



Senores
Committed to Global Wellness!



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SENORES PHARMACEUTICALS LIMITED

Our Company was originally incorporated as "Senores Pharmaceuticals Private Limited" a private limited company under the Companies Act, 2013 through a certificate of incorporation dated December 26, 2017, issued by the Registrar of Companies, Central Registration Centre. Thereafter, the name of the Company was changed to "Senores Pharmaceuticals Limited" upon conversion to a public limited company pursuant to a Board resolution dated August 1, 2023 and a special resolution passed in the general meeting of the Shareholders held on August 24, 2023 and the approval of the central government dated September 4, 2023, and consequently a fresh certificate of incorporation dated September 4, 2023, was issued by the RoC to reflect the change in name. For further details, see "History and Certain Corporate Matters – Brief History of our Company" on page 244 of the Red Herring Prospectus dated December 15, 2024 ("RHP") filed with the RoC.

Registered and Corporate Office: 1101 to 1103, 11th floor, South Tower, ONE 42 opposite Jayantilal Park, Ambali Bopal Road, Ahmedabad, Gujarat, India, 380054. **Contact Person:** Vinay Kumar Mishra, Company Secretary and Compliance Officer; Tel: +91-79-29999857
E-mail: cs@senorespharma.com; Website: www.senorespharma.com; Corporate Identity Number: U24290GJ2017PLC100263

OUR PROMOTERS: SWAPNIL JATINBHAI SHAH AND ASHOKKUMAR VIJAYSINH BAROT

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SENORES PHARMACEUTICALS LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UPTO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UPTO ₹ 5,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,100,000 EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"), COMPRISING UP TO 250,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY SWAPNIL JATINBHAI SHAH, UP TO 550,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY ASHOKKUMAR VIJAYSINH BAROT, UP TO 300,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY SANGEETA MUKUR BAROT AND UP TO 1,000,000 EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY PRAKASH M SANGHVI (THE "SELLING SHAREHOLDERS"). THE OFFER SHALL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE OFFER INCLUDES A RESERVATION OF UP TO 75,000 EQUITY SHARES, AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POSTOFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE OFFER FOR SALE			
Name of the Selling Shareholder	Type	Number of Equity Shares Offered	Weighted Average Cost of Acquisition per Equity Share (in ₹)*
Swapnil Jatinbhai Shah	Promoter Selling Shareholder	Up to 250,000 Equity Shares aggregating up to ₹ [●] million	51.31
Ashokkumar Vijaysinh Barot	Promoter Selling Shareholder	Up to 550,000 Equity Shares aggregating up to ₹ [●] million	57.54
Sangeeta Mukur Barot	Promoter Group Selling Shareholder	Up to 300,000 Equity Shares aggregating up to ₹ [●] million	37.20
Prakash M Sanghvi	Other Selling Shareholder	Up to 1,000,000 Equity Shares aggregating up to ₹ [●] million	60.97

*As certified by M/s. Pankaj R. Shah & Associates, Chartered Accountant, by way of their certificate dated December 15, 2024.

We are a global research driven pharmaceutical company engaged in developing and manufacturing a wide range of generic pharmaceutical products in the B2B segment for the Regulated Markets of US, Canada and United Kingdom and Emerging Markets across various therapeutic areas and dosage forms. We also operate a Critical Care Injectables Business, supplying critical care injectables to hospitals across India through distributors, and manufacture APIs for the domestic market and SAARC countries.

The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations.

- QIB Portion: Not less than 75% of the Net Offer
- Non-Institutional Portion: Not more than 15% of the Net Offer
- Retail Portion: Not more than 10% of the Net Offer
- Employee Reservation Portion: Up to 75,000 Equity Shares aggregating up to ₹[●] Million

PRICE BAND: ₹372 TO ₹391 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH

BIDS CAN BE MADE FOR A MINIMUM OF 38 EQUITY SHARES AND IN MULTIPLES OF 38 EQUITY SHARES THEREAFTER

THE PRICE TO EARNINGS RATIO BASED ON DILUTED EPS FOR FISCAL 2024 AT THE UPPER END OF THE PRICE BAND IS 32.02 TIMES

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated December 16, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Offer Price" section beginning on page 145 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the "Basis for Offer Price" section beginning on page 145 of the RHP and provided below in this advertisement.

In making an investment decision and purchase in the Offer, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Offer, including the merits and risks involved and not rely on any other external sources of information about the Offer available in any manner.

RISKS TO INVESTORS:

For details, refer to "Risk Factors" on page 34 of the RHP.

- Dependence on third party marketing partners and distributors:** The table below sets out the revenue contribution and revenue contribution as a percentage of our total revenue from contracts with our largest marketing partner/ distributors, our top five marketing partners/ distributors and our top ten marketing partners/ distributors, for the six months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Marketing Partners	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ million	As a percentage of our revenue from operations (%)	In ₹ million	As a percentage of our revenue from operations (%)	In ₹ million	As a percentage of our revenue from operations (%)	In ₹ million	As a percentage of our revenue from operations (%)
Largest marketing partner/ distributors	258.31	14.27%	370.84	17.29%	59.00	16.70%	7.50	5.29%
Top five marketing partners/ distributors	711.46	39.30%	767.95	35.80%	185.65	52.54%	8.87	6.26%
Top ten marketing partners/ distributors	913.34	50.46%	844.67	39.37%	196.46	55.60%	8.87	6.26%

The loss of one or more marketing partners or distributors, the deterioration of their financial condition or prospects, or a reduction in their demand for our products or our inability to maintain and increase the number of our arrangements for the marketing and distribution of our products could adversely affect our business, results of operations, financial conditions and cash flows.

- Dependency on the Regulated Markets:** Our business is dependent on the sale of our products and continued growth of the Regulated Markets of US, Canada and United Kingdom. The table below sets out our breakdown of revenue from Regulated Markets Business and Emerging Markets Business, for the indicated periods:

Sr. No	Business Segment	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023 [#]		Fiscal 2022 [#]	
		Revenue contribution (in ₹ million)	Percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	Percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	Percentage of revenue from operations (%)	Revenue contribution (in ₹ million)	Percentage of revenue from operations (%)
(A)	Regulated Markets Business	1,103.69	60.97%	1,451.52	67.66%	207.40	58.69%	8.87	6.26%
(B)	Emerging Markets Business	585.87	32.37%	442.02	20.60%	-	-	-	-

[#]RPPL, our Subsidiary, through which we undertake our Emerging Markets Business became our subsidiary with effect from December 14, 2023. Accordingly, we do not have any revenue from operations from the Emerging Markets Business for Fiscal 2023 and Fiscal 2022. The revenue from operations from our Emerging Markets Business in Fiscal 2024 is the revenue earned from December 14, 2023 to March 31, 2024.

If market growth for our products decreases in these regions, market acceptance for our competitors' products in these regions increase and results in substitution of our products, or we fail to respond to changes in market conditions or customer preferences in these regions, our business, results of operations, financial condition and cash flows could be adversely affected.

- Negative operating Cash Flow:** We have had negative cash flows from operating activities in the last three Fiscal years set out in the table below:

Particulars	Six months ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(in ₹ million)			
Net cash from operating activities	63.86	(198.71)	(10.79)	(104.47)

Such negative cash flows from operating activities were mainly attributable to the increase in working capital requirements which was on account of commencement of operations of SPI and acquisition of our subsidiaries, Havix and Ratnatris.

4. **Customer concentration Risk:** The table below sets out the revenue contribution and revenue contribution as a percentage of our total revenue from contracts with customers of our largest customer, our top five customers and our top ten customers, for the six months ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Customers	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	In ₹ million	As a percentage of revenue from operations (%)	In ₹ million	As a percentage of revenue from operations (%)	In ₹ million	As a percentage of revenue from operations (%)	In ₹ million	As a percentage of revenue from operations (%)
Largest customer	372.13	20.56%	590.66	27.53%	113.59	32.14%	78.99	55.74%
Top five customers	1,028.88	56.84%	1,286.96	59.97%	291.34	82.45%	140.68	99.28%
Top ten customers	1,252.04	69.17%	1,675.91	78.12%	328.10	92.85%	141.70	100%

If one or more of such customers choose not to source their requirements from us or to terminate our contracts or purchase orders, our business, cash flows, financial condition and results of operations may be adversely affected.

5. **Geographic concentration risk:** We have historically derived a major portion of our revenue from the United States. The table below sets out revenue from operations in the United States in absolute terms and as a percentage of total revenue from operations for the periods indicated below:

Countries	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue derived (in ₹ million)	As a percentage of revenue from operations (%)	Revenue derived (in ₹ million)	As a percentage of revenue from operations (%)	Revenue derived (in ₹ million)	As a percentage of revenue from operations (%)	Revenue derived (in ₹ million)	As a percentage of revenue from operations (%)
United States	1082.45	59.80%	1,429.31	66.63%	263.49	74.56%	8.87	6.26%

6. **Regulatory risk:** The pharmaceutical market is subject to regulation and failures to comply with the existing and future regulatory requirements in any pharmaceutical market could expose us to litigation or other liabilities, which could adversely affect our reputation, business, financial condition and results of operations. There have been instances in the past where our drugs failed to meet standards prescribed under applicable law and action was taken against us by regulatory authorities.
7. **Operational risk:** Pharmaceutical companies, such as ours, have obligations to, and are required to comply with the regulations and quality standards stipulated by, regulators in India and other jurisdictions. Our manufacturing facilities and products are subject to multiple periodic inspection/audit by these regulatory agencies. Inspections by regulatory authorities that identify any deficiencies could result in remedial actions, production stoppages or facility closure, which would disrupt the manufacturing process and supply of products to our customers.
8. **Risks associated with maintaining quality service standard and contract terms with customers:** Adherence to quality standards is a critical factor in our production process as any deviations from the required specifications by our Company or failure to comply with the technical specifications of our customers regarding the composition of drugs, may lead to a recall of products or cancellation of the orders placed by our customers. In the past, we have had three instances of products being recalled from markets.
9. **Conflict of interest:** Some of our Directors and Promoters are interested in certain Group Companies, Subsidiaries, and Promoter Group, that are engaged in the same business. Further, certain of our Promoter Group, Subsidiaries and Group Companies are in the same line of business as us, which may result in a conflict of interest.
10. **Underutilisation of the manufacturing capacities:** The table below capacity utilization of our Atlanta Facility, Chhatral Facility and Naroda Facility for the periods indicated:

Particulars	For the six months ended September 30, 2024	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
Atlanta Facility	48.07%	21.07%	23.67%	14.25%
Chhatral Facility	56.46%	57.39%	60.35%	48.07%
Naroda Facility	85.56%	75.10%	59.72%	67.76%

11. **Limited operating history:** Our Company was incorporated in 2017 and we acquired our subsidiaries Havix and RPPL on May 3, 2023 and December 14,

2023, respectively. Further, effective January 1, 2024, RLPL has merged with our Company. Due to our limited operating history, investors may not be able to evaluate our business, future prospects and viability.

12. Our Company will not receive any proceeds from the Offer for Sale amounting to ₹ 821.10 million at the upper price band. OFS size is 14.11% of the total issue size at the upper price band. The Selling Shareholders shall be entitled to proceeds from the Offer for Sale.
13. The average cost of acquisition for the Selling Shareholders ranges from ₹37.20 to ₹60.97, and the Offer Price (at upper price of the Price Band) is ₹ 391 per Equity Share.
14. The weighted average cost of acquisition of specified securities transacted by our Promoters, the Promoter Group, the Selling Shareholders or Shareholder(s) with rights to nominate Director(s) or other special rights, in the last eighteen months, one year and three years preceding the date of this Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition (in ₹)*	Upper end of the price band (₹391) is 'X' times the weighted average cost of acquisition	Range of acquisition price: Lowest price – Highest price (in ₹)
Last eighteen months	73.73	5.30	63.00-320.00
Last one year	171.07	2.29	63.00-320.00
Last three years	69.19	5.65	63.00-320.00

* As certified by M/s. Pankaj R. Shah & Associates, Chartered Accountants, by way of their certificate dated December 16, 2024.

15. Weighted Average Return on Net Worth of our Company for Fiscals 2024, 2023 and 2022 is 19.38%
16. The BRLMs associated with the Offer have handled 41 public issues in the past three financial years, out of which 9 issues have closed below the offer price on the listing date

Name of BRLM	Total Public Issues	Issues closed below the Offer Price on listing date
Equirus Capital Private Limited	15	4
Ambit Private Limited	5	0
Nuvama Wealth Management Limited	18	3
Common issue handled by the above BRLMs	3	2
Total	41	9

BID/OFFER
PROGRAMME

ANCHOR INVESTOR BID/ OFFER PERIOD THURSDAY, DECEMBER 19, 2024*

BID/ OFFER OPENS ON FRIDAY, DECEMBER 20, 2024

BID/ OFFER CLOSES ON TUESDAY, DECEMBER 24, 2024^

* Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below and is justified in view of these parameters. The face value of the Equity Shares is ₹10 each and the Floor Price is [●] times the face value of the Equity Shares and the Cap Price is [●] times the face value of the Equity Shares.

Investors should also refer to “Risk Factors”, “Our Business”, “Summary of Financial Information”, “Restated Consolidated Financial Information”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 34, 206, 87, 284 and 398 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

1. Ability to cater to the Regulated Markets of US, Canada and the United Kingdom through our US FDA approved formulation manufacturing facility in the US;
2. Distinct niche product portfolio built in a short span for Regulated Markets of US, Canada and the United Kingdom;
3. Long-term marketing arrangements with pharmaceutical companies in the Regulated Markets, US, Canada and the United Kingdom;
4. Presence in the Emerging Markets with a product portfolio, including specialty or complex products;
5. R&D capabilities driving our differentiated portfolio of products;
6. Professional management teams for our diverse business verticals.

For further details, see “Risk Factors” and “Our Business” on pages 34 and 206 of the RHP, respectively.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For further details, see “Restated Consolidated Financial Information” on page 284 of the RHP.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. Basic and diluted Earnings per Share (“EPS”) at face value of ₹10 each, as adjusted for changes in capital

Financial Year/Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2022	1.81	1.81	1
March 31, 2023	8.87	6.65	2
March 31, 2024	13.67	12.21	3
Weighted Average	10.09	8.62	-
Six months ended September 30, 2024*	7.20	7.20	

* Not annualised

Notes:

1. Basic EPS (₹) = Basic earnings per share are calculated by dividing the net restated profit for the year/ period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year/ period.
2. Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit for the year/ period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year/ period as adjusted for the effects of all dilutive potential Equity Shares during the year/ period.
4. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/ period adjusted by the number of equity shares issued during the year/ period multiplied by the time weighting factor.

2. Price/Earnings (“P/E”) ratio in relation to Price Band of ₹372 to ₹391 per Equity Share

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
P/E ratio based on basic EPS for Financial Year 2024	27.21	28.60
P/E ratio based on diluted EPS for Financial Year 2024	30.47	32.02

Industry P/ E ratio

Particulars	P/E ratio (times)
Highest	43.34
Lowest	33.90
Average	38.84

Notes: The industry high and low has been considered from the listed industry peer set. The industry composite has been calculated as the arithmetic average P/E of the listed industry peer set. The P/E Ratio has been computed based on the closing market price of the equity shares of the peer group identified above, as on December 13, 2024 on www.nseindia.com, divided by the Diluted EPS as on March 31, 2024.

3. Average Return on Net Worth (“RoNW”)

Financial Year	RoNW (%)	Weight
March 31, 2022	4.35%	1
March 31, 2023	20.55%	2
March 31, 2024	23.60%	3
Weighted Average	19.38%	-
Six months ended September 30, 2024	8.69%	

Notes:

1. Weighted average = Aggregate of financial year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each financial year] / [Total of weights]
2. Return on Net Worth (%) = Net profit after tax, as restated / Average Net worth as restated as at period/year end.
3. Net worth means the aggregate value of the paid up share capital of our Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at year/ period end, as per Restated Financial Statement of Assets and Liabilities of the Company

4. Net Asset Value (“NAV”) per Equity Share (face value of ₹10 each)

Net Asset Value per Equity Share	(₹)
As at September 30, 2024	87.63
As at March 31, 2024	66.96
After the completion of the Offer	
- At the Floor Price	169.46
- At the Cap Price	171.87
- At the Offer Price	[●]

Notes:

1. Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Information / Number of equity shares outstanding as at the end of year/ period

5. Comparison of Accounting Ratios with listed industry peers

Fiscal 2024	Standalone/ Consolidated	Face Value per equity share (₹)	EPS (₹)		NAV (per share) (₹)	P/E	RoNW (%)*	Total Revenue from Operations (in ₹ millions)
Senores Pharmaceuticals Limited	Consolidated	10	13.67	12.21	66.96	[●]	23.60%	2,145.24
Listed peers								
Ajanta Pharma Limited	Consolidated	2	64.82	64.77	281.60	43.34	23.47%	42,087.10
Alembic Pharmaceuticals Limited	Consolidated	2	31.33	31.33	245.12	33.90	13.40%	62,286.30
Caplin Point Laboratories Limited	Consolidated	2	60.79	59.90	309.03	40.84	21.69%	16,941.00
Gland Pharma Limited	Consolidated	1	46.90	46.90	529.65	37.27	9.26%	56,647.22
Strides Pharma Science Limited	Consolidated	10	(7.76)	(7.76)	225.43	NM*	(4.44%)	40,511.24

* Annualised

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the filings made with stock exchanges for Fiscal 2024. Source for our Company: Based on the Restated Consolidated Financial Information for the six months ended September 30, 2024.

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on December 13, 2024, divided by the Diluted EPS.
2. Return on Net Worth (%) = Net profit after tax, as restated / Average shareholders’ equity (including minority interest) as restated as at year/ period end.
3. NAV is computed as the closing net worth (excluding minority interest) divided by the closing outstanding number of equity shares.
4. Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation as at year/ period end, as per Restated Financial Statement of Assets and Liabilities of the Company.

The peer group above has been determined on the basis of listed public companies comparable in size to our Company or whose business portfolio is comparable with that of our business.

6. The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹[●] has been determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline, including due to the factors mentioned in “Risk Factors” on page [●] of the RHP, and you may lose all or part of your investments.

7. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyze its business performance, which in result, help us in analyzing the growth of business in comparison to our peers. The following table highlights our key performance indicators of our financial performance that have a bearing on arriving at the basis for Offer Price and disclosed to our investors during the three years preceding to the date of the Red Herring Prospectus, as at the dates and for the period indicated:

Particulars	Unit	Six months ended September 30, 2024*	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	(₹ million)	1,810.18	2,145.24	353.37	141.70
EBITDA Margin	%	25.91%	20.70%	46.28%	17.03%
PAT Margin	%	13.23%	15.25%	23.87%	7.00%
Return on Capital Employed	%	7.59%	11.73%	18.56%	5.38%
Return on Equity*	%	8.69%	23.60%	20.55%	4.35%
Debt to Equity	Times	0.76	1.07	1.34	0.39

* Annualised for Fiscal 2022, Fiscal 2023, and Fiscal 2024

* Not annualised

Notes:

- (1) EBITDA= Profit Before Tax + Depreciation expense + Finance costs EBITDA Margin= EBITDA/Revenue from Operations
- (2) PAT Margin= PAT/ Revenue from Operations
- (3) ROCE= EBIT/Average Capital Employed
EBIT= Profit Before Tax + Finance Costs
Average Capital Employed= Average shareholders equity (including minority interest) + Average Total Debt (Non current borrowings + current borrowings)
- (4) ROE= PAT/ Average Shareholders’ Equity (including minority visit)
- (5) Debt/Equity= (Non-current borrowings + current borrowings)/Shareholders equity (including minority interest)

* As certified by M/s. Pankaj R. Shah & Associates, Chartered Accountants, through their certificate dated December 15, 2024.

Explanation for the Key Performance Indicators:

KPI	Remarks/ Definition/ Assumption
Revenue from Operations (₹ million)	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business.
Return on Capital Employed (%)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in the business.
Return on Equity (%)	Return on Equity provides how efficiently our Company generates profits from shareholders’ funds.
Debt to Equity Ratio (in times)	Debt to Equity Ratio is a measure of the extent to which our Company can cover our debt and represents our debt position in comparison to our equity position. It helps evaluate our financial leverage.

The key performance indicators set forth above, have been approved by the Audit Committee pursuant to its resolution dated December 15, 2024. Further, the Audit Committee has on December 15, 2024 taken on record that other than the key performance indicators set forth above, our Company has not disclosed any other such key performance indicators during the last three years preceding the date of the Red Herring Prospectus to its investors. Further, the aforementioned KPIs have been certified by M/s. Pankaj R. Shah & Associates, Chartered Accountants, by their certificate dated December 15, 2024.

Our Company shall continue to disclose the KPIs disclosed above, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilisation of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company. The ongoing KPIs will continue to be certified as required under the SEBI ICDR Regulations.

For further details of our other operating metrics, see “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 206 and 398 of the RHP, respectively.

Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of KPIs based on additions or dispositions to our business

While our listed peers (mentioned below), like us, operate in the pharmaceutical industry and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence.

8. Comparison of our key performance indicators with listed industry peers

The following tables provides a comparison of our KPI with our listed peers for the six months ended September 30, 2024, and last three Fiscals, which have been determined on the basis of companies listed on the Indian stock exchanges of comparable size to our Company, operating in the same industry as our Company and whose business model is similar to our business model.

Particulars	Units	Six months ended September 30, 2024					
		Senores Pharmaceuticals Limited	Ajanta Pharma Limited	Alembic Pharmaceuticals Limited	Caplin Point Laboratories Limited	Gland Pharma Limited	Strides Pharma Science Limited
Revenue from Operations	(₹ million)	1,810.18	23,315.60	32,097.10	9,420.60	28,075.43	22,886.15
EBITDA Margin	%	25.91%	29.49%	15.86%	37.77%	23.95%	20.17%
PAT Margin	%	13.23%	19.83%	8.98%	27.15%	10.95%	7.08%
Return on Capital Employed	%	7.59%	17.09%	6.64%	13.13%	5.38%	8.13%
Return on Equity	%	8.69%	12.76%	5.94%	10.39%	3.51%	7.56%
Debt to Equity	Times	0.76	0.00	0.20	0.00	0.03	1.00

Particulars	Units	Fiscal 2024					
		Senores Pharmaceuticals Limited	Ajanta Pharma Limited	Alembic Pharmaceuticals Limited	Caplin Point Laboratories Limited	Gland Pharma Limited	Strides Pharma Science Limited
Revenue from Operations	(₹ million)	2,145.24	42,087.10	62,286.30	16,941.00	56,647.22	40,511.24
EBITDA Margin	%	20.70%	29.86%	15.42%	36.52%	26.54%	10.32%
PAT Margin	%	15.25%	19.39%	9.89%	27.24%	13.64%	(2.33)%
Return on Capital Employed	%	11.73%	32.22%	13.42%	26.55%	13.63%	4.19%
Return on Equity	%	23.60%	23.47%	13.40%	21.69%	9.26%	(4.44)%
Debt to Equity	Times	1.07	0.00	0.09	0.00	0.04	1.17

Particulars	Units	Fiscal 2023					
		Senores Pharmaceuticals Limited	Ajanta Pharma Limited	Alembic Pharmaceuticals Limited	Caplin Point Laboratories Limited	Gland Pharma Limited	Strides Pharma Science Limited
Revenue from Operations	(₹ million)	353.37	37,426.40	56,526.20	14,667.30	36,246.01	36,883.87
EBITDA Margin	%	46.28%	23.56%	12.03%	33.89%	33.35%	5.92%
PAT Margin	%	23.87%	15.71%	6.05%	25.70%	21.55%	(5.76)%
Return on Capital Employed	%	18.56%	22.57%	7.44%	26.43%	14.79%	(0.50)%
Return on Equity	%	20.55%	17.68%	7.12%	22.06%	10.33%	(9.32)%
Debt to Equity	Times	1.34	0.00	0.15	0.00	0.00	1.28

Particulars	Units	Fiscal 2022					
		Senores Pharmaceuticals Limited	Ajanta Pharma Limited	Alembic Pharmaceuticals Limited	Caplin Point Laboratories Limited	Gland Pharma Limited	Strides Pharma Science Limited
Revenue from Operations	(₹ million)	141.70	33,409.90	53,057.90	12,694.10	44,007.08	30,702.50
EBITDA Margin	%	17.03%	31.28%	17.53%	34.14%	39.40%	(7.91)%
PAT Margin	%	7.00%	21.33%	9.82%	24.30%	27.53%	(15.45)%
Return on Capital Employed	%	5.38%	29.37%	11.16%	28.31%	24.85%	(9.63)%
Return on Equity	%	4.35%	22.77%	10.11%	22.74%	18.55%	(18.28)%
Debt to Equity	Times	0.39	0.00	0.12	0.00	0.00	1.17

- (1) EBITDA= Profit Before Tax + Depreciation expense + Finance costs
- (2) EBITDA Margin= EBITDA/Revenue from Operations
- (3) PAT Margin= PAT/ Revenue from Operations
- (4) ROCE= EBIT/Average Capital Employed
- (5) EBIT= Profit Before Tax + Finance Costs
- (6) Average Capital Employed= Average shareholders’ equity (including minority interest) + Average Total Debt (Non current borrowings + current borrowings)
- (7) ROE= PAT/ Average shareholders’ Equity (including minority interest)
- (8) Debt/Equity= (Non-current borrowings + current borrowings)/Shareholders equity (including minority interest)
9. Past transfer(s)/ allotment(s)

Our Company confirms that there has been primary/new issue of shares (Equity Shares/convertible securities), excluding grants of any options and issuance of bonus shares, equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated on the pre-issue capital before such transaction and excluding employee stock options granted but not vested), in a single transaction or multiple transactions (combined together over a span of rolling 30 days) during 18 months preceding the date of filing of the Red Herring Prospectus, in a single transaction or multiple transactions combined together over a span of rolling 30 days, as set out below:

S. No.	Name of Allottee	No. of Equity Shares allotted	Face value per equity share (in ₹)	Offer price per Equity Share (in ₹)*	Nature of allotment	Nature of consideration	Total Consideration (in ₹)
1.	Swapnil Jatibhai Shah	9,21,281	10	63	Rights issue in the ratio of one new Equity Share for every three Equity Shares held	Cash	5,80,40,703
2.	Ashok Vijaysingh Barot	8,02,280					5,05,43,640
3.	Sangeeta Mukur Barot	4,05,455					2,55,43,665
4.	Deval Rajnikant Shah	50,000					31,50,000
5.	Jigar Prakash Sanghvi	2,16,192					1,36,20,096
6.	Manoj Prakash Sanghvi (held jointly with Dimple Manoj Sanghvi and Jayantil Misrimal Sanghvi)	2,16,193					1,36,20,159
7.	Ravi Pawankumar Sanghvi	1,39,739					88,03,557
8.	Renosen Pharmaceuticals Private Limited	6,50,793					4,09,99,959
9.	Espee Therapeutics LLP	4,95,000					3,11,85,000
10.	Mukurdhvaj Yogeshkumar Barot	3,96,825					2,49,99,975
11.	Jitendra Babulal Sanghvi (held jointly with Babulal Misrimal Sanghvi and Prakash Mishrimal Sanghvi)	76,852					48,41,676
12.	Mahendrakumar Chunilal Sanghvi (held jointly with Usha Mahendra Sanghvi and Prakash Misrimal Sanghvi)	40,030			Conversion of 20 0% Unsecured CCDs Series-I	Cash	25,21,890
13.	Vijay Chunilal Sanghvi (held jointly with Sanghvi Chandra and Prakash Misrimal Sanghvi)	40,030					25,21,890
14.	Prashant Jayantilal Sanghvi (held jointly with Sarika Prashant Sanghavi and Prakash Mishrimal Sanghvi)	1,19,481					75,27,303
15.	Sanika Prashant Sanghvi (held jointly with Prashant Jayantilal Sanghvi and Prakash Mishrimal Sanghvi)	1,19,480					75,27,240
16.	Shilpa Ravi Sanghvi (held jointly with Ravi Pawankumar Sanghvi)	1,39,739					88,03,557
17.	Sheetal Nilesh Sanghvi	2,16,193					1,36,20,159
18.	Yashkumar Shantilal Sanghvi (held jointly with Shantilal Mishrimal Sanghvi and Prakash Mishrimal Sanghvi)	2,76,270					1,74,05,010
19.	Jayanti Sanghvi (held jointly with Shobnadevi Jayanti Sanghvi)	63	10	63			3,969
20.	Jigar Sanghvi	31					1,953
21.	Manoj Sanghvi (held jointly with Dimple Manoj Sanghvi and Jayantil Misrimal Sanghvi)	31					1,953
22.	Shantaben Sanghvi (held jointly with Babulal Misrimal Sanghvi and Prakash Misrimal Sanghvi)	31					1,953
23.	Chunilal Sanghvi (held jointly with Arunaben Chunilal Sanghvi and Prakash Mishrimal Sanghvi)	63			Conversion of 20 0% Unsecured CCDs Series-I	Cash	3,969
24.	Ravi Sanghvi	63					3,969
25.	Shantilal Sanghvi	31					1,953
26.	Prakash Sanghvi (held jointly with Rashmidevi Prakashmal Sanghvi)	4,76,190	10	63			2,99,99,970
27.	Jayanti Mishrimal Sanghvi HUF	3,17,460					1,99,99,980
28.	Manoj Sanghvi (held jointly with Dimple Manoj Sanghvi and Jayantil Misrimal Sanghvi)	3,17,460					1,99,99,980
29.	Shantaben Sanghvi (held jointly with Babulal Misrimal Sanghvi and Prakash Misrimal Sanghvi)	95,238					59,99,994
30.	Chunilal Sanghvi (held jointly with Arunaben Chunilal Sanghvi and Prakash Mishrimal Sanghvi)	1,58,730					99,99,99

