Sector: Pharmaceuticals **RESULT REVIEW Q4&FY26** **Declared On: 27 May 2026**

FDC Limited

RECOMMENDATION SNAPSHOT				
*CMP	MCap (Rsbn)	Recommendation	Target	Potential Upside
Rs428	69.6	Accumulate	Rs500	17%

as on 27th May, 2026

About the Company:

Promoted as a partnership firm in 1936 by Late Anand Chandavarkar in order to import pharmaceutical dosage forms, specialised infant foods and surgical appliances for distribution in India. In 1940, this partnership was converted into a private limited company-Fairdeal Corporation (P) Ltd and later renamed it as FDC Limited in 1986. FDC is a fully integrated, research-oriented pharmaceutical company engaged in the manufacturing and marketing of Formulations and APIs. FDCs formulation department designs and develops products for various global markets as well as the highly regulated markets of US and Europe. The company has a diversified portfolio of products with presence in various therapeutic areas of focus such as ORS, anti-infectives, GI, ophthalmologicals, vitamins/minerals/dietary supplements, cardiac, anti-diabetes, respiratory, gynaecology, dermatology and analgesics. FDC has a wide presence to service the markets for more than 300 products in India and exports many of these to over 50 countries.

Results: Quick Glance:

- The net sales for the quarter reported growth of 18.9% to Rs5,848mn as compared to Rs4,919mn in Q4FY25
- The Ebitda margins for the quarter under review stood at 18.2% as compared to 11.0% in Q4FY25
- The company reported profit of Rs1,034mn as compared to Rs387mn in the same quarter last year
- During the quarter under and full year, the parent company recognized a fair value loss of Rs132.9mn (factored in other expenses) and fair value gain of Rs117.9mn (factored in other income) respectively
- The EPS for the quarter stood at Rs6.35 as compared to Rs2.38 in the corresponding period of last year
- For FY26, the revenues came in at Rs21,709mn as compared to Rs21,081mn; growth of 3% while the PAT stood at Rs2814mn as against Rs2668mn. The EPS came in at Rs17.2 as against Rs16.3 in FY25

Other Highlights:

- **Indian markets:** Sale of branded formulations came in at Rs4520mn; growth of 8.5% on a y-o-y basis. For FY26, the overall sales stood at Rs17,810mn; muted growth of ~1.0% on a y-o-y basis. The overall domestic formulations contribution stood at ~78% of the total consolidated sales in Q4FY26 and ~82% in FY26. As per secondary sales data by IQVIA for MAT March 2026, the company delivered y-o-y growth of 1.7%
- **Exports formulations and API:** Formulation sales in the export market came in at Rs890mn in Q4FY26, growth of 99.3% on a y-o-y basis. For FY26, the total export formulation sales stood at Rs2600mn; reporting a growth of ~23.5% on a y-o-y basis. The export formulations contribution to consolidates sales stands at ~15.2% in Q4FY26. During the quarter, the company received an USFDA approval for Fluconazole Tablets, 50/100/150/200mg. In May'26, the company was granted an ANDA approval by the USFDA for Cefixime for oral suspension, 100mg/5mL and 200mg/5mL. The API business reported sales of Rs420mn in Q4FY26, up by 38.6% on a y-o-y basis and accounted for 7% of total consolidated sales. In FY26, the sales grew by ~8.5% on a y-o-y basis at Rs1210mn

Financials:

Performance (Q4&FY26)									
Q4&FY26 Result (Rs mn)	Mar-26	Mar-25	y-o-y	Dec-25	q-o-q	FY26	FY25	y-o-y	FY27E
Total Revenue	5848	4919	18.9%	4647	25.8%	21709	21081	3.0%	23318
EBITDA	1064	540	97.0%	523	-	3461	3248	6.6%	3684
Other Income	499	161	-	208	-	1135	907	25.2%	1135
Interest	15	12	29.7%	11	38.0%	50	45	10.6%	52
Depreciation	144	156	(7.8%)	148	(2.9%)	592	537	10.3%	616
Exceptional Items	0	0	-	208	-	208	0	-	0
Tax	370	146	-	81	-	932	904	3.0%	988
Net Profit	**1034**	**387**	**-**	**283**	**-**	**2814**	**2668**	**5.5%**	**3163**

Outlook and Recommendations:

The company has reported revenue growth of 18.9% on a y-o-y basis for the quarter under review. The performance was attributed to all the key business segments registering a healthy growth. The domestic formulations business grew by ~8.5% on a y-o-y basis for Q4FY26 whereas for the full year the performance was slightly muted on account of subdued performance in top brands like Zifi, Electral and Enerzal. US business reflected a strong performance for the stated quarter with revenues at Rs390mn. The supplies stood at Rs710mn; growth of ~165.1% on a y-o-y basis; attributed to improved execution and demand momentum. The overall US business grew by ~46.9% on a y-o-y basis in FY26 on account of improved profit share from the US partners. As far as the export formulation sales are concerned, this business segment has improved consistently over the last 2-3 quarters supported by improved supplies and better execution across the US and focused markets. The overall sales grew by ~99.3% in Q4FY26 and by ~23.5% in FY26. The API business too has reported a decent performance for the quarter as well as the full year. After a subdued performance over the past couple of quarters; FDC has reported a better topline for the quarter under review majorly led by a rebound in the domestic and the US formulations business. On a q-o-q basis as well the performance has been much better than expected. The Ebitda margins have come in stronger at 18.2% for the quarter led by enhanced operational efficiencies. Excluding the fair value loss on financial instruments (accounted in other expenses), the margins would have been at ~20.5% in Q4FY26. The other income is higher during the quarter which has led to inflated profits; however, even after excluding the fair value gain reported on the financial instruments, the profits have reported a fairly reasonable growth. For FY26, the other income includes the component of fair value gain amounting to Rs117.9mn. The exceptional item of ~Rs208mn in FY26 pertains to incremental estimated obligations related to labour code. Excluding these, the overall PAT would have reported a growth of ~9% on a y-o-y basis when compared to FY25. The company has been working towards expanding its footprint in the international market while sustaining its focus towards the domestic markets. The company continues with its conscious effort to increase the market share for Electral brand. The future high growth areas for the company are aligned towards the energy drinks, growth in ORS, cardiovascular while at the same time working on new product introductions in the anti-diabetic space. The company is also working towards enhancing its share in the chronic space but anticipates immense opportunities in the acute therapy in the medium to long-term. FDC has always maintained the strategy of not getting into newer brands but rather work on line-extensions. This is validated with the fact that flagship brands continue to be consistent category leaders and have multiple SKUs which would drive consistent growth in the near term. Backed by all these fundamental rationales we continue to remain positive on the stock and maintain an accumulate for a revised target of Rs500.

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Registered Office Address:

Progressive Share Brokers Pvt. Ltd,

122-124, Laxmi Plaza, Laxmi Indl Estate,

New Link Rd, Andheri West,

Mumbai-400053, Maharashtra

www.progressiveshares.com | Contact No.:022-40777500

Compliance Officer:

Ms. Mamatha Poojari,

Email: compliance@progressiveshares.com,

Contact No.:022-40777500

Grievance Officer:

Email: grievancecell@progressiveshares.com