



Aarti Drugs Ltd.

AARTI DRUGS LIMITED

Investor Presentation March 2019



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Company Overview

Aarti Drugs Limited was established in the year 1984 and forms part of \$900 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.

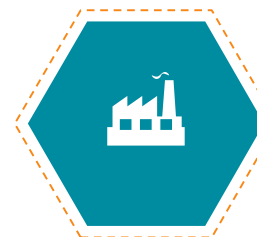
Vision

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



Mission





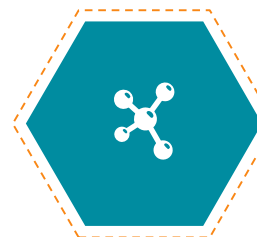
13
Manufacturing facilities



100+
Countries



1,452
Employees



50+
API Molecules



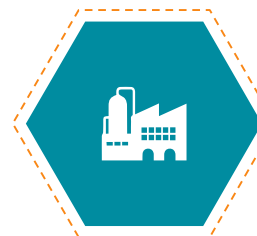
80+
Finished Products



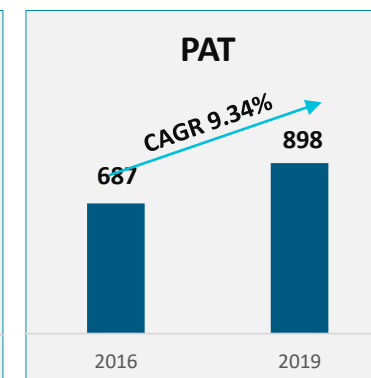
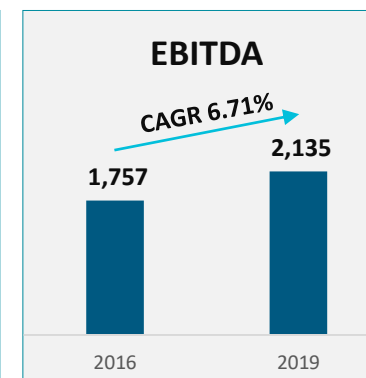
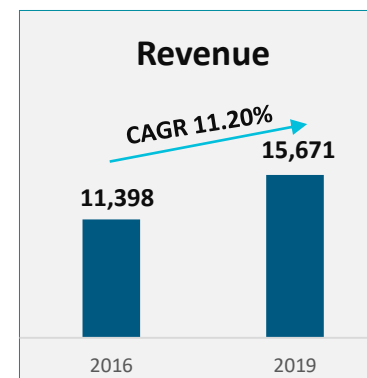
~38%
Export revenue

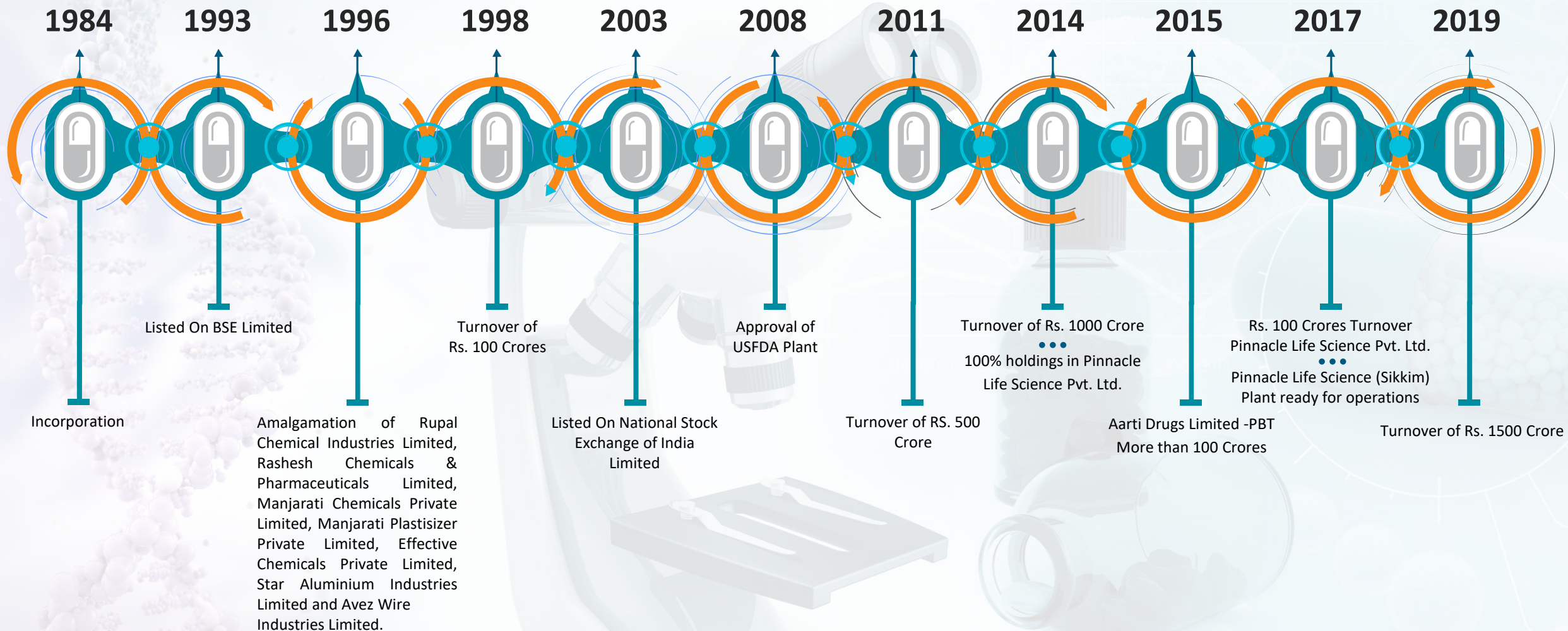


2,480 MT
Monthly API Capacity



50,983 Sq.M
Plant Area







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



2018

ABBOTT

Business partner of
the year

KOSBAD GIRL'S HOSTEL



MURBE SMARAK





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.

Domestic market share leader in most of its top 10 products



Export Clientele is well diversified with the topmost client contributing to only 5.69% of total export sales



Local clientele is well diversified with the topmost client contributing to only 2.98% of local sales



Top 10 Export clients contribute to only 20.45% of total export sales



Top 10 Local Clients contribute to around 24.18% of total local sales



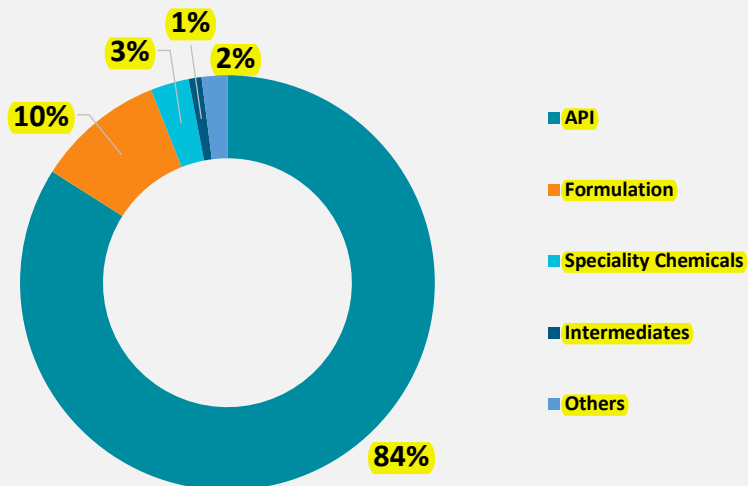
Top 10 products contribute to around 74.68% of the total sales



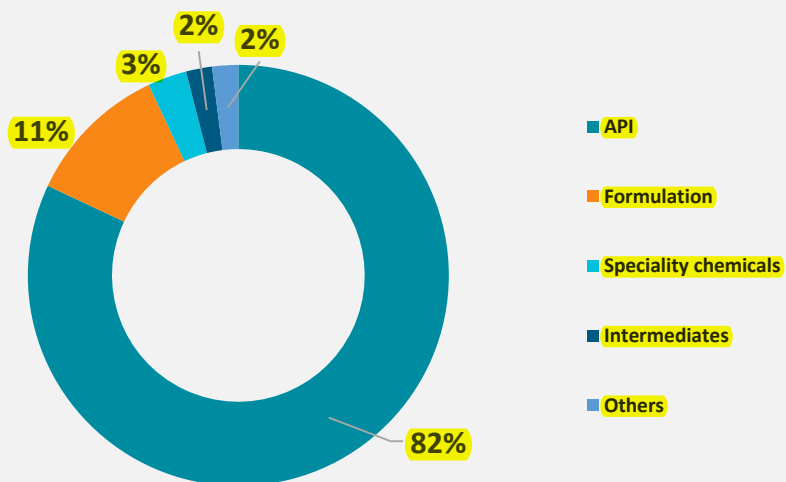


Segment-wise Revenue Split

FY 18-19

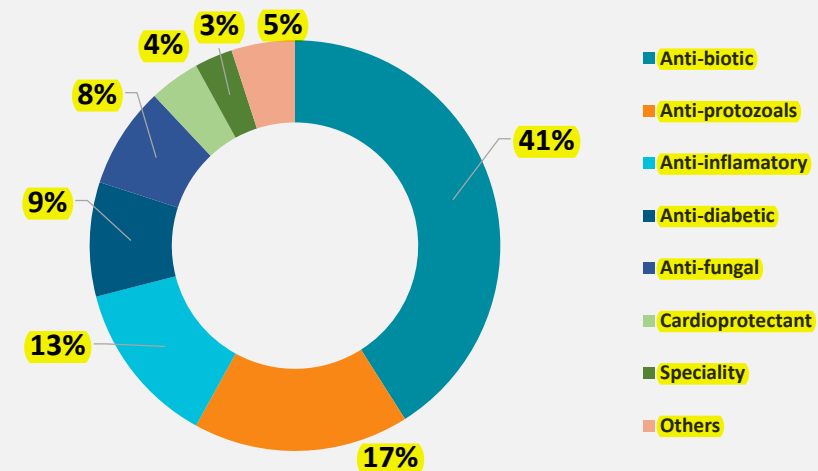


FY 17-18

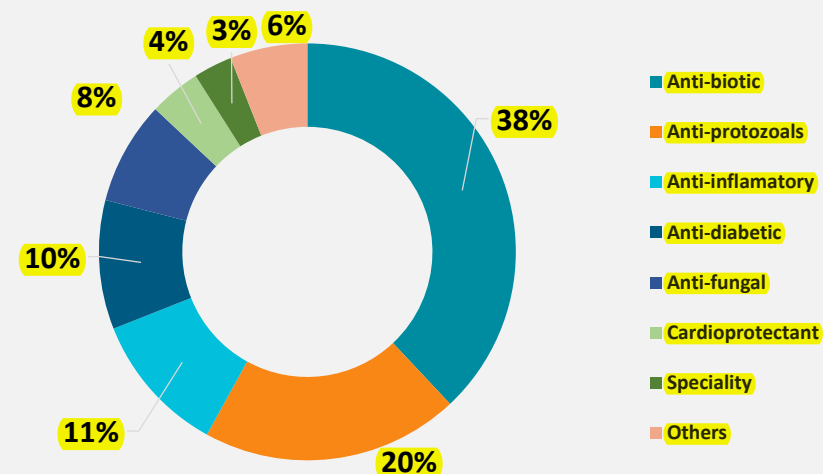


Therapeutic wise Sales of the API Segment

FY 18-19



FY 17-18





| Particulars | 2018-19 | 2017-18 | 2016-17 |
|----------------|---------|---------|---------|
| Units | Mt | Mt | Mt |
| Installed | 29,758 | 25,714 | 22,582 |
| Production | 22,495 | 19,261 | 17,463 |
| Captive | 4,690 | 3,925 | 4,053 |
| Net Production | 17,805 | 15,337 | 13,410 |

1. Aarti Drugs Ltd-Sarigam 2902-04

- WHO-GMP

2. Aarti Drugs Ltd-Sarigam 211/213

- WHO-GMP / COFEPRIS / CEP

1. Pinnacle Life science Pvt Ltd.

- Formulation Plant WHO-GMP

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

- EUGMP & WHO-GMP

7. Aarti Drugs Ltd.E-120

- WHO-GMP

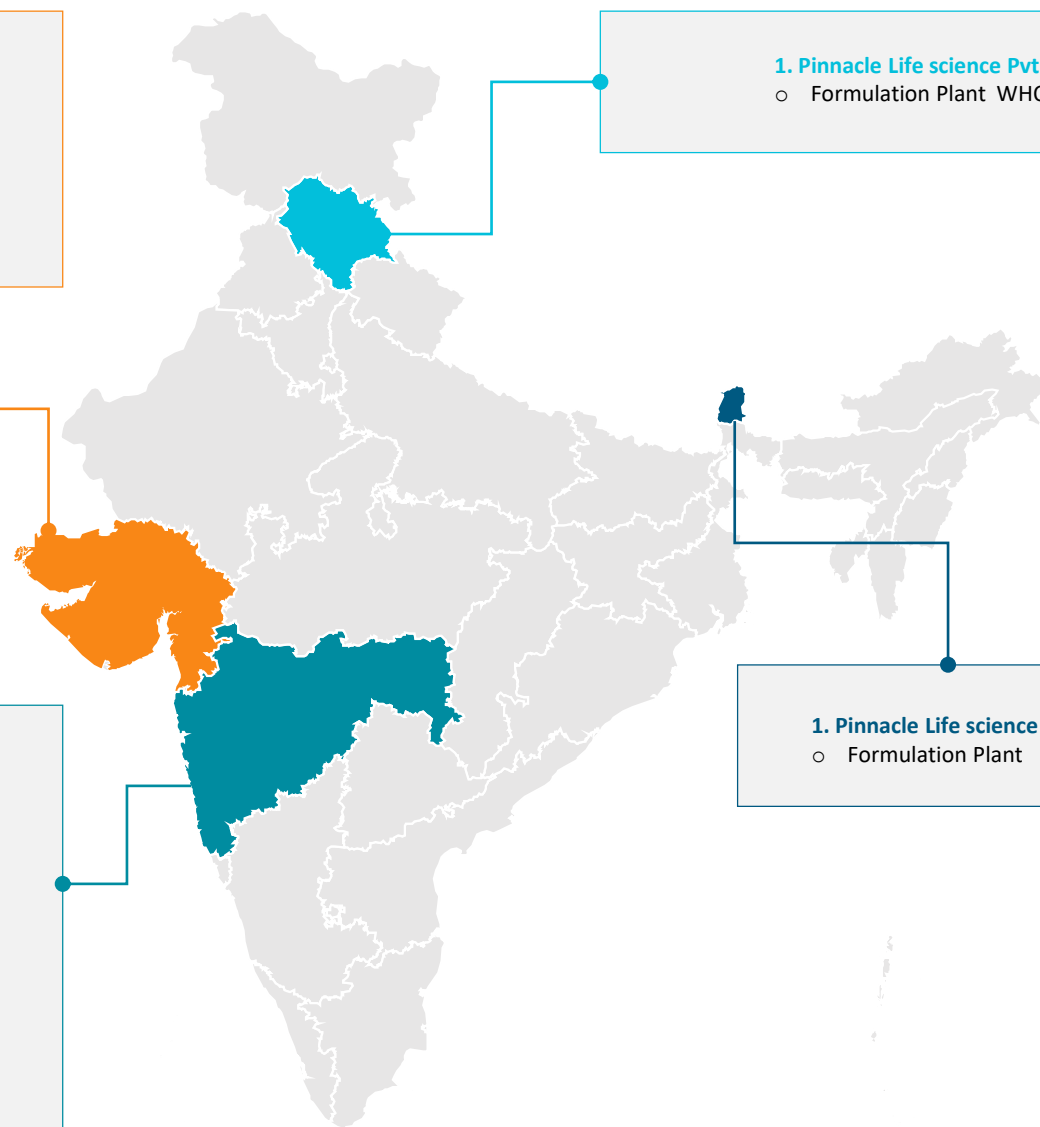
8. Aarti Drugs Ltd.E-9/3

- ISO-9001:2008

9

. Aarti Drugs Ltd T-150

- Intermediate Plant



Overview of facilities

Global

- | | | |
|--------------------------|--------------------------|-------------------------------|
| 1 Afghanistan | 41 Iraq | 81 Spain |
| 2 Africa | 42 Ireland | 82 Sri Lanka |
| 3 Algeria | 43 Israel | 83 Sudan |
| 4 Argentina | 44 Italy | 84 Sultanate Of Oman |
| 5 Armenia | 45 Japan | 85 Switzerland |
| 6 Australia | 46 Jordan | 86 Syria |
| 7 Bahamas | 47 Kenya | 87 Taiwan |
| 8 Bangladesh | 48 Korea | 88 Tanzania |
| 9 Belarus | 49 Kuwait | 89 Thailand |
| 10 Belgium | 50 Latvia | 90 The Republic Of Kazakhstan |
| 11 Benin Republic | 51 Lebanon | 91 Togo |
| 12 Bolivia | 52 Lithuania | 92 Tunisia |
| 13 Bosnia | 53 Macedonia | 93 Turkey |
| 14 Brazil | 54 Malaysia | 94 Uganda |
| 15 British Virgin Island | 55 Mexico | 95 UK |
| 16 Brunei | 56 Moldova | 96 Ukraine |
| 17 Bulgaria | 57 Morocco | 97 Uruguay |
| 18 Burundi | 58 Mozambique | 98 USA |
| 19 Canada | 59 Myanmar | 99 Uzbekistan |
| 20 Chile | 60 Nepal | 100 Venezuela |
| 21 China | 61 Netherlands | 101 Vietnam |
| 22 Colombia | 62 Nigeria | 102 Yugoslavia |
| 23 Costa Rica | 63 Pakistan | 103 Zambia |
| 24 Croatia | 64 Panama | 104 Zimbabwe |
| 25 Cyprus | 65 Paraguay | |
| 26 Czech Republic | 66 Peru | |
| 27 Denmark | 67 Philippines | |
| 28 Ecuador | 68 Poland | |
| 29 Egypt | 69 Portugal | |
| 30 Ethiopia | 70 Rep Of Yemen | |
| 31 Europe | 71 Republic Of Dominican | |
| 32 France | 72 Romania | |
| 33 Germany | 73 Russia | |
| 34 Greece | 74 Saudi Arabia | |
| 35 Hong Kong | 75 Scotland | |
| 36 Hungary | 76 Seychelles | |
| 37 Iceland | 77 Singapore | |
| 38 India | 78 Slovenia | |
| 39 Indonesia | 79 South Africa | |
| 40 Iran | 80 South Korea | |

India

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

TOP 10 EXPORT COUNTRIES

| Country | BRAZIL | MEXICO | PAKISTAN | TURKEY | EGYPT |
|---------|--------|------------|----------|-------------|-------|
| | IRAN | BANGLADESH | SPAIN | SWITZERLAND | CHINA |

Notes: All numbers in % denotes revenue share

Europe
12%

North America
2%

Africa
12%

Latin America
29%

Asia
45%

Market

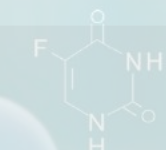
| | |
|-----------------|-----|
| Regulated | 48% |
| Semi-Regulated | 43% |
| Non - Regulated | 9% |

Key local clientele



Pharmaceutical Industry Overview & Growth Drivers





Contract Research and Manufacturing Services (CRAMS)

- Fragmented market with more than 1,000 players
- CRAM sector is globally recognized for its high-end research services and is one of the fastest growing segments of the country's pharmaceutical industry.

Active Pharmaceutical Ingredients (APIs)

- Domestic API consumption is expected to reach US\$ 18.8 billion by FY22
- In April 2018, a high-level task force was constituted to create a roadmap for increasing domestic production of APIs. Currently India imports over 60 per cent of its APIs from other countries.

Formulations

- Largest exporter of formulations in terms of volume, with 14 per cent market share and 12th in terms of export value. Drug formulation exports from India reached US\$ 12.91 billion during FY18 and US\$ 12.92 billion in FY19.
- Double-digit growth is expected over the next five years.

Biosimilars

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

API IS THE LARGEST SEGMENT OF THE INDIAN PHARMACEUTICALS SECTOR

Pharmaceutical Industry

US\$ 33 Bn

2017

US\$ 55 Bn

2020



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



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



10 per cent in volume

Top 3 pharmaceutical markets by incremental growth

6th largest market globally in absolute size.

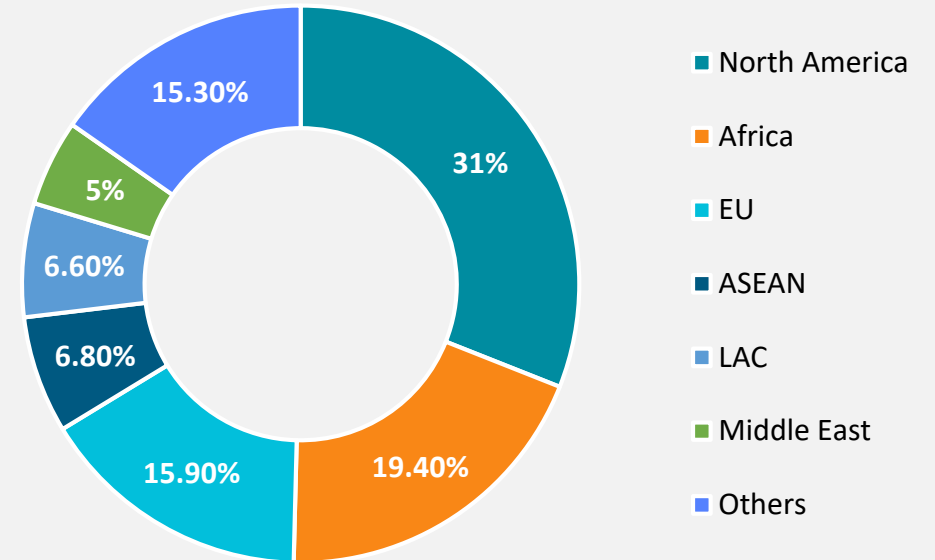
India is the second largest contributor of global biotech and pharmaceutical workforce

India is the world's largest provider of generic medicines

PHARMA EXPORT TO CONTINUE WITNESSING POSITIVE GROWTH

- India, the third-largest pharmaceutical market in Asia,
- Supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25% of all medicine in UK
- supplies 60 percent of global ARV drugs and 30 percent of the annual UNICEF requirement
- 2nd largest contributor of global biotech and pharmaceutical workforce. generics market is expected to reach US\$ 27.9 billion by 2020.
- Pharma industry grew by 9.4% in 2018 and is expected to grow at a CAGR of 15 per cent in the near future.
- India has maximum number of USFDA approved plants outside USA which are over 169 in number
- Indian healthcare sector, one of the fastest growing sectors, is expected to cross US\$ 372 billion by 2022
- Medicine spending in India is projected to grow 9-12 per cent over the next five years, leading India to become one of the top 10 countries in terms of medicine spending.

Major Export Destinations in India's Pharma Export in FY18 (%)

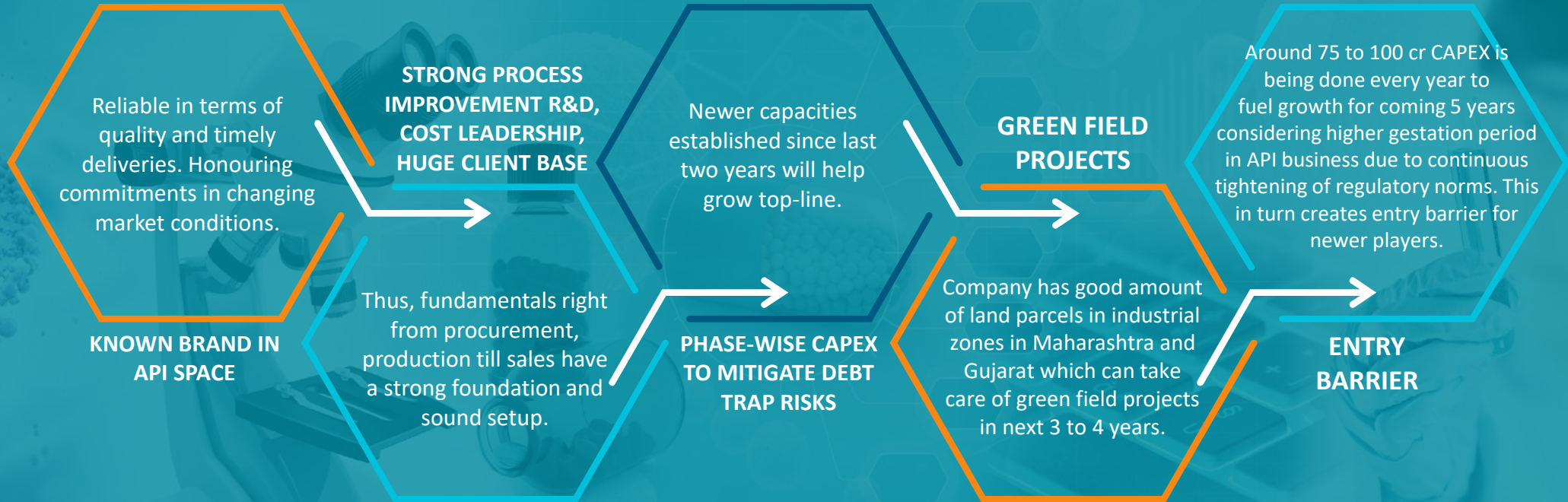


- India is the world's largest provider of generic medicines; the country's generic drugs account for 20 per cent of global generic drug exports (in terms of volumes). Indian drugs are exported to more than 200 countries in the world, with the US as the key market.
- Pharmaceutical exports from India, include bulk drugs, intermediates, drug formulations, biologicals, Ayush & herbal products and surgicals.
- India's pharmaceutical exports stood at US\$ 17.27 billion in FY18 and are expected to reach US\$ 20 billion by 2020. In FY19 these exports are expected to cross US\$ 19 billion.



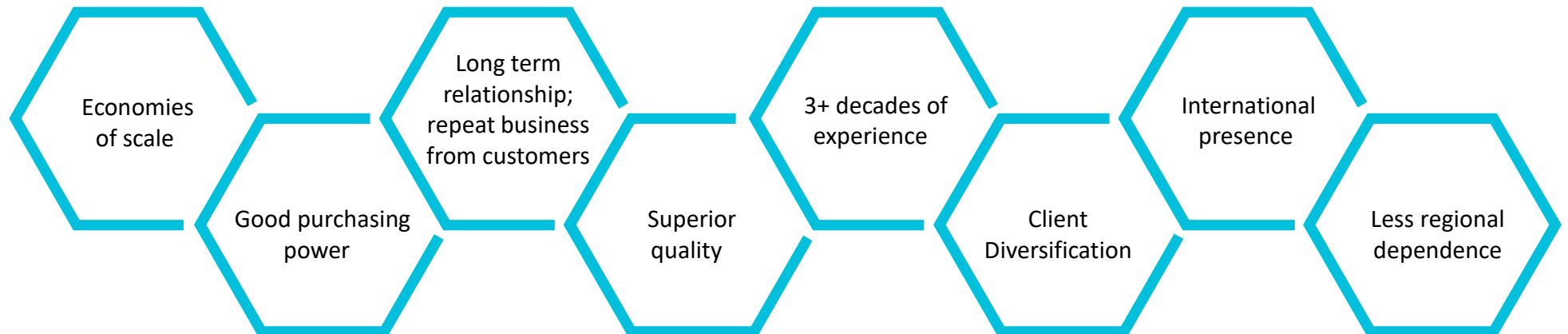


Investment Proposition & Outlook



KEY COMPETITIVE FACTORS

Top 10 products contributes to **~75%** of Revenues



ANTI DIABETIC:

- Started with the commercial operations, received WHO GMP, 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 which will be online by 1st Quarter of FY20. After 2nd phase completion, company 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 and ofloxacin acid

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. This was commissioned in 2nd half of FY19.

SPECIALITY CHEMICALS:

Incremental expansion of our multipurpose chloro-sulphonation line in existing block and another dedicated specialty line was commissioned in second half of FY19.

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 launched in FY19. 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 is planned in later half of FY20. This is designed for European markets. This facility can manufacture a range of products from anti-inflammatory, anti-fungal, anti-diarrheal, cardiovascular etc

ANTI-INFLAMMATORY:

Brown field expansion of its existing anti inflammatory products has started and would be commissioned in FY20

R & D and Product Pipeline





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

Doctorates

Pilot plant facility at Tarapur, which is suitable to produce products on kilo scale.

70

Master Graduates [M. Sc]

ADL R&D is well supported by in house project management team to ensure timely implementation of new products on commercial scale.

15

Graduates [B. Sc]

In last five year about 30 API's (New and Existing) have been developed in lab.

18

Engineer

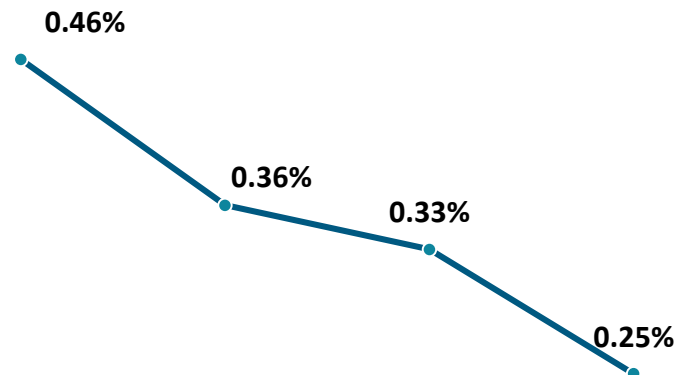
R&D Center recognized by Department by Science and Industrial Research (DSIR), Government of India.

10

Technicians

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 |
|------|---------|
| 2016 | 11,398 |
| 2017 | 11,992 |
| 2018 | 12,447 |
| 2019 | 15,671 |

Number In ₹ Million



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 | Antidiabetic | Vildagliptin |
| 2 | Antidiabetic | Teneligliptin |
| 3 | Antidiabetic | Sitagliptin |
| 4 | Antithrombotic | Rivaroxaban |



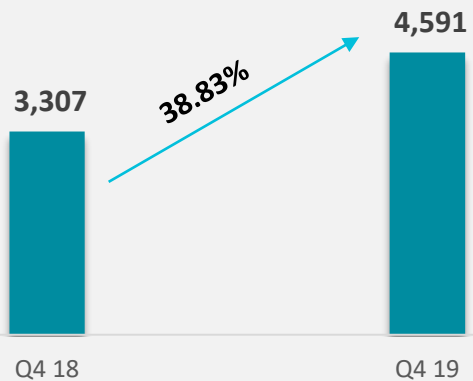
Result Summary

Results Summary – Consolidated Q4FY19 and FY19

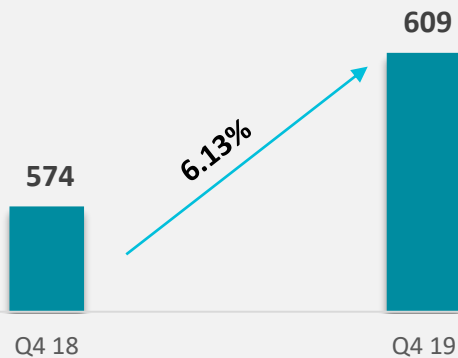
(in ₹ Million)

| Particulars | Q4FY 19 | Q3 FY 19 | Q4 FY18 | Y-o-Y (%) | FY 19 | FY 18 | Y-o-Y (%) |
|---|-----------------|-----------------|-----------------|------------|------------------|------------------|------------|
| Revenue from Operations | 4,591.35 | 3,801.07 | 3,306.94 | 39% | 15,609.41 | 12,436.30 | 26% |
| Other Income | 49.91 | 1.68 | 7.68 | | 61.76 | 10.49 | |
| Total Income | 4,641.26 | 3,802.75 | 3,314.61 | 40% | 15,671.17 | 12,446.79 | 26% |
| Expenses | 4,032.26 | 3,282.53 | 2,740.76 | 47% | 13,535.73 | 10,451.51 | 30% |
| Profit from Operations before Other Income, Finance Costs, Exceptional Items and Depreciation | 609.00 | 520.22 | 573.85 | 6% | 2,135.44 | 1,995.29 | 7% |
| Depreciation and Amortisation Expenses | 108.11 | 107.18 | 102.27 | 6% | 399.58 | 349.61 | 14% |
| Finance Costs | 103.40 | 104.78 | 89.33 | 16% | 425.62 | 400.63 | 6% |
| Profit from Ordinary Activities before Exceptional Item and Tax | 397.49 | 308.26 | 382.25 | 4% | 1,310.23 | 1,245.04 | 5% |
| Exceptional Item | - | - | - | - | - | - | - |
| Profit Before Tax | 397.49 | 308.26 | 382.25 | 4% | 1,310.23 | 1,245.04 | 5% |
| Tax | 123.07 | 99.40 | 142.31 | -14% | 412.72 | 421.96 | -2% |
| Net Profit for the Period | 274.41 | 208.86 | 239.93 | 14% | 897.51 | 823.08 | 9% |
| Other Comprehensive Income | 9.89 | - | -2.70 | - | 9.89 | -2.70 | - |
| Total Comprehensive Income for the Period | 284.30 | 208.86 | 237.23 | 20% | 907.40 | 820.38 | 11% |
| | | | | | | | |
| Paid Up Equity Share Capital (Face Value of Rs 10 each) | 235.80 | 235.80 | 235.80 | | 235.80 | 235.80 | |
| Earning Per Share Basic | 12.06 | 8.86 | 9.97 | | 38.48 | 34.41 | |
| Earning Per Share Diluted | 12.06 | 8.86 | 9.97 | | 38.48 | 34.41 | |

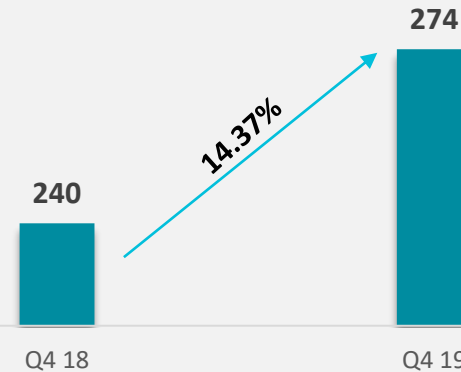
Revenue



EBITDA



PAT



API



Formulation



Specialty Chemicals



Intermediate & Others



Q419

3,905

399

143

144

Q418

2,759

293

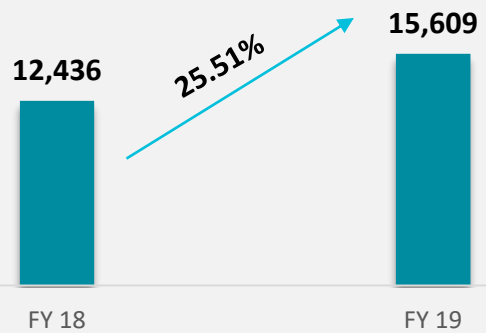
109

146

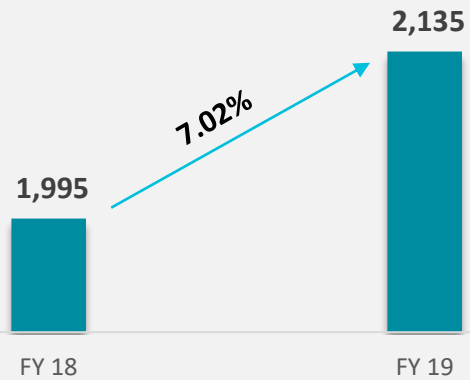
Note: 1.. On Consolidated Basis 2. Revenue excluding Other Income 3. EBITDA is including other income 4. Regrouping has been done wherever necessary

Number In ₹ Million

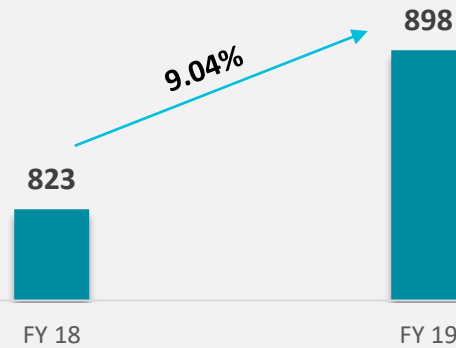
Revenue



EBITDA



PAT



API



Formulation



Specialty Chemicals



Intermediate & Others



FY19

13,086

1,498

434

591

FY18

10,168

1,390

303

575

Note: On Consolidated Basis

Number In ₹ Million

EBITDA is including other income

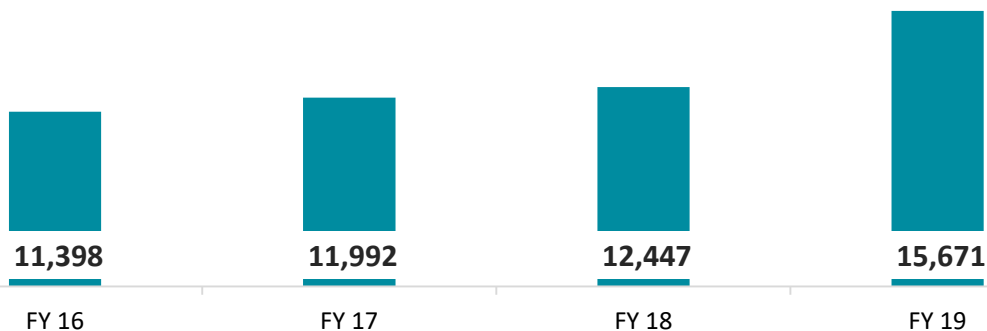
PAT is before minority



Financial Overview

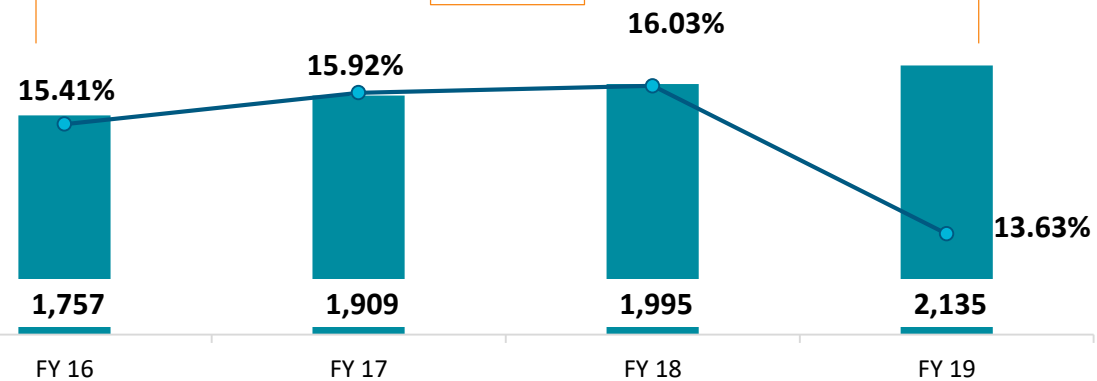
Revenue

CAGR-11.20%



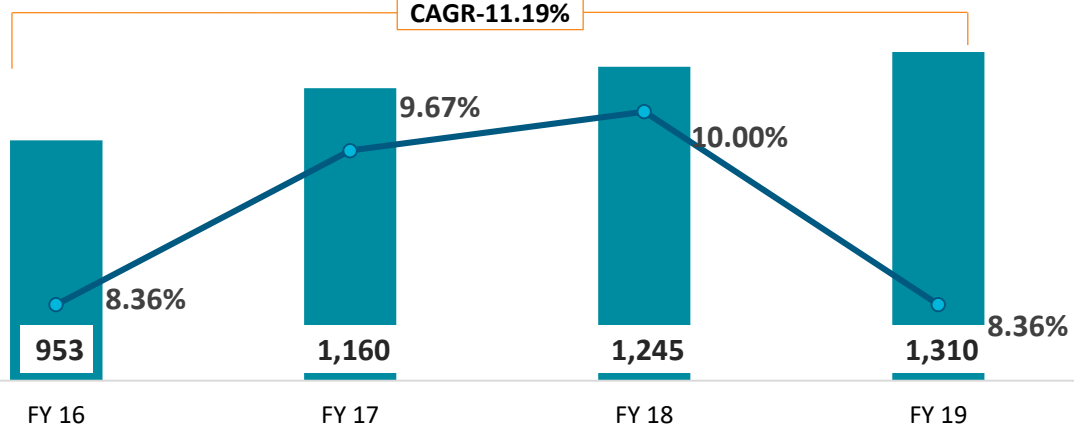
EBITDA & EBITDA Margin

CAGR-6.71%



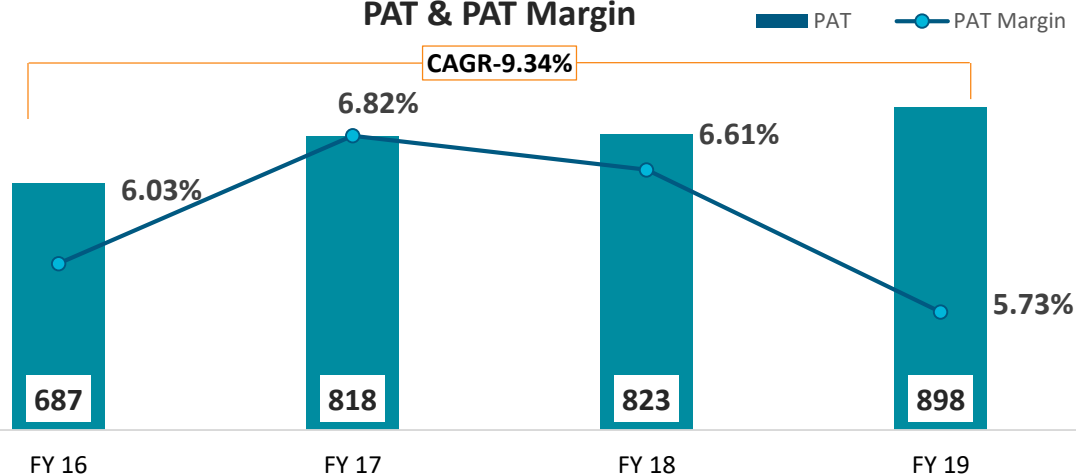
PBT & PBT Margin

CAGR-11.19%



PAT & PAT Margin

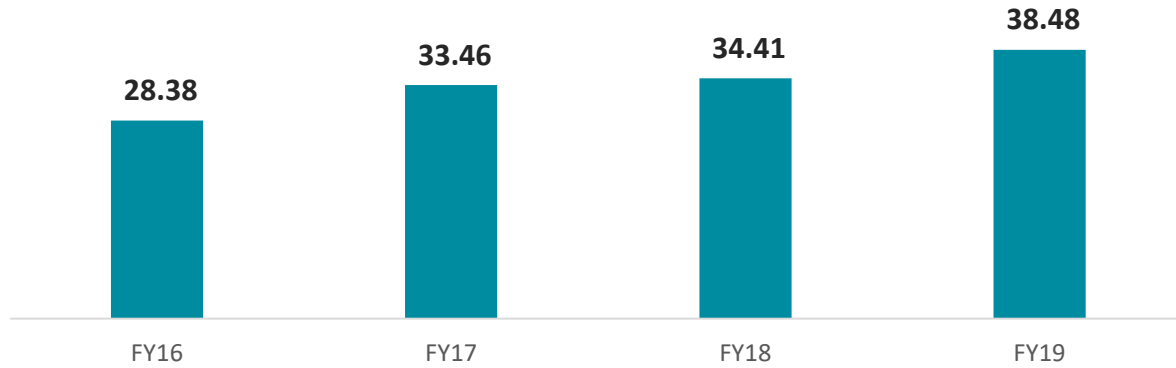
CAGR-9.34%



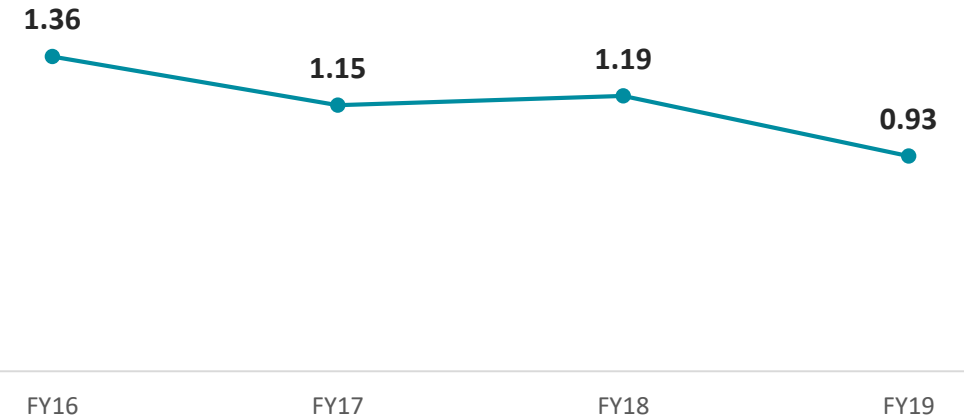
All numbers are on Consolidated basis including Other Income
Number in ₹ million

Robust Financial Performance

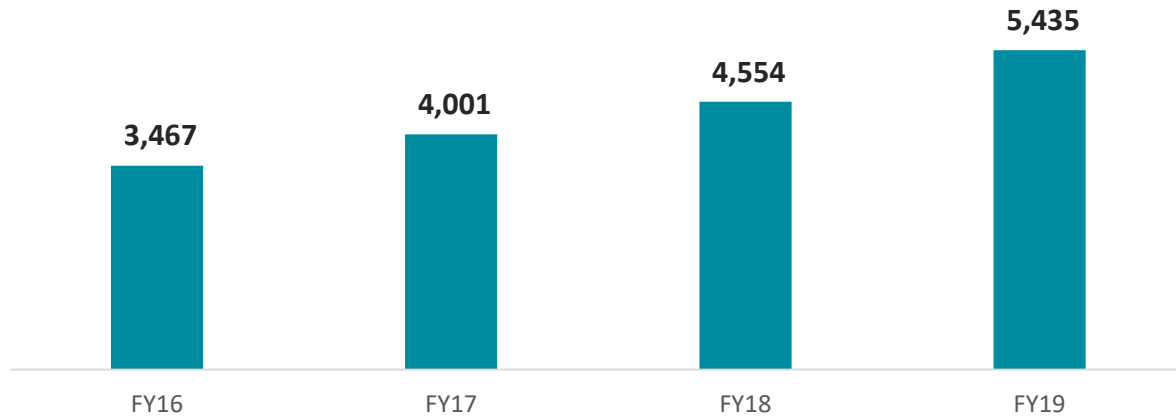
Earning Per Share (in ₹)



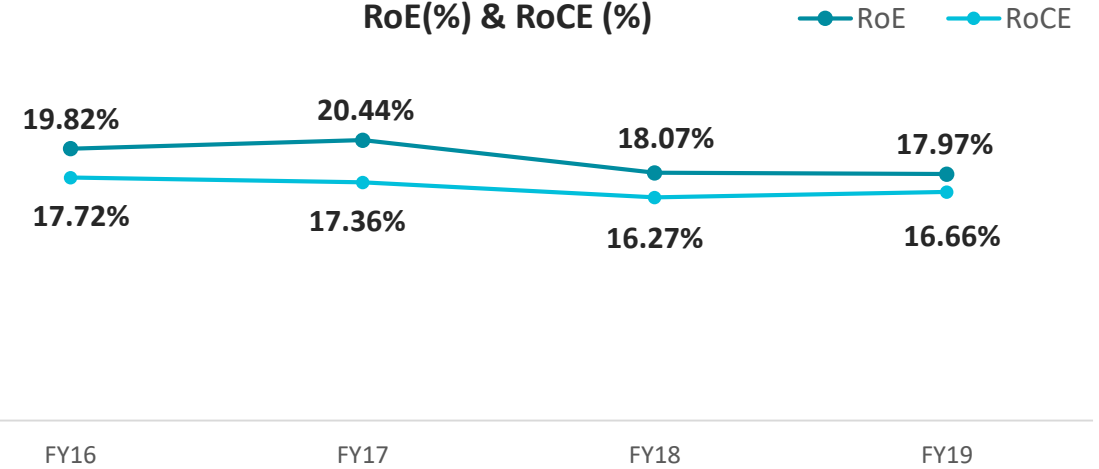
Gearing Ratio (x)



Net Worth (in ₹ million)



RoE(%) & RoCE (%)



All numbers are on Consolidated basis

Net Debt = Long term debt + short term debt + current maturities of long term debt

ROE = Profit after tax / Average shareholder equity

RoCE = (Net Profit before Tax, Exceptional and extraordinary items + Finance cost) / Average (Net debt + Networth)

Profit & Loss Statement

(in ₹ Million)

| Particulars | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------------|------------------|------------------|------------------|------------------|
| Revenue from operations (gross) | 15,609.41 | 12,625.70 | 12,880.80 | 12,283.05 | 11,796.03 |
| Less : Excise duty | - | -189.40 | -929.10 | -934.23 | -853.31 |
| Revenue from operations (net) | 15,609.41 | 12,436.30 | 11,951.70 | 11,348.82 | 10,942.72 |
| Other Income | 61.76 | 10.50 | 40.00 | 49.58 | 32.62 |
| Total Revenue | 15,671.17 | 12,446.80 | 11,991.70 | 11,398.40 | 10,975.34 |
| Expenses | | | | | |
| Cost of material consumed | 9,989.04 | 7,977.70 | 7,402.00 | 7,210.21 | 6,901.92 |
| Purchases of traded goods | 442.47 | 397.60 | 406.80 | 505.99 | 869.88 |
| (Increase)/decrease in Inventories of finished goods work in progress & stock in trade | 168.25 | -548.70 | -4.30 | -49.14 | -272.99 |
| Employee benefits expense | 609.21 | 579.40 | 528.30 | 447.55 | 379.28 |
| Finance cost | 399.58 | 349.60 | 364.20 | 438.87 | 389.30 |
| Depreciation & amortization expense | 425.62 | 400.60 | 384.60 | 365.28 | 310.22 |
| Other Expenses | 2,326.76 | 2,045.60 | 1,750.00 | 1,526.89 | 1,400.53 |
| Total Expenses | 14,360.94 | 11,201.80 | 10,831.60 | 10,445.65 | 9,978.14 |
| Profit/(loss) before tax | 1,310.23 | 1,245.00 | 1,160.10 | 952.75 | 997.19 |
| Tax Expense: | | | | | |
| Current tax (MAT) | 337.21 | 328.00 | 291.30 | 211.50 | 210.00 |
| MAT credit entitlement | -0.76 | - | - | - | -10.00 |
| Taxation for earlier years | -10.84 | - | -20.30 | - | -15.35 |
| Deferred tax | 87.11 | 94.00 | 71.10 | 54.00 | 40.00 |
| Total tax expense | 412.72 | 422.00 | 342.10 | 265.50 | 224.65 |
| Net profit/(loss) after tax | 897.51 | 823.00 | 818.00 | 687.25 | 772.54 |
| Extraordinary Items | - | - | - | - | - |
| Other Comprehensive Income/(Loss) | 9.89 | -2.70 | -10.90 | - | - |
| Total Comprehensive Income for the Period | 907.40 | 820.30 | 807.10 | 687.25 | 772.54 |
| Paid up Equity Share Capital (Face Value of Rs 10 each) | 235.80 | 235.80 | 238.60 | 242.17 | 242.17 |
| Earnings Per Share (EPS) in Rupees | | | | | |
| -Basic | 38.48 | 34.41 | 33.46 | 28.38 | 31.90 |
| -Diluted | 38.48 | 34.41 | 33.46 | 28.38 | 31.90 |

Balance Sheet

(in ₹ Million)

| Particulars | 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Share Capital | 235.82 | 235.82 | 238.57 | 242.17 | 242.17 |
| Other Equity-Reserves & Surplus | 5,198.64 | 4,318.46 | 3,762.75 | 3,224.45 | 2,839.36 |
| Total Shareholders Fund | 5,434.46 | 4,554.28 | 4,001.32 | 3,466.62 | 3,081.53 |
| Non - Current Liabilities | | | | | |
| Long term borrowings | 2,082.08 | 2,026.97 | 2,015.47 | 1,912.34 | 1,634.75 |
| Deferred tax liability (Net) | 898.09 | 809.24 | 717.70 | 646.21 | 350.18 |
| Other Long term liabilities | 107.21 | 118.11 | 148.80 | 107.08 | 122.47 |
| Long term provisions | 196.98 | 168.75 | 83.93 | 25.14 | 2.90 |
| Total Non Current Liabilities | 3,284.36 | 3,123.06 | 2,965.90 | 2,690.77 | 2,110.29 |
| Current Liabilities | | | | | |
| Short term borrowings | 2,632.46 | 3,056.42 | 2,446.64 | 2,584.09 | 2,524.27 |
| Trade Payables | 2,426.35 | 2,587.27 | 1,969.74 | 1,848.99 | 1,667.25 |
| Other current liabilities | 829.40 | 564.20 | 509.98 | 563.72 | 415.27 |
| Short term provisions | 21.62 | 8.88 | 16.77 | 2.45 | 220.80 |
| Total Current Liabilities | 5,909.82 | 6,216.77 | 4,943.13 | 4,999.24 | 4,827.60 |
| Total | 14,628.65 | 13,894.11 | 11,910.35 | 11,156.64 | 10,019.42 |
| ASSETS | | | | | |
| Non - Current Assets | | | | | |
| Fixed Assets | | | | | |
| Tangible assets | 6,219.53 | 5,978.59 | 5,750.12 | 4,863.79 | 4,484.64 |
| Intangible assets | 29.12 | 45.34 | 60.81 | 70.37 | - |
| Capital work in progress | 327.49 | 284.46 | 142.77 | 340.45 | 160.58 |
| Non-current Investments | 124.35 | 107.59 | 119.39 | 128.32 | 46.32 |
| Long term loans and advances | - | - | - | - | 72.44 |
| Other non-current assets | 85.28 | 109.50 | 123.03 | 101.47 | - |
| Total Non Current Assets | 6,785.76 | 6,525.47 | 6,196.12 | 5,504.39 | 4,763.98 |
| Current Assets | | | | | |
| Inventories | 2,466.13 | 2,782.09 | 2,096.34 | 1,783.50 | 1,641.96 |
| Trade receivables | 4,585.44 | 3,749.43 | 2,968.07 | 3,316.87 | 3,142.73 |
| Cash & bank balances | 55.55 | 42.74 | 41.74 | 48.21 | 35.80 |
| Short term loans & advances | 95.47 | 97.67 | 197.86 | 192.39 | 176.46 |
| Other current assets | 640.30 | 696.72 | 410.22 | 311.28 | 258.48 |
| Total Current Assets | 7,842.89 | 7,368.64 | 5,714.23 | 5,652.25 | 5,255.44 |
| Total | 14,628.65 | 13,894.11 | 11,910.35 | 11,156.64 | 10,019.42 |

Cash Flow Statement

(in ₹ Million)

| | Particulars | 2019 | 2018 | 2017 | 2016 | 2015 |
|----------|--|-----------------|-----------------|------------------|-----------------|------------------|
| A | Cash Flow from Operating Activities | | | | | |
| | Net Profit before Tax and Extraordinary items | 1,310.23 | 1,245.03 | 1,160.12 | 952.75 | 997.20 |
| | ADJUSTMENT FOR: | - | - | - | - | - |
| | Depreciation & Amortisation | 425.62 | 400.63 | 384.63 | 365.28 | 310.22 |
| | Provision for Bad & doubtful Debts/ Bad debts | 2.51 | 13.27 | 15.72 | - | - |
| | Unrealised Foreign Exchange (Gain)/Losses (Net) | -24.01 | -8.97 | -25.93 | - | - |
| | Re- measurement losses on employee defined benefit plans | -5.14 | 6.67 | -12.39 | - | - |
| | Depreciation on Revalued Assets | - | - | -2.6 | -2.60 | -1.38 |
| | Interest Paid | 399.58 | 349.61 | 364.21 | 438.87 | 389.30 |
| | Interest Received | -14.01 | -9.93 | -5.37 | -8.52 | -4.19 |
| | Dividend Received | - | -0.04 | -0.03 | - | - |
| | Investment W/Off | - | - | 19.31 | - | - |
| | Gain on Sale of Investment | - | - | -4.48 | - | - |
| | Loss on Sale of Investment | - | - | - | - | - |
| | Loss on Sale of Asset | -37.65 | - | -16.78 | 0.02 | - |
| | Extraordinary items | - | - | - | - | - |
| | Operating Profit before Working Capital Changes | 2,057.14 | 1,996.27 | 1,876.41 | 1,745.79 | 1,691.15 |
| | Trade and other Receivable | -627.19 | -810.5 | 373.86 | -190.11 | -302.89 |
| | Change in Inventories | 317.17 | -683.81 | -312.66 | -140.12 | -364.45 |
| | Trade and other Payable | -19.74 | 439.6 | 23.54 | 117.73 | 171.51 |
| | Cash Generated from operation | 1,727.37 | 941.56 | 1,961.14 | 1,533.29 | 1,195.32 |
| | Direct Taxes Paid | -296.44 | -246.7 | -213.6 | -200.23 | -149.41 |
| | Net Cashflow from Operating Activities | 1,430.93 | 694.85 | 1,747.54 | 1,333.06 | 1,045.91 |
| B | Cash Flow from Investing Activities | | | | | |
| | Purchase of Fixed Assets/Capital Work in Progress/Advances | -742.73 | -745.33 | -1,087.93 | -996.58 | -1,069.81 |
| | Sale/(Purchase) of Investment | - | - | -4.01 | -0.03 | -125.52 |
| | Sale of Fixed Assets | 112.01 | - | 16.78 | 0.02 | - |
| | Right Share Issue | - | - | - | - | 121.07 |
| | Interest Received | 14.01 | 9.93 | 5.37 | 8.52 | 4.19 |
| | Dividend Received | - | 0.04 | 0.03 | 0.12 | - |
| | Net Cash Flow from Investing Activities | -616.72 | -735.36 | -1,069.76 | -987.95 | -1,070.08 |
| C | Cash Flow From Financing Activities | | | | | |
| | Proceeds from Long Term Borrowings | 33.56 | 48.8 | 89.37 | 280.17 | 793.12 |
| | Proceeds from Unsecured Loans from Scheduled Bank | -405.54 | 609.78 | -137.44 | 62.22 | -162.51 |
| | Buyback of Shares | - | -240.63 | -270 | - | - |
| | Dividend Paid | -24.29 | -24.32 | - | -236.12 | -226.68 |
| | Dividend Tax Paid | -4.85 | -4.86 | - | - | - |
| | Interest Paid | -399.58 | -349.61 | -364.21 | -438.87 | -389.30 |
| | Net Cash Flow from Financing Activities | -800.70 | 39.15 | -682.3 | -332.59 | 14.63 |
| | Net Increase in Cash & Cash Equivalents (A+B+C) | 13.51 | -1.35 | -4.51 | 12.52 | -9.53 |
| | Opening Cash and Cash Equivalents | 32.93 | 34.27 | 35.96 | 35.80 | 45.33 |
| | Closing Cash and Cash Equivalents | 46.43 | 32.92 | 31.45 | 48.21 | 35.80 |

Shareholder Information



Stock Data (As on 31st March 2019)



Market Capitalization (₹)
15,027 mn



Shares Outstanding
23.58 mn

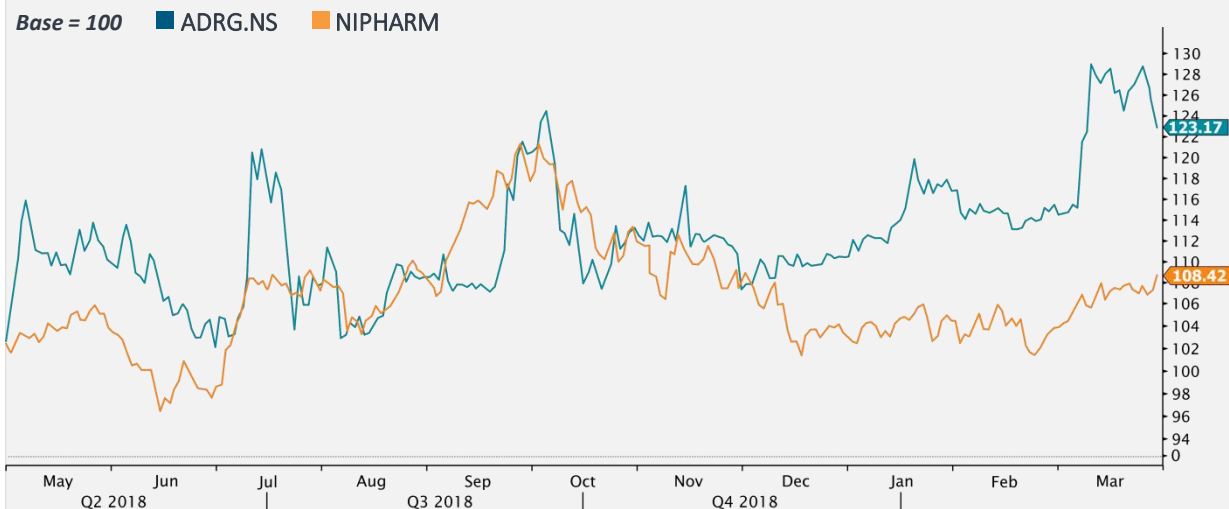


Free Float
37.74%



Symbol (NSE/ BSE)
AARTIDRUGS / 524348

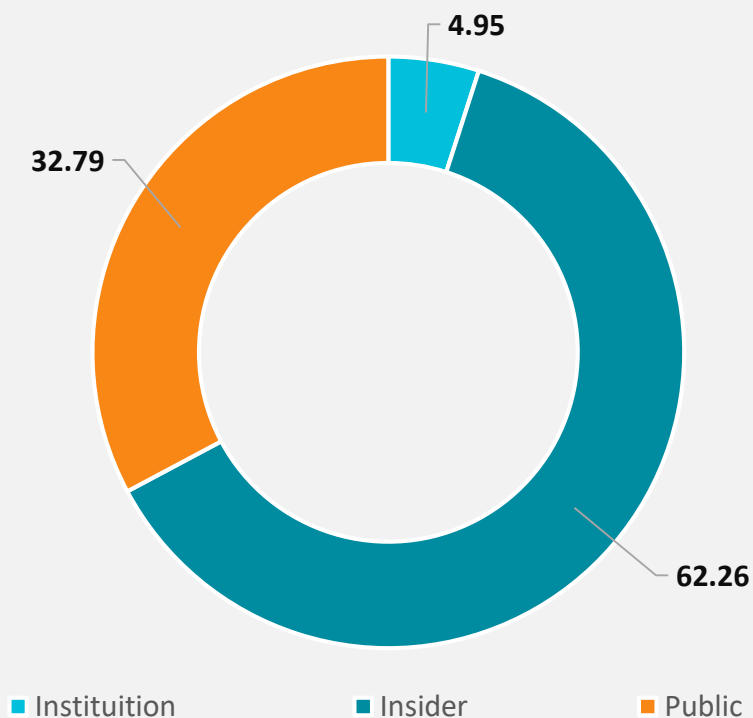
Stock Performance Chart (As on 31st March 2019)



Top Institutional Holders (As on 31st March 2019)

| Institutions | OS (%) |
|--|--------|
| DSP BlackRock Investment Managers Pvt Ltd. | 4.06 |
| Dimensional Fund Advisors LP | 0.32 |

Ownership Summary



Note: Data mentioned in above chart is as on 31st March 2019



Aarti Drugs Ltd.

Thank You

Aarti Drugs Ltd

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