



Regd. Office 301, E – Square, Subhash Road, Vile Parle East, Mumbai 400057 Maharashtra, India.
Tel.: (+91 22) 2663 6450, Fax: (+91 22) 2610 8030, Email: info@nglfinechem.com CIN L24110MH1981PLC025884, Website www.nglfinechem.com

May 30, 2026

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001.

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No.C/1, G
Block, Bandra Kurla Complex, Bandra East,
Mumbai 400050.

Scrip Code: 524774

Symbol: NGLFINE

Sub: Transcript of the Earnings Call – Q4 & FY 26.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Transcript of the Earnings Conference Call for Q4 & FY 26 held on Monday, May 25, 2026.

The above transcript is also being made available under the Investors Section on the Company's website at www.nglfinechem.com

You are requested to kindly take the information on record.

Thanking you,

Yours faithfully,

For NGL Fine-Chem Limited

Shivam Gharat
Company Secretary
M. No.: A56704

Encl: As above.



**“NGL Fine-Chem Limited
Q4 & FY’26 Earnings Conference Call”
May 25, 2026**



MANAGEMENT: MR. RAHUL NACHANE
MANAGING DIRECTOR
NGL FINE-CHEM LIMITED

MR. RAJESH LAWANDE
WHOLE-TIME DIRECTOR & CFO
NGL FINE-CHEM LIMITED

Moderator: Ladies and gentlemen, good day and welcome to the Q4 and FY'26 Earnings Conference Call of NGL Fine-Chem Limited.

As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the opening remarks conclude. Should you need any assistance during this conference call, please signal an operator by pressing "*" and then "0" on your touchtone telephones. Please note that this conference call is being recorded.

I now hand the conference over to Mr. Abhishek Mehra from TIL Advisors. Thank you and over to you, sir.

Abhishek Mehra: Thank you, Farah. Good afternoon, everyone, and thank you for joining this Q4 and FY'26 Earnings Conference Call of NGL Fine-Chem Limited.

The Results and Investor Updates have been uploaded on the Stock Exchanges.

To take us through the results of the quarter and answer your questions, we have with us today Mr. Rahul Nachane - Managing Director, and Mr. Rajesh Lawande – Whole Time Director and Chief Financial Officer.

We will be starting the call with a brief overview of the financial performance, which will then be followed by the Q&A session. I would like to remind you that everything said in this call is reflecting any outlook for the future, which can be construed as a forward-looking statement, must be viewed in conjunction with the uncertainties and risks that the company faces. These uncertainties and risks are included but not limited to what we have mentioned in our annual reports.

With that said, I will now hand over the call to Mr. Rahul. Over to you, sir.

Rahul Nachane: Good afternoon, everyone, and a warm welcome to NGL Fine-Chem Limited's Q4 and FY26 earnings call. Thank you for joining us today and for taking the time to review our investor presentation and financial results, which have already been uploaded on the stock exchanges.

Let me begin with a brief review of our performance for the quarter and the full year.

Q4 FY26 was a strong quarter for the Company, reflecting continued improvement in our operating performance. Revenue from operations for the quarter stood at ₹149.23 crores, compared to ₹94.97 crores in Q4 FY25, registering a growth of 57% year on year. On a sequential basis, revenue grew by 17% over Q3 FY26. This growth was primarily driven by higher volumes across our product portfolio and geographies, supported by improved capacity utilization. EBITDA for the quarter came in at ₹21.41 crores, as against ₹6.32 crores in Q4 FY25. EBITDA margin for the quarter stood at 14.35%, an expansion of 769 basis points over the same quarter last year. Profit after tax for the quarter was ₹13.49 crores, compared to ₹0.54 crores in Q4 FY25.

This was the third consecutive quarter of strong improvement in our operating performance. The recovery we are seeing is broad-based, with healthy traction across our portfolio and markets. This gives us confidence in the resilience of our business and the demand outlook for our products.

Moving to the full year performance for FY26:

Revenue from operations stood at ₹500.95 crores, compared to ₹368.26 crores in FY25, reflecting a growth of 36%. EBITDA for the year was ₹72.69 crores, against ₹33.87 crores in the previous year, more than doubling on a year-on-year basis. EBITDA margin for FY26 stood at 14.51%, an improvement of 531 basis points over FY25. Profit after tax for the year stood at ₹48.13 crores, compared to ₹21.12 crores in FY25, a growth of 128%.

FY26 has clearly been a year of recovery for the Company. After three challenging years, we have returned to a stronger growth trajectory, with improving operational performance and better business momentum.

During the quarter, we continued to face some external challenges. Geopolitical developments led to an increase in freight costs and raw material prices. Since a part of our business operates under fixed-price contracts, these cost increases could not be passed on immediately to customers. In addition, forex movement resulted in mark-to-market provisions, as also mark to market provisions on investments which had some impact on margins during the quarter. As a result, while margins were sharply higher on a year-on-year basis, they were marginally lower sequentially.

I am pleased to share that we have already been able to secure a partial price pass-through with customers in the first quarter of the current financial year. Along with the continued volume momentum, this should support margin improvement going forward.

On the capacity expansion front:

Phase I of our ongoing expansion programme is now contributing meaningfully to operations. The higher volumes during the quarter were comfortably absorbed within this expanded capacity, which reflects our readiness for further growth.

With respect to Phase II of the Greenfield expansion at Tarapur, we did face certain delays during the quarter due to shortages of gas and labour, which affected the pace of construction. As a result, commissioning of Phase II, which was earlier expected in Q1 FY27, is now scheduled for early Q2 FY27. However, we remain on track to commence commercial production from H2 FY27, as previously guided. Of the total planned capex of ₹210 crores, we have invested ₹182.75 crores up to Q4 FY26.

In terms of business mix, Animal API continues to be the core of our business and contributed 95% of revenues during the quarter. Our customer and product concentration remains well diversified, with the top 10 customers accounting for 29% of sales and the top 10 products contributing 66% of sales.

To summarise:

FY26 has been a year of clear recovery, marked by strong volume-led growth, healthy margin expansion, and steady progress on our capacity expansion plans. We are entering FY27 with good operational momentum, expanded Phase I capacity already in service, and Phase II progressing toward commissioning. With partial price pass-through already achieved and volume traction continuing, we are confident of building on this performance in the coming quarters.

With that, I will now be happy to take your questions.

Moderator:

Thank you very much sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Dhwani Desai from Turtle Capital. Please go ahead.

Dhwani Desai:

Hi. Good afternoon, Rahul. Congratulations for a very good set of numbers. Sir, my first question is we talked about Unit 1 contributing significantly now to volumes. Our understanding was that Unit 1 was more a clean room for validation batches in order to kind of squeeze the timeline. If you can help us understand that Unit 1 capacity coming in, what kind of revenue run rate we can do even without Unit-2, if you can talk about that?

Rahul Nachane:

Dhwani, I think you are asking about Phase-1 and Phase-2, correct?

Dhwani Desai:

Yes, I am talking about Phase-1. I thought it was more for validation batches and clean room, was more for kind of preparing us for the launches and squeeze the timeline. So, not much of

incremental volume was to come from Phase-1 is our understanding. So, if you can help us understand, how should we look at the volume build-up in Phase-1 of the new plant?

Rahul Nachane: So, in Phase-1, you are right, we have put up a small volume section for doing the validation batches, but we had also put in an intermediate plant in the Phase-1. So, production has gone up because we were able to produce more intermediates over here. Plus, we have also increased our outsourcing. So, with these two things, we have been able to get a good strong volume growth. And Phase-2 is a total of five clean rooms that will come into, it should be commissioned in the next quarter.

Dhwanil Desai: Okay, got it. So, this Rs. 150 crore kind of a run rate plus whatever, somewhat, one of 10%, 15% growth on that can be catered through the Phase-1 and the outsourcing put together. Is that a fair understanding?

Rahul Nachane: Yes, that is what we have achieved right now. Correct.

Dhwanil Desai: Okay, got it. Sir, on the Phase-2 part of it, again, I think whenever we kind of commercialize in the H2 of this year, the idea was that we will try to do regulated market business here, but it is contingent upon product-side transfer happening and USFDA coming, and hence the Europe plus US business scaling up. So, till the time that happens, how should we look at the capacity utilization of Phase-2 unit? And on the same note, any sense on timeline for the USFDA inspection for the product that we had filed which would have triggered the USFDA audit? So, this is the question on Phase-2.

Rahul Nachane: Yes. So, we have already started filing our VMS, and we are in discussion with some customers, and they have already started evaluating our products. Samples have been sent across to them. They are running trials with those products, and they will file with us as additional supplier. And once they file it, it triggers the audit. So, we go to the queue, then based on availability from the USFDA team, the audit will get triggered. So, this can happen in the current year or probably next year also because it depends entirely on the regulator. So, there is no control that we have over the same.

Dhwanil Desai: Okay. So, by the time, let us say, if it happens next year or towards the end of the year, how should we look at the utilization of the Phase-2 without USFDA? What kind of markets we think we can scale up the Phase-2 or utilize the Phase-2 capacity with?

Rahul Nachane: So, we will be manufacturing our regular products. We have got good demand growth going right now in the existing markets also. So far, the capacity will get used for filing that volume. And we are fairly advanced currently with European registration right now. So, we anticipate that business to start coming in towards the last half of this year.

Dhwanil Desai: Okay. Sir, we will use that for ROW plus Europe till the time USFDA comes in.

- Rahul Nachane:** Right. Yes.
- Dhwanil Desai:** And sir last question, I will come back in the queue. You talked about the FOREX losses. Can you quantify that number?
- Rahul Nachane:** I do not have that number with me right now. But it is basically mark-to-market provisioning. So, I will need to check on that. I do not have it with me.
- Dhwanil Desai:** Okay. Great. I will come back in the queue. I have more questions.
- Moderator:** Thank you. The next question is from the line of Ishan Thakkar from Forth Capital. Please go ahead.
- Ishan Thakkar:** Yes, hi. I have a couple of questions. So, we currently have three CEPs registered in Europe. Sir, earlier you had indicated that another three CEPs were under review. An additional filing was planned until March 2026. And also guided towards achieving eight CEPs approval by the end of July'26. Could you please share the current status of these approvals and the expected timeline going forward?
- Rahul Nachane:** Currently, we have, as you rightly said, we have three approved, three are under review and two are being prepared for submission in the current quarter. Those three were submitted way back in the first quarter of last calendar year. And currently, they are taking probably in the range of something like 18 months to give it. So, we expect it to come through in the second half of Calendar Year 2026.
- Ishan Thakkar:** Okay. So, total eight CEPs are in FY27 right?
- Rahul Nachane:** Three more are expected by the end of this calendar year.
- Ishan Thakkar:** Okay. And one more?
- Rahul Nachane:** No. And two more are being filed in the current year. But that should come through only in 2027. So, let me give you this way. We have currently got five DMS registered and three CEPs, which are already done and registered. We have got four more DMS which are filed and which are under review. And we have got three CEPs which are under review. So, that makes it by the end of this year we are hopeful of getting a total of six CEPs and nine DMS that covers most of our products.
- Moderator:** Sir, the current participant got disconnected. We will move on to the next question. The next question is from the line of Rahul Jain from Credence Wealth. Please go ahead.
- Rahul Jain:** Thank you for the opportunity. Congratulations, Rahul and your entire team for a wonderful performance. A couple of questions. One with regards to the CAPEX. For Phase-2 CAPEX,

initially we had talked about Rs. 160 crores. And in the previous quarter presentation, you have mentioned about increasing that CAPEX from Rs. 160 crores to Rs. 210 crores. So, sir, this additional Rs. 50 crores, basically, are we adding some more capacity? How much of it will be the additional capacity being done and how much of it will be the cost front. So, from 160 to 210, that is my first question.

Rahul Nachane: Yes. So, the total increase is of Rs. 50 crores. Close to about Rs. 20 crores is the increase due to some higher level of automation and digitization which we have done in plant. And roughly about Rs. 50 crores is due to increase in the cost of metals.

Rahul Jain: And you mentioned that the effect on this Rs. 210 crores will be somewhere around 2x.

Rahul Nachane: No, this may be really not result in additional sales.

Rahul Jain: Okay. And with regards to the recovery in terms of you have mentioned the presentation that you have had some partial price hikes have been done. So, typically, what kind of price hikes you have taken? And what further do you anticipate to take to cover the kind of cost inflation which has happened due to the environment?

Rahul Nachane: The price increase depends on each product separately. And basically, whatever the increase in cost has been, we have tried to keep it fair by providing pass on the price increase. So, it varies from product-to-product.

Rahul Jain: Sir, you have spoken about coming back to margins. So, are we talking about somewhere around 17%, 18% EBITDA margins planned? Because our gross margins have been quite decent.

Rahul Nachane: Yes. So, as we have maintained 15% to 18% is a level which we want to get to of EBITDA. We are very close to that particular, close to that line right now.

Rahul Jain: And sir, last one. The other expense we have seen a sharp increase in the current quarter, almost about Rs. 10 crores, Rs. 11 crores increase on a quarter-on-quarter basis. So, I understand some part of it will be related to FX. Is there some additional cost due to also the new plant or some product registrations which has come in which is kind of a one-off and not a regular expense?

Rahul Nachane: Mainly mark-to-market provisioning on FOREX and investments.

Rahul Jain: Okay. Just one request, if you could share those details, maybe in a result as by way of a note or in the presentation, that would be really helpful. I have some more questions, but I will come back in the queue and all the best, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Ankit Gupta from Bamboo Capital. Please go ahead.

Ankit Gupta: Yes. Congratulations for a very good set of numbers and very good commentary. The best we have seen, the most bullish we have seen over the past, you know, three, four years. So, sir, if you can broadly talk about the demand environment, you alluded about it in your opening comment as well as in the presentation. If you can elaborate a bit more on that, like is it the broad-based demand that we are seeing across geographies, across products, what is leading to this demand, our top three, five, ten products are doing well or the products above the new products have started scaling up. So, if you can elaborate more on that.

Rahul Nachane: So, today we are doing close to something like 45 APIs now, which is a substantial increase over the probably about three years ago where we had just about 20 odd APIs in our product list. So, we have doubled the pipeline in the last three years. Also, now we are able to penetrate and reach across different markets much more effectively. So, we are now, Latin America has turned out to be a fairly successful story for us. We have been able to get our product registered and accepted by a number of customers there. So, overall, because of the broad-based larger product portfolio which we have got and also better sales and marketing across different geographical functions, we have been able to improve our sales.

Ankit Gupta: So, like on specific, the new products have started scaling up and like we have seen some reduction in our top 10 products contribution over the full year. So, like the new products which have started scaling up and now as you see is that happening? And on geography, apart from Latin America, we have been looking to in the past also, but even in Africa and Southeast Asia, how is the demand, if you can talk about it?

Rahul Nachane: No, we have, as I said, we have seen volume growth across geographies. So, there has been a good demand coming from all across the world currently.

Ankit Gupta: Sure. And secondly on the competitive scenario, how is it currently? Because last three and a half, four years, we have seen significant increase in competitive intensity in India as well as from Chinese players. So, of course, in the developed markets, the competition is there but even in the market that we are largely observing today, how is the competitive scenario? If you can talk about it?

Rahul Nachane: The competitive scenario continues to be the same. There is a lot of competition in the market from Chinese as well as Indian companies. Everybody is able to, trying to find their own feet on the ground. So, there is no reduction in the competitive sector. I assume that even the other companies, the competitors are also doing well. If the demand improves, it is not unique only for us. It stretches across the entire spectrum.

Ankit Gupta: Sure. And then for the new plant for, like, as you alluded to, you will be utilizing the new plant also for our existing business. Will that be largely for Latin America or for other geographies also?

- Rahul Nachane:** We do not look at just the geography. So, we will move certain products into that particular plant. So, whichever geography that demand will be, it will be serviced from that.
- Ankit Gupta:** Sure. And sir, on the new, on the CEPs and DMS that are piling across US as well as Europe. So, if you can elaborate a bit on how is the market size? Are there, like, largely, you know, Rs. 40 crore, Rs. 50 crore kind of products, 200, or sorry, Rs. 100 crore, Rs. 200 crore kind of products that we are planning to take, you know, like 10%, 20% of the market share over the next few years. So, if you can elaborate a bit more on the market size of this product for which we are filing registrations and we are in the process of filing, how big can be some of these products in terms of market size, if you can elaborate a bit on that?
- Rahul Nachane:** Most of the products which we do, there are significant companies already out there. Most of the suppliers already have two suppliers for each product. At times, they may have a third supplier also. Our intention is to go with a valuable position by which they are able to diversify their portfolio and also go with a China plus one strategy. In terms of market size for these particular, these products, there is no published data on each, for each product that we can quote and whatever proprietary information we have got, I would like to keep it with us only rather than disclosing the size. But whatever growth plans we have got in terms of getting to the sales, we are fairly confident of reaching those volumes over the next two years, three years.
- Ankit Gupta:** Sure. And this last question on the performance going ahead. So, should we assume that Rs. 150 crore quarterly run rate becomes the base for us going forward with new capacities also coming in, demand also significantly improving in our existing markets?
- Rahul Nachane:** Yes, that is our aim, I mean, to get to a 150 plus sort of a situation. But it will take a little while for it to stabilize at those levels.
- Ankit Gupta:** Stabilize at higher levels, Rs. 150 crore?
- Rahul Nachane:** Pardon?
- Ankit Gupta:** Stabilize at higher levels?
- Rahul Nachane:** No, no, it should take a little while, probably one or two quarters to stabilize at that level and then go higher.
- Ankit Gupta:** Okay. Thank you so much and wish you all the best.
- Moderator:** Thank you. Next question is from the line of Preet Jain from Niveshaay. Please go ahead.
- Preet Jain:** Congratulations on good set of numbers. Sir, my first question is, pre-expansion, peak revenue potential was indicated at Rs. 360 crores, Rs. 400 crores. You have already crossed Rs. 500

crores in FY'26 through outsourcing. So, post the new plant commissioning, what is the new peak revenue potential at pre-utilization? Is Rs. 700 crores, Rs. 800 crores a reasonable estimate?

Rahul Nachane: We have indicated earlier that with the new plant we should be able to generate a turnover of between Rs. 350 crores to Rs. 400 crores.

Preet Jain: Okay, sir. And my another question is, you mentioned that Bravecto patent expired in March 2025 and commercial launch happened in May 2025. Our data suggests that at least seven to eight global players, including Nissan, Cycle are manufacturing and been active in similar APIs. So, how many serious competitors have actually come to market since the patent expiry? And are you seeing meaningful price erosion in the realization or it has already been done?

Rahul Nachane: Which product did you refer to?

Preet Jain: Fluralaner.

Rahul Nachane: So, I am not aware whether Heikel and Siegmund are doing this product. We have not seen them much in the market for this. But there are a lot of Chinese companies manufacturing and price erosion has already taken place. So, it is more or less settled down at a, I think, at a long-term price. Further going on from here, we do not anticipate it to decrease indefinitely.

Preet Jain: Okay. And sir, if you can help us understand the utilization of new plant on annual basis, if we are witnessing such good volume growth, how can we quickly increase the outsourcing? And what is the current outsource contribution in our revenue?

Rahul Nachane: So, we outsource mainly intermediates. So, finished products are all manufactured by us. So, in terms of volume of intermediates, probably we are outsourcing currently about 20% of what we require.

Preet Jain: And on the capacity utilization side, what will be the utilization of new plant on annual basis?

Rahul Nachane: It is, the Phase-1 is now more or less operational at about 70%, 80%. Phase-2 is yet to go on stream.

Preet Jain: Okay, sir. Thank you, sir.

Moderator: Thank you. Next question is from the line of Nishitha from Sapphire Capital. Please go ahead.

Nishitha: Yes. Hello. I am fairly new to the company. So, apologies if the questions are repetitive. I just wanted to understand, you mentioned that from the new plant, we can generate revenue of around Rs. 350 crores, Rs. 400 crores. And from the existing plant, we have done around Rs.

490 crores of revenue. So, is it safe to assume that we can, our overall top line with the new capacity once it reaches its peak can be around Rs. 890 crores?

Rahul Nachane: I think I have indicated I would not like to put this together. So, yes.

Nishitha: Okay. Understood. And we have already done CAPEX of around Rs. 182 crores for our capacity expansion in Q4. What is the CAPEX that we anticipate in FY'27?

Rahul Nachane: CAPEX as a project will get over, as we indicated, at about Rs. 210 crores. And now CAPEX, which we encourage, is in the range of about Rs. 15 crores to Rs. 20 crores.

Nishitha: Okay. Understood. And how fast can we scale up to the peak utilization from Phase-2 as well?

Rahul Nachane: We would assume it will take us about three to four years.

Nishitha: Three to four years. Okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Dheeraj Dawe from Sambath Financial Services. Please go ahead.

Dheeraj Dawe: Thanks a lot for providing me the opportunity. Am I audible, can you hear me?

Moderator: Yes, sir. Please proceed.

Dheeraj Dawe: Yes. Thanks a lot. My question is, first of all, congratulations on scaling up business and also going through a difficult time. One question is like we have highlighted CAPEX and it is almost kind of Rs. 30 crores which is outstanding to this time as per the presentation. Now we are debt outstanding of around say Rs. 100 odd crores. So, what would be the management view on capital allocation policy say three years kind of it? You would have Rs. 30 crores to Rs. 40 crores kind of free cash flow as per the current business operation, Rs. 100 crore kind of debt but because we are constantly seeing no improvement in dividend, it is fixed at that--So, I just want management's view on capital allocation. And whether we are looking at some further CAPEX?

Rahul Nachane: What was your question here exactly?

Dheeraj Dawe: My question is, yes. So, my question, we have Rs. 35 crore to Rs. 40 crore of cash flow coming every year. We have debt outstanding of Rs. 100 crores approximately. So then if I assume like the Rs. 10 crore kind of incremental CAPEX coming because of expansion. So, we will be having oddly Rs. 50 crore CAPEX at the end of FY'28. And then what we will do with cash flow because despite the significant growth – I understand we have done a large CAPEX so we could not increase dividends. But after this CAPEX, do you intend to increase dividends or do buybacks or something like that? Or you have some plan for CAPEX?

Rahul Nachane: No, currently we are funding the entire increase in cost also not by doing additional borrowing but by internal. So, cash flows are required for funding this.

Dheeraj Dawe: Yes, that is perfectly fine. I am not having an issue of that and you have done maintaining your debt-equity and rolling CAPEX. Because I am looking at three years down the line, because then you would be having significant free cash flow. So, what is your thoughts on this part? I am assuming two years, repaying your debt as well. Because even if you have Rs. 30 crores, Rs. 35 crores, Rs. 40 crores, you have Rs. 100 crores debt probably that would require repayment. But say two years down the line then what is the management's thought on that whether we would see some upside?

Rahul Nachane: Frankly, we have not thought about our dividend strategy of three years down.

Dheeraj Dawe: Okay, thanks. Thanks a lot and wish you all the best.

Moderator: Thank you. The next question is from the line of Tanmay from 360 One Capital Markets. Please go ahead.

Tanmay: Hi, Rahul. I wanted to ask about the US API FDA. There was supposed to be an audit triggering in FY'27 and commercial production also to commence in FY'27. Can you comment on the same?

Rahul Nachane: Yes, so we have started filing our products. VMS have been filed starting from second half of last calendar year. Till now we have filed five VMS already. And in the current year, there is a plan to file another six. And we have already started engaging with customers. As I said, they have started evaluating our samples, running pilot batches with our product, which will then go into stability and some clinical trials. And based on that, they will apply to USFDA to add us as an additional source. And once they do the filing, that should trigger the inspection requirement from the USFDA. And then based on their schedule, they will do the inspection.

Tanmay: Any timeline on the same?

Rahul Nachane: Pardon?

Tanmay: Any timeline on the same?

Rahul Nachane: Unfortunately, the regulator does not give a timeline on this. So, it can be anytime this year or it may be even next year.

Tanmay: Okay. And since we have passed on all the costs that escalated to the customers from Q1, can you give any margin guidance?

- Rahul Nachane:** Let me correct that. We have been partially successful in passing on price increase, not fully successful. So that was the first one. And secondly, as I said, our intention is to get to EBITDA margin level of between 15% and 18%. And we are fairly close to that at the current level.
- Tanmay:** Okay, got it. Thank you.
- Moderator:** Thank you. Next question is from the line of Ayush Mittal from Mittal Analytics. Please go ahead.
- Ayush Mittal:** Hello.
- Moderator:** Yes sir, please proceed.
- Ayush Mittal:** Yes. Good afternoon, sir. First of all, congratulations on the good top-line growth that we have been doing. I want to understand more about the margin profile that we should expect going forward given that the oil prices have risen very sharply and sir so have many of the chemical commodity costs. We have talked about the partial price increase, but like in past if we see whenever oil prices increase, the margins are some 15 odd percent. How do you expect them for coming couple of quarters given the current environment?
- Rahul Nachane:** See, it is a little bit difficult to predict what can happen in the short term.
- Ayush Mittal:** Given today, how the things are, barring that further increase has happen or something like that, given where we are today and the price increase that we have taken, based on that, what kind of profile do we see we are achieving currently, maybe?
- Rahul Nachane:** Yes, so for some products, you know, where we compete with China, China did not increase their prices at all in April and May. Sorry, March and April. They were able to keep the same price levels, which was very surprising for us. But we see now that they have started reacting and there is an increase in prices coming from China also. So, partial price recovery is done and we hope that as the commodity scenario remains the same for everyone. Everybody is buying the same materials at higher prices. Probably, China had larger stocks of the material and therefore, there was no sharp increase. But we really were clueless about that. But we can see that price increases have started coming in from China also, which is a big relief to us. And as I said, going forward, we expect to reach EBITDA level of between 15% and 18%.
- Ayush Mittal:** Okay. And can you, like, for the whole basket of products, some kind of percentage indication you can give, like, how much of price increase has happened? Is it 5%, 10%, 15%? How much of price increase has been done?
- Rahul Nachane:** That is a little bit of market-sensitive knowledge.
- Ayush Mittal:** I am saying, like, overall for

Rahul Nachane: I would definitely put it, partially it has gone through. So, and I am saying that our margin guidance is unchanged. So, I guess you can draw your parallel from that.

Ayush Mittal: Okay. Sir, second thing is, like, we have been doing this large expansion and we are moving towards the regulated market thing. Can you give us a sense that by when do you think that some material numbers success will start coming and by when should we be able to reach our aim to utilize the new capacity that we have created? And also, as of today, what kind of margin profile are you seeing on this side of business?

Rahul Nachane: Significant, I mean, we anticipate a significant sort of revenue starting only from the next financial year. That is 2027-28. Margin profile in the end works out to a similar sort of a thing only because OPEX also at times goes up. And price decreases which took place in the last three years, two years especially. Basically, 2024 and 2025 we saw larger price erosions. It started recovering a little bit now. And overall, I mean, margins remain more or less in the same area. When it looks at, there is probably a 3% to 5% higher margin profile that we can expect.

Ayush Mittal: Okay. You mean 3% to 5% over your 15% to 18% band?

Rahul Nachane: Yes. And that will be only on those figures and not on

Ayush Mittal: Of course. So, if you have to assume like if you are aiming to do a conservatively Rs. 800 crore number, out of this from regulated market, how much do we aim to do? Will it be like Rs. 200 crore, Rs. 250 crore, Rs. 150 crore? What kind of numbers do you expect we should start doing down two years or something?

Rahul Nachane: I would like to not speculate on this because the registrations need to go through for all the products. The regulator needs to come in, inspect and approve the facility. So, I would be a little cautious in not giving you numbers on this. Let us wait for a couple of more quarters before we start committing to it. Once we see that the movement is taking place.

Ayush Mittal: Got it. Okay. Thank you.

Moderator: Thank you. The next question is from the line of Naisar from Credent Asset Management. Please go ahead.

Naisar: Hi. Thank you for the opportunity and congratulations on a good set of numbers. So, you have added five new APIs in this quarter alone. So, maybe over the next two to three years, how many new products you could add?

Rahul Nachane: Currently, our budget is to add 10 products on a yearly basis between 9 and 10. At times, if chemistry is relatively similar to what we are already doing, the number goes up. But our internal budget is to look at between 9 and 10.

- Naisar:** Okay. And you have added 47 new customers in this quarter alone. Maybe can you talk a bit more about it because this is a very big number in just one quarter. So, maybe can you explain more in detail?
- Rahul Nachane:** We are now selling across better penetration in all the geographies which we are selling. That is the only reason for the customer number going up.
- Naisar:** So, basically, one customer, let us say, he was buying in one country and he starts buying for some other country, you will count it as one more customer?
- Rahul Nachane:** Yes. If it is a multinational company, yes, each country where they start buying because the registration and the approval process is different for each country. That becomes a new customer.
- Naisar:** Okay. And also, Rahul, you have done a great job. But in the last few presentations, I have seen that you continue to cater to five or top 10 companies worldwide. What could be the reasons why we are not able to achieve a breakthrough in those five companies? What could be the reasons?
- Rahul Nachane:** Some companies do not want to change their supply chain so easily. They look for a substantial saving before they change. So, it is a question of time, I guess. Sooner or later, we will be able to start catering to them also.
- Naisar:** Okay. Thank you very much and all the best for the future.
- Moderator:** Thank you. The next question is from the line of Rohit from itthought PMS. Please go ahead.
- Rohit:** Good afternoon, sir. Congratulations on a really managing the tough year and coming out of that. Most of the questions have been answered. So, just one clarification. I think you mentioned that the regulated sales will start from FY'28. I think to an earlier question, you had said that Europe probably will start somewhere in 2027 as well, I mean, last quarter. So, just wanted to understand, I just wanted to clarify this.
- Rahul Nachane:** Yes. We expect to start selling to Europe in the current year and the US in the next year.
- Rohit:** Okay. So, essentially, you are saying that there will be some contribution from regulated markets, but the majority will happen in 2028. Is that how one should read it?
- Rahul Nachane:** That is right. Yes.
- Rohit:** Right. And in terms of, sir, just to sort of go back to the margins. So, of course, I mean, without the regulated business we did, I mean, I would look at the majority of the last, between FY'22, FY'21, FY'22. I am not going out the high margin that we did post-COVID. But even before that,

we were doing 20%, 21% kind of margins on a fairly regular basis. Given that we, I mean, so excluding the regulated business for a minute, you think those margins are tough to get back to or because of competition or is this, you are saying that demand is coming back for everybody and right now things are improving. So, just wanted to get your sense on that.

Rahul Nachane: So, we were seeing a classical oversupply situation in, which led to a lot of price erosion in 2024 and 2025. And, you know, that has definitely been a dampener on attaining higher margin profitability. Now, whether this changes and we find a situation where demand is now outgoing supply, I think it is still probably a few years off because China is known to have a huge amount of capacity. And also in India, there has been capacity expansion. So, I am not too sure that we can return to those numbers at least in the next near term, at least two, three years.

Dhwanil Desai: Got it sir. Got it. That is it from my side, sir. Thank you very much and all the best and congratulations on a very good show. Thank you.

Rahul Nachane: Thank you.

Moderator: Thank you. The next question is from the line of Dhwanil Desai from Turtle Capital. Please go ahead.

Dhwanil Desai: Hi, sir. Thanks for the opportunity again. Sir, two questions. Sir, one is, sir, if we, in terms of product portfolio, I think, you know, after large animals, we were focusing on the companion animal side. So, if you can talk about, out of the products that we have currently around 43, how much, how many of them are on the companion animal side? And typically, in the regulated market, companion animal business is significantly larger and growing faster also. So, in terms of the VMS that we are going to file, are we focusing on the companion animal side of the business? And tied to this would be a Fluralaner. We are the only one we were thinking in India. So, how the scale-up is happening on that product? If you can talk about that.

Rahul Nachane: Yes. So, when we say that companion animal health business is growing, it is mainly for the finished-dose companies. It brings in more value for them. On our API sale-by-side, there is really no great segregation between these two. It is just an API. A lot of the large animal APIs are also used for companion animals also, like dewormers or supplements. What is unique is probably ticks, acaricides is unique to companion animals. And Fluralaner is one example of that. But for us, the volumes actually come from farm animals. Just to give you an example, a cow or a buffalo weighs 1000 kilos and a dog weighs 40 kilos. So, proportionately, the amount of medicine which a cow will consume will be far more than what a dog will. So, for us, volume always comes from farm.

Dhwanil Desai: Okay. And on Fluralaner, we thought it was a very large opportunity and then Afoxolaner also coming in. So, Laners will be a large opportunity in the next two to three years. So, how are we positioned sir?

Rahul Nachane: So, we are also pretty optimistic on that. We have already got, Fluralaner is now commercial. Afoxolaner technology is developed. We have also sampled this product extensively. So, there are companies who will be ready to launch this when it goes out of patent in the next two, two and a half years, I think. So, we are bullish on these markets. We see that market will also expand significantly in these products. Generic products have started coming into the market now. Lot of companies are offering the Fluralaner as a drug. And price erosion has taken place significantly. But at the same time, the original inventor, originator has also crossed last year prices. So, it will play out in the next two to five years. We are certainly confident it will be a good product for us.

Dhwanil Desai: And sir second question on the ROW market. So, even previously before we put up this CAPEX or even after while we were in the process of putting up the CAPEX, we always mentioned that idea is to continue to grow in the ROW market at whatever 15% kind of a number. Now, once currently we have the new capacity available till the time the regulated market business scales up in the new facility. But eventually for ROW market, because we are operating at a full capacity in the existing units, do we see a CAPEX requirement for that? And are we kind of thinking along that line for the moment?

Rahul Nachane: We have got some plans of doing expansions in our existing facilities. However, they are not for the current year. It is planned for the next financial year. It will help us show up our capacity for the ROW market.

Dhwanil Desai: Got it. It will be in brownfields plant, right?

Rahul Nachane: Yes, it is our existing plant, yes, in brownfields.

Dhwanil Desai: Got it. Thank you, sir. Thank you and that is it from my side.

Moderator: Thank you. Next question is from the line of Ankit an Individual Investor. Please go ahead.

Ankit: Am I audible?

Rahul Nachane: Yes, you are.

Ankit: Sir, I wanted to understand. You talked about 15% to 18% of margin possibility. But in FY'26, we made much lesser margins. And given crude volatility, you said that things may not be looking that well and China has not taken much price hike. So, what is making us confident to give us these numbers, 15% to 18% range?

Rahul Nachane: We have been able to partially pass on the price increase. So, we are fairly confident that it is negated. And as I said, we see that China has started raising prices now from the current month onwards. So that is what gives us the confidence.

- Ankit:** So, this margin range, we expect to start from Q1 only and things will start to stay in this range, is what I am understanding.
- Rahul Nachane:** I would expect it to start from Q2 onwards. Q1 might really not be all that great because we might see probably 1%, 2% variation here or there because price increases have started going through mainly from the current month.
- Ankit:** Got it. And sir, in terms of volume expectation or growth expectation, what should we expect? Even Europe is also starting this year and next year US also starts. So over say one to two years when things recover, we improve in regulated side, how should we look at overall revenue growth for the company?
- Rahul Nachane:** Well, we were also surprised by the revenue growth which we saw last year. And initially for the first two quarters, we were pretty cautious in saying that we need to see that this growth continues for at least three to four quarters before we can be sure that the demand is back. And we have seen that happen now for the last three quarters. Growth has been stable. We are seeing numbers go up. That gives us confidence of achieving the run rate, quarterly similar run rate for this year also.
- Ankit:** Sure, sir. And sir, in terms of overall revenue potential at peak utilization, what is our number? Any reading, sir?
- Rahul Nachane:** Normally, we do not give forward looking numbers. So, I would be a little hesitant in giving that right now.
- Ankit:** No, I am just asking peak potential if full utilization happens.
- Rahul Nachane:** So, from the new expansion, we expect to generate up to Rs. 350 crores turnover. And we should be able to get to that level over the next three to four years.
- Ankit:** Sure, sir. Thank you.
- Moderator:** Thank you. As there are no further questions from participants, I hand the floor over to Mr. Rahul Nachane for closing comments.
- Rahul Nachane:** Yes, just give me a minute, please. Thank you all once again for your participation and for the thoughtful questions. We look forward to building the momentum of FY'26 and update you on our progress in the quarters ahead. Thank you, everyone, for your time.
- Moderator:** Thank you very much. On behalf of NGL Fine-Chem Limited, that concludes this Conference Call. Thank you all for joining and you may now disconnect your lines. Thank you.