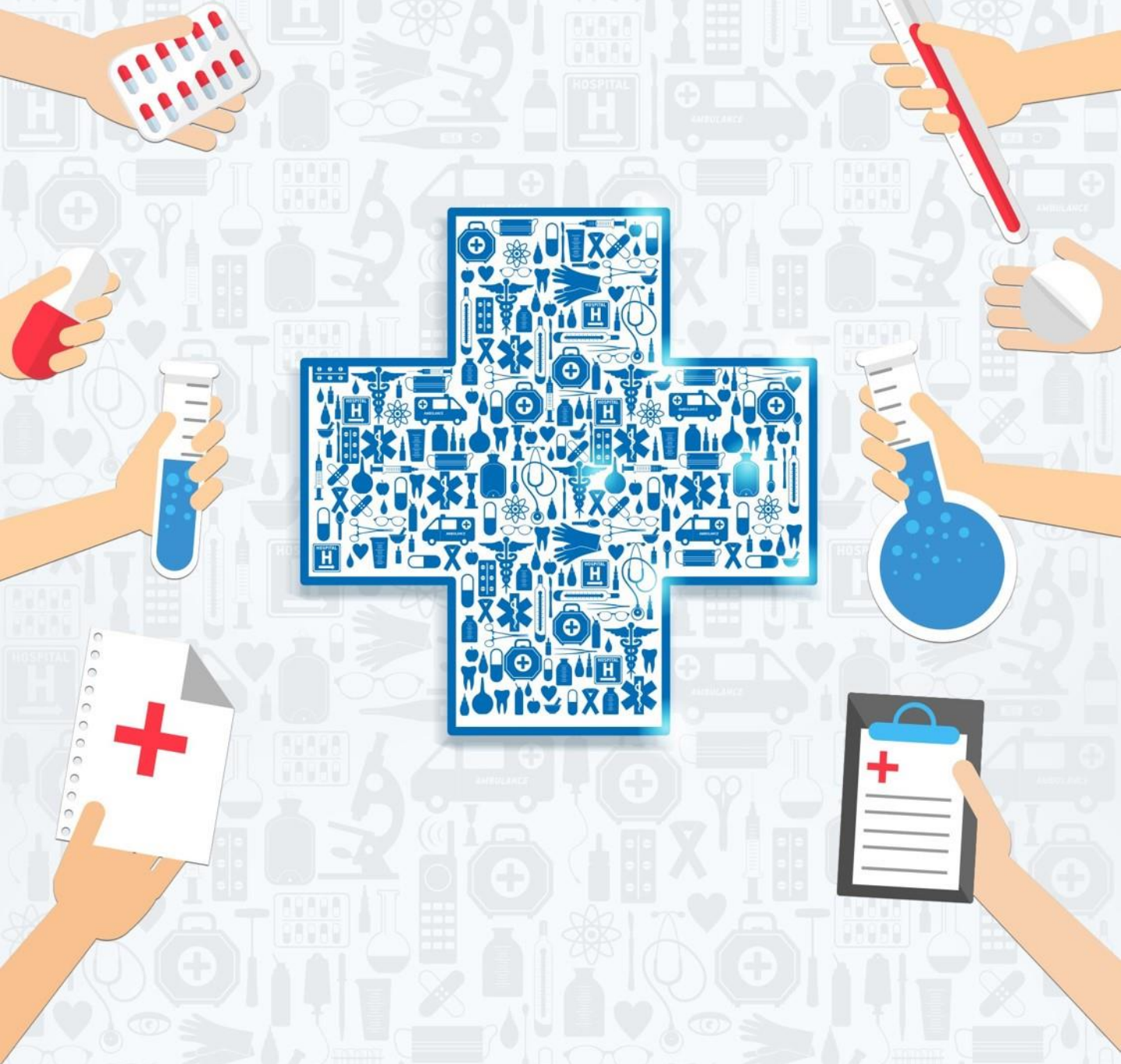


# Q1FY25 Zydus Lifesciences Ltd.



**Zydus Lifesciences Ltd.**
**Improved products mix to drive profitability**

CMP INR 1,193*	Target INR 1,439	Potential Upside 20.6%	Market Cap (INR mn) INR 11,99,431	Recommendation BUY	Sector Pharmaceuticals
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**Result Highlights of Q1FY25:**

- The growth in revenue from operations was driven by a strong 26.0% Y-o-Y (+22.6% Q-o-Q) growth in the US market to INR 30,929 Mn (estimated: INR 31,846 Mn); It was driven by new launches such as Mirabegron, Zituvimet and volume expansion in the base portfolio as gRevlimid also improved Q-o-Q.
- The company expects to gain incrementally (Y-o-Y) 100-150 bps of EBITDA margin in FY25E. We raise our revenue/EBITDA/Adj. PAT estimates by 3%/4%, 5%/18%, and 5%/21%, respectively for FY25E/FY26E, respectively. We expect the company to grow its revenue and adj. PAT at 12.1% and 16.2% CAGR over FY24-FY26E (vs. earlier 9.9% and 5.5% CAGR over FY24-FY26E).
- **We maintain the valuation multiple at 27.5x on FY26E revised EPS of INR 52.3 (earlier INR 43.1) and arrive at a revised Target Price of INR 1,439 (earlier INR 1,186) and upgrade it to BUY from ACCUMULATE, as the upside potential is 20.6% from the CMP.**

**MARKET DATA**

Shares outs (mn)	1,006
Equity Cap (INR mn)	2,21,016
Mkt Cap (INR mn)	11,99,431
52 Wk H/L (INR)	1,324/568
Volume Avg (3m K)	1,872
Face Value (INR)	1
Bloomberg Code	ZYDUSLIF IN

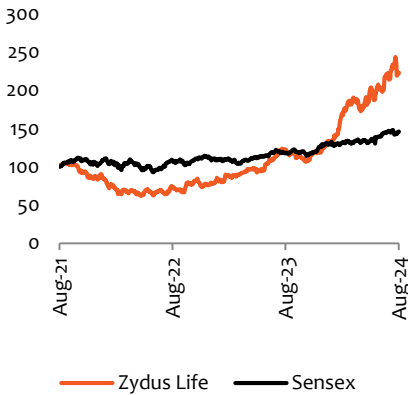
**KEY FINANCIALS**

INR Millions	FY22	FY23	FY24	FY25E	FY26E
Revenue	1,51,099	1,72,374	1,95,474	2,30,976	2,45,854
Adj EBITDA	35,239	38,599	53,843	65,725	73,349
PAT Reported	44,873	19,603	38,595	45,855	52,624
EPS (INR) Reported	43.8	19.3	38.1	45.3	52.3
Adj. PAT	45,578	25,599	38,967	45,855	52,624
Adj. EPS (INR)	44.5	25.2	38.5	45.3	52.3
Adj EBITDA Margin	23.3%	22.4%	27.5%	28.5%	29.8%
Adj. NPM	30.2%	14.9%	19.9%	19.9%	21.4%

Source: Company, KRChoksey Research

**Strong growth in the US and India Formulations and Consumer Wellness drove strong growth in Q1FY25:**

- ZYDUSLIFE reported a strong 20.8% Y-o-Y (+12.2% Q-o-Q) rise in the total operating income to INR 62,075 Mn in Q1FY25 (estimated: INR 61,498 Mn, a beat of 0.9%), meeting expectations. The revenue from operations grew at 19.7% Y-o-Y (+12.7% Q-o-Q) to INR 59,133 Mn (estimated: INR 60,465 Mn, a beat of 2.3%)
- The growth in revenue from operations was driven by a strong 26.0% Y-o-Y (+22.6% Q-o-Q) growth in the US market to INR 30,929 Mn (estimated: INR 31,846 Mn); It was driven by new launches such as Mirabegron, Zituvimet and volume expansion in the base portfolio as gRevlimid also improved Q-o-Q. The company launched 7 new products in Q1FY25 vs. 5 in Q4FY24. It has 404 ANDA approvals in place vs. 465 filed, as of Q1FY25.
- The new launches included its 505 (b)(2) filing or NDA called Zituvimet (sitagliptin (DPP IV inhibitor) and Metformin hydrochloride) and Mirabegron ER tablets (generic with three set of players competing) for both 25 mg and 50 mg. DPP IV inhibitor and its combination's market size for the US was USD 9.5 Bn (source: IQVIA MAT May 2024). ZYDUSLIFE has already launched Zituvio a 505(b)(2) - DPP-IV inhibitor - NDA product in Q3FY24.
- Mirabegron tablets had market size of USD 2.4 Bn in the US, as per IQVIA. We anticipate these recent launches to continue to fuel growth for the US market. We forecast about 18.4% average annual growth in the US sales over FY25E-FY26E. The company expects to launch around 25 products in the US in FY25E vs. 29 in FY24.

**SHARE PRICE PERFORMANCE**

**MARKET INFO**

SENSEX	80,803
NIFTY	24,699

**SHARE HOLDING PATTERN (%)**

Particulars	Jun-24 (%)	Mar-24 (%)	Dec-23 (%)
Promoters	75.0	75.0	75.0
FIIIs	5.6	5.7	5.0
DIIs	12.5	12.6	13.0
Others	6.9	6.7	7.0
Total	100.0	100.0	100.0

\*Based on previous closing

**12.1%**

Revenue CAGR between FY24 and FY26E

**16.2%**

Adj. PAT CAGR between FY24 and FY26E

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**KRChoksey Research**

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## Zydu Lifesciences Ltd.

- Mirabegron is under litigation and still launched by ZYDUSLIFE and hence its long term growth trajectory depends on its favorable outcome.
- India market grew at 12.1% Y-o-Y (-0.3% Q-o-Q) to INR 13,758 Mn (vs our estimate of INR 12,884 Mn). This was driven by better than IPM growth in its branded formulations business in both chronic and acute segments. The company launched 10 new products including line extensions with three first in India launches. On the back of its strong footing in India branded formulations and key launches growing (45% of revenue now and to become 60%-65% of revenue over a period of time) we forecast an average 5% Y-o-Y growth for the remainder of FY25E-FY26E for the segment.
- ZYDUSLIFE held leadership position in the nephrology therapy and also remained the fastest growing company in oncology therapy in India.
- Gross Margins improved by 703 bps (+357 bps Q-o-Q) to 74.4% (vs. our estimate of 68.4%) in Q1FY25.
- Gross Profits grew at 33.4% Y-o-Y (+17.8% Q-o-Q) to INR 46,214 Mn (vs. our estimate of INR 42,047 Mn) for the quarter.
- EBITDA grew at 44.2% Y-o-Y (+35.5% Q-o-Q) to INR 22,090 Mn (vs. our estimate of INR 16,853 Mn) and EBITDA margins expanded by 577 bps Y-o-Y (+612 bps Q-o-Q) to 35.6% (vs. our estimate of 27.4%) in Q1FY25. It included one off costs of INR 1,250 Mn related to legal and provisions and professional fees.
- Net income (adj.) grew at 36.9% Y-o-Y (+30.7% Q-o-Q) to INR 15,449 Mn (vs. our estimate of INR 11,959 Mn, a strong beat of 29.2%) in Q1FY25. Reported PAT increased 30.6% Y-o-Y (+20.1% Q-o-Q) to INR 14,199 Mn, for the quarter.

### Key earnings call highlights:

#### Strong balance sheet:

- The company de-leveraged balance sheet in Q1FY25 by turning debt free.

#### India market:

- The sales grew faster than IPM in cardiology, gynecology, dermatology, respiratory, anti-infective, and super specialty therapies such as oncology, and nephrology.
- Chronic portfolio's share has increased consistently over the last several years and stood at 41.3% of India revenue as per IQVIA MAT June 24, up 430 bps over the last 3 years.
- Consumer Wellness growth was driven by 17.0% volumes growth as Nycil and EverYuth brands continued to deliver robust performance with yet another quarter of strong double digit growth.
- Food and nutrition segment witnessed recovery during Q1FY25 and posted double digit growth.

#### Regulatory and Compliance Updates:

- USFDA classified two of its injectable facilities at Jarod near Baroda as 'Official Action Indicated'
- ZYDUSLIFE is working closely with the USFDA to implement necessary corrective actions as required.

#### Specialty products pipeline:

- On NCE front, the company completed patient recruitment for Phase II(b)/III clinical trials of Saroglitazar Magnesium for primary biliary cholangitis (PBC) indication and Phase II(b) clinical trials of Saroglitazar Magnesium for metabolic dysfunction-associated steatohepatitis, which is known as NASH indication for the US. Saroglitazar for PBC indication is likely to be filed by FY26E and become a FY27E market opportunity.
- The company also completed patient recruitment for Phase II clinical trials of Usnoflast, earlier known as ZYIL1, for Amyotrophic lateral sclerosis which is known as ALS indication during the quarter.
- In the biotech R&D space, ZYDUSLIFE submitted a marketing authorization application for one of the monoclonal antibodies to the Indian regulator. On the novel biologics front, the company initiated a Phase I clinical trial in India for an anti-properdin molecule during the quarter.
- Recently, in the month of July 24, ZYDUSLIFE received marketing approvals from the Mexican regulatory authority for two products viz BhavaTM, which is the biosimilar of Bevacizumab and MamitraTM for the biosimilar of Trastuzumab.
- On the specialty and 505(b)(2) development front, recently, in the month of July 24, ZYDUSLIFE received final approval for its third NDA viz. ZituvimetTM XR, which is the sitagliptin metformin extended-release tablets. With this approval, the company has all three NDAs of Sitagliptin and combination franchise approved through the 505(b)(2) route. All the three NDAs have received first cycle approvals.



## Zydus Lifesciences Ltd.

### US market:

- To grow it on the back of rare disease products portfolio which is housed under Sentyln Therapeutics. The company has 3 molecules in the space including CUTX – 101 which is under development as an NDA while rest of the two are commercialized since last few years. Here the company can look at bolt on acquisitions to build the franchise over the next 2 years.
- ZYDUSLIFE also intends to grow its orphan drugs portfolio where it has Saroglitazar which is likely be a FY27E opportunity. The company intends to go for a bolt on acquisitions here as soon as Saroglitazar comes near its launch.
- gIngrezza (USD 1.99 Bn market as of June 24 as per IQVIA MAT) for which the company has received approval from the USFDA makes it eligible for 180 days of shared generic drug exclusivity for 40 mg and 80 mg strengths and 180 days of sole generic drug exclusivity for 60 mg strength. It's a long term opportunity.
- Transdermal are a couple of years away kind of an opportunity on a full scale basis.
- Similarly, drug device products under injectable will be a few years from here or longer term kind of opportunities.

### Future Outlook:

- **Growth Momentum:** ZYDUSLIFE expects high teens kind of double digit growth in the US market in FY25E. India market to be driven by specialty products such as indigenously developed Saroglitazar and some of the first in market Biosimilar products as they grow to become larger share of the Specialty portfolio in India. To grow its US specialty business and India and international business, inorganically as well.
- **Margin Sustainability:** The company's emphasis on cost optimization and operational efficiency is expected to help sustain margins, even in the face of market challenges such as pricing pressures and competition. The company guides for a 100-150 bps improvement in EBITDA margins up-to 29.0% in FY25E vs. FY24.
- **R&D:** To be around 8.0% of sales for FY25E.
- **DPP-IV inhibitors:** The company expects to get to mid-high single digit market share for DPP-IV inhibitor (Sitagliptin combinations) and will extend as a good opportunity over longer period of time such as 3-5 years. The company has a long term contract over 5 years for the US market.
- **Vaccines:** Vaccines to be a FY27E opportunity.
- **Usnoflast:** It is a classified orphan rare disease falling in motor neuron disorder area and has a sizable set of patients in India, US and other countries for the same. Hence, it's a great opportunity. ZYDUSLIFE will also explore it for another indication like Parkinson's disease.

### Valuation and View:

**ZYDUSLIFE** beat our Q1FY25 estimates by 0.9%/9.9%/31.1%/29.2% on Q1FY25's revenue, gross profits, EBITDA and adj. PAT front. This was due to much better gross profits and EBITDA performance than anticipated. The company expects to get to mid-high single digit market share for DPP-IV inhibitors for its NDA products under 505(b)(2) filing such as Zituvio, Zituvimet, and Zituvimet<sup>TM</sup> XR (3 of the Sitagliptin combinations) over short – medium term as it will extend as a good opportunity over longer period of time such as 3-5 years. The company plans to launch 25 products in FY25E vs. 29 launched in the US in FY24. Similarly, it expects India branded formulations and key launches to continue to drive higher growth in India market. The company expects to gain incrementally 100-150 bps of EBITDA margin in FY25E. We raise our revenue/EBITDA/Adj. PAT estimates by 3%/4%, 5%/18%, and 5%/21%, respectively for FY25E/FY26E, respectively. We expect the company to grow its revenue and adj. PAT at 12.1% and 16.2% CAGR over FY24-FY26E (vs. earlier 9.9% and 5.5% CAGR over FY24-FY26E). **The company's stock is trading at 26.3x/22.8x its FY25E/FY26E EPS estimates and we maintain the valuation multiple at 27.5x on FY26E revised EPS of INR 52.3 (earlier INR 43.1) and arrive at a revised Target Price of INR 1,439 (earlier INR 1,186) and upgrade it to BUY from ACCUMULATE, as the upside potential is 20.6% from the CMP.**

## Zydu Lifesciences Ltd.

### KEY FINANCIALS

#### Exhibit 1: Q1FY25 Result

Particulars (INR Mn)	Q1FY25	Q4FY24	Q1FY24	Q-o-Q	Y-o-Y
<b>Revenue from Operations</b>	<b>62,075</b>	<b>55,338</b>	<b>51,396</b>	<b>12.2%</b>	<b>20.8%</b>
<b>Total Expenditure</b>	<b>39,985</b>	<b>39,033</b>	<b>36,072</b>	<b>2.4%</b>	<b>10.8%</b>
Cost of Raw Materials	11,155	12,103	12,700	-7.8%	-12.2%
Purchase of Stock	5,224	5,429	4,901	-3.8%	6.6%
Changes in Inventories	-518	-1,417	-857	-63.4%	NM
Employee Cost	8,835	8,370	7,304	5.6%	21.0%
Other Expenses	15,289	14,548	12,024	5.1%	27.2%
<b>EBITDA</b>	<b>22,090</b>	<b>16,305</b>	<b>15,324</b>	<b>35.5%</b>	<b>44.2%</b>
EBITDA Margin (%)	<b>35.6%</b>	<b>29.5%</b>	<b>29.8%</b>	<b>612 bps</b>	<b>577 bps</b>
Depreciation	2,153	2,053	1,798	4.9%	19.7%
<b>EBIT</b>	<b>19,937</b>	<b>14,252</b>	<b>13,526</b>	<b>39.9%</b>	<b>47.4%</b>
Other Income	632	1,564	360	-59.6%	75.6%
Interest Expense	322	346	181	-6.9%	77.9%
PBT before Exceptional	0	0	0	NM	NM
Exceptional Items	1,250	0	413	NM	NM
<b>PBT</b>	<b>18,997</b>	<b>15,470</b>	<b>13,292</b>	<b>22.8%</b>	<b>42.9%</b>
Tax	4,361	3,212	2,161	35.8%	101.8%
Share of Associates	189	171	215	NM	NM
Minority Interest	626	638	467	NM	34.0%
Discontinued operations	0	32	-10	-100.0%	-100.0%
<b>PAT</b>	<b>14,199</b>	<b>11,823</b>	<b>10,869</b>	<b>20.1%</b>	<b>30.6%</b>
PAT Margin (%)	<b>22.9%</b>	<b>21.4%</b>	<b>21.1%</b>	<b>151 bps</b>	<b>173 bps</b>
<b>Adj. PAT</b>	<b>15,449</b>	<b>11,823</b>	<b>11,282</b>	<b>30.7%</b>	<b>36.9%</b>
Adj. PAT Margin (%)	<b>24.9%</b>	<b>21.4%</b>	<b>22.0%</b>	<b>352 bps</b>	<b>294 bps</b>
<b>EPS</b>	<b>14.1</b>	<b>11.7</b>	<b>10.7</b>	<b>20.7%</b>	<b>31.4%</b>
<b>Adj. EPS</b>	<b>15.4</b>	<b>11.7</b>	<b>11.1</b>	<b>31.4%</b>	<b>37.8%</b>

Source: Company, KRChoksey Research

#### Exhibit 2: Revenue Segments

Segment Result (INR mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
<b>Total</b>	<b>50,528</b>	<b>42,586</b>	<b>43,437</b>	<b>53,664</b>	<b>60,465</b>
US Formulations	24,541	18,648	18,427	25,235	30,929
India Formulations	12,270	13,341	14,273	13,806	13,758
EM Formulations	4,893	4,504	4,937	4,960	5,309
Europe Formulations	NM	NM	NM	NM	NM
Consumer Wellness	6,936	4,352	3,974	7,755	8,366
Animal & Others	0	0	0	0	0
APIs	1,389	1,402	1,431	1,436	1,415
Alliances	499	339	395	472	688

Segment Performance (% YoY)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
<b>Total</b>	<b>28.8%</b>	<b>8.0%</b>	<b>4.4%</b>	<b>10.6%</b>	<b>19.7%</b>
US Formulations	57.4%	9.2%	-4.3%	12.0%	26.0%
India Formulations	9.1%	5.5%	15.9%	7.1%	12.1%
EM Formulations	55.1%	36.2%	60.4%	12.9%	8.5%
Europe Formulations	NM	NM	NM	NM	NM
Consumer Wellness	0.3%	3.0%	-3.5%	9.6%	20.6%
Animal & Others	NM	NM	NM	NM	NM
APIs	13.5%	25.5%	-23.9%	14.8%	1.9%
Alliances	4.6%	-32.5%	59.3%	22.6%	37.9%

Sales Mix (% Revenue)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
US Formulations	49%	44%	42%	47%	51%
India Formulations	24%	31%	33%	26%	23%
EM Formulations	10%	11%	11%	9%	9%
Europe Formulations	NM	NM	NM	NM	NM
Consumer Wellness	14%	10%	9%	14%	14%
Animal & Others	0%	0%	0%	0%	0%
APIs	3%	3%	3%	3%	2%
Alliances	1%	1%	1%	1%	1%

Source: Company, KRChoksey Research

## Zydu Lifesciences Ltd.

### Exhibit 3: Profit & Loss Statement

INR Millions	FY22	FY23	FY24	FY25E	FY26E
<b>Revenues</b>	<b>1,51,099</b>	<b>1,72,374</b>	<b>1,95,474</b>	<b>2,30,976</b>	<b>2,45,854</b>
COGS	55,452	63,101	62,282	61,744	63,100
<b>Gross profit</b>	<b>95,647</b>	<b>1,09,273</b>	<b>1,33,192</b>	<b>1,69,232</b>	<b>1,82,755</b>
Employee cost	24,341	27,656	31,376	39,237	43,025
Other expenses	36,067	43,018	47,973	64,270	66,381
<b>EBITDA</b>	<b>35,239</b>	<b>38,599</b>	<b>53,843</b>	<b>65,725</b>	<b>73,349</b>
EBITDA Margin	23.3%	22.4%	27.5%	28.5%	29.8%
<b>Adjusted EBITDA</b>	<b>35,239</b>	<b>38,599</b>	<b>53,843</b>	<b>65,725</b>	<b>73,349</b>
Adj EBITDA Margin	23.3%	22.4%	27.5%	28.5%	29.8%
Depreciation & amortization	7,130	7,227	7,641	7,884	8,883
<b>EBIT</b>	<b>28,109</b>	<b>31,372</b>	<b>46,202</b>	<b>57,841</b>	<b>64,466</b>
Interest expense	1,270	1,299	812	1,288	812
Other income	2,247	1,866	2,841	3,166	3,688
<b>PBT before exceptional items</b>	<b>29,086</b>	<b>31,939</b>	<b>48,231</b>	<b>59,719</b>	<b>67,342</b>
Exceptional Items	705	6,042	142	0	0
<b>PBT</b>	<b>28,381</b>	<b>25,897</b>	<b>48,089</b>	<b>59,719</b>	<b>67,342</b>
Tax	5,117	5,878	9,775	13,422	14,815
Share of Profit/(Loss) of Associates	462	946	1,184	1,034	1,229
Loss from Discontinued Operations	22,457	-46	230	0	0
Minority Interest	1,310	1,316	1,133	1,475	1,132
<b>PAT</b>	<b>44,873</b>	<b>19,603</b>	<b>38,595</b>	<b>45,855</b>	<b>52,624</b>
<b>EPS (INR)</b>	<b>43.83</b>	<b>19.30</b>	<b>38.14</b>	<b>45.34</b>	<b>52.31</b>
<b>Adj. PAT</b>	<b>45,578</b>	<b>25,599</b>	<b>38,967</b>	<b>45,855</b>	<b>52,624</b>
<b>Adj EPS (INR)</b>	<b>44.52</b>	<b>25.21</b>	<b>38.50</b>	<b>45.34</b>	<b>52.31</b>

Source: Company, KRChoksey Research

### Exhibit 4: Cash Flow Statement

INR Millions	FY22	FY23	FY24	FY25E	FY26E
Net Cash Generated From Operations	21,041	26,888	32,279	55,172	57,627
Net Cash Flow from/(used in) Investing Activities	11,544	8,044	(14,752)	(23,612)	(18,935)
Net Cash Flow from Financing Activities	(8,683)	(44,004)	(18,104)	(10,459)	(11,337)
Net Inc/Dec in cash equivalents	23,902	(9,072)	(577)	21,101	27,355
Opening Balance	6,652	6,578	4,878	4,130	15,785
Adjustments	(74)	(1,700)	(748)	11,655	27,355
Closing Balance Cash and Cash Equivalents	6,578	4,878	4,130	15,785	43,141

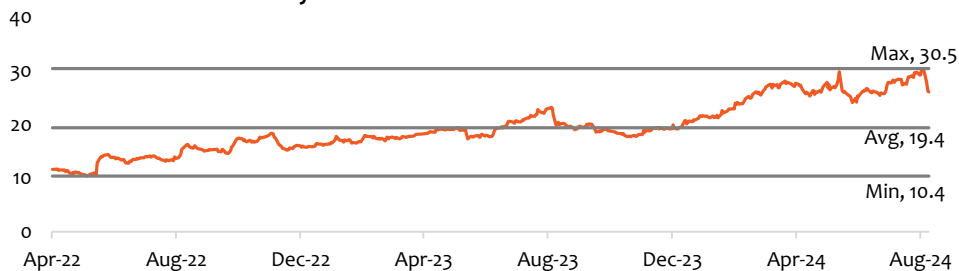
Source: Company, KRChoksey Research

### Exhibit 5: Ratios

Key Ratio	FY22	FY23	FY24	FY25E	FY26E
Adj EBITDA Margin	23.3%	22.4%	27.5%	28.5%	29.8%
Tax rate (%)	18.0%	22.7%	20.3%	22.5%	22.0%
Adj Net Profit Margin (%)	30.2%	14.9%	19.9%	19.9%	21.4%
RoE (%)	23.9%	13.0%	17.6%	17.7%	17.4%
RoCE (%)	12.1%	15.0%	20.2%	21.7%	20.8%
Current Ratio (x)	1.56	1.81	2.15	2.50	3.05
Adj EPS (INR)	44.5	25.2	38.5	45.3	52.3

Source: Company, KRChoksey Research

### Zydu Lifescience 1-Year forward PE



Source: Bloomberg, KRChoksey Research

## Zydu Lifesciences Ltd.

### Exhibit 6: Balance Sheet

INR Millions	FY22	FY23	FY24	FY25E	FY26E
<b>Non-current assets</b>					
Property, plant and equipment	57,616	56,965	58,033	67,570	77,722
Capital work-in-progress	6,610	11,302	11,115	11,115	11,115
Goodwill (Net)	53,646	48,044	52,660	52,660	52,660
Other intangible assets	11,272	10,905	26,110	24,680	23,157
Investments accounted for using equity method	3,743	4,166	4,162	4,162	4,162
Investments	5,605	5,107	5,518	8,568	9,120
Loans	0	20	0	0	0
Other financial assets	2,446	4,980	577	3,739	3,980
Deferred tax assets (Net)	10,958	12,624	16,442	16,751	17,830
Tax assets (Net)	938	1,125	1,208	1,434	1,526
Other non-current assets	2,506	2,162	1,969	3,831	4,078
<b>Total non-current assets</b>	<b>1,55,340</b>	<b>1,57,400</b>	<b>1,77,794</b>	<b>1,94,510</b>	<b>2,05,350</b>
<b>Current assets</b>					
Inventories	37,194	34,133	34,419	41,414	42,324
Investments	23,532	6,193	2,525	2,525	2,525
Trade receivables	33,403	44,168	52,202	51,061	54,350
Cash and cash equivalents	6,578	4,878	4,130	15,831	43,628
Bank balances other than (iii) above	4,491	853	6,921	6,921	6,921
Loans	0	4	15	15	15
Other financial assets	6,664	2,280	6,573	6,690	7,121
Other current assets + Current Tax Assets	9,090	7,573	7,413	13,085	13,927
Assets classified as held for sale	1,662	82	816	816	816
<b>Total current assets</b>	<b>1,22,614</b>	<b>1,00,164</b>	<b>1,15,014</b>	<b>1,38,358</b>	<b>1,71,627</b>
<b>TOTAL ASSETS</b>	<b>2,77,954</b>	<b>2,57,564</b>	<b>2,92,808</b>	<b>3,32,868</b>	<b>3,76,977</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	1,024	1,012	1,006	1,006	1,006
Other equity	1,68,972	1,74,146	1,97,289	2,33,973	2,76,072
Equity attributable to the equity shareholders	1,69,996	1,75,158	1,98,295	2,34,979	2,77,078
Non-controlling interests	20,542	21,725	22,721	24,196	25,328
<b>Total equity</b>	<b>1,90,538</b>	<b>1,96,883</b>	<b>2,21,016</b>	<b>2,59,175</b>	<b>3,02,406</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	3,782	0	0	0	0
Other financial liabilities	449	712	10,793	10,793	10,793
Provisions	3,250	2,718	3,097	3,097	3,097
Deferred tax liabilities (Net)	1,538	1,944	4,465	4,465	4,465
Other non-current liabilities + Trade payables	3	0	18	18	18
<b>Total non-current liabilities</b>	<b>9,022</b>	<b>5,374</b>	<b>18,373</b>	<b>18,373</b>	<b>18,373</b>
<b>Current liabilities</b>					
Borrowings	38,427	11,632	7,686	7,686	7,686
Trade payables	21,378	21,250	21,267	23,804	24,326
Other financial liabilities	12,525	14,458	13,996	13,946	14,252
Other current liabilities	1,990	2,745	2,802	2,216	2,264
Provisions	3,656	3,654	3,948	3,948	3,948
Current tax liabilities (Net)	418	1,568	3,720	3,720	3,720
<b>Total current liabilities</b>	<b>78,394</b>	<b>55,307</b>	<b>53,419</b>	<b>55,320</b>	<b>56,197</b>
<b>Total liabilities</b>	<b>87,416</b>	<b>60,681</b>	<b>71,792</b>	<b>73,693</b>	<b>74,570</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,77,954</b>	<b>2,57,564</b>	<b>2,92,808</b>	<b>3,32,868</b>	<b>3,76,977</b>

Source: Company, KRChoksey Research

## Zydu Lifesciences Ltd.

Zydu Lifesciences Ltd.			
Date	CMP (INR)	TP (INR)	Recommendation
21-Aug-24	1,193	1,439	BUY
21-May-24	1,104	1,186	ACCUMULATE
14-Feb-24	858	913	ACCUMULATE
25-Aug-23	640	725	ACCUMULATE
20-May-23	497	623	BUY
15-Feb-23	473	610	BUY

Rating Legend (Expected over a 12-month period)	
Our Rating	Upside
Buy	More than 15%
Accumulate	5% – 15%
Hold	0 – 5%
Reduce	-5% – 0
Sell	Less than – 5%

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