

In December 2022, export-intensive sectors like gems & jewelry, ceramic & glassware, leather & leather products, drugs & pharmaceuticals, engineering & electrical goods, and textiles & garments, performed well, however, going into 2023 they are likely to be hit amid a global slowdown in world trade. Since many of these sectors are labor intensive as well, any slowdown in them will have implications for the overall employment scenario in the economy as well. Exports of finished steel have almost halved in the past 6 months as consumption dropped across major markets, but the FTAs signed with different countries, combined with the supply chain diverting away from China should help abate this. For December 2022, the gross export of plain gold jewelry grew 21.31% YoY. India's tea exports to G20 nations in 2023 seem promising. India is also likely to shift restrictions on rice exports considering domestic rice prices are stabilizing now.

KRBL: KRBL export revenues for December were up 76% YoY (+148% MoM) to INR 98,72,14,396 and down 11% YoY for Q3FY23 (-85% QoQ) to INR 2,48,39,05,223. Volumes were up 34% YoY (+57% MoM) in December to 2,36,526 units, and down 5% YoY for Q3FY23 to 5,82,106 units (-34% QoQ). Most of the exports are to Saudi Arabia, UAE, Australia, China, and the USA. The commodity is Indian basmati white rice. As one of the largest basmati rice exporters from India, the company continues to partake in rice exports play since the government imposed duties on exports of different types of rice except for basmati rice, in an effort to keep domestic supplies high and prices low. However, rice prices continue to rise in December. Demand from countries like Iran, Saudi Arabia, Iraq, UAE, Kuwait, Iraq, the UK, Yemen Republic, the USA, Canada, and Oman remains high. Developing countries have been receiving government aid which has led to an increase in demand for higher-quality rice. Other players in the global space like Pakistan and Vietnam have also been consistently hiking the prices of their rice exports and India is also following suit.

LT Foods: LT Foods export revenues for December were up 5% YoY (+19% MoM) to INR 1,29,42,96,528 and down 17% YoY for Q3FY23 (-35% QoQ) to INR 3,23,11,22,495. Volumes were down 79% YoY (+89% MoM) in December to 88,335 units, and down 73% YoY for Q3FY23 to 3,51,343 units (-22% QoQ). Most of the exports are to Australia, China, the USA, UAE, and Canada. The most exported commodity is Indian Basmati white rice. LT Foods has benefitted on the export side for many of the same reasons as KRBL did.

GRM Overseas: GRM Overseas export revenues for December were down 29% YoY (+66% MoM) to INR 1,37,47,84,059 and down 11% YoY for Q3FY23 (+26% QoQ) to INR 2,55,84,73,352. Volumes were down 96% YoY (+92% MoM) in December to 23,451 units, and down 97% YoY for Q3FY23 to 40,835 units (-96% QoQ). Most of the exports are to Iran, Iraq, Yemen, Turkey, and Nepal. The most exported commodity is Indian Basmati white rice. GRM Overseas has benefitted on the export side for many of the same reasons as KRBL & LT Foods did.

Raymond: Raymond's export revenues for December were up 71% YoY (+21% MoM) to INR 17,25,65,253 and down 54% YoY for Q3FY23 (+13% QoQ) to INR 51,78,99,667. Volumes were up 53% YoY (+20% MoM) in December to 4,98,316 units, and down 7% YoY for Q3FY23 to 9,81,034 units (-31% QoQ). Most of the exports are to Bangladesh, UAE, Saudi Arabia, Oman, and Ethiopia. The major commodities exported are mixes of man-made fibers, animal fibers, and polyester fibers. The company is looking to grow its share of dollar-denominated exports. The China+1 strategy also continues to play out in the company's favor. Additionally, Raymond is adding new lines for exports. Their garments business order book is well set for the next few months.

Sakuma Exports: Sakuma Exports revenues for December were up 41% YoY (+110% MoM) to INR 1,82,82,77,980 and down 28% YoY for Q3FY23 (+124% QoQ) to INR 3,13,04,59,381. Volumes were up 152% YoY (+30% MoM) in December to 2,90,821 units, and up 133% YoY for Q3FY23 to 5,14,950 units (+1330% QoQ). Most of the exports are to UAE, Djibouti, Indonesia, Tanzania, and Ethiopia. The major commodity exported is cane sugar, followed by beet sugar and rice. During the year, India became the 2nd largest exporter of sugar in the world. This was from excess stock which had previously caused blockages of funds and affected the liquidity of sugar mills.

Abhishek Jain
abhishek.jain@arihantcapital.com
022-422548871

Anushka Chitnis
anushka.chitnis@arihantcapital.com

Granules India: Granules India revenues for December were up 58% YoY (+98% MoM) to INR 5,13,36,87,189 and up 20% YoY for Q3FY23 (+13% QoQ) to INR 9,76,26,43,375. Volumes were up 71% YoY (+55% MoM) in December to 2,05,88,60,348 units, and up 20% YoY for Q3FY23 to units 4,40,14,27,953 (+15% QoQ). The major countries it exports to are US, Ireland, France, Canada, and Germany. The Major Exported Commodities were Acetaminophen and Paracetamol. The company launched Paracetamol in Europe in Q3FY23 and is seeing it start to ramp up now.

Caplin Point Labs: Caplin Point Labs revenues for December were up 24% YoY (+20% MoM) to INR 59,23,38,519 and up 15% YoY for Q3FY23 (-2% QoQ) to INR 1,52,78,17,009. Volumes were up 32% YoY (+24% MoM) in December to 19,64,10,996 units, and up 22% YoY for Q3FY23 to 50,83,85,029 units (+4% QoQ). The major countries it exports to are Guatemala, El Salvador, Nicaragua, Ecuador, and the Dominican Republic. The major exported commodity is Ibuprofen. Caplin derives its entire revenues through exports with 90% of revenues from Emerging Markets (LatAm + RoW) where it has an end-to-end business model. The company is displaying steady growth across LATAM markets and is also growing its footprint across other geographies. Caplin is developing an oncological oral solid dosages facility (INR 130 crore) in Tamil Nadu, which will include injectables as well, aimed at these markets. The sterile product basket developed for US business will be introduced across other regions as well.

Gufic Biosciences: Gufic Biosciences revenues for December were up 833% YoY (+193% MoM) to INR 33,40,63,437 and up 285% YoY for Q3FY23 (+79% QoQ) to INR 49,73,32,220. Volumes were up 2544% YoY (+208% MoM) in December to 19,50,253 units, and up 899% YoY for Q3FY23 to 5,14,950 units (+514% QoQ). The major countries it exports to are Nigeria, Sri Lanka, Turkey, Kenya, and Cuba. The major exported commodities are Amphizone, Caspofungin Acetate, and Gufisome. They are one of the largest manufacturers of Lyophilized injections in India and have launched an injection called 'Zarbot' (Botulinum Toxin Type A). Export growth was led by Botox treatments and other antibiotics.

Markson's Pharmaceuticals: Marksans Pharmaceutical's export revenues for December were up 11% YoY (+19% MoM) to INR 55,76,66,780 and down 0.26% YoY for Q3FY23 (+52% QoQ) to INR 1,49,89,40,865. Volumes were up 40% YoY (+41% MoM) in December to 6,61,27,566 units, and up 27% YoY for Q3FY23 to 16,29,63,147 units (-0.28% QoQ). The major countries it exports to are the USA, UK, Iraq, Australia, and Myanmar. The major exported commodities are Ibuprofen and Paracetamol. Marksans has entered into an agreement with Israeli drug maker Teva's manufacturing site in Goa on a slump sale basis. There has been significant growth in the soft gel product category in the US, Australian, and UK markets.

Aurobindo Pharma: Aurobindo Pharma export revenues for December were up 56% YoY (+28% MoM) to INR 6,17,03,25,179 and up 24% YoY for Q3FY23 (-11% QoQ) to INR 15,55,05,28,653. Volumes were up 152% YoY (+21% MoM) in December to 1,98,04,77,724 units, and up 81% YoY for Q3FY23 to 5,01,36,14,073 units (+43% QoQ). The major countries it exports to are US, Malta, Canada, UK, and France. The major exported commodities are Semi-Synthetic Penicillin, along with therapeutics in neurosciences, cardiovascular, anti-retroviral, anti-diabetics, gastroenterology, and some other antibiotics. During December, there were a few developments in the company: they attained USFDA approval for a multiple sclerosis treatment drug (Dimethyl Fumarate capsules- 120 & 240 mg), and for Amphotericin B Liposome injection, which is used for treating fungal infections. Besides, the company's subsidiary Acrotech Biopharma entered into a license agreement with global biopharmaceutical company Evive Biotech to commercialize Ryzneuta (used to treat Chemotherapy-Induced Neutropenia) in the United States.

Sun Pharmaceuticals: Sun Pharmaceuticals revenues for December were up 38% YoY (+9% MoM) to INR 9,40,13,51,856 and up 37% YoY for Q3FY23 (+18% QoQ) to INR 25,71,00,03,552. Volumes were down 46% YoY (-13% MoM) in December to 21,97,31,198 units, and down 17% YoY for Q3FY23 to units 63,82,59,145 (+17% QoQ). The major countries it exports to are Belgium, the US, Brazil, Nepal, and South Africa. One of the major export commodities is Metformin.

Neuland Laboratories: Neuland Laboratories revenues for December were up 31% YoY (+108% MoM) to INR 86,09,12,975 and up 6% YoY for Q3FY23 (-37% QoQ) to INR 1,40,32,99,711. Volumes were up 37% YoY (+136% MoM) in December to 30,961 units, and down 14% YoY for Q3FY23 to units 48,999 (-29% QoQ). The major countries it exports to are Turkey, the US, South Korea, Brazil, and Spain. The major export commodity is Donepezil.

Exports update – December 2022 & Q3FY23

Non- Pharma & Chemical

Sno	Company	Value					Volume				
		Dec (MoM)	Dec (YoY)	Q3FY23 (YoY)	Q3FY23 (QoQ)	Q3FY23 Export revenue as a % of Q3FY22 Sales	Dec (MoM)	Dec (YoY)	Q3FY23 (YoY)	Q3FY23 (QoQ)	
1	Alok Industries	-11%	169%	-51%	-40%	7%	-32%	-53%	-41%	-41%	
2	Welspun India	-96%	-100%	-100%	-99%	0%	2350%	-100%	-100%	-100%	
3	Indo Count Industries	41%	-27%	-28%	-23%	63%	40%	-4%	-8%	2%	
4	Balkrishna Industries	31%	3%	-7%	-5%	74%	32%	3%	-7%	-6%	
5	Gokaldas Exports	13%	-25%	-16%	-10%	80%	47%	-8%	-22%	-6%	
6	Liberty Shoes	27%	-43%	-40%	-66%	4%	133%	-13%	-40%	-51%	
7	Mirza International	3%	-18%	-25%	-39%	16%	-63%	-45%	-4%	-14%	
8	Gujarat Ambuja Exports	3%	28%	-20%	21%	25%	-2%	11%	-56%	-5%	
9	KRBL	148%	76%	-11%	-85%	22%	57%	34%	-5%	-34%	
10	Sakuma Exports	43%	41%	-28%	124%	47%	30%	152%	133%	1330%	
11	Kitex Garments	110%	-81%	-76%	-61%	21%	75%	-83%	-68%	-50%	
12	Reliance Chemotex	2%	-34%	-32%	-10%	49%	0%	-34%	-35%	8%	
13	ITC	-17%	-66%	-48%	30%	9%	6%	-33%	-18%	-23%	
14	Rane Brake	-35%	-8%	14%	74%	5%	-42%	-43%	-46%	-28%	
15	Varroc Engineering	16%	-23%	-69%	20%	4%	9%	-33%	-13%	21%	
16	Motherson Sumi	37%	35%	22%	0%	25%	-18%	46%	47%	12%	
17	Talbros Engineering	-32%	-55%	-39%	7%	14%	-17%	-52%	-53%	11%	
18	Lumax Auto Tech	90%	507%	19%	39%	1%	-17%	8%	-27%	26%	
19	Sansera	42%	-9%	-9%	-30%	19%	47%	-13%	-10%	-4%	
20	LT Foods	19%	5%	17%	-35%	24%	83%	-79%	-73%	-22%	
21	Raymond	21%	71%	54%	13%	3%	20%	53%	-7%	-31%	
22	Tega Industries	107%	-49%	-51%	-28%	32%	23%	-81%	-52%	-66%	
23	India Glycols	14%	-20%	-34%	-3%	14%	0%	-37%	-49%	0%	
24	S P Apparel	1%	3%	-9%	-12%	78%	1%	9%	-11%	-16%	
25	GRM Overseas	66%	-29%	-11%	26%	89%	92%	-96%	-97%	-96%	

Source: EXIM, Aриhant Capital Research

Pharma & Chemicals

Sno	Company	Value					Volume				
		Dec (MoM)	Dec (YoY)	Q3FY23 (YoY)	Q3FY23 (QoQ)	Q3FY23 Export revenue as a % of Q3FY22 Sales	Dec (MoM)	Dec (YoY)	Q3FY23 (YoY)	Q3FY23 (QoQ)	
1	Vishnu Chemicals	8%	-25%	5%	-26%	44%	4%	-37%	-20%	-28%	
2	Wockhardt	92%	-24%	-87%	27%	9%	2695%	193%	-36%	-16%	
3	NATCO Pharma	43%	-12%	1%	41%	27%	92%	113%	110%	49%	
4	Aurobindo Pharma	28%	56%	24%	-11%	26%	21%	152%	81%	43%	
5	Cadila Healthcare (Zydus Lifesciences)	76%	-11%	-26%	-24%	31%	56%	12%	2%	-2%	
6	Glenmark Pharmaceuticals	22%	-26%	-20%	4%	29%	13%	-21%	26%	-8%	
7	Ajanta Pharma	23%	-59%	-55%	-32%	31%	-11%	-41%	-29%	-24%	
8	Cipla	122%	-100%	-100%	-29%	20%	18%	-13%	-14%	-18%	
9	Biocon	125%	-72%	-69%	-63%	4%	106%	-98%	-99%	-47%	
10	Lupin	49%	-50%	-35%	17%	23%	-3%	11%	30%	173%	
11	IOL Chemicals	-42%	-63%	-38%	-25%	16%	-41%	-61%	-45%	-35%	
12	Torrent Pharmaceuticals	26%	-27%	-26%	-16%	18%	214%	161%	51%	-10%	
13	Neuland Laboratories	108%	31%	6%	-37%	59%	136%	37%	-14%	-29%	
14	IPCA Laboratories	38%	-1%	-18%	-8%	36%	89%	5%	-8%	-11%	
15	Granules India	98%	58%	20%	13%	31%	55%	71%	20%	15%	
16	Dr Reddy's Laboratories	55%	-28%	-35%	-11%	32%	11%	19%	16%	37%	
17	Sun Pharmaceuticals Industries	9%	38%	37%	18%	26%	-13%	-46%	-17%	17%	
18	Abbott India	-7%	-11%	18%	28%	2%	46%	-44%	-34%	-6%	
19	Marksans Pharma	19%	11%	0%	52%	41%	41%	40%	27%	0%	
20	Caplin Point Laboratories	20%	24%	15%	-2%	47%	24%	32%	22%	4%	
21	Divis Laboratories	0%	-97%	-93%	-81%	12%	0%	-98%	-81%	-64%	
22	Aarti Drugs	19%	6%	4%	70%	36%	13%	1%	7%	1%	
23	Alkem Laboratories	7%	-7%	-22%	2%	15%	30%	118%	32%	68%	
24	Gufic Biosciences	193%	833%	285%	79%	29%	208%	2544%	889%	514%	

Source: EXIM, Aриhant Capital Research

Prices of Key Drugs

Granules	Unit Price/ NOS			YoY	QoQ
	Dec'22	Dec'21	Sept'22		
Paracetamol	\$0.007	\$0.011	\$0.009	-36%	-22%
Ibuprofen	\$0.024	\$0.027	\$0.021	-11%	14%
Guaifenesin	\$0.024	\$0.024	\$0.024	0%	0%
Metformin	\$0.012	\$0.013	\$0.012	-8%	0%
Molnupiravir	-	-	-	-	-
Methocarbamol	\$0.021	\$0.023	\$0.021	-9%	0%
Oseltamivir	\$0.189	\$0.195	\$0.200	-3%	-6%

Source: EXIM, Arihant Capital Research

Marksans pharma	Unit Price/ NOS			YoY	QoQ
	Dec'22	Dec'21	Sept'22		
Paracetamol	\$0.353	\$0.158	\$0.252	123%	40%
Ibuprofen	\$3.259	\$3.582	\$6.358	-9%	-49%
Guaifenesin	\$0.524	-	-	-	-
Metformin	\$2.369	\$2.153	\$2.359	10%	0%
Molnupiravir	-	-	-	-	-
Methocarbamol	-	-	-	-	-
Oseltamivir	-	-	-	-	-

Source: EXIM, Arihant Capital Research

Sun Pharmaceuticals	Unit Price/ NOS			YoY	QoQ
	Dec'22	Dec'21	Sept'22		
Paracetamol	\$0.746	\$1.338	\$1.338	-44%	-44%
Ibuprofen	-	\$0.879	-	-	-
Guaifenesin	-	-	-	-	-
Metformin	\$2.958	\$3.311	\$2.976	-11%	-1%
Molnupiravir	-	-	-	-	-
Methocarbamol	-	-	-	-	-
Oseltamivir	-	-	-	-	-

Source: EXIM, Arihant Capital Research

Caplin Point Labs	Unit Price/ NOS			YoY	QoQ
	Dec'22	Dec'21	Sept'22		
Paracetamol	\$0.031	\$0.021	-	48%	-
Ibuprofen	\$0.025	\$0.029	\$0.026	-14%	-4%
Guaifenesin	-	-	-	-	-
Metformin	\$0.019	\$0.018	\$0.020	6%	-5%
Molnupiravir	-	-	-	-	-
Methocarbamol	\$0.024	\$0.026	\$0.024	-8%	0%
Oseltamivir	-	-	-	-	-

Source: EXIM, Arihant Capital Research

Aurobindo Pharma	Unit Price/ NOS			YoY	QoQ
	Dec'22	Dec'21	Sept'22		
Paracetamol	\$0.024	\$0.022	\$0.020	9%	20%
Ibuprofen	\$0.017	\$0.018	\$0.017	-6%	0%
Guaifenesin	-	-	-	-	-
Metformin	\$0.010	\$0.011	\$0.012	-9%	-17%
Molnupiravir	\$0.272	\$0.539	\$0.272	-50%	0%
Methocarbamol	-	-	-	-	-
Oseltamivir	-	-	-	-	-

Source: EXIM, Arihant Capital Research

Arihant Research Desk

Email: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 st Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800 Fax: (91-22) 42254880	Arihant House E-5 Ratlam Kothi Indore - 452003, (M.P.) Tel: (91-731) 3016100 Fax: (91-731) 3016199

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	www.arihantcapital.com	instresearch@arihantcapital.com

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Arihant Capital Markets Ltd.
1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800 Fax. 022-42254880