



**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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Fax. : 022-2407 3462 / 2407 0144  
Email: admin@aartidrugs.com  
website: www.aartidrugs.com  
CIN No.:L37060MH1984PLC055433

**Ref: ADL/SE/2021-22**

**May 17, 2021**

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 (E), Mumbai – 400051  
**NSE SYMBOL: AARTIDRUGS**

Dear Sir/Madam,

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

Please find enclosed herewith Results Presentation for the Quarter and year ended March 31, 2021 for your records.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**FOR AARTI DRUGS LIMITED**

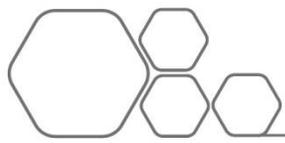
RUSHIKESH DEOLE  
**COMPANY SECRETARY**  
ICSI M.No.: A54527



# AARTI DRUGS LIMITED

Investor Presentation March 2021





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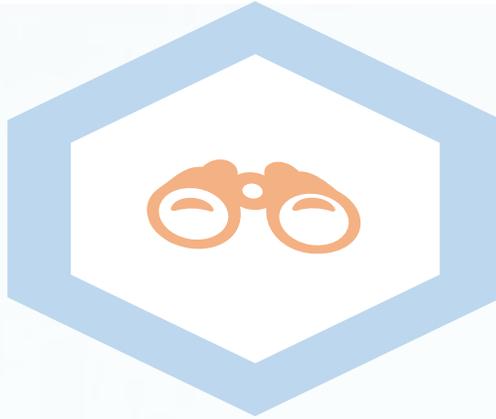
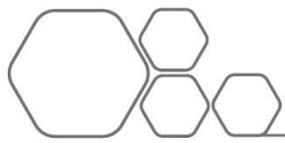
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# Company Overview



### Vision

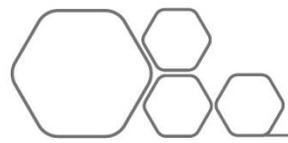
**We shall become the first-choice vendor of Bulk Drugs and achieve a leadership position by:**

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



### 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



*Experienced management with deep understanding of pharmaceutical sector*



**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. 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. 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.



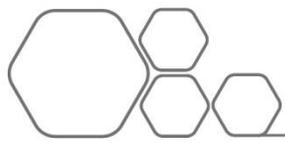
**Mr. Harit P. Shah**  
Whole Time Director

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.

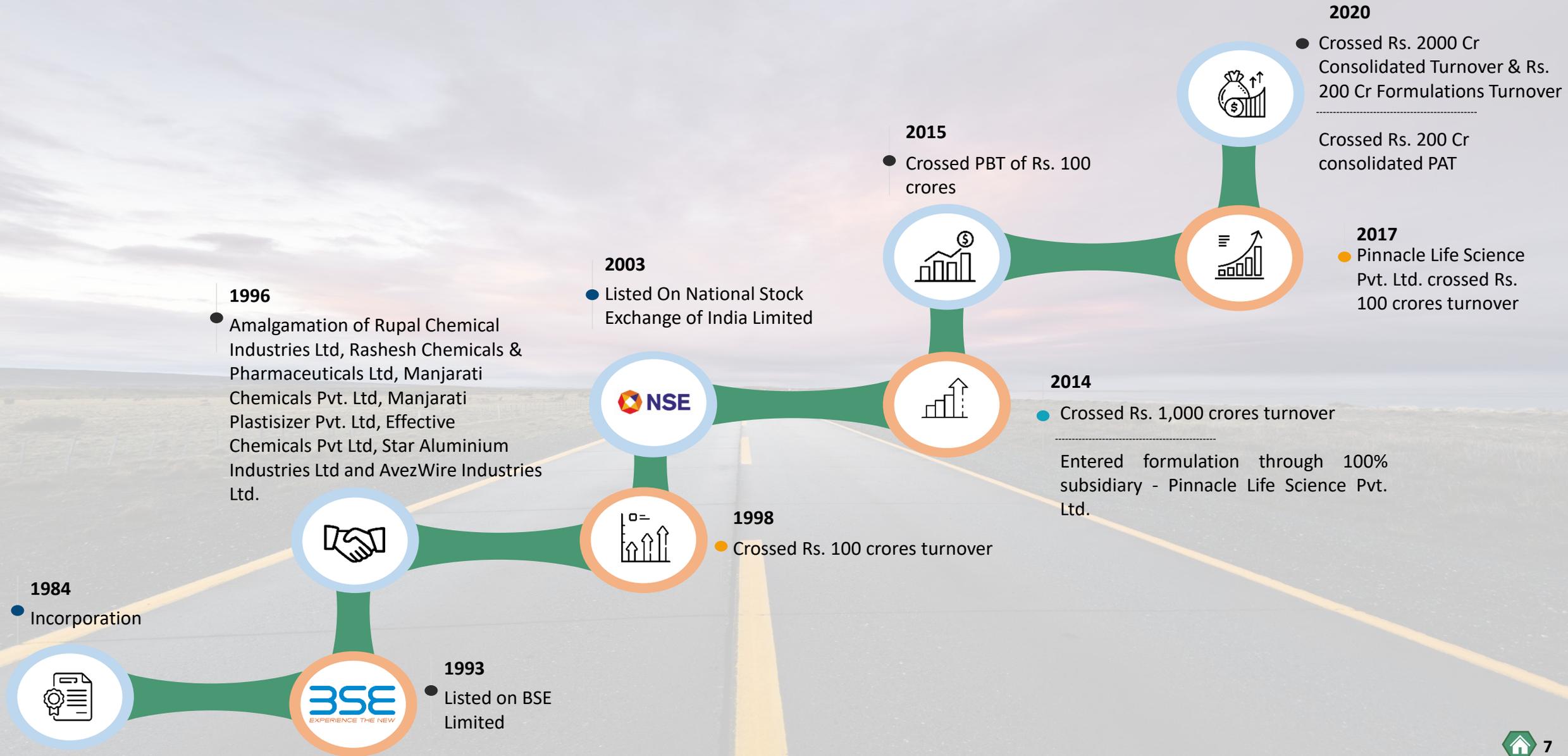


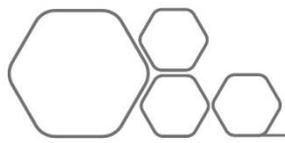
**Mr. Adhish P. Patil**  
Chief Financial Officer

Shri Adhish P. Patil has experience of over 16 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.



# Key Milestones





<b>12</b> Manufacturing Facilities	<b>3,975</b> MT/Month API Capacity
<b>80+</b> Finished Products	<b>1,10,330</b> Sq.m Plant Area
<b>1,500+</b> Employees	<b>~37%</b> Export Revenue
<b>50+</b> API Molecules	Presence across <b>100+</b> countries



## Presence Across API, Formulation, Specialty Chemicals, Intermediates Segments



### Active Pharmaceuticals Ingredients (API)

- Leading API producer of 50+ molecules for anti-biotics, antiprotozoal, anti-inflammatory, anti-diabetic & anti-fungal, etc.
- Largest manufacturer of 3 molecules in the world
- One of the largest manufacturer of 2 molecules in the world
- 9 manufacturing units
- Contributes ~80% revenues
- Installed capacity of 47,701 MTPA



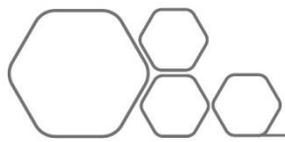
### Formulation

- Diversified into formulation through a wholly owned subsidiary Pinnacle Life Science Pvt. Ltd. in 2014
- Adopted flexible manufacturing approach with combination of in-house manufacturing as well as outsourcing model supported by strong in-house R&D
- Manufacturing plant at Baddi, Himachal Pradesh is WHO – GMP approved
- Installed capacity of 3 billion units tablets and 300 million units capsules

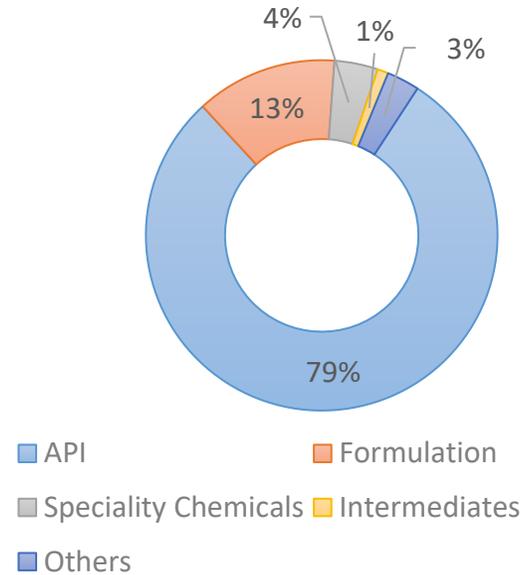


### Specialty Chemicals, Intermediates & Others

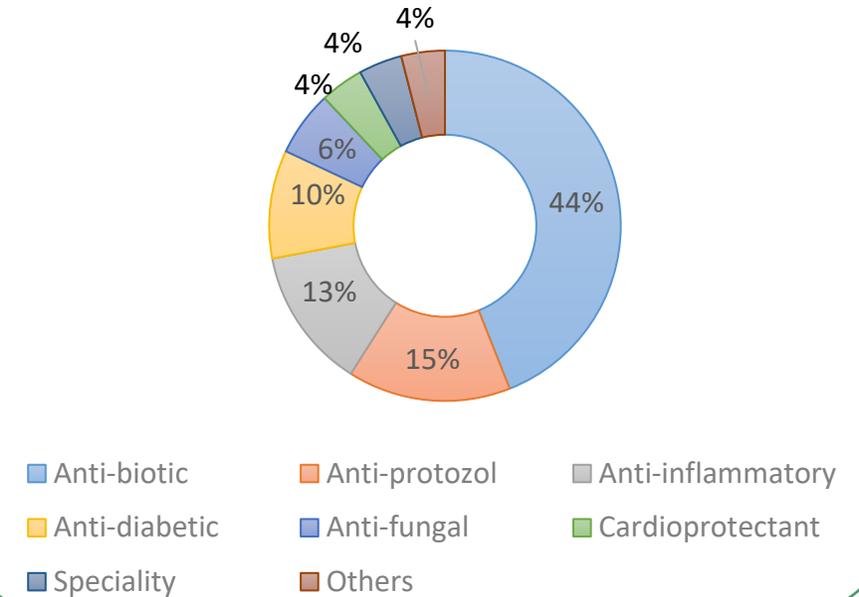
- 2 manufacturing units; 2 more facilities coming up (currently under greenfield capex )
- Being backward integrated, supply intermediates of anti-biotics, anti-fungal, anti-inflammatory and cardiovascular to the API manufacturers
- Manufacturer of specialty chemicals in Benzene & Chloro-sulphonic chemistry



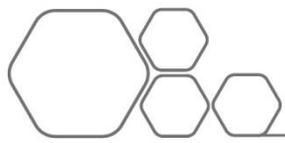
### Segmental Revenue



### Therapeutic-wise Revenue



***Focus on growing the contribution from lifestyle & chronic therapeutic areas, reducing share from acute therapies***



# State-of-the-art Integrated manufacturing facilities

**Sarigam-1**  
WHO-GMP

**Sarigam-2**  
WHO-GMP/ COFEPRIS/CEP

**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

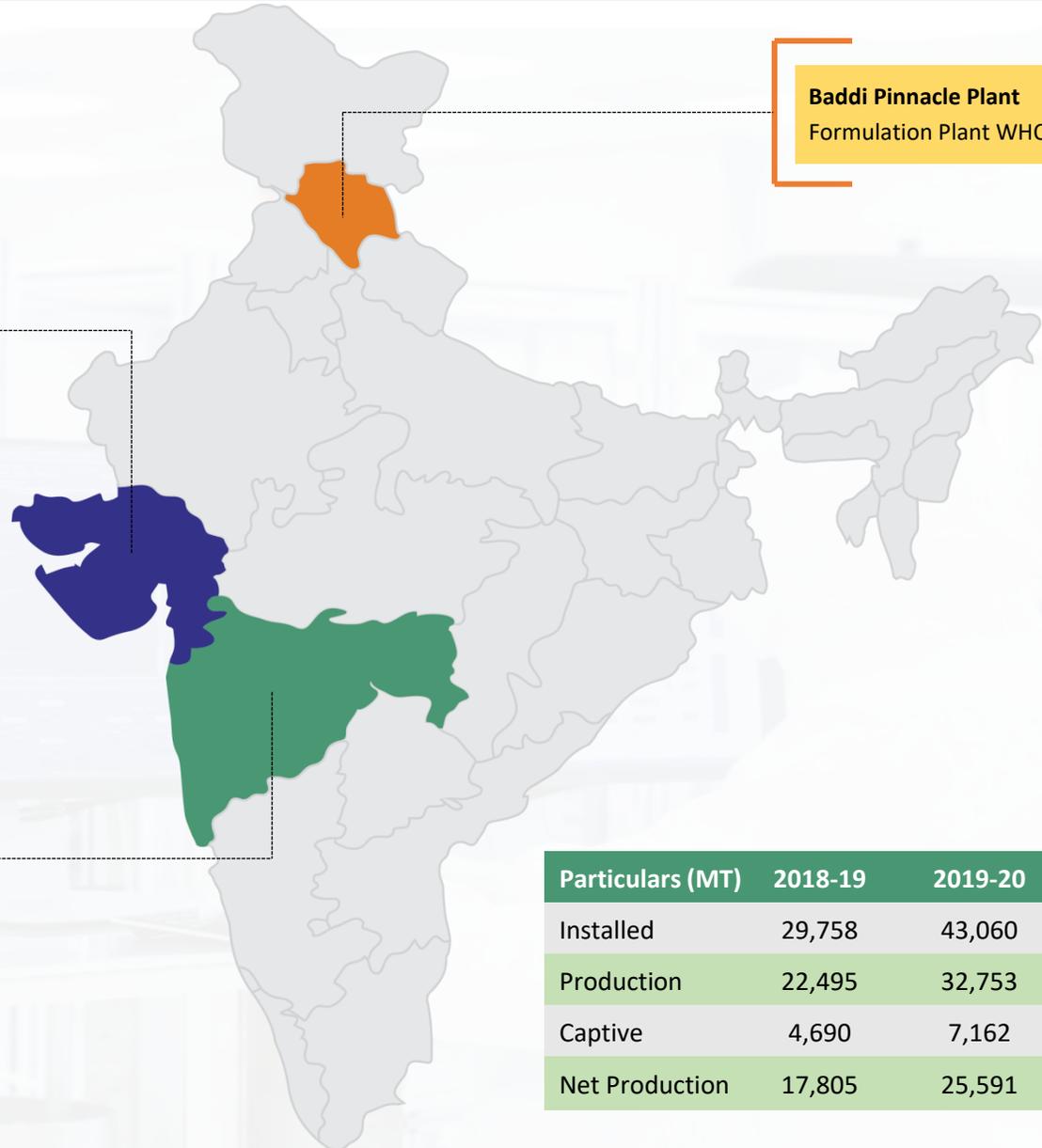
**W-61**  
EUGMP & WHO-GMP

**E-120**  
WHO-GMP

**E-9/3**  
ISO-9001:2008

**T-150**  
Intermediates

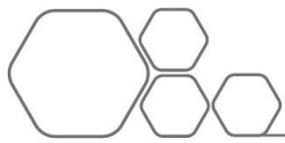
**Baddi Pinnacle Plant**  
Formulation Plant WHO-GMP



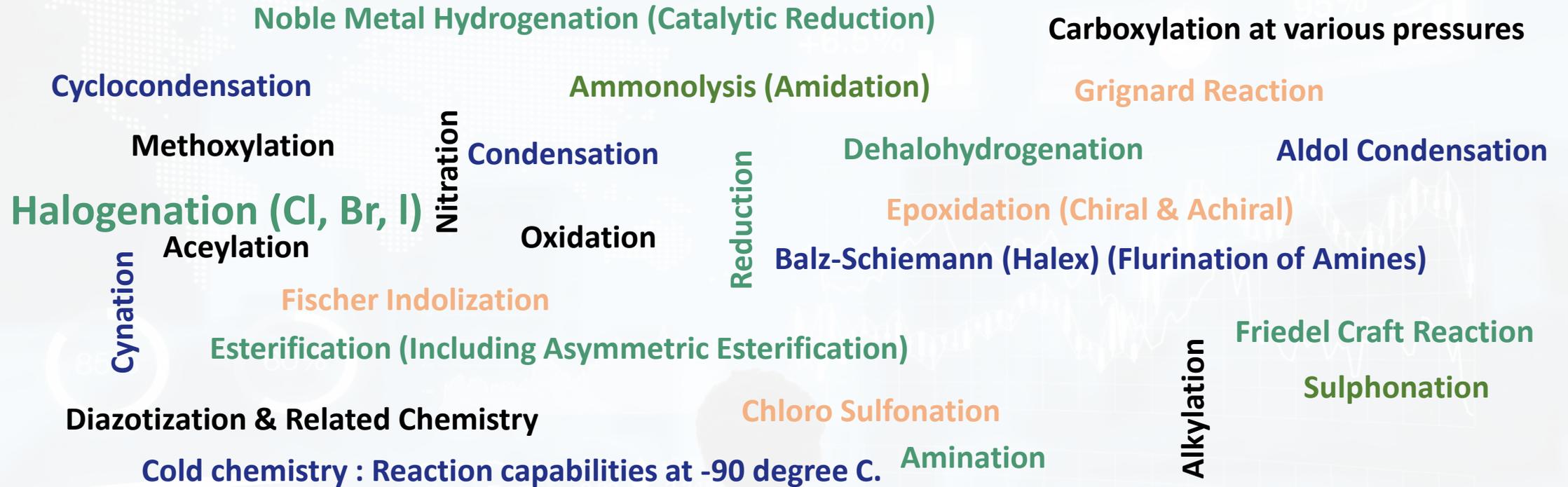
Particulars (MT)	2018-19	2019-20	2020-21
Installed	29,758	43,060	47,701
Production	22,495	32,753	34,751
Captive	4,690	7,162	8,164
Net Production	17,805	25,591	26,587

\*Import alert under resolution

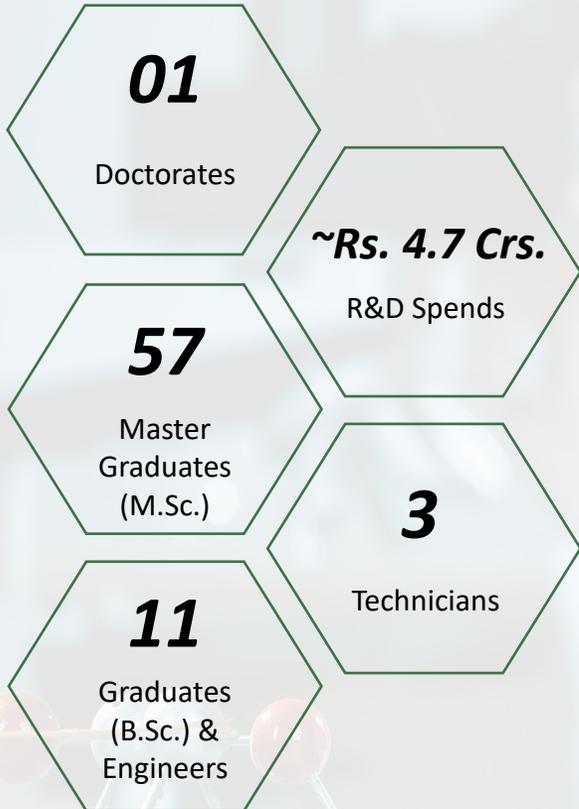
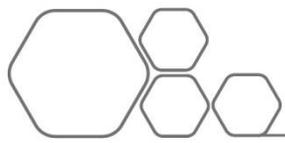
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## Reaction Capabilities



- 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**



## 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

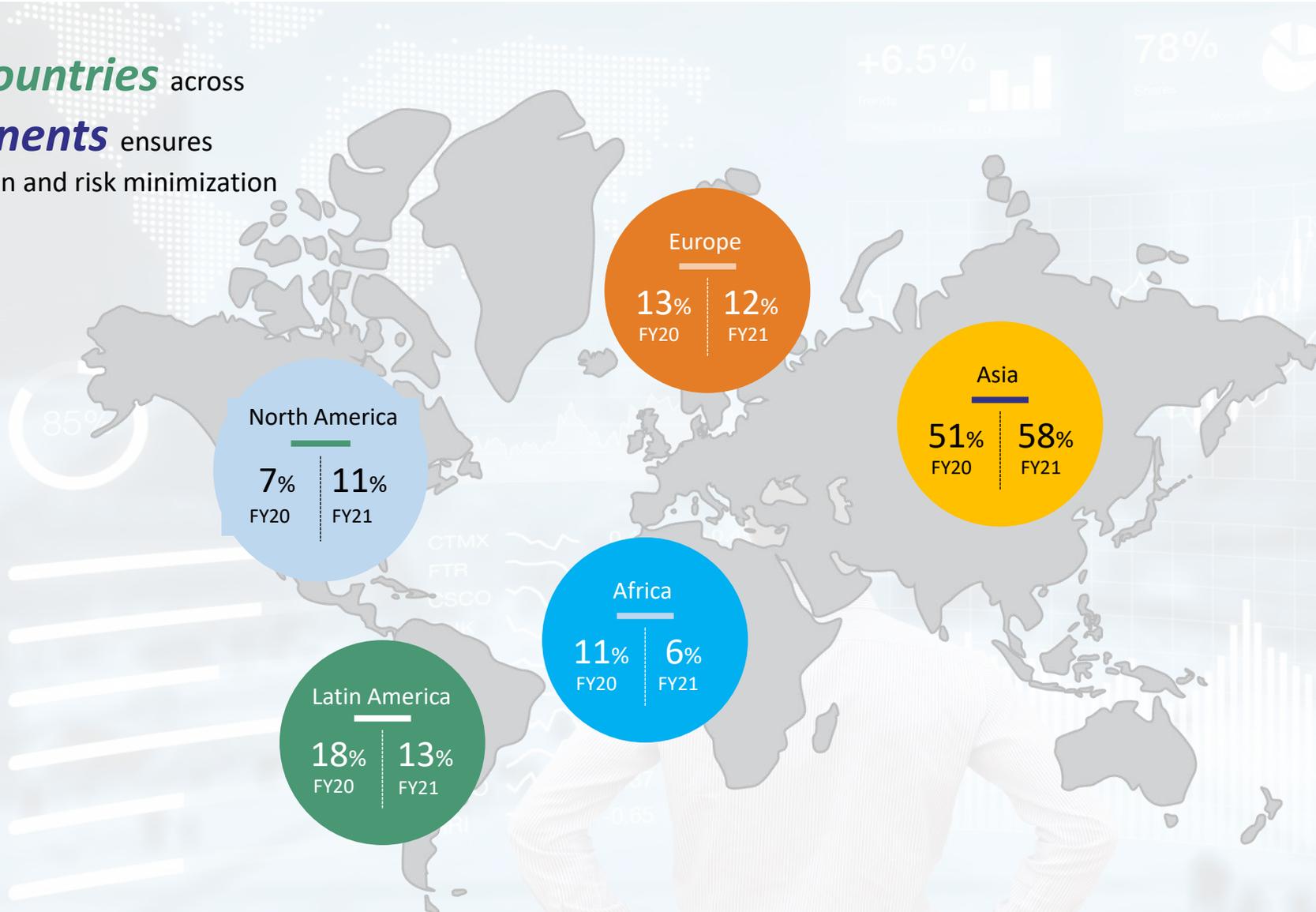
## R&D Center at Turbhe, Mumbai

- 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



# Diversified geographic presence

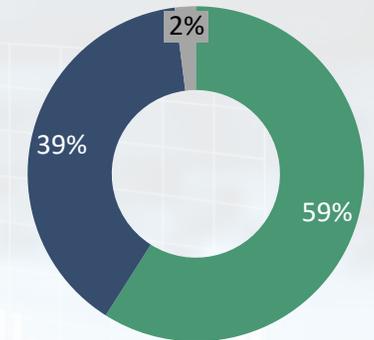
Presence in **100+ Countries** across **6 Continents** ensures diversification and risk minimization



## Top 10 Countries - Exports

Brazil	Mexico
Pakistan	Turkey
UAE	Egypt
Bangladesh	Indonesia
Switzerland	Russia

## Market



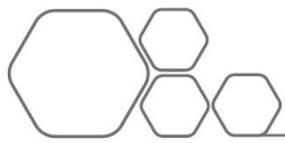
- Regulated
- Semi-Regulated
- Non-Regulated

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



# Our Esteemed Clientele across segments





## 1991-92

**CHEMEXCIL**

Outstanding Performance in Export



## 2005-06

**AVAYA GLOBAL CONNECT**

Customer Responsiveness



## 2012

**CHEMEXCIL**

Outstanding Performance in Latin American Export



## 2014

**CHEMEXCIL**

Appreciation as business partner



## 2015-2019

**ABBOTT**

Business partner of the year



## 2001

**CHEMEXCIL**

Outstanding Performance in Export, Organization of Pharmaceutical Product, Best Vendor



## 2009

**CHEMEXCIL**

Outstanding Performance in Export

## 2013

**ABBOTT**

Best Vendor of the year

## 2014

Government of India (Ministry of commerce and Industry)

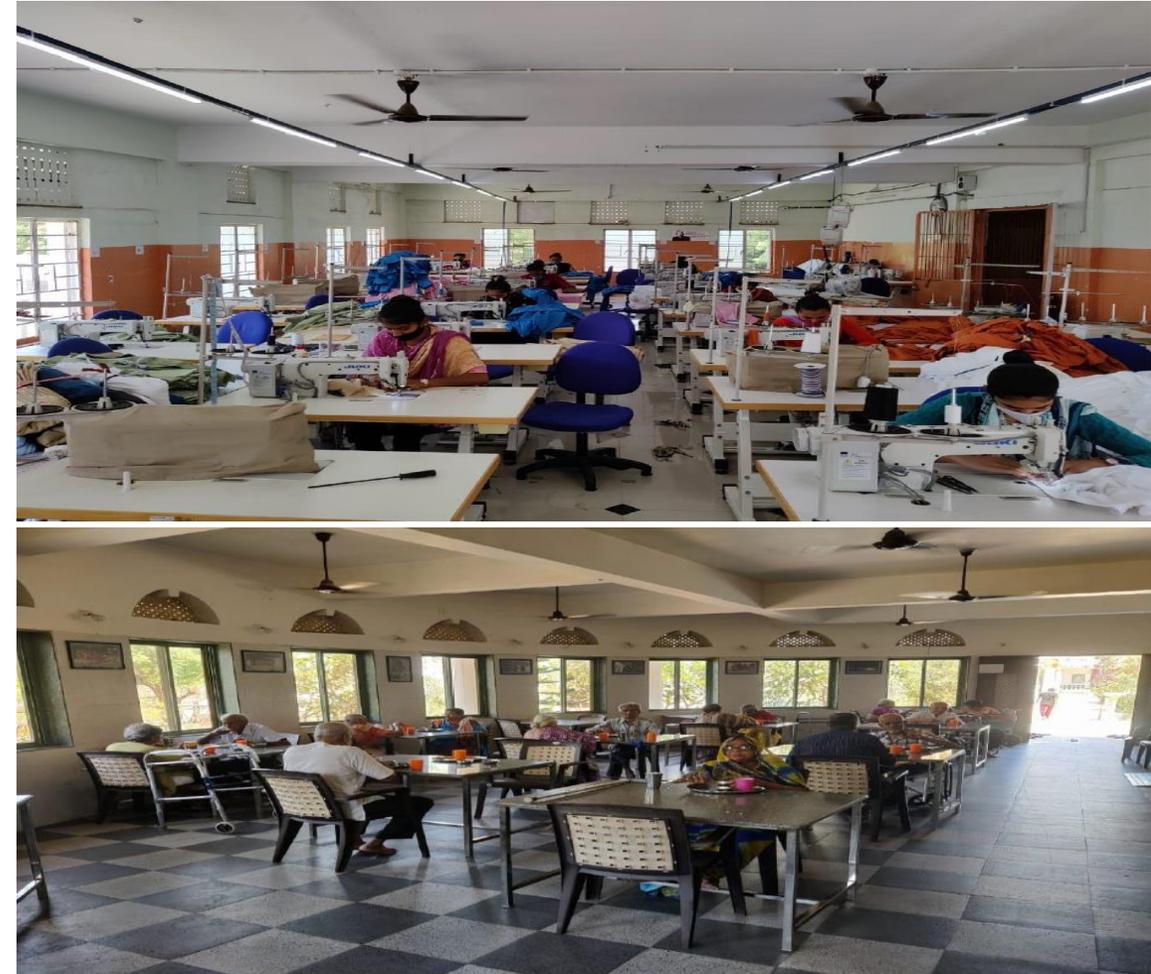
Certificate of Recognition - Star Export House



Karunah Society for Development, Partner NGO: Aarti Foundation, Mumbai  
Activity – Distribution of ration kits



Donation to Matruvandana – Funds utilised to manufacture face masks & medical treatment of senior citizens



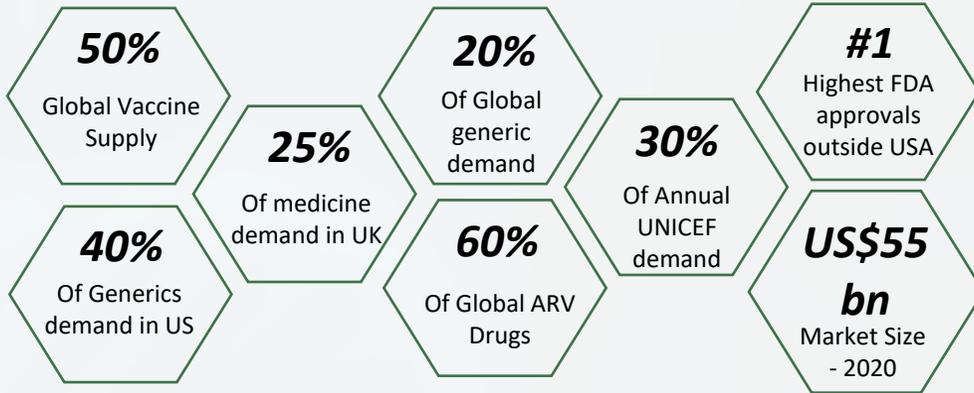
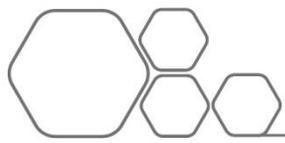


TRIBAL INTEGRATED DEVELOPMENT & EDUCATION TRUST (TIDE) - TIDE has projects in +7,000 villages of 16 states. Donation amounts were used for Assam tribal project by TIDE.





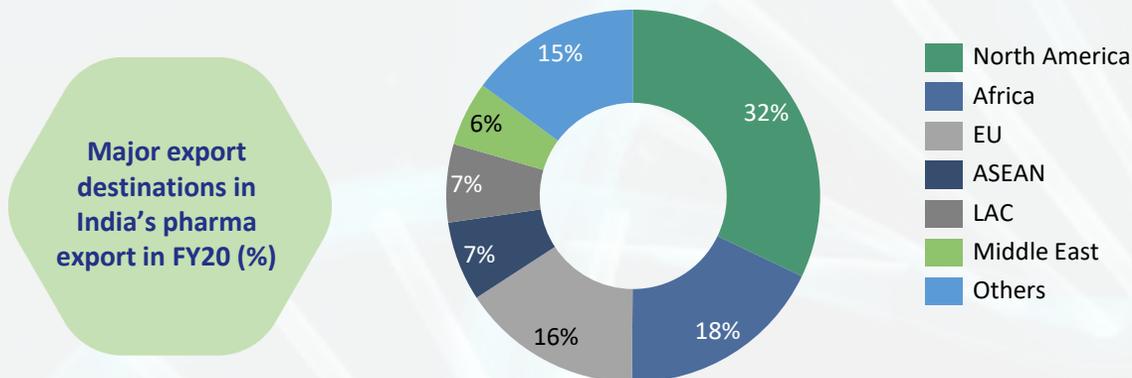
# Industry Overview



World's largest provider of generic medicines; the country's generic drugs account for **20% 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.**

Exports, including bulk drugs, intermediates, drug formulations, biologicals, AYUSH & herbal products and surgical products, reached US \$16.28 billion in FY20. As of October 2020, India exported pharmaceuticals **worth US\$13.87 billion in FY21.**

*The biggest export destination for Indian pharma product is the US. In FY20, 32.1% of India's pharma exports were to the North America, followed by 17.96% to Africa and 15.70% to the European Union.*



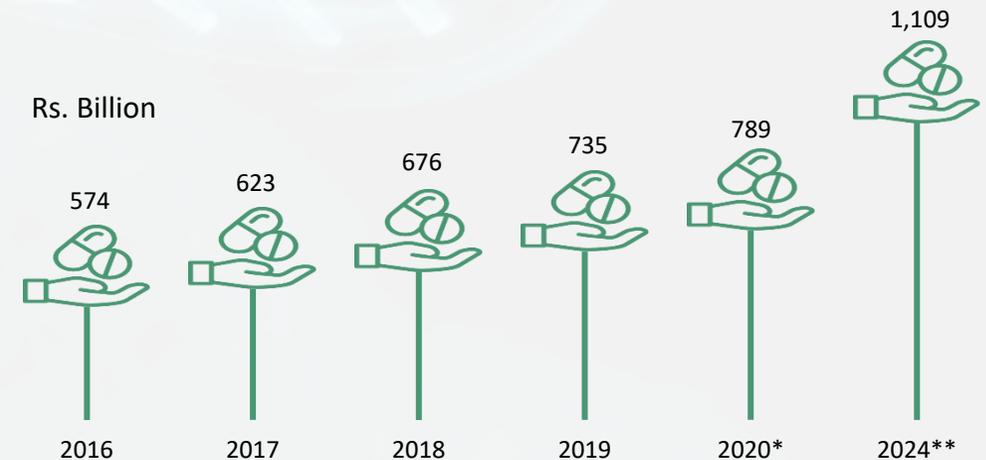
Source: Department of Commerce India, Department of Pharmaceuticals, India Business News, Global Trade Atlas, KPMG US-India Dynamic June 2018, Pharmexcil

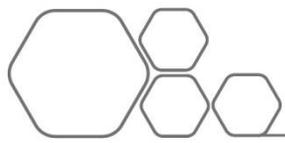


## Active Pharmaceutical Ingredient (API) Market

- India is the third largest active pharmaceutical ingredient (API) market in the Asia-Pacific region
- The API industries in India include domestic and in-house consumption as well as exports
- The Indian active pharmaceutical ingredients manufacturing segment can be divided into two sectors such as innovative or branded and generic or unbranded

## Market size of Active Pharmaceutical Ingredient (API) industry in India from 2016 to 2019 with estimates until 2024





## Experienced management with deep understanding of pharmaceutical sector

### Active Pharmaceutical Ingredients (APIs)

- Domestic API consumption is expected to reach US\$ 18.8 billion by FY22
- In Apr'19, Constituted a high-level task force to create a roadmap for increasing domestic production of APIs.
- Currently India imports over 60% of its APIs from other countries.

### CRAMS

- Fragmented market with more than 1,000 players
- CRAMS industry has posted 48% CAGR between FY15-18 and expected to witness a strong growth over 25% over 2018-21

### Formulations

- Largest exporter of formulations in terms of volume, with 14% market share and 12th in terms of export value.
- Double-digit growth is expected over the next five years.

### Biosimilars

- As on Aug'19, the moving annual turnover (MAT) for biosimilar molecules sold in the domestic market stood at Rs 1,498 crore (US\$ 214.31 million). The govt. plans to allocate US\$ 70 million for local players.
- The domestic market is expected to reach US\$ 40 billion by 2030.



# 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



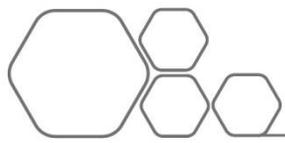
## Innovation and R&D

- 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



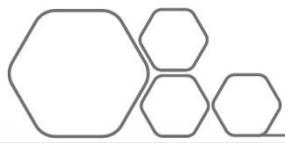
The scheme is aimed towards pushing domestic manufacturing of key starting materials (KSMs), drug intermediates and active pharmaceutical ingredients (APIs) to reduce import dependence on such input materials.

## How Sector Will Benefit

- ❑ **Objective:** The objective of the scheme is to enhance India's manufacturing capabilities by increasing investment and production in the sector and contributing to product diversification to high value goods in the pharmaceutical sector. One of the further objectives of the scheme is to create global champions out of India who have the potential to grow in size and scale using cutting edge technology and thereby penetrate the global value chains.
- ❑ **Outlay:** ₹ 15,000 crore worth of incentives for 6 years (for financial years 2020-21 to 2028-29)
- ❑ **Incentives:** The rate of incentive on incremental sales (over base year) of pharmaceutical goods covered under Category 1 & 2 will be 10% for FY 2022-23 to FY 2025-26, 8% for 2026-27 and 6% for 2027-28. The rate of incentive on incremental sales (over base year) of pharmaceutical goods covered under Category-3 will be 5% for FY 2022-23 to FY 2025-26, 4% for 2026-27 and 3% for 2027-28.
- ❑ **Impact:** Total incremental sales worth ₹2.94 trillion and incremental exports of ₹1.96 trillion expected during the six years.

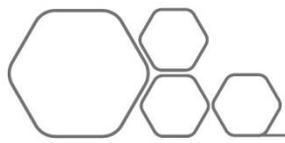
## How Aarti Drugs Will Benefit

- ❑ Aarti Speciality Chemicals Limited (ASCL), a wholly-owned subsidiary of the company has received an approval under PLI scheme.
- ❑ Received approval for 2-Methyl-5Nitro-Imidazole (2-MNI) with a committed production capacity of 4,000 MTPA and a committed investment outlay of ~ ₹78 crores under Target Segment III (Key Chemical Synthesis Based KSMs/Drug Intermediates)
- ❑ **Expecting ~ ₹80 crores of incentives over 6 years** through this scheme
- ❑ This will help the company to diversify its product portfolio, increasing the top-line, and enhancing the profitability & margin profile.
- ❑ Backed by a strong balance sheet, and robust free cash flow generation, **the committed capex will be funded mostly through internal accruals**



## Aarti 2.0: Sustainable Growth & Long-term Value Creation





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

## How API Manufacturing Has Evolved



### Regulations

- ❑ Stringent pharmacopoeia standards
- ❑ Addition of elemental
- ❑ Tightened impurity profiling
- ❑ Rigorous carcinogenicity checks



### Cost Structure

Higher capex requirements to adhere to ever rising quality, environmental & regulatory requirements

High R&D costs

## Impact

- ❑ **Lower Competitive Intensity:** Various small-scale manufacturers have exited due to unviability of cost structure
- ❑ **High Entry Barriers:** High entry barriers for new entrants due to cost structure and compliance requirements
- ❑ API manufacturing has **evolved from a commodity business into niche, specialized and highly regulated business**
- ❑ Manufacturers have carved a niche for themselves in specific products/ segments within API manufacturing space

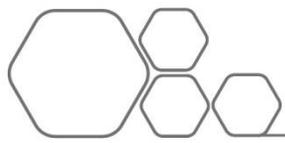
Tightened Regulations

Quality & Environmental Standards

Higher Capex Requirements



- Higher Entry Barriers
- Low Competitive Intensity



# Unique Competitive Position



## Known brand in API space

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

## Process improvement R&D, cost leadership

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

## Phase-Wise Capex to mitigate debt trap risks

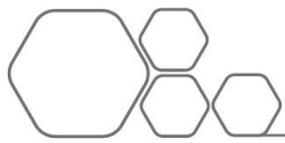
Newer capacities established since last two years will help grow top-line.

## Green field projects

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

## High entry barriers

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



## Specialised player in the highly challenging Pharmaceutical Industry

### Industry's Unique Challenges

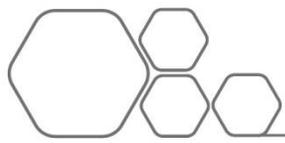
-  High R&D costs
-  Long gestation period
-  Time consuming approval procedures
-  Demands large variety and small batch size orders
-  Highly complex manufacturing
-  Stringent quality & compliance requirements in developed markets
-  Highly competitive industry

### Our Core Competencies

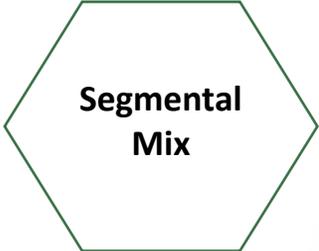
- Demonstrated manufacturing excellence for 3+ decades
- R&D focused, driven by continuous improvement and innovation
- Ability to consistently deliver high quality products on timely basis
- Meeting stringent regulatory & compliance requirements of domestic & international regulators
- Long standing relationships with leading pharmaceutical companies
- Fully integrated facilities – lower outside dependence for sourcing raw materials

***Well placed to capitalize on future growth opportunities***





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



- API segment contributes ~79% of sales in FY21
- Focus on increasing contribution from Speciality Chemicals, Intermediates & Others, going forward



- Domestic - Export mix at 65%:35% for FY21
- Presence across 100+ countries
- None of the region contributes more than 2/3<sup>rd</sup> of the revenue with Asia contributing the highest at 58% of total sales

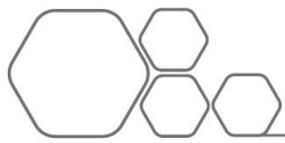


- Top 5 therapies contributes ~77% of sales in FY21
- Anti-biotic products contributes highest at 44% to sales in FY21
- Top 10 products contribute to ~76% to sales in FY21
- Leaders in Domestic market in most of top 10 products



- Domestic: Largest client contributes ~4.3% of domestic sales whereas top 10 clients contribute ~24.5%
- Exports: Largest client contributes ~5.5% of exports sales whereas top 10 clients contribute ~23.2%

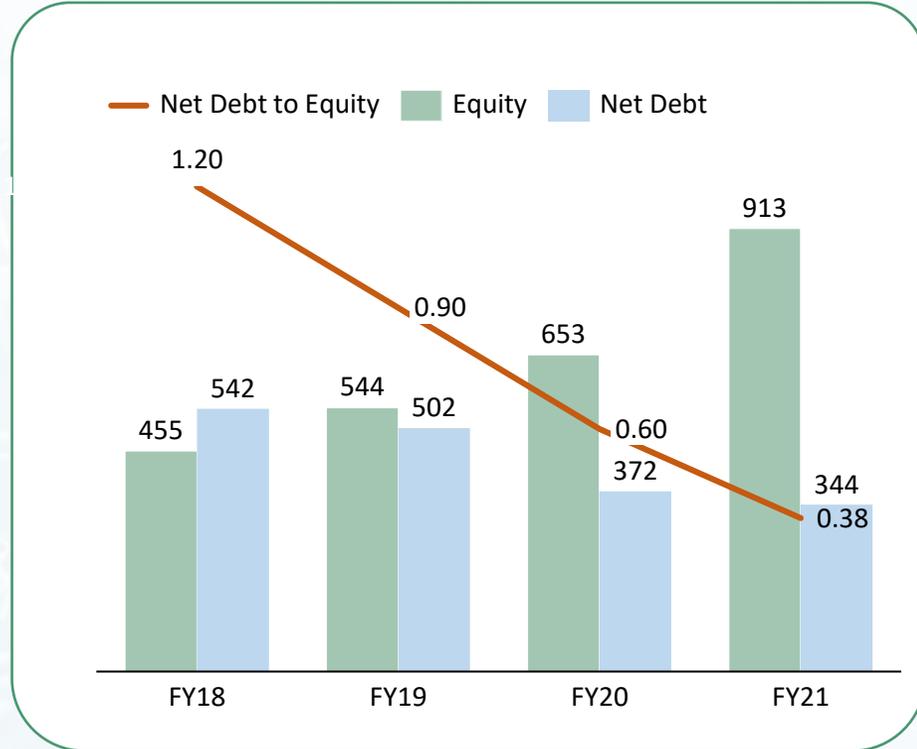
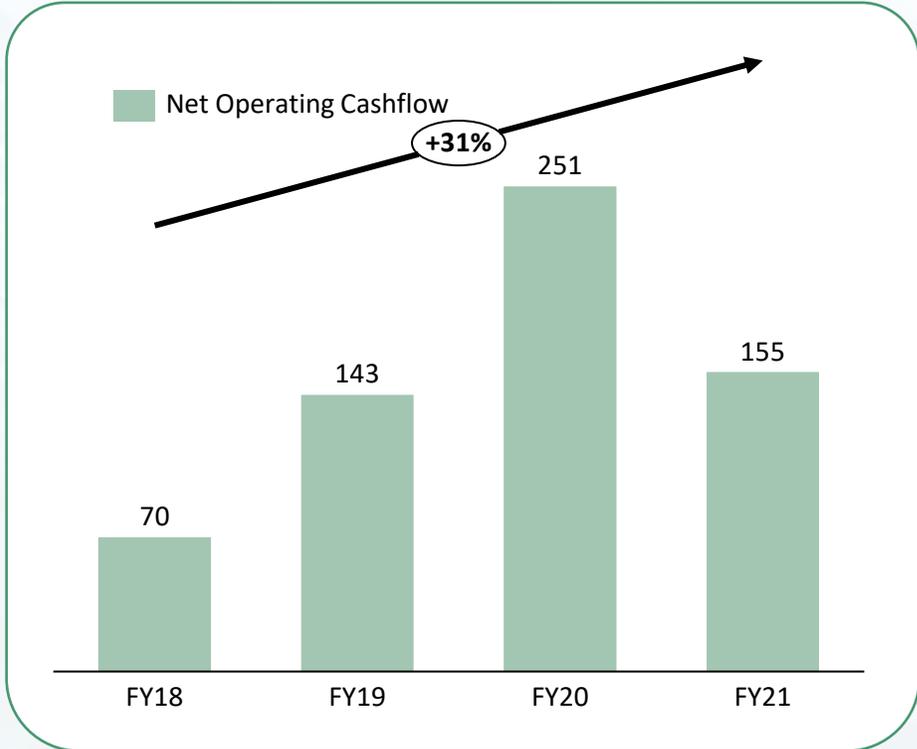




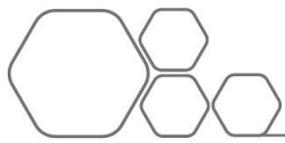
## Strong cashflows led to robust Balance Sheet giving financial flexibility for Growth

Net operating cashflow increased by CAGR ~30%

Low leverage provides Balance Sheet strength



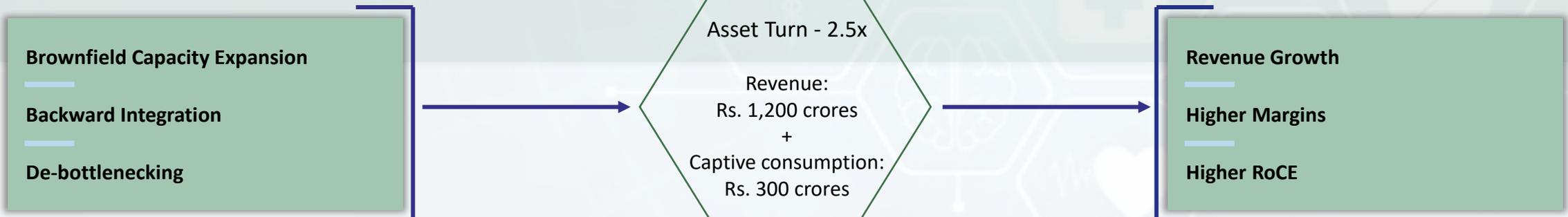
Rs. crores	Mar-21
<b>Net Debt</b>	<b>344.1</b>
<b>Equity</b>	<b>913.4</b>
<b>Total Assets</b>	<b>1,637.0</b>
<hr/>	
Key Ratios	Mar-21
<b>Net Debt/ Equity (x)</b>	<b>0.38x</b>
<b>Net Debt/ Assets (x)</b>	<b>0.21x</b>

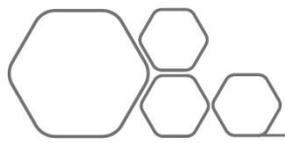


## Capex of Rs. 600 crores planned

### Capex plans

- Phase wise capex will lead to distributed investments
- Majority of the capex to be funded through internal accruals and minimal debt
- Brownfield expansion and debottlenecking of API facilities
- Brownfield expansion at Baddi plant will lead growth for Formulation business
- Backward integration to lead cost synergies





## Anti Diabetic

- CEP approval in 2016 which opened up European markets
- Manufacturing over 1,000 TPM making it one of the largest metformin player
- Coming up with 2,000 TPM capacity via brown field expansion in Phase I
- Launch of Gliptins will further strengthen this therapeutic category.

## Fluoro-Quinolones

- Further 40% brown field expansion of one antibiotic product

## Antiprotozoal

- Further consolidating the position in Indian Market. Existing technology and Chinese JV.
- Incremental expansions and downstream products improvement
- Plans to further backward integrate, apply for PLI scheme.

## Vitamins / Anti- Inflammatory

- Multi-purpose facility under construction. Targeting highly regulated markets.
- Brown field expansion of its existing anti inflammatory products commissioned at the end of FY20 which will drive future growth in this therapeutic category
- Installed capacity will give revenues of around Rs. 50 crores / Rs. 35 crores per annum as per product selection – currently on HOLD.
- USFDA re-inspection to be triggered soon.

## Cardiovascular Products

- Planning to double the capacity of one of its leading cardiovascular product

## Anti - Fungal

- Further consolidation of its worldwide leading position.
- Recently expanded the capacity, further extending the lead.

## Speciality Chemicals

- Incremental expansion of our multipurpose chloro-sulphonation line in existing block
- Greenfield expansion in near future

## R&D Product Pipeline

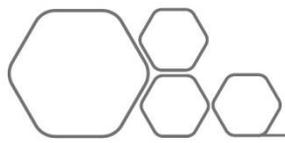
- Strong pipeline of products under R&D for future growth
- Contract manufacturing of specialty chemicals and intermediates

## Formulations

- Started with commercial operations in Latin America, selective African markets. Doing new registrations in export markets and government tenders
- Toll manufacturing of formulations. About 330 filings across 16 geographies. Foreign subsidiary to tap opportunities

## 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.



## Growth Drivers

### Expansion

Increased product offering to existing customers

New customer acquisition in domestic and exports markets for API and Formulation Segment

Addition of skincare therapy for API segment

### Capex

Brownfield expansion for existing products at various facilities to scale-up the capacity

Brownfield expansion for the new product line in API segment

Sustainable Growth



Long Term Value

## Value Creation Drivers

### Backward Integration

Backward integration for the API and Formulation segments to drive cost synergies

Robust expansion in margins and return ratios is expected through backward integration over next 5 years

### Prudent Capital Allocation

Planned capex predominantly to be funded through internal accruals and minimal debt

Maintain Optimal leverage

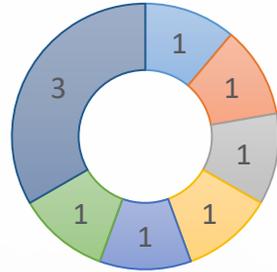
Healthy Asset Turnover and Working Capital Cycle

**Full ramp-up of existing capacity and New Capacity post Rs. 600 crores capex**  
**Revenue potential: Rs. 4,200 – 4,500 crores with higher margin profile in next 5-6 years**



## API

Product Under Development



- Anti Fungal
- Anti Diabetic
- Anti Hypertensive
- Anti Convulsant
- Proton Pump Inhibitor
- Specialty Chemicals
- Pharma RM

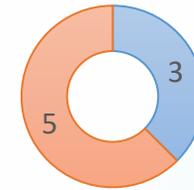
Product Under Pipeline



- Antidiabetic
- Antifungal
- Cosmetic and Skin
- Intermediates
- Animal Feed

## Finished Dosages

Product Under Development : New Age Molecules For regulated Markets



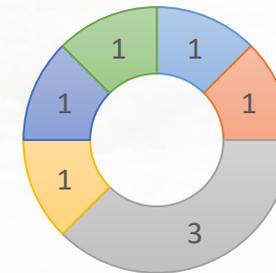
- Anti-Coagulant
- Anti Diabetic

Product Under Development: LATAM & Emerging Markets



- Anti-Diabetic
- Anti-Protozol
- Benzodiazepines
- HMG-CoA reductase inhibitors
- Anti-Bacterial
- Angiotensin Receptor blockers
- Gastro

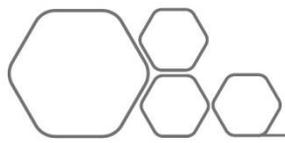
Product Under Development



- Anti-Platelet
- Anticonvulsants
- Antiretroviral
- Anti-Depressants
- Leukotriene Receptor Antagonists
- Antipsychotics

The background features a blurred image of a white mortar and pestle containing various pills. A large, semi-circular blue overlay covers the right side of the image, featuring a pattern of white hexagons. The text "Financial Highlights" is centered in the blue area.

# Financial Highlights



# Key Highlights

## Q4 Highlights

**~11.6%**  
Revenue growth (YoY)

**~78%**  
Share of API segment

**~8.7%**  
API segment Revenue growth  
(YoY)

**~16.7%**  
API Volume Growth

**~22.2%**  
Formulations segment Revenue  
Growth (YoY)

**~12.4%**  
Share of Formulation segment

## FY21 Highlights

**~19.5%**  
Revenue growth (YoY)

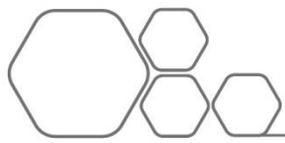
**~79%**  
Share of API segment

**~18.3%**  
API segment Revenue growth  
(YoY)

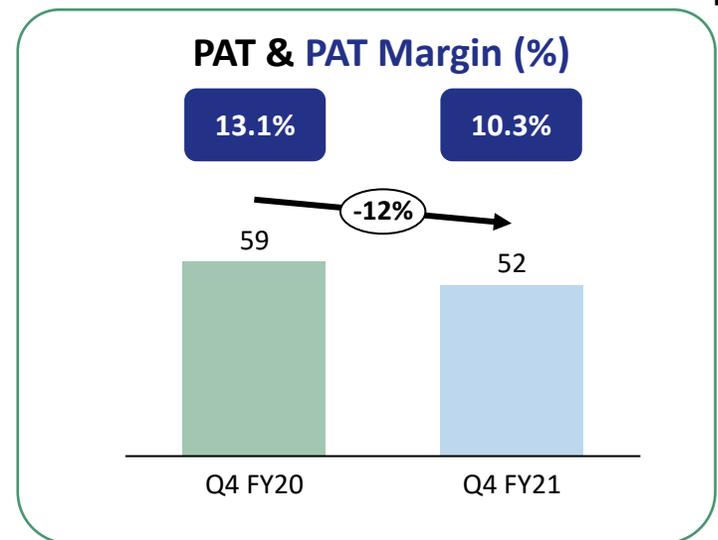
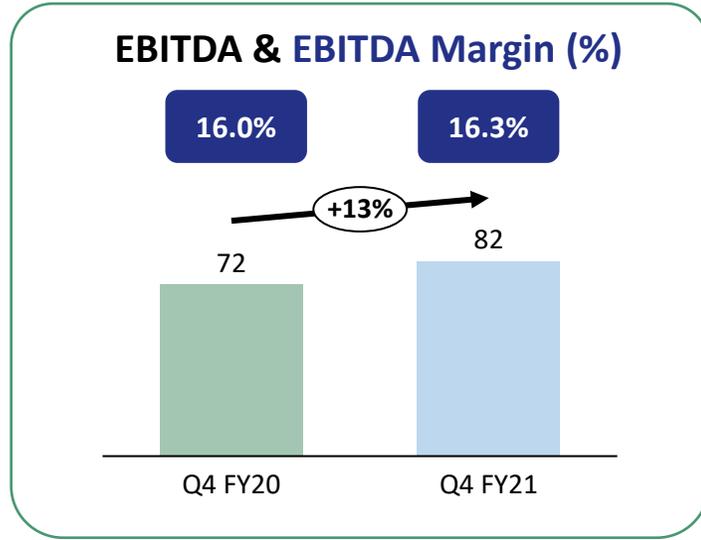
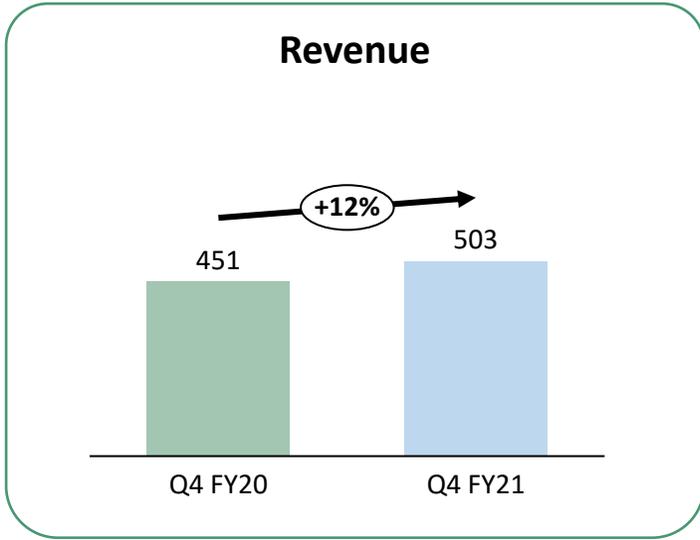
**~9.6%**  
API Volume Growth

**~36.5%**  
Formulations segment Revenue  
Growth (YoY)

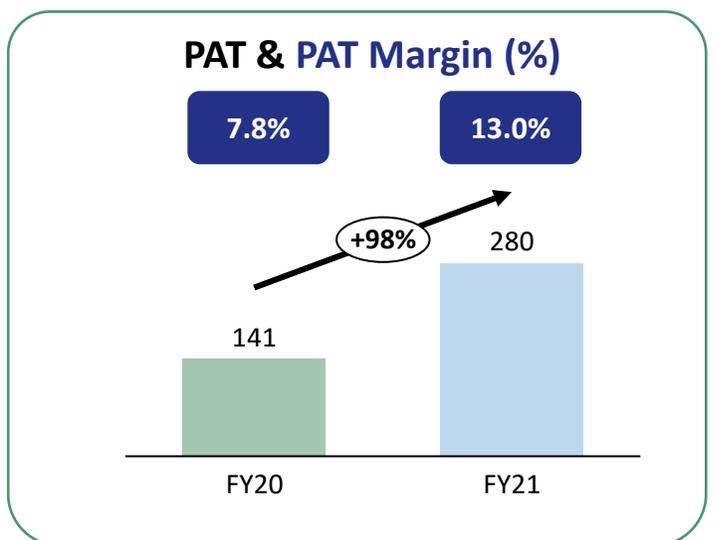
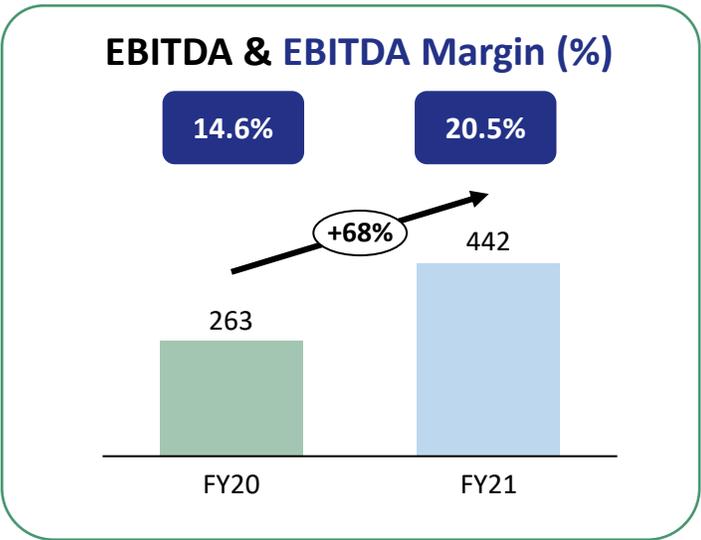
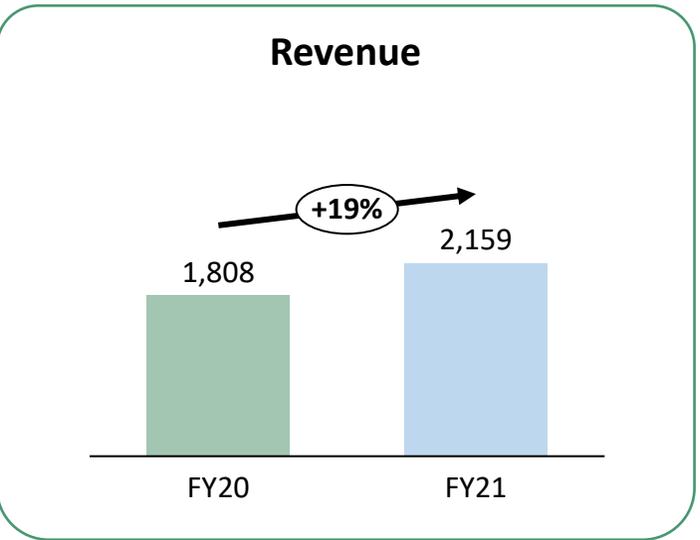
**~13.3%**  
Share of Formulation segment



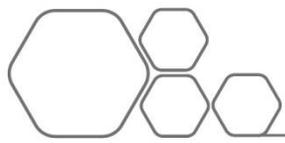
## Q4 Highlights



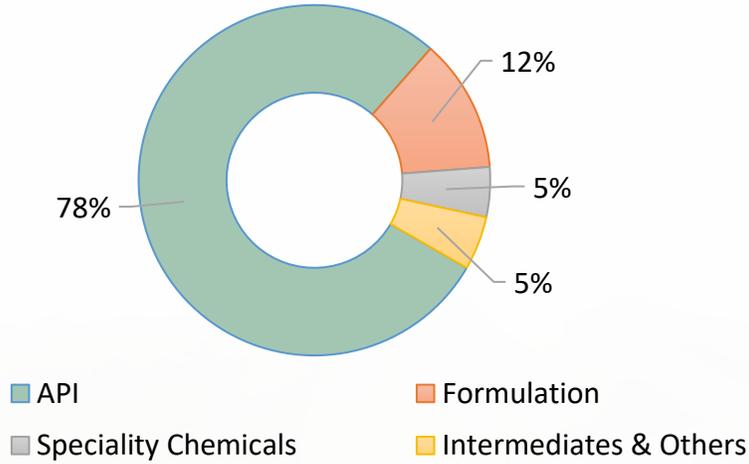
## FY21 Highlights



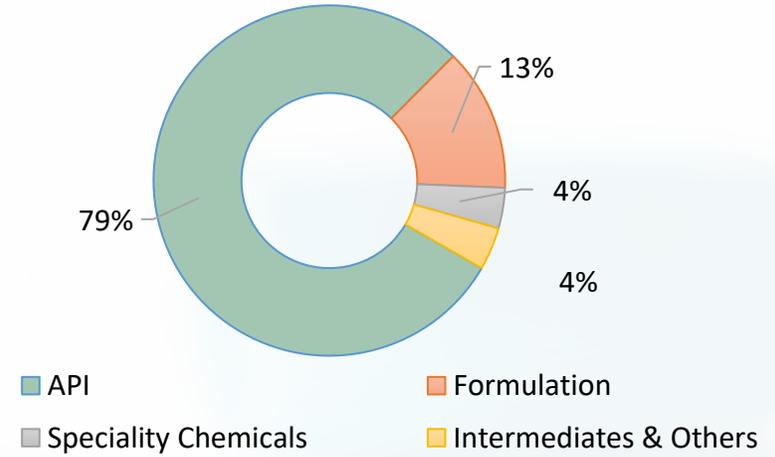
1. EBITDA includes other income & excludes exceptional items  
 2. Exceptional items includes profit on sale of assets of Rs. 8.38 crores in Q4FY20, excluding exceptional items, PAT grew 2.3% YoY



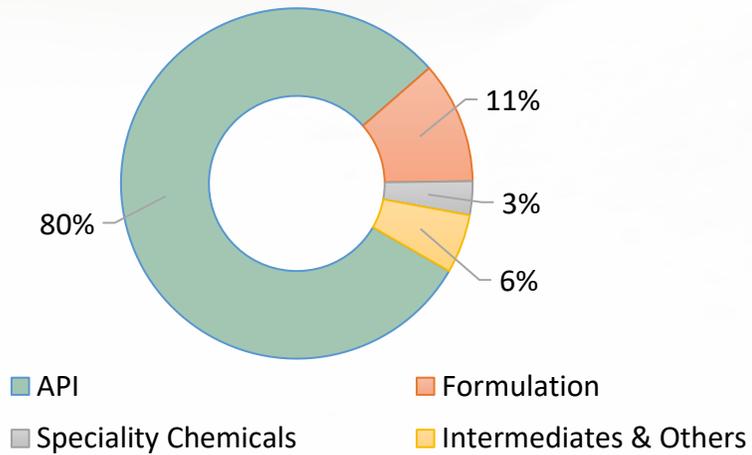
### Quarterly Q4FY21



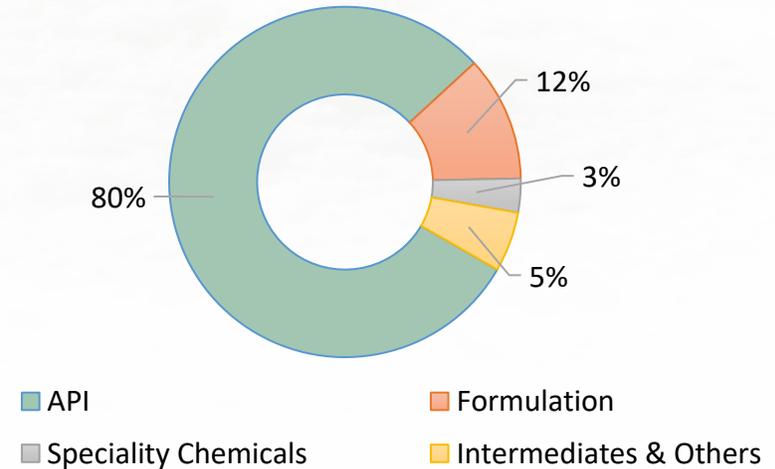
### Year Ended FY21



### Q4FY20



### FY20



# Consolidated Profit & Loss Statement

Particulars (Rs. Crores)	Q4FY21	Q4FY20	YoY%	FY21	FY20	YoY%
<b>Net Revenue from Operations</b>	<b>501.8</b>	<b>449.6</b>	<b>12%</b>	<b>2,154.8</b>	<b>1,806.1</b>	<b>19%</b>
Other Income	1.0	1.0		4.5	1.5	
COGS	319.6	283.2		1321.0	1178.9	
<b>Gross Profit</b>	<b>183.1</b>	<b>167.4</b>	<b>9%</b>	<b>838.3</b>	<b>628.7</b>	<b>33%</b>
<b>Gross Margin (%)</b>	<b>36.5%</b>	<b>37.2%</b>	<b>(74 bps)</b>	<b>38.9%</b>	<b>34.8%</b>	<b>410bps</b>
Employee Expenses	19.9	18.6		80.5	69.4	
Other Expenses	81.3	76.5		316.1	296.0	
<b>EBITDA</b>	<b>81.9</b>	<b>72.3</b>	<b>13%</b>	<b>441.6</b>	<b>263.3</b>	<b>68%</b>
<b>EBITDA Margin (%)</b>	<b>16.3%</b>	<b>16.1%</b>	<b>25 bps</b>	<b>20.5%</b>	<b>14.6%</b>	<b>590 bps</b>
Finance Costs	4.4	7.5		23.0	33.7	
Depreciation	12.3	12.5		49.9	48.8	
<b>PBT before exceptional items</b>	<b>65.2</b>	<b>52.3</b>	<b>25%</b>	<b>368.8</b>	<b>180.8</b>	<b>104%</b>
Exceptional Expense/(Gain) <sup>1</sup>	0.0	-8.4		-0.2	-4.5	
<b>PBT</b>	<b>65.2</b>	<b>60.7</b>	<b>7%</b>	<b>369.0</b>	<b>185.3</b>	<b>-52%</b>
Taxes <sup>2</sup>	13.6	1.9		88.6	43.8	
<b>Reported PAT</b>	<b>51.6</b>	<b>58.8</b>	<b>-12%</b>	<b>280.4</b>	<b>141.5</b>	<b>98%</b>
<b>PAT Margin<sup>3</sup> (%)</b>	<b>10.3%</b>	<b>13.1%</b>	<b>(279 bps)</b>	<b>13.0%</b>	<b>7.8%</b>	<b>520 bps</b>
<b>Earnings Per Share (EPS)</b>	<b>5.54</b>	<b>6.32</b>	<b>-12%</b>	<b>30.09</b>	<b>15.14</b>	<b>99%</b>

1. Exceptional items includes profit on sale of assets of Rs. 8.38 crores in Q4FY20 & sale of assets of Rs. 4.47 crores in FY20

2. Since March 2020 quarter, company has switched to a new tax regime

3. Reported PAT / Revenue from Operations

# Consolidated Balance Sheet

Equities & Liabilities (Rs. Crores)	FY21	FY20
<b>Equity</b>		
Equity Share capital	93.2	23.3
Other Equity	820.2	629.2
Non Controlling Interest	0.0	0.0
<b>Total Equity</b>	<b>913.4</b>	<b>652.5</b>
Financial liabilities		
(i) Borrowings	147.6	180.3
(ii) Other Financial liabilities	10.9	14.7
Other non current Liability	0.0	0.0
Deferred tax liabilities (Net)	77.1	80.7
Provisions	21.7	23.6
<b>Total Non Current Liabilities</b>	<b>257.2</b>	<b>299.3</b>
Financial liabilities		
(i) Borrowings	157.2	157.7
(ii) Trade Payables	330.0	329.5
(iii) Other financial liabilities	0.0	0.0
Provisions	2.8	4.6
Other current liabilities	105.4	132.8
Current tax liabilities (Net)	0.0	0.0
<b>Total Current Liabilities</b>	<b>595.4</b>	<b>624.7</b>
<b>Total Equity and Liabilities</b>	<b>1,766.0</b>	<b>1,576.5</b>

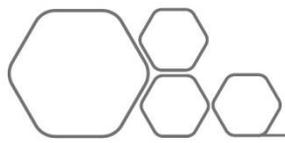
Assets (Rs. Crores)	FY21	FY20
<b>Non Current assets</b>		
Property, Plant and Equipment	659.2	642.3
Capital work in progress	19.3	12.2
Intangible assets	0.3	1.5
Right to use assets	5.9	0.0
Financial Assets	0.0	0.0
(i) Investments	17.3	13.4
(ii) Loans	0.0	0.0
Deferred Tax Assets (net)	0.0	0.0
Other non-current assets	7.3	3.1
<b>Total Non Current Assets</b>	<b>709.2</b>	<b>672.5</b>
Current Assets		
Inventories	415.0	325.4
Financial Assets	0.0	0.0
Investments	0.0	0.0
(i) Trade receivables	555.2	488.6
(ii) Cash and Bank Balances	9.8	7.6
(iii) Loans	12.7	12.0
Current Tax Assets(Net)	0.0	0.0
Other current assets	64.1	65.8
<b>Total Current Assets</b>	<b>1,056.8</b>	<b>899.5</b>
Non current Asset held for sale		4.6
<b>Total Assets</b>	<b>1,766.0</b>	<b>1,576.5</b>

# Consolidated Cash Flow Statement

Particulars (Rs. crores)	FY21	FY20
<b>Net Profit before Tax and Extraordinary items</b>	<b>369.0</b>	<b>185.3</b>
Adjustments for: Non Cash Items / Other Investment or Financial Items	68.6	86.8
<b>Operating profit before working capital changes</b>	<b>437.6</b>	<b>272.1</b>
Changes in working capital	-186.1	19.5
<b>Cash generated from Operations</b>	<b>251.5</b>	<b>291.6</b>
Direct taxes paid (net of refund)	-96.7	-40.9
<b>Net Cash from Operating Activities</b>	<b>154.8</b>	<b>250.7</b>
<b>Net Cash from Investing Activities</b>	<b>-71.7</b>	<b>-33.2</b>
<b>Net Cash from Financing Activities</b>	<b>-81.1</b>	<b>-215.4</b>
Net Decrease in Cash and Cash equivalents	2.0	2.1
Add: Cash & Cash equivalents at the beginning of the period	6.8	4.6
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>8.8</b>	<b>6.8</b>

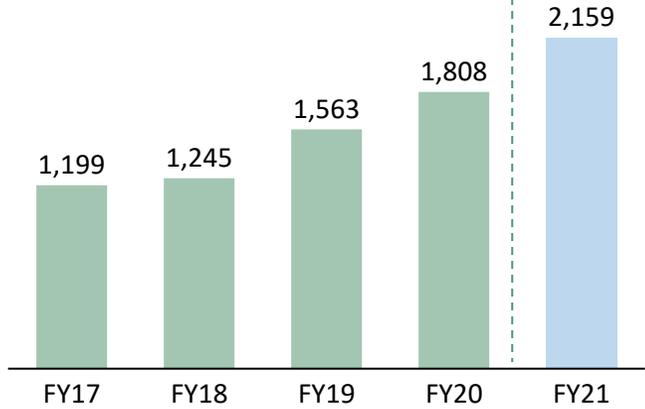


# Historical Performance At A Glance

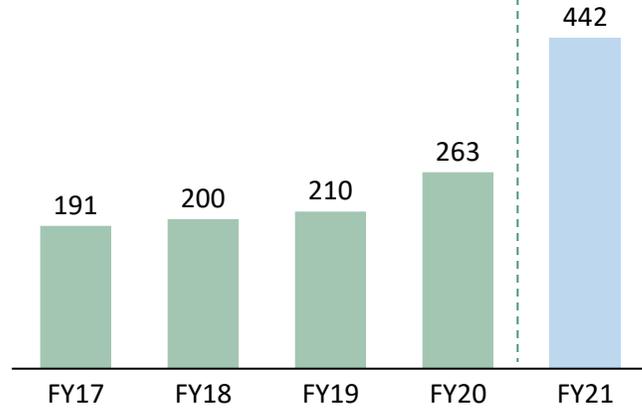


# Strong Financial Performance

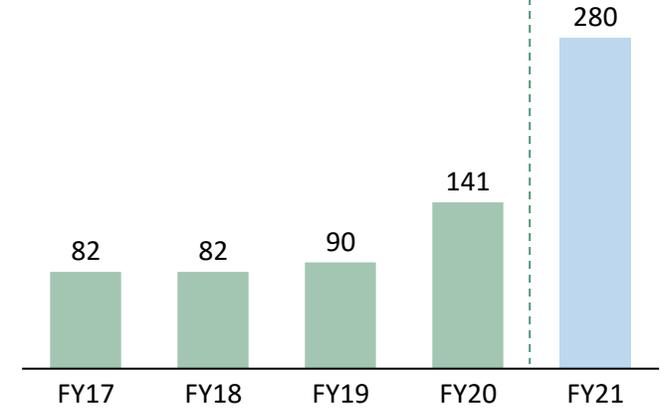
### Revenue (Rs. Crores)



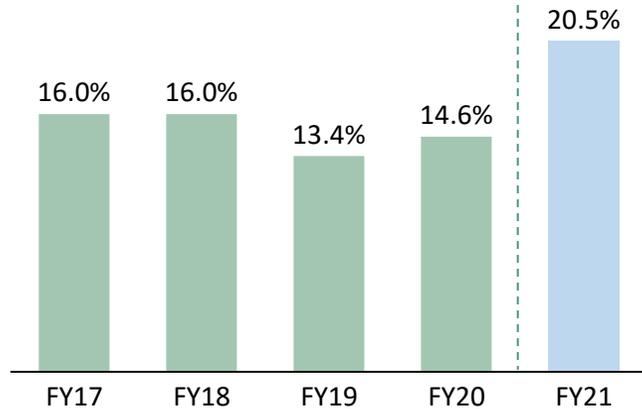
### EBITDA (Rs. Crores)



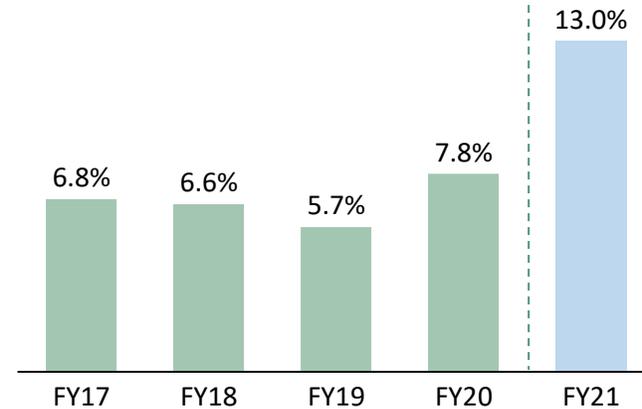
### PAT (Rs. Crores)

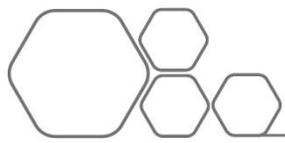


### EBITDA Margin (%)



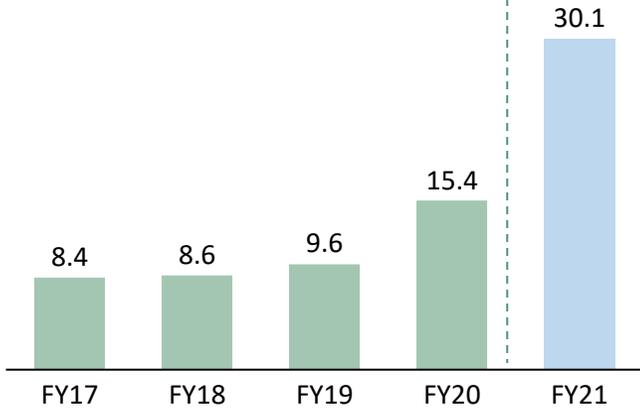
### PAT Margin (%)



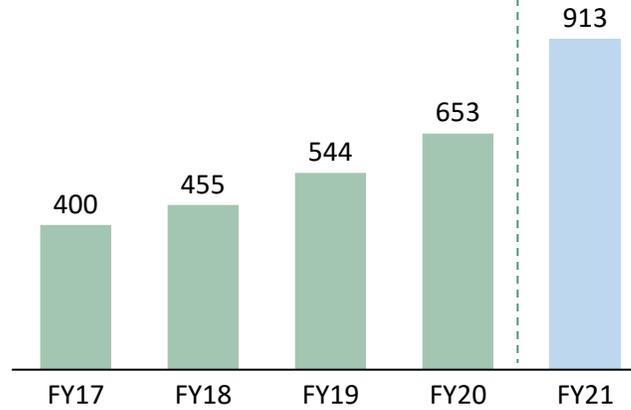


# Strong Financial Performance

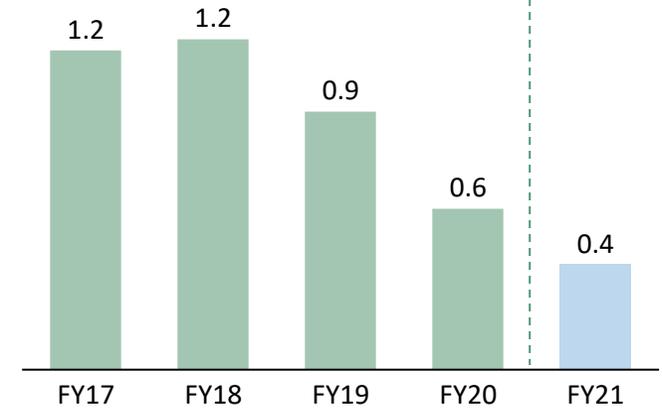
### EPS\* (in Rs.)



### Net Worth (in Rs. Crores)

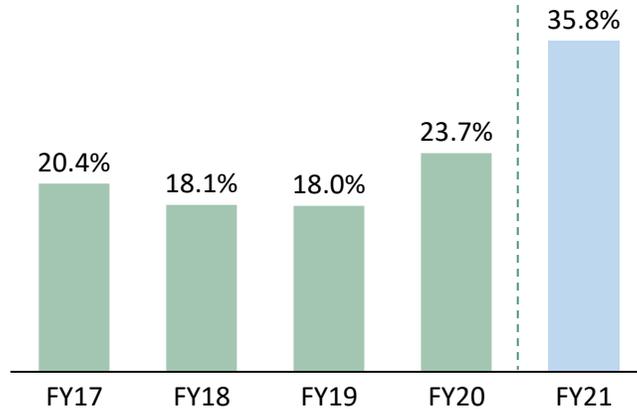


### Leverage (X)

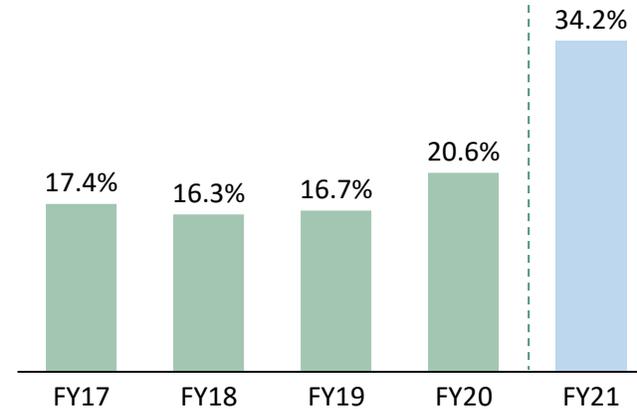


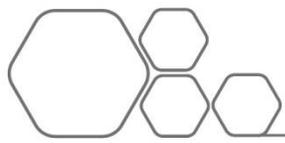
\* For EPS, we have adjusted previous year's figures in proportion to bonus issue in current year

### RoCE (%)



### RoE(%)





## Distribution Policy

Considering various financial parameters, the Company may elect to distribute about

**15% to 30%** of Consolidated Net Profits

*Distributed ~Rs. 59 Crores as Dividend over last 6 years*



*Distributed ~ Rs. 136 crores\* through buyback of shares over last 6 years*

**Distribution: ~26%**

*Distributed ~ Rs. 195 crores\* in form of dividend & buyback of shares over last 6 years*

\*Including ongoing buyback

# Consolidated Profit & Loss Account Statement

Particulars (Rs. crores)	FY21	FY20	FY19	FY18	FY17
<b>Net Revenue from Operations</b>	<b>2,154.8</b>	<b>1,806.1</b>	<b>1,560.9</b>	<b>1,243.7</b>	<b>1,195.2</b>
Other Income	4.5	1.5	2.4	1.1	4.0
COGS	1321.0	1,178.9	1,059.9	782.7	780.5
<b>Gross Profit</b>	<b>838.3</b>	<b>628.7</b>	<b>503.4</b>	<b>462.1</b>	<b>418.7</b>
<b>Gross Margin (%)</b>	<b>38.9%</b>	<b>34.8%</b>	<b>32.3%</b>	<b>37.2%</b>	<b>35.0%</b>
Employee Expenses	80.5	69.4	60.9	57.9	52.8
Other Expenses	316.1	296.0	232.7	204.6	175.0
<b>EBITDA</b>	<b>441.6</b>	<b>263.3</b>	<b>209.8</b>	<b>199.6</b>	<b>190.9</b>
<b>EBITDA Margin (%)</b>	<b>20.5%</b>	<b>14.6%</b>	<b>13.4%</b>	<b>16.0%</b>	<b>16.0%</b>
Finance Costs	23.0	33.7	40.0	35.0	36.4
Depreciation	49.9	48.8	42.6	40.1	38.5
<b>PBT before exceptional item</b>	<b>368.8</b>	<b>180.8</b>	<b>129.6</b>	<b>125.6</b>	<b>120.0</b>
Exceptional Expense/(Gain)	-0.2	-4.5	3.8	0.0	0.0
<b>PBT</b>	<b>369.0</b>	<b>186.8</b>	<b>133.4</b>	<b>125.6</b>	<b>120.0</b>
Taxes	88.6	43.8	41.2	42.2	34.2
<b>Reported PAT</b>	<b>280.4</b>	<b>143.0</b>	<b>92.2</b>	<b>83.4</b>	<b>85.8</b>
<b>Cash PAT</b>	<b>330.3</b>	<b>191.8</b>	<b>134.8</b>	<b>123.5</b>	<b>124.3</b>
<b>PAT Margin<sup>1</sup> (%)</b>	<b>13.0%</b>	<b>7.9%</b>	<b>5.9%</b>	<b>6.7%</b>	<b>7.2%</b>
Earnings Per Share <sup>2</sup> (EPS)	30.09	15.14	9.60	8.60	8.37

1. Reported PAT / Revenue from Operations

2. For EPS, we have adjusted previous year figures in proportion to bonus issue in current year

# Consolidated Balance Sheet Statement

Equities & Liabilities (Rs. crores)	FY21	FY20	FY19	FY18	FY17
<b>Equity</b>					
Equity Share capital	93.2	23.3	23.6	23.6	23.9
Other Equity	820.2	629.2	519.9	431.8	376.3
Non Controlling Interest	0.0	0.0	0.0	0.0	0.0
<b>Total Equity</b>	<b>913.4</b>	<b>652.5</b>	<b>543.4</b>	<b>455.4</b>	<b>400.1</b>
<b>Financial liabilities</b>					
(i) Borrowings	147.6	180.3	208.2	202.7	201.5
(ii) Other Financial liabilities	10.9	14.7	10.7	11.8	14.9
Other non current Liability	0.0	0.0	0.0	0.0	0.0
Deferred tax liabilities (Net)	77.1	80.7	89.8	80.9	71.8
Provisions	21.7	23.6	12.3	16.9	8.4
<b>Total Non Current Liabilities</b>	<b>257.2</b>	<b>299.3</b>	<b>321.1</b>	<b>312.3</b>	<b>296.6</b>
<b>Financial liabilities</b>					
(i) Borrowings	157.2	157.7	263.2	305.6	244.7
(ii) Trade Payables	330.0	329.5	242.6	258.7	197.0
(iii) Other financial liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	2.8	4.6	2.2	0.9	1.7
Other current liabilities	105.4	132.8	82.9	56.4	51.0
Current tax liabilities (Net)	0.0	0.0	0.0	0.0	0.0
<b>Total Current Liabilities</b>	<b>595.4</b>	<b>624.7</b>	<b>591.0</b>	<b>621.7</b>	<b>494.3</b>
<b>Total Equity and Liabilities</b>	<b>1,766.0</b>	<b>1,576.5</b>	<b>1,455.5</b>	<b>1,389.4</b>	<b>1,191.0</b>

Assets (Rs. crores)	FY21	FY20	FY19	FY18	FY17
<b>Non Current assets</b>					
Property, Plant and Equipment	659.2	642.3	622.0	597.9	575.0
Capital work in progress	19.3	12.2	32.7	28.4	14.3
Intangible assets	0.3	1.5	2.9	4.5	6.1
Right to use assets	5.9	0.0	0.0	0.0	0.0
Financial Assets	0.0	0.0	0.0	0.0	0.0
(i) Investments	17.3	13.4	12.4	10.8	11.9
(ii) Loans	0.0	0.0	0.0	0.0	0.0
Deferred Tax Assets (net)	0.0	0.0	0.0	0.0	0.0
Other non-current assets	7.3	3.1	1.2	11.0	12.3
<b>Total Non Current Assets</b>	<b>709.2</b>	<b>672.5</b>	<b>671.2</b>	<b>652.5</b>	<b>619.6</b>
<b>Current Assets</b>					
Inventories	415.0	325.4	246.6	278.2	209.6
Financial Assets	0.0	0.0	0.0	0.0	0.0
Investments	0.0	0.0	0.0	0.0	0.0
(i) Trade receivables	555.2	488.6	458.5	374.9	296.8
(ii) Cash and Bank Balances	9.8	7.6	5.6	4.3	4.2
(iii) Loans	12.7	12.0	9.5	9.8	19.8
Current Tax Assets(Net)	0.0	0.0	0.0	0.0	0.0
Other current assets	64.1	65.8	64.0	69.7	41.0
<b>Total Current Assets</b>	<b>1,056.8</b>	<b>899.5</b>	<b>784.3</b>	<b>736.9</b>	<b>571.4</b>
Non current Asset held for sale		4.6	0.0	0.0	0.0
<b>Total Assets</b>	<b>1,766.0</b>	<b>1,576.5</b>	<b>1,455.5</b>	<b>1,389.4</b>	<b>1,191.0</b>

# Consolidated Cash Flow Statement

Particulars (Rs. crores)	FY21	FY20	FY19	FY18	FY17
<b>Net Profit before Tax and Extraordinary items</b>	<b>369.0</b>	<b>185.3</b>	<b>131.0</b>	<b>124.5</b>	<b>116.0</b>
Adjustments for: Non Cash Items / Other Investment or Financial Items	68.6	86.8	75.2	74.5	72.9
<b>Operating profit before working capital changes</b>	<b>437.6</b>	<b>272.1</b>	<b>206.2</b>	<b>199.0</b>	<b>188.9</b>
Changes in working capital	-186.1	19.5	-33.5	-104.8	7.2
<b>Cash generated from Operations</b>	<b>251.5</b>	<b>291.6</b>	<b>172.7</b>	<b>94.2</b>	<b>196.1</b>
Direct taxes paid (net of refund)	-96.7	-40.9	-29.6	-24.7	-21.4
<b>Net Cash from Operating Activities</b>	<b>154.8</b>	<b>250.7</b>	<b>143.1</b>	<b>69.5</b>	<b>174.8</b>
<b>Net Cash from Investing Activities</b>	<b>-71.7</b>	<b>-33.2</b>	<b>-61.7</b>	<b>-73.5</b>	<b>107.0</b>
<b>Net Cash from Financing Activities</b>	<b>-81.1</b>	<b>-215.4</b>	<b>-80.1</b>	<b>3.9</b>	<b>-68.2</b>
Net Decrease in Cash and Cash equivalents	2.0	2.1	1.4	-0.1	213.5
Add: Cash & Cash equivalents at the beginning of the period	6.8	4.6	3.3	3.4	3.6
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>8.8</b>	<b>6.8</b>	<b>4.6</b>	<b>3.3</b>	<b>217.1</b>

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