

All About



Mankind

Sector - Pharmaceutical



Issue Opens - **Apr 25, 2023 to Apr 27,**

Price Band
₹ 1026 - 1080

Face Value
₹1

Issue Size
₹4326.36 Cr.

Lot Size
13 Shares

Issue Type
Book Built

Research@ganeshstock.com

Important Events



Issue Size

40,058,844 sh. (₹4,326.36 Cr)

Fresh Issue

N/A

Offer for Sale

40,058,844 sh. (₹4,326.36 Cr)

Basis of Allotment

May 3, 2023

Initiation of Refunds

May 4, 2023

Credit of Shares to Demat

May 5, 2023

Mankind Pharma LTD IPO

May 8, 2023

Listing Date

Promoters

- Ramesh Juneja, (Chairmen & Whole time director)
- Rajeev Juneja, (Vice Chairman & MD)
- Sheetal Arora, (CEO & Whole Time directors)
- Arjun Juneja , (COO)

Promoters collectively hold 79% (Pre Issue) of the Equity Share.

About Company



- Mankind Pharma LTD is a pharmaceutical company headquartered in India. The company was founded in 1995 and has since grown to become one of the leading pharmaceutical companies in India. Mankind Pharma is primarily involved in the manufacture and sale of pharmaceuticals, including prescription drugs, over-the-counter medications, and veterinary products. The company's product portfolio includes a wide range of therapeutic areas, including anti-infectives, gastrointestinal, cardiovascular, respiratory, and more. Mankind Pharma is also involved in research and development of new medicines, and has established collaborations with various research institutions and universities in India. In addition to its operations in India, Mankind Pharma has a presence in several other countries, including the United States, Australia, and several countries in Asia, Africa, and the Middle East.
- The company's primary market of concentration is the domestic market, which accounted for 97.6% of all operating revenue in the fiscal year 2022. In India, it is the fourth-largest pharmaceutical firm by domestic sales. Mankind Pharma runs 25 manufacturing plants all throughout India and has a national marketing presence. Additionally, it has one of the biggest medical representative distribution networks in the Indian pharmaceutical industry.



Product Portfolio

Product portfolio comprises a broad range of formulations across various acute and chronic therapeutic areas

anti-infectives, cardiovascular, gastrointestinal, anti-diabetic, neuro/CNS, vitamins/minerals/nutrients and respiratory

They have established several differentiated brands in the condoms, pregnancy detection, emergency contraceptives, antacid powders, vitamin and mineral supplements and anti-acne preparations categories

• Source: DHRP

Objects of the offer

- The company will not receive any proceeds from the Offer and all the Offer Proceeds will be received by the Selling Shareholders, in proportion to the Offered Shares sold by the respective Selling Shareholders as part of the Offer

Track Record Of Financial Performance



Financial Year	Total Assets (₹ crores)	Total Revenue (₹ crores)	Profit After Tax (₹ crores)	EBITDA (₹ crores)	ROCE
March 31, 2020	5,073.29	5,865.23	1,056.15	1448.35	35.86%
March 31, 2021	6,372.63	6,214.43	1,293.03	1659.78	30.41%
March 31, 2022	9,147.74	7,781.56	1,452.96	2003.80	25.50%
As of December 31, 2021	8,043.88	6,055.79	1,260.24	1713.90	25.08%
As of December 31, 2022	9,273.75	6,696.77	1,015.98	1493.61	16.58%

Earning Per Share (EPS):	₹35.78 per Equity Share
Price/Earning P/E Ratio:	N/A
Return on Net Worth (RoNW):	23.2%
Net Asset Value (NAV):	₹153.6 per Equity Share

Strengths



1. Scalable domestic business with room for expansion
2. A reputable franchise in consumer healthcare with a recognized brand In terms of domestic sales for MAT December 2022, several medications in the portfolio are ranked among the top 10 in several important therapeutic areas.
3. Coverage of the whole Indian market and distribution network with an emphasis on accessibility and cost
4. There are 25 manufacturing and four R&D facilities with competence in important therapeutic fields.

Risks

1. Delays, interruptions, or decreases in the raw material or completed product supply from third-party manufacturers and suppliers, or an increase in the price of such raw materials and finished products
2. Its operations in a small number of markets account for a sizeable amount of its revenue.
3. The capacity of a company to successfully promote its products may be impacted by the introduction of stronger regulations governing marketing techniques by pharmaceutical corporations.
4. The inability of some therapeutic areas to contribute a larger share of India's total revenue or the increased accessibility and increased market acceptance of rival goods.

Valuation and Outlook

The issue's price range, in terms of valuation, is INR 1026 to 1080 per share. A P/E ratio of 30.18x is based on a price range above INR 1080 and FY22 EPS of INR 35.78.

The Mankind Pharma Ltd. According to DRHP peers company is listed whose PE Multiple is shown in this table.

S.No. Company PE Ratio

1	Sun Pharmaceuticals Industries Limited	29.38
2	Cipla Limited	27.27
3	Zydus Lifesciences Limited	24.73
4	Torrent Pharmaceutical Limited	43.59
5	Alkem Laboratories	Feb-00
6	JB Chemicals & Pharmaceuticals Limited	40.11
7	Eris Lifesciences Limited	21.5
8	Ipca Laboratories Limited	40.06
9	Abbott India Limited	51.6

Between FY20 and FY22, its financial performance was strong. Its recent acquisitions' one-time provisioning is what caused the 9m of FY23 to be delayed. Recent performance suggests that the appears is fully priced. Investors may want to deposit money with a long-term outlook.