



# Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

**Corporate Office :** Mahendra Industrial Estate,  
Ground Floor, Plot No. 109-D, Road No. 29,  
Sion (East), Mumbai - 400 022. (India)  
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CIN No.:L37060MH1984PLC055433

**Ref: ADL/SE/2019-20**

**May 29, 2019**

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

To,  
Listing/ Compliance Department  
**National Stock Exchange of India  
Limited,**  
“Exchange Plaza”, Bandra - Kurla  
Complex, Bandra (E), Mumbai – 400051  
**NSE SYMBOL: AARTIDRUGS**

Dear Sir/Madam,

**Sub:** Regulation 30(6) of SEBI (LODR)  
Regulations, 2015

Please find enclosed presentation of the Company for your records.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**FOR AARTI DRUGS LIMITED**

  
RUSHIKESH DEOLE  
**COMPANY SECRETARY**  
ICSI M.No.: A54527





Aarti Drugs Ltd.

# AARTI DRUGS LIMITED

Investor Presentation March 2019

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# Company Overview

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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:

Assuring consistent quality and timely delivery at competitive price.



Aim at customer orientation through continuous technology upgrade, high business ethics and new product development.



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.

## Mission



Seek global market leadership



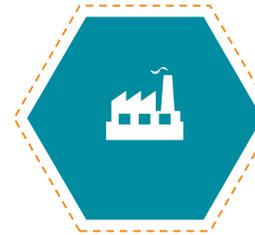
Focus on growth and development of the product



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



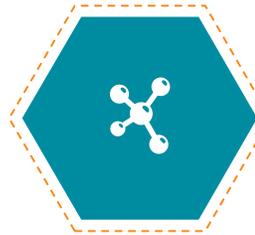
**13**  
Manufacturing facilities



**100+**  
Countries



**1,452**  
Employees



**50+**  
API Molecules



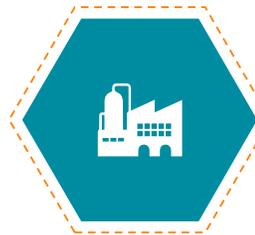
**80+**  
Finished Products



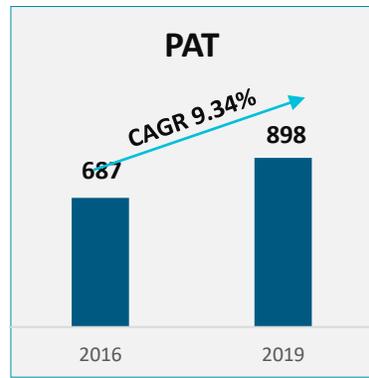
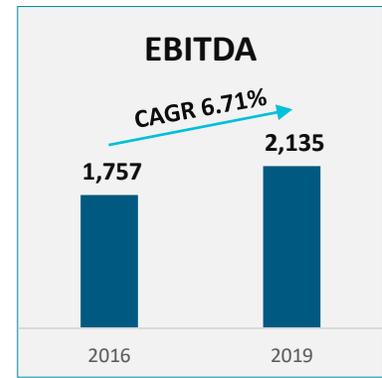
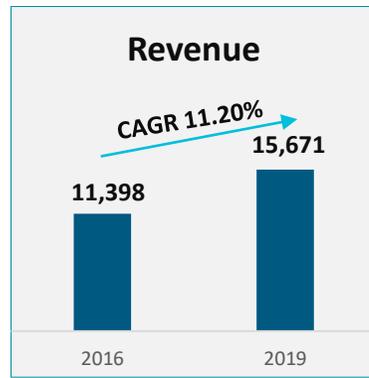
**~38%**  
Export revenue

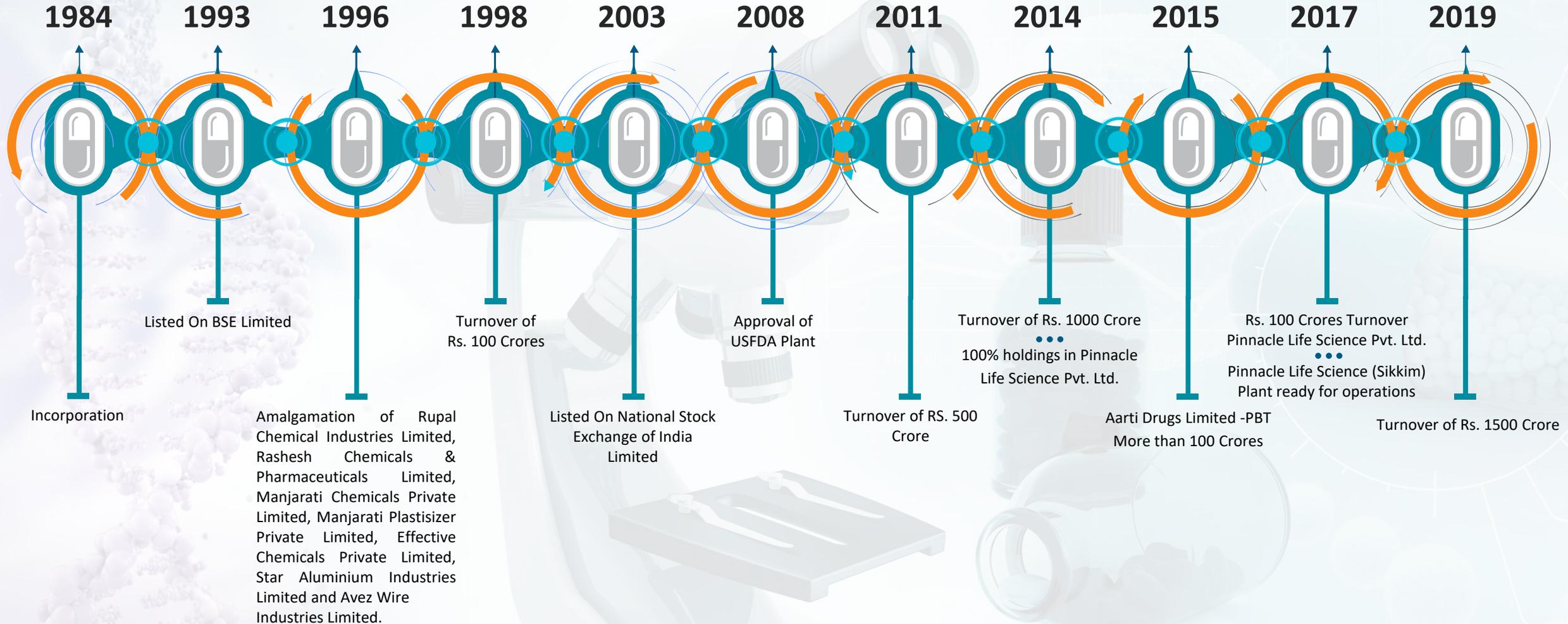


**2,480 MT**  
Monthly API Capacity



**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



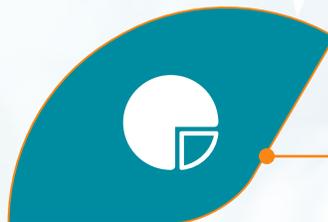
Top 10 Export clients contribute to only 20.45% of total export sales



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

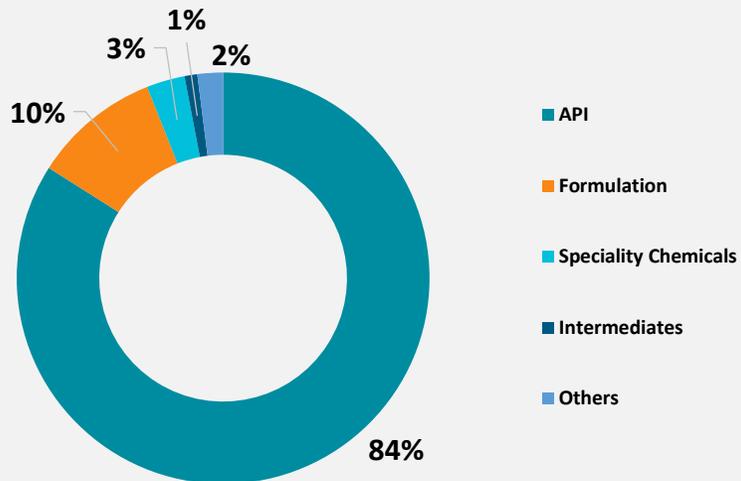


Top 10 products contribute to around 74.68% of the total sales

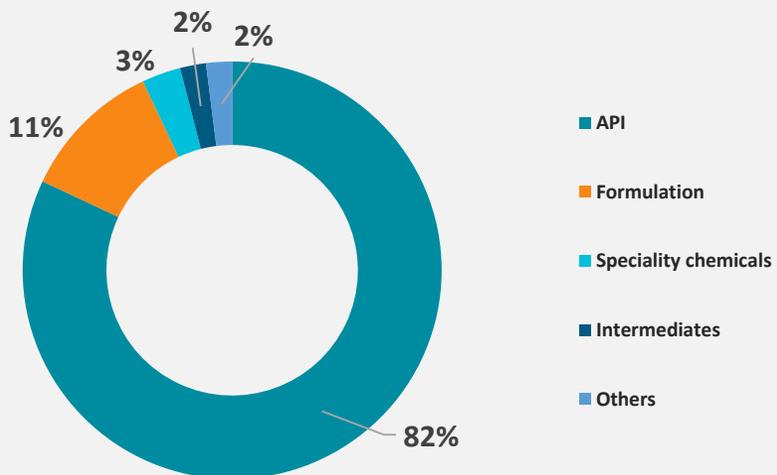


## Segment-wise Revenue Split

FY 18-19

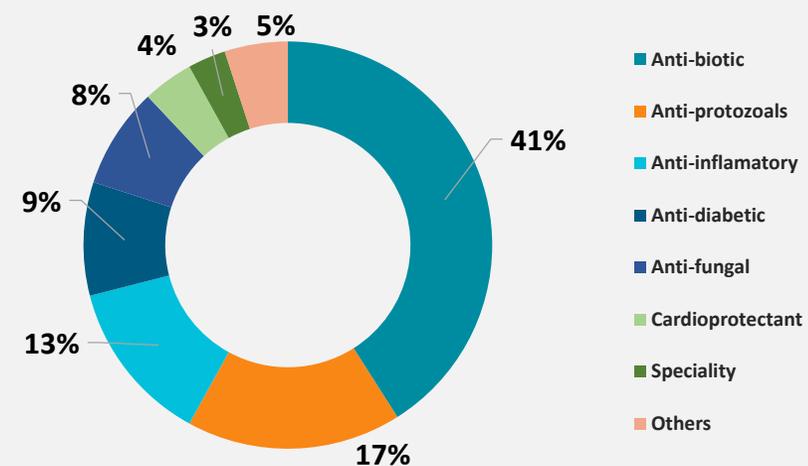


FY 17-18

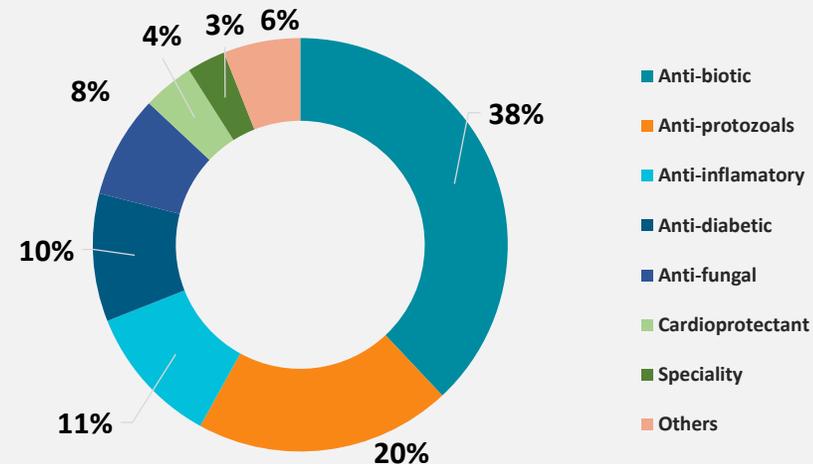


## Therapeutic wise Sales of the API Segment

FY 18-19



FY 17-18





**Monthly Capacity**  
**2480 Mt/m**

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 23<sup>rd</sup> 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

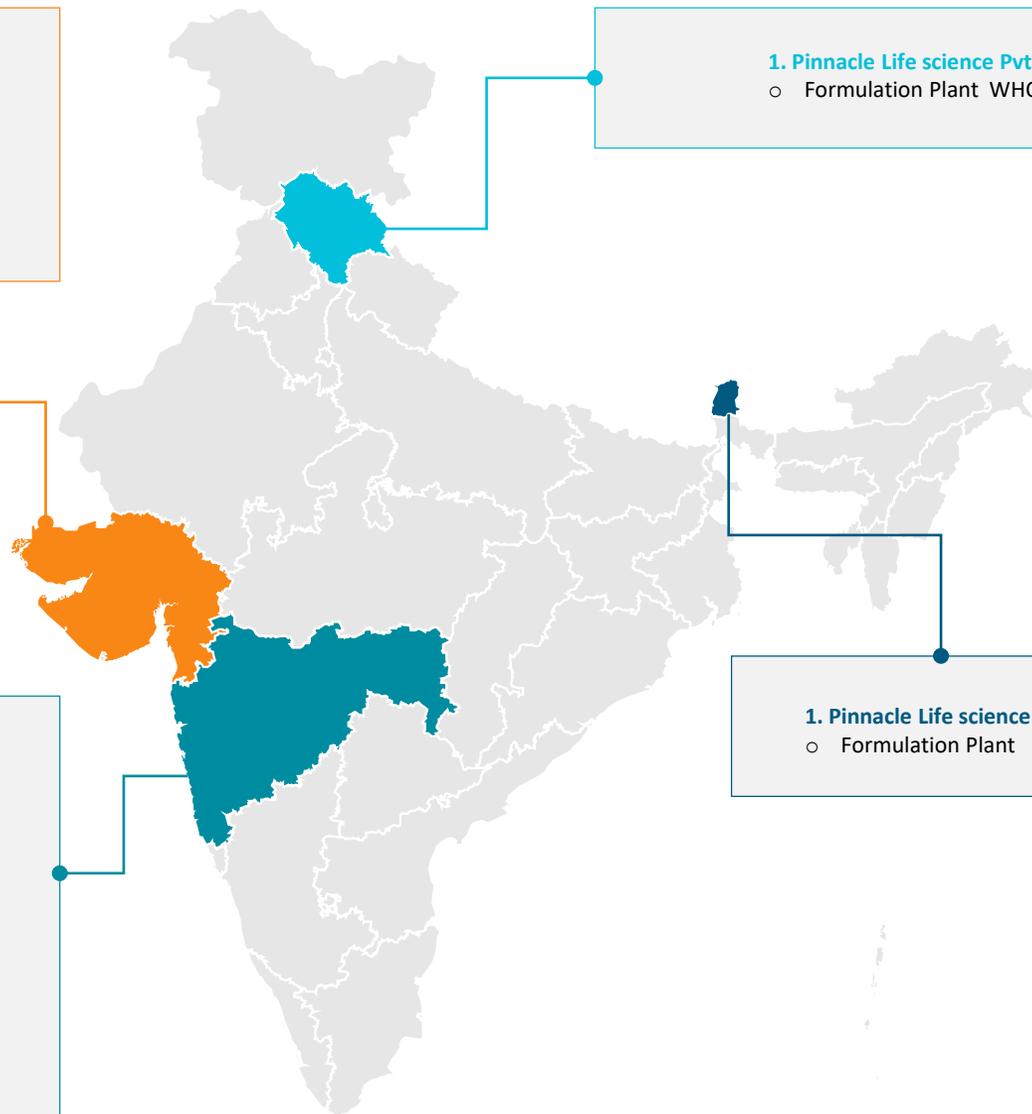
**9**

**. Aarti Drugs Ltd T-150**

- Intermediate Plant

**1. Pinnacle Life science Pvt Ltd.**

- Formulation Plant

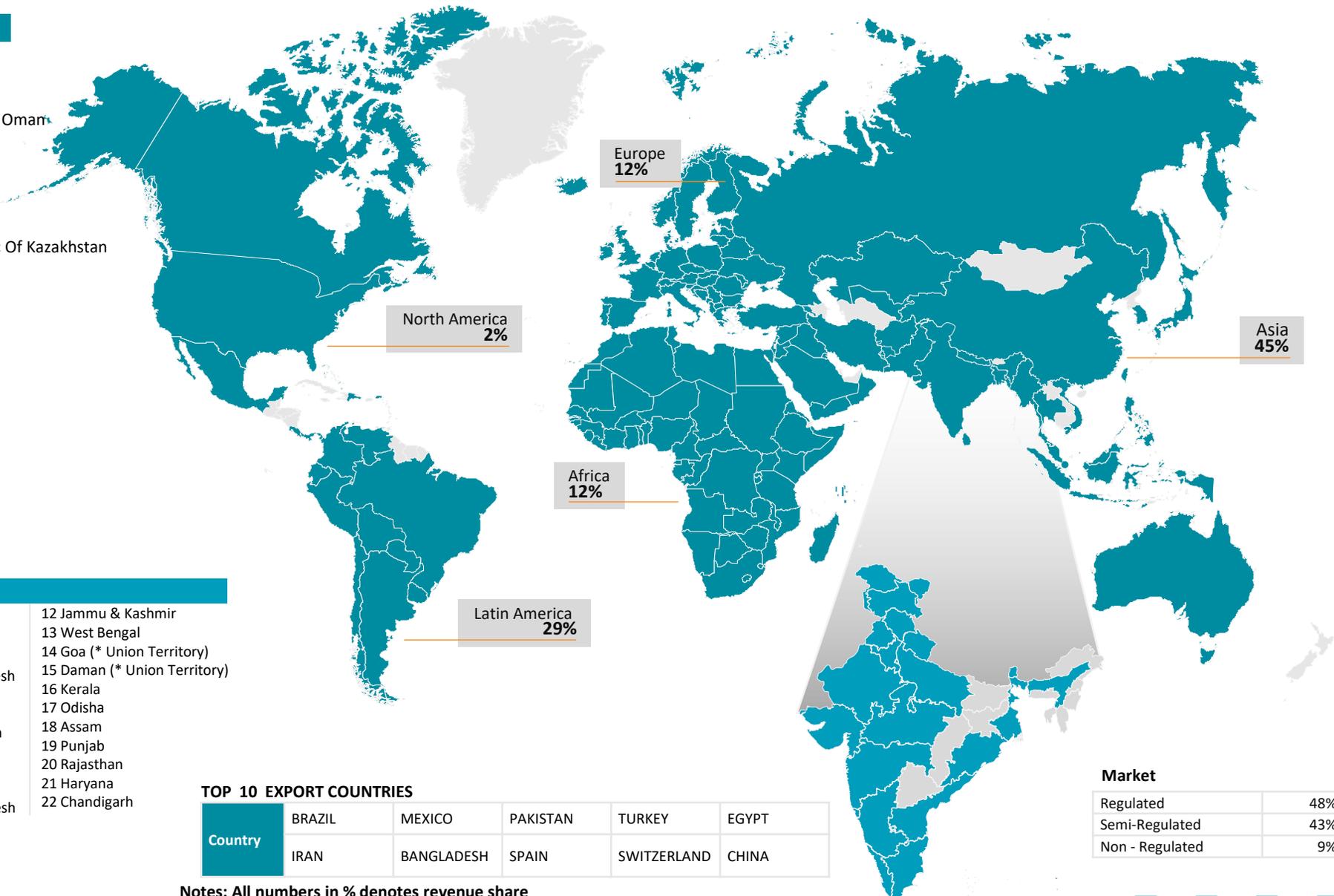


## Global

- |                          |                          |                               |
|--------------------------|--------------------------|-------------------------------|
| 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

### Market

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



# Pharmaceutical Industry Overview & Growth Drivers

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## 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

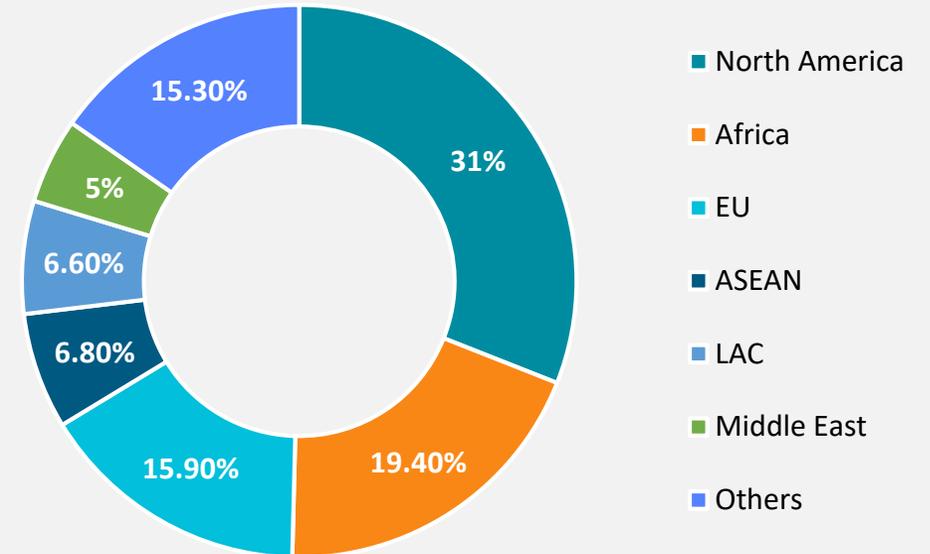
India is the world's largest provider of generic medicines

Source :IBEF, Pharmaceuticals Export Promotion Council of India

## 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 (%)



1. 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.
2. Pharmaceutical exports from India, include bulk drugs, intermediates, drug formulations, biologicals, Ayush & herbal products and surgicals.
3. 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.

India's cost of production is approximately 33 per cent lower than that of the US.



Pharma Vision 2020 by the government's Department of Pharmaceuticals aims to make India a major hub for end-to-end drug discovery

Increasing private sector investments in R&D and acquisitions



Government has set aside an investment worth US\$307.6 million (INR20 billion) to provide coverage of up to US\$7,690 (INR0.5 million) per year to 500 million people belonging to financially vulnerable households for the treatment of serious ailments

With increasing penetration of pharmacies, especially in rural India, OTC drugs will be readily available



Over 650 million people expected to be covered by health insurance by 2020.

Funds allocation to the Ministry of Health and Family Welfare increased by 13.1 per cent to Rs 61,398 crore (US\$ 8.98 billion).



Patient pool expected to increase over 20 per cent in the next 10 years, mainly due to rise in population

100 per cent FDI is allowed under automatic route.



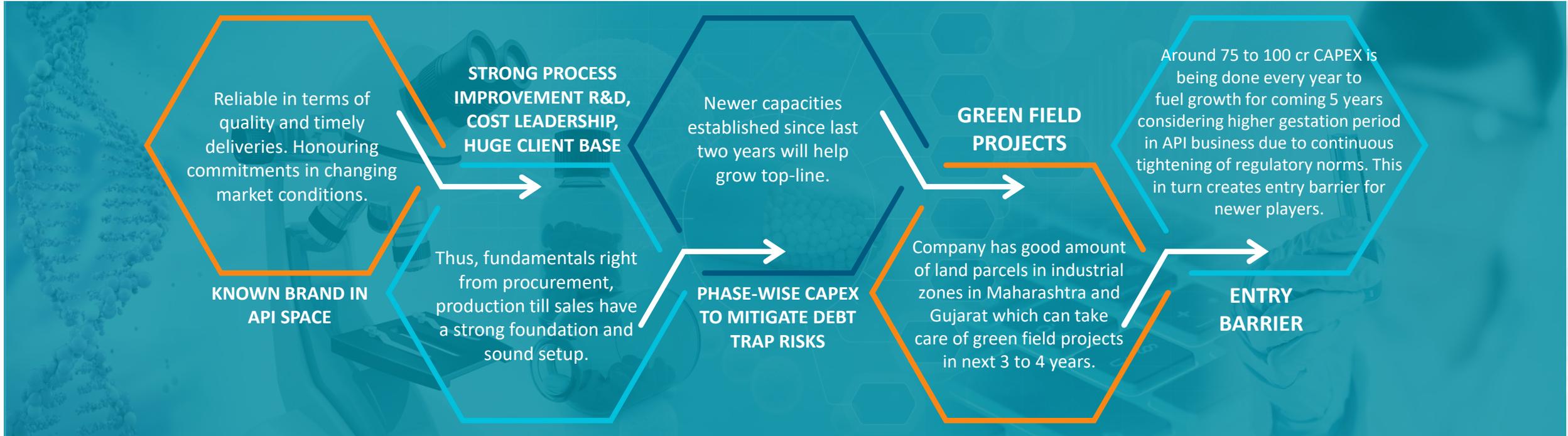
Over 160,000 hospital beds expected to be added each year in the next decade.



# Investment Proposition & Outlook

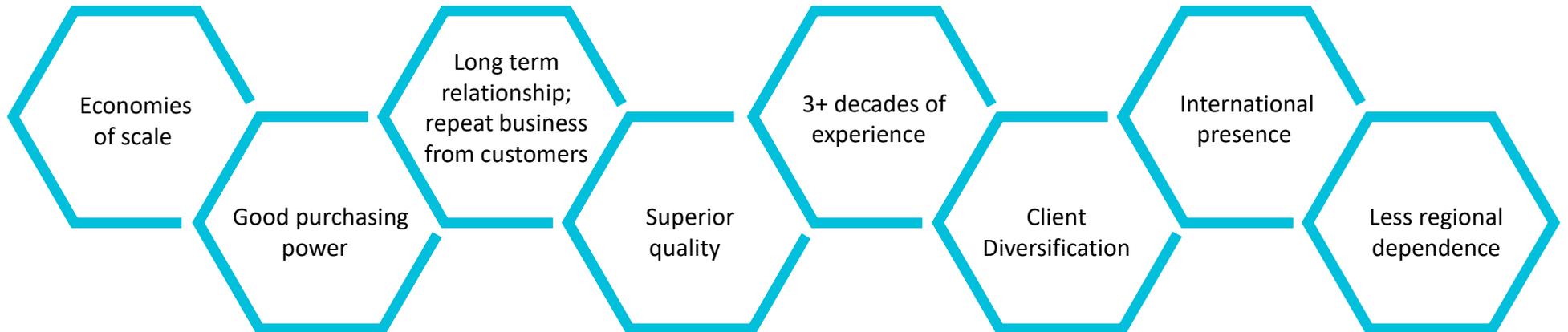
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## KEY COMPETITIVE FACTORS

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 2<sup>nd</sup> phase expansion (FY18-19) of doubling of capacity which will be online by 1<sup>st</sup> Quarter of FY20. After 2<sup>nd</sup> 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 2<sup>nd</sup> 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

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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

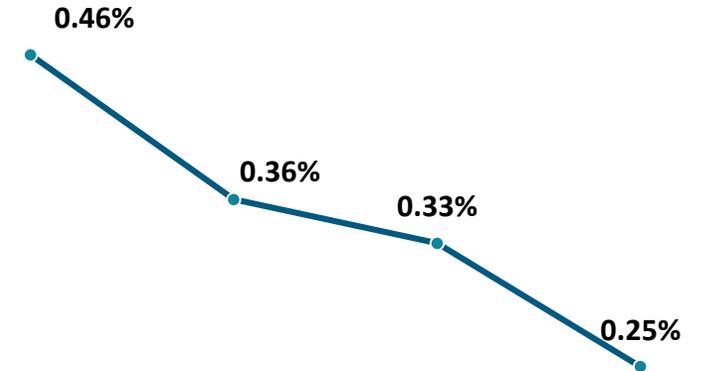
R&D Center recognized by Department by Science and Industrial Research ( DSIR ), Government of India.

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

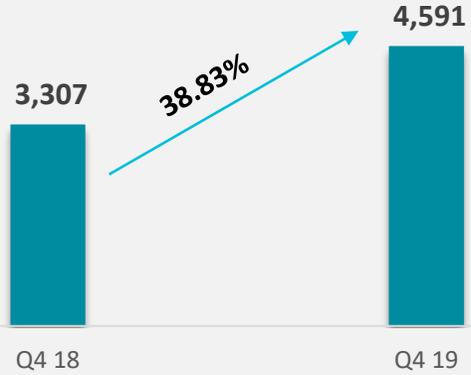
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# Results Summary – Consolidated Q4FY19 and FY19

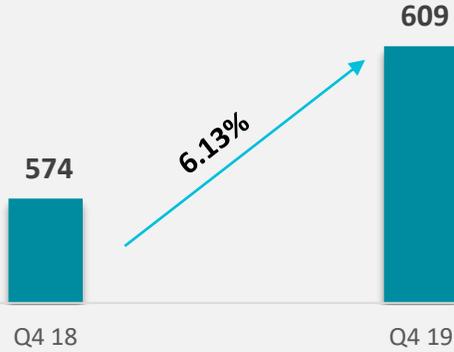
(in ₹ Million)

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	
<b>Total Income</b>	<b>4,641.26</b>	<b>3,802.75</b>	<b>3,314.61</b>	<b>40%</b>	<b>15,671.17</b>	<b>12,446.79</b>	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%	<b>2,135.44</b>	<b>1,995.29</b>	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%	<b>1,310.23</b>	<b>1,245.04</b>	5%
Exceptional Item	-	-	-	-	-	-	-
<b>Profit Before Tax</b>	<b>397.49</b>	<b>308.26</b>	<b>382.25</b>	<b>4%</b>	<b>1,310.23</b>	<b>1,245.04</b>	5%
Tax	123.07	99.40	142.31	-14%	412.72	421.96	-2%
<b>Net Profit for the Period</b>	<b>274.41</b>	<b>208.86</b>	<b>239.93</b>	<b>14%</b>	<b>897.51</b>	<b>823.08</b>	9%
Other Comprehensive Income	9.89	-	-2.70	-	9.89	-2.70	-
<b>Total Comprehensive Income for the Period</b>	<b>284.30</b>	<b>208.86</b>	<b>237.23</b>	<b>20%</b>	<b>907.40</b>	<b>820.38</b>	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	

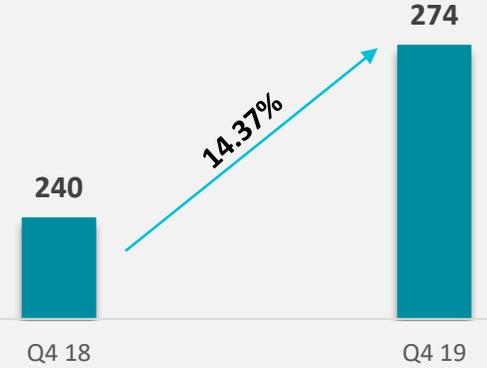
## Revenue



## EBITDA



## PAT



### API



### Formulation



### Specialty Chemicals



### Intermediate & Others



Q419

3,905

399

143

144

Q418

2,759

293

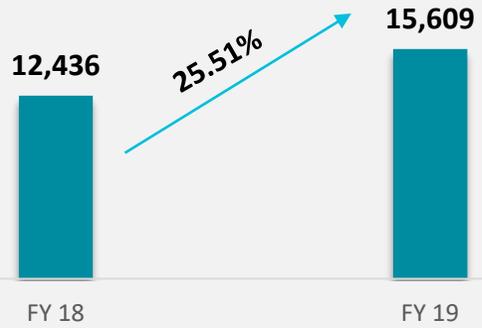
109

146

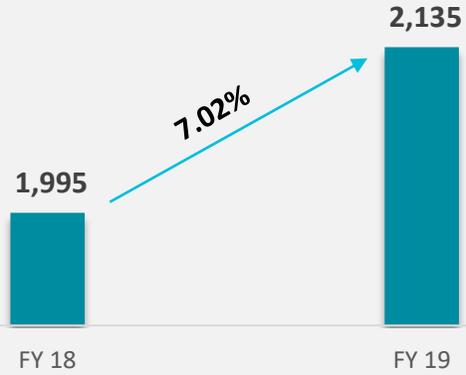
Note: 1.. On Consolidated Basis 2. Revenue excluding Other Income 3. EBITDA is including other income 4. Regrouping has been done wherever necessary

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

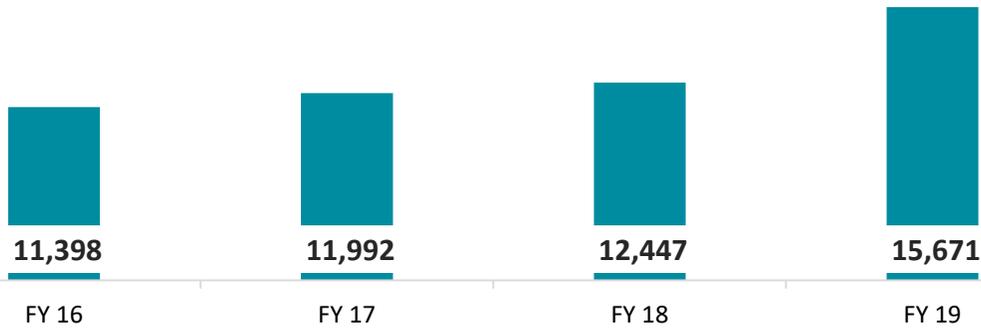


# Financial Overview

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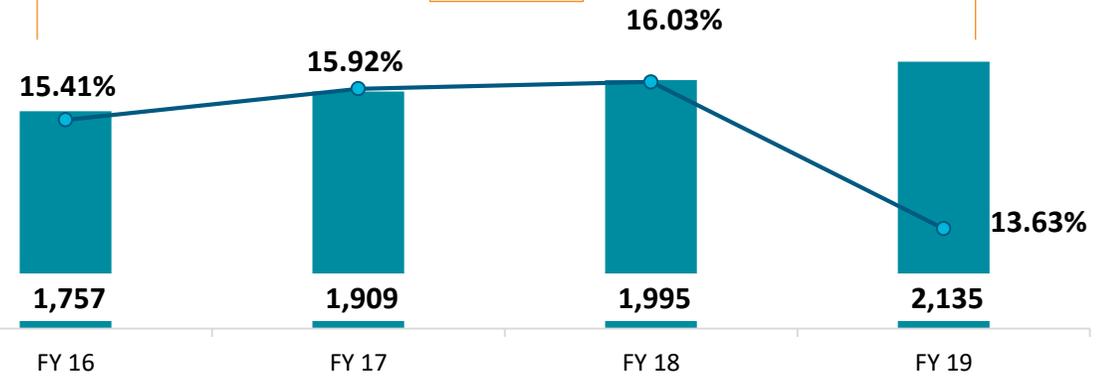
## Revenue

CAGR-11.20%



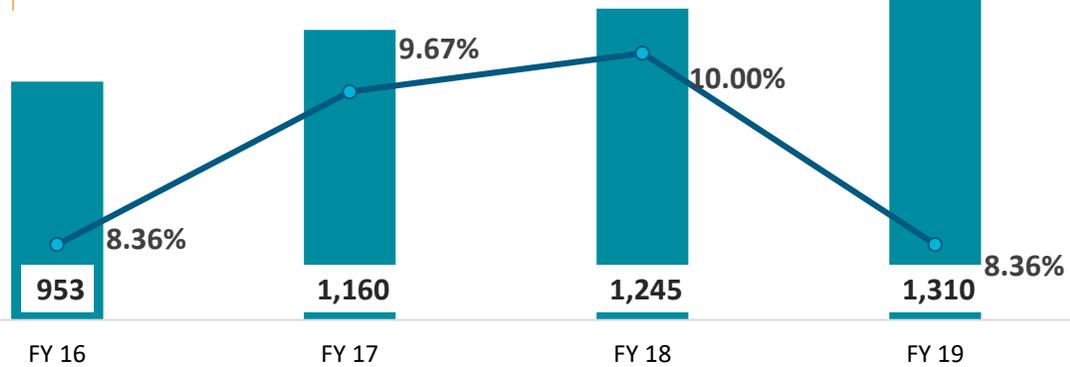
## EBITDA & EBITDA Margin

CAGR-6.71%



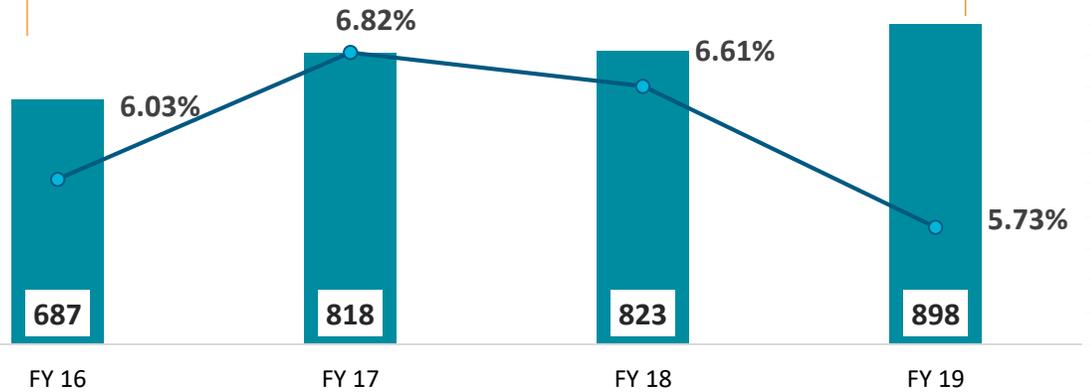
## PBT & PBT Margin

CAGR-11.19%



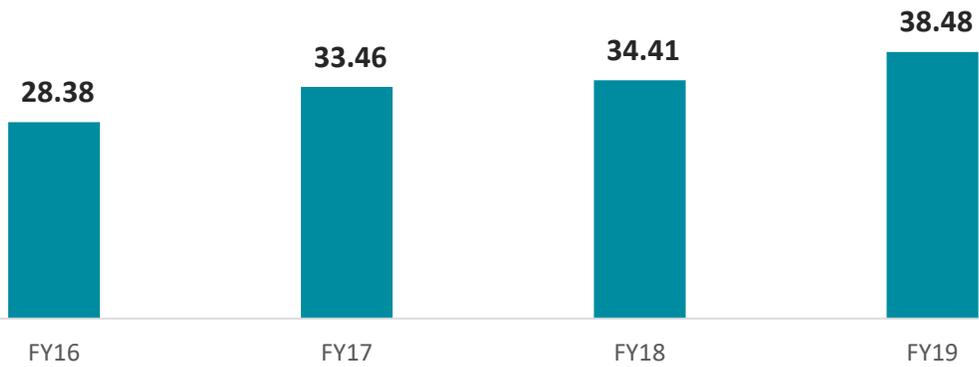
## PAT & PAT Margin

CAGR-9.34%

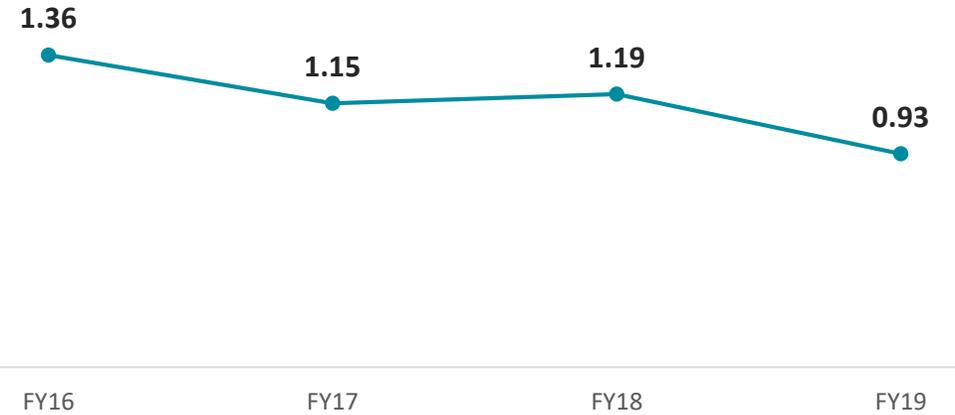


All numbers are on Consolidated basis including Other Income  
Number in ₹ million

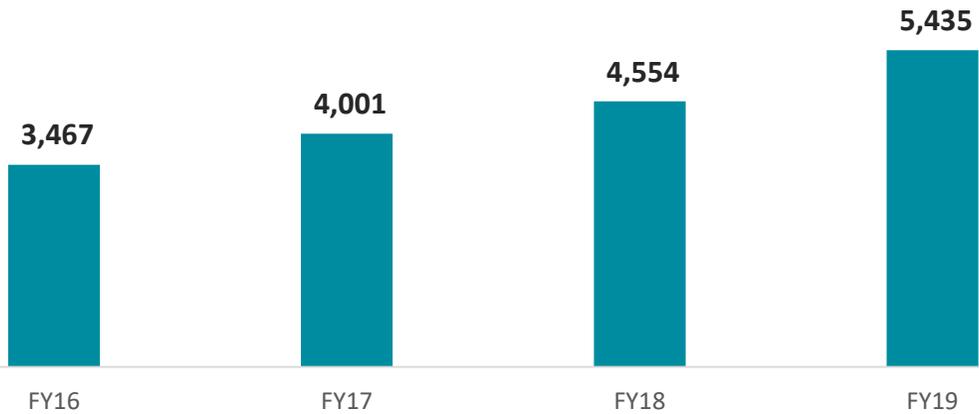
### Earning Per Share (in ₹)



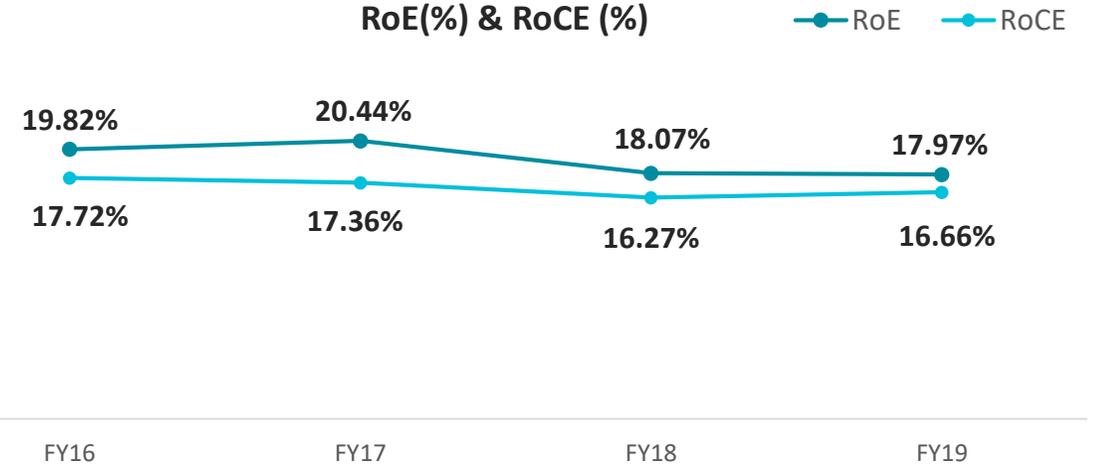
### Gearing Ratio (x)



### 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 + Networkth)

(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
<b>Revenue from operations (net)</b>	<b>15,609.41</b>	<b>12,436.30</b>	<b>11,951.70</b>	<b>11,348.82</b>	<b>10,942.72</b>
Other Income	61.76	10.50	40.00	49.58	32.62
<b>Total Revenue</b>	<b>15,671.17</b>	<b>12,446.80</b>	<b>11,991.70</b>	<b>11,398.40</b>	<b>10,975.34</b>
<b>Expenses</b>					
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
<b>Total Expenses</b>	<b>14,360.94</b>	<b>11,201.80</b>	<b>10,831.60</b>	<b>10,445.65</b>	<b>9,978.14</b>
<b>Profit/(loss) before tax</b>	<b>1,310.23</b>	<b>1,245.00</b>	<b>1,160.10</b>	<b>952.75</b>	<b>997.19</b>
<b>Tax Expense:</b>					
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
<b>Total tax expense</b>	<b>412.72</b>	<b>422.00</b>	<b>342.10</b>	<b>265.50</b>	<b>224.65</b>
<b>Net profit/(loss) after tax</b>	<b>897.51</b>	<b>823.00</b>	<b>818.00</b>	<b>687.25</b>	<b>772.54</b>
<b>Extraordinary Items</b>	-	-	-	-	-
Other Comprehensive Income/(Loss)	9.89	-2.70	-10.90	-	-
<b>Total Comprehensive Income for the Period</b>	<b>907.40</b>	<b>820.30</b>	<b>807.10</b>	<b>687.25</b>	<b>772.54</b>
<b>Paid up Equity Share Capital (Face Value of Rs 10 each)</b>	<b>235.80</b>	<b>235.80</b>	<b>238.60</b>	<b>242.17</b>	<b>242.17</b>
Earnings Per Share (EPS) in Rupees					
<b>-Basic</b>	<b>38.48</b>	<b>34.41</b>	<b>33.46</b>	<b>28.38</b>	<b>31.90</b>
<b>-Diluted</b>	<b>38.48</b>	<b>34.41</b>	<b>33.46</b>	<b>28.38</b>	<b>31.90</b>

(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
<b>Total Shareholders Fund</b>	<b>5,434.46</b>	<b>4,554.28</b>	<b>4,001.32</b>	<b>3,466.62</b>	<b>3,081.53</b>
<b>Non - Current Liabilities</b>					
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
<b>Total Non Current Liabilities</b>	<b>3,284.36</b>	<b>3,123.06</b>	<b>2,965.90</b>	<b>2,690.77</b>	<b>2,110.29</b>
<b>Current Liabilities</b>					
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
<b>Total Current Liabilities</b>	<b>5,909.82</b>	<b>6,216.77</b>	<b>4,943.13</b>	<b>4,999.24</b>	<b>4,827.60</b>
<b>Total</b>	<b>14,628.65</b>	<b>13,894.11</b>	<b>11,910.35</b>	<b>11,156.64</b>	<b>10,019.42</b>
<b>ASSETS</b>					
<b>Non - Current Assets</b>					
<b>Fixed Assets</b>					
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	-
<b>Total Non Current Assets</b>	<b>6,785.76</b>	<b>6,525.47</b>	<b>6,196.12</b>	<b>5,504.39</b>	<b>4,763.98</b>
<b>Current Assets</b>					
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
<b>Total Current Assets</b>	<b>7,842.89</b>	<b>7,368.64</b>	<b>5,714.23</b>	<b>5,652.25</b>	<b>5,255.44</b>
<b>Total</b>	<b>14,628.65</b>	<b>13,894.11</b>	<b>11,910.35</b>	<b>11,156.64</b>	<b>10,019.42</b>

# Cash Flow Statement



Aarti Drugs Ltd.

(in ₹ Million)

	Particulars	2019	2018	2017	2016	2015
<b>A</b>	<b>Cash Flow from Operating Activities</b>					
	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	-	-	-	-	-
	<b>Operating Profit before Working Capital Changes</b>	<b>2,057.14</b>	<b>1,996.27</b>	<b>1,876.41</b>	<b>1,745.79</b>	<b>1,691.15</b>
	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
	<b>Cash Generated from operation</b>	<b>1,727.37</b>	<b>941.56</b>	<b>1,961.14</b>	<b>1,533.29</b>	<b>1,195.32</b>
	Direct Taxes Paid	-296.44	-246.7	-213.6	-200.23	-149.41
	<b>Net Cashflow from Operating Activities</b>	<b>1,430.93</b>	<b>694.85</b>	<b>1,747.54</b>	<b>1,333.06</b>	<b>1,045.91</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>					
	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	-
	<b>Net Cash Flow from Investing Activities</b>	<b>-616.72</b>	<b>-735.36</b>	<b>-1,069.76</b>	<b>-987.95</b>	<b>-1,070.08</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>					
	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
	<b>Net Cash Flow from Financing Activities</b>	<b>-800.70</b>	<b>39.15</b>	<b>-682.3</b>	<b>-332.59</b>	<b>14.63</b>
	<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>13.51</b>	<b>-1.35</b>	<b>-4.51</b>	<b>12.52</b>	<b>-9.53</b>
	Opening Cash and Cash Equivalents	32.93	34.27	35.96	35.80	45.33
	<b>Closing Cash and Cash Equivalents</b>	<b>46.43</b>	<b>32.92</b>	<b>31.45</b>	<b>48.21</b>	<b>35.80</b>

# Shareholder Information

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## Stock Data (As on 31st March 2019)



Market Capitalization (₹)  
**15,027 mn**



Shares Outstanding  
**23.58 mn**

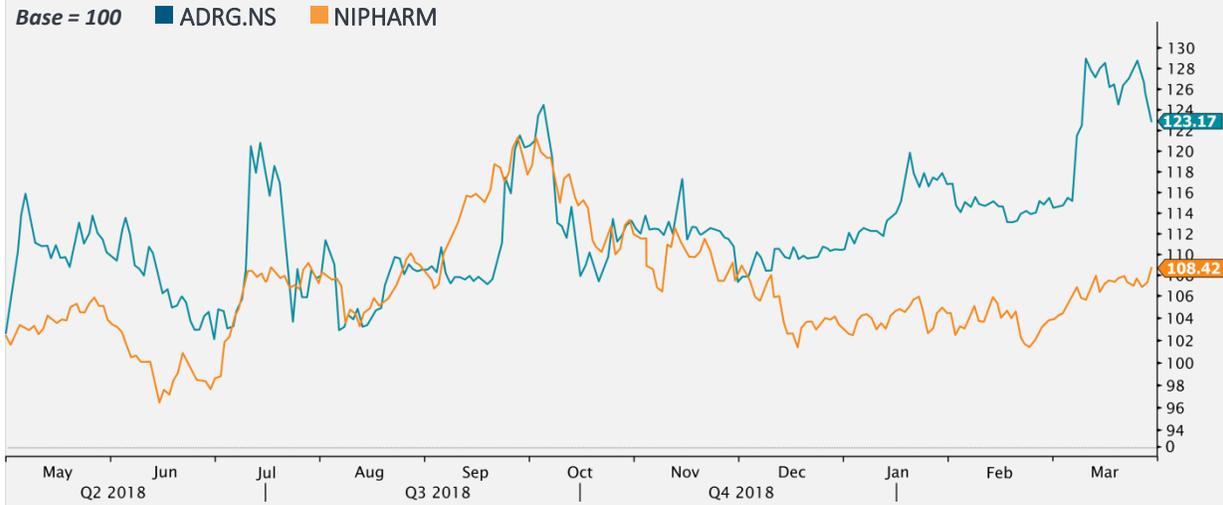


Free Float  
**37.74%**



Symbol (NSE/ BSE)  
**AARTIDRUGS / 524348**

## Stock Performance Chart (As on 31st March 2019)

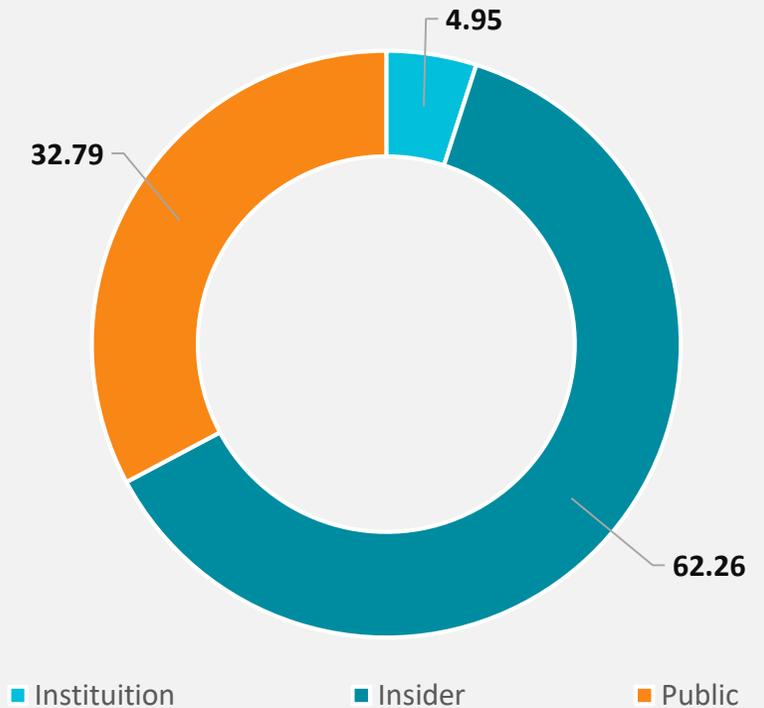


Source: Factset, Thomson Reuters

## Top Institutional Holders (As on 31<sup>st</sup> 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 31<sup>st</sup> March 2019



Aarti Drugs Ltd.

# Thank You

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## Aarti Drugs Ltd

Mahendra Inds. Estate, Ground Floor, Plot No. 109-D Road No. 29, Sion (E), Mumbai-400 022 (India)

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**E-mail:** [investorrelations@aartidrugs.com](mailto:investorrelations@aartidrugs.com)

