



Date: October 05, 2026

To,

National Stock Exchange of India Ltd.,  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051  
NSE Scrip Symbol: PRASOLCHEM

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001  
BSE Scrip Code: 544912

Dear Sir/Madam,

**Sub: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcript of Quarterly Earnings Conference Call held for Q1 FY27 results**

With reference to our letter dated September 24, 2026 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the conference call with analysts and investors held on Tuesday, September 29, 2026 to discuss the Q1 FY27 results.

The transcript is also being uploaded on the company's website at <https://www.prasolchem.com/investor-relations/>

We request you to please take the same on record.

Thanking You,

Yours Sincerely,

**FOR PRASOL CHEMICALS LIMITED**

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“Prasol Chemicals Limited

Q1 FY27 Earnings Conference Call”

September 29, 2026



“E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 29<sup>th</sup> September 2026 will prevail.”

**MANAGEMENT:** **MR. NISHITH SHAH – CHAIRMAN AND WHOLE-TIME DIRECTOR**  
**MR. GAURANG PARIKH – MANAGING DIRECTOR**  
**MR. DHAVAL PARIKH – JOINT MANAGING DIRECTOR**  
**MR. PANKIL DHARIA – WHOLE-TIME STRATEGY AND BUSINESS DEVELOPMENT DIRECTOR**  
**MR. RAHUL SHROFF – CHIEF FINANCIAL OFFICER**

**MODERATOR:** **MR. NITIN AGARWAL – DAM CAPITAL ADVISORS**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Prasol Chemicals Q1 FY27 Earnings Conference Call hosted by DAM Capital Advisors. Please note that this conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this conference call. These statements are not guarantee of the future performance and may involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during this conference, please signal for an operator by pressing star followed by zero on your touchtone telephones. Please note that this conference call is being recorded.

I now hand the conference over to Mr. Nitin Agarwal from DAM Capital Advisors. Thank you, and over to you, sir.

**Nitin Agarwal:** Thank you, Farah. Good morning, everyone, and a very warm welcome to Prasol Chemicals Limited's Q1 FY27 post-earnings call hosted by DAM Capital Advisors Limited. On the call today, we have representing Prasol Chemicals Limited management: Mr. Nishith Shah, Chairman and Whole-Time Director; Mr. Dhaval Parikh, Joint Managing Director; Mr. Rahul Shroff, Chief Financial Officer; and other members of the management team.

I will hand over the call to Mr. Nishith Shah for the opening comments, and then we will open the floor for questions. Please go ahead, sir.

**Nishith Shah:** Thank you, Nitin, and the entire DAM Capital team for hosting this call. Good morning, everyone, and a very warm welcome to our first ever earnings call to discuss the operational and financial performance for Q1 FY27.

Joining with me is our Managing Director, Gaurang Parikh; our Whole-Time Director and Business Leader, Mr. Pankil Dharia; our CFO, Mr. Rahul Shroff; and SGA, our Investor Relation Advisor.

We are pleased today, just days after our listing on the stock exchange on 16th September 2026, a defining milestone in our journey. First, I would like to thank our employees whose commitment have built this organization brick-by-brick and taken it to a global footprint over the last three decades. I would also like to thank our partners, vendors, customers, and investors who have placed their trust in us and stood by us in good and in challenging times as well. We are grateful to all the stakeholders for the strong response to our IPO, which was listed recently.

I would take this opportunity, as this being the first call, to run through the background of where we started so that everyone is on board. And then, I'll come to the to hand it over to Gaurang and Rahul to discuss on the financials of the company. But before that, I thought it's important, being the first call, that I run through the background of the company.

Basically, I'm Nishith Shah. I'm the Chairman and the Whole-Time Director. Our Managing Director, Mr. Gaurang Parikh. Dhaval Parikh is the Joint Managing Director. Pankil Dharia is the Whole-Time Strategy and Business Development Director. And Rahul Shroff is the CFO and the Finance Director.

You'll be happy to know that all the Directors have been with the company -- like Gaurang has been for 25 years. He started as a summer intern and then went to US, came back to India, and has joined the company ever since and then went up the ladder based on his input to the organization.

Dhaval Parikh has been with the organization for the last 19 years and growing. Pankil has been for 15-plus years. Rahul has been with the company for last three years. All of them are double graduates, have graduated from US, working in various multinationals before joining Prasol. So, they bring back the culture of a multinational and the value system thereof to Prasol.

As this you would have seen in our presentation, that we are dealing with 150-plus specialty chemical products. We have 1,600-plus customers. The top 10% of our customers constitute to about 24%, 25% of our turnover. We export to 60-plus countries, 69-plus. We have two manufacturing units, one at Khopoli, one at Mahad. We have a small distribution setup which we are trying to do in Gujarat, in Saika.

And our turnover, as of last year, was INR1,200 crores-plus with ROCE of 21-plus. And our debt-to-equity, which post-IPO as of today, we have paid off all the debt for which the IPO we had mentioned that we'll be using INR60 crores towards the debt repayment.

This is just to give you a brief on the two sites. You know, we started with a four-acre land, years back when I started in 1992 and thereafter. And then, every year, with whatever money we earned, we kept on buying land because our previous MD, Mr. Guptaji, with whom I started this unit, always said, "If you have money purchase land. Projects will come if you have land." And adjoining connected land has been the biggest base on which Prasol has grown from where it is to where it is today.

We also then decided to diversify and have one more location rather than putting all eggs in Khopoli itself. So, Khopoli grew from 4 acres to 32 acres. And Mahad also we started with 10 acres, then we bought another 10 acres. And only about less than a month back, we bought another 10 acres, all in a single row. So, now we have 20 acres surplus of land for our future expansion at Mahad, plus we have about 10, 12 acres in Khopoli for our expansion program, which is lined up.

We as a company truly believe, and that has been our philosophy from day one. We have been blessed by Warren Buffett, I must say, that diversification is humility applied to uncertainty. And in today's time, you would have seen many multinationals also looking at more and more diversification for stability. Our company has been looking at diversification from day one, you know, from the time we started earning our first rupee.

And it reminds me of the day when my first rupee, by doing a job work for Rallis India in the year around 2000, we earned the first INR6 lakh doing job work for Rallis India, where we had

no money for the raw material. We had bought the factory, and the approval was sent to San Francisco and to France by one of the multinationals in the lubricating industry for approvals. This approval used to take 2, 2.5 years, which I was not aware then.

And since the molecule was being used both for the lubrication industry as well as for the agrochemical, we knocked the doors of the agrochemical division and we got an entry where I was honest to tell the MD, "Sir, I have no money to buy the raw material." And that's where I started on job-work basis, and around 2000, we earned our INR6 crores. And from there, the company has exponentially grown to where you see today. (Errata: To be read as INR6 lakhs)

The five areas that we are in, namely, performance chemical, paint, coating, inks, construction, adhesives, pharmaceuticals, agrochemical, home and personal care. This is generally divided 20%, 25%, the agro is around 15%, and home and personal care is around 10% to 15%.

If you generally divide the two basic chemistries we have been in till date and expanding into newer molecules, but the two main chemistry has been around 40% acetone and around 38%, 40% around is around for phosphorus. Our domestic sale has been in the range of 70%, 75%. Our exports have been in the range of 25% to 30%.

To give you an idea, since 2000 that we grew from a turnover of hardly INR1.9 to INR2 crores to this year, we are looking at INR1,550 to INR1,600 crores. It has been an exponential journey and a growth which brings immense pleasure to us and our team, wherein we are very, very proud to say that, year-on-year, we have increased either in volume or sales as compared to the year before. For the last 25 to 30 years, we have followed this journey.

And over the last 25, 30 years, about 85% to 90% whatever the company has earned, it has ploughed back towards the growth of the organization. And that philosophy, we will continue as we go along because we believe India is going to be the manufacturing hub and a great 10 years ahead of us to 15 years, I see India as the growing manufacturing hub for major chemical industries throughout the world. And many multinationals have started knocking the doors in India, and we are seeing this people coming and knocking our doors of the things they would like to do in India with us.

To understand our chemistry, we started in the basic acetone and phosphorus-based, Basic chemistry, basic the first level of derivatives. Today, my primary derivatives say my initial products and the basic acetone and phosphorus-based, our turnover is about, if I look to the left of it, is about 50% of my total revenue. If I look to the primary, secondary, and tertiary derivative, it comprises between 30%, 35% of my revenue and growing.

So, in the coming years, the intent is to go for the primary, secondary, and tertiary derivatives because the baseline of 30-year basic chemistry has been achieved. The trust of our customer has been achieved, and we are working with the best multinationals throughout the world, working with companies for 10, 15, 20 years and growing products.

We started with one product, today, we may be dealing 3, 4, 5, 10, and the numbers are increasing because what happens as you work with these customers and you give quality products on time

at a reasonable rate, that trust develops, and this trust cannot be substituted by anyone trying to come in the line.

We work very, very closely one-to-one with the scientists of our multinationals and try to develop a molecule which gives a particular application requirement by the end customer. And this is the reason why Prasol has been growing, a very small company, but growing exponentially purely because we are meeting the needs of our end customers to a specific application, just not producing a molecule and giving it to them.

If you see general applications we have gone into various cans that you all have your cold drinks from, different types of printing that goes on your wafers or food that you eat, different packages, different printings that you see on various packages, various car and car coatings that you see, various shampoos. The shampoo foaming that you see, you know, has our product in it.

And we have depots which we have built in Europe, US, and China. And now we are going to expand this more depots so that our products reach our customers just-in-time because, with all the disruptions that has taken place due to the logistics, this concentration of delivering just-in-time is, even in this time, our exports have gone to 27% and we are not seeing a drop in export, even though the West Asia war has reduced some of the exports to the Western, to Dubai and other countries.

The other type of products that go are the lemon flavor that goes in the perfumes that you use, you know, the male and female perfumes that you use. The best disinfectant that we all are using to cover our child's wound or any cuts we have or simple mouth gargling or what have you, we are making the best antibacterial drug for the best multinationals, which we are going to start this year in a very big way with the latest technology, and we'll be the only one in the world making this product using a brand-new technology, which we have developed over the last four years.

And this will give a purity level of a much higher order, and hence, our product, that antibacterial product could be future used into many of the soaps, detergents, and special applications. In addition to that, the luboil additives that go in your engine oil, your car, the best of the cars use our, the best companies use our product, and we have been serving them for more than 15 years, 20 years and growing with them.

We have also been in the agrochemical industry, and now growing into the mining. We are looking at mining in a very, very big way. Our product has got approved in US by one of the best labs in US. And once you get approved by the technical schools there, you get approved throughout US. So, we are into the basic mining chemical.

And this is a new thing that we are developing, and we are developing a special chemical to meet specific need of a given ore in a given location. There is no common solution that A will work in a mine in India and the same thing will work in a mine in Africa. So, you have to develop this and get the approvals in place.

It's a long-drawn thing, but we have started the journey as far as getting into the mining chemical is concerned. We have started well in the construction chemical. India is growing very well in

the construction. And then, the tapestries and the fire retardants and other things, we are into the phosphorus-based chemistry doing that.

So, this is just to give you a background of what we are in. Yes. So, basically, the antibacterial drug as I was talking about is a China+1, and now many companies who are having issues are looking at India as a better place for manufacturing. India is a quality-conscious company and quite committed to just-in-time and the right price for the end user.

So, I think India is growing and will continue to grow. Europe, as we all know, many problems have started in Europe mainly due to the cost of utility. The cost of utility has gone haywire, and there's no coming back. Many chemical industries there have started closing some of the divisions. Some of them have gone in for certain mergers with larger organizations, but the whole country is in a turmoil.

We have already got REACH registration in six, seven of our products, and we are going to extend this in more volumes. Excuse me. Also, the rising domestic demand. As I you know, as we go through various India's demographics, I remember I was staying with my parents, today I'm staying on my own, my kids are staying on their own.

Each household needs the basic requirements, and the product that we give, which are specialized, which goes in smaller requirement for each of our customer. To our single largest customer, our sale is INR55 crores to INR60 crores out of the INR1,550 crores that we are projecting for this year. So, it just gives you an idea how well we are diversified.

And no matter what the problems are in the world, in and around us, we see that our products are constantly growing, and more and more multinationals are coming to India and showing an interest in our product going forward. And based on that, we as a company have decided to go in for a major expansion.

We have already started, as I said, we have the land bank between Mahad and Khopoli. Already, the land has been purchased and we have been growing. With the land bank being there, we have decided to concentrate on our existing products. So, about INR250 crores to INR300 crores rupees of expansion will be going on in our existing products.

All our products are in a lot of demand, tweaking a bit of application as required by the end customer. As I said, it is not a molecule that we give to a customer. We give them a product which meets for a specific application. And hence, the customer stickiness becomes very, very important.

And based on the demand that they have been showing us, we are going for expansion. So, the mistake I made when I started my career where I built a factory and then eventually had no money for buying the raw material, today, we ensure that we have a good understanding of our customers and their growth pattern, based on that what molecules we need to produce to support them.

For example, a multinational say a lubricant product, we are making in India and serving for last 10 years to 15 years, now they want a similar product in France and Mexico. We are building a

special stream to meet their specific end application requirement. In this particular product, we have 9 streams to 10 streams, each stream meeting the specific quality requirement of a customer, which no competitor of ours gives.

A customer would give a general range of a product range, say, from chemistry X plus/minus 0.2%. We bring it closer to 0.05 so that the impurity profile of our end customer meets their specific requirement, their yields improve, and their trust in Prasol grows. And that's how they go from one product to two, to three, to four, and keep on growing with us.

So, this is where we are. I had tried to run through the general thing. I hope everyone had an opportunity to go through our financial results and investors presentation, which had been uploaded on the stock exchange and our company's website. As many of you are hearing from us for the first time, I would like to begin by asking my Managing Director to take over, but before that, I want to reiterate that, going forward, we see a significant opportunity as global customer increasing diversify their supply chains towards India.

Our focus will remain on debottlenecking, expanding our existing capacity, strengthening our R&D, ramping up the Mahad facility with the additional 20 acres we have, and expanding our global footprints while staying open to technology partnerships, and complement our existing chemistry and capabilities.

For '27, we expect to deliver a revenue of INR1,550 crores to INR1,650 crores with an EBITDA of INR240 crores to INR250 crores, excluding price fluctuation due to geopolitical-led supply chain issues and forex gain/losses, if any. Further, we aspire to scale the business to INR2,800 crores to INR3,000 crores in the next 5 years, supported by capacity expansions, higher value-added offerings, so we'll go into the higher EBITDA products because, as I said, the groundwork in this last 30 years has been done, and deeper engagement with global customers as we grow from here.

So, from here, I hand over to our Managing Director, Gaurang, to take it over, please.

**Gaurang Parikh:**

Thank you, Nishith-bhai, and good morning, everyone. Let me start with a brief overview of our business. Our largest category is Acetone specialty chemicals, which contributed about 43% of the revenue in FY26. These products are used across the multiple end-use industries, including coating, inks, construction chemicals, what Nishith-bhai has already explained, mining, agrochemical formulations, pharma API, home and personal care.

Our second category is phosphorus-based specialty chemicals, which contributed about 38% revenue in FY26, and was our the fastest growing category. These products are used across the multiple end-use industries like agrochemical, lubricant, mining, pharma APIs. So, in both the categories, we have expanded and moved up the value chain by introducing new products.

These products are mostly collaborated with the clients and we serve all these global MNCs giants. The remaining 19% to 20% comes from the specialty chemicals, largely customized products development around the specific customer needs.

On our manufacturing plant, now we have combined installed capacity of about 98,000 tons per annum across our ISO-certified plants, operating on the zero liquid discharge basis. Khopoli plant has about 78,800 tons of capacity, running at optimum utilization in FY26.

Mahad, our newer greenfield site with about 19,900 tons of capacity, went through a difficult phase with COVID-related disruptions, agrochemical destocking, and temporary shutdown in FY24. Since restarting, we have invested significantly in process safety and controls, and utilization has improved from about 13% in FY24 to 44% in FY26.

With increased production and addition of new products at Mahad, the site has now turned sustainably profitable. Coming to our quarterly performance, Q1 was an exceptional quarter in terms of the financial performance.

Driven in the part by significant global disruptions, the conflict in West Asia and disruptions in the Strait of Hormuz resulted in the sharp increase in the crude oil and petrochemical prices, higher freight costs and greater uncertainty around the trade policies also.

Acetone, being a petrochemical derivative, also witnessed a sharp increase in the prices during the quarter. Like most chemical companies in India and globally, we carried out inventory that has been procured at lower prices into the rising price environment. This resulted in higher realization and provided a significant boost to our margins in Quarter 1.

However, while a portion of the margin expansion during the quarter was not structural, the underlying business performance remained healthy. Volume grew in the mid-single digit range, while demand across all the sectors remained strong.

Our supply chain also remained resilient through the disruptions, supported by the diversified sourcing across the geography and our global stock points, what Nishith-bhai already explained, having a stock point at Rotterdam, China, as well as United States.

Looking beyond the near-term benefit from our higher realization, we see sustainable gross margins in the range of about 30%, 32% on a normalized basis. This is supported by the structural factors, including our higher value-added product mix and operating efficiency from debottlenecking and higher captive consumptions of the intermediates.

Therefore, while Q1 benefited from the exceptional market environment, we believe the underlying business continues to strengthen, supported by the improving utilization, product mix, and operating efficiencies.

Looking at our expansion plans, to give you a flavor of the company where it is going, on growth and capex, we are focused on debottlenecking capacities across the key product where demand remains strong. We have charted about the capex of about INR250 to INR300 crores as a Phase 1 of our expansion plan towards existing products.

Of this, approximately INR50 to INR60 crores will be directed towards the land and infrastructure development, with the balance allocated across the multiple smaller investments spanning various product categories and production lines. This approach enables us to

incrementally enhance capacities in line with market demand and capture the growth opportunities across our portfolio.

At peak utilization, the overall Phase 1 investment is expected to generate about INR500 to INR550 crores of revenue. Importantly, we also have the land parcels available at both our manufacturing sites, a contiguous land parcel, providing us with the flexibility to undertake further capacity expansions as demand evolves and the new opportunity emerges.

Phase 2 expansion of nearly INR250 to INR300 crores would be targeting new R&D products with better margins. Product identification, site preparation, and the regulatory approvals are still in the progress. We will update more details on further development in the coming quarters.

On product development front, we have commercialized 13 new products over the last 3 years across the mining chemicals, agro intermediates, lubricant additives, and construction emulsifiers, while we continue to invest in our R&D and developing several products across these segments.

We are also setting up a dedicated application testing lab for lubricant additives, construction, and the mining chemicals, which will allow us to demonstrate the product performance directly in our customers and their applications. We have also undertaken the initiatives to strengthen our global distribution network.

Our consignment stock points in Houston, Rotterdam, and Shanghai are helping us to serve international customer on a just-in-time basis. This enables us faster deliveries and enhancing our responsiveness to customer requirements.

Going forward, we expect the overall pricing scenario to normalize from the elevated levels, which witnessed in Q1, and consequently, margins to improve towards more sustainable range. On the volume front, we remain positive, supported by the healthy order book and continued traction from both domestic customers as well as the global customers looking to diversify their supply chains.

While geopolitical environment remains fluid, we continue to closely monitor developments across crude, marine freight, currency, and will remain focused on the maintaining the supply chain resilience and serving our customers effectively. Overall, our focus remains on building a sustainable growth trajectory driven by the healthy volumes, improving operational efficiency, and disciplined execution.

With this, I will now hand over to Rahul to take you through our Q1 financial performance. Thank you very much. Rahul?

**Rahul Shroff:**

Thank you, Gaurang-bhai, and good morning, everyone. Let me take you through our financial performance for Q1 FY27. For the quarter, revenue from operations stood at INR433.6 crores compared to INR319.6 crores in Q1 FY26, a growth of 35.7% year-on-year. Growth was driven by steady volumes, a better product mix, and higher realizations.

In terms of revenue mix, it continues to remain stable. Acetone-based specialty chemicals contributed nearly 40% of revenue, phosphorus-based specialty chemicals nearly 40%, and the other specialty chemicals the balance 20%. Exports accounted for 27% of revenue.

Gross margin for the quarter stood at 37.9% compared to 30% in Q1 FY26. Due to the geopolitical-led supply chain issues, there was a sharp increase in average selling price to the tune of INR25 crores positive impact on our gross profit during Q1 FY27.

EBITDA for the quarter was INR90.3 crores compared to INR40.6 crores in Q1 FY26, a growth of 122.4% year-on-year. The EBITDA margin stood at 20.8% against 12.7% in the same quarter last year. Additionally, there is a INR0.92 crores positive impact due to foreign currency fluctuations in this quarter.

Profit after tax for the quarter was INR61 crores compared to INR24.3 crores in Q1 FY26, a growth of 151% with a PAT margin of 14.1%. Coming to the balance sheet, as of 31st March 2026, net worth stood at INR448.5 crores and our gross debt at INR110.1 crores with a net debt-to-equity ratio of 0.19x.

Our net working capital cycle was 50 days at the end of FY26. Working capital discipline remains a key focus area for us, particularly in a very volatile price environment. On the IPO, the fresh issue raised gross proceeds of INR80 crores. Of the net proceeds of INR76.4 crores, INR60 crores have already been allocated and utilized to repay borrowings, and INR16.4 crores to general corporate purposes. We have utilized these funds in line with the objects set out in the offer document and have reduced our debt, which in turn will reduce our finance costs and give us a stronger balance sheet to support our growth plans.

Our Phase 1 expansion of about 250 crores to 300 crores, to be completed over the next two years, will be funded through a mix of internal accruals and potentially some more additional debt, if required.

To sum up, Q1 was a strong quarter. It benefited from healthy underlying demand and operational performance. As raw material prices normalize, we expect margins to move towards our sustainable range, while we continue to focus on profitable growth, strong cash generation, and prudent capital allocation.

With that, I would like to open the floor for questions. Thank you.

**Moderator:**

Thank you very much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Nirav Jimudia from Anvil Wealth. Please go ahead.

**Nirav Jimudia:**

Yes, good morning, sir, and thanks for the brief presentation. Sir, I have two questions. So, one on you touched upon so many newer products like one the mining product, which is now approved in USA. Second one is on the antibacterial drug, which is a China+1 strategy product. And then, you touched upon the lubricant additives product where we are focusing more on improving the impurity profiles where the real margin lies.

So, just wanted to understand from you like when we are undertaking this Phase 1 capex of 60,000 tons, how much of this capacities would be forming a part of this 60,000 tons, a? B, what is the life cycle of this product? So, would this be a recurring revenue to us and improving on a year-on-year basis? And if you can just touched upon -- touch upon something on the market size and the revenue potential for each of the products, that would be very helpful.

**Nishith Shah:**

Okay. So, good question. To start on the lubricant front, we are looking at almost bringing up the existing capacity by 50% to 70% by mere debottlenecking. So, what we have done is we have worked very closely with one of the best institutes in the engineering firm, and we have changed the agitator designs in such a way that, say, a reaction is taking 10 hours, can I do the same reaction in 6 hours as an example?

So, we have, with a very minor expense, using the same reactors, changed the total mixing process, thereby increasing the time and thereby pushing up the capacity by 50%-plus. This results of this, we'll see it as early as in the next two to three months.

Regarding the antibacterial drug, the R&D was over, the sample was given to the multinational. The samples have been approved, and we will complete the mechanical completion somewhere by January or so. And roughly, once you complete the mechanical you erect a plant, you do trial runs, which takes about 60 to 90 days to establish the plant because you have an R&D backing it.

So, hopefully, into the coming year, we will be seeing. And the question is, has the bacterial drug life? Yes, from the time I have been born, I have been using this drug, you have been using it, and hopefully, it will continue. It is one of the best in the world. I'm talking of the best company using this drug in it, antibacterial, and we will be the most cost-effective manufacturing company, probably with a newer technology we have put in place.

And third, regarding the mining chemical, mining chemical is in the pipeline. So, you get a bit of approval, you make small products. We are in the initial phase. So, you will see the results really coming out in the coming two to three years. This is not something that you start today and you know, we have been working it on it for the last three to four years, and we are in the pipeline now.

So, mining chemicals will be picking up, you know, the way we see it in the coming two to three years. So, all these three products that you ask, I hope I have addressed it.

**Nirav Jimudia:**

Perfect, sir. So, just wanted to understand a bit more from you. So, if my understanding is correct, in the initial phase, out of this 60,000 tons of expansion what we are doing, this would be the smaller capacities which we will be starting on and then it would be growing. And this expansion of 60,000 tons is more of an extension of the existing products where probably we would be reaching the peak utilization at the Khopoli plant, and that's why we've been expanding on these products. Is this a correct assumption to make?

**Nishith Shah:**

Correct assumption. See, basically, this is the philosophy of the company. Once we reach about 75% to 85% of the installed capacity, and we have a sense from the end users regarding the

growth at their end where they're going to use our product, we go ahead and start building the next stream.

As I said in my talk, that client-wise, we have built 10 streams meeting specific requirement of the end use for a particular application. In other products, we have three streams, in some we have four streams. You know, in hydrogenation, we have five hydrogenation reactors and growing. We are building one more for a specific application which goes in cosmetics.

So, basically, once we define a customer and the requirement of that customer goes over the threshold and we see a 3 to 4-year visibility, then we go ahead and make it so that no product that we invest in, you know, the capital investment is there and you don't have sales. Based, as I said, on my earlier hard learning, we now have our customers in place, and that's why we do distribution also.

You know, we had mentioned that we do technical distribution. So, we distribute the product for 5, 6, 7 years, define the customer base, and once we are sure of the quality and the quantity requirement where we have captured almost more than 50% of the Indian market, we look at making those products in India ourselves.

**Nirav Jimudia:** Correct. So, to sum it up, we are more targeting towards the application-based growth rather than the customer-based growth. Is that right assumption to make?

**Nishith Shah:** It's a correct assumption.

**Nirav Jimudia:** Perfect. Perfect. So, second question is regarding the raw material acetone. Like now what I believe is a new source is also coming up on the east side, and probably we would also like to diversify in terms of our raw material requirement. So, because that is on slightly on the east side and would have a freight element on a slightly higher side attached to it rather than the current source where probably the freight element would be lesser.

So, let's say if we thought of diversifying our raw material source, are we doing something in terms of building up the additional storage tanks or building up the additional infrastructure so that we can keep on buying those materials in bulk, which could lower our freight cost in a way and also diversify our raw material source?

**Nishith Shah:** It's a perfect analysis you have done. If you look at my expansion plan, we have set aside INR25 crores towards the storage tank with floating roof. Floating roof so that the acetone doesn't vaporize. You don't lose the acetone to the vapors. And the company is going to invest in the next one year more than INR25 crores in the adjoining land that we have purchased at Khopoli to store the additional material.

Coming to the question, the shipping in India is going to increase exponentially. Based on our various meeting with the end -- with the manufacturer, they are going to have special barge-type system where the cost of transport would be cheaper than getting it from say Gujarat to Bombay, compared to getting it in through various shipping agencies.

And that's the principles are working on it, and soon we'll have a choice of multiple purchase plus imports in terms of our raw material. India will become will have adequate acetone raw material availability in the years to come, and hence, we are in a very, very sweet spot as of now.

**Nirav Jimudia:** Perfect, sir. Sir, just a last clarification. You mentioned that probably we'll be doing around 30%, 35% top line growth this year. So, let's say last year, we were at 70%, 72% utilization on 99,000 tons of capacity. So, based on this 33% or 35% growth, which we are expecting in FY27, how much could be the volume growth out of this 35%? Thank you so much.

**Nishith Shah:** It's very difficult because, see, the volume growth, as you go higher up the order, a INR10 item will say a second derivative, a third derivative may cost INR13, INR15, INR17. So, you may have a single-digit volume growth, but a 40% increase in revenue because you have gone to the second derivative, third derivative from a first derivative.

So, volume alone may not be the right guidance given to anyone. It is based on which stage of chemistry are you selling. With the higher the cost, the lesser is the volume.

**Nirav Jimudia:** Perfect, sir. Thank you so much for answering my questions. I'll join back in the queue. Thank you so much.

**Moderator:** Thank you. Participants with questions may please enter star followed by one. The next question is from the line of Arjun Khanna from Kotak Mahindra Asset Management. Please go ahead.

**Arjun Khanna:** Sir, thank you for taking my question, and congratulations on a successful listing. Thank you for this detailed PPT. I think we comprehensively cover our business, so I think this is really helpful. Sir, my first question is on, you mentioned inventory gains in the first quarter and you talked of supply chain issues.

So, we have 65-plus countries, we export to, 1,600 customers. So, is there any impact on our business going forward? We have seen freight etcetera. cost move up. Energy costs are moving up. So, are our clients impacted in Europe? You have given a strong outlook for the year. Just wanted a little bit more color on this aspect?

**Nishith Shah:** Yes, sir. So, as you rightly said, because we are highly, highly diversified, like some of our shipment say going towards the African countries or going through the Middle East countries, that definitely is affected. But that is substituted by the increase in volumes which have gone to Europe.

So, if you see, even in the first quarter, our export has been 27% and growing. So, in spite of the, because we are giving specific application requirement, and as I said, the main customer, the largest, I am not giving more than INR55 crores, INR60 crores of my turnover. If they are in multiple parts of the world, they would buy Prasol products and take care of this adjustments going forward.

So, they are paying. We are still exporting to US, for example, in spite of the additional freight costs and some of the duties which have come into place. So, we are exporting to China even today.

So, basically, yes, if say the war was not there, we could have jacked up our export by additional 10%, but even without that, our diversification has really helped the company to be growing at a pace at which we had envisaged.

**Arjun Khanna:**

Sure. Thank you. Sir, the second question is on our Phase 1 capex. So, we have mentioned INR250 crores to INR300 crores. Some of it would have probably been already done. So, how much of this capex is currently, how much further capex is needed to finish this first phase? And in terms of getting output from it, this would, given that we have multiple products, so we should see benefits come through over a period of time. So, how will the phasing of output come through?

**Nishith Shah:**

Yes. So, basically, what happens is, this INR250 crores to INR300 crores expansion that we have talked in the first phase, goes right from buying a land, which we have already bought the land, and giving advances towards where the detailed engineering is complete.

So, say, I am just giving a rough range, that there are 10 to 14 products that will come, including, as what the gentleman earlier asked, a storage facility of around INR25 crores also coming in this expansion at Khopoli, for example, and the infrastructure, the road connecting, the firefighting, and the whole bit thereabout.

So, basically, what we do is, every 3 to 6 months, we give a guidance as to what are the two products which are going to come in this six months. So, right now, I can tell you the antibacterial drug will come in 6 months. The lubricant increasing the volume capacity will come before March.

Both of this will come. There are other two products which are going towards March, but it may go in April, so I am not committing that it will be completed by March, it may go to 30 days delay, so we may just go into the beginning of the next year.

But basically, the projects will be one following the other, following the other. So, there would be two or three projects which will be 80%, 90% complete, the balance would be at 20%, some would be on the drawing board, some will be at 50%. So, basically, if you see, all these 10, 12 projects will come across in the next 12 to 18 months from today. All this money will be spent and in installed. Yes.

**Arjun Khanna:**

Right. And just lastly, we mentioned Mahad. We have actually in the first quarter broken even or moved towards profitability.

**Nishith Shah:**

Yes. EBITDA positive.

**Arjun Khanna:**

As the year progresses, right, EBITDA positive. So, as the year progresses, how do you see this pan out in terms of utilization and the new projects coming up out there?

**Nishith Shah:**

No, it's working beautifully, as I said earlier, that once we got the things in order, the company, from 12% utilization, has moved towards the 60%-plus utilization. Towards the year-end, it will go towards 70%-plus.

And the whole idea of buying the additional 20 acre next to it is that we will be now dividing our basic cost. Like it requires the same engineering team, whether they are managing 10 acres or whether they are managing 30 acres; the same works manager; the same entrances; the same administrative offices; the same safety principles; the same sharing the utility and the ETP.

So, as we grow and we buy adjoining land, we have seen with years of experience that it adds to helping a better ROCE in the next 3 to 4 years. The year you make a large investment, you may see that, okay, I made an investment and in the very first year, it's not that with a push of a button you get to 100% installed capacity, it never happens. You go from your 40%, 50% to 60%, 70% to 80%, 90%.

So, at the end of the three years, all this investment starts maturing and maturing at a lower investment compared to a totally greenfield project. So I am very, very optimistic of Mahad. I see it as a much better, I call it the New Bombay compared to Khopoli site, which I call it Old Bombay because we started with four acres and bought half acre, one acre, two acres as what our pockets could afford.

Here, we have bought in 10-acre slabs and we have a perfect rectangular, very well designed, and I see Mahad as a growing this. It's a very good industrial estate, and we are on the hilltop and we see a great future there.

**Arjun Khanna:** Sure. Thank you so much for patiently answering the questions, and wishing you and the entire team all the best. Thank you.

**Nishith Shah:** Thank you.

**Moderator:** Thank you. The next question is from the line of Aksh Vashishth from Edelweiss. Please go ahead.

**Aksh Vashishth:** Hi. Thank you. Thank you, sir, for taking my questions, and congratulations on a good set of numbers. So, first question sir, is if possible to give some insights on the antibacterial product that you are talking about. So, I understand that this product was already in our portfolio and you are already supplying. It's just this new technical advancements that you have done and you are sort of looking at ramping this product in a meaningful way.

So, just from that perspective, so let's say, if we are already supplying X volume of this product, how do you see this volume scale up in the next few months when this the sample gets approved from the global player, and how do you see this product scaling up going ahead?

**Nishith Shah:** So, basically, the product which was made with an old technology was a 10-step process we were doing. This has been reduced to 3 to 3.5 steps required. We have done a contract -- understanding at this stage with the end user. And as you rightly said, once the samples get approved, we are looking at an upward of more than say 100 tons a month to start with to take us forward in this antibacterial thing.

Once the thing gets approved, then many other associates in the world also use this antibacterial applications. And we expect this to grow because we believe that we will have a cost-competitive

edge over anyone else because to our knowledge, we would be the only one doing it through the process that we have developed over the years.

So, we are very, very hopeful, and that's all I can give at this stage because we are we have signed an NDA with the MNC at this stage.

**Aksh Vashishth:** Right. Thank you. Thank you for that answer, sir. So, secondly, on the Mahad plant, so you mentioned that it touched close to about 60-odd percent utilization in in this quarter. Possible to give what kind of an EBITDA contribution would have been there from Mahad plant in Q1?

**Nishith Shah:** Yes. So, right now, I can just share that it's both PBT positive and EBITDA positive. The exact number I will work out and revert back.

**Aksh Vashishth:** Sure. Sure. And lastly, on the, so if I recollect, you had stated that EBITDA guidance for FY27 is close to about INR240 crores to INR250-odd crores. Just wanted to confirm that the inventory gain of INR25-odd crores that we have reported in Q1, this guidance is excluding that, or does that include the INR25 crores of inventory gain?

**Nishith Shah:** No, no. It is excluding that. If you clearly read, I have written the adjusted EBITDA, because we want to give very clear guidance to our investors to understand that INR25 crores and the forex gain is not because of our making. It is due to circumstances, and hence, it is very important to guide our investors in a clear way. So, we have given this INR240, INR250 excluding the INR25 crores.

**Aksh Vashishth:** Perfect, sir. Thank you so much for answering my questions, and all the best. Thank you.

**Nishith Shah:** Thank you.

**Moderator:** Thank you. The next question is from the line of Dhimant from ITI Mutual Fund. Please go ahead.

**Dhimant:** Yes. Am I audible, sir?

**Nishith Shah:** Yes, yes. Please go ahead.

**Dhimant:** Yes. Congratulations for very, very decent set of numbers, and from whatever you are guiding, I think, the company would continue to possibly deliver the same, if not better, kind of CAGR in terms of both sales and profitability. First clarification, sir, we are expanding from 98 by further 60,000 in the expansion plan. Is that correct?

**Nishith Shah:** Yes.

**Dhimant:** So, our total capacity will be approximately 160.

**Nishith Shah:** Yes

**Dhimant:** Okay. Secondly can you...

**Nishith Shah:** 150, 160.

**Dhimant:** Correct, sir. Can you also walk us through what kind of working capital cycle, plus what is the process of our identification of areas that we want to concentrate? In the presentation, you have also mentioned 13 new products likely to -- in the R&D likely to see fruition.

So, what kind of trajectory will those undergo? Three of which you have already mentioned, the mining, the antibacterial, and one more, which will see as growing at a faster pace. But there are 13 mentioned which have seen the R&D pipeline being traversed. So, can you help us understand this side of the equation as well apart from the working capital cycle that you undergo?

**Nishith Shah:** So, basically, our working capital cycle, if you see, generally in the range of 60 to 70 days. However, when you reach March-end numbers, what happens is you see the balance sheet numbers towards the end of the year. And sometimes, because our sales towards the end of the year, we try to push the turnovers, and generally, the sales we have seen are better.

**Dhimant:** So, it may be slightly elevated during the end of the year?

**Nishith Shah:** Yes. End of the year, it is slightly elevated. So, that part, having said that, but if you take average of the year, it is safe to believe that in the range of 60 to 70 days is a fair working this, and we generally get good credit facilities from our suppliers, both in Acetone and Phosphorus, and hence, we are very, very comfortable on our cash flows.

Regarding the products that you had a question as to what are the products that we do? Now, normally, what happens is, we take part in exhibits throughout the world. So, say you are a scientist from company ABC, the Fortune 500 company, who have been using our product for A application, and you want to enhance the application by just changing a bit of the valency or the bit of a impurity profile. Say it has a 10 ppm level of impurity, and for a specific application, you want 0.5.

Let me give you an example. Like we were exporting a product to Europe with the purity of 99.8%, 99.75%. When we went into the elite class there, they said our application is 99.9 minimum. So, that can happen only if you're making a better vacuum and a larger column to give their end result. So, we could do that, develop one more product from the -- molecule name is the same. It is the application which brings the additional from 99.75 to 99.9.

But what happened, which honestly we were not aware, and that came from our logistics, that so far when we were exporting, it fell under hazardous cargo because that 0.75, so 0.25 was Acetone and other impurities, when that fell below 0.1, it went from hazardous cargo to non-hazardous cargo. And hence, the saving would be more than 40%, 50% in supplying those materials to Europe.

So, the applications keep on coming with small tweak to the existing molecule that we are doing, and that's how -- and that's why we believe we are loved by our end user, and we love working with them because the larger companies do not have the patience to work and tweak this 0.2, 0.1 requirements, and Prasol is a company which patiently works looking at the long-term goal, not at a immediate, you know, what it will give me next year.

But eventually, we have seen that we have grown because of our customers and the support, and all the customers, I would say majority of them nobody has left us. They have continued to grow with us with time.

**Dhimant:** Very good, sir. But can you also expand on the 13 new products that you have commercialized in last 3 years, which of them...

**Nishith Shah:** I can give you, Yes -- so, I can give you a general area rather than specific names, but they are in areas of lubricants, agro, mining, home and personal care, and pharma areas.

**Dhimant:** Okay. And by and large, as we expand, this mix of 40-40-20 would remain sacrosanct, or you see contribution of these specialty growing more fast?

**Nishith Shah:** No, you are right. Basically, this 40-40-20, if you look back, say, 7, 8 years back was say 30% in place of 20%, which has gone to 18% as of last year, and we slowly want to bring it down, which will come to around 10% in the next 5 years.

Because basically, our philosophy has been very clear that you import the best in the world, understand the market for 4, 5 years, capture 50%-plus of the market, define by your R&D and your quality control whether you can meet this 99%-plus of the international requirements, then go ahead and make the product in India.

And then from a lower EBITDA when you are distributing, say when you're distributing most of the products are in the 5%, 6% range, move it to the 15% range by going in for manufacturing after you are sure of the end user, their need, and your ROI being well-defined by your finance team.

So, we take that as a policy that we follow, and that is the reason what we invest in, invariably ends up giving us a decent return than making mistakes that I made when I started out my organization.

**Dhimant:** No. So, what I was trying to get is out of the Acetone, Phosphorus, and the specialty, for next medium term, if you have to guide, which is the one which will be more contributory in terms of enhancing growth and margins, if one has to look at look at it from that point of view?

**Nishith Shah:** Sir, both are equally on our table right now. Our R&D is aggressively looking at newer and newer products in the five sectors that I mentioned, and we are going to take it up almost equally. So, I don't see, maybe 0.5%, 0.3%, but it's not a major needle mover.

**Dhimant:** Great, sir. And lastly, if you can comment on, is there any process, any various chemical processes that we have mentioned in the -- any processes, so all our plants are multi-purpose or they are dedicated plants? And plus, is there a process know-how which we have mastered, which allows us to sort of churn so many products?

You mentioned hydrogenation at a few smaller plants. So, would you want to say that you have really good chemistry capability in some of these processes, which allow you to possibly churn out products at a faster rate, or at least innovate at a faster rate?

**Nishith Shah:** Yes, sir. No, that's the right question. What has happened, till 2020, Prasol was more of a development company. It was only in the last 5, 6 years, it started concentrating more and more on the R&D. Because, previously, we were using the help of the multinational scientists to develop what was required by them for their application, and they were quite -- they were and they are even today quite secretive in terms of their application requirement.

But what we have done as of March, which is just the March which we have just -- I'm talking of 5 months back, we built a multi-purpose plant to meet specific requirements, to run various experiments based on our 30-year experience. We have also built fixed bed reactors. We have built reactors to do at various temperatures, various pressures. We have invested two plants of 15 crores and we are running various experiments.

In the past, we were giving it outsider our job work where we may not get the desired, perfect end result. This is now grown in-house, and hence, we believe the speed at which we'll be able to address the end requirement and give the right samples, say a drum fill rather than a bottle fill of chemistry will be much, much better today than what it was five years back.

So, yes, you are right. With the experience and the R&D facility that we are developing and we are building an additional 4,000 square feet, which will be ready in the next five to six months, a special application lab where we are investing another 15 crores, 20 crores specially for application, will take this company to a next level in the years to come.

**Dhimant:** Excellent. Sir, many thanks and all the very best. I'll get back. Thank you.

**Nishith Shah:** Thank you.

**Moderator:** Thank you. The next question is from the line of Gaurav Shukla from Finvestors. Please go ahead.

**Gaurav Shukla:** Sir, I am audible?

**Moderator:** Yes, please proceed.

**Gaurav Shukla:** Thank you, sir, giving me opportunity and congratulations for very good number. Sir, EBITDA point of view, sir, I want to ask as sir you have given guidance of 240 to 250 and 90 already done, it is too conservative or something else which I cannot understand?

**Nishith Shah:** There's a lot of echo. Can you please repeat the question for me?

**Gaurav Shukla:** Sir, I am asking about you have given guidance of EBITDA 240 crores to 250 crores and in first quarter, you have done 90 crores. Then something else it is too conservative or something else which I cannot understand?

**Nishith Shah:** So, it's a good question. Yes, we are conservative temperamentally, that's true. But please understand, we have been very clear in our guidance that the 25 crores has come mainly due to inventory gain and forex gains that we had in the first quarter. With things kind of so-called normalizing and God wishing that the geopolitical things come under better control, we have considered that almost the second quarter is almost close to over as we discuss.

So, we don't have any clarity on the geopolitical situation. So, it's better to be conservative on what you can achieve considering the thing. Yes, we are optimistic that in the years to come when things are better in the world, our exports will increase, the customer will increase, the requirement of people will increase. So, we do see that, but the guidance we have given are the guidance we believe, and it's a phenomenal growth. It's a 70% EBITDA growth minimum compared to what we are talking of from last year.

So, we are happy with that, and we want to take it forward and give proper guidance to our investors because we don't want to go back and say, yesterday that war happened that why this happened, that happened. So, we are conservative to that extent and we believe the numbers we have given is what we will be able to deliver as of now.

**Gaurav Shukla:** Okay, sir, very good, sir. And, sir, what is the blended EBITDA margin what will be the blended EBITDA margin of FY'27?

**Nishith Shah:** The end of the year EBITDA margin, we are talking of 15% to 16% in that range.

**Gaurav Shukla:** 15% to 16%. Okay, sir. And, sir, one thing I want to understand, as Q1 saw a significant increase in inventory, was this inventory build as strategic purpose or some other reason?

**Nishith Shah:** So basically, if you see over my last 25 years, year-on-year, we have always increased our sales in terms of volume and sales year-on-year over the last 25 years. So, it's towards the end of January, we start stocking up for April to come into force, right? So, we keep on buying, stocking up because most - we are a net importer, we import lot of raw materials, right?

So, basically, we start importing this from the month of January, February. Little did we know at that point that February end we would have the war, which came up and would bring a price escalation. So, we do not speculate in raw material, period. We buy raw materials based on our calculation, based on our need. We happen to be at a sweet spot, we got advantage thereof, which we have shown but we do not speculate on raw material pricing as a rule.

**Gaurav Shukla:** Okay, sir. Thank you, sir. All the best for future, sir.

**Moderator:** Thank you. The next question is from the line of Divesh Chainani from Equentis Wealth Advisory. Please go ahead.

**Divesh Chainani:** Hello?

**Nishith Shah:** Hi.

**Divesh Chainani:** Hi, good afternoon, sir. This is Divesh from Equentis.

**Moderator:** Divesh, your line is very feeble. Can you speak loudly, please?

**Divesh Chainani:** Am I audible?

**Moderator:** Yes, better. Thank you.

**Divesh Chainani:**

Okay. Sorry for the interruption. So, sir, just had a question that you have around 40 new products which are in your R&D pipeline right now. So, the 40 new products which are going to in your R&D pipeline now, so is that the product which are in the daily use like the daily use products only or it's like something different which you are tracking on right now? And will that be the -- and will you require any additional capex for that for the 40 new products which are in your R&D pipeline right now?

**Nishith Shah:**

It depends on basically what products that -- see, when you have 40 in a pipeline, generally, as a rule of thumb, not all 40 gets converted to commercial products. So, let us understand that first. Normally, we are talking in the range about 15% to 20% that get converted into commercialized product down the line in terms of a decent return for your investments. That is point number one.

So, basically, you develop the products, you go through the costing, you go through the equipment required. Maybe the route your chemist has elected may give you a molecule but it may not be economical, and hence, you may not go for it. So, it is not that when there are 40 products in the pipeline, you do it.

Now, this 40 product generally come based, majority of them come, not all 40, but I would say more than 25%, 30% of 30 products come are the products which is forward integration to what we are doing presently. So, it's easier and more comfortable for the end user because they know by tweaking this product a bit, can we give a product that would meet their application requirement.

The other 25 products are new chemistry all together. Like we may go for a, something which is our waste today, we are converting them into a product. Like something that we were having a waste which say we would dispose of at INR10, can I use that waste as an input product to make my next chemistry and sell it at INR80 tomorrow with a conversion cost of INR15, INR20?

So, we are working closely with institution today that we want to develop a company with zero waste output. Even the gases that we put out, can I put it to use? So, we are working on that chemistry and this INR40 that you see are part of the waste converted into products for future applications, is what we are working on. Does that answer your question, I hope?

**Divesh Chainani:**

Yes. Sure, sir. That very well answered my question. So, for the newer chemistry which you are targeting right now, so for that, will you require the like the land bank which you have -- the spare land bank at the Mahad and the Khopoli facility? So, will that -- the newer chemistry will be utilized for that or it's like a separate land bank you will require for that by going into newer chemistry?

**Nishith Shah:**

The newer chemistry that we are considering now will be using the land bank that we have already purchased as of today, the land which is available with us. Most of this is one or two products are in a very, very advanced stage where we'll be applying -- we are in an advanced stage to apply for environmental clearance now. Normally, the clearance takes that nine months to a year period.

The R&D is done, detailed engineering done, the costing has been done and we are truly at an advanced stage and the land is also marked in terms of utilization of our land, adjoining land, using some of the facilities that we have in the old plant because it is interconnected.

**Divesh Chainani:** Okay. Sure, sir. Just one last question from my side, if I could ask. So, currently the Mahad facility, so you just mentioned in the call that when your any plant's capacity reaches around 75% to 80% of the utilization, you go for the another capex, right?

**Nishith Shah:** Correct.

**Divesh Chainani:** So, for the Mahad...

**Nishith Shah:** Subject to sir, additional clients or similar clients have a definite growth plan that they discuss with us, so we are ready when they are ready with their plant.

**Divesh Chainani:** Okay, sir. And currently I feel underutilized compared to your 75%, 80% target which you have given, so by what year can we expect at the peak utilization levels to reach the peak utilization?

**Nishith Shah:** Most of our plants which are there, I believe by end of this year itself we'll be crossing the 70%-plus all our existing products, and hence, the coming year and a half, two years, we are looking at expanding in every product we are making.

**Divesh Chainani:** Okay. And as your Khopoli capacity is already around, I guess, 79% to 80% utilization if I look at the FY'26 number, so the 60,000 the capacity which you are adding, so will that be totally for the Khopoli facility? Because Mahad is currently underutilized.

**Nishith Shah:** No, it is -- there is a breakup between Khopoli and Mahad, both their requirements. That breakup I have not brought it to the table as of now. We'll give it in the second guidelines when we come in the second half.

**Divesh Chainani:** Okay. Sure, sir. Thanks for your time.

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

**Rahul Shroff:** Thank you all for taking the time and joining us today. We really appreciate your interest in the company. In case of any queries, please do get in touch with us or with SGA, our investor relations team. We look forward to meeting you all in the next call. Thank you very much.

**Moderator:** Thank you. On behalf of Dam Capital Advisors Limited, that concludes this conference call. Thank you all for joining us and you may now disconnect your lines. Thank you.