



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)
Tel.: 022-2407 2249 / 2401 9025 (30 Lines)
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Email: audit@aartidrugs.com
website: www.aartidrugs.com
CIN No.: L37060MH1984PLC055433

Ref.: ADL/SE/2017-18

Date: 1st June, 2017

To,
Department of corporate service,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.
SCRIP CODE - 524348
SCRIP ID - AARTIDRUGS

To,
National Stock Exchange of India
Limited,
"Exchange Plaza", Bandra - Kurla
Complex, Bandra (E), Mumbai - 400051.
NSE SYMBOL: AARTIDRUGS

Dear Sir/Madam,

Subject: Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This has reference to the Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly note that on 1st June, 2017, Mr. Adhish P. Patil, Chief Financial Officer of the Company had a meeting with following analysts -

Sr. No.	Name of the Person	Name of the Fund
1.	Mr. Rohit Seksaria	Sundaram MF
2.	Ms. Aishwarya D. Agarwal	Reliance MF
3.	Mr. Anuj Khandewal	Creador
4.	Mr. Pritesh Vora	Incendo
5.	Mr. Abhay Tibrewala	Vision 8
6.	Mr. Ankit Agarwal	Centrum

Presentation made during the meeting is attached herewith.

This is for your information and records.

Thanking You,
Yours faithfully,
For Aarti Drugs Limited

V.S. Ranade

Vibhav S. Ranade
Company Secretary & Compliance Officer



Encl: A/A



Aarti Drugs Ltd

Corporate Presentation

May, 2017

Disclaimer



Except for historical information, all of the statements, expectations and assumptions, including expectations and assumptions, contained in this presentation may be forward looking statements that involve a number of risks and uncertainties. Although Aarti Drugs attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. Other important factors which could cause these statements to differ materially including outsourcing trends, economic conditions, dependence on collaborative partnership programs, retention of key personnel, technological advances and continued success in growth of sales that may make our products/services offerings less competitive; Aarti Drugs may not undertake to update any forward-looking statements that may be made from time to time



OVERVIEW

- Part of the \$ 700 Million Aarti Group of Industries, the company was established back in 1984
 - It is engaged in manufacturing of APIs, Pharma Intermediates and specialty chemicals with 10 multi-ton, multi-location GMP compliant facilities
 - 8 facilities located in Industrial MIDC Tarapur, Maharashtra - 120 kms away from Mumbai
2 facilities located in Industrial GIDC Sarigam, Gujarat - 160 kms away from Mumbai
 - Markets products over 90 countries with strong presence in regulated markets including Brazil, Mexico, Netherland & Spain
 - Clientele includes MNCs viz. Abbott, Sanofi- Aventis, Merck, Teva, Searle, Pfizer, Bayer and Clariant
 - Comprehensive product portfolio with a strong presence in Anti-biotic, Anti-Protozoal, Anti-inflammatory, Anti-fungal, Anti-diabetic, Cardio-protectant, Vitamins, Anti-arthritis, Sedatives therapeutic groups
 - Successfully commissioned centralized state-of-the-art R&D centre at Tarapur MIDC in close vicinity to manufacturing locations
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About Aarti Drugs (Cont.)



- Various products are registered with various authorities like IDL, JAPAN ACCREDITATION, TGA, COFEPRIS, ANVISA, WHO-GMP, EUGMP
- It has developed 30 new molecules in the past six years

AWARDS & RECOGNITION

Year	Authority	Awards
2016	ABBOTT	Business partner of the year
2015	ABBOTT	Business partner of the year
2014	Government of India(Ministry of commerce and Industry)	Certificate of Recognition –Star Export House
2014	ABBOTT	Appreciation as business partner
2013	ABBOTT	Best Vendor of the year
2012	PHARMEXCIL	Outstanding Performance in Latin American Export
2009	PHARMEXCIL	Outstanding Performance in Export
2006	AVAYA GLOBAL CONNECT	Customer Responsiveness
2005	AVAYA GLOBAL CONNECT	Customer Responsiveness
2001	ORGANIZATION OF PHARMACEUTICAL PRODUCT	Best Vendor
2001	CHEMEXCIL	Outstanding Performance in Export
1991-92	CHEMEXCIL	Outstanding Performance in Export



Vision

- To be the preferred vendor for products in India and World

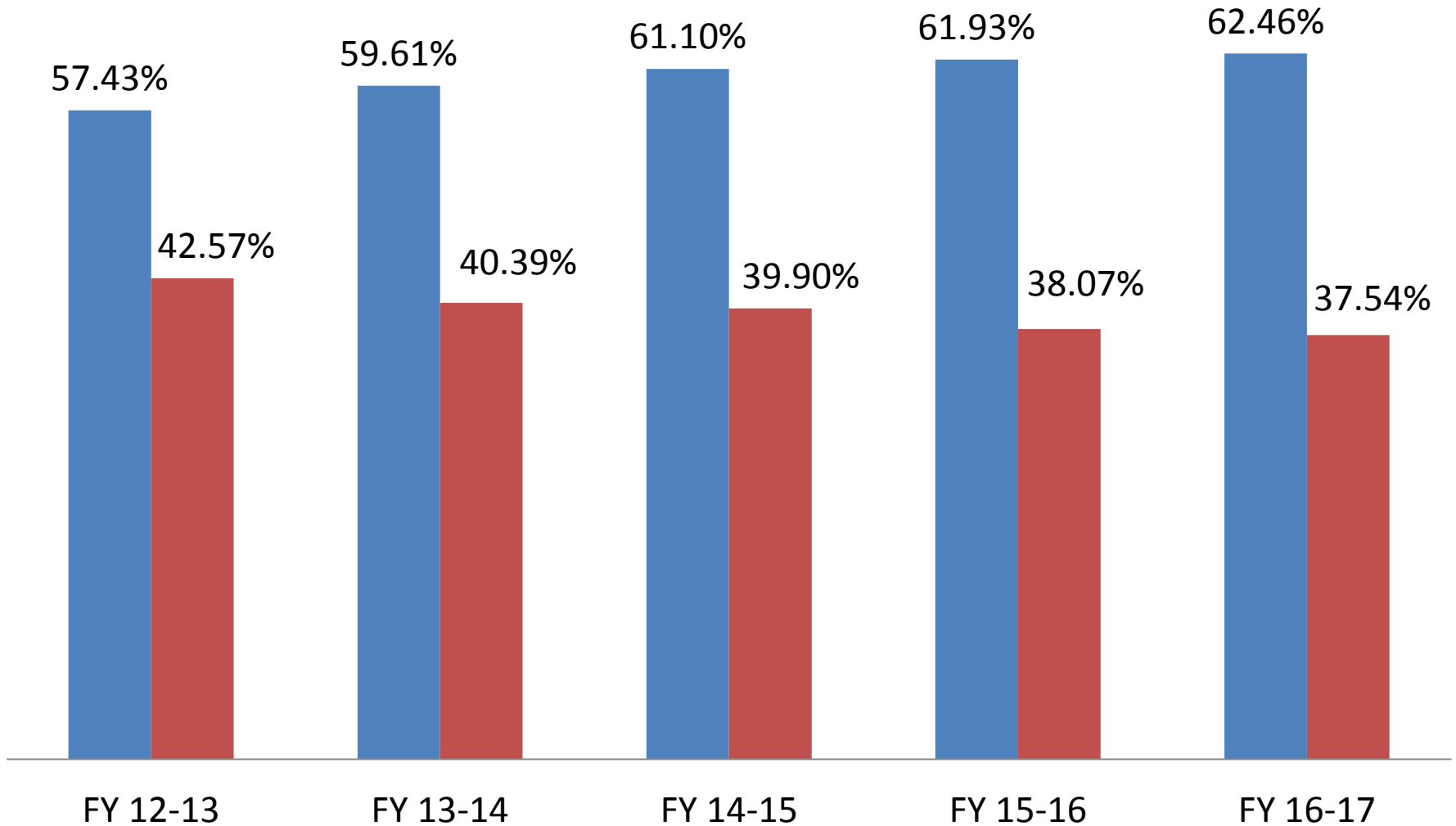
Mission

- 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
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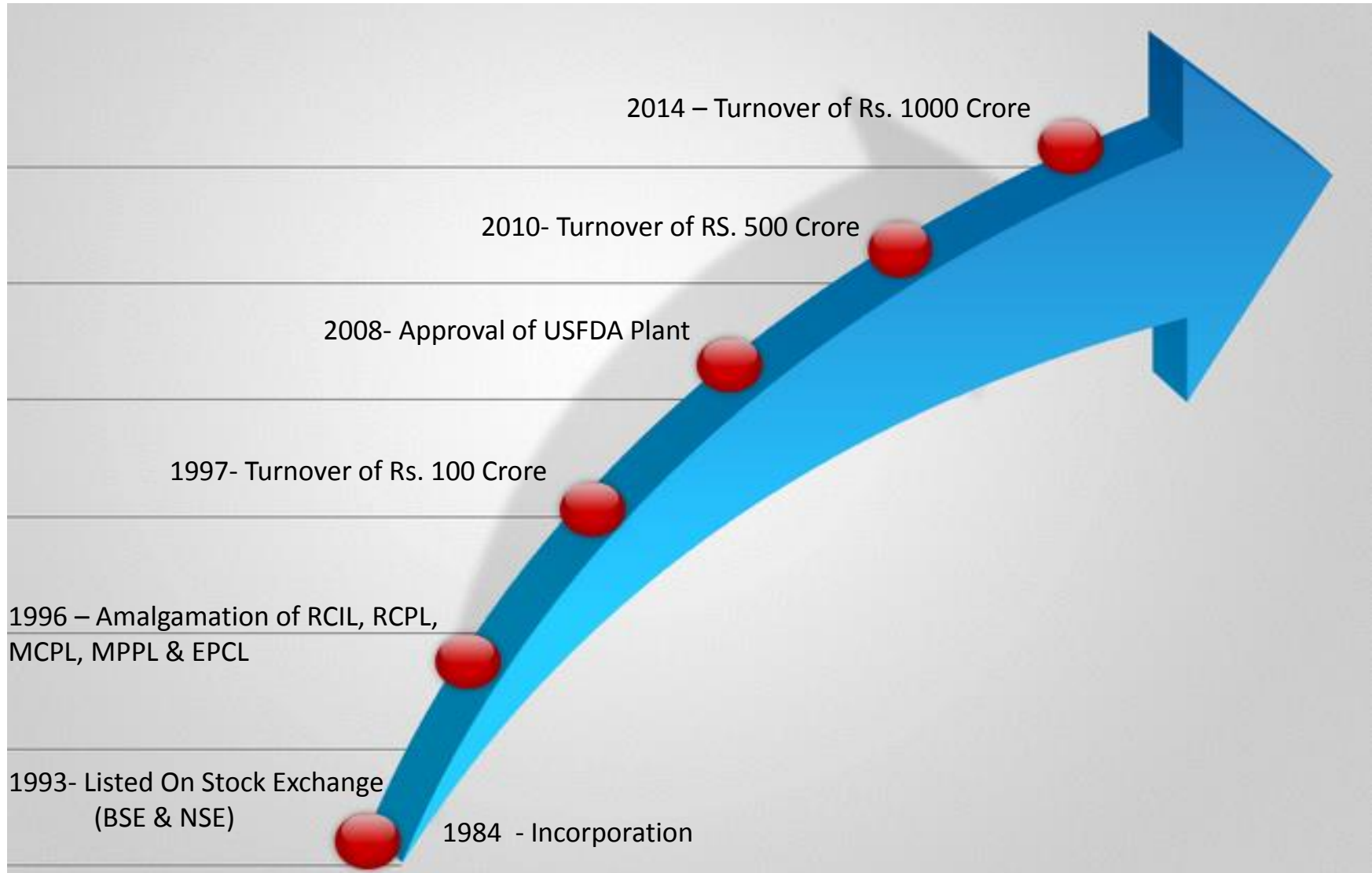
Shareholding structure



■ Promoters ■ Public & Others



Milestones



Leadership Team

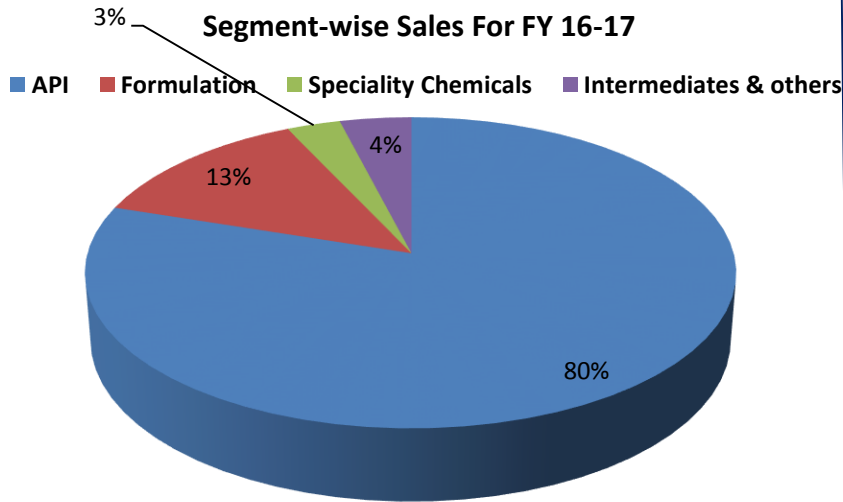


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|--|---|
| Mr. Prakash M. Patil
Chairman, MD & CEO | <ul style="list-style-type: none">▪ Founder Director of Aarti Drugs Ltd▪ Excels in an array of promotional activities viz : product identification, project conceptualization, planning, project engineering & project implementation▪ Bachelor of Chemical Engineering From UDCT |
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|---|---|
| Mr. Harshit M. Savla
Joint Managing Director | <ul style="list-style-type: none">▪ Excels in all areas of finance, accounts, exports & internal control▪ Commerce graduate From Mumbai University |
|---|---|
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- | | |
|--|--|
| Mr. Harit P. Shah
Whole Time Director | <ul style="list-style-type: none">▪ Experience of over 25 years in handling commercial functions encompassing sales, purchase & exports▪ Commerce graduate From Mumbai University |
|--|--|
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- | | |
|---|---|
| Mr. Rajendra V. Gogri
Non Executive Director | <ul style="list-style-type: none">▪ Founder Director of Aarti Industries▪ Rich experience in handling portfolios of marketing, purchase, business development, accounts, finance, taxation and legal▪ Chemical Engineer from UDCT. Master of Science-Chemical Engineering from IOWA State University, USA |
|---|---|
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- | | |
|---|---|
| Mr. Rashesh C. Gogri
Whole Time Director | <ul style="list-style-type: none">▪ Experience of over 16 years in the field of production, marketing & project implementation▪ Production Engineer from Mumbai University |
|---|---|
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- | | |
|--|---|
| Mr. Adhish P. Patil
Chief Financial Officer | <ul style="list-style-type: none">▪ Experience of over 8 years in the field of finance, consulting, systems engineering and Information Technology▪ Bachelor of Engineering (IT) from Mumbai University. MBA - Finance & Marketing from University of Florida, Warrington College of Business Administration▪ Top 100 CFOs India 2014, award winner |
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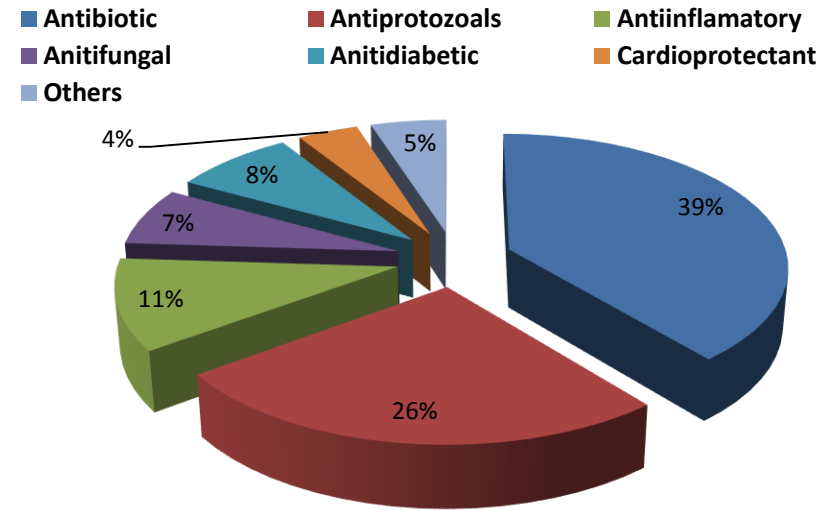


Business overview

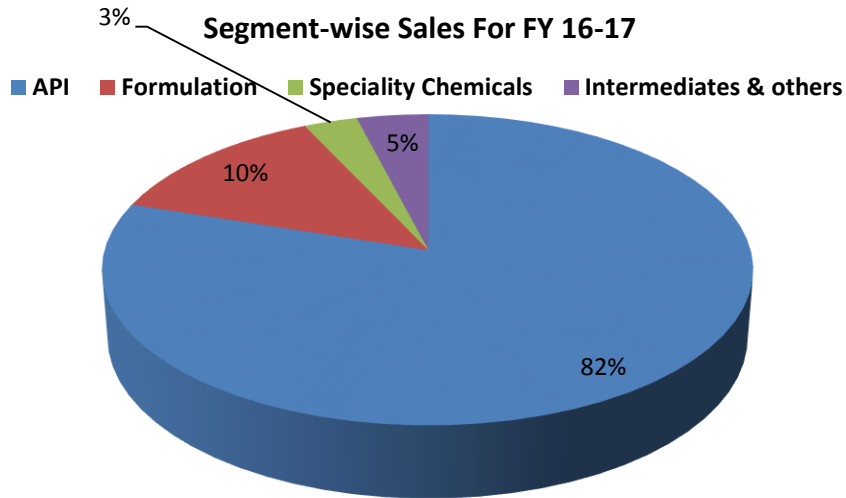
Segment-wise Sales For FY 16-17



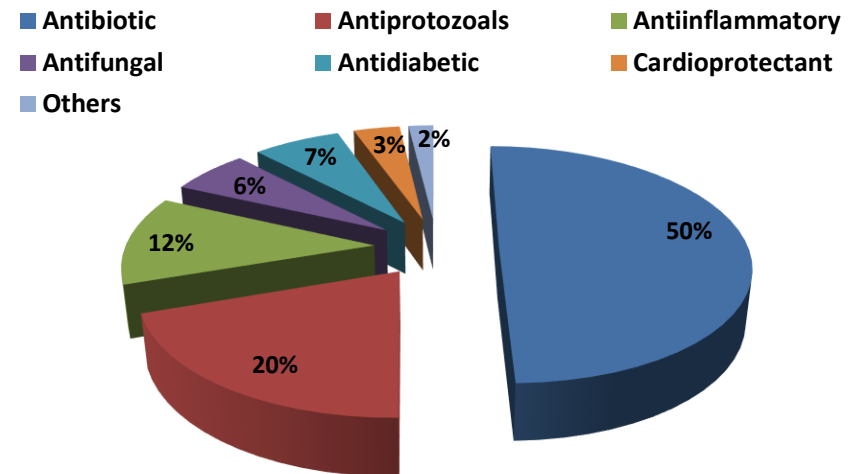
Therapeutic-wise Sales For FY 16-17



Segment-wise Sales For FY 16-17



Therapeutic-wise Sales For FY 15-16

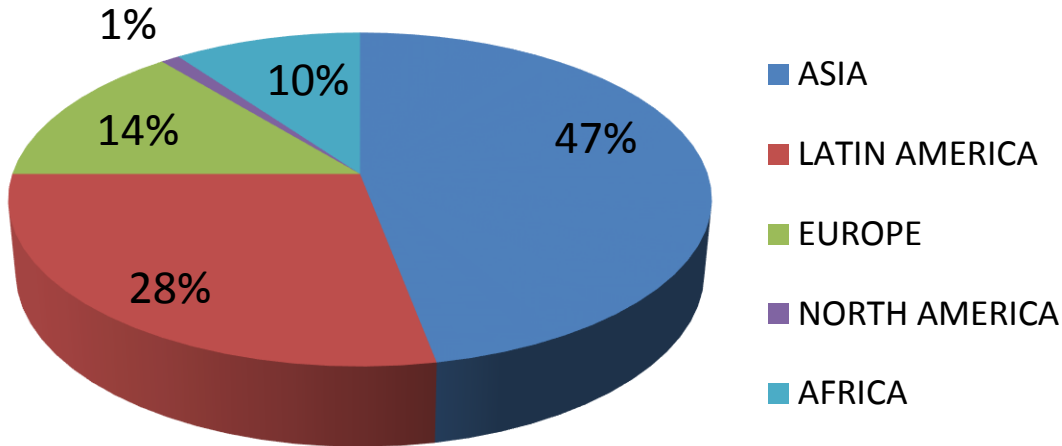




- ADL is domestic market share leader in most of its top 10 products
 - Local clientele is well diversified with the topmost client contributing to only 3.51% of local sales
 - Top 10 Local Clients contribute to around 19.75% of total local sales
 - Export Clientele is well diversified with the topmost client contributing to only 5.60% of total export sales
 - Top 10 Export clients contribute to only 25.78% of total export sales
 - Top 10 products contribute to around 67.50% of the total sales
-



Sales



TOP 10 EXPORT COUNTRIES :

Country	Country
BRAZIL	CHINA
PAKISTAN	EGYPT
MEXICO	SPAIN
BANGLADESH	VIETNAM
TURKEY	GERMANY

Regulated	50%
Semi-Regulated	11%
Non - Regulated	39%

Key local clientele



Overview of facilities As of Nov'15



Sr. No.	Name of Unit	Certification
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 rd Mar'15
2	Aarti Drugs Ltd.G-60	ANVISA-Brazil WHO-GMP COFEPRIS-MEXICO
3	Aarti Drugs Ltd.E-21	WHO-GMP K-FDA(Korean FDA)
4	Aarti Drugs Ltd.N-198	EUGMP, WHO-GMP & ISO Certification
5	Aarti Drugs Ltd.K-40	WHO-GMP / COFEPRIS
6	Aarti Drugs Ltd.W-61(Suyash)	EUGMP & WHO-GMP
7	Aarti Drugs Ltd.E-120	WHO-GMP
8	Aarti Drugs Ltd.E-9/3(Rashesh)	ISO-9001:2008
9	Aarti Drugs Ltd-Sarigam 2902-04	WHO-GMP
10	Aarti Drugs Ltd-Sarigam 211/213	WHO-GMP / COFEPRIS / CEP



Reaction Capabilities

- Nitration
 - Cyclocondensation
 - Ammonolysis (Amidation)
 - Epoxidation (Chiral & Achiral)
 - Reduction
 - Dehalohydrogenation
 - Condensation
 - Noble Metal Hydrogenation (Catalytic Reduction)
 - Oxidation
 - Fischer Indolization
 - Balz - Schiemann (Halex) (Flurination of Amines)
 - Esterification (Including Asymmetri Esterification)
 - Sulphonation
 - Alkylation
 - Methoxylation
 - Halogenation (Cl, Br, I)
 - Acetylation
 - Diazotization & Related Chemistry
 - Grignard Reaction
 - Friedel Craft
 - Aldol Condensation
 - Cynation
 - Chloro Sulfonation
-



- Establish and maintain high standards of quality of its products manufactured at various locations including those at contract manufacturing sites, meeting cGMP & cGLP norms
 - Comply with current national and international regulations as applicable and continuously move towards meeting stringent global standards
 - Products shall be manufactured and marketed meeting all quality parameters related to identity, purity, safety and efficacy through well defined quality assurance and validation system
 - Major thrust shall be given on quality up gradation and product integrity on continuous basis to achieve higher level of customer satisfaction
 - Continuous training of the employees for skill enhancements
-



➤ Manufacturing facilities supported by R&D team which is located at Tarapur

➤ Strength at R&D

• Doctorates	:	03
• Master Graduates [M. Sc]	:	36
• Graduates [B. Sc]	:	11
• Engineers	:	25
• Technicians	:	12



➤ Pilot plant facility at corporate R&D center in Tarapur, which is suitable to manufacture products on kilo scale

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

➤ In last five years about 30 API's have been developed in lab

➤ R&D Center recognized by Department of Science and Industrial Research, Government of India



- **Anti Diabetic:**
 - Started with the commercial operations, received WHOGMP, recently inspected by COFEPRIS
 - CEP approval in 2016
 - Expected revenues of installed capacity would be ~150 cr per annum as per ROW market pricing. Designed for highly regulated markets. Layout has been designed for doubling the existing installed capacity

 - **Antibiotic (3 more Fluoro-quinolones):**
 - First in India to manufacture from basic intermediates. In-house technology. Already established market player in this category.
 - Expected revenues of installed capacity would be around 500 cr per annum as per ROW market pricing. Designed for regulated markets. Started with commercial operations, Local GMP and WHOGMP approved.

 - **Antiprotozoal:**
 - Doubled the capacity of existing product to curtail the imports. Existing technology and Chinese JV.
 - Established competitive edge worldwide and sole Indian player.
 - Expected revenues of installed capacity would be around 80 cr per annum as per ROW market pricing. Current operations at 1.8 times the existing capacity.
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Future business strategy – contd.....

- **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

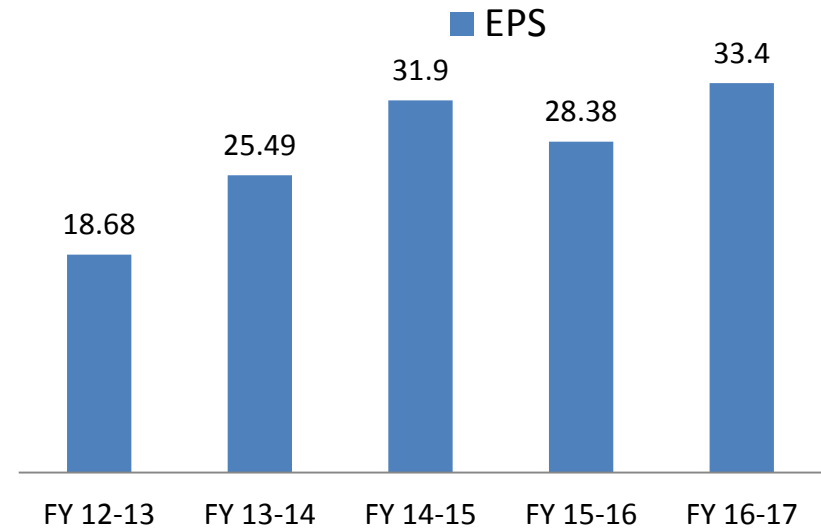
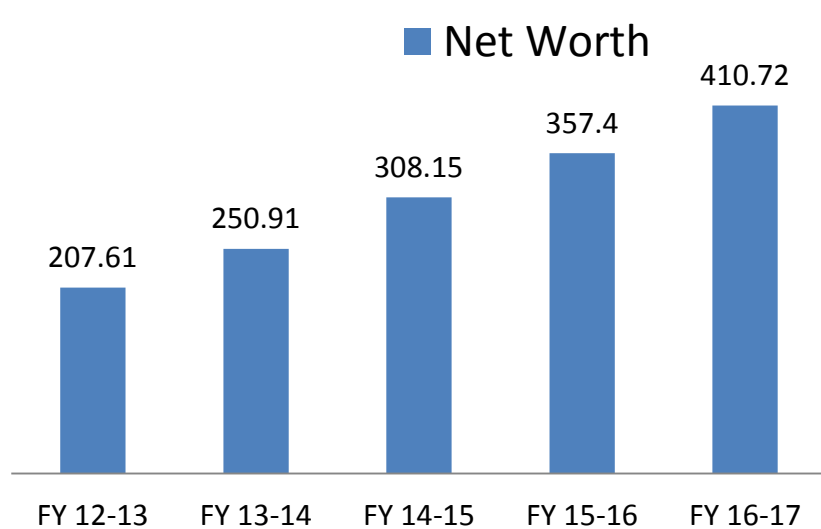
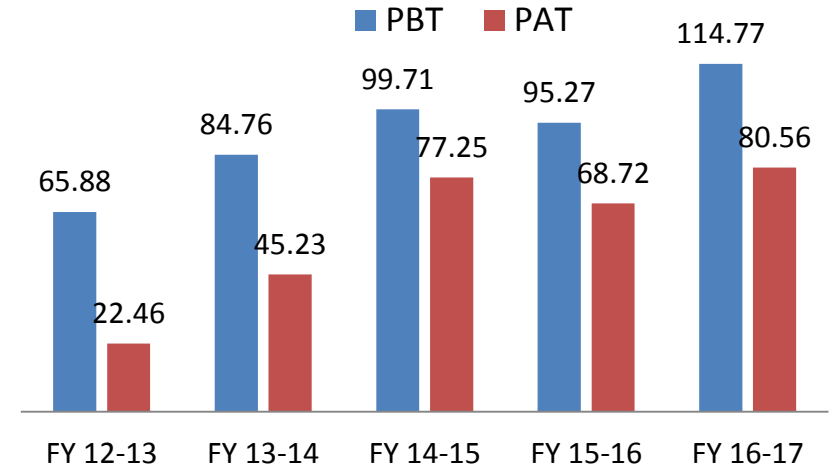
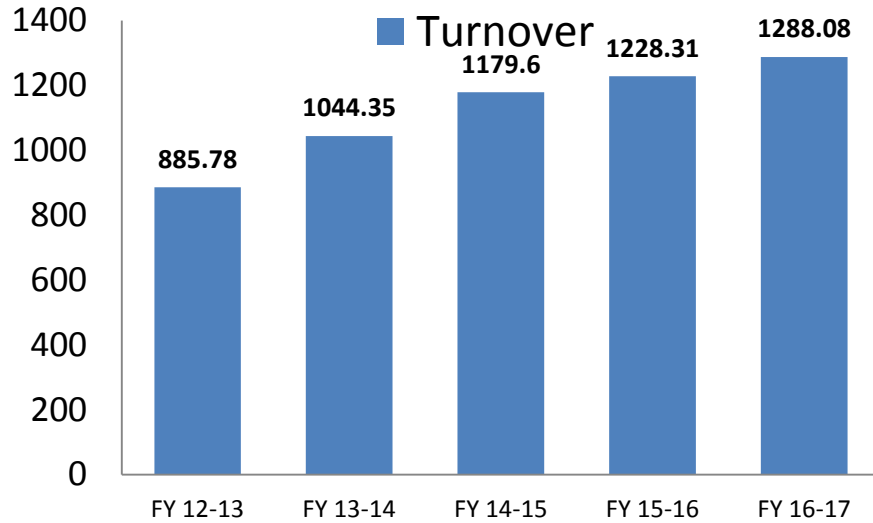
 - **R&D product pipeline:**
 - Strong pipeline of products under R&D for future growth
 - Identified some APIs with specialized applications but have volume markets

 - **Formulations:**
 - Value addition to existing API Products
 - Toll manufacturing of formulations
 - Registrations in export markets and government tenders

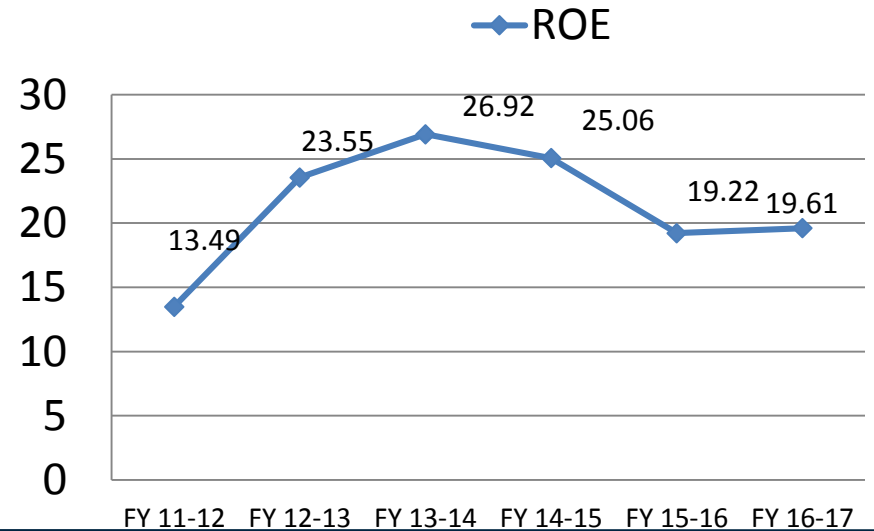
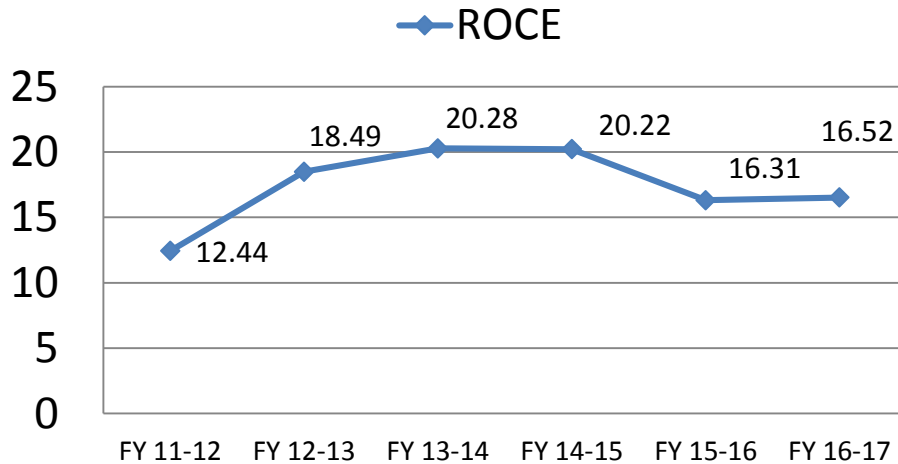
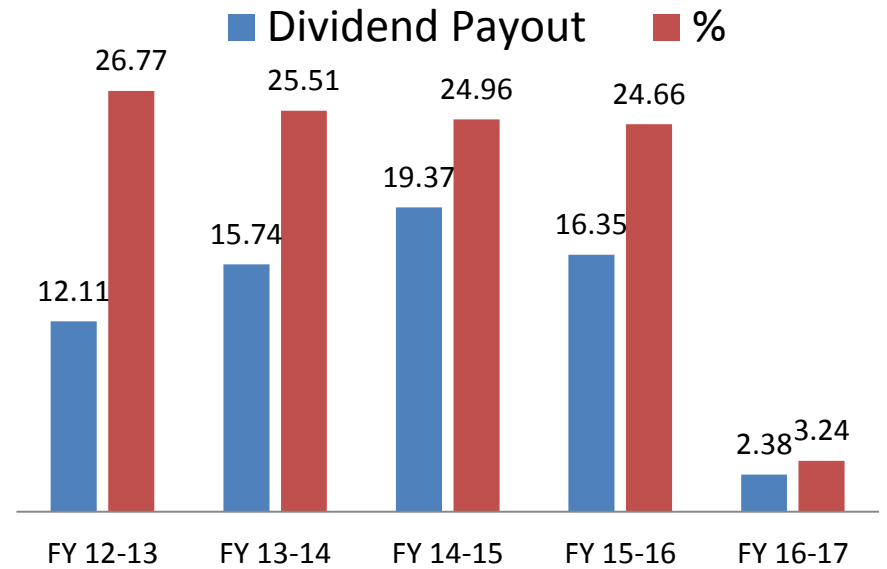
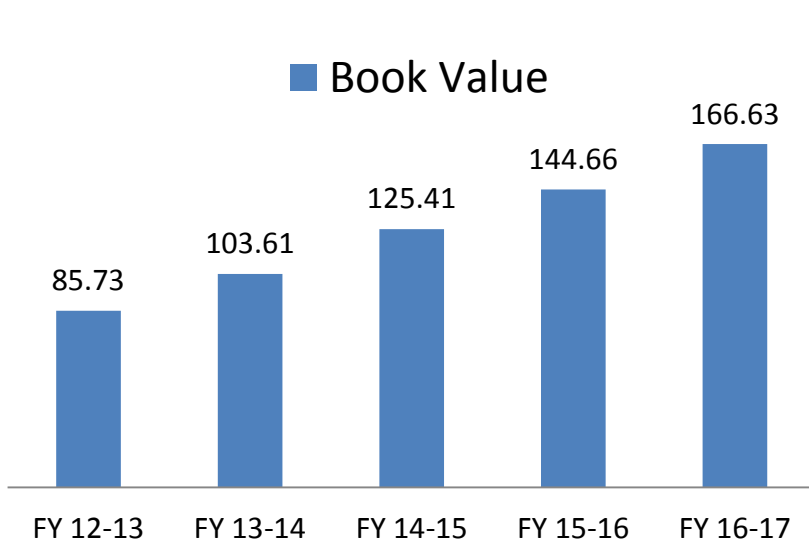
 - **Tie-ups:**
 - Tied up with European distributor on profit sharing basis. 1 dossier approved & 1 more filed with UK MHRA, couple more to follow. Strategy would be to engage in our own APIs
 - Partnered with USA company on formulation revenues wherein we would be supplying API at cost

 - **Consolidation of existing Anti-biotic:**
 - Growth story continues
 - 50 TPM -> 100 TPM (2013-14)-> 135 TPM (2014-15) -> 175 TPM (current) -> 300 TPM
 - Further backward integration
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Summary of Financials : 1



Summary of Financials -2 (Bonus issue 1:1 on 26-Mar-15)



Summary of financials - 3



Financial Overview

(Rs in crores)

Audited	Mar '12	Mar '13	Mar '14	Mar '15	Mar' 16	Mar' 17
Equity Share Capital	12.11	12.11	12.11	24.22	24.22	23.85
Reserves	164.37	195.5	238.8	283.93	333.18	386.86
Net Worth	176.48	207.61	250.91	308.15	357.40	410.72
Secured Loans	209.72	240.22	284.96	345.07	361.49	366.54
Unsecured Loans	88.2	80.29	93.73	99.95	121.89	112.95
Total Debt	297.72	320.51	378.69	445.02	438.38	479.49
Net Block	273.54	291.23	372.53	448.46	462.76	542.32
Capital Work in Progress	2.99	12.59	8.32	16.05	34.04	14.13
Net Sales	659.26	824.84	969.94	1096.88	1139.83	1195.17
PBDIT	80.27	120.33	146.37	165.82	180.46	189.65
Interest	22.67	28.03	33.49	38.92	43.88	36.42
Depreciation	24.22	25.98	28.12	31.02	36.52	38.46
Net Profit	22.46	45.24	61.71	77.25	68.72	80.56



THANK YOU

Please visit our website for additional information like Annual Reports & addresses of registered offices:

Website: www.aartidrugs.com

For any further information please contact us at:

Aarti Drugs Ltd

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