



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/2024-25/74

September 20, 2024

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 (East), Mumbai – 400051
NSE SYMBOL: AARTIDRUGS

Dear Sir/Madam,

Sub: Presentation to Shareholders

**Ref: Regulation 30 of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015**

Please find attached herewith presentation made to the shareholders of the Company at the 39th Annual General Meeting held today i.e. **September 20, 2024** for your records.

Kindly take the same on record.

Thanking you,

Yours faithfully,

FOR AARTI DRUGS LIMITED

RUSHIKESH DEOLE

COMPANY SECRETARY & COMPLIANCE OFFICER

ICSI M.No.: F12932



AARTI DRUGS LIMITED

Annual General Meeting
September 20, 2024





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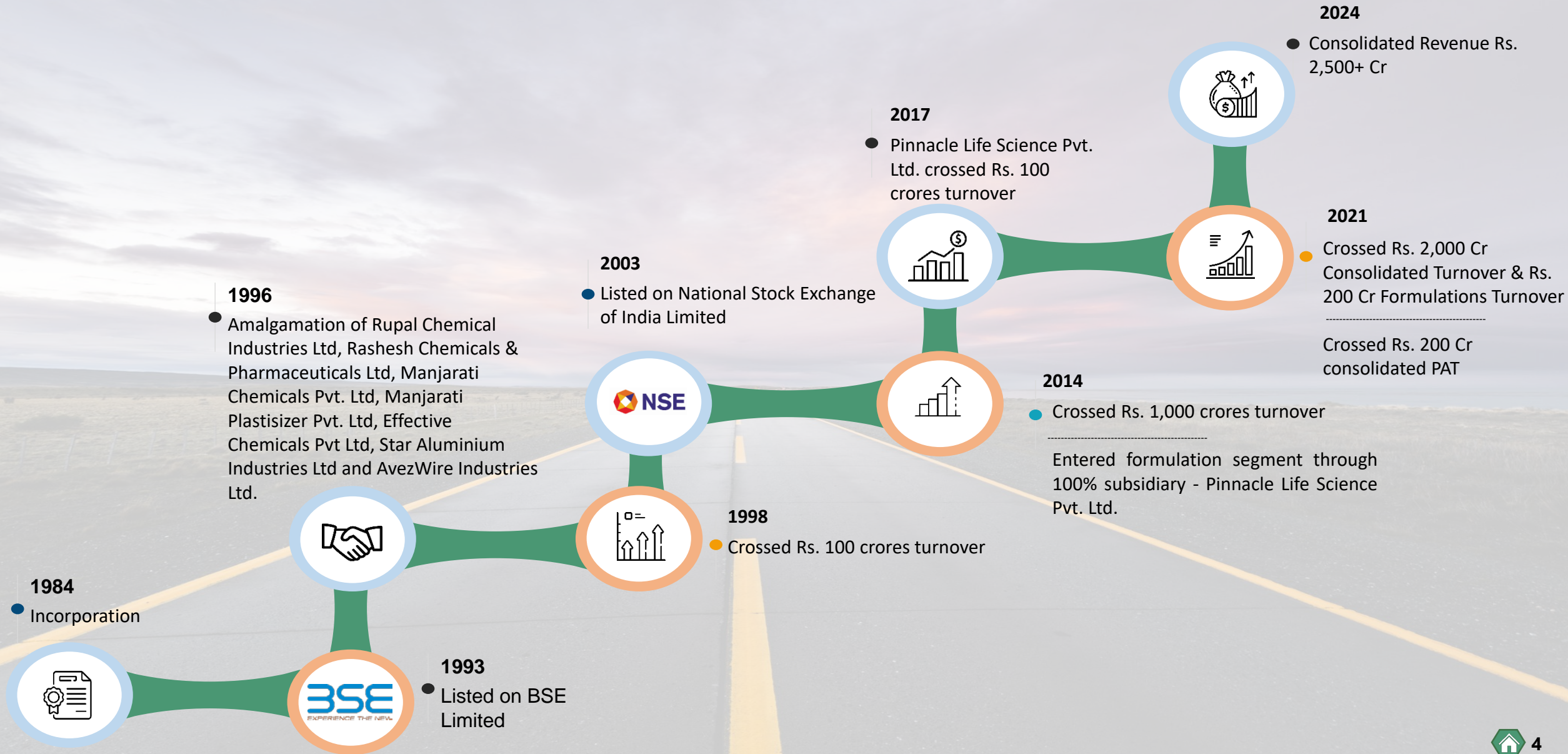
Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.



Company Overview



Key Milestones





Key Facts & Figures



13 Manufacturing Facilities	4,765 MT/Monthly Capacity
80+ Finished Products	1,26,642 Sq.m Plant Area
~1,749 Employees	~38% Export Revenue
50+ API Molecules	Presence across 100+ 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 ~92% revenues
- Installed capacity of 45,937 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

- 3 manufacturing units; 1 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
- Installed capacity of 11,242 MTPA



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

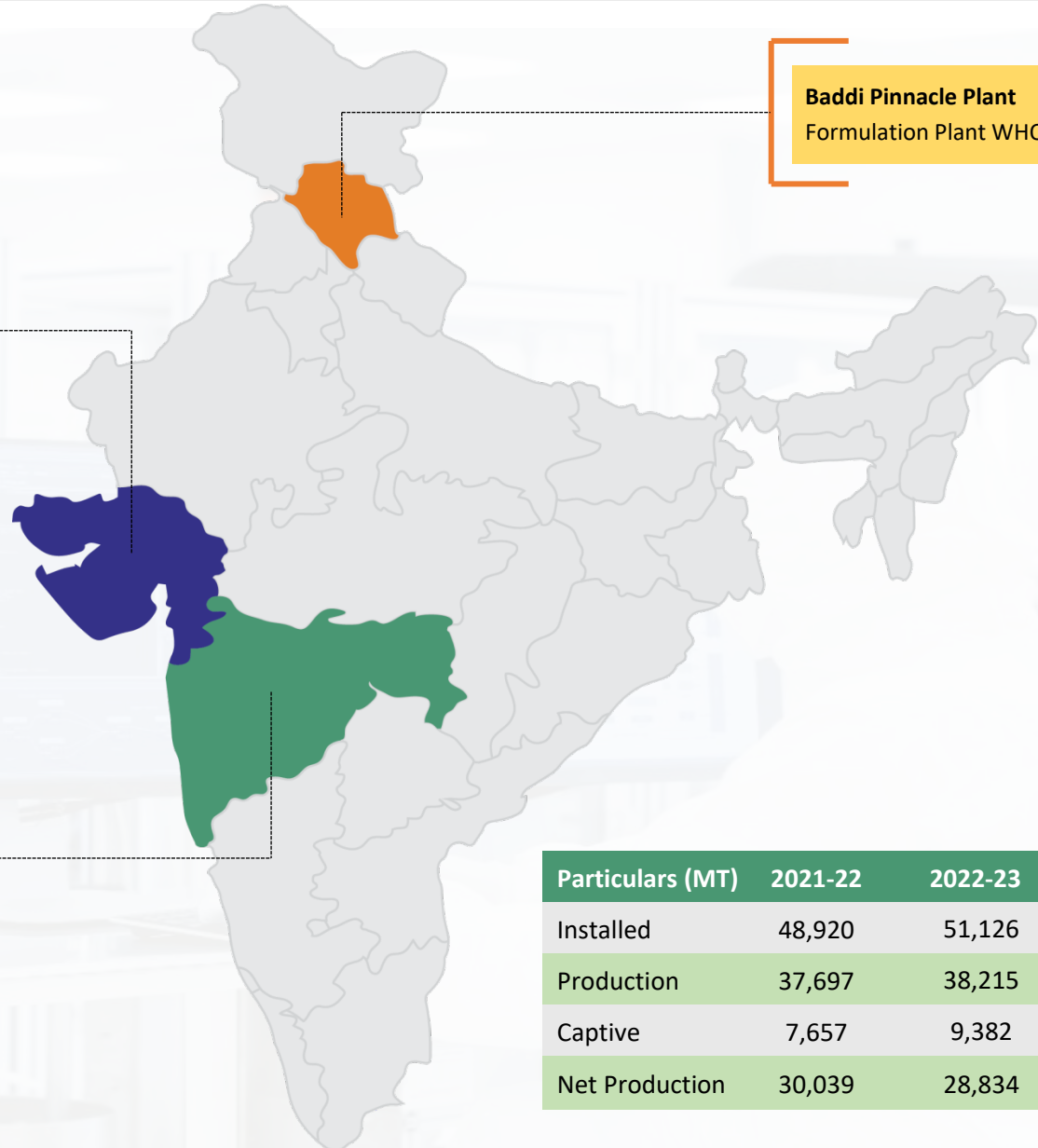
E-120
WHO-GMP

E-9/3
ISO-9001:2008

T-150
Intermediate ISO Certification

G61/62
ISO certification

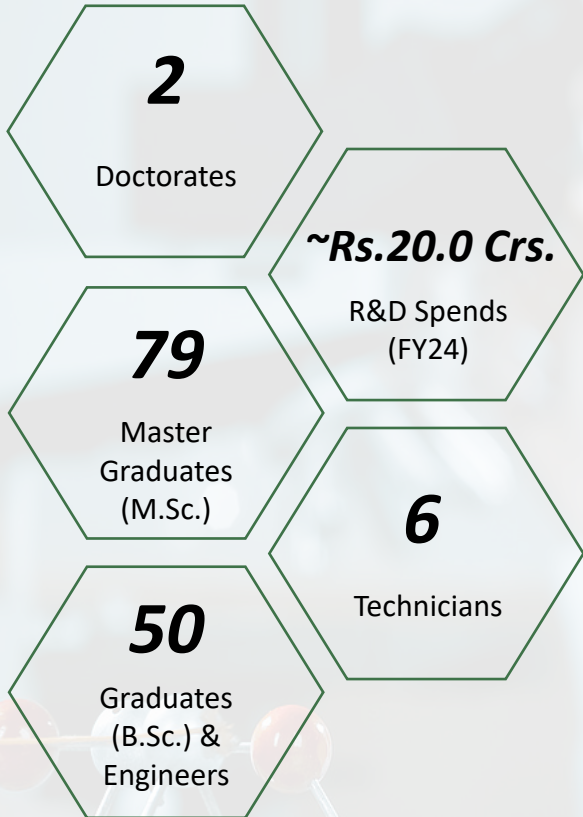
Baddi Pinnacle Plant
Formulation Plant WHO-GMP



Particulars (MT)	2021-22	2022-23	2023-24
Installed	48,920	51,126	57,179
Production	37,697	38,215	41,116
Captive	7,657	9,382	9,864
Net Production	30,039	28,834	31,251

*Import alert under resolution

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



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 of 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

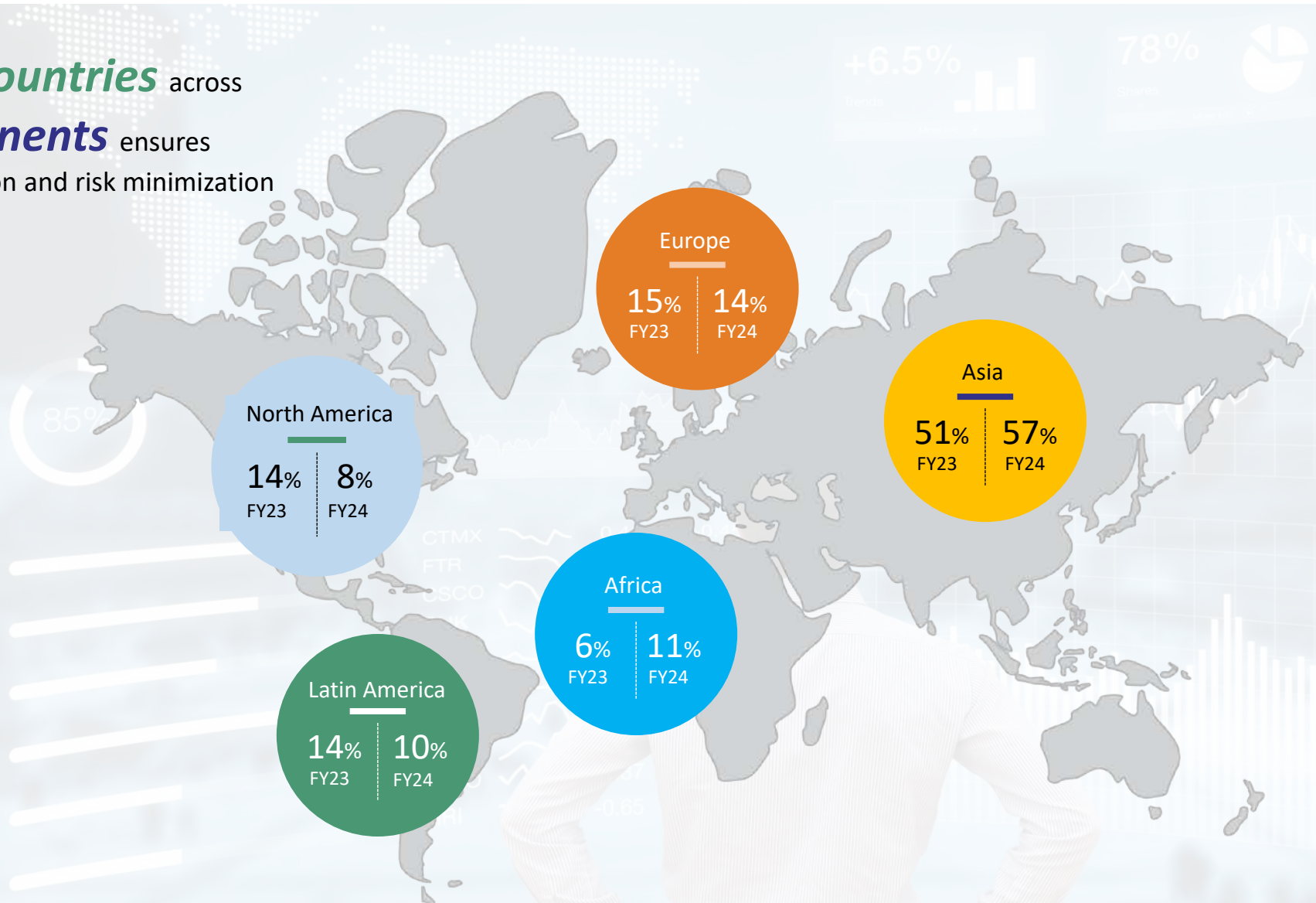
- Supports development of complex generics for in-house formulation business
- Developing complex oral solids for Regulated as well as Emerging markets

- 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

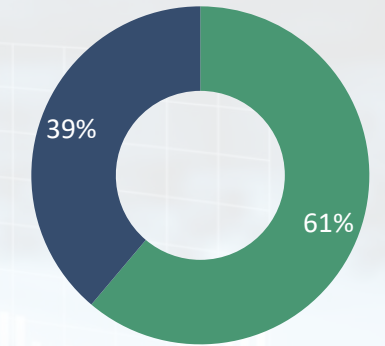
Presence in **100+ Countries** across **6 Continents** ensures diversification and risk minimization



Top 10 Countries - Exports

Pakistan	Turkey
Brazil	Mexico
Switzerland	UAE
Indonesia	Egypt
Bangladesh	Nigeria

Market Share



- Regulated
- Semi-Regulated

As of FY24

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



Environmental

- Converted multiple facilities into to Zero Liquid Discharge (ZLD)
- Dual Fired Boiler in Greenfield Facilities to reduce carbon footprint
- Periodic Forestation
- Waste heat recovery
- Packaging bulk API in paper bags, usage of fibre drums instead of HDPE drums, packing bulk intermediates in jumbo bags (1 MT packing) to reduce excess use of plastic bags
- For efficient utilization of utilities, company is using equipment with high end technologies like Agitated Thin Film Dryer (ATFD), Agitated Thin Film Evaporator (ATFE), FBC boilers, membrane type filter press.
- Company is using MEE & MVR for evaporation and has much lesser energy consumption than conventional evaporators.



Social

- **Woman Empowerment:** Free Government approved and certified vocational course training for women to generate employment.
- **Healthcare:** Primary Healthcare Infrastructure Development and Improvement around the manufacturing facilities.
- **Gender Diversity:** ~40% women staff at HO, contributing in various departments such as marketing, finance, procurement. At factory level, women are employed at QC QA, regulatory affairs, etc. departments.
- **Stakeholder Management:** No unfair trade practices events in the last 5 years. stringent product quality control, strict QA and QC dept to ensure that product is at the mark of the quality as per various pharma copeial standards



Governance

- The Board has an optimum combination of Executive and Non-Executive directors and gender diversification
- Risk Management Governance
- Occupational Healthy Policy
- Policies governing related party transactions
- In compliance with all regulatory requirement of the Audit Committee
- Mechanism of periodic reporting to Stakeholders Relationship Committee and Board.
- Regular review and updation of policies in response to the changing requirements
- Vigil Mechanism, Whistleblower and POSH policies



Donation of Inverter, Water filters, Air coolers Steel cupboards, Ambulance donated Salwad, Gram Panchayat, Dist. Palghar, MH, Sunroof, supply of medicines



Tree Plantation Programs

लोकमत

आरती ड्रग्स उद्योग समूह करणार ३,५०० झाडांची लागवड

तारापूर एमआयडीसीत कचराडेपोच्या जागी साकारतेय नंदनवन!

लोकमत न्यूज नेटवर्क
बोईसर : तारापूर एमआयडीसीलगत मोठ्या प्रमाणात लोकवस्ती असलेल्या शिवाजीनगरचे रहिवासी औद्योगिक क्षेत्रातील टी ड्योनमधील प्रचंड वाहतूक असणाऱ्या रस्त्यावर घरातील कचरा टाकतात. यामुळे या जागेला कचरा डेपोचे स्वरूप आले; पण स्थानिक नागरिकांनी कचरा डेपो केलेल्या जागेवर तारापूर येथील आरती ड्रग्स उद्योग समूहाने नंदनवन फुलवण्याचा निर्धार केला आहे.



सालवड ग्रामपंचायतीचे मिळाले सहकार्य
 शेकडो टन कचरा उचलून ती जागा सालवड ग्रामपंचायतीच्या सहकार्याने स्वच्छ करून देई. आरती ड्रग्सच्या सीएसआर फंडातून ६५०० रुपयेअत फूट जागेवर कुपण करून सुमारे २०० प्रकारची विविध जातीची ३५०० झाडे लावली जाणार आहेत.

तारापूर एमआयडीसीलगत असलेल्या रस्त्यावर कचरा टाकला जातो तिथे नंदनवन फुलवण्याचा निर्धार आरती ड्रग्स उद्योग समूहाने केला आहे. शनिवारी मान्यवरांच्या उपस्थितीत वृक्षारोपण करून त्याचे उद्घाटन करण्यात आले.

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दिसणार आहेत. आरती ड्रग्स उद्योग समूहाच्यावतीने उभारण्यात येणाऱ्या मियावाकी बायोडायव्हर्सिटी फॅक्टच्या जागेवर शनिवारी वृक्षारोपण करून उद्घाटन दिसणार आहेत.



BEFORE



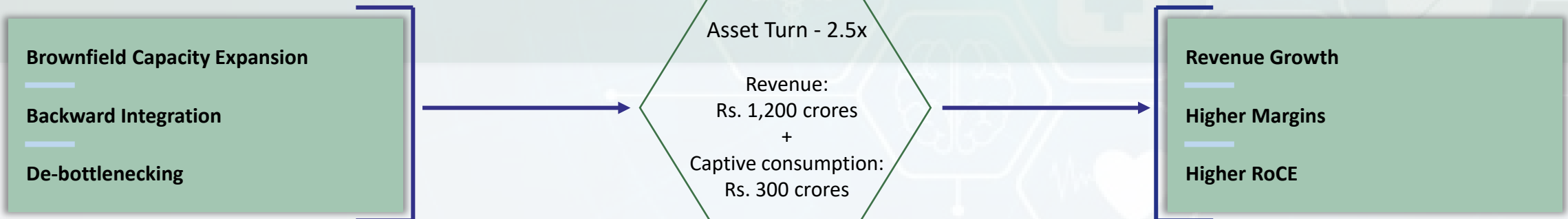
AFTER



Capex of Rs. 600 crores underway [starting from FY22 for the next 4-5 years]

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

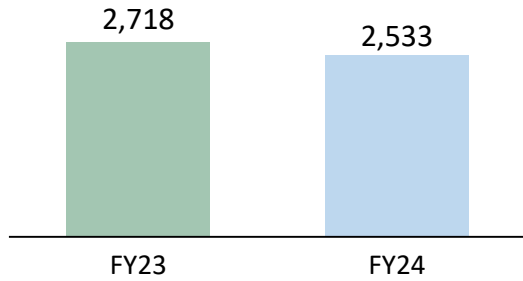




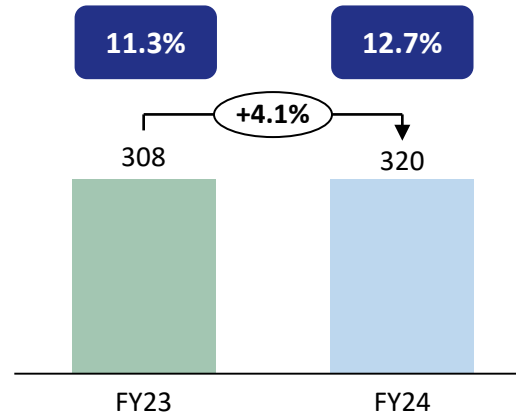
Financial Highlights



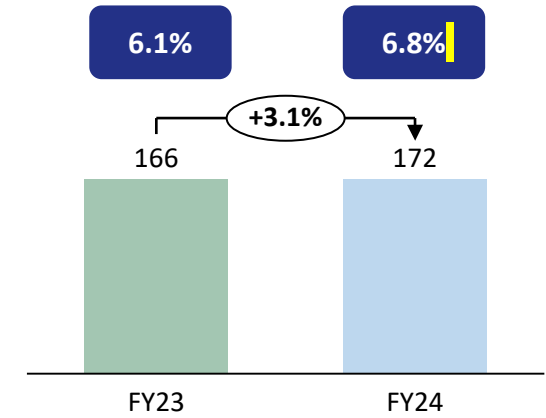
Net Revenue from Operations



EBITDA & EBITDA Margin (%)



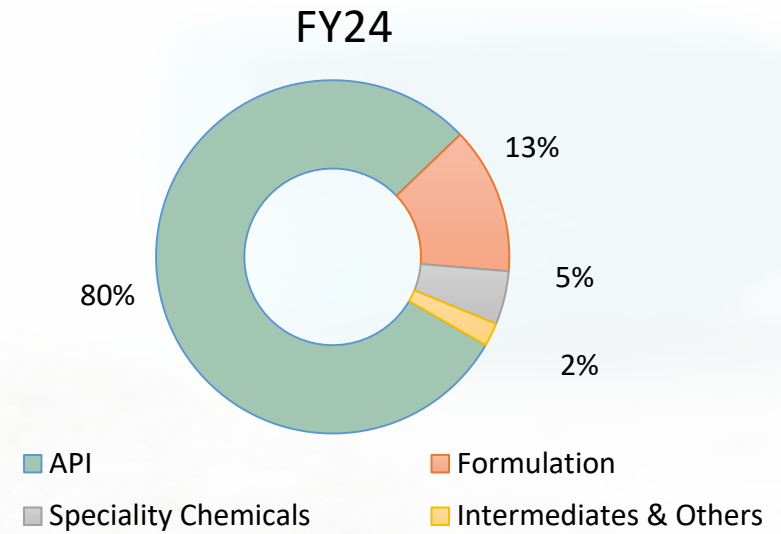
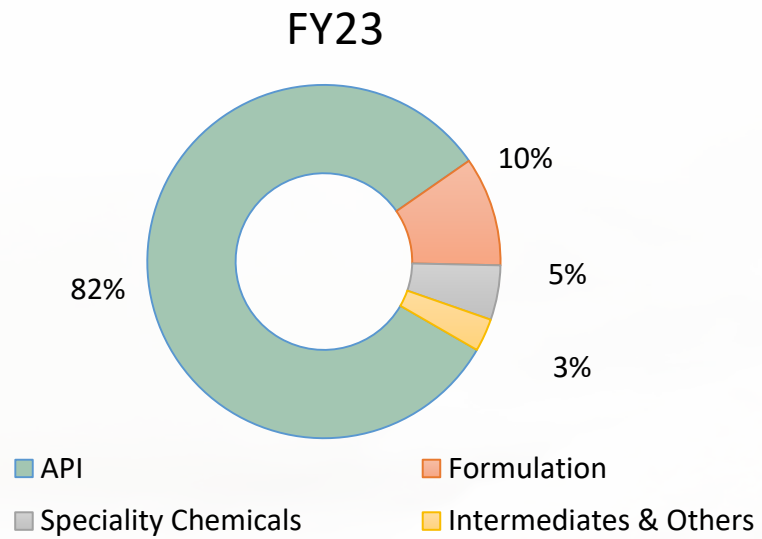
PAT & PAT Margin (%)



1. EBITDA includes other income & excludes exceptional items



FY24 Segmental Break-up

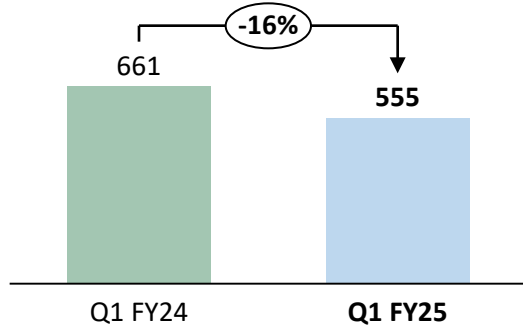




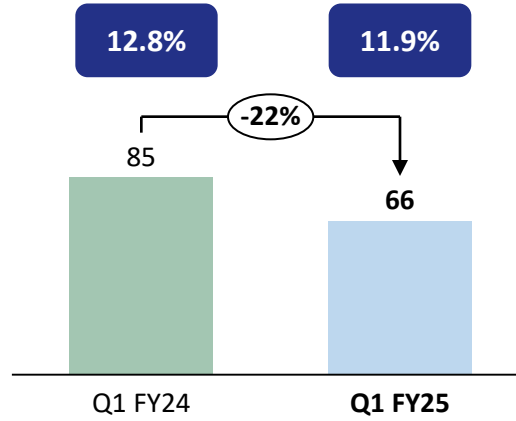
Q1 FY25 Result Highlights

Rs. crores

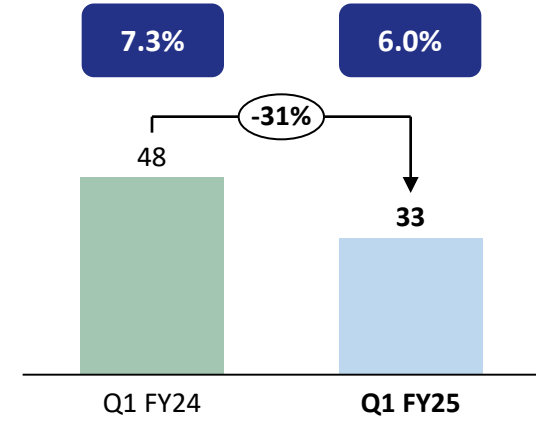
Net Revenue from Operations



EBITDA & EBITDA Margin (%)

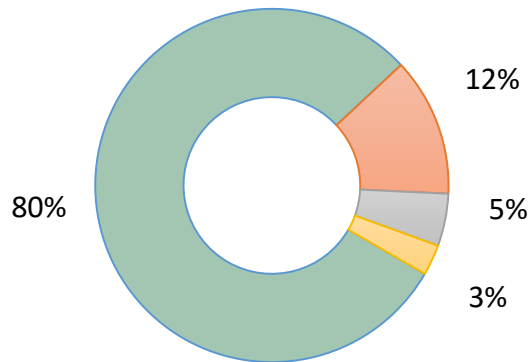


PAT & PAT Margin (%)



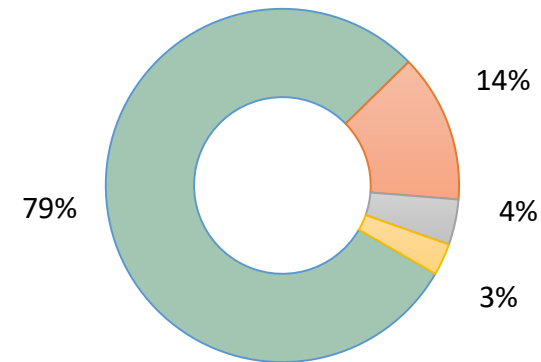
Segmental Breakup

Q1 FY25




■ API ■ Formulation
■ Speciality Chemicals ■ Intermediates & Others

Q1 FY24



■ API ■ Formulation
■ Speciality Chemicals ■ Intermediates & Others

1. EBITDA includes other income & excludes exceptional items



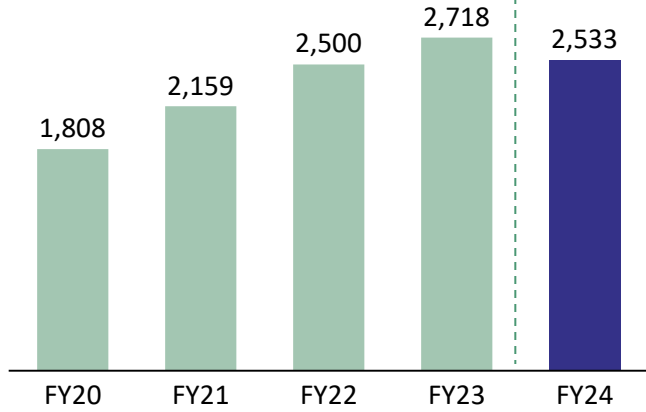
Historical Performance At A Glance



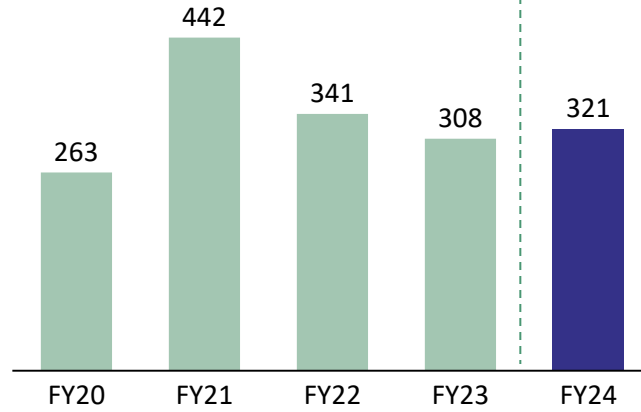
Strong Financial Performance

Consolidated

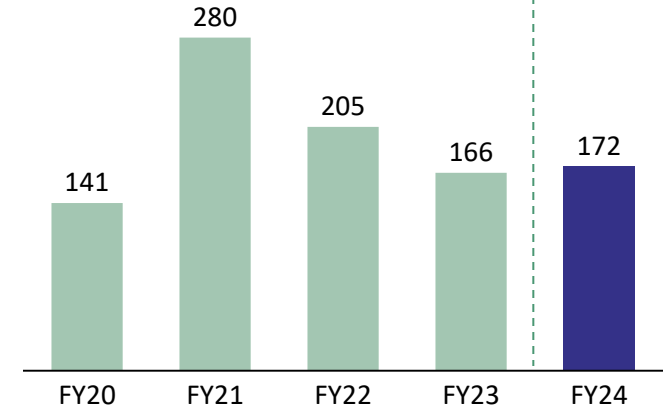
Revenue (Rs. Crores)



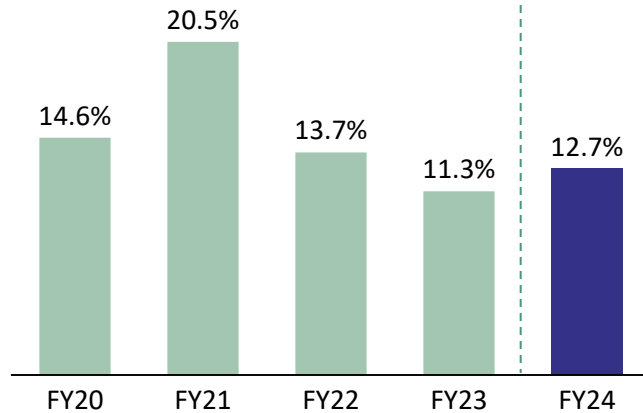
EBITDA (Rs. Crores)



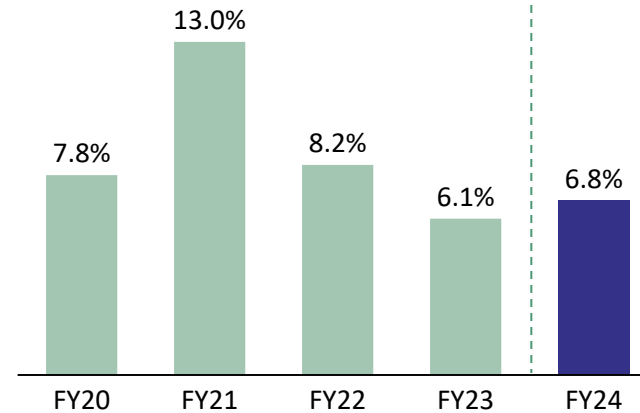
PAT (Rs. Crores)



EBITDA Margin (%)



PAT Margin (%)

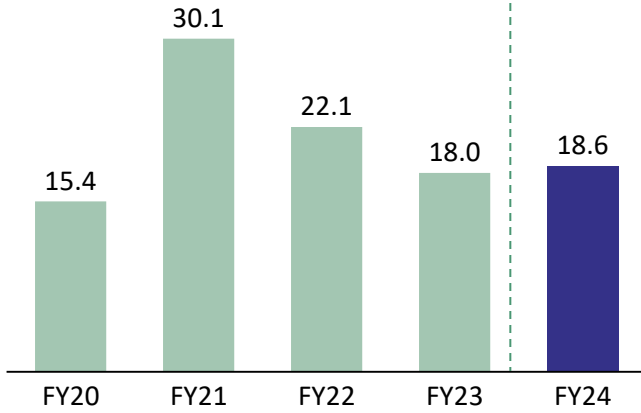




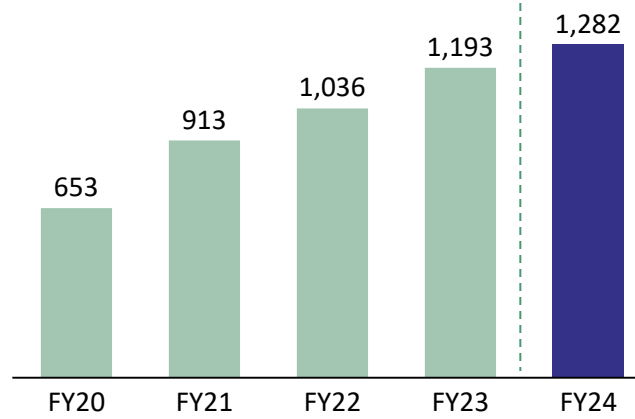
Strong Financial Performance

Consolidated

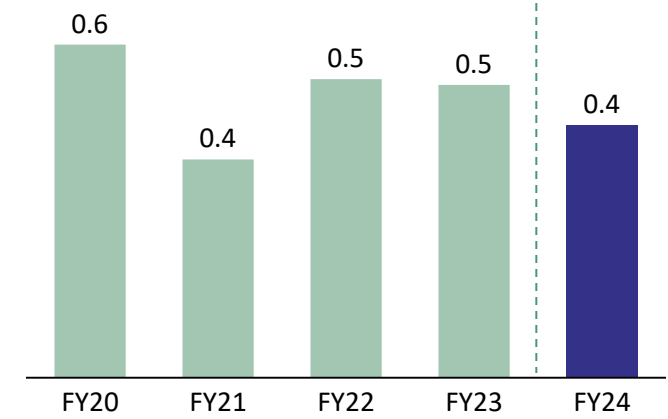
EPS* (in Rs.)



Net Worth (in Rs. Crores)

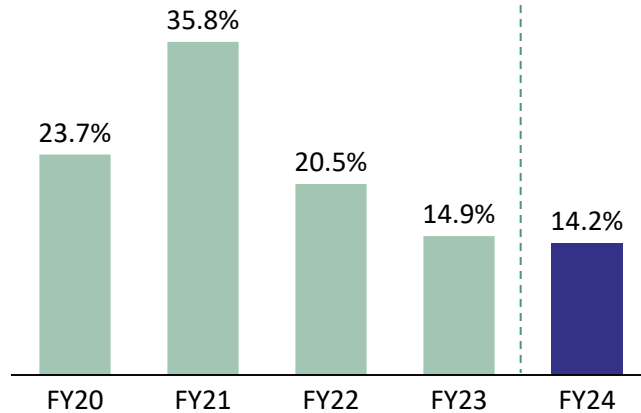


Leverage (X)

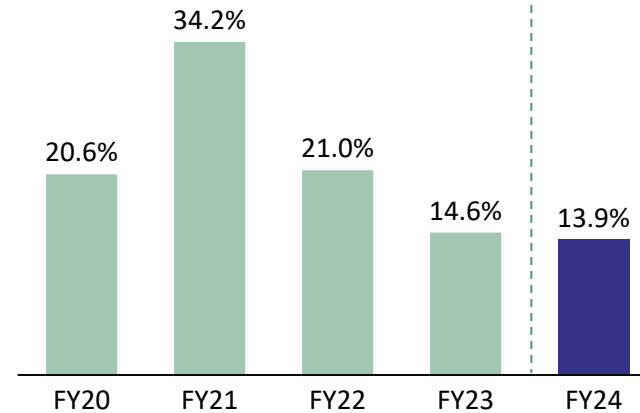


* For EPS, adjusted includes previous year's figures in proportion to bonus issue year

RoCE (%)



RoE(%)





Distribution Policy

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

15% to 30% of

Consolidated Net Profits

Distributed ~Rs. 65.2 Crores as Dividend over last 7 years



Distributed ~ Rs. 197 crores through buyback of shares over last 7 years

Distribution: ~23.0%

Distributed ~ Rs. 262 crores in form of dividend & buyback of shares over last 7 years

For further information, please contact

Company:



CIN: L37060MH1984PLC055433

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