

# Emcure Pharmaceuticals Ltd (EMCURE)

March 02, 2026

Time Horizon – 12 Months

CMP: ₹ 1,450

Target: ₹1,800

**ANAND RATHI**  
INVESTMENT SERVICES

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Key Data	
Bloomberg Code	EMCURE IN
NSE Code	EMCURE
BSE Code	544210
Industry	Pharmaceuticals & Drugs
Face Value (₹)	10
BV per share (₹)	265
Dividend Yield (%)	0.22%
52 Week L/H(₹)	889/1,585
Market Cap. (₹ Mn.)	2,74,880

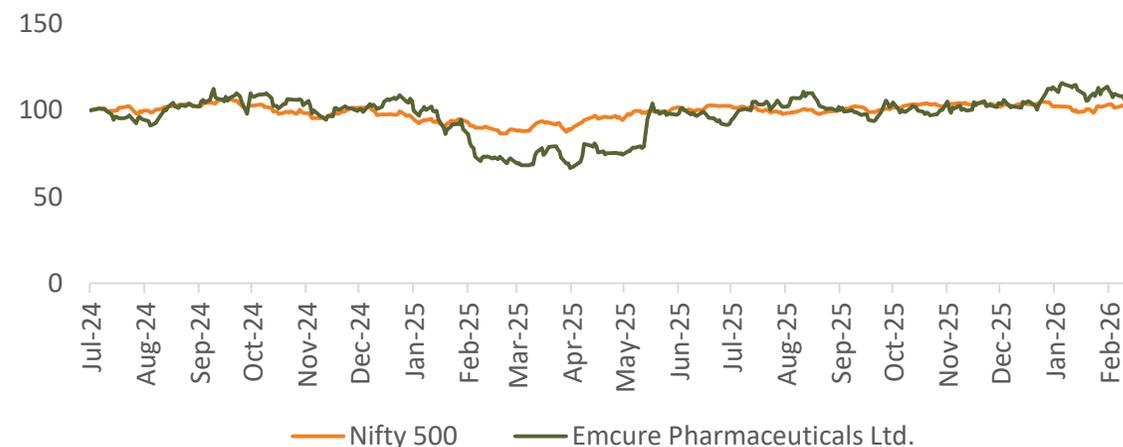
## Shareholding Pattern

Particulars	Jun-25	Sept-25	Dec-25
Promoter	77.9%	77.8%	77.8%
Institutions	5.7%	7.6%	9.6%
Others	16.3%	14.4%	12.4%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Company, Anand Rathi Research, Bloomberg

(In ₹ mn)	FY-24	FY-25	FY-26E	FY-27E
Revenue from operation	66,583	78,960	91,041	1,05,334
EBITDA	12,429	14,744	17,753	21,383
EBITDA Margin %	18.7%	18.7%	19.5%	20.3%
PAT	5,276	7,075	9,618	11,839
PAT Margin %	7.9%	9.0%	10.6%	11.2%
EPS (₹)	27.8	37.3	50.7	62.5
P/E (x)	52.1	38.9	28.6	23.2

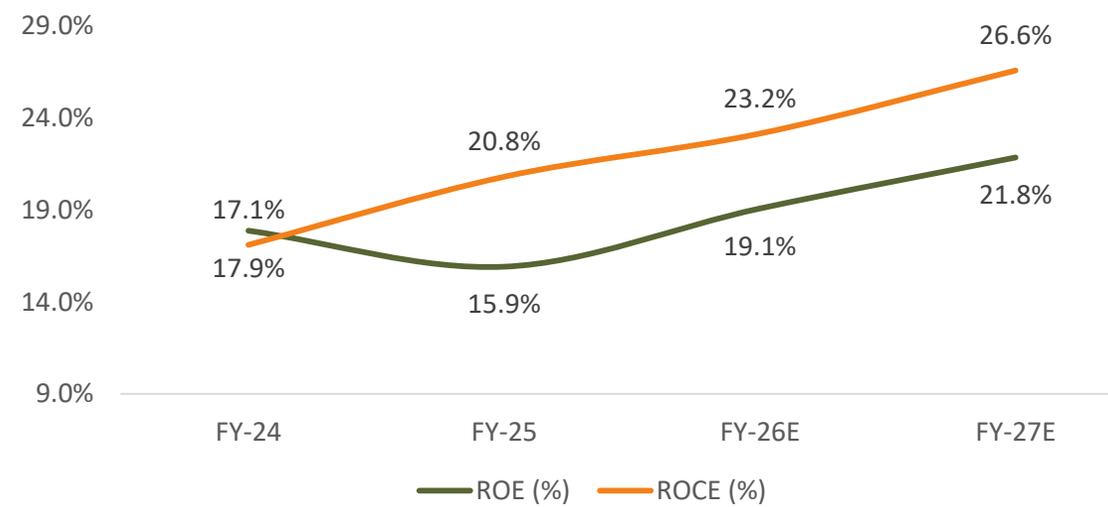
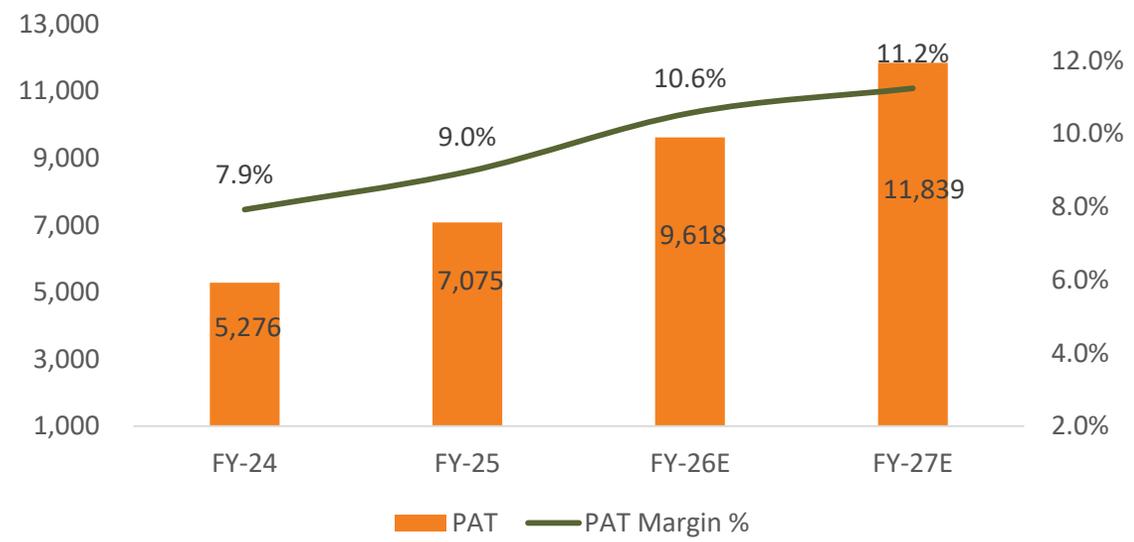
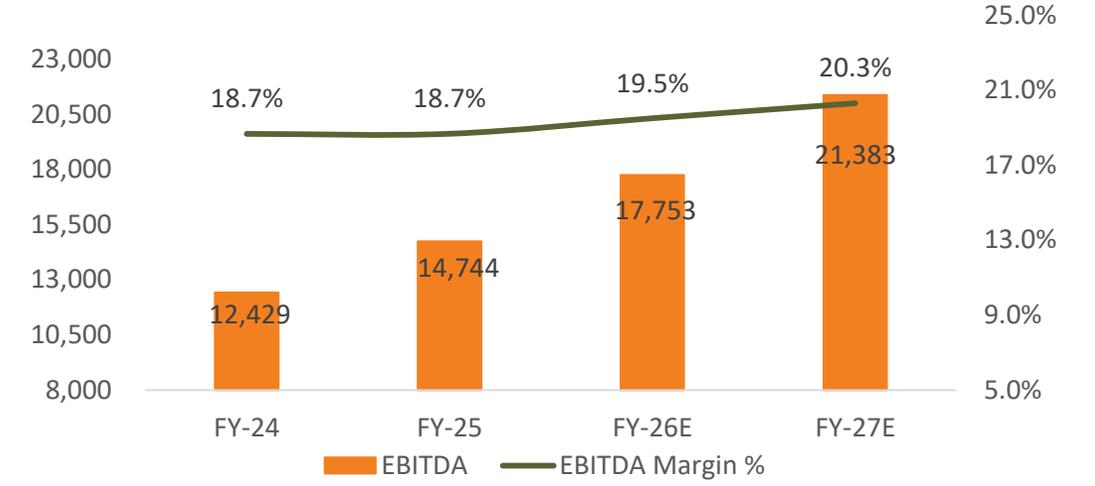
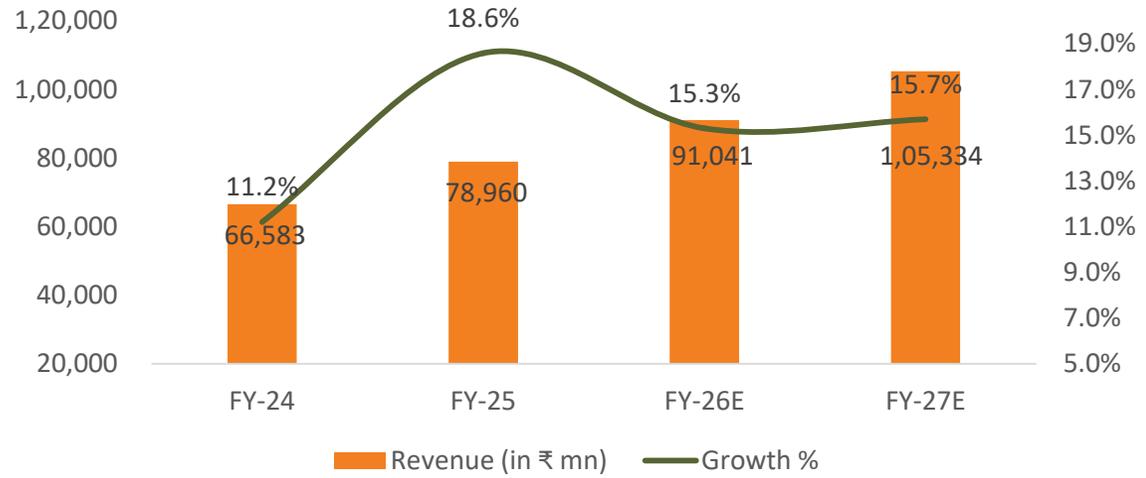
## Relative stock performance (Jul'24=100)



## Powering Innovation with Chemistry and Biologics to solve complex healthcare problem

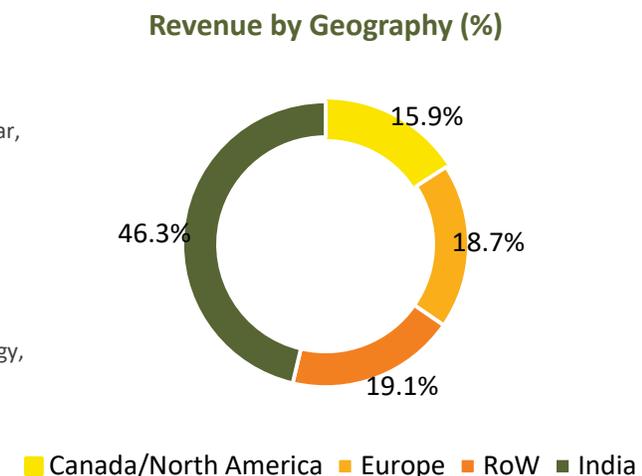
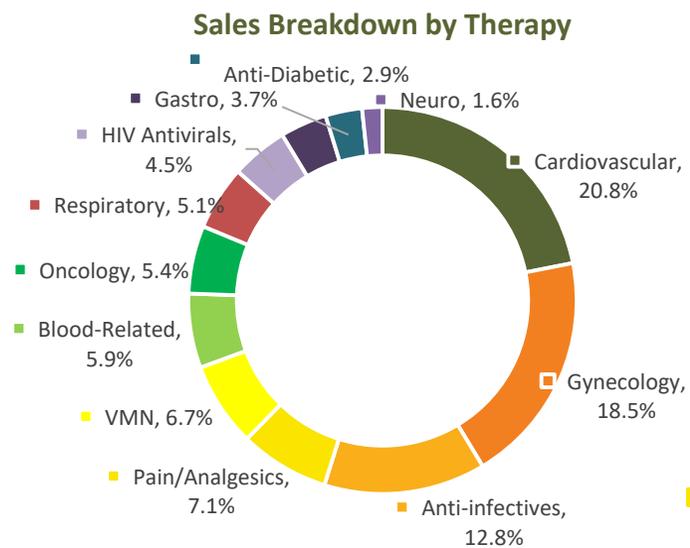
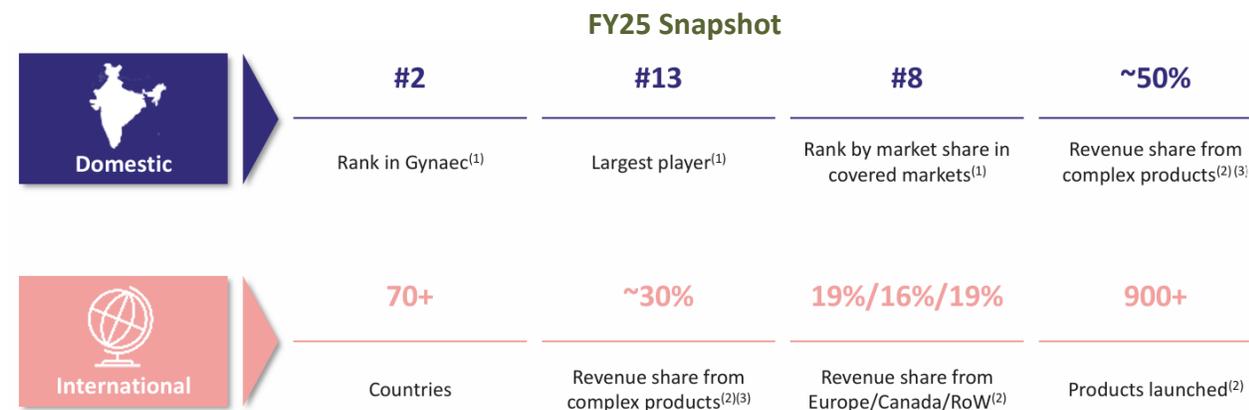
- ❑ Emcure pharmaceuticals is an innovation-led, R&D-driven pharmaceutical player focused on addressing unmet medical needs across high-growth therapeutic areas. It holds leadership positions in Women's Health and has pioneered multiple first-in-India and global-first products across cardiovascular, neurology, oncology, vaccines, anti-infectives, and dermatology segments. Its differentiated pipeline, first-mover advantages, and focus on specialty and complex therapies position it favorably for sustainable growth and value creation.
- ❑ **Faster than Industry Growth Across Markets:** The company has delivered consistent mid- to high-teens growth, with FY25 revenue up 18.6% YoY to ₹7,896 crore (vs. ₹6,658 crore in FY24) and 9M FY26 revenue rising 16.5% YoY to ₹6,734 crore (vs. ₹5,780 crore), driven by strong domestic performance, in-licensing, the launch of Poviztra® (biological injectable semaglutide), and continued international market expansion.
- ❑ **GLP-1: Early-mover advantage:** Emcure's in-licensing of semaglutide provides a ~4-month first-mover edge in India, enabling early physician adoption in a rapidly scaling GLP-1 market, supported by Novo's global credibility. The addition strengthens its chronic portfolio and drives synergies across cardio-diabetic and co-prescribed therapies, deepening its metabolic franchise.
- ❑ **Augmented by Strategic In-licensing Partnerships and Acquisitions:** Emcure's strategic in-licensing (Sanofi India, Novo Nordisk for semaglutide) and acquisitions (Zuventus, Tillomed) strengthen its chronic portfolio, expand domestic and international reach, and enhance scale, supporting sustained growth and portfolio premiumization.
- ❑ **Operating Leverage Linked Margins Expansion:** Operating leverage is driving margin expansion, with EBITDA margin improving 90 bps to 18.6% in FY25 (from 18.5% in FY24) and further to 19.4% in 9MFY26, while PAT margin expanded 250 bps to 9.0% in FY25 (vs. 7.9%) and to 10.4% in 9MFY26; RoCE also strengthened by 200 bps to 22.0% in FY25 (vs. 19.4%) and 22.7% in 9MFY26, reflecting improved productivity, better utilization, and disciplined cost control.
- ❑ During FY25, the Company undertook multiple strategic initiatives to strengthen its growth trajectory and competitive positioning. It entered into a distribution partnership with Sanofi to commercialize its cardiovascular portfolio in India and in-licensed Lenacapavir from Gilead, reinforcing its leadership in the global ARV segment. The Company expanded its women's health portfolio, forayed into consumer health under the Arth brand, and scaled its dermatology presence through Ecutix. Internationally, it deepened its Canada footprint via the integration of Mantra Pharma and secured EU and ROW approvals for Liposomal Amphotericin B, enhancing its differentiated global pipeline.
- ❑ Emcure Pharmaceuticals is well positioned to deliver consistent revenue growth, supported by margin expansion driven by operating leverage and disciplined cost management, resulting in sustained strong ROCE. Growth is expected to remain balanced across India and key international markets, underpinned by a differentiated portfolio and leadership in core therapies. The company's robust pipeline of complex generics, biologics, novel drug delivery systems (NDDS), and complex injectables provides long-term visibility. Additionally, an anticipated early-mover advantage in the GLP-1 segment in India is likely to further strengthen its growth trajectory. Therefore, we **initiate** our coverage on Emcure Pharmaceuticals Ltd with **"BUY"** rating with the **target price of Rs 1,800 per share.**

## Story in charts

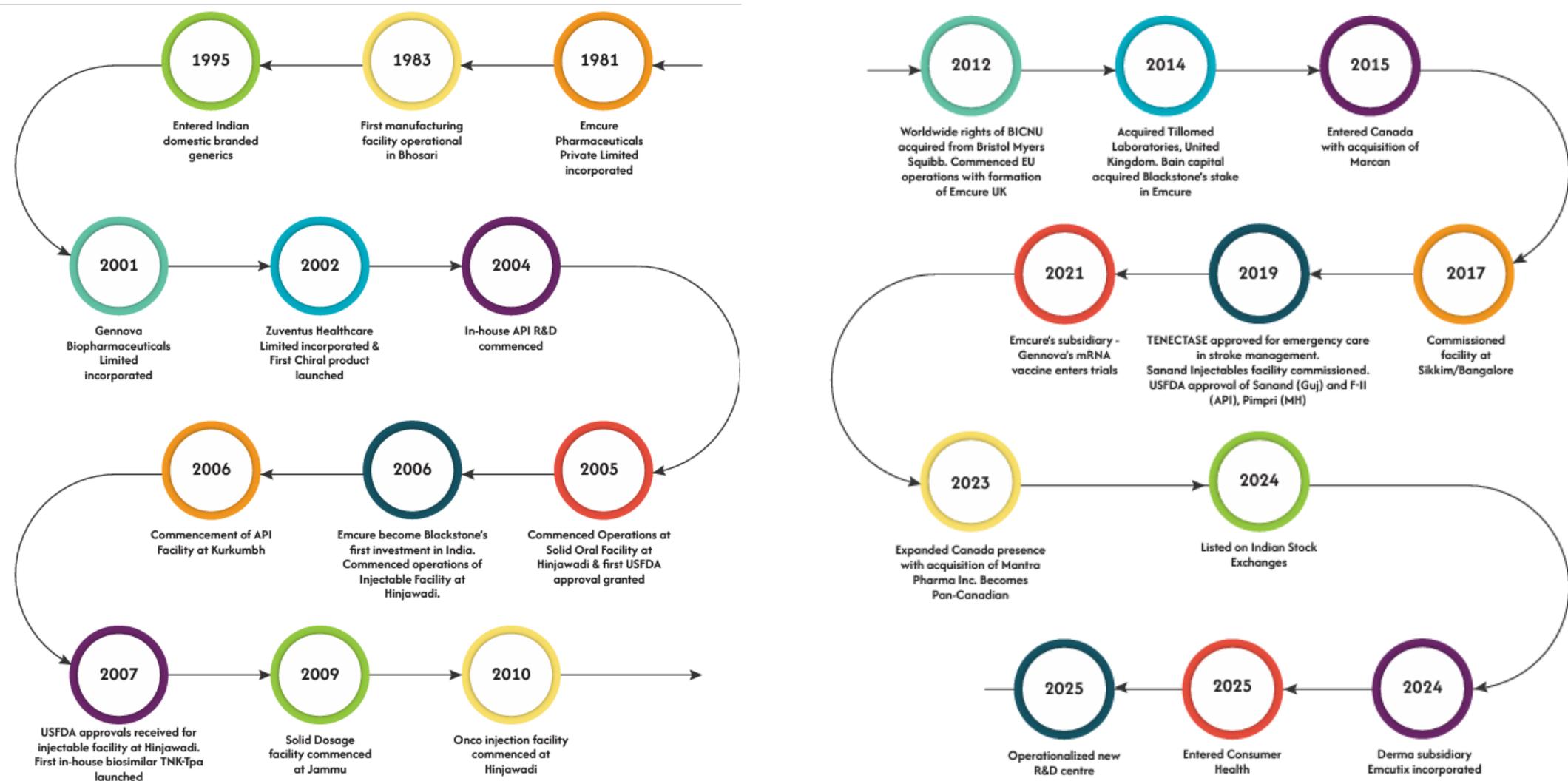


## Company Profile

- Emcure Pharmaceuticals Ltd, incorporated in 1981, the company is a leading Indian pharmaceutical company engaged in research, development, manufacturing, and global marketing of a broad range of pharmaceutical products across various therapeutic areas. Their focus on R&D has resulted in a differentiated product portfolio that includes oral medications, injectables, and biotherapeutics.
- The company's competitive advantage in the domestic market stems from its differentiated product portfolio, which has allowed to establish its presence in most of the major therapeutic areas, including gynecology, cardiovascular, vitamins, minerals and nutrients, HIV antivirals, blood-related and oncology/anti-neoplastics.
- Emcure's also sells its portfolio of differentiated products internationally in over 70 countries. It has established its international presence by either developing own front-end distribution capabilities or focusing on alliances with local and multi national companies that has an established presence in the therapeutic areas of its focus.
- Emcure is an R&D driven company and its core strength lies in its ability to research, develop and manufacture in-house specialty pharmaceutical products for high growth therapeutic areas, for which there is limited competition and high barriers to entry.
- The Company has 13 manufacturing facilities across India. Its facilities are capable of producing pharmaceutical and biopharmaceutical products across a wide range of dosage forms, including oral solids, oral liquids, injectables, including liposomal and lyophilized injectables, biotherapeutics and complex APIs, including chiral molecules, iron molecules and cytotoxic products.



## Emcure's Journey



## Strong and Differentiated Product Portfolio



Anchor Brands

New Launches

Emcure		Zuventus	
Brand	Revenue	Brand	Revenue
<b>Gynecology</b>		<b>Cardiovascular</b>	
<b>Orofer XT</b>	200 Cr+	<b>Cardace</b>	150 Cr+
<b>Orofer FCM</b>	100 Cr+	<b>Temsan</b>	100 Cr+
<b>Ferium</b>	50 Cr+	<b>METPURE</b>	100 Cr+
<b>Dydrojem</b>	25 Cr+	<b>CLEXANE</b>	100 Cr+
<b>Pause Inj.</b>	100 Cr+	<b>Elaxim</b>	50 Cr+
<b>UnMet</b>		<b>Asomex</b>	50 Cr+
<b>viCare</b>		<b>Diabetology</b>	
<b>Anti-Obesity</b>		<b>VylDa</b>	50 Cr+
<b>poviztra</b>		<b>Amaryl</b>	200 Cr+
semaglutide injection 2.4 mg		<b>HIV</b>	
		<b>Spegra</b>	50 Cr+
		<b>Nutrition</b>	
		<b>Bevon</b>	150 Cr+
		<b>Feronia-XT</b>	50 Cr+
		<b>Anti-Infective</b>	
		<b>Zostum</b>	200 Cr+
		<b>AUGPEN</b>	50 Cr+
		<b>Respiratory</b>	
		<b>Maxtra</b>	150 Cr+
		<b>Hepatology</b>	
		<b>Lornit</b>	50 Cr+

## Focus on expanding covered market via differentiated launches

**01** **Derma**

**PRX-PLUS**  
Flawizo  
**SOLGLO**

Launched new set of products

First to India product ranges like anti-pollution, geriatric, aesthetics

**02** **Women's Health**

**viCare**  
**UnMet**

Expansion into menopause and PCOS segment

**03** **Diabetes (GLP-1)**

Actively working on developing and launching GLP-1

Expect to be there on Day 1 in India in Semaglutide

**04** **OTC**

**arth**  
By Emcure

Launched Arth, wellness and health supplement line

**Galact**

Expansion into post-pregnancy supplements under the Galact brand

**05** **Ophthalmology**

Developing new biosimilars in the Ophthalmology segment

Bevacizumab for wAMD

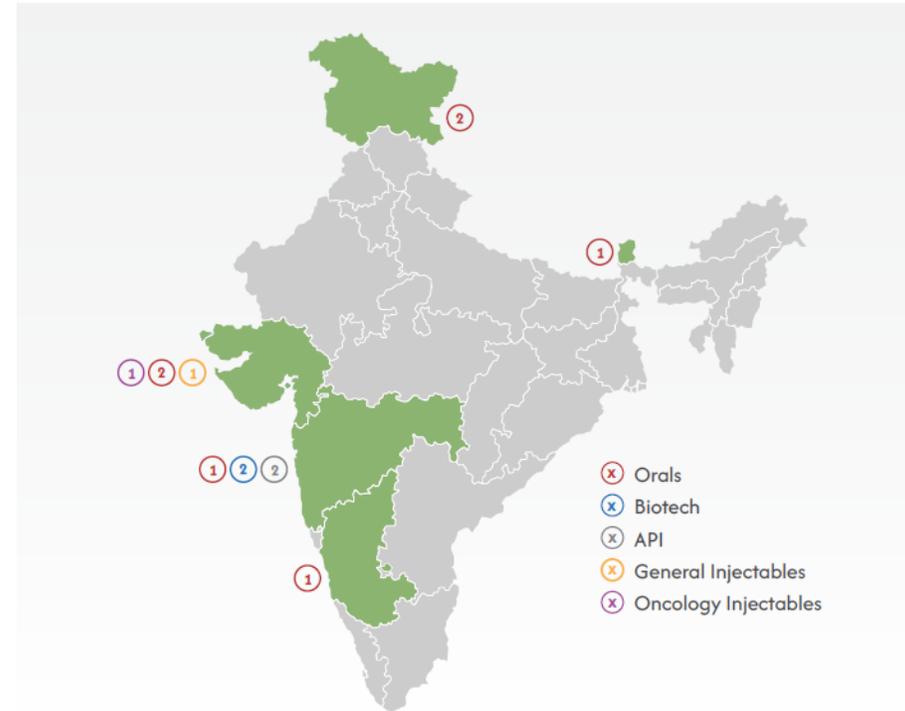
**06** **Oncology**

Developing new biosimilars in the Oncology segment

cc: Basis MAT Dec'25 IQVIA Data

## Manufacturing Capabilities

13 Manufacturing Facilities Capable of Producing Pharmaceutical Products across Wide Range of Dosage Forms



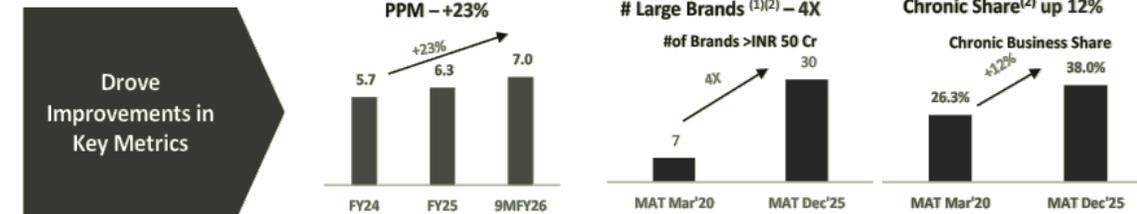
## Research and Development



## Domestic Business- in-Licensing momentum and expanding depth

- India revenues grew 15% YoY primarily driven by strong traction in the in-licensed Oral Anti-Diabetic (OAD) portfolio from Sanofi and the ramp-up of Poviztra (Semaglutide, in-licensed from Novartis). The company now has a Rs 1.7–1.8bn anti-diabetic franchise and is set to benefit from the early launch of Semaglutide.
- Domestic mix has shifted to nearly 50:50 between chronic and acute therapies, with chronic expected to outpace acute, going forward. Sanofi Diabetes portfolio and Semaglutide are strengthening Emcure’s Diabetes presence, with early benefits visible, particularly in Cardiac, supporting the confidence of continued above-industry growth in India.
- Management expects domestic margins to improve by 200–300 basis points over the next 2 to 3 years as these newer divisions scale up and the mix normalizes toward higher-margin chronic brands. Of 46% India – roughly ~8% is in-licenced and ~38% of the branded business. Branded business has chronic + sub-chronic will be 60%-65%.
- Emcure’s **partnership with Novo Nordisk for Semaglutide (Poviztra)** offers a **first-mover advantage in India’s high-growth obesity market**, backed by strong clinical and cardiovascular data. The launch reinforces Emcure’s biologics capability and leverages its cardio franchise for targeted specialist reach. Early traction and nationwide rollout position the product as a potential medium-term growth driver despite rising competition.
- The in-licensed portfolio now contributes in the low-to-mid teens to domestic revenues, while the India business grew over 10% YoY on an ex-OAD basis. Poviztra has given the company an early-mover advantage in the obesity market. Management expects the India market to grow at a high single- to low double-digit CAGR over the next 3–5 years and aims to outpace market growth.

### Domestic Scale at Glance



### Specialized experienced leadership team to lead four key verticals

In-house Product Pipeline	In-Licensing	New Growth Areas	Strategic Execution
<ul style="list-style-type: none"> <li>Differentiated product pipeline</li> <li>5 Key launches in next 18 months</li> </ul>	<ul style="list-style-type: none"> <li>Sanofi for cardio /diabeto connect</li> <li>Synergy benefits - own brands growth</li> <li>Poviztra®, from Novo Nordisk to treat obesity &amp; co-morbidities</li> </ul>	<ul style="list-style-type: none"> <li>Entered fast growing segment - Consumer and Dermatology</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced Team with hiring of Experienced leadership</li> <li>Focus on making Big Brands Bigger</li> </ul>

## India: Expansion into new Segment

❑ **Women's Health** is a core pillar of Emcure's India business, with a leadership position driven by differentiated therapies and strong brand equity. Despite significant unmet needs in anemia, PCOS, and menopause, rising awareness and supportive policies are expected to propel the market at a CAGR of over 15% in the coming years.

❑ **Foray into Consumer Health and Wellness:** In FY2025, Emcure entered the high-growth consumer health and wellness segment, leveraging its science-led pharmaceutical expertise to expand beyond prescription therapies. Initial traction from the launch of Galact and subsequent expansion of the Arth supplement range validates unmet demand for evidence-based, preventive health solutions. With rising consumer focus on holistic well-being and self-care, the company is strategically investing in brand building, innovation, and digital capabilities to establish a scalable, long-term growth platform in the OTC and wellness space.

❑ **Strategic Entry into High-Growth Dermatology Segment:** Emcure's entry into the rapidly expanding dermatology market through its wholly owned subsidiary, Emtcutix Biopharmaceuticals, positions the company to capitalize on strong double-digit growth across prescription and consumer segments. Backed by an experienced leadership team and a data-driven portfolio strategy, Emtcutix is focused on high-growth categories such as acne, pigmentation, skin barrier health, and rejuvenation, supported by differentiated formulations, in-licensing partnerships, and first-to-market launches. With a scalable platform and targeted innovation pipeline, the dermatology business is expected to emerge as a meaningful medium- to long-term growth driver.

## Expansion into New Therapeutic Segments

**A Super Specialty**

- Led by a seasoned leader with 20+ years experience with Roche/Novartis
- Focus on Renal/Onco/CNS
- New pipeline in **Ophthalmology and Oncology.**

**Anchor Brands**

Renal **Vintor Encicarb**

ONCO **HAMSYL Emtreo**

CNS **Tenectase**

**New Launches**

- Ophthalmology | Bevacizumab
- Oncology | r-Asparaginase
- Post-pregnancy Supplements

**B Consumer (OTC)**

- \$12Bn market growing at 10% CAGR
- Arth wellness and health supplement line
- Galact – Pregnancy Support Range



arth  
Galact

**C Dermatology**

- \$1.8+ Bn industry growing at 10%+
- Range of products in Prescription and Cosmo-derma segment
- First-to-market products

Anti-fungal **Ceasra-SB**

AD / Psoriasis **Iminoral**

Pigmentation **SOLGLO**

**New Launches**



## Strong performance in International Business

- International business continues to play a pivotal role in providing geographic and revenue diversification, and creating the scale that makes investment in complex product development and advanced manufacturing economically viable. This synergy is instrumental in strengthening their innovation pipeline and accelerating access to high-quality, differentiated products for both the Indian and International markets.
- International revenues grew 24% YoY, led by 30% growth in Europe and 31% in the rest of the world (RoW), with Canada up 13% YoY. Growth was further supported by favorable currency movements, in our view. The Europe business growth was supported by strong traction in the Manx portfolio (acquired April 2025) and the rollout of Amphotericin B (EU market size: EUR 100mn+), which was launched in the UK and Italy and is approved for 23 additional countries.
- One key differentiator for is that the company is insulated from the volatility of the U.S. generics market, following their strategic demerger of the U.S. business in 2021. This focus has allowed them to prioritize more stable and predictable markets where their science-led portfolio can deliver long-term value.
- Management expects Amphotericin B to contribute materially to growth from 4QFY26 onwards. Expected to grow at mid-to-high teens (organic) driven by complex injectables and specialty products, with Europe & Canada guiding for low teens growth, supported by a strong in-house product pipeline over 3-5 years.
- Going forward, the company appears positioned at a strategic inflection point across its focus markets, particularly in RoW, with expectations of accelerated growth and margin expansion. A science-led portfolio, region-specific strategies, and disciplined execution are likely to support improved operating leverage and sustained long-term value creation.

## Strategic roadmap for International Business in FY26 & beyond



## International Business

### Canada- Leadership Position with a Long Growth Runway

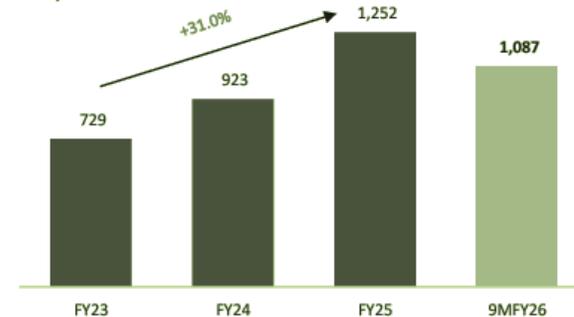
- Canada has emerged as one of Emcure's most promising international businesses, benefiting from its position as one of the top generic players in a market of roughly USD 8.5–9bn. Emcure is the largest Indian company with a true pan-Canada presence.
- Canada revenues grew ~13% YoY to Rs 397 crore, driven by market share gains and new launches, with growth led by the complementary Mantra and Marcan portfolios. Emcure has a very strong pipeline with 50+ products already filed, awaiting on launches, which has a target market of about 3bn plus (181 products filed for regulatory approvals 116 product launched).
- With approximately 2.5–3% market share today, the company has significant headroom to scale as more complex products are launched. The upcoming filing of Semaglutide in Canada further strengthens the medium-term outlook, backed by in-house API and formulation capabilities that enhance both competitiveness and margins

### Europe – Strong Injectable Portfolio to Drive Growth

- Europe remains a strategically important, injectables-led business within a large and steadily expanding USD 70bn market, and Emcure is now moving into a phase of margin-led acceleration. Revenues grew ~29.6% YoY to Rs 464 crore, driven by base business ramp-up, the Manx acquisition and initial contribution from Liposomal Amphotericin B. (181 products filed for regulatory approvals 116 product launched).
- The Manx portfolio currently contributes ~5–6% of Europe revenues, with meaningful headroom for scale-up. The launch of Liposomal Amphotericin B in the UK and Italy, with broader European rollout planned by year-end, is expected to drive momentum into FY27. In a >EUR 100 million European market, Emcure is well positioned with first-generic advantage, multi-year tender visibility, and strong manufacturing capacity, supporting sustainable growth despite potential competitive intensity.

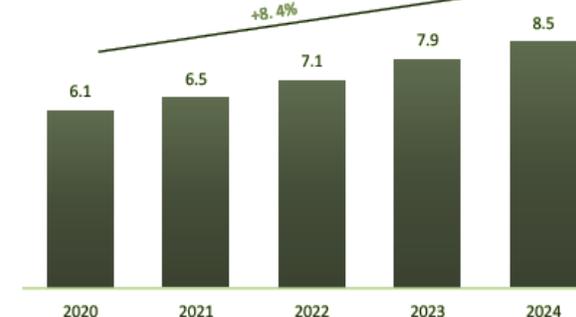
#### Emcure growing significantly faster than industry

Revenue, INR Cr.



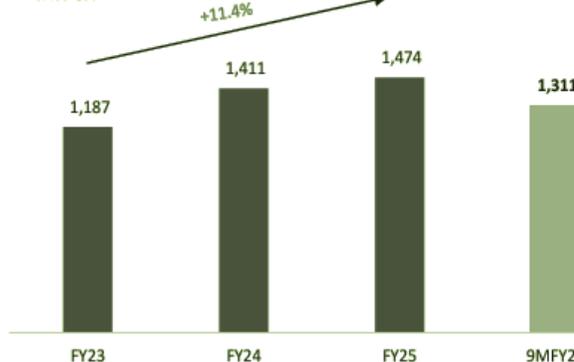
#### Canada Generic Market growing at >8%<sup>(1)</sup>

CAD Bn.

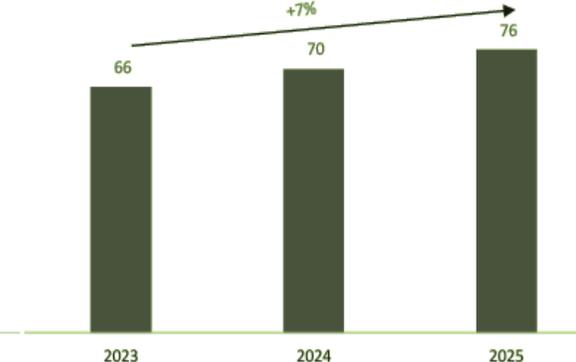


#### Emcure growing at a faster pace

INR Cr.



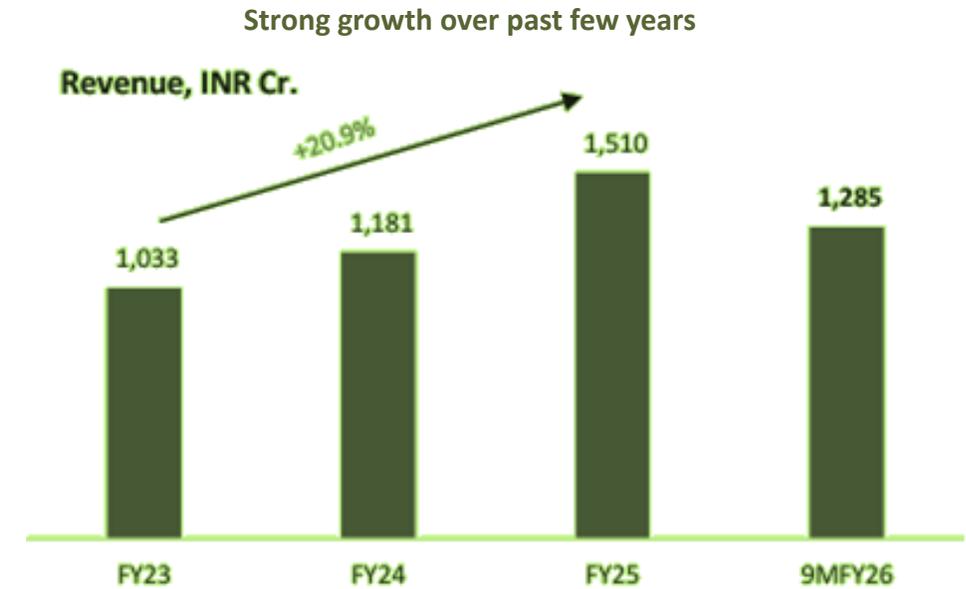
#### Europe Generics market <sup>(1)</sup> is USD70 Bn+ opportunity



## International Business...contd.

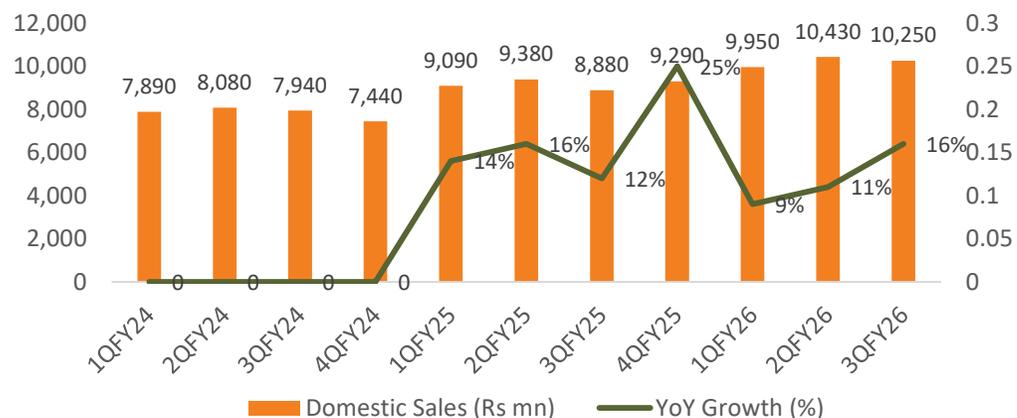
### Rest of World (RoW) – At an Inflection Point

- ❑ RoW markets represent Emcure's strongest medium-term growth engine, combining reliable antiretroviral (ARV) performance with a high-value (continue to show steady growth and profitability), differentiated non-ARV pipeline poised for rapid acceleration through first-to-market complex launches.
- ❑ RoW delivered strong 30.7% YoY growth to Rs 477 crore, with broad-based contribution from both ARV and non-ARV portfolios where each contributes 50% of the ROW region.
- ❑ In non-ARV region, new launches like Tenecteplase (flagship product in Biologics) shall scale up, followed by the launch of Aphotericin B injectable (no competitors expected in ROW region too) and Lencapavir launch with backward integration in the ARV region. (18000+ products filed for regulatory approvals , 650+ products launched)
- ❑ RoW growth is expected to be supported by a strong HIV-related orderbook With a potential market size of roughly USD 2bn across key launches, Emcure expects RoW growth to sustain in the mid-to-high teens, with non-ARV contributing significantly to future momentum.



## Emcure's Performance of Domestic & International market in Charts

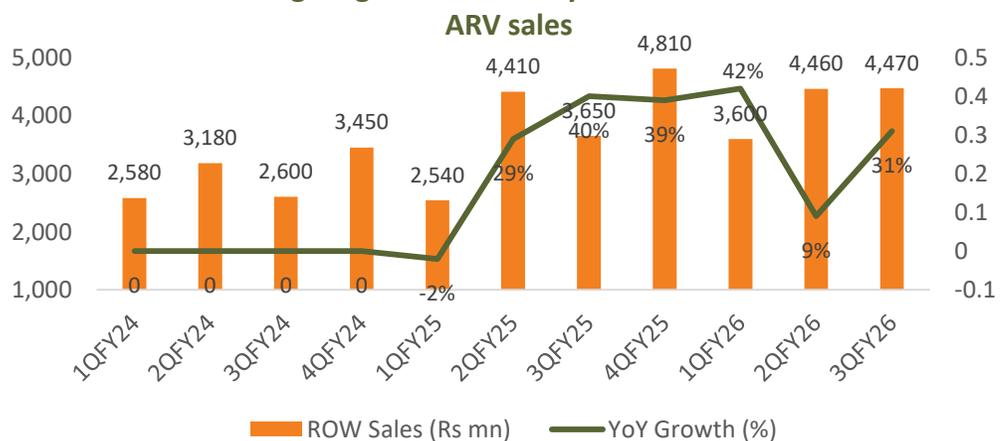
**Domestic sales growth driven by both base+ in-licensed portfolio**



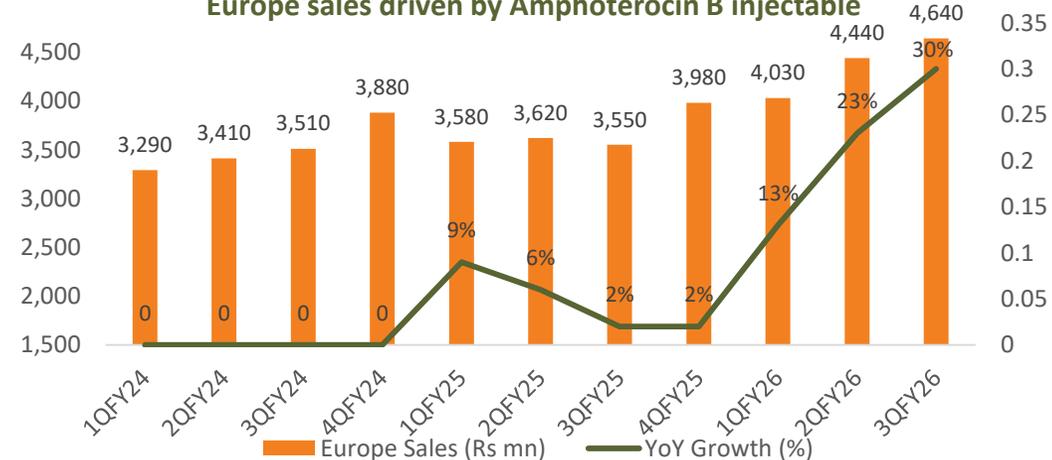
**Canada sales driven by increasing market share in base business and new launches**



**ROW region growth driven by both ARV and non**



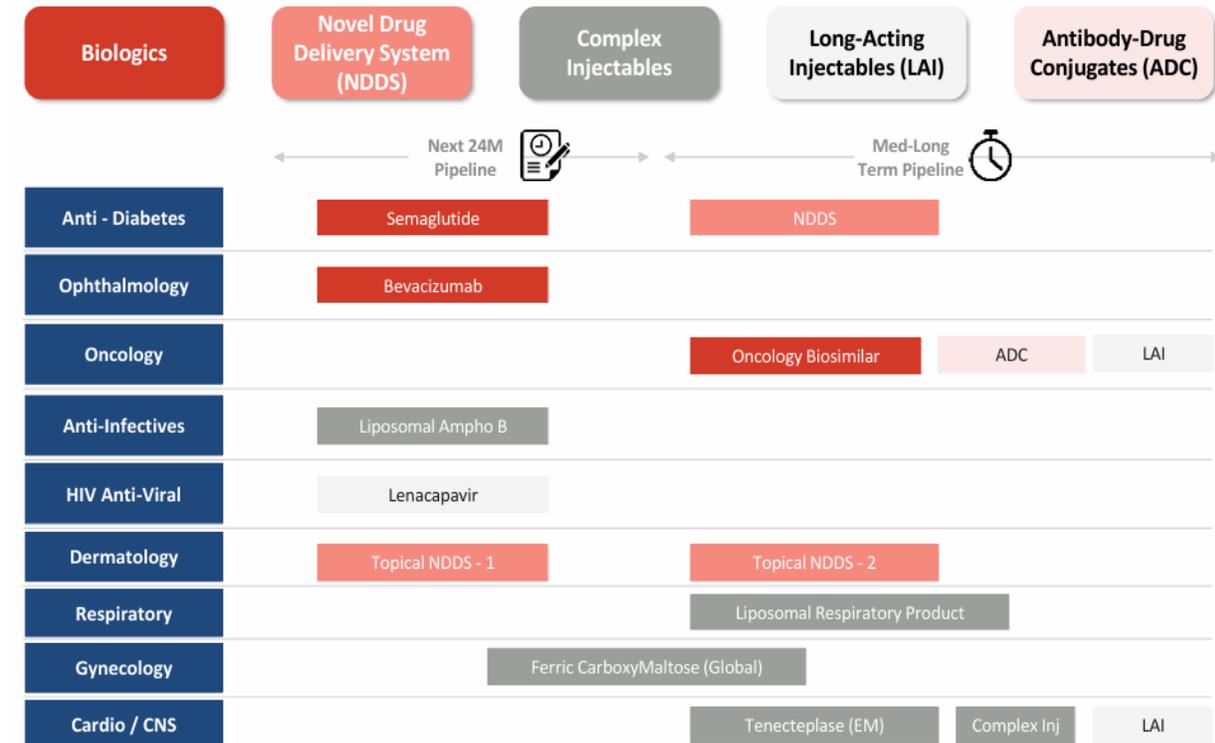
**Europe sales driven by Amphoteroцин B injectable**



## Key focus areas going forward

- ❑ **Complex Injectables:** Global launch of Liposomal Amphotericin B and RTU products; strong expertise in long-acting injectables with near-term pipeline including Lenacapavir.
- ❑ **Biologics:** Leveraging microbial and mammalian platforms to expand internationally; focus on niche/differentiated assets such as r-Asparaginase (Oncology) and Bevacizumab (Ophthalmology).
- ❑ **Peptides:** Commercial success with Atosiban and Aviptadil; development of GLP-1 analogs targeting obesity and diabetes markets.
- ❑ **Novel Drug Delivery Systems (NDDS):** Enhanced bioavailability and patient convenience through topical, nasal, transdermal, and modified-release formats across dermatology, respiratory, and pain segments.
- ❑ **ADCs:** Strategic entry into high-value oncology segment with strong chemistry and biologics capabilities; large global market potential.
- ❑ **Vaccines:** Advancing mRNA and endemic vaccine portfolio (Nipah, TB, flu, rabies), alongside genetically modified Leishmania vaccine with US-FDA IND approval.
- ❑ The company's forward strategy is anchored in complex, high-barrier segments including injectables, biologics, peptides, ADCs, NDDS, and vaccines. With differentiated platforms, global expansion plans, and innovation-led pipeline execution, these focus areas position the business for sustained growth, improved margins, and long-term value creation across regulated and emerging markets.

## Strong Global Product Pipeline of Differentiated Products To Drive Growth



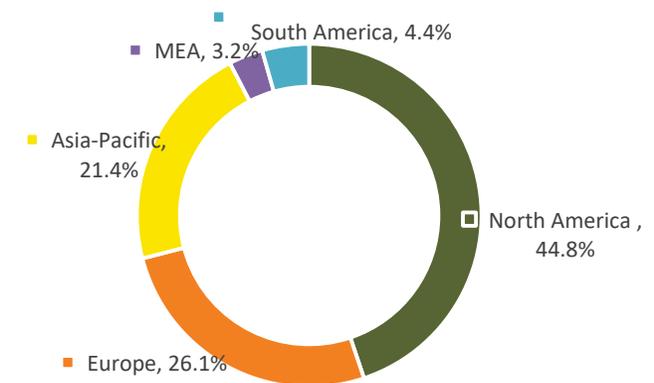
## Industry Overview: Global pharmaceutical market

- ❑ The global pharmaceutical industry has traditionally been characterized by the concentration of consumption, production, and innovation in a relatively small number of high-income and developed regions like North America and Europe which continue to account for a major chunk of this market in value terms on account of higher priced drugs and newer products.
- ❑ Additionally, middle-income countries, like India and China and Brazil (“Pharmerging” markets) now account for a significant share in volume consumption of pharmaceuticals. The share of Pharmerging in production has also picked up over the years. These emerging markets are now the strategic focus points for many pharmaceutical companies, which is evident from pharmaceutical products exports from these countries.
- ❑ The global pharmaceutical market was valued at ~US\$1,600 billion in 2024 and is projected to reach ~US\$2,300 billion by 2030, growing at a CAGR of 6.1% from 2025 to 2030. The market is driven by rising chronic disease prevalence, aging populations, and increased healthcare spending.
- ❑ The industry is witnessing significant shifts driven by scientific innovation, personalized medicine, and accelerated adoption of digital technologies. The pharmaceutical sector is navigating a dynamic landscape marked by robust growth drivers, regulatory tightening, and significant technological disruption.

Global Pharmaceutical Market



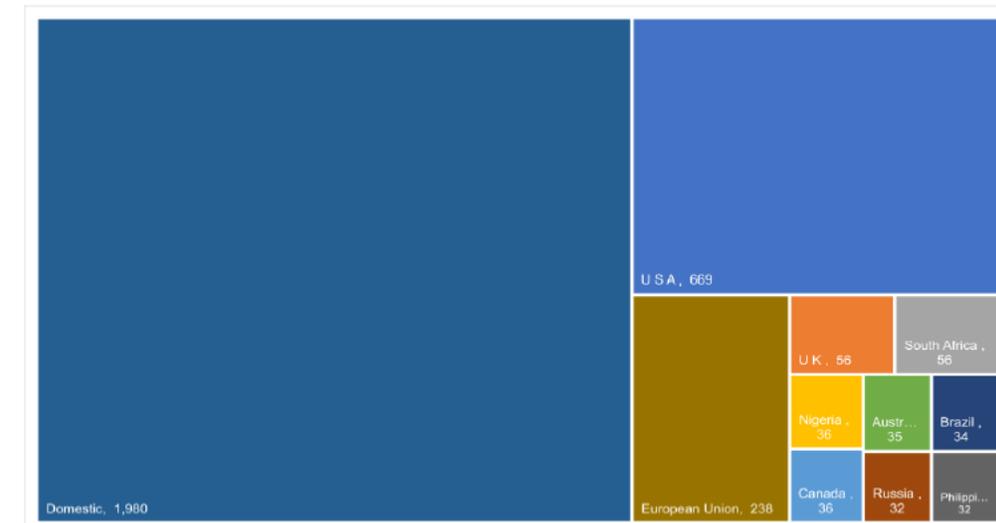
Segmentation of Global Pharmaceutical Market based on Region



## Industry Overview: India pharmaceutical market

- ❑ The Indian pharmaceutical industry is the world's 3<sup>rd</sup> largest by volume and was valued at ~Rs 3.7 trillion (including bulk drugs and formulation exports) as of 2024, with an expected compounded annual growth rate of 8.0% between 2024 and 2029 (IQVIA Market Prognosis).
- ❑ At present, generic drugs constitute a large part of Indian exports. India accounts for ~3.5% of total drugs and medicines exported globally, and exports pharmaceuticals to more than 200 countries and territories, including highly regulated markets such as the US, the UK, the European Union and Canada.
- ❑ India continues to encourage domestic drug production through Production-Linked Incentive (PLI) schemes aimed at both bulk drugs and finished pharmaceuticals. India is emerging as a central hub for low-cost, high-volume production of generics and intermediates.
- ❑ One of the key growth drivers for the Indian pharmaceutical industry is the increasing prevalence of non-communicable diseases such as cardiovascular disease, stroke, cancer, diabetes and chronic lung diseases. The chronic segment in general is expected to grow at a CAGR of 8.5-9.5% from the Financial Year 2024 to the Financial Year 2029.
- ❑ The Indian domestic formulations segment (consumption) is expected to grow at a CAGR of 8-9% over the next five years from the Financial Year 2024 to reach approximately Rs 2.9-3.0 trillion in the Financial Year 2029, aided by strong demand because of rising incidence of chronic diseases, increased awareness and access to quality healthcare.

Indian pharmaceutical industry (FY24) Rs bn  
Domestic (52%)      Export (48%)



Note: Total exports from India in FY24 stood at ₹1,830 billion. The above chart only represents top 10 export destinations.  
Source: Directorate General of Foreign Trade, CRISIL MI&A

### Outlook of Indian domestic formulation market



## Industry trends in Generics and Biopharmaceuticals

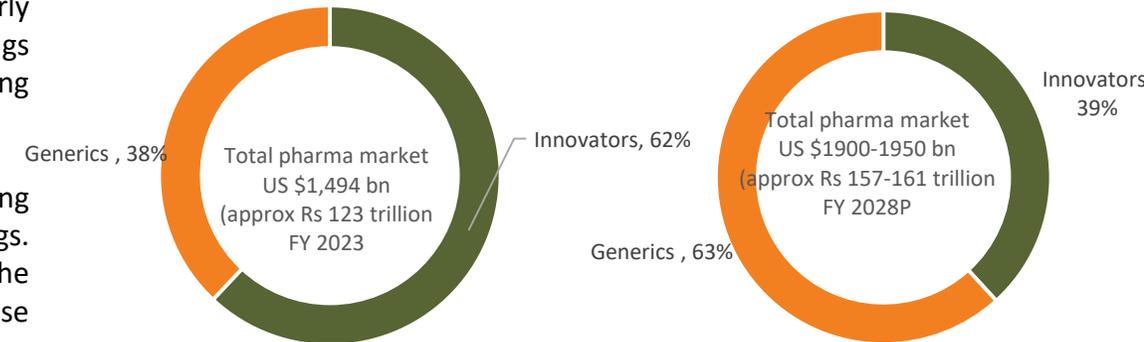
### Generic formulation market

- ❑ A defining shift is underway toward biologics, specialty medicines, and personalized therapies, particularly in oncology, immunology, and metabolic disorders such as obesity. The commercial success of GLP-1 drugs and the maturing pipeline of gene and cell therapies are reshaping the competitive landscape, attracting both strategic investment and licensing interest.
- ❑ With declining opportunity in the conventional generics segment and pricing pressures on the existing portfolios, it has become important for generic players to look for high-value and high-margin drugs. Players have been developing niche products to weather the impact of pricing pressure. Some of the leading global generic companies have a major pipeline of specialty drugs to mitigate the impact of base erosion in the US.

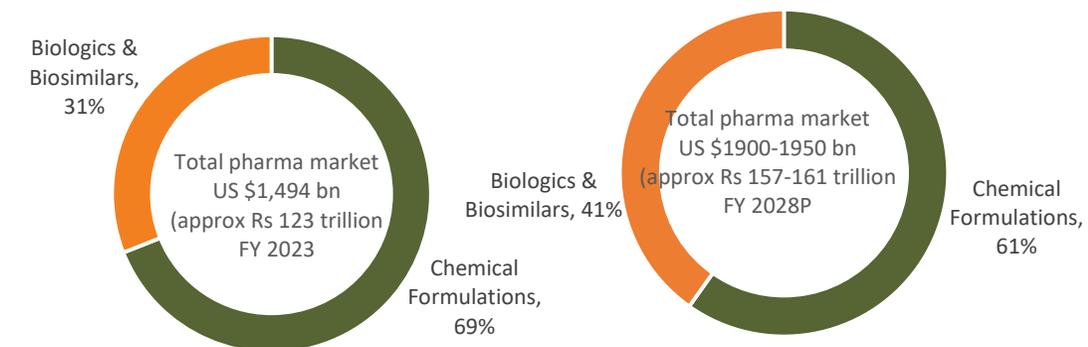
### Biopharmaceuticals Market

- ❑ The global biopharmaceutical industry has shown significant growth due to the efficacy and safety of biopharmaceutical products, which can treat previously untreatable conditions and command high prices.
- ❑ Patented biopharmaceuticals, with sales of \$60-70 billion in 2019, are set to expire in the next 5-10 years in the US and Europe. Despite expired patents, biosimilar penetration remains low due to regulatory.
- ❑ The expiry of these patents presents a lucrative opportunity for Indian companies to launch biosimilars in regulated markets. Unlike generic chemical molecules, biopharmaceutical drugs for chronic ailments can yield higher revenue and margins. Regulated markets have been cautious with biosimilars due to quality concerns, leading Indian players to focus on semi-regulated markets with lower demand and margins. However, increased interest in biosimilars in regulated markets, driven by the need to reduce healthcare costs, has accelerated approval processes. Consequently, Indian generics players are now increasingly focusing on the biosimilars segment.

### Segmentation of Global pharmaceutical market based on Innovators vs Generics



### Segmentation of Global pharmaceutical market based on chemical formulation vs Biologics & Biosimilars



## Valuation and Recommendation:

- With a presence across 70+ countries, a robust India franchise, and a growing international portfolio, Emcure one of India's leading pharmaceutical companies and among the most diversified by therapeutic reach. With 19 of our top 20 brands ranked in the top 3 in their respective therapy areas, the business spans high-impact categories.
- The Company's forward strategy is anchored on advancing a robust product pipeline driven by differentiated and first-to-market offerings, which is expected to strengthen its competitive positioning and support sustainable revenue growth. Management intends to deepen its presence within core therapeutic segments by addressing underpenetrated "white space" opportunities, thereby expanding market share and enhancing portfolio depth.
- We believe Emcure is uniquely positioned as a scientifically strong, therapeutically deep, and operationally agile organization. With a strong balance sheet, healthy cash flows, and improving return metrics, we expect revenue growth of 16.5% CAGR from FY24-27E with greater financial flexibility and strategic momentum.
- Emcure Pharmaceuticals is well positioned to deliver consistent revenue growth, supported by margin expansion driven by operating leverage and disciplined cost management, resulting in sustained strong ROCE. Growth is expected to remain balanced across India and key international markets, underpinned by a differentiated portfolio and leadership in core therapies. The company's robust pipeline of complex generics, biologics, novel drug delivery systems (NDDS), and complex injectables provides long-term visibility. Additionally, an anticipated early-mover advantage in the GLP-1 segment in India is likely to further strengthen its growth trajectory. Therefore, we **initiate** our coverage on Emcure Pharmaceuticals Ltd with "**BUY**" rating with the **target price of Rs 1,800 per share.**

Particulars	FY-24	FY-25	FY-26E	FY-27E
EPS (₹)	27.8	37.3	50.7	62.5
P/E (x)	52.1	38.9	28.6	23.2
P/B (x)	9.3	6.2	5.5	5.1
ROE	17.9%	15.9%	19.1%	21.8%
ROCE	17.1%	20.8%	23.2%	26.6%
EV/EBIDTA (x)	23.6	19.0	15.5	12.7
EV/Sales (x)	4.4	3.6	3.0	2.6

Source: Bloomberg, Anand Rathi Research

## Key Risks

- Expensive M&A
- The company is dependent on its ability to manage manufacturing and R&D facilities, which are subject to various operating risks.
- Adverse outcome on tax dispute
- Higher competition in Semaglutide launch to lead to lower domestic sales

## Consolidated Financials

(In ₹ mn)	FY-24	FY-25	FY-26E	FY-27E
<b>Net Sales</b>	<b>66,583</b>	<b>78,960</b>	<b>91,041</b>	<b>1,05,334</b>
Operating Expense	54,153	64,216	73,288	83,951
<b>EBITDA</b>	<b>12,429</b>	<b>14,744</b>	<b>17,753</b>	<b>21,383</b>
Other Income	438	673	819	948
Depreciation	3,124	3,841	4,150	4,524
EBIT	9,743	11,575	14,422	17,807
Interest	2,371	1,758	1,212	1,589
Exceptional Items	99	104	35	-
<b>PBT</b>	<b>7,272</b>	<b>9,714</b>	<b>13,175</b>	<b>16,218</b>
Tax	1,997	2,639	3,557	4,379
<b>Consolidated PAT</b>	<b>5,276</b>	<b>7,075</b>	<b>9,618</b>	<b>11,839</b>
<b>Margins</b>	<b>FY-24</b>	<b>FY-25</b>	<b>FY-26E</b>	<b>FY-27E</b>
Sales Growth %	11.2%	18.6%	15.3%	15.7%
Operating Margin %	18.7%	18.7%	19.5%	20.3%
Net Margin %	7.9%	9.0%	10.6%	11.2%

(In ₹ mn)	FY-24	FY-25	FY-26E	FY-27E
<b><u>Liabilities</u></b>				
<b>Equity Share Capital</b>	<b>1,812</b>	<b>1,895</b>	<b>1,895</b>	<b>1,895</b>
Reserves & Surplus	27,711	42,567	48,523	52,289
<b>Total Shareholder's Funds</b>	<b>29,523</b>	<b>44,462</b>	<b>50,418</b>	<b>54,184</b>
Minority Interest	1,695	1,954	1,954	1,954
Long-Term Liabilities	13,202	7,884	8,452	9,382
Other Long-term Liabilities	163	145	145	145
Deferred Tax Liability	1,374	1,200	1,330	1,330
Current Liabilities	32,105	26,683	27,383	29,094
<b>Total</b>	<b>78,061</b>	<b>82,327</b>	<b>89,681</b>	<b>96,088</b>
<b><u>Assets</u></b>				
Net Fixed Assets	32,836	33,741	34,842	36,445
Long-Term L&A	1,840	2,050	3,130	2,856
Non Current Investments	592	588	588	588
Other Non-Current Assets	194	389	418	561
Current Asset	42,599	45,559	50,703	55,639
<b>Total</b>	<b>78,061</b>	<b>82,327</b>	<b>89,681</b>	<b>96,089</b>

Source: Company, Anand Rathi Research

## Rating & Target Price History

Emcure Pharmaceuticals Ltd rating history & price chart



NOTE: Prices are as on 02<sup>nd</sup> Mar 2026 close.

Source: Bloomberg, Anand Rathi Research

Emcure Pharmaceuticals Ltd rating details

Date	Rating	Target Price (₹)	Share Price (₹)
02-Mar-2026	BUY	1,800	1,450

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