FAIRCHEM
A FAIRFAX COMPANY

FAIRCHEM ORGANICS LIMITED

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July 30, 2026

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400051

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Ourselves: BSE Scrip Code: 543252/NSE symbol: 'FAIRCHEMOR'

Dear Sirs,

Ref: - Regulation 30 read with Schedule III – Part A, Para A – Clause 15(b) of SEBI (LODR) Regulations, 2015

Sub: - Submission of Transcript of audio recording of Earnings Con-call on Unaudited Financial Results for the Quarter Ended June 30, 2026

In furtherance to our letter dated July 14, 2026, we hereby submit, pursuant to Regulation 30 read with Schedule III, Part A, Para A Clause 15(b) of the SEBI (LODR) Regulations, 2015, a PDF file containing a transcript of audio recording of Earnings con-call held on Tuesday, July 28, 2026 for the Unaudited Financial Results for the Quarter Ended June 30, 2026.

We request you to take the same on your record.

Thanking you,

Yours faithfully,
For Fairchem Organics Limited

FAIRCHEM ORGANICS LIMITED

Jatin Jain
Company Secretary & Compliance Officer
ACS - 24293

Encl: As above

Fairchem Organics Limited
Q1 FY'27 Conference Call
July 28, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY2027 conference call of Fairchem Organics Ltd. hosted by Valorem Advisors.

As a reminder, all participant lines will be 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 this conference call, please signal an operator by pressing "*" then "0" on your touch-tone phone. Please note that this conference has been recorded. I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you and over to you ma'am.

Purvangi Jain: Thank you. Good evening, everyone and a warm welcome to you all. My name is Purvangi Jain from Valorem Advisors.

We represent the investor relations of Fairchem Organics Ltd. On behalf of the company, I would like to thank you all for participating in the Company's Earnings Call for the 1st Quarter of the Financial Year 2027.

Before we begin, a quick cautionary statement:

Some of the statements made in today's conference call may be forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and information currently available to the management.

Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's earnings conference call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review.

I would now like to introduce you to the management team joining us on today's call. We have with us Mr. Nahoosh Jariwala – Managing Director and Chairman, and Mr. Bhavesh Shah – Chief Financial Officer.

Without any delay, I would like to hand over the call to Mr. Bhavesh Shah to begin with the financial highlights. Thank you and over to you, sir.

Bhavesh Shah: Thanks, and good afternoon, everyone. Welcome to the Earnings Call for Q1 FY 2027 for the quarter under review.

The revenue from operations was at Rs. 176 crores reflecting a 34.4% year-on-year increase compared to the corresponding quarter last year. EBITDA for the quarter was Rs. 18 crores with EBITDA margin of 10.14%. The net profit for the quarter was Rs. 10 crores. We have processed 12,400 tonnes of raw material and have sold 13,500 tonnes during the quarter. Happy to answer any queries. With this, I will hand over the call to our Managing Director, Mr. Nahoosh Jariwala.

Nahoosh Jariwala: Thank you, Bhavesh. Good evening, everyone. As we begin FY 2027, I want to share our operational perspective on the quarter and the road ahead.

The quarter has started on a strong note. Our revenues from operations have grown. Basically, they have been driven primarily by higher price realization on account of elevated raw material costs as well as lower imports amid ongoing supply chain constraints.

I am pleased to note that our EBITDA margins have also further improved to more than 10% during the quarter, supported by better realization in domestic markets as import pressure continues to ease. On the external environment, while we remain watchful of the evolving macroeconomic situation, including the uncertainty arising out of ongoing Middle East crisis, we continue to be consciously optimistic about the trajectory ahead. The recently concluded India-UK Free Trade Agreement and the expected implementation of India-EU Free Trade Agreement favorable tariff developments with the US and recent depreciation of Indian Rupee are expected to strengthen our export competitiveness and support improved capacity utilization over the course of the year.

With that, I open the floor for question-and-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Shlok Patel from ZenFlow Research. Please go ahead. Hi.

Shlok Patel: Thanks for the opportunity. Just a couple of questions. Can you share the revenue mix for Q1 FY27?

Bhavesh Shah: The revenue was Rs. 176 crore of which around 30% was dimer acid, 42% was linoleic acid, Isostearic acid was 4% and rest 24% is other by-products.

Shlok Patel: Can we expect similar revenue and margin run rate for rest of the three quarters?

Nahoosh Jariwala: Yes. Looking at the current situation, we feel we will be able to maintain.

Shlok Patel: And just about the Isostearic acid ramp-up, how are we expecting the ramp-up for Isostearic acid for next 1-2 years?

Nahoosh Jariwala: I mean in next 1-2 years, we will reach more than 80% capacity utilization.

Shlok Patel: Yes. Okay. Thanks. That's it from my side.

Moderator: Thank you. The next question is from the line of Shivam Gupta from Trinetra Asset Managers. Please go ahead.

Shivam Gupta: I wonder whether the company has historically benefited from its integrated sourcing model. Beyond raw material prices, are there any structural initiatives underway that can further strength your cost advantage over global peers?

Nahoosh Jariwala: Last year, we had undertaken major energy conservation exercise whereby we have been able to reduce our power consumption by more than 30% and our solid fuel consumption also by more than 35%. So, that is one major exercise we have undertaken. We continuously do time and motion study so that no excess manpower is created in the organization. And at the same time, now we have started working on the catalysts and the consumables what we have been using, trying to stabilize our work with different types of catalysts whereby the consumption and the value both goes down.

Shivam Gupta: Okay, sir. My second question is, as global customer increasing, look to diversify their supply chains. Yes, it has. Are you witnessing any meaningful increase in enquiry for customers seeking alternative to existing supplies?

Nahoosh Jariwala: Yes, in fairly large number.

Shivam Gupta: Can you tell numbers?

Nahoosh Jariwala: Around 7 to 8 big customers.

Shivam Gupta: Okay, sir. Thank you. That's it from my side. Thank you.

Moderator: Thank you. The next question is from the line of Sajal Kapoor from Antifragile Thinking. Please go ahead.

Sajal Kapoor: Yes, thank you for taking my question. Sir, I would like to start with our gross margins. If you look at the business over the last five years, our gross margins were low to begin with and they have only gone lower from that reference point which kind of means that the product innovation and R&D has had almost no impact or maybe we are not interested in innovating and moving up the value chain because that should have reflected in the gross margins.

Nahoosh Jariwala: It's not the case because we introduced Isostearic acid. We are the third company in the world making Isostearic acid and we have followed the green route. So, that is one thing. Secondly, we have commissioned the bypass fat plant also which again there are very few companies making bypass fat. So, it's not that we are not doing innovation. Basic problem has been we have been always explaining that the duty structure on the raw material what we buy is 22.5% and the finished product carries 7.5% duty. That is the basic reason.

Sajal Kapoor: And in the presentation we are saying that we have got 13 technical or scientific resources, one PhD. How much revenue on a recurring basis do we invest in R&D every year? Is it 1%, 2% of sales, that kind of a number?

Nahoosh Jariwala: It's around 50 lakhs is only spent on the revenue side. The salary and the capital expenditure is on need-based basis.

Bhavesh Shah: So, it is 1-1.5% as of now.

Sajal Kapoor: 1%-1.5% as of now, right. I think we should quote that number in the annual report because I was looking at the latest annual report. I couldn't find the number clearly. Maybe something we can take as a feedback and implement from next year because this year's annual report is already up.

Bhavesh Shah: R&D expense is already mentioned. If you can just check the annual report, we will just let you know the page.

Sajal Kapoor: Yes, I checked. So, both capital and recurring is showing blank.

Bhavesh Shah: We will just get back to you on this.

Sajal Kapoor: Sure, No problem. And finally, what percentage of current revenues are coming from products that did not exist 3 years ago or 4 years ago? And where do you expect the product mix to shift over the next 3 to 4 years?

Nahoosh Jariwala: Basically, with the introduction of Isostearic acid, we intend to increase the utilization of dimer fatty acid plant, which in turn will increase the overall utilization of plant capacity. That is when the Isostearic acid we introduced 2 years back, and basically as it is going in cosmetics, plus there are entry barriers, which has taken a little bit longer for us to get the approvals from the buyers.

Sajal Kapoor: Right. And do we expect to introduce more products that kind of fit our philosophy of base to wealth over the next 3 years?

Nahoosh Jariwala: Next quarter, we will be introducing one new raw material. Again, for the first time, we will be manufacturing that particular product. And it also falls in oleochemical sector only, which is the process that has been developed by our in-house R&D lab.

Sajal Kapoor: Sure. And in terms of the cycle, innovation cycle from concept to commercial, what is the kind of delay? Does it take 3 years, 5 years, 7 years?

Nahoosh Jariwala: R&D is something which takes pretty long and in which time span is not fixed. Then we go for pilot plant, then we go for one small plant, and then we go for the larger plant. Basically, none of these technologies are available of the shelf. All these technologies are to be self-developed. So, rather than taking any undue risk, we try to move slowly.

Sajal Kapoor: Sure. So, in terms of the competitive advantage in manufacturing, isn't the manufacturing know-how rather than the patents? Because I don't think we file patents. Many chemical companies don't file patents.

Nahoosh Jariwala: No, it's manufacturing know-how.

Sajal Kapoor: Yes, but we tend from filing patents. I know Clean Science is an example. It's a very different organization, but they also don't file any patents.

Bhavesh Shah: Patents are very difficult to defend. I mean, we are the preferred choice to our customer. That is what we prefer.

Bhavesh Shah: Thank you.

Moderator: Thank you. The next question is from the line of Preet Jain from Niveshaay. Please go ahead.

Preet Jain: Basically, I want to know that who are our dimer acid customers or is there any dimer acid competition? Dimer acid, how is the competitive environment scenario ramping up? And I want to know, basically, on the market side, what, basically, in terms of tonnage, how big is our market of dimer acid?

Nahoosh Jariwala: So, these are certain information we won't like to share. That is the name of our customer and what is the quantity we are selling. So, it won't be possible for me to share those information.

Preet Jain: Okay. And I also want to ask that is there any alternative to the raw material we are using, like we are using the feed oil from Marico or other players. Is there any alternative of the raw material for our dimer acid?

Nahoosh Jariwala: No, basically, dimer acid is made from vegetable oil sources and we are utilizing vegetable oil sources only. The second option is to follow mutton-tallow route, which is something which we are not doing.

Preet Jain: Okay. And also on the new product which we are coming on, which will be commissioned from Q2, the product which is used in EV battery side, how is the ramp up of that product expected?

Nahoosh Jariwala: We are not going to manufacture anything for EV battery. We have never said that.

Preet Jain: Okay.

Bhavesh Shah: There might be some confusion at your end.

Preet Jain: Okay. But the new capacity which is coming from Q2 of 40,000 metric tons, it is of dimer acid and that and other product?

Bhavesh Shah: Other product. No, it's other product. It's in the family of oleochemical.

Preet Jain: Okay And how is the ramp up of that product expected?

Nahoosh Jariwala: We are going to start the trial run. So, once that is stabilized, then we will ramp up the capacity.

Preet Jain: And margins of that plant will be same as our current?

Nahoosh Jariwala: Better than current.

Bhavesh Shah: Should be better.

Moderator: Thank you. The next question is from the line of Chirag Vakaria from Budhrani Finance. Please go ahead.

Chirag Vakaria: I wanted to understand, sir, in your PPT page 14, you have written the revenue has improved because of higher price realization due to high raw material cost. So, does that mean that higher raw material cost you were able to pass on to the consumer?

Bhavesh Shah: Yes.

Chirag Vakaria: Incrementally, earlier you used to mention, you know, that it was tough to pass on. So, how come, you know, it is possible now?

Bhavesh Shah: There was a geopolitical supply chain issue because of Middle East crisis. And we have seen that the imports have also reduced. So, that is the reason we could pass on the price increase.

Chirag Vakaria: So, sir, if things were to, say, this supply chain constraint that you have mentioned, if those were to ease, again the same problem would surface?

Nahoosh Jariwala: Basically, there was dumping happening from China, which has gone down. And if dumping starts again, we cannot do anything about it.

Chirag Vakaria: So, sir, second question was that in terms of margin, which you have posted around 10% this time, that is again dependent on the fact that the import does not come in and...

Nahoosh Jariwala: Obviously, in any chemical sector, if China starts dumping, which, I mean, why is a companies go for anti-dumping duties. I mean, sir, dumping is happening where no one can do anything about it.

Moderator: Thank you. The next question is from the line of Madhur Rathi from Counter Cyclical Investment. Please go ahead.

Madhur Rathi: Sir, thank you for the opportunity. Firstly, I wanted to understand that this 30% volume growth that we have seen quarter on quarter, is this sustainable? And, sir, what percentage of our products are direct crude substitutes in our major paint industry to help us understand?

Bhavesh Shah: So, the linoleic acid, which is 40% of our volume, that goes into the paint industry.

Madhur Rathi: And, sir, this is a direct crude substitute, crude derivative substitute. So, either they use linoleic acid or they use some kind of crude substitute. Is that understanding correct?

Nahoosh Jariwala: yes

Madhur Rathi: Sir, so do we see a scenario where a major portion of our volume is going away whenever crude comes down?

Nahoosh Jariwala: Not that crude. It's crude vegetable oil.

Madhur Rathi: Okay. Crude vegetable oil. Okay.

Bhavesh Shah: So, the crude vegetable will reduce, our cost will also reduce.

Madhur Rathi: Got it. And, sir, this pricing improvement that we've seen, sir, so do we expect this to sustain going forward? And, has there been a meaningful impact of the Chinese anti-involution on our business?

Nahoosh Jariwala: Yes. Chinese dumping has gone down. Devaluation has happened. So, I mean, all these things combined effect, the margins have improved.

Madhur Rathi: Got it. Now, sir, coming out to our investors, as we've mentioned, that we are in some product upgradation of linoleic acid using oil-sealed railings. So, is this a product that is widely used or this is something like very application-specific product like our one of the largest peer, Oleon , where they have specific products or specific applications?

Nahoosh Jariwala: It's a combination of both. It's a combination of both.

Madhur Rathi: Sir, so have customer trials begun for this product?

Nahoosh Jariwala: Yes, they are trying.

Madhur Rathi: Okay. And now, sir, so if you could help us understand, what would be the realization by linoleic we would get versus a normal linoleic acid and what kind of...

Nahoosh Jariwala: Obviously, it will be better than anything when you make a special product, a tailor-made product. Obviously, your price realization goes up.

Madhur Rathi: Right, sir, but if you could help us understand the magnitude of the...

Nahoosh Jariwala: No, it's something once we actually enter in contract, we will be able to realize.

Madhur Rathi: Okay, got it. Sir, just finally, one question from . How do you see the business growing over the next two to three years? Are we planning to move into more like Oleon and finding organics where we are manufacturing application-specific products or we would like to make products that are difficult to manufacture by someone else?

Nahoosh Jariwala: Difficult to manufacture. Difficult to manufacture.

Madhur Rathi: Okay. And, sir, the oleochemicals that you mentioned, in what industry does it go exactly, the 40,000 metric ton that we've assigned for?

Bhavesh Shah: Yes, come again, we were not able to hear you.

Madhur Rathi: Sir, the oleochemicals that you mentioned that we've assigned the 40,000 metric ton of capacity for, in what product are you expecting...

Nahoosh Jariwala: At this stage, we won't diverge. Before also, I think you asked, last time also you did ask this question, if my memory is right. I said no, I won't be able to answer that.

Madhur Rathi: Okay, sir, that was from my side. Thank you so much for doing the dialogue.

Bhavesh Shah: Thank you.

Moderator: Thank you. The next question is from the line of Ashish Upganlawar from InvesQ PMS. Please go ahead.

Ashish Upganlawar**:** Yes, sir, thank you for this opportunity. So, I've been following your company for the last five years and this is, I think, the first time that we've seen things improve because I think the last time when you expanded capacity, things when south because of dumping. So, sir, questions would be like, you mentioned that two factors. One is there is an inverted duty structure because of which margins are impacted and secondly, the dumping that was happening. So, is it possible to segregate how much of the margins have been sacrificed because of each of these? Because I think inverted duty would be eating into something and then the remainder is because of the realization.

Bhavesh Shah: The finished product is charged at 7.5% and the raw material is charged at 16.5%. So, differential 9% is the margin getting lost in this whole process.

Ashish Upganlawar: So, when did this come into effect, sir, this inverted duty structure?

Bhavesh Shah: This came in 2024 at 27.5%. Then it got reduced to 16.5%. So, is there any chance of this getting corrected?

Ashish Upganlawar: Any representations that you would see, any hope on that?

Nahoosh Jariwala: How can it be something which we are too small to try to understand

Bhavesh Shah: Because it is mainly used for, I mean, we are having a by-product.

Nahoosh Jariwala: I mean, we are too small to try to understand this duty thing.

Ashish Upganlawar: Okay. Secondly, sir, you mentioned that the dumping has reduced. Is it because imports were not able to come in because of this war stuff?

Nahoosh Jariwala: Basically, I think they might have realized that too much of dumping is happening. So, maybe.

Ashish Upganlawar: So, some incentives being reduced in China or something?

Nahoosh Jariwala: Yes, or maybe the export incentive they were getting might have come down. Something would have happened because we see the same thing in lots of products.

Ashish Upganlawar: So, I am just trying to understand whether this is a sustainable thing gain for us or is it not?

Nahoosh Jariwala: It will be something which is happening in China. What type of thought process is going on there? So, I might say that yes, this is sustainable. It might not and it might remain sustainable also. So, I mean, this is a business risk. So, that is one of the reasons we are not doing any crazy expansion or we are not taking any debt or anything. Whenever the things were good also, we were not doing that.

Ashish Upganlawar: Okay. On the Isostearic acid…

Moderator: Mr. Ashish, may we request you to turn to the question queue for a follow-up question?

Ashish Upganlawar: Okay. Thank you.

Moderator: Thank you. Ladies and gentlemen, in order to ensure that the management is able to address questions from all participants in the conference, please limit your questions to two per participant. The next question is from the line of Maitri Shah from Sapphire Capital. Please go ahead.

Maitri Shah: Yes, hello. So, if you could mention what sort of volumes did we sell in Q1 FY26? I just wanted to gauge the YOY volume growth that we had for this year.

Bhavesh Shah: So, in Q1 FY26, we sold 13,000 tons.

Maitri Shah: 13,000 tons. So, most of our growth this quarter has led to the realization, I'm assuming. Sure, yes. And you mentioned that two things helped. One is the China dumping has gone down and the second is because of the supply constraints happening. So, we were able to pass on the cost. Just assuming that the supply constraints kind of lift up and now there's a normal supply happening, but the China dumping kind of stays stagnant, what sort of revenue growth are we targeting for the rest of the year?

Nahoosh Jariwala: The first thing we'll target is increasing capacity utilization. Minimum 10 to 20 percent, we intend to increase the capacity utilization. I mean, every quarter, maybe 5 percent. So, by the end of the fourth quarter, we have increased it by around 20 percent. So, that's our game plan. That is our strategy. We are working on that. I mean, obviously, the geopolitical situation is going to play a big part in this.

Maitri Shah: Got it. And the reason for lower volume growth in this quarter, can we base this off of lower inputs happening in the country or have we found any sources domestically to kind of get the raw materials?

Nahoosh Jariwala: We are 100 % domestic raw material company. We don't import any of our raw materials.

Maitri Shah: Okay, but the duty is on the raw materials from where we are sourcing. Got it. And on the Isostearic side, what sort of contribution we had in this quarter and how do you plan to scale it up over the next two years since it has a better EBIDITA margin…

Nahoosh Jariwala: The Isostearic acid is going in cosmetics and where the entry barriers are very stringent. I mean, it is taking a little bit longer and longer than what we expected because there are just three manufacturers in the world and there are very few buyers of this particular product. So, there is something called entry barriers which are happening. We are trying to enter, but it is taking its own time. The breakthrough whenever if one also buyer comes in a big way, suddenly you will see a major surge in the quantity. So, we are desperately working on it, but it's going to take its own time.

Moderator: The next question is from the line of Rohan Joshi, an individual investor. Please go ahead.

Rohan Joshi: Hi, sir. My question was that what are the capacity utilization rates in this quarter and what guidance can you give on the utilization rate for FY27?

Bhavesh Shah: We are at close to around 60% as of now, and we would like to exit the year at around 70% to 75%. Okay.

Rohan Joshi: My second question was on the exports front. What is the current revenue contribution from the exports that we are getting right now? What products will be the key to achieving the company's export guidance?

Nahoosh Jariwala: Dimer and Isostearic.

Bhavesh Shah: Currently, it is hovering between 7% to 8%. Okay.

Rohan Joshi: If I go on the domestic side, what proportion of revenue comes currently from the paint industry? Is the company dependent on the paint industry significantly?

Nahoosh Jariwala: 40%.

Rohan Joshi: Can we expect the current growth outlook for the paint industry as well? What is the company's plan to reduce the dependence over time? Because as you said, 40% of the revenue comes from there.

Nahoosh Jariwala: We don't intend to reduce our dependence.

Bhavesh Shah: At overall capacity utilization, we want to increase.

Nahoosh Jariwala: We want to increase the overall capacity.

Bhavesh Shah: So, I think we don't have any issue with the proportion in the paint industry.

Rohan Joshi: Okay. Thank you, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Madhur Rathi from Counter Cyclic Investment. Please go ahead.

Madhur Rathi: Sir, thank you for the opportunity. Sir, just to clarify, 70% to 75% utilization, this is under 80,000 metric tons capacity that we are expecting currently.

Bhavesh Shah: Yes. It is 80,000

Madhur Rathi: And any additional would be once the 40,000 starts?

Bhavesh Shah: Yes.

Madhur Rathi: And, sir, this Isostearic acid, how is a ramp up, sir. Because we are expecting the plant to be 80% utilized in the next four years, but we are also seeing a longer gestation period from the end consumer. So, how should we realistically look at this product for fairchem organics?

Nahoosh Jariwala: Isostearic acid is manufactured from one of the core products of dimer fatty acid. So, it has no bearing on whether I sell Isostearic acid or not. Isostearic acid is the part of forward integration.

So, it gives me extra value, extra price realization on the by-product stream. That's all. So, it has no bearing whether I am able to sell higher quantity or lower quantity of Isostearic acid. It has no bearing on overall capacity utilization.

Madhur Rathi: Sir, so where does this monobasic acid is used apart from Isostearic acid? Where is it used additionally?

Nahoosh Jariwala: Paint.

Madhur Rathi: Okay, paint. Got it. Okay, got it. Sir, that was from my side. Thank you so much.

Moderator: Thank you. The next question is from the line of Pragyam Laddha from Omnee Management, LLP. Please go ahead.

Pragyam Laddha: Thank you for the opportunity, sir. All my questions have been answered. Just one question. Sir, in percentage terms, if you could guide how have the realizations improved from Q4 of FY26 till now and also from Q1 of FY26?

Bhavesh Shah: Realization from Q4 has gone up by around 25% and from Q1 it has gone up by 30%.

Pragyam Laddha: By 30%. Okay, sir and we see these sustainable for like as long as this West Asia crisis is going on, right?

Bhavesh Shah: Yes, we hope so.

Pragyam Laddha: Okay, sir. Thank you. Thank you so much.

Moderator: Thank you. The next question is from the line of Shivam Parekh from Valuewise Wealth Management. Please go ahead.

Shivam Parekh: Hi, sir. Good afternoon. So, around two quarters back in the conference call, you had mentioned that you were not willing to sell at the prices in which one of the domestic competitors was selling dimer acid and linoleic acid. So, currently as of today, so due to better price realization, are you comfortable now in selling at a max utilization capacity and due to better price realization as well as due to less tailwind as compared to around two, three quarters back?

Bhavesh Shah: Yes, that's correct. From March onwards, our margins realizations have improved.

Shivam Parekh: Okay. And, sir, you had mentioned that you were deliberately slowing down on sales like you told that we would not like to sell at prices which we are not comfortable at. Due to that, we were at around 35% to 40% utilization capacity and currently you are at 60% and you tend to reach to 75%. So, are we at the price realization level where you are still waiting for the better price realization or are we expecting?

Nahoosh Jariwala: No, we are happy with the realization.

Bhavesh Shah: We are happy with the realization. We will continue to increase the market share.

Nahoosh Jariwala: that's the reason for the capacity utilization

Shivam Parekh: Okay. So, as of the current scenario, the price realizations are better so you are willing to ramp up at our max capacity. Is my assumption correct?

Nahoosh Jariwala: So, first step is to reach 100% capacity utilization, then we will ramp up the capacity.

Shivam Parekh: And, sir, with the new 40,000 capacity…

Moderator: Sorry to interrupt. Mr. Shivam, may we request you to return to the question queue for a follow-up?

Shivam Parekh: Okay, sure.

Moderator: Thank you. The next question is from the line of Ashish Upganlawar from InvestQ PMS. Please go ahead.

Ashish Upganlawar**:** So, Isostearic acid still would be a very small portion of our sales, right? I mean, we just started on that, is it?

Bhavesh Shah: Yes, 4% in this quarter.

Ashish Upganlawar**:** Okay. So, whatever results have come this quarter, it is purely to do with things improving on dimer and linoleic and other acids?

Bhavesh Shah: Yes, that's correct.

Ashish Upganlawar**:** Okay. So, any guidance or maybe clear picture that you can share with us because you would have had a big approval cycle as far as Isostearic acid is concerned?

Nahoosh Jariwala: Every quarter we get some query or some information that we'll take some more time for analysis. So, it is, I mean, obviously as a company, we are desperately following up. Our marketing is breathing down everyone's neck. But beyond a point, we cannot do. See, the beauty is that only third manufacturer in the world. So, it also would have its own entry barrier because the products are used in cosmetics in Europe and Japan which are very, very, very strict companies to deal with. So, that is taking more time. But once you enter, it's a long-term association with them. So, that's fine with us. We don't mind.

Ashish Upganlawar**:** Yes. So, what I was trying to understand is, given the challenges that we have had with the base business all these years, so this would be a good forward integration for us to look for a change of course in the business overall. Is that the thought process if these problems sustain?

Nahoosh Jariwala: It increases our sustainability.

Ashish Upganlawar**:** Right. Because you've always had a good balance sheet. The problem has been on the dumping and other things that have come.

Moderator: Thank you. Before we take the next question, we would like to remind participants that you may press star and one to ask a question. The next question is from the line of Rohit from I-Thought PMS. Please go ahead

Rohit: Yes, sir. Most of the questions have been answered, sir. Just on this Isostearic acid. So, just are you saying on this call that it's a long gestation period? So, in terms of… Let's say there are five steps to get to the final process and start supplying commercially.

Nahoosh Jariwala: At a couple of companies, we have finished all five steps. At a couple of companies, we are at the fourth step. But, I mean, everywhere we have crossed third step.

Rohit: Okay. So, is it fair to say that, let's say, by the end of this financial year FY 27, there would be some positive outcome?

Nahoosh Jariwala: Yes.

Rohit: Right. And if you can share some bits, you said that you were doing this via the Green Mission, and you're only the third player. So, in terms of your cost advantage or maybe in terms of your pricing benefit, what gives you that edge, what is your pitch to the existing customers that why should they try you? Maybe whatever you can share. I know these are confidential things.

Nahoosh Jariwala: I mean, it's better. I mean, let the results speak.

Rohit: No, no. Of course. I understand. But I'm saying, is there good difference or is it the fact that something else's unique process that you follow?

Nahoosh Jariwala: Our process is different.

Rohit: It's a complete integrated plant.

Nahoosh Jariwala: Yes. We are following Green process. That is our USP. And that is the reason it is taking a little bit longer for everyone to undertake stability tests.

Moderator: Right. Sorry to interrupt, Mr. Rohit. May we request you to return to the question queue for a follow-up question? Thank you. The next question is from the line of Ajay Surya from Niveshaay. Please go ahead.

Ajay Surya: So, sir, I just wanted to understand from you, sir, because in the past we have faced issues of like dumping from China and recently because of this war, geopolitical tensions, everything, things have again changed in our favor. So, sir, I wanted to understand like from our interaction with customers, are they now willing to enter into any long-term contract or are they still preferring to like maybe--

Nahoosh Jariwala: I would not like to enter into any long-term contract with so much volatility. It would be hara-kiri for me.

Ajay Surya: But, sir, on volumes, maybe we can get into like any long-term contract with the customers. Like pricing can be a moving part, but then on volume--

Nahoosh Jariwala: It's not like that. I mean, no company would like to have whereby they'll commit on quantity, but they won't commit on the price.

Ajay Surya: Okay, okay. And, sir, like I wanted to understand on the current import trend, like what are we witnessing as of now in the current scenario? Like are we seeing imports coming in or like any quantum of that, if you can provide any--

Nahoosh Jariwala: Quantities are going down; prices are going up.

Ajay Surya: Okay, okay. Got it.

Moderator: That's it from my side. Thank you. The next question is from the line of Jasmine Surana from VT Capital. Please go ahead.

Jasmine Surana: Good afternoon, sir. Sorry for making you repeat this. That you were given. Could you please repeat that?

Bhavesh Shah: Jasmine, we are not able to hear you.

Jasmine Surana: Good evening, sir. My question is actually; you had mentioned something about the 20% growth. I missed out on that part. So, could you please repeat it? Sorry for making you repeat it.

Nahoosh Jariwala: So, every quarter we intend to grow by 5% to 7%. So, at the end of the last quarter, we would have grown by 15% to 20%.

Jasmine Surana: Okay, and this is on the topline, right?

Nahoosh Jariwala: Yes, this is on the quantity. Basically, we talk about quantity.

Jasmine Surana: Great. Thank you, sir.

Moderator: Thank you. The next question is from the line of Rohit from Ithought PMS. Please go ahead.

Rohit: Hello, sir. Hi. Thanks for the follow-up. Just one more question. So, you mentioned that you want to increase your capacity utilization by around 10 to 15 percentage point from where it is today. And you also mentioned to an earlier question that the margins will sustain. So, are there no benefits of operating leverage or do you expect things to sort of... some pricing pressure, etc., to come back?

Nahoosh Jariwala: Not that. But basically, I mean, I cannot say. I mean, I would love to work at 100% capacity utilization.

Bhavesh Shah: So, we would like to increase our sales volume because that's more sustainable. And we are okay with the current margin level

Moderator: Thank you. Ladies and gentlemen, we will take that as the last question of the day. And I now hand the conference over to the management for closing comments.

Nahoosh Jariwala: Thank you, all the participants in this earning call. I hope we have been able to answer your questions satisfactorily. If you have any further questions or would like to know more about the Company, please reach out to our IR managers at Valorem advisors.

Moderator: Thank you. On behalf of Fairchem Organics, that concludes this conference. Thank you for joining us and you may now disconnect your lines

For, Fairchem Organics Limited,

Jatin Jain
Company Secretary and Compliance Officer