



IPO DETAILS

#IPOology

EMCURE PHARMACEUTICALS LIMITED



 **ISSUE OPEN**

3rd July, 2024

 **ISSUE CLOSE**

5th July, 2024

Min. Lot Size

14 shares

Issue Price Band

₹960 - 1008

Issue Size

Fresh Issue:
7.94 mn Eq shares
(₹8000.00 mn)

OFS:
11.43 mn Eq shares
(₹11,520.27 mn)

Face Value

₹10

Industry

Pharmaceutical

Listing at

NSE, BSE

RATING

Subscribe

OPEN ACCOUNT

APPLY NOW

Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.
0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

[For Facts & Figures](#)



EMCURE PHARMACEUTICALS LIMITED

Rationale

Considering the FY24 EPS of Rs 27.90 on a post-issue basis, the company is going to list at a P/E of 36.13x with a market cap of Rs.190,601 mn, whereas its peers namely Dr. Reddy's Laboratories Ltd, Cipla Ltd, Alkem Laboratories Ltd, Torrent Pharmaceuticals Ltd, Mankind Pharma Ltd, Abbott India Ltd and J B Chemicals & Pharmaceuticals Ltd are trading at 19.2x, 28.1x, 31.4x, 59.4x, 46.8x, 48.8x and 49.2x respectively.

We assign "Subscribe" rating to this IPO as the company has strong R&D capabilities driving differentiated portfolio of products and is well-placed to leverage position in the domestic market. Also, it is available at reasonable valuations as compared to its peers.

Company Overview

Emcure Pharmaceuticals is an Indian company developing, manufacturing, and marketing pharmaceutical products globally. It is the 13th largest pharmaceutical company in India by Domestic Sales for MAT FY 2024 and the 4th largest by market share in Covered Markets. It leads in gynecology and HIV antivirals in India.

The company derives 52.84% of its revenue from branded generics, 40.13% from generic products, 4.27% from APIs, and 2.76% from branded patented products.

As of March 31, 2024, Emcure Pharma employed 548 scientists and operated five research facilities in India. They filed over 1,800 dossiers globally including 209 in the European Union and 142 in Canada. They had 220 granted patents, 30 pending patent applications, and submitted 102 drug master files for APIs with USFDA.

Emcure has 13 manufacturing facilities across India, located in Maharashtra, Gujarat, Sikkim, Karnataka, and the union territory of Jammu and Kashmir. These facilities produce a wide range of pharmaceutical and biopharmaceutical products, including oral solids, oral liquids, injectables, biotherapeutics, and complex APIs.

As of March 31, 2024, the company's marketing and distribution network in India was supported by over 5,000 field personnel who regularly interacted with healthcare providers. The distribution network included over 5,000 stockists, served by 37 carry-and-forward agents.



Export Leader: 51.72% Revenue

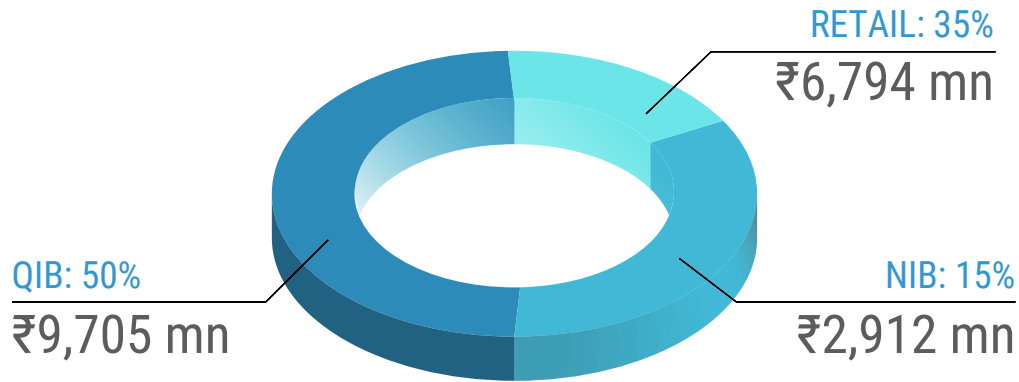
Exports contribute 51.72% to the total revenue of the company. The company markets its products in over 70 countries, with Europe and Canada being primary international markets.



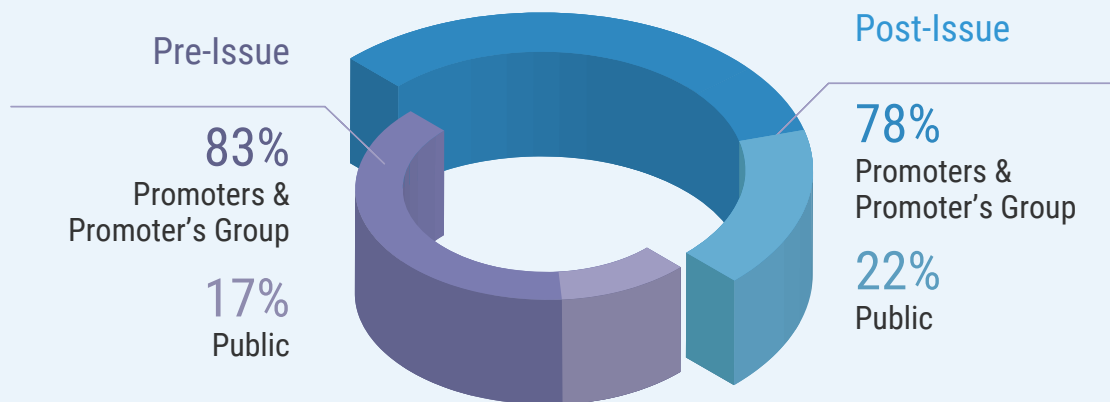
EMCURE PHARMACEUTICALS LIMITED

Issue Details

Issue Break-Up



Shareholding Pattern



Capital Structure (in ₹)



2500 mn

Authorized Equity Share Capital



1812 mn

Paid-Up Capital (Pre-Offer)



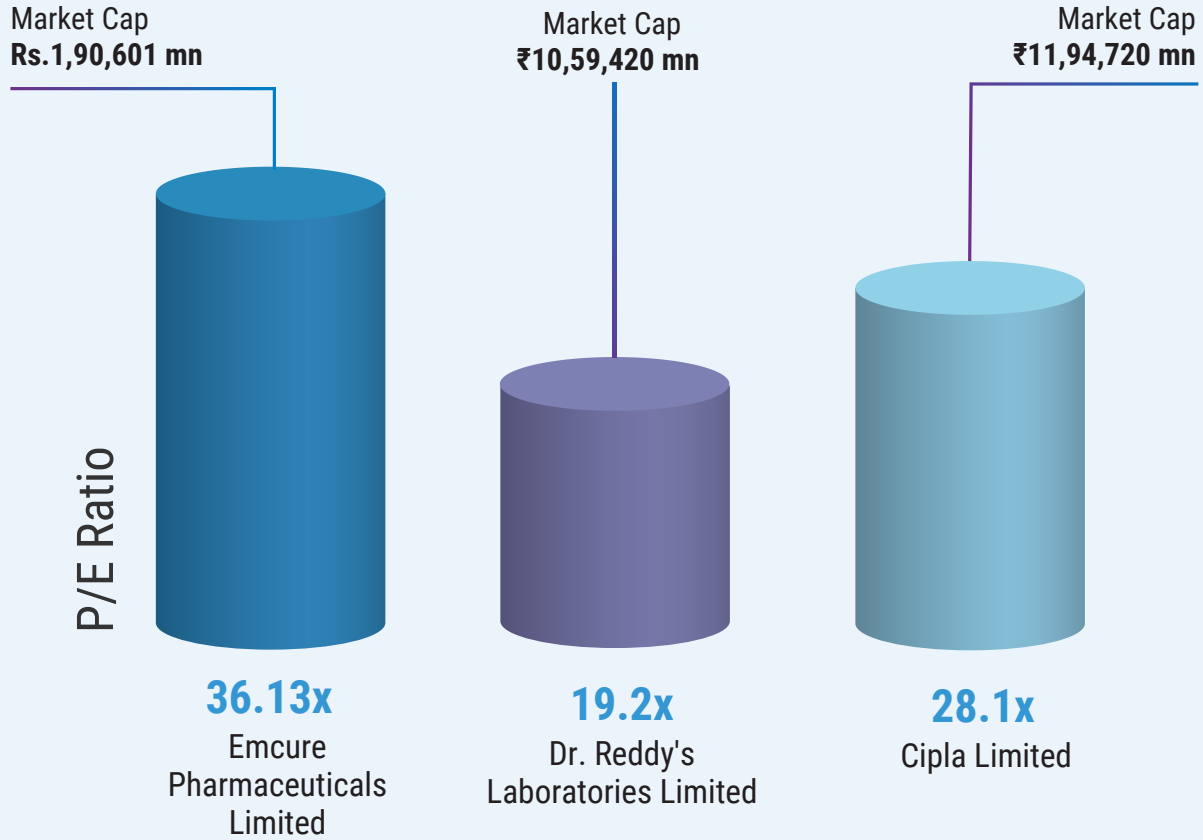
1891 mn

Paid-Up Capital (Post-Offer)



EMCURE PHARMACEUTICALS LIMITED

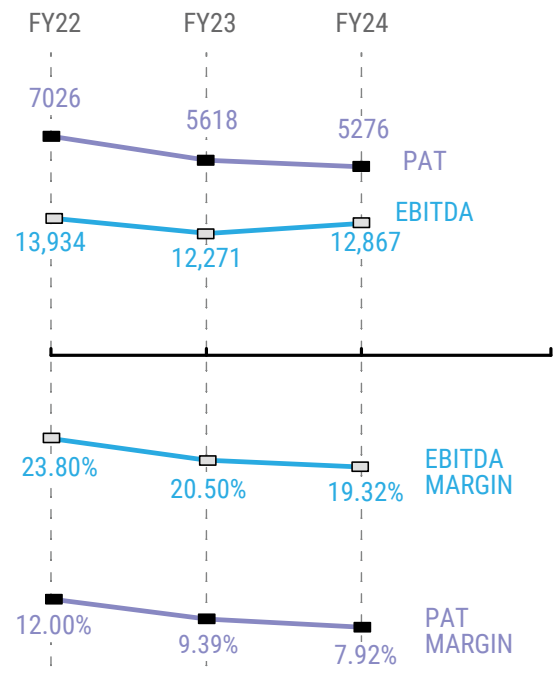
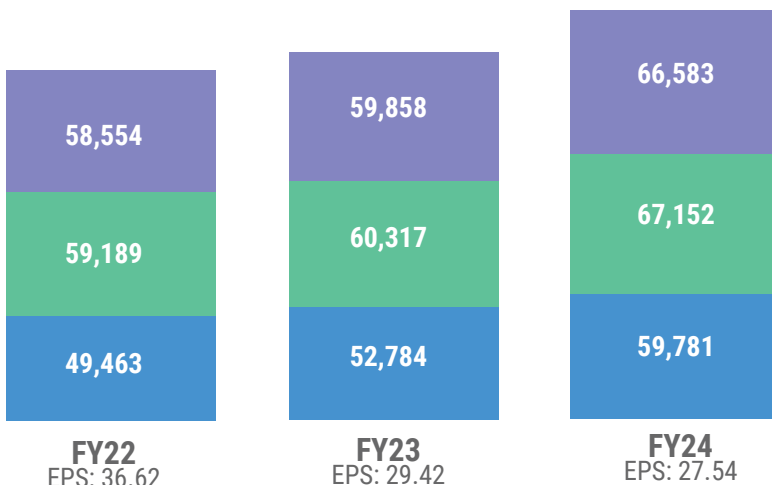
Valuations and Peer Comparison



Market Cap data of listed securities as on July 1, 2024

Financial Snapshot (in ₹ mn)

- Revenue
- Total Income
- Total Expenses





EMCURE PHARMACEUTICALS LIMITED

Business Insights



Competitive Strengths

- Well-placed to Leverage Position in the Domestic Market
- Demonstrated Capabilities of Building Brands
- Strong R&D Capabilities Driving Differentiated Portfolio of Products
- Large, Diversified and Fast-Growing Product Portfolio in International Markets
- Highly Qualified, Experienced and Entrepreneurial Management Team and Board



Business Strategy

- Increase Market Share in the Domestic Market
- Continue to Invest in Research & Development and Manufacturing Capabilities to Enhance and Grow Differentiated Product Portfolio
- Pursue Strategic Acquisitions, Partnerships and In-Licensing Arrangements



Risks

- The company is subject to extensive government regulations in India and its international markets. Failure to obtain, maintain, or renew the necessary statutory and regulatory licenses, permits, and approvals could adversely affect the company's business operations, financial condition, results of operations, and cash flows.
- The company has significant working capital requirements. Insufficient cash flows to fund these requirements, or the inability to provide collateral for letters of credit, could pose financial challenges for the company.
- Emcure Pharmaceuticals has been issued show cause notices by the Regional Director, MCA, due to non-compliance with the Companies Act. If the company is found to be non-compliant with applicable regulations in response to these notices or in the future, it may face regulatory actions or penalties, which could adversely affect its reputation and business.

Promoters and Management Details

Satish Ramanlal Mehta - Managing Director and Chief Executive Officer

Sunil Rajanikant Mehta - Whole-Time Director

Namita Vikas Thapar - Whole-Time Director

Samit Satish Mehta - Whole-Time Director

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