



ajanta pharma limited

Ajanta Pharma Limited

Result

First quarter ended 30th June, 2019



Press Release**Revenue from operations up 20%**

(1st Quarter, FY 2020 Consolidated Results)

Mumbai, 31st July 2019: Ajanta Pharma Limited, a specialty pharmaceutical formulation company reported today its performance for the 1st quarter ended 30th June 2019.

Q1 FY 2020 performance highlights (compared to Q1 FY 2019)

- Income from operations at Rs. 612 cr. against Rs. 511 cr., up 20%.
- EBITDA at Rs. 168 cr. against Rs. 157 cr., up 7%; EBITDA at 28% of revenue.
- Profit after tax at Rs. 115 cr. against Rs. 106 cr., up 8%, PAT at 19% of revenue.

India

For Q1 FY 2020, India sales was Rs. 194 cr. (against Rs. 178 cr.), up 9%.

As per IMS MAT June 2019, we have posted healthy growth of 18% in Cardiology (segment growth of 12%), 16% in Ophthalmology (segment growth of 10%), 13% in Dermatology (segment growth of 11%) and 18% in Pain Management (segment growth of 10%).

Exports

Q1 FY2020, total export sales were Rs. 404 cr. (against Rs. 324 cr.) posting growth of 25%.

- Emerging Market branded generics sale was Rs. 221 cr. (against Rs.209 cr.) posting 6% growth. Out of which:
 - Africa branded generic sale was Rs. 92 cr. (against Rs. 77 cr.) posting 20% growth.
 - Asia branded generic sale was Rs. 126 cr. (against Rs. 129 cr.) posting 3% de-growth.
- US generic sale was Rs. 102 cr. (against Rs. 61 cr.) posting 67% growth.
- Africa Institution sale was Rs. 81 cr. (against Rs. 54 cr.) posting 50% growth.

In US during Q1 FY 2020, we received 3 ANDA final approval and filed 3 ANDA with US FDA. Out of 30 final approvals, we have commercialised 28 products. 25 ANDAs are awaiting US FDA approval. Company plans to file 10 to 12 ANDAs during this financial year.

R&D

During Q1 FY 2020, R&D expenses were Rs. 40 cr., (Q1 FY 2019 Rs. 41 cr.) which is 7% of operating revenue.

CIN: L24230MH1979PLC022059**Registered Office: 98, Ajanta House, Charkop, Kandivili (West), Mumbai, 400 067, India**

About Ajanta Pharma Limited

Ajanta Pharma is a speciality pharmaceutical formulation company having branded generic business in India and emerging markets, generic business in US and institution business in Africa. Many of company's products are first to market and are leading in their sub-therapeutic segments.

Company's state of the art R&D centre for formulation development and API is located at Mumbai, having a team of 700+ scientists. Company has 7 world class manufacturing facilities located in India and Mauritius.

For last 10 financial years, company has posted healthy performance with its consolidated total income growing at 20% CAGR and net profit at 31% CAGR.

For more details visit www.ajantapharma.com. You could also follow us on twitter for regular updates – www.twitter.com/ajantapharmaLtd

For specific queries, contact:

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Reuters: AJPH.NS, Bloomberg: AJP:IN, NSE: AJANTPHARM, BSE: 532331

Safe Harbour Statement

Statement of Consolidated Unaudited Financial Results for the quarter ended 30 June 2019

Particulars	3 months ended			₹ in Crore
	30/06/2019	31/03/2019	30/06/2018	Year Ended
	Unaudited	Refer Note 4	Unaudited	31/03/2019
				Audited
Income				
Revenue from operations	611.94	515.16	510.99	2,055.37
Other income	7.64	1.63	8.13	21.08
Total Income	619.58	516.79	519.12	2,076.45
Expenses				
Cost of materials consumed	124.18	126.82	88.95	391.84
Purchases of stock-in-trade	33.75	11.65	14.25	48.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(15.39)	(32.94)	(19.07)	(56.61)
Employee benefits expense	118.32	107.40	104.78	430.71
Finance costs	1.79	0.77	0.17	1.16
Depreciation and amortisation expense	22.78	18.75	17.17	72.08
Other expenses	182.70	175.15	164.59	674.75
Total Expenses	468.13	407.60	370.84	1,562.18
Profit before tax	151.45	109.19	148.28	514.27
Tax Expense				
Current Tax (net)	33.20	13.28	46.39	123.86
Deferred Tax (net)	3.62	7.02	(3.90)	3.44
Profit after tax	114.63	88.89	105.79	386.97
Other Comprehensive Income (OCI)				
Items that will be reclassified subsequently to profit or loss	(0.98)	0.25	(3.19)	(1.95)
Income tax relating to Items that will be reclassified subsequently to profit or loss	-	-	-	-
Items that will not be reclassified subsequently to profit or loss	(0.49)	(0.48)	(0.50)	(1.97)
Income tax relating to items that will not be reclassified to profit or loss	0.17	0.17	0.17	0.69
Other Comprehensive Income for the year, net of tax	(1.30)	(0.06)	(3.52)	(3.23)
Total Comprehensive Income for the period	113.33	88.83	102.27	383.74
Paid-up Equity Share Capital (Face value of ₹ 2 each)	17.54	17.54	17.69	17.54
Other Equity				2,227.67
Earnings Per Share (Face value of ₹ 2 each)				
Basic - in ₹	13.14	10.10	12.02	43.97
Diluted - in ₹	13.14	10.10	12.02	43.96

Notes :

- The above results have been reviewed by Audit Committee and approved by Board of Directors at their meeting held on 31 July 2019.
- Statutory Auditors have carried out Limited Review of the financial results for the quarter ended 30 June 2019.
- The consolidated financial results of the Company, its wholly owned subsidiaries and step-down subsidiary ("the Group") have been prepared as per Ind AS 110 on Consolidated Financial Statements. There is no minority interest.
- The figures for the quarter ended March 31, 2019 are balancing figures between audited figures in respect of full financial year and unaudited published figures upto the third quarter.
- During the quarter, 1,000 equity shares of ₹ 2 each, fully paid up, were allotted upon exercise of vested options pursuant to the Employees Stock Options Scheme, 2011, resulting in an increase in the paid-up share capital by ₹ 2,000 and securities premium account by ₹ 0.12 crores.
- The Group has adopted the modified retrospective approach as per Ind AS 116 - Leases to account for its leases, effective from reporting periods beginning 1 April 2019. This has resulted in recognising right of use assets of ₹ 34.97 crores and a corresponding lease liability of ₹ 39.02 crores by adjusting retained earnings by ₹ 2.65 crores (net of deferred tax of ₹ 1.40 crores) as at 1 April 2019. In the statement of profit and loss for the current period, operating lease expenses has changed from rent to depreciation cost for the right of use assets and finance cost for interest accrued on lease liability. Due to this change, current quarter profit before tax is lower by ₹ 0.05 crores. To this extent, performance for the current period ended 30 June 2019 is not comparable with previous period results.
- The Group operates exclusively in one reportable business segment i.e., "Pharmaceuticals".
- There are no exceptional items.
- The Standalone Financial Results are available on the company's website www.ajantapharma.com.
- Figures for the previous period's have been regrouped, wherever necessary, to correspond with the figures of the current period.


 By order of the Board
 For Ajanta Pharma Ltd.

Yogesh M. Agrawal
 Managing Director

Mumbai, 31 July 2019

Statement of Standalone Unaudited Financial Results for the quarter ended 30 June 2019

Particulars	3 months ended			Year Ended
	30/06/2019	31/03/2019	30/06/2018	31/03/2019
	Unaudited	Refer Note 3	Unaudited	Audited
Income				
Revenue from operations	545.74	413.53	441.95	1,772.62
Other income	39.62	3.19	69.06	102.15
Total Income	585.36	416.72	511.01	1,874.77
Expenses				
Cost of materials consumed	123.79	126.35	88.21	388.71
Purchases of stock-in-trade	28.63	21.68	14.87	70.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade	11.07	(36.04)	(20.50)	(67.38)
Employee benefits expense	107.37	97.08	95.63	389.37
Finance costs	1.09	0.20	0.11	0.41
Depreciation and amortisation expense	21.71	18.20	16.56	69.90
Other expenses	135.25	137.24	122.77	509.92
Total Expenses	428.91	364.71	317.65	1,361.72
Profit before tax	156.45	52.01	193.36	513.05
Tax Expense				
Current Tax (net)	28.88	8.48	42.37	108.66
Deferred Tax (net)	3.97	2.16	0.17	12.63
Profit after tax	123.60	41.37	150.82	391.76
Other Comprehensive Income (OCI)				
Items that will not be reclassified subsequently to profit or loss	(0.49)	(0.48)	(0.50)	(1.97)
Income tax relating to items that will not be reclassified to profit or loss	0.17	0.17	0.17	0.69
Other Comprehensive Income for the year, net of tax	(0.32)	(0.31)	(0.33)	(1.28)
Total Comprehensive Income for the period	123.28	41.06	150.49	390.48
Paid-up Equity Share Capital (Face value of ₹ 2 each)	17.54	17.54	17.69	17.54
Other Equity				2,124.54
Earnings Per Share (Face value of ₹ 2 each)				
Basic - in ₹	14.17	4.70	17.14	44.51
Diluted - in ₹	14.16	4.70	17.13	44.51

Notes :

- The above results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 31 July 2019.
- Statutory Auditors have carried out Limited Review of the financial results for the quarter ended 30 June 2019.
- The figures for the quarter ended March 31, 2019 are balancing figures between audited figures in respect of full financial year and unaudited published figures upto the third quarter.
- Other income includes :

	3 months ended			Year Ended
	30/06/2019	31/03/2019	30/06/2018	31/03/2019
Dividend from subsidiaries (₹ in Crore)	34.71	-	60.98	77.42

- During the quarter, 1,000 equity shares of ₹ 2 each, fully paid up, were allotted upon exercise of vested options pursuant to the Employees Stock Options Scheme, 2011, resulting in an increase in the paid-up share capital by ₹ 2,000 and securities premium account by ₹ 0.12 crores.
- The Company has adopted the modified retrospective approach as per Ind AS 116 - Leases to account for its leases, effective from reporting periods beginning 1 April 2019. This has resulted in recognising right of use assets of ₹ 28.14 crores and a corresponding lease liability of ₹ 31.95 crores by adjusting retained earnings by ₹ 2.48 crores (net of deferred tax of ₹ 1.33 crores) as at 1 April 2019. In the statement of profit and loss for the current period, operating lease expenses has changed from rent to depreciation cost for the right of use assets and finance cost for interest accrued on lease liability. Due to this change, current quarter profit before tax is lower by ₹ 0.03 crores. To this extent, performance for the current period ended 30 June 2019 is not comparable with previous period results.
- The Company operates exclusively in one reportable business segment i.e., "Pharmaceuticals".
- There are no exceptional items.
- Figures for the previous period's have been regrouped, wherever necessary, to correspond with the figures of the current period.

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 Managing Director


Mumbai, 31 July 2019