




Glenmark Pharmaceuticals Limited

ACCUMULATE

Sector: Pharmaceuticals

09th September, 2025

Key Changes		Target 	Rating 	Earnings 		Target	Rs. 2,306
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame	CMP	Rs. 2,053
Mid Cap	GNP:IN	80,787	GLENMARK	532296	12 Months	Return	+12%

Data as of: 08-September-2025 18:00 hrs

Company Data			
Market Cap (Rs.cr)			57,874
52 Week High — Low (Rs.)		2,286 - 1,275	
Enterprise Value (Rs. cr)			58,710
Outstanding Shares (cr)			28.2
Free Float (%)			53.2
Dividend Yield (%)			0.1
6m average volume (lakhs)			11.0
Beta			0.8
Face value (Rs.)			1.0
Shareholding (%)	Q3FY25	Q4FY25	Q1FY26
Promoters	46.6	46.7	46.7
FIIs	23.5	23.2	20.6
MFs/Institutions	13.9	14.6	17.6
Public	13.6	13.2	12.6
Others	2.5	2.4	2.5
Total	100.0	100.0	100.0
Promoter Pledge	Nil	Nil	Nil
Price Performance	3 Month	6 Month	1 Year
Absolute Return	29.0%	46.2%	20.5%
Absolute Sensex	-1.8%	8.9%	-0.6%
Relative Return	30.8%	37.3%	21.1%

*over or under performance to benchmark index



Y.E March (cr)	FY25A	FY26E	FY27E
Sales	13,322	15,320	17,316
Growth (%)	12.8	15.0	13.0
EBITDA	2,351	3,080	3,746
EBITDA Margin (%)	17.7	20.1	21.6
PAT Adjusted	1,420	2,210	2,442
Growth (%)	-242.3	55.7	10.5
Adjusted EPS	50.3	78.3	86.5
Growth (%)	-242.3	55.7	10.5
P/E	30.6	24.8	22.5
P/B	4.9	5.1	4.2
EV/EBITDA	18.8	18.1	14.8
ROE (%)	11.8	17.7	18.7
D/E	0.3	0.2	0.2

Focus sharpens on branded portfolio

Glenmark Pharmaceuticals Ltd, which has a presence in over 80 countries, focuses on the generics, specialty and over-the-counter (OTC) segments, with a strong presence in diabetes, cardiovascular and oral contraceptives.

- In Q1FY26, Glenmark's revenue grew 0.6% YoY to Rs. 3,264cr, supported by steady branded portfolios and consumer care growth. However, this was offset by weaker performance in North America and Europe.
- India revenue grew 3.7% YoY to Rs. 1,240cr, driven by cardiac, dermatology and respiratory segments, which was partly offset by tail-end brand discontinuation.
- Revenue of the European market declined 4.0% YoY to Rs. 668cr, led by slower generics demand though branded respiratory portfolio. New dermatology launches partly cushioned the decline.
- North American saw revenue decline of 0.4% YoY to Rs. 778cr, mainly due to pricing pressure in the US generics markets.
- EBITDA dropped 1.3% YoY to Rs. 581cr, while EBITDA margin contracted by 35bps YoY to 17.8%, due to increase in employee benefits and other expenses.
- Glenmark indicated EBITDA margins are expected to stabilize around 23% from Q3FY26 onwards, after near-term distortion from IGI-AbbVie deal accounting in Q2.

Outlook & Valuation

The company delivered a steady performance driven by strong traction in branded therapies, robust customer care momentum and continued leadership in respiratory and dermatology. Management highlighted progress in oncology launches, expansion of diabetes portfolio with innovative GLP-1 agonists and a growing global footprint through RYALTRIS® approval. In the US, injectable and repository filings are expected to drive medium-term growth, while Europe and emerging market are anticipated to gain from branded launches and portfolio scaling. Management guided for stronger momentum from Q3FY26, supported by portfolio premiumization, efficiency gains and innovation-led expansion. Therefore, **we maintain our ACCUMULATE rating on the stock with a target price of Rs. 2,306, based on 27x FY27E Adj. EPS.**

Quarterly Finance Consol.

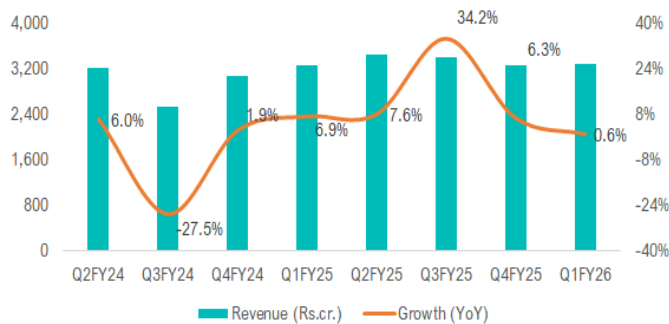
Rs.cr	Q1FY26	Q1FY25	YoY Growth (%)	Q4FY25	QoQ Growth (%)
Sales	3,264	3,244	0.6	3,256	0.3
EBITDA	581	588	-1.3	561	3.5
Margin (%)	17.8	18.1	-35bps	17.2	60bps
EBIT	451	470	-4.2	436	3.4
PBT	96	462	-79.3	8	n.m.
Rep. PAT	47	340	-86.2	4	n.m.
Adj PAT	370	340	8.8	377	-2.0
Adj. EPS (Rs)	13.1	12.1	8.8	13.4	-2.0



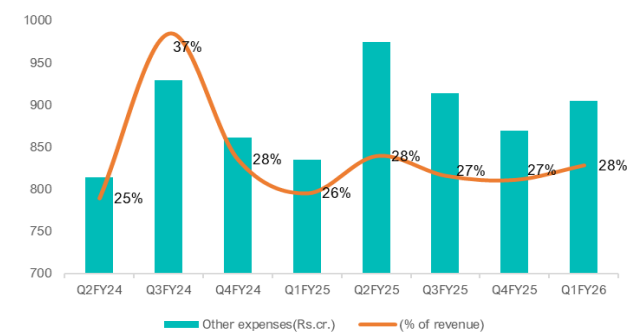
Key concall highlights

- Glenmark reiterated its strategy of becoming a branded, specialty-driven company, focusing on innovation, global partnership and specialty launches to sustain a compound annual growth rate of 10-15% in India.
- Glenmark strengthened its India portfolio with the launch of TEVIMBRA® and BRUKINSA® expanding oncology offering to address multiple solid tumors and hematological malignancies.
- Glenmark consumer care recorded ~20% YoY growth with leading dermatology OTC brands such as Candid, La Shield and Scalpe, supported by increasing self-care adoption among Indian consumers.
- Glenmark expects approval of generic respiratory abbreviated new drug applications in H2FY26, including key filings for gx Flovent®, to accelerate its US respiratory portfolio expansion.
- Management expects a double-digit growth in Europe from Q2FY26, driven by branded respiratory portfolio expansion and WINLEVI® launches across markets.
- Glenmark expects emerging markets to deliver double-digit constant-currency growth in FY26 with strong momentum from Russia, MEA and APAC regions.
- Management highlighted RYALTRIS® approval in over 90 countries and commercialization in more than 45 markets with 10-12 additional launches expected over coming quarters.

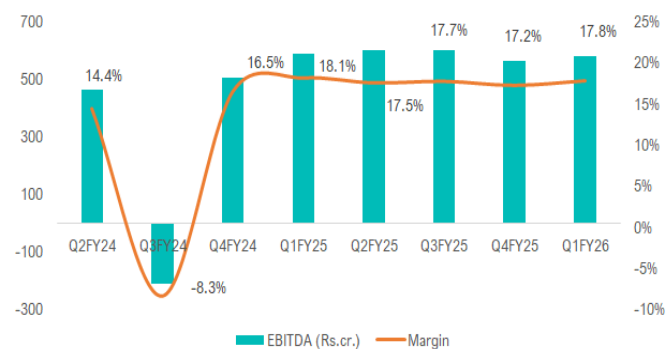
Revenue



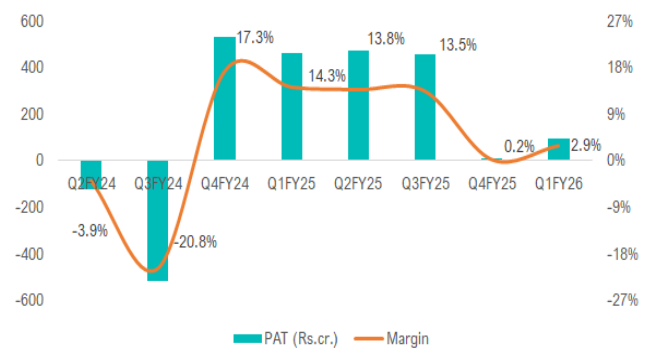
Other Expenses



EBITDA



PAT



Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	15,239	-	15,320	17,316	0.5	-
EBITDA	3,034	-	3,080	3,746	1.5	-
Margins (%)	19.9	-	20.1	21.6	20bps	-
Adj. PAT	1,797	-	2,210	2,442	23.0	-
EPS	63.7	-	78.3	86.5	23.0	-



Consolidated Financials

Profit & Loss

Y.E March (Rs. Cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Sales	11,583	11,813	13,322	15,320	17,316
% change	-5.9	2.0	12.8	15.0	13.0
EBITDA	1,635	1,195	2,351	3,080	3,746
% change	-29.5	-26.9	96.7	31.0	21.6
Depreciation	569	582	486	526	567
EBIT	1,066	613	1,865	2,554	3,179
Interest	349	516	207	215	222
Other Income	-477	-61	-259	177	300
PBT	240	36	1,399	2,516	3,256
% change	-83.4	-84.8	3734.0	79.8	29.4
Tax	329	1,867	352	629	814
Tax Rate (%)	137.3	5116.7	25.2	25.0	25.0
Reported PAT	-90	-1,831	1,047	1,887	2,442
PAT att. to common shareholders	-170	-1,899	1,047	1,887	2,442
Adj.*	766	901	373	323	-
Adj. PAT	596	-998	1,420	2,210	2,442
% change	-50.4	-267.4	-242.3	55.7	10.5
No. of shares (cr)	28.2	28.2	28.2	28.2	28.2
Adj EPS (Rs.)	21.1	-35.4	50.3	78.3	86.5
% change	-50.4	-267.4	-242.3	55.7	10.5
DPS (Rs.)	2.5	2.5	2.5	2.5	2.5

Cashflow

Y.E March	FY23A	FY24A	FY25A	FY26E	FY27E
Net inc. + Depn.	522	-1,200	1,533	2,413	3,010
Non-cash adj.	1,161	1,213	324	-651	-1,130
Other adjustments	-	-	-	-	-
Changes in W.C	-1,058	-279	-2,685	-527	-512
C.F. Operation	625	-265	-828	1,235	1,368
Capital exp.	-551	-896	-747	-869	-982
Change in inv.	-	5,450	733	-6	-6
Other invest.CF	22	8	16	-1	-1
C.F - Investment	-528	4,561	2	-877	-990
Issue of equity	-	1	-30	-	-
Issue/repay debt	523	-3,273	1,078	91	95
Dividends paid	-137	-118	-70	-71	-71
Other finance.CF	-464	-517	-191	-215	-222
C.F - Finance	-77	-3,906	787	-194	-197
Chg. in cash	19	389	-38	164	181
Closing Cash	1,160	1,659	1,705	1,869	2,050

Balance Sheet

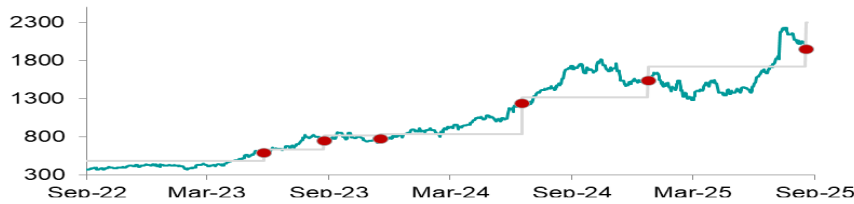
Y.E March (Rs. Cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Cash	1,160	1,659	1,705	1,869	2,050
Accts. Receivable	3,665	1,858	3,342	3,823	4,293
Inventories	2,374	2,513	3,029	3,612	4,173
Other Cur. Assets	3,526	1,397	1,220	1,692	2,349
Investments	261	989	300	306	312
Gross Fixed As-sets	6,909	5,437	6,184	7,053	8,035
Net Fixed Assets	2,913	2,919	3,076	3,409	3,813
CWIP	1,066	419	542	553	564
Intangible Assets	2,416	1,335	1,460	1,462	1,463
Def. Tax -Net	1,806	1,050	1,124	1,573	2,361
Other Assets	184	219	252	252	252
Total Assets	19,372	14,359	16,050	18,550	21,630
Current Liabilities	4,526	4,739	4,193	4,792	5,410
Provisions	-	-	-	-	-
Debt Funds	4,608	1,231	2,473	2,564	2,659
Other Liabilities	398	541	535	529	523
Equity Capital	28	28	28	28	28
Res. & Surplus	9,446	7,820	8,821	10,638	13,009
Shareholder Funds	9,474	7,848	8,849	10,666	13,038
Minority Interest	365	-	-	-	-
Total Liabilities	19,372	14,359	16,050	18,550	21,630
BVPS	336	278	314	378	462

Ratio

Y.E March	FY23A	FY24A	FY25A	FY26E	FY27E
Profitab. & Return					
EBITDA margin (%)	14.1	10.1	17.7	20.1	21.6
EBIT margin (%)	9.2	5.2	14.0	16.7	18.4
Net profit mgn.(%)	-1.5	-16.1	7.9	12.3	14.1
ROE (%)	-0.9	-23.3	11.8	17.7	18.7
ROCE (%)	7.4	6.8	16.5	19.3	20.3
W.C & Liquidity					
Receivables (days)	115.5	57.4	91.6	91.1	90.5
Inventory (days)	203.5	207.8	253.9	252.2	250.5
Payables (days)	171.5	209.7	216.3	217.7	218.3
Current ratio (x)	2.1	1.3	1.6	1.7	1.7
Quick ratio (x)	0.9	0.6	0.8	0.9	0.9
Turnover & Leverage					
Gross asset T.O (x)	1.8	1.9	2.3	2.3	2.3
Total asset T.O (x)	0.6	0.7	0.9	0.9	0.9
Int. covge. ratio (x)	3.1	1.2	9.0	11.9	14.3
Adj. debt/equity (x)	0.5	0.2	0.3	0.2	0.2
Valuation					
EV/Sales (x)	1.5	2.3	3.3	3.6	3.2
EV/EBITDA (x)	10.4	22.2	18.8	18.1	14.8
P/E (x)	22.0	n.m.	30.6	24.8	22.5
P/BV (x)	1.4	3.4	4.9	5.1	4.2



Recommendation Summary - (last 3 years)



Dates	Rating	Target
17-Nov-21	ACCUMULATE	575
07-Jun-22	BUY	485
26-May-23	HOLD	638
24-Aug-23	HOLD	815
17-Nov-23	HOLD	837
18-Jun-24	HOLD	1,319
24-Dec-24	ACCUMULATE	1,720
09-Sep-25	ACCUMULATE	2,306

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:

▲ Upgrade

● No Change

▼ Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

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Not rated/Neutral- The analyst has no investment opinion on the stock under review.

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