



Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

Corporate Office : Mahendra Industrial Estate,
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/2024-25/122
January 29, 2025

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

Please find attached herewith press release on Q3 & 9M FY25 Business and Financial Performance.

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.

Q3 & 9M FY25 Business & Financial Performance

Mumbai, 29th January 2025

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 nine months ending 31st December 2024.

Consolidated Financial Highlights

Particulars (In Rs Crores)	Q3 FY25	Q3 FY24	YoY	Q2 FY25	QoQ	9M FY25	9M FY24	YoY
Revenue	568.5	607.6	-6%	599.8	-5%	1,724.8	1,911.5	-10%
Gross Profit [#]	217.1	202.4	7%	205.8	5%	619.6	630.9	-2%
EBITDA*	62.3	71.8	-13%	68.5	8%	196.9	233.6	-16%
EBITDA Margin %	11.2%	11.8%	-60 bps	11.5%	150 bps	11.5%	12.2%	-70 bps
Profit Before Tax (PBT)*	50.7	51.6	-2%	45.9	12%	140.6	171.4	-18%
Profit After Tax (PAT)	37.1	36.7	1%	35	7%	105.3	124.3	-15%
PAT Margin %	6.5%	6.0%	50 bps	5.8%	80 bps	6.1%	6.5%	-40 bps
EPS (in ₹)	4.1	4.0	3%	3.8	8%	11.6	13.5	-14%

Gross Profit = Revenue - Raw Material Consumed; *EBITDA excludes exceptional Items but includes other income except Interest on IT Refund

Dividend: The Board has declared an Interim Dividend of Re. 1/- per Equity Share of Face Value of Rs. 10 each of the Company (10% of Face Value)

Consolidated Financial Highlights – Q3 FY25

- Revenue** stood at Rs. 568.5 crores as against Rs. 607.6 crores, a decline of 6% YoY
- EBITDA** stood at Rs. 62.3 crores as against Rs. 71.8 crores, and decline of 13%YoY. **EBITDA Margin (%)** stood at 11.2%, down by 60 basis points
- PAT** stood at Rs. 37.1 crores as against Rs. 36.7 crores, and increase of 1% YoY. **PAT Margin (%)** stood at 6.5%.

Consolidated Financial Highlights – 9M FY25

- Revenue** stood at Rs. 1,724.8 crores as against Rs. 1,911.5 crores, a decline of 10% YoY
- EBITDA** stood at Rs. 196.9 crores as against Rs. 233.6 crores, a decline of 16% YoY. **EBITDA Margin (%)** stood at 11.5%
- PAT** stood at Rs. 105.3 crores as against Rs. 124.3 crores, a decline of 15% YoY. **PAT Margin (%)** stood at 6.1%

Segmental Performance Update

Particulars (In Rs Crores)	Q3 FY25	Q3 FY24	YoY%	9M FY25	9M FY24	YoY%
API	460.0	485.1	-5.2%	1,385.3	1,517.5	-8.7%
Formulations	48.0	79.3	-39.4%	184.1	257.0	-28.4%
Specialty Chemicals	33.8	31.4	7.6%	91.0	93.4	-2.6%
Intermediaries & Others	14.8	10.1	46.3%	49.8	40.7	22.4%



Standalone Business Highlights – Q3 FY25

- Revenue stood at Rs. 525.9 crores as against Rs. 539.9 crores, down by 2.6% YoY
- Standalone business contributed 91% to the consolidated revenue for the quarter
- 64% of the revenues came from the domestic market and 36% from the exports market
- Domestic revenue down -8% while exports up by ~4% Y-o-Y
- Within the API business, the antibiotic therapeutic category contributed ~38.6%, anti-diabetic ~16.1%, anti-protozoal ~16.5%, anti-inflammatory ~11.9%, antifungal ~12.0% and the rest contributed ~5.0% to total API sales

Formulation Segment Highlights

- Revenue for formulations stood at Rs. 48.6 crores as against Rs. 79.3 crores, down by 39% YoY. ~47% of the revenue contribution is from exports during the quarter

Acquisition of at least 26.25% Equity Shares of the Pro-Zeal Green Power Six Private Limited

To meet the green energy needs and optimize energy costs, the Company will acquire 26.25% equity stake in SPV as per Electricity Laws. The solar power generated by the SPV will be supplied to the Company (Aarti Drugs Limited) for its captive consumption in the couple of Units located in the state of Gujarat.

Company is in receipt of the Establishment Inspection Report (EIR) from USFDA for inspection at API manufacturing facility of our Company at Plot No-E-22, MIDC, Tarapur, Maharashtra

- FDA has determined that the inspection classification of this facility is “voluntary action indicated” (VAI). Based on this inspection, this facility is considered to be in a minimally acceptable state of compliance with regard to current good manufacturing practice (CGMP)
- Company is in receipt of the Establishment Inspection Report (EIR) from US FDA concluding the inspection as closed. Due to this Company can export the products such as Ciprofloxacin HCl API, Zolpidem Tartrate API, Raloxifene HCl API, Celecoxib API and Niacin API in US Market

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

“This quarter has presented significant challenges for our API segment, with both revenue and profit declining on a year-on-year basis. This is mainly due to reduced market prices and weaker demand. Although prices remained stable during the December quarter, there was a negative price variance when compared to the same period last year.

Formulation segment revenue stood at Rs. 48.6 crores for the quarter, with an export contribution of 47% whereas in 9M FY25 revenue stood at Rs 186.9 crores.

The greenfield project at Sayakha, Gujarat for Speciality Chemicals will commence trial production in this quarter. With this, the operating leverage is expected to kick in from the subsequent quarter with improved capacity utilization.

There had been certain teething issues in Tarapur greenfield project, which are sorted now and we expect to ramp up the production to 500+ tonnes per month by the end of March’25. In total we will have sequential ramp up of capacity to 1,600 tonnes per month by end of FY26.

During 9M FY25, the Company has incurred Capex of ~Rs. 136 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.

Despite facing these short-term challenges, we are staying focused on our long-term goals. We are confident about achieving double digit growth in revenues with EBITDA Margins of 13%-14% in FY26 which is a healthy indicator of our financial stability and operational efficiency.

Despite API pricing pressures, driven by fluctuating raw material costs, heightened competition, and regulatory demands in global markets we remain committed to achieving growth and profitability by enhancing operational efficiencies and expanding our market presence. We are dedicated to tackling these challenges and emerging stronger in the future.”



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