

Week Gone

The domestic equity benchmarks ended the week with significant losses, weighed down by renewed global trade tensions after President Trump announced a doubling of U.S. tariffs on Indian goods, sparking concerns over a potential export impact. The Reserve Bank of India's decision to keep interest rates unchanged, along with its neutral policy stance, failed to boost investor sentiment amid persistent foreign portfolio outflows. Additionally, weak Q1 earnings from several major companies further dampened market morale. The overall tone remained cautious. Notably, the broader market underperformed, adding to the week's bearish undertone. In the week ended on Friday, 08 August 2025, the S&P BSE Sensex declined 742.12 points or 0.92% to settle at 79,857.79. The Nifty 50 index slipped 202.05 points or 0.82% to settle at 24,363.30.

Week Ahead

Investors are expected to closely monitor international trade developments after U.S. President Donald Trump announced a nearly 50% tariff on Indian imports. The move, which marks a significant escalation in trade tensions between the two countries, has raised concerns over retaliatory measures from India and potential disruptions across sectors such as pharmaceuticals, textiles, and IT services. With FIIs exiting, domestic institutional investors (DIIs) have stepped in as stabilisers, absorbing part of the selling pressure, but concerns remain over whether this support will hold if outflows accelerate. Key major events next week include the consumer price inflation rate for the month of July, which will be unveiled on August 12. The wholesale price inflation figure for July 2025 will be made public on August 14. On the global front, China's inflation rate for July 2025 will be released on August 9. The U.S. inflation rate for July 2025 will be made public on August 12.

Nifty Outlook

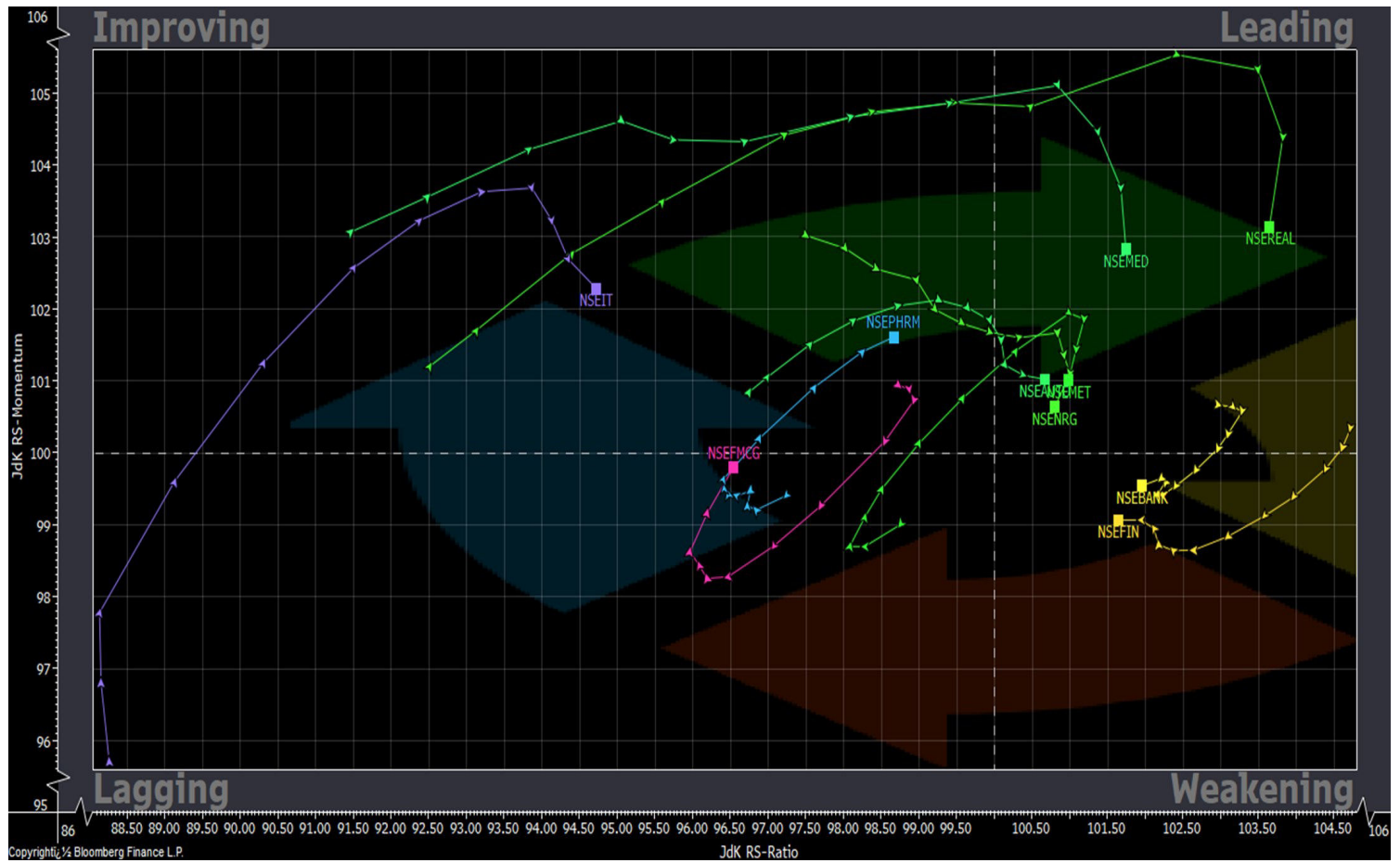
NIFTY	24363
Weekly Chg	-0.82
Trend Status	Downtrend
Breadth	Downtrend
Momentum	Downtrend
S1	24222
S2	24081
S3	23683
R1	24620
R2	24877
R3	25275



Source: TradingView, BP Equities Research

Market Pulse

TREND



Market Pulse

MARKET BREADTH

		NUMBER OF STOCKS TRADING ABOVE DMAs				% OF STOCKS TRADING ABOVE DMAs			
SEGMENT	DATE	10 DMA	20 DMA	50 DMA	200 DMA	10 DMA	20 DMA	50 DMA	200 DMA
NIFTY 50	8th Aug	16	14	12	29	31	27	24	57
	7th Aug	26	17	16	32	51	33	31	63
	6th Aug	20	16	17	31	39	31	33	61
	5th Aug	19	17	18	32	37	33	35	63
	4th Aug	14	15	18	32	27	29	35	63
NIFTY 100	8th Aug	20	20	22	52	20	20	22	52
	7th Aug	42	27	29	58	42	27	29	58
	6th Aug	31	23	30	57	31	23	30	57
	5th Aug	34	26	29	60	34	26	29	60
	4th Aug	28	26	32	59	28	26	32	59
NIFTY 200	8th Aug	30	26	43	95	15	13	22	48
	7th Aug	76	47	57	109	38	24	29	55
	6th Aug	51	41	59	104	26	21	30	52
	5th Aug	62	49	60	109	31	25	30	55
	4th Aug	57	53	65	109	29	27	33	55
NIFTY 500	8th Aug	83	71	121	230	17	14	24	46
	7th Aug	142	104	150	250	28	21	30	50
	6th Aug	112	102	152	245	22	20	30	49
	5th Aug	143	131	165	260	29	26	33	52
	4th Aug	131	130	176	259	26	26	35	52

- Options

Open Interest

NIFTY

As on: 08-08-2025

Expiry: 14-08-2025

Combined OI

Intraday

Open Interest

SPOT PRICE:24363.30 FUTURE PRICE:24429.00 LOT SIZE: 75 PCR:0.72 MAX PAIN:20000

PCR: 0.72

TOTAL CALLS

TOTAL PUTS

TOTAL OI

3Cr

2Cr

1Cr

0

23850

24000

24150

24350

24550

24700

24850

NIFTY ATM Strike 24350

OI Change

15Cr

10Cr

5Cr

0

-50L

23850

24000

24150

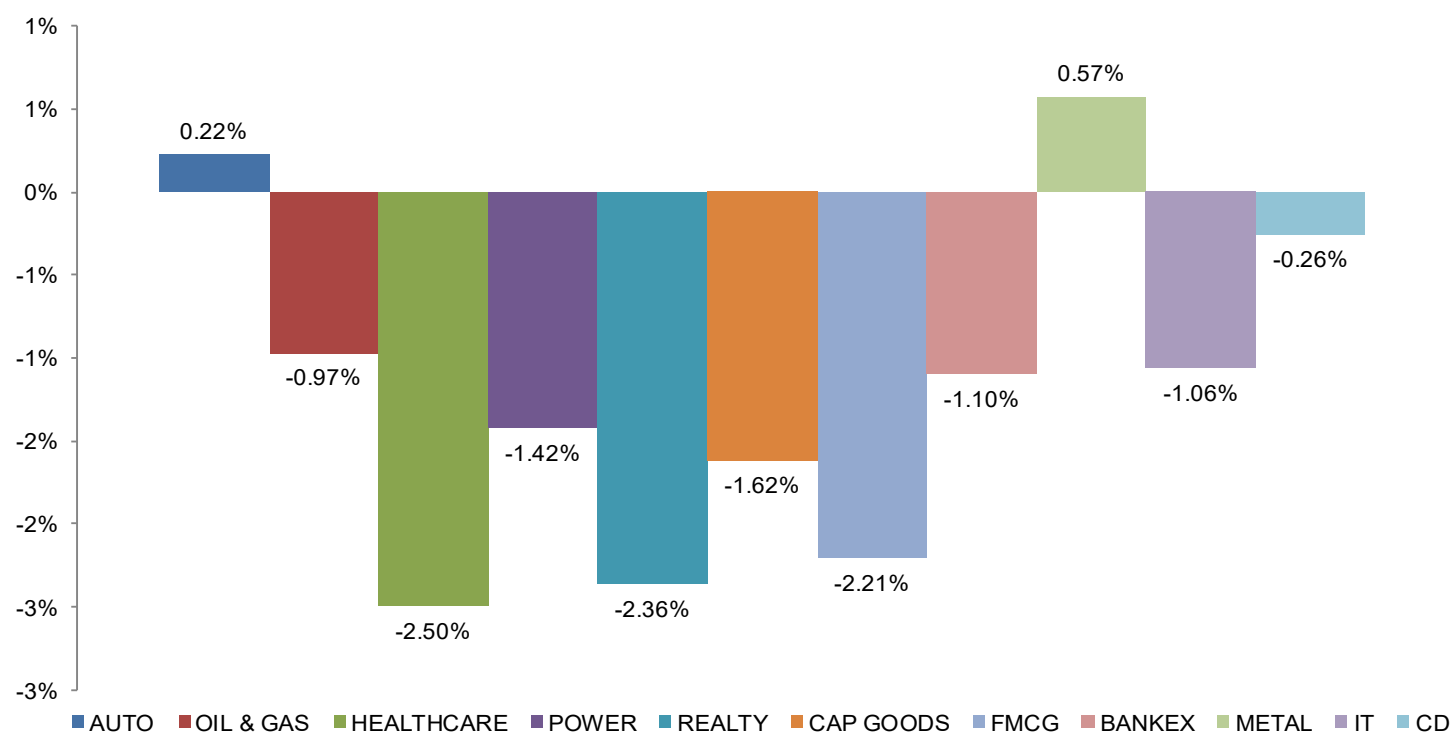
24350

24550

24700

24850

NIFTY ATM Strike 24350

BSE WEEKLY SECTORAL PERFORMANCE

Source: BSE, BP Equities Research

TOP OPEN INTEREST GAINERS (WEEKLY)

SCRIP NAME	08-Aug-25 Share Price (Rs.)	01-Aug-25 Share Price (Rs.)	Weekly % Chg	08-Aug-25 Open Interest	01-Aug-25 Open Interest	Weekly % Chg
NUVAMA	6754.5	6917.5	-2%	97050	35775	171%
NESTLEIND	1100	1280.9	-14%	19579500	10167000	93%
SUZLON	63.3	66.26	-4%	60688000	39960000	52%
UNOMINDA	1087.1	1049.3	4%	2900150	2074050	40%
ETERNAL	301.45	306	-1%	216870175	158223975	37%

TOP OPEN INTEREST LOSERS (WEEKLY)

SCRIP NAME	08-Aug-25 Share Price (Rs.)	01-Aug-25 Share Price (Rs.)	Weekly % Chg	08-Aug-25 Open Interest	01-Aug-25 Open Interest	Weekly % Chg
PPLPHARMA	190.8	190.8	0%	11002500	13422500	-18%
CESC	163.1	166.2	-2%	12368500	15072750	-18%
PNBHOUSING	771.7	812.6	-5%	14415700	16753100	-14%
SUNPHARMA	1592.8	1633	-2%	15992900	18276300	-12%
GODREJCP	1185.3	1265.8	-6%	8078500	9202000	-12%

DOMESTIC INDICES

Index	08-Aug-25	01-Aug-25	Weekly % Chg
Nifty 50	24,363	24,565	-0.8
Nifty Next 50	65,515	66,193	-1.0
Nifty 100	24,934	25,150	-0.9
Nifty 500	22,443	22,674	-1.0
NIFTY MIDCAP 100	56,002	56,637	-1.1
S&P BSE SENSEX	79,858	80,600	-0.9
S&P BSE 100	25,505	25,731	-0.9
S&P BSE 200	11,031	11,137	-1.0
S&P BSE 500	35,229	35,598	-1.0
S&P BSE MidCap	44,571	45,155	-1.3
S&P BSE SmallCap	51,597	52,575	-1.9

WORLD INDICES

Index	08-Aug-25	01-Aug-25	Weekly % Chg
Nikkei Index	41,820	40,800	2.5
Hang Seng Index	24,859	24,508	1.4
Kospi Index	3,210	3,119	2.9
Shanghai SE Composite	3,635	3,560	2.1
Strait Times Index	4,154	4,154	0.0
Dow Jones	44,176	43,589	1.3
NASDAQ	21,450	20,650	3.9
FTSE	9,096	9,069	0.3

FOREX

Currency	08-Aug-25	01-Aug-25	Weekly % Chg
US\$ (Rs.)	87.5	87.2	0.4
GBP (Rs.)	117.6	115.6	1.7
Euro (Rs.)	102.0	100.8	1.3
Yen (Rs.) 100 Units	59.2	58.9	0.6

NIFTY TOP GAINERS (WEEKLY)

Scrip	08-Aug-25	01-Aug-25	Weekly % Chg
Hero MotoCorp Ltd.	4,600	4,311	6.7%
Titan Company Ltd.	3,460	3,314	4.4%
Tata Steel Ltd.	158	153	3.2%
Tech Mahindra Ltd.	1,480	1,439	2.9%
HDFC Life Insurance	762	742	2.7%

NIFTY TOP LOSERS (WEEKLY)

Scrip	08-Aug-25	01-Aug-25	Weekly % Chg
Adani Enterprises Ltd.	2,178	2,352	-7.4%
Nestle India Ltd	1,097	1,139	-3.7%
Apollo Hospitals Enterprises Ltd.	7,085	7,349	-3.6%
Infosys Ltd.	1,423	1,470	-3.2%
Sun Pharmaceuticals Industries Ltd.	1,587	1,629	-2.6%

FII - ACTIVITY

(INR. Cr.)

Date	Purchases	Sales	Net
08-Aug-25	17,682.1	15,749.3	1,932.8
07-Aug-25	10,567.8	15,565.0	-4,997.2
06-Aug-25	11,242.2	16,241.3	-4,999.1
05-Aug-25	15,251.3	15,273.8	-22.5
04-Aug-25	9,015.0	11,581.5	-2,566.5
MTD	73,137.8	87,156.7	-14,018.8

DII - ACTIVITY

(INR. Cr.)

Date	Purchases	Sales	Net
08-Aug-25	16,682.1	8,958.4	7,723.7
07-Aug-25	19,629.6	8,765.6	10,864.0
06-Aug-25	16,760.6	9,966.4	6,794.3
05-Aug-25	14,251.0	10,410.6	3,840.4
04-Aug-25	14,068.4	9,682.1	4,386.3
MTD	96,381.9	59,586.3	36,795.5

Company Overview

Granules India Limited is a vertically integrated, high-growth pharmaceutical company with a legacy spanning over four decades. Initially established as a paracetamol API manufacturer, the company has evolved into a global player with capabilities across the pharmaceutical value chain, including APIs, Pharmaceutical Formulation Intermediates (PFIs), and Finished Dosages (FDs). The API segment, which contributed around 14% to the company's FY25 revenue, includes the manufacturing of high-volume molecules like paracetamol, metformin, guaifenesin, and methocarbamol. The PFI segment, accounting for about 10% of revenue, highlights Granules' pioneering role in offering ready-to-compress blends that help customers improve cost-efficiency and reduce development timelines. The Finished Dosages segment is the largest and fastest-growing vertical, contributing ~77% of total revenue in FY25. The company offers a wide range of formulations, including tablets, capsules, oral liquids, powders, and multi-unit pellet systems, across immediate, extended, and delayed release formats. This segment is the cornerstone of Granules' transformation into a value-added pharmaceutical company, with a focus on complex generics, especially in CNS, ADHD, gastro, and metabolic therapies. Its products are primarily exported to North America, which accounts for the bulk of revenue, alongside growing markets in Europe, LATAM, and AMEA. With operations in over 80 countries and a strong manufacturing and R&D presence in India and the US, Granules serves more than 300 global customers. The company is strategically focused on complex generics, high-volume molecules, and specialty therapies such as CNS, oncology, and metabolic disorders. The company has operated a robust and vertically integrated manufacturing network comprising eight facilities strategically located in India and the United States, ensuring end-to-end control over the pharmaceutical value chain.

Investment Rationale

Focus on new opportunities in custom synthesis and generic products

Granules India has strategically transitioned from a high-volume, low-margin API manufacturer to a differentiated pharmaceutical company focused on complex, high-margin segments. This transition is reflected in the company's growing emphasis on finished dosages, which now contribute ~77% of its total revenue in FY25, up from 65% in FY24, indicating a clear move toward value-added formulations. These include advanced oral solid dosage forms such as immediate, extended, and delayed release tablets, capsules, multi-unit pellet systems (MUPS), and oral liquids, many of which address complex therapy areas like CNS, ADHD, gastrointestinal, pain, and metabolic disorders. To drive this transformation, Granules has significantly strengthened its R&D platform, filing 127 ANDAs (with 85 approvals) and pursuing early-to-market, first-to-file, and 505(b)(2) pathways that target high-barrier, sustainable opportunities. Furthermore, the acquisition of Senn Chemicals AG and the launch of Ascelis Peptides mark Granules' foray into peptide-based therapies, a high-growth, specialty segment that opens up biologics-adjacent revenue streams. Simultaneously, the company is expanding its presence in custom synthesis and CDMO opportunities, leveraging its proven chemistry capabilities and backwards integration to offer scalable and compliant solutions for global innovators, which will drive long-term growth visibility.

Building a pipeline of high-value molecules with a focus on backwards integration

Granules India is strategically building a robust pipeline of high-value, complex molecules, with a sharp focus on therapeutic areas like oncology and CNS, which offer high growth potential and sustainable margins. These segments are characterised by significant clinical and regulatory barriers, providing limited competition and long product life cycles. Recognising this, Granules is integrating its strengths in R&D, regulatory expertise, and manufacturing scalability to deliver differentiated

Stock Rating

BUY	HOLD	SELL
> 15%	-5% to 15%	< -5%

Sector Outlook

Positive

Stock

CMP (INR)	439
Target Price (INR)	514
NSE Symbol	GRANULES
BSE Code	532482
Bloomberg	GRAN IN
Reuters	GRAN.BO

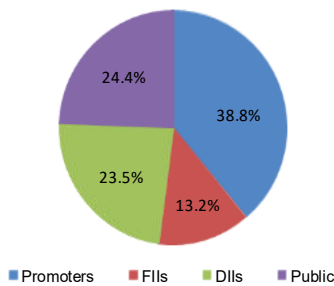
Key Data

Nifty	24,363
52WeekH/L(INR)	721 / 422
O/s Shares (Mn)	243
Market Cap (INR bn)	107
Face Value (INR)	1

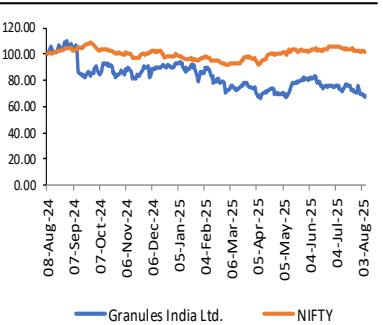
Average volume

3 months	1,068,100
6 months	1,161,660
1 year	2,229,450

Share Holding Pattern (%)



Relative Price Chart



Stock Idea Note - Granules India Ltd.

products that meet global quality standards. A key pillar of this strategy is backwards integration, allowing the company to control the entire value chain - from key starting materials to finished formulations - thus ensuring cost efficiency, consistent supply, and reduced external dependencies. This not only strengthens its competitive positioning in high-barrier markets but also enhances profitability by capturing value at each stage of the product lifecycle. The company's increased investment in green chemistry, bio-catalysis, and continuous manufacturing further supports the development of complex molecules cost-effectively and sustainably. This focused approach, backed by strong execution and infrastructure, enhances the company's long-term earnings visibility and positions it in the speciality generics and complex pharma space.

Valuation and Outlook

Granules India Ltd. is a vertically integrated, high-growth pharma company headquartered in Hyderabad, India. The company manufactures API, Pharmaceutical Formulation Intermediates (PFI) and Finished Dosages (FD). The company is now evolving into a differentiated, innovation-led pharmaceutical company with strong foundations in cost-efficient manufacturing, backward integration, and regulatory compliance. The company's strategic shift toward complex generics and high-value therapeutic segments such as CNS, Oncology, and Metabolic disorders is reflected in the growing contribution from Finished Dosages, now forming 77% of total revenue. Its robust R&D infrastructure, with 127 ANDAs filed and 85 approved, positions it well for future launches in regulated markets. We remain optimistic about Granules India's long-term profitability and growth trajectory, driven by a consistent pipeline of new product launches across key geographies, a strategic emphasis on backwards integration, and rising market share in existing regions. The company's entry into the high-growth GLP-1 segment through the acquisition of Senn Chemicals, along with its filings in the oncology space, which offer significantly higher margins, positions it well to enhance overall financial performance. The combination of financial prudence, R&D focus, vertical integration, and specialty portfolio expansion provides strong visibility for margin expansion and earnings growth. **On the valuation front, we value the company based on 20x FY26e earnings and arrive at a target price of Rs. 514 (17% upside from the current market price) with a 12-month investment horizon.**

Key Financials						
YE March (INR. Mn)	FY22	FY23	FY24	FY25	FY26E	FY27E
Revenue	37,650	45,120	45,060	44,820	47,580	51,420
Revenue Growth (Y-o-Y)	16.3%	19.8%	-0.1%	-0.5%	6.2%	8.1%
EBIDTA	7,270	9,150	8,580	9,480	11,050	12,560
EBIDTA Growth (Y-o-Y)	-15.1%	25.9%	-6.2%	10.5%	16.6%	13.7%
Net Profit	4,130	5,170	4,050	5,020	6,250	6,950
Net Profit Growth (Y-o-Y)	-24.8%	25.2%	-21.7%	24.0%	24.5%	11.2%
Diluted EPS	16.6	21.3	16.7	20.7	25.7	28.6
Diluted EPS Growth (Y-o-Y)	21.2%	10.1%	5.6%	10.8%	4.9%	9.4%
Key Ratios						
EBIDTA margin (%)	19.3%	20.3%	19.0%	21.2%	23.2%	24.4%
NPM (%)	11.0%	11.5%	9.0%	11.2%	13.1%	13.5%
RoE (%)	16.0%	18.2%	12.6%	13.5%	14.4%	13.8%
RoCE (%)	15.4%	18.4%	14.3%	14.0%	14.5%	14.8%
Valuation Ratios						
P/E (x)	26.4	20.6	26.3	21.2	17.1	15.3
EV/EBITDA	15.7	12.6	13.6	12.2	10.7	9.4
Net Debt/ EBITDA (x)	1.0	0.9	1.1	0.9	1.0	0.9



BP WEALTH

Research Desk

Tel: +91 22 61596138

Institutional Sales Desk

Tel: +91 22 61596403/04/05

Disclaimer Appendix**Analyst (s) holding in the Stock : Nil****Analyst (s) Certification:**

We analysts and the authors of this report, hereby certify that all of the views expressed in this research report accurately reflect our personal views about any and all of the subject issuer (s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report. Analysts aren't registered as research analysts by FINRA and might not be an associated person of the BP Equities Pvt. Ltd. (Institutional Equities).

General Disclaimer

This report has been prepared by the research department of BP EQUITIES Pvt. Ltd, is for information purposes only. This report is not construed as an offer to sell or the solicitation of an offer to buy or sell any security in any jurisdiction where such an offer or solicitation would be illegal.

BP EQUITIES Pvt. Ltd have exercised due diligence in checking the correctness and authenticity of the information contained herein, so far as it relates to current and historical information, but do not guarantee its accuracy or completeness. The opinions expressed are our current opinions as of the date appearing in the material and may be subject to change from time to time. Prospective investors are cautioned that any forward looking statement are not predictions and are subject to change without prior notice.

Recipients of this material should rely on their own investigations and take their own professional advice. BP EQUITIES Pvt. Ltd or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. BP EQUITIES Pvt. Ltd. or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

BP EQUITIES Pvt. Ltd and/or its affiliates and/or employees may have interests/ positions, financial or otherwise in the securities mentioned in this report. Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by any person in any locality, state and country or other jurisdiction where such distribution, publication or use would be contrary to the law or regulation or would subject to BP EQUITIES Pvt. Ltd or any of its affiliates to any registration or licensing requirement within such jurisdiction.

Corporate Office:

4th floor,
Rustom Bldg,
29, Veer Nariman Road, Fort,
Mumbai-400001
Phone- +91 22 6159 6464
Fax-+91 22 6159 6160
Website- www.bpwealth.com

Registered Office:

24/26, 1st Floor, Cama Building,
Dalal street, Fort,
Mumbai-400001

BP Wealth Management Pvt. Ltd.
CIN No: U67190MH2005PTC154591

BP Equities Pvt. Ltd.
CIN No: U67120MH1997PTC107392