

Sai Parenterals Limited

IPO Note



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India's Trusted Pharmaceutical Manufacturing Partner.

Sai Parenterals Limited is a pharmaceutical formulations company engaged in the development and manufacturing of a diversified portfolio of healthcare products, including injectables, oral solids, and contract manufacturing services, with its headquarters in India. Established with a focus on sterile and non-sterile formulations, the company has evolved into an integrated pharmaceutical manufacturing platform with capabilities spanning formulation development, large-scale production, and value-added contract development and manufacturing organization (CDMO) services. Sai Parenterals operates multiple manufacturing facilities with a focus on regulatory compliance, process standardization, and scalable production infrastructure, enabling it to cater to both domestic and international markets.

Sai Parenterals operates within India's growing pharmaceutical manufacturing ecosystem, supported by increasing global demand for generic drugs, rising outsourcing trends toward CDMO players, favorable government policies promoting domestic manufacturing, and expanding export opportunities across regulated and semi-regulated markets. The company follows a client-centric and order-driven manufacturing model backed by formulation expertise, quality assurance systems, and long-term customer relationships. Its operational framework emphasizes product quality, regulatory adherence, and capacity expansion through ongoing and proposed investments, aimed at strengthening manufacturing capabilities and enhancing global market penetration.

While the business benefits from structural tailwinds in the pharmaceutical sector and increasing outsourcing demand, it remains exposed to regulatory compliance risks, pricing pressure in generics, and execution challenges associated with scaling operations and capacity expansion. The IPO comprises a fresh issue and an offer for sale, intended to fund capital expenditure for facility expansion, support working capital requirements, reduce debt levels, and provide partial liquidity to existing shareholders while improving visibility and access to capital markets.

❖ Strengths:

- Integrated pharma manufacturing with CDMO capabilities.
- Strong growth visibility via capacity expansion and exports.
- Established client base with recurring demand.

❖ Weaknesses:

- Regulatory and compliance risk exposure.
- Margin pressure due to generic pharma competition.
- Execution risk from ongoing expansion plans.

Key Consolidated Financial Data (INR Cr, unless specified):

	Revenue	EBITDA	Net Profit	EBITDA (%)	Net Profit (%)	EPS (INR)	BVPS (INR)	ROE (%)	ROIC (%)	P/E (X)	EV/EBITDA (X)
FY23	96.80	18.54	4.38	19.15	4.52	0.99	7.13	13.90	12.76	395.76	97.12
FY24	153.76	31.59	8.89	20.54	5.78	2.01	17.29	11.92	11.73	194.92	58.45
FY25	163.11	39.39	14.20	24.15	8.71	3.21	21.68	15.16	16.81	121.96	46.30

Source: Ventura Research & Company update

Industry	Pharmaceuticals
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Scrip Details

Listing	BSE & NSE
Open Date	Mar 24, 2026
Close Date	Mar 27, 2026
Price Band	INR372-392
Face Value	INR 5
Market Lot	38 Shares
Minimum Lot	1

Issue Structure

Issue Size (INR cr.)	408.09
Issue Size sh. (INR cr.)	1.05
QIB Share (%)	≤50%
Non-Inst Share (%)	≥15%
Retail Share (%)	≥35%
Pre-Issue sh. (in cr.)	3.69
Post Issue sh. (in cr.)	4.42
Post Issue Market Cap (in cr.)	1731.83

Shareholding (%)	Pre (%)	Post (%)
Promoter	61.23	51.15
Public	38.77	48.85
TOTAL	100	100

Issue Structure and Offer Details:

Sai Parenteral's Limited IPO is a book build issue comprising a fresh issue aggregating up to INR 285 Cr and an offer for sale of up to 3,157,880 equity shares by the Investor Selling Shareholders.

Issue Structure	
Investor Category	Allocation
QIB	Not more than 50% of the Net Offer.
NII (HNI)	Not less than 15% of the Net Offer.
Retail	Not less than 35% of the Net Offer.

Number of shares based on a higher price band of INR392

Source: Company Reports

Objects of the Issue:

1. Capacity expansion and upgradation of manufacturing facilities – 110.80 cr.
2. Establishment of a new R&D Centre; – 18.02 cr.
3. Repayment / prepayment of certain outstanding borrowings – 14.30 cr.
4. Working capital requirements – 33 cr.
5. Investment in wholly owned subsidiary, Sai Parenterals Pvt Limited (Singapore), in relation to the proposed acquisition of Noumed Pharmaceuticals Pty Limited (Australia); - 35.64 cr.
6. General Corporate Expenses.

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25	Fig in INR Cr (unless specified)	FY23	FY24	FY25
Income Statement				Per share data & Yields			
Revenue	96.80	153.76	163.11	Adjusted EPS (INR)	0.99	2.01	3.21
<i>YoY Growth (%)</i>		<i>58.85</i>	<i>6.08</i>	Adjusted Cash EPS (INR)	2.30	4.14	5.07
Raw Material Cost	0.00	0.00	0.00	Adjusted BVPS (INR)	7.13	17.29	21.68
<i>RM Cost to Sales (%)</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	Adjusted CFO per share (INR)	(2.90)	(6.74)	7.50
Employee Cost	8.92	12.64	13.09	CFO Yield (%)	(0.74)	(1.72)	1.91
<i>Employee Cost to Sales (%)</i>	<i>9.21</i>	<i>8.22</i>	<i>8.02</i>	Adjusted FCF per share (INR)	(6.82)	(16.72)	9.49
Other Expenses	69.34	109.53	110.63	FCF Yield (%)	(1.74)	(4.26)	2.42
<i>Other Exp to Sales (%)</i>	<i>71.64</i>	<i>71.24</i>	<i>67.83</i>	Solvency Ratio (X)			
EBITDA	18.54	31.59	39.39	Total Debt to Equity	2.18	1.55	0.98
<i>Margin (%)</i>	<i>19.15</i>	<i>20.54</i>	<i>24.15</i>	Net Debt to Equity	2.17	1.50	0.96
<i>YoY Growth (%)</i>		<i>70.40</i>	<i>24.69</i>	Net Debt to EBITDA	3.69	3.62	2.33
Depreciation & Amortization	5.79	9.42	8.20	Return Ratios (%)			
EBIT	12.74	22.17	31.18	Return on Equity	13.90	11.92	15.16
<i>Margin (%)</i>	<i>13.16</i>	<i>14.42</i>	<i>19.12</i>	Return on Capital Employed	7.69	7.69	12.04
<i>YoY Growth (%)</i>		<i>73.96</i>	<i>40.66</i>	Return on Invested Capital	12.76	11.73	16.81
Other Income	0.23	1.51	0.64	Working Capital Ratios			
Bill discounting & other charges	5.73	11.12	11.91	Payable Days (Nos)	110.00	110.00	110.00
Fin Charges Coverage (X)	2.23	1.99	2.62	Inventory Days (Nos)	52.76	103.03	201.34
Exceptional Item	0.00	0.00	0.00	Receivable Days (Nos)	230.80	301.62	283.23
PBT	7.25	12.56	19.91	Net Working Capital Days (Nos)	173.56	294.65	374.57
<i>Margin (%)</i>	<i>7.49</i>	<i>8.17</i>	<i>12.21</i>	Net Working Capital to Sales (%)	53.89	72.53	73.38
<i>YoY Growth (%)</i>		<i>73.17</i>	<i>58.57</i>	Valuation (X)			
Tax Expense	2.87	4.14	5.48	P/E	395.76	194.92	121.96
<i>Tax Rate (%)</i>	<i>39.64</i>	<i>32.97</i>	<i>27.54</i>	P/BV	55.00	22.67	18.08
PAT	4.38	8.42	14.43	EV/EBITDA	97.12	58.45	46.30
<i>Margin (%)</i>	<i>4.52</i>	<i>5.47</i>	<i>8.85</i>	EV/Sales	18.60	12.01	11.18
<i>YoY Growth (%)</i>		<i>92.30</i>	<i>71.44</i>	Cash Flow Statement			
Min Int/Sh of Assoc	0.00	0.47	(0.23)	PBT	7.25	12.56	19.91
Net Profit	4.38	8.89	14.20	Adjustments	(17.18)	21.19	26.89
<i>Margin (%)</i>	<i>4.52</i>	<i>5.78</i>	<i>8.71</i>	Change in Working Capital	0.00	(59.37)	(8.16)
<i>YoY Growth (%)</i>		<i>103.04</i>	<i>59.82</i>	Less: Tax Paid	(2.87)	(4.14)	(5.48)
Balance Sheet				Cash Flow from Operations	(12.80)	(29.76)	33.15
Share Capital	7.15	13.25	13.31	Net Capital Expenditure	(17.34)	(44.10)	8.77
Total Reserves	24.34	63.15	82.47	Change in Investments	(1.69)	(2.23)	(8.34)
Shareholders Fund	31.49	76.40	95.78	Cash Flow from Investing	(19.03)	(46.32)	0.44
Long Term Borrowings	25.64	38.70	13.75	Change in Borrowings	27.13	83.60	(24.03)
Deferred Tax Assets / Liabilities	0.13	(0.65)	(0.52)	Less: Finance Cost	(5.73)	(11.12)	(11.91)
Other Long Term Liabilities	0.00	0.00	0.00	Proceeds from Equity	2.58	6.10	0.06
Long Term Trade Payables	0.00	0.00	0.00	Buyback of Shares	0.00	0.00	0.00
Long Term Provisions	0.08	0.21	0.50	Dividend Paid	0.00	0.00	0.00
Total Liabilities	57.33	114.66	109.51	Cash flow from Financing	23.98	78.57	(35.88)
Net Block	44.47	70.01	53.19	Net Cash Flow	(7.85)	2.48	(2.30)
Capital Work in Progress	1.60	0.00	0.50	Forex Effect	0.00	0.00	0.00
Intangible assets under development	0.00	0.00	0.00	Opening Balance of Cash	97.50	19.00	43.84
Non Current Investments	0.00	0.00	0.00	Closing Balance of Cash	19.00	43.84	20.86
Long Term Loans & Advances	5.03	9.48	17.11				
Other Non Current Assets	0.92	0.61	1.15				
Net Current Assets	5.31	34.55	37.56				
Total Assets	57.33	114.66	109.51				

Source: Ventura Research

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