



October 30, 2026

To,
The Manager
Department of Corporate Services (DCS-Listing)
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400001
Script Code: 531717

To,
The Manger
Listing Compliance
National Stock Exchange India Limited,
Exchange Plaza, Plot No. C/1, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai- 400051
Trading Symbol: VIDHIING

Dear Sir/Madam,

Subject: Transcript of the Q2 & H1 F.Y' 27 Earning Conference Call held on October 26, 2026.

Further to our letter dated October 26, 2026, whereby the Company had submitted the link of audio recording of the Q2 & H1 FY27 Earning Conference Call on the Financial Results for the Second Quarter and Half Year ended September 30, 2026 and pursuant to Regulation 30(6) read with Part A of Schedule III of the Listing Regulations, please find attached transcript of the aforesaid Earning Conference Call for your information and records.

This intimation is also being made available on the website of the Company at www.vidhifoodcolors.com.

Thanking you,
Yours faithfully,
For Vidhi Specialty Food Ingredients Limited

ANUPAM
JITENDR
A VYAS

Digitally signed
by ANUPAM
JITENDRA VYAS
Date: 2026.10.30
14:32:06 +05'30'

Anupam J Vyas
Company Secretary and Compliance Officer
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Encl: As above

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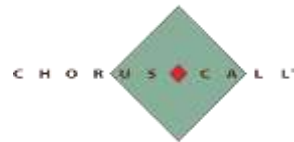
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COLOURS You Can Trust For Your Food.



**“Vidhi Specialty Food Ingredients Limited
Q2 & H1 FY27 Earning Conference Call”**

October 26, 2026



**MANAGEMENT: MR. MIHIR MANEK – JOINT MANAGING DIRECTOR –
VIDHI SPECIALTY FOOD INGREDIENTS LIMITED
MR. MITESH MANEK – CHIEF FINANCIAL OFFICER –
VIDHI SPECIALTY FOOD INGREDIENTS LIMITED**

**MODERATOR: MS. VIDHI VASA – MUFG INTIME INDIA PRIVATE
LIMITED**



Moderator: Ladies and gentlemen, good day, and welcome to Vidhi Specialty Food Ingredients Limited Q2 and H1 FY27 Earnings Conference Call. As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Vidhi Vasa from MUFG Intime. Thank you, and over to you, ma'am.

Vidhi Vasa: Thank you, Sourya. On behalf of MUFG Intime, I welcome you all to Vidhi Specialty Food Ingredients Limited Q2 and H1 FY27 Earnings Conference Call. From the management side, we have Mr. Mihir Manek, Joint Managing Director; and Mr. Mitesh Manek, Chief Financial Officer.

I hope everybody had an opportunity to go through our investor deck that we have uploaded on an exchange and the company's website. A short disclaimer I would like to say before we begin the call. This call will contain some of the forward-looking statements, which are completely based upon our beliefs, opinion and expectations as of today. These statements are not a guarantee of our future performance and involve unforeseen risks and uncertainties.

With this, now I hand over the call to Mr. Mihir Manek. Over to you, sir.

Mihir Manek: Yes. Am I audible?

Moderator: Yes, sir, you're audible.

Mihir Manek: I believe Mr. Mitesh Manek will start first, and then I will follow-up.

Mitesh Manek: . Hello. This is Mitesh Manek here. Good afternoon, everyone, and a very warm welcome to all of you to our Q2 and H1 FY27 Earnings Conference Call. First and foremost, I would like to sincerely thank each and every one of you for joining us today and for your continued trust and support throughout our journey. Your confidence in Vidhi Specialty Food Ingredients Limited continues to inspire us as we move ahead with focus, resilience and optimism.

The global food colors market size was valued at USD3.5 billion in 2025 and is projected to grow to USD3.7 billion in 2026, all the way up to USD5.6 billion by the year 2033, which means at a CAGR of 5.9% from '26 to '33.

Market growth is primarily driven by increasing demand for visually appealing food products across confectionery and sugar products, beverages, bakery and dessert items, snacks and savory foods, dairy and frozen desserts, pet food, animal nutrition, pharmaceutical industry, cosmetic industry, personal care, oral hygiene, agrochemical industries, fertilizer industries, etcetera.

The growth in the industry is being supported by several structural drivers. Firstly, the Indian market is witnessing an annual growth of about 7% to 9%, fueled by the expansion of modern retail formats, quick service restaurants and regional snack and beverage brands.

Our strong export positioning, customer relationships and consistent quality standards will continue to support our growth momentum across global markets. The overall industry environment remains highly encouraging. Demand continues to rise steadily.

We believe Vidhi is well-positioned to benefit from the increasing formulation of the global food ingredients industry, rising combined requirements and customers' preference for reliable and quality-focused and scalable manufacturing partners. Over the years, we have significantly enhanced our product portfolio to cater to evolving customer requirements.

Our offerings include synthetic water-soluble food colors, their insoluble versions, which are the lakes and blends, drug and cosmetic dyes and lakes, fluorescent dyes, solvent dyes, salt-free dyes and tablet coating solutions under our brand CoatIcon, allowing us to participate across a wider range of end-use industries and applications.

At Vidhi, we remain focused on strengthening our leadership position in this segment while continuously improving our product portfolio mix and enhancing value-added offerings for our customers. Expansion plan updates. As we continue to strengthen our manufacturing footprint and support future growth, we remain on track to achieve full capacity utilization at the Dahej facility during the current financial year.

This reflects the successful ramp-up of operations, strong customer demand and our continued focus on optimizing capacity utilization across the portfolio. Beyond the existing facilities, we are also progressing well on our expansion plans on the new plot in Dahej GIDC at measuring 16,834 square meters allotted recently to the company.

Our existing range as well as new value-added and forward integrated product line at Dahej represents a significant growth initiative for the company. While details remain confidential at this stage for the project, we are currently in the process of confirming structural and process flow drawings and the construction work is scheduled to begin in the last quarter of financial year '26-'27.

The expected capital investment will be approximately to the tune of INR75 crores to INR85 crores with a commissioning targeted around the middle to end of FY28. Importantly, this opportunity operates in a segment characterized by relatively limited competition and attractive margin potential.

Leveraging our existing customer relationships and global distribution network, we believe this initiative will further enhance our growth trajectory and create meaningful long value for stakeholders.

Now I would request Mr. Mihir Manek to give you some updates on our brand CoatIcon.

Mihir Manek: Thanks, Mitesh. Am I audible now?

Moderator: Yes, sir, you're audible.

Mihir Manek: Okay. So I would like to take up from here and give some updates with regards to our new endeavor of CoatIcon. As we continue to grow, strengthen our manufacturing footprint in this new endeavor, we have been seeking approvals from domestic and international pharmaceutical formulation companies working on solid oral dosage forms where these product line of tablet coatings are being utilized.

We have been experiencing strong customer demand and acceptance for our products. And we are aggressively following up on the vendor approval process for these products with several prestigious pharmaceutical companies domestically and internationally.

The vendor approval process, since this is a pharmaceutical industry and since most of our customers are operating in the regulated markets is a long-drawn process where the stability studies are required to be done between 6 to 12 months.

So currently, at various companies, we are at different stages of approvals like stability studies, product trials, vendor qualification in terms of the documentary regulatory process. So all of these processes are being completed with various companies, and we are patiently working towards increasing our penetration in the domestic and the international pharmaceutical industry.

To support the future commercialization and scale up, we are also undertaking targeted investments in setting up manufacturing facility dedicatedly for this product line at the plot owned by our wholly owned subsidiary, Arjun, which is in Roha.

I would like you guys to note that the tablet coatings industry is a very big industry, and there are limited number of players who have all the regulatory requirements like EXCiPACT, US DMF, which your company has already been able to secure.

So we are fully geared to meet all the regulatory requirements of the leading pharmaceutical industries in India and abroad, which gives us a lot of confidence for us to make significant inroads into this industry. And as a closing statement, I would like to say that the Indian pharmaceutical market is one of the fastest-growing pharmaceutical markets globally. So we see very good growth coming towards us in the years ahead from this new line of tablet coatings.

With this, I would like to hand over the call back to our CFO, Mr. Mitesh Manek. Thank you.

Mitesh Manek: Thank you, Mr. Mihir, for your valuable insights on CoatIcon. Now taking ahead, while the external environment may continue to remain uncertain in the near term, we are very optimistic about our future. With a strong balance sheet, expanding product portfolio and improving application capabilities and growing customer engagement across the new business verticals, we believe the company is entering into an exciting new phase of growth and transformation.

Now before I speak about our company's performance for the second quarter and the half year ended September '26, I believe it is extremely important to acknowledge the extraordinary geopolitical environment in which businesses across the world are operating today.

The ongoing conflict in the Middle East and its wider regional consequences has created one of the most fierce disruptions to global trade and energy security in the recent times. The Middle East, which has been traditionally a vital artery for global commerce, has seen significant parts of its economic and trading activity severely disrupted.

Most of the Middle Eastern countries are suffering a major meltdown in their economies due to which the consumer consumption has gone down tremendously. Shipping routes, energy supplies and cross-border business operations have also been severely affected.

The Strait of Hormuz, one of world's most strategically important maritime choke points has become a major source of uncertainty for international commerce. The consequences are not confined to the countries directly involved in the conflict alone. They are being felt across the world.

International shipping has become more expensive and unpredictable that insurance premiums have increased, vessels have had to reconsider their routes, delivery schedules have become uncertain, cost of energy and essential industrial inputs have risen very sharply.

These pressures are cascading through the manufacturing and logistics and distribution networks across continents. Europe, already facing significant challenges in maintaining affordable and reliable energy supplies is under renewed pressure. Higher energy and transportation costs are squeezing industrial competitiveness, while businesses and consumers are confronting the possibility of renewed inflation and weaker demand.

For international businesses, the challenge today is no longer simply to manufacture quality product at a competitive price, but it is to secure raw materials, manage volatile freight costs, maintain reliable customer deliveries and protect margins in an environment which is becoming increasingly unpredictable.

India too cannot remain insulated with these developments. Higher crude oil prices and increased freight expenses and disruptions to international supply chains have affected our input costs, export competitiveness and working capital requirements also.

For those companies such as ours with an established international presence, these developments demand vigilance, agility and disciplined execution. We must remain alert to changes in customer demand, maintain prudent inventory and financial management, diversify our sourcing and logistic arrangements wherever feasible and continue to strengthen our relationships with customers across markets.

At the same time, we must recognize that periods of disruption can also accelerate structural changes in the global trade. Customers may increasingly seek dependable suppliers and

manufacturing partners capable of maintaining consistent quality and delivery even under these difficult conditions.

And this is where your company has converted this moment of uncertainty into opportunity. While geopolitical developments remain beyond our control, the quality of our decisions, our operational discipline and our customer relations and commitment to innovation remain firmly within our control.

Ladies and gentlemen, we cannot predict how quickly the stability will return to the international markets. However, it is against this exceptionally challenging global backdrop that Vidhi Specialty Food Ingredients Limited has delivered a stellar performance on all fronts.

Now moving towards the financials for quarter 2 and half year ended 2026-'27. The financial performance of the company is as under. The consolidated revenue for the quarter stood at INR136.5 crores versus INR75 crores in quarter 2 of financial year '25-'26, thus registering a growth of 82% year-on-year basis.

The gross profit for the company for the second quarter for financial year '26-'27 stood at INR52.2 crores compared to INR38.1 crores in quarter 2 financial year '25-'26. The EBITDA stood at INR26.4 crores compared to INR17.7 crores for the corresponding quarter last year, thus registering a growth of 49.2% year-on-year.

The PAT of the company stood at INR17.6 crores versus INR10.6 crores, registering a growth of 66.9% year-on-year and the PAT margin for the quarter was 12.9% as compared to 14.1%. Now moving to half year '26-'27 performance. The consolidated revenues for half year ended September '26 stood at INR282.8 crores versus INR162.9 crores for the half year ended September '26.

The gross profit accordingly stood at INR101 crores compared to INR76.1 crores and the EBITDA stood at INR52.4 crores versus INR38.2 crores for the half year ended September '26, which is an increase of 37.1% year-on-year. And the PAT of the company stood at INR34.7 crores for the half year ended September '26 versus INR23.3 crores for the half year ended September '25, which is an increase of 49.3% year-on-year.

With this, I would now like to open the floor for any questions that our participants may have. Thank you.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question is from the line of Sandeep Agarwal from Kohinoor Investment.

Sandeep Agarwal: Yes. Am I audible?

Moderator: Yes, you are audible.

Mitesh Manek: Yes, please go ahead.

- Sandeep Agarwal:** Yes, sir. My first question is, though our sales has increased a lot from INR146 crores to INR208 crores in the manufacturing, which is around 42% increase. Our trading has gone up from INR16 crores to INR75 crores in the first half, which is around nearly 5x. So is there any reason that our trading sales has gone up, sir?
- Mitesh Manek:** Any other questions you may have, then you can pose all your questions, and we would like to answer to all of them together.
- Sandeep Agarwal:** Okay. The next question would be on CoatIcon. So what is the current revenue in this quarter that we have generated from CoatIcon, if any? And how is the response from the market for this product? So are we looking at a good amount of revenue for this in the next year? These 2 questions, first.
- Mitesh Manek:** Okay. Only these 2 questions, right? Yes. I believe Mr. Mihir Manek would like to take both these questions?
- Mihir Manek:** Sure. Right. So as far as the trading sales increasing to INR75 crores, this is purely on basis of some spot opportunities that we have been experiencing in the market. Some of the materials are also our raw materials where we have been taking some excess positions because we have not been sure of supplies going ahead due to these various disruptions in different geographies of the world.
- So whatever excess we have, we are disposing of but we are keeping plenty material in the pipeline so that we are never at a stage where we face shutdowns from suppliers and then start running out of raw materials. So as we get clarity for further months, we can dispose of the excess raw material stock that we have here and make some 3%, 4% margins on those and thereby assure that we are not at any point of time stuck without raw material.
- Also, there are some other petrochemical derivatives that we have been trading. Again, all spot opportunities to make some additional profits for the company which I'm sure is a welcome exercise since the company has some spare funds that it is sitting on, which it has accumulated to start the expansion capex program.
- So once we start the capex program, then all these funds will be diverted into the capex activity till then we can use it for some spot opportunities and make some additional revenue from utilizing these funds.
- Coming to the CoatIcon sales, we have only started this division about less than a year ago. And like I told you, the stability studies, etcetera, also for a period of at least 6 to 12 months also sampling opportunities, it takes a lot of time convincing the pharma companies to give us an opportunity. At times, for the bigger companies, it will at least take a year or 2 to only convince them to give us an opportunity to sample them.
- Smaller companies will give you an opportunity to sample them after a few months of follow-up. And then there is a long drawn out approval process that takes. However, we have been

making some small sales of, say, about INR8 lakhs to INR10 lakhs every month, about INR10 lakhs to INR15 lakh each month at sample supplies to some of the smaller pharma companies who have already given us approvals.

And as they use our coating materials in their products, they will also be scaling up their orders to us. So as I have explained in my introductory message, this being a product line which is used primarily and only in the pharmaceutical industry, the scale-up process will be a long drawn out one, but it will be an extremely very sticky business and the overall size of the market is substantial.

So though it may take a good 2 to 3 years for us to gain approvals in various companies. Once we have gained such approvals, then there will be a sudden spurt in sales going ahead and where the margins are very encouraging. So it is a business which deserves this amount of investment of time and energies. So I think I've answered both the queries.

Sandeep Agarwal: And currently, where are these coming in from? The pharmaceutical industry is importing it totally? Or do we have any Indian company?

Mihir Manek: So 90% of the market is controlled by Colorcon, which is an American company. And we are looking at them as our major competitor.

Sandeep Agarwal: Okay. And so this trading sales that you were talking about, it is only a low-margin selling of the raw material.

Mihir Manek: Yes. It is only utilization of the funds that we have set aside for the capex activity till we don't start employing them into the capex cycle. It's a very momentary sort of revenue generation, it's not part of the business strategy. So I think one can look to ignore these trading revenues.

Sandeep Agarwal: True. That is true. In Arjun Foods, which in Roha, is it only for pharmaceuticals or it is only for CoatIcon or any other product in pharma is going to be from there?

Mihir Manek: No. At this point of time, it is for these line of products. As we go on ahead, it may include some other products also.

Moderator: The next question is from the line of Gokul Maheshwari from Awriga Capital Advisors LLP.

Gokul Maheshwari: So I'll just give all my questions at one go. So what were the volumes for the quarter? I believe last quarter, we had done around 1,506 tons. So what was it for this quarter? Secondly, just on the capacity, earlier, we used to have capacity of 3,900 in one of the plants and 4,200 in one of the plants totaling to 8,100, but your current PPT shows the volumes of, sorry, capacity of 7,500. So if you could explain, why is there a reclassification of this capacity?

And thirdly, just to your comment that you will be able to achieve optimum capacity utilization at this level. So what is this optimum capacity utilization? Is it going to be 100%, 90%? Or is there a level where you can really max out at?

- Mitesh Manek:** Thank you so much, Gokul ji. I will answer all 3 questions. The first question being what is the volume sales for the second quarter, which is September '26. And the total volume in tons was 1,554 metric tons of manufacturing sales for the quarter ended September 2026.
- The second question was on total installed capacity. Now what happens is that in general, the plants and the production lines which we have are compatible for more than one item. So a product portfolio mix, which the company selects to manufacture on that particular production line from time to time decides on how much potentially the plant can manufacture on a yearly basis, which still remains at 8,100 tons.
- But because of our recent portfolio mix change and because of certain items which we want to produce which have larger volumes required on the machinery and hence, the batch sizes are slightly smaller because the water volumes are much more, which is why 7,500 tons would be installed capacity in a way that the product portfolio mix remains optimum and what the company wants to achieve, which means what we want to manufacture and what we want to sell.
- Gokul Maheshwari:** Okay.
- Mitesh Manek:** Also, additionally, as far as the Dahej facility is concerned, we are making certain changes to our effluent treatment plant and the way it functions, which will also have an impact in increasing the volumes manufactured out there by about 50 to 75 tons per month.
- Gokul Maheshwari:** Okay. So j- just a clarification on your second point. The effective capacity is now 7,500. I assume that these products which we are making is higher value products with higher realizations.
- Mitesh Manek:** Yes.
- Gokul Maheshwari:** Is that correct?
- Mitesh Manek:** For which reason if the company has to sacrifice a bit on the optimum manufacturing capability, we are willing to do that trade-off.
- Gokul Maheshwari:** Okay. And at 7,500, can you be achieving 90%-odd capacity utilization?
- Mitesh Manek:** So 7,500 metric tons would mean around 90% capacity utilization, yes.
- Moderator:** The next question is from the line of Saket Kapoor from Kapoor & Company.
- Saket Kapoor:** Hope I am audible to you?
- Mitesh Manek:** Yes, you are audible, go ahead.

- Saket Kapoor:** Firstly, a brief explanation once again, firstly, sir, if you could just give us some trajectory, taking into account how the first half has shaped up, the Q1 and the Q2, we have seen the EBITDA margin improvement. Hello?
- Mitesh Manek:** Yes.
- Saket Kapoor:** Yes. EBITDA margin improvement that we have seen on a sequential basis. How is the H2 likely going to shape up? If you could just first give us some color on the same because on the revenue and other front, we have seen improvement, even the gross profit margins have gone up Q-on-Q basis. So if you could just give us some color how H2 shape up, what is the current order booking and how are you seeing the way ahead?
- Mitesh Manek:** Right. So the H2 for the company is looking very similar or if possible, slightly better than H1, considering the current order positions, etcetera, that the company is enjoying.
- Saket Kapoor:** Okay. And sir, you were mentioning about the capex program, which we are envisaging at the Dahej facility. So can you give us some more color when we will get the final blueprint of the same? I think you mentioned about INR75 crores capex, correct me there. How much are we going to spend?
- And what kind of asset turnover or some color of how things will shape up going ahead? And what would be the time to construct, where are we, sir, in terms of achieving commercialization for the same?
- Mitesh Manek:** Yes. So look, as I have informed in my opening speech, currently, we are in the process of confirming structural and process flow drawings for that particular facility. So the construction work is scheduled to begin in the last quarter of this financial year 2026, '27.
- Expected investment also, I have informed you all of around INR75 crores to INR85 crores. And the targeted commissioning would be somewhere in the middle to end of FY28, which is when this facility is expected to come in commercial production.
- Mihir Manek:** The revenue generation that we expect by investing this INR75 crores is to the tune of INR225 crores to INR250 crores.
- Mitesh Manek:** Your question is answered fully.
- Saket Kapoor:** Sir, when I was just comparing our numbers on a sequential basis, first of all, how correct are these numbers comparable when we look at our June quarter performance versus the September quarter, the revenue has taken a dip, whereas our profitability has improved as the margins. But when we look at the line item for other expenses, that has gone up. So if you could just explain the dynamics that played into Q2 on a Q1 basis?
- Mitesh Manek:** Understood. So like you rightly said, the revenue has come down from INR146 crores to INR136 crores because the trading revenue has come down from, I'll tell you, INR46 crores to INR28

crores. The manufacturing revenue, in fact, has increased from the first quarter, which was at INR99.57 crores to INR108.62 crores.

So like Mr. Mihir informed you earlier, trading it happens on an opportunity-to-opportunity basis. So the revenue can be fluctuating. And sometimes it is done solely for the purpose of protecting our raw material inflow. So it's a bit of an insurance policy, see. Now as far as the other expenses column is concerned, instead of INR18.57 crores, the company has spent INR20.87 crores.

And the major factor contributing to this is the outward freight, which we have paid on exports, which, of course, we have been able to more than recover from our customers looking at the EBITDA margins, which have improved. But that is one of the biggest contributing factors to because certain freights to certain long-distance destinations have increased by 4 to 5x during the last quarter.

For example, we have a very big customer in the U.S. and the outward freight to Chicago, which used to be around USD2,000 to USD2,200 during the quarter in question was around USD10,000 to USD11,000. so 5x, this is an extreme example, but freight costs to other long destinations have increased at least 3x to 4x in some cases. So that shows on the other expenses, right. Yes.

Saket Kapoor: Sir, when we look at our business profile, do we have any listed company as a peer comparison or our nearest competitor wherein we have a good comparable with the type of business line we currently have?

Mitesh Manek: So there is only one company making a small quantity of food colors, which is Dynamic Products Limited. But they are mainly into intermediates. So peer-to-peer comparison, they would not qualify. However, they do make some food colors, yes.

Saket Kapoor: Okay.

Mitesh Manek: A very small thing, so they are not comparable, like I said, for a peer-on-peer review, if you want to do, then there is no other company on the listed space.

Saket Kapoor: Okay. And just to conclude with 2 points. Firstly, sir, how are we going to fund the expansion? And what is the net cash balance on the books as on 30th September?

Mitesh Manek: See, basically, the company is earning more than INR20 crores every quarter. So as far as the expansion is concerned, we are confident that we will be able to meet most of it through internal accruals alone. And because the investment in the expansion always happens in a phased manner and it is expected to take shape over a period of approximately 1.5 years, so several such quarters to go.

And in case if there is any need, we might choose for a small term loan from one of the institutions just for our peace of mind and maintaining working capital liquidity because on that factor, we are slightly conservative, and we would like to have all the cards in our hand here.

Saket Kapoor:

Right, sir. Sir, just a small submission. Our company is in definitely a unique space, and we are doing considerably good if we take into account the current realm of things in the business environment. I think sir, shareholder value creation exercise should happen over the period of time once our expected capex comes into commercialization and then the cash flow accretion that happens on the way.

But I think, sir, our interaction with the investing community and is only subject to these 3, 4 con calls that happen. So I would request the management to take further insight, whatever interest investors have or the analyst community have to provide us more opportunity of meeting you people in terms of plant visit and other to get more sense of how things are shaping up?

Because over a period of time, your investors have not made any money by investing in the company, although we are on a very, very solid company in terms of all the fundamental reasons that should support the current price to earning ratio. So your thought process and you being the largest shareholder, if you could just give your thought process for the same.

Mihir Manek:

Hello. Am I audible?

Saket Kapoor:

Yes.

Mihir Manek:

Yes. So just one statement I would like to correct the last speaker that Vidhi stock has returned very handsome returns for its investors. In fact, we have been paying 4 dividends every year to the tune of, I think, up to 400% or more of the face value. It is only very recently that we have stopped paying dividends to accumulate this funds required for the capex.

Also, if I correctly remember around 2020, during the COVID period, Vidhi stock price was at INR80 from where it has gone up to hit a high of INR550, which is 5.5x in a very short period of time. So I think a lot of the investors have made very handsome profits holding Vidhi stock. However, I would like Mr. Mitesh to continue this from here.

Mitesh Manek:

I think to Mr. Mihir's comments, we do have noted your requirement for more interactions with the investor community. And we will certainly look into it and take it up from time to time.

Saket Kapoor:

Yes sir. The prices are a function of market intermediaries' participation and the dynamics of buying and selling, as Mr. Mihir mentioned about that. So for a 5-year CAGR, we are down 3%. So whoever have invested in sometimes '21 and still remain invested portfolio is down by 2%, 3%.

I was just trying to correct in that since it's a compounding story, there has to be some further understanding of the same and not brief period of entry and exit that will define long-term shareholder value creation. If more thought could be given and for plant project also, sir, if that

could be done, I think there are various forums where our management should may participate in creating the right set of awareness and engaging with the right set of investors for further value creation. That is the only such submission from my side.

Mitesh Manek: Understood. And we will take this up with our IR agencies, and we will put in a serious thought to this and plan properly and transition.

Saket Kapoor: And lastly, sir, even the investor presentation and all are just uploaded 15 minutes before the call. So I would only request that sufficient time is being provided to us to go through the same. Even the call can be scheduled the next day post the results. Just a thought that is from an investor point of view.

Mitesh Manek: Understood. We will discuss this internally, and we will try to implement it accordingly. I've taken down your comments.

Moderator: The next question is from the line of Jinal Sheth from Awriga Capital Advisors LLP.

Jinal Sheth: Two questions. So since Mitesh bhai, you mentioned about certain treatment changes that were happening at the Dahej plant. So once that is commissioned, should we assume that 1,875 metric tons, which is roughly 7,500 divided by 4, be achieved for the quarter?

Mitesh Manek: Yes. Once the effluent treatment plant and the changes that we want have been made. Around 7,000 tons per year is definitely achievable.

Jinal Sheth: And it starts from Q4?

Mitesh Manek: It will start from Q4, yes. Definitely.

Jinal Sheth: Okay. Fine. And my second question is on the manufactured sales, the realizations are already roughly around INR700 per kilo. Now how do you see this number trending in the next 2 years or so?

Mitesh Manek: See, the realization per kilo depends totally on the product mix. And as I informed earlier also, we are trying to make it better and better as quarters go by. So for Vidhi, the change and improvement in product mix portfolio is of prime importance and which is on our top priority.

Jinal Sheth: Okay. I don't know if I missed this, I mean, just the last one. I don't know if I missed this, but do we see the capex for the pharma to begin in FY28?

Mitesh Manek: You mean for CoatIcon?

Jinal Sheth: Yes, sorry, CoatIcon.

Mitesh Manek: Yes, correct.

- Mihir Manek:** We've not spoken about capex for the CoatIcon project. What we have spoken for is the new project at Dahej that we are taking up, which is not related to the CoatIcon product, right?
- Jinal Sheth:** Fair enough. So when you think the appropriate time has come, you will mention about it, right?
- Mihir Manek:** See, we are also drawing up the detailed plans for the on-ground activities that need to start for CoatIcon as well. And that too, we will be starting within the next 2 to 3 months. But there, the investment is not so much. It will be to the tune of INR25 crores to INR35 crores. And we are certainly going to be doing that capex as well. So yes, both of them are going to be done simultaneously.
- Jinal Sheth:** Perfect, thanks a lot and good luck to you guys.
- Mihir Manek:** And I believe we had spoken with regards to the capex plans of CoatIcon in the last investor call, which is why we have not repeated the same story again.
- Moderator:** The next question is from the line of Radha from SMSB Capital.
- Radha:** Sir, am I audible?
- Mitesh Manek:** Yes, please go ahead.
- Radha:** Sir, my first question was that apart from CoatIcon, how is the response of our newer specialty products? Like are we seeing interest from existing as well as new customers? And also, are there any products currently under customer trials or approvals that could start contributing meaningfully to revenue over the next few quarters?
- Mitesh Manek:** So other than CoatIcon, the product line, which we have discussed earlier on during our expansion plans information. Yes, they are under approvals at a few customers. And as time goes by, we are approaching more and more such customers for these products. And as I have already informed, they are highly specialized products with very good profit margins, and we are very upbeat about that line.
- Mihir Manek:** So just to add ,we have also set up a small pilot plant for these line of products - for which we tend to make this capex plan in Dahej. And it is from this pilot plant that we have already started making some pilot production and sampling to potential customers for these products.
- Radha:** Okay, sir. Got it. And sir, in the last earnings call, the management mentioned that the contribution from high-margin products could increase from around 5% to 10% or 12% in FY27. Where do we stand on this currently? And like are we still on track to achieve this target?
- Mitesh Manek:** See, the reason why the revenue generation per kilo is increasing is because in the present portfolio mix, - the share of high-value, high-margin products is constantly increasing.
- Radha:** Okay, sir. Got it. And we are on track, right?

- Mitesh Manek:** Absolutely. We are very much on track.
- Radha:** And sir, lastly, sir, working capital saw an outflow of around INR14.7 crores in H1 FY27 compared to a positive contribution of INR13.8 crores last year. What has driven this change, sir? And like should we expect working capital to improve in the second half?
- Mitesh Manek:** See, what happens is the higher inventory storage, higher inventory valuation cost inflation, etcetera, means that the company requires more working capital per kilo of raw materials sold or finished goods sold or in process. And it will also contribute to a higher debtors base and so higher debtor base. So of course, the working capital employed by the company under such period of inflation will be inflated.
- Moderator:** The next question is from the line of Sandeep Agarwal from Kohinoor Investment.
- Sandeep Agarwal:** Yes, sir. I was -- my question was in Project 1 and Project 2, are both of them running concurrently? Simultaneously, both are working together?
- Mitesh Manek:** Yes, you are right. The Project 1, I believe you mean CoatIcon and Project 2 for the new product line we are going to introduce, they are both running , concurrently.
- Sandeep Agarwal:** Okay. From Dahej and Roha, both of them?
- Mitesh Manek:** Correct.
- Sandeep Agarwal:** Okay. So from an investor's point of view and clarity, why can't we have a plant visit? Because I've been requesting and my request is pending for a long time. Do we entertain plant visit sir?
- Mitesh Manek:** Yes, sure, we do. We do. I request you to get in touch with me personally, and we will arrange a visit for you.
- Sandeep Agarwal:** Okay. Because when we see the plant by the time the plants are going to get ready, it is going to be nearly 1.5 years from now.
- Mitesh Manek:** Correct.
- Sandeep Agarwal:** So at the site, what is happening, we can see that directly, it would be quite helpful. Yes.
- Mihir Manek:** But then...
- Mitesh Manek:** See as of now, on Arjun and on Dahej, there we are working on plans, as I informed you and joined, right? So there is no actual construction activity happening out there. It will start from the last quarter of financial year '26, '27.
- Sandeep Agarwal:** Okay. So right now, it is only a pilot plant that is running there. So the actual plant is supposed to only come up now.



Mitesh Manek: Correct. That's right.

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

Mitesh Manek: Thank you so much, ma'am. I would like to thank everybody present on this call. And yes, with that, I would like to end this investors call. Thank you.

Moderator: Thank you. On behalf of Vidhi Specialty Food Ingredients Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.