

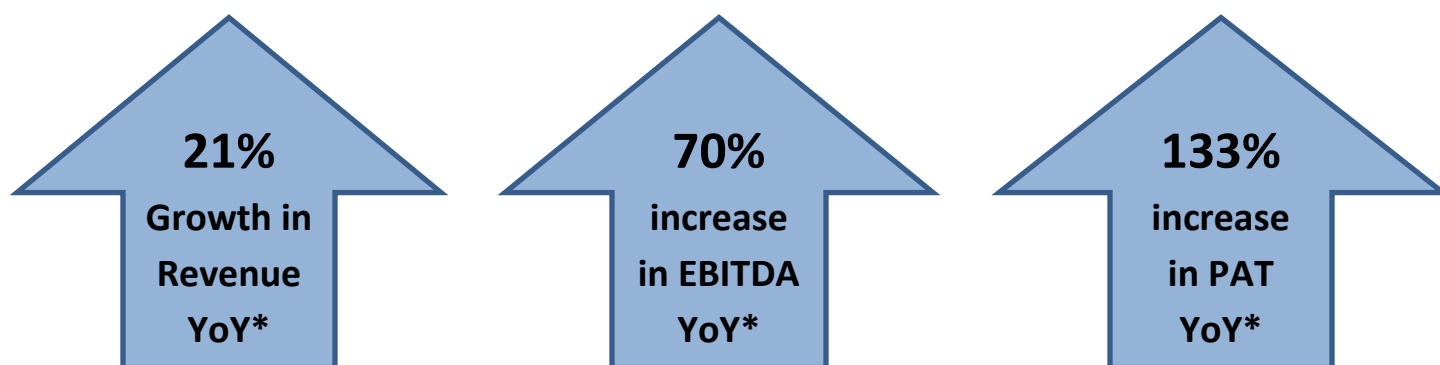


Aarti Drugs Ltd.

Press Release

Aarti Drugs Limited: Corporate Updates

Mumbai, October 30, 2020



*All numbers are on consolidated basis

Key Highlights:-

Company has already procured land for further expanding its existing Metformin Capacity to 3000 TPM in a brown field expansion. This expansion would be a 2 phase expansion program. Company will start the Phase I expansion project to 2000 TPM in FY20-21. Additional CAPEX is being done for introducing new products in anti-diabetic category towards the end of FY20-21.

(Rs. in Crores except share data)

Particulars	Standalone Quarter ended		Consolidated Quarter ended	
	30-Sept-2020	30-Sept-2019	30-Sept-2020	30-Sept-2019
Revenue from Operations	515.16	442.17	578.11	477.50
EBIDTA	109.23	65.43	116.73	68.50
PBT	90.28	45.80	97.12	47.87
PAT	69.78	30.80	75.27	32.31
EPS (Basic and Diluted) Rs.	29.95	13.22	32.30	13.87



Aarti Drugs Ltd.

In the September'2020 quarter, the Company recorded consolidated quarterly revenue of Rs.578.11 Crores with year-on-year increase of 21.07%. API segment contributed approximately 88% and formulation around 12% of the total consolidated revenues. Domestic sales of the API segment grew by approximately 20.79% and exports by 8.58%. Around 55% of the Y-o-Y growth in the API segment was due to volume growth. Formulation segment revenues grew by around 48.38% on a year-on-year basis on the account of high export growth.

Consolidated EBITDA for the quarter ended September'2020 is Rs.116.73 Crores, up by 70.41% and consolidated profit after tax for the quarter ended September'2020 is Rs.75.27 Crores, up by 132.96% on a year-on-year basis. Consolidated EBITDA margin improved to 21.20%. Despite the challenging conditions, the Company was able to maintain good operational efficiency which along with good realization in selling prices led to increased gross margins. Debt/Equity ratio of the Company reduced further down to 0.47 as of September'2020 on a consolidated basis due to strong internal accruals.

In the near future, recently scaled up anti-diabetic and anti-inflammatory capacities will give impetus to revenue growth in FY20-21 and FY21-22. This would be further supported by good growth in formulation exports. As the COVID19 situation improves the project work should pick up pace in coming quarters. Company will soon announce its CAPEX plan of multiple projects which will include Active pharmaceutical ingredients, specialty chemicals and intermediates. The company is actively doing further backward integration of its products to reduce Imports dependency.

FOR AARTI DRUGS LIMITED


ADHISH P. PATIL

CHIEF FINANCIAL OFFICER

About Us:



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Aarti Drugs Limited was established in the year 1984 and is a part of \$1000 Million Aarti Group of Industries with robust R&D Division at Tarapur, Maharashtra Industrial Development Corporation (MIDC) in close vicinity to manufacturing locations. The Company is engaged in the manufacturing of Active Pharmaceutical Ingredients (APIs), Pharma Intermediates, Specialty Chemicals and also produces Formulations with its wholly-owned subsidiary - Pinnacle Life Science Private Limited. Products under APIs includes Ciprofloxacin Hydrochloride, Metronidazole, Metformin HCL, Ketoconazole, Ofloxacin etc. whereas Specialty Chemicals includes Benzene Sulphonyl Chloride, Methyl Nicotinate etc.