



Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

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

Ref: ADL/SE/2025-26/54
November 7, 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: Q2 & H1 FY26 Investor Presentation

Please find attached herewith Q2 & H1 FY26 Investor Presentation of the Company.

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 Ltd.

Aarti Drugs Limited

Q2 & H1 FY26 Investor Presentation

November 2025

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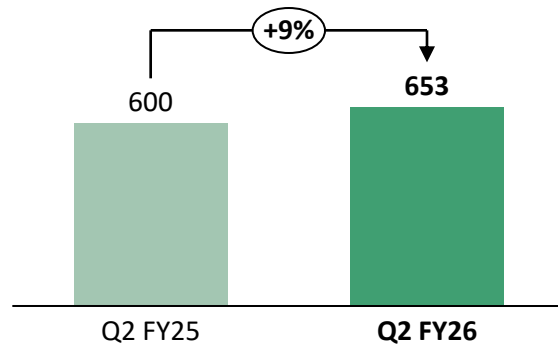
Q2 & H1 FY26 Business & Financial Highlights



Q2 & H1 FY26 Consolidated Financial Highlights

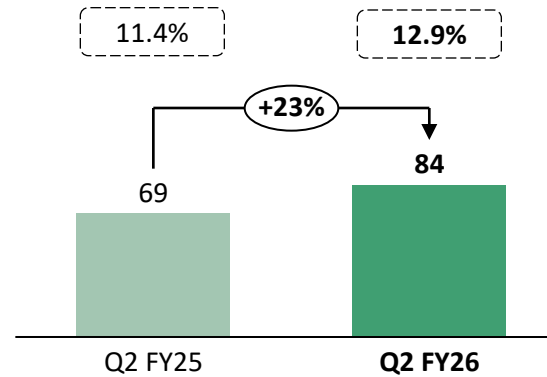
Total Revenue

(Rs. Crs.)



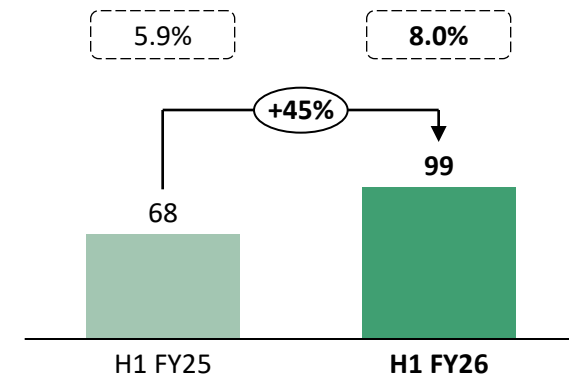
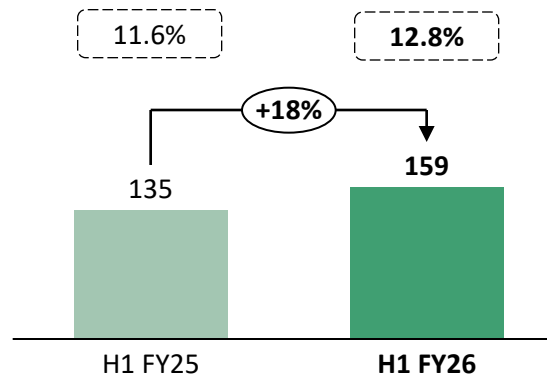
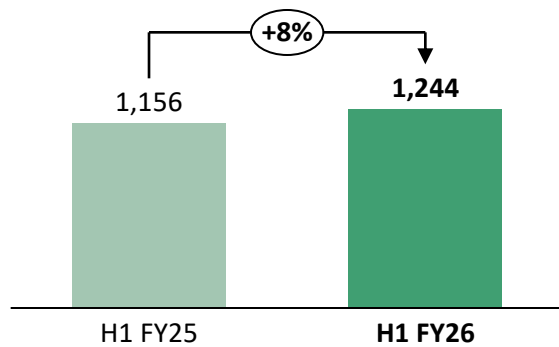
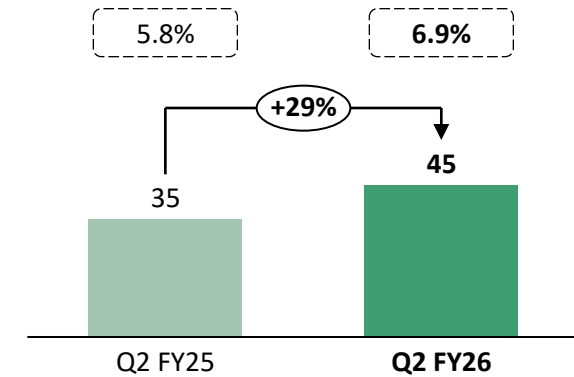
EBITDA & EBITDA Margin

(Rs. Crs.)



PAT & PAT Margin

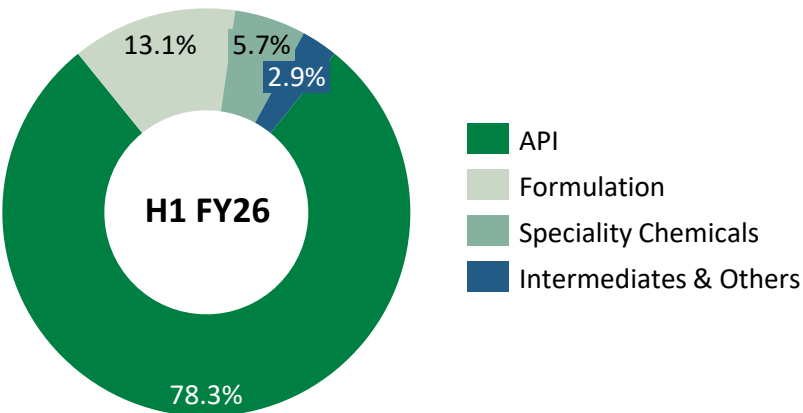
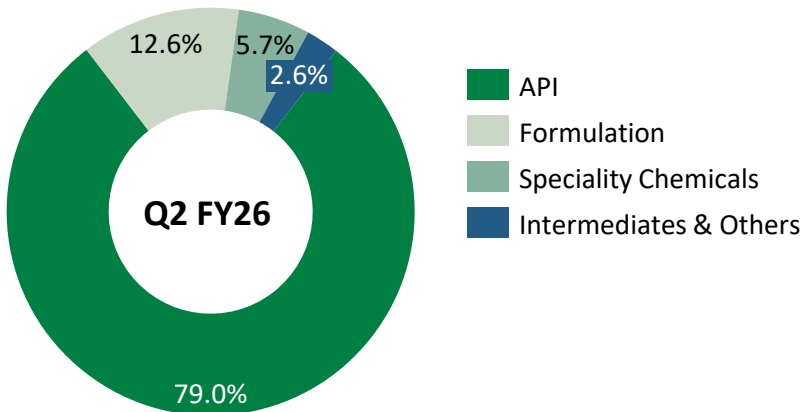
(Rs. Crs.)



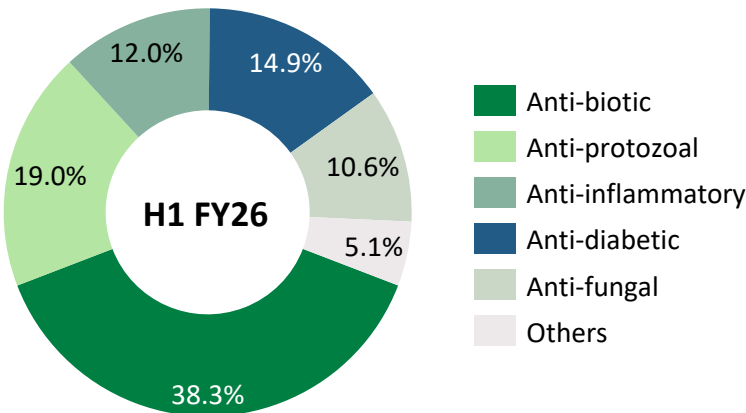
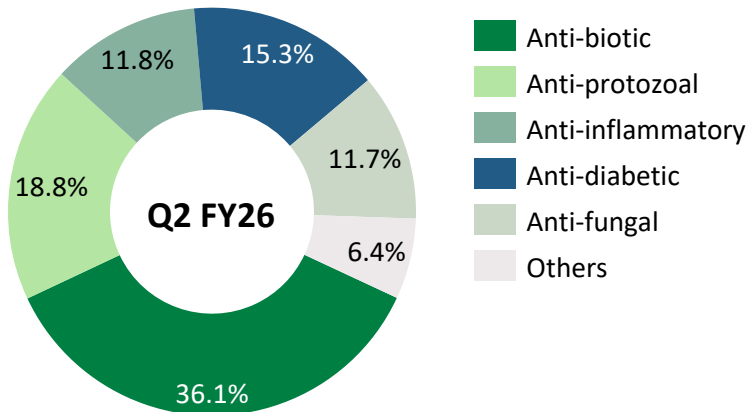
Note: EBITDA includes other income & excludes exceptional items
* As of H1 FY26, Therapeutic revenue Includes sale to Pinnacle Life Science

Q2 & H1 FY26 Segment Breakup

Segmental Revenue



Therapeutic-wise Revenue* (Within API Segment)



Note: EBITDA includes other income & excludes exceptional items
* As of H1 FY26, Therapeutic revenue Includes sale to Pinnacle Life Science

Consolidated Profit & Loss Statement

Particulars (Rs. Crs.)	Q2 FY26	Q2 FY25	YoY Change	Q1 FY26	QoQ Change	H1 FY26	H1 FY25	YoY Change
Net Revenue from Operations	652.8	598.3	9%	590.5	11%	1,243.3	1,153.7	8%
Other Income	0.1	1.5		0.3		0.4	2.6	
Total Revenue	652.9	599.8	9%	590.8	11%	1,243.7	1,156.3	8%
COGS	408.3	394.0		373.4		781.7	753.8	
Gross Profit	244.6	205.8	19%	217.4	12%	462.0	402.4	15%
Gross Margin (%)	37.5%	34.4%	310 bps	36.8%	70 bps	37.2%	34.9%	230 bps
Employee Expenses	33.1	26.6		30.8		63.9	53.0	
Other Expenses	127.1	110.7		112.2		239.4	214.8	
EBITDA	84.4	68.5	23%	74.4	13%	158.8	134.6	18%
EBITDA Margin (%)	12.9%	11.4%	150 bps	12.6%	30 bps	12.8%	11.6%	120 bps
Finance Costs	7.7	8.9		8.6		16.3	17.6	
Depreciation	16.3	13.7		14.7		31.0	27.1	
PBT	60.4	45.9	32%	51.1	18%	111.5	89.9	24%
Taxes	15.2	10.9		-2.9		12.4	21.6	
Profit After Tax	45.2	35.0	29%	54.0	-16%	99.1	68.3	45%
PAT Margin (%)	6.9%	5.8%	110 bps	9.1%	-220 bps	8.0%	5.9%	210 bps
Earnings Per Share (EPS)	4.95	3.83		5.91		10.86	7.48	

Consolidated Balance Sheet

Equity & Liabilities (Rs. Crs.)	Sep-25	Mar-25
Equity		
Equity Share capital	91.3	91.3
Other Equity	1,377.0	1,277.7
Non-Controlling Interest	0.3	0.3
Total Equity	1,468.6	1,369.3
Financial liabilities		
(i) Borrowings	273.6	284.0
(ii) Lease Liabilities	1.2	1.7
(iii) Other Financial liabilities	0.2	0.2
Deferred tax liabilities (Net)	81.5	78.2
Provisions	4.3	4.3
Total Non-Current Liabilities	360.8	368.4
Financial liabilities		
(i) Borrowings	297.6	328.2
(ii) Lease Liabilities	1.1	1.2
(iii) Trade Payables	376.8	416.1
(iv) Other financial liabilities	22.8	20.2
Provisions	4.6	4.3
Other current liabilities	80.0	66.9
Total Current Liabilities	782.9	837.0
Total Equity and Liabilities	2,612.3	2,574.7

Assets (Rs. Crs.)	Sep-25	Mar-25
Non-Current assets		
Property, Plant and Equipment	1,066.3	856.3
Capital work in progress	179.1	330.2
Intangible assets	9.9	7.1
Right to use assets	2.2	2.7
Financial Assets		
(i) Investments	22.5	22.4
Other non-current assets	19.8	17.6
Total Non-Current Assets	1,299.9	1,236.3
Current Assets		
Inventories	470.0	472.9
Financial Assets		
Investments	0.0	0.0
(i) Trade receivables	719.6	751.2
(ii) Cash and Bank Balances	9.6	7.6
(iii) Other Financial Assets	0.5	15.1
(iv) Loans	15.0	0.8
Current Tax Assets	97.0	10.0
Other current assets	0.8	80.9
Total Current Assets	1,312.4	1,338.4
Total Assets	2,612.3	2,574.7

Consolidated Cash Flow Statement

Particulars (Rs. Crs.)	Sep-25	Sep-24
Net Profit before Tax and Extraordinary items	111.5	89.9
Adjustments for: Non Cash Items / Other Investment or Financial Items	49.6	46.7
Operating profit before working capital changes	161.1	136.6
Changes in working capital	-9.0	53.0
Cash generated from Operations	152.1	189.6
Direct taxes paid (net of refund)	0.2	-21.4
Net Cash from Operating Activities	152.4	168.1
Net Cash from Investing Activities	-94.1	-89.3
Net Cash from Financing Activities	-56.2	-74.2
Net Change in Cash and Cash equivalents	2.1	4.6
Add: Cash & Cash equivalents at the beginning of the period	4.6	6.7
Cash & Cash equivalents at the end of the period	6.7	11.3

Commenting on the results, Mr. Adhish Patil, CFO & COO, of Aarti Drugs Limited said,

“We are pleased with the operational progress achieved during the quarter. Aarti Drugs posted revenue of Rs. 652.9 crore in Q2 FY26, growing 9% year-on-year, with EBITDA of Rs. 84.4 crore, up 23%, with margin at 12.9%. For H1 FY26, revenue was Rs. 1,243.7 crore, up 8% year-on-year, with EBITDA of Rs. 158.8 crore, up 18% with margin at 12.8%. The capex incurred during Q2 FY26 was Rs. ~45.6 crore. Overall, our Q2 results reflect the benefit of favorable export mix and disciplined execution.

Q2 FY26 marked continued progress on our strategic priorities of backward integration, capacity expansion, and strengthening cost competitiveness, even as the broader industry witnessed soft domestic demand trends—particularly in the antibiotics category. Export demand, however, remained robust, offsetting the weakness in the domestic market and contributing to improvement in our overall margins.

The commissioning of our Sayakha amines facility in September 2025 marks a pivotal step in backward integration, enhancing raw material security and margin resilience. Around 40–50% of captive requirements of Metformin are now being met internally from this plant and is expected to scale up to fulfill the entire captive demand over the next 6-12 months.

Our salicylic acid operations at Tarapur are stabilizing well with near-term output of around 300 tonnes per month and targeting 500 tonnes per month for Q4 FY26. This vertical will feed another 400 tonnes per month salicylates line, delivering downstream integration, better overhead absorption and improved margin stability. These capacity additions aim to convert import dependence into domestic supply, and with the downstream salicylates line under implementation, this segment will become a key value driver in the coming years.

Aarti Drugs also continues to deepen its global presence with several EU and USFDA certifications obtained and some under-implementation for key products from large-scale plants. These approvals will enable export of higher-value APIs and formulations to regulated markets and from our lower-cost facilities.

With operating cash flows strengthening and capex largely behind us, the focus now shifts toward scaling utilization and converting our new assets into steady earnings contributors. Over FY27–FY29, we expect the combined contribution to drive sustainable margin expansion and value creation.”

Company & Business Overview



Leadership in API Manufacturing

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

1	Largest producer of Nimesulide in the world
2	Largest producer of Ketoconazole in the world
3	Largest producer of Metronidazole Benzoate in the world
4	Largest producer of Tinidazole in the world
5	Largest producer in Fluoroquinolones group in the world
6	One of the leading producers of Metformin in the world
7	Largest producer of Metronidazole in India

14

Manufacturing Facilities

5,088

MT/Monthly Capacity

80+

Finished Products

50+

API Molecules

~2,067

Employees

~35%

Export Revenue

1,26,642

Sq.m. Plant Area

100+

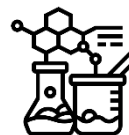
Presence across countries

Presence Across APIs, Formulation, Specialty Chemicals, Intermediates Segments



Active Pharmaceuticals Ingredients (API)

- ✓ Leading API producer with 50+ molecules across therapeutic categories including antibiotics, antiprotozoals, anti-inflammatories, anti-diabetics, and anti-fungals
- ✓ Global Leader:
 - Largest manufacturer of 5 molecules globally
 - Among the top producers of 2 additional molecules worldwide
- ✓ API Infrastructure:
 - 9 manufacturing units contributing ~90% of total revenues
 - Installed capacity: 45,511 MTPA



Formulations

- ✓ Diversified into formulations in 2014 via wholly owned subsidiary.
- ✓ Flexible manufacturing model: In-house + outsourced production backed by strong R&D
- ✓ UKMHRA / PICS approved
- ✓ WHO-GMP approved plant in Baddi, Himachal Pradesh
- ✓ Oncology formulation is USFDA approved
- ✓ Installed capacity:
 - 3 billion tablets
 - 300 million capsules



Specialty Chemicals, Intermediates & Others

- ✓ Backward integrated to supply intermediates for antibiotics, antifungals, anti-inflammatories, and cardiovascular APIs.
- ✓ Manufacturer of specialty chemicals in Benzene and Chloro-sulphonic chemistries
- ✓ Installed capacity: 13,742 MTPA

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

Segmental Mix

- API business contributes 81% 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 95% of API sales in FY25
- Anti-biotic products contributes highest at 40% to API sales in FY25
- Leaders in Domestic market in most of top 10 products

Customer Mix

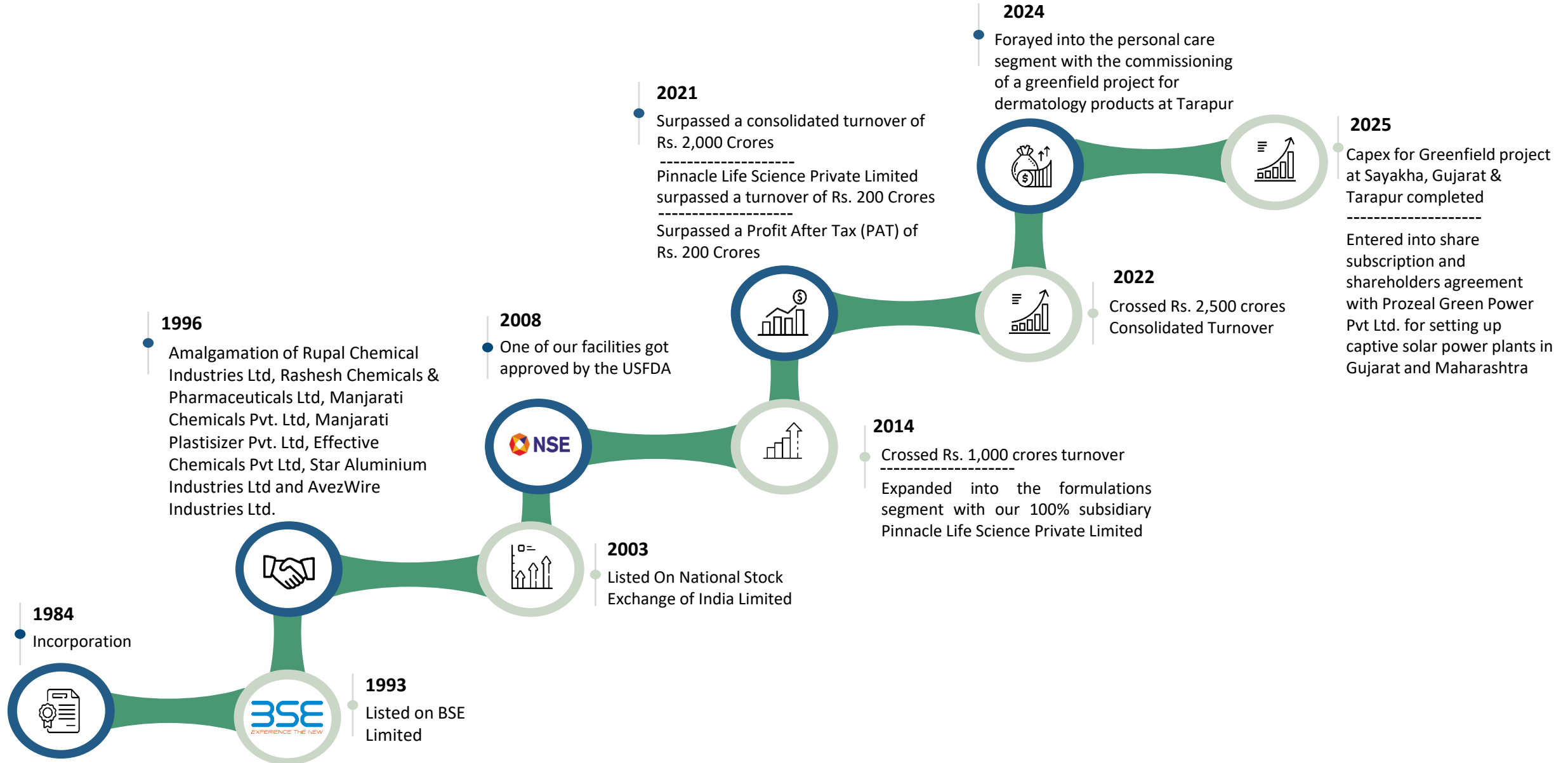
- Domestic: Largest client contributes ~4% of domestic sales whereas top 10 clients contribute ~26%
- Exports: Largest client contributes ~4% of exports sales whereas top 10 clients contribute ~22%

Expanding Product Portfolio

Geographic Expansion

Diversified Customer Base

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



Manufacturing Footprint

Baddi Pinnacle Plant
Formulation Plant WHO-GMP

Sarigam-1

WHO-GMP

Sarigam-2

WHO-GMP/
COFEPRIS/CEP

Sayakha

WHO-GMP

E-22

- Australian Government – Department of Health and Ageing - Therapeutic Goods Administration
- EUGMP / WHO-GMP / Japanese Accreditation
- USFDA*

G-60

- ANVISA-Brazil
- WHO-GMP
- COFEPRIS-MEXICO

E-21

- WHO-GMP
- K-FDA(Korean FDA)

N-198

EUGMP, WHO-GMP
& ISO Certification

K-40

WHO-GMP /
COFEPRIS

W-61

EUGMP & WHO-GMP

E-120

WHO-GMP

E-9/3

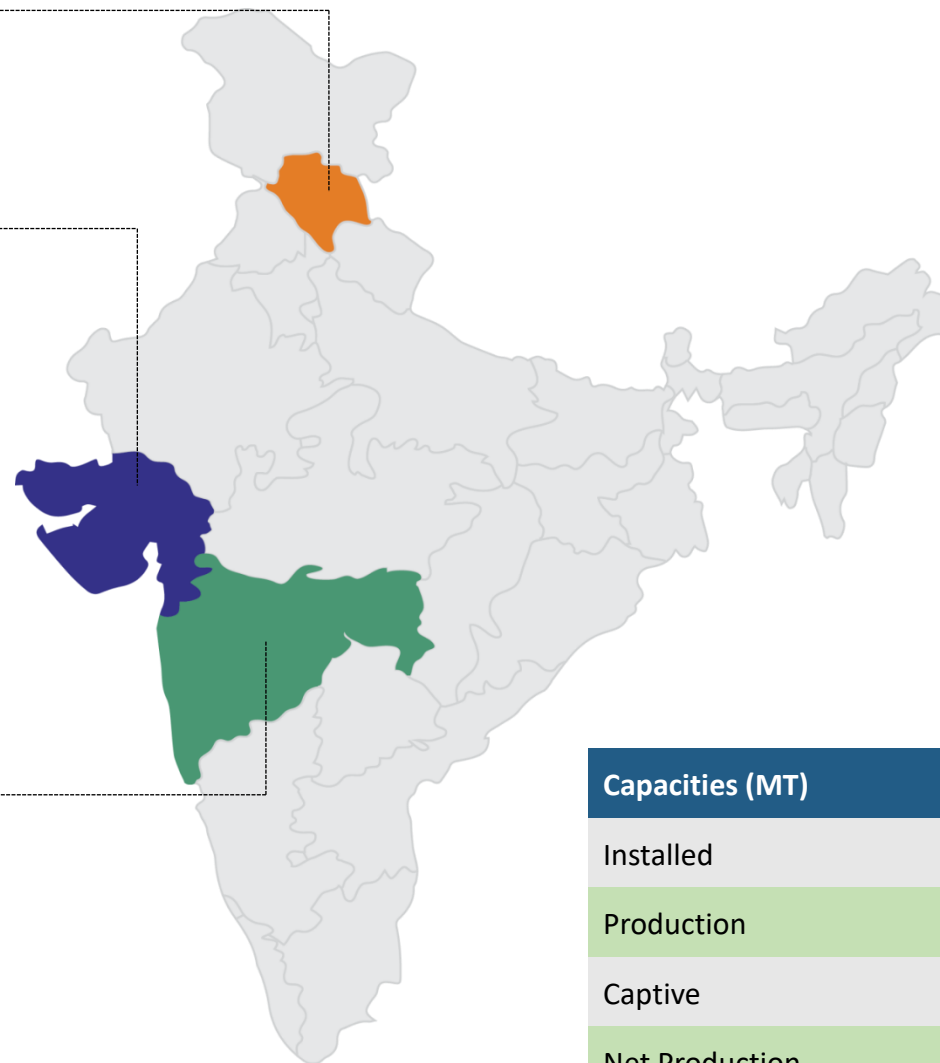
ISO-9001:2008

T-150

Intermediate
ISO Certification

G61/62

ISO certification



- ✓ 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

Capacities (MT)	2022-23	2023-24	2024-25
Installed	51,126	57,179	61,053
Production	38,215	41,116	44,915
Captive	9,382	9,864	11,621
Net Production	28,834	31,251	33,294

Diversified Geographic Presence

North America

8%
FY24

11%
FY25

Latin America

10%
FY24

14%
FY25

Africa

11%
FY24

11%
FY25

Europe

14%
FY24

12%
FY25

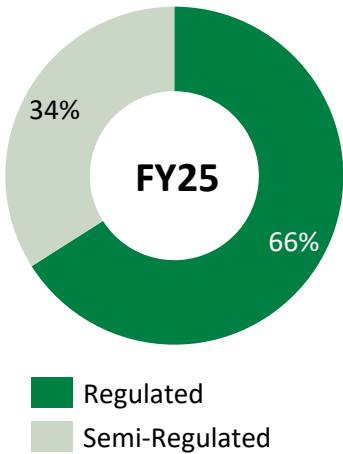
Asia

57%
FY24

52%
FY25



Market Segmentation



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

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

Our Esteemed Clientele





VISION

To be the Preferred Global Supplier of Bulk Drugs by:

- ✓ Ensuring consistent quality, timely delivery, and competitive pricing
- ✓ Offering customized, customer-centric solutions
- ✓ Adopting cost-effective, safe, and flexible manufacturing practices
- ✓ Upholding high business ethics in all operations
- ✓ Continuously upgrading technology and developing new products



To achieve global market leadership by:

- ✓ Driving product growth and innovation
- ✓ Fostering a winning culture rooted in ethics, values, and collaborative competition
- ✓ Delivering excellence in customer service, quality, and R&D



MISSION

Aarti Drugs Limited has a strong presence across multiple segments with healthy financial standing

Key Executive Management



Shri Chandrakant V. Gogri
Chairman Emeritus

- One of the Founder Promoters of the Company
- Has 50+ years of experience across Projects, Operations, Process Development, and Marketing (domestic & international) in the Chemical and Pharma sectors
- Offering strategic guidance to the Board



Shri Prakash M. Patil
Chairman, MD & CEO

- Has over 25 years of experience in the chemical & pharmaceutical industry
- Instrumental in driving the company's strategic direction, project execution, and operational excellence
- Actively involved in business development, innovation, and expanding global reach



Shri Rashesh C. Gogri
Managing Director

- Brings over 21 years of experience in Production, Marketing, and Project Implementation in the Chemical and Pharma sectors
- Also serves as Vice Chairman & Managing Director of Aarti Industries Ltd and Chairman of Aarti Pharmed Labs Ltd



Shri Harshit M. Savla
Joint Managing Director

- Associated with the company since 1987
- Brings over 36 years of experience in Finance, Exports, and Administration
- Played a key role in expanding the Company's API and Formulation businesses



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

- Has 18 years of experience across Manufacturing, Finance, Investor Relations, Compliance, Consulting, and IT in the Pharma and Consulting sectors
- Named among India's Top 100 CFOs in 2014 and Top 200 CFOs in 2023 by StartupLanes



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

- Actively involved in operations of Pinnacle and Aarti Drugs since the inception of the formulation business
- Specializes in Strategy Management, Export Business, and Market Research in the formulations segment



Shri Harit P. Shah
Executive Director

- Associated with Company since September 1995
- Has over 36 years of experience in Sales, Purchases, and Exports
- Oversees domestic sales and export operations
- Possesses deep knowledge of the pharmaceutical industry



Shri Uday M. Patil
Executive Director

- Associated with Company since October 2000
- Has over 36 years of experience in factory administration.
- Specializes in liaising with various Government and Semi-Government bodies

Independent Directors



Shri Ankit V. Paleja
Independent Director

- A qualified lawyer with 16 years of legal experience
- Currently a Partner at Crawford Bayley & Co. (Advocates & Solicitors)
- Specializes in Equity Investments, M&A, Banking & Finance, and Corporate Transactions



Smt. Neha R. Gada
Independent Director

- Chartered Accountant and certified Insolvency Professional
- Brings over 21 years of experience in Securities Law and Corporate Law compliance
- Co-founder of Dhhanish Advisors Pvt. Ltd.



Shri Sandeep M. Joshi
Independent Director

- Holds a Chemistry degree from Mumbai University and an MBA from Symbiosis Institute of Business Management, Pune
- Has 25 years of experience in export marketing and business development in both Indian and international companies



Prof. Bhaskar N. Thorat
Independent Director

- Holds M. Chem. Engg. and Ph.D. in Chemical Engineering from the Institute of Chemical Technology (ICT), formerly UDCT
- Senior Professor of Chemical Engineering at ICT, Mumbai
- Has authored over 100 research publications in reputed international journals



Shri Hasmukh B. Dedhia
Independent Director

- Chartered Accountant with DISA (ICAI) certification
- Brings over 40 years of experience in Audits, Due Diligence, Consultancy, and Business Restructuring
- Expert in Internal Auditing and strengthening internal controls



Shri Ajit E. Venugopalan
Independent Director

- Chartered Accountant by qualification
- Banking professional with over 30 years of experience in the Banking and Finance domain



Environment

- Zero Liquid Discharge (ZLD)



- Carbon Footprint Reduction



- Eco-friendly Packaging



- Efficient Utilities & Green Technologies



Social

- Healthcare Initiatives



- Woman Empowerment



- Fair Trade Practices



- Gender Diversity



Governance

- Stakeholder Responsibility



- Risk Management Governance



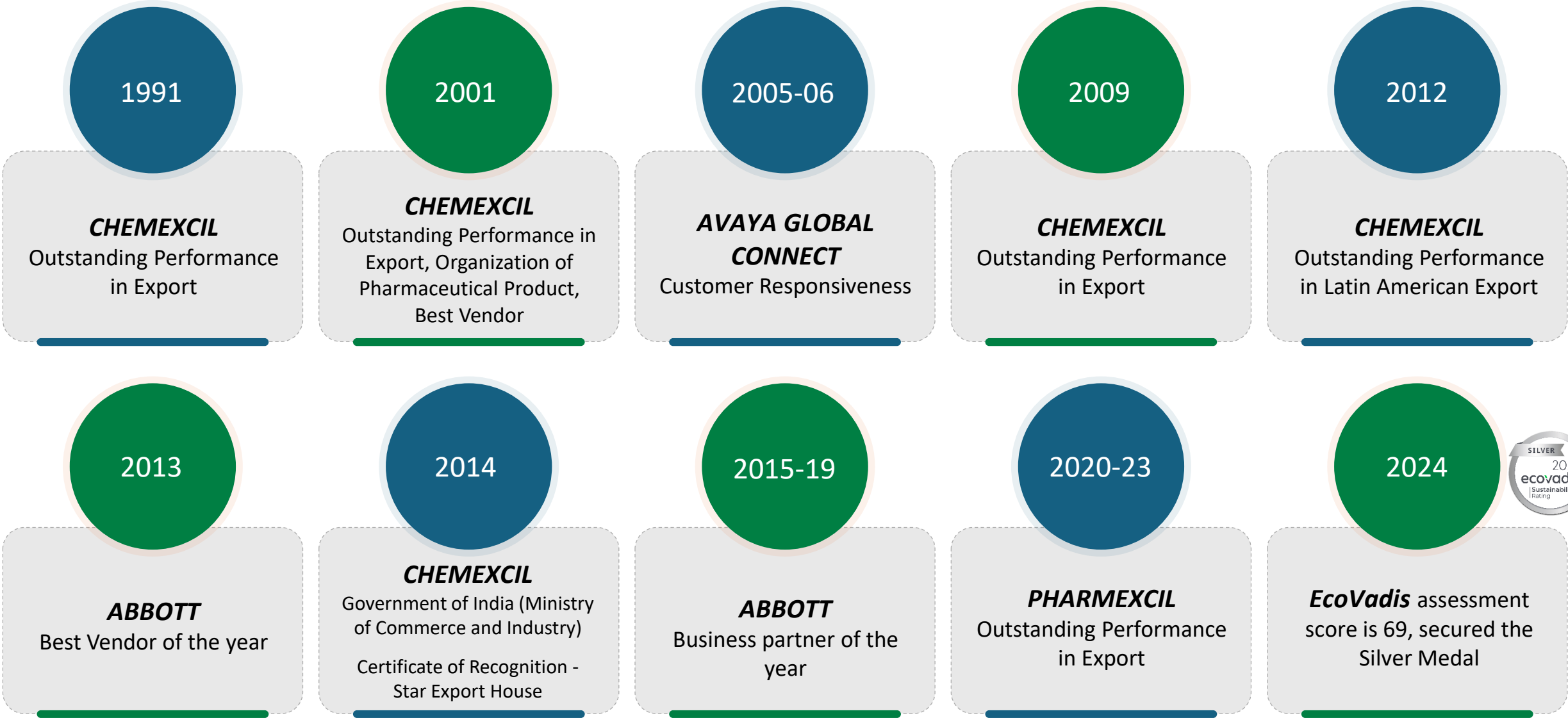
- Adherence to Regulatory Compliance



- Board Composition and Governance



Awards and Accolades



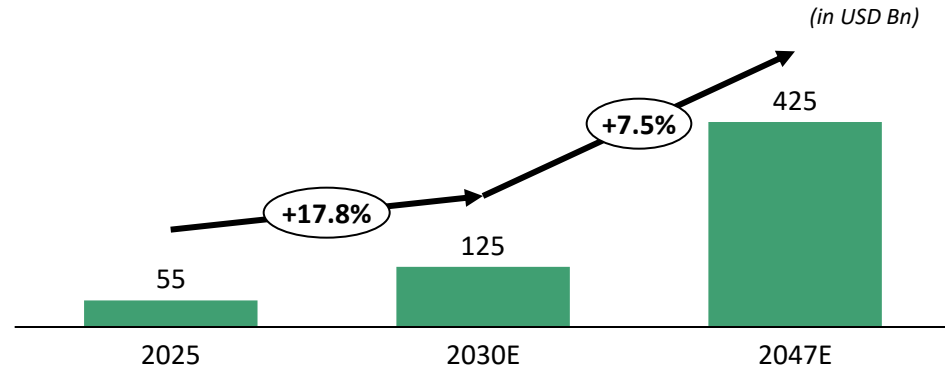
Industry Overview



Indian Pharmaceutical Industry

Indian Pharmaceutical Market Value

India produces
60,000+ generics
drugs across 60
therapeutic
categories and
supplies 500+ APIs



Largest Supplier of Generic Drugs

- India remains the largest global supplier of generic medicines, catering to 20% of global generic drug demand and supplying 60% of the world's antiretroviral (ARV) drugs
- The country fulfills a significant share of demand from the US (40%), the UK (25%), and global health organizations like UNICEF (30%)

Exports Driven Growth

- Pharmaceutical exports grew to USD 30.5 billion in FY 2024–25, registering a 9.4% year-on-year increase
- This was supported by a diversified portfolio and expansion into new geographies
- Formulations and biologics continue to account for 75% of total exports
- The United States remains the largest export destination, followed by markets such as the UK, Brazil, France, and South Africa

API Leadership

- India is ranked as the third-largest API market in the Asia-Pacific region, enjoying an 8% market share in the global market

20%
(FY25)

India's Contribution to global
generic drug exports

8% share

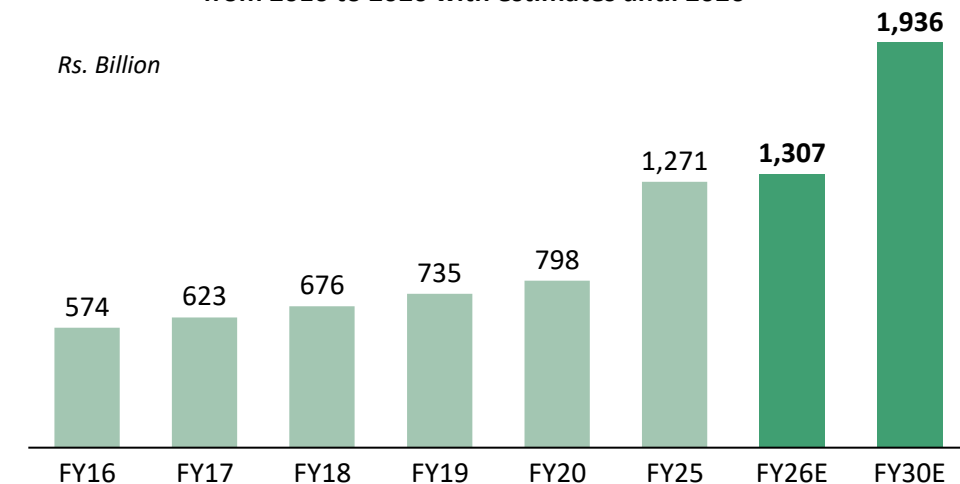
API market (third largest
globally in FY25)

34%

Contribution to pharma market by
cardiac, gastrointestinal and anti-
diabetic segments

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

Rs. Billion



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

Key Strengths & Growth Drivers



Unique Competitive Position

Economies of Scale

Good Purchasing Power

Long-term relationship; repeat
business from customers

4 decades of experience

Superior Quality

Client Diversification

Strong International
presence

Less regional dependence

Known brand in
API space



Process
improvement R&D,
cost leadership



Phase-Wise Capex to
mitigate debt trap
risks



Green field projects



High entry barriers

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

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

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

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

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

Specialized 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



Aarti Drug's Core Competencies

- ✓ Demonstrated manufacturing excellence for 4 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

Capex of Rs. 600 crores nearly complete; Boosting capacity, margins

Anti-diabetics

- ✓ With a manufacturing capacity exceeding 1,450 TPM, ADL is one of the leading Metformin manufacturers in the world.
- ✓ Aiming for higher utilization. In future planning for additional 350 TPM of brownfield expansion
- ✓ The launch of Gliptins will further enhance and solidify the position of this category
- ✓ The greenfield project at Sayakha, Gujarat, dedicated to backward integration of anti-diabetic products along with few more intermediates, has commenced trial production which is expected to stabilize soon. This is anticipated to contribute meaningfully to the Company's profitability over a long period of time

Antiprotozoals

- ✓ Enhancing the position in the Indian market through a brownfield expansion focussed on selected products, which will increase production capacity by approximately 40%
- ✓ Secured approval to market the products in China, expanding market reach into new territories
- ✓ By pursuing incremental expansions and improving downstream products within the antiprotozoals segment, the Company is poised to accelerate our growth trajectory

Formulations

- ✓ Commenced commercial operations in Latin America and a few African markets along with undertaking new registrations in export markets and government tenders
- ✓ Formulation Oncology Investments Plant is USFDA approved
- ✓ Currently, pursuing expansion into new geographies, alongside toll manufacturing of formulations
- ✓ Filed ~330 registrations across 16 geographies and established a foreign subsidiary to seize emerging opportunities

Anti-inflammatory

- ✓ Targeting highly regulated markets, undertaken the construction of a multi-purpose facility to better serve our customers.
- ✓ The brownfield expansion of existing facilities is underway for few therapeutic drugs, further driving growth in this segment.
- ✓ The enhanced capacity is expected to yield revenues of ~Rs. 35-50 Crores annually based on product selection.

Operational Scale-up at Tarapur Greenfield Project

- ✓ The Salicylic Acid plant at Tarapur has commenced operations and is gradually scaling up production and is targeting a cumulative capacity of ~1,600 tonnes per month by the end of 2025-26.
- ✓ This is expected to contribute meaningfully to long-term profitability

Brownfield / Greenfield Capacity Expansion

Backward Integration

De-bottlenecking

Asset Turn - 2.5x

Revenue:

Rs. 1,200 crores

+

Captive consumption:

Rs. 300 crores

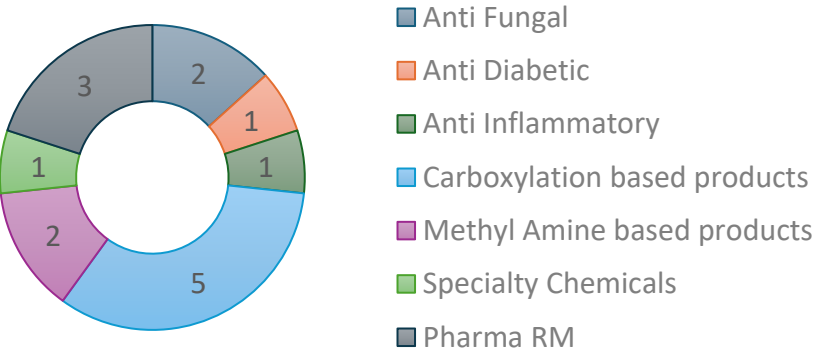
Revenue Growth

Higher Margins

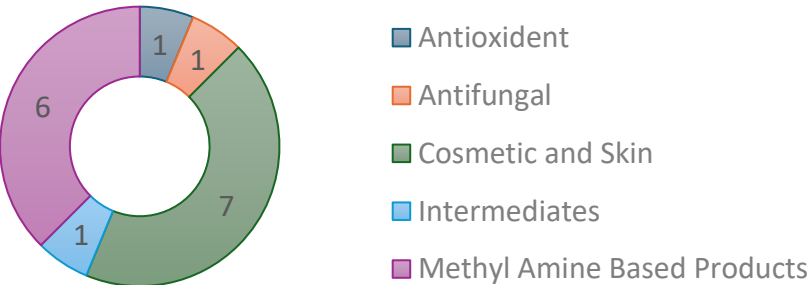
Higher RoCE

API

Product Under Development



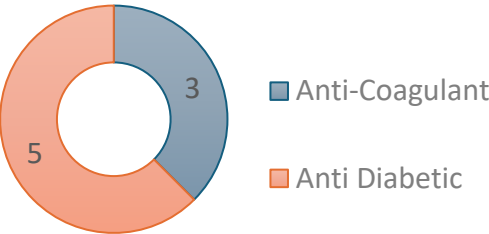
Product Under Pipeline



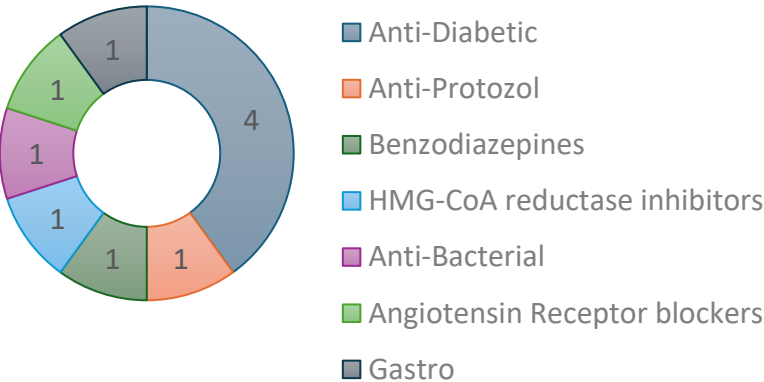
Number of Products

Finished Dosages

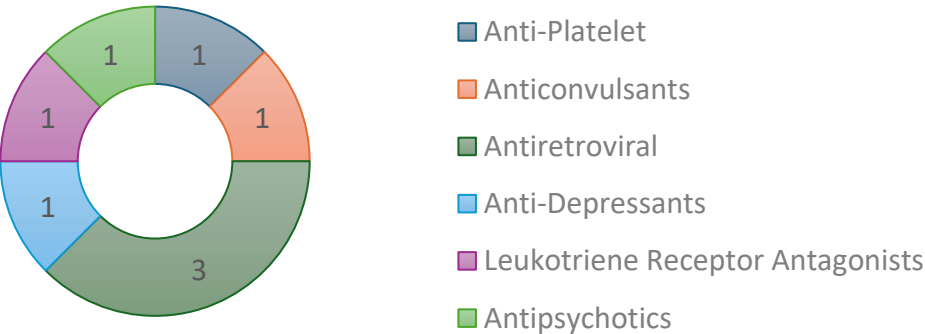
Product Under Development : New Age Molecules For regulated Markets



Product Under Development: LATAM & Emerging Markets



Product Under Development



Strong R&D thrust on continuous innovation

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

- 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

2

Doctorates

79

Master Graduated (M.Sc.)

6

Technicians

Rs. 46 Crores

R&D Spends (FY25)

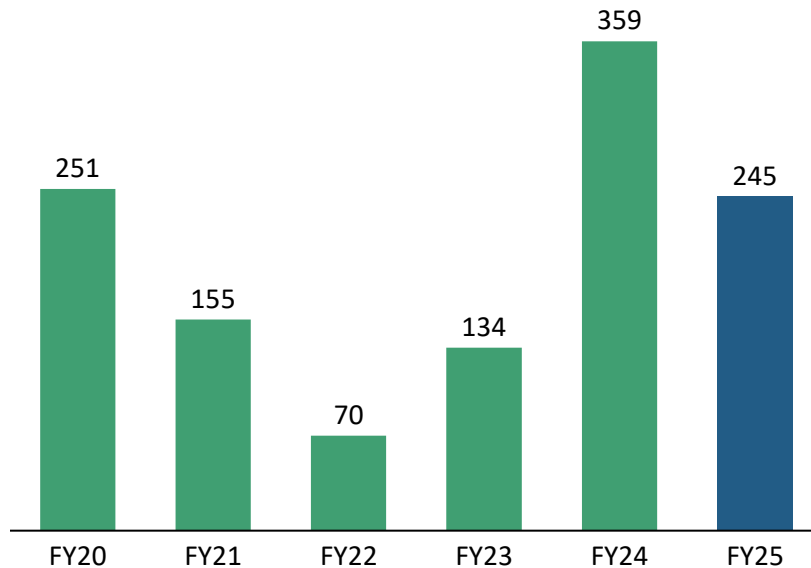
50

Graduates (B.Sc.) & Engineers

Robust Balance Sheet

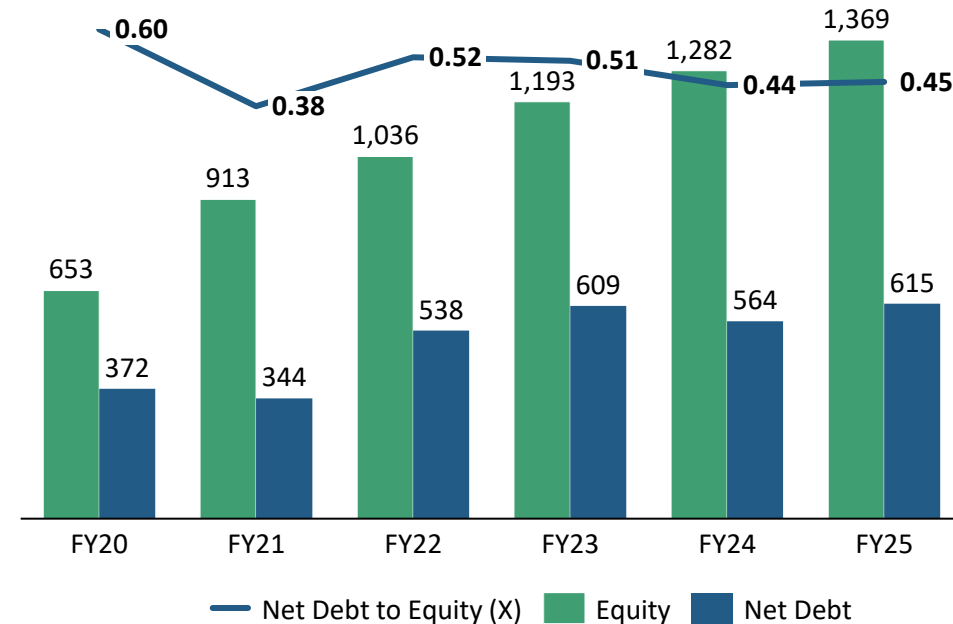
Net Operating Cashflow

(in Rs. Crore)



Debt to Equity Profile

(in Rs. Crore)



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

Strong net operating cashflow generation

Low leverage provides Balance Sheet strength

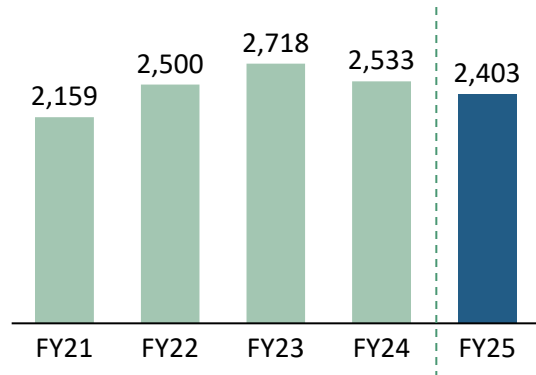
Historical Financial Performance



Historical Consolidated Performance

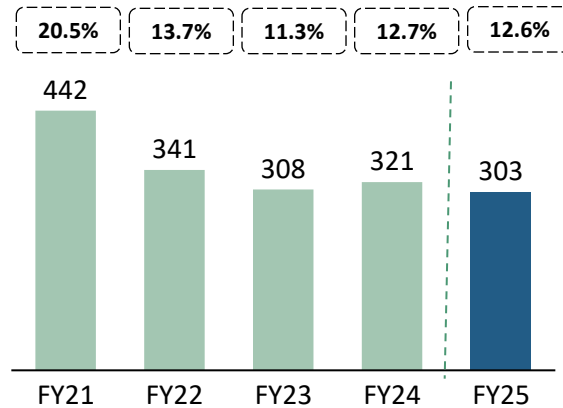
Total Revenue

(in Rs. Crore)



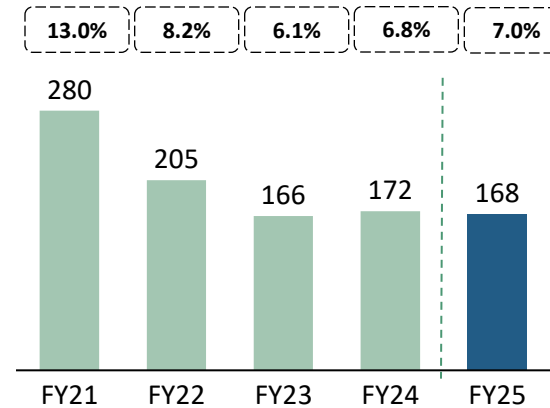
EBITDA & EBITDA Margin

(in Rs. Crore)



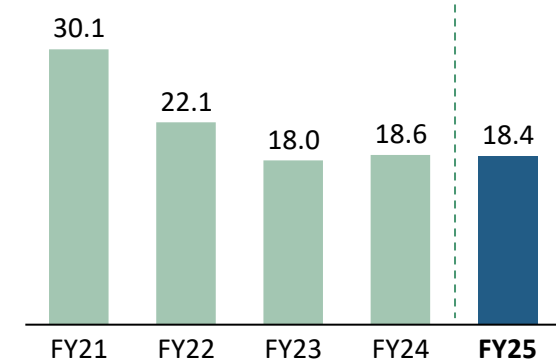
PAT & PAT Margin

(in Rs. Crore)



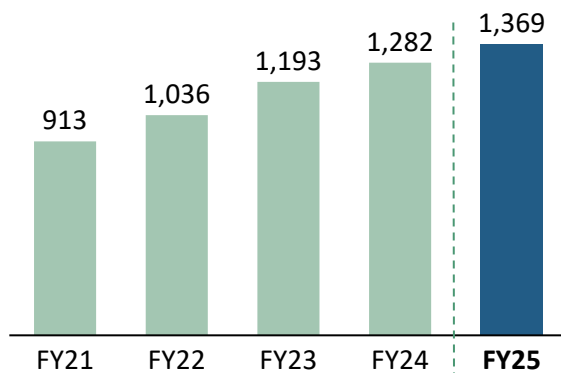
Earnings Per Share

(in Rs.)

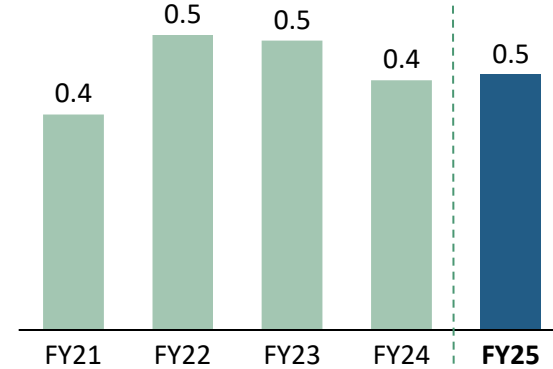


Net Worth

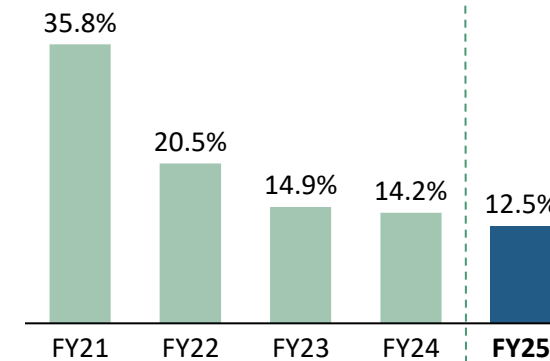
(in Rs. Crore)



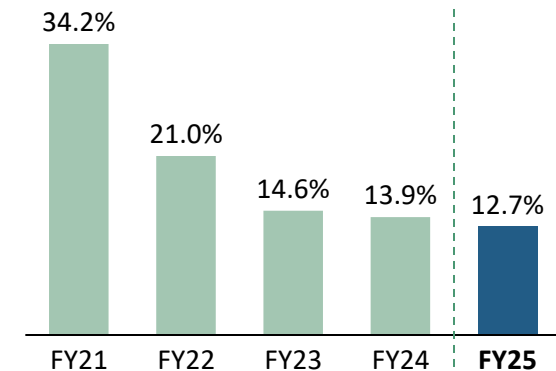
Leverage (X)



RoCE (%)



RoE (%)



Note: EBITDA includes other income & excludes exceptional items

Historical Profit & Loss Statement

Particulars (Rs. Crore)	FY25	FY24	FY23	FY22	FY21
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
Profit After Tax	168.1	171.6	166.4	205.0	280.4
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

Consolidated Balance Sheet

Equities & Liabilities (Rs. Crore)	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
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	2.0	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
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
Investments					
(i) Trade receivables	751.2	704.6	864.8	749.9	555.2
(ii) Cash and Bank Balances	19.7	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	1,338.4	1,320.7	1,492.3	1,393.4	1,056.8
Total Assets	2,574.7	2,432.4	2,421.4	2,208.0	1,766.0

Consolidated Cash Flow statement

Particulars (Rs. Crore)	FY25	FY24	FY23	FY22	FY21
Net Profit before Tax and Extraordinary items	211.8	235.5	224.2	270.0	369.0
Adjustments for: Non Cash Items / Other Investment or Financial Items	84.3	83.0	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	193.0	153.0	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	92.0	-81.1
Net Decrease in Cash and Cash equivalents	-2.2	-0.8	-14.1	12.8	2.0
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

Distribution Policy

Considering various financial parameters, the Company may elect to distribute

~15% to 30%

of Consolidated Net Profits



Distributed ~Rs. 69.48 Crore as Dividend over last 7 years



Distributed ~ Rs. 229.15 Crore through buyback of shares over last 7 years



Distributed ~ Rs. 278 Crore in form of dividend & buyback of shares over last 7 years



Aarti Drugs Ltd.

Thank You

Company: Aarti Drugs Limited

CIN: L37060MH1984PLC055433



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