



August 5, 2024

To,
Listing/ Compliance Department
BSE LTD.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

SCRIP CODE: 543748

To,
Listing/ Compliance Department
**National Stock Exchange of
India Limited**
"Exchange Plaza", Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
SYMBOL: AARTIPHARM

Dear Sir/Madam,

Sub: Results Presentation
Ref: Regulation 30 of the SEBI (LODR)
Regulations 2015

Please find enclosed herewith the Q1 FY25 Results Presentation of the Company for your records.

The same is also being uploaded on Company's website <https://www.aartipharmalabs.com/presentation>

Please take the same on your records.

Thanking you,

Yours faithfully,
For AARTI PHARMALABS LIMITED

NIKHIL NATU
COMPANY SECRETARY
ICSI M. NO. A27738

Encl. a/a.

AARTI PHARMALABS LIMITED

www.aartipharmalabs.com | CIN : L24100GJ2019PLC110964 | Email : info@aartipharmalabs.com


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Regd. Office : Plot No. 22-C/1 & 22-C/2, 1st Phase, G.I.D.C., Vapi 396 195, District - Valsad, Gujarat, INDIA, T : +91 260 2400467, +91 99099 94655



INVESTOR PRESENTATION

August 2024

SNAPSHOT




200+ Products
56 Patents Filed



500+ Global Clients
50+ Export Countries



3 State-of-the-art R&D facility



6 Manufacturing Units
3 USFDA Units



2000+ Employees




42 US DMF
23 CEP



15-20% Global Market Share in Xanthine



0.14x Net Debt/Equity



A+ Credit rating

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COMPANY OVERVIEW

- Aarti Pharmalabs Limited (APL) formerly known as Aarti Organics was established in 1984 as a wholly owned subsidiary of renowned Aarti Industries Limited. Got demerged in October 2022 into a separately listed entity (effective July 2021)
- Part of the Aarti group – a diversified chemical conglomerate with turnover of INR 134 bn (FY23)
- Established, internationally recognized manufacturer of generic Active Pharmaceutical Ingredients (API), Xanthine derivatives and offers CDMO/CMO services.
- Received accreditation from several agencies, including USFDA, EU GMP, EDQM (European Pharmacopoeia), KFDA (Korea), and COFEPRIS (Mexico).
- Over the years, demonstrated strong expertise in development of robust & cost-effective process for rapid scale up and commercial production.
- Focused on backward integration of intermediates for a majority of the API's that it manufactures.
- Strategically located: In western India with proximity to ports
- Preferred partner for beverages, nutraceuticals, and pharmaceutical industries globally.

HIGHLIGHTS



One of the leading small molecule CDMO/CMO company in India.

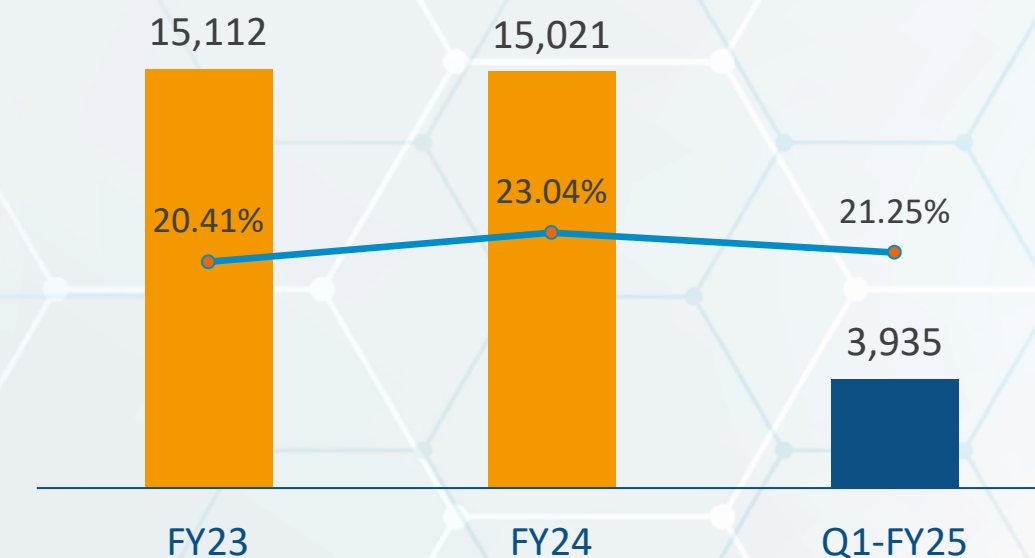


Regulatory focussed operations with expertise in novel chemistries;

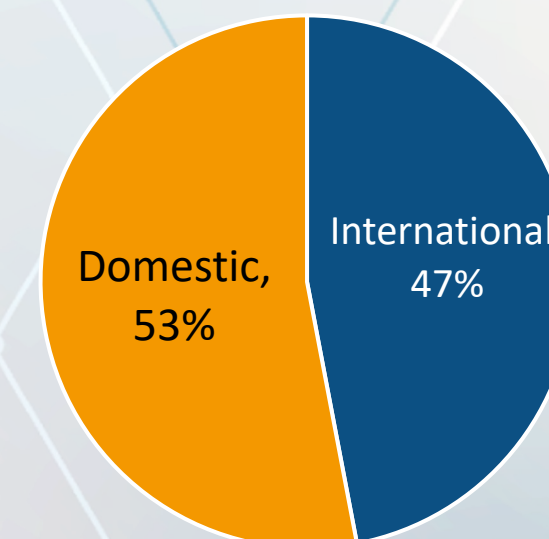


Largest manufacturer of Xanthine Derivatives in India

STANDALONE REVENUE (INR Mn) & EBITDA MARGINS (%)



GEOGRAPHICAL SALES (Q1-FY25)



KEY MILESTONES



2022

- Expanded block for CSD in Vapi and API in Tarapur units
 - Acquired land at Atali for future growth
- Successfully demerged the pharmaceutical business of Aarti Industries Limited to Aarti Pharmalabs Limited

2017

Successfully completed Cofepris, Mexico audits at Unit 4

2013

Received EUGMP approval for Bicalutamide for the Oncology block at Unit 4

2008

Successfully completed the USFDA & EUGMP audit for Tarapur Unit 4

2001

Commissioned the first API manufacturing unit in Dombivli (Unit 1) and started the Xanthine unit

1984

Aarti Organic Private Limited was incorporated

1992

Aarti Industries was listed on NSE and BSE

2005

Commissioned the first API manufacturing unit in Tarapur for Regulated Markets (Unit 4)

2009

Successfully completed the USFDA audit at the Intermediate facility (CSD) in Vapi

2016

Commissioned Caffeine production at Unit 5 with a capacity of 100 Metric Tons (MT) per month

2019

Successfully completed an audit by EDQM for Bicalutamide for the Oncology block at Unit 4

2023

- Operationalized the third R&D center
- Secured USFDA approval for Dombivli Unit
- Commercialized Block V at Tarapur Unit 4
- Enhanced Xanthine capacity to 5,000 TPA

BOARD OF DIRECTORS



Shri Rashesh C. Gogri
Chairman

Shri Rashesh Gogri was appointed as the Chairman of the company in 2022. A production engineer from Mumbai University, he has played a key role in the growth of various strategic business units in the chemical, pharma, and personal care segments.



Smt. Hetal Gogri Gala
Vice Chairperson & MD

Graduate in electronics engineering from Mumbai University, Smt. Hetal Gogri Gala is the Vice Chairperson & Managing Director of the company since 2022. She has completed MEP from IIM-Ahmedabad. With rich experience in procurement & marketing functions, she oversees the commercial domain at the company



Shri Narendra Salvi
Managing Director

Shri Narendra Salvi is vastly experienced in the chemicals and pharma industry with an experience spanning over three decades. He is presently helping the quality system and projects and operations of the company.



Shri Rajendra V. Gogri
Non-Executive Director

Shri Rajendra V. Gogri has been associated with the company since its inception. A rank holder from UDCT, Mumbai, he possesses a master's degree in chemical engineering from the USA. He possesses a keen understanding of the financial and commercial aspects of the business



Shri Parimal H. Desai
Non-Executive Director

A chemical engineer from UDCT, Mumbai, Shri Parimal H. Desai has more than 34 years of experience in development and project implementation in the chemical and pharma industry.



Smt Nehal Garewal
Non-Executive Director*

With 30+ years of work experience, Smt Nehal Garewal has worked in Pharma, Social & Education sector, security safety and risk management industries - gaining extensive knowledge of commercial strategy, planning, execution and innovation.



Prof. Vilas Gaikar
Independent Director

Prof. Vilas Gaikar holds a Ph.D. degree in Chemical Engineering from Institute of Chemical Technology (ICT). He is a recipient of numerous awards and has published more than 190 publications in referred International Journals.



Shri Bhavesh Vora
Independent Director

Shri Bhavesh Vora is a practicing Chartered Accountant, with more than 24 years of experience in the field of stock brokers' audits, compliances, derivatives, futures and options, accounting standards and internal management audit.



Shri Vinay Nayak
Independent Director

A pharmaceutical professional, Shri Vinay Nayak has worked with organizations such as Cipla, Lupin, Watson, Marksans, Alembic and Emcure pharmaceuticals for 32+ years. He specializes in the areas of manufacturing, quality, R&D, compliance and regulatory affairs, for API & formulation



Smt. Jeenal Savla
Independent Director

Smt. Jeenal Savla is a Chartered Accountant by qualification and has 14 plus years of experience in the areas of Internal Audit and Risk Management.



Smt. Rupal Vora
Independent Director

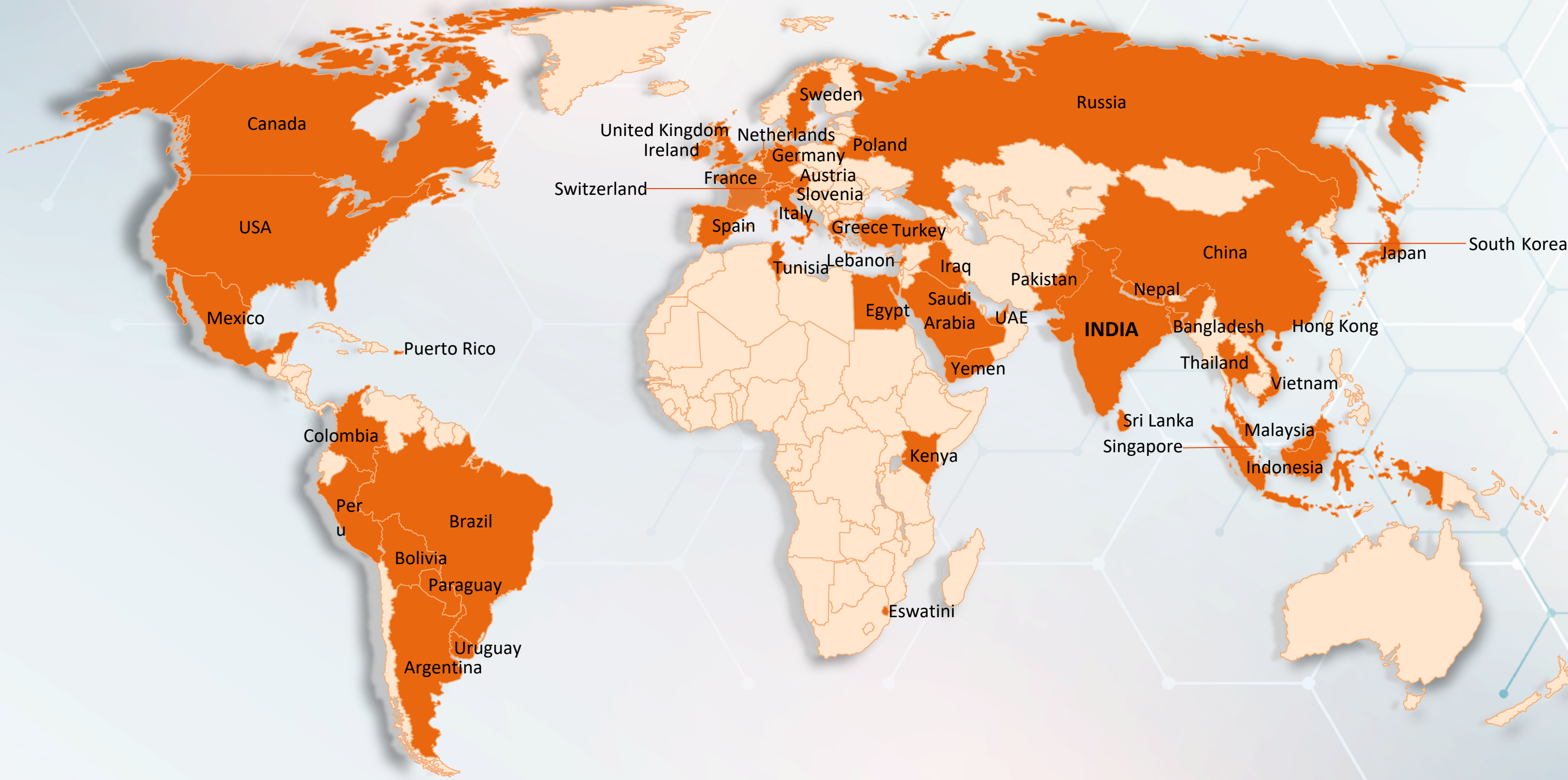
Smt. Rupal Vora is a Commerce and Law graduate from Government College, Mumbai University. She is a practicing advocate with 30+ years of experience and having specialization in direct taxation



Shri Pradeep Thakur
Independent Director*

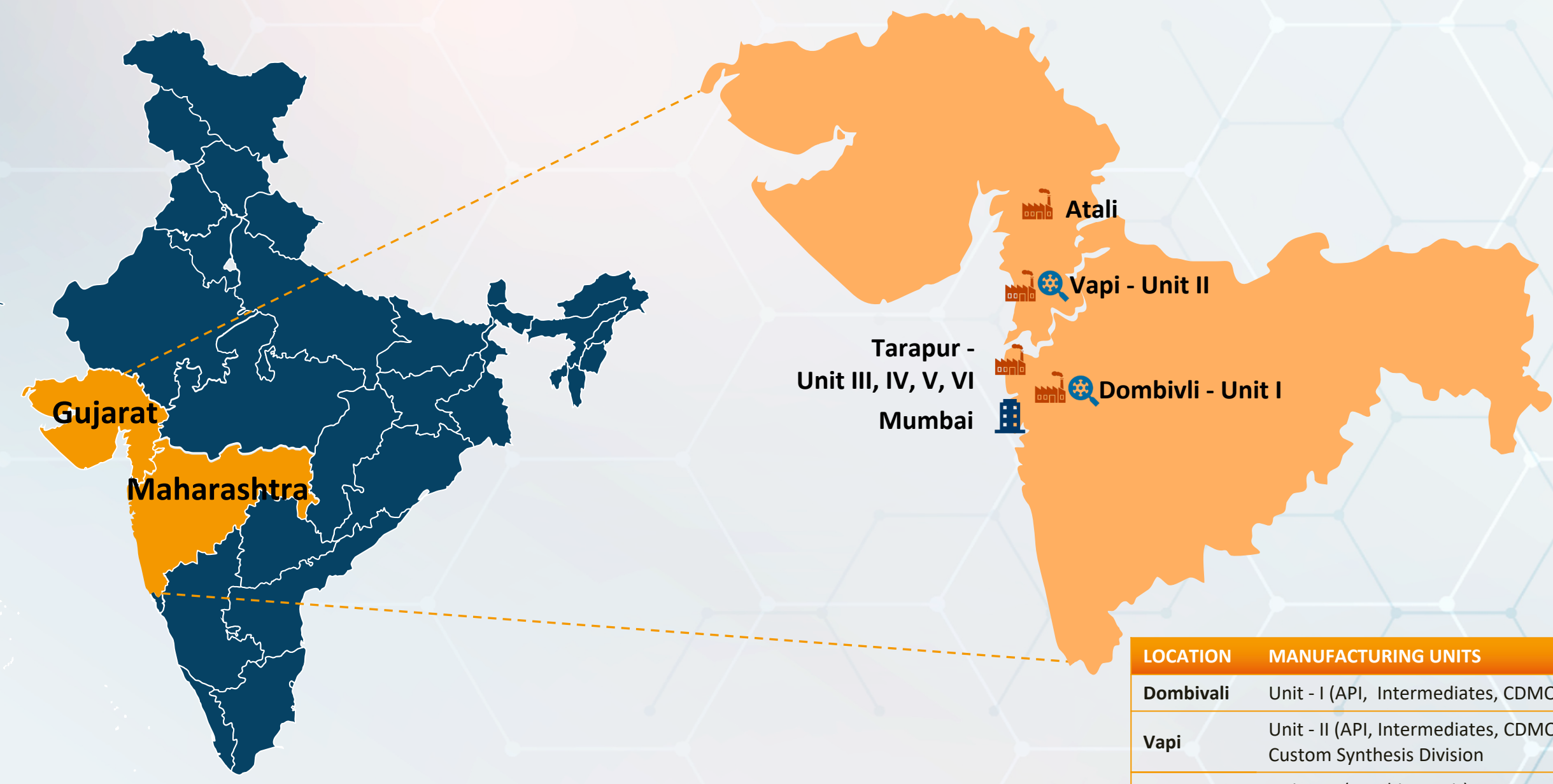
Shri Pradeep Thakur is a post-graduate in chemistry from Mumbai University. In 30+ years of experience with firms like Cipla, Dr Reddy, Bayer India, Aceto Pharma, he has extensively worked in areas of process development, quality control, business development etc

GEOGRAPHICAL PRESENCE



 Countries Exporting To

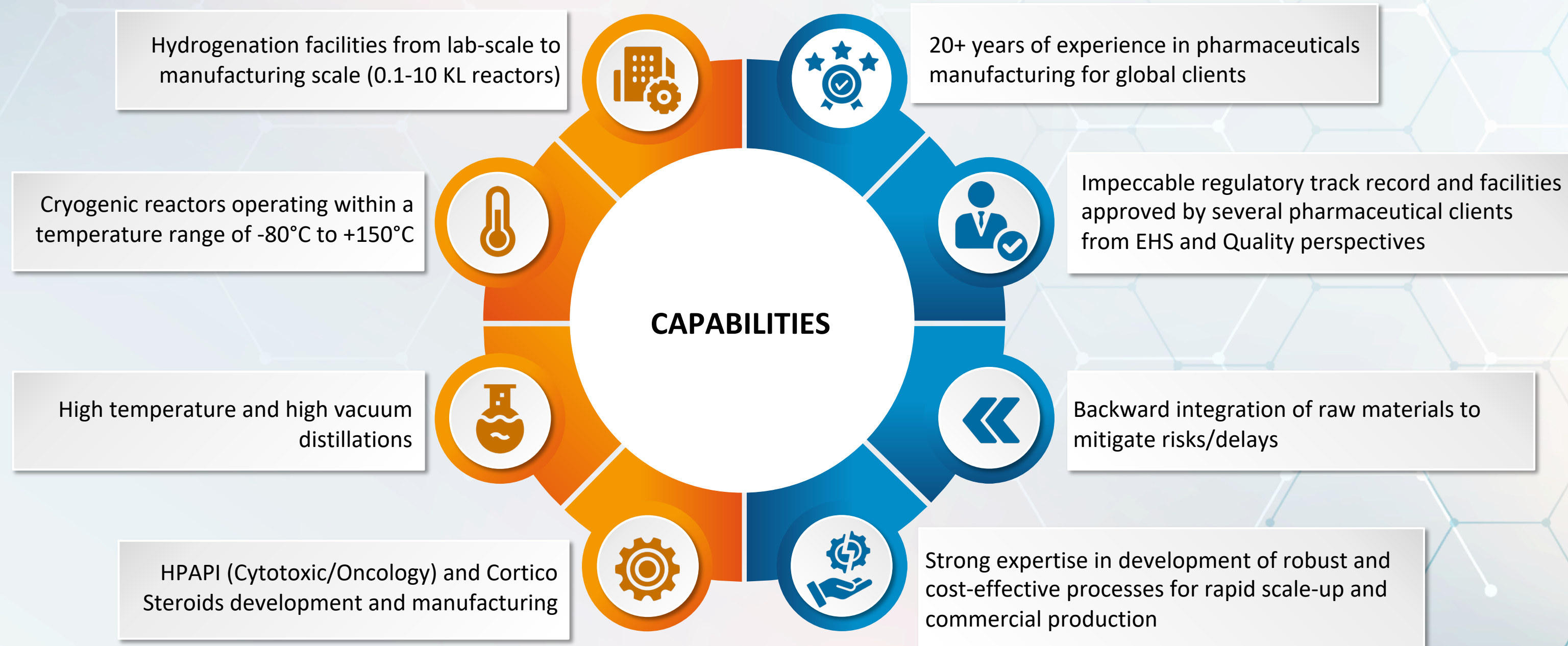
MANUFACTURING PRESENCE



- HEAD OFFICE
- R&D CENTER
- MANUFACTURING UNIT

LOCATION	MANUFACTURING UNITS	CERTIFICATIONS & AUDIT DATE
Dombivli	Unit - I (API, Intermediates, CDMO)	USFDA - Jun 2022
Vapi	Unit - II (API, Intermediates, CDMO) Custom Synthesis Division Unit - III (Xanthine Unit)	USFDA - Sep 2009, Aug 2017
Tarapur	Unit - IV (API, CDMO-API) Unit - V (Xanthine Unit) Unit - VI (Intermediate unit of Xanthine, speciality & allied products)	USFDA - Mar 2008, Sep 2011, Mar 2015, Dec 2016, Feb 2020 EUGMP - Apr 2008, May 2012, Aug 2013, Jan 2015 EDQM - Sep 2019, KFDA - Nov 2017, COFEPRIS - Apr 2017, May 2017
Atali	New unit under construction ((CDMO, Intermediates)	

END TO END CAPABILITIES UNDER ONE UMBRELLA



TECHNICAL CAPABILITIES

MANUFACTURING CAPABILITIES

RESEARCH & DEVELOPMENT

3

State of the art R&D Centers at Maharashtra & Gujarat

150+

Process for more than 150 intermediates developed and manufactured on kilo-lab scale

100+

New products to be developed in next few years

6%

R&D Spend (as a percent of API & CMDO sales) in FY 24

7

PhDs

70+

Scientists

43 Cr

R&D Spend in FY24

50+

APIs commercialized

56

Process Patents Filed

25

Patents Granted



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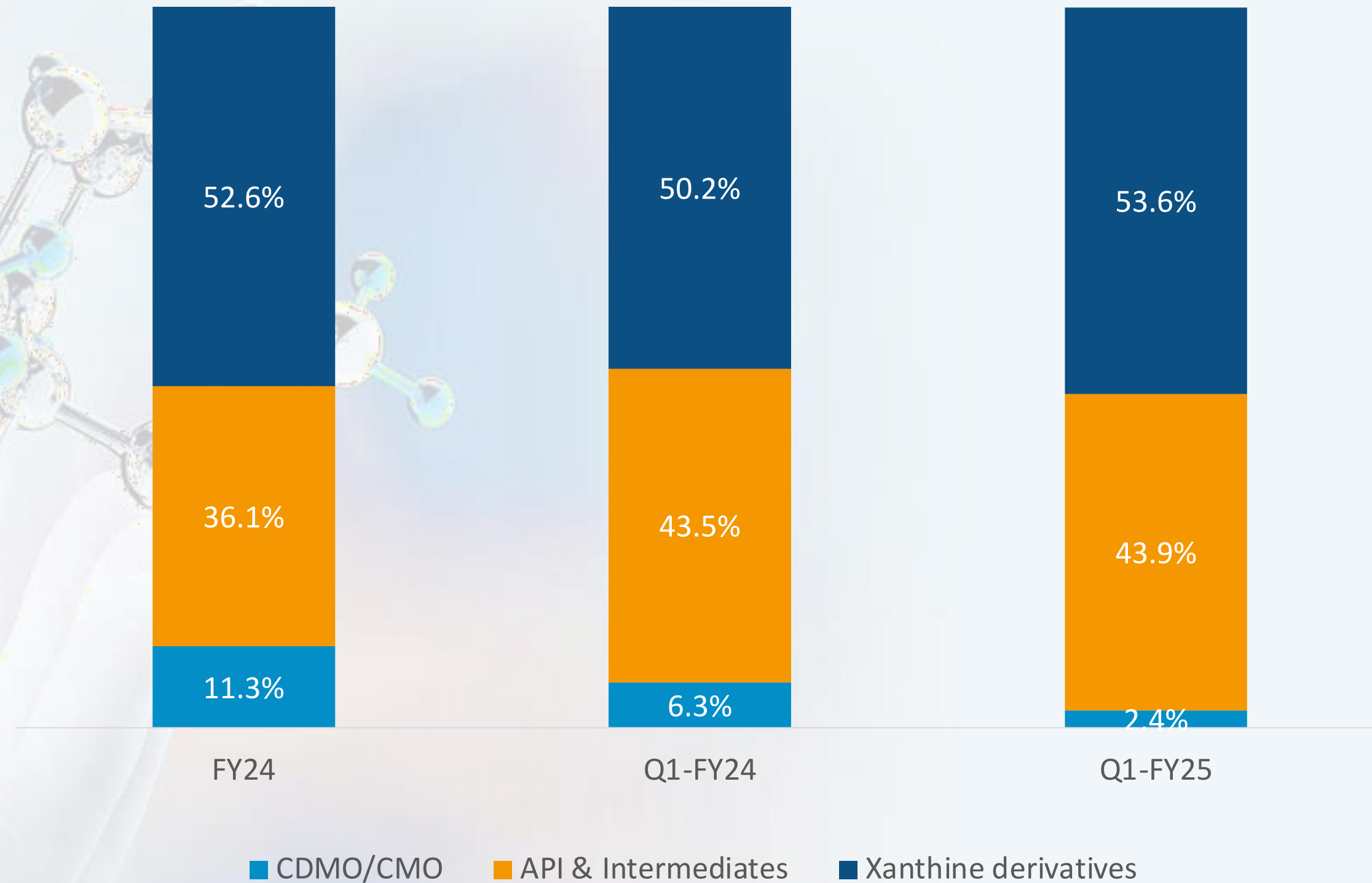
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KEY BUSINESS SEGMENTS

- Xanthine Derivatives & Allied Products
- API & Intermediates
- CDMO/CMO

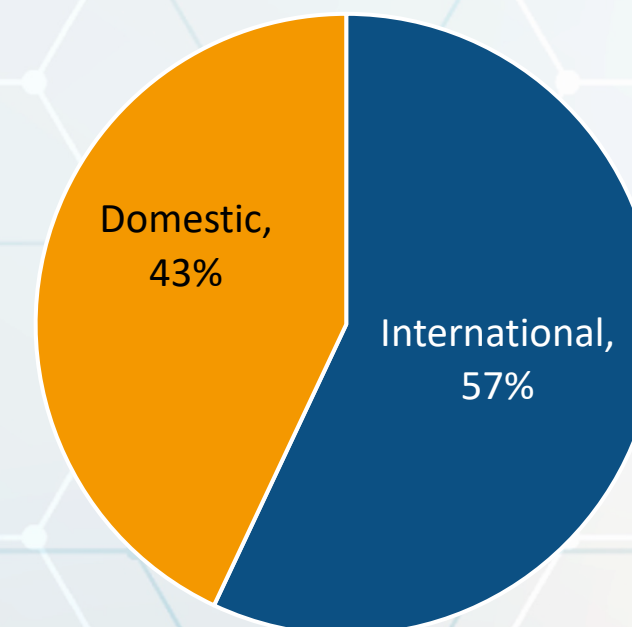
QUARTERLY REVENUE BREAK-UP



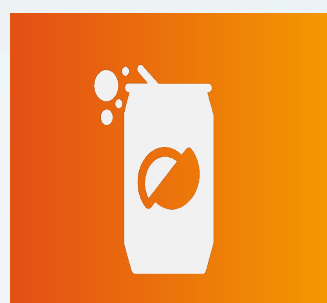
XANTHINE DERIVATIVES & ALLIED PRODUCTS

- Aarti Pharmalabs is the largest Indian manufacturer of Xanthine Derivatives, including Caffeine, Theophylline Anhydrous, Aminophylline, Etophylline, and Theophylline that find applications in beverages, nutraceuticals, and pharmaceutical industries.
- Largest manufacturing capacity in India for the flagship product 'caffeine'.
- Non-Chinese dependent and an integrated manufacturer of Xanthine derivatives, positioning them advantageously amidst trends like "China + 1" strategy.
- Xanthine derivatives are frequently used as mild stimulants and bronchodilators, particularly in managing symptoms associated with Asthma or Influenza.
- Operates two dedicated plants with a combined capacity of about 5,000 MTPA for producing Xanthine Derivatives.
- With a global market share of 15-20%, APL holds a significant presence in the global Xanthine industry.

GEOGRAPHICAL SALES SPLIT (Q1-FY25)



END USE



Cola Drinks



Energy Drinks



Pharmaceutical



Nutraceutical

CERTIFICATIONS



API & INTERMEDIATES

- Aarti Pharmedlabs specializes in the development and manufacturing of Highly Potent Active Pharmaceutical Ingredients (HPAPIs), catering to the demand for critical drugs used in oncology, corticosteroids, and cytotoxic medicines.
- Backward integrated for most Active Pharmaceutical Ingredients (APIs), giving them control over the entire production value chain and ensuring high-quality intermediates.
- Operates USFDA approved manufacturing facilities, ensuring stringent compliance and quality standards.
- Enjoys a distinct advantage over competition in having dedicated US, EU, and Japan approvals in place.
- One of the preferred partners in regulated markets led by robust regulatory documentation and IPR support required for such markets.

KEY HIGHLIGHTS

54

APIs Commercialized by APL since it entered the pharma business in year 2000

12

New APIs are under development at API dedicated R&D facility/validation for pharmaceuticals

42

US DMF Approvals obtained across multiple therapeutic areas for APIs & intermediates

23

CEP Approvals available for sale in European Union across multiple therapeutic areas

140+

Generic Intermediates are available at R&D, Pilot And Commercial Scales

THERAPEUTIC SEGMENT



CARDIOVASCULAR



ANTI ASTHAMATIC



ANTI CANCER



ONCOLOGY



ANTI DIABETIC



CNS AGENT



SKIN CARE



OVERACTIVE BLADDER



CALCIMIMETIC



DECONGESTANT

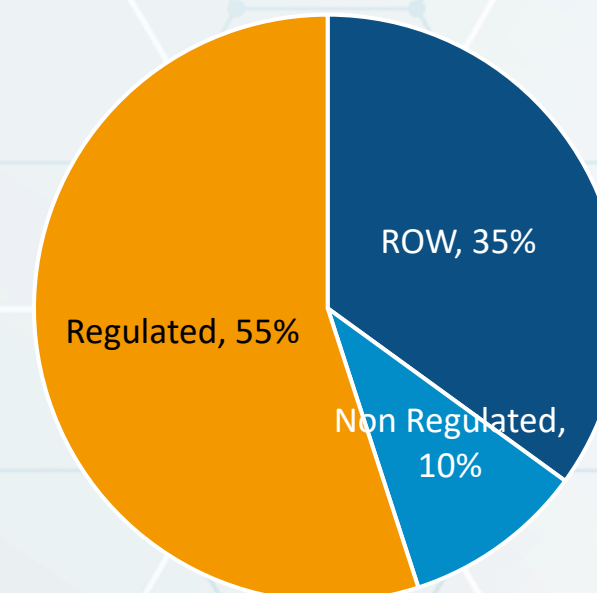


ANTI THALASSAEMIC

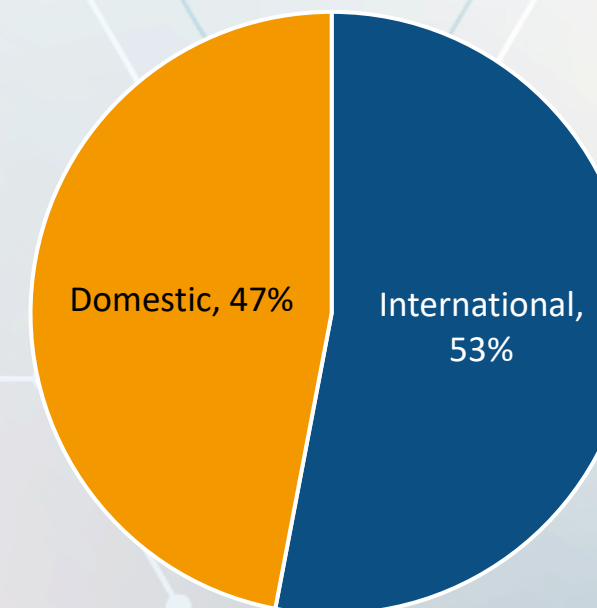


ANALGESIC

MARKET SEGMENTATION (Q1-FY25)



GEOGRAPHICAL SALES SPLIT (Q1-FY25)



CDMO & CMO

- Aarti Pharmalabs is one of the leading small molecule Contract Development and Manufacturing Organization (CDMO/CMO) in India.
- Offers services for drug substance projects including NCEs, APIs, RSMs, and Intermediates to global innovative pharmaceutical and biotech companies, Currently working with 16 innovator and big Pharma companies.
- Provides end-to-end services for small molecule NCEs drug development programs from lab scales to pilot and manufacturing scales focusing on clinical phases(Ph-I/II/III), launch, and commercial phase projects.
- CRAMS activity is primarily centered around the research and manufacturing services for active pharmaceutical ingredients (APIs) and intermediates with stringent intellectual property protection on the services offered.
- Dedicated R&D and pilot facilities focusing on CDMO. Presently working with 18 customers on 53 projects, of which 27 are in the commercial stage and 26 are under different stages of development, both at customer's end.



SERVICES OFFERED



End-to-end solutions from synthetic route design to commercial manufacturing, specializing in HPAPIs, cryogenic reaction & hydrogenation



Comprehensive services like
1) Robust process development (DoE & QbD studies)
2) Process validation and
3) Analytical method development & validation



Drug substance manufacturing for Pre-Clinical, Clinical, Launch & Commercial manufacturing



Strong CMC documentation expertise to ensure smooth regulatory approvals.

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GROWTH DRIVERS




FUTURE OUTLOOK



Fortify market leading position in the Xanthine segment by brownfield capacity expansion



Plan to strengthen API and CDMO segment by introducing more value-added products and acquiring new customers



Expect EBITDA growth of approximately 10-12% in FY25



Aim to achieve long-term goal of about 15% annual growth in the next 3 years



ENVIRONMENT

- ISO 14001 : 2015 certification
- All plants are Zero Liquid Discharge (ZLD)
- ~50% of total water consumed is recycled
- Green chemistry principles incorporated during product development stage
- Recycle & reuse of solvents and safe disposal of Hazardous waste
- Initiated GHG accounting following the GHG Protocol across all three scopes
- Installing a solar-based electricity generation plant, to further minimize our carbon footprint

- Hazard Identification and Risk Assessment (HIRA), Hazardous Area Classification (HAC) and work permit system in place
- Safety Trainings - Induction, On the job, Classroom, Demos
- Incident management - “Safety Alert”, Learning from Incidents, Root cause analysis and Global CAPA Implementation
- Industrial Hygiene study conducted
- Strengthened HR policies and procedures - considering UN Global Compact, International Labor Organization's (ILO) Declaration and Sexual Harassment of Women at Workplace Act, 2013 etc.

SOCIAL



GOVERNANCE

- Robust Compliance Monitoring Framework - implemented PWC's GRC tool to track & regularly monitor various governance aspects
- Internal monitoring and control systems for anti - corruption, bribery and anti - competitive practices
- Core Business Process digitized on a robust SAP ERP backbone
- Environment, Health, Safety & Quality processes digitized on Intellex Cloud platform
- Plan to release sustainability report for FY24 to showcase our integration of ESG principles in business & decision making



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QUARTERLY CONSOLIDATED INCOME STATEMENT



PARTICULARS (INR Mn)	Q1-FY25	Q4-FY24	Q-O-Q	Q1-FY24	Y-O-Y
Operational Revenue	5,555	5,058	9.8%	4,584	21.2%
Operating Expenses	4,590	3,883	18.2%	3,735	22.9%
EBITDA	965	1,175	(17.9)%	849	13.7%
EBITDA Margin (%)	17.37%	23.23%	(586) Bps	18.52%	(115) Bps
Depreciation and amortisation	202	191	5.8%	172	17.4%
Finance costs	48	47	2.1%	42	14.3%
Other Income	22	20	10.0%	5	NA
PBT	737	957	(23.0)%	640	15.2%
Tax Expense	182	304	(40.1)%	169	7.7%
PAT	555	653	(15.0)%	471	17.8%
PAT Margin (%)	9.99%	12.91%	(292) Bps	10.27%	(28) Bps
Other Comprehensive Income	4	(9)	NA	39	(89.7)%
Total Comprehensive Income	559	644	(13.2)%	510	9.6%
Diluted EPS	6.12	7.20	(15.0)%	5.20	17.7%

HISTORICAL CONSOLIDATED INCOME STATEMENT



PARTICULARS (INR Mn)	FY23	FY24	Q1-FY25
Operational Revenue	19,452	18,526	5,555
Total Expenses	16,031	14,666	4,590
EBITDA	3,421	3,860	965
<i>EBITDA Margins (%)</i>	17.59%	20.84%	17.37%
Other Income	23	49	22
Depreciation	625	732	202
Finance Cost	211	172	48
PBT	2,608	3,005	737
Tax	673	836	182
PAT	1,935	2,169	555
<i>PAT Margins (%)</i>	9.95%	11.71%	9.99%
Other Comprehensive Income	(35)	(4)	4
Total Comprehensive Income	1,900	2,165	559
Diluted EPS (INR)	21.35	23.93	6.12

QUARTERLY STANDALONE INCOME STATEMENT



PARTICULARS (INR Mn)	Q1-FY25	Q4-FY24	Q-O-Q	Q1-FY24	Y-O-Y
Operational Revenue	3,935	4,148	(5.1)%	3,581	9.9%
Operating Expenses	3,099	3,075	0.8%	2,815	10.1%
EBITDA	836	1,073	(22.1)%	766	9.1%
EBITDA Margin (%)	21.25%	25.87%	(462) Bps	21.39%	(14) Bps
Depreciation and amortisation	183	173	5.8%	154	18.8%
Finance costs	42	44	(4.5)%	40	5.0%
Other Income	21	57	(63.2)%	49	(57.1)%
PBT	632	913	(30.8)%	621	1.8%
Tax Expense	161	283	(43.1)%	145	11.0%
PAT	471	630	(25.2)%	476	(1.1)%
PAT Margin (%)	11.97%	15.19%	(322) Bps	13.29%	(132) Bps
Other Comprehensive Income	(2)	(11)	(81.8)%	12	NA
Total Comprehensive Income	469	619	(24.2)%	488	(3.9)%
Diluted EPS	5.20	6.95	(25.2)%	5.26	(1.1)%

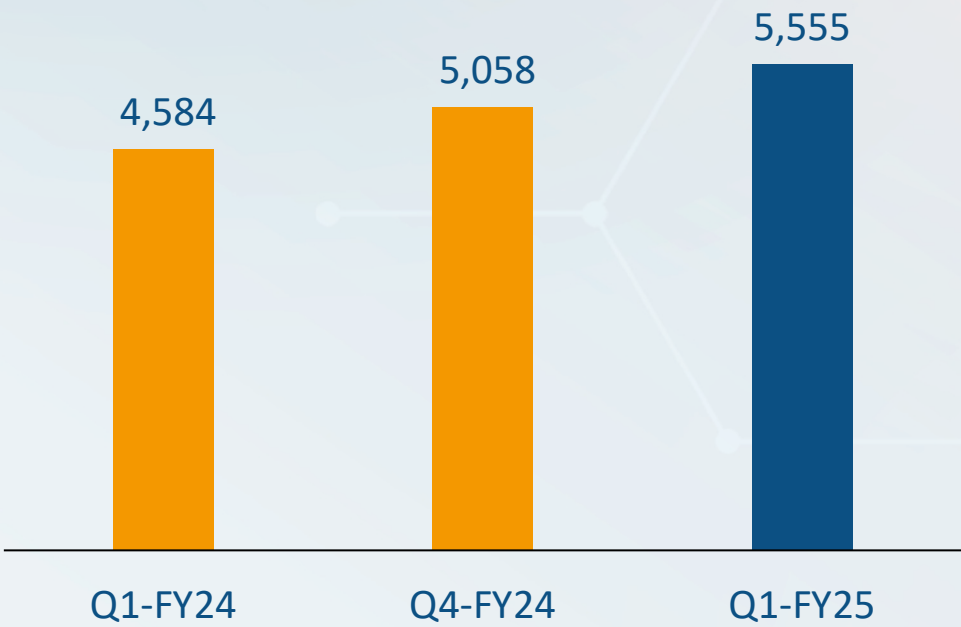
HISTORICAL STANDALONE INCOME STATEMENT

PARTICULARS (INR Mn)	FY23	FY24	Q1-FY25
Operational Revenue	15,112	15,021	3,935
Total Expenses	12,028	11,560	3,099
EBITDA	3,084	3,461	836
<i>EBITDA Margins (%)</i>	20.41%	23.04%	21.25%
Other Income	13	110	21
Depreciation	558	660	183
Finance Cost	205	166	42
PBT	2,334	2,745	632
Tax	617	738	161
PAT	1,717	2,007	471
<i>PAT Margins (%)</i>	11.36%	13.36%	11.97%
Other Comprehensive Income	(7)	1	(2)
Total Comprehensive Income	1,710	2,008	469
Diluted EPS (INR)	18.95	22.14	5.20

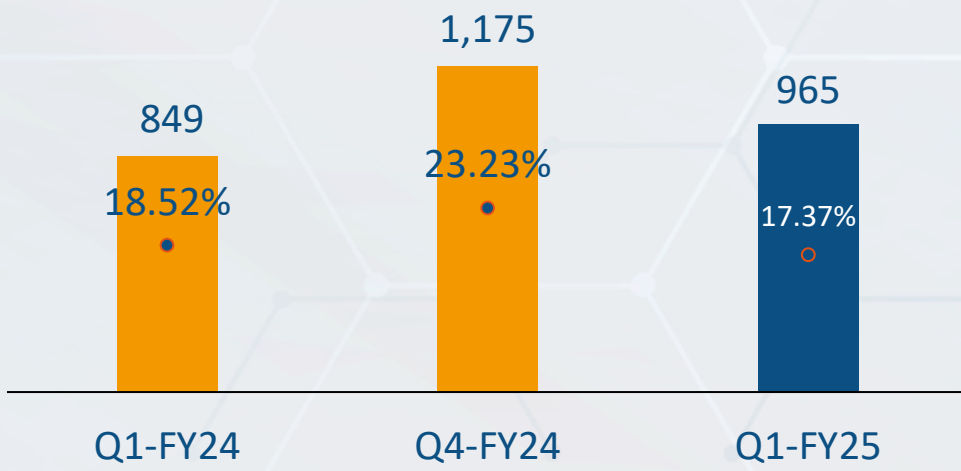
CONSOLIDATED QUARTERLY FINANCIAL HIGHLIGHTS



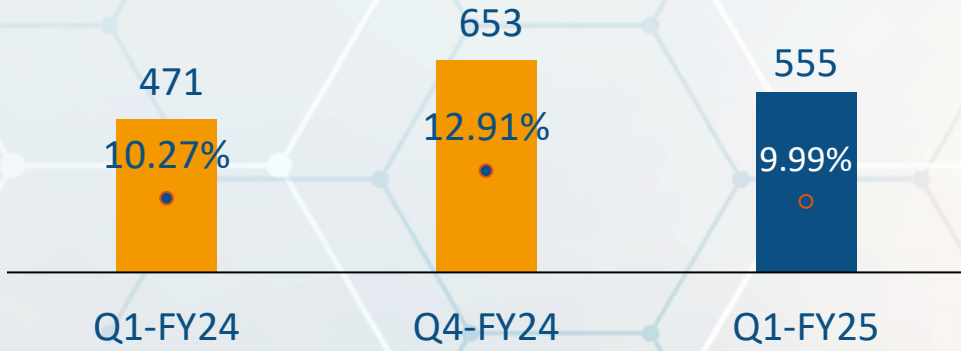
OPERATIONAL INCOME (INR Mn)



EBITDA (Mn) & EBITDA MARGINS (%)



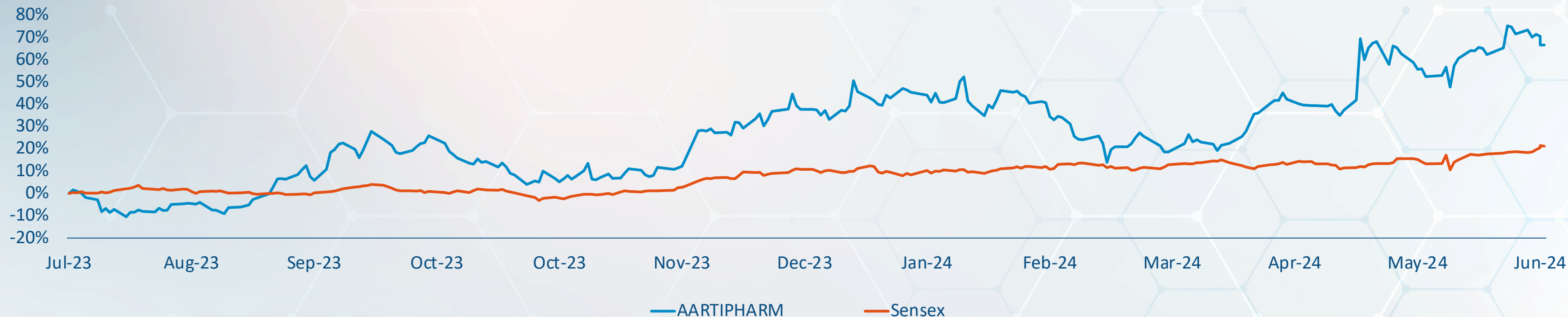
PAT (Mn) & PAT MARGINS (%)



CAPITAL MARKET INFORMATION



SHARE PRICE UP TO 30th June, 2024

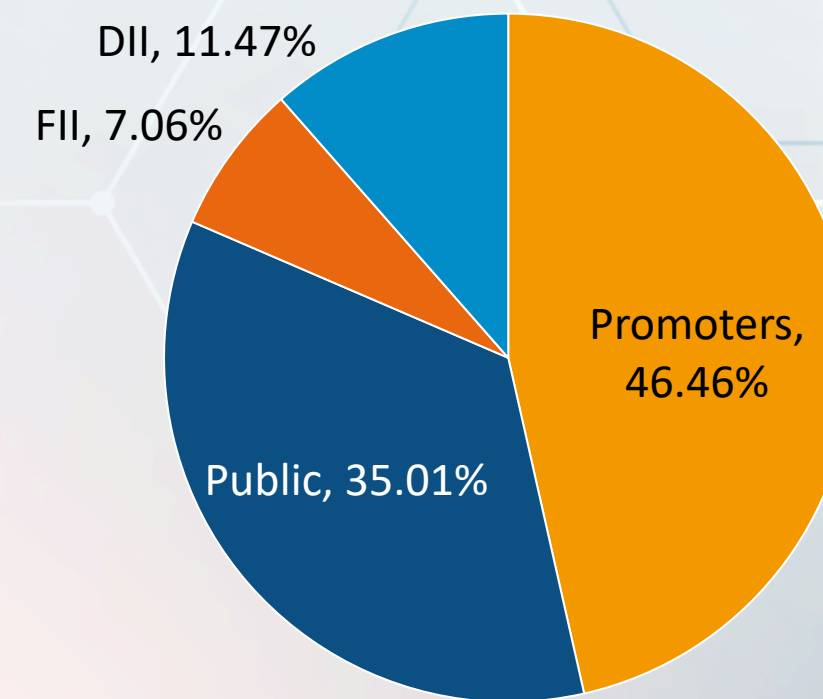


PRICE DATA (AS ON 30th June, 2024)

INR

Face Value	5.00
Market Price	610.95
52 Week H/L	653.00/321.0
Market Cap (Mn)	55,367.96
Equity Shares Outstanding (Mn)	90.63
1 Year Avg Trading Volume ('000)	316.52

SHAREHOLDING PATTERN (AS ON 30th June, 2024)



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Aarti Pharmalabs Limited

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VALOREM ADVISORS

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Valorem Advisors

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Email: asl@valoremadvisors.com



THANK YOU

AARTI PHARMALABS LIMITED