



**RESEARCH REPORT ON  
IPCA LABORATORIES LTD**

**FOUNDER : K.B. Mehla  
Dr. N.S. Tibrawala**

**FOUNDED : 19 October 1949**

**HEADQUATER : Mumbai, Maharashtra,**

**REVENUE : ₹5,896 crore**

**DATE OF REPORT : 14/08/2024**

## About IPCA LABORATORIES LTD

Ipca Laboratories Limited is an Indian multinational pharmaceutical company based in Mumbai. It produces theobromine, acetylthiophene, and p-bromotoluene as active pharmaceutical ingredients. Ipca sells these APIs and their intermediates globally.

CASH CALL – BUY Ipca Laboratories Limited  
BUY AT 1348  
TGT 1482  
SL 1214

Mr. Kundan Mishra

Research Analyst

CASH CALL BUY AT 1348  
1<sup>ST</sup> TARGET 1482  
SL 1214  
COMPANY OVERVIEW

Market cap	₹ 34,253 Cr.
Face value(Rs)	₹ 1.00
P/E ratio	64.6
Book value	₹ 250
52 week high	₹ 1,424
52 week low	₹ 857
Return on Equity(ROE)	9.35 %

## Key Points of IPCA LABORATORIES LTD

### Business segments FY22:

#### API Business (25%)

Ipca produces over 80 APIs, nearly 79% of the APIs and Intermediates business is from exports making them one of India's top exporters of APIs, serving over 100 countries around the globe. The core strategic focus has been on backward integration, resulting in superior supply chain reliability and cost competitiveness

#### Formulations (75%)

IPCA manufactures over 350 formulations in almost every dosage form. Their branded formulations business in India now comprises 17 marketing divisions focusing on key therapeutic segments with a portfolio of about 154 brands. Co. is the 19th largest in the domestic formulations market as per IQVIA - MAT March, 2022. Co. is in the process of adding 4 more new marketing divisions in the domestic formulations business.

### Manufacturing Capability

The Company has 18 manufacturing units in India manufacturing APIs and formulations for the world market and Leading brands in Pain, Rheumatology, Antimalarials, and Haircare therapy in India.

### International Footprints (47%)

The products of the Company are now exported to over 100 countries across the globe. The Co's three manufacturing sites are under US FDA import alert.

### Geographical Mix – FY22

Europe -27%

Africa -19 %

America – 20 %

Asia – 18 %

CIS – 6 %

Australia – 10 %

### Concentration of revenue

Around 70% of the revenue is derived from sales of drugs in the pain management, cardiovascular, anti-diabetic, and anti-malarial segments, which are intensely competitive.

### R&D Expenditure

The Company has R&D centers at Mumbai, Ratlam, Athal (Silvassa), and Ranu (Vadodara) recognized by GOI and DISR . The R&D expenditure of the Company during FY22 was ~3% of the total turnover.

## IPCA LABORATORIES LTD owned by Mutual Funds 6 Last Quater

	Dec 23 No. of shares	Sep 23 No. of shares
<b>TOTAL</b>	<b>34,987,720</b>	<b>33,035,058</b>

### NOTE:-

For schemes that have not disclosed the number of shares, the same has been calculated on the basis of the closing price of the stock on the BSE/NSE as on the portfolio date. The increase/decrease in the share quantity besides the fund buying or selling the shares from the market, could also be due to any bonus, split, rights, or restructuring in the company.

### Financial Highlights of IPCA LABORATORIES LTD

Financial highlights refers to a section appearing in an annual report that includes a multi-year comparison of operating and business metrics. Financial highlights are often times the first section appearing in an annual report, providing investors with an at-a-glance view of the company's recent performance.

The information contained in an annual report is normally audited by the company's accounting firm and includes financial highlights, a Chairperson's Letter as well as the Form 10-K. The financial highlights section of the report usually contains performance over the last several years in addition to the percentage change in each metric overtime.

<b>Price / EPS</b>	<b>59.86</b>
<b>EPS (TTM)</b>	<b>₹ 22.39</b>
<b>NO. OF SHARES</b>	<b>25.37 Cr</b>
<b>Profit Growth</b>	<b>4.89 %</b>
<b>Dividend / Yield</b>	<b>0.29 %</b>
<b>Price / Book</b>	<b>5.19</b>
<b>ENTERPRISE VALUE</b>	<b>₹ 35,016.36 Cr.</b>
<b>SALES GROWTH</b>	<b>6.05%</b>

# Key Ratio of IPCA LABORATORIES LTD

Key ratio of IPCA LABORATORIES LTD specifically designed to help traders gauge the overall sentiment (mood) of the market. The ratio is calculated either on the basis of options trading volumes or on the basis of the open interest for a particular period. If the ratio is more than 1, it means that more puts have been traded during the day and if it is less than 1, it means more calls have been traded. The PCR can be calculated for the options segment as a whole, which includes individual stocks as well as indices.

Financial ratios are important tools for quantitative analysis. Certain ratios are available to evaluate both short and long-term financial and operational performance, making them useful at identifying trends in the business and providing warning signs when it may be time to make a change. There are also specific ratios that can measure important variables essential to one industry or another. By evaluating particular ratios, a business can benchmark itself against similar companies and understand its strengths, weaknesses, threats and areas of opportunity.

Price to Earning	64.70
Price to Book	5.56
Price to Sales	4.60
Shareholders Equity	57.04
Return On Equity	9.03
Return On Asset	5.35
Net Profit Margin	7.10
Operating Profit Margin	12.00
EBITDA Margin	17.60
Debt to Equity Ratio	0.221
Cash Ratio	0.363
Quick Ratio	1.30

## Key Technical Indicators of IPCA LABORATORIES LTD

Technical indicators are heuristic or pattern-based signals produced by the price, volume, and/or open interest of a security or contract used by traders who follow technical analysis.

In general, technical indicators fit into five categories: trend, mean reversion, relative strength, volume, and momentum.

Leading indicators attempt to predict where the price is headed while lagging indicators offer a historical report of background conditions that resulted in the current price being where it is.

Indicator	Value
<b>ADX</b>	Adx : 27.76, +DI : 30.28, -DI : 10.16
<b>Aroon</b>	Aroon Up : 100.00, Aroon Down : 7.14
<b>Awesome Osc</b>	126.48
<b>MACD</b>	Macd : 45.14, Signal Line : 35.63
<b>Parabolic SAR</b>	1301.37
<b>Rate Of Change</b>	8.09
<b>Super Trend</b>	1277.25

## Key Moving Average of IPCA LABORATORIES LTD

A moving average (MA) is a stock indicator that is commonly used in technical analysis. The reason for calculating the moving average of a stock is to help smooth out the price data over a specified period of time by creating a constantly updated average price.

A simple moving average (SMA) is a calculation that takes the arithmetic mean of a given set of prices over the specific number of days in the past; for example, over the previous 15, 30, 100, or 200 days.

Exponential moving averages (EMA) is a weighted average that gives greater importance to the price of a stock on more recent days, making it an indicator that is more responsive to new information.

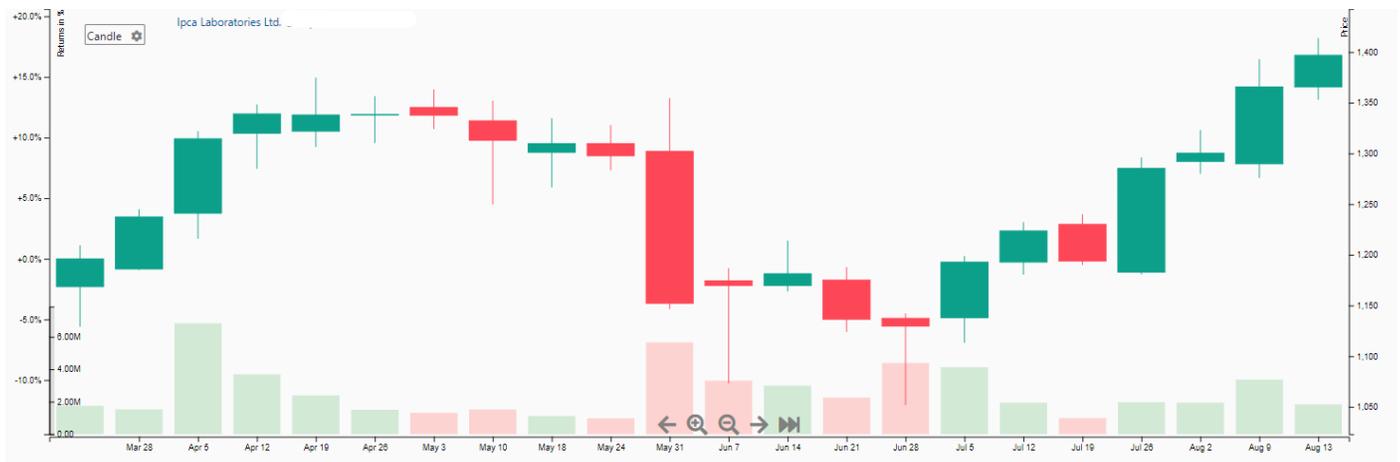
SMA	Value	Strength
SMA 5	1369.26	
SMA 10	1336.22	
SMA 15	1315.10	
SMA 20	1291.04	
SMA 50	1214.36	
SMA 100	1250.17	
SMA 200	1183.02	

EMA	Value	Strength
EMA 5	1369.01	
EMA 10	1341.88	
EMA 15	1320.41	
EMA 20	1303.22	
EMA 50	1257.68	
EMA 100	1230.67	
EMA 200	1168.26	

## Daily Candel Stick Chart Pattern



## Weekly Candel Stick Chart Pattern



# Monthly Candel Stick Chart Pattern



# Vedanta Limited IPCA LABORATORIES LTD

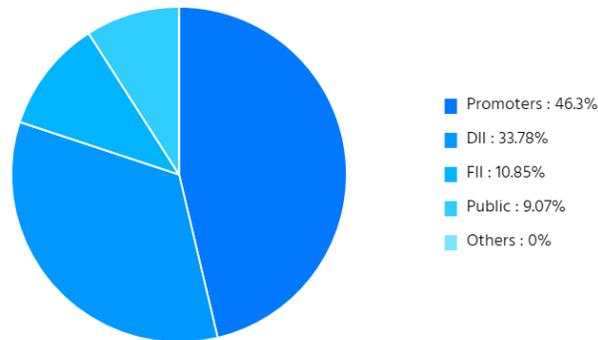
Pivot	S2	S 1	Pivot point	R 1	R 2
Fibonacci	1354.71	1367.95	1389.38	1410.81	1424.05

S1 – First Support Level, R1 - First Resistance Level, S2 – Second Support Level, R2 – SecondResistance Level

## IPCA LABORATORIES LTD Technical Views

50 Day EMA	Close is Above EMA 50 (Short Term)	Bullish
100 Day EMA	Close is Above EMA 100 (Mid Term)	Bullish
200 Day EMA	Close is Above EMA 200 (Long Term)	Bullish
MACD (12 26 9)	MACD Line is Less Then SIGNAL Line	Bearish
RSI (14)	RSI is 44.05	Sideways
MFI (14)	MFI is 38.99	Sideways
CCI (20)	CCI is Below -100	Over Sold
WILLIAM %R (14)	William %R is Below -80	Over Sold
ADX (14)	ADX is Above 20 & +DI is Above -DI	Up Trend
PSAR	Stoploss For Short Sell	1500.45
10 Day Avg Volume	Traded -25.56 % Less then 10 Day Average Volume	

## Shareholding Pattern of IPCA LABORATORIES LTD



## Peer Comparison of IPCA LABORATORIES LTD

COMPANY	PRICE Rs.	MCAP Cr.	P/B	P/E	EPS Rs.	ROE %	ROCE %	P/S	EV/EBITDA
Abbott India	27,005	57,383.74	14.39	46.31	583.07	35.31	47.34	9.81	31.72
Glaxosmithkline Phar	2,823.60	47,833.49	24.22	75.24	37.53	32.96	45.85	14.04	42.15
Glenmark Pharma	1,475	41,622.75	1.81	8.06	183.12	6.98	8.58	5.06	17.48
Biocon	330.40	39,667.82	3.66	538.99	0.61	1.10	2.77	18.65	93.58
Ajanta Pharma	3,167.90	39,570.90	10.86	47.61	66.55	24.26	33.15	9.96	31.56
<b>Ipca Laboratories</b>	<b>1,340</b>	<b>33,996.37</b>	<b>5.19</b>	<b>59.86</b>	<b>22.39</b>	<b>8.68</b>	<b>12.78</b>	<b>5.55</b>	<b>27.31</b>
Gland Pharma	1,968.90	32,437.97	3.52	30.07	65.47	12.31	16.67	7.78	18.95
JB Chem & Pharma	1,975.45	30,663.84	10.50	53.61	36.85	21.45	25.13	9.30	31.94
Pfizer	5,766.85	26,382.03	7.04	43.36	133.01	16.21	22.37	12.03	27.45
Natco Pharma	1,471.50	26,356.02	4.23	17.14	85.85	14.33	16.51	11.21	12.95

## Share Price History of IPCA LABORATORIES LTD

Date ↕	Price ↕	Open ↕	High ↕	Low ↕	Vol. ↕	Change % ↕
Aug 14, 2024	1,340.00	1,409.85	1,409.85	1,340.00	436.96K	-4.07%
Aug 13, 2024	1,396.85	1,390.05	1,413.70	1,357.60	1.42M	+1.08%
Aug 12, 2024	1,381.95	1,365.65	1,390.00	1,353.20	421.30K	+1.19%
Aug 09, 2024	1,365.65	1,372.75	1,393.00	1,360.15	718.45K	+0.32%
Aug 08, 2024	1,361.35	1,344.30	1,374.55	1,338.70	773.76K	+1.56%
Aug 07, 2024	1,340.50	1,321.60	1,350.00	1,320.00	595.35K	+1.60%
Aug 06, 2024	1,319.35	1,288.30	1,328.95	1,287.35	605.19K	+2.79%
Aug 05, 2024	1,283.50	1,289.75	1,319.95	1,276.05	670.63K	-1.29%
Aug 02, 2024	1,300.30	1,288.60	1,313.15	1,280.05	714.73K	-0.34%
Aug 01, 2024	1,304.80	1,307.95	1,315.20	1,291.45	492.22K	-0.24%
Jul 31, 2024	1,307.95	1,297.85	1,322.85	1,292.10	335.69K	+1.30%
Jul 30, 2024	1,291.20	1,299.05	1,304.85	1,286.90	119.84K	-0.08%
Jul 29, 2024	1,292.25	1,292.15	1,308.00	1,285.30	282.16K	+0.54%

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