BUY
TP: Rs 2,046 | ⮝ 15%

SUN PHARMA

| Pharmaceuticals | 02 November 2026

Amid Ilumya slowdown, US sales improved sequentially

- **Sales/EBITDA/APAT were 2.4%/5.4%/5.9% above our estimates. EBITDA Margin reported 80 bps above our estimate**
- **Ilumya sales are declining in the US, but picking up in EMs and RoW**
- **We continue to ascribe a PE of 34x and roll forward to Sep'28 EPS of Rs 56 per share to arrive at a PT of Rs 2046 (earlier PT of Rs 2292)**

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Adjusted Earnings in-line with our estimates - SUNPs sales grew 11.9% YoY to Rs 161bn, driven by 17.3% YoY growth in the domestic market, 15.7% growth in the EM & RoW region and 20% YoY growth in API & Others, while the US region grew only 0.4% YoY. A healthy product mix led to a 148bps YoY and 25 bps QoQ increase in gross margin to 80.9%. Employee costs grew 18.4% YoY, and SG&A costs (excluding R&D) grew 13.8% YoY to Rs 43.8bn. These were offset by a 0.5% decline in R&D costs (4.8% of sales in 2QFY27 vs 5.4% in 2QFY26), leading to a 13.9% YoY increase in EBITDA to Rs 46.6bn. EBITDA margin thus expanded by 51 bps YoY and 72 bps QoQ to 28.8%. An exceptional cost of Rs 11bn attributable to litigation resulted in a reported 36% YoY decline in PAT to Rs 19.8bn. Adjusted for the exceptional cost and forex, PAT grew 17.9% YoY to Rs 31.9bn

Domestic sales growth continues to surpass IPM growth - SUNP's domestic sales grew 17.3% YoY to Rs 55.5bn, with 50-60% of the growth driven by volume and new product launches (launched 15 new products in 2QFY27). As per Pharmarac, SUNP reported volume growth of 6.7% vs IPM volume growth of 1.8%. It maintains its leadership position across 12 doctor categories, enabling it to increase its market share to 8.6% as of Sep'26 from 8.3% earlier. SUNP's semaglutide brands are performing well, and management indicated that it would take 3-4 years for them to become big brands. Thus, we expect SUNP's domestic sales to grow at a 15% CAGR over FY26-29E to Rs 294bn in FY29E.

We lower our EPS estimates - SUNP's top three products after Ilumya are Cequa, Odomzo and Winlevi, hinting at softness in newly launched products like Leqselvi and Unloxcyt. Also, the company's operational expenses have increased and R&D is expected to rise in H2FY27. Thus, we have reduced our EPS estimates by 16% for FY27E, 13% for FY28E and 15% for FY29E. On a roll-forward to Sep'28 EPS of Rs 59.5 per share, the stock trades at a PE of 30x. We continue to ascribe a PE of 34x owing to its industry-leading innovative portfolio, arriving at a PT of Rs 2,046 (earlier PT of Rs 2,292).

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	SUNP IN/Rs 1,778
Market cap	US$ 44.9bn
Free float	45%
3M ADV	US$ 34.8mn
52wk high/low	Rs 2,047/Rs 1,584
Promoter/FPI/DII	54%/16%/20%

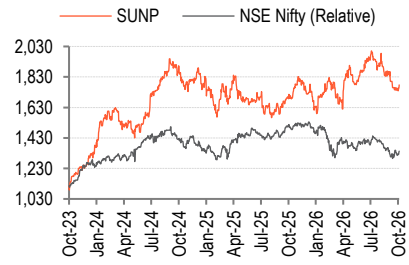
Source: NSE | Price as of 30 Oct 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	584,619	630,654	689,923
EBITDA (Rs mn)	164,911	176,904	197,210
Adj. net profit (Rs mn)	115,466	119,518	134,388
Adj. EPS (Rs)	48.1	49.8	56.0
Consensus EPS (Rs)	47.9	55.3	65.3
Adj. ROAE (%)	14.8	13.7	14.0
Adj. P/E (x)	36.9	35.7	31.7
EV/EBITDA (x)	27.6	26.1	23.9
Adj. EPS growth (%)	1.1	3.5	12.4

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

EMs & ROW growth continues to grow in double digit – SUNP's EMs region sales grew by 18% YoY to Rs 33.4bn, driven by 8% cc growth to USD 350mn in 2QFY27, while the RoW region sales grew by 13% YoY to Rs 23bn, driven by 3% cc growth to USD 241mn. In both markets, growth was primarily driven by the innovative portfolio. We believe Ilumya sales in EMs must have grown 8% YoY to USD 88mn on healthy traction across markets like Romania and Brazil, while in the RoW region they must have grown 3% to USD 60mn. The Japanese Society for Psoriasis Research ranked Ilumya number two among all biologics for new patients across 73 main hospitals, a significant improvement over last year. SUNP also launched semaglutide in Brazil through a partner. We expect Ilumya to drive growth in the innovative portfolio in both EMs and RoW, and thus expect sales to grow at a 9% CAGR over FY26-29E to Rs 257bn in FY29E.

US sales growth improves on a sequential basis – SUNP's US sales remained flattish YoY at Rs 43bn, though they grew 7.6% QoQ. In USD terms, sales declined 8% YoY but grew 7% QoQ to USD 455mn. The YoY decline was due to the high base from lenalidomide and a slowdown in the innovative portfolio caused by Ilumya, which was offset by growth in the rest of the innovative portfolio. The company expects Ilumya to bounce back to growth in a couple of quarters, aided by the approval of a second indication, psoriatic arthritis. In the generic space, the company launched five products in 2QFY27

Global innovative sales growth driven by broad based product portfolio - In 2QFY27, global innovative portfolio sales grew 7% YoY to USD 356mn. The growth was broad-based across the portfolio, though it was offset by flattish growth in Ilumya sales. The company indicated that Odomzo, Cequa and Winlevi contributed far more than Leqselvi and Unloxcyt. SUNP recently signed an exclusive licensing, commercialization and manufacturing agreement with LIB Therapeutics for lerodalcibep, a PCSK9 inhibitor, in markets outside the US and China, while Lyrokaul (lerodalcibep) was approved in the European Union. The company envisages lerodalcibep as a big opportunity after Ilumya, Leqselvi and Unloxcyt.

Financial Highlights

Fig 1 – Quarterly snapshot

(Rs mn)	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)	BoB ESTIMATES	Var. (%)
Net Sales	161,987	144,783	11.9	152,999	5.9	158,121	2.4
Total Expenses	115,333	103,817	11.1	110,042	4.8	113,847	
(%) of net sales	71	72		72		72	
Raw material consumed	30,967	29,827	3.8	29,632	4.5	30,834	0.4
(%) of net sales	19.1	21		19		20	
Gross Profit	131,020	114,956	14.0	123,367		127,288	2.9
Staff cost	32,742	27,648	18.4	32,272	1.5	31,624	3.5
(%) of net sales	20.2	19.1		21.1		20.0	
R&D cost	7,784	7,827	(0.5)	8,264	(5.8)	9,487	(18.0)
(%) of net sales	4.8	5.4		5.4		6.0	
SG&A	43,840	38,516	13.8	39,875	9.9	41,902	4.6
(%) of net sales	27.1	26.6		26.1		26.5	
EBITDA	46,654	40,966	13.9	42,957	8.6	44,274	5.4
PBT	43,497	37,371	16.4	41,809	4.0	42,377	2.6
Less: Taxation	11,578	10,305	12.4	11,880		12,077	
PAT	31,920	27,066	17.9	29,769	7.2	30,139	5.9
Less: Minority Interest	131	191		160		160	
Exceptional items	(11,904)	4,305		(820)		1,220	
PAT attributable to shareholders	19,885	31,180	(36.2)	28,949	(31.3)	31,359	(36.6)
Key Ratios (%)			Bps		Bps		Bps
Gross Margin	80.9	79.4	148	80.6	25	80.5	38.3
EBITDA Margin	28.8	28.3	51	28.1	72	28.0	80.1
Tax / PBT	26.6	27.6	(96)	28.4	(180)	28.5	
NPM	19.7	18.7	101	19.5	25	19.1	
EPS (Rs)	8.3	13.0	(36.2)	12.1	(31.3)	13.1	(36.6)

Source: Company, BOBCAPS Research

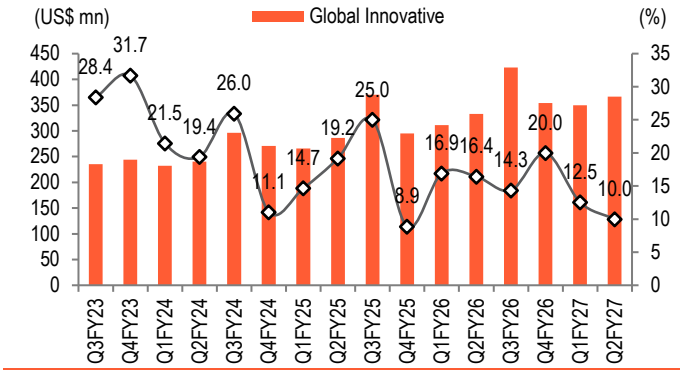
Fig 2 – Segmental mix

(Rs mn)	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)	Q4FY25	Var. (%)
Formulation	155,436	139,418	11.5	145,310	7.0	153,040	1.6
Domestic	55,523	47,348	17.3	54,749	1.4	55,397	0.2
Exports	99,914	92,070	8.5	90,561	10.3	97,643	2.3
US	43,471	43,288	0.4	40,419	7.6	42,707	1.8
EM & ROW	56,443	48,782	15.7	50,142	12.6	54,936	2.7
APIs and others	5,564	4,635	20.0	6,525	(14.7)	5,081	9.5
Net Sales	161,000	144,052	11.8	151,836	6.0	158,121	
OOI	987	731	35.0	1,163	(15.2)	-	
Revenue	161,987	144,783	11.9	152,999	5.9	158,121	2.4

Source: Company, BOBCAPS Research

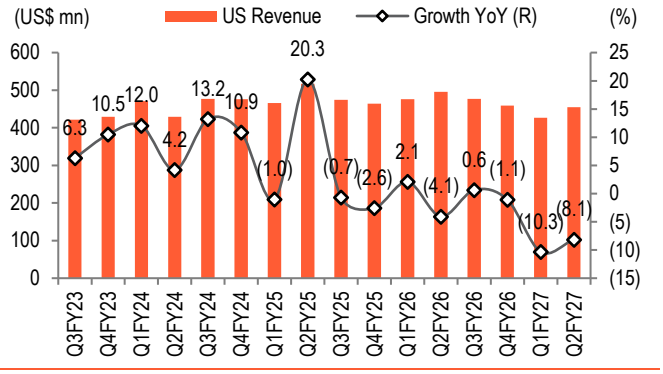
Financial charts

Fig 3 – Global innovative sales declined due to lower Ilumya sales



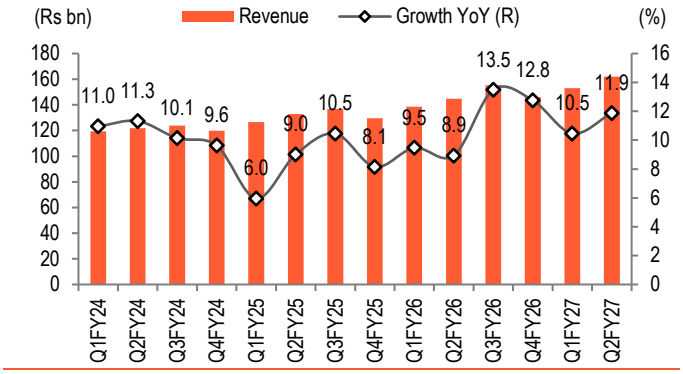
Source: Company, BOBCAPS Research

Fig 4 – US sales sequentially picking up with ex ilumya sales pricing up and generic launches



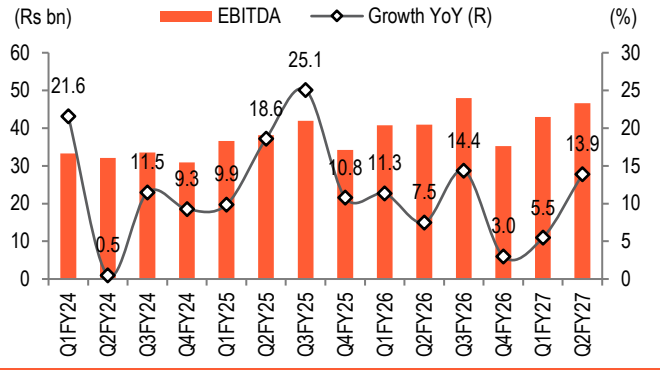
Source: Company, BOBCAPS Research

Fig 5 – Sales growth driven by domestic, EMs & RoW regions



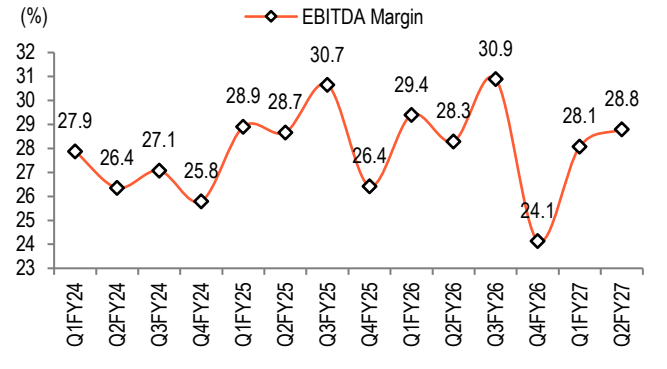
Source: Company, BOBCAPS Research

Fig 6 – EBITDA growth driven by healthy product mix



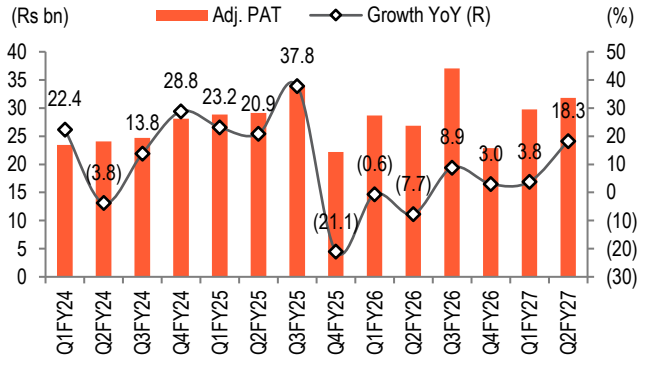
Source: Company, BOBCAPS Research

Fig 7 – EBITDA Margin driven by R&D cost rationalisation



Source: Company, BOBCAPS Research

Fig 8 – APAT driven by healthy operations



Source: Company, BOBCAPS Research

Earnings conference call

1. Global Innovative Medicines

Sales: $356 million, up 6.9%, accounting for 21.1% of total sales.

Growth drivers: US and ex-US markets, notably ILUMYA, XUS, CEQUA and ODOMZO.

ILUMYA psoriatic arthritis (PsA): US approval for adults with active PsA.

Soft launch in November, full launch in the following months.

It is the only physician-administered IL-23 inhibitor, and the only HCP-administered PsA product that rheumatologists can use quarterly. Other HCP-administered options are dosed much more frequently.

About one-third of psoriasis patients have comorbid PsA.

The sales force is being trained on the updated package insert.

Sun will expand reach using the existing sales force, calling on rheumatologists as well as dermatologists. Launch expenses are already built into the budget and are not extra.

Rheumatologists are familiar with “buy-and-bill” products, so management expects quick uptake.

Sun does not provide product-specific guidance.

ILUMYA in Japan: The Japanese Society for Psoriasis Research ranked it number two among all biologics for new patients across 73 main hospitals, a significant improvement over last year.

ILUMYA in emerging markets: Doing well in several markets, such as Romania and Brazil.

ILUMYA slowdown in the US:

This is the key reason behind slower global innovative medicine growth.

The cause is a mix of factors: partly market-related, partly execution.

Interventions are already in place, and management expects ILUMYA to return to more typical growth patterns over the next few quarters, helped by the PsA indication.

Management sees plenty of opportunity, especially among patients needing extra care and Medicare patients, where ILUMYA does well.

Long-term outlook for ILUMYA:

IL-23 remains the dominant and preferred class among clinicians for psoriasis.

ILUMYA’s HCP-administered attribute is unique.

Loss of exclusivity is “not in the foreseeable future.”

Rest of the portfolio in the US: Continues to show strong growth, with new launches contributing.

Product contribution: Sun does not rank its top products. In absolute terms, ODOMZO, CEQUA and WINLEVI contribute far more than newer launches such as LEQSELVI and ONIVYDE.

LIB Therapeutics partnership (lerodalcibep):

A once-monthly PCSK9 therapy that addresses unmet needs in cholesterol management, covering markets outside the US and China.

It is approved in Europe and is in the pre-launch phase there. Country-by-country pricing and reimbursement takes about 6-12 months.

Emerging markets: Sun plans to file in as many markets as possible, as soon as possible. Timelines vary, some countries require local studies, and some can leverage US and European approvals.

Sun will use its existing emerging-market field force where cardiology capability exists and add capability in other markets over the next couple of months. Spending will be part of overall guidance and budget.

Management sees this as the next product opportunity after ILUMYA, LEQSELVI and UNLOXCYT.

2. India Business

Sales: INR 55,523 million, up 17.3%, which is 34.5% of consolidated sales.

Market position: Number one with 8.6% share (previous period 8.3%) in the INR 2,618 billion Indian pharmaceutical market (PharmaTrac MAT September 2026).

Growth: Sun’s volume growth was 6.7%, against IPM growth of 1.8%. Management cited another source showing IPM volume growth of 1.6% versus Sun’s 6%.

Growth mix: About 50-60% of growth comes from volume and new products, and the rest from pricing.

Breadth: Growth is across all 12 major therapy areas.

Prescriptions: Number one by prescription volume (SMSRC March-June 2026) and number one across 12 doctor categories.

Launches: 15 new products in Q2.

Volume drivers: Brand building, scientific promotion, field force expansion, more prescribers and prescriptions, and launching new products ahead of competition.

Semaglutide in India: This is the first year of commercialisation. Management says it takes 3-4 years to build a new product, and that even a few percentage points of the total patient pool would make it a very large product.

Ophthalmology recall (Assam plant):

Management declined to comment on media reports.

Sun voluntarily recalled 11 ophthalmology products and voluntarily initiated a temporary cessation of manufacturing, keeping the Indian regulator informed.

The priority is product quality and patient safety, and remedial action is under way.

3. US Business

Sales: $155 million, down 8.2% YoY, largely due to lenalidomide erosion. Up 6.5% quarter on quarter.

Share of consolidated sales: 27%.

Launches: Five generic products, which drove the sequential growth.

UNLOXCYT:

Elevated to a Category 2A preferred recommendation in NCCN guidelines for advanced cutaneous squamous cell carcinoma (CSCC).

Long-term data (presented at a leading European conference) showed complete responses in 34% of locally advanced and 17-21% of metastatic patients, with very low high-grade immune-related adverse events.

UNLOXCYT is a global product for Sun, and will be launched in other markets as approvals come.

Enjaymo and LEQSELVI (as discussed on the call):

Enjaymo is now a preferred agent in NCCN guidelines, which should accelerate access and clinician confidence. Long-term data showed deepening and durable response and tolerability. Management said it met key opinion leaders at ESMO, who were impressed, and sees month-over-month share improvement.

LEQSELVI: Physicians confirm the speed of response. New data shows durability of efficacy.

Management is confident in both launches and expects the data to act as catalysts.

NIDLEGY:

Filed and awaiting approval; Sun has licensed it only for Europe and a few other markets.

It works through a different approach from checkpoint inhibitors. Whether it complements or competes with them will depend on the label.

The opportunity is not comparable to UNLOXCYT because of the limited licensed territories.

US government agreements:

Sun joined 25 other pharma companies (per the White House) in agreements to prioritise access to affordable medicines for American patients.

Sun will extend most-favoured-nation pricing to state Medicaid programmes.

The agreement delays Section 232 tariffs on innovative products by over two years and exempts Sun from the GLOBE and GUARD Medicare models.

4. Emerging Markets and Rest of World

Emerging markets: $350 million, up 7.6% (7.4% in constant currency), which is 20.7% of consolidated revenue.

Branded generics continue to grow, and innovative medicines are an important driver.

Growth was driven by launches across several markets and has picked up quarter on quarter.

Sun does not guide to a specific growth number; the historical constant-currency range is broadly indicative.

Semaglutide: A partner launched generics in Brazil. Sun has approvals in South Africa and Brazil, and is present in India. It does not disclose filings, future approvals or pricing, and in Brazil the partner takes commercial decisions.

Rest of World: $241 million, higher than Q2 last year, at about 14.3% of consolidated revenue. There is no separate guidance, as it is covered by overall revenue guidance.

5. R&D

Q2 spend: INR 7,784 million, or 4.8% of sales. Innovative R&D was 32.4% of the total.

Phasing: Spending is below the intended level. It is a function of trial starts and recruitment, and infrastructure is being put in place. Management expects a significant ramp-up in H2 to meet the full-year guidance of 6-7% of sales.

Detail: Sun does not share R&D spend by product or market.

Pipeline evaluation: Investment is made only if there is a decent risk-adjusted return, factoring in probability of approval. Outcomes can be better or worse than planned.

6. Guidance

Sun will stick to the guidance given at the start of the year (high single-digit growth), even though H1 growth was about 11%.

7. Organon Acquisition

Subject to remaining customary closing conditions.

Regulatory approvals secured in the majority of regions, and the remainder are on schedule.

On track to close by early 2027 (Q4 FY2027). Integration planning is progressing across functions and workstreams.

Financing: The cost of borrowing is expected to be in line with Organon's weighted average cost of debt, mostly in USD and euros. The recent rupee NCDs (at 8.2%) were not transaction financing, but normal financing to repay existing borrowings.

Goodwill: Too early to comment; it will be determined under accounting standards at the acquisition date.

Exceptional costs: Acquisition costs will continue until day one, and some may be back-ended. A full estimate will be available after closing. Management noted that any transaction of this size involves one-time costs.

Valuation methodology

SUNP reported earnings in line with our estimates on an adjusted basis, driven primarily by all the businesses excluding the US. Although US sales growth was impacted by Ilumya, we believe Ilumya's acceptance and traction in RoW and EMs shall offset the decline. We expect Ilumya's growth to pick up with the soft launch of the second approved indication in Nov'26, followed by a full launch in the subsequent months.

SUNP's top three products after Ilumya are Cequa, Odomzo and Winlevi, hinting at softness in newly launched products like Leqselvi and Unloxcyt. Also, the company's operational expenses have increased and R&D is expected to rise in H2FY27. Thus, we have reduced our premium margin and EPS estimates by 16% for FY27E, 13% for FY28E and 15% for FY29E.

On a roll-forward to Sep'28 EPS of Rs 59.5 per share, the stock trades at a PE of 30x. We continue to ascribe a PE of 34x owing to its industry-leading innovative portfolio, arriving at a PT of Rs 2,046 (earlier PT of Rs 2,292).

Fig 9 – Change in Estimates table

	New			Old			Change in estimates		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY28E
Revenue	630,654	689,923	756,041	639439	705051	781548	-1.4%	-2.1%	-3.3%
EBITDA	176,904	197,210	219,890	187042	223860	255964	-5.4%	-11.9%	-14.1%
EBITDA M	28.1%	28.6%	29.1%	29%	32%	33%	(1.20bps)	(317bps)	(367bps)
EPS	44.5	56.0	63.0	52.9	64.3	74.3	-15.9%	-12.9%	-15.2%

Source: Company, BOBCAPS Research

Key risks

Key downside risks to our estimates are:

1- Slower than expected recover in Ilumya in the US region

2- Slowdown in the EM & RoW region

3- Higher input costs

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Total revenue	**525,785**	**584,619**	**630,654**	**689,923**	**756,041**
EBITDA	150,863	164,911	176,904	197,210	219,890
Depreciation	25,754	29,379	31,303	33,324	35,446
EBIT	125,109	135,532	145,601	163,886	184,444
Net interest inc./(exp.)	(2,314)	(3,389)	(3,871)	(4,049)	(4,236)
Other inc./(exp.)	19,650	19,717	18,791	20,556	22,525
Exceptional items	0	0	0	0	0
EBT	142,446	151,861	160,521	180,393	202,733
Income taxes	27,720	35,544	40,403	45,405	51,028
Extraordinary items	(4,923)	(673)	(12,724)	0	0
Min. int./Inc. from assoc.	511	851	600	600	600
Reported net profit	**109,292**	**114,793**	**106,794**	**134,388**	**151,105**
Adjustments	4,923	673	12,724	0	0
Adjusted net profit	**114,215**	**115,466**	**119,518**	**134,388**	**151,105**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Accounts payables	61,843	73,338	71,091	75,778	83,040
Other current liabilities	44,373	58,573	58,951	59,367	59,825
Provisions	66,202	64,562	70,506	77,045	84,237
Debt funds	23,622	46,273	48,390	50,613	52,948
Other liabilities	0	0	0	0	0
Equity capital	2,399	2,399	2,399	2,399	2,399
Reserves & surplus	722,460	836,398	903,973	1,008,656	1,126,437
Shareholders' fund	724,860	838,797	906,372	1,011,055	1,128,836
Total liab. and equities	**920,899**	**1,081,544**	**1,155,311**	**1,273,859**	**1,408,886**
Cash and cash eq.	116,208	109,723	174,834	233,937	303,508
Accounts receivables	130,461	155,097	141,681	154,996	169,850
Inventories	102,433	114,929	103,669	113,412	124,281
Other current assets	95,956	95,831	95,831	95,831	95,831
Investments	183,538	247,225	271,948	299,142	329,057
Net fixed assets	100,359	111,141	116,698	122,533	128,660
CWIP	66,440	30,517	33,569	36,926	40,619
Intangible assets	125,503	217,082	217,082	217,082	217,082
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	**920,899**	**1,081,544**	**1,155,311**	**1,273,859**	**1,408,886**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Cash flow from operations	**146,277**	**129,144**	**164,804**	**153,838**	**172,819**
Capital expenditures	(37,591)	(9,053)	(40,893)	(43,090)	(45,412)
Change in investments	(33,280)	(63,687)	(24,723)	(27,195)	(29,914)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	**(70,872)**	**(72,741)**	**(65,615)**	**(70,285)**	**(75,326)**
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	(9,115)	22,651	2,117	2,223	2,334
Interest expenses	(2,314)	(3,389)	(3,871)	(4,049)	(4,236)
Dividends paid	(19,692)	(20,684)	(19,242)	(24,214)	(27,227)
Other financing cash flows	(38,749)	25,295	(14,062)	1,016	1,058
Cash flow from financing	**(69,870)**	**23,874**	**(35,059)**	**(25,025)**	**(28,070)**
Chg in cash & cash eq.	**5,535**	**80,277**	**64,131**	**58,529**	**69,423**
Closing cash & cash eq.	**116,208**	**109,723**	**174,834**	**233,937**	**303,508**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
Reported EPS	45.6	47.9	44.5	56.0	63.0
Adjusted EPS	47.6	48.1	49.8	56.0	63.0
Dividend per share	8.2	8.6	8.0	10.1	11.3
Book value per share	301.0	348.4	376.3	419.7	468.5

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
EV/Sales	8.6	7.8	7.3	6.8	6.3
EV/EBITDA	29.9	27.6	26.1	23.9	21.8
Adjusted P/E	37.3	36.9	35.7	31.7	28.2
P/BV	5.9	5.1	4.7	4.2	3.8

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	80.2	76.0	74.5	74.5	74.5
Interest burden (PBT/EBIT)	113.9	112.0	110.2	110.1	109.9
EBIT margin (EBIT/Revenue)	23.8	23.2	23.1	23.8	24.4
Asset turnover (Rev./Avg TA)	14.8	14.6	14.1	14.2	14.1
Leverage (Avg TA/Avg Equity)	1.3	1.3	1.3	1.3	1.3
Adjusted ROAE	16.4	14.8	13.7	14.0	14.1

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	8.4	11.2	7.9	9.4	9.6
EBITDA	16.2	9.3	7.3	11.5	11.5
Adjusted EPS	13.8	1.1	3.5	12.4	12.4
Profitability & Return ratios (%)					
EBITDA margin	28.7	28.2	28.1	28.6	29.1
EBIT margin	23.8	23.2	23.1	23.8	24.4
Adjusted profit margin	21.7	19.8	19.0	19.5	20.0
Adjusted ROAE	16.4	14.8	13.7	14.0	14.1
ROCE	15.8	14.3	13.7	14.3	14.4
Working capital days (days)					
Receivables	84	89	82	82	82
Inventory	70	68	60	60	60
Payables	201	214	211	211	211
Ratios (x)					
Gross asset turnover	1.3	1.7	1.6	1.6	1.6
Current ratio	2.6	2.4	2.6	2.8	3.1
Net interest coverage ratio	54.1	40.0	37.6	40.5	43.5
Adjusted debt/equity	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)

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

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BUY – Expected return >+15%

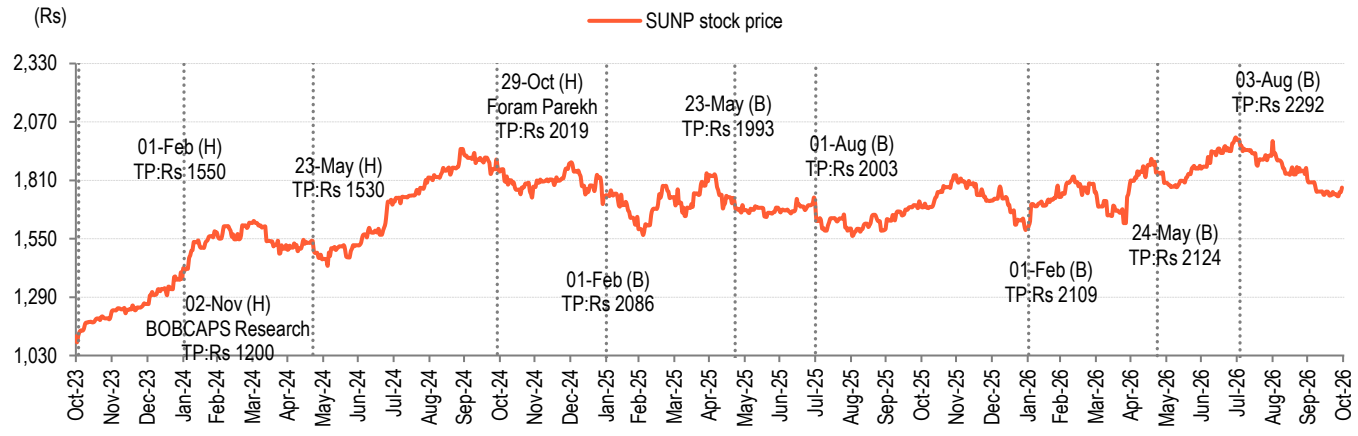
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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Ratings and Target Price (3-year history): SUN PHARMA (SUNP IN)



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