Operator: Good morning, Khushi. Can you hear me?

Khushi Jain – IR Head: Yes, you are audible.

Operator: Your voice is echoing.

Khushi Jain – IR Head: Let me check. Is it okay now, or is it still echoing?

Operator: There is still a problem.

Khushi Jain – IR Head: Is it okay now?

Operator: Yes, perfect.

Khushi Jain – IR Head: Okay, I will share the screen now. Allow me 1 second.

Operator: In the meantime, I will give you the opening remarks for the event. Good afternoon, everyone. Good morning, everyone. Welcome to the Bharat Connect Conference 2026 September Edition. I welcome you all to the call of Sumeet Industries Ltd. Today, from the management, we have Pratik Jaju, Executive Director, and Khushi Jain, IR Head.

Before I hand over the call to the management, I will explain the flow of the event. We will start with the opening remarks by the management and then move on to the Q&A round. Participants who would like to ask questions can raise their hands or put their questions in the chat box. First, we will take questions from the participants who have raised their hands and then move on to the chat box. If time permits, we will take the questions received from clients who are unable to participate. Please note that we will take the last questions 5–10 minutes before the end of the session.

Without any further delay, I would like to hand over the call to the management. Pratik, over to you.

Pratik Jaju – Executive Director: Thank you very much. I welcome everyone to this Arihant Capitals investor meet. I would now like to start by introducing myself. I am Pratik Jaju, the Managing Director of Sumeet Industries Ltd., and I would like to brief you about Sumeet Industries Ltd.

Sumeet Industries Ltd. was established in 1988. It was established under the leadership of Mr. Somani, and from 1988 until 2016, the company was constantly growing and gradually expanding. From 2016 onward, the company faced some financial and management problems. It was unable to sustain itself, and that is why it came under the NCLT process.

In 2024, we stepped in. We, from the Eagle Group, stepped in and took over Sumeet Industries Ltd. Sumeet Industries Ltd. has a capacity of around 300 tons per day. It is a CP plant, or continuous polymer plant, and we manufacture 300 tons per day. Next slide, please.

This is the journey of Sumeet Industries Ltd. From 1988 until 2016, as I told you, the company was constantly expanding. It then faced some financial problems and went bankrupt. The best part of Sumeet Industries Ltd. was that it was a running unit. Even under the NCLT process, it was a running unit.

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When we stepped in during 2024, we took over the company, and we are now constantly expanding and changing things. Next slide, please.

This is our management. Radheshyam Jaju is our Chairperson and Chairman. I am Pratik Jaju, and we have a dynamic young member in our management, Rohan Mohta, who is Executive Director and takes care of the finance department. Next.

I would like to inform you about the Eagle Group. The Eagle Group has more than four decades of experience in the textile industry. The Eagle Group has different types of textile factories, ranging from yarn manufacturing to fabric manufacturing. We have sizing, texturizing, spinning, water jets, and rapier jacquards. Therefore, the Eagle Group has been involved in the textile chain for the last 40 years. That is why we have good credibility in the market, and we are a growing company.

This is the product portfolio of Sumeet Industries Ltd. Sumeet Industries Ltd. is primarily engaged in four main products. The first is PET chips, which are at the first stage of yarn manufacturing. Yarn can be manufactured from these PET chips.

The second is partially oriented yarn, which is used to manufacture air-textured yarn, texturizing yarn, knitting yarn, and other products. The third is fully drawn yarn. Fully drawn yarn can be used directly to make fabrics and is also used in sizing industries.

The fourth is texturized yarn. Texturized yarn is a value-added yarn used for a variety of diversified products to enhance or provide a value-added feel to fabrics. Next.

This is our product-wise revenue and volume trend. We are focusing more on FDY yarns because FDY yarns are value-added yarns, and we can achieve better margins in them. There is also a lot of variety and diversification in FDY yarns. As you can see, we are constantly increasing our FDY yarn production.

Sumeet Industries Ltd. has state-of-the-art machinery. We have the best machinery from Germany, Japan, and China: TMT, Barmag, and Beijing Chonglee. These are the three companies that sell spinning machines throughout the world. They are among the best companies, and Sumeet Industries Ltd. has a combination of machines from all three companies.

Now, our manufacturing capabilities and infrastructure. The best part of Sumeet Industries Ltd. is that it is located in Surat. As you know, Surat is the textile hub and the polyester textile hub. More than 60% of India's polyester fabric manufacturing is done in Surat. Being located in Surat gives us the advantage of quick delivery, lower freight costs, and better service to our customers.

Regarding technology, as I told you, we have machines from the three best companies in the world: TMT Japan, Barmag Germany, and Beijing Chonglee China. We also recently installed the latest-generation air compressors. We replaced 18 old compressors with 4 new compressors, which improved our air quality and resulted in daily power savings of 20,000 units. This means that the centrifugal air compressors have resulted in daily savings of Rs.1,20,000.

We are always focusing on cost efficiency, flexibility, product diversification, and scaling up.

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We are proud to announce that we are a zero-discharge effluent plant. We are environmentally friendly and have a policy of zero percent discharge. All the water used is treated in our effluent treatment plant and reused in our plant. This helps us protect the environment and save water, which is highly important. We reuse all the water after treating it. Next.

Our core strength is that the Eagle Group has been involved in the textile chain for the last 40 years and has good credibility in the market. Therefore, we are able to introduce new products at Sumeet Industries Ltd. because we understand the market. I have been in the spinning industry for more than 17 years, so I understand the operations and how to achieve the lowest cost with the best quality.

We have a cost advantage because of our location and efficient operations. Because of our credibility throughout the textile chain, we have good customer relations. Regarding technology, we are upgrading to the latest technologies. Most importantly, our focus is on producing value-added yarn.

My focus is to convert at least 50-60% of our FDY production into value-added yarn. These value-added yarns have a niche market, so they provide us with better margins. Customers also trust us for these products, and therefore we are able to develop them. Next slide, please.

We are happy to announce that we recently successfully completed a Rs.200 crore rights issue. Under the rights issue, we offered shares at 11.86, and I am proud to announce that the issue was subscribed 2.5 times.

We will use the proceeds as follows. Rs.100 crores will be used for working capital requirements. This will strengthen our financial position, help us make better purchases, and reduce our purchase costs. We repaid debt of Rs.9 crores, and the remaining amount has been allocated for expansion.

We recently acquired the Nakoda CP plant, which is now called Sumit Specialty. Once this plant is commissioned, we will be able to manufacture 400 tons of chips every day. This will generate approximately Rs.1,200 crores in annual revenue. This is our next step, and we expect this plant to be commissioned in the next financial year, during the first quarter of the next financial year.

Regarding the strategic impact of the rights issue, as I have explained, the funding supports our working capital and enables us to procure critical raw materials at competitive prices. We are also ramping up our value-added yarns. This working capital will help us maintain and increase our FDY production, including value-added FDY production.

For the new CP plant that we purchased, we expect to invest approximately Rs.90 crores to make it operational. After investing Rs.90 crores, we expect to generate revenue of Rs.1,200 crores from it. Our finance cost will now be at its lowest with the help of the rights issue funds.

We have already set up a 14-megawatt solar power plant, which was commissioned in the last quarter of the last financial year. We also commissioned a 4.2-megawatt wind power arrangement under a PPA in the first quarter of this year. Another 12-megawatt solar plant is being prepared and is expected to be commissioned by November 2026.

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This will help us reduce our power costs significantly. We expect annual savings of approximately Rs.22-23 crores from this renewable power. Thank you.

Management: As I informed you, we acquired a CP plant with a capacity of 140,000 tons per annum. The total outlay will be Rs.90 crores. Next slide, please.

Regarding renewable power, as I informed you, we have already commissioned a 14-megawatt solar power plant. We have executed a PPA for 4.2 megawatts of wind power, which has already been commissioned, and a new 12-megawatt power plant is under development and will be commissioned in November 2026.

We are already receiving the benefits of all this power during the current year. From the next financial year, we will be able to see direct savings of Rs.20-22 crores per annum on our power bill.

Regarding the future roadmap, as I explained, we are shifting towards value-added yarns, which will account for up to 50-60% of our total capacity. We launched several new products after taking over Sumeet Industries Ltd.

We launched dope-dyed yarn, which is colored FDY yarn. We launched bright yarn, which Sumeet Industries Ltd. was not manufacturing. In bright yarn, we have launched both FDY and POY. We launched cationic yarn, which is one of the most value-added products in the textile industry.

Initially, Sumeet Industries Ltd. started with only 5 tons per day of cationic yarn, which increased to 50 tons per day. We are now easily able to manufacture and sell approximately 40-50 tons of cationic yarn per day.

We also expanded our FDY production. An additional capacity of 10,000 tons per annum was commissioned 2 months ago. We are planning to add another 20,000 tons per annum, which will help us increase our turnover by Rs.300 crores. Next slide, please.

This is an overview of the Indian textile industry. The textile and apparel sector contributes 11% of Indian manufacturing, and man-made fiber contributes 65% of India's total fiber consumption. The best part is that approximately 50% of that 65% is manufactured in Surat alone. This is a major advantage for us in scaling our production.

There is greater demand for different products, but supply is still limited. Approximately 30-40% of the yarn requirement is still imported from China because local suppliers are unable to meet the demand due to a lack of supply. Therefore, we have a good opportunity to scale our production. Next, please.

The polyester weaving industry in Surat is expanding by 8-10% every year, but yarn manufacturing is not expanding at the same pace. Therefore, we have significant scope for expansion.

We have a cost advantage and a geographical advantage, including proximity to ports, which helps us export our products. There is also a large export market. Since Indian industries are currently unable to cater even to local demand, exports have been limited so far. However, with the increase in product variety and production, we will also be able to export easily.

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Recently, we have started exporting, and we are exporting approximately 5% of our production through deemed exports. Next, please.

We have begun our {? 27 ?} on a healthy note. Our revenue, as we will see in the next slide, was Rs.1,053 crores in the last financial year. Next slide, please.

These are the ratios. As you can see, our revenue in FY26 was Rs.1,050 crores, with EBITDA of Rs.60.77 crores. We achieved this EBITDA level through operational efficiency and changes in our product categories.

The benefits from power and finance are still pending. We expect those benefits to come in the current financial year and the next financial year. As you can see, the EBITDA level was 6–7% in FY26. This achievement was purely based on operational efficiency, better purchasing power, and the product mix and changes in the product mix.

These are our balance sheet financials. Anyone who wants to study them can do so. We have an advantage because we took over this company from the NCLT process at a very reasonable price.

If anyone wanted to install this plant as a new plant, they would need an investment of at least Rs.600 crores, with a time lag of 2 years. We acquired the plant for Rs.250 crores, and it was already a running plant. We have already benefited from that opportunity, and that is why our finance cost will be at a minimum compared with the market. This will provide us with a cost benefit.

All our current ratios, receivable turnover ratios, and asset turnover ratios are in line with the market. As you can see, our debt-to-equity ratio is very low.

This is our SWOT analysis. As you saw, one of our strengths is that we have more than four decades of experience in the textile industry. We have the ability to manufacture diversified products. Because we have a long chain of textile factories, we understand the market well, and we are able to manufacture and sell new products. We understand the market very well.

The Nakoda CP plant was a significant opportunity that we have already secured. Renewable power is another opportunity. The Gujarat government is providing substantial support in this area. All of this is helping us scale up, and we expect very good results and a very good future for Sumeet Industries Ltd. Thank you very much. I now hand over the dais again to Aryan Capital.

Operator: Thank you, Pratik. Participants who wish to ask questions can raise their hands or put their questions in the chat box. The first question is from Hardik Gandhi.

Hardik Gandhi: Hello. Congratulations on a successful rights issue. I wanted to understand how a new management sets the right tone after taking over a new company. Given that your group has been in the industry for some time, is there any conflict of interest? My second question is how management provides time to the entire group, given that the other companies are also in the textile business. I will ask my questions after this.

Management: Yes, Pratik. There is no conflict of interest because the products manufactured by Sumeet Industries Ltd. and the products manufactured by the other Eagle Group companies do not

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conflict with each other. Textile has a wide variety of products, and Sumeet Industries Ltd. is involved in the first stage of production, manufacturing POY and FDY yarn, specifically polyester POY and FDY.

We also have a spinning unit in the Eagle Group, but we manufacture nylon yarn and dope-dyed yarn there. Therefore, there is no conflict of interest.

Secondly, the Eagle Group is a joint family, and we have approximately 14 working members in our group. We have many people to support our factories and companies, including Sumeet Industries Ltd.

I am fully involved in Sumeet Industries Ltd. along with one other member of my family. Both of us are currently focusing only on Sumeet Industries Ltd., while other people are focusing on the other companies. Along with us, the {? Mode ?} family is also involved and is solely concentrating on Sumeet Industries Ltd.

Hardik Gandhi: Understood. You mentioned the value-added products, and there are several products in this category. What would be the blended EBITDA from value-added products in the coming years? I believe that this year you have already provided guidance for minimum top-line growth of 30%, EBITDA of 6%, and PAT of 3.5-4%. To understand the outlook for the coming years, what would be the blended EBITDA margin for the value-added products?

Management: We are also constantly expanding. Therefore, we are focusing on both the EBITDA level and the top line. With the expansion, the top line will definitely increase, and EBITDA will also increase.

In value-added yarns, as I told you, our total production is 300 tons, of which approximately 150 tons is FDY. We have converted 50% of that 150 tons, or almost 50%, into value-added yarns.

This provides better EBITDA than commodity products. The main reason for focusing on value-added products is that customers are loyal to these products because they want quality and do not want to switch repeatedly between different companies. This helps us retain customers, and we also receive better margins.

Hardik Gandhi: What is the EBITDA on a normal basis for the value-added products? You are conducting a commodity yarn business and adding value-added products. I understand that the blended rate you mentioned is 6%, but I want to understand the EBITDA for the value-added products.

Management: We can expect EBITDA to be at least 15-20% higher for value-added products than for commodity products.

Hardik Gandhi: 15-20% higher. In that case, what is our EBITDA in the commodity products? Would it be 3-4%, and then would the EBITDA for the value-added products be 3.5-4%?

Management: No. I will correct you again. At the current 6% EBITDA level, we were not able to manufacture a significant amount of value-added products. We converted the lines, modified the lines, and introduced some new lines for the value-added products. This takes time.

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However, we expect the EBITDA level of 6-7% to rise to 8-10% in the near future with the help of our value-added yarns.

Hardik Gandhi: So that should happen within 2-3 years?

Management: Yes.

Hardik Gandhi: This is because value-added products, the scaling up of production, and operating leverage will help, while you are also adding value-added products.

Management: Yes. Adding value-added products, improving operational efficiency, and reducing power costs will all help.

In our business, there are three major costs: power, finance, and raw materials. Regarding raw materials, because of our credibility and improved financial position, we are able to procure them at the right price and at the right time.

Regarding power costs, as I mentioned, we have already achieved 50% of our power requirement through renewable power. With the help of the rights issue and low debt, we are quite certain that we will be able to achieve the lowest finance cost in the industry.

Hardik Gandhi: I wish the management all the best because the first few quarters and the first year of your performance will be watched very critically by investors. I wanted to wish you all the best and thank you.

Management: Definitely. Thank you very much.

Operator: The next question is from Kapil Agarwal.

Kapil Agarwal: Good morning, sir. Am I audible?

Management: Good morning. Yes.

Kapil Agarwal: My first question is related to the conflict of interest in related businesses. You have clarified that point, but is there any plan to merge the entire Eagle Group business into this unit in the future?

Management: Mr. Hardik, as I mentioned, there is no conflict of interest because the product variety manufactured by the Eagle Group is different from what Sumeet Industries Ltd. manufactures. At present, there is no plan to merge the entire Eagle Group with Sumeet Industries Ltd.

Kapil Agarwal: How do we see our raw material prices over the coming 12-24 months, considering the current situation?

Management: The current situation is a challenge for the entire industry. Raw material prices have increased by 1.5 times due to the West Asia crisis. If this crisis ends, we expect raw material prices to gradually decline. This will be positive for the entire industry.

Kapil Agarwal: How effectively are we passing these increased costs on to our customers?

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Management: We are able to pass on almost the entire increase to our customers.

Kapil Agarwal: In Q1, the EBITDA margin declined. Could this have been due to the increase in raw material prices?

Management: Yes, it was purely due to that. Our raw materials arrive on a day-to-day basis, and normally in this industry, we have to sell the material 15-20 days in advance.

Pratik: Due to the sudden increase in raw material prices, we were unable to cover the increase through our sales, and that affected us. However, in the second quarter, we covered the increase. We were able to procure raw materials whenever we had the opportunity, and we also sold the material after factoring in the increase in prices.

Kapil Agarwal: What EBITDA can we expect in the current quarter, or Q2?

Pratik: The figures will be declared soon, and you can check them then.

Kapil Agarwal: So, will it improve from Q1?

Pratik: Yes, definitely.

Kapil Agarwal: You mentioned power savings of Rs.20-22 crores from next year onward. Considering that, the additional turnover of Rs.300 crores from our capex, and a 6% EBITDA margin next year, if I calculate that our EBITDA will be Rs.70 crores and there will be Rs.20 crores of electricity savings, can we expect EBITDA of Rs.70 crores plus Rs.20 crores of additional savings, or Rs.90 crores, in FY28?

Pratik: In normal circumstances, we can definitely expect that. Nobody knows the current-year situation because of this war crisis. However, the power savings of Rs.20 crores will be an addition to the EBITDA level over and above our normal EBITDA margins.

Kapil Agarwal: Thank you. That is all from my side.

Pratik: Thank you.

Operator: The next question is from Goran.

Goran: Hi, Pratik. I have a couple of questions. First, regarding the Nakoda plant, we are expecting approximately Rs.1,200 crores of revenue at a 5-6% margin. Could you provide the expected annual EBITDA? Is this 5-6% at full utilization? What is the ramp-up period, and do we have any additional working capital requirements to achieve Rs.1,200 crores of revenue?

Pratik: Regarding the Nakoda acquisition, I can say that it will be commissioned in the next financial year, somewhere around the end of the first quarter. Once the ramp-up begins, it will not take much time. The ramp-up will be completed by the second quarter at the latest.

The EBITDA level in the new plant is expected to be approximately 5-6%, but that will be at optimum capacity, when the capacity reaches 90% of its full level.

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Goran: What is the working capital requirement to reach full utilization?

Pratik: We are confident that we will be able to manage it through our current resources. If required, we will take some working capital from the banks.

Goran: Recently, I believe there was an approval for funding of Rs.180 crores through March 2028. I wanted to understand the expected utilization of the additional Rs.90 crores.

Pratik: The additional Rs.90 crores will be utilized from the rights issue proceeds. Rs.100 crores from the rights issue has been allocated to working capital, Rs.9 crores has already been repaid toward debt repayment, and the balance amount will be used for the Nakoda acquisition.

Goran: I believe there was an additional funding approval of Rs.180 crores. Is that correct?

Pratik: No, we have not obtained any additional funding approval. Initially, when the rights issue was being planned, we had allocated Rs.22 crores for a solar power plant. However, our solar power plant was already in process, so we converted that Rs.22 crores for the expansion of Nakoda.

Goran: Are these solar power plants owned by Sumeet Industries Ltd. or by a different company?

Pratik: One is owned by Sumeet Industries Ltd., and one is owned by a different company that has entered into a PPA with Sumeet Industries Ltd.

Goran: How much power savings do we expect this year, and how much do we expect on a full-year basis?

Pratik: This year, we can expect power savings of approximately 50%, or around Rs.8-10 crores. From the next financial year, we can expect full power savings of Rs.20-22 crores.

Goran: One final question. In your last call, you indicated that Q1 was depressed because of input costs, but you expected the full-year guidance to remain at 5-6%. Are we still on track for that?

Pratik: Yes, we are still on track for that.

Goran: Fantastic. Thank you very much, Pratik.

Pratik: Thank you.

Operator: Participants who wish to ask questions can raise their hands. There are also some questions in the chat box. Someone is asking about the interest and power savings. You have already answered that, correct?

Pratik: Yes, I have just answered that.

Operator: May I read a question from the chat box?

Pratik: Yes, please do so.

Operator: Someone is asking: After acquiring Sumeet Industries Ltd., have we achieved the efficiency level that we were targeting? How do you expect the business to perform at a reasonable

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price, or do you expect further room for margin improvement through business restructuring?

Pratik: After the acquisition, we were able to achieve the targeted efficiency level. We are still running the plant at more than 90% efficiency, which is a very good efficiency level in the textile industry.

Through restructuring and modifications, we will be able to increase our efficiency by increasing the speed of the machines, modifying them for better products, and making other improvements. We are already doing this, and in the next couple of years we will be able to achieve further improvement.

Operator: Another question: After the rights issue, the share price fell from Rs.35 to Rs.10 in 2 months. This created uncertainty in investors' minds following such a sudden fall. What are your views on this?

Pratik: I cannot comment on the share market. We offered the rights issue at 11.86, and perhaps some investors wanted to exit early. That resulted in continuous selling, which caused the share price to fall so drastically.

However, we are confident about our path and our achievements. Over the next 1-2 years, we will be able to see good performance from the company, and hopefully our performance will be reflected in our share price.

Operator: Another question: Could you please discuss your plans for debt reduction?

Pratik: After taking over the company, we incurred debt for expansion and modification. We have repaid Rs.9 crores of debt from the rights issue proceeds, and we are not increasing our debt any further. The remaining debt is gradually being repaid through the ongoing EMIs.

Therefore, the debt will reduce month by month and year by year. We are not increasing our debt; we are reducing everything.

Operator: Another question: How do export margins compare with domestic margins?

Pratik: Export margins are definitely better than domestic margins. We expect approximately 5% higher realization in percentage terms from exports compared with domestic sales. That is why we are also targeting exports. Entering exports will help us open new markets.

Operator: What is your vision for the next 3-4 years?

Pratik: Our vision is very clear. We want to achieve the best operational efficiency and upgrade and modify our existing lines to obtain the best output.

We also want to commission the Sumeet Specialty plant, which was acquired from Nakoda, and operate it successfully. Over the next 3-4 years, we expect our top line to more than double, and our EBITDA to increase accordingly.

If everything goes well, we expect a significant improvement in both our bottom line and top line. Consistent expansion is also ongoing.

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Operator: Who are the listed competitors of Sumeet Industries Ltd.?

Pratik: One of our listed competitors is Filatex. It is four times our size and has a greater focus on value-added products and further integration than we do. Gradually, we will also be able to increase our value-added products and further integration, which will help us.

Operator: Meet Jain has another question. What could be your TAM, and could you also name a few of your closest peers?

Pratik: I did not understand the question.

Operator: What could be your TAM, and could you also name a few of your closest peers?

Pratik: If you are asking about our revenue, it is currently Rs.1,050 crores and is expected to increase. Regarding market value, there are approximately 70 crore shares outstanding. The present value is approximately Rs.11, so the market capitalization is around Rs.800 crores. We expect this to rise again.

Regarding our closest peers in the industry and similar products, several companies are present. Shree Durga, Kejriwal, Garden, Velosa, and Filatex are among them. There are quite a few companies in Surat and nearby areas.

Operator: Shreyansh Jain is asking when we expect to achieve a top line of Rs.2,200 crores and what the margin guidance would be at that top line.

Pratik: We expect to achieve Rs.2,200 crores once the Nakoda acquisition, or Sumeet Specialty, is commissioned. This is expected by the end of the first quarter or during the second quarter of the next financial year.

Once it starts operating, the margin will also increase. We expect EBITDA of 5% from the new acquisition and 7-8% EBITDA from the existing operations.

Operator: Goran would like to ask another question. Sir, please unmute yourself.

Goran: Hi, Pratik. You mentioned that China is one of your competitors in terms of suppliers to India. In terms of pricing compared with Chinese exporters, what is the current situation?

Pratik: For almost the last 6 months, from March until now, Chinese prices have been significantly higher than our prices.

Goran: Is this trend expected to continue, or is it a temporary trend?

Pratik: This is due to the West Asia crisis. Even after the crisis, the difference in prices is not expected to be significant. Under normal circumstances also, there is a difference between the prices of local suppliers and importers. That is why imports enter the market, but the difference is very marginal.

It is not even 2-3% or 5% at the maximum. I would say it is not even 5%; it is 2-3%. Imports continue because, as I informed you during my presentation, demand is much higher than supply. Therefore,

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imports are constantly coming in to meet the demand.

Goran: Once the Nakoda plant becomes fully operational, what do you expect in terms of the customer base for its products? Will it have the same customer base, and do we expect the same demand?

Pratik: The product we will manufacture at Nakoda is called bottle-grade chips. We will not manufacture yarn there; we will manufacture only chips and sell them.

These chips are used to manufacture bottles, plastics, and other products. There is an entirely different market for them. Currently, 40% of this market is imported because there is not enough supply in the Indian chain.

Therefore, there is a ready market in the Indian industry. A significant amount of this product is also exported to European countries and other countries. There is currently a very good market for this product, which is why we selected it and are going to manufacture it.

Goran: So you do not see any demand challenge once the Nakoda unit is fully operational?

Pratik: No, we do not see any challenge. The reason other companies are unable to enter the market quickly, even when demand exists, is that establishing a new unit for this product requires 2 years, along with a lead time of 1 year.

It takes approximately 2-3 years, including all the permissions, machinery, installations, and other requirements. It also requires capex of approximately Rs.500-600 crores.

Goran: Coming back to the similar question I asked about Sumeet Industries Ltd., how competitive do you expect the rates of the Nakoda unit's products to be compared with China?

Pratik: At present, there is no price difference compared with China in the local products.

Goran: So it is simply that demand exists, which is why we are importing?

Pratik: Yes.

Goran: Is there any possibility of getting the Nakoda unit operational faster?

Pratik: We are trying our best, and this is the best timeline we have provided.

Goran: Thank you very much, Pratik, and I wish you the best.

Pratik: Thank you.

Operator: Does anyone have any further questions? You can raise your hand. I think there are no further questions. Would you like to give some closing remarks?

Pratik: I would like to thank all the shareholders, participants, investors, Aryan Capital, Finportal, and everyone for giving me the time and opportunity to explain what Sumeet Industries Ltd. is and what we are planning to do in the future.

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Thank you very much for giving us your time. We hope to meet the expectations of all our investors. Thank you.

Operator: On behalf of Aryan Capital, I would like to thank the management and the participants for taking the time to share insights about the company. If participants have any further questions, they can get in touch with the Aryan Capital team. Thank you very much, everyone.

Pratik: Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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