

Alembic Pharmaceuticals

BSE SENSEX 28,052 S&P CNX 8,639

Motilal Oswal values your support in the Asiamoney Brokers Poll 2016 for India Research, Sales and Trading team. We request your ballot.



| | |
|--------------------------|------------|
| Bloomberg | ALPM IN |
| Equity Shares (m) | 188.5 |
| M.Cap. (INR b) / (USD b) | 118.2/1.8 |
| 52-Week Range (INR) | 758/514 |
| 1, 6, 12 Rel.Per (%) | 10/-11/-18 |
| Avg Val. (INR m) | 103 |
| Free float (%) | 25.9 |

Financials & Valuation (INR Billion)

| Y/E MAR | 2016 | 2017E | 2018E |
|--------------|-------|-------|-------|
| Sales | 31.5 | 31.4 | 38.1 |
| EBITDA | 10.0 | 6.6 | 8.8 |
| NP | 4.8 | 4.7 | 6.0 |
| EPS (INR) | 38.2 | 25.0 | 31.9 |
| EPS Gro. (%) | 154.6 | -34.5 | 27.7 |
| BV/Sh. (INR) | 84.9 | 102.9 | 127.8 |
| RoE (%) | 38.8 | 26.6 | 27.7 |
| RoCE (%) | 50.6 | 24.9 | 26.5 |
| P/E (x) | 16.4 | 25.1 | 19.6 |
| P/BV (x) | 7.4 | 6.1 | 4.9 |
| EV/EBITDA(x) | 11.5 | 17.7 | 13.3 |

| | |
|-----------------|---|
| Estimate change | ↔ |
| TP change | ↔ |
| Rating change | ↔ |

CMP: INR627

TP: INR640 (+2%)

Neutral

Strong international performance partially offset by muted domestic business

- Alembic Pharma's (ALPM) 1Q results were broadly in line with our estimates. Sales grew 25% YoY to INR7.3b, ~3.5% above our estimate primarily due to strong growth in international business partially offset by muted growth in domestic business. EBITDA margin was 21.4% against our estimate of 20.7% due to lower than expected R&D cost of 11% (our estimate was ~13%), partially offset by higher operating expense.
- **International business shines; domestic business impacted by regulatory actions:** International business grew >70% YoY and >60% QoQ due to increase in market share of *Abilify* and launch of existing products under own frontend (23 in last nine months). Domestic branded business delivered 6% growth whereas generic business declined ~22% YoY. Muted growth in the domestic market is attributed to supply disruptions, price control and FDC ban. ALPM expects growth to recover in the domestic market, as supply disruption issues have resolved and due to lower than expected impact of FDC ban.
- **Concall takeaways:** (a) Capex for FY17 to be ~INR5b (~INR15b over next 2.5 years); (b) ALPM launched 23 products through own frontend in the last nine months; (c) R&D to be INR4b-4.5b in FY17; (d) Oncology injectable facility to be operational by FY17 end; (e) Onco injectable filling will start from 2HFY18; (f) General injectable and Derma filings in US will start from FY19; (g) 6-8 ANDA approvals expected in FY17; (h) ~31 pending ANDAs, of which ~40% are Para IV/ FTFs.

Increase in cost and high base caps upside: We believe increase in competition in *Abilify* coupled with high R&D expense and rise in depreciation due to planned capex of INR15b over the next 2-3 years will keep profit growth under check. The stock trades at 25x/20x FY17E/18E EPS—in line with peers. We maintain our **Neutral** rating with a target price of INR640 (20x FY18E EPS).

Quarterly performance (Consolidated)

| Y/E March | FY16 | | | | FY17 | | | | (INR Million) | |
|--|-------|--------|-------|-------|-------|-------|-------|-------|---------------|--------|
| | 1Q | 2Q | 3Q | 4QE | 1Q | 2QE | 3QE | 4QE | FY16 | FY17E |
| Net Sales | 5,833 | 10,088 | 9,210 | 6,256 | 7,270 | 7,844 | 7,923 | 8,401 | 31,453 | 31,438 |
| YoY Change (%) | 18.0 | 84.7 | 80.3 | 24.7 | 24.6 | -22.2 | -14.0 | 34.3 | 68.8 | 0.0 |
| EBITDA | 1,021 | 3,760 | 3,839 | 1,423 | 1,559 | 1,647 | 1,664 | 1,421 | 10,025 | 6,602 |
| Margins (%) | 17.5 | 37.3 | 41.7 | 22.7 | 21.4 | 21.0 | 21.0 | 16.9 | 31.9 | 21.0 |
| Depreciation | 129 | 133 | 217 | 244 | 194 | 215 | 222 | 232 | 722 | 862 |
| Interest | 6 | 7 | 10 | 13 | 11 | 3 | 3 | -4 | 37 | 12 |
| Other Income | 0 | 1 | 28 | 26 | 14 | 70 | 85 | 145 | 91 | 314 |
| PBT | 886 | 3,621 | 3,640 | 1,192 | 1,369 | 1,499 | 1,524 | 1,340 | 9,357 | 6,042 |
| Tax | 188 | 735 | 951 | 286 | 333 | 325 | 350 | 321 | 1,986 | 1,329 |
| Rate (%) | 21.2 | 20.3 | 26.1 | 24.0 | 24.3 | 21.7 | 23.0 | 24.0 | 21.2 | 22.0 |
| Minority Interest & Profit/Loss of Asso. C | 1 | 4 | -1 | -5 | 16 | 4 | -1 | -5 | 6 | -2 |
| Reported PAT | 698 | 2,882 | 2,690 | 911 | 1,020 | 1,171 | 1,175 | 1,023 | 7,365 | 4,714 |
| Adj PAT | 698 | 2,882 | 2,690 | 911 | 1,020 | 1,171 | 1,175 | 1,023 | 7,365 | 4,714 |
| YoY Change (%) | 7.9 | 273.0 | 280.7 | 29.5 | 46.2 | -59.4 | -56.3 | 12.3 | 212.8 | -36.0 |
| Margins (%) | 12.0 | 28.6 | 29.2 | 14.6 | 14.0 | 14.9 | 14.8 | 12.2 | 23.4 | 15.0 |

E: MOSL Estimates

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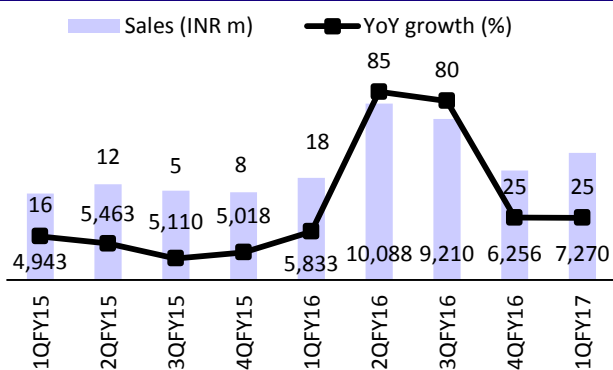
Investors are advised to refer through important disclosures made at the last page of the Research Report.

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Key highlights

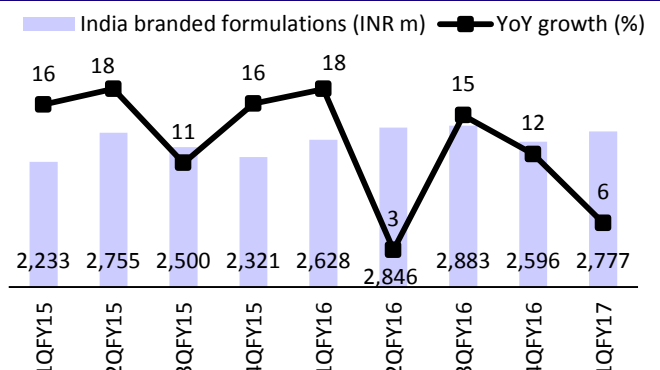
India formulations (38% of sales): India's branded formulation grew 6% to INR2777 million. The specialty segment grew by 16%. Cardiology business grew by 16%. Anti-diabetic & Gynecology were both up by 31%. The Acute segment business saw a dip of 10%. Muted growth in domestic market is attributed to supply disruptions, price control and FDC ban. Alembic expect growth to recover in domestic market as supply disruption issues have resolved and lower than expected impact of FDC ban. Alembic's Tellzy is the fastest growing Telmisartan in India and is now ranked 3rd in the Telmisartan market. In 2Q, ALPM has launched 12 new products in the domestic market. With increased focus on specialty products and improving MR productivity (MRs: 5000), we model 14% CAGR growth over FY15-18E for domestic business. The company has currently 170 products and has plans to launch 20-25 new products every year. The company has 33% share in Macrolides making it the market leader.

Exhibit 1: Lower sales growth due to muted exports



Source: Company, MOSL

Exhibit 2: India business delivered muted growth



Source: Company, MOSL

Exhibit 3: Chronic led growth in domestic formulation business (Jun 16)

| Therapies | Market Share (%) | Market growth (%) | Alembic growth (%) | |
|----------------|------------------|-------------------|---------------------|---------|
| | | | Secondary (ORG-IMS) | Primary |
| CVS | 2.01 | 10 | 18 | 16 |
| Anti-Diabetic | 1.84 | 15 | 42 | 31 |
| Gynecology | 2.83 | 10 | 26 | 31 |
| Gastrology | 1.89 | 7 | -6 | 4 |
| Dermatology | 0.41 | 14 | -12 | -7 |
| Orthopedic | 0.99 | 6 | 3 | 12 |
| Ophthalmology | 1.43 | 11 | 16 | 18 |
| Anti-Infective | 2.57 | 4 | -9 | -3 |
| Cold & Cough | 4.55 | -5 | -15 | -27 |
| Overall | 1.51 | 9 | 5 | 6 |

Source: Company, MOSL

International Generics (42% of sales): International business grew by 72% to INR3080m led by US business. 23 products have been launched by Alembic USA under its own brand. Sequential increase in international business is attributed to increase in market share of Abilify and launch of existing products under own front-end (23 in last 9M). Alembic has 31 pending ANDAs with ~40% as ParaIV/ FTF fillings. The company expects 6-8 ANDA approvals in FY17.

Exhibit 4: Key operating metrics

| | 2QFY14 | 3QFY14 | 4QFY14 | 1QFY15 | 2QFY15 | 3QFY15 | 4QFY15 | 1QFY16 | 2QFY16 | 3QFY16 | 4QFY16 | 1QFY17 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Revenue Mix (%) | | | | | | | | | | | | |
| India | 56.4 | 52.2 | 49.0 | 50.1 | 56.1 | 55.0 | 52.0 | 49.4 | 30.4 | 33.1 | 43.8 | 40.6 |
| Exports (B+G) | 26.3 | 31.3 | 33.2 | 27.5 | 25.9 | 28.5 | 30.9 | 29.8 | 56.1 | 56.0 | 30.0 | 41.9 |
| APIs | 16.0 | 15.5 | 17.4 | 21.4 | 17.1 | 15.8 | 16.8 | 19.8 | 13.5 | 10.9 | 26.3 | 17.4 |
| Revenue Gr. (%) | | | | | | | | | | | | |
| India | 8.3 | 11.5 | 9.9 | 12.3 | 12.0 | 11.5 | 15.8 | 17.2 | 0.6 | 8.9 | 5.2 | 2.6 |
| Exports (B+G) | 114.5 | 100.2 | 70.4 | 35.9 | 10.8 | (3.6) | 1.8 | 29.0 | 302.3 | 255.1 | 21.2 | 75.2 |
| APIs | (14.0) | 12.9 | 2.8 | (0.7) | 19.7 | 7.5 | 5.4 | 9.9 | 46.6 | 24.5 | 95.8 | 9.7 |
| As % of sales | | | | | | | | | | | | |
| Raw material | 39.0 | 36.1 | 38.0 | 35.8 | 34.7 | 34.1 | 34.6 | 36.5 | 22.4 | 22.4 | 19.8 | 26.3 |
| Staff cost | 12.2 | 13.2 | 14.5 | 15.3 | 14.1 | 15.5 | 15.0 | 15.1 | 11.9 | 12.7 | 15.5 | 16.0 |
| R&D cost | 6.9 | 6.0 | 6.7 | 6.0 | 5.7 | 6.0 | 6.1 | 8.2 | 7.7 | 7.6 | 17.8 | 10.9 |
| Other expenses | 22.8 | 23.7 | 21.2 | 23.5 | 25.9 | 24.5 | 24.9 | 22.7 | 20.7 | 15.6 | 24.2 | 25.4 |
| Tax Rate | 23.4 | 25.8 | 24.1 | 23.9 | 19.3 | 21.5 | 20.7 | 21.2 | 20.3 | 26.1 | 24.0 | 24.3 |
| Margins (%) | | | | | | | | | | | | |
| Gross Margins | 61.0 | 63.9 | 62.0 | 64.2 | 65.3 | 65.9 | 65.4 | 63.5 | 77.6 | 77.6 | 80.2 | 73.7 |
| EBITDA Margins | 19.1 | 21.0 | 19.7 | 19.4 | 19.7 | 19.9 | 19.4 | 17.5 | 37.3 | 41.7 | 22.7 | 21.4 |
| EBIT Margins | 17.0 | 19.0 | 17.3 | 17.3 | 17.7 | 17.6 | 17.2 | 15.3 | 36.0 | 39.3 | 18.8 | 18.8 |
| PAT margins | 12.7 | 13.6 | 13.2 | 13.1 | 14.1 | 13.8 | 14.0 | 12.0 | 28.6 | 29.2 | 14.6 | 14.0 |

Source: Company; MOSL

Valuation and view

We believe that ALPM's business profile has undergone a transformation led by renewed efforts by management team to invigorate domestic growth and rapid expansion in export front. This has resulted in marked improvement in profitability and return ratios, likely to sustain over medium term and the re-rating undergone over the past 12 months does reflect this improvement.

With increased earnings growth visibility and strengthening balance sheet, we ascribe a PE multiple of 20x, which is at par with the sector average noting healthy balance sheet, strong return ratios and high earnings growth.

However, we don't see further room for re-rating from current levels as the company is already trading at 25x on FY17E earnings, 20% premium to sector average. We maintain our rating to a Neutral, based on stretched valuation, with a target of 640 based on 20x FY18E.

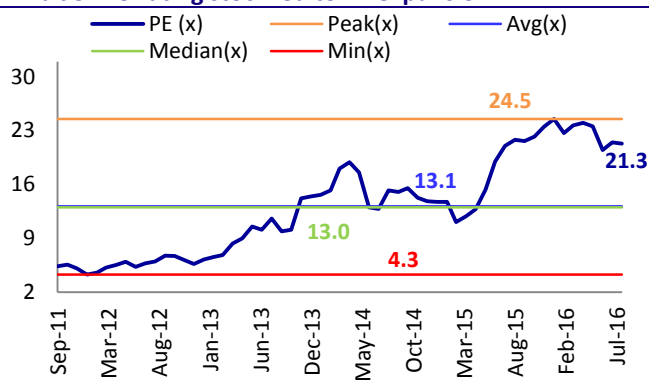
Key catalysts to drive stock's performance over the medium term are:

- Ramp-up of own front-end operations in US and its execution on key launches
- Continued improvement in domestic product mix in favour of chronic/specialty segments which would help outperform industry growth rates
- Improved free cash flow generation

Key risks to our investment thesis:

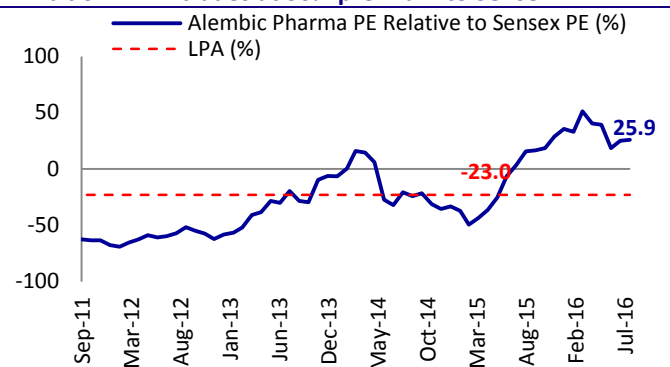
- Regulatory delays affecting key US launches,
- Any adverse US FDA action upon inspection of its US facilities
- Increased coverage of DPCO impacting domestic business (price erosion).

Exhibit 5: Re-rating stock led to PE expansion



Source: Company, MOSL

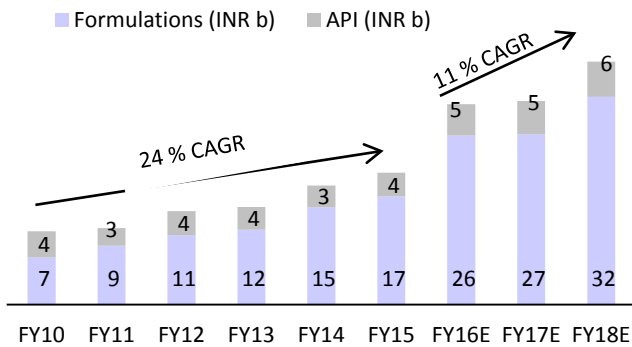
Exhibit 6: ALPM trades at 30% premium to Sensex PE



Source: Company, MOSL

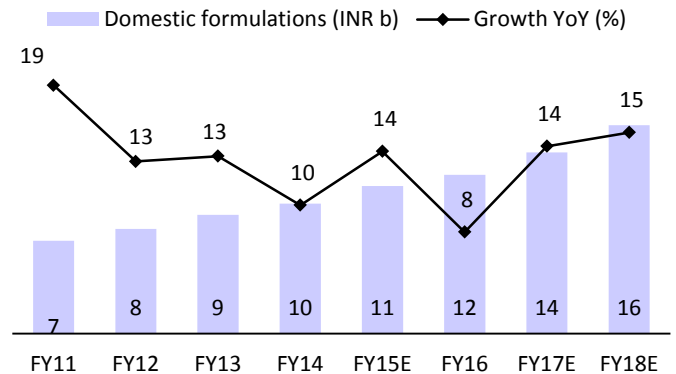
Story in charts

Exhibit 7: Top line growth to come down due to higher base



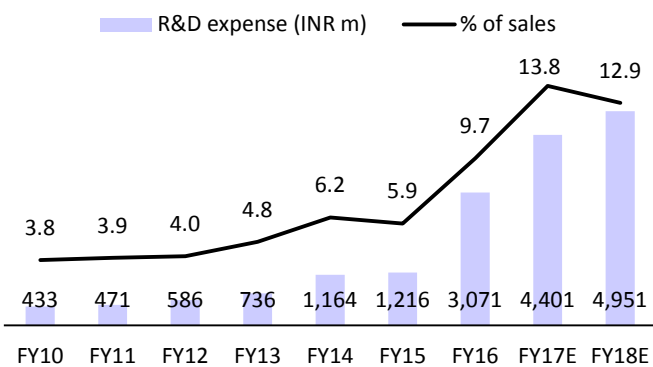
Source: Company, MOSL

Exhibit 8: Specialty led growth in Domestic business



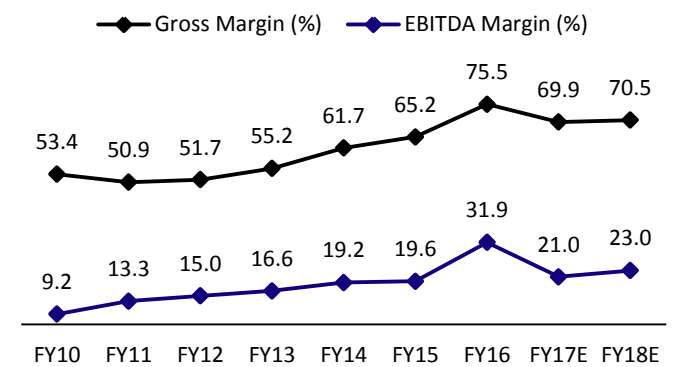
Source: Company, MOSL

Exhibit 9: Pick up in R&D expense



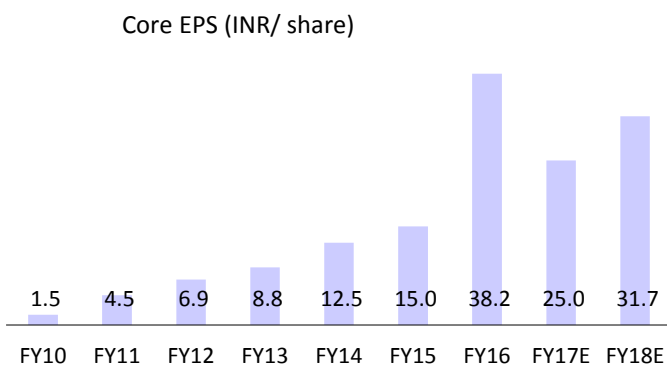
Source: Company, MOSL

Exhibit 10: Margin expansion led by better business mix



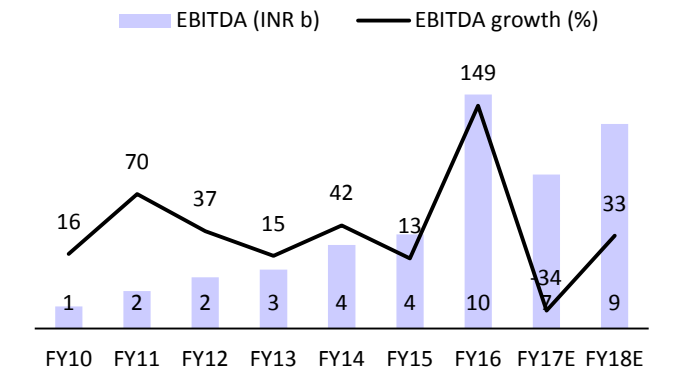
Source: Company, MOSL

Exhibit 11: EPS growth to slow down



Source: Company, MOSL

Exhibit 12: EBITDA improved over the years



Source: Company, MOSL

Financials and valuations

Consolidated - Income Statement

(INR Million)

| Y/E March | FY12 | FY13 | FY14 | FY15 | FY16 | FY17E | FY18E |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net Sales | 14,654 | 15,204 | 18,632 | 20,527 | 31,453 | 31,438 | 38,086 |
| Change (%) | 21.9 | 3.7 | 22.6 | 10.2 | 53.2 | 0.0 | 21.1 |
| EBITDA | 2,194 | 2,520 | 3,577 | 4,026 | 10,025 | 6,602 | 8,760 |
| Margin (%) | 15.0 | 16.6 | 19.2 | 19.6 | 31.9 | 21.0 | 23.0 |
| Depreciation | 337 | 350 | 405 | 444 | 722 | 862 | 1,174 |
| EBIT | 1,858 | 2,170 | 3,172 | 3,582 | 9,303 | 5,739 | 7,586 |
| Int. and Finance Charges | 376 | 240 | 104 | 18 | 37 | 12 | 10 |
| Other Income - Rec. | 128 | 133 | 38 | 26 | 91 | 314 | 343 |
| PBT bef. EO Exp. | 1,610 | 2,063 | 3,106 | 3,591 | 9,357 | 6,042 | 7,919 |
| EO Expense/(Income) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| PBT after EO Exp. | 1,610 | 2,063 | 3,106 | 3,591 | 9,357 | 6,042 | 7,919 |
| Current Tax | 312 | 401 | 685 | 764 | 1,986 | 1,329 | 1,900 |
| Deferred Tax | -4 | 10 | 66 | 0 | 174 | 0 | 0 |
| Tax Rate (%) | 19.2 | 19.9 | 24.2 | 21.3 | 23.1 | 22.0 | 24.0 |
| Reported PAT | 1,301 | 1,653 | 2,355 | 2,827 | 7,197 | 4,712 | 6,018 |
| PAT Adj for EO items | 1,301 | 1,653 | 2,355 | 2,827 | 4,821 | 4,712 | 6,018 |
| Change (%) | 52.4 | 27.0 | 42.5 | 20.0 | 70.5 | -2.3 | 27.7 |
| Margin (%) | 8.9 | 10.9 | 12.6 | 13.8 | 15.3 | 15.0 | 15.8 |

Consolidated - Balance Sheet

(INR Million)

| Y/E March | FY12 | FY13 | FY14 | FY15 | FY16 | FY17E | FY18E |
|-------------------------------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| Equity Share Capital | 377 | 377 | 377 | 377 | 377 | 377 | 377 |
| Total Reserves | 3,573 | 4,652 | 6,379 | 8,469 | 15,628 | 19,019 | 23,719 |
| Preference Capital | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Worth | 3,950 | 5,029 | 6,756 | 8,846 | 16,005 | 19,396 | 24,096 |
| Deferred Liabilities | 95 | 139 | 227 | 314 | 501 | 501 | 501 |
| Total Loans | 3,527 | 1,868 | 1,238 | 2,385 | 1,325 | 1,125 | 925 |
| Capital Employed | 7,572 | 7,036 | 8,221 | 11,546 | 17,832 | 21,023 | 25,522 |
| Gross Block | 4,629 | 5,725 | 6,541 | 8,756 | 11,768 | 14,768 | 18,768 |
| Less: Accum. Deprn. | 1,951 | 2,283 | 2,688 | 3,132 | 3,854 | 4,716 | 5,890 |
| Net Fixed Assets | 2,678 | 3,442 | 3,854 | 5,978 | 8,350 | 10,488 | 13,314 |
| Capital WIP | 582 | 323 | 323 | 323 | 323 | 314 | 381 |
| Total Investments | 33 | 33 | 34 | 23 | 21 | 21 | 21 |
| Curr. Assets, Loans&Adv. | 7,226 | 6,680 | 7,968 | 10,089 | 15,900 | 16,515 | 19,089 |
| Inventory | 2,587 | 2,668 | 3,108 | 3,828 | 5,776 | 4,667 | 5,541 |
| Account Receivables | 1,993 | 2,329 | 2,734 | 3,612 | 3,505 | 5,531 | 6,701 |
| Cash and Bank Balance | 471 | 161 | 240 | 268 | 4,508 | 2,670 | 2,428 |
| Loans and Advances | 2,174 | 1,522 | 1,887 | 2,381 | 2,111 | 3,647 | 4,418 |
| Curr. Liability & Prov. | 2,947 | 3,442 | 3,957 | 4,866 | 6,762 | 6,316 | 7,283 |
| Account Payables | 2,092 | 2,400 | 2,884 | 3,109 | 5,664 | 3,759 | 4,463 |
| Other Current Liabilities | 499 | 419 | 339 | 715 | 656 | 1,095 | 1,326 |
| Provisions | 357 | 623 | 734 | 1,042 | 443 | 1,462 | 1,493 |
| Net Current Assets | 4,279 | 3,239 | 4,011 | 5,223 | 9,138 | 10,199 | 11,806 |
| Misc Expenditure | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Appl. of Funds | 7,572 | 7,036 | 8,221 | 11,546 | 17,832 | 21,022 | 25,522 |

E: MOSL Estimates; * Adjusted for treasury stocks

Financials and valuations

Ratios

| Y/E March | FY12 | FY13 | FY14 | FY15 | FY16 | FY17E | FY18E |
|-------------------------------|------------|------------|-------------|-------------|-------------|-------------|-------------|
| Basic (INR) | | | | | | | |
| EPS | 6.9 | 8.8 | 12.5 | 15.0 | 38.2 | 25.0 | 31.9 |
| Cash EPS | 8.7 | 10.6 | 14.6 | 17.4 | 29.4 | 29.6 | 38.2 |
| BV/Share | 21.0 | 26.7 | 35.8 | 46.9 | 84.9 | 102.9 | 127.8 |
| DPS | 1.4 | 2.5 | 3.0 | 3.5 | 5.0 | 6.0 | 6.0 |
| Payout (%) | 23.6 | 33.4 | 28.1 | 27.3 | 15.3 | 28.1 | 22.0 |
| Valuation (x) | | | | | | | |
| P/E | | | | 41.8 | 16.4 | 25.1 | 19.6 |
| Cash P/E | | | | 36.1 | 21.3 | 21.2 | 16.4 |
| P/BV | | | | 13.4 | 7.4 | 6.1 | 4.9 |
| EV/Sales | | | | 5.9 | 3.7 | 3.7 | 3.1 |
| EV/EBITDA | | | | 29.9 | 11.5 | 17.7 | 13.3 |
| Dividend Yield (%) | | | | 0.6 | 0.8 | 1.0 | 1.0 |
| Return Ratios (%) | | | | | | | |
| RoE | 37.6 | 36.8 | 40.0 | 36.3 | 38.8 | 26.6 | 27.7 |
| RoCE | 23.4 | 25.7 | 32.7 | 29.6 | 50.6 | 24.9 | 26.5 |
| RoIC | 24.2 | 26.7 | 34.0 | 30.4 | 59.9 | 28.9 | 28.3 |
| Working Capital Ratios | | | | | | | |
| Asset Turnover (x) | 1.9 | 2.2 | 2.3 | 1.8 | 1.8 | 1.5 | 1.5 |
| Inventory (Days) | 64 | 64 | 61 | 68 | 67 | 54 | 53 |
| Debtor (Days) | 49 | 56 | 53 | 64 | 40 | 63 | 63 |
| Creditor (Days) | 52 | 58 | 57 | 55 | 66 | 44 | 43 |
| Leverage Ratio (x) | | | | | | | |
| Debt/Equity | 0.9 | 0.4 | 0.2 | 0.3 | 0.1 | 0.1 | 0.0 |

* Adjusted for treasury stocks

Consolidated - Cash Flow Statement

(INR Million)

| Y/E March | FY12 | FY13 | FY14 | FY15 | FY16 | FY17E | FY18E |
|----------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net Profit / (Loss) Before Tax | 1,610 | 2,064 | 3,106 | 3,591 | 9,357 | 6,042 | 7,919 |
| Depreciation | 337 | 350 | 405 | 444 | 722 | 862 | 1,174 |
| Interest & Finance Charges | 262 | 146 | 66 | -9 | -54 | -302 | -333 |
| Direct Taxes Paid | 327 | 387 | 663 | 676 | 1,973 | 1,329 | 1,900 |
| (Inc)/Dec in WC | -616 | 439 | -694 | -1,184 | 326 | -2,900 | -1,849 |
| CF from Operations | 1,265 | 2,611 | 2,221 | 2,166 | 8,378 | 2,373 | 5,011 |
| CF from Operating incl EO | 1,418 | 2,648 | 2,255 | 1,858 | 8,378 | 2,373 | 5,011 |
| (inc)/dec in FA | -612 | -854 | -816 | -2,215 | -3,012 | -2,992 | -4,066 |
| Free Cash Flow | 806 | 1,794 | 1,439 | -357 | 5,366 | -619 | 944 |
| (Pur)/Sale of Investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | 48 | 184 | 37 | 37 | 93 | 314 | 343 |
| CF from Investments | -564 | -670 | -779 | -2,178 | -2,920 | -2,677 | -3,724 |
| (Inc)/Dec in Debt | 143 | -1,696 | -633 | 1,149 | -1,058 | -199 | -195 |
| Interest Paid | -372 | -288 | -104 | -18 | -37 | -12 | -10 |
| Dividend Paid | -216 | -304 | -662 | -772 | -1,103 | -1,323 | -1,323 |
| CF from Fin. Activity | -446 | -2,288 | -1,398 | 349 | -1,218 | -553 | -547 |
| Inc/Dec of Cash | 408 | -310 | 78 | 29 | 4,240 | -857 | 739 |
| Add: Beginning Balance | 63 | 471 | 161 | 240 | 268 | 3,527 | 1,689 |
| Closing Balance | 471 | 161 | 239 | 268 | 4,509 | 2,670 | 2,428 |

E: MOSL Estimates; * Adjusted for treasury stocks

Corporate profile

Company description

Started in 1907, Alembic Pharma (ALPM) is one of the oldest pharmaceutical companies of Indian origin in the domestic formulations market. The company was first established as a tincture and alcohol manufacturer and made its way into modern medicine in 1940. Today ALPM is being run by its fourth generation of entrepreneurs, is the 25th largest formulations player in India and has sales presence in more than 75 countries.

Exhibit 13: Sensex rebased

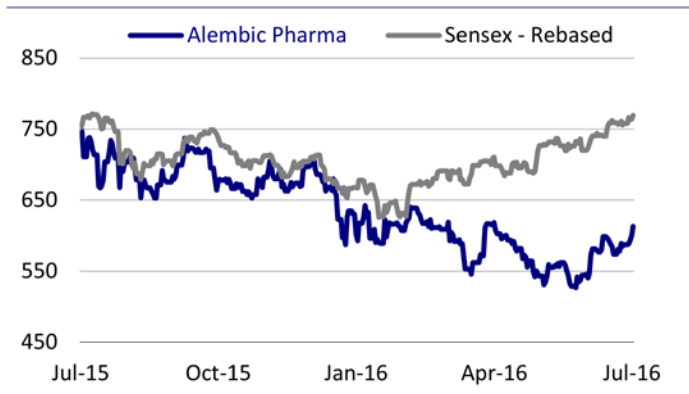


Exhibit 14: Shareholding pattern (%)

| | Jun-16 | Mar-16 | Jun-15 |
|----------|--------|--------|--------|
| Promoter | 74.1 | 74.1 | 74.1 |
| DII | 2.7 | 2.1 | 2.8 |
| FII | 10.9 | 10.8 | 9.5 |
| Others | 12.3 | 13.0 | 13.6 |

Note: FII Includes depository receipts

Exhibit 15: Top holders

| Holder Name | % Holding |
|--|-----------|
| Lotus Global Investments Ltd | 3.1 |
| Elara India Opportunities Fund Limited | 3.0 |
| | |
| | |
| | |

Exhibit 16: Top management

| Name | Designation |
|------------------|-------------------------|
| Chirayu R Amin | Chairman and MD & CEO |
| Pranav Amin | Joint Managing Director |
| Shaunak Amin | Joint Managing Director |
| Rajkumar Baheti | Director & CFO |
| Ajay Kumar Desai | Company Secretary |

Exhibit 17: Directors

| Name | Name |
|--------------------|------------------|
| Chirayu R Amin | K G Ramanathan* |
| Pranav Amin | Milin Mehta* |
| Shaunak Amin | Paresh Saraiya* |
| Rajkumar Baheti | Pranav N Parikh* |
| Archana Hingorani* | |

*Independent

Exhibit 18: Auditors

| Name | Type |
|---------------------------|-------------------|
| H R Kapadia | Cost Auditor |
| K S Aiyar & Co | Statutory |
| Samdani Shah & Associates | Secretarial Audit |
| Sharp & Tannan | Internal |

Exhibit 19: MOSL forecast v/s consensus

| EPS (INR) | MOSL forecast | Consensus forecast | Variation (%) |
|-----------|---------------|--------------------|---------------|
| FY17 | 25.0 | 22.5 | 10.9 |
| FY18 | 31.9 | 30.1 | 5.9 |

NOTES

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