PYRAMID Technoplast
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SEC: 39/2026-27

Date: August 18, 2026

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra- Kurla Complex,
Bandra (East), Mumbai – 400 051

Symbol: PYRAMID

Through: NEAPS

BSE Limited
1st Floor, New Trading Ring,
Rotunda Bldg., P. J. Towers,
Dalal Street, Fort,
Mumbai 400 001

Scrip Code: 543969

Through: BSE Listing Centre

Sub: Transcript of earnings call with analysts/ investors.

Dear Sir/Madam,

Pursuant to Regulations 30 read with Para A of Part A of Schedule III and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we attach herewith the transcript of the Company's analyst/investors call held on Wednesday, August 12, 2026, to discuss the Un-Audited financial results for the quarter ended June 30, 2026.

The transcript is also uploaded on the Company's website at:
https://pyramidtechnoplast.com/wp-content/uploads/2026/08/Investor-Meet-Call-Transcript-Q1-FY-26-27.pdf

Kindly take the above information on record.

Thanking you,

Yours faithfully,
For Pyramid Technoplast Limited,

JAIPRAKASH BIJAYKUMAR AGARWAL
Digitally signed by JAIPRAKASH BIJAYKUMAR AGARWAL
Date: 2026.08.18 14:30:38 +05'30'

Jaiprakash Bijaykumar Agarwal
Wholetime Director & CFO
DIN: 01490093

Place: Mumbai

Encl: *As above*

"PYRAMID TECHNOPLAST LIMITED

Q1 & FY27 Earnings Conference Call"

Date: August 12, 2026

Hosted by

MANAGEMENT: MR. BIJAYKUMAR AGARWAL – MANAGING DIRECTOR AND CHAIRMAN

MR. JAIPRAKASH AGARWAL – WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER

INVESTOR RELATION: MS. SOUMYA CHHAJED – GO INDIA ADVISORS

MR. RAKESH ARORA – GO INDIA ADVISORS

Pyramid Technoplast Q1FY27 Earnings Call

Soumya Chhajed

Hi, everyone, and very good evening to all. I welcome you all to Pyramid Technoplast Limited Q1 FY27 Concall.

Please note that discussion on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risk pertaining to the business. We have on call today, Mr. Bijay Kumar Agarwal, the Managing Director, and Mr. Jay Prakash Agarwal, CFO and Whole Time Director. I now request the management to just proceed with the opening remarks and post that, we'll open the floor for Q&A. Thank you and over to you, sir.

Jai Prakash Agrawal

Thank you, Soumya. A very good evening, everyone, and welcome, everyone. And thanks for joining us for our Q1FY27 earning call. So, we have started FY27 with a strong and structurally healthier operating platform.

So today we have an installed capacity of 20,936 metric tons per quarter, while volumes stood at 1,292 metric tons, translating into a capacity utilization of around 62%, while volumes in the quarter were tremendously impacted, particularly by a little slowdown in the exports of various products. We believe this is a near-term demand disruption rather than a structural issue. Importantly, unit economics have remained resilient and are actually improving. EBITDA per ton increased to approximately 16,380 in Q1 FY26 compared with 11,252 in Q1 FY26 and 15,053 in Q4FY26.

This clearly demonstrates that despite the temporary volume impact, our pricing, product mix, and operating efficiency are supporting profitability at the unit level. Now coming to the strategic developments. So we are happy to announce that we are expanding in Kutch, Western India.

It's a progress as planned. We are investing approximately 20 to 25 crore in a new facility with a capacity of 10,000 IBC units per month, which is expected to be commissioned by March 2027. This facility will strengthen our presence in Kutch and Western India while providing logistical benefits through lower freight costs, faster deliveries, and customer service satisfaction. We have also received government subsidy approvals for our newly installed WADA unit and Bharuch facility, amounting to approximately 24.9 crore for WADA and 10.5 crore for unit 7, Bharuch, which is spread over 10 years.

These incentives will effectively reduce the cost of our investments and improve project economics, ROCE, and payback over the long term. So our WADA facility is in full swing now across HDPE, IBCs, and MS Drums, and is already operating above 70% utilization. We expect it to reach 80% during this year. The facility contributed approximately 43 crore or 19% of revenue from operations in this quarter, Q1 FY27.

The focus now is to sustain this utilization, extract further operating leverage from the infrastructure already built. Our green energy initiatives are also beginning to contribute meaningfully because of two reasons, not only due to due to the price advantage, but also we are getting ESG benefits out of it, so that we can reduce our carbon footprint and represent India at the global level. The 6 megawatt solar plant was commissioned in October 2025, followed by an additional 5 megawatt in Baruch, and 2.25 megawatt in Maharashtra. And one megawatt is still pending to be commissioned, which is going to be commissioned very soon, probably next quarter.

We achieved approximately 2 crore of savings in this quarter of Q1 FY27 with a full 14.25 megawatt capacity expected to deliver around 15 crore of annual savings. Similarly, our recycling plant commissioned in October has an annual capacity of 5,000 metric tons and can address around 10 to 12 percent of our raw material requirements. So this is again a meaningful ESG benefit and we are the only company in India that is into solar and recycling both. The plant processed around 150 metric ton in Q1 FY27 and generated around 25 lakh of EBITDA with FY27 EBITDA contribution estimated at around 2 crores.

Our financial front revenue grew by 36% year on year to 222 crores. Growth has driven primarily by price increase as sharp increases in raw material costs were passed to customers. HDPE polymer drum tonnage was down 4% year on year and IBC volumes were little hit as export demand suffered due to the war. This was partly offset by strong MS drums growth.

Gross profit rose 19% year-on-basis, but gross margin compressed a little to 23% as raw material costs rose in step with price increase. Importantly, gross margin in rupees terms for HDPE remained stable. The path to the protected per unit profitability. EBITDA grew 50% year-on-year basis with margins at 10%, reflecting the operating leverage kicking in as the total expenses rose only modestly despite new plant commissioning.
PAT grew by 32% year-on-basis to 10.5 crore with margins at 5% despite a sharp rise in financial cost by 179% and depreciation by 61% year-on-year basis tied to capacity

expansion. For financial year 27, our objective remains to deliver approximately 15% revenue growth and EBITDA margins on upwards of 10%. We expect this to be supported by higher utilization, volume recovery, greater contribution from value-added products, and solar savings and recycling benefits.

We have also maintained a disciplined approach to capital allocation with FY27 Capex planned at approximately 20 to 25 crore, primarily towards Kutch expansion and deployed in line with actual. To summarize, the last phase was about building capacity. FY27 and the years ahead are about filling that capacity and converting it into stronger earnings and returns. With WADA ramping up, Kutch adding future capacity, unit economics, strengthening and our solar and recycling initiatives begin to contribute.

We believe Pyramid is well positioned for the next phase of sustainable growth and improved profitability. Thank you very much. And thanks for continued trust and support. Now I would be happy to answer all the questions.

Soumya Chhajed
First question we have from Saket Kapoor.

Saket Kapoor
Sir, as you outlined in your opening remarks, we had 62% capacity utilization levels. So, going ahead and factoring into the measures of the RM fluctuations, what do we see as a steady state, sir? This quarterly capacity of 20,936, at the end of the year or in the coming quarters, what improvement do we see before the utilization level, sir? Please give us some detailed information.

Bijay Agrawal
[Inaudible]..

Saket Kapoor
Your voice is not clear.

Bijay Agrawal
Hello.

Saket Kapoor
Yes sir, tell me.

Bijay Agrawal
Can you hear me?

Saket Kapoor
Yes, Pranam sir, tell me.

Bijay Agrawal
Are you asking about Wada or overall?

Saket Kapoor
Sir, I am asking about overall, and you can tell about Wada separately.

Bijay Agrawal
Whatever 10% is left, I think it will be completed by the end of this financial year. and the overall which you are seeing is 62%, we will touch it by 70% this year. In the middle east, due to the war, freight cost has grown significantly, so there is a problem in export, we are not able to export. For this, it is growing by 2-4% this quarter. And the growth that was supposed to happen has not happened, so everything should match from the next quarter.
Some rates have not gone down yet, when they do, the export will start.

Saket Kapoor
Sir, what is the percentage of our total mix export?

Bijay Agrawal
It is very nominal, 2-3%, 4-%.

Saket Kapoor
Then why are we relating it to crisis?

Bijay Agrawal
No, no, no, it is not like that. IBC used to be my main export. There is a plastic drum, in that they used to put chemicals and export it.
That also didn't happen. The one who is taking our stuff and selling it to the customer, their sale is also over there.

Saket Kapoor
That is about dim export.

Bijay Agrawal
This is not about dim export.
They use our drum to export. Dim export is not there. They purchase our drum, throw chemicals in it and sell it. That sale...

As you can see, the value has increased and the volume has decreased. Plus, the cost is increasing and the other person is getting more cost.

Saket Kapoor
Correct sir. Sir, in slide number 7, the profitability of the pot is 16,380 rupees per ton. What is the shape of this number going ahead? This is the highest so far.

Bijay Agrawal
It has normalised.
In the market, the selling price of Rs.160 will slowly come down to Rs.140. The EBITDA that we are telling you will be in the double digit, it will only reach 10-11%.

Jai Prakash Agrawal
Our target this year is to achieve 11-12%, more than 10%. so that we can focus more on the coming years.

Saket Kapoor
Jayaprakash ji, in the growth of the EBITDA margin, what levers will play out?

Bijay Agrawal
I will tell you, the selling price of the drum is around 160 rupees.
Are you listening Kapoor sir?

Saket Kapoor
Yes, I am listening carefully.

Bijay Agrawal
My reading says that in 5-6 months, it will settle around 140. The price will come down by 20 rupees.
The EBITDA you are seeing is around 10% and I think after prices come down it will be 11%.

Saket Kapoor
Sir, how is this correlation? If the price fall, will we not pass on the entire price to the customer?

Bijay Agrawal
No, we will pass on the entire price. There is fall because the growth will be in volume. In value, the growth is visible, that is why the EBITDA is less visible. Actually, on the old price, the EBITDA is 12% more.

But the price is in from Rs. 100 to Rs.150, so the value increased but the volume is not that much. Because of the value, the EBITDA is less in this quarter.

Saket Kapoor
Sir, when will we kick in the phase 2 capex of Wada in which you are talking about a 400 crore revenue?

Bijay Agrawal
We will do it for the nest financial year. After March.

Saket Kapoor
And how much CAPEX will it take, sir?

Bijay Agrawal
Around 20 crores we will need for one more phase.
It will take another 20-25 crores.

Saket Kapoor
Sir, as you were saying that this year we have to work on efficiency, which will improve our percentage margin. In that, recycling should also play a major role. In that aspect, what work are we doing now?
What is the work in progress for there? And how will that…

Bijay Agrawal
Sir, the thing is…, there is a portal for EPR. It has been closed for 3 months, so we are not able to get the support from the government. It is being upgraded. They are saying that it will take 15-20 more days for the system to start when the system starts, then the work will increase we are not able to give people the pass on.
the EPR because the portal is closed for 4-5 months.

Jai Prakash Agrawal
But we are processing material in this. So we will get that benefit.

Saket Kapoor
So sir, our business environment, we are already 42 days for this quarter, how are you seeing the business environment and sentiment, and where is the problem?

Bijay Agrawal
There is no problem, it is just that we are not able to exports goods to Dubai, the sales are good and the margin is also good, there is no issue

Saket Kapoor
Ok sir, I will come back to the line. Thank you.

Soumya Chhajed
Thank you, sir. Next question we have from Ankit Kanodia.
Please go ahead.

Ankit Kanodia
Namaskar Bijay ji and Jayprakash ji. Sir, since the time our company has come with the IPO and our first call after the IPO, if I map our journey from then till now, then whatever we said and whatever we had in our hands, we have done that. Be it in terms of capacity expansion and even now, more than what we said in the first call, we have expanded the capacity more than that.
In fact, we did not talk about solar and recycling at that time, we have done that too. And from a volume perspective, our growth has been good in the whole period. The product mix has also happened as we were thinking. But one place which is not in our control, which is market controlled, which I feel is the price of polymer resin.
Right? And they have fluctuated a lot. When our IPO came, it was around 110. Then it went from there to 80-85.
And then suddenly there was a short run-up in the last two quarters. So, I am not asking for any prediction or projection. But how are we prepared directionally for the next 2-3 years? Because I can see that the capacity is complete.
And a lot of efficiency has also improved. The only thing that is stopping us is the fluctuation in the price of our raw material. If you can explain something related to that, how do you see it in the long term, in 2-3 years?

Bijay Agrawal
Sir, when there is a fire, there will be smoke.
Earlier we used to import, at that time we used to carry stock for 2-3 months. In today's date, import has been reduced and converted to local. Even if we import we buy it only when its at 5-10/ kilo rupees cheaper than import.
So, the 6 months that have passed since March, There has been a benefit in importing as well. In the local market, you have to buy and sell at the same price. There is less chance of pricing loss. In the first week of the first month, all orders are booked.
The whole month is free for us. There is no chance of stock loss or pricing loss.

Ankit Kanodia

My second and last question is that I have seen in other B2B companies that there is an improvement in EBITDA per ton and then EBITDA is seen in the margin after a lag of 2-3 quarters. Is it the same in our business as well?
Because Ebitda/ton has had a good jump since the last 2 quarters. So is it the same directionally?

Bijay Agrawal
No sir, the market hasn't read our results properly. If you compare it with other CACs, in these ups and downs also company has also gained a good margin.
And as the price goes down, the EBITDA will improve. The value that is more will be less and the volume will be more. So EBITDA will automatically convert.

Ankit Kanodia
Thank you sir and all the best.

Soumya Chhajed
Thank you, sir. Next question we have from Kumar Saurabh. Please go ahead.

Kumar Saurabh
Congratulations on a good set of numbers, sir.
I have a question, sir. We gave a margin guidance of 11-12% and 15% of sales growth. And now we have done a margin of 9.5%. So, in the next 3 quarters, given the rising prices of polymer prices, are you confident that we will do 11% at least?
And if we do, is it because...

Bijay Agrawal
I said something else, sir. The price that is going on right now, we are doing a sale of around 160rs for polymer. We are assuming that the price of polymer will come down by 20rs.
As soon as the price comes down, the volume will increase and the value will decrease. The thing that we were selling for 120rs, we are selling it for 160rs. So that gap of 40 rupees is keeping our EBITDA below 10. As soon as that gap is reduced, we will easily reach 11.

Kumar Saurabh
Okay, sir. And sir, the second question is that last quarter you said that we will do an EBITDA of 80 cr this year. But if I take the number of 11%, it comes to an EBITDA of almost 86 years. So, do we feel that we will be able to do 85-86 years in FY27?

Bijay Agrawal
There is complete hope, sir.

Kumar Saurabh
Okay, sir. Okay. And, sir, there was one last question.
I think you said in your welcome note that everyone has increased their realisation and reduced their volume. Given that we work in the chemical industry and it seems that the chemical sector has been revived in the market, but do you think that the volume-based revival of the sector has taken place or is it just a matter of realisation and inventory gain, and there is still no volume?

Bijay Agrawal
In chemical, it is like this.
In which area are the chemical companies working. The issue is with those who are working in the Middle East, The rest of the worldwide workers are doing well. There is no problem with that.

Kumar Saurabh
Okay, sir. And last question, sir. Our East quarter, as you said, due to Middle East and export suffering, the volume is at 62%. And we are guiding for by year end at 80%. So, almost 18%.

Bijay Agrawal
No, sir. Overall, it will be around 70-75%.
The Wada which is currently 17% will go to 18%. We will add more capacity there.

Kumar Saurabh
Ok sir. Thank you sir.

Soumya Chhajed
Next question we have from Ganesh Nagarsekar.
Please go ahead.

Ganesh Nagarsekar
Sir, my first question is about our Kutch plant. You have said that there will be an IBC capacity of 10,000 per month. So, is it correct to say that we will have a revenue potential of around 90-100 crores from that plant?

Yes, once it starts in full-fledged production.. But in the start, we don't consider it as much. We consider it as 50 crores.

Ganesh Nagarsekar

From FY28 itself you will start doing commercial production. My second question is, if I look at our utilization numbers, our new Vada plant is getting around 70% utilization and the Bharuch plant is getting less. Is it because we are getting more incentives that we are doing more production?

Bijay Agrawal
No, it's not like that.
I have a habit of adding capacity. In wada, if we take a subsidy, we cannot add capacity till March. We can increase that investment only after March because of the subsidy. If we don't add capacity there, the plant capacity utilisation will go to 80%. But after March, as soon as we add capacity, we have to keep extra capacity, that's why we have it.

Ganesh Nagarsekar
Got it. And sir, if I look at our capacity, then our capacity in Q4 was around 16,000. Today it is around 21,000.
But our production in the last 6 quarters has been very flat. It has been around 13,000. So, do we see some major drivers in the near term due to which there is a chance of a ramp-up?

Bijay Agrawal
10% will increase, sir.

Ganesh Nagarsekar
Do you see any improvement in July's numbers?

Bijay Agrawal
Yes, there is improvement.

Ganesh Nagarsekar
There were two regular bookkeeping questions. Did you get the PUC license for pollution control?

Bijay Agrawal
No, we didn't get it. We didn't get it 100%. 90% of the work is done. There is one more license that hasn't come yet.

Jai Prakash Agrawal
One phase has come, the second phase is yet to come.

Ganesh Nagarsekar
Okay, but we can run partial capacity in that.

Jai Prakash Agrawal
Yes, we are focusing from this month only. So we are planning to do a good volume.

Ganesh Nagarsekar
Got it sir. Also you said you are thinking of entering a new product line in the last quarter, is it on standstill or when are you going to launch it? we are doing something.

Bijay Agrawal
Its in the testing phase, but the machine has been added, the marketing is still on.

Jai Prakash Agrawal
Customer has taken some. They will send it to their customer. It's a 2-3 months process, until we get approval from there, we can't do anything.

Ganesh Nagarsekar
Got it. Got it. Got it, sir.
Thank you so much.

Soumya Chhajed
Thank you, sir. Next up we have Saket Kapoor.
Please go ahead, sir.

Saket Kapoor
Sir, you are saying that solar has saved Rs. 2 crore in power cost this quarter. Will it be Rs.
15 crore after the ramp-up in the remaining year?

Bijay Agrawal
This is the estimate, sir. It is raining now, so the generation is also decreasing. If the whole machine starts, then the savings will come.
This is our commitment.

Saket Kapoor
Even if we annualize 2 crores in 4 quarters, it will be 8 crores.

Bijay Agrawal
1 megawatt is still remaining.

Saket Kapoor
Yes, like you are saying 15, that is after adding 1 megawat and that will also not come for the whole year.

Jai Prakash Agrawal
Our estimate is that it will run full fledged. Our machine should also run full fledged. It is linked to production vs solar generation.

Saket Kapoor
So sir, in this year your solar installation will be completed.

Jai Prakash Agrawal
Yes sir.

Saket Kapoor
So next year what will be the number in full fledged?

Bijay Agrawal
We have already told about full fledged number only – 15 cr.

Saket Kapoor
No sir, if we install it in this year, then it will not perform full-fledged.

Bijay Agrawal
So this 15 crore number, you are saying that next year it will be 15 crore only, this is the saving of 15 crore in a year

Saket Kapoor
So this year it will not be 15 crore, I was trying to say that.

Jai Prakash Agrawal
Yes, it will not be 15 crore this year, but if we compare it with 4 quarters after it starts, then we should see this benefit.

Saket Kapoor
Sir, the gross profit margin is generally around 26-27% and as sir said, when the price will decline or normalize, this number will match again. So we should have this understanding that this year also we will match the number of 26-27% in gross profit.

Bijay Agrawal
Yes.

Saket Kapoor
What is the understanding behind the expansion of Kutch? Is there any existing industry or a cluster where we are doing our unit?

Bijay Agrawal
Market is there sir. For IBC.

Jai Prakash Agrawal
We are already serving there from our existing facility. So from this facility we will get freight cost advantage, so volumes will increase, and there will be growth too because there is Mundra port. So we are estimating that the volumes will increase.

Bijay Agrawal
You can also transport from there, we can transport the goods to bengal from there.

Saket Kapoor
What will be the monthly run rate of this revenue? The capacity of 10,000 tons?

Jai Prakash Agrawal
It will be around 8 to 8.5 crores.

Bijay Agrawal
It is a 100 crore business, but we are going by 50 crores.

Jai Prakash Agrawal
As the market grows, we have the capacity, the business also grows.

Saket Kapoor
Correct sir. You have given us a lot of information in your presentation. Please continue.
Sir, I have a suggestion. When we are submitting a press release or something in an exchange, we have not bolded the headline. It is a very small point. But when you are writing Pyramid Tech announces cash expansion and government subsidy benefit, it should be bold.

It should be in the same order in which your letter is. So these are small mistakes that can be seen. The investors like you said that why the market is not able to understand our numbers or where our mistake is so this is also a small thing that we should mention the right thing in the right way this was a small suggestion from me that whenever you keep a press release, you should bold it. Rest sir, best wishes to you.

You are doing a good job and making value for investors.

Soumya Chhajed
Thank you. Next question we have from Divyesh Vhora. Please go ahead.

Divyesh Vhora
Sir, congratulations. You have posted good numbers. You have given good numbers.
I want to know more information about Kutch.
Is the land in Kutch owned or leased?

Bijay Agrawal
I have taken owned land.

Divyesh Vhora
And what will be the bifurcation in the project cost? So just indicative, I was asking.

Bijay Agrawal
I think10 crores will be in land and a building. The rest will go to the machine.

Divyesh Vhora
And in this, the issues that were raised in WADA for approvals, etc.

Bijay Agrawal
In WADA also, there was no issue in approval. I don't think so.
There was no problem. The government department's push-pull work is more in Maharashtra than in Gujarat. We think that in 2-3 months, everything will be done. We will start the plant in 8 months.

Divyesh Vhora
So machinery orders have also been placed. And if I calculate the profitability of the 50 crore turnover of that unit, what will be the payback period or what will be the IRR return?

Bijay Agrawal
Sir, you will see that there is a payback in about 4 years. When we came to IPO earlier, we used to say that we turnover 4 times of the current asset.
If you see today, I am doing it 4 times.

Divyesh Vhora
Okay.

Soumya Chhajed
Next question we have from Ganesh Nagarsekar. Please go ahead.

Ganesh Nagarsekar
My question is already answered. Thanks.

Divyesh Vhora
Sir, I have a question. The 35 crore benefit that you have mentioned, is that going to be a cash benefit or in the form of GST?

Bijay Agrawal
GST will come from the form of the cash. I have already paid that much GST. From there, we will get it in cash form from the government. We will get a cheque.

Divyesh Vhora
So the payment that you are expecting, because I have seen that it has been sanctioned, but you have to complete all the processes, so when are you expecting this?

Bijay Agrawal
I thought it will come in 5-6 months. But if it has to come every year, then it will come.

Divyesh Vhora
Will this one amount come or will it be part of it?

Jai Prakash Agrawal
It is spread over 10 years.

Divyesh Vhora
Oh. Spread over 10 years. Then you will have to take a new debt for the Kutch plant.

Bijay Agrawal
No sir, it will be done from internal accruals.

Jai Prakash Agrawal
We have already earmarked for this year's deployment.

Divyesh Vhora
Sir, you announce the project only after you've started it. Last time when you did concall, you said that there is no project. Suddenly your Kutch comes. I don't have any problem.
It's a very good thing. You are doing good expansion and you are doing it right.

Bijay Agrawal
Sir, we are in business. If we will not go in Kutch now.
When we send from here, there is a cost of 1000 rupees. If someone else goes, he will capture the market. That's why I thought of putting a facility. There is gain there. That's why we are doing it there.

Divyesh Vhora
No, it's a very good decision, sir. It's absolutely a good decision. But the issue is that the customers you were serving from here, you will have to find new customers here at Wada and other places.

Bijay Agrawal
It used to go from Baruch not Wada, from here it used to be used to be around 2,000-2,500. If we go there, we will get a market of 10,000.

Divyesh Vhora
And for these 2,000 new customers are ready. There is no problem?

Bijay Agrawal
Slowly the market grows.

Divyesh Vhora
Thank you very much. Thank you.

Soumya Chhajed
We will wait for a minute for participants to ask the question.
Those who wish to ask a question, please raise your hand.
Yeah, next we have Ankit Kanodia. Please go ahead.

Ankit Kanodia
Sir the debt has increased in the last 2-3 years, but can you expect it to reduce significantly in FY27 and FY28?

Bijay Agrawal
The repayment has already started, it is not increasing. The loan we had taken last year to start a plant. It has already started. It is not growing.

Ankit Kanodia
Was it a 180 crore term loan plus working capital loan?

Bijay Agrawal
No, it was 225-230 crore loan. The working capital started increasing because we used to buy raw materials for 100rs, now we are buying it for 150rs, so the working capital increased.

Even now the price is 140rs, so the working capital is increasing. I had taken an 80 crore loan. The repayment has started.

Ankit Kanodia
Working capital is a simple thing, if the raw material price is high, then the working capital loan will also be there.

Bijay Agrawal
Yes. Working capital will be needed. 175 crores in the market, 100 crore of stock.
It is a healthy balance sheet.

Ankit Kanodia
Sir, can you say something about the price? What do you think the price of polymer resin will be in the next 2-3 years? Directionally, I am not asking for a number.

Bijay Agrawal
Sir, I think in the next 2-3 months, it will go down by Rs.20. In the next 3-4 months, we will be selling at a rate of Rs.140 from the current 160. And after that, it will come at par with the old rated, or 10 rupees higher than that. It won't go high much.
The prices are up due to the war.

Ankit Kanodia
Right, right. Okay, sir. Thank you.

Soumya Chhajed
Thank you. Next question we have from Saket Kapoor. Please go ahead.

Saket Kapoor
Sir, our finance cost in this quarter is 3.5 crores.
As the value of the loan will keep on reducing, are you seeing any meaningful change in this by the end of this year? How will this number keep on shaping up? And how long is our cash conversion cycle? How many days do we generate cash from debtors?

Bijay Agrawal
It comes in 70 days. 65 to 70 days.

Saket Kapoor
And this number of 3.5 crore, if you keep on repaying, how does this number look like? Should it be annualized or how much finance cost should be modelled for the total year?

Bijay Agrawal
I did not understand the question.

Saket Kapoor
I will say it again, in this quarter, you have debited 3.5 crores. You are saying that our repayment cycle is also there, our utilization levels will also improve, efficiency will also come.

Bijay Agrawal
By the end of the year, it will reach 3 crores. 3.5 crores.
It won't fall too much randomly.

Saket Kapoor
No sir, it won't happen randomly. It will stop at 3 crores in the normal course. Sir, there are many issues of employees and wages in many parts of the country.
Is there any possibility of employee availability or wage related issues for us or we are on a smooth track?

Bijay Agrawal
There could be a possibility for everything. How can we deny a possibility?

Saket Kapoor
Right sir, right. But till now there is no such factoring.

Bijay Agrawal
Till now there is no such factoring.

Saket Kapoor
Okay sir, thank you for giving such detailed information. And all the best again sir.

Soumya Chhajed
Next question we have from Divyesh Vhora. Please go ahead now.

Divyesh Vhora

Sir, the raw material cost and the selling price, I am not able to understand the mathematics, if you can explain. Because the stock that you had till March, that would be at a very less price. And if you have sold that stock now.

Bijay Agrawal
Whatever was there till March, the effect came in february. By the time March closed, all the stocks were finished. The stock I am buying after March is getting sale from April.

Divyesh Vhora
So will these margins remain intact or are you seeing improvements in it?

Bijay Agrawal
There is improvement sir. The improvement will be maintained.

Soumya Chhajed
Next question we have from Kumar Saurabh. Please go ahead.

Kumar Saurabh
Sir, till now our growth has been good and we can still see growth with Capex. But if we look at the next 4-5 years, like in India we have a good market share.
So the growth rate of the market is usually the same when the market share increases a lot. So if we want to grow at 15% plus for the next 4-5 years, where do you see the growth opportunities, product-wise and geography-wise?

Bijay Agrawal
We will go to the south as well. We will have to change the geography.
Like we went to Kashmir, there are different locations in the north and south. There are many places with opportunities still.

Kumar Saurabh
So there are still a lot of growth avenues for us.

Bijay Agrawal
Yes, definitely. We will double our work from here.
We wont go down.

Kumar Saurabh
Okay sir. And you said that the entire 15 crore benefit of solar will start coming from FY28. So 15 crore of that and then recycling. So from FY28 Q1, we should get 4 crore benefit in operating profit.

And the subsidy that we will get is also of 10 years. How much will it come per year?

Bijay Agrawal
It will be around 3.5 crore per year.

Kumar Saurabh
Okay, sir. Thanks a lot, sir.

Soumya Chhajed
Thank you. Last question we have from Dipesh Sancheti

Dipesh Sancheti
Sorry, sir. I joined late because I was in a conference. I wanted to ask, sir, the maximum price fluctuations at the inventory level were in this quarter, Q1.

Bijay Agrawal
In the last quarter, there was a major difference.

Dipesh Sancheti
In the last quarter, but at the end of last quarter. But the major difference was in this quarter.

Bijay Agrawal
In this quarter the prices have reduced.
In March, the company rates were 160. In this quarter it has gone down to 140.

Dipesh Sancheti
Because last quarter you said in your concall that the inventory gain will come due to the 45 days inventory we used to keep.

Bijay Agrawal
The benefit for the inventory of 45 days it came in March, The benefit of 2-1 crore came in March.

Dipesh Sancheti
So this quarter there was no inventory gain?

Bijay Agrawal
The stock that is going on, the normal work that is going on is going on.

Dipesh Sancheti

One more question, I think it has been addressed but still, the new facility that we are putting in, and it's good that you are not announcing it in advance and everybody, all the investors get to know together, but the new facility that we are putting in Kutch, in that, did we supply this customer in advance and how much did we supply?

Bijay Agrawal
No, no, no. We were doing a business in the area of 2000 IBC. We had a supply of less than 2,000, but there is a market of 10,000 overall when we did market survey. So we are shifting there.

Dipesh Sancheti
So until our facility comes online, which will be around March 2027, we will continue to supply our customers from the Bharuch plant, right?

Bijay Agrawal
Yes. We are doing it from Bharuch.
Until it doesn't start there, we are supplying from here, sir.
But it is increasing. After going there, we will get more market share.

Dipesh Sancheti
Okay, and will we get the whole margin or will you also share it with the customer?

Bijay Agrawal
If we dont give anything to the customer…. When we started in Wada, we will not get the market like this, we have to share something.

Jai Prakash Agrawal
Initially we have to give some benefit.

Bijay Agrawal
30% the customer and we will get 70%.

Dipesh Sancheti
Great. And why did this difference in margins come this time? When I compared it to the last quarter.
Not year-on-year, last quarter.

Bijay Agrawal
What is the margin? Tell the question clearly.

Dipesh Sancheti

When I see the margins, EBITDA margins, EBITDA margins and the gross profit margin also, if I look at the gross profit margin of this quarter, it is 23% which was less than both the last quarters.

We have seen good sales growth but what is the reason for the low margin? While we were expecting solar growth, while we were expecting subsidies, the market was disappointed that this quarter was looking like a bumper quarter which did not come. According to this, the market has given this reaction. So I just want to understand why it didn't come and why the margins didn't come like this. Because the market was seeing everywhere that in this quarter, all the related companies, they also got an inventory gain.

And your solar cost was also going to be reduced. So according to that, it came less than the expectation. Results are very good, but it came less than the expectation. So that's what I want to know, why did the margins come less?

Bijay Agrawal

In the last quarter, our selling price was Rs.138 in March. This time, my selling price of polymer drums is Rs.193 per kg. The selling price has increased by Rs.55. we used to say that if we buy a material worth 100 and sell it for 120, then even if we buy a material worth 150, we have to sell it for 170 or more.

There is a change in selling price of 50 rupees. The volume has decreased but the volume has increased. If we look at the solar power expense, 2 crores saving has happened. The solar people say that from the first day the solar starts, the heating starts, you don't get the whole thing, the machine is smooth, everything is there, the power loss is calculated and in a year or 6 months it goes on.

So whatever I said has happened. The difficulty in understanding is a different thing. You are also in this. You are also questioning.

If we say that my volume has decreased by 4% and the sale has increased from 196 to 222, then you are looking EBITDA at 222 and not at 190. If you look at 190, you will see that it is 12% EBITDA.

Dipesh Sancheti

Perfect. Perfect. And the 34 crores subsidy that will come, will it start from this year only or … I mean can we it utilize it from this year itself.

Bijay Agrawal

It is spread across 10 years. It will come from this year itself.

Dipesh Sancheti

So it will start this year itself right

Bijay Agrawal

Yes.

Dipesh Sancheti
Sorry…

Jai Prakash Agrawal
It will come in this Financial Year itself. But we are not sure in which quarter.
So that is why we are not showing anything.

Dipesh Sancheti
But that's OK. Since it's going to come in this year, we can take a year-on-year performance also.
Great, sir. Thank you so much. And all the very best.

Soumya Chhajed
Thank you, sir.
I'll just hand over to Jai sir for closing remarks. We are good with the questions now.
So over to you, sir.

Jai Prakash Agrawal
Thanks for joining us.
I want to say that we have taken major initiative that is solar and recycling which will add up to the company's benefit also and also it will represent to reduce the carbon footprint of our company as well as India. And we are mapping and we are following India's country's Prime Minister's directive that we want to reduce our carbon footprint. So we are on track with that. And we are one of the few companies in India who has installed solar and recycling both together.
So thanks for supporting us. Keep supporting us and keep motivating us like this. Thank you so much. Thanks so much.