

## Name of the Company



**AMI ORGANICS LIMITED**

### KEY IPO Highlights

**Subscription Period:**  
1<sup>st</sup> Sept., 2021 to 3<sup>rd</sup> Sept., 2021

**Issue Size: 9.38 Mn Shares**  
(Aggregating up to INR 569.64Cr)  
(OFS - 369.64 Cr)

**Price Band: INR 603 to 610**

**Lot Size: 24 Shares**

**Listing Date:**  
14/09/2021

### About the Company:

- One of the leading research and development driven manufacturers of specialty chemicals.
- The company manufactures different types of Advanced Pharmaceutical Intermediates and Active Pharmaceutical ingredients (API) for New Chemical Entities, and material for agrochemicals and fine chemicals.
- The company has developed over 450 pharma intermediates across 17 key therapeutic areas i.e. anti-retroviral, anti-inflammatory, anti-psychotic, anti-cancer, anti-Parkinson, anti-depressant, and anti-coagulant.
- Supplies its products to more than 150 customers (including international customers) directly in India and in 25 countries overseas i.e. Europe, USA, China, Israel, Japan, Latin America, etc. Laurus Labs, Cadila Healthcare, Cipla Ltd are some of the domestic customers whereas Organike s.r.l.a. Socio Unico, Fermion Oly, Medichem S.A. and Midas Pharma GmbH are some of the international customers.
- The company has three manufacturing facilities in Gujarat situated at Sachin, Ankleshwar & Jhagadia, with an aggregate installed capacity of 6,060 MTPA.

### Objects of the Issue:

- Repayment/prepayment of certain financial facilities availed by our Company.
- Funding working capital requirements of our Company and General corporate purposes.

## Financial Overview (INR Million)

Particulars	Mar-21	Mar-20	Mar-19
Total Assets	4,133	2,319	2,132
Total Revenue	3,420	2,425	2,389
Profit After Tax	540	275	233

## P/E MULTIPLE

AMI ORGANICS	—	36
AARTI INDUSTRIES	—	55
VALIANT ORGANICS	—	30
Sector P/E	—	50

## Recommendation from major brokerage houses

**SUBSCRIBE**

**Neutral**

**MARWADI**  
FINANCIAL SERVICES

**Choice**

**AXIS CAPITAL**  
It's possible

**ANANDRATHI**

**CAPITAL MARKET**

### Highlights:

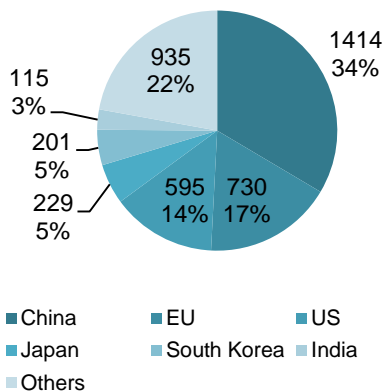
- One of the leading manufacturers of certain Pharma Intermediates i.e. Dolutegravir, Trazodone, Entacapone, Nintedanib and Rivaroxaban.
- Strong and diversified product portfolio with 450+ Pharma Intermediates across 17 therapeutic areas.
- Extensive geographical presence and diversified customer base.
- Strong R&D, sales and marketing capabilities
- Consistent financial performance track record.

**Disclaimer:** The recommendations stated above are given by individual advisors (including Kreo Capital). Investors are advised to consult their financial advisor and do their own due diligence before subscription.

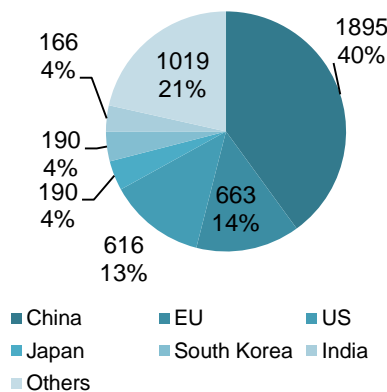
## Global Chemical Industry Overview

### Global chemicals market, 2015, 2019 and 2025F

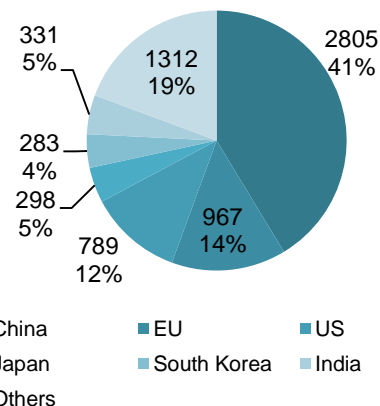
2015 (USD 4,220 Bn)



2019 (USD 4,738 Bn)



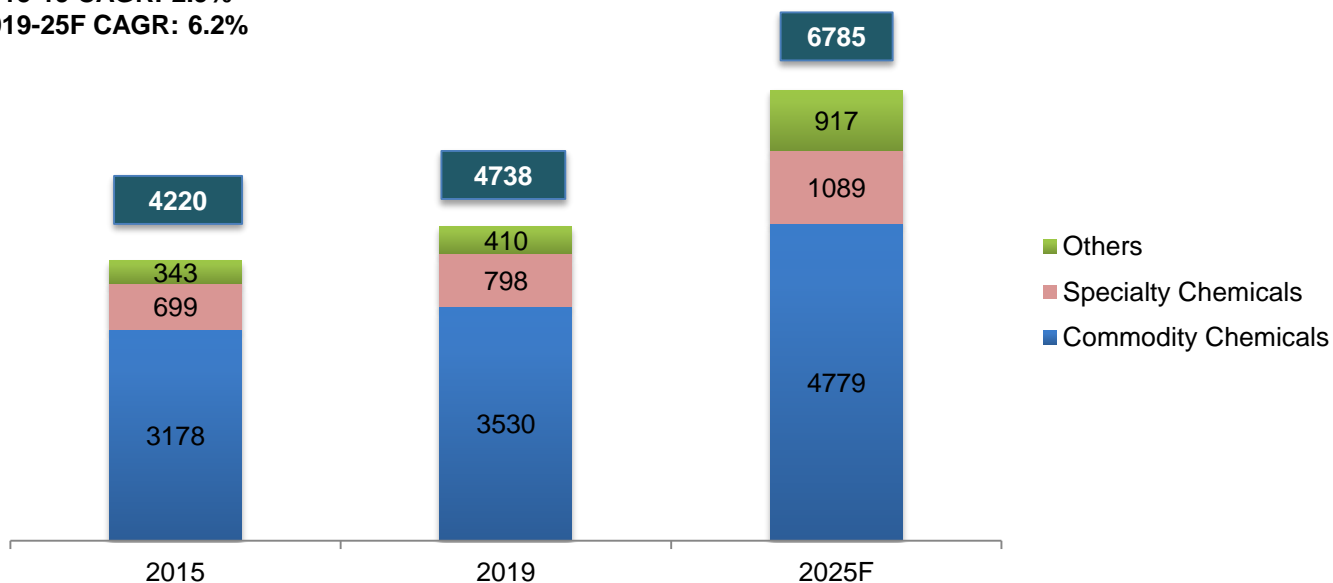
2025F (USD 6,785 Bn)



Source: Frost & Sullivan

### Global chemicals market, 2015, 2019 and 2025F (in Bn)

2015-19 CAGR: 2.9%  
2019-25F CAGR: 6.2%



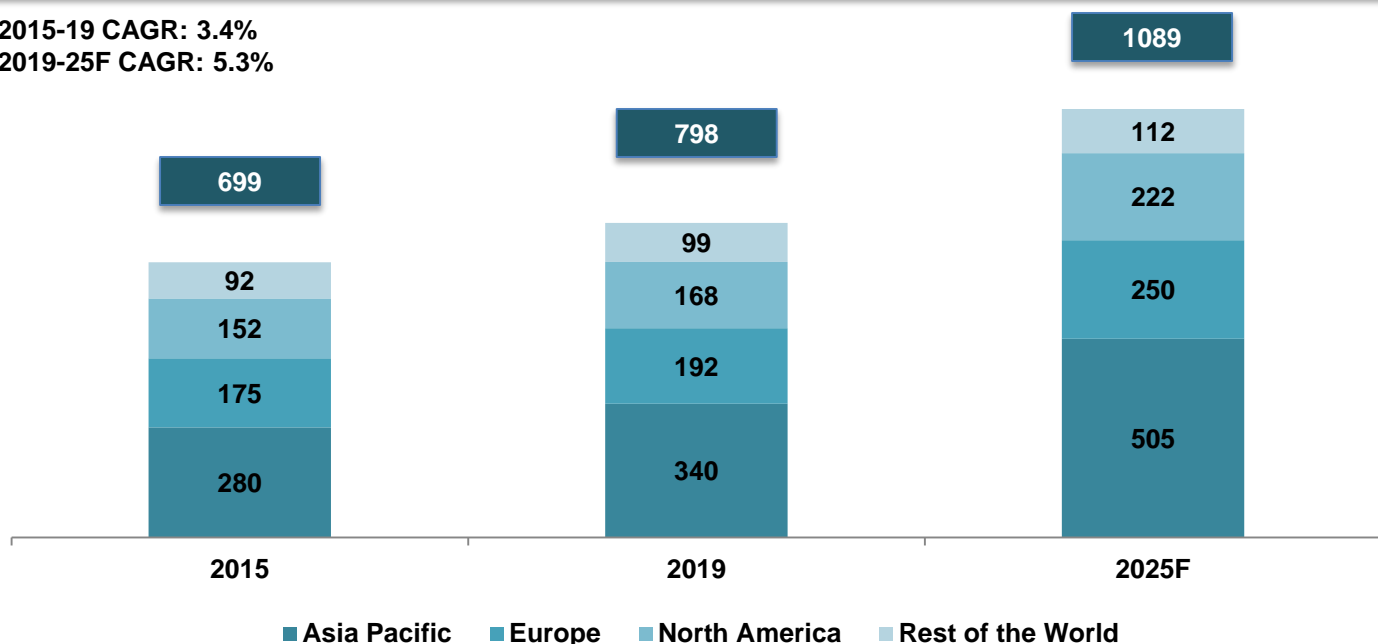
Source: Frost & Sullivan

Note: Others mainly include Biotech chemicals among others. Also note that the Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharmaceuticals API outside of Specialty chemicals and Petrochemicals outside of Bulk Chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories (Agrochemical and Fertilizers and Pharmaceuticals API) and the Commodity Chemicals section is inclusive of Petrochemicals.

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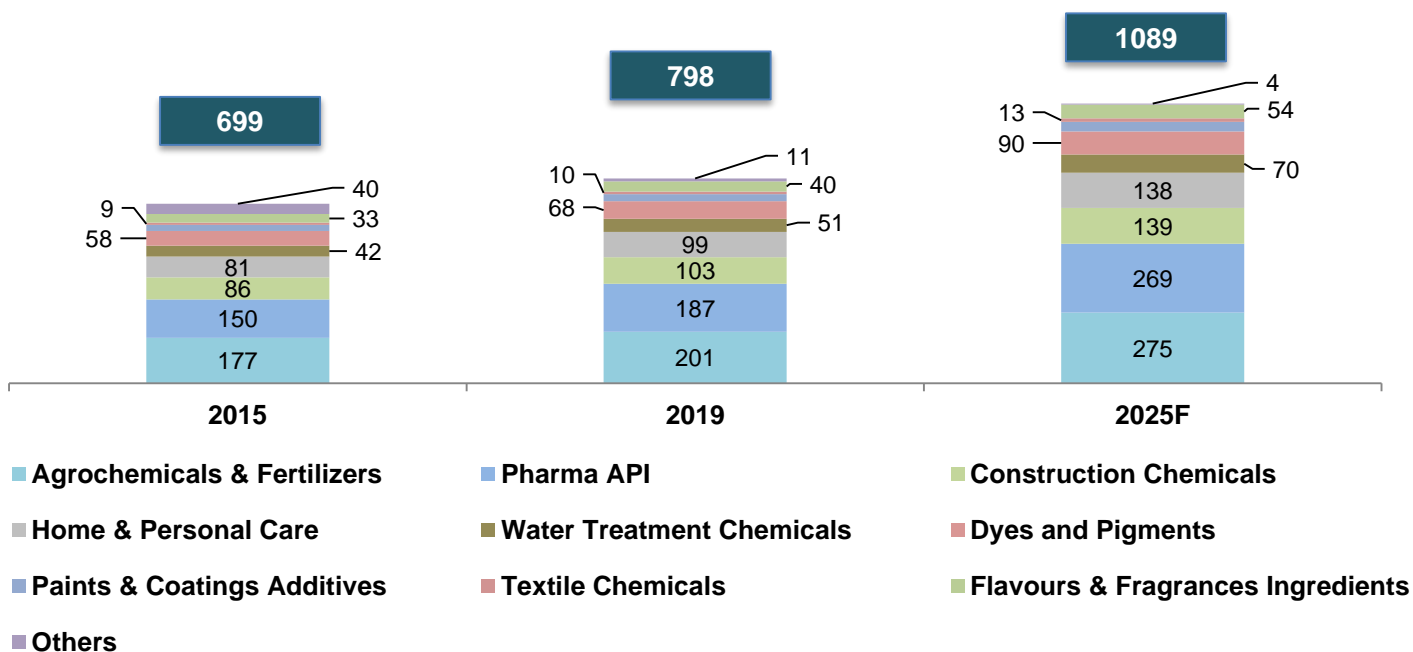
## Global Specialty Chemicals Market by Geography, 2015, 2019 & 2025F – Value in USD Bn

2015-19 CAGR: 3.4%  
2019-25F CAGR: 5.3%



Source: Frost & Sullivan

## Global Specialty Chemicals Market, Industries & Applications, 2015-25F, Value in USD Bn



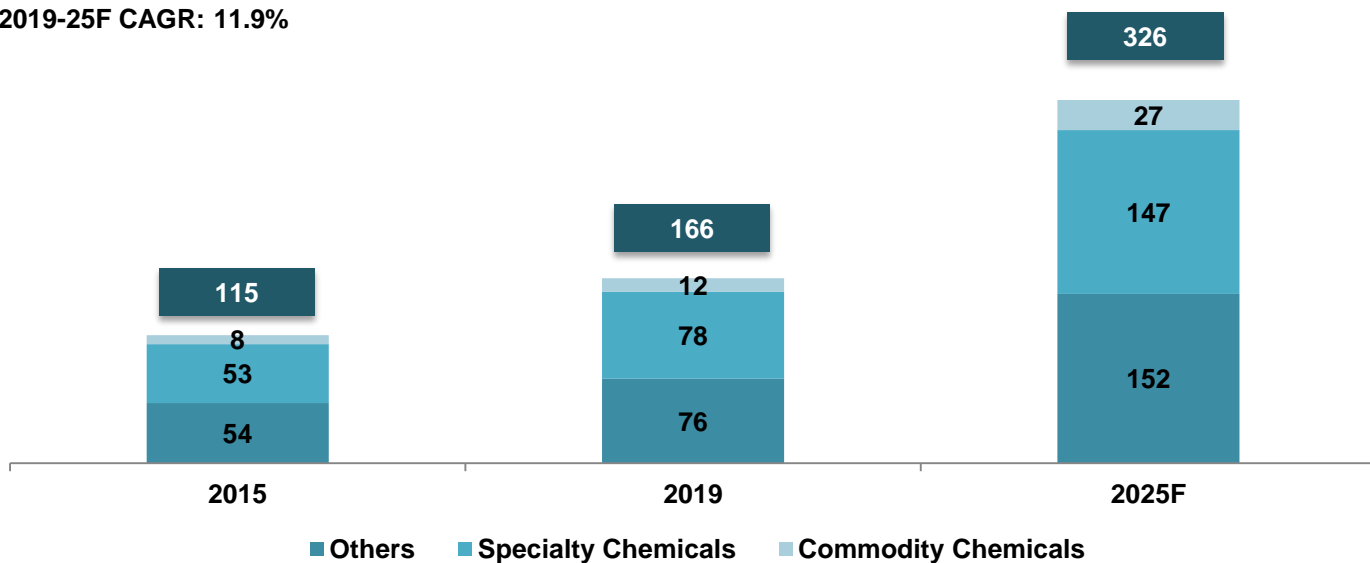
Others include: Sealants and Adhesives, Polymer Additives etc.

Source: Frost & Sullivan

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## Indian Chemicals Market, 2015, 2019 and 2025F (USD Bn)

2015-19 CAGR: 9.7%  
2019-25F CAGR: 11.9%

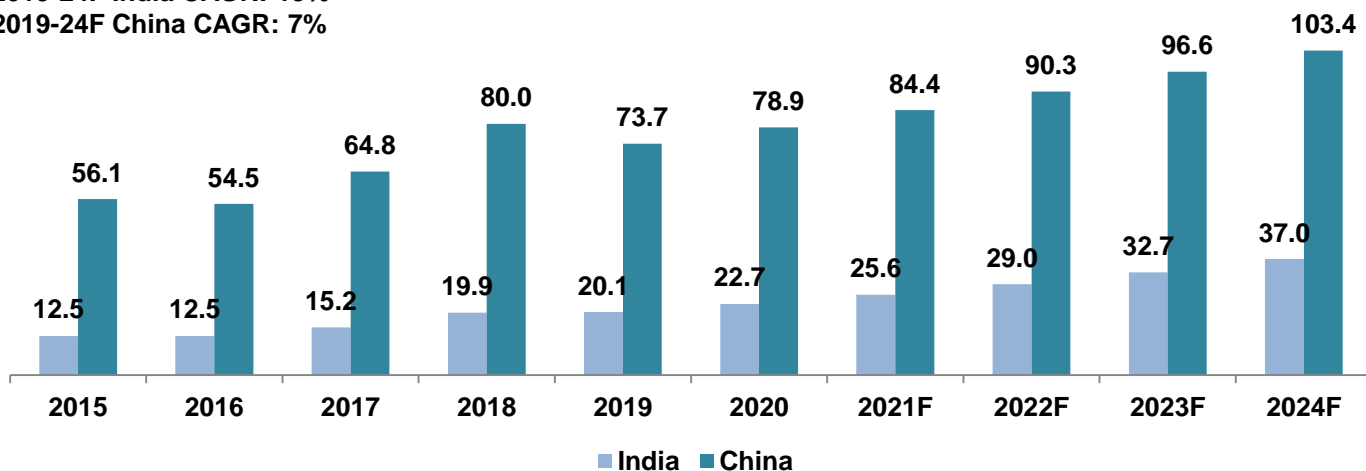


Source: Frost & Sullivan

Note: Indian chemical industry generally showcases Agrochemicals & Fertilizers and Pharma API outside of Specialty chemicals. In the above graph the specialty chemicals section, however, is inclusive of the 2 categories to maintain consistency with the Global section. Agrochemical & Fertilizer and Pharma API contribute to more than 58% of the specialty chemical space in India.

## Chemicals Exports Trend – India vs China (2015-24F), USD Bn

2019-24F India CAGR: 13%  
2019-24F China CAGR: 7%

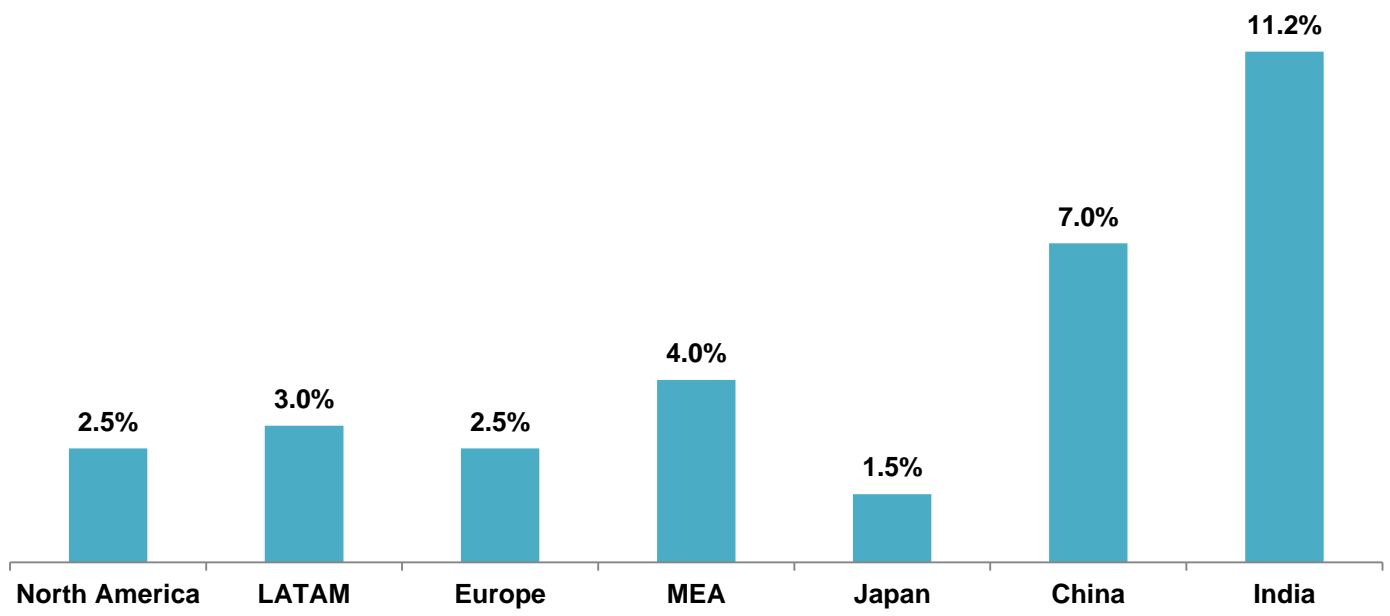


Source: World Bank, Frost & Sullivan

Note: The forecasted data is not published by World Bank; it has been calculated considering the same CAGRs (as historical trends) for both the countries. The actual CAGR for India and China respectively for the period 2015-2019 stood at around 13% and 7%; as World Bank does not forecast the export trends, the same CAGR (13% for India and 7% for China) has been considered for the forecast period 2020-2024.

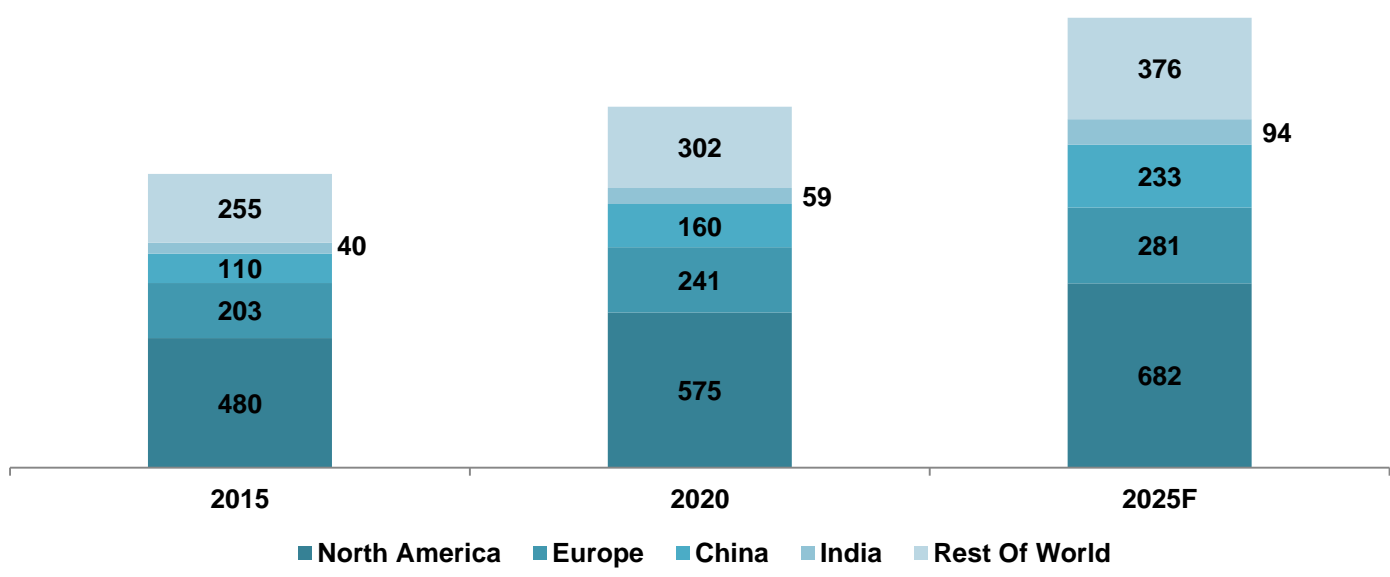
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## Region-wise Specialty Chemicals Growth, 2019-24F, %



Source: Frost & Sullivan

## Global Pharmaceutical, Industry size (USD Bn), 2015-2025F

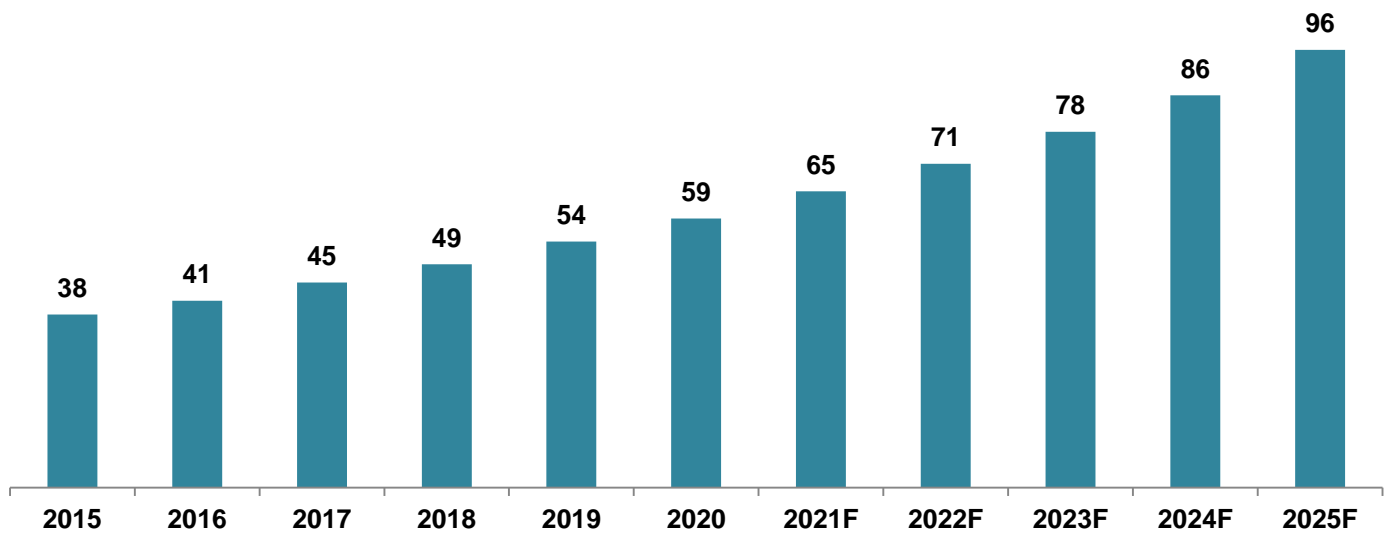


Source : RHP

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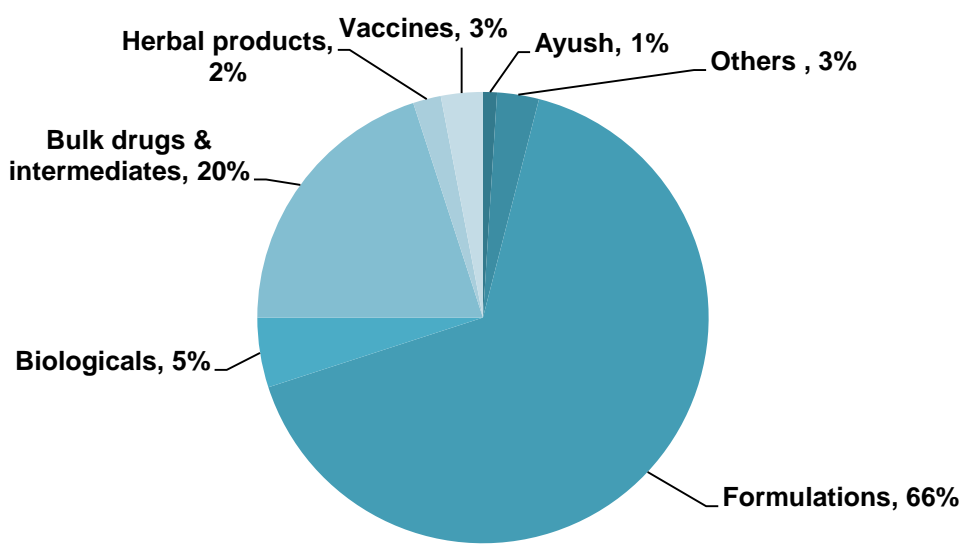
## India Pharmaceuticals, Industry size (USD Bn), 2015-2025F

2015-20 CAGR: 9.3%  
2020-25F CAGR: 10.1%



Source: Frost and Sullivan analysis

## Category wise exports, 2019 (in %) – USD 20.7 Bn

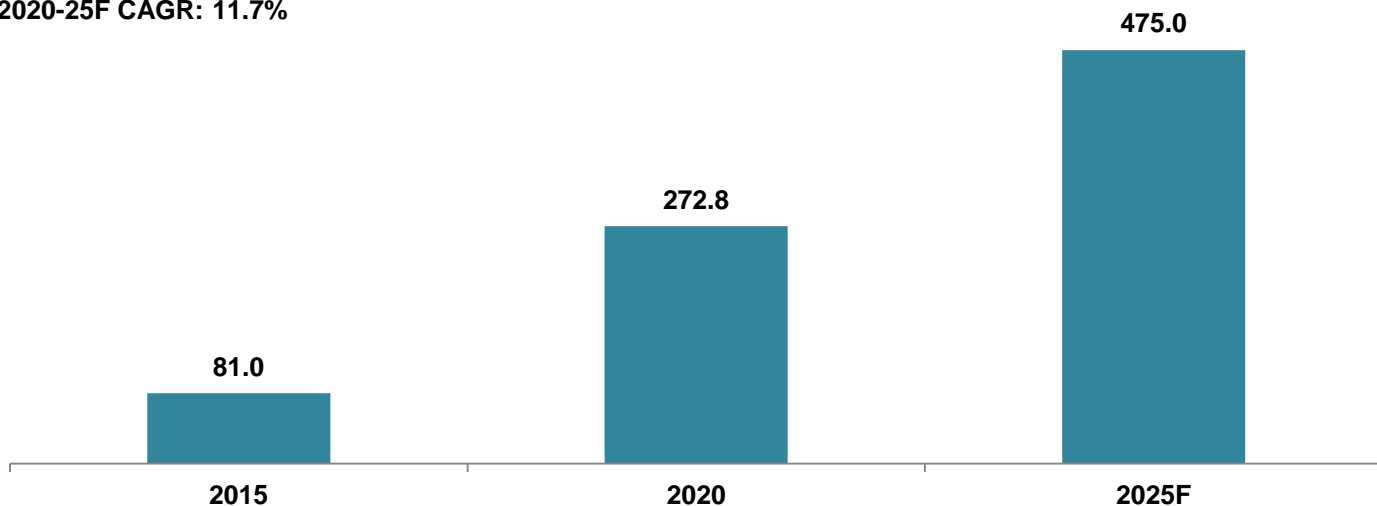


Source: Frost & Sullivan Research & Analysis

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## Indian Healthcare Industry: Industry Size, India, USD Bn 2015–2025F

2015-20 CAGR: 27.5%  
2020-25F CAGR: 11.7%

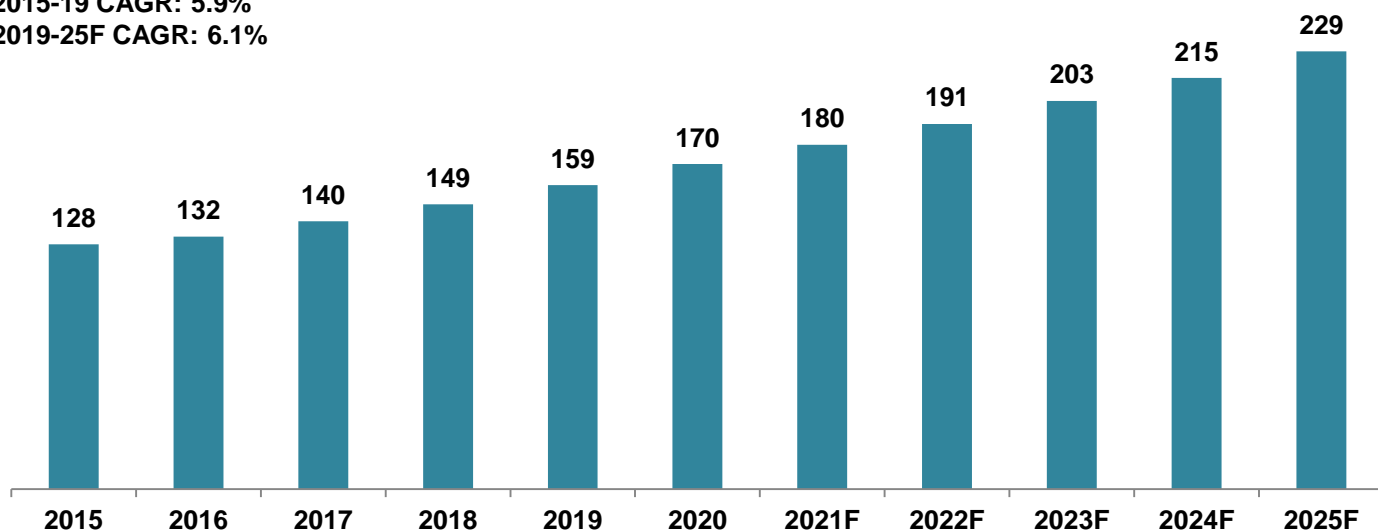


Note: Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment

Source: Frost and Sullivan analysis

## Global API, Industry size (USD Bn), 2015-2025F

2015-19 CAGR: 5.9%  
2019-25F CAGR: 6.1%

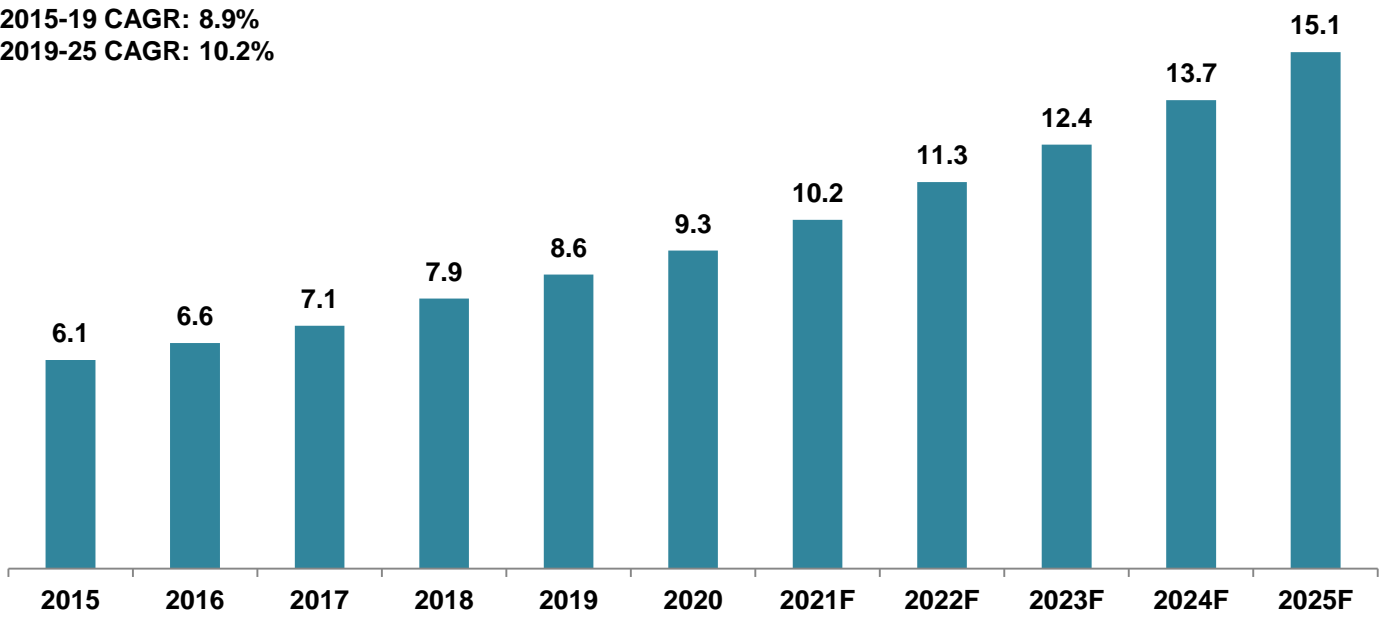


Source: Frost & Sullivan Research & Analysis

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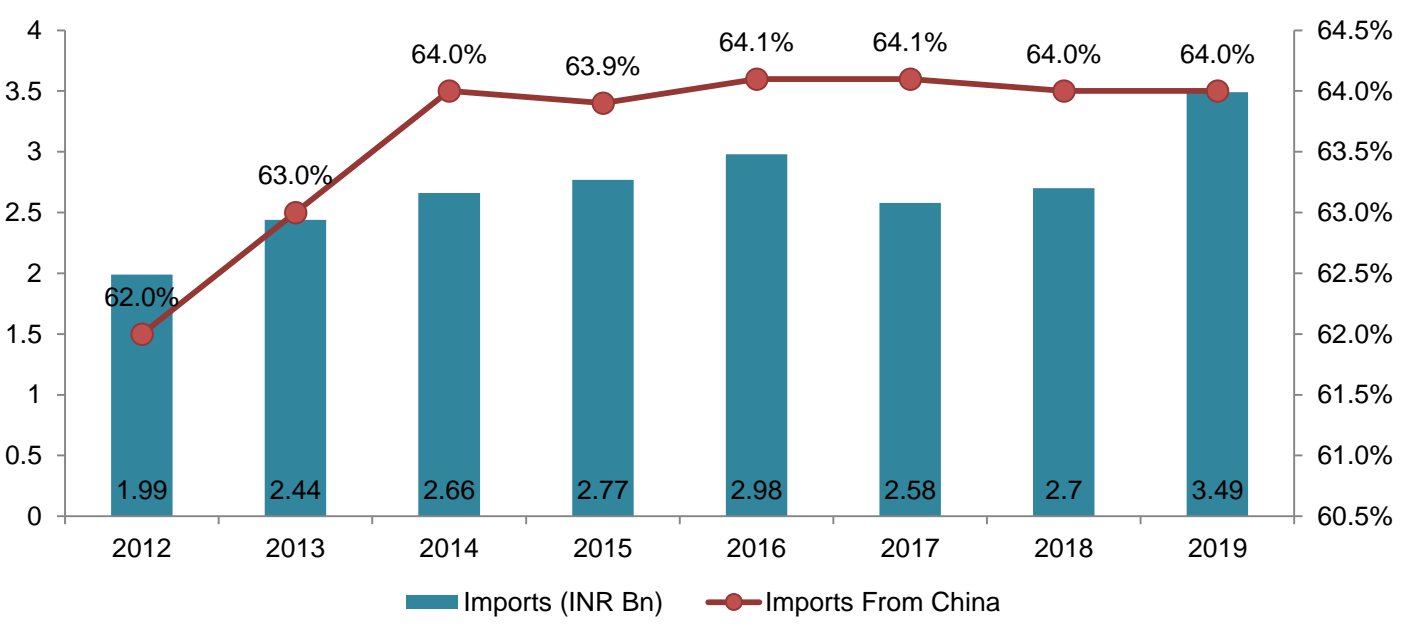
## Indian API Industry size (USD Bn), 2015-2025F

2015-19 CAGR: 8.9%  
2019-25 CAGR: 10.2%



Source: Frost and Sullivan analysis

## India's import dependency, % being imported from China, India, 2012 to 2019



Source: CII, Frost & Sullivan Analysis

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## OPINION



The company has shown consistent performance over the years.

Considering the **market positioning, high-growth high-margin therapeutic areas, lower debt levels post-IPO, strong R&D process chemistry skills, & also reasonable valuation** as compared with its peers, we stand as a **positive** stand on this IPO & **subscribe this IPO** for long term