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Investor Presentation

Q3FY16

1<sup>st</sup> February 2016

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# Content

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1 India Business

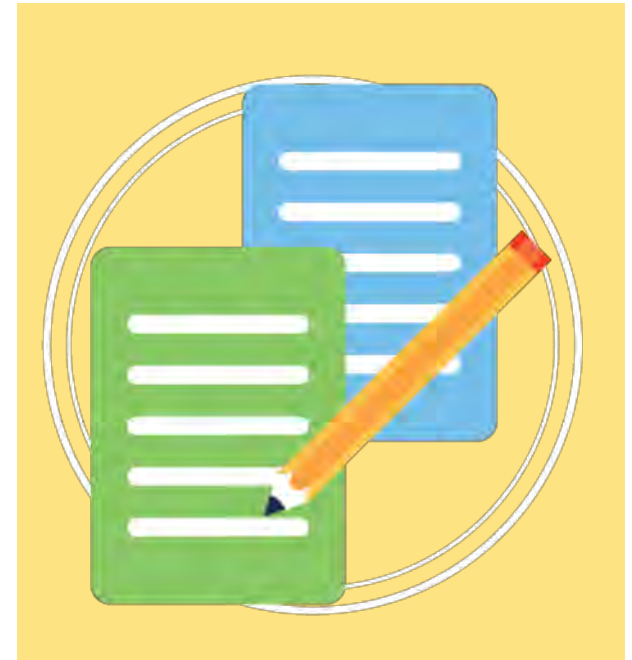
2 Emerging Markets

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# INDIA BUSINESS

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# Therapy Focus



## Ophthalmology



## Dermatology



## Cardiology

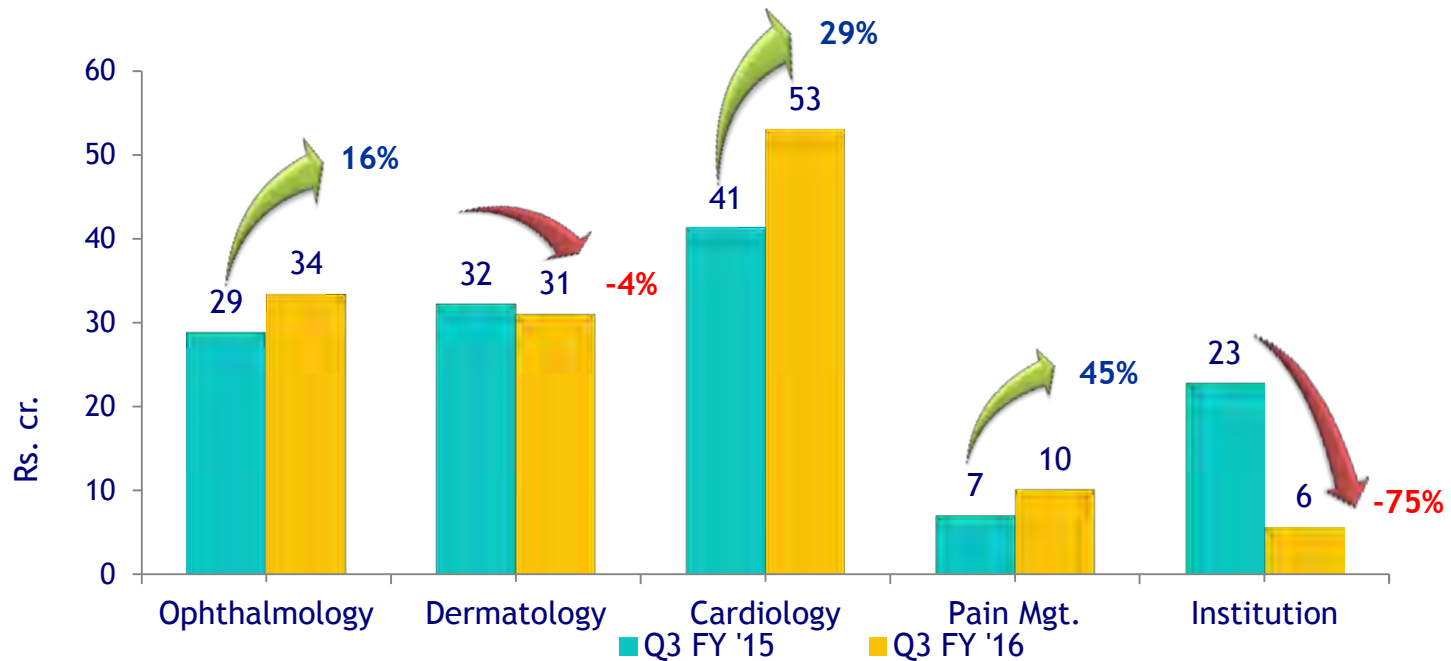


## Pain Management



Total MR Strength 3,000+

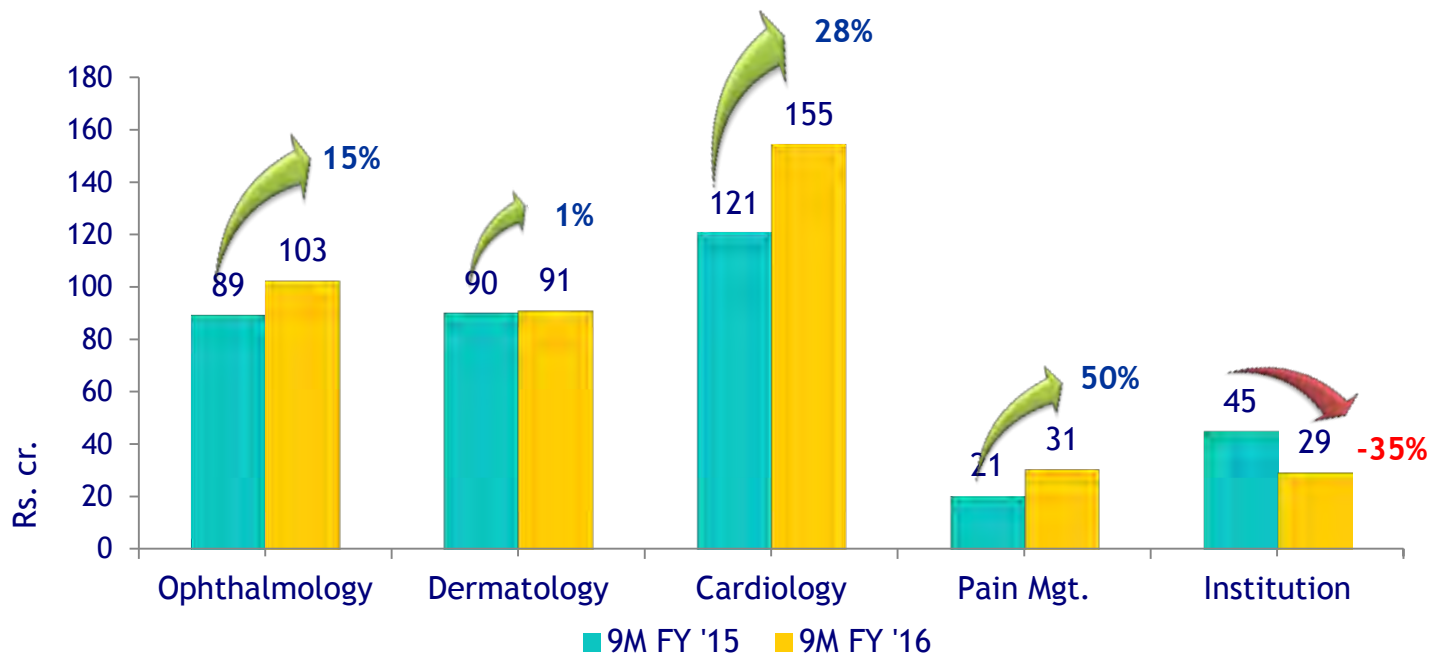
# India Sales - Q3 FY '16



- Total India Sales - Rs. 134 cr. (Q3 FY '15 - Rs. 132 cr.)
- India Branded Growth 17% (excluding Institution)
- Total India Business Growth 1%

Source: Company

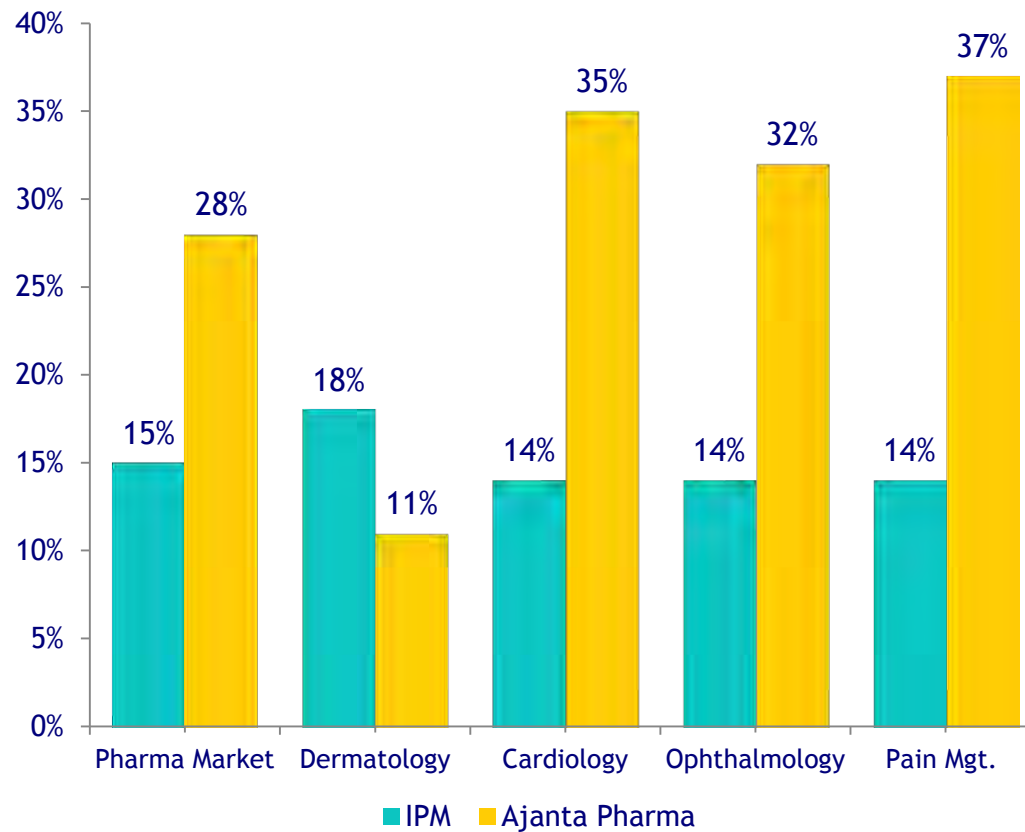
# India Sales - 9M FY '16



- Total India Sales - Rs. 408 cr. (9M FY '15 - Rs. 366 cr.)
- India Branded Growth - 18% (excluding Institution)
- Total India Business Growth - 12%

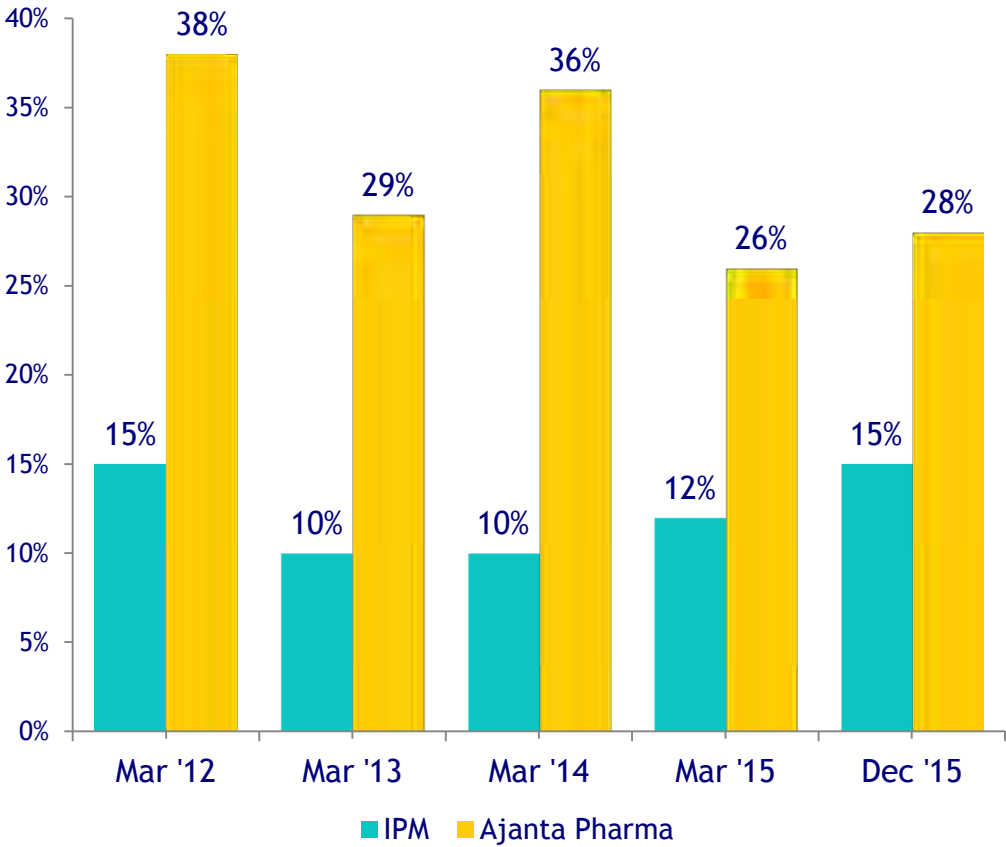
Source: Company

# Within Segments Way Ahead



Source: IMS, MAT December '15

# Faster Than Industry - IPM



IPM = Indian Pharmaceutical Market,  
MAT Figures  
Source: IMS



# IPM - Rankings

Segment	IMS MAT Dec '15	IMS MAT Dec '14	IMS MAT Mar '05
Ophthalmology	5	5	28
Dermatology	14	14	98
Cardiology	20	24	38
Pain Mgt.	45	49	NA
Ajanta Pharma	33	37	88

IPM = Indian Pharma Market  
Source: IMS, MAT December '15

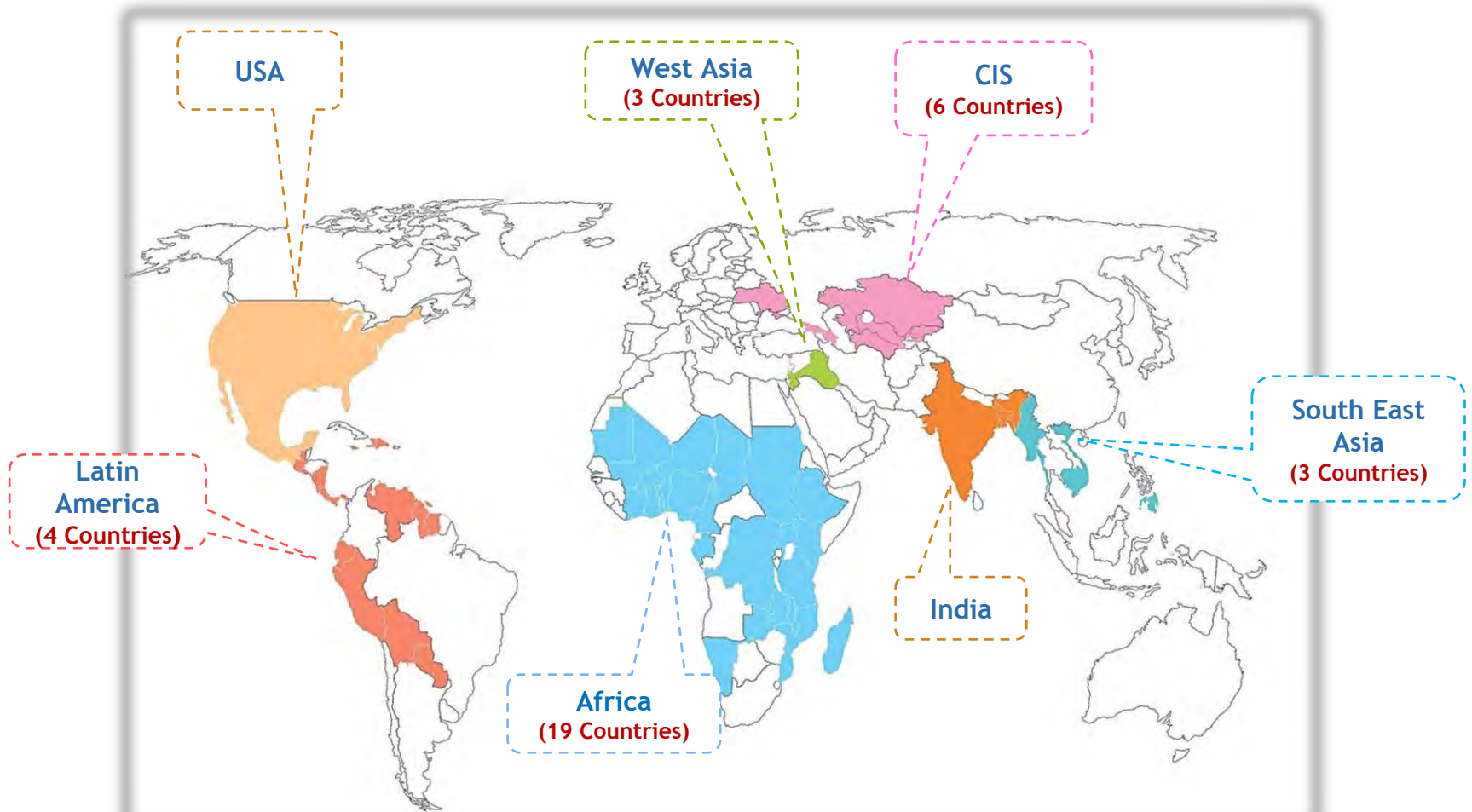
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# EMERGING MARKETS

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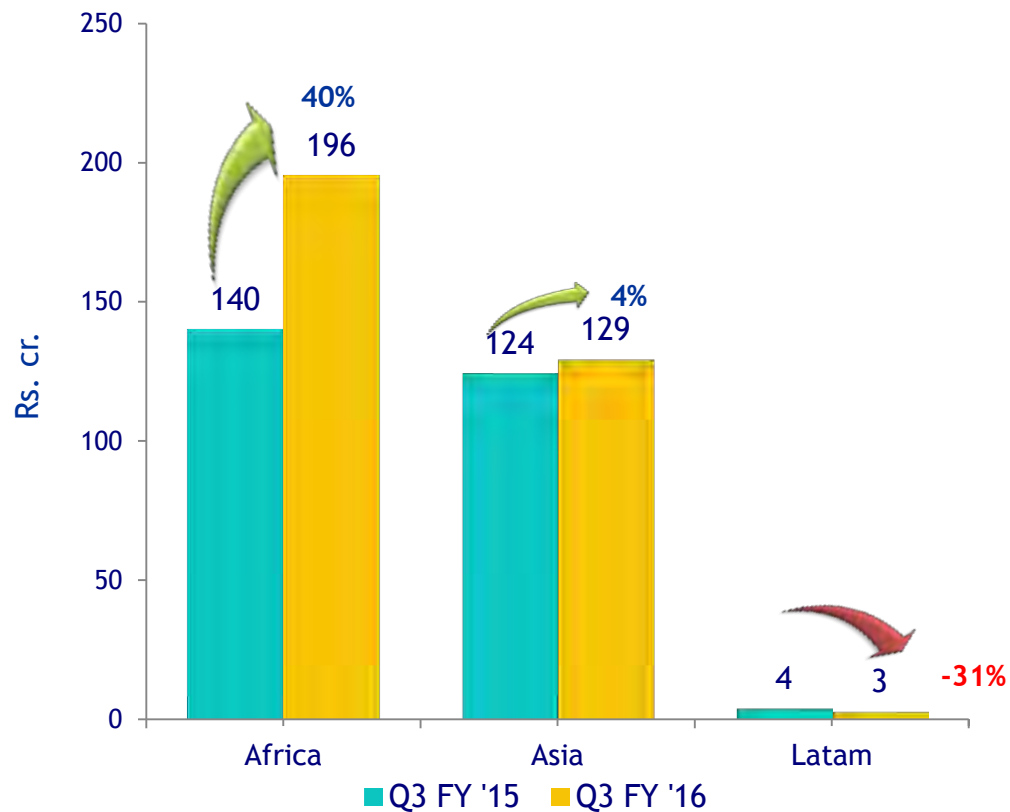


# Global Presence



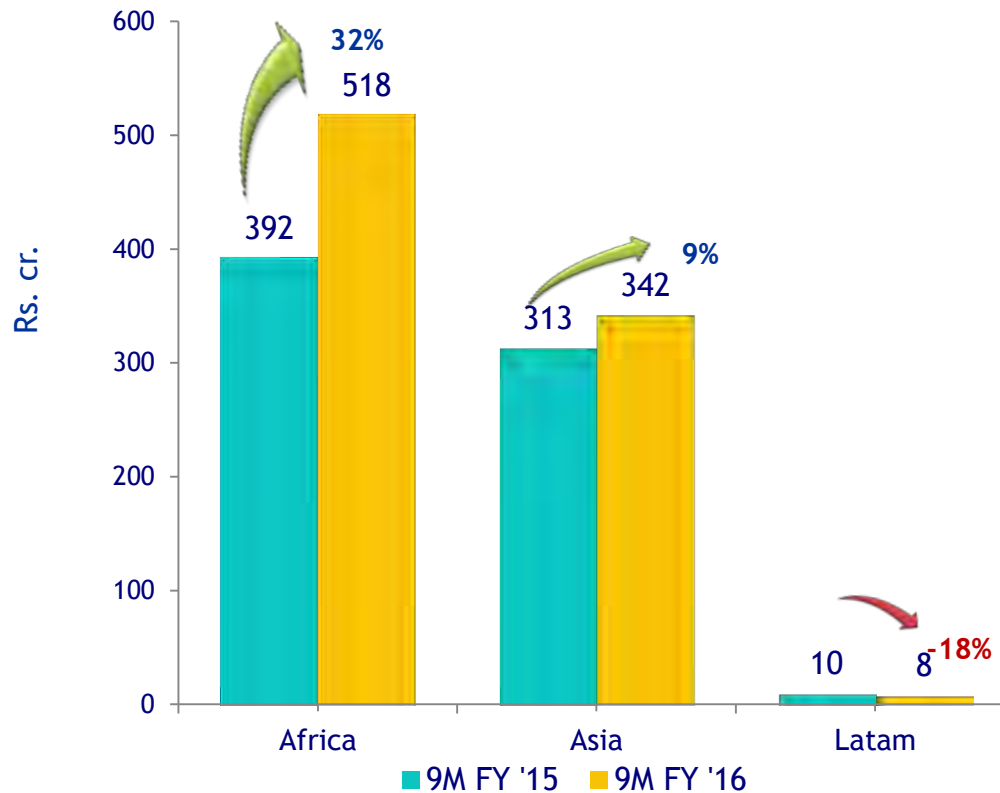
- Presence in 35+ countries
- Country specific brand portfolio enabling growth

# EM Consolidated Revenue - Q3 FY '16



- Emerging Market Revenue - Rs. 328 cr. (Q3 FY15 - Rs. 269 cr.)
- Emerging Market Growth 22%

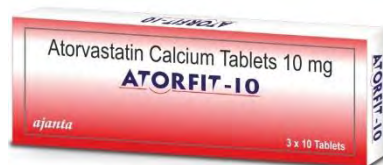
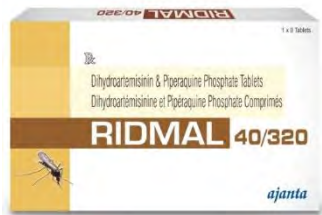
# EM Consolidated Revenue - 9M FY '16



- Emerging Market Revenue - Rs. 868 cr. (9M FY15 - Rs. 715 cr.)
- Emerging Market Growth 21%

# Building Brands

Region	Brands Registered	Under Registration	Major Segments
Africa	1,109	1,335	Antibiotic, Anti-Malaria, Cardiac, Gynac
Asia	289	472	Antibiotic, Derma, Pain, OTC, Ophthal, Cardiac, GI
Latam	25	10	Ophthal, MED, GI
<b>Total</b>	<b>1,423</b>	<b>1,817</b>	



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# REGULATED MARKETS

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# Regulated Markets - USA



## ANDA status

- Approved - 7, Tentative approval - 2
- Under approval - 17
- Filing target every year - 8 to 12

## Sales & Marketing

- 4 Products launched - gaining market share
- Own front end i.e., Sales & Marketing team

Sales (Rs. cr.)	FY '16	FY '15	Growth
Q3	4.25	0.75	467%
9M	9.61	1.50	541%



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# INFRASTRUCTURE

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# Manufacturing

## Formulation Manufacturing

- 3 existing facilities in Aurangabad, Maharashtra (1 USFDA, UKMHRA, WHO Pre-Q, approved)
- 1 Facility at Mauritius
- Regulatory filing batches commenced at Dahej, Gujrat
- Work on Guwahati, Assam facility commenced, investing Rs. 300 cr.

## API Manufacturing

- 1 Facility in Aurangabad (Captive Consumption)



API Plant

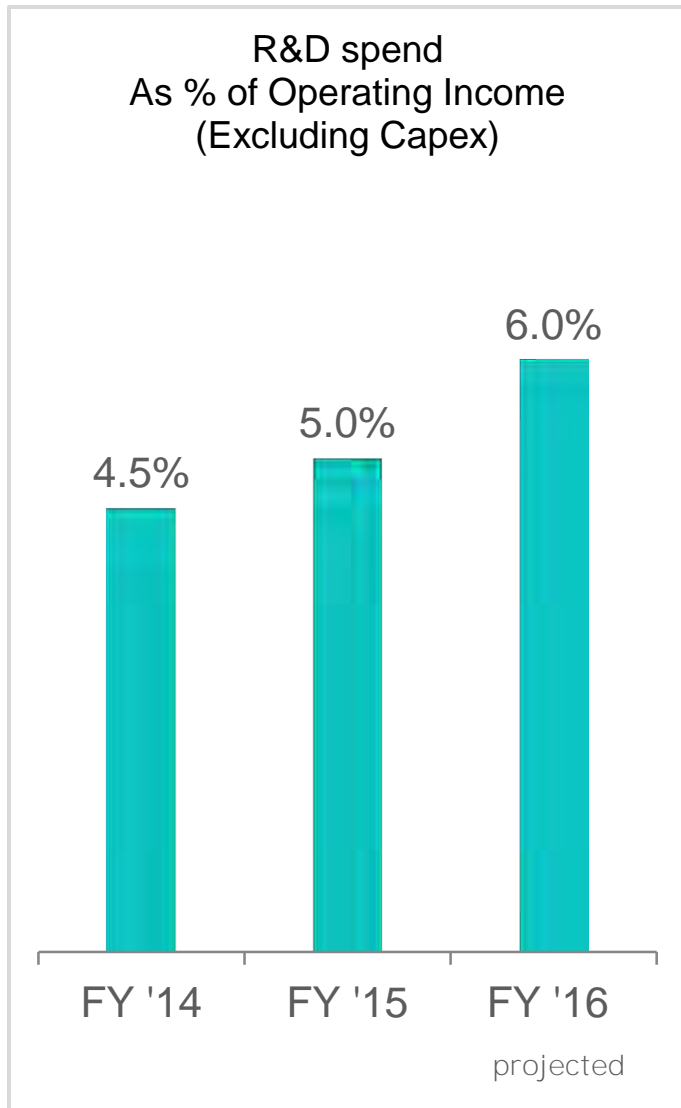


Paithan Plant



Dahej Plant

# R&D - The Catalyst For Growth



- Experienced Team of 600+ scientists
- Q3 spend (excl. capex) at Rs. 26 cr., 9M at Rs. 70 cr.
- Investing Rs. 100 cr. in Capex over next 24 mths

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# FINANCIAL HIGHLIGHTS

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# Consolidated P&L - Q3 FY '16

	Q3 FY '16	Q3 FY '15	
Exports	Rs. 332 cr. (70% to Revenue)	Rs. 269 cr. (66% to Revenue)	↑ 23%
Domestic	Rs. 134 cr. (28% to Revenue)	Rs. 132 cr. (32% to Revenue)	↑ 1%
Total	Rs. 473 cr.	Rs. 408 cr.	↑ 16%
EBITDA	Rs. 164 cr. (35% to Revenue)	Rs. 146 cr. (36% to Revenue)	↑ 12%
PBT	Rs. 152 cr. (32% to Revenue)	Rs. 135 cr. (33% to Revenue)	↑ 13%
PAT	Rs. 111 cr. (24% to Revenue)	Rs. 93 cr. (23% to Revenue)	↑ 20%

# Consolidated P&L DETAILS - Q3 FY '16

(Rs. cr.)

Particulars	Q3 FY '16		Q3 FY '15		FY '15
<b>Income from Operations</b>	<b>473</b>		<b>408</b>		<b>1,481</b>
Materials consumed	115	24%	101	25%	365
Employee benefits exp.	65	14%	52	13%	201
Finance costs	2	0%	1	0%	6
Other expenditure	129	27%	111	27%	410
Dep. & amortization	12	2%	13	3%	52
<b>Total expenses</b>	<b>323</b>		<b>278</b>		<b>1,034</b>
<b>Profit from operations</b>	<b>150</b>		<b>130</b>		<b>447</b>
Other Income	2		5		17
<b>Profit Before Except. Item</b>	<b>152</b>		<b>135</b>		<b>464</b>
Exceptional Item	-		-		8
<b>Profit Before Tax</b>	<b>152</b>	32%	<b>135</b>	33%	<b>456</b>
Tax Expense	41		42		146
<b>Net Profit</b>	<b>111</b>	24%	<b>93</b>	23%	<b>310</b>

# Consolidated P&L- 9M FY '16

	9M FY '16	9M FY '15	
Exports	Rs. 877 cr. (67% to Revenue)	Rs. 716 cr. (65% to Revenue)	↑ 22%
Domestic	Rs. 408 cr. (31% to Revenue)	Rs. 366 cr. (33% to Revenue)	↑ 12%
Total	Rs. 1,302 cr.	Rs. 1,102 cr.	↑ 18%
EBITDA	Rs. 440 cr. (34% to Revenue)	Rs. 372 cr. (34% to Revenue)	↑ 18%
PBT	Rs. 417 cr. (32% to Revenue)	Rs. 341 cr. (31% to Revenue)	↑ 22%
PAT	Rs. 295 cr. (23% to Revenue)	Rs. 236 cr. (21% to Revenue)	↑ 25%

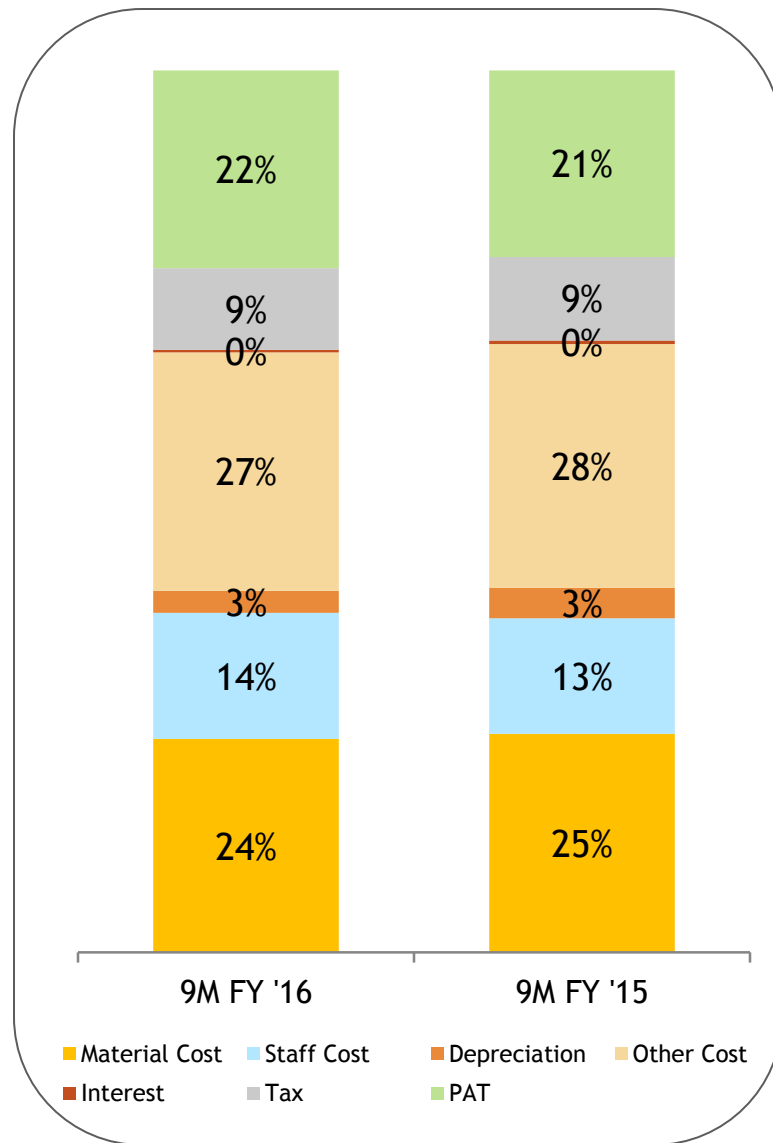
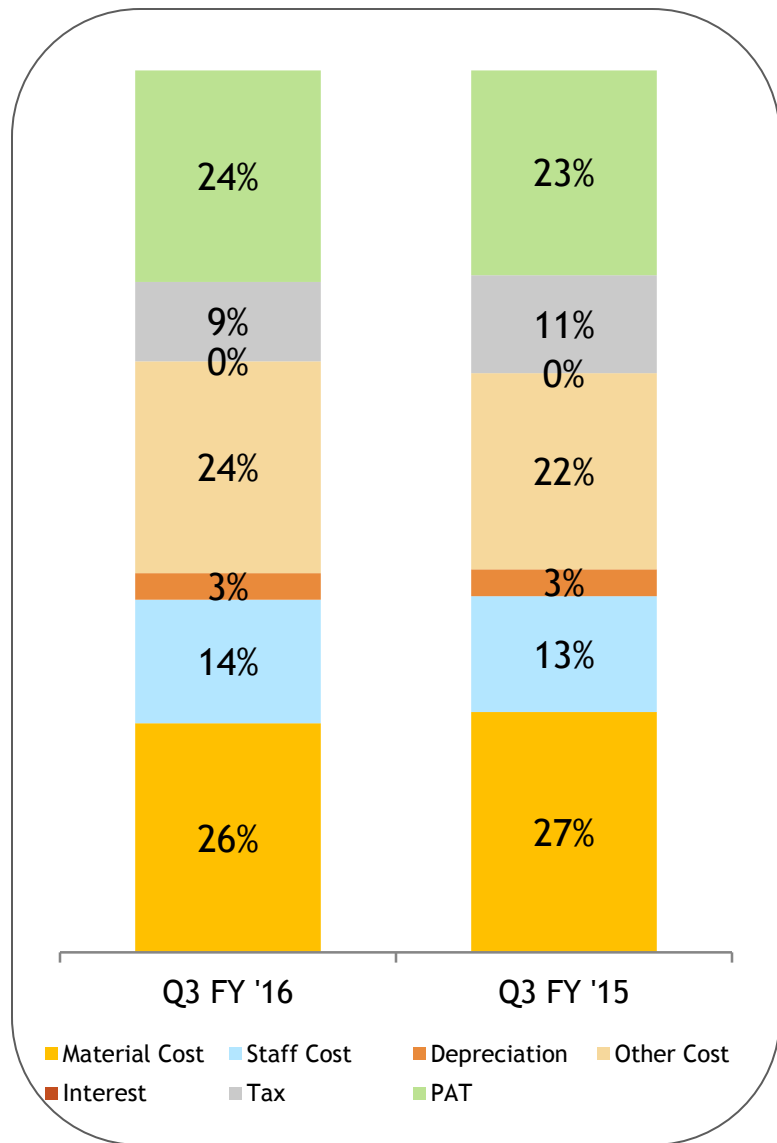
# Consolidated P&L Details - 9M FY '16

(Rs. cr.)

Particulars	9M FY '16		9M FY '15		FY '15
<b>Income from Operations</b>	<b>1,302</b>		<b>1,101</b>		<b>1,481</b>
Materials consumed	318	24%	276	26%	365
Employee benefits exp.	188	14%	146	13%	201
Finance costs	4	0%	4	0%	6
Other expenditure	355	27%	308	28%	410
Dep. & amortization	33	3%	38	3%	52
<b>Total expenses</b>	<b>898</b>		<b>772</b>		<b>1,034</b>
<b>Profit from operations</b>	<b>404</b>		<b>329</b>		<b>447</b>
Other Income	13		12		17
<b>Profit Before Except. Item</b>	<b>417</b>		<b>341</b>		<b>464</b>
Exceptional Item	-		-		8
<b>Profit Before Tax</b>	<b>417</b>	32%	<b>341</b>	31%	<b>456</b>
Tax Expense	122		105		146
<b>Net Profit</b>	<b>295</b>	23%	<b>236</b>	21%	<b>310</b>



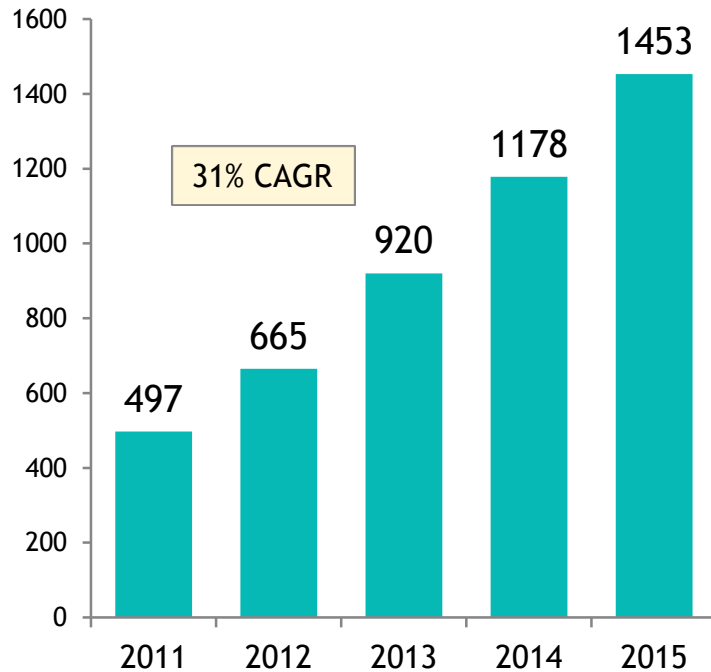
# Consolidated Cost Components - Q3 & 9M FY '16



# Consistent Track Record

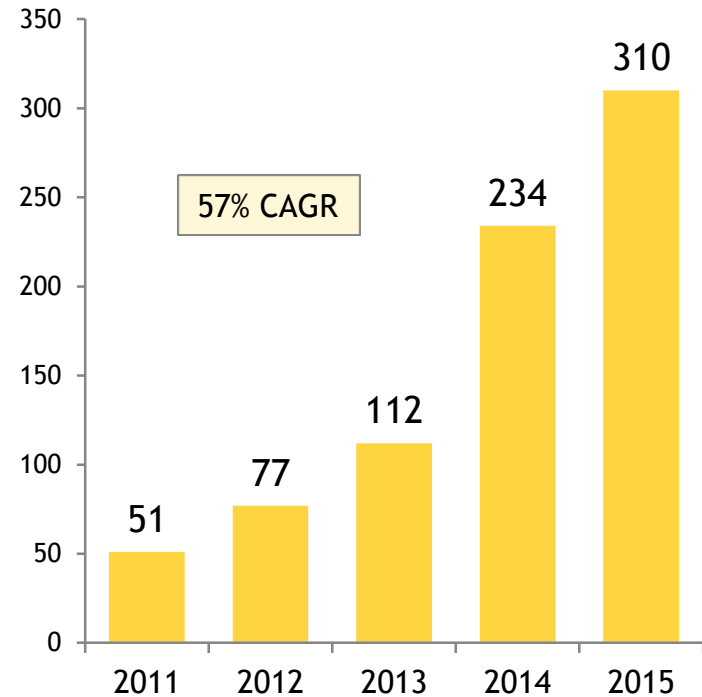
## Consolidated Net Sales

(Rs. cr.)

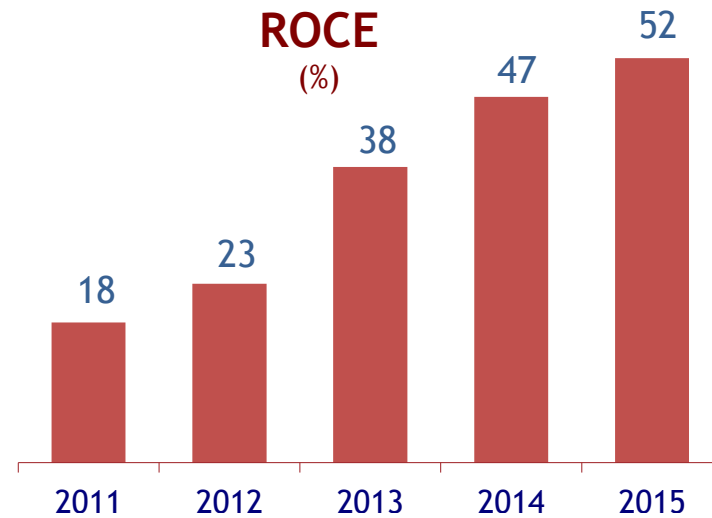
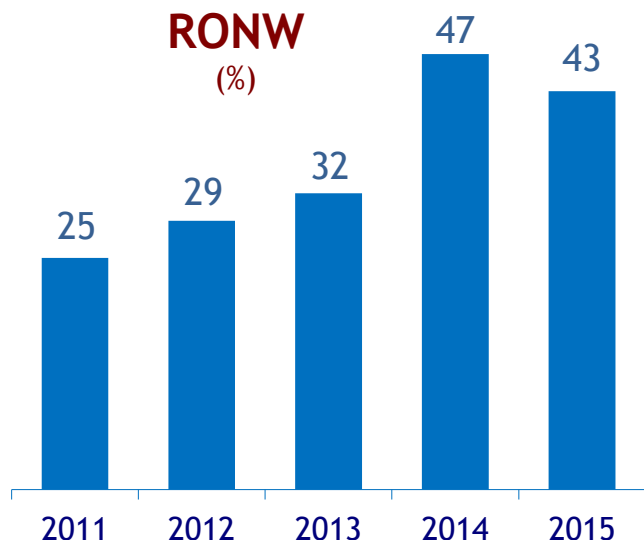
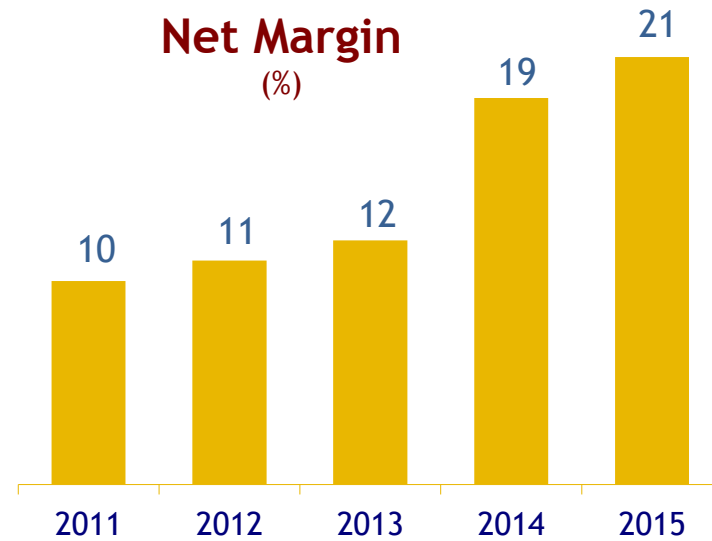
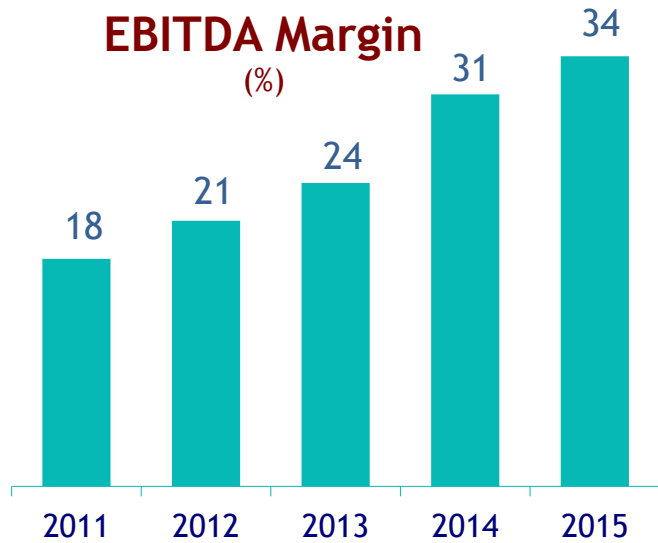


## Profit After Tax

(Rs. cr.)



# Consistent Track Record



# Key Financial Indicators

Rs.

Particulars	FY '11	FY '12	FY '13	FY '14	FY '15	9M FY '16 (9M FY '15)
EPS	6	9	13	27	35	34 (27)
Cash EPS	9	12	17	32	41	37 (31)
EBITDA per share	11	17	26	43	59	50 (42)
EBITDA margin	20%	22%	24%	31%	35%	34% (34%)
PAT margin	10%	11%	12%	19%	21%	23% (21%)
R & D revenue Exp. (Rs. cr.)	25	37	37	50	70	70 (41)
R & D revenue Exp. (% to Sales)	5%	5%	4%	4%	5%	5% (4%)

\* EPS of all years calculated post split of shares and face value of Rs. 2/- per share

# Key Financial Indicators

Particulars	FY '11	FY '12	FY '13	FY '14	FY '15	H1 FY '16 (H1 FY '15)
Book value per share (Rs.)	26	34	45	67	96	117 (77)
Dividend/share (Rs.) (FV Rs.2)	1.00	1.50	2.50	4.00	6.00	N.A. (N.A.)
RONW	25%	29%	32%	47%	43%	43% (42%)
ROCE	18%	23%	38%	47%	52%	47% (53%)
Dividend payout	13%	13%	15%	18%	19%	N.A. (N.A.)

\* Book Value of all years calculated post split of shares and face value of Rs. 2/- per share

# Key Financial Indicators

Particulars	FY '11	FY '12	FY '13	FY '14	FY '15	H1 FY '16 (H1 FY '15)
Long term debt / Equity	0.36	0.35	0.19	0.12	0.06	0.06 (0.09)
Total debt/equity	0.83	0.67	0.32	0.22	0.09	0.06 (0.18)
Receivable days	76	77	60	63	65	71 (67)
Inventory days	83	92	59	48	40	37 (45)
Payable days	145	131	134	99	85	88 (104)



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# CORPORATE

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# Among Fastest Growing Companies In India

**OUTLOOK BUSINESS**  
 Think beyond the lead.

**FASTEST GROWING COMPANIES**  
 see page 10

SUN PHARMA | PAGE INDUSTRIES | V-MART | TECH MAHINDRA  
 TVS SRICHAKRA | HINDUSTAN MEDIA VENTURES AND MORE

## FASTEST GROWING COMPANIES

MARKET VALUE	820
PROFIT FY11	104
PROFIT GROWTH	1,461
PROFIT MARGIN	210
ROAS FY11	29
ROAS GROWTH	16
ROAS MARGIN	16
ROAS GROWTH	23
ROAS	137
ROAS	72
ROAS	0.09
ROAS	1,146
ROAS	11,021
ROAS	1,252
ROAS	33
ROAS	208
ROAS	33



## 21 AJANTA PHARMA

Ajanta focuses mainly on cardiac, dermatological and ophthalmic therapies. Doxipatin branded formulations constituted 33% of consolidated turnover in FY11. The company's focus has been its focus on new drug-discovery pipeline. New product launches and first-of-its-kind generics have helped Ajanta post a CAGR of 39% over the past five years against industry growth of just half as much. Despite registering its highest-ever gross margin in Q2FY11, the management pinned growth rates for FY11 from 15% to 30-35% following a slowdown in the key derma brand Molecules. Given its unique product portfolio in the domestic market, most analysts expect Ajanta Pharma to continue to outperform.



# Fastest Wealth Creators In 5 Years

## Wealth Creation study of Motilal Oswal

The Fastest Wealth Creators		
Rank	Company	2010-15 Price CAGR
1	Ajanta Pharma	119%
2	Symphony	108%
3	Eicher Motors	90%
4	P I Industries	85%
5	Page Industries	77%
6	Wockhardt	68%
7	Bajaj Finance	68%
8	GRUH Finance	62%
9	Blue Dart Express	59%
10	Amara Raja Batteries	59%

# CSR Activities



Group marriage activity



Manutai School Gathering



Plastic Surgery Camp



Eye camp at SDH Parali



Microscope Machine  
Donated at Kej

# Disclaimer

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This presentation may include certain ‘forward looking statements’, based on current expectations, forecasts and assumptions within the meaning of applicable laws and regulations. They are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements.

The Company disclaims any obligation to revise any forward-looking statements. The readers may use their own judgment and are advised to make their own calculations before deciding on any matter based on the information given herein.

For updates and company information please visit our website:

[www.ajantapharma.com](http://www.ajantapharma.com)

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**THANK YOU!**

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BSE Symbol : AJANTAPH Code: 532331