



# Ami Organics Limited

CIN. : L24100GJ2007PLC051093

Registered Office :- Plot No. 440/4, 5 & 6, Road No. 82/A, G.I.D.C. Sachin, Surat - 394230, Dist. Surat, Gujarat, India.

**August 29, 2024**

To,  
The Listing 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

**Subject: Annual Report for the Financial Year 2023-24**

Pursuant to the provisions of Regulation 30 and Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we herewith submit the Annual Report of the Company for the Financial Year 2023-24 along with the Notice convening the 17<sup>th</sup> Annual General Meeting ("AGM") scheduled to be held on Friday, September 20, 2024 at 4.00 P.M. (IST) through Video Conferencing/ Other Audio Visual Means in accordance with relevant circulars issued by the Ministry of Corporate Affairs and Securities Exchange Board of India.

In compliance with the aforesaid circulars, the Annual Report along with the Notice of the AGM is being sent today, only by electronic mode to those shareholders whose e-mail address is registered with the Company/ Registrar and Transfer Agent of the Company /Depository Participants. The Annual Report along with the Notice of the AGM for the Financial Year 2023-24 is also available on the website of the Company at [www.amiorganics.com](http://www.amiorganics.com).

Kindly take the above intimation on record.

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



**CS Ekta K. Srivastava**  
Company Secretary & Compliance Officer

**Encl: Annual Report for FY 2023-24**



Info@amiorganics.com



www.amiorganics.com



+91 72279 77744 / 75730 15366

- | Embracing Innovation
- | Propelling Expansion
- | Driving Progress



At Ami Organics, innovation and adapting complex products, process and technology form the foundation of our business. With a keen focus on expanding our operations, we have developed unique business moats that set us apart in the industry. Therefore, embracing innovation while we continue to expand, has always been part of our DNA, driving long-term progress and ensuring that our business model remains resilient and poised for sustained growth in the foreseeable future.

#### EMBRACING INNOVATION:

Over two decades ago, our journey began when our founders successfully established the business and delivered key molecules for clinical trials and commercial production using innovative technology in the advanced pharmaceutical intermediates space. The products using the innovative technology not just met high purity standards with innovators but provided a competitive price advantage. The business slowly built up to position our company as among the top and preferred manufacturers of pharma intermediates in India and globally. Our dedication to process innovation is evident in our 15 process patent filings, which include 31 patent published, 10 granted patents, and 24 under examination pending applications. We are among the pioneers in India to have successfully commercialised products continuous flow technology. Additionally, we have also successfully implemented a Distributed Control System at our new plant in Ankleshwar, making most of our operations autonomous. This positions us as one of the first, if not the only, in the pharma intermediate space to implement this technology at plant scale. Our innovative mindset has enabled us to build operational moats that make us highly desirable for our customers.

**PROPELLING EXPANSION:** Expansion comes naturally to us as our operational and technological prowess attracts more customers. Currently, we export our products to around 45 countries and have established long-term partnerships with over 30 customers, who have been with us more than a decade. Our growth journey continues as we add new customers every year. Our strong chemistry skills, process innovation, and industry-leading operational capabilities have opened doors to various industries. While our initial focus was on advanced pharmaceutical intermediates, over the past four years, we have expanded into sectors such as semiconductors,

battery chemicals, agrochemicals, fine chemicals, and petrochemicals. Alongside this diversification, we have increased our manufacturing footprint from one unit in 2020 to four units in FY24. We continue to invest in new technology platforms, particularly in emerging areas like battery chemicals.

#### DRIVING PROGRESS:

Our focus on progress is characterised by our commitment to sustainable growth, avoiding short-term temptations in favour of long-term stability for all our stakeholders. We believe in the adage "Slow and steady wins the race". Our various operational moats created through our focus on innovation, technology, and infrastructure, have helped us build a formidable business model to drive the sustainable progress. Our commitment extends beyond profits to include sustainable operations. This dedication has been recognised with a Gold Certification from Ecovadis, an honour awarded to only the top 5% of the companies accessed by Ecovadis globally.

we continue to embrace innovation, while propelling expansion and driving progress. We have been successful in

navigating through the challenging industry scenario in FY24 and delivering encouraging growth. This is the result of the capabilities that we have built over the years to develop a niche product portfolio with a strong market share.

We have a diversified customer base across geographies for whom we are a trusted and preferred partner for providing key molecules. Our reputation for innovative product launches, supported by robust Research and Development (R&D) remains strong and unrivalled globally.

Our extensive track record and long-standing relationships with major customers are enabling us to make new strides in the Intermediates business. In the realm of Speciality Chemicals, we are expanding our horizons and foraying into newer applications with strong entry barriers. We are also leveraging the technology and capability of Baba Fine Chemicals to expand the semiconductor chemicals business. We will continue to strengthen the Battery Chemicals segment to meet the expectations of our customers and drive progress.

## What's Inside

02-31



### Corporate Overview

- 02 \_\_\_ Driven by innovation, quality and technology
- 04 \_\_\_ Growing our presence
- 06 \_\_\_ Financial Snapshot
- 08 \_\_\_ Chairman and MD's Message
- 10 \_\_\_ Our journey
- 12 \_\_\_ Retaining an edge above competition
- 14 \_\_\_ A value-accretive business model
- 16 \_\_\_ Ensuring growth through diversified business channels
- 20 \_\_\_ Focused on Research and Development
- 22 \_\_\_ Manufacturing excellence
- 24 \_\_\_ Quality Assurance and Regulatory Compliance
- 26 \_\_\_ Fulfilling our Environment, Social and Governance obligations
- 28 \_\_\_ Board of Directors
- 30 \_\_\_ Awards and Accolades
- 31 \_\_\_ Corporate Information

32-145



### Statutory Reports

- 32 \_\_\_ Notice
- 45 \_\_\_ Management Discussion and Analysis
- 58 \_\_\_ Board's Report
- 91 \_\_\_ Report on Corporate Governance
- 112 \_\_\_ Business Responsibility and Sustainability Report

146-246



### Financial Statements

#### Standalone Financial Statements

- 146 \_\_\_ Independent Auditor's Report
- 156 \_\_\_ Balance Sheet
- 157 \_\_\_ Statement of Profit & Loss
- 158 \_\_\_ Statement of Cash Flow
- 159 \_\_\_ Statement of Change in Equity
- 161 \_\_\_ Notes to the Financial Statements

#### Consolidated Financial Statements

- 198 \_\_\_ Independent Auditor's Report
- 204 \_\_\_ Balance Sheet
- 205 \_\_\_ Statement of Profit & Loss
- 206 \_\_\_ Statement of Cash Flow
- 207 \_\_\_ Statement of Change in Equity
- 209 \_\_\_ Notes to the Financial Statements



Scan QR code to see this annual report online



To know more about us visit our website : <http://www.amiorganics.com/>

#### Forward-looking statements

Some of the information in this report may contain forward-looking statements, which include statements regarding the Company's expected financial position and results of operations, business plans and prospects, etc. They are generally identified by forward-looking words, such as "believe", "plan", "anticipate", "continue", "estimate", "expect", "may", "will", or other similar words. Forward-looking statements are dependent on assumptions or the basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that the actual results, performances or achievements could differ materially from those expressed or implied in such forward looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

# Driven by innovation, quality and technology

Ami Organics is a leading manufacturer of advance pharmaceuticals intermediates and specialty chemicals with diversified end-use application. Our focus lies in developing and producing high purity specialty chemicals to serve the needs of diverse industries such as pharmaceuticals, cosmetics, fine chemicals, semiconductors and battery chemicals.

Our state-of-the-art manufacturing and testing facilities empower us to consistently deliver high-quality products. Moreover, our emphasis on research and development has enabled us to introduce innovative solutions. We are steadily growing across geographies, product applications and remain focused on nurturing stronger bonds with our clients.



## Vision

Our vision is to be the beacon of innovation and sustainability in the pharma and speciality chemical industry. We aspire to lead with groundbreaking solutions that empower industries, enhance lives and drive sustainable progress globally. Our vision is to be recognised as a trusted partner, delivering excellence through innovative chemistry.



## Mission

We at Ami Organics Ltd., aspire to be a Globally Integrated Pharma Intermediates & Speciality Chemicals Company by focusing on three key areas – Sustainable Innovation, Unparalleled Quality and Pioneering Technology.



**Rs. 7,250 Million**  
Total Revenue for FY24

**500+**  
Customers

**Rs. 1,285 Million**  
EBITDA for FY24

**56%**  
Exports for FY24

**Rs. 808 Million\***  
PAT for FY24  
\*Adjusted for Exceptional Items

**4**  
Manufacturing facilities at Gujarat and Uttar Pradesh

Presence in  
**~45**  
Countries

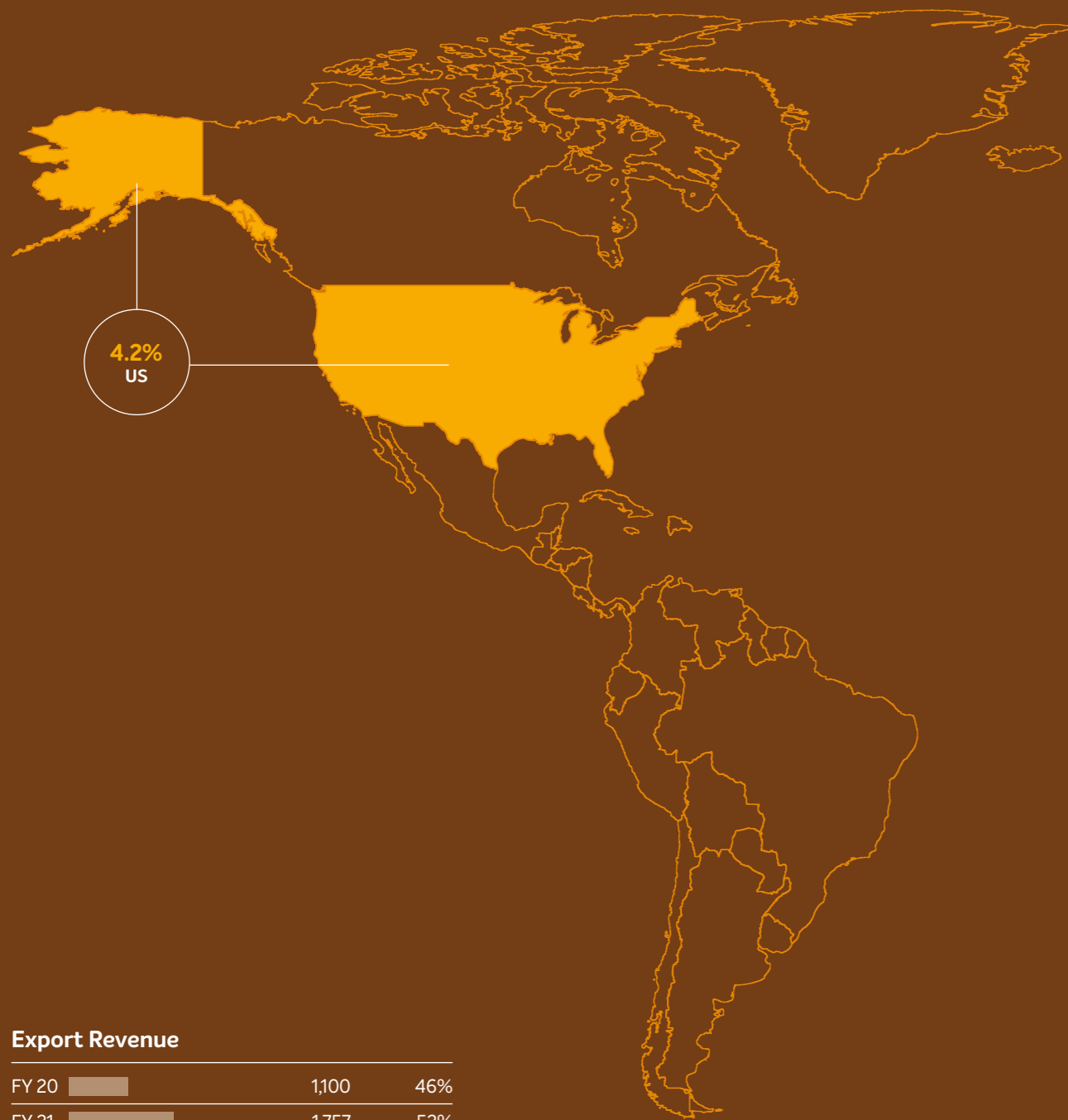
**1**  
State-of-the-art R&D facility at Gujarat

**Rs. 5,000 million**  
Fund Raising successfully completed in Q1 FY25

**570+ Products**  
Invoiced to customers in last 5 years

# Growing our presence

With strategically located production facilities in Gujarat and Uttar Pradesh, we manufacture and distribute products to different parts of the country. Our products are also exported globally to several countries, with a constant focus on exploring emerging opportunities in the domestic as well as international market.



### Export Revenue

FY	Revenue (₹)	Percentage
FY 20	1,100	46%
FY 21	1,757	52%
FY 22	3,010	58%
FY 23	3,647	59%
FY 24	3,997	56%

**500 +**

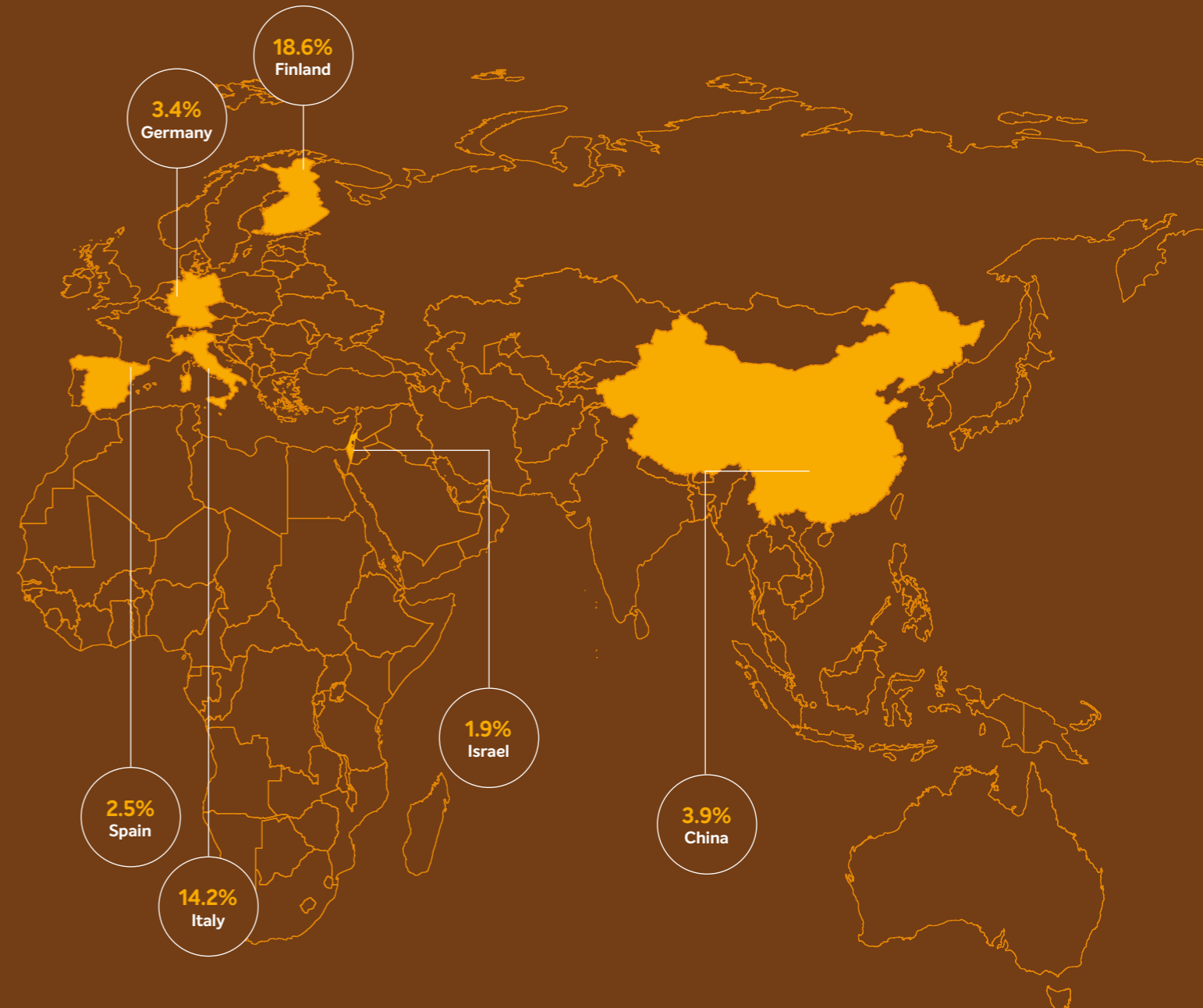
Customers

**~45**

Countries

**30+**

Customers associated since last 10 years



### Revenue Contributed from Top Customers – FY24

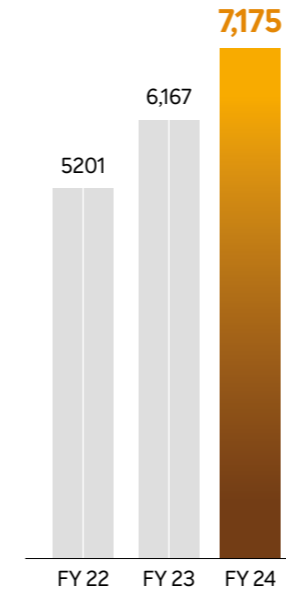


# Financial Snapshot



## Revenue from operation

(Rs. Million)

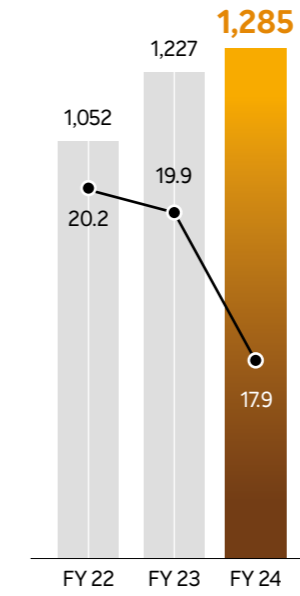


## Operation EBITDA

(Rs. Million)

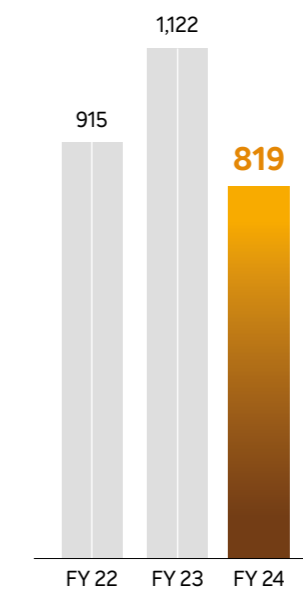
### Margin

(%)



## PBT

(Rs. Million)

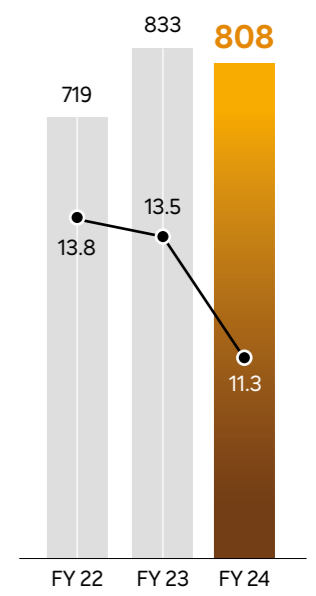


## PAT

(Rs. Million)

### Margin

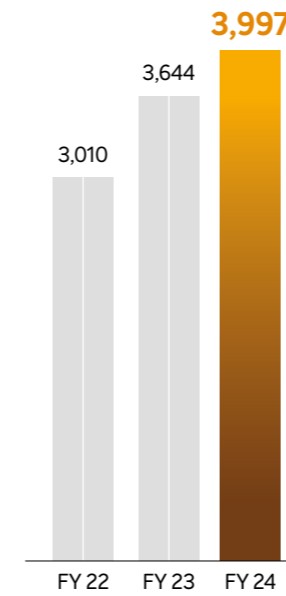
(%)



\* EBITDA, PBT & PAT for FY 24 are adjusted for exceptional item

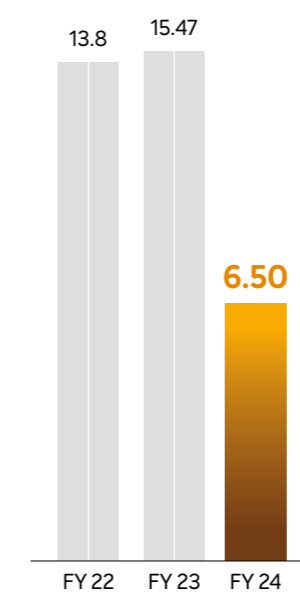
## Revenue from exports

(INR Million)



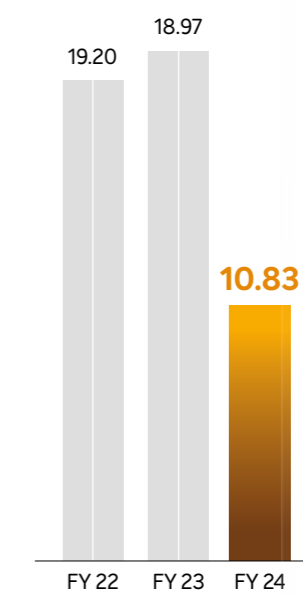
## ROE

(%)



## ROCE

(%)



# Chairman and MD's Message



“  
**At Ami Organics, we firmly believe that innovation is the cornerstone of sustainable growth.**”

## Dear Shareholders,

I am honoured to present our Annual Report for the Financial Year 2024.

### Embracing Innovation and Driving Expansion:

At Ami Organics, we firmly believe that innovation is the cornerstone of sustainable growth. By embedding this value into every facet of our business, we have achieved a robust revenue growth of 16.3% YoY in FY24. Our commitment to innovation extends to even the smallest aspects of our operations. A prime example is the significant advancements we've made in flow chemistry through our in-house R&D. We now operate key chemistries within a flow reactor, a move that has expanded our capacities, improved yields, and reduced operating costs. Notably, these reactors were designed by our own team, a source of immense pride for all of us.

Automation is another area where we are making strides. While major changes to existing facilities may not always be feasible, we've focused on automating smaller processes, collectively enhancing our overall efficiency. Our new Ankleshwar plant stands as a state-of-the-art facility, featuring a Distributed Control System (DCS) and a Powder Transfer System (PTS). These innovations make it one of the most automated intermediates plant in the industry, enhancing safety, quality, as well as ensuring greater transparency and compliance through computer-generated data rather than manual entries. This strategic focus on technology, efficiency, safety and compliance will not only garner recognition from regulators but also position us as a preferred partner for CMO and CDMO opportunities in advanced pharmaceutical intermediates with innovators.

It's essential to understand that we are not merely expanding our capabilities; we are building a robust, industry-leading infrastructure. This is designed to deliver high-value intermediates and chemicals with unparalleled purity, supported by automated operational

data and virtual digital supervision that enables clients to monitor their products' progress at our facilities.

When we speak of “propelling expansion”, we are not just increasing production capacities but also broadening the applications of the chemicals we manufacture. In line with our strategy to venture into niche applications with low competition and high entry barriers, we acquired a 55% stake in Baba Fine Chemicals (BFC) in FY24. BFC, specializing in super specialty chemicals for the semiconductor industry, is a strategic move to enter a high-entry-barrier industry and help BFC scale operations and market its products globally.

Building on our momentum in the battery space, where we've already developed electrolyte additives for lithium-ion batteries, we entered into a strategic Memorandum of Understanding (MoU) with a global manufacturer to produce electrolytes for battery cell and allied materials. This venture marks a significant step in expanding our presence in this high-growth segment.

### Delivering Consistent Performance:

In FY2024, our consolidated revenue from operations reached 7175 million, reflecting a 16.3% increase from 6167 million in FY2023. Our EBITDA for the year was 1285 million, up 4.8% from 1227 million in the previous year, resulting in an EBITDA margin of 17.9%. Adjusted PAT was 808 million, with margins of 11.3%, excluding the one-time full impairment of our investment the joint venture, Ami Oncotheranositics LLC.

Exports contributed 56% of our revenue, while the domestic market accounted for 44%. Despite challenges throughout the year, we maintained strong cash generation from operations, amounting to 1252 million.

### Shaping a Greener Tomorrow:

As we pursue operational excellence, we remain committed to building a

sustainable future for generations to come. Our relentless efforts in environmental stewardship have earned us a 'Gold Medal' accreditation from EcoVadis. Our focus on green chemistry and eco-friendly initiatives continues to guide our responsible growth strategy. To further our sustainability agenda, the Board of Directors has approved capital expenditure for a 16MW captive solar power plant, expected to meet most of our energy needs once operational.

### Driving Progress:

Our commitment to sustainable growth, underpinned by innovation, cutting-edge technology, and infrastructure, has created multiple moats around our business model, ensuring continued growth. For instance, our expanded partnership with a leading pharmaceutical innovator customer has resulted in a significant CDMO contract, which is expected to be a key growth driver in the coming years. In the specialty chemicals sector, our focus on operational improvement and global competitiveness has helped increase our volumes. This will grow steadily in the coming years, supported by our semiconductor and battery chemicals businesses, which, though currently small, hold immense potential.

I am confident that we have multiple growth engines poised to drive our progress in the coming years, delivering sustainable & quality growth.

Finally, I would like to extend my heartfelt gratitude to our shareholders, employees, Board of Directors, and all other stakeholders. Thank you for your continued trust and support. Together, let us build a sustainable enterprise driven by innovation, quality, and technology.

Warm regards,

**Nareshkumar Patel**

Executive Chairman & Managing Director

**2004**

Establishment of a partnership firm '**Ami Organics**'

**2007**

Ami Organics changed its name from Partnership Firm to '**Ami Organics Private Limited**' in its constitution

**2005**

Awarded the **Gujarat Gas Safety Award** for creating and implementing a successful HSE Management System

**2011**

**IMS** (Integrated Management System) was implemented

**2015**

**Rs. 1,000 million** milestone turnover achieved

Ami Onco-Theranostics, LLC and Photolitec LLC formed a **50-50 joint venture** in Delaware, USA

**2016**

**Successfully completed** USFDA inspection to receive EIR at Sachin facility

The **DSIR of India** recognised our inhouse R&D unit

**2017**

**5 products submitted** for process patents in India

Outstanding export performance '**Second Award**' Panel - II: Inorganic, Organic and Argo Chemicals

**Rs. 1,500 million** turnover achieved

**1,050 MT** of RM storage capacity and expanded warehouse capacity and modern infrastructure



**2024**

**Awarded** with Ecovadis Gold Accreditation

**SA 8000:2014 certification** for social accountability

**ISMS 27001** certification for Information and Security Management System

**Three Star Export House**™ by DGFT

**2023**

**Acquisition of Baba Fine Chemicals** to foray into the Semiconductor industry

**State of the art** Ankleshwar unit with fully automated DCS System

**2022**

Achieved sales milestone of **5000 million**

**Outstanding Business leader of the year Award** to the Chairman & MD Mr. **Naresh Patel** by FGI

**Forayed into electrolytes** segment by incorporating Wholly Owned Subsidiary -Ami Organics Electrolytes Pvt. Ltd.

**2021**

Acquisition of the **Ankleshwar and Jhagadia** units from GOL

Award for '**Excellence in Research in Science and Technology**'

Fairdeal Filaments Honours **Outstanding Entrepreneurs** in the MSME Sector

Applied for process patents for **three additional products** in India

Successful maiden IPO of Company and **listing of shares on BSE & NSE**

**2019**

**ISO 45001:2018** certifications were obtained

**2020**

The USFDA **approved a second EIR** for the manufacturing facility in Sachin

Commencement of a **new R&D lab** at Sachin

Commencement of the **new solvent recovery plant** at Sachin

**2018**

Completed the evaluation and **built a manufacturing and storage facility at Sachin** complying with GMP standards

Recognised as '**Two Star Export House**' by DGFT

**'Business Innovation Award'** under Dare to Dream awards by SAP

Received **first EIR** from USFDA

# Retaining an edge above competition



## High Entry Barrier

Our leverage of working on complex chemistries with industry leading technology and processes has given us market access while strengthening our business model over the course of two decades. New entrants in our products' market faces the stringent and long route of vendor qualification and validation process, regulatory and detailed documentation as well as maintaining high ESG standards. All these factors keep competition at bay.



## Portfolio for Future Growth

We offer a broad portfolio of commercialised over 570 products, with several more in development or testing stages. Most of these products cater to next-gen industries such as semiconductor, battery chemicals and very complex pharmaceutical products. This gives Ami Organics a leverage for future growth given that several products under our umbrella have the potential to drive expansion.



## Diverse and Loyal Customer Base

We boast of a successful track record and have established a loyal customer base across geographies. As a trusted global supplier of speciality chemicals, we are considered a 'Preferred Supplier' for key molecules. We have more than 30 customers who have been associated with us for more than 10 years, a testimony to our philosophy of growing and nurturing our customer base.



## Strong R&D capabilities

Our R&D team plays an important role in introducing First-to-Market products. With a relentless focus on innovation, it has the ability to provide intermediates from N-1 to N-12 stages, utilising different synthesis techniques. We continually invest in R&D activities to stay ahead and create a differentiating factor vis-à-vis our competitors



## Effective Cost Management and Process Optimisation

We achieve cost leadership through continuous process optimisation and improvement, sourcing approximately 71% of our raw materials from domestic vendors. Our focus on newer technologies have enabled us to ensure the quality of products and enhance operational efficiency.



## Niche Product Line

Our specialised products have limited competition with a targeted focus on the demand in multiple high-entry barrier industries such as Pharmaceutical, Semiconductors, Battery Chemicals. We are recognised as a global market leader for key advanced intermediates and continue to rely on our robust R&D to drive innovation and retain our competitive edge. The Pharma Intermediates which we manufacture, find application in certain high-growth therapeutic areas including anti-depressant, anti-cancer, anti-retroviral, anti-Parkinson, and seizure disorder. We are the market leader for various key intermediates across the globe and the first company in India outside of China to spearhead the pioneering development of electrolyte additives on a global scale.



# A value-accretive business model

Inputs > Our Ecosystem > Outputs > Stakeholders Impacted

### Sound Financials

- > Net Worth **INR 6740 million**
- > Debt Equity Ratio - **0.32**

### Innovation

- > R&D Facilities - **1**
- > RD Spend **141 million**
- > Patents granted - **10**
- > R&D Professionals **118**

### Manufactured Excellence

- > Manufacturing units - **4**
- > CAPEX **INR 2500 million**
- > Installed Capacity **1100 KL**

### Human Resource

- > Employees **676**
- > Women in Workforce **44**

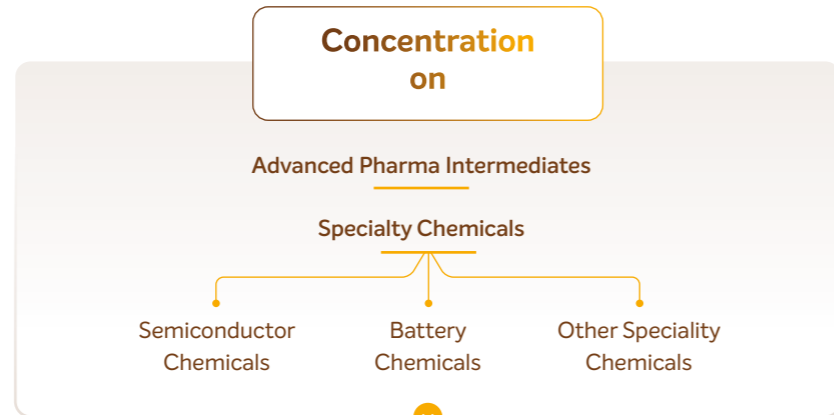
### Community Welfare

- > CSR Spend **18.37 million**

### Environmental Stewardship

We aim to maximise the use of natural resources, minimise waste generation, and reduce our environmental impact

- > **Green Belt** at Jhagadia and Sachin Plant
- > Energy Consumed **340,300 GJ**
- > Water Consumed **129,686 KL**



Ami Organics' products

Strategic Decisions by Experienced Leaders

**Sound Financials** | **16.3%** Growth in Revenue | **4.8%** Growth in EBITDA

**Innovation** | **5** New Process Patents in FY 2023-24

**Manufactured Excellence** | **Production** Continuous Flow Reactor, Complex Chemistries, Multi-step synthesis

**Human Resources** | **Talent** management | **829** Trainings Conducted

**Social and Relationship Capital** | **3922** CSR Beneficiaries

**Natural Capital** | **Zero** Liquid Discharge – Sachin Plant | **17%** Reduction in Water consumption intensity



Workforce



Customers



Investors and stakeholders



Suppliers



Local Communities



Regulatory Authorities



NGOs



Contractors



Consultants and Advisors