

Result Update

Q4 FY26

Mankind Pharma Ltd.

Institutional
Research

Mankind Pharma Ltd.



BP WEALTH

Pharma | Q4FY26 Result Update

21st May 2026

Broad-based domestic recovery and specialty traction drive strong earnings beat

Result Highlights

The company posted a revenue increase of 11.8% YoY / down 3.5% QoQ to Rs. 34,429 mn, above our expectations of Rs. 34,060 mn, driven by strong growth in the domestic business, continued traction in chronic therapies, and robust performance from the BSV specialty portfolio. Domestic business delivered healthy broad-based growth across cardiac, anti-diabetic, gynecology, gastro, vitamins, and IVF therapies, supported by improving execution, higher prescription share, and strong doctor penetration. Chronic mix continued to improve with chronic contribution rising 120 bps YoY to ~40% during the quarter. Export business remained impacted by geopolitical headwinds during the quarter; however, full-year international revenue still grew 35% YoY, supported by expansion in semi-regulated markets and BSV integration benefits. EBITDA increased 36.1% YoY / up 1.1% QoQ to Rs. 9,299 mn, while EBITDA margin stood at 27.0% (up 482bps YoY) in Q4FY26, supported by gross margin improvement, operating leverage benefits, and normalization of launch/relaunch expenses incurred in the base quarter. In Q4FY26, PAT stood at Rs. 5,594 mn (up 30.4% YoY / up 35.2% QoQ) in Q4FY26, above our expectations of Rs. 5,250 crores. PAT margin rise 16.2% versus 11.8% in the previous quarter. Management guided for stronger FY27 performance with expectations of double-digit revenue growth, continued chronic therapy outperformance and improving acute recovery.

Valuation & Outlook:

Mankind Pharma's strong Q4FY26 performance reflects improving execution across domestic formulations, recovery in acute therapies, and sustained momentum in chronic and specialty businesses. Healthy traction in cardiac, anti-diabetic, gynecology, IVF, and OTC portfolios along with better product mix supported margin expansion, while operating leverage and lower finance costs drove strong PAT growth. BSV integration continues to strengthen the specialty portfolio with improving prescription coverage, higher doctor reach, and expanding IVF penetration. Going ahead, management remains optimistic on FY27 with expectations of double-digit revenue growth led by recovery in the acute segment, continued outperformance in chronic therapies, increasing contribution from specialty and GLP-1-related products, and improving international business traction. EBITDA margin guidance of 25.5%-26.5%, ongoing debt reduction, enhanced R&D focus, and the upcoming biotech facility provide strong medium-term growth visibility despite near-term geopolitical and raw material cost uncertainties. This integrated growth strategy, supported by substantial brand equity and balance sheet strength, provides high visibility of earnings expansion and positions the company as a long-term compounding opportunity in the Indian healthcare sector. **Thus, we expect Mankind Pharma to generate stable revenues over the long term and is trading at a PE of 40.2x/34.1x on FY27e/28e EPS estimates. We value Mankind Pharma at 46x FY27e EPS and have revised the target price to Rs 2,878 (up 15%).**

Key Highlights

Particulars (Rs. Mn.)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Net Sales	34,429	31,988	11.8%	35,672	-3.5%
Gross Profit	24,846	22,673	12.7%	25,892	-4.0%
Gross Margin (%)	72.2%	70.9%	59bps	72.6%	-42bps
EBITDA	9,299	8,160	36.1%	9,194	1.1%
OPM (%)	27.0%	25.5%	482bps	25.8%	123bps
Net Profit	5,594	3,779	30.4%	4,139	35.2%
Net Profit Margin (%)	16.2%	11.8%	232bps	11.6%	465bps

Source: Company, BP Equities Research

Sector Outlook

Neutral

Stock

CMP (Rs.)	2,512
Target Price (Rs.)	2,878
BSE code	543904
NSE Symbol	MANKIND
Bloomberg	MANKIND IN
Reuters	MANKIND.BO

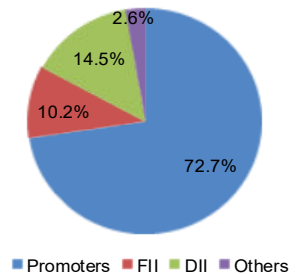
Key Data

Nifty	23,664
52 Week H/L (Rs.)	2,716 /1,910
O/s Shares (Crs)	41.3
Market Cap (Rs. bn)	1,040
Face Value (Rs.)	1

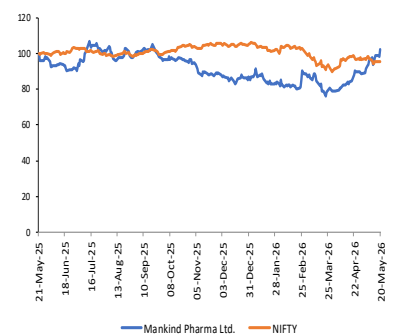
Average Volume

3 months	704,884
6 months	559,684
1 year	548,963

Share Holding (%)



Relative Price Chart



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Q4FY26 Concall Highlights**Domestic Business Outlook:**

Domestic business recovery remains firmly on track, with management guiding for sustained double-digit growth in FY27 driven by normalization in acute therapies, continued strength in chronic segments, and robust momentum across specialty businesses. Improving contribution from cardiac, anti-diabetic, respiratory, IVF, and women healthcare therapies continues to enhance the overall business mix, while stronger prescription trends, better field productivity, and deeper doctor penetration are expected to support consistent outperformance versus IPM. Additionally, management remains focused on driving profitable growth across GLP-1 and OTC portfolios, supported by favorable product mix, operating leverage benefits, and disciplined cost management initiatives.

Acute profile:

Management indicated that the acute portfolio recovery is steadily gaining momentum following a subdued FY26, with sequential improvement visible from Q2FY26 across key therapies. FY27 acute growth is expected to broadly align with industry growth, supported by stabilization in field execution, normalization of operations, improving prescription traction, and recovery across gastro, gynecology, vitamins, anti-infectives, and other core acute segments.

India Consumer Healthcare Business:

The India Consumer Healthcare business to witness healthy double-digit growth in FY27, driven by strengthening core brands, improving execution, and continued traction across modern trade and e-commerce channels. The company remains focused on scaling existing brands through extensions rather than aggressive new product launches, while improving channel mix, operational efficiencies, and digital penetration are expected to support margin improvement and sustainable long-term growth.

International Business Outlook:

The international business remains optimistic despite near-term geopolitical disruptions impacting select markets during Q4FY26. The company expects high-teen growth over the medium term, driven by expanding women healthcare, fertility, and IVF portfolios, deeper penetration in GTM markets such as Philippines, Malaysia, and Africa, and new launches in semi-regulated markets. Additionally, EU-GMP approvals for the Udaipur and Ambarnath facilities, along with improving BSV integration and leadership stabilization in key regions, are expected to support stronger execution and sustained international growth going ahead.

R&D Pipeline:

The company continues to strengthen its R&D pipeline with increasing focus on specialty, biologics, and differentiated products to drive long-term growth. R&D spend increased to ~2.8% of sales in FY26 in line with strategic priorities, while the upcoming biotech facility in Vadodara is expected to enhance capabilities in complex product development.

BSV Portfolio:

The BSV portfolio, highlighting strong traction across women healthcare, fertility, IVF, and specialty therapies. Key brands such as Anti-D, Foligraf, and HMG continued to witness robust growth, supported by increasing doctor coverage, deeper penetration across IVF centers and state hospitals, and rising awareness initiatives.

Capex:

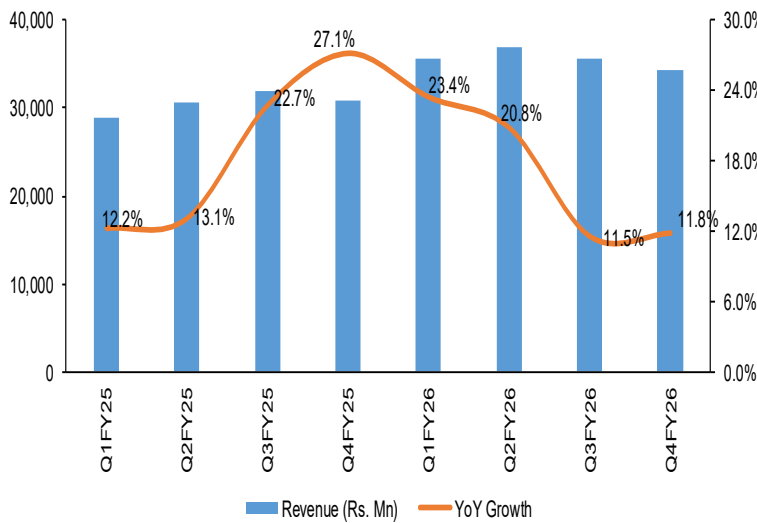
The company has outlined an elevated Capex trajectory over the medium term, primarily driven by investments in the upcoming Vadodara biotech facility aimed at strengthening biologics, specialty, and complex product capabilities. The company's FY26 Capex stood at Rs. 737 crores (~5.2% of revenue), while FY27 Capex guidance has been increased to 6%-7% of revenue to support biotech manufacturing expansion, R&D infrastructure, and future specialty pipeline growth.

"Multiple products under development across specialty, biologics, women healthcare, and GLP-1-related segments are expected to contribute meaningfully over the next 3-5 years."

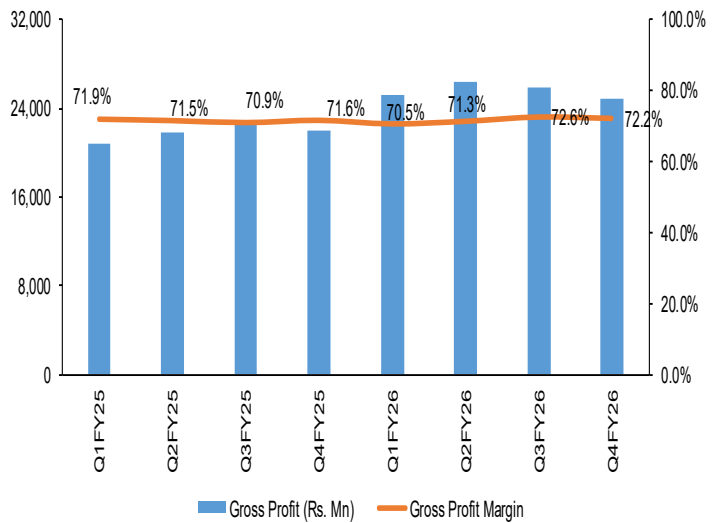
"The company has initiated its GLP-1 strategy with targeted engagement toward endocrinologists, while simultaneously building a broader obesity and diabetes ecosystem through adjacent therapies including vitamins, minerals, proteins, and GI products. visibility."

Quarterly Snapshots

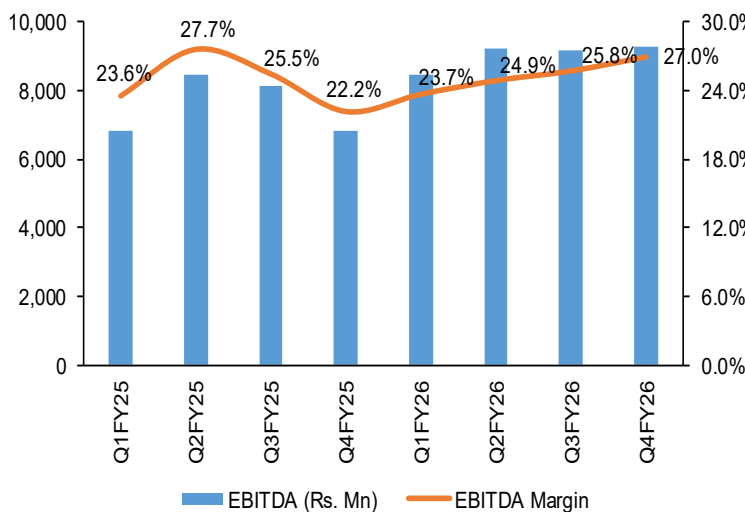
Revenue grow at steady pace



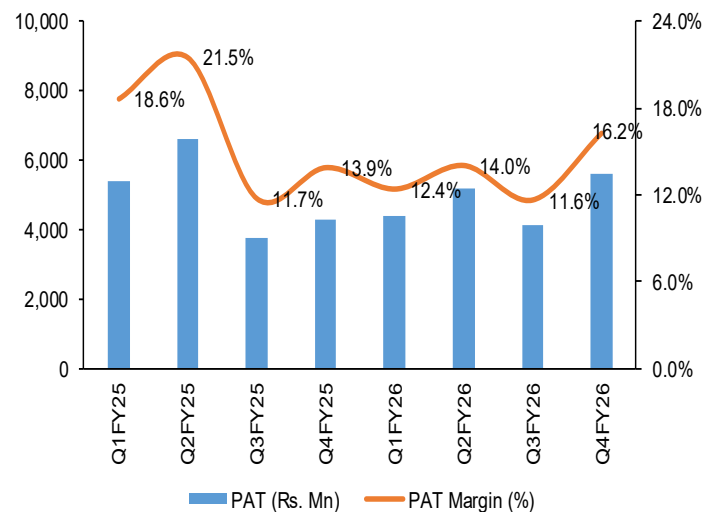
Gross margin remains stable



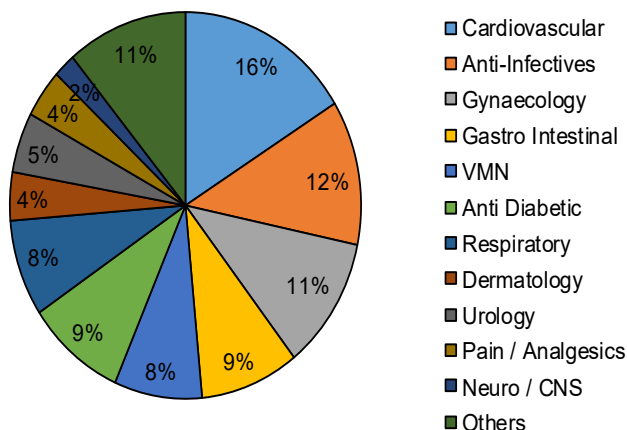
Operating Margin recovered



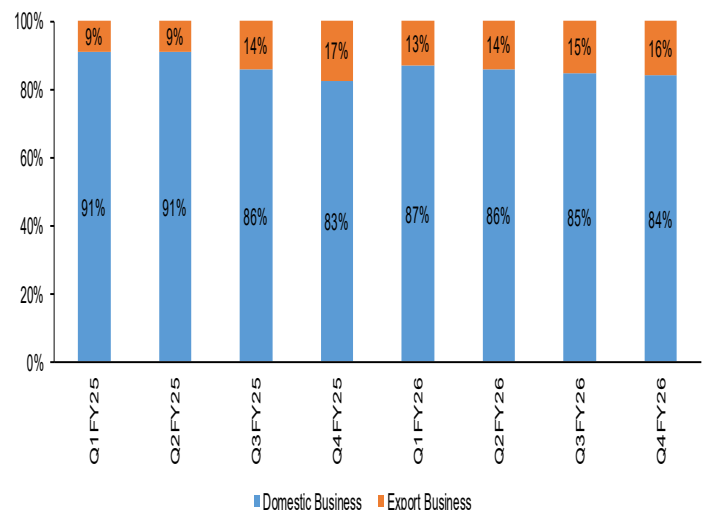
PAT margin improved



Sales mix representing diversified therapy presence



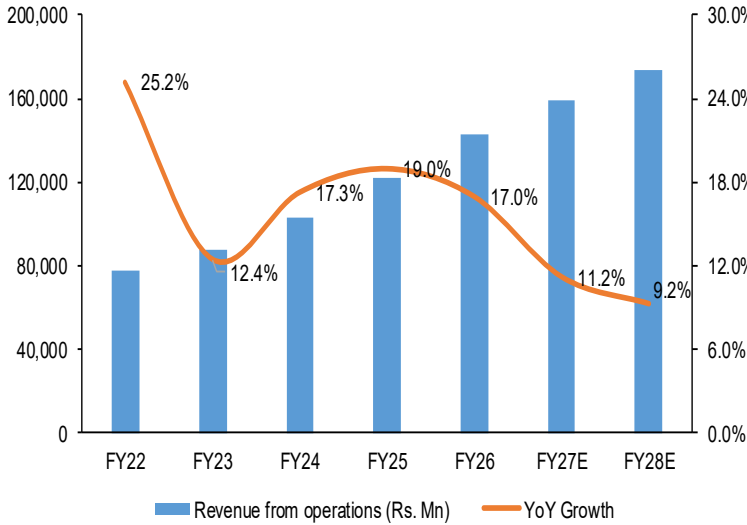
Segmental revenue break-up



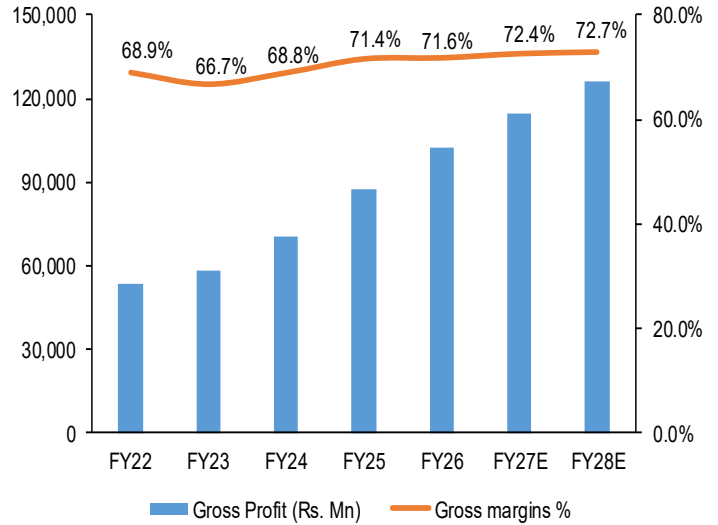
Source: Company, Bpwealth Research

Financial Snapshots

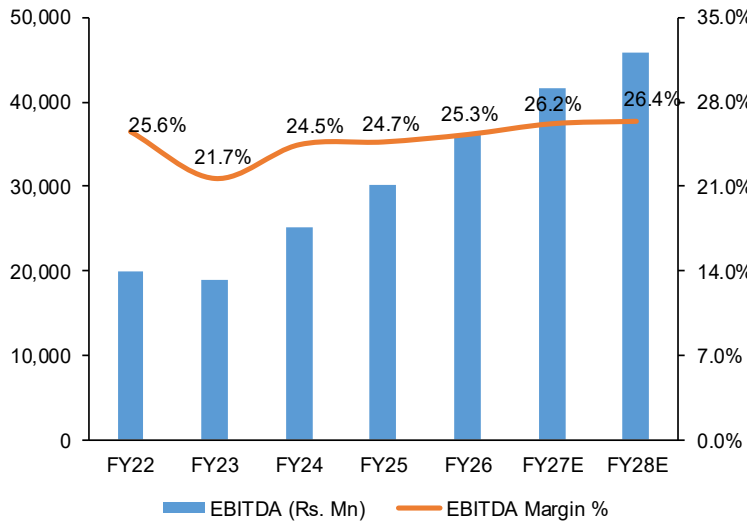
Revenues to Grow at a healthy Pace



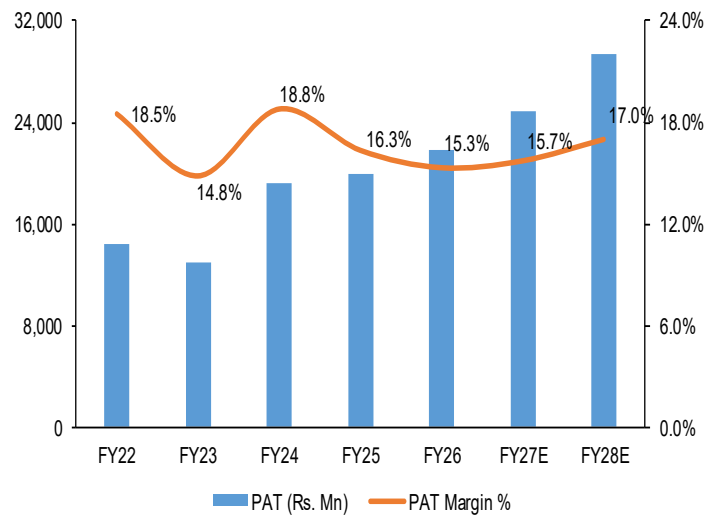
Gross Margin to remains stable



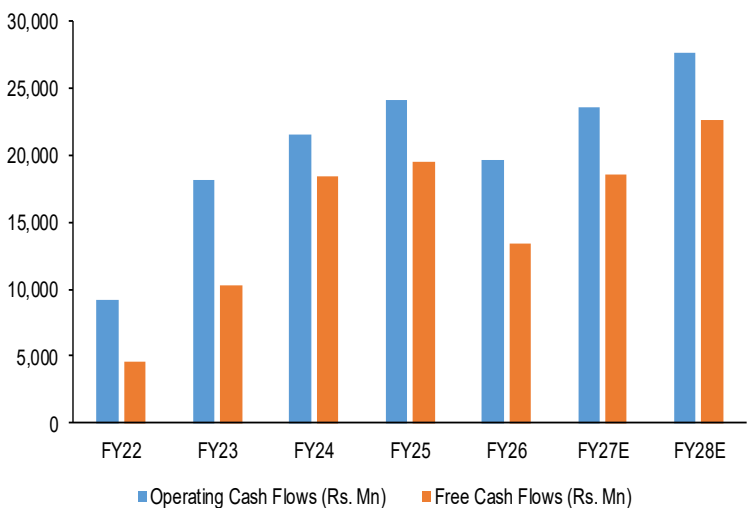
Operating margin to witness recovery



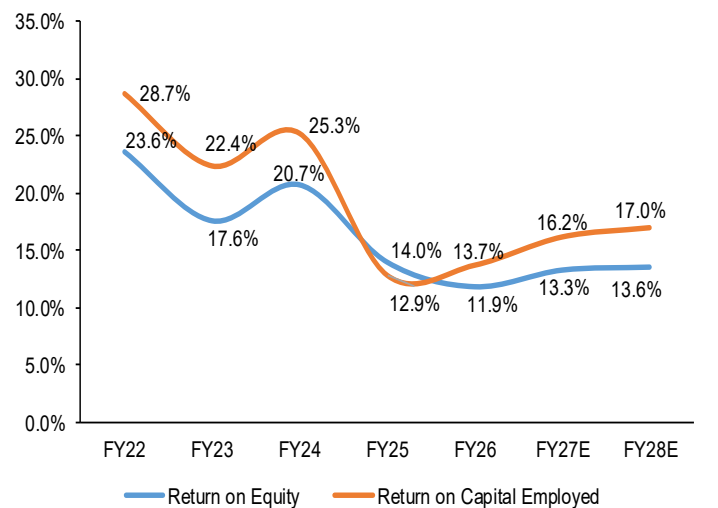
PAT Margin to improve going ahead



OCF/FCF



Improved return ratios



Source: Company, Bpwealth Research

Financials

Profit & Loss A/c (Consolidated)

YE March (Rs. Mn.)	FY23	FY24	FY25	FY26	FY27E	FY28E
Revenue from Operations	87,494	102,604	122,074	142,776	158,710	173,337
% YoY growth	12.4%	17.3%	19.0%	17.0%	11.2%	9.2%
Cost Of Revenues (incl Stock Adj)	29,136	31,985	34,890	40,521	43,804	47,321
Gross Profit	58,358	70,620	87,184	102,255	114,906	126,016
Gross margins	66.7%	68.8%	71.4%	71.6%	72.4%	72.7%
Employee Cost	19,185	22,606	26,924	31,839	35,234	38,654
Other Operating Expenses	20,167	22,877	30,081	34,242	38,059	41,566
EBITDA	19,006	25,137	30,179	36,174	41,614	45,796
EBITDA margins	21.7%	24.5%	24.7%	25.3%	26.2%	26.4%
Depreciation	3,259	3,784	6,212	8,862	8,454	9,630
EBIT	15,747	21,353	23,967	27,312	33,160	36,165
Other Income	1,286	2,802	5,368	3,588	3,696	3,806
Finance cost	445	328	4,294	6,393	5,079	2,854
Exceptional Items	0	0	0	1,298	0	0
PBT	16,588	23,827	25,041	25,805	31,776	37,117
Tax	3,616	4,572	5,097	3,946	6,832	7,683
Profit After Tax	12,973	19,256	19,944	21,859	24,944	29,434
PAT margin (%)	14.8%	18.8%	16.3%	15.3%	15.7%	17.0%
EPS	32.7	48.5	50.2	48.4	62.6	73.8

Source: Company, BP Equities Research

Balance Sheet (Consolidated)

YE March (Rs. Mn.)	FY23	FY24	FY25	FY26	FY27E	FY28E
Assets						
Net Block	24,094	28,125	27,406	27,135	23,485	18,652
Capital WIP	4,932	2,071	3,061	6,548	6,744	6,947
Intangible Assets under development	570	747	5,195	4,729	4,729	4,729
Other Non current Assets	24,280	23,007	172,050	172,842	171,815	169,200
Current Assets						
Current Investment	10,755	22,581	16,908	15,373	14,784	16,621
Inventories	14,985	15,535	20,937	21,445	26,386	27,752
Trade receivables	5,764	8,483	15,383	17,295	19,230	26,360
Cash and Bank Balances	4,532	7,081	5,545	4,828	4,163	6,308
Short-term loans and advances	16	29	40	43	48	52
Other Current Assets	7,227	11,974	11,069	10,558	14,496	14,407
Total Current Assets	43,279	65,682	69,883	69,542	79,106	91,501
Current Liabilities & Provisions						
Trade payables	10,082	7,771	11,334	13,413	12,676	10,119
Other current liabilities	4,078	7,442	9,095	9,691	10,463	11,353
Short-term provisions	3,076	4,273	6,639	8,137	9,131	10,448
Total Current Liabilities	17,236	19,486	27,067	31,241	32,270	31,919
Net Current Assets	26,042	46,197	42,816	38,301	46,836	59,582
Capital Applied	79,918	100,147	250,528	249,554	253,608	259,109
Liabilities						
Share Capital	401	401	413	413	413	413
Reserves and Surplus	73,952	93,230	142,911	162,591	187,535	216,969
Total Shareholders Funds	74,352	93,631	143,324	163,003	187,948	217,382
Minority Interest	1,881	2,127	2,358	2,607	2,607	2,607
Total Debt	1,626	1,960	84,830	62,043	39,543	17,543
Long Term Provisions	979	1,231	1,551	2,487	2,536	2,587
Other Long Term Liabilities	307	307	340	1,014	734	774
Net Deferred Tax Liability	773	891	18,125	18,400	20,240	18,216
Total Liabilities	79,918	100,147	250,528	249,554	253,608	259,109

Source: Company, BP Equities Research

Cash Flows (Consolidated)

YE March (Rs. Mn.)	FY23	FY24	FY25	FY26	FY27E	FY28E
PBT	16,712	23,979	25,163	23,327	31,776	37,117
Depreciation & Amortization	3,259	3,983	6,212	8,862	8,454	9,630
Other Adjustments	1,667	(176)	(1,464)	1,048	(5,842)	(8,816)
(Inc) / Dec in Working Capital	19,696	26,115	31,266	36,092	40,230	46,748
Taxes	(3,231)	(4,415)	(5,668)	(5,927)	(6,832)	(7,683)
Cash from Ops.	18,133	21,524	24,134	31,213	27,556	30,249
Capital Expenditure & investments	(10,541)	(20,817)	(126,830)	(1,964)	(9,807)	(7,641)
Cash from Investing	(10,541)	(20,817)	(126,830)	(1,964)	(9,807)	(7,641)
Cash from Financing	(7,397)	53	102,326	-29,527	-18,415	-20,462
Extraordinary receipts/payment	0	0	0	1	2	2
Net Inc/Dec in cash equivalents	195	760	-370	-278	-665	2,145
Opening Balance	2,831	3,048	3,820	4,039	3,917	3,252
Forex & Others	23	12	13	156	-	-
Closing Balance Cash & Cash Equivalents	3,048	3,820	3,463	3,917	3,252	5,397

Key Ratios (Consolidated)

YE March	FY23	FY24	FY25	FY26	FY27E	FY28E
Profitability						
Return on Assets	13.5%	16.2%	7.2%	6.9%	8.8%	10.2%
Return on Capital Employed	22.4%	25.3%	12.9%	13.7%	16.2%	17.0%
Return on Equity	17.6%	20.7%	14.0%	11.9%	13.3%	13.6%
Margin Analysis						
Gross Margin	66.7%	68.8%	71.4%	71.6%	72.4%	72.7%
EBITDA Margin	21.7%	24.5%	24.7%	25.3%	26.2%	26.4%
Net Income Margin	15.0%	18.9%	16.5%	13.6%	15.8%	17.0%
Short-Term Liquidity						
Current Ratio	2.3x	3.1x	1.2x	1.1x	1.4x	1.9x
Quick Ratio	1.5x	2.4x	0.9x	0.7x	0.9x	1.3x
Avg. Days Sales Outstanding	24	30	46	44	44	56
Avg. Days Inventory Outstanding	63	55	63	55	61	58
Avg. Days Payables	42	28	34	34	34	34
Fixed Asset Turnover	3.3x	3.0x	3.2x	3.7x	3.9x	3.8x
Debt-service Coverage	42.7x	76.8x	7.0x	1.7x	2.2x	3.1x
Long-Term Solvency						
Total Debt / Equity	0.0x	0.0x	0.6x	0.4x	0.2x	0.1x
EBITDA / Interest Expense	38.3x	73.8x	6.8x	4.8x	7.3x	14.0x
Valuation Ratios						
EV/EBITDA	43.3x	32.2x	29.8x	29.0x	24.7x	21.9x
PER	63.8x	43.1x	41.6x	51.9x	40.2x	34.1x
P/B	11.2x	8.9x	5.8x	6.2x	5.4x	4.6x

Source: Company, BP Equities Research

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