Aarti Drugs Ltd.

AARTI DRUGS LIMITED

Investor Presentation June 2018

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Company Overview

Aarti Drugs Ltd.

Aarti Drugs Limited was established in the year 1984 and forms part of $790 Million Aarti Group of Industries with robust R&D Division at Tarapur, Maharashtra Industrial Development Corporation (MIDC) in close vicinity to manufacturing locations. The Company is engaged in the manufacturing of Active Pharmaceutical Ingredients (APIs), Pharma Intermediates and Specialty Chemicals with its wholly-owned subsidiary- Pinnacle Life Science Private Limited. Products under APIs includes Ciprofloxacin Hydrochloride, Metronidazole, Metformin HCL, Ketoconazole, Ofloxacin etc. whereas Specialty Chemicals includes Benzene Sulphonyl Chloride, Methyl Nicotinate etc.

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

Vision

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

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

Key facts and figures

Aarti Drugs Ltd.

#1

One of the leading producers of Metformin in the world

One of the Largest producer in Fluoroquinolones in the world

Largest producer of Tinidazole in the world

Largest producer of Metronidazole Benzoate in the world

Largest producer of Metronidazole in India

Largest producer of Ketoconazole in the world

Largest producer of Nimesulide in the world

12 Manufacturing facilities

100 Countries

1,145 Employees

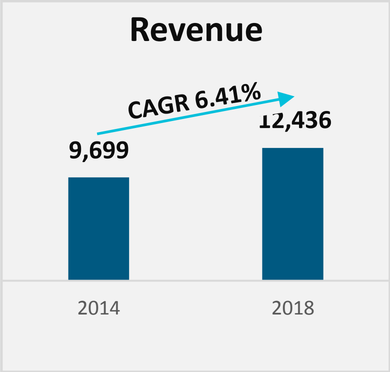
50+ API Molecules

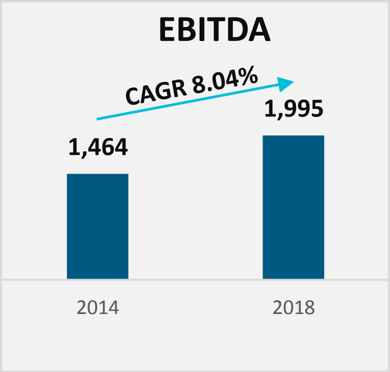
80+ Finished Products

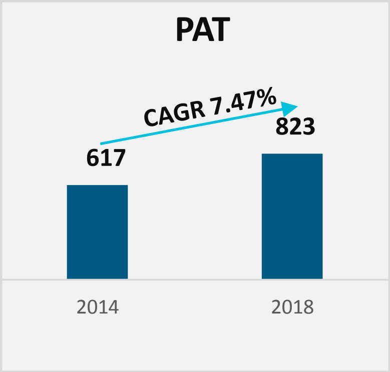
~37% Export revenue

2,143 MT Monthly Total Capacity

43,852 Sq.M Plant Area







Number In ₹ Million

Milestones

Aarti Drugs Ltd.

1984
Incorporation

1993
Listed On BSE Limited

1996
Amalgamation of Rupal Chemical Industries Limited, Rashesh Chemicals & Pharmaceuticals Limited, Manjarati Chemicals Private Limited, Manjarati Plastisizer Private Limited, Effective Chemicals Private Limited, Star Aluminium Industries Limited and Avez Wire Industries Limited.

1998
Turnover of Rs. 100 Crores

2003
Listed On National Stock Exchange of India Limited

2008
Approval of USFDA Plant

2011
Turnover of RS. 500 Crore

2014
Turnover of Rs. 1000 Crore
•••
100% holdings in Pinnacle Life Science Pvt. Ltd.

2015
Aarti Drugs Limited -PBT More than 100 Crores

2017
Rs. 100 Crores Turnover Pinnacle Life Science Pvt. Ltd.
•••
Pinnacle Life Science (Sikkim) Plant ready for operations

1991-92
CHEMEXCIL

Outstanding Performance in Export

2001
CHEMEXCIL

Outstanding Performance in Export

ORGANIZATION OF PHARMACEUTICAL PRODUCT

Best Vendor

2005
AVAYA GLOBAL CONNECT

Customer Responsiveness

2006
AVAYA GLOBAL CONNECT

Customer Responsiveness

2009
PHARMEXCIL

Outstanding Performance in Export

2012
PHARMEXCIL

Outstanding Performance in Latin American Export

2013
ABBOTT

Best Vendor of the year

2014
ABBOTT

Appreciation as business partner

2014
Government of India(Ministry of commerce and Industry)

Certificate of Recognition –Star Export House

2015
ABBOTT

Business partner of the year

2016
ABBOTT

Business partner of the year

2017
ABBOTT

Business partner of the year

Education Welfare

Medical Welfare

Dam Construction at Palghar

Mr. 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.

Mr. Harshit M. Savla
Joint Managing Director

Shri Harshit M. Savla is Joint Managing Director of the Company. He is a Commerce Graduate having more than 30 years of experience in Finance, Export and Administration. He played crucial role in expanding the export market for the products of the Company.

Mr. Harit P. Shah
Whole Time Director

Shri Harit P. Shah is a Whole-time Director of the Company. He is a Commerce Graduate and has experience of over 25 years in handling commercial functions encompassing Purchases, Local Sales and Exports.

Mr. Rashesh C. Gogri
Managing Director

Shri Rashesh C. Gogri has been appointed as Managing Director of the Company with effect from 26th September, 2014. He was the Whole-time Director of the Company since October, 2012. He holds a Production Engineering degree from Mumbai University. He has more than 16 years of experience in field of production, marketing and project implementation in chemical industry. He also serves as Vice – Chairman & Managing Director of Aarti Industries Limited.

Mr. Adhish P. Patil
Chief Financial Officer

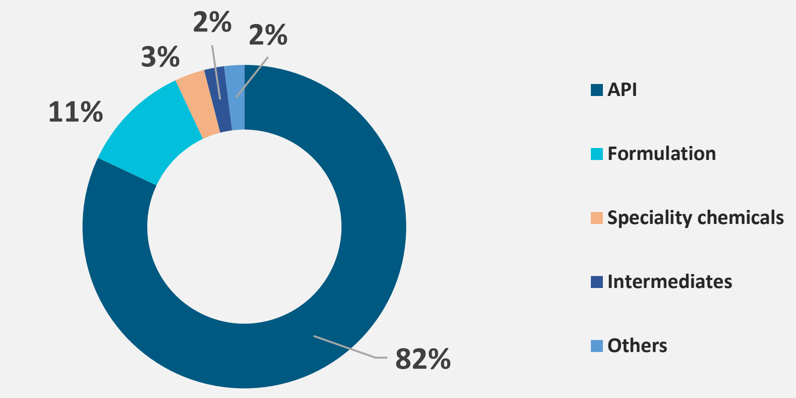
Shri Adhish P. Patil has experience of over 13 years in the field of finance, consulting, systems engineering and Information Technology. Bachelor of Engineering (IT) from Mumbai University. He is an MBA - Finance & Marketing from University of Florida, Warrington College of Business Administration. He is the winner of prestigious 'Top 100 CFOs India 2014' award.

Business overview

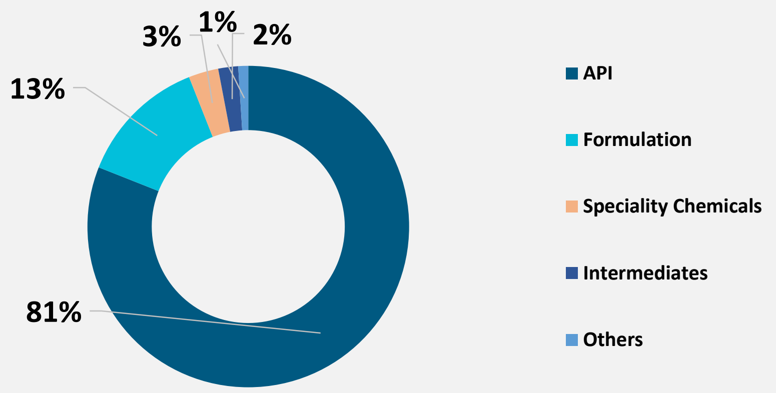
- Domestic market share leader in most of its top 10 products
- Local clientele is well diversified with the topmost client contributing to only 5.75% of local sales
- Top 10 Local Clients contribute to around 25.54% of total local sales
- Export Clientele is well diversified with the topmost client contributing to only 4.06% of total export sales
- Top 10 Export clients contribute to only 21.23% of total export sales
- Top 10 products contribute to around 75.1% of the total sales

Segment-wise Revenue Split

FY 17-18

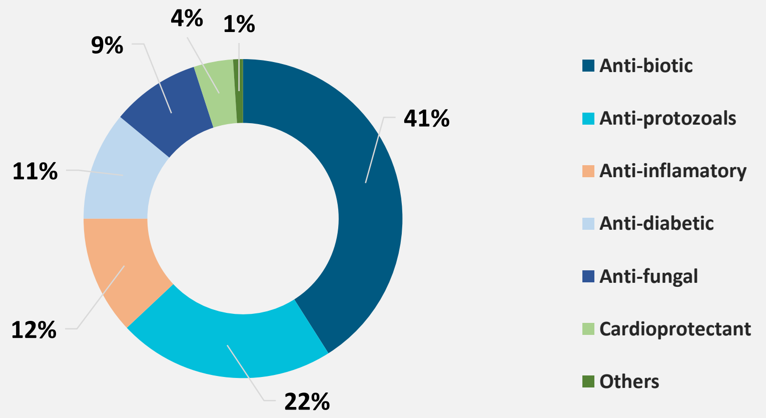


FY 16-17

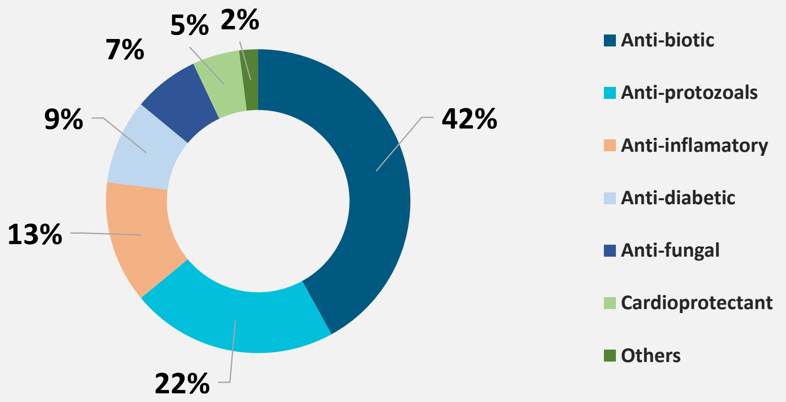


Therapeuticwise Sales For FY 16-17

FY 17-18



FY 16-17



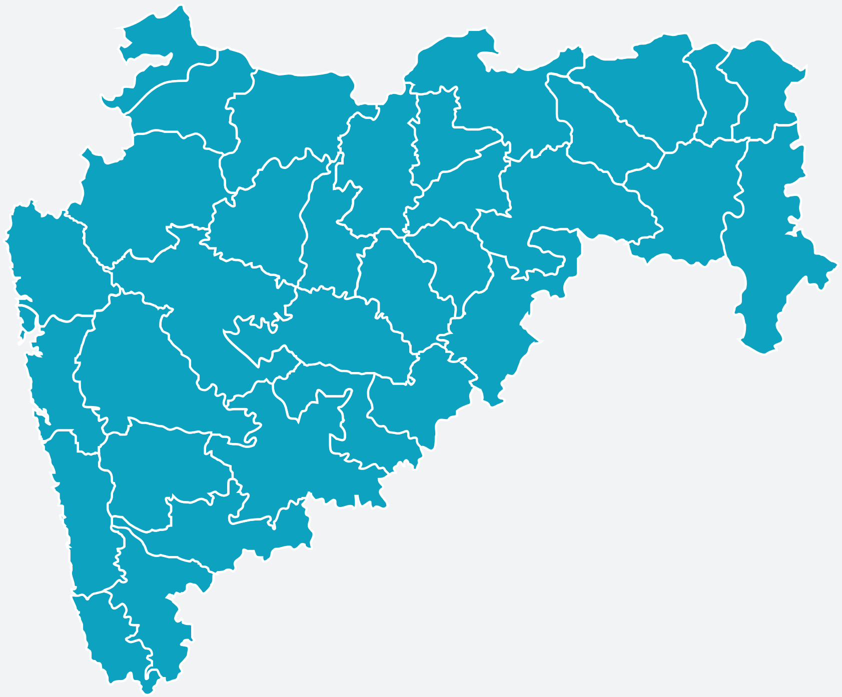
Note: 1.. On Consolidated Basis
2. Revenue excluding excise duty
3. EBITDA is including other income
4. PAT is before minority
5. Regrouping has been done wherever necessary
6. Ind AS adjustments are carried out on account of commission and discount.

Plant Capacity

Monthly Capacity
2143 Mt/m

Particulars		
Units	Kgs	Kgs
Year	2017-18	2016-17
Installed	25,714	22,582
Production	19,261	17,463
Captive	3,925	4,053
Net Production	15,337	13,410

Aarti Drugs Ltd.



1. **Aarti Drugs Ltd.E-22**
   - Australian Government – Department of Health and Ageing - Therapeutic Goods Administration
   - EUGMP / WHO-GMP / Japanese Accreditation
   - USFDA * Import alert dated 23rd Mar'15

2. **Aarti Drugs Ltd.G-60**
   - ANVISA-Brazil
   - WHO-GMP
   - COFEPRIS-MEXICO

3. **Aarti Drugs Ltd.E-21**
   - WHO-GMP
   - K-FDA(Korean FDA)

4. **Aarti Drugs Ltd.N-198**
   - EUGMP, WHO-GMP & ISO Certification

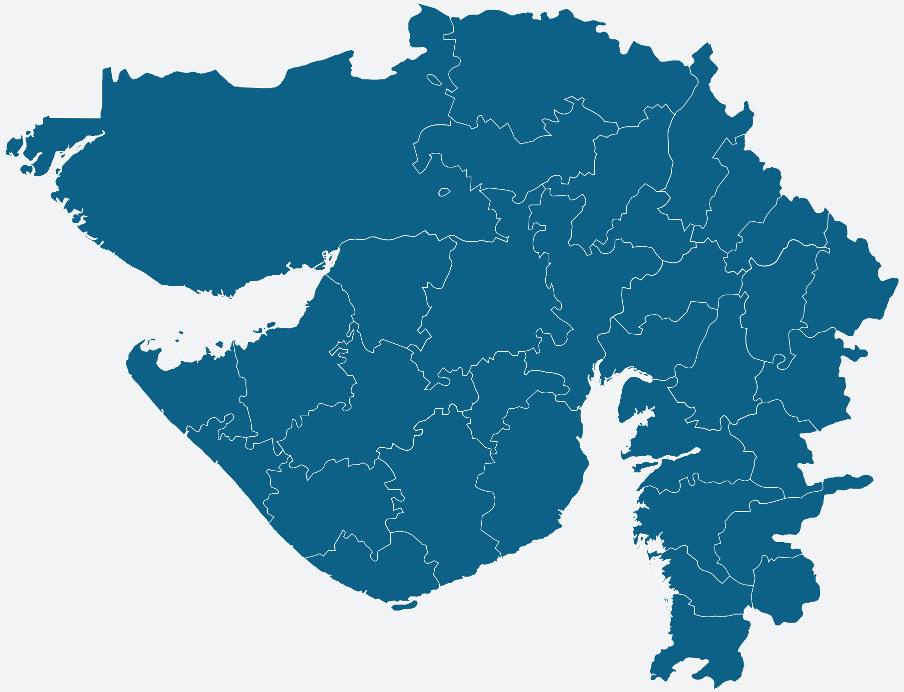
5. **Aarti Drugs Ltd.K-40**
   - WHO-GMP / COFEPRIS

6. **Aarti Drugs Ltd.W-61(Suyash)**
   - EUGMP & WHO-GMP

7. **Aarti Drugs Ltd.E-120**
   - WHO-GMP

8. **Aarti Drugs Ltd.E-9/3(Rashesh)**
   - ISO-9001:2008

9. **Aarti Drugs Ltd T-150**
   - Intermediate Plant



1. Aarti Drugs Ltd-Sarigam 2902-04
   - WHO-GMP

2. Aarti Drugs Ltd-Sarigam 211/213
   - WHO-GMP / COFEPRIS / CEP

Geographical Presence : API

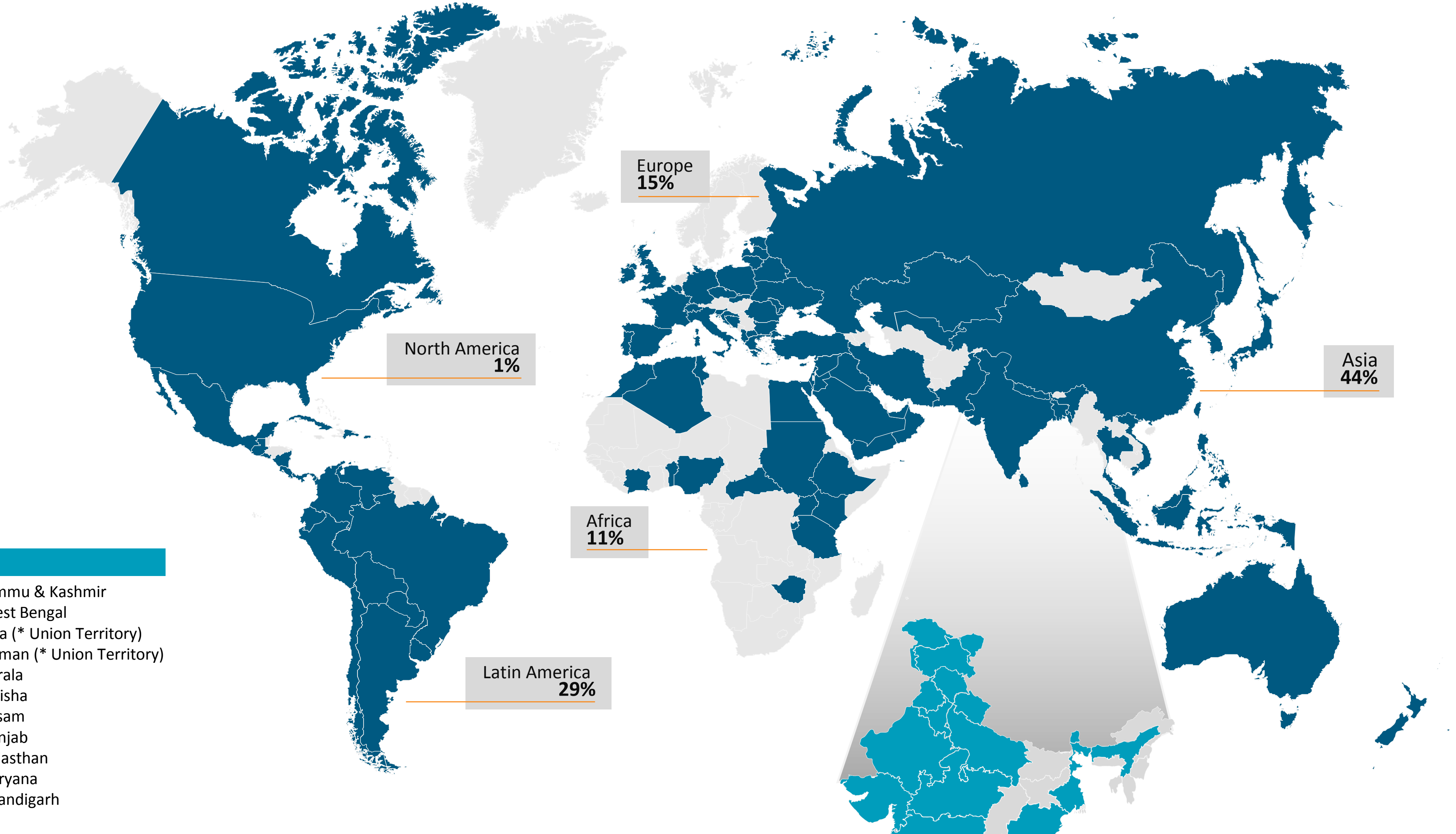
Aarti Drugs Ltd.

Global

1 Albania
2 Algeria
3 Argentina
4 Australia
5 Bangladesh
6 Belarus
7 Belgium
8 Benin
9 Bolivia
10 Bosnia
11 Brazil
12 Bulgaria
13 Burundi
14 Canada
15 Chile
16 China
17 Colombia
18 Costa Rica
19 Croatia
20 Cuba
21 Cyprus
22 Czech Republic
23 Ecuador
24 Egypt
25 El Salvador
26 Ethiopia
27 France
28 Georgia
29 Germany
30 Greece
31 Guatemala
32 Hongkong
33 Hungary
34 India
35 Indonesia
36 Iran
37 Iraq
38 Ireland
39 Israel
40 Italy
41 Ivory Coast
42 Jamaica
43 Japan
44 Jordan
45 Kenya
46 Korea
47 Kuwait
48 Lativia
49 Lebanon
50 Lithuania
51 Macedonia
52 Malaysia
53 Mexico
54 Moldova
55 Morocco
56 Nepal
57 Netherlands
58 New Zealand
59 Nicaragua
60 Nigeria
61 Pakistan
62 Panama
63 Paraguay
64 Peru
65 Philippines
66 Poland
67 Portugal
68 Puerto Rico
69 Rep. of Dominic
70 Rep. of Kazakhistan
71 Rep. of Yemen
72 Romania
73 Russia
74 S. Africa
75 Saudi Arabia
76 Singapore
77 Slovakia
78 Slovenia
79 Spain
80 Sri Lanka
81 Sudan
82 Sultanate of Oman
83 Switzerland
84 Syria
85 Taiwan
86 Tanzania
87 Thailand
88 Tunisia
89 Turkey
90 U.A.E.
91 U.K.
92 U.S.A.
93 Uganda
94 Ukraine
95 Uruguay
96 Uzebekistan
97 Venezuela
98 Vietnam
99 Yugoslavia
100 Zimbabwe

India

1 Maharashtra
2 Gujarat
3 Uttar Pradesh
4 Himachal Pradesh
5 Uttarakhand
6 Tamil Nadu
7 Andhra Pradesh
8 Sikkim
9 Karnataka
10 Delhi
11 Madhya Pradesh
12 Jammu & Kashmir
13 West Bengal
14 Goa (* Union Territory)
15 Daman (* Union Territory)
16 Kerala
17 Odisha
18 Assam
19 Punjab
20 Rajasthan
21 Haryana
22 Chandigarh



TOP 10 EXPORT COUNTRIES

Country	BRAZIL	MEXICO	PAKISTAN	TURKEY	INDONESIA
	BANGLADESH	VIETNAM	CHINA	SPAN	EGYPT

Market

Regulated	56%
Semi-Regulated	26%
Non - Regulated	18%

Notes: All numbers in % denotes revenue share

Key local clientele

Pharmaceutical Industry Overview & Growth Drivers

Active Pharmaceutical Ingredients (APIs)

- India has become the third largest global generic API merchant market by 2016, with a 7.2 per cent market share
- The Indian pharmaceutical industry accounts for the 2nd largest number of Abbreviated New Drug Applications (ANDAs), is the world's leader in Drug Master Files (DMFs) applications with the US

Contract Research and Manufacturing Services (CRAMS)

- Fragmented market with more than 1,000 players
- CRAMS industry is estimated to reach US$ 18 billion in 2018 and expected to witness a strong growth at a CAGR of 18-20 per cent between 2013-2018

Formulations

- Largest exporter of formulations in terms of volume, with 14 per cent market share and 12th in terms of export value
- Domestic market size currently valued at US$ 11.2 billion
- Double-digit growth expected over the next 5 years

Biosimilars

- The government plans to allocate US$ 70 million for local players to develop Biosimilars
- The domestic market is expected to reach US$ 40 billion by 2030

Notes: OTC - Over The Counter Source: BMI, Datamonitor, Kemwell Biopharma, Chemical Pharmaceutical Generic Association, ICRA Report estimates, pharmanewsprwire.com

Aarti Drugs Ltd.

API is the largest segment of the Indian pharmaceuticals sector

Pharmaceutical Exports

US$ 16.8 Bn — 2016-17

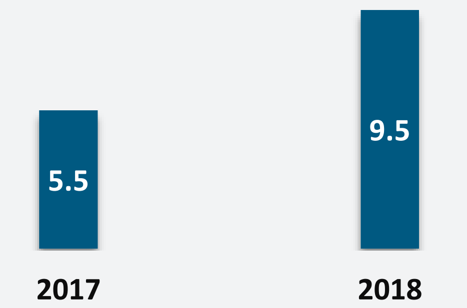
CAGR: 5.98 %

US$ 20 Bn — 2020

Industry Growth Driver

- Manifold rise in public healthcare spending
- Increase in the size of middle class households
- Improvement in medical infrastructure
- Increase in the penetration of health insurance
- The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture

Indian Pharmaceutical Market Growth



Source :IBEF, Pharmaceuticals Export Promotion Council of India

Indian pharmaceutical

3.1 – 3.6 per cent of the global pharmaceutical industry in value

10 per cent in volume

By 2020

Top **3** pharmaceutical markets by incremental growth

6th largest market globally in absolute size.

US$100 billion by 2025

Growth Drivers

- Over US$ 200 billion to be spent on medical infrastructure in the next decade
- New business models expected to penetrate tier-2 and 3 cities
- Over 160,000 hospital beds expected to be added each year in the next decade
- India's generic drugs account for 20 per cent of global exports in terms of volume, making the country the largest provider of generic medicines globally

- Rising levels of education to increase acceptability of pharmaceuticals
- Patients to show greater propensity to self-medicate, boosting the OTC market
- Acceptance of biologics and preventive medicines to rise
- A skilled workforce as well as high managerial and technical competence
- Surge in medical tourism due to increased patient inflow from other countries

- Rising income could drive 73 million households to the middle class over the next 10 years
- Over 650 million people expected to be covered by health insurance by 2020
- Government-sponsored programmes set to provide health benefits to over 380 million BPL people by the end of 2017
- The government plans to provide free generic medicines to half the population at an estimated cost of US$ 5.4 billion

- Patient pool expected to increase over 20 per cent in the next 10 years, mainly due to rise in population
- New diseases and lifestyle changes to boost demand
- Increasing prevalence of lifestyle diseases

Source: IBEF

Investment Proposition & Outlook

Aarti Drugs Ltd.

Known brand in API space

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

Strong process improvement R&D, cost leadership, huge client base

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

Phase-wise CAPEX to mitigating debt trap risks

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

Green field projects

Company has good amount of land parcels in industrial zones in Maharashtra and Gujarat which can take care of green field projects in next 3 to 4 years.

Entry barrier

Around 100 cr CAPEX is being done every year to fuel growth for coming 5 years considering higher gestation period in API business due to continuous tightening of regulatory norms. This in turn creates entry barrier for newer players.

Key Competitive Factors

Top 10 products contributes to ~75% of Revenues

- Economies of scale
- Good purchasing power
- Long term relationship; repeat business from customers
- Superior quality
- 3+ decades of experience
- Client Diversification
- International presence
- Less regional dependence

Aarti Drugs Ltd.

Anti diabetic

- Started with the commercial operations, received WHOGMP, recently inspected by COFEPRIS
- CEP approval in 2016 which opened up European markets
- Expected revenues of installed phase I capacity would be ~150 cr per annum as per ROW market pricing. Started with 2nd phase expansion (FY18-19) of doubling of capacity since phase 1 capacity is completely utilized. After 2nd phase completion will be largest metformin player.

Leading manufacturer of Fluoro-quinolones (# 5 products)

- Only backward integrated player in Indian market
- GOI recently introduced antidumping duty on ofloxacin

Antiprotozoal

- Doubled the capacity of existing product to curtail the imports. Existing technology and Chinese JV.
- Established competitive edge worldwide and sole Indian player.
- Incremental expansions and downstream products expansion is going on.

Vitamins / Anti-inflammatory

- Multi-purpose facility under construction. Targeting highly regulated markets.
- Installed capacity will give revenues of around 50 cr/ 35 cr per annum as per product selection - currently on HOLD.

Anti-fungal

Further expansion of one of our anti-fungal product where we are global market leaders to establish further dominance in this product. Backward integrated product wherein we also manufacture intermediate of this product.

Speciality chemicals

Further expansion of our chloro-sulphonation line for multiple products planned in FY18-19.

R&D product pipeline

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

Formulations

- Value addition to existing API products
- Toll manufacturing of formulations
- Started with commercial operations in Latin America, selective African markets. Doing new registrations in export markets and government tenders
- 30+ SKU's

Tie-ups

- Tied up with European distributor on profit sharing basis. Market authorisation of UK market for finished products of 2 molecules obtained and expect to do a launch FY18-19. 1 more in pipeline.
- Partnered with USA company on formulation revenues wherein we would be supplying api at cost.

Recent launch of phase I of multipurpose facility in Tarapur

Commercial operations of phase I started in feb'18 and slowly capacity will be ramped up. Second phase CAPEX would be planned soon most probably in FY19-20 financial year. This is designed for European markets. This facility can manufacture a range of products from anti-inflammatory, anti-fungal, anti-diarrheal, cardiovascular etc

R & D and Product Pipeline

Aarti Drugs Ltd.

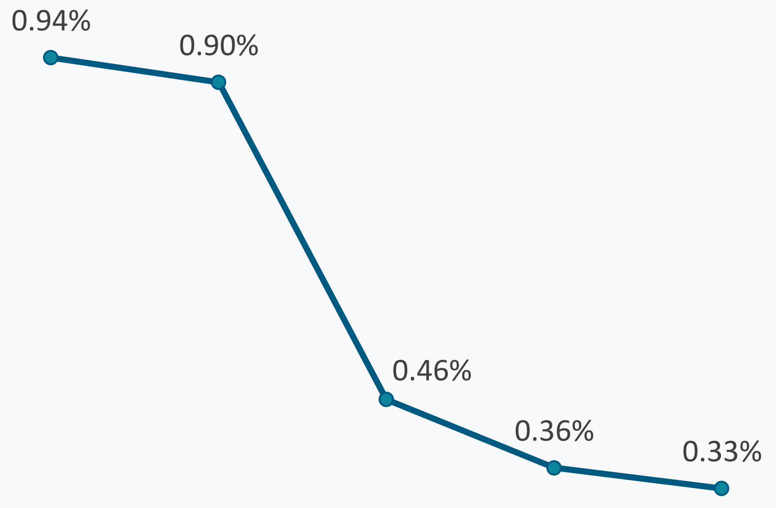
- Manufacturing facilities at Tarapur and Sarigam are supported by R&D section located at Tarapur, where focus is mainly on process developments

Strength at R&D

02	70	09	18	10
Doctorates	Master Graduates [M. Sc]	Graduates [B. Sc]	Engineer	Technicians

- Pilot plant facility at Tarapur, which is suitable to produce products on kilo scale.
- ADL R&D is well supported by in house project management team to ensure timely implementation of new products on commercial scale.
- In last three year about 30 API's (New and Existing) have been developed in lab.
- R&D Center 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 Expenses as % of Revenue



Year	Revenue
2014	9,718
2015	10,969
2016	11,398
2017	11,992
2018	12,447

Number In ₹ Million

Aarti Drugs Ltd.

Product Under Development

Sr. No.	Therapeutic Category	Products
1	Alcoholism Treatment	Acamprosate
2	Anticoagulant	Dabigatran
1	Anti Cholesterol	Atorvastatin
5	Dietary Supplement	Homotaurine
6	Anti Fungal	Itraconazole
7	Anti Fungal	Luliconazole
8	Anti Hypertensive	Telmisartan
9	Pharma RM	1, 2, 4-Triazole

Product Under Pipeline

Sr. No.	Therapeutic Category	Products
1	Cardiovascular	Olmesartan
2	Antidiabetic	Teneligliptin
3	Antidiabetic	Sitagliptin

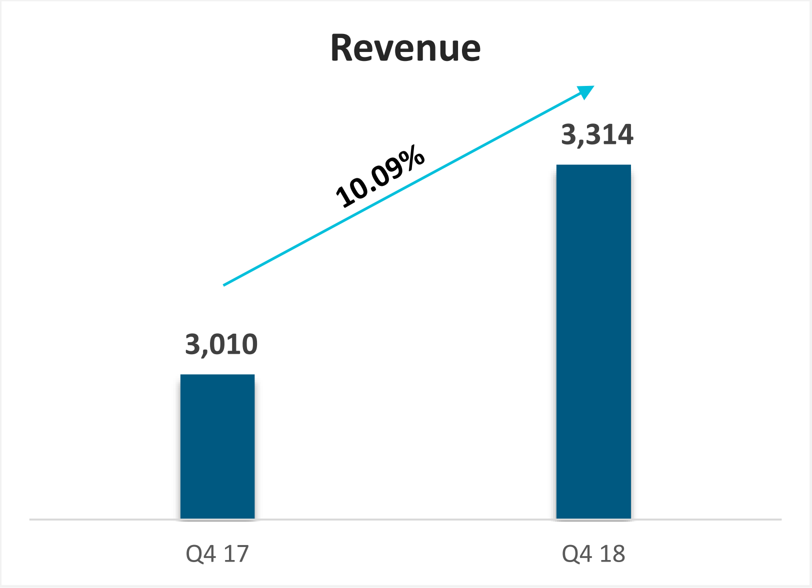
Result Summary

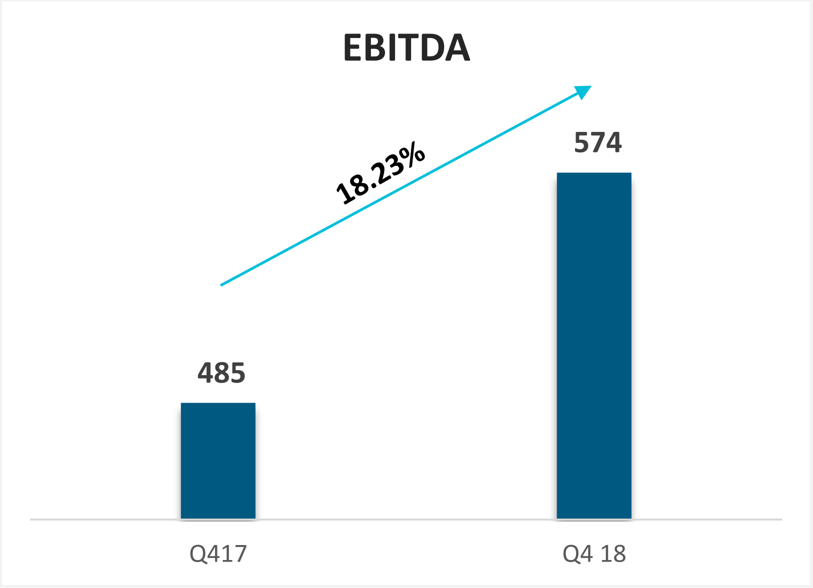
Aarti Drugs Ltd.

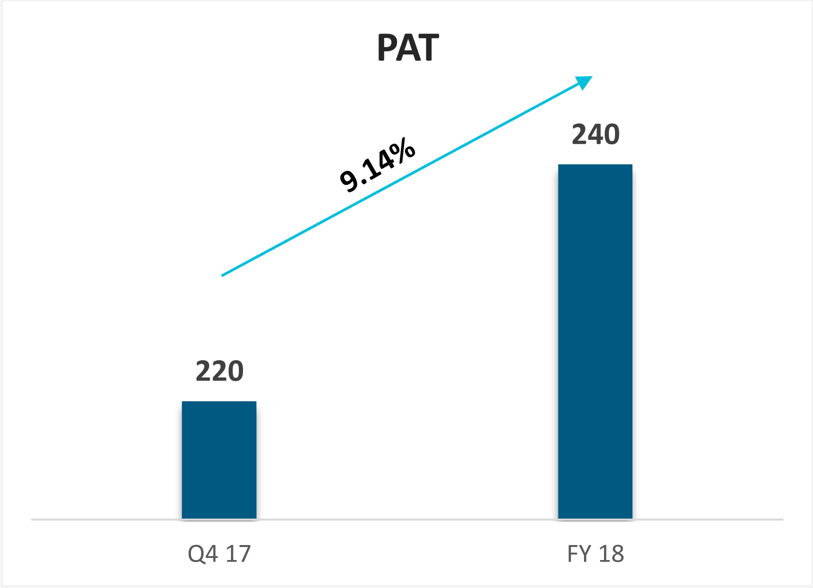
(in ₹ Million)

Particulars	Q4 FY 18	Q3 FY 18	Q4 FY17	Y-o-Y (%)	FY 18	FY 17	Y-o-Y (%)
Revenue from Operations	3,306.90	3,354.10	2,989.00	11%	12,436.30	11,951.70	4%
Other Income	7.70	1.30	21.80	-65%	10.50	40.00	-74%
Total Income	**3,314.60**	**3,355.40**	**3,010.80**	**10%**	**12,446.80**	**11,991.70**	**4%**
Expenses	2,740.70	2,814.90	2,525.40	9%	10,451.60	10,082.80	4%
Profit from Operations before Other Income, Finance Costs, Exceptional Items and Depreciation	573.90	540.50	485.40	18%	1,995.20	1,908.90	5%
Depreciation and Amortisation Expenses	102.30	99.70	91.60	12%	400.60	384.60	4%
Finance Costs	89.30	90.60	85.80	4%	349.60	364.20	-4%
Profit from Ordinary Activities before Exceptional Item and Tax	382.30	350.20	308.00	24%	1,245.00	1,160.10	7%
Exceptional Item	-	-	-		-	-	
Profit Before Tax	**382.30**	**350.20**	**308.00**	**24%**	**1,245.00**	**1,160.10**	**7%**
Tax	142.30	117.00	88.10	62%	422.00	342.10	23%
Net Profir for the Period	**240.00**	**233.20**	**219.90**	**9%**	**823.00**	**818.00**	**1%**
Other Comprehensive Income	-2.70	-	-12.20	-78%	-2.70	-10.90	-75%
Total Comprehensive Income for the Period	**237.30**	**233.20**	**207.70**	**14%**	**820.30**	**807.10**	**2%**
Paid Up Equity Share Capital (Face Value of Rs 10 each)	235.80	238.60	238.60		235.80	238.60	
Earning Per Share Basic	9.97	9.78	8.70		34.41	33.46	
Earning Per Share Diluted	9.97	9.78	8.70		34.41	33.46	

Aarti Drugs Ltd.





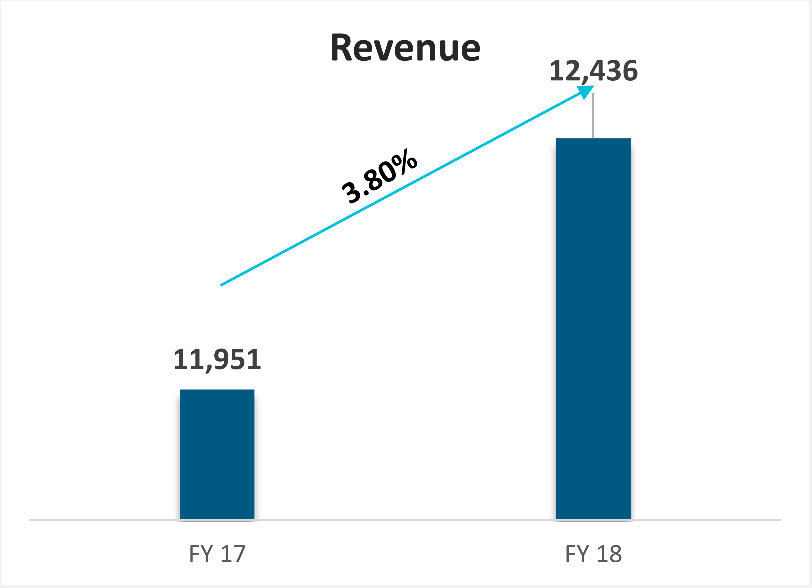


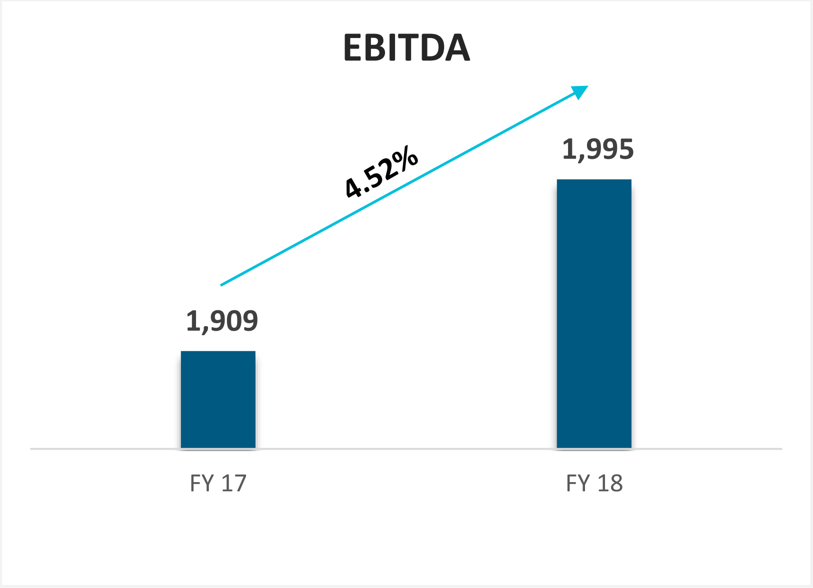
	API	Formulation	Specialty Chemicals	Intermediate & Others
Q418	**2,762**	**290**	**109**	**146**
Q417	**2,340**	**386**	**113**	**150**

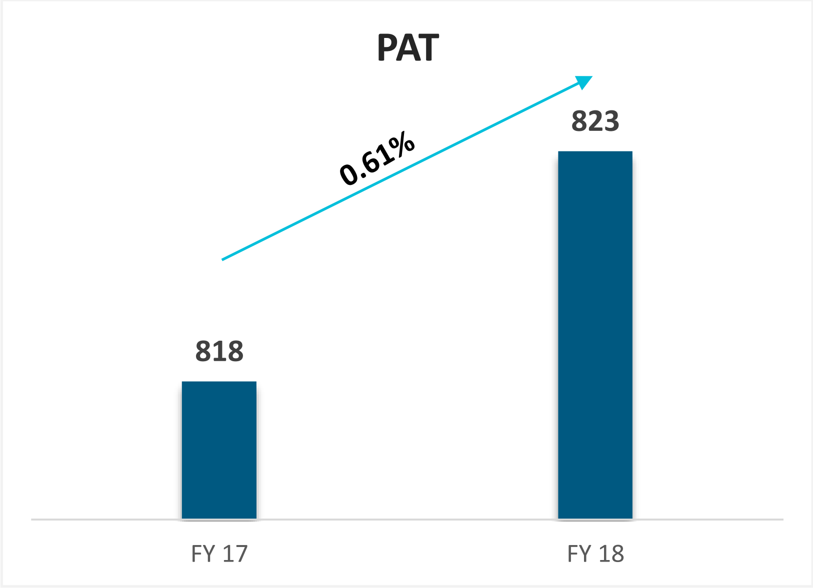
Note: 1.. On Consolidated Basis *2. Revenue excluding excise duty* *3. EBITDA is including other income* *4. Regrouping has been done wherever necessary* *5. Ind AS adjustments are carried out on account of commission and discount.*

Number In ₹ Million

Results Summary – FY18





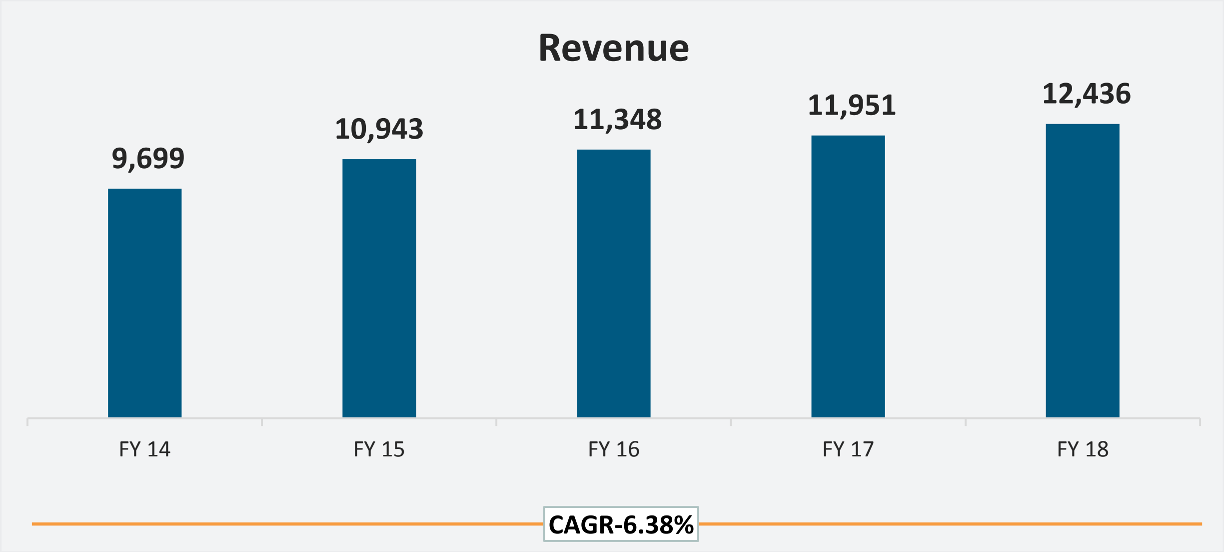


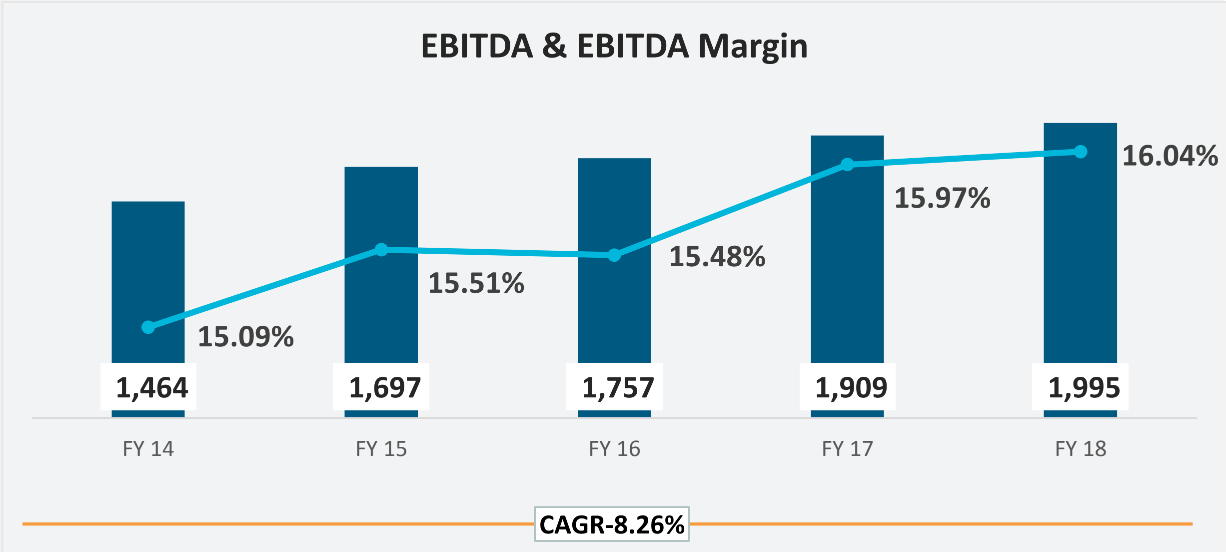
	API	Formulation	Specialty Chemicals	Intermediate & Others
FY18	10,168	1,390	303	576
FY17	9,609	1,550	434	359

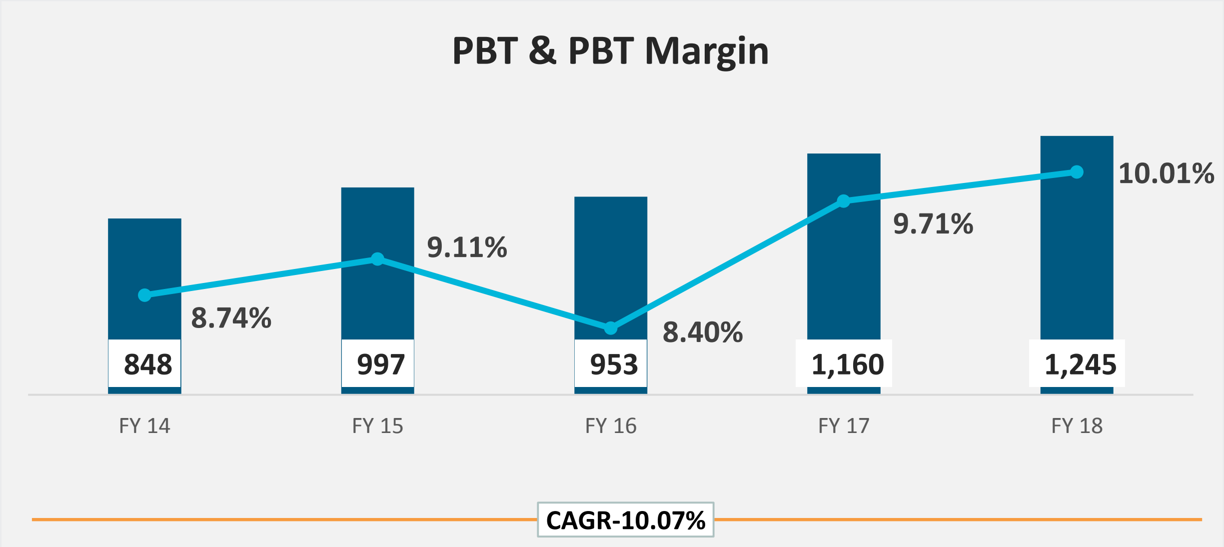
Note: On Consolidated Basis *Number In ₹ Million* *EBITDA is including other income* *PAT is before minority*

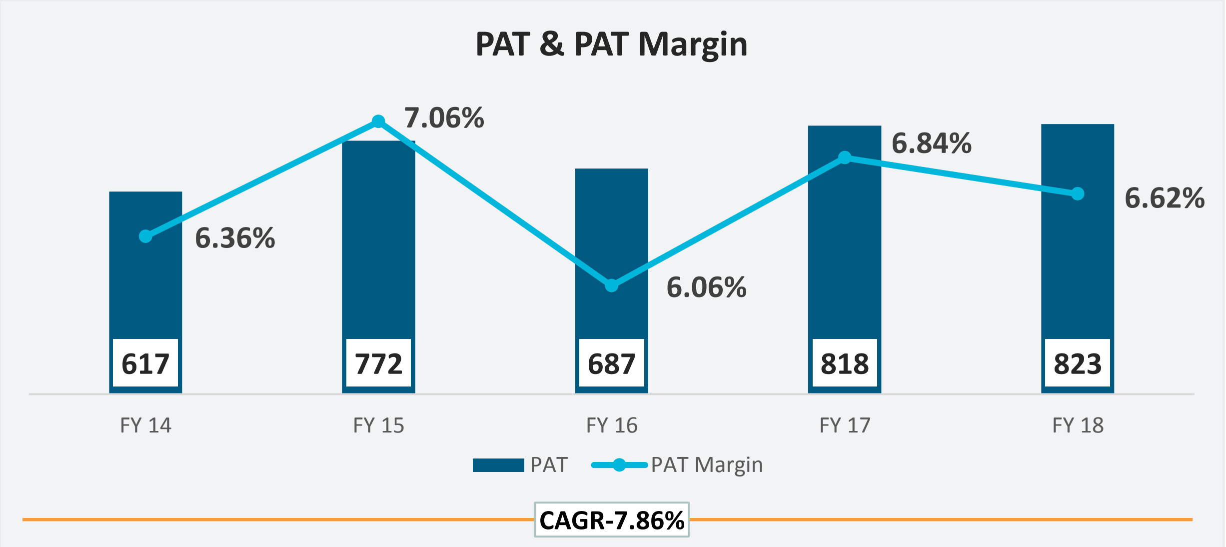
Financial Overview

Aarti Drugs Ltd.







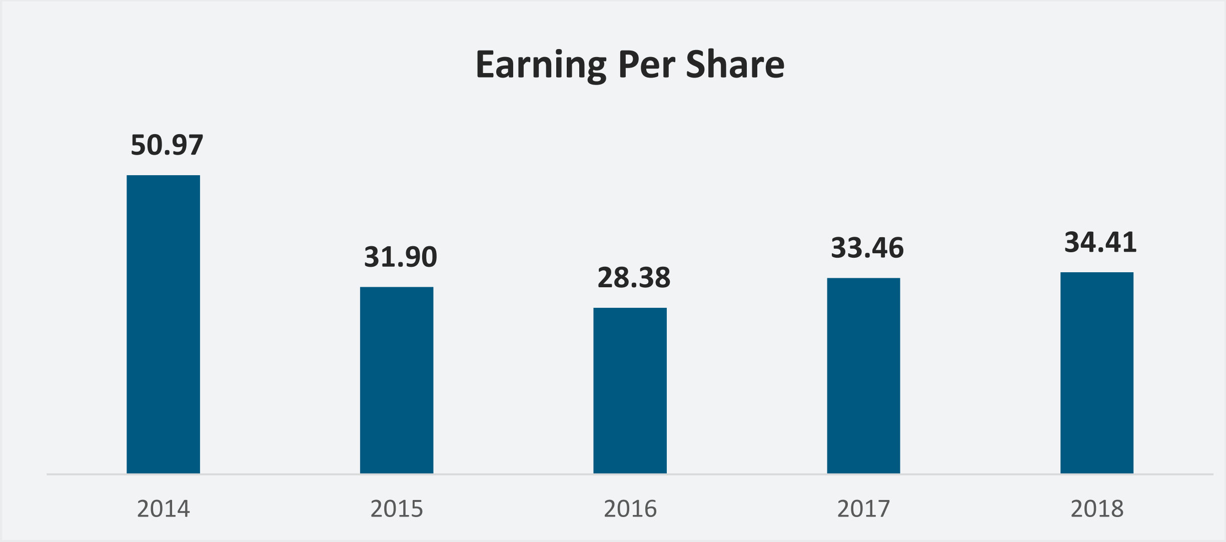


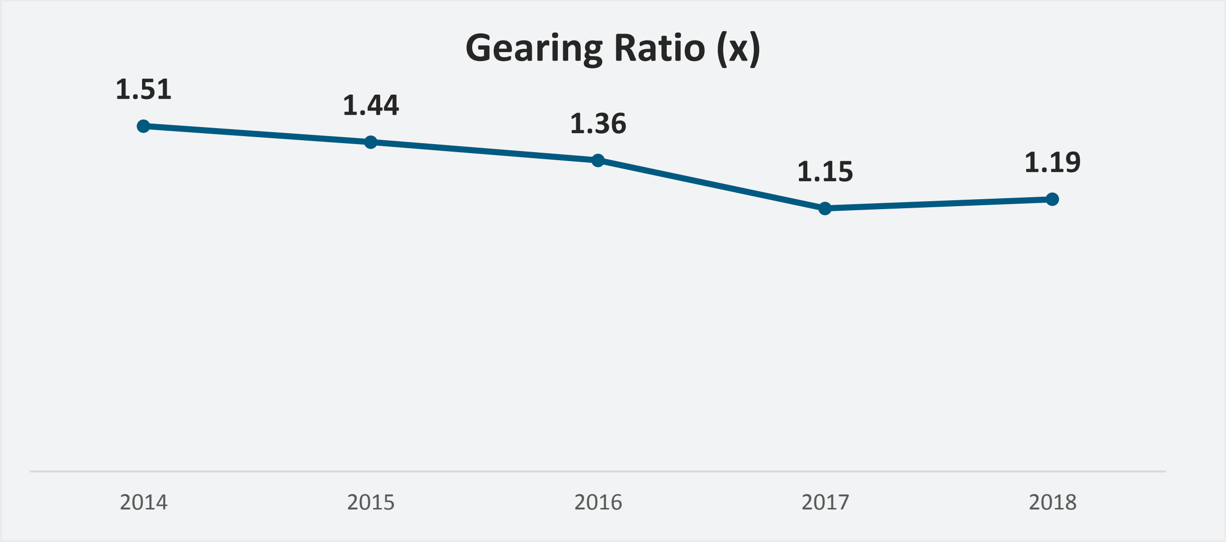
All numbers are on Consolidated basis

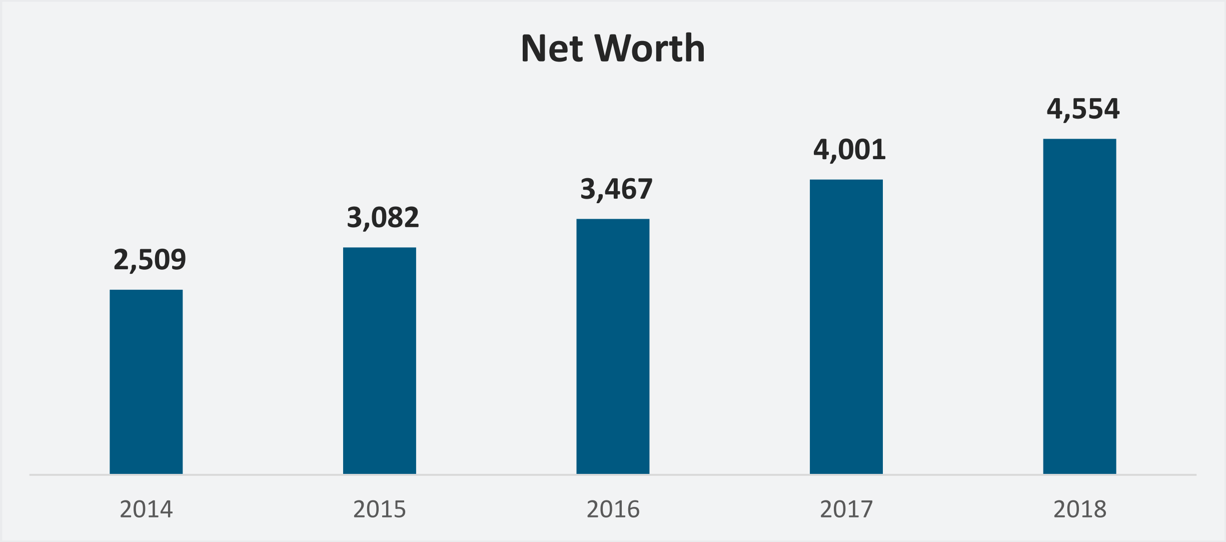
ROE = Profit after tax / Average shareholder equity; RoCE = (Net Profit before Tax , Exceptional and extraordinary items + Finance cost) / Average (Net debt + Networth)

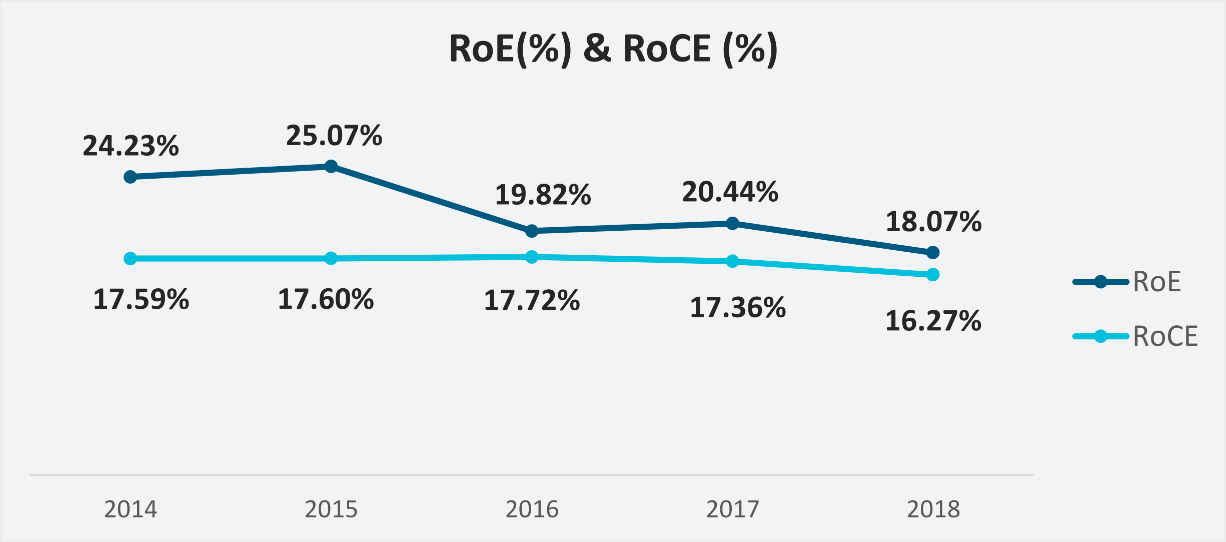
Number In ₹ Million

Robust Financial Performance









All numbers are on Consolidated basis
*Net working capital days =((Trade receivables + inventories – Trade payables)/ Revenue from operations)*365*
Net Debt = Long term debt + short term debt + current maturities of long term debt
Number In ₹ Million ,except per share data

Profit & Loss Statement

(in ₹ Million)

Particulars	2018	2017	2016	2015	2014
Revenue from operations (gross)	12,625.70	12,880.80	12,283.05	11,796.03	10,443.46
Less : Excise duty	-189.40	-929.10	-934.23	-853.31	-744.09
Revenue from operations (net)	**12,436.30**	**11,951.70**	**11,348.82**	**10,942.72**	**9,699.37**
Other Income	10.50	40.00	49.58	32.62	18.28
Total Revenue	**12,446.80**	**11,991.70**	**11,398.40**	**10,975.34**	**9,717.65**
Expenses					
Cost of material consumed	7,977.70	7,402.00	7,210.21	6,901.92	5,708.20
Purchases of traded goods	397.60	406.80	505.99	869.88	860.25
(Increase)/decrease in Inventories of finished goods work in progress & stock in trade	-548.70	-4.30	-49.14	-272.99	56.86
Employee benefits expense	579.40	528.30	447.55	379.28	324.06
Finance cost	349.60	364.20	438.87	389.30	334.90
Depreciation & amortization expense	400.60	384.60	365.28	310.22	281.19
Other Expenses	2,045.60	1,750.00	1,526.89	1,400.53	1,304.58
Total Expenses	**11,201.80**	**10,831.60**	**10,445.65**	**9,978.14**	**8,870.04**
Profit/(loss) before tax	**1,245.00**	**1,160.10**	**952.75**	**997.19**	**847.61**
Tax Expense:					
Current tax (MAT)	328.00	291.30	211.50	210.00	230.00
MAT credit entitlement	-	-	-	-10.00	-
Taxation for earlier years	-	-20.30	-	-15.35	-25.35
Deferred tax	94.00	71.10	54.00	40.00	35.00
Total tax expense	**422.00**	**342.10**	**265.50**	**224.65**	**239.65**
Net profit/(loss) after tax	**823.00**	**818.00**	**687.25**	**772.54**	**607.96**
Extraordinary Items	**-**	**-**	**-**	**-**	**9.17**
Other Comprehensive Income/(Loss)	-2.70	-10.90	-	-	-
Total Comprehensive Income for the Period	**820.30**	**807.10**	**687.25**	**772.54**	**617.13**
Paid up Equity Share Capital (Face Value of Rs 10 each)	235.80	238.60	242.17	242.17	121.10
Earnings Per Share (EPS) in Rupees					
-Basic	**34.41**	**33.46**	**28.38**	**31.90**	**50.97**
-Diluted	**34.41**	**33.46**	**28.38**	**31.90**	**50.97**

Note: Revenue excluding excise duty

(in ₹ Million)

Particulars	2018	2017	2016	2015	2014
Share Capital	235.80	238.60	242.17	242.17	121.09
Other Equity-Reserves & Surplus	4,318.50	3,762.80	3,224.45	2,839.36	2,387.95
Total Shareholders Fund	**4,554.30**	**4,001.40**	**3,466.62**	**3,081.53**	**2,509.04**
Non - Current Liabilities					
Long term borrowings	2,027.00	2,015.50	1,912.34	1,634.75	766.42
Deferred tax liability (Net)	809.20	717.70	646.21	350.18	310.12
Other Long term liabilities	118.10	148.80	107.08	122.47	115.09
Long term provisions	168.70	83.90	25.14	2.90	-
Total Non Current Liabilities	**3,123.00**	**2,965.90**	**2,690.77**	**2,110.29**	**1,191.63**
Current Liabilities					
Short term borrowings	3,056.40	2,446.60	2,584.09	2,524.27	2,655.98
Trade Payables-total outstanding dues of creditors other than micro enterprises and small enterprises	2,587.30	1,969.70	1,848.99	1,667.25	1,501.78
Other current liabilities	549.40	510.00	563.72	415.27	441.85
Short term provisions	8.90	16.80	2.45	220.80	197.14
Total Current Liabilities	**6,202.00**	**4,943.10**	**4,999.24**	**4,827.60**	**4,796.75**
Total	**13,879.30**	**11,910.40**	**11,156.64**	**10,019.42**	**8,497.41**
ASSETS					
Non - Current Assets					
Fixed Assets					
Tangible assets	5,978.40	5,750.10	4,863.79	4,484.64	3,725.26
Intangible assets	45.50	60.80	70.37	-	-
Capital work in progress	284.50	142.80	340.45	160.58	83.16
Non-current Investments	107.60	119.40	128.32	46.32	46.19
Long term loans and advances	-	-		72.44	70.43
Other non-current assets	109.50	123.00	101.47	-	-
Total Non Current Assets	**6,525.50**	**6,196.10**	**5,504.39**	**4,763.98**	**3,925.04**
Current Assets					
Inventories	2,782.10	2,096.30	1,783.50	1,641.96	1,267.26
Trade receivables	3,734.60	2,968.10	3,316.87	3,142.73	2,765.21
Cash & bank balances	42.70	41.70	48.21	35.80	43.98
Short term loans & advances	128.30	197.90	192.39	176.46	222.06
Other current assets	666.10	410.20	311.28	258.48	273.87
Total Current Assets	**7,353.80**	**5,714.20**	**5,652.25**	**5,255.44**	**4,572.38**
Total	**13,879.30**	**11,910.30**	**11,156.64**	**10,019.42**	**8,497.41**

Cash Flow Statement

Aarti Drugs Ltd.

(in ₹ Million)

	Particulars	2018	2017	2016	2015	2014
A	**Cash Flow from Operating Activities**					
	Net Profit before Tax and Extraordinary items	1,245.03	1,160.12	952.75	997.20	847.60
	ADJUSTMENT FOR:	-	-	-	-	-
	Depreciation & Amortisation	400.63	384.63	365.28	310.22	281.19
	Provision for Bad & doubtful Debts/ Bad debts	13.27	15.72	-	-	-
	Unrealised Foreign Exchange (Gain)/Losses (Net)	-8.97	-25.93	-	-	-
	Re- measurement losses on employee defined benefit plans	6.67	-12.39		-	
	Depreciation on Revalued Assets	-	-2.60	-2.60	-1.38	-
	Interet Paid	349.61	364.21	438.87	389.30	334.90
	Interest Received	-9.93	-5.37	-8.52	-4.19	-13.22
	Dividend Received	-0.04	-0.03	-	-	-0.19
	Investment W/0ff	-	19.31	-	-	-
	Gain on Sale of Investment	-	-4.48	-	-	-
	Loss on Sale of Investment	-	-	-	-	0.50
	Loss on Sale of Asset	-	-16.78	0.02	-	0.81
	Extraordinary items	-	-	-	-	9.17
	Operating Profit before Working Capital Changes	**1,996.27**	**1,876.41**	**1,745.79**	**1,691.15**	**1,460.74**
	Trade and other Receivable	-810.50	373.86	-190.11	-302.89	-617.02
	Change in Inventories	-683.81	-312.66	-140.12	-364.45	141.93
	Trade and other Payable	439.60	23.54	117.73	171.51	234.17
	Cash Generated from operation	**941.56**	**1,961.14**	**1,533.29**	**1,195.32**	**1,219.83**
	Direct Taxes Paid	-246.70	-213.60	-200.23	-149.41	-265.57
	Net Cashflow from Operating Activities	**694.85**	**1,747.54**	**1,333.06**	**1,045.91**	**954.26**
B	**Cash Flow from Investing Activities**					
	Purchase of Fixed Assets/Capital Work in Progress/Advances	-745.33	-1,087.93	-996.58	-1,069.81	-1,065.23
	Sale/(Purchase) of Investment	-	-4.01	-0.03	-125.52	4.63
	Sale of Fixed Assets	-	16.78	0.02	-	0.50
	Right Share Issue	-	-	-	121.07	-
	Interest Received	9.93	5.37	8.52	4.19	13.22
	Dividend Received	0.04	0.03	0.12	-	0.19
	Net Cash Flow from Investing Activities	**-735.36**	**-1,069.76**	**-987.95**	**-1,070.08**	**-1,046.67**
C	**Cash Flow From Financing Activities**					
	Proceeds from Long Term Borrowings	48.80	89.37	280.17	793.12	75.61
	Proceeds from Unsecured Loans from Scheduled Bank	609.78	-137.44	62.22	-162.51	506.14
	Buyback of Shares	-240.63	-270.00	-	-	-
	Dividend Paid	-24.32	-	-236.12	-226.68	-139.25
	Dividend Tax Paid	-4.86	-	-	-	-
	Interest Paid	-349.61	-364.21	-438.87	-389.30	-334.90
	Net Cash Flow from Financing Activities	**39.15**	**-682.30**	**-332.59**	**14.63**	**107.61**
	Net Increase in Cash & Cash Equivalents (A+B+C)	**-1.35**	**-4.51**	**12.52**	**-9.53**	**15.18**
	Opening Cash and Cash Equivalents	34.27	35.96	35.80	45.33	28.79
	Closing Cash and Cash Equivalents	**32.92**	**31.45**	**48.21**	**35.80**	**43.97**

Shareholder Information

Aarti Drugs Ltd.

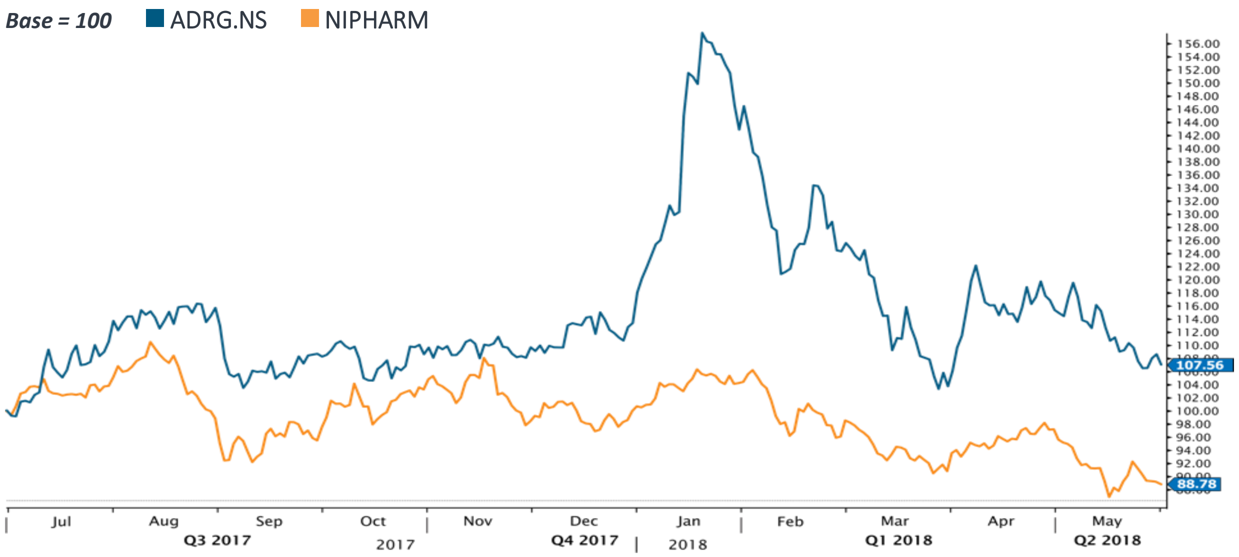
Stock Data (As on 20th June 2018)

Market Capitalization (₹)	**14,748 mn**
Shares Outstanding	**23.58 mn**
Free Float	**37.52%**
Symbol (NSE/ BSE)	**AARTIDRUGS / 524348**

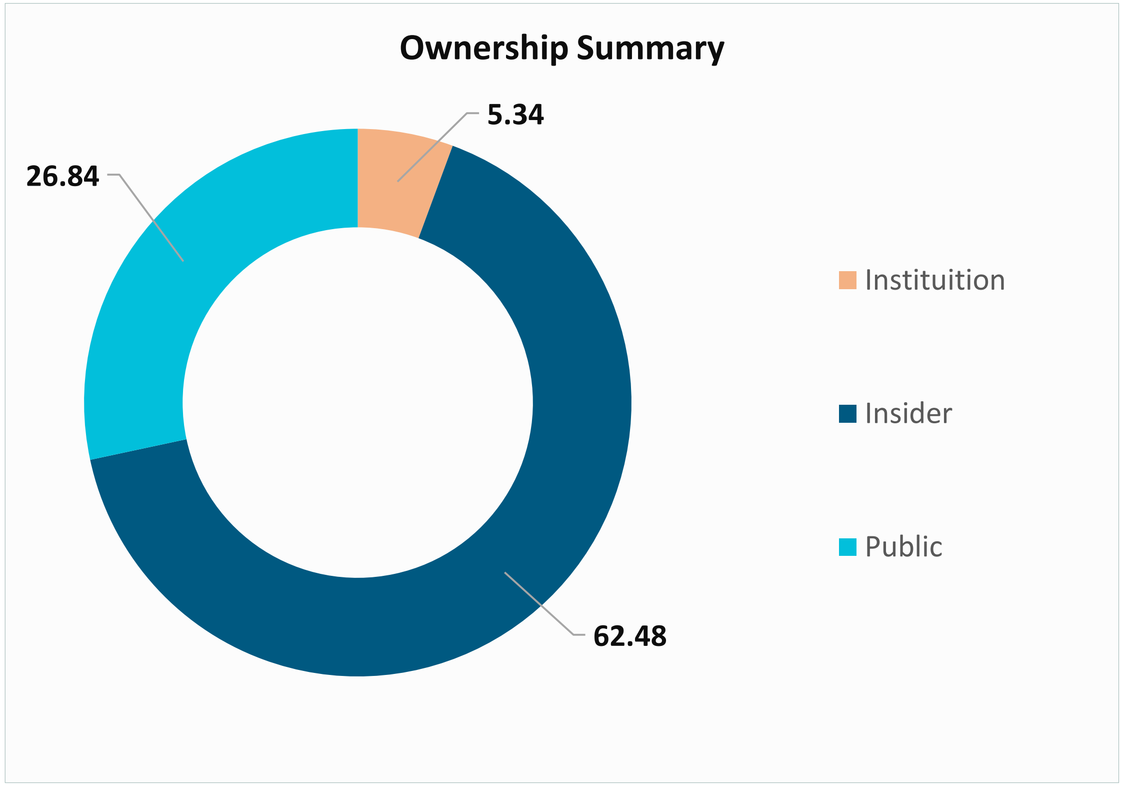
Top Institutional Holders (As on 05th June 2018)

Institutions	OS (%)
DSP BlackRock Investment Managers Pvt Ltd.	3.68
Dimensional Fund Advisors LP	0.09

Stock Performance Chart (As on 05th June 2018)



Source: Factset, Thomson Reuters



Note: Data mentioned in above chart is as on 31st March 2018

Thank You

Aarti Drugs Ltd

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