



Ind-Swift LABORATORIES LIMITED

(A Recognised Export House)

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CIN No. L24232CH1995PLC015553



Ref.:ISLL:CH:2020:

Date: 18th November, 2020

The President,
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Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai 400 001

The Vice President,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No.C/2, G-Block,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

BSE Scrip Code: 532305

NSE Symbol: INDSWFTLAB

Sub: Investor Presentation for Second Quarter ended on September 30, 2020.

Dear Sir,

Pursuant to the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed copy of Investor presentation on Financial Results of the Company for the Second Quarter ended September 30,2020.

Kindly take the same on record.

Thanking you,

For IND-SWIFT LABORATORIES LTD.

PARDEEP VERMA
AVP-CORPORATE AFFAIRS &
COMPANY SECRETARY





Ind-Swift Laboratories Limited

Investor Presentation

Q2 & H1FY21

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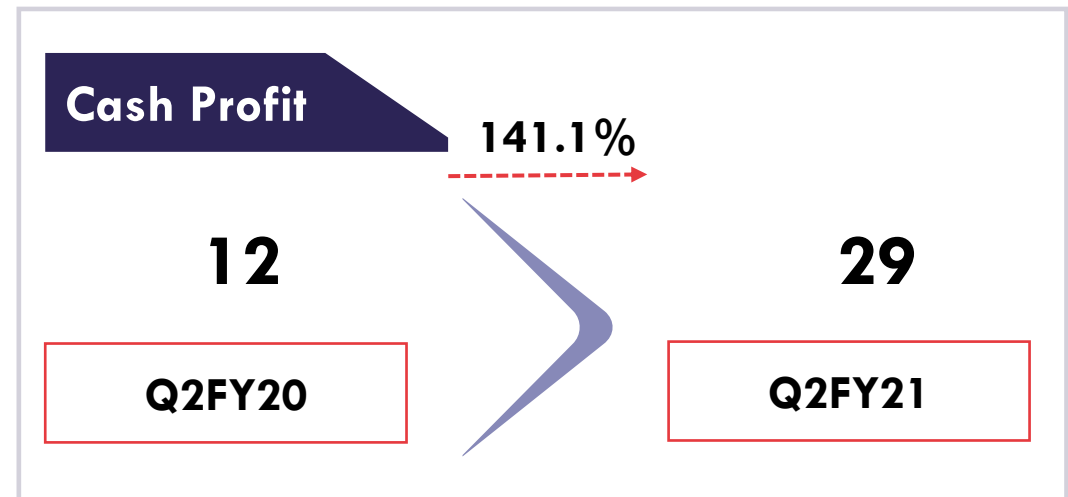
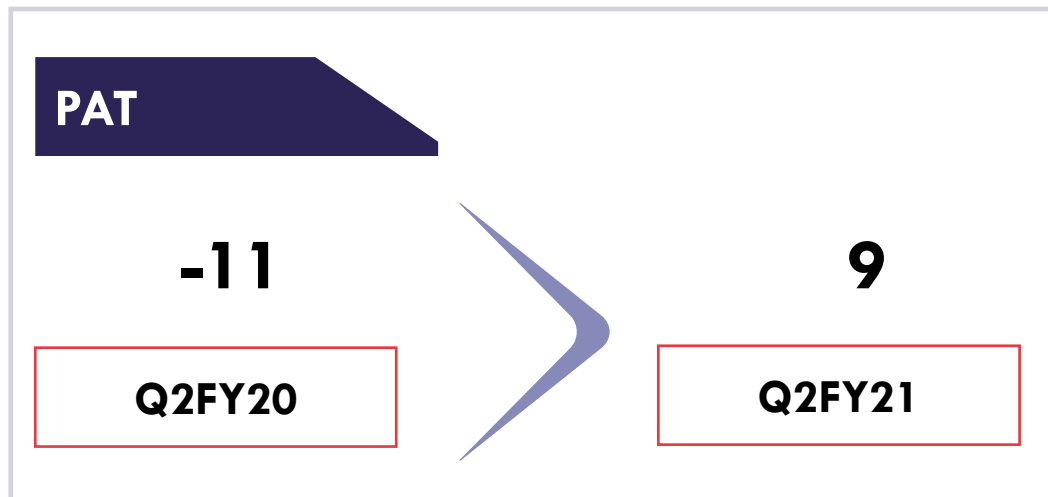
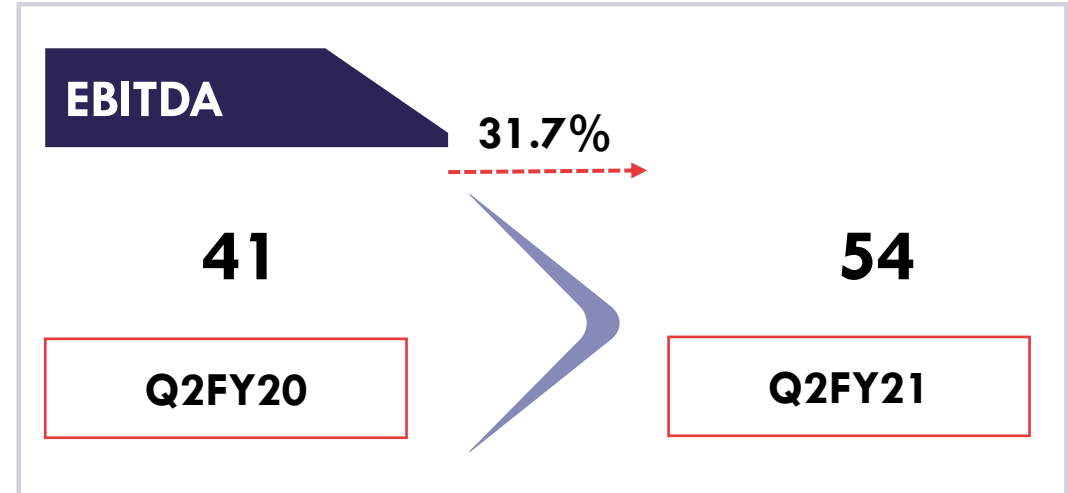
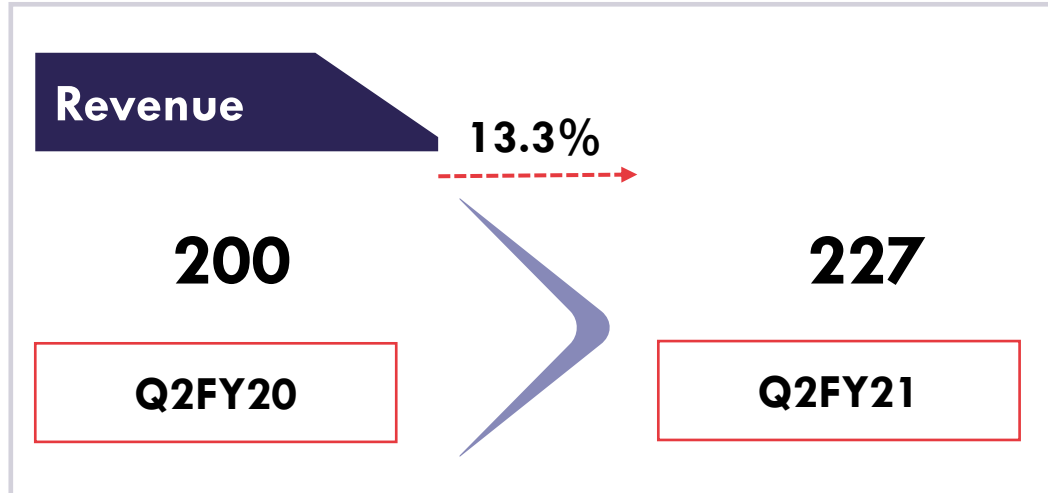
Historical Financials

Q2 & H1FY21 Performance & Highlights



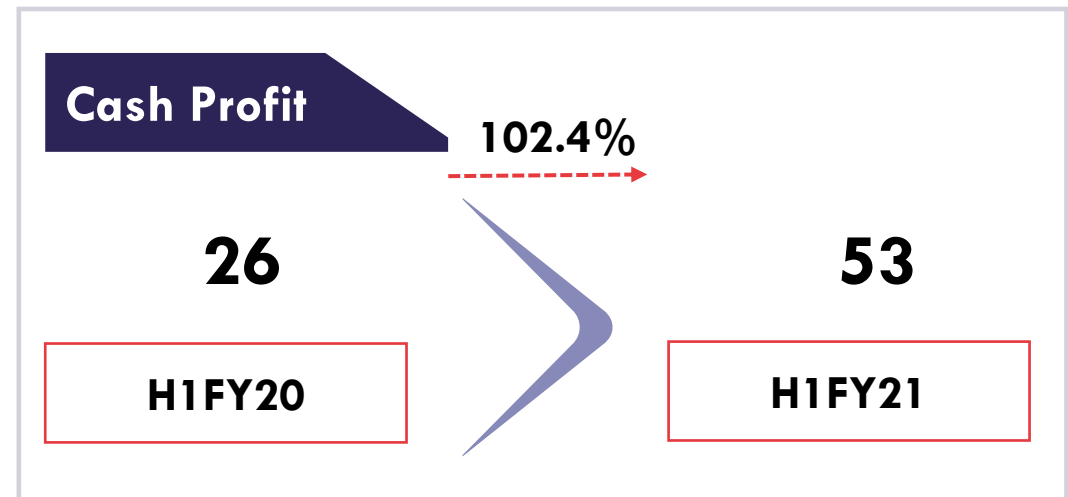
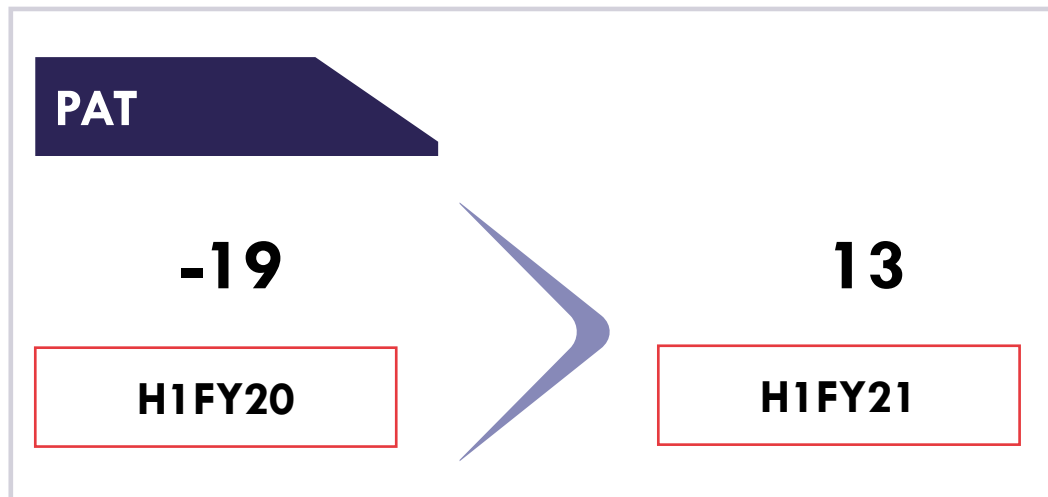
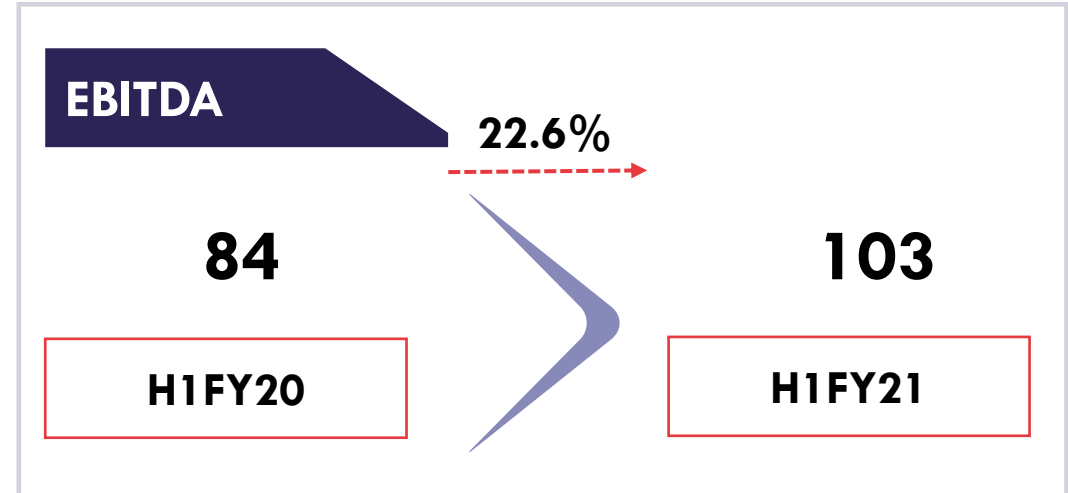
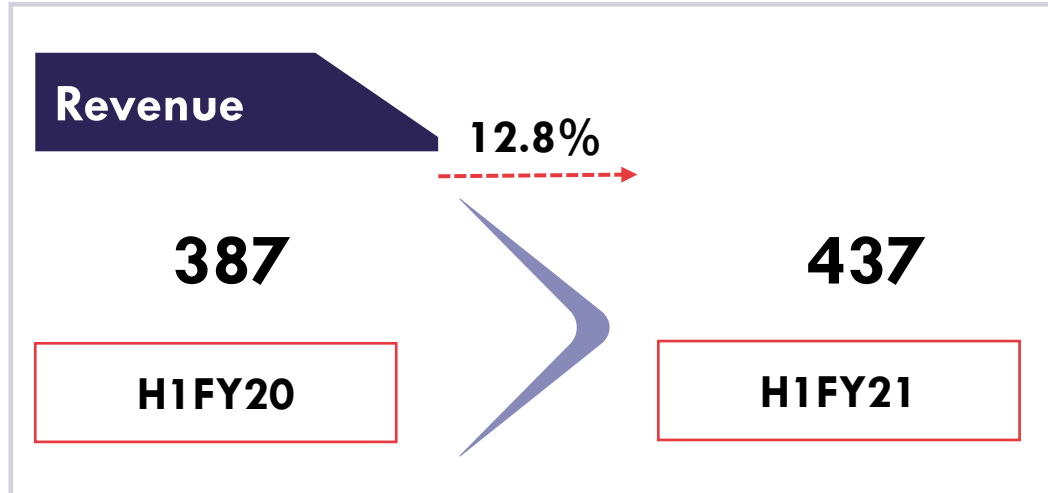
Standalone Financial highlights – Q2FY21

Rs cr



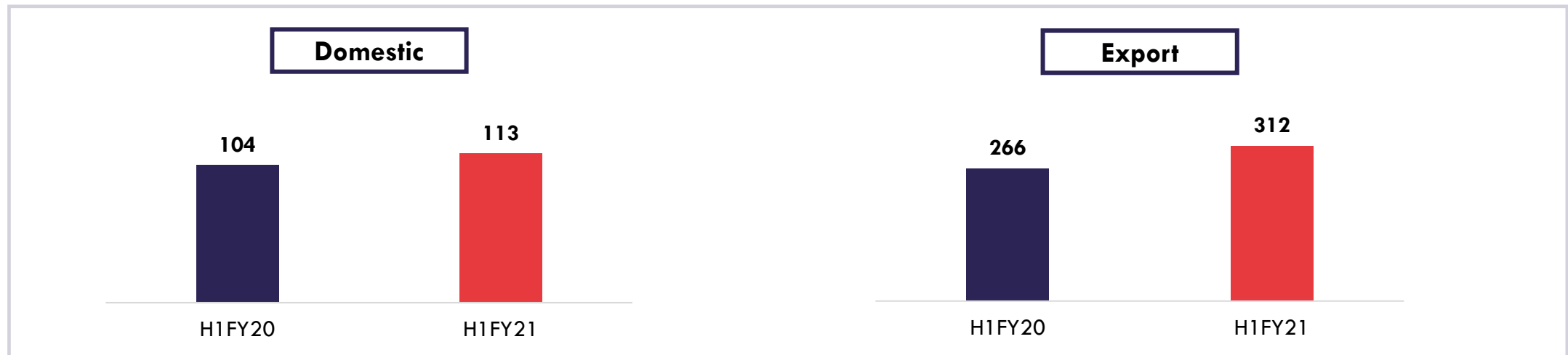
Standalone Financial highlights – H1FY21

Rs cr



Operating revenue breakup – healthy export growth

Rs cr



Standalone Profit & Loss Statement

(Rs Cr)	Q2FY21	Q2FY20	YoY	H1FY21	H1FY20	YoY
Revenue from Operations	221	190		425	371	
Other Income	6	11		12	16	
Total Income	227	200	13.3%	437	387	12.8%
Cost of Raw Material	101	102		207	192	
Gross Profit	126	98	28.1%	230	196	17.3%
Gross Profit margin	55.3%	48.9%		52.5%	50.5%	
Employee Benefit Expense	29	26		51	49	
Other Expenses	42	31		76	63	
Total Operating Expenses	72	57		127	112	
EBITDA	54	41	31.7%	103	84	22.6%
EBITDA margin	23.8%	20.5%		23.6%	21.7%	
Depreciation	20	23		40	45	
Interest	25	29		50	57	
PBT	9	-10		13	-19	
Tax Expenses	0.0	0.4		0.0	0.4	
PAT	9	-11		13	-19	
PAT Margin	4.1%	NA		3.1%	NA	

✓ EBITDA and EBITDA Margin includes other income

Standalone Balance Sheet

(Rs. Cr)	Sep-20	Mar-20
EQUITY & LIABILITY		
Share Capital	60	60
Total Reserves	598	585
Shareholder's Funds	658	645
Long-Term Borrowings		
Secured Loans	890	891
Deferred Tax Liabilities	0	0
Long Term Provisions	15	15
Other Non Current Liabilities	0	0
Total Non-Current Liabilities	905	906
Current Liabilities		
Trade Payables	131	127
Other Current Liabilities	55	42
Short Term Borrowings	114	140
Total Current Liabilities	301	309
Total Liabilities	1,864	1,860

(Rs. Cr)	Sep-20	Mar-20
ASSETS		
Non-Current Assets		
Fixed Assets incl CWIP & intangible	819	854
Investment in subsidiary	26	26
Financial Assets	2	2
Other Non Current Assets	55	55
Deferred Tax Asset	78	78
Total Non-Current Assets	980	1,016
Current Assets		
Inventories	340	343
Sundry Debtors	405	385
Cash and Bank	11	9
Short Term Loans and Advances	51	34
Other Current Assets	78	74
Total Current Assets	884	845
Total Assets	1,864	1,860

Company Overview



A leading API player

₹ 788 cr

Revenue
FY20

22.6%

EBITDA Margin
FY20

280+

Customers

7-8 years

Retention period for
top 10 customers

70+

Countries with
product presence

32

Molecules

18

Therapeutic
Categories

2500+

Employees

690 KL

Reactor capacity

696 MT

Bulk drug capacity

R&D Infrastructure With Strong Capabilities

- State-of-the-art R&D campus
- Dedicated facility with eight synthetic labs over 40,000 sq. ft research area

Regulatory Capabilities

- 26 DMFs filed with USFDA
- 318 DMFs submissions with European Authorities
- 474 DMFs reviewed by regulators
- 32 products covered

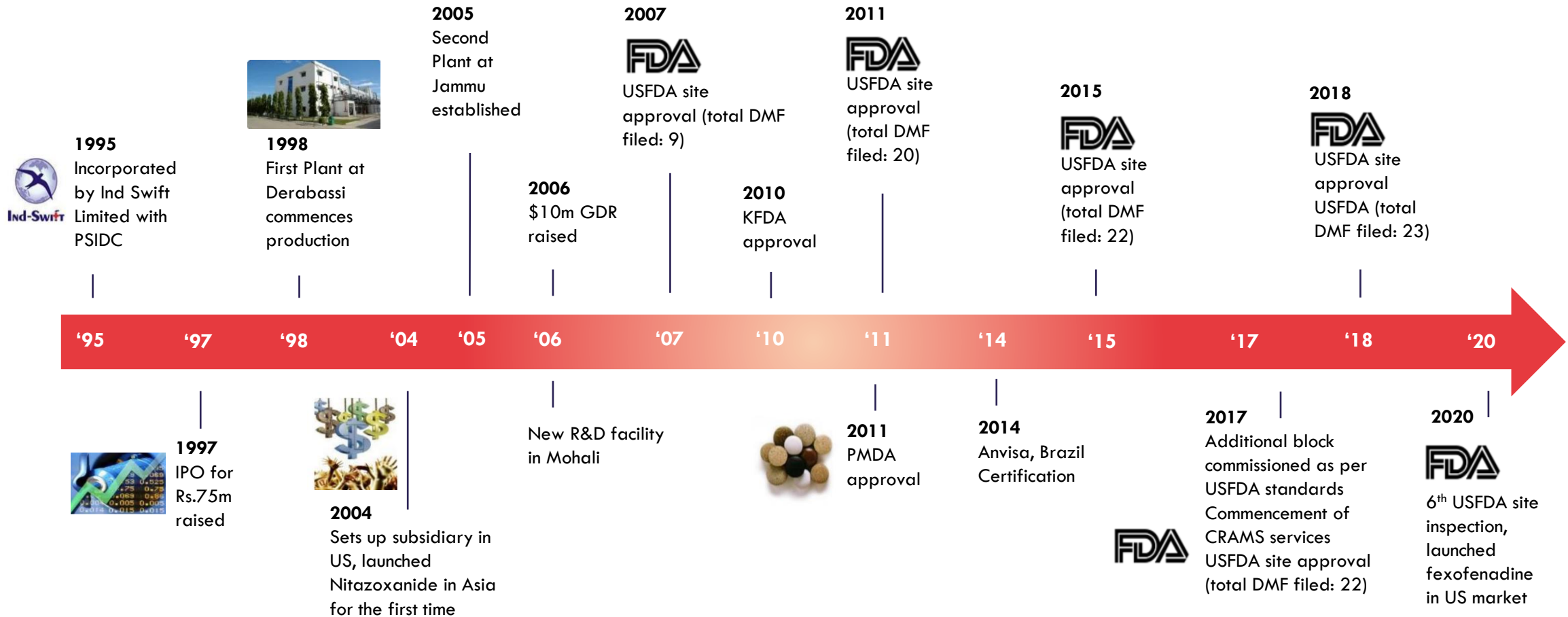
Manufacturing Base

- Facility at Derabassi: spread over 33 acres, 22 cGMP manufacturing blocks
- Facility at Jammu: spread over 8 acres, 4 cGMP manufacturing blocks

Regulatory Approvals

- USFDA, PMDA, EDQM, BfArM, KFDA, TGA, ANVISA and COFEPRIS, among others

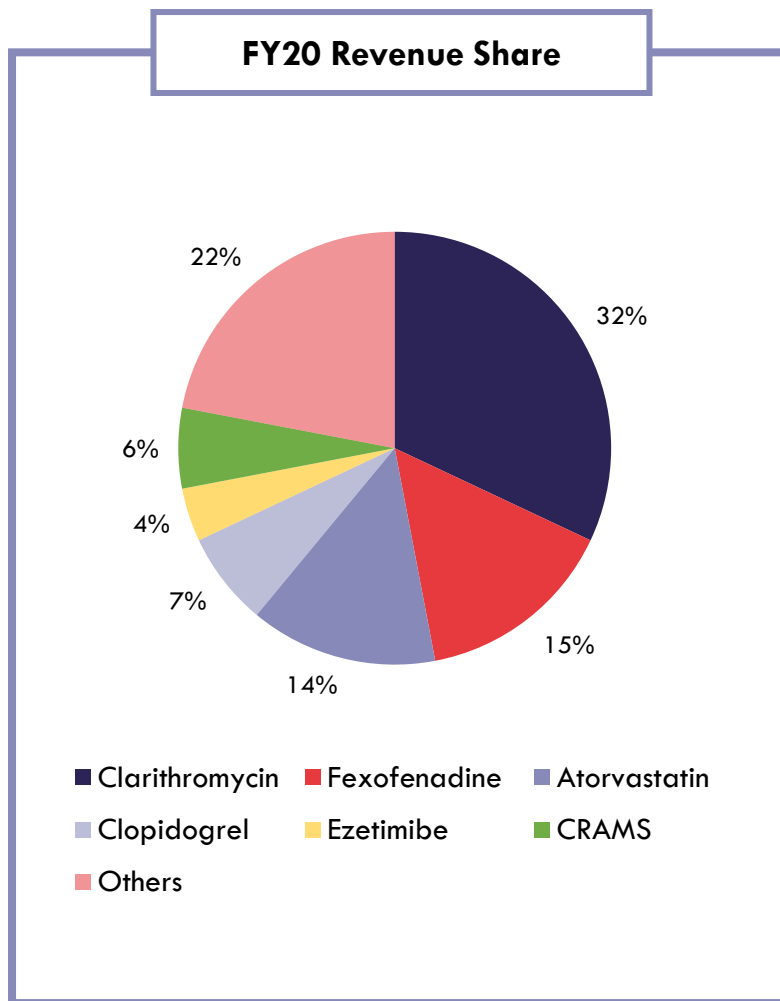
Corporate History



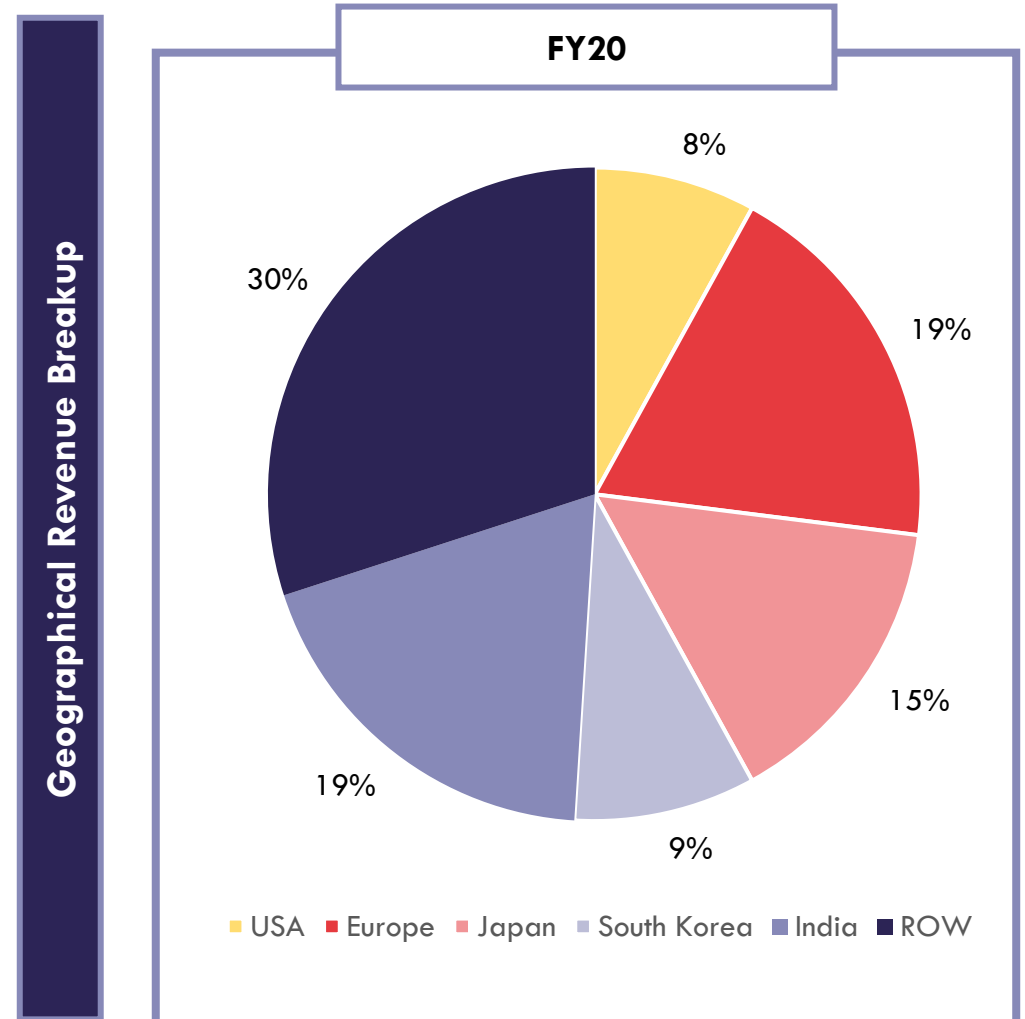
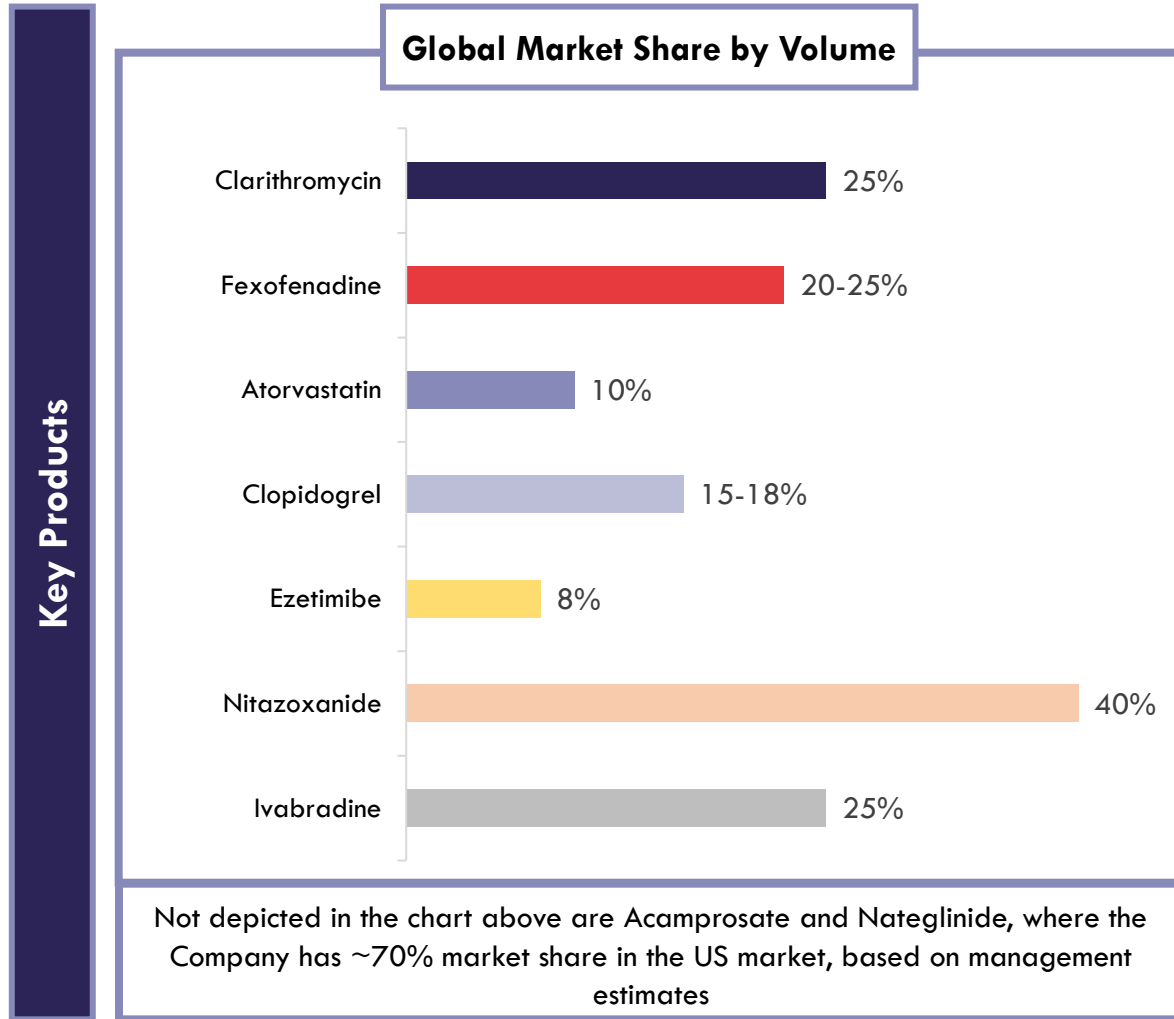
Broad portfolio across multiple therapeutic areas

Key Products

Product	Indication	Number of Clients	FY20 Standalone Revenue (Rs Cr)
Clarithromycin	Anti-infective	155	239
Fexofenadine	Allergic rhinitis	62	114
Atorvastatin	Hypercholesterolaemia	85	103
Clopidogrel	Atherothrombotic events	105	56
Ezetimibe	Primary hypercholesterolemia	51	33
Nitazoxanide	Helminthic, protozoal, viral infections	59	24
Ivabradine	Chronic stable angina pectoris	25	21
Nateglinide	Type 2 diabetes	2	15
Acamprosate	Alcohol dependence	10	12
Letrazole	Aromatase Inhibitor, Anti-estrogen	15	9
Total Top 10			627
CRAMS	Pharma & Non Pharma	7	48
Other products			77
Total		280+	752



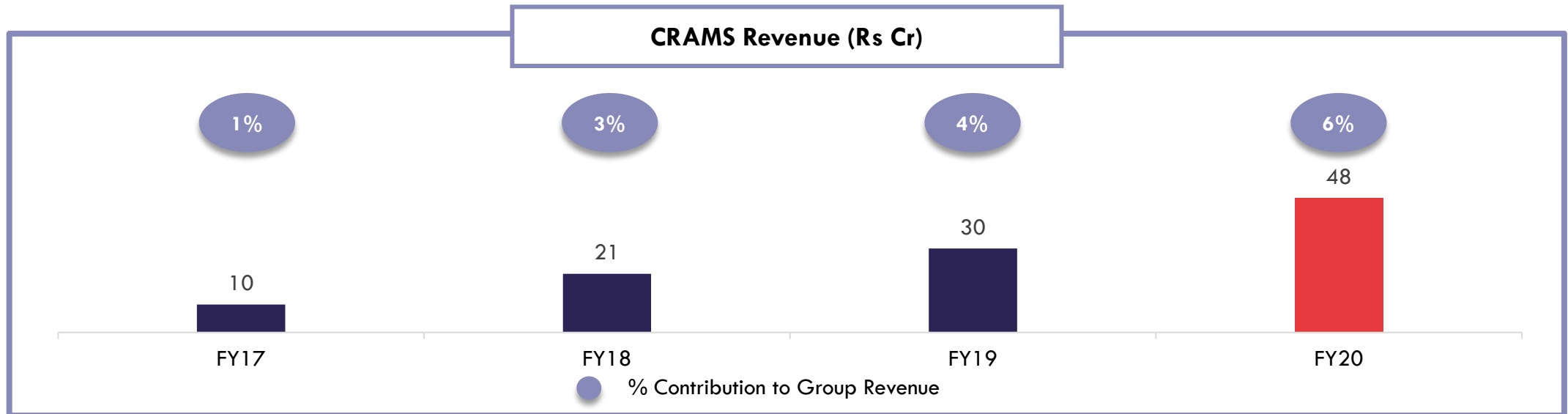
.. With significant market share in key products



Growing CRAMS opportunities

Key Highlights

- Involved in pharmaceutical CRAMS applications for several years and recently ventured into CRAMS for specialty chemicals in the display technology space
- Plans to capitalize on reducing dependency on China for supply of such intermediates
- Key features of CRAMS for the display / technology space include:
 - As opposed to the pharma industry requirements, does not require a GMP compliant facility
 - Lesser quantities needed; makes it a high value and low volume opportunity



High quality manufacturing facilities

Derabassi Facility



Reaction Capacity: 510KL

Over 33 acres

22 cGMP plants

Zero discharge

- GMP pilot plant suitable for Advanced Intermediates, key starting material required for manufacturing API.
- Dedicated facility for Oncology products with world-class Isolators
- Dedicated Oral Solid Dosage facility for Clarithromycin Granules
- Periodically inspected and audited by regulatory authorities like USFDA, KFDA, PMDA, ANVISA, EDQM among others

Jammu Facility

Reaction Capacity: 176 KL

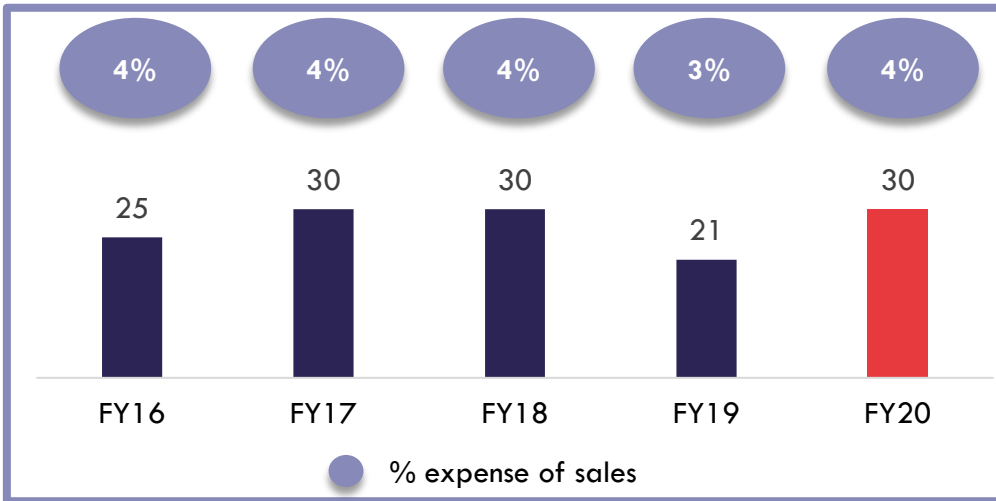
- Spread over 8 acres
- 4 dedicated and multipurpose cGMP manufacturing blocks, catering to domestic / unregulated markets
- Products include Atorvastatin, Fexofenadine, Clopidogrel bi sulphate, Nitazoxanide and Ivabradine

Dedicated R&D infrastructure with strong capabilities

Mohali R&D Center



R&D Expense (Rs cr)



Mohali R&D Overview

11 products in pipeline with 4 included to commercialize by FY22

474 DMFs

119 scientists

- State-of-the-art R&D campus over 2 acres
- 147 highly qualified R&D employees including 119 scientists, approved by DSIR, GOI
- Strong capabilities to develop non-infringing APIs requiring complex chemistry and multiple reactions
- Dedicated facility with eight synthetic labs and over 40,000 sq. ft. research area
- Multi-disciplinary skills in Contract Research and Manufacturing Services (“CRAMS”)

Long standing relationship with key customers

Proudly maintaining long standing relationships with multiple clients for 10+ years



Represented by a professional team

Mr. Nav Rattan Munjal

Chairman & Managing Director

- Responsible for overall corporate strategy
- Science graduate with over 35 years of experience

Dr. Lalit Wadhwa

Chief Operating Officer

- Responsible for overall operations
- Ph.D. in pharmaceutical chemistry with over 29 years of experience

Mr. Vijay Kumar

Director of Marketing

- Responsible for marketing operations (except USA) with over 30 years of experience
- Masters in Foreign Trade

Mr. Vikas Narendra

President – North America

- Responsible for BD and corporate strategy
- Masters in Chemical Engineering & MBA from Kellogg School of Management, USA

Mr. Lovekesh Mahajan

Chief Accounts Officer

- Responsible for accounts and taxation
- FCA with over 30 years of experience

Mr. Gagan Aggarwal

Chief Financial Officer

- Responsible for financial planning
- MBA with over 15 years of experience

Mr. Atul Chaubey

Head – Human Resources

- Responsible for human resource management
- MBA (HR) with over 21 years of experience

Mr. Pardeep Verma

AVP – Corporate Affairs

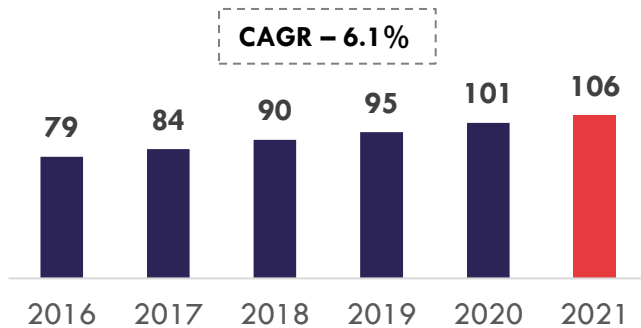
- Responsible for Corporate Affairs, Secretarial and Compliance
- LLB & MBA with over 21 years of experience

Industry Outlook & Growth Strategy



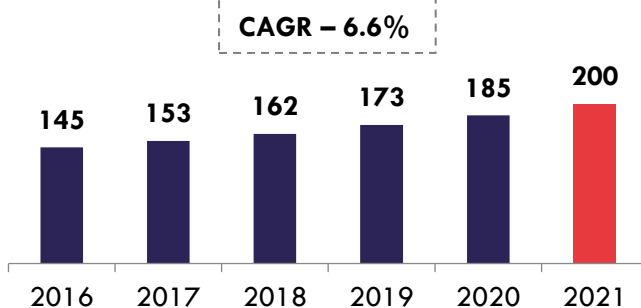
Large, attractive and growing API market

Worldwide Generic Drug Sales (\$Bn)



Global API Market (\$Bn)

Source: Technavio.com



API Market Opportunities

As branded drugs become off-patent, exports of generics to US will rise

Affordability of drugs will rise due to sustained growth in incomes and in insurance coverage

Population growth at around 1.05% every year and a steady rise in disease prevalence

Reduction in approval time for new facilities and policy support

Rising middle-class and growing prominence of healthcare facilities in emerging markets

Increasing outsourcing activities of pharmaceutical companies

With government led initiatives

Reducing Dependency on China

- China is the leader in API manufacturing with over 70% of raw materials for global API production being imported from China
- With India's increasing cost competitiveness the Govt. plans to reduce import dependency on China by encouraging local manufacturing which will additionally boost employment generation in the country
- Globally India is emerging as an alternative destination to China for production of chemicals and pharmaceuticals and this will continue to trend in the coming years

Bulk Drug Park Scheme

- The decision is to develop 3 mega Bulk Drug parks in India in partnership with the state governments
- Govt. will give Grants-in-Aid to states with a maximum limit of Rs. 1000 Crore per Bulk Drug Park
- A sum of Rs. 3,000 crore has been approved for this scheme for next 5 years
- Expected to reduce manufacturing cost of bulk drugs in the country and import dependency

Performance Linked Incentive Scheme

- Financial incentive will be given to eligible manufacturers of identified 53 critical bulk drugs on their incremental sales over the base year (2019-20) for a period of 6 years
- Rate of incentive will be 20% (of incremental sales value) for fermentation based bulk drugs and 10% for chemical synthesis based bulk drugs
- A sum of Rs. 6,940 crore has been approved for next 8 years. It will lead to expected incremental sales of Rs. 46,400 crore and significant additional employment generation over 8 years

Growth strategy to tap into opportunities

1

Existing and New Product Pipeline

- Stable revenue stream on the back of deep relationship with long lasting customers
- Continued growth in volume
- 11 new products in pipeline
- 4 expected to be commercialized by FY22

2

New Markets

- Increase revenue share from higher margin regulated markets
- Strengthening marketing teams in these markets
- Share from regulated market to increase from ~50% currently to ~65% in next 3 years

3

CRAMS

- Leveraging on chemistry expertise to the display space - providing chemicals for emitters to one of the global leaders in the display industry
- Share of CRAMS business to increase from ~5% currently to ~15% in next 3 years

4

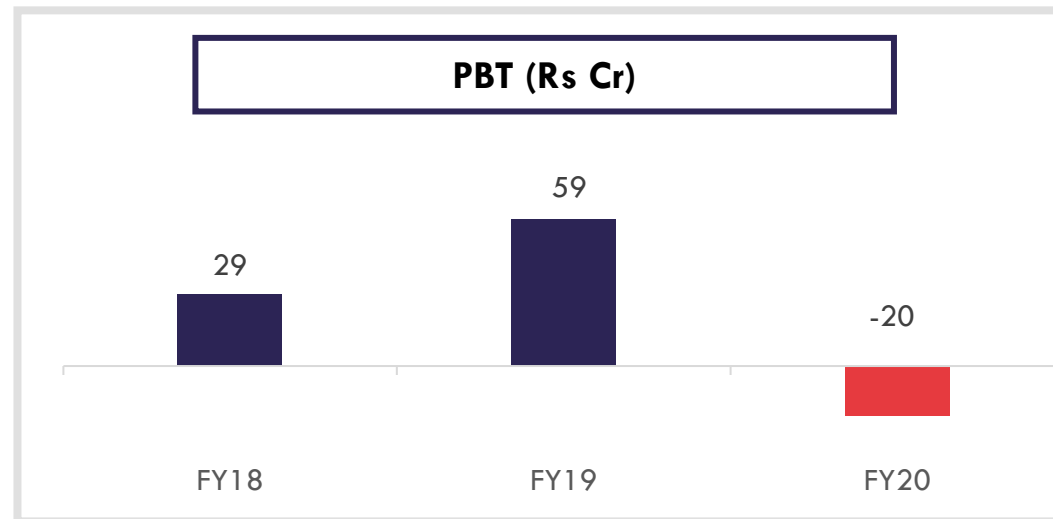
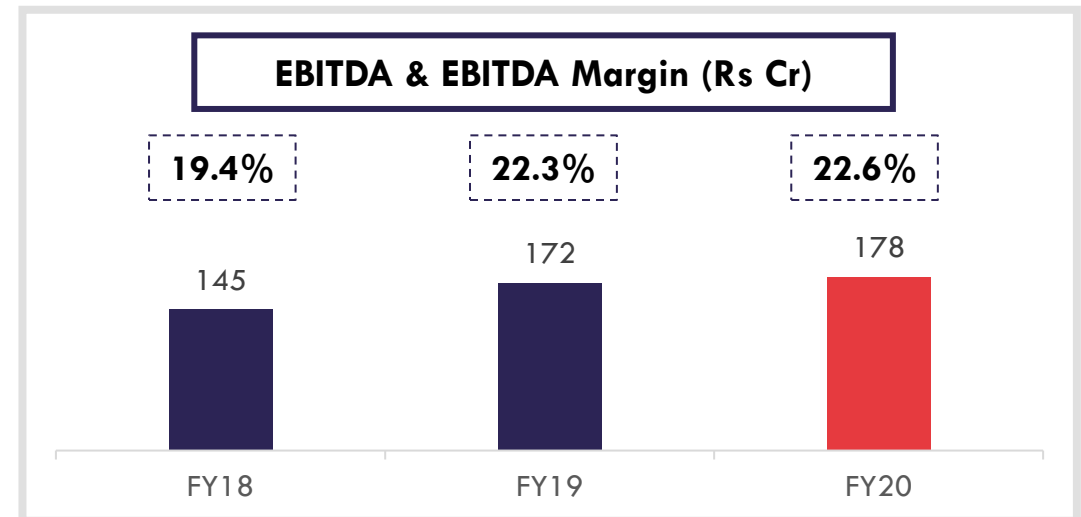
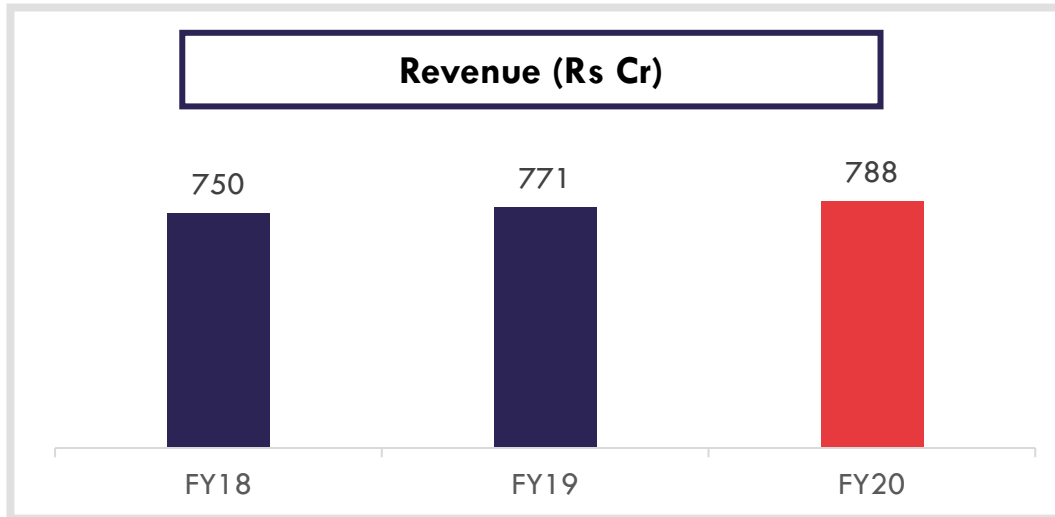
Financial Goals

- Continue to deliver strong EBITDA margins
- Focus on reduction of debt and interest costs
- Achieving PAT turnaround in the current fiscal FY21

Historical Financials



Standalone financial highlights



✓ Exceptional income of 83 crores in FY19 on account of one time settlement with banks and financial institutions

Standalone Profit & Loss Statement

Rs Cr	FY20	FY19	FY18
Revenue from Operations	752	724	731
Other Income	36	47	18
Total Income	788	771	750
Cost of Raw Material	379	379	375
Gross Profit	409	392	375
Gross Profit margin	51.9%	50.8%	50.0%
Employee Benefit Expense	100	95	89
Other Expenses	131	124	140
Total Operating Expenses	231	220	229
EBITDA	178	172	145
EBITDA margin	22.6%	22.3%	19.4%
Depreciation	90	104	87
Interest	107	92	28
Exceptional (Income) / Expenses	0	-83	2
PBT	-20	59	29
Tax Expenses	1	20	11
PAT	-21	39	18
PAT Margin	NA	5.0%	2.4%

✓ Exceptional income of 83 crores in FY19 on account of one time settlement with banks and financial institutions

Thank You

Ind-Swift Laboratories Limited

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