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DACHEPALLI PUBLISHERS LIMITED

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Date: 30th July, 2026

To,
Compliance Department,
Bombay Stock Exchange,
Mumbai.

Scrip Code: 544667

Dear Sir/Madam,

Subject: Submission of Transcript of the Earnings Conference call held on 28th July, 2026, Tuesday at 04:00 PM.

Ref: Regulation 30(6) read with Schedule III Part A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

With reference to our intimation dated 23rd July, 2026 related to the Earnings Conference call, the Company is submitting the transcripts of Earnings Conference call of the analyst/investor conference call which was held on 28th July, 2026, Tuesday at 04:00 PM to discuss the Unaudited Financial Results of the Company for Q1 & FY 27.

Submitted for your kind information and necessary records.

Kindly take the same on your records.

For **DACHEPALLI PUBLISHERS LIMITED**

ANAND JOSHI

Digitally signed by ANAND JOSHI
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"Dachepalli Publishers Limited
Q1 FY27 Result Conference Call"
July 28, 2026

MANAGEMENT: **MR. HARISH DACHEPALLI – EXECUTIVE DIRECTOR – DACHEPALLI PUBLISHERS LIMITED**
MR. ABHINAV DACHEPALLY – EXECUTIVE DIRECTOR – DACHEPALLI PUBLISHERS LIMITED

MODERATOR: **MR. GAUTAM NAGAR – EQUIBRIDGEX ADVISORS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Q1 FY27 Result Conference Call of Dachepalli Publishers Limited. 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Gautam Nagar from EquiBridgeX Advisors. Thank you and over to you, sir.

Gautam Nagar: Thank you. A very good evening to everyone. Welcome to the Q1 FY27 Earnings Call of Dachepalli Publishers Limited. From management team, we have with us Mr. Harish Dachepalli and Mr. Abhinav Dachepally, Executive Directors. The call will begin with the opening remarks from the management, after which we will open the floor for the Q&A.

With that, I would like to hand over the call to Mr. Harish sir for his opening remarks. Thank you and over to you, sir.

Harish Dachepalli: Opening remarks will be read by Mr. Abhinav.

Abhinav Dachepally: Good evening, everyone and thank you for joining us today. We warmly welcome all our investors, analysts, and stakeholders. We sincerely appreciate your continued trust, confidence, and support. We are pleased to report a strong start to FY27, driven by healthy demand across our publishing and integrated education businesses. Our continued focus on strengthening our ecosystem through quality educational content, digital learning, technology-enabled supply chain capabilities, and an expanding institutional network has enabled us to deliver robust operational and financial performance.

During the first quarter of FY27, total income increased by 159% year-on-year to INR45.18 crores, reflecting strong execution and increased adoption of our academic solutions. EBITDA stood at INR9.2 crores, registering a growth of 31%, while profit after tax grew by 42% year-on-year to INR6.3 crores. We also reported EPS of 4.21 compared with 4.03 in the corresponding quarter last year.

Our performance reflects the strength of our integrated business model, which combines educational publishing, digital learning, printing infrastructure, and technology-enabled academic solutions to create long-term value for schools, educators, students, and parents. During the quarter, we continued to strengthen our integrated education ecosystem by expanding the capabilities of our Pelican platform, enabling schools to procure textbooks, notebooks, uniforms, stationery, and other academic essentials through a centralized and technology-driven platform.

We also enhanced our digital supply chain infrastructure, improving connectivity between publishers, vendors, schools, and parents to ensure more efficient procurement and timely delivery. Our direct-to-parent initiative also continued to gain traction, allowing parents to conveniently purchase school-specific academic products through dedicated digital channels. At the same time, we continued to diversify our product portfolio by expanding into stationery, skill development products, and competitive examination material, creating additional long-term growth opportunities beyond our core publishing business.

Another important milestone during the quarter was our backward integration progress to progress. Through the acquisition of advanced notebook manufacturing machinery, this strategic initiative marks our transition from trading to in-house notebook manufacturing, which is expanding and strengthening quality control, improving supply chain reliability, enhancing customization capabilities, and supporting long-term margin improvement.

We also remain focused on expanding our presence across schools and institution partners while continuing to invest in our content portfolio, operational infrastructure, and technology capabilities. Our objective is to build a comprehensive academic ecosystem that addresses the evolving needs of educational institutions and creates sustainable value for all stakeholders.

Looking ahead, we remain optimistic about the opportunities before us. With our strong educational legacy, integrated business model, expanding digital capabilities, and disciplined execution, we believe Dachepalli Publishers is well-positioned to sustain its growth trajectory and capitalize on the increasing demand for technology-enabled educational solutions.

Before we conclude, I would like to express my sincere gratitude to our employees, customers, distribution partners, shareholders and all other stakeholders for their continued confidence and support.

With that, I would now like to open the floor for questions and discussion. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Bhushan, an individual investor. Please proceed.

Bhushan: Hello, am I audible?

Harish Dachepalli: Yes, sir, you're audible.

Bhushan: Hello.

Harish Dachepalli: Hello, sir, I'm Harish Dachepalli. I'll be answering the questions from here.

Bhushan: Yes. So, my first question was on are there any risk of change in curriculum or in last 10 years have you faced any such risk?

Harish Dachepalli: So, post-independence the curriculum was completely revamped three times, sir, so far. The last update was in 2020 when the New Education Policy was introduced. Before that, it was in 1990 and prior to that it was in 1970s.

So, whatever happens every year, there is a minor change in the syllabus but we are intimated before because we publishers are all been in the industry for very long time. So, we get information early and then whatever that particular chapter or lesson or a paragraph, whatever changes has to be made, we make it in the coming editions. That's how the industry works.

Bhushan: Okay. And my second question was on our declining gross margins. In last two years, what I've observed, our gross margins and EBITDA margins have declined. So, can you explain that?

Harish Dachepalli: Actually, the gross margin has not declined, sir. What has happened was in the last year Q1, our raw material purchase was in the Q4 of the previous year because of the 10 days price variation or delivery of the material. This year, most of the material got delivered after April 1st. So, a lot of the raw material booking has happened in the Q1. So, that is showing as a -- that has affected the Q1's balance sheet, but overall profit of the company will go on to be remain the same 17% or 18% which has happened last year also.

Bhushan: Okay. And my third question, last question was on B2B versus B2C mix. We currently have 70% B2B mix and 30% B2C mix. And since our majority of the revenue comes in June or -- March to June quarter, so what kind of mix are we expecting in next two to three years in B2B, B2C?

Harish Dachepalli: So, we get revenue from -- major revenue from two quarters, sir that is Q4 and Q1. And Q2 and Q3 is comparatively lesser because most of our products are educational related. And about the mix, last year we've introduced the direct tool of purchase for parents where they can purchase textbooks or other academic needs through the company directly with tying up with the schools. This has increased our ticket size from INR1 lakh per school to INR40 lakhs per school. But going forward, the mix is going to be same 70%, 30% but the turnovers will increase on both fronts.

Bhushan: Okay. Thank you and best of luck for future.

Harish Dachepalli: Thank you so much, sir.

Moderator: Thank you. The next question is from the line of Guneet Singh from Counter Cyclical Investments. Please proceed.

Guneet Singh: Hi, sir. Thank you for this opportunity. Firstly, can you help me understand why trade receivables have gone up significantly from around INR75 crores in March to around INR100 crores currently and how much of this is outstanding for more than six months and more than one year?

Harish Dachepalli: Hello, sir. Trade receivables have increased because our sales have -- usually our sales are booked in Q4 and Q1. So, that is why the trade receivables in that quarter increased. But now, out of the INR100 crores more than 40% has been recovered by July and August. By October-November, 90% of the receivables will be recovered. Usually, this is how the trend of the industry it is.

Guneet Singh: So, as on date, receivables would be around INR60 crores?

Harish Dachepalli: Yes, around INR60 crores to INR65 crores, yes. Because we've covered most of the pay -- most of the payments in July. Usually, once the schools reopen in June 15th or June 18th, schools start paying us -- paying the distributors and distributors will start paying us. So, major payment of our 40% to 50% comes off in July and balance payment comes till September ending or maximum October 15th, October -- by October 30th.

Guneet Singh: Okay. How much of it would be over six months and I mean what is the reason for receivables being over six months?

Harish Dachepalli: Sir, it is not over six months. What happens, we have other products also in the company like, holiday homeworks then there is supplementary material, worksheets. The sale is continuous. Like once we have a tie-up with the school for the main textbook, we get additional orders from that same school. So, even though the receivable is recovered, the new bills are entered.

So, it happens. So, usually 10% of the money will definitely be over six months because when let's say if there's a billing from a school of around INR5 lakhs or INR10 lakhs, they usually end up paying INR3 to INR4 lakhs. And that INR1 lakh they will pay after the return stock or by then if they place another extra additional order that delay will come on. So, 90% of the payments will be recovered before six months only. Only 7% to 10% will get blocked a little bit.

Guneet Singh: Got it. So, out of INR45 crores, how much of sales would be from this Pelican, the e-commerce platform and how much would be directly still to the schools?

Harish Dachepalli: Out of the INR45 crores in the Q1, sir?

Guneet Singh: Yes.

Harish Dachepalli: Around INR30 crores will be from the sale of textbooks, sir and INR15 crores came from the Pelican Edu Supply e-cart.

Guneet Singh: Got it. But you mentioned that for Pelican, payment is made upfront. So, I mean the receivables should have looked better because INR15 crores, which is about 35% of sales, is coming from upfront payments but still receivables have worsened.

Harish Dachepalli: But see the INR100 crores receivable is for Q4 and Q1, sir. So, what happens is schools start placing orders from October. Let's say CBSE and ICSE schools place orders from October to March. State board schools start placing orders from April to June. But reopening of schools for CBSE, ICSE, Cambridge, IB or state board, everything happens in June 15th only.

And let's say I am -- we are supplying around 10,000 to 12,000 schools across India. We cannot dispatch all 12,000 schools' worth of product in 20 days or 30 days. We need three-four months of time to dispatch that product. Because this goes across India to different schools, different districts, different states.

So, packing of that material from the day the product leaves our warehouse, it is gets invoiced. But this bill gets accrued only in June. So, it is a bill invoicing and accrual difference is there. That is the only difference. This same problem you will feel in polymer industries also.

Guneet Singh: Got it. So, this INR30 crores sales, they are made directly to the schools itself? So, I mean our...

Harish Dachepalli: Not directly to the schools, sir. We have distributors. Through distributors, these books go to the school.

Guneet Singh: Got it. So, we completed some backward integration and still our EBITDA margins, if we look at year-on-year, have fallen from 40% to 20%. So, can you help me understand why did our EBITDA margins almost half year-on-year?

Harish Dachepalli: But you should not consider in our industry sale comes only in two quarters, Q4 and Q1. So, it is not really fair to consider -- sorry.

Guneet Singh: I'm talking about just Q1. If you compare Q1 this year to Q1 last year, margins have fallen from 40% to 20%.

Harish Dachepalli: Yes, so that's what happened. Last year, most of the raw material was purchased in Q4 of the previous year. This year, most of the raw material got purchased earlier but the stock got delivered only in Q1 time. So, because of the invoicing which happened after April, it is showing the effect in the EBITDA margin.

But if you come back to the complete Q1 to Q4 overall year, our margins will come back to normal. This keeps happening in the industry. Let's say if I'm purchasing raw material in Q4 of a previous year or Q1 of the current year, depending on the delivery of the raw material also, it will change the balance sheet.

Guneet Singh: Okay. So, you expense the raw material out even if the products are not sold?

Harish Dachepalli: I'm sorry?

Guneet Singh: I mean, do you expense the raw material even if the products are not sold?

Harish Dachepalli: I mean, when I purchase a raw material, the invoice comes, I have to take a purchase in my accounts irrespective the item is sold or not.

Guneet Singh: Okay. So, you expense out the raw material irrespective of whether you make the sale or not?

Harish Dachepalli: See, sale happens later on. Raw material comes first because it -- we need time to production also. Once we purchase the raw material, we produce, make it into a book and then we start selling.

Guneet Singh: Got it. So, basically your raw material flows through the P&L as soon as you purchase it.

Harish Dachepalli: Yes, as soon as we get an invoice from our vendor, it will get executed in our accounts.

Guneet Singh: Got it. So, sir, for FY‘27, are we on track to reach around INR250 crores revenues and INR25 crores PAT?

Harish Dachepalli: Yes, sir. Because this year we are estimating to close around INR130 crores to INR140 crores of turnover by the end of Q4. And we -- our team has increased, our sales marketing team has increased, number of states business has increased. Even in the Pelican Edu Supply, from 50 schools now we -- we've already tied up for more than 100 schools for the coming year and we have another 50 to 60 schools which are on the pipeline where we are trying to negotiate the deals. If that goes ahead, we are easily looking at a 220 plus crores turnover in the FY'27.

Guneet Singh: Got it, sir. Thank you very much. I'll join back the queue.

Harish Dachepalli: Thank you, sir.

Moderator: Thank you. The next question is from the line of Kshitij, an individual investor. Please proceed.

Kshitij: Yes, hi. Thanks for the opportunity. So, I have few questions. Like I see Q1 FY'27 revenue grew 159% year-on-year to like INR45.18 crores. So, what were the key growth drivers and how much of this growth is sustainable?

Harish Dachepalli: Sir, everything is sustainable here because usually when a book gets prescribed in the school, it -- the business lasts for three to four years in that school. So, every -- let's say if I get an order from one particular school that means I have a confirmed order for the next three years from that particular school.

So, the cost of acquisition reduces over the three years. And most of the business is sustainable. So, this is a long-term contract. It's not just one year and next year we'll have to work from scratch or from zero. Next year our only intention is to get more number of schools or increase our percentage share of business inside that particular school.

And going forward, we've introduced notebooks and IFP panels also in schools because we've noticed that wherever we are providing technology along with our textbooks in the schools, we've noticed that the school is not having the hardware for it. So, we tied up with certain companies where we can provide hardware as a solution all together textbooks, notebooks and hardware together to a school. So, now we are estimating more and more turnover coming into books going forward.

Kshitij: Okay. So, as I see like company has expanded into Uttar Pradesh, Rajasthan, Gujarat and Assam. So, what has been this initial response and what revenue contribution do you expect from this new market over the like next two to three years?

Harish Dachepalli: Yes, so the response was very good. There's been more product adoption and then even in the first year also we got good response. But about market share, right now our market share is around 1% of that particular state's. But in the next three years, we are estimating to grow it to 5%.

Kshitij: So, any particular state strongest transaction?

Harish Dachepalli: As of now, since we originate from the south and our head office is in Hyderabad, Telangana, Andhra Pradesh and Karnataka are our strongest states. Apart from these strongest states, we are right now present in Tamil Nadu, Goa, Madhya Pradesh, Gujarat, Rajasthan, Uttar Pradesh, Assam, West Bengal, Chhattisgarh and Odisha.

Kshitij: So, maximum we have covered already?

Harish Dachepalli: We have covered but percentage share of business is very less in other states compared to the south. The percentage is 1% to 2%, but we see a huge potential. And depending on our production capacity, our marketing capacity only we are growing. But next three years, we are easily estimating with multiple products, with more SKUs, with our existing schools getting more percentage of business and new schools getting added on, by FY'27 we are projecting around INR220 crores to INR250 crores of turnover.

Kshitij: Like what's your strategy to grow this business in other states?

Harish Dachepalli: Yes, so what has happened is previously in the 10,000 schools our present -- we were present, out of the INR100 crores of turnover which we were doing, let's say INR93 crores or INR95 crores whatever, our school ticket size was around 1 lakh. After the Pelican Edu Supply online tool has been created for the parents to purchase directly in support with the school, our ticket size has gone up from 1 lakh to 40 lakhs per school.

And here we are not just getting revenue from selling our textbooks. We are also getting orders for other textbooks, notebooks, stationery from the parents. And slowly, we are venturing into uniform business also. This year we did a pilot project of three schools trying to understand all the challenges and what all problems will come in terms of sizes or material and all that.

Slowly, we'll start scaling up that particular product in our patent schools where we have confirmed orders for the next four years, five years. We'll start adding these products into those schools also.

Kshitij: Like in how much time you have told you have started this stationery and all?

Harish Dachepalli: We are already trading stationery. We are purchasing stationery from companies like Doms and Nataraj, Camlin, etc., and then trading it to schools. And notebooks also we were purchasing from ITC, Navneet and other companies, we were trading it to schools.

This year we -- instead of purchasing notebooks from outside, we built our own machinery, we started our own product because we have good amount -- like every year our notebook business is in crores. So, instead of purchasing from somebody for a lesser margin, why don't we manufacture our own notebook? That's how we got into notebook now. And we'll be promoting our notebook with our textbook to schools.

Going forward, once our quantity in stationery increases, we might start a white label stationery product also for ourselves.

Kshitij: So, like at when you will be starting this other products?

Harish Dachepalli: We are just trying to scale up, sir. Right now, if you talk about stationery like pens, pencils or sharpeners, we are at a quantity of 10,000 per piece each. The moment we reach around 15,000 to 18,000 pieces like a geometry box and all, then we'll be white labeling our own product.

Kshitij: Understood.

Harish Dachepalli: Because in stationery huge quantities is less margin but then the only way you can customize your own product when you are at a quantity of 18,000 to 20,000 pieces of any item.

Kshitij: Sorry, can you repeat the margins percentage like in stationery how much...

Harish Dachepalli: Not stationery percentage. What I'm trying to say is when we white label a product in stationery, we need certain amount of quantity which we'll be able to sell. So, when we are reaching at a 15,000 to 18,000 quantity of per piece like for example if a pencil box, a box will have 10 pencils. Such boxes if I'm reaching at an 18,000 or 15,000 quantity, then it's easy to white label and customize it according to company's brands instead of purchasing it from some other vendor outside. Automatically margins will increase by 15% more compared to purchasing from outside.

Kshitij: That's what I'm asking like margin difference.

Harish Dachepalli: Increase of margin is 15%. Overall margin will be different.

Kshitij: Okay. And the regarding this Edu Supply platform like Pelican Edu Supply platform, so that school-linked e-commerce model appear to be important growth drivers, correct? So, when do you expect this platform to become a meaningful contributor to your revenue and your profitability?

Harish Dachepalli: Actually, it is a little -- instead of selling a regular textbook business, this Pelican Edu Supply is a little more complicated because where you have to procure material from other people, make sets, make boxes, then generate a school-specific link, then school forwards this links to a parents, parents will place order, then this box get delivered to their house like how Amazon or Flipkart or anybody is doing.

So, this is a longer process and there's lot more QC quality control required and right box, right child, everything has to go -- has to place everything. So, we are using technology as well as people.

Last year, when we started it, we started with three schools. Now, this year we did 50 schools. Next year we want to scale up to 100-150 schools. Because you can't just grow up to 500 schools or 1,000 schools in this model, then you will fail in supply. So, I don't want to take a risk there because our relationship with the schools is not just this. We have a textbook sale also with the school.

So, these clients have a good amount of trust over us from ages they've been buying our textbooks. So, when we introduce a new tool, we make sure that we give 100% accuracy and 100% efficient services. So, for that reason, from three -- we did 50. Next year, we are planning to do 100 and 150 schools.

We've already tied up with almost 100 schools because these 50 schools are only started referring, these guys -- this company has come up with so and so solution and it has made it easy for us to supply this product. Why don't you use to the neighboring schools? And they've approached us.

Out of that, we are also trying to negotiate deals that if the school is preferred to take our school -- our textbooks which are manufactured in the company, then we are trying up -- then we are tying up with them. So that we get sale across multiple products of the company can also be sold through this tool.

Kshitij: Can you just give the figure like current parent adoption rate in this e-commerce platform?

Harish Dachepalli: So, right now out of the INR130 crores of turnover which we are estimating this year, 30% of the sale is coming from e-commerce.

Kshitij: 30%. Okay.

Harish Dachepalli: Yes.

Kshitij: And so, what about this FY '28 on this? Is…

Harish Dachepalli: I'm talking about the current year; we'll be doing 30% of it. Next year also the percentage will be same, but business will grow. The ratio will be 70% - 30% only.

Kshitij: 70% - 30% only. Okay.

Harish Dachepalli: Yes.

Kshitij: Clear.

Harish Dachepalli: Because both teams are working and since we are -- our USP is stronger in the textbook, that team is also equally growing in getting more and more orders. We've also made our products better so that the adoption rate in schools are getting better. Ratio will be same, but quantum of business will grow.

Kshitij: Okay. Understood. And sir, one last question regarding this AI-driven like the V-Study digital ecosystem. So, how do this initiative improve your customer like retention or monetization over the long term?

Harish Dachepalli: So, just to give you a brief about our industry, usually what used to happen in the from 2020 to in the last 6, 7 years, textbooks were sold by somebody else and technology was sold by somebody else. Like edtech companies who are providing technology, they're trying to sell the technology to school, but they were not involved in the mass textbook supply business. So, we thought that going forward if these people come into textbook business, it could be a loss to us or we might lose a very good schools or our business.

So, what publishers like us we sat down and we decided that, you know, why don't we introduce technology in-house? Then we all built our own LML learning platform systems, learning management systems for schools from, you know, they can just upload a PDF and they can see the lesson, they can use AI to ask more questions, it can redirect the videos, then they can take a test generator software, everything included, even student attendance can be taken through our software.

Complete learning management system software, we spent certain amount of crores in developing that software. Then we decided instead of selling this software, why don't we give the software for free to schools? And how do we recover our cost by giving this free? What we did, for example, my maths textbook is around INR200. I made -- I increased the MRP by another INR10 to INR12 and started giving this technology for free.

The millions of copies I'm selling, if I increase the MRP by another INR10 or INR5 by a textbook, it doesn't show much of a difference. But it is helping us cover all the server cost and the creation of technology cost. Now, what is happening, any edtech company is going to any school saying that we have this so and so technology, we want to sell per student cost or whatever, school itself is telling that we already have this for free, we don't want to buy it. So, it has strengthened our position in schools for a longer period.

Kshitij: Understood. So, is there any, you know, competition in this?

Harish Dachepalli: In terms of technology or in the overall business?

Kshitij: In terms of technology.

Harish Dachepalli: Yes. So, once, you know, when we had a publishers' forum meeting after COVID because when we saw a traction from edtech companies like BYJU'S and others coming over into the industry, we all sat down, we thought we made a collective decision saying that, you know, we should introduce this technology free.

Who out of -- out of the X number of publishers available in India, whoever has introduced this technology like us, grew faster than the people who have not introduced. But going forward, I feel everybody will be coming into this platform. They will create their own technology and they'll start pushing it for free. And when -- once the technology comes for free, you know, the school gets used to our technology, they don't replace the textbook. They continue it more than 3 to 4 years also. That's what we noticed.

Kshitij: I understood.

Harish Dachepalli: Because getting hands on the new technology again, you know, it'll take some time, that lag of interest and other things. So, this way, you know, once they got used to our touch and feel, our boards, how to use our tools inside the software, then they don't easily replace the textbook after that. Unless until, there's a major problem in the textbook, but then we have a whole great R&D team who always keeps working and updating our textbooks also.

Kshitij: Understood. One last question, sir. Looking ahead to this, sir, top 3 strategic priorities for from your end and what are the key milestones should we investors track over the next 12 months?

Harish Dachepalli: Yes. So, my main strategy is, like, let's say, my market share across all the states is right now let's assume it is 2%. I want to grow in this existing state my market share to 5%. That is one main strategy where my product adoption rate inside the school has to get at least 5% of market share in the states where the percentage is very low.

And one more thing is because we have in-house notebook now, instead of pushing notebooks to schools who have asked us before, now we will offer these notebooks to everybody wherever we can reach. Because it is our own product and we have better margins in our own product. That is the second thing. And third is that Pelican Edu Supply where we see the ticket size increasing from 1 lakh per school to 40 lakhs per school.

So, we thought, you know, we should scale up that model because we are getting revenue at other sources as well and we are getting because the school and the parents has got used to our technology, they're asking us to continue this for the next 3 years, 4 years, 5 years. So, customer retention rate is becoming longer. Like, you know, we are once we adopt -- or once our product or our technology getting adopted into a school, now we -- are our presence is getting fixed for next 5 years.

Kshitij: Any major contribution you are expecting from this models, like school onboarding or like notebook manufacturing or Edu Supply or D2C platform?

Harish Dachepalli: The major contributions will always be the textbook because textbook is the main business. Because we get entry for additional products only once the main curriculum is get implemented into the school. So, major contribution will always be a textbook. Once we push the product and also one more great thing is textbook is the only product which is sold on quality -- on quantity -- I mean quality.

As if the book is good only, they'll give you an entry. Rest of the products are always sold on quality, like, let's say, stationery or notebook or even the software tool. So, when our strong present is that, you know, our quality of the product is so good that if we are able to bank in into a school through our textbook, rest of the products is getting very easy for us to convince because they are quality-based.

Kshitij: Understood. And one last thing, sir. Any exposure apart from, you know, pan-India and exposure outside the country you are trying to reach out?

Harish Dachepalli: It is definitely there in our 5-year plan, sir, for the Southeast Asian countries, especially Malaysia, Thailand, and Singapore. But right now our market share in India is also reasonably low. This Indian market is very huge in terms of education. So, the moment we get a good amount of share of business across all the 28 states and eight union territories, we'll start expanding export also. Now also, we keep getting queries from Malaysia here and there, but the percentage of business is very low there because our concentration there is less and domestic concentration is higher this way.

Kshitij: Yes. So, basically, you are first cover whole up of this India and then after that.

Harish Dachepalli: Country.

Kshitij: Yes. Got it.

Harish Dachepalli: Yes, sir.

Kshitij: Yes. Thank you so much and all the best. Thank you.

Harish Dachepalli: Thank you so much, sir. Thank you.

Kshitij: Yes.

Moderator: Thank you. A reminder to all participants, anyone who wishes to ask a question may press Star and 1 on their touchtone telephone. I repeat, anyone who wishes to ask a question may press Star and 1 on their touchtone telephone. The next question is from the line of Deepa Mehta, an individual investor. Please proceed.

Deepa Mehta: Oh, yes. Am I audible?

Harish Dachepalli: Yes, ma'am. Please go ahead.

Moderator: Yes.

Deepa Mehta: Oh, yes. First of all, congratulations for your F1 results -- Q1 results. I will ask two questions about it. First one is with the current growth momentum, what kind of revenue growth are you targeting for full financial 2027?

Harish Dachepalli: Yes. So, we are estimating to get a turnover of around INR130 crores to INR150 crores somewhere in between for this financial.

Deepa Mehta: Okay. And do you see notebooks and stationery becoming a meaningful part of the overall business over the next 2 or 3 years?

Harish Dachepalli: We feel that, you know, notebooks and stationery will have a reasonable amount of contribution in the overall business. But because the textbook is the highly marginal product, our concentration will always be on getting the textbook inside the school. Once that happens because this product gets selected on the content merit. If that happens, you know, rest of the things is easy to convince. So, even if we capture 20% to 30% of our existing school textbook business in terms of stationery or in notebook, our -- we'll be at 100% utilized for capacity.

Deepa Mehta: Okay. So, how many schools are you currently working with and what kind of numbers are you targeting by the end of financial year 2027?

Harish Dachepalli: Right now, in terms of supply of textbooks, our product is present in around 13,000 schools. And in terms of technology-driven like the e-commerce model, we are at 50 schools only. And in the 2027, we are estimating around a turnover of around INR250 crores.

Deepa Mehta: Okay. So, how many -- so you have been expanding into states like UP, Rajasthan, Gujarat, and Assam. Which of those markets do you see contributing meaningfully over the next couple of years?

Harish Dachepalli: I think UP will be most meaningful contribution because the population of that state is higher and schools are also more compared to Gujarat and Rajasthan. Out of the four new states if I'm talking about.

Deepa Mehta: So, as you're expanding to new states, are you building your own sales network or working mainly through distributors or local partners?

Harish Dachepalli: No, ma'am. Actually, the whole company has its own sales network. These distributors are only collective vendors where they procure material because they are in the vicinity of the school, the school ties up with such particular vendor who purchases material from all the publishers or notebook vendors, he creates a basket and supplies to the school.

So, these distributors don't promote the product. It's the company, the company executive sales team who's appointed across all these states, districts, they promote the product, then they get the order, they route the order through this distributor or the vendor who's present in that particular state.

Deepa Mehta: What are the biggest investments you expect to make during financial year 2027 in terms of manufacturing, technology, and distribution?

Harish Dachepalli: So, technology we are continuously investing right now also from our revenues because, you know, previously our tool didn't have an AI integration, now we have an AI integration. Our LMS was very basic, now we have a very advanced LMS system which we are providing as complimentary to schools. So, technology keeps building over time every year whatever new is coming, we are also getting adopted into our technology.

In terms of machinery, if our notebook manufacturing scales up, we'll be purchasing some more capex investment in the notebook because right now we have the machines what we have for notebook can only sustain like 10% to 20% of the demand of 100% of our market wherever our presence is there. So, if that percentage grows, then we'll be purchasing more and more notebook machines. And in terms of textbook printing machines, we are at an 80% capacity -- 80% to 85% capacity. So, our existing machines are good up to we reach a turnover of around INR300 crores of turnover.

Deepa Mehta: Okay. So, more two questions I have. So, how should we think about the company's margin profile as those new businesses start scaling up?

Harish Dachepalli: Yes. So, we are estimating a margin of around 17% to 18% PAT year-on-year. If the quantum of business increases, the percentage might be same, but it'll come because, you know, our capex investments or, you know, warehouse logistics, everything the company has purchased over time with our own revenues even before we got listed into the stock exchange.

So, then, you know, now our most of the percentage now varies only on the raw material costs, not major of the capex investments. So, if we scale, all other parameters are fixed in terms of, you know, what is the marketing cost, what is the sales cost, what is the distribution sampling cost, everything. So, we are estimating that PAT going forward.

Deepa Mehta: Okay. Thank you so much.

Harish Dachepalli: Yes. Thank you so much, ma'am.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Gautam for closing comments. Over to you, sir.

Gautam Nagar: Thank you. On behalf of Dachepalli Publishers and EquiBridgeX Advisor, I thank everyone for taking time to join today's conference call. If you have any queries, you can connect us at info@equibridgex.com. Once again, thank you for joining the conference. Thank you, sir. Thank you, Harish sir. Thank you, Abhinav sir.

Harish Dachepalli: Thank you very much. Thank you.

Moderator: Thank you.

Abhinav Dachepally: Thank you. Thank you, all.

Moderator: On behalf of EquiBridgeX Advisors Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.