Sushil Finance ACTIONABLE KNOWLEDGE

Vimta Labs Ltd

Market Cap.	52 Week H/L	CMP	Target Price
Rs.2,715 Cr.	Rs.903 / 377	Rs.601	Rs.744

PHARMA

Vimta Labs Ltd. recently announced its performance for the quarter ended June 30, 2026. Following are the key highlights.

Particulars (Rs.in cr)	Q1 FY27	Q1 FY26	YoY	Q4 FY26	QoQ
Net Sales	109.1	97.6	11.8%	109.2	(0.2%)
EBITDA	37.3	33.7	10.7%	39.4	(5.2%)
EBITDA Margin	***34.2%***	***34.5%***	***(30 bps)***	***36.0%***	***(180 bps)***
Profit before Tax	28.3	25.3	12.2%	29.0	(2.4%)
Profit after Tax	21.0	18.9	11.4%	21.1	(0.3%)
PAT Margin	***19.3%***	***19.4%***	***(10 bps)***	***19.3%***	*-*
AEPS	4.66	4.21	10.7%	4.62	(11.3%)

Highlights from the Quarter (Q1 FY27)

Operational Highlights

Vimta Labs reported a decent set of numbers, with income growing by 11.8% yoy. EBITDA margins moderated sequentially due to higher facility-related overheads and the statutory impact of new labor laws/codes. The company has planned a capex of Rs.80 cr, with Rs.10 cr planned for the biologics and the routine capex will be in the tune of Rs.70 cr.

Segmental Breakup

Pharma Contact Research & Testing Services: Clinical research operations, which faced headwinds in the previous fiscal year, showed encouraging signs of recovery with healthy new inquiry and order inflows. Export revenues accounted for approximately **40%** of total revenue, with the US being the primary overseas market.

Biologics Initiative: The company successfully secured its first domestic order for biologics services and operationalized the newly established facility during Q1 FY27. Expected to become a meaningful contributor to top-line and margins from the 3rd year onwards.

Food testing: Import/export sample receipts declined due to geopolitical trade disruptions and war-related cost escalations in global shipping. Management has successfully mitigated these headwinds by sharpening its focus on domestic market expansion (domestic accounts for ~50% of food testing).

Electronics & Electrical Testing: Tailwinds are expected from India's growing focus on quality certification, electronics manufacturing and defence indigenization.

Growth Outlook

Management expects to sustain its growth momentum for FY27, with improvement in growth momentum in the future quarters. Existing lab infrastructure (~200,000 sq. ft. created in Genome Valley, Hyderabad) has sufficient room to support top-line expansion over the next 4–5 years without requiring massive infrastructure expansion.

OUTLOOK AND VALUATION

We expect the FY28E EPS to be Rs.23.6 and the PAT margin to be 19.6%. **We have assigned a P/E multiple of 32X and arrive at a Target Price of Rs. 744, showcasing an upside potential of % from current levels with an investment horizon of 18-24 months, with a BUY rating on the stock.**

STOCK DATA

BUY

Reuters Code	VIML.BO
Bloomberg Code	VL IN
BSE Code	524394
NSE Symbol	VIMTALABS
Face Value	Rs.2
Shares Outstanding	4.5 Cr.
Avg. Daily Volume (6m)	291,968 Shares

Price Performance (%)

1M	3M	6M
(7)	10	1

200 days EMA Rs.524

SHARE HOLDING (%)

Promoters	35.9
FII	4.9
FI / MF	0.4
Bodies Corporate	30.3
Public & Others	28.6

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Particulars	Revenue (Rs. Cr)	PAT (Rs. Cr)	NPM (%)	EPS (Rs.)	P/E (X)	ROE (%)
FY25	344.0	66.8	19.4	14.8	36.9	19.3
FY26	407.3	79.2	19.5	17.2	31.8	19.0
FY27E	**464.3**	**90.4**	**19.5**	**20.1**	**27.2**	**18.2**
FY28E	**543.2**	**106.3**	**19.6**	**23.6**	**23.2**	**18.2**



Earlier Recommendation

Date	Report Type	Reco	Price (Rs.)	Target (Rs.)
16-Dec-2025	Re-Instating Coverage	Buy	592	743
01-Feb-2026	Q3FY26 Update	Buy	411	743

Profit & Loss Statement (Rs. Cr)

Particulars	FY25	FY26	FY27E	FY28E
Revenue	**344.0**	**407.3**	**464.3**	**543.2**
Cost of Raw Materials	71.4	80.7	92.4	108.1
Employee Cost	97.0	114.4	130.0	151.6
Other Expenses	53.6	70.6	78.9	92.4
EBITDA	**121.9**	**141.6**	**163.0**	**191.2**
Depreciation	35.3	43.8	49.9	58.4
Interest Cost	1.9	1.2	1.2	1.2
Other Income	4.2	9.0	10.2	12.0
PBT	**89.0**	**104.1**	**122.1**	**143.6**
Tax	22.2	26.4	31.8	37.3
APAT	**66.8**	**79.2**	**90.4**	**106.3**

Balance Sheet Statement (Rs. Cr)

Particulars	FY25	FY26	FY27E	FY28E
Net block	223.6	300.2	333.9	357.0
Capital WIP	38.1	18.0	83.6	81.5
Intangible assets	6.4	4.9	5.0	5.0
Deferred tax	6.2	6.3	6.3	6.3
Sundry debtors	106	106	122	143
Inventories	25	30	34	40
Cash and bank	32.9	65.1	29.9	80.1
Loans and advances	0.1	0.1	1.0	1.0
Others	28.0	30.0	29.0	29.0
Total Assets	**466.2**	**562.3**	**645.2**	**743.0**
Equity Share Capital	4.0	8.9	9.0	9.0
Reserves	374.4	447.9	527.3	624.6
Net worth	**378.4**	**456.9**	**536.3**	**633.6**
Total loans	8.5	3.3	9.8	10.4
Other Current Liabilities	79.2	102.1	99.1	99.1
Total Liabilities	**466.2**	**562.3**	**645.2**	**743.0**

Source: Company, Sushil Finance Research

Cash Flow Statement

(Rs. Cr)

Particulars	FY25	FY26	FY27E	FY28E
PAT	66.8	79.2	90.4	106.3
Depreciation	35.3	43.8	49.9	58.4
Finance Cost	1.9	1.2	1.2	1.2
Provision for Taxes	22.2	26.4	31.8	37.3
Changes in Working capital	(7.8)	0.4	(31.4)	(26.6)
Cash Flow from Operating	**118.4**	**151.0**	**141.8**	**176.6**
Changes in PP&E	(102.4)	(120.4)	(83.6)	(81.5)
Changes In Others	23.6	18.1	(58.7)	2.1
Cash Flow from Investing	**(78.8)**	**(102.3)**	**(142.3)**	**(79.4)**
Changes in Debt	(10.7)	(5.2)	6.5	0.5
Others	(3.8)	0.8	(23.1)	(29.5)
Cash Flow from Financing	**(32.4)**	**(22.4)**	**(34.6)**	**(47.0)**
Cash at the Start of the Year	25.8	32.9	65.1	29.9
Changes in cash flow	7.2	26.3	(35.2)	50.2
Total Cash & Cash Equivalents	**33.0**	**59.3**	**29.9**	**80.1**

Financial Ratio Statement

Particulars	FY25	FY26	FY27E	FY28E
Growth (%)				
Revenue	19.2%	18.4%	14.0%	17.0%
EBITDA	29.5%	16.1%	15.1%	17.3%
Net Profit	36.5%	18.7%	14.0%	17.6%
Profitability (%)				
EBITDA Margin	35.5%	34.8%	35.1%	35.2%
Net Profit Margin	19.4%	19.5%	19.5%	19.6%
ROCE	23.4%	21.8%	21.0%	21.1%
ROE	19.3%	19.0%	18.2%	18.2%
Per Share Data (Rs.)				
EPS	14.8	17.2	20.1	23.6
BVPS	84.1	101.5	119.2	140.8
Valuation (x)				
P/E	36.9	31.8	27.2	23.2
P/BV	6.5	5.4	4.6	3.9
P/SALES	3.2	2.7	2.4	2.0
EV/EBITDA	9.1	7.8	6.8	5.8
Turnover				
Debtor days	113	95	96	96
Inventory days	128	135	135	135
Creditor days	54	53	53	53

Source: Company, Sushil Finance Research

Rating Scale :

This is a guide to the rating system used by our Institutional Research Team. Our rating system comprises of three rating categories.

Total Expected Return Matrix (Rating and Return)	BUY : Over 12%	HOLD : -12% to 12%	SELL : Below -12%

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Analyst Stock Ownership	Yes
Stock Recommended to Clients	Yes
Remuneration/Benefits received from company in 12 months	No
Merchant Banking Market Making activities / projects	No
Sushil Financial Services Pvt. Ltd and Group Companies Holding	Yes
Sushil Financial Services Pvt. Ltd and Group Directors Holding	Yes
Broking Relationship with the company covered	No