May 18, 2025

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| **BSE Limited**<br>Floor 25, P. J. Towers<br>Dalal Street, Fort<br>Mumbai - 400 001<br><br>Scrip Code: **543271** | **National Stock Exchange of India Limited**<br>Exchange Plaza<br>Bandra Kurla Complex<br>Bandra (E)<br>Mumbai - 400 051<br>Trading Symbol: **JUBLINGREA** |

**Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of the Investors' Conference Call for the quarter and financial year ended March 31, 2025**

Dear Sirs,

Pursuant to Regulations 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the transcript of Investors' Conference Call for audited standalone and consolidated financial results for the quarter and financial year ended March 31, 2025, held on Tuesday, May 13, 2025.

The link to access the transcript of the earnings conference call is given below:

https://www.jubilantingrevia.com/investors/financials/quarterly-results

We request you to take the same on record.

Thanking you,

Yours faithfully,
For Jubilant Ingrevia Limited

Deepanjali Gulati
Digitally signed by Deepanjali Gulati
Date: 2025.05.18 17:25:49 +05'30'

Deepanjali Gulati
Company Secretary

Encl: as above

## List of Management Attendees

1. Mr. Shyam Bhartia, Chairman
2. Mr. Hari Bhartia, Co-Chairman
3. Mr. Deepak Jain, Chief Executive Officer and Managing Director
4. Mr. Varun Gupta, Chief Financial Officer
5. Mr. Pavleen Taneja, Head Investor Relations

## External Participants during Q&A session

1. Rohan Mehta, Ficom Family Office
2. Siddharth Gadekar, Equirus
3. Resham Jain, DSP Asset Managers
4. Rohit Nagraj, B&K Securities
5. Vidit Shah, Spark Capital
6. Nitesh Dhoot, Anand Rathi
7. Gokul Maheshwari, Awriga Capital Advisors

# Jubilant Ingrevia Limited

## Q4&FY25 Earnings Conference Call Transcript
## May 13, 2025

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**Moderator:** Ladies and gentlemen, good day and welcome to the Jubilant Ingrevia Limited Q4 & FY25 Earnings Conference Call.

As a reminder, all participant lines will remain 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 the operator by pressing “*” then “0” on your touchtone telephone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pavleen Taneja, Head of Investor Relations at Jubilant Ingrevia Limited. Thank you and over to you, sir.

**Pavleen Taneja:** Thank you, Ryan. Good evening, everyone. Thank you for joining Quarter 4 of Financial Year 2025 Earnings Conference Call of Jubilant Ingrevia Limited.

I would like to remind you that some of the statements made on the call today could be forward-looking in nature and a detailed disclaimer in this regard has been included in the Press Release and the Results Presentation that has been shared on our website.

On the call today, we have Mr. Shyam Bhartia – Chairman, Mr. Hari Bhartia – Co-Chairman, Mr. Deepak Jain – CEO and Managing Director, and Mr. Varun Gupta – CFO, Jubilant Ingrevia Limited.

I now invite Mr. Shyam Bhartia to share his comments.

**Shyam Bhartia:** Thank you, Pavleen. A very good evening to everyone. Thank you for joining us on Quarter 4 of the Financial Year 2025 of Jubilant Ingrevia Limited.

We are pleased to announce sustained growth in revenue and margins for our Specialty Chemicals and Nutrition businesses.

Our ongoing cost reduction efforts have further boosted our profitability with quarter's EBITDA margin reaching 14.7% and profit after tax increasing by 153% on year-on-year basis.

We are glad to share that the Board has recommended a final dividend of 250%, that is Rs.2.5 per share, equity share of face value of Re.1 each for FY25. This shall result in a cash outflow of. Rs.39.8 crore. During the year, the company has already declared an interim dividend of 250%, that is Rs.2.50 per equity share of Re.1 each and a total dividend for FY25 works out to be 500%, that is Rs.5 equity per share of Re.1 each amounting to Rs.79.8 crore cash outflow.

Let me share the overall market update with you all:

The global chemicals and Specialty Chemicals sector has largely moved past the inventory destocking phase, showing volume recovery in specialty materials. Commodity segments continue to have volume under pressure though prices remain muted across segments and have stabilized at a new normal.

The Pharmaceuticals end use market is experiencing steady demand, supported by stable pricing and consistent volume placements. Our pharma portfolio with fine chemicals business reflects these positive trends; however, we continue to face low volumes in acetyl business due to low demand in the Paracetamol segment.

Agrochemicals segment has maintained its upward momentum this quarter, fueled by sales growth on both year-on-year and quarter-on-quarter basis. Consequently, average prices in the sector have shown signs of recovery, suggesting potential price improvements during the ensuing quarters

Nutrition markets saw a consistent rise in volumes. Niacinamide demand held steady with prices remaining stable throughout the quarter.

Meanwhile, Choline demand experienced a notable surge, though its pricing remained under pressure due to China imports.

In the light of recent global tariffs imposed by U.S. government, we are pleased to report that the impact on our US sales has been minimal. Approximately, 10% of our total sales are in the US and only 25% of those fall under additional 10% dutiable items. This means just 2.5% of our overall global sales might be affected by the US tariff.

Additionally, the potentially higher tariff on Chinese exports to US compared to Indian exports, we anticipate favorable conditions on both volume and pricing of our US export portfolio in the coming quarters.

Now, let me talk about our Business Updates:

In the Specialty Chemicals business segment, overall volumes remain stable. We are observing continuous growth momentum across our pyridine and picoline, fine chemicals and CDMO businesses with an expanded pipeline of newer opportunities for the coming quarters. In certain segments, we have started to see a slight price uptick as well.

The Nutrition and Health Solutions business segment saw substantial year-on-year and quarter-on-quarter volume growth primarily fueled by significant increases in choline product volumes. While Niacinamide volumes remain stable, pricing within the segment remains stable throughout the quarter.

We are witnessing a strong interest and customer enquiry in our human and cosmetic grade products and anticipate increasing production at our newly commissioned cGMP-compliant Niacinamide plant and Bharuch, Gujarat in the coming quarters.

In the Chemical Intermediates business segment, we observed sustained growth in ethyl acetic sales volumes both quarter-on-quarter and year-on-year. However, acetic anhydride volumes remain slow due to weak demand from Paracetamol sector. Overall prices in this segment stay relatively benign, which affected our margins.

Now, let me give you an update on our CAPEX:

In our strategic shift towards value added specialty chemical products, our CAPEX execution track record highlights our dedication of expanding and diversifying our business mix to enhance profitability. To achieve our goals, we have invested Rs.1,745 crore in the last three years out of the announced CAPEX plans of Rs.2,000 crore in FY22.

Looking ahead to FY26 and beyond, we plan to invest in high growth projects such as multi-purpose plants for Fine Chemicals, Diketene Derivatives, new CDMO Projects and Human Nutrition and Health Solutions Portfolio.

Now, let me share a few details on our future outlook:

We expect sustained growth and improved business performance, driven by advancements in Specialty Chemicals and Nutrition and Health Solutions along with efficient cost management. We remain committed to our Pinnacle 345 Vision and on track to achieve our envisaged growth plans.

With this now I hand it over to Deepak to Discuss the business in detail. Thank you.

**Deepak Jain:** Thank you, Mr. Bhartia. A very good evening to all of you. At the outset, I would like to thank you all for joining us today for the Q4 of FY25 Investor Call of Jubilant Ingrevia Limited.

Let me first take you through the Overall Market Overview. In pharmaceuticals, during the quarter we observed consistent volume demand across pharma end use segments, particularly in our Fine Chemicals portfolio. Prices remain stable across various end use segments with some areas experiencing increases. However, demand for Paracetamol end use was subdued as customers operated their plans below optimal capacity.

In the Agrochemicals sector, the global inventory destocking issues have eased, leading to a gradual rebound in agrochemical volumes and stabilized pricing. Pyridine-based agrochemical products are experiencing a steady recovery in both volumes and prices, contributing to consistent growth in our P&P portfolio.

In the Nutrition sector, Choline has seen continued traction with significant year-on-year and quarter-on-quarter volume increases despite prices remaining under pressure. Niacinamide has experienced year-on-year improvements in both volume and prices. Additionally, we are witnessing significant growth in human and cosmetic grade nutrition products, driven by the recent commissioning of our cGMP Vitamin B3 plant.

As you know, we have rolled out several new initiatives in the last few quarters in line with our Pinnacle 345 growth roadmap. Let me share a few highlights on the progress from the last few months. First one, our core product platforms continue to drive growth and leadership in Q4. In pyridine and picoline, we have achieved globally #1 position, and we are the only scale non-Chinese player with significant volume growth in FY25 and price increases in select segments. We are now World Leader in almost 35 of Pyridine Derivatives.

In Niacinamide, we have maintained our top two leadership position in feed grade with year-on-year growth in volume and an uptick in prices, while our new cosmetic grade plant should further strengthen our global market share and position.

#1. In Choline, we have maintained the #1 position in the dry CC domestic market with market share recovery in both quarter-on-quarter and year-on-year basis.

In the Acetyl segment, we have retained our market share in Acetic Anhydride and increased our share in Ethyl Acetate and Acetaldehyde.

#2. We have increased our revenue share of the Specialty and Nutrition businesses in the portfolio to 64%, up from 62% last quarter, and its EBITDA share in the overall portfolio has increased to 94%, up from 73% last quarter.

Our Pyridine and Picoline and its Derivatives, Diketene and Nutrition segments are showing strong year-on-year growth in revenue terms.

Growth areas such as CDMO Pharma, Semiconductor Chemicals and Niacinamide for Cosmetics end use continue to gain strong traction. In our CDMO business we added 25-plus new molecules in our funnel in FY25 across pharma, agrochemical and semiconductor, thus creating new growth vectors which we hope to scale up in coming quarters and years.

#3, on our international revenue, the revenues have grown to 45% share versus 34% last year with a 47% year-on-year increase. Our US revenue grew 22% year-on-year and 4% quarter-on-quarter, while revenue from Europe, Japan also increased.

We continue to focus on key accounts and are expanding our business development teams across US, Europe and Japan with senior sales leaders recently hired for Japan and Europe already.

#4 our key efficiency initiatives from last year continue to deliver substantial annualized savings of over Rs.120 crore from Surge, Lean, Business Excellence and other Energy Saving Programs.

We have now launched Phase-II of our cost optimization program aiming to achieve even higher efficiencies of Rs.100 crore to Rs.150 crore in the coming quarters, thereby further improving our margin.

On the CAPEX front, our recently commissioned Food and Cosmetic Grade Niacinamide and Niacin plant at Bharuch has witnessed rapid volume scale up over the last three months. Additionally, CAPEX is progressing as planned for the two new agro CDMO orders announced in previous quarter.

As Mr. Bhartia has already mentioned, we have already invested Rs.1,745 crore over the past three years from the announced CAPEX plans of Rs.2,000 crore in FY22. Looking ahead in FY26, we plan to invest Rs.600 crore of additional CAPEX, including some spillover from FY25, which will be largely funded through internal accrual. In future years, the investment will go into high growth projects in a modular manner, including multi-purpose plants for fine chemicals, diketene, new CDMO projects and human nutrition portfolio. In the coming quarters, we will announce the launch of more CAPEX projects in line with our long-term growth strategy.

On the Sustainability Front as well, our core initiatives remain on track to keep our leadership position intact. I am pleased to announce that we have retained our ESG ranking, achieving a gold rating and being in the top 95th percentile in the Eco Vadis rating. Additionally, our score of S&P Dow Jones Sustainability Index has improved further placing us in the 92nd percentile within the global chemical industry.

As we announced earlier, I m delighted to share that during the last quarter, Jubilant Ingrevia Limited has partnered with O2 Power to source 50% of the energy for its Bharuch manufacturing facility from renewable sources. This marks another step in our journey towards clean energy adoption following similar initiatives at our Savli and Gajraula manufacturing facilities last year. With this agreement, over 35% of our energy needs across all manufacturing units will now be met through renewable, reinforcing our commitment to a greener future. With such initiatives, we are proud to be driving impactful change, as we integrate sustainability into our operations. This will not only contribute significantly to the reduction of scope to emissions but also reduce our power cost in the coming quarters.

Likewise, we have taken several other green initiatives which will help us have significant impact both environmentally and commercially.

Now, let me take you through the updates on all of our three business segments Individually:

During the year, Specialty Chemicals segment revenue grew 15% on a year-on-year basis on account of improved sales from pyridine and its value-added derivatives, diketene derivatives and CDMO businesses. During the quarter, Specialty Chemicals once again achieved its highest-ever EBITDA of Rs.129 crore and the highest EBITDA margin of 27% in the last 15 quarters. EBITDA for Specialty Chemicals grew by 93% on a year-on-year basis. Improvement in absolute EBITDA and elevated margins were achieved on account of cost optimizations and higher growth in pyridine and diketene derivatives.

The CDMO business continues to grow with substantial increase in volumes both quarter-on-quarter and year-on-year basis fueled by rising number of inbound enquiries from the agro, pharma and semiconductor sector.

CAPEX for two agrochem orders announced last quarter is progressing on schedule and will add to Specialty Chemicals business revenue and margins in the coming quarters.

In the Nutrition and Health Solutions business during the quarter, revenue for the Nutrition and Health Solutions business increased by 15% year-on-year on account of higher volumes of both Niacinamide and Choline segment. EBITDA for the quarter increased by 237% year-on-year and 17% quarter-on-quarter, driven by higher sales of choline products. Additionally, increased year-on-year sales volumes and pricing of Niacinamide contributed to this growth. Our continuous cost optimization efforts are also contributing to higher margins.

With our cGMP facility ramping up well, we observed a significant increase in demand for cosmetic-grade products while our food grade volumes continue to remain steady.

During the quarter our choline products maintained strong volume traction on both quarter-on-quarter and year-on-year basis with stable pricing.

We achieved positive traction through ongoing cost rationalization efforts and an improved product mix. Additionally, food grade CCBT continue to gain traction, experiencing growth in volumes over the quarter.

In the Chemical Intermediates business, quarterly revenue and EBITDA for the segment declined due to ongoing challenges in the primary end use markets for paracetamol, which negatively impacted both the volumes and pricing of acetic anhydride. Additionally, lower prices of ethyl acetate, led by intense competition also impacted adversely. Since acetic anhydride continues to face challenges from its main end market such as paracetamol and we are placing greater emphasis on ethyl acetate and acetaldehyde volumes to offset the impact of lower acetic anhydride volumes.

Before I hand over to Varun, I am also pleased to share with you that Jubilant Ingrevia got a Great Place to Work Certification in the last quarter which is just the substantiation of all the efforts we are putting in to make our company better place to work for our people.

With that, let me just hand over to Varun to take you through the Financials.

**Varun Gupta:** Thank you, Deepak. A very good evening to all of you. I would like to thank you all for joining us today for the Quarter 4 Investor Call of Jubilant Ingrevia Limited.

The overall revenue during the quarter stood at Rs.1,051 crore as against Rs.1,071 crore in Quarter 4 last year. The revenue was lower mainly due to the lower year-on-year revenue from our Chemical Intermediates business segment. The EBITDA for the quarter stood at Rs.155 crore, reflecting 54% rise on a year-on-year basis and a 5% increase sequentially over the last quarter. The growth in EBITDA was primarily driven by margin improvements in the Specialty Chemicals and Nutrition and Health Solutions business segments along with the various cost optimization initiatives which we have highlighted in the earlier call.

The net debt of the company as on 31st March 2025 was Rs.658 crore and net debt-to-EBITDA ratio has now reduced to 1.18 times as against 1.36 times in the previous quarter calculated on the basis of trailing 12-months EBITDA.

The capital expenditure incurred during the quarter was Rs.65 crore and Rs.365 crore for the completed financial year, which was primarily funded through internal accruals. In Financial Year ‘26 too, we plan to invest Rs.600 crore including the carry forward of the previous year’s projects in CAPEX to be again funded primarily through internal accruals.

Net working capital percentage to turnover for Quarter 4 '25 reduced further at 17% as against 18.3% in Quarter 3 ‘25. Similarly, number of days of working capital has further reduced to 61 days as against 65 days in Quarter 3. This is reflective of our continuous efforts towards having optimal working capital and improving our OC which has shown continuous improvement in the last few quarters.

Lastly, the PAT for the quarter was Rs.74 crore as against Rs.29 crore in Quarter 4 Financial Year ‘24 witnessing an increase of 153% on a year-on-year basis.

We will now be happy to address any questions that you may have. Thanks.

**Moderator:** Ladies and gentlemen, we will now begin the question-and-answer session. The first question comes from the line of Rohan Mehta from Ficom Family Office. Please go ahead.

**Rohan Mehta:** Hi, thank you so much for the opportunity. So, I wanted to understand what are the current spreads in the acetic anhydride business, and also, when can we expect bottoming of both the acetyl cycle? That is my first question. And also on the Specialty Chemicals segment, purely from the next quarter perspective, how do you see the current export volumes on the Specialty Chemicals side, especially pyridine derivatives?

**Deepak Jain:** Yes. Thank you, Rohan for the questions. Let me start by talking about the acetyl business cycle. As I shared in the previous two quarters as well, we are going through a down cycle in acetyl business on the acetic anhydride side, at least primarily driven by the low demand on a couple of big segments, end use segments such as paracetamol as well as agrochemical segment where acetic anhydride goes as a key ingredient.

What we have observed is over the last few quarters there was a stocking of excess inventory in both the segments, but at least based on what we are hearing from our customers and our own analysis suggests that most of the inventory is now cleared up or will get cleared up in the coming quarter and hence we are hoping that we are very close to the bottom of the cycle and demand will start to pick up again in both paracetamol and in acetate at least which is one of the key and use segment of acetic anhydride, we are already seeing some volumes coming back gradually.

So, we are hopeful that as that happens, in the coming few months, the pressure on the segment will start to ease off, and as a result, we hope to see an uptick both on volumes as well as the price of acetic anhydride.

Coming to your second question on Specialty Chemicals exports, the exports have been increasing. Even in the last six months if you analyze EXIM data you will see our exports have increased significantly. Now diketene derivatives also we got couple of big orders in the last quarter which will continue through the year and then hopefully in the coming years as well for some of our newer products in the diketene value chain as well as our CDMO business, where in the coming months we will start to supply volumes against the CDMO contracts that we have announced in the past few months. So, across the three parts of our Specialty Chemicals business, our exports volume are growing in a very significant way, which is also reflected in our overall business mix where exports have grown almost 50% versus last year in the overall portfolio.

**Rohan Mehta:** Got it. That is all from my side, sir. Thank you so much.

**Moderator:** Thank you. The next question comes from the line of Siddharth Gadekar from Equirus. Please go ahead.

**Siddharth Gadekar:** Hi, good evening. So, the first question is on FY25 revenue growth. Despite the kind of performance we have seen, we have not seen any material revenue growth. How should we think about this under our 345 Pinnacle program?

**Deepak Jain:** Yes, that is a good question, Siddharth. You will have to dissect our growth rates by businesses. If you look at Specialty as well as Nutrition segments, they have grown quite significantly. Specialty segment growth is 15% year-on-year for the whole year FY25 and volume growth is even higher than that because pricing decline in a couple of segments the net growth in revenue terms is 25% and Nutrition segment has also grown by almost 10%. And these are the two segments where we have been investing heavily and as we shared in our opening remarks also Rs.1,800 crore of investment that we have made in the last three years has gone into specialty and nutrition segments and we are in the process of ramping up the capacity utilization of these two businesses or the capacity which have come up in these two businesses.

So, we are pretty sure that we will be able to maintain almost 15% to 20% growth in these two segments on a year-on-year basis in the coming years, which is very critical to meet our Pinnacle 345 Vision. Acetyl is the only business which as I explained in response to the first question which is going through a down cycle, but as I mentioned it is very close to the bottom of the cycle and we see an uptick in both volumes and price which will further give boost to the growth on the acetyl business, but also on the overall company revenue. So, at this stage, we are hopeful that we will be able to maintain a 20% year-on-year growth trajectory to meet our Pinnacle 345 aspirations by FY30, at the overall company level.

**Siddharth Gadekar:** Yes. The second question is on the spec chem EBITDA for the full year. EBITDA has grown by almost 70% from Rs.248 crore to Rs.422 crore. Out of this EBITDA, how much of this would be attributed to the cost savings initiatives that we have done?

**Deepak Jain:** See, I have been sharing those updates in the quarterly calls. We have been working on both sides. One is increasing the volumes in Specialty Chemicals and as I just said, the volumes have grown even faster than or more than 15% last year and at the same time we are focusing on cost optimization efforts as well. We have not shared the exact breakdown in the markets because of confidentiality reasons. But what I can tell you is both sides have contributed in a very healthy way to the overall growth of EBITDA which we have seen.

**Siddharth Gadekar:** So, lastly, on that Lean 2.0 where we are expecting Rs.100 crore, Rs.150 crore of incremental cost savings, should we look at that coming entirely in FY26 so that can spill over to FY27?

**Deepak Jain:** The intent is to deliver those kind of savings during the year itself, but of course as we talk we are still in the process of defining as well as executing some of those initiatives. We are moving as fast as we can to ensure that bulk of it gets aggregated into FY26 P&L itself. There could be some minor spillover, but at this stage at least we are hopeful and working towards ensuring all of it, or most of it comes in FY26 itself.

**Siddharth Gadekar:** Okay, sir. Thank you so much.

**Moderator:** Thank you. The next question comes from the line of Resham Jain from DSP Asset Managers. Please go ahead.

**Resham Jain:** Yes. Hi. Good evening, team. Congratulations first of all for a very strong performance in FY25. So, I think there are three questions from my side. First is the overall Rs.2,000 crore CAPEX including some spillover in FY26, what is the kind of revenue you are expecting overall, how much has been achieved and what is that incremental which is yet to come by?.

**Deepak Jain:** Yes, Resham, that is a good question. So, out of the Rs.2,000 crore, as we said, we have committed close to Rs.1,800 crore, some part is spilling over into FY26 particularly against the big project that we announced on the agro CDMO side couple of quarters back, but as we shared in the previous calls as well our revenue to

CAPEX ratio for most of the Specialty and Nutrition investment is close to 1.3, 1.4 and on the acetyl side, it is close to 1.6, 1.8 of course, depending on what price acetic anhydride is floating at. But at an overall level, average revenue to CAPEX ratio has been close to 1.5, which means the full potential revenue coming from this Rs.1,800 crore of investment and then if I take out some of the infrastructure investment like in the boiler, etc., will be close to Rs.2,000 crore to Rs.2,500 crore. Of course, part of it is dependent on what price level the market is operating at. I would say at this stage based on the capacity utilization as well as the mix of revenue from new areas in our FY25 revenue, I can tell you almost 50% of that has already been achieved and the incremental growth of another 50% will be coming or Rs.1,000 crore odd will be coming from the same asset as we start utilizing them at a higher capacity levels.

**Resham Jain:** Okay, understood. So, basically if I look at the revenue at aggregate level, we have improved on margins, but revenue maybe because of price it is still not fully visible, but you expect a good healthy growth in FY26 because of all this utilization level? Okay, got it.

**Deepak Jain:** Resham, absolutely right. And if you look at our revenues, just compare it with FY23 revenue with FY25, you will see the Chemical Intermediates revenues have come down to almost Rs.1,000 crore. So, what has happened is we have added new revenue of about Rs.1,000 crore plus through all these investments but that got offset by the decline in Chemical Intermediates, which is what I was saying, on the back of this new capacity, if the total incremental revenue expected were Rs.2,000-2,500 crore, half of that we have achieved, but of course that half got offset by whatever happened in Chemical Intermediates, but the other half of Rs.1,000 crore plus is yet to come, which we are hoping to achieve in next year or so.

**Varun Gupta:** Resham, Varun here. Just to add to what Deepak mentioned, if you see our full year results, our specialty has grown by 15%, our Nutrition has grown double-digit at 10%. So, the growth drivers that we have highlighted are continuing firing, it is just that pricing in chemical intermediaries at an overall level makes the results look muted, but the growth drivers are performing in line with what we have highlighted earlier.

**Resham Jain:** Yes, correct. The second question is with respect to Nutrition. So, if I look at FY22 level, you did almost like Rs.160-odd crore of EBITDA. We have seen good improvement this year compared to last year, but still much lower than what we did in FY22. So, should one expect that what happened in FY22 was aberration, what could be the normalized level of EBITDA compared to what you did in the past?

**Deepak Jain:** See, FY22, as we all know, Resham, was a peak year for everyone in all chemical categories. So, I would not set that as a benchmark. We have always said that in the Nutrition business; our steady state EBITDA should be around 16% to 18%. And if you look at last quarter or let's say FY25 overall, we are at 14% while last quarter is at 16%. So, we are close to where it should be based on the existing set of assets. So, I think maybe there is some improvement potential from Rs.101 crore that we have announced in FY25, but I do not think at least on current asset it will go back to Rs.160 crore.

Having said that, we have recently commissioned the new plant, which is a high margin, high price product, that will add significantly in the in the next three or four quarters and we are already seeing a good ramp on the volumes from the new plant. #2, even in our animal nutrition portfolio, we are adding new products on the premixes side which are high margin products for us. And #3 in the human nutrition portfolio, as I have announced in the past, both state molecules like CCBT as well as some of the premixes we are working on, should add further to the overall growth as well as margin profile of that business. Stepping back, currently, our Nutrition business is about Rs.750 crore. As we shared in the Investor Day also in February, we have plans to take the business to 2, 2.5 times in the next five years as part of our Pinnacle journey and the EBITDA margin falling close to 16% to 18% in steady state.

**Resham Jain:** Yes, got it. The last question is we saw a very good margin growth this year as a whole. So, the EBITDA grew much faster than revenue. And given that you have cost saving initiatives, should one expect similar momentum in FY26 as well in terms of EBITDA growing faster than revenue?

**Varun Gupta:** Hi, Resham. So, yes, EBITDA growth will continue in the very similar trajectory. But next year, as Deepak mentioned, for us, we are intending to grow aggressively in 2026. So, EBITDA growth will definitely outpace the growth in revenue predominantly because of the portfolio shift as well as the savings initiatives. So, logically it will be pacing ahead of growth.

**Resham Jain:** Okay, understood. All the best for the next year. Thanks.

**Deepak Jain:** Thank you, Resham.

**Moderator:** Thank you. The next question comes from the line of Siddharth Gadekar from Equirus. Please go ahead.

**Siddharth Gadekar:** Hi sir, one more question on the CDMO side. What was our CDMO revenues in FY25? And we spoke about 25 new opportunities we are exploring on the CDMO side. Can you give some color on what kind of opportunities are those and when we will see actually those shaping up?

**Deepak Jain:** Yes, Siddharth, hello, again. First of all, we, we never disclose the segment wise revenues within specialty. So, I would not be able to give you a specific number. But what I can tell you is our CDMO business is full and will scale up pretty rapidly on the back of the contracts we have signed on the agrochemicals side as well as the traction we are getting on the pharma and semi-con side. Now coming back to the second part of your question on this 25 plus molecules, as we have shared in the past, our CDMO business has three parts – Agro, Pharma and Semiconductor. We have sales funnel which we have created along with dedicated team for each of the three parts and we are doing aggressive business development in terms of meeting the customers in US, Europe and Japanese markets. On the back of these 25 molecules which we added in FY25 itself. They are at various stages, for instance, in pharma, a lot of leads which come, are at Phase-2 Phase-3 level. So, they will take time to scale up. But these are high quality molecules and falling in our chemistry and that is why customers have confirmed even samples for many of these to us. So, we are hoping that as they scale up in the coming quarters and years, the pharma side of CDMO business will scale up.

Similarly, on the agro side, there are two commercial projects which we have already announced to the market. So, I would not talk about them. Both are scaled projects and will add substantially to our overall revenue as well as margins by end of this fiscal year, but there are at least half a dozen other opportunities or molecules where customers have shown strong interest, and they are again in various stages of discussions with the customers.

On the semiconductor side, I have shared in the last quarterly call as well as on Investor Day presentation that we have close to eight to 10 molecules and for half a dozen molecules we have already sent the samples also to the customers. Small volumes, small value to start with, but because this is just the start of semiconductor for us, we are hoping on the back of this we will be able to create both capabilities as well as credibility with the customers to scale up this business in the coming years.

**Siddharth Gadekar:** Sir, just on the semiconductor part, how long does it take from samples to actual deliveries, like what is the time for customers to approve a vendor?

**Deepak Jain:** See, Siddharth, you will appreciate semiconductor chemicals is new to India access not just to us. And even the customers who are outsourcing these molecules are testing the water. So, they are navigating in a calibrated manner. So, I think they have moved within a year, almost six of them moving from just a plain vanilla lead to sampling is actually faster than at least what I thought last year around this time. We are hopeful that they will move to commercial revenues in the next couple of quarters, but the revenue contribution of that could be small to start with because this is how the semiconductor space works and anyway as I said customers are also moving in a calibrated manner.

**Siddharth Gadekar:** Got it, sir. Thank you so much.

**Moderator:** Thank you. The next question comes from the line of Rohit Nagraj from B&K Securities. Please go ahead.

**Rohit Nagraj:** Thanks for the opportunity and congrats on good set of numbers. First question again is on the CDMO front. So, given that our strong focus incrementally on CDMO with the three sub-segments catering to, what are the capabilities that we have developed over the last couple of years and where we are differentiating probably from other competitors from their offering. So how everything is shaping up from the capabilities and the chemistry point of view? Are there any unique chemistry that we are working on where probably we will have some kind of advantage? Yes. Thank you.

**Deepak Jain:** Thank you, Rohit. Yes, definitely I think the customers also keep asking us the same question and we have been able to give a credible answer to them, that is why we are getting these leads. But while I cannot go into the technicalities and details of that, what I can tell you is there are three or four areas where we have invested heavily in the last couple of years. Number one is we have a strong R&D team of 150-plus people and we have hired a bunch of new folks in our new R&D center in Greater Noida which we had announced two years back. So, the core R&D capability has been beefed up significantly in the last two years and we are still going through that process. So, even this year, we will be investing heavily in our R&D to create that muscle.

#2, while we have 30-plus chemistries where in the last four decades we have done plenty of work. There are 10 to 12 chemistries which are core to us where we have done probably more amount of work than anyone else in India. And in those chemistries, the customers always prefer us.

#3, we have some core product platforms or chemistries like pyridine or diketene or many other even acetyl anhydride, etc., Whenever customers have a requirement in these chemistries or wherever the KSM is dependent on these chemistries, we are the first port of call. So, the two agro chemical contracts we announced couple of quarters back are linked to these kind of product platforms where we have the unique advantage vis-à-vis anyone else not just in India but in the world.

And fourthly, even in terms of our BD capabilities and the level of engagement we have had with the customers over the last 1.5 years with almost 120 plus customer meeting that I myself have done, which I told in last two quarters as well and the whole business team as well as the business development teams that we are strengthening as well as scaling up in markets like US, Europe and Japan, we are getting very strong traction. The customers believe in our story and they are seeing what we are delivering in the projects which have already been awarded to us. So, a combination of all these 4-5 things is leading to a very strong flywheel for us, which has started to spin and I am very confident that in the coming quarters it will move even faster.

**Rohit Nagraj:** Thanks. That is a detailed explanation. The second question is in terms of again coming back to Pinnacle 345. In terms of incremental CAPEX to reach that 3X and 4X revenue and EBITDA expectedly, what is the kind of CAPEX which will be required beyond FY26 where you have already spelled out the CAPEX number?

**Deepak Jain:** Yes. So, we gave a directional answer there even in our Investor Day in February. Rohit, the short answer is over the next 3-4 years, we'll need at least Rs.600 crore to Rs.800 crore of investment every year, to achieve the organic part of that Pinnacle 345 Vision that we have crafted, which means if you take the four years, anywhere between Rs.2,000-2,500 crore of additional investment. Of course this comes with the disclaimer that we are making certain assumptions on the pricing of the products which now seems to have stabilized, but we will have to see what happens to pricing in the coming two or three years. If the pricing stays where it is, with that kind of incremental investments, we are hopeful we will cross the Rs.10,000 crore mark which we said organically we want to do as part of the Pinnacle journey.

**Rohit Nagraj:** Right. And one last clarification on the cGMP compliance facility. So, have we started providing the samples and where are we in terms of the approval process and what are the timelines we are looking at for the initial commercial orders to commence from this?

**Deepak Jain:** You are talking about the cGMP, right or the pharma?

**Rohit Nagraj:** Yes, the human and the cosmetic grade products.

**Deepak Jain:** Oh, human and cosmetic grade?. Okay. That plant just got commissioned in January. The total capacity is about 4,500 tons. We are hoping that in the next 18 months we will be able to get to 70%, 80% utilization levels.

The plant is ramping up well, has started to stabilize now as well and in the last three months itself, we have done significant volume, more than what at least I thought the kind of traction we will get, and we are also in discussions with a couple of big customers for long contracts and recurring annualized contracts. So, we are quite hopeful. And what will help us in that business is whatever is happening in the US market because that is one key market for us and we compete against the Chinese and with the tariff situation evolving so far at least in favor of India we are quite hopeful that we will get a big upside there in the next 12-months, which we will be able to capitalize on.

**Rohit Nagraj:** Sir, that is all from my side. Thanks. And all the best.

**Deepak Jain:** Thank you.

**Moderator:** Thank you. The next question comes from the line of Vidit Shah from Spark Capital. Please go ahead.

**Vidit Shah:** Hi, thanks for taking my question. My first question was, you mentioned that we are seeing volume recovery in Chemical Intermediates and parts of Specialty Chemicals, but can you guide us as to what we are envisaging for the prices in FY26 and '27 and how impacted they are and when do we expect the prices to start seeing some sort of recovery?

**Deepak Jain:** So, Vidit, the answer will vary significantly by the three segments. If I look at the Specialty Chemicals segment, obviously, prices have come down across segments as we have been sharing in the last few quarters, but we think they have bottomed out now and for the last six months or eight months also the prices by and large speaking have been stable. At least based on what we know in terms of the capacity situation globally, particularly in China we do not see a big possibility of price coming back in a significant manner, but of course there will be some marginal increase which can come based on the demand/supply factors depending on which segment you are talking about. That is on specialty. So, in a base case scenario we mentioned or announced that in investor day also has been worked out based on today's pricing, which we hope will remain stable with some upside coming in, in at least some segments due to the demand/supply factors.

On the Nutrition and Health Solutions segment, the feed segment of B3 will remain stable. There are some short-term volatilities during the quarter, but if I take long term secular trend, it will remain stable, we do not see any big upside or pressure there but the new segments that we are getting into like the high grade niacinamide, cosmetic grade, food grade and some of the food nutritional products there we see price benefit anyway because those are high value segments, but also in those segments, given the higher demand, I am hopeful that pricing can go up marginally. On the Chemical Intermediates, as I explained to the very first question, we are at the bottom of the cycle or very close to that. We are hopeful that pricing will start to go up gradually in next quarter or so based on at least whatever we are hearing from our customers.

**Vidit Shah:** Okay. Thanks for that detailed answer. And the second one was on margins. So, in FY26, we are still implementing some cost saving initiatives which you said by the end of the year should hopefully be fully through. So, FY27 and beyond, what would you expect steady state margins for each of the segments? Nutrition you said is 16% to 18%, but if you could help us guide for the other two segments would be great?

**Deepak Jain:** I think for the Specialty Chemicals with everything we are doing and we have said that in the past also 22%-plus margin is visible, hopefully more close to 25% as we build out scale and continue to work on our cost initiatives. Nutrition, you already said it; 16% to 18%. And Chemical Intermediates. If you take a long-term secular trend and we see the data regularly. If I take the last 10-year average EBITDA of my Chemical Intermediates business, it will be 10-12%. So, those are the baseline assumptions. But of course there are several factors which keep playing every year, Vidit. So, just extrapolating it based on that may not be the right thing. But at a company level, what we are working towards as we announced in our Pinnacle 345 strategy also is more than 17%, 18% plus margin across the three segments put together.

**Vidit Shah:** Got it. And just a last one on the semiconductor business and the new products you are introducing out there, you said you will be starting in a small way, but what is the functionality of the products that you are introducing in this space, would you be able to share any of that?

**Deepak Jain:** On semiconductor, as I mentioned, these are CDMO products. So, these are custom synthesis products based on the customer's requirements. So, we cannot share too much about those products. Having said that, we also have our core pyridine chemistry where we are the world leader. There is an electronic grade. Pyridine also we are working on that and as and when we are ready with that product we will announce to the markets.

**Vidit Shah:** Okay, sir. Thank you so much for your responses and all the best.

**Deepak Jain:** Thank you.

**Moderator:** We take the next question from the line of Nitesh Dhoot from Anand Rathi. Please go ahead.

**Nitesh Dhoot:** Hi, sir. Good evening. Sorry, I joined really late. Not sure if this has already been taken up. So, just needed one clarification. So, the current year's capitalization is only around Rs.200 crore. So, while I think the cash spend was around Rs.400 crore, but most of it is in the agro MPP. So, was that just the agro MPP that has been commercialized or there any other CAPEX is also?

**Varun Gupta:** So, the total capitalizations is not Rs.200 crore, it's ahead of Rs.365 crore, that is the capitalization. So, this year we have spent north of Rs.350 crore in our CAPEX. And second part of it, cash flow. Cash flow is in two forms; one is what we have capitalized; and second is the capital advances which sit in the balance sheet. So, we are committed to invest in the CAPEX to fund the growth. What was the second part?

**Nitesh Dhoot:** No, just wanted to clarify, whether it was just the agro MPP or was there any other commissioning?

**Varun Gupta:** There is a Niacinamide plant that we have invested in. That was highlighted to start. It was commissioned in January. That was a big CAPEX that we have invested in, In this year, which was commissioned in FY25.

**Deepak Jain:** As we announced in the past, I think the big investments have gone into of course the agro Intermediate plant which we are going to use for the big CDMO contract. We have invested in the Niacinamide plant, the cGMP plant, we have invested in boiler, we are investing in other infrastructure to support all the growth initiatives and there was some spillover from our GMP and MPP plants which we have invested behind, including the diketene plant in FY24. So, those were the four, five big investments in FY25.

**Nitesh Dhoot:** All right. Well, thank you so much.

**Moderator:** Thank you. The next question comes from the line of Gokul Maheshwari from Awriga Capital Advisors. Please go ahead.

**Gokul Maheshwari:** Yes, hi. Thanks. Just a clarification on the CDMO project. You had indicated last time that it will go live by January of '26. Is the timeline still pretty much intact?

**Deepak Jain:** Yes, the big one we are hoping to commission the plan by end of this calendar year and start the supplies to the customers latest by January, hopefully sooner than that. And we had also announced the second one for which the supplies will go starting this quarter itself.

**Gokul Maheshwari:** Okay. So, in this year you will see the second, but the smaller order being played out in FY26, but the full combined impact of both these orders will be played in FY27?

**Deepak Jain:** That is right. But there will be a significant impact on hopefully in the last quarter numbers from the big one even in this year.

**Gokul Maheshwari:** Right, sir. Great. Thank you so much.

**Moderator:** Thank you. Ladies and gentlemen, that was the last question, and we conclude the question-and-answer session. I now hand the conference over to the management for their closing comments.

**Varun Gupta:** So, we thank you all for joining this call today. We hope we have been able to answer your queries. For further clarifications, I will request you to contact our Investor Relations team. Thank you once again for your interest in Jubilant Ingrevia Limited. Good evening to all.

**Deepak Jain:** Thank you very much.

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

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