



IPO DETAILS

#IPOology

Mankind Pharma Ltd.



Issue Opens

25 April 2023, Tuesday

Issue Closes

27 April 2023, Thursday

Min. Lot Size

13 Shares

Issue Price Band

₹1026 - ₹1080

Industry

Pharma

Issue Size

Fresh Issue:
Not applicable

OFS:

40.06 Mn Eq Shares
(₹ 43263.6 Mn)

Face Value

₹1

Listing at

NSE, BSE

Rationale

Considering the TTM (Dec-22) /FY23 Annualized EPS of Rs 29.61/33.16 on a post-issue basis, the company is going to list at a P/E of 36.47/32.57x with a market cap of Rs. 4,32,636 mn. whereas its peers namely Sun Pharmaceuticals, Cipla, Alkem Lab and Torrent Pharmaceutical are trading at a P/E of 29.43x, 27.45x, 39.24x, 43.65x.

We assign a "Subscribe" rating to this IPO as company has diversified portfolio with market leading rankings across key therapeutic areas and wide market and distribution coverage with focus on affordability and accessibility. Also, it is available at reasonable valuation as compared to its peers.

Objectives of the issue

All of the offer proceeds will be received by the selling shareholders in proportion to the offered shares that each selling shareholder sold as part of the offer; the company will not receive any of the offer proceeds.

Rating

Subscribe

APPLY NOW



Mankind Pharma Limited

Company Overview

Mankind Pharma Ltd. is the India's fourth largest pharmaceutical company in terms of Domestic Sales and second largest in terms of sales volume for the FY22.

They are engaged in developing, manufacturing and marketing a diverse range of pharmaceutical formulations across various acute and chronic therapeutic areas, as well as several consumer healthcare products.

36 brands in their pharmaceutical business that have each achieved over ₹500.00 million in Domestic Sales in the FY22.

Indian Pharma's Therapeutic Coverage

Anti-infectives

Cardiovascular

Gastrointestinal

Anti-diabetic

Neuro/CNS,
Vitamins/Minerals/Nutrients

Respiratory



Distribution network

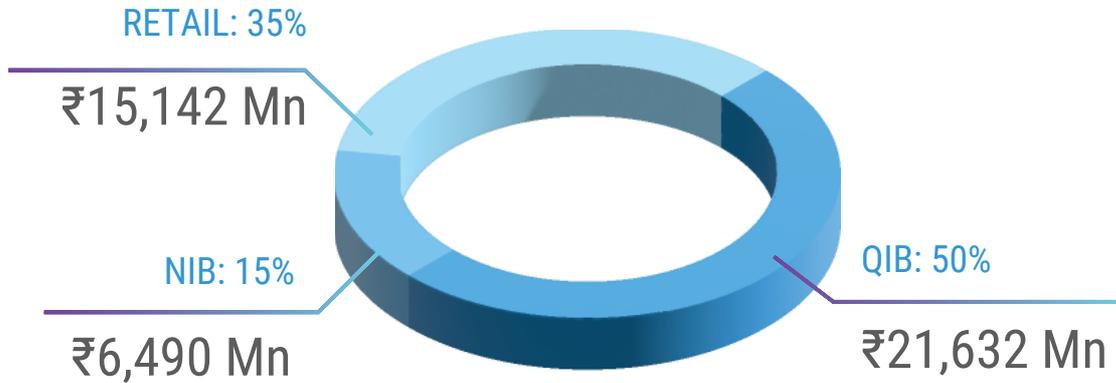
They have one of the largest distribution networks of medical representatives in the Indian pharmaceutical market ("IPM") and over 80% of doctors in India prescribed formulations during the FY22, which has assisted them in establishing brands in India.



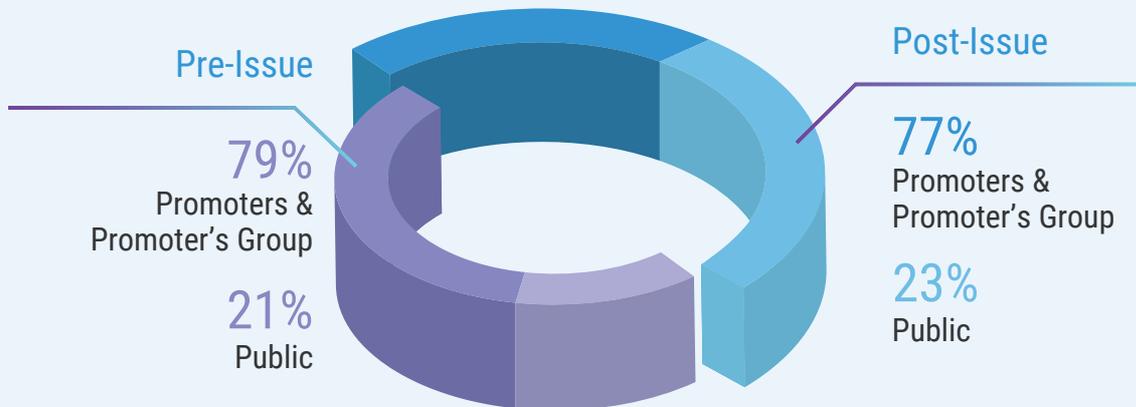
Mankind Pharma Limited

Issue Details

Issue Break-Up



Shareholding Pattern



Capital Structure (in ₹)



414 Mn

Authorised Equity
Share Capital



401 Mn

Paid-Up Capital
(Pre-Offer)



401 Mn

Paid-Up Capital
(Post-Offer)



Mankind Pharma Limited

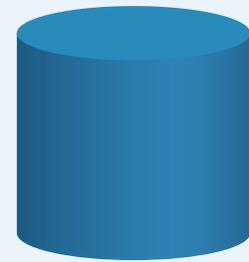
Valuations and Peer Comparison

Market Cap
₹4,32,636 Mn

Market Cap
₹2,373,780 Mn

Market Cap
₹5,42,830 Mn

P/E Ratio



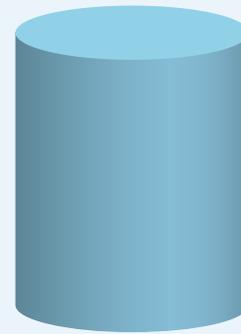
36.47/32.57x

Mankind Pharma Ltd.



29.43x

Sun Pharmaceuticals



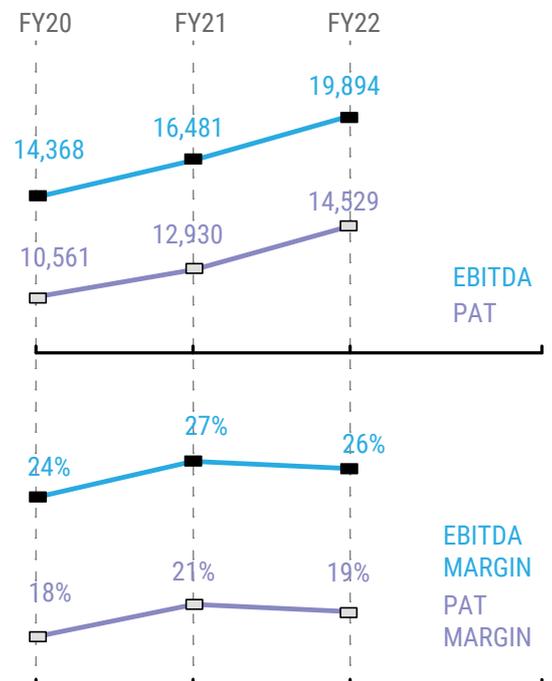
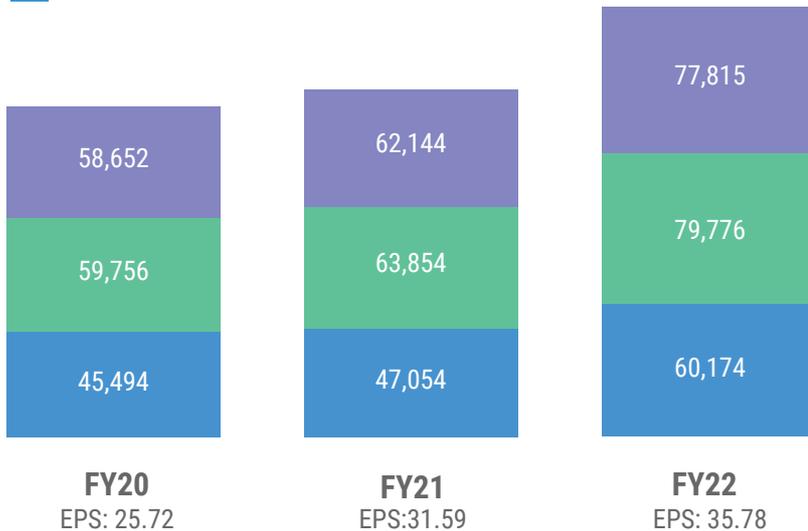
43.65x

Torrent Pharmaceutical

Market Cap data of listed securities as on April 21, 2023

Financial Snapshot (in ₹ Mn)

- Revenue
- Total Income
- Total Expenses





Mankind Pharma Limited

Business Insights



Competitive Strengths

- Scaled domestic-focused business with potential for further growth.
- Growing faster than the rate of the IPM with a focus on volume-led growth.
- Diversified portfolio with market-leading rankings across key therapeutic areas.
- Established and grew a consumer healthcare franchise with brand recall.
- Leveraged corporate brands to build and scale brands.
- Wide market and distribution coverage with a focus on affordability and accessibility.
- Significant and diversified manufacturing and R&D capabilities.
- Experienced and professional management team backed by private equity investors.



Business Strategy

- Increase Covered Market presence including in chronic therapeutic areas.
- Focus on increasing penetration in metro and Class I cities.
- Focus on building alternative channels for growth.
- Grow consumer healthcare business.
- Continue to develop and invest in digital platforms to enhance doctor engagement.



Risks

- They are required to obtain, maintain or renew statutory and regulatory approvals, licenses, and registrations to operate their business.
- Any disruption, slowdown or shutdown in manufacturing or R&D operations could adversely affect their business, financial condition, cash flows and results of operations.
- Any delay, interruption or reduction in the supply of raw materials or finished formulations from third-party suppliers and manufacturers, or an increase in the costs of such raw materials and finished formulations, may adversely impact the pricing and supply of their products and have an adverse effect on business, financial condition, cash flows and results of operations.

Promoters and Management Details

Ramesh Juneja - Chairman and Whole-Time Director

Sheetal Arora - Chief Executive Officer and Whole-Time Director

Satish Kumar Sharma - Whole-Time Director