



Ipca Laboratories Ltd.

Corporate Presentation

Dec 2017



Incorporation	:	1949
Present Management	:	Since 1975
Total income F. Y. 2016-17	:	₹ 3178.87 Crs / US\$ 474 Mn
Exports F. Y. 2016-17	:	₹ 1561.74 Crs / US\$ 233 Mn
Number of Employees	:	13,416 including 6097 in marketing and distribution
Business Model	:	Fully integrated pharmaceutical company producing Branded and Generics Formulations, APIs and Intermediates

	2012-13	2013-14	2014-15	2015-16	2016-17
Domestic Income (₹ Crs)	1,081.00	1,190.23	1,367.54	1,440.88	1,617.13
Domestic Income (US \$ Mn)	161.30	177.59	204.05	214.99	241.29
Export Income (₹ Crs)	1,716.08	2,066.02	1,752.86	1,429.85	1,561.74
Export Income (US \$ Mn)	256.05	308.27	261.54	213.35	233.03
Total Income (₹ Crs)	2,797.08	3,256.25	3,120.40	2,870.73	3,178.87
Total Income (US \$ Mn)	417.35	485.86	465.59	428.34	474.32
Net Profit After Tax (₹ Crs)	331.39	477.37	256.11	92.52	188.29
Net Profit After Tax (US \$ Mn)	49.45	71.23	38.21	13.80	28.09

Manufacturing Facilities

Formulations



Location	Dosage Form	Approvals / Inspections
Athal, Silvassa	Tablets & Capsules	UK-MHRA, TGA-Australia, MCC-South Africa, WHO-Geneva
Ratlam, Madhya Pradesh	Tablets, Liquids, Injectables & Ointments	MCC-South Africa, INVIMA Colombia
Kandla, Gujarat	Betalactum – Tablets, Capsules & Dry Syrups	UK-MHRA, MCC-South Africa
Silvassa	Tablets & Capsules	UK-MHRA, TGA-Australia, HPB-Canada

Location	Dosage Form	Approvals / Inspections
Dehradun, Uttaranchal	Tablets & Cephalosporin Injectables	WHO-GMP
Indore (SEZ), Madhya Pradesh	Tablets & Capsules	UK-MHRA, HPB Canada, MCC-South Africa
Sikkim	Tablets & Capsules	GMP
Pithampur, Dhar , Madhya Pradesh	High Potency Oral Solid Dosage	WHO-GMP INVIMA Colombia
Tarapur, Palghar	Tablets	

Manufacturing Facilities

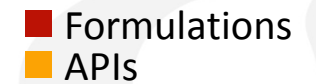
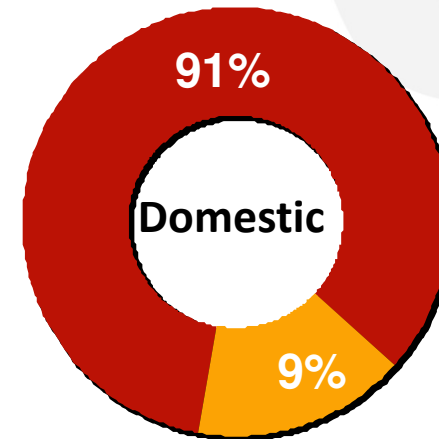
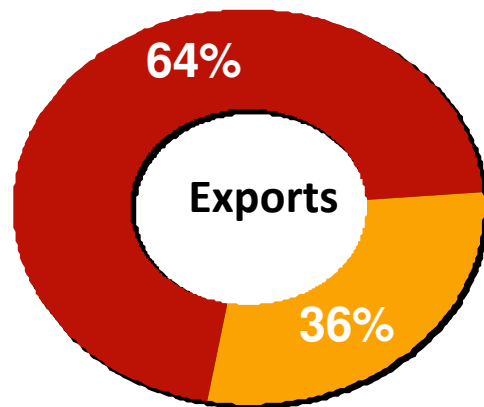
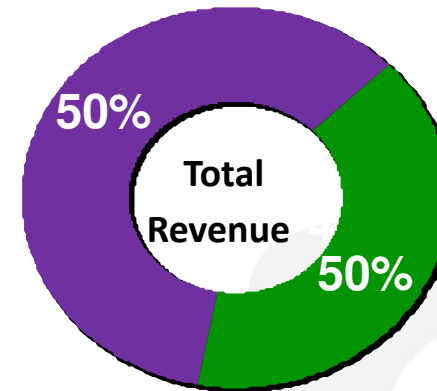
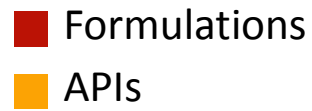
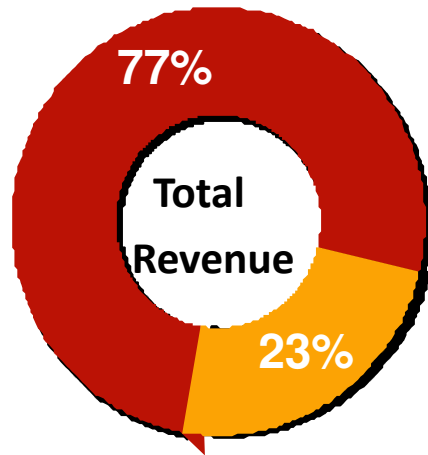
Active Pharmaceutical Ingredients (APIs)



Location	Approvals / Inspections
Ratlam, Madhya Pradesh	TGA-Australia, EDQM, Danish Regulatory Authority, PMDA-Japan, WHO-Geneva, HPB Canada
Indore, Madhya Pradesh	WHO-GMP
Ankleshwar, Gujarat	PMDA –Japan
Nandesari, Gujarat	WHO-GMP
Aurangabad, Maharashtra	WHO-GMP
Mahad, Maharashtra	GMP
Ranu (Tehsil Padra), Gujarat	

Revenue Break-up





₹ Crs	2016-17			2015-16			Growth
	Domestic	Exports	Total	Domestic	Exports	Total	
Branded Formulations	1388.55	289.24	1677.79	1222.15	237.82	1459.97	14.9%
Generic Formulations	-	706.65	706.65	-	685.69	685.69	3.1%
Total Formulations	1388.55	995.89	2384.44	1222.15	923.51	2145.66	11.1%
API / Intermediates	144.41	565.85	710.26	151.79	506.34	658.13	7.9%
Others	84.17	-	84.17	66.94	-	66.94	
Total Income	1617.13	1561.74	3178.87	1440.88	1429.85	2870.73	10.7%
Growth	12.2%	9.2%	10.7%				

Financials



F.Y. 2016 - 17			F.Y. 2015 - 16		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	3178.87	474	2870.73	428	11%
EBIDT	435.20	65	341.81	51	27%
EBIDT %	13.69%		11.91%		
PBT #	258.20	39	111.45	17	132%
PBT %	8.18%		3.92%		
PAT #	188.29	28	92.52	14	104%
PAT %	5.96%		3.25%		

After forex gain of ₹ 17.34 Crs as against forex loss of Rs. ₹ 40.53 Crs for previous year.

Profitability	FY 2016-17	FY 2015-16
PBIDT	13.69%	11.91%
PBT	8.18%	3.92%
PAT	5.96%	3.25%

Business Characteristics	FY 2016-17	FY 2015-16
Return on Capital Employed % (PBIT / Capital Employed)	8.85%	4.49%
Return on Net Worth % (PAT / Net Worth)	7.61%	4.05%
Fixed Asset Turnover Ratio (Total Income / Net Fixed Assets)	1.56	1.36
Capital Employed Turnover Ratio (Total Income / Capital Employed)	1.00	0.92
Asset Coverage Ratio (to term loan) (Net Fixed Assets / Total Long Term Borrowings)	3.79	3.09
Long Term Debt Equity Ratio (Total Long Term Borrowings / Net Worth)	0.22	0.30
Debtors Turnover Ratio (Days) (Trade Receivables / Turnover) x 365	59	57
Creditors Turnover Ratio (Days) (Trade Payables / Purchases) x 365	101	108
Inventory Turnover Ratio (Days) (Inventory / Turnover) x 365	103	108

Growth	FY 2016-17	FY 2015-16
Net Total Income	10.70%	-8.90%
Domestic Sales	11.60%	2.80%
Export Sales	9.20%	-18.40%
PBIDT	27.30%	-38.60%
PBT	131.70%	-68.80%
Net Profit	103.50%	-63.90%

Q1 2017-18			Q1 2016-17		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	719.14	107	859.54	128	-16%
EBIDT	21.52	3	119.98	18	-82%
EBIDT %	3.02%		14.04%		
PBT #	-21.22	-3	76.57	11	
PBT %	-2.98%		8.96%		
PAT #	-20.25	-3	47.57	7	
PAT %	-2.84%		5.57%		

After forex gain of ₹ 4.33 Crs as against forex loss of Rs. ₹ 8.13Crs for previous quarter.

Q2 2017-18			Q2 2016-17		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	875.29	131	890.60	133	-2%
EBIDT	160.03	24	141.38	21	13%
EBIDT %	18.28%		16.11%		
PBT #	109.59	16	92.35	14	19%
PBT %	12.52%		10.37%		
PAT #	96.47	14	54.95	8	76%
PAT %	11.02%		6.17%		

After forex loss of ₹ 4.68Crs as against forex gain of Rs. ₹ 7.81Crs for previous quarter.

Q3 2017-18			Q3 2016-17		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	870.18	130	756.14	113	15%
EBIDT	172.17	26	111.86	17	54%
EBIDT %	19.79%		14.79%		
PBT #	122.75	18	63.58	9	93%
PBT %	14.11%		8.41%		
PAT #	105.58	16	41.38	6	155%
PAT %	12.13%		5.47%		

After forex gain of ₹ 10.02Crs as against forex loss of Rs. ₹ 3.94Crs for previous quarter.

9M 2017-18			9M 2016-17		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	2464.61	368	2506.28	374	-2%
EBIDT	359.90	54	378.09	56	-5%
EBIDT %	14.60%		15.09%		
PBT #	211.12	32	232.50	35	-9%
PBT %	8.57%		9.28%		
PAT #	181.80	27	143.90	21	26%
PAT %	7.38%		5.74%		

After forex gain of ₹ 9.67 Crs as against forex loss of Rs. ₹ 4.26 Crs for previous period.

2015 - 16		Therapeutic Segment	2016 - 17	
Exports	Domestic		Exports	Domestic
25%	39%	Non Steroidal Anti-Inflammatory Drugs (NSAID)	23%	41%
31%	23%	Cardiovasculars & Anti-Diabetics	32%	21%
17%	12%	Anti-Malarials	16%	12%
12%	6%	Anti-Bacterials	13%	6%
3%	5%	Gastro-Intestinal (GI) Products	2%	4%
5%	3%	Neuro Psychiatry	5%	3%
2%	4%	Cough Preparations	1%	5%
-	4%	Dermatology	-	4%
-	2%	Urology	-	2%
-	1%	Neutraceuticals	-	1%
5%	1%	Others	8%	1%
100%	100%	Total	100%	100%

Branded Formulations

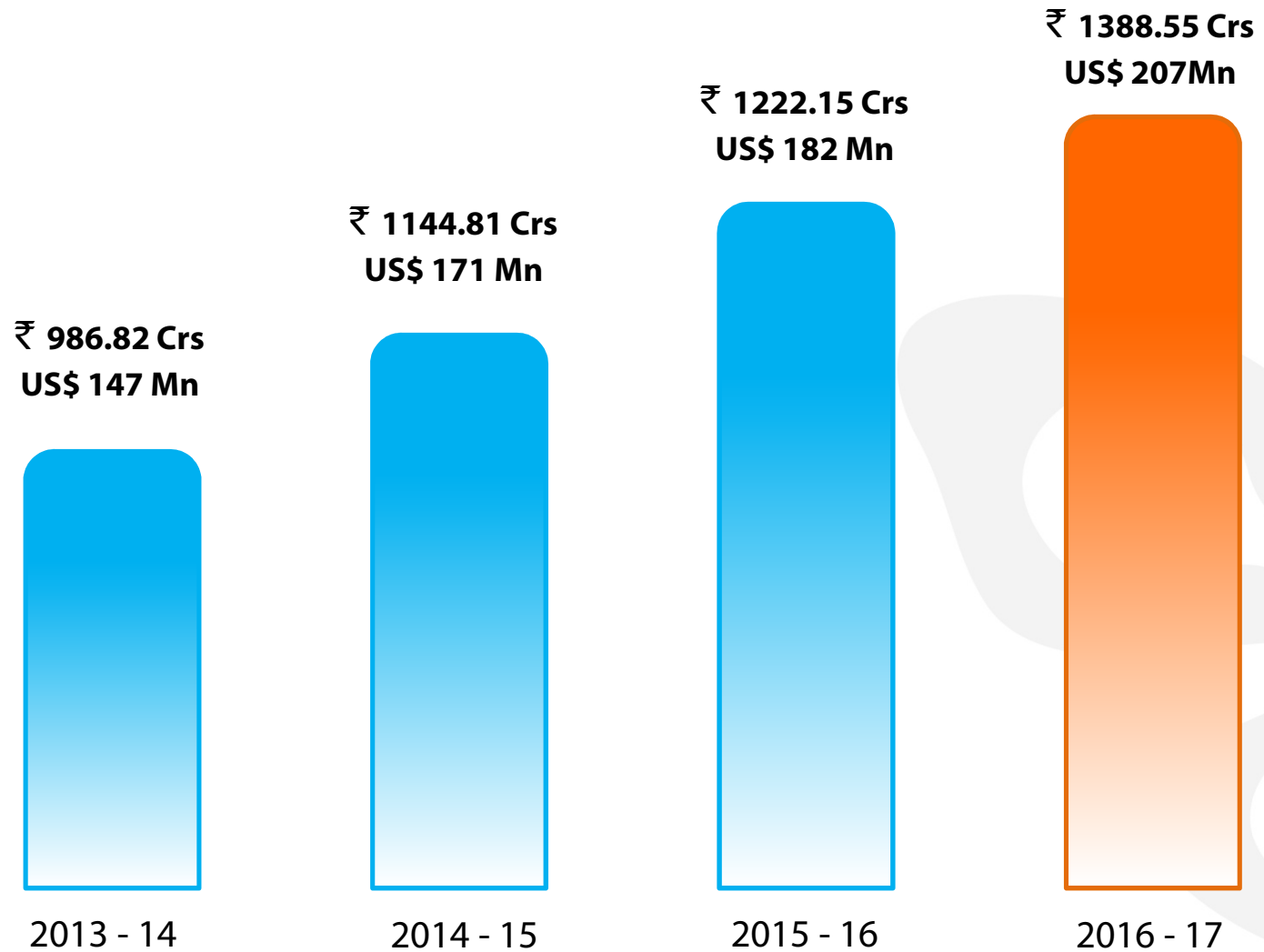
Domestic



- All India Rank ORG-IMS : 21st (MAT Dec'17).
- 25 Depots & 2 C&F agents.
- 13 Therapy Focused Marketing Divisions.
- Field Strength (PSR/ BA)– 4243.
- Over 2000 Wholesalers.
- 3 brands among top 300 brands (HCQS, Zerodol-P & Zerodol-SP).
- Market leaders in Anti-malarials & Rheumatoid Arthritis.



Sales



Future Growth Drivers

- The company introduced 12 new Brands / line extensions in the India market during 2016-17.
- Clinical research as a tool to launch innovative combination formulations / NDDS.
- Strong Brand building with focused promotion.
- In licensing/ out licensing to build business in the promoted therapy.
- Portfolio optimization, strategies to identify need gaps to build, enter, maintain and exit approach.

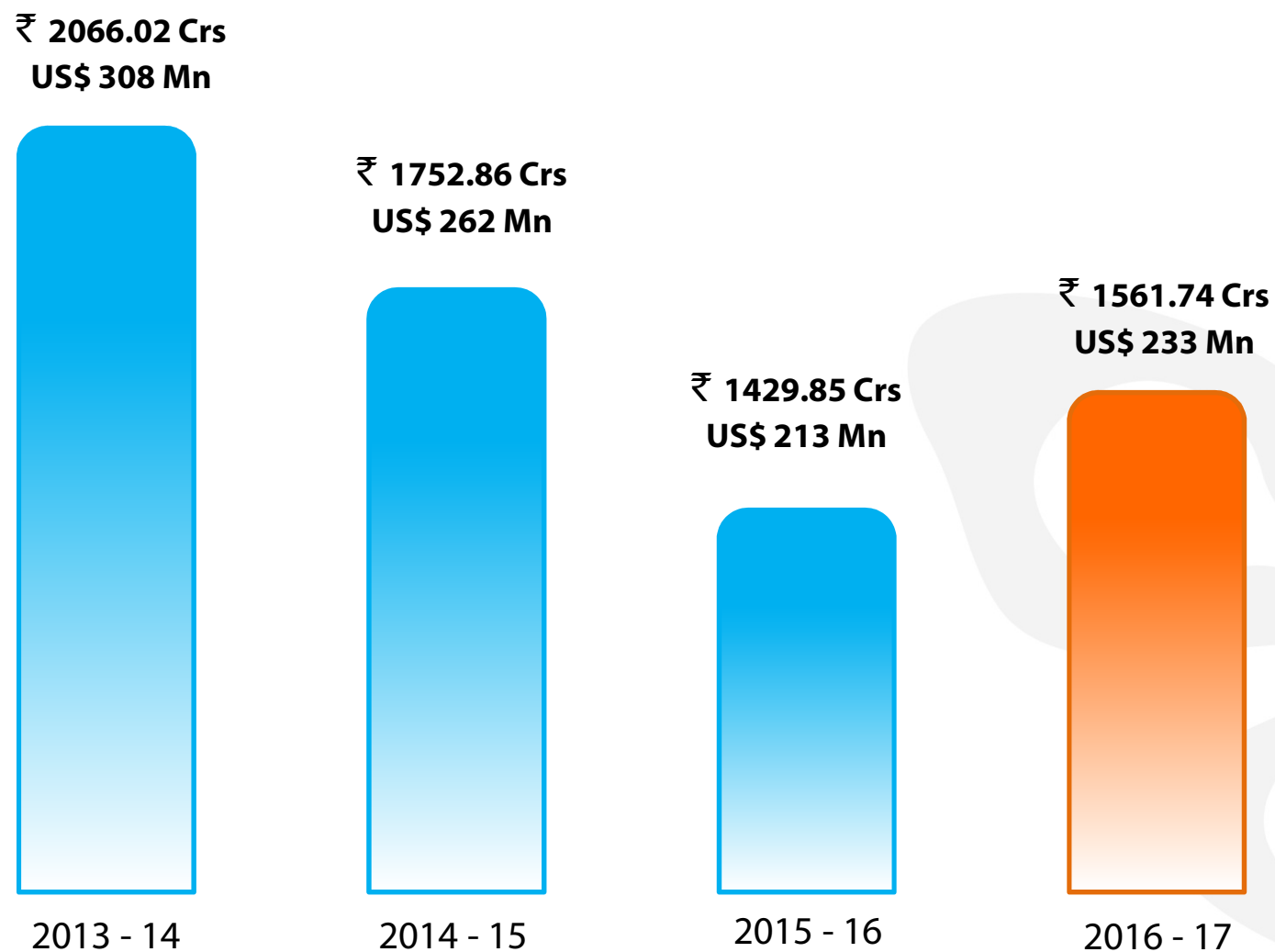
International Business



- Exports to over 120 countries.
- Recognized Star Trading House.
- Among top 10 pharmaceutical exporters from India.
- 47% sales from exports.
- Field-force to promote brands in more than 30 countries of CIS, South East Asia, Middle East, Latin America and Africa.

- Marketing offices in Russia, Ukraine, Vietnam, Philippines, Kenya, Columbia, Sri Lanka, Malaysia and Nigeria (subsidiary company).
- Formulation dossiers for branded formulations registered in 53 countries.

Sales

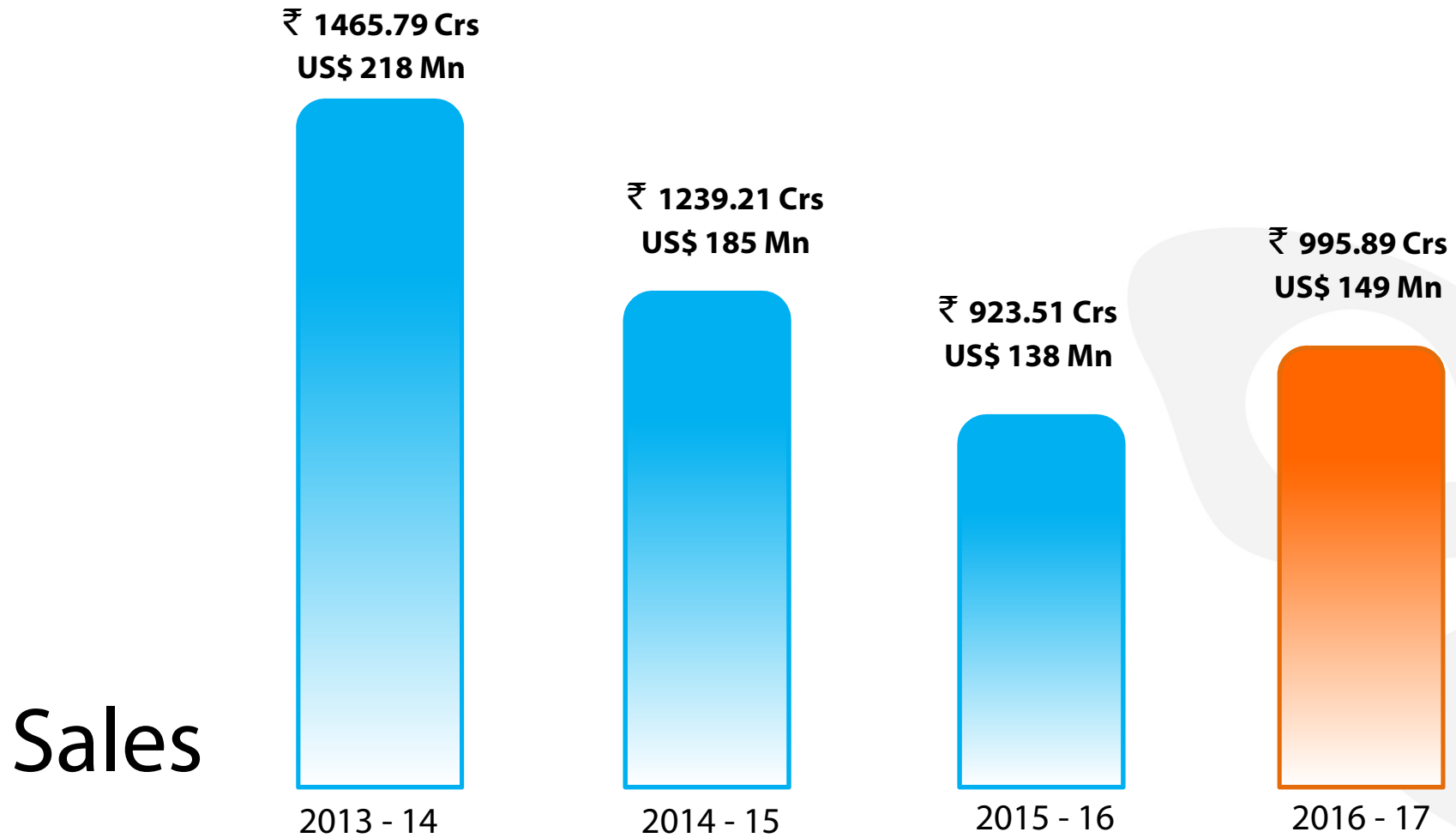


Continent-wise Exports 2016 – 17 (₹ Crs)

Continent	Formulations	Bulk Drugs / Intermediates	Total	% Contribution
Europe	381.25	221.92	603.17	39%
Africa	239.92	22.45	262.37	17%
Americas	107.26	136.48	243.74	16%
Asia	70.78	171.22	242.00	15%
CIS	100.57	9.08	109.65	7%
Australasia	96.11	4.70	100.81	6%
Total	995.89	565.85	1561.74	100%

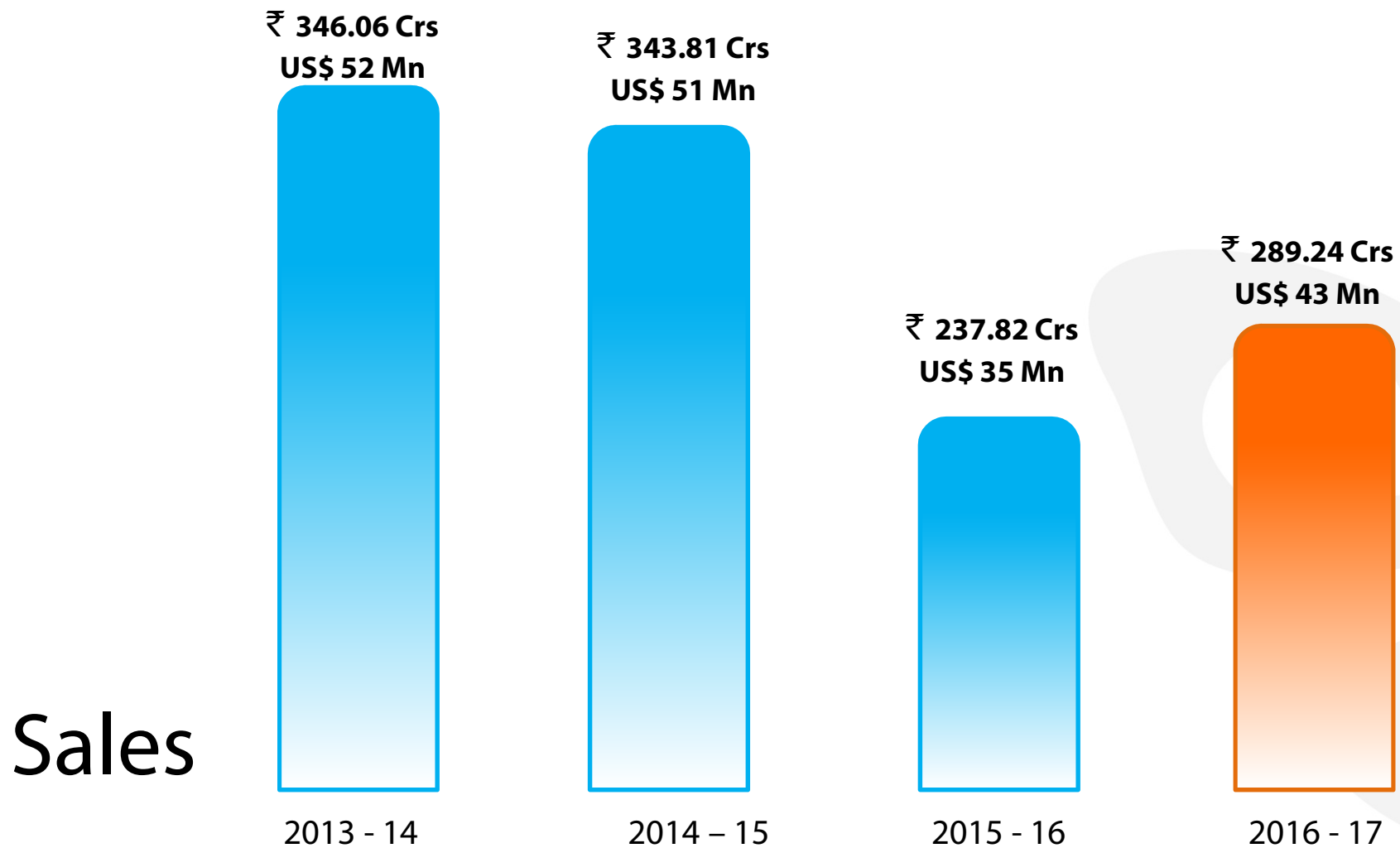
International Formulations





International Branded Formulations



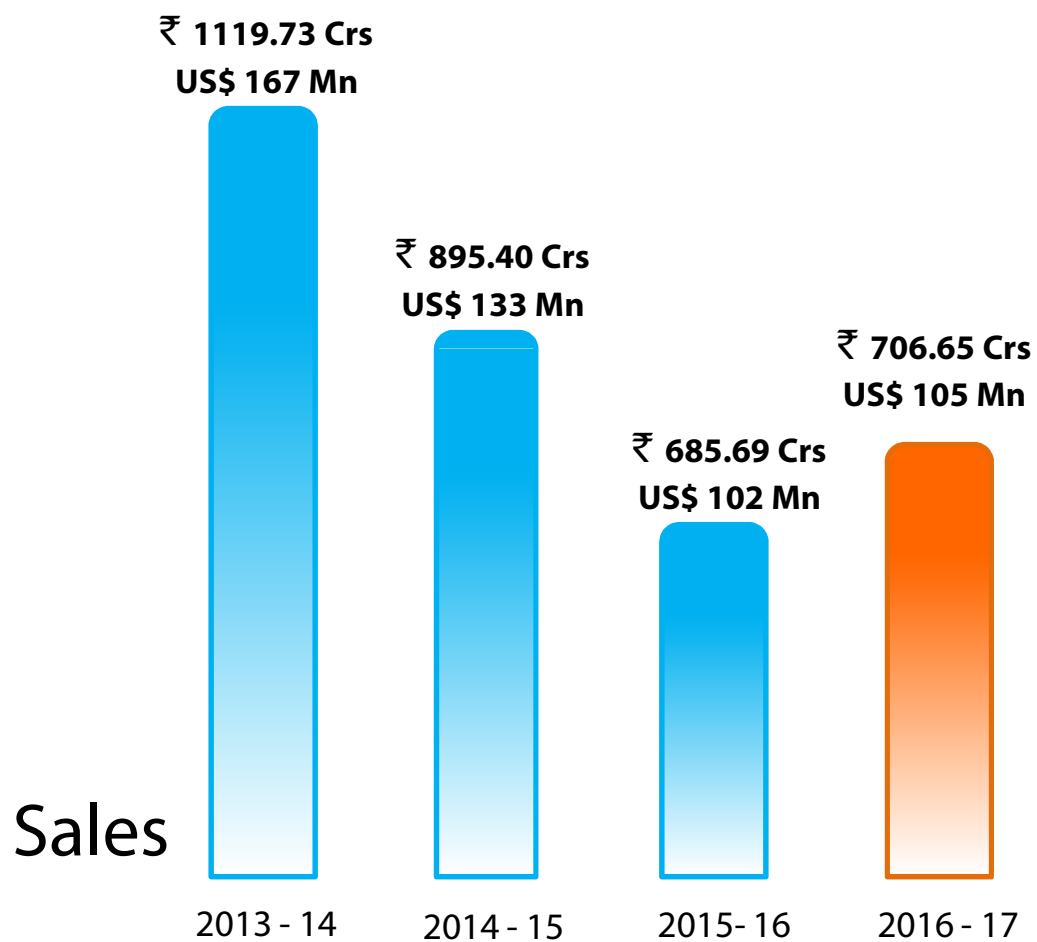


Future Growth Drivers

- Thrust on brand building in Pain, CVS, CNS, Anti-infective and Anti-malarial segments.
- Geographical expansion in covered countries through additional field force.
- Expansion in business lines - Institutions and Distributors.
- Introduction of new products - Existing developed formulations are identified for registration and launch across all continents.

International Generics





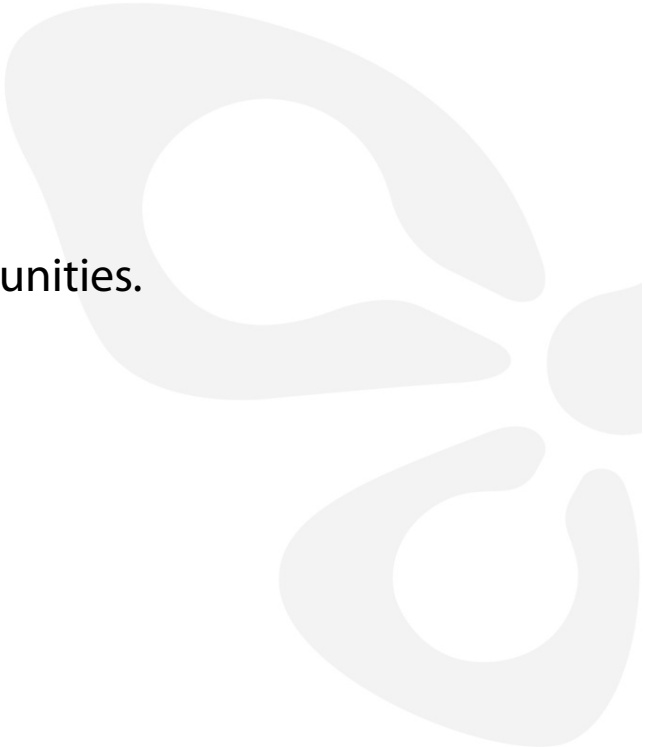
Country	Products Registered	Products Under Registration
United Kingdom / Europe	61	1
Australia / New Zealand	64	5
South Africa	42	21
United States / Canada	33	29

Future Growth Drivers

- Dossiers developed by company approved in UK are being taken for registration in other EU countries.
- Most formulations registered to be backed by own API.
- Sale of generic dossiers with or without supply agreements.
- Contract manufacturing arrangements.

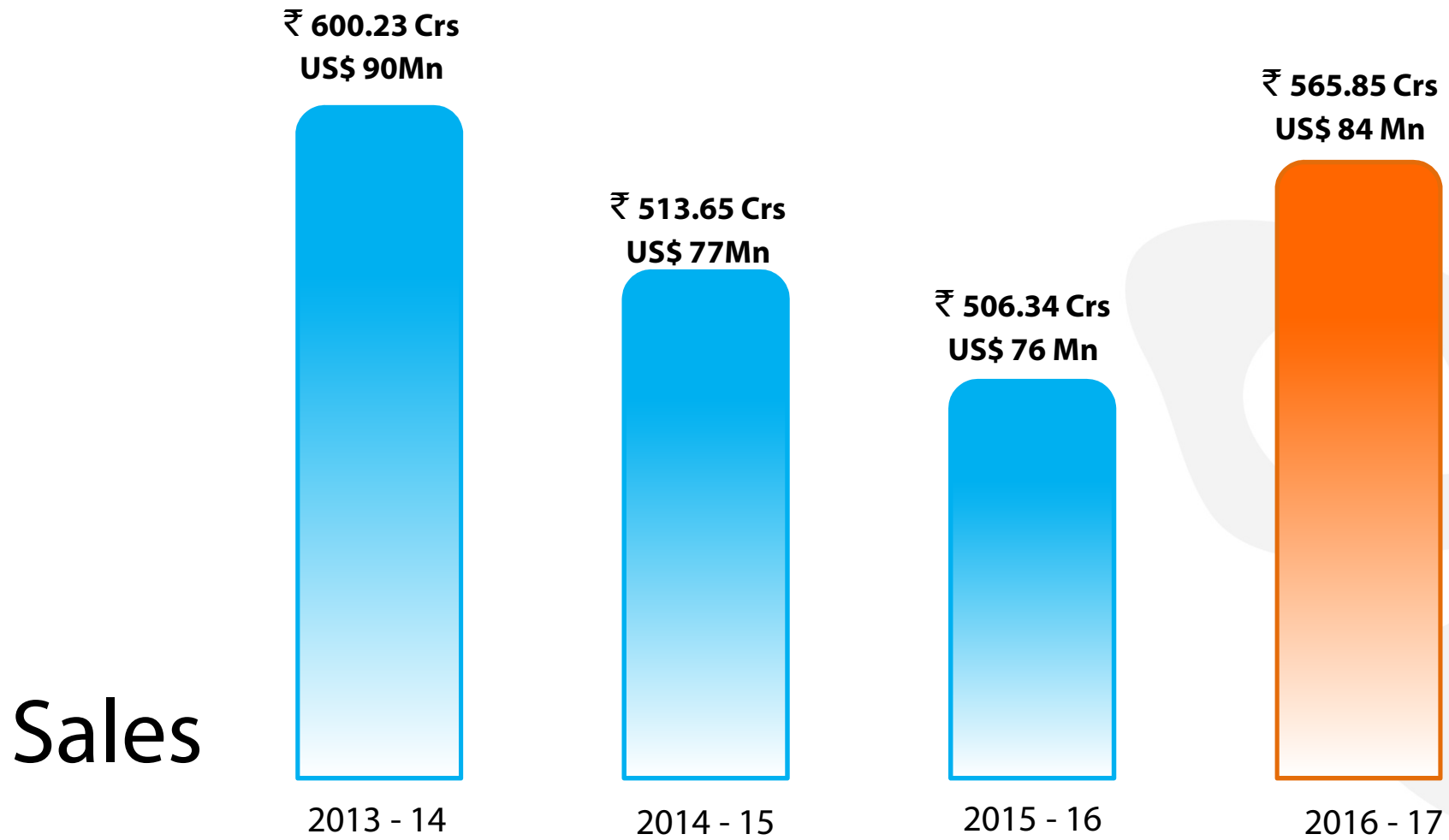


Future Growth Drivers – North America

- Strategic tie up with 3 marketing partners for sale/distribution of Generic formulations.
 - 47 ANDAs filed of which 18 ANDAs are approved.
 - 8 to 10 ANDAs targeted for filing for every year.
 - 505 (b) (2) projects/ Sustained Release Formulations.
 - Exploring contract development and manufacturing opportunities.
- 

International APIs





Sr. No.	Name of the API	US-FDA	EU	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
1	Atenolol	✓		✓		✓	CEP	✓
2	Artemether				✓		✓	
3	Artesunate				✓			
4	Artesunate Sterile				✓			
5	Amodiaquine Hcl				✓			
6	Amlodipine Besylate	✓						✓
7	Allopurinol	✓		✓			CEP	✓
8	Beventalol Hcl					✓		
9	Benzarone					✓		
10	Benzbromarone					✓		
11	Bendroflumethiazide							✓
12	Bisoprolol Fumarate	✓		✓				✓
13	Carvedilol	✓		✓				✓
14	Cetirizine Dihydrochloride	✓					CEP	✓
15	Chloroquine Phosphate	✓						✓

Sr. No.	Name of the API	US-FDA	EU	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
16	Chloroquine Sulphate		✓					
17	Chlorthalidone	✓		✓				✓
18	Citalopram HBR							✓
19	Dihydroartemesinin				✓			
20	Etodolac	✓						✓
21	Famotidine		✓			✓		✓
22	Fenofibrate	✓						✓
23	Fluconazole							✓
24	Flumequine							✓
25	Furosemide	✓		✓		✓	CEP	✓
26	Glimepiride	✓				✓		✓
27	Hydrochlorothiazide	✓		✓		✓	CEP	✓
28	Hydroxyzine Di Hcl	✓						✓
29	Hydroxychloroquine Sulphate	✓	✓	✓			✓	
30	Indapamide	✓		✓				✓

Sr. No.	Name of the API	US- FDA	EU	Canada- HPFB	WHO	Japan - PMDA	Australia	EDQM
31	Losartan Potassium	✓		✓			CEP	✓
32	Lumefantrine		✓		✓			
33	Methylphenidate			✓				✓
34	Mesalamine/ Mesalazine	✓						✓
35	Metformin HCL	✓		✓				✓
36	Metoclopramide HCl	✓		✓			CEP	✓
37	Metoclopramide Base					✓		
38	Metoprolol Succinate	✓						✓
39	Metoprolol Tartrate	✓		✓		✓		✓
40	Midodrine Hydrochloride	✓						
41	Nabumetone	✓						✓
42	Nifedipine					✓		✓
43	Ondansetron Hydrochloride	✓		✓				✓
44	Ondansetron Base	✓						
45	Paroxetine Hcl							✓

Sr. No.	Name of the API	US-FDA	EU	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
46	Primaquine Phosphate	✓	✓				✓	
47	Piperaquine Phosphate				✓			
48	Probenecid	✓						
49	Proguanil Hydrochloride	✓						✓
50	Propranolol HCl	✓		✓		✓	CEP	✓
51	Pyrantel Pamoate	✓		✓				✓
52	Pyrimethamine Hcl	✓						✓
53	Promethazine Hydrochloride	✓						
54	Quetiapine Fumarate	✓	✓	✓				
55	Risperidone	✓						
56	Residronate Sodium	✓						
57	Ractopamine Hcl	✓		✓				
58	Sodium Alendronate	✓				✓		✓
59	Sulfadoxine		✓		✓			
60	Telmisartan	✓						

Sr. No.	Name of the API	US-FDA	EU	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
61	Torseamide	✓						✓
62	Tramadol Hydrochloride	✓		✓				✓
63	Trimethoprim	✓				✓	CEP	✓
64	Triamterene	✓						✓
65	Triclabendazole		✓					
66	Valsartan	✓						✓
67	Venlafexine	✓						
68	Warfarin Sodium Clathrate	✓						✓
69	Warfarin Sodium						CEP	✓
70	Zaltoprofen					✓		
71	Zoledronic Acid	✓						
	Total	47	8	20	8	15	13	43

Note : Australia accept CEP issued by EDQM

Future Growth Drivers

- Pursuing MNC tie-ups for supply agreements.
- Non-infringing process Patent filed for APIs.



Future Growth Drivers

- Own API manufacturing to back formulations, especially for the Generic market.
- Exploring strategic business relationship with smaller API manufacturers for increasing product basket.

Research & Development

APIs & Formulations



R & D Spending		
Year	₹ Crs	% to Sales
2012-13	100.74	3.65%
2013-14	123.24	3.81%
2014-15	157.19	5.09%
2015-16	137.67	4.91%
2016-17	125.67	4.06%

- Current scientist manpower of over 600.
- Research focus on developing APIs with non-infringing process and development of finished dosage forms.
- Development of NDDS for domestic and international market.
- 228 patent applications filed.

Future Strategy

- Bio-tech / fermentation research facility established and working under contract research on two products.
- Undertaking contract research activities for APIs & Formulations for international clients.





Acquisition of 100% share capital of Pisgah Labs Inc., USA by Company's subsidiaries

Acquisition of 100% share capital of Pisgah Labs Inc., USA by Ipca Pharmaceutical Inc., USA (Company's Wholly owned subsidiary) and Onyx Scientific Ltd., U.K (Onyx) (Company's wholly owned step down subsidiary) for US\$ 9.65 millions free of debt.

Pisgah Labs Inc., North Carolina , USA was originally founded in the year 1981 as contract manufacturer and developer of active pharmaceutical ingredients (APIs) and intermediates.

Pisgah Labs Inc. has been a chemistry solutions provider for over three decades and will continue to operate out of its North Carolina manufacturing facility under the Pisgah trade name. Onyx and Pisgah's capabilities in chemistry services will dovetail effectively with company's capabilities in supporting Phase II to commercial scale programmes and also enable the company to manufacture small volume APIs for US market.

For the financial year ended 30th April, 2017, Pisgah had a total income of US\$ 2.89 millions and EBIDTA of US \$ 1.14 million.

This acquisition was completed upon signing of Stock Purchase Agreement and transfer of shares in the name of the Company's subsidiaries on 16th January ,2018 in USA.

Thank you

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