Date: November 03, 2026

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.

Scrip Code: **541167**

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

Symbol: **YASHO**

Dear Sir/ Madam,

Sub: Earnings Conference Call Transcript for Q2FY27

With reference to the captioned subject matter, please find attached herewith the earnings conference call transcript for Q2FY27 for your reference and records.

The said transcript of the earning conference call is also made available on the Company's website i.e. www.yashoindustries.com

You are requested to take the above information on record.

Thanking You,
Yours faithfully,
For Yasho Industries Limited

Rupali Sugriv Verma

Digitally signed by Rupali Sugriv Verma
Date: 2026.11.03 16:14:32 +05'30'

Rupali Verma
(Company Secretary & Compliance Officer)
Membership No. A42923

Encl: a/a

“Yasho Industries Limited

Q2 FY27 Earnings Conference Call”

October 29, 2026

MANAGEMENT: **MR. PARAG JHAVERI – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – YASHO INDUSTRIES LIMITED**
MR. CHIRAG SHAH – CHIEF FINANCIAL OFFICER – YASHO INDUSTRIES LIMITED

MODERATOR: **MS. SEJAL BHATTAR – MUFG INTIME**

Moderator: Ladies and gentlemen, good day, and welcome to Yasho Industries Limited Q2 FY27 Earnings Conference Call hosted by MUFG. 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 the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Sejal Bhattar from MUFG Intime. Thank you, and over to you, ma'am.

Sejal Bhattar: Thank you, Yusuf. Welcome to Yasho Industries Q2 and H1 FY27 Earnings Conference Call. From the management today, we have Mr. Parag Jhaveri, Managing Director and CEO; and Mr. Chirag Shah, CFO.

Before we proceed with the call, I would like to give a small disclaimer that this call may contain certain forward-looking statements, which are based on business operations and expectations of the company as of today. These statements are not guarantees of future performance and involves risks and uncertainties, which are difficult to predict. A detailed disclaimer has been given in the company's investor presentation, which is uploaded on the stock exchange.

Now I would request Parag sir to give his opening remarks. Over to you, sir.

Parag Jhaveri: Good evening. Everyone, and thank you for joining us for Yasho Industries Limited Q2 and H1 FY27 Earnings Conference Call. We are pleased to report a strong performance in the first half of FY27, driven by robust volume growth, increasing demand across our key markets and continued progress in strengthening our industrial chemical business. These results reflect the benefit of our investments in manufacturing capacity and the opportunities we see ahead.

For Q2 FY(27), we have achieved a sales of INR147.33crores* while H1FY27 it stood at INR 656.98 crores registering a year-on-year growth of 71.7%, while EBITDA has increased by 122.8% to INR147.33 crores. We recorded volume growth of 62% year-on-year and 7% on quarter-on-quarter supported by higher offtake from existing customers. Our industrial chemicals business remain a key growth driver, contributing approximately 90% of the revenue.

Our focus is on strengthening our product portfolio and capturing a larger share of the addressable market through deeper customer engagement and new product offerings. Capacity utilization stood at 66% in Q2 FY27, reflecting better demand absorption across our key market. Our priority is to ramp up utilization further, which shall enable us to benefit from better fixed cost absorption. Export accounts for 70% of the revenue.

The supply agreement we signed last year will start contributing to our growth from FY28. Company has received INR120 crores to date under the contract. We are expecting trial production by Q4 FY27 and commercialization in Q1 FY28. We remain focused on executing these milestones as planned.

*The sales figure Q2FY27 was inadvertently mentioned as INR 147.33 Crores and is to be read as INR 347.92 Crores

We foresee growing demand for several of our products. We have committed a capex of INR250 crores this year on building two new manufacturing buildings at our Pakhajan site. This will enable us to grow beyond FY28 and enable us to pursue projects that align with the long-term growth plan for the company.

With that, I would like to thank our employees, customers, shareholders, business partners, leaders and the Board of Directors for their continued support. Thank you. I will hand over to our CFO, Mr. Chirag Shah, who will take you through the financial details.

Chirag Shah: Thank you, Parag bhai, and good evening, everyone. I will take you through the financial performance of Yasho Industries for Q2 and H1 FY27. Total income stood at INR347.92 crores compared with INR183.6 crores in Q2 FY26, registering a year-on-year growth of 89.5%. EBITDA increased to INR72.92 crores from INR33.42 crores, representing growth of 118.2%. Profit after tax stood at INR33.68 crores compared to INR4.86 crores in the corresponding quarter last year. Our net working capital cycle stood at 149 days as of H1 FY27.

On capital expenditure, the planned outlay for FY27 stands at INR250 crores. This will be funded through internal accruals of INR100 crores and INR150 crores of term loans, which has been sanctioned. This investment is intended to support the company's manufacturing expansion and future business requirements. Our focus remains on deploying capital in line with project milestones while maintaining financial discipline.

Total debt stood at INR615 crores as of Q2 FY27, comprising short-term debt of INR329 crores and long-term debt of INR286 crores. Our debt-to-EBITDA ratio stood at 2.09x in H1 FY27 compared with 3.74x in FY26. Our ROE for H1 FY27 stands at 27.3% and our ROCE at 18.4%.* During the quarter, the cost of freight increased from INR10 crores in Q1 to INR20 crores in Q2. Increase in gas prices in the quarter also resulted in an additional expenditure of INR1.8 crores.

Operationally, the company had to absorb both these additional expenditures as we cannot pass on the spot changes on input cost to customers where purchase orders have already been accepted. We expect this to be passed on to the customers from this quarter onwards. Overall, our financial performance for the first half reflects strong year-on-year growth. Going forward, we will continue to focus on disciplined capital allocation, efficient working capital management and maintaining a healthy balance sheet. Thank you.

*The ROCE for H1FY27 was mentioned as 18.4% instead of 19.1%

We will now be happy to take your questions.

Moderator: Thank you very much, sir. We will now begin the question-and-answer session. First question is from the line of Lovish Soien from Burman Capital Management. Please go ahead.

Lovish Soien: Sir, my question is regarding the capacity utilization that we have reported and the revenue growth that we have shown. So, as I can see from 4Q FY26 to this quarter, our revenue has

grown by roughly 40%, while our utilization has only grown from 60% to 66% over two quarters, which as per my understanding implies 10% volume growth. So how should we think about volume growth and pricing growth over these quarters? And what are the drivers of the pricing growth that we have seen?

Parag Jhaveri: I think I don't know if there is some misunderstanding or calculation. The growth in this quarter is about 7% in volume, Q1 to Q2 and in value terms is about 13%. So I don't know how you got different growth number. So you are talking Q4 or you're talking Q1?

Lovish Soien: Actually, I was comparing 4Q to this quarter because I wanted to…

Parag Jhaveri: You cannot compare 4Q to either compare Q1 to Q2 or you compare from Q4 to half year. So half year, we have grown almost by 73% in revenue -- sorry, in volume growth.

Lovish Soien: Got it. So this is year-on-year, sir?

Parag Jhaveri: Yes, six months growth in volume growth.

Lovish Soien: So actually, sir, what I wanted to understand is that, if we look at our index of core basket of products, how much has pricing moved for these products, let's say pre-war versus today?

Parag Jhaveri: Well, I think from last -- if you're looking at the March quarter to today, six months now, prices has increased by 10% to 15% because of the raw material price increase....

Lovish Soien: Got it. And the rest of the increase, sir, would be pricing -- sorry, mix change?

Parag Jhaveri: Mix change, absolutely product mix.

Lovish Soien: Got it. So sir, would it be correct to say that our new products that we have introduced, those would be higher margin and higher realization as compared to our previous products that we are doing?

Parag Jhaveri: No, I don't think so. That's a wrong assumption.

Parag Jhaveri: It depends. Again, we have increased certain new products from 140 plus to about 152 products we have now today at least and a couple of products which was sold some low volume in the past, certain of them have sold higher volume. So there's a lot of mix. You understand it's not only 20+ product, 150-plus product now. So difficult to which product line is doing.

But we see overall good demand for the product and also the pricing are quite strong. When you're looking at the price also price include the top line includes the freight cost, too. So you can see a higher revenue, but you deduct the freight, which we incurred in last quarter.. higher deduction then there won't be that much growth.

Lovish Soien: Got it. No, actually, sir, the way I am seeing is it that over the last two quarters, if you compare 4Q to 2Q, our gross margin has roughly increased by 200 bps. So just wanted to understand what is the driver of those gross margin? Is it like our products are having higher margin? Or is it that

we have been able to pass on costs, which are more than the -- we have been able to increase price, which are more than the cost?

Parag Jhaveri: I think more on that, I will put the deleveraging of the assets. The volume has grown, fixed cost has come down. So one of that I will put that as a major factor to increase on the EBITDA margin, look at my gross margins are constant.

Lovish Soien: On EBITDA I can understand, but gross margin is also improving...

Parag Jhaveri: About 1%. So I don't know. This is probably due to the product mix.

Moderator: Next question is from the line of Aman Vij from Astute Investment Management.

Aman Vij: My question is on the MNC contract, which will be starting from next year, which is worth INR150 crores. So how many products is this contract for?

Parag Jhaveri: This is confidential. We are under NDA, so cannot divert that information.

Aman Vij: Okay. So sir, this is one contract we had gotten 2, 3 years back. Now I believe there are four such MNCs in the world. So first of all, when we are doing additional capex of INR250 crores, is there more visibility from the same customer? Is there more visibility from another of the big MNC customer that we were trying for a while now? Could you give some more color?

Parag Jhaveri: Aman honestly, first and foremost, you need to clarify what -- who -- what four big customers are referring. I don't know. I have many big customers, MNCs in our customer list.

Aman Vij: Okay. I was talking about, sir, the INR150 crores order we have from one of the big MNC, right?

Parag Jhaveri: One of the big MNC, you're talking about other four, I don't know about other four. So yes. Okay. When we're talking about the new capex, it is because of the customer request for additional quantity. Also a lot of our existing and new customers we onboarded in the last six months, a couple of marquee customers onboarded large customers. For them also, we need to create some additional capacity. So this is a mixture of existing and the new customers we onboarded has given us the confidence to put the additional capex.

Aman Vij: Okay. Makes sense, sir. Just one final question. Now we are at 60-65% utilization and we have already reached a very decent margin. You explained it is mix of both product mix and operating leverage, but there were some additional costs this quarter, which we'll pass on. But say, going forward, now we will, every quarter, like you have explained, we'll try to increase the utilization. So do you think there is scope not now, not immediately, but in the next 2, 3 quarters when our utilizations are much higher to increase the margin even further, providing the cost remain the same.

Parag Jhaveri: This is really a challenging time as of today, okay.We need to be cautious about passing on all the cost to customers because as you see, we are more into the export market rather than the domestic market. And when an export market, other geography has sometimes a better raw material prices compared to us.

So, we have to becautious. So we will always try to maintain EBITDA more than 20-plus percent. That is what the company will do. Anything above that could be your guess. I cannot comment on that every quarter-on-quarter because too difficult. Things are really volatile. current scenario is very volatile. So we are ensuring that we get at least 20%-21% or something more than that, but that's our aspiration.

Maintaining that is our aspiration, and that will do our best to do that. As the capacity grow up, definitely, there will be more deleveraging on a full fixed expenses. So that will help us. So rather than we try to aspire for more profit, I will say I will aspire to go cut down -- passing on the benefit of the deleverage to the customer to grow the business.

Moderator: Next question is from the line of Darshil Jhaveri from Crown Capital.

Darshil Jhaveri: Firstly, congratulations on a great set of numbers. So I just wanted to know, in terms of our margins, is doing 20% plus, sir, but is there any risk, you see that, costs are maybe due to the elongation of war might be on more increasing trend. And as you said rightly, that we cannot pass on everything to the customer. So is there any risk of the margins declining a bit? Could you help us in that, sir?

Parag Jhaveri: I think we are working hard to maintain this margin. We'll do our best. I cannot comment tomorrow, there will be some adverse factors which can impact, but I don't foresee that factors coming so soon to us. Demand is not slowing down. So that's one good sign for us. Demand is growing.

We are able to reach out to the either existing customers or new customers with our price band, and we are gaining the business. So in the short term, I don't see a challenge. We will see how things progress with the current crisis.

Darshil Jhaveri: Okay, that, that's really great to hear, sir. So I just wanted to know, so next year when we'll have higher operating leverage and, capacity utilization, can we do around 23%-24% EBITDA margin?

Parag Jhaveri: I don't know. I will say I will do more than 20%. That will be your guesswork.

Moderator: Next question is from the line of Umesh Gupta from AlphaOptimus PMS. Please go ahead.

Umesh Gupta: My question is again on the margins. I think in the last quarter con call on your 24% odd margin, you asked repeatedly about whether you'll be able to maintain this margin. And I think you sounded very confident that you'll be able to maintain margins. Yet one quarter down the line, we see a 300 basis point decline in margins.

And now I think you are giving a guidance of 20% plus margins. So how should we read into it that, I mean, in one quarter, the margins fell by 300 basis points. Should we assume that this is abate or there can be more excellence in terms of margins?

Parag Jhaveri: I think this is more of a challenge of a current crisis, unexpected increase during the quarter or during the six months of a contract happening that has not been passed on. So I won't say more

than that. The margin has shrunk surely. In last con call, we said that we'll be happy to maintain the margin.

Still the guidance was 20% plus on an EBITDA, and we stand by to that the commitment of 20% plus, but I cannot give you more than that. I don't have any assurance today. What we just concluded some of the business in last one week for next quarter, I don't know what my freight will be in November, December. So we can't comment on. We can assume that freight will be certain bandwidth, but it can increase the bandwidth can hit, it will reduce, we will get.

Umesh Gupta: Okay. So the entire impact of this around 300 basis points on a Q-on-Q basis is on account of freight only or there are other things also?

Parag Jhaveri: I think 200% was freight and energy cost. Balance 1% may be because of the product mix, the margins fluctuate.

Umesh Gupta: Okay. And in fact, in the Q1, you mentioned as the capacity utilization goes up, you will be probably aspiring to do better margins. So which means that there has been no operating leverage which we have been able to gain by increased scale of operation in this quarter vis-a-vis Q1?

Parag Jhaveri: No.

Umesh Gupta: Will there be any gains whenever you aspire to go up from 66% to, let's say, 70%, will there be any gains in operating margin? Or you think that 20% is the best case?

Parag Jhaveri: Well, 20% will be the lower side, I will use that. Anything about 20%, we'll be happy to achieve, and we'll work for that. But I can not assure that we will achieve 24% or I will achieve 25% or I don't know. That's too difficult to say in current situation. Also, we need to gain more market share in this crisis. So it's better to be wise than foolish to the market despite you have a saving on your deleveraging and you want to increase the margin.

Moderator: Next question is from the line of Rohit Sinha from Sunidhi Securities.

Rohit Sinha: So first thing is in the PPT, you have mentioned export revenue is close to around 70%. Can we get the number for H1 FY26 and Q1 FY27?

Parag Jhaveri: Q1FY27 was about 65%, which has gone to 70%. And for FY26, it was in the range of 63%.

Rohit Sinha: Okay. And sir, given the high export number, obviously, this logistic cost remains a key concern for us. And as you indicated that it has almost doubled in this quarter. So how we are seeing going forward these logistic cost right now shaping up? And how much it is possible to pass on to the clients?

Parag Jhaveri: Well, whenever there is a fixed contract for six months until December where we have signed in month of June, those cannot be changed. The one which was for quarter-on-quarter, that where the price we can pass it on. So on the pricing which is a spot business today, what we are getting business is negotiated, we take the current price.

Rohit Sinha: Okay. Got it. And sir, with all the capex, which is currently going on, when we will be expecting this full capex to be completed and next sort of revenue stream to kick in?

Parag Jhaveri: No, that two building capex will be started commercializing only by last quarter of '28 or early first quarter of '29.

Rohit Sinha: Okay. So it will take time. One last question as you have mentioned earlier that from March to September, almost 10% to 15% increase is there on the raw material prices. I believe there is more price increase in a lot of other chemicals. So I mean, still it is yet to reflect in our numbers or that is only -- I mean 10% to 15% is only what increase we have seen in our set of raw materials?

Parag Jhaveri: Well, it's a mix of some could be 100%, some could be zero. So I'm looking at 10- 15% overall hit on our raw material price.

Moderator: Next question is from the line of Jainam Madrecha from C9 Family Office.

Jainam Madrecha Congratulations on good set of numbers. Just wanted to understand, recently, there have been some sanctioning on the Chinese players. So has this impacted us positively how big the market was and like how big the market for Yasho has opened up for us and whether we are seeing increased demand because of the sanctioning?

Parag Jhaveri: Are you talking about what product line Chinese sanction?

Jainam Madrecha European sanctions on Chinese players.

Parag Jhaveri: I have no idea which company. Can you just elaborate.

Parag Jhaveri: Well, I don't know how much impact that has on the business. We see very limited impact on that.

Jainam Madrecha: Okay, that was my question, Thankyou.

Moderator: Next question is from the line of Ajit Sethi from Eiko Quantum solutions.

Ajit Sethi: Phase 1 will be operational in Q1 FY28, what kind of utilization we can expect in FY28? And going forward, how should we see the ramp-up in FY29? And for the Phase 2, what kind of utilization we can expect in FY29?

Parag Jhaveri: Well, with the current capacity and the current year expense, what we are doing with the special project, which we are looking at in the range of about 75% utilization in FY28, while FY29 for the new two building, we are looking at a 50 to 60% utilization in a first year and then going forward it will increase.

Ajit Sethi: Sorry, you said 60% to 65% utilization, right?

Parag Jhaveri: 50% to 60% utilization for Phase 2.

Ajit Sethi: And, for Phase 1 in FY29?

Parag Jhaveri: Should be in the range of about 80%-85%. From 75% to go to 80%-85%.

Moderator: Next follow-up question is from the line of Lovish Soien from Burman Capital Management. Please go ahead.

Lovish Soien: Sir, my question is regarding the new capex that we have announced of INR250 crores last quarter. Have we tied up with any customers for this phase of capex? Or is it more speculative in the sense that we will first do the capex and then go out to customers? Or have we tied up with any customers in particular?

Parag Jhaveri: There is a soft commitment from the customer.

Lovish Soien: Got it. And how much of that soft commitment would cover the total utilization?

Parag Jhaveri: About 50%.

Lovish Soien: And sir, last quarter, I think we mentioned that our utilization for FY27 would be roughly 75%.

Parag Jhaveri: 70%

Lovish Soien: Alright. So if you look at 1H, it is roughly around 65%. Does that mean that utilization in the second half could be as high as 80%?

Parag Jhaveri: We have always experienced in Yasho's history that the quarter 2 is always lower, but this time surprisingly we have done surpass also Q1 number on utilization point of view. Yes, we do expect a better utilization in the next two quarters, means current quarter and the next quarter. So October Q3, Q4, always that is our historical higher sales.

Lovish Soien: Understood. And sir, just one last question a bit on the fundamental side. We have been hearing that large global lubricant additive players are looking to localize their production in India. So just wanted to understand what are you seeing on the ground in terms of these events that are happening? And what is the opportunity size that you see from the shift in strategy by these large players?

Parag Jhaveri: Yes. We also see some inquiries on that part of it. A lot of people are looking to source local Indian product. And it's quite a good opportunity for us to work with them. Since we get the local business, we also expect to get a global business, little global business from them. So it's a sizable opportunity for one.

Lovish Soien: So, is our INR250 crores capex for this strategy? Or is it -- will this be incremental to what we are already doing?

Chirag Shah: No, this will be part of that strategy and part of it is incremental.

Lovish Soien: Got it. Sir, any quantification you can do in terms of the total size of this opportunity can be? I'm not asking about the revenue or any particular year, but what is the total potential of this opportunity for us?

Parag Jhaveri: It's difficult to guess, my dear friend. But that is purely a guess and I don't want to do any guess work.

Moderator: The next question is from the line of Gulam Soni, an Individual Investor.

Gulam Soni: First of all, I would like to make a comment. Our past 3 years is quite stable in terms of maintaining EBITDA margin above 17%. So, it's long term, we have kind of graduated towards a more stable EBITDA margin kind of a company.

So what I want to ask, sir, is our business model after this chemistry R&D setup that we have done, in Pakhajan, are we kind of looking for multi-customer or based on our R&D setup that we can innovate products for them in industrial chemicals in different kind of applications other than these which we are currently manufacturing in lubricant chemicals? So are we exploring some of that leveraging our chemistry lab or chemistry expertise?

Parag Jhaveri: Obviously, our R&D team works on different projects. One of them is also lubricant and also the customer what we need .we also work on a lot of other industrial application in our R&D. So that will be our focus point.

Gulam Soni:: So beyond FY28 we are targeting 1,600 kind of number. So are we kind of shifting our business model towards more customized solution for our clients in the future?

Parag Jhaveri: If there's opportunity, we will be. Why we should shy away? We'll work hard towards to get this opportunity.

Gulam Soni: In terms of mindset or kind of strategy in terms of business strategy, are we kind of exploring that or more inclined towards that because we have kind of demonstrated that we can maintain our margins over a long period of time.

Parag Jhaveri: Company has a lot of strategy for the growth, and I cannot disclose those strategy here on this call. company is aspiring company has also planned ,company will come with further future growth prospect in end of '27 call, what we are looking for further down the line. So we will give that guideline at that time.

Moderator: Next follow-up question is from the line of Rohit Sinha from Sunidhi Securities.

Rohit Sinha: So as you earlier participant question mentioned that we are looking to gain the market share. So that would be in the domestic market or in the export market? And if that's so, I mean, what kind of scope we have to expand it?

Parag Jhaveri: I think ample opportunity in our presentation, we said that there is an addressable market of $15 billion. And we are just talking about growth of from $100 million this year, $120 million this year will grow. We can go to $300 million, $400 million. We don't see a challenge there, but it will take a while.

Rohit Sinha: Yes. But does that mean that -- I mean, we have to shave off margin to a big extent or maybe 1% or 2% would still be good enough for us to get the market share?

Parag Jhaveri: I don't know. I will not comment on that. We are not selling a margin as far as I understand. We don't intend to do that. But if we have to, we'll see.

Rohit Sinha: I mean rest of the players are doing at a higher margin or how that...

Parag Jhaveri: I have no idea about other players' margin, what they do, what they don't do. We always expect to work about 20% margin that we'll continue to do that.

Rohit Sinha: Okay. And I mean, on domestic and export side, opportunities on the both side for us, similar kind or export has a better angle?

Parag Jhaveri: I think numbers fix. Numbers and the data both fix.

Moderator: Next question is from the line of Aman Vij from Astute Investment Management.

Aman Vij: So my question is when you talk about two buildings, so is this all for Phase 2, that INR150 crores capex? Or is building Phase 1 and the other building is called Phase 2?

Parag Jhaveri: No. Currently, we have two buildings existing in the facility, Pakhajan facility. We are building two additional building that will be for future requirement. Current two buildings, we have a lot of space, which will be filled hopefully by end of FY27 or maybe a little bit sleep over until quarter 1 of FY28. So building 1, building 2 will be fully occupied and operational by that time. Building 3 and building 4 will be operational earliest by Q4 of '28 or Q1 of FY29.

Aman Vij: Capex we talk about INR250 crores, it is for Building 3 and 4?

Parag Jhaveri: Partially some equipment also for Building 1 and 2 also.

Aman Vij: Okay. Because this was the confusion because...

Parag Jhaveri: No, there will be -- we will need additional capex to fill that building 3 and 4. We'll talk in month of January or April call.

Aman Vij: Okay. That makes sense. Second question is, in one of the interviews, you had talked about that your first goal is taking the sales to double by FY28. Sir, in one of the interviews, you had talked about that your first goal is to take the sales to INR1,500 crores doubling by FY28. And then there is another goal in the next two years, we want to double again. And you had mentioned you will be disappointed if you are not able to achieve that.

Parag Jhaveri: Absolutely. Yes.

Aman Vij: So the question was again, we are targeting $300 million, $400 million kind of sales in the next 4 to 5 years. So sir, out of this, do you think we will require like we had one contract worth INR150 crores. Do you think this -- we require several such contracts? Or do you think this same

contract can scale to maybe after we deliver in 1, 2 years can scale to INR300 crores, INR500 crores because we have a 15 year contract.

Parag Jhaveri: We have disclosed only one contract because there was a material involvement was there. There was a financial transaction was there. There are several other contracts which the company is working where there's no financial implementation, we're not going to disclose.

Aman Vij: Okay. But material in a sense, any contract, which is if you get worth INR100 crores, INR150 crores, this you plan to disclose, right?

Parag Jhaveri: No, I didn't say. If you're going to get the money from my customer, then I will disclose otherwise I'll not disclose.

Aman Vij: Okay. So there might be already a few contracts like you are saying for the INR250 crores capex, we have soft commitment from a customer that because maybe there's no advances and all those things, you might not disclose, but you still have a lot of other contracts which we are in talks, maybe final talks and all those things.

Parag Jhaveri: Absolutely. Otherwise how can we make such a big commitment.

Aman Vij: Okay, sir. Final question is, so bigger segment of this industrial market, $15 billion is lubricant. So most of the growth, say, for next 3, 4 years.

Parag Jhaveri: No, I didn't say $15 billion is including all the Industrial Chemicals, not only lubricant, Rubber and the performance chemical everything is included.

Aman Vij: Yes, yes. But for us to scale to $300 million, $400 million, do you think lubricant will be at least 40%, 50% of that? Or do you think no other segments also can scale given a lot of the MNCs want to set up tie-up in India? What is your view on this?

Parag Jhaveri: Yes, it's a mix opportunity. So there are a lot of opportunities coming from some of the Performance Chemicals also who are looking at us to work on similar arrangement. There are -- definitely lubricants will be one of them. And lubricant rubber, we see a good opportunity in a lot of diversified chemistry. So yes, we are happy.

Aman Vij: Okay. But same set of chemistry, the 3, 4 segments we are into lubricants, rubber performance, this is good enough to scale to 300.

Parag Jhaveri: I don't see a challenge because we have today full-fledged R&D working for a new chemistry. And we are proud of that. And that I see a good result coming out in six months only, I see a couple of good results coming out. So we are happy with that, and we are confident that, that will help us to grow beyond 2028 because we talk about '28, but what about beyond '28. So that we need to work.

Aman Vij: Yes. And any plan for next 2, 3 years in terms of addition in R&D? You have mentioned some numbers in the...

Parag Jhaveri: Definitely continuing, that will keep on continuing. As and when need arises, we don't shy away to invest in R&D because that's the backbone of the company.

Aman Vij: Okay. And any plans of backward integration of some of these products because I believe a lot of these products we are importing and doing the additives part with our formulation and all those things. But any plans you think we have for some of the backward integration of the products which are scaling for us?

Parag Jhaveri: We always evaluate this aspect, and we are taking the necessary steps as and when we feel fit to do that. As of today, none.

Moderator: Next question is from the line of Kanav Garg from Garg Advisors.

Kanav Garg: Congratulations on a good set of numbers. Sir, I have just two questions. My first question is, I think in the PBT, we have mentioned that we are targeting INR1,600 crores of revenues by FY28. I think given the guidance in the first half, it seems that we may be able to do some INR1,400 crores, INR1,415 crores revenue in FY27. So you think this target is a bit conservative?

Parag Jhaveri: It's better to be conservative than optimistic in today's scenario. We'll be more happy if we cross the target. If you don't cross then we'll ask again question what went wrong.

Kanav Garg: Okay. Because I think the management has always been very positive, right? So I just thought that...

Parag Jhaveri: We are positive. We are positive even today, but I don't want to commit anything more. And we are very clear, it will be more than 1,600. We didn't give a 1,600 target, absolute number.

Kanav Garg: Okay. Sir, my second question is this contract, right this INR120 crores, INR130 crores contract for which we have done the capex. So when will that commercialize? Can we assume it commercialize in FY28?

Parag Jhaveri: We already said that we'll start in Q1 '28. All these we have said.

Kanav Garg: Q1 FY28, sorry, I missed that. And then my last question is, given a lot of unavailability of raw material because of the crisis, do we face any problem in procuring raw materials or there is no problem there and it's just the prices have increased?

Parag Jhaveri: No, there are a lot of challenges currently to procure the raw material, but that's okay. That's part of personal life.

Moderator: Next question is from the line of Amit Vora from PCS Securities.

Amit Vora: Sir, this question pertains to the debt of the company. Where do you see the debt panning out over the next couple of years with the kind of capex what we have in store?

Parag Jhaveri: Well, we expect to keep it within the limit. As of now, we are well below 2.5. And we will see -- we will relook at the Board level where we find our comfort zone.

Amit Vora: So any ballpark figure which you can give us for FY28 and '29, where should we see...

Parag Jhaveri: I don't have that.

Moderator: Next follow-up question is from the line of Lovish Soien from Burman Capital Management.

Lovish Soien: Sir, in last call, I think we mentioned that we have onboarded some new customers who had helped us to increase the volume of late. Any new customers that are currently in the process of being onboarded who are close.

Parag Jhaveri: Yes, there are many new customers are coming on board, Like everybody said before.

Lovish Soien: No, sir. But any notable ones who might be significantly helping us ramp up volume over the next couple of quarters?

Parag Jhaveri: No comments.

Lovish Soien: Actually, sir, if I see that the peak revenue that you have given from your existing facilities is coming out to be roughly around INR1,650 crores. Whereas if I see the revenue run rate that we have, we are already at INR1,400 crores, which implies roughly 85% utilization. Whereas when we talk about utilization, we are seeing 66%. So just wanted to understand what's the discrepancy between the both? Or am I not comparing the right numbers?

Parag Jhaveri: So understand, product mix. I don't know from where you are getting 1,400 number. I don't have that number in my site. If I ask you, I'll be happy. I'll be happy. So yes, total revenue, peak revenue we can achieve about 1,600. We should be close to I think we should be able to— if you're able to utilize the plant at 80%, 80% in next two quarters, yes, we'll be able to achieve that.

So, we will— yes, I don't see a challenge there. But that's a number as of 30th of March '26 capex. We are putting new capex in this year. We are having a new, uh, the special, contract will also start filling in from Q1 of '28. So that all will help us to continue to grow further.

Lovish Soien: Understood. Sir, is the peak revenue that you have mentioned in the PPT based on older prices because I think the prices have moved significantly over the last couple of quarters. So that could be even of.

Parag Jhaveri: Yes, yes, that could be. That could be. We need to be conservative. We cannot be -- if I put today's price drop tomorrow, then you will also ask me why the price has gone, why revenue has gone down.

Lovish Soien: Okay. And sir, one last question. I think the INR1,600 plus guidance that we have given, is it based on the current prices? Or is it based on pre-war prices?

Parag Jhaveri: It was based on pre-war prices.

Moderator: Next question is from the line of Harshil Bhayani, an Individual Investor.

Harshil Bhayani: Sir, I just have one very general question. Sir, from a management perspective, what are some top two to three risks which -- any external risk which you foresee? And sir, what are -- as a company, how are we trying to mitigate it?

Parag Jhaveri: Biggest crisis, what we see is the logistics that is getting in product is also getting delayed by 30 to 60 days against a standard time of 25 to 30 days, exporting, we are not getting the vessels on time, freight is going up. So those are challenges we are facing. That's one of the biggest risks we are getting today.

Number two, if this crisis continues, then there could be a further jolt on the prices. We don't know how the crisis is going. So these are the major -- and if prices goes up and the fuel price really go further up, there will be somewhere we see a softness.

There is a resistance nowadays by customers saying that price is too high, we want to hold back. That's what we are seeing also. Sometimes customers switch purely because somebody is supplying a cheaper price. So we need to worry about all those things.

Harshil Bhayani: Sir, as a mitigation, so the subsidiary which we have in U.S., are we exporting some products in advance or we do on order basis?

Parag Jhaveri: No. We, on an anticipation basis, we always do some extra quantity. But otherwise it's always against commitment.

Harshil Bhayani: So that is purely a sales office.

Parag Jhaveri: It's only stock point .

Harshil Bhayani: Understood. And sir, as you said in your previous questions, this logistic cost and the fuel cost, some of it or the major part of it can be readjusted in the future contract prices. But if it exceeds, a very huge amount, then somewhat we have to bear it.

Parag Jhaveri: Yes, we have to.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for the closing comments.

Parag Jhaveri: Thank you, ladies and gentlemen, joining for today's call. I appreciate your support and confidence in the company. Looking forward to see you again in the next call.

Moderator: Thank you, sir. On behalf of Yasho Industries, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.