INSTITUTIONAL RESEARCH

Pharmaceuticals

IPM: grows 6.1% in Sep'25 and 7.2% in Q2FY26

As per IQVIA, IPM saw moderate growth for Sep'25 at 6.1% YoY (vs 8.1% in Aug'25), with 2.4% YoY decline in units. The strong growth in cardiac, respiratory, and oncology was offset by muted growth in anti-infective, gastro, VMN, and pain. For Q2FY26, IPM grew 7.2% YoY, with 1.7% decline in units.

Therapy-wise performance for Sep'25:

- Overall chronic growth for Sep'25 came in at ~11% YoY, and the acute segment saw muted growth of 3% YoY. For Q2FY26, chronic grew 11% YoY and acute segment growth was at 5% YoY.
- In chronic space, cardiac continues to drive IPM growth in Sep'25 at +11% YoY (+11% in Q2FY26), anti-diabetic at +9% (+9% in Q2FY26) led by continued traction from GLP-1 molecules, and CNS at +6% (+7% in Q2FY26).
- In acute, anti-infectives saw muted growth of 3% YoY (+4% in Q2FY26), gastro was flat YoY (+2% in Q2FY26), and VMN grew 5% YoY (+6% in Q2FY26).
- Other therapies: Respiratory grew 15% YoY (+14% in Q2FY26), derma was flat YoY (+3% in Q2FY26), pain was up 3% (+5% in Q2FY26), and oncology grew 25% YoY (24% in Q2FY26).

Company-wise performance:

- **Outperformers in Sep'25:** Dr Reddy's, Eris, Glenmark, Ajanta Pharma, Intas Pharma, and Macleods.
- **Underperformers in Sep'25:** Alkem, Alembic, IPCA, Lupin, Zydus, Aristo, Emcure, FDC, Indoco, Mankind, Micro Labs, and Glaxo.
- **At par with IPM in Sep'25:** Cipla, Sun Pharma, Torrent Pharma, JB Chemicals, USV, Abbott, Pfizer, and Sanofi.

Our view: IPM saw moderate growth of 6.1% YoY in Sep'25, which dragged overall IPM growth for Q2FY26 to 7.2%. We note that the recent revision in GST rate had an impact from mid Sep-25 and may continue for some period in Oct-25. Within our coverage, Dr Reddy's and Eris outperformed IPM; Alkem, IPCA, Lupin, Mankind, and Zydus underperformed IPM; and Sun Pharma and Torrent Pharma grew at par with IPM. For FY26, IPM is expected to see 8-9% YoY growth, driven by growth in chronic, recovery in acute, and new launches.

Exhibit 1: Coverage companies performance for Sep'25

YoY growth %	FY20	FY21	FY22	FY23	FY24	FY25	Q1'26	Q2'26	Aug'25	Sep'25
Value										
Alkem	17	0	28	13	5	6	9	6	7	4
Dr Reddy's	7	3	22	2	9	8	11	10	11	10
Eris Life	7	11	10	7	8	5	4	7	5	8
IPCA	19	11	22	14	13	13	9	8	11	4
Lupin	10	3	15	6	6	8	7	6	8	4
Sun Pharma	10	5	16	11	9	10	11	8	8	8
Torrent Pharma	8	8	11	14	8	8	10	7	7	7
Zydus	8	5	15	7	5	10	9	7	7	5
Mankind	13	11	18	9	8	8	9	6	7	4
IPM	**11**	**5**	**18**	**8**	**7**	**8**	**9**	**7**	**8**	**6**
Unit growth										
Alkem	10	(5)	21	3	(4)	0	1	(2)	0	(3)
Dr Reddy's	(2)	(4)	16	(6)	0	(2)	3	2	5	1
Eris Life	2	3	(1)	(3)	(5)	(3)	(8)	(5)	(5)	(5)
IPCA	8	(0)	12	1	2	2	2	(0)	4	(5)
Lupin	(3)	(10)	9	(3)	0	(0)	(3)	(5)	(5)	(5)
Sun Pharma	1	(3)	7	3	1	(0)	1	(2)	(2)	(1)
Torrent Pharma	(3)	(1)	2	0	(3)	(1)	0	(2)	(2)	(2)
Zydus	1	(7)	11	(6)	(6)	(2)	(0)	(4)	(2)	(6)
Mankind	5	5	8	2	0	1	2	(1)	0	(2)
IPM	**3**	**(4)**	**12**	**(0)**	**(2)**	**(0)**	**1**	**(2)**	**(1)**	**(2)**

Source: IQVIA, HSIE Research

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Exhibit 2: IPM – Company-wise performance for Sep'25

Value YoY growth %	FY20	FY21	FY22	FY23	FY24	FY25	Q1'26	Q2'26	Aug'25	Sep'25
India Pharma										
Alkem	17	0	28	13	5	6	9	6	7	4
Alembic Pharma	6	1	23	8	4	1	2	0	2	0
Cipla	8	11	14	7	8	7	7	7	8	7
Dr Reddy's	7	3	22	2	9	8	11	10	11	10
Eris Life	7	11	10	7	8	5	4	7	5	8
Glenmark	15	14	26	-4	9	12	15	11	10	11
IPCA	19	11	22	14	13	13	9	8	11	4
Lupin	10	3	15	6	6	8	7	6	8	4
Sun Pharma	10	5	16	11	9	10	11	8	8	8
Torrent Pharma	8	8	11	14	8	8	10	7	7	7
Zydus	8	5	15	7	5	10	9	7	7	5
Aristo Pharma	20	6	25	7	9	3	8	5	6	4
Ajanta Pharma	13	7	18	17	10	11	11	12	12	11
Emcure	12	4	22	2	3	6	7	3	3	-0
FDC	14	-1	19	16	6	13	8	-4	-5	-9
Intas Pharma	14	6	18	16	12	11	11	10	9	11
Indoco	14	-6	20	3	0	3	10	2	2	2
JB Chemical	15	23	25	21	10	12	14	10	10	8
Macleods	10	-0	25	12	9	5	8	13	14	13
Mankind	13	11	18	9	8	8	9	6	7	4
Micro Labs	13	-2	37	4	2	3	5	1	4	-1
USV	10	10	13	9	8	5	7	5	4	5
MNC Pharma										
Abbott	8	3	14	10	8	10	8	7	6	7
GSK Pharma	6	-1	14	7	1	1	4	3	4	2
Pfizer	6	6	12	-1	-5	8	4	7	6	7
Sanofi	11	4	11	5	0	4	3	9	14	6
IPM	**11**	**5**	**18**	**8**	**7**	**8**	**9**	**7**	**8**	**6**

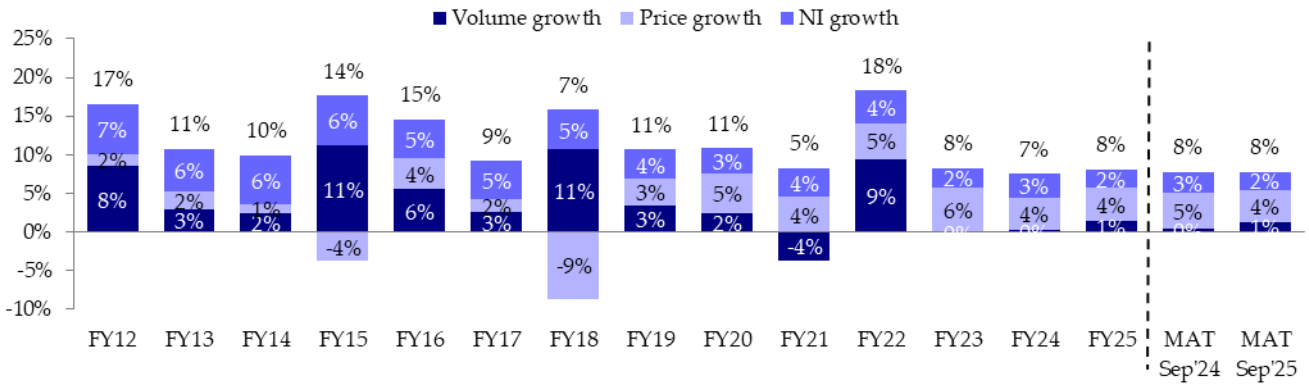
Source: IQVIA, HSIE Research

Exhibit 3: Therapy-wise performance: Cardiac, respiratory, and oncology remain strong; muted growth in select acute therapies

Value YoY growth %	% FY25 share	FY20	FY21	FY22	FY23	FY24	FY25	Q1'26	Q2'26	Aug-25	Sep-25
Cardiac	13%	12	13	11	9	10	12	13	11	11	11
Anti-Infectives	11%	13	(12)	35	6	3	5	6	4	6	3
Gastro Intestinal	11%	9	6	17	12	7	10	7	2	2	0
Anti Diabetic	9%	12	9	7	7	6	8	9	9	11	9
Respiratory	8%	15	(8)	44	7	3	3	12	14	19	15
Pain / Analgesics	8%	12	(1)	22	12	8	8	7	5	7	3
Vitamins/Minerals/Nutrients	8%	10	11	16	4	7	8	8	6	8	5
Derma	7%	9	6	10	7	6	10	6	3	3	0
Neuro / Cns	6%	10	10	11	12	9	9	10	7	8	6
Gynaec.	5%	9	3	16	16	6	4	6	6	7	5
Antineoplast/Immunomodulator	3%	18	11	20	25	23	13	14	24	23	25
Urology	2%	14	5	18	17	14	14	11	9	10	6
Ophthal / Otologicals	2%	11	(2)	22	16	9	5	9	6	6	3
Hormones	2%	9	4	17	10	7	6	8	10	11	8
Vaccines	1%	7	5	4	(7)	16	9	10	13	5	20
IPM	**100%**	**11**	**5**	**18**	**8**	**7**	**8**	**9**	**7**	**8**	**6**

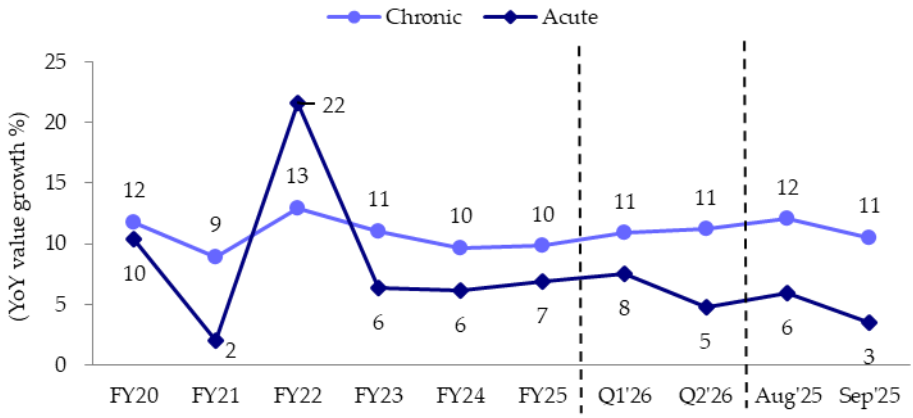
Source: IQVIA, HSIE Research

Exhibit 4: IPM growth drivers



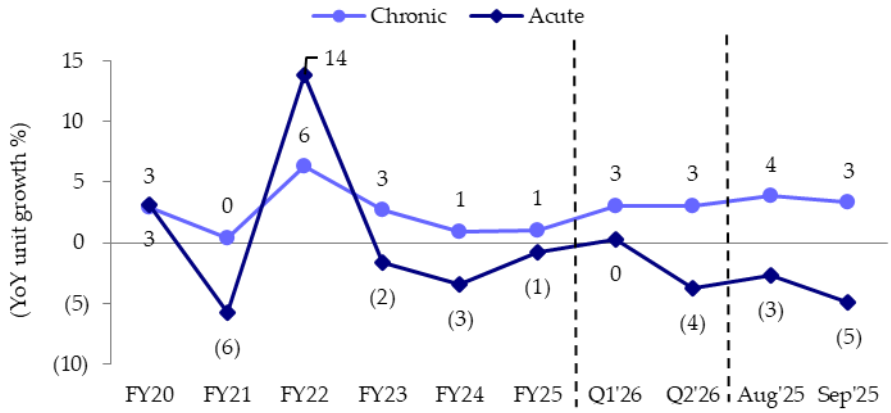
Source: IQVIA, HSIE Research

Exhibit 5: Chronic and acute value growth trend



Source: IQVIA, HSIE Research

Exhibit 6: Chronic and acute unit growth trend



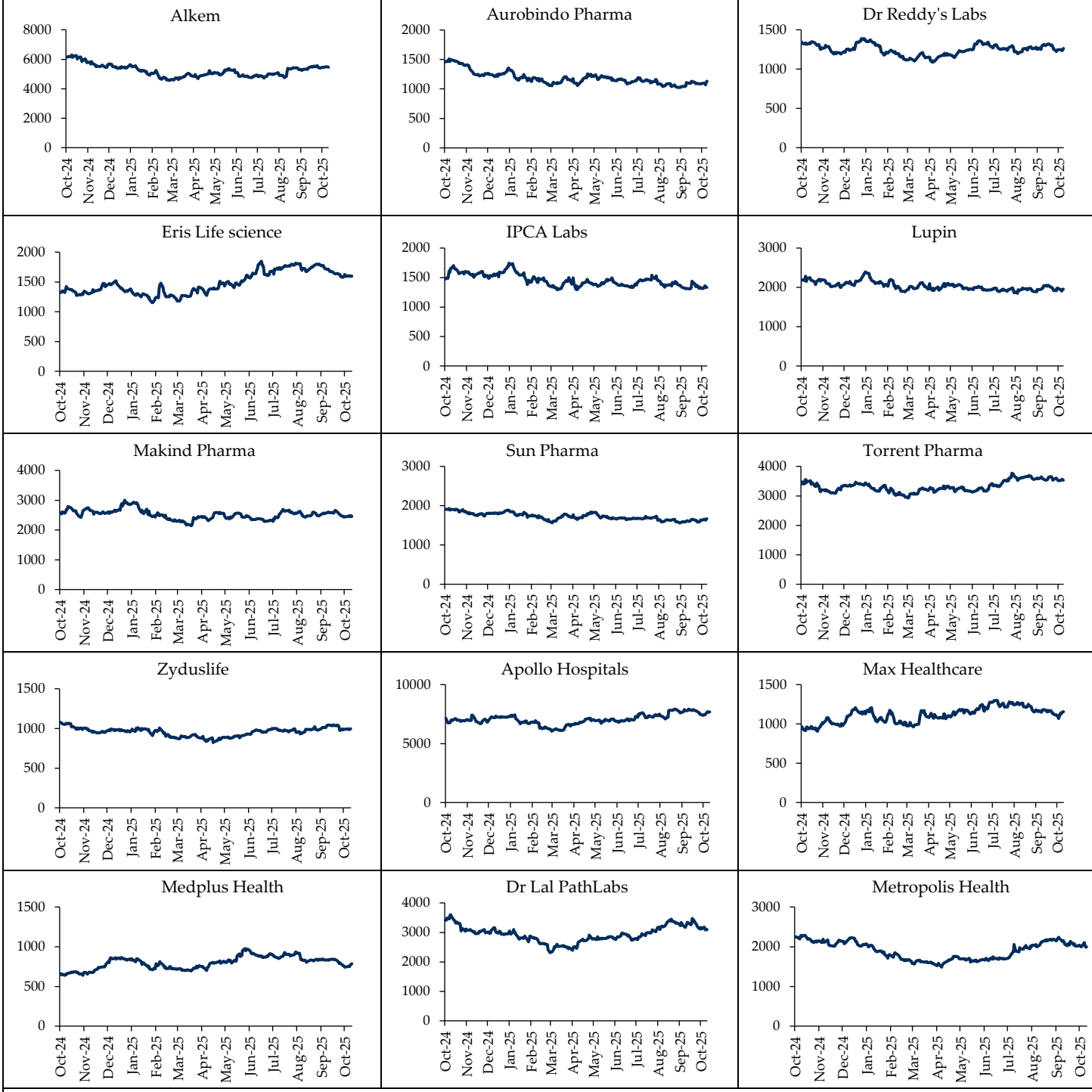
Source: IQVIA, HSIE Research

Exhibit 7: Market share data – key gainers and losers

Market share (value)	FY25 Rank	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Q1'26	Q2'26	Aug'25	Sep'25	FY22-FY25 (bps)
Gained market share													
Mankind	4	4.0%	4.1%	4.3%	4.3%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	53
Sun*	1	7.6%	7.5%	7.6%	7.4%	7.7%	7.8%	7.9%	8.0%	7.8%	7.7%	7.8%	49
Intas Pharma*	7	3.1%	3.2%	3.2%	3.2%	3.4%	3.6%	3.7%	3.7%	3.7%	3.7%	3.8%	48
Ipca Labs	17	1.5%	1.6%	1.7%	1.8%	1.9%	2.0%	2.1%	2.2%	2.2%	2.2%	2.1%	30
Eris Lifesciences*	23	1.1%	1.1%	1.1%	1.1%	1.3%	1.3%	1.3%	1.3%	1.3%	1.2%	1.3%	25
Abbott*	2	6.6%	6.4%	6.3%	6.0%	6.2%	6.2%	6.3%	6.4%	6.4%	6.3%	6.4%	22
Torrent Pharma*	8	3.4%	3.3%	3.4%	3.2%	3.4%	3.4%	3.4%	3.5%	3.4%	3.3%	3.3%	20
Jb Pharma*	22	0.8%	0.8%	0.9%	1.0%	1.1%	1.1%	1.2%	1.2%	1.2%	1.2%	1.2%	18
Fdc	26	1.0%	1.0%	1.0%	1.0%	1.1%	1.0%	1.1%	1.2%	0.9%	0.9%	0.9%	11
Macleods Pharma	9	3.2%	3.1%	3.0%	3.2%	3.3%	3.4%	3.3%	3.2%	3.5%	3.6%	3.6%	10
Ajanta Pharma	26	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	9
Emcure*	14	2.0%	2.0%	2.0%	2.1%	2.3%	2.2%	2.2%	2.3%	2.2%	2.2%	2.2%	8
Dr Reddys Labs	10	3.1%	3.0%	3.0%	3.0%	3.0%	3.1%	3.1%	3.2%	3.2%	3.2%	3.2%	5
Cipla	3	5.5%	5.3%	5.7%	5.5%	5.5%	5.5%	5.5%	5.1%	5.2%	5.2%	5.4%	2
Alkem*	5	3.6%	3.8%	3.6%	3.9%	4.1%	4.0%	3.9%	3.8%	4.1%	4.1%	4.2%	1
Lost market share													
U S V	16	1.9%	1.9%	2.0%	1.9%	1.9%	1.9%	1.9%	1.9%	1.8%	1.8%	1.8%	(3)
Zydus Cadila*	12	3.0%	3.0%	3.0%	2.9%	2.9%	2.8%	2.9%	2.9%	2.9%	2.8%	2.8%	(4)
Lupin Limited	6	3.7%	3.7%	3.6%	3.5%	3.5%	3.4%	3.4%	3.4%	3.3%	3.3%	3.2%	(10)
Indoco*	29	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.5%	0.6%	0.6%	0.6%	(11)
Aristo Pharma*	11	2.5%	2.7%	2.8%	2.9%	2.9%	2.9%	2.8%	2.7%	2.9%	3.1%	3.0%	(13)
Alembic	22	1.6%	1.5%	1.5%	1.5%	1.5%	1.5%	1.4%	1.3%	1.3%	1.3%	1.3%	(14)
Glenmark Pharma	15	1.9%	2.0%	2.2%	2.3%	2.0%	2.1%	2.1%	2.1%	2.1%	2.1%	2.2%	(16)
Micro Labs*	18	1.6%	1.6%	1.5%	1.8%	1.7%	1.6%	1.5%	1.5%	1.5%	1.5%	1.5%	(23)
Glaxosmithkline*	13	3.0%	2.9%	2.7%	2.6%	2.5%	2.4%	2.2%	2.1%	2.2%	2.2%	2.2%	(34)
Pfizer*	20	2.0%	1.9%	2.0%	1.8%	1.7%	1.5%	1.5%	1.4%	1.4%	1.4%	1.5%	(36)
Sanofi*	21	1.8%	1.8%	1.8%	1.7%	1.1%	1.0%	1.0%	0.8%	0.8%	0.9%	0.8%	(72)

Source: IQVIA, HSIE Research

1 Yr Price history



Rating Criteria

BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

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