



Q4 18 and FY18 Investor Presentation

Safe Harbor Statement

This presentation contains forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and the underlying assumptions and statements, other than those based on historical facts, including, but not limited to, those that are identified by the use of words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects” and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in the markets in which we operate;
- The ability to successfully implement our strategy, our research and development efforts, growth & expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Allocations of funds by the Governments in the healthcare sector
- Changes in the laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry; and
- Changes in the political conditions in India and in other global economies.

Should one or more of such risks and uncertainties materialize, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements.

Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events, unless it is required by Law.

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STRONG FUNDAMENTALS

PATIENT ENGAGEMENT MODEL



IMPROVING HEALTH OUTCOMES

PATIENT ENGAGEMENT – the core of our business model.

The aim is to **improve health outcomes** and the **doctor – patient relationship** with detailed data

Identifying **gaps** in the healthcare delivery ecosystem and addressing those gaps with **unique patient engagement initiatives** has immensely helped us in:

- Creating **Brand equity**
- Gaining **entry** and **increased market share** in an otherwise difficult to scale market
- Gaining the **trust** of the prescribers



An Eris Initiative for 24 hr Rhythm Monitoring



An Eris initiative



STRONG FUNDAMENTALS

BRAND FOCUS – HIGH MKT SHARE FOR OUR TOP 15 BRANDS



	(Market share - FY 18)	Sales Val FY 18 (INR Mn)	(Prescription rank FY 18)	(CAGR FY 13-18)
GLIMISAVE	5.5%	1835	#3	24.4%
ERITEL	4.9%	1023	#4	22.3%
RENERVE	6.4%	801*	#3	15.5%
TAYO	4.6%	530	#5	6.5%
RABONIK	3.8%	477	#12	4.6%
OLMIN	6.3%	475	#3	27.3%
REMYLIN	14.0%	470	#3	5.5%
TENDIA	6.4%	400	#4	38.9% @
ROSIFLEX	36.9%	383	#1	203.8% @
LNBLOC	7.0%	374	#2	122.0%
ATORSAVE	3.4%	328	#7	2.8%
RARICAP	1.3%	264*	#9	10.6%
CYBLEX	4.1%	227	#5	362.4% \$
CREVAST	2.3%	218	#8	14.8%
MARZON	48.6%	140	#1	0.0%

Our Top 15 brands have leading market position in their respective Therapeutic Areas

35 of our 397 brand extensions fall under DPCO contributing to 9.7% of our sales for FY 18

Source : IMS TSA MAT Mar 18, IMS Medical Audit MAT Mar 18 & Company internal, @ since brand launched post 2015 growth for FY 18 over FY 17 considered,

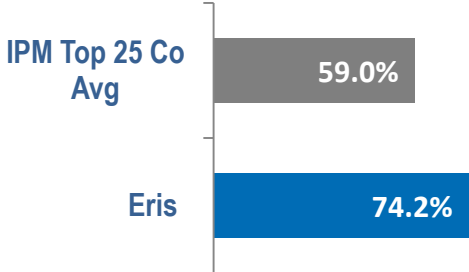
* for Rerverve and Raricap full year sales value considered, \$ Value CAGR 5 yr considered since brand launched in 2014

STRONG FUNDAMENTALS

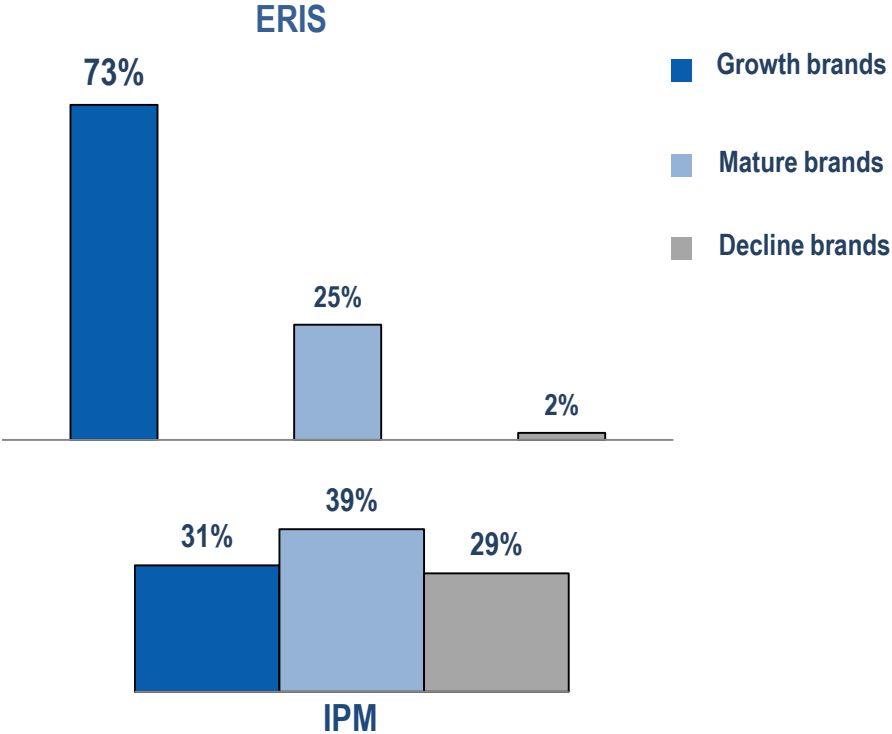
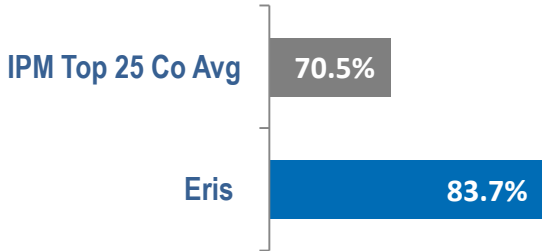
BRAND FOCUS – SMALL TAIL AND HIGH GROWTH BRANDS



Top 15 Mother brands revenue contribution



Top 25 mother brands revenue contribution



- ✓ Focus on creating large brands has led to significantly higher contribution from Top 15 and Top 25 mother brands
- ✓ 93% prescription contribution from Super specialists and specialists

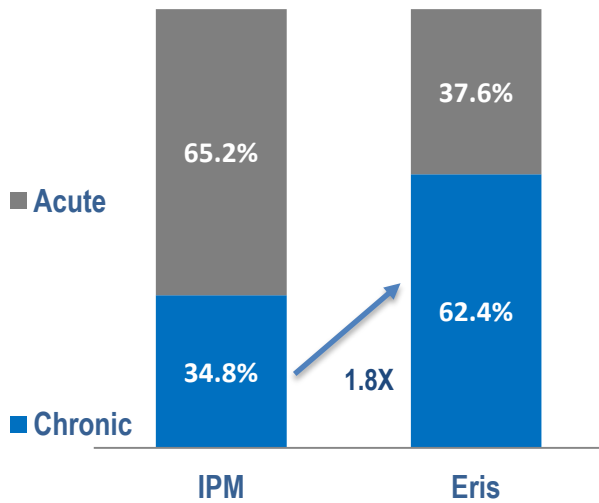
Source : IMS TSA MAT Mar 18 & SMSRC data for MAT February 2017

STRONG FUNDAMENTALS

MARKET FOCUS



Segment mix



STRONG PRESENCE IN REPRESENTED MARKET

	REPRESENTED MARKET	MARKET SHARE	RANKING
CARDIOLOGY	INR 82 BILLION	3.3%	10
ANTI DIABETES	INR 56 BILLION	4.7%	7
VMN	INR 40 BILLION	4.9%	3
GASTRO	INR 56 BILLION	1.5%	18

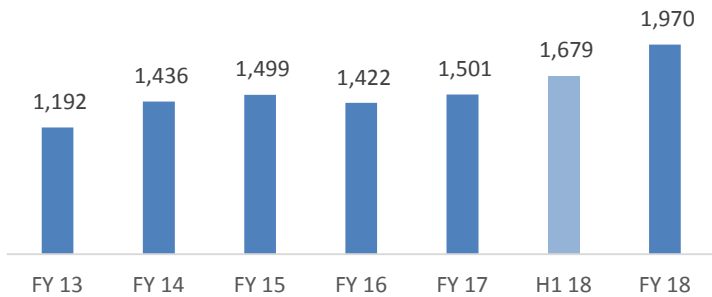
- ✓ Contribution from Chronic therapy segment 1.8x higher than IPM
- ✓ 93% prescription contribution from Super specialists and specialists

STRONG FUNDAMENTALS

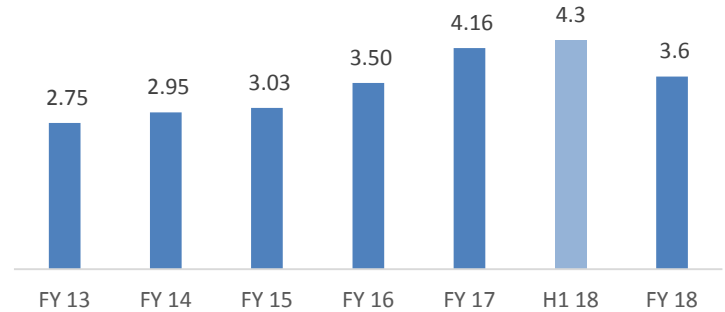
YIELD PER MAN – CONSISTENT GROWTH



Number Of MRs



YPM in INR LACS



Slight dilution in YPM metric for 31 Mar '18 is due to expansion, Strides acquisition and GST impact

FY 17 numbers are restated for Ind AS

GROWTH PROSPECTS

ENHANCED FOOTPRINT – FY 17 to FY 18



Eris Covered Market FY 17

INR 394 billion

= 35% of IPM

Grew by **35%** to...

Eris Covered Market FY 18

INR 531 billion

= 44% of IPM

Number of MRs

1,501

Grew by **469** to...

Number of MRs

1,970

GROWTH PROSPECTS

THERAPY AREA FOCUS



While therapy areas like Cardiac and Diabetes continue to remain strong focus areas, we envisage these TAs as a large part of the next phase of our growth

CNS	Covered Market increased 171% to INR 38 billion	Added 2 new divisions The acquisition of the Strides portfolio added to the covered market.
Bone Health	Covered Market increased 40% to INR 52 billion	Kinedex deal added momentum
VMN	Covered Market increased 53% to INR 51 billion	Strides brand Renerve is now our 3rd largest brand (market size INR 12 billion , Eris market share 6.4% , with sales of INR 800 million)
Women's Health - IVF	Covered Market of INR 10 billion	New focus area after acquisition of UTH
Cosmeceuticals	New focus area, in pipeline	Research indicate favourable demographics and other social factors for Aesthetic Dermatology

RESULTS



FINANCIAL PERFORMANCE: FY 18

Revenue from Operations



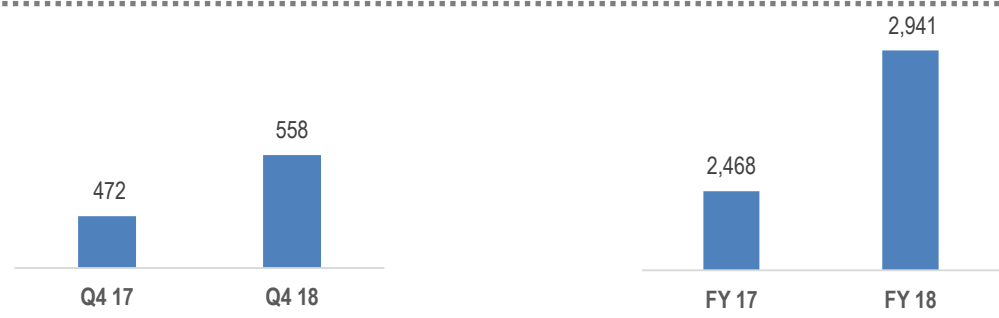
YoY Growth → **15.5%** (Q4) **14.1%** (FY18)

EBIDTA



YoY Growth → **46.3%** (Q4) **19.7%** (FY18)

PAT



YoY Growth → **18.0%** (Q4) **19.2%** (FY18)

All figures in INR MN
FY 17 numbers are restated for Ind AS

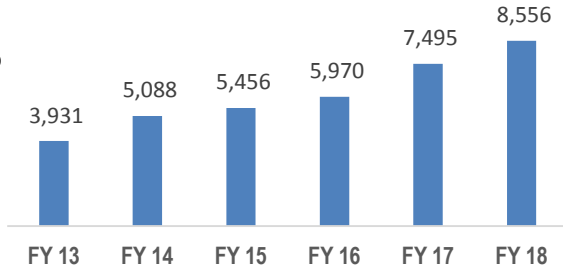
RESULTS

FINANCIAL PERFORMANCE: FY 13 - 18



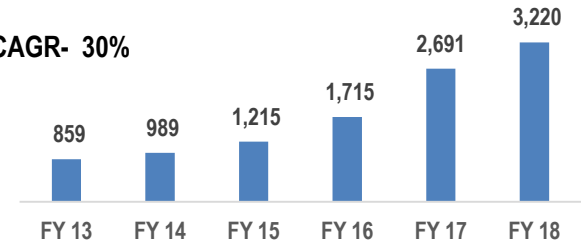
Revenue from Operations

CAGR- 17%



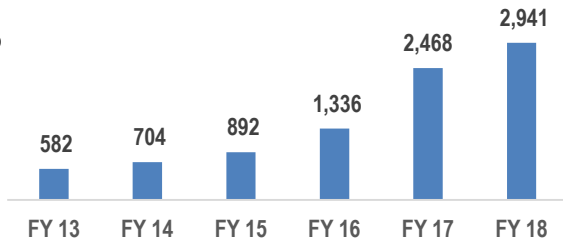
EBITDA

CAGR- 30%



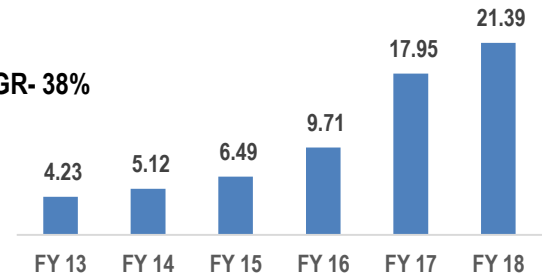
PAT

CAGR- 38%

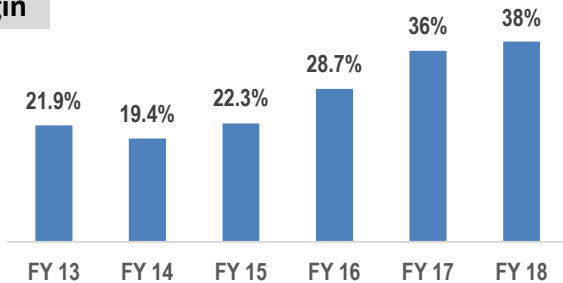


EPS

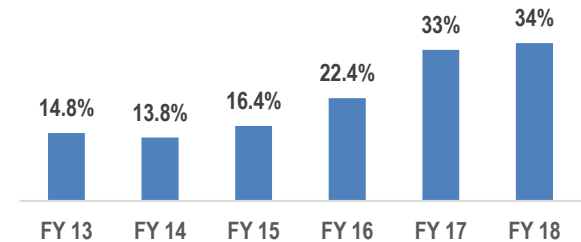
CAGR- 38%



EBITDA Margin

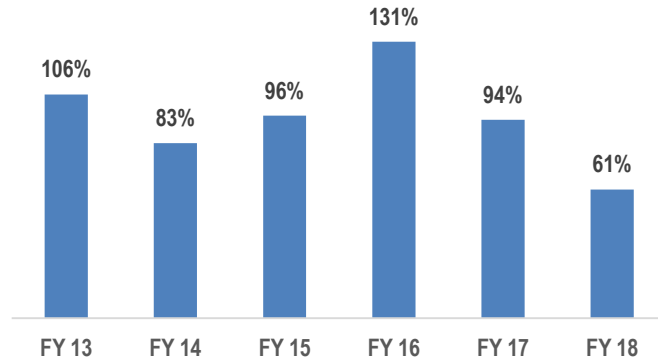


PAT Margin

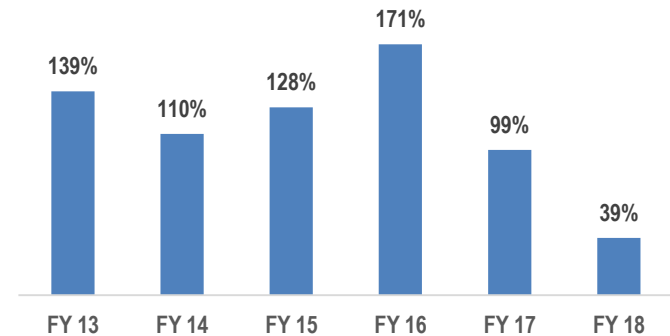


All figures in INR MN
FY 17 numbers are restated for Ind AS

ROE



ROCE



ROE: PAT after minority and share of associates / Net worth (ex-cash)

Net worth (ex-cash) = Shareholders' funds - Treasury Investments - Cash and cash equivalents

ROCE (RETURN ON CAPITAL EMPLOYED) :

EBITDA / Capital Employed (ex-cash)

Capital Employed (ex-cash): Net worth(ex-cash) + Minority interest + Long-term Borrowings + Current maturities of long-term borrowings +Short-term Borrowings + Deferred tax liabilities(net)

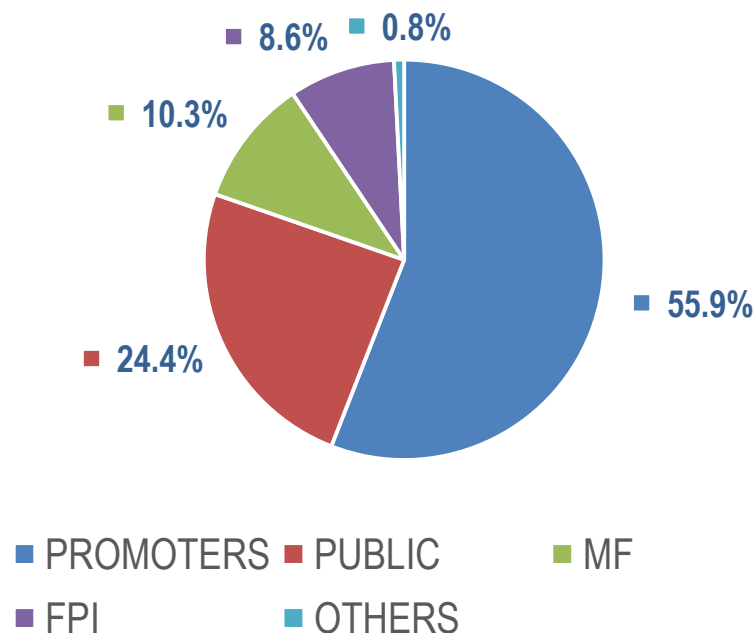
^ Capital employed for FY 18 includes the acquisition of Strides

As on 31st Mar 18:

Treasury: INR 3,760 MN, Debt: INR 3,742 MN. Net Debt is NIL

Shareholding Pattern as on 31st Mar 2018

Shareholding Pattern as on 31st Mar 2018



Top 10 Institutional Shareholders

Birla Sun Life Trustee Company	3.27%
Motilal Oswal Mutual Fund	3.14%
Goldman Sachs India Ltd	1.59%
SBI Mutual Fund	1.4%
Morgan Stanley	1.39%
Matthews India Fund	1.05%
Abu Dhabi Investment Authority	1.01%
Government Pension Global Fund	0.75%
Fundsmith Emerging Equities Trust PLC	0.68%
Kotak Mutual Fund	0.67%



THANK YOU