

July 25, 2025

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Dear Sir/Madam,

**Sub.: Transcript of the Earnings Conference Call held on July 21, 2025 for Q1 FY26**

**Ref.: Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015**

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with reference to our intimation dated July 14, 2025, regarding Earnings Conference call with Analyst(s) /Investor(s) held on Monday, July 21, 2025, we would like to inform that the transcript of the aforesaid conference call is enclosed herewith and the same is also available on the website of the Company at [www.rossari.com/announcement](http://www.rossari.com/announcement) under the head 'Investor Call'.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours Sincerely,

**For Rossari Biotech Limited**



Parul Gupta  
**Head - Company Secretary & Legal**  
Membership No.: A38895

Encl.: as above

## ROSSARI BIOTECH LIMITED

(An ISO 9001:2015 & 14001:2015 Certified Company) (CIN: L24100MH2009PLC194818)

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## Rossari Biotech Limited

### Q1 FY26 Earnings Conference Call Transcript

#### July 21, 2025

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**Moderator:** Ladies and gentlemen, good day and welcome to Rossari Biotech Limited's Earnings Conference Call.

I now hand the conference over to Mr. Anoop Poojari from CDR India. Thank you, and over to you, Mr. Poojari.

**Anoop Poojari:** Thank you. Good evening, everyone and thank you for joining us on Rossari Biotech's Q1 FY26 Earnings Conference Call.

We have with us Mr. Edward Menezes, Promoter and Executive Chairman; Mr. Sunil Chari, Promoter and Managing Director; and Mr. Ketan Sablok, Group Chief Financial Officer of the Company. We would like to begin the call with the opening remarks from the Management, following which we will have the forum open for a question-and-answer session.

Before we start, I would like to point out that some statements made in today's call may be forward-looking in nature and a disclaimer to this effect has been included in the earnings presentation shared with you earlier.

I would now like to invite Mr. Edward Menezes to make his opening remarks.

**Edward Menezes:** Thank you, Mr. Anoop. Good evening, everyone, and thank you for joining us on our Earnings Conference Call. It is a pleasure to have you with us today as we discuss our Q1 FY2026 operational and financial performance.

We have delivered a steady performance this quarter with top-line growth driven by healthy momentum in our HPPC and AHN segments. While the operating environment remained dynamic, our domestic business performed well, supported by demand across key categories. Our export business, however, faced some headwinds due to prevailing global uncertainties, which also impacted the Agri and Textile segments. Despite these challenges, overall revenue growth was healthy, and we believe that our focus on optimizing product mix and driving operational efficiencies will support a gradual improvement in profitability.

Our commitment to R&D continues to drive our success and we have seen many synergies emerge through our past acquisitions. R&D continues to be a cornerstone of our growth and innovation strategy, strengthening Rossari's position as a leading solutions provider in the Specialty Chemicals sector. Our R&D capabilities enable us

to meet evolving market needs and offer bespoke solutions, driving growth, creating value, and enhancing our reputation for intelligent and sustainable solutions.

We continue to pioneer intelligent and sustainable solutions across industries, enhancing everyday life through our eco-friendly and technology-driven offerings. Our focus on innovation and customer-centric solutions enables us to stay ahead of industry, delivering value through products that are both high in quality and sustainability.

Meanwhile, our capacity expansion projects across Rossari Biotech, Unitop Chemicals & Tristar Intermediates are progressing well, with phased commissioning expected over the coming quarters. These investments will enhance manufacturing capabilities, improve supply chain agility and position us to serve high growth sectors. As these capacities ramp up, they will play a pivotal role in driving our next phase of growth.

Looking ahead, our strategic priorities remain focused on execution, customer-led innovation and sustainable value creation. With a strong balance sheet, robust R&D capabilities, and enhanced capacities, we are well-positioned to navigate near-term challenges and deliver consistent growth while creating long-term value for all stakeholders.

With this, I now invite Mr. Sunil Chari to share additional perspectives on our business performance and strategic priorities.

**Sunil Chari:**

Thank you, Mr. Edward, and a warm namaste to everyone.

Over the past two years, we have built a robust foundation for growth, delivering healthy volume expansion, despite a challenging external environment. In Q1 FY26, this resilience was reflected in steady top-end growth, supported by traction in our HPPC and AHN segments. However, revenue growth over the past two years has been tempered by subdued realizations and market dynamics. With stabilizing conditions and our expanded capacities nearing commissioning, we are poised to unlock stronger operating leverage and deliver more meaningful revenue growth in the coming years.

Our focus remains on strengthening the building blocks of the business, expanding our product portfolio, deepening customer relationships and aligning our solutions with high growth applications. The strategic initiatives we have undertaken over the past few years, particularly in areas like Institutional Cleaning and international expansion, are diversifying our revenue base while enhancing our ability to deliver growth over the long term.

Our Institutional Cleaning and Consumer Business continues to evolve as a significant opportunity. While the vertical reported a softer performance in Q1, we expect it to demonstrate healthy growth on an annual basis as we focus on scaling platforms and strengthening the market presence for long-term profitability.

As part of our international strategy, we are in the process of setting up an overseas formulation facility that will serve as a strategic hub for the Southeast Asian markets. The proposed facility will enable quicker turnaround times, improved delivery schedules and tailored solutions for customers in the region. While the investment is relatively modest, it represents an important milestone in strengthening our global footprint and demonstrates our commitment to being closer to key markets, enhancing customer engagement and building a strong platform for future growth in international markets.

On the capacity front, our ongoing expansion projects across Rossari Biotech, Unitop Chemicals & Tristar Intermediates are progressing in a phased manner. These initiatives are aimed at eliminating capacity constraints, improving supply chain agility and strengthening our positioning across high-growth sectors. Once fully commissioned and operating at optimal utilization levels, these facilities are expected to deliver 3x-4x asset turnover, driving operating leverage and margin expansion, particularly from FY2027 onwards.

During Q1, as our CAPEX work was in full steam and following all safety protocols, we had to shut certain production operations for 10-12 days intermittently due to hot work, erection activities, etc. Hence, production was lower to that extent. We expect Q2 to be a stronger quarter.

To summarize, FY2026 is shaping up as a year of consolidation and capability building. With our capacity expansion advancing towards completion, emerging vertical strengthening and our international presence expanding, we are creating a strong foundation to capture the next phase of growth with enhanced scale, agility and resilience.

Thank you once again for your continued support. I now invite Ketan Ji to share the financial highlights for the quarter.

**Ketan Sablok:**

Thank you, Chari Ji, and good evening, everyone.

In Q1 FY26, our revenue from operations grew by 11.0% YoY to Rs. 543.7 crore, driven by steady performance across our HPPC and AHN verticals, despite the ongoing global headwinds. On a YoY basis, we grew both in domestic and exports. And on a QoQ basis, while domestic was steady, the export sales were soft.

EBITDA for the quarter stood at Rs. 67.9 crore, up 4.6% YoY, with an EBITDA margin of 12.5%, compared to 13.3% in the same quarter last year. The institutional and B2C business reported a loss of approximately Rs. 7 crore in Q1, which impacted the consolidated margin. Excluding these verticals, our EBITDA stood at Rs. 75 crore, growing 12% YoY with an adjusted margin of about 16%, reflecting the efficiency and resilience in our core operations. As these newer verticals scale over a medium term, we expect them to turn margin-accretive and contribute meaningfully to the overall expansion by FY27.

On the CAPEX front, our investments are progressing in a phased manner, with commissioning expected in the coming quarters. Funded through a mix of internal accruals and debt, these investments are expected to generate 3x-4x asset turns at optimal utilizations, driving stronger operating leverage over the medium term.

Our balance sheet remains healthy with strong liquidity and conservative leverage, giving us the flexibility to pursue growth initiatives with discipline. As we move through FY26, our focus remains on executing our capacity expansion, maintaining margin stability and building a platform for scalable and profitable growth from FY27 onwards.

As we move through FY26, our priorities remain clear: execute growth initiatives with discipline, maintain margin stability and lay the groundwork for scalable and profitable growth.

With this, I end my opening address. Thank you, everybody and I request the moderator to open the floor for questions.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of Rohit Nagraj from B&K Securities.

**Rohit Nagraj:** Sir, first question is on the Institutional Cleaning business. What has been the issue in terms of, I understand that it is a consumable business. So, why on a sequential basis, there is a degrowth in top-line and such a sharp margin contraction? I mean, we have reported loss. So, if you could just give us reasons for the same?

And second associated question on the sales. Last quarter, when we had shared our presentation, we had talked about Rs. 179 crore of revenues for FY24 and Rs. 299 crore for FY25. But if I look at the current presentation, the revenues have been Rs. 159 crore and Rs. 276 crore, respectively. So, is there some billing statement which has happened?

**Ketan Sablok:** This quarter, revenues have been a little soft. I think this drop has been especially on the institution's side, some of these orders are expected to be fulfilled over the next couple of quarters. My suggestion would be to look at this business not really on a sequential QoQ basis. It would be ideal to look at it a little on a longer-term perspective because some of the orders of the institutions are a little phased to supply over particular months.

Q1, if you see, generally, our Q1 in this business is not as strong as the subsequent quarters, especially Q3, Q4 are the stronger quarters for this business. So, having said that, I think we are expecting some good traction in this business in the subsequent quarters. Q2 and Q3 specifically should be a more stronger quarter for us and on an annualized basis, we are still very optimistic that business will keep delivering a healthy growth. And the loss, particularly in this quarter, is primarily on account of the lower sales. While some expenses have also gone up on a YoY basis, but I think these will get evened out as subsequent quarters, when we report a better revenue number.

**Rohit Nagraj:** Sir, the distinction between the numbers, the last quarter and this quarter on the institutional?

**Ketan Sablok:** What was the question exactly, Rohit?

**Rohit Nagraj:** Sir, last quarter, if I look at the presentation, we had given the institutional and B2C performance FY24 revenue is Rs. 179 crore and FY25 is Rs. 299 crore. And when I look at, on Slide #20, the revenue number for Rossari Professional is Rs. 159 crore and Rs. 276 crore. I don't know why there is a discrepancy between the two.

**Ketan Sablok:** The numbers which come on Page #20, Rohit, are numbers of only the institutional and consumer business, while when we report in the earlier slide, which had Rs. 299 crore, we also include our pet care business in that. The Slide #20 is numbers from the subsidiaries. The Buzil Rossari numbers are the numbers in Slide #20, while when we report our consumer business, we also add our pet care. So, the pet care business last year was roughly about that Rs. 20-odd crore.

**Rohit Nagraj:** Fair enough. That explains. Sir, second question, again, two parts. One, in terms of the institutional business, has the investment now been complete in terms of manpower and related infrastructure?

And the second part of the question, last year, we did, again, the entire division of pet care plus the institutional, a marginal loss. What are we looking at in FY26 in terms of whether we will be just breaking even or we are looking at some 2%-3% kind of EBITDA margin level profitability?

**Ketan Sablok:** Yes. Rohit, in terms of the investments, I think we have done most of the investment in terms of the infrastructure. Manpower, we may have a certain increase in this year, but I think we are being very cautious in terms of the number of people that's going up, but it will definitely be much lower than what we had done in the last year. Last year, if you remember, we have added almost 100 people in this business. This year will be substantially lower than that.

On an annualized basis, we hope to break even at least on the EBITDA levels in this business. But we will have to see how the next few quarters go. But our intention is that at least in this year, the losses should be absolutely minimal with healthy top line growth by the end of the year.

**Moderator:** Our next question comes from the line of Sanjesh Jain from ICICI Securities. Please go ahead.

**Sanjesh Jain:** I got a few of them. First question on the EO availability. Now that we are very close to commissioning the facility, you are talking of commissioning the facility next quarter. How is the EO, are we procured the EO for the expanded capacity now?

**Sunil Chari:** Namaste, Sanjeshji. The Reliance expansion is delayed, and it may take a few more quarters for them to start delivering higher EO. But considering the softness in all India consumption of EO, we are able to get more EO than we were getting normally. And I think as we ramp up our capacity utilization for the new capacities, by the time we are at a good capacity utilization, Reliance EO enhancement should be ready. We don't foresee a big issue in that in the next 4 quarters.

**Sanjesh Jain:** You don't see an issue immediately or going forward.

**Sunil Chari:** Yes, because, Sanjeshji, we will not be able to use 100% of our capacity in the first few quarters. Ramping up will take us some time for us. And by the time we ramp up the capacity in the next year, we should have adequate EO. That is what is our judgment.

**Sanjesh Jain:** Got it, but there is no firm commitment as of now from the Reliance side.

**Sunil Chari:** No. There is no, they have told us in the next year, in the second, third quarter, they should give us, their capacity will come on stream, enhanced capacity.

**Sanjesh Jain:** My second question is on the Unitop. I was just going through the annual report and for last year, it appears that there is a significant deterioration in the margin for the Unitop, while revenue growth was very healthy at 18%. But if I look at the gross profit margin, it has fallen from 22% to 18% and EBITDA margin from double digit to high single digit. Now, what has happened last year in the Unitop? And what are the measures are we taking to fix them?

**Sunil Chari:** To give you a small background, Unitop, we acquired, it was around Rs. 300 crore. And this is a company which was existing for more than 36 years. In 36 years, they had reached Rs. 300 crore. Now when we reached from Rs. 300 crore to now, we are at an exit of nearly Rs. 70 crore, and we did Rs. 773 crore last year. This year, we may practically be 3x in 3-4 years.

This is something where we put all Unitop products into the Rossari markets, the Rossari customers. Whatever business we got from Rossari customers would always go through Rossari. And when we do business between Unitop and Rossari, it is on a transfer pricing basis. We should not look at Unitop, Tristar as subsidiaries

on a standalone basis. We have to look at consolidated profits of Rossari. We should not look at individual balance sheets is my request.

**Sanjesh Jain:** No, I appreciate that. But even if I look at it on a consolidated basis, earlier, we were talking of margin at around 14%. We are at 12.5% and this is on a lower raw material prices, which means that per kg basis, it has only fallen further. What explains the margin contraction on a consol basis then?

**Ketan Sablok:** No. So, Sanjesh, if you see the margin excluding the consumer business, they have again come back to that 14%-15%-16% kind of level. This quarter, in fact, we were at almost 16% if we remove the consumer business loss that has come in. Last year also, on an annualized basis, we were at about 15-odd percent for the full year. So our margins have consistently improved YoY in spite of the fact that the institutional consumer business earlier was hardly a major factor. But now with a Rs. 300 crore annual run rate of last year, it is becoming a significant portion of our overall sales.

**Sanjesh Jain:** No, I appreciate that but again, revenue growth is also driven by that segment itself, right? Otherwise, revenue hasn't been growing at that clip. Now, overall EBITDA, if I look at it, we have managed to grow only 5% this year YoY basis. So, that still remains muted. I understand the challenge on the export market, but the growth appears to be have significantly subdued versus what we were anticipating earlier.

**Sunil Chari:** Sanjeshji, I think we should be happy with the fantastic performance of our B2B business. And we also have mentioned in our comments that we had some days of stoppage intermittently for nearly 10-12 days at our sites for expansion. So, when we do welding or when you do anything which is related to heat, we, of course, have to stop our production. We lost some production that way, and that is why also you would see. But the EBITDA percentage now for the B2B business is amazingly good. I think we should be happy about this.

**Sanjesh Jain:** No, I am happy about it. I am just trying to understand that what has led to a slower growth. Nothing takes away from a good performance, what we have delivered. Just trying to decipher this and have the growth from here.

**Ketan Sablok:** If you see, Sanjesh, our core business QoQ has been down by about Rs. 25 - Rs. 30 crore compared to the Q4 of last year. I think as Mr. Chari said, we had about 10 days of intermittent closures in our facility because of the new reactors being put in. We lost about 7-10 days of production and that impacted the overall exports where some of the planned orders we could not dispatch, and we are planning to make up for that in the 2nd Quarter. We are expecting the 2nd Quarter run rate to be much better.

**Sunil Chari:** And Sanjeshji, to add to what Ketan sir said, we should compare 1st Quarter of last year and 1st Quarter of this year. This will be an apple-to-apple comparison where we have grown 11% even in volumes. The volume growth has been 11%, top line growth has been 11% compared to last year. And even our EBITDA on the B2B side, our core business, is better than 1st Quarter of FY25.

**Sanjesh Jain:** Yes. That's clear, sir. One question on the textile side. It's been 2-3 years that we have been struggling on that segment. But if I look at the competition, after we reported subsidiary number for last year, they have grown quite healthy and that's been the case for the last 2 years. Are we losing the market share in the textile chemical in Indian business?

**Edward Menezes:** Yes, Sanjesh. From our point of view, the textile chemicals business is quite steady. The textile business also increased in volumes YoY, this year also, whereas value-wise, we had some export shipments which got delayed this year because of the

delay in the logistics. So, that got reversed because the BLs were not received. So, that's the only negative 5%-7% that got negative there. Otherwise, Textile is on track. Overall, textile production in the industry was flat for the 1st Quarter, but we are also on par with the YoY growth over there.

**Sanjesh Jain:** Just one last question. How do we see revenue growth and EBITDA growth for next 2 years?

**Ketan Sablok:** I think as we had said on an annual basis, we expect to do a mid-double-digit, 14%-15% kind of growth, both on the top line as well as on the EBITDA front. Q2, as I said earlier, should be a much stronger quarter for us because we will have the Agri also going out in full flow and some of the export orders, which we missed out in this quarter, I think we would be fulfilling all those sales in Q2.

**Sanjesh Jain:** We will be holding on to the margin this year. I thought we will drive some operating leverage, right? The employee cost is largely done, and we are cutting losses in the institutional.

**Ketan Sablok:** Sorry?

**Sanjesh Jain:** I thought EBITDA we can grow faster because we are now done with the investment in the employee cost, our losses in the institutional business is reducing. EBITDA ideally should grow faster than the revenue, right?

**Ketan Sablok:** Yes, it should grow, but we are still being a little cautious because pricing is still a challenge for us. Some of the raw material prices have come down, and we expect that some of that we will have to give up in the coming quarters. We will just see how it plays out.

**Moderator:** Our next question comes from the line of Prachi Badade from Phillip Capital. Please go ahead.

**Prachi Badade:** Sir, under the non-EO-based category, what product categories are we focusing on? And what is the market size? And what growth rate do we expect going forward? Who all are the competitors and others? And in the next 2-3 years, what kind of revenue contribution do we expect from this?

**Sunil Chari:** Namaste. On the non-EO side, we have mostly surfactants and these are surfactants, which include Esters, which include Acrylic Polymers, which include other Polymers based on different Monomers, which we do. This also includes Methyl Esters of vegetable oils. These are basically grown in a good way even after our EO quota being nearly normally same as the last year.

The competitors in this segment are basically all the similar competitors which exist for our normal and these are global majors, which are there. And these are good companies who focus and normally, the products we are focusing are all green chemistries. Most of these are products where there is practically zero effluent and are considered green and futuristic in nature. We expect these non-EO products, which are there to go into Agro, to go into Home and Personal care, but also this could go into oil and gas, to pharma, and to paints and coatings. These would be the primary focus.

**Prachi Badade:** I have one more question on the export business. You have said that Southeast Asia, you are opening up a smaller facility. What kind of CAPEX are we expecting in this?



**Ketan Sablok:** The CAPEX, which is coming up in, outside the formulation, it is a very small investment, between Rs. 15 crore - Rs. 20 crore. And to start with, it will be a very small outgo. We will start doing some formulation activities over there. And then as the business grows and we see the market acceptance, then we will keep adding some more CAPEX to that. But to start with, it is going to be a smaller one.

**Moderator:** Our next question comes from the line of Pratik Oza from Systematix. Please go ahead.

**Pratik Oza:** Sir, can you share the EBITDA margins of our subsidiaries in this quarter?

**Ketan Sablok:** Pratik, we don't think we should see the margin specifically company-wise as Mr. Chari just spoke about it in an earlier question. It would be good to see on a consolidated level because each of the companies, Rossari, Unitop, Tristar, there is a lot of movement of products within the companies at a transfer pricing. Ideally, it would not be really making sense for us to look at the individual company margin levels. But having said that, I think both Unitop and Tristar have a double-digit kind of EBITDA.

**Pratik Oza:** Sir, another question is on the exports. I think for this quarter, exports were relatively lower sequentially. What is the reason for that? And are things improving there?

**Ketan Sablok:** Yes. This quarter, I think we could not fulfill a couple of orders we had in hand because of material availability in light of the fact that our plant had to be intermittently closed for a few days as the new equipments were getting set up. This being an EO-related facility, there are certain safety protocols, which we need to follow. So, we had to cut down on production. I think much of those lost volumes will get done in the 2<sup>nd</sup> Quarter.

**Moderator:** Our next question comes from the line of Rajit Aggarwal from Nilgiri Investment Managers. Please go ahead.

**Rajit Aggarwal:** I have two questions, one on the export side again. Going forward, what should be the run rate? I mean, should we consider Rs. 160 crore as a quarterly run rate for this year and the next year? Or will it be lower? And I am sorry; I missed the initial part of the conversation. So, if you could share the exact exports number for Q1?

**Ketan Sablok:** In Q1, the exports was about Rs. 139 crore and we expect on an annualized basis, exports to be around 27%-28% of the overall turnover.

**Rajit Aggarwal:** And on Ethylene Oxide, you mentioned that the availability has improved. Are you buying from somebody else also except Reliance? Who are the other suppliers to you?

**Sunil Chari:** Reliance is the only supplier for Ethylene Oxide.

**Rajit Aggarwal:** So, they have increased their supply to you in this quarter, and they will increase going forward as well.

**Sunil Chari:** Yes. Probably a little better than previous year.

**Moderator:** Our next question comes from the line of Vijay Sarada from Systematix. Please go ahead.

**Vijay Sarada:** Sir, I just wanted to understand two broader questions. One is on the overall, like once your CAPEX comes in, so we will start having the facility on stream from Q2

onwards. Next year, would we be in a position to use full of that or at least it will spill over to FY28 when we can see the full benefit of this CAPEX flowing in? The kind of gross asset turn that you are talking about, would we be able to see in FY27 or FY28?

**Sunil Chari:** The enhanced EO will be available mostly from September, October 2026. So, I think it will be spillover and we can see good capacity utilization in the year FY28 and as we said, 3- 4 years only we take to ramp up to 100% capacity.

**Vijay Sarda:** And sir, you talked about some CAPEX on the basically overseas CAPEX that you talked about. So, that is only Rs. 15 crore that you talked about or that is a bigger thing that we are looking, contemplating at this point of time?

**Ketan Sablok:** No. At least to start with, as we said that it is going to be around that number.

**Vijay Sarda:** When it will be, sir?

**Ketan Sablok:** Yes, depending on how it shapes up, how the market is, then how logistics, etc., how it works from there. And then if it works out well, we have plans to further expand that.

**Vijay Sarda:** And this will be majorly, as you said, you will be doing some formulation and all that. So, not the full-fledged CAPEX that you are looking, but it is an initial CAPEX?

**Ketan Sablok:** Yes, it is only to start with, it is a formulation setup.

**Vijay Sarda:** And just last thing on this B2B business. At what point of time where we start breaking even? And is there any some target at Rs. 100 crore kind of sales, we will be able to break even or something of that sort.

**Ketan Sablok:** Yes. I think, as I said earlier, our target is that by the end of this year, our losses should come down substantially. We will have to just see how the next 2 quarters go. If they go well, then we could even break even in this year. But definitely, by next year, we should be in a position to break even on the EBITDA levels.

**Vijay Sarda:** And just last thing, sir, this B2B, what is our kind of a target to get to in revenue mix, B2C and B2B, what is our target kind of going forward for next 2-3 years, where we see this B2B business going up?

**Ketan Sablok:** Vijay, we don't have a target like that. We want to grow both our businesses. Definitely, the investments are happening in the B2B business. Over the next 2-3 years, the B2B business will definitely grow at a much faster pace once the EO availability comes in next year and then post that, our capacity start reaching their optimal utilization. There is no fixed ratio between how much should be B2C and how much should be B2B. Both will keep growing and both are different businesses. They will grow at their own pace.

**Moderator:** Our next question comes from the line of Pranav Doshi from Ardeko Asset Management. Please go ahead.

**Pranav Doshi:** My first question is on the non-EO-based chemistry. So, like what percent of our total revenue currently or the total HPPC revenue come from these chemistries?

**Sunil Chari:** Namaste. We do not have any breakup on non-EO and EO. We don't do any break-up. There are so many products when we make formulations, there is EO and non-EO in it. It is practically impossible for us to do the breakup in this.

**Pranav Doshi:** And like who would be our major competitors in this business? You mentioned that there are a lot of global names, but can you give one or two of our competitors who are directly competing with us?

**Sunil Chari:** The competition is all the global majors, who are the big global majors like Dow, BASF, Lubrizol, INEOS, Nouryon, Sasol, Stepan. So, these are the big ones who are global majors everywhere in the world. So, these are companies which come in. But there are some Indian companies also. Clariant is another one, which has a good non-EO portfolio. Huntsman is another one. Indorama is there. It is a combination of many companies and even China is there. I think these are all non-EO global major companies.

**Pranav Doshi:** And sir, just YoY, even like our other expenses, they are up by around 20%. So, is that mainly because of the investments in our industrial business, industrial cleaning?

**Ketan Sablok:** Yes. So, if you see YoY, our other expenses have gone up by roughly about Rs. 12 crore. I think almost 50% of this is on account of the Institutional Business.

**Pranav Doshi:** And sir, just one more question. So, like given our investments in the business, so I wasn't able to understand why did we degrow YoY, even QoQ in the Q1, like especially YoY.

**Ketan Sablok:** You are talking about the Institutional Consumer business?

**Pranav Doshi:** Yes, the Institutional business, yes.

**Ketan Sablok:** Yes. I think YoY, we didn't see any degrowth. We actually saw a QoQ decline in terms of revenue. And I think, as I said earlier, let's not look at it on a QoQ basis. There are certain orders, especially in the institutional front, which happen on specific periods. On an annualized basis, we are still very optimistic this business will deliver healthy growth compared to what we did last year. About Rs. 300 crore we have done last year. We are still optimistic that on an annualized basis, we will see some good growth coming in this business. A quarter could be a little exceptional, but let's look at it on a longer-term basis.

**Pranav Doshi:** And sir, what would be our gross margins in this business, the Institutional business?

**Ketan Sablok:** Gross margins are closer to, I think, 30%. They would range between 28% to 30%.

**Moderator:** Our next question comes from the line of Rajit Aggarwal from Nilgiri Investment Managers. Please go ahead.

**Rajit Aggarwal:** Sir, one question on exports again. Could you provide the geographical breakup between, let's say, America, Europe and Asia?

**Ketan Sablok:** Offhand, I may not have, but I think our large export markets are Latin America, Europe and Southeast Asia, and we are also now doing substantial exports in the Middle Eastern bloc.

**Rajit Aggarwal:** And the decline in the exports would have been across the geographies or was it specific to one geography by any chance?

**Sunil Chari:** It will be across all geographies because the product availability was not there.

**Moderator:** Ladies and gentlemen, that was the last question. I now hand the conference over to the management for closing comments.

**Edward Menezes:** Thank you, everyone. I hope we have been able to answer all your questions satisfactorily. 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, and good evening.

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