



# Indoco Remedies Limited

## COMPANY BACKGROUND.....

- In 1945, Late Mr. Govind Ramnath Kare founded 'Indo-Continental Trading Company', to import pharmaceutical products from Europe, and after independence it ventured into the manufacturing of pharmaceuticals to foster manufacturing of indigenous pharmaceutical formulations, thus, creating Indoco Remedies Limited.
- Indoco Remedies Ltd (Indoco) is an integrated, research-oriented pharmaceutical company with seven decades of presence in Indian markets and a strong international presence.
- The company is primarily engaged in the manufacturing and marketing of formulations (finished dosage forms) and active pharmaceutical ingredients (APIs).
- It has 9 manufacturing facilities in India, 6 for finished dosages and 3 for API's, which is supported by a 1,00,000 sq.ft. state-of-the-art R&D Centre and a 150 Bed Clinical Research Organization (CRO).
- The manufacturing facilities are approved by various regulatory authorities including USFDA, UK-MHRA and TGA-Australia.
- Indoco has a large basket of products backed by ANDAs / eCTD dossiers and Drug Master Files (DMFs).

## BUSINESS MIX (as on FY24).....

- Domestic Formulations (48%):** Indoco's domestic formulations business has a pan India presence. Indoco has a strong presence in the Indian market and is rated highly by the key customers and Doctors across the country.
- International Formulations(43%):** For the international markets, Indoco offers complete solutions, including product development, manufacture and supply of finished dosages, APIs and intermediates. Indoco has a strong foothold in the international market with exports to over 55 countries
- Active Pharmaceutical Ingredient(7%):** Indoco offers full range of services with respect to API supplies in Regulated markets. The distinct advantage of API business emanates from the backward integration for its own ANDAs and Dossiers as well.
- Allied Services(2%):** AnaCipher CRO (state-of-the-art clinical research facility), Indoco Analytical Solutions (USFDA Approved cGMP Laboratory), Xtend Industrial Designers & Engineers Pvt. Ltd (engineering and consulting services for all phases of project development, from project design to product validation)

## FINANCIAL PERFORMANCE (CONSOLIDATED) .....

(INR Mn)	Operating Income	EBITDA	EBITDA%	PAT	PAT%	EPS
FY21	12,415	2,243	18.06%	930	7.49%	10.10
FY22	15,408	3,273	21.25%	1,548	10.05%	16.80
FY23	16,686	2,861	17.15%	1,423	8.53%	15.42
FY24	18,173	2,443	13.44%	970	5.34%	10.51

Note: All numbers are as per IND-AS

### Key Data

BSE Code	532612
NSE Code	INDOCO
Reuters	INRM.BO
Bloomberg	INDR:IN

### Market Data (INR) as on 31<sup>ST</sup> March, 2024.

Face Value	2.0
CMP	328.50
52 Week H/L	417.0/ 307.0
MCAP (Mn)	30,281.9
Shares O/S (Mn)	92.2
Avg. Volume ('000)	178.6

### Performance as on 31<sup>ST</sup> March, 2024.

	3M	6M	12M
<b>Indoco Remedies LTD.</b>	-21.21%	-7.19%	0.91%
<b>SENSEX</b>	1.98%	11.91%	24.56%
<b>BSE SMALLCAP</b>	0.73%	14.53%	59.62%

### Shareholding Pattern as on 31<sup>ST</sup> March, 2024.

Promoters	58.74%
Public	21.88%
DII	17.78%
FII	1.87%

## INDIA Business.....

Acute – 88%

Chronic – 12%

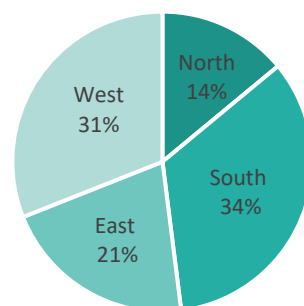
## Major Therapeutic Segments Contribution .....

Major Therapeutic Segments	Revenue Share
Stomatologicals	19%
Gastro - Intestinal	15%
Respiratory	16%
Anti – Infectives	17%
Others	33%

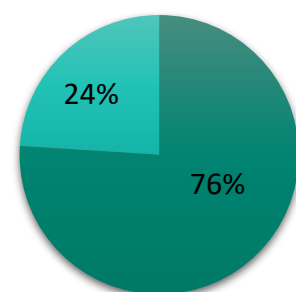
## Top Brands & their revenue share.....

Top Brands	Market Share
Cyclopam	50%
Febrex Plus	8%
Oxipod	5%
Cital	14%
ATM	7%
Sensodent-K	10%

## Domestic Formulations – FY24



## International Formulations - FY24



■ Regulated Markets (US, Europe, SA, Others)

■ Emerging Markets (FWA, Asia, Africa, LATAM, Others)

## KEY GROWTH DRIVERS.....

### Domestic Formulations:

- Expand in Northern and Eastern regions.
- Strategic in-licensing in chronic segment.
- Focusing on sales force effectiveness, new product launches & exploring new channels of distribution.
- Strategic focus on sub-chronic category to enhance prescription from mass specialists (pediatrician, ENT, ophthalmologist, dentist, gynecologist) to drive favorable mix.
- Selective launches in specialty segment.

### International Formulations:

- Drive operational efficiency.
- Transition to complete in-house distribution in the US.
- EU-GMP compliance for Goa plant-1 and Baddi plant-3 led larger available capacity and launch of proprietary products will help drive EU business.
- Robust pipeline of specialty dosages (ophthalmic and injectable).
- Curb other expenses.
- Strong customer base makes the Company, a preferred partner, offering complete solutions to its customers worldwide.

### API & Allied Services:

- Expertise in Research and Development.
- Backward integration with own APIs.
- Full-fledged CRO set-up.

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

Company	Operating Income	Operating EBITDA	Operating EBITDA%	PAT	PAT%	Market Cap
Indoco Remedies	18,173	2,443	13.44%	970	5.34%	30,282
Glenmark	1,18,131	11,953	10.12%	(14,335)	(12.14)%	2,70,176
Gland Pharma	56,648	13,331	23.53%	7,725	13.64%	3,03,364
Cipla	2,57,741	62,911	24.41%	41,537	16.12%	12,06,706
Sun Pharma	4,84,969	1,30,232	26.85%	96,100	19.82%	38,88,122

## INCOME STATEMENT (CONSOLIDATED) .....

PARTICULARS (INR Mn)	FY21	FY22	FY23	FY24
<b>Operational Income</b>	<b>12,415</b>	<b>15,408</b>	<b>16,686</b>	<b>18,173</b>
Operating Expenses	10,173	12,134	13,825	15,730
<b>EBITDA</b>	<b>2,243</b>	<b>3,273</b>	<b>2,861</b>	<b>2,443</b>
<b>EBITDA Margins (%)</b>	<b>18.06%</b>	<b>21.25%</b>	<b>17.15%</b>	<b>13.44%</b>
Depreciation and amortisation	731	790	706	919
Finance costs	223	141	250	380
Other Income	31	23	23	99
Exceptional Items	-	-	-	115
<b>PBT</b>	<b>1,320</b>	<b>2,366</b>	<b>1,928</b>	<b>1,358</b>
Tax Expense	390	818	505	388
<b>PAT</b>	<b>930</b>	<b>1,548</b>	<b>1,423</b>	<b>970</b>
<b>PAT Margins (%)</b>	<b>7.49%</b>	<b>10.05%</b>	<b>8.53%</b>	<b>5.34%</b>
Other Comprehensive Income	(9)	(53)	14	3
<b>Total Comprehensive Income</b>	<b>922</b>	<b>1,495</b>	<b>1,437</b>	<b>973</b>
Diluted EPS	10.10	16.80	15.42	10.51

## CONSOLIDATED BALANCE SHEET (IND-AS).....

PARTICULARS (INR MN)	FY22	FY23	FY24
<b>EQUITY</b>	<b>9,046</b>	<b>10,283</b>	<b>11,105</b>
Equity Share Capital	184	184	184
Other Equity	8,862	10,099	10,915
Non-controlling interest	-	-	6
<b>NON-CURRENT LIABILITIES</b>	<b>1,566</b>	<b>2,054</b>	<b>4,219</b>
a) Financial Liabilities			
i) Borrowings	959	1,435	3,517
ii) Lease Liability	110	150	124
iii) Other Financial Liabilities	-	-	48
b) Provisions	317	334	337
c) Deferred tax liabilities (net)	106	61	118
d) Other Non- Current Liabilities	74	74	75
<b>CURRENT LIABILITIES</b>	<b>4,249</b>	<b>4,245</b>	<b>6,123</b>
a) Financial Liabilities			
i) Borrowings	1,483	1,710	3,034
ii) Lease Liabilities	15	33	44
iii) Trade Payables	1,333	1,235	1,536
iv) Other financial liabilities	860	576	880
b) Other current liabilities	75	196	145
c) Provisions	474	495	484
d) Income Tax Liabilities(Net)	8	-	-
<b>TOTAL LIABILITIES</b>	<b>5,815</b>	<b>6,299</b>	<b>10,342</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,861</b>	<b>16,582</b>	<b>21,447</b>

PARTICULARS (INR MN)	FY22	FY23	FY24
<b>NON-CURRENT ASSETS</b>	<b>7,125</b>	<b>8,446</b>	<b>11,900</b>
a) Property, plant and equipment	5,206	5,952	7,726
b) Capital work-in-progress	528	553	1,029
c) Right of Use Assets	113	170	156
d) Other Intangible assets	232	660	1,446
e) Intangible assets Under Development	687	582	219
f) Goodwill On Consolidation	1	1	215
g) Financial assets			
i) Investments	-	15	15
ii) Loans	14	29	31
iii) Other Financial Assets	18	20	67
h) Income Tax Assets (Net)	-	-	-
l) Other non-current assets	326	465	996
<b>CURRENT ASSETS</b>	<b>7,736</b>	<b>8,136</b>	<b>9,547</b>
a) Financial Assets			
i) Investment	-	10	72
ii) Trade Receivables	2,972	3,509	4,062
iii) Cash and cash equivalents	175	109	149
iv) Bank balances other than above	23	24	95
v) Loans	5	7	15
vi) Other financial assets	242	30	70
b) Other current assets	1,214	1,132	1,536
c) Inventories	3,105	3,260	3,531
d) Current tax Assets (Net)	-	55	17
<b>TOTAL ASSETS</b>	<b>14,861</b>	<b>16,582</b>	<b>21,447</b>

## INVESTOR RELATIONS TEAM AT VALOREM ADVISORS .....

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