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VANTAGE PLUS REPORT

ALEMBIC PHARMACEUTICALS LIMITED

D&B D-U-N-S® Number: 65-057-4663

Methodology

Financial information from the audited annual reports of Alembic Pharmaceuticals Limited (hereinafter also referred to as "the Company" or "Alembic") along with its subsidiaries (hereinafter referred to as 'the Group' or "Alembic Group") was studied and analyzed on standalone (S) and consolidated (C) basis for a five-year period from Financial Year (FY) 2020 to FY 2024.

On 11th July 2024, Mr. Rajkumar Baheti (Chief Financial Officer and Whole-time director (Finance) provided the relevant information in this report during management discussion

Report has been prepared based on information available on Ministry of Corporate Affairs (MCA), Company website, BSE/NSE and other public sources and information from previous assignments has also been retained in the report in absence of updated information.

On 29th March 2022, the Board of Directors approved amalgamation of Aleor Dermaceuticals Limited with Alembic, effective date being 1st April 2022. Hence, the standalone numbers of FY 2022 are not comparable with that of earlier years.

The Financial statements for FY 2024 are yet to be adopted by the shareholders in annual general meeting.

Scope of the Report

- History and legal background
- Existing operations
- Industry overview
- Management background
- Macroeconomics Summary
- Financial statements and analysis

Information Sources

Information given in this report is compiled on the basis of information obtained from the following sources:

- Annual reports
- Information from the website
- Corporate communiqué
- Management Discussion

Date of the Report: 18th July 2024

TABLE OF CONTENTS

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Revenue

INR 57,576 million (Standalone)
INR 61,121 million (Consolidated)

3 API facilities/6 formulation facilities

Manufacturing Facilities

Presence in

India, the United States of America, Europe, Canada, Australia, Brazil, South Africa amongst others

5,000+

Marketing Representatives

FY 2024

Led by

Mr. Chirayu Ramanbhai Amin (Chairman and CEO)

Brief Overview

Business Overview	
Line of Business: Engaged in manufacturing APIs/ bulk drugs and pharmaceutical formulations, both branded as well as generics, for acute as well as chronic therapies. It also manufactures veterinary products. The Company has recently ventured into dermatological therapeutic segment through acquisition of Aleor Dermaceuticals Limited.	
Revenue (INR million)	61,121(C) 57,576(S)
Tangible Networth (INR million)	48,181(C) 49,089(S)
Operating Profit Margin (%)	10.79(C) 12.62(S)
Net Profit Margin (%)	10.08(C) 11.58(S)
ROCE (%)	12.92(C) 14.05(S)
Total Net Debt to Equity Ratio (times)	0.08(C) 0.09(S)

Company Details	
Incorporation Date	16th June 2010
Industry	Pharmaceuticals
Key Executive	Mr. Chirayu Ramanbhai Amin
Website	www.alembicpharmaceuticals.com
Head Office	Alembic Road, Vadodara - 390 003 Gujarat, India
Contact Details	Tel: 91 265 663 7300 91 265 663 7000 Fax: 91 265 2281508
Employees	14,858 (FY 2024)
Email ID	Manisha.saraf@alembic.co.in infoal@alembic.co.in apl.investors@alembic.co.in
D&B Rating	5A2 & Good

Note: INR in million (consolidated)

Brief History and Operations

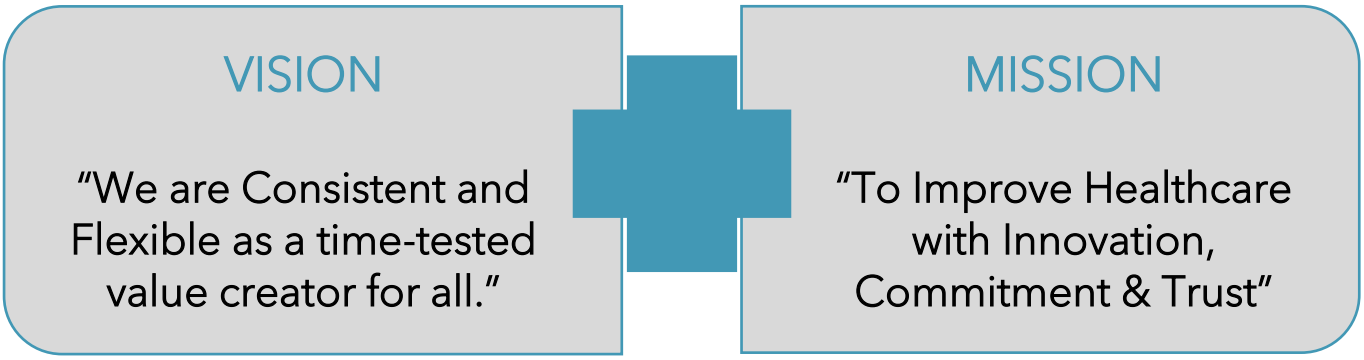
Date	Event
2010	Alembic Pharmaceuticals Limited was incorporated on 16th June 2010 as a public limited company under the name of Alembic Pharma Limited. Alembic was formed as a result of demerger of the pharmaceutical business of Alembic Limited, which was established in the year 1907. On 24th January 2011, the High Court of Gujarat sanctioned the demerger. Subsequently, on 12th March 2011, the name of the Company was changed to its present name.
2013	Launched first NDA with a partner.
	Commenced filing in EU, Australia and Brazil.
2014	Formed a JV in Algeria – Alembic MAMI SPA to explore African market.
2015	Launched Aripiprazole on Day-1.
	Established the USA front-end, transition to own marketing in USA.
2016	Formed JV 60:40 with Orbicular – "Aleor Dermaceuticals Limited" for developing Dermatology Products for international markets.
2017	Shri. Vijay Rupani – Hon'ble Chief Minister of Gujarat, inaugurates the manufacturing facility for Oncology medicines (oral solids and liquid injectable vials).
	Acquired Orit Laboratories LLC, USA.
2018	FDA approved Aleor's dermatology facility.
	Highest ever investment commitment across four new manufacturing facilities.
	Formed a JV to enter China.
	US FDA approves Oncology oral solid facility.
2020	USA front-end achieved milestone of USD 250 million sales in FY 2020.
2021	Rhazes's out-licensed, novel molecule "Umbralisib (UKONIQ)" is launched by TG Therapeutics USA for MZL and FL.
2022	Azithral ranked 14th highest selling brand in IPM with sales reflection of over INR 450 crore as per ORG IMS, MAT December 2021.
	Amalgamation of Aleor Dermaceuticals Limited with the Company.
	Received 10 US FDA observations at Kokradi unit (injectable), none of which is related to data integrity.
2023	Started commercialization of products from Injectable and Oncology facilities.
	ISOFIT is the 2nd Best launch amongst 3072 new launches in 12M IPM.1.

- The Company functions on a global scale and manages its operations with its four subsidiaries, seven step down subsidiaries, two joint - ventures and four affiliates (hereinafter, will be referred to as "the Alembic Group" or "the Group" on a consolidated level).

- The Group's business is broadly divided into 3 divisions, that is, International Generics Formulations (44.7%*), Domestic Branded Formulations (35.3%*) and APIs (20.0%*)
  **As a percentage of total revenue in FY 2024*

- The Group has a robust product portfolio developed across business divisions. It has presence in both domestic as well as overseas market. It majorly exports to countries likes the USA, Europe, Canada, Australia, Brazil, South Africa, amongst other markets.

Company Vision & Mission



Source: Annual report 2024 and Company website

Capital Market Overview

As on 17th July 2024 (INR in million)
Face Value: INR 2
Market Cap: 213,054
Free Float Market Cap: 59,655
Earnings per share (EPS): 33.91
PE: 31.97
Return on equity (ROE): 13.58

Source: BSE and Value Research

BUSINESS OVERVIEW

- ABOUT THE COMPANY
- MANAGEMENT
- SHAREHOLDING PATTERN

BUSINESS OPERATIONS

The Group is engaged in manufacturing of APIs or bulk drugs and pharmaceutical formulations, both branded as well as generics, for acute as well as chronic therapies. It also manufactures veterinary products. In April 2007, Alembic Limited acquired Dabur Pharma Limited's non-oncology business, thereby gaining access to the lifestyle related therapeutic segments such as cardiovascular, diabetic, gastrointestinal and gynaecology. The Group through Aleor Dermaceuticals is also focused on strengthening its dermatology segment in the US market. It has also recently diversified into oncological, injectables and ophthalmic products.

Highlights

- The Company has launched 71 Products in speciality and animal health spaces in FY2023 and FY2024.
- 7 Filings in oncology products (injectable and OSDs) are pending approvals as of 31st March 2024.
- 14 Products launched in Rest of the World (RoW) markets during FY24.

The Group has three business divisions:

International generics

This is the flagship division for the Group and contributed 44.7% of its revenue in FY 2024. Under this division, the Group's generic formulations caters to regulated markets like the USA and Ex-USA markets (RoW markets including Europe, Canada, South Africa, Brazil, and Australia). During FY 2024, the Group commenced sales operations in Chile. While currently the Group mostly manufactures oral solids, newer units have been setup for ophthalmology, general injectables, oncology injectables and oral solids, mainly for the USA market. The Group expects ex-USA market growth to be driven by new product launches and expansion into new geographies.

Location	Form	Last Inspection / Filing Date
F1-Panelav	General oral solids	Jul-24
F2-Panelav	Oncology oral solids	Mar-24
	Oncology injectables	Mar-24
F3-Karkhadi	General injectables ophthalmic	Mar-23
F4-Jarod	General oral solids Oral suspension	Dec-22
F5-Karkhadi	Dermatology	Mar-23

USA has largest share in the total international generics business of the Group contributing 62.2% of the international generics revenue in FY 2024. US generics contributed around 27.8% of the total revenue of the Group during FY 2024. The Group has 147 products in the US market as of FY 2024. During FY 2024, the Company filed 15 abbreviated new drug application (ANDAs) and received approvals for 15 ANDAs taking the total filed ANDAs to 260 and received approvals for 197 ANDAs as on 31st March 2024. The ANDA pipeline was at 63 as of 31st March 2024, under various stages of approval. The Group launched 27 products for US market during FY 2024. During FY 2024, the Group received the US FDA approval for 19 products (including 4 tentative). Further, it plans to launch 25+

products in FY 2025 and every subsequent year thereafter over the next 2-3 years. The Group expects the products manufactured from new facilities to drive revenue growth in the USA market.

During FY 2017, Alembic founded Aleor Dermaceuticals Limited together with Orbicular Pharmaceuticals Technologies Private Limited, holding 60% stake in this venture. This alliance enabled the Group to foray in dermatology segment. The Group continues to remain focused on strengthening its presence in the dermatology segment in the US market. With this objective, it acquired balance 40% of Aleor Dermaceuticals Limited, making it a wholly owned subsidiary of the Company.

Alembic launched 27 new products in diverse therapies, of which 15 were from its new FDA-approved facilities. The new launches included products catering to oncology, ophthalmology, inhalation, and dermatology therapies.

Domestic branded formulations

Under domestic branded formulation division, the Group has product portfolio for both acute as well as chronic ailments. While the focus of the Group lies on the chronic segment targeting the cardiology, anti-diabetes, gynaecology, gastrology, dermatology, orthopaedic, nephrology, urology, anti-infective, cold and cough, animal health and ophthalmology therapeutic segments, in acute segment the Group targets cough & cold, pain management and anti-infective segments.

During FY 2024, the Group derived 35.3% of its revenue from the India branded formulations segment with the chronic segment contributing 54%. With a total portfolio of 191 brands, the prominent brands under the division are Azithral, Althrocin, Wikoryl, Roxid, Rekool, Zeet, Tellzy, Ulgel and Gestofit, amongst others. Over the years, the Group has added new divisions in the form of gynaecology, cardiology, GI and urology with several successful launches including brands such as Tellzy, Rekool, Gestofit, Ovigyn D, Rosave, Richar etc. As per IQVIA MAT – March 2024, the Group has 1.5% market share in India (domestic branded generics).

It has extensive range of branded formulations, in compliance with international and national regulations that cater to diverse therapeutic segments which include:

- Anti-Diabetic
- Cardiology
- Gynaecology: Major brands are Gestofit SR, Richar CR, New Vehycal, Ovigyn DSR, Crina NCR, amongst others.
- Gastrology: Major brands include Rekool, Ulgel, Freego and Rafle.
- Ophthalmology: Major brands are Veldrop, Veldrop Gel, Pegtears and Omegared.
- Dermatology: Grocapix, Altris, Advan, Oryza and Canvaz.
- Urology
- Orthopaedic
- Hospital care
- Acute: Major brands include Althrocin, Wikoryl, Brozeet and Zeet.
- Animal Health: Major brands are Althrocin FS 10%, Althrocin FS 20%, Azithral P, Xceft injection, Q4ALL.
- Anti-Infective
- Cold & Cough
- Nephro/Uro

As informed, the major therapeutic segments for the Group are cardio, gynaecology and diabetology. It is also increasing its presence in ophthalmology and dermatology. During FY 2023, the Group has launched various new products, especially in the gynaecology and anti-diabetic spaces. It has also launched various new SKUs during the year, which generated respectable business.

The Group also has a small presence in the veterinary products market. These products mainly cater to the poultry industry. The Group derived ~16% of its revenue from this segment during FY 2024 which recorded growth of 27% YoY basis. Under the animal health segment, the Group derived 40% of revenue from antibiotic, 24% from feed supplement followed by tonic (19%), antiparasitic (9%) and supportive therapy (8%) in FY 2024.

APIs

The Group's API business represents critical backward integration that makes it possible to formulate niche products that find global acceptability. It contributes 20.01% to the Group's total revenue. At present, ~33% of the APIs manufactured are used for captive consumption while the rest are sold to external formulators. The Group has three API manufacturing facilities (two at Panelav and one at Karkhadi), which cumulatively manufacture more than 100 APIs that find acceptance with customers globally. The Group filed for 1 DMF applications taking the cumulative filing count to 132 as on 31st March 2024.

Manufacturing Facilities and Process

The Group has 9 facilities for manufacturing formulations and APIs across India. These are located at Panelav, Karkhadi and Sikkim. While the Panelav and Karkhadi facility cater to the international markets, the Sikkim plant caters to the domestic market. APIs are manufactured at Panelav and Karkhadi units. The Group has also set up greenfield unit at Jarod (Gujarat) for manufacturing of solid oral dosages and oral suspension.

Usage	Plant	Location
General Oral Solid Formulation facility	F-I, F-II, API-I, API-II	Panelav, Tal. Halol, Dist. Panchmahal, Gujarat
Injectable Facility	F-III, API-III	Karkhadi, Tal. Padra, Dist. Vadodara, Gujarat
General Oral Solid Formulation	F-IV	Jarod, Taluka, Vaghodiya, Dist. Vadodara, Gujarat
General Oral Solid Formulation facility		Samardung Busty, Namthang, South Sikkim
Derma Plant	F-V	Karkhadi, Tal. Padra, Dist. Vadodara, Gujarat

The Aleor Dermaceuticals Limited's facility is also located in Karkhadi. Besides the manufacturing facilities for APIs and Formulations, the Group also has two R&D centres located in Vadodara (Gujarat), Hyderabad (Telangana).

The Group has received an Establishment Inspection Report (EIR) from the US Food and Drug Administration (US FDA) for the inspection carried out by them at Oncology (Injectable and Oral Solid) Formulation Facility (F-2) at Panelav from 28th February 2024 to 8th March 2024. The Group has received EIR for all US FDA facilities.

API Plant-1 Panelav, Gujarat

API Plant-2 at Panelav, Gujarat

API Plant-3 at Karkhadi, Gujarat

Research Centre, Vadodara, Gujarat

A G Research Centre at Hyderabad

Bio Equivalence Centre, Vadodara

F-I, Panelav, Gujarat

F-II, Panelav, Gujarat

F-III, Karkhadi, Gujarat

F-IV, Jarod, Gujarat

F-V, Aleor, Karkhadi, Gujarat

Sikkim

Source: Annual Report 2024, Company website and As provided by the management

About the Group

The Company has a parent, four subsidiaries, seven step down subsidiaries, four affiliates, two joint venture and thirteen group companies as on 31st March 2024.

Acquisitions and amalgamations

Alembic established a joint venture with Orbicular Pharmaceuticals Technologies Private Limited namely, "Aleor Dermaceuticals Limited". It was incorporated on 23rd May 2016 with the Company holding 60% stake in the venture (making it a subsidiary of the Company) and the rest being held by Orbicular Pharmaceuticals Technologies Private Limited. Aleor Dermaceuticals has an USFDA approved manufacturing plant. It has filed 11 ANDAs and has received 5 approvals till 31st March 2021. It has started commercial production in FY 2020. The Company continues to remain focused on strengthening its presence in the dermatology segment in the US market. With this objective, under the Scheme of Arrangement, with appointment date of 1st April 2021, the Company acquired balance 40% of Aleor Dermaceuticals Limited, making it a wholly owned subsidiary.

Further, the Board of Directors of the Company had at their meeting held on 29th March 2022 inter alia approved the Scheme of Arrangement in nature of Amalgamation of Aleor Dermaceuticals Limited. ('the Transferor Company'/'Aleor') which is engaged in business of pharmaceuticals with Alembic Pharmaceuticals Limited. ('the Transferee Company') and their respective shareholders ('the Scheme') with effect from the appointed date, that is, 1st April 2021. The said Scheme has been sanctioned by the Hon'ble National Company Law Tribunal; Ahmedabad Bench ("NCLT") vide its Order dated 29th August 2022. The Scheme is now effective upon filing of the certified copy of the said Order with Registrar of Companies, Gujarat/Ministry of Corporate Affairs. Accordingly, the Board has approved the financial statements after giving effect to the Scheme.

As per Ind AS - 103, the financial information in the financial statements in respect of prior period is required to be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination, Accordingly the Company has restated the financials of the comparative period, on account of Amalgamation of Aleor. The transaction does not have any impact on the consolidated financial statement.

The Standalone Financial Statements for the year ended 31st March 2022 were earlier approved by Board of Director on 2nd May 2022 on pre-Amalgamation basis. Pursuant to the approval of the Scheme by Hon'ble NCLT, Standalone Financial Statement for the year ended 31st March 2022 have been revised as per scheme by applying the principles as set out in Appendix C of Ind As 103 "Business Combination" and intercompany balances and inter-company investments between both companies shall stand cancelled. The financial statements of Aleor for the year ended on 31st March 2022 and 31st March 2021 were audited by statutory auditor of Aleor.

Joint Venture

Alembic established a joint venture namely, "Rhizen Pharmaceuticals AG (formerly known as Rhizen Pharmaceuticals SA)". It was incorporated in 2012 with the Company holding 50% stake in the venture (making it an affiliate of the Company) and the rest being held by the other JV partner. During FY 2022, Rhizen Pharmaceuticals AG entered into an out-licensing agreement for TGR-1202 (Umbralisib) with TG Therapeutics in September 2014. In FY 2021, it has received USFDA accelerated approval for adult patients with relapsed of refractory marginal zone lymphoma (MZL) and Follicular Lymphoma (FL).

Source: Company website and Information retained from previous report

MANAGEMENT

Mr. Chirayu Ramanbhai Amin – Chairman, Chief Executive Officer (CEO)

Mr. Chirayu Ramanbhai Amin is a Chairman, Chief Executive Officer. He has completed Bachelor of Science and master's in business administration and has more than five decades of related experience. He has played a pivotal role in the growth of the organisation.

Other Board of Directors

Mr. Chirayu Ramanbhai Amin (DIN: 00242549)
Chairman, Chief Executive Officer
Qualification - Bachelor of Science and Master's in Business Administration
Relevant Experience: 56 years

Other Indian Directorships

- Shreno Limited
- Paushak Limited
- Nirayu Limited
- Alembic Limited

Mr. Pranav Chirayu Amin (DIN: 00245099)
Managing Director
Qualification - Bachelor of Economics/ Industrial Management
and Master of Business Administration - International Management
Relevant Experience: over 23 years

Other Indian Directorships

- Elecon Engineering Company Limited
- Max Healthcare Institute Limited
- Incozen Therapeutics Private Limited
- Shreno Engineering Limited

Mr. Shaunak Chirayu Amin (DIN: 00245523)
Managing Director
Qualification - Graduate from University of Massachusetts, (Economics Major)
Relevant Experience: 20 years

Other Indian Directorships

- Incozen Therapeutics Private Limited
- Shreno Limited

Mr. Rajkumar Shreeram Baheti (DIN: 00332079)
Whole-time Director (Finance) and Chief Financial Officer
Qualification - Bachelor of Commerce and as fellow member of Institute of Chartered Accountants of India also fellow member of Institute of Company Secretaries of India
Relevant Experience: 42 years

Dr. Archana Niranjan Hingorani (DIN: 00028037)
Independent and Non-Executive Director
Qualification - Bachelor of Arts (Economics)
Master of Business Administration
Doctorate in Philosophy
Relevant Experience: 36 years
She has been the recipient of various awards, including the 'Most Powerful Women' in 2014, 2015, 2016 and 2017 by Fortune India, and '25 Most Influential Women in Asia Asset Management' by Asian Investor in May 2014, among others.

Other Indian Directorships

- The Phoenix Mills Limited
- SBI Mutual Fund Trustee Company Private Limited
- Grindwell Norton Limited
- SIDBI Venture Capital Limited
- Balaji Telefilms Limited
- 5paisa Capital Limited
- Neewee Analytics Private Limited

Mr. Ashok Kumar Barat (DIN: 00492930)
Independent and Non-Executive Director
Qualification - Fellow Member of the Institute of Chartered Accountants of India
Fellow Member of the Institute of Company Secretaries of India, Associate Member of the Institute of Chartered Accountants of England & Wales and CPA, Australia

Other Indian Directorships

- Everest Industries Limited
- JSW Paints Private Limited
- Mahindra Accelo Limited
- Bata India Limited
- Huhtamaki India Limited

DMr. Jai Shishir Diwanji (DIN: 00910410)
Independent Director
Qualification - University of Cambridge (U.K.) with a Bachelor of Arts in Law degree in the year 1997 and Bachelor of Sports Management degree from Tulane University (U.S.A.)
Relevant Experience: 26 years

Other Indian Directorships

- Batliboi Limited
- Eimco Elecon (India) Limited
- Onward Technologies Limited
- Pardi Investments Private Limited
- Indifoss Analytical Private Limited
- Kaira Can Company Limited

Mr. Manish Santoshkumar Kejriwal (DIN: 00040055)
Additional Independent Director
Qualification - Received an AB (Bachelor of Arts in Engineering Sciences) from Dartmouth College where he graduated Magna Cum Laude with a Major in Economics and Engineering Sciences and where he received the Dean's Plate. Master of Business Administration.
Relevant Experience: over 30 years

Other Indian Directorships

- K Raheja Corp Investment Managers Private Limited
- Bajaj Holdings & Investment Limited
- International Foundation For Research and Education
- Bajaj Finserv Limited

Source: MCA, Annual report 2024, Company website and as provided by the management

SHAREHOLDING PATTERN

Shareholding Pattern as on 31st March 2024

Sr.No.	Particulars	Number of Shares	% Holdings
(A)	**Shareholding of Promoter and Promoter Group**		
	Nirayu Limited	70,035,435	35.63
	Alembic Limited	56,097,544	28.54
	Other Promoter and Promoter Group	10,695,274	5.44
	Sub Total (A)	**136,828,253**	**69.61**
(B)	**Public Shareholding**		
I	**Institutions**		
	Mutual Funds	15,373,025	7.82
	Alternate Investment Funds	861,050	0.44
	Banks	54,035	0.03
	Insurance Companies	13,950,821	7.10
	NBFCs registered with RBI	1,956	0.00
	Foreign Portfolio Investors Category I	8,344,944	4.25
	Foreign Portfolio Investors Category II	420,910	0.21
	Other Institutions	3,250	0.00
	Sub Total (B-I)	**39,009,991**	**19.85**
II	**Non Institutions**		
	Directors and their relatives (excluding independent directors and nominee directors)	2,450,032	1.25
	Investor Education and Protection Fund (IEPF)	1,444,278	0.73
	Resident Individuals holding nominal share capital up to INR. 2 lakhs	13,303,724	6.77
	Resident Individuals holding nominal share capital in excess of INR. 2 lakhs	1,256,750	0.64
	Non Resident Indians (NRIs)	1,081,720	0.55
	Bodies Corporate	595,710	0.30
	Foreign Nationals	100	0.00
	Any Other Non Institutions	592,566	0.30
	Sub Total (B-II)	**20,724,880**	**10.54**
	Total Public Shareholding (B) = (B-1)+ (B-11)	**59,734,871**	**30.39**
	Total (A+B)	**196,563,124**	**100.00**

Total number of shareholders : 76,567
No of shares pledged : 0
Source: BSE Website

COMPANY PERFORMANCE (FY 2020-24)

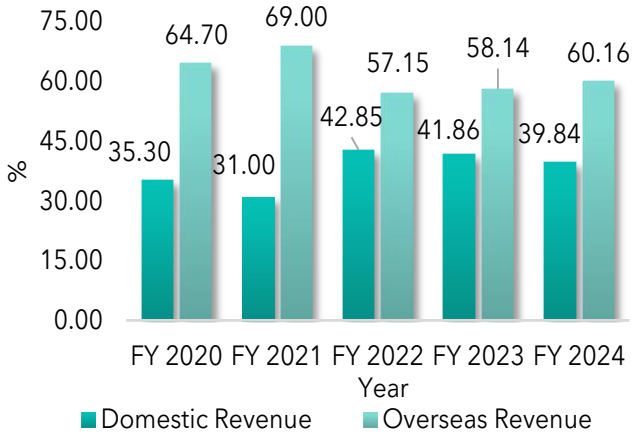
- GEOGRAPHICAL AND SEGMENTAL PERFORMANCE
- STAKEHOLDER DETAILS
- FUTURE PLANS
- COUNTRY RISK INSIGHT

GEOGRAPHICAL AND SEGMENTAL PERFORMANCE

Y-o-y Revenue increase with marginal dip in FY 2024

The contribution from export business witnessed y-o-y improvement barring FY 2024. Revenue of the Group increased by 11% in FY 2024 supported by growth in international business which in double digit and India business, API segment grew in single digit.

In terms of geographical split, revenue from exports accounts for an average of ~60% of total revenue during the review period.



**Includes revenue obtained from veterinary sales*

Geographical Reach

Export countries/regions: The United States of America, Europe, Canada, Chile, Australia, Brazil, South Africa etc. In Ex-US, the major market is Europe, which accounts for 40-45% of the business, followed by Canada, South Africa, Brazil and others.

Import countries/regions: People's Republic of China, Canada, Switzerland, the United States of America, Taiwan etc.

Source: Annual report 2024 and as provided by the management

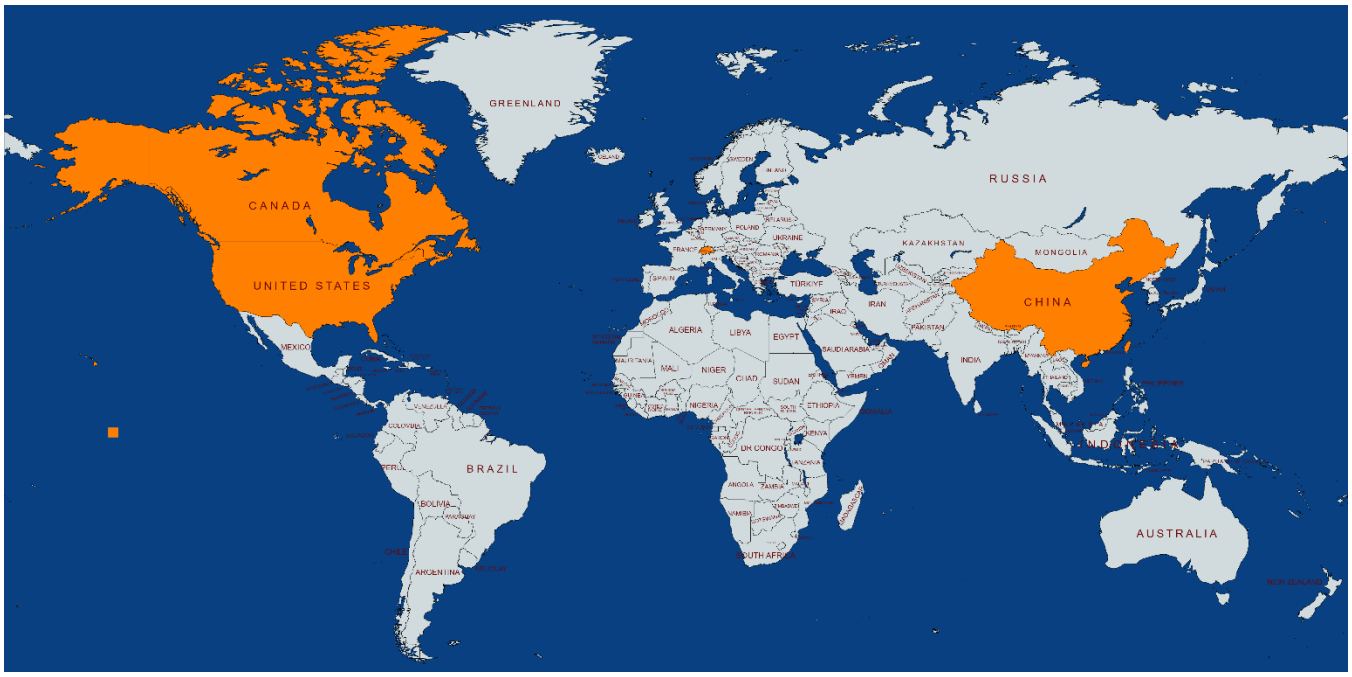
Geographical Reach

Export countries/regions: The United States of America, Europe, Canada, Chile, Australia, Brazil, South Africa etc. In Ex-US, the major market is Europe, which accounts for 40% to 45% of the business, followed by Canada, South Africa, Brazil and others.

Note: This world map has been reproduced by D&B-India from https://mapchart.net/world.html, a public domain webpage, for representing the geographical spread of the Subject Entity's business/operations. Nothing herein should be construed to mean any opinion, view or belief of D&B-India with respect to any physical or political borders of any country. D&B-India has represented this world map on 'as is', 'as available' basis from the said link and does not intend to represent anything except for territorial spread of the Subject Entity's business/operations.

Source: Annual report 2024 and Company website

Import countries/regions: People's Republic of China, Canada, Switzerland , the United States of America, Taiwan etc.



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Source: Annual report 2024 and Company website

STAKEHOLDER DETAILS

Customer Details

The Group has more than 100 customers and more than 5,000 marketing representatives

Top Customers

Name of Customers	Location	% of Total Revenue	Length of Relationship (Years)
Sandoz Group Companies	Multiple Locations	16.25	More than 5
Apotex Pty. Limited	Australia	8.51	More than 5
Pfizer Inc.	United states of America	7.28	More than 5
Stada Group Companies	Europe	7.02	More than 5
Breckenridge Pharmaceutical, Inc.	United states of America	6.12	More than 5

Supplier Details

Top Suppliers

Name of Suppliers	Location	% of Total Purchases	Length of Relationship (Years)
Sinobright Group Companies	People's Republic of China	10.8	More than 5
Microtrol Sterilisation Services	India	3.03	More than 5
Signet Excipients Private Limited	India	2.68	More than 4
ACG Associated Capsules Pvt Ltd	India	2.49	More than 10
Roy + Leclair Packaging Inc	Canada	2.18	More than 4

MARKETING STRATEGY

Domestic market: The Group has marketing team of more than 5,000 marketing representatives with 20 marketing division to facilitate PAN India reach. It caters to ~233,000 doctors in India.

International market: In USA, the Group operated under B2B business model wherein, the pharmaceutical companies had out licensed their research and manufacturing operations to the Group. However, in FY 2017, it established its marketing office in USA for direct sales to pharmacist. It has employed team of 10 marketing personnel and has signed master service agreements with distributors to ensure reach across the USA market. In other geographies, the group operates through local distributors in Canada, Brazil and Australia market. In FY 2025 the Company is making inroads in Latin American countries such as Mexico, UAE.

Source: Annual report 2024 and as provided by the management

FUTURE PLANS

Research & Development spend has seen varied trend depending upon product launch strategy of the Company. In FY 2024, reduce R&D expenditure was a deliberate decision as the Company already has desired product mix bucket and US FDA approvals were in pipeline for facilities. In FY 2025, there will be investment in R&D activities in oncology and ophthalmology segments, though oral solid dosage and Dermatology will see less investment in R&D. The Group plans to file more than 25 products in FY 2025 and every subsequent year thereafter over the next 2-3 years. This strategy will optimize its R&D spend from around INR 7,000-7,050 million a year to INR 5,000-6,000 million in FY 2025. During FY 2023, R&D spend was around 10-12% of the revenue, which management has reduced to single digit during FY 2024 and R&D expenditure as percentage of revenue will be less than 10% in FY 2025, expects to maintain down to single digit in the coming years.

The Group had an on-going capex for its F4 (general oral solids) and it has delivered first commercial production during FY 2024 and management plans to add capacity to the this unit and expects operations to commence in FY 2025. Majority of the capex has been completed by the Group. The Group has completed capex during the last couple of year therefore there is no brownfield or greenfield expansion plan as such, however it expects to spend ~ INR 3,000 million towards maintenance capex and debottlenecking of the capacity and will be funded through internal accruals.

Source: Company website, Annual report 2024

COUNTRY RISK INSIGHT

Any firm, entity or individual who conducts cross-border transactions is exposed to country risk, the risk associated with a country's overall political, economic and commercial performance. **D&B's Country Risk Indicator (DCRI)** provides a comparative, cross-border assessment of the risk of doing business in a country. Essentially, the **DCRI** seeks to encapsulate the risk that country-wide factors pose to the predictability of export payments and investment returns over a time horizon of two years. The **DCRI** comprises a composite index of four overarching country risk categories:

a) Political Risk
b) Commercial Risk
c) Macroeconomic Risk
d) External risk

The **DCRI** is supplemented with a rating trend, which encapsulates whether the risk environment in a country is improving, deteriorating or stable.

Improving	↑	Indicates that the country's overall risk profile is improving as a result of favourable political, commercial, economic and / or external developments.
Deteriorating	↓	Indicates that the country's overall risk profile is deteriorating owing to adverse political, commercial, economic and / or external developments.
Stable	↔	Indicates that the country's overall risk has not changed appreciably, even though some minor changes to its political, commercial, macro-economic, and / or external risk environment may have occurred.

Exports Destination: DCRI Trend

Exports Destination	DCRI Trend		Headline News
Australia	Stable	↔	Australia's economic prospects are stabilising: upcoming tax cuts should boost household spending and improving trade ties with Beijing support a constructive outlook for exports.
Brazil	Stable	↔	Catastrophic flooding in the state of Rio Grande do Sul, a major producer of agricultural goods such as rice and wheat, will increase inflation and put downward pressure on
Canada	Stable	↔	Canadian consumers appear to be pulling back on spending, with growth in retail sales falling to 0.3% m/m in January and 0.1% in February.
South Africa	Stable	↔	South African GDP growth will pick up to 1.2% in 2024, but welfare support announced in the budget will likely be unsustainable and prompt higher taxes later this year.
United States of America	Stable	↔	Inflationary pressures drive a drop in US shopper sentiment and stifle consumer spending growth; the Fed's higher-for-longer view for interest rates dampens the domestic demand

Imports Origin: DCRI Trend

Imports Origin	DCRI Trend		Headline News
Canada	Stable	↔	Canadian consumers appear to be pulling back on spending, with growth in retail sales falling to 0.3% m/m in January and 0.1% in February.
China	Stable	↔	Tesla's potential launch of its self-driving system in the Chinese Mainland will encourage the accessibility and development of autonomous vehicle technology domestically.
Switzerland	Stable	↔	We have downgraded Switzerland's credit environment risk rating due to a surge in inflation and the need for higher state funding to meet pension, defence and climate commitments.
Taiwan	Stable	↔	The biggest earthquake to hit Taiwan Region in 25 years caused limited business disruption, indicating preparedness to counter the constant threat to business continuity from natural disasters.
United States of America	Stable	↔	Inflationary pressures drive a drop in US shopper sentiment and stifle consumer spending growth; the Fed's higher-for-longer view for interest rates dampens the domestic demand outlook.

Source: D&B Country Risk Services (July 2024)

PEER ANALYSIS

- Competitor Details
- Financial Movement of Peers
- Capital Market Overview
- Stock Volatility Analysis

COMPETITOR DETAILS

As informed by the management, the Group operates in a widely competitive market. The competitors of the Group include Sun Pharmaceuticals Industries Limited, Ajanta Pharma Limited, Torrent Pharmaceuticals Limited, Aurobindo Pharma Limited, Cipla Limited, Dr. Reddy's Laboratories Limited, Ranbaxy Laboratories Limited amongst others. The competitive advantage of the Group is its vast experience and market share in the formulations segment, which has allowed it to develop new products across markets.

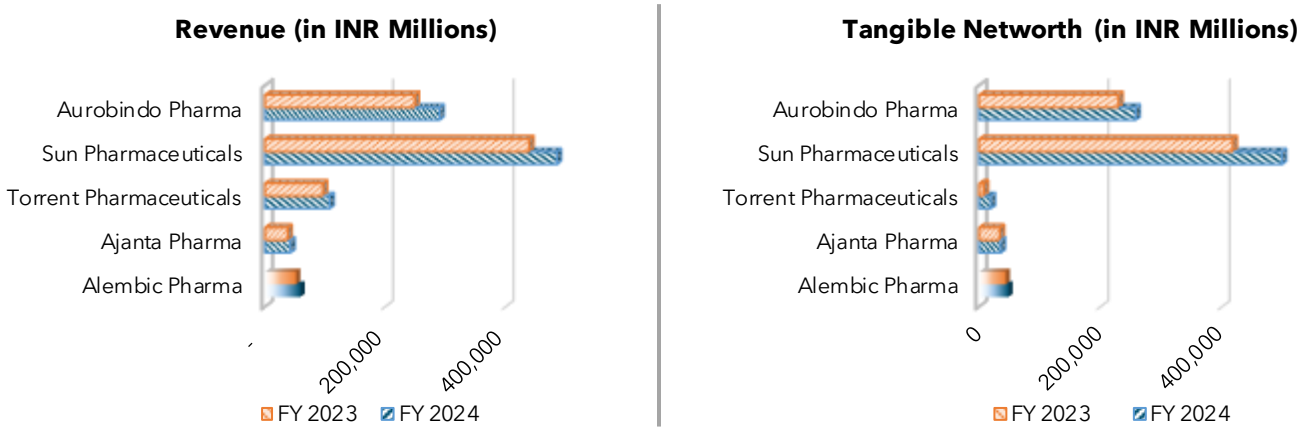
Source: As provided by the management and Information retained from previous report

FINANCIAL MOVEMENT OF PEERS

The peer analysis has been based upon the consolidated financial performance of the closest peers provided by the Company.

Sr No	Name of the Company	Line of Business
1	Alembic Pharmaceuticals Limited	Engaged in manufacturing APIs/ bulk drugs and pharmaceutical formulations, both branded as well as generics, for acute as well as chronic therapies. It also manufactures veterinary products.
2	Ajanta Pharma Limited	Engaged in development, manufacturing, and marketing of pharmaceutical formulations for both domestic as well as international markets.
3	Torrent Pharmaceuticals Limited	Engaged in manufacturing of branded and generic formulations.
4	Sun Pharmaceutical Industries Limited	Engaged in manufacturing of pharmaceutical formulations and active pharmaceutical ingredients
5	Aurobindo Pharma Limited	Engaged in manufacturing of generic pharmaceuticals and active pharmaceutical ingredients

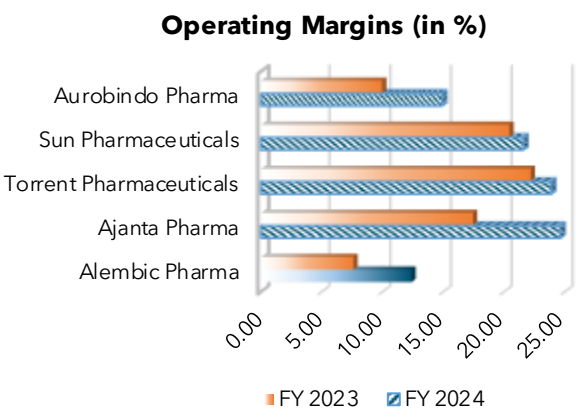
The following is an analysis of the key consolidated financial indicators for these peers.

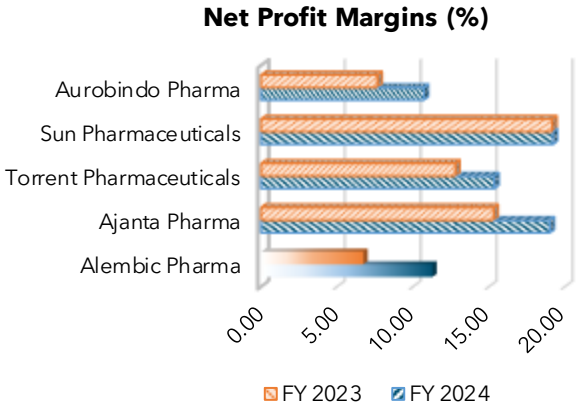


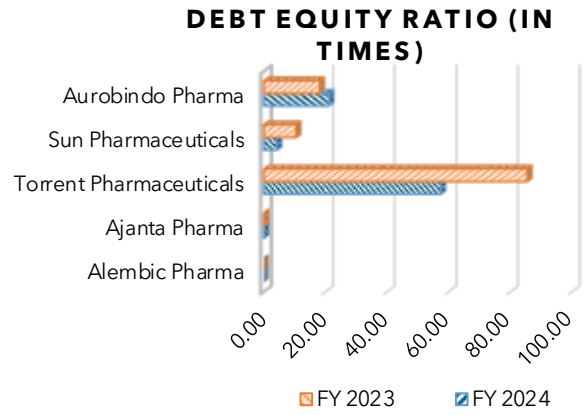
- The ability of the Group to gain big global orders and acquire benefits from economies of scale depends on its scale of operations. Further, the tangible net worth of the Group determines its ability to absorb systematic and unsystematic shocks with minimum risks to operations and survival.

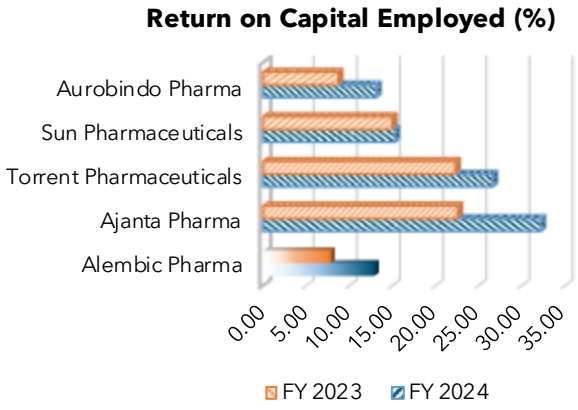
- Sun Pharma recorded the highest revenue during FY 2024 which was followed by Aurobindo and Torrent. Alembic's revenue stood moderate in comparison to its peers. However, it witnessed growth by ~11% during FY 2024. Subsequently, Sun pharma had the highest tangible net worth amongst the peers for FY 2024. Net worth for was backed by increase in profits. Alembic had the fourth highest tangible net worth amongst the peers.

- Ajanta's margins at operating as well as net level margins remained highest amongst all the other players compared, given that majority of the revenue was derived from domestic market, mitigating the pricing pressure for generics. Alembic's profitability at operating and net level increased during FY 2024 given the better utilisation of the facilities for the US business and R&D cost optimisation.







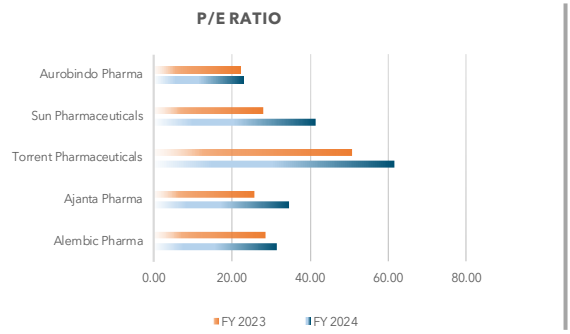


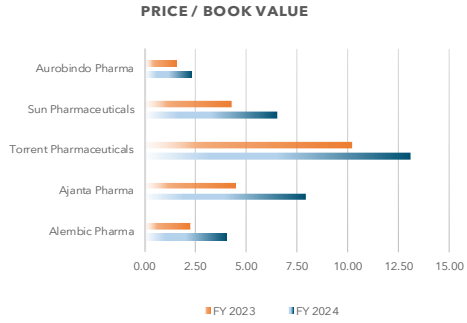
Except Torrent, all the other players had low debt on the books and the capital structure. This is because of healthy net worth levels and cash accruals generated through profits earned. Ajanta had the highest ROCE, followed by Torrent which stood above 20% during FY 2024. Alembic's ROCE stood at ~13% during FY 2024.

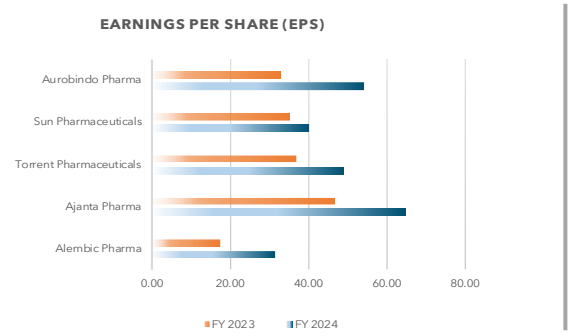
CAPITAL MARKET OVERVIEW

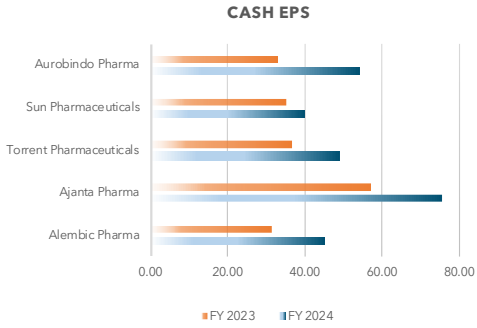
Market Statistics (27th June 2024)					
	Alembic	Ajanta	Torrent	Sun Pharma	Aurobindo
Date	27th June 2024				
Face Value (INR)	2.00	2.00	5.00	1.00	1.00
BSE Share Price	879.60	2278.55	2772.10	1515.25	1188.75
Market Cap (INR in million)	172,896	286,907	938,162	3,635,503	696,534
Free Float M Cap (INR in million)	48,411	97,548	253,303	1,635,976	334,336

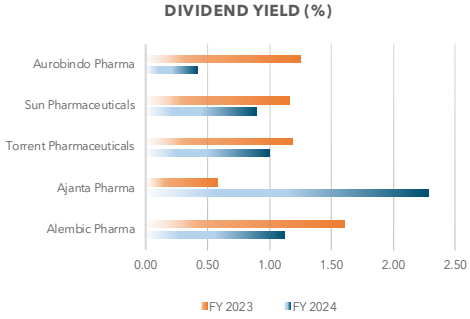
The equity performance indicators for the Company for FY 2023 and FY 2024 are shown in the graphs below.











STOCK VOLATILITY ANALYSIS

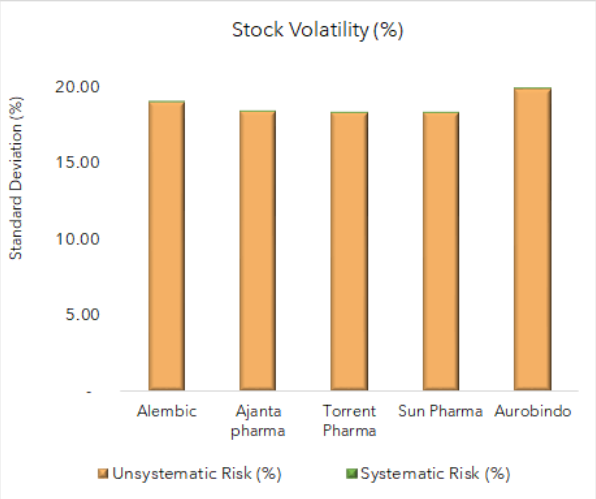
The past trend in stock prices of a Company can be analyzed to determine the standard deviation (SD) of the stock. Standard deviation is the statistical measure of market volatility, measuring how widely prices are dispersed from the average price. If prices trade in a narrow trading range, the standard deviation will return a low value that indicates low volatility. One way to measure investment risk is by looking at stock price volatility is by calculating the risk associated with the systematic risk and unsystematic risk as a part of SD.

Systematic risk is largely due to changes in macroeconomics. These are usually beyond the control of an individual Company and form an inherent feature of a market. Unsystematic risk, also known as company-specific risk, diversifiable risk, idiosyncratic risk, and residual risk, represents risks of a specific corporation, such as management, sales, market share, product recalls, labor disputes, and name recognition. This type of risk is peculiar to an asset, a risk that can be eliminated by diversification.

The standard deviation (SD) of the Company along with each of the peers considered has been done for a period from **July 2021 till June 2024** with the SD of the BSE Sensex corresponding to the same period to map a measure of the volatility in stock prices due to systematic and unsystematic risk for the Company along with its peers in the following table.

Name of the Company	Alembic	Ajanta pharma	Torrent Pharma	Sun Pharma	Aurobindo
Unsystematic Risk (%)	18.93	18.34	18.23	18.29	19.75
Systematic Risk (%)	0.04	0.02	0.00	0.048	0.05
Standard Deviation (%)	18.97	18.36	18.23	18.34	19.80
Beta (Slope of stock vs S&P BSE Sensex)	0.34	(0.25)	0.06	0.37	(0.37)

- Share price of Alembic had been the second most volatile during the reviewed period as visible from SD of 18.97% recorded for the share prices of the company during the period. The volatility was mostly related to change in BSE Sensex as 0.04% of the total SD was due to unsystematic risk. Correlation between the BSE Sensex movement and the company movement appeared to be low.
- Amongst the mentioned peers Alembic appears to have experienced the 2nd highest share price volatility driven almost completely by the unsystematic risk.



FINANCIAL PERFORMANCE (FY 2020-24)

- FINANCIAL ANALYSIS
- SENSITIVITY ANALYSIS
- INCREMENTAL WORKING CAPITAL ANALYSIS
- FREE CASH FLOW ANALYSIS

KEY FINANCIAL ELEMENTS AND RATIOS (CONSOLIDATED)

In INR Million

Year	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Trend
Number of Months	**12**	**12**	**12**	**12**	**12**	
Revenue	44,920	52,762	52,318	54,998	61,121	
Net Profit after Tax	8,005	11,148	5,157	3,419	6,158	
Tangible Networth	28,914	47,431	50,827	43,705	48,181	
Capital Employed	47,221	53,267	57,997	50,925	53,312	
Total Borrowings	18,307	5,836	7,170	7,220	5,131	
Investments	176	493	1,186	964	930	

Key Financial Ratios	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Trend
GROWTH RATIOS						
Revenue Growth (%)	-	17.46	(0.84)	5.12	11.13	
Net Profit Growth (%)	-	39.26	(53.74)	(33.70)	80.11	
PROFITABILITY RATIOS						
Gross Profit Margin (%)	48.10	48.92	42.91	38.98	40.37	
Operating Profit Margin (%)	23.52	24.57	11.23	7.87	10.79	
OPBITDA (%)	27.03	28.05	16.71	12.87	15.26	
Net Profit Margin (%)	17.82	21.13	9.86	6.22	10.08	
Return on Tangible Networth (%)	27.69	23.50	10.15	7.82	12.78	
Return on Capital Employed (%)	22.67	25.98	11.00	8.55	12.92	
Return on Fixed Assets (%)	25.83	30.57	13.06	11.40	20.05	
Return on Total Assets (%)	14.07	17.46	7.40	5.53	9.55	
LIQUIDITY RATIOS						
Quick Ratio (Times)	0.71	0.88	0.71	0.84	0.95	
Acid-Test Ratio / Super Quick Ratio (Times)	0.54	0.35	0.51	0.69	0.79	
Current Ratio (Times)	1.41	2.07	1.67	1.78	2.12	
TURNOVER RATIOS						
Inventory Turnover Ratio (Times)	1.94	1.79	1.83	2.25	2.18	
Fixed Asset Turnover Ratio (Times)	1.45	1.45	1.33	1.83	1.99	
SOLVENCY RATIOS						
Long Term Debt Equity Ratio (Times)	0.33	0.12	0.05	0.02	0.01	
Total Debt Equity Ratio (Times)	0.63	0.12	0.14	0.17	0.11	
Adj. Debt Equity Ratio (excl. lease liabilities; Times)	0.60	0.11	0.12	0.15	0.09	
Total Liabilities to Tangible Networth (%)	96.79	34.62	37.08	41.47	33.78	
Interest Coverage Ratio (Times)	39.36	86.51	36.03	8.68	12.26	
EFFICIENCY RATIOS						
Payment Period (Days) (A)	129	117	129	95	107	
Collection Period (Days) (B)	70	24	56	69	61	
Inventory Days (C)	189	204	199	162	167	
Working Capital Cycle	130	111	127	137	122	

- Revenue of the Group witnessed y-o-y improvement during the review period barring FY 2022 wherein, it dipped marginally by 0.84% due to slight decline in US business and API segment, although partially offset by increase in the domestic branded generics. The Group recorded growth of 17.46% in FY 2021 due to significant growth of ~57% in non-US generics segment and ~35% in API segment. Non-US generics segment grew as the Group overcame the challenge of implementing serialization modules at facilities, whereas API segment grew mainly due to disruptions in supply chain led by China issues and increased supply of Azithromycin for the treatment of COVID-19 to the exports market. Also, US generics market grew by ~9% in FY 2021 which was mainly benefitted due to continued shortage of Sartan products in US market in first half of FY 2021. During FY 2023, it improved by 5.12% on account of higher volumes from existing portfolio along with addition of new products as well as customers. Also, during FY 2023, the branded business vertical sustained healthy growth in specialty and acute therapies which also led to increase in revenue. Strong growth was depicted in API segment with 24% growth driven by high off-take and better product mix. However, given the competitive industry in the US generics market, remained to be a challenge resulting in decline in US generic segment registering a de-growth of around 6% in FY 2023 against preceding year. During FY 2024, revenue grew by ~11% compared to previous year and stood at INR 61,121 million on the back of robust demand for its products across ex-US market which grew by 23%, launch of new products supported the y-o-y growth of 10% for the US business and 7% growth in India as well as API business. The Company is estimating to grow US generic business in spite pricing pressure in the market, led by new product launches in FY 2025. The Company already has strong product portfolio and new launches will be able to take care of products that will be going off patent. This will help them sustain growth (net of price erosion) in US market.

- Profitability of the Group witnessed improvement at all levels till FY 2021 as a result of shortage of Sartan products in the US market allowing higher realization for the drug and hence fetch higher margins. However, it witnessed decline during FY 2022 as well as FY 2023. The profitability depicted a decline in FY 2022 largely driven by pricing pressure for its US generics segment along with decline in revenue from US market. Further, apart from pricing pressure for its regular products, the Sartan portfolio also fetched lower margins given the increase in competition which earlier gained high realizations for 2-3 years. Moreover, as informed, despite product launches in FY 2022, the same did not gain the first mover advantage impacting the margins. Amalgamation of Aleor Dermaceuticals Limited during FY 2022 also impacted the margins as the recurring R&D expenses were charged to profit and loss account against the earlier method of amortization. Further, during FY 2023, the profitability further declined because of the continuing price erosion in the US markets, persisting inflationary headwinds and increasing energy costs. However, profitability has improved in FY 2024 supported by better utilization of the facilities, cost optimization of the R&D expenses. Net profit margin improved from 6.22% in FY 2023 to 10.08% during FY 2024. The Group expects margins to improve, gradually with increase in capacity utilization and higher absorption of overheads.

- The capital structure of the Group stood comfortable with debt equity ratio of below unity throughout the review period. Debt to equity ratio improved from 0.17 times as on 31st March 2023 to 0.11 times as on 31st March 2024 due to partial repayment of the short-term bank borrowing and increase in tangible networth supported by profitability. The Group has only short-term debt in the form of bank loans and loans in the form of commercial paper as on 31st March 2024. With low dependence on borrowings and adequate profitability at absolute level the interest coverage ratio also remained adequate at 12.26 times for FY 2024.

- The liquidity position remained adequate during the review period. The current and quick ratio were at 2.12 times and 0.95 times as on 31st March 2024. The Company generated adequate net cash accruals of INR 7,313 million in FY 2024. The unencumbered cash balances stood at INR 1,202 million as on 31st March 2024. Since, there is no long-term debt as on 31st March 2024, there are no current debt obligations, thereby further providing comfort to its liquidity profile. Also, cash flow from operations stood positive at INR 8,032 million in FY 2024 vis-à-vis INR 7,239 million in FY 2023.

- The Group's operations are remained working capital intensive as evident from high inventory and moderate collection period. Inventory holding has remained high and increased y-o-y till FY 2021 due to holding of higher stock to cater to the demand from US market in case of shortage of any particular drugs. Further, large product basket has also led to high inventory holding during the review period. Although the inventory days came down in FY 2023 and FY 2024, it still remained high at 167 days in FY 2024. Finished goods inventory accounted for more than 50% of the total stock held throughout the review period. Collection cycle remained moderate and remained around 61 days in FY 2024. In FY 2024, the Company utilized ~20-25% of its sanctioned working capital limits. The working capital requirements are funded through credit availed from suppliers, internal accruals, advances from customers and short term bank borrowings.

Refer to annexure for details

Analysis of Working Capital Cycle

Working capital cycle of a Group is the direct function of its receivables, payables and inventory held and may be influenced by advances received from customers, advances given to suppliers and unbilled revenue. Accordingly, the calculation for working capital cycle of the Group is given below.

Key Financial Ratios	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Trend
EFFICIENCY RATIOS						
Payment Period (Days) (A)	129	117	129	95	107	
Collection Period (Days) (B)	70	24	56	69	61	
Inventory Days (C)	189	204	199	162	167	
Working Capital Cycle	130	111	127	137	122	
Customer Advances (Days) (D)	1	2	5	3	1	
Advances to Suppliers (Days) (E)	-	-	-	-	-	
Adjusted Working Capital Cycle (Days) (B + C + E + F - A - D)	**129**	**109**	**122**	**134**	**121**	

As evident from the above table, advance from customers is minimal, which makes receivables, inventory, payables and advances to suppliers as the key components of the working capital cycle for the Group.

An analysis on payment behavior (vis-à-vis Industry Payment Behavior), receivables management and inventory management are given below.

Supplier Industry Payment Behavior

Payment behavior analysis is based on customers' trade/payment experiences which are being shared by Trade Participants (suppliers) under the D&B India Trade Exchange Program. Trade/Payment experiences reflect how bills are met in relation to the terms granted. The payment behavior analysis by outstanding credit amount buckets provide insight on how entities in the Pharmaceutical Industry have dealt with credit amount falling into different buckets i.e. The percentage of credit amount falling into a particular bucket size (large, medium, small) was within terms, 1 to 30 days past due, 31 to 60 days past due, etc. (i.e., ageing buckets).

Note: *The payment behavior analysis should not be used as a substitute for predictive scores / indicators. Further, user's discretion is suggested since limited number of suppliers may be sharing data. Also, in some instances, payment beyond terms can be the result of disputes over merchandise, lost invoices, etc.*

Payment Behavior Analysis by Credit Amount Buckets (July 2023 to June 2024)

Credit Amount Buckets in INR	Credit Amount Bucket Size Type	% of Payment Experiences Instances	% of Total Value of Payment Experiences	% of Total Credit Amount					
				Total Credit Amount	Within Terms	1 - 30 days	31 - 60 days	61 - 90 days	91+ days
>10,000,000	Large	46%	99.48%	100.0%	53%	20%	10%	5%	12%
1,000,000 - 9,999,999				100.0%	54%	16%	8%	4%	18%
500,000 - 999,999	Medium	18%	0.41%	100.0%	55%	11%	8%	4%	22%
100,000 - 499,999				100.0%	51%	18%	10%	5%	15%
50,000 - 99,999	Small	36%	0.11%	100.0%	52%	11%	7%	5%	26%
<50,000				100.0%	65%	24%	4%	3%	4%
Total (Overall)		**100%**	**100%**	**100.0%**	53%	15%	8%	5%	19%

With regard to overall dues (without considering credit amount buckets), around 53% of total payables of **entities in the pharmaceutical sector** were within terms. Also, payables overdue with payments made beyond 91 days stood at 19%.

In case of credit amount falling into bucket size category > INR 10,000,000, it was observed that 53% of the total dues were within terms and for credit amount falling into bucket size category INR 1,000,000 - INR 9,999,999, 54% dues were within terms. Thus, the industry exhibited a tendency to pay off moderate chunk of dues within terms.

In case of credit amount falling into 'Medium' and 'Small' bucket size, within terms dues ranged from 51% to 65%. However, payables overdue with payments made beyond 91 days ranged between 4% to 26%. Thus, the industry exhibited a tendency to pay off low chunk of payables beyond 91 days.

Source: Dun & Bradstreet Research and Annual Reports

SENSITIVITY ANALYSIS

For the purpose of undertaking sensitivity analysis, we have considered the impact of movement in certain key factors, on the profitability of the Company which are mentioned as below:

- Revenue
- Raw material costs (Cost of Materials and Finished Goods Consumed & Purchases for Resale)
- Interest cost

We have considered the below mentioned independent scenarios to measure sensitivity of the above factors on some of the key financial elements of the Company. In each of these scenarios, all other factors have been kept constant.

1. Increase in raw material & salaries costs by 5%	2. Decline in revenue by 5%	3. Decline in raw material & salaries costs by 5%	4. Increase in revenue by 5%	5. Increase in interest cost by 1%

SCENARIOS

Note: The data along with the different scenarios is only estimation

The results of the analysis are as follows and all the results have been compared with the base case scenario:

Particulars	Base	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Gross Profit Margin (%)	40.33%	37.93% ↓	39.72% ↑	42.73% ↑	40.89% →	40.33%
Operating Profit Margin (%)	9.89%	7.49% ↓	7.67% ↑	12.29% ↑	11.90% →	9.89%
Net Profit Margin (%)	8.95%	6.68% ↓	6.84% ↑	11.21% ↑	10.86% ↓	8.86%
Interest Coverage ratio (Times)	12.56	9.64 ↓	9.39 ↑	15.49 ↑	15.73 ↓	11.33

Note: Base case scenario is weighted average of financial elements of FY 2022 to FY 2024.

Key Observations

✓ Raw material along with salaries & wages cost account for ~46% of the total revenue of the Company. It can be observed that increase/decrease in the cost of raw materials and salaries & wages (Scenario 1 and 3) has higher impact on the profitability levels of the Company than increase or decrease in the revenue of the Company (Scenario 2 and 4). Thus, the profitability margins of the Company are more susceptible to the movement of raw materials as well as salaries & wages than revenue and hence the ability of the Company to pass any increase in price of material to end customers along with control of manpower cost remains important.

✓ Capital structure of the Group remained underleveraged with debt equity ratio at 0.11 times as on 31st March 2024 and hence an increase in the interest cost (Scenario 5) has low impact on the interest coverage ratio and net profit margin of the Group.

Source: Annual reports

INCREMENTAL WORKING CAPITAL ANALYSIS

The working capital requirement of a Group is based on several parameters – Accounts receivables, inventory, advances to suppliers, unbilled revenue, contract assets, unearned revenue, customer advances and accounts payable. The working of the overall adjusted working capital cycle of the Group based on all of these parameters (as applicable to Group) is given below.

In Days	FY 2022	FY 2023	FY 2024	Weighted Average
Accounts Payable	129	95	107	107
Due to Customers	5	3	1	2
Accounts Receivable	56	69	61	63
Inventory	199	162	167	171
Advances to suppliers	-	-	-	-
Contract Assets	-	-	-	-
Working Capital Cycle	**122**	**134**	**121**	**125**

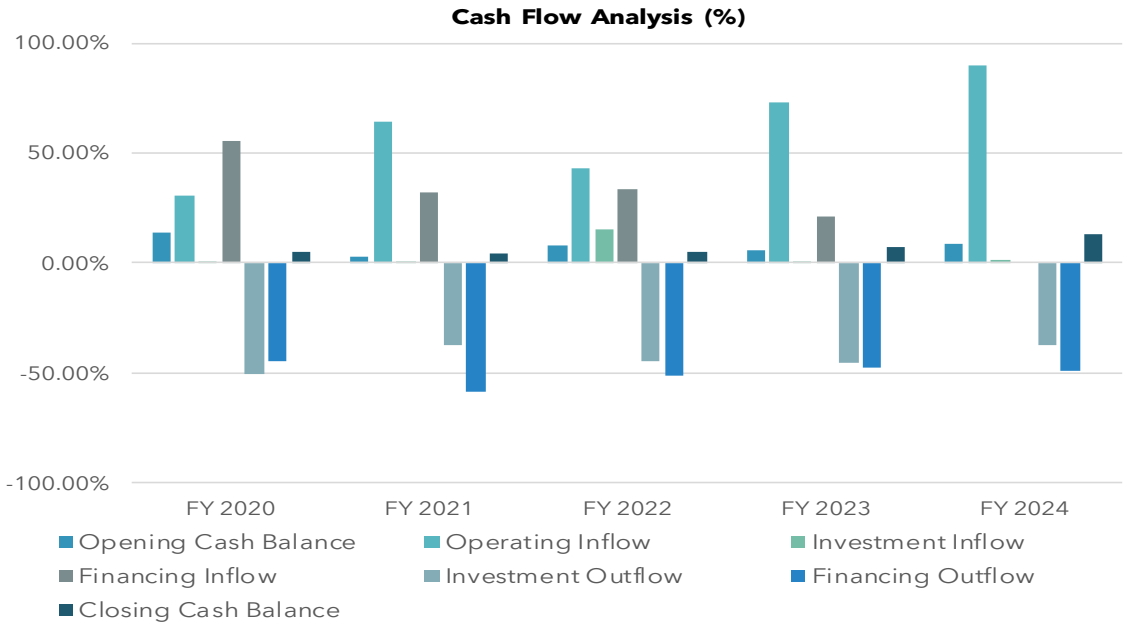
Using the historical adjusted working capital requirements while tweaking weights in favor of the most recent year, the overall working capital requirement of the Company per day is calculated and then extrapolated based on the adjacent scenarios.

Revenues, Purchases and COGS	Scenarios		
	Scenario 1	Scenario 2	Scenario 3
	10%↑	FY 2024	10%↓

Scenarios	Working capital requirement (INR in million)								
	1 day	10 days	30 days	45 days	60 days	90 days	120 days	150 days	180 days
Scenario 1	189	1,889	5,666	8,499	11,333	16,999	22,665	28,332	33,998
Scenario 2	172	1,717	5,151	7,727	10,302	15,454	20,605	25,756	30,907
Scenario 3	155	1,545	4,636	6,954	9,272	13,908	18,544	23,180	27,816

Given that the weighted average adjusted working capital requirement of the Group is 125 days, working capital requirements for each scenario corresponding to higher than 125 days has been highlighted by a darker shade for easy reference.

FREE CASH FLOW ANALYSIS



Free Cash Flow to The Firm (FCFF) & Free Cash Flow to Equity (FCFE)

(INR in million)

Particulars / Year	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Net Cash Generated in Operating Activities	4,491	14,634	5,524	7,240	8,032
Net Capital Expenditure (business assets)	(7,342)	(6,592)	(4,242)	(4,415)	(3,159)
Net Investments (others)	26	(1,796)	523	(61)	(47)
Free Cash Flow To the Firm (FCFF)	**(2,825)**	**6,246**	**1,805**	**2,764**	**4,826**
Less: Interest* (1 - Tax Rate)	778	511	363	348	346
Add: Net Borrowings	5,919	(12,585)	1,098	(172)	(2,312)
FCFE	**2,316**	**(6,850)**	**2,540**	**2,244**	**2,168**

Note: A tax rate of 30% has been assumed

FCFF[1] increased in FY 2023 on account of increase in net cash generated from operating activities, despite increase in investments towards capex. FCFF further increased in FY 2024 on account of increase in net cash generated from operating activities supported by increased profitability and further supported by lower capex outflow.

FCFE[2] of the Group increased in FY 2022 on account of an increase in net borrowings despite decline in FCFF. FCFE declined in FY 2023 due to repayment of the long term borrowing and further declined in FY 2024 due to repayment of short term borrowings despite increase in FCFF.

[1]FCFF indicates the amount of cash generated after meeting its operating expenses, taxes, changes in its net working capital requirements, capital expenditure and investing requirements. This indicates cash available with the Company for distribution among investors (both debt holders and equity holders). Free cash flow is important because it allows the Company to pursue opportunities that enhance shareholders' value.

[2]FCFE indicates the cash available to equity shareholders' post reinvestments, capex and repayment of debt obligations. FCFE is a measure of capital usage and used to determine the value of the Company.

INDUSTRY OUTLOOK

- SECTOR OVERVIEW
- MACRO ECONOMIC SUMMARY
- OPPORTUNITIES AND CHALLENGES
- PORTERS FIVE FORCES

SECTOR OVERVIEW

Pharmaceutical Industry

Profile

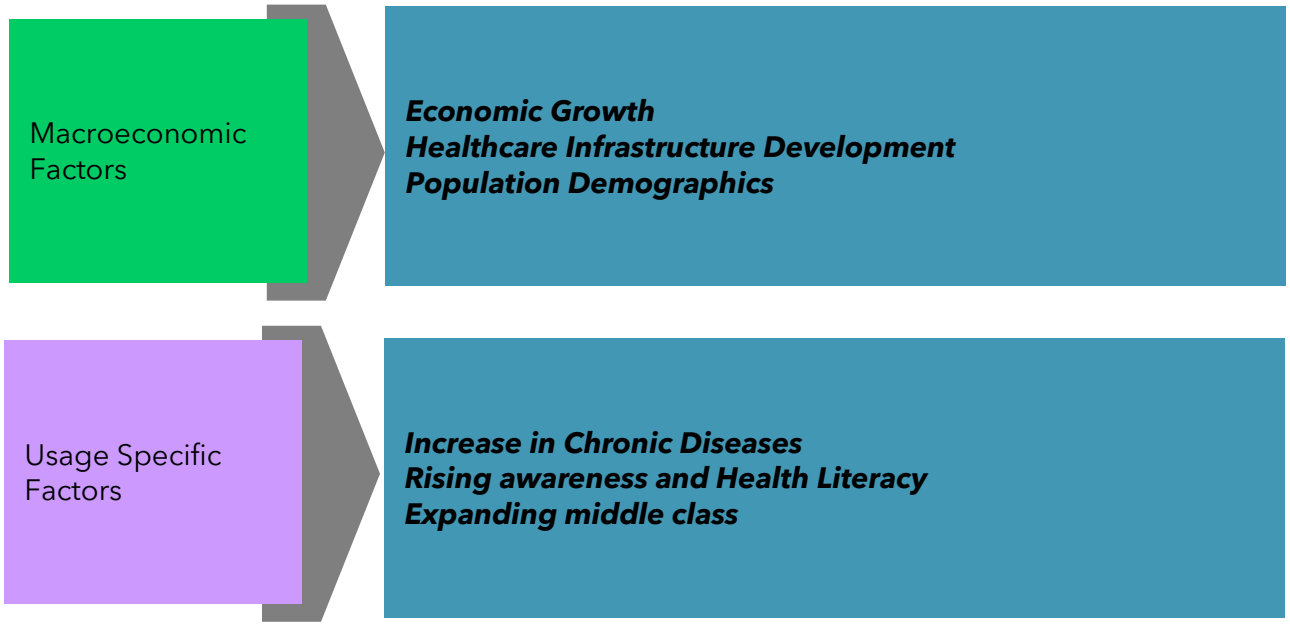
India has achieved an enviable position in global generic drug market on the back of its strength in organic chemical synthesis and process engineering. Today, India accounts for nearly 60% of the global vaccine production. This includes nearly 70% of WHO demand for vaccines to combat Diphtheria, Tetanus, Pertussis and BCG vaccine as well as nearly 90% of measles vaccine demand. Nearly 80% of the antiretrovirals drugs used to combat AIDS used globally is supplied by Indian pharmaceutical companies.

Industry Snapshot

- **Indian pharmaceutical industry is ranked as the third largest in the world, in terms of volumes of drugs manufactured and thirteenth largest, in terms of value.**
- **India is also the world's largest supplier of cost-effective generic drugs, and accounts for nearly one fifth of the global trade in generic drugs.**
- **Between FY 2019 – FY 2024, annual turnover in the Indian Pharmaceutical Industry increased at a CAGR of 9.9%, growing from INR 2,585 Bn in FY 2019 to and estimated INR 4,142 Bn in FY 2024.**

Demand Landscape: Domestic Demand

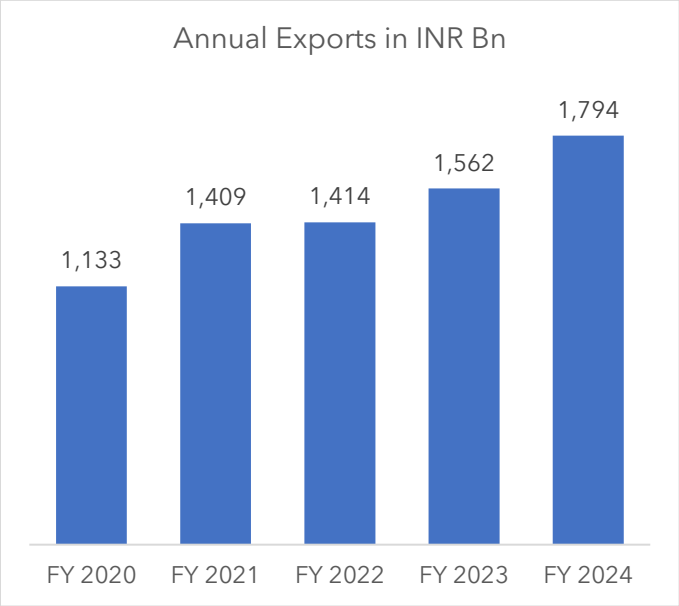
The domestic demand for drugs & pharmaceuticals is driven by increasing number of old populations, higher spending on healthcare, penetration of health insurance products, as well as rise in incidence of diseases. Exports also plays a large part in shaping the demand scenario in the industry, as India is the largest exporter of generic medicines in the world.



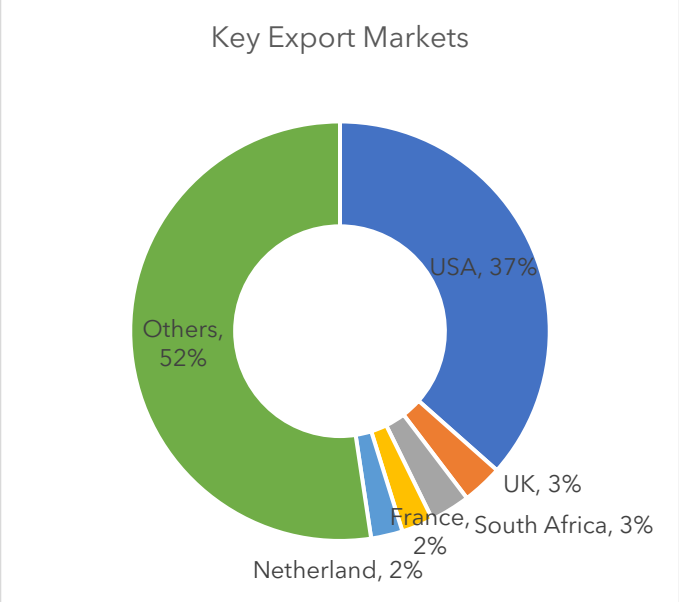
Innovations / Emerging Uses

The industry is witnessing significant advancements in biotechnology, the development of biosimilars, and the integration of digital health technologies, which are transforming drug development and patient care.

Demand Landscape: Export Demand



Annual exports reached INR 1,794 billion in FY 2024. Between FY 2020 and 2024, exports have increased by a CAGR of 12.2%.
Competitive costing, along with superior product quality have helped in strengthening exports.
Export promotion measures & incentives that created a favourable manufacturing climate has helped in competing with other exporters.



Nearly 48% of annual exports concentrated in five markets – USA, UK, South Africa, France, and Netherland.
Indian industry has managed to penetrate key global markets like the US & Europe, on the back of its superior quality and competitive pricing.
Indian manufacturers face intense competition from China in international market

Regulatory Scenario

PLI Scheme	The Government of India has notified a Production Linked Incentive (PLI) scheme for promoting the domestic production of Key Starting Materials (KSM)/Drug Intermediates (DI) / Active Pharmaceutical Ingredients (API) as well as pharmaceutical formulation products. The gazette notification was published on 21st July 2020. The PLI scheme provides incentives on the production of 41 eligible products notified by the Department of Pharmaceuticals. These 41 products cover the 53 APIs that is considered critical and is entirely met through imports. The scheme has outlined a minimum threshold investment and minimum annual production volume for each of these 41 products and has also capped the number of eligible applicants in each product category. These 41 products cover KSMs, DI and API that are made either through fermentation or chemical synthesis (4 fermentation based KSM/DI, 10 fermentation-based niche KSM/DI/API, 4 chemically synthesized KSM/DI and 23 chemical synthesis based KSM/DI/API). The total incentive outlined by the policy is approximately INR 6,940 Crore while the incentive period is for production happening between FY 2021 and FY 2030. The incentive rate is flat 10% for chemically synthesized product throughout the term period while for fermentation-based product it is staggered into three buckets. For fermentation-based product the incentive rate of 20% is applied for period FY 2023-24 to FY 2026-27, 15% for period FY 2027-28 and 5% for the period FY 2028-29. The Government has also fixed the maximum incentive that can be disbursed for each of the year and for each class of product.
Scheme for Promotion of Bulk Drug Park	The Union Government in March 2020 approved a scheme titled "Promotion of Bulk Drug Parks". The objective of this scheme is creation of bulk drug parks that would help in building a sustainable bulk drug product infrastructure in the country. The scheme focuses on providing the common infrastructure facilities (CIF) - associated with bulk drug manufacturing – in a dedicated space. The scheme has a budget outlay of INR 3,000 crore meant towards setting up three such parks, in three separate states. The financial support will be in the form of grant-in-aid, with nearly 90% of the cost in the case of Northeast state / Hilly terrain states and up to 70% support in case of other states. The state governments would be taking the lead in setting up parks, by setting up a State Implementation Agency (SIA). The interested state governments can apply for this scheme, and on selected will be the provided the financial support in the form of a grant-in-aid. The time period for the scheme is FY 2020-21 to FY 2024-25, and all three bulk drug parks should be operational by then. The units should be manufacturing either APIs/KSMs/DI, the list of which has been given by the scheme. The scheme lists

	out nearly 450 APIs and 24 KSM/DI as eligible products and the units should be manufacturing these products.
Patent Framework	Indian pharmaceutical industry made a name for itself as the global hub for generic drugs due to its ability to synthesize generic formulations of innovator drugs. The IP framework prevailing before the Patent Act of 2005 was favoring domestic companies and offered little / no protection to patented drugs that were being marketed in the country. The introduction of The Patent (Amendment) Act 2005 shifted the IP framework in favor of innovator pharmaceutical holding patent on their products. This change forced Indian pharmaceutical sector to reinvent itself. The growth in export of generic formulations (of off-patent drugs) to developed markets took off around the same time, as Indian pharmaceutical companies began to look at alternative markets for their products.
Drug Price Regulatory Framework	Price control in Indian pharmaceutical industry was first introduced in early 1960s, due to the national emergency caused by India China war. Since then, the price control regulations have remained in place with the Government modifying key regulations from time to time. The latest revisions regulating the price of drugs marketed in India happened in 2013, when "The Drug (Price Control) Order, 2013" came into force. The primary objective behind the drug price control regulations is to ensure availability of essential medicines at affordable prices. The new order defines the methodologies adopted to fix the ceiling price of drugs, margin to retailer as well as maximum retail price that can be charged. As per the latest update (happened in August 2018) the Government has notified ceiling price for 857 pharmaceutical formulations. The process of identifying formulations that need to be brought under price control as well as fixing the ceiling price is done by National Pharmaceutical Pricing Authority (NPPA), an independent regulator constituted under the Department of Pharmaceuticals. The mandate of NPPA is to ensure availability and accessibility of essential medicines at affordable prices.
Allocations	Total budgetary allocation to the Ministry of Health and Family Welfare increased to INR 876 bn in FY25 (BE), compared to ` 776 bn in FY24 (RE). The Government's capital outlay towards National Health Mission increased to INR 319 bn in FY25 (BE). Government spending on developing healthcare infrastructure, under Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM), is set at INR 46 bn in FY25 (BE).

Competitive Landscape

Nature of Industry	Key Attributes	Key Differentiators
Indian pharmaceutical industry is known as the generic drug manufacturing hub in the world. More than 10,000 generic drug manufacturers operate in the country. Despite this fragmented nature of the industry, nearly half of the industry revenue is contributed by to 25 to 30 companies. The generic drug industry in India is dominated by home grown companies, whereas the market for patented drugs is dominated by multinational innovator pharmaceutical companies.	The drugs & pharmaceutical sector in India is characterized by high-quality production standards, a wide range of product offerings, strong domestic demand, growing export potential, and a well-established manufacturing base. It benefits from the country's abundant raw material availability, skilled workforce, and supportive government policies.	The drugs & pharmaceutical sector stands out due to its diverse product portfolio and a leadership in generic drug manufacturing. Players in the industry compete on the basis of capacity, quality, distribution network, efficient supply chain management, competitive pricing, regulatory standards, and strong customer relationships. Continuous innovation, R&D efforts, and sustainability initiatives further differentiate the Indian manufacturers.

Key Players

Company	Dr. Reddy's Laboratories	Sun Pharmaceutical Industries Ltd.	Natco Pharma Limited
Brief Profile	*Dr. Reddy's Laboratories, founded in 1984, became a public limited company on December 6, 1985. It is listed on BSE, NSE, and NYSE. Dr. Reddy's offers a wide range of pharmaceutical products and services, including generics, APIs, custom pharmaceutical services, biosimilars, and differentiated formulations. Its major therapeutic areas include the central*	*Sun Pharmaceutical Industries Ltd. ranks as the fourth largest specialty generic pharmaceutical company globally. It has 43 manufacturing facilities and presence in over 100 countries. It is a leading Indian pharmaceutical company, excelling in the high-growth chronic segments. The company's product portfolio includes formulations and bulk drugs, with formulations contributing nearly*	*Natco Pharma Limited, founded in 1981, develops, manufactures, and markets pharmaceutical formulations and APIs. With seven manufacturing facilities and the Natco Research Centre in Hyderabad, Natco has established a strong presence in both domestic and export markets. Its formulations units in Telangana and Andhra Pradesh, along with API facilities in Chennai and*

	nervous system, gastro-intestinal, oncology, cardiovascular, and pain management, with key markets in the US, India, West Europe, Russia, and the CIS nations. The company has three divisions: global generics (87% of FY2023 revenues), PSAI (12%), and others (1%). Dr. Reddy's operates nine API-manufacturing facilities, 13 formulations manufacturing facilities, one biologics facility, and eight technology development and R&D centers worldwide.	*95% of its revenue. Sun Pharma has strategically acquired products to focus on specialty segments, thereby establishing a strong global specialty business. Additionally, past acquisitions in the generics sector have expanded its product range and strengthened its presence in key markets.*	*Mekaguda (Telangana), are approved by regulatory authorities, including the US FDA. To diversify its portfolio, the company has set up an agrochemical facility for APIs/technicals and formulations in Andhra Pradesh. With robust R&D capabilities, Natco is a leading player in India's oncology segment and generates a significant portion of its formulations business from exports. The company is active in the generics business in regulated markets like North America and Europe, and branded generics in the rest of the world.*

MACROECONOMIC SUMMARY

[A] Global Economy

At the midpoint of the year, so far in 2024 we have seen divergence in outcomes and prospects around the world in terms of economic growth, inflation, and policy responses. On balance, global short-term economic prospects have improved over the course of the year. We expect this momentum to continue through the second half of 2024 and into 2025 as inflation eases further and monetary policy continues to loosen, supporting steady growth. Macroeconomic risks, in our view, have become more balanced.

The U.S. has performed better than other developed economies, in particular those in Europe where the consumer sentiment has been relatively weak – though the picture in Europe has been varied. A sustained recovery in tourism this year has boosted the economies of Greece and Spain, whereas Germany, France, and Italy have been held back by the slower recovery of manufacturing. Nonetheless, the European Central Bank (ECB) lowered the three key interest rates in June – for the first time since September 2019 – which will support stronger regional growth.

Growth in the Chinese Mainland has held up well so far this year despite challenges from the property market amid ongoing rebalancing, and the export cycle is supporting growth in the rest of Asia. In Latin America, larger economies, such as Brazil and Mexico, tend to be performing more moderately than smaller economies, such as Chile and Peru, indicating slower regional growth overall.

Globally, industrial production has been relatively sluggish because of restrictive trade policies, persistent supply chain disruptions, high interest rates, and anaemic growth. We expect industrial production to gather steam later this year and into 2025 on the back of a gradual recovery in global trade, stimulated by stronger domestic demand for goods.

Policy responses have diverged so far this year and are set to remain so in the near term. Central banks have begun rate cutting cycles in several developed economies, including the Eurozone, Canada, Sweden, and Switzerland. However not every economy has followed suit. Disinflation has not been as predictable as it was in 2023, and underlying price pressures mean inflation is likely to remain bumpy this year – hence, policy will remain more restrictive than was anticipated at the start of the year. With relatively stronger economic growth and stickier inflation, the timing of the first interest rate cut by the U.S. Federal Reserve (the Fed) and the onward path of interest rates remains ambiguous.

The global economy is showing signs of stabilizing, yet growth will remain subdued this year before picking up pace in 2025. We forecast global growth of around 2.5% in 2024, half a percentage point softer than in the decade following the financial crisis. The weaker outlook reflects fiscal consolidation, lagged tight monetary policy, restrictive trade policies, and elevated levels of geopolitical uncertainty. Looking ahead to 2025, global growth is likely to pick up slightly to 2.8% as the impact of these factors declines and stronger growth becomes more entrenched.

Emerging economies look set for softer growth in general this year. On a regional basis, growth is likely to be markedly slower in Eastern Europe, but only slightly softer in Asia Pacific and Latin America, with growth only moderately slower in key economies such as the Chinese Mainland, India, and Brazil. Outcomes in developed economies are also mixed but largely remain subdued because of tight policy settings.

Regional Summaries

North America

The U.S. economy continues to be powered by the consumer and has held up better than expected, with robust growth – though likely on a mildly moderating path – and inflation softening in line with moderating wage growth. Further, labour markets have eased, with the unemployment rate beginning to edge up. These factors all mean the Fed has not yet felt the need to support ongoing demand by lowering interest rates. However, we think inflation will ease sufficiently this year for the Fed to cut rates in Q4 and then more systematically in 2025. The gap between the economic performances of the U.S. and Canada is expected to begin narrowing over the remainder of 2024. This will probably be achieved through an improvement in Canada's economic outlook, coupled with a mild pullback in U.S. growth. The Bank of Canada cut interest rates in June, following similar moves in parts of Europe, which will support growth further out.

Western & Central Europe

The Eurozone economy returned to growth in Q1, following a year of stagnation. Monitoring the broad continuation of disinflation and assessing that underlying price pressures had eased sufficiently, the ECB decided to lower the key interest rates in the Eurozone in June. In time, this should make financing conditions less restrictive and support demand. The bank made no commitment to future interest rate cuts, but our expectation is that inflation will have to settle around the ECB's 2% target more markedly before further monetary loosening is considered. Inflation data since the decision have done little to support further policy action and restrictive monetary and fiscal policy will continue to act as a drag on regional growth this year.

Eastern Europe & Central Asia

For Eastern Europe, expected growth has been revised downward since not kickstarting in H1 2024, and with demand still not picking up in other major EU economies, the contagion effect can still be seen in Eastern Europe.
On the positive side, inflation has finally moderated, particularly fuel and food prices. However, core inflation is still moderating more slowly than had been expected, keeping central banks cautious. For countries bordering Russia, defense expenditure has been rising exponentially, as geopolitical tension and political insecurity concerns are high on the agenda. Ukraine is facing significant growth challenges as key infrastructure and electricity supplies have been severely damaged. Russia has so far maintained its growth due to excessive production aimed at the war effort, and with employment and wages high to support the war economy. Poland is seeing a growth slowdown and resurgence of inflation, with the central bank keeping credit growth under check. Elsewhere in the region, many countries have been lowering interest rates, albeit slowly. The Czech Republic slashed rates from 5.25% to 4.75%, Serbia from 6.50% to 6.25%, and Hungary from 7.25% to 7.00%. The region's central banks have kept their benchmark rates higher than the ECB to manage the bond yield spread against the ECB, protect their domestic currencies, and offset the risk of imported inflation.

The Nordics

The Nordic economies are recovering, although at a much slower pace than that seen in other parts of Europe. Although there was a full-blown recession in Finland and Sweden in 2023, we are expecting

only a modest improvement, around the zero-growth line, for these countries in 2024. For Denmark and Norway, growth this year is expected to be much slower than in 2023. Denmark's stronger 2023 GDP numbers were mainly attributable to the strong corporate performance of Novo Nordisk, with the rest of the economy remaining stagnant. Norway's story was similar, with the country's positive 2023 GDP outturn a result of hydrocarbon sales, while the non-hydrocarbon economy remained under duress. In our view, though 2024 will bring stabilization, meaningful recovery in the Nordic economies is unlikely until early 2025.
Bankruptcies in Sweden, especially among SMEs, are still at an all-time high. In Norway, the hydrocarbon sector and government expenditure are supporting the economy, but private consumption and investment are still subdued.
Geopolitical risk in the region has risen, with most crossings at land borders with Russia closed due to fears about illegal immigration, continued disruption to sea routes, an increase in cyberattacks, and the swift militarization of the region.

Asia-Pacific

GDP growth composition in the Asia-Pacific region (excluding the Chinese Mainland and India) is shifting. In Q1 2024, net exports contributed more significantly to growth due to improving export trends, with six-month averages showing positive momentum. Gains in the U.S. market and positions in the semiconductor value chain are crucial for export recovery. South Korea, Taiwan Region, and Vietnam have seen the largest export increases, benefiting from demand for advanced semiconductors and supply chain shifts away from the Chinese Mainland. Vietnam's export growth is also driven by productivity gains in the tradables sector. In another developing trend, household consumption is moderating across the region, though the extent and implications of this slowdown vary and require nuanced consideration.
The Chinese Mainland's economic improvement in Q1 2024 was mainly driven by exports, which increased 6.1% in local currency terms over the first five months of the year. However, policymakers will aim to promote domestic-driven growth to mitigate the impact of rising trade protectionism. The Third Plenum in July will emphasize the government's commitment to affordable housing, the digital economy, and the financial sector.
The general election result ensured political continuity in India, and we expect growth to sustain. The upcoming budget will likely focus on investment, with a strong push towards infrastructure, industrial capex, and private real estate. The government may shift spending to support consumption while maintaining its fiscal trajectory.

Latin America & the Caribbean

Regional growth has been slowing since 2022, and this trend is expected to continue in 2024 before improving in 2025. We expect Argentina to remain in recession, while Brazil, Mexico, Panama, and Nicaragua will see more pronounced slowdowns in 2024 than 2023. Conversely, Chile, the Dominican Republic, Peru, and Uruguay are expected to see strengthening growth.
Headline inflation is expected to fall in most countries in Latin America this year, supporting a less restrictive monetary stance, particularly in Brazil, Chile, Colombia, Costa Rica, Paraguay, and Peru. Argentina will be an outlier, witnessing higher, although moderating, inflation and policy rate cuts. The country's central bank has been cutting interest rates since December 2023.
We expect most Latin American countries to maintain fiscal sustainability in 2024, with Brazil, Trinidad & Tobago, and Paraguay improving their fiscal metrics the most after Argentina.

Risks to regional growth include potential tighter global financial conditions, currency depreciation pressures due to monetary policies that diverge from that of the U.S. Federal Reserve, elevated local debt levels, severe adverse weather from La niña, political uncertainty, and social tensions. Among countries in the region, Argentina faces the high risk of civil unrest in 2024, with Bolivia's failed coup in June indicating broader regional instability. However, growth may be supported by resilience in the U.S. economy; foreign investment, particularly in the critical minerals, renewables, and manufacturing sectors; alleviation of inflationary pressures; and a resurgence in tourism.

Middle East & North Africa

Strife in the Middle East continues. The conflict has the potential to escalate due to increasing confrontations between Israeli troops and the Lebanese armed group Hezbollah, with Lebanon now at risk of being drawn into the conflict. Meanwhile, Israel risks alienating crucial allies, with Ireland, Norway, and Spain recently announcing their recognition of a Palestinian state. Domestically, Israel faces public discontent over efforts to secure the return of hostages, exacerbated by a unanimous Supreme Court ruling mandating the military draft of ultra-Orthodox men. This decision risks destabilizing the governing coalition, which is heavily reliant on conservative religious parties opposed to the draft.
In 2023, GDP growth rates among both oil-importing and oil-exporting countries in MENA were similar, a trend expected to persist through 2024, signalling the conclusion of the divergent growth rates between the two cohorts. Oil production cuts and moderate oil prices in 2024, compared with the highs seen in 2022, are projected to maintain current account and fiscal surpluses in most MENA oil-exporting nations, though below the high levels seen in 2022. Meanwhile, nearly all oil-importing economies in MENA are anticipated to continue experiencing twin deficits – on the fiscal and current accounts - this year. Inflation has been subsiding in the region, supported by contractionary monetary policies and extensive subsidies on food and energy, but remains high in countries such as Egypt.

Sub-Saharan Africa

We have upgraded the outlook for the region to 'stable', although chronic challenges such as persistently high inflation, tighter financial constraints, and ever-growing public debt burdens are likely to remain impediments to economic recovery. The entire region lags in terms of fiscal management and inflation trajectory, and the roads to recovery are diverse and fragmented. Eastern Africa seems to be better placed than Southern Africa in terms of recovery. On the other hand, Western Africa's economic recovery prospects have brightened after an uptick in the commodities markets, further supported by the accommodative monetary policy of the Central Bank of West African States (BCEAO).
Inflation remains high and stubborn across sub-Saharan Africa, and the pace of the rise or moderation in inflation might vary. Extreme weather events and concerns over food insecurity are expected to keep prices elevated in Eastern Africa, including in Ethiopia and Malawi. The El Niño weather pattern has caused severe drought in Southern Africa and flooding in Eastern Africa. We foresee that upside risks to inflation will persist in the near term, with central banks having limited headroom to bring down interest rates to protect currencies and restrict imported inflation.

[A] Indian Economy

SHORT TERM OUTLOOK

India's GDP exceeded expectations, growing 8.2% in FY24. High-frequency indicators, including for automobile sales, e-way bills (permits for goods movement), cargo traffic and exports, suggest that the growth momentum is continuing into Q2 FY25. Rural demand, however, in the upcoming months hinges on the monsoon. As India's monsoon season starts, uncertainty poses challenges for the agriculture sector and inflation and the government is thus taking initiatives to boost grain storage capacity. The medium-term outlook of the economy remains bright, fuelled by the emphasis on infrastructure spending over the past five years.

[A.2.a] Credit Environment Outlook

- According to projections by the IMD, the country is expected to receive above-normal rainfall during this year's monsoon season (June to September), which bodes well for agriculture and rural demand. However, up to 18 June, India has experienced 20% below-average typical June rainfall.
- At its June 2024 meeting, the Reserve Bank of India (RBI, the central bank) kept the policy rate unchanged for the eighth consecutive time; it is likely to maintain this stance until headline inflation is firmly anchored below the target level of 4%. With headline inflation projected to average around 5% in FY2024-25, the likelihood of a policy rate cut is slim.
- Even with an unchanged policy rate, lending rates are expected to rise due to the incomplete transmission of previous policy rate hikes. Following a 250 bps increase in the policy rate between May 2022 and February 2023, weighted average lending rates for new loans have risen 204 bps.
- Data from the central bank indicates that non-food credit has been growing at an average rate of 20% since July 2023. Credit growth in the private corporate sector remained strong in H2 2023, suggesting potential capacity expansion by the private sector.
- Easing inflation in advanced economies may boost future demand for Indian goods, though geopolitical challenges pose risks. India's merchandise exports recorded 9.1% growth in May, with a broad-based expansion as 20 out of 30 major commodities showed y/y growth.

[A.2.b] Supply Environment Outlook

- India lacks adequate food storage infrastructure to prevent losses, particularly for perishable commodities.
- According to 2021 data from the Food and Agriculture Organisation (FAO), India has a 47% shortfall in food grain storage capacity. In 2015, the National Bank for Agriculture and Rural Development (NABARD) and the National Centre for Cold-chain Development (NCCD) identified significant gaps in agricultural cold storage infrastructure, with deficiencies ranging from 10% for cold storage to 99.6% for pack houses.
- To address the shortfall in food grain storage capacity, the government has launched a pilot project in 11 states to establish the world's largest grain storage facility in the cooperative sector. The project aims to add capacity of 70m tonnes of food grains and is expected to be completed over the next five years.
- India's agreement for a decade-long operation of Iran's Chabahar Port, replacing previous one-year contracts, is set to create fresh opportunities for trade with Central Asia and Eurasia. The agreement will bolster supply chain resilience and trader confidence.

- Data shows improvement in labour market indicators across both rural and urban areas. Labor Force Participation Rate (LFPR) increased to 59.8% in 2023 from 56.1% in 2022, marking the highest level since the survey's inception in 2017/18. In rural areas, LFPR rose to 63.4%, while in urban areas, it improved to 51.4%.

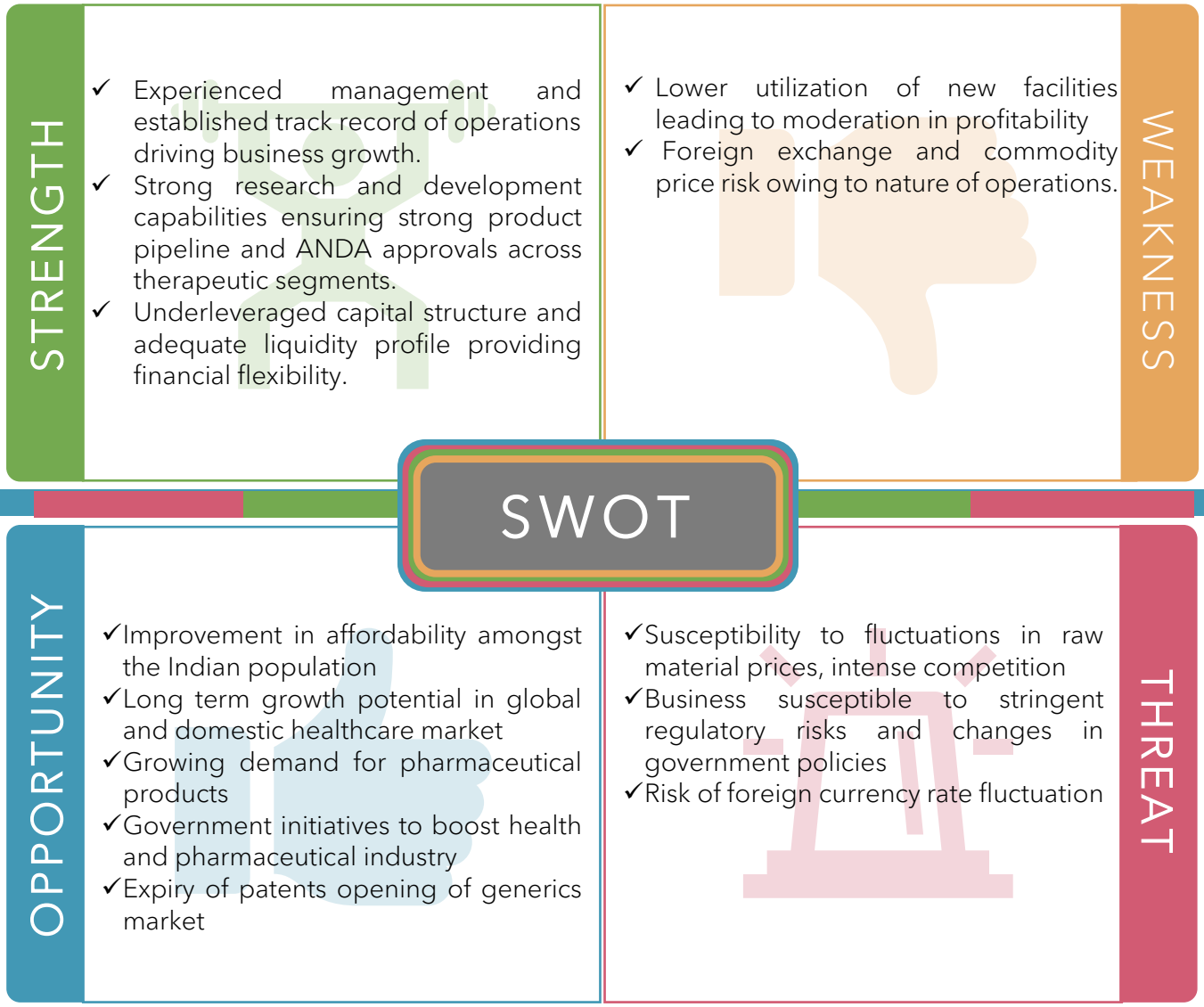
[A.2.c] Market Environment Outlook

- Over 2010 to 2019, India entered into trade agreements with seven countries and terminated contracts with three.
- Between 2020 and 2024, India signed six trade agreements, of which three are in force, and it is in the negotiation stage for around five (the Gulf Cooperation Council, Oman, the UK, Canada and Australia).
- The USD100bn trade and economic partnership agreement between India and the European Free Trade Association (EFTA; Switzerland, Norway, Iceland and Liechtenstein) will result in a 15-year investment commitment from the bloc, while India will lower import tariffs for various industrial products from the four countries.
- The India-Oman Comprehensive Economic Partnership Agreement (CEPA) will strengthen India's connections with other countries in the Middle East. This agreement opens up opportunities for India to export a wide range of products, from pharmaceuticals and textiles to technology and agriculture.
- Items such as petroleum, urea, polymers, pet coke, gypsum and various chemicals from Oman will also benefit from reduced tariffs.
- India is proposing to establish a mega-distribution hub in the UAE, to be functional by 2025, to support the export of 'Made in India' products to the world, especially to Africa, Europe and the US.

[A.2.d] Political Environment Outlook

- The National Democratic Alliance (NDA) government's third-term historic win has cemented the continuation of reforms and sparked optimism that crucial reforms, including related to labour and land, will be successfully implemented.
- India has reaffirmed its support for Palestine's complete membership at the UN, saying that a two-state solution remains the key to achieving peace. The ongoing conflict in Gaza carries the risk of escalating instability in the region and beyond.
- The government has been overseeing the prices of essential food items to alleviate the strain on retail inflation; it has exempted or extended the import duty exemption on some food commodities, such as Bengal gram and yellow peas.

SWOT


STRENGTH
✓ Experienced management and established track record of operations driving business growth.
✓ Strong research and development capabilities ensuring strong product pipeline and ANDA approvals across therapeutic segments.
✓ Underleveraged capital structure and adequate liquidity profile providing financial flexibility.
WEAKNESS
✓ Lower utilization of new facilities leading to moderation in profitability
✓ Foreign exchange and commodity price risk owing to nature of operations.
SWOT
OPPORTUNITY
✓Improvement in affordability amongst the Indian population
✓Long term growth potential in global and domestic healthcare market
✓Growing demand for pharmaceutical products
✓Government initiatives to boost health and pharmaceutical industry
✓Expiry of patents opening of generics market
THREAT
✓Susceptibility to fluctuations in raw material prices, intense competition
✓Business susceptible to stringent regulatory risks and changes in government policies
✓Risk of foreign currency rate fluctuation

OPPORTUNITIES

Improvement in affordability amongst the Indian population

The Indian population is experiencing a substantial increase in discretionary income, particularly evident among the urban populace. This positive trend is expected to pave the way for approximately 73 million families to transition into the middle-class category over the next decade. The implications of this burgeoning middle class are far-reaching, particularly for the pharmaceutical sector.

As the Indian populace becomes more financially empowered, the general affordability of pharmaceutical items is predicted to rise significantly. This heightened affordability is poised to drive the expansion of the pharmaceutical industry. The increased ability of the population to afford essential medical products and treatments is likely to stimulate higher demand for healthcare services, leading to a surge in pharmaceutical sales.

Moreover, the growing middle-class population's improved financial status may also lead to higher investments in healthcare, thereby driving the development of cutting-edge medicines and advanced medical technologies. In turn, this could lead to enhanced healthcare outcomes and an overall improvement in the quality of life for the Indian populace.

Long term growth potential in global and domestic healthcare market

By 2025, the market for pharmaceuticals is projected to be worth USD 1.7 trillion, increasing at a CAGR of 8%. The USA and emerging markets will continue to be the main growth areas. In the USA, new product adoption and brand price are two key elements that contribute to overall expenditure growth. However, patent expirations and the availability of generic products are expected to increase volume sales but result in lower realizations, slowing down total value sales.

In the domestic market, factors that affect the pharmaceutical market size include disease prevalence, drug affordability, consumer attitudes, government policies, technology, and some supply-side factors. As a result of rising per capita income, increased healthcare awareness, an increase in the prevalence of lifestyle-related disorders such as chronic illnesses, and steadily expanding insurance coverage, India's pharmaceutical business has significant long-term potential. Additionally, the government's initiatives to offer healthcare for low-income and rural inhabitants are expected to open more opportunities for revenue

development, however profitability in this market is predicted to remain constrained.

Also Post Apr 2022 Indian & Australia signed the Comprehensive Economic Cooperation Agreement (CECA) which will allow the domestic pharmaceutical industry is seeing a plethora of opportunities for international trade.

Growing demand for pharmaceutical products

The surging global pharmaceutical market, poised to reach $1.2 trillion by 2028, represents a compelling opportunity for Alembic Pharmaceuticals limited. As the aging population and the prevalence of chronic diseases continue to rise, coupled with the escalating demand for personalized medicines, the Company is strategically positioned to harness this growth.

As informed, the Company currently exports to more than 30 countries based in Asia, Africa, and Europe. Given the scope and use of paracetamol across the world, the Company has huge opportunity to expand geographically and extend its scope of operations especially given the rapid spread of healthcare to third world countries since its product forms a part of the primary healthcare requirements. As informed, the Company is already focusing on expansion of exports and has targeted several clients in countries across the globe to increase its global presence.

Government schemes aiding growth in pharma industry

As per FY 2024 union budget, Ministry of Health and Family Welfare increased budgetary allocation to INR 892 billion from INR 791 billion in FY 2023. In addition, the Government's capital outlay towards National Health Mission to remain stable at INR 290 billion in FY 2024. The Government has launched several notable schemes to promote healthcare and grow the related industry in India. Some of these schemes are given below.

PMBJP scheme: The scheme is intended to ensure the availability of quality generic medicines at affordable prices. The scheme is currently implemented by a registered body – Bureau of Pharma PSUs of India (BPPI) – and covers more than 800 formulations and 154 surgical & consumables across major therapeutic segments including anti-infectives, anti-allergic, anti-diabetics, cardiovascular, anti-cancer, and gastro-intestinal medicines, among others. The medicines, at discounted price, is sold through PMBJP Kendra's that are spread across the country. As of 31st March 2024, nearly 10,607 such Kendra's are functioning across the country. It is estimated that patients avail savings in the range of 50 – 90% on medicines purchased from such Kendra's.

The Scheme for Development of Pharmaceutical Industry: The scheme has been introduced with an objective to ensure drug security in the country, by increasing the competitiveness and efficiency of the domestic pharmaceutical industry. Indian pharmaceutical industry depends on imports for its bulk drug/API needs, bulk of which is sourced from China. The scenario is similar in the case of medical device industry. The scheme intends to reduce the import dependency. Several sub-schemes have been formulated to achieve this objective. These include Assistance to Bulk Drug Industry for Common Facility Center, Assistance to Medical Device Industry for Common Facility Center, Pharmaceutical Technology Upgradation Assistance Scheme, Assistance for Cluster Development and Pharmaceutical Promotion Development Scheme.

Foreign Direct Investments (FDI): The Government has opened pharmaceutical manufacturing to foreign players by relaxing the FDI cap by up to 100% under automatic route for greenfield project. For brownfield projects, FDI up to 100% is allowed under government approval process. However, up to 74% FDI in brownfield projects does not require government approval.

PLI Scheme: Under the PLI scheme for bulk drugs with a financial outlay of INR 69,400 million during the tenure of the scheme i.e., 2020-21 to 2029-30; with an objective to boost domestic production of 41 select critical bulk drugs in the country, so far, 51 projects have been selected for the 34 notified bulk drugs. Out of this, 27 projects have been commissioned till March 2024 (for projects of fermentation-based APIs, the production year as per the scheme guidelines is FY 2023-24). The total incentive outlined by the policy is approximately INR 150,000 million, for a period of 6 years.

With increasing government focus on resolving relevant issues in the industry while also promoting healthcare in the country, the healthcare industry in India is expected to grow and provide further opportunities for pharmaceutical players in the future.

THREATS

Highly competitive and fragmented industry

Indian pharmaceutical sector, though organized, is highly fragmented in nature. Indian pharmaceutical market is characterized by generic formulation manufacturers, API manufacturers, and companies providing Contract Research and Manufacturing services. The industry is organized in nature with generic manufacturers enjoying a dominant position. Despite the stringent regulatory environment which poses an entry barrier, the sector has a large concentration of small and medium-sized manufacturing units. Also, the global pharmaceutical companies are beginning to focus on generic versions of drugs by acquiring leading Indian generic companies which further has increased the competition in the industry. This could create pricing pressure and negatively impact the Group's margins. Indian pharmaceutical companies face cost disadvantage as compared to China, Korea, and Taiwan, which offer low-cost manufacturing base. This competition could drive down prices for the Group's products, thereby impacting its margins. As the Group generates majority of the revenue from manufacturing of formulations, increased competition could create pricing pressure for the APIs (primary raw material for formulations) thereby adversely affecting the Group's margins in case it is not able to pass on the price hike to its customers immediately.

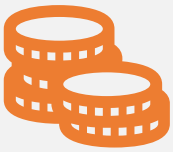
Stringent regulatory approvals might impact the revenue stream

The pharmaceutical sector is highly regulated with government authorities in India and abroad conducting stringent monitoring of manufacturing facilities and formulations. Authorities like US FDA and EU GMP have become more vigilant and stricter with respect to compliance and quality checks. Increasingly, many pharma companies are withstanding stringent actions of these authorities, sometimes as harsh as revoking the contract or banning the product from entering the country of export. Moreover, the Department of Pharmaceuticals (DoP), Government of India, has set up National Pharmaceutical Pricing Authority, which will ensure price control and stability in the industry for new drug launches (APIs and formulations). Under the mechanism, the Government will keep a floor and ceiling price for new drugs introduced by any pharma company.

Operations in overseas markets are government regulated. The approval process for any new product registration is complex, lengthy, and expensive. Government regulations have become more vigilant and stricter with respect to compliances. Thus, the Company has to carry out its operations more diligently, as non-compliance of any regulations may severely impact the operations of the Company. Given the stringent actions/ regulations, it becomes imperative for the Company to have all

the compliances in place as any adverse event may hamper the overall operations of the Company.

Foreign exchange rate fluctuation risk



The Group derives ~60% of its revenue and procures its API/ Intermediates and Key starting material (KSM) requirements from international markets. The Group does not do any hedging except fort the strategic procurements. Hence, the Group remains highly exposed to foreign exchange rate fluctuations. Movements in exchange rates are influenced by various macro factors like demand/supply of the foreign currency, domestic inflation, deterioration in the financial condition of other economies relative to the United States of America, Europe etc. and most of these factors are hard to predict leading to volatility reported in the profit and loss statement. As per the financial statements, the Group recorded profit from foreign exchange during the review period. Nonetheless, the Group could face losses from foreign exchange due its volatile nature. The ability of the Group to manage its exposure against foreign exchange risk through derivatives and foreign exchange contracts remains critical.

PORTER'S FIVE FORCES MODEL

Threat from New Entrants (Low)

- Strict government regulations prevent entry of new players
- High fixed costs towards infrastructure and R&D expenses
- High gestation period (long breakeven and payback period for initial investments) enforces investment with long term vision only
- High working capital intensity
- Requirement of patented products for scaling up of operations

Threat from Substitutes (Low)

- Biotechnology based API development
- Major technology changes for process and cost efficiencies
- Homeopathy & Ayurveda medicines can act as substitute for limited products

Competitive Rivalry (High)

- 100 per cent FDI allowed under automatic route in Pharma Sector for greenfield project and in medical devices; 74% for brownfield projects and existing companies. Further government policies like Pharma Vision 2020 and other initiatives to provide growth opportunities.
- Competition from large pharma companies with strong financial support and relevant approvals in place
- Growth opportunities for pharma companies are expected to increase in next few years, with many drugs going off-patent in the US and other countries but is also expected to increase competition due to rise in ANDA approvals y-o-y by US FDA
- Established position with market share of 1.51% in Indian market.
- Backward integration into API manufacturing helps stay ahead of competition.

- Product differentiation for ingredients is low
- The Group has long standing relationship with the suppliers, benefiting from the extended credit terms
- There is a risk of forward integration by the suppliers
- High competition for skilled labour and innovative technologies since the product is complex and needs expertise

Bargaining Power of Suppliers (Medium)

- Not directly governed by demand and supply scenario due to Government regulated pricing (for domestic market)
- End customers are price takers
- Brand identity exists but is highly influenced by doctors; strong recognition with doctors helps Alembic establish recognition with customers.
- Consolidation of distribution channels

Bargaining Power of Customers (Medium)

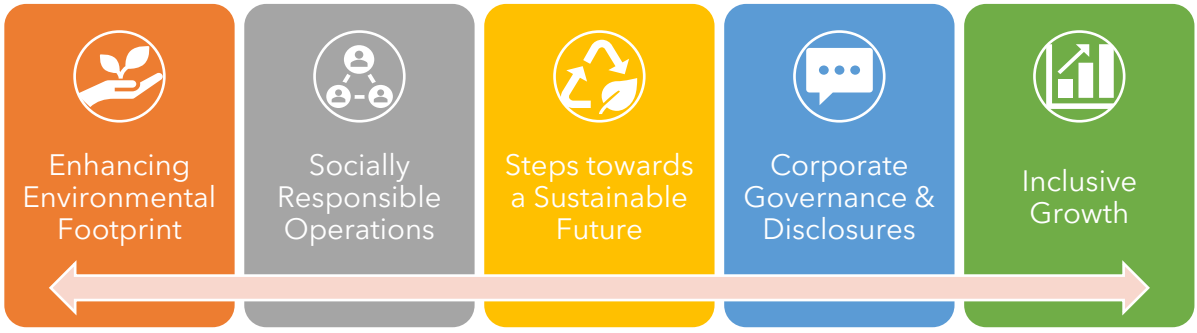
ESG INITIATIVES

- ENVIRONMENTAL, SOCIAL AND GOVERNANCE INITIATIVES
- CORPORATE SOCIAL RESPONSIBILITY SPENDING

ESG INITIATIVES

Overview

Environmental, social and governance (ESG) analysis is a manifestation of a company's operations that socially conscious stakeholders use to screen and/or select potential business partners. Environmental criteria consider how a company performs as a steward of nature and its resources. Social criteria examine how it manages relationships with its stakeholders viz. employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, transparency, credibility, audit trails, internal controls, and shareholder rights.



In last five years hundreds of new global regulatory measures being proposed to forward ESG initiatives, and a large chunk of these have are towards eliciting action from Corporates. Such initiatives have been actioned by the United Nations, USA, the European Commission and in India by the Central Government, National Stock Exchange of India Limited, BSE Limited, amongst others; with all of them reaffirming the importance of sustainable investments, with the release of new rules on disclosure requirements related to sustainable investments and sustainability risks.

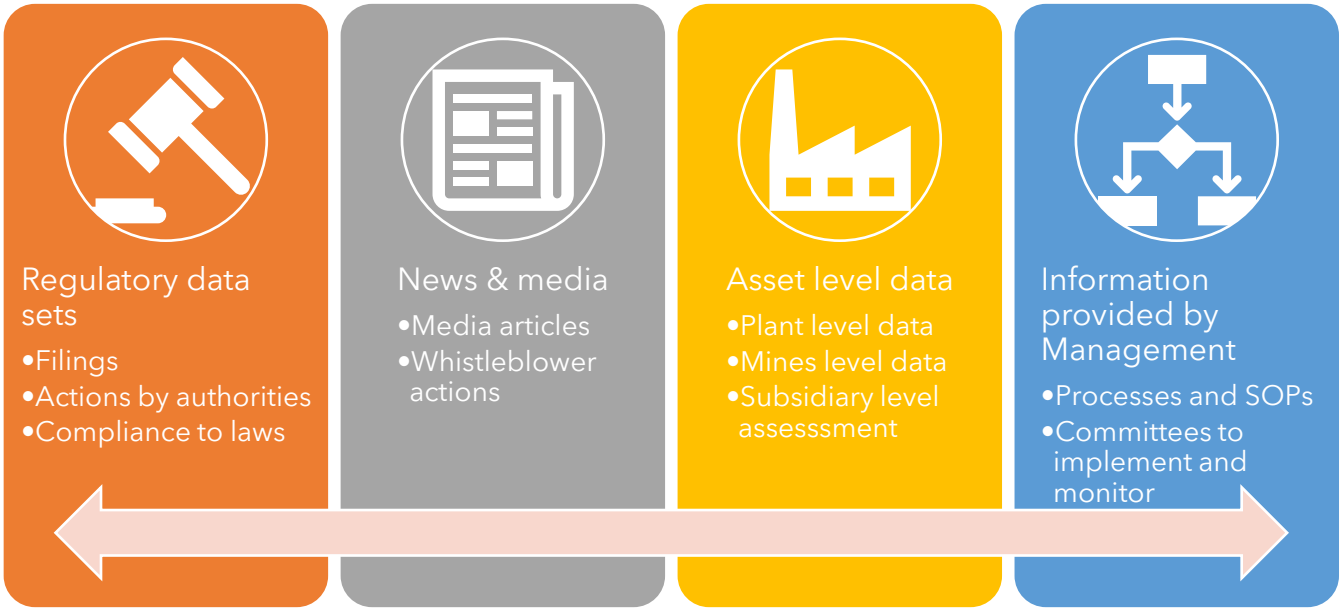
ESG is also a hot topic in the investor community and, regardless of the regulatory requirements, therefore making it important to Companies across the value chain. ESG must be considered as an investment, rather than a cost. With investors now using ESG factors as a filter in their investment process, integrating sustainability elements into corporate strategy is bound to positively impact topline and investments of early movers along with added advantages of increased market trust and value for shareholders.

Key Inputs

Environmental	Social	Governance
•Emission, Pollution, Waste Climate change •Natual resources •Environmental risk •Energy consumtion & Renewable energy	•Human capital •Product liability •Social opportunities •Community engagement •Customer and Supplier engagement	•Corporate governance •Corporate behaviour •Business sustainability •Board composition & committees •Audits & Reporting •Disclosures & Stakeholder engagement

In last 5 years, ESG reporting has become a focus area through both regulatory as well as voluntary disclosure efforts. Last decade has seen a steady growth in number of companies with ESG disclosures as well as the institutional investors paying close attention to ESG Aspects of companies. ESG investing was once a niche thematic investment approach for crème de la crème institutions but has quickly grown into becoming a fundamental factor for all stakeholders i.e., regulatory bodies, government authorities, business partners and investors.

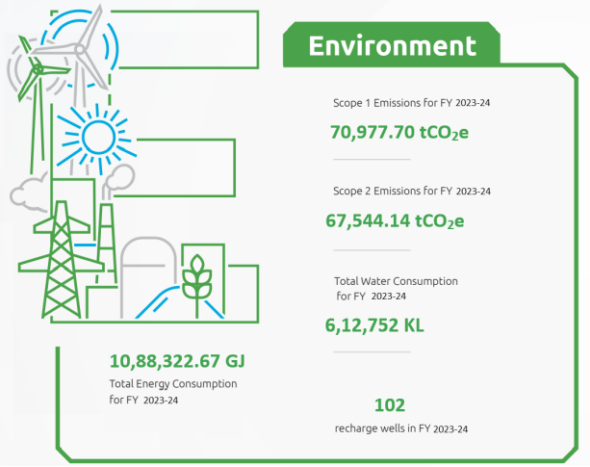
Sources of Data



Note: These aspects are indicative of major inputs and sources. The list is not exhaustive.

Environmental Performance

The pharmaceutical sector is heavily reliant on various resources during its manufacturing stages. The Company is committed in enhancing the efficiency of material usage by implementing initiatives aimed at process excellence. These initiatives contribute to higher yields and solvent recycling, ultimately leading to a reduction in the Company's total material usage.



GHG Emissions and other Air Emissions – The Company is actively engaged in reducing their greenhouse gas (GHG) emissions throughout their operations. This is achieved by consistent monitoring the carbon emissions and adopting measures such as transitioning to renewable energy sources and incorporating energy-saving technologies. The Company has shifted to solar energy as an alternative to conventional grid electricity. It has also upgraded their older, less efficient boilers to newer, high-efficiency models. Additionally, Company has invested in high-efficiency equipment and machinery, replacing outdated and less energy-efficient units. Thus, Company has successfully lowered their total Scope 1 and Scope 2 GHG emissions by deploying a variety of technologies in their engineering and Effluent Treatment Plant (ETP) sectors. The Company also focused on using waste heat from Multi Effect Evaporator (MEE) stripper and boiler blow down in pre-heating the boiler which resulted in savings of 3MTof steam per day. During FY2024, total GHG Emissions (Scope 1&2) (TCO2) was reduced by 16% (YoY) and 19% reduction in Indirect Energy Consumption.

Emissions during manufacturing process includes nitrogen oxides, sulphur, particulate matter, and volatile organic compounds, which negatively affect the environment. To overcome this problem, Company has installed a Continuous Emission Monitoring System (CEMS) in all boilers within their Active Pharmaceutical Ingredient (API) units.

This system enables the real-time monitoring of emissions, allowing them to swiftly detect any irregularities and implement prompt corrective measures to ensure that emissions remain within the regulatory standards. The Company has also implemented initiative like using low imported low sulphur coal, installing Electrostatic precipitator (ESP)/bag filters in boilers, implementing line injection method in boilers, multi-stage scrubbing at all vents to reduce the air emission impacts of the operations.

Water and Wastewater Management- The Company primarily uses groundwater and over recent years, it has significantly invested in creating a groundwater recharge system, which has enabled them to replenish more groundwater than extracted. The Company is earnestly striving to achieve a net positive water balance in the upcoming years by effectively implementing innovative water management strategies throughout our operations. It has established a comprehensive Zero Liquid Discharge (ZLD) system at all of their API facilities to prevent the release of contaminated water into the environment. The Company is actively working on the path to become water positive in the forthcoming years, through effective implementation of innovative water management practices across its operations. In FY2024, the Company has achieved 28% reduction in Water Consumption (KL/MT).

Waste Management – Company's waste streams include ETP sludge, spent solvent, process residue, evaporation sludge, metal scrap, glass bottles, etc. To manage these, Company has implemented a waste management strategy to treat waste as resource and tries to incorporate the waste as some useful alternatives. Glass or vial crushers have been provided in the units, where there is substantial generation of these items. All hazardous waste is disposed under manifest system in dedicated hazardous waste transport vehicles, having GPS tracking facility. The Company displays a great example of using 5R (Reduce, reuse, recycle, recover and rethink) waste hierarchy principal within its operation to manage waste in an efficient and effective manner. In FY2024, 21% reduction in Hazardous Waste (MT/MT of Production) was achieved.

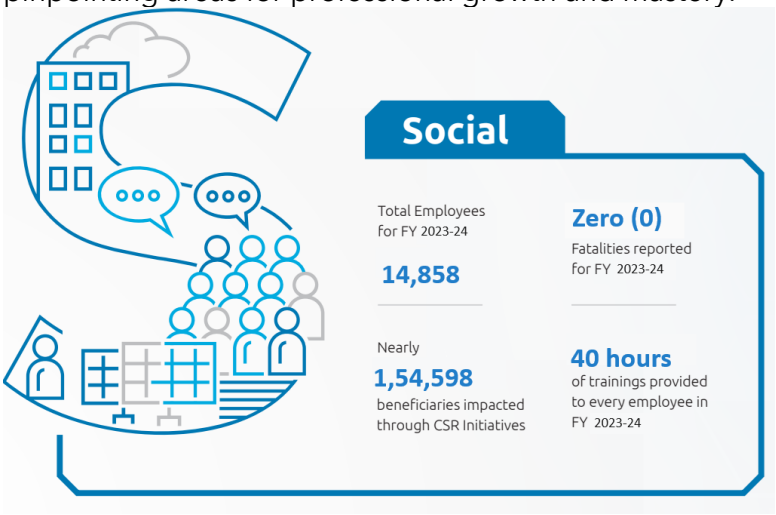
Following are the other initiatives taken to achieve the environmental goal taken by the Company:

- Developed 82 numbers of recharge well and planted 20,000 trees so far.
- Establishment of a state of-the-art ground mount solar park in the Village Bhatpur of Vadodara district, covering an expansive 30-acre land area and boasting an impressive capacity of 12 MW.
- 100 days plastic waste collection campaign
- Joining hand with cement industry for co-processing

- Maintaining a lush green tree cover across its sites to maintain biodiversity balance. It's largest industry campus in village Panelav is surrounded by a lush green tree plantation.
- Company has procured additional land for developing green belt in Panelav region and has already planted 15,000 number of trees in and around its facilities. The Company endeavour to upgrade the number of trees planted to 50,000 by 2027, using Miyawaki method of plantation.

Social Performance

The Company has initiated a program to cultivate their own pool of talent. This involves recruiting new graduates and providing them with comprehensive training from their seasoned staff. Varied range of in-house training initiatives is designed to holistically advance their employees' career performance. These programs cater to both the newly joined and those progressing within their organization over time. Furthermore, every employee undergoes regular performance evaluations, which play a crucial role in pinpointing areas for professional growth and mastery.



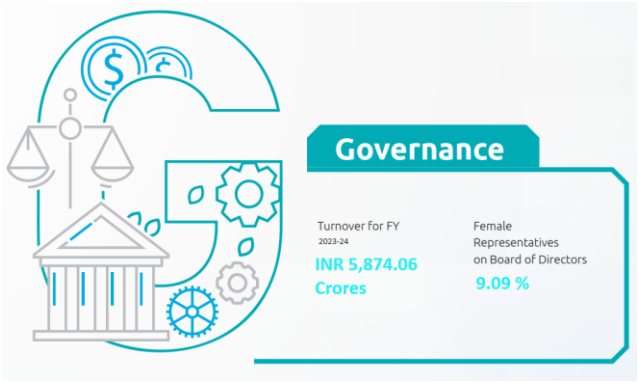
Occupational Health & Safety is a fundamental value at Alembic and is recognized as vital importance in their daily operations. Company has pinpointed several industry-specific hazards, particularly those related to the handling of dangerous chemicals, solvents, and reagents. The Company provides training on safety procedures to its employees. To ensure the safety and health of workforce, Company provides round-the-clock access to medical professionals and ambulance services at their Occupational Health Centres (OHC) across all sites. OHS framework is implemented throughout the facilities, following a systematic approach to data gathering.

Company follows Process Hazard Analysis (PHA) guidelines to identify and control risks, employing a comprehensive strategy that incorporates techniques such as Hazards and Operability (HAZOP), Failure Mode and Effects Analysis (FMEA), Job Safety Analysis (JSA),

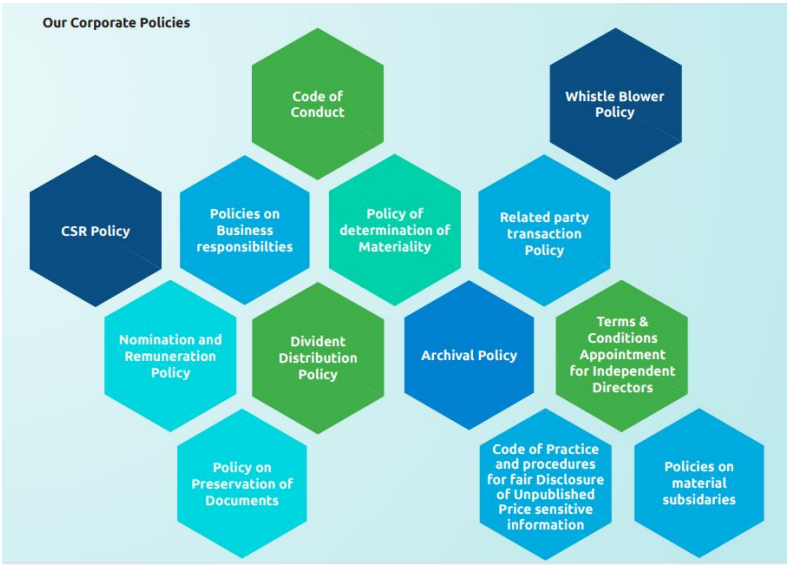
and Hazard Identification & Risk Assessment (HIRA). The team of experts systematically reviews and updates risk assessment procedures to effectively manage hazardous situations. They implement preventative strategies on a scheduled basis, ensuring proactive management of potential risks.

Governance Performance

For Governance Performance, the Company is committed to values and ethical business code.



Alembic endeavours to make its management team empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. The Company has advocated on various areas concerning economic reforms, best practices, new standards or regulatory development pertaining to pharmaceutical industry through the associations, from time to time. To ensure identification, assessment and effective management of risks, Company has 4-tier risk governance system (The Board, Audit Committee, Risk management committee and leadership team).



Source: Company website, Sustainability Report 2023 and as provided by the management

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a responsible organisation, it believes in giving back to society and bringing about transformation in the lives of communities in the plant vicinity and people in the unorganised sector. All CSR initiatives are strategically designed and monitored to make a tangible difference to the communities and the environment in which it operates. When measured, the outcome of these activities stands as testimony to the Company being a responsible and caring organisation.

The Company's CSR Policy is in adherence to the provisions of Section 135 of the Act read with rules framed thereunder and provides for carrying out CSR activities in the area of Education, Healthcare including preventive healthcare, Rural Development, Sanitation, etc. either directly by the Company or through 'Non-Profit Organisations', viz. Alembic CSR Foundation, Bhailal Amin General Hospital, Rural Development Society, Uday Education Society and others or by way of contribution to Central / State Government Relief Funds.

(i) Bhailal Amin General Hospital (BAGH):

Support BAGH in promoting healthcare including preventive healthcare through:

- Donation in cash or kind (medicines / drugs manufactured by the Company) to BAGH for specific activities.
- Sponsorships of free medical check-ups for community in vicinity of the manufacturing facilities of the Company.
- Sponsorships of medical treatment for poor as recommended by committee of Doctors of BAGH.
- Sponsorships of equipped Ambulance or such other specific equipment as
- may be required by BAGH.

(ii) Rural Development Society (RDS):

Support RDS in promoting following initiatives through donating in cash or kind as may be required by RDS:

- Running of School with Hostel for students of poor families free of cost.
- Operating Medical Dispensary with qualified doctor for preliminary medical facilities to the poor patients free of cost.
- Conducting Vocational Training Courses like carpentry, plumbing, electrician, tailoring, etc. with a view to make people self-reliant.
- Undertaking various activities with the objective of development of local villages by running sanitation campaigns, de-addiction programs, malnutrition awareness programs, HIV/AIDS awareness programs, etc.

(iii) Alembic CSR Foundation:
Support Alembic CSR Foundation in promoting following initiatives through donating in cash or kind as may be required by Alembic CSR Foundation:

- Adoption of Schools in tribal / backward areas.
- Sanitation.
- Community outreach programs.
- Adoption of Children's homes / Government institution for destitutes.
- Rural Development Projects.
- Healthcare including preventive healthcare.
- Promoting Education.
- Promotion of Sports.
- Promotion and Development of Traditional Arts and Handicrafts.
- Flood relief activities.
- Employment enhancing vocational skills.
- Other areas / activities prescribed under Schedule VII of the Companies Act, 2013.

iv) Spread of Education at affordable cost to students of poor or low-income groups through the following trusts, by donations in cash or kind:

- Uday Education Society.
- Bal Utkarsh Society.
- Utkarsh Vidya Kendra.
- Vidyanidhi Trust – Bengaluru
- Ujjwal Vidyalaya – Bengaluru

A. Average net profit of the Company as per section 135(5): INR 8,064 million.

B. Two percent of average net profit of the Company as per section 135(5): INR 161 million.

C. Total CSR obligation for the financial year: INR 161 million.

D. Amount spent on CSR Projects (Both Ongoing and other than ongoing Projects): INR 129 million.

E. Amount spent in Administrative Overheads (including capital assets for administrative purpose): INR 2 million.

F. Amount spent on impact assessment, if applicable: INR 1 million.

G. Total amount spent for the Financial Year: INR 132 million.

H. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (INR in million)	Amount Unspent (INR in million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
132	29	24th April 2024	-	Nil	-

Source: Annual report 2024, Company website

RATING DRIVERS AND SENSITIVITIES

- RATING GLOSSARY
- RATING DRIVERS
- RATING SENSITIVITIES

RATING GLOSSARY

D&B Indicative Risk Rating consists of two parts, the Financial Strength, and the Composite Appraisal. Financial Strength is an indication of the tangible networth. The Composite Appraisal is linked to the level of risk and is an overall evaluation of credit worthiness. It considers the financial condition and several factors such as trade reference history, legal structure, management experience and any adverse listings.

Indicative Risk Rating: D&B Indicative Risk Rating of '5A' implies that the Company has a tangible networth of INR 4,800,000,000 and above as per latest available audited financial statements.

Financial Strength	Tangible Networth
5A	INR 4,800,000,000 & Above
4A	Between INR 2,000,000,000 & INR 4,799,999,999
3A	Between INR 960,000,000 & INR 1,999,999,999
2A	Between INR 200,000,000 & INR 959,999,999
1A	Between INR 96,000,000 & INR 199,999,999
A	Between INR 48,000,000 & INR 95,999,999
B	Between INR 28,000,000 & INR 47,999,999
C	Between INR 14,000,000 & INR 27,999,999
D	Between INR 9,600,000 & INR 13,999,999
E	Between INR 4,800,000 & INR 9,599,999
F	Between INR 2,800,000 & INR 4,799,999
G	Between INR 1,200,000 & INR 2,799,999
H	Upto INR 1,199,999

Note: The Financial Strength component of D&B Rating is derived from Tangible Networth of the Company. The changes are being made to the ranges of monetary values of the Tangible Networth cut offs for both Current as well as Former assigned Financial Strength component. This change applies to all Indian businesses in the Dun & Bradstreet Data Cloud. The ranges are being updated to align with Dun & Bradstreet global standards from 21st April 2023.

Composite appraisal: '2' indicates that the overall status of the Company is 'Good'.

	Composite Appraisal	
	**1 Strong Minimal Risk**	Proceed with transaction – offer extended terms if required
	**2 Good Low Risk**	Proceed with transaction
	**3 Fair Slightly greater than average Risk**	Proceed with transaction but monitor closely
	**4 Limited Significant Level of Risk**	Review each case before extending credit and obtain more information. Take suitable assurances before extending credit, guarantees may be needed

Alternate Ratings	Description
N	Negative Tangible Networth
ER	Certain lines of business, primarily banks, insurance companies and government entities do not lend themselves to classification under the D&B Rating system. Instead, we assign these types of businesses as Employee range symbol based on the number of people employees. No other significance should be attached to this symbol. ERN should not be interpreted negatively. It simply means we do not have information indicating how many people are employed at this firm.
NQ	Not Quoted. This is generally assigned when a business has been confirmed as no longer active at this location, or when D&B is unable to confirm active operations. It may also appear on some branch reports, when the branch is located in the same city as the headquarters.
-	Undetermined - Assigned to concerns where there is insufficient information available to express any opinion on the condition, financial soundness, or payment history of the concern. A concern with no telephone number will also be assigned a "– "condition.
NB	New Business: Less than 24 months

RATING DRIVERS

Long track record of operations and extensive experience of management driving business growth:

Established track record of more than 10 decades and stable performance indicates its ability to survive economic & business cycles. The Company is currently controlled and managed by experienced management with Mr. Chirayu Ramanbhai Amin as Chairman and CEO of the Group. He has completed Bachelor of Science and Master's in Business Administration and has more than five decades of related experience. He is further supported by Mr. Pranav Chirayu Amin and Mr. Shaunak Chirayu Amin, who has over 20 years of experience in pharmaceutical industry. Other board members too are equally qualified and have relevant industry experience. This relevant experience and qualification aids in building network and facilitates in driving the business growth of the Group.

While the long-standing experience of the promoters in the business has helped the Group to establish strong market position in the domestic formulations market (with a market share of 1.5% as per IQVIA MAT March 2024), its rapid growth in the international market is owing to the management's strong adaptability and implementation skills. Over the last five years the Group has successfully changed its market positions across markets, where increased R&D spending has helped it launch a broad product base in the USA market. At the same time, the Group has also expanded in the other markets like Europe, Canada and Australia through its strong and quality product base. Even in the domestic market, the Group has successfully changed its product mix to concentrate more on the chronic therapeutic segment against its earlier portfolio which focus on the acute segment.

Furthermore, the promoters' presence in the industry has helped the Group to establish healthy relationship of around a decade with reputed customers in international markets like Apotex Pty Ltd, Sandoz Group, Teva Canada Limited, amongst others, which ensures repeat orders from them. For domestic market, it has established strong marketing team to facilitate reach on pan India basis. Thus, long standing presence of the promoters, and established market position will help the Group to sustain its business profile and drive revenue growth.

Strong research and development capabilities ensuring strong product pipeline and ANDA approvals across therapeutic segments :

The Group has witnessed a significant growth in its business segments and has invested heavily in R&D which has led to year-on-year growth over the last couple of years. The Group has made significant investment in building capabilities reflected in R&D spends. R&D spend for the FY 2024 stood at INR 4800 million which is 7.6% of the total sales of FY 2024. The Group has an R&D team of more than 800 plus qualified personnel with two R&D centres located in Vadodara (Gujarat), Hyderabad (Telangana). The Vadodara unit is the mainstay innovation

centre, which develops non-oncology molecules. The Hyderabad unit, a more recent addition to the Group's innovation infrastructure develops both oncology and non-oncology molecules. Currently, ~90% of the Group's R&D spending is directed towards the USA market. Going forward, the Group expects to maintain this momentum with an objective to build an even stronger product pipeline focusing the USA and also the ROW markets. A strong R&D focus has helped the Group enter several new therapeutic segments like injectables, oncology, dermatology, ophthalmology and NCEs within the last five years. The Groups' ANDA filings have remained notable during the last five years.

The Group has 147 products in the US market as on 31st March 2024. During FY 2024, the Company filed 15 ANDAs and received approvals for 15 ANDAs taking the total filed ANDAs to 260 and pending approval to 63 as on 31st March 2024. The Group launched 15+ products for US market during FY 2024. At present F1 facility of the Company is overutilized. F4 facility will be utilized to its 30% capacity by Q4 FY 2025, and it will be utilized 60-70% of its installed capacity by end of FY 2026. Some products will also be shifted from F1 to F4 in near term. At present F2 and F3 are having lower utilization. As on date the Company has received approval of 11 new products for FY 2025. Further, it plans to file 15-20 products every subsequent year over the next 2-3 years. 71 new products that are launched in specialty and animal health spaces in FY2023 and FY2024 are for catering to domestic market.

Alembic's robust R&D activities have also influenced its domestic growth with a large product portfolio of around 185 brands in the market. While majority of its portfolio in this market was tilted towards acute products during FY 2015, the Group has successfully maneuvered its stance as majority portfolio in the domestic market now caters to the chronic therapeutic segment, which contributes ~54% of the revenue from domestic branded segment in FY 2024. During FY 2023, the Group has launched various new products, especially in the gynaecology and anti-diabetic spaces. It has also launched various new SKUs during the year, which generated respectable business. Thus, on the back of strong R&D, the Group has witnessed a significant growth in its products portfolio thereby strengthening its business profile.

Underleveraged capital structure and adequate liquidity profile providing financial flexibility:

The capital structure of the Company remained underleveraged with total debt equity ratio less than unity throughout the review period on account of strong tangible net worth base The Company has only short-term debt in the form of bank loans and loans in the form of commercial paper as on 31st March 2024. A low debt component as compared to its healthy tangible networth provides financial flexibility to procure additional funds for further expansion. Further, it makes the Company more attractive to lenders as there is less risk in terms of the ability to service the loan. With low dependence on borrowings and adequate profitability at absolute level (increased in FY 2024), the interest coverage ratio also remained adequate at 12.26 times for FY 2024.

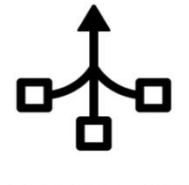
Although the Group has plans to undertake capex to the tune of INR 3,000 million for maintenance and will be funded via internal accruals.

Further, financial profile of the Group remains supported by adequate liquidity profile. The Group generated adequate net cash accruals of INR 7,313 million in FY 2024. The unencumbered cash balances stood at INR 1,202 million as on 31st March 2024. Since, there is no long-term debt as on 31st March 2024, there are no current debt obligations, thereby further providing comfort to its liquidity profile. Also, cash flow from operations stood positive at INR 8,032 million in FY 2024 vis-à-vis INR 7,240 million in FY 2023. Thus, low debt levels and adequate liquidity position is expected to support the Group's financial profile to leverage further in case of any business exigencies or to fund its incremental working capital requirements.

Working capital intensive nature of operations:

The Group's operations are working capital intensive as evident from high inventory and moderate collection period. Inventory holding has remained high and increased y-o-y till FY 2021 as a result of management's discussion to keep higher stock to cater to the demand from US market in case of shortage of any particular drugs. Further, large product basket has also led to high inventory holding during the review period. Although the inventory days came down in FY 2023 and FY 2024, it still remained high at 167 days. Finished goods inventory accounted for more than 50% of the total stock held throughout the review period. Collection cycle remained moderate, albeit declined to 61 days in FY 2024. The working capital requirements are funded through credit availed from suppliers, internal accruals, advances from customers and bank borrowings. Going forward with scaling up of operations, the working capital requirements may increase and hence efficient management of same with sustaining underleveraged capital structure and adequate liquidity remains crucial.

Consolidation among retailers leading to pricing pressure for generic drug manufacturers:



The drugstores in USA typically generate revenue by selling prescription drugs, over-the-counter medications, health and beauty products, and general merchandise. However, recently there is a trend of retail pharmacies acquiring medical clinics and pharmacy benefit management (PBM) companies (which process prescriptions for corporations and insurance companies and negotiate prices with drug manufacturers and retailers). The generic pharmaceutical manufacturers from India typically count a majority of these players as their customers. The top three drugstore companies in the USA, by store count, are Walgreens Boots Alliance (WBA), CVS Health (CVS), and Walmart (WMT) which account for more than 50% of the USA pharmacy market share.

Due to the recent consolidation trends, there is an increase in bargaining power with these retailers, thus affecting the pricing power of the generic drugs

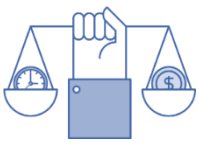
manufacturers in India leading to decline in the revenue and profitability of the Indian generics drug manufacturers. The same is reflected in the Group's performance during FY 2022 as well as FY 2023 wherein the US business has declined with impact on margins because of pricing pressure. However, during FY 2024 the Group revenue increased by ~11% supported by growth in international generic business followed by API business and domestic business. The Company is estimating ~10% growth in US generics market in spite pricing pressure considering new product launches in FY 2025. The Company already has strong product portfolio and new launches will be able to take care of products that will be going off patent. This will help them sustain growth (net of price erosion) in US market.

RATING SENSITIVITIES

Improvement and sustenance in profit margins & returns while scaling up its operations:

Profitability of the Group witnessed a decline in FY 2022 and FY 2023 because of the continuing price erosion in the US markets, persisting inflationary headwinds and increasing energy costs. The Group also expensed out the previously amortized R&D expenses (in erstwhile Aleor – now the Derma division). However, In FY 2025, the Company will be emphasizing on improvement in operating and net margins and increased capacity utilization at its F2, F3 and F4 facilities. Nevertheless, going forward, the ability of the Group to show sustained improvement in profit margins and returns while scaling up its operations remains crucial.

Prudent working capital management and improvement in liquidity position:



The Group's operations remained working capital intensive largely driven from its high inventory holding and moderate collection cycle. Further, large product basket has also led to high inventory holding during the review period. Although the inventory days came down in FY 2023 and FY 2024, it still remained high at 167 days. Finished goods inventory accounted for more than 50% of the total stock held throughout the review period. Collection cycle remained moderate, albeit it's decreased to 61 days in FY 2024. Going forward any incremental working capital requirements because of uptick in scale, may have an impact on cash flows and hence prudent management of same remains crucial.

Ability to adhere to stringent regulatory requirements:

The Group majorly operates in a regulated exports industry and the operations are subject to governmental regulations. Each authority has its own requirement, and they could delay or refuse to grant approval, even when a product has already been approved in another country. Although, the Company has received EIR for all its facilities and there are no pending observations as on FY 2024. However, any non-compliance may result in regulatory ban/restrictions on products/facilities and may impact Company's future approvals from USFDA and other regulatory bodies thus ability to adhere to stringent regulatory requirements remain crucial.

ANNEXURE

- FINANCIAL STATEMENTS
- AUDITORS OBSERVATIONS
- BANK DETAILS
- GROUP DETAILS
- AWARDS, CERTIFICATIONS & MEMBERSHIPS
- MEDIA ARTICLES

FINANCIAL STATEMENTS - CONSOLIDATED

Five Year Balance Sheet

In INR million

LIABILITIES AS ON:	31/Mar/20	31/Mar/21	31/Mar/22	31/Mar/23	31/Mar/24
Shareholders Fund					
Equity Share Capital	377	393	393	393	393
General Reserve	15,363	17,700	18,447	2	2
Debenture Redemption Reserve	833	1,250	500	-	-
Securities Premium Account	-	7,484	7,484	7,484	7,484
Foreign Exchange Adjustments	234	208	255	392	429
Retained Earnings	15,386	23,849	25,544	35,684	40,270
Minority Interest (Capital)	(289)	-	-	-	-
Other Reserves	-	(214)	(248)	(250)	(397)
Total Shareholders Fund	**31,904**	**50,670**	**52,375**	**43,705**	**48,181**
Non-Current Liabilities					
Long Term Bank Loans	3,875	2,999	1,999	-	-
Deferred Tax Liability	122	42	-	-	-
Debentures and Bonds	4,995	1,999	-	-	-
Provisions	745	855	958	1,062	1,095
Lease Liabilities (Long Term)	733	715	721	692	629
Less : Current Portion of Long Term Debt	-	(2,999)	(1,999)	-	-
Total Non-Current Liabilities	**10,470**	**3,611**	**1,679**	**1,754**	**1,724**
Current Liabilities and Provisions					
Accounts Payable	4,570	4,800	7,064	6,798	7,357
Creditors for Capital Goods	466	337	509	377	373
Other Payables / Accruals	1,689	1,888	989	738	883
Lease Liabilities	99	123	150	169	198
Bank Loans	3,105	-	1,800	5,359	3,304
Current Portion of Long Term Debt	-	2,999	1,999	-	-
Commercial Paper	5,500	-	2,500	1,000	1,000
Interest Accrued	108	103	54	3	9
Due to Customers	65	235	692	396	158
Trade Deposits	120	119	124	113	115
Unclaimed / Unpaid Dividends	73	60	65	64	60
Provision for Income Tax	-	21	-	-	-
Provision for Retirement Benefits	128	124	224	218	248
Other Provisions	255	396	412	483	404
Duties and Taxes Payable	419	537	584	459	442
Other Current Liabilities	920	1,067	-	192	-
Total Current Liabilities and Provisions	**17,517**	**12,809**	**17,166**	**16,369**	**14,551**
TOTAL LIABILITIES AND EQUITY	**59,891**	**67,090**	**71,220**	**61,828**	**64,456**

In INR million

ASSETS AS ON:	31/Mar/20	31/Mar/21	31/Mar/22	31/Mar/23	31/Mar/24
Fixed Assets					
Land and Buildings	5,584	5,996	6,189	7,822	7,942
Plant and Equipment	7,158	8,209	8,314	13,271	15,014
Leasehold Land	92	93	-	-	-
Leasehold Improvements	-	-	7	7	14
Transportation Vehicles	75	66	90	80	131
Furniture, Fixtures and Fitting	221	215	209	221	200
Office Equipment	67	75	78	155	122
Capital Work in Progress	15,741	19,443	22,058	6,013	5,244
Laboratory Equipments	2,052	2,375	2,527	2,428	2,044
Total Fixed Assets	**30,990**	**36,472**	**39,472**	**29,997**	**30,711**
Intangible Assets					
Product Development	2,721	2,383	984	-	-
Other Intangibles	269	856	564	-	-
Total Intangible Assets	**2,990**	**3,239**	**1,548**	**-**	**-**
Investments					
Investment in Group Companies / Affiliates	172	484	543	247	239
Investment in Unquoted Shares	-	-	-	71	99
Investment in Shares	4	4	235	235	206
Investment in Joint Ventures and Partnerships	-	5	408	411	302
Other Investments	-	-	-	-	84
Total Investments	**176**	**493**	**1,186**	**964**	**930**
Other Assets					
Deferred Tax Asset	-	-	59	1,230	1,696
Other Assets	1,107	367	349	537	333
Total Other Assets	**1,107**	**367**	**408**	**1,767**	**2,029**
Current Assets					
Cash and Bank	718	981	611	755	1,202
Balance in Unclaimed Dividend Account	71	59	64	64	60
Fixed Deposit Account	18	-	-	-	-
Margin Deposit Account	-	19	19	4	4
Accounts Receivable	8,648	3,486	8,071	10,464	10,248
Other Receivables	-	-	-	-	67
Inventory : Finished Goods	6,743	8,839	8,516	7,961	8,861
Inventory : Raw Material	2,941	4,408	5,069	4,522	4,691
Inventory : Work-in-Progress	554	668	886	751	695
Inventory : Trade Goods	906	636	1,172	1,076	1,660
Inventory : Others	731	311	454	443	528
Prepayments	281	357	370	553	501
Other Loans and Advances	863	687	563	585	652
Security Deposits (Current Assets)	87	89	90	98	110
Current Investments	-	1,870	-	-	31
TDS and Advance Tax	310	166	251	827	410
Balance with Customs, Port Trust And Excise Authorities	1,757	3,514	2,325	997	1,066
Other Current Assets	-	429	145	-	-
Total Current Assets	**24,628**	**26,519**	**28,606**	**29,100**	**30,786**
TOTAL ASSETS	**59,891**	**67,090**	**71,220**	**61,828**	**64,456**

Five Year Profit and Loss Statement

In INR million

For the period ended:	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Number of Months	12	12	12	12	12
Revenue	**44,920**	**52,762**	**52,318**	**54,998**	**61,121**
Less: Direct Expenditure	**(23,312)**	**(26,953)**	**(29,868)**	**(33,559)**	**(36,447)**
Cost of Materials and Finished Goods Consumed	(10,256)	(12,331)	(13,438)	(15,922)	(14,777)
Purchases for Resale	(2,709)	(2,659)	(3,605)	(3,801)	(4,549)
Electricity / Power and Fuel and Water Expenses	(1,024)	(1,187)	(1,208)	(1,515)	(1,734)
Repairs and Maintenance - Plant and Machinery	(321)	(354)	(374)	(416)	(594)
Salaries and Wages	(8,826)	(10,198)	(11,054)	(11,396)	(14,111)
Other Manufacturing Expenses	(176)	(224)	(189)	(509)	(682)
Gross Profit	**21,608**	**25,809**	**22,450**	**21,439**	**24,674**
Add: Other Operating Income	1,138	1,170	739	1,529	1,166
Less: General and Administration Expenses	**(4,240)**	**(4,987)**	**(4,913)**	**(5,962)**	**(6,254)**
Staff Welfare Expenses	(238)	(314)	(276)	(295)	(352)
Insurance	(75)	(128)	(181)	(191)	(209)
Communication Expenses	(369)	(578)	(620)	(737)	(840)
Professional and Legal Fees	(1,488)	(1,990)	(1,928)	(2,119)	(2,012)
Repairs and Maintenance	(190)	(474)	(145)	(244)	(217)
Travelling and Conveyance Expenses	(1,318)	(1,076)	(1,258)	(1,713)	(2,017)
Expenses towards Community Development and Donations	(138)	(203)	(227)	(320)	(211)
Other General Expenses	(401)	(224)	(278)	(343)	(396)
Less: Selling and Distribution Expenses	**(5,312)**	**(6,874)**	**(8,904)**	**(9,523)**	**(9,968)**
Advertising and Marketing Expenses	(3,980)	(5,017)	(6,341)	-	-
Business Promotion Expenses	-	-	-	(6,810)	(7,325)
Freight Expenses	(1,332)	(1,857)	(2,563)	(2,713)	(2,643)
Less: Loss on Sale of Fixed Assets	(537)	-	-	(47)	-
Less: Loss on Foreign Exchange Transactions	-	-	-	(1)	-
Less: Bad Debts written off	(5)	(2)	(52)	(64)	(29)
Less: Provision for Bad Debts	(86)	(61)	(73)	-	(54)
Less: Research and Development Expenditure	(426)	(254)	(505)	(291)	(210)
Less: Depreciation / Amortization and Depletion	(1,573)	(1,835)	(2,868)	(2,754)	(2,727)
Operating Profit	**10,567**	**12,966**	**5,874**	**4,326**	**6,598**
Add: Other Non Operating Income	**139**	**875**	**504**	**30**	**291**
Lease Rent and Hire Charges	-	-	1	1	1
Interest Income	17	16	17	3	21
Profit on Sale of Fixed Assets	12	27	5	1	45
Profit on Sale of Investments	9	50	28	6	16
Profit on Foreign Exchange Transactions	85	773	443	-	177
Advances and Doubtful Debts written back	5	2	-	3	7
Insurance Claim Received	11	6	9	14	20
Miscellaneous Income	-	1	1	2	4
Earnings before Interest and Tax (EBIT)	**10,706**	**13,841**	**6,378**	**4,356**	**6,889**
Less: Interest Expenditure	**(272)**	**(160)**	**(177)**	**(502)**	**(562)**
Other Interest	(272)	(160)	(177)	(502)	(562)
Profit before Tax and Extraordinary Items	**10,434**	**13,681**	**6,201**	**3,854**	**6,327**
Add / Less Extraordinary Items Before Tax	**(437)**	**-**	**-**	**(309)**	**(10)**
Net Profit before Taxation and after Extraordinary Items	**9,997**	**13,681**	**6,201**	**3,545**	**6,317**
Less: Total Tax Provision	**(1,992)**	**(2,533)**	**(1,044)**	**(126)**	**(159)**
Tax Provision	(2,035)	(2,629)	(1,279)	(34)	(620)
Add / (Less): Current Year Deferred Tax	43	96	235	(92)	461
Profit after Tax	**8,005**	**11,148**	**5,157**	**3,419**	**6,158**
Extraordinary Items : Others	(94)	28	53	-	-
Profit after Tax and Extraordinary Items	**7,911**	**11,176**	**5,210**	**3,419**	**6,158**
Prior Year Adjustment	(416)	(416)	204	-	-
Less: Minority Interests	282	-	(763)	-	-
Less: Dividends	(3,260)	-	(2,752)	(1,965)	(1,572)
Transfer to Reserves	(2,000)	(2,917)	-	8,686	-
Plus Retained Earnings b/f	12,869	15,386	23,849	25,748	35,888
Retained Earnings c/f	**15,386**	**23,229**	**25,748**	**35,888**	**40,474**

Extraordinary Item FY 2023 and FY 2020

During FY 2020, exceptional items relate to impairment provision on investment and loan given to Alembic Mami Algeria - Joint Venture held by wholly owned subsidiary of the company INR 690.6 million, compensation to National Green Tribunal INR 100 million and write back of certain provisions, refund by vendor for nonperformance and settlement of INR 354.2 million,

During FY 2023 the Group incurred loss of INR 309.2 million from associates and joint ventures.

Source: Annual report

Five Year Cash Flow Statement

In INR million

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
A) Opening Balance of Cash & Cash Equivalents	1,991	718	981	611	755
B) Cash inflows from Operating activites	4,491	14,634	5,524	7,240	8,032
C) Cash Inflows from Investment activities	32	69	1,930	28	152
D) Cash Inflows from Financing activities	8,094	7,341	4,299	2,074	-
E) Total Cash available (A+B+C+D)	**14,608**	**22,762**	**12,734**	**9,953**	**8,939**
F) Cash Outflows from Investment activities	7,348	8,457	5,649	4,504	3,358
G) Cash Outflows from Financing activities	6,546	13,315	6,473	4,694	4,379
H) Total Disbursement (F + G)	**13,894**	**21,772**	**12,122**	**9,198**	**7,737**
Effect of exchange rate changes on cash and cash equivalents (E)	4	(9)	-	-	-
Closing Balance of Cash & Cash Equivalents (E-H)	**718**	**981**	**612**	**755**	**1,202**

AUDITOR'S COMMENTS & OBSERVATIONS - CONSOLIDATED

Observations from the auditors' report for the year ended 31st March 2024:

Other Matters

(I) (a) Auditor did not audit the financial statements of 4 subsidiaries included in the consolidated financial statements, whose financial statements for the year ended 31st March 2024 reflect as follows:

Particulars	INR in Million
Total Assets	15,003
Total Revenues	19,138
Total Net profit/(loss) after tax	574
Total Comprehensive Income	611
Total Cash Inflow / (Outflow) (net)	463

The financial statements of these 4 subsidiaries have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

(b) Certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in the respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in its respective countries to accounting principles generally accepted in India. As per auditor's opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by the auditor.

(ii) The consolidated financial statements also include the Group's share of net loss after tax, and total comprehensive income for the year ended 31st March 2024 as mentioned below, in respect of 1 Associate based on their financial statements which have not been audited by auditor. These financial statements have been audited by other auditor whose report has been furnished to auditor by the Management and auditor's opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Associate, is based solely on the report of the other auditor.

Particulars	INR in Million
Total Net profit/(loss) after tax	(1)
Total Comprehensive Income	(1)

As per auditor's opinion on the consolidated financial statements is not modified in respect of the above Other Matters with respect to auditor's reliance on the work done and the reports of the other auditors.

Source: Annual report 2024

Observations from the auditors' report for the year ended 31st March 2023:

Other Matters

Auditor did not audit the financial statements of 3 subsidiaries included in the consolidated financial statements, whose financial statements for the year ended 31st March 2023, reflect as follows:

Particulars	INR in Million
Total Assets	12,536
Total Revenues	15,170
Total Net profit/(loss) after tax	(187)
Total Comprehensive Income	(50)
Total Cash Inflow / (Outflow) (net)	63

The financial statements of these 3 subsidiaries have been audited by other auditors whose reports have been furnished to auditor by the management and auditor opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in the respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in its respective countries to accounting principles generally accepted in India. Auditor opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by auditor.

The consolidated financial statements also include the Group's share of net profit after tax, and total comprehensive income for the year ended 31st March 2023, as mentioned below, in respect of 1 associate based on their financial statements which have not been audited by auditor. These financial statements have been audited by other auditor whose report has been furnished to auditor by the Management and auditor opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of the other auditor.

Particulars	INR in Million
Total Net profit/(loss) after tax	2
Total Comprehensive Income	2

Auditor opinion on the consolidated financial statements is not modified in respect of the above other matters with respect to our reliance on the work done and the reports of the other auditors. Refer Annexure 1 for entities included in the consolidated financial statements.

Other Matter

Auditor aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so

far as it relates to an associate company, which is company incorporated in India, is based on the corresponding report of the auditor of such company.

Source: Annual report 2023

Observations from the auditors' report for the year ended 31st March 2022:

Other Matters

(i) a. Auditor did not audit the financial statement of 1 subsidiary included in the consolidated financial statement, whose financial statements year ended 31st March 2022 reflect as follows:

Particulars	Amount not deposited (INR in Million)
Total Assets	12,318.60
Total Revenues	18,144.50
Total Net profit/(loss) after tax	426.80
Total Comprehensive Income	465.40
Total Cash Inflow / (Outflow) (net)	89.30

These financial statements have been audited by other auditor whose report have been furnished to auditor by the management and auditor conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of the other auditor and procedure performed by auditor as stated in paragraph 3 above.

b. Auditor did not audit the financial statements of 1 subsidiary included in the consolidated financial statements, whose financial statements for the year ended 31st March 2022 reflect as follows:

Particulars	Amount not deposited (INR in Million)
Total Assets	680.80
Total Revenues	255.20
Total Net profit/(loss) after tax	98.30
Total Comprehensive Income	106.30
Total Cash Inflow / (Outflow) (net)	(5.77)

These financial statements have been reviewed by other auditors whose review report have been furnished to auditor by the management and auditor conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the review report of the other auditors and procedure performed by auditor as stated in paragraph 3 above.

a. Auditor did not audit the financial statements of 1 step-down subsidiary included in the consolidated financial statements, whose financial statements for the year ended 31st March 2022 reflect as follows:

Particulars	Amount not deposited (INR in Million)
Total Assets	1.80
Total Revenues	-
Total Net profit/(loss) after tax	(0.20)
Total Comprehensive Income	(0.20)
Total Cash Inflow / (Outflow) (net)	(0.20)

This financial statements have not been audited/reviewed by other auditors. The financial statement is provided to auditor by the Management of the Company and auditor conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this step-down subsidiary is based solely on the financial statement provided by the Management. In auditor opinion and according to the information and explanations given to auditor by the Board of Directors, this financial statement is not material to the Group.

b. Certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in the respective country and which have been audited by other auditors under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. Auditor opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by auditor.

(ii) The consolidated financial statement also include the Group's share of net profit / (loss) after tax, and total comprehensive income for the year ended 31st March 2022 as mentioned below, in respect of 1 associate based on their financial statements which has not been audited by auditor. This financial statement has been audited by other auditor whose report has been furnished to auditor by the Management and auditor opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the reports of the other auditor and the procedures performed by auditor as stated in paragraph 3 above:

Particulars	Amount not deposited (INR in Million)
Total Net profit after tax	2.10
Total Comprehensive Income	2.10

Auditor opinion on the consolidated financial statement is not modified in respect of the above other matters with respect to auditor reliance on the work done and the reports of the other auditors. Refer Annexure 1 for entities included the annual consolidated financial statements.

✓ **Other Matter**

Auditor aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one associate company, which is company incorporated in India, is based on the corresponding report of

the auditor of such company incorporated in India. Auditor opinion is not modified in respect of the above matter.

Source: Annual report 2022

Observations from the auditors' report for the year ended 31st March 2021:

Other Matters

The comparative financial information of the Group and its associate included in these consolidated financial statements, are based on the previously issued consolidated financial statements for the year ended 31st March 2020 which were audited by the predecessor auditors who, vide their report dated 22nd May 2020, expressed an unmodified opinion.

Auditor did not audit the financial statements of 3 subsidiaries included in the consolidated financial statements, whose financial statements reflect as follows:

Particulars	Amount not deposited (INR in Million)
Total Assets	12,994.60
Total Revenues	23,283.10
Total Net profit/(loss) after tax	(402.50)
Total Comprehensive Income	(83.30)
Total Cash Inflow / (Outflow) (net)	10.00

These financial statements have been audited by other auditors whose reports have been furnished by the Management, and auditors opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in the respective country and which have been audited by other auditor under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. These converted financial statements have been either audited or certified by an Independent Chartered Accountant in India appointed by the Company for the specific purpose and have been relied upon by Auditors. Auditors' opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by the auditor or based on the report of independent Chartered Accountant as mentioned above.

The consolidated financial statements also include the Group's share of net profit / (loss) after tax, and total comprehensive income for year ended 31st March 2021 as mentioned below, in respect of 1 associate, whose financial statements have not been audited by auditor.

Particulars	Amount not deposited (INR in Million)
Total Net profit after tax	3.60
Total Comprehensive Income	3.60

These financial statements have been audited by other auditor whose report has been furnished to auditor by the Management and auditor opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditor.

Auditor opinion on the consolidated financial statements, and auditor report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to auditor reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Re: Subsidiary Company, i.e., Aleor Dermaceuticals Limited. (Aleor)
Aleor's auditors have modified their audit opinion on year ended 31st March 2021 as under:

"Basis for Modified Opinion

As mentioned in Note no. 32(XV) and for the reasons stated therein, the company has measured its financial liability of Non-convertible Redeemable Debentures (NCRD) at cost and not as per amortised cost as mandated by Ind AS 109-Financial Instruments. Had the NCRD been measured at amortised cost, the borrowing cost for the period to be included in the Property, plant and equipment (PPE), intangible assets and qualifying asset Capital Work-in-Progress and Intangible asset under development would be higher by INR 540 million (PY. INR 497 million).

Further, the borrowing costs for the period to be recognised as expense would be higher by INR 394 million (PY. INR 161 million) on account of borrowing cost attributable to Property, plant and equipment (PPE) and Intangible assets capitalised during the year and accordingly Total Comprehensive Income and shareholders' funds both would have been lower by INR 394 million (PY. INR 161 million) with corresponding effect on Earning Per Share (EPS) of the Company for the Year ended 31st March 2021.

As a result of above, the amount of Property, Plant and Equipment, intangible assets and qualifying assets Capital Work-in-Progress and Intangible asset under development would be higher by INR 1,654 million (PY. INR 1,113 million) and the corresponding financial liability for the NCRD would have been higher by INR 2,209 million (PY. INR 1,275 million)."

Corresponding interest income for the period amounting to INR 934 million (cumulative interest income till date of INR 2,209 million) has not been recognized by the Holding Company and is considered as a contingent asset in separate financial statements of Holding Company. Further, the said NCRD have been carried at cost in separate financial statements of Holding Company as per Ind AS 27.

On consolidation of financial statements (a) the said investment by Holding Company and financial liability of Subsidiary and (b) borrowing cost of Subsidiary and interest income of Holding Company gets eliminated. Therefore, it does not have any financial impact on the Group's Consolidated Financial results. Auditor audit opinion is not modified in respect of this matter.

Source: Annual report 2021

Observations from the auditors' report for the year ended 31st March 2020:

Other Matters

The consolidated Financial Statements include the audited Financial Statements of 10 subsidiaries whose Financial Statements / financial information reflect total assets of INR 19,018 Million as at 31st March 2020, total revenue of INR 22,117 Million for the year ended on 31st March 2020 and cash flows (net cash outflow) of INR 230 Million for the period year ended on 31st March 2020, as considered in the consolidated Financial Statements, which have been audited/ subjected to limited review by their respective independent auditors. The independent auditors' reports on financial statements / financial information of these subsidiaries have been furnished to Auditor and opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors.

The consolidated Financial Statements include the Group's share of net profit in 4 associates of INR 1 million for the year ended on 31st March 2020 which have been audited/ subjected to limited review by their respective independent auditors. The independent auditors' reports on financial statements /financial information of these associates have been furnished to Auditor and opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on the report of such auditors.

Audited financial statements for the year in respect of 1 Joint venture of the Group have not been received by the Group. No further share of loss in that joint venture is required to be borne by the Group as the entire Equity capital and loan given to it, is fully provided for, pending formal legal process for dis-association which is still to be initiated by the Group.

Re: Subsidiary company, i.e., Aleor Dermaceuticals Limited. (Aleor)

Aleor's auditors have modified their audit opinion in financial statements for the year ended on 31st March 2020 regarding the fact that Aleor has measured its financial liability of Non-convertible Redeemable Debentures (NCRD) issued to the Holding company is valued at cost and is not at amortized cost as mandated by Ind AS 109-Financial Instruments. Had the NCRD been measured at Amortized Cost,

The borrowing cost for the year to be included in the Property, plant and equipment (PPE), Intangible assets and qualifying asset Capital Work-in Progress and Intangible assets under development would have been higher by INR 497 million (PY: INR 404 million)

The borrowing costs for the year to be recognized as expense would be higher by INR 161 million (PY: INR Nil) on account of borrowing costs attributable to Property, plant and equipment and Intangible assets capitalized during the year.

As a result of the above, the amount of Property, plant and equipment, Intangible assets and qualifying assets of Capital work in progress and Intangible assets under development as on 31st March 2020 would be higher by INR 1,113 million (PY: INR 616 million) and the corresponding financial liability of NCRD would have been higher by INR 1,275 Million.

Corresponding interest income up to 31st March, 2020 of INR 1,275 million (PY: INR 616 million) has not been recognized by the Holding company (Alembic Pharmaceuticals Limited - APL) and is considered as contingent assets. The said NCRD have been carried at cost in separate financial statements of APL as per Ind AS 27.
On consolidation of financial statements (a) the said investment by APL and Financial liability of Aleor and (b) borrowing cost of Aleor and interest income of APL gets eliminated. Therefore, it does not have any financial impact on the Group's Consolidated Financial statements.

Auditor opinion on the consolidated financial statements, and report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

Source: Annual report 2020

Contingent Liabilities as on as on 31st March 2020, 31st March 2021, 31st March 2022, 31st March 2023 and 31st March 2024:

(INR in Million)

Sr. No.	Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1	**Contingent Liabilities**					
	Contingent liabilities not provided for					
a	Letter of credit and Guarantees	1,134	960	614	1,067	407
b	Liabilities Disputed in appeals filed with respect to Indirect tax	-	-	-	18	132
i	Excise duty	2	2	2	-	-
ii	Sales Tax	34	25	6	-	-
c	Claims against the company not acknowleged as debt	4	4	4	4	4
d	Export obligation against advance licence	-	10	0	0	-
e	Disputed liability in respect of Ministry of Industry, Department of Chemicals and Petrochemicals in respect of price of Rifampicin allowed in formulations and landed cost of import	3	4	4	4	4
	Total (1)	**1,177**	**1,004**	**629**	**1,092**	**547**
2	**Capital Commitment**					
a	Estimated amount of contracts net of advances remaining to be executed on capital accounts	2,692	2,497	1,653	2,087	1,285
	Total (2)	**2,692**	**2,497**	**1,653**	**2,087**	**1,285**
	TOTAL (1+2)	**3,869**	**3,501**	**2,282**	**3,180**	**1,832**

Source: Annual report 2024 and Information retained from previous report

FINANCIAL STATEMENTS - STANDALONE

Five Year Balance Sheet

In INR million

LIABILITIES AS ON:	31/Mar/20	31/Mar/21	31/Mar/22	31/Mar/23	31/Mar/24
Shareholders Fund					
Equity Share Capital	377	393	393	393	393
Securities Premium Account	-	7,484	7,484	7,484	7,484
Retained Earnings	16,889	24,408	26,329	36,517	41,609
Total Shareholders Fund	**33,460**	**51,018**	**52,903**	**44,143**	**49,089**
Non-Current Liabilities					
Long Term Loans : Hire Purchase	-	-	-	-	-
Long Term Bank Loans	3,875	2,999	2,000	-	-
Deferred Tax Liability	458	461	464	-	-
Provisions	732	855	958	1,062	1,095
Less : Current Portion of Long Term Debt	-	(2,999)	(2,000)	-	-
Total Non-Current Liabilities	**10,793**	**4,031**	**2,042**	**1,648**	**1,624**
Current Liabilities and Provisions					
Accounts Payable	2,240	3,280	5,702	5,959	6,200
Creditors for Capital Goods	-	-	-	-	-
Other Payables / Accruals	2,701	3,264	1,497	1,115	1,253
Loans : Unsecured	-	-	-	-	-
Bank Loans	2,500	-	1,800	5,351	3,200
Current Portion of Long Term Debt	-	2,999	2,000	-	-
Interest Accrued	106	103	54	3	9
Due to Customers	65	236	692	396	158
Other Deposits	-	-	-	-	-
Provision for Income Tax	-	17	-	-	-
Provision for Retirement Benefits	172	124	224	217	245
Duties and Taxes Payable	397	536	584	458	439
Other Current Liabilities	355	131	-	192	-
Total Current Liabilities and Provisions	**14,535**	**11,386**	**15,795**	**15,513**	**13,273**
TOTAL LIABILITIES AND EQUITY	**58,788**	**66,435**	**70,740**	**61,304**	**63,986**

In INR million

ASSETS AS ON:	31/Mar/20	31/Mar/21	31/Mar/22	31/Mar/23	31/Mar/24
Fixed Assets					
Land and Buildings	3,683	5,146	6,000	7,630	7,851
Plant and Equipment	5,775	8,151	8,254	13,271	15,014
Leasehold Land	92	93	-	-	-
Leasehold Improvements	-	-	-	-	8
Transportation Vehicles	75	66	90	80	128
Furniture, Fixtures and Fitting	164	214	199	209	190
Office Equipment	49	75	78	156	122
Computers / Servers / Printers and other IT Equipment	-	-	-	-	-
Capital Work in Progress	15,700	19,443	22,058	6,013	5,244
Total Fixed Assets	**28,381**	**36,327**	**39,206**	**29,787**	**30,601**
Intangible Assets					
Trademark / Copyright / Patent	-	-	-	-	-
Software	-	-	-	-	-
Other Intangibles	-	855	564	-	-
Total Intangible Assets	**-**	**3,238**	**1,548**	**-**	**-**
Investments					
Investment in Unquoted Shares	2	5	235	306	389
Investment Properties	84	-	-	-	-
Total Investments	**8,416**	**1,561**	**2,194**	**2,293**	**2,267**
Other Assets					
Security Deposits (Non Current)	-	-	-	-	-
Other Assets	477	364	349	640	445
Total Other Assets	**477**	**364**	**349**	**1,422**	**1,233**
Current Assets					
Cash and Bank	282	537	136	217	201
Margin Deposit Account	18	19	19	4	4
Accounts Receivable	7,841	4,219	9,883	12,012	13,401
Inventory : Finished Goods	5,891	7,115	6,465	6,494	6,776
Inventory : Raw Material	2,922	4,386	4,992	3,890	3,852
Inventory : Work-in-Progress	554	668	886	751	695
Inventory : Trade Goods	477	447	680	550	847
Inventory : Others	887	803	946	1,066	1,360
Prepayments	224	286	301	482	435
Other Loans and Advances	425	422	295	416	528
Due from Directors / Shareholders / Promoters	-	-	-	-	-
TDS and Advance Tax	81	88	221	767	493
Balance with Customs, Port Trust And Excise Authorities	1,756	3,513	2,324	996	1,031
Interest Receivable	-	-	-	-	-
Total Current Assets	**21,514**	**24,945**	**27,443**	**27,802**	**29,885**
TOTAL ASSETS	**58,788**	**66,435**	**70,740**	**61,304**	**63,986**

Five Year Profit and Loss Statement

In INR million

For the period ended:	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Number of Months	12	12	12	12	12
Revenue	**40,195**	**49,500**	**49,875**	**50,031**	**57,576**
Less: Direct Expenditure	**(21,998)**	**(26,658)**	**(29,677)**	**(32,114)**	**(35,805)**
Cost of Materials and Finished Goods Consumed	(10,297)	(12,674)	(14,051)	(15,852)	(15,678)
Purchases for Resale	(2,443)	(2,793)	(3,533)	(3,372)	(4,497)
Electricity / Power and Fuel and Water Expenses	(974)	(1,183)	(1,205)	(1,512)	(1,733)
Sub Contract / Job Work Charges	(143)	(208)	(169)	(310)	(296)
Repairs and Maintenance - Plant and Machinery	(309)	(353)	(372)	(415)	(594)
Salaries and Wages	(7,832)	(9,447)	(10,347)	(10,653)	(13,007)
Freight Expenses [Direct]	-	-	-	-	-
Gross Profit	**18,197**	**22,842**	**20,198**	**17,917**	**21,771**
Add: Other Operating Income	1,130	1,170	479	1,459	1,166
Less: General and Administration Expenses	**(3,901)**	**(4,803)**	**(4,601)**	**(5,636)**	**(5,945)**
Staff Welfare Expenses	(232)	(314)	(276)	(295)	(352)
Insurance	(50)	(95)	(142)	(145)	(161)
Communication Expenses	(276)	(480)	(513)	(602)	(702)
Professional and Legal Fees	(1,400)	(1,998)	(1,882)	(2,057)	(1,957)
Repairs and Maintenance	(181)	(457)	(138)	(225)	(217)
Travelling and Conveyance Expenses	(1,261)	(1,071)	(1,218)	(1,674)	(1,975)
Expenses towards Community Development and Donations	(138)	(198)	(223)	(315)	(207)
Security Charges	-	-	-	-	-
Lease / Rent Charges	(7)	-	-	-	-
Other General Expenses	(356)	(190)	(209)	(323)	(374)
Less: Selling and Distribution Expenses	**(3,181)**	**(4,459)**	**(6,479)**	**(6,799)**	**(6,737)**
Advertising and Marketing Expenses	(2,450)	-	-	-	-
Business Promotion Expenses	-	(3,309)	(5,071)	(5,512)	(5,571)
Brokerage, Discount and Commission	-	-	-	-	-
Less: Bank and Finance Charges	-	-	-	-	-
Less: Depreciation / Amortization and Depletion	(1,357)	(1,825)	(2,849)	(2,730)	(2,712)
Operating Profit	**10,565**	**12,666**	**6,240**	**3,911**	**7,266**
Add: Other Non Operating Income	**1,455**	**841**	**510**	**38**	**321**
Lease Rent and Hire Charges	4	-	-	1	1
Interest Income	16	17	17	8	28
Profit on Foreign Exchange Transactions	107	738	450	9	217
Miscellaneous Income	-	1	-	2	4
Earnings before Interest and Tax (EBIT)	**12,020**	**13,507**	**6,750**	**3,949**	**7,587**
Less: Interest Expenditure	**(252)**	**(130)**	**(170)**	**(490)**	**(545)**
Other Interest	(252)	(130)	(170)	(490)	(545)
Profit before Tax and Extraordinary Items	**11,768**	**13,377**	**6,580**	**3,459**	**7,042**
Net Profit before Taxation and after Extraordinary Items	**11,668**	**13,377**	**6,580**	**3,459**	**7,042**
Less: Total Tax Provision	**(1,974)**	**(2,412)**	**(1,145)**	**8**	**(377)**
Tax Provision	(1,974)	(2,412)	(1,157)	-	(415)
Add / (Less): Current Year Deferred Tax	-	-	12	8	38
Other Tax	-	-	-	-	-
Profit after Tax	**9,694**	**10,965**	**5,435**	**3,467**	**6,665**
Profit after Tax and Extraordinary Items	**9,601**	**10,233**	**4,672**	**3,467**	**6,665**
Less: Dividends	(3,260)	-	(2,751)	(1,965)	(1,573)
Plus Retained Earnings b/f	12,965	16,889	24,408	26,532	36,720
Retained Earnings c/f	**16,889**	**23,788**	**26,532**	**36,720**	**41,812**

Five Year Cash Flow Statement

In INR million

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
A) Opening Balance of Cash & Cash Equivalents	1,442	356	537	136	217
B) Cash inflows from Operating activites	5,397	13,884	5,452	7,303	7,728
C) Cash Inflows from Investment activities	1,328	69	1,930	12	37
D) Cash Inflows from Financing activities	8,181	7,341	4,300	2,066	-
E) Total Cash available (A+B+C+D)	**16,348**	**21,650**	**12,219**	**9,517**	**7,982**
F) Cash Outflows from Investment activities	9,551	8,426	5,617	4,622	3,328
G) Cash Outflows from Financing activities	6,520	12,678	6,466	4,678	4,453
H) Total Disbursement (F + G)	**16,071**	**21,104**	**12,083**	**9,300**	**7,781**
Effect of exchange rate changes on cash and cash equivalents (E)	5	(9)	-	-	-
Closing Balance of Cash & Cash Equivalents (E-H)	**282**	**537**	**136**	**217**	**201**

AUDITOR'S COMMENTS & OBSERVATIONS - STANDALONE

Observations from the auditors' report for the year ended 31st March 2024:

During the year, the Company has provided loans and extended guarantee to companies, firms, limited liability partnership or any other parties as follows:

Particulars	Loan (INR in Million)
- Subsidiary	169
- Other party	-
Balance outstanding as at the Balance sheet date	
- Subsidiary	167

The auditor has broadly reviewed the books of account maintained by the Company pursuant to the order of the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. He has, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

According to the information and explanations given to auditor, there are no disputed dues in respect of value added tax, income tax, goods and services tax and duty of customs which have not been deposited. The following are the particulars of sales tax, central sales tax, entry tax, professional tax, and excise duty as of March 31, 2023, which have not been deposited on account of dispute:

Nature of the Statute	Nature of disputed dues	Amount (INR in Million)	Period to which the amount relates	Forum where dispute is pending
Sales Tax	Sales Tax	0	1st April 2006 to 30th November 2008	Additional Commissioner
	Sales Tax	0	2016-17	Joint Commissioner Appeals
	Sales Tax	0	2017-18	Joint Commissioner Appeals
Central Sales Tax	Central Sales Tax	1	2006-07	Deputy Commissioner
Entry Tax	Entry Tax	0	2013-14	Revisional Authority
	Entry Tax	23	April 2016 to June 2017	West Bengal Taxation Tribunal
Professional Tax	Professional Tax	0	2014-15	Joint Commissioner
Central Excise Act 1944	Excise duty	2	2013-14	Commissioner Appeals
	Excise duty	98	2020-2021 To 2022-2023	High Court, Gujarat
Customs Act 1962	Custom duty	9	2017-18 and 2020-2021	Commissioner Appeals
Goods ans Services Tax 2017	Goods and Sevices Tax	2	Oct-18	Commissioner Appeals
Goods ans Services Tax 2017	Goods and Sevices Tax	17	July 2017 to March 2018	Commissioner Appeals
Goods ans Services Tax 2017	Goods and Sevices Tax	0	FY 2018-2019	Commissioner Appeals
Goods ans Services Tax 2017	Goods andSevices Tax	0	FY 2019-2020	Commissioner Appeals

Source: Annual report 2024

Observations from the auditors' report for the year ended 31st March 2023:

Emphasis of Matter

Attention is drawn to Note No. 27(27)(c) to the standalone financial statements which describes the fact that pending requisite approvals of the Draft Scheme of Arrangement, an amount of H868.63 crores has been transferred from General Reserve to the Retained Earnings under the head "Other Equity" during the financial year ended on March 31, 2023, for which there is no specific accounting treatment specified in Ind AS.

During the year, the Company has provided loans and extended guarantee to companies, firms, limited liability partnership or any other parties as follows:

Particulars	Loan (INR in Million)	Guarantee (INR in Million)
- Subsidiary	95.7	82.2
- Other party	-	33.1
Balance outstanding as at the Balance sheet date		
- Subsidiary	98.6	82.2

As disclosed in Note 27(7)J to the standalone financial statements, the Company has granted loan of INR 98.6 crore to subsidiary company with stipulated terms and conditions. The Company has not granted any loan or advance in nature of loan to any other party.

According to the information and explanations given to auditor, there are no disputed dues in respect of value added tax, income tax, goods and services tax and duty of customs which have not been deposited. The following are the particulars of sales tax, central sales tax, entry tax, professional tax, and excise duty as of March 31, 2023, which have not been deposited on account of dispute:

Nature of the Statute	Nature of disputed dues	Amount (INR in Million)	Period to which the amount relates	Forum where dispute is pending
Sales Tax	Sales Tax	0.2	1st April 2006 to 30th November 2008	Additional Commissioner
	Sales Tax	1.6	2015-16	Revisional Authority
Central Sales Tax	Central Sales Tax	0.2	1st April 2006 to 30th November 2008	Additional Commissioner Sales Tax
	Central Sales Tax	1.1	2006-07	Deputy Commissioner
Entry Tax	Entry Tax	0.3	2013-14	Revisional Authority
	Entry Tax	23.4	April 2006 to June 2017	West Bengal Taxation Tribunal
Professional Tax	Professional Tax	0.4	2014-15	Joint Commissioner
Central Excise Act 1944	Excise duty	2.4	2013-14	Commissioner Appeals
Goods and Services Tax Act 2017	Goods and Service Tax	1.5	October 2018	Commissioner appeals
Customs Act 1962	Custom duty	9.00	2017-18 and 2020-2021	Commissioner appeals

Based on the examination of records and except for the effects of the matter described in Basis for Qualified Opinion paragraph in auditor Independent Auditors' Report, the company has not incurred cash losses during the financial year covered by auditor audit and the immediately preceding financial year. However, considering the impact of the aforesaid Qualification, the Company has incurred cash losses of INR 343.7 Crore and INR NIL during the financial year covered by auditor audit and immediately preceding financial year respectively.

Source: Annual report 2023

Observations from the auditors' report for the year ended 31st March 2022:

Emphasis of Matter

Auditors refer to note 28.27 of these standalone financial statements, detailing the Scheme of Arrangement and it's effect in these financial statements. The Standalone financial statements for the year ended on 31st March 2022, subject to approval of the scheme of arrangement were earlier approved by Board of Directors on 2nd May 2022. Auditor had issued their audit report with modified opinion on May 2, 2022. The Board of Directors of the Company had at their meeting held on 29thMarch, 2022 inter alia approved the Scheme of Arrangement in nature of Amalgamation of Aleor Dermaceuticals Ltd. ('the Transferor Company') with Alembic Pharmaceuticals Ltd. ('the Transferee Company') and their respective shareholders ('the Scheme') with effect from the appointed date i.e. 1st April, 2021 has been sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ('NCLT') vide its order dated 29th August, 2022. The Scheme has become effective upon filing of the certified copy of order of the NCLT, sanctioning the Scheme with Registrar of Companies, Gujarat at Ahmedabad by way of filing required e-forms with Ministry of Corporate Affairs' portal on 5th September 2022. Basis the Order of NCLT approving the Scheme, these standalone financial statements for the year ended 31st March 2022 are prepared and presented after giving effect to the Scheme.

Auditor opinion is not modified in respect of this matter.

According to the information and explanations given to auditor, there are no disputed dues in respect of value added tax, income tax, goods and service tax and duty of customs which have not been deposited. The following are the particulars of sales tax, central sales tax, entry tax, professional tax, and excise duty as of 31st March 2022 which have not been deposited on account of dispute:

Nature of the Statute	Nature of disputed dues	Amount (INR in Million)	Period to which the amount relates	Forum where dispute is pending
Sales Tax	Sales Tax	0.8	2006-07	Joint Commissioner Appeals
	Sales Tax	0.8	2009-10	Maharashtra Tribunal
	Sales Tax	0.2	1st April 2006 to 30th November 2008	Additional Commissioner
	Sales Tax	1.6	2015-16	Revisional Authority
Central Sales Tax	Central Sales Tax	0.2	1st April 2006 to 30th November 2008	Additional Commissioner Sales Tax
	Central Sales Tax	0.1	2006-07	Joint Commissioner Appeals
	Central Sales Tax	1.1	2006-07	Deputy Commissioner
Entry Tax	Entry Tax	0.3	2013-14	Revisional Authority
	Entry Tax	23.4	April 2006 to June 2017	West Bengal Taxation Tribunal
Professional Tax	Professional Tax	0.5	2014-15	Joint Commissioner
Central Excise Act 1944	Excise duty	2.4	2013-14	Commissioner Appeals

Source: Annual report 2022

Observations from the auditors' report for the year ended 31st March 2021:

Other Matter

The comparative financial information included in these standalone financial statements, are based on the previously issued standalone financial statements for the year ended 31st March 2020 which were audited by the predecessor auditors who, vide their report dated 22nd May 2020, expressed an unmodified opinion. Auditor's opinion is not modified in respect of this matter.

According to the information and explanations given to us, there are no disputed dues in respect of value added tax, income tax, goods and service tax and duty of customs which have not been deposited. The following are the particulars of sales tax, central sales tax, entry tax, professional tax, and excise duty as of 31st March 2021 which have not been deposited on account of dispute:

Nature of the Statute	Amount not deposited (INR in Million)	Forum where dispute is pending	Period to which the amount relates
Sales Tax	1.30	High Court	1999-2000
	16.40	Asst. Commissioner	2003-04
	0.00	Additional Commissioner	2004-05
	0.08	Joint Commissioner Appeals	2006-07
	0.08	Maharashtra Tribunal	2009-10
	0.20	Additional Commissioner	1st April 2006 to 30th November 2008
	1.60	Revisional Authority	2015-16
Central Sales Tax	0.20	Addl. Commissioner Sales Tax	1st April 2006 to 30th November 2008
	0.10	Jt. Commissioner Appeals	2006-07
	0.30	Jt. Commissioner Appeals	2010-11
	1.10	Dy. Commissioner II	2006-07
Entry Tax	0.30	Revisional Authority	2013-14
Professional Tax	0.50	Jt. Commissioner	2014-15
Excise duty	2.40	Commissioner Appeals	2013-14

Source: Annual report 2021

Observations from the auditors' report for the year ended 31st March 2020:

Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax (GST) that have not been deposited on account of any dispute are as under:

Nature of the Statute	Amount not deposited (INR in Million)	Forum where dispute is pending	Period to which the amount relates
Sales Tax, interest and penalty	1.30	High Court	1999-2000
	16.40	Asst. Commissioner Demand	2003-04
	@	Additional Commissioner	2004-05
	0.20	Revisional Board (Tribunal)	2006-07
	2.10	Jt. Commissioner Appeals	2013-14
	0.80	Jt. Commissioner Appeals	2006-07
	0.80	Maharashtra Tribunal	2009-10
	0.20	Additional Commissioner	1st April 2006 to 30th November 2008
	1.50	Additional Commissioner	2007-08
	1.60	Revisional Authority	2015-16
	4.80	Revisional Authority	2012-13
Central Sales Tax	0.20	Addl. Commissioner Sales Tax	1st April 2006 to 30th November 2008
	0.10	Jt. Commissioner Appeals	2006-07
	0.30	Jt. Commissioner Appeals	2010-11
	1.10	Dy. Commissioner II	2006-07
Entry Tax	0.30	Revisional Authority	2013-14
Professional Tax	0.50	Jt. Commissioner	2014-15
Excise duty, interest & penalty	2.40	Commissioner Appeals	2013-14

@ INR 44,830/-
Source: Annual report 2020

Contingent Liabilities as on as on 31st March 2020, 31st March 2021, 31st March 2022, 31st March 2023 and 31st March 2024

(INR in Million)

Sr. No.	Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
1	**Contingent Liabilities**					
	Contingent liabilities not provided for					
a	Letter of credit and Guarantees	1,859	912	614	1,149	5,111
b	Liabilities Disputed in appeals filed with respect to Indirect tax	-	-	-	18	132
i	Excise duty	3	2	2	-	-
ii	Sales Tax	34	25	6	-	-
c	Claims against the company not acknowleged as debt	4	4	4	4	4
d	Export obligation against advance licence	-	10	0	0	-
e	Disputed liability in respect of Ministry of Industry, Department of Chemicals and Petrochemicals in respect of price of Rifampicin allowed in formulations and landed cost of import	3	4	4	4	4
	Total (1)	**1,903**	**956**	**629**	**1,175**	**5,251**
2	**Capital Commitment**					
a	Estimated amount of contracts net of advances remaining to be executed on capital accounts	2,653	2,315	1,653	2,087	1,285
	Total (2)	**2,653**	**2,315**	**1,653**	**2,087**	**1,285**
	TOTAL (1+2)	**4,556**	**3,271**	**2,282**	**3,262**	**6,536**

iii Contingent Asset

Interest on Investments made in 10% Secured Redeemable Non-Convertible Debentures of INR 3,000 million, 10% & 12% Unsecured Redeemable Non-Convertible Debentures of INR 2,000 million and INR 4,140 million respectively and Warrants of INR 0.5 million of the wholly owned Subsidiary Company Aleor Dermaceuticals Limited which are carried at cost as per para 10 of Ind AS 27 'Separate Financial Statements'.

As per terms of the securities subscription agreement entered into between the Company and Aleor Dermaceuticals Limited "no interest shall accrue and be payable unless the subsidiary company earns cash profits". As at the Balance Sheet date, no cash profits have been earned by the subsidiary company. As per the cash flows and profitability projections made by the subsidiary company, there is no certainty of the date of the realization of interest and principal amounts.

In view of the aforesaid reasons and on the grounds of prudence, the Company has not recognized the interest income on the said investment. However, since Company has a conditional right to receive interest on the above investments at the specified coupon rate amounting to INR 1,190.3 million for the year and accumulated till the year-end of INR 3,398.8 million is considered as Contingent asset.

Source: Annual report 2024 and Information retained from previous report

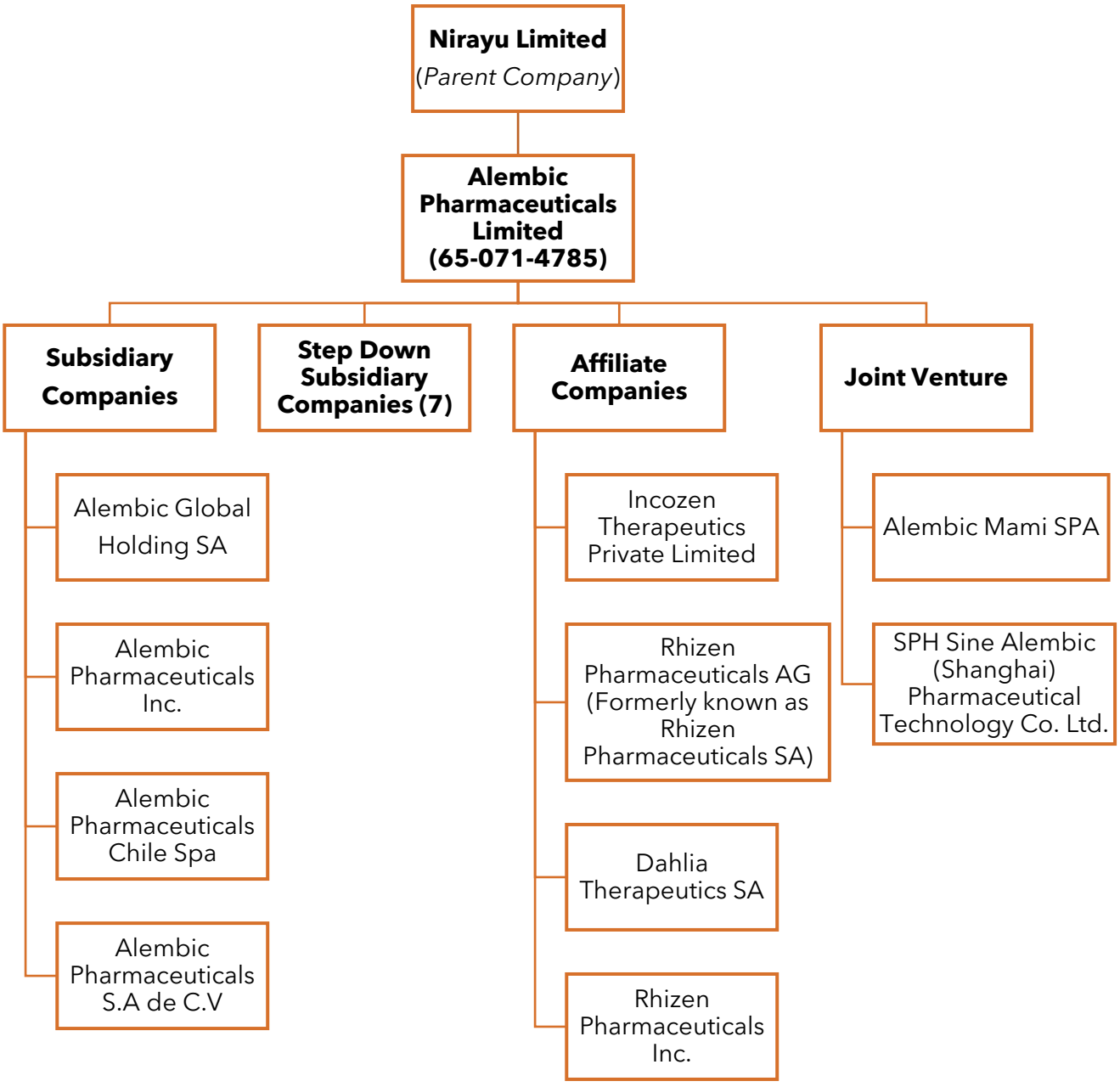
BANK DETAILS

The Company has banking relationship with the following banks:

- ✓ Axis Bank Limited
- ✓ Citi Bank N.A.
- ✓ HDFC Bank Limited
- ✓ The Hongkong and Shanghai Banking Corporation (HSBC) Limited
- ✓ ICICI Bank Limited
- ✓ J.P. Morgan Chase Bank N.A.
- ✓ Kotak Mahindra Bank Limited
- ✓ Yes Bank Limited

Source: MCA and Annual report 2024

CORPORATE PARENT LINKAGE



- Subsidiary Companies
- Step Down Subsidiaries Companies
- Affiliates
- Joint Ventures

GROUP DETAILS

Holding Company

Name of the Company	Address	City	Pincode	State	Country	% Held
Nirayu Limited	C4/22-23, Baroda Industrial Estate, Gorwa	Vadodara	390 016	Gujarat	India	35.63

Subsidiaries

Name of the Companies	Address	City	Pincode	State	Country	% Held
Alembic Global Holding SA	Rue Fritz-Courvoisier 40 CH – 2300	La Chaux-de-Fonds	-	-	Switzerland	100.00
Alembic Pharmaceuticals Inc.	750 Highway 202 Bridgewater	New Jersey	8807	-	United States of America	100.00
Alembic Pharmaceuticals Chile SpA	-	-	-	-	Chile	100.00
Alembic Pharmaceuticals S.A de C.V	-	-	-	-	Mexico	99.00

Key financial of Subsidiaries

(INR in million)

Name of the Companies2	For the year ended	Reporting currency	Revenue	Profit/(Loss) after Tax	Networth	Return on Networth (%)
Alembic Global Holding SA	31-Mar-24	USD	2,624	143	482	29.67
Alembic Pharmaceuticals Inc.	31-Mar-24	USD	16,449	493	3,311	14.89
Alembic Pharmaceuticals Chile SpA	31-Mar-23	CLP	65	(62)	(54)	-
Alembic Pharmaceuticals S.A de C.V	31-Mar-24	MXP	-	(2)	(2)	-

Step Down Subsidiary Companies

Name of the Companies	Address	City	Pincode	State	Country	% Held
Alembic Pharmaceuticals Australia Pty Limited	2 A Porter Road, Carnegie VIC 3163	Melbourne	-	-	Australia	100.00
Alembic Pharmaceuticals Europe Limited	103, Palazzo Pietro Stiges Strait Street	Valletta	VLT 1436	-	Malta	100.00
Alnova Pharmaceuticals SA	Rue Fritz-Courvoisier 40 2300	La Chaux-de-Fonds		-	Switzerland	100.00
Alembic Pharmaceuticals Canada Limited	12 York St. Suite 2904	Toronto	ON M5J 0A9	-	Canada	100.00
Genius LLC	96 (N/P # 154) Koshitsa Str.	Kyiv	2068	-	Ukraine	100.00
Alembic Labs LLC (Formerly Known as Orit Laboratories LLC)	200 Fairfield Ave West Caldwell	New Jersey	07006-6412	-	United States of America	100.00
Okner Realty LLC	200 Fairfield Ave West Caldwell	New Jersey	07006-6412	-	United States of America	100.00

Key financial of Step Down Subsidiary Companies

(INR in million)

Name of the Companies	For the year ended	Reporting currency	Revenue	Profit/(Loss) after Tax	Networth	Return on Networth (%)
Alembic Pharmaceuticals Australia Pty Limited	31-Mar-24	AUD	-	(2)	22	-
Alembic Pharmaceuticals Europe Limited	31-Mar-24	EUR	-	1	37	3
Alnova Pharmaceuticals SA	31-Mar-24	USD	-	(1)	12	-
Alembic Pharmaceuticals Canada Limited	31-Mar-24	CAD	-	5	(21)	-
Genius LLC	31-Mar-24					-
Alembic Labs LLC (Formerly Known as Orit Laboratories LLC)	31-Mar-24	USD	-	(18)	(10)	-
Okner Realty LLC	31-Mar-24	USD		39.00	3.00	1,300.00

Joint Ventures

Name of the Companies	% Held
Alembic Mami SPA	49.00
SPH Sine Alembic (Shanghai) Pharmaceutical Technology Co. Ltd.	44.00

Affiliates

Name of the Companies	Address	City	Pincode	State	Country	% Held
Incozen Therapeutics Private Limited	Lab 223, 224, 1st Floor & 233,234, 2nd Floor, Block -2 Alexandria Knowledge Park Turkapally Shameerpet	Hyderabad	500 078	Telangana	India	50.00
Rhizen Pharmaceuticals AG (Formerly known as Rhizen Pharmaceuticals SA)	Rue Fritz-Courvoisier 40	La Chaux-de-Fonds	CH-2300	-	Switzerland	50.00
Dahlia Therapeutics SA	Rue Fritz-Courvoisier 40	La Chaux-de-Fonds	CH-2300	-	Switzerland	50.00
Rhizen Pharmaceuticals Inc.	500 W Office Center Dr #400	Fort Washington	PA 19034	-	United States of America	-

Group Companies

Name of the Companies	Address	City	Pincode	State	Country
Alembic Limited	Alembic Road	Vadodara	390003	Gujarat	India
Shreno Limited	Alembic Road	Vadodara	390003	Gujarat	India
Paushak Limited	Alembic Road	Vadodara	390003	Gujarat	India
Viramya Packlight LLP	Bhailal Amin Marg	Vadodara	390 016	Gujarat	India
Shreno Publications Limited	-	-	-	-	India
Rakshak Services Private Limited	-	-	-	-	India
Alembic City Limited	-	-	-	-	India
Bhailal Amin General Hospital	-	-	-	Gujarat	India
Alembic CSR Foundation	-	-	-	-	India
Shreno Engineering Limited	-	-	-	-	India
Alembic Pharmaceuticals Limited Provident Fund	-	-	-	-	India
Alembic Pharmaceuticals Limited Superannuation Scheme	-	-	-	-	India
Alembic Pharmaceuticals Limited EGGS	-	-	-	-	India

Source: Annual report 2024 and Information retained from previous report

LOCATION DETAILS

D&B D-U-N-S® Number	Address	Location Type	Type of Occupation
-	Survey No. 84, 87 and 88, Panelav Taluka Halol Panchmahal - 389 350 Gujarat India	Formulation Division II	-
-	Village Karkhadi Padra Taluka Vadodara – 331 440 Gujarat India	Manufacturing Facilities	-
-	Plot No. 779P/790P Village - Karakhadi, Taluka - Padra Vadodara - 391 450 Gujarat India	Formulation Division III	-
-	Plot 401, 406, 407, 408, 410, 411 412 & 415 Opp. Liva Pharmaceutical Halol Road, Jarod, Taluka Vaghodiya Vadodara - 391 510 Gujarat India	Formulation Division IV	-
67-546-9976	Jarod, Waghodia - 391 510 Gujarat India	International Formulations Division	Owned
65-057-4671	Village Panelav, P.O. Tajpura Near Baska, Taluka Halol Panchmahal - 389 350 Gujarat India	International Formulations Division	Owned
65-057-4697	Plot No 842-843 Village Karakhadi, Padra Taluka Vadodara - 391 450 Gujarat India	Injectables and API Plant III	Owned
65-057-4713	Village Panelav, P.O. Tajpura Near Baska, Taluka Halol Panchmahal - 389 350 Gujarat India	API Plant I and API Plant II	Owned

D&B D-U-N-S® Number	Address	Location Type	Type of Occupation
65-057-4705	Village Panelav, P.O. Tajpura Near Baska, Taluka Halol Panchmahal - 389 350 Gujarat India	API Plant I and API Plant II	Owned
65-056-4060	Alembic Road Gorwa Vadodara - 390 003 Gujarat India	Research Centre	Owned
65-057-4689	Plot No. 21, 22, EPIP – Phase I Jhamajri, Baddi, Tehsil - Nalagarh Solan - 173 205 Himachal Pradesh India	Branded Formulation Plant	Owned
67-546-9974	2nd Floor, Prime Corporate Park Behind ITC, Grand Maratha Sheraton Sahar Road Andheri (East) Mumbai - 400 099 Maharashtra India	Mumbai Office	-
67-546-9975	Samardung Busty Namthang South - 737 132 Sikkim India	Branded Formulations Plant	Owned
-	Genome Valley Shameerpet, Turkapally (V) Hyderabad - 500 078 Telangana India	Research and Development Center	-

Source: Company website and Information retained from previous report

AWARDS & CERTIFICATIONS

Awards

The Company has received the following award:

- ✓ Received SHRM Award and stood at Runner-up position in the National Level HR award.

Certifications

The Company has received the following other certifications:

- ✓ The Company has been accredited with ISO 9001certification
- ✓ The Company has been accredited with ISO 14001 certification
- ✓ The United States Food and Drug Administration
- ✓ World Health Organization
- ✓ Good Manufacturing Practices
- ✓ The Therapeutic Goods Administration (TGA) (Australia)
- ✓ The European Union
- ✓ The Korea Food & Drug Administration
- ✓ Agência Nacional de Vigilância Sanitária
- ✓ Danish Medicines Agency
- ✓ Pharmaceuticals and Medical Devices Agency
- ✓ Health Canada

Memberships

The Company has membership of –

- ✓ Federation of Gujarat Industries
- ✓ Federation of Indian Chambers of Commerce & Industry
- ✓ International Chamber of Commerce.
- ✓ Indian Drug Manufacturers' Association.
- ✓ Federation of Indian Export Organizations.
- ✓ Pharmaceutical Export Promotion Council of India.

Source: Annual report 2024 and Information retained from previous report

OTHER DETAILS

Particulars	Details
CIN Number	L24230GJ2010PLC061123
AGM Date	04th August 2023
Auditor	K. C. Mehta & Co., Vadodara (Gujarat)

STANDARD INDUSTRIAL IDENTIFICATION CODES

SIC Codes

2834-0000

Manufactures pharmaceutical preparations

2834-0405

Manufactures syrups, pharmaceutical

2834-0801

Manufactures antibiotics, packaged

2834-9902

Manufactures druggists' preparations (pharmaceuticals)

2834-9903

Manufactures emulsions, pharmaceutical

2834-9905

Manufactures medicines, capsule or ampule

2834-9906

Manufactures pills, pharmaceutical

2834-9907

Manufactures powders, pharmaceutical

2834-9909

Manufactures solutions, pharmaceutical

2834-9910

Manufactures tablets, pharmaceutical

2834-9911
Manufactures veterinary pharmaceutical preparations

MEDIA ARTICLES

Alembic gets USFDA nod for generic injection to treat hereditary angioedema

17th June 2024

Alembic gets USFDA nod for generic injection to treat hereditary angioedema

Source: Business Standard

Press Release Final And Tentative Approval For Dabigatran Etexilate Capsules 18th June 2024

18th June, 2024

Press Release Final And Tentative Approval For Dabigatran Etexilate Capsules,18 June, 2024
Source: Company Website

Press Release USFDA Final Approval Icatibant Injection Syringe 17th June 2024

17th June 2024

Press Release USFDA Final Approval Icatibant Injection Syringe
Source: Company Website

Press Release USFDA Final Approval Sacubitril Valsartan Tablets 30th May 2024

30th May 2024

Press Release USFDA Final Approval Sacubitril Valsartan Tablets
Source: Company Website

Press Release USFDA Products Approval Dated 9th May 2024

9th May 2024

Press Release USFDA Products Approval Dated
Source: Company Website

Alembic Pharma plans to launch 25 drugs in US generics segment this fiscal

17th May 2024

Alembic Pharma plans to launch 25 drugs in US generics segment this fiscal
Source: The Economic Times

Alembic Pharma gets USFDA nod for five drugs in over a month

9th May 2024

Alembic Pharma gets USFDA nod for five drugs in over a month
Source: CNBCTV 18

Alembic gets EIR for Oncology formulation unit in Panelav

6th May 20024

Alembic gets EIR for Oncology formulation unit in Panelav
Source: Times of India

Press Release USFDA Products Approvals for The Qtr Ended 31st Mar, 2024

1st April 2024

Press Release USFDA Products Approvals for The Qtr Ended
Source: Company Website

Alembic Pharmaceuticals receives USFDA tentative approval for Ribociclib Tablets

1st April 2024

Alembic Pharmaceuticals receives USFDA tentative approval for Ribociclib Tablets
Source: Business Standard

Alembic Pharma drops 2% on USFDA 4 observations for Gujarat facility

11th March 2024

Alembic Pharma drops 2% on USFDA 4 observations for Gujarat facility
Source: Money Control

Alembic Pharma gears up for multiple product launches in coming quarters

6th February 2024

Alembic Pharma gears up for multiple product launches in coming quarters
Source: Money Control

Press Release USFDA Products Approvals For The Qtr Ended 31st Dec, 2023

1st January, 2024

Press Release USFDA Products Approvals For The Qtr Ended 31st Dec, 2023
Source: Company Website

Alembic Pharmaceuticals clinches eight USFDA approvals in Q3 FY24

2nd January 2024

Alembic Pharmaceuticals clinches eight USFDA approvals in Q3 FY24
Source: Business Standard

Manufacturing operations disrupted at Sikkim plant due to flash floods: Alembic Pharma

4th October 2023

Manufacturing operations disrupted at Sikkim plant due to flash floods: Alembic Pharma
Source: The Economic Times

Alembic, Aurobindo recall drugs in US market

21st August 2023

Alembic, Aurobindo recall drugs in US market
Source: The Economic Times

Alembic aims for US rebound with new launches

16th August 2023

Alembic aims for US rebound with new launches
Source: The Economic Times

Alembic receives USFDA nod for Jarod plant Alembic bags establishment inspection report for facility in Jarod, Gujarat

11th May 2023

Alembic Pharmaceuticals said it has received the establishment inspection report (EIR) for its solid oral formulation facility (F-4) at Jarod, Gujarat, as per a regulatory filing. Alembic said the inspection was carried out by the US Food and Drug Administration (FDA) for the period between December 8 and December 16, 2022. Alembic Pharmaceuticals Q4 net jumps three-fold at ₹131 crore. The company said this was a pre-approval inspection to cover Alembic's solid oral drug products for which Abbreviated New Drug Applications (ANDAs) had been filed with the USFDA. The company has also started receiving approvals for products manufactured at this facility, it said.

Alembic receives USFDA nod for Jarod plant Alembic bags establishment inspection report for facility in Jarod, Gujarat
Source: The Times of India

Press Release USFDA Products Approval For Qtr Ended 30th September 2023

2nd October, 2023

Press Release USFDA Products Approval For Qtr Ended 30th September 2023
Source: Company Website

APL-PR-USFDA-Products-Approval-Qtr-Ended-30062023.Pdf

3rd July 2023

APL-PR-USFDA-Products-Approval-Qtr-Ended-30062023.Pdf
Source: Company Website

Press Release USFDA Final Approval Brimonidine Tartrate Ophthalmic Solution

30th March, 2023

Source: Company Website

Press Release USFDA Tentative Approval For Brexpiprazole Tablets

9th March, 2023,

Source: Company Website

Press Release USFDA Final Approval Prazosin Hydrochloride Capsules USP, March, 2023
8th March, 2023

Source: Company Website

Press Release USFDA Final Approval Fluorouracil Injection USP, March, 2023

6TH March, 2023

Source: Company Website

Press Release USFDA Final Approval Docetaxel Injection USP, March, 2023

1st March, 2023

Source: Company Website

Press Release USFDA Tentative Approval Acalabrutinib Capsules, 100 Mg, January, 2023

19th January, 2023

Source: Company Website

Press Release USFDA Final Approval Fesoterodine Fumarate Extended-Release Tablets, 4 Mg And 8 Mg, January, 2023

6TH January 2023

Source: Company Website

Alembic Pharmaceuticals receives USFDA Tentative Approval for Dasatinib Tablets, 20 mg, 50 mg, 70 mg, 80 mg, 100 mg, and 140 mg.

10th June 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that it has received tentative approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Dasatinib Tablets, 20 mg, 50 mg, 70 mg, 80 mg, 100 mg, and 140 mg. The tentatively approved ANDA is therapeutically equivalent to the reference listed drug product (RLD) Sprycel Tablets, 20 mg, 50 mg, 70 mg, 80 mg, 100 mg, and 140 mg, of Bristol Myers Squibb Company (BMS). Dasatinib Tablet is indicated for the treatment of adult patients with i) newly diagnosed Philadelphia chromosome-positive (Ph+) chronic myeloid leukaemia (CML) in chronic phase. ii) chronic, accelerated, or myeloid or lymphoid blast phase Ph+ CML with resistance or intolerance to prior therapy including imatinib. iii) Philadelphia chromosome-positive acute lymphoblastic leukaemia (Ph+ ALL) with resistance or intolerance to prior therapy. Dasatinib Tablets have an estimated market size of US$ 1465 million for twelve months ending Dec 2021 according to IQVIA. Alembic has a cumulative total of 168 ANDA approvals (144 final approvals and 24 tentative approvals) from USFDA.
Source: Company website

Alembic Pharmaceuticals receives USFDA Final Approval for Pirfenidone Tablets, 267 mg and 801 mg.

24th May 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that it has received final approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Pirfenidone Tablets, 267 mg and 801 mg. The approved ANDA is therapeutically equivalent to the reference listed drug product (RLD) Esbriet Tablets, 267 mg and 801 mg, of Genentech, Inc. (Genentech). Pirfenidone Tablets are indicated for the treatment of idiopathic pulmonary fibrosis (IPF). Alembic had previously received tentative approval for this ANDA. Alembic was one of the first ANDA applicants to submit a substantially complete ANDA with a paragraph IV certification. It may not· be indicated for certain other uses due to unexpired exclusivities for the RLD for such uses.

Pirfenidone Tablets, 267 mg and 801 mg have an estimated market size of US$ 548 million for twelve months ending December 2021 according to IQVIA. Alembic has settled the case with Genetech and will launch its generic as per the terms of settlement. Alembic has a cumulative total of 167 ANDA approvals (144 final approvals and 23 tentative approvals) from USFDA.
Source: Company website

Alembic Pharmaceuticals announces USFDA Final Approval for Arformoterol Tartrate Inhalation Solution, 15 mcg (base)/2 ml Unit-dose Vial.
11th May 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that it has received final approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Arformoterol Tartrate Inhalation Solution, 15 mcg (base)/2 ml Unit-dose Vial. The approved ANDA is therapeutically equivalent to the reference listed drug product (RLD), Brovana Inhalation Solution, 15 mcg/2 ml, of Sunovion Pharmaceuticals Inc. Arformoterol Tartrate Inhalation Solution is a long acting beta2-adrenergic agonist (beta2-agonist) indicated for long-term, twice daily (morning and evening) administration in the maintenance treatment of bronchoconstriction in patients with chronic obstructive pulmonary disease (COPD), including chronic bronchitis and emphysema.
This ANDA has been co-developed in partnership with Orbicular Pharmaceutical Technologies Private Limited.

Arformoterol Tartrate Inhalation Solution, 15 mcg (base)/2 ml Unit-dose Vial, has an estimated market size of US$ 251 million for twelve months ending Dec 2021 according to IQVIA. Alembic has a cumulative total of 167 ANDA approvals (143 final approvals and 24 tentative approvals) from USFDA, including this second inhalational ANDA approval.
Source: Company website

Alembic Pharmaceuticals announces its wholly owned subsidiary, Aleor Dermaceuticals Limited receives USFDA Final Approval for Docosanol Cream, 10% (OTC). 4th May 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that its wholly owned subsidiary, Aleor Dermaceuticals Limited (Aleor) has received final approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Docosanol Cream, 10% (OTC). The approved ANDA is therapeutically equivalent to the reference listed drug product (RLD) Abreva Cream, 10% (OTC), of GlaxoSmithKline Consumer Healthcare. Docosanol Cream, 10% (OTC) is used for cold sore/fever blisters on the face or lips. Docosanol Cream, 10% (OTC) has an estimated market size of US$60 million for twelve months ending December 2021 according to IQVIA. Alembic has received a cumulative total of 166 ANDA approvals (142 final approvals and 24 tentative approvals) from USFDA.
Source: Company website

Alembic Pharmaceuticals announces its wholly owned subsidiary, Aleor Dermaceuticals Limited receives USFDA Final Approval for Clobetasol Propionate Foam, 0.05%

25th April 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that its wholly owned subsidiary, Aleor Dermaceuticals Limited (Aleor) has received final approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Clobetasol Propionate Foam, 0.05%. The approved ANDA is therapeutically equivalent to the reference listed drug product (RLD) Olux Foam, 0.05%, of Mylan Pharmaceuticals Inc. Clobetasol Propionate Foam is a corticosteroid indicated for treatment of moderate to severe plaque psoriasis of the scalp and mild to moderate plaque psoriasis of non-scalp regions of the body excluding the face and intertriginous areas in patients 12 years and Older. Clobetasol Propionate Foam, 0.05% has an estimated market size of US$10 million for twelve months ending Dec 2021 according to IQVIA. Alembic has received a cumulative total of 165 ANDA approvals (141 final approvals and 24 tentative approvals) from USFDA.
Source: Company website

Alembic Pharmaceuticals announces its wholly owned subsidiary, Aleor Dermaceuticals Limited receives USFDA Final Approval for Lidocaine and Prilocaine Cream USP, 2.5%/2.5%.

12th April 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that its wholly owned subsidiary, Aleor Dermaceuticals Limited (Aleor) has received final approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Lidocaine and Prilocaine Cream USP, 2.5%/2.5%. The approved ANDA is therapeutically equivalent to the reference listed drug product ·(RLD) EMLA Cream, 2.5%/2.5%, of Teva Branded Pharmaceutical Products R&D, Inc. Lidocaine 2.5% and Prilocaine 2.5% cream (a eutectic mixture of lidocaine 2.5% and prilocaine 2.5%) is indicated as a topical anaesthetic for use on normal intact skin for local analgesia and genital mucous membranes for superficial minor surgery and as pre-treatment for infiltration anaesthesia. Lidocaine 2.5% and Prilocaine 2.5% cream is not recommended in any clinical situation when penetration or migration beyond the tympanic membrane into the middle ear is possible because of the ototoxic effects observed in animal studies

Lidocaine and Prilocaine Cream USP, 2.5%/2.5% has an estimated market size of US$29 million for twelve months ending Dec. 2021 according to IQVIA. Alembic has received a cumulative total of 163 ANDA approvals (140 final approvals and 23 tentative approvals) from USFDA.
Source: Company website

Alembic Pharmaceuticals receives USFDA Final Approval for Lacosamide Tablets USP, 50 mg, 100 mg, 150 mg, and 200 mg.

21st March 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that it has received final approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Lacosamide Tablets USP, 50 mg, 100 mg, 150 mg, and 200 mg. The approved ANDA is therapeutically equivalent to the reference listed drug product (RLD) Vimpat Tablets, 50 mg, 100 mg, 150 mg, and 200 mg, of UCB, Inc. Lacosamide Tablets are indicated for the treatment of partial-onset seizures in patients 4 years of age and older. It may not be indicated for certain other uses due to unexpired exclusivities for the RLD for such uses. Lacosamide Tablets of 50 mg, 100 mg, 150 mg, and 200 mg have an estimated market size of US$ 1.67 billion for twelve months ending December 2021 according to IQVIA. Alembic has received year to date (YTD) 23 approvals (16 final approvals and 7 tentative approvals) and a cumulative total of 161 ANDA approvals (139 final approvals and 22 tentative approvals) from USFDA
Source: Company website

Alembic Pharmaceuticals receives USFDA Tentative Approval for Macitentan Tablets, 10 mg.

14th March 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that it has received tentative approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Macitentan Tablets, 10 mg. The tentatively approved ANDA is therapeutically equivalent to the

reference listed drug product (RLD) Opsumit Tablets, 10 mg of Actelion Pharmaceuticals US, Inc. (Actelion). Macitentan Tablets are an endothelin receptor antagonist (ERA) indicated for the treatment of pulmonary arterial hypertension (PAH, WHO Group I) to delay disease progression. Disease progression included: death, initiation of intravenous (IV) or subcutaneous prostanoids, or clinical worsening of PAH (decreased 6-minute walk distance, worsened PAH symptoms and need for additional PAH treatment). Macitentan Tablets also reduced hospitalization for PAH. It may not be indicated for certain other uses due to unexpired exclusivities for the RLD for such uses."

Macitentan Tablets, 10 mg have an estimated market size of US$ 797 million for twelve months ending Dec 2021 according to IQVIA. Alembic has received year to date (YTD) 22 approvals (15 final approvals and 7 tentative approvals) and a cumulative total of 161 ANDA approvals (138 final approvals and 23 tentative approvals) from USFDA.
Source: Company website

Alembic Pharmaceuticals announces its joint venture Aleor Dermaceuticals receives USFDA Final Approval for Nystatin and Triamcinolone Acetonide Ointment USP, 100,000 units/gram.

8th March 2022

Alembic Pharmaceuticals Limited (Alembic) today announced that its joint venture Aleor Dermaceuticals Limited (Aleor) has received final approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) for Nystatin and Triamcinolone Acetonide Ointment USP, 100,000 units/gram. The approved ANDA is therapeutically equivalent to the reference listed drug product (RLD) Nystatin and Triamcinolone Acetonide Ointment USP, 100,000 U/g/0.1 %, of Taro Pharmaceuticals U.S.A. Inc. Nystatin and Triamcinolone Acetonide Ointment is indicated for the treatment of cutaneous candidiasis; it has been demonstrated that the nystatin-steroid combination provides greater benefit than the nystatin component alone during the first few days of treatment. Nystatin and Triamcinolone Acetonide Ointment has an estimated market size of US$4 million for twelve months ending Dec 2021 according to IQVIA. Alembic has received year to date (YTD) 21 approvals (15 final approvals and 6 tentative approvals) and· a cumulative total of 160 ANDA approvals (138 final approvals and 22 tentative approvals) from USFDA.
Source: Company website

Press Release PAS Approval USFDA Pregabalin Capsules, December, 2022
22nd December, 2022
Press Release PAS Approval USFDA Pregabalin Capsules, December, 2022
Source: Company Website

Press Release USFDA Final Approval Desonide Cream, 0.05%, December, 2022
9TH December, 2022
Press Release USFDA Final Approval Desonide Cream, 0.05%, December, 2022
Source: Company Website

Press Release USFDA Final Approval Diclofenac Sodium Topical Solution USP, 2% Ww, December, 2022
1st December, 2022
Press Release USFDA Final Approval Diclofenac Sodium Topical Solution USP, 2% Ww, December, 2022
Source: Company Website

Press Release USFDA Final Approval Nifedipine Extended-Release Tablets USP, 30 Mg, 60 Mg And 90 Mg, November, 2022
21st November,
Press Release USFDA Final Approval Nifedipine Extended-Release Tablets USP, 30 Mg, 60 Mg And 90 Mg, November, 2022
Source: Company Website

Press Release USFDA Final Approval Cyclophosphamide Capsules, 25 Mg And 50 Mg, November, 2022
14TH November, 2022
Press Release USFDA Final Approval Cyclophosphamide Capsules, 25 Mg And 50 Mg, November, 2022
Source: Company Website

Press Release USFDA Final Approval Ketorolac Tromethamine Injection USP, November, 2022
3RD November, 2022
Press Release USFDA Final Approval Ketorolac Tromethamine Injection USP, November, 2022
Source: Company Website

Press Release USFDA Final Approval Mesalamine Extended-Release Capsules USP, 0.375 G, November, 2022
2nd November, 2022
Press Release USFDA Final Approval Mesalamine Extended-Release Capsules USP, 0.375 G, November, 2022
Source: Company Website

Press Release USFDA Final Approval Glycopyrrolate Injection USP, November, 2022
1st November, 2022
Press Release USFDA Final Approval Glycopyrrolate Injection USP, November, 2022
Source: Company Website

Press Release USFDA Final Approval Paclitaxel Injection USP, October, 2022
27th October 2022
Press Release USFDA Final Approval Paclitaxel Injection USP, October, 2022
Source: Company Website

Press Release Aleor USFDA Final Approval Adapalene And Benzoyl Peroxide Topical Gel, 0.3% 2.5%, August, 2022
8th August, 2022
Press Release Aleor USFDA Final Approval Adapalene And Benzoyl Peroxide Topical Gel, 0.3% 2.5%, August, 2022
Source: Company Website

Press Release Aleor USFDA Final Approval Diclofenac Sodium Topical Gel, 3%, July, 2022
29th July, 2022
Press Release Aleor USFDA Final Approval Diclofenac Sodium Topical Gel, 3%, July, 2022
Source: Company Website

Press Release USFDA Tentative Approval Dasatinib Tablets, 20 Mg, 50 Mg, 70 Mg, 80 Mg, 100 Mg, & 140 Mg. June, 2022
10th June, 2022
Press Release USFDA Tentative Approval Dasatinib Tablets, 20 Mg, 50 Mg, 70 Mg, 80 Mg, 100 Mg, & 140 Mg. June, 2022
Source: Company Website

Press Release USFDA Final Approval Pirfenidone Tablets, 267 Mg And 801 Mg May, 2022
24th May, 2022
Press Release USFDA Final Approval Pirfenidone Tablets, 267 Mg And 801 Mg May, 2022
Source: Company Website

Press Release USFDA Tentative Approval Ivabradine Tablets, 5 Mg And 7.5 Mg. April, 2022
20th April, 2022
Press Release USFDA Tentative Approval Ivabradine Tablets, 5 Mg And 7.5 Mg. April, 2022
Source: Company Website

Press Release USFDA Tentative Approval Dabigatran Etexilate Capsules, 75 Mg, 110 Mg, And 150 Mg.
7thApril 2022
Press Release USFDA Tentative Approval Dabigatran Etexilate Capsules, 75 Mg, 110 Mg, And 150 Mg.
Source: Company Website

Alembic Pharma acquires Aleor Dermaceuticals
30th March 2022
Alembic Pharma acquires Aleor Dermaceuticals
Source: Times of India

Press Release USFDA Final Approval Clarithromycin Tablets USP, 250 MG And 500 MG
1st February, 2022
Press Release USFDA Final Approval Clarithromycin Tablets USP, 250 MG And 500 MG
Source: Company Website

Press Release USFDA Tentative Approval Dronedarone Tablets USP, 400 Mg.
10th January, 2022
Press Release USFDA Tentative Approval Dronedarone Tablets USP, 400 Mg.
Source: Company Website

Press Release USFDA Tentative Approval Vortioxetine Tablets 5 Mg, 10 Mg, 15 Mg, And 20 Mg.
7th January, 2022,
Press Release USFDA Tentative Approval Vortioxetine Tablets 5 Mg, 10 Mg, 15 Mg, And 20 Mg.
Source: Company Website

Press Release USFDA Final Approval Entacapone Tablets USP, 200 Mg.
5th January, 2022
Press Release USFDA Final Approval Entacapone Tablets USP, 200 Mg.
Source: Company Website

Press Release USFDA Final Approval Doxycycline Hyclate Delayed-Release Tablets
4th January, 2022
Press Release USFDA Final Approval Doxycycline Hyclate Delayed-Release Tablets
Source: Company Website

Press Release USFDA Final Approval Fulvestrant Injection, 250 Mg-5 Ml, December, 2022
26th December
Press Release USFDA Final Approval Fulvestrant Injection, 250 Mg-5 Ml, December, 2022
Source: Company Website

Press Release Aleor USFDA Final Approval Mupirocin Cream USP, 2%.
17th November, 2021
Press Release Aleor USFDA Final Approval Mupirocin Cream USP, 2%.
Source: Company Website

Press Release Aleor USFDA Final Approval Metronidazole Gel USP. 1%.
5th September, 2021
Press Release Aleor USFDA Final Approval Metronidazole Gel USP. 1%.
Source: Company Website

Press Release USFDA Final Approval Clomipramine Hydrochloride Capsules USP, 25 Mg, 50 Mg, And 75 Mg.
5th August, 2021
Press Release USFDA Final Approval Clomipramine Hydrochloride Capsules USP, 25 Mg, 50 Mg, And 75 Mg.
Source: Company Website

Press Release USFDA Final Approval Erlotinib Tablets, 25 Mg, 100 Mg, And 150 Mg.
9th July, 2021
Press Release USFDA Final Approval Erlotinib Tablets, 25 Mg, 100 Mg, And 150 Mg.
Source: Company Website

Press Release USFDA Final Approval Nitrofurantoin Capsules USP (Macrocrystals), 25 Mg, 50 Mg And 100 Mg.
1st July, 2021
Press Release USFDA Final Approval Nitrofurantoin Capsules USP (Macrocrystals), 25 Mg, 50 Mg And 100 Mg.
Source: Company Website

Press Release Aleor USFDA Final Approval Testosterone Topical Solution USP, 30 Mg Per Pump Actuation.
16th June, 2021
Press Release Aleor USFDA Final Approval Testosterone Topical Solution USP, 30 Mg Per Pump Actuation.
Source: Company Website

Press Release USFDA Final Approval Lurasidone Hydrochloride Tablets, 20 Mg, 40 Mg, 60 Mg, 80 Mg, And 120 Mg.
14th May, 2021
Press Release USFDA Final Approval Lurasidone Hydrochloride Tablets, 20 Mg, 40 Mg, 60 Mg, 80 Mg, And 120 Mg.
Source: Company Website

Press Release USFDA Final Approval Dorzolamide Hydrochloride & Timolol Maleate Ophthalmic Solution USP, 2% And 0.5%
5th May, 2021
Press Release USFDA Final Approval Dorzolamide Hydrochloride & Timolol Maleate Ophthalmic Solution USP, 2% And 0.5%
Source: Company Website

Press Release Aleor USFDA Tentative Approval For Metronidazole Gel USP, 1%
4th May, 2021
Press Release Aleor USFDA Tentative Approval For Metronidazole Gel USP, 1%
Source: Company Website

Press Release USFDA Final Approval Doxepin Hydrochloride Capsules USP, 10 Mg, 25 Mg, 50 Mg, 75 Mg And 100 Mg
23rd April, 2021
Press Release USFDA Final Approval Doxepin Hydrochloride Capsules USP, 10 Mg, 25 Mg, 50 Mg, 75 Mg And 100 Mg
Source: Company Website

Press Release Aleor USFDA Tentative Approval For Efinaconazole Topical Solution, 10%
8th April, 2021
Press Release Aleor USFDA Tentative Approval For Efinaconazole Topical Solution, 10%
Source: Company Website

Press Release Aleor USFDA Final Approval Nystatin And Triamcinolone Acetonide Cream USP, 100,000 Units/Gram And 1 Mg/Gram.
1st April, 2021
Press Release Aleor USFDA Final Approval Nystatin And Triamcinolone Acetonide Cream USP, 100,000 Units/Gram And 1 Mg/Gram.
Source: Company Website

Press Release Aleor USFDA Final Approval Testosterone Gel, 1.62%
4th March, 2021
Press Release Aleor USFDA Final Approval Testosterone Gel, 1.62%
Source: Company Website

Press Release AGH USFDA Final Approval Treprostinil Injection, 20 Mg/20 Ml (1 Mg/Ml), 50 Mg/20 Ml (2.5 Mg/Ml), 100 Mg/20 Ml (5 Mg/Ml), And 200 Mg/20 Ml (10 Mg/Ml), Multiple-Dose Vials.
12th February, 2021
Press Release AGH USFDA Final Approval Treprostinil Injection, 20 Mg/20 Ml (1 Mg/Ml), 50 Mg/20 Ml (2.5 Mg/Ml), 100 Mg/20 Ml (5 Mg/Ml), And 200 Mg/20 Ml (10 Mg/Ml), Multiple-Dose Vials.
Source: Company Website

Press Release - Rhizen - Umbralisib-UNKONIQ Approval
February 2021
Press Release - Rhizen - Umbralisib-UNKONIQ Approval
Source: Company Website

Press Release USFDA Final Approval Midodrine Hydrochloride Tablets USP, 2.5 Mg, 5 Mg, & 10 Mg.
22nd January, 2021
Press Release USFDA Final Approval Midodrine Hydrochloride Tablets USP, 2.5 Mg, 5 Mg, & 10 Mg.
Source: Company Website

Alembic Pharma receives final approval for OCD treatment drug
5th August 2021
Alembic Pharma receives final approval for OCD treatment drug
Source: Company website and Business Standard

Alembic Pharmaceuticals gets USFDA nod for anti-depressant drug
8th July 2021
Alembic Pharmaceuticals gets USFDA nod for anti-depressant drug
Source: Company website and The Times of India

Press Release USFDA Tentative Approval Selexipag Tablets
8th December, 2021
Press Release USFDA Tentative Approval Selexipag Tablets
Source: Company Website

Press Release USFDA Final Approval Asenapine Sublingual Tablets, 5 Mg & 10 Mg
11th December, 2020
Press Release USFDA Final Approval Asenapine Sublingual Tablets, 5 Mg & 10 Mg
Source: Company Website

Press Release USFDA Final Approval Metolazone Tablets USP 2.5 Mg, 5 Mg & 10 Mg
3rd December, 2020
Press Release USFDA Final Approval Metolazone Tablets USP 2.5 Mg, 5 Mg & 10 Mg
Source: Company Website

Press Release USFDA Tentative Approval Palbociclib Capsules, 75 Mg, 100 Mg, And 125 Mg
9th November, 2020
Press Release USFDA Tentative Approval Palbociclib Capsules, 75 Mg, 100 Mg, And 125 Mg
Source: Company Website

Press Release USFDA Approval Fenofibrate Capsules USP, 67 Mg, 134 Mg And 200 Mg
21st October, 2020
Press Release USFDA Approval Fenofibrate Capsules USP, 67 Mg, 134 Mg And 200 Mg
Source: Company Website

Press Release USFDA Tentative Approval Empagliflozin And Linagliptin Tablets, 10 Mg/5 Mg And 25 Mg/5 Mg.
27th August, 2020
Press Release USFDA Tentative Approval Empagliflozin And Linagliptin Tablets, 10 Mg/5 Mg And 25 Mg/5 Mg.
Source: Company Website

Press Release Aleor USFDA Tentative Approval For Tavaborole Topical Solution, 5%
13th August, 2020
Press Release Aleor USFDA Tentative Approval For Tavaborole Topical Solution, 5%
Source: Company Website

Press Release USFDA Approval Vardenafil Hydrochloride Tablets, 2.5 Mg (Base), 5 Mg (Base), 10 Mg (Base), And 20 Mg (Base)
5th August, 2020
Press Release USFDA Approval Vardenafil Hydrochloride Tablets, 2.5 Mg (Base), 5 Mg (Base), 10 Mg (Base), And 20 Mg (Base)
Source: Company Website

Press Release USFDA Tentative Approval Empagliflozin Metformin Hydrochloride Tablets, 5 Mg/500 Mg, 5 Mg/1000 Mg, 12.5 Mg/500 Mg, And 12.5 Mg/1000 Mg.
20th July, 2020
Press Release USFDA Tentative Approval Empagliflozin Metformin Hydrochloride Tablets, 5 Mg/500 Mg, 5 Mg/1000 Mg, 12.5 Mg/500 Mg, And 12.5 Mg/1000 Mg.
Source: Company Website

Press Release USFDA Approval Doxycycline Hyclate Tablets USP 75 Mg & 150 Mg
1st July, 2020
Press Release USFDA Approval Doxycycline Hyclate Tablets USP 75 Mg & 150 Mg
Source: Company Website

Press Release USFDA Tentative Approval Rivaroxaban Tablets, 10 Mg, 15 Mg, And 20 Mg.
22nd June, 2020
Press Release USFDA Tentative Approval Rivaroxaban Tablets, 10 Mg, 15 Mg, And 20 Mg.
Source: Company Website

Press Release Aleor USFDA Final Approval Adapalene Gel USP, 0.3
19th June, 2020
Press Release Aleor USFDA Final Approval Adapalene Gel USP, 0.3
Source: Company Website

Press Release USFDA Approval Deferasirox Tablets 180 Mg
15th June, 2020
Press Release USFDA Approval Deferasirox Tablets 180 Mg
Source: Company Website

Press Release Aleor USFDA Approval Clobetasol Propionate Shampoo, 0.05%
19th May, 2020
Press Release Aleor USFDA Approval Clobetasol Propionate Shampoo, 0.05%
Source: Company Website

Press Release USFDA Approval Doxycycline Hyclate Tablets USP 100 Mg
15th May, 2020
Press Release USFDA Approval Doxycycline Hyclate Tablets USP 100 Mg
Source: Company Website

Press Release USFDA Tentative Approval For Alcaftadine Ophthalmic Solution, 0.25%.
20th April, 2020
Press Release USFDA Tentative Approval For Alcaftadine Ophthalmic Solution, 0.25%.
Source: Company Website

Press Release USFDA Approval Vilazodone Hydrochloride Tablets, 10 Mg, 20 Mg, And 40 Mg.
13th January, 2020
Press Release USFDA Approval Vilazodone Hydrochloride Tablets, 10 Mg, 20 Mg, And 40 Mg.
Source: Company Website

Press Release USFDA Approval Bosentan Tablets, 62.5 Mg And 125 Mg.
24th January 2020
Press Release USFDA Approval Bosentan Tablets, 62.5 Mg And 125 Mg.
Source: Company Website

Press Release USFDA Approval Azithromycin Tablets USP, 600 Mg.
28th January, 2020
Press Release USFDA Approval Azithromycin Tablets USP, 600 Mg.
Source: Company Website

Press Release Aleor USFDA Approval Clobetasol Propionate Cream, 0.05%
29th January, 2020
Press Release Aleor USFDA Approval Clobetasol Propionate Cream, 0.05%
Source: Company Website

Press Release USFDA Approval Azithromycin Tablets USP 250 Mg & 500 Mg
29th January, 2020

Press Release USFDA Approval Azithromycin Tablets USP 250 Mg & 500 Mg
Source: Company Website

GLOSSARY FOR KEY RATIOS

KEY FINANCIAL RATIOS	FORMULAE
GROWTH RATIOS	
Revenue Growth (%)	% Change in revenue in the current year over the previous year
Net Profit Growth (%)	% Change in net profit in the current year over the previous year
PROFITABILITY RATIOS	
Gross Profit Margin (%)	(Net Revenue - Direct Expenditure/Net Revenue)*100
Operating Profit Margin (%)	(Operating Profit/Net Revenue)*100
Net Profit Margin (%)	(Net Profit after Tax/Net Revenue)*100
Return on Tangible Networth (%)	(Net Profit after Tax/Tangible Networth)*100
Return on Capital Employed (%)	(Earnings before Interest and Tax/Capital Employed)*100
Return on Fixed Assets (%)	(Net Profit after Tax/Fixed Assets)*100
Return on Total Assets (%)	(Net Profit after Tax/(Current Assets + Other Tangible Assets))*100
LIQUIDITY RATIOS	
Super Quick Ratio (Times)	(Cash and Bank Balance + Receivables)/Current Liabilities
Quick Ratio (Times)	(Current Assets - Inventory - Prepaid Expenses - Unbilled Revenue)/Current Liabilities
Current Ratio (Times)	Current Assets/Current Liabilities
TURNOVER RATIOS	
Inventory Turnover Ratio (Times)	(Direct Expenditure - Repairs & Maintenance - Plant & Machinery)/Total Inventory
Fixed Assets Turnover Ratio (Times)	Net Revenue/Fixed Assets
SOLVENCY RATIOS	
Long Term Debt Equity Ratio (Times)	Long Term Loans/Tangible Networth
Total Debt Equity Ratio (Times)	Total borrowings (Long term + Short term)/Tangible Networth
Total Liabilities to Tangible Networth (%)	{(Current Liabilities + Non-Current Liabilities)/Tangible Networth)}*100
Interest Coverage Ratio (Times)	Earnings before Interest and Tax/Interest Expenditure
EFFICIENCY RATIOS	

KEY FINANCIAL RATIOS	FORMULAE
Payment Period (Days)	Accounts Payable/Total Purchases*365
Average Payment Period (Days)	Average Accounts Payable/Total Purchases*365
Collection Period (Days)	Accounts Receivable/Net Revenue*365
Average Collection Period (Days)	Average Accounts Receivable/Net Revenue*365
WORKING CAPITAL RATIOS	
Current Liabilities to Tangible Networth (%)	Current Liabilities/Tangible Networth*100
Working Capital Turnover Ratio (Times)	Net Revenue/(Current Assets - Current Liabilities)
Inventory Days	365/Inventory Turnover Ratio
Working Capital Cycle	Collection Period (days) + Inventory Holding (Days) - Payment Period (Days)

OTHER KEY FINANCIALTERMS	
Direct Expenditure	Cost of material consumed or traded, salaries & wages, freight inward, job work charges, royalties/technical fees and other expenses directly related to manufacturing/rendering of services.
Operating Profit	Measure of profit or loss earned / incurred after charging all direct expenses plus indirect expenses from revenue and other operating income pertaining to core business activities. Taken as EBIT – non operating income.
Net Profit	Measure of net profit or loss earned/incurred after considering all incomes and expenses including interest expenditure and taxes.
Working Capital	Current Assets - Current Liabilities
Tangible Networth	Working Capital + Other Tangible assets - Non-Current Liabilities
Capital Employed	Tangible Networth + (Long-Term Borrowings + Short-Term Borrowings) + Minority Interests
Total Borrowings	Long Term (Secured & Unsecured) Loans + Short Term (Secured & Unsecured) Loans

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