



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)
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Email: admin@aartidrugs.com
website: www.aartidrugs.com
CIN No.:L37060MH1984PLC055433

Ref: ADL/SE/2024-25/45
July 26, 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,

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sub: Press Release on Financial Results.

Please find attached herewith press release on Financial Results for the Quarter ended June 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.

Q1 FY25 Business & Financial Performance

Mumbai, 26th July 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 ending 30th June 2024.

Consolidated Financial Highlights

Particulars (In Rs Crores)	Q1 FY25	Q1 FY24	YoY%	Q4 FY24	QoQ%
Revenue	556.5	661.7	-15.9%	621.1	-10.4%
Gross Profit [#]	196.6	215.4	-8.7%	224.0	-12.2%
EBITDA*	66.1	84.7	-22.0%	86.9	-24.0%
EBITDA Margin %	11.9%	12.8%	(90 bps)	14.0%	(210 bps)
Profit Before Tax (PBT)*	44.0	63.5	-30.8%	64.2	-31.5%
Profit After Tax (PAT)	33.3	48.0	-30.6%	47.3	-29.7%
PAT Margin %	6.0%	7.3%	(130 bps)	7.6%	(160 bps)
EPS (in ₹)	3.62	5.18	-30.1%	5.15	-29.7%

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

Consolidated Financial Highlights – Q1 FY25

- **Revenue** stood at Rs. 556.5 crores as against Rs. 661.7 crores, a decline of 15.9% YoY
- **EBITDA** stood at Rs. 66.1 crores as against Rs. 84.7 crores, a decline of 22.0% YoY. **EBITDA Margin (%)** stood at 11.9%
- **PAT** stood at Rs. 33.3 crores as against Rs. 48.0 crores, a decline of 30.6% YoY. **PAT Margin (%)** stood at 6.0%

Segmental Performance Update

Particulars (In Rs Crores)	Q1 FY25	Q1 FY24	YoY%	Q4 FY24	QoQ%
API	442.7	524.5	-15.6%	501.3	-11.7%
Formulations	70.5	89.9	-21.6%	67.6	4.2%
Specialty Chemicals	26.6	27.6	-3.4%	33.0	-19.3%
Intermediaries & Others	15.5	19.2	-19.0%	18.2	-14.6%



Aarti Drugs Ltd.

Standalone Business Highlights – Q1 FY25

- Revenue stood at Rs. 493.1 crores as against Rs. 592.3 crores, down by 16.8% YoY
- Standalone business contributed ~87% to the consolidated revenue for the quarter
- ~69% of the revenues came from the domestic market and ~31% from the exports market
- Domestic revenue down ~16% while exports down ~18% Y-o-Y
- Within the API business, the antibiotic therapeutic category contributed ~43%, anti-diabetic ~14%, anti-protozoal ~18%, anti-inflammatory ~9%, antifungal ~10% and the rest contributed ~6% to total API sales

Formulation Segment Highlights

- Revenue for formulations stood at Rs. 70.4 crores as against Rs. 89.9 crores, down by 21.6% YoY. ~57% of the revenue contribution is from exports during the quarter

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

“During the quarter gone by, there has been a drop in revenues and profitability mainly due to lower realizations stemming from negative rate variance and subdued market demand in APIs business. Relatively lower capacity utilization for the quarter weighed negatively on the EBITDA margins. Going ahead in FY25, we anticipate an improvement in margins, mostly driven by an anticipated growth in export sales and backward integration.

Formulation segment’s revenue stood at Rs. 70.4 crores for the quarter, a growth of 4.2% Q-o-Q. In the last quarter, we commenced our facility for dermatology products in Tarapur. We faced teething issues on the same which led to increased costs of ~Rs. 6 crores in the quarter. We expect to ramp up the production of this facility in Sep’24 and Dec’24 quarters progressively.

The greenfield project at Gujarat Sayakha for Speciality Chemicals is on track which we plan to commence by end of Q2 FY25. With this, the operating leverage is expected to kick in from the second half of the year with improved capacity utilization.

During Q1 FY25, the Company incurred Capex of Rs. 52 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 we mainly through internal accruals and partly through term loans.

In June 2024, a fire occurred at N-198 unit which manufactures certain API products for external customers. Production operation of the said unit had been temporarily disrupted which began operations in July 2024. The unit has adequate insurance coverage for the same.

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.”



Aarti Drugs Ltd.

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

Investor Relations (IR)

Strategic Growth Advisors Pvt. Ltd.



Aarti Drugs Ltd.



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