

IPO Report

Choice

“Subscribe for Long Term” to Rubicon Research Ltd.

Leading specialty pharma with strong growth but premium valuation



Salient features of the IPO:

- **Rubicon Research Ltd.** (RRL) incorporated in 1999, it is a pharmaceutical formulations company, driven by innovation through focused R&D, with an increasing portfolio of specialty products and drug-device combination products targeting regulated markets and in particular the United States.
- The issue is a combination of fresh issue (Rs. 500cr) & OFS (Rs. 877.499cr). The company will not receive any proceeds of the OFS. From the fresh issue net proceeds, the company will be utilizing Rs. 310cr for prepayment or scheduled repayment of all or a portion of certain outstanding borrowings availed by the company. Residual proceeds will be used for general corporate purposes.

Key competitive strengths:

- The fastest growing Indian pharmaceutical company amongst its peers and the only Indian company focused completely on the US market.
- Data-driven product selection framework has allowed it to build a product portfolio with a combination of new and specialty products allowing it to withstand pricing pressures.
- R&D capabilities and continuing investment allows it to pursue complex products that offer strong revenue opportunities.
- Robust sales and distribution capabilities in the US.
- Strong track record of compliance combined with expertise in cost effective manufacturing.
- Experienced and entrepreneurial management team with a proven track record and marquee private equity investor.

Business strategy:

- Grow its portfolio of specialty products and drug-device combinations.
- Continue to develop new products and build leadership positions in regulated markets for generic products.
- Expand US market presence and leverage its intellectual property and product portfolio in other key regulated markets.
- Pursue synergistic business development and external innovation opportunities

Risk and concerns:

- High revenue dependence on the U.S. Market poses risk from adverse regulatory or trade developments
- High customer concentration
- Regulatory / manufacturing compliance risk
- Uncertainty in R&D and approvals
- Foreign exchange exposure
- Competition

Valuation Overview and IPO Rating:

Rubicon Research Ltd. a pharmaceutical formulations company, has demonstrated impressive growth, with revenue from operations more than tripling between FY23 and FY25. This growth is underpinned by a robust, multi-disciplinary, and data-driven product selection framework focused on sustainable new product development. The company's strategic expansion into specialty products and diversified dosage forms - oral liquids, nasal, and ophthalmic supported by upgraded manufacturing facilities and new approvals, has significantly broadened its market presence. Additionally, Rubicon's efforts to leverage its US regulatory approvals to enter other similarly regulated markets such as the UK, Canada, Australia, and South Africa further enhance its growth prospects.

Valued at a premium with a P/E of 52.5x (TTM EPS Rs. 9.2) and an EV/Sales ratio of 6.1x, RRL trades at a higher multiple compared to its industry peers. However, its strong brand equity, and expanding portfolio in high-growth B2B segments justify this valuation. Given its consistent performance, strategic initiatives, and favorable industry tailwinds, RRL is well-positioned for long-term value creation. We therefore recommend a “Subscribe for long term” rating.

Issue details

Price band	Rs. 461 - 485 per share
Face value	Rs. 1
Shares for fresh issue	1.031 - 1.085cr shares
Shares for OFS	1.809 - 1.903cr shares
Fresh issue size	Rs. 500cr
OFS issue size	Rs. 877.499cr
Total issue size	2.840 - 2.988cr shares (Rs. 1,377.499cr)
Employee reservation portion	0.004cr shares (Rs. 1.75cr)
Net issue size	2.837 - 2.984cr shares (Rs. 1,375.75cr)
Bidding date	9 th Oct. - 13 th Oct. 2025
Implied MCAP at higher price band	Rs. 7,990Cr
Implied enterprise value at higher price band	Rs. 8,012Cr
Book running lead manager	Axis Capital Ltd., IIFL Capital Services Ltd., JM Financial Ltd., SBI Capital Markets Ltd.
Registrar	MUFG Intime India Pvt. Ltd.
Sector	Pharmaceuticals
Promoters	General Atlantic Singapore Rr Pte. Ltd., Pratibha Pilgaonkar, Sudhir Dhirendra Pilgaonkar, Parag Suganchand Sancheti, Surabhi Parag Sancheti, and Sumant Sudhir Pilgaonkar

Category	Percent of issue (%)	Number of shares
QIB portion	75%	2.127 - 2.238cr shares
Non institutional portion (Big)	10%	0.284 - 0.298cr shares
Non institutional portion (Small)	5%	0.142 - 0.149cr shares
Retail portion	10%	0.284 - 0.298cr shares

Indicative IPO process time line

Finalization of basis of allotment	14 th Oct. 2025
Unblocking of ASBA account	15 th Oct. 2025
Credit to demat accounts	15 th Oct. 2025
Commencement of trading	16 th Oct. 2025

Pre and post - issue shareholding pattern

	Pre-issue	Post-issue
Promoter & promoter group	77.97%	62.10%
Public	22.03%	37.90%
Non-promoter & Non-public	0.00%	0.00%
Total	100.00%	100.00%

Retail application money at higher cut-off price per lot

Number of shares per lot	30
Employee discount	Rs. 46 per share
Application money	Rs. 14,550 per lot

Peer Comparison:

Company name	FV (Rs.)	CMP (Rs.)	MCAP (Rs. cr)	EV (Rs.)	6M Return (%)	12M Return (%)	TTM Revenue (Rs. cr)	TTM EBITDA (Rs. cr)	TTM PAT (Rs. cr)	TTM EBITDA margin (%)	TTM PAT margin (%)
Rubicon Research Ltd.	1	485	7,990	8,012			1,320	276	152	20.9%	11.5%
Glenmark Pharmaceuticals Ltd.	1	1,940	54,708	55,476	42.40%	13.20%	13,342	2,344	754	17.6%	5.7%
Aurobindo Pharma Ltd.	1	1,085	63,581	63,609	0.71%	-26.90%	32,025	6,507	3,390	20.3%	10.6%
Zydus Lifesciences Ltd.	1	987	99,687	99,943	13.70%	-6.33%	23,608	7,063	4,711	29.9%	20.0%
Strides Pharma Science Ltd.	10	809	7,459	9,202	35.20%	23.00%	4,631	830	354	17.9%	7.6%
Dr. Reddy's Laboratories Ltd.	1	1,239	1,03,457	1,05,674	12.50%	-6.21%	33,520	8,521	5,743	25.4%	17.1%
Alembic Pharmaceuticals Ltd.	2	920	18,124	19,292	8.31%	-26.50%	6,821	1,052	601	15.4%	8.8%
Lupin Ltd.	2	1,922	87,835	90,141	-2.26%	-13.20%	23,376	5,745	3,722	24.6%	15.9%
Average										21.6%	12.2%

Company name	4Y top-line growth (CAGR)	4Y EBITDA growth (CAGR)	4Y PAT growth (CAGR)	Average 4Y EBITDA margin	Average 4Y PAT margin	4Y average RoE	4Y average RoCE	Avg 4Y Receivable days	Avg 4Y Inventory Days	Avg 4Y Payable Days	Net Worth
Rubicon Research Ltd.	60.0%			7.6%	-1.1%	5.2%	4.6%	133	110	64	1,094
Glenmark Pharmaceuticals Ltd.	2.7%	0.3%	1.7%	15.2%	1.8%	2.1%	14.3%	89	218	197	8,849
Aurobindo Pharma Ltd.	10.6%	14.2%	9.6%	18.6%	10.2%	9.8%	12.5%	64	282	117	32,653
Zydus Lifesciences Ltd.	15.4%	28.3%	0.4%	25.6%	20.8%	19.7%	18.5%	84	218	131	23,953
Strides Pharma Science Ltd.	14.1%			7.7%	13.8%	26.7%	4.3%	119	253	212	2,550
Dr. Reddy's Laboratories Ltd.	14.9%	31.4%	37.9%	24.6%	16.5%	16.9%	22.8%	107	256	108	33,549
Alembic Pharmaceuticals Ltd.	7.9%	4.9%	3.8%	14.7%	8.6%	10.4%	11.0%	65	384	165	5,191
Lupin Ltd.	11.4%	188.9%		13.5%	4.4%	5.9%	9.0%	92	267	147	17,203
Average	11.0%	44.7%	10.7%	17.1%	10.9%	13.1%	13.2%	88	268	154	

Company name	Total Debt	Cash	FY25 RoE (%)	FY25 RoCE (%)	P / E	P / B	EV / Sales	EV / EBITDA	MCAP / Sales	EPS (Rs.)	BVPS (Rs.)	D/E
Rubicon Research Ltd.	634.1	611.8	24.8%	23.4%	52.5	7.3	6.1	29.1	6.1	9.2	66	0.6
Glenmark Pharmaceuticals Ltd.	2,473.0	1,705.0	11.8%	19.0%	72.6	6.2	4.2	23.7	4.1	26.7	314	0.3
Aurobindo Pharma Ltd.	8,263.0	8,235.0	10.7%	14.0%	18.8	1.9	2.0	9.8	2.0	57.8	557	0.3
Zydus Lifesciences Ltd.	3,213.0	2,957.0	19.5%	24.0%	21.2	4.2	4.2	14.2	4.2	46.6	237	0.1
Strides Pharma Science Ltd.	1,880.0	137.0	141.1%	15.0%	21.1	2.9	2.0	11.1	1.6	38.4	277	0.7
Dr. Reddy's Laboratories Ltd.	4,677.0	2,460.0	17.1%	23.0%	18.0	3.1	3.2	12.4	3.1	68.8	402	0.1
Alembic Pharmaceuticals Ltd.	1,258.0	90.0	11.2%	13.0%	30.2	3.5	2.8	18.3	2.7	30.5	264	0.2
Lupin Ltd.	5,448.0	3,142.0	19.2%	21.0%	23.6	5.1	3.9	15.7	3.8	81.4	376	0.3
Average			32.9%	18.4%	29.3	3.8	3.2	15.0	3.1			0.3

Note: Considered financials for the period during FY22-25 (with IPO adjustments); TTM financial data as on 30th Jun. 2025; Source: Choice Broking Research

Key Highlights of the Industry and the Company:

- It is a pharmaceutical formulations company, driven by innovation through focused R&D, with an increasing portfolio of specialty products and drug-device combination products targeting regulated markets and in particular the United States.
- It is the fastest growing Indian pharmaceuticals formulations company with a total revenue CAGR of 75.89% (between FY23-25). In FY25, it ranked among the top 12 Indian companies in terms of total Abbreviated New Drug Application ("ANDA") approvals. It received 5 ANDA approvals and 1 New Drug Application ("NDA") approval from the US FDA in the three month period ended June 30, 2025, and 12 ANDA approvals in FY25.
- As of June 30, 2025, RRL directly or through its Subsidiaries – collectively have 72 active ANDAs and nine active NDAs approved by, and one over-the-counter ("OTC") monograph listed with, the US FDA. It had 70 commercialized products in the US, achieving a high commercialization rate of 86.4% from its 81 approved ANDAs and NDAs. In FY25, RRL's 66 marketed products contributed USD 195mn to the USD 2,455.7mn US generic market, with over 25% market share in nine products. The company also has 17 products awaiting US FDA approval and 63 under development, supporting sustained growth in regulated markets.
- It has two US FDA inspected R&D facilities – one each in India and Canada, and three manufacturing facilities in India with accreditations from multiple regulatory agencies such as US FDA, Food and Drugs Administration, Maharashtra and Health Canada. In Q1FY26 and FY25, the revenue expenditure on R&D was 10.42% and 10.54%, respectively. Its R&D expenses as a percentage of operating revenue were nearly two times the average of Indian peers in FY25.
- In 2024, RRL acquired Validus, a U.S.-based marketer of branded formulation products, to strengthen its branded products pipeline. At acquisition, Validus marketed two CNS products—Equetro® and Marplan®. On June 2, 2025, Marplan® was divested to a third party. As of July 15, 2025, Validus markets three products—Equetro®, Raldesy®, and Lopressor® OS—none of which have AB-rated generics. In FY25, Validus launched Raldesy®, the first USFDA-approved oral liquid formulation of Trazodone Hydrochloride, jointly developed with and licensed from its NDA holder. Equetro® and Raldesy® are promoted through both personal and non-personal channels.

Key Highlights of the Company:

- The US market accounted for 46.9% of the global prescription pharmaceuticals market in 2024 and is projected to remain above 45% until 2029. The US market is expected to grow at a CAGR of 7.5% from USD 845.7mn in FY25 to USD 1,189.5mn by FY30E. Further, drugs generating a cumulative revenue of USD 94.8bn in 2024 are expected to go off patent between 2025 and 2029 representing upcoming opportunities in the US generics pharmaceutical market, with CNS and CVS drugs representing 14.7% and 12.2% of this revenue, respectively, and which comprise nearly 200 small molecule drugs.
- RRL's branded products, i.e. products prescribed by brand name, are marketed through its subsidiary, Validus Pharmaceuticals LLC ("Validus"). Non-branded products, i.e. those for which a prescription with the specific active ingredient (but not a specific brand name) is required, are marketed by its wholly-owned subsidiary AdvaGen Pharma Ltd. ("AdvaGen Pharma") and selectively via third-party distributors.
- As of June 30, 2025, the company had 16 specialty products, defined as those with no competitors or only one competitor for at least one year post-commercial launch. This includes one co-developed and licensed specialty NDA. In FY25, specialty products accounted for 26.92% of the gross margin, with 13 such products in the portfolio. For the Q1FY26, specialty products contributed 32.55% of the gross margin across 16 products, reflecting their growing role in the company's commercial product portfolio.
- Between FY23-25, RRL significantly expanded its product portfolio and revenue base through new product launches and sales growth of existing products. The number of new products launched rose from 10 in FY23 to 11 in FY25, contributing 2.13% of revenue in FY25 alone. Cumulatively, new product sales contributed over 50% of revenue in Q1FY26. The company also saw strong growth in existing product sales, with top 15 products from FY23 growing at a CAGR of 32.87% by FY25.
- RRL has also expanded its dosage form capabilities, particularly in oral liquids and nasals, to widen its addressable market. Revenue from oral liquids rose to Rs. 129.44cr in FY25 from just Rs. 9.5cr in FY23, supported by approvals and scaling of its Satara facility. The company also launched nasal and ophthalmic products starting FY24 and Q1FY26, respectively, with its Ambarnath facility receiving timely US FDA approvals. Additionally, a new facility in Pithampur with advanced capabilities for high-potency drugs was acquired in FY25, positioning RRL for future product diversification and manufacturing expansion.
- In FY18-21, the company relied on TruPharma for U.S. distribution, but began self-distribution via its subsidiary AdvaGen Pharma in FY22. This transition led to temporary losses in FY22 and FY23 due to infrastructure setup and inventory shifts, but contributed to profitability in FY24 and FY25.
- As of June 30, 2025, it has been granted seven patents in India, six in the US, four in Europe and one in Singapore. It has five pending patent applications in the US and one in India.

Therapy area-wise Revenue Bifurcation (Rs. Cr)

Particulars	FY23	FY24	FY25	Q1FY25	Q1FY26
Analgesics / Pain Management	104.9	282.5	356.9	86.0	85.0
CVS	120.8	211.2	244.2	62.1	66.5
CNS	29.0	136.4	293.3	59.8	96.1
Hypokalemia	2.1	48.7	118.1	29.2	25.8
Skeletal Muscle Relaxants	25.8	41.7	58.5	18.4	12.5
NRT	60.9	33.8	24.4	4.5	1.3
Gastrointestinal	4.4	16.0	10.9	5.3	1.8
Metabolic	-	12.9	54.8	21.4	17.1
Immunosuppressant	-	11.6	48.3	11.0	16.2
Others	28.4	45.0	52.7	13.7	23.7
Total	376.4	839.8	1,262.1	311.4	346.0

Revenue Bifurcation by dosage form (Rs. Cr.)

Particulars	FY23	FY24	FY25	Q1FY25	Q1FY26
Oral solids	366.9	750.4	1,118.5	281.2	301.4
Oral liquids	9.5	85.5	129.4	28.4	35.5
Nasal	-	3.3	12.4	1.4	8.0
Ophthalmic	-	-	-	-	1.1
Others	17.2	14.7	24.0	5.8	6.5
Total	393.5	853.9	1,284.3	316.7	352.5

Financial statements:

Restated consolidated profit and loss statement (Rs. cr)									
	FY22	FY23	FY24	FY25	Q1FY25	Q1FY26	TTM	CAGR over FY22-25	Annual growth over FY24
Revenue from operations	313.6	393.5	853.9	1,284.3	316.7	352.5	1,320.0	60.0%	50.4%
Cost of materials consumed	(94.9)	(151.0)	(247.9)	(453.6)	(136.4)	(134.2)	(451.3)	68.4%	83.0%
Purchases of stock-in-trade	(0.4)	(11.5)	(84.2)	(79.0)	(19.6)	(3.4)	(62.8)	491.4%	-6.1%
Changes in inventories of finished goods and WIP	17.0	49.2	53.0	157.2	70.2	34.6	121.6	109.7%	196.6%
Gross profit	235.3	280.3	574.8	908.9	230.9	249.6	927.5	56.9%	58.1%
Employee benefits expenses	(78.9)	(97.1)	(125.3)	(211.1)	(49.3)	(58.2)	(219.9)	38.8%	68.4%
Other expenses	(195.6)	(164.7)	(294.9)	(441.9)	(126.1)	(116.1)	(431.8)	31.2%	49.9%
EBITDA	(39.2)	18.5	154.6	255.9	55.4	75.3	275.8		65.6%
Depreciation & amortization expenses	(34.0)	(36.1)	(39.0)	(36.6)	(9.4)	(9.6)	(36.8)	2.5%	-6.1%
EBIT	(73.2)	(17.6)	115.6	219.4	46.1	65.7	239.0		89.7%
Finance costs	(9.7)	(19.0)	(31.3)	(36.8)	(10.1)	(10.6)	(37.3)	55.8%	17.7%
Other income	16.9	25.5	18.5	11.9	5.2	4.5	11.2	-10.8%	-35.4%
PBT	(66.1)	(11.0)	102.9	194.5	41.2	59.6	212.9		89.1%
Tax expenses	(1.0)	(5.8)	(11.8)	(60.2)	(15.6)	(16.3)	(60.8)	291.1%	407.9%
Reported PAT	(67.1)	(16.9)	91.0	134.4	25.6	43.3	152.1		47.6%

Restated consolidated balance sheet statement (Rs. cr)									
	FY22	FY23	FY24	FY25	Q1FY25	Q1FY26	TTM	CAGR over FY22-25	Annual growth over FY24
Equity share capital	5.1	5.1	15.2	15.4	15.2	15.4	15.4	44.9%	1.3%
Other Equity	300.3	281.3	369.8	525.6	397.5	578.3	578.3	20.5%	42.1%
Non controlling interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0%
Non-current borrowings	63.8	97.3	92.6	64.5	82.4	179.9	179.9	0.4%	-30.4%
Non-current lease liabilities	1.6		22.0	16.6	20.3	40.0	40.0	119.8%	-24.8%
Other non-current financial liabilities			33.0	33.8	33.0	33.8	33.8		2.6%
Non-current provisions	1.4	3.3	4.4	9.6	6.9	10.7	10.7	91.3%	117.8%
Deferred tax liabilities (net)	3.9	1.5			0.7	0.3	0.3		
Trade payables	57.0	96.9	176.7	239.1	216.3	209.1	209.1	61.3%	35.3%
Current borrowings	105.8	220.6	303.8	328.7	267.7	315.9	315.9	45.9%	8.2%
Current lease liabilities	3.9	1.8	6.1	7.9	6.3	9.5	9.5	26.6%	29.5%
Other current financial liabilities	12.1	17.5	22.7	39.3	28.8	55.1	55.1	47.9%	73.1%
Other current liabilities	2.3	1.7	6.7	7.3	6.1	5.7	5.7	46.3%	7.7%
Current provisions	2.1	13.9	52.9	132.0	88.4	150.4	150.4	294.5%	149.5%
Net current tax liabilities	0.3	9.0	3.6	31.8	20.1	43.5	43.5	384.9%	795.7%
Total liabilities	559.5	749.7	1,109.5	1,451.4	1,189.8	1,647.6	1,647.6	37.4%	30.8%
PP&E	152.4	168.6	211.9	237.0	228.2	349.3	349.3	15.8%	11.8%
Capital work-in-progress	2.6	24.5	9.6	6.7	3.0	25.6	25.6	36.2%	-30.4%
Right of use assets	6.4	10.2	35.3	32.4	33.6	92.2	92.2	71.4%	-8.3%
Intangible assets	32.0	18.4	8.6	10.0	6.9	9.5	9.5	-32.2%	15.1%
Intangible assets under development			0.1	0.2	0.1	0.8	0.8		136.0%
Goodwill	2.2	2.2	51.3	47.6	51.3	47.7	47.7	180.2%	-7.2%
Non current investments in others	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0%	0.0%
Other non-current financial assets	6.6	7.6	7.9	7.4	8.5	4.9	4.9	3.6%	-6.7%
Non current tax assets (net)	5.8	7.0	4.8	9.5	6.3	6.5	6.5	18.3%	100.1%
Net deferred tax assets			0.9	1.8					91.3%
Other non-current assets	23.1	9.6	15.8	35.5	8.8	11.7	11.7	15.5%	125.3%
Inventories	89.6	167.2	300.5	521.6	363.1	574.1	574.1	79.9%	73.6%
Trade receivables	139.6	225.0	301.5	323.8	295.0	312.9	312.9	32.4%	7.4%
Cash & cash equivalents	38.7	54.4	50.6	105.0	79.5	97.8	97.8	39.5%	107.4%
Other bank balances	13.9	4.5	7.8	11.3	7.8	14.1	14.1	-6.9%	44.6%
Other current financial assets	15.9	16.4	23.7	22.0	29.7	24.5	24.5	11.5%	-7.0%
Other current assets	30.8	34.1	79.2	79.7	67.9	76.0	76.0	37.3%	0.7%
Total assets	559.5	749.7	1,109.5	1,451.4	1,189.8	1,647.6	1,647.6	37.4%	30.8%

Restated consolidated cash flow statement (Rs. cr)									
	FY22	FY23	FY24	FY25	Q1FY25	Q1FY26	TTM	CAGR over FY22-25	Annual growth over FY24
Cash flow before working capital changes	(38.6)	35.2	174.2	287.9	67.7	76.0	296.3		65.3%
Working capital changes	(15.6)	(108.1)	(135.1)	(90.0)	30.2	(32.0)	(152.1)	79.4%	-33.4%
Cash flow from operating activities	(62.6)	(74.7)	21.0	159.2	95.7	43.9	107.4		657.7%
Purchase of fixed assets	(54.5)	(44.5)	(56.1)	(70.2)	(11.1)	(143.4)	(202.5)	8.8%	25.1%
Cash flow from investing activities	(54.9)	(33.8)	(68.5)	(64.8)	(10.9)	(142.8)	(196.8)	5.7%	-5.4%
Dividend paid	(0.5)	(0.3)	(0.3)	(0.3)				-15.7%	19.7%
Cash flow from financing activities	63.1	122.8	43.6	(39.8)	(57.6)	90.1	107.9	-185.8%	-191.4%
Net cash flow	(54.5)	14.2	(4.0)	54.6	27.2	(8.8)	18.5		
Opening balance of cash	84.2	38.7	54.4	50.6	50.6	105.0	79.5	-15.6%	-7.0%
Effect of foreign exchange rate changes	9.0	1.5	0.1	(0.2)	1.6	1.6	(0.3)	-127.4%	-244.2%
Closing balance of cash from continuing operations	38.7	54.4	50.6	105.0	79.5	97.8	97.8	39.5%	107.4%

Financial ratios							
	FY22	FY23	FY24	FY25	Q1FY25	Q1FY26	TTM
Profitability ratios							
Revenue growth rate		25.5%	117.0%	50.4%		11.3%	
Gross profit growth rate		19.1%	105.1%	58.1%		8.1%	
Gross profit margin	75.0%	71.2%	67.3%	70.8%	72.9%	70.8%	70.3%
EBITDA growth rate		-147.1%	736.0%	65.6%		35.8%	
EBITDA margin	-12.5%	4.7%	18.1%	19.9%	17.5%	21.4%	20.9%
EBIT growth rate		-76.0%	-758.1%	89.7%		42.7%	
EBIT margin	-23.4%	-4.5%	13.5%	17.1%	14.5%	18.6%	18.1%
Restated PAT growth rate		-74.8%	-638.9%	47.6%		69.4%	
Restated PAT margin	-21.4%	-4.3%	10.7%	10.5%	8.1%	12.3%	11.5%
Cash Conversion							
Inventories days	104.3	119.1	100.0	116.8	103.2	146.6	158.7
Trade receivables days	162.5	169.1	112.5	88.9	83.8	79.9	86.5
Trade payables days	66.3	71.3	58.5	59.1	61.5	53.4	57.8
Cash conversion cycle	200.4	216.8	154.0	146.6	125.6	173.1	187.4
Turnover ratios							
Inventory turnover ratio	3.5	3.1	3.7	3.1	0.9	0.6	2.3
Trade receivable turnover ratio	2.2	2.2	3.2	4.1	1.1	1.1	4.2
Accounts payable turnover ratio	5.5	5.1	6.2	6.2	1.5	1.7	6.3
Fixed asset turnover ratio	1.6	1.9	3.2	3.9	1.0	0.7	2.5
Total asset turnover ratio	0.6	0.6	0.9	1.0	0.3	0.2	0.8
Liquidity ratios							
Current ratio	1.8	1.4	1.3	1.4	1.3	1.4	1.4
Quick ratio	1.3	0.9	0.8	0.7	0.8	0.7	0.7
Total debt	187.1	337.2	480.2	490.8	438.5	634.1	634.1
Net debt	148.5	282.7	429.6	385.8	359.0	536.3	536.3
Debt to equity	0.6	1.2	1.2	0.9	1.1	1.1	1.1
Net debt to EBITDA	(3.8)	15.3	2.8	1.5	6.5	7.1	1.9
Cash flow ratios							
CFO to PAT	0.9	4.4	0.2	1.2	3.7	1.0	0.7
CFO to Capex	(1.1)	(1.7)	0.4	2.3	8.6	0.3	0.5
CFO to total debt	(0.3)	(0.2)	0.0	0.3	0.2	0.1	0.2
CFO to current liabilities	(0.3)	(0.2)	0.0	0.2	0.2	0.1	0.1
Return ratios							
RoIC (%)	-21.8%	-5.5%	20.2%	24.8%	5.4%	5.7%	20.4%
RoE (%)	-22.0%	-5.9%	23.6%	24.8%	6.2%	7.3%	25.6%
RoA (%)	-12.0%	-2.6%	9.8%	10.5%	2.1%	2.6%	9.2%
RoCE (%)	-16.0%	-3.1%	14.1%	23.4%	5.9%	5.8%	20.9%
Per share data							
Restated EPS (Rs.)	(4.1)	(1.0)	5.5	8.2	1.6	2.6	9.2
DPS (Rs.)	0.0	0.0	0.0	0.0			
BVPS (Rs.)	18.5	17.4	23.4	32.8	25.1	36.0	36.0
Operating cash flow per share (Rs.)	(3.8)	(4.5)	1.3	9.7	5.8	2.7	6.5
Free cash flow per share (Rs.)		(1.4)	2.1	1.9			
Dividend payout ratio	(0.0)	(0.0)	0.0	0.0			

Source: Choice Equity Broking

IPO rating rationale

Subscribe: An IPO with strong growth prospects and valuation comfort.

Subscribe with Caution: Relatively better growth prospects but with valuation discomfort.

Avoid: Concerns on both fundamentals and demanded valuation.

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