SHREE PUSHKAR CHEMICALS & FERTILISERS LTD.
CIN: L24100MH1993PLC071376
(A Government of India Recoginsed Export House)
An ISO 9001:2015 & 14001:2015 Certified Company
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Date: 5th November, 2026

National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Scrip Symbol: **SHREEPUSHK**	**BSE Limited,** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001 Scrip Code: **539334**

Dear Sir/Madam,

Subject: Transcript of Analyst/Investor Conference Call held on Tuesday, 3rd November, 2026

Pursuant to Regulations 30 and 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with reference to our letter dated 28th October, 2026, intimating you about the earning conference call for Q2 H1 FY27 with Analysts/Investors held on 3rd November, 2026, please find attached herewith the transcript of the aforesaid conference call.

The above information is also available on the website of the Company at https://shreepushkar.com.

This is for your information & record.

Thanking you
Yours faithfully,
For Shree Pushkar Chemicals & Fertilisers Limited

PANKAJ MANJANI
Digitally signed by PANKAJ MANJANI
Date: 2026.11.05 20:19:53 +05'30'

Pankaj Manjani
Company Secretary & Compliance Officer
Place: Mumbai
Encl.: as above

“Shree Pushkar Chemicals & Fertilisers Limited

Q2 H1 FY27 Results Conference Call”

November 03, 2026

MANAGEMENT: **MR. PUNIT MAKHARIA – CHAIRMAN AND MANAGING DIRECTOR – SHREE PUSHKAR CHEMICALS & FERTILISERS LIMITED**
MR. DEEPAK BERIWALA – CHIEF FINANCIAL OFFICER – SHREE PUSHKAR CHEMICALS & FERTILISERS LIMITED
MR. PANKAJ MANJANI – COMPANY SECRETARY AND COMPLIANCE OFFICER – SHREE PUSHKAR CHEMICALS & FERTILISERS LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Shree Pushkar Chemicals & Fertilisers Limited Q2 H1 FY27 Results Conference Call. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pankaj Manjani, Company Secretary and Compliance Officer from Shree Pushkar Chemicals & Fertilisers Limited. Thank you and over to you, sir.

Pankaj Manjani: Good afternoon everyone and welcome to Shree Pushkar Chemicals & Fertilisers Limited Q2 and H1 FY27 earnings call. Joining us today from the management side, we have Mr. Punit Makharia, Chairman and Managing Director, and Mr. Deepak Beriwala, Chief Financial Officer.

I now hand over the call to Mr. Punit Makharia for his opening remarks. Over to you, sir.

Punit Makharia: Thank you, Pankaj. A very good afternoon to all friends and everyone, and thank you for joining us for Shree Pushkar Chemicals & Fertilisers Limited Q2 and H1 FY27 earnings call. I trust you all had an opportunity to go through the company's financial results and earnings presentation for the quarter and half year ended 30th September 2026.

I will begin with sharing an overview on the company's performance and key developments during the quarter, following which our CFO will take you through the financial and operational performance in much greater detail. We are pleased to report a strong performance during the second quarter of FY27 with significant growth in revenue and profitability across the company's chemical and fertilizer business.

The performance reflects sustained demand, improved business performance, and our continued focus on operational efficiency and disciplined execution. During Q2 FY27, our consolidated revenue from operations stood at INR403.5 crores, registering a robust year-on-year growth of 58.2%. On a sequential basis, revenue increased by 44.1% compared to INR280.1 crores in Q1 FY27.

For the first half of FY27, consolidated revenue from operations reached INR683.60 crores, registering a growth of 34.1% on a year-on-year basis over INR509.6 crores in the corresponding period of the previous year. Moving to our segmental performance, the chemical business recorded sales volume of INR245 crores during the quarter, representing a growth of 85.6% on a year-on-year basis.

The fertilizer business recorded sales volume of INR158 crores, registering growth of 27.5% on a year-on-year basis. In terms of sales volume, the chemical business recorded 14,368 metric tons, while the fertilizer business recorded 79,277 metric tons during the quarter. The overall consolidated sales volume stood at 93,645 metric tons, registering a growth of 4.3% on a year-on-year basis.

The performance of both our businesses reflects improved realization, a favorable product mix, and sustained demand, supporting the growth in revenue during the quarter. Friends, coming to

profitability, the company delivered a significant improvement in earnings consolidated EBITDA increased by 87.7% year-on-year to INR49.2 crores with an EBITDA margin of 12.2%.

Profit after tax increased by 96.1% year-on-year to INR35.7 crores with a PAT margin of 8.9%. For H1 FY27, consolidated EBITDA stood at INR81.2 crores, registering a growth of 46.7%, while profit after tax stood at INR58.6 crores, representing a growth of 49.7% on a year-on-year basis. This performance demonstrates our ability to deliver profitable growth while continuing to invest in our manufacturing capabilities and capacities.

Moving to our operational developments, we are pleased to share that commercial production at Unit 5 of our company commenced during this quarter, strengthening our dye manufacturing capacity by approximately 6,000 metric tons per annum. This is an important milestone in our capacity expansion roadmap and will support our efforts to cater to growing customer requirements.

Additionally, our 10 megawatt DC solar project at Nanded, Maharashtra commenced operations during this quarter. With this addition, the company's total installed solar capacity on a consolidated basis has increased to 20.6 megawatt on a DC basis. This development further strengthens our focus on renewable energy and sustainable manufacturing practices.

Alongside these developments, the expansion of Madhya Bharat Phosphates Private Limited, our wholly-owned subsidiary at Meghnagar, Jhabua, Madhya Pradesh, continued to progress as planned. This initiative remains an important part of our long-term strategy to expand our manufacturing footprint, enhance integration, and improve operational efficiencies.

As on date, as on 30th of September, the Company has invested INR92 crores in the ongoing capex project, which has been totally funded by the internal accruals of the company.

In line with our growth strategy, the board has also approved a capital expenditure of INR70 crores for establishing a new chemical plant at Unit 5, Lote Parshuram, with an additional capacity of 3,000 metric tons per annum. The project is expected to be commissioned by March 2028 and is aimed at catering to the growing demand of our customers. The proposed investment will be funded through a combination of internal accruals and a preferential issue of fully convertible warrants to the promoter, subject to the requisite shareholder and other applicable approvals.

In this regard, the board has approved the issuance of 8,54,060 fully convertible warrants to Mr. Punit Gopikishan Makharia, Promoter and Chairman and Managing Director of the company, at an issue price of INR526.90 per warrant, aggregating up to INR45 crores. This proposed fundraising is intended to support the Company's expansion plan and reflects the promoter's continued commitment towards the company's long-term growth objectives.

Overall, Q2 and H1 FY27 have been encouraging for Shree Pushkar Chemicals, with strong growth in revenue and profitability, commencement of commercial production at Unit 5, the addition of renewable energy capacity, and continued progress on our expansion initiatives. Our focus for the remainder of FY27 will remain upon expanding our chemical and fertilizer

business, improving operational efficiencies, maintaining financial discipline, and executing our ongoing planned capacity additions in a measured and disciplined manner.

We remain committed to building a larger, more integrated, and sustainable manufacturing platform while creating long-term value for our shareholders. With what, I now will hand over the call to Mr. Deepak to take you through the detailed financial and operational performance for the quarter and half year. Over to you, Deepak.

Deepak Beriwala: Thank you, sir. Good afternoon, everyone, and thank you for joining us today. I will now take you through the financial and operational performance of Shree Pushkar Chemicals & Fertilisers Limited for Q2 and H1 FY27.

Starting with the consolidated top line, revenue from operations for Q2 FY27 stood at INR403.5 crores, registering a year-on-year growth of 58% and a sequential growth of 44%, compared with INR280 crores in Q1 FY27. For the first half of FY27, revenue from operations stood at INR683 crores, representing a growth of 34% over INR509 crores in H1 FY26.

Coming to segment performance, the chemical business recorded sales value of INR245 crores during Q2 FY27, registering a growth of 85% year-on-year. For H1 FY27, sales value stood at INR383 crores, representing a growth of 53%. The fertilizer business recorded sales value of INR158 crores during the quarter, registering a growth of 27% year-on-year. For H1 FY27, sales value stood at INR300 crores, representing a growth of 15%.

In terms of sales volume, the chemical business recorded 14,340 metric tons, while the fertilizer business recorded 80,000 metric tons during Q2 FY27. The total consolidated sales volume stood at 93,500 metric tons, representing a growth of 4.3% year-on-year. For H1 FY27, the chemical business recorded sales volume of 23,500 metric tons, while the fertilizer business recorded 1,45,000 metric tons.

Moving to profitability, the company delivered a strong improvement in earnings during the quarter. Gross profit stood at INR120 crores, registering a growth of INR42 crores year-on-year, with a gross margin of 30%. EBITDA increased by 88% year-on-year to INR50 crores, with an EBITDA margin of 12.2%, compared with INR26 crores and a margin of 10% in Q2 FY26.

Profit before tax increased by 97% year-on-year to INR43 crores, while profit after tax increased by 97% to INR35 crores, resulting into a PAT margin of 8.9%. On a sequential basis, EBITDA increased by 55% compared with Q1 FY27, while PAT increased by 56%, resulting -- reflecting strong operating performance during the quarter.

For the first half of FY27, gross profit stood at INR210 crores, representing a growth of 25% year-on-year. EBITDA increased by 46.7% to INR81 crores, while profit before tax increased by 49.7% to INR71 crores. Profit after tax increased by 50% to INR59 crores. The EBITDA margin for H1 FY27 stood at 12% compared with 11% in the corresponding period of the previous year, while the PAT margin improved to 8.6% from 7.7%.

From a liquidity perspective, the company continues to maintain a comfortable financial position with a non-limited budget of INR142 crores as of 30th September 2026. This provides the

financial flexibility to support our ongoing capital expenditure programme and planned investments.

Overall, Q2 and H1 FY27 reflect strong financial performance with significant growth in revenue, EBITDA, and profitability. Going forward, our focus will remain on maintaining financial discipline, managing costs and working capital efficiently, and deploying capital prudently towards our ongoing and planned expansion initiatives.

With that, I conclude my remarks and hand the call back to the moderator for the question-and-answer session. Thank you.

Moderator: Thank you. The first question is from the line of Rounak Bajpai from Wealthmine Advisory Service. Please go ahead.

Ronak Bajpai: Hello, sir. First of all, congratulations on such a strong set of results. I actually wanted to understand in Q1 our volumes declined but our realization increased, and in Q2, we have done 43.1% Q-o-Q growth and we also improved our margin by 100 basis points. So what is the reason for that? Is it realization only or a combination of both volume and realization? And also, what is the impact on volumes currently, and are we seeing any impact going further in terms of global conflict?

Punit Makharia: Mr. Bajpai, first of all, thank you. I would like to address this question in a manner that basically, it is a mixture of volumes as well as margins. First of all, as far as the chemical space is concerned, the margins have improved mainly because of the China factor. In China, there is a huge shortage going on in terms of dye intermediates, mainly because of various compliances in terms of environment and safety norms in China. So first of all, the margins have improved because of good demand from China in all these products.

Secondly, this was the Kharif season peak in this particular quarter, so mainly because of this, the company has been able to build a better volume. So it is a mixture of volumes as well as market realization and pricing also. And going forward, I see that quarter three, mainly because of a poor season in terms of fertilizers, it may remain a bit subdued.

But overall, this entire annual performance, I believe whatever we have said and given visibility of this year's performance, we will be able to achieve so. In my opinion, if you ask me, we should be able to achieve at least INR1,250 crores of total sales and profitability should be in three digits. This is my visibility.

Ronak Bajpai: Okay, sir, understood. So far, we have done INR683 crores for H1. So, can we consider INR1,250 crores as a conservative approach from the management side?

Punit Makharia: Obviously, it should be always a conservative approach in my opinion.

Ronak Bajpai: Okay, sir, understood. Also, sir, what is the update on Unit 5 and Unit 6? It was, I think, supposed to be commercialized by the end of H1. So, any updates on that and what kind of unit is Unit 5?

Punit Makharia: Unit 5, we have already announced commercial production. As far as Unit 6 is concerned, probably by the end of this month or maybe latest by next month, you will be hearing from us the commercial update on this, announcing the trial production of Unit 6 also. Unit 6 is completely ready. We are in the process of importing the raw materials. We believe to start the trial by the end of this month post-Diwali.

So we will be making an announcement somewhere by the end of this month or maybe December. But we are not targeting any kind of sales volume because being a new plant, it will be taking some more time to make the trial successful and come into commercial production. But yes, next year we will be able to achieve the required production and other parameters as far as Unit 6 is concerned.

Ronak Bajpai: Okay, sir, understood. Also, sir, my final question was the capex that we are planning currently, and what is the potential revenue from that in terms of optimal utilization, and what are we targeting like additional value addition from those capexes?

Punit Makharia: You are talking about Unit 6 capex or Madhya Bharat capex or the capex which the board recently announced?

Ronak Bajpai: Combined capex. Combined capex that we are doing for the long term, 3 to 4 years, or whatever timeline we have. So, what is the peak potential revenue from that?

Punit Makharia: Sir, in my opinion, if you see, first of all, whatever statement I am giving, it's my personal opinion. Please do not look at it as a forward-looking statement. So first of all, let me give this disclaimer to you. And in my opinion, we should be doing from this current fold, we have a potential growth of close to almost three times, or maybe a little bit lower than this, somewhere around two and a half to three times than today's level, once we complete all these capexes.

Ronak Bajpai: Okay, sir, understood. That is it from my side. Thank you so much and all the best.

Punit Makharia: Thank you very much, Mr. Bajpai.

Moderator: Thank you, sir. The next question is from the line of Deekshant from DB Wealth. Please go ahead.

Deekshant: Hi, congratulations on the good numbers. So my first question is, we have been opportunistic on the whole H-Acid play that we saw in China. So I want to first ask that how has the quarter panned out for us because the numbers look good on the sales side this quarter. So out of our INR245 crores, how much of a percentage has been on the opportunistic side? This may be H-Acid plus something else also.

And going forward, we have an El-Nino effect. So for the fertilizer segment of our business, how are we looking for H2 of this particular year? Do you think that's going to be a little bit more subdued than the last year that we have seen? And thirdly, if you could give me some sort of clarity on what kind of EBITDA margin and PAT margin that we can see for this particular year? Is this the best margin that we have seen in Q2 or can we improve further from here in the next two quarters? Thank you so much.

Punit Makharia: Thank you, Mr. Deekshant. If I take your three questions one by one, your first question was about H-Acid and pricing of H-Acid and some other intermediates. That was your question. First of all, Mr. Deekshant, let me address to you my thought process that we believe in a long-term stable and sustainable business model, right?

And these kinds of unsustainability in terms of pricing and whatever these price hiccups are there as on today's date, these are not going to be forever. So these volatilities could last for a few weeks or few months, but not for a longer term. So if you ask me, I do not believe in this volatility, let me tell you, because I personally believe in a stable and sustainable business model.

And we need to see the company's performance, the company's sustainability issue in running a long-term business proposal. So, whatever this pricing hike is there in terms of H-Acid or vinyl sulfone is not a major concern for me, and that is not a major driving factor for this.

Now, coming to your second question of El Nino this concept, yes, definitely there is a situation of poor rains and drought issues in Maharashtra and certain parts of Madhya Pradesh. But because of the availability of fertilizer in the area, we have been able to sell around 79,000 tons of fertilizer during this quarter, which is definitely a good sale.

And as I said, that in quarter three, there could be a bit of subdued performance in terms of fertilizer. But overall, if you combine chemical and fertilizer together, in my opinion, that is going to be a good quarter three season also.

Now, coming to your third question about EBITDA levels and PAT levels, I believe the company has already attained EBITDA levels of 12% and close to 9% of the PAT level. Mr. Deekshant, in my opinion, the company has a potential of reaching better than this in terms of EBITDA level as well as PAT level, and there is definitely a scope of this improvement of 15% to 20% from the existing levels. Any other question, Mr. Deekshant?

Deekshant: Yes, sir. So, sir, just to follow up here, firstly, thank you, quite clear. Sir, the commodity prices of chemicals that we are seeing right now, of course, it's not sustainable. But it is also seeming to be the factor, and I am looking at it from an outsider, we are looking at the shutdown and the demand levels at these prices can stay here for maybe a few more months to maybe a few weeks.

Do you agree with this? And do you think that this opportunity that we are seeing, how are we able to get the most out of it? I understand it's not sustainable at these prices, but this is an opportunity factor for us. So how are we looking at this opportunity? And secondly, sir, 15% to 20% improvement, does that mean that we can see around, let's say, 250 basis points on the EBITDA margin and maybe another 150 basis points on the net PAT margins for this year?

Punit Makharia: Yes, obviously. I do not say this year. Please do not misunderstand me. Please do not misread me. I do not say this year. I said with this company, this industry has a potential of doing so. I never said that within this year we have this potential? So let it be very straight and clear.

And now, as far as pricing of chemicals and other essential products are concerned, Mr. Deekshant, chemical is a huge field. I believe if I learn about my own products, that's more important. But yes, I think this may continue for maybe a few weeks, few days, few months, but

it is difficult to comment on that. I am not a speculative businessman. We are traditionally, these industrialist guys do not believe in speculation, first of all. So let's see how it behaves. And this all basically depends on the demand and supply situations.

Deekshant: So you think that this year particularly we can have better margins, sir?

Punit Makharia: Obviously, which the company has already performed till H1 also, better margins than the company's last year.

Deekshant: Got it. Thank you so much for the clarity, sir. Wish you the best.

Moderator: Thank you. The next question is from the line of Prit Nagersheth from Wealth Finvisor. Please go ahead.

Prit Nagersheth: Yes, thank you. Punit ji and team, fantastic numbers, great execution. Sir, a question on fertilizer. We did close to 79,000 metric tons for quarter two, and first half we did close to about 145,000. Now, given the second half is going to be subdued because of the Rabi crop and lack of rainfall, approximately how low will this be? Do you have any idea, sir?

Punit Makharia: Sir, look, we will do better than last year, Prit ji.

Prit Nagersheth: Okay. So we will do better than what happened in the last second half?

Punit Makharia: We will do better than that, sir. Even now, you see, like last year H1 FY26, we did INR1,48,000. In H1 FY27, we did INR1,45,000. There is a difference of 1% to 1.5%. And look, sir, a lot of things impact this. But we will be trying for achieving better than what we did in the last year. Now, the rest, sir, the coming time will tell.

There are a lot of things because right now the subsidy has not even been declared by the central government, which is again expected to be on 5th of this month, though it should have been done by the end of September. Let us see, sir, what happens in that. But yes, definitely we are trying our level best to do the best whatever we can as depending on our capability and capacities. But not everything is in our hands, sir. But yes, we are trying to do it best.

Prit Nagersheth: Right, sir. Sir, I was asking because you were saying that maybe it will be subdued.

Punit Makharia: Sir, I have a personal feeling that Q3 will be a little subdued in fertilizer.

Prit Nagersheth: Right, sir. Okay, sir. Business for the chemical segment, we had to know that we did a volume of 14,368 tons in Q2. So we have more capacity than this. So given this demand, given this much realization, in Q3, can we see a more increase in volume in the chemical segment?

Punit Makharia: Sir, look, in Q1 FY27, we did a volume of 9,000 tons. In Q2 FY27, we did a volume of 14,000 tons. I believe in Q3, it will be a little better than this, sir, which I can also see. And being this China factor also, this would be better than Q2 also.

Prit Nagersheth: Right, sir. Sir, I wanted to know another question. This new capex that we are doing, of INR70 crores, Unit 5, on this 3,000 metric tons, how much top line will it be able to give you once it is completed?

Punit Makharia: Sir, if I take 3,000 tons at 75% utilization, then also, sir, you can understand, approximately INR250 crores.

Prit Nagersheth: INR250 crores.

Punit Makharia: Yes.

Prit Nagersheth: On 75% utilization.

Punit Makharia: Yes.

Prit Nagersheth: Sir, we are not adding these assets…

Punit Makharia: Sir, I will not discuss the product. I am sorry. What we are going to produce? What is the product? What is the chemistry of the product? What is the market potential of the product? What is the name of the product? I will not like to discuss on this, sir. So please.

Prit Nagersheth: Is it a new product or are we increasing the existing capacity?

Punit Makharia: Sir, if you do not ask me, it will be better. Whenever you will be visiting personally to my office, we will discuss in detail about this. I am sorry for not replying to this, your question.

Prit Nagersheth: Not at all, sir. No worries.

Punit Makharia: Thank you.

Prit Nagersheth: Sir, the second thing I wanted to know is that given that Unit 6 will start, what you are saying in 1-2 months, so we will get the volume of Unit 6 at least for quarter 4, or we should now expect that quarter 4 will be a trial and next year we will see its volume in quarter 1?

Punit Makharia: Sir, it is like this. Our people should think very conservative things and should talk very conservative things. I understand this and the rest of the opportunities that are in front of us, let us try to achieve the best of the opportunities. But then also when we talk about all these things, in my opinion, we should behave conservatively.

Now, sir, if you remember, in the old con-calls, we have always given a visibility of around INR1,250 crores, in which we used to take the production of Unit 6 for a few months. And till now, sir, you will see that the company has produced INR683.6 crores without the production of Unit 6.

So, in my opinion, the visibility of INR1,250 to INR1,300 crores will be able to be achieved without the production of Unit 6. As far as Unit 6 is concerned, I personally, in the back of my mind, have considered that Unit 6 may not generate any revenue for me in quarter 4. But this does not mean that we will not generate revenue from Unit 6 in quarter 4. Definitely, we will

generate. But as a sense of conservativeness, I personally believe and say, I communicate to my investors also that the production of Unit 6 will not come.

Let's assume this. But yes, in the next year, the entire production of Unit 6 will come. These 3 months, 3.5 months, we may take for proper stabilizing this facility, getting approvals, getting it inducted into NBS policy, getting it inspected by PDIL, and whatever other statutory approvals are there for the claiming of the subsidy that we would be doing. But definitely, we will be trying for making some sales also in Unit 6. Rest, it will be completed by next year.

Prit Nagersheth: Got it, sir. Thank you, sir, and wish you all the best.

Punit Makharia: Thank you, sir.

Moderator: Thank you. The next question is from the line of Harshil Solanki from Equitree Capital. Please go ahead.

Harshil Solanki: Good afternoon, Punit-ji.

Punit Makharia: Good afternoon, Harshil-ji. Tell us.

Harshil Solanki: Sir, I have a question. In Unit 5, the first capex that we did for 6,000 tons, we spent INR37 crores for that. But what we announced yesterday for 3,000 tons, we are spending INR70 crores for that.

Punit Makharia: The products are different, Harshil-ji.

Harshil Solanki: Okay, I wanted to know that only, and you don't want to discuss that.

Punit Makharia: No, no, no, sir, the products are different. I mean, you will say that in Dahisar, we took 5,000 sq. ft. and we took 5,000 sq. ft. at Nariman Point. How are the prices different? The products are different.

Harshil Solanki: The products are different.

Punit Makharia: Yes, the products are different. The chemistry is different, sir.

Harshil Solanki: So, because of that, the machinery is expensive for us, because the land is available with us. Is that understanding right?

Punit Makharia: Sir, the land we already have, but it's a different chemistry altogether. What we did in INR37 crores, that was the capex of the Dahisar plant. This is not relating to the Dahisar production. This product is something else. So, it depends on what chemistry you are doing, what is its capex. Things differ with that, sir.

Harshil Solanki: Okay, sir, I will take this offline since you don't want to talk much on this.

Punit Makharia: Thank you for understanding, Harshil-ji.

Harshil Solanki: No problem, sir. Sir, the receivables seem to be on a higher side. And historically, we have seen that you have managed your cash flows quite well. So, at this time, can you tell us if anything has happened with the receivables specifically?

Punit Makharia: Sir, it is like this. The goods that will be sold, will be sold in the same stream. Okay. Today, if there is a market for loans, then goods will be sold in loans, sir. It is the same. Earlier, the product that we used to sell for INR100, that product is now being sold for INR105, INR103, INR104, INR110. So, there is no such problem. We have reviewed this receivable. Everything is perfectly well and safe. We are completely compliant in terms of our business strategies and our receivables. So, that's not an issue, sir.

Harshil Solanki: Sir, one last question was on gross margins. If you see, the gross margins have decreased. So, I don't understand the reason behind it, because our realizations are increasing and the raw material prices are also increasing. So why has our gross margin decreased, if you can explain?

Punit Makharia: Sir, that is, I think Deepak, our CFO, would be able to address this financial question better than me. I will give this line to Mr. Deepak. Deepak, can you please address this question?

Deepak Beriwala: Sir, if you see, our inventory level in March and the inventory level in September, there have been a lot of changes. Because of that, you can see a little hit in the gross margin. And it has not decreased much. Last time, Q2 was 33%. This time, it is 30%. And in the last Q1, it is 32%. So, from 1% to 2%, the margin has decreased a little. Rest, you cannot say it has decreased much.

Harshil Solanki: But, sir, is there an inventory loss? Is this what you are trying to say?

Deepak Beriwala: Not loss, it has decreased. The level of inventory has decreased. Like, if you see in March, it is controlled and it is only of 1% to 2%. In this, you can see, it has decreased from 32% to 30%, and from 33% to 30%. So, the gross margin has not decreased much in this.

Harshil Solanki: Okay. But, sir, I still don't understand, because the raw material is also increasing, our realizations are also increasing. So, what is the driver behind it? I mean, what is the adjustment of the inventory, if you can tell me?

Punit Makharia: Mr. Harshil, do one thing. For this particular question, you can talk to Mr. Deepak separately and you can discuss in detail with him. Can we reply to him now? Will you tell him now? Okay, Mr. Harshil, you can talk to Mr. Deepak separately.

Harshil Solanki: Sure, sure. No issue. Sir, I wanted to ask one more small thing. On volume, you said last time that customers have increased, so they have kept their purchase on hold. So, what do you think now? Is it normal? Are the customers coming back for purchases, or are they still on wait-and-watch mode?

Punit Makharia: Sir, gradually business is coming back and as how stability is approaching to the business it is also coming back to normalcy, which is already proved from the results of what we did in quarter 2.

Harshil Solanki: And in the next quarter, we will also have additional volumes of Unit 5, 1,500 tons per quarter. So that should also help us?

Punit Makharia: Yes, we will see what business is generated on it. But I am not that much optimistic on it. Although we have started the plant, but overall, if you see, global demand is still a bit weak. It depends on how much new business is generated. It depends on that.

Harshil Solanki: Okay. Sir, one more thing. We purposely reduced the production of acid because working capital was increasing.

Punit Makharia: Working capital was not increasing. Sir, one second. The company is already cash surplus. It was not a question of working capital. It was a question that sulfur was at a very high price, and whereas sulfuric acid, because of the high price, the sulfuric acid was not able to sell, and we were not getting any money, and we were not getting any advance money in sulfur.

So, the working capital was also mismatched. So, we have run our plant on lower levels. And let me tell you, still we are running our plants on lower levels in terms of the acid complex.

Harshil Solanki: Understood, sir. Thank you so much for answering it.

Moderator: The next question is from the line of Riddhesh Ram Gandhi from Discover Capital. Please go ahead.

Riddhesh Ram Gandhi: Hi, sir. Sorry, I joined slightly late. So, I wasn't sure if it has been covered. But just want to understand in these numbers, is there any cyclical highs? Because obviously H-Acid prices are obviously extremely high. There are also a lot of movement around RM prices. So, whether there are inventory gains, losses, etcetera. So how should we actually look at these quarter numbers?

Punit Makharia: Riddhesh-ji let me be very straight to you. Don't look at the -- see, you are an investor, right? And as far as H-Acid pricing is concerned, nowadays everybody is talking to me about H-Acid, H-Acid, H-Acid. And let me tell you, most of the people even don't know whether this product is in the form of a liquid or this product is in the form of a solid. So, I hope you understood what I'm trying to tell you. So, this H-Acid chemistry, its price clarity is something like this. I'm talking to you from the bottom of my heart.

I have two ways to answer you. A, I talk to you something very big, which I don't do. Secondly, I talk to you practically. These H-Acid pricings are practically non-sustainable. So, I don't look at the pricing of H-Acid. As I replied to my earlier question-answers also, that this is very time-being, a very short-lived as far as H-Acid pricing is concerned.

This is again going to go back to its original levels. This is just this time is a factor, but definitely we have gained some revenue, some profitability from this also, but definitely we also have our old commitments also, which we have to always fulfill. So let us see how it carries on in the future.

Riddhesh Ram Gandhi: So how much of an impact compared to, let's say, a normal...

Punit Makharia: Sir, it is difficult to calculate that much because we being a completely integrated complex, it is very difficult to get and share that much information. And even if we try, we will not be able to share the true figures for that.

Riddhesh Ram Gandhi: I understand. Alright, sir. Thank you.

Moderator: Thank you. The next question is from the line of Dr. Varun Sharma from Korpal Investment. Please go ahead.

Varun Sharma: Hello. Am I audible, sir?

Moderator: Yes, sir.

Varun Sharma: Congratulations for the great set of numbers. My first question is, what was the reason for the withdrawal of the merger of Kisan and Madhya Bharat?

Punit Makharia: Sir, that was getting too delayed by NCLT, and then we realized later on that the reason why we were doing so was not getting served upon because of the delay in this decision by NCLT. So, as a conscious decision, we decided to withdraw the application.

Varun Sharma: Okay, sir. And my second question is, from next year, I hope Unit 6 will be in full operation and we will get the revenue. Can you guide for the revenue for the next year, sir, as this year you have already guided to INR1,250 crores to INR1,300 crores, sir?

Punit Makharia: Sir, if I talk about next year, like 2027-2028, in my opinion, we should be somewhere closer to near around INR2,000 crores. Maybe a 10% variation could be also there. So, let's see what where we reach next year. But yes, I think it should be around, Yes, INR2,000 crores.

Varun Sharma: Okay, sir. And can we expect that in the next two quarters, we should expect a revenue of almost INR300 crores per quarter for the next two quarters as you are guiding for INR1,250 crores to INR1,300 crores?

Punit Makharia: Are you talking about INR300 crores this quarter or...

Varun Sharma: Yes, yes. For the remaining two quarters.

Punit Makharia: Yes, sir. I am also hopeful of doing so, and it would be better than this, or maybe better than this.

Varun Sharma: Because this quarter it was INR400 crores, right?

Punit Makharia: Yes. So, it should come, sir. I don't see anything problematic.

Varun Sharma: And, sir, this time, my last question is, was there any inventory gain due to H-Acid, as sulfur prices were already high, you told in the last concall, sir?

Punit Makharia: Sulfur is starting to come down, and there was no inventory gain, sir. I don't think we have any such kind of gain.

Varun Sharma: Okay, sir. Thank you, sir. Thank you for the future.

Moderator: The next question is from the line of Romit Nagpal from Terrapolis. Please go ahead.

Romit Nagpal: Congratulations, Punit-ji, on a great set of numbers. I believe there is some amount of preferential issue of 2025 where the balance promoter equity of the warrants has to be brought in. Any idea when can we expect that money to come into the company?

Punit Makharia: Sir, maybe before the end of this financial year. Although it has a time of June 2027. But we are planning to get it to the company by March 2027 because Madhya Bharat's work is going on very fast. INR92 crores that the company has already invested from its internal accruals, some portion of the warrants have also come. So now we are in need of money. So probably we will be getting it before March 2027, the balance.

Romit Nagpal: Yes. I have joined the call late, so just wanted to check, the high profits that you have generated in this quarter are primarily because of the dye stuff prices.

Punit Makharia: Look, sir, that is also a factor. It is not that it is not a factor. But it is difficult to specify quantum.

Romit Nagpal: No, no, I don't want quantum to be specified. That is better, it stays with you only. I would only want to know from the perspective that next few quarters can we expect that at least for this year we continue to see these higher prices in dry dye stuff?

Punit Makharia: Sir, I hope that Diwali goes on daily. And if I hope, then Diwali is not going to go on daily.

Romit Nagpal: I was actually coming -- no, you are right. I was just coming because earlier China had put a lot of restrictions because of environmental norms on various factories related to dye stuff. And is that creating a bit of a supply gap which is allowing prices to move up?

Punit Makharia: Look, Mr. Romit, this is such a question that it is difficult even for a wise man to answer it, because it has become so big that it is very difficult to say anything with clear visibility and conviction. I know that any such business model which has got such a high margin when the curve of demand and supply has a big difference, then many other people also enter into that and that is not long-lasting for a time. Now, sir, the longer it goes on, the better. Rest, I don't have any expectations. But yes, I feel that as November has started, then Q3 will be good. That is my expectation.

Romit Nagpal: Anyway, thank you. Congratulations once again.

Punit Makharia: Thank you, sir.

Romit Nagpal: Thank you.

Moderator: The next question is from the line of Prit Nagersheth from Wealth Finvisor. Please go ahead.

Prit Nagersheth: Punit-ji, you just said in front of a participant's question that you feel that next year, turnover can reach up to INR2,000 crores. So, I wanted to know, and you have always been a conservative, so to reach this, how did you -- because if we hold INR1,200 crores to INR1,300

crores for the whole year, and if we understand Unit 6, we will get it next year. So, we will get INR300 crores more.

Punit Makharia: Why will we get INR300 crores? One minute. Why will we get INR300 crores?

Prit Nagersheth: You always say 70%.

Punit Makharia: Sir, it is like this. It is a 1.5 lakh ton plant. If you put 70%, it will become 1 lakh ton.

Prit Nagersheth: Right, sir. So, you won't get INR500 crores.

Punit Makharia: No, no. Now, sir, the price has increased. It is an item worth INR70 per kg.

Prit Nagersheth: Oh, okay. Okay, I understood.

Punit Makharia: It is an item worth INR70 per kg. Got it. Sir, one second. Don't hold the figure of 2,000. If I have said it, then I will hold it by mistake. In that also, take 10% depreciation and calculate it, right, sir? In your books 2,000, hold 1,800

Prit Nagersheth: Got it, sir. I was not getting this 1 lakh ton math. Got it. Okay, sir. Thank you, sir.

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

Punit Makharia: Thank you, everyone, for joining Shree Pushkar Chemicals & Fertilisers Q2 and H1 FY27 earnings call. If you have any further questions, please feel free to connect with our accounts department and secretarial team. We will be happy to address your queries. Thank you and have a great day, and wish you all a very Happy Diwali and a forthcoming prosperous new year. Thanks, everybody. Thank you very much.

Moderator: Thank you, sir. On behalf of Shree Pushkar Chemicals & Fertilisers Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

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