

Corona Remedies Ltd.

'SUBSCRIBE'

08-12-2025 TO 10-12-2025

Industry: Pharmaceutical

Price Band: ₹1008 to ₹1062

Recommendation: Subscribe for long term

Post Implied Market Cap: ₹6,165 Cr – ₹6,495 Cr

Key Data

| | |
|------------------------------------|-----------|
| Issue Size (₹ Cr) | ₹655.37 |
| Fresh (₹ Cr) | - |
| OFS (₹ Cr) | ₹655.37 |
| No of shares offered (total issue) | 61,71,101 |
| Face Value (₹ /share) | 10 |
| Bid Lot | 14 Shares |

Indicative Timetable

| | |
|---|---------------------------|
| IPO Open Date | Mon, Dec 8, 2025 |
| IPO Close Date | Wed, Dec 10, 2025 |
| Tentative Allotment | Thu, Dec 11, 2025 |
| Initiation of Refunds | Fri, Dec 12, 2025 |
| Credit of Shares to Demat | Fri, Dec 12, 2025 |
| Tentative Listing Date | Mon, Dec 15, 2025 |
| Cut-off time for UPI mandate confirmation | 5 PM on Wed, Dec 10, 2025 |

Shareholding (No. of shares)

| | |
|------------|-------------|
| Pre-Issue | 6,11,60,088 |
| Post-Issue | 6,11,60,088 |

Issue Breakup

| | |
|--------|-----|
| QIB | 50% |
| NII | 15% |
| Retail | 35% |

Shareholding Pattern

| | Pre-Issue | Post-Issue |
|-------------------------------|-----------|------------|
| Promoters | 66.00% | 64.00% |
| Promoters Group | 6.50% | 5.00% |
| Public - Investor selling s/h | 27.50% | 20.91% |
| Public – Others | - | 10.09% |
| Total | 100% | 100% |

Other Details

BRLM: JM Financial Limited, IIFL Capital Services Limited (formerly known as IIFL Securities Limited), Kotak Mahindra Capital Company Limited
Registrar: Bigshare Services Private Limited
Listing: BSE & NSE

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About the company

Corona Remedies Limited is a leading Indian pharmaceutical company, established in 2004, that focuses on developing, manufacturing, and marketing branded formulations primarily for the domestic market. The company specializes in high-growth, chronic and specialty therapeutic segments, with a strong emphasis on Women's Healthcare, Cardio-Diabetology, Pain Management and Urology, establishing itself as one of the rapidly expanding pharmaceutical firms in India.

Investment Rationales

Chronic and Specialty Focus: Strategic alignment with high-growth Indian chronic care segments (Women's Health, Cardio-Diabetology) ensures stable, recurring revenue driven by lifestyle disease trends.

Robust Financial Performance: Exceptional profitability, highlighted by high ROCE (40%) and rapid PAT growth (up 65% between FY24-FY25), coupled with a low debt-to-equity ratio (approx 0.1).

Outpacing Market Growth: Consistently achieved domestic sales CAGR significantly higher than the overall Indian Pharmaceutical Market (IPM) growth, demonstrating superior execution and penetration.

Proven Acquisition Strategy: Demonstrated capability to successfully acquire, integrate, and rapidly scale up established brands (e.g., Myoril), providing a clear pathway for sustained inorganic growth.

Strong Brand Equity: Focus on specialist doctors builds high brand loyalty and predictable revenue in chronic segments, supported by a well-positioned portfolio of 71 key brands.

Risk

Out of 71 brands, only the core 27 “engine” brands derived 72% of sales hence posing the company to concentrated brand risk.
 Pharma industry is subject to inspections/audits and higher regulatory compliances in general.

Our views

Corona Remedies achieved robust financial scale and profitability, with revenue from operations surging to approximately ₹1,196 Cr in FY25 and demonstrated efficiency. The company reported a high Return on Capital Employed (ROCE) of over 40% and has shown a strong, stable trajectory with Net Profit exceeding ₹149 Cr in FY25, indicating strong unit economics and sustainable profitability.

The entire proceeds from the IPO is an OFS, meaning all funds will go to the selling promoters and early investors. No funds will be channelled into the company's balance sheet for expansion, R&D, or debt repayment.

Corona Remedies Ltd.'s strategic focus on the fastest-growing chronic segments, its successful track record in brand acquisitions and integration, and its superior financial metrics provide a clear growth roadmap despite increasing competition in the domestic market. We recommend a 'SUBSCRIBE' rating for long-term investors.

CONSOLIDATED FINANCIALS – BASIC FINANCIAL DETAILS

| Financial Performance Indicators | Unit | Fiscal 2023 | Fiscal 2024 | Fiscal 2025 |
|--|------|-------------|-------------|-------------|
| Revenue from operations | ₹ Cr | 884.05 | 1,014.47 | 1,196.12 |
| Growth of revenue from operations | % | Na | 14.75% | 17.93% |
| Revenue from operations – domestic (as a percentage of total revenue from operations) | % | 96.39% | 96.62% | 96.33% |
| Revenue from operations – international (as a percentage of total revenue from operations) | % | 3.61% | 3.38% | 3.67% |
| Revenue from operations – owned manufacturing (as a percentage of total revenue from operations) | % | 62.02% | 64.52% | 64.01% |
| Gross Profit | ₹ Cr | 673.10 | 787.65 | 959.90 |
| Growth of Gross Profit | % | Na | 17.02% | 21.87% |
| Gross Profit Margin | % | 76.14% | 77.64% | 80.23% |
| EBITDA | ₹ Cr | 135.03 | 161.19 | 245.91 |
| Growth of EBITDA | % | Na | 19.37% | 52.56% |
| EBITDA Margin | % | 15.27% | 15.89% | 20.55% |
| Profit after tax | ₹ Cr | 84.93 | 90.50 | 149.43 |
| Growth of PAT | % | Na | 6.56% | 65.11% |
| PAT Margin | % | 9.61% | 8.92% | 12.49% |
| Return on Capital Employed (RoCE) | % | 28.36% | 31.19% | 41.32% |
| Adjusted Return on Capital Employed (Adj. RoCE) | % | 36.62% | 37.53% | 47.87% |
| Return on Equity (RoE) | % | 23.29% | 20.36% | 27.50% |
| OCF / EBITDA | % | 76.06% | 97.25% | 77.46% |
| Net Working Capital Days | Days | 31.20 | 23.43 | 24.17 |
| Net Debt / (Net Cash) | ₹ Cr | -95.25 | 62.12 | -6.64 |

Source: Company RHP

Corona Remedies Ltd. IPO Peer Comparison

(As on March 31, 2025)

| Company Name | EPS (Basic) | EPS (Diluted) | NAV (per share) (Rs) | P/E (x) | RoNW (%) | Financial statements |
|--------------------------------------|-------------|---------------|----------------------|---------|----------|----------------------|
| Corona Remedies Limited | 24.43 | 24.43 | 99.14 | 43.47 | 24.65 | Consolidated |
| Abbott India Ltd. | 665.62 | 665.62 | 1992.14 | 45.17 | 33.41 | Standalone |
| Alkem Laboratories Ltd | 181.11 | 181.11 | 1002.37 | 31.39 | 18.07 | Consolidated |
| Eris Lifesciences Ltd | 25.85 | 25.81 | 209.73 | 61.81 | 12.21 | Consolidated |
| Glaxosmithkline Pharmaceuticals Ltd. | 54.76 | 54.76 | 115.19 | 46.87 | 47.54 | Consolidated |
| J.b.chemicals & Pharmaceuticals Ltd. | 42.45 | 41.56 | 220.88 | 42.6 | 19.21 | Consolidated |
| Mankind Pharma Limited | 49.28 | 49.2 | 352.51 | 45.77 | 13.89 | Consolidated |
| Pfizer Ltd. | 167.79 | 167.79 | 921.88 | 29.63 | 18.2 | Standalone |
| Sanofi India Ltd. | 179.46 | 179.46 | 373.68 | 24.47 | 48.05 | Standalone |
| Torrent Pharmaceuticals Ltd. | 56.47 | 56.47 | 224.28 | 65.91 | 25.18 | Consolidated |

Notes:

P/E Ratio has been computed based on the closing market price of equity shares on Nov 28, 2025, divided by the Diluted EPS.

Return on net worth is the restated profit attributable to owners of the Company divided by the net worth at the end of the period/year.

Net asset value per equity share as at a period/year represents net worth at the end of the period/year divided by the weighted average outstanding equity shares considered for EPS as the end of the period/year.

J. B. Chemicals & Pharmaceuticals Limited has announced a stock split from ₹2.00 per equity share to ₹1.00 per equity share with the ex-split date on September 18, 2023. Accordingly, Net asset value per equity share has been adjusted to reflect the stock split.

P/E Ratio of Corona Remedies Ltd. is implied and not actual.

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CIN No U74110MH2005PLC157942 | BSE-3281 | NSE-12817 | MCX-55910 | DP:IN-DP-CDSL-490-2008 | DPID:12059100 |

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