



# Ami Organics Limited

**CIN. : L24100GJ2007PLC051093**

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**May 08, 2025**

To,  
The Corporate Relations Department,  
**BSE LIMITED,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai- 400 001

To,  
The Listing Department  
**National Stock Exchange of India Limited,**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot no. C-1,  
G-Block, Bandra Kurla Complex,  
Mumbai -400051

**Scrip Code: 543349**

**NSE Symbol: AMIORG**

Dear Sir/Madam,

**Subject: Transcript of Earnings Call for Q4 FY25 financial results held on May 2, 2025**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby enclose the transcript of the Earnings conference call held on May 2, 2025 post announcement of financial results for the fourth quarter and year ended on March 31, 2025.

The same will also be available at the website of Company at [www.amiorganics.com](http://www.amiorganics.com)

This is for your information and records.

Yours faithfully,  
**For, AMI ORGANICS LIMITED**



**CS Ekta Kumari Srivastava**  
**Company Secretary & Compliance Officer**

Encl: As Above





**“AMI Organics Limited  
Q4 FY '25 Earnings Conference Call”  
May 02, 2025**

**MANAGEMENT: MR. NARESH PATEL – CHAIRMAN AND MANAGING  
DIRECTOR – AMI ORGANICS LIMITED**

**MR. ABHISHEK PATEL – VICE PRESIDENT, STRATEGY  
– AMI ORGANICS LIMITED**

**MR. BHAVIN SHAH – CHIEF FINANCIAL OFFICER –  
AMI ORGANICS LIMITED**

**MODERATOR: MR. KRISHAN PARWANI - JM FINANCIAL  
INSTITUTIONAL SECURITIES LIMITED**

**Moderator:**

Ladies and gentlemen, good day, and welcome to the Ami Organics Limited Q4 FY '25 Earnings Conference Call hosted by JM Financial Institutional Securities Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Krishan Parwani. Thank you, and over to you, sir.

**Krishan Parwani:**

Yes. Good afternoon, everyone, and thank you for joining us on Ami Organics Q4 and FY '25 Earnings Conference Call. Today, we have with us Ami Organics management, represented by Mr. Naresh Patel, Chairman and Managing Director; Mr. Abhishek Patel, Vice President, Strategy; and Mr. Bhavin Shah, Chief Financial Officer. I would now like to invite Mr. Bhavin Shah to initiate the proceedings. Over to you, sir. Thank you.

**Bhavin Shah:**

Thank you, Krishan. Good afternoon, everyone. We are pleased to welcome you all to our earnings conference call to discuss Q4 and FY '25 financials. Please note that a copy of our disclosure is available on the Investors section of our website as well as on the stock exchanges.

Please do note that anything said on this call which reflects our outlook towards the future or which could be construed as forward-looking statements must be reviewed in conjunction with the risk that the company may face. The conference call is being recorded, and the transcript along with the audio of the same will be made available on the website of the company and exchanges.

Please note that the audio of conference call is the copyright material of Ami Organics and cannot be copied, rebroadcasted or attributed in press or media without specific and written consent of the company.

Now I would like to hand over the floor to our CMD, Mr. Naresh Patel, for his opening statement. Over to you, sir.

**Naresh Patel:**

Thank you, Bhavin. Good afternoon, everyone. I hope you are all doing well. I will start with a look at the broader industry landscape before diving into our performance for Q4 and FY '25.

The global economy continues to face significant uncertainty driven by shifting geopolitical dynamics and evolving policy decisions. For the chemical industry, a major factor will be the unfolding U.S. tariff framework. In chemicals, everyone is watching which countries win in preferential terms and how China likely facing higher duties will react. These developments will drive fluctuations in prices of both raw materials as well as finished goods, setting the stage for highly dynamic chemicals market in 2025.

Zooming in on our key industries that we serve:

Pharmaceutical industries remain our largest revenue contributor. Demand for pharmaceutical intermediates remains stable, and we are witnessing a notable increase in CMO/CDMO inquiries.

India is increasingly recognized as a viable alternative to China, a trend that is strategically positioned us to leverage. On the policy front, pharmaceuticals are exempted from U.S. tariffs. However, the U.S. government has initiated investigation into imports of pharmaceutical and semiconductors, which may lead to future tariff measures.

Given the multifaceted nature of these potential outcomes, we will refrain from speculations, but we will continue to watch the developments as we progress through 2025.

For battery chemicals, despite moderate demand for electric vehicles globally and delays in new battery cell capacity across the sector, we are observing a positive shift. Manufacturers are actively diversifying supply chains away from China, a movement accelerated by U.S. tariff policy. The transition presents significant opportunities, and we are well prepared to capitalize on this evolving landscape.

Moving on the semiconductor industry, while appetite for chips to power the data centers behind the artificial intelligence boom continues to thrive, demand for legacy semiconductors found in cars, industrial equipment and other devices have been subdued in recent months.

Our strategic initiatives in Korea, Japan and Taiwan are yielding encouraging results, and we are confident this market will play a pivotal role in our future growth. Overall, we remain cautiously optimistic about demand even as a cloud of uncertainty continues to hover over the industry.

Coming to Ami Organics performance for the year, I'm delighted to report that FY '25 marks a landmark year for Ami Organics as we crossed the INR1,000 crore revenue threshold. This achievement is a testament for to the relentless hard work of every single employee at Ami Organics as well as the steadfast support of our stakeholders, such as our customers, suppliers, shareholders and all other stakeholders who were part of our journey directly or indirectly. On behalf of the leadership team, I express our deepest appreciation for our stakeholders' contributions to this milestone.

As we cross a big milestone in our journey and enter a new phase of growth, the need for a distinct and future-ready brand identity becomes increasingly evident.

The identity which honours our enlarged vision to build a diversified specialty chemicals company, serving various industries such as pharmaceutical, semiconductor, battery chemicals, petroleum, agrochemicals, cosmetics and preservatives as well as reflects our unwavering commitment to serving humanity in a sustainable manner. To support this transformation, the management has decided the strategic decision to rename the company from Ami Organics Limited to Acutaas Chemicals Limited.

Looking ahead in FY '26, we anticipate continued growth in our CDMO business bolstered by increasing demand and new CDMO contracts. On the generic side, as always, we have several molecules within our core generic intermediates portfolio that are expected to benefit from patent expiration in 2025 and 2026, driving further momentum.

Additionally, our electrolyte additives business is scheduled to commence production from new brownfield plant at Jhagadia site in the second half of FY '26, with other business segments poised for steady advancement. Based on these factors, in FY '26, we are confident in delivering 25% revenue growth, a target we have constantly achieved for the past 15 years.

To conclude, I reaffirm our commitment to delivering sustainable growth and value for all stakeholders as we navigate the opportunities and challenges ahead.

Now I will hand over the floor to our Vice President of Strategy, Abhishek Patel, for further business updates. Over to you, Abhishek.

**Abhishek Patel:**

Thank you, Naresh Bhai. Good afternoon, everyone. Let me provide further insight into our business performance, starting with the Pharmaceutical Intermediates. This segment delivered revenue of INR273 crores in Q4 FY '25, which is a strong growth of around 44% Y-o-Y. For the full year, Pharma Intermediates business delivered revenue of INR854 crores, which is stellar 50% growth Y-o-Y. CDMO business was a key growth driver for this business, whereas Pharma Intermediates business continues steady growth momentum.

Moving on to Specialty Chemicals business. This segment reported flattish revenue of INR36 crores during the quarter. For the full year, the revenue were INR153 crores, which is a 2% growth Y-o-Y. While the overall business looked flattish for the year, this was purely driven by the degrowth in BFC business, which was offset by growth in commodity chemical business. I would like to highlight that commodity chemical business saw strong volume growth of more than 25% during FY '25.

On a capital expenditure side, capex for this financial year stood at INR195 crores, primarily allocated to Ankleshwar site as well as solar and electrolyte additive projects.

Let me give you further updates on the capex. Starting with Ankleshwar site, the capex work is almost completed. And I believe during the current quarter, we will capitalize the remaining block, i.e. block 1.

On the solar side, I'm delighted to share a successful commissioning of 10.8 megawatt solar plant. A newly commissioned solar plant is projected to deliver substantial annual cost savings by meeting most of the electricity requirement of our company's Ankleshwar and Jhagadia units in Gujarat. In addition to 10.8 megawatt power plant, we are actively developing another 5 megawatts. This project is expected to complete in near term, which will fulfil electricity need of Sachin unit, Gujarat.

The capex for the full upcoming year, include spillover capex of electrolyte additive business, along with maintenance capex and new pilot plant facility at Sachin Surat. The pilot plant will help us expedite scaling up of new products as well as manufacturing of high potent chemicals and the new products under CRAM's model.

Overall capex for the upcoming year is expected to be around INR200 crores. And we have sufficient cash on hand to fund this capex through QIP proceeds and internal accruals of FY '25.

Before I conclude, I want to reaffirm our confidence in delivering 25% revenue growth in FY '26, a milestone we have consistently achieved for the past 15 years. On the margin front, we are committed to deliver further improvements in the margin in FY '26.

I also want to highlight a key trend driven by our business cycle. Q1 is typically our weakest quarter with revenue steadily increasing sequentially until Q4, which is always the strongest quarter. This pattern results in H1 contributing around 40% of the total top line, while H2 accounts for around 60% of the total year revenue. As a result, H1 may appear softer and this will reflect in our margin with a lower margin in Q1 and Q2 due to lower top line.

With that, I will hand over our floor to our CFO, Mr. Bhavin Shah, for his financial update. Over to you, Bhavin Bhai.

**Bhavin Shah:**

Thank you, Abhishek Bhai. I would like to briefly highlight the key performance metrics for the quarter before we open the floor for questions. I will start with the quarterly performance. Revenue from the operations for the quarter reached to INR308.5 crores, representing 37.1% growth and Y-o-Y 12.2% Q-o-Q. Gross profit for the quarter was INR146 crores, reflecting 62.3% increase compared to the same period last year.

The gross margin expanded by 734 basis points Y-o-Y and 108 basis points sequentially to 47.3%. Gross margin was driven by better product mix. EBITDA for the quarter was INR85 crores, which was almost double when compared to same period last year.

EBITDA margins were at 27.5%, up 835 basis points Y-o-Y and 257 basis points Q-o-Q. EBITDA margin was driven by expansion in gross margin as well as operating leverage. PAT for the quarter was INR62.7 crores, which grew almost 2.5x compared to the PAT of INR25.7 crores in Q4 FY '24. PAT margin for the quarter were 20.3%, which saw an expansion of 892 basis points Y-o-Y and 380 basis points Q-o-Q.

Moving to the performance for FY '25. Revenue from the operation for FY '25 crossed INR1,006.9 crore, representing a growth of 40.3% year-over-year. EBITDA for the FY '25 was INR232.1 crores, up 80.6% Y-o-Y. PAT for FY '25 was at INR160.4 crores, which was almost double when compared to the adjusted PAT for the same period last year.

Moving on to balance sheet items. Net cash and cash equivalents were at INR249 crores. I'm happy to share that even with robust growth, we are able to control our working capital, which was 114 days during FY '25 as against 116 days in FY '24. This was driven by improved inventory days and stable receivable days. Better working capital management led to strong generation of cash flow from operations of INR118 crores, which was around 51% of the EBITDA for the FY '25.

With that, I request moderator to open the floor for questions. Thank you.

**Moderator:**

Thank you. We will now begin the question and answer session. The first question is from the line of Sudarshan Padmanabhan from ASK MD PMS. Please proceed.

**Sudarshan Padmanabhan:** Sir, my question is, this year has been very strong on the CDMO side, the pharma side, which has driven the growth. Going forward, I mean, we are very excited about this business. One, on the CDMO side, if you can give some color on the number of products in the late stage which can hit the commercial? And outside the pharmaceutical side, on the chemicals because we have a fairly exciting opportunity on the semiconductor, how do we see the scale up there?

I would like to understand the opportunities on the CDMO side, how much of molecules are there in the late stage, which can go to commercial and that will drive the growth in the next couple of years.

And outside the CDMO side, specifically on the chemical side, we have exciting opportunities on the semiconductor space with Baba Fine Chem. How do we see the scale-up happening on that side? Because that has not contributed as much as what we expect this year?

**Management:** On the CDMO business side first, as we discussed during last call also that we are expecting this business to go up to INR1,000 crores by FY '28. And the plan is still intact and doing well on the track. We discussed during last call also that one of the CDMO project is scheduled to supply the commercial quantity that is already on track and other products are also going on track. But it is very difficult for us to share the number of products at this stage. As and when it gets completed, we will update you.

On the Spec Chem business, as we discussed, we are in a process of completing our capex for electrolyte additive production that is going on track and expected to get completed by H1 FY '26. And H2 FY '26 onwards, we should have the production facility working and that will scale up our business or revenue streams from that business also.

On the semiconductor business side, the seeding is going on. We are targeting or we are expanding our reach into newer geography of Taiwan, Korea and Japan. This is already going well with a new customer onboarding. And it will take its own time because it's an approval -- full approval system, which goes for some time. And then we can expect revenue starting from those sunrise industry in next coming years.

**Sudarshan Padmanabhan:** Sure, sir. And sir, we had talked about the continuous flow chemistry gathering good momentum. If you can give some color on what is the progress there? I mean, not necessarily the number of molecules, but how much have we progressed there and how much more benefit we can derive from the yield perspective?

**Management:** So this question is a little technical, so I will take this. In continuous flow chemistry, in last 4 years, we have converted our several chemistry like esterification, trans-esterification, ammoxidation, oxidation, chlorination, photo-chlorination, diazotization, at a very large scale from 10 metric tons to 100 metric tons. And in photo chlorination up 1,000 metric tons capacity we already developed. Some chemistries are already commercially operated, some are under installation right now.

**Sudarshan Padmanabhan:** Sure, sir. And I mean, how do we see the progress? I mean a large part of what we had envisaged has already been implemented or we still have a lot more way to go here?

- Management:** These are the chemistries we've already implemented.
- Moderator:** Thank you. The next question is from the line of Rikin Shah from the Boring AMC. Please go ahead.
- Rikin Shah:** Congratulations on a very strong quarter, sir. My question is pertaining the Ankleshwar unit. So I understand Block 1 is being used for our marquee customer in CDMO. But for Block 2 and 3, have we decided how it would be used? Like would it be for a specific product? Or would it depend on the multiple products that we have?
- Management:** So Block 3 is dedicated for the one of the marquee customer and Block 2 and Block 1 will be used for other CDMO as well as our other product as well. So it is not dedicated for anyone. It is a fungible multipurpose facility.
- Rikin Shah:** Okay, sir. And last question on the Baba Fine Chem part. So I understand it's the end-use segment is sort of seeing a down cycle, and that's why there is a demand sluggishness, very, very evident. So when do you foresee, first, our Heraeus side coming back; and b, addition of more customers because we are also in the process of maybe getting more approvals done with more customers?
- Management:** So existing business will be revamped starting from this year. And new customers, we already added 6 to 8 customers this year with already submitted samples to the various customers in Japan, Korea and Taiwan. So that will be started ramping up also from next 1 or 2 years. It will be also giving us good revenue visibility for us in semiconductor. And new customers are already enrolling. We are also in discussion with big semicon manufacturer in this area as well.
- Moderator:** Thank you. The next question is from the line of Jason Soans from IDBI Capital. Please go ahead.
- Jason Soans:** Thank you so much for taking my question. Congrats on a splendid performance in this quarter. Now sir, just highlighting from a previous participant's question also, CDMO pipeline definitely looks strong for us in terms of Darolutamide or other sales. And I remember that you are not giving any API-specific commentary for confidentiality reason, so I understand that.
- Sir, but just in a directional sense, if possible, could you give some light on how is the pipeline looking in terms of -- at least in terms of therapeutic areas, how is the pipeline looking there on that side, especially with a lot of the tariff things coming on China as well. So how is the demand looking after this whole tariff thing and this uncertainty? So just at least some light in terms of therapeutic areas, if you could give in terms of the CDMO pipeline?
- Management:** See, therapeutic area is very wide for us, which is very core therapeutic area for us. But CMO/CDMO, it's not related to therapeutic area. It's more related to your capability and chemistry strength and how you deliver in the molecule in time with all regulatory requirements. So that is a different against the generic segment where the therapeutic area is important to launch in a generic segment.



So this is the two difference between the therapeutic area as well as the generic segment. In the CMO/CDMO, we have a strong pipeline, number of molecules, I can't disclose over here. But we have a lot of molecules in clinical trials coming and we are working with several innovators worldwide.

And in generic segments, as I've given my commentary that we have several molecules coming in '25-'26 patent expiry. So they are now picking up very well. And there, that will be also a growth driver for our generic business in upcoming couple of years.

**Jason Soans:** Sure, sir. So Block 1 and Block 2 in Ankleshwar should be seeing ramp up -- good ramp-up in FY '26 as well?

**Management:** Yes, yes.

**Jason Soans:** Yes, yes. Okay sir. And sir, I just wanted to know if you could give us the revenue contribution of Baba Fine in revenue and PAT in FY '25?

**Management:** So see, again, what we are looking that we are giving the revenue and contribution of pharmaceutical and specialty. So specialty for the FY '25 is 15% of total revenue and overall EBITDA for Specialty for the year is 14.7%.

**Jason Soans:** Okay. Sir, so you're not giving the numbers for Baba Fine then?

**Management:** No. We are only disclosing a segment of Specialty and Pharma only.

**Jason Soans:** Okay. And sir, could you just repeat the margin, sir, for advanced intermediates and specialty chemicals for the whole year?

**Management:** So advanced intermediates for the full year is 24.5% and specialty is 14.7%. Average is 23%.

**Jason Soans:** Yes. So advanced is 24.5% and specialty chemicals is 14.7%, right?

**Management:** Yes.

**Jason Soans:** And sir, I can understand there is -- I mean, the semiconductor space is a difficult thing to crack. But are we still looking at FY '26 being a good year for Baba Fine Chemicals in the growth sense?

**Management:** Yes.

**Jason Soans:** Okay. Okay. And sir, coming to the electrolyte additives business, I understand you've set up a facility and that's in progress and that will come in H1 FY '26. Now if you could give us some numbers in the sense, we used to talk about \$8 per kg, 200 tons to begin with.

Something like that, some numerical sense, would that be possible at this point in time? Or you could give us some revenue indication in terms of electrolyte additives for '26, '27?

- Management:** So for FY '26 is the start of production facility only, the revenue -- so the capacity is 2,000 metric ton per VC and 2,000 metric ton for FEC. For initial, it will be a very, very low utilization. And for the revenue number for you to work out, it will be more or less in the range of the current market price only. We are not expecting any premium pricing. It will be a market-driven only.
- Jason Soans:** So sir, what is the average realization right now in the market as you can see for VC or FEC?
- Management:** Answer is that we have a dedicated contract for the supply to the dedicated customer. So there, we have a formula, and that formula will be implemented for our supply. So that is related to the raw material price. So that price, I cannot disclose right now to you, but that is sufficient enough to generate good revenue as well as good margin for us in this segment.
- Jason Soans:** Sure, sir. And sir, just lastly, I wanted to know, you mentioned about the capex for FY '26. So you also mentioned 3 parts to it, spillover capex for Ankleshwar; solar power plant, which we are, I think, increasing or putting up a 5-megawatt more in the solar side; and a Sachin pilot plant.
- So sir, could you give a breakup for this? And I just wanted to know more about the Sachin pilot plant. What do you exactly want to do there? And could you give more color on this?
- Management:** So we have our own pilot plant, which is going on very well, but more demand and more product are coming into the pipelines. And we'll be scaling up, we need to expand our pilot plant as well to support our large capacity, which we have built up in Ankleshwar as well.
- So for that reason, we are expanding our pilot plant with the new technology, new facility. Also, we are including one more segment, which is high potent chemical segment, which was not there with us in the past. So that will allow us to have also the CMO/CDMO in anticancer segment as well. So considering all this possibility as well as supporting our expanded capacity in Ankleshwar, we are expanding our pilot plant in that sense.
- Moderator:** The next question is from the line of Krishanchandra Parwani from JM Financial Institutional Securities Limited.
- Krishan Parwani:** Congratulations on a very strong set of numbers. Just 2 questions from my side. Firstly, I think, Abhishek Bhai, you highlighted that our EBITDA margin could be soft in FY '26 likely due to seasonality. But on a full year basis, will our EBITDA margin be higher than, let's say, 23% reported in FY '25?
- Management:** Definitely, it is going to be. That is what, in fact, I highlighted first. And then because of the sequential nature of the business, I drilled down to the quarter-wise thing.
- Krishan Parwani:** Understood. Yes. So that's clear. Secondly, is there any update that you would like to share on the new CDMO contracts? I think Naresh Bhai in the last call highlighted that the revenue contribution will start in FY '26. So how far are we there in terms of the commencement of the revenue contribution?

**Management:** So we are on track. These batches were finished and now qualification stage is going on. So we are on track for the time being on that area.

**Krishan Parwani:** Okay. So will the contribution be more in second half? Or I mean, when are you expecting, in the first half or the second half?

**Management:** Second.

**Moderator:** Thank you. The next question is from the line of Dhara from ValueQuest. Please proceed.

**Dhara Ganatra:** Sir, if I may have the missed the margin that you have provided for the Pharma Intermediates and the Specialty Chemicals, if you could please repeat?

**Management:** So as I already mentioned that margin for Pharma for full year is 24.5% and Specialty is 14.7%.

**Moderator:** The next question is from the line of Siddharth Purohit from InvesQ Investment Advisors Private Limited.

**Siddharth Purohit:** Yes. Sir, if you can give some clarity what would be the overall market size of the anticancer intermediate that we are supplying? And is the market big enough for other players to start supplying to -- like now for the same intermediate that is used Nubeqa for basically?

**Management:** You are talking about whole anticancer market size?

**Siddharth Purohit:** No. particularly for Nubeqa that -- what is the market size that is? And there is another -- probably another Indian player who is trying to scale up in the same intermediate. So what is the addressable market for that particular intermediate? And is it big enough for multiple players to supply that intermediate. That's what I want to know.

**Management:** Nubeqa, we can't say on that because it's not my product. And whatever the data available on the platform, you can get from that. We are a chemical supplier to our originator API manufacturer, and that market size depends on the contract what we sign. We have full visibility of the contract.

There will be definitely any originator will not remain with one supplier. They have two suppliers. So if someone else is already doing in a second supply source, it's fine enough and both will be get based on the performance and capability of the supply chain, we will get the business on that if it will be qualified and everything is done.

**Siddharth Purohit:** Okay. So the market size is big enough for multiple players to be present in that segment. That's what I'm trying to understand.

**Management:** Sir, I can't tell these kind of things publicly as well. I'm bound with so many regulations and contracts. And I don't have any rights to speak about the end user product.

**Moderator:** Thank you. The next question is from the line of Jash from Dalal & Broacha. Please go ahead.

**Jash:** Sir, if you could mention the CDMO sales for the year.

**Management:** CDMO sale, we are not disclosing any -- we are only disclosing a pharma intermediate and spec chem revenues, that we have already discussed because people would like to -- can derive so many things from that.

**Moderator:** The next question is from the line of Jason Soans from IDBI Capital.

**Jason Soans:** Just wanted my last question to be answered only. You had mentioned a capex of INR200 crores for '26. And you mentioned spillover capex for Ankleshwar solar power plant and Sachin pilot plants, just wanted the breakup. And totally, how much has been invested for Ankleshwar?

**Management:** So spillover capex is around INR130 crores and remaining would be rest of the capex for maintenance as well as the pilot plant capex for the year. And total capex for the Ankleshwar site Unit 2 is INR310 crores.

**Jason Soans:** Yes. Okay, sir. So basically, INR130 crore will be done in '26. The rest INR70 crores-odd for solar power plant and the Sachin pilot plant, right? That should be a fair assumption.

**Management:** Spillover capex is around INR130 crores, which includes the solar as well and the pilot plant and maintenance is in rest of the INR70 crores.

**Jason Soans:** Rest of the INR70 crores, right. So that's what I said. So INR130 crores for Ankleshwar and INR70 crores for solar and Sachin, which adds up to INR200 crores, right?

**Management:** Yes.

**Moderator:** Thank you. The next question is from the line of Dikshant Gupta from Geojit PMS. Please go ahead.

**Dikshant Gupta:** I would ask what are the -- expected from the solar -- every year, how much can we save?

**Management:** So at peak when the whole 16-megawatt project gets completed, we are expecting benefits of around INR16 crores to INR18 crores per annum in the electricity bill.

**Dikshant Gupta:** Okay. And from when can we expect this?

**Management:** 11 megawatt is already completed and 5 megawatt is under construction, expected to get completed soon.

**Dikshant Gupta:** Okay. And regarding the exports business, what is the vision like will we be focusing on exports or will we be focusing on the Indian market?

**Management:** Both are our focus market. It's a customer and product even for particular market and particular products, we are focused. It's not that we want to focus on a certain market. We follow the diversification policy. Our revenue should not be concentrated to any of the single geography or a single part of the world and both are our focus market.

- Dikshant Gupta:** Okay. And even though the growth on Pharma Intermediates has been tremendous, but the growth in the Specialty segment has been flattish. So is it because of the international geopolitical tensions? Or have there been other reasons for it?
- Management:** So as we mentioned, the growth in the spec chem business was compromised because of Baba Fine Chem business for semiconductor for a particular customer reason. Otherwise, other Spec Chem business has grown well more than 25% volume cAGR.
- Dikshant Gupta:** Okay. And my final question would be, will the debt level be likely low as it has been in the current year? Or will we be waiting for debt capex to come?
- Management:** No, we are not taking any debt. Today, it's zero. And going forward also in next 1 year, we are not expecting any debt to be on our balance sheet.
- Moderator:** The next question is from the line of Akshay from AK Investment. Please proceed.
- Akshay:** Sir, my first question is on the capacity utilization. So what has been the capacity utilization at the end of FY '25? And what is the peak revenue capability from all our plants?
- Management:** So capacity utilization unit-wise, Unit 1 has a capacity utilization of around 80%. It is almost full -- operating almost at a full capacity, and that's the reason for further growth in those products. We are expecting the production to come from Unit 2 -- Block 2 and 1.
- At Unit 2, the Block 3, which is already commercialized is operating around 50% capacity utilization and the Unit 3 is operating at around 60% utilization level.
- Akshay:** Okay, sir. And my second question is on the front of Specialty Chemicals segment. So do we expect the better FY '26 compared to the FY '25 in Specialty Chemicals segment? And if the answer is yes, you said that we had certain customer-specific issues in specialty -- sorry, in Semiconductor segment. So has it been resolved or what -- can you give some color on that?
- Management:** On spec chem side, our commodity -- our products like paraben and methyl salicylate are already growing, which has grown around 25% on volume basis last year. I expect it to grow at an almost similar pace in next financial year also. On the other spec chem business, let's say, Baba Fine Chem business, is again slowly, slowly picking up and we are targeting it to scale up in next financial year.
- So we have some new customers already coming in and slowly demand is picking up. And the third stream is electrolyte additive business, which is expected to start to produce revenue in H2 FY '26, so that's the reason we are expecting even Spec Chem business also to grow in FY '26.
- Akshay:** Okay, sir. And lastly, on the FY '28 guidance of CDMO revenue of INR1,000 crores. So it is the CDMO and the advanced intermediate would be different. Like what might be the share of Specialty Chemicals in FY '28 from our guided -- as we guided INR1,000 crores from CDMO?
- Management:** Sorry, I didn't get you. We are targeting around INR1,000 crores business for CDMO business by FY '28. And overall, we have already guided that we are growing at a 25% CAGR. So that is still intact without any deviation.

**Akshay Kaila:** Okay. Just wanted to understand that what is the share of CDMO in Advanced Intermediate space.

**Management:** No, that we are not disclosing that.

**Moderator:** The next question is from the line of Abhigyan Srivastav from Marcellus Investment Manager.

**Abhigyan Srivastav:** Congratulations on the great set of numbers. I have 2 questions. My first question is in the 25% revenue growth that you are projecting for FY '26, what is the price assumption that you're taking? Are you taking prevailing prices? Or are you considering an improvement in the overall prices?

**Management:** So we have a large business chunk coming from our advanced Pharma Intermediate business, wherein our CDMO business already assigned and confirmed business with pricing. And as you know that on a regulatory market, most of our business -- almost all of our business is backed by long-term supply contract only. So that gives us a fair degree of visibility in terms of pricing also. On the domestic side, it is based on the prevailing market condition.

**Abhigyan Srivastav:** Got it. The second question is, currently, what is the price trend that you are seeing in your generic portfolio? Is it stable? Or is it going down?

**Management:** It is growing actually. The generic business is also growing at a good pace, and we are expecting further growth in FY '26 because of some of the products getting off patent, and we already started getting good traction in the market.

**Management:** Prices are stable and raw material price is also stable.

**Moderator:** The next question is from the line of Dhara from ValueQuest.

**Dhara:** Sir, how much of the INR170 crore capex that you're doing for the additives project, how much has been incurred so far?

**Management:** Sorry, can you repeat the question once again?

**Dhara:** The INR170 crores capex that has been assigned for the additives project, how much of that would be incurred so far?

**Management:** Yes, around INR35 crores.

**Dhara:** And if you can provide the split of the INR200 crores capex for FY '26?

**Management:** So it is already, I think INR130 crores is for electrolytes around maintenance capex and pilot plant capex, both together is INR70 crores.

**Dhara Ganatra:** Okay. So additives will be INR130 crores in '26.

**Management:** It's a spillover of INR170 crores.

**Moderator:** The next question is from the line of Ajay Surya from Niveshaay.

**Ajay Surya:**

Congratulations on the performance. Sir, my question is more on the macro side. Sir, if we look currently at the ongoing tariff situation and on the pharma front, U.S.A. being aggressive to manufacture themselves though we are part of the supply chain, supplying API intermediates. And given our strong guidance, what risk do we foresee. And if you can highlight them across the segments of CDMO because even our -- the API intermediates which we sell is being consumed though by the European customer, but the end market for them again is U.S.A., a significant market from them.

So what risk do we foresee? And if you can highlight them across segments of CDMO, the API intermediate and the Specialty Chemicals business?

**Management:**

I will take the first part. The second part will be taken by Abhishek. As I also brief you during my commentary that yet there is not any tariff in intermediate pharmaceutical at U.S. side. May be something will come, who will be the better position in that will be helping to grow the business in that.

Ami Organics luckily don't have any direct sales or negligible sales in the U.S. We have -- everything is either in Europe or in Asia or in India. And we are also in the supply chain at a bottom level. So impact will also that not great come to us as well. If there is a percolation, that will be supported with the operational efficiency as well as raw materials also have some advantage during that.

So we have different formulas calculated at our end. If it will become, then we will definitely come back to you if there is significant changes in our growth or revenue in the future when -- if it is a tariff implemented at U.S.

And giving phone to Abhishek for the answer.

**Management:**

And on the second part of your question related to CDMO business, which is a large contributor for us and goes to U.S. market. So here, we are supplying it to the originator and it's an in-patent product business. So for tariff front, it is more immune to any other business on the tariff side.

**Ajay Surya:**

Okay, sir. Got it. And sir, another question because we have seen in the CDMO business of other companies as well that when there is such ramp-up, the innovator generally builds up a lot of prior inventory. Sir, if you can highlight on this front, like whether our shipment or any risk of inventory buildup happening by the innovator going forward, which can again lead to a stable or a lesser growth for us in the future?

**Management:**

I don't know. We don't disclose all these things.

**Ajay Surya:**

Okay. And one last question on the -- can you please provide the capacity utilization for our Specialty Chemical business?

**Management:**

It is 60%, as we mentioned.

**Moderator:**

Thank you. The next question is from the line of Maitri Shah from Sapphire Capital.

- Maitri Shah:** Congratulations on a great result. I just have one question. So on the Specialty Chemicals side, currently, our margins are around 14.7%, and we see a ramping up from the semiconductor business and also from the second half, we will see a ramp-up from the electrolyte business. So do we see the margins scaling up from here or they will remain in this range of 14% to 15%?
- Management:** Margin for Spec Chem business will be around in this range only because it's an initial year. And slowly, it can ramp up when we scale up the operations.
- Maitri Shah:** When do you expect like a margin effect maybe 16% to 17% in the Spec Chem business, maybe 2 years from now?
- Management:** So it can happen by, let's say, Q4 or next -- early next financial year.
- Maitri Shah:** So we do expect better margins from the electrolyte and the semiconductor business?
- Management:** Yes.
- Moderator:** The next question is from the line of Akshay from AK Investment.
- Akshay:** Sir, my question has been answered.
- Moderator:** The next question is from the line of Sujeet Shah from SK Enterprise.
- Sujeet Shah:** Congratulations for a good set of numbers. And my question is, what are your revenue and margin target for next 2 to 3 years?
- Management:** As we have already guided, we are targeting revenue growth of around 25% and margin should improve from here onwards only.
- Moderator:** Thank you. The next question is from the line of Sai Kumar from individual investment. Please proceed
- Sai Kumar:** Congratulations on a great set of numbers. So my question is on the electrolyte salts. So in the past, you said like you were discussing that there were discussions going on for an investment of INR300 crores. So -- I mean in the past, you had paused it. So any changes or something, any development going on that side?
- Management:** Status remained the same only as on date also.
- Management:** So JV, what we had formed is still on the same status quo because still right now, there is no movement in that.
- Sai Kumar:** Okay. Got it, sir. And regarding the electrolyte additives, so you said like you have some 2,000 metric ton per annum, which is going to get commercialized in the H1. So up to what scale you are going to -- like what is your growth guidance on that? And what is the scale you're going to take it up to like 4,000 metric ton per annum. Or what are your goals on that goals on that, electrolyte additives?



- Management:** So, production will start from H2 FY '26, and slowly, slowly, it will ramp up. So in 3 years' time, it should reach at the optimum capacity utilization.
- Sai Kumar:** Okay. So -- and recently, got Japan PMDA approval, right? So is there anything you want to talk -- I mean, like give some guidance on that, like any molecules getting from Japan side, you want to guide us something on that front.
- Management:** Yes. So PMDA is a good achievement for us because now we have 2 manufacturing sites approved by PMDA. So these will help us to promote our intermediates to different customers in Japan. We're already having a business in Japan. And with this accreditation, it will be more preferred vendor for Japanese buyer. So it will be definitely help us to grow our business in Japan.
- Sai Kumar:** Okay. In the near future, right?
- Management:** Yes, yes, definitely.
- Moderator:** As there are no further questions, I would now like to hand the conference over to management for closing comments.
- Management:** Thank you to the JM Financial team for hosting our conference call. We appreciate everyone's questions and hope we have addressed most of your queries. If we missed any of your questions, please reach out to our Investor Relations team, and we will get back to you promptly. Once again, thank you very much, and have a good day and good weekend.
- Moderator:** Thank you. On behalf of JM Financial Institutional Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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This document has been edited for readability purposes.