Sanathan Textiles LTD.
Yarns for the Fabric of Life
www.sanathan.com

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Email: sales@sanathan.com **COMPANY IDENTIFICATION NO.** L17299DN2005PLC005690

Date: November 09, 2026

To, **National Stock Exchange of India Limited** Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051.	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.

Trading Symbol: **SANATHAN** Scrip Code: **544314**

Ref. No: - **2026-2027/Nov26/161**

Dear Sirs/Madam,

Sub: Earnings Call Transcript pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby submit, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the transcript of the earnings call held on Thursday, November 05, 2026, at 05:00 PM IST regarding the un-audited standalone and consolidated financial results of the Company for the quarter and half year ended on September 30, 2026.

The transcript has been uploaded on the website of the Company within the prescribed timeline and can be accessed at the following weblink:

https://www.sanathan.com/investor-relations/financial-performance

We request you to take the same on your record.

Thanking You,
Yours faithfully,

For Sanathan Textiles Limited

Jude Dsouza

Digitally signed by Jude Dsouza
DN: cn=Jude Dsouza gn=Jude Dsouza c=IN India l=IN India ou=Sanathan Textiles e=jude_dsouza@sanathan.com
Reason: I am the author of this document
Location:
Date: 2026-11-09 14:37+05:30

Jude Patrick Dsouza
Company Secretary and Compliance Officer

"Sanathan Textiles Limited

Q2 FY27 Earnings Conference Call"

November 05, 2026

MANAGEMENT: **MR. PARESH DATTANI – CHAIRMAN AND MANAGING DIRECTOR – SANATHAN TEXTILES LIMITED**
MR. SAMMIR DATTANI – EXECUTIVE DIRECTOR – SANATHAN TEXTILES LIMITED
MR. SANJAY SHAH – CHIEF FINANCIAL OFFICER – SANATHAN TEXTILES LIMITED
MR. JUDE D'SOUZA – COMPANY SECRETARY AND COMPLIANCE OFFICER – SANATHAN TEXTILES LIMITED

Moderator: Ladies and gentlemen, good day and welcome to Q2 FY 2027 Earnings Conference Call of Sanathan Textiles. As a reminder, all participant lines will be in 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 touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Jude D'souza from Sanathan Textiles. Thank you, and over to you, sir.

Jude D'souza: Good evening, ladies and gentlemen. It is my privilege to welcome you all to the earnings conference call of Sanathan Textiles Limited for the second quarter of financial year 2026-2027, ended September the 30th, 2026. Before we begin, I would like to remind everyone that certain statements made during this call, including comments on outlook, expectations, future plans, capacity expansion, and business strategy, may be forward-looking in nature.

These statements are based on management's current assumptions and assessments and are subject to various risks and uncertainties. Actual results may therefore differ materially from those expressed or implied during the discussion. Joining us today are Mr. Paresh Dattani, the Chairman and Managing Director, Mr. Sammir Dattani, the Executive Director, and Mr. Sanjay Shah, the Chief Financial Officer.

The results, the press release, and the investor presentation for the quarter has already been uploaded on the stock exchange. The call is being recorded, and a transcript of the discussion will be made available on the website of the stock exchange and the company. I would now like to invite Mr. Paresh Dattani, the Chairman and Managing Director, to share his opening remarks.

Paresh Dattani: Thank you, Jude, and a very good evening to everyone joining us today. When we spoke to you in the last call, the first quarter of FY 2027 had unfolded against a backdrop of significant global volatility, driven largely by the conflict in West Asia and its effect on energy and raw material markets in general.

In that environment, our priorities were clear: secure raw material supplies, place our offerings with customers, and keep our plants running without disruption and at high efficiency. The second quarter built on that groundwork as raw material and product prices stabilized. Customers who had deferred purchases during the uncertainty of Q1 returned to normal buying patterns.

Domestic demand for our products stayed strong throughout the period. Our performance this quarter was driven primarily by the continued ramping up of our Punjab facility, which is now contributing meaningfully to volumes, along with higher capacity utilizations across our operations.

Consolidated sales volumes rose to 1.22 lakh metric tons from 96,000 metric tons in the first quarter. As a result, consolidated revenue from operations grew 35.16% quarter-on-quarter to INR1,804 crores, driven by the ramp-up at Punjab and higher selling prices. Consolidated EBITDA rose 43.2% sequentially and 144.94% year-on-year to INR155 crores.

With higher volumes in Punjab, our fixed costs were absorbed over a larger base, and a better realization supported our margins. One measure we track closely is EBITDA per ton. It tells us

how efficiently we turn every ton that we produce into earnings, and the more we optimize it, the stronger our profitability becomes.

At a consolidated level, EBITDA per ton rose 13% over the last quarter to INR12,725 per ton. I want to come back to a point I made on the last call. In quarter one, the full depreciation and interest on the Punjab plant came into the P&L for the first time, and that absorbed most of our EBITDA growth.

This quarter, depreciation and finance costs together rose only by about INR5 crores sequentially, while consolidated EBITDA rose by about INR47 crores quarter-on-quarter. Further, I am happy to inform that this quarter, our Punjab plant has become PAT positive, due to which the consolidated profit after tax more than doubled, rising 157% quarter-on-quarter to INR61 crores, and 204% year-on-year.

As Punjab scales up, the operating leverage of our expanded base is starting to show in the bottom line. At the standalone level, revenue grew 22% sequentially to INR992 crores on the back of higher selling prices. Standalone EBITDA stood at INR84 crores as raw material costs rose and spreads normalized, but higher than the same quarter last year, supported by strong demand and better spreads.

Our disciplined approach to raw material procurement and our presence across polyester, cotton, and technical textiles continue to serve us well. I'm also pleased to share that our expanded technical textiles capacity at Silvassa commenced production on August 20th, 2026, doubling our installed capacity from 9,000 metric tons per annum to 18,000 metric tons per annum.

This strengthens our presence in a higher value-added segment and adds a further lever for margin improvement. The global environment remains fluid, and we continue to operate with strategic caution, disciplined execution, and prudent capital allocation. We remain focused on further improving efficiency and expanding our capacity with the aim of sustaining this momentum while keeping a sharp focus on margins.

I will now hand over to Sammir Dattani to walk you through the operational performance. Thank you.

Sammir Dattani: Thank you, Chairman, and good evening, everyone. I will briefly take you through the operational performance across our manufacturing facilities for the quarter. The headline for the quarter is volume. At a consolidated level, we produced about 1.15 lakh metric tons and sold about 1.22 lakh metric tons of yarn.

This was driven by growing demand, better capacity utilization, and a rising share of business with our customers. Of the volume sold, approximately 58,000 metric tons of sale came from Silvassa and 64,000 metric tons of sale from the Punjab facility. Sales ran ahead of production as customers returned to normal buying patterns after deferring purchases in Q1.

At Punjab, phase one is now fully operational, which marks an important milestone in the company's journey. Building on this, our focus during the quarter was on efficiency, product

optimization, and value addition. Our polymerization capacity at Punjab is currently at 700 metric tons per day, and average capacity utilization for the quarter was above 90%.

This stronger operational performance at Punjab was the main driver of the improvement in consolidated EBITDA. EBITDA per ton, one of the key measures of our operating efficiency, stood at INR12,725 at the consolidated level. On raw materials, the volatility we saw across PTA, MEG, and raw cotton in April and May eased during this quarter as prices stabilized.

As we said on our last call, the industry adjusts prices in line with raw material movement over a reasonable period of time. That pass-through played out during this quarter, and it is reflected in our higher realizations. We maintained stable raw material availability at both facilities through disciplined procurement and strong supplier relationships.

We remain confident in the long-term structural drivers supporting the demand and yarn consumption across sectors. The ongoing consumer shift towards man-made fiber continues to provide a solid foundation for demand, and the broader realignment of global supply chains continue to strengthen India's position as a textile manufacturing hub.

For the rest of FY 2027, our operational priorities are clear: to keep improving efficiency and product mix at Punjab, to deepen our customer relationships, and to make sure our expanded manufacturing base meets growing demand while delivering sustainable, profitable growth. I will now hand over to Mr. Sanjay Shah to take you through the financial performance.

Sanjay Shah: Thank you, Sammir, and good evening, everyone. I will briefly take you through the financial performance for the quarter ended September 30th, 2026. On a standalone basis, revenue from operations for Q2 FY 2027 stood at INR992 crores compared to INR813 crores in Q1 FY 2027 and INR767 crores in Q2 FY 2026, a growth of 22% sequentially and 29% year-on-year, primarily on account of higher selling prices.

The second quarter saw conditions normalize after an unusually volatile Q1. Raw material and product prices stabilized from the elevated levels of the first quarter towards more normal levels. Demand stayed strong through the period. Standalone sales volume rose to 58,000 metric tons from 52,000 metric tons in Q1.

Against this backdrop, standalone EBITDA for the quarter stood at INR84 crores, a growth of 17.7% over INR71 crores in Q2 FY 2026, as spreads expanded year-on-year. Compared with INR95 crores in Q1 FY 2027, EBITDA was 11.7% lower, reflecting the normalization of spreads and higher operating expenses.

On a consolidated basis, revenue from operations for Q2 FY 2027 stood at INR1,804 crores compared to INR1,335 crores in Q1 FY 2027 and INR818 crores in Q2 FY 2026. That is a growth of 35% sequentially and over 120% year-on-year. The growth came from three factors working together. Higher volumes with consolidated sales rising to 1.22 lakh metric tons from 96,000 metric tons in Q1 as the Punjab facility ramped up, strong demand as customers return to normal buying patterns, and better selling prices.

Consolidated EBITDA for the quarter stood at INR154 crores compared to INR108 crores in Q1 FY 2027 and INR63 crores in Q2 FY 2026, a growth of 43% quarter-on-quarter and 144% year-on-year, driven by the operating performance of the Punjab facility. Depreciation for the quarter was INR36.6 crores and finance costs INR42 crores against INR34.7 crores and INR38.6 crores respectively in Q1 FY 2027.

With these charges now largely stable, the bulk of the EBITDA improvement flowed through the profit. Consolidated profit after tax for the quarter stood at INR61 crores compared to INR24 crores in Q1 FY 2027 and INR20 crores in Q2 FY 2026, a growth of 157% quarter-on-quarter and 204% year-on-year.

PAT margin improved to 3.4% from 1.8% in Q1 FY 2027. Basic earnings per share, not annualized, were INR7.3 against INR2.8 in Q1 FY 2027. The company continues to maintain a disciplined approach toward capital allocation, balance sheet management, working capital, and operational efficiency. With Punjab now contributing meaningfully to volumes and profitability, we believe the second half of FY 2027 should continue to reflect the potential of our expanded manufacturing base.

Jude D'souza: We are now open for question and answers.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Harsh Mittal from Emkay Global Financial Services. Please go ahead.

Harsh Mittal: Yes. Good evening to the team. Thank you for the opportunity. I have a few questions. The first question is, how is the current demand environment shaping up, sir? Both on the domestic front as well as on the export markets. This is the first question.

Paresh Dattani: Good evening, Harsh. The demand on the domestic front is very good. The only difference is it is a little wavered in terms of movement. In couple of months, it is really high, couple of months, it is a little slow. But if you look at an annualized basis, the demand is there, and we are seeing that downstream growth is also there.

Harsh Mittal: Understood. The second question is on the yarn spreads. We have seen lately in October, there has been sharp rise in the crude prices, and eventually the PTA prices also rose. So has the polyester yarn prices correspondingly risen, or how has it been, the spreads in quarter two average versus the October spreads?

Paresh Dattani: Yes, October, the PTA prices did go up, but the prices before we were on the process of passing on, now you can see the crude coming down. It is a little hazy and a little wavered for the month of October, I feel so.

Harsh Mittal: Understood. Last question from my end. When can we expect the commissioning of the second phase of the Punjab plant, that is the 250 TPD?

Paresh Dattani: The first portion of the second phase of Punjab will commission by December, sometime in December.

Harsh Mittal: Okay.

Paresh Dattani: You can say we can get the full thing, at least a part of that full thing in the last quarter of the year.

Harsh Mittal: Understood. The ramp-up of that same would be-

Paresh Dattani: Yes. By June, July, we should be able to finish that entire ramping up to 900 tons per day.

Harsh Mittal: Understood. Thank you, sir. These were my questions, and wishing a happy Diwali to each and every member of Sanathan Textiles. Thank you.

Paresh Dattani: Thank you, Harsh. Wish you the same.

Moderator Thank you. The next question is from the line of Aradhana Jain from 360 ONE Capital. Please go ahead.

Aradhana Jain: Hi, thank you for the opportunity. Am I audible?

Paresh Dattani: Yes, you are. Good evening.

Aradhana Jain: Good evening, sir. Congratulations on a very good quarter. Couple of questions first. Sir, while I understand that we need to track your EBITDA per ton, and that's the right metric to see the way the company has grown, but I just wanted to understand a little more on the gross margin side. The way I used to think about your business was to see the polyester filament yarn spreads.

And to map it to your gross margins, that whenever there is an improvement in the spreads, it should somewhere also reflect in the margin. But while the spreads have improved in the second quarter, I don't see that reflecting in your gross margin. What has been the reason why our sequentially as well as Y-o-Y gross margins have declined? That's my question.

Sanjay Shah: Gross margin in absolute terms have bettered as far as consolidated results are concerned. But if you measure it as a percentage, since the selling price has increased, the base has increased, our spreads are more or less in kgs or in tons. As a percentage, they seem to be lower, but overall gross increased in absolute terms.

Aradhana Jain: Okay, understood. Since a couple of days, crude has again started correcting. If crude again corrects, how long does it take for us to revise our prices back to the lower levels, or does it happen with a lag in terms of realization?

Paresh Dattani: It typically takes us about two weeks to pass it on, and that is what we intend to keep doing.

Aradhana Jain: Understood. My second question is on technical textiles. While that came in only in 2Q, I am not assuming that a lot of the contribution would have flown in 2Q. In 3Q and 4Q, what sort of EBITDA per kg can we expect from technical textile part? In the next year, do you expect the overall contribution of technical textiles from EBITDA per kg perspective to improve significantly because of the doubling of capacity and better utilization levels?

Paresh Dattani: First, yes, we commissioned on August 20th, as I mentioned earlier. We are fully stabilized on the production, and we have placed our material well in the domestic as well as the export market. Looking ahead, typically the technical textile segment does give us a higher EBITDA per ton, and with the doubling of the capacity, definitely that will have an impact on the numbers.

Aradhana Jain: Understood. What sort of gross debt should we expect by the end of this year and next year? What is your capex that you plan to do in the second half of this year and for the full year next year?

Sanjay Shah: Gross debt would be close to INR1,350 crores at the end of the year. Net debt would be close to INR1,150 crores. Next year, the gross debt should reduce by approximately INR120 odd crores. The capex for the current year is close to INR200 odd crores, and for the following year, it would be close to INR400 odd crores.

Aradhana Jain: For next year?

Sanjay Shah: INR400 crores.

Aradhana Jain: Hello?

Sanjay Shah: INR400 crores with a bit of expenditure spilling over to FY 2028-2029 also.

Moderator: Ma'am, does that answer your question? Hello? If there is no response from the participant, we will move to the next. The next question is from the line of Roshan from Antique Stock Broking. Please go ahead.

Roshan: Yes, thanks for the opportunity and congratulations on good set of numbers.

Paresh Dattani: Can you speak a little loudly, please?

Roshan: Yes, is it better now?

Paresh Dattani: Yes, it is better now.

Roshan: Yes, thanks for the opportunity and congratulations on good set of numbers. When I look at your Silvassa or standalone numbers, the volume number for the last three quarters, you used to do around 60,000 metric tons, 62,000 metric tons. It has fallen to around 57,000 metric tons, 58,000 metric tons. For the last three quarters, it has consistently come down. Any specific reason you want to call out?

Paresh Dattani: See, a little bit of variation does happen because of the product mix also. When we change our product mix depending on the demand and depending on the netback, that does happen. We cannot absolutely pinpoint to the number of the revenue in terms of quarter-t o- quarter on an exact basis, because if product mix changes, the revenue numbers will be a little bit minus here.

Roshan: Understood. Is it fair to assume that you might have had benefits of low-cost inventory this quarter?

Paresh Dattani: We did have a low-cost inventory benefit in the previous quarter. In the last quarter, it was more or less not there. That is why you see the difference in the EBITDA numbers at Silvassa between Q1 and Q2 is almost about 11% lower. The reasons, as Sanjay bhai explained, mainly is, one is, of course, the inventory gain was not there, and the second, of course, was some expenses.

Sanjay Shah: Incremental

Paresh Dattani: Incremental expenses.

Roshan: Understood. That is all from my side. Thank you so much, and Diwali greetings to the management.

Paresh Dattani: You too. Thank you.

Moderator Thank you. The next question is from the line of Tejash Thakkar from T&J Investments. Please go ahead.

Tejash Thakkar: Thank you for the opportunity, and season greetings to the entire team. Couple of questions. One is, we have guided for a roughly INR5,600 crores top line and a INR520 crores to INR530 crores EBITDA. This implies that in H2, we will need to do somewhere around 10.2% of EBITDA to reach that number, and we are currently at around 8.3%. What is going to take us to that additional 1.5%, 2%, considering that from Q3 the base is going to normalize, so we are not going to see high double-digit growths in the top line? If you can just throw some light on that. That is my first question.

Paresh Dattani: See, again, I refer back that you look at EBITDA per ton, not on the percentage basis, because if you see the selling prices have changed dramatically over the last two quarters. If you are going forward, yes, we had said between INR520 crores to INR550 crores as the EBITDA. To achieve that, if you do not look at the percentage terms, look at the per EBITDA, per ton EBITDA, we will achieve that easily.

Tejash Thakkar: Okay. But that is going to be a function of that, right, sir? Essentially, how you calculate, if you reach that number, you need to calculate by EBITDA per ton. Essentially, it's going to work down to some EBITDA percentage at the end of the day, right? That means our EBITDA per ton will have to be substantially higher to reach that, one way or the other.

Paresh Dattani: No, see, EBITDA per ton, more than higher, what is the difference is, if you see the Punjab facility, the first quarter, because we were operating at only at about 76%, 77%, the EBITDA per ton was about close to INR2,500 per ton, INR3,000 per ton only, which is substantially higher this quarter and which will be higher even more in the coming quarters.

Tejash Thakkar: Okay. Sir, second is, the FDY imports from China, since they have taken out the BIS and the Quality Control Orders, what is the impact on it for us on sales? Or is it flooding the market, not flooding the market? Or with the recent rise in the yarn price, is it helping us? If you can just throw some light on that.

Paresh Dattani: The Chinese operations have been a little hampered over there because of the availability of para-xylene to them. That's one part. The second part is the Chinese domestic as well as their selling prices have been much higher than our domestic prices. So, landed Chinese material is today more expensive than domestic material. If you look at it, since the time BIS has been removed, there's very little imports that has come into the country. So, we don't see that happening, imports coming in and being a threat to us at all.

Tejash Thakkar: Is this same scenario maintained in the exports market as well, or are we facing a more tough time in the exports market with the China, from the Chinese suppliers?

Paresh Dattani: No, as a country level, what we have been exporting in the last two quarters, I think more or less we have achieved the same numbers.

Tejash Thakkar: Okay. Sir, just last query. What was utilization for Silvassa and Punjab in Q2 and H1, if you can just share that number?

Paresh Dattani: Silvassa, we have been always operating at about 95%, and we have achieved that here. Punjab, as I said, the first quarter we operated around 76%, 77%. This time we are closer to 90%. We aim that in the next two quarters, we will be up to about 95%, 96%, which is what our target efficiency is.

Tejash Thakkar: Okay. Thank you so much for answering the questions, sir.

Paresh Dattani: Thank you.

Moderator: Thank you. The next question is from the line of Dev Mehta from Unique PMS. Please go ahead.

Dev Mehta: Yes, am I audible?

Paresh Dattani: Yes, you are audible.

Dev Mehta: Yes. Just wanted to get an insight from you. One of our competitors mentioned that in European Union, earlier these countries like Bangladesh and Vietnam used to get a lot of advantage because of their LDC status. Now that's going away, and with the EU FTA coming in, how are we positioned for the particular trade deal going ahead, and how do we look at the exports?

Paresh Dattani: Your information is correct that yes, we were at a disadvantage over Bangladesh in the European Union market. There, with the FTA coming in, yes, we will now be at an advantage in terms of yarn exports also, and more so with the fabric and garment exports.

Dev Mehta: Fair enough. How do we look at our exports as a percentage of revenue going ahead, directionally? If you can just guide. And what are the differential in margins between domestic and exports?

Paresh Dattani: Yes. As I mentioned a lot of times earlier, at Silvassa, we primarily have been doing exports ranging between 4%-5% of the lower side and as high as 16%-17% of the higher side. The only reason for this swing is the better netbacks. If we get better netbacks locally, we switch more to local. If we get better netbacks there, we go. Looking at your question on the FTA, I feel with

the FTA coming in, yes, exports from Silvassa will definitely move up to double digits in the coming months.

Dev Mehta: Fair enough. What would be the difference in the margins? Do we get higher margins in exports, or are they similar with our domestic margins?

Paresh Dattani: It's a rotational thing I have seen because, yes, the margins will be better once the duty component goes there. Our netbacks will improve on the exports. Then the industry improves on the export percentage. More material is shipped out, then local margins correspondingly post that also increase. It's a thing that goes on quarter-to-quarter basis. But yes, overall that will impact the export margins also, and also sequentially on that impact will also come on the domestic margins.

Dev Mehta: Fair enough. Just a final question. Approximately 5 million tons of PTA capacities are being added, IOCL, GAIL, and Reliance, if we accumulate all three of them in let's say next one and a half year. Just wanted to ask you, what about the finished yarn capacities coming up? Are there any major capacities? Because I believe Reliance has also mentioned a huge capacity, right? If you can just throw some insights on that.

Paresh Dattani: Yes. You are right, about 5 million tons is increasing between GAIL, IOCL, and Reliance. The only difference is you said one to one and a half years. No, GAIL will commission this year. IOCL will commission the first half of next year, and Reliance will probably come sometime 2028. So it is about a two-year window where all this capacity will be coming into the country.

Dev Mehta: And the finished yarn capacity?

Paresh Dattani: You mean the yarn capacity?

Dev Mehta: Yes.

Paresh Dattani: As I said, ours was the last announced project which was commissioned. Post that, there has been no proper announcement of any capacity addition. Once that is done and once the kickoff date of that project has come, once it kicks off, it takes typically about two and a half years for that capacity to bring out production.

Dev Mehta: Fair enough.

Paresh Dattani: I do not see for the next two and a half years anything too substantial to be added to the yarn.

Dev Mehta: With incremental addition of such a huge raw material capacity, INR2, INR3 EBITDA per kg savings is fair estimate going ahead, considering that yarn capacities are not coming.

Paresh Dattani: I will not comment on is it a fair estimate or not, but yes, there will be an increase on the margins due to the lower raw material supply to us.

Dev Mehta: Okay. Fair. Thank you.

Paresh Dattani: Thank you.

Moderator: Thank you. The next question is from the line of Tanishka Agarwal from Niveshaay Investment. Please go ahead.

Tanishka Agarwal: Hello, am I audible?

Paresh Dattani: Yes, you are audible.

Tanishka Agarwal: Thank you for the opportunity.

Paresh Dattani: Hello?

Tanishka Agarwal: Hello?

Paresh Dattani: Yes.

Moderator: The participant left the queue. We will move to the next.

Paresh Dattani: Yes.

Moderator: The next question is from the line of Parth Shet from Smiths and Thompson. Please go ahead.

Parth Shet: Yes, sir. I just had a couple of questions. First of all, congratulations for the good set of numbers. First question was, like with Silvassa technical textiles capacity increasing from 9,000 MTPA to 18,000 MTPA, what is the current utilization of the expanded capacity?

Paresh Dattani: As I mentioned earlier, we are totally stabilized on the production and we have placed the material, so we are utilizing the new capacity also at about 94%, 95% as we stand now.

Parth Shet: Okay, so new capacity, okay, 94%. Just a second. How much incremental revenue can be generated in FY 2027?

Paresh Dattani: Increased revenue from the technical textiles addition?

Parth Shet: Yes.

Paresh Dattani: Yes, because we have come in August, so let's say September, we have about half a year's capacity. Typically, this would give us an additional top line of about INR150 crores, INR160 crores. So we should get about INR80 crores, INR90 crores additional for FY 2027.

Parth Shet: Okay. INR80 crores, INR90 crores.

Paresh Dattani: Yes.

Parth Shet: Okay. The second question, is the INR400 crores MP cotton yarn project progressing as planned? Has the land position been completed and when will the construction and machinery installation begin?

Paresh Dattani: It is on track to what we had planned. We aim to start getting set foot on ground by early January, and we aim to get into production by end of the calendar year and stabilize fully by the end of the financial year.

Parth Shet: Okay. Thank you so much. That's from my side.

Paresh Dattani: Thank you.

Moderator: Thank you. The next question is from the line of Tanishka Agarwal from Niveshaay Investment. Please go ahead.

Tanishka Agarwal: Hello, am I audible?

Paresh Dattani: Yes, you are audible.

Moderator: Yes, ma'am.

Tanishka Agarwal: Thank you for the opportunity. My first question is regarding our revenue per kg rise both at Silvassa and Punjab facility. Could you throw some light what is the mix? Is it yarn prices or the product mix?

Paresh Dattani: Hello, can you just repeat that? I did not follow your question, please.

Tanishka Agarwal: Our revenue per kg rose both at Silvassa and Punjab facility. How much of that came from yarn prices and how much is from the product mix?

Paresh Dattani: No, I can give you a consolidated number. In this quarter, about INR14,000 per ton EBITDA at a console basis at Silvassa. I mean, we aim to carry on the same basis.

Sanjay Shah: As far as revenue mix is concerned, on a consolidated basis, polyester contributed close to 87% of the revenue, cotton close to 10%, and technical textile close to 3%.

Paresh Dattani: It was on a console basis.

Tanishka Agarwal: Okay. And on standalone basis?

Sanjay Shah: Standalone basis, polyester continues to contribute 77%, cotton around 18% odd, balance 6% towards technical textile at Silvassa.

Tanishka Agarwal: My second question is regarding how we are seeing the realization volume growth in coming quarters.

Paresh Dattani: No. Can you just repeat that again, please?

Tanishka Agarwal: How we are seeing the realization trend and volume growth going forward?

Paresh Dattani: The realization trend, see, barring some hiccup internationally, I don't see any major disturbance of the realization front, and that's why we had said about INR520 crores, INR540 crores

EBITDA for the year. We are also now talking about north of INR560 crores as the EBITDA target for the year.

Tanishka Agarwal: Okay. On the volume growth side in all the three segments?

Paresh Dattani: On the revenue side, you're asking?

Tanishka Agarwal: No, volume growth side.

Paresh Dattani: The volume growth side?

Tanishka Agarwal: Yes, in all the three segments.

Paresh Dattani: No, I have mentioned about cotton yarn, we are stable at Silvassa. The filament yarn, we are stable at Silvassa. As far as the technical yarns is concerned, yes, we have doubled, so we will add about seven months of production there of that 9,000 tons. As far as Punjab is concerned, we are operating today at 700 TPD, and we are moving towards the second phase, which is 900 TPD, which portion we will commence by the end of December, beginning January. So we will get one quarter of a part production there. And finally, by June, July of next year, we will be completing the 900 tons per day.

Tanishka Agarwal: Okay.

Moderator: Thank you. The next question is from the line of Tejash Thakkar from T&J Investments. Please go ahead.

Tejash Thakkar: Thank you for taking my questions again. What are we looking at in terms of, if you just throw some light on the top-line growth for, let's say, 2028, 2029, next two, three years? How are we seeing that panning out?

Paresh Dattani: You're talking about revenue or...

Tejash Thakkar: Yes, the revenue.

Paresh Dattani The revenue going up? As we said, we had targeted this year FY 2027 with a revenue of about INR5,600 crores, INR5,700 crores, but we are on course to do more than INR6,000 crores for FY 2027. For FY 2028, we are looking at a revenue of about INR7,200 crores, INR7,300 crores, and FY 2029, we should be close to about INR7,700 crores, INR8,000 crores.

Tejash Thakkar: Okay. And this about 10%, 12%, 15% is what we are looking at in the next foreseeable future going forward, roughly?

Paresh Dattani: That is true.

Tejash Thakkar: Yes, got it. The second question was pertaining to the technical textiles. If I am not wrong, and pardon me, not very good with the technical part, but the low shrinkage or the ultra-low shrinkage, if technically, I suppose that is used in the fiber optics, if I am not wrong. Is that correct? And do we have any inquiry on that?

Paresh Dattani: Low shrinkage goes into multiple uses, and yes, we do make a lot of low shrinkage yarns, and we have a customer base which is regularly buying from us on that. They are on different applications. One of the applications is what we mentioned, but there are many other applications also.

Tejash Thakkar: Are we seeing any specific demand drivers from fiber optic per se as of now? Are we witnessing that?

Paresh Dattani: See, we don't look at it that way. We are just looking at it from the way that whatever we are making, we break our production into different products. One of the products is the low shrinkage one. Yes, we are seeing a higher demand on the lower shrinkage, yes. As far as the application is concerned, because all the applications where low shrinkage is moving, all are growing, so we really cannot pinpoint which one is growing a little more than the other.

Tejash Thakkar: Okay, sir. No worries. Thank you for answering the question.

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

Paresh Dattani: Thank you all once again for joining us this evening. As we move into the second half of FY 2027, our confidence continues to rest on three pillars. First, operational resilience. In Q1, we kept both facilities running without interruption through a period of real supply chain stress. In Q2, we built on that stability with higher volumes and better utilization.

Second, on normalizing demand environment. As we said last quarter, the deferral of purchases in April and May was a reaction to price, not to underlying consumption. With prices stabilizing, customers returned to normal buying patterns in Q2, and domestic demand for our products stayed very strong. Third, a scalable growth platform. Punjab now is contributing meaningfully to volumes and profitability.

Our expanded technical textiles capacity at Silvassa, which has commenced production on August 20th, 2026, will add to our EBITDA as it ramps up and will further strengthen our product mix. On phase two at Punjab and our proposed cotton yarn expansion at MP, we will share a further update with you separately as we go ahead in that journey.

We believe we are well-positioned to create long-term sustainable value. I would like to sincerely thank all our employees across all locations for their commitment through the quarter. I also extend my gratitude to our shareholders, customers, lenders, and business partners for their continued trust and support. Thank you, everybody, for your participation today. Good evening, and thanks.

Moderator: Thank you, sir. On behalf of Sanathan Textiles Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.