11th November, 2026

BSE Limited
Phiroze Jeejeebhoy
Towers,
Dalal Street, Fort,
Mumbai — 400 001
Scrip Code: 531548

National Stock Exchange of India Ltd.
(NSE)
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai — 400 051
Symbol: SOMANYCERA

Subject: Transcript of the Earnings Conference Call for Q2 FY 2026-27 pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please find enclosed the Transcript of the Earnings Conference Call held on Thursday, 5th November, 2026 regarding the Financial Performance of the Company for the quarter and half year ended 30th September, 2026.

The aforesaid information may also be accessed on the website of the Company at www.somanyceramics.com.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Somany Ceramics Limited**

ANUJ KALIA
Digitally signed by ANUJ KALIA
Date: 2026.11.11 12:10:44 +05'30'

Anuj Kalia
Company Secretary & Compliance Officer
Membership No.: A31850

Encl: as above

"Somany Ceramics Limited

Q2 FY27 Earnings Conference Call"

November 05, 2026

MANAGEMENT: **MR. ABHISHEK SOMANY – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – SOMANY CERAMICS LIMITED**
MR. SHRIVATSA SOMANY – HEAD-BATHWARE – SOMANY CERAMICS LIMITED
MR. AMEYA SOMANY – JOINT PRESIDENT BUILDING SOLUTIONS – SOMANY CERAMICS LIMITED
MR. SAILESH RAJ KEDAWAT – CHIEF FINANCIAL OFFICER – SOMANY CERAMICS LIMITED

MODERATOR: **MR. NAVIN AGRAWAL – HEAD, INSTITUTIONAL EQUITIES – SKP SECURITIES LIMITED**

Moderator: Good afternoon, ladies and gentlemen. Welcome to Somany Ceramics Limited's Q2 FY27 Earnings Conference Call. 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 management's opening remarks. 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. Navin Agrawal, Head Institutional Equities at SKP Securities Limited. Thank you, and over to you, sir.

Navin Agrawal: Good afternoon, ladies and gentlemen. It is my pleasure to welcome you on behalf of Somany Ceramics Limited and SKP Securities to this financial results conference call. We have with us Mr. Abhishek Somany, MD and CEO, Mr. Shrivatsa Somany, Head Bathware, Mr. Ameya Somany, Joint President Building Solutions, and Mr. Sailesh Raj Kedawat, CFO.

We will have the opening remarks from Mr. Somany, followed by the Q&A session. Thank you, and over to you, Abhishek-ji.

Abhishek Somany: Thank you. Good evening, ladies and gentlemen. Welcome to the earnings call of Somany Ceramics Q2. As you would have seen the results, we have grown by approximately 25%, and the volume stands at 5.5% for the quarter. The absolute figure was INR854 crores. The Bathware also has grown at approximately 18%.

The EBITDA, due to better utilization, optimum utilization of machinery of our own plants and JVs, we have improved our EBITDA, and that stands at 11.7%. This is on the back of better capacity utilization, a full pass-through of all the price increases, and a better, continued effort on a better product mix.

A little bit on the industry. The industry is faced at the domestic front, decent demand. The demand remains resilient both in retail and in projects through the last quarter, considering that we had rains in certain places, etcetera.

Exports, however, declined for the industry very significantly in last quarter. The export, last quarter and H1 for that matter, export declined by about 31.2% in the first five months. That is the figure we have. And approximately 44%, 45% in terms of volume. So, that has been a dent to Morbi.

If this is the way it continues, then the total export figure for the year would be anywhere between INR12,000 crores and INR13,000 crores. We have seen a little bit of better exports starting this month, with freight rates going down a little bit.

This INR12,000 crores, INR13,000 crores would be a decrease from INR18,750 crores last year. This is as far as the industry is concerned. Our breakup was, tiles, we did about 25% growth at INR723 crores.

In fact, 27% growth at INR723 crores. INR88 crores for Bathware last quarter at 15%. The Building Solutions, we did approximately 45 crores at about 28% growth. All of the areas we

have been able to grow fairly well. In the last quarter, again, as mentioned earlier in the year, we had certain plant and equipment which is going for upgradation and balance equipment.

A couple of plants were not running, which are running now. Therefore, the volume would only be better for Q3 and also significantly better for Q4. As mentioned earlier in the call, our JVs, which last year same time were in a INR12 crores loss in Q2 and INR23 crores loss in H1, is in a profit of INR3 crores in Q2 and INR6 crores in H1.

This is in line with what we had said, that the swing of the JV loss versus what the profit would be, would be at least INR40 crores for this year. We would probably better that. Gas prices have remained volatile. We were looking at a favorable gas solution somewhere in end of July, beginning August, but the war got escalated, and the gas prices again became volatile.

The overall gas prices stand at approximately INR70 a standard cubic meter. You would be glad to know that most of our plants, as we speak, have become fungible between LPG, propane, and natural gas.

We have various sources of gas. Therefore, we have been able to control the overall pricing at approximately INR70 a standard cubic meter, which is up from INR45 a standard cubic meter for FY26 and INR43 a standard cubic meter for Q2.

Significant increase in gas pricing, but however, we have been able to pass that on to the consumer. As far as our working capital is concerned, we are in a fairly healthy position. Our receivable days are also probably the best in the industry. On the marketing front, we have been maintaining a 2.3%-2.5% marketing spend, and that would be the spend maintained for the entire year, which in absolute terms would be significantly higher from last year.

We have done a lot of effort, as always, on net dealer additions. Approximately in H2, we will see net dealer addition in Q2 and approximately 156 dealer addition in H1. Net showroom increase in H1 approximately is about 35. This is what we have done on the sales and marketing front.

Our guidance going forward, considering H1 is now done, the guidance for the entire year FY27 remains to be high single digits, and we are quite sure that we would be able to achieve that. Bathware guidance is going to be +20%, upward to 20%. The EBITDA margin at the beginning of the year, we had mentioned that we would be looking at an EBITDA margin increase for FY27 over the FY26 figure of between 1% and 1.5%.

We are revising that to approximately 2%-2.5% improvement over the FY26 figures. Brand spend, like I mentioned, are going to be maintained. Gas and other input costs currently remain to be volatile. As of now, we are able to pass on, but only time will tell as to how this progresses in H2.

It would be the same for the entire industry, so hopefully, it should be. If it's a huge increase, it would be a pass-on. Otherwise, it's going to be a daily constant watch on the gas and other input cost pricing. We hope to do a good H2 and continue our progress for FY27 also. This is from me.

I open the floor to Q&A, and before I finish, I would like to wish every one of you a very, very happy and prosperous Diwali. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of Nilesh Sharma with Monomer Capital. Please go ahead.

Nilesh Sharma: Hello. Sir, thank you so much for the opportunity. My first question is-

Abhishek Somany: Yeah

Nilesh Sharma: Can you hold the price that we have increased last few quarters if the gas price corrected?

Abhishek Somany: The gas price, in fact, from the beginning of April, it is probably corrected slightly. It is probably reduced by INR2-INR3, and the entire price increase from April to now has been approximately 16%-17%, which is a complete pass-through.

Nilesh Sharma: Okay. We will be able to maintain, or is there any planning to increase for this?

Abhishek Somany: No. Gas price currently is holding at INR70. If there is a huge increase, in which case I think everybody would have to pass it on, and we will see. But as of now, we are not getting any feelers that that would be a major increase. There was a massive increase in the propane pricing, but that increase still, after the increase also, it is slightly lower than the natural gas pricing. And we are using propane in quite a few of our plants in Morbi.

And in North, we have multiple contracts, so we are able to get slightly cheaper pricing than Morbi. So overall, we are still holding at INR70-INR71 going forward. Unless there is a huge upset in the next two to three months, which I do not believe there would be, but who knows? As of now, it is a full pass-through.

Nilesh Sharma: Okay. Sir, last question. As we have seen last two to three days, new geopolitical development across the world, how do you see the export volume going forward from Morbi, and how we as an organized player affected by these volumes?

Abhishek Somany: Morbi is facing the situation in a very tough way. Approximately 35% of Morbi is shut as we speak, and I think another 10% will be shut over Diwali. All of these are export-oriented units. As you all know, that it's a very voluminous product, beyond the point you can't hold this product.

But in the last one month, exports has picked up because freight rates have started reducing, and we believe that they are continuously reducing. November should be a better month. December, as you know, Europe and most of the world shuts down, so the export will restart only in January.

But it's definitely better than Q2. That's what I get to hear from Morbi. How we are impacted as a domestic organized player, I think we've been facing a lot of pressure on the supplies from Morbi.

There is a little bit of excess supplies, but that's not held us back from reducing prices. We've been holding our prices a complete pass-through, and yet we've been able to grow in a fairly healthy way. We don't export very much, so we didn't get hit on that front.

There is one positive development other than freight. America has kind of banned all engineered marble, is what we hear from the news, engineered marble and quartz, which means that tiles from India, the big slab tiles, may get a good opportunity to be exported in the U.S.

Nilesh Sharma: Okay, great. Thank you so much, sir, and wish you a very happy Diwali too.

Abhishek Somany: Thank you. Thank you so much.

Moderator: Thank you. Our next question comes from the line of Sagnik Sarkar with SKP Securities. Please go ahead.

Sagnik Sarkar: Yeah, thanks for the opportunity, sir. I just wanted to know the GVT mix currently that we are doing. With the capex that is coming up, what kind of GVT mix we are targeting, and will that result in some margin expansion going forward?

Abhishek Somany: This question is becoming more and more irrelevant going forward because everything is moving to GVT. There is a very thin line between what we are doing now in various different levels. But anyway, I will answer your question. We are currently at 45% of GVT mix, up from last year at about 40%.

The next 16 million-odd square meters which we are putting into production in the next 12 months, all of that is GVT, which means that GVT will become significantly higher. The minute GVT becomes significantly higher, obviously that contributes even to the bottom line and to EBITDA. I believe in the next two to three years, GVT would become close to 65%-70%.

Sagnik Sarkar: Okay. What kind of margin expansion will this result in?

Abhishek Somany: No, GVT does not specifically give margin expansion. It does have a slightly better margin, but GVT also has a non-margin-creating business. But overall, we are guiding for a 2%, 2.5% margin increase this year, and obviously we would better that for next year.

Sagnik Sarkar: Okay. Sir, another question on the capex front. In the past, I think you had mentioned about a Nepal JV capex, which I think was stalled in between. So, any plans of reviving that, or is it scrapped as of now?

Abhishek Somany: We are currently doing a capex where we are buying There are a couple of capexes on the card. One capex is the buying extra shares, making our sanitaryware JV, we will go up to 76% from current 51%. That is one capex. The other capex is the Siravit plant, which is our South JV, where we are expanding.

We are doubling that plant. Currently, we had announced a 9 million square meter expansion, but we believe we will be able to add approximately 11- 12 million square meters in the South. So, that is the other expansion which we are taking place. I think Sailesh can take you through

the numbers of what this expansion will entail over the next 12 months. Not everything is in this financial year. Over to you, Sailesh.

Sailesh Raj Kedawat The Siravit total capex would be close to around INR250 crores now with this increase in capex we are talking. We are funding this through a 50% mix of debt and 50% mix of equity as of now. So, our capex would be in the range of around INR60 crores from Somany side in that. Besides that, there are two other capex which we announced last time.

There is a modernization happening in Sudha, for which we are going to invest around INR15 crores. And there is a modernization happening in Vintage, where we are going to invest around INR8 crores. So, this is all in capex which is there as of now with us. And we do a routine of around INR70 crores-INR80 crores capex in Somany standalone towards modernization of our equipment, which are normal routine capex.

Abhishek Somany: Routine Sudha, routine Vintage, and our increase of shareholding, that is all funded from internal accruals.

Sagnik Sarkar: Okay, thanks.

Abhishek Somany: Thank you.

Moderator: Thank you. Our next question comes from the line of Dhvaneet Savla with Savla Family Office. Please go ahead.

Dhvaneet Savla: Hi, sir. Am I audible?

Abhishek Somany: Yes, yes, absolutely.

Dhvaneet Savla: Sir, just one question. I know that you have covered it right now, but is there a particular gas price level from the current prices where it will not become viable for us to produce or halt our production? Just wanted to know in the current quarter, what has been our utilization of our capacity, both our individual and the JV?

Abhishek Somany: Yeah, so capacity utilization is optimum, which is all the plants which were running were running at 100% capacity. Like I said, that we had certain plants for 20 days and 15 days in August and July, which were getting upgraded. So, minus that, we've been running at optimum level.

As far as gas pricing is concerned, because tiles is the cheapest material for any floor covering and also for wall covering, we don't believe that scenario would unfold where prices become so expensive that there is an alternate material.

In fact, even if tiles go up by 50% from the current prices, hypothetically, it would still be extremely viable for a consumer to buy tiles over any other building material. So that eventuality, fortunately for the industry, is not posing any threat currently.

Dhvaneet Savla: Okay. Sir, just had a follow-up on this. Firstly, I just wanted to know that, is there any planned maintenance or something which we are planning for this year? We plan to run all the plants

going forward also at full capacity? Okay. Secondly, about pricing, I just wanted to know that, like, even if there is an increase in the gas prices, there is a good chance that we will be able to pass the cost to the consumer, correct?

Abhishek Somany: Yes. Yes. That eventuality of passing on cost is not an issue. The issue comes when there is no availability of gas, and we have been given to understand from all gas authorities in India and the government that there is more than enough gas available. The question is the price.

As far as the first question is concerned, there are always routine maintenances which happen, but the plants which were taking an upgradation, like in Vintage last quarter and in one of our other plants last quarter, and this quarter in the month of October, one of our plants in the north, one of our lines in the north was going through a massive upgradation to reduce cost and also increase capacity. All of those were over and above the routine maintenance.

I do believe that the H2 would have lesser disruptions, because generally, we plan all our maintenances in the first quarter because that is the leanest quarter. Obviously, this year, nobody could predict that the first quarter there would be such a situation like the war. But other than that, most of our maintenances are behind us. So we would be running at optimum capacity, 100% capacity from that point of view going forward.

Dhvaneet Savla: Okay, fair enough. Thank you very much, sir, and festive greetings for the year. Thank you.

Abhishek Somany: Thank you. Thank you.

Moderator: Thank you. Our next question comes from the line of Sneha with Nuvama. Please go ahead.

Sneha: Hey, good evening, and congrats on good set of numbers. While margin expansion is really appreciated, what I basically wanted to understand is, everything is going good. We are gaining market share from Morbi. You have been mentioning that demand growth is good both on the retail and the projects front.

Then why only a 5% sort of a volume growth number? Leader this particular quarter has reached a 10% kind of a double-digit number. When can we see a scenario when even we move to the double-digit growth that we used to do it at once?

Abhishek Somany: I do not think anybody has gone to a double digit. There has been high single digits and close to 10%. I think we will be there close to that in the second quarter. We should be anywhere between 7%, 8%. The first quarter was a little bit of a dampener because a lot of our products were Morbi in our JVs and the outsourcing.

Our next quarter, this quarter, we had certain plant maintenances and also upgradation to improve capacity. This is going to play out in a very positive way in terms of margin and in terms of our volume growth. Not very worried. We could have easily done a percent and a half more this quarter if we had those plants up and running, which were out for 20 days in the month of July and a little bit in August. So, I think we are home.

We're obviously very concerned with not selling cheaper products, so we are very cognizant of the fact that we keep our realizations up. So if you see, our gap is reducing from the industry leaders in terms of our realization fairly significantly, and it'll keep decreasing from the industry leaders going forward in terms of making sure that we sell a better value-added product and also augment more capacity for our big slabs.

Sneha: Understood, sir. Second two data points is what I needed. Our GVT share last year, same time as well as now, and our project shares last year, same time and now?

Abhishek Somany: GVT has gone up by 5%, Sneha. Project is, I don't have the figure offline, but I think it's gone up by about 2%- 3%. 2%- 3% in the project. I believe GVT will further go up by another 5%, and project will go up by another 2%.

Sneha: This is the next year you're saying?

Abhishek Somany: Last year, projects were about INR70. Last year retail was INR76. This year retail, last year retail was at INR80.5. This year retail is approximately INR76. So that 4%, 5% difference will be there in favor of projects.

Sneha: Similarly, can I get the numbers for GVT?

Abhishek Somany: GVT, 45% currently, up from 41%.

Sneha: Got that, sir. Thanks a lot.

Abhishek Somany: This will significantly go up, because 100% of the expansion which is going up on today's base is all GVT. So, 15, 16, 17 million square meters are going to come only in GVT. So obviously, it's going to push up that share fairly significantly, escalate that share over the next 12-18 months.

Sneha: Okay. One last one if I may. Could you help us with the deadlines for the expansion? I'm sorry if you've already answered this and I missed it?

Abhishek Somany: Yeah, I think the deadline for the expansion is exactly same time next year. We should be firing in production, which means about September. Not really November, but September.

Sneha: Understood. That was pretty helpful. So thanks a lot, team.

Abhishek Somany: Yeah.

Moderator: Thank you. Our next question comes from the line of Shruti Mulchandani with Ikigai Asset Management. Please go ahead.

Shruti Mulchandani Hi, Abhishek-ji. Good evening.

Abhishek Somany: Good evening.

Shruti Mulchandani Couple of questions from my side, especially in the volume growth. I think you mentioned that in Q2 we had some maintenance-related disruptions which affected the volume that we saw. But

historically, if I see, Q3 has been a seasonally low quarter in terms of absolute volume that we do.

I think that kind of impacts our margin as well because we are seasonally low in terms of volumes, we are seasonally low in revenue, and hence the margins because of op lev is a little bit lower there. Because I think we will have the added capacity from the debottlenecking and because there won't be any disruptions, do we see this trend reversing in this year Q3 versus what we have been seeing historically?

Abhishek Somany: Yes, Q3, I mean, October has gone very well, so we are very hopeful for a better Q3 than even Q2.

Shruti Mulchandani Okay. This was helpful. Additionally, could you just…

Abhishek Somany: No, no, the addition which we are doing is more from a long-term perspective. So one of the upgradations, one big one happened in October in the Northern plant, but that is all part of the game. We are significantly increasing capacity over there. So all for the better, which will only be margin-accretive. But Q3, I do not see any disruption in terms of volume unless any other further geopolitical situation happens. That is a separate issue.

Shruti Mulchandani Understood. So Q3 will be better than Q2 in absolute number?

Abhishek Somany: EBITDA should be better or maybe the same absolute number, yet to be seen as to what the volume growth would be. But yes, I believe the volume would be better than what we have done in H1. So volume targets will be slightly better.

Shruti Mulchandani Understood. Just on the capacity that you added via debottlenecking, would it be possible to quantify the same?

Abhishek Somany: Sorry? I am sorry?

Shruti Mulchandani The capacity that you added via debottlenecking in Q2, would it be possible to quantify the same?

Abhishek Somany: To quantify? Yes, of course, I can. I mean, I can take you plant-wise. Probably you can do it offline with Sailesh. He will take you through. But overall, we would be, in the entire year, annualized capacity will go up by about 4 million.

Shruti Mulchandani Got it. This is helpful. And just lastly from my side in terms of a medium to long-term outlook. I think this year it has been really good for us in terms of margins because these subsidiaries have been contributing positively. We have seen a better mix in terms of GVT, and overall capacity utilization has been very good for us.

We would be, I think, based on the new guidance, ending the year at 11.5% sort of EBITDA margins. But when I look at FY28, FY29, I believe we have some more room for improvement. So, where do you see the margins landing maybe two or three years from now?

Abhishek Somany: That is a very forward-looking statement, but what I can say is that it will keep increasing, and we will keep reducing the gap with the industry leaders. This year has been good, but there has also been a strategic shift where we have got market share. I do not think we are going to be anywhere worse off in capacity utilization because we have augmented more capacity within the same plant, which is absolutely fantastic because the same units are producing now 4 million square meters more.

So next year, all of that will go into margin-accretive. Also, you can do your back-of-the-envelope calculation. This year, our swing of the joint ventures loss versus profit has been INR50, where the first quarter was quite slow. So obviously, that will also get added, so our JVs will only perform even better next year.

All of that will all go into margins, which will be upwards of 11.5% to 12% is what I am guiding now. So it will be upward of that next year. I would not want to immediately look at a three-year scenario, but we do feel that next year also strategically, we should be in a better position. Hopefully, exports will be better.

Gas pricing has worked in the favor of the industry, where I believe that the gas pricing, which is currently in Morbi at approximately INR80 a standard cubic meter, if the war had to settle, I do not see that going back to INR45. I see that settling anywhere between INR60 and INR70, which means that strategically, there is going to be a shift and an improvement in realization and pricing.

Organized sector, like you have seen in the last H1, have had a better pricing power, and we would continue to take advantage of that and get market share. The other thing which has happened is that Morbi has become less competitive at this gas pricing. Exports is taking a hit. The land prices have only more shot up.

The rupee-dollar, rupee-euro has shot up. Freight rates have shot up, which is making it very difficult for any Morbi operator to expand capacity. We believe that there is going to be no substantial improvement in increase in capacity in the next 18- 24 months.

In fact, there would be probably a decrease in capacity, which again goes in favor of the organized sector. While I say that for tiles, we are extremely bullish for the building solutions and also extremely bullish for the sanitaryware sector.

Sanitaryware, we have grown at 20%, and we will grow at 20% for the entire year, and we are looking at a 20% again for the next year. Building solutions, again, we started a very large plant in the north last month, and our south plant also started last quarter. All of those will start giving us more value and on volume.

Both of those, which constitute approximately 16%, 17% of our total revenue, is going to be pushed in the next two to three years to maybe 22%, anywhere between 20% and 25% of the total value volume we sell in tiles. All of that will come at a slightly better EBITDA margin. So, we are looking good in terms of continuously improving our EBITDA year-on-year.

Shruti Mulchandani Thank you, sir. This sounds really wonderful. Thank you so much, and happy Diwali to you and the team.

Abhishek Somany: You too. Thank you.

Moderator: Thank you. Our next question comes on the line of Karan Bhatelia with Asian Markets Securities. Please go ahead.

Karan Bhatelia Hi, good evening. Thank you for the opportunity. Sir, just wanted to understand how are margins in our Bathware portfolio? What kind of cost inflation we've seen and how much of price hike has already been passed on?

Abhishek Somany: On sanitaryware?

Karan Bhatelia Sanitaryware faucet both put together.

Abhishek Somany: Okay, I will let my brother answer that.

Shrivatsa Somany Yes. Our margins are high. Our margins are couple of bits above tiles at any given point of time. As for the price increase, for sanitaryware, we have passed on pretty much most of it, because it has only been a gas price increase, and gas price does not really affect sanitaryware as much as it does for tiles, for example.

We have been able to pass that on. Of course, with sanitaryware, it is not just the gas, it has also been your plastic fittings, like your seat covers and internal fittings that have gone up because of fuel, but we have been able to pass on most of it. Faucets, on the other hand, considering brass has practically doubled in the last one and a half years, as an industry, we have not been able to pass on all of it. But, yes, we have been able to pass on enough where we were not taking too much of a hit.

Karan Bhatelia No, I was comparing tiles, we have seen margin expansion. How do we see the financial performance first half to come, first half in sanitaryware and fittings on the margin front?

Shrivatsa Somany It's going to be about the same.

Abhishek Somany: No, first half in Q1 was slightly lower in the bath fitting plant because the brass prices had shot up. That price increase happened more towards Q1 and Q2 beginning, so Q2 was slightly better than Q1. Q1 was a little bit of a drag on the bath fitting.

Karan Bhatelia YTD price hike could be for the portfolio?

Abhishek Somany: We couldn't price hike because industry leader does not price hike. Here, Jaquar being 50% of the industry, most of the industry follows their lead.

Karan Bhatelia Right. Also, you mentioned we will be 4% higher on the fixed sale. How does the pricing arrangement work there? Is it with a lag, or how do we see the mix impacting our overall gross margin or EBITDA margin?

Abhishek Somany: 4% higher on what?

Karan Bhatelia On project sales. You mentioned that 4% will be higher on project.

Abhishek Somany: Yeah.

Karan Bhatelia Yeah.

Abhishek Somany: Yeah. Our project sales basically is more from a volume perspective. It is slightly lower when it comes to realization. When we talk of a pass-on, if we passed on the entire 17%, 18% in channel, in projects it is about a percent and a half less. Yet we are kind of covered. Project is a pricing which is done now, it generally holds for a longer time. Overall, it averages out, hoping that the gas would go down. Project is slightly lower than channel, the realization. Then on the back of that, they take a very significant volume from us.

Karan Bhatelia Understood. Any top line that you want to share for FY27-'28?

Abhishek Somany: 2027-2028, again, the way it is looking, we should be again at a high single digit for FY28.

Karan Bhatelia No, I am referring to the absolute revenue for adhesive for '27-'28.

Abhishek Somany: Impossible to let you know because we do not know what is going to happen with the war. We do not know what is going to happen with the pricing of oil and gas. I can only predict H2.

Karan Bhatelia Given our capex that has happened in the adhesive business in last six months, we have commissioned a new plant, we have had significant capacity expansion. In the adhesive portfolio, how do you see the run rate shaping up?

Abhishek Somany: Adhesive is doing very well. We are growing at between 40% and 50%, and we would continue to do that. Not adhesive, building solutions. We would continue to do that even next year.

Karan Bhatelia Thank you. Thank you for that. That is it from my end.

Moderator: Thank you. Our next question is from the line of Bharat Kudikyala from Choice Institutional Equities. Please go ahead.

Bharat Kudikyala Hello.

Moderator: You are on audio now. You may proceed.

Bharat Kudikyala Yeah. So, what is your capacity right now in tiles? Then what will be the capacity after the South plant and also our Vadodara mill?

Abhishek Somany: So this year we hope to sell between 79 million and 80 million square meters this year. And next year it would be approximately 12 million- 13 million square meters. No, sorry. Next year the capacity will come in only towards the mid. So we would add about 10 million square meters-11 million square meters next year.

Bharat Kudikyala Okay. That's it, sir. That's it from my end.

Moderator: Thank you. Thank you very much. That was the last question in the queue. As there are no further questions, I would now like to hand the conference over to Mr. Somany for the closing remarks.

Abhishek Somany: Thank you for joining us for the earnings call. Wishing you all a very prosperous and happy Diwali. Things are looking very, very positive for the entire industry and specifically for Somany Ceramics on all fronts.

We hope to continue to maintain a very healthy balance sheet and continue to have our focus on getting the expansions up and ready as soon as possible. We would welcome you again for the earnings call for quarter three very soon. Thank you so much. Happy Diwali.

Moderator: Thank you. On behalf of SKP Securities Limited, that concludes the conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines. Thank you.