

Shree Ganesh Remedies Limited
Quarter 4 & FY'26 Earnings Conference Call
May 15, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Shree Ganesh Remedies Limited Quarter 4-FY26 Earnings Conference Call.

As a reminder, all participant lines will remain in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing “*” then “0” on your touchtone telephone.

Please note that this conference is being recorded. I will now hand the conference over to Mr. Abhishek Mehra from TIL Advisors for opening remarks. Thank you and over to you.

Abhishek Mehra: Good afternoon, ladies and gentlemen, and thank you for joining this Quarter 4-FY26 Earnings Conference Call of Shree Ganesh Remedies Limited. The Results and Investor Presentation have been uploaded on the Stock Exchange.

To take us through the results of the quarter and answer your questions, we have with us today Mr. Gunjan Kothia – Head of Business Development and Innovation and Mr. Parth Kothia – Full-Time Director and Chief Financial Officer.

We will be starting the call with a brief overview of the performance which will be followed by the Q&A session. I would like to remind you all that everything said in this call that reflects any outlook for the future which can be construed as a forward-looking statement must be viewed in conjunction with the risks and uncertainty that the company faces.

With that said, I will now hand over the call to Mr. Parth Kothia for the opening remarks. Over to you, sir. Thank you, Abhishek.

Parth Kothia: Good afternoon, ladies and gentlemen, and very warm welcome to all of you joining us today on the Quarter 4 FY26 and full-year FY26 Earnings Conference Call of Shree Ganesh Remedies Limited. Thank you for taking the time to be with us this afternoon.

Before I take you through the operational and strategic developments of the quarter and the year, allow me to briefly walk you through the financial performance.

Quarter 4 of FY26, our revenue from operations for the quarter stood at INR 33.20 crore as compared to INR 24.43 crore in Quarter 4 of previous financial year and INR 21.11 crore in

immediately preceding quarter. This translates to year-on-year growth of 36% and strong sequential growth of 57%. The sequential improvement in particular reflects the recovery from the deferred shipments we had spoken about in Quarter 3 FY26 commentary along with the improved execution during the quarter.

The EBITDA for the quarter excluding other income and exceptional items stood at INR 11.37 crore against INR 9.88 crore in Quarter 4 of previous year and INR 6.73 crore in the previous quarter. This represents a year-on-year growth of 15% and a sharp sequential growth of 69%. The EBITDA margins for the quarter remain at 34.3% as compared to 40.4% in Quarter 4 and 31.9% in previous quarter.

The profit after tax for the quarter stood at INR 6.27 crore as compared to INR 6.60 crore in Quarter 4 of the previous year and INR 3.10 crore in the previous quarter. This represents a marginal year-on-year decline of 5% while doubling on the sequential basis with a growth of 103%.

As we had communicated at the beginning of the financial year and we have consistently reiterated through our subsequent interactions with the investor community, FY26 was always envisaged as a year of consolidation for the company. And the numbers in many ways reflect exactly that. The financial performance doesn't point out to the material growth on a full year basis and I want to be candid with you.

However, FY26 was never designed as a year of aggressive top-line expansion. It was a year of deliberate groundwork and on account of that, I am pleased to say it has been a productive year.

Structurally and fundamentally, the business has become considerably stronger over the course of FY26. We have used the years to secure important approvals, to advance our work on newer and more innovative molecules, and to build up our capabilities as well as the capacities.

Let me now share some of the key developments during the quarter and the year:

I want to start with what I believe is the most significant update. I am very pleased to share with you that we have made a strong progress on our CRAMS engagement across the Agrochemicals, pharmaceuticals, and electronic applications.

As you are aware, we have been working on active CRAMS projects with customers in Europe and Japan. During Quarter 4 of FY26, we have successfully completed the pilot trials for these projects. This is an important milestone for us and one that we have been working towards over several quarters.

We will now move to the commercial trial stage of these molecules, subject to the necessary customer and regulatory approvals. We expect to thereafter commence the commercial

production. The CRAMS business has always been a central pillar for our long-term strategy. The progress we have made thus far has given us the confidence that this segment will begin contributing in a more visible manner in the years ahead.

On the capacity front, I am happy to confirm that our Block-7 expansion program is on track. We expect commercial production from Block-7 to commence in Quarter 2 of FY27. Block-7 has been purposefully designed to support a pipeline of niche and application-led molecules, including the CRAMS molecules I just spoke about. It will play an important role in the next phase of our growth.

Alongside Block-7, our pilot facility, which we commissioned earlier in the year, is now fully operational and has been instrumental in helping us accelerate new product development and respond more quickly to the specific customer requirements.

The environment, frankly, has continued to remain challenging. The slowdown in Europe has persisted throughout the year. The ongoing war situation in different parts of the world has added layers of uncertainty to the global trade landscape.

The raw material prices have remained volatile, which has placed pressure on procurement decisions across the industry. And we have seen several of our customers defer their purchases as they themselves navigate this uncertain environment. We have stayed focused on our long-standing strategy of building a robust platform and growing a niche application, but the competitive intensity is limited and the opportunity to differentiate is genuinely meaningful.

I am conscious that this approach may at times appear gradual, perhaps slower than what some of you might prefer to see, but we firmly believe it is the right path for the company. It is the path that will allow us to create a more sustainable and more profitable business over the long term, rather than chasing growth in commoditizing the segments where realizations are under structural pressure.

Looking ahead, let me share briefly how we are thinking about the roadmap from here:

FY27 should be the year in which the groundwork laid during the FY26 begins to translate into more visible business outcomes. With our pilot facility now fully active, the Block-7 is expected to commence commercial production in Quarter 2 of FY27. With our CRAMS projects transitioning from pilot trials to commercial trials, and with a strengthened product development pipeline, we believe the company is structurally ready at any point in its recent history.

We expect the momentum to gradually improve through the course of FY27, and we expect the CRAMS business in particular to begin gaining traction as the year progresses.

With that said, I would be happy to take your questions. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We take the first question from the line of Arnav Navlakha . Please go ahead.

Arnav Navlakha: Hi, Parth and Gunjan. Thanks for the opportunity. So, we are fairly new in our journey of understanding the company. So, just wanted to know, in the broader realm of Specialty Chemicals and APIs, what chemistries exactly are you focusing on? What's the percentage contribution to revenue? What are the use cases of these chemistries? And then who are your main competitors in each of these chemistries? And what exactly is your strategy to win against them?

Parth Kothia: Yes. So, thank you for the question. For the chemistry-wise, I believe our published corporate presentation and the past, if you refer to the past Earnings Call, you mentioned that there are certain core chemistries that we have expertise on. So, halogenation, reduction, and so on. There are multiple chemistries which we operate our products in. And based on those chemistries, we get our product selection. So, I would say chlorination is one of the core competencies that we practice. And the majority of our products, which we do even today, involves some or the other kind of product steps from the chlorination part.

Arnav Navlakha: Understood. And who are your main competitors in chlorination? And what exactly is our competitive strategy against them?

Parth Kothia: So, for the competitive part, I would say, there is no apples-to-apples comparison because the industry which we operate in it's a multi-step product. So, that involves more than four to five steps, up to 10 to 12 steps products, which involves chlorination with additional to reduction, and so on. So, there is no company as such which we know of does the same reactions. Every company has their own chemistries. They definitely, there are many companies in the industry which does the chlorination, which does the reduction. But they have their own expertise on. And from our part, as of now, for some of the molecules which we practice in, there is no direct competition in India.

Arnav Navlakha: Right. With that, we have a second question. So, we have spoken about Specialty Chemical to semiconductors and electronic space in Japan. Also, about the Agrochemical project in Europe. So, if you could just help us size the revenue contribution of such, what do you would say, complex niche of **(Inaudible) 11.17** molecules as a proportion of our current top line? And also given that we have our Block-7 coming online and second half of FY27, so what is the realistic growth expectation of such niche segments, so to say, over, say, next two to three years? If you could give us a broad range.

Parth Kothia: So, I think we have previously mentioned that we are doing a CRAMS project. But we have stopped giving the specific project-wise because there are certain NDAs and CDAs signed with the customer. The outline which we can give is that all these products are significant in terms of revenue size and revenue portion from our side. So, for the next three years, we can see if

all of them are commercialized, it will be significant amount from the existing revenue numbers.

Arnav Navlakha: Just to be the knack of the figure, so what is this, say, the revenue contribution on a top line about this niche chemistry that you are working with as a whole?

Parth Kothia: Halogenation would be one of that. Sorry? Halogenation is one of the...You are asking about the chemistry, right?

Arnav Navlakha: Not specifically about the chemistry. In terms of the general revenue contribution of these chemistries.

Gunjan Kothia: Yes, sir. There is no such fixed contribution of these chemistries because we are not focusing on one chemistry per se. So, we practice more than 10 different chemistries and that is the unique point of SGR. So, when there is a customer who is looking for a toll manufacturing project that is to be done by an Indian partner which has an expertise over multiple chemistries, then we come into this picture. So, as such, we cannot define which chemistry is contributing highest to the revenue. But what we can say for sure is that the three chemistries which are giving SGR an edge is halogenation, Grignard, and reduction. So, these are the three main chemistries that we do. But in a nutshell, we do more than 10 plus chemistries. So, basically we are not promoting SGR as a chemistry narrow focus company, but we are doing multiple projects with multiple steps involved with multiple chemistries involved. So, we are basically promoting SGR as a multiple chemistry driven manufacturing partner, an Indian manufacturing partner which you can rely on against the manufacturing done by the Chinese or the Japanese or the European companies. So, we are not focusing, again, I would say like we are not focusing just that we work with innovator or we work with generic. If the product fits our chemistry capabilities, if the product fits our margins, then we take those products. And because we have been focusing on the chemistry capabilities and developing new infrastructure according to the different chemistry capabilities to our strength, we have been receiving new projects that belongs to both, either innovator or generic market.

Arnav Navlakha: Got it. My next question is if you could give us a sense of the consolidated capacity utilization across unit one today, across all the blocks, and what is the peak utilization levels that we can attain? And also in terms of Block-8, where are we?

Gunjan Kothia: For the Block-8, I would say the utilization is still at the same level, what we have commented. It's still not at its peak. I would say it's still operating roughly at the 50% capacity. We would expect the Block-8 to utilize its full capacity by the end of this year. And in the meantime, we also expect, as Parth said in the speech, we expect the block seven to be also operational in this financial year. And all our blocks are designed on a specific, specific chemistry. So, the realization or the utilization go here and there. But overall, our utilization capacity, considering the new capacity being continuously added, it's between 60% to 70%.

Participant: 60% to 70% is the consolidated utilization for the entire unit?

Parth Kothia: No, not 60% for the old consolidated, yes. With the eight and seven and the new blocks coming, we keep on pushing more and more chemistry and utilization. So, it's very hard to, I would say, comment on the utilization per block. We can mainly comment on the consolidated figures because every block supports each other.

Arnav Navlakha: Got it, got it. So, the last question is...

Moderator: Arnab, I would request you to please turn back the queue for follow-up questions. Thank you. Thank you. Ladies and gentlemen, in the interest of time and fairness to others, we request you to restrict to one question and one follow-up question per participant. We take the next question from the line of Yashvi from Molecule Ventures. Please go ahead.

Yashvi: Yes, hi. I wanted to ask, given the entire geopolitical volatility, I just wanted to understand the operating environment politically. So, on the competitive intensity, which part of the portfolio has seen the sharpest pressure on realization? And on Europe, are we witnessing any early signs of recovery in the inquiry level or order book, or does the demand still look subdued?

Gunjan Kothia: On the geopolitical situation, Yashvi, we are facing the same issue as faced by all the chemical manufacturers because crude is the main raw material source for all the solvents that are used in the chemical manufacturing. So, due to this reason, we have been heavily impacted across all of our products. And talking about the customer scenario across Europe and other regions, the April has been quite cold because customers have been waiting and watching the scenario. They were expecting that the situation would go back to normal. However, we see that the situation is now slowly opening up because customers cannot wait for a longer time to place the order. So, they have started placing orders for bits and pieces as per the requirement. But we cannot comment for sure how long the situation will continue or when will the customer be in a more comfortable position to place a longer-term order. But we also wait for a final call on the war situation and how this will impact the overall scenario. But having said that, yes, the war has affected to us in a similar manner as they have affected to other chemical industries.

Yashvi: Okay. And on the raw material side, what proportion of the basket is import dependent and how is this impacting your supply chain? And do we look at another softer quarter before Block-7 and the New cram projects begin?

Parth Kothia: For the raw material side, I can take around 15% is the raw material which is being imported. But of course, the number changes depending on the pricing. So, sometimes if we are able to get raw material from the domestic market, so depending on that 15 to 20%. What was the other question?

Yashvi: So, for the next quarter, are we looking at a softer quarter like before the Block-7 and the **New CRAMS** projects begin?

Parth Kothia: So, as mentioned earlier, we refrain from giving quarter to quarter commentary. But we can definitely project for the longer-term business.

Yashvi: Okay. And my last question is on the margins front. So, your FY26 EBITDA margins also has come to 32%, which is again well above your stated benchmark range. So, could you help us understand what has driven this performance? Is the contribution from commercialized CRAMS project or a better product mix? And going forward, as **New CRAMS** projects begin to scale up over FY27 and FY28, would it be reasonable to expect margins to sustain at these current elevated levels? Or is it reasonable to view it still at 24% and 28%?

Parth Kothia: So, for these margins, I think better product mix was definitely an aspect. Going forward, as we have stated, the normal margins which is sustainable for the longer term is in the range of 26% to 28%. But definitely we are more than happy for the initial time when there is a product approval from the cram site. For the initial approval, we can enjoy the higher margins. So, that's one of the reasons.

Yashvi: Okay. Thank you.

Moderator: Thank you. We take the next question from the line of Ankit Gupta from Bamboo Capital. Please go ahead.

Ankit Gupta: Thanks for the opportunity. If you can give an update on some of the orders that were won in the last one and a half years, they were supposed to commence operations. So, if you can talk about first the Japanese, we had three products for which we had signed agreement with the Japanese partners. They were supposed to start operations in this financial year, like small quantity in FY27. So, how do you see the ramp-up happening there? And similarly on the European Agrochemical product, when is it? It was supposed to start this year in the calendar year. So, what is the update for that and how do you see the ramp-up? And same for the European Pharma Innovator product.

Parth Kothia: Yes. I think there is a confusion. There is no specific three products given with the Japanese market. But let me just comment. As for the timeline for the Japanese as well as European market, I will answer jointly. It is going as per the schedule. Definitely for the European as well as Japanese, there are some regulatory approvals take time. So, it was expected. And we have also successfully completed the pilot scale and now the commercial scale has started. So, the CRAMS project for both of those countries are going as per the initial discussion and what we had planned for the scale-up. So, currently the commercial trials will start for that and then going forward, once we get approval from the pilot side, then the commercial production will start in the later half of this year.

Ankit Gupta: Okay. And for the other two projects, the Agrochemical and for the European Pharma Innovator, the advanced intermediate product that we were talking about in the last financial year?

Parth Kothia: That's the same for all. So, for the Agro as well as for the pharma side and the electronic side, I think the same timeline has been going on.

Ankit Gupta: So, basically the scale-up will largely happen from FY28 is what we should assume in all these projects? Or should we see significant ramp-up this year, this financial year also?

Parth Kothia: I think it definitely depends on the customer's approval side as well. So, it can go a quarter here or there, but definitely we are looking for some positive approval in this year.

Ankit Gupta: Okay. So, what you are saying is even this financial year, we should start seeing decent ramp-up from these projects? Of course, quarterly variations can be there, but we should see decent...

Parth Kothia: So, there is no major impact in this year, but we will see some approval side. So, currently where the pilot approvals are going on and the commercial trials are starting, we will see the firm commitment, we will see the firm thing from the commercial side for the approvals.

Ankit Gupta: So, over the next 2-3 years when they ramp-up, will these 3 products have a combined potential of let's say 80-100 crore kind of top-end? Is that possible at full capacity whenever they ramp-up?

Parth Kothia: For the revenue side, as I mentioned earlier, I think let's just wait for all the products to get approval and then we will see. But we have refrained from giving CRAMS-specific revenue numbers, but it will definitely be a significant amount.

Ankit Gupta: Sure. And on the domestic side, we had seen some significant decline in realization. So, is that cycle behind us or we are still continuing to see pressure on our pricing?

Parth Kothia: On the pricing side, Gunjan can answer.

Gunjan Kothia: So, Ankit, we are mainly feeling the pressure in the domestic markets and the old generic products because more and more players are entering into this field. And that was also one of our key reasons to change our business model since last 4-5 years. So, going forward, our main focus is to cater to the Spec-Chem and the innovator and the big players around Europe, Japan and other Asian countries. So, definitely we are going to face some challenges with the domestic products and the margin realization, but that is not our key focus and that is not on our main table to focus on. Our main energy and focus is currently to help our partners across Europe, Japan and USA to commercialize the product at the earliest scale.

Ankit Gupta: Sure. Just one follow-up. Gunjan, last year was a year of consolidation. Despite your guidance of lower margins, we have still done pretty decent margins in this financial year. But in terms of growth, do you think FY27 we can start seeing the growth that we used to see in our earlier years? The worst is behind in terms of growth and now we are back on 15-20% growth at least.

Parth Kothia: I think there are certain aspects for this. One of the key things was that due to this global uncertainty of war and all the other geopolitical issues, the end product approval from the customers is also an important part. So, sometimes where the product from our end is approved to the customer, their end product which takes the government regulatory approval takes the time. So, the product is definitely on the positive side, but three to six months is easily taken from any specific. So, for example, the European government after this war is taking more time for that regulatory approval, for that specific product which we are planning on. And easily six months is getting stretched for that product approval. And sometimes on the pharma side, more than one year is taken for the approval time, which the product is definitely getting commercialized, but the approval time is stretched. Thank you.

Moderator: We take the next question from the line of Sanjay Kumar Saraogi who is an individual investor. Please go ahead.

Sanjay Kumar Saraogi: I wanted to ask when the company is getting listed on NSE, could you please provide me the expected timeline?

Parth Kothia: NSE, thank you, Sanjay Kumarji. So, for NSE we have planned internally, but as of now there is no specific timeline or the guidelines which we anticipate. I think currently we are listed on Bombay Stock Exchange and after discussion with the board of directors, we will definitely take up this question and decide thereafter.

Sanjay Kumar Saraogi: I just wanted to ask this because NSE has quite a big exchange, so there will be much more volume in it. That's why. So, we are not thinking right now?

Parth Kothia: There is definitely a plan, but once we are in discussion with the board of directors, then we will plan for the same. Okay.

Moderator: We take the next question from the line of Sajal Kapoor from Anti-Fragile Thinking. Please go ahead.

Sajal Kapoor: Yes, thanks for the opportunity. Hi, team. When it comes to CRAMS, there are many small molecule players in India, let alone Asia, right? So, in that context, what capabilities does SGRL need to build over the next three to five years to sort of become materially more relevant to the global customers and increase the stickiness in the relationship? That's my first question. Thank you.

Parth Kothia: I think, thanks for the question, but the one that you are referring to for the small molecules and APIs, we are not into that product category, I would say. So, our CRAMS projects are mostly

based on the chemistry-wise. So, regardless of the end product segment, some of the products are on the Agrochemical side. So, there are certain chemistry, I think, where the bigger companies are addressing the larger molecules from the insecticides or the pesticides or the other Agrochemical products. The one which we do a value addition to our customer is based on the multi-chemistry and niche, which is a new or tricky Agrochemical intermediate or derivative from the customer side. So, I think that's one of the things. And other, like the big players in this industry where CDMO and API players are doing, so we are not into API players. So, that's why I think that's a different segment where we don't also operate or compete with these bigger players. Our sector or sub-segment would be in KRM, KSM, some of the key intermediates or Specialty Chemical side where there's a new molecule which a customer wants to develop, but there's only one manufacturer from the Japan side and there's only one manufacturer from the China side, then they want additional manufacturers. So, then SGR comes in the picture.

Sajal Kapoor: So, assuming that you are pretty satisfied with the current capabilities that you have, given the visibility you have in terms of the current and the prospect contracts, etc., what is the biggest bottleneck today in converting the chemistry capability into commercial scale?

Parth Kothia: Gunjan, you want to answer?

Gunjan Kothia: Yes, so Mr. Kapoor, currently I would say the bottlenecks in scaling up these products are the technologies that are used for manufacturing the products. When you try to manufacture something that is manufactured to a highest quality, either in Japan or in China, there is something not only driven by chemistry, but something is also driven by manufacturing technologies or some niche equipment's. Having said that, we are already past this hurdle and we are currently scaling up on a pilot or a commercial scale. So, for us to get the realization from our ongoing products, it's just a matter of approval and registration timelines by the final customers or our end customers or their end customers. So, we are quite consolidated and we are trying to consolidate further going down the line on our side to have the best technology for manufacturing the targeted products required by our spec chem or the high-end customers. The main bottleneck is the regulatory approval. And sometimes, for example, some of our customers, they wish to supply these products to either the US or to Russia or to some other countries, but sometimes this war situation prolongs the registration or the submission of files. So, geopolitical situation is affecting our approval timelines, our customers' approval timelines simultaneously, but as such, there is no bottleneck at SGR's side at the moment.

Sajal Kapoor: That's wonderful. Thank you so much. Thank you and all the very best.

Moderator: We take the next question from the line of Ayush Agarwal from Maple Value Investing Fund. Please go ahead.

Ayush Agarwal: Hi, Gunjan and Parth. Thanks for the opportunity. My first question is similar to what Ankit has asked earlier. It has been that the company has consolidated for various reasons and we were

quite focused on the CRAMS business that we have. So, we want to understand that with the scale-up now, given that the company has been in this 90 to 120 crore range for the last four years, this CRAMS scaling up, can it take us to a structural growth phase where the company breaks out of this range and probably goes above 200 and basically sustains for the next two, three years and we don't stop there again like we did in the last three, four years?

Gunjan Kothia: Hi, Ayush. Thank you for this question. So, as we have been mentioning that currently the pilot approvals are ongoing. In last year, the development was ongoing and R&D trials were ongoing. So, I cannot comment on the figures, but I can say for sure that in this year we are expecting for some commercial quantities for these projects. However, having said that, we expect that our customer does finish the registration filing for their end product into the respective markets. And so from next year, we are trying our best to break this cage that we are stuck in around 120, as you said. But all I can say at the moment confidently is that all the commercial and pilot trials are ongoing, and so we expect to see some growth from these products by the end of this financial year. But definitely in next year, we expect these products to pick up subject to conditions that our customers are able to finish their final registration in the respective countries of the finished products.

Ayush Agarwal: Understood, sir. The second question is that in FY26, how much these CRAMS actually contribute so that we can also see the base business separately? And according to you, how much can the base business grow for the next two to three years?

Parth Kothia: So, in FY26, there is no significant, because as Gunjan mentioned, the pilots are ongoing. So, from the revenue side, only the one project which was ongoing has been still ongoing. But apart from that, the new projects are still in the approval phase, like I would say the pilot scale and the commercial scale which will go on for this year. So, there is no significant percentage from the overall revenue.

Ayush Agarwal: And the second part of that question is what do you think the base business can grow at for the next two to three years?

Parth Kothia: The base business is pretty much at the plateau, I would say. There is no, because these molecules which we operate in is in generic market, and it has been going on since last more than a decade. So, I think the base business is stable business.

Ayush Agarwal: Why are we not increasing our product portfolio on that side? Because you know, CRAMS will be very lumpy, and this will be a challenge going ahead also.

Parth Kothia: So, you mean the pharma side?

Ayush Agarwal: Yes, or Specialty Chemical as well.

Parth Kothia: I think for these new projects which we are going on, we have not selected specifically that we want to go into CRAMS or non-CRAMS or pharma specialty. All the projects which we are

working on currently or in the future are from the customers end only. So, any new projects which we work with the customers, they only tend to give us the projects, which is very much helpful because there is a trust and a history with the customers since long. So, they know us, they know the quality and the supply chain and everything. We have also been audited and approved by them. So, it's much better for us in that aspect to engage on new projects, new molecules from them. Being said that, currently our pharma side as well as the Specialty Chemical side, both are ongoing for the new project selection as well as discussions and the pipeline as well.

Ayush Agarwal:

Understood. My final question is that even on the CRAMS side, companies that we have seen, at least on the listed side, who have successfully scaled up their CRAMS business, they have a very, very wide portfolio. And out of that maybe one or two products, sometimes three products click. And those become the hero products. While what we understand is that our CRAMS project, those will still not be like a 100-200 crore molecule. So, when can we enter that phase in the CRAMS business, where are we trying to target those molecules that can at peak potential reach 100-200 crores in potential? And how are we increasing the breadth in our CRAMS portfolio?

Parth Kothia:

So, there are two things on this. First, when we sign on a contract, there is a revenue possibility and potential when the customers and product will go commercial. So, there is a projection from the customer end as well. But no one is able to say very firmly that this is the revenue or the project takeoff. From our end, I think the project that which we have received is very well positioned and the industry as well. So, sometimes when we gain the project, eventually the project picks up eventually because it goes into multiple industries. Sometimes that industry itself grows a lot. So, depending on the end products, customers, approval, and their end product, the project increases. Definitely the project which we operate right now has a potential to grow, but there is no specific. We cannot pick and choose the CRAMS project when we only want above 100 crore projects. We can definitely increase the size of the project scale, like the total addressable market has increased, I would say drastically from our own side where we were previously catering to the smaller size of products. Now the products which we are catering are of the mid-size.

Ayush Agarwal:

All right, understood. Yes, that was it.

Moderator:

Participants, a reminder. If you wish to ask a question, please press star and one. We take the next question from the line of Arnav Navalkha. Please go ahead.

Arnav Navalkha:

Hi. So, you said that going forward focus will be on helping partners abroad commercialize their products. So, is it fair to say that going forward you are thinking of the company mainly as a CRAMS company?

Gunjan Kothia:

Let me answer this. Yes. So, Arnav, going forward we would like to position ourselves as a key manufacturing partner, especially in Specialty Chemicals. So, CRAMS word we use mainly to

make public understand like what is CRAMS. But our main focus is on a Spec-Chem followed by Agrochemicals where we can realize our chemistry expertise to manufacture the bulk volumes and cater to the significant volume in the market. One thing we are quite clear on the SGR part is SGR is not going to be involved in any of the finished pharmaceutical products or small molecules. So, SGR has no intention to enter into the finished formulations, finished APIs in the pharma market. But SGR definitely wish to be a name in the Spec-Chem manufacturing and as a reliable Indian manufacturing partner where any of the companies can collaborate to transfer the technology or develop the technology or scale up the processes. So, what we are promoting SGR is a key manufacturing partner for the Spec-Chem and AgroChem where they have a chemistry-driven background and chemistry-driven capabilities to manufacture those products that were never manufactured either in India or there is only one manufacturer in the world either in USA or China or Japan. So, we position ourselves as a Spec-Chem manufacturer, as an Indian Spec-Chem manufacturer where they want a second reliable partner apart from their existing partners in the developed or developing countries.

Arnav Navalkha: Understood, understood. Thank you. Just another follow-up on what my colleague had asked regarding peak utilization. So, if you could just outline what the peak utilization could be on a console level.

Parth Kothia: So, the utilization for the current financial year you are asking?

Arnav Navlakha: No. What it could be, potential.

Parth Kothia: As we operate in a batch process, so it's in the range of 80% to 85%. That's the maximum it can go for the manufacturing operations.

Arnav Navlakha: Understood. Thank you very much.

Moderator: Thank you. We take the next question from the line of Nagesh K who is an individual investor. Please go ahead.

Nagesh K: What is asset turnover ratio for your company?

Parth Kothia: Sorry, repeat your question again.

Nagesh K: So, if we are doing a CAPEX of, say, INR 34 crores for Unit-7, what is the turnover you can get at peak utilization level?

Parth Kothia: For the asset turnover you are asking?

Nagesh K: Yes, sir.

Parth Kothia: It's roughly around 1.8 to 2 from the asset.

Nagesh K: Okay.

Parth Kothia: Thank you.

Nagesh K: So, the next question, is there any development on the Dahej plan to manufacturing CAPEX?

Parth Kothia: Yes, so for the Dahej expansion, currently, as we have mentioned previously as well in our investor presentation, the current phase of expansion which we are focusing on is in the recently acquired land in the Ankleshwar plant, where the 7A was recently commissioned and it will commission in this coming year. The Dahej plant is where the common utilities construction was started. It's still in the construction phase. And going forward, once we get the Ankleshwar unit fully utilized, then we will go for the Dahej plant expansion.

Nagesh K: So, roughly, means from the down the line, we can expect commercialization from today.

Parth Kothia: For the timeline you are asking?

Nagesh K: Yes, sir. Timeline from today, manufacturing capacity, you are going to commercialize maybe 2 years or 3 years. What is the timeline you are expecting?

Parth Kothia: Yes, so I think Dahej will start after 1 year. So, it will take around 16 to 18 months to 20 months to get the new plant commissioned and up and running. So, after that, yes.

Nagesh K: Okay. Final question regarding any new RPCs you got for new molecules, whether we got one, because we are having 3 molecules, one from pharma, one from Specialty Chemical, one from electrolytic chemical. Is there any new molecule you are working on that? Is there any upcoming pipeline?

Parth Kothia: So, I will repeat it. So, while we have given previously the CRAMS project for the specific market, but due to certain restrictions from the customers and as well as for the competitive landscape, we have stopped giving a number of CRAMS projects that we are doing. Currently, there are multiple projects which are ongoing. That's all I can say. But once we gain some kind of traction from those, we will definitely announce and give the public information for that. But three previous ones which you mentioned, and there are multiples after that which we have going on.

Nagesh K: Thank you very much, sir. All the best.

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

Parth Kothia: Thank you everyone who joined us today, and to all of you who took time to engage with us through your questions. If any of your questions remain unanswered, or if you wish to engage with us further, please do reach out to our Investor Relations team, and we would be happy to

address them. With that, I would like to thank you once again, and I wish you a pleasant evening ahead. Thank you.

Moderator:

Thank you. On behalf of Shree Ganesh Remedies Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.