Pick of the Week

SBI Securities
Investment aur Trust, Dono

5th January, 2026

OneSource Specialty Pharma Ltd.

BSE: 544292 | NSE: ONESOURCE |
Mkt Cap: Rs 20,538 cr

Recommendation	Time Period	Current Price	Target Price	Potential Upside
BUY	**12 months**	**1,792.0/-**	**2,060.0/-**	**14.9%**

OneSource Specialty Pharma Ltd (OneSource) is a multi-modal pure–play specialty pharmaceutical Contract Development & Manufacturing Organization (CDMO) with end–to–end capabilities across biologics, drug–device combinations (DDCs), sterile injectables and soft gel capsules. The company's operations span across 5 state–of–the–art manufacturing facilities, approved by global regulatory agencies like USFDA, EMA, ANVISA, TGA, WHO, etc.

Key Investment Rationale:

- **Fully booked capacities for the GLP-1 opportunity:** Loss of expiry on GLP-1 agonists (like Semaglutide and Liraglutide) during CY26 in key regulated & emerging markets of Canada, India, Brazil, Turkey and China offers a massive opportunity for CDMOs like OneSource. The Indian GLP-1 market was estimated at ~USD 110 million and is expected to expand by ~4.5x to reach ~USD 500 million by CY30P, with similar opportunities in other emerging markets. OneSource is ready to cater to this opportunity and operates a capacity of 40 million cartridges and 38 million pre-filled syringes as of Sep'25. The company has established relations with 20 customers for commercial quantities of Semaglutide, with 9 of these customers expected to launch the generic product during market formation. Its GLP-1 capacities have been fully booked by customers through take-or-pay contracts or by paying reservations fees, which provides strong revenue visibility for the company.
- **Robust capacity expansion plans:** The company based on its demand forecasts from customers has committed USD 100 million for capacity expansion over the next 4 years. The plan includes increasing it's a) cartridges capacity from ~40 million to ~220 million (~5.5x), b) pre-filled syringe capacity from ~38 million to ~50 million (~1.3x), c) vial capacity from ~28 million to ~50 million (~1.8x), and d) microbial capacity from 1 KL to 6 KL (~6x). OneSource's customers generally contribute to capex spends for setting up capacities or provide long term demand forecasts, which means the company possesses revenue visibility for the planned capex.
- **Inorganic growth acting as another lever:** During 2QFY26, the board approved the acquisition of Intellectual Property assets and manufacturing facilities in Poland of Steriscience and vertically integrated anti-infectives manufacturing facility of Brooks Steriscience Ltd. The company expects that upon integration, both these plants are expected to together contribute incremental revenue of USD 100 million and USD 36-40 million in EBITDA by FY28. Further, on the back of strong interest for its businesses and proposed acquisition, the company has revised its FY28 revenue guidance from USD 400 million to USD 500 million with +40% EBITDA margin by FY28.
- **Reasonable valuation:** At CMP of Rs 1,792, the stock trades at FY26E/FY27E Bloomberg consensus P/E multiple of 73.7x/27.9x respectively. We expect the company to report robust performances in the future driven by capacities coming on stream, start of commercial supplies to customers and robust demand scenario due to patent expiry of Semaglutide.

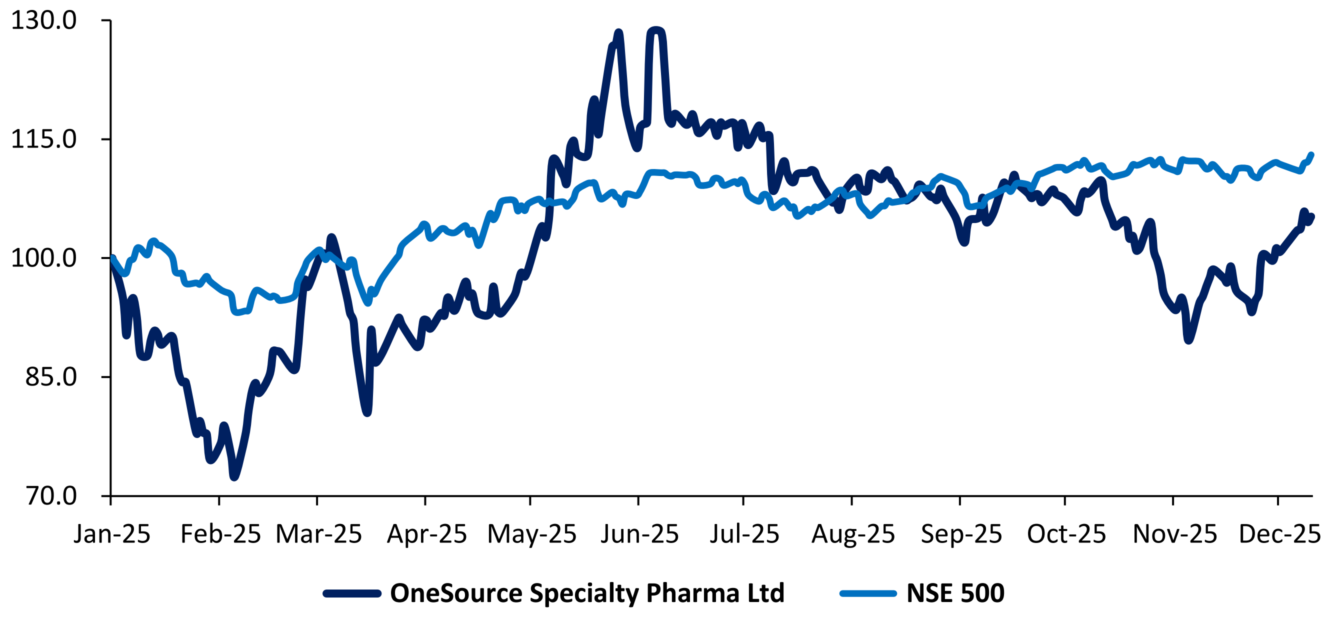
Key Risks: Failure to pass regulatory and customer audits; Changes in customer acquisition patterns; Delays in launches and adoption of generic Semaglutide.

Financial Summary

Particulars (Rs cr)	FY25A	FY26E	FY27E	FY28E
Net Sales	1,445	1,756	2,803	3,596
EBITDA	467	604	1,084	1,439
Net Profit	94	235	664	946
EBITDA Margin (%)	32.3	34.4	38.7	40.0
RoE (%)	1.6	4.1	9.5	12.5
EPS (Rs)	8.2	24.3	64.3	84.7
P/E (x)	218.8	73.7	27.9	21.2
EV/EBITDA (x)	45.0	34.8	19.0	13.7

Source: AceEquity, Bloomberg, SSL Research

Stock Performance (since listing) – Indexed to 100



Source: ACE Equity, SSL Research

Recommendation History

Date	Stock Price	Target Price	Recommendation	Status
-	-	-	-	-

SBICAP Securities Limited | Arnav Sane, Sumeet Shah | Arnav.Sane2@sbicapsec.com, Sumeet.Shah@sbicapsec.com

SBICAP Securities Limited

(CIN): U65999MH2005PLC155485

SEBI Registration No.: Stock Broker: INZ000200032 | DP Registration No.: IN-DP-314-2017| Research Analyst : INH000000602

IRDA : CA0103 | PFRDA Registration No: POP 26092018

Registered & Corporate Office: Marathon Futurex, Unit No. 1201, B-Wing, 12th Floor, N M Joshi Marg, Mafatlal Mill Compound, Lower Parel East, Mumbai 400013

For any information contact us:

(022) 6854 5555 | E-mail: helpdesk@sbicapsec.com | Web: www.sbisecurities.in

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Name	Qualification	Designation
Sudeep Shah	MMS-Finance	VP- Technical & Derivative Research
Sunny Agrawal	B.E, MBA (Finance)	DVP - Fundamental Research
Rajesh Gupta	PGDBM (Finance), MA (Bus. Eco)	AVP - Fundamental Research
Monica Chauhan	C.A.	Research Analyst - Equity Fundamentals
Harsh Vasa	C.A.	Research Analyst - Equity Fundamentals
Sumeet Shah	B.E., CFA	Research Analyst - Equity Fundamentals
Arnav Sane	BMS (Finance)	Research Associate - Equity Fundamentals
Shubham Purohit	BMS (Finance)	Research Associate - Equity Fundamentals
Vinit Mishra	B.Com	Research Associate - Equity Fundamentals
Gautam Upadhyaya	MBA (Finance)	Research Analyst - Equity Derivatives
Vinayak Gangule	BE (IT)	Research Analyst - Equity Technicals
Ashwin Ramani	B.Com	Research Analyst - Equity Technicals
Sagar Peswani	B.Tech (ECE)	Research Associate - Equity Technicals
Kalpesh Mangade	B.Com	MIS Analyst - Retail Research

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Sunny Agrawal

Sunny Agrawal
DVP – Fundamental Research

Sudeep Shah.

Sudeep Shah
VP – Technical & Derivative Research