Symbiotec Pharmalab Ltd.

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IPO Note **21st August 2026**

Company Overview

Symbiotec Pharmalab Ltd. is an R&D-driven pharmaceutical and biotechnology company with capabilities spanning organic chemistry, biotechnology and complex injectables. Established in 1995 as a steroidal-hormone API manufacturer, the company has evolved into a backwards-integrated, global-scale platform with approvals from the US FDA, EU-GMP, WHO-GMP and other major regulatory authorities. Symbiotec has established a leadership position in corticosteroid and steroidal-hormone APIs, commanding a global volume market share of 38% in corticosteroids and 23% in steroidal-hormone APIs in FY26. Its portfolio covers 60+ molecules across sterile and non-sterile formats, with strong positions in Hydrocortisone, Testosterone and Methylprednisolone. The company is uniquely positioned across the top 10 corticosteroid and steroidal-hormone APIs, providing meaningful scale and product diversification. With over 80% of its portfolio by revenue supported by make-versus-buy capabilities, backward integration helps reduce dependence on external suppliers and imported intermediates while improving cost competitiveness and supply reliability. As of March 2026, Symbiotec operated manufacturing facilities across Rau, Pithampur, Ujjain and Mhow, with aggregate capacities of 584.7 MT in chemical synthesis, 700 KL in fermentation and 20mn complex-injectable vials annually. Its regulatory and customer franchise remains strong, with 43 USFDA DMFs, 23 EDQM CEPs and 200+ customers across 40+ countries. The company also benefits from established customer relationships, with an average tenure of its top customers exceeding ten years. The company is further investing in higher-growth, high-barrier adjacencies, including biologics such as GLP-1 and insulin, complex injectables and niche APIs such as conjugated estrogen. Supported by 156 scientists and engineers across three R&D centres, these initiatives provide a pathway to diversify beyond its core steroidal franchise and strengthen its long-term growth profile.

Objects of the issue

The net proceeds from the fresh issue will be used towards the following purposes:

- ⇒ Prepayment and/or repayment, in full or in part, of all or a portion of certain outstanding borrowings availed by the company; and
- ⇒ General corporate purposes.

Investment Rationale

Global Leadership in Corticosteroid and Steroidal-Hormone APIs

Symbiotec's global leadership in corticosteroid and steroidal-hormone APIs provides a strong competitive moat and remains the core pillar of its investment case. The company held 38.2% global volume market share in corticosteroids and 23.8% in steroidal-hormone APIs in FY26, while being the only global player with a presence across the top 10 products in these categories. Its portfolio of 60+ APIs spans ~90% of the relevant product universe, providing significant breadth across sterile and non-sterile formats. The company has particularly strong positions in Hydrocortisone, Testosterone and Methylprednisolone, where it commanded 80.1%, 76.4% and 76.0% global volume market shares, respectively, in FY26. This leadership is supported by differentiated steroidal chemistry capabilities, including the ability to execute up to 400 validated cGMP synthesis steps, along with 43 US FDA DMFs and 23 EDQM CEPs, strengthening its regulatory entry barriers and global customer access. A key differentiator is Symbiotec's backward-integrated farm/microbe-to-pharmacy model, supported by 700 KL fermentation capacity and in-house manufacturing of key steroidal precursors. The ability to make strategic make-versus-buy decisions for KSMs covering over 80% of portfolio revenue reduces dependence on external suppliers and imports, while supporting cost competitiveness and supply reliability. With demand for corticosteroids supported by the rising prevalence of inflammatory and autoimmune conditions and steroidal hormones benefiting from reproductive health, metabolic disorders and hormone-replacement therapies, the addressable market remains structurally attractive. Further, investments of Rs. 799 crores over the last three fiscals in API and injectable capabilities should support capacity expansion and product diversification. The company market leadership, deep chemistry capabilities, backward integration and regulatory track record provide a strong foundation to defend its franchise and capture incremental growth in high-value steroidal APIs.

Issue Details	
Offer Period	24th August, 2026 - 27th August, 2026
Price Band	Rs. 938 to Rs. 988
Bid Lot	15
Listing	BSE, NSE
Issue Size (no. of shares in Crs)	1.77
Issue Size (Rs. in Cr)	1,757
Face Value (Rs.)	2

Issue Structure	
QIB	50%
NIB	15%
Retail	35%
BRLM	JM Financial Ltd., Avendus Capital Private Ltd., Motilal Oswal Investment Advisors Ltd., Nomura Financial Advisory and Securities (India) Private Ltd.
Registrar	MUFG Intime India Private Ltd.

Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	36.4	10.2
Public	63.6	89.8
Total	**100.0**	**100.0**

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

Symbiotec Pharmalab Ltd

Long-standing Customer Relationships Provide Revenue Visibility

Symbiotec's diversified and sticky customer base provides meaningful revenue visibility and supports the resilience of its API franchise. As of March 2026, the company served 200+ customers across 40+ countries, including over 50 domestic and 150 export customers, with continued customer additions of 101, 96 and 89 in FY26, FY25 and FY24, respectively. Customer stickiness is particularly strong in corticosteroid and steroidal-hormone APIs, where complex chemistry, multi-step manufacturing processes and stringent regulatory requirements create high switching costs. Any change in API suppliers typically requires product validation, regulatory filings and approvals, making supply reliability and an established compliance track record key selection criterion for customers. This is reflected in Symbiotec's average relationship tenure of over 10 years with its top five and top 10 customers as of March 2026. Further, the company has been expanding its product offerings to existing customers, creating opportunities for deeper wallet share. We believe the combination of long customer relationships, high switching costs, consistent quality and backward-integrated supply capabilities provides strong customer retention and supports sustainable growth in its core API franchise.

Valuation

Symbiotec Pharmalab is a pharmaceutical and biotechnology company focused on APIs, corticosteroids and steroidal hormones, with capabilities in biotechnology, CDMO and complex injectables. Headquartered in Indore, Madhya Pradesh, it serves 200+ customers across 40+ countries. In FY26, 67% of revenue came from overseas markets out of which Europe stood at 29%, US at 13%, and rest of global revenues at 25%; while India contributed 33%. Its portfolio includes 60+ corticosteroid and steroidal-hormone APIs, alongside fermentation products, biologics and complex injectables. The top five products of Symbiotec are progesterone, hydrocortisone, testosterone, betamethasone and methylprednisolone which accounted for 62% of FY26 revenue. The company is expanding into complex injectables, biotechnology and contract development and manufacturing organization (CDMO), supported by its Ujjain and Mhow facilities, which take total fermentation capacity to 700 KL. On the financial front, Symbiotec has demonstrated steady financial performance, with Revenue, EBITDA and PAT registering CAGRs of 10%, 14% and 5%, respectively, during FY24-FY26. The company's strong positioning in steroidal APIs, backward-integrated manufacturing model and diversified presence across 40+ countries provide a strong base for sustained growth. At the issue price of Rs. 988, the IPO is valued at 52x FY26 diluted EPS of Rs. 19, representing a meaningful discount to the peer average. Given Symbiotec's market leadership in steroidal APIs, strong customer relationships, backward integration and potential from emerging businesses, we believe the valuation offers an attractive entry point relative to its growth and diversification prospects. **We thus recommend a "SUBSCRIBE" rating to the issue.**

Key Risks

⇒ Symbiotec remains heavily dependent on its API business, which contributed 96.1% of FY26 revenue, while its top five APIs accounted for 62.3%. Any decline in demand, pricing pressure or production disruption in key products could materially impact revenue, profitability and cash flows.

⇒ The company manufacturing facilities are subject to periodic inspections by regulatory authorities and customers. Any quality or compliance failure could lead to regulatory action, production disruptions and reputational damage, adversely impacting revenue, profitability and cash flows.

⇒ The company derives a significant share of revenue from international markets, with exports contributing 67.0% of FY26 revenue. Exposure to currency fluctuations, geopolitical developments, trade restrictions and regulatory changes across overseas markets could adversely impact sales, margins and cash flows.

Symbiotec Pharmalab Ltd

Income Statement (Rs. in Crs)

Particulars	FY24	FY25	FY26
Revenue			
Revenue from Operations	716	752	869
Total Revenue	**716**	**752**	**869**
Expenses			
Cost of raw materials	313	285	302
Changes in inventories of stock-in-trade	8	12	13
Employee benefit expenses	104	122	154
Other expenses	120	130	161
Total operating expenses	**545**	**550**	**631**
EBITDA	**171**	**202**	**238**
Depreciation & amortization expenses	39	43	53
EBIT	**132**	**159**	**185**
Other Income	7	4	3
Finance costs	7	16	25
PBT & exceptional items	**132**	**147**	**153**
Exceptional items	**0**	**0**	**9**
PBT	**132**	**147**	**162**
Tax Expense	31	50	43
PAT	**100**	**97**	**119**
Diluted EPS	**18.0**	**17.4**	**19.0**

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in Crs)

Particulars	FY24	FY25	FY26
Cash Flow from operating activities	188	47	175
Cash flow from investing activities	-206	-307	-227
Cash flow from financing activities	22	278	36
Net increase/(decrease) in cash and cash equivalents	**3**	**19**	**-16**
Cash and cash equivalents at the beginning of the period	**5**	**7**	**26**
Cash and cash equivalents at the end of the period	**7**	**26**	**10**

Source: RHP, BP Equities Research

Symbiotec Pharmalab Ltd

Balance Sheet (Rs. in Crs)

Particulars	FY24	FY25	FY26
Assets			
Non-Current Assets			
Property, plant and equipment	411	402	1,084
Capital work-in-progress	208	568	64
Investment properties	37	36	36
Investments accounted for using equity method	4	0	0
Financial assets			
i) Investments	**0**	1	4
ii) Other financial assets	5	5	9
Income tax assets (net)	6	1	0
Other non-current assets	115	73	97
Total Non Current Assets	**787**	**1,087**	**1,295**
Current Assets			
Inventories	336	261	237
Financial assets			
i) Trade receivables	126	176	198
ii) Cash and cash equivalents	7	26	10
iii) Bank balances other than cash and cash equivalents	0	0	0
iv) Other financial assets	18	16	27
Other current assets	22	13	14
Total current assets	**508**	**493**	**486**
Total Assets	**1,295**	**1,580**	**1,781**
Equity & Liabilities			
Equity share capital	11	11	13
Other equity	704	804	1,137
Non-controlling interests	0	0	0
Total equity	**715**	**815**	**1,150**
Non-current liabilities			
Financial Liabilities			
i) Borrowings	195	253	68
ii) Lease liabilities	3	3	2
iii) Other financial liabilities	0	1	6
Provisions	11	13	22
Deferred tax liabilities (net)	20	22	6
Total Non-current liabilities	**229**	**292**	**104**
Current liabilities			
i) Borrowings	52	288	320
ii) Lease liabilities	1	1	1
iii) Trade payables	228	88	138
iv) Other financial liabilities	20	40	34
Other current liabilities	44	40	20
Provisions	4	4	7
Current tax liabilities (net)	3	11	8
Total Current Liabilities	**351**	**473**	**528**
Total Liabilities	**580**	**765**	**631**
Total Equity & Liabilities	**1,295**	**1,580**	**1,781**

Source: RHP, BP Equities Research

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Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

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