HDFC securities | 25 YEARS
Powering India's Investments

Pick of the Week

Alivus Life Sciences Ltd.

January 25, 2026

PRIME RESEARCH
Empowering decisions

Alivus Life Sciences Ltd.

HDFC securities | 25 YEARS
Powering India's Investments

Industry	LTP	Recommendation	Base Case Fair Value	Bull Case Fair Value	Time Horizon
Pharmaceuticals	Rs 883.5	Buy in Rs 882-899 band and add on dips in Rs 799-808 band	Rs 981	Rs 1077	4 quarters

HDFC Scrip Code	ALIVUS
BSE Code	543322
NSE Code	ALIVUS
Bloomberg	GLS IN
CMP Jan 23, 2026	883.5
Equity Capital (Rs Cr)	24.5
Face Value (Rs)	2
Equity Share O/S (Cr)	12.25
Market Cap (Rs Cr)	10,850
Book Value (Rs)	246
Avg. 52 Wk Volumes	149550
52 Week High	1251
52 Week Low	819

Share holding Pattern % (Dec, 2025)	
Promoters	74.9
Institutions	12.2
Non Institutions	12.9
Total	100.0

* Refer at the end for explanation on Risk Ratings

Fundamental Research Analyst
Kushal Rughani
kushal.rughani@hdfcsec.com

Our Take:

Alivus Life Sciences is a high-value API manufacturer with a diversified portfolio and a strong relationship with top global generic players. It focuses on complex APIs in CVS, CNS, Pain Management, and Anti-diabetic, with CVS and CNS contributing ~58% of its portfolio in FY25. The company has built strong partnerships with leading generic pharmaceutical companies across highly regulated markets such as the US, Canada, Europe, Japan, Latin America, and India.

Alivus' base business is well diversified among customers and products, with no major overdependence on any single product. The company has a strong exposure to regulated markets, which account for the majority of API end-use. Its dependence on its erstwhile parent, Glenmark Pharma, continues to decline, as it has managed to scale the rest of its business at a faster pace. The company's key therapeutic areas remain CVS, anti-diabetic, and CNS. In FY25, the company derived over 85% of its sales from the regulated markets, while the balance came from Emerging Markets (EMs).

CDMO segment reported 22% YoY growth at Rs 120 crore in 9MFY26, contributing ~7% to total revenue. The fifth project is underway with regulatory approval to be obtained in H2FY26. The company continues to engage with global pharmaceutical players to explore and secure additional CDMO opportunities. The CDMO segment is likely to grow at a CAGR of 30% over FY25-28E, driven by existing partnerships and the onboarding of new projects.

Even though the company derives ~90% of revenue from the API business, it enjoys a best-in-class margin profile (even better than formulation players). It is on the back of its chronic focus, presence across regulated markets, continuous new launches and operating efficiency. Management guided for high single-digit revenue growth in the medium term, while revised upwards margin guidance to 30-32% (earlier 28-30%) in the medium term.

ALS's average EBITDA margin remained healthy at around 30% over FY20-25, higher than that of its peers, owing to the company's presence in the high complexity segments that have low competition, such as cardiovascular and central nervous system. With the company's strategy to enter into low-competition, high-value products, EBITDA margin is expected to remain healthy despite higher R&D expenses and price erosion in the base portfolio. With enhanced capacity, an expanding product portfolio, and easing pricing pressure expected by H1FY27, the company appears well-positioned for an accelerated growth trajectory from FY27 onwards.

Alivus Life Sciences Ltd.

HDFC securities | 25 YEARS
Powering India's Investments

Under Nirma's ownership, Alivus now has greater autonomy in capital allocation.

Its strategic decision from a pure-play API manufacturer to a value-driven API-CDMO aligns with global pharma outsourcing trends.

Valuation & Recommendation:

Alivus Life Sciences is at a transformative stage, building on its legacy in the API space and focusing on expanding into the high-margin CDMO business. Under Nirma's ownership, Alivus now has greater autonomy in capital allocation, as evidenced by its robust capex plan for FY25-27E, aimed at enhancing manufacturing capacities, strengthening backward integration, and accelerating R&D efforts. This investment would enable the company to double its reactor capacity from 1,198 KL in FY24 to 2,405 KL by FY26, with significant brownfield expansions at Ankleshwar and Dahej and a new greenfield facility at Solapur. At the same time, the company is making rapid strides in CDMO, having already secured four projects, with a fifth multi-year contract expected to commercialise in H2FY26, which would accelerate revenue diversification and improve margin and thus profitability. We expect ~9.5% revenue CAGR over FY25-28E, driven by the expansion of its generic API portfolio and robust growth in the CDMO business. We believe Alivus presents a compelling opportunity, given a strong growth outlook, a premium product mix, a superior margin profile, and a reasonable valuation. Its strategic decision from a pure-play API manufacturer to a value-driven API-CDMO aligns with global pharma outsourcing trends.

Operating margin is likely to remain in the vicinity of 31-32% in the medium term. We forecast 14.3%/14% CAGR in EBITDA/PAT over FY25-28E. We feel investors can buy the stock in the band of Rs 882-899 and add more on declines to Rs 799-808 band (14.75x Sep-2027E EPS) for the base case target of Rs 981 (18.5x Sep-2027E EPS) and the bull case target of Rs 1077 (19.75x Sep-2027E EPS) over the next four quarters.

Financial Summary:

Particulars (Rs cr)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Revenue	673	642	4.9	588	14.5	2,161	2,283	2,387	2,561	2,812	3,145
EBITDA	231	190	21.5	179	29.1	642	674	683	805	875	1017
Depreciation	20	15	28.9	18	6.5	42	54	61	74	87	102
Other Income	14	11	33.3	15	-4.8	29	12	35	41	45	51
Interest Cost	2	1	200.0	1	13.6	1	2	2	5	4	2
Tax	48	48	0.2	44	9.1	162	160	169	187	211	245
PAT	150	137	9.7	130	15.5	467	471	486	554	617	719
EPS (Rs)						38.1	38.4	39.6	45.2	50.4	58.7
RoE (%)						22.3	21.1	18.9	18.2	17.5	17.8
P/E (x)						23.3	23.1	22.4	19.6	17.6	15.1
EV/EBITDA (x)						16.5	15.7	15.5	13.1	12.1	10.4

(Source: Company, HDFC sec)

Q3FY26 Result Update

Revenue for the quarter grew 4.9% YoY and 14.5% QoQ at Rs 673 crore. Operating profit surged 21.5% YoY at Rs 231 crore. Net profit increased 9.7% YoY at Rs 150.3 crore. Gross margin improved 330bps YoY at 58.9%. The company reported a one-off loss of Rs 25.7 crore related to the statutory impact of the new labour codes. Other Income was up 33% YoY at Rs 13.9 crore.

The company derived 83% of revenue from regulated markets and 17% from Emerging Markets (EM). EPS for the quarter stood at Rs 12.2 and it stood at Rs 32.7 for 9MFY26.

Concall Highlights

- Strong performance across the board helped in better revenue growth in the quarter.
- Pipeline remains robust for the CDMO segment. CDMO business grew 85% YoY at Rs 55.6 crore. 9M FY26 revenue stood at Rs 120 crore or 7% of sales.
- It was on account of strong traction in existing CDMO projects, supported by revenue generation from new launches. Advanced-stage discussions are ongoing for select projects.
- Management revised operating margin guidance from 28-30% to 30-32% in the medium term.
- Company targets high single-digit revenue growth for FY26 and FY27.
- Volume growth expected to be around 15% for FY27, factoring into about 5-7% price erosion in FY27.
- Q3FY26 OPM was at 34.4%, on account of a strong CDMO business, new launches and operating efficiency.
- R&D expenses were at Rs 66 crore or 3.5% of sales in 9MFY26. Capex for 9MFY26 was at Rs 218 crore; guided for a total capex of around Rs 450 crore in FY26.
- Ankleshwar and Dahej capacity likely to be commissioned in Q2FY27. Solapur Greenfield capex to be commercialised by Q3/Q4 FY27.
- Company derived 80% of revenue from regulated markets while 20% from Emerging Markets in 9MFY26.
- The company's robust pipeline of 27 high-potency APIs, targeting a US$ 70bn total addressable market, positions with a significant market opportunity and continues to advance with multiple products in various stages of development.
- In Japan, the company has filled 8-9 products currently and company plans to commercialise ~4 new products each year.
- Chronic therapies accounted for 69% of total revenue.
- API prices and raw material costs have remained benign over the past 12 months, and new products are entering markets with better pricing dynamics.
- In the CDMO business, validation batches for the fifth project have commenced, with commercialisation expected in H2FY26.
- Capex for FY26 is expected to be around Rs 400-450 crore. Ankleshwar's additional capacity is expected to be operational from Q2FY27, whereas Dahej and Solapur are expected from Q1FY27.
- For 9MFY26, Non-GPL business witnessed a robust growth of 16% YoY. Q3FY26 saw a steady growth of 6% QoQ and 1.4% YoY. Non-GPL business was driven by strong momentum in regulated and emerging markets, along with a robust recovery in the CDMO segment.
- Glenmark Pharma (GPL) business witnessed a recovery and grew at 40.4% QoQ and 13.8% YoY. In Q3FY26, GPL business contributed 30% of the total revenue from operations.
- Generic API revenue for 9MFY26 grew at 6.2% YoY. Regions like Europe, LATAM, Japan, ROW and India (Ex-GPL) contributed to revenue growth.

- The company had acquired land in Taloja (Navi Mumbai) admeasuring 10,000 sq. meter to establish a R&D centre, designed to advance complex chemistry and oncology research. The centre will focus on flow chemistry, complex products, particle engineering and green chemistry, strengthening pipeline across key therapeutic areas.
- Company has total cumulative filings of 595 across its markets as of Dec-2025. It includes 180 filings in the US, 116 in Europe, 98 in Brazil, 156 filings in RoW markets and 21/24 in Japan/Australia.

Business Profile

ALS has a diversified revenue stream with a presence across regulated (~85% of FY25 revenue) and emerging markets (~15% of revenue). In FY25, its top 10 generic API products contributed 45% to total revenue (FY24: 49%; FY23: 45%). ALS has a long-term contract with GPL and has relationships of over five years with most of its other customers. As of FY25, it has a portfolio of 165 molecules (FY24: 151 molecules; FY23: 139 molecules) and a pipeline of 49 new product developments, including three iron complexes and 24 high potent APIs (HPAPIs), strengthening its focus on complex, high-value APIs. Global HPAPI market, estimated to be worth US$ 29.3 billion in 2025, is projected to grow at a CAGR of ~9% to US$ 45 billion by 2030. Factors such as the growing prevalence of chronic diseases, the expiration of patents on key oncology drugs, and increasing interest in biosimilar are driving the demand for HPAPIs.

Company has built strong partnerships with leading generic pharmaceutical companies across highly regulated markets such as the US, Canada, Europe, Japan, Latin America, and India. R&D expenditure stood at Rs 80.5 crore in FY25 and accounted for 3.4% of the total revenue (FY24: Rs 75 crore or 3.3% of sales; FY23 at Rs 65 crore or 3% of sales). This consistent investment reflects the company's focus on validation batches, cost improvement initiatives, and development of complex products.

ALS's average EBITDA margin remained healthy at around 30% over FY20-25, higher than that of its peers, owing to the company's presence in the high complexity segments that have low competition, such as cardiovascular and central nervous system. With the company's strategy to enter into low-competition, high-value products, EBITDA margin is expected to remain healthy despite the rise in R&D expenditure, price erosion in the existing portfolio and the potential operational deleveraging, due to higher capacities coming online in the medium term.

The four manufacturing facilities: Ankleshwar, Dahej, Mohol and Kurkumbh, have a total installed capacity of 1,424 KL. Its facilities were audited by multiple agencies, notably, the US FDA (Ankleshwar in January 2025 and Dahej in May 2025), Swissmedic (Ankleshwar in January 2025) and PMDA-Japan (Dahej in April 2024). All these audits were completed to the satisfaction of the respective stringent regulatory authority. As of Dec-2025, ALS had filed 595 drug master filings (DMFs)/certificates of suitability/dossiers across various markets, mainly in the US, Europe, Brazil, Canada, Japan, Russia and others.

A preferred API partner for generic formulation companies

Alivus Life Sciences is a high-value API manufacturer with a diversified portfolio and strong relationship with top global generic players. It focuses on complex APIs in CVS, CNS, Pain Management, and Anti-diabetic, with CVS and CNS contributing ~58% of its portfolio in FY25.

Post its divestment from by Glenmark Pharma, Alivus is now structurally better placed to scale its CDMO business, particularly in commercial

manufacturing for innovator clients. During H1FY26, the company on boarded two innovator-led commercial manufacturing contracts for dermatology and urology molecules, with post-patent expiry opportunities.

The company continues to deploy its traditional growth strategy of targeting new product/API launches closer to patent expiry. Alivus' strong DMF/CEP pipeline for APIs, along with a robust regulatory team (enhance the chances of success for its formulation partner) make it a preferred API partner for generic formulation companies. From a product selection perspective, its focus is on upcoming patent expiries, with preference for molecules with higher complexity, thereby mitigating the competitive intensity. Around 80-85 of the 165 products in which it has regulatory filings, have been approved, with the rest having monetization potential. The company is building a pipeline of oncology filings, aligned with multiple patent expiries over the next 3 years. Backed by industry tailwinds and a strategy of portfolio expansion and market diversification, Alivus is set for strong growth, with external API sales projected to grow at a ~8% CAGR during FY25-28E.

Diversified therapeutic and products mix

Alivus' base business is well diversified among customers and molecules, with no major overdependence on any single product. The top 10 molecules contribute 40-45% of overall API revenues. The company has a strong exposure to regulated markets, which account for the majority of API end-use, despite exports forming only ~50% of revenue. While only 50% of their sales is exports, but the end use of their API is primarily in the regulated markets. ALIVUS' dependence on its erstwhile parent, Glenmark Pharma, continues to decline, as it has managed to scale the rest of business at a faster pace. Nevertheless, Alivus remains a strategic supplier for select products, including the API for Glenmark's novel drug, Ryaltris.

Steady progress in HP APIs and Iron Complexes

DMF/CEP filings continued across key markets during 9MFY26, bringing the cumulative total to 595 as of Dec, 2025. Development grid remains steady and future ready with mix of near-term launches, NCE-1 and patent cliff opportunities for target markets. The HP API portfolio remains on track, with 27 products in the active development grid having Total Addressable Market (TAM) of ~US$ 70bn. Of these, nine products are validated, 7 are in advanced stages of development, and the remaining 11 are progressing through lab development. Progress also continues in the iron complexes portfolio, with filings completed for one product, two others in advanced development stages, and one in early-stage development. The total addressable market for iron complexes stands at ~US$ 3 billion.

CDMO outlook remains strong

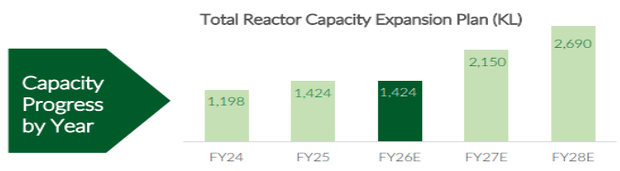
Alivus Life Sciences offers customised support to global Pharma Innovators from making regulatory filings, providing research and technological support to manufacturing specialty APIs. The work encompasses through a blend of product customisation and regulatory strategy to allow market access. The specialty business offers higher business stability (with improved margins) due to the complex nature of the products, thereby leading to high customer stickiness for Alivus. At present, Alivus has around five CDMO projects in hand whereas company targets to double its CDMO business by 2028 via leveraging its existing partnerships and adding new projects.

Alivus Life Sciences has been expanding its CDMO business over the past 5-6 years, leveraging its expertise in process chemistry research. CDMO segment reported 22% YoY growth at Rs 120 crore in 9MFY26, contributing ~7% to total revenue. Existing CDMO projects has slowdown and the same will ramp up in FY27 along with their fourth project achieving 50% of the commercial potential. The fifth project is underway with regulatory approval to be obtained in H2FY26. The company continues to engage with global pharmaceutical players to explore and secure additional CDMO opportunities. CDMO segment is likely to grow at a CAGR of 30% over FY25-28E, driven by existing partnerships and the onboarding of new projects.

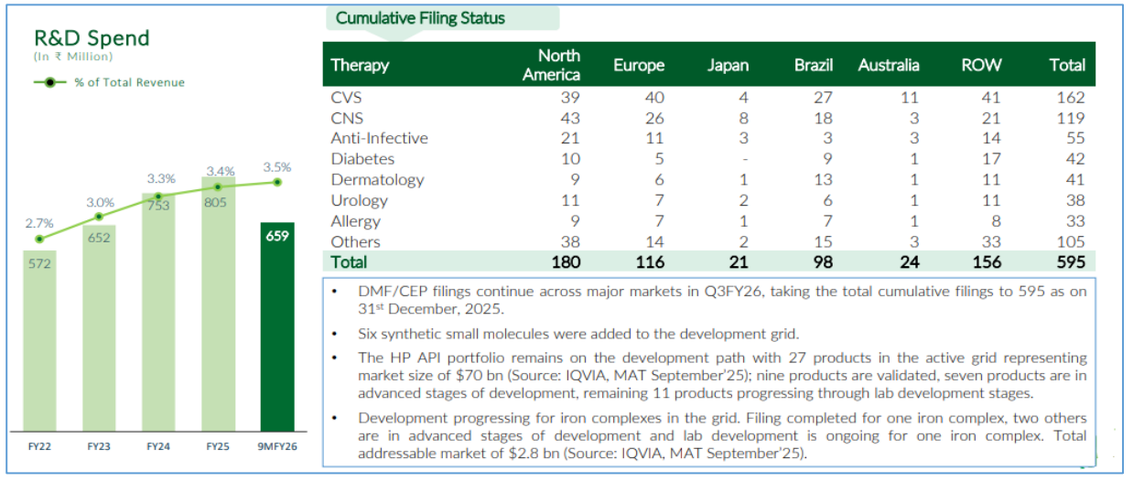
Expansion plans on track with strong growth visibility

Alivus Life Sciences has focused on augmenting capacities as the average capacity utilisation reached ~85-90% at most facilities. The capacity expansion was in the slow lane, with overall spending of just Rs. 550 crores during FY20-24 despite cash flow from operations of Rs. 1800-1900 crores. However, under the Nirma ownership, the company plans to invest Rs 600-650 crore in infrastructure, technology upgrades, and process improvement over the next 2 years. The company is undergoing a significant expansion phase focusing on increasing production capacity, strengthening its CDMO business, and expanding into high-margin therapeutic areas. The company has planned to increase its reactor capacity from 1,424 KL in FY26 to 2,690 KL by FY28 through a combination of brownfield expansions at Ankleshwar and Dahej and a greenfield facility at Solapur. Alivus Life Sciences has completed the brownfield expansion for generic API products at Dahej, which is complete with 240 KL capacity. The company's backwards-integration plant at Ankleshwar, with a capacity of 208 KL, was also under construction and is operational from Q2FY25. A large-scale greenfield project is underway at Solapur, with an initial 115 KL capacity set to commence operations in FY27, followed by a 350 KL expansion to backward integration by FY27-28. Further capacity additions of 500 KL are planned beyond FY28, depending on demand dynamics.

Expansion Type	Division	Location	Status & Planned Capacity	Operational Timelines
Brownfield	API / Intermediate	Ankleshwar	Planned addition of ~100KL Capacity	Q2 FY27
Brownfield	API	Dahej	Planned addition of ~160KL Capacity	Q2 FY27
Greenfield	API	Solapur	Phase 1 – ~115 KL (API and intermediate block) Phase 1.1 – ~350 KL (API and Backward Integration) Phase 2 - Planned addition of ~535 KL	Q3 FY27 Q2 FY27 FY28



- ✓ Construction work of 465 KL capacity (Phase 1 and 1.1) is in process at Solapur Plant
- ✓ Solapur's further capacity expansion will be calibrated as per the volume demand



Cumulative Filing Status

Therapy	North America	Europe	Japan	Brazil	Australia	ROW	Total
CVS	39	40	4	27	11	41	162
CNS	43	26	8	18	3	21	119
Anti-Infective	21	11	3	3	3	14	55
Diabetes	10	5	-	9	1	17	42
Dermatology	9	6	1	13	1	11	41
Urology	11	7	2	6	1	11	38
Allergy	9	7	1	7	1	8	33
Others	38	14	2	15	3	33	105
Total	**180**	**116**	**21**	**98**	**24**	**156**	**595**

- DMF/CEP filings continue across major markets in Q3FY26, taking the total cumulative filings to 595 as on 31st December, 2025.
- Six synthetic small molecules were added to the development grid.
- The HP API portfolio remains on the development path with 27 products in the active grid representing market size of $70 bn (Source: IQVIA, MAT September'25); nine products are validated, seven products are in advanced stages of development, remaining 11 products progressing through lab development stages.
- Development progressing for iron complexes in the grid. Filing completed for one iron complex, two others are in advanced stages of development and lab development is ongoing for one iron complex. Total addressable market of $2.8 bn (Source: IQVIA, MAT September'25).

(Source: Company, HDFC sec)

Large client base and new launches to support growth

Alivus Life Sciences has built a portfolio of 160+ molecules, targeting a front-end market value of ~US$ 180bn. These molecules are strategically filed in key global markets, allowing the company to serve various pharmaceutical customers across 75+ countries. By leveraging its supply chain capabilities, Alivus continues to expand its reach by filing existing molecules in new markets. Over the past four years, the company has significantly expanded its customer base from 450+ in FY19 to 700+ as of FY25. The company has fostered long-standing relationships with key customers, including Teva, Aurobindo, and Torrent, with its top seven customers engaged for over 15 years. The company has also actively broadened its product portfolio beyond generic APIs to include high-potency APIs, oncology products, iron complexes. These niche and complex APIs cater to high-value markets with limited competition, allowing the company to build strong relationships with customers seeking specialized pharmaceutical solutions. It is also scaling its CDMO business segment, which provides end-to-end solutions from drug development to commercial-scale manufacturing. Company is intensifying its focus on regulated markets such as the US, Europe, and Japan through an extensive pipeline of API filings. Securing regulatory approvals in these markets enhances the company's ability to attract a broader customer base and strengthen its global footprint.

Acquisition by Nirma in the year 2024

Indian conglomerate Nirma had completed the acquisition of a 75% stake in Glenmark Life Sciences (GLS). It was at a price of Rs 615 per share for an aggregate consideration of Rs 5,651.5 crores.

CCI had approved the transaction in December 2023, and the transaction was concluded in early 2024.

The acquisition strengthens Nirma's presence in the pharmaceuticals and life sciences sector. Under the terms of the share purchase agreement, Nirma acquired 91.9 million equity shares, making it the promoter of GLS. The acquisition involved 75 per cent of the current issued equity share capital of GLS from Glenmark Pharmaceuticals. This deal aligned with parents' strategic intent to move up the value chain to become an innovative/brand-led organisation, with a continuous focus on core therapeutic areas of dermatology, respiratory, and oncology. Currently, promoter (Nirma Ltd) owns 74.9% stake in Alivus Lifesciences while FIIs stake at ~5% and DIIs at 7.1%.

Company Background

Alivus Life Sciences (erstwhile Glenmark Life Sciences) is a leading developer and manufacturer of APIs (~93% of 9MFY26 revenue) with a major focus in chronic therapeutic areas such as cardiovascular (CVS), central nervous system, pain management and diabetes. GLS serves over 700 customers across more than 75 countries with a product portfolio of 150+. The company is also into CDMO services (~7% of 9MFY26 revenue) catering to a range of multinational and specialty pharmaceutical companies. It owns a total reactor capacity of ~1424 KL (1198 KL API & 226 KL Backward Integrated) with manufacturing facilities at Ankaleshwar, Dahej in Gujarat and Mohol, Kurkumbh in Maharashtra.
The company boasts manufacturing facilities that adhere to strict international quality standards and is committed to delivering products that meet global regulatory requirements. It has a diversified portfolio of 165 molecules and supplies its products to customers in India, Europe, North America, Latin America, Japan and the rest of the world. The company has four manufacturing facilities located in Ankleshwar, Dahej, Mohol and Kurkumbh. Growing contribution from the CDMO segment in the future, driven by the company's multi-year definitive agreement with multiple innovators for the supply of API and ongoing discussions with global companies to explore additional business opportunities.

Key Risks

Regulatory Compliance

The company remains exposed to regulatory risks, as it derives significant revenue from international markets, particularly the US and EU markets. Any setback from a regulatory point of view could impact its overall performance.
Its facilities also hold approvals from key global regulators, including those in the UK, European Union, Japan, Canada, South Korea, and others. All units were US FDA compliant as of Dec 2025.
Non-compliance with regulatory standards may lead to delays in approvals and potential penalties, impacting operations and profitability.

Foreign Currency Risk

ALS derives 53% of its revenue in foreign currency, whereas the majority of its costs are incurred in Indian rupee. Hence, the company is exposed to any adverse movement in foreign exchange rate. However, the company has a board-approved hedging policy in place to manage its currency risk.

Fluctuations in raw material prices

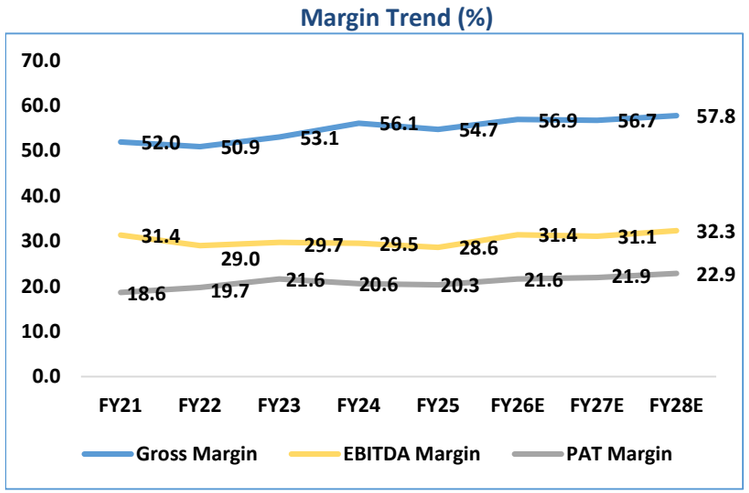
Although the company has the ability to pass on a certain amount of increase in raw material prices to its customers, operating margin is susceptible to sharp increase in input prices. API industry is highly competitive due to the presence of numerous domestic as well as global entities, which exerts pricing pressure on individual companies.

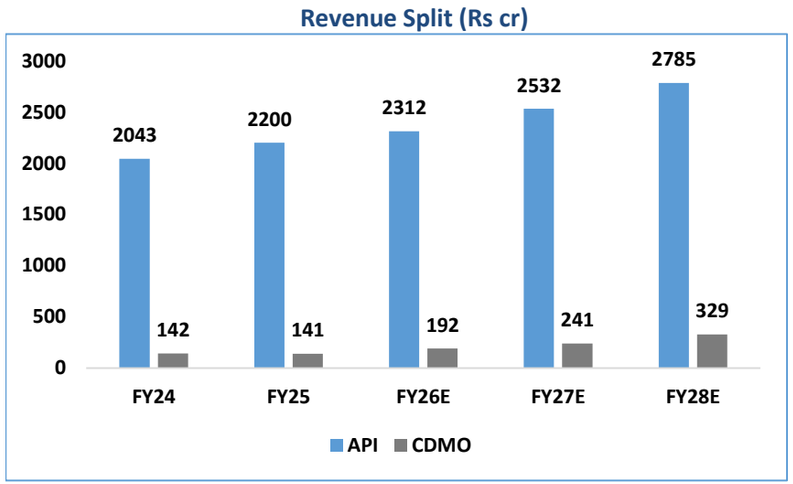
A slowdown in approvals for its key products could pose a risk to its operational performance.

Delay in ramp-up of its CMO/CDMO business may impact overall business and profitability.

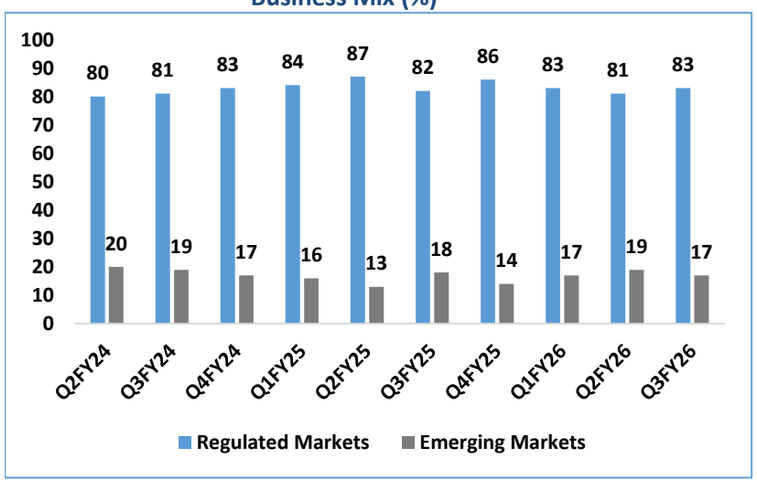
(Source: Company, HDFC sec)

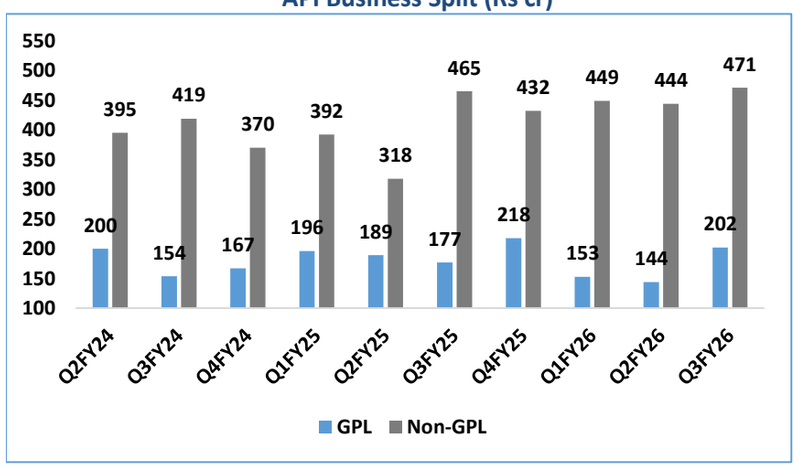
Alivus Life Sciences Ltd.





(Source: Company, HDFC sec)





Financials

Income Statement

(Rs Cr)	FY24	FY25	FY26E	FY27E	FY28E
Net Revenue	2283	2387	2561	2812	3145
Growth (%)	5.6	4.5	7.3	9.8	11.8
Operating Expenses	1609	1704	1756	1938	2128
EBITDA	**674**	**683**	**805**	**875**	**1017**
Growth (%)	5.0	1.2	17.9	8.6	16.3
EBITDA Margin (%)	**29.5**	**28.6**	**31.4**	**31.1**	**32.3**
Depreciation	54	61	74	87	102
EBIT	621	622	731	787	915
Other Income	12	35	41	45	51
Interest expenses	2	2	5	4	2
PBT	631	654	741	828	964
Tax	160	169	187	211	245
RPAT	**471**	**486**	**554**	**617**	**719**
Growth (%)	0.8	3.1	14.1	11.4	16.6
EPS	38.4	39.6	45.2	50.4	58.7

Balance Sheet

As at March	FY24	FY25	FY26E	FY27E	FY28E
SOURCE OF FUNDS					
Share Capital	24.5	24.5	24.5	24.5	24.5
Reserves	2308	2793	3256	3764	4344
Shareholders' Funds	**2332**	**2817**	**3281**	**3789**	**4368**
Net Deferred Taxes	45	50	50	50	50
Long Term Provisions & Others	31	70	79	92	108
Total Source of Funds	**2408**	**2937**	**3409**	**3930**	**4526**
APPLICATION OF FUNDS					
Net Block	896	1037	1343	1506	1554
Intangible Assets	15	20	20	20	20
Long Term Loans & Advances	20	15	25	36	45
Total Non Current Assets	**931**	**1072**	**1388**	**1562**	**1619**
Current Investments	0	478	532	622	802
Inventories	667	674	725	786	879
Trade Receivables	765	970	1017	1102	1217
Cash & Equivalents	301	71	44	144	309
Other Current Assets	183	143	170	217	265
Total Current Assets	**1916**	**2336**	**2487**	**2871**	**3472**
Trade Payables	369	381	367	392	433
Other Current Liab & Provisions	59	73	81	89	104
Short-Term Provisions	12	17	19	22	28
Total Current Liabilities	**439**	**470**	**466**	**502**	**565**
Net Current Assets	1477	1865	2021	2369	2907
Total Application of Funds	**2408**	**2937**	**3409**	**3930**	**4526**

(Source: Company, HDFC sec)

Cash Flow Statement

(Rs Cr)	FY24	FY25	FY26E	FY27E	FY28E
Reported PBT	631	654	741	828	964
Non-operating & EO items	-12	-35	-41	-45	-51
Interest Expenses	2	2	5	4	2
Depreciation	54	61	74	87	102
Working Capital Change	-98	-128	-184	-247	-374
Tax Paid	-163	-163	-187	-211	-245
OPERATING CASH FLOW (a)	**413**	**392**	**408**	**417**	**398**
Capex	-129	-166	-380	-250	-150
Free Cash Flow	284	225	28	167	248
Investments	1	-484	-10	-11	-9
Non-operating income	12	35	41	45	51
INVESTING CASH FLOW (b)	**-117**	**-616**	**-349**	**-216**	**-108**
Debt Issuance / (Repaid)	-2	-4	9	13	16
Interest Expenses	-2	-2	-5	-4	-2
FCFE	281	219	32	176	262
Share Capital	0	0	0	0	0
Dividend	-276	0	-91	-109	-140
FINANCING CASH FLOW (c)	**-279**	**-6**	**-87**	**-100**	**-126**
NET CASH FLOW (a+b+c)	**17**	**-231**	**-27**	**100**	**165**

Key Ratios

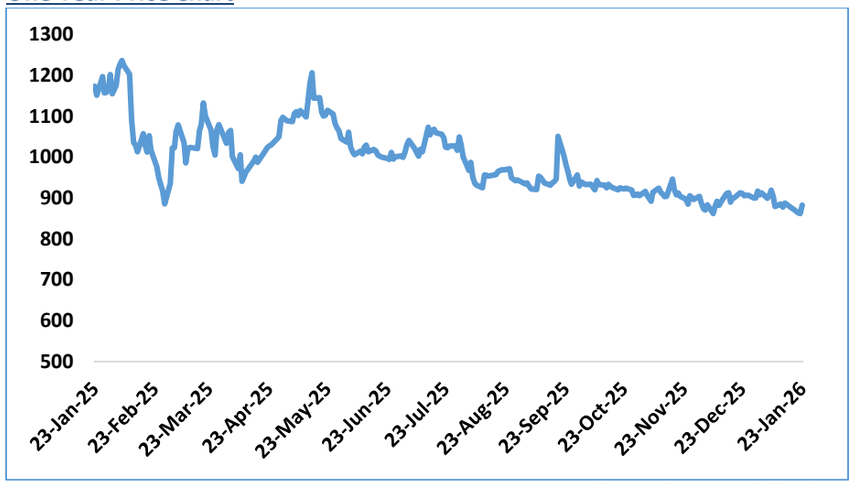
	FY24	FY25	FY26E	FY27E	FY28E
Profitability (%)					
Gross Margin	56.1	54.7	56.9	56.7	57.8
EBITDA Margin	29.5	28.6	31.4	31.1	32.3
EBIT Margin	27.2	26.1	28.5	28	29.1
PAT Margin	20.6	20.3	21.6	21.9	22.9
RoE	21.1	18.9	18.2	17.5	17.8
RoCE	25.7	21.1	21.4	20	20.2
Solvency Ratio (x)					
Net Debt/EBITDA	-0.4	-0.8	-0.7	-0.9	-1.1
D/E	0.0	0.0	0.0	0.0	0.0
Net D/E	-0.1	-0.2	-0.2	-0.2	-0.3
PER SHARE DATA (Rs)					
EPS	38.4	39.6	45.2	50.4	58.7
CEPS	42.8	44.6	51.3	57.5	67
BV	190	230	268	309	357
Dividend	0.0	5.0	7.0	8.5	11.0
Turnover Ratios (days)					
Debtor days	122	148	145	143	141
Inventory days	102	102	103	102	102
Creditors days	109	104	98	95	96
VALUATION (x)					
P/E	23.1	22.4	19.6	17.6	15.1
P/BV	4.7	3.9	3.3	2.9	2.5
EV/EBITDA	15.7	15.5	13.1	12.1	10.4
EV / Revenue	4.6	4.4	4.1	3.8	3.4
Dividend Payout (%)	0.0	12.6	15.5	16.9	18.7

(Source: Company, HDFC sec)

Alivus Life Sciences Ltd.

HDFC securities | 25 YEARS
Powering India's Investments

One Year Price Chart



(Source: Company, HDFC sec)

Kushal Mahendra Rughani

Digitally signed by Kushal Mahendra Rughani
Date: 2026.01.25 16:18:48 +05'30'

HDFC Sec Prime Research Rating description

Green Rating stocks

This rating is given to stocks that represent large and established business having track record of decades and good reputation in the industry. They are industry leaders or have significant market share. They have multiple streams of cash flows and/or strong balance sheet to withstand downturn in economic cycle. These stocks offer moderate returns and at the same time are unlikely to suffer severe drawdown in their stock prices. These stocks can be kept as a part of long term portfolio holding, if so desired. This stocks offer low risk and lower reward and are suitable for beginners. They offer stability to the portfolio.

Yellow Rating stocks

This rating is given to stocks that have strong balance sheet and are from relatively stable industries which are likely to remain relevant for long time and unlikely to be affected much by economic or technological disruptions. These stocks have emerged stronger over time but are yet to reach the level of green rating stocks. They offer medium risk, medium return opportunities. Some of these have the potential to attain green rating over time.

Red Rating stocks

This rating is given to emerging companies which are riskier than their established peers. Their share price tends to be volatile though they offer high growth potential. They are susceptible to severe downturn in their industry or in overall economy. Management of these companies need to prove their mettle in handling cyclicality of their business. If they are successful in navigating challenges, the market rewards their shareholders with handsome gains; otherwise their stock prices can take a severe beating. Overall these stocks offer high risk high return opportunities.

Rating Criteria

Buy - > 15%+ return potential
Add - +5% to +15% return potential
Reduce - -10% to +5% return potential
Sell - >10% downside return potential

Disclosure:

I, **(Kushal Rughani),** Research Analyst, **(MBA),** author and the name 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. SEBI conducted the inspection and based on their observations have issued advise/warning. The said observations have been complied with. 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.

Research Analyst or his/her relative or HDFC Securities Ltd. **does not have** any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate **does not have** any material conflict of interest.

Any holding in stock – No

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

Disclaimer:

This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. "This report may have been refined using AI tools to enhance clarity and readability." Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report. As regards the associates of HSL please refer the website.

HSL 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.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from t 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 in the normal course of business.

HSL 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 HSL nor Research Analysts 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. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066
Compliance Officer: Murli V Karkera Email: complianceofficer@hdfcsec.com Phone: (022) 3045 3600
For grievance redressal contact Customer Care Team Email: customercare@hdfcsec.com Phone: (022) 3901 9400
HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193