

Innova Captab

12 August 2026

Operator: Ladies and gentlemen, good day and welcome to the Innova Captab Ltd. Q1 FY27 earnings call. As a reminder, all participants' 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 the operator by pressing star and 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 company's beliefs, opinions, and expectations as of the 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 Relations Advisor. I now hand the conference over to Mr. Vinay Lohariwala, Managing Director of Innova Captab Ltd. Thank you, and over to you, sir.

Vinay Lohariwala – Managing Director: Thank you. Good morning, everyone, and thank you for joining us today. It is my pleasure to welcome you all to the Innova Captab Ltd. Q1 FY27 earnings conference call. We have started FY27 on a strong note, delivering year-on-year growth of 34% and 33% in revenue and EBITDA, respectively, for the quarter. The performance is broadly in line with the growth trajectory we outlined for the year and provides further confidence in our ability to deliver on our guidance of 20% revenue growth, with profitability outpacing revenue for FY27. This performance reflects the continued strength of our diversified business model, disciplined execution, sustained customer traction across the CDMO and branded generics businesses.

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 standards has enabled us to strengthen our competitive position and effectively address the evolving requirements of our customers across domestic and international markets.

Coming to our CDMO business, the CDMO business reported revenue of {? 328 ?} during Q1 FY27, reflecting 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 forms. 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 strengthen 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 a scalable manufacturing platform, we are well-positioned to support the growing requirements of our customers while maintaining consistency, efficiency, and compliance.

Coming to our branded generics business, the branded generics business continued to maintain healthy momentum, with revenue of {? 142 crore ?}, representing growth of 39% year-on-year. Our strategy remains focused on strengthening our presence in existing markets and gradually expanding into newer domestic and international geographies. We continue to broaden our product offering and deepen market penetration, supported by our integrated manufacturing and product

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development capabilities. Over the medium and long term, we believe the branded generics business provides us with a significant opportunity to further diversify our revenue base and strengthen our presence across key markets.

Our long-term focus remains firmly aligned with building Innova Captab Ltd. 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 capability utilization across our manufacturing facilities, expanding our capabilities in complex dosage forms, strengthening our R&D platform, deepening customer relationships, and expanding our branded generics presence across key markets. At the same time, we remain committed to deploying capital in a disciplined and prudent manner, with investment being prioritized toward opportunities that offer optimum returns, strengthen our capabilities and competitiveness, and support our long-term growth objectives. We remain confident about the opportunity ahead and are committed to creating sustainable long-term value for all our stakeholders. With this, I would like to hand the call over to our CFO, Mr. Lokesh Bhasin, to take you through the financial performance for Q1 FY27. Thank you.

Lokesh Bhasin – Chief Financial Officer: 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—

Management: —and we remain confident of delivering on our expected growth objectives. With healthy demand across our businesses and continued execution focus, we believe the momentum is sustainable going forward as well.

Consolidated revenue for the quarter stood at Rs.470.9 crores, registering strong year-on-year growth of 34%, 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 Rs.328.7 crores, growing by 32% year-on-year. The growth was driven by an expanding product portfolio, the addition of new customers, and deeper engagement with existing customers, resulting in a higher wallet share. Our branded generics business recorded revenue of Rs.142.2 crores, representing growth of 39% year-on-year, supported by continued traction across our key markets.

On the profitability side, EBITDA for the quarter stood at Rs.75.1 crores, representing growth of 33% year-on-year, with a margin of 16%. Profit after tax for the quarter came in at Rs.44.1 crores, reflecting growth of 42% year-on-year. With this, I would like to conclude our opening remarks and open the floor for questions and answers. Thank you.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question comes from the line of Aanchal Maheshwari from Neredi Investment. Please go ahead.

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Aanchal Maheshwari – Neredi Investment: Hello, sir. I just had two questions. Is it possible to give the breakup for our branded business between domestic and international branded business?

Management: At an overall level, while we normally do not track the further breakup business-area-wise, on an overall consolidated revenue basis, our domestic business is around 70% and our export business is around 30%.

Aanchal Maheshwari – Neredi Investment: Okay, sir. What is our current capacity utilization for our newly commissioned Jammu facility?

Management: The Jammu plant has just started ramping up. If I look at this quarter on an annualized basis, we are looking at capacity utilization of around 25% to 30% on an annualized basis, based on the performance of this particular quarter.

Aanchal Maheshwari – Neredi Investment: And, sir, what are the asset turns that we expect from this particular plant?

Management: At an optimum level, we expect that the asset turns from this plant would be north of 3x.

Aanchal Maheshwari – Neredi Investment: Okay, sir. Thank you so much.

Operator: Thank you. Participants who wish to ask a question may press star and one. The next question comes from the line of Juhi Kumari from Narnolia Financial Services. Please go ahead.

Juhi Kumari – Narnolia Financial Services: Hello.

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

Juhi Kumari – Narnolia Financial Services: 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 net working capital, as management was also aiming for a reduction following the Jammu ramp-up. So, what is the net—

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

Operator: Yes, please go ahead.

Juhi Kumari – Narnolia Financial Services: I was asking whether the net working capital cycle as of June 30, 2024, and also the inventory holding days and trade receivables are normalizing back toward the historical levels following the Jammu ramp-up.

Management: As far as our Jammu ramp-up is concerned, the initial working capital has already been built up and factored in during its initial ramping phase previously. As of now, we are maintaining our expected cash conversion cycle of 90 days plus or minus 10 days at the entire group level.

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Juhi Kumari – Narnolia Financial Services: Okay, okay. Thank you, sir. One more question: how many new products or formulations were commercialized this quarter, and what is the planned R&D spend as a percentage of sales for the remainder of FY27?

Management: Our overall R&D spend generally ranges between around 0.7%–1% of our total revenue. At the same time, there is a continuous flow of new product development, and R&D keeps working on new products with a very strong timeline for commercialization in the short term, medium term, and long term. It is 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 – Narnolia Financial Services: Okay, okay. Thank you so much. That is all.

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

Deepak Ajmera – IGE India: Hi. Am I audible?

Management: Yes.

Deepak Ajmera – IGE India: What is our revenue from the Jammu facility in this month, if you can mention it, or in this quarter?

Management: In this quarter, we have achieved revenue of around 107 crores from Jammu.

Deepak Ajmera – IGE India: Got it. What was the revenue last quarter?

Management: Around 90 crores.

Deepak Ajmera – IGE India: Okay. Is the ramp-up at Jammu a bit slow?

Management: No, sir. The Jammu ramp-up is picking up as we expected. We should also consider that normally in Q1 there is a seasonal impact across the year. From Q2 onward, the normal healthy season starts picking up. In the coming quarters, we expect that the Jammu plant should also ramp up as we anticipate.

Deepak Ajmera – IGE India: Thank you.

Operator: Thank you. A reminder to all participants: to ask a question, please press star and one. The next question comes from the line of Pavitra Jaywant from Prime Investor. Please go ahead.

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

Management: Are you talking about the contribution of these two business areas to our overall revenue growth?

Pavitra Jaywant – Prime Investor: No, sir. I am talking about a conflict of interest. For example, if you have the same product that you are making for your CDMO clients as well as under your own

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branded generics business, would that be considered a conflict of interest? How would that work?

Management: While we have two frontend business areas, CDMO as well as branded generics, from a plant perspective and a manufacturing capability perspective, our branded generics business is considered just like a normal CDMO customer by our plant. From that particular viewpoint, there is no additional treatment or special treatment for our branded generics business. From a manufacturing capability perspective, we are simply producing for both business areas.

At the same time, it is a competitive industry, and whatever products are transferred from the manufacturing plants to our branded generics business are transferred on an arm's-length basis. In an open market, it is open competition. At the same time, it is a normal industry practice and a standard practice to have a CDMO business as well as a branded generics business. Normally, there is no conflict of interest in having both a CDMO business and a branded generics business.

Pavitra Jaywant – Prime Investor: Okay. Thank you, sir.

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

Vedant Nelekar – ICICI Securities: Hello, sir. Am I audible?

Management: Yes, please.

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

Management: The movement in gross margin is a combination of our overall business mix. It is just 1%–1.5% lower year-on-year, which is in the normal course of business and is mainly due to the contribution of our different business mix to the overall performance.

Vedant Nelekar – ICICI Securities: Right. On an overall full-year basis, then, we should not expect a major deviation?

Management: Yes. As of now, we have posted a gross margin of around 35.5%. At the full-year level, this should remain within this range, plus or minus 2%.

Vedant Nelekar – ICICI Securities: Okay, got it. Thank you.

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

Ankit Shah – Canara Robeco AMC: Hi, sir. Thanks for the opportunity, and congratulations on a great quarter. My first question is related to the growth. We have seen 34% year-on-year growth. Can you break it up between volume and realization, and also tell us what the business growth was excluding Jammu?

Management: Ankit, your voice was not very clear. Were you asking for the breakup of the 34% revenue growth between the existing business and Jammu, am I right?

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Ankit Shah – Canara Robeco AMC: Yes, sir, and also volume growth.

Management: Yes. At the overall level, on a revenue basis, if I break this growth into two parts, volume growth is around 22% to 22% year-on-year at an overall manufacturing capability level. The rest of the growth has been fueled by a favorable change in product and sales mix and favorable pricing.

Ankit Shah – Canara Robeco AMC: Right, sir. Of this 22%, excluding Jammu and considering only Baddi, how much would the volume growth have been?

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

Ankit Shah – Canara Robeco AMC: Got it, sir. Secondly, you gave a sense of the revenue from Jammu, but how does the profitability look now? Are we now at a positive EBITDA margin there?

Management: Yes. We are pleased to inform you that this quarter we posted positive EBITDA for Jammu to the tune of 1-1.5 crore.

Ankit Shah – Canara Robeco AMC: Okay, okay. Got it. Thirdly, there has been a rise in other expenses on a year-on-year and quarter-on-quarter basis. Has any particular cost risen, especially in light of the global supply chain disruption? Is there anything you would like to call out?

Management: If you see it on a percentage basis, my other expenses have actually reduced year-on-year. However, the overall cost has increased, which is commensurate with the increase in our operations. As far as that issue is concerned, there was a slight increase in logistics costs, which has been duly factored into our overall costs over time and in the overall revenue scenario as well. It was not material.

Ankit Shah – Canara Robeco AMC: Okay, fine, got it. In light of the strong performance this quarter, do you still maintain the guidance of 20% plus growth, or is there room to upgrade that for this year?

Management: Ankit, whenever we state growth for our projections, it is always on a volume basis. As of now, we maintain that we are growing north of 20% on volume, and we are very confident that we should maintain 20% plus volume growth in the coming period as well.

Ankit Shah – Canara Robeco AMC: Okay, okay. Should the business mix tailwinds continue in the coming quarters as well, or was there anything one-off in this quarter?

Management: From an overall business perspective, while our frontend team keeps working on bringing value to the table and adding value to the overall mix, there are other macroeconomic, political, and geopolitical reasons that keep changing. We will evolve as these factors unfold.

Ankit Shah – Canara Robeco AMC: Lastly, can you give any updates on the Baddi CAPEX and also the CAPEX guidance for this year and next year?

Management: As far as our general CAPEX is concerned, it will continue in the normal course of business for both maintenance and certain growth CAPEX to help augment our overall capabilities in our existing manufacturing plants. In addition to this, as we had also committed regarding the

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new Baddi plot that we bought last year, the plan is currently at a baseline stage, and we are still working to firm it up. As and when we firm it up, we will come to the market with more concrete plans.

Ankit Shah – Canara Robeco AMC: Got it. Thank you, and I wish you all the best.

Management: Thank you.

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

Pritesh Chheda – Lucky Investment: Sir, just on the margin bridge, Jammu margin is about 1% to 1.5%, which means non-Jammu margin is above 20%. We know that in our growth phase, there will be a situation where a new plant will come up. In this phase, where do we see the overall margins heading before the new plant comes in?

Management: Pritesh, the Jammu expansion is a large expansion when compared with the existing base. When we did the 500 crore CAPEX, the ex-Jammu CAPEX was also approximately 500 crores. So, it was a 100% FA expansion relative to the existing capacity.

Future expansion may not be of that scale, where 1,000 crores is invested in a single shot. It could be in tranches of 200 crore or 250 crore. Therefore, the drag on the existing margin may not be that significant. If you understand what I am trying to say, Jammu is a large project for the company. Against the base of 500 crores, the expansion was 500 crores. If we are doing a 250 crore expansion, the operating expenses or depreciation will not be that material for the overall consolidated balance sheet.

The answer to the second part of your question is that once Jammu starts giving a good EBITDA margin, the overall margin, which is currently at a level of 15% to 16%, should expand.

Pritesh Chheda – Lucky Investment: The ex-Jammu margin is 20% today, so should the overall company-level margin eventually move toward 18% to 20%?

Management: We always maintain margin guidance of 15% to 16%, plus or minus 2%, because of the growth engine as well as other factors. Once the Jammu margin matures, new factory CAPEX can create a 1% or 2% drag. Assuming 20% would be a very high expectation. I think 17%–18% is a fair number.

Pritesh Chheda – Lucky Investment: Okay. So, basically, instead of 20% consistent volume growth with the margin improving to 18% in the forthcoming years, that is how the business model factors in?

Management: Our statement is that we expect 20% volume growth with 20% sales growth, and the margin should be analyzed separately to determine where the margin should move.

Pritesh Chheda – Lucky Investment: Okay. Just one last question on the utilization side. With the current assets, how much more volume growth is possible from the whole combined asset? Is it two years of volume growth or three years of volume growth that you have?

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Management: In the last conference call also, we maintained the point regarding where future growth will come from. One thing is that the existing capacity will reach saturation with volume growth. Therefore, we need to expand the existing capabilities. For example, if we have general tablets, capsules, or liquids, we need to expand in those areas.

The other opportunity is in areas where we are not currently present. If you look at pharmaceuticals, it is a large bouquet, covering a broad range of formulations, dosage forms, and dedicated therapeutic categories. We are currently present in approximately six or seven categories. In the past also, we expanded one by one into other areas, and we have successfully seen good revenue growth as a result.

Both our growth engines will work together. The first is to expand in areas where we are strong and are reaching saturated capacity. The second is to open up new dosage forms or new therapeutic-category areas where we are currently not present. Both engines can help the company grow or maintain a 20% plus CAGR in the future.

Pritesh Chheda - Lucky Investment: So, there will be ongoing CAPEX in certain categories that are already saturated this year, despite the Jammu facility operating at 30% or 25% utilization, because those categories are not present in Jammu, correct? Therefore, you need to invest. In addition, if you add any new category, there will be ongoing investment for that new category. That is how we have to look at it.

Management: Yes. Jammu has been expanded in the categories of Penem, Beta, and Cepha, where we have sufficient capacity for the next 2-3 years. The turns in those categories are like a general facility of the Baddi portfolio. Therefore, we need to expand in that category or expand the basket.

Whenever we finalize that plan, and there is any strategic and concrete move with board approval, we will definitely inform the street and come back with that detailed proposal.

Pritesh Chheda - Lucky Investment: Can you give us your annual growth CAPEX number as of now, along with your annual maintenance CAPEX number for the next 2 years?

Management: Are you talking about the previous year?

Pritesh Chheda - Lucky Investment: No. I am asking about the upcoming years, FY27 and FY28. What will be your growth CAPEX and what will be your maintenance CAPEX?

Management: Our general maintenance CAPEX is within the range of 20 to 25 crores. Growth CAPEX, when I refer to growth CAPEX, would be only for augmenting existing capabilities or for certain debottlenecking activities. It should be in the same range, around 20-30 crores.

Pritesh Chheda - Lucky Investment: That is until you announce a larger new category or a new upgrade.

Management: This is basically internal debottlenecking or replacement of equipment with more efficient equipment, or doubling the capability of the equipment itself. Some CAPEX goes toward maintenance and replacement of aged assets. These two points were already explained by Lokesh. Whenever there is a greenfield project expansion, we will definitely inform the street.

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Pritesh Chheda – Lucky Investment: Okay. Thank you very much.

Management: Thank you.

Operator: Thank you. Participants who wish to ask a question may press star and one. The next question comes from the line of Vansh Gupta from President Capital. Please go ahead.

Vansh Gupta – President Capital: Hi, sir. Am I audible?

Management: Yes, yes.

Vansh Gupta – President Capital: Thank you for the opportunity, and congratulations on a great set of numbers this quarter. I wanted to get an understanding of the export mix. Our revenue has been growing quarter-on-quarter for the last 2 quarters. Excluding the ex-Jammu margin, that is close to 20% as of now, which you gave as a one-off case and said is not sustainable, with sustainable margins being close to 18%. Would it be fair to assume that, given that we are a cost-plus model, even the fact that we are achieving an 18% margin is largely because our export business has a higher margin, and because of the increasing contribution from exports our margins are higher than those of other CDMO players? Would that be a fair assumption?

Management: Our revenue and margin profile is a combination of complex business areas as well as geographical markets, and there is a certain margin profile for each business. That is why we always maintain that, from quarter to quarter and period to period, depending upon market and seasonal conditions, these contributions may change slightly from one period to another.

That is why we always maintain that, on an average basis, our margin profile will remain at a 15% to 16% blended level, with contributions from all those business areas and manufacturing capabilities, plus or minus 2% to factor in all those volatilities. That is why we maintain that, on a running basis and under normal business-as-usual conditions, our margin profile will be in the range of 15% to 16%, plus or minus 2%.

Vansh Gupta – President Capital: Got it, sir. Has the ex-Jammu margin that we achieved this quarter also been impacted by an increase in API prices quarter-on-quarter? Our gross margins have also improved on a quarter-on-quarter basis. Has that also contributed to our margins?

Management: As I mentioned, out of our revenue growth of 33%-34%, 20%-22% comes from volume growth, and our existing capabilities also contributed to that growth. It is a combination of optimizing our resources and benefiting from crossing operating leverage. At the same time, the ramp-up of Jammu has also contributed to the overall scenario that you are referring to as ex-Jammu.

Since we maintain a cost-plus model and provide transparency regarding basic raw materials to the customer, there may be certain elements of that addition as well, but not at a material level.

Vansh Gupta – President Capital: Given that gross margins have expanded, would it be fair to assume that there has been some positive impact from API price increases on our margins this quarter?

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Management: API prices are generally passed through. Rather than being a gain or loss, it is a pass-through model. In a few cases, we may have inventory in hand, which can impact us positively. In other cases, we may have a sales order in hand but not have the inventory, which can impact us negatively. We do not speculate on API prices. Generally, our focus is business performance rather than API prices. Broadly, our position is that we operate under a pass-through model.

Vansh Gupta – President Capital: Got it, sir. Thank you for that explanation. Regarding Shardun, I believe we achieved around 240 crores of revenue last year. How was the revenue growth in this quarter on a year-on-year basis?

Management: There has been a seasonal impact on Shardun's performance. At a full-year level, we expect that it will continue to grow in line with our expectations for the organic business.

Vansh Gupta – President Capital: So, around 20% year-on-year growth in Shardun as well?

Management: We always maintain that the organic business should grow in the early teens. The early teens. The way we are achieving 20% plus is that, as we have covered in our previous conference calls, the base businesses contribute growth in the early teens, and the additional contribution comes from Jammu. That is how the company's strategy is designed to achieve 20% plus growth.

Vansh Gupta – President Capital: Right. Thank you for that clarity. In the last quarter, we had also discussed that we were developing some semi-Beta products. Has there been any development in this area during the quarter?

Management: Regarding the semi-Beta products that we covered in the last conference call, the status remains unchanged. We are closely monitoring the development, and the plant team is working on it.

Vansh Gupta – President Capital: Got it, sir. Thank you so much for your answers. I wish you all the best of luck.

Management: Thank you, thank you.

Operator: Thank you. The next question comes from the line of Amrita Malu from Sunidhi Investment. Please go ahead.

Amrita Malu – Sunidhi Investment: Hello, sir. Good afternoon. Congratulations on the good set of numbers. I want some clarity on the Jammu plant margin profile, as mentioned earlier. Our Jammu business is already at a 20% margin. Since we are guiding that our overall consolidated margin will be around 16%, plus or minus, I wanted to understand the Jammu plant's margin profile generally.

Management: The Jammu margin profile will be in line with the base business margin profile once it crosses the breakeven line, which it has already done. We estimate that once Jammu ramps up, most of the margin will contribute to the company-level margin.

Amrita Malu – Sunidhi Investment: The base business EBITDA margin this quarter is approximately 20%, while our overall reported margin is 16%. As you mentioned, we have already reached

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breakeven and were actually positive this quarter. As we expect Jammu to ramp up, our Jammu business margin in the future will reach a 20% margin. But then you were guiding for overall—

Management: No, no. We have covered multiple times that, for our normalized margin, let us not take 20%; let us take it in the band of {? 17–18% ?}. Jammu, once the volume ramps up, will also reach {? 17–18% ?} of the margin profile. From the base of {? 15% ?}, we should see an expansion of 2% to 3% once Jammu starts contributing to the margin.

Amrita Malu – Sunidhi Investment: Okay, okay. One more thing: at its peak, what revenue will our Jammu plant generate approximately?

Management: 1,000–1,200, which is the optimum revenue that we anticipate at a utilization level of 65%–70%.

Amrita Malu – Sunidhi Investment: And is the margin that we are contemplating for the Jammu plant inclusive of the government incentive, or is that over and above it?

Management: No, no. That is already factored into our revenue and overall profitability statement.

Amrita Malu – Sunidhi Investment: Understood, understood. I think I am done for now. Back to the queue.

Management: Thank you. Thank you.

Operator: Thank you. The next question comes from the line of Nitesh Shrege from Chris Capital. Please go ahead.

Nitesh Shrege – Chris Capital: Hello, hi. I hope I am audible.

Management: Yes, hi Nitesh, go ahead.

Nitesh Shrege – Chris Capital: I have just one question. Q1 is generally a weak quarter, and we have delivered 22% volume growth. Do you expect better volume growth in the coming quarters, and should we basically assume more than 20% volume growth for this year?

Management: In the last quarter, the statement was that 20% plus growth was expected this year. That is based only on volume growth, keeping price constant. After closing Q1 and in the middle of Q2, we hope to deliver 20% plus volume growth on a year-on-year closing basis.

Nitesh Shrege – Chris Capital: Got it, got it. Thank you. That is all from my side.

Management: Thank you.

Operator: Thank you. The next question comes from the line of Siddhant Mantri from Invest Investment. Please go ahead.

Siddhant Mantri – Invest Investment: Hi, sir. Thank you for this opportunity. I hope I am audible.

Management: Yes, yes, please go ahead.

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Siddhant Mantri – Invest Investment: I wanted to ask about the Jammu plant. How much visibility do we have, and what kind of timelines can we assume for reaching an optimum level of utilization?

Management: Siddhant, if you see how the business around the Baddi facility is being developed, our Baddi facility and the Jammu plant are being augmented by multiple domestic marquee customers, as well as by our presence in the ROW and European markets.

Once the onboarding of the customer and the product takes place, and the customer audits and country audits are cleared one by one, the dossier approvals or product approvals are completed, and then the business grows at a steady state. We initially started this facility in January last year. Our team has done a wonderful job, and a lot of audits have already been completed. The plant received PIC/S approval last year. In addition to that, we are adding coverage of different ROW countries, and we expect that in this financial year, by the end of this financial year, we may receive product approvals from different markets as well.

Once all of that comes together, the formula $1+1=11$ works. That is how we can cross the 1,000 crore revenue mark from Jammu. The onboarding of countries, products, customers, and customers' products all has to take place. Once everything works together, the ramp-up will clearly be visible.

Siddhant Mantri – Invest Investment: That is helpful. At what level of steady-state utilization should we be looking for the next leg of CAPEX in Jammu or Baddi? At what level of utilization could Jammu reach by this year or by the second half?

Management: We do not want to give guidance at a line-item level. The overall guidance is 20% at the consolidated company level.

Siddhant Mantri – Invest Investment: Is it possible that H2 will deliver much higher growth, given that Jammu is ramping up and we have visibility of newer products and newer geographies, with almost everything in line? Is that on track?

Management: Again, the same point applies. We have already factored in all line-item ranges, which roll up to the consolidated level, and we have given a fair estimation of the guidance.

Siddhant Mantri – Invest Investment: So, we do not see any challenges in the ramp-up?

Management: Challenges will always be there, but we need to overcome them.

Siddhant Mantri – Invest Investment: My question was coming from the—

Management: That is why I am saying that it is not an easy task for the company to grow 20% freely and easily. Challenges will be there, but our team needs to overcome all these challenges and prove that we can grow at under 25%.

Siddhant Mantri – Invest Investment: Right, sir. Have we seen any pricing pressure this quarter? If so, could you throw some light on it?

Management: Can you please repeat your question, Siddhant?

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12 August 2026

Siddhant Mantri – Invest Investment: Have we seen any pricing pressure on the API side or in any of our products this quarter?

Management: Prices were on the increased side this quarter.

Siddhant Mantri – Invest Investment: So, basically, there was no pressure or—

Management: Our pricing model is always a pass-through model. At a certain level, we are able to pass that pricing through to the customer.

Siddhant Mantri – Invest Investment: Okay, okay. Thank you so much, sir. All the best.

Management: Thank you. Thank you. Thank you.

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

Management: Thank you, everyone, for joining us on this earnings call. We appreciate your time and your 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 on the next earnings call. Thank you.

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

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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