

SCOOP

INVESTMENT



**Amanta Healthcare
Limited**

IPO Note

About

The company is a pharmaceutical manufacturer of sterile liquid products, including Large Volume Parenterals (LVPs), Small Volume Parenterals (SVPs), and medical devices, produced with Aseptic Blow-Fill-Seal (ABFS) and Injection Stretch Blow Moulding (ISBM) technologies. With a WHO-GMP certified facility in Gujarat and multiple international approvals, it caters to six therapeutic segments through both branded and long-term partnering models.

Investment Rationale

Capacity expansion to drive growth – With facilities running at near full utilization, planned CAPEX will raise capacity from 331.9 mn units in FY25 to 353.5 mn units by FY27, driven by expansions in Steriport LVP and SVP. The added headroom secures medium-term volume growth, aligning capacity with rising IV fluid demand and sustaining revenue growth visibility for next 2-3 years.

Expanding export footprint – The company is scaling exports across Africa, Southeast Asia, the UK, Mexico, Canada, and South Africa, with targeted expansion in Thailand, Kenya, and Namibia.

Industry tailwind – The Indian IV fluids market grew from ~₹29 bn in FY19 to ~₹45–47 bn in FY24 and is projected to reach ₹70–80 bn by FY29 at a 9–11% CAGR. Rising healthcare penetration and hospital demand ensure sustained growth in core products like saline, dextrose, and electrolytes, offering a clear runway for parenteral players.

Deleveraging to strengthen balance sheet – Management is targeting a debt reduction to ₹150 Cr. by FY27, which should lower interest costs, enhance repayment visibility, and drive margin expansion and stronger cash flows. Promoters' personal guarantees reinforce commitment, while a past partial interest default in 2021, later settled, highlights the importance of maintaining financial discipline going forward.

Scaling up high-margin Steriport products – The company's Steriport segment, currently generating ₹120–130 Cr. in revenue, is set to double capacity post capex completion, potentially doubling the revenue in sales. With high teens EBITDA margins, it offers a high-margin, scalable growth driver for the company.

Issue Details

Fresh issue of 1,00,00,000 equity shares aggregating up to ₹ 120 Cr. - ₹ 126 Cr.

Issue Summary

Issue Size	₹ 120 Cr. - ₹ 126 Cr.
Face Value	₹ 10
Price band (per equity share)	₹ 120 - ₹ 126
Market Lot	119 Equity Shares
Minimum Investment	₹ 14,280 - ₹ 14,994
No. of Shares pre-issue	2,88,29,351
No. of Shares post-issue	3,88,29,351
Listing	BSE & NSE

Indicative Timetable

Issue Opens on	01 September, 2025
Issue Closes on	03 September, 2025
Listing Commences on	09 September, 2025

Issue Breakup

	Up to No. of Equity Shares	(₹ in cr. upper band)
QIB	50,00,000	63
NII	15,00,000	18.9
Retail	35,00,000	44.1
Total	1,00,00,000	126

Objects of the Issue

Funding capital expenditure for Steriport at Kheda, Gujarat - ₹ 70 Cr.

Funding capital expenditure for SVP at Kheda, Gujarat - ₹ 30.13 Cr.

General Corporate Purpose – [*]

Total Gross Proceeds - ₹ 126 Cr.

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	85.6%	63.56%
Public & Others	14.4%	36.44%

Book Running Lead Managers

Beeline Capital Advisors Private Limited

Registrar

MUFG Intime India Private Limited

Key Risks

Regulatory non compliance – The company has seen product recalls in 2011, 2017, and 2019, and a two-day license suspension in 2015 over sterility issues. Although the company has remedied the issues but any fresh non-compliance could disrupt operations, lead to product recalls, and damage customer and regulatory confidence.

Overseas regulatory scrutiny – The company has faced adverse findings from foreign regulators, including “unacceptable” observations by the US FDA (2013), UK MHRA (2016), and supply restrictions in Sri Lanka (2021). Although the company remedied most of the findings, concerns remain.

Exhibit 1 : Product recall history

Year of Manufacture	Product	No. of Batches	Reason for Recall	Recall by	Product meant for
2011	Sterile water for injection	One	Sterility Failure	Regulators	Domestic Market
2017	Compound Sodium Lactate BP 1000 ml	One	Mould formation issue. Rejected by customer.	Voluntary	Export Market
2019	DNS 500 ml	One	Not of Standard quality as per the Government Analyst Food & Drugs Laboratory	Regulators	Domestic Market

Source: Company, Scoop Investment

Single-site vulnerability – The company operates from a single integrated facility in Hariyala (Kheda, Gujarat), where all sterile injectables are manufactured. This concentration exposes the company to significant operational risks — any fire, flood, machinery breakdown, accident, or local disruption could halt production and shipments. With no backup facility in place, business continuity is highly vulnerable.

Delay in completion of capex – New Steriport and SVP lines face execution risks around construction, equipment, and approvals. Delays could push out revenues, dilute returns, and raise interest costs. Given the company's debt load, such slippages would directly strain cash flows and repayment capacity

Raw Material Price Volatility – The company's key inputs, including LDPE and PP granules used in packaging and containers, are crude-linked and volatile. LDPE alone formed ~27.5% of raw material costs in FY25. Any crude price spike can significantly raise input costs.

Exhibit 2 : Breakup of key raw material sourced

Particulars	FY 23	FY 24	FY 25
LDPE	26.07%	29.48%	27.47%
Cap	15.85%	17.81%	18.48%
Polypropyle	9.94%	10.36%	12.48%
Corrugated Box	11.98%	9.79%	10.15%
Carton	4.21%	4.12%	3.60%
Sticker	3.05%	3.44%	3.50%
HIPXX E 30	0.00%	2.48%	2.78%
Mannitol	2.50%	3.54%	2.57%
Dextrose Anhydrous	2.78%	3.16%	2.54%
BOPP Roll	2.57%	0.00%	2.44%
Lotrene FE 8000	6.17%	3.57%	0.00%
Total	85.12%	87.75%	86.02%

Source: Company, Scoop Investment

Supplier concentration – The top 10 suppliers rising from 71% in FY24 to 76% in FY25, while reliance on the largest supplier climbed to 24%. This narrowing base heightens vulnerability to procurement disruptions and weakens pricing leverage, particularly given exposure to volatile crude-linked inputs.

Exhibit 3 : Supplier concentration

Particulars	FY 23	FY 24	FY 25
Largest supplier of materials	20.32%	20.21%	23.94%
Top 5 suppliers of materials	53.07%	54.95%	61.91%
Top 10 suppliers of materials	70.65%	71.50%	75.56%

Source: Company, Scoop Investment

Exhibit 4 : Capacity data

Production Stream	FY23 Capacity (Mn Units)	FY24 Capacity (Mn Units)	FY25 Capacity (Mn Units)	FY26 Capacity (Mn Units)	FY27 Capacity (Mn Units)
LVP	56.6	56.6	56.6	56.6	56.6
SVP	209.1	209.1	209.1	209.1	219.88
LVP - Steriport	66.2	66.2	66.2	71.59	76.98
Total	331.9	331.9	331.9	337.29	353.46

Source: Company, Scoop Investment

Exhibit 5 : Products launched from FY23 - FY25

Generic Name	Brand Name	Pack Size	Export/Domestic
Linezolid I.V. Injection	-	300 ml	Domestic
Ibuprofen Solution for Infusion 400 mg/100 ml	IV-Genic	100 ml	Export
Ibuprofen IV Infusion 400 mg/100 ml	IVGESIC	100 ml	Export
Linezolid I.V Injection (200 mg/100 ml)	SAVLIN	100 ml	Export
Sodium Chloride Intravenous Infusion B.P (9 gm/lt) (For Veterinary Use)	-	1000 ml	Export
Glucose Intravenous Infusion B.P (50 gm/lt) (For Veterinary Use)	-	1000 ml	Export
Compound Sodium Lactate Intravenous Infusion B.P (Ringer Lactate Infusion) (For Veterinary Use)	-	1000 ml	Export
Glucose Intravenous Infusion B.P (50 gm/lt)	DSZOR	500 ml & 1000 ml	Export
Sodium Chloride Intravenous Infusion B.P (9 gm/lt)	NSZOR	500 ml & 1000 ml	Export
Compound Sodium Lactate Intravenous Infusion B.P (Ringer Lactate Infusion)	RLZOR	500 ml & 1000 ml	Export
Paracetamol Injection (150 mg/ml)	FEBRAMOL	2 ml	Export
Balanced Salt Solution (For Irrigation) Sterile	Zysure	250 ml & 500 ml	Domestic
Balanced Salt Solution (For Irrigation) Sterile	SteriSol	250 ml & 500 ml	Domestic
Balanced Salt Solution (For Irrigation) Sterile	IO-SOL 500	500 ml	Export
Balanced Salt Solution (For Irrigation) Sterile	SteriSol	250 ml & 500 ml	Export

Source: Company, Scoop Investment

Exhibit 6 : Profit & loss statement

INR Cr	FY23	FY24	FY25
Revenue	259	280	275
Revenue Growth (YoY, %)		8%	-2%
Operating Expenses	206	223	215
Operating Profit (Excl. OI)	53	57	60
OPM %	20%	21%	22%
Other Income	4	1	1
Interest	35	34	28
Depreciation	18	20	18
Profit Before Tax	3	5	15
Tax	5	2	4
Net Profit	-2	4	11
NPM %	-1%	1%	4%

Source: Company, Scoop Investment

Exhibit 7 : Balance sheet

INR Cr	FY23	FY24	FY25
Share Capital	26.83	26.83	28.83
Reserves and Surplus	36.05	39.46	67.56
Total Equity	62.88	66.29	96.39
Long Term Borrowing	175.55	149.03	132.36
Other Non-Current liabilities	38.49	35.14	37.93
Total Non-Current Liabilities	214.04	184.17	170.29
Trade Payables	36.21	24.80	30.50
Short Term Borrowings	40.11	56.20	62.64
Other Current Liabilities	20.82	20.66	21.94
Total Current Liabilities	97.13	101.66	115.08
Total Liabilities and Equities	374.06	352.12	381.76
ASSETS			
Non-Current Assets			
PP&E	228.79	222.72	207.68
Capital Work in Progress			6.55
Other Non Current Assets	14.27	11.51	29.62
Total Non-Current Assets	243.06	234.23	243.84
Inventories	68.92	59.45	72.98
Total Receivables	53.58	48.17	50.08
Cash and Bank	0.11	1.54	0.22
Other Current Assets	8.39	8.74	14.64
Total Current Assets	131.01	117.89	137.92
Total Assets	374.06	352.12	381.76

Source: Company, Scoop Investment

Management

Exhibit 8 : Key personnel

Name	Designation	Background
Mr. Bhavesh Patel	Chairman and Managing Director	He holds a Diploma in Mechanical Engineering from the Maharashtra State Board of Technical Education and a Master's degree in Management from B.K. School of Management, University of Gujarat. With over 30 years of experience in formulation and manufacturing of IV fluids.
Mr. Nimesh Patel	Non-Executive Director	He holds a Bachelor of Science in Economics from the Wharton School, University of Pennsylvania, where he graduated as California State Valedictorian. With over 3 years of experience in the pharmaceutical industry, he has been serving on the company's Board since December 2020.
Mr. Pratik Gandhi	Non-Executive Director	He is a qualified Cost and Work Accountant (ICWAI, 1993) with over 10 years of teaching experience. He has served as Adjunct Professor at GSFC University, Vadodara, visiting faculty at the Mansinhbhai Institute of Dairy & Food Technology.

Source: Company, Scoop Investment

Valuation & View

At an implied market capitalization of **₹ 489 cr. (upper band)**, the IPO is valued at **46x FY25 earnings**, which appears elevated given the current high interest burden. However, valuation multiples are expected to moderate as debt reduces and earnings expand, supported by capacity additions funded through IPO proceeds. Any execution delays in capex or deleveraging could, however, impact this trajectory. We therefore assign a **“Subscribe for Long Term”** rating.

Disclaimer

Details of terms used

Investment Rating	Definition
Buy	Expected absolute returns of more than 20% over specified time period
Hold	Expected absolute returns between 20% and -15% over specified time period
Sell	Expected absolute returns of less than -15% over a specified time period
Entry Price	Price at which stock was recommended
Target Price	Expected price of stock at end of specified time period
Potential Upside	Expected absolute returns from entry price over a specified time period
Upside Left	Expected absolute returns from current price to Target price

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