

THE
RIGHT
THINGS

right

Annual Report 2014-15

AT THE
RIGHT
TIME

66%

OF REVENUES FROM
EXPORTS IN FY 2014-15

34%

EBIDTA OF REVENUE IN
FY 2014-15

₹34.84

EPS FOR FY 2014-15

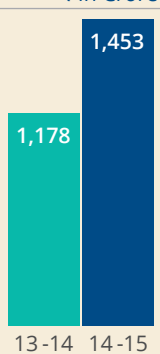
₹10,769 CRORE

MARKET CAPITALISATION AS
ON 31ST MARCH, 2015

REVENUE

₹ in Crore

₹1,453 Crore



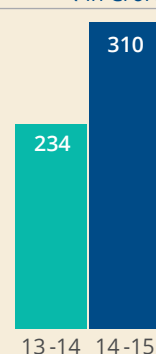
13-14 14-15

CONSOLIDATED

PAT

₹ in Crore

₹310 Crore



13-14 14-15

CONSOLIDATED



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Dahej Plant, India

Ajanta Pharma has established itself as one of India's fastest growing pharmaceutical companies having presence in India, Emerging markets and USA.

The unprecedented growth during last decade is the result of our doing the Right Things at the Right Time in the following areas

RIGHT PRODUCTS

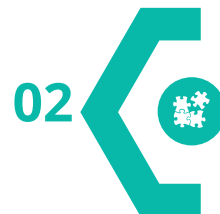
We have developed right products for fulfilling the unmet needs of the patients.



02

RIGHT MARKETS WITH RIGHT STRATEGIES

We entered right markets with the right strategies to take leadership in therapeutic segments.



RIGHT CAPABILITIES

We invested in right capabilities at right time like R&D, Manufacturing & Human Assets in line with the right strategies.



Understanding Ajanta Right!



◆ R&D Advent (Mumbai)



◆ Bulk Packing Line, Dahej

Ajanta Pharma is speciality pharmaceutical company engaged in development, manufacture and marketing of quality finished dosages in domestic and international markets. We employ over 5,000 people worldwide and our products are sold in over 35 countries.



OUR MISSION

Our mission is to Serve Global Healthcare needs through Empathy, Innovation and Technology. We believe that to ensure sustained growth, we need to clearly understand our customer's needs and use cutting edge technology to present innovative solutions.

35 COUNTRIES

WE HAVE ESTABLISHED
LEADERSHIP IN MANY MARKETS
WE ARE PRESENT IN

5 FACILITIES

OPERATE WITH 5 STATE-OF-THE
ART MANUFACTURING FACILITIES
IN INDIA THAT PRODUCE HIGH
QUALITY PHARMACEUTICAL
PRODUCTS

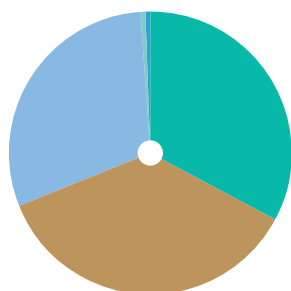
TOP 50

CURRENTLY RANKED AS 36TH
(IMS MAT MARCH 15) IN INDIAN
PHARMACEUTICAL MARKET

5% ON R&D

WE SPEND ABOUT 5% OF OUR
REVENUE ON R&D WHICH
CONFIRMS OUR FOCUS ON
INNOVATION

PRODUCT SHARE IN TOTAL SALES



- **INDIA**
33% of Total Sales
- **AFRICA**
36% of Total Sales
- **ASIA**
30% of Total Sales
- **LATAM**
0.7% of Total Sales
- **GENERICS**
0.3% of Total Sales

BRANDED GENERICS

INDIA MARKET

- Speciality segments (ophthalmology, dermatology, cardiology and pain management)
- Leadership in above segments
- Field force of 3,000+ MRs
- Over 70% products are first-to-market launches

EMERGING MARKETS

- Customised product portfolio for each market
- Direct marketing through own field force of 500+
- Many first-to-market products
- Over 35 countries in Africa, Philippines, rest of Asia, Middle East, CIS and Latin America

GENERIC GENERICS

USA

- Niche, difficult to make generics
- 2 ANDAs approved
- 23 ANDAs awaiting approval

INSTITUTIONAL SALES

DOMESTIC MARKET

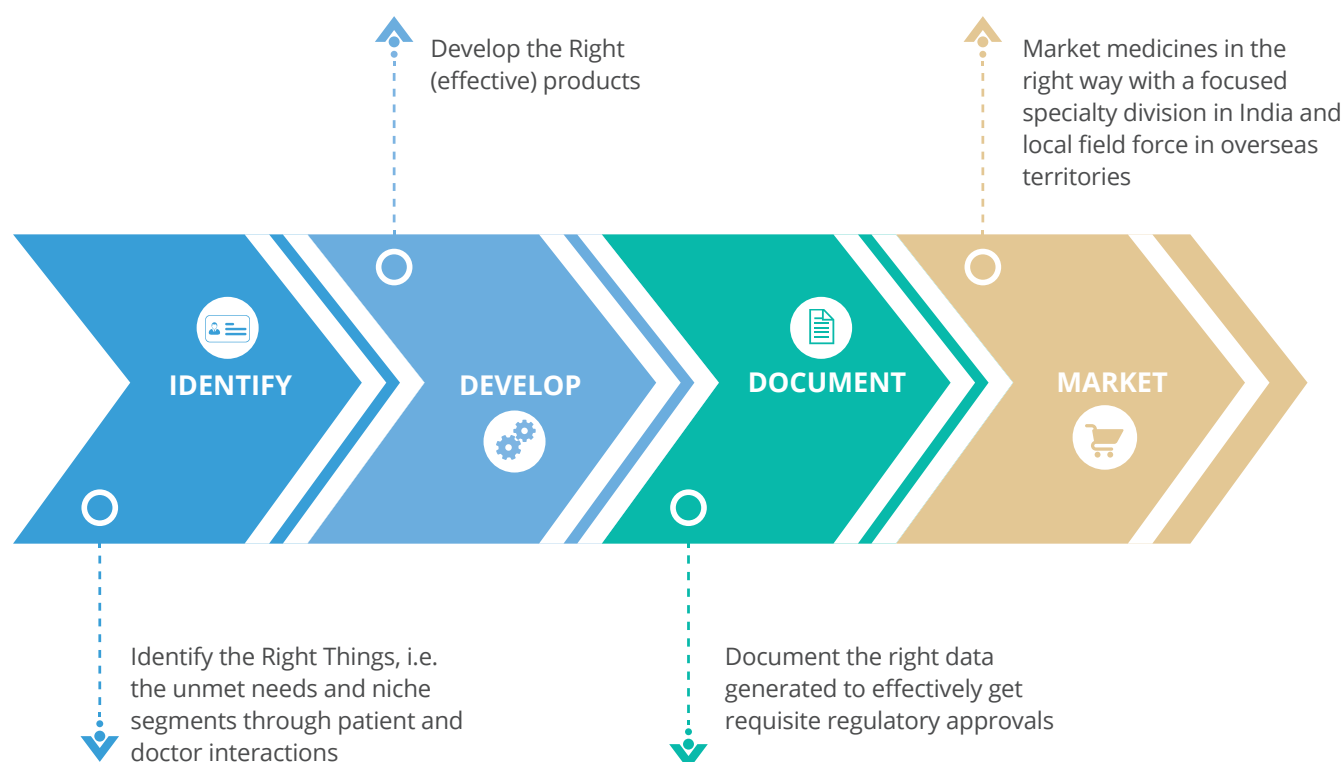
- Government supplies
- Unique product portfolio

EMERGING MARKETS

- Institutional sales (among six global suppliers of anti-malarial drug)

DELIVERING WITH THE RIGHT APPROACH

Our business process focuses on innovation at every stage. From identifying the right medical needs of patients, to the marketing and distributing architecture at the final stage of delivery.

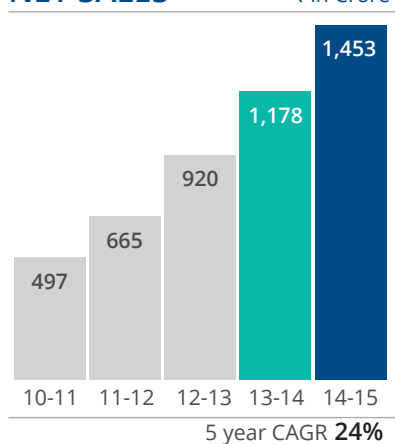


Performing Right

Our focus on doing the right things at the right time has enabled us to create compelling and sustainable value for our shareholders. Adopting meaningful strategies and practices have yielded clear results; our net profit has risen consistently and so have the returns on invested capital. We manage our products portfolio successfully with financial discipline.

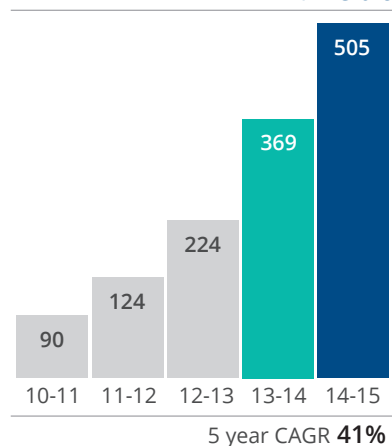
NET SALES

₹ in Crore



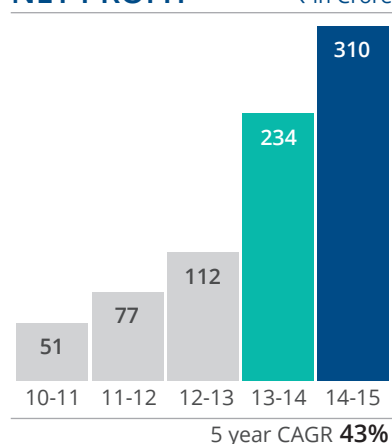
EBIDTA

₹ in Crore



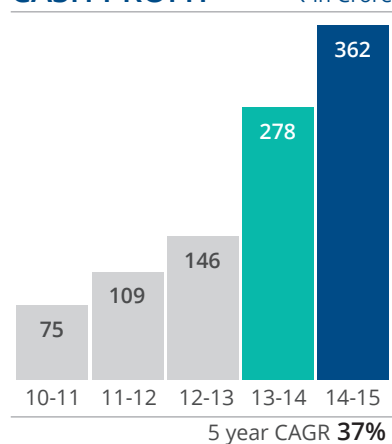
NET PROFIT

₹ in Crore



CASH PROFIT

₹ in Crore



REVENUE & PAT

WITH CONSOLIDATED REVENUE AT ₹ 1, 453 CRORE AND PROFIT AFTER TAX OF ₹310 CRORE, WE HAVE BEEN ABLE TO POST A Y-O-Y GROWTH OF 23% AND 32% RESPECTIVELY.

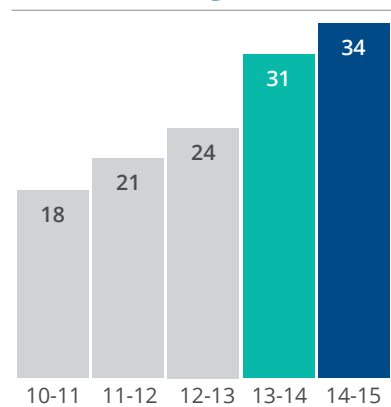
MARGIN IMPROVEMENT

CONSISTENT MARGIN IMPROVEMENT DRIVEN BY A BETTER QUALITY BUSINESS, STRONG REVENUE GROWTH.

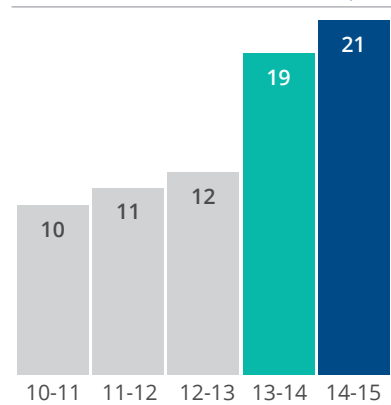
FREE CASH FLOW

CONSISTENT FREE-CASH-FLOW GENERATION DUE TO STRONG BUSINESS MODEL

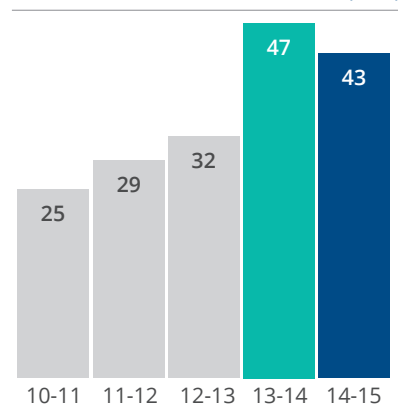
EBIDTA MARGIN (in %)



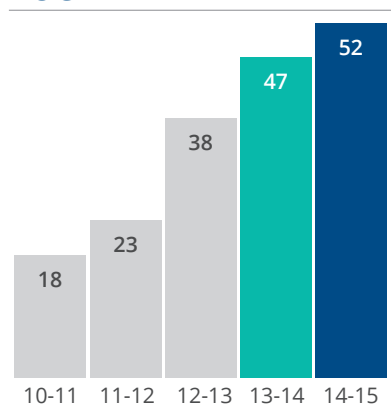
NET MARGIN (in %)



RONW (in %)



ROCE (in %)



Letter from Managing Director



**WE HAVE OVER 1,400
PRODUCTS REGISTERED
AND OVER 1,600 PRODUCTS
WAITING FOR APPROVAL IN
VARIOUS COUNTRIES.**

DEAR SHAREHOLDERS,

Our strategy of 'The Right Things at the Right Time' focuses on identifying opportunities and capitalising on them ahead of others. We have been consistently following this approach and have been largely successful in our endeavour. With this strategy, we have been able to be among the leaders in the markets where we are present. All our businesses continue to perform in-line with our expectations. We remain committed and focused on existing geographies and therapeutic segments to drive above industry growth consistently. We continue to take proactive steps and make right investments in infrastructure - manufacturing and R&D - at the right time.

Last decade has been particularly significant for us as we grew at 23% CAGR, on the back of our branded generic business in India and Emerging markets, registering a

strong performance and building a sustainable, scalable and profitable business model.

Understanding the market, applying science with commitment and the passion to deliver the best cures are inherently present in our DNA. We have over 1,400 products registered currently, and over 1,600 products are waiting for approval in various countries.

We have built various manufacturing facilities meeting the global standards and continue to raise the bar in meeting regulatory compliances.

We have acquired the competence in the formulation development space and continue to climb the value chain in developing complex products.

We will consistently focus on building the right capabilities

**WE CONTINUE TO TAKE
PROACTIVE STEPS AND
MAKE RIGHT INVESTMENTS
IN INFRASTRUCTURE -
MANUFACTURING AND R&D
- AT THE RIGHT TIME**

and competencies to cater to the emerging and unmet needs across the globe. Ajanta will continue to harness potential across global markets and generate sustainable value for all stakeholders.

Sincerely,

YOGESH AGRAWAL
Managing Director

Letter from Joint Managing Director



**AT AJANTA, WE HAVE
EMBEDDED INNOVATION
IN THE BUSINESS MODEL,
PRODUCTS AND THE SUPPLY
CHAIN.**

DEAR SHAREHOLDERS,

As the pharmaceutical industry is constantly evolving, it means we also have to transform at every step. How do we do that? The answer is through relentless innovation. At Ajanta, we have embedded innovation in the business model, products and the supply chain, because that is critical for the industry, going forward. It is more and more relevant to discover unmet needs and develop new drugs.

Our aim is to use new science and competencies to meet the aspirations of customers globally. We identify potential needs, develop breakthrough products in India, using the right processes and marketing them right to patients. Our newly launched products vindicate our Company's mission to improving outcomes for individual patients. We realised our goals through perfecting our business processes.

We expect a healthy future because of a strong R&D pipeline. Our new products like Wrinclar, an anti-wrinkle cream that works at molecular level to wipe off wrinkles, and Ketriplin C-efficiently treats Diabetic Peripheral Neuropathy, are breakthrough innovations that we brought into India in 2014-15. We are exploring growth opportunities in pain management and aim to make many more breakthroughs in the years ahead.

We believe that the quality of our sales force interactions and the product's ability to address important medical needs have resulted in our success.

We are committed to accelerate our R&D efforts and the overall execution of our short term and long term strategies. We will also continue to reinforce our values of excellence, integrity and empathy.

**WE IDENTIFY POTENTIAL
NEEDS, DEVELOP BREAK
THROUGH PRODUCTS, USING
THE RIGHT PROCESSES AND
OFFERING THEM RIGHT TO
PATIENTS.**

Our aim is to live up to our high standards, sustain industry-leading performance and find solutions that exceed expectations. We seek the support and trust of all our stakeholders in this endeavour.

Sincerely,

RAJESH AGRAWAL
Joint Managing Director

right

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