Operator: Ladies and gentlemen, good day and welcome to the SH Kelkar and Company Limited Q1 FY27 earnings conference call. As a reminder, all participant lines will remain in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal the operator by pressing star then zero on your touch-tone telephone. Please note that this conference is being recorded.

I will now hand the conference over to Mr. Meet Shah from CDR India for opening remarks. Thank you and over to you.

Meet Shah - CDR India: Thank you, Ryan. Good afternoon everyone and thank you for joining us on SH Kelkar and Company Limited's Q1 FY27 earnings conference call. We have with us Mr. Kedar Vaze, Whole-time Director and Group CEO; Mr. B. Ramakrishnan, CEO of Fragrances, Asia and USA; and Mr. Jagdish Agrawal, Group Chief Financial Officer of the company.

We will begin the call with brief opening remarks from the management, following which we will open the forum for a Q&A session. Before we begin, I would like to point out that certain statements made in today's call could be forward-looking in nature and a disclaimer to this effect has been included in the earnings presentation shared with you earlier. I would like to invite Mr. Vaze to give his opening remarks. Thank you and over to you, sir.

Kedar Vaze - Whole-time Director and Group CEO: Good afternoon everyone and thank you for joining us for the SH Kelkar and Company earnings call for the first quarter of financial year 2027. We are pleased to have begun the year with a sustained solid performance and encouraging revenue growth, accompanied by an improvement in operating profitability. However, the operating environment continues to warrant caution. Geopolitical developments continue in West Asia, which have kept energy and freight costs high, and general trade volatility remains high. At this time, the fundamental demand drivers of our industry — consumer preferences for fragrance and taste across personal care, home care, and food categories — have remained intact and continue to grow. But we are cautious about the overall environment.

We, therefore, are not looking to predict the environment and macroeconomic growth but rather to be prepared for rapid changes. Our long-term priorities are unchanged: deepening customer intimacy, expanding the opportunity pipeline, and investing ahead of demand in R&D, creative development centers, and manufacturing capabilities. These investments carry near-term costs, but they are what position us to win larger briefs, anticipate evolving consumer preferences, and build durable, differentiated positions across categories and new markets, especially in European and American markets. We are making these investments with discipline and with a clear line of sight to the revenue opportunities they are designed to unlock. We remain equally focused on supply continuity and service levels to our existing clients — areas where our proactive planning has allowed us to support customers without any interruption despite the fluid global supply environment.

With that, let me hand over to Jagdish to take you through the financial performance in greater detail. Over to you, Jagdish.

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Jagdish Agrawal – Group CFO: Thank you, Kedar. Good afternoon everyone and thank you for joining us. Consolidated revenue from operations grew 14% year-on-year to 662 crores. The fragrance segment delivered healthy growth led by Europe and select international markets. We are particularly pleased with our performance given the subdued consumer backdrop in parts of the developed world. The flavor segment recorded strong growth based on growth across geographies and notably contributed to the quarter. I would note that a portion of the growth reflects the timing of certain customer orders, and the pace of the growth should, therefore, be viewed on an annualized basis rather than extrapolated from a single quarter.

Gross margins were stable year-on-year, supported by a favorable product mix and proactive raw material planning — an outcome we consider satisfactory given the volatility in select input prices. Consolidated EBITDA rose 21% to 89 crores, with the EBITDA margin improving to 13.4% from 12.6% in the corresponding quarter last year. We drive operating leverage only if there are any ways. Within this fragrance segment, reported profitability absorbed higher operating expenses linked to the continued strengthening of our R&D capabilities and global distribution network. These are deliberate, growth-oriented investments, and while they weigh on segment margins until the corresponding revenue scales up, they are central to the quality and durability of our future growth. The global ingredient business saw a softer quarter on lower demand in select export markets, and we are watching this closely.

On the balance sheet, net debt increased by 65 crores during the quarter to 370 crores as on June 30, 2026. This reflects two conscious decisions: a strategic inventory buildup to assure supply security to our customers in an uncertain geopolitical environment, and continued capital deployment towards capacity expansion and growth initiatives. While we continue to navigate near-term headwinds, we remain firmly committed to delivering on our medium to long-term goals. During the quarter, we recognized exceptional income of approximately 30 crores towards the insurance proceeds relating to a fire incident. The claim process is progressing well, and we expect full settlement within the current financial year.

Looking ahead through FY27, the pace of revenue growth will vary across quarters depending on the timing of demand, orders, and geopolitical situations. Notwithstanding this quarterly variation, the current business momentum keeps us on track to deliver double-digit revenue growth and improved margins for the full year. We remain focused on balancing growth with financial discipline through appropriate pricing and cost management initiatives, improved cash conversion, and prudent capital allocation. With that, I would request the operator to open the floor for questions. Thank you.

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

Abhijit – Analyst: Good afternoon, team, and congratulations on the improvement in this quarter's numbers. I am hoping to dig deeper into a couple of areas. One is on the revenue growth front. Firstly, flavors, as you pointed out, has grown extremely strongly, perhaps due to some lumpy

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orders this quarter. Would it be possible to share some outlook for the full year in terms of what your budgets are for the business regarding revenue growth, just so we get some perspective of how the rest of the year might be?

Then on the fragrances side, the India piece seems to be a little bit soft with flat revenues year-on-year. Is that mainly because of a high base from last year's Q1? If so, how are you seeing trends in the India fragrance business? And finally, on the foreign exchange contribution, given the sharp depreciation in the rupee, could you spell out how much that might have contributed to revenue growth this quarter? Thanks.

Kedar Vaze - Whole-time Director and Group CEO: So, I think on the revenue side, while the overall revenue for the quarter is in line with the budget, the internal dynamics of the product mix are skewed more toward flavors being higher than the budget and the ingredient business being lower than the budget. But the overall revenue is in line with our expectations. For the future remaining quarters, we expect the ingredient business to catch up as the year goes through and for flavors to normalize.

I would say we did 112 crores in revenue for flavors this quarter, and about 95 crores would be the figure on a normal basis. We expect that one odd month or two or three weeks involved the preponement of orders by clients, given that lead times and shipping times were not normal. We have seen an uptick in orders from some of our clients. However, in July, we do not see any decline in this momentum. So there is continued demand, but I would look at something like 95-96 crores for flavor sales in Q1 and guesstimate about 15 crores of preponement through the extra stock buildup in distribution. Regarding foreign exchange, 9% is like-for-like growth, and net 5% is our additional FX sales due to the exchange rate.

Regarding your third point on the India business, Q1 last year was a very strong quarter in comparison. As we pointed out in Q4, we have taken a conscious decision to exit from some low-margin businesses. We have held back on over-sales to clients and only provided what they actually regularly consume, not taking any additional advance orders as pricing movements were occurring during the quarter. As we increased prices, we rationalized margins to ensure we are selling the right products to the right people at the right pricing in a much more disciplined manner. We are more focused on the overall business, given that we were not confident of having enough raw material to service all clients in the first quarter. Subsequently, with our inventory buildup and the current scenario, we are now servicing almost all clients.

Abhijit - Analyst: Thank you. That is really helpful. The other point I had was on the margins. You mentioned the possibility of some margin expansion this year along with double-digit revenue growth. Given we have reported around 13% margins this quarter, is there any broad range we might be able to pencil in from a full-year perspective? Would it be, say, 10-12% or maybe slightly higher than that? Is there anything you might be comfortable talking about? I also wanted to check if we should expect gross margins to remain around these current levels, given the volatility in the marketplace.

And finally, on flavors, that segment has been reporting extremely strong margins. What is a reasonable, sustainable number to work with there?

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Kedar Vaze – Whole-time Director and Group CEO: On the flavors front, the margins from fast growth have resulted in a very healthy bottom line. We continue to see growth, so we are quite bullish on how the flavor business is evolving. Q1 is very strong. We may not see the same sort of momentum in the remaining quarters, but it is doing exceedingly well with repeat demand and new product adoption. Last year was good, and we are seeing that momentum continue into this year. So, flavors will outperform this current year compared to the previous year's trend.

To your question on the bottom line, this quarter is not an unusual quarter in any way. If there are no major changes, we should look at a similar sort of margin and growth. We just remain cautious. If the geopolitical situation affects different parts of the world, it affects some parts of our business, and that will influence overall results. At the moment, we see strong double-digit growth across the board. If that double-digit growth is sustained, we should see a similar EBITDA margin level, at least in terms of absolute numbers. Percentages might vary by 1% based on pricing and sales momentum. But this is in no way an exceptional quarter; this is a baseline, normal quarter.

Abhijit – Analyst: Thank you so much. And just one last thing from me: what is the timeline for your factory rebuild and the other expansions? If you could please give us an update on that. Secondly, on the debt front, should we expect further increases during the course of this year? And finally, on your tax rate, it seems a bit on the higher side. What is the full-year rate we should work with? Thanks a lot.

Jagdish Agrawal – Group CFO: Abhijit, regarding the factory, we are looking at going operational in the third quarter. Regarding our debt positions, they are more or less going to remain the same as what we had in June. It may slightly go up in September, but for the long-term or medium-term, we will be hedging, and there will be a path to reduce it. So, I do not see the debt situation remaining the same.

You mentioned the effective tax rate (ETR). In March 2026, the ETR was very high. It is going to get moderated as we start seeing growth in all other subsidiaries and look into the overall profitability. Even today, for the June quarter, we are at around 31.5% or 32% ETR. Our target is for that to be less than 30%. That is what we are working on.

Abhijit – Analyst: Great, understood. Thank you so much.

Operator: Thank you. Participants, in the interest of time, we request you to restrict yourselves to two questions per participant and rejoin the question queue. We take the next question from the line of Pranav Tandolkar from Rare Enterprises. Please go ahead.

Pranav Tandolkar – Rare Enterprises: Hi, can you hear me?

Kedar Vaze – Whole-time Director and Group CEO: Yes.

Pranav Tandolkar – Rare Enterprises: Sir, I understand that you are not doing quarter-on-quarter similar growth in fragrances. But what is the opportunity set here, say, 2 or 3 years down the line, given whatever investments we are making and whatever relationships we have? This industry is relatively unexplored. What is the opportunity set here? Can you spend some time evaluating or explaining that?

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Kedar Vaze – Whole-time Director and Group CEO: If we look at the fragrance business market size, it is about 10 billion dollars. You can reach that kind of opportunity space. But the credibility to reach all 10 billion is already built-in with the patents, back-end systems, and IP generation.

Pranav Tandolkar – Rare Enterprises: Understood. Thanks a lot, sir.

Operator: Thank you. We take the next question from the line of Shivam Gupta from Siddhartha Asset Managers. Please go ahead.

Shivam Gupta – Siddhartha Asset Managers: Hi, sir. Thank you for the opportunity. My question is: as customer preferences continue to evolve, are you seeing faster growth in premium fragrances compared to mass-market products, and how do you expect this trend to influence your product mix over the next few years?

Kedar Vaze – Whole-time Director and Group CEO: Generally speaking, as customers have higher disposable income, there is a move toward premiumization. This is a normal phenomenon year on year across the globe. In years of high inflation, which we expect this year to be, premiumization might be a bit muted. But in general, this trend is normal where people go in for more premium products, and brands also bring in better versions and higher-spend products. This is a normal trend, so it is not disrupting us in any way. The benefit of working in European markets for the last few years is that we have already developed products for the next wave that will come to Asia. We are cross-selling previous versions from Europe that are still in trend in Asia.

Shivam Gupta – Siddhartha Asset Managers: Okay, sir. And my second question is: what percentage of your revenue today comes from products launched in the last 3-5 years?

Kedar Vaze – Whole-time Director and Group CEO: About 10-11%.

Shivam Gupta – Siddhartha Asset Managers: Okay, sir. That is all from my side.

Operator: Thank you. We take the next question from the line of Jatin Chawla from RTL Investments. Please go ahead.

Jatin Chawla – RTL Investments: Hi, good evening and thanks for the opportunity. My first question is that we have seen a lot of raw material volatility, and given that we have kept some strategic inventory, are we seeing some benefit of that in the gross margin? Going forward, can there be a negative impact on gross margins once this inventory starts depleting?

Kedar Vaze – Whole-time Director and Group CEO: We have prepared in a manner that we have 6 months of visibility on the inventory and our pricing contracts for clients. We have increased the inventory to ensure that for the next 4-5 months — effectively 6 months from July — we do not have any additional cost pressure on raw materials. All prices are fixed with stock in hand or contracts in place. So we do not see any major changes in the profile of selling prices or cost structures in the next 6 months regarding raw materials.

We will obviously keep updating what is happening with raw materials month on month. We have effectively an extra 45 days of inventory in the system to allow us to pass on any major shocks or changes to clients in proper time and not take a hit on gross margin at our end. We have ready

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inventory to allow us to go back to the clients well in time and push for the recalibration of selling prices if required.

Jatin Chawla – RTL Investments: Got it. A related question is: if we are confident that our gross margins can be maintained, shouldn't our EBITDA margins go up as revenue scales up, because your creative development center (CDC) investments are largely done now? Therefore, fixed cost absorption should improve going forward.

Kedar Vaze – Whole-time Director and Group CEO: Yes, your comment is absolutely right. We are just not in a position to anticipate or predict the demand structure or situation for the full year. As of now, things look to be in the normal range, and as we grow at double digits, our margins will improve. For the full year, we are not confident in predicting beyond 2 or 3 months' time. It is a bit early and too uncertain. We do not want to put out a number we do not really know. At some point, with currency exchange rates or growth faltering in any part of the world, if it has a significant effect on the overall figure, then we will have a slightly muted result as a baseline.

Jatin Chawla – RTL Investments: Thanks. My second question is on the capacity expansion and the capex plans for this full year. How much was done in Q1, and if you could split it between Europe and India, that would be useful.

Kedar Vaze – Whole-time Director and Group CEO: About 25 crores was done in Europe in Q1. European capex is now completed. The plant has been operational since May. Our Q2 capex will continue on the Mahad and Vashivali India fragrance projects. We expect the bulk of these capex investments to happen before the end of Q2 and the Mahad factory to be operational in Q3. Then we have an opportunity, based on how things are running and the demand scenario, to either deploy the last 25 crores of capex in Q4 or defer it to Q1 next year for the Vashivali plant upgradation.

Jatin Chawla – RTL Investments: And in Q2, how much do you plan to spend in Mahad?

Kedar Vaze – Whole-time Director and Group CEO: In Q2, Mahad is about 25 crores.

Jatin Chawla – RTL Investments: Okay, so 25 crores was spent in Q1, 25 crores in Q2, and for the remaining 25 crores, you will decide whether to do it this year or next year?

Kedar Vaze – Whole-time Director and Group CEO: No, for the remaining roughly 50 crores, we will decide for these three plants in India.

Jatin Chawla – RTL Investments: Got it. Thanks a lot. I will come back to the queue.

Operator: Thank you. We take the next question from the line of Tanish Jhaveri from Boring AMC. Please go ahead.

Tanish Jhaveri – Boring AMC: Hi, can you hear me?

Kedar Vaze – Whole-time Director and Group CEO: Yes.

Tanish Jhaveri – Boring AMC: Yes, I wanted to ask more about the CDCs. By when can we expect a ramp-up in the European subsidiary, and what kind of revenue stream can we expect from it? Also,

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regarding incremental return on invested capital (ROIC), what are the return ratios you are expecting for our investment in Europe?

Kedar Vaze – Whole-time Director and Group CEO: In the longer term, we see the ROIC at around 17-18% in the European business. We have just invested in a large center in Germany and with the new factory in Almere. So we are at the full capex cycle. It will take 3-4 years of growth to come back to the normal trend line. Regarding the opportunity space, we are investing roughly 3 million dollars a year additionally in R&D, and as I said earlier, the markets we are addressing are quite large. We have more than 4-5 billion dollars of new areas where we are operating in Europe. It is not that it will all happen tomorrow morning, but effectively the opportunity space for us is quite large. We are confident of growing extremely fast in these markets because we have a very small base.

Tanish Jhaveri – Boring AMC: Okay, thank you. And on a group level, what kind of ROE and ROIC do you have in mind for the longer term, say 2 or 3 years down the line?

Kedar Vaze – Whole-time Director and Group CEO: We should have in excess of 15% ROIC as our target. Our long-term target is 20%. But at the moment, we will see 3-5 years of slow traction toward 15% and then, as sales ramp up in the new initiative areas post-breakeven and EBITDA positive, we will reach that 20% ROIC level.

Tanish Jhaveri – Boring AMC: Okay, thank you so much.

Operator: Thank you. We take the next question from the line of Advait Chaukar from Equipoise Capital Management. Please go ahead.

Advait Chaukar – Equipoise Capital Management: Thank you for the opportunity. I have one question about the recent heavy rainfall and flooding in parts of Gujarat, including the Vapi region. Have any of our manufacturing facilities or supply chain operations been impacted because of this?

Kedar Vaze – Whole-time Director and Group CEO: No.

Advait Chaukar – Equipoise Capital Management: There is no impact or shutdown you are expecting from this?

Kedar Vaze – Whole-time Director and Group CEO: So far, we have had no impact.

Advait Chaukar – Equipoise Capital Management: Okay, thank you. That is all from my side.

Operator: Thank you. We take the next question from the line of Ashwin Patil from Intelligent Prosperity Solutions. Please go ahead.

Ashwin Patil – Intelligent Prosperity Solutions: Thank you for the opportunity. My question is: your capex cycle is largely completed. If so, what depreciation expense should we expect in FY27?

Jagdish Agrawal – Group CFO: Right now, we are at around 35 crores per quarter. Once we do the Mahad capitalizations, we are expecting somewhere around a 38-39 crore run rate per quarter.

Ashwin Patil – Intelligent Prosperity Solutions: Okay, sir. Thank you.

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Operator: Thank you. We take the next question from the line of Sajal Kapoor from Anti-fragile Thinking. Please go ahead.

Sajal Kapoor – Anti-fragile Thinking: Hi, thank you for the opportunity. Hi Kedar, a couple of questions from my side. First, what has to be true 3 years from now for you to say the investments you have been making in the operating system improvement of Keva over the past decade were successful? You mentioned we can look at 17-20% ROIC over the long run, but what will give you an early indication that we are trending in that direction?

Kedar Vaze – Whole-time Director and Group CEO: Typically, we have three large new market bets: Germany, USA, and UK. In the last 2 years — a little more than 2 years actually — we have invested quite heavily in these three development centers with sales, marketing, and full teams. We see traction in each of these, and what we are looking for is each of these investments to break even on a year-on-year basis by year 3. This is our milestone. For Germany, which came first, we should look toward this year or next year to move into a breakeven position where we have generated enough business to cover the cost. It will be a year later for the USA and a year later for the UK. If we track along this line where we have EBITDA breakeven on the investments within 3 years, then we will grow from there.

Sajal Kapoor – Anti-fragile Thinking: Helpful. Today, if you could remove just one constraint to double Keva's earnings over the next, say, 5 years, what would that constraint be? Just one.

Kedar Vaze – Whole-time Director and Group CEO: Revenue doubling in 5 years?

Sajal Kapoor – Anti-fragile Thinking: Yes, what is that one constraint you know that if you take care of that bottleneck, you could double it in 5 years?

Kedar Vaze – Whole-time Director and Group CEO: I think the main concern for us is major disruptions to the global macro environment. Our nature of business is quite annual and operates on a repeat annuity basis. Once we have business, it grows and sustains. When we have a macro event like the pandemic, it affects not only the year it happens but also the pipeline for product launches in the subsequent couple of years. What we have underestimated is the effect of subsequent year growth being dependent on the previous year's product adoptions.

As long as we have a consistent macroeconomic situation — even if conditions today remain exactly as they are for the next 5 years — we will be in a very good position to double our revenue and prove the track we have outlined. Major changes affect our business, and it takes us much longer than a less complex business to rebuild momentum. We are not able to cut down R&D and put it back instantly. If there are quick fluctuations, we lose out in that area. This is the main constraint. If there is a stable environment, even if it is not a very positive one globally, we have more than adequate opportunities. Our debt should start to reduce from the third quarter. Our expectation is that every quarter thereafter, it will continue to reduce by approximately 25 crores per quarter.

Sajal Kapoor – Anti-fragile Thinking: Okay. Thank you. That is all from my side.

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Operator: Thank you. Participants, if you wish to ask a question, please press star and one. We take the next question from the line of Amit Kumar from Determined Investments. Please go ahead.

Amit Kumar – Determined Investments: Thank you so much for the opportunity. Can you hear me?

Operator: Yes, please go ahead.

Amit Kumar – Determined Investments: Sir, my understanding of the business typically is that you fix your pricing with customers at the beginning of the year. Given the disruption we have seen on the raw material side between March and July — certainly, you are talking about availability and pricing disruptions — have you taken any pricing actions during that time and how much of this has been accepted by your customers given it is a B2B business?

Kedar Vaze – Whole-time Director and Group CEO: We have corrected the pricing to our customers based on the cost inflation we have received as a result of the geopolitical situation. We have passed it on. We were able to get reasonable price corrections from almost 95% of the clients. We have implemented that across the board. Where certain clients were reluctant, we did not supply until the negotiations were completed. Part of the reason domestic fragrance sales are a bit lower than Q1 last year is due to that. But we have been successfully able to pass on the costs, and we have also frozen our inventory, so we are not exposed to future shocks. We are committing to the clients' delivery quality and supply certainty with the inventory in hand.

Amit Kumar – Determined Investments: All right. That is everything from me. Thank you so much.

Operator: Thank you. We take the next question from the line of Bharat Gupta from Fair Value Capital. Please go ahead.

Bharat Gupta – Fair Value Capital: Hi Kedar, thanks for the opportunity. A couple of questions. One is on the global ingredient business. You mentioned that it has been under watch, but can you tell us what we anticipate over the next few years in that segment?

Kedar Vaze – Whole-time Director and Group CEO: The global ingredient business obviously is much more directly affected by supply chain disruptions in the recent situation. We saw muted growth for the first quarter. We will resume growth, and we have taken steps, as we mentioned a few years ago, regarding backward integration and moving completely away from the China supply chain. Those are in place. Unfortunately, the disruptions have created a supply gap in this period, so we were not in a strong position to push global ingredient growth. But it is a stable business, and we will see a recovery in the second half of the year.

Bharat Gupta – Fair Value Capital: Sure. With respect to insurance claims, I think we have received somewhere close to 30 crores during the quarter. What is the estimate for the rest of the year?

Jagdish Agrawal – Group CFO: I think 50-55 crores or 60 crores is the claim amount pending. We will continue to work with the insurers to fulfill the claim this year.

Bharat Gupta – Fair Value Capital: Sure. That is all from my side, sir. Thank you so much.

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Operator: Thank you. We take the next question from the line of Bharat Jain from Quest Investment Managers. Please go ahead.

Bharat Jain – Quest Investment Managers: Hi Kedar and Jagdish, congratulations on a good quarter. My question is related to the Unilever business we have. How is the ramp-up happening, and are we getting more RFPs from that client or introducing new clients?

Kedar Vaze – Whole-time Director and Group CEO: As I mentioned, regarding Unilever and global accounts, we are continuing to engage not only with Unilever but with others. There is a continuous stream of projects and developments happening at the moment. We do not have any large breakthroughs or significant additions to the existing portfolio in that scenario yet. Work is happening, but things are a bit changed at their end as they are also facing pricing pressures on their commodities, so their new product development or launches are not in full swing, especially in India.

Regarding the new initiatives with Europe, Germany, USA, and UK, Germany is now truly on its way. We have seen regular traction on the developments happening there and the sales from those. In the USA, we just started getting traction in the fourth quarter of last year. We expect it to do at least 1.5–2 million dollars in revenue for the year. That is a good development. The UK is in early days; we just started this year. We need to wait at least 12–15 months before substantial business materializes.

Bharat Jain – Quest Investment Managers: Great. And secondly on flavors, you were talking with large global accounts. Is there any update on that? Also, regarding the flavor business, is a 95 crore run rate what we should expect from Q2 onward?

Kedar Vaze – Whole-time Director and Group CEO: I think Q2 might be even stronger than 95 crores. Nobody has an exact number because client purchases occurred. We had 112 crores in the first quarter, and my guesstimate is that about 10–15 crores of this would be sales for extra stock rather than final consumption. We may not get that 15 crore benefit quarter on quarter. It is due to higher inventory buildup in the export markets and domestically because of supply disruptions and price increases; results showed that people stocked up to get the old price benefit. So, there is an estimated 15 crores in the 112 crores figure. 95–97 crores is the actual regular business if there were no major disruptions. Q2 will be better than 95–96 crores, and Q3 will be better than that, and so on. We do not expect 112 crores plus growth in Q2.

Bharat Jain – Quest Investment Managers: Any update on the global accounts you were working on?

Kedar Vaze – Whole-time Director and Group CEO: Nothing large. Business has started with some global nutrition companies and similar entities, but nothing substantial at this moment. Typically in flavors, products are new introductions, and it takes 3–4 years for significant value to come in.

Bharat Jain – Quest Investment Managers: In Q1, apart from this 15 crores, which businesses like personal care, beauty, or food and beverage have been driving the bulk of it?

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Kedar Vaze – Whole-time Director and Group CEO: Across the board, it is pretty much business as usual. The global ingredient business has been lower than expected as we curtailed supplies and had no certainty on the raw material side during this period, so we controlled things to ensure we serviced all existing clients. On the flavor side, we have higher than budgeted sales which I believe will normalize from Q2 onward. There is nothing out of the normal. It is a normal quarter with double-digit growth, flavors outperforming, and the global ingredient business below budget but overall on budget.

Bharat Jain – Quest Investment Managers: Thank you and all the best.

Operator: Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to the management for their closing comments.

Kedar Vaze – Whole-time Director and Group CEO: Thank you. I hope we have been able to answer your questions. Should you need any further clarifications or would like to know more about the company, please feel free to contact our team or CDR India. Thank you once again for taking the time to join us on this call.

Operator: Thank you. On behalf of SH Kelkar and Company Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.

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