

# Fermenta Biotech Limited

## COMPANY BACKGROUND.....

- Fermenta Biotech Limited (FBL) (Erstwhile DIL Ltd.) incorporated in 1951 by Dr. DVK Raju, is engaged in development and manufacturing of pharmaceuticals, biotechnology and environmental solutions used across various industries. On September 26, 2019, NCLT approved amalgamation of DIL & FBL which consolidated FBL's leadership capabilities backed by DIL's large asset base.
- With a rich history of six decades FBL has evolved as a key global player in manufacturing of Vitamin D3 in all its formats.
- The company is also involved in manufacturing of Active Pharmaceutical Ingredients (APIs) for muscle relaxant and anti-flatulent applications.
- FBL delivers innovative enzymes used in manufacturing of antibiotics and is involved in environmental solutions used for waste water treatment and management.

## BUSINESS MIX (FY24).....

- **Vitamin D3 (53%):** FBL is a leader in manufacturing Vitamin D3, and has the distinction of being the only organization in India to manufacture Vitamin D3. The company has a Non-China dependent supply chain.
- **Other APIs (11%):** FBL is a trusted and reliable source of Phenylramidol HCl (muscle relaxant) & Silicon Powder (anti-flatulent) APIs. In addition, the company produces immobilising enzymes that are used in the production of antibiotics, as well as enzymes for water treatment and management.
- **Fish Oil Cholesterol (2%):** As an extension to its product portfolio, FBL has started manufacturing cholesterol from fish oil for applications in the aquaculture market (specifically the shrimp feed segment), which was commercialised in FY21
- **Real Estate (26%):** The company holds properties in Worli, Thane and Pune

## KEY STRENGTHS.....

- The only manufacturer of Vitamin D3 in India with 50 years of manufacturing experience
- Among the top 3 manufacturer of Vitamin D3 globally
- Global Presence in 60+ countries
- Proprietary technology to manufacture Vitamin D3
- 55 Years of Vitamin D3 manufacturing experience
- 2 Manufacturing Plants registered with US-FDA (FFRM)
- DSIR approved R&D facility
- Big 4 Statutory Auditor with Deloitte
- 350+ clients across the globe
- Backward integrated
- High Return Ratios

## FINANCIAL HIGHLIGHTS (CONSOLIDATED).....

(INR Mn)	Operational Income	EBITDA	EBITDA%	PAT	PAT%	EPS
<b>FY22</b>	3,985	614	15.41%	154	3.86%	5.33
<b>FY23</b>	3,499	176	5.12%	(531)	NA	(17.70)
<b>FY24</b>	3,357	275	8.19%	(240)	NA	(7.99)
<b>H1-FY25</b>	1732	196	11.32%	52	3.00%	1.92

### Key Data

<b>BSE Code</b>	506414
<b>NSE Code</b>	NA
<b>Reuters</b>	FERM.BO
<b>Bloomberg</b>	FERMENTA:IN

### Market Data (INR) as on 30<sup>th</sup> September, 2024

<b>Face Value</b>	5.00
<b>CMP</b>	303
<b>52 Week H/L</b>	332.5/144.5
<b>MCAP (Mn)</b>	8917.59
<b>Shares O/S (Mn)</b>	29.4
<b>1 Yr Avg. Vol. ('000)</b>	32

### Performance as on 30<sup>th</sup> September, 2024

	3M	6M	12M
<b>FBL</b>	82.42%	96.88%	92.99%
<b>SENSEX</b>	6.65 %	13.97%	28.09%
<b>BSE SMALLCAP</b>	9.02%	31.18%	51.58%

### Shareholding Pattern as on 30<sup>th</sup> September, 2024

<b>Promoters</b>	62.06%
<b>Public</b>	36.47%
<b>Non-Promoter - Non-Public</b>	1.47%

## BUSINESS SEGMENTS .....

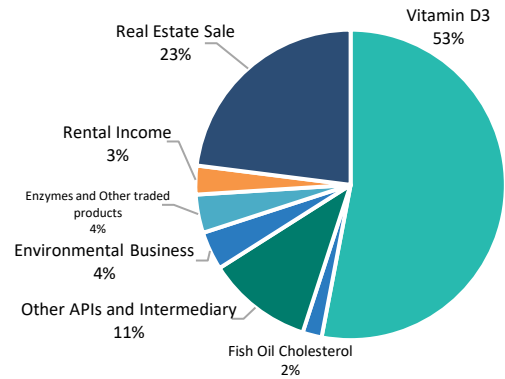
### Vitamin D3

- FBL is a leader in manufacturing Vitamin D3, and has the distinction of being the only organization in India to manufacture Vitamin D3.
- The company has a Non-China dependent supply chain.
- It manufactures Vitamin D3 for various applications (human and veterinary healthcare, animal feed).
- Superior quality and cost effectiveness from backward integrated manufacturing operations
- Products and manufacturing facilities certified by various global health regulatory like US-FDA (FFRM), American Vegetarian Association, FAMI-QS, WHO-GMP etc.
- One of three CEP-certified companies worldwide
- Use of proprietary technology to manufacture Vitamin D3 API
- 55+ years of experience and the proficiency in manufacturing Vitamin D3 with a base of over 350+ customers

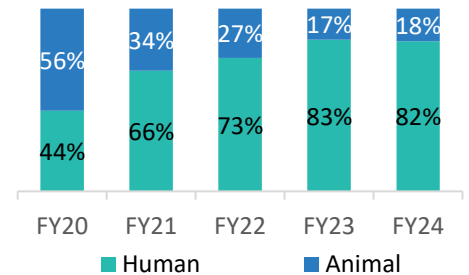
### Other APIs

- **APIs** – For over 25 years, the Company is a trusted and reliable source of Phenylamido HCl (muscle relaxant) & Silicon Powder (anti-flatulent) APIs.
- **Biotechnology** – FBL is a pioneering developer of immobilized enzyme catalysts which has transformed the way the antibiotics are manufactured.
- **Environmental Solutions** – FBL's Environmental Solutions provide unique advantages in waste water treatment and management through integrated biotechnology.

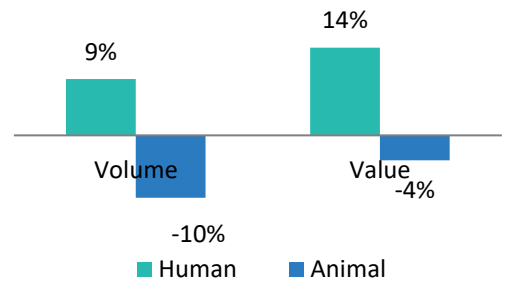
### Revenue Mix (FY24)



### Vitamin D3 Revenue (INR Mn)



### CAGR Growth FY15 to FY24



## GROWTH DRIVERS.....

- Strong manufacturing capabilities with enhanced capacity utilizations to meet Y-o-Y production targets
- Enhancing control and reduced dependence by backward integration
- Sales footprint in 60+ countries spread across the globe
- Expanding into value added formats of vitamins like A, E, D2, manufacturing Vitamin K and further focus on development of smart minerals, novel anti-oxidants, pre and pro-biotics, customized premixes etc.
- Setting up plant at Sayakha, Gujarat for enhancing nutraceutical portfolio.
- Increased prescription market for Vitamin D3 formulations

## PEER COMPARISON (TRAILING 12 MONTHS) INR MN.....

Company Income (INR Mn)	Operational Revenue	EBITDA	EBITDA%	PAT	PAT%	Market Cap
Fermenta Biotech	3,694	501	14%	81	2%	8,918
Dishman	26,186	2,799	10.68%	(1,740)	(6.64)%	28,221
Advanced Enzyme	6,194	2,027	32.72%	1,407	22.72%	56,197
Zydus Life Science	214,835	62,783	29.22%	43,030	20.03%	10,75,010
Camlin	16,064	713	4.00%	(2,469)	(-15.00)%	17,244

## INCOME STATEMENT (CONSOLIDATED)

PARTICULARS (INR Mn)	H1-FY25	FY24	FY23	FY22
<b>Operational Revenue</b>	<b>1,732</b>	<b>3,357</b>	<b>3,499</b>	<b>3,985</b>
Total Expenses	1,536	3,082	3,323	3,371
<b>Operational EBITDA</b>	<b>196</b>	<b>275</b>	<b>179</b>	<b>614</b>
<b>Operational EBITDA Margin (%)</b>	<b>11.32%</b>	<b>8.19%</b>	<b>5.12%</b>	<b>15.41%</b>
Other Income	57	118	86	81
Depreciation	123	247	282	255
Finance Cost	71	170	208	171
<b>Profit/ Loss Before Tax and Exceptional Items</b>	<b>59</b>	<b>(24)</b>	<b>(228)</b>	<b>269</b>
Exceptional Items	-	(74)	(285)	-
Tax	7	140	18	118
<b>PAT</b>	<b>52</b>	<b>(240)</b>	<b>(531)</b>	<b>154</b>
<b>PAT Margins (%)</b>	<b>3.00%</b>	<b>NA</b>	<b>NA</b>	<b>3.86%</b>
Other Comprehensive Income	(18)	(2)	(15)	7
<b>Total Comprehensive Income</b>	<b>34</b>	<b>(242)</b>	<b>(546)</b>	<b>161</b>
Diluted EPS (INR)	1.92	(7.99)	(17.7)	5.33

## BALANCE SHEET (CONSOLIDATED)

PARTICULARS (INR Mn)	H1-FY25	FY24	FY23	PARTICULARS (INR Mn)	H1-FY25	FY24	FY23
<b>Equity</b>	<b>2,860</b>	<b>2,851</b>	<b>3,126</b>	<b>Assets</b>			
a) Equity share capital	145	144	144	<b>Non-current Assets</b>	<b>2,949</b>	<b>3,061</b>	<b>3,835</b>
b) Other equity	2,756	2,744	3,009	a) Property, plant and equipment	2,291	2,364	2,048
c) Non-controlling interests	(41)	(37)	(27)	b) Capital work-in-progress	63	16	419
Liabilities				c) Right of use assets	148	154	117
<b>Non-current liabilities</b>	<b>693</b>	<b>894</b>	<b>1,152</b>	d) Investment property	53	54	287
a) Financial liabilities				e) Goodwill	41	41	115
i) Borrowings	228	425	836	f) Other intangible assets	51	72	102
ii) Lease liabilities	50	55	20	g) Intangible assets under development	-	-	31
iii) Other financial liabilities	37	35	11	h) Financial assets			
b) Provisions	54	54	46	i) Investments	5	4	4
c) Other non-current liabilities	324	325	239	ii) Loans	2	3	2
<b>Current Liabilities</b>	<b>1,840</b>	<b>1,733</b>	<b>2,087</b>	iii) Others financial assets	40	40	210
a) Financial liabilities				i) Deferred tax assets (Net)	220	220	333
i) Borrowings	959	897	1,333	j) Non-current tax assets (Net)	27	82	103
ii) Lease liabilities	10	10	7	k) Other non-current assets	8	11	64
ii) Trade payables	661	649	458	<b>Current Assets</b>	<b>2,444</b>	<b>2,417</b>	<b>2,530</b>
iii) Other financial liabilities	89	77	91	a) Inventories	1,013	874	1,301
b) Provisions	8	11	26	b) Financial assets			
c) Other current liabilities	105	83	168	i) Trade receivables	757	698	416
d) Current tax liabilities (Net)	3	3	3	ii) Cash and cash equivalents	206	218	353
e) Contract Liability	5	3	1	iii) Bank balances other than (iii) above	162	380	230
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,393</b>	<b>5,478</b>	<b>6,365</b>	iv) Investments	-	-	28
				v) Loans	11	47	10
				vi) Other financial assets	6	9	4
				c) Other current assets	252	160	156
				d) Contract Assets	37	31	32
				<b>TOTAL ASSETS</b>	<b>5,393</b>	<b>5,478</b>	<b>6,365</b>

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