



17th May, 2017

To, The Manager, Listing Department, National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	To, Department of Corporate Services Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
Ref. : (i) Symbol – DISHMAN (ii) Series – EQ	Ref.: Scrip Code No. : 532526

SUB: INVESTORS PRESENTATION ON AUDITED FINANCIAL RESULT – REGULATION: 30

Dear Sir,

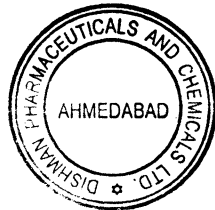
Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, kindly find enclosed herewith Presentation on financial result for the year ended 31st March, 2017 made to Analyst and Investors.

Kindly take the same on your record.

Thanking You,

Yours faithfully,
For, Dishman Pharmaceuticals and Chemicals Limited

S. V. Dave
Shrma Dave
Company Secretary



Encl.: As Above

Note: As informed to the Stock Exchanges earlier, Scheme of Arrangement and Amalgamation amongst **Dishman Pharmaceuticals and Chemicals Ltd. ("DPCL")**, **Carbogen Amcis (India) Limited ("CAIL")** and **Dishman Care Limited ("DCL")** has become effective from the date of filing of certified copy of the order of Hon'ble High Court of Gujarat dated 16th December, 2016 with the Office of Registrar of Companies, Gujarat i.e. w.e.f. 17th March, 2017. Accordingly, DPCL has been merged into CAIL and Board of Directors of DPCL has been appointed as Board of Directors of CAIL. Subsequently, in terms of the said Scheme, the name of Transferee Company i.e. Carbogen Amcis (India) Ltd. has been changed to "**Dishman Carbogen Amcis Ltd.**" w.e.f. 27th March, 2017.

Dishman Pharmaceuticals and Chemicals Limited

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Government Recognised Export House

CIN NO L24230GJ1983PLC006329



DISHMAN PHARMACEUTICALS & CHEMICALS LIMITED
Q4 & FY17 RESULTS UPDATE
May 2017

DISCUSSION SUMMARY

- Q4 & FY17 Result Highlights
- Company Overview
- Business Strategy & Outlook



This presentation and the following discussion may contain “forward looking statements” by Dishman Pharmaceuticals and Chemicals Limited (Dishman) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of Dishman about the business, industry and markets in which Dishman operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond Dishman’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Dishman.

In particular, such statements should not be regarded as a projection of future performance of Dishman. It should be noted that the actual performance or achievements of Dishman may vary significantly from such statements.

Q4 & FY17 Result Highlights



Revenues

- Q4 FY17 Revenues grew by 26% YoY to Rs 5,342 Mn
- FY17 Revenues grew by 7% YoY to Rs 17,137 Mn

EBITDA

- Q4 FY17 EBITDA grew by 28% YoY to Rs 1,505 Mn, EBITDA margin of 28.2%
- FY17 EBITDA grew by 10% YoY to Rs 4,795 Mn, EBITDA margin of 27.7%

Adj. PBT

- Q4 FY17 Adj. PBT grew by 57% YoY to Rs 1,055 Mn
- FY17 Adj. PBT grew by 31% YoY to Rs 3,054 Mn

Debt

- Debt reduced by 6.7% from Rs 9,718.2 Mn as on Mar-16 to Rs 9,103.9 Mn as on Mar-17

Finance Cost

- Q4 FY17 Finance Cost declined by 51% YoY from Rs 205 Mn to Rs 101 Mn
- FY17 Finance Cost declined by 48% YoY from Rs 944 Mn to Rs 490 Mn

PBT is adjusted to exclude the additional goodwill amortization of Rs. 221.1 mn in Q4 FY17 and Q4 FY16 and Rs. 884.5 mn in FY17 and FY16 on account of merger

SCHEME OF ARRANGEMENT & AMALGAMATION

- The Board Of Directors approved the Scheme of Arrangement and Amalgamation on 24th February 2016, which involves merger of Dishman Pharmaceuticals and Chemicals Limited ('DPCL') and Dishman Care Limited ('DCL') with Carbogen Amcis (India) Limited ('CAIL').
- Post the merger, DPCL will now be known as Dishman Carbogen Amcis (India) Limited ('DCAL').
- The Company is in process of fixing Record Date on which DPCL shareholders will be allotted shares of DCAL in the ratio of 1:1 (Share Exchange Ratio) and the new shares shall be subsequently listed on NSE and BSE after necessary approvals from SEBI.

IMPACT OF MERGER

- The amalgamation has been accounted under the "Purchase Method" as per AS14.
- Accordingly the assets and liabilities of DPCL and DCL have been recorded at fair value as on Appointed Date of 1st January 2015.
- The purchase consideration of Rs. 48.1 Bn has resulted in goodwill of Rs. 13.3 Bn which represents the excess consideration payable over the net assets.
- This goodwill will be amortized over the period of 15 years starting from the Appointed Date of 1st January 2015.
- **Key Benefits:**
 - **Strengthened Balance Sheet and Consolidation of operating entities for improved operational control.**
 - **Amortisation of goodwill will lead to significant tax savings over coming 15 years**

KEY FINANCIALS EXCLUDING MERGER IMPACT

Particulars (Rs Mn)	Q4 FY17	Q4 FY16	YoY %	FY17	FY16	YoY %
Total Revenues	5,342.2	4,239.7	26.0%	17,136.9	16,016.9	7.0%
Adjusted PBT #	1,054.9	671.4	57.1%	3,054.2	2,333.6	30.9%
Tax Expense	264.1	173.5	52.2%	906.5	622.6	45.6%
Adjusted PAT after MI, share of associates	776.5	496.8	56.3%	2,138.8	1,709.9	25.1%

PBT is adjusted to exclude the additional goodwill amortization of Rs. 221.1 mn in Q4 FY17 and Q4 FY16 and Rs. 884.5 mn in FY17 and FY16 on account of merger

FY17 YoY ANALYSIS

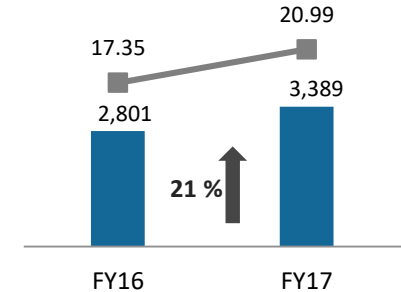
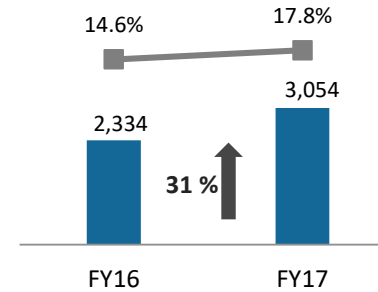
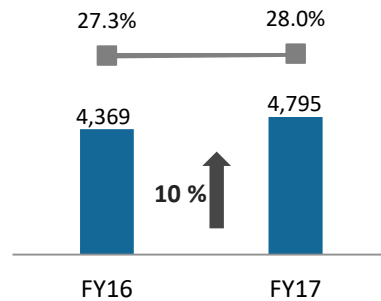
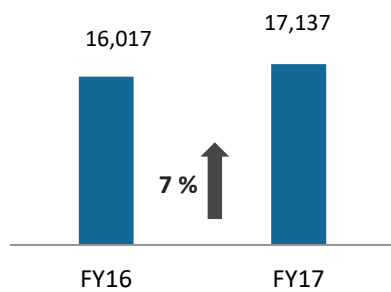
In Rs Mn

REVENUES

EBITDA & EBITDA MARGIN *

Adjusted PBT # & PBT MARGIN

CASH PAT @ & CASH EPS



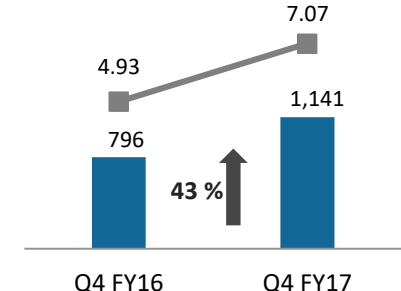
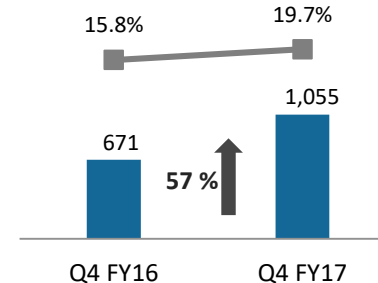
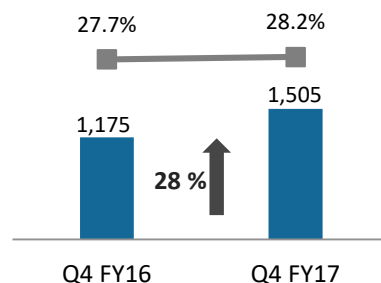
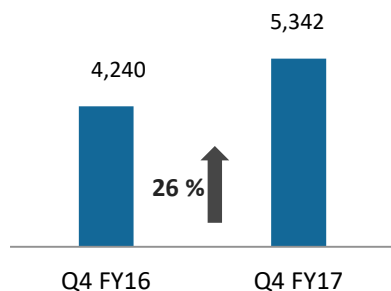
Q4 FY17 YoY ANALYSIS

REVENUES

EBITDA & EBITDA MARGIN *

Adjusted PBT # & PBT MARGIN

CASH PAT @ & CASH EPS



* EBITDA including Other Income

PBT is adjusted to exclude the additional goodwill amortization of Rs. 221.1 mn in Q4 FY17 and Q4 FY16 and Rs. 884.5 mn in FY17 and FY16 on account of merger

@ Cash PAT adjusted for merger impact

Financial Highlights:

- Q4 FY17 revenues increased by 26.0% YoY.
 - CRAMS – India: Currently both the operational cells at HiPo facility are completely occupied and 3rd and 4th cell are expected to be activated soon.
 - CRAMS – Carbogen Amcis: Revenues were higher 35% on YoY basis due to higher share of development orders
 - Dishman Netherlands: Revenues increased 20.5% YoY on account of higher sales of Vitamin D analogues and cholesterol.
- **EBITDA margins* increased from 27.7% in Q4 FY16 to 28.2% in Q4 FY17.**
 - CRAMS – Carbogen Amcis: Operating Margins were higher on YoY basis with strong emphasis on process efficiencies.
 - CRAMS – India: Operating Margins were higher on YoY basis due to continued execution of high margin commercial and development orders, process improvement and better product mix.
 - Dishman Netherlands: Focus on high value products like certain Vitamin D analogues and direct selling of cholesterol to end customers.
- Interest expense declined by -50.5% YoY in Q4 FY17 driven by lower debt, conversion of rupee debt into foreign debt and conversion of higher cost foreign currency loans into lower cost foreign currency loans.
- **Q4 FY17 PBT improved by 85.2% YoY. PBT margin improved from 10.6% in Q4 FY16 to 15.6% in Q4 FY17. The company continues to focus on improvement in operational profitability and efficiency across global operations.**

* With Other Income

In Rs Mn

Revenues – Segment wise Breakup	Q4 FY17	Q4 FY16	YoY%	FY 17	FY 16	YoY%
CRAMS (% of Total)	72.3%	73.3%		72.2%	71.2%	
CRAMS – India	355.7	636.4	-44.1%	2,095.8	2,674.4	-21.6%
CRAMS – Carbogen Amcis	3,053.9	2,262.3	35.0%	9,206.7	7,794.6	18.1%
CRAMS – UK	113.0	110.4	2.3%	495.2	688.6	-28.1%
Marketable Molecules (% of Total)	27.7%	26.7%		27.8%	28.8%	
Vitamin D	570.6	473.5	20.5%	2,389.4	2,231.9	7.1%
Others	777.6	592.8	31.2%	2,151.5	2,285.4	-5.9%

EBITDA Margin % – Segment wise	Q4 FY17	Q4 FY16	FY17	FY16
CRAMS				
CRAMS – India	58.5%	51.4%	56.2%	50.1%
CRAMS – Carbogen Amcis	26.0%	19.0%	20.5%	18.6%
CRAMS – UK	29.6%	18.7%	22.4%	25.3%
Marketable Molecules				
Vitamin D	39.2%	30.4%	33.5%	29.8%
Others	26.1%	20.1%	25.5%	21.0%

Particulars (Rs Mn)	Q4 FY17	Q4 FY16	YoY %	Q3 FY17	QoQ %	FY17	FY16	YoY %
Revenue from Operations	4,871.0	4,075.4	19.5%	3,564.7	36.6%	16,338.6	15,674.9	4.2%
Other Operating Income	471.2	164.3	186.8%	56.0	741.4%	798.3	342.0	133.4%
Total Revenues	5,342.2	4,239.7	26.0%	3,620.7	47.5%	17,136.9	16,016.9	7.0%
COGS	1,174.0	774.4	51.6%	684.0	71.6%	3,293.0	3,419.4	-3.7%
Employee Expenses	1,771.2	1,576.0	12.4%	1,308.8	35.3%	5,960.2	5,354.9	11.3%
Other Expenses	930.1	843.6	10.3%	670.5	38.7%	3,350.2	3,139.4	6.7%
EBITDA	1,466.9	1,045.7	40.3%	957.4	53.2%	4,533.5	4,103.2	10.5%
EBITDA Margin %	27.5%	24.7%	279 bps	26.4%	102 bps	26.5%	25.6%	84 bps
Other Income	38.2	129.5	-70.5%	155.3	-75.4%	261.3	265.4	-1.5%
EBITDA with Other Income	1,505.1	1,175.2	28.1%	1,112.7	35.3%	4,794.8	4,368.6	9.8%
EBITDA Margin % (with OI)	28.2%	27.7%	45 bps	30.7%	-256 bps	28.0%	27.3%	70 bps
Depreciation	569.9	520.2	9.6%	513.6	11.0%	2,135.0	1,975.1	8.1%
Finance Cost (Incl. Forex Impact)	101.4	204.7	-50.5%	133.9	-24.3%	490.1	944.4	-48.1%
PBT	833.8	450.3	85.2%	465.2	79.2%	2,169.7	1,449.1	49.7%
Tax Expense	400.8	-20.9	-2017.7%	171.9	133.2%	706.5	421.1	67.8%
Current Tax	226.9	76.2	197.8%	157.8	43.8%	554.0	526.1	5.3%
MAT Credit Entitlement	-35.9	-46.8	-23.3%	-12.4	189.5%	-75.1	-46.8	60.5%
Deferred Tax	209.8	-50.4	-516.3%	26.5	691.7%	227.6	-58.2	-491.1%
% Tax Rate (Current Tax)	27.2%	16.9%	1029 bps	33.9%	-671 bps	25.5%	36.3%	-1077 bps
PAT	433.0	471.3	-8.1%	293.3	47.6%	1,463.2	1,028.0	42.3%
Income from Associates	5.2	1.1	372.7%	3.7	40.5%	8.9	1.1	709.1%
Minority Interest	-	-	-	-	-	-	-	-
PAT after Minority Interest and Share of profit/(loss) of Associates	427.8	470.2	-9.0%	289.6	47.7%	1,454.3	1,026.9	41.6%
PAT Margin %	8.0%	11.1%	-308 bps	8.0%	1 bps	8.5%	6.4%	208 bps

CONSOLIDATED BALANCE SHEET

Particulars (Rs mn)	FY17	FY16
EQUITIES & LIABILITIES		
Shareholder Funds		
(A) Equity Share Capital	-	-
(C) Other Equity	48,139.8	49,014.4
Total - Shareholder Funds	48,139.8	49,014.4
Minority Interest	-	-
Non Current Liabilities		
(A) Long Term Borrowings	4,601.2	5,125.7
(B) Deferred Tax Liabilities (Net)	994.1	1,125.0
(C) Other Long Term Liabilities	48.6	63.6
(D) Long Term Provisions	2,214.0	2,410.3
Total - Non – Current Liabilities	7,857.8	8,724.7
Current Liabilities		
(A) Short term Borrowings	4,339.2	4,005.8
(B) Trade Payables	856.4	1,143.5
(C) Other Financial Liabilities	1,171.3	1,321.5
(D) Other Current Liabilities	2,911.0	3,261.0
(E) Short Term Provisions	190.0	84.0
(F) Current Tax Liabilities (Net)	468.8	345.3
Total – Current Liabilities	9,936.7	10,161.1
GRAND TOTAL – EQUITIES & LIABILITIES	65,934.3	67,900.2

Particulars (Rs. Mn)	FY17	FY16
ASSETS		
Non Current Assets		
(A) Property, plant and equipment	13,433.6	13,599.1
(B) Capital Work in Progress	1,215.3	1,330.0
(C) Investment Property	46.3	52.5
(D) Goodwill	34,551.5	37,469.3
(E) Other Intangible Assets	487.6	381.9
(F) Intangible Assets under development	113.5	-
(G) Financial Assets	773.7	491.6
(H) Deferred Tax Assets (net)	914.5	307.5
(I) Other Non-Current Assets	1,790.9	1,754.6
Total - Non – Current Assets	53,326.9	55,386.7
Current Assets		
(A) Inventories	4,265.8	3,398.6
(B) Trade Receivables	2,855.5	3,153.1
(C) Cash and cash equivalents	586.1	348.1
(D) Bank balances other than (C) above	287.8	264.4
(E) Short Term Loans and Advances	958.2	1,128.1
(F) Others	1,453.5	1,481.3
(G) Current Tax Assets (Net)	153.3	133.3
(F) Other Current Assets	2,047.2	2,606.6
Total – Current Assets	12,607.4	12,513.5
GRAND TOTAL – ASSETS	65,934.3	67,900.2

Company Overview



Key Facts

- Established in 1983 and as quats manufacturer and later transformed itself into a full fledged CRAMS partner for global pharma innovators.
- Global presence with manufacturing sites in Europe, India, China, and Saudi Arabia. All manufacturing facilities are approved by recognised health authorities.

Product & Services Portfolio

Services

- End-to-end Integrated high-value low-cost CRAMS offerings right from process research & development to late stage clinical and commercial manufacturing.

Products:

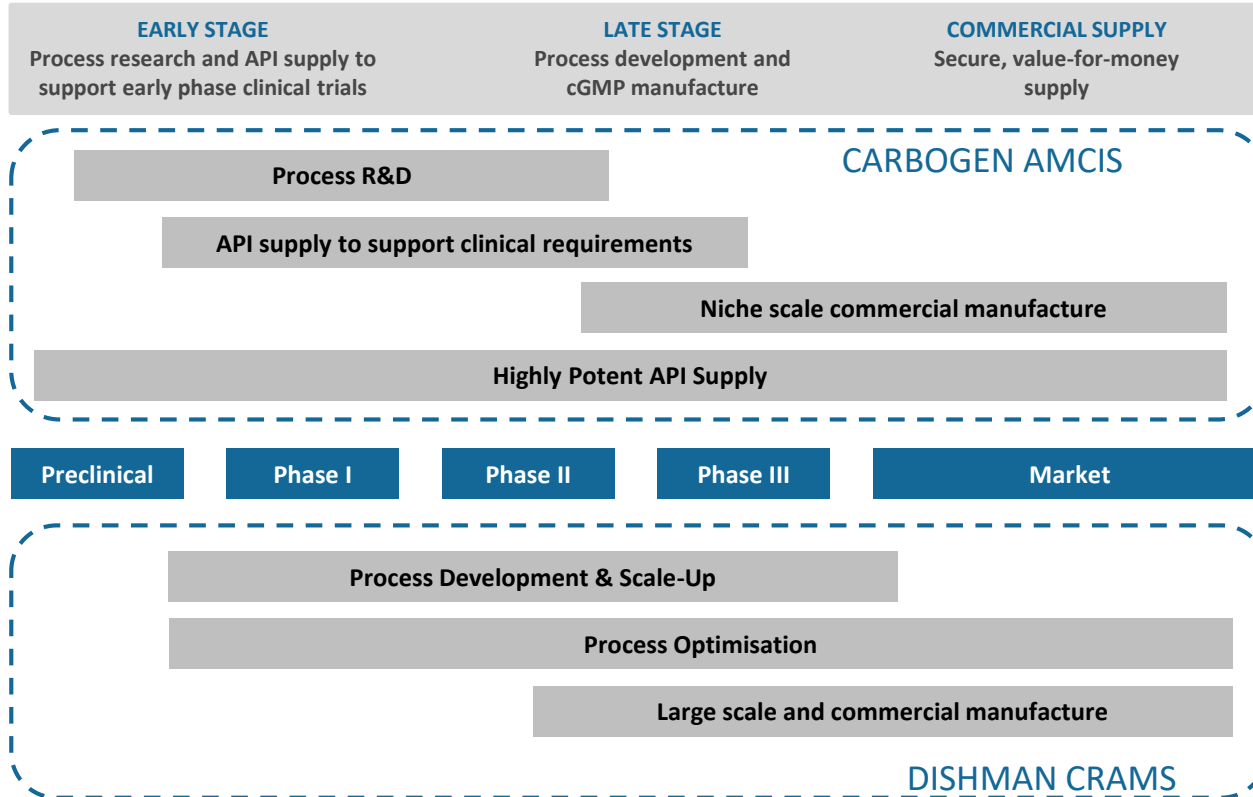
- Phase transfer catalysts, Vitamin D, Vitamin D analogues, cholesterol, laolin related products, antiseptic and disinfectant formulations for pharmaceutical, cosmetic and related markets.
- High quality supply of generic APIs and intermediates for pharmaceutical industry.

Business Strengths

- Preferred global outsourcing partner with capabilities across the entire CRAMS value chain, strong chemistry skills , large scale multi-purpose manufacturing capacities .
- Upfront investment of more that Rs 10,000 mn in capacity expansion , making Dishman highly leveraged to gain from the revival in global CRAMS industry.
- The HIPO facility at Bavla, India - largest HIPO facility in Asia , placing Dishman at forefront to gain from the high margin HIPO opportunity in the Oncology space.

INTEGRATED CRAMS PLAYER

Integrated CRAM Player – Strong Capabilities across the Value Chain



Carbogen Amcis (CA) Strong Research Capabilities

- Focus is on supporting the development process from bench to market.
- Process research and development to the supply of APIs for preclinical studies, clinical trials and commercial use.

Dishman India Strong Manufacturing Capabilities

- Large dedicated R&D center with multiple shift R&D operations (India)
- Multi-purpose and dedicated production facilities for APIs, intermediates (India, Europe and China)
- Dedicated API manufacturing capacities (India, China)

PREFERRED GLOBAL OUTSOURCING PARTNER

**INTEGRATED
ACROSS THE
VALUE CHAIN**

**STRONG
CHEMISTRY
CAPABILITIES**

**CLOSE PROXIMITY
TO CLIENTS WITH
GLOBAL
PRESENCE**

**LARGE SCALE LOW
COST
MANUFACTURING
CAPACITIES**

**Integrated CRAMS Player present along the entire value chain from building blocks to commercialization & launch stage.
Ability to retain client services through the complete development of a drug.
Broad based skill set & global footprint.**

Drug Lifecycle Management

- Preclinical to commercial manufacturing capabilities.
- Ensures seamless process & technology transfer from lab to plant.
- Single partner for R&D, process development and commercial production.

Strong R&D Capabilities

- Globally, Dishman group has more than 550 scientists, more than 50 doctorates as senior scientists and 200 scientists working under them in India.

Close Proximity to Clients

- Local representation, local support in all major markets.
- Front end via CA with access to more than 150 established customer relationships of CA.
- Trust & Confidence of customers for entire drug life-cycle engagement

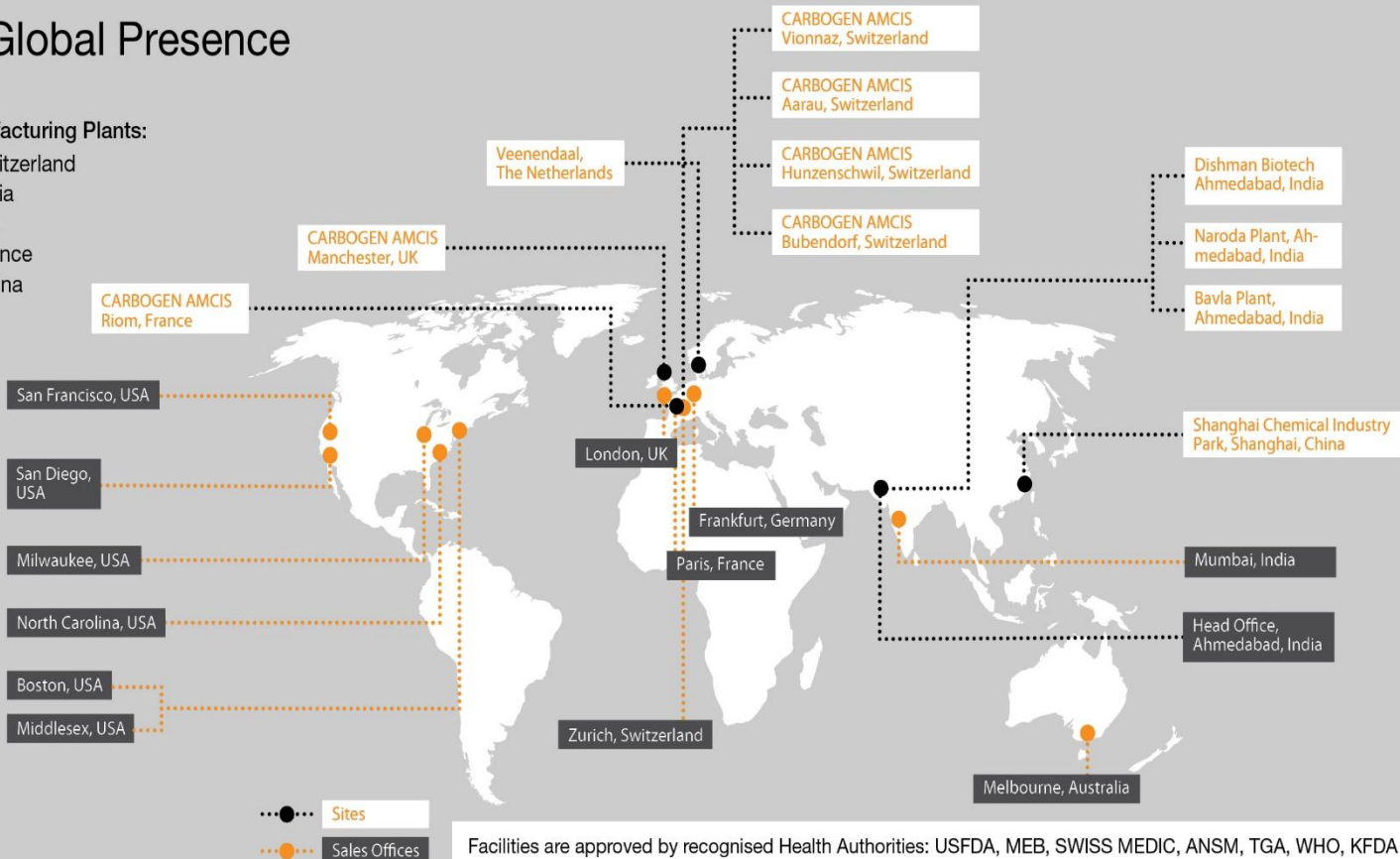
Large Scale Mfg Capacity

- Dedicated USFDA inspected production facilities.
- Asia's largest HIPO facility in Bavla.
- Large capacities provide competitive edge to win big long-term contracts

Our Global Presence

Our Manufacturing Plants:

- 4 in Switzerland
- 2 in India
- 1 in UK
- 1 in France
- 1 in China



Business Strategy & Outlook



Strategy - Higher Asset Turnover with efficient capacity utilization

- Improved capacity utilization through focus on large number of small & midsize companies.
- Diversify across Geographies - Target new geographies with increased penetration in US market and Leverage Cross Selling Opportunities.
- Efficient utilization of HIPO facility, India and China facility.

Strategy – Focus on Improvement in Margins

- Better churning of existing capacities with focus on Low Volume High Value Orders resulting into better margins
- Incremental Revenues from HIPO business where Margins are higher in the range of 40-50%. EBIDTA Level.
- Margin improvement from value added order execution from renovated Vitamin D facility in Netherlands.

Strategy - Reduction in Leverage & Improvement in Return Ratios

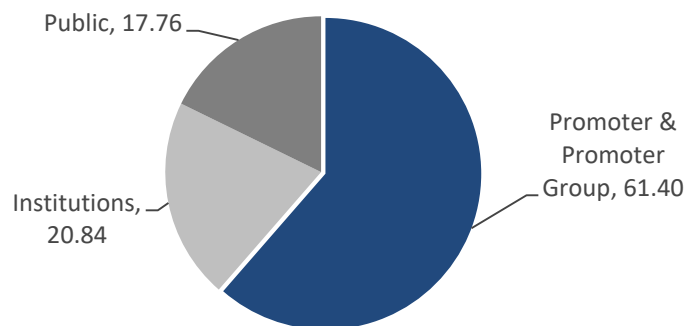
- No major capex planned for next two years.
- Incremental operating cash flows to be utilized for retirement of long term debt resulting to Robust Balance Sheet and Improved Return Ratios.

Share Price Performance



Source: BSE

% Shareholding – March 2016



Source: BSE

Market Data

As on 16.05.17 (BSE)

Market capitalization (Rs Mn)	50,096.8
Price (Rs.)	310.4
No. of shares outstanding (Mn)	161.4
Face Value (Rs.)	2.0
52 week High-Low (Rs.)	346.3 - 127.6

Key Institutional Investors as at March - 16

% Holding

L&T Mutual Fund	4.39%
Birla Sun Life MF	2.27%
TATA Balanced Fund	1.88%
LSV Emerging Markets Equity Fund LP	1.45%

Source: BSE

FOR ANY FURTHER QUERIES :



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Thank you!

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www.carbogen-amcis.com

