

Vimta Labs Limited

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B S E Limited, P J Towers, Dalal Street, Mumbai - 400001. Scrip Code : 524394	National Stock Exchange of India Limited, “Exchange Plaza”, Bandra, Kurla Complex, Bandra (E), Mumbai – 400051. Trading Symbol: VIMTALABS
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Dear Sir/Madam,

Sub: Transcript of the FY/Q3-2025-26 earnings/investor call held on 28th January 2026.
Ref: Regulation 30 of the SEBI (LODR) Regulations, 2015.

Please find enclosed herewith the transcript of the FY/Q3-2025-26 earnings/investor call held on Wednesday, 28th January 2026.

Further, pursuant to Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the aforesaid information is available on the website of the Company i.e., <https://vimta.com/investor-earnings-call/>

This is for your information and necessary records.

Thanking you,

For VIMTA LABS LIMITED



**Sujani Vasireddi
Company Secretary**

Encl: as above.



“Vimta Labs Limited
Q3 FY '26 Earnings Conference Call”
January 28, 2026



MANAGEMENT: MS. HARITA VASIREDDI – MANAGING DIRECTOR

**MR. SATYA SREENIVAS NEERUKONDA – EXECUTIVE
DIRECTOR**

**MR. SIVA RAMA KRISHNA – CHIEF FINANCIAL
OFFICER**

MS. SUJANI VASIREDDI – COMPANY SECRETARY

**MODERATOR: MR. VISHAL MANCHANDA – SYSTEMATIX
INSTITUTIONAL EQUITIES**

Moderator: Ladies and gentlemen, good day, and welcome to Vimta Labs Limited Q3 FY '26 Earnings Conference Call hosted by Systematix Institutional Equities. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vishal Manchanda from Systematix Institutional Equities. Thank you, and over to you, sir.

Vishal Manchanda: Thank you, Bhoomi. Good evening, everyone. On behalf of Systematix Institutional Equities, I welcome you to the Q3 FY '26 Earnings Call of Vimta Labs. We thank the Vimta Labs' management for giving us an opportunity to host the call.

Today, we have with us the senior management of the company represented by Ms. Harita Vasireddi, Managing Director; Mr. Satya Sreenivas Neerukonda, Executive Director; Mr. Siva Rama Krishna, Chief Financial Officer; and Ms. Sujani Vasireddi, Company Secretary.

Thank you, and over to you.

Siva Rama Krishna: Yes. Thank you, Vishal. Good evening, everyone, and a warm welcome to Q3 and 9 months FY '26 Earnings Call of Vimta Labs Limited. Please note that the investor presentation and the financial results are available on the company website and the stock exchanges. Also, anything said on this call, which reflects our outlook for the future or which could be construed as a forward-looking statement must be reviewed in conjunction with the risks that the company faces.

This conference call is being recorded and the transcript, along with the audio of the same will be made available on the website of the company as well as on the stock exchanges. Please also note that the audio of the conference call is the copyright material of Vimta Labs Limited and cannot be copied, rebroadcasted or attributed in the press or media without specific and written consent of the company.

From the management, we have with us Ms. Harita Vasireddi, Managing Director; Mr. Satya Sreenivas Neerukonda, Executive Director; Mr. Siva Rama Krishna Kambhampati, CFO; myself; Ms. Sujani Vasireddi, Company Secretary.

Now I request Ms. Harita Vasireddi, Managing Director of Vimta Labs Limited to provide you with the update for the quarter and 9 months ended 31st December 2025. Thank you, and over to you, ma'am.

Harita Vasireddi: Thank you, Siva. Good evening, everyone. I welcome you all to the Q3 and 9 months FY '26 earnings call today. I will start with the business updates, and then our CFO will take over to discuss the financial performance for the period ended 31st December 2025.

I would like to report that Vimta Labs has recorded a quarterly revenue of INR100.5 crores, showcasing sustained momentum with a growth of 10.2% on a year-on-year basis. This growth is a result of the pharmaceutical and food testing services contributing majorly.

As innovation accelerates, quality norms become more stringent, the wellness sector continues to expand and the demand for uncompromising product quality and safety continues to surge. With a wide array and advanced testing capabilities and strong domain proficiency, Vimta is well equipped to seize new growth opportunities in all our services.

Coming to discussing the services we provide in a little bit more detail. Our biggest contributor to the revenue that is the pharmaceutical testing and research services. They continue to do well. But I'd like to share that we saw some lag in booking clinical research orders during the quarter, and we also faced certain unexpected operational challenges in the analytical services, which resulted in some revenues getting deferred to next quarters.

On biologics contract research and development services, I would like to again inform that the equipment procurement and the facility setup is well on track, and we are confident of commercializing these services by quarter 1 of next fiscal.

Our food testing division experienced good momentum during the quarter, and we will see improved traction in the coming quarter with certain tailwinds in place.

In the Electricals & Electronics division, revenues have remained steady, and we continue to focus on increasing our penetration into the market. From an operational standpoint, the installation of second chamber in our life sciences facility for EMI/EMC testing is well on track.

The current chamber is running at 24/7, 80% - 85% utilization. Anchored by a strong scientific operational base and encouraging market momentum, we are optimistic about driving continued growth across our service offerings.

With this, I will now hand over the call back to Siva for a detailed discussion on the financials. Thank you.

Siva Rama Krishna:

Thank you, Ms. Harita. Good evening, everyone, and thank you for joining us for our Q3 and 9 months FY '26 earnings call today. I'll begin with an overview of our financial performance for the quarter and 9 months ended December 31, 2025. After that, we'll open the floor for questions.

Before we move into the financials, I'd like to highlight that following the divestment of our Diagnostic and Pathological services business announced on August 30, 2024, the figures for the previous period have been regrouped to ensure a like-for-like comparison with the current quarter. I'll start with the financial highlights for the quarter. Total income for Q3 FY '26 stood at INR1,005 million as compared to INR911 million in Q3 2025, a 10.2% growth on a year-on-year basis.

Quarter-on-quarter has seen a slight decline of 3.9% when compared to Q3 FY '25. EBITDA stood at INR344 million in Q3 FY '26 as compared to INR343 million in FY '25, up by almost 0.4% year-on-year. EBITDA margins for the quarter stood at 34.3% PAT in Q3 stood at INR176

million as compared to INR175 million in Q3 FY '25, a growth of 0.4% year-on-year. PAT margin for the quarter stood at 17.5%. Basic EPS in Q3 FY '26 was at INR3.96.

Coming to 9 months performance. Total income for 9 months FY '26 was at INR3,043 million as compared to INR2,521 million in previous year. So it has grown up by almost 20.7% year-on-year basis.

EBITDA for 9 months was at INR1,068 million as compared to INR915 million in FY '25, up by almost 16.7% year-on-year. EBITDA margin stood at 35.1%. 9 months FY '26 PAT was at INR564 million as compared to INR484 million in FY '25 with a 16.4% year-on-year growth. PAT margin was at 18.5%. Basic EPS for 9 months was at 12.7%.

I'd like you to note that pursuant to the implementation of the new labor laws from November 26, 2026, we have recognized an amount of INR1.6 crores as past service costs. Considering the onetime nature of this impact, we had disclosed it under exceptional items in the P&L account. On the balance sheet side, we continue to have a net debt-free balance sheet.

With that, we can now open the floor for Q&A. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of from Preet Jain from Niveshaay Investment Advisors.

Preet Jain: Sir, a couple of questions from my side. First being, regarding our growth outlook, could you provide color on expected revenue trajectory for next 12 to 24 months? Specifically, how should we think about the ramp-up time lines for your current available capacity? And at what stage do you anticipate reaching peak utilization levels?

Harita Vasireddi: The markets are very favorable in this industry, whether you take food testing or within the pharma industry, be it preclinical research or clinical research, even the market for electronics testing. So the environment is very conducive for companies to do well in this sort of a growing market.

Coming to Vimta, I think we have a good track record of 40 years, be it science or systems or our business fundamentals, they're all pretty strong. So growth, we are very confident when it comes to the near term and even the long term.

As such, we don't give any forward-looking statements with respect to numbers. So I will refrain from doing that. I can just share my confidence on what we think would be a good growth future for the company.

Preet Jain: In past communication, company set a revenue target of INR500 crores for current fiscal. So given the numbers of 9 quarters are out, is that expectation still intact? Do you expect that quarter 4 will be a back-end surge to bridge the remaining gap to that target?

Harita Vasireddi: Yes. Typically, H2 tends to be better than H1. Like I was mentioning in my opening remarks, there were a couple of events that happened that coincided for us. And therefore, you see that slight dip in quarter-on-quarter revenue. So we expect Q4 to be much better.

That's been the trend. And so far, nothing says that we will not have a better Q4. Now are we going to come to the run rate of INR125 crores, which is basically what I have been trying to share. Maybe not, we may not touch that number, but I feel we'll not be disappointed with where we land at by the end of the year.

Preet Jain: Okay. One more question from my side. On the strategic shift towards CDMO and CRDMO, can you give an update when these projects are coming into pipeline? And when can we expect the revenues in Q1 FY '27, you told. So how much contribution can they provide to the top line?

Harita Vasireddi: Next fiscal will be the maiden year for the biologics contract research and development services. So maiden year, I don't think we should be really looking at how big the numbers will be. It's more about going out there and picking up some clients who can trust us with their projects and delivering them well so that we build confidence and good reputation with our first few projects. I think that's more important. We will be ready to commercialize by Q1. And hopefully, we will have a project also, but I won't be able to say that now.

Moderator: Our next question comes from the line of Disha from Sapphire Capital.

Disha: Yes. So you mentioned in your commentary that there were some operational challenges we faced. So could you just elaborate a bit on what went wrong?

Harita Vasireddi: Nothing went wrong. We are doing a lot of restructuring within our facilities to accommodate for expansion of our analytical facilities. So there, I think there is some dependency on external sources to help us do those modifications. So there, we experienced some unexpected delays. And this has impacted the productivities of certain teams.

Disha: Okay. And I think you mentioned that there was some spillover of revenue into Q4. So what would be the quantum of that, if you could just help?

Harita Vasireddi: That is too nitty-gritty, and let's not get into that. I can just say that a couple of things happened together, and therefore, you see that slight dip in revenues quarter-on-quarter.

Disha: Okay. But then I think from Q4 onwards, we'll be back on our trajectory. Is that a fair assumption?

Harita Vasireddi: Yes.

Disha: Okay. All right. Okay. That's it from my side.

Moderator: Our next question comes from the line of Santosh Keshri from SKK HUF.

Santosh Keshri: So my question is about capex and the return on capital employed. So what we can see is that the capex is on an increasing trend from 2, 3 years back from INR50 crores now to over the past 2, 3 years, it is more than INR70 crores.

And then the ROCE is something like getting not very regular at above 30%. So what could be the reason behind it? Are we seeing some concern in the market landscape? Or there is some work in progress and we can see the ROCE going up beyond 20% in the next few quarters?

Harita Vasireddi:

So I think first on the capex spend, typically, in our industry, we invest what comes out of our depreciation amount of the previous year. That is a minimum must because you don't want to be technologically obsolete and you also need capacities to expand or grow your revenues because things like equipment, you add on-the-go, you don't buy and keep those capacities idle unless you are developing a new service.

So that's typically the capex spend, and we have been very much on target with that. The last couple of years, if you have been following the company, you may know that we have done a lot of infrastructure capacity expansion. And also recently, we announced a foray into biologics, formulation or process development services.

So that involved additional capex. So that's the reason you are seeing those additional numbers. Coming to ROCE, I think we have some of the best in this TIC/CRO industry. I don't see a problem there.

Santosh Keshri:

Okay. So are we saying that we can get back 20% kind of ROCE in the next few quarters? Or it would be remaining under 20%?

Siva Rama Krishna:

ROCE that you are seeing in the presentation is for the period of 9 months, okay? So that is compared for the full year in the previous period. Having said that, this as MD has just mentioned, with the addition of biologics division, where we are spending and the revenues are yet to come up. So there is a slight dip in the ROCE in current financial year. It will come back to regular levels.

Santosh Keshri:

Okay.

Moderator:

Our next question comes from the line of Diksha from SP.

Diksha:

I have 2 questions, ma'am. One, we had discussed in the past about the U.S. exposure, where I believe you had mentioned that it was about 35% and exports and then 60% of that, which effectively translates into 20% of the top line to U.S. So is that proportion remains the same, if I look at the top line contribution? And my second question...

Harita Vasireddi:

Yes, I think that has actually -- the export percentage has actually slightly gone up in Q3. So exports, we are more or less doing good. In Q3, we have 39% export revenue.

Diksha:

I'm sorry, can you repeat? I could not get it.

Harita Vasireddi:

Almost 39% of our income is from exports, which is actually better than the first half of the year.

Diksha:

Okay. And out of 39%, what would be U.S. export, ma'am?

Harita Vasireddi:

About maybe 60% is from U.S.

Diksha:

So that proportion, you mean?

Harita Vasireddi:

Yes, yes.

Diksha: Sure. And second question, ma'am, on this top line guidance, I did not follow. Are we sort of still more or less aligned with that INR500 crores top line for the next year or that may be sort of revised?

Harita Vasireddi: No, no. Next year, we're definitely aligned.

Diksha: So next year annual target still remains INR500 crores?

Harita Vasireddi: Yes. Like I said, I don't give out forward-looking statements with respect to numbers. But since this 2025-'26 was a goal we took almost 5, 6 years ago when we even had diagnostics. So that's when we said we'll share this vision with the market because it's always good to share long-term plans so that you understand what we are working towards. Otherwise, it's -- we don't normally issue forward-looking guidances on numbers.

Diksha: Okay. And any plans on inorganic ma'am because there are a lot of opportunities in the market for this new line of business typically where it is a lot of unorganized players are there who are trying to sort of get exit. Are we looking at that inorganic mode of growth? Or we are strictly no, no?

Harita Vasireddi: In principle, we do believe that the future would have some sort of inorganic component with regards to our growth. But is there anything on the cards right away, I would say no.

Diksha: Okay. That's helpful, ma'am.

Harita Vasireddi: Welcome.

Moderator: Our next question is from the line of Mr. Vishal Manchanda from Systematix Institutional Equities.

Vishal Manchanda: Ma'am, in your opening comments, you hinted that there was still some positive traction on the food front that you are witnessing, and we'll probably see good numbers from next quarter. Can you share some color on are there any positive regulatory developments there?

Harita Vasireddi: No, food tends to be seasonal business and Q4 is typically the quarter which does the highest numbers in the whole year. So that's why I mentioned tailwinds because in Q4, you generally see that seasonal benefit.

Vishal Manchanda: Right, right. While there are no important regulatory changes happening in this space that can help a lot...

Harita Vasireddi: Quite a few are happening. They are continuously happening. So a lot of effort is being put to continuously expand our scope under the NABL certification also. So that is actually a good thing for the laboratory, and these are continuously happening. We can't say there is any major one, but small, small ones, they are the ones that add more and more testing revenue for the laboratories.

Vishal Manchanda: Okay. And second one, on the clinical trial research space, have we been able to kind of get more clinical trial research projects?

Harita Vasireddi: Yes. Like I mentioned, I think even in the previous call, we are already working on a couple of more projects.

Vishal Manchanda: Okay. So we have initiated these projects, the new projects that we have got?

Harita Vasireddi: Yes. One is on its way and the other one is under initiation.

Vishal Manchanda: Okay. So we will see the impact going forward in subsequent quarters?

Harita Vasireddi: A small portion of our revenues because it's just a year since we started. So even if it was doing well, the impact on the overall top line will still be very, very small. So I wouldn't attribute any growth in the previous quarters to clinical trials. It's yet to become significant for us.

Vishal Manchanda: Okay. So just some clarity here on the how many parts -- so these are the Phase III trials, right? Unlike bioequivalence trial, which are different. These are larger Phase III trials and probably -- they affect you more revenues than bioequivalence trials. Is that the correct understanding?

Harita Vasireddi: Again, depends, some -- what we have done already are our Phase II trials. Phase III, we are yet to do any. But it could be different kinds of trials. The population size can vary as small as 60, 90 subjects. The bigger trials, which are in hundreds of crores could have much bigger populations. So here, the variation is very high.

Vishal Manchanda: Okay. So you take the entire ownership of the trial or you basically help the sponsor conduct that trial for them?

Harita Vasireddi: No, we do the entire trial for them.

Vishal Manchanda: Okay. So basically, the sponsor will be Vimta Labs. If I kind of go and do a clinical trial search, Vimta Labs should be the sponsor name in those trials?

Harita Vasireddi: No, sponsor is the customer.

Vishal Manchanda: Okay. Okay. So will your name figure up in the clinical trial?

Harita Vasireddi: No, I don't think so.

Vishal Manchanda: Okay. Okay.

Harita Vasireddi: Yes.

Vishal Manchanda: Like in some trials, I could see like IQVIA names, IQVIA being the sponsor, while the drug is owned by a company, but the IQVIA is a sponsor there of the trial?

Harita Vasireddi: I think I'll have to then reconfirm, yes?

Vishal Manchanda: Okay. Okay. And just final one on the biologics front, any direction you would like to give in the next 3, 4 years, how do you expect this business to shape up? Can this be like one of your large verticals in the overall business?

Harita Vasireddi: I think it's too soon for me to comment on it. We should go through a year and see how we are able to navigate in this market. Let me -- allow me to come back to you maybe after a year on this.

Harita Vasireddi: It does have the potential.

Vishal Manchanda: So is it fair to say like a single biosimilar project would probably be much larger in terms of the value size? Like if you get a customer on board for a biosimilar project, your -- the potential revenue size of that single project should be typically larger than other projects that you would have on the analytical side?

Harita Vasireddi: When it comes to the biologics -- Yes sure go ahead...

Satya Neerukonda: Yes. It depends, Vishal, at what stage are we on-boarding the projects. Biologics, we do multiple services for any biologics, biosimilars and peptides. One is analytical services, one is characterization, one is on the clinical side.

We do preclinical studies and the new one which we are starting now is the formulation development service. If someone is only -- someone already has developed the process and he has some challenges in the process, he's only looking for troubleshooting and all, the project size may be a little smaller than if you get the full project.

Let's say, he already has a clone, which they have developed or they have secured a licensed clone. And from there, all the way up to the process up to the pilot scale development. So these are larger projects, right?

So it depends on what is the amount of exposure is on that particular project to us. But definitely, I mean, if you get the full scale, let's say, like what we are setting up here up to 20 liters, 50 liters. So as the scale increases, the price -- I mean, the project size or the project value also increases.

Vishal Manchanda: And we have capabilities across all the segments in place. We will not need to hire neither from a -- like you have human -- you have personnels and you also have equipment both...

Satya Neerukonda: We have human, yes, the team is on board. The equipment are on board. The site is ready now. Up to the process level, lab scale, we are ready. Then the next scale up would be maybe after a year once we see how this traction builds up in the market.

Vishal Manchanda: Got it, sir. That's all from my side.

Moderator: Our next question comes from the line of Tanay Malpani, an Individual Investor.

Tanay Malpani: First of all, I would like to congratulate the team that we have become a significant name in the CPTO industry. So I have 2 questions. One question is on the line of the EBITDA margins. So we are maintaining a very healthy EBITDA margin from financial year 2023. So do we expect the momentum to continue in terms of margins?

Harita Vasireddi: Yes. These EBITDA margins, I always say plus/minus 1% or 2%, they are -- they will be maintained in at least the near term.

Tanay Malpani: Okay. And there is a trend of an increase in the use of AI, which is significantly boosting the EBITDA margins for various companies. So in our field, do we see the use of AI?

Harita Vasireddi: Yes. We work with a lot of technologies and all these technology companies have already built their AI components into these technologies, which we have been using for quite some time. In addition to that, Vimta has set on a digital transformation path almost 5 years ago.

So we have our own in-house digital transformation team that keeps working on our processes to make them more efficient and also help scale up the processes. So this is a continuous activity, and that's picking up a lot of momentum for us, especially last year. We expect to see a lot more of this happening in the next year in our laboratories.

Tanay Malpani: Okay. So we can expect further improvement in margins?

Harita Vasireddi: Margins, there is a plus side and the minus side also. On one side, we are definitely pushing our efficiencies, which is helping -- the cost of -- the escalation in cost of manpower and also some input material. We use a lot of chemicals, reagents, standards, columns. So on that side, there is a continuous escalation in prices.

Manpower, like in any other industry, even we have been severely impacted with the rise in costs, especially post-COVID. But all these years, we have been able to successfully neutralize that by countering it with more efficiencies in our workflows.

Tanay Malpani: Okay. And relating to manpower, there is an increasing competition in the CRO landscape specifically. So is there any manpower attrition or we are just in line?

Harita Vasireddi: We are on par with the industry, I would say, but is the attrition low? No, attrition is quite high across the industry. And it looks like now that's going to be the norm.

Tanay Malpani: Okay. So hopefully, we are able to retain the key managerial positions?

Harita Vasireddi: Yes. We are able to retain people who are key and critical for the sustainability of science and growth within the organization.

Tanay Malpani: Okay. And my next question is regarding the CRO landscape that we are in the top 5 positions in almost all of the segments we have put our foot in. But in the electronics and electricals segment, how do we plan to get that status? Because there are several sectoral tailwinds there, but how can we capitalize on that? Is there any plan in line?

Harita Vasireddi: Yes, we have already doubled our capacity this year for electronics and electricals testing division. So the growth is as per our expectation. Here, just like in the food industry, you need more testing centers because typically, customers tend to prefer feasibility because if you're testing, for example, a drone or if you're testing an electrical vehicle, very unlikely that you will bring your vehicle all the way from Pune to test it in Hyderabad.

So there are such constraints in this industry. We have filled a gap that existed, especially in the Hyderabad region. So our majority of business comes from defense. And some of you may know, Hyderabad is a good home for a lot of OEMs that supply to the defense sector.

So that's a gap that we were able to come in and quickly fill. And we were touching our capacities on the EMI/EMC testing. Therefore, we added one more chamber, which came -- which got qualified in the last quarter itself. Going forward, to keep continuing to grow this business, we would have to open up more laboratories. That's the way to grow this business.

Tanay Malpani: Okay. That's all from my side.

Moderator: Our next question comes from the line of Aditya Chheda from InCred Asset Management.

Aditya Chheda: My question is on the employee expense and other expense. While they are flat sequentially, if we see it as a part of investments/expenses growth for the Q3 and 9 months, is it related to the new facility and whether some of these investments are ahead of the revenues, etc.? Since the Y-o-Y growth in both of these segments is higher than the revenue growth, we would like to better understand the nature of investments or increase in expenses in both employee and other expenses?

Harita Vasireddi: Employee expenses, like you said, it's flat. As a percentage, it's slightly higher because of the slight dip in the top line. So there is nothing significantly that has grown there. Other expenses, yes, we are increasing our marketing efforts overseas. So there will be some additional expense on account of this in the coming quarters as well.

Siva Rama Krishna: And facility expenses that we have added recently.

Harita Vasireddi: Yes. That's a large facility that we added. So there will be additional expense coming from there as well.

Aditya Chheda: Well, noted.

Moderator: As there are no further questions, I would now like to hand the conference over to management for closing comments.

Harita Vasireddi: Thanks, everyone, for joining the call, and thank you for the nice questions. I want to thank you and Vishal and Systematix and the host for hosting this call. Thank you, and have a pleasant evening. Bye-bye.

Siva Rama Krishna: Thanks, Vishal. Thanks, Bhoomi.

Moderator: Thank you. On behalf of Systematix Institutional Equities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

(This document was edited for readability purpose.)