



SUPRIYA LIFESCIENCE LIMITED

IPO NOTE

ISSUE KEY HIGHLIGHTS

PRICE*:	Rs.265– Rs.274	ISSUE OPENS:	16 th Dec 2021
ISSUE SIZE:	Rs.700 crores	ISSUE CLOSE:	20 th Dec 2021

Particulars	No of Shares @ Higher Band (Cr)	No of Shares @ Lower Band (Cr)	%age	Higher band Amount (`Cr)	Lower band Amount (`Cr)
QIB	1.92	1.98	75%	525.00	525.00
NIB	0.38	0.40	15%	105.00	105.00
Retail	0.26	0.26	10%	70.00	70.00
Total Issue	2.55	2.64	100%	700.00	700.00

Issue Details:

Industry	Pharmaceuticals
Promoters:	Satish Waman Wagh
Capital Structure:	
Fresh Issue (@Higher Band)	Rs. 200 Cr.
Offer for Sale (@Higher Band)	Rs. 500 Cr.
Total Issue as % of total capital (Post-Issue) (@Higher Band)	31.74%
Post Issue No. of Shares @ Higher Band (Cr.)	8.0
Post Issue Market Cap @ Higher Band (Rs. Cr.)	2,205
Face Value	2
Issue Route	Book Build Issue
Bid Lot (Shares)	54
Lead Managers	Axis Capital, ICICI Securities
Registered Office	Mumbai
Registrar	Link Intime India Pvt. Ltd.
Listing	BSE and NSE
Key Investment Details for Retail Investors: (UPI or ASBA)	
Min No. of Shares application	54
Amount on the Min. Application (Rs.)	₹14,796

An Indicative timetable post issue closing:

Particulars	On or about
Finalization of Basis of Allotment	23-Dec-2021
Refunds/un-blocking of ASBA Accounts	24-Dec-2021
Credit of Equity Shares to DP Ac	27-Dec-2021
Trading Commences	28-Dec-2021

Shareholding %:

Particulars	Pre-Issue	Post Issue
Promoters	99.98	68.24
Public	0.02	31.76
Total	100.00	100.00

Objects of the Offer:

Objects	Amt (Rs.Cr)
• Funding capital expenditure requirements of the company	92.30
• Repayment and/or pre-payment, in full or part, of certain borrowings availed by the company	60.00
• General Corporate Purposes	[.]
Total	[.]

Business Overview:

- Supriya Lifescience Limited (“SLL”) was incorporated on March 26, 2008. SLL is one of the key Indian manufacturers and suppliers of active pharmaceuticals ingredients (“APIs”), with a focus on research and development. Company’s focus is primarily on diverse therapeutic areas and niche products.
- As of October 31, 2021, SLL has niche product offerings of **38 APIs** focused on diverse therapeutic segments such as antihistamine, analgesic, anesthetic, vitamin, anti-asthmatic and anti-allergic. They have consistently been the **largest exporter of Chlorpheniramine Maleate and Ketamine Hydrochloride from India**. They were among the **largest exporters of Salbutamol Sulphate** contributing to 31% of the API exports from India in FY 2021 in volume terms.
- Company’s products are registered with various international regulatory authorities such as USFDA, EDQM, NMPA (previously known as SFDA), KFDA, PMDA, TGA and Taiwan FDA. As of October 31, 2021, they have filed **14 active DMFs with USFDA and 8 active CEPs** with EDQM, for their API products in therapeutic areas such as antihistamine, analgesic, anesthetic, vitamin, anti-asthmatic and anti-allergic.
- Company’s pharmaceutical business is organized into domestic and export sales. As of October 31 2021, their products were **exported to 86 countries to 1,296 customers including 346 distributors**.
- Company’s business operations are supported by a **modern manufacturing facility located in Parshuram Lote, Maharashtra**, spread across 23,806 sq.mt. They have 4 manufacturing blocks which are segregated therapeutic segment wise. The 4th block commenced operation in May 30, 2021.

Brief Financial Details*:

(₹ In Cr.)

Particulars	As at Sep’30,	As at Mar’ 31,		
	2021(06)	2021(12)	2020(12)	2019(12)
Equity Share Capital	14.64	14.64	14.64	14.64
Reserves as stated	320.23	254.31	134.53	79.15
Net worth as stated	334.86	268.94	149.16	93.79
Revenue from Operations	224.80	385.37	311.64	277.84
Revenue Growth (%)	-	23.66%	12.17%	-
EBITDA as stated	98.67	178.15	109.45	72.76
EBITDA (%) as stated	43.89%	46.23%	35.12%	26.19%
Profit Before Tax	91.70	167.39	96.23	57.10
Net Profit for the year	65.96	123.83	73.40	39.42
Net Profit (%) as stated	28.67%	31.25%	22.75%	13.79%
EPS (₹)	9.01 [^]	16.92	10.03	5.39
RONW(%)	19.70% [^]	46.04%	49.20%	42.03%
NAV(₹)	45.76	36.75	20.39	12.82

Source: RHP, *Summary Statement, [^]not annualised; Net profit (%) to Total Income

Offer Details:

The Offer	Amount	No of Shares
Fresh Issue	₹ 200 Cr	Upto 7,547,169~ - 7,299,270^ Equity Shares
Offer for sale by Promoter	₹ 500 Cr	Upto 18,867,924~ - 18,248,175^ Equity Shares

(~ at lower price band and ^ upper price band)

Region Wise Percentage Of Total Revenue From Operations:

Region	9 month period ended Dec' 31, 2020	Fiscal 2021	Fiscal 2020	Fiscal 2019
Latin America	12.01%	19.15%	7.68%	9.70%
Europe	18.53%	17.40%	17.69%	13.44%
Asia (other than India, China and Cambodia)	17.28%	19.45%	24.02%	28.94%
India	26.43%	22.53%	28.15%	29.04%
China and Cambodia	19.48%	9.82%	12.12%	8.53%
North America	2.36%	4.76%	6.06%	7.38%

Total Revenue From Each Business Segment:

(₹ In Cr)

Segment	Six months period ended Sep'30, 2021		Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Revenue (₹ Cr)	% to Total	Revenue (₹ Cr)	% to Total	Revenue (₹ Cr)	% to Total	Revenue (₹ Cr)	% to Total
Export sales	165.38	73.57%	298.55	77.47%	223.93	71.85%	197.17	70.96%
Domestic sales	59.42	26.43%	86.81	22.53%	87.72	28.15%	80.67	29.04%
Revenue from Operations	224.8	100.00%	385.36	100.00%	311.65	100.00%	277.84	100.00%

Details Of Products Which Are Sold In The Domestic And International Markets:

Product	Therapeutic area	Molecule	Certifications /Dossiers
Chlorpheniramine Maleate (CPM)	Antihistamine	API	EDQM Approval, US DMF, CEP, Health Canada, Taiwan FDA, NMPA DMF, EDMF
Brompheniramine Maleate (BPM)	Antihistamine	API	US DMF, NMPA DMF, CEP, EDMF
Pheniramine Maleate	Antihistamine	API	US DMF, , CEP, EDMF, NMPA DMF
Dexchlorpheniramine Maleate	Antihistamine	API	US DMF, EDMF
Mepyramine Maleate	Antihistamine	API	US DMF, CEP, EDMF
Ketamine Hydrochloride	Analgesic/Antipyretic/Anesthetic	API	US DMF, CEP, TGA DMF, Canadian DMF (Human Use & Veterinary), EDMF
Tramadol Hydrochloride	Analgesic/Anti-pyretic/Anesthetic	API	Korean FDA, EDMF
Riboflavin 5 – Phosphate Sodium	Vitamin	API	US DMF, EDMF, Kosher, Indonesian Halal, Maharashtrian Halal, FAMI-QS, CEP applied
Salbutamol Sulphate	Anti-asthmatic	API	EDMF, CEP
Cetirizine Dihydrochloride	Anti-allergic	API	EDMF
Diphenhydramine Hydrochloride	Anti-allergic	API	EDMF, US DMF
Bupropion Hydrochloride	Smoking cessation	API	US DMF
Bisoprolol fumarate	Anti-hypertensive	API	EDMF, US DMF
Methylcobalamine	Vitamin B12	API	US DMF, KFDA, Kosher, Halal India, Halal Indonesia

Comparison With Listed Industry Peers (As On 31st March 2021):

Name of the Company	Consolidated/ Standalone	Revenue for FY 2021 (₹ Cr)	Face Value	EPS (Basic)	NAV	P/E~	P/B	RoNW (%)
Supriya Lifescience Ltd	Consolidated	396.2	2	16.92	36.75	[·]	[·]	46.04%
Peer Group								
Solara Active Pharma Sciences Ltd	Consolidated	1645.7	10	69.00	443.3	18.4	2.9	13.90%
Neuland Laboratories Ltd	Consolidated	953.0	10	62.85	613.0	27.8	2.9	10.25%
Aarti Drugs Ltd	Consolidated	2159.3	10	30.09	98.0	16.8	5.2	30.70%
Wanbury Ltd	Standalone	394.9	10	(5.04)	(62.5)	(13.2)	(1.1)	8.07%
Divis Laboratories Ltd	Consolidated	7032.0	2	74.75	350.1	65.3	13.9	21.35%

Source: RHP; P/E Ratio has been computed based on the closing market price of equity shares on BSE on November 30, 2021.

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