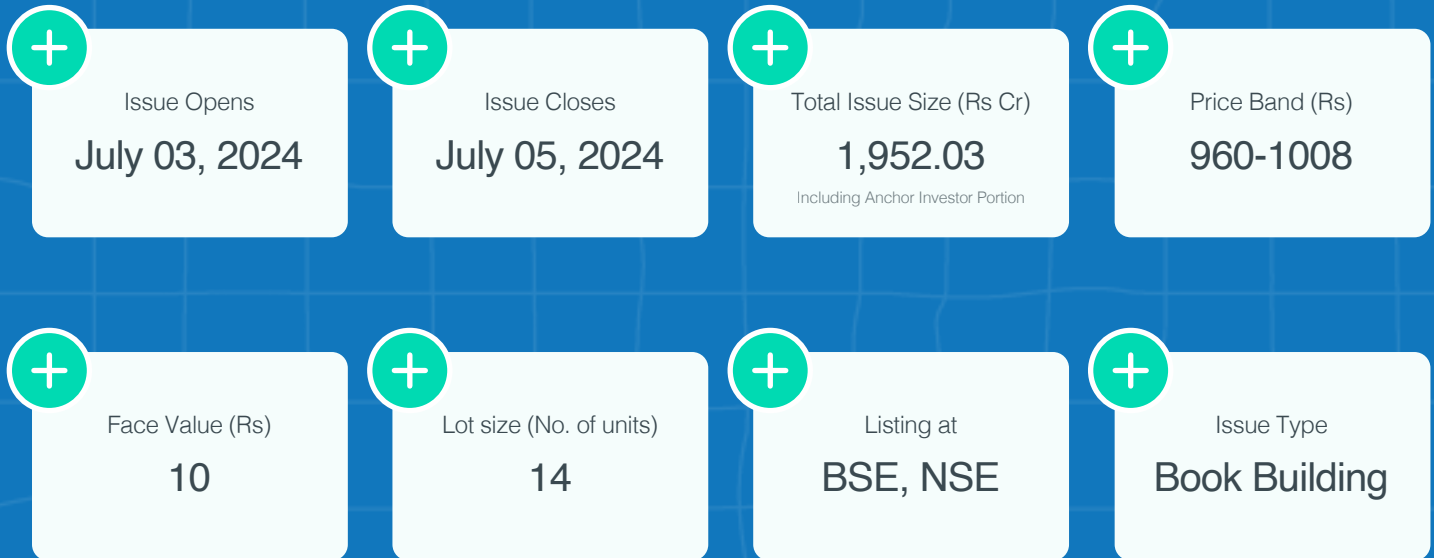


# EMCURE PHARMACEUTICALS LIMITED



### Tentative Timetable

Basis of Allotment Date	July 08, 2024
Initiation of Refunds	July 09, 2024
Credit of Shares to Demat Account	July 09, 2024
IPO Listing Date	July 10, 2024

### Application Structure

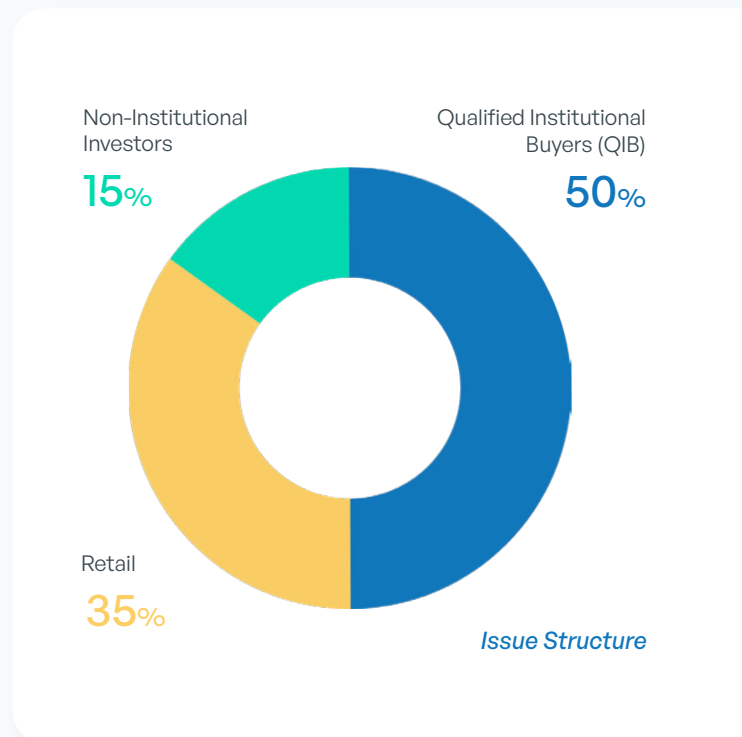
Application	Lot	Shares	Amount
Retail (Min)	1	14	Rs 14,112
Retail (Max)	14	196	Rs 1,97,586

### Book Running Lead Managers

Kotak Mahindra Capital Company limited
Axis Capital Limited
Jefferies India Private Limited
J.P. Morgan India Private Limited

### Registrar

Link Intime India Private Limited





## Company Background

Emcure Pharmaceuticals Ltd is an Indian pharmaceutical enterprise focused on developing, manufacturing, and globally marketing a diverse range of pharmaceutical products across major therapeutic areas. Driven by research and development (R&D), they offer a differentiated product portfolio that includes orals, injectables, and biotherapeutics, reaching markets in over 70 countries, with significant presence in India, Europe, and Canada. According to the CRISIL Report, they were ranked as the 13th largest pharmaceutical company in India by Domestic Sales for MAT Financial Year 2024 and the 4th largest in their Covered Markets by market share. They also hold the top position in the gynecology and HIV antivirals therapeutic areas in India by Domestic Sales for MAT Financial Year 2024.

Led by experienced Promoters and supported by a professional management team, the company has seen rapid sales growth in India, contributing to 48.28% of their total revenue from operations for Financial Year 2024. From MAT Financial Year 2020 to 2024, their Domestic Sales grew at a CAGR of 9.73%, surpassing the Indian pharmaceutical market's CAGR of 8.19%. Their competitive edge lies in their differentiated product portfolio, which has enabled them to establish a significant presence in major therapeutic areas. For Financial Year 2024, products like iron, chiral, biotherapeutics, injectables, and photochemistry accounted for 52.97% of their sales revenue in India, underscoring their strategic focus on product differentiation.

### Objects of the Issue

- Repayment and/or prepayment of all or a portion of certain outstanding borrowings availed by the Company
- General corporate purposes

## Strengths

- Well-placed to Leverage their Position in the Domestic Market
- Demonstrated Capabilities of Building Brands
- Large, Diversified and Fast-Growing Product Portfolio in International Markets
- Strong R&D Capabilities Driving Differentiated Portfolio of Products
- Extensive and Diversified Manufacturing Capacity

## Risks

- Any manufacturing or quality control problems may damage their reputation, subject them to regulatory action, and expose them to litigation or other liabilities, which could adversely affect their reputation, business, financial condition and results of operations.
- They are subject to extensive government regulations in India and their international markets, and if they fail to obtain, maintain or renew their statutory and regulatory licenses, permits and approvals required to operate their business, their business, financial condition, results of operations and cash flows may be adversely affected.
- The Company is dependent on third parties for the distribution and marketing of their products. If they do not maintain and increase the number of their arrangements for the marketing and distribution of their products, their business, financial condition and results of operations could be adversely affected.
- They have significant working capital requirements. If they experience insufficient cash flows to fund their working capital requirements or if they are not able to provide collateral to obtain letters of credit and bank guarantees in sufficient quantities, there may be an adverse effect on their business, financial condition, results of operations and cash flows.
- They have been issued show cause notices by the Regional Director, MCA on account of noncompliance with Companies Act and in the event that they are found to not be in compliance with applicable regulations under the show cause notices or otherwise in the future, they may be subject to regulatory actions or penalties and their reputation and business may be adversely affected.
- If they are unable to ramp up production and the existing level of capacity utilization rate at their manufacturing facilities, their margins and profitability may be adversely affected.
- They have experienced negative cash and cash equivalents in the past and may continue to do so in the future
- Although they have de-merged their U.S. operations, they have ongoing civil proceedings in the United States, including class-action antitrust cases and complaints filed by U.S. state attorneys-general, which may subject them to significant losses and liabilities.
- Certain therapeutic areas contribute to a more significant portion of the company's total revenue in India, and their business, prospects, results of operations and financial condition may be adversely affected if their products in these therapeutic areas do not perform as expected or if competing products become available and gain wider market acceptance.

## Profit and Loss

Particulars	For the year/period ended (in Rs Cr)		
	FY24	FY23	FY22
Revenue from Operation	6658.25	5985.81	5855.38
Other Income	56.99	45.9	63.47
<b>Total Income</b>	<b>6715.24</b>	<b>6031.71</b>	<b>5918.85</b>
EBITDA	1229.7	1181.17	1329.89
EBITDA Margin (%)	18.47%	19.73%	22.71%
Profit Before Tax	737.15	747.21	972.54
Tax	199.65	185.37	269.92
<b>Profit After Tax</b>	<b>527.57</b>	<b>561.84</b>	<b>702.55</b>

## CA & CL Key Parameters

Particulars	For the year/period ended (in Rs Cr)		
	9MFY24	FY23	FY22
<b>Current Assets</b>			
Trade receivables	1858.8	1648.3	1308.5
Cash and cash equivalents	169	242.34	162.84
Bank Balance	63.40	215.91	150.44
<b>Current Liabilities</b>			
Trade Payables	1309.36	1086.1	1125.18

## Debt Matrices

Particulars	For the year/period ended (in Rs Cr)		
	FY24	FY23	FY22
Long Term Borrowing	766.59	744.13	717.28
Short Term Borrowing	1320.71	1450.79	1366.34
<b>TOTAL</b>	<b>2087.3</b>	<b>2194.92</b>	<b>2083.62</b>

## Cash Flows

Particulars	For the year/period ended (in Rs Cr)		
	FY24	FY23	FY22
CFO	1097.24	746.85	768.2
CFI	-712.51	-467.68	-788.79
CFF	-164.20	-145.39	-151.85

## Our View

The company is looking utilize the fresh proceeds to pare down their long-term debt and bring it to zero. The company has gone from strength to strength historically with a focus on major therapeutic areas such as gynaecology and is looking to double down on its strengths to fuel its future growth and expand their

margins. The IPO is fairly valued relative to its listed peers, and we recommend to subscribe to the IPO keeping a long term view.

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