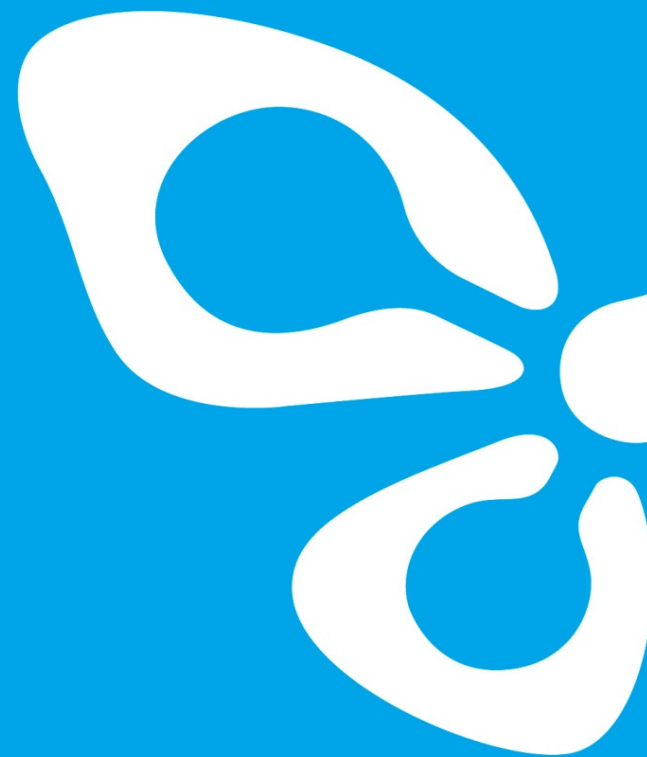


Ipca Laboratories Ltd.

Corporate Presentation

December 2013

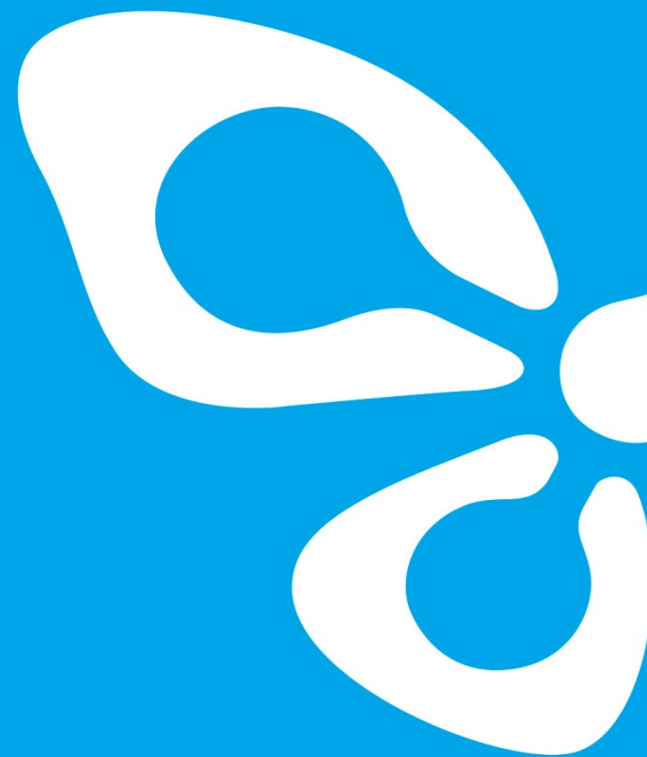


Incorporation	:	1949
Present Management	:	Since 1975
Total income F. Y. 2012-2013	:	₹ 2797.08 Crs / US\$ 513 Mn
Exports F. Y. 2012-2013	:	₹ 1716.08 Crs / US\$ 315 Mn
Number of Employees	:	11,630 including 5989 in marketing and distribution
Business Model	:	Fully integrated pharmaceutical company producing Branded and Generics Formulations, APIs and Intermediates

	2008-09	2009-10	2010-11	2011-12	2012-13
Domestic Income (₹ Crs)	595.18	759.42	864.43	941.01	1,081.00
Domestic Income (US \$ Mn)	109.21	139.34	158.61	172.66	198.35
Export Income (₹ Crs)	680.39	806.08	1,025.18	1,401.97	1,716.08
Export Income (US \$ Mn)	124.84	147.90	188.11	257.24	314.88
Total Income (₹ Crs)	1,275.57	1,565.50	1,889.61	2,342.98	2,797.08
Total Income (US \$ Mn)	234.05	287.25	346.72	429.90	513.23
Net Profit After Tax (₹ Crs)	91.22	209.19	255.37	280.17	331.39
Net Profit After Tax (US \$ Mn)	16.74	38.38	46.86	51.41	60.81

Manufacturing Facilities

Formulations



Location	Dosage Form	Approvals / Inspections
Athal, Silvassa	Tablets & Capsules	UK-MHRA, TGA-Australia, MCC-South Africa, HPB-Canada, WHO-Geneva
Ratlam, Madhya Pradesh	Tablets, Liquids, Injectables & Ointments	MCC-South Africa
Kandla, Gujarat	Betalactum – Tablets, Capsules & Dry Syrups	UK-MHRA, MCC-South Africa
Silvassa	Tablets & Capsules	UK-MHRA, US-FDA, TGA-Australia, HPB-Canada

Location	Dosage Form	Approvals / Inspections
Dehradun, Uttaranchal	Tablets & Cephalosporin Injectables	WHO-GMP
Indore (SEZ), Madhya Pradesh	Tablets & Capsules	UK-MHRA US-FDA
Sikkim	Tablets & Capsules	GMP

Manufacturing Facilities

Active Pharmaceutical Ingredients (APIs)

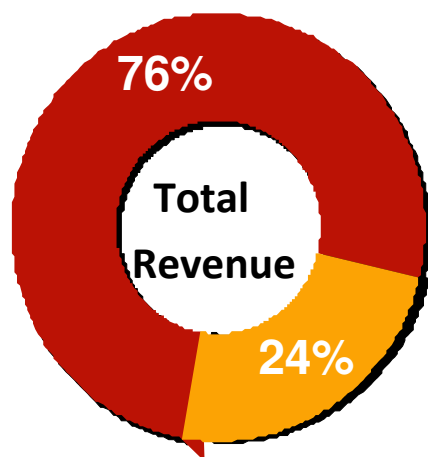


Location	Approvals / Inspections
Ratlam, Madhya Pradesh	US-FDA ,TGA-Australia, EDQM, Danish Regulatory Authority, PMDA-Japan, WHO-Geneva
Indore, Madhya Pradesh	WHO-GMP
Ankleshwar, Gujarat	PMDA -Japan
Aurangabad, Maharashtra	WHO-GMP
Mahad, Maharashtra	GMP

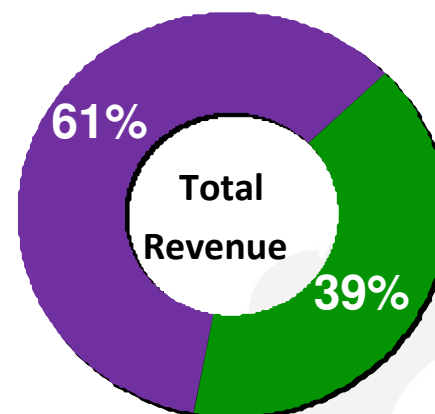
The company has taken effective steps for setting up a new green field API manufacturing facility at **Village Ranu, Tehsil Padra, District Vadodara, Gujarat.**

Revenue Break-up

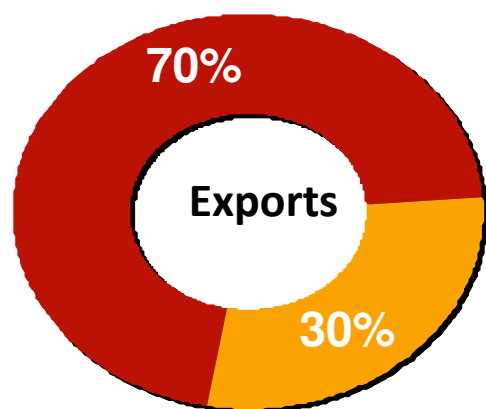




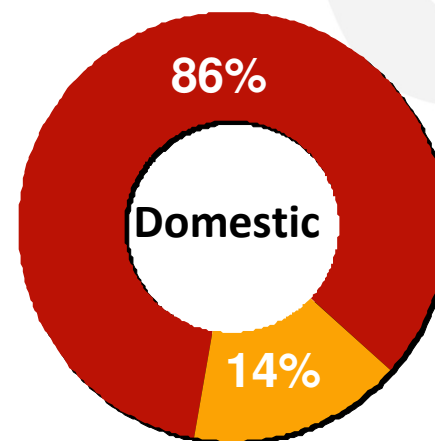
■ Formulations
■ APIs



■ Exports
■ Domestic



■ Formulations
■ APIs



■ Formulations
■ APIs

₹ Crs	2012-13			2011-12			Growth
	Domestic	Exports	Total	Domestic	Exports	Total	
Branded Formulations	878.10	288.08	1166.18	753.67	219.99	973.66	19.8%
Generic Formulations	-	906.10	906.10	0.43	776.15	776.58	16.7%
Total Formulations	878.10	1194.18	2072.28	754.10	996.14	1750.24	18.4%
API / Intermediates	144.64	521.90	666.54	143.86	405.83	549.69	21.3%
Others	58.26	-	58.26	43.05	-	43.05	
Total Income	1081.00	1716.08	2797.08	941.01	1401.97	2342.98	19.4%
Growth	14.9%	22.4%	19.4%				

Financials



F.Y. 2012 - 13			F.Y. 2011 - 12		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	2797.08	513	2342.98	430	19%
EBIDT	621.29	114	513.48	94	21%
EBIDT %	22.36%		22.04%		
PBT #	461.37	85	368.94	68	25%
PBT %	16.61%		15.83%		
PAT #	331.39	61	280.17	51	18%
PAT %	11.93%		12.02%		

After forex loss of ₹ 63.28 Crs as against ₹ 52.79 Crs for previous year.

Profitability to Net Income	FY 2012-13	FY 2011-12	FY 2010-11
PBIDT	22.36%	22.04%	19.97%
PBT	16.61%	15.83%	18.27%
PAT (Before exceptional items)	11.93%	12.02%	14.11%
Net Profit (After exceptional items)	11.93%	12.02%	13.58%

Business Characteristics	FY 2012-13	FY 2011-12	FY 2010-11
Return on Capital Employed % (PBIT / Capital Employed)	23.84%	24.22%	26.56%
Return on Net Worth % (PAT / Net Worth)	21.11%	22.20%	25.18%
Fixed Asset Turnover Ratio (Total Income / Net Fixed Assets)	2.32	2.33	2.38
Capital Employed Turnover Ratio (Total Income / Capital Employed)	1.35	1.39	1.35
Asset Coverage Ratio (to term loan) (Net Fixed Assets / Long Term Loans)	3.29	3.05	4.07
Long Term Debt Equity Ratio (Long Term Loan / Net Worth)	0.23	0.26	0.18
Debtors Turnover Ratio (Days) (Debtors / Turnover) x 365	66	72	91
Creditors Turnover Ratio (Days) (Creditors / Purchases) x 365	61	59	55
Inventory Turnover Ratio (Days) (Inventory / Turnover) x 365	98	105	90

Growth	FY 2012-13	FY 2011-12	FY 2010-11
Net Total Income	19.40%	24.00%	20.70%
Domestic Sales	13.90%	6.80%	13.70%
Export Sales	22.40%	36.80%	27.20%
PBIDT	21.00%	36.70%	13.20%
PBT	25.10%	7.30%	26.50%
PAT (Before exceptional items)	18.30%	5.60%	26.80%
Net Profit (After exceptional items)	18.30%	9.70%	22.10%

Q1 2013 - 14			Q1 2012 - 13		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	810.01	149	640.59	118	26%
EBIDT	171.02	31	141.78	26	21%
EBIDT %	21.23%		22.24%		
PBT #	96.27	18	56.48	10	70%
PBT %	11.95%		8.86%		
PAT #	71.77	13	42.98	8	67%
PAT %	8.91%		6.74%		

After forex loss of ₹ 47.96 Crs as against ₹ 58.85 Crs for previous year.

Q2 2013 - 14			Q2 2012 - 13		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	852.03	156	777.24	143	10%
EBIDT	234.53	43	178.81	33	31%
EBIDT %	27.70%		23.28%		
PBT #	169.00	31	164.59	30	3%
PBT %	19.96%		21.43%		
PAT #	129.45	24	125.09	23	3%
PAT %	15.29%		16.29%		

After forex loss of ₹ 39.91 Crs as against forex gain of ₹ 6.38 Crs for previous year.

Q3 2013 - 14			Q3 2012 - 13		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	838.37	154	704.99	129	19%
EBIDT	217.34	40	158.38	29	37%
EBIDT %	26.09%		22.59%		
PBT #	189.32	35	114.79	21	65%
PBT %	22.73%		16.37%		
PAT #	139.12	26	87.89	16	58%
PAT %	16.70%		12.54%		

After forex loss of ₹ 2.42 Crs as against of ₹ 18.58 Crs for previous year.

9 Mths 2013 - 14			9 Mths 2012 - 13		
	₹ Crs	US\$ Mn	₹ Crs	US\$ Mn	% Growth
Total Income	2500.41	459	2122.82	390	18%
EBIDT	622.89	114	478.97	88	30%
EBIDT %	25.06%		22.74%		
PBT #	454.59	83	335.86	62	35%
PBT %	18.29%		15.94%		
PAT #	340.34	62	255.96	47	33%
PAT %	13.69%		12.15%		

After forex loss of ₹ 90.29 Crs as against ₹ 71.05 Crs for previous year.

2011 - 12		Therapeutic Segment	2012 - 13	
Exports	Domestic		Exports	Domestic
31%	26%	Cardiovasculars & Anti-Diabetics	29%	25%
18%	30%	Non Steroidal Anti-Inflammatory Drugs (NSAID)	17%	32%
33%	17%	Anti-Malarials	37%	17%
10%	7%	Anti-Bacterials	9%	6%
1%	6%	Gastro-Intestinal (GI) Products	1%	6%
1%	3%	Neuro Psychiatry	1%	3%
2%	4%	Cough Preparations	1%	5%
-	3%	Dermatology	-	3%
-	1%	Urology	-	1%
-	2%	Neutraceuticals	-	1%
4%	1%	Others	5%	1%
100%	100%	Total	100%	100%

Branded Formulations

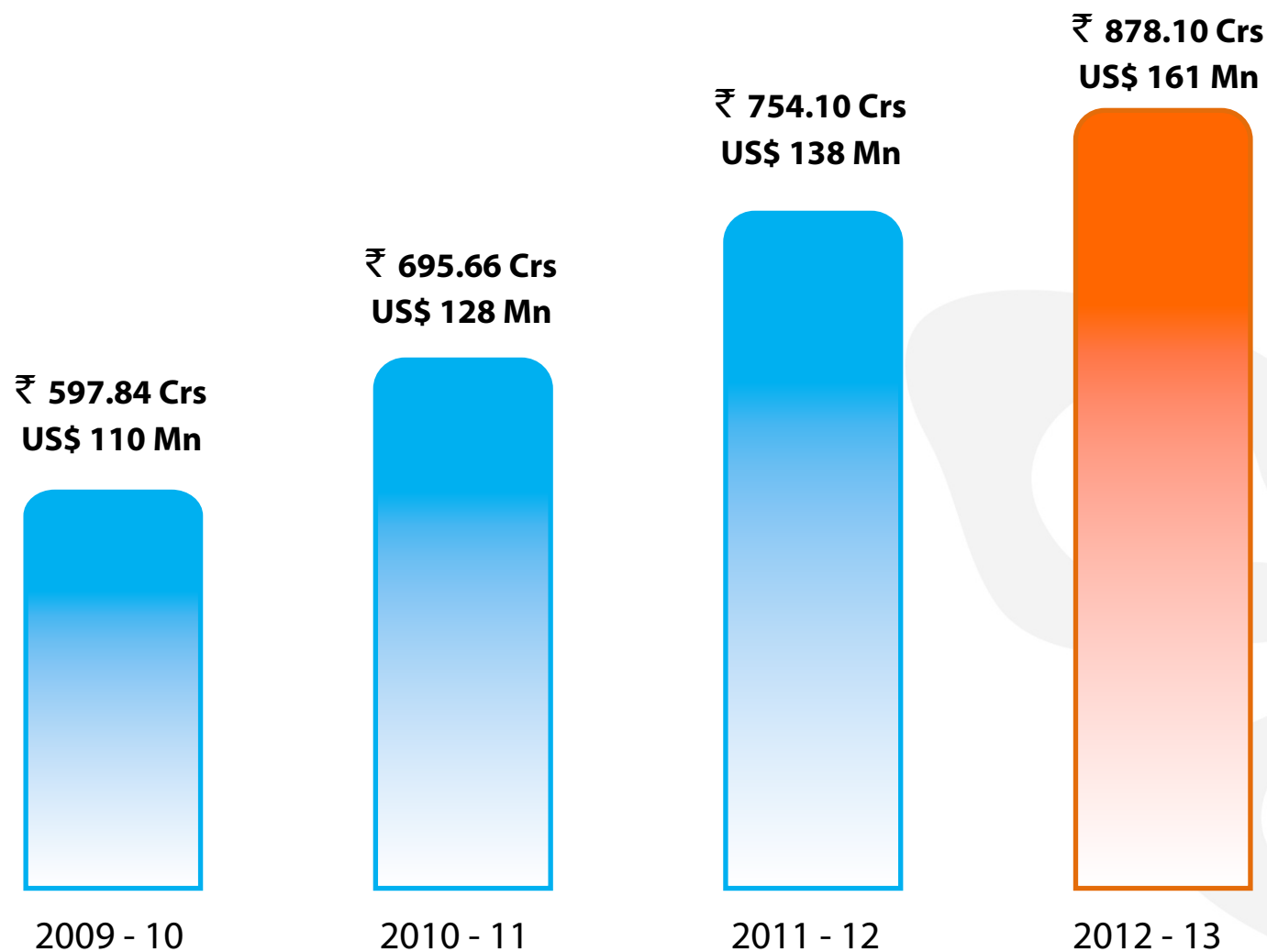
Domestic



- All India Rank ORG-IMS : 24th (MAT Dec'13).
- 25 Depots & 2 C&F agents.
- 12 Therapy Focused Marketing Divisions.
- Field Strength – 4159.
- Over 2000 Wholesalers.
- 5 brands among top 300 brands (HCQS, Lariago, Rapither-AB, Zerodol-P & Zerodol-SP).
- Market leaders in Anti-malarials & Rheumatoid Arthritis.

CAGR = 14%

Sales

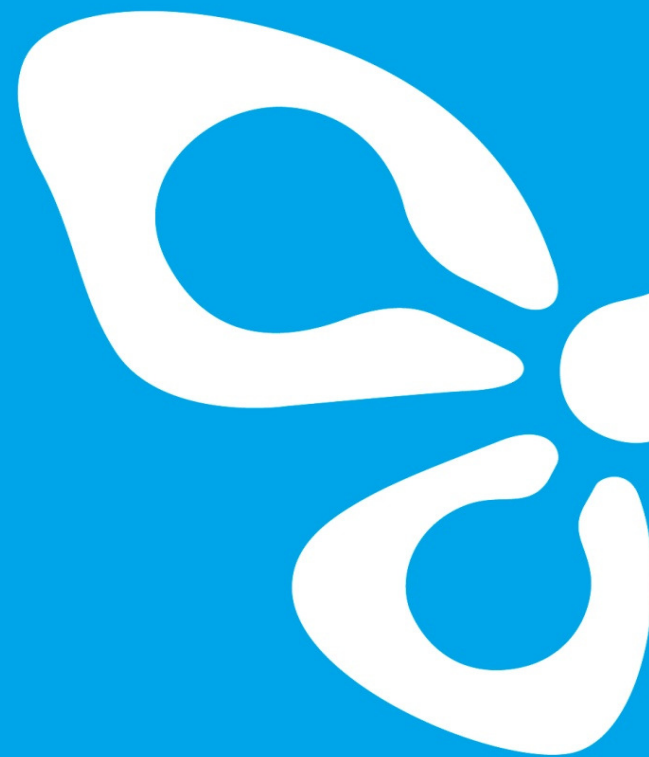


Future Growth Drivers

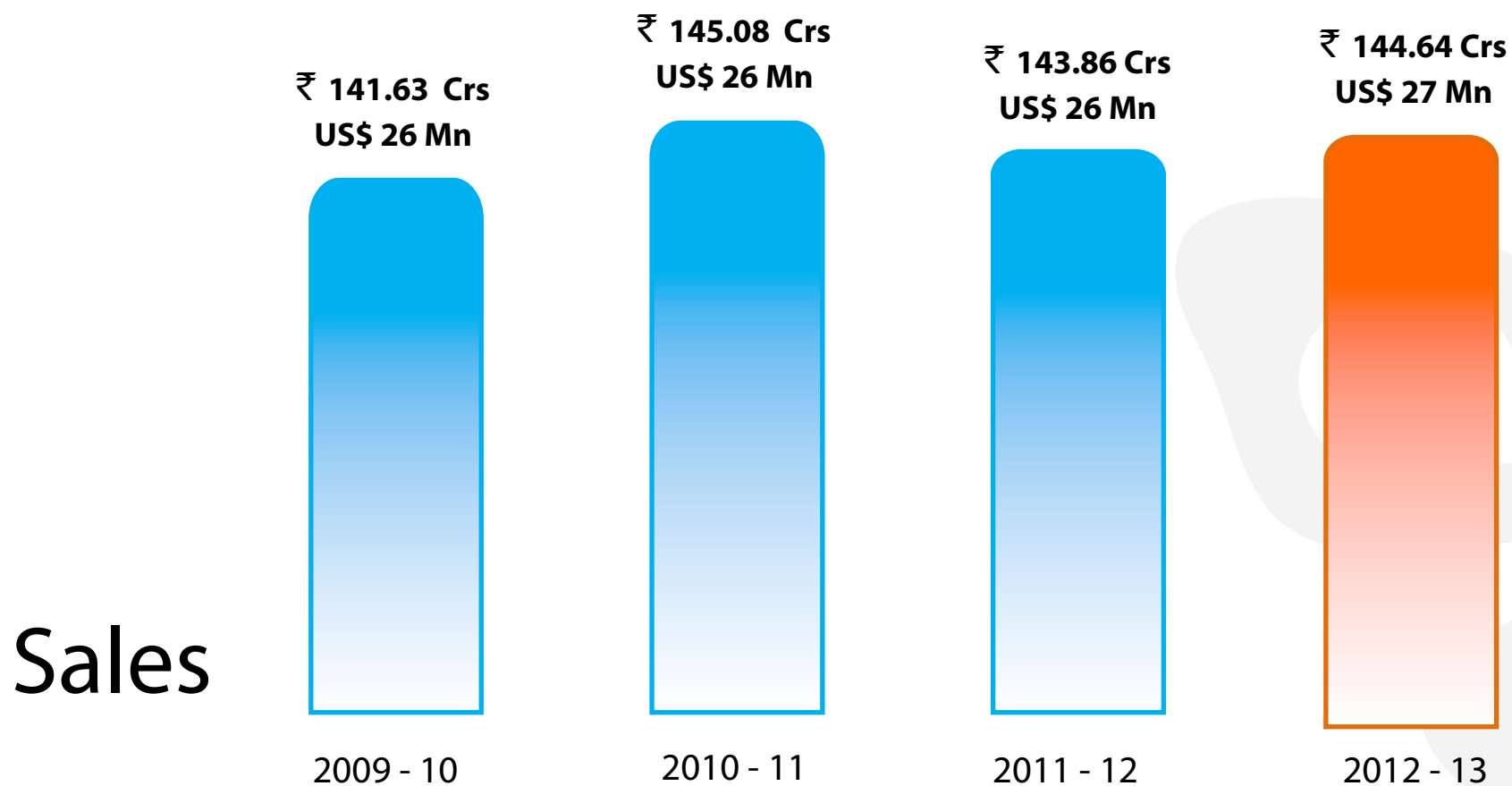
- The company introduced 6 new Brands in the India market during 2012-13.
- Clinical research as a tool to launch innovative combination formulations / NDDS.
- Strong Brand building with focused promotion.
- In licensing/ out licensing to build business in the promoted therapy.
- Portfolio optimization, strategies to identify need gaps to build, enter, maintain and exit approach.

APIs (Active Pharmaceutical Ingredients)

Domestic



CAGR = 1%



API sales does not include captive consumption (FY 2012 – 13 ₹ 476.07 Crs / US\$ 87 Mn)

International Business

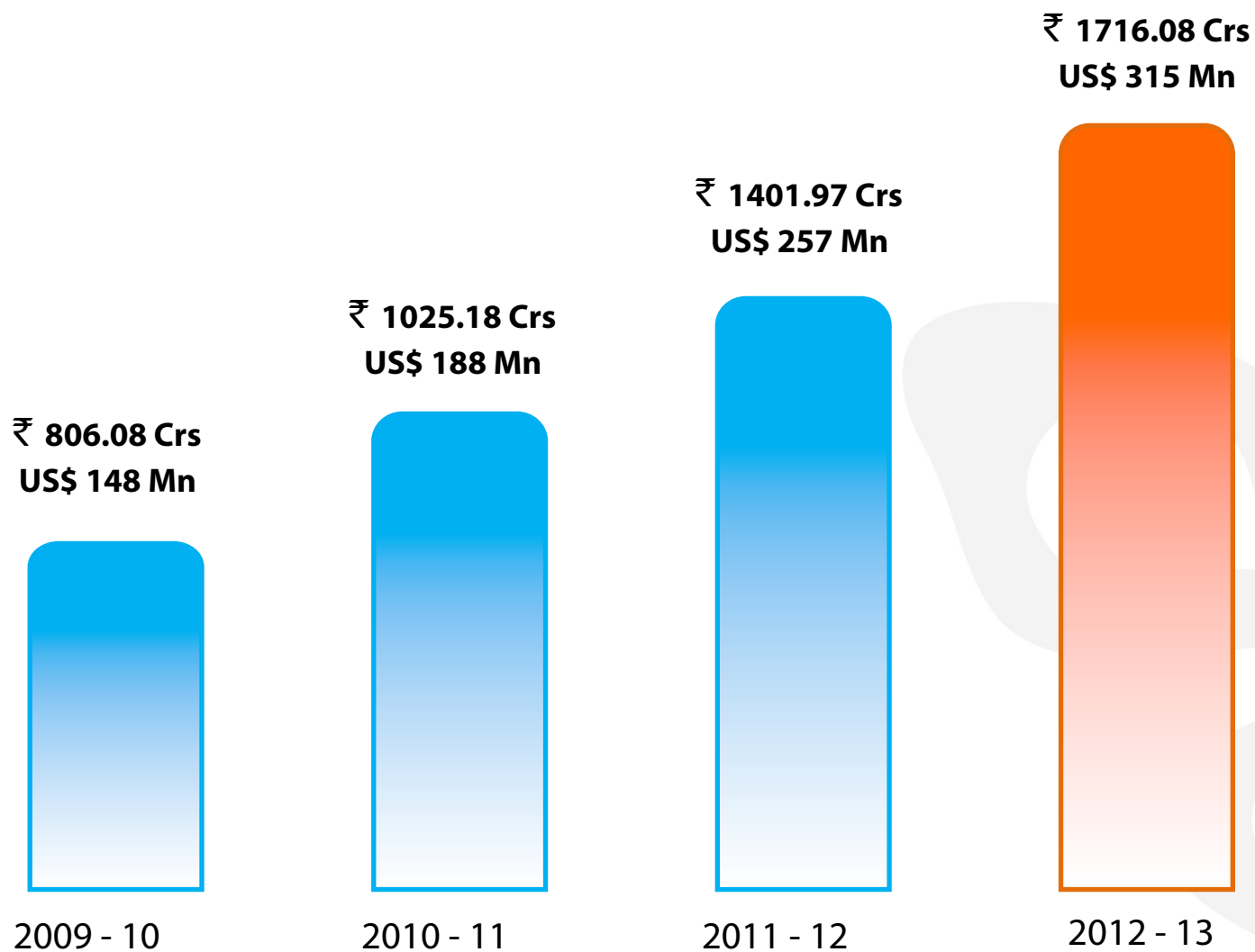


- Exports to over 120 countries.
- Recognized Star Trading House.
- Among top 10 pharmaceutical exporters from India.
- 61% sales from exports.
- Field-force to promote brands in more than 30 countries of CIS, South East Asia, Middle East, Latin America and Africa.

- Marketing offices in Russia, Ukraine, Vietnam, Philippines, Kenya, Columbia, Sri Lanka, Malaysia and Nigeria (subsidiary company).
- Formulation dossiers for branded formulations registered in 63 countries.

CAGR = 29%

Sales



Continent-wise Exports 2012 – 13 (₹ Crs)

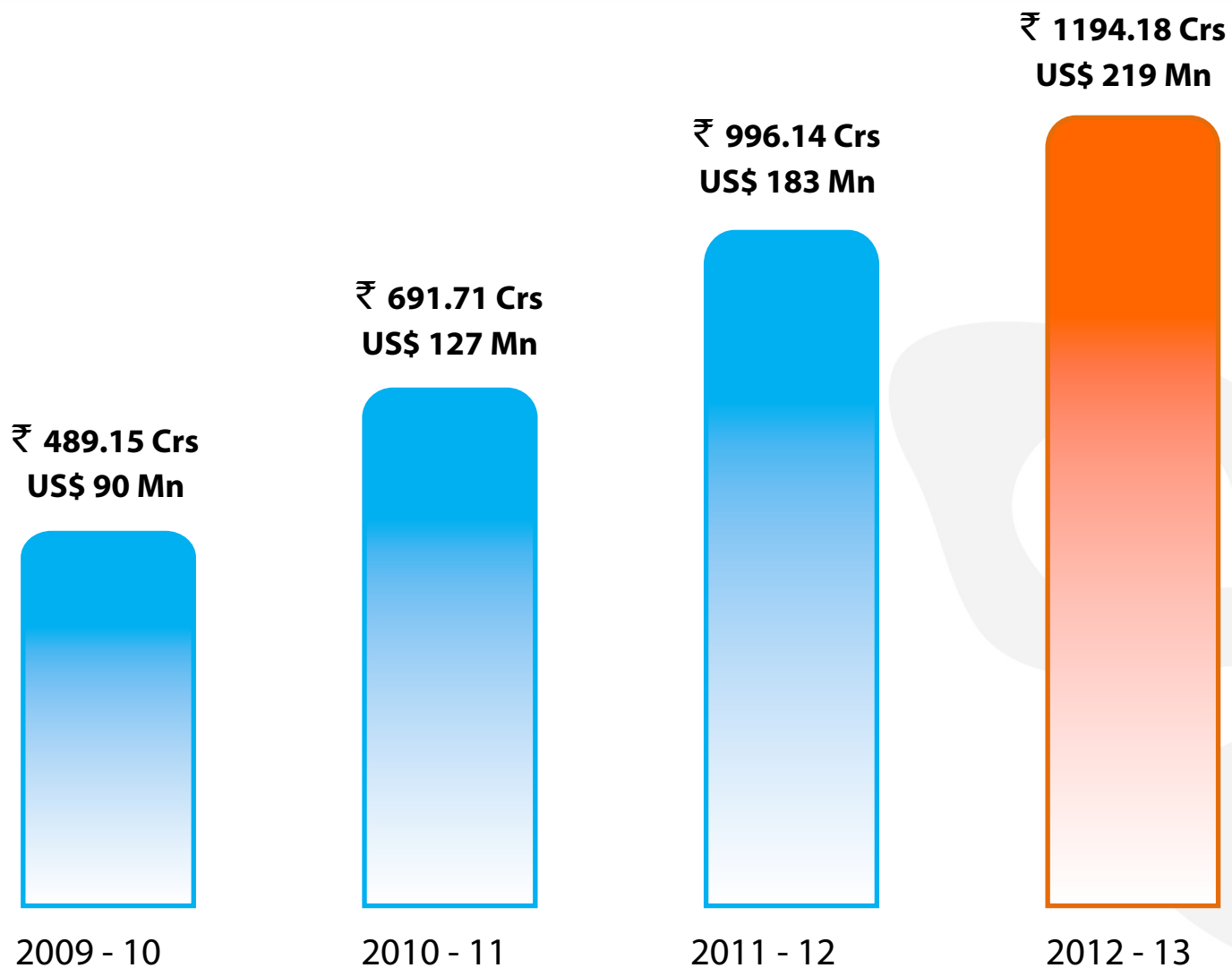
Continent	Formulations	Bulk Drugs / Intermediates	Total	% Contribution
Europe	292.35	193.31	485.66	28%
Americas	215.22	137.39	352.61	21%
CIS	136.48	3.29	139.77	8%
Asia	71.55	149.09	220.64	13%
Africa	434.89	32.99	467.88	27%
Australasia	43.69	5.83	49.52	3%
Total	1194.18	521.90	1716.08	100%

International Formulations

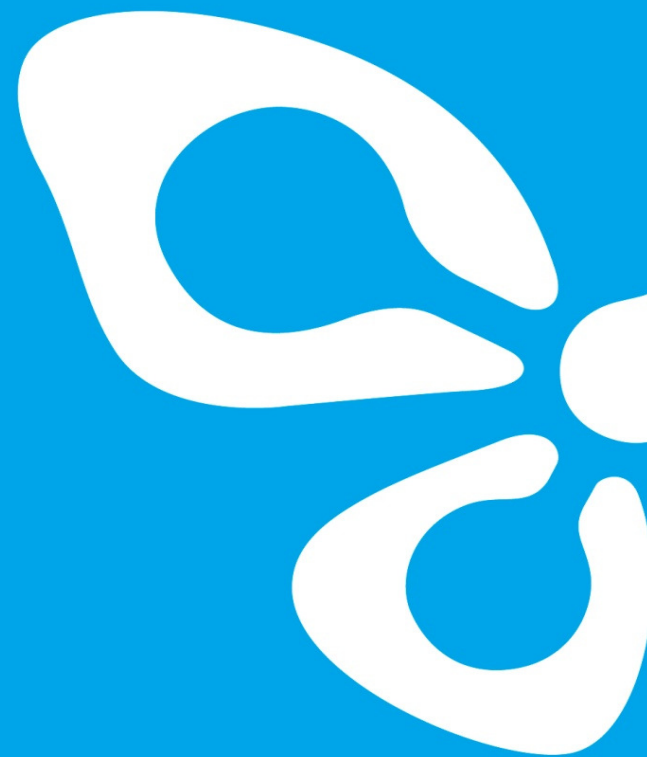


CAGR = 35%

Sales

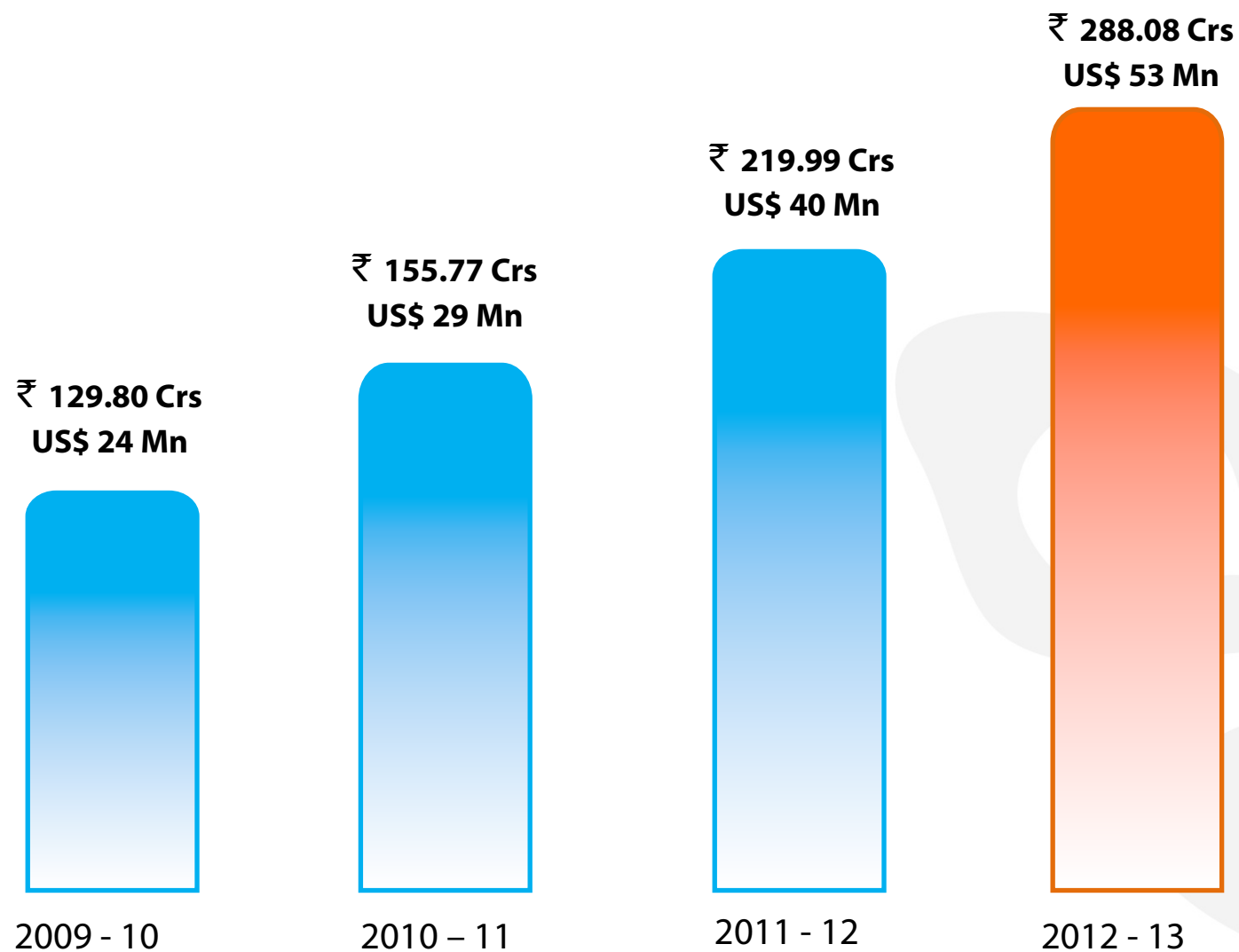


International Branded Formulations



CAGR = 30%

Sales



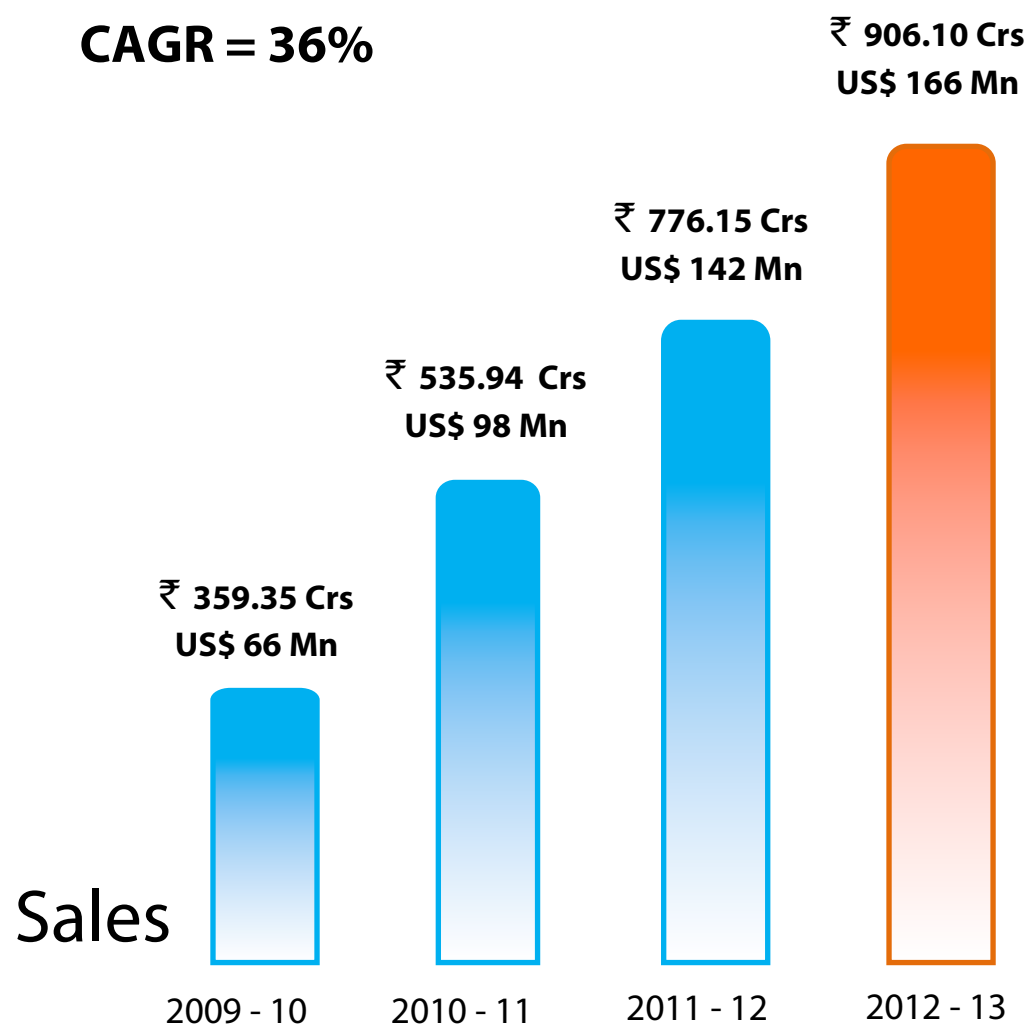
Future Growth Drivers

- 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



CAGR = 36%



Country	Products Registered	Products Under Registration
United Kingdom / Europe	59	2
Australia / New Zealand	44	13
South Africa	40	13
United States / Canada	25	27

Future Growth Drivers

- Dossiers developed by company approved in UK are being taken for registration in other EU countries.
- Most 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

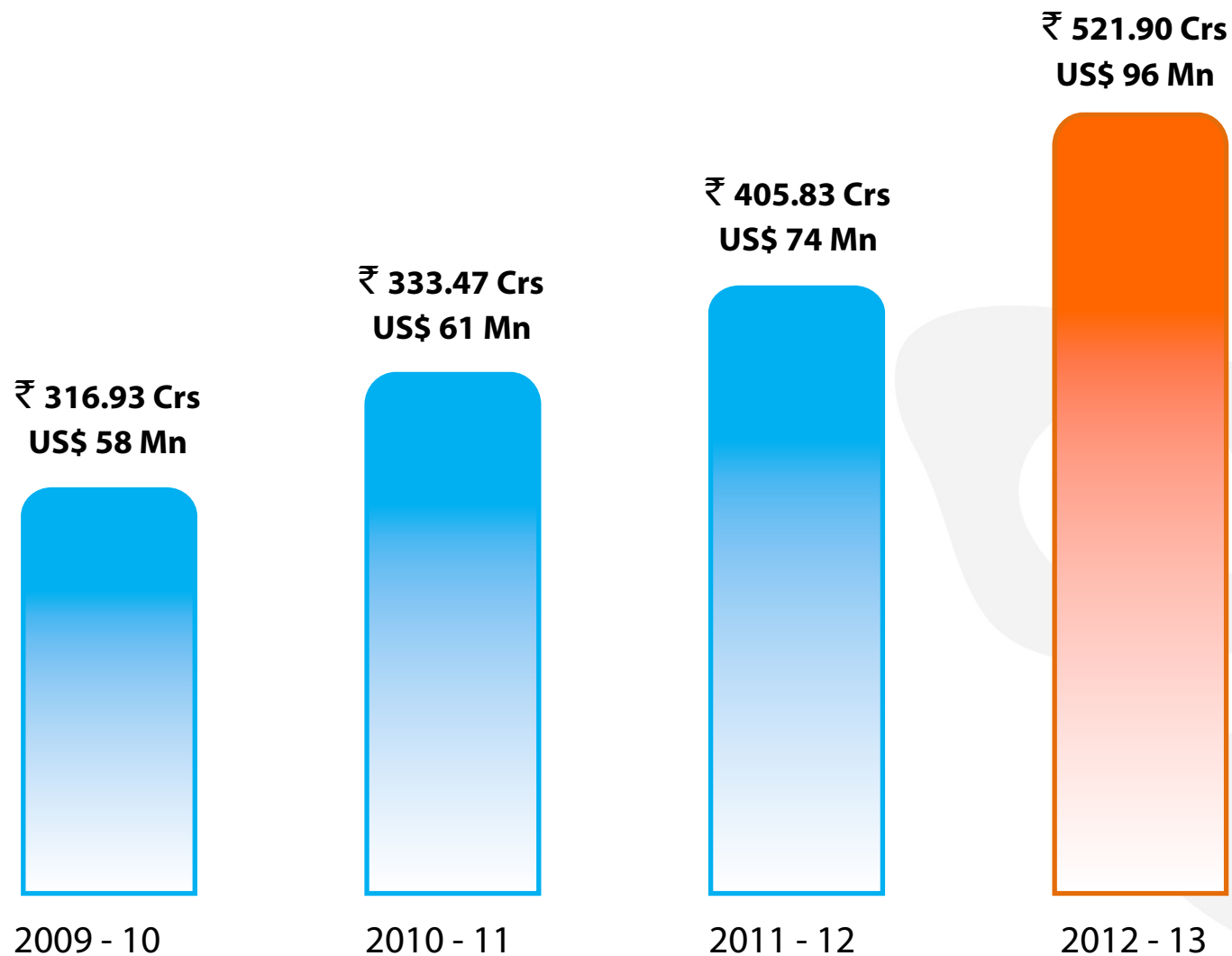
- Strategic tie up with 3 marketing partners for sale/distribution of Generic formulations.
- 38 ANDAs filed of which 17 ANDAs are approved.
- 8 to 10 ANDAs targeted for filing for every year.
- 505 (b) (2) projects/ Sustained Release Formulations.
- Exploring contract development and manufacturing opportunities.
- Marketing operations started in Canada.

International APIs



CAGR = 18%

Sales



Sr. No.	Name of the API	US- FDA	UK - MHRA	Canada- HPFB	WHO	Japan - PMDA	TGA - Australia	EDQM - Europe
1	2,4 Dichlorobenzyl Alcohol (2,4 DCBA)		✓					
2	Atenolol	✓	✓	✓		✓	✓	✓
3	Artemether			✓	✓			
4	Artesunate				✓			
5	Amodiaquine Hcl				✓			
6	Amlodipine Besylate	✓						✓
7	Allopurinol	✓		✓				✓
8	Beventalol Hcl					✓		
9	Benzarone					✓		
10	Benzbromarone					✓		
11	Bendroflumethiazide							✓
12	Bisoprolol Fumarate	✓						
13	Carvedilol	✓		✓				✓
14	Cetirizine Dihydrochloride	✓						✓
15	Chloroquine Phosphate	✓						✓

Sr. No.	Name of the API	US- FDA	UK - MHRA	Canada- HPFB	WHO	Japan - PMDA	TGA - Australia	EDQM - Europe
16	Chloroquine Sulphate		✓					
17	Chlorthalidone	✓		✓				✓
18	Cilostazole	✓						
19	Citalopram HBR	✓						✓
20	Clopidogrel Bisulfate	✓						
21	Dihydroartemesinin				✓			
22	Etodolac	✓						✓
23	Ebastine					✓		
24	Escitalopram Oxalate	✓						
25	Famotidine					✓		✓
26	Fenofibrate	✓						✓
27	Fluconazole	✓						✓
28	Flumequine							✓
29	Furosemide	✓		✓		✓	✓	✓
30	Glimeperide	✓				✓		✓

Sr. No.	Name of the API	US- FDA	UK - MHRA	Canada- HPFB	WHO	Japan - PMDA	TGA - Australia	EDQM - Europe
31	Hydrochlorothiazide	✓		✓		✓	✓	✓
32	Hydrozyne Di Hcl	✓						✓
33	Hydroxychloroquine Sulphate	✓	✓	✓			✓	
34	Indapamide	✓					✓	✓
35	Isotretinoin							✓
36	Losartan Potassium	✓	✓	✓		✓		✓
37	Lumefantrine				✓			
38	Methylphenidate			✓				✓
39	Mesalamine/ Mesalazine	✓						✓
40	Metformin HCL	✓		✓				✓
41	Metoclopramide HCl	✓	✓	✓		✓		✓
42	Metoprolol Succinate	✓						✓
43	Metoprolol Tartrate	✓		✓		✓	✓	✓
44	Midodrine Hydrochloride	✓						
45	Nabumetone	✓						✓

Sr. No.	Name of the API	US- FDA	UK - MHRA	Canada- HPFB	WHO	Japan - PMDA	TGA - Australia	EDQM - Europe
46	Ondansetron Hydrochloride	✓		✓			✓	✓
47	Ondansetron Base	✓						
48	Pantoprazole Sodium Sesquihydrate	✓						✓
49	Perindopril	✓						✓
50	Primaquine Phosphate	✓					✓	
51	Piperaquine Phosphate				✓			
52	Probenecid	✓						
53	Proguanil Hydrochloride	✓						✓
54	Propranolol HCl	✓		✓		✓		✓
55	Pyrantel Pamoate	✓				✓	✓	✓
56	Pyrimethamine Hcl	✓						✓
57	Promethazine Hydrochloride	✓						
58	Quetiapine Fumarate	✓		✓				
59	Resperidone	✓		✓				
60	Resindronate Sodium	✓						

Sr. No.	Name of the API	US- FDA	UK - MHRA	Canada- HPFB	WHO	Japan - PMDA	TGA - Australia	EDQM - Europe
61	Ractopamine Hcl	✓						
62	Sodium Alendronate	✓				✓		✓
63	Sulfadoxine		✓					
64	Torsemide	✓						✓
65	Tramadol Hydrochloride	✓		✓				✓
66	Trimethoprim	✓	✓	✓		✓	✓	✓
67	Triamterene	✓						✓
68	Triclabendazole		✓					
69	Valsartan			✓				✓
70	Warfarin Sodium Clathrate	✓						✓
71	Warfarin Sodium							✓
72	Zaltoprofen					✓		
73	Zolpidic Acid					✓		
74	Zoledronic Acid	✓	✓			✓		
	Total	51	10	20	6	19	10	43

Future Growth Drivers

- Pursuing MNC tie-ups for supply agreements.
- Non-infringing process Patent filed for APIs.

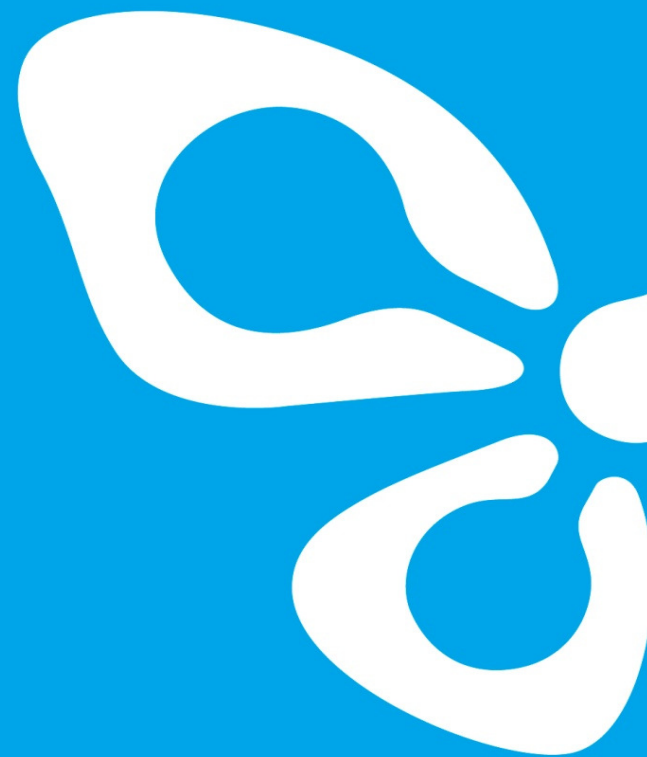


Future Growth Drivers

- 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	₹ Crs	% to Sales
2008 – 09	50.22	3.97%
2009 – 10	57.28	3.71%
2010 – 11	71.27	3.82%
2011-12	77.96	3.39%
2012-13	100.74	3.68%

- Current scientist manpower of over 600.
- Research focus on developing APIs with non-infringing process and development of finished dosage forms.
- Development of NDDS for domestic and international market.
- 220 patent applications filed.
- 68 patents granted (Indian - 50, US PTO - 11, EU- 7).

Future Strategy

- Bio-tech / fermentation research facility established and working under contract research on two products.
- Undertaking contract research activities for APIs & Formulations for international clients.

Thank you

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