



Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

Corporate Office : Mahendra Industrial Estate,
Ground Floor, Plot No. 109-D, Road No. 29,
Sion (East), Mumbai - 400 022. (India)
Tel .: 022-2407 2249 / 2401 9025 (30 Lines)
Fax.: 022-2407 3462 / 2407 0144
Email: admin@aartidrugs.com
website: www.aartidrugs.com
CIN No.:L37060MH1984PLC055433

Ref: ADL/SE/2024-25/91
October 24, 2024

To,
Listing/ Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
BSE CODE: 524348

To,
Listing/ Compliance Department
National Stock Exchange of India Limited,
“Exchange Plaza”, Plot No. C/1,
G Block Bandra - Kurla Complex,
Bandra (East), Mumbai – 400051
NSE SYMBOL: AARTIDRUGS

Dear Sir/Madam,

Sub: Press Release

Ref: Regulation 30 of SEBI (LODR) Regulations, 2015

Please find attached herewith press release on Financial Results for the quarter and half year ended September 30, 2024.

Kindly take the same on record.

Thanking you,

Yours faithfully,

FOR AARTI DRUGS LIMITED

RUSHIKESH DEOLE
COMPANY SECRETARY & COMPLIANCE OFFICER
ICSI M. No.: F12932



Aarti Drugs Ltd.

Q2 & H1 FY25 Business & Financial Performance

Mumbai, 24th October 2024

Aarti Drugs Limited (Aarti Drugs) (NSE: AARTIDRUGS; BSE:524348), a Mumbai based diversified and fully integrated pharmaceutical company, with interests in Active Pharmaceutical Ingredients (API), Formulation, Specialty Chemicals and Intermediates announced its Audited Financial Results for the quarter and half year ending 30th September 2024.

Consolidated Financial Highlights

Particulars (In Rs Crores)	Q2 FY25	Q2 FY24	YoY	Q1 FY25	QoQ	H1 FY25	H1 FY24	YoY
Revenue	599.8	642.2	-7%	556.5	8%	1,156.3	1,303.9	-11%
Gross Profit [#]	205.8	213.2	-3%	196.6	5%	402.4	428.5	-6%
EBITDA*	68.5	77.1	-11%	66.1	4%	134.6	161.8	-17%
EBITDA Margin %	11.5%	12.0%	-50 bps	11.9%	-40 bps	11.7%	12.4%	-70 bps
Profit Before Tax (PBT)*	45.9	56.3	-18%	44.0	4%	89.9	119.8	-25%
Profit After Tax (PAT)	35.0	39.6	-12%	33.3	5%	68.2	87.6	-22%
PAT Margin %	5.8%	6.2%	-40 bps	6.0%	-20 bps	5.9%	6.7%	-80 bps
EPS (in ₹)	3.83	4.29	-11%	3.62	6%	7.48	9.47	-21%

Gross Profit = Revenue - Raw Material Consumed; *EBITDA & PBT excludes exceptional Items but includes other income

Consolidated Financial Highlights – Q2 FY25

- Revenue** stood at Rs. 599.8 crores as against Rs. 642.2 crores, a decline of 7% YoY. This is on account of lower realizations stemming from negative rate variance and subdued market demand in the API business
- EBITDA** stood at Rs. 68.5 crores as against Rs. 77.1 crores, a decline of 11% YoY. **EBITDA Margin (%)** stood at 11.5%
- PAT** stood at Rs. 35.0 crores as against Rs. 39.6 crores, a decline of 12% YoY. **PAT Margin (%)** stood at 5.8%

Consolidated Financial Highlights – H1 FY25

- Revenue** stood at Rs. 1,156.3 crores as against Rs. 1,303.9 crores, a decline of 11% YoY
- EBITDA** stood at Rs. 134.6 crores as against Rs. 161.8 crores, a decline of 17% YoY. **EBITDA Margin (%)** stood at 11.7%
- PAT** stood at Rs. 68.2 crores as against Rs. 87.6 crores, a decline of 22% YoY. **PAT Margin (%)** stood at 5.9%

Buyback of Shares: The Company has completed the buyback of 6,65,000 Equity Shares at a price of Rs.900/- per share (Face Value of Rs. 10/- each fully paid-up) in September 2024

Segmental Performance Update

Particulars (In Rs Crores)	Q2 FY25	Q2 FY24	YoY%	H1 FY25	H1 FY24	YoY%
API	482.6	508.9	-5%	925.4	1,033.6	-10%
Formulations	65.6	86.6	-24%	136.1	176.5	-23%
Specialty Chemicals	28.8	34.4	-16%	55.4	62.0	-11%
Intermediaries & Others	21.3	11.6	84%	36.7	30.5	20%



Aarti Drugs Ltd.

Standalone Business Highlights – Q2 FY25

- Revenue stood at Rs. 543.1 crores as against Rs. 577.5 crores, down by 6% YoY
- Standalone business contributed ~89% to the consolidated revenue for the quarter
- ~66% of the revenues came from the domestic market and ~34% from the exports market
- Within the API business, the antibiotic therapeutic category contributed ~40%, anti-diabetic ~18%, anti-protozoal ~17%, anti-inflammatory ~10%, antifungal ~10% and the rest contributed ~4% to total API sales

Formulation Segment Highlights

- Revenue for formulations stood at Rs. 65.6 crores as against Rs. 86.8 crores, down by 24% YoY. During the quarter, ~53% of the revenue contribution for the formulation segment is from exports

Commenting on the same, Mr. Adhish Patil, CFO & COO, of Aarti Drugs Limited said,

“During Q2FY25, we have seen a drop in revenues and profitability on a year-on-year basis mainly due to lower realizations stemming from negative rate variance and subdued market demand in the API business. The volumes have remained flattish on a YoY basis whereas we have seen a growth of 10% from the last quarter.

Since Q1, the prices have stabilized, and volumes have grown which has led to a growth of 8% in revenues on a QoQ basis. We expect pricing to improve going ahead.

Formulation segment revenue stood at Rs. 65.6 crores for the quarter, with exports contribution of ~53%. In H1 FY25 revenue stood at Rs. 136.6 crores.

The greenfield project at Sayakha, Gujarat for Speciality Chemicals is expected to commence in this quarter. With this, the operating leverage is expected to kick in from the second half of the year with improved capacity utilization.

The production of Salicylic Acid has commenced and currently we are producing 100 tonnes per month. There have been certain teething issues, and we expect to ramp up the production to 300+ tonnes by end of October'24. In total we will have sequential ramp up of capacity to 1,800 tonnes throughout FY25 & FY26.

During H1 FY25, the Company has incurred Capex of ~Rs. 90 crores mainly towards capacity expansion, backward integration and new product launches. We anticipate a total Capex of ~Rs. 200 crores for the full year. This Capex would be mainly through internal accruals and partly through term loans.

The Pharma API manufacturing industry is constantly evolving, and we are committed to staying ahead of the curve. We continue to expand our capabilities and enhance our offerings to meet the ever-changing needs of our customers. We also plan to invest in new technologies and equipment that will help us streamline our processes and improve efficiency.”



About Aarti Drugs Limited

Aarti Drugs Limited was established in the year 1984 and forms part of \$6 Billion Aarti Group of Industries with robust R&D Division at Tarapur, Maharashtra Industrial Development Corporation (MIDC) in close vicinity to manufacturing locations. The Company is engaged in the manufacturing of Active Pharmaceutical Ingredients (APIs), Pharma Intermediates, Speciality Chemicals and produces Formulations with its wholly-owned subsidiary-Pinnacle Life Science Private Limited. The Company have total 12 manufacturing facilities out of which 9 manufacturing facilities are in Maharashtra, 2 Manufacturing facilities in Gujarat and 1 Manufacturing facility of Pinnacle is located at Himachal Pradesh. Products under APIs include Ciprofloxacin Hydrochloride, Metronidazole, Metformin HCL, Ketoconazole, Ofloxacin etc. whereas Specialty Chemicals includes Benzene Sulphonyl Chloride, Methyl Nicotinate etc.

For more information, please visit www.aartidrugs.co.in

Safe Harbor

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project-related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For more information, please contact

Company:

Aarti Drugs Limited



CIN: L37060MH1984PLC055433

Mr. Rushikesh Deole

investorrelations@aartidrugs.com

+91 22 24048199

www.aartidrugs.co.in

Investor Relations (IR)

Strategic Growth Advisors Pvt. Ltd.



CIN: U74140MH2010PTC204285

Mr. Deven Dhruva

deven.dhruva@sgapl.net

+91 98333 73300

www.sgapl.net