



IPO Note

RUBICON RESEARCH LIMITED

Oct 09th, 2025



Oct 09th, 2025**Details of the Issue**

Price Band	₹ 461 - ₹ 485
Issue Size	₹ 1,377 Cr
Face Value	₹ 1
Bid Lot	30
Listing on	BSE,NSE
Post Issue Mcap	₹ 7,990 Cr
Investment Range	₹ 13,830 - ₹ 14,550

Important Indicative Dates (2025)

Opening	09 - Oct
Closing	13 - Oct
Basis of Allotment	14 - Oct
Refund Initiation	15 - Oct
Credit to Demat	15 - Oct
Listing Date	16 - Oct

Lead Manager

SBI Capital Market Ltd
Axis Capital Ltd
IIFL Capital Services Ltd
JM Financial Ltd

Offer Details

Offer Size	₹ 1,377.50 Cr
Fresh Issue	₹ 500 Cr
OFS	₹ 877.50 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	1,033	21.30	22.41	75
NII	207	4.26	4.48	15
Retail	138	2.84	2.99	10
Em- ploy.	-	-	-	-
Total	1,378	28.40	29.88	100

Invest Now**Company Profile**

Rubicon Research Ltd. is a pharmaceutical formulations company focused on innovation-driven research and development. The company's expanding portfolio includes specialty and drug-device combination products catering primarily to regulated markets, with a strong focus on the United States. Collectively, Rubicon and its subsidiaries hold 72 active ANDAs, nine active NDAs, and one OTC monograph listed with the US FDA. Its key therapeutic segments span Analgesics/Pain Management, Cardiovascular (CVS), Central Nervous System (CNS), Hypokalemia, Skeletal Muscle Relaxants, Nicotine Replacement Therapy (NRT), Gastrointestinal, Metabolic, and Immunosuppressant categories.

GEPL's Insights & Investment Thesis:

- Rubicon Research Ltd. holds a strong presence in the US market, which accounts for 98% of its revenue. The company commands over 25% market share in nine of its products, demonstrating deep market penetration. Its portfolio primarily comprises non-branded products in the US, which are currently exempt from the full 100% tariffs imposed by the United States. However, the company still faces uncertainty regarding tariffs on non-branded products
- Rubicon manages a portfolio of over 350 SKUs across 96 customers, including the top three U.S. wholesalers that together account for 90% of U.S. distribution. Backed by its Indian manufacturing facilities and three U.S.-based warehouses, the company ensures cost-efficient and timely delivery.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a P/E ratio of 60x. We believe that the company has a strong presence in the United States with a command on distributorship, has a large portfolio of products catering different customers, and reducing its debt levels which should benefit profitability by decrease in finance income. Therefore, we recommend a "Subscribe" rating for the issue.

Business Highlights & Services

Rubicon Research Limited is uniquely positioned as the only listed Indian pharmaceutical company focused entirely on regulated markets, with the US contributing over 98% of revenues in Fiscals 2023-2025. Between Fiscals 2023 and 2025, the company delivered a CAGR of 75.9%, the fastest among its peers, driven by an established portfolio of 66 commercialized US products, including 9 with over 25% market share by value in Fiscal 2025. Despite competition from larger, integrated players, Rubicon has consistently expanded its market presence and maintains a strong growth pipeline with 17 products under US FDA ANDA review and a ranking among the top 12 Indian companies in total ANDA approvals. Its strong US-focused revenue base, high growth trajectory, expanding market share, and robust product pipeline make it a compelling investment opportunity in the regulated pharmaceutical segment.

Rubicon Research Limited is a high-growth, US-focused pharmaceutical company with a robust, data driven product selection framework that emphasizes ROI, first-mover advantages, and low-competition specialty opportunities. The company leverages its formulation, development, and commercialization capabilities to consistently identify commercially viable products, maintaining a commercialization rate of 86.4% of active FDA-approved products. Its portfolio includes 72 ANDAs and 9 NDAs, with 70 commercialized products, including 16 specialty products and drug-device combinations, highlighting its focus on high-value, differentiated offerings.



Rubicon's R&D capabilities are a core strength, with 170 scientists across India and Canada, operating US FDA-inspected facilities for general, sterile, potent, nasal, and inhalation products. The company has developed nine proprietary drug delivery technologies, supported by 10 patents, enabling the creation of specialty products with higher margins. Its focus on specialty and complex generics has insulated it from price erosion, with average per-unit price growth of 8% between FY2022-2025, despite a 5.2% industry-wide decline.

The company's commercial and distribution infrastructure in the US through its wholly-owned subsidiary, AdvaGen Pharma, and the acquisition of Validus—ensures direct engagement with major wholesalers, GPOs, pharmacy chains, and prescribers across 49 states. This platform supports both non-branded and branded products, enabling rapid market entry and expansion. Rubicon's strategy of leveraging early-mover advantages, proprietary technologies, and strong US distribution networks positions it for sustainable revenue growth, high margins, and continued market share gains in the competitive US generics and specialty pharmaceuticals market.

The company demonstrates a strong growth trajectory, driven by a focused strategy on specialty, complex, and low-competition products that address meaningful unmet patient needs. By prioritizing first- or second-entry opportunities, the company targets higher-margin specialty products, leveraging differentiated features to command pricing premiums over substitutable generics. With 17 products under US FDA ANDA review and 63 candidates in various development stages, the company maintains a robust pipeline across CNS and CVS therapy areas, including complex drug-device combination nasal sprays an area with limited competition, where the company has already secured US FDA approvals. This positions the firm to benefit from niche, high-value segments with superior margins and sustainable competitive advantage.

The company combines scientific and technical expertise with rigorous market validation, assessing prescriber feedback, patient demographics, competitive dynamics, and unit economics, ensuring ROI driven product selection. Generic products are pursued with cost-optimized formulations and scalable manufacturing, enabling market share expansion while maintaining profitability. Geographically, the company is strategically aligned to capture opportunities in the US the largest prescription pharmaceuticals market while leveraging regulatory approvals and manufacturing capabilities to expand into other regulated markets, including the UK, Canada, Australia, and South Africa. The growing US market and upcoming patent expiries in CNS and CVS segments provide a clear growth runway. The company's commercial strategy, including branded product promotion via Validus and multi-channel marketing, combined with contract manufacturing for select international markets, underpins revenue diversification and margin expansion. Accredited facilities, centralized manufacturing, and operational efficiency further strengthen cost leadership and global scalability.

The company's business model extends beyond in-house products to include third-party product sales, co-development, and commercialization partnerships, enhancing revenue diversification and market reach. While third-party products currently contribute a modest 3-5% of revenues, these selections are strategically aligned with customer needs, competitive advantages, and existing sales channels, reflecting a disciplined approach to portfolio expansion. The company's robust product development and regulatory expertise, combined with large-scale manufacturing and marketing capabilities, position it as a preferred partner for early-stage and pre-clinical companies. Through co-development agreements, the company shares development costs, secures milestone-based payments, and participates in profit-sharing arrangements, while either owning or licensing intellectual property and leading regulatory filings. As of June 30, 2025, the company has one approved product and three products under US FDA filing in such collaborations, demonstrating a clear pathway for incremental growth and margin expansion. The company maintains three operational manufacturing facilities, with plans to expand strategically, either organically or via acquisitions, in India. These facilities, complemented by regulatory approvals and aligned capabilities, enable scalable production, cost efficiencies, and enhanced profitability for both proprietary and co-developed products.

Sales of Branded vs Non Branded Breakup

Particular	March FY25		FY25		FY24		FY23	
	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue
Sales of branded product	17	4.95	46	3.65	6	0.67	-	0
Sales of Non-branded product	329	95.05	1,216	96.35	834	99.33	376	100
Total	346	100	1,262	100	840	100	376	100



Therapy wise Revenue breakup

Particular	March FY25		FY25		FY24		FY23	
	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue
Analgesics / Pain Management	85	24.6	357	28.3	283	33.6	104.9	27.9
CVS	66.5	19.2	244	19.3	211	25.2	120.8	32.1
CNS	96.1	27.8	293	23.2	136	16.2	29	7.7
Hypokalemia	25.8	7.4	118	9.4	49	5.8	2.1	0.5
Skeletal Muscle Relaxants	12.5	3.6	59	4.6	42	5	25.8	6.9
NRT	1.3	0.4	24	1.9	34	4	60.9	16.2
Gastrointestinal	1.8	0.5	11	0.9	16	1.9	4.4	1.2
Metabolic	17.1	4.9	55	4.3	13	1.5	-	-
Immunosuppressant	16.2	4.7	48	3.8	12	1.4	-	-
Others	23.7	6.9	53	4.2	45	5.4	28.4	7.6
Total	346	100	1262	100	840	100	376.4	100

Market Share Details

Particular	June FY25		FY25		FY24		FY23	
	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue	Amount (in Cr)	% of revenue
USA	344	99.5	1,247	98.8	820	97.6	358	95
India	1	0.3	10	0.8	11	1.3	11	2.8
Others	0.40	0.1	6	0.5	9	1.1	8	2.2
Total	346	100	1,262	100	840	100	376	100

Industry Outlook

Exhibit 3.1: US Pharma Market, FY20-FY30F

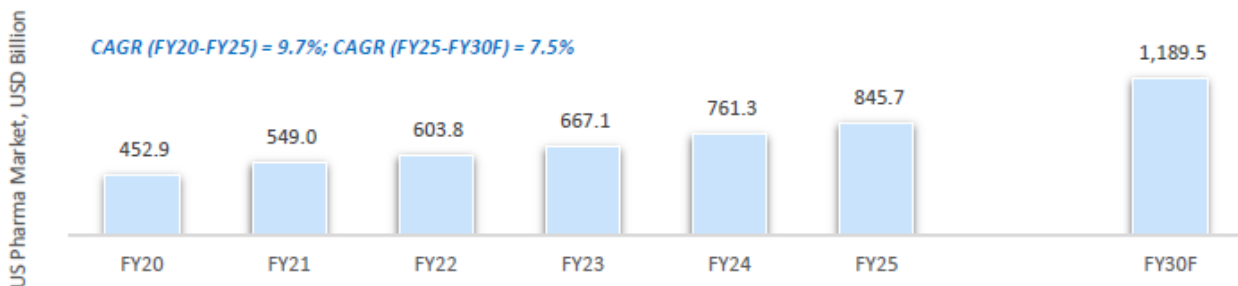


Exhibit 3.13A: US Pharma Market by Formulation, FY20-FY30F (USD Billion)

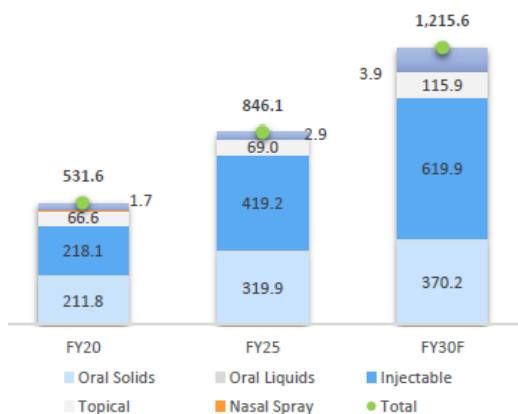
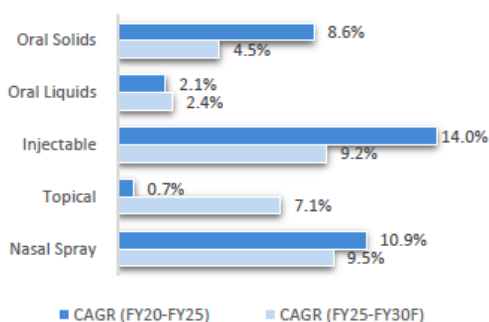


Exhibit 3.13B: Growth Rate of US Pharma Market by Formulation, FY20-FY30F





Peers Comparisons

Name of the company	Face Value (₹)	Total Revenue (In Cr)	EPS	P/E (x)	NAV (In INR)	RoNW(%)
Rubicon Research Ltd	1	1,284	8.63	NA	35.53	29.02
Peers Group						
Sun Pharmaceutical Industries Ltd	1	52,578	45.60	34.98	301	16.16
Aurobindo Pharma Ltd	1	31,724	59.81	18.12	560	11.15
Zydus Lifesciences Ltd	1	23,242	44.97	21.83	238	21.34
Stride Pharma Sciences Ltd	10	4,565	44.05	18.72	277	17.51
Dr Reddy Laboratories Ltd	1	32,644	67.79	18.05	403	18.53
Alembic Pharmaceuticals Ltd	2	6,672	29.63	30.33	264	11.63
Lupin Ltd	2	22,708	71.95	26.64	377	21

Company's Competitive Strength

- It's the fastest growing Indian pharmaceutical company amongst the peers and the only Indian company focused completely on the US market.
- The data-driven product selection framework has allowed them to build a product portfolio with a combination of new and specialty products allowing them to withstand pricing pressures.
- It's R&D capabilities and continuing investment allow them 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.

Key Strategies Implemented by Company

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

Particular (INR in Cr)	Q1 FY26	FY25	FY24	FY23
Equity Capital	15	15	15	5
Reserves and Surplus	578	510	370	281
Net Worth	594	526	385	286
Revenue	352	1,284	854	394
Growth (%)		50%	117%	
EBITDA	75	256	155	18
EBITDAM (%)	21%	20%	18%	5%
PAT	43	134	91	-17
PATM (%)	12.3%	10.5%	10.7%	-4.3%
ROCE (%)	6.80%	26.45%	18.62%	1.35%



Notes

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