



ANUPAM RASAYAN INDIA LTD.

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Date: August 19, 2025

To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001, India SCRIP CODE: 543275	To, National Stock Exchange of India Limited 'Exchange Plaza', C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai-400051, India SYMBOL: ANURAS
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Dear Sir/ Madam,

Subject: Submission of transcript of Earnings Call on the Unaudited Financial Results (Standalone and Consolidated) of Anupam Rasayan India Limited (the "Company") for the quarter ended June 30, 2025.

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Earnings Call on the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2025 held by the Company on Thursday, August 14, 2025.

This information is also being hosted on the Company's website at www.anupamrasayan.com.

We request you to kindly note the same and take into your records.

Thanking you,

Yours Faithfully,

For Anupam Rasayan India Limited

Ashish Gupta
Company Secretary & Compliance Officer

Encl.: As above



“Anupam Rasayan India Limited
Q1 FY '26 Earnings Conference Call”
August 14, 2025



MANAGEMENT: **MR. ANAND DESAI – MANAGING DIRECTOR**
MR. GOPAL AGRAWAL – CHIEF EXECUTIVE OFFICER
MR. AMIT KHURANA – CHIEF FINANCIAL OFFICER
MR. VISHAL THAKKAR – DEPUTY CHIEF FINANCIAL OFFICER

MODERATOR: **MS. KRISHNA PATEL – ERNST & YOUNG**

Moderator: Ladies and gentlemen, good day, and welcome to the Anupam Rasayan India Limited Q1 FY '26 Earnings Conference Call. 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 this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this call is being recorded.

With this, I now hand the conference over to Ms. Krishna Patel from EY. Thank you, and over to you, ma'am.

Krishna Patel:

Thank you, Samiya, and good afternoon, everyone. Welcome you all to Anupam Rasayan India Limited's Q1 FY '26 earnings conference call. To take us through the results and to answer your questions, we have with us the management of Anupam Rasayan, represented by Mr. Anand Desai, Managing Director; Mr. Gopal Agrawal, Chief Executive Officer; Mr. Amit Khurana, Chief Financial Officer; and Mr. Vishal Thakkar, Deputy Chief Financial Officer.

The discussions that we may have today may contain certain forward-looking statements relating to the future events and future performance. Numerous factors could cause actual results to differ materially from those in the forward-looking statements.

Please note the audio of this call is copyright material of Anupam Rasayan India and cannot be copied, rebroadcasted, attributed in press or media without specific written consent of the company.

I would like to now hand over the call to Mr. Anand Desai, the Managing Director, for his opening comments. Thank you, and over to you, sir.

Anand Desai:

Thank you, Krishna. Good afternoon, everyone. I would like to welcome you all to the Q1 FY '26 earnings conference call of Anupam Rasayan India Limited. During Q1 FY '26, consolidated revenue stood at INR491 crores, registering a robust growth of 89% year-on-year. We strongly believe that the sectoral trends are in our favor, and we are witnessing a clear resurgence in growth.

Our pharma and polymer businesses are performing well, coupled with recovery in agrochemical segment. The USA and Japan markets have shown encouraging trends for Anupam Rasayan. And during the Q1 FY '26, total exports accounted for 58% of the total revenue from operations.

During the quarter, the company signed a long-term master purchase agreement with a Japan-based multinational conglomerate, a global leader in fluorochemicals and advanced technology solutions. This agreement brings immediate as well as long-term commercial value, marking a significant milestone in our growth journey.

Anupam Rasayan is collaborating with this Japanese conglomerate to supply multiple niche molecules used across diverse applications, including semiconductors, data centers and electronics. Several of these molecules are scheduled for commercialization this year with production ramping up from next year onwards.

This collaboration not only highlights Anupam's strength in fluorination and custom synthesis, but also reflects the trust global customers place in our quality manufacturing and technical capabilities.



Additionally, during the quarter, the company signed letter of intent with E-Lyte Innovations, a European developer and supplier of electrolyte solutions for energy storage. Our subsidiary of FUCHS known for its innovative lubricant solutions, Anupam will be one of the first manufacturers to commercially produce this molecule in India, further solidifying our position in the rapidly growing EV and battery ecosystem. With the 2 new agreements signed with Japan and the U.S.-based multinational companies also, our order book now stands at INR14,646 crores.

On the working capital front, we have been making endless efforts to optimize our balance sheet. We have already seen meaningful progress to receipts of advances from customers for inventory in this quarter. Overall inventory levels have also begun to follow a downward trajectory, and we expect to see a considerable reduction in our working capital in the coming quarter. These initiatives will further strengthen our balance sheet and overall financial position.

Building on a strong Q4 performance and a robust start to FY '26 with this quarter, we believe our growth trajectory is firmly back on track with improved working capital efficiency, recently signed LOIs and the continued strength in our pharma and polymer businesses, which further reinforces our confidence. We are confident and committed to delivering sustained and profitable growth.

With this, I would now like to hand over the call to our CEO, Mr. Gopal Agrawal, to take you through the business and operational updates in greater detail. Over to you, Gopal bhai.

Gopal Agrawal:

Thank you, Anand bhai. Good afternoon, everyone, and thank you for joining us today. As Anand bhai highlighted, Q1 FY '26 reflects sustained momentum across our businesses. Our pharma and polymer segment continued to gain strong traction, driven by ramp-up of recent molecule launches and increasing customer demand.

Speaking about segment-wise performance, Life Sciences-related specialty chemical contributed 88% of our revenue as on Q1 FY '26. Pharma segment revenue contributed 24% in Q1 FY '26 compared to last year, where pharma contributed 15% of revenue. This translates to growth of 3x over last year on the back of ramping up of new molecules launched in 18 to 24 months.

Performance materials contributed 12% of total revenue as on Q1 FY '26 compared to 10% in Q1 FY '25. This translates to growth of over 2x over last year on the back of commercialization of product under recently signed contracts. We expect this segment to contribute further in our growth.

With this, I would like to hand over the call to our CFO, Mr. Amit Khurana, for a detailed update on financial performance. Over to you, Amit bhai.

Amit Khurana:

Thank you, Gopal bhai, and good afternoon, everyone. Thank you for joining us on our earnings call today. I will share the financial highlights for the quarter.

An update on the capex. All planned projects have been completed with plants commissioned and fully operational. Two plants have been commercialized with trial runs ongoing in 1 plant.

About working capital, as Anand sir mentioned, a sharp reduction in inventory and consequently, net working capital days is expected in FY '26, starting from this quarter. This improvement will primarily be driven by execution of a substantial number of orders in Q2, which are being fulfilled using the existing inventory.

Another significant development is the receipt of INR277.5 crores from preferential issue in July 2025, out of which INR175 crores has already been used to repay term debt. With this, the company is long-term net debt free.

I'll hand over to our Deputy CFO, Mr. Vishal Thakkar, to share detailed quarterly and annual financial performance. Over to you, Vishal bhai.

Vishal Thakkar:

Thank you, Amit bhai. Good afternoon, everyone, and thank you for being with us today. I would like to share some key financial performance highlights for the quarter before we open the floor for the question-and-answer session. I hope you have had the opportunity to review our detailed presentation and the results that were submitted to the Exchange and posted on our website as well.

Kindly note, our numbers for the quarter are on a consolidated basis, and they include Tanfac as well. The consolidated financial highlights for quarter ended 30th June 2025:

- Revenue from the operations was at INR486 crores as compared to INR254 crores in Q1 FY '25, up 91% Y-o-Y.
- EBITDA, including other income, was at INR129 crores as compared to INR59 crores in Q1 FY '25, up 118% Y-o-Y. This translates to 26.3% EBITDA margin for this quarter.
- Profit after tax was at INR49 crores as compared to INR12 crores in Q1 FY '26, up 297% Y-o-Y. This translates to a 10% PAT margin in this quarter.

If you look at the stand-alone financials for the quarter ended 30th June 2025:

- Revenue from operation was at INR316 crores as compared to INR164 crores in Q1 FY '25, up 93% on a year-on-year basis.
- EBITDA, including other income, was at INR99 crores as compared to INR43 crores in Q1 FY '25, up 133% Y-o-Y, translating to an EBITDA margin of 31% for the quarter.
- Profit after tax was at INR29.7 crores as compared to INR1.4 crores in Q1 FY '26. This translates to a PAT margin of 9.3% in this quarter.

Our top 10 customers contributed 79% of our revenue from operations in Q1 FY '26.

With this, I open the floor for Q&A.

Moderator:

Thank you very much. We will now begin with the question-and-answer session. The first question comes from the line of Meet Gada from Emkay Global.

Meet Gada:

Congratulations team on great set of numbers amid all these geopolitical events. I have a couple of questions. Firstly, I wanted to ask that U.S. has announced 25% additional tariffs on India plus some additional penalties, which have come into effect by last week of August. So I wanted

your perspective, Anand bhai, on how is that impacting the Indian chemical industry in the near term? And what is your exposure to the U.S. geography? And how are you strategizing to mitigate those risks? I believe last couple of LOIs in Q4 were with U.S.-based customers. What is your take on the execution of those LOIs or contracts?

Vishal Thakkar:

Meet, this is Vishal. Let me take this question. Meet, thank you for the question, and thanks for the appreciation of the effort of the management in performance. If we look at the situation in terms of tariff from the U.S. one, I think today, a lot is fluid, I would say. And I would wait before make a conclusive statement. But today, if we look at it, we believe that whatever the tariffs that have been mentioned today and right now in the place, I personally feel that those numbers will be reviewed and corrected.

However, if you look at from any angle in terms of the competitive landscape in terms of alternate supply chain geographies, I think India stands fairly stable in terms of its situation and in terms of its competitive strength that there would not be any major meaningful impact coming in is my current assessment.

Also, if we look at from Anupam's specific perspective, today, the revenue -- last year, our revenue from U.S. was around in a lower single digit. And we have signed an LOI and a contract. If you look at them, I think we have a very fairly robust order book order from the customer with the pricing agreed. So to that extent, we don't see that.

Also, some of the products are already in the exempt list, which we are planning to supply. And so to that extent, we are far more comfortable. And therefore, we do not feel much of a challenge there. And some of the other suppliers will have an antidumping duty, which may be the case. But for us, at least that is fairly comfortable from our perspective.

Meet Gada:

Second question, can you help me understand more on that long-term master purchase agreement with Japanese conglomerate in terms of business segment value of the contract on an annual basis and how many molecules are covered within this agreement?

Vishal Thakkar:

So right now, we are working on more than 5 to 6 products with them. They're largely in the polymer segment. Values right now, they are under evaluation. And right now, it may not be the right time to share the value. But the only thing we can share is the kind of potential. There is a significantly large potential coming from these molecules as they are in the specialty polymer segment that are there. And this is -- as we mentioned, this is one of the very large MNC in this segment, which is in the fluoro side of the business.

Meet Gada:

Got it, sir. Next, pharma revenues have been growing quarter-on-quarter from INR25 crores in Q1 last year to INR75 crores now in this quarter. Are these revenues part of LOI or they are non-LOI based? Also, the products which we are supplying are going into patented or non-patent products? And what are the therapies which those intermediates cater to?

Vishal Thakkar:

Okay. So if you look at our pharma strategy, the pharma strategy for us is more looking at input substitution in India and specifically addressing the KSM space, which is the space which is right now not catered by the Indian player -- Indian players. India in terms of pharma, if you look at it, largely Indian players are more active in the formulation, so branded generics and also

in the API space. But on the KSM side, very few people would be operating, and that's the market space that we are focusing on.

Two, if you look at these are not the LOI -- these revenues are not from -- not out of the LOIs revenue. These are additional revenue that you will see from here. And in terms of list, last year, we had launched -- over the last 18 months, we have launched now about 17 new molecules, which are now ramping up to give us this revenue.

And this is across segments like your CNS segment, it is across your statins, it is across your infectious disease. So it is broadly across multiple therapeutic segments. But key thing that you have to appreciate is that these are all raw products, which are really an extension of our value chain.

So what value chain we have today in terms of our chemistry and supply chain and manufacturing capacities, we are leveraging those anywhere for agro, we have agro polymer and the similar ones are being utilized to an extension to use that similar supply chain to address the pharma market. So we come from more chemistry and processes and ending up our finished product into the pharma segment.

Meet Gada: Got it, sir. One question, if I can squeeze in. So your performance materials segment should be growing considering the revenues which you have signed recently. So what should be the contribution mix from this segment going in FY '27, '28?

Vishal Thakkar: So today also, if you look at the performance segment is around about just about double digit. And we expect that, that number should be -- would be around 15% to 20% this year. And as we go further, this should go and end up around 20% to 25% at least in the next 2 to 3 years' time, similar to what we will see for the pharma as well.

Moderator: The next question comes from the line of S. Ramesh from Nirmal Bang Equities.

S. Ramesh: Congratulations on your results. Just a housekeeping question. In the presentation, the export share was mentioned as 48%, but I heard Anand bhai saying the export share is 58%. So can you clarify that?

Vishal Thakkar: It's a typographical error on the presentation, if that is 58% is the right number.

S. Ramesh: Okay. So when you talk about the debt coming down, there is an increase in the interest expense. So if you look at the reduction in long-term debt, what would be the run rate for interest expense from the second quarter for FY '26? And then if you look at your working capital reduction, how much is the existing inventory in value terms that is being used for your new orders from second quarter?

Amit Khurana: So let me answer the interest rate question or the debt question. So yes, my debt will be in the range of INR1,000 crores by now. And as we go, that number would tend to -- on a net basis, tend to reduce as my operating cash flows kick in. For now, you can look at around about around -- for the quarter, yes, it will be in the range of INR26 crores to INR27 crores a quarter kind of

a number or a little less than that also will be the possibility. Right now, it is this and let's see from there, right?

S. Ramesh: Okay. So when you talk about using the existing inventory for the new orders starting this quarter, can you quantify the value of the inventory so that we get a sense of how much the inventory will come down relative to the ramp-up in revenue?

Vishal Thakkar: Are we talking about this quarter? Or are we talking about the year?

S. Ramesh: No. You made a mention that you're going to use existing inventory for ramping up a new order, right? So whatever revenue you get, you will be on the existing inventory, so your inventory days come down. So if you can quantify the value of the inventory will be used and what is the kind of revenue you expect on a steady-state basis on these orders, can you help us understand how the working capital look like?

Vishal Thakkar: So by the year-end, we are looking at, let's say, around about the kind of a working capital cycle that we saw for 2024.

S. Ramesh: Okay. So when you talk about this new order using existing inventory, now you have several orders to start being executed this year from over CY '25, FY '26. So these orders will be executed in the next few quarters. How is the receivable and inventory cycle compared to the existing business? In terms of number of days, what would be the reduction?

Vishal Thakkar: Sorry, I didn't get you. Can you please tell me...?

S. Ramesh: In terms of the incremental growth in revenue. So there's an existing revenue and working capital profile, right? So in terms of the new orders being executed over FY '25-'26 as per the LOI schedule given for the execution of the new orders, what will be the receivable days and inventory days in terms of incremental impact on the balance?

Vishal Thakkar: So incremental impact, as I'm saying, I'm talking on the net basis. So all the -- if you look at it, my -- as we go forward, I will be able to use my part of my inventory to liquidate and convert it into sales, which would mean that my absolute number also should come down. Second, also, what will it also mean receivables also, which were extended are also going to contracts in terms of days. So if you look at it, the cycle of my cash conversion is going to shrink and reduce. That is the first focus that I want to achieve.

Second, as I mentioned, over the year, we should be looking at coming back to a working capital cycle of what we saw in 2024. And in terms of absolute, yes, there will be a reduction in terms of a few hundred crores of working capital intensity -- working capital in absolute term also should be -- is what we are looking at. So it's a combination of sales increase and reduction in working capital.

And as we go, there are 2 parts, as we discussed earlier also that pharma will have a little longer receivable cycle compared to agro and polymer versus pharma will have a lesser inventory intensity compared to pharma and polymer. Net-net, eventually, we should end up with a net

working capital over the next 2 years kind of a timeframe in the range of 180 days kind of a target that we have been having for us, 180 days.

S. Ramesh: Okay. So you mentioned the Y-o-Y numbers for pharma and performance chemicals. Can you give a similar number for agrochem and personal care?

Vishal Thakkar: Okay. Y-o-Y, I am saying that pharma for -- agro for this quarter would be around about 57% of my revenue. So I think that will help you in terms of getting the balance.

S. Ramesh: I understand that since you gave the number, corresponding number for pharma and performance chemicals, it will be useful if you give the same number for agrochem and personal care. That is the point I'm making.

Vishal Thakkar: I'll get you that number. Just give me a minute or 2 to just do the math and give it to you.

S. Ramesh: Yes. And secondly, if you look at your customer offtake in agrochemicals, you're saying that performance is improving. And -- but there's other companies who are saying that customers are deferring orders and they are balancing their inventory requirements. So in your case, are the innovators able to get their material as per the delivery schedule?

So when you say agrochemicals for CSM is improving, how is it different for you compared to your competitors? Because we heard one peer say that their volumes have actually dropped because the customer has been reducing the offtake versus their contracts. So what is different in your case?

Vishal Thakkar: So Ramesh, first, there is a 100% Y-o-Y growth in my agrochem segment as well, if that helps the first question to answer. Now second is, these are all product-specific, customer-specific, company-specific situations. Like there were my peers which were showing growth when I was in the degrowth period last year. So making a comment on any of my peers may not be the best statement to make. But what I'm saying is that today, what I see that this year, we are looking at a very strong revenue growth across all the 4 segments that I can say, which is agro, pharma, polymer and personal care.

And we see -- personal care will remain a steady growth because it has not seen any too much of a volatility. We will continue to be there, but agro, pharma and polymer will be a strong growth. We will -- we are looking at, as I had said in the last call also, this year is looking at as where we are going to grow over 30-plus percent kind of revenue numbers that we are very -- we are feeling very, very comfortable. If you look at my last 2 quarters' results, it gives me that much confidence and it provides a strong empirical evidence to that plan or the suggestion that I'm making.

S. Ramesh: So just trying to put the order book schedule in perspective and the segments you are giving. So you said pharma is out of the order book. So if you look at the segment categories, how should we read the order book execution in FY '26 and '27 based on the LOI schedule you have given? So how do we fit it into these segments?

- Vishal Thakkar:** So order book, if you really look at it, largely will be for polymer and for the agrochem side, you can see LOIs largely catering to these 2 segments. We expect that around INR450 crores, INR500 crores kind of a number will be there for this year, and we expect it to go -- so we would double the contribution from LOI from last year to this year broadly, and we expect a similar kind of a number growth next year as well because a lot of LOIs and contracts are getting commercialized and getting ramped up.
- S. Ramesh:** Okay. And the polymer will be in the performance chemicals segment, right?
- Vishal Thakkar:** Yes, polymer is performance chemicals, yes.
- Moderator:** The next question comes from the line of Rikin Shah.
- Rikin Shah:** Congrats on a very strong rebound. So my first question is, I want to try to understand what the inventory situation is like at the end customers' end, like who we are supplying to for our key molecules basically?
- Vishal Thakkar:** So thank you, and thank you that helps me also explain what I was trying to explain and thanks for this question. If you see last 18 months has been a very concentrated effort from my customer to really reduce their supply inventory levels. And if you -- if we see now, those stocks are now coming to the level -- target levels that they had put for themselves.
- So to that extent, we see that now whatever the projections they are giving us for their offtake are looking more robust, more visible and more firm in their nature. So to that extent, the reduction in the inventory cycle that they wanted in terms of channel inventory, they've largely covered it for now.
- Rikin Shah:** Got it. But sir, like when we -- like the broad-based commentary when we see the partner meetings of any of the innovators, the comments to all the contract manufacturers more or less the same, which is to reduce cost and work on cost structure. So do you feel that the pressure is much lesser today like compared to like 1 year ago maybe?
- Vishal Thakkar:** Significantly less. If you ask me last year versus this year, we see far more comfort in terms of -- the buoyancy in terms of their projection or also cost pressures have - see, basically, what has happened that most of them -- most of the cost pressure, if you really see, started in the '23 kind of a timeframe, especially when there was a Ukraine-Russia conflict which led to a strong inflation -- very high inflationary pressures across energy and every other facet, which practically 2 things have happened from there.
- The energy prices have got corrected significantly and came back to a more steady state. And also, if you look at from a logistics or transportation or any other places also, the costs have become more stable and more near to the past steady-state numbers. So to that extent, cost pressures are not as much. No doubt always customer will want to have a cheaper product and quicker. But I think everybody has seen that now we have come to a level where we need to get to business on a steady-state basis, and we have to act and behave and expect in the similar range.

- Rikin Shah:** Got it, sir. And apologies for the next question, if it's a repetition. But after the preferential and perhaps the cash flows of FY '25 materializing in FY '26 as there is more inventory rationalization. So what kind of debt reduction maybe short-term and long-term goals do we have?
- Vishal Thakkar:** So if you see, first, we are today on a net basis because we have some bit of a capital, a little small, a little bit of a term debt. So on a net term debt basis, we are net 0 actually. So we have practically no net term debt left out first.
- Second, today, we have a working capital lines of around about INR1,000 crores. We expect that to get corrected more in terms of reflection of the operating cash flows because today, if you look at it, no major capex planned or necessitated. And two, working capital will release cash rather than consume cash.
- Rikin Shah:** So like, even if we see working capital debt and combined gross debt long term plus working capital related. So overall, do we have any target in our mind?
- Vishal Thakkar:** See, I'm just saying that today, if you look at my debt-to-EBITDA will be less than 2, and I will try and keep it around less than 2 and more pushing towards 1.5 or less.
- Moderator:** The next follow-up question comes from the line of S. Ramesh from Nirmal Bang Equities.
- S. Ramesh:** So in terms of the margin profile and the tax rate, how should we read the incremental growth from the new LOIs, what would be the margin profile and how would the tax rate move?
- Vishal Thakkar:** So margin profile, we should have a similar margin profile that we have been historically guiding. I would put it around about 25% to 27% margin profile is what I would really guide at incremental. And tax rate, I think steady state tax rate what we have been historically is where we should be looking at.
- S. Ramesh:** Tax rate first quarter is only 23%. So will it increase over the 4 quarters and go back to 20%, 30%
- Vishal Thakkar:** Yes. So what has been the historical average? I think if you take it to that level, it should be the right one.
- S. Ramesh:** The reason I'm asking is how is the tax rate declined to 23% in the first quarter?
- Vishal Thakkar:** There was basically some credits which were there, which we have been able to use it.
- S. Ramesh:** Okay. So one request, Tanfac is a company is supplying you material as a group company. So if we are able to get some visibility on the performance of the company in the call with the management, that will help us understand their company as well and how they fit into your plan. So that's one personal request.
- Vishal Thakkar:** Sure. We will look into that.

Moderator: Ladies and gentlemen, as there are no further questions from the participants, I will now hand the conference over to the management for closing comments.

Vishal Thakkar: Thank you. On behalf of the management of Anupam Rasayan India, I thank you all for joining on our earnings call today. We hope we have been able to address majority of your queries. If you may have any further questions, you may reach out to our Investor Relations partner, E&Y, and they would be happy to support you. We close this call. Thank you very much. Have a good day.

Moderator: Thank you, sir. On behalf of Anupam Rasayan India Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.