



Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

Corporate Office : Mahendra Industrial Estate,
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CIN No.:L37060MH1984PLC055433

Ref: ADL/SE/2025-26/09
May 6, 2025

To,
Listing/ Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
BSE CODE: 524348

To,
Listing/ Compliance Department
National Stock Exchange of India Limited,
“Exchange Plaza”, Plot No. C/1,
G Block Bandra - Kurla Complex,
Bandra (East), Mumbai – 400051
NSE SYMBOL: AARTIDRUGS

Dear Sir/Madam,

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sub: Investor Presentation

Please find attached herewith Investor Presentation of the Company for the Quarter and Year ended March 31, 2025.

Kindly take the same on record.

Thanking you,

Yours faithfully,

FOR AARTI DRUGS LIMITED

RUSHIKESH DEOLE
COMPANY SECRETARY & COMPLIANCE OFFICER
ICSI M. No.: F12932



AARTI DRUGS LIMITED

Q4 & FY25 Investor Presentation





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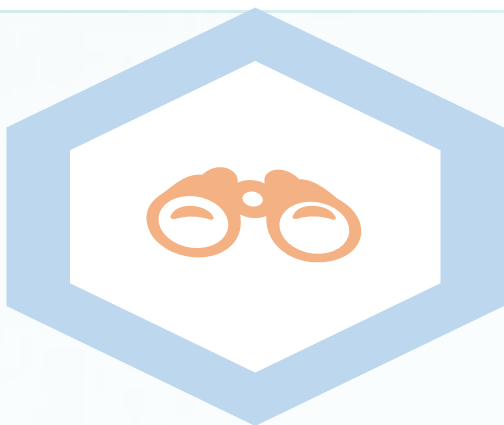


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Company Overview



Vision

We shall become the first-choice vendor of Bulk Drugs and achieve a leadership position by:

- Assuring consistent quality and timely delivery at competitive price
- Providing customized solutions and service to meet changing requirements of customers
- Aim at customer orientation through continuous technology upgrade, high business ethics and new product development
- Adopt processes supported by proven technologies, which are cost effective and safe
- Choose the best and the most flexible manufacturing practices and methods



Mission

- Seek global market leadership
- Focus on growth and development of the product
- Continue to create winning culture, operating in highest standards of ethics and values with co-operation among competitors
- Strive for excellence in customer service, quality and R&D



Professional Executive Management

Shri Chandrakant V. Gogri - Chairman Emeritus

A founding member of the Aarti Group, Shri Chandrakant V. Gogri holds a Chemical Engineering degree from the Institute of Chemical Technology (ICT), [formerly known as the University Department of Chemical Technology]. His experience in areas encompassing Projects, Operations, Process Development, Local and International Marketing in the Chemical and Pharmaceutical industry is remarkable with experience of 50+ years. He is one of the Company's Founder Promoters. He retired as the Chairman on August 16, 2012, and has, on request of the Board, accepted the post of Chairman Emeritus for his valued guidance and expertise.

Shri Prakash M. Patil - Chairman, MD & CEO

Shri Prakash M. Patil is Chairman, Managing Director and Chief Executive officer (CEO) of the Company and has been associated since inception of the Company's operations. He holds a degree of B.E. – Chemical from Institute of Chemical Technology (ICT) [formerly known as University Department of Chemical Technology]. He has more than 40 years of experience in the field of Chemical & Pharmaceutical Industry. He has expertise in Product Identification, Project Conceptualisation, Planning, Project Engineering & Implementation. His technical experience has helped the Company to emerge as one of the leading Pharmaceutical Company in the country.

Shri Rashesh C. Gogri - Managing Director

Shri Rashesh C. Gogri has been the Managing Director of the Company since September 26, 2014. Prior to that, he held the position of Whole time Director of the Company since October 2012. He holds a Production Engineering degree from Mumbai University and has more than 21 years of experience in Production, Marketing and Project Implementation in the Chemical and Pharmaceutical industry. He also serves as the Vice-Chairman & Managing Director of Aarti Industries Limited and Chairman of Aarti Pharmed Labs Limited.

Shri Harshit M. Savla - Joint Managing Director

Shri Harshit M. Savla is the Joint Managing Director of the Company. He is associated with the Company since 1987. He is a Commerce Graduate having more than 36 years of experience in Finance, Exports and Administration. He played a crucial role in expanding the API and Formulation business of the Company.

Shri Harit P. Shah - Executive Director

Shri Harit P. Shah has been Executive Director of the Company since September 1995. He is a Commerce Graduate and has experience of more than 36 years in the handling commercial functions encompassing Sales, Purchases and Exports. He looks after local sales and exports as well. He has in-depth knowledge of the Pharmaceutical industry.

Shri Uday M. Patil - Executive Director

Shri Uday M. Patil has been Executive Director of the Company since October 2000. He has more than 36 years of experience in factory administration work and liaisoning with various Government/Semi-Government Departments and agencies.

Shri Narendra J. Salvi - Non-executive Director

Shri Narendra J. Salvi is a Non-Executive Director of the Company since August 2020. He has over 36 years of expertise in the API industry. He also serves as the Managing Director of Aarti Pharmed Labs Limited, where he oversees the operation, projects, regulatory compliances and sustainability initiatives.

Shri Adhish P. Patil - Chief Financial Officer & Chief Operating Officer

Shri Adhish P. Patil is a proven leader with 18 years of experience in Manufacturing Operations, Finance, Investor Relations, Regulatory Compliance, Consulting, Systems Engineering and Information Technology for the Pharmaceutical and Consulting industries. He has a Bachelor of Engineering (IT) degree from Mumbai University. He is a gold medalist from the University of Florida's Warrington College of Business Administration with an MBA in Finance and Marketing. He was named to the coveted 'Top 100 CFOs India 2014' list. Additionally, he was a part of the coveted list of 'Top 200 CFOs in India,' awarded by StartupLanes in 2023.

Shri Vishwa H. Savla - Managing Director, Pinnacle Life Science Private Limited

Shri Vishwa H. Savla is the Managing Director of subsidiary Company, Pinnacle Life Science Private Limited. He is MBA from Indian School of Business (I.S.B.) and graduation from Aston University (U.K). He has experience of 10 years in Pharmaceutical Industry and involved in the operations of the Pinnacle and Aarti Drugs since inception of formulation business by the Companies. He has expertise in Strategy Management, Export Business, and Market Research in Formulation business.



Independent Directors



Shri Ankit V. Paleja - Independent Director

Shri Ankit V. Paleja is an Independent Director of the Company. He is a qualified lawyer. He holds double Bachelor's degrees in Legal Science and Law. With around 16 years of work experience, he is presently a partner in the law firm Crawford Bayley and Co. (advocates & solicitors). He is experienced in handling Equity Investments, Mergers and Acquisitions, Banking and Finance and general corporate transactions among others. He has been awarded the 'Under 40 Rising Star Award' by Legal Era. His previous engagement was with the law firm Little & Co.



Prof. Bhaskar N. Thorat - Independent Director

Prof. Bhaskar N. Thorat is an Independent Director of the Company. He holds the degree of M. Chem. Engg. and Ph.D in Chemical Engineering from Institute of Chemical Technology (formerly known as UDCT). He is a Senior Professor of Chemical Engineering at Institute of Chemical Technology, Mumbai. He has been recognised with many awards and honours and has more than 100 research publications in reputed international journals.



Smt Neha R. Gada - Independent Director

Smt Neha R. Gada is an Independent Director of the Company. She is a Chartered Accountant and an Insolvency Professional. She has an experience of over 21 years in compliance pertaining to Securities Law and Corporate Laws. She is a co-founder of Dhhanish Advisors Private Ltd.



Shri Hasmukh B. Dedhia - Independent Director

Shri Hasmukh Bhavanji Dedhia is an Independent Director of the Company. He is a Chartered Accountant and also holds DISA(ICAI). He has an experience of over 40 years in handling Audits, Due diligence, Consultancy and Business Restructuring. He possesses rich experience in the fields of Internal Auditing and control enhancement aspects.



Shri Sandeep M. Joshi - Independent Director

Shri Sandeep M. Joshi is an Independent Director of the Company. He is a graduate in Chemistry from Mumbai University and completed his M.B.A Degree from Pune, Symbiosis Institute of Business Management. He has 25 years of experience in export marketing and business development with companies in India and abroad.

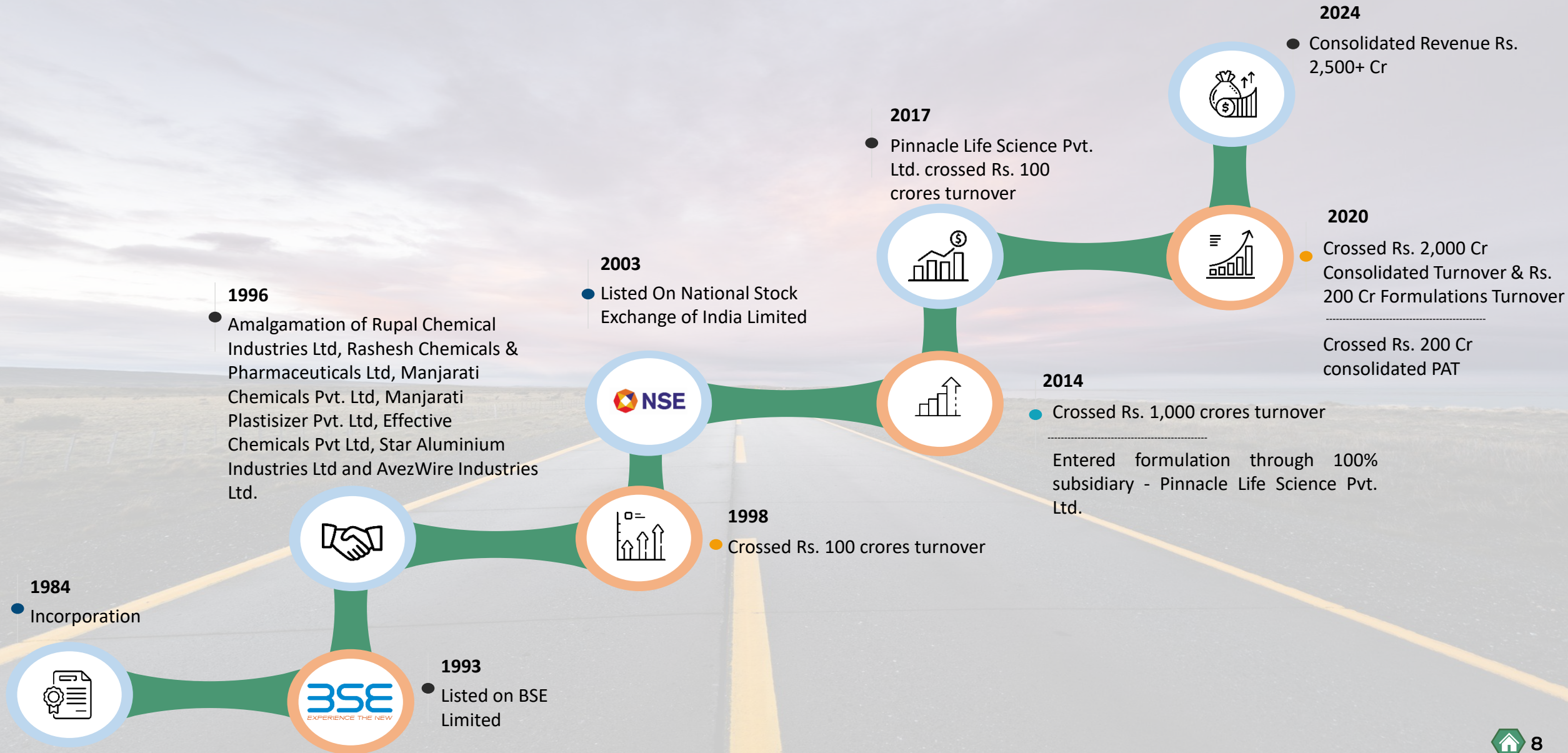


Shri Ajit E. Venugopalan - Independent Director

Shri Ajit Eledath Venugopalan is an Independent Director of the Company. He is a Chartered Accountant. He is a Banking professional with 30+ years of experience in Banking & Finance domain.



Key Milestones





Key Facts & Figures



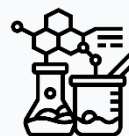


Presence Across API, Formulation, Specialty Chemicals, Intermediates Segments



Active Pharmaceuticals Ingredients (API)

- Leading API producer of 50+ molecules for anti-biotics, antiprotozoal, anti-inflammatory, anti-diabetic & anti-fungal, etc.
- Largest manufacturer of 3 molecules in the world
- One of the largest manufacturer of 2 molecules in the world
- 9 manufacturing units
- Contributes ~90% revenues
- Installed capacity of 45,511 MTPA



Formulation

- Diversified into formulation through a wholly owned subsidiary Pinnacle Life Science Pvt. Ltd. in 2014
- Adopted flexible manufacturing approach with combination of in-house manufacturing as well as outsourcing model supported by strong in-house R&D
- Manufacturing plant at Baddi, Himachal Pradesh is WHO – GMP approved
- Installed capacity of 3 billion units tablets and 300 million units capsules

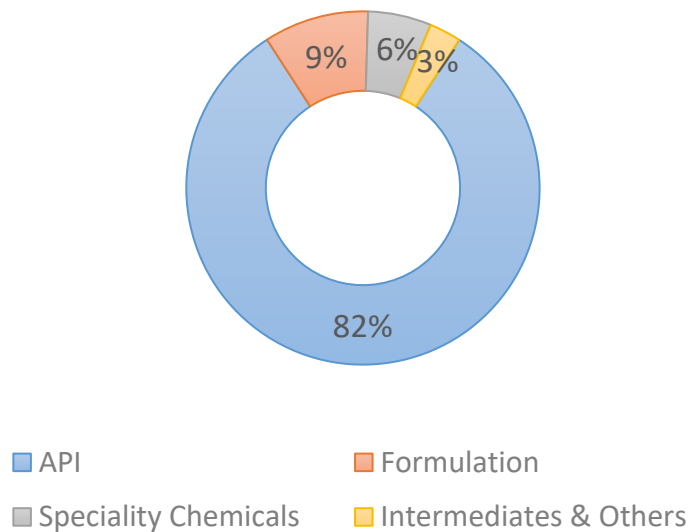


Specialty Chemicals, Intermediates & Others

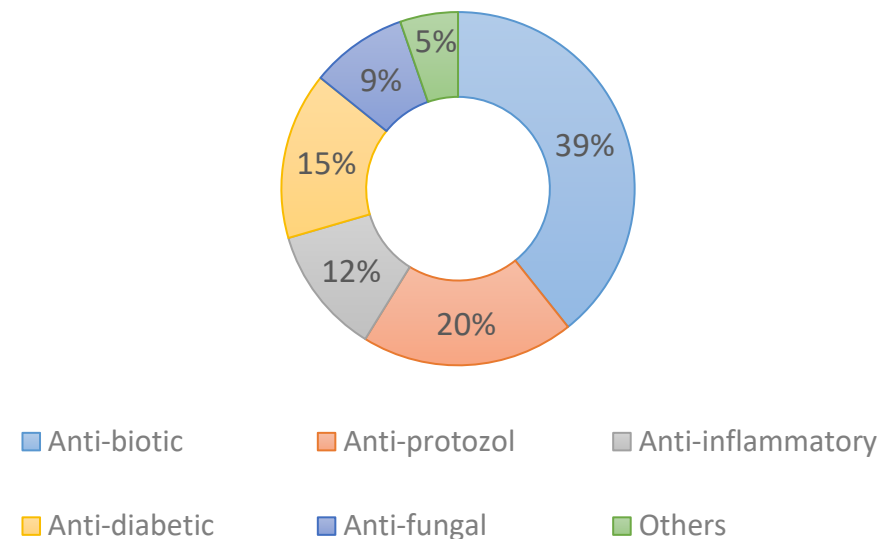
- 3 manufacturing units; 1 more facilities coming up (currently under greenfield capex)
- Being backward integrated, supply intermediates of anti-biotics, anti-fungal, anti-inflammatory and cardiovascular to the API manufacturers
- Manufacturer of specialty chemicals in Benzene & Chloro-sulphonic chemistry
- Installed capacity of 13,742 MTPA



Segmental Revenue



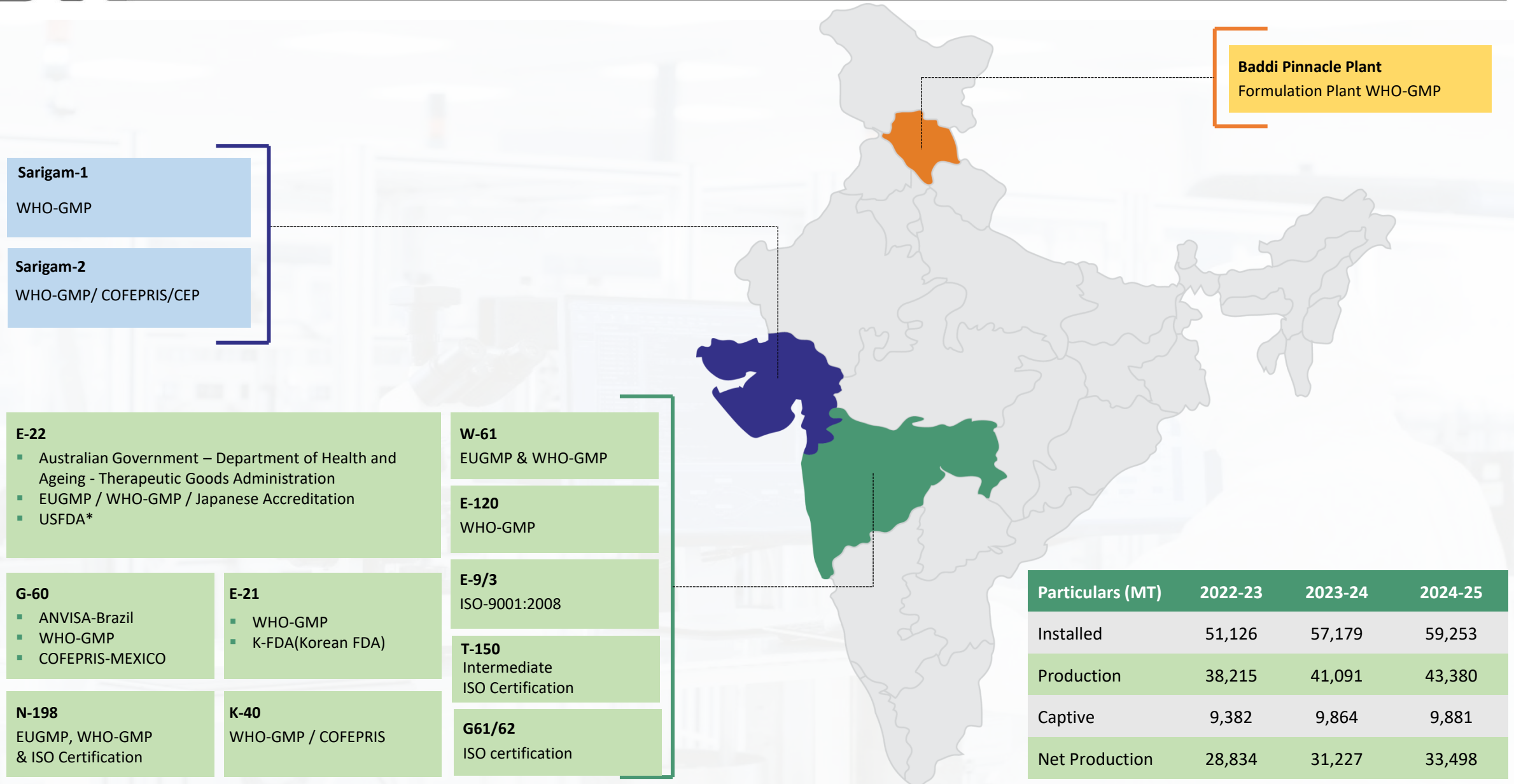
Therapeutic-wise Revenue



Focus on growing the contribution from lifestyle & chronic therapeutic areas, reducing share from acute therapies



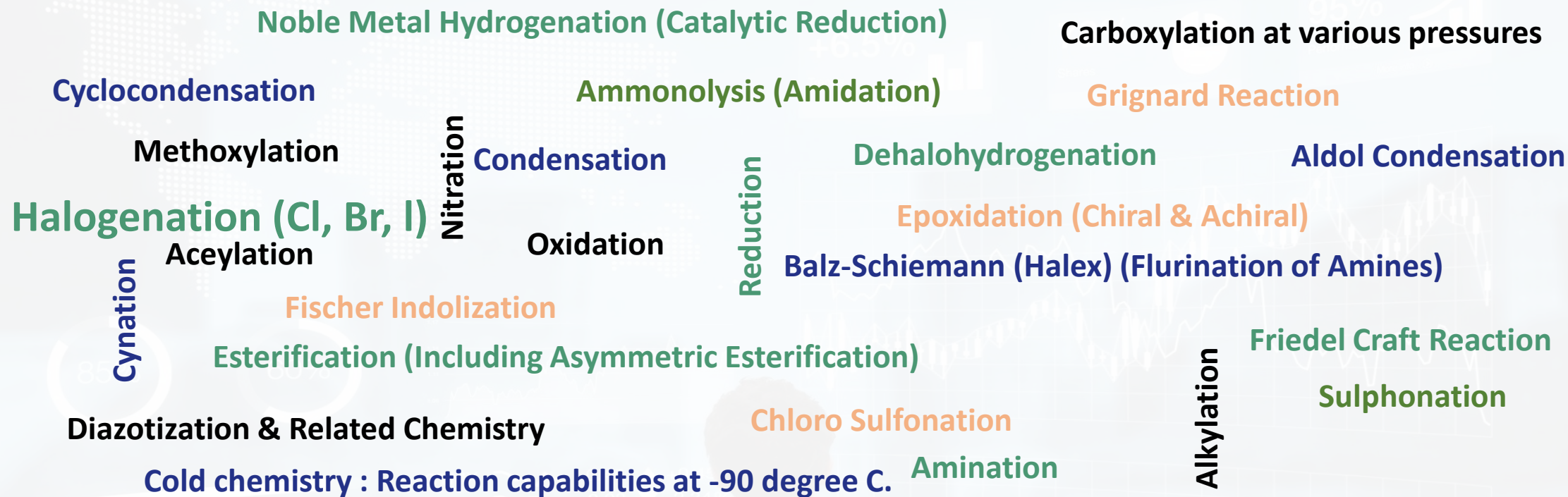
State-of-the-art Integrated manufacturing facilities



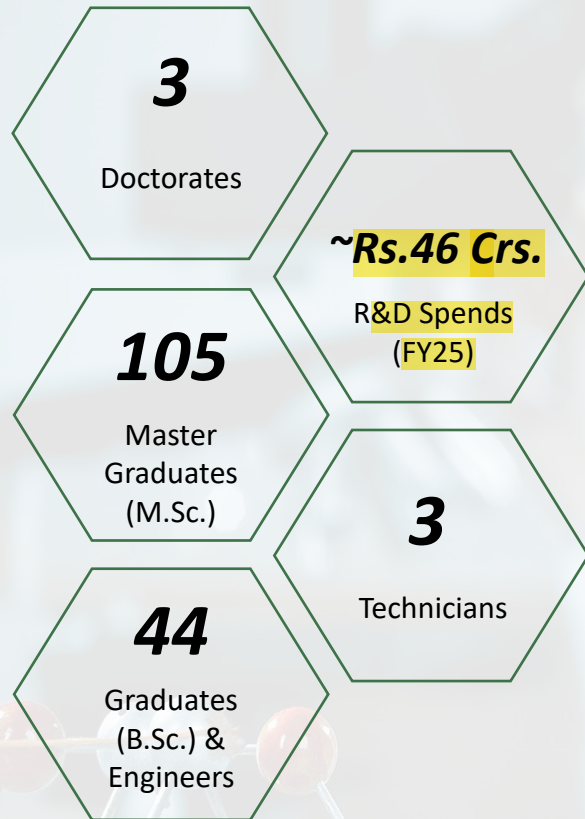
Note: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.



Reaction Capabilities



- The capacity of **Multi-purpose plant ranges from kilograms to multi tons levels**
- Long term experience of **Multi-step synthesis and fractionations at high temperatures**
- **Total reaction capacity in excess of 1300 KL, consisting of SS and GL reactors across its units, varying from 0.5 KL – 18 KL**



R&D Center at Tarapur

- Supports manufacturing facilities at Tarapur and Sarigam on API process development
- Pilot plant used for kilo scale manufacturing
- Recognized by Department by Science and Industrial Research (DSIR) Government of India
- Frequent visits of Experts and Professors from ICT and Council of Scientific and Industrial Research (CSIR) for guidance for product development

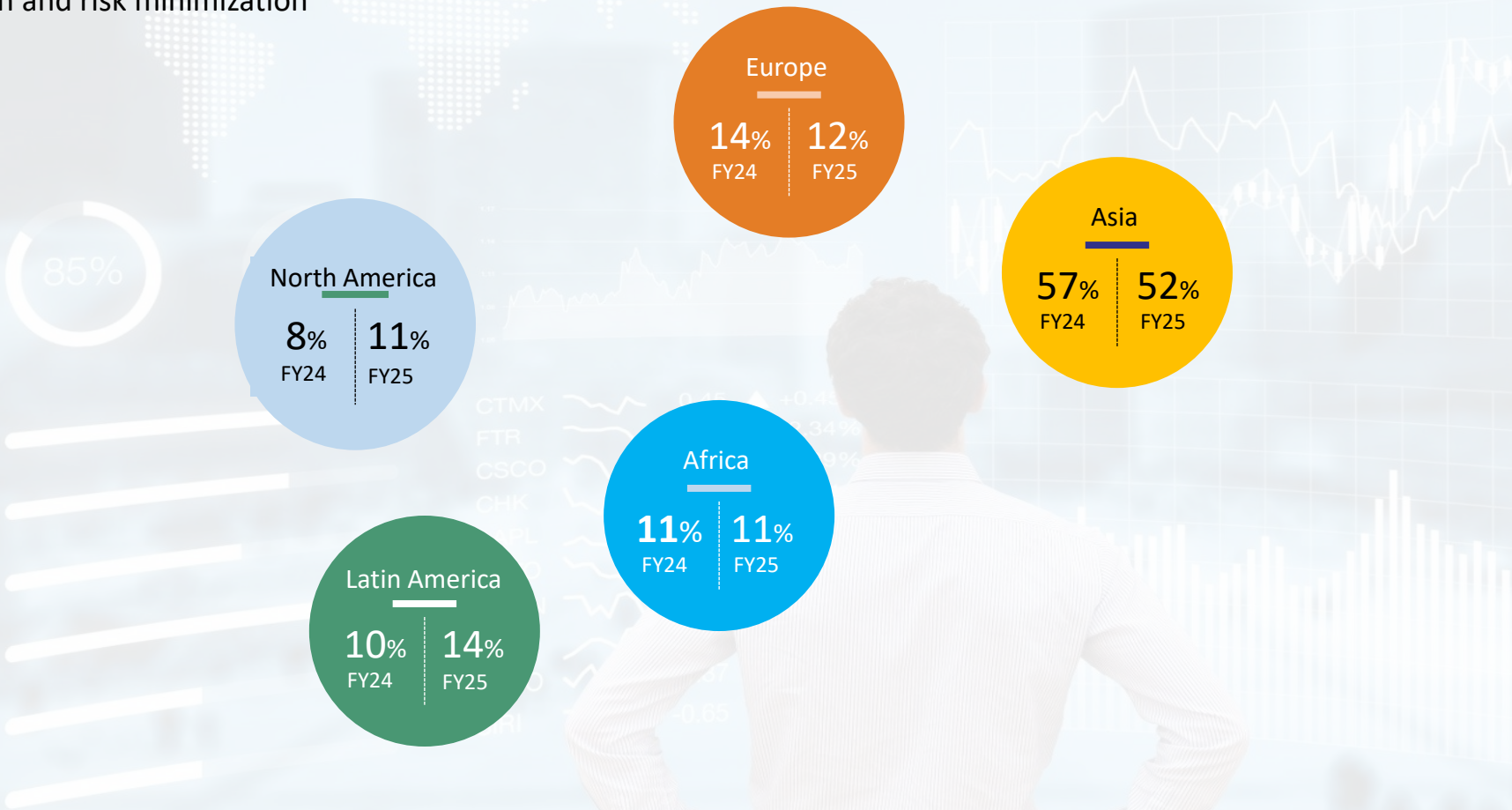
R&D Center at Turbhe, Mumbai

- Supports development of complex generics for in-house formulation business
- Developing complex oral solids for Regulated as well as Emerging markets

- Well supported by in-house project management team to ensure timely implementation of new products on commercial scale
- Developed 30+ APIs (new and existing) in last 5 years
- Developing new age Formulation products for Europe, USA, Australia, Brazil, Canada & Chile for Day 1 launches
- Plans to expand R&D capabilities to develop complex Semi solids (creams & ointments) as well as Oral liquids
- Majority of products developed with integrated API provides an end-to-end control



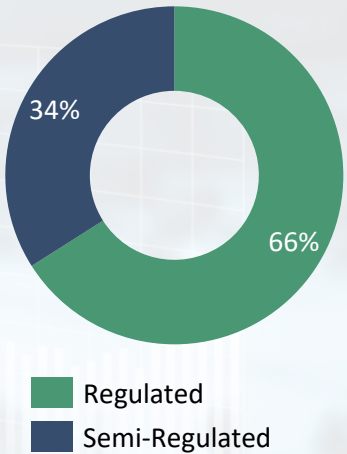
Presence in **100+ Countries** across **6 Continents** ensures diversification and risk minimization



Top 10 Countries - Exports

Brazil	Indonesia
Mexico	Bangladesh
Pakistan	Hong Kong
Turkey	Kingdom of Saudi Arabia
Egypt	Netherlands

Market



Note: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness



Environmental

- Converted multiple facilities into to Zero Liquid Discharge (ZLD)
- Dual Fired Boiler in Greenfield Facilities to reduce carbon footprint
- Periodic Forestation
- Waste heat recovery
- Packaging bulk API in paper bags, usage of fibre drums instead of HDPE drums, packing bulk intermediates in jumbo bags (1 MT packing) to reduce excess use of plastic bags
- For efficient utilization of utilities company is using equipment with high end technologies like Agitated Thin Film Dryer (ATFD), Agitated Thin Film Evaporator (ATFE), FBC boilers, membrane type filter press.
- Company is using MEE & MVR for evaporation and has much lesser energy consumption than conventional evaporators.



Social

- **Woman Empowerment:** Free Government approved and certified vocational course training for women to generate employment.
- **Healthcare:** Primary Healthcare Infrastructure Development and Improvement around the manufacturing facilities.
- **Gender Diversity:** ~40% women staff at HO, contributing in various departments such as marketing, finance, procurement. At factory level, women are employed at QC QA, regulatory affairs, etc. departments.
- **Stakeholder Management:** No unfair trade practices events in the last 5 years. stringent product quality control, strict QA and QC dept to ensure that product is at the mark of the quality as per various pharma copeial standards



Governance

- The Board has an optimum combination of Executive and Non-Executive directors and gender diversification
- Risk Management Governance
- Occupational Healthy Policy
- Policies governing related party transactions
- In compliance with all regulatory requirement of the Audit Committee
- Mechanism of periodic reporting to Stakeholders Relationship Committee and Board.
- Regular review and updation of policies in response to the changing requirements
- Vigil Mechanism, Whistleblower and POSH policies



Our Esteemed Clientele across segments





Awards & Accolades

1991-92

CHEMEXCIL

Outstanding
Performance in Export

2005-06

AVAYA GLOBAL CONNECT

Customer
Responsiveness

2012

CHEMEXCIL

Outstanding
Performance in Latin
American Export

2014

CHEMEXCIL

Government of India
(Ministry of commerce and Industry)
Certificate of Recognition -
Star Export House

2020-2023

PHARMEXCIL

Outstanding
Performance in Exports

2001

CHEMEXCIL

Outstanding
Performance in Export,
Organization of
Pharmaceutical Product,
Best Vendor

2009

CHEMEXCIL

Outstanding
Performance in
Export

2013

ABBOTT

Best Vendor of the
year

2015-2019

ABBOTT

Business partner of the
year

2024

EcoVadis assessment
score is 69, secured the
Silver Medal



Donation of Inverter, Water filters, Air coolers Steel cupboards, Ambulance donated Salwad, Gram Panchayat, Dist. Palghar, MH, Sunroof, supply of medicines



Tree Plantation Programs

लोकमत

आरती ड्रग्स उद्योग समूह करणार ३,५०० झाडांची लागवड

तारापूर एमआयडीसीत कचराडेपोच्या जागी साकारतेय नंदनवन!

लोकमत न्यूज नेटवर्क
बोईसर : तारापूर एमआयडीसीलगत मोठ्या प्रमाणात लोकवस्ती असलेल्या शिवाजीनगरचे रहिवासी औद्योगिक क्षेत्रातील टी डीएमधील प्रचंड वाहतूक असणाऱ्या रस्त्यावर घरातील कचरा टाकतात. यामुळे या जागेला कचरा डेपेचे स्वरूप आले; पण स्थानिक नागरिकांनी कचरा डेपो केलेल्या जागेवर तारापूर येथील आरती ड्रग्स उद्योग समूहाने नंदनवन फुलवण्याचा निर्धार केला आहे.



सालवड ग्रामपंचायतीचे मिळाले सहकार्य

लेकडो टन कचरा उचलून ती जागा सालवड ग्रामपंचायतीच्या सहकार्याने स्वच्छ करून देई. आरती ड्रग्सच्या सीएसआर फंडातून ६५०० रुपयेअत फूड जागेवर कपण करून सुमारे २०० प्रकारची विविध जातीची ३५०० झाडे लावली जाणार आहेत.

तारापूर एमआयडीसीलगत असलेल्या रस्त्यावर कचरा टाकला जातो तिथे नंदनवन फुलवण्याचा निर्धार आरती ड्रग्स उद्योग समूहाने केला आहे. शनिवारी मान्यवरांच्या उपस्थितीत वृक्षारोपण करून त्याचे उद्घाटन करण्यात आले.

दिसणार आहेत.

आरती ड्रग्स उद्योग समूहाच्यावतीने उभारण्यात येणाऱ्या भियावाडी वायोजायव्हर्सिटी फॅरिस्टच्या जागेवर शनिवारी वृक्षारोपण करून उद्घाटन करण्यात आले. तारापूर एमआयडीसीलगत असलेल्या रस्त्यावर कचरा टाकला जातो तिथे नंदनवन फुलवण्याचा निर्धार आरती ड्रग्स उद्योग समूहाने केला आहे.

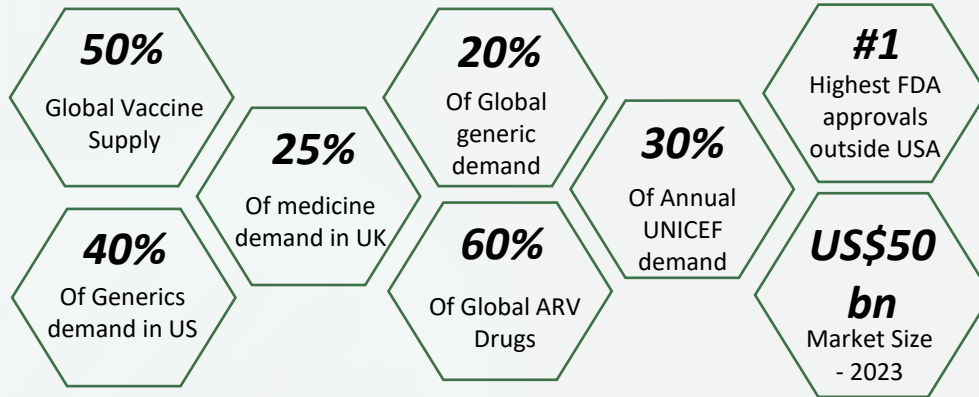
सरपंच विदुलता पाटील, माजी सरपंच संजय पाटील व गिरीश राऊत, महाराष्ट्र प्रदूषण नियंत्रण मंडळाच्या तारापूर विभागाचे उपप्रदेशिक अधिकारी प्रशांत गायकवाड, क्षेत्र अधिकारी राजेश्वरी पाटील, आरती ड्रग्सचे सीएसआर अधिकारी नीलेश पाटील, संजय पाटील, सालवड ग्रामपंचायतीच्या सदस्या सुवर्ण पाटील, प्रतीक्षा मोरे, सुचित्रा पाटील, यांनी उपसरपंच अमोल मोरे व कविता राऊत, माजी सदस्य मोहनराव मोरे यांनी सहभाग घेतला.

अधिकारी नीलेश पाटील, संजय पाटील, सालवड ग्रामपंचायतीच्या सदस्या सुवर्ण पाटील, प्रतीक्षा मोरे, सुचित्रा पाटील, यांनी उपसरपंच अमोल मोरे व कविता राऊत, माजी सदस्य मोहनराव मोरे यांनी सहभाग घेतला.





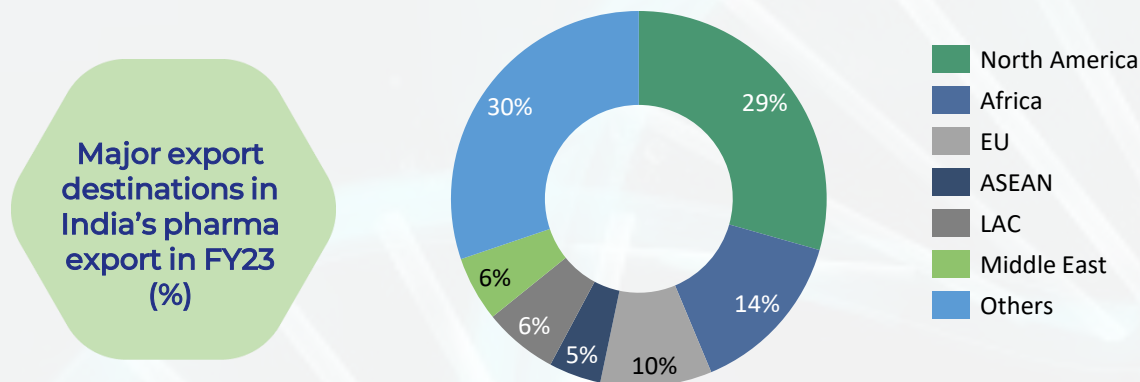
Industry Overview



World's largest provider of generic medicines; the country's generic drugs account for **20% of global generic drug exports** (in terms of volumes). Indian drugs are exported to **more than 200 countries in the world, with the US as the key market.**

Exports, including bulk drugs, intermediates, drug formulations, biologicals, AYUSH & herbal products and surgical products, reached US \$25.4 Bn in FY23. **Indian pharmaceutical industry is worth ~US\$ 50 billion as of FY23.**

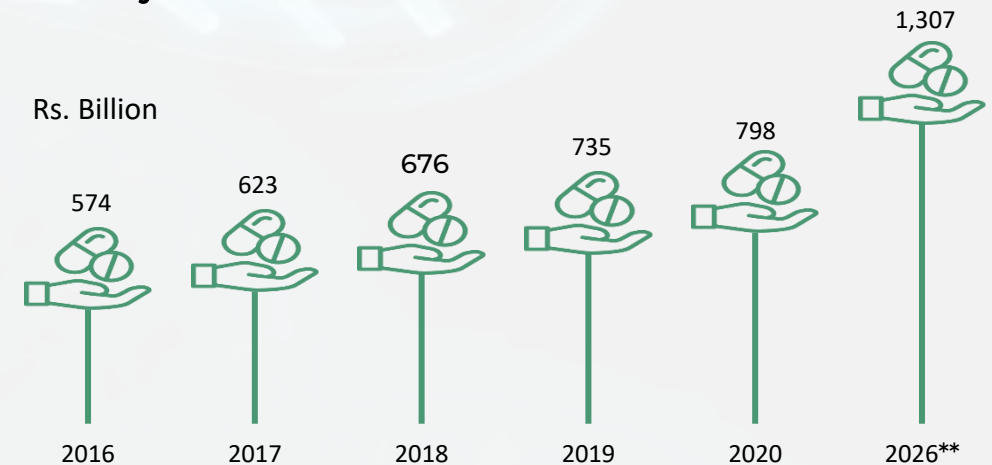
The biggest export destination for Indian pharma product is the US. In FY23, 29% of India's pharma exports were to the North America, followed by 14% to Africa and 10% to the European Union.



Active Pharmaceutical Ingredient (API) Market

- India is the third largest active pharmaceutical ingredient (API) market in the Asia-Pacific region
- The API industries in India include domestic and in-house consumption as well as exports
- The Indian active pharmaceutical ingredients manufacturing segment can be divided into two sectors such as innovative or branded and generic or unbranded

Market size of Active Pharmaceutical Ingredient (API) industry in India from 2016 to 2020 with estimates until 2026





Experienced management with deep understanding of pharmaceutical sector

Active Pharmaceutical Ingredients (APIs)

- Domestic API consumption is expected to reach US\$ 18.8 billion by FY22
- In Apr'19, Constituted a high-level task force to create a roadmap for increasing domestic production of APIs.
- Currently India imports over 60% of its APIs from other countries.

CRAMS

- Fragmented market with more than 1,000 players
- CRAMS industry has posted 48% CAGR between FY15-18 and expected to witness a strong growth over 25% over 2018-21

Formulations

- Largest exporter of formulations in terms of volume, with 14% market share and 12th in terms of export value.
- Double-digit growth is expected over the next five years.

Biosimilars

- As on Aug'19, the moving annual turnover (MAT) for biosimilar molecules sold in the domestic market stood at Rs 1,498 crore (US\$ 214.31 million). The govt. plans to allocate US\$ 70 million for local players.
- The domestic market is expected to reach US\$ 40 billion by 2030.

Notes: OTC- Over The Counter, * including biologicals

Source: IBEF, RNCOS, BMI, Data monitor, Kemwell Biopharma, Chemical Pharmaceutical Generic Association, ICRA Report estimates, pharmanewsprwire.com, DGCI&S



Multiple Triggers will lead to high Growth Momentum



Robust Domestic Demand

- Rising domestic population
- Higher Insurance Coverage penetration



Increased Investments

- 100% FDI in the pharmaceutical sector under automatic route



Government Support

- Increased government spending on hospitals and healthcare
- Rs. 15,000 crores Production-Linked Incentive (PLI) Scheme for Enhancing India's Manufacturing Capabilities
- Atmanirbhar Bharat scheme for making India self reliant



Technology

- Artificial intelligence will help the pharmaceutical industry to design new and automated algorithms which will help to achieve faster, precise, accurate, and repeatable results



Innovation and R&D

- Focus to develop new complex generic drugs, supplemented by the New Drugs and Clinical Trial Rules, 2019 and the Atal Innovation Mission.



Cost Advantage

- Quality services at marginal costs compared to US, Europe, and South Asia
- Expertise in low-cost generic patented drugs and a movement towards end-to-end manufacturing



Aarti 2.0: Sustainable Growth & Long-term Value Creation





Over a decade, API manufacturing has transitioned towards highly regulated, specialized business

How API Manufacturing Has Evolved



Regulations

- ❑ Stringent pharmacopoeia standards
- ❑ Addition of elemental
- ❑ Tightened impurity profiling
- ❑ Rigorous carcinogenicity checks



Cost Structure

Higher capex requirements to adhere to ever rising quality, environmental & regulatory requirements

High R&D costs

Impact

- ❑ **Lower Competitive Intensity:** Various small-scale manufacturers have exited due to unviability of cost structure
- ❑ **High Entry Barriers:** High entry barriers for new entrants due to cost structure and compliance requirements
- ❑ API manufacturing has **evolved from a commodity business into niche, specialized and highly regulated business**
- ❑ Manufacturers have carved a niche for themselves in specific products/ segments within API manufacturing space

Tightened Regulations

Quality & Environmental Standards

Higher Capex Requirements



- **Higher Entry Barriers**
- **Low Competitive Intensity**



Unique Competitive Position



Known brand in API space

Reliable in terms of quality and timely deliveries. Honouring commitments in changing market conditions.

Process improvement R&D, cost leadership

Thus, fundamentals right from procurement, production till sales have a strong foundation and sound setup.

Phase-Wise Capex to mitigate debt trap risks

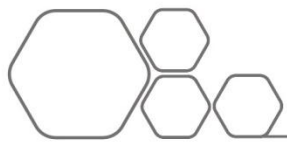
Newer capacities established since last two years will help grow top-line.

Green field projects

Sufficient land parcels in industrial zones in Maharashtra and Gujarat to take care of green field projects in next 3 to 4 years


High entry barriers

- High regulatory standards
- Capex requirements
- Long gestation period
- R&D costs



Specialised player in the highly challenging Pharmaceutical Industry

Industry's Unique Challenges

-  High R&D costs
-  Long gestation period
-  Time consuming approval procedures
-  Demands large variety and small batch size orders
-  Highly complex manufacturing
-  Stringent quality & compliance requirements in developed markets
-  Highly competitive industry

Our Core Competencies

- Demonstrated manufacturing excellence for 3+ decades
- R&D focused, driven by continuous improvement and innovation
- Ability to consistently deliver high quality products on timely basis
- Meeting stringent regulatory & compliance requirements of domestic & international regulators
- Long standing relationships with leading pharmaceutical companies
- Fully integrated facilities – lower outside dependence for sourcing raw materials

Well placed to capitalize on future growth opportunities





Presence across Segments, Geographies, API Therapies & Customers to ensure Growth and Risk Minimization

Segmental Mix

- API business contributes ~90% of sales in FY25
- Focus on increasing contribution from Speciality Chemicals, Intermediates & Others, going forward

Geographic Mix

- Domestic - Export mix at 63% for FY25
- Presence across 100+ countries
- None of the region contributes more than 2/3rd of the revenue with Asia contributing the highest at 52% of total sales

API Therapy Mix

- Top 5 therapies contributes ~86% of sales in FY25
- Anti-biotic products contributes highest at 37% to sales in FY25
- Top 10 products contribute to ~74% to sales in FY25
- Leaders in Domestic market in most of top 10 products

Customer Mix

- Domestic: Largest client contributes ~4% of domestic sales whereas top 10 clients contribute ~26%
- Exports: Largest client contributes ~4% of exports sales whereas top 10 clients contribute ~22%

Expanding Product Portfolio

Geographic Expansion

Diversified Customer Base



- **Growth**
- **Risk Minimization**

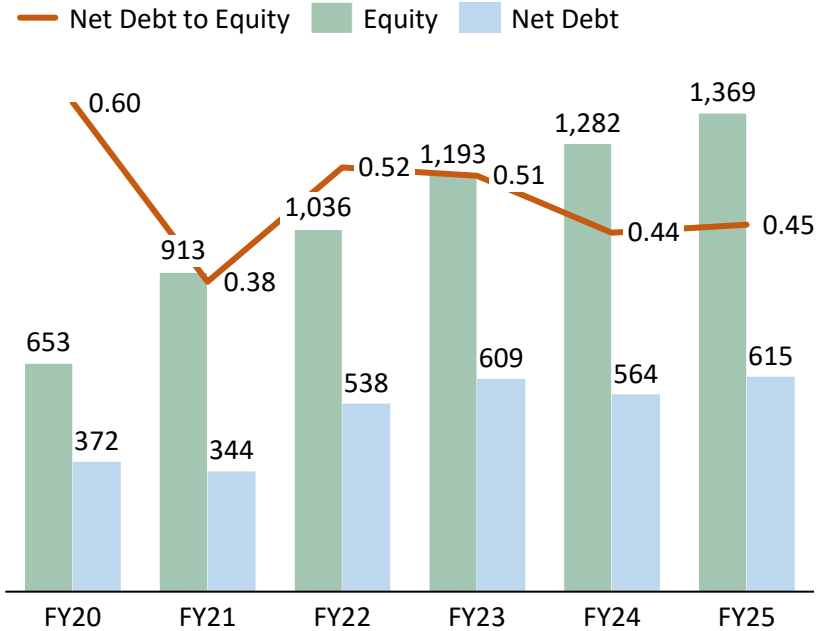
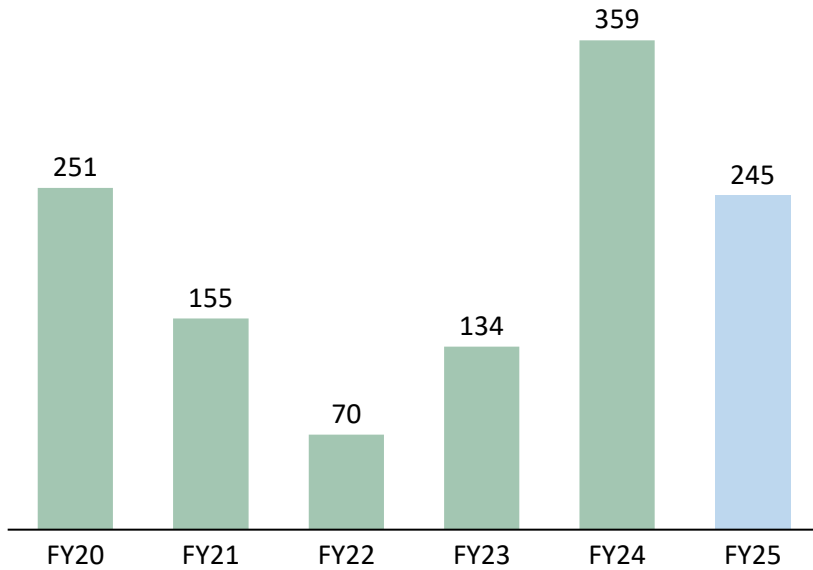


Strong cashflows led to robust Balance Sheet giving financial flexibility for Growth

Strong net operating cashflow generation

Low leverage provides Balance Sheet strength

Net Operating Cashflow



Rs. crores

Mar-25

Net Debt

615

Equity

1,369

Total Assets

2,575

Key Ratios

Mar-25

Net Debt/ Equity (x)

0.45

Net Debt/ Assets (x)

0.24



Capex to drive the next leg of growth

Capex of Rs. 600 crores underway [starting from FY22 for the next 4-5 years]

Capex plans

Phase wise capex will lead to distributed investments

Majority of the capex to be funded through internal accruals and minimal debt

Brownfield expansion and debottlenecking of API facilities

Brownfield expansion at Baddi plant will lead growth for Formulation business

Backward integration to lead cost synergies



Brownfield Capacity Expansion

Backward Integration

De-bottlenecking

Asset Turn - 2.5x

Revenue:
Rs. 1,200 crores
+
Captive consumption:
Rs. 300 crores

Revenue Growth

Higher Margins

Higher RoCE



Product-wise Capex Plans

Anti Diabetic

- CEP renewed by EDQM in 2022
- Manufacturing over 1,000 TPM making it one of the largest metformin player
- Coming up with 1450 TPM capacity via brown field expansion in Q1FY24
- Launch of Gliptins will further strengthen this therapeutic category.
- Exploring backward integration options.

Antiprotozoal

- Further consolidating the position in Indian Market via brown field expansion by about 40% for couple of products
- Recently got approval to market the product in China
- Incremental expansions and downstream products improvement

Vitamins / Anti- Inflammatory

- Multi-purpose facility under construction. Targeting highly regulated markets.
- Brown field expansion of its existing anti inflammatory products commissioned at the end of FY20 which will drive future growth in this therapeutic category
- Installed capacity will give revenues of around Rs. 50 crores / Rs. 35 crores per annum as per product selection – currently on HOLD.
- USFDA re-inspection to be triggered soon

Anti - Fungal

- Further consolidation of its worldwide leading position.
- Recently expanded the capacity, further extending the lead.

Speciality Chemicals

- Incremental expansion of our multipurpose chloro-sulphonation line in existing block
- Greenfield expansion in near future

R&D Product Pipeline

- Strong pipeline of products under R&D for future growth
- Contract manufacturing of specialty chemicals and intermediates

Formulations

- Started with commercial operations in Latin America, selective African markets. Doing new registrations in export markets and government tenders
- Toll manufacturing of formulations. About 330 filings across 16 geographies. Foreign subsidiary to tap opportunities

Tie-ups

- Incremental expansion of our multipurpose chloro-sulphonation line in existing block
- Greenfield expansion in near future



Growth Drivers

Expansion

Increased product offering to existing customers

New customer acquisition in domestic and exports markets for API and Formulation Segment

Addition of skincare therapy for API segment

Capex

Brownfield expansion for existing products at various facilities to scale-up the capacity

Brownfield expansion for the new product line in API segment

Value Creation Drivers

Backward Integration

Backward integration for the API and Formulation segments to drive cost synergies

Robust expansion in margins and return ratios is expected through backward integration over next 5 years

Prudent Capital Allocation

Planned capex predominantly to be funded through internal accruals and minimal debt

Maintain Optimal leverage

Healthy Asset Turnover and Working Capital Cycle

Sustainable Growth



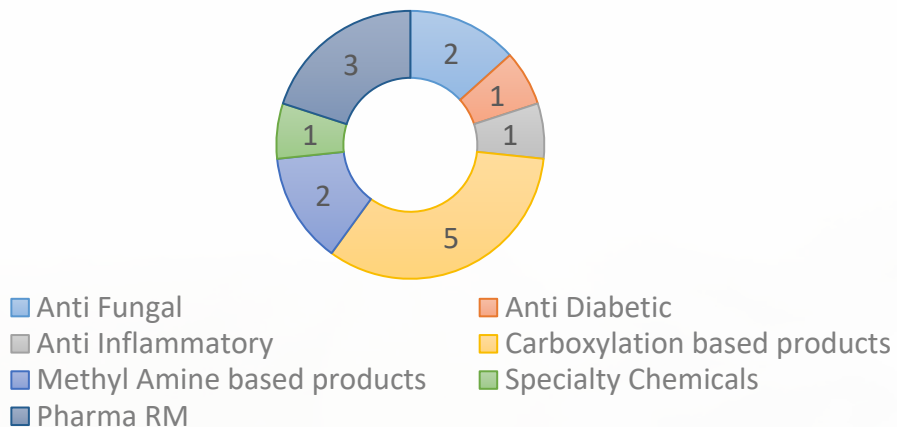
Long Term Value

Full ramp-up of existing capacity and New Capacity post Rs. 600 crores capex
Revenue potential: Rs. 4,200 – 4,500 crores with higher margin profile in next 5-6 years

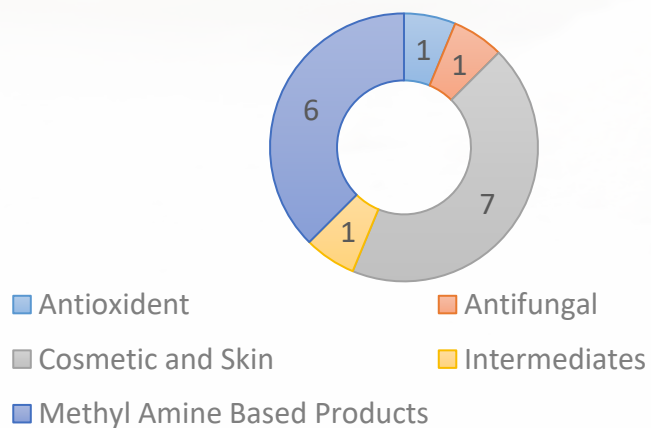


API

Product Under Development

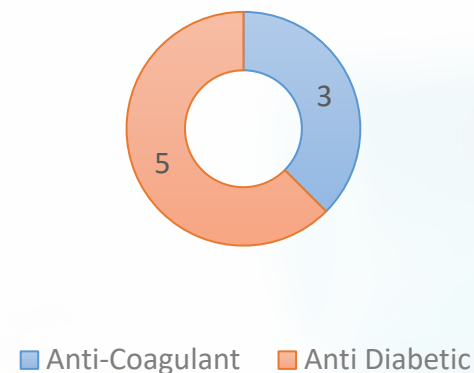


Product Under Pipeline

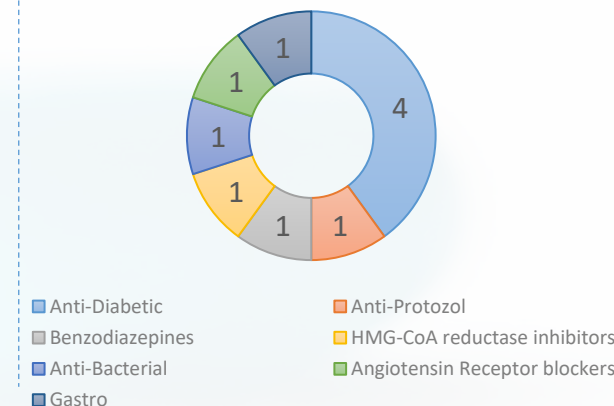


Finished Dosages

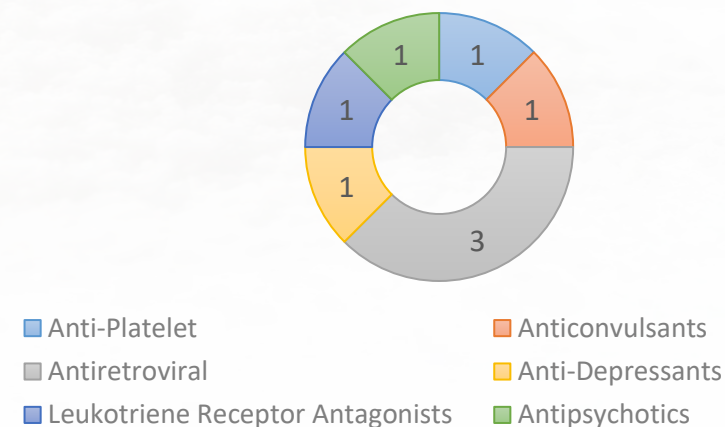
Product Under Development : New Age Molecules For regulated Markets



Product Under Development: LATAM & Emerging Markets



Product Under Development





Financial Highlights

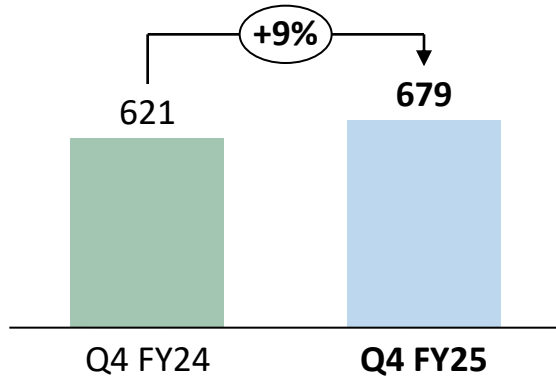


Q4 FY25 Result Highlights

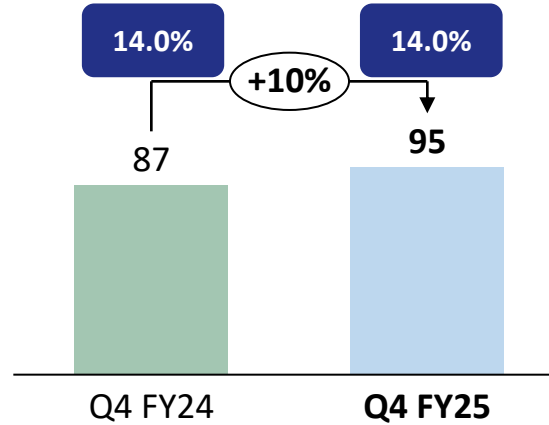
Rs. crores

Q4 Highlights

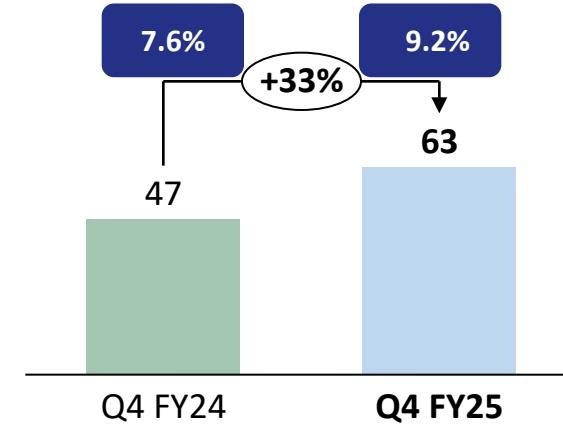
Revenue



EBITDA & EBITDA Margin (%)

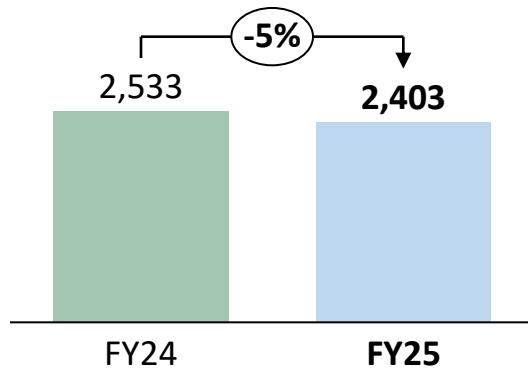


PAT & PAT Margin (%)

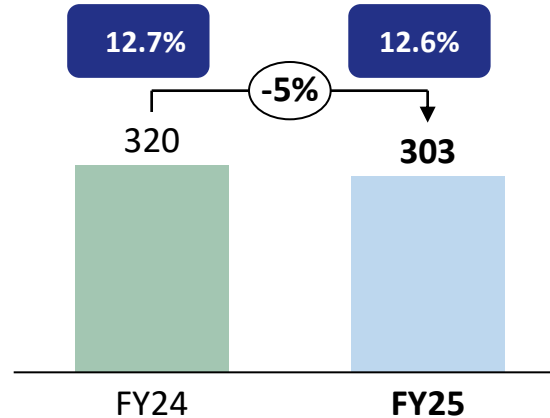


FY 25 Highlights

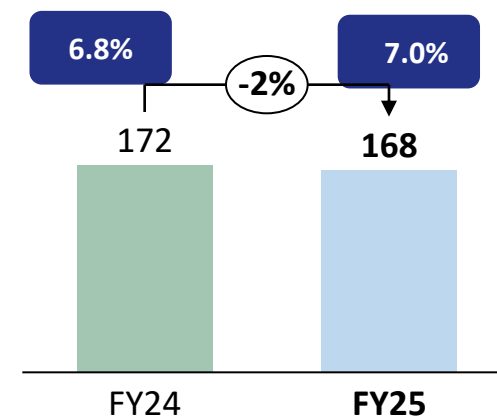
Revenue



EBITDA & EBITDA Margin (%)

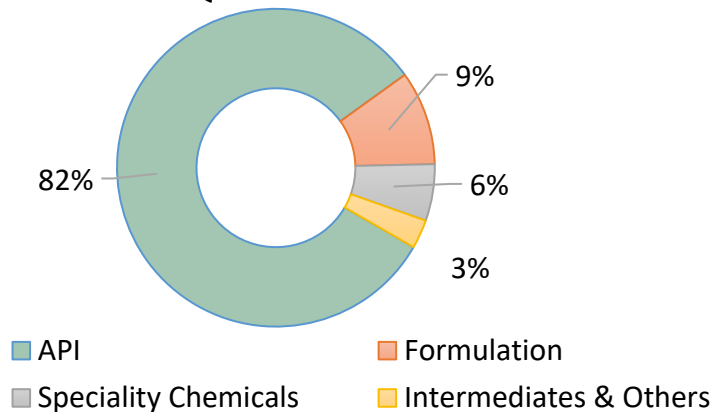


PAT & PAT Margin (%)

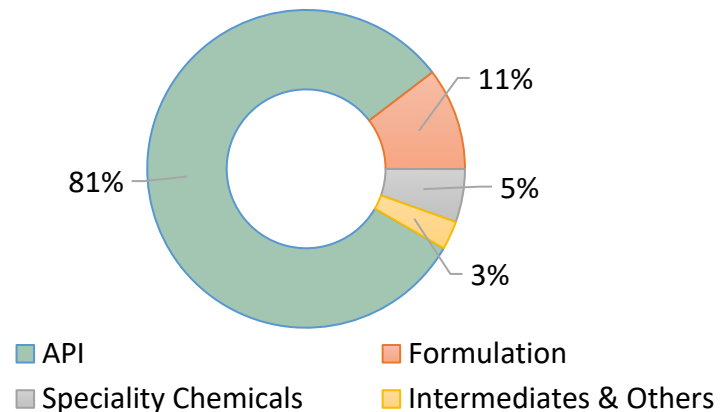




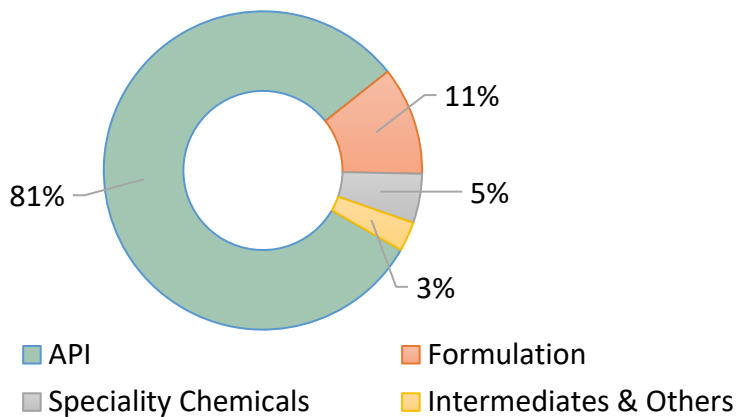
Q4FY25



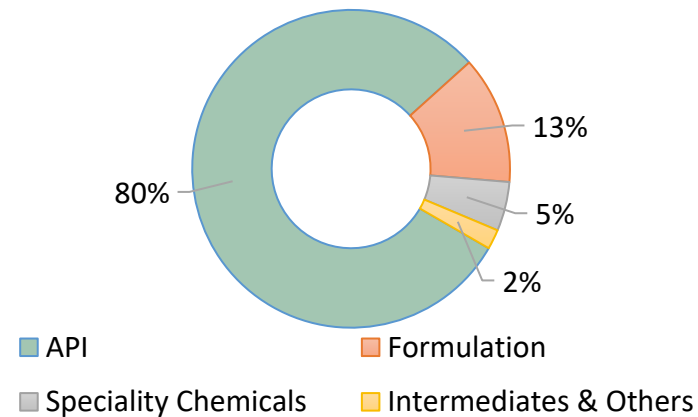
FY25



Q4FY24



FY24





Consolidated Profit & Loss Statement

Particulars (Rs. Crores)	Q4 FY25	Q4 FY24	YoY	FY25	FY24	YoY
Net Revenue from Operations	676.8	620		2,387.0	2,528.6	
Other Income	1.9	1.1		16.4	4.0	
Total Revenue	678.6	621.1	9%	2403.4	2,532.6	-5%
COGS	436.9	397.1		1,542.1	1,677.7	
Gross Profit	241.7	224.0	8%	861.3	854.9	1%
Gross Margin (%)	35.6%	36.1%	-50 bps	35.8%	33.8%	200 bps
Employee Expenses	31.4	25.9		112.1	102.3	
Other Expenses	115.2	111.2		445.8	432.1	
EBITDA	95.2	86.9	10%	303.4	320.5	-5%
EBITDA Margin (%)	14.0%	14.0%	-	12.6%	12.7%	-10 bps
Finance Costs	9.2	9.1		35.9	33.5	
Depreciation	14.9	13.6		55.8	51.4	
Exceptional Item	0.0	0.0		0.0	0.0	
PBT	71.2	64.2	11%	211.8	235.5	
Taxes	8.4	16.9		43.7	63.9	
Reported PAT	62.8	47.3	33%	168.1	171.6	-2%
PAT Margin (%)	9.2%	7.6%	160 bps	7.0%	6.8%	20 bps
Cash PAT	77.6	60.9		223.9	223.0	
Earnings Per Share (EPS)	6.9	5.2		18.4	18.6	



Consolidated Balance Sheet


Equities & Liabilities (Rs. crores)	Mar-25	Mar-24
Equity		
Equity Share capital	91.3	91.9
Other Equity	1,277.7	1,189.6
Non Controlling Interest	0.3	0.4
Total Equity	1,369.3	1,282.0
Financial liabilities		
(i) Borrowings	284.0	275.3
(ii) Lease Liabilities	1.7	0.9
(iii) Other Financial liabilities	0.2	0.2
Other non current Liabilities		
Deferred tax liabilities (Net)	78.2	75.7
Provisions	4.3	2.7
Total Non Current Liabilities	368.4	354.9
Financial liabilities		
(i) Borrowings	328.2	287.1
(ii) Lease Liabilities	1.2	0.9
(iii) Trade Payables	416.1	425.5
(iv) Other financial liabilities	20.2	26.3
Provisions	4.3	3.0
Other current liabilities	66.9	51.6
Current tax liabilities (Net)	0.0	1.2
Total Current Liabilities	837.0	795.5
Total Equity and Liabilities	2,574.7	2,432.4

Assets (Rs. crores)	Mar-25	Mar-24
Non Current assets		
Property, Plant and Equipment	856.3	808.2
Capital work in progress	330.2	260.9
Intangible assets	7.1	1.2
Right to use assets	2.7	1.8
Financial Assets		
(i) Investments	22.4	20.0
(ii) Loans		
Deferred Tax Assets (net)		
Other non-current assets	17.6	19.7
Total Non Current Assets	1,236.3	1,111.6
Current Assets		
Inventories	472.9	485.9
Financial Assets		
Investments		
(i) Trade receivables	751.2	704.6
(ii) Cash and Bank Balances	7.6	9.4
(iii) Other Financial Assets	15.1	11.3
(iv) Loans	0.8	0.2
Current Tax Assets	10.0	109.3
Other current assets	80.9	0.0
Total Current Assets	1,338.4	1,320.7
Non current Asset held for sale		
Total Assets	2,574.7	2,432.4



Consolidated Cash Flow statement

Particulars (Rs. crores)	FY25	FY24
Net Profit before Tax and Extraordinary items	211.8	235.5
Adjustments for: Non Cash Items / Other Investment or Financial Items	84.3	83.0
Operating profit before working capital changes	296.1	318.5
Changes in working capital	3.6	102.8
Cash generated from Operations	299.7	421.3
Direct taxes paid (net of refund)	-55.1	-62.4
Net Cash from Operating Activities	244.6	358.9
Net Cash from Investing Activities	-164.6	-223.7
Net Cash from Financing Activities	-82.1	-136.0
Net Decrease in Cash and Cash equivalents	-2.2	-0.8
Add: Cash & Cash equivalents at the beginning of the period	6.7	7.5
Cash & Cash equivalents at the end of the period	4.6	6.7



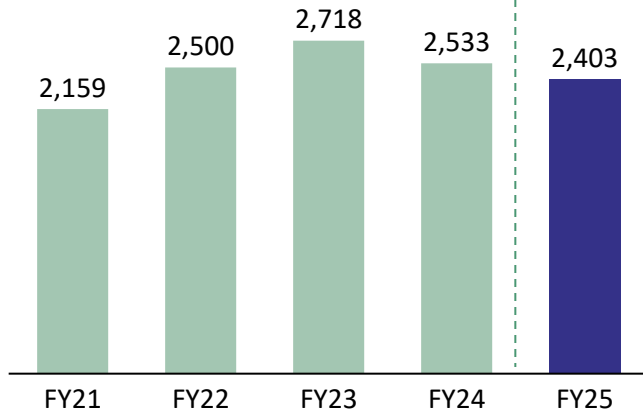
Historical Performance At A Glance



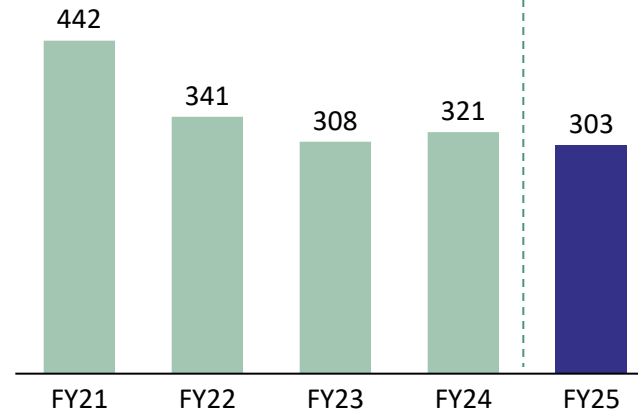
Strong Financial Performance

Consolidated

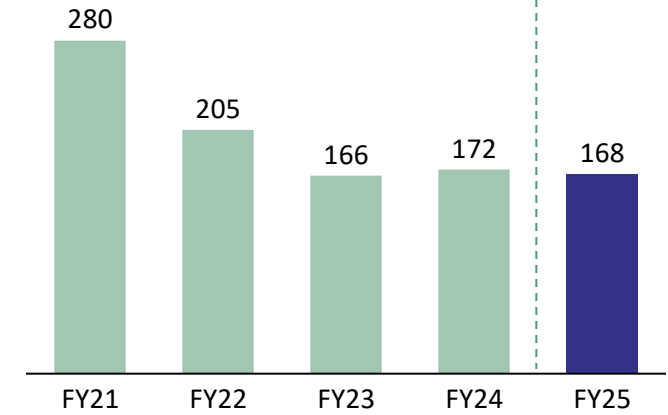
Revenue (Rs. Crores)



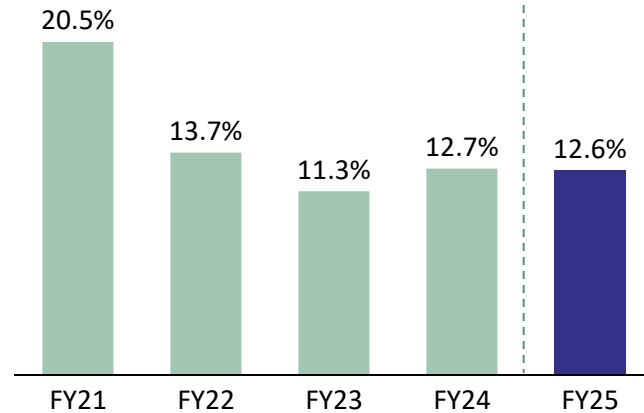
EBITDA (Rs. Crores)



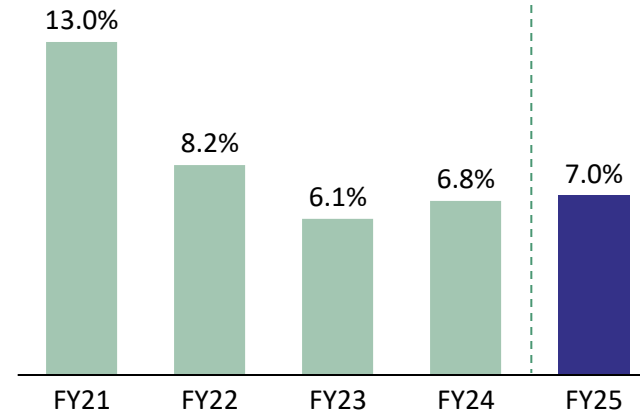
PAT (Rs. Crores)



EBITDA Margin (%)



PAT Margin (%)

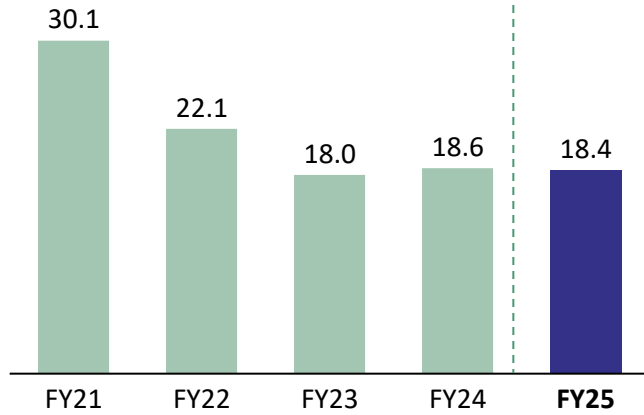




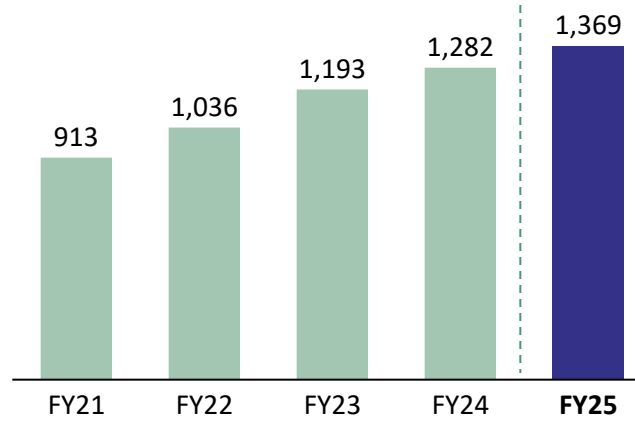
Strong Financial Performance

Consolidated

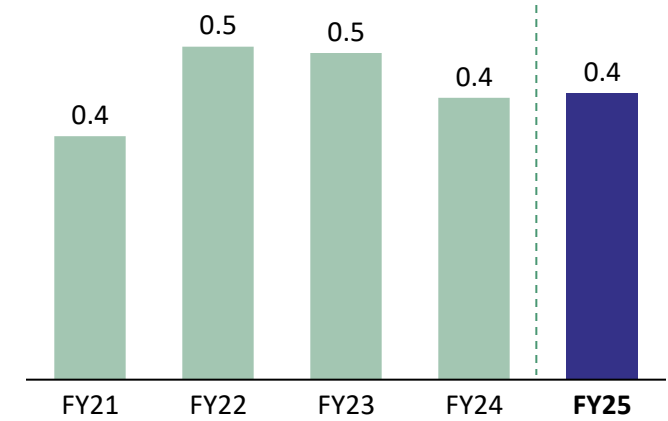
EPS* (in Rs.)



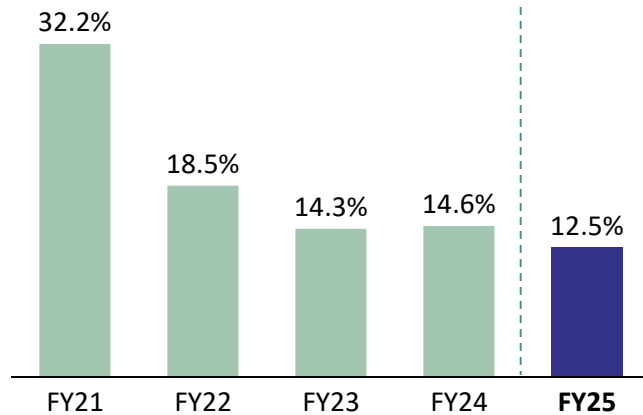
Net Worth (in Rs. Crores)



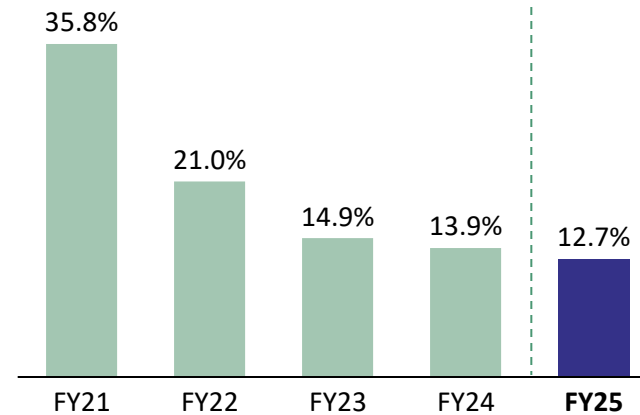
Leverage (X)



RoCE (%)



RoE(%)



* For EPS, adjusted includes previous year's figures in proportion to bonus issue year



Distribution Policy

Considering various financial parameters, the Company may elect to distribute about

15% to 30% of
Consolidated Net Profits

Distributed ~Rs. 65.2 Crores as Dividend over last 7 years



Distributed ~ Rs. 197 crores through buyback of shares over last 7 years

Distribution: **~23.0%**

Distributed ~ Rs. 262 crores in form of dividend & buyback of shares over last 7 years



Consolidated Profit & Loss Account Statement

Particulars (Rs. Crores)	FY25	FY24	FY23	FY22	FY22
Net Revenue from Operations	2,387.0	2,528.6	2,716.1	2,488.6	2,154.8
Other Income	16.4	4.0	2.2	11.3	4.5
COGS	1,542.1	1,677.7	1,888.5	1,688.8	1,321.0
Gross Profit	861.3	854.9	829.8	811.1	838.3
Gross Margin (%)	36.1%	33.8%	30.6%	32.6%	38.9%
Employee Expenses	112.1	102.3	92.0	82.8	80.5
Other Expenses	445.8	432.1	429.9	387.5	316.1
EBITDA	303.4	320.5	307.9	340.8	441.6
EBITDA Margin (%)	12.7%	12.7%	11.3%	13.7%	20.5%
Finance Costs	35.9	33.5	33.3	20.7	23.0
Depreciation	55.8	51.4	50.3	50.0	49.9
PBT before exceptional item	211.8	235.5	224.2	270.0	368.8
Exceptional Item	0.0	0.0	0.0	0.0	-0.2
PBT	211.8	235.5	0.0	270.0	369.0
Taxes	43.7	63.9	57.8	65.0	88.6
Reported PAT	168.1	171.6	166.4	205.0	280.4
Cash PAT	223.9	223.0	216.7	255.0	330.3
PAT Margin (%)	7.0%	6.8%	6.1%	8.2%	13.0%
Earnings Per Share (EPS)	18.35	18.56	17.97	22.12	30.09

- Exceptional items includes profit on sale of assets of Rs. 8.38 crores in Q4FY20 & sale of assets of Rs. 4.47 crores in FY20
- Since March 2020 quarter, company has switched to a new tax regime





Consolidated Balance Sheet Statement

Equities & Liabilities (Rs. crores)	Mar-25	Mar-24	Mar-23	Mar-22	Mar-21
Equity					
Equity Share capital	91.3	91.9	92.6	92.6	93.2
Other Equity	1,277.7	1,189.6	1099.8	943.8	820.2
Non Controlling Interest	0.3	0.4	0.2	-0.1	0.0
Total Equity	1,369.3	1,282.0	1,192.6	1,036.3	913.4
Financial liabilities					
(i) Borrowings	284.0	275.3	204.7	138.5	147.6
(ii) Lease Liabilities	1.7	0.9	0.4	1.9	0.0
(iii) Other Financial liabilities	0.2	0.2	12.4	9.6	10.9
Other non current Liabilities	0.0	0.0	0.0	0.0	0.0
Deferred tax liabilities (Net)	78.2	75.7	71	72.4	77.1
Provisions	4.3	2.7	3	9.2	21.7
Total Non Current Liabilities	368.4	354.9	279.3	231.6	257.3
Financial liabilities					
(i) Borrowings	328.2	287.1	401.8	399.8	157.2
(ii) Lease Liabilities	1.2	0.9	2	2.6	0.0
(iii) Trade Payables	416.1	425.5	480.3	468.7	330.0
(iv) Other financial liabilities	20.2	26.3	14	0.0	0.0
Provisions	4.3	3.0	4.4	3.7	2.8
Other current liabilities	66.9	51.6	42.8	65.2	105.4
Current tax liabilities (Net)	0.0	1.2	4.2	0.0	0.0
Total Current Liabilities	837.0	795.5	949.5	940.1	595.4
Total Equity and Liabilities	2,574.7	2,432.4	2,421.4	2,208.0	1,766.0

Assets (Rs. crores)	Mar-25	Mar-24	Mar-23	Mar-22	Mar-21
Non Current assets					
Property, Plant and Equipment	856.3	808.2	673.2	685.7	659.2
Capital work in progress	330.2	260.9	210.4	76.7	19.3
Intangible assets	7.1	1.2	0.8	0.2	0.3
Right to use assets	2.7	1.8	2.2	4.1	5.9
Financial Assets					
(i) Investments	22.4	20.0	18.8	19.5	17.3
(ii) Loans	0.0	0.0	0.0	0.0	0.0
Deferred Tax Assets (net)		0.0	0.0	0.0	0.0
Other non-current assets	17.6	19.7	23.7	28.4	7.3
Total Non Current Assets	1,236.3	1,111.6	929.1	814.6	709.2
Current Assets					
Inventories	472.9	485.9	516.3	525.9	415.0
Financial Assets		0.0	0.0	0.0	0.0
Investments					
(i) Trade receivables	7.6	704.6	864.8	749.9	555.2
(ii) Cash and Bank Balances	15.1	9.4	9.0	22.3	9.8
(iii) Other Financial Assets	0.8	11.3	12.0	12.6	12.7
(iv) Loans	10.0	0.2	0.3	0.0	0.0
Other current assets	80.9	109.3	89.4	82.6	64.1
Total Current Assets	587.2	1,320.7	1,492.3	1,393.4	1,056.8
Non current Asset held for sale					
Total Assets	1,823.5	2,432.4	2,421.4	2,208.0	1,766.0



Consolidated Cash Flow statement

Particulars (Rs. crores)	FY25	FY24	FY23	FY22	FY21
Net Profit before Tax and Extraordinary items	211.8	235.5	224.2	270	369
Adjustments for: Non Cash Items / Other Investment or Financial Items	84.3	83	85.2	70.4	68.6
Operating profit before working capital changes	296.1	318.5	309.3	340.4	437.6
Changes in working capital	3.6	102.8	-116.3	-187.4	-186.1
Cash generated from Operations	299.7	421.3	193	153	251.5
Direct taxes paid (net of refund)	-55.1	-62.4	-59.7	-83.4	-96.7
Net Cash from Operating Activities	244.6	358.9	133.3	69.6	154.8
Net Cash from Investing Activities	-164.6	-223.7	-164	-148.9	-71.7
Net Cash from Financing Activities	-82.1	-136	16.5	92	-81.1
Net Decrease in Cash and Cash equivalents	-2.2	-0.8	-14.1	12.8	2
Add: Cash & Cash equivalents at the beginning of the period	6.7	7.5	21.6	8.8	6.8
Cash & Cash equivalents at the end of the period	4.6	6.7	7.5	21.6	8.8

For further information, please contact

Company:



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