17th September 2026
IOLCP/CGC/2026

National Stock Exchange of India Ltd
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051
Security Symbol: IOLCP

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai – 400 001
Security Code: 524164

Subject: Transcript of Business Update Call with Investors and Analysts

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Business Update Conference Call held on Friday, 11th September 2026, with investors and analysts.

The transcript is also available on the Company's website at **www.iolcp.com**

You are requested to take the above information on record.

Thanking You,

Yours faithfully,
for **IOL Chemicals and Pharmaceuticals Limited**

ABHAY RAJ SINGH

Abhay Raj Singh
Sr. Vice President & Company Secretary

"IOL Chemicals and Pharmaceuticals Limited

Business Update Call"

September 11, 2026

MANAGEMENT: **MR. PARDEEP KUMAR KHANNA – CHIEF FINANCIAL OFFICER – IOL CHEMICALS AND PHARMACEUTICALS LIMITED**
MR. ABHAY RAJ SINGH – SENIOR VICE PRESIDENT AND COMPANY SECRETARY – IOL CHEMICALS AND PHARMACEUTICALS LIMITED
MR. KUSHAL KUMAR RANA – DIRECTOR WORKS – IOL CHEMICALS AND PHARMACEUTICALS LIMITED
MR. RAKESH MAHAJAN – FINANCE ADVISOR AND STRATEGIC HEAD – IOL CHEMICALS AND PHARMACEUTICALS LIMITED

MODERATOR: **MR. VAIBHAV VIJAYWARGIYA – MUFG INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day, and welcome to the IOL Chemicals and Pharmaceuticals Limited Business Update 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vaibhav Vijaywargiya from MUFG Investor Relations. Thank you, and over to you, sir.

Vaibhav Vijaywargiya: Thank you, Steve. Good afternoon, everyone, and welcome to the business update call of IOL Chemicals and Pharmaceuticals Limited. Joining us today are Mr. Pardeep Kumar Khanna, who is the Chief Financial Officer; Mr. Abhay Raj Singh, who is Senior Vice President and Company Secretary; Mr. Kushal Kumar Rana, Director Works; and Mr. Rakesh Mahajan, who is Financial Advisor and Strategic Head, to provide an overview of the key business updates recently announced by the company.

Before we begin the call, I would like to give a short disclaimer. This call may contain some of the forward-looking statements, which are completely based upon our beliefs and expectations as of today. These statements are not a guarantee of our future performance and involve unforeseen risks and uncertainties.

With this, I would now like to hand over the call to Abhay sir for his opening remarks. Over to you, sir. Thank you.

Abhay Raj Singh: Thank you very much, Vaibhav. Good afternoon, everyone, and thank you for joining us. On behalf of IOL Chemical and Pharmaceuticals Limited, I welcome you all to this business update call. We are pleased to connect with you following the recent announcements regarding three strategic growth initiatives, involving a proposed investment of approximately INR500 crores. These initiatives reflect our confidence in the long-term growth opportunities across our pharmaceuticals and specialty chemicals businesses.

Let me briefly put these announcements into perspective. First, we are expanding our Ibuprofen capacity by 6,000 MTPA, taking our total capacity to 18,000 MTPA. Our existing facilities are operating at high utilization level, and we continue to see increasing requirements from established customers as well as opportunities available globally. The new facility will be a fully backward integrated, leveraging one of IOL's key competitive strengths, and is expected to be commissioned by December 2027.

Second, we have established a new CDMO facility with a capacity of approximately 1,500 million tablets per annum or equivalent volume of Direct Compressible Grade. This marks our entry into CDMO formulations segment and build our established customer relationships, primarily in the European region. The facility has received the EU GMP certification, and commercialization is expected during Q3 FY27.

Third, we are also establishing a dedicated specialty chemical facility under a long-term tolling arrangement with a leading global chemical company. This is a customer-led investment, providing visibility of long-term manufacturing demand.

Taken together, these initiatives are aligned with the strategy of strengthening our core businesses, accelerating diversification, and selectively pursuing adjacent customer-led opportunities. Collectively, these initiatives are expected to contribute an incremental 25% to around 30% to our top line over the coming years.

Importantly, the proposed investments are planned to be funded through internal accruals in line with our approach towards disciplined capital allocation and our confidence in the company's cash-generation capability. Around 30% of overall funding requirements has already been incurred. We, therefore, see these announcements not as three isolated projects, but as part of IOL's broader journey of scale, diversification, backward integration, and deeper customer relationships.

With this overview, we now would be happy to take your questions and discuss these initiatives in great detail. Thank you.

Moderator: Thank you. We will now begin the question-and-answer session. The first question comes from the line of Disha with Sapphire Capital. Please go ahead.

Disha: Hello. Am I audible, sir?

Moderator: Yes, ma'am, you are audible.

Disha: Yes, thank you so much, sir, for this opportunity. A couple of questions, sir. Firstly, on this Ibuprofen capacity that we're setting up, it's around INR350 crores capex that we are planning, right? When is this capacity is going to come online and what sort of asset turns are we looking at here?

Abhay Raj Singh: The idea is that this will be commercialized by December 2027. The asset…

Abhay Raj Singh: It’s about 1.75x

Disha: Hello?

Abhay Raj Singh: Yes, please. You heard?

Disha: Yes. So, you are saying around INR600 crores to INR620 crores sort of peak revenue we can take, right?

Abhay Raj Singh: Revenue is around 1.75x of the investment at peak utilization value, what we foresee. And, again, the revenue, what is going to be is a question which depends on so many other factors as well. So, this is tentative.

Generally, our pharmaceuticals investment has 1.75x to 2x top line. But again, as a disclaimer, this is a mix of so many other factors, including the geography where we are selling, the customers, the long-term arrangement and the short-term arrangement, and obviously, the market cycles as well.

Disha: Correct, correct. Okay, but generally, we see 1.75x to 2x, correct?

Abhay Raj Singh: Correct. Yes, that's correct.

Disha: And sir, for the next year, how quickly will we be able to, like, utilize it? What sort of utilization will we be targeting? So for the next year, we'll only have the capacity for one for just one quarter. By FY29, what sort of utilization will we be looking at, any sort of color on that?

Abhay Raj Singh: Yes, this is Q3 of '28, it will be commercialized. But in FY28, I think around 25% utilization we can reach. And the optimum utilization will happen in the '28 and '29.

Disha: And what will be that number, sir, around 80%-85%?

Abhay Raj Singh: As on date?

Disha: No, '28-'29. So, the optimal, Yes.

Abhay Raj Singh: Optimal is more than 80%.

Disha: Correct. Okay. Okay, and sir...

Abhay Raj Singh: And this we are talking about only Ibu.

Disha: Yes, correct. Correct. And sir, for the CDMO business, if you could just give more sense. The commercial operations are beginning from Q3 FY27. What sort of contribution from this business are we expecting for this year, for the next year, and what sort of margins can we expect for this business segment?

Abhay Raj Singh: And so, you are right. We are commercializing this project in the Q3 of this financial year. See, again, the numbers to talk about will also depend on various APIs that is going to be utilized for this segment. But again, this is something around one point -- I mean 1x to 1.25x on an average basis, considering approximately 90% utilization.

This is going to be the full-case scenario. This is the average, again, average numbers we are talking about. But the another question how far, how fast we can go is, so this will be fully operationalized in the next financial year.

Kushal Kumar Rana: And it will clearly depend on the customer development. Because since this business is started on the request from some of our anchor customers. So, again, the development will take place, then regulatory approval process will be there, then we will talk about the commercial quantities.

Disha: But we do have some soft commitments from customers, right?

Kushal Kumar Rana: Yes, the commitments are there. They are with respect to making of the product. So, probably, there is no challenge with respect to making of the product, but yes, the regulatory process will take its own time.

Disha: Correct, correct. And sir, what sort of margins...

Pardeep Kumar Khanna: We expect optimal utilization will be achieved in 18 to 24 months.

Disha: Sorry?

Management: We expect the optimal utilization will be achieved in next 18 to 24 months.

Disha: Okay, okay. And what sort of margins, sir, can we look at here? Because this business will have typically higher margins, right?

Abhay Raj Singh: Yes, the margins are sort of better than the margin available on the API.

Disha: Any sort of number, sir, that you would like to put on it?

Abhay Raj Singh: I think this will be very early to discuss on the exact margin numbers.

Disha: Okay, okay. Fair enough, fair enough. And sir, just broad sense on the current pricing environment. We've seen the Paracetamol prices going up and chemical prices have also skyrocketed because of the war. What's the current situation right now, and do you see these pricing sustain these prices sustaining?

Abhay Raj Singh: So the prices of Paracetamol now are not going upward, and most of the chemicals sorry APIs we are in, either stabilized or at least not going upward side. In fact, from the prices of Paracetamol from peak during the last six months, they have softened down.

Disha: So, sir, for the next year, any sort of color on what sort of revenue and margins are we targeting? Because we'll have our capex also online. Yes.

Abhay Raj Singh: So, this capex is not going to be materialized much within this financial year. So, we would like to maintain the financial guidance in the similar line what we've given in the last call also, something around 15% to 20%.

Disha: No, no, sir. I was not asking about FY27. I was asking about FY28.

Abhay Raj Singh: So, basically, FY28 also, it's not going to be fully commercialized. This will be fully commercialized or utilized in next year.

Abhay Raj Singh: In '28-29. And the top level what we can assume is around 25% to 30% incremental in the top line.

Kushal Kumar Rana: After completion of all the three full-fledged projects.

Abhay Raj Singh: Correct.

Disha: Okay, okay. Fair enough, sir. Thank you so much. I'll join back the queue. Thank you.

Moderator: Thank you. The next question comes from the line of Surabhi with NV Alpha. Please go ahead.

Surabhi: Hi. Thanks for the opportunity. Sir, I have a couple of questions. My first question is regarding the Ibuprofen expansion. Now, this being a commodity product largely grows at a very stable rate. But you all are expanding the capacity by 50% in this product.

Two questions here. What is Where is the demand coming from? Is the demand coming largely because one of the larger competitors is shutting down the plant? Is that getting transferred? Or are you seeing new demand that is being created in this product?

Kushal Kumar Rana: So, as far as the demand is concerned, yes, we have in mind that how the CAGR for Ibuprofen would be there. But considering the current scenario, we have some developments with our domestic as well as international customers. So, we are trying to cater those requirements.

And additionally, like our current capacity is exhausted up to the level of 90% to 95%. And third point is we are looking at some of the numbers into our CDMO business also. So, considering all these factors, we are planning to increase the overall capacity of Ibuprofen.

Surabhi: Got it. So, just to take that point forward, the formulation business that you all are doing for some of the European customers, is this going to be largely existing products where you'll largely be captively using our API, and that's what is giving the cost advantages? And how have you cracked some of these European customers? Have they approached IOL company or we have gone ahead and diversified into the formulation business?

Kushal Kumar Rana: No, they came back to us that why don't you supply us the bulk tablets instead of sending the APIs? So, probably, this is a both-ways mutual agreement, then we have gone for this arrangement.

Surabhi: And we are doing formulation in existing products only, right? Pantoprazole, Clopidogrel, Ibuprofen, Metformin, all of these products only where we'll be captively using our API?

Kushal Kumar Rana: Yes, definitely.

Surabhi: And what sort of contract tenure or soft commitments do we have in the formulation business?

Abhay Raj Singh: So, basically, we are in discussions with various customers. This is not the only one customer we can talk about this. So, we are having the idea that contracts will be similar contracts as we have for API, so, these ranges to 3 to 5 years. And with escalation clauses and other terms also, so, I think on the same line contracts we have.

Surabhi: Got it. And just one last question, small question. What is this chemical tolling that we are doing? What is the opportunity over there? And if you could explain that also a little bit?

Kushal Kumar Rana: That is a product which will be falling under chemical segment only. And probably, this is again a product which is already there in the market, and we have got some mutual agreement for the development and commercial supply of this product with the one of our renowned customer.

Surabhi: So, again, this is a product that you are currently doing, but now you will be doing it specifically for a customer. Is my understanding right?

Kushal Kumar Rana: Currently, it is not under our portfolio. So, we have completed the development, and it will be additional to our existing portfolio.

Surabhi: Got it. Okay. Sir, thank you so much. I'll come back in the queue.

Abhay Raj Singh: Okay. Thank you.

Moderator: The next question comes from the line of Rishabh Malik with Artha Capital. Please go ahead.

Rishabh Malik: Hi. My question has been answered.

Moderator: Okay. Thank you. The next question comes from the line of Subrata Sarkar with Mount Infra. Please go ahead.

Subrata Sarkar: Hello.

Abhay Raj Singh: Hello.

Subrata Sarkar: Yes. No, sir, again, mainly on the Ibu environment only, global environment, so, we have announced a large capex, whereas some other players, competitors are thinking of exiting that business. So, in this case -- in this situation, like, what is our take on the pricing as well as the margin of the Ibuprofen? And recently, is there any sharp increase in the price of Ibu in the international market, sir?

Kushal Kumar Rana: No, we don't think there is a sharp increase in the pricing of Ibuprofen in the market currently.

Abhay Raj Singh: Basically, if we can say, it's a continuation of our strategy rather than any change in the directions. So, whatever initiative we announce, this is part of our long-term strategy. It is not depending on any current time situations. So, we should not look into it in that way. It's a targeted strategy. So, I can say, it's going to fit very well in our long-term strategy that we keep on discussing.

Subrata Sarkar: Okay. Do Middle East issue have some impact on the Ibu price, sir, because feedstock has gone up?

Abhay Raj Singh: I think all that has already been neutralized. There were some impacts and the impact was during the initial phase or initial months of the war. But I think now, any increase in the final prices is due to the raw material prices also gone up. So, it's neutralized for us.

Subrata Sarkar: Okay, sir. Thank you.

Moderator: Thank you. The next question comes from the line of Maulik with 360 One Capital. Please go ahead.

Maulik: Hello. Am I audible?

Moderator: Yes, sir, you're audible.

Abhay Raj Singh: Yes, please.

Maulik: Hi, sir. Thank you for the opportunity. Sir, just wanted to understand one thing. From the CDMO perspective, we are investing approximately INR110 crores right now. And the current opportunity is around INR100 crores-INR150 crores, as you, I think, mentioned asset turn of 1 to 1.2x at 90% utilization.

So, from a longer-term perspective, maybe 3 years to 5 years perspective, what is your vision of the CDMO business for you? And how big can this become from a 3 to 5-year perspective? This is the first one.

And the second one is, we've also acquired land, I think around 100 acres of land, and we were also planning capex on that. And I think regulatory approvals is what we were waiting for. So, the capex there will be now pushed for a few years or that will also come in simultaneously along with this? That's it, sir. Thank you.

Abhay Raj Singh: Maulik-ji, I would like to take the second question first. So, the capex we announced 2 days back is separate than our greenfield project at new land. So, these are not related. Basically, these are different. And we have not pushed the development at the site and neither delayed, that will be as per our initial plan.

As on date, the status is that we are in the process of obtaining regulatory approvals. Most of the approvals are already secured and initial base work is also started, but the complete work will be started once we have all approvals in place. And the first question of the CDMO, what we think for next 3 to 4 years. So, I think that we can discuss once we achieve the optimum utilizations from this line and the response we are going to receive from the customers and the market. So, I think it will be early to discuss post 3-4 years of this line.

Maulik: Okay, sir. Thank you. Thank you so much.

Abhay Raj Singh: Thank you.

Moderator: The next question comes from the line of Saumya Raghuvanshi with Nirva Securities. Please go ahead.

Saumya Raghuvanshi: Good evening, sir. Thank you so much for the opportunity. Since this CDMO facility is primarily aimed at serving anchor customers in Europe. Can you provide some color on the contract tenure and revenue visibility from these customers?

Abhay Raj Singh: The contract terms are similar relating with the contracts we have for our existing API products. And the contracts are medium to longer term. So, it is being finalized with various customers as on date, we will keep you updated as and when we progress in this respect. The commercialization of this plant is going to be the next quarter -- by the end of the next quarter. So, we will be discussing that time in much detail as well.

Saumya Raghuvanshi: Okay, sir. Okay. Got it, sir. Sir, my next question, for the new 1,500 million tablets per annum CDMO facility, could you please elaborate on the current order pipeline? And how quickly you expect the facility to ramp up after commercialization?

Kushal Kumar Rana: I think as far as the capacity utilization is concerned, we have told you very clearly that there are some customers for which already the development has been started and regulatory approval is also initiated since we got EU-GMP approval also. As far as the full-capacity utilization is concerned, I think, again, it will be too early to comment on. But, yes, definitely, it will progress on as and when our development with other anchor customers will start also.

Abhay Raj Singh: And to add on what we are believing, right now, I think this will be optimally utilized in next 18 to 24 months.

Kushal Kumr Rana: 24 months, yes.

Saumya Raghuvanshi: Okay, sir. Got it. Thank you so much, sir. That's it from my side.

Abhay Raj Singh: Thank you.

Moderator: The next question comes from the line of Surabhi with NV Alpha. Please go ahead.

Surabhi: Yes, thanks again. So, I just have a follow-up question. Just one question, back when the Ibuprofen, like, BASF's plant was shut down in 2019, we saw increased demand. Is there something like that that is happening where in European countries or some of the other countries, another Ibuprofen shortage is coming because of some plant shutdowns? And is that why we're going to see increased demand, if you have any knowledge of that?

Abhay Raj Singh: No, I don't think, or, in fact, we are not having any such information relating to any other plant shutdown in Europe.

Surabhi: Okay. So, the increased demand is just from the point of view that European customers are asking for formulations, and that's why you're going to captively use that? Is that…

Kushal Kumar Rana: No, not only customer developments for the API also.

Rakesh Mahajan: And Ibuprofen global growth rate is 3% to 4% every year. That also attract us to expand our Ibu facilities.

Abhay Raj Singh: We also discussed this, I think, a few questions back that the plans of ours for coming up the new capacities, specifically in the Ibuprofen or the other, is not relating to any current directions or the cycles. This is the long-term strategy of the company. We are following that strategy.

And this is also on the basis of our engagement with customers globally, and the developments we are having, and positive feedback we are receiving. So, this is the rational and the logic of coming up with that much of the capacity.

Surabhi: Okay. Got it. Thank you. Thank you so much.

Moderator: The next question comes from the line of Suhani Singh with ROS Capital. Please go ahead.

Suhani Singh: Hi, sir. Good afternoon. I just had two questions. So, I just needed to understand how much of the incremental Ibuprofen capacity is supported by the existing customer relationships or ongoing customer discussions, particularly in international markets, if we speak?

Kushal Kumar Rana: So, I think we would not be in a position to share you the correct number, that how much percentage it is going to increase. But, yes, considering our development with new customers in terms of API, we are forecasting some good volumes, that is why we have gone for this capacity.

Suhani Singh: Okay. Understood. Also, across the three initiatives, approximately INR495 crores of investment is being deployed. So, what kind of ROCE or return profile do you expect from these projects once they reach steady-state operations?

Rakesh Mahajan: As a company as a whole, we are expecting more about 15% ROCE when the -- all the project will be fully implemented.

Suhani Singh: Okay, sir. That helps. Thank you.

Moderator: The next question comes from the line of Meghna Agarwal with Mount Intra. Please go ahead. Meghna Agarwal, your line has been unmuted. Please go ahead with your question.

Meghna Agarwal: Hello?

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

Meghna Agarwal: My question has been answered. Thank you.

Moderator: Thank you. The next question comes from the line of Nimish Verma with AES Capital. Please go ahead. Nimish Verma, your line has been unmuted. Please go ahead with your question.

As there is no response, we'll move on to the next participant. It's from the line of Shaikh Mohd Ayaz, an Individual Investor. Please go ahead.

Shaikh Mohd Ayaz: Thank you for the opportunity. My question is, there is a so much fluctuation…

Moderator: I'm sorry to interrupt, sir, can you please use your handset?

Shaikh Mohd Ayaz: Just a minute. My question is there is a so much fluctuation in the Ibuprofen final price and raw material ingredients. So, we are doing long-term contracts for the Ibuprofen and Paracetamol and other drugs. So, under those commitments, are we able to pass those fluctuations to the final customers?

Abhay Raj Singh: Yes. And in every contract, we have a clause of price adjustment. And that the price adjustments happen when prices are going down or going up beyond a certain level. So, that is the clause provided therein.

Shaikh Mohd Ayaz: Okay. So, that means…

Abhay Raj Singh: And -- see, because we also have the Ibuprofen facility fully backward integrated, so, in our case, the raw material price fluctuation is up to the maximum extent is controlled by us.

Shaikh Mohd Ayaz: And we are also backward integrated for Paracetamol. Am I right?

Abhay Raj Singh: Yes, you are right.

Shaikh Mohd Ayaz: Okay. Sir, so -- by -- so means we are maintaining those margins, right? Guidance which are given earlier, right?

Abhay Raj Singh: Yes.

Shaikh Mohd Ayaz: Or there is any change?

Abhay Raj Singh: No. More or less the same.

Shaikh Mohd Ayaz: Okay, sir. Okay. Thank you. Thanks a lot. All the best.

Moderator: Thank you. The next question comes from the line of Sanjeev Rupera, an Individual Investor. Please go ahead.

Sanjeev Rupera: My question is very simple. You mentioned that 30% of the investment is done and the balance will be done in this year out of INR500 crores. Three questions: Is it going to be impact in EBIT for this year? Is it going to increase the cash flow? And what is expected growth in this year?

Pardeep Kumar Khanna: The capex to be incurred across the period of 2 years, that is financial year '27 and financial year '28. As you say and we already disclosed that 30% of capex is already been done. And the remaining for remaining capex, we have clear visibility of cash generation through operations, and we will met from internal accrual.

Sanjeev Rupera: Yes. But is it going to be impact on EBIT? It is going to go up this year compared to last year?

Abhay Raj Singh: No, it is not going to hit.

Sanjeev Rupera: But it will go in positive direction. Do you mean to say that because when we see the quarter-on-quarter result, EBIT is going up. So, even after this, like say, cash flow deployment, the EBIT will be not be impacted and it will grow?

Abhay Raj Singh: See, basically, the capex what we have planned is being met through internal accruals. Pardeep ji just explained that the internal accruals, how this is going to be achieve. So, considering that, EBIT is not going to be hit.

Sanjeev Rupera: And what will be the top line addition here by this 30% deployment?

Abhay Raj Singh: I'm sorry, can you please repeat the last line?

Sanjeev Rupera: So, already 30% of the fund deployed. Now, what will be the addition in the top line for this year by this deployment?

Abhay Raj Singh: So, assuming the capex, which we announced, comes into the full operations, that perhaps be possible in FY29. So, it will be giving around 25% to 30% contributions to the top line.

Sanjeev Rupera: This year. But what will be the overall impact? What will be the overall impact on the top line by 5%, 10%?

Abhay Raj Singh: 25% to 30%.

Sanjeev Rupera: You're talking about the capacity, you know? You are talking about right now capacity. You are not talking about in the…

Abhay Raj Singh: No, I'm not talking about the capacity. What I'm saying is that considering the full operationalization and utilization of these assets, and that will happen in FY29 probably. So, that time, this will contribute around 25% to 30% contribution in the top line.

Sanjeev Rupera: So, there won't be any impact on the top line by, like say, adding this particular expansion this year, am I right?

Abhay Raj Singh: This year will be, but not very material.

Sanjeev Rupera: Okay. Understood. And it will not impact on the EBIT also, correct? Thank you.

Abhay Raj Singh: That's correct.

Moderator: The next question comes from the line of Rishabh Malik with Artha Capital. Please go ahead.

Rishabh Malik: Thanks for the opportunity. Sir, I have two questions. You earlier mentioned that the CDMO project that the company has taken up, the company will also use certain capacity of the additional Ibuprofen capacity that the company will install.

So, should we understand that, one, the company is completely backward integrated when it comes to Ibuprofen, and second, you are now trying to forward integrate via CDMO formulations? Is that understanding correct?

Abhay Raj Singh: This is correct. But as we disclosed in our announcement and today's opening remarks also, the major region what we are looking for is the Europe, and that is for the anchor customers. We are not going directly as a brand of IOL into market as of now.

Rishabh Malik: Got it.

Abhay Raj Singh: And as we discussed this is the customer's initiative, discussion is going on and it is primarily led through customers.

Rishabh Malik: Well understood, sir. Could you then give us some flavor on the products that you would be developing or you are in talks to develop? What kind of chemicals, APIs are you going to use to develop these formulations? Which direction the company is taking in terms of the products under CDMO?

Abhay Raj Singh: So, as of now, this is relating to our existing customers, that means the existing API of the company.

Rishabh Malik: Got it.

Abhay Raj Singh: So, whatever the product, we are supplying to the existing customers, the customers are existing, products are existing. So, this is the way we have designed.

Rishabh Malik: Understood. So, then it's complete forward integration. Fair enough. Sir, second question is the management in earlier conference calls had indicated that the company would be doing a multi-year capex, which would amount to INR1,200 crores to INR1,400 crores. And the current INR495 crores which the company has announced two days ago, is it a part of that INR1,200 crores to INR1,400 crores or is this a fresh capex, so then the total capex becomes INR2,000 crores?

Abhay Raj Singh: It's different. You are right. It's different, because this capex has been announced at the existing site. And the INR1,200 crores capex is at another site, that is a greenfield project. It's around 25 to 30 kilometers away from the existing site. So, these two are separate.

Rishabh Malik: Got it. One last question from my end, sir. You have already clearly mentioned that the additional Ibuprofen capacity at peak utilization would fetch us a revenue of roughly around INR600 crores, considering a 1.75x ROA. The CDMO project would again give you roughly INR130 crores to INR150-odd crores.

Abhay Raj Singh: So, the general idea is that whatever the API capex is there, that fetches around 1.7 to 1.5 -- 1.5x to 1.75x in the top line. But having said that, this is not the firm number you can take from here. This depends on the geographies, customer to customer, and product to product also. So, this is the general number we are talking about, that doesn't mean that the Ibu capacity is going to fetch X number what you are saying. So, generally, that is also depending on the final prices. So, we cannot or we should not reach to the conclusion of the X number, this is in general, what we are seeing for last many years.

Rishabh Malik: Got it, sir. One last question, sir, regarding the Ibuprofen prices in the market. We understand that the prices for raw material had earlier increased, which led to inflated Ibuprofen prices. And we understand that with oil coming down, prices for the raw materials did come down.

But have Ibuprofen prices then accordingly fallen down, or are they still just where they were at the elevated levels? I'm trying to understand this to understand if the company is looking at inflated margins for the coming quarters or is it just going to be in the same range?

Abhay Raj Singh: So, the prices of various products were gone up during the war situation, so were the prices of the input materials also. And since peak, many products' prices have softened down, but I think Ibu prices are more or less same. So, there is not much change in the prices of the Ibuprofen. They are hovering at around the same level.

Rishabh Malik: Okay. So, considering our company is completely backward integrated, so then we are looking at a probable margin expansion. Is that understanding correct?

Abhay Raj Singh: Yes, that's correct.

Rishabh Malik: Okay. That's all from my side. Thank you so much, sir.

Abhay Raj Singh: Thank you.

Moderator: Thank you. The next question comes from the line of Nimish Verma with AES Capital. Please go ahead.

Nimish Verma: Good afternoon, sir. Sir, I just had one question. Beyond these announced projects, should we expect further capacity additions or investments in API, CDMOs, or speciality chemicals over the next two, three years?

Abhay Raj Singh: Why not? The CDMO has just started, in fact yet to be commercialized, so we cannot discuss capacity enhancement for the CDMO. Ibuprofen, you've seen. And if ------ during the last two years, on a regular basis, we are coming up the capacity enhancement of one product or the other. So, considering the capacity utilizations and the market responses and the future possibility, what we will be having, we'll come up with new products as well as the capacity enhancement, both.

Nimish Verma: Got it, sir. That is it. Thank you.

Abhay Raj Singh: Thank you.

Moderator: Thank you. As there are no further questions from the participant, I would now hand the conference over to Mr. Rakesh Mahajan for closing comments.

Rakesh Mahajan: Thank you, everyone, for your questions and continued interest in IOL. To briefly conclude, these initiatives strengthen our core, the Ibuprofen business, and open new customer-led opportunity in CDMO formulation and specialty chemicals.

Importantly, these investments are backed by identified market opportunities and are being funded through entirely internal accruals, reflecting our confidence in company's cash generation capabilities and long-term growth prospects.

We remain focused on disciplined execution, sustainable growth, and creating long-term value for our stakeholders. We look forward to updating you on the progress of these initiatives regularly and our broad growth journey regularly. Thank you very much for joining us. Have a good day.

Moderator: Thank you, sir. On behalf of MUFG Investor Relations, that conclude this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.