

# Torrent Pharmaceuticals Limited

**HOLD**

Sector: Pharmaceuticals

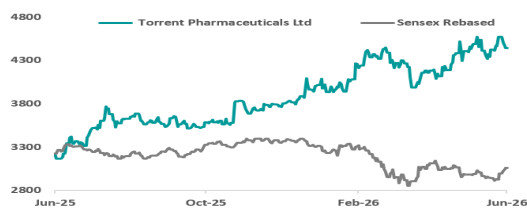
25<sup>th</sup> June, 2026

<b>Key Changes</b>	<b>Target</b> ▲	<b>Rating</b> ●	<b>Earnings</b> ▼	<b>Target</b>	<b>Rs. 4,898</b>
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame
Large Cap	TRP:IN	76,991	TORNTPHARM	500420	12 Months
				<b>CMP</b>	<b>Rs. 4,503</b>
				<b>Return</b>	<b>+9%</b>

Data as of: 24-Jun-2026, 18:00 hrs

Company Data			
Market Cap (Rs.cr)	1,52,573		
52 Week High — Low (Rs.)	4,715 - 3,170		
Enterprise Value (Rs. cr)	170,611		
Outstanding Shares (cr)	33.8		
Free Float (%)	29.9		
Dividend Yield (%)	0.8		
6m average volume (lacs)	3.4		
Beta	0.8		
Face value (Rs. )	5.0		
Shareholding (%)	Q2FY26	Q3FY26	Q4FY26
Promoters	68.3	68.3	68.3
FII's	15.9	16.1	16.2
MFs/Institutions	9.3	9.1	9.1
Public	4.3	4.2	4.2
Others	2.2	2.2	2.2
Total	100.0	100.0	100.0
Promoter Pledge	Nil	Nil	Nil
Price Performance	3 Month	6 Month	1 Year
Absolute Return	3.6%	18.2%	37.7%
Absolute Sensex	0.6%	-8.7%	-5.3%
Relative Return	3.0%	26.8%	42.9%

## \*over or under performance to benchmark index



Y.E March (cr)	FY26A	FY27E	FY28E
Sales	13,980	18,454	20,783
Growth (%)	21.4	32.0	12.6
EBITDA	4,559	6,210	7,274
EBITDA Margin (%)	32.6	33.7	35.0
PAT Adjusted	2,252	2,492	3,315
Growth (%)	16.4	10.7	33.0
Adjusted EPS	66.5	73.6	98.0
Growth (%)	16.4	10.7	33.0
P/E	67.0	61.1	46
P/B	18.0	15.5	12.7
EV/EBITDA	38.2	27.9	23.5
ROE (%)	25.8	25.4	27.7
D/E	0.9	0.7	0.5

## Semaglutide builds next growth engine

**Torrent Pharmaceuticals Ltd is engaged in the research, development, manufacturing and marketing of generic pharmaceutical formulations. It has operations in India, the US, Germany and Brazil. Torrent's products cover a wide range of therapeutic areas.**

- In Q4FY26, consolidated revenue rose 41.8% YoY to Rs. 4,197cr, driven by inclusion of JB Pharma from January 21, 2026, alongside healthy double-digit base-business growth.
- India revenue rose 43.0% YoY to Rs. 2,215cr, driven by JB Pharma consolidation, strong chronic portfolio performance, Curatio growth, and initial traction from Semaglutide launches.
- US revenue rose 31.0% YoY to Rs. 396cr, driven by new launches, increased purchase volumes, and contribution from the base business, which also delivered healthy constant-currency growth
- EBITDA increased 40.7% YoY to Rs. 1,356cr, but EBITDA margin deteriorated 30bps to 32.3% owing to an increase in other expenses.
- Profit after tax fell 26.9% YoY to Rs. 364cr, due to higher finance costs, PPA-related amortisation, and exceptional expenses of Rs. 66cr linked to JB Pharma acquisition and restructuring.

## Outlook & Valuation

Torrent Pharmaceuticals delivered strong revenue growth due to chronic portfolio outperformance, new launches (including Semaglutide and Brexpiprazole), Curatio business momentum, and accelerating field force expansion across therapies. Going forward, JB Pharma integration synergies are expected to progressively unlock margin improvement. Management has guided mid-teens organic growth for India business in FY27. Brazil's large pending approval pipeline is expected to drive international acceleration, and niche US launches are expected to sustain competitive positioning. The oral Semaglutide franchise and biosimilar entry into Germany are expected to further strengthen the long-term growth trajectory. Therefore, **we maintain our HOLD rating on the stock, with a rolled-forward target price of Rs. 4,898, based on 50x FY28E adjusted earnings per share.**

## Quarterly Financial Consolidated

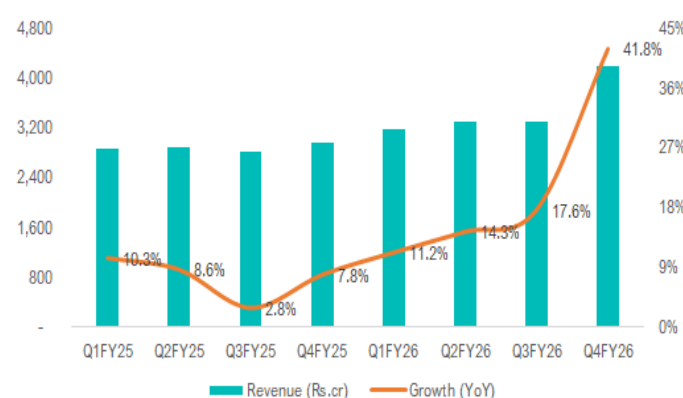
Rs.cr	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	FY26	FY25	YoY (%)
Sales	4,197	2,959	41.8	3,303	27.1	13,980	11,516	21.4
EBITDA	1,356	964	40.7	1,088	24.6	4,559	3,721	22.5
Margin (%)	32.3	32.6	-30bps	32.9	-60bps	32.6	32.3	30bps
EBIT	848	763	11.1	882	-3.9	3,440	2,926	17.6
PBT	529	665	-20.5	814	-35.0	2,872	2,673	7.4
Rep. PAT	364	498	-26.9	635	-42.7	2,138	1,911	11.9
Adj PAT	455	522	-12.8	645	-29.5	2,252	1,935	16.4
Adj. EPS (Rs)	13.4	15.4	-12.8	19.1	-29.5	66.5	57.2	16.4



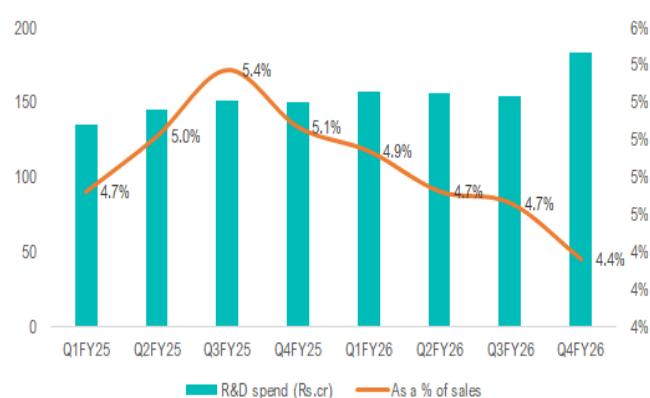
## Key concall highlights

- Torrent launched Semaglutide injectable brands Semalix and Sembolic in the last 9-10 days of March 2026, capturing a 38% market share among generics in the injectable format within weeks of launch.
- Cost synergies from the JB Pharma acquisition are targeted at Rs. 450cr by Year 3, with the 20-60-20 phasing over FY27-FY29, and management confirmed Year 1 synergy realisation is tracking ahead of expectations.
- Torrent has planned several niche launches in the US market for FY27, with US business projected to grow at single-digit rates, driven by differentiated product filings and increased purchase volumes.
- Torrent's R&D spend stood at approximately 5% of sales in FY26, with management guiding an incremental increase of ~0.5% in FY27, with incremental spend directed primarily towards India and US opportunities.
- Management guided India business to deliver mid-teens organic growth in FY27, driven by Semaglutide ramp-up, chronic portfolio out-performance, new first-to-market launches and continued Curatio business momentum.
- Management confirmed plans to raise funds up to Rs. 5,000cr via QIP or other modes, subject to shareholder approval at the upcoming AGM, to support future growth and strategic initiatives.

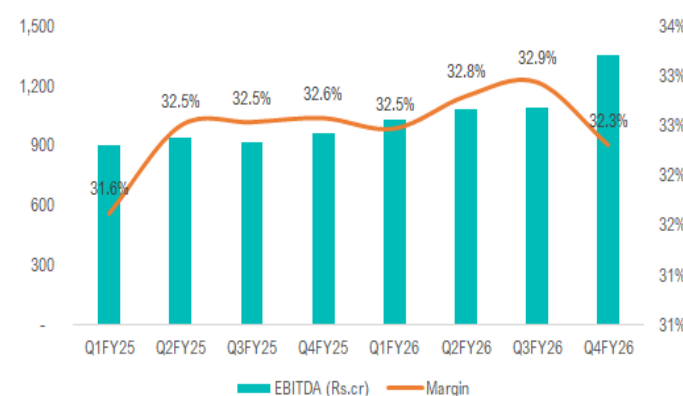
## Revenue



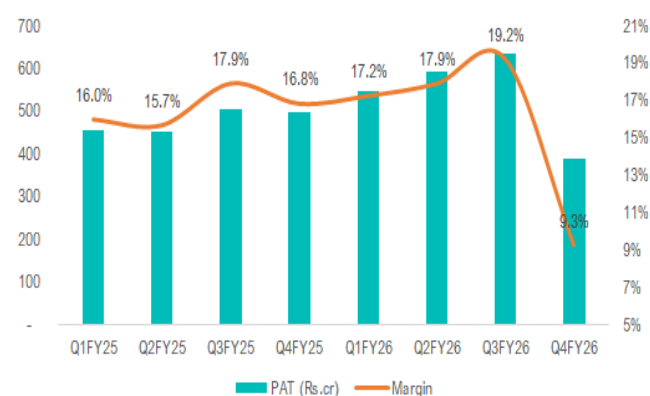
## R&D spend



## EBITDA



## PAT



## Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue	15,240	-	18,454	20,783	21.1	-
EBITDA	5,051	-	6,210	7,274	22.9	-
Margins (%)	33.1	-	33.7	35.0	60bps	-
Adj. PAT	3,014	-	2,492	3,315	-24.4	-
EPS	89.1	-	73.6	98.0	-24.4	-



## Consolidated Financials

### Profit & Loss

Y.E March (Rs. Cr)	FY24A	FY25A	FY26A	FY27E	FY28E
<b>Sales</b>	<b>10,728</b>	<b>11,516</b>	<b>13,980</b>	<b>18,454</b>	<b>20,783</b>
% change	11.5	7.3	21.4	32.0	12.6
<b>EBITDA</b>	<b>3,368</b>	<b>3,721</b>	<b>4,559</b>	<b>6,210</b>	<b>7,274</b>
% change	18.5	10.5	22.5	36.2	17.1
Depreciation	808	795	1,119	2,209	2,145
<b>EBIT</b>	<b>2,560</b>	<b>2,926</b>	<b>3,440</b>	<b>4,181</b>	<b>5,129</b>
Interest	354	252	385	963	818
Other Income	146	-1	-183	150	200
<b>PBT</b>	<b>2,352</b>	<b>2,673</b>	<b>2,872</b>	<b>3,368</b>	<b>4,511</b>
% change	27.3	13.6	7.4	17.3	33.9
Tax	696	762	734	876	1,195
Tax Rate (%)	29.6	28.5	25.6	26	26.5
<b>Reported PAT</b>	<b>1,656</b>	<b>1,911</b>	<b>2,138</b>	<b>2,492</b>	<b>3,315</b>
<b>PAT att. to common shareholder-</b>	<b>1,656</b>	<b>1,911</b>	<b>2,163</b>	<b>2,492</b>	<b>3,315</b>
Adj.*	-88	24	89	-	-
<b>Adj. PAT</b>	<b>1,568</b>	<b>1,935</b>	<b>2,252</b>	<b>2,492</b>	<b>3,315</b>
% change	-	23.4	16.4	10.7	33.0
No. of shares (cr)	33.8	33.8	33.8	33.8	33.8
<b>Adj EPS (Rs.)</b>	<b>46.3</b>	<b>57.2</b>	<b>66.5</b>	<b>73.6</b>	<b>98.0</b>
% change	-	23.4	16.4	10.7	33.0
DPS (Rs.)	28.0	32.0	35.0	31.2	35.0

### Cashflow

Y.E March (Rs. Cr)	FY24A	FY25A	FY26A	FY27E	FY28E
<b>Net inc. + Depn.</b>	<b>2,464</b>	<b>2,706</b>	<b>3,257</b>	<b>4,522</b>	<b>5,461</b>
Non-cash adj.	384	360	108	968	258
Other adjustments	-	-	-	-	-
Changes in W.C	418	-481	-342	-863	-600
<b>C.F. Operation</b>	<b>3,266</b>	<b>2,585</b>	<b>3,023</b>	<b>4,626</b>	<b>5,118</b>
Capital exp.	-299	-593	-636	-369	-333
Change in inv.	118	33	202	-44	-46
Other invest.CF	13	20	-12,279	0	0
<b>C.F - Investment</b>	<b>-168</b>	<b>-540</b>	<b>-12,713</b>	<b>-413</b>	<b>-378</b>
Issue of equity	-	-	-	0	0
Issue/repay debt	-1,393	-953	11,867	-1757	-1995
Dividends paid	-1,015	-1,083	-1,289	-1056	-1185
Other finance.CF	-371	-262	-427	-963	-818
<b>C.F - Finance</b>	<b>-2,779</b>	<b>-2,298</b>	<b>10,151</b>	<b>-3776</b>	<b>-3998</b>
Chg. in cash	319	-253	461	439	742
<b>Closing Cash</b>	<b>839</b>	<b>579</b>	<b>1,165</b>	<b>1,604</b>	<b>2,346</b>

### Balance Sheet

Y.E March (Rs. Cr)	FY24A	FY25A	FY26A	FY27E	FY28E
Cash	839	579	1,165	1,604	2,346
Accts. Receivable	1,844	1,867	3,031	3,322	3,741
Inventories	2,279	2,541	3,138	3,780	4,257
Other Cur. Assets	649	636	2,059	2,134	2,206
Investments	32	44	83	87	91
Gross Fixed As-sets	5,871	6,304	6,915	7,592	7,961
Net Fixed Assets	3,297	3,455	5,036	5,121	5,158
CWIP	281	367	330	297	268
Intangible Assets	4,921	4,602	28,467	26,755	24,934
Def. Tax -Net	555	595	698	712	726
Other Assets	364	304	305	305	305
<b>Total Assets</b>	<b>15,061</b>	<b>14,990</b>	<b>44,312</b>	<b>44,117</b>	<b>44,032</b>
Current Liabilities	3,072	2,853	5,159	5,277	5,616
Provisions	445	501	765	773	780
Debt Funds	4,031	3,216	15,111	13,354	11,358
Other Liabilities	657	829	5,692	5,692	5,125
Equity Capital	169	169	169	169	169
Res. & Surplus	6,687	7,422	8,220	9,657	11,787
Shareholder Funds	6,856	7,591	8,389	9,826	11,956
Minority Interest	-	-	9,196	9,196	9,196
<b>Total Liabilities</b>	<b>15,061</b>	<b>14,990</b>	<b>44,312</b>	<b>44,117</b>	<b>44,032</b>
BVPS	203	224	248	283.9	347.3

### Ratio

Y.E March	FY24A	FY25A	FY26A	FY27E	FY28E
<b>Profitab. &amp; Return</b>					
EBITDA margin (%)	31.4	32.3	32.6	33.7	35.0
EBIT margin (%)	23.9	25.4	24.6	22.7	24.7
Net profit mgn.(%)	15.4	16.6	15.5	13.5	16
ROE (%)	24.2	25.2	25.8	25.4	27.7
ROCE (%)	23.5	27.1	10.5	12.9	15.8
<b>W.C &amp; Liquidity</b>					
Receivables (days)	62.7	59.2	79.1	65.7	65.9
Inventory (days)	309.7	334.1	338.1	310.3	311.1
Payables (days)	283.9	239.3	254.0	200.8	201.3
Current ratio (x)	1.0	1.2	1.1	1.3	1.4
Quick ratio (x)	0.5	0.5	0.6	0.7	0.8
<b>Turnover &amp; Leverage</b>					
Gross asset T.O (x)	1.9	1.9	2.1	2.5	2.7
Total asset T.O (x)	0.7	0.8	0.5	0.4	0.5
Int. covge. ratio (x)	7.2	11.6	8.9	4.3	6.3
Adj. debt/equity (x)	0.6	0.4	0.9	0.7	0.5
<b>Valuation</b>					
EV/Sales (x)	14.6	9.7	12.4	9.4	8.2
EV/EBITDA (x)	46.6	30.1	38.2	27.9	23.5
P/E (x)	98.0	56.6	67.0	61.1	46
P/BV (x)	22.4	14.4	18.0	15.5	12.7



## Recommendation Summary (Last 3 years)



Dates	Rating	Target
22-Nov-23	BUY	2,189
08-Feb-24	HOLD	2,893
25-Jul-24	HOLD	3,363
29-Jan-25	HOLD	3,800
09-Oct-25	HOLD	3,876
25-Jun-26	HOLD	4,898

## 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.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

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

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