BLUE JET
HEALTHCARE

BLUE JET HEALTHCARE LIMITED

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August 07, 2026

To,

BSE Limited Phiroze Jeejebhoy Towers Dalal Street Mumbai - 400 001 **Scrip Code (BSE): 544009**	**National Stock Exchange of India Limited** "Exchange Plaza" Bandra-Kurla Complex, Bandra (East) Mumbai – 400051 **Symbol: BLUEJET**

Sub: Transcript of the Earnings Call with Analysts/Investors on Financial Results for the quarter ended June 30, 2026

Dear Sir / Ma'am,

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, please find enclosed the transcript of the Earnings Call with the Analysts/ Investors on the Financial Results for the quarter ended June 30, 2026 held on August 03, 2026.

The same is also available at: https://bluejethealthcare.com/investor-presentation/

You are requested to take the same on record.

Thanking you,

Yours faithfully,

For **Blue Jet Healthcare Limited**

Sweta Poddar
Digitally signed by Sweta Poddar
Date: 2026.08.07 10:29:13 +05'30'

Sweta Poddar
Company Secretary & Compliance Officer
(M. No.: F12287)

"Blue Jet Healthcare Limited

Q1 FY27 Earnings Conference Call"

August 03, 2026

MANAGEMENT:	**MR. SHIVEN ARORA – MANAGING DIRECTOR**
	MR. V.K. SINGH – CHIEF OPERATING OFFICER
	MR. GANESH KARUPPANNAN – CHIEF FINANCIAL OFFICER
	MR. SANJAY SINHA – DEPUTY CHIEF FINANCIAL OFFICER
MODERATOR:	**MR. ADVAIT BHADEKAR – ERNST & YOUNG**

Moderator: Ladies and gentlemen good day and welcome to the Blue Jet Healthcare Limited Q1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Advait from EY. Thank you. Over to you, sir.

Advait: Thank you, Shruthi. Good evening, and warm welcome, everyone, to Q1 FY27 Earnings Call of Blue Jet Healthcare Limited. Please note the investor presentation and the financial results are available on the company's website and the stock exchanges. Also anything said on this call, which reflects our outlook for the future or which should be construed as a forward-looking statement must be reviewed in conjunction with the risks that the company face.

The conference call is being recorded under transfer along with audio of the team will be made available on the company website, as well as on the Exchanges. Please also note that the audio of the conference call is the corporate material of Blue Jet Healthcare Limited and cannot be copied, rebroadcasted or attributed in press or media without a written consent of the company.

From the management, we have with us Mr. Shiven Arora, Managing Director; Mr. V.K. Singh, Chief Operating Officer; Mr. Ganesh Karuppannan, Chief Financial Officer and Mr. Sanjay Sinha, Deputy Chief Financial Officer.

Now I request Mr. Shiven Arora; Managing Director of Blue Jet Healthcare Limited to provide you with the updates for the quarter ended 30th June 2026. Thank you and over to you, sir.

Shiven Arora: Thank you, Advait. Good evening, everyone and thank you for joining us today. The first quarter of FY27 marks an encouraging start to the financial year and reflects improving business momentum across our core businesses. Over the past 2 years, we have remained focused on strengthening Blue Jet's manufacturing capabilities, expanding our R&D infrastructure and deepening our customer partnerships.

FY26 was a year of building the foundation for the next phase of growth, and we are pleased to see the early benefits of these investments beginning to reflect in our operating performance. During the quarter, we reported revenue from operations of INR293 crores and an EBITDA of INR98 crores, reflecting healthy sequential improvement. Ganesh will take you through the financial performance in greater detail.

The improvement during this quarter was primarily supported by stronger performance in our PI vertical, following the normalization of our customer inventory while the contrast media and high-intensity sweetener businesses continue to provide stability and diversification to our portfolio.

Alongside the improvement in business performance, we continue to make meaningful progress on our long-term strategic initiatives. Execution activities at our Vizag project have commenced with key statutory approvals in place, engineering activity is progressing as planned.

Our Hyderabad R&D center also remains on-track and is expected to become operational during the current month. Further strengthening our ability to support customer development and expand our chemistry capabilities. At Unit 3, backward integration project continues to progress well and remains on-track with commercial contribution expected during the second half of FY27.

The successful completion of our QIP, marks an important milestone in Blue Jet's growth journey. It not only strengthens our balance sheet, but also provides us with the financial flexibility to accelerate the execution of our long-term strategy. Our vision for Vizag, extends well beyond capacity expansion. We are building a future-ready manufacturing and innovation platform that will significantly expand our capabilities across GMP intermediates, complex APIs and CDMO manufacturing.

The facility is being designed with flexibility to support multiple chemistry platforms, including high potency manufacturing capabilities, enabling us to participate in a broader range of innovator-led development and commercial programs.

Together with our Hyderabad R&D Center, Vizag will create an integrated platform from process development and scale up through to commercial manufacturing allowing us to strengthen our partnerships with global pharmaceutical and biotechnology companies. Our long-term ambition is to establish Blue Jet as a globally recognized partner in complex chemistry combining scientific innovation, manufacturing excellence and deep customer collaboration to create sustainable value for our stakeholders.

As we look ahead, we remain encouraged by the improving visibility across our businesses. The normalization in our PI Intermediate business, continued momentum in contrast media, execution of our strategic expansion projects and strengthening product pipeline, collectively reinforce our confidence in the company's medium and long-term growth trajectory.

To conclude, we believe this quarter represents more than an improvement in operating performance. It reflects the early outcome of investments we have been making over the several years. and strengthens our confidence in Blue Jet's long-term growth strategy. Thank you once again for your continued trust and confidence in Blue Jet Healthcare.

I now invite Mr. V.K. Singh to take you through the operational and product development updates following with our CFO, Mr. Ganesh, who will discuss the financial performance in greater detail. Thank you.

VK Singh: Thank you, Shiven, and good evening, everyone. As Shiven mentioned at the outset, we have started FY27 with a very encouraging quarter, reinforcing the momentum that we are building across our product verticals. However, our focus continues to remain well beyond quarterly performance.

Our objective is to build a globally competitive innovation-led CDMO platform capable of supporting customers from development through commercial manufacturing cycle. This journey is anchored on 2 strategic pillars: globally competitive manufacturing infrastructure and differentiated R&D capabilities.

At Unit 3, as Shiven briefly mentioned, Mahad, we are establishing a globally scaled manufacturing facility for strategically important contrast media intermediates. Once commissioned later this calendar year and here, I must emphasize that earlier, we had guided H2, but I think we are slightly ahead of schedule here. This project will position Blue Jet amongst the most vertically integrated players within the global contrast media value chain.

Beyond improving cost competitiveness, this project enhances supply security, quality consistency and strategic independence in the increasingly dynamic global environment. We have invested already about INR210 crores on this project with a further INR40 crores committed in the next couple of months to complete this phase. In addition to supporting our internal requirements, we also see opportunities to supply select upstream products to third-party customers, creating additional revenue opportunity over time.

Our next major growth platform is Vizag, where we have secured approximately 100 acres for long-term expansion. In Phase 1, we will focus on expanding our contrast media manufacturing footprint, establishing a multipurpose finishing block creating flexible manufacturing capacities for select commercial opportunities, including potential lateral entries, developing capacity for a new high-intensity sweetener currently under pilot validation and establishing a multipurpose intermediate cluster to support increasing customer demand across subside fragments and related chemistry platforms. This phase represents an investment of approximately INR1,000 crores over the next 3 years.

Importantly, we have received the consent to establish and engineering and preconstruction activities are progressing well and in full swing. A significant part of Phase 1 capacity has been planned against identified customer opportunities and business visibility which we believe will help shorten the journey from commissioning to commercialization.

What differentiates this investment is not merely the creation of additional capacity, but the flexibility of the platform. We are consciously designing Vizag to support multiple chemistry platforms, multiple customers and multiple product lifecycles, allowing us to respond efficiently to evolving marketing opportunities in the coming years.

Innovation continues to remain central to our long-term strategy and a core driver for value creation. Our upcoming R&D center has been designed to significantly strengthen our CDMO capabilities across future-oriented chemistry platforms, including peptides, GLP-1 intermediates, biocatalysts, continuous manufacturing and flow synthesis and complex synthetic pathways.

First phase is expected to become operational during this month itself. And we have already onboarded the critical scientific talent to accomplish what we have set out for Phase I. This investment will significantly enhance our ability to respond faster to customer requirements and expand our portfolio for differentiated products. Over the last few quarters, we have consistently spoken about strengthening our development pipeline.

We are now beginning to see tangible conversion of that opportunity funnel into executable programs. During FY27, we expect to launch 3 candidates within the Contrast Media segment alongside initiating pilot activities for a new high-intensity sweetener.

From approximately 20 high conviction NCE opportunities we have been tracking, we now have visibility for 4 programs with the chronic therapy space which are progressing well through customer development activities. Collectively, these investments strengthen not only our manufacturing footprint, but also our ability to participate in larger, more complex and longer duration customer programs.

Sustainability is a value very close to our heart and integral to how we create value. Approximately 70% of our energy consumption is sourced through renewable energy, including wind and solar. We are also pleased to have received the EcoVadis Silver Medal, reflecting continued improvement in our sustainability performance in addition to the CII National Award for Excellence in Energy Management, which we announced in the last call.

As we look ahead, our priorities remain unchanged. We will execute with discipline. We will strengthen our technology platforms, deepen customer partnerships and create sustainable long-term value for all our stakeholders. Thank you. And with this, I hand it over to Ganesh to take you through the financial review.

Ganesh Karuppannan: Hi. Good evening. I will start with high-level operational performance. During this quarter, we reported a turnover of INR293 crores, an increase of 25% over previous quarter. Our reported gross margin at 53% is a reduction of 3% over previous quarter and reported operating EBITDA is 33.5% compared to 30.4% in the previous quarter, an increase of 3%.

Our profit after tax for the quarter is 26.7% against 27.4% in the previous quarter, a reduction of 0.7%. Now getting into details of sales. The growth in turnover was driven by PI and API segment. We have restarted the supply of intermediate, which was impacted by destocking by the customer in the last few quarters. Given the order visibility in this particular molecule, we believe this performance can be sustained for FY27.

Although Contrast Media declined, we had indicated in the past that revenues from certain customers are recognized only when the product reaches the customer location as per commercial terms.

During this quarter, there were transit delays due to non-availability of containers and longer transit time due to current geopolitical situation. Due to these factors, we had higher goods in transit during the closing of the quarter compared to previous quarter, resulting in lower recognized sale. To recall, Q4 '26 also was an exceptional quarter for contrast media as customer had strong off-take.

Moving on to raw materials. We have seen significant increase in raw material price across board post geopolitical situation to be very precise from March. Raw material price increase has partially impacted Q1 performance as material consumed were more from purchases made in the previous quarters. Given the current geopolitical situation, raw material pricing trend will be uncertain in the period to come, and it will be difficult to forecast the impact in the current scenario.

Moving on to gross margin. Reported gross margin at 53% is lowered by 3% compared to previous quarter. This reduction is partially through raw material price increase and due to product mix. Being in the CDMO business, our customers are resilient enough for a pass-through of raw material cost variance with a few quarter gap.

Moving on to operating EBITDA. Our operating EBITDA at 33.5% is an increase of 3% over previous quarter. This expansion of gross EBITDA margin is on account of operating leverage on a higher sale. Profit after tax at 26.17% is lower by 0.7% than the previous quarter. We had higher other income in the previous quarter, driven by exchange price gain.

Moving on to capex. Our expected capital expenditure for the next three years will be INR1,000-odd crores, and we expect to spend approximately INR250 crores in FY27. With this, we open up the floor for Q&A.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Samitinjoy from Kotak Institutional Equities.

Samitinjoy: Hi sir, good afternoon. My first question is related to our contrast media business. So our revenues declined by around 40% on a sequential basis. Ganesh sir, you highlighted that there was certain recognition of revenues, which were actually postponed to the next quarter.

So could you quantify this quantum of revenues, which will be recognized in 2Q? And also in this context if you could provide the utilization levels for contrast media for us in 1Q and in the previous quarters as well?

Ganesh Karuppannan: Maybe I'll just take the first question. Closing cut-off, what you call goods in transit is higher by INR30-odd crores compared to opening cut off. But in other words, the goods in transit is higher by INR30 crores. And in a nutshell, that is the sales we would be recognizing in the next quarter.

Samitinjoy: Can you give any colour on the utilization levels?

Ganesh Karuppannan: Plant utilization level?

Samitinjoy: Yes.

Ganesh Karuppannan: That we are at 70-odd percent steady. So, in terms of production, there is absolutely no change. If you look at from production to dispatches that is going at 100%.

Samitinjoy: Okay. Okay. My second question, so for the Iodinated Contrast Media Intermediate, has there been any development towards supply of commercial batches or are validation batch is still ongoing?

Ganesh Karuppannan: We hope to start the commercial batches very shortly. We would see some positive trend either by end of Q2 or beginning of Q3.

Samitinjoy: Okay. End of Q2 or beginning of Q3. And thirdly, just another bookkeeping question. So the other operating income for us this quarter was INR16.5 crores. So what was the main reason for this jump? It used to be earlier around INR2- INR3 crores.

Ganesh Karuppannan: I think a couple of things. One is on foreign exchange gain. Second, we also have higher interest income. Because if you notice our total investment in mutual fund is also going up. But if you compare it with Q4, Q4, we had a much higher forex gain and certain insurance claim. So that's why like if you compare it with Q4, the number would be lower by INR7 crores. But I would actually attribute the predominant part of INR15-INR16 crores to bid more on forex.

Samitinjoy: No, sir, actually, I was talking about other operating income. So the revenues on that...

Ganesh Karuppannan: So the other operating income is driven by byproduct sales. And this is actually like linked to the product mix, what we have and the byproduct which is generated. So if the product mix has more of PI-API, to that extent, you will have higher other income.

Samitinjoy: Does that mean that we are, like, the entire incremental INR14 crores that is pertaining to the PI API segment? Or how do you perceive this?

Ganesh Karuppannan: Sorry, that's what you are referring to is export incentive. That will be based on our export commitment, whatever we have.

Samitinjoy: Do we expect this quarterly run rate to sustain in FY27.

Sanjay Sinha: It depends on your exports. So its just as a percentage on your export where we break this incentive. So it will be the same range. If you see the percentage to exports that will be the ratio. The export is a breakeven.

Samitinjoy: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Sanjesh from ICICI Securities.

Sanjesh: Yes, thank you and good evening to all. Thanks for taking my questions. First question on the Bempedoic, this quarter, PI API has jumped quite sharply. Can you help us understand what is the visibility for PI API and unlike last time, will be equally volatile, lumpy? Or you think the incremental inventory or incremental sale is because it is more linked to how the end market is growing, so it will be more secular. How should we think about PI API revenue?

VK Singh: Hi Sanjesh. I think both. So there is clear secular growth at the front end. So the formulation market or the prescriptions of the patients, there is very consistent consumption and very strong monthly or quarter-on-quarter growth. On our side, we have a strong order book now. And the plant is running very consistently. Production is happening consistently. So at least for the next 3 or 4 quarters, I think we have very good visibility.

Sanjesh: Okay. Got it. Second, on the price increases, we said that it comes with a lag for the contract. I think that's true for most of the contracts. I don't think we would have had any material pricing pass-through in this quarter. On a blended basis of the portfolio, how much price increase are we expecting largely because of the increase in the raw material prices?

Ganesh Karuppannan: See, there is no price increase clause which we have triggered in this quarter.

Sanjesh: Okay.

Ganesh Karuppannan: To answer your question, see, it is a combination of price increase as well as rupee devaluation, okay? So there is a price increase, which is actually getting offset by rupee devaluation. Being a long-term contract, we actually like watch for raw material price to stabilize.

As we speak, we are looking at August trend. And we will be actually like on a case by case, we will actually evaluate how this price increase would be actually passed on.

Shiven Arora: Yes. I think just to add on to that, I think, Sanjesh, the situation is a bit dynamic, but being the segments that we operate in, I think the customers are quite flexible in understanding the situation and I think it's a known fact and they've been very supportive so far. I mean, our contractual indicators, but in general also, across the board, there's a lot of increase in the solvent prices you might be also aware of.

Sanjesh: Got it. The last question on the Mahad capex, now we are spending INR250 crores. I know a small portion goes into APD CPT, but what else we are planning to use Mahad facility for?

Shiven Arora: I think the immediate focus would be to validate this production line and scale up these quantities. But this particular capex that we have done, I think it helps us to make a few derivatives for contrast media just like APD CPT, there are other derivatives also that we can evaluate. It's a flexible line. And so far, we're just validating the equipments over there. And hopefully, we'll start the production as we VK mentioned.

Sanjesh: And just to add on to it, are we registered for the APD CPT because I think that would be one of the requirements from -- because it's a pharma product, right?

VK Singh: Sanjesh, this is very confidential. We cannot really speak on these aspects. So we are tied with very strong CDAs. I mean we -- I think it will be inappropriate on our part to share anything more than what we have.

Sanjesh: That's fine. Just one thing. We were also planning to do the new high-intensity sweetener here, sample batches, we still intend to do that. Does the plant has the capability to do that? Or we need to wait for Vizag plant to commercialize for our new high-intensity sweetener to rollout?

VK Singh: As we mentioned, right now, we are in the pilot stage. So the pilot is happening in our existing facility. And the real scale up will happen from Vizag, you're absolutely right.

Sanjesh: But some revenue will start kicking in from the existing facility, right?

VK Singh: Let's see. But yes, that should happen.

Sanjesh: And the last one on the -- any new product pipeline, you want to talk about some late stages we have been talking about for the last few quarters. Where are we in the process and any success there which could come in '27 or '28.

VK Singh: We feel that at least 2 of these opportunities, the high conviction opportunities, which are shaping up well, should fructify in the time frame that you have mentioned, how large they would be we should neither guess nor guide at this moment. But the 2 that we are talking about are interesting and significant opportunities with the innovators.

Sanjesh: With the innovator?

VK Singh: Yes.

Sanjesh: Got it. One last on the R&D efforts, the new facility at the Hyderabad, what will be the focus area there in that facility?

VK Singh: So Sanjesh, I think you are very well conversant with the platforms that we are very strong in and the platforms on which the current business is built on. Going forward, we thought that there should be platform diversification not led to be able to increase our addressable market. But because of the CDMO tailwind that we are seeing the inquiries that we started getting were also on many occasions and platforms, which were those which we did not have.

So the new R&D setup will have certain new platforms which we spoke about and significant RFPs are coming on that side, and that was the reason that we have very -- on a very, very rapid scale onboarded very good pedigree talent for that R&D.

Moderator: The next question is from the line of Naveen Baid from Nuvama AMC.

Naveen Baid: I just wanted to check on the rise in the PI API segment. Is it only to do with our supplies to Europe? Or have we also started to supply to Japan?

VK Singh: I would say we'll guide you at the appropriate time. At this stage, the businesses that we had, we have extremely good visibility and a very strong order book. But at the right time, we'll specifically guide you on that. All that we can probably say at this point of time is that as suppliers of intermediate, we are globally qualified.

Naveen Baid: Got it. And when we speak of the visibility being there for the rest of the year, are we also accounting for the 2 or 3 molecules and a couple of lateral entries that we have been seeing off in recent times? Or this is only for the existing portfolio?

Shiven Arora: So we are accounting for some new opportunities. But since -- as you understand that whenever we get to these new products, which are in different NCE phases, then the first phase is the trial quantities or the validation quantities. So those small quantities are factored in, but the main bulk of what we believe, we will do on the PI segment will be from the existing portfolio -- existing commercial portfolio.

Naveen: Got it. That's helpful. Thank you.

Moderator: The next question is from the line of Aaryan Mehta from Shravas Capital. Please proceed.

Aaryan Mehta: A large custom synthesis player in the latest earnings call commented about signing long-term contracts with 2 customers for iodine-based contrast media. So, commercialization for one has already started and they might even enter gadolinium. So, should we consider this as a tailwind considering that we can sell them KSMs or intermediates or are they backward integrated enough so this could be a headwind for us. So I'd like to...

Shiven Arora: I don't know if the question is for us, I guess, but difficult to answer it without knowing the company you spoke about?

Aaryan Mehta: Divis recently mentioned this in their earnings call that they have signed long-term contracts?

Shiven Arora: But I don't think so we gave any customer-specific guidance.

Aaryan Mehta: Okay. So, can this be a tailwind for us considering they can be a potential customer? Or do you see this as competition?

Shiven Arora: Not to answer this question at this point in time.

Aaryan Mehta: Okay. Sure. And so, the 4 programs that you mentioned earlier in the call. So, by when can we expect some commercialization? I know it will take some time in validation batches. And also in the previous call, you had mentioned 2 molecules where we have lateral entry and dedicated blocks at Vizag. Is the potential for these 2 lateral entries similar to the anchor like the cardiovascular molecule we have.

VK Singh: I'll take the first part first, that on the LCE opportunities that we are guiding, we still maintain that 2 of them should fructify. The initial quantities that will go will not be significant because there will be small validation or clinical type of quantities, but then the programs moving with high conviction forward into the next phase.

On the lateral entries, I think maybe it will be better if we make some definitive comment in the next quarter.

Moderator: The next question is from the line of Venkat from Three Sigma Finance.

Venkat: So can you please share the growth numbers for the next quarter. My first question is on growth numbers. And also, the buyer of the elevator has offered some $40 million incentive if they increase the sales to $360 million, which is more than 100% of the last year's sales. Will this translate to an equal amount of growth in sales for us? And do we have the capacity for that?

VK Singh: Next quarter, November, I think Ganesh will answer. But on the sale aspect, if you are indicating the cardiovascular opportunity, then we go more by the orders that we have on hand, and we would rather avoid prospecting or going on to any type of here say or something. So, we'd rather stick to the order that we have...

Venkat: No, no, this is not a hear a say. This is the statement made by the CEO himself of the Elevator company.

VK Singh: So, we'll see how it translates because it has to translate into orders for us and we have a good order book right now, and we'll update you at the moment we have any further information on that.

Shiven Arora: But I think it's a very good observation you made, and these are encouraging signs for the candidates that we are tracking. So hopefully, it turns out for us also.

Venkat: Okay. Good. Then the next thing is during the initial call, you mentioned about 4 molecules are in commercialization phase. Can you throw some light on those 4 molecules where are we, what therapeutic areas are the kind of like covering? You mentioned they are chronic, but what therapeutic areas are recovering like?

VK Singh: So there -- in the chronic space, there are a couple of opportunities on the oncology side and some on the CNS side. And then there's another category that we are prevented by a CDA from mentioning. But at a top level, that is also in the chronic side as well.

Venkat: Okay. So, the last quarter, you have mentioned about peptides. You are introducing peptides in your R&D. So, in this quarter, you did not mention it looks like the whole world is moving towards -- the CDMO world is moving towards peptides. So, what is our strategy? And how are we planning our investments moving forward? Because so many CDMO companies are moving towards the peptides. So, if you can throw some light, that would be great.

Shiven Arora: I think it's a very good observation that you have. But if you would just look at what we spoke on this call as well, we did mention about peptides and peptide fragments, and we very clearly mentioned that while we have capability today, we look -- we as a company are also looking at it as a big opportunity. And at the Vizag expansion project, which is going to set the footprint for manufacturing for the next several years for Blue Jet.

We are planning a capacity for peptides and peptide intermediates. You have observation on a lot of capacity, a lot of people talking about peptide is also very correct. And it is for this reason that our first port of call is not so much the end peptide. We are looking more at peptide fragments because the DNA of Blue Jet is more about intermediates.

And that's why we'll be looking at first at the peptide fragments where we do not -- we see much more price resilience. And then, of course, forward integrating into the final peptide will be a natural outcome, but very selectively on the CDM model for either the very large CDMOs or the innovator companies. We will not be participating in the front-end generic peptide opportunity where you see cutter and a lot of price erosion.

Moderator: The next question is from the line of Manan Vandur from Wallfort PMS. Please proceed.

Manan Vandur: Congratulations. Sir, one of my questions was I understand that you all have CDAs. Yet I just wonder a little bit more understanding that you said in CMI, then in the sweetner space and in the PI API, we got a few candidates. So, could there be any names that you could do? Or what kind of molecule is it? Any idea on those 3 spaces. Could you give us that sir.

Shiven Arora: I think as soon as we scale up these molecules, we will ask for specific exceptions and perhaps we would be in the position to disclose this information. But I think since we've been in this segment for quite some time in contrast media and artificial sweeteners, I think the selection of molecules is quite encouraging. And hopefully, it can lead to better conversions.

Manan Vandur: The next question would be on asset term. I understand that the company does not really give any guidance. So, I was just looking at the past and we were able to do about 4 to 5x of asset turn. So, I just needed an understanding from your end that we are doing a first stage capex of around INR1,000 crores.

So just to get an understanding that we already have around INR300 crores in our CWIF. So, what should our asset terms look like, not 1 year or 2 year, like maybe 3, 4 years from now what would our asset turn would be.

Ganesh Karuppannan: See, today, if you look at our significant capex is going to be in Vizag and commercialization would start from end FY29 to FY30. So, it is true maybe not appropriate to put a number at this stage because to achieve the ramp-up, maybe one would actually look at FY31 or FY32. Based on the investments and based on the products we are looking at, we expect the industry norm whatever we will we will be achieving. I think that's one.

And second, the current asset turn is because of our depreciated asset block. I think that is something keep in mind. And so, the 4% or anything above 3.5% is a bit on the higher side. And once you see the capitalization, we will be at par with the industry standards.

Manan Vandur: Okay, understood. That's it from my side. Thank you, sir.

Moderator: The next question is from the line of Saket Saurabh from Sagari Capital. Please proceed.

Saket Saurabh: So sir, my first question would be pertaining to recent, I think, approval for Merck, Lipfendra, right, which also is into this oral product focused on lowering cholesterol. So, is that likely to be, say, one of our potential commercial competitors going forward? Any color that you may have because you had the -- cholesterol lowering effect also has been quite encouraging for this product. So, any thoughts or comments on that, sir?

VK Singh: Honestly speaking, we are suppliers as intermediate. And we are not experts on the PK/PD or how the molecule behaves or its capability on cholesterol lowering. All that we can say, and that's a conversation that we can have offline more for academic interest. All that we are concerned with is the visibility that we have and our order book, which is all very robust.

And we have a very good forecast for the future. In all 3 key markets, US, Europe and Japan. The molecule is getting some extremely good action and extremely good clinical reviews. So, I would imagine that, while we can always debate on threats from new entrants but then that's a reality of the pharmaceutical world. As far as we are concerned, the order book is robust, and we are very confident of the next several quarters.

Saket Saurabh: Okay. So that's really encouraging. So, sir, one of the focus areas of the management has been to diversify its PI/API portfolio. Now if you have talked about multiple programs apart from the cardiac one. Now if I look at, say, 2 to 3 years out, do you think that, say, if I look at, say, '27 '28 or if not even for FY29 will those new offerings or new molecules that we are currently investing in would say diversified the order book enough or adequately.

So, say, for example, they contribute more than 50%, 60% a year downtime because currently, it seems it revolves more around PI/API. And that's the nature of the beast. It's not a specific to Blue Jet, but most companies who are embarked on this journey have initially had to rely on 1 or 2 success stories and then they have deployed that cash as well as scientific capability to then build it further.

So, any color on that, sir, like how confident are we about the coming molecules? And how -- what percentage are they likely to contribute just based on high-level numbers, like say, in FY30 or something like that?

VK Singh: So, I think your observation is very valid and spot on. And in your question, you have yourself partially answered the question. One part is that there will be diversification. And therefore, automatically, the concentration that we have on the PI segment will get addressed. There will be diversification. As far as product is concerned, there will be diversification as far as platform chemistries are concerned. In this, you mentioned, that's the nature of the beast, we have indicated about 20 RFPs that we are tracking.

But these are high conviction RFPs, the total RFPs that we are tracking are actually more. Even if we say that 20% of the high conviction RFPs will materialize. I think we are looking at a very good portfolio in the next 2, 3 years. And today, even for the innovator companies, it is not easy to predict that when the molecule crosses the regulatory phase and enter the commercialization phase, how it will gain access to the market and how the prescriptions will roll out. But then given that they are all in the chronic space and they are with very large companies, I would say that these could possibly be opportunities to reckon with.

Saket Saurabh: Got it. Thanks. Sir, my other question would be that we recently were awarded the EcoVadis medal now. We have seen companies trying to further move up like for gold to platinum. Now just for our understanding, do these same certifications really help us in commercial success as well, for example, say, RFPs from certain geographies mandate that give us an extra points for having such certification?

Or it is more like because most of our peers are also now going after. So maybe it becomes more of a hygiene factor. So any color on that?

VK Singh: See at Blue Jet, this ESG maturity is something that we have been tracking for the last five years, very consistently. Our renewable energy capabilities were built about three years back, and it was a blend of both solar and wind because if you have just one, then the impact is a little more lopsided. Besides that, there are a lot of other things which are happening in the company as far as the ESG part is concerned.

Now your observation is very valid that today, this becomes an essential factor. It may not help us so much, I would say, commercially, but given their environment, it is no longer good to have. It's a must have, and it's like a part of the prequalification process.

But with the certification, pre-qualification becomes simpler, because then the audits become simpler. They don't have to dive deep because a third party has already certified us. It helps in that fashion.

Saket Saurabh: Got it. So it's also about agility, right? So that if I understand you correctly.

VK Singh: Absolutely. It is speed of prequalification. It is like saying that the boy is not only smart, but he is a B. Tech engineer when you hire.

Moderator: The next question is from the line of Viraj from Kotak AMC.

Viraj: Thank you for the opportunity. So first on your contrast media segment. How are you seeing the market for your CMI products, especially from the point of view of your major customer over there. How are the trends that you are seeing there?

And also in terms of the iodinated ABA-HCL, I think how is the traction there? Are there any sales booked this quarter. Fair to say that in contrast media this quarter as well in Q1, all of the growth has majorly been volume volume-driven?

VK Singh: I think just trying to give you a general feedback around contrast media. I think the overall segment is doing well. And the usage of contrast media across geographies is increasing. And from our standpoint, the optic requirements are quite stable. As you are aware that they are backed by long-term arrangements. So we see a lot of stability in the segment and a good traction because we would be launching a few intermediates in this phase too.

In terms of iodinated products, I think Ganesh has already answered. So we need to wait for some time. But the customer feedback is quite encouraging for a scale up to happen.

Viraj: Okay. So I think it was mentioned mostly that price hikes was not the protocol. And I think in terms of one last in terms of your Mahad capex, you can refresh what was your capex plan there and as of now, how much is capitalized?

VK Singh: Mahad is yet to go commercial. So everything is in work in process of CWIP. And once it gets commercial, you would actually see an addition of anywhere between more than INR200 crores in the asset block.

Viraj: Okay. Fine. Got it. So basically, Mahad as a whole for the contrast media segment would be both for backward integration as well as from making the end product contrast media?

VK Singh: No, this is only for backward integrated product, which goes into the intermediate what we make. So today, we are actually dependent on imported supplies, but we will be actually making it captive. And we will also have an opportunity to have third-party sale once we stabilize the operation.

Moderator: Sorry to interrupt, Mr. Viraj. May we request you to join the question queue for your follow-up? Thank you. The next question is from the line of Amlan Das from JP Morgan. Please proceed.

Amlan Das: Sir, my question is regarding the margins. Now in the next quarter, if we assume that the that the goods in transit resource gets resolved. How should we think about the about the flow into EBITDA from the incremental INR30 crores sales that we will be booking in the next quarter? So, would we see expansion in EBITDA from the current levels?

Ganesh Karuppannan: See this cutoff is an ongoing topic, okay? Only when there is a significant variation between the opening and the closing, then you have such issues. If you have identical numbers, then technically, you won't have this challenge. So, this is part of the business. I think our customer contracts are in place. And with the accounting standards. This is how accounting would work. And we actually take it more as part of the business.

And this is just to highlight like why the turnover was lower this year, this quarter. And we cannot actually predict what the closing goods and transit would be for September quarter. So, it depends how that number is then only we can actually like come with some meaningful assessment. Otherwise, this could also be recognized as a turnover once it reaches the customer.

Amlan Das: And next, sir, I may missed in the opening remarks. Do you maintain your FY27 capex guidance of INR400 crores? Or has there been any increment in this capex guidance for this year?

Ganesh Karuppannan: At the company level, it will be similar amount.

Moderator: The next question is from the line of Ravi Purohit from Securities Investment Management. Please go ahead.

Ravi Purohit: The two lateral entries that you referred to, you mentioned this as innovators. Can you give some background as to how -- are those like already established commercial products and if so, are these like a 100 million per product or 1 billion product? And roughly, I understand you can't specify the brand, but if you could just give some background, it will help us kind of understand.

VK Singh: See, we have already mentioned that the space is chronic. They are lateral entries, which means that the products are commercial in mature phase and they are blockbusters. So, I think -- but as I said earlier as well that we would be in a better position to speak about them in a quarter.

Moderator: The next question is from the line of Samitinjoy from Kotak Institutional equities. Please proceed.

Samitinjoy: So, we have been talking about 20 RFPs of which there is some related to peptides and GLP-1. So would you be able to quantify how many of these RFPs are for this segment?

Shiven Arora: We intend to give this clarity in the coming quarters.

Samitinjoy: Okay, the other question is given there are multiple Indian CDMO companies which are now investing for this peptides space over the next few years. So, this is going to be a fairly competitive environment in the upcoming -- in the next 3 to 4 years. So, what do you believe differentiates Blue Jet from these other players?

And also, if you could talk about some of the capabilities, which you are planning to install, are these liquid or solid phase -- the reactors or are we mainly targeting short chain and long chain peptides. So, what kind of reactor sizes are you planning, if you could elaborate on this part.

VK Singh: As I mentioned in the first phase, we'll be looking at peptide fragments. So, it is not so relevant at this point of time to speak about solid phase or most of these fragments will be a liquid phase. And if you would see the last 4 or 5 years of how the company has performed, then you realize that -- it's about how we choose the segment, how we choose the category and how we choose the product. So, we'll be very selective in it. We are not going to become a catalog company. And the way we will choose the client and the product, I think the margins will be in step with what we have today.

Moderator: Thank you. The next question is from the line of Nishant Gupta from Kotak AMC. Please go ahead.

Nishant Gupta: All my questions have been answered. Thank you so much for the opportunity.

Moderator: Thank you. That was the last question for today. I would now like to hand the conference over to the management for the closing comments. Over to you, sir.

Shiven Arora: Thanks for the participation, and we hope to meet you in with Q2 investor call. Thank you very much.

Moderator: On behalf of Blue Jet Healthcare Limited. That concludes this conference. Thank you for joining us, and you may now disconnect your lines.

(This document was edited for readability purpose.)