CMP: ₹3830 | Target ₹ 4550 (19%) | Target Period: 12 months | BUY

November 16, 2026

Recent launches, new SKUs to drive numbers...

About the stock: Pfizer collectively addresses 15 therapy areas in the domestic formulations with a portfolio of more than 125 products that include therapeutics & vaccines. The company has been continuously restructuring its portfolio to improve the productivity of its core brands.

- Pfizer is third largest multinational pharma company in India
- The company has Manufacturing facility in Goa. As per IQVIA MAT September 2026, Acute: Chronic ratio was 73:27

Result Performance & Investment Rationale:

- **Q2FY27 – Steady revenue growth and flat margins:** Revenues grew ~13% to ~Rs 726 crore, driven by growth in power brands such as Eliquis (CVS), Gelusil-MPS(Gastrointestinal) and Magnex (Anti-infective) among others. There was a de-growth in other power brands such as Becosules (VMS), Mucaine (Antacid), Zavicefta (anti-infective), Meronem (anti-infective). EBITDA grew ~14% with a margin increased by 14 bps YoY to 35.9% due despite GPM de-growth by 541 bps to 59.1%. Adjusted PAT during the quarter stood at ₹181 crore. The company during Q2 received ₹132 crore from parent pursuant to discontinuation of Minipress XL.
- **Recent launches SKUs at the fore -** As per IQVIA, for Q2 Eliquis grew 16%, and Magnex grew 75%. The company has recently launched Pneumococcal Polysaccharide Conjugate Vaccine Prevenar 20 in India for adults, which generated ~₹43.5 crore in Q2FY27 as per IQVIA and should further boost its vaccine portfolio going ahead. Most of the growth has been through recent launches (over the past 5 years) and the new SKUs. These, along with the latest launches from the parent company's staple such as Nurtec ODT (Rimegepant- migraine treatment) and Emblaveo (Aztreonam-Avibactam- Anti-infective to treat drug resistance bacteria) are part of the general reforms to address slowdown in sales. There were leadership changes across the three core divisions of Internal medicine, Vaccines and Hospitals. The company has also revised it's go-to-market model for some products within the Internal Medicine portfolio to enhance market penetration. A recent deal with Cipla to market, distribute and sell some legacy brands such as cough syrup Corex Dx and Corex LS, pain management drug Dolonex, Antacid drug Neksium and the oral antibiotic Dalacin C in India is an endeavour towards stimulating growth in these legacy brands. With these changes, we believe Pfizer can stimulate sales growth besides maintaining EBITDA margins. The recent development of Pfizer Inc. stopping the marketing & distribution of Minipress XL brand, which accounted for ~8% of the sales, is likely to have some impact in the coming quarters. We expect Revenues to grow at a CAGR of ~6% during FY26-28E. We also expect company to maintain ~+30% dividend payout as has been the case over the last few years. Post its decline of ~25% from the recent high, the stock is trading below its historical mean, thus providing good entry point.

Rating and Target Price: We maintain our BUY rating with target price is ₹ **4550** based on **24x** FY28E EPS of ₹**189.6**

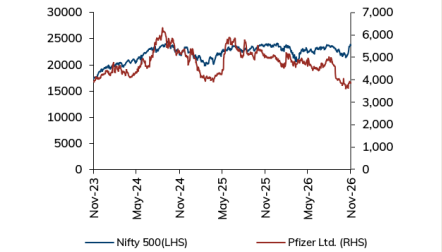
Particulars

Particular	Amount
Market Cap.	₹ 17728 crore
Debt (FY26)	₹ 3 crore
Cash (FY26)	₹ 1925 crore
EV	₹ 15805 crore
52-week H/L	5296/3589
Equity capital	₹ 45.8 crore
Face value	₹ 10

Shareholding pattern

(in %)	Dec-25	Mar-26	Jun-26	Sep-26
Promoter	63.9	63.9	63.9	63.9
FII's	2.7	2.8	1.7	1.6
DII's	17.1	16.9	17.8	17.5
Others	16.3	16.4	16.6	17.0

Price Chart



Key risks

(i) Sustainability of the new distribution model.

(ii) Parent pushing new products via unlisted entity

Research Analyst

Siddhant Khandekar
siddhant.khandekar@icicisecurities.com

Shubh Mehta
shubh.mehta@icicisecurities.com

Vedant Nilekar
vedant.nilekar@icicisecurities.com

Result Update

ICICI Securities – Retail Equity Research

Key Financial Summary

Key Financials (₹ Crore)	FY23	FY24	FY25	FY26	3-year CAGR (FY23-26)	FY27E	FY28E	2-year CAGR (FY26-28E)
Revenues	2424.8	2193.2	2281.4	2519.7	1.3%	2756.2	3004.3	6.0%
EBITDA	808.9	635.3	740.2	904.1	3.8%	954.8	993.9	3.2%
EBITDA margins (%)	33.4	29.0	32.4	35.9		34.6	33.1	
Adjusted PAT	590.9	543.4	594.8	771.7	9.3%	756.2	867.6	4.0%
EPS (₹)	129.2	118.8	130.0	168.7		165.3	189.6	
PE (x)	28.4	33.1	23.1	24.5		20.0	20.4	
M.Cap/ Revenues (x)	7.3	8.1	7.8	7.0		6.4	5.9	
RoCE (%)	24.8	20.8	19.9	24.5		23.8	22.9	
ROE (%)	18.4	15.1	14.1	18.4		17.2	17.6	

Source: Company, ICICI Direct Research

Exhibit 1: Top 10 brand performance for 3 years (in ₹ crore)

Brand	Therapy	MAT SEP'23	MAT SEP'24	MAT SEP'25	MAT SEP'26	CAGR 23-26	YoY%
PREVENAR-13	VACCINES	298.2	373.8	357.1	341.5	4.6%	-4.4%
ELIQUIS	BLOOD RELATED	147.9	164.6	236.2	304.2	27.2%	28.8%
BECOSULES	VITAMINS/MINERALS/NUTRIENTS	297.0	305.1	278.0	277.3	-2.3%	-0.2%
MINIPRESS-XL	CARDIAC	219.1	218.0	265.0	247.3	4.1%	-6.7%
MUCAINE	GASTRO-INTESTINAL	177.0	168.2	186.6	211.0	6.0%	13.1%
PREVENAR 20	VACCINES	0.0	0.0	7.2	139.3	NA	1842.6%
GELUSIL-MPS	GASTRO-INTESTINAL	121.2	130.5	124.5	135.1	3.7%	8.6%
MAGNEX	ANTI INFECTIVE	159.4	37.9	74.4	124.3	-8.0%	67.0%
ZAVICEFTA	ANTI INFECTIVE	85.9	109.8	112.4	118.0	11.2%	5.0%
FOLVITE	VITAMINS/MINERALS/NUTRIENTS	97.5	100.3	101.4	112.7	4.9%	11.1%
Top 10 brands		1603.2	1608.3	1742.7	2010.7	7.8%	15.4%
% of IQVIA sales		56.9%	58.5%	59.0%	61.4%		
Ex-Top 10 brands		1215.1	1140.6	1213.1	1266.4	1.4%	4.4%

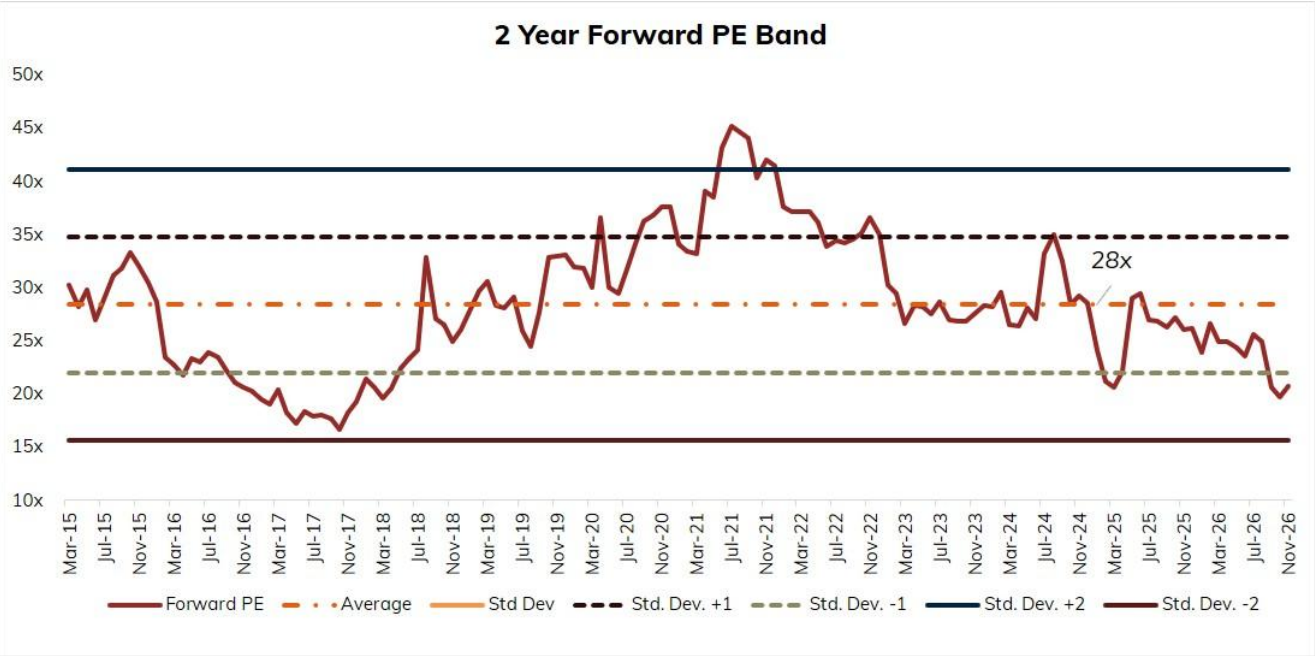
Source: Company, ICICI Direct Research

Exhibit 2: Top 10 Therapy performance for 3 years (in ₹ crore)

Therapy	MAT SEP'23	MAT SEP'24	MAT SEP'25	MAT SEP'26	CAGR 23-26	YoY%
CARDIAC	408.0	426.8	543.9	595.4	13.4%	9.5%
VACCINES	298.2	373.8	364.3	480.8	17.3%	32.0%
VITAMINS/MINERALS/NUTRIENTS	411.1	427.6	404.0	415.4	0.3%	2.8%
ANTI-INFECTIVES	367.1	277.7	313.7	397.2	2.7%	26.6%
GASTRO-INTESTINAL	298.2	299.1	312.2	346.6	5.1%	11.0%
HORMONES	250.8	238.9	279.1	286.3	4.5%	2.6%
GYNAEC.	273.7	272.6	271.2	279.4	0.7%	3.0%
BLOOD RELATED	98.1	100.3	101.5	112.8	4.8%	11.1%
PAIN / ANALGESICS	43.4	54.4	100.4	97.3	30.9%	-3.1%
ANTINEOPLAST/IMMUNOMODULATOR	115.5	103.1	88.9	96.8	-5.7%	8.9%
Top 5 Therapies	**1782.6**	**1805.1**	**1938.0**	**2235.5**	**7.8%**	**15.4%**
Total IQVIA Sales	**2818.4**	**2748.9**	**2955.8**	**3277.1**	**5.2%**	**10.9%**

Source: IQVIA, ICICI Direct Research

Exhibit 3: 2 Year Forward PE Band



Source: ICICI Direct Research

Financial summary

Exhibit 4: Profit and loss statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Total Operating Income	2,281.4	2,519.7	2,756.2	3,004.3
Growth (%)	4.0	10.4	9.4	9.0
Raw Material Expenses	810.5	884.3	1,100.2	1,199.2
Gross Profit	1,470.9	1,635.3	1,656.0	1,805.1
Gross Profit Margins (%)	64.5	64.9	60.1	60.1
Employee Expenses	371.3	368.0	379.9	450.6
Other Expenditure	359.3	363.3	321.3	360.5
Total Operating Expenditure	1,541.1	1,615.6	1,801.5	2,010.4
EBITDA	**740.2**	**904.1**	**954.8**	**993.9**
Growth (%)	16.5	22.1	5.6	4.1
Interest	8.4	9.5	11.5	7.5
Depreciation	60.8	57.7	57.5	69.9
Other Income	172.3	188.0	181.8	240.3
PBT before Exep Items	843.3	1,024.8	1,067.6	1,156.8
Less: Exceptional Items	172.8	49.2	-132.1	0.0
PBT after Exceptional Items	1,016.1	975.7	1,199.6	1,156.8
Total Tax	248.5	253.2	311.4	289.2
PAT before MI	767.6	722.5	888.2	867.6
PAT	**767.6**	**722.5**	**888.2**	**867.6**
Growth (%)	43.4	-5.9	22.9	-2.3
EPS (Adjusted)	**130.0**	**168.7**	**165.3**	**189.6**

Source: Company, ICICI Direct Research

Exhibit 5: Cash flow statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Profit/(Loss) after taxation	859.9	990.2	888.2	867.6
Add: Depr & Amortization	60.8	57.7	57.5	69.9
Net Inc in Current Assets	18.6	-12.3	1,023.2	-61.5
Net Inc in Current Liabilities	38.2	52.4	57.9	30.0
Others	-317.7	-120.5	11.5	7.5
CFO	**659.8**	**967.6**	**2,038.3**	**913.5**
Investments	151.7	0.0	0.0	0.0
(Purchase)/Sale of Fixed Assets	-28.0	-24.1	-195.4	-40.0
Others	-195.1	-537.6	118.8	0.0
CFI	**-71.3**	**-561.7**	**-76.6**	**-40.0**
(inc)/Dec in Loan	0.0	0.0	0.0	0.0
Dividend & Dividend tax	-160.3	-751.6	-320.3	-320.3
Other	-45.1	-46.7	-11.5	-7.5
CF from Financing activities	**-205.3**	**-798.3**	**-331.8**	**-327.8**
Net Cash Flow	**383.1**	**-392.4**	**1,244.5**	**545.8**
Cash and Cash Equivalent	1,934.7	2,317.8	1,925.4	3,169.9
Cash	2,317.8	1,925.4	3,169.9	3,715.7
Free Cash Flow	**631.8**	**943.5**	**1,842.9**	**873.5**

Source: Company, ICICI Direct Research

Exhibit 6: Balance sheet ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Equity Capital	45.8	45.8	45.8	45.8
Reserve and Surplus	4,171.7	4,157.2	4,339.7	4,887.0
Total Share funds	4,217.4	4,202.9	4,385.4	4,932.8
Total Debt	2.5	2.5	2.5	2.5
Deferred Tax Liability	0.0	0.0	0.0	0.0
Long-Term Provisions	56.6	48.1	52.5	52.5
Other NC Liabilities	67.6	43.4	169.8	169.8
Source of Funds	**4,344.1**	**4,296.9**	**4,610.1**	**5,157.5**
Gross Block	929.0	941.1	1,125.0	1,165.0
Accu. Depreciation	732.9	790.6	848.1	918.0
Net Block	196.1	150.5	276.9	247.0
Capital WIP	7.6	20.0	31.5	31.5
Goodwill on Consolidation	527.5	527.5	527.5	527.5
Fixed Assets	731.3	698.0	835.9	806.0
Investments	0.0	0.0	0.0	0.0
Deferred Tax Assets	69.3	72.3	69.4	69.4
Long Term Loans	431.2	181.5	193.8	193.8
Other Non Curr. Assets	166.5	166.9	169.4	169.4
Inventory	475.9	472.7	441.7	481.5
Debtors	193.1	181.8	241.4	263.1
Loans & Advances	0.0	0.0	0.0	0.0
Other Current Assets	526.1	1,223.4	171.5	171.5
Cash	2,317.8	1,925.4	3,169.9	3,715.7
Total Current Assets	3,512.9	3,803.2	4,024.6	4,631.8
Creditors	151.6	215.9	241.7	263.5
Provisions	51.3	30.3	30.3	30.3
Other Current Liabilities	364.1	378.8	410.9	419.1
Total Current Liabilities	567.0	625.0	682.9	712.8
Net Current Assets	2,945.8	3,178.2	3,341.7	3,919.0
Application of Funds	**4,344.1**	**4,296.9**	**4,610.2**	**5,157.5**

Source: Company, ICICI Direct Research

Exhibit 7: Key ratios

(Year-end March)	FY25	FY26	FY27E	FY28E
Per share data (₹)				
Reported EPS	167.8	157.9	194.1	189.6
Cash EPS	108.3	146.3	107.8	134.9
BV per share	921.8	918.7	958.6	1,078.2
Cash per Share	506.6	420.8	692.9	812.2
Dividend per share	35.0	35.0	70.0	70.0
Operating Ratios (%)				
Gross Profit Margins	64.5	64.9	60.1	60.1
EBITDA margins	32.4	35.9	34.6	33.1
PAT Margins	26.1	30.6	27.4	28.9
Cash Conversion Cycle	177.0	132.3	98.3	98.3
Asset Turnover	2.5	2.7	2.4	2.6
EBITDA conversion Rate	89.1	107.0	213.5	91.9
Return Ratios (%)				
RoE	14.1	18.4	17.2	17.6
RoCE	19.9	24.5	23.8	22.9
RoIC	34.9	37.1	67.0	68.9
Core ROE	33.6	25.6	62.0	56.5
Valuation Ratios (x)				
P/E	23.1	24.5	20.0	20.4
EV / EBITDA	20.8	17.5	15.2	14.1
EV / Net Sales	6.8	6.3	5.3	4.7
Market Cap / Sales	7.8	7.0	6.4	5.9
Price to Book Value	4.2	4.2	4.0	3.6
Solvency Ratios				
Current Ratio	0.0	0.0	0.0	0.0
Quick Ratio	0.0	0.0	0.0	0.0
Inventory days	2.1	3.0	1.3	1.3
Debtor days	1.3	2.2	0.6	0.6
Creditor days	214	195	147	147

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

Pankaj Pandey | Head – Research | pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
Third Floor, Brillanto House,
Road No 13, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

ANALYST CERTIFICATION

I/We, Siddhant Khandekar, Inter-CA; Shubh Mehta, MBA(Tech); Vedant Nilekar, MBA, Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report

SEBI Guidelines for Research Analyst (RA) requires all RAs to disclose terms and conditions pertaining to Research Services to all clients. Please go through the "Mandatory terms and conditions" and "Most Important Terms and Conditions".