

# Research Report

## Sun Pharmaceuticals Industries Limited



Prepared By-

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# About

Sun Pharmaceutical Industries Ltd is engaged in the business of manufacturing, developing and marketing a wide range of branded and generic formulations and Active Pharma Ingredients (APIs). The company and its subsidiaries has various manufacturing facilities spread across the world with trading and other incidental and related activities extending to global market. It is the largest pharmaceutical company in India.

## Products Offered

The company produces a comprehensive and diverse portfolio of generic and specialty medicines targeting wide spectrum of chronic and acute treatments. Its product portfolio includes generics, branded generics, specialty, difficult-to-make technology intensive products, anti-retrovirals, APIs and intermediates.[1] It offers medicines in all form of dosages i.e. injectables, sprays, ointments, creams, liquids, tablets and capsules.

## Synopsis of Financials

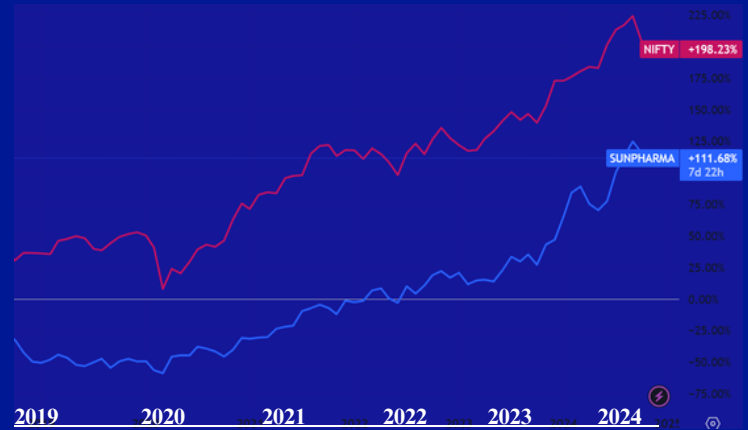
- **Q2 FY25 Sales: ₹132,642 million, up 10.5% YoY and 5.9% QoQ.**
- **Material Costs: 20.3% of sales, improved due to better product mix.**
- **Staff Costs: 18.7% of sales.**
- **Other Expenses: 32.5% of sales, increased due to higher selling and distribution expenses.**
- **H1 FY25 Gross Sales: ₹257,887 million, growth of 8.4% YoY.**
- **Net Profit for H1: ₹58,758 million, up 24.5% YoY (adjusted for exceptional items).**

Source: Company Annual Report

## Stock data (as 19th December 2024)

Nifty Price	: 23,553.45
52 week High (in Rs.)	: 1,960
52 week Low (in Rs.)	: 1,239
Market Cap. (in Crore)	: 4,35,419
NSE Code	: <u>SUNPHARMA</u>

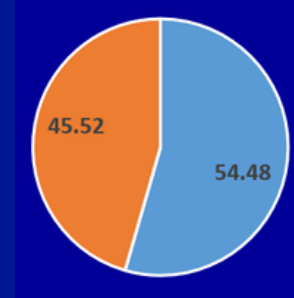
## Stock data



-NIFTY50

-Sun Pharmaceutical Industries Limited

## Shareholding Pattern (December 2024)



-PUBLIC GROUP  
-PROMOTER GROUP

## Financial Summary

Particulars	March 2022	March 2023	March 2024
Sales	38,654	43,886	48,497
Sales Growth %	15.39%	13.53%	10.51%
Expenses	28,397	32,235	35,479
Operating Profit	10,258	11,650	13,018
OPM %	27%	27%	27%
Net Profit	3,389	8,513	9,610
EPS in Rs	13.64	35.32	39.91

# Quarterly Results



Particular	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
Sales	10,931	11,941	12,192	12,381	11,983	12,653	13,291
Expenses	8,129	8,609	9,013	8,904	8,948	9,045	9,352
Operating Profit	2,802	3,332	3,179	3,477	3,035	3,608	3,939
OPM %	26%	28%	26%	28%	25%	29%	30%
Other Income	202	-118	294	180	504	533	354
Interest	93	81	49	35	74	62	69
Depreciation	672	651	633	622	650	655	626
Profit before tax	2,240	2,481	2,791	3,000	2,816	3,424	3,598
Tax %	10%	19%	14%	14%	5%	16%	16%
Net Profit	1,983	2,006	2,385	2,561	2,659	2,861	3,037

Source: Screener

## Key Ratios

Ratio	FY24	FY23	Variance (%)	Reasons (if Variance is >25%)
Return on Net Worth (%)	15.0	15.1	(0.7)	
Debtors Turnover (times)	4.2	3.8	10.5	
Inventory Turnover (times)	1.1	1.0	10.0	
Interest Coverage	49.6	56.7	(12.5)	
Current Ratio (times)	2.6	2.0	30.0	Reduction in debt and increase in Cash and Cash equivalents.
Debt Equity Ratio (times)	0.05	0.12	(58.3)	Reduction in debt and increased in Net Worth.
Operating Profit Margin (%)	25.7	25.5	0.8	
Net Profit Margin (%)	20.1	19.6	2.6	

Source: Annual Report

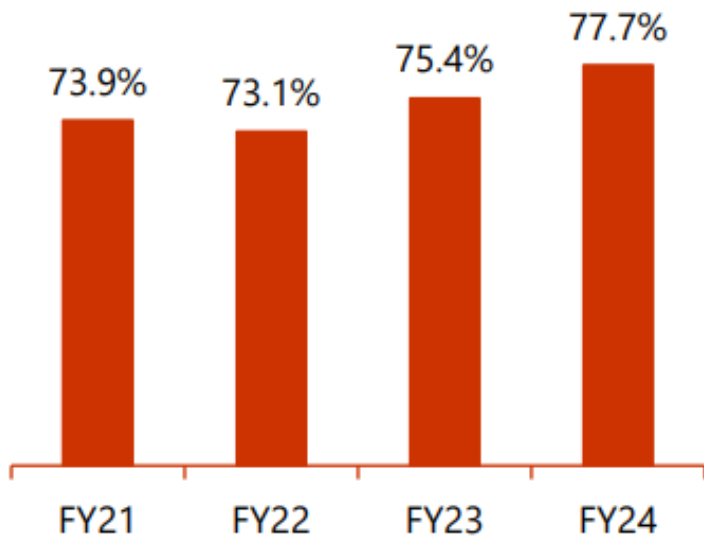
# Yearly Results

Particulars	March 2022	March 2023	March2024
Equity Capital	240	240	240
Reserves	47,771	55,755	63,427
Borrowings	1,290	6,886	3,274
Other Liabilities	20,474	17,831	18,367
Total Liabilities	69,776	80,712	85,308
Fixed Assets	22,665	24,065	23,211
CWIP	1,287	4,973	5,354
Investments	12,849	14,824	15,026
Other Assets	32,975	36,849	41,717
Total Assets	69,776	80,712	85,308

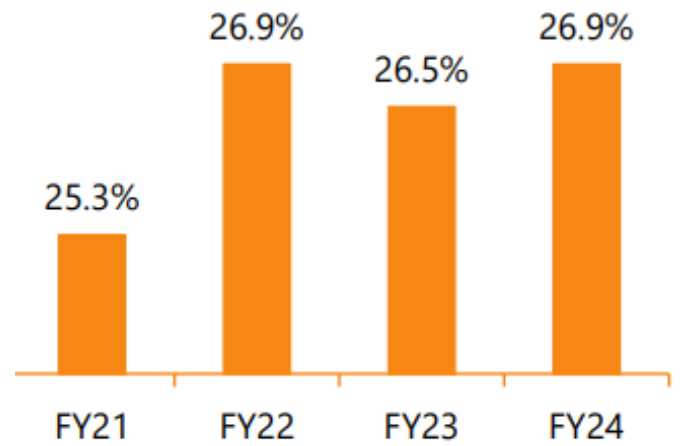
# Highlights



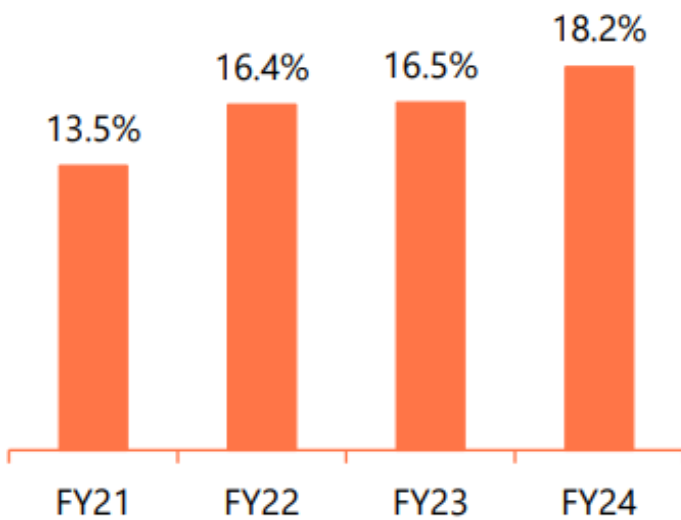
## Gross Margin #



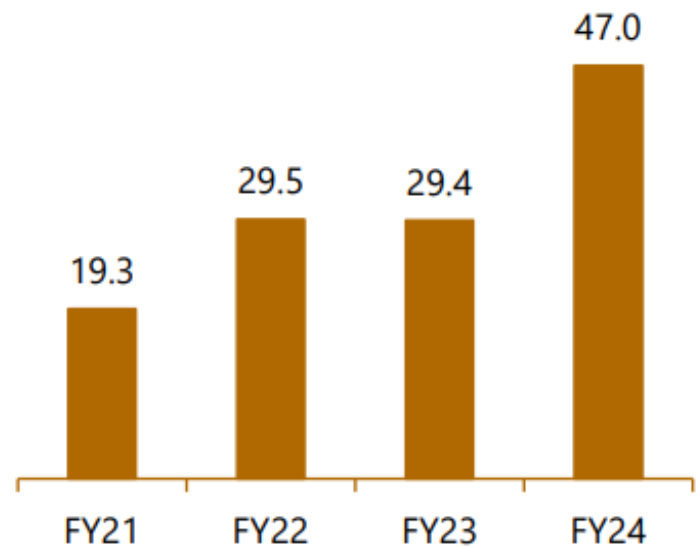
## EBITDA Margin



## ROCE

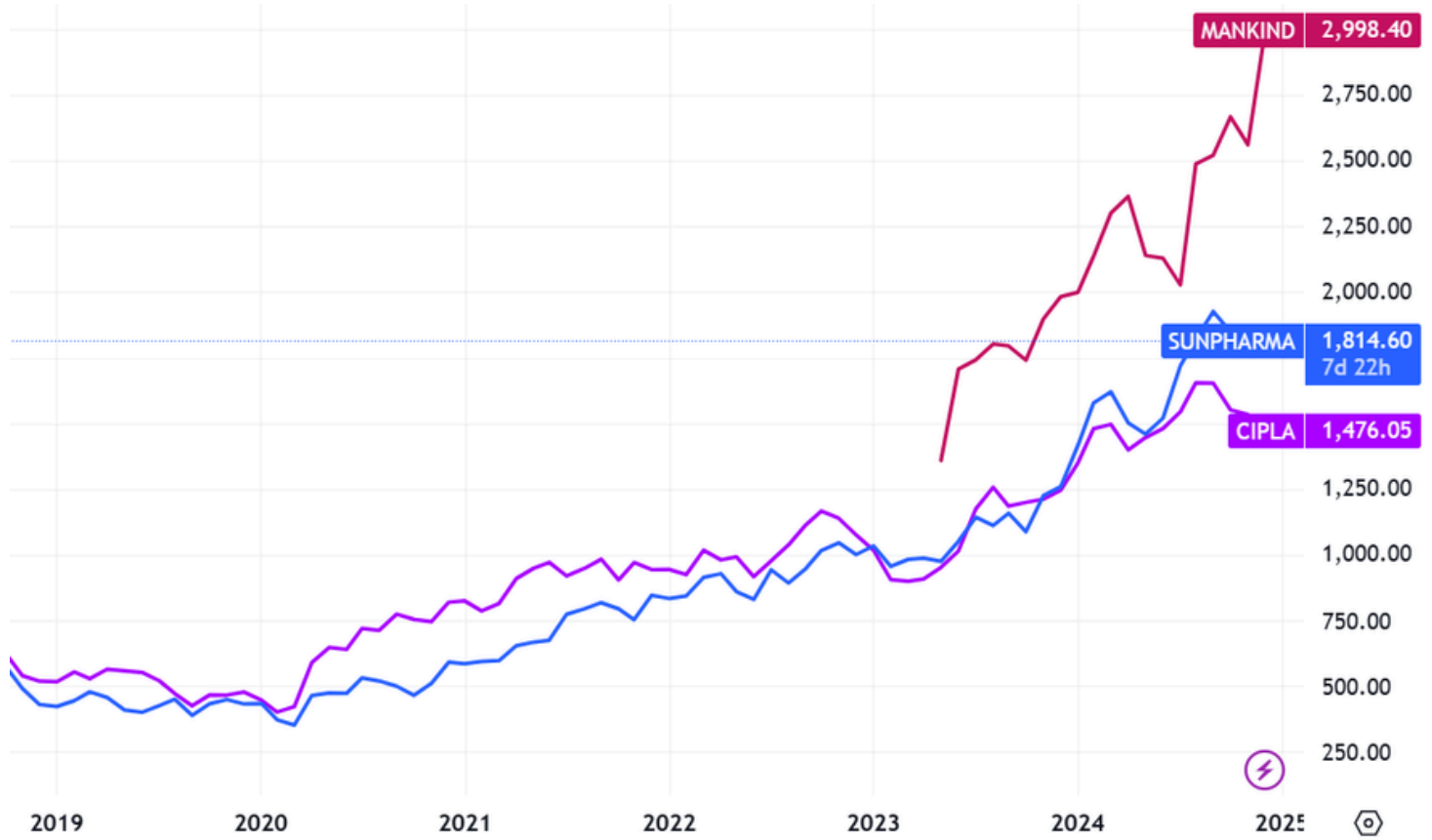


## Market Cap (USD Bn)



# Peer Comparison

## Peer Stock Performance (5Y) Indexed



Source: Trading View

## Peer Financial Performance

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
1.	<a href="#">Sun Pharma.Inds.</a>	1814.75	38.82	435419.28	0.75	3037.33	27.86	13291.39	9.01	17.32
2.	<a href="#">Mankind Pharma</a>	3001.30	60.00	120250.68	0.00	634.43	34.84	2529.74	11.91	24.57
3.	<a href="#">Cipla</a>	1476.45	25.89	119240.10	0.88	1305.01	15.18	7051.02	5.58	22.80
4.	<a href="#">Dr Reddy's Labs</a>	1341.60	21.08	111944.59	0.60	1341.90	-15.28	8038.20	16.45	26.53
5.	<a href="#">Lupin</a>	2168.25	37.59	98915.03	0.37	859.48	74.12	5672.73	12.59	15.72

Source: Screener

# Final Outlook

**SUNPHARMA: BUY | LTP: 1,815**

**For Long-Term Investors:**

The stock remains bullish, with key support at ₹1,745 offering a solid accumulation zone.

Long-term targets align with the 2.618 Fibonacci level at ₹2,630, making the stock a compelling investment.

**For Short-Term Traders:**

Watch for bullish confirmation near ₹1,745. A breakout above ₹1,900 with strong volume could signal an upward rally.

A bearish breakdown below ₹1,745 could trigger a decline to ₹1,600.

Sun Pharma remains India's largest pharmaceutical company and ranks among the top globally.

Valuation metrics suggest the stock is trading at a premium, supported by strong earnings growth and market dominance.

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