



IPO INSIGHTS



SUPRIYA LIFESCIENCE LTD.

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Issue Dates - Opens: 16-12-2021 | Closes: 20-12-2021

IPO Note	<ol style="list-style-type: none"> 1. High Growth in Sales 2. High Growth in Operating and Net Profits 3. High Margins <ul style="list-style-type: none"> ○ Pre-Covid Year FY2019: OPM ~ 26%, Net Margins ~ 14% ○ Covid Year FY2020 & 2021: OPM ~ 35 to 46% Net Margins ~ 23 to 32% 4. Fair Valuation 5. Major Portion – Offer for Sale
Rating	★★★ (GOOD)

IPO SNAPSHOT

Sector	Pharmaceuticals
Issue Size	₹ 700 Crores
Issue Type	Fresh Issue & Offer For Sale
Fresh Issue	₹ 200 Crores
Offer for Sale	₹ 500 Crores
Face Value Per Share	₹ 2
Price Band Per Share	₹ 265 to ₹ 274
Minimum Lot Size	54 shares
Listing On	BSE & NSE
Pre-Issue Promoter Shareholding	99.98%
Post-Issue Promoter Shareholding	68.24%
Registrar to the Issue	Link Intime Private Ltd

IPO SNAPSHOT – Supriya Lifescience Ltd

About the Company	<ul style="list-style-type: none"> One of the key Indian manufacturers and suppliers of active pharmaceuticals ingredients (“APIs”), with a focus on research and development Niche product offerings of 38 APIs focused on diverse therapeutic segments such as antihistamine, analgesic, anaesthetic, vitamin, anti-asthmatic and antiallergic. The largest exporter of Chlorpheniramine Maleate and Ketamine Hydrochloride from India, contributing to 45-50% and 60-65%, respectively, of the API exports from India, between Fiscal 2017 and 2021. The largest exporters of Salbutamol Sulphate in India contributing to 31% of the API exports from India in FY 2021 in volume terms Export to 86 countries to 1,296 customers including 346 distributors Manufacturing facility located in Maharashtra spread across 23,806 sq mt and has reactor capacity of 547 KL/day Manufacturing facility has received approvals from USFDA, EDQM TGA-Australia, , KFDA-Korea, PMDA-Japan, NMPA (previously known as SFDA)- China, Health Canada DSIR approved R&D facility with a team of 23 scientists 																																										
Industry	<ul style="list-style-type: none"> Global pharmaceutical market has grown by around 4.8% CAGR from ~USD 955 billion in CY14 to ~USD 1,270 billion in CY20. It is expected to sustain this growth over the next five years to reach USD 1,585-1,625 billion in CY25. The bulk drug industry in India is ranked third-largest globally in terms of volume, behind China and Italy. Domestic Bulk Drugs industry has grown by around 8.3% CAGR from FY 15 to FY 20. It is expected that there will be 11.5% - 12.5% CAGR growth from FY 20 to FY 25 																																										
Financials (₹ in Millions)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2019</th> <th>31-3-2020</th> <th>31-3-2021</th> <th>30-9-2021</th> <th>Y-o-Y</th> <th>2-Yrs CAGR</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>2,778</td> <td>3,116</td> <td>3,854</td> <td>2,248</td> <td>24%</td> <td>18%</td> </tr> <tr> <td>EBITDA</td> <td>728</td> <td>1,095</td> <td>1,782</td> <td>987</td> <td>63%</td> <td>56%</td> </tr> <tr> <td>EBITDA Margin</td> <td>26.2%</td> <td>35.1%</td> <td>46.2%</td> <td>43.9%</td> <td></td> <td></td> </tr> <tr> <td>PAT</td> <td>394</td> <td>734</td> <td>1,238</td> <td>660</td> <td>69%</td> <td>77%</td> </tr> <tr> <td>PAT Margin</td> <td>14.2%</td> <td>23.6%</td> <td>32.1%</td> <td>29.3%</td> <td></td> <td></td> </tr> </tbody> </table> <ul style="list-style-type: none"> Debt to Networth < 0.5 	Particulars	31-3-2019	31-3-2020	31-3-2021	30-9-2021	Y-o-Y	2-Yrs CAGR	Revenue	2,778	3,116	3,854	2,248	24%	18%	EBITDA	728	1,095	1,782	987	63%	56%	EBITDA Margin	26.2%	35.1%	46.2%	43.9%			PAT	394	734	1,238	660	69%	77%	PAT Margin	14.2%	23.6%	32.1%	29.3%		
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Valuation	<ul style="list-style-type: none"> At FY2021 EPS of 16.92 P/E comes at 49.2 at the upper price band Assuming 10-20% growth in EPS next year P/E can be in the range of 13 to 15 																																										
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Promoters	<ul style="list-style-type: none"> Satish Waman Wagh 																																										
Utilization	<ul style="list-style-type: none"> Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the company. Funding capital expenditure requirements of the company. Meet general corporate purposes 																																										

DISCLAIMER

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