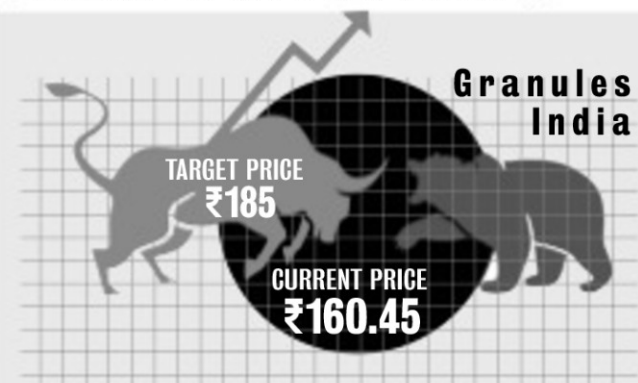


News monitored for: Granules India

TODAY'S STOCK PICK >>




Granules India

TARGET PRICE
₹185

CURRENT PRICE
₹160.45

Granules India is moving up in the pharmaceutical value chain by shifting away from APIs and PFIs towards formulations. The share of formulations is expected to move up from 1/3rd to 2/3rd over the next five years and drive EBIT-DA margins higher by 520 bp to 23% by FY20E, enabling a over 30% CAGR in profit. Similarly, we expect the ROCE of the base business to move up from 26% to 36% over the same period. We recommend to Buy with a upgraded price target of ₹185.

 — **Motilal Oswal Securities**
Solid Research. Solid Advice

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