



## IOL CHEMICALS AND PHARMACEUTICALS LIMITED

18<sup>th</sup> February 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 Earnings Conference Call, post declaration of Financial Results Q3 & M9 FY'26**

Dear Sir,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the transcript of Earnings Conference Call organized by the Company on 12<sup>th</sup> February 2026 post declaration of financial results for the quarter and nine months ended 31<sup>st</sup> December 2025.

You are requested to take the same on record.

Thanking You,

Yours faithfully,  
for IOL Chemicals and Pharmaceuticals Limited

Abhay Raj Singh  
Sr. Vice President & Company Secretary



# **IOL Chemicals and Pharmaceuticals Limited**

**Q3 and 9 Months FY '26 Earnings Conference Call**

**February 12, 2026**



**MANAGEMENT:**        **MR. PARDEEP KUMAR KHANNA- CHIEF FINANCIAL OFFICER**  
**MR. ABHAY RAJ SINGH -SENIOR VICE PRESIDENT AND COMPANY**  
**SECRETARY**  
**MR. KUSHAL KUMAR RANA -DIRECTOR WORKS**  
**MR. RAKESH MAHAJAN-ADVISOR**

**MODERATOR:**        **MS. PRACHI AMBRE – MUFG INVESTOR RELATIONS**

**Moderator:**        Ladies and gentlemen, good day, and welcome to the IOL Chemicals and Pharmaceuticals Limited Q3 and 9 Months FY '26 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 touch-tone phone. Please note that this conference is being recorded.



I now hand the conference over to Ms. Prachi Ambre from MUFG Investor Relations team. Thank you, and over to you, ma'am.

**Prachi Ambre:**

Thank you, Anushka. Good afternoon, everyone, and welcome to IOL Chemicals and Pharmaceuticals Limited Q3 and 9 Months FY '26 Earnings Conference Call. Today on the call, we have Mr. Pardeep Kumar Khanna, Chief Financial Officer; Mr. Abhay Raj Singh, Senior Vice President and Company Secretary; Mr. Kushal Kumar Rana, Director Works; and Mr. Rakesh Mahajan, Advisor, to provide insights on the company's operational and financial performance.

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. The statements are not a guarantee of our future performance and involve unforeseen risks and uncertainties.

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

**Abhay Raj Singh:**

Thank you so much, Prachi-ji, for a brief introduction. Hello, everyone. Good afternoon, and welcome to the Q3 and 9 months FY 2026 earnings call of the company. Thank you very much for joining us today and for your continued trust and support. We truly appreciate your time and your interest in the company. I hope that you have had a chance to go through our financial results and investor presentations, which are available on the stock exchanges and the company's website.

Q3 FY '26 has been a resilient quarter for the company, reflecting the strength of our diversified business model and disciplined execution despite global headwinds arising from geopolitical fluctuating conditions. The quarter's performance highlights the consistency of our operations, enduring demand across key product categories and our agility in navigating external challenges.

The Pharmaceutical segments continued to anchor growth and remain a key contributor to overall performance. We witnessed growing traction across our API portfolio, particularly in non-ibuprofen molecules, which continue to gain share and reinforce the success of our diversification strategy. Rising contributions from these products reflects broader market penetration and increasing validation from regulated markets. This shift enhances revenue visibility, strengthens margin quality, and reduces concentration risk.

Growth was supported by healthy volume, consistent customer engagement, and expansion in quality-focused geographies. Our Chemicals business also delivered a stable performance during the quarter, supported by optimal capacity utilization levels and improved demand conditions. Operational discipline, efficiency initiatives, and better throughout supported segment profitability and demonstrated the structural strength of this business. The steady performance of chemicals alongside pharmaceuticals validates the resilience of our portfolio and its ability to generate consistent results across business cycles.



Overall, the quarter reflects good operating momentum, improving efficiencies and disciplined execution of our strategic priorities. We remain focused on expanding our footprint in regulated markets, increasing the share of high-value and non-ibuprofen APIs, strengthening customer relationships and enhancing R&D capabilities. In addition, backward integration initiatives and growing product pipeline position us to sustain growth momentum, improve competitiveness, and deliver long-term value for stakeholders.

With this, I would request CFO, Mr. Pardeep Khanna to share the financial highlights for this quarter and 9 months period of FY 2026.

**Pardeep Kumar Khanna:** Thank you, Mr. Abhay. Good afternoon, everyone. During the third quarter of financial year '26, the company reported revenue from operations INR580 crores as compared to INR523 crores in the corresponding quarter last year, reflecting a growth of 10.9 percentage. EBITDA for the quarter stood at INR62.6 crores versus INR50.9 crores in quarter 3 of financial year '25, registering a growth of 22.8 percentage.

While PBT before exceptional items increased to INR38.8 crores from INR27.8 crores, marking a strong year-on-year rise of 39.3 percentage. The EBITDA margin improved to 10.7 percentage compared to 9.7 percentage in the same quarter of the last year. And PBT margin increased to 6.6 percentage from 5.3 percentage, reflecting better operating leverage, improved product mix, and cost optimization, INR11.2 crores reported as exceptional item during the quarter pertaining to provision relating to new labor law, which is non-recurring in nature.

So for the 9 months period ended December '25, revenue from operation stood at INR1,699.6 crores as against INR1,551.4 crores in the previous year, representing a growth of 9.6 percentage. EBITDA was 196.1 crores compared with INR157.1 crores, up by 24.8 percentage. While PBT before exceptional item of INR11.2 crores, rose to INR124.8 crores from INR93 crores, reflecting a growth of 34.2 percentage.

So EBITDA margin for the 9 months improved to 11.4 percentage from 10 percentage in the previous year. And PBT margin increased to 7.3 percentage from 5.9 percentage, demonstrating sustained margin expansion across the periods. And our financial position remains stable, supported by healthy operating cash flow and prudent financial management, which allows us to continue investing in growth initiatives while maintaining balance sheet strength.

Reflecting confidence in the company's performance and outlook, the Board of Directors had declared an interim dividend of 50% per equity share for financial year '25-26. So thank you. With that, we now welcome any questions you may have. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. We take the first question from the line of Jay from Star Investments.

**Jay:** EBITDA margin improved to 10.7% in Q3 and 11.4% for the 9-month period. Could you give us a detailed breakdown of what drove this margin expansion?



- Rakesh Mahajan** The primary increase in the – Inaudible 9:40 increase in capacity utilization of various products.
- Jay:** Okay. What is the current pricing environment for ibuprofen APIs? And are you facing any margin pressure due to oversupply or has pricing stabilized in recent quarters?
- Rakesh Mahajan** No, our ibuprofen plant is running around 90% to 95% capacity utilization, and we are not facing any problem which you have mentioned that any surplus, but our capacity utilization is continuing above 90% to 95%.
- Jay:** Okay. And one last question. If we look at the Chemicals EBIT for 9 months FY '26, it has nearly doubled compared to the prior period. Could you help us understand the key drivers behind this performance? And where exactly are you seeing traction, whether in volumes or realizations? And how confident are you about sustaining this momentum going forward?
- Rakesh Mahajan** Our capacity utilization for Chemicals division is almost 100% capacity we are running for our ethyl acetate plant. And the increase in EBIT is primarily to the full utilization of capacity utilization.
- Moderator:** We'll take the next question from the line of Jainam Ghelani from Svan Investments.
- Jainam Ghelani:** So in quarter 2, we had faced some onetime cost of power of almost 7 to 8 quarters -- INR7 crores to INR8 crores because of the floods that were there in Punjab. So has the power cost reduced to the normalized levels for us? Or was it higher in quarter 3 also?
- Pardeep Kumar Khanna:** Rightly said, the power cost in the second quarter has increased due to floods in Punjab. But non-reduction of fuel prices in the third quarter, it could not happen. The power and fuel costs remain same as in the second quarter.
- Jainam Ghelani:** Okay. And sir, what is the pricing scenario for ethyl acetate as well as paracetamol? If you could just mention whether they've been stable Q-on-Q or there has been some change?
- Rakesh Mahajan** Almost stable prices are there for ethyl acetate and paracetamol. However, the quantities are going to increase for IOL.
- Kushal Kumar Rana:** Actually, capacity like for paracetamol, we are increasing the capacity gradually and probably pricing is same.
- Jainam Ghelani:** Okay. And sir, in the previous call, you have mentioned that we can expect almost 13% to 14% margins in H2. So now do we expect to maintain that or we feel that it could be lower?
- Pardeep Kumar Khanna:** In respect to EBITDA margin, we are not able to achieve the target because of unexpected rise in the fuel cost. So now we hope we will do better in the coming quarter. And EBITDA margin will improve by better efficiencies we are marketing. But we hope we will increase, I guess, the EBITDA margin increased by 1% to 2% in the coming quarter.
- Jainam Ghelani:** Okay. And sir, what is the capex plans for FY '27?



- Pardeep Kumar Khanna:** The capex for the '27...
- Abhay Raj Singh:** We are working on it, and we still have to finalize what will be our capex. But Jainam-ji, as considering the last con call also, the capex regularly we are doing is approximately INR150 crores to INR200 crores. So I think for FY '27, we will also be doing the same level of the capex, for that, we have a plan.
- Moderator:** We take the next question from the line of Maulik from B&K Securities.
- Maulik:** I just wanted to understand our costs have increased by approximately 6%, other expenses have increased by 6% quarter-on-quarter and 20% year-on-year. So for 2Q, the power costs were high. But for 3Q, can you quantify how much have these costs increased, factoring in the fuel cost, which you just mentioned? So can you help us understand?
- Abhay Raj Singh:** Maulik-ji, for Q2 actually, we very well explained during the call, the cost increase was because of the fuel prices were gone up and there were some onetime personnel expenses, that was the basic reason of the cost increase. But this quarter, as we said in the earlier questions, we were expecting that the fuel costs will come down. That could not come down because of the prices of the husk contained at the same level or, in fact, very slightly inched up. So that was the basic reason, and other costs are relating to the marketing expenses and some general expenses. So that is the cost breakup, which gone up if you consider with the Q2 to Q3.
- Maulik:** Okay. Understood. Understood. And sir, you mentioned that there will be a 1 percentage point increase in the EBITDA margin. So this was for 4Q or 1Q FY '27 you mentioned?
- Abhay Raj Singh:** Maulik-ji, Q4 we are talking about. See, we were expecting a little higher EBITDA for the Q3 also. I think we missed by INR2 crores, INR3 crores, not big amount and that we are very sure that we will be making up in the Q4.
- Maulik:** Okay. Okay, sir. And can you quantify how much was our revenue for ibu and non-ibu?
- Abhay Raj Singh:** Yes. So just in the price...
- Pardeep Kumar Khanna:** We have a total revenue in this quarter INR580 crores, out of which pharma sector is INR356 crores and chemical INR224 crores. Pharma is 61 percentage and chemical is 39 percentage.
- Maulik:** Right. Sorry, I missed, did you...
- Abhay Raj Singh:** Maulik-ji, if we further divide this ibu and non-ibu, so ibu is 228 and whereas non-ibu is 128.
- Maulik:** Understood. And -- yes, sorry.
- Abhay Raj Singh:** No, that is the breakup, yes. No, no. That is the breakup.
- Maulik:** Yes. Okay. And sir, how do we expect our 4Q and FY '27 to look like? We had given a growth guidance of 10% to 15% revenue growth for FY '27. So do we stick to that? And what is the



outlook of our key products in the chemicals and mainly in pharma, be it paracetamol, metformin, or ibu?

**Pardeep Kumar Khanna:** So in the coming year, we expect minimum 10% to 15% growth in the top line and 15% to 20% in the bottom line. So we are focusing on export of our pharma products, and we are in touch with some big customers. So steps also has been taken to increase non-ibu share. And we have also potential for forward integration. And we are also backward integrated in ibu and para. So we hope we will do better in the coming year with 10% to 15% minimum growth.

**Maulik:** Okay. And how much would be our consolidated capacity utilization, sir, for chemicals and pharma?

**Pardeep Kumar Khanna:** For Pharma, we are utilizing more than 90% capacity except paracetamol for which we are expanding and for chemical, generally mainly near 200%.

**Maulik:** Sorry, chemicals is how much, sorry?

**Pardeep Kumar Khanna:** Near 200%.

**Maulik:** Oh, near 200%.

**Moderator:** We take the next question from the line of Surabhi from NV Alpha.

**Surabhi:** So my first question is, you normally gave the split of ibuprofen and other non-ibu. Within the non-ibu portfolio, how much of it is coming from regulated markets currently?

**Abhay Raj Singh:** So overall export, if we talk about the export contribution of non-ibu, this is around 15% to 17% we are exporting. And majorly, we are exporting to the European and the regulated market. This is around 15% coming from regulated market.

**Surabhi:** Okay. And you mentioned that in pharma, apart from paracetamol, all other capacities are optimally utilized. So for next year, the growth majorly will come from paracetamol? Or are there any other capex for other APIs also which are in pipeline?

**Abhay Raj Singh:** Surabhi-ji, we discussed this in detail in the previous calls also. Paracetamol is the growth driver. Another driver is the conversion in the demography. I mean, the non-ibu domestic will be shifted to the regulated market. Third is the metformin because -- the previous facility where we were making the paracetamol will be converted back to the metformin. So that is going to be vacant, also will be utilized either for the metformin or maybe for other products also.

Apart from that, as we are reaching or nearing to 100% capacity utilization, we are also working, on increasing the capacity for a few products. So put together, all these things will give you better visibility for the '27 FY growth drivers.



- Surabhi:** Got it. And sir, just one small clarification. In the previous participant's question, you also mentioned you all are doing forward integration. So enable forward integration into formulation, what does forward integration mean?
- Abhay Raj Singh:** We are planning to have it, but not the formulations, but CMO model.
- Surabhi:** CMO in the API only or CMO in something else?
- Abhay Raj Singh:** CMO for API only.
- Moderator:** We take the next question from the line of Varun Mishra from Bawa.
- Varun Mishra:** And a couple of questions from my end. So like can you provide more details on our capex allocation for like FY '26 and FY '27? Like how much is directed towards the pharmaceutical segment and how much is for chemicals? And what would be the incremental capacity like will this create, if you could tell us something about that?
- Abhay Raj Singh:** Capex is -- total capex for FY '26 is something around INR150 crores. we are into the last quarter, so maybe a little less to that INR150 crores we budgeted. But I think we are in the last quarter. So we may go for a little bit less to the INR150 crores, maybe INR130 crores to INR135 crores. Out of this, 60% is against the growth.
- Varun Mishra:** Okay. And the rest 40%?
- Pardeep Kumar Khanna:** Rest 40% for infra development and automation.
- Varun Mishra:** All right, sir. And like what is the update on the land parcel that the company has received, like recently acquired, sorry? Could you like tell us how is the acquisition going with the progress and the intent use of this site? How like it aligns with the long-term growth plans for us?
- Kushal Kumar Rana:** So I think like as we discussed in the last call also, already EC has been granted from the Ministry of Environment and Forest. So now the next step, like we are in the process to get the approvals from national highway authorities as well as other process of EC like getting NOCs and then consents to operate. So that process is undergoing right now.
- Varun Mishra:** All right, sir. And sir, like one final question, like this was regarding the CEP for minoxidil. Could you share like how do we plan to leverage the certification for like expansion in European markets, like specifically what opportunities do we see in terms of customer acceptance, any volume growth or revenue contribution that it might have? And how does that strengthen your broadened non-ibuprofen like portfolio strategy? If -- this is the last question.
- Abhay Raj Singh:** Varun-ji, we just recently got CEP. And earlier, we announced that by the end of the December, we will be commercializing minoxidil plant, which has been ----- I mean, a part of our other existing unit, unit number 9. So as of now, minoxidil intermediate, we are supplying as a merchant sale to the market. And as initial strategy, we are going for final API minoxidil in international market, regulated markets.

So we are trying for that. I hope by the first quarter of next financial year, we will be starting that. So this will enhance non-ibu API portfolio further. So this is having the scope of selling the minoxidil intermediate as well as the minoxidil final API.

**Moderator:** We take the next question from the line of Vruddhi Vora from SAS Capital.

**Vruddhi Vora:** Yes. So my question is Pharma share of overall revenue rising from 57% in Q3 FY '25 to 61% in Q3 FY '26, highlighting its growing contribution. So looking ahead, what do you see as the ideal revenue mix between the ibuprofen APIs and non-ibuprofen APIs and the Chemical segment?

**Pardeep Kumar Khanna:** So the revenue mix of ibu and other APIs is ibu is 64 percentage and other API is 36 percentage. In the corresponding quarter of December '24, the ibu revenue is 66% and other API 34%. So ibu revenue is decreased by 2 percentage and other API revenue is increased by 2 percentage.

**Vruddhi Vora:** Okay. And how should we think about the balance between these business in terms of sustaining growth and marginal quality over the medium-term?

**Abhay Raj Singh:** I think you are talking about the next few years. So next few years, the ideal for us will be the 60% will be coming from API business and 40% will be coming from the chemical business . This is in near-term. However, the ideal we are thinking is 25% and 75%. So 25% from the chemical and 75% from the API.

And between these APIs, the near-term objective of ours is to divide it into the 50-50. Later on, 50% from ibuprofen and 50% from non-ibu. But we are trying to further improve this, 25% from the ibuprofen and 75% from non-ibuprofen API. This is, I'm talking about for 4 to 5 years.

**Vruddhi Vora:** Okay. And like now...

**Abhay Raj Singh:** And this 60-40, I'm talking about achievable in next 2 years.

**Vruddhi Vora:** Okay. Noted. And which geographies are currently showing the strongest demand momentum from the pharma portfolio, particularly the non-ibuprofen APIs? Yes, could you share.

**Abhay Raj Singh:** Since beginning, our concentration is more in the Europe.

**Vruddhi Vora:** Okay. And sir, could you also share where you are planning to expand going ahead? And how these markets are expected to contribute to the growth and margin sustainability?

**Abhay Raj Singh:** The overall European Union, the complete Europe as well as the MENA countries.

**Vruddhi Vora:** What is the peak revenue potential you foresee from the both ibuprofen and non-ibuprofen segments over the next few years?

**Abhay Raj Singh:** So we have already discussed on this for the '26 and '27. we think that during -- by the '27, we might have something. We've already given that we will be reaching to INR2,700 crores from overall the business, including the chemical and the ibuprofen -- sorry, API. So out of this, we



think that around INR1,800 crores comes from the API business and INR900 crores will come from the chemical business. So we are targeting to further have 50-50 ratio for the '27 from ibuprofen and non-ibuprofen. This is what we are discussing, and we are very hopeful that we may cross it or to reach very near to this.

- Vruddhi Vora:** And how do we expect the margins to evolve with the changing product mix and market?
- Abhay Raj Singh:** Margin, I think CFO already discussed about this for the next year, around 10% to 15% upside from the current margin profile.
- Moderator:** We take the next question from the line of Maulik from B&K Securities.
- Maulik:** Sir, just wanted to understand that for the previous quarter, in 2Q, our EBIT margins for chemical entity was around 1.8%. And I think that the reason for that higher EBIT margin was due to a lower cost inventory line with the company. And going ahead, you all were going to try to negotiate with the Chinese suppliers. And this quarter, we see a 2.2% EBIT margin, which is a healthy growth. So what is the reason behind this Q-o-Q growth? Is it better negotiation or?
- Rakesh Mahajan:** It was a little off-center, you mentioned -- it was little off-center, it is -- it is increase and there is too little to gain of inventory valuation also. Inaudible 32:10 But primary reason of increase in the EBIT margin is the capacity utilization.
- Maulik:** Sorry, realization?
- Rakesh Mahajan:** Capacity utilization.
- Maulik:** Capacity utilization. Okay. Okay, sir. And a similar question for our pharma EBIT margins, which have reduced sequentially from 10.5% to approximately 9.7%. So we have had a healthy utilization. But despite that, the margins have come down. So any reason for that?
- Rakesh Mahajan:** Actually the prices of paracetamol and underutilization of para capacity as of now, which is running at around 60%, it went for this decreasing numbers.
- Maulik:** Okay. So prices and underutilization of paracetamol?
- Pardeep Kumar Khanna:** also we are focusing mainly on volume, on capacity utilization. So due to this, the margins are in line
- Maulik:** Okay. So we would have offered slight more lower pricing for the same products to increase the volume? Is that the correct understanding?
- Pardeep Kumar Khanna:** So to -- but Inaudible 33:45 we are utilizing optimum capacity. We will -- in future, we will be focusing on the pricing also.
- Maulik:** Okay. And just one clarification, sir. You mentioned that the focus is on EU market going ahead. So this was mainly for API business or on a consol level for chemical plus API segment?

**Abhay Raj Singh:** Maulik-ji, not for going ahead - since beginning our focus has been in the complete Europe and the MENA countries. So we will continue to focus those territories. Apart from these territories, we will also look for what other part of the world we can serve. And this focus is for both now.

**Moderator:** We take the next question from the line of Shaikh Mohammad Ayaz, an Individual Investor.

**Shaikh Mohammad Ayaz:** I would like to ask that there is one exceptional loss of around INR11 crores. So what is that exactly? Where it comes from?

**Abhay Raj Singh:** So the central government regulated all labor laws and unified the 29 laws into 4 laws. Out of these laws, the wage structure / definitions has been redefined. because of it the difference of the past services of all the employees, works out to be INR11.21 crores. This is against the gratuity calculations as well as the earned leave calculations, if any.

So this is relating to the past employment of the existing employees. And this is as of now onetime. This will -- the salary structure will be restructured in such a manner so that this is as per the new labor laws.

**Shaikh Mohammad Ayaz:** Okay. And regarding the fuel cost, I would like to know that which -- what fuel cost has increased? Means what we are using for as a fuel. We are using petrol, diesel, CNG, or coal, what we are using? Because I don't see rise in petrol, diesel, or CNG, I would like to know in detail. What are the cost increasing? Means we are utilizing more fuel? Is that the reason or the price?

**:Kushal Kumar Rana** No, sir. Actually, this is price. So your first question was what we are using as a fuel. So the right answer is we have coal and we are using biodegradable material from the farming lands, which is rice husk as an input material into our boilers, right? So if you see the cost of -- like this is a biodegradable material and it contributes mainly to the sustainability of an organization with respect to carbon footprint.

So most of the companies, they are opting for this fuel, and that is why this cost fluctuation is very high, either on upper side or on the lower side. So like in Q2, what we said with respect to fuel is there was heavy rains, and this husk remains in the open areas. So we were not in a position to use even our stocks, which were there in our hands, due to heavy rains. So that was the reason in last year -- last quarter. This quarter, the prices of the husk has been increased. Our current consumption of rice husk is somewhere around maybe 450 to 500 metric tons per day.

**Shaikh Mohammad Ayaz:** Okay. So in future also, that will remain high, rice husk prices?

**Kushal Kumar Rana** It depends, sir. Like when there is an off-season, it is always in the increasing trend.

**Shaikh Mohammad Ayaz:** There is no other option for rice husk for us?

**Kushal Kumar Rana** No, sir, there are other options also, but again, they are -- either they are contributing to your carbon footprint or cost, both are the parameters. Like there is a new biodegradable material, which is coming from the paddy straw. And the companies, they are using paddy straw to make

the briquettes. And those briquettes are also used in the boilers as a fuel. But again, the cost of production of those briquettes is more than the cost of rice husk.

**Shaikh Mohammad Ayaz:** Okay. My next question is expected revenue and profit after tax in Q4. And do we able to reach INR600 crore mark for the revenue in next quarter?

**Pardeep Kumar Khanna:** Yes, yes, sure. We expect INR600 crores revenue in the fourth quarter. And margin will also be increased.

**Shaikh Mohammad Ayaz:** What is the PAT? Can you tell me the expected profit after tax?

**Abhay Raj Singh:** I think that will not be very appropriate for us to talk about the PAT number for the next quarter at this moment because we are also abide by the law. But Mr. Shaikh, I discretely remember -- last quarter, you asked whether we will be achieving the INR600 crores mark? When we will be achieving? So I think that we can discuss, most likely we will be achieving the INR600 crores mark this quarter.

**Shaikh Mohammad Ayaz:** Okay. And EBITDA margin?

**Abhay Raj Singh:** So approximately 11%, a little better than.

**Shaikh Mohammad Ayaz:** Okay. Any update from the R&D team?

**Abhay Raj Singh:** So something around -- see, it's very difficult for us to talk about the specific number, exact number because you also understand and will appreciate how fluctuating situations worldwide are. Prices are very drastically moving up and down. So this is really very difficult for us to answer this sort of the question.

What we can answer very well is the quantity. So how we are doing, what we are doing to level the quantity and the capacity utilizations of the company. So, if you would like to ask the questions relating to that, we will be comfortable in answering those questions because we know what efforts we are doing. So price is something we do not control. And the EBITDA and turnover comes from the price as well. So quantity is also very important. But suppose if we are doing more quantity and the price is going down, my turnover will not be at the level what we are discussing right now.

So this is all forward-looking statement considering the current date scenario. So we expect that we will be able to achieve that, but this is -- prices are going up and down on a regularly basis. So we do not control. Production, utilization efficiency, we are maintaining. We are leading the positions in the ibu and our assets are being utilized at a very comfortable capacity.

**Shaikh Mohammad Ayaz:** I can understand, sir, but we have some 13% to 15%. So I just need to ask about the...

**Abhay Raj Singh:** We'll be reaching, so we are trying -- that is perfectly all right. Initially we said that we will try to reach to around 14% to 15%, after that we said we will be reaching to around 13%. But I think now we are just understanding that we will be reaching something 11% to 12%. And we



are very hopeful -- we are very hopeful that this EBITDA level will be increasing and getting better in the next financial year '27. Top line guidelines, we are still maintaining.

**Shaikh Mohammad Ayaz:** Okay. No, sir, why I'm asking is we are already getting so many approvals. We are -- we have increased our exports. So it is expected from your side.

**Abhay Raj Singh:** So your question is very valid and very much welcomed. But what I'm trying to say is that basis all these efforts, we are maintaining our volume, and we are increasing our capacity utilizations of our assets. What we feel difficult is just to talk on the exact numbers.

**Shaikh Mohammad Ayaz:** Okay. Sir, can I proceed with the next question?

**Abhay Raj Singh:** Yes, please.

**Shaikh Mohammad Ayaz:** Sir, any update from the R&D team, patents we are having, any update from that side?

**Abhay Raj Singh:** Patent, we are having 3 patents. All those patents are the process patents. We have not gone for the product so far.

**Kushal Kumar Rana** I think we have currently 3 patents. So unfortunately, all those 3 products are not being working on commercial basis as of now. Like sitagliptin was one, vildagliptin was other and losartan was the third one. So in vildagliptin and losartan, it was nitrosamine impurities, whereas in sitagliptin, it was the enzyme usage. So unfortunately, all these 3 products, due to commercial equations, they are not being running in the commercial plants.

**Shaikh Mohammad Ayaz:** Okay. So it means we have stopped working regarding these patents for the future?

**Kushal Kumar Rana** No, it is not a question that we have stopped working. As and when any new product will come into the picture, we'll see our capabilities, how we can explore into the patent section also. But what we are saying today is whatever the 3 patents we have, so unfortunately, those 3 products are not running under the commercial production.

**Moderator:** We take the next question from the line of Hemant from Norasia.

**Hemant:** Sir, for the new land, have the Board decided with what plans and what products are we coming up with and whether it would be from the API division or the Chemical division?

**Kushal Kumar Rana:** Sir, like in R&D, we are working on both segments parallelly, be it chemical side or be it API side. So we are working -- there are different teams working in R&D on different products. So I think as and when we'll get through those products, we will announce appropriately.

**Hemant:** Okay. So it is not going to be from the current product portfolio. So whatever the product is going to be part of the company as new product.

**Abhay Raj Singh:** Model will remain same. Actually, the model is same. So we will be doing the API and chemicals. But the product finalization is under implementation, under development. So that is



the reason we are not able to tell you about what product we are going. But for sure, it will be the API and the chemical.

**Hemant:** Okay, sir. And sir, how much is the inventory markdown in the current quarter, the value of inventory markdown?

**Pardeep Kumar Khanna:** Around -- total inventory is around INR350 crores.

**Hemant:** Okay. So it is mainly because from the chemical inventory value, which has gone down or the API like products value which has gone down?

**Kushal Kumar Rana:** API inventory has been gone down, sir.

**Hemant:** Okay. Okay, sir. And one of our competitors has also initiated some consultation for their sale of their ibuprofen plant, like Solara. So would IOL be interested, considering being in the southern part of India and our customers being located there, if the opportunity does exist in the market?

**Abhay Raj Singh:** Not immediately now. But if anything come up, which is meeting within our parameter of the selection, then we can, we'll be considering. But as of now we have another land where we are just going to set up another plant. So our priority is that.

**Hemant:** Okay, sir. But I just wanted to understand, sir, how is exactly the ibuprofen scenario shaping up? Because listening to other con calls and everything, it looks like the market is pretty -- like very competitive and the new players are very -- having a very high technological advantage over others. So could you just guide us like what exactly is happening?

**Rakesh Mahajan** As I have already explained that our company, ibuprofen capacity is running at almost more than 90%. So we are not facing any such situation, which you have heard from other peers or other things. Otherwise, the capacities are also closing down in last year, one capacity was closed in U.S.A. also. So in the market, there may come some player or some players may are out. But it has 3% to 4% global growth rate every year. So there is potential for the increase in this ibuprofen factories also.

**Moderator:** We take the next question from the line of Vruddhi Vora from SAS Capital.

**Vruddhi Vora:** Sir, my question is that given the significant headwinds faced in the ibuprofen segment this quarter, could you elaborate on other molecules in your portfolio demonstrating a strong traction

**Pardeep Kumar Khanna:** The other molecule are metformin, pantoprazole and clopidogrel.

**Vruddhi Vora:** And a further question that like could you elaborate on the product pipeline that your R&D team is working on? Which therapeutic categories are being prioritized? And what time line should we expect for commercialization?



**Kushal Kumar Rana** So I think as we discussed in our last question also, we are working on the same combination mix of products. They will be the molecules of generic nature only. And as far as the means, name of the product and time lines are concerned, team is working. And let us say, if the molecule is already existing in the market, if we have to come up in the market, we have to create some edge. So definitely, as and when we get some idea or we'll get through that idea, definitely, we will let you know.

**Moderator:** Thank you. As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments.

**Rakesh Mahajan** Yes. Good afternoon, again. Thank you very much for joining us. We remain confident in the direction of our business and the opportunities ahead. The progress we are seeing across segments supported by strong customer relationships, disciplined execution, and improving operating efficiencies give us confidence in our ability to sustain performance momentum. Our continued emphasis on portfolio depth, process improvement, and prudent financial management will remain central to how we position the company through evolving market conditions.

We would like to thank our stakeholders for their continued trust and support. Their confidence motivates us to keep strengthening our capability and delivering consistent outcomes with a clear strategic road map and resilient operating framework. We believe our company is well positioned to build on its current momentum and create enduring value in the period ahead. For any further queries, please feel free to contact our IR team. Thank you, and have a good day.

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