Operator: Ladies and gentlemen, good day and welcome to Privi Speciality Chemicals Ltd. Q2 and H1 FY27 earnings conference call. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during the conference call, please signal the operator by pressing star and zero on your touchtone phone. Please note that this conference is being recorded.

From management, we have with us Mr. Mahesh Babani, Chairman and Managing Director of the company; Mr. R. S. Rajan, President of the company; Mr. Narayan S. Iyer, Chief Financial Officer of the company; Mr. Sanjeev Patil, Executive Vice President, Strategy and Biotechnology; and Ms. Ashwini Shah, Company Secretary and Compliance Officer.

Before we begin the conference call, I would like to mention that some of the statements made during the course of today's conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as of the date of this call. These statements are not guarantees of future performance and may involve risks and uncertainties that are difficult to predict.

I would now like to hand the conference over to Mr. Mahesh Babani, Chairman and Managing Director of Privi Speciality Chemicals Ltd. Thank you, and over to you, sir.

Mahesh Babani - Chairman & Managing Director: Thank you, ma'am. Good evening, everyone. This is Mahesh Babani. Thank you for joining Privi Speciality Chemicals Ltd. Q2 and H1 FY27 earnings conference call.

I am pleased to share that we have delivered our strongest-ever quarterly performance, notwithstanding very adverse global headwinds. We have achieved our highest-ever sales and profitability. At the same time, we have continued to build capabilities that will support the next phase of our growth.

The performance reflects the strength of our underlying business, the relationships we have built with our customers, and the investments we have made in our manufacturing capability. Over the past few years, our focus has been on building a broader, more resilient, and more differentiated specialty aroma chemical business.

Reflecting our confidence in the business and our commitment to creating value for shareholders, the board has declared the company's first-ever interim dividend of Rs. 5 per share of face value of Rs. 10 for financial year 26-27.

We remain encouraged by the opportunities ahead while staying focused on disciplined execution. With that, I would like to invite my team, Mr. Rajan, Sanjeev, and Narayan, to discuss our operational developments and the progress we are making across our expansion and product initiatives. Thank you.

Sanjeev Patil - Executive Vice President, Strategy & Biotechnology: Thank you. This is Sanjeev Patil. Good afternoon to all the listeners and investors.

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As Mahesh mentioned, we have achieved our highest-ever quarterly total revenue of Rs. 773 crores and EBITDA of Rs. 212 crores. This performance has been delivered against a global backdrop shaped by geopolitical uncertainty, changing trade flows, and volatility in input and logistics costs.

At the same time, customers continue to place strong emphasis on dependable supply and consistent quality. For a global specialty aroma chemicals supplier like Privi [trails off]

Management: [line issue] [off-mic discussion] People could not hear.

Narayan S. Iyer - Chief Financial Officer: Am I audible now?

Operator: Yes, sir.

Narayan S. Iyer - Chief Financial Officer: Can I start with the financial details?

Operator: Yes, sir.

Narayan S. Iyer - Chief Financial Officer: Good evening to everyone, and thank you, Mahesh, and thank you, Sanjeev, for the insights. A warm welcome to all the investors on this Privi Speciality Chemicals Ltd. Q2 earnings call. I am Narayan S. Iyer, the Chief Financial Officer, and would like to give certain highlights with regard to the financial performance.

I am pleased to report that Q2 FY27 was a record quarter in terms of both sales and profitability. This is an important milestone and reflects the strong operating momentum of our business and our company.

Q2 FY27 extended our strong operating momentum with total income of Rs. 773.16 crore, up 13.9% year-on-year. EBITDA achieved was Rs. 212.49 crore, up 16.66%, and profit after tax was Rs. 117.03 crore, reflecting 24.61% growth over the previous year.

These performances were supported by broad-based demand across domestic and export markets, reflecting the resilience of our business model and our continued focus on achieving higher, profitable growth.

In the previous year, out of the total revenue that we earned, an amount of Rs. 9 crores was on account of state incentives received, and during the current year, an amount of 1.62 crores has been received. We expect to receive more going forward during the financial year.

All our expenses during the year have been under control and, in fact, have come down. As a percentage of sales, they were 9.72%. This has been possible due to the constant and focused monitoring of expenses and optimum utilization of our capacity, thereby reducing the fixed cost over a larger base. This has helped us maintain our margins.

Apart from this, RMC as a percentage of sales has come down to about 52%, as compared to 54% in Q1, and as against 51% for September 25 of the previous year.

EBITDA margins remained a healthy 27.48% in Q2 FY27, as against 26.12% and 26.12% for the first half of financial year 26-27. Despite volatility in feedstocks and freight costs and uncertain market conditions, we have been able to maintain our overall margins during this quarter and for the first

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[cut off]

Management: half of financial year 26-27. We continue to focus on operational efficiencies, disciplined expense management, and improving the quality of our earnings through a good product mix. We expect to maintain the momentum of growth in the near future and are working towards achieving our vision of the 5K 1K+ and are very confident of achieving the same by 2030.

Profit after tax achieved during Q2 was 117 crores, which is up by about 25% year-on-year, while PAT for the first half of FY26-27 was Rs.201 crores, up by about 29% compared to the previous year.

Now, coming to some of the balance sheet items, our balance sheet remains strong, supported by healthy financial returns and prudent leverage of operations. As on September 30, 2026, our ROCE stood at 24.30%, an improvement of 216 basis points year-on-year, while ROE increased by 134 basis points, and we have achieved a figure of 26.34%. Our net debt-to-EBITDA ratio stood at 1.07x, and our net debt-to-equity ratio was 0.51. Together with our focus on cash generation, these metrics provide a sound financial foundation to support our planned investments while maintaining balance sheet discipline. In absolute terms, our net debt as on September 30, 2026, was Rs.814.51 crores.

Our working capital cycle has also come down to less than 100 days during this quarter from the 124 days that we achieved in the same period in the previous year. Our cash generated from operations for the first 6 months was 445 crores, showing remarkable improvement over the previous year, mainly on account of higher profits earned during this year.

Looking ahead, we will continue to allocate capital towards capacity expansion, new specialty products, and operational improvements while maintaining a strong focus on profitable growth and cash generation. As discussed earlier by both Mr. Mahesh Pai and Sanjeev Patil, our capacity expansion program and the development of our specialty portfolio remain important enablers for our long-term growth ambition. We hereby reiterate that Privi is confident of achieving growth going forward, and we expect to maintain 20% growth overall in the coming years.

Thank you, everyone. With that, I would request the moderator to open the floor for questions. Thank you.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from the line of Krish Salot from {? Bir Growth AIF ?}. Please go ahead.

Krish Salot – Bir Growth AIF: [inaudible] questions regarding that one that [inaudible]

Operator: Sir, could you please speak a little louder?

Krish Salot – Bir Growth AIF: Hello, am I audible?

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Management: Yes, we can hear you.

Krish Salot – Bir Growth AIF: Is this good?

Hello, am I audible?

Management: Yes, now you are audible.

Krish Salot – Bir Growth AIF: Yes. Sir, regarding our commissioning and debottlenecking plan, which was going to be commissioned by September 2026, has it been commissioned, and what will be the utilization at which we can see a ramp-up in that particular debottlenecking expansion?

Management: The expansion has been completed. Can you hear me? The expansion has been completed. Yes, the expansion has been completed. You will see part of it coming through in Q3, but a significant part would come in Q4 because that is when the new contracts really start, which are annual contracts. We are very positive about those contracts, and you will see a significant impact, with capacity utilization of almost 85%-90% during that quarter for the expanded capacity as well.

Krish Salot – Bir Growth AIF: So, sir, will we be looking to expand the debottlenecking capacity further in Q4?

Management: No, the capacity expansion has been completed. I am saying that the volumes will come in Q4 when we get the new contracts. In Q4, you will find significant volume growth.

Krish Salot – Bir Growth AIF: Okay, sir. Secondly, my question was about what our asset turns would be and how we are looking to improve our asset turns further.

Management: Asset turnover has already improved and is doing well. As informed, going forward, with the new molecule coming in and the high specialty chemicals facility also being set up, we expect better asset turnover going forward in Phase 2 and Phase 3 as well. As we speak, our asset turnover is at 1.7 times on the fixed asset base.

Mahesh Pai: You can also look at ROCE. ROCE is almost 25%, at 24.3%, which reflects how well we are using our assets, including both working capital and fixed assets.

Krish Salot – Bir Growth AIF: Sir, just one last question. Last quarter, I had asked you about the new JVs, and you had given us some understanding that we were working on 2 new partnerships that we were close to signing, including strategic partnership agreements. Have those agreements been signed, and what is the status?

Mahesh Pai: We are working on those. It takes time, as you know, and it is work in progress. In due course, we will inform you about those. We are obviously working on opportunities, and there are opportunities on hand.

Krish Salot – Bir Growth AIF: Okay, sir. Lastly, are we facing some raw material pressure from the freight perspective because of the continuing extended war-like scenarios in the West Asia region?

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Mahesh Pai: As we have always maintained, two-thirds of our revenue, almost 70% of our revenue, comes from non-petroleum-source raw materials. Therefore, we do not have a significant impact from this war and the situation related to it.

Krish Salot – Bir Growth AIF: Okay, sir. Thank you so much.

Mahesh Pai: Thank you.

Operator: Thank you very much. Ladies and gentlemen, to ask a question, please press star and one on your touchtone telephone. I repeat, to ask a question, please press star and one on your touchtone telephone.

The next question is from the line of Ram Aravind from Equentis PMS. Please go ahead.

Ram Aravind – Equentis PMS: Hello, hi. Am I audible?

Management: Yes.

Operator: Yes, sir.

Ram Aravind – Equentis PMS: My first question is on the growth guidance. If I am not wrong, for the past 3 or 4 quarters, we have been guiding for about 20% growth. However, H1 actually grew by about 15%, and if we have to reach 20% for the full year FY27, we will have to grow by well above 22% or 23%. Does management still maintain that 20% guidance?

Management: Yes, we continue to maintain the 20% guidance. As you are aware, normally the first half is lower than the second half for us, and we are confident of showing 20% growth on an annual basis. We have always reiterated that you have to look at us on a yearly basis rather than looking only at quarter-on-quarter performance.

Ram Aravind – Equentis PMS: Just to follow up on that, are there any specific segments from which you see the growth coming? We know that pine is a larger segment, but apart from that, do you see any other specific segments from which the growth is going to come?

Management: As informed, the overall utilization of all our plants has been around 85%-90%. We expect to maintain the momentum of growth across all segments, and Mr. Mahesh Pai will also add to

Mahesh Pai: The market's usage of aroma chemicals is increasing significantly. Many new applications are emerging. New customers are using more and more pines. The Africa market is growing, and we supply to customers who supply to Africa. The markets are growing very well, and we hope to maintain the 20% target as committed.

Ram Aravind – Equentis PMS: Do you want to comment on any particular segments from which this growth is coming, or

Mahesh Pai: We do not normally give segmental guidance, but overall, we will be able to maintain that 20% growth.

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Ram Aravind – Equentis PMS: All right, sir. Understood. The second question would be on the Phase 2 and Phase 3 capex plan. Can you give us a timeline for when we could see completion and when we will see commercial production from the chemicals covered under this capex?

Mahesh Pai: Phase 2 will happen, and it will be effective and available for commercial sales from the second half of the next financial year. We are planning to complete everything by June, and from September onward, because there will be trial production and all of that, from the second half of the next financial year, we are looking to have additional revenues as well as margins from the new expansion.

Ram Aravind – Equentis PMS: Is this for the furfural-based derivatives, or is that separate?

Mahesh Pai: That is correct. It is for furfural-based derivatives, maltol, ethyl maltol, cyclopentanone, and a couple of specialty molecules as well.

Ram Aravind – Equentis PMS: All right, sir. I will get back in the queue if I have another question.

Mahesh Pai: Certainly.

Operator: Thank you very much. The next question is from the line of Sudhir Bheda from Bheda Family Office. Please go ahead.

Sudhir Bheda – Bheda Family Office: Good afternoon, and hearty congratulations to the entire Privi team for posting outstanding results under the very volatile circumstances that we are currently experiencing in terms of high freight rates and volatility in the European and US markets as well.

For my first question, there is a slight dip in EBITDA. If we strip off other income, there has been a slight dip in EBITDA compared to last year. Is it the case that last year you had said that you had received some incentive, a capex-based incentive? What is the position this year? Have we received the incentive, or is the incentive yet to come?

Management: Good evening, sir. As indicated, we have received only 1.62 crores in the first half as against the 9 crores that we received in the previous year. We expect to receive more incentives going forward in the next 6 months or so. The amount will be higher than what we earned in the previous year.

That is one part. Second, with regard to the percentage dip that you mentioned, I tried to clarify this in my speech. If you remove the 9 crores that was also considered as revenue vis-à-vis the 1.62 crores this year, RMC as a percentage is about 52% in this quarter, and in the previous year, if we make the same adjustment, it comes to about 51%. As you know, a 1%-2% variation because of so much CST and GTO coming from various belts and various locations will always be a factor.

However, we were able to maintain and improve the EBITDA margins on other expenses because, with a higher base, we have been able to amortize the fixed expenses. That is how the EBITDA margins have improved.

Mahesh Pai: Conversion of EBITDA into PAT has also been improving over the last 4 or 5 quarters, which reflects that we are using our assets much better. Interest cost is also coming down. As a

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result, our conversion from EBITDA to PAT has improved significantly in the last 4 quarters as well.

Sudhir Bheda – Bheda Family Office: Yes, sir. EBITDA to cash has also improved because cash from operations has gone to the 360-level, which is very good.

Management: That is correct, sir. Yes, that is correct.

Sudhir Bheda – Bheda Family Office: Can you quantify the outstanding incentive that we are likely to receive in the next 2 quarters?

Management: The amount should be in the range of about 12 to 14 crores.

Sudhir Bheda – Bheda Family Office: Great, sir. For next year, what is your guidance for FY27-28 in terms of revenue growth and, if possible, EBITDA guidance?

Mahesh Pai: We have a very positive outlook. We are confident of maintaining 20% or

Management: exceeding 20%, to be honest. We are confident that we will be able to be close to 4,000, maybe 3,750 or some number, but we are close to the guidance that we have given. 20% will surely be maintained, and we have received initial indications from customers that they are going to buy more. We are happy to say that our guidance reflects a positive outlook.

Narayan: We will also be able to maintain the EBITDA margin where we are right now. That is the guidance on EBITDA.

Sudhir Bheda – Bheda Family Office: Great, sir. Congratulations and all the best. Thank you.

Management: Thank you.

Narayan: Thank you.

Operator: Thank you very much. Ladies and gentlemen, to ask a question, please press star and one on your touchtone telephone. I repeat, to ask a question, please press star and one on your touchtone telephone.

The next question is from the line of Yash from {? Avira AMC ?}. Please go ahead.

Yash – {? Avira AMC ?}: Hi, sir. Thank you for the opportunity, and congratulations on a great set of numbers.

My question is more from a macroeconomic or industry perspective. We have been hearing a lot about the various headwinds that the European markets are facing. As a company, how do you think we can benefit from this situation, including the labor crisis and the energy crisis?

Management: We always maintain that we touch your life every single day, and we are in products that we use on a day-to-day basis. To that extent, some of these crises that we talk about may not affect us. In terms of our future outlook, we see great opportunities coming forward because all the factors that you mentioned create a huge amount of opportunities for manufacturers in India who are compliant, quality-conscious, and follow all the sustainability norms. As a result, Privi is

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well-positioned to capitalize on all these opportunities, and that is why we are so positive about the future.

We have delivered 15% growth in the first half, and we are confident that by the end of the year, growth will be 20%. We see substantial opportunities coming our way, and we are well-positioned because we have created sufficient infrastructure to capitalize on them.

Yash – {? Avira AMC ?}: Understood, sir. Thank you very much.

Operator: Thank you very much. The next question is from the line of Mahima Gidwani from PhillipCapital PMS. Please go ahead.

Mahima Gidwani – PhillipCapital PMS: Hello. Thanks for the opportunity, and congratulations on a good set of numbers.

My first question is on freight costs. Do our contracts with customers include a fixed freight cost, or can we pass through any adverse variation to the customers? Also, are we experiencing any challenges in procuring CST due to disruption in shipping routes because of geopolitical situations?

Management: Answering the second question first, we are not seeing any challenges in procuring our raw materials. Coming to the first question, Narayan will reply.

Narayan: As far as freight costs and passing them on to customers are concerned, as informed in some of the earlier investor calls, we learned from our mistakes in the past. Now, when we enter into contracts, we ensure that there is a quarterly pricing mechanism for freight. If freight costs exceed expectations and increase drastically, we are in a position to go back to our customers and ask for the increase or decrease, as the case may be.

Having said that, and reiterating this point, the disturbance in freight for us has not been to the extent that others are currently facing.

Mahima Gidwani – PhillipCapital PMS: Understood, sir. Lastly, on margins, for all the new products that will be coming next year, is the margin profile on these products similar at a {? blended level ?}, or can we expect the margins to be higher than the company's current margins?

Management: We expect margins to continue in the range at which they are right now for the new products coming up.

Mahima Gidwani – PhillipCapital PMS: Thank you.

Management: Thank you.

Operator: Thank you very much. The next question is from the line of Nirav Gandhi from Sunidhi Securities. Please go ahead.

Nirav Gandhi – Sunidhi Securities: Hello. Am I audible?

Management: Yes.

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Nirav Gandhi – Sunidhi Securities: Thank you for the opportunity, sir. My first question is on other income. We have seen a higher number in Q1 and Q2. Is there any specific reason for this?

Narayan: Good evening, Nirav. This is Narayan here to answer that. The primary reason is that our exports are high, and the dollar has been in our favor. Being a net exporter, it always helps us. Other income primarily consists of foreign exchange gains.

Nirav Gandhi – Sunidhi Securities: The second question is regarding EBITDA margins. If we compare {? Q2 FY25 ?} with {? Q2 FY24 ?}, both quarters have seen EBITDA margins in excess of 25%–26%. Is there any seasonality in terms of EBITDA margins?

Narayan: I will explain this in a slightly different way. Last year, in the said Q2, we received 9 crores of state incentives. That is why EBITDA margins improved slightly on account of that. We were also helped by the overall RMC prices from inventory. That was the reason for this. In addition, higher sales volume was achieved in this quarter because Q2 is normally a better quarter for us compared to Q1.

Management: What you are saying is correct. It cannot be called seasonality, but if you look at our last 4 or 5 financial years, Q2 has always been superior in terms of financial numbers. One of the key reasons is that we often receive second-calendar-year contracts from some customers. That is where newer products also come in, resulting in better margins and better profitability.

Nirav Gandhi – Sunidhi Securities: If you can share the volume growth numbers for Q2 and H1 FY25, a rough indication would be helpful.

Narayan: Broadly, Q2 saw growth of 4%, and overall in H1, if you compare last year with the current year, growth has been in the range of about 7%–7.5%.

Nirav Gandhi – Sunidhi Securities: That 4% in Q2 is on a year-on-year basis, correct?

Management: That is correct.

Narayan: That is correct.

Nirav Gandhi – Sunidhi Securities: What about revenue and EBITDA from the Prigium joint venture?

Narayan: As indicated by Mr. Sanjeev, in this quarter we achieved sales of about 28 crores, with positive PBT of close to 2 crores. Overall, for the first 6 months, we achieved sales of about 47 crores and a negligible loss of 0.02 lakhs.

Nirav Gandhi – Sunidhi Securities: Got it, sir. That is it from my side. Thank you.

Management: Thank you.

Narayan: Thank you, Nirav.

Operator: Thank you very much. The next question is from the line of Nikhil Porwal from Perpetual Capital. Please go ahead.

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Nikhil Porwal – Perpetual Capital: Good evening, everyone. Congratulations to the entire team for posting a strong set of results.

My first question is on the working capital cycle. Narayan, I think you are trending close to 90 days now, whereas this was almost 150 days 3 years ago. Are we at the bottom now, or might we see a slight increase in the coming period?

Narayan: Nikhil, you have done a good analysis, I should say. Thank you. You have always been a good well-wisher, as have all the other investors. This time, that is the reason I also mentioned in my speech that the cycle was less than 100 days. Over the long term, on an annual basis, you should expect a working capital cycle broadly in the range of about 105 to 110 days.

Nikhil Porwal – Perpetual Capital: There has also been a decline in debtors. Receivables have declined versus March while sales have moved up. Have you changed some terms with your customers, or what is the reason for this?

Narayan: I have to say that Privi stands for quality and on-time delivery, and our customers' expectations have been very positive. They have been helping us ensure that the money is paid to us on time and, in some cases, a few days ahead of time as well. That is why you see receivables coming down in this first half.

Nikhil Porwal – Perpetual Capital: The next question is about the expected deleveraging in Prigium. I think you were looking to convert the debt into an advance or something similar. Has that already happened, or is it still in process?

Narayan: It is in process. It takes some time. We are in discussions with a large multinational company.

Nikhil Porwal – Perpetual Capital: Understood. I look forward to strong performance in the coming period. Best of luck.

Narayan: Thank you, Nikhil.

Operator: Thank you very much. Ladies and gentlemen, to ask a question, please press star and one on your touchtone telephone. I repeat, to ask a question, please press star and one on your touchtone telephone.

The next question is from the line of {? Krish ?} from {? B&K Securities ?}. Please go ahead.

{? Krish ?} – {? B&K Securities ?}: Hello, sir, and thank you for taking my question again.

I wanted to understand more about the merger of Privi Fine Sciences and Privi Biotechnology. Earlier, 2 years ago, when we decided to undertake this merger, our plan was that Privi Fine Sciences could achieve around 100 crores of turnover by FY25. However, we did not achieve that, recording around 268 crore of turnover in FY24 and around 34.28 crores of loss.

Post-merger, we can see some effect on our consolidated books. How is the utilization and ramp-up expected to improve? The target was around 300-odd crores of revenue from that particular plant.

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Management: You are right, Krish. We had given that guidance. It is awaiting some regulatory approvals; otherwise, in terms of products, we are good. However, we faced some delays in obtaining certain regulatory approvals, which are now nearing completion. Therefore, next year you will see significant improvement in these numbers.

What is important is that we have 5 different products, out of which 4 products are already being supplied to top multinationals. We have not been able to expand the capacity because of the regulatory approvals I mentioned. Those approvals should be in place during the next few months, and in the next financial year you will definitely see numbers closer to what you mentioned.

{? Krish ?} – {? B&K Securities ?}: Can you give me some understanding of the current utilization, the capacity at which it is operating, and the product portfolio that this capacity covers?

Management: We do not normally give product names and details, but these are products based on the waste of {? the pinene ?} and other materials. Capacity utilization is as high as 85%. We are not able to expand the capacities. Everything is ready, but there are some permissions that we are waiting for. Once those are in place, the expansion will happen.

{? Krish ?} – {? B&K Securities ?}: Will we undertake some debottlenecking or add some capacity there apart from the capex plan that you have already given? Is that primarily for this facility as well?

Management: That is correct, but you require permissions for expanding capacity from the Pollution Control Board and others. Those permissions are expected at any time now. Once we have them in place, it will result in expanded growth.

{? Krish ?} – {? B&K Securities ?}: Understood, sir. Just one last question on that. Will the capacity there be around 6,000 MTPA?

Narayan: That is correct. Krish, to answer you specifically, yes, the capacities are already in place. That is what Sanjeev is trying to say. We have about 6,000 tons of capacity, which can potentially generate revenue of about 300 to 350 crores, based on the prices that are prevailing. Certain regulations and certain other matters [trails off]

Narayanan Iyer: are in the pipeline. We expect those bottlenecks to be resolved as we speak, and by the time the entire merger process happens, which we expect should happen before the end of this financial year, we will be in a position to go all out on manufacturing and achieve approximately 80%–85% of the capacity. Our revenue from the approximately 100-odd crores that we could achieve can then reach the 250–300 crore mark as well.

{? Krish ?} – {? B&K Securities ?}: Currently, you are also operating at around 85% utilization, if I heard that correctly. Why is there a loss of around 34 crores at that level?

Management: Full capacity has not yet been realized. That will be realized only when we receive those permissions, and that is when the facility will break even and move into the black.

{? Krish ?} – {? B&K Securities ?}: Thank you very much. I am done. Thank you.

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Operator: Thank you very much. Ladies and gentlemen, to ask a question, please press star and one on your touchtone telephone. I repeat, to ask a question, please press star and one on your touchtone telephone.

The next question is from the line of Aniruddh Sharma from Ekansh Investments. Please go ahead.

Aniruddh Sharma – Ekansh Investments: Good evening, sir. Am I audible?

Management: Yes, sir.

Aniruddh Sharma – Ekansh Investments: I had a couple of questions. The first question is on the capex front. What is the total remaining capex, what is the expected commissioning timeline, and what incremental revenue potential are we seeing from the ongoing projects?

Narayanan Iyer: As mentioned by us and also indicated in the investor presentation, the overall outlay for all 3 phases put together was close to about 1,400 crores. Phase 1 is already completed, and we have incurred expenses on some of Phase 2 as well. Broadly, as we speak, we expect 1,000 crores to be spent going forward on Phase 2 and Phase 3. All 3 phases put together have the potential to generate revenue of about 1,700 to 1,800 crores.

Aniruddh Sharma – Ekansh Investments: Additionally, how much revenue contribution can we expect from maltol, ethyl maltol, and other specialty chemicals over the next 2 or 3 years, if you can provide some indication?

Narayanan Iyer: That is what I indicated. Phase 2 will include maltol, ethyl maltol, furfural, and cyclopentanone, as Mr. {? Sanjeev Patil ?} was saying. This is Phase 2 of the expansion, which we expect to complete next year between June and September. Revenue contribution will start from October 27 onward.

We expect the entire Phase 2 to contribute close to 1,000 crores of revenue once it is operating at full capacity of 12,000 metric tons. Phase 3, as we are discussing, where we indicated broad capex of about 400-odd crores, or 400 to 425 crores, will give additional revenue of close to another 450 to 500 crores.

This 1,000 crores, plus 500 crores from the specialty products and Phase 1, which has the potential to generate about 450 crores, gives us the total. If we add this up, all 3 phases of capex will give us revenue of about 1,900 crores. We expect this 1,900 crores to be fully in sync by 2030, which should allow our company to reach the 5,000 crore mark.

Aniruddh Sharma – Ekansh Investments: Understood, sir. That is it from my side. Thank you for the opportunity.

Narayanan Iyer: Thank you. Thank you, {? Aniruddh ?}.

Operator: Thank you very much. Ladies and gentlemen, to ask a question, please press star and one on your touchtone telephone. I repeat, to ask a question, please press star and one on your touchtone telephone.

The next question is from the line of Dharmendra Dave from JM Financial Limited. Please go ahead.

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Dharmendra Dave – JM Financial Limited: Hello. Thank you for the opportunity, and congratulations on a good set of numbers. Sir, can you

Management: Thank you.

Dharmendra Dave – JM Financial Limited: I wanted to know about the initial response from clients for next year's contracts. Are they concerned, or are they confident of increasing their offtake from Privi? What is the sense on that front?

Management: This is somewhat proprietary, so I will be very guarded in what I say. The situation is extremely good. All is well and getting better. We are seeing a very positive outlook for the market and from our customers. Please appreciate that I cannot be more open than this at this stage.

Dharmendra Dave – JM Financial Limited: Understood. Since this new capacity is coming on stream next year, probably around September-October 27, are there any offtake arrangements tied up for this business as well?

Management: We are working on all of that. The way we do it is that during the 1 year in which we are setting up this project, we manufacture these products on a pilot basis and market and sell them to our customers. This ensures that, in terms of quality and various other issues, everything is sorted out by the time commercial production starts. The response is positive, very positive.

Dharmendra Dave – JM Financial Limited: Should I understand that the approval cycle and everything is currently ongoing and will be completed by that time?

Management: Absolutely.

Dharmendra Dave – JM Financial Limited: Understood. That is it from my side. All the best, sir.

Management: Thank you.

Operator: Thank you very much. The next question is from the line of Devesh Jainani from Equentis. Please go ahead.

Devesh Jainani – Equentis: Hello. Am I audible?

Management: Yes.

Devesh Jainani – Equentis: Thanks for the opportunity. On the JV side, you rightly mentioned that the JV earned revenue of 28 crores during this quarter. On a full-year basis, what kind of revenue can we expect from that JV?

Management: [pause] In the JV, we are looking at 2 phases of expansion. One is already underway, and based on that, we see revenue of around 225 crores or thereabouts. There is also a third phase on which we are currently working. We are conducting some pilot studies and feasibility studies. If that is completed, we can provide guidance only after 3 or 6 months because we are currently working on the pilot, economics, and financials. Once that is in place, we can go beyond 225 crores as well. We are confident of that.

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Devesh Jainani – Equentis: That 225 crores is the guidance for FY27, correct?

Management: Yes.

Devesh Jainani – Equentis: Okay, sir.

Management: FY27-28.

Devesh Jainani – Equentis: FY27-28. Okay, sir. My second question is on your {? CTO and DTO ?} side. These are imported, correct? Is there any concentration among the suppliers from which they are currently imported, or is the sourcing diversified?

Management: It is very diversified. The sourcing is very diversified.

Devesh Jainani – Equentis: Got it, sir. That is it from my side. Thank you.

Operator: Thank you very much. As there are no further questions, I would now like to hand the conference over to Mr. Narayanan Iyer for closing remarks.

Narayanan Iyer: On behalf of Privi Speciality Chemicals Ltd. and the management, I would like to thank everyone for taking the time to join us on this call. It has been a pleasure interacting with all of you, especially with the sound financial numbers put forth by the entire Privi team. I look forward to engaging with you all very soon.

Meanwhile, I wish you and all your families a very Happy Diwali, a wonderful New Year, and compliments of the season. Thank you, everyone, once again. Have a great day. Good evening.

Operator: Thank you very much. On behalf of Privi Speciality Chemicals Ltd., that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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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