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CM RATING 48 / 100

Corona Remedies

Domestic pharma player

Targeting high-potential therapeutic areas to drive growth

Corona Remedies is an India-focused branded pharmaceutical formulation company developing, manufacturing and marketing products in women's healthcare, cardio-diabeto, pain management, urology and other therapeutic areas.

As of June 30, 2025, the diverse portfolio included 71 brands across therapeutic areas such as women's healthcare, cardio-diabeto, pain management, urology, and others, as well as multispecialty pharmaceuticals comprising vitamins, minerals and nutrition (VMN), gastrointestinal, and respiratory segments.

Women's healthcare brands span the entire lifecycle, from adolescence to infertility, pregnancy, post-pregnancy, and pre and post menopause. In cardio-diabeto, it provides treatments across all stages of diabetes, from insulin resistance and pre-diabetes to diabetes and related complications. In pain management, the portfolio includes four dosage forms, including tablets, capsules, sprays and injections. While in urology, brands address multiple disorders, including benign prostatic hyperplasia, overactive bladder, urinary tract infections and stone management.

There are two manufacturing facilities, located in Gujarat and Himachal Pradesh. Manufacturing facilities were spread over an aggregate of 2.83 hectares and had an aggregate installed capacity for formulations of 1,285.44 million units per annum, with a total of 11 production lines, end June 2025. It is in the process of commissioning a hormone manufacturing facility in Gujarat in Q1 FY2027.

Additionally, there are two R&D facilities in India, housed within its manufacturing facilities, each of which have been registered with the Department of Scientific and Industrial Research, Ministry of Science and Technology.

The 17th largest by market share in its covered markets, based on domestic sales in MAT June 2025, is also the third fastest growing Indian pharmaceutical company by prescriptions in targeted specialties between MAT June 2022 and 2025.

The pan-India marketing and distribution network comprises 2,671 medical representatives in 22 states, enabling effective engagement with healthcare professionals and hospitals, consolidating its presence in the IPM and ensuring deep penetration in therapeutic areas.

India accounted for 96.34% of the revenue in Q1 FY2026. Exports contributed 3.66%. It has a strong presence in the western zone of India, comprising Gujarat, Maharashtra, Goa, Madhya Pradesh and Chhattisgarh. This region contributed 47.30% of the total domestic sales in MAT June 2025.

Based on domestic sales in MAT June 2025, Corona Remedies is the sixth largest in women's healthcare, 22nd in cardio-diabeto, fifth in pain management, and ninth in urology within the Indian pharmaceutical market (IPM). The women's healthcare segment contributed 28.56% to its MAT June 2025 domestic sales, cardio-diabeto 23.38%, pain management 11.79%, urology 4.53%, and others 31.74%. The focus is on chronic and sub-chronic therapies, contributing 70.10% to domestic sales in MAT June 2025. The acute segment constituted the remaining 29.90%.

The core portfolio had 27 engine brands, contributing 72.34% to domestic sales during MAT June 2025. Engine brands included market-leading Cor, Trazer, Cor9, B-29 and Myoril in MAT June 2025, through which the company has been able to establish its market presence and drive further growth across focused therapeutic areas. Myoril, Cor and Trazer brands each held the #1 rank in their respective sub-groups, COR-9

third in its sub-group, and B-29 fifth in its sub-group in the domestic market in MAT June 2025. Engine brands collective revenue recorded CAGR of 20.68% to Rs 1,033.40 crore in MAT June 2025, from Rs 587.98 crore in MAT June 2022.

The specialists and super-specialist segments accounted for 75.75% of the prescriptions in MAT June 2025 as compared with 60.96% for the overall IPM. There were 14 SKUs. Of this, 97 SKUs were launched after June 2022, with sales greater than Rs 5 crore in MAT June 2025.

The aim is to grow market share in the domestic IPM, while expanding its product portfolio, with a focus on products that have long life cycles. It wants to capture significant value in the 'middle of the pyramid' market segment. The thrust is on executing strategic brand acquisitions and establishing in-licensing arrangements to address therapy gaps in its portfolio and to establish complementary capabilities, such as backward integration, marketing arrangements, and diversified product offerings.

For instance, the Myoril brand was acquired from Sanofi Healthcare India in FY2024 to strengthen the pain management portfolio and expand in the critical therapeutic area. Additionally, the company entered in-licensing arrangements with global pharmaceutical manufacturers such as Ferring Pharmaceuticals, granting it the right to market certain products across women's health and urology therapeutic areas, on a semi-exclusive or exclusive basis in India.

Offer and its objects

The IPO is a complete offer for sale of equity shares, aggregating to Rs 655.37 crore, by existing shareholders Dr Kirtikumar Laxmidas Mehta, Minaxi Kirtikumar Mehta, Dipabahen Niravkumar Mehta, Brinda Ankur Mehta, Sepia Investments, Anchor Partners, and Sage Investment Trust.

The promoters and promoter group hold an aggregate of 4,43,38,558 equity shares, aggregating to 72.5% of the pre-offer issued and paid-up equity share capital. Their post IPO shareholding is expected to be around 69%.

The price band is Rs 1,008 to Rs 1,062 per equity share of face value Rs 10 each.

The issue, through the book-building process, will open on 8 December 2025 and close on 10 December 2025.

Strengths

Has a track record of building and scaling brands, reflected in the core portfolio of 27 engine brands. One of these brands, B-29, generated over Rs 100 crore in revenue in MAT June 2025.

Growing significantly faster than the IPM, domestic sales, recording a CAGR of 16.77% between MAT June 2022 and MAT June 2025 as compared with the IPM's 9.21%, more than 1.8 times higher.

Expanding into high-potential therapeutic areas such as nephrology, central nervous system, oncology, and dermatology to drive growth through strategic acquisitions.

Low exposure to the National List of Essential Medicines (NLEM). Only 9.76% of its total sales came under NLEM 2022 in MAT June 2025 as compared with 17.51% for the IPM.

Strengthened manufacturing and R&D capabilities through backward integration, following investment in La Chandra, operating an EU GMP and WHO GMP-certified hormone API manufacturing facility in Gujarat.

Strong pan-India marketing and distribution network, supported by a robust supply chain infrastructure.

Extensive experience of promoters and senior management personnel.

Weaknesses

Derives majority of revenue, around 53.19% in Q1 FY26, from women's healthcare and cardio-diabeto therapeutic areas.

Compliance with stringent regulations in pharmaceuticals industry can delay product launches or increase costs.

Limited trademark protection remains a concern, with 67 trademarks opposed, objected, refused, or abandoned as of June 30, 2025.

High dependence on a few carrying and forwarding (C&F) agents, with the top five contributing 43.30% of revenue in Q1 FY2026.

Expansion into new therapeutic areas involves uncertainties.

Relies on acquisitions for growth to a certain extent.

There have been instances of delays in paying statutory dues and filing GST returns.

Valuation

Net sales increased 18% to Rs 1,196.42 crore in FY2025 as compared with FY2024. OPM improved 481 bps to 20.06%, driven by higher volumes from UAE, Kenya and Venezuela, resulting in a 55% increase in OP to Rs 239.98 crore. OI fell 8% to Rs 5.94 crore. Interest cost decreased 27% to Rs 10.61 crore. Depreciation cost went up 31% to Rs 37.16 crore. PBT surged 67% to Rs 198.15 crore. Tax expenses were Rs 49.1 crore as compared with Rs 27.98 crore. PAT soared 65% to Rs 149.43 crore.

The FY2025 EPS on post-issue equity works out to Rs 24.4. At the upper price band of Rs 1062, P/E is 43.

Listed peers such as Abbott India traded at TTM P/E of 41, Alkem Laboratories trades at TTM P/E of 29, Torrent Pharma trades at TTM P/E of 58, and Mankind Pharma at TTM P/E of 52 as on 04 December 2025. OPM and ROE stood at 20.06% and 27.5% respectively, in FY 2025. These were 26.44% and 35.67% for Abbott India, 19.38% and 19.44% for Alkem Laboratories, 32.31% and 26.45% for Torrent Pharma, and 24.72% and 16.82% for Mankind Pharma, respectively.

Corona Remedies: Issue highlights	
For Offer for Sale Offer size (in no of shares)	
- On lower price band	65,01,693
- On upper price band	61,71,101
Offer size (in Rs crore)	655.37
Price band (Rs)	1008-1062
Minimum Bid Lot (in no. of shares)	14
Post issue capital (Rs crore)	61.16
Post-issue promoter & Group shareholding (%)	69.00
Issue open date	08-12-2025
Issue closed date	10-12-2025
Listing	BSE, NSE
Rating	48/100

Corona Remedies: Consolidated Financials				
	2303 (12)	2403 (12)	2503 (12)	2506 (3)
Sales	884.05	1,014.47	1,196.42	346.54
OPM (%)	14.48%	15.25%	20.06%	20.14%
OP	127.98	154.73	239.98	69.78
Other inc.	7.05	6.46	5.94	2.02
PBIDT	135.03	161.19	245.91	71.80
Interest	4.27	14.44	10.61	1.99
PBDT	130.76	146.75	235.31	69.81
Dep.	20.10	28.28	37.16	8.92
PBT	110.66	118.48	198.15	60.89

Share of Profit/(Loss) from Associates/JV	0.23	0.01	0.39	(0.20)
PBT before EO	110.89	118.48	198.53	60.69
Exceptional items	-	-	-	-
PBT after EO	110.89	118.48	198.53	60.69
Taxation	25.96	27.98	49.10	14.50
PAT	84.93	90.50	149.43	46.20
EPS (Rs)*	13.9	14.8	24.4	#
* EPS is annualized on post issue equity capital of Rs 61.16 crore of face value of Rs 10 each				
# EPS is not annualised due to seasonality of business				
EO: Extraordinary items. EPS is calculated after excluding EO and relevant tax				
Figures in Rs crore				
Source: Capitaline Corporate Database				