business or relationship with a subject company or trading of securities by a research analyst.

This report is intended for distribution by NWML only to "Permitted Clients" (as defined in National Instrument 31-103 ("NI 31-103")) who are resident in the Province of Ontario, Canada (an "Ontario Permitted Client"). If the recipient of this report is not an Ontario Permitted Client, as specified above, then the recipient should not act upon this report and should return the report to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any Canadian person.

NWML is relying on an exemption from the adviser and/or dealer registration requirements under NI 31-103 available to certain international advisers and/or dealers. Please be advised that (i) NWML is not registered in the Province of Ontario to trade in securities nor is it registered in the Province of Ontario to provide advice with respect to securities; (ii) NWML's head office or principal place of business is located in India; (iii) all or substantially all of NWML's assets may be situated outside of Canada; (iv) there may be difficulty enforcing legal rights against NWML because of the above; and (v) the name and address of the NWML's agent for service of process in the Province of Ontario is: Bamac Services Inc., 181 Bay Street, Suite 2100, Toronto, Ontario M5J 2T3 Canada.

Disclaimer for Singapore Persons
In Singapore, this report is being distributed by Nuvama Investment Advisors Private Limited (NIAPL) (Previously Edelweiss Investment Advisors Private Limited ("EIAPL")) (Co. Reg. No. 201016306H) which is a holder of a capital markets services license and an exempt financial adviser in Singapore and (ii) solely to persons who qualify as "institutional investors" or "accredited investors" as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Pursuant to regulations 33, 34, 35 and 36 of the Financial Advisers Regulations ("FAR"), sections 25, 27 and 36 of the Financial Advisers Act, Chapter 110 of Singapore shall not apply to NIAPL when providing any financial advisory services to an accredited investor (as defined in regulation 36 of the FAR. Persons in Singapore should contact NIAPL in respect of any matter arising from, or in connection with this publication/communication. This report is not suitable for private investors.

Disclaimer for Hong Kong persons
This report is distributed in Hong Kong by Nuvama Investment Advisors (Hong Kong) Private Limited (NIAHK) (Previously Edelweiss Securities (Hong Kong) Private Limited (ESHK)), a licensed corporation (BOM -874) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to Section 116(1) of the Securities and Futures Ordinance "SFO". This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The report also does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of any individual recipients. The Indian Analyst(s) who compile this report is/are not located in Hong Kong and is/are not licensed to carry on regulated activities in Hong Kong and does not / do not hold themselves out as being able to do so.

INVESTMENT IN SECURITIES MARKET ARE SUBJECT TO MARKET RISKS. READ ALL THE RELATED DOCUMENTS CAREFULLY BEFORE INVESTING.

Abneesh Roy
Head of Research Committee
Abneesh.Roy@nuvama.com

ABNEESH KUMAR ROY

Digitally signed by ABNEESH KUMAR ROY
DN: c=IN, o=Personal, pseudonym=MsgI9hP7wyHcUJj8U9hqnEIita8o7XDX, 2.5.4.20=e6488c28137c6fa4c0e6296c524ee518d54fd4f7ba4be4d07cb750c531c68e2c, postalCode=400098, st=Maharashtra, serialNumber=7370c9de10fb28bbf7cbc6f71afe3cfc848fa7245abdb81629dc3093fb2a8ea9, cn=ABNEESH KUMAR ROY
Date: 2025.03.03 12:10:54 +05'30'
Adobe Acrobat version: 2024.005.20421