



**IOL CHEMICALS AND PHARMACEUTICALS LIMITED**

IOLCP/CGC/2016  
09 September 2016

The General Manager National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051	The General Manager BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street Mumbai
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**Sub: Updated Corporate Presentation**

Dear Sir,

Please find attached herewith updated Corporate Presentation for the information of the Investors. You are requested to kindly update the same in your records.

This is for your information & record please.

Thanking you,

Yours faithfully.

For IOL Chemicals and Pharmaceuticals Limited



(Krishan Singla)

Vice President and Company Secretary



# IOL Chemicals and Pharmaceuticals Limited



# IOLCP's Philosophy



## Vision

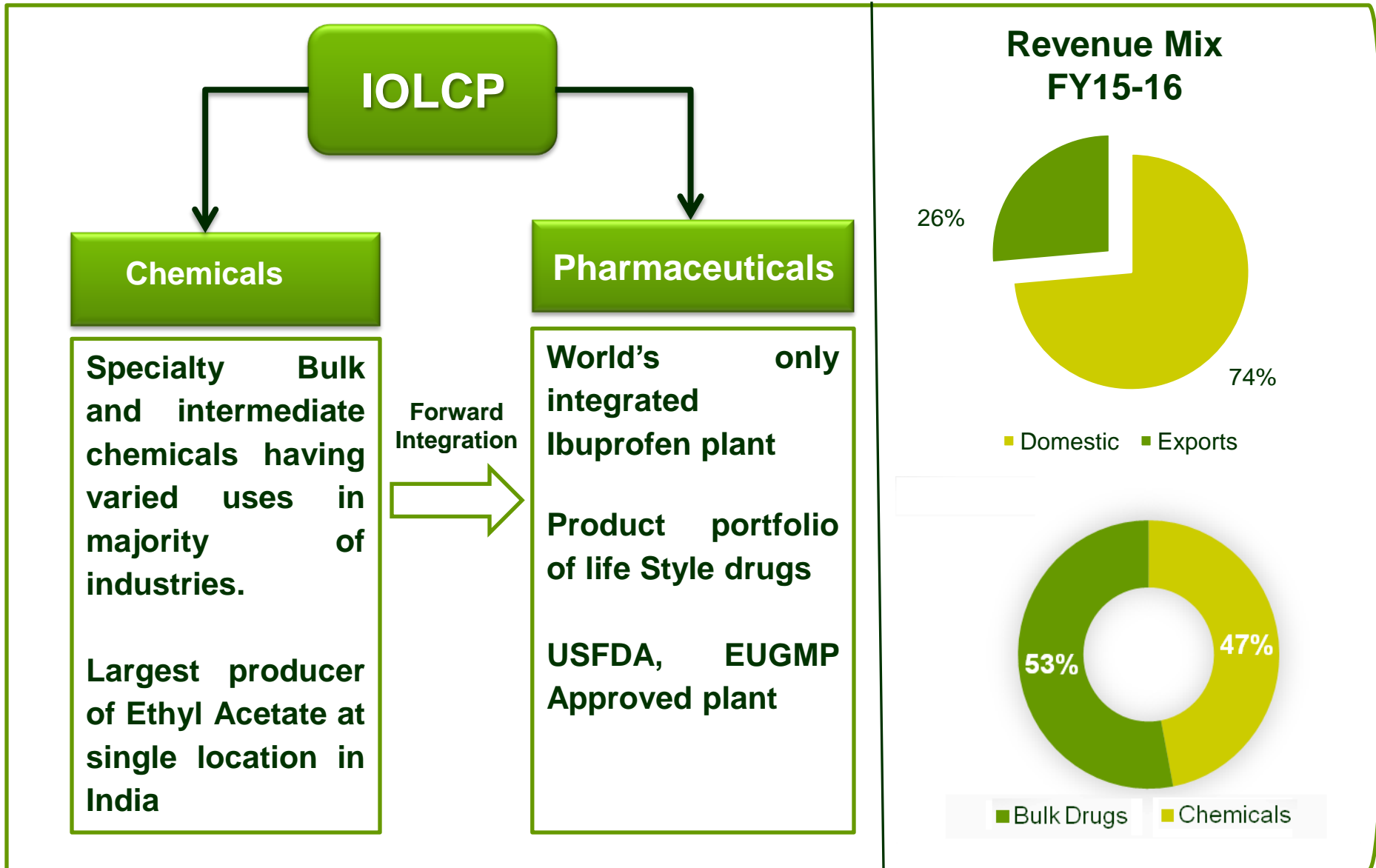
*To be the most admired and valuable company in bulk chemicals, intermediate specialty chemicals and APIs globally*

## Mission

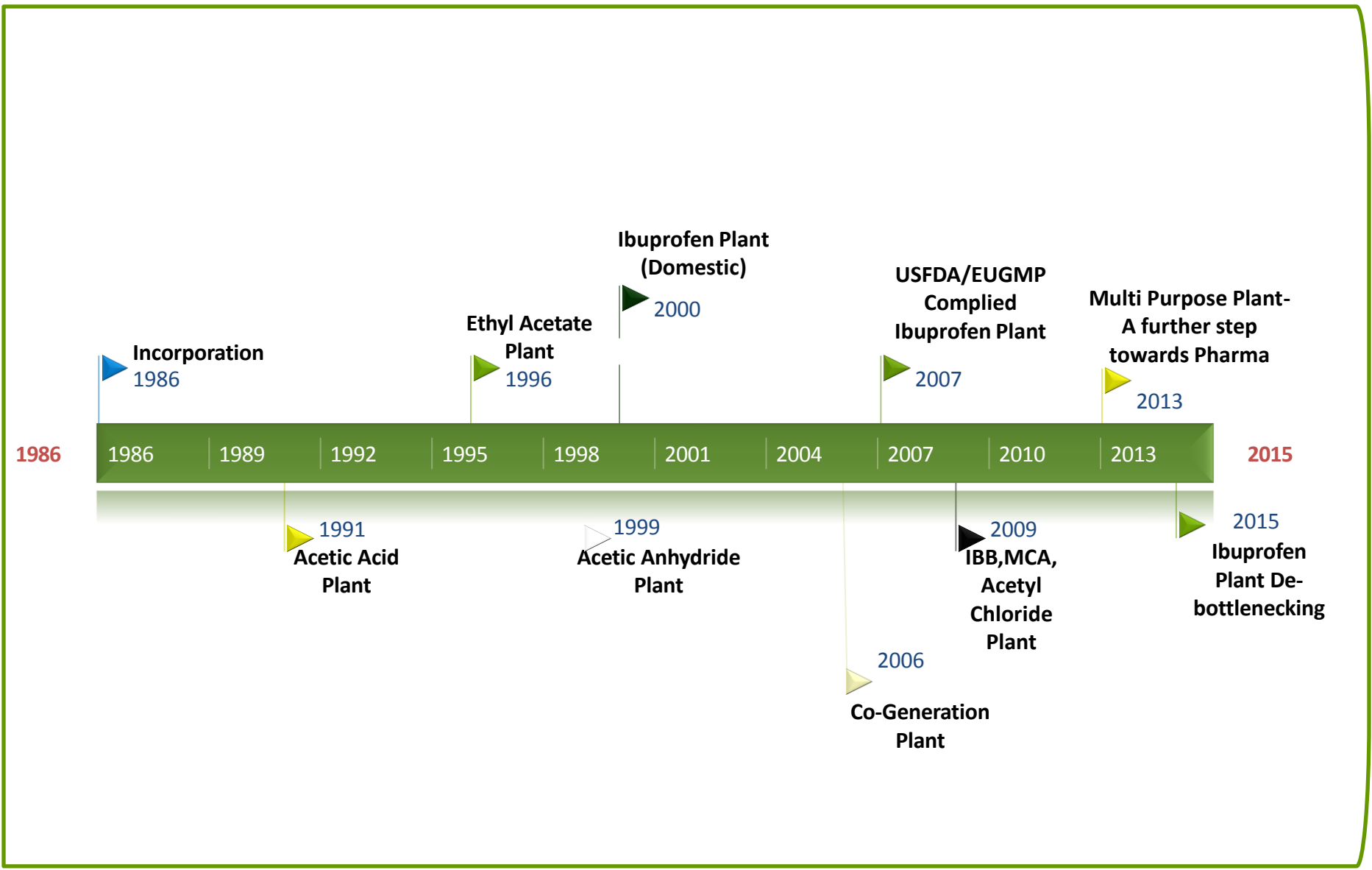
*To provide qualitative products in bulk chemicals, intermediate specialty chemicals and APIs by constant innovation and breaking technological barriers with due regard to safety and environment*



# IOLCP's Perspective



# IOLCP's Milestones



# IOLCP's Achievements

Largest Ibuprofen Plant by capacities approved by USFDA and EDQM with 17% Global share

Largest producer of Ethyl Acetate at Single Location in India

2<sup>nd</sup> Largest producer of Iso Butyl Benzene (IBB) with 30% Global share

State of the Art Multi Purpose API Plant designed to manufacture variety of Bulk Drugs

EDQM- for Lamotrigine and Metformin

DSIR approved in-house R&D Lab

Revenue ~ INR 644 Cr  
FY 2015-16

Gross Block ~ INR 624 Cr  
FY 2015-16

Exports ~ INR 170 Cr  
FY 2015-16

Captive Co-generation Plant and ETP Plant

Won 10 consecutive National Awards for Energy Conservation

Continuous Dual Technology MCA & Acetyl Chloride Plant (Based on Green Chemistry)

## Capital Market Standings



### Shareholding Pattern as on 30.06.2016 FV-INR 10 each

Particulars	No of Shares	%age of holding
Promoters & Associates	2,24,36,966	39.92%
Foreign Holding	89,15,052	15.86%
Indian Body Corporates	1,66,70,690	29.66%
Mutual Funds	10,200	0.02%
General Public	81,72,594	14.54%
Total	5,62,05,502	100.00%



# Pharmaceuticals Industry



# INDIAN PHARMACEUTICALS INDUSTRY

## Overview

- The country's pharmaceuticals industry accounts for about 2.4% of the global pharma industry by value and 10% by volume.
- India's generic drugs account for 20% of global exports in terms of volume, making the country the largest provider of generic medicines globally.
- India is the sixth largest market globally in terms of size.
- Indian Pharma industry accounts for 49% of all drug master filings registered in the USA



# INDIAN PHARMACEUTICALS INDUSTRY

## Growth Drivers

- India is expected to rank amongst the top three pharmaceutical markets in terms of incremental growth by 2020.
- Patent drugs worth USD 255 Billion are estimated to go off-patent till 2016 leading to a huge surge in generic product and tremendous opportunities for companies.
- Over USD 200 Billion is to be spent on medical infrastructure in the next decade.
- The generics market is expected to grow to USD 26.1 Billion from USD 11.3 Billion in near future.



# Why India.....?

- India's generic drugs account for 20% of global exports in terms of volume
- Patent drugs worth USD 255 Billion are estimated to go off-patent till 2016
- Skilled workforce including chemists, engineers and other professionals are easily available
- India's cost of production is significantly lower than that of the USA and almost half of that of Europe
- Approval time for new facilities has been drastically reduced
- India's patient pool is expected to increase to over 20% in the next 10 years, mainly due to the rise in population.





# IOLCP's Pharma

# Ibuprofen

- ❑ Ibuprofen is Non-steroidal Anti-inflammatory Drug (NSAID), widely used in pain management
- ❑ All Intermediate stages are In-house
  - ❑ IBAP stage
  - ❑ IPCA Stage
  - ❑ Aldehyde stage
  - ❑ Pharma stage

- ❑ The only integrated plant in the World with backward integration consisting of about 50% raw material cost having installed capacity of 6200 TPA
- ❑ 3 Floors processing equipments, material charging starts from 3<sup>rd</sup> floor and material moves in close loop gravity flow.
- ❑ Advance techniques of processing like Agitated thin film evaporator, Falling film absorber, Thermic fluid heaters, online absorbers, continuous distillation has been installed to improve efficiencies.



# Multi Purpose Plant

Products	Therapeutic Class	Status	EDQM	
			Number	Year
Lamotrigine	Anticonvulsant	Commercialized	066	2013
Metformin HCl	Anti Diabetes	Commercialized	188	2013
Fenofibrate	Anti Cholesterol	Commercialized	U/C	--
Clopidogrel Bisulphate	Anti Platelet	Validation Stage	U/C	--



*Plant is designed as per ICH – Q7 requirement where two clean rooms (ISO – class 8) are attached with intermediate area.*

# Way Forward.....

## Penetration into new markets

- The company is presently selling into around 56 countries. Thrust is to enter in to new markets globally.
- Successfully added multinational business giants into customer base.
- Make the most of recently awarded USFDA and EDQM certification for Ibuprofen plant.

## Extension of product mix

- Continuous research and development in DSIR approved facility for discovery of new products in various therapeutic categories associated with changes in life style of human society.

# Pharmaceuticals Customer base







# Chemicals Industry

# INDIAN CHEMICALS INDUSTRY

## Overview

- ❑ India is the third largest producer of agro chemicals globally.
- ❑ Exports about 50% of its current production and exports are likely to remain key components of industry.
- ❑ The specialty chemicals market has witnessed growth of 14% in the last five years.
- ❑ The Indian colourant industry is valued at USD 6.8 Billion with exports accounting for nearly 75%.
- ❑ India is currently world's 3<sup>rd</sup> largest consumer of polymers and growth in plastic demand will drive up consumption further



# Why India.....?

## De-Licensing

Industrial Licensing has been abolished for most sub-sectors except for certain hazardous chemicals

## Talent Pool and Economical Work Force

Plentiful skilled science and engineering professionals are available. Labor cost is also low as compared to other countries.

### Raw Material Availability

A large population, dependence on agriculture and organic raw material for agro-based chemical industry is easily available.

## Government Incentive Scheme and Policies.

Indian government is offering various incentive schemes to support the incentive to be cost effective in comparison to peers. 100% FDI is allowed under automatic route.

## Power

Captive power leading to assured supply at competitive rates compared to China and other countries.



# IOI's Chemicals

## IOLCP's Chemicals



- ❑ India's Largest Ethyl Acetate plant at single location
- ❑ Asia's first continuous dual technology (green chemistry) plant for MCA and Acetyl Chloride.
- ❑ India's second largest manufacturer for Iso Butyl Benzene (IBB) with 30% global share.
- ❑ IBB, MCA and Acetyl Chloride are key starting materials for Ibuprofen. moreover forward integrated with Ibuprofen plant.
- ❑ These chemicals are directly or indirectly used in various industries viz. Pharmaceuticals, Dye, paints, flexible packaging, Ink, Drilling, etc.

# Way Forward.....

## Step up to cost leadership quadrant

- Major thrust is to improve the capacity utilization to reduce overheads.
- Procurement of raw material on quality and pricing- through reputed long term stakeholders.
- Addressing high cost & irregular power and steam supply through captive Co-generation power plant.

## Penetration into new markets

- Chemicals are having varied uses in different industries. Focus to diversify the customer base from Pharmaceuticals industry to other industries like paints, flexible packaging and glass etc.
- Putting efforts to penetrate into foreign market for premium price.
- Successfully added multinational business giants into customer base

## Extension of product mix

- Continuous research and development in DSIR approved facility for discovery of new products that can be integrated with existing infrastructure.

# Chemicals Customer Base

The image displays a grid of logos for various chemical and pharmaceutical companies. The logos are arranged in a roughly rectangular pattern within a green-bordered frame. The companies represented include:

- AkzoNobel** and **Dulux**
- BAX chemicals**
- SUN PHARMACEUTICAL INDUSTRIES LTD.**
- BASF** - The Chemical Company
- Hazel Middle East FZE**
- Packaging India Pvt. Ltd.**
- CALDIC**
- ITC Limited**
- Strides Shasun**
- DSM Sinochem Pharmaceuticals**
- Color & Comfort by Chemistry**
- ARN CHEMICALS**
- UNITEJ PHOSPHORUS**
- MONTAGE**
- NecLife**
- TEVA** - TEVA API INDIA LTD.
- CREATIVE POLYPACK LIMITED**
- UFLEX**
- KURDYGROUP** - SINCE 1953

# STRENGTHS

## Technology

- Blend skills of chemistry and technology with latest tools & techniques for benchmarks achieved in API & Chemical products.
- Asia Pacific's first continuous dual technology (Green Chemistry) for MCA and Acetyl Chloride.

## Strong Manpower

- Operations of the company are managed by qualified and experienced professionals

## Economies of Scale

- One of the largest manufacturers of Ibuprofen ,IBB and Ethyl Acetate

## Integrated Manufacturing Facilities

- Chemical and Pharmaceutical segments are forward and backward integrated at single location and connected through pipelines.
- Ensures Value addition at each stage of manufacturing under stringent SOP's

## Global footprints

- Units exports its goods to around 56 countries
- Trusted supplier for numerous multinational enterprises in Pharmaceutical industry.



# LOCATION BENEFITS

## Agro based Raw Material

- Agriculture is the mainstay of Punjab's economy. 84% of total geographical area is under cultivation
- Easy access to Ethanol as RM and Rice husk as fuel

## Single Site Location

- Company is enjoying economics of scale.
- Pharmaceuticals segment is backward integrated with chemical segment and connected through pipeline.

## Connectivity

- Unit is well connected with State Highway and National Highway.
- Proximity to railway station and Dry port.
- Connected through road/rail with airports

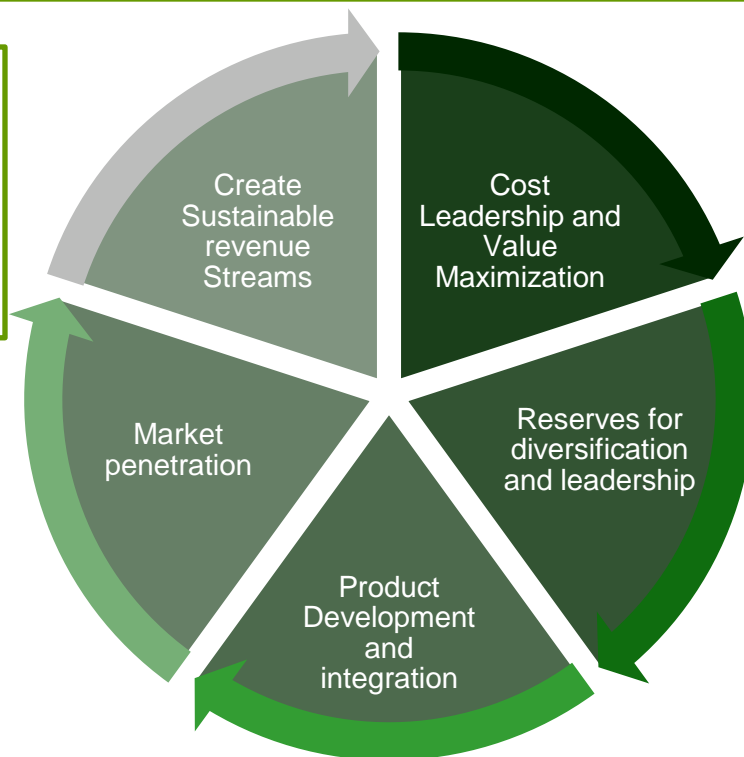
## Manpower

- Skilled as well as unskilled labor force is easily available.
- Engineering colleges are in near vicinity.
- Barnala town can accommodate all level of people.

# Long Term Growth Drivers

- Compliance of regulatory standards.
- Maintain customer delighted
- Maintain the pace of manufacturing.
- Timely delivery of products

- Thrust to explore existing customer base.
- Customer Development
- Market intelligence for uncontested marketplace.
- Acquire share from existing players



- Continuous R&D endeavors for process optimization and discovery of new molecules
- Focus on Forward and backward integration within Chemicals and Pharmaceuticals segments.

- Climb the ladder for cost leadership in core products.
- Optimization of operational costs
- Focus on Value maximization for all the stakeholders.

- Focus on technology up gradation and acquisition of know-how.
- Ensure returns on investments.
- Selection of industries and niche products for diversification.
- Investments to maintain leadership in product mix.

## CERTIFICATES AND ACCELERATIONS

- ❖ **USFDA** Certification Year 2015
- ❖ **EUGMP** Certification Year 2013.
- ❖ **ANVISA** certification Year 2012.
- ❖ Certificate of Suitability from EDQM for **IBUPROFEN**, CEP No. 316-2008
- ❖ Certificate of Suitability from EDQM for **LAMOTRIGINE**, CEP No. 066-2013
- ❖ Certificate of Suitability from EDQM for **METFORMIN HYDROCHLORIDE**, CEP No. 188-2013
- ❖ Awarded with “National Award for Technology Innovation” on “ Dual Technology for Synthesis of Mono Chloro Acetic Acid & Acetyl Chloride Using Green Chemistry” in 2015
- ❖ Certificate of Pharmaceuticals Product(COPP)-WHO-GMP for IBUPROFEN.
- ❖ Ministry of Health (MOH) approval by Japan/Philippines/ Iran / Ukraine.
- ❖ Kosher & Halal Certificate for all finished products.
- ❖ Pre-Reach certification for all chemical products and Intermediates.
- ❖ ISO9001:2008, 14001:2004 & 18001:2007
- ❖ Certificate of Star Trading House Status for Export, from Govt. of India

## Energy Conservation Awards



***National Energy Conservation Award in Drugs & Pharmaceuticals and Chemical sector consecutively for the years 2005, 2006, 2007, 2008, 2009, 2010 ,2011, 2012, 2013 & 2014, By Ministry of Power, Government of India***

## About Us.....

*IOL Chemicals and Pharmaceuticals Limited (IOLCP) a one of the largest players in Specialty Organic Chemicals and Bulk Drugs (API's), headquartered in Ludhiana (Punjab). With the establishment of state-of-the-art, latest manufacturing facilities coupled with proven SOPs and committed manpower has earned various awards and accolade from its stakeholders for delivering high quality products in innovative and cost effective manner.*

*The company operates in two business segments, Specialty organic chemicals and Bulk Drugs with its manufacturing facility at Barnala (Punjab). IOLCP has its footprints in 56 countries and regularly supplying its high quality products to major pharmaceutical players like Sanofi Aventis (India and Hungary), Aristo Pharmaceuticals, Prati Donaduzzi E Cia Ltda (Brazil), Cipla, BASF (USA), United Phosphorus, Abbot India and ZIBO XINUA-Perrigo Pharmaceutical (China) etc.*

*With unique Backward integrated USFDA accredited Ibuprofen plant, IOLCP has emerged as favorable supplier for all major pharmaceutical formulation entities around the globe.*

## Contact Information

*For more information about us please visit [www.iolcp.com](http://www.iolcp.com)*

*Or*

*Contact*

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Thanks..