**Sector: Pharmaceuticals** **RESULT REVIEW Q1FY27** **Declared On: 14 Aug 2026**

# Gufic Biosciences Limited

| RECOMMENDATION SNAPSHOT | | | | |
|---|---|---|---|---|
| *CMP | MCap (Rsbn) | Recommendation | Target | Potential Upside |
| Rs418 | 42 | Accumulate | Rs475 | 14% |

*as on 17th Aug, 2026*

## About the Company:

Incorporated in 2000, Gufic Biosciences Limited (Gufic) is a Pharmaceutical company closely held by Choksi family, who hold 70% stake directly or through group companies. The company was formed through a buyout of a non-operational listed entity Central Finance Limited, a consumer credit company. The promoters of the company have been in the Pharma industry since 1960, ever since they incorporated Gufic Pharma Private Limited (GPPL). Gufic has been in the business of manufacturing and marketing injectable products since late 1970s. The group had earlier exited its API and formulations manufacturing division through a sell-off of its six major brands such as Mox (Amoxycillin) Injection, Zole (Miconazole Nitrate) etc. to Ranbaxy in 1997. The promoters then re-entered pharmaceutical formulations segment through incorporation of Gufic Biosciences Limited. Gufic has established itself in the Pharma, herbal and biotechnology business with the key focus being on contract manufacturing for various leading pharmaceutical companies in India.

## Results: Quick Glance:

- The net sales reported growth of 16.6% to Rs2,608mn as compared to Rs2,237mn in the same quarter last year
- The Ebitda margins for the quarter stood at 17.9% as compared to 14.9% in the comparative quarter last year
- The company reported profit of Rs223mn as compared to Rs131mn in the same quarter last year
- The EPS for the quarter stood at Rs2.2 as compared Rs1.3 in the corresponding period of last year

## Conference Call Highlights:

- **Indore Facility:** The asset was capitalized in Q4FY25, resulting in higher fixed-cost absorption (salaries, utilities, depreciation, interest). It has been on track with regard to the 40-45% utilization target for FY27E. The tech transfer for existing products from Navsari & process validation batches for initial products is completed with 40 products completed and 27 more under development. The company has completed 20+ vendor audits for Indian pharma majors and more are lined up. The CMO contracts have commenced. On the global regulatory clearance, EU GMP & UK MHRA is targeted for Q1FY27E while USFDA in FY29E
- Scale up of phase 1 molecules has commenced in CMO; with regulatory audit under focus. GLP-1 validation batches (for big pharma client) were executed in Jan'26 while the CMO client migration is underway from Navsari Unit-2 to Indore. As of the recent quarter, depot and microsphere suite is nearing completion; spray-dried and conventional routes for a lipid-based antifungal are under set-up; with contract-client migration continuing
- **Criticare:** Continued evaluation of niche hospital anti-infective and supportive-care assets, with regulatory and market-readiness work is progressing for subsequent launches
- **Ferticare:** Scaling a high-science fertility franchise by owning Reproductive Immunology and expanding the stimulation portfolio with cost-effective differentiation. The Puregraf group secured entry into major corporate IVF chains. Unogem, the super-pure urinary FSH, is positioned against recombinant alternatives on purity and cost, with Supergraf building in the poor-responder segment. Guficin Alpha retains market leadership in recurrent implantation failure and continues to lead immunology-driven reproductive support
- **Aesthaderm and Neurocare**: Gufic holds the number two in India in botulinum toxin type A, manufactured from the company's own strain with no third-party dependence for the active, a position no other Indian company holds
- The in-licensed dermal filler and biostimulator portfolio from the company's Canadian partner continues through supply and regulatory steps, with launch planned during FY27E and requires no capex. Activation of organised clinic chains remains the primary pathway to repeatable scale. In terms of **Neurocare**, the company is scaling the therapeutic toxin franchise through injector creation and category expansion
- **Stellar & Spark Division (Zenova):** The company has consolidated Spark and Stellar into a single, specialty-focused division to eliminate overlap and streamline engagement. It is scaling a stable speciality focused women's health and ortho platform. It has rationalized manpower and overhead costs to improve operational efficiency and profitability. Prescription-led transition: Rx-to-injectables ratio continues y-o-y improvement and stands now at 70:30. DD1 & Strencnil are driving the q-o-q growth; reaffirmed as Zenova's flagship brands. The new growth layer, Fertiforce-M and Fertiforce-F gained prescription acceptance with a consistent month-on-month trend, establishing an infertility and reproductive-health adjacency

## Conference Call Highlights (contd.):

- Fertiforce & Polmaxib-P are showing strong early adoption. It has a rich pipeline in endometriosis, PCOS, menopause and pain to drive multiyear growth. Cannabis- and exosome-based innovations enhance future differentiation
- **Selvax**: Gufic holds India and partial European rights to Selvax's SVX programme, a staged, animal-to-human immuno-oncology project which is explicitly framed as a long-term scientific option, not a near-term revenue lever. The company is developing SVX-3001 (humanized anti-CD40 agonist antibody) co-administered intratumorally with IL-2 to amplify anti-tumour immune response while minimizing systemic toxicity
- **Sparsh:** Contrast media and nutrition broaden TAM and accelerate wallet capture. The dual-chamber bag, a closed drug-delivery format, first in India for anti-infective secured acceptance across a widening set of leading tertiary and corporate institutions, and now contributes a growing share of the division
- The division now operates entirely on the clearing-and-forwarding and stockist architecture, with the distributor data layer live. Outstanding days are inside standard trade terms and hospital onboarding has resumed at scale
- **International business**: Gufic's international business historically was a distributor-led, opportunistic filing model. It is moving to an IP-owned, complex-injectable-led market access model where Gufic holds the Marketing Authorisation, controls the IP, and monetises assets through three mechanisms-direct supply, out-licensing, and tech-transfer fee. There have been approvals and renewals across eight countries this quarter, spanning Europe, MENA, Africa and South-East Asia including a five-presentation therapy basket cleared in a single market and a manufacturing site GMP renewal. The company is building on current high value molecules adding new products from Indore with a market share target of 5-10% in identified geographies over the next 3-5 years. The volumes are ramping up as Navsari capacity is opening up. Gufic Ireland secured its 1st marketing authorization in the EU; giving Gufic direct access to EU markets

## Financials:

| Performance (Q1FY27) | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Q1FY27 Result (Rs mn)** | **Jun-26** | **Jun-25** | **y-o-y** | **Mar-26** | **q-o-q** | **FY26** | **FY27E** |
| **Total Revenue** | 2608 | 2237 | 16.6% | 2518 | 3.6% | 9440 | 10479 |
| **EBITDA** | 466 | 333 | 40.0% | 472 | (1.3%) | 1513 | 1760 |
| **Other Income** | 5 | 9 | (50.6%) | (12) | - | 27 | 37 |
| **Interest** | 93 | 92 | 0.9% | 94 | (1.3%) | 366 | 402 |
| **Depreciation** | 77 | 77 | (0.2%) | 76 | 0.8% | 308 | 309 |
| **Exceptional Items** | 0 | 0 | - | 0 | - | 0 | 0 |
| **Tax** | 77 | 42 | 83.8% | 71 | 9.5% | 223 | 288 |
| **Net Profit** | **223** | **131** | **70.7%** | **219** | **1.9%** | **642** | **799** |

## Outlook and Recommendations:

The company has reported revenue growth of 16.6% y-o-y, with margins of 17.9% for the quarter under reference. Despite the higher tax outgo, the PAT has reported healthy growth of 70.7% for the quarter. The Management expects Ebitda margins to improve from hereon, rising steadily from historical levels of approx. 18% in FY27E; representing a long-term improvement driven by product mix and geography expansion. There are developments unfolding across each of the business segment of the company. Gufic has **restructured** its domestic channel operations to address the working capital drags within its Critical Care and Sparsh business divisions; these now operate entirely on the clearing-and-forwarding and stockist architecture, with the distributor data layer live. The **international** business, which was historically distributor-led, opportunistic filing model; has been changed to IP-owned, complex injectables-led export & licensing engine. Gufic would hold the Marketing Authorisation, control the IP, and monetise assets through three mechanisms of direct supply, out-licensing, and tech-transfer fees.

In terms of **GLP-1** opportunity, the company has been vocal of the fact that it will only be a contract manufacturer for its partner Hetero. It would not handle any front end marketing or branding for these drugs instead focus on manufacturing execution and plant readiness. The traction has been residual in Q1 with the approval for the partner coming in May'26; pick up is expected from Q3 onwards.

## Outlook and Recommendations (contd.):

For the **EU exports**, the company already has approvals through Navsari while Indore is awaited; expected in the next 1-2 months which will open huge export opportunities and also help ramp up utilization of **Indore** facility. There is gradual ramp up seen in the capacity utilization across the Indore facility, currently around 30-35% and expected to close FY27E at 40-45% utilization levels. The **in-licensed** dermal filler and biostimulator portfolio from the company's Canadian partner continues through supply and regulatory steps, with launch planned during FY27E. Revenues are expected to kick in from Dec'26 onwards. The company has indicated of a **major global health organization** that has partnered with it on one of its most complex injectable assets (liposomal products), providing access to 109 public health markets worldwide. By Aug/Sept the study should be ready to be followed by filing from both Navsari and Indore facilities. The company has reiterated the **revenue growth guidance** of ~15-20% for FY27E. At the current capacity with no further capex, peak revenues stand at Rs16-20bn; FY27E expected to be around Rs11bn. The margins have come back to the historical levels of around 18% after the blip with ramp up and cost overruns. The Management expects ramp up of margins from hereon. From FY28E, **operating leverage** should kick in for the company. Gufic is focusing on sweating its existing assets and maximizing throughput from its recently completed projects. This move is expected to limit the annual spending to just Rs200mn for maintenance, improving cash flow. The key growth levers include, the India business which is consolidating the critical care infertility business, building on the licensing products portfolio, entry into Ortho Gynecology products through the new division Stellar, and overall building on the robust pipeline of new products. In the international business, the company is expanding its presence in regulated markets such as US/EU and gradually commercializing pipeline products. In the CMO, with the scale up of manufacturing facility, Gufic is working towards expanding the customer base and adding new product offerings. Overall, growth is expected to come from higher capacity utilization of current facilities and a shift toward higher-value products. We maintain a positive stance recommending accumulate for a revised target of Rs475 (earlier target of Rs400 achieved).

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