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Morepen Labs raises Rs 200 Cr through Qualified Institutional Placement

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Fortifying its leadership in the field of Medical Devices and APIs



Morepen Laboratories Limited has announced the successful subscription of a Qualified Institutional Placement (QIP) for Rs 200 crore. This strategic move underscores Morepen's commitment to accelerating growth, enhancing institutional participation, increasing market presence, and improvement in its financial position on the way to fortifying its leadership in the field of Medical Devices and APIs.

The issue was subscribed 1.68 times with bids of Rs 335 crore against the Rs 200 crore offering, demonstrating strong confidence reposed by institutional investors. Marquee global investors like Bank of America Securities Europe (BOFA), Samsung India, Citigroup, Societe Generale, Nomura, BNP Paribas, Morgan Stanley and Eminence are some of the select names that have partnered with Morepen, paving the way for a promising future. Motilal Oswal Investment Advisors Limited was the book running lead manager (BRLM) for the issue.

The company has been growing consistently at 19.6% CAGR based only on the robust internal accruals and has focused on the maximising the revenue and EBITDA margins. Now, the additional fund raise of Rs 200 crore through this QIP, would accelerate the growth journey and help build large capacities and backward integration, cementing the company's leadership position in Glucometers and BP Monitors markets feeding directly to the consumers.

In API segment also, Morepen has created a niche for itself in six products where is commands leadership and has recently created extra capacities to accommodate the increasing market demand of its key products. With additional capex to be funded through the QIP fundraise the company will establish capacities for new molecules for which it has developed a strong pipeline with its relentless R&D efforts.

The company clocked a Gross Revenue of Rs 1704 crore, EBITDA of Rs 172.60 crore and PAT of Rs 96.62 in FY24 registering an increase of 20% in revenue, 101% in EBITDA and 150% in PAT as compared to FY23 wherein the company has secured a Gross Revenue of Rs 1424 crore, EBITDA of Rs 85.67 crore, and PAT of Rs 38.68 crore.