

Ratings Monitor

One Report – to monitor stocks and identify triggers to re-evaluate ratings

Gland Pharma (GLAND)

Current Market Price	Fair Value (FV)
Rs.1868	Rs.2075

Date: 18 May 2026

Previous Rating: - **REDUCE**

Current Rating: **ADD**

Change: **Upgrade**

Ratings Rationale

- Gland reported a strong Q4FY26 (28% operating beat), led by robust US base business, aided by operating leverage and favorable forex.
- Gland is guiding for ~12-13% c/c growth in FY27E, improving to ~15% in FY28E and accelerating to ~19-20% thereafter, implying a robust ~15% CAGR over the next 4 years.
- With most approvals in place amid near-term patent expiries and commencement of new CDMO contracts, earnings visibility has improved.
- Driven by new launches and operating leverage, we bake in a strong ~22% EPS CAGR over FY2026-29E.
- Given the improved execution, healthy growth outlook, currency tailwinds and extended stock underperformance, we upgrade to ADD.

(EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization, EPS: Earnings Per Share, CAGR: Compound Annual Growth Rate)

Valuation

Improving growth visibility; upgrade to ADD from REDUCE with FV of Rs2,075.

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

- BUY** – We expect the stock to deliver more than 15% returns over the next 12 months
- ADD** – We expect the stock to deliver 5% - 15% returns over the next 12 months
- REDUCE** – We expect the stock to deliver -5% - +5% returns over the next 12 months
- SELL** – We expect the stock to deliver < -5% returns over the next 12 months
- NR** – **Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
- SUBSCRIBE** – We advise investor to subscribe to the IPO.
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- NA** – **Not Available or Not Applicable.** The information is not available for display or is not applicable
- NM** – **Not Meaningful.** The information is not meaningful and is therefore excluded.
- NOTE** – Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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