



# MEDICAMEN Organics Limited

Regd. & Corporate Office: 10, Community Centre No.2, Ashok Vihar Phase-II, Delhi-110052 (India)

Tel: 011-27430249, 27138171

E-mail: info@mediorganics.in | CIN No: L74899DL1995PLC066416 | GSTIN:07AABCM4302P1ZF

November 25, 2024

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

Company Symbol : **MEDIORG**  
Company ISIN : **INE0PE401018**

Dear Sir/Madam,

**Subject: Submission of Transcript of the Earnings Conference call held on Tuesday, November 19, 2024 at 04:00 PM**

In continuation of our earlier letter dated November 20, 2024 informing about the audio link of the Earnings Conference Call and Pursuant to Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is hereby submitting Transcripts of Earnings Conference Call of the Analyst/Investor Conference Call which was held on Tuesday, November 19, 2024 at 04:00 P.M. to discussed the Un-Audited Financial Results of the Company for the Half Year ended September 30, 2024.

Further, please note that Transcript of Earnings Call will also be available on website of the Company at <https://www.medicamenorganics.com/wp-content/uploads/2024/11/H1-FY25-Earning-Concall-Transcript.pdf>

Kindly acknowledge and take the same on records.

Thanking You,

Yours faithfully,  
For **Medicamen Organics Limited**

Bal Kishan Gupta  
Digitally signed by  
Bal Kishan Gupta  
Date: 2024.11.25  
20:31:40 +05'30'

**Bal Kishan Gupta**  
**Managing Director**  
**DIN: 00032772**

**Place: New Delhi**

**Encl.: As stated above**

## Works:

**Unit-1** : Plot No. 60, Sector 6-A, I.I.E. SIDCUL, Haridwar- 249403 (U.K.) | **GSTIN:** 05AABCM4302P1ZJ

**Unit-2** : Plot No. 61, Sector 6-A, I.I.E. SIDCUL, Haridwar- 249403 (U.K.) | **GSTIN:** 05AABCM4302P3ZH



“Medicamen Organics Limited H1 FY25 Earnings  
Conference Call”

**November 19, 2024**



**MANAGEMENT:** **MR. ASHUTOSH GUPTA –WHOLE TIME DIRECTOR,  
MEDICAMEN ORGANICS LIMITED  
MR. LALIT GUPTA – CFO, MEDICAMEN ORGANICS  
LIMITED**

**MODERATOR:** **MR. GANESH NALAWADE – KIRIN ADVISORS**



*Medicamen Organics Limited  
November 19, 2024*

**Moderator:** Ladies and gentlemen, good day and welcome to Medicamen Organics Limited H1 FY25 earnings conference call hosted by Kirin Advisors.

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 “\*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ganesh Nalawade from Kirin Advisors. Thank you and over to you sir.

**Ganesh Nalawade:** Thank you and good evening everyone. On behalf of Kirin Advisors, I welcome you all to the Conference Call of Medicamen Organics Limited.

From the Management Team, we have Mr. Ashutosh Gupta – Whole Time Director, Mr. Lalit Gupta – CFO.

With this, now I hand over the call to Mr. Ashutosh Gupta. Over to you sir. Thank you.

**Ashutosh Gupta:** Thank you, Mr. Ganesh. Welcome all to Medicamen Organics Limited's H1 FY25 earnings conference call. It is my pleasure to address all of you today. Thank you for joining us as we discuss our performance and recent developments.

Medicamen Organics Limited founded in 1995 has emerged as a key player in the pharmaceutical industry. Our journey began with a commitment to delivering high quality pharmaceutical products and today we stand as a trusted name in the development, manufacturing and distribution of a wide range of dosage forms including tablets, capsules, syrups, ointments, gels and dry powders. Our business model is rooted in B2B contract manufacturing serving some of the most respected pharmaceutical companies, state and central government institutions and private entities across India and international markets.

We are proud to operate 2 state-of-the-art manufacturing facilities in Haridwar, Uttarakhand. These WHO GMP certified facilities cover over 21,500 square feet area equipped with cutting-edge infrastructure supported by a team of skilled professionals. Our commitment to quality and innovation enables us to meet the stringent demands of both domestic and international markets. Guided by our mission to pioneer advancements in medicine through research and technology, we aspire to make a positive impact on patients and healthcare providers worldwide.

The pharmaceutical industry in India is at the forefront of global healthcare, ranking third by volume and 14th by value. The sector growth trajectory remains robust, driven by increasing demand for generic medicines, expanding export opportunities and the rising prevalence of chronic diseases. For Medicamen Organics Limited, these industry trends offer immense growth



*Medicamen Organics Limited  
November 19, 2024*

opportunities. Our emphasis on global regulatory compliance, innovation and strategic market entry aligns perfectly with the evolving needs of the sector.

Let me now take you through some of the key updates and achievements during H1 FY25. We have entered East Africa by signing an MoU with Depot Pharmacy Yego Limited in Rwanda. This partnership allows us to establish a direct presence in the region, leveraging DPYL's infrastructure and distribution networks to streamline supply chain operations. Revenues from this initiative are expected to commence in December 2024 only.

Another key milestone is our strategic entry into Francophone Africa, that is, Western African region. We are in the process of establishing Grand Etolia Pharmaceuticals Limited, a joint venture company and subsidiary of Medicamen Organics Limited. This company will focus on registering and marketing our products across the region with a target of 120 product registrations within the next 2 years. This initiative is expected to generate good revenue starting next financial year, it holds tremendous potential for future growth. We also recently secured a significant order worth Rs. 6.28 crore for the supply of a single product, Povidine Iodine solution. This product widely used for its antiseptic properties underscores our ability to cater to high volume demand while maintaining stringent quality standards. These achievements mark important steps in our journey to strengthen our global footprint and reinforce our position as a reliable partner in the pharmaceutical value chain.

Now let me walk you through our financial performance for the first half of FY25. We achieved a total revenue of Rs. 16.86 crore rupees, marking a growth of 48.91% compared to Rs. 11.32 crores in H1 FY24. Our EBITDA stood at Rs. 2.77 crores, reflecting a 15.39 increase over Rs. 2.4 crore recorded in the same period last year. That also saw a year-on year growth of 10.88% rising to Rs. 1.51 crores from Rs. 1.36 crore. These results highlight the effectiveness of our strategic initiatives and our focus on operational excellence. These numbers highlight our strong operational capabilities and the success of our expansion initiatives. While revenue growth has been strong, the moderate increase in profitability is indicative of our continued investments in infrastructure, product registrations and new market development.

Looking ahead, we are focused on accelerating our growth registry. Our key priorities include; first, expanding our geographical footprint with a strong focus on Africa, Southeast Asia and CIS countries. Second, enhancing production capacity at our Haridwar facilities by 20% to meet the growing demand for our products. Third, diversifying our product portfolio to include nutraceuticals, cosmetics and medical resources. Fourth, strengthening our B2B contract manufacturing model while also building direct marketing capabilities in select international markets. Through these initiatives, we aim to achieve a sustainable and diversified revenue mix, targeting 75% from exports and 25% from the domestic markets in the coming years.

In conclusion, Medicamen Organics Limited is well positioned to capitalize on immense opportunities in the pharmaceutical sector. Our focus on quality, innovation and strategic



*Medicamen Organics Limited  
November 19, 2024*

partnerships continues to drive our growth and create value for all our stakeholders. Thank you for your attention. I now invite questions from the floor. Please feel free to ask about any aspect of our performance or strategy. Thank you so much.

**Moderator:** Thank you very much. We will now begin the question and answer session. First question is from the line of Babu George, an individual investor. Please go ahead.

**Babu George:** Hello, sir my question is which product categories contributed the most revenue growth in H1 FY25?

**Ashutosh Gupta:** Mostly, it has been tablets which are contributing to sales in H1 FY25.

**Babu George:** And my next question is, what new product launches are we planning in the coming quarters?

**Ashutosh Gupta:** There are a lot of products which we are planning, no new segments but in present segments only we are planning some new products, although we are focusing more on our inherent strength products and focusing on branding them so that we get a better revenue from our strong products which we have.

**Babu George:** Also, any innovation which we are addressing for emerging health needs for any new product development?

**Ashutosh Gupta:** Not a new product development, but some new dosage forms. In the present dosage forms only, the modification in dosage as per the new markets which we are developing, we are focusing on them.

**Moderator:** Thank you. The next question is from the line of Abhay Sharma from JP Capital. Please go ahead.

**Abhay Sharma:** So, my question is how is the 20% capacity enhancement at unit one processing and when is it expected to be operational?

**Ashutosh Gupta:** Sir, it is already going on. We are investing hugely in our facility in enhancing the capacity. Already, we have ample capacity, but as we are expecting a good order flow in the coming years and even in the next year only. So we are enhancing it by 20%. And the work is going on. Also, we are upgrading our facilities as per the current GMP norms. So we are also planning to face international audits by next year.

**Abhay Sharma:** My next question is what are the expected revenue contributions from your Francophone Africa expansion in financial year 25?

**Ashutosh Gupta:** This year I think we have applied for lot of registrations in Francophone and more and more dossiers are going there for registration. It is because the registration timeline is a bit dicey



*Medicamen Organics Limited  
November 19, 2024*

always because it comes from the government departments. If we get the registrations within this March, so the production won't be an issue then we can get some revenues this year, but if we don't get the registrations, which sometimes is a time taking process, then we'll go in the first quarter of financial year 25-26.

**Moderator:** Thank you. The next question is from the line of Aditi Roy from Patel Advisors. Please go ahead.

**Aditi Roy:** My question is, how do you plan to manage raw material cost given the significant increase in expenditure during H1 FY25?

**Ashutosh Gupta:** Because we have been inherently doing a B2B business, so the raw material price has always been an issue, but now from this quarter we are going on our branding. So in that, it will be very easy to manage the raw material prices and our gross profit is bound to be free because we are going in our own brand, our own business.

**Aditi Roy:** And my next question is what is your outlook for margins in the second half of FY25?

**Ashutosh Gupta:** FY25 second half would be good as always the second half is always good for the pharma industry especially the last quarter because most of the government departments in India and internationally, they want to consume their budgets so we get the maximum orders in the Q3. So already there is a good influx of orders. We already have orders worth Rs. 16 crores in our hand till March. Further orders are awaited.

**Aditi Roy:** I have a last question. Can you please elaborate on the impact of lower finance cost and profitability this quarter?

**Ashutosh Gupta:** Yes, lower finance cost because we don't have any debt in our company. So that's why. And finance cost we are managing. We are trying to manage every quarter so that an additional cost is not a burden to the company. And we are trying to sell more and more products on lesser credit terms so that we don't have to face any financial constraint in growing so far.

**Moderator:** Thank you. The next question is from the line of Rachna Sharma from HNI. Please go ahead.

**Rachna Sharma:** My first question is, what impact do you foresee from fluctuating raw material prices and currency rates on your operations?

**Ashutosh Gupta:** The fluctuating raw material prices mostly we hedge in our prices already because we foresee those trends and most of the times we know except if it is an unforeseen thing or a completely natural thing, then the things change otherwise the fluctuating raw material prices are always hedged in our costing only.

**Rachna Sharma:** Okay, and so my next question is, how do you assess competition from both organized and unorganized players in your key market?



*Medicamen Organics Limited  
November 19, 2024*

**Ashutosh Gupta:** Competition is an aspect for all the industries, but in our industry, mostly because we are working in international markets, so the registration of products are with limited companies and we have some key products where we are working, where we have very less competition. We are good experts in managing the sales and the price in those products because we purchase and produce in bulk. So that gives us a hedge over our competitors who are not specialist for those products. So we are working in lesser products but we are always specializing in those products. We manage the raw materials also and then the production is also in bulk, so the economies of scale help us to manage the competition.

**Rachna Sharma:** And my last question is, what measures are in place to tackle regulatory challenges in both domestic and international markets?

**Ashutosh Gupta:** This is a very good question as the regulatory challenges the industry is facing a lot right now because the regulators are also coming up very strongly on the industry and this we had foreseen long back only, so we are already upgrading our facility. The work is going on in the factory and both the facilities and we plan to be ready by 1st January with all the regulatory changes that are required as per the current GMP norms (Goods manufacturing Practices) norms.

**Moderator:** Thank you. The next question is from the line of Naina Jain from LK Capital. Please go ahead.

**Naina Jain:** My question is, how are you aligning your operations with global trends in sustainable and cost-effective pharma manufacturing?

**Ashutosh Gupta:** The pharma manufacturing in the global trends, we are going into the markets where we are going to be the distributors and marketers of our products. We are in our future endeavors, we are lessening our dependence on contract manufacturing, although we'll be growing it, but lessening our dependence on contract manufacturing, but we will be branding our products and the markets where we are going, they have less competition in our products. So I think we will climb the value chain as well as volume chain in those products.

**Naina Jain:** My next question is what are your medium to long-term targets for revenue margins and market share?

**Ashutosh Gupta:** We are signing a lot of agreements with our buyers and we already have seen the impact as almost near to our annual targets. We already have our orders in hand and we plan to surpass those targets and the next year looks very promising as the two new subsidiaries which we have started, they will start contributing to our topline as well as bottomline. So next year definitely looks very very promising to us as this is only the first result that has come out after our IPO. So now all our endeavors and investments they are taking place in the right spot, right places and the fruits will start, we'll start reaping those fruits from the next year only. And we are very hopeful for the next year, we'll be getting a better profitability on our products and the topline will also be increased substantially.



*Medicamen Organics Limited  
November 19, 2024*

- Moderator:** Thank you. The next question is from the line of Vinod Gupta from HNI. Please go ahead.
- Vinod Gupta:** Sir, my question was how do you ensure compliance with the regulatory requirement in international market?
- Ashutosh Gupta:** So we already have a lot of experience installing manufacturing facilities and we are very much in touch of all the regulatory changes which are taking place. And we are appointing a new Director Technical which is almost in the process. And he has a lot of experience in regulatory markets, even in markets like Europe, UK and Brazil and even US FDA. So, he will be also guiding us and his experience would help us greatly in managing all the regulatory changes, internationally also. And we are also appointing a very strong regulatory team because a lot of new products we are developing and the dossiers and the documentation we are developing for international markets. So, this is how we plan and also being there in the markets will help us greatly to stay in touch with those changes and to make those changes well in time and well in advance.
- Vinod Gupta:** Okay sir, and my other question is what is your strategy for reducing dependency on merchant exports and marketing your own brand abroad?
- Ashutosh Gupta:** Right now, in the short term, we see an increase in the sales to merchant exporters, although it is on the basis of our registrations only, which they have done on our behalf. We are the registration holders. And also, we have the authority to manufacture, they cannot get those products manufactured from anywhere else. So these are also our sales, but it is a contract manufacturing sale. And as we mentioned that internationally we are going for our own branding, so that is how we are managing and the markets where we are going, the profitability would be very good and the sales would be in our hand as we will be having our own marketing team, our own country heads and our own setup. To start with, we are starting in two countries in East Africa and around 6 countries in West Africa and then we plan to grow from there in the nearby countries with our own marketing team.
- Moderator:** Thank you. The next question is from the line of Geeta Deshmukh from Sadguru Advisors. Please go ahead.
- Geeta Deshmukh:** My question is, are there plans to further diversify your manufacturing base or geographic reach beyond current initiative?
- Ashutosh Gupta:** Yes, there are plans. We will be maybe disclosing them very soon. Right now, because we haven't signed the MoU, we are going to increase our production capabilities. But right now, I cannot disclose because I haven't signed a definitive MoU with the company. But yes, we have plans and by next year, we will be increasing our production capacity outside the boundaries also outside India.
- Geeta Deshmukh:** How does the company plan to utilize its strengthened financials for growth?





*Medicamen Organics Limited  
November 19, 2024*

**Ashutosh Gupta:** So our strategy is very simple to get more and more registrations in our target markets in coming years so that more and more registrations add more value and more access to the market. Wherever we have more registration, we get better control in the market, better market share we are bound to have because we'll be promoting all the products whereas in some cases where we are working with the merchant exporters, they are promoting the products as per their preference. But when we register the products, we do a proper market survey, and we are registering very key products in the markets and registrations is the main cost and also each registration is very costly. So we are registering lot of products as I have mentioned in my speech. We are planning for 150 registrations in next two years in around six countries. That would give us a better reach and we plan to be the market leaders in those countries for those products. We are also employing country heads; we are employing our own marketing team. So this is where we are investing the finances of the company. Also upgrading our manufacturing facility to take on the challenges that we expect on the regulatory front internationally. So we will be ready as I told you by January 1<sup>st</sup> with all our regulatory changes which is to be done in the manufacturing facility.

**Geeta Deshmukh:** Okay sir, one more question from my side. How is the company position to capitalize on the growth of India pharmaceutical exports?

**Ashutosh Gupta:** Yes, see we have selected some markets in Africa and as Africa has become the member of G20 now and we foresee that now Africa is going to give us very good results. Even the Commerce Secretary mentioned 20-25 days ago that the Indian exports are going to increase to Africa to \$200 billion by 2030 of which pharmaceuticals is going to be the most important aspect. So we are trying to capitalize on that and within next 2 to 3 years, we plan to be present in around 13 to 14 African countries to capitalize on the new partnerships that India started with African region.

**Moderator:** Thank you. As there are no further questions from the participants, I would like to hand the conference over to Mr. Ganesh from Kirin Advisors for the closing comments.

**Ganesh Nalawade:** Thank you everyone for joining the conference call of Medicamen Organics Limited. If you have any further queries, you can write us at [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Once again, thank you everyone for joining the conference.

**Moderator:** On behalf of Kirin Advisors that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.