SAI PARENTERAL'S LIMITED

March 23, 2026

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	Pharma
Offer for sale (Shares)	3,157,880
Fresh Issue (Shares)	7,270,408
Net Offer to the Public	10,428,288
Issue Size (Rs. Cr.)	387-409
Price Band (Rs.)	372-392
Offer Date	24-Mar-26
Close Date	27-Mar-26
Face Value	5
Lot Size	38

Issue Composition

	In shares
Total Issue for Sale	10,428,288
QIB	5,214,144
NIB	1,564,243
Retail	3,649,901

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	61.23%	51.16%
QIB	38.77%	37.04%
NIB	0.00%	3.54%
Retail	0.00%	8.26%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Capacity expansion and upgradation of manufacturing facilities
2. Establishment of a new R&D Centre;
3. Repayment / prepayment of certain outstanding borrowings
4. Working capital requirements
5. Investment in wholly owned subsidiary, Sai Parenterals Pte Limited (Singapore), in relation to the proposed acquisition of Noumed Pharmaceuticals Pty Limited (Australia); and
6. General corporate purposes

Book Running Lead Manager

- Arihant Capital Markets Limited

Name of the registrar

- Bigshare Services Private Limited

About the company

Incorporated in 2001, Sai Parenterals Limited is a diversified pharmaceutical formulations company engaged in branded generics and Contract Development and Manufacturing Organisation (CDMO) services across domestic and international markets. The company offers a wide portfolio spanning cardiovascular, neuropsychiatry, anti-diabetic, respiratory, antibiotics, gastroenterology, vitamins, minerals, analgesics and dermatology segments, with dosage forms including injectables, tablets, capsules, liquid orals, dry syrups and ointments. It operates five manufacturing facilities in India—four in Hyderabad and one in Ongole through its wholly owned subsidiary Revat Laboratories—with a total area of 1,14,540 sq. ft. and an installed capacity of 1,160 million units annually, backed by GMP, WHO-GMP, TGA-Australia and PIC/S accreditations. Its CDMO capabilities include product development, validation, stability studies, dossier preparation, regulatory filings and commercial manufacturing for regulated and semi-regulated markets. The company began exports in FY2023, catering to Australia, New Zealand, Southeast Asia, the Middle East and Africa. In November 2025, it acquired a 74.60% stake in Australia-based Noumed Pharmaceuticals via its Singapore subsidiary, strengthening access to OTC and prescription markets, government tenders and long-term supply contracts in Australia and New Zealand.

Strengths

Diversified generic formulations player with a proven track record: Sai Parenterals Limited is a diversified pharmaceutical formulations company with a strong execution track record since its incorporation in 2001. Initially focused on parenteral (injectable) products with revenue of ~Rs. 0.86 crore prior to the current management taking over in 2016, the company has transformed into a multi-dimensional formulations player, reporting revenue of Rs. 163.10 crore in FY2025. It now operates across multiple dosage forms including injectables, tablets, capsules, liquid orals and ointments, serving key therapeutic segments such as cardiovascular, neuropsychiatry, anti-diabetic, respiratory, antibiotics, gastroenterology, vitamins and dermatology. Post the acquisition of internationally accredited facilities in FY2023, the company expanded into exports and CDMO services, building long-term engagements with global pharmaceutical companies and driving stable, recurring revenues alongside improved operating leverage.

Strategically located and accredited manufacturing facilities: The company operates five manufacturing facilities—four in Hyderabad and one in Ongole—with a total installed capacity of 116 crore units per annum. This includes 7.5 crore injectable units and 108.5 crore oral dosage units spanning tablets, capsules, liquids, ointments and dry syrups. Strategically located near key logistics hubs, these facilities enable efficient domestic distribution and export operations. Supported by automation, advanced planning

systems and dedicated warehousing, the company ensures operational efficiency and cost optimisation. The facilities are accredited with GMP, WHO-GMP, TGA Australia and PIC/S certifications. Additionally, in-house R&D and quality teams, established in 2023, strengthen formulation development and compliance, with further expansion planned through new R&D infrastructure and capacity upgrades.

Strong focus on CDMO business: Sai Parenterals has established a strong presence in the CDMO segment, commencing domestic operations in FY2022 and expanding internationally in FY2023. The acquisition of globally accredited facilities enabled entry into regulated and semi-regulated markets while strengthening formulation R&D capabilities. As of December 31, 2025, the company maintained active CDMO engagements with domestic and global pharmaceutical companies, supported by long-term contracts. Its growing intellectual property portfolio includes 55 in-house dossiers (45 approved in the Philippines), 14 technology-transfer dossiers and access to 451 additional dossiers through the Noumed acquisition. This robust pipeline enhances product development capabilities, market expansion and long-term client retention.

Well-established distribution network in India and overseas: The company has developed a robust distribution network across domestic and international markets. In India, it supplies to government agencies, PMBJP outlets and ESI hospitals, while also distributing branded generics through super stockists across semi-urban and rural regions. The domestic business involves a relatively longer receivables cycle compared to exports, resulting in higher working capital requirements. Internationally, the company operates across regulated and semi-regulated markets including Australia, Southeast Asia, the Middle East and Africa through regional distributors. As of December 31, 2025, it was present in 10 countries through 7 distributors, with Australia contributing a significant share of export revenues.

Track record of value-accretive acquisitions: The company has consistently pursued value-accretive acquisitions to strengthen its manufacturing capabilities and global presence. In FY2022 and FY2023, it acquired TGA-approved and WHO-GMP certified facilities at IDA Bhongir and IDA Bollaram, enhancing regulatory access and accelerating time-to-market. In February 2024, it acquired Revat Laboratories, adding oral solid dosage capabilities and strengthening institutional relationships. Further, in November 2025, through its Singapore subsidiary, the company acquired a 74.60% stake in Australia-based Noumed Pharmaceuticals, gaining access to OTC distribution, regulatory dossiers and established international markets, thereby reinforcing its CDMO and branded generics platform.

Experienced promoters and management team: The company is led by an experienced promoter group and senior management team with deep expertise in pharmaceutical manufacturing, regulatory compliance and business development. Managing Director Anil Kumar Karusala, with over three decades of industry experience, drives strategic growth and operations, while Whole-Time Director Vijitha Gorrepati oversees procurement and technical functions. Non-Executive Director Karusala Aruna manages operations at the Ongole facility. The Noumed acquisition further strengthens leadership depth, bringing in experienced professionals from global pharmaceutical organisations. The combined expertise of the leadership team has enabled expansion into regulated markets, strengthened partnerships and supported sustained growth across geographies.

Strategies

Expansion into global injectable formulations market: The company aims to expand its presence in the global injectable formulations market, which accounted for ~29% of the global pharmaceutical market in 2024 and is expected to grow at a CAGR of 6.5%. It plans to invest Rs. 110.80 crore towards expansion and upgradation of Units I–IV by FY2027, with a focus on injectable facilities. This is expected to increase capacity from 7.5 crore to 11.7 crore units annually. The company also plans to introduce lyophilised vials and cartridge-based injectables, enabling entry into regulated markets such as the EU, Latin America and the Middle East, while improving margins and product mix.

Capitalising on CDMO opportunity through enhanced R&D and manufacturing: The company intends to capitalise on the growing global CDMO opportunity by strengthening its manufacturing scale and R&D capabilities to offer integrated, end-to-end solutions. Capacity expansion at Units III and IV, along with a dedicated R&D centre, will support growth across injectables and oral segments. Unit III capacity is expected to increase from 24 crore to 45.1 crore units annually. The Noumed acquisition further strengthens the CDMO platform through long-term contracts, access to 451+ dossiers and private-label opportunities, enabling expansion across regulated and semi-regulated markets with improved revenue visibility.

Strengthening presence in regulated markets through Noumed facility: The company plans to enhance its presence in regulated markets through Noumed's upcoming manufacturing facility in Adelaide, Australia. The project involves an estimated investment of ~AUD 53 million, supported by a government grant and internal funding, with operations expected by Q4 CY2026 subject to approvals. The facility will manufacture oral liquids, nasal sprays, creams, ointments, tablets and capsules, enabling backward integration, improved supply chain control and cost efficiencies. It is also expected to strengthen positioning in high-volume OTC and prescription segments while deepening customer relationships.

Focus on new product development for future growth: The company plans to drive growth through focused new product development supported by enhanced R&D infrastructure. It intends to invest Rs. 18.02 crore to establish an advanced R&D centre to support formulation development, stability studies and pilot manufacturing. This will accelerate product launches, reduce time-to-market and enhance capabilities in complex generics. The company aims to file 60 new dossiers by FY2028 while leveraging its existing portfolio and access to 451 TGA-approved dossiers, strengthening its pipeline and export potential.

Growth in branded generics through international expansion: Sai Parenterals plans to expand its branded generics business across semi-regulated markets including Latin America, Asia, the Middle East and Africa. The Noumed acquisition provides access to a large dossier base, enabling expansion beyond Australia and New Zealand. Supported by certifications such as TGA, WHO-GMP and PIC/S, along with planned EU-GMP approvals, the company is well positioned to enter new markets. The strategy also includes strengthening domestic distribution through institutional channels and stockist networks to drive sustained growth.

Expanding capabilities through strategic acquisitions: The company continues to pursue strategic, value-accretive acquisitions to strengthen its manufacturing capabilities and global footprint. Recent acquisitions include Unit III (FY2022), Unit IV (FY2023) and Revat Laboratories (February 2024), enhancing production capacity

and institutional reach. In November 2025, it acquired a 74.60% stake in Australia-based Noumed Pharmaceuticals for ~AUD 22 million, gaining access to established markets and a strong dossier portfolio. The company remains focused on identifying synergistic opportunities to support long-term growth and scale.

Risk Factors

- The company's growth is dependent on its ability to develop and commercialise new products in a timely manner.
- The company has entered into related party transactions in the past and may continue to do so.
- The company's international operations expose it to complex regulatory, legal, tax and economic environments, which may pose challenges and could adversely affect its business, operating results and financial position.

Peer Comparison

Co_Name	Total Income	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Gland Pharma	6112.77	847.18	52.45	30.99	2.80	580.41	1	1625.20	26776.21
Sai Life	2169.86	332.95	16.02	62.53	9.35	107.19	1	1001.75	21213.87
Innova Captab	1496.95	132.41	23.14	29.40	3.81	178.44	10	680.40	3893.58
Senores Pharma.	553.38	101.60	22.06	34.06	4.25	176.75	10	751.45	3460.70
Sai Parenteral's Ltd.	173.84	15.53	3.52	111.51	3.45	113.66	5	392.00	1731.83

*Peer companies financials are TTM based
Sai Parenteral Limited financials are based on Annualised H1 FY26

Valuation

Considering the P/E valuation, on the upper end of the price band of Rs.392, the stock is priced at pre issue P/E of 93.16x on Annualised H1FY26 EPS of Rs.4.21. Post issue, the stock is priced at a P/E of 111.51x on its EPS of Rs. 3.52. Looking at the P/B ratio at Rs. 392 pre issue, book value of Rs. 58.83 of P/Bvx 6.66x. Post issue, book value of Rs.113.66 of P/Bvx 3.45x.

Considering the P/E valuation, on the lower end of the price band of Rs.372, the stock is priced at pre issue P/E of 88.41x on Annualised H1FY26 EPS of Rs. 4.21. Post issue, the stock is priced at a P/E of 105.83x on its EPS of Rs.3.52. Looking at the P/B ratio at Rs. 372 pre issue, book value of Rs. 58.83 of P/Bvx 6.32x. Post issue, book value of Rs.113.66 of P/Bvx 3.27x.

Industry Overview

The pharmaceutical industrial outlook remains strong, driven by rising R&D investments, increasing drug complexity, growing biologics adoption and higher outsourcing to CDMOs. Global pharmaceutical R&D spending reached $288 billion in 2024, with biologics—particularly monoclonal antibodies—accounting for a significant share of new drug approvals, accelerating demand for advanced formulation and manufacturing capabilities. The global drug formulation market is estimated at $1.5 trillion in 2025 and is projected to grow to $2.5 trillion by 2033 at a CAGR of 5.9%, supported by rising generic penetration, patent expiries and demand for cost-effective therapies. Generics accounted for 50.8% of the market in 2024 and are expected to reach $1.33 trillion by 2033, while biosimilar opportunities continue to expand as biologics lose exclusivity. The global CDMO market is projected to grow from $297 billion in 2025 to over $609 billion by 2033, driven by increasing outsourcing, complex therapies and the need for end-to-end development services,

with regulated markets contributing over 75% of revenues. Emerging markets are expected to grow faster due to cost advantages and improving regulatory standards. In India, oral solids continue to dominate, though injectables and specialty formulations are witnessing faster growth, while the Indian CDMO market is estimated at $17 billion in 2025 and expected to reach $45 billion by 2033 at a CAGR of 12.7%, supported by strong talent availability, regulatory compliance and rising global outsourcing, positioning India as a key global pharmaceutical manufacturing hub.

Outlook

Sai Parenterals is well positioned for growth, supported by its diversified formulations portfolio, expanding CDMO presence and strong manufacturing base. Ongoing capacity expansion, focus on injectables and enhanced R&D capabilities are expected to drive product innovation and margin improvement. Strategic acquisitions and entry into regulated markets provide long-term growth visibility. However, execution risks, regulatory complexities and working capital intensity remain key factors to monitor.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Tue, Mar 24, 2026
IPO Close Date	Fri, Mar 27, 2026
Tentative Allotment	Mon, Mar 30, 2026
Initiation of Refunds	Wed, Apr 1, 2026
Credit of Shares to Demat	Wed, Apr 1, 2026
Tentative Listing Date	Thu, Apr 2, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 30-Sep-25 (6 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	86.92	163.11	153.76
Total expenditure	70.75	123.72	122.10
Operating Profit	16.17	39.39	31.66
OPM%	18.60	24.15	20.59
Other Income	2.51	0.64	1.42
Total Net Income	18.68	40.02	33.08
Interest	4.63	11.91	11.11
PBDT	14.04	28.11	21.97
Depreciation	2.89	8.20	9.42
PBT	11.16	19.91	12.56
Tax	3.39	5.48	4.14
PAT	7.77	14.43	8.42

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 30-Sep-25	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	42.77	43.35	60.06
Right of Use Asset	2.30	0.00	0.00
Capital Work in-progress	1.82	0.50	0.00
Intangible assets	0.62	0.67	0.79
Goodwill on consolidation	9.17	9.17	9.17
Financial Assets			
Other financial assets	3.60	3.58	2.89
Deferred Tax Assets (net)	0.28	0.52	0.65
Other non current assets	16.12	14.68	7.20
Total non-current assets	**76.68**	**72.47**	**80.76**
Current asset			
Inventories	73.59	51.08	37.21
Financial Assets			
Trade Receivables	151.04	126.57	127.06
Cash & Cash equivalents	15.42	2.09	4.38
Loans and advances	25.77	0.61	3.89
Other financial assets	8.36	6.87	4.81
Other current assets	25.38	12.70	9.99
Total current assets	**299.56**	**199.92**	**187.35**
Total Assets	**376.24**	**272.39**	**268.10**
Non-current liabilities			
Financial liabilities			
Borrowings	18.99	13.75	38.70
Lease Liabilities	1.42	0.00	0.00
Provisions	0.55	0.50	0.21
Total Non- Current liabilities	**20.97**	**14.25**	**38.91**
Current liabilities			
Financial Liabilities			
Borrowings	57.08	80.20	80.09
Trade payables			
"Total outstanding dues of micro enterprises and small enterprises; and "	27.94	19.58	7.74
Total outstanding dues of creditors other than micro and small enterprises.	38.36	38.37	45.00
Other Financial Liabilities	4.69	3.35	3.14
Lease Liabilities	0.58	0.00	0.00
Other Current Liabilities	6.16	6.74	4.65
Provisions	11.09	14.11	12.14
Total - Current Liabilities	**145.90**	**162.35**	**152.76**
Total Liabilities	**166.87**	**176.61**	**191.67**
Net worth represented by:			
Equity share capital	18.45	13.31	13.25
Other equity	188.84	80.36	61.30
Non-Controlling interests	2.07	2.11	1.86
Total Equity	**209.37**	**95.78**	**76.40**

E-mail: researchfeedback@smcindiaonline.com

moneywise. be wise.

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park , A Wing 401 / 402 ,
4th Floor ,Graham Firth Steel Compound,
Off Western Express Highway, Jay Coach Signal,
Goreagon (East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-28805606

Kolkata Office:
18, Rabindra Sarani,
Poddar Court,Gate No.- 4, 5th Floor, Kolkata-700001
Tel: 91-33-39847000, Fax: 91-33-39847004

Investments in securities market are subject to market risks, read all the related documents carefully before investing. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. The securities quoted are for illustration only and are not recommendatory. SMC is a SEBI registered Research Analyst having registration number INH100001849. CIN : L74899DL1994PLC063609.

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities market. SMC or its associates or its Research Analyst or his relatives do not hold any financial interest in the subject company interest at the time of publication of this Report. SMC or its associates or its Research Analyst or his relatives do not hold any actual/beneficial ownership of more than 1% (one percent) in the subject company, at the end of the month immediately preceding the date of publication of this Report. SMC or its associates its Research Analyst or his relatives does not have any material conflict of interest at the time of publication of this Report.

SMC or its associates/analyst has not received any compensation from the subject company covered by the Research Analyst during the past twelve months. The subject company has not been a client of SMC during the past twelve months. SMC or its associates has not received any compensation or other benefits from the subject company covered by analyst or third party in connection with the present Research Report. The Research Analyst has not served as an officer, director or employee of the subject company covered by him/her and SMC has not been engaged in the market making activity for the subject company covered by the Research Analyst in this report.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the subject company.

Disclaimer: This Research Report is for the personal information of the authorized recipient and doesn't construe to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s)in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions. Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance if this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the securities thereof, of the subject company(ies) mentioned here in; or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company(ies) discussed herein or may perform or seek to perform investment banking services for such company(ies) or act as advisor or lender/borrower to such subject company(ies); or (c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions. All disputes shall be subject to the exclusive jurisdiction of Delhi High court.