

A Double Whammy – FDA Warning Letter & GST woes for Indoco

Mumbai, August 9, 2017: Indoco Remedies posted revenues of ₹ 204.2 crores during the first quarter of FY 2017-18, as against ₹ 252.5 crores, for the same period last year. For the first time, the Company has registered a net loss of ₹ 21.7 crores for the quarter, as Domestic as well as international sales got affected adversely due to GST implementation in India and voluntary stoppage of ophthalmic product supplies to US.

Commenting on the results, Aditi Panandikar, Managing Director, Indoco Remedies Ltd., said, “On the Domestic front, Secondary Sales figures reported by AIOCD AWACS have shown usual off-take and growth, which gives the Company confidence, that the loss of sales in quarter I is expected to be recovered in coming period. The Company has taken immediate steps to cut costs and improve efficiencies, which will enable it to get back on track.”

The Company introduced 3 new products in the Indian market, one in the Gynaec segment and two in the Cardiac segment.

Post receipt of warning letter, the Company has initiated remedial action in co-ordination with US based consultant, and will commence shipment to US, product by product, beginning from September’17. The corrective measures being implemented will further strengthen Indoco’s Quality Management System, with benefits to all Manufacturing facilities.

For the quarter ended June’17, the financials are as under:

(₹ in Crores)

Particulars	April’17-June’17	April’16-June’16
Net Revenue	204.2	252.5
EBIDTA	1.3	42.30
Profit/(Loss) After Tax	(21.7)	19.8
EPS (Face value ₹ 2/-) (Not annualized)	(2.36)	2.15

About Indoco Remedies Limited:

Indoco Remedies Ltd., headquartered in Mumbai, is a fully integrated, research-oriented pharma Company with presence in 55 countries. Indoco, a USD 165 million Company, employs over 6000 people including more than 300 skilled scientists.

The Company has 9 manufacturing facilities, 6 of which are for FDFs and 3 for APIs, supported by a state-of-the-art R&D Centre and a CRO facility. The facilities have been approved by USFDA, UK-MHRA, TGA-Australia, MCC-South Africa, etc. Indoco develops and manufactures a wide range of pharmaceutical products for the Indian and international markets. It generates more than 70 million prescriptions annually from around 3,10,000 doctors belonging to various specialties. Indoco has 9 domestic marketing divisions with a strong brand portfolio in various therapeutic segments including Respiratory, Anti-Infective, Dental Care, Pain Management, Gastro-intestinal, Ophthalmic, Cardiovascular, Anti-Diabetics, Anti-Obesity, etc. Top Indoco brands include Cyclopam, Febrex Plus, Sensodent-K, Oxipod, Cital, ATM, Cloben-G, Sensoform, Sensodent-KF, Karvol Plus, Glychek, Tuspel Plus, etc. On the international front, Indoco has tie-ups with large generic companies like Watson (Actavis) – USA and ASPEN-South Africa.

For more details on Indoco, you may visit www.indoco.com

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