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CIN: L24139GJ1994PLC023944

February 16, 2026

To, Sr. General Manager Listing Department <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.  Scrip Code: <b>544502</b>	To, Sr. General Manager <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051.  Trading Symbol: <b>AMANTA</b>
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Dear Sir/ Madam,

**Sub: Transcript of Post Result Conference Call held on February 11, 2026 at 3.00 P.M.**

**Ref: Our Intimation dated February 6, 2026**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Conference Call held on February 11, 2026 at 3.00 P.M.

The same is also uploaded on the Company's website i.e. <https://www.amanta.co.in/investor-meet>

You are requested to take the same on your records.

Thanking you.

Yours sincerely,

**For AMANTA HEALTHCARE LIMITED**

Dinodia  
Nikhita

Digitally signed by Dinodia Nikhita  
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**NIKHITA DINODIA**  
**Company Secretary & Compliance Officer**



“Amanta Healthcare Limited  
Q3 & 9M FY '26 Earnings Conference Call”  
February 11, 2026



**MANAGEMENT: MR. BHAVESH PATEL – CHAIRMAN AND MANAGING  
DIRECTOR – AMANTA HEALTHCARE LIMITED  
MR. PARAS MEHTA – CHIEF FINANCIAL OFFICER –  
AMANTA HEALTHCARE LIMITED**

**MODERATOR: MS. SOUMYA – GO INDIA ADVISORS LLP**

**Moderator:** Ladies and gentlemen, good day and welcome to Amanta Healthcare Limited Q3 and 9-month FY '26 earnings call, hosted by Go India Advisors LLP. 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Soumya from Go India Advisors LLP. Thank you and over to you, ma'am.

**Soumya:** Good day everyone and welcome to Q3 and 9-months FY '26 earnings conference call of Amanta Healthcare Limited. We have on call with us Mr. Bhavesh Patel, Chairman and Managing Director; Mr. Paras Mehta, Chief Financial Officer. We must remind you that discussion on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risks pertaining to the business.

I now request the management to take us through the same and provide some more insight on the quarter gone by. Post that, we will open the floor for Q&A. Thank you and over to you, sir.

**Bhavesh Patel:** Namaskar and good afternoon to everyone, and a warm welcome to Amanta Healthcare Limited's maiden earnings call. Thank you for joining us today and for taking the time to understand our business, our journey, and our long-term vision. This is our first interaction with the investor community as a listed entity, and we see this call as an important opportunity to introduce Amanta Healthcare not just through numbers, but through the fundamentals that define our business, our growth strategy, and our capital discipline.

Amanta Healthcare is one of India's leading manufacturers of two-port IV fluid container system, which is branded as SteriPort, and operates as a fully integrated sterile liquid manufacturing operation spanning both Large Volume and Small Volume Parenterals. Our product portfolio caters to six key therapeutic segments, including fluid therapy, injectable formulations, diluents, ophthalmics, respiratory care, and eye and wound irrigation products, giving us a diversified yet focused presence within the sterile pharmaceutical space.

A key differentiator for Amanta is our SteriPort platform, which we were the first in India to introduce. Built on advanced ISBM technology, SteriPort offers superior sterilization—or I would say absolute sterilization—which reduces the risk associated with fungal and microbial contamination. Over time, SteriPort has evolved into an industry benchmark and is increasingly becoming the preferred choice for hospitals and healthcare institutions.

Today, SteriPort contributes approximately 40% of our revenue and operates at high utilization level, underlining both strong demand and customer acceptance. Alongside LVP, our SVP business represents a high-margin, export-focused growth engine. This segment contributes nearly 20% of our revenue and operates at near-peak utilization.

Over the past few years, we have consciously moved up the value chain from low-value diluents to high-value formulations such as eye drops and respiratory respules, which has materially improved realization and margin profile.

From a financial standpoint, Amanta is at an important inflection point. We have transitioned from an investment-led phase to a structurally profitable growth phase. While our quarter and 9-month performance shall be shared shortly by our CFO, Shri Parasbhai Mehta, allow me to share the numbers.

Over the medium term, our performance reflects the impact of focused execution and disciplined investment. Revenues have grown at 12% CAGR between year 21 and year 25, reaching INR275 crores. EBITDA has shown consistent improvement, increasing from INR56 crores in '23 to INR61 crores in '25. While PAT has seen a meaningful turnaround from a loss of INR2 crores in FY '23 to a profit of INR11 crores in FY '25.

This progression highlights the benefits of scale, product mix improvement, and operating efficiencies coming through in our financials. Looking ahead, our growth strategy is anchored around capacity expansion, operating leverage, and cost efficiency. In LVP, we are doubling our SteriPort capacity from 6.6 crores bottles per annum to roughly 12 crores per year, supported by INR90 crores investment to meet strong demand visibility.

In SVP, we are expanding capacity from INR21 crores to INR31 crores units per year, further strengthening our position in high-margin export market. Parallely, we are investing in structural cost advantages. Our 10.8 megawatt captive solar power plant, expected to be commissioned by Q1 FY27, is projected to generate a cost saving of roughly INR9 crores, leading to annual EBITDA level/cost savings, enhancing operating leverage and sustainability.

These initiatives, combined with improving scale, are expected to meaningfully support margins over the medium term. We are equally focused on capital discipline and balance sheet improvement. Our return ratios have improved meaningfully, and leverage has been steadily reducing. IPO proceeds have been deployed largely towards capacity expansion, ensuring that capital raised is directly aligned with long-term value creation.

In summary, Amanta Healthcare stands at the intersection of category leadership, high-margin products, visible capacity-led growth, and improving return metrics. As healthcare demand continues to rise and quality standards tighten, we believe our differentiated platform positions us well for sustained growth and value creation.

With that, I will now invite Mr. Paras Mehta to take you through the financial performance in detail, after which we will be happy to take your questions. Thank you for your time and continued interest in Amanta Healthcare Limited. Over to you, Paras bhai.

**Paras Mehta:**

Thank you. A warm welcome to everybody and a good afternoon. During the quarter ended December 2025, as well as 9-month period ended same, the company has delivered stable and improving financial performance that is reflecting disciplined execution across operations as well as continued focus on the profitability.

For the quarter, revenues stood at about INR75 crores, registering 9.8% year-on-year growth driven by steady demand and volume-led expansion. For 9 months ended December '26, revenue has increased to INR211 crores, 4% plus year-on-year growth. This underscores the resilience of our core portfolio as well as consistency of our operating model.

We would like to inform that operational discipline has continued to support margins. EBITDA for quarter 3 came in at INR15 crores with margins at about 21%, while 9-month EBITDA has increased to 6.1% year-on-year amounting to INR45 crores. Importantly, EBITDA margin for the 9-month period has improved 42 basis points to 21.3%. This reflects effective cost control, improved operating efficiency, as well as better absorption of fixed overheads.

Profitability has strengthened meaningfully during the period. Net profit for the quarter 3, 2025, that is financial year '25-'26, has rose to INR5 crores, which is up by 8.1% on year-on-year basis, while 9-month PAT has grew about 51% year-on-year to INR9 crores.

This demonstrates the benefit of operating leverage as well as improvement in bottom line by way of continuous improvement in revenue, business sustainability, as well as the control over the cost. Earning quality has also improved, as reflected in margin expansion.

PAT margin for the quarter has stood at 6.2%, as already informed, while 9-month PAT margin has expanded by 139 basis points year-on-year. This is supported by margin normalization and improving scale efficiencies. We would just like to draw the attention that the 9-month number includes exceptional item which is the IPO expenses, as company came out with its maiden IPO during the year in the month of September.

So, whatever profitability we see on 9-month basis, that includes exceptional item. When we add back, it gives a even more and better results. Overall, financial performance during the quarter as well as 9-month period reinforces our confidence in the business fundamentals as well as our capacity addition, cost efficiency initiatives, and operating leverage continue to play out.

We as a company and management remain focused on sustaining margins, improving return ratios, maintaining disciplined balance sheet and improving all the ratios in the financial terms, while supporting the future growth by way of expansion for which we came out with the IPO. The IPO growth and the capex through IPO is going to be reflected in coming quarters. It is not yet started.

So whatever results we are looking at is on the same capacity what we had during the last year. So on the same capacity we have a better revenue, better profitability, leverage benefit as well as we are ready to go further with the expansion. With this, I would like to thank you all for joining this call and if you have any further queries or questions during Q&A session, we can answer all your questions. We will aim to have the transparent communication and continue advancing our objectives and creating value for our stakeholders. Thank you once again and we now open the question-answer session. Thank you.

**Moderator:**

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Aniket Nikumb from ABN Capital. Please go ahead.

**Aniket Nikumb:**

Hi. Thank you for the opportunity, sir, and congratulations on a successful IPO. Sir, my first question is can you tell us a little bit about the current status of the capex and when we are expecting the new facility to go live?

**Bhavesh Patel:** So, we had initiated this expansion way before the IPO was conceived. The idea was to finish off the entire capex in two phases, but by that time the IPO was conceived and it materialized, so now we have combined both the phases into one. So the work started in 2024. As on today, while we are talking, the manufacturing equipment and the utilities are being installed.

The equipment are already placed and they are being integrated by way of piping, wiring and so and so forth. So I am presuming that by 15th March, all the machines would be placed, connected and we will be taking dry trials section-wise. So we are hoping to have bottles coming out of the system by end of March, but we have to provide a buffer of 10 days, 15 days for any contingency. So we will definitely see commercialization in the month of April.

**Aniket Nikumb:** Okay, got it. So we will be able to ramp up also quite quickly, sir, in terms of plant and test runs and stuff like that or does it take a few quarters for testing and stuff?

**Bhavesh Patel:** No. So the process validation, the product validation, etcetera., doesn't take time. It takes 15 days to maybe 21 days, but it can happen concurrently. As I said, when we take the dry trial, the validation trials also happen parallelly. But to -- I understand what your question is, let's say we commission the line, then from very first day, we can run the line at full capacity. But we may not be able to achieve sales numbers corresponding to that output.

So initially, we'll be running the plant at full capacity, but we would be accumulating some inventory for three to five months. And then we reach an equilibrium where production equals sales and gradually by six months to nine months that window, we'll be able to absorb excess inventory.

So that's how typically we have observed in the past also, whenever we have done ramp-up of this scale. So this year also, by -- we will not reduce the production. We don't mind holding inventory, but production has to be at full capacity because that makes more financial sense. But the inventory pile-up will get addressed by month of October or so. So in the year '26-'27, we will see the benefit of full-scale production and almost full-scale liquidation.

**Aniket Nikumb:** Understood, sir. And if you, given this is obviously a reasonably large expansion for our company, if you sort of look out at a full scale, then what is the total potential revenue with this facility that we can get to? Whatever approximate you can indicate?

**Bhavesh Patel:** So the incremental revenue would be in the range of INR120 crores, plus or minus 4%-5% here and there from SteriPort line alone. Yes. And by the way, we are talking only about SteriPort line. SVP line is likely to get commercialized by January '27. So that would be additional revenue. At the moment, we are only talking about SteriPort.

**Aniket Nikumb:** Okay, so sir, combined both, how much can it be?

**Bhavesh Patel:** Roughly INR150 crores.

**Aniket Nikumb:** Got it, sir. And sir, lastly, as we are planning about, you know, we have I think done the capex from our IPO proceeds, so a little bit about how you the management is thinking about the debt

on the books, how we are planning to manage that, and what is our thinking around that if you can highlight?

**Bhavesh Patel:** So, we had coined this idea that should we raise more equity and repay debt, but the consensus and the common -- most obvious reaction was that you are raising expensive capital to reduce the cheaper debt. And cheaper debt was not prohibitively out of our limits or ratios.

So what we feel is that the existing revenue plus incremental revenue would suffice to repay the debt at accelerated rate. For instance, in this year, we have already repaid debt of around INR28 crores or INR30 crores. And by the end of March, we should be repaying INR36 crores in this accounting year. Similarly...

**Aniket Nikumb:** In this accounting year, broadly what will be our debt at -- at March? Maybe because it's right here?

**Bhavesh Patel:** The debt, debt by and large will remain almost same, maybe it will reduce by only INR5 crores, in spite of paying INR36 crores, because we are raising INR30 crores debt for solar project. So the debt number -- debt number doesn't change much, but our cost efficiency improves because solar is likely to save, give -- I mean, contribute around INR9 crores per year in terms of cost saving.

**Aniket Nikumb:** Okay, okay. But sir...

**Bhavesh Patel:** Even to answer your question -- I'm sorry, to answer your question, please...

**Aniket Nikumb:** No, just last thing, sir. Therefore, over a 2-3 year period, though, our thinking is to repay debt because I see in your presentation also you sort of guided that, indicated that capex will reduce next year onwards?

**Bhavesh Patel:** Yes. So once we have commissioned SteriPort line and once we complete our SVP expansion, which is through IPO proceeds, the -- there would be enough growth drivers within the this asset group. For instance, I answered your question about SteriPort, how fast we can ramp up. So SteriPort can be ramped up because it's addressed to India as a one non-large, non-fragmented market.

But SVP ramp-up to sizeable EBITDA level will take one to two years because that's addressed to different markets, they are regulated, and there are different product offerings. So SVP alone will be offering enough growth drivers within our portfolio. So it -- of course some capex in pharma capex is done, I mean, you can't escape that situation. But we will see -- as compared to capex, the value creation would be incrementally much, much higher than the capex demand.

**Aniket Nikumb:** Understood, understood. Makes sense, sir. Wish you all the best and look forward to continued interaction. I'll go back in the queue.

**Bhavesh Patel:** Thank you very much.

**Moderator:** Thank you. The next question is from the line of Vilina Jain from Perpetuity Ventures. Please go ahead.

**Vilina Jain:** Hi sir. Sir, wanted to understand a bit on the SteriPort product, like how is it different from the others in the market and what gives us confidence about, that the additional capacity demand is there in the market?

**Bhavesh Patel:** So SteriPort as a concept, it was our creation sort of, if I can claim so, and we introduced this product in 2015-'16, and it has some unique features. For example, it has a two-port system. One for IV set and second is for medication. Now there are other companies also who have similar offerings, like B. Braun, Otsuka, Fresenius, Aculife. They also have two-port system.

But SteriPort again has a differentiation in the sense of the primary packaging material that uses it -- that it is using. So we use random Copolymer Polypropylene. Whereas all our competing two-port system products are having Polyethylene. So Polyethylene cannot be sterilized at more than 109°C. Whereas our container can withstand 125°C.

So globally, anything below 121.1 is a compromise in terms of sterility. So we are the only company in this space to have this established claim that it is absolutely autoclaved. And the results are obvious. We must have sold more than INR35 crores bottles so far. We have not got a single complaint of fungal contamination. Not even one complaint.

So this is something which gives comfort to the paramedics and medical fraternity and to us as operator also. Apart from this, SteriPort, although it is thinner than polyethylene, it is having five times more tensile strength. So the container is not breached. Making solution sterile is the simplest of the process, but maintaining the integrity of solution in the sterile form is the challenge.

Be it glass -- because in glass also you can have hairline crack, you can't see it but it's there and can lead to fungal contamination. So container integrity is of supreme importance in this space. And that's what SteriPort is offering. And I think that is the reason why it is most preferred pack amongst intensivists, oncologists, high-dependency units, etc.

**Vilina Jain:** Got it. Sir, secondly, on our solar plant, you mentioned that we'll have INR9 crores of cost savings. Would this be on EBITDA or PBT level?

**Bhavesh Patel:** EBITDA level. But it would be, yes, EBITDA. I think INR9 crores saving is gross saving minus operating cost, but not -- but not interest. All the maintenance and running cost would be deducted, and then what you save is INR9 crores minus interest. But normally for payback, you don't count interest.

**Vilina Jain:** Got it. And sir, when would the solar plant be operational by?

**Bhavesh Patel:** So our target is to commission the entire facility by March end. But then you have to have regulatory approvals and they take some time. So we are hoping that we should be operational by end of April. So from May onwards, we should be accruing the benefit of this.

**Vilina Jain:** Okay, understood. And sir, on the debt part, I see that our finance cost has been coming down despite us adding another INR30 crores of debt which we sort of paid off as well. So could you

help us understand how our interest cost has changed and how it can change going forward as we keep on paying debt?

**Bhavesh Patel:** I think the interest cost is coming down because of repayment, but main change is in the coupon rate. But it is still not getting captured adequately here. Most of the cost-effective borrowing has been done from September onwards. So it hardly gets captured here, but in coming months we'll see larger effect of that. But primarily because of repayment and reduction in coupon rate. Paras bhai, you want to add anything to this or...

**Paras Mehta:** No, that's it.

**Bhavesh Patel:** Yes, that's about it.

**Vilina Jain:** Sir, what would be the reduction in interest rate -- in the coupon rate which we have seen?

**Bhavesh Patel:** Come again, please.

**Vilina Jain:** What would be the reduction in coupon rate which we have seen?

**Bhavesh Patel:** I think it's varying from 250 bps to 400 bps. We had preference instrument of -- from KKR time and that was to be redeemed in '28, but we have done earlier redemption. So their reduction would be roughly 500 bps. But that was roughly INR11 crores, but generally it is 250 to 400 bps points.

**Vilina Jain:** Got it. Secondly, sir, you mentioned -- you also mentioned that on the SVP side, we'll take one to two years to ramp up the offerings. So does this mean that the INR30 crores revenue will take one to two years to come in or you can do value addition in INR30 crores and ramp it up further? Can you elaborate on that?

**Bhavesh Patel:** No, what I meant was that SteriPort is addressed to India, which is a large market, non-fragmented one. There are no regulatory barriers. So there the ramp-up can happen very fast. But likewise -- unlike that, SVP is primarily addressed to international audience. So that's where we have to wait for approvals, change variation, filing, etcetera.

So initially, the capacity utilization would not be a challenge. We'll be making -- running the plant at full capacity, we'll make diluents, but the kind of EBITDA levels we have seen historically in SVP, that level or exceeding that may take 2 years. That's what we mean. I think that's what we indicated in the projection also in the past.

**Vilina Jain:** Understood. Thank you, sir.

**Moderator:** Thank you. The next question is from the line of Dhairya Trivedi from DJT Investments. Please go ahead.

**Dhairya Trivedi:** Hi sir. Congratulations on a successful IPO and on your maiden earnings call. My first question is around SteriPort. So basically you were mentioning that the capacity increase through SteriPort is going to be roughly 5 crore units?

- Bhavesh Patel:** Yes.
- Dhairya Trivedi:** Okay. So I'm just referring to Slide 12. In that FY25 number is 6.6 and the '27 projected number is 10.6. So that adds up to roughly 4 crore units. So am I missing something there?
- Bhavesh Patel:** One second. SteriPort capacity 6.6 and 10.6. Yes, this is totalling to 4. I think there's an error. So it should be 11.6, right? Yes, 11.6. Yes, it's a typo error. It should be roughly 11.6 to between 11.6 and 12.
- Dhairya Trivedi:** Okay, okay. So roughly 12 crore, right?
- Bhavesh Patel:** Yes, a little less than 12, yes.
- Dhairya Trivedi:** Okay, okay. And given that you mentioned that both production and liquidation are going to happen concurrently, so can we assume that, you know, this entire INR110 crores-INR120 crores that you've mentioned, incremental revenue, all of that will happen in FY27?
- Bhavesh Patel:** Yes, yes.
- Dhairya Trivedi:** Okay, okay, got it. And the steady-state EBITDA margin for SteriPort would be roughly say 26%-27%?
- Bhavesh Patel:** So incremental capacity will produce much higher EBITDA levels. But because of SteriPort, post-commissioning, company's overall EBITDA will expand by 3% to 4%.
- Dhairya Trivedi:** Okay, okay. So the steady-state EBITDA margin for the company would be roughly say 26%-27% post the SteriPort commissioning?
- Bhavesh Patel:** Yes.
- Dhairya Trivedi:** Okay, okay. Perfect, sir. Understood. Thank you, sir. Thank you and all the best.
- Bhavesh Patel:** Thank you. Thank you very much.
- Moderator:** Thank you. The next question is from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.
- Madhur Rathi:** Sir, thank you for the opportunity. Sir, I wanted to understand who would be our closest competitors in both our segments and are our competitors also increasing their capacity?
- Bhavesh Patel:** So as I mentioned, we were -- I will answer your question for SteriPort first and then SVP. We were the first ones to adopt this ISBM technology. And in terms of learning curve, we are having some advantage over others. So IV fluid market, like, is broadly informally categorized. So companies who are operating at national level, they command different respect and price in hospitals, followed by regional and then local companies.
- So I will make our comparison only with national level companies. So as I said, apart from us, we have Fresenius, Otsuka, B. Braun, and Aculife, who are major companies offering a two-

port system. But except for Amanta, all of them are offering two-port system with polyethylene. So there they cannot sterilize at more than 109°C. So in high-dependency units, critical care, oncology, then organ transplant, SteriPort is the most preferred container in that sense -- I mean, system.

Apart from sterility, the polymer is different. So potent medications when they are given, they will have to look at the compatibility of the drug with the container. So for example, 85% of the anti-cancer drugs, if you give in polyethylene container, the discoloration -- which also means degradation starts within 90 minutes to 2 hours. Wherein in case of SteriPort, it starts after 28 to 45 hours.

So, and we have done this research in a collaboration with a university. We mandated the engineering department and the pharmaceutical department of a university and we have all the protocols, all the studies, videography, photography, everything to support our argument and our merits. So that is where the community, paramedics and medical fraternity, they derive the confidence from.

So that's the reason it's a preferred container. So there are these five companies, they are comparable in what we do. B. Braun has very little exposure in the market. They are confined only to seven to eight cities. But I would say Otsuka is closest in terms of numbers and their presence across the country.

**Madhur Rathi:**

Got it. And sir, on the capacity addition, has any of these added capacity are going to add capacity in next 1 or 2 years?

**Bhavesh Patel:**

Not much action in two-port system, but many companies are converting their existing lines into two-port system. Because when we launched the product, very few doctors were willing to patronize because the cost was high, the price was high. But then lately what -- then somewhere in between around 19, 20, 21, what we found was that this was used in onco, intensive care, etcetera. But now, for in last 1-year or so, what I'm seeing is even a small nursing home uses two-port system. So the acceptance has increased a lot.

In IV fluid in general, the demand is growing at around 8% to 10% year-on-year. So every year we need additional 12 crore to 13 crore bottles of IV fluid. But the demand of two-port system would be growing at a faster pace because there's a conversion from conventional legacy product to two-port system. So -- but that is more supply-driven in a way, because the capacity is hardly 15% of -- 15%-20% of the total demand. So we see good traction and we have always seen short-supply kind of situation in SteriPort.

**Madhur Rathi:**

Right. Sir, so if I were to compare the average life or expiry period for our product versus our competitor product before it starts degrading, what would that be? And sir, a sub-portion would be what stops our competitors from, like, moving from the polyethylene packaging that they are doing to the packaging that we are doing? Is that the trade know-how or the technological barrier that we have because of that they can't enter into the similar packaging?

**Bhavesh Patel:**

I would not claim that we have any technological know-how which is not available to others. It's a question of shaping the business model. But I will answer your question, the science part

of that question. The degradation happens because of the nature of the primary packaging material.

Every material has a tendency to breathe and has tendency to throw out moisture. Plastic is more permeable than and more breathing material than glass. So every plastic container will throw out moisture and absorb oxygen. So with that, there is oxidation process that goes on inside the container and oxidation is one of the decay process.

So in our case in SteriPort, we use random copolymer of polypropylene and it is a DMF-grade material. By the way, there are very few companies in India who are using DMF-grade primary packaging material. The companies which I mentioned, all the five companies, Otsuka, B. Braun, Fresenius, Aculife, they do use DMF-grade, but there are some companies who don't use this.

But even in DMF-grade B polyethylene, you can't prevent the degradation because polyethylene is a low density and very soft material. So it throws out moisture and absorbs oxygen which accelerates the degradation of the product. And that's why in inhalation solution, you must have seen respules which are used in nebulizers.

So we have to replace oxygen by way of nitrogen, so that the solution inside doesn't get decayed, and the whole thing is wrapped in aluminum foil to prevent further oxidation. So the most of the pharma products in -- when they are dissolved in water, they become very sensitive to oxidation process.

**Madhur Rathi:** Got it. Sir, so the final question -- sorry, sir.

**Bhavesh Patel:** Second question I did not understand.

**Madhur Rathi:** Sir, the second question was just the expiry life of our product versus our competitor's product. So if -- what would that be? And sir, when we say that our product is -- so what -- from what I understand from your commentary is that product is much better in terms of expiry or the degradation life versus our competitors. Sir, so how -- when can we see this impact on our working capital cycle?

**Bhavesh Patel:** No, expiry has no relevance to this decay cycle because expiry is something which you have to -- you claim based on the stability. So our product stability in incubation can -- is suggestive that for how long we can keep it valid and for how long it -- what kind of shelf life it can have. So for example, in polyethylene also we had 5-year expiry, in SteriPort also we had 5-year expiry. But we have reduced that to 3 years because you don't use -- you don't keep this product on shelf for more than 6 months to 1-year.

So there's no point in keeping 5-year expiry. So we all claim 3-year expiry only. That is stability. What I'm referring to is compatibility. So if you have a normal saline IV fluid, so as long as it remains normal saline, there is no change, whether it's SteriPort or conventional legacy product. But the moment you put injectable, injectable -- the injection reacts with the container and then the decay process starts. So I was referring to that part.

- Madhur Rathi:** Got it. And sir, on the working capital cycle?
- Bhavesh Patel:** So Paras bhai, you want to address this?
- Paras Mehta:** Yes. So working capital cycle will be slightly improving going forward. We are controlling our inventory and receivables. It was a phase in which it was at a higher-level during IPO and post-IPO, but going forward you will see the working capital cycle improving, not by a very drastic number, but over next few quarters there will be continuous improvement in the working capital cycle.
- Madhur Rathi:** Sir, so currently around...
- Moderator:** Sorry to interrupt, Mr. Rathi, if you could join back the queue for more questions.
- Madhur Rathi:** Sir, I will get back in the queue. Sir, thank you so much and all the best.
- Moderator:** Thank you. The next question is from the line of Saket Kapoor from Kapoor & Company. Please go ahead.
- Saket Kapoor:** Yes, Namaskar, sir. Thank you for the opportunity. Sir, firstly, when we look at our accounts presentation, just correct me here, the line-item paid-up capital in the P&L is being mentioned at 343.36. And wherein when we look at our balance sheet part and accounts it is INR38.82 crores. So can you correct me, sir, where is the disconnect, sir?
- Bhavesh Patel:** Paras bhai, you want to address this?
- Paras Mehta:** Yes. So when you see the profit and loss, you see the weighted average capital because it has to be calculated for the purpose of arriving at the earning per share. So this is as per accounting standard. This is the year in which the additional capital has been raised by way of IPO. So in profit and loss statement, you will see the weighted average capital which is for the purpose of EPS. In balance sheet, you will see the closing balance. So both figures are correct at their respective places.
- Saket Kapoor:** Okay. So when will this get corrected to 39, sir, when -- at the time of full utilization of the capex, I mean, this should be the permanent number would be 38? Okay, sir.
- Paras Mehta:** So it has nothing to do with capex. It has to do with the financial year. So during the financial year March '25, the additional capital is raised. So from April 26 onwards, you will see the full value because then financial year changes and your opening balance remains full.
- Saket Kapoor:** Okay, sir. Now, sir, I joined a bit late in the call. Can you confirm -- put some more understanding on the cost of fund? I think so some arrangement with KKR was there that has resulted in higher cost of debt. So as on date, our September balance sheet, if we look at the September balance sheet, we have our non-current -- our liability at INR123 crores. The non-current liability that is the long-term borrowing. So what portion of it still carries the higher cost of blended debt, and what is the current cost of fund for us for both long-term and working capital?

- Paras Mehta:** So the long-term debt is about INR95 crores as on today, when we are having this call, which is at the higher rate of about 11.5% and blended rate is about 10%. And we have new working capital facilities at about 8.5%. So our blended rate is just about 10%, 10.1% or so and in coming period, it will be below 10%.
- Saket Kapoor:** Okay. And what is our current rating, sir?
- Paras Mehta:** Our rating is Triple B -- CRISIL rating, Triple B.
- Saket Kapoor:** Okay, and when it is due, sir? I think so we are done with the IPO.
- Paras Mehta:** Ma'am, yes, ma'am, just a follow-up, I will definitely join.
- Saket Kapoor:** When it -- when is our rating due, sir?
- Paras Mehta:** Yes, it was due in the current month only, so recently it has been Triple B.
- Saket Kapoor:** Okay, recently it has been Triple B. I'm joining the queue, sir. I have operational questions also.
- Paras Mehta:** No issue, you can join back. Thank you.
- Moderator:** The next question is from the line of Neelam Punjabi from Perpetuity Ventures. Please go ahead.
- Neelam Punjabi:** Yes, thanks for the opportunity and congratulations on the listing and stable set of numbers, sir. My first question is on SteriPort. So just for an understanding, what is our current market share in the two-port -- two-port bottles currently?
- Bhavesh Patel:** So difficult to quantify the market share, because there is no classification in any -- neither in government classification nor any market research identify it separately. But I would-- my personal guess is that we have around 30% to 35% market share in two-port system.
- Neelam Punjabi:** Got it, sir. So since we were the first ones to start this -- would we be the largest ones over here in SteriPort bottles?
- Bhavesh Patel:** Yes, yes. Because we are the only ones who are having dedicated capacity for two-port system. Other companies, they on the same manufacturing line, they make two-port as well as legacy product. So it's very difficult to quantify how much they do. But I would say Amanta is having the largest market share in terms of both market share and price leadership. Followed by Otsuka, then Fresenius, and then probably B. Braun.
- Neelam Punjabi:** Okay. And my second question is on SVP. So currently we are doing about INR55 crores of revenue for a 21 crores capacity, and for the incremental 10 crores capacity we are guiding for a INR30 crores incremental revenue. So are we moving up the value chain in SVPs? Could you please highlight your strategy around that?
- Bhavesh Patel:** So the new SVP line is primarily aimed for inhalation solution, what we call respules. So our endeavor would be to make only respules on that line. But we have sizeable exports from—in respules. And the conversion, or the -- we have to file for variation, the shape variation, etcetera.

And the shape variation approval can take anything from six months in some countries to one year, one and a half years.

So that is something which is very difficult to predict. But post-conversion, the entire line would be producing only inhalation solution. That is one part. And other value driver in that from that line would be that right now we have only two products. Whereas three combinations are in the development stage at the moment. And they also will get developed by 27 March or so. So once they are developed, then our offering from SVP new line will also increase.

So primarily, the SVP new line would be dedicated to inhalation products and the offerings will also increase. Along with this, we are also going to develop two more product offerings. One would be nasal drops, which is for European market. That doesn't take long time in terms of regulatory approvals. It's a OTC product. And the other one is preservative-free single dose.

Preservative-free single dose is for ophthalmics, the fill volume is 0.25 ml to 0.4 ml, but that revenue will come after two years. But the product development activities we will start from July or this July onwards. So that would be very high value, it will show very good profit expansion, margin expansion also, but we'll have gestation period of two years.

**Neelam Punjabi:** Got it. Perfect. Thank you so much, sir, and all the best.

**Bhavesh Patel:** Thank you very much.

**Moderator:** The next question is from the line of Rahil S from Sapphire Capital. Please go ahead.

**Rahil S:** Hi sir, good afternoon. Can you hear me?

**Bhavesh Patel:** Yes, I can. Good afternoon, Rahil ji.

**Rahil S:** Yes, sir. Sir, why was EBITDA margin lower in this quarter compared to, you know, last quarter as well as year-on-year?

**Bhavesh Patel:** Can you repeat? Your voice was slightly ambiguous.

**Rahil S:** Can you hear me now?

**Bhavesh Patel:** Yes.

**Rahil S:** Yes. I was saying why were EBITDA margins lower in this quarter compared to last quarter and year-on-year basis?

**Paras Mehta:** Our EBITDA margins are not lower, it's almost in line with -- it's fractionally lower. You will see in percentage to revenue terms, it's almost there, about half percent. But the more leverage you see from profit before tax, which is by way of finance cost, so with additional saving in the finance cost our profitability is improving.

EBITDA obviously has the major component of fixed overheads and with the same scale of operation and same capacity, there is pressure on the EBITDA, but we are able to cover that

pressure mainly by way of cost saving as well as our operational efficiency. So a slight impact is still there on EBITDA, which going forward you will not see because we will have higher revenues.

**Bhavesh Patel:** And other thing is that from June onwards, we have started strengthening our middle management team in anticipation of the capacity that we are building up. So right now our overheads and spending other than the operation is more on product development and management bandwidth. So that is also getting absorbed in this quarter and it will get absorbed in coming quarter also.

**Rahil S:** So what can one expect in quarter 4 in terms of the revenue and the EBITDA margins, like steady state?

**Bhavesh Patel:** I think it will remain steady only. There could be marginal improvement because generally our H2 is better than H1 and Q4 is better than Q3. So, but a lot of products they go in export market particularly, in Africa and South Asia. It is very difficult to predict their ordering pattern, but it would be more or less in this range only. We will not see any sizeable movement in terms of sales or EBITDA levels that would be visible from Q1 next year on -- onwards.

**Rahil S:** Okay, so the 3% to 4% incremental in EBITDA is only for FY'27, not from quarter 4 itself. Correct?

**Bhavesh Patel:** Quarter 4 we may see marginal improvement, but difficult to quantify this way, but I think...

**Rahil S:** The one you expect next year, correct?

**Bhavesh Patel:** Correct, correct. Yes, it will by and large be a steady state situation.

**Rahil S:** Okay. And our revenue guidance for year-on-year remains in that 20% range or you expect more with the new capacity?

**Bhavesh Patel:** Post-expansion?

**Rahil S:** Yes, yes. Next year, FY'27?

**Bhavesh Patel:** No, next year I think 20% to 20% CAGR is for next two years, but next year we'll see sizeable increase. I think next year, we are hoping to be in the range of roughly INR400 crores.

**Rahil S:** INR400 crores, okay.

**Bhavesh Patel:** Yes. So roughly we'll see 33% increase roughly 33% increase in sales and the corresponding numbers. It may taper down in the following year to some extent. But then SVP will be contributing to the sales revenue.

**Rahil S:** Okay, I'll join back the queue. Thank you so much and all the best.

**Bhavesh Patel:** Thank you very much. Thanks.

- Moderator:** The next question is from the line of Saket Kapoor from Kapoor and Company. Please go ahead.
- Saket Kapoor:** Yes, sir. Thank you. Sir, as you mentioned that our revenue will be inching towards the INR400 crores mark, that will be for March '27.
- Bhavesh Patel:** Yes, please. And this is without SVP, only SteriPort.
- Saket Kapoor:** Okay. So, you are telling something, sir?
- Bhavesh Patel:** Yes. So I said this 400 figure is only assuming that, only SteriPort incremental revenue has been factored in. SVP we intend to commission by January, but we don't want to build that into revenue at the moment because that's still a year away. So if that happens in January, there would be some incremental contribution from that line as well. But right now we go by this conservative number of 400.
- Saket Kapoor:** Okay. And so going again when that will get into full stream, what will be the additional revenue from...?
- Bhavesh Patel:** So assuming we commission in the month of January, it would be roughly INR6 crores or so. Roughly INR6 to INR7 crores in the first—one -- in one quarter initially.
- Saket Kapoor:** Okay. And then again the ramp-up will always be due there also?
- Bhavesh Patel:** Yes. So that would be a plain vanilla product initially because the line is meant for inhalation solution, but we can't export inhalation solution unless the product variations are filed. And by the way we are number two from India in terms in respules, after Cipla.
- But I mean that's bad comparison because we are distant number two. But once we have this line commissioned, once our offering increases, then we will be closing the gap. So we aspire to remain, I mean, there firmly as far as respules exports are concerned.
- Saket Kapoor:** Okay. Sir, just to take some more of the financial questions firstly. So at the peak what should be the asset turnover for the company and the post—I think so this repayment of debt which has happened, what will be the quarterly rate of the finance cost, and how should the depreciation look like, sir?
- Bhavesh Patel:** So there are three questions. One second, let me write it down.
- Saket Kapoor:** Yes, yes, please, sir. I'll repeat once again, the—at the peak asset turnover from the expanded capacity, then the finance cost I think so as you have mentioned about we have already lowered the debt and now we are at INR35 crores we'll be closing -- what should be the run rate for the finance cost? Yes, finance cost and then with the commissioning, how will the depreciation line item look like?
- Bhavesh Patel:** Depreciation you said?
- Saket Kapoor:** Yes, depreciation?

**Bhavesh Patel:** Okay. So asset turnover number I don't have handy with me, but what I can tell you is that after the expansion of SteriPort and SVP, we are hoping to have top line of roughly INR430 crores or so. And our EBITDA should be in the range of roughly INR105 crores. This is without SVP, I presume. Yes, SVP incremental revenue will add something more to EBITDA. But SVP, I don't want to build into the story at the moment because it would be producing plain vanilla products for at least first six months to one year. The value creation will be visible after that. So that is one part.

Second thing is the power saving by way of solar captive would be contributing sizeably. It would be roughly INR9 crores. And parallelly our debt reduction will be also happening, so we are hoping to repay around INR35 to INR40 crores every year. So I think the curve -- the sales curve, the EBITDA curve, and the PAT curve -- all will have different slopes. But I don't have asset turn number handy with me. Parasbhai, want to calculate quickly?

**Paras Mehta:** Roughly one. SteriPort will be more than one.

**Saket Kapoor:** And one question for the MD also, sir. Bhavesh ji, sir, other than this -- other than this business, sir, are we interested in any other segment in the unlisted space, I mean, other than the work we are doing or this is the sole activity?

**Bhavesh Patel:** No, this is the only thing we are doing. Me in personal capacity I have no other business.

**Saket Kapoor:** Okay, sir. And it is commendable that, sir, even at this size we are-- we have the top notch auditor at Price Waterhouse doing our audit. So a INR400--INR500 crores top line, Yes, this is commendable, sir, to see it.

**Bhavesh Patel:** No, thank you, but I think when we were having 35 crores turnover, then also we had Deloitte

**Saket Kapoor:** Okay, sir.

**Bhavesh Patel:** And that time we had PE, though, we had taken small IFCI funding as a equity and then Tata came. So I think whenever the PE fund came, normally they insist to have this kind of Big Four, but we've been having Big Four right from beginning. So that's about it.

**Management:** Best practices are ensured, sir. That is what the main point.

**Saket Kapoor:** Yes, correct, correct. Thank you very much for that. Yes, sir. Sir, if I may add one thing only and I'll join the queue. I am still unable to get the debt number as on December since we have the...

**Bhavesh Patel:** Yes, Parasbhai can you share the debt.

**Paras Mehta:** So at the end of December, our long-term debt is about INR120 crores and working capital is roughly INR50 crores, so about INR170 crores.

**Saket Kapoor:** Okay.

- Paras Mehta:** And sir, this is net of the repayment that we have done and the solar loan to whatever extent we have availed? It is net of that.
- Saket Kapoor:** Okay. So the entire proceeds also has been done to repay KKR debt. That is what the premise has been?
- Paras Mehta:** No, no, no. We KKR is a long -- is a history. That was -- KKR was out in '21, '22. So but they had some preference shares was there which was to be redeemed in 28, but it had a higher coupon, so we have prepaid or redeemed early in September.
- Saket Kapoor:** Okay. So post that all the arrangement where we are still carrying INR120 crores of long-term borrowing?
- Bhavesh Patel:** Correct. Yes.
- Saket Kapoor:** And now we are intending to repay it through the incremental cash flow from the working only.
- Bhavesh Patel:** Correct, from existing year's cash flow on a steady state number we have repaid INR35 crores. So with incremental numbers, we can INR35--INR36 crores to be precise. So we have prepaid around INR28 and INR8 would be -- no, 32 we must have paid. Yes, 32 we have paid this year and 4 more would be paid before March. So roughly INR36 crores is prepaid in -- paid in this year, and in coming years we will be accelerating that process.
- Saket Kapoor:** Okay. Closing debt number, sir, can you give? I'll join the queue now. Closing debt -- closing debt number, Yes, for the current financial year and then the next year with the maturity given being presumed to be paid out. What should be the closing debt?
- Paras Mehta:** Yes. Current financial year our debt will be about -- long-term debt will be about INR135 crores because we will have solar debt adding to it. And then about INR50 crores, so again about INR185--INR190 crores.
- Saket Kapoor:** And next year?
- Paras Mehta:** Next year it should reduce to INR150 crores.
- Saket Kapoor:** 150 only?
- Paras Mehta:** Yes, 150 only. But this is complete debt including working capital, right?
- Paras Mehta:** Yes, including working capital.
- Saket Kapoor:** Okay. Sir, I'll join the queue and thank you.
- Moderator:** Ladies and gentlemen, we will take our last question from Madhur Rathi from Counter Cyclical Investments. Please go ahead.

- Madhur Rathi:** Sir, thank you for the opportunity once again. Sir, I wanted to understand regarding the working capital cycle and how much do we expect it to reduce? And sir, what is the cash on our books currently?
- Paras Mehta:** So cash on our books generally remains about -- ranging from INR10 to INR20 crores, because we already have working capital facilities, so we do not keep any cash with us. We do have IPO proceeds about INR55–INR60 crores lying with us in monitoring account, but that is earmarked for the IPO expense that is the expansion.
- Once expansion is over, then we will have very insignificant cash. We generally keep about INR10 crores cash other than the normal business requirement because we already have the debt, so whenever cash is available we use it to repay the debt or to reduce the working capital usage.
- Madhur Rathi:** Sir, so when I -- so I'm considering that currently 30% of our revenue is stuck is our working capital requirement. Sir, so when we say that we want to increase our revenue by INR120 crores next year, sir, INR30 to INR40 crores would be required in working capital. Sir, so I'm just trying to understand how do we reduce our debt from INR190 crores to INR150 crores when we are only repaying INR35–INR40 crores, but incremental debt would be-- for working capital would be closer to INR40 crores.
- Paras Mehta:** So if you see the numbers currently, our 30% you are right, that 30% is blocked in the working capital, but that is at the current level. When we go after expansion, our internal accrual from profit will be enough to cover the additional working capital requirement from expansion. So after expansion, suppose we need additional INR20 crores working capital or say INR25 crores working capital, then our cash accrual will be much more than that. So we will not increase any debt.
- Madhur Rathi:** Got it. Sir, that was from my side. Thank you so much and all the best.
- Bhavesh Patel:** Thank you.
- Moderator:** Thank you. I would now like to hand the conference over to the management for closing comments.
- Bhavesh Patel:** So thank you everyone. Thanks for your time once again, and we will be happy to stay connected. If anybody has any question, please route it through us or Go India. And if any one of you happen to travel, we'll be happy to take you to the factory and showcase the progress that we are making. And once again, thank you very much.
- Moderator:** Thank you very much. On behalf of Go India Advisors LLP, that concludes this conference. Thank you all for joining us today and you may now disconnect your lines.