

# Senores Pharma: Building the US Playbook

July 08, 2026 | CMP: INR 1,362\* | Target Price: INR 1,640

**BUY**

Sector View: Positive

Expected Share Price Return: 20.4% | Dividend Yield: 0.0% | Potential Upside: 20.4%

Change in Estimates	✓
Change in Target Price	✓
Change in Recommendation	✗

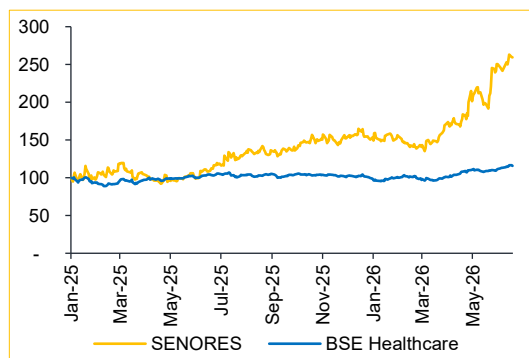
Company Info	
BB Code	SENORES IN EQUITY
Face Value (INR)	10.0
52-week High/Low (INR)	1,441 / 570
Mkt Cap (Bn)	INR 62.7 / USD 0.7
Shares o/s (Mn)	46.1
3M Avg. Daily Volume	4,68,400

Change in CIE Estimates						
INR Bn	FY27E			FY28E		
	New	Old	Dev. (%)	New	Old	Dev. (%)
Revenue	8.5	8.0	6.8	10.2	9.5	7.9
EBITDA	2.4	2.2	8.7	3.0	2.8	8.0
EBITDAM %	28.0	27.5	50 bps	29.5	29.0	50 bps
PAT	1.7	1.4	19.5	2.1	1.8	19.8
EPS (INR)	35.9	30.0	19.5	46.5	38.8	19.8

Key Financials					
INR Bn	FY25	FY26	FY27E	FY28E	FY29E
Revenue	4.0	6.3	8.5	10.2	12.3
YoY (%)	85.6	58.9	35.0	20.0	20.0
EBITDA	0.9	1.7	2.4	3.0	3.6
EBITDAM %	22.5	26.6	28.0	29.5	29.5
Adj PAT	0.6	1.2	1.7	2.1	2.6
EPS (INR)	12.7	25.1	35.9	46.5	56.9
ROE %	7.4	12.4	15.0	16.3	16.6
ROCE %	6.7	10.9	13.8	15.4	16.1
PE(x)	107.1	54.4	38.0	29.3	23.9
EV/EBITDA(x)	69.0	38.3	27.0	21.1	17.2

Shareholding Pattern (%)			
	Mar 2026	Dec 2025	Sep 2025
Promoters	45.82	45.81	45.80
FIs	3.64	3.35	4.28
DIs	9.62	9.32	8.62
Public	40.92	41.54	41.30

Relative Performance (%)			
YTD	1Y	9M	6M
BSE Healthcare	10.9	13.0	11.1
SENORES	137.4	92.1	57.5



## Recent Report: Q4FY26 Result Update

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SENORES is strengthening its position as a US-focused player through a differentiated product portfolio, expanding commercial presence and integrated manufacturing capabilities. To gain deeper insights into the company's growth strategy and execution roadmap, we visited its **Ratnatris Plant** and interacted with **Mr. Swapnil Shah (MD) and Mr. Deval Shah (CFO)**. The visit provided valuable insights into the company's US-focussed growth **strategy**, ANDA pipeline build-out and the newly-created Zoraya and Amerisyn front-end commercial JVs. The management **reiterated that ~70% of revenue will continue to come from the US**, supported by a visible **pipeline of 97 ANDAs** (58 approved plus 39 in pipeline which includes 5 approved), addressing a **peak TAM of over USD 7 Bn**. We believe **the front-end JVs** – Zoraya (51%-owned, direct marketing) and Amerisyn (70%-owned, government supply) – **meaningfully expand SENORES' addressable US market at near-zero incremental capex**. This complements a continued CDMO scale-up (commercialised molecules up from 13 to 16).

We raise our FY27E/FY28E EPS estimate by 19.5%/19.8% and roll forward our target multiple to 35x (from 30x) FY28E EPS, arriving at a revised TP of **INR 1,640**. A **PEG of 1.1x** further provides confidence on our valuation.

- The management reiterated a US-first strategy, targeting ~70% of revenue from the US in the foreseeable future.
- This will be **supported by the APNAR facility**, which is USFDA-approved and separately approved by Health Canada and the UK MHRA.
- **APNAR will also absorb non-government retail volumes** shifted from the core US site.
- The **ANDA pipeline stands at 58 approved products**, of which 22 have launched and **36 are set to launch over the next 8–10 quarters**.
- Additionally, 39 own-development pipeline products are in progress, of which 5 are filed.
- This **builds to a visible base of 58 approved ANDAs**.
- **This pipeline places Senores among the top 10 US-focussed Indian pharma companies in terms of product count**.
- Two new front-end commercial JVs — Zoraya (51%-owned, direct marketing) and Amerisyn (70%-owned, government/federal supply) — will internalise business earlier routed through third-party partners.
- **Both JVs are structured on a profit-share basis** (Zoraya: 25% rising to 49% over 2–3 years; Amerisyn: 30%) with minimal upfront investment.
- **Zoraya could scale up to USD 200-300 Mn of revenue** over time, though the management flagged the ramp-up timeline as uncertain.
- The management was clear this is an additional commercial vertical, not a change in core strategy.
- **CDMO's share of the mix is expected to moderate as own-label ANDA revenue scales**.
- The CDMO/CMO pipeline stands at 20-25 contracted products.
- **R&D is being scaled up meaningfully, with headcount rising from ~50 to 120 within a year**. The company also plans to add a new ~30,000 sq. ft. R&D centre.
- FY27E R&D spend is guided at ~6-7% of sales. The management intends to progressively shorten R&D amortisation over the next 2–3 years.

\*CMP as on 7th July, 2026

## Income Statement (INR Mn)

Particulars	FY25	FY26	FY27E	FY28E	FY29E
Revenue	3,983	6,326	8,541	10,249	12,298
Gross Profit	2,176	3,810	5,210	6,303	7,563
EBITDA	897	1,683	2,391	3,023	3,628
Depreciation	168	313	436	526	616
EBIT	729	1,371	1,955	2,497	3,012
Other Income	193	471	427	512	615
Interest Expense	216	250	238	230	223
PBT	706	1,591	2,144	2,779	3,404
PAT	586	1,154	1,651	2,140	2,621
EPS (INR)	12.7	25.1	35.9	46.5	56.9

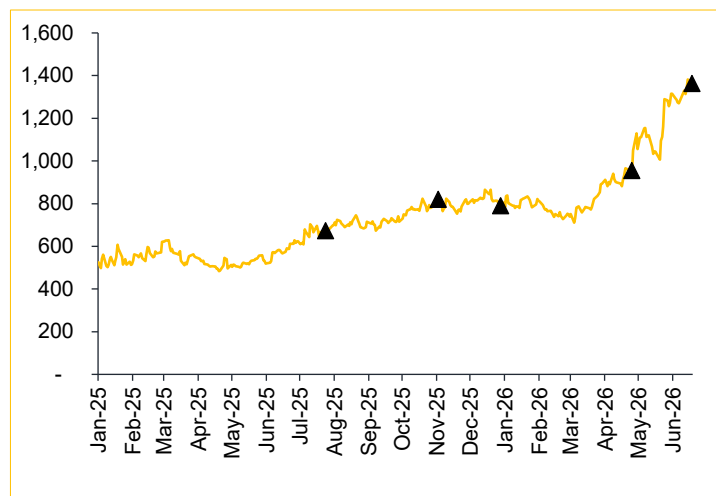
Ratio Analysis	FY25	FY26	FY27E	FY28E	FY29E
<b>Growth Ratios (%)</b>					
Revenue	85.6	58.9	35.0	20.0	20.0
Gross Profit	100.7	75.1	36.7	21.0	20.0
EBITDA	115.7	87.6	42.1	26.4	20.0
PAT	86.2	97.0	43.1	29.6	22.5
<b>Margins (%)</b>					
Gross Profit Margin	54.6	60.2	61.0	61.5	61.5
EBITDA Margin	22.5	26.6	28.0	29.5	29.5
PBT Margin	17.7	25.1	25.1	27.1	27.7
Tax Rate	17.3	23.6	23.0	23.0	23.0
PAT Margin	14.7	18.2	19.3	20.9	21.3
<b>Profitability (%)</b>					
ROE	7.4	12.4	15.0	16.3	16.6
ROIC	5.7	8.7	11.0	12.3	12.7
ROCE	6.7	10.9	13.8	15.4	16.1
<b>Financial Leverage</b>					
OCF/EBITDA (x)	(0.5)	0.4	0.9	0.6	0.8
OCF/Net Profit (x)	(0.8)	0.5	1.3	0.9	1.1
Debt to Equity	0.4	0.4	0.3	0.2	0.2
Interest Coverage	3.4	5.5	8.2	10.8	13.5
<b>Working Capital</b>					
Inventory Days	114	130	130	130	130
Debtor Days	114	187	110	110	110
Payable Days	136	340	200	150	150
Cash Conversion Cycle	92	-24	40	90	90
<b>Valuation Metrics</b>					
No of Shares (Mn)	46.1	46.1	46.1	46.1	46.1
EPS (INR)	12.7	25.1	35.9	46.5	56.9
BVPS (INR)	170.7	202.7	238.6	285.1	342.0
Market Cap (INR Bn)	62.7	62.7	62.7	62.7	62.7
PE (x)	107.1	54.4	38.0	29.3	23.9
P/BV (x)	8.0	6.7	5.7	4.8	4.0
EV/EBITDA (x)	69.0	38.3	27.0	21.1	17.2
EV/Sales (x)	15.5	10.2	7.5	6.2	5.1

Source: SENORES, Choice Institutional Equities

## Balance Sheet (INR Mn)

Particulars	FY25	FY26	FY27E	FY28E	FY29E
Net Worth	7,862	9,336	10,987	13,127	15,749
Minority Interest	261	309	309	309	309
Borrowings	3,148	3,420	3,320	3,220	3,120
Trade Payables	672	2,347	1,825	1,622	1,946
Other Non-current Liabilities	33	72	72	72	72
Other Current Liabilities	294	553	553	553	553
<b>Total Net Worth &amp; Liabilities</b>	<b>12,269</b>	<b>16,038</b>	<b>17,067</b>	<b>18,904</b>	<b>21,749</b>
Net Block	1,989	3,314	4,878	5,552	6,136
Capital WIP	442	175	175	175	175
Goodwill & Intangible Assets	925	1,533	1,533	1,533	1,533
Investments	0	289	289	289	289
Trade Receivables	1,239	3,248	2,574	3,089	3,706
Cash & Cash Equivalents	3,855	1,596	1,442	1,871	3,233
Other Non-current Assets	1,689	2,603	2,603	2,603	2,603
Other Current Assets	2,131	3,280	3,574	3,793	4,074
<b>Total Assets</b>	<b>12,269</b>	<b>16,038</b>	<b>17,067</b>	<b>18,904</b>	<b>21,749</b>
<b>Cash Flows (INR Mn)</b>					
Cash Flows from Operations	(459)	621	2,184	1,959	2,886
Cash Flows from Investing	(4,295)	(1,205)	(2,000)	(1,200)	(1,200)
Cash Flows from Financing	5,731	(13)	(338)	(330)	(323)
<b>DuPont Analysis</b>					
Tax Burden (%)	83.0	72.5	77.0	77.0	77.0
Interest Burden (%)	96.9	116.1	109.7	111.3	113.0
EBIT Margin (%)	18.3	21.7	22.9	24.4	24.5
Asset Turnover (x)	0.3	0.4	0.5	0.5	0.6
Equity Multiplier (x)	1.6	1.7	1.6	1.4	1.4
<b>ROE (%)</b>	<b>7.4</b>	<b>12.4</b>	<b>15.0</b>	<b>16.3</b>	<b>16.6</b>

## Historical Price Chart: SENORES



Date	Rating	Target Price
August 22, 2025	BUY	960
November 7, 2025	BUY	1,010
January 21, 2026	BUY	1,045
May 15, 2026	BUY	1,165
July 08, 2026	BUY	1,640

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<b>Large Cap*</b>	
BUY	The security is expected to generate upside of 15% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 15% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -5% over the next 12 months
SELL	The security is expected to show downside of 5% or more over the next 12 months
<b>Mid &amp; Small Cap*</b>	
BUY	The security is expected to generate upside of 20% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 20% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -10% over the next 12 months
SELL	The security is expected to show downside of 10% or more over the next 12 months
<b>Other Ratings</b>	
NOT RATED (NR)	The stock has no recommendation from the Analyst
UNDER REVIEW (UR)	The stock is under review by the Analyst and rating may change
<b>Sector View</b>	
POSITIVE (P)	Fundamentals of the sector look attractive over the next 12 months
NEUTRAL (N)	Fundamentals of the sector are expected to be in stasis over the next 12 months
CAUTIOUS (C)	Fundamentals of the sector are expected to be challenging over the next 12 months

\*Large Cap: More Than INR 20,000 Cr Market Cap

\*Mid & Small Cap: Less Than INR 20,000 Cr Market Cap

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