Ipca Laboratories Ltd.

Corporate Presentation

Mar 2023

Company Overview

Incorporation	:	1949
Present Management	:	Since 1975
Total income F. Y. 2022-23	:	Rs. 5925.81 Crs / US$ 739 Mn (Standalone) Rs. 6369.94 Crs / US$ 794 Mn (Consolidated)
Exports F. Y. 2022-23	:	Rs. 2643.42 Crs / US$ 330 Mn
Business Model	:	Integrated pharmaceutical company producing Branded and Generics Formulations, APIs and Intermediates

Five Years' Highlights
Standalone

	2018-19	2019-20	2020-21	2021-22	2022-23
Domestic Income (Rs. Crs)	1,956.90	2,288.37	2,484.21	2,983.09	3,282.39
Domestic Income (US $ Mn)	276.24	323.03	333.94	400.58	409.17
Export Income (Rs. Crs)	1,730.84	2,143.75	2,717.19	2,508.13	2,643.42
Export Income (US $ Mn)	244.33	302.62	365.26	336.80	329.52
Total Income (Rs. Crs)	3,687.74	4,432.12	5,201.40	5,491.22	5,925.81
Total Income (US $ Mn)	520.57	625.65	699.20	737.38	738.69
Net Profit After Tax (Rs. Crs	454.91	652.46	1,140.77	860.37	505.70
Net Profit After Tax (US $ Mn	64.22	92.10	153.35	115.53	63.04

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Five Years' Highlights
Consolidated

	2018-19	2019-20	2020-21	2021-22	2022-23
Domestic Income (Rs. Crs)	1,956.90	2,327.88	2,519.77	3,077.75	3,391.07
Domestic Income (US $ Mn)	276.24	328.61	338.72	413.29	422.72
Export Income (Rs. Crs)	1,873.96	2,387.83	2,963.06	2,818.61	2,978.87
Export Income (US $ Mn)	264.53	337.07	398.31	378.49	371.34
Total Income (Rs. Crs)	3,830.86	4,715.71	5,482.83	5,896.36	6,369.94
Total Income (US $ Mn)	540.77	665.68	737.03	791.78	794.06
Net Profit After Tax (Rs. Crs	442.22	603.56	1,140.01	884.08	471.32
Net Profit After Tax (US $ Mn	62.43	85.20	153.25	118.72	58.75

Manufacturing Facilities

Formulations

Manufacturing Facilities
Formulations

Location	Dosage Form	Approvals / Inspections
Athal (Dadra & Nagar Haveli)	Tablets & Capsules	UK-MHRA, TGA-Australia, WHO-Geneva, EU Certification by German Authority, Health Canada, GCC, MOH-Columbia, FDA Ghana, MOH Oman, NDA - Uganda, NHRA – Bahrain, Medicine and Drug Control - Ukraine, CDSCO – India, MOH Kenya, TMDA Tanzania, MOH Russia, Republic of Yemen
Ratlam (Madhya Pradesh)	Tablets, Liquids, Dry Syrup, Injectables & Ointments	MCC-South Africa, INVIMA Colombia, WHO-Geneva, State Administration of Ukraine, MOH Belarus, NAFDAC-Nigeria, DIGEMID Peru, FDA Ghana, MOH Tanzania, MOH Russia, MCA-Zimbabwe, NDA – Uganda, MOH – Yemen, CDSCO – India.
Kandla (Gujarat)	Betalactum – Tablets, Capsules & Dry Syrups	UK-MHRA, MCC-South Africa, TGA- Australia, National Drug Authority (NDA)- Uganda, Agency for Medicinal Products and Medical Devices (HALMED) – Croatia, TFDA - Tanzania, Zimbabwe -MCAZ, Ivory Coast- ICHA, NAFDAC CGMP - Nigeria, GCC, FDA Ghana, Supreme Board for Medicine and Medical Appliances / MoH – Yemen, INVIMA, Columbia, Ministry of Industry and Trade of Russian Federation, Russia

Manufacturing Facilities
Formulations

Location	Dosage Form	Approvals / Inspections
Silvassa (Dadra & Nagar Haveli)	Tablets & Capsules	WHO-GMP, TGA-Australia, Health-Canada, Local FDA
Dehradun, (Uttarakhand)	Tablets & Cephalosporin Injectables	Unit – I : WHO-GMP Unit - II: WHO-GMP, GHANA-FDA, NAFDAC – Nigeria, TFDA (Tanzania Food & Drugs Administration) , FDA- Uttarakhand, Republic of Yemen
Indore (SEZ), (Madhya Pradesh)	Tablets & Capsules	UK-MHRA, Health Canada, MCC-South Africa, TGA – Australia, WHO GMP, WHO Geneva
Sikkim	Tablets & Capsules	ISO 9001, ISO 14001, ISO OHSAS 1800, WHO GMP
Tarapur ,Palghar (Maharashtra)	Tablets	WHO-GMP NDA (Uganda), Pharmacy & Poisons Board- MOH (Nairobi, Kenya)

Manufacturing Facilities

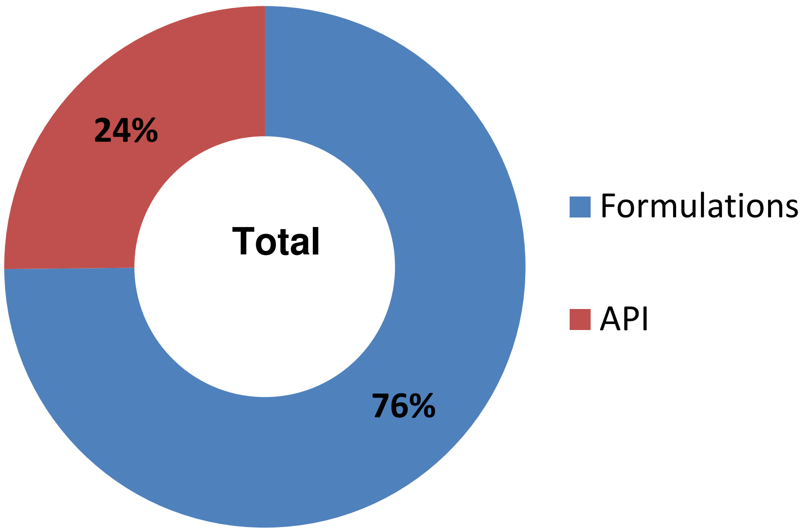
Active Pharmaceutical Ingredients (APIs)

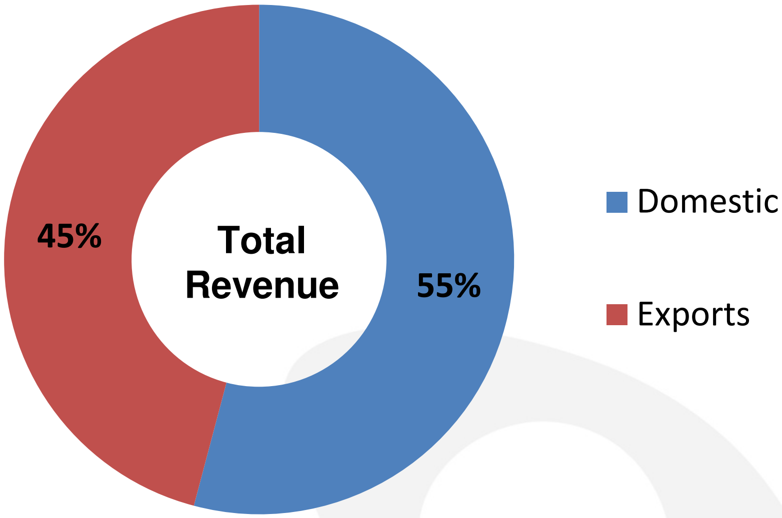
Manufacturing Facilities
APIs

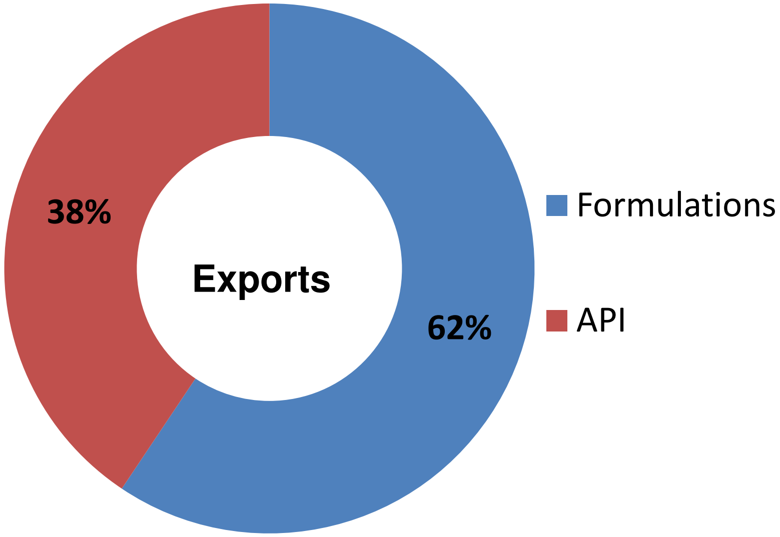
Location	Approvals / Inspections
Ratlam (Madhya Pradesh)	TGA-Australia, EDQM, PMDA-Japan, WHO-Geneva, Health Canada, EU-GMP (LaGesso, Berlin), MOH Russia, MFDS (Korea), CDSCO- India, Cofepris (Mexico), EU WC, ANVISA (Brazil)
Indore (Madhya Pradesh)	WHO-Geneva, CDSCO- India, EU WC
Ankleshwar (Gujarat)	PMDA –Japan, CDSCO- India, Cofepris (Mexico), EU WC
Nandesari (Gujarat)	CDSCO- India, EU WC
Aurangabad (Maharashtra)	USFDA, MOH Russia, MFDS, CDSCO- India, EU WC, TGA
Mahad (Maharashtra)	State FDA
Ranu (Taluka Padra) (Gujarat)	CDSCO- India, Cofepris (Mexico), EU WC
Tarapur (Ramdev Chemical Pvt. Ltd., Boisar (Maharashtra)	USFDA, CDSCO- India, EU WC

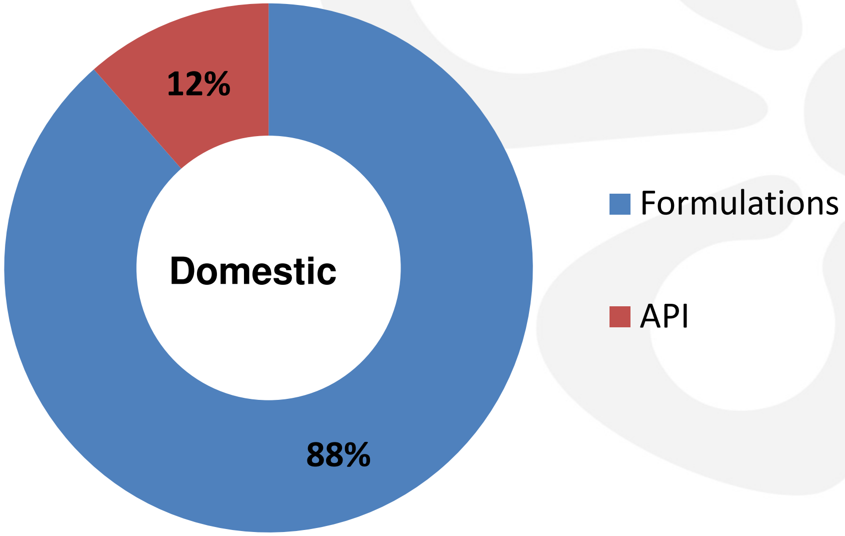
Revenue Break-up

Revenue Break-up - Standalone
2022 - 23









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Revenue Break-up Standalone

Rs. Crs	2022--23			2021-22			Growth
	Domestic	Exports	Total	Domestic	Exports	Total	
Branded Formulations	2760.71	504.79	3265.50	2508.27	415.99	2924.26	11.7%
Generic/ Institution/ Tender Formulations	-	1134.40	1134.40	-	1070.75	1070.75	5.9%
Total Formulations	2760.71	1639.19	4399.90	2508.27	1486.74	3995.01	10.1%
API / Intermediates	373.05	1004.23	1377.28	358.7	1021.39	1380.09	-0.2%
Others	148.63	-	148.63	116.12	-	116.12	
Total Income	3282.39	2643.42	5925.81	2983.09	2508.13	5491.22	7.9%
Growth	10.0%	5.4%	7.9%				

Financials

	F.Y. 2022 - 23		F.Y. 2021 - 22		
	Rs. Crs	US $ Mn	Rs. Crs	US $ Mn	% Growth
Total Income	5925.81	739	5491.22	737	8%
EBIDT	1054.05	131	1259.52	169	-16%
EBIDT %	17.79%		22.94%		
PBT #	750.49	94	1074.11	144	-30%
PBT %	12.66%		19.56%		
PAT #	505.70	63	860.37	116	-41%
PAT %	8.53%		15.67%		

After forex loss of Rs. 31.01 Crs as against forex gain of Rs. 31.48 Crs for previous year.

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Financials - Standalone

Profitability	FY 2022-23	FY 2021-22
PBIDT	17.79%	22.94%
PBT	12.66%	19.56%
PAT	8.53%	15.67%

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Financials - Standalone

Business Characteristics	FY 2022-23	FY 2021-22
Return on Capital Employed % (PBIT / Capital Employed)	11.59%	17.85%
Return on Net Worth % (PAT / Net Worth)	8.60%	15.71%
Fixed Asset Turnover Ratio (Total Income / Net Fixed Assets)	2.28	2.24
Capital Employed Turnover Ratio (Total Income / Capital Employed)	0.86	0.91
Asset Coverage Ratio (to term loan) (Net Fixed Assets / Total Long Term Borrowings)	3.27	5.79
Long Term Debt Equity Ratio (Total Long Term Borrowings / Net Worth)	0.14	0.08
Debtors Turnover Ratio (Days) (Trade Receivables / Turnover) x 365	58.50	55.97
Creditors Turnover Ratio (Days) (Trade Payables / Purchases) x 365	104.02	108.12
Inventory Turnover Ratio (Days) (Inventory / Turnover) x 365	104.89	120.84

Growth	FY 2022-23	FY 2021-22
Net Total Income	7.9%	4.9%
Domestic Sales	9.3%	19.7%
Export Sales	5.4%	-7.9%
PBIDT	-16.3%	-17.4%
PBT	-30.1%	-21.1%
Net Profit	-41.2%	-23.7%

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Financials - Consolidated

	F.Y. 2022 - 23		F.Y. 2021 - 22		
	Rs. Crs	US $ Mn	Rs. Crs	US $ Mn	% Growth
Total Income	6369.94	794	5896.36	792	8%
EBIDT	1083.77	135	1345.04	181	-19%
EBIDT %	17.01%		22.81%		
PBT #	745.29	93	1135.72	153	-34%
PBT %	11.70%		19.26%		
PAT #	471.32	59	884.08	119	-47%
PAT %	7.40%		14.99%		

After forex loss of Rs. 31.38 Crs as against forex gain of Rs. 30.79 Crs for previous year.

Financials - Consolidated

Business Characteristics	FY 2022-23	FY 2021-22
Return on Capital Employed % (PBIT / Capital Employed)	15.21%	18.65%
Return on Net Worth % (PAT / Net Worth)	10.58%	15.95%
Fixed Asset Turnover Ratio (Total Income / Net Fixed Assets)	2.92	2.18
Capital Employed Turnover Ratio (Total Income / Capital Employed)	1.23	0.96
Asset Coverage Ratio (to term loan) (Net Fixed Assets / Total Long Term Borrowings)	3.63	6.40
Long Term Debt Equity Ratio (Total Long Term Borrowings / Net Worth)	0.13	0.08
Debtors Turnover Ratio (Days) (Trade Receivables / Turnover) x 365	43.82	57.65
Creditors Turnover Ratio (Days) (Trade Payables / Purchases) x 365	81.74	109.15
Inventory Turnover Ratio (Days) (Inventory / Turnover) x 365	77.24	117.60

Financials - Consolidated

Growth	FY 2022-23	FY 2021-22
Net Total Income	8.0%	7.5%
Domestic Sales	9.5%	22.7%
Export Sales	5.7%	-4.9%
PBIDT	-19.4%	-14.1%
PBT	-34.4%	-18.2%
Net Profit	-46.7%	-22.4%

Financials - Standalone
Contribution of Therapeutic Groups

Therapeutic Segment	Domestic		Exports	
	2022-23	2021 – 22	2022-23	2021 – 22
Non Steroidal Anti-Inflammatory Drugs (NSAID)	52%	49%	28%	24%
Cardiovasculars & Anti-Diabetics	16%	17%	24%	25%
Anti-Bacterials	6%	7%	6%	6%
Anti-Malarials	3%	5%	22%	24%
Gastro-Intestinal (GI) Products	2%	3%	5%	6%
Neuro Psychiatry	3%	3%	5%	7%
Cough Preparations	5%	5%	1%	2%
Dermatology	6%	5%	-	-
Urology	4%	3%	-	-
Neutraceuticals	1%	1%	-	-
Others	2%	2%	9%	6%
Total	100%	100%	100%	100%

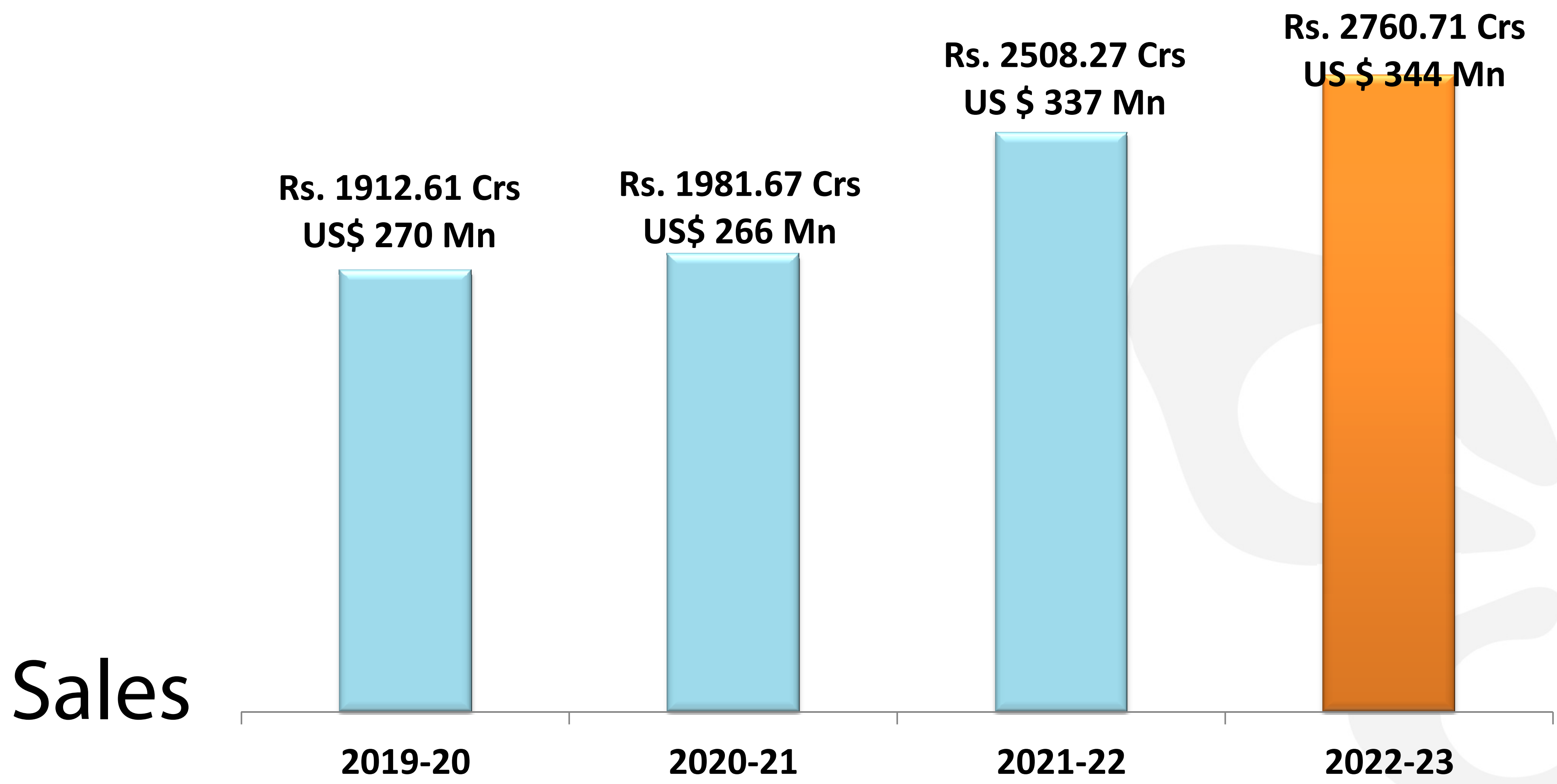
Branded Formulations

Domestic

Branded Formulations
Domestic

- All India Rank IQVIA : 17th (MAT Mar'23).
- 24 Depots & 1 C&F agents.
- 21 Therapy Focused Marketing Divisions.
- Field Strength (PSR/ BA)– 6018
- Over 4000 Wholesalers.
- 5 brands among top 300 brands (Zerodol-SP, Zerodol-P, HCQS, Zerodol TH & Folitrax).
- Market leaders in Rheumatoid Arthritis & Anti-malarials .

Branded Formulations
Domestic



Future Growth Drivers

- 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.

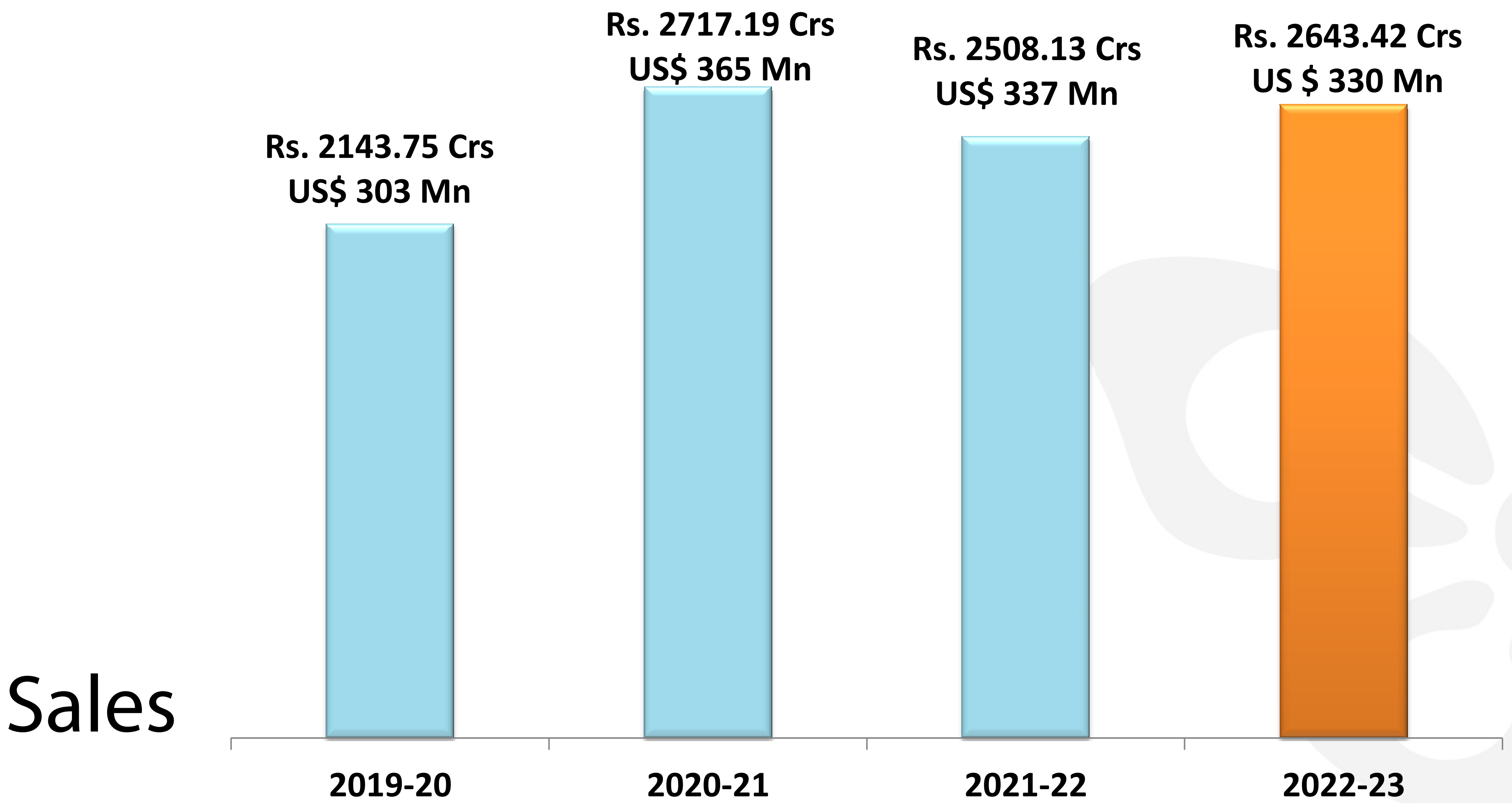
International Business

International Business

- Products of the company are now exported to over 100 countries across the globe.
- Recognized Star Trading House.
- 47% sales from exports.
- Field-force to promote brands in more than 35 countries of CIS, South East Asia, Middle East, Latin America and Africa.

- Marketing offices in Russia, Ukraine, Kazakhstan, Belarus , Vietnam, Philippines, Sri Lanka, Myanmar Kenya, Colombia, and Nigeria & Mexico (subsidiary company).
- Formulation dossiers for branded formulations registered in 57 countries.

International Business

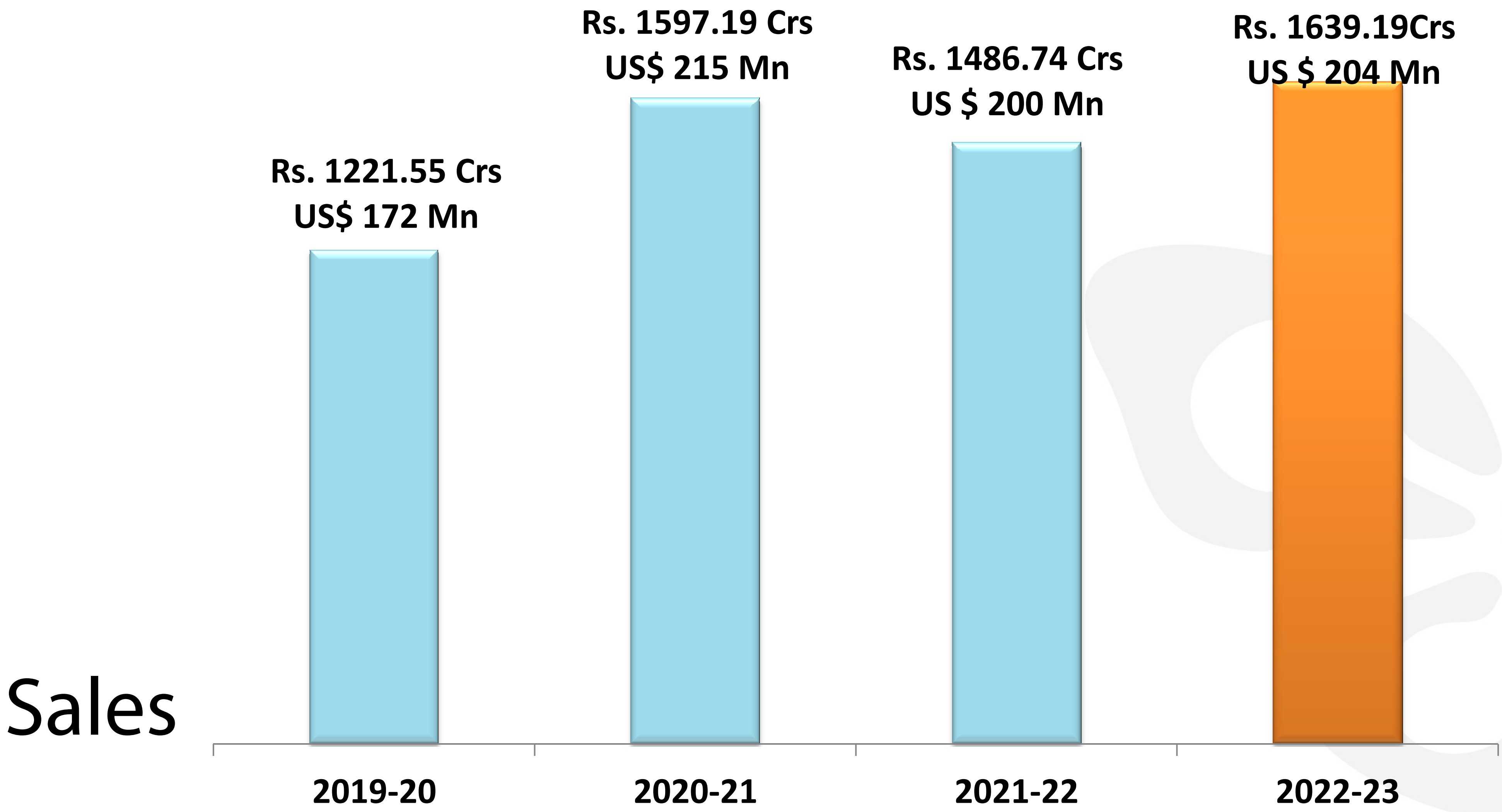


Continent-wise Exports 2022 –23 (Rs. Crs)				
Continent	Formulations	Bulk Drugs / Intermediates	Total	% Contribution
Europe	486.11	273.53	759.64	29%
Africa	416.76	55.05	471.81	18%
Americas	163.17	297.79	460.96	17%
Asia	110.82	341.52	452.34	17%
CIS	188.44	32.53	220.97	8%
Australasia	273.89	3.81	277.70	11%
Total	1639.19	1004.23	2643.42	100%

International

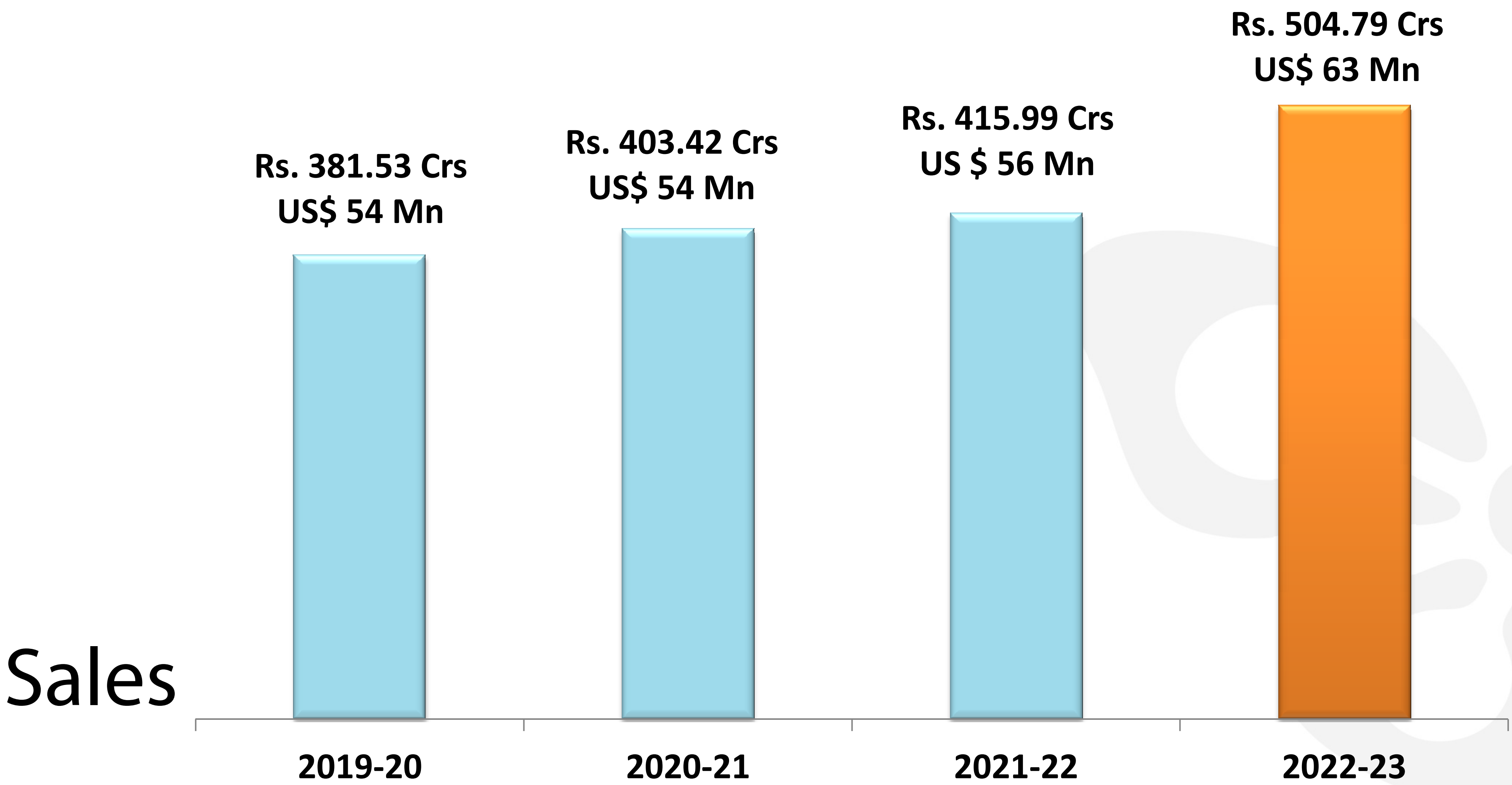
Formulations

International Formulations



International

Branded Formulations


Rs. 381.53 Crs
US$ 54 Mn
Rs. 403.42 Crs
US$ 54 Mn
Rs. 415.99 Crs
US $ 56 Mn
Rs. 504.79 Crs
US$ 63 Mn
Sales
2019-20
2020-21
2021-22
2022-23

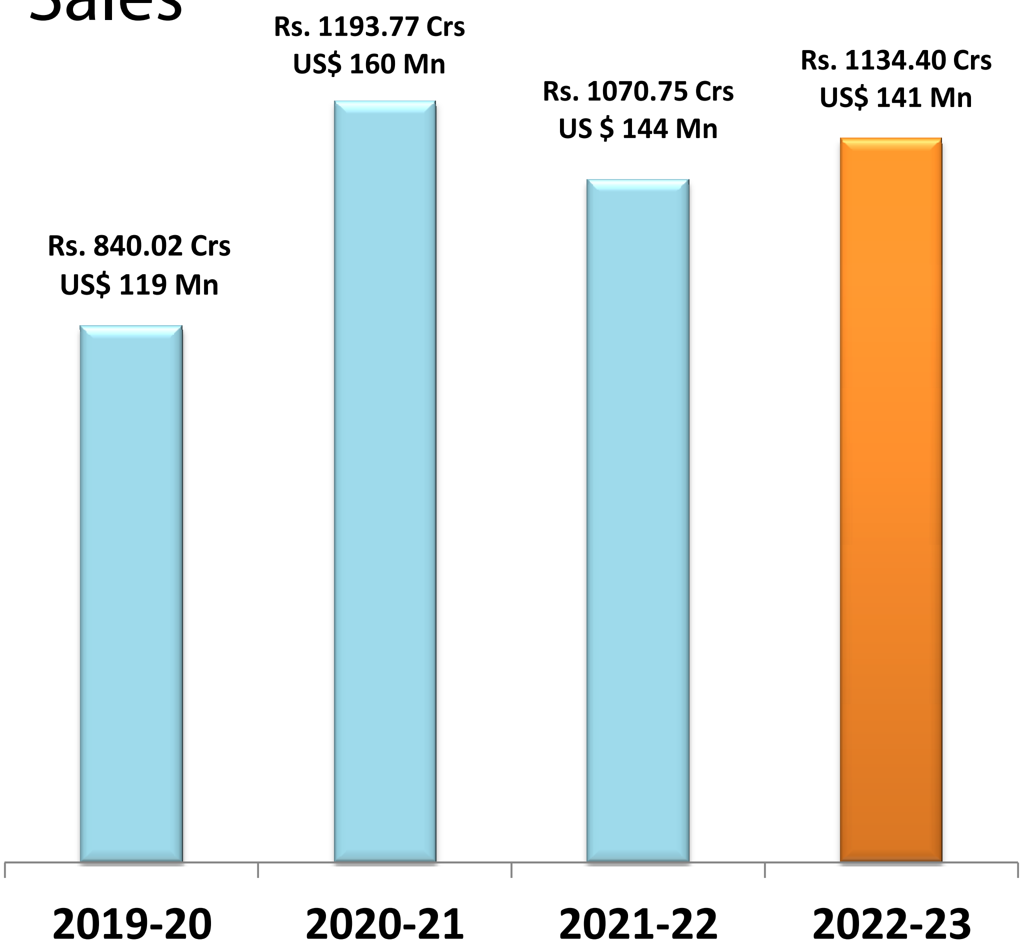
Future Growth Drivers

- 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/ Institution/ Tender

Sales



Country	Products Registered	Products Under Registration
United Kingdom / Europe	89	9
Australia / New Zealand	73	3
South Africa	52	11
United States / Canada	35	26

Future Growth Drivers

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

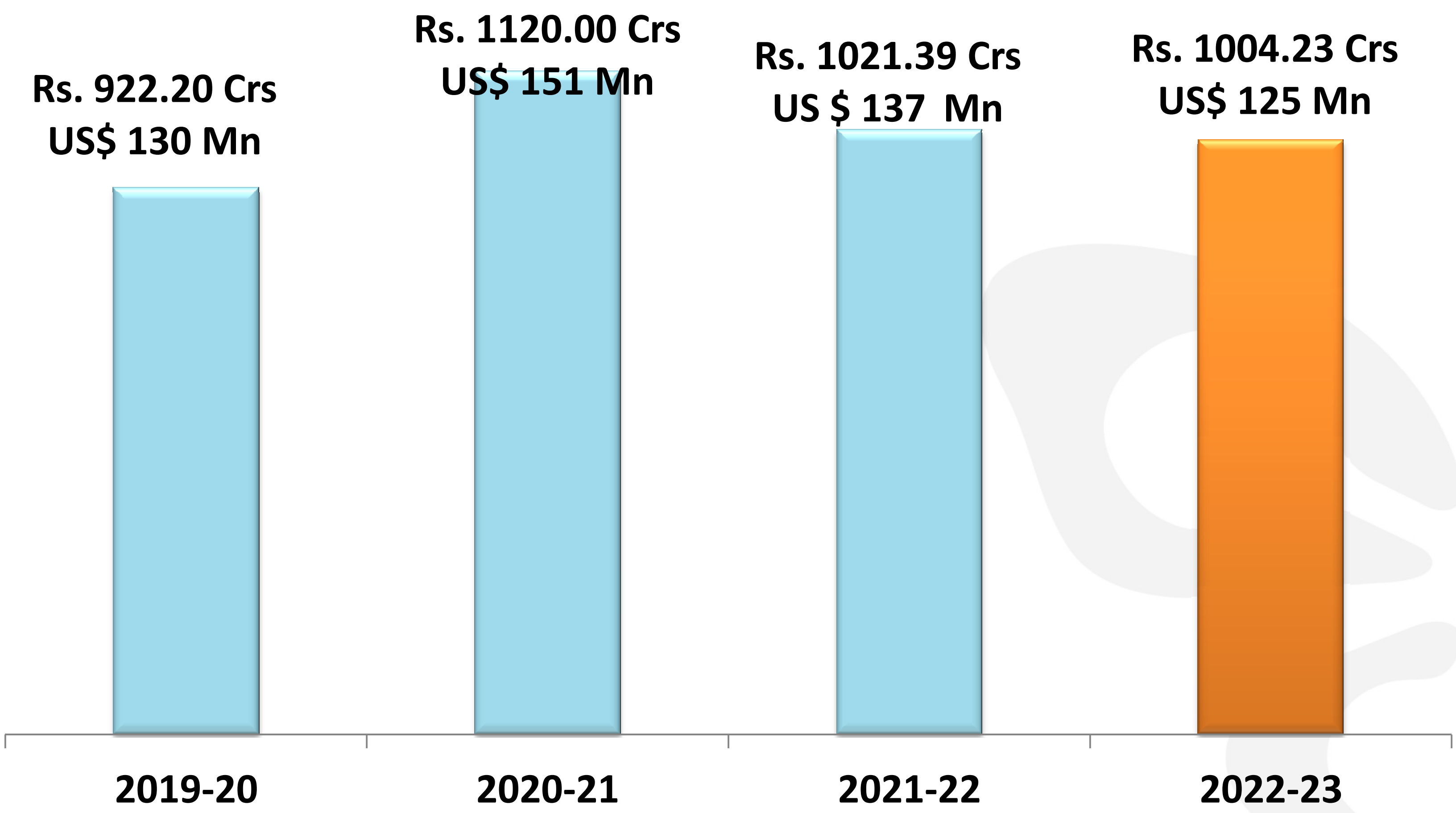
Future Growth Drivers – North America

- Strategic tie up with 3 marketing partners for sale/distribution of Generic formulations.
- 44 ANDAs filed of which 18 ANDAs are approved.
- Exploring contract development and manufacturing opportunities.

International

APIs

Sales


Rs. 922.20 Crs
US$ 130 Mn
Rs. 1120.00 Crs
US$ 151 Mn
Rs. 1021.39 Crs
US $ 137 Mn
Rs. 1004.23 Crs
US$ 125 Mn
2019-20
2020-21
2021-22
2022-23

APIs – Drug Master Files

Sr. No.	Name of the API	US-FDA	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
1	Alendronate Sodium	✔			✔		✔
2	Allopurinol	✔	✔			CEP	✔
3	Amlodipine Besylate	✔					✔
4	Amodiaquine Hcl			✔			
5	Artemether			✔		✔	
6	Artesunate			✔			
7	Artesunate Sterile			✔			
8	Atenolol	✔	✔		✔	CEP	✔
9	Atovaquone						✔
10	Bendroflumethiazide						✔
11	Benzarone				✔		
12	Benzbromarone				✔		
13	Bisoprolol Fumarate	✔	✔				✔
14	Carvedilol	✔	✔				✔
15	Cetrizine Hydrochloride (CZ Process)	✔					

Sr. No.	Name of the API	US-FDA	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
16	Cetrizine Hydrochloride (CZ5/ CZ6 Process)	✔				CEP	✔
17	Chloroquine Phosphate	✔					✔
18	Chlorthalidone (CT3/CT7 Proces	✔	✔				✔
19	Chlorthalidone (CT6 Process)	✔					✔
20	Citalopram HBR						✔
21	Dihydroartemesinin			✔			
22	Etodolac (ED6 Process)	✔					
23	Etodolac (ED7 Process)	✔					✔
24	Famotidine				✔		✔
25	Famotidine (FM3 Process)						✔
26	Fenofibrate						✔
27	Fluconazole						✔
28	Flumequine						✔
29	Furosemide	✔	✔		✔	CEP	✔
30	Furosemide (Vetinary)		✔				

International

APIs – Drug Master Files

Sr. No.	Name of the API	US-FDA	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
31	Glimepiride	✔			✔		✔
32	Hydrochlorothiazide (Process I)	✔	✔		✔	CEP	✔
33	Hydrochlorothiazide (Process II)	✔					✔
34	Hydrochlorothiazide (Process III)						✔
35	Hydroxychloroquine Sulphate	✔	✔			✔	✔
36	Hydroxyzine Di Hcl	✔					✔
37	Indapamide	✔	✔				✔
38	Lamotrigine						✔
39	Losartan Potassium (LB3 Proces	✔					
40	Losartan Potassium (LB4 Process)						✔
41	Losartan Potassium (LB7 Process)		✔				✔
42	Lumefantrine			✔			
43	Mesalamine (MZ4 Process)	✔					✔
44	Mesalazine						
45	Mesalazine (MZ4B Process)						✔

Sr. No.	Name of the API	US-FDA	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
46	Metformin HCL (ML Process)	✔					
47	Metformin HCL (ML2 Process)	✔	✔			CEP	✔
48	Methylphenidate HCL		✔			CEP	✔
49	Metoclopramide Base				✔		
50	Metoclopramide HCl					CEP	✔
51	Metoclopramide HCl (M Process)	✔	✔				
52	Metoprolol Succinate	✔				CEP	✔
53	Metoprolol Tartrate	✔	✔		✔	CEP	✔
54	Metoprolol Tartrate (O3/O5 Proce	✔					
55	Midodrine Hydrochloride	✔					
56	Nabumetone	✔					✔
57	Nifedipine				✔		✔
58	Olanzapine	✔					
59	Ondansetron Base	✔	✔			✔	
60	Ondansetron Hydrochloride	✔	✔			CEP	✔

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International

APIs – Drug Master Files

Sr. No.	Name of the API	US-FDA	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
61	Paroxetine Hcl					CEP	✓
62	Piperaquine Phosphate			✓			
63	Primaquine Phosphate	✓				✓	
64	Probenecid	✓					
65	Proguanil Hydrochloride	✓					✓
66	Promethazine Hydrochloride	✓					
67	Propranolol HCl	✓	✓		✓	CEP	✓
68	Pyrantel embonate		✓				✓
69	Pyrantel Pamoate	✓					
70	Pyrimethamine	✓					✓
71	Quetiapine Fumarate	✓	✓			CEP	✓
72	Ractopamine Hcl	✓	✓				
73	Risedronate Sodium Hemi-Pentahydrate	✓					
74	Risperidone	✓					
75	Telmisartan						✓

Sr. No.	Name of the API	US-FDA	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
76	Telmisartan (WT3A Process)	✔					
77	Torsemide	✔					✔
78	Tramadol Hydrochloride	✔					
79	Tramadol Hydrochloride (YT2 Process)						✔
80	Tramadol Hydrochloride (YT3 Process)		✔				✔
81	Triamterene	✔					✔
82	Trimethoprim				✔	CEP	✔
83	Trimethoprim (T Process)	✔					
84	Trimethoprim (T4 Process)	✔					
85	Valsartan (VA2 Process)		✔				
86	Valsartan (VA6 Process)	✔					✔
87	Venlafexine Hydochloride	✔					✔
88	Warfarin Sodium					CEP	✔
89	Warfarin Sodium Clathrate	✔					✔
90	Zaltoprofen				✔		

Sr. No.	Name of the API	US-FDA	Canada-HPFB	WHO	Japan - PMDA	Australia	EDQM
91	Hydroxyzine Pamoate	✔					
92	Meloxicam	✔					✔
	Total	**55**	**23**	**7**	**14**	**20**	**57**

Note : Australia accept CEP issued by EDQM

Future Growth Drivers

- Consolidate API business of Sartans across the globe.
- Long term strategic tie-ups with major South American/European formulators.
- Leverage the customer base of more than 1000 customers spread across 90 countries is well laid down platform to introduce Ipca new pipeline products.
- Increased focus in emerging markets like LATAM, CIS & China
- 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	Rs. Crs	% to Sales
2018-19	89.35	2.50%
2019-20	101.04	2.35%
2020-21	126.67	2.49%
2021-22	141.46	2.63%
2022-23	156.49	2.71%

Research & Development
APIs & Formulations

- Current scientist manpower of around 456
- Research focus on developing APIs with non-infringing process and development of finished dosage forms.
- Development of NDDS for domestic and international market.
- 248 patent applications filed.
- Bio-tech / fermentation research facility established .
- Undertaking contract research activities for APIs & Formulations for international clients.

Inception of Advanced Biotech Lab (Biosimilar R&D)

- Established “state of the art” R&D in 2015
- Lashed with modern equipments and HTP devices
- Capable of In-house development from “Clone to Clinic”
- Scientific staff : 60+
- Products:
  - Mammalian based “mAbs”
  - Microbial based “Non-mAbs”

Biosimilar Pipelines

➢ **Molecules: Anti-cancer and Anti-inflammatory mAbs**

Molecules	Stage of Development			
	Development	Pre-clinical	Clinical Trials	MAA/Launch
				UK/IN/EU
mAb1			2022-23	2024-25
mAb2			2023-24	2024-25
mAb3		2023		2026-27
mAb4		2023		2026-27
mAb5	2023	2024		
mAb6	2023	2024		
Non-mAb 1	2023			

➢ **6 monoclonal antibodies (mAbs) at various stage of the development**

➢ **Selected 5 Non-mAb Molecules for EU and USA Market**

Thank you

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