



Q4-FY23/FY23 Earnings Presentation



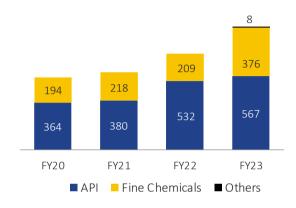
Company Overview



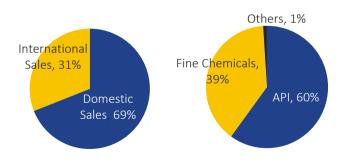


- Promoted by Mr. Falgun Savani and Mr. Jignesh Savani, Par Drugs and Chemicals Limited (PDCL) was founded in 1982 and is engaged in the development and manufacturing of APIs.
- The Company today manufactures 25 different products and all the requisite grades as available in the market. The product portfolio presently comprises of 15 APIs and 10 Fine Chemicals which are marketed domestically and exported.
- Currently, the company owns and operates a manufacturing facility at Bhavnagar in Gujarat with an annual capacity of 9,700 MT.
- The company is the largest manufacturer of Magnesium Hydroxide, Sucralfate and Magnesium Trisilicate in India.
- Company's key customers include Essential Drugs Company Ltd., Pfizer Ltd., United Phosphorus Ltd., Cipla Ltd., etc.
- PDCL exports its products to approximately 16 countries, including Germany, the United Kingdom, Bangladesh, Iran, and U.A.E etc.
- APIs, also known as "bulk drugs" or "bulk actives" are the principal ingredient used in making finished dosages in the form of capsules, tablets, liquid, or other forms of dosage, with the addition of other APIs or inactive ingredients.

Operational Revenues (INR Mn)



Business Mix (FY23)



Key Strengths





Diversified Portfolio: The company manufactures the entire range of products in the Antacid segment. The product portfolio presently comprises 15 APIs and 10 Fine Chemicals which are marketed domestically and exported.



Global Presence: The Company is operating both in domestic and export markets. The export products are to approximately 16 countries, including Germany, United Kingdom, Bangladesh, Iran, and U.A.E, Indonesia, Japan, South Korea, etc.



Experienced Promoters: Led by qualified and experienced Promoters and key managerial personnel, who we believe have extensive knowledge and understanding of the APIs business environment and have the expertise and vision to organically scale up the business.



Robust Chemistry Capabilities: A research driven Company with R&D efforts focused on developing processes and achieving process improvements and production cost efficiencies.



Diversified Customer base: Catering to more than 250 customers through dealers/agents worldwide.



Established Sales and distribution network: Comprising of more than 40 dealers and distribution network is spread globally comprising of 13 agents.



Cash Rich Company: The company is a net debt free and generates free cash flow. They plan expansions through internal accruals.



Q4-FY23/FY23 Financial & Operational Highlights



Q4-FY23 Financial Highlights

Revenue INR 245 Mn	EBITDA INR 53 Mn	EBITDA Margin 21.63%
PAT INR 34 Mn	PAT Margin 13.88%	Diluted EPS INR 2.80

FY23 Financial Highlights

Revenue	EBITDA	EBITDA Margin
INR 957 Mn	INR 182 Mn	19.02%
PAT	PAT Margin	Diluted EPS
INR 113 Mn	11.81%	INR 9.21

Operational Highlights

- Overall, sales growth for the quarter was 11% whereas for the FY23 sales grew by around 27%
- Sales growth in domestic market was 15% for the quarter and 34% for FY23
- The export market growth was 8% in Q4-FY23 and 11% in FY23
- The PAT margin on sales increased from 11% in Q4-FY22 to 14% for the quarter
- Sales growth was achieved by using only 3 plants as the company is working on the restructuring of the old plant to increase production capacity
- Generated net cash inflow of around INR 42 Mn in FY23 after payment of capital expenditures of old plant renovation



Quarterly Income Statement (IND-AS)

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Income Statement (INR Mn)	Q4-FY23	Q4-FY22	Y-o-Y	Q3-FY23	Q-o-Q
Income from Operations	245	221	10.9%	229	7.0%
Total Expenses	192	176	9.1%	197	(2.5)%
EBITDA	53	45	17.8%	32	65.6%
EBITDA Margins (%)	21.63%	20.36%	127 Bps	13.97%	766 Bps
Finance Cost	0	1	NA	0	NA
Depreciation	8	9	(11.1)%	7	14.3%
Other Income	0	1	NA	0	NA
Profit Before Tax	45	36	25.0%	25	80.0%
Tax	11	12	(8.3)%	6	83.3%
Profit after tax	34	24	41.7%	19	78.9%
PAT Margins (%)	13.88%	10.86%	302 Bps	8.30%	558 Bps
Diluted EPS (INR)	2.80	1.97	42.1%	1.52	84.2%

Annual Income Statement (IND-AS)

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DRUGS AND CHE	MICALS LIMITED

Income Statement (INR Mn)	FY23	FY22	Y-o-Y
Income from Operations	957	751	27.4%
Total Expenses	775	588	31.8%
EBITDA	182	163	11.7%
EBITDA Margins(%)	19.02%	21.70%	(268) Bps
Finance Cost	1	5	(80.0)%
Depreciation	32	33	(3.0)%
Other Income	2	2	NA
Profit Before Tax	151	127	18.9%
Tax	38	35	8.6%
Profit after tax	113	92	22.8%
PAT Margins (%)	11.81%	12.25%	(44) Bps
Diluted EPS (INR)	9.21	7.49	23.0%

Historical Income Statement

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Income Statement (INR Mn)	FY20	FY21	FY22	FY23
Income from Operations	558	608	751	957
Total Expenses	464	447	588	775
EBITDA	94	161	163	182
EBITDA Margins (%)	16.85%	26.48%	21.70%	19.02%
Finance Cost	8	7	5	1
Depreciation	27	28	33	32
Other Income	1	2	2	2
Profit before Extra Ordinary Items	60	128	127	151
Extraordinary items	-	19	-	-
Profit Before Tax	60	147	127	151
Tax	12	31	35	38
Profit after tax	48	116	92	113
PAT Margins (%)	8.60%	19.08%	12.25%	11.81%
Diluted EPS (INR)	7.75	18.87	7.49	9.21

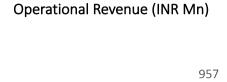
Balance Sheet



EQUITIES & LIABILITIES (INR Mn)	FY21	FY22	FY23	ASSETS (INR Mn)	FY21	FY22	FY23
Shareholder Funds	522	599	712	Non Current Assets	352	351	394
(A) Equity Share Capital	61	123	123	(A) Fixed Assets			
(B) Reserves & Surplus	461	476	589	(i) Tangible Assets	299	341	385
				(ii) Capital work-in-progress	45	2	2
Non-current Liabilities	82	39	36	(B) Non Current Investments	0	0	0
(A) Long Term borrowings	44	-	-	(C) Other Non Current Assets	8	8	7
(B) Deferred Tax Liabilities (net)	34	35	35				
(C) Long term Provisions	4	4	1	Current Assets	412	436	495
Current Liabilities	160	149	141	(A) Inventories	30	47	54
(A) Short term borrowings	32	-	-	(B) Trade Receivables	125	185	170
(B) Trade Payables	67	107	81	(C) Cash & cash equivalents	212	163	222
(C) Other Current Liabilities	25	8	20	(D) Short Term Loans & Advances	0	0	1
(D) Short term Provisions	36	34	40	(E) Current Tax Assets	34	32	41
				(F) Other Current Assets	11	9	7
GRAND TOTAL - EQUITIES & LIABILITES	764	787	889	GRAND TOTAL – ASSETS	764	787	889

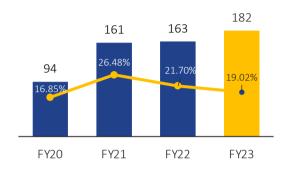
Financial Highlights



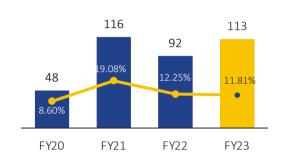




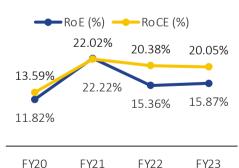
EBITDA (INR Mn) & EBITDA Margins (%)



PAT (INR Mn) & PAT Margins (%)



RoCE & RoE



Net Debt to Equity Ratio (x)

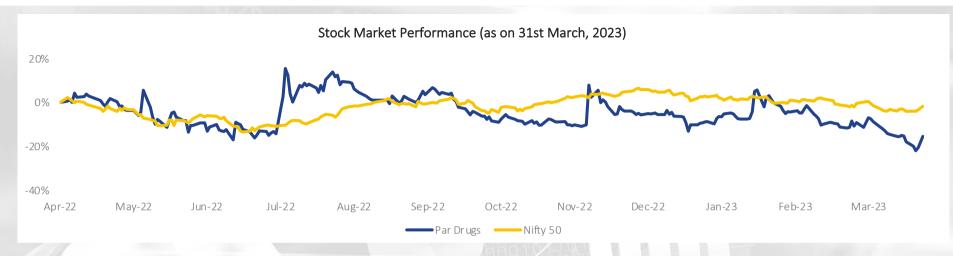


Net Worth (INR Mn)



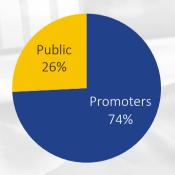
Capital Market Highlights





Price Data (31st March, 2023)	INR
Face Value	10.0
Market Price	140.0
52 Week High/Low	199.7/128.4
Market Cap (Mn)	1,722.6
Equity Shares Outstanding (Mn)	12.3
1 Year Avg Trading Volume ('000)	19.0

Shareholding Pattern as on 31st March, 2023



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