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innova CAPTAB

14th August, 2026

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001
BSE Symbol: INNOVACAP
BSE Scrip Code: 544067

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex
Bandra (E), Mumbai – 400051
NSE Symbol: INNOVACAP

Dear Sir/Madam,

Subject: Transcript of the investor/analyst earnings call held on Wednesday, 12th August, 2026

This is in continuation to our letter dated 12th August, 2026, wherein we had informed regarding the audio link of the earnings call with analysts/investors for the quarter ended 30th June, 2026.

In this regard, please find enclosed herewith the transcript of the said call.

The transcript will also be available on the Company's website i.e. INNOVA CAPTAB.

You are requested to take this information on record.

Thanking you,

Yours faithfully,
For **Innova Captab Limited**

NEEHARIKA SHUKLA
Digitally signed by NEEHARIKA SHUKLA
Date: 2026.08.14 17:58:54 +05'30'

Neeharika Shukla
Company Secretary and Compliance Officer

"Innova Captab Limited
Q1 FY27 Earnings Conference Call"
12th August, 2026

"E&OE - This transcript is edited for factual errors and readability. In case of discrepancy, the audio recordings uploaded on the stock exchange on 12th August 2026 will prevail."

MANAGEMENT: **MR. VINAY LOHARIWALA – MANAGING DIRECTOR – INNOVA CAPTAB LIMITED**
MR. LOKESH BHASIN – CHIEF FINANCIAL OFFICER – INNOVA CAPTAB LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to Innova Captab Limited Q1 FY27 Earnings Call. As a reminder, all participant lines will be in 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.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not guarantees of any future performance and involve risks and uncertainties that are difficult to predict.

Today, from the management side, we have with us Mr. Vinay Lohariwala, Managing Director, Mr. Lokesh Bhasin, Chief Financial Officer and SGA, Investor Relation Advisor.

I now hand the conference over to Mr. Vinay Lohariwala, Managing Director of Innova Captab Limited. Thank you, and over to you, sir.

Vinay Lohariwala: Thank you. Good morning, everyone. And thank you for joining us today. It is my pleasure to welcome you all to Innova Captab Q1 FY27 Earnings Conference Call. We have started financial year '27 on a strong note, delivering strong year-on-year growth of 34% and 33% in revenue and EBITDA respectively for the quarter.

The performance is broadly in line with growth trajectory we have outlined in the year and provided -- provides further confidence in our ability to deliver on our guidance of 20% revenue growth and profitability outpace revenue for FY27. This performance reflect the continued strength of our diversified business model, disciplined execution, sustained customer traction across the CDMO and branded generic business.

Growth during the quarter was supported by steady order flows, an expanding product portfolio and deeper engagement with both existing and new customers. Our continued focus on operational excellence, manufacturing efficiency, and stringent quality standard has enabled us to strengthen our competitive position and effectively address the evolving requirement of our customer across domestic and international markets.

Coming to our CDMO business. The CDMO business reported revenue of INR328 crores during Q1 FY27, reflecting a year-on-year growth of 32%. We continue to witness healthy demand across our customer base and our focus remains on strengthening relationships with our existing customers, increasing our share of business with them, and simultaneously adding new customers across therapeutic categories and dosage form.

Over the years, we have built a broad and diversified product portfolio supported by strong formulation development capabilities. We continue to invest in product development and complex dosage capabilities, which will enable us to address a wider range of customer requirements and further strengthening our position as a trusted CDMO partner. Our manufacturing capabilities remain a key competitive strength.

With technologically advanced facilities, increasing automation, robust quality systems and scalable manufacturing platforms, we are well-positioned to support the growing requirement of our customers while maintaining consistency, efficiency and compliance.

Coming to our branded generic business. The branded generic business continued to maintain healthy momentum with revenue of INR142 crores, growth of 39% year-on-year basis. Our strategic focus remains focused on strengthening our presence in existing markets and gradually expand into newer domestic and international geographies.

We continue to broaden our product offering and deepen market penetration supported by our integrated manufacturing and product development capabilities. Over the medium and long term, we believe the branded generic business provides us the significant opportunity to further diversify our revenue base and strengthen our presence across the key markets.

Our long-term focus remains firmly aligned with building Innova Captab into a future-ready, scalable pharmaceutical organization, while maintaining a strong focus on disciplined capital allocation and sustainable value creation.

Our strategic priorities remain clear: improving capacity utilization across our manufacturing facilities, expanding our capabilities in complex dosage forms, strengthening our R&D platforms, deepening customer relationships and expanding our branded generic presence across key markets.

At the same time, we remain committed to deploying capital in a disciplined and prudent manner with investments being prioritized towards opportunities that offer optimum returns, strengthen our capabilities and competitiveness, support our long-term growth objectives.

We remain confident about the opportunities ahead and are committed to creating sustainable long-term value for all our stakeholders. With this, I would like to hand over to call to our CFO, Mr. Lokesh Bhasin, to take you through the financial performance for Q1 FY27. Thank you.

Lokesh Bhasin: Thank you, sir. And good morning, everyone. I will now walk you through the financial highlights for Q1 FY27. Q1 FY27 highlights. Our Q1 performance reaffirms the growth trajectory and we remain confident of delivering on our stated growth objectives. With healthy demand across our businesses and continued execution focus, we believe the momentum is sustainable in the future also.

Consolidated revenue for the quarter stood at INR470.9 crores, registering a strong 34% year-on-year growth supported by strong demand across both our business areas. Exports contributed 32% of our revenue during this quarter, reflecting the continued progress we are making in expanding our presence across international markets.

Our CDMO business reported revenue of INR328.7 crores, growing by 32% year-on-year. The growth was driven by an expanding product portfolio, addition of new customers, and deeper engagement with existing customers, resulting in higher wallet share. Our branded generic business recorded revenue of INR142.2 crores, representing a growth of 39% year-on-year, supported by continued traction across our key markets.

On the profitability side, EBITDA for the quarter stood at INR75.1 crores, a growth of 33% year-on-year with a margin of 16%. Profit after tax for the quarter came in at INR44.1 crores, reflecting a growth of 42% year-on-year.

With this, I would like to conclude our opening remarks and open the floor for question-and-answers. Thank you.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question comes from the line of Achal Maheshwari from Naredi Investment. Please go ahead.

Achal Maheshwari: Hello, sir. I just had two questions. So, can you -- is it possible to give the breakup for our branded business between domestic and international branded?

Lokesh Bhasin: So, at an overall level, while break up -- further breakup at a business area wise, we normally do not track, but at an overall business overall consolidated revenue basis, our domestic business is around 70%, export business is around 30%.

Achal Maheshwari: Okay, sir. And just what is our current capacity utilization for our newly commissioned Jammu facility?

Lokesh Bhasin: So, Jammu plant has just started ramping up. So, if I see this quarter at an annualized basis, we are looking at a capacity utilization of around 25% to 30% on an annualized basis, based on the performance of this particular quarter.

Achal Maheshwari: And sir, what are the asset turns that we expect from this particular plant?

Lokesh Bhasin: So, at an optimum level, we expect that the asset turn from this plant would be north of 3x.

Achal Maheshwari: Okay, sir. Thank you so much.

Moderator: Thank you. The next question comes from the line of Juhi Kumari from Narnolia Financial Services. Please go ahead.

Juhi Kumari: Hello?

Moderator: Yes, ma'am, please go ahead.

Juhi Kumari: Yes, thanks for the opportunity. Congratulations to the team for the good set of numbers. I had a couple of questions. My first question is regarding the networking capital, like management was like aiming for the historical level following the Jammu ramp-up. So, what is the net working capital cycle?

Moderator: Sorry to interrupt, ma'am. May I request you to please use the handset as your voice is not clear.

Juhi Kumari: Hello? Hello?

Moderator: Yes, please go ahead.

Juhi Kumari: Yes. I was asking about what was the networking capital cycle as of June 30, 2026? And also, are the inventory holding days and trade receivable normalizing back towards the historical levels following the Jammu ramp up?

Lokesh Bhasin: So, see, as far as our Jammu ramp-up is concerned, the initial working capital has already been built up and factored in our initial ramping days previous year itself. And as of now, we are maintaining our expected cash conversion cycle of 90 days, plus-minus 10 days for our entire group level.

Juhi Kumari: Okay. Okay, thank you, sir. And one more question, like how many new products or formulations were commercialized in the first quarter and what is the planned R&D spend percentage to sales at the remainder of the FY27?

Lokesh Bhasin: So, our overall R&D spends range between around 0.7% to 1% of our total revenue in general. And at the same time, see there is a continuous flow of new product developments, and R&D keep on working on new products in a very firm timelines to be commercialized in short-term, mid-term, and long-term.

Juhi Kumari: Okay, okay. Thank you so much.

Lokesh Bhasin: So, it is a normal, it's a normal course of business in which new products depending upon customer and market demands are introduced by R&D through proper study and research.

Juhi Kumari: Okay. Okay. Thank you so much. That's all.

Moderator: Thank you. The next question comes from the line of Deepak Ajmera from IGE India. Please go ahead.

Deepak Ajmera: Yes, hi, am I audible?

Vinay Lohariwala: Yes.

Deepak Ajmera: So, what will, what is our revenue from the Jammu facility in absolute terms, if you can mention in this quarter specifically?

Lokesh Bhasin: So, this quarter we have achieved a revenue of around INR107 crores from Jammu.

Deepak Ajmera: Got it. And what was the revenue last quarter?

Lokesh Bhasin: Around INR90 crores.

Deepak Ajmera: Okay. Is there -- the ramp-up at Jammu is a bit slow?

Lokesh Bhasin: No, sir. So, Jammu, Jammu ramp-up is pacing up the way we expected. So, we should also consider that normally quarter one, there is a seasonal impact of the entire year. And from, see, from Q2 onwards the normal healthy season start picking up. So, in coming quarters, we are expecting the Jammu plant should also ramp up as we see.

Deepak Ajmera: Thank you.

Moderator: Thank you. The next question comes from the line of Pavithra Jaivant from Prime Investor. Please go ahead.

Pavithra Jaivant: Hello. Thank you for the opportunity. Congratulations on the numbers. I just wanted to know how should we look at a possible conflict of interest between your CDMO business and your branded generic business? Is that something we should think about?

Lokesh Bhasin: So, you're talking about the contribution of these two business areas in our overall revenue growth?

Pavithra Jaivant: No sir, I'm just talking about a conflict of interest. Like for example, if you have the same product which you're making for your CDMO clients as well as under your own branded generics business, would that be considered a conflict of interest? How would that work?

Lokesh Bhasin: See, while we are having two front-ended business areas, CDMO as well as branded generic business. So, from a plant perspective, from a manufacturing capability business, this our branded generic business is just considered as a normal CDMO customer by our plant. So, from that particular viewpoint, there is no, I would say, additional treatment or any special treatment for our branded generic business.

So, from a manufacturing capability business, they are just producing for both business areas. And at the same time, it's a competitive industries. And whatever products that has been transferred from manufacturing capability, from manufacturing plants to our branded generic business are transferred on an arm's length basis.

And in an open market, it is a open competition. And at the same time, it's a normal industry practice, accepted practice to have that CDMO business is having also a branded generic business. So normally it doesn't, there is no conflict of interest per se, having both CDMO as well as branded generic business.

Pavithra Jaivant: Okay, thank you sir.

Moderator: Thank you. The next question comes from the line of Vedant Nilekar from ICICI Securities. Please go ahead.

Vedant Nilekar: Hello sir, am I audible?

Lokesh Bhasin: Yes, please.

Vedant Nilekar: Congratulations to the management for a great set of numbers. I just have one question on the gross margin front. So, we have seen a Y-o-Y dip in the margins. Could you please throw some light on it and how do we see the trend for the full year?

Lokesh Bhasin: See, the movement in gross margin is a combination of our overall business mix so it is just 1%, 1.5% down from year-on-year. So, which is in the normal course of business and mainly due to the contribution of our different business mix in overall kitty.

Vedant Nilekar: Right, so on an overall year basis, we should not expect a major deviation?

Lokesh Bhasin: Yes, it should, it should. So as of now, we have posted a gross margin of around 35.5%. So, our overall at a full year level, this should maintain between this range plus minus 2%.

Vedant Nilekar: Okay. Got it. Thank you.

Moderator: Thank you. The next question comes from the line of Ankit Shah from Canara Robeco AMC. Please go ahead.

Ankit Shah: Yes, hi sir. Thanks for the opportunity and congrats on a great quarter. My first question is related to your growth. So, we managed a 34% Y-o-Y growth. Can you break it up between volume and realization and also excluding Jammu what was the volume growth if you could give some sense?

Lokesh Bhasin: Ankit-ji, while your voice was not that audible, you were just asking the that 34% of revenue growth breakup between existing and Jammu, am I right?

Ankit Shah: Yes, sir, volume, and also volume growth as well.

Lokesh Bhasin: Okay. Yes, yes, yes. So, volume growth, at overall level on a revenue basis, if I break this growth into two parts, volume is around 20% to 22% growth year-on-year at an overall manufacturing capability level. And the rest of the growth has been fuelled up by favourable change in product/sales mix and favourable pricing.

Ankit Shah: Right. And of this 22%, I mean, excluding Jammu, just roughly, how much would have been the volume growth?

Lokesh Bhasin: I think it should be in the range of 12% to 14%.

Ankit Shah: Got it, sir. And secondly, you gave a sense on the revenues from Jammu, but now how would the profitability look? I mean, are we now positive EBITDA margin on that?

Lokesh Bhasin: Yes, so we are pleased to inform that this quarter we have posted a positive EBITDA for Jammu to the tune of INR1 crores to INR1.5 crores.

Ankit Shah: Okay, okay. Got it. Thirdly, there is a rise in other expenses on a Y-o-Y and Q-on-Q basis. So, any, any cost in particular reason especially in light of global supply chain disruption. So, anything you would like to call out there?

Lokesh Bhasin: So, Ankit-ji, if you see from a percentage basis, my other expenses has slightly reduced on a year-on-year basis, but yes overall cost has increased which is commensurate with the increase in my operations also. And yes, as far as that conflict is concerned there was slightly increase in logistics cost which has been duly factored in our overall with the period of time and in overall revenue scenario also. It was not that material.

Ankit Shah: Okay. Got it. And so, in the light of the strong performance in this quarter do you still maintain the guidance of like 20-plus percent or is there a room to upgrade that for this year?

Lokesh Bhasin: So, Ankit ji, whenever we said growth for projective rate is always on a volume basis. So as of now, we are maintaining that we are growing north of 20% on volume. And we would like to maintain that we are very much confident that we should be growing on a 20% plus volume growth in coming period also.

Ankit Shah: Okay. But the business mix tailwinds that should continue for the coming quarters as well or was there anything one-off in this quarter?

Lokesh Bhasin: So, see from an overall business perspective while our front-ending team keeps on working on bringing value to the table and doing value addition to overall kitty. But since there are other macro political and geopolitical reasons which keep on changing. So, we will evolve as and when these things unfolds.

Ankit Shah: And lastly, can you give any updates on the Baddi capex and also capex guidance for this year and next?

Lokesh Bhasin: So as far as our general capex is concerned it will go in normal course of business for both maintenance as well as our certain growth capex to help augment our overall capabilities in our existing manufacturing plants. And in addition to this as we submitted also regarding that Baddi new plot that we bought last year, so the plan as of now is on same line. And we are still working to firm it up. So as and when we will firm it up, we will come to the market with a more concrete plan.

Ankit Shah: Got it sir. Thank you and wish you all the best.

Lokesh Bhasin: Thank you ji. Thank you.

Moderator: Thank you. The next question comes from the line of Pritesh Chheda from Lucky Investment. Please go ahead.

Pritesh Chheda: Sir just on the margin bridge, so Jammu margin is about 1% to 1.5% which means non-Jammu margin is plus 20%. Now we always in our growth phase would have a situation where there will be a new plant which will come up. So, let's say in this phase, where do we see the overall margin heading before the new plant comes in?

Vinay Lohariwala: So, Pritesh ji, if you see the Jammu expansion is a large expansion when you see the existing base. When we done the INR500 crores capex that time let's say the ex-Jammu capex was also like a INR500 crores. So, it's a 100% FAR extension to the existing one. So, the future expansion could not be in a that territory that in a single sort INR1000 crores is not invested.

So, it could be like a tranches of like INR200 crores, INR250 crores. So, drag on the existing margin could not be that much. I think you understand what I am trying to say. Now Jammu is a big project for the company, on the base of the INR500 crores expansion was INR500 crores. Now let's say if we are doing a INR250 crores expansion, then the operational expenses or the depreciation will not be that material for the overall console balance sheet.

So, the question number two that once the Jammu start giving a good EBITDA margin, then the overall margin that is at a level of 15% to 16% should expand.

Pritesh Chheda: Your ex-Jammu margin is 20% today, so should the overall company level margin should move eventually towards 18% to 20% number?

Vinay Lohariwala: So, for margin guidance, we always maintain that 15% to 16% plus-minus 2%. Right. So that because of the growth engine as well as the other things. Right. So, if once the Jammu margin is maturing and the new factor in capex, right, can have the 1% or 2% drag, right. So, assuming 20% is very high expectation. I think it 17%, 18% is the fair number.

Pritesh Chheda: So basically, it's a 20% consistent volume growth with margin improving to 18% in the forthcoming years is where the business model sets in?

Vinay Lohariwala: So, our statement is that 20% volume growth vis-a-vis 20% sales growth. And let you as the analyst decide where the margin should go.

Pritesh Chheda: Okay. And just last question, on the utilization side, the current assets how much more volume growth is possible from the whole combined assets. Is it a two-year volume growth, three-year volume growth that you have with you?

Vinay Lohariwala: So, in the last con-call also we maintain that line that from where the future growth will come? So, one thing is that the existing capacity with the volume growth will saturate, right? So, we need to expand the existing capabilities. Right? So, let's say if we have the general tablet capsule or liquid, we need to expand in that area. The other is that we have the opportunity where we are not present currently.

Like if you see the pharmaceutical is a large plate of the formulations dosage form and therapeutic categories dedicated sections, right, and we are present almost in let's say six or seven categories, right. So, we have that in the past also we expanded one by one in the other area and successfully we have created a good revenue growth because of that as well.

So, both of the engines will work that one is that let expand where we are strong, we are reaching to the saturated capacity, let expand in that area. And number two, let open up the new dosage form or the new therapeutic category area, right, where we are currently not present. Right? So, both the engine can help the company to grow or maintain this 20% plus CAGR in the future.

Pritesh Chheda: Okay. So, there will be ongoing capex in certain categories which are already saturated this year? Correct? Despite Jammu facility despite Jammu facility having being operated at 30% or 25% utilization, because those categories are not there in Jammu. Correct? So, you need to invest. Plus, if you add any new category then there will be an ongoing investment for that new category. That's how we have to assess.

Vinay Lohariwala: Yes. So, let's say Jammu we have expanded in the category of Penem, Beta and Cepha where we have a sufficient capacity looking next two to three years. Where we can have the terms like a general facility of the Baddi portfolio, core Baddi portfolio, right. So in in that category, we need to expand or the basket extension expansions. So, whenever we will zero on that front any strategical concurrent move will be there with the Board approval, we will definitely inform the street and will come back to with that detail proposal.

Pritesh Chheda: Can you give out your growth capex annual growth capex number. As of now, what is your annual growth capex number and annual maintenance capex number for two years?

Lokesh Bhasin: You are talking about previous year.

Pritesh Chheda: No in forthcoming year FY27 and FY28 what will be your growth capex and what will be your maintenance capex?

Lokesh Bhasin: Yes. So, my general maintenance capex will be in range of INR20 crores to INR25 crores. And growth capex when I say growth capex it would be only for my existing capability augmentation or certain debottleneck it should be in the range of same range around INR20 crores to INR30 crores.

Pritesh Chheda: Okay. Until you announce a bigger large newer category or newer greenfield.

Vinay Lohariwala: So, this is basically internal debottlenecking or replacement of the equipment with a better efficiency or doubling the capability of the equipment per se. Whereas few capex goes in the maintenance replacing of the aged asset. So, this too already explained by the Lokesh. And whenever there will be a greenfield project expansion, we will definitely inform the street.

Pritesh Chheda: Thank you very much sir.

Vinay Lohariwala: Thank you.

Moderator: Thank you. The next question comes from the line of Vansh Gupta from Prescient Capital. Please go ahead.

Vansh Gupta: Hi sir, am I audible?

Lokesh Bhasin: Yes please.

Vansh Gupta: Right. Thank you for the opportunity and congratulations on a great set of numbers this quarter. Sir I just wanted to an understanding, the export mix in our revenue has been growing quarter-on-quarter since in the last few quarters. And excluding Jammu margins are close to 20% as of now which you are saying is a one-off case. It's not sustainable, percentage it’s close to 18%.

Would it be fair to assume that given that we are a cost-plus model, and even the fact that we are achieving an 18% margin. That's largely because exports business of ours is a higher margin business and because of increasing contribution from it, our margins are seeing higher than other CDMO players out there. Would that be a fair assumption sir?

Lokesh Bhasin: Vansh, our revenue and margin profile is a combination of a complex business areas as well as geographical market and there is a certain margin profile for each and every business. So that's why we always, because in quarter-to-quarter and period-to-period depending on the market and seasonal conditions, these contribution may slightly keep on changing from period-to-period.

That's why we always maintain that on an average level, our margin profile will remain 15% and 16% blended level, which having a contribution all those business areas and manufacturing capabilities, plus minus 2% to factor all those volatilities. So that's why we maintain a statement that in on a running basis, on a normal BAU basis, our margin profile remains in the range of 15% to 16%, plus minus 2%.

Vansh Gupta: Got it sir. Sir the ex-Jammu margin that we have achieved this quarter, has that also been impacted because of an increase in API prices quarter-on-quarter, given that our gross margins also, if you look at on quarter-on-quarter basis, our gross margins have also improved. So, has that also contributed to our margins?

Lokesh Bhasin: So, as I submitted that out of my revenue growth of 33%, 34%, 20%, 22% comes from volume growth and my existing capabilities have also contributed to that growth. So, it's a combination of my getting optimizing my resources and getting a beneficiary of crossing that operating leverage at the same time ramping up of Jammu has also been contribution to overall scenario, but you are talking about ex-Jammu.

And yes, since we maintain a cost-plus model and transference of our API prices to customers, there may be certain element of that addition also, but not to that material level.

Vansh Gupta: Okay. So, given the gross margins have expanded, would it be fair to assume there have been some positive impact of API price increases on our margins this quarter?

Vinay Lohariwala: So, API price is basically generally a pass through, right? Rather than gain or loss, it is a pass-through model. And when in few cases you can assume that or we can assume that we have the inventory in hand to it can impact positively and in few cases, we have the sales order in hand and we don't have the inventory where it can negatively impact us. So, we do not speculate on the API price, generally our focus is business performance, rather than API prices. In in a broad spectrum our line is that we have the pass-through model.

Vansh Gupta: Understood sir. Thank you for the explanation. And sir on Sharon, I believe we achieved around INR240 crores of revenue last year. How has the revenue growth been this quarter on an year on year basis?

Lokesh Bhasin: So there has been a seasonal impact on Sharon's performance and on a full year level, we expect that it will be continue to growing as our expectation our organic business.

Vansh Gupta: Right, so around 20% year on year growth in Sharon as well.

Lokesh Bhasin: Organic business we always maintain it should be in early teens.

Vansh Gupta: Early teens.

Vinay Lohariwala: So how we are getting the 20% plus is we have covered in our previous con calls as well that early teens from the base businesses and then the top-up flavour that comes from the Jammu. That is the how the company strategy is to achieve 20% plus.

Vansh Gupta: Got it sir. Thank you for that clarity. And sir I believe in the last quarter, we had also discussed that we were developing some semaglutide products. Has there been any new development in the same this quarter?

Vinay Lohariwala: So, the sema, what we have covered in the last con call, the status is as is, we are closely watching, our development and the plant team is working on the batches.

Vansh Gupta: Got it sir. Thank you so much for all the answers sir, wishing you the best of luck. That's all from my side.

Management: Thank you.

Moderator: Thank you. The next question comes from the line of Amrita Maloo from Dhunseri Investments. Please go ahead.

Sudarshan: Hello sir, this is Sudarshan. Congrats on a good set of numbers. I wanted some clarity on the Jammu plant margin profile. Like at the earlier participant asked that our current base business is already doing 20% margin. But still, we are guiding that our overall console margin will range around 16% plus minus. Like if I wanted to understand what's the Jammu plant's margin profile will be?

Vinay Lohariwala: So, Jammu margin profile will be in line with the base business margin profile once it will cross the breakeven line that is already done. So now we estimate that once the Jammu ramp up then most of the margin will go and sit in the contributing margin of at the company level.

Sudarshan: So, sir, like the base business EBITDA margin this quarter is approximately 20%. And our overall reported margin is 16%. And as you mentioned that we have already hit break even, actually positive in this quarter, and as we expect ramp up, our Jammu business margin, you mean to say will come to 20% margin? But then you are not guiding for overall?

Vinay Lohariwala: So multiple times we have covered that our normalized margin let do not take that 20%, let take it in a band of 17% to 18%, right? So, the Jammu will also once 17% to 18% of the margin profile from the base of 16% we should upgrade towards 2% to 3% extension when the Jammu start giving a contributing margin.

Sudarshan: Okay. And sir, like one more few things our Jammu plant at peak will do a revenue of around how much?

Lokesh Bhasin: INR1,400 crores. that is an optimum revenue that we anticipate at a utilization of 65% to 70%.

Sudarshan: Okay. And like sir the margin which we are contemplating for Jammu plant like is this inclusive of the government incentives or that is over and above?

Lokesh Bhasin: No, no, that is already factored in our revenue and overall profitability statements.

Sudarshan: Fair enough sir. Understood. I think for now I am done. I will get back to the queue sir.

Lokesh Bhasin: Thank you.

Vinay Lohariwala: Thank you.

Moderator: Thank you. The next question comes from the line of Nitish Rege from ChrysCapital. Please go ahead.

Nitish Rege: Hello, hi. Hope I am audible.

Vinay Lohariwala: Yes, hi Nitesh. Go ahead.

Nitish Rege: Yes. So just one question, Q1 is generally a weak quarter and we have done 22% volume growth. So, you expect better volume growth in the coming quarters and should we basically assume more than 20% volume growth for this year?

Vinay Lohariwala: Yes, so Nitish, in the last quarter what the statement was that 20% plus growth expected this year. So that is based on the volume growth only keeping the price as a constant, right? So, this after closing the Q1 and in mid of the Q2 we hopefully we will deliver 20% plus volume growth on a year-on-year closing basis.

Nitish Rege: Got it sir. Thank you. That's all.

Moderator: Thank you. The next question comes from the line of Siddhant Mantri from InvesQ Investments. Please go ahead.

Siddhant Mantri: Yes, hi sir. Thank you for this opportunity. I hope I am audible.

Vinay Lohariwala: Yes. Please go ahead.

Siddhant Mantri: Yes sir. So, I wanted to ask on the Jammu plant, how much visibility do we have and what kind of timelines can we assume for optimum level of utilization?

Vinay Lohariwala: So Siddhant, if you see how the business all around the any facility is being developed. Even if you see our Baddi facility or the plant for the Jammu. So, it is augmented by let's say multiple domestic marquee customers, then our presence in the ROW market, regulated market. So once the onboarding of the customer and let's say the product as well, right, customer's audit, country's audit one by one it is cleared then the dossier approvals or the product approvals is being done, then the how the business grow at a steady state.

So initially we have started this facility in the January last year, we have our team have done a wonderful job. A lot of audit is already being done, the plant has been fixed up approved now the last year, right, and adding the flavour of the different ROW countries over and above that, right, and we are expecting that in by the end of this financial year we may have the product approval from the different market also.

So once that all come then the formula one plus one 11 works, right? So that is how we can cross the INR1,000 crores revenue mark from the Jammu. Onboarding of the countries, products, customers, then customers products. So, everything works all together then the ramp up clearly will be visible.

Siddhant Mantri: Yes sir. That's very helpful. And sir, I wanted to ask at what level of steady state utilization should we be looking for the next leg of capex in maybe Jammu or Baddi, at what level of utilization could Jammu reach by maybe this year or second half?

Vinay Lohariwala: So overall guidance we do not want to give at a line-item level, the overall guidance is 20% that specific on the console company level.

Siddhant Mantri: So, is it possible that the H2 will be much higher growth for given that Jammu is ramping up and we have this visibility of newer products and newer geographies almost everything in line? So, is that on the track?

Vinay Lohariwala: Yes. Again, the same, same line that we have already given you factoring in the all line-item ranges, then rolling up to the console level, we have given a fair estimation of the guidance.

Siddhant Mantri: All right. So, we do not see any challenges in the ramp up, right?

Vinay Lohariwala: So, challenges will be always there that we need to overcome from them.

Siddhant Mantri: Okay. No. So my question was coming from...

Vinay Lohariwala: That's why I am saying that it is, it is not the easy job that the company can grow 20% freely, easily. So, challenges will be there, but we need to, our team need to overcome from all these challenges and to prove ourselves that we can grow at 20%, 25%.

Siddhant Mantri: Right sir. Definitely. Sir, any pricing pressure have we seen in this quarter and if you could just throw some light on that?

Lokesh Bhasin: Can you please repeat your question Siddhant?

Siddhant Mantri: Sir, any pricing pressure have we seen on the API side or in any of our products in this quarter?

Vinay Lohariwala: So, this quarter the price is which toward increase side.

Siddhant Mantri: Okay. So [inaudible 00:44:00] continue or we?

Vinay Lohariwala: So that is I always say that our pricing model is pass through. So, we at a certain level we are able to pass through that pricing to the customer.

Siddhant Mantri: Okay. Thank you so much sir. All the best.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, that will be our last question. And I would now like to hand the conference over to management for closing comments. Thank you and over to you.

Lokesh Bhasin: Thank you, everyone, for joining us in this earning call. We appreciate your time and showing interest in our company. In case of any queries, you can get in touch with us or SGA, our Investor Relations Advisors. We look forward to meeting all of you over the next earning calls. Thank you.

Moderator: Thank you. On behalf of Innova Captab Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.