Rubicon Research Limited

08th October, 2025

IPO Details

IPO Date	October 9, 2025 to October 13, 2025
Face Value	₹1 per share
Price Band	₹461 to ₹485 per share
Lot Size	30 Shares
Sale Type	Fresh Capital-cum-Offer for Sale
Total Issue Size	2,84,02,040 shares (aggregating up to ₹1,377.50 Cr)
Fresh Issue	1,03,09,278 shares (aggregating up to ₹500.00 Cr)
Offer for Sale	1,80,92,762 shares of ₹1 (aggregating up to ₹877.50 Cr)
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	15,44,37,251 shares
Share Holding Post Issue	16,47,46,529 shares
QIB Shares Offered	Not less than 75% of the Net Offer
Retail Shares Offered	Not more than 10% of the Net Offer
NII (HNI) Shares Offered	Not more than 15% of the Net Offer
Retail (Min & Max) shares	30 Shares & 390 shares
Retail (Min & Max) application amount	₹14,550 & ₹1,89,150
S-HNI (Min shares & application amount)	420 shares & ₹2,03,700
S-HNI (Max shares & application amount)	2,040 shares & ₹9,89,400
B-HNI (Min shares & application amount)	2,070 shares & ₹10,03,950
Basis of Allotment	Tue, Oct 14, 2025
Initiation of Refunds	Wed, Oct 15, 2025
Credit of Shares to Demat	Wed, Oct 15, 2025
Listing Date	Thu, Oct 16, 2025
Cut-off time for UPI mandate confirmation	5 PM on Mon, Oct 13, 2025
Promoters	General Atlantic Singapore RR Pte. Ltd., Pratibha Pilgaonkar, Sudhir Dhirendra Pilgaonkar, Parag Suganchand Sancheti, Surabhi Parag Sancheti and Sumant Sudhir Pilgaonkar.
Registrar	MUFG Intime India Pvt.Ltd.

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link https://ipo.adroitfinancial.com/ for any kind of assistance please contact to their helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile

Rubicon Research Limited is a pharmaceutical company that focuses on innovative research and development (R&D) to create various drug formulations, specifically specialty products and drug-device combinations. The company began in May 1999, after setting up a pharmaceutical research laboratory. Based in Thane, Maharashtra, India, Rubicon aims its products primarily at regulated markets, particularly the US, using manufacturing facilities located in India, such as those in Ambernath and Satara. Distribution in the US is handled partly through its wholly-owned subsidiaries, including AdvaGen Pharma Ltd. and Validus Pharmaceuticals LLC. Furthermore, Rubicon is a significant player in the US generic market for certain drugs, ranking highly in volume shares for products like Baclofen (35.3% share in the regular tablet segment in FY25) and Carbidopa-Levodopa (18.7% share in the regular tablet segment in FY25). The company's portfolio includes 66 Commercialized Products as of March 31, 2025, with a US generic pharmaceutical market size of USD 2,455.7 million, of which the Company contributed USD 195 million in FY25. These products are being marketed and are available for purchase by customers in the US. According to F&S, in June 2025, they had a commercialization rate of 86.4% in the US market, with 70 Commercialized Products out of a total of 81 active ANDA and NDA US FDA approvals. A high commercialization rate allows them to better monetize their expenditure on development of products. As of Q1FY26, they have 17 new products awaiting US FDA ANDA approval and 63 product candidates in various stages of development.

Objects of the issue

- Funding inorganic growth through unidentified acquisitions and other strategic initiatives and General corporate purposes– Rs 190 Cr
- Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by the Company – Rs 310 Cr
- Offer for sale – Rs 877.5 Cr

Financial Details

Particulars (Amount in Crores)	31-Mar-25	31-Mar-24	31-Mar-23
Revenue from Operations	1,284.3	853.9	393.5
Other income	11.9	18.5	25.5
Total Income	1,296.2	872.4	419.0
Expenses			
- Cost of goods sold	453.6	247.9	151.0
- Purchase of traded goods	79.0	84.2	11.5
- Changes in inventories	(157.2)	(53.0)	(49.2)
- Employee benefit expenses	211.1	125.3	97.1
- Other expenses	441.9	294.9	164.7
EBITDA	**255.9**	**154.6**	**18.5**
EBITDA Margin (%)	**19.93%**	**18.10%**	**4.70%**
- Depreciation	36.6	39.0	36.1
- Finance Cost	36.8	31.3	19.0
Profit/(Loss) before tax	194.5	102.9	(11.0)
Tax expense/(credit)	60.2	11.8	5.8
Profit/(Loss) After Tax	**134.4**	**91.0**	**(16.9)**
PAT Margin (%)	**10.37%**	**10.43%**	**(4.03%)**
Basic EPS (in Rs.)	8.82	5.98	(1.11)

Key Metrics	Mar-25	Mar-24	Mar-23
EBITDA Pre R&D	4,003.61	2,803.18	1,148.23
R&D as % of Total Income	10.44%	12.73%	17.39%
Commercialised Products in US	66	55	28
Approved Products in US	77	69	45

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Competitive Strengths

- **Robust R&D Capabilities and Complex Product Focus:** The company has strong R&D capabilities with 170 scientists and spends nearly twice the industry average, supporting 81 US FDA-approved products with an 86.4% commercialization rate. It has developed nine proprietary drug delivery technologies backed by 10 global patents and is among 28 companies to receive US FDA approval for nasal sprays (2019–2024), reflecting its focus on innovation and specialty products.

- **Robust Distribution Network in the US:** The company has built a strong US distribution network through its subsidiaries AdvaGen Pharma (non-branded generics) and Validus Pharmaceuticals (branded products). It serves over 96 customers with 350+ SKUs, including the three major US wholesalers. Inventory is maintained at three 3PL facilities for fast delivery. In FY25, Rubicon held leading US market shares for key generics like Metoprolol Tartrate (37.3%) and Baclofen (35.3%).

- **Operational Excellence and Cost Effectiveness:** It operates cost-efficient manufacturing sites in India—Ambernath, Satara, and Pithampur—where production costs are 30-40% lower than in the US. The recent acquisition of the Pithampur facility enhances its capacity to produce high-potency drugs, including oncology and immunosuppressants, strengthening its position in developed markets.

- **Rubicon's data-driven product selection:** Enables it to build a balanced portfolio of new and specialty products, helping withstand pricing pressures in the US generics market. By targeting complex, low-competition drugs and leveraging its development and manufacturing strengths, the company achieves sustainable margins and early-mover advantages. While the US generics market saw a 5.2% price erosion between FY22 and FY25, Rubicon achieved 8.0% average per unit price growth, highlighting the effectiveness of its strategic portfolio approach.

Key Risk Factors

- **Extreme Reliance on the US Market:** The company derives nearly all of its revenue from the United States (US) market. Revenue from US operations amounted to 99.50% for the Q1FY26, and 98.49% for FY25. Any adverse developments in the United States, such as the imposition of tariffs, could have a material adverse effect on the business and results of operations.

- **Customer Dependency:** Rubicon is heavily reliant on a small number of buyers. For Q1FY26, 77.04% of revenue from the sale of goods was derived from its top five customers. The company is also subject to pricing demands and availability requirements from major US wholesalers, who distribute approximately 92% of prescription drugs in the US.

- **Product Concentration Risk:** A substantial portion of the company's revenue comes from a few key products. For Q1FY26, the top five products contributed 33.37% of revenue from operations, while the top ten products contributed 54.76%. Factors negatively affecting the sale of these particular products could adversely impact the business.

- **Reliance on Third-Party Suppliers:** Rubicon depends on third parties for the supply of raw materials (APIs, excipients, etc.) and for the manufacture of certain products. Discontinuation of production by these suppliers, failure to adhere to delivery schedules, or inability to maintain regulatory approvals could interrupt the supply chain and materially affect the business.

- **High Working Capital and Capital Expenditure Needs:** Operations are subject to high working capital and capital expenditure requirements. An inability to secure necessary financing or maintain an optimal level of working capital may adversely impact operations and cash flows.

Comparison with Listed Peers

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW (in %)	NAV (per Share)
Rubicon Research	N.A	1.00	59.46*	8.15**	8.15**	29.02%	35.53
Peers:							
Sun Pharmaceutical Industries	1657	1.00	34.60	45.60	45.60	16.16%	300.99
Aurobindo Pharma	1091	1.00	18.80	59.81	59.81	11.15%	560.22
Zydus Lifesciences	989	1.00	21.40	44.97	44.97	21.34%	238.05
Strides Pharma Science	831	10.00	20.40	44.05	44.05	17.51%	277.34
Dr. Reddy’s Laboratories	1246	1.00	18.30	67.89	67.79	18.53%	402.78
Alembic Pharmaceuticals	910	2.00	30.20	29.68	29.68	11.63%	264.09
Lupin	1937	2.00	24.00	71.95	71.69	21.00%	377.18

*P/E Ratio calculated based on upper band price.
** EPS calculated including fresh issue shares.

Summary

The US market held a commanding 46.9% share of the global prescription pharmaceutical market in 2024. The core prospect lies in the upcoming wave of patent expirations, representing a generic opportunity worth USD 94.8 billion for drugs expected to lose patent protection in the US between 2025 and 2029. Rubicon is strategically positioned within this space, targeting therapy areas like the Central Nervous System (CNS) and Cardiovascular System (CVS), which account for 14.7% and 12.2% of this patent cliff revenue, respectively. Additionally, the company seeks growth by expanding into complex formulations like nasal sprays, a segment projected to witness a CAGR of 8.3% between FY25 and FY30.

Rubicon Research is an Indian pharmaceutical company that was incorporated on May 6, 1999, and operates primarily as a pharmaceutical formulations company. Based in Thane, Maharashtra, India, the company is driven by focused research and development (R&D) to create an increasing portfolio of specialty products and drug-device combination products. Its business strategy is uniquely concentrated on regulated markets, particularly the United States, which accounted for 99.50% of its revenue from operations for the Q1FY25.

The company has demonstrated exceptional growth, reporting around 76% CAGR from FY23 to FY25, and plans to sustain momentum through both organic and inorganic initiatives. Having completed five capability-driven acquisitions, Rubicon continues to explore synergistic deals to strengthen its branded US business. With a steady record of 10–15 annual USFDA approvals and 17 products currently under review, management expects continued regulatory progress.

The company remains well-positioned against potential tariff risks and expects to leverage its unique market position and product exclusivity to maintain profitability, while focusing on expanding its US footprint and accelerating growth through innovation and strategic partnerships.

Therefore, it is recommended to **“Subscribe”** to the IPO for long-term investment, considering it’s valuation and growth potential.

DISCLAIMER

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