

**May 06, 2026**

To,  
The Corporate Relations Department,  
**BSE LIMITED,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai- 400 001

**Scrip Code: 543349**

Dear Sir/Madam,

To,  
The Listing Department  
**National Stock Exchange of India Limited,**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot no. C-1,  
G-Block, Bandra Kurla Complex,  
Mumbai -400051

**NSE Symbol: ACUTAAS****Subject: Transcript of Earnings Call for Q4 FY26 financial results held on April 30, 2026**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby enclose the transcript of the Earnings conference call held on April 30, 2026 post announcement of financial results for the fourth quarter and year ended on March 31, 2026.

The same will also be available at the website of Company at [www.acutaas.com](http://www.acutaas.com).

This is for your information and records.

Yours faithfully,

**For, ACUTAAS CHEMICALS LIMITED**

**CS Ekta Kumari Srivastava**  
**Company Secretary & Compliance Officer**



Encl: As Above



**“Acutaas Chemicals Limited  
Q4 FY26 Earnings Conference Call”  
April 30, 2026**

**MANAGEMENT: MR. NARESH PATEL – CHAIRMAN AND MANAGING  
DIRECTOR – ACUTAAS CHEMICALS LIMITED**

**MR. ABHISHEK PATEL – VICE PRESIDENT –  
STRATEGY – ACUTAAS CHEMICALS LIMITED**

**MR. BHAVIN SHAH – CHIEF FINANCIAL OFFICER –  
ACUTAAS CHEMICALS LIMITED**

**MODERATOR MR. ROHIT NAGARAJ – 360 ONE CAPITAL**

**Moderator:** Ladies and gentlemen, good day and welcome to the Acutaas Chemicals Limited Q4 FY26 Earnings Conference Call hosted by 360 One Capital. 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.

I now hand the conference over to Mr. Rohit Nagaraj from 360 One Capital. Thank you, and over to you, sir. Please proceed.

**Rohit Nagaraj:** Thanks, Shailendra. Good evening, everyone, and thank you for joining us on Acutaas Chemicals Q4 FY26 Earnings Conference Call. We thank the management for providing us the opportunity to host this call. Today, we have with us Acutaas Chemicals management represented by Mr. Naresh Patel, Chairman and Managing Director; Mr. Abhishek Patel, Vice President, Strategy; and Mr. Bhavin Shah, Chief Financial Officer. I would like to invite Mr. Bhavin Shah to initiate the proceedings now. Over to you, sir. Thank you.

**Bhavin Shah:** Thank you, Rohit. Good evening, everyone. We are pleased to welcome you all to our earnings conference call to discuss Q4 FY26 financials. Please note that a copy of our disclosure is available on the Investors section of our website as well as on the stock exchanges. Please do note that anything said on this call, which reflects our outlook towards the future, or which could be construed as forward-looking statement must be reviewed in conjunction with the risk that the company faces.

The conference call is being recorded and the transcript, along with the audio of the same will be made available on the website of the company and exchanges. Please also note that the audio on the conference call is a copyright material of Acutaas Chemicals and cannot be copied, rebroadcasted or attributed in press or media without specific and written consent of the company.

Now I would like to hand over the floor to our Chairman and Managing Director, Mr. Naresh Patel, for his opening statements. Over to you, sir.

**Naresh Patel:** Thank you, Bhavin. Good evening, everyone. I hope you are all doing well. I will provide an overview of industry and about our future strategies before handing over to Abhishek for detailed business updates. The chemical industry has once again navigating turbulent conditions driven by the ongoing conflict in the Gulf region, which has disrupted supply chain for key feedstocks and consequently pushed raw material prices higher.

Shipping schedules and vessel availability have also been affected. We are closely monitoring how the situation evolves. On our part, our procurement and operations teams have acted swiftly, and we do not anticipate any raw material shortage that would impact our production continuity.

On the demand side, momentum remains strong. New product inquiries continue to come in at a healthy pace while demand for existing products remain robust. We are working closely with

our customers to ensure on-time delivery and uninterrupted supply through this period of market uncertainty.

Turning to our strategic initiatives. I'm pleased to share that we are making strong progress on our journey to build a diversified multi-vertical chemicals company. In our battery chemical business, the foundation is firmly in place. We have successfully commercialized our first two products and have a healthy pipeline of new products in development. We expect to bring two additional products to commercial scale in FY27, further strengthening our revenue visibility backed by long-term customer contracts.

In our semiconductor business, the product expansion strategy at BFC is clearly gaining traction. New products other than Heraeus' products are expected to be a meaningful contributor to growth in the coming year, and we will continue building on this momentum to establish BFC as a sizable business over the medium term.

On Indichem, our South Korea joint venture, while Abhishek will walk you through the capex details, I am pleased to share that the R&D centre is up and running. We have already started sending samples to prospective customers, a critical step that we expect will significantly reduce our time to market.

On the CDMO front, we continue to build a strong and differentiated pipeline. While commercialization in this business takes time, the ramp-up on initiative tends to be steep and sustained.

Overall, I believe that by FY '28, our both business verticals, which are in investment phase now, battery chemicals and semiconductors will evolved into independent self-sustaining growth engines.

Each contributing meaningful to our top line along with pharmaceutical intermediates business. This multi-vertical model is central to our vision of building a truly diversified chemicals company. Turning to our financial performance for the year. I'm pleased to report that we have continued our strong growth trajectory, closing the year with revenue of INR1,339 crores and our highest ever PAT of INR356 crores. These results reflect the strength of our business model and the disciplined execution of our teams. I will request Bhavin to take you through the detailed financials shortly.

To conclude, we enter FY '27 from a position of strength with a clear strategy, a strong pipeline across all 3 verticals and a proven track record of execution. I'm confident of delivering 25% revenue growth in FY '27.

With that, I would now like to hand over to our Vice President of Strategy, Abhishek Patel, who will walk you through the detailed business update. Over to you, Abhishek.

**Abhishek Patel:**

Thank you, Naresh Bhai. Good evening, everyone. Let me take this opportunity to share further insight into our business performance for the quarter. Starting with Advanced Pharmaceutical Intermediates segment. This segment continued robust performance with

revenue of INR392.4 crores in Q4 FY '26 reflecting a strong year-on-year growth of 43.9%. Growth was primarily driven by CDMO business. Complemented by steady contribution from our core Advanced Pharmaceutical Intermediates segment. Here, I would like to mention that our process of reshuffling portfolio was mostly over during first 9 months, and we have seen healthy growth in this business sequentially.

Moving on to the Specialty Chemicals segment. Revenue for this segment stood at INR40.3 crores during the quarter, registering a steady year-on-year growth of 12.3%. Our Commodity Chemicals subsegment recorded degrowth during the quarter, which was offset by strong recovery in BFC business.

Now turning to capital expenditure. Capex for FY '26 stood at INR195 crores primarily directed towards the Jhagadia site for battery chemical project and then pilot plant at Sachin site and maintenance capex. Let me provide some additional updates on our 3 projects. Regarding the electrolyte additive capex at Jhagadia, the first phase of electrolyte capex is completed. The second phase of capex is currently ongoing and expected to get completed by Q1 FY '27. Pilot plant capex is slightly delayed due to delay in equipment arrival. It is now expected to get completed by Q2 FY '27. Apart from this, another major cash outlay during the year was our investment in South Korea joint venture, Indichem Inc. We have invested INR190 crores in this JV during the year FY '26.

Turning to our strategic infrastructure update. While Naresh bhai has covered our key growth drivers in detail, I would like to focus on the infrastructure that will support and enable growth in the years ahead.

Our existing infrastructure is well positioned to support our growth through FY '28. However, looking further ahead, we have already begun laying a groundwork for the next phase of infrastructure development, which will underpin our growth over the next 5 to 10 years.

As immediate priority, we are embarking on ambitious expansion of our R&D centre, one that will elevate it into world-class internationally renowned facility, purpose-built to meet the demand of tomorrow's industry. With planned 10x capacity expansion, the new centre will feature dedicated sections spanning pharmaceuticals, battery chemicals, semiconductor, electronics and cosmetics, et cetera. Each housed as distinct division under one roof, bringing together deep specialization and power of cross-disciplinary innovations.

This is a defining investment for our future designed to sustain our innovation pipeline and fuel long-term growth in the years ahead. In parallel, we are actively evaluating land acquisition opportunities to develop new infrastructure that will support our long-term growth ambitions.

Alongside physical infrastructure, a key pillar of strategy is deliberate migration of our portfolio towards higher-value products. The first step of strategic reshuffling of our core advanced pharmaceutical portfolio has been completed. The next phase involves the systematic replacement of commodity chemical products with a higher value differentiated

offerings. We'll begin phasing out select commodity products this year, replacing them with a new product using same infrastructure with slight modification in calibrated phase manner.

Moving on, as Naresh bhai outlined, we are guiding 25% revenue growth in FY '27. On margins, while we remain mindful of the near-term cost pressures stemming from global supply chain disruption. We are confident in our ability to maintain EBITDA margin at a similar level in the coming year. Underpin our product portfolio upgrade strategy and improving business mix. I also want to highlight a key trend driven by our business cycle. Q1 is typically our weakest quarter with revenue steadily increasing sequentially till Q4, which is always the strongest quarter. This pattern results in H1 contributing around 40% of our top line, while H2 accounts for generally around 60%.

With that, I will now hand over our floor to our Chief Financial Officer, Bhavin Shah, who will walk you through the detailed financial update. Over to you, Bhavin Bhai.

**Bhavin Shah:**

Thank you, Abhishek bhai. I would like to briefly highlight the key performance metrics for the quarter and FY '26 before we open the floor for questions. Let me start with quarterly performance. Revenue from operations for the quarter reached INR432.8 crores, representing 40.3% growth Y-o-Y.

Gross profit for the quarter was INR268.3 crores, reflecting 83.8% increase compared to the same period last year. The gross margin expanded by 1,467 basis points Y-o-Y to 62%. Gross margin was driven by improved product mix. EBITDA for the quarter was INR183.5 crores, which represents more than twofold increase compared to the EBITDA of same period last year.

EBITDA margins were 42.4%, up 1,487 basis points Y-o-Y. EBITDA margin was driven by expansion in gross margin as well as operating leverage. PAT for the quarter was INR134.3 crores, up 114.1% Y-o-Y. PAT margins for the quarter were 31%, which show an expansion of 1,070 basis points Y-o-Y.

Moving on the FY '26 performance. Revenue from operations for FY '26 reached INR1,339.4 crores, representing 33% increase Y-o-Y. EBITDA for the FY '26 was INR480.4 crores, which is 2x compared to the same period last year. PAT for FY '26 is at INR356.4 crores, which more than doubled compared to the same period last year.

Moving on to the balance sheet item. Net cash and cash equivalents were at INR198.3 crores as on 31st March 2026. Our working capital for the year increased to 120 days from 114 days. There was some improvement in debtor and inventory days, which was offset by lower payable days.

With that, I request moderator to open the floor for questions. Thank you.

**Moderator:**

Thank you very much. We will now begin the question and answer session. We have first question from Rikin Shah from Boring AMC.

**Rikin Shah:** Congratulations on a fantastic set of results. I would just like first a little bit if you can expand on the R&D centre that you mentioned? And what is the idea behind that going ahead?

**Naresh Patel:** So thank you, Rikin. The R&D centre, which we are doing is for upgrading and enhancing our capability and capacity with our existing R&D centre because our existing R&D centre is having a capacity which can cater all the requirements, but we are expecting a lot more inquiries and more traction towards the new molecule.

So we don't want to remain out of capacity when it came. That's why we decided to have a new expanded R&D centre. And this R&D centre will be equally facilitating all the vertical in the chemical sector, which we are catering right now. So, it is designed in a single complex with all multiple outlets in the chemical.

**Rikin Shah:** Another question. So naturally, if I see our spec chem business is not relatively grown as quickly as our Advanced Intermediates business. And thanks to our marquee CDMO project, the differential is far higher at this point. But going forward, with -- even within Advanced Intermediates per se, we have spoken about churning out lower-margin products in Q3. So what is the base business looking like today? And do we have any growth plans for the same for the next 2 financial years?

**Abhishek Patel:** So basically, as we mentioned, we had some portfolio reshuffling for our pharma intermediate business ex of CDMO, and that has yielded us fruit in terms of margin expansion. I already mentioned during my commentary that after 9 months of FY '26, it has grown sequentially in Q4 FY '26 and expected to grow further in FY '27 as well.

The volume-wise, that business has grown despite of being a flat in terms of revenue. And obviously, going forward, we are expecting good kind of revenue expectation from our ex CDMO business also. Now coming to your question related to intermediate -- sorry, spec chem business, we have to understand that initially what the business we acquired through an acquisition of sites.

That business has grown in the range of 12% to 15% despite of some price reduction. But now this segment is expected to grow with additional revenue coming in from battery electrolyte additive space. And that the plant has already been constructed and the production has started. So this year, we will have a very good exponential growth coming in from Spec chem business as well.

**Rikin Shah:** Got it, sir. So within that, let's say, in battery chem, we have sent samples and now we've completed our first leg of capacity expansion. So in terms of contributing a little bit meaningfully to FY '27, maybe we cannot give a number today. But do we have that sort of target or understanding inside that this segment will contribute meaningfully this year? I understand you have that sort of longer-term vision of scaling this as a big business. But in FY '27, does this seem like a decent contribution?

**Abhishek Patel:** Definitely, in FY '27, it will have a meaningful revenue contribution. It will start slowly with Q1 and till Q4, it will keep on ramping. And at the end of complete financial year FY '27, we will definitely have a meaningful revenue contribution. I will not put any number to it as of now because there are many variables, but it will be a meaningful contribution.

**Rikin Shah:** Sure. And are we taking any sort of contribution from the 2 new electrolytes we have added? Or this is just the 2 products we have discussed before?

**Abhishek Patel:** So as I mentioned, the capex is already going on for the third electrolyte additive product, and which is getting completed by Q1 FY '27. So once that gets completed, it will also start contributing in the revenue. And the fourth product, we are in the phase of business development.

**Rikin Shah:** Got it. Within the CDMO piece, we have now, I think, a basket of 5 products other than the key project that is going on today. And we have been in the process of validation and approval with the innovators and originators. So yes, the longer-term INR1,000 crores guidance in CDMO for FY '28 is intact. But within that, obviously, for FY '27, do these 4 to 5 products also contribute something?

**Abhishek Patel:** Yes, definitely. As you mentioned, those are all validated products, and we are building a good revenue expectation from these four products as well apart from the first product.

**Rikin Shah:** All right. And last question from my side.

**Moderator:** Rikin sir please two questions per participant. Please come back into the queue.

**Rikin Shah:** Okay. I will join back the queue.

**Moderator:** Thank you. We have next question from Bharat Shah from BCS Capital Ideas Limited.

**Bharat Shah:** Congratulations, Naresh bhai and the entire Acutaas team. Once again, very robust delivery. I had only one suggestion to make and which is, in general, the feature of Indian corporate sector per se. You see a lot of businesses which have been successful over a period of time but remain underinvested in building the future by underinvesting into the innovation pipeline, underinvestment into research and development capability.

In short, building the future. Software services business is an example of that where huge cash flows, but very limited investment into building the future technology. And therefore, the struggle is evident as we are seeing. Similarly, we have seen in consumer businesses in India, which have been very successful, but invested in the new consumer-facing technology and the way of delivering.

Even our -- a lot of banks are underinvested in technology to build it in the contemporary manner. Therefore, Acutaas, which has displayed a remarkable capability in a relatively smaller size of our operation, I don't think we should remain limited in ambition by our current size. If we want to build the future, I think meaningful intelligently kind of plan within our

balance sheet capability. But sustained investment in building future is absolutely vital, especially in our chemical business like this because otherwise, the business will get commoditized at some stage. To kind of summarize, if we don't want the business to be commoditized, investing into the future to build it is an absolutely very vital one.

And we have done very well by taking up intelligent bets and we have to consolidate. So I think we shouldn't get deterred by our current size in order to build our future, which can be very exciting. I thought I'll just put in that word, Naresh Bhai. But once again, hearty congratulations, I mean, delightful results and the entire team deserves the credit. And congratulations.

**Naresh Patel:**

Thank you, Bharat bhai. It's a good advice and it is coming from the veteran. It's really meaningful to us. And if you remember, in my commentary, I said that we are going to be put up a new R&D centre, which will be versatile. It is not a conventional R&D centre, but it is a versatile R&D centre, which will be cater across the sector of semiconductor, electronics, electrical, battery, pharma, agro and cosmetics.

So it's a versatile R&D centre with a different segment. So you are rightly saying that we need to invest into the innovation, and this is what we do continuously. Initially, we started with the conventional chemistry to the flow chemistry, which is successfully imparted and now commercialized.

Then we enter in India in the electrolyte then -- so we're continuously making ourselves learning and then putting into the system and then executing it. So we've taken serious note on that, what you suggested. And in future, we will keep in mind when we do any new things. Thank you very much.

**Moderator:**

Thank you. Next question is from Garvit Goyal from Serene Alpha. Please go ahead, sir.

**Garvit Goyal:**

Good evening, sir and congrats for a good set of numbers. My first question is on the goodwill. Can you please elaborate on this increase in the goodwill happened in FY26 over FY25. Specifically if this pertains to the Indichem which is a newly incorporated entity. I would like to understand what is the rationale for goodwill at this stage? And can you also give some clarity on the basis for which the management is showing the confidence on the recover of this total goodwill of INR104 crores? That's my first question, sir.

**Bhavin Shah:**

So when you talk about INR104 crores, it has a two part. One goodwill which was created in the past that was towards the acquisition of BFC, is addition of around INR48 crores in the -- so when we have made an investment of INR190 crores in Indichem, so the partner has bring in the capital that was at par value only for 25%, which is there for our partner.

So whatever we have paid INR190 crores, out of that 25% is going towards the goodwill in our books of account. Now since this is the investment we have made and we are very much confident that this business in coming years is going to do excellently well. There is a

valuation also attached to it is the future projection. So this has been correctly accounted as per the accounting standard guided by ICAI.

**Garvit Goyal:** Regarding this partnership, this JV, what is the background of that partner, what kind of expertise they are bringing -- because this JV is not having any revenue so far. So booking the goodwill is something which I'm not able to understand. Maybe they are bringing some tech. So can you please elaborate on that part?

**Abhishek Patel:** First, about the background of our partner, he has been working in this space for more than 30 years. So he is a veteran in this business, understand the Korean ecosystem well apart from the international customer outside Korea like Taiwan and Japan. And he has assembled a good team of people coming from the production and R&D and regulatory side.

So this is how we have joined hand with our partner. Your question related to goodwill, Bhavin Bhai has mentioned, for this JV, all the investment -- financial investment has been done by Acutaas, and we've given the 25% equity to the partner. So that's the reason we have to account 25% of those investment in the goodwill as per accounting standard. This is how it is going. And as we mentioned, we have a good confidence in our business with the project on and we see that definitely the goodwill is recoverable in future.

**Garvit Goyal:** Got it. And sir, your revenue contribution from Baba Fine Chemicals has remained limited. And now we are doing this JV with Indichem so just wanted to understand from you how do the product offerings of Indichem and BABA Fine Chemical complement each other? Are there any clear synergies in the terms of products in the terms of customers or maybe in the terms of end application sir?

**Abhishek Patel:** We mentioned previously also for our semiconductor business, we have 2 different stream of revenue. One is our Baba Fine Chem business. And then in Korea, it is advanced stage product than what we offer in BFC. So these are different from what BFC is manufacturing for Heraeus. So these are a more value-added product and a different stream of revenue.

**Garvit Goyal:** Okay. So what kind of peak revenue are we anticipating maybe from this capex of INR200 crores?

**Abhishek Patel:** We are expecting around 1x kind of revenue from this plant.

**Garvit Goyal:** What kind of margin, sir?

**Abhishek Patel:** It is very premature to say as of now because it is in a construction phase. But generally, you can expect a good margin from semiconductor business as an industry you study.

**Garvit Goyal:** Maybe in line with the Specialty Chemicals, sir?

**Abhishek Patel:** No. Obviously, not in line of the traditional specialty. It should be in line of the BFC business.

**Moderator:** The next question is from the line of Sanil Jain from Ambit Capital.

**Sanil Jain:** Congratulations on a good set of numbers. So I just have a couple of questions. So the first question from my side is, can you give us some developments on the new CDMO products under progress other than the Fermion contract? And what can be the potential opportunity size of it?

**Abhishek Patel:** Okay. So obviously, we have a long pipeline of CDMO products, but we have announced validation of four more products after the first one. And those are -- when we say validation, it's a commercialized product already submitted to the customer. And now it's a process of getting regulatory approval from those. Once that gets completed, it will keep on going on large quantity. And in terms of revenue potential, we are expecting those products to be between INR50 crores to INR100 crores each at a peak level.

**Sanil Jain:** That's INR50 to 100 crores each, right?

**Abhishek Patel:** Each.

**Sanil Jain:** Okay. And the second question is that we have reported excellent EBITDA margins of 42%. So can you tell us what was the EBITDA margin for Specialty Chemicals and Advanced Intermediates separately?

**Bhavin Shah:** So for our Pharma business for this quarter, EBITDA margin is around 44% and for specialty, it is around 13%. Sorry, for pharma, it is 44% and specialty it is 29%.

**Sanil Jain:** And just one more that are we planning to expand our Fermion capacity given the improved outlook by the innovators?

**Abhishek Patel:** So, as we earlier also said that we have got good visibility for the -- from this particular CDMO contract, and we have already built our capacity, which can suffice those production requirements.

**Moderator:** The next question is from the line of Nikunj Gupta from AK Investment.

**Nikunj Gupta:** Congratulations for the great set of numbers. My first question is, previously, we had talked about semiconductor chemical shipments to Japanese and Korean customers. So has it already been started?

**Abhishek Patel:** Yes.

**Nikunj Gupta:** Okay. And my next question is what is the revenue potential from the semiconductor chemicals and battery chemicals business over the next 3 to 5 years? And also, if you can put some light on EBITDA margins as well, that would be very helpful?

**Abhishek Patel:** So for electrolyte additive business, it's a function of capacity what we have built in. And as of now, the capacity for electrolyte additive is 2,000 metric ton for VC and FEC. So based on that, you can see the revenue potential coming in from that business. And related to semiconductor business, that business has been going through some difficult phase in last

financial year, but now it has recovered from Q4 onwards, and it will continue to ramp up in future also.

**Moderator:** The next question is from the line of Sai Kumar from Family Fund.

**Sai Kumar:** Congratulation on a great set of numbers. So my question is on, sir, this year, you have consolidated yearly EBITDA margins around 34.5%, somewhere around 35%. So for the FY '27, what kind of range you are expecting?

**Abhishek Patel:** So as I mentioned during my commentary also, we are expecting a similar kind of margin in FY '27 also. For us, the margin is a function of product mix, and we expect similar kind of product mix in FY '27. That's the reason we see that it should be in a similar range...

**Sai Kumar:** Okay. Got it, sir. And regarding this Indichem JV, so you said like around end of FY '26, you are going to commercialize the plant. So when can we expect supplies do we need to go any valuation phase for that molecule? And when can we expect the commercial revenue from that Indichem JV?

**Abhishek Patel:** So as soon as the plant gets constructed, we will have commercial production going on from that plant. As Naresh bhai mentioned during his commentary, that we have already started our R&D centre in Indichem and from we have already started supplying the samples to the customer. So parallelly, by the time the capex complete, we should have some customer onboarding happening. So it can make our process faster in terms of commercial production ramp-up.

**Sai Kumar:** Okay. And one last question. I see -- I mean, in the China, the BYD shifting more of their battery like from lithium to sodium ion. So what is the risk you see for that shift coming for sodium ion batteries or do you supply the molecules eligible for sodium-ion battery technology as well?

**Naresh Patel:** See sodium-ion battery is not new. It is started inventing 7, 8 years back, and it was -- now it is full. whereas lithium battery has still potential of next 10, 15 years. So it's not that 100% replacement of sodium ion battery with lithium. So we are -- whatever we are targeting is even not 1% of the demand. So for us, it's not an impact.

Contrary, whatever the new molecule, which is coming into the electrolyte segment, there are some which is also going in this kind of area, but we can't disclose based on our contract. So it's a confirmation for us. But yes, whatever the segments are working in electrolyte battery area, either it's sodium or lithium or solid-state battery, we are there -- we are trying to supply our molecule in that segment.

**Moderator:** The next question is from the line of Jason Soans from IDBI Capital.

**Jason Soans:** First question just wanted to know the capacity utilization for the Sachin plant, the Jagadia plant and the Ankleshwar facility?

**Abhishek Patel:** For this quarter under review, Q4, utilization at Sachin plant is 75% Unit 2 Ankleshwar is 31% and Unit 3 Jagadia is 50%.

**Jason Soans:** And sir, just wanted to understand in terms of -- you said the EBITDA margin for Specialty Chemicals in this quarter is 29%, right? Now generally, the margins are quite low. I mean, 15%, 20%, that is the kind of margins we clock. So just wanted to know what is the reason for this jump?

**Abhishek Patel:** So Jason, we need to understand that Chemical segment includes our traditional product as well as semiconductor and electronic business. So for the quarter, we have seen a very good growth in the BFC business, which has a very high EBITDA margin, and which is recovering from Q4 onwards. So because of this, we have seen a better margin in Chemical segment. So basically, that's a mix of both traditional spec chem margin as well as the BFC product margin.

**Jason Soans:** Okay. Battery chemicals also will be a part of this only, right, the specialty chemicals?

**Abhishek Patel:** Yes, it is part of this business only. It is a part of this business.

**Jason Soans:** Okay. And just one question, if I may just add on. Sir, just -- I mean, I understand 2,000 tons of both products in the battery chemicals, electrolyte additives segment. Just wanted to understand, sir, what utilization are we looking at? I mean, just -- you have those binded by long-term contracts. So you would have some idea if you could give some colour, whatever possible of what revenue we can look at in FY '27?

**Abhishek Patel:** Yes. So we have 2,000 metric in capacity for both each. And as we mentioned during last commentary also that this plant is fully covered back by the customer contracts for all the capacities in next 3 years' time. I will not put in any figure around the capacity utilization expected in this financial year. But as I mentioned during my first Q&A that it will -- production has already started, and it will keep on adding quarter-by-quarter from first quarter to fourth quarter, it will definitely have a meaningful contribution from electrode additive space.

**Moderator:** The next question is from the line of Raj Agrawal from Niveshaay.

**Raj Agrawal:** I had a question on CDMO business. We have a lot of these new businesses like battery chemicals, chemicals that are scaling up. So -- and we have guided for 25% kind of a growth for the next year. So are we anticipating any kind of slowdown in CDMO or basically if CDMO performs well, then we can surprise on the upside?

**Abhishek Patel:** So we are guiding 25% growth with mix of all the verticals and over the total top line what we have achieved in FY '26.

**Raj Agrawal:** Got it, sir. And sir, on the margin side, so this CDMO business as a whole has a relatively higher margin, right? So this battery chemical business and our specialty chemical business, on the other hand, does not have that kind of margin profile. So will it be difficult to maintain the current margin profile in FY '27 or we will be able to do it with the current mix?

- Abhishek Patel:** So as I mentioned during my commentary also, we are expecting similar kind of margin in FY '27 because as I said, the margin is a function of product mix, and we are expecting similar kind of margin in similar kind of product mix in FY '27 as well. So as I mentioned, there will be some meaningful contribution coming from electrolyte additive space, but there is additional delta coming from CDMO business also. So that's the reason we are expecting similar kind of margin.
- Raj Agrawal:** Sir, just one last thing on this. If you can just explain, what do you mean by the mix will remain the same because the mix will change, right, because you have new business that is entering this?
- Abhishek Patel:** So as I said, there is some portion of additional revenue coming from the spec chem business because of battery electrolyte additive segment. And there is a CDMO additional revenue also coming. So percentage-wise, it looks similar.
- Moderator:** The next question is from Mehul Panjwami from Forty Sense.
- Mehul Panjwami:** Congratulations on a great set of numbers. My first question is what proportion of our growth in FY '27, '28 is backed by confirmed orders and long-term contracts across CDMO and the battery segment, battery chemical segment?
- Abhishek Patel:** For CDMO business, as I mentioned, for this customer first customer, we have long-term supply contract already in place for 10 years. So that's backed by good visibility from the customer. And on the electro space also, as I just mentioned, we have already got customer contract in place and already signed.
- Mehul Panjwami:** Right. Sir, can you throw some light on -- because I'm new in tracking our company. You mentioned in one of the responses that we have a partner who is having 30 years of experience. So is it a firm or is it the individual or can you just elaborate on the contract which we have signed with the entity?
- Abhishek Patel:** So this partner with the contract which we have entered is a proprietary firm the experience of that part, which I just mentioned during our Indichem business partner profile.
- Moderator:** The next question is from the line of Krishan Parwani from SBI Mutual Fund.
- Krishan Parwani:** Congratulations on once again a great set of numbers. Just two questions. First, on the CDMO pipeline, I believe, you know, we had certain production validation phases in the last quarter, and we expect them to commercialize in the first half of FY27. Has there been any update on the new products commercial. Yes. So that's question about it?
- Abhishek Patel:** These are already commercialized products because it is validation, large value, and these are already supplied. Now it's not in our hand or customers' hand because it's a regulatory approval. And we have already got some projection from the customer. That's the reason I'm saying in FY '27, we will definitely have a revenue coming from other four CDMO as well. Apart from the first one.

- Krishan Parwani:** Okay. And the ramp-up of those will be majorly in F'28, right?
- Abhishek Patel:** Yes.
- Krishan Parwani:** That's great, sir. And secondly, on the margins, I believe Abhishek, you mentioned margins at a similar level similar level as 4Q or similar level to FY '26?
- Abhishek Patel:** Similar level as FY '26. Q4 is too ambitious.
- Krishan Parwani:** 36% is great. And just lastly, if I may squeeze one more. So Baba Fine Chem, I think Naresh bhai in his opening remarks mentioned that there is a strong pickup that you expect over the next 2 to 3 years for the BFC -- so are the things really picking up pace right now? Or what stage are we? So just some insights on that would be helpful?
- Abhishek Patel:** So just we mentioned that in Q4, the spec chem EBITDA was 29%, driven by the very good recovery business of Baba Fine Chem in Q4. So that's a sign of already recovered business for BFC and we have similar kind of visibility for FY '27 as well.
- Krishan Parwani:** Okay. And I believe you don't need to do a large capex for the BFC because I think you didn't mention in the plan. So is that correct?
- Abhishek Patel:** Yes, that's correct.
- Moderator:** The next question is from the line of Hemaant as an Individual Investor.
- Hemaant:** Congratulations on a very good set of numbers. Sir, what I understand is that since you have guided for 25% kind of revenue growth in FY '27, so I think the main contributor will be the electrolyte additive division, right? So if I take a little longer view, maybe from FY '28 and all, what can be the growth drivers for the company, sir?
- Abhishek Patel:** No, it's not only electrolyte additive, which will be driving the growth for FY'27. Both our pharma intermediate business is also growing very fast, and that is the biggest engine for us for the growth. And then slowly, slowly this additive business is also taking charge of our growth. And then we have a battery -- sorry, semiconductor business picking up first started with BFC and then maybe in next 2 to 3 years' time, it should be from Indichem as well. So there are 3 different growth engines, which is driving our growth for next 3 years.
- Hemaant:** So can we expect a similar kind of run rate, sir? I think you had earlier mentioned that 25% kind of revenue growth till FY '28, I guess, in one of the previous con calls. So can we expect the same?
- Abhishek Patel:** Yes, we have always guided that we are growing 25% growth. That's our history for more than a decade.
- Hemaant:** So any other major capex lined up? And what is the contribution from CDMO side? Because I think we have a guidance of INR1,000 crores of revenue from CDMO by FY '28?

**Abhishek Patel:** Yes, that is the guidance, correct. And on the capex side, I already mentioned that for next year, our capex will be the sum of the spillover of FY '26 capex, which is around INR50 crores and around INR40 crores will be maintenance capex. And then there will be capex around the R&D centre and the figures are yet to get finalized. We will update at a relevant time.

**Moderator:** We have a follow-up question from Jason Soans from IDBI Capital.

**Jason Soans:** I just wanted to ask you on the -- this Indichem acquisition -- I'm sorry, the Indichem investment has been done. And -- but earlier in the last con call, you had guided for that the facility will be on stream by the start of CY '27. Is that plan on? Or has it been delayed or something like that?

**Abhishek Patel:** No, it is -- plan is on. In fact, it will be even earlier than what it was guided. So as I said, it will -- it should get completed in second half of calendar year '26.

**Jason Soans:** Okay. And sir, the capex you just mentioned, some spillover capex of this year. So basically probably around INR100 crores odd number for '27 capex should be fine. And after that, for the R&D centre, I know you would need to firm up those numbers. So INR100 crores odd for '27 would be okay, that would be a good figure?

**Abhishek Patel:** So that is already planned capex. And then as I mentioned, the R&D and any other capex, we will update as and when it gets finalized.

**Jason Soans:** Okay. And sir, just lastly, I wanted to know, sir, this -- of course, we know the Fermion contract is doing very well. And sir, I mean, the numbers are the \$5 billion kind of peak revenue potential by the next 3 to 4 years. So just how do you see this contract ramping up? Just wanted to get some colour on from your side, how is it doing label extensions, et cetera? How do you see the contract ramping up for you?

**Abhishek Patel:** So those things are already available in the presentation of Bayer as well as the Fermion -- sorry, Orion presentation. And they have also guided the market about the growth of those products. So I think being their primary supplier, we should be the beneficiary of those business. And we have already guided the market that how the business is going on and further expect it to ramp up in FY '27 and going forward as well.

**Moderator:** The next question is from Dhara Ganatra from Value Quest.

**Dhara Ganatra:** Just a follow-up on the previous participant. You mentioned that there is a INR50 crores spillover of capex that will be done in FY '27. What is this INR50 crores spillover sir?

**Abhishek Patel:** Capex of electrolyte additive and the pilot plant.

**Moderator:** Thank you. The next question is from the line of Ankit Mittal, Individual Investor.

**Ankit Mittal:** So I was asking for the first question and that is regards to the revenue growth guidance. So as you mentioned in the last, we already know about the Fermion project and the growth

guidance given by Bayer, which is for 50% growth in calendar year 2026. Given that we have that outlook from Bayer, so -- and also, we have this electrolyte business coming up in this financial year. So I wanted to know if we are being conservative in giving this 25% revenue growth guidance for this year? And would it be like if all the things remain condition with respect to this project, we might have an opportunity to revise this guidance later in this year?

**Abhishek Patel:** So we have always guided the market about 25% growth CAGR, and that has been our history. And we would be happy to revise our guidance if that business potential goes beyond those 25% at a relevant stage of this financial year.

**Ankit Mittal:** And secondly, on the seasonality of the business, which you mentioned in the introductory remarks, which is 40% in the first half and 60% in second half. But with this Fermion contract this year, which has already been ramped up to a decent size, do you think that seasonality will reduce this year? And I mean, Q-o-Q decline which we usually see in the first quarter, that might be limited this year given that the kind of growth we are seeing in that Fermion project?

**Abhishek Patel:** Yes, that is also expected in FY '27 as well.

**Ankit Mittal:** Expected meaning in Q1, I mean, I wanted to check if -- I mean, the usual seasonality will there because usually, we see 20%, 30% revenue decline Q-on-Q in Q1. But given that the significant ramp-up of Permian project...

**Abhishek Patel:** The impact was there in FY '24 and FY '25 and FY '26 as well. And both year has shown the similar kind of revenue trajectory Q1 to Q4. And that's our history for more than decade.

**Ankit Mittal:** Okay. Any particular reasons why we see it because we don't see similar, I mean, seasonality when we look at the numbers from Orion or Bayer. Any particular reasons why we see it at our level?

**Naresh Patel:** Sir, this is my company history is that we have always -- Q1 is lower than Q2, Q2 is lower than Q3. Q3 is low than Q4. In last 15 years, it is like that. We are not only dealing with Fermion. We have more than 600 customers. So each customer has different require at different time, and we have more than 100 products. So it's my company's seasonality and working like that. I'm not representing fermion here.

**Moderator:** Ladies and gentlemen, due to time constraint, we will take this as the last question. I now hand the conference over to management for closing comments. Over to you, sir.

**Naresh Patel:** Thank you, 360 One Capital team for hosting our conference call. We appreciate everyone's questions and hope we have addressed most of your queries. If we miss any of your questions, please reach out to our Investor Relations team, and we will get back to you promptly. Once again, thank you very much, and good evening to all of you.

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

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This document has been edited for readability purposes.