



SAI
PARENTERALS LIMITED



SAI PARENTERAL LTD

Price Band

₹372 to ₹392

Issue Opens

24 March to 27 March, 2026

Face Value

₹5

Issue Size

₹409 Cr

Lot Size

38 Shares

Listing At

NSE, BSE

Sai Parenteral Ltd Info

Issue Size

1,04,28,288 shares / ₹409 Cr

Fresh Issue

72,70,408 shares / ₹285 Cr

Offer for Sale

31,57,880 shares of ₹5 / ₹124 Cr

Retail Quota

Not less than 35.0% of the Net Issue

Retail Min/Max

₹14,896 / ₹1,93,648

Sai Parenteral Ltd Timeline

Tentative Allotment

Mon, Mar 30, 2026

Initiation of Refunds

Wed, Apr 1, 2026

Credit of Shares to Demat

Wed, Apr 1, 2026

"Sai Parenteral Ltd" Listing Day

Thu, Apr 2, 2026



Objects of The Offer

The Net Proceeds from the Fresh Issue are proposed to be utilised towards the following key objectives:

- **Capacity Expansion and Upgradation:** Funding the expansion and modernization of manufacturing facilities with an estimated allocation of ₹1,107.95 million to enhance production capabilities and efficiency.
- **Establishment of R&D Centre:** Investment of ₹180.23 million towards setting up a new research and development centre to strengthen innovation and product development capabilities.
- **Repayment / Prepayment of Borrowings:** Allocation of ₹143.02 million for repayment or prepayment of certain outstanding borrowings, aimed at reducing debt levels and finance costs.
- **Working Capital Requirements:** Deployment of ₹330.00 million to meet incremental working capital needs, ensuring smooth business operations and growth.
- **Repayment of Bridge Loan and Term Loan:** Utilisation of ₹356.41 million towards repayment of loans availed for overseas investment (including acquisition-related funding), thereby improving the capital structure.
- **General Corporate Purposes:** The remaining proceeds will be used for general corporate purposes, subject to a limit of 25% of the Net Proceeds.

About The Company and Business Overview

Sai Parenteral's Limited is a diversified pharmaceutical formulations company with strong capabilities across research, development, and manufacturing. The company operates through two key verticals—Branded Generic Formulations and CDMO (Contract Development and Manufacturing Organisation)—serving both domestic and international markets. Its integrated model allows it to control the entire value chain from product development to commercialization, supporting scalability and margin improvement.

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Under its Branded Generics segment, the company supplies affordable medicines across India through government tenders, hospitals, and distribution networks. It has established relationships with multiple state health departments and schemes like PMBJP, ensuring consistent demand visibility. On the export side, the company operates in both regulated and semi-regulated markets such as Australia, South Africa, and the UAE, where it benefits from higher margins and faster working capital cycles.

The CDMO segment provides end-to-end pharmaceutical services, including product development, regulatory filings, and commercial manufacturing for domestic and global pharma companies. The recent acquisition of a majority stake in Noumed Pharmaceuticals (Australia) strengthens its presence in regulated markets and enhances its capabilities in the OTC segment, supported by long-term supply agreements and a strong dossier pipeline.

From an infrastructure perspective, the company operates five manufacturing facilities in India with a combined capacity of 1,160 million units per annum, supported by global accreditations such as WHO-GMP, PIC/S, and TGA. Additionally, an upcoming facility in Australia is expected to further expand its global footprint. Its in-house R&D capabilities are reflected in a strong dossier portfolio, which supports continuous product launches and regulatory expansion.

Overall, Sai Parenteral's operates a well-integrated, export-oriented pharmaceutical business model with a balanced mix of domestic generics and high-margin CDMO services, positioning it for scalable and sustainable growth.

FINANCIAL RATIOS:

FINANCIAL RATIOS	ROCE	ROE	P/E	INDUSTRY P/E	EV/EBITDA
Sai Life Sciences Ltd	14.00	11.00	61.50	62.29	61.50
Innova Captab Ltd	14.60	14.30	28.80	62.29	28.80
Senores Pharmaceuticals Ltd	11.40	11.80	32.20	62.29	32.20
Gland Pharma Ltd	11.90	7.81	30.70	62.29	30.70
Sai Parenteral Ltd	28.29	15.09	72.19	62.29	N/A



Brief profile of the Directors

- **Anil Kumar Karusala** is serving as the Promoter, Chairman and Managing Director of the Company. He has been associated with the Company since November 19, 2021. He has over 31 years of experience in the pharmaceutical sector.
- **Vijitha Gorrepati** is serving as the Whole-Time Director and one of the Promoters of the Company. A bachelor's degree in Commerce from Andhra University was obtained by her. She has been associated with the Company since August 16, 2016 and has over 14 years of experience in the pharmaceutical industry.
- **Karusala Aruna** is serving as the Non-Executive Director and one of the Promoters of the Company. She has been associated with the Company since August 16, 2016 and has over 37 years of experience in the pharmaceutical industry.
- **Dr. Seeta Ram Anjaneyulu Gorantla** is serving as a Non-Executive Independent Director of the Company. A bachelor's degree in Science from Andhra University, a master's degree in Science (Chemistry) and a Doctor of Philosophy (Chemistry) from Maharshi Dayanand University were obtained by him. He has over 34 years of experience in the pharmaceutical sector.
- **Bhagyashri Dharmasa Zad** is serving as a Non-Executive Independent Director of the Company. A bachelor's degree in Commerce from Shivaji University was obtained by her. She is an associate member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. She has over 15 years of experience in the finance sector.
- **Kalidindi V. Raju** is serving as a Non-Executive Independent Director of the Company. A bachelor's degree in Pharmacy and a master's degree in Pharmacy from Andhra University, a post graduate diploma in Materials Management from Rajendra Prasad Institute of Communication and Management and a master's degree in Management Science from Jawaharlal Nehru Technological University were obtained by him.

Strengths



- **Diversified Product Portfolio Across Dosage Forms:** The company has evolved into a diversified formulations player offering injectables, tablets, capsules, and more. This reduces dependency on a single segment and supports expansion across multiple therapeutic areas and markets.
- **Strategically Located & Accredited Manufacturing Facilities:** It operates 5 facilities with global certifications like WHO-GMP, PIC/S, and TGA. Strategic proximity to ports and logistics hubs ensures cost efficiency and smooth export operations.
- **Strong Focus on CDMO Business:** The company provides end-to-end CDMO services, enabling higher-margin opportunities. The Noumed acquisition strengthens global presence with access to 450+ dossiers and long-term supply agreements.
- **Established Domestic and Export Distribution Network:** Strong presence in government tenders and hospitals in India ensures stable demand. Growing exports across regulated and semi-regulated markets enhance revenue diversification.
- **Track Record of Strategic Acquisitions:** The company has consistently expanded through acquisitions, improving capabilities, regulatory reach, and product portfolio. This indicates a clear growth strategy and execution ability.
- **Experienced Promoters and Management Team:** Leadership with decades of pharma experience provides strong industry understanding, regulatory expertise, and strategic direction, supporting long-term business stability.

Key Risk Factors

- **Product & Customer Concentration:** Despite diversification, the business still has meaningful reliance on injectables and a limited set of key customers. Loss of major clients or demand slowdown in key products can directly impact revenue stability.
- **Supply Chain Vulnerabilities:** The company does not have long-term agreements with suppliers for APIs and other raw materials. This exposes it to price volatility and potential supply disruptions.
- **Geographic Concentration of Facilities:** All manufacturing units are concentrated in Telangana and Andhra Pradesh. Any regional disruption—regulatory, political, or natural—can significantly affect operations.
- **Regulatory & Quality Compliance Risks:** Ongoing legal cases related to alleged sub-standard products and strict regulatory inspections pose reputational and operational risks. Any adverse action can lead to penalties or product bans.
- **Risk of Government Blacklisting:** Heavy dependence on government tenders increases exposure to blacklisting risk. Past instances indicate vulnerability, which can impact future order inflows.
- **Weak Cash Flow Profile:** The company has reported negative operating cash flows due to high receivables and inventory. This reflects working capital stress and can strain liquidity.
- **History of Statutory Compliance Delays:** Delays in payments of TDS, PF, and other dues indicate governance gaps and may lead to penalties or regulatory scrutiny.
- **Operational Disruption Due to Expansion:** Planned facility upgrades will require temporary shutdowns, leading to short-term revenue loss and execution risk during transition.

Statement of Profit and Loss



(All amounts are in Indian Rupees millions, unless otherwise stated)

Particulars	FY 2025	FY 2024	FY 2023
Revenue from Operations	1631.06	1537.61	967.96
Other Income	6.38	14.19	2.32
Total Income	1637.43	1551.8	970.28
Expenses			
Cost of Material Consumed	965.3	953.09	645.92
Change in Inventories	-26.79	-3.67	-67.49
Employee Benefits Expense	130.87	126.41	89.18
Finance Costs	119.1	111.07	48.13
Depreciation & Amortization	82.04	94.18	57.93
Other Expenses	167.83	145.16	124.11
Total Expenses	1438.35	1426.25	897.78
Profit Before Tax	199.09	125.55	72.5
Tax Expense			
Current Tax	53.55	41.99	26.97
Deferred Tax	1.27	-0.85	1.78
Total Tax Expense	54.82	41.4	28.75
Profit for the Period	144.54	84.15	43.76
Other Comprehensive Income	0.5	0.39	0.17
Total Comprehensive Income	144.77	84.54	43.92
EPS (₹)			
Basic EPS	5.43	10.54	6.16
Diluted EPS	5.43	10.54	6.16

Valuation and Outlook



Sai Parenteral Limited IPO is expected to be priced between **₹372 to ₹392** per share. At this price, the Company's **Price-To-Earning-Ratio (P/E)** is **72.19x**. **Industry (P/E) Price-To-Earning-Ratio** is **62.29x**

Name of Company	Face Value (₹)	Closing Price (₹)	Revenue (₹ Mio)	EPS Basic (₹)	EPS Diluted (₹)	P/E	EV/EBITDA	MCap/Share	RoNW (%)	NAV (₹)
Sai Parenteral Ltd	5.00	N/A	2,632.09	3.43	3.43	N/A	N/A	N/A	23.09	35.98
Sai Life Sciences Ltd	1.00	985.00	16,945.70	8.83	8.61	63.50	32.00	9.60	7.99	102.12
Innova Capital Ltd	10.00	668.00	12,436.76	22.41	22.41	28.80	17.50	2.50	13.37	167.66
Senores Pharmaceuticals Ltd	10.00	731.00	3,982.50	16.12	16.12	32.20	18.20	5.60	7.18	176.37
Gland Pharma Ltd	1.00	1,614.00	56,165.04	42.40	42.40	30.70	14.10	4.30	7.63	555.41

Sai Parenteral's Limited's outlook appears **moderately positive, but highly dependent on execution**. The company's transition from a largely injectable-focused business to a diversified formulations and CDMO-driven model is a key structural positive. The CDMO segment, supported by the Noumed acquisition, provides access to regulated markets, long-term contracts, and a strong dossier pipeline, which can drive higher-margin and more stable revenues over time.

In the short to medium term, growth is expected to be supported by **capacity expansion, increasing exports, and scaling of the CDMO business**. However, the company faces notable challenges, including **working capital intensity, negative operating cash flows, and dependence on government tenders**, which can create earnings volatility. Additionally, regulatory and compliance risks remain critical in the pharmaceutical sector and could impact operations if not managed effectively.

Over the long term, the company's growth trajectory will depend on its ability to **increase the share of CDMO and export revenues, improve cash flow management, and maintain strong regulatory compliance standards**. If executed well, the company has the potential to evolve into a scalable and higher-margin pharmaceutical player. Otherwise, it may continue to face operational and financial pressures.

"Call us on [8448899576](tel:8448899576)" to find out whether or not you should apply.

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