



SIGACHI INDUSTRIES LIMITED

CIN : L24110TG1989PLC009497

To

Date: August 01, 2025

The Manager
BSE Limited
P. J. Towers, Dalal Street
Mumbai-400001
(BSE Scrip Code: 543389)

The Manager
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai- 400051
(NSE Symbol: SIGACHI)

Dear Sir/Madam,

Sub: Transcript of the Earnings Call for Q1 FY 2025-26 Results

Unit: Sigachi Industries Limited

In continuation to our letter dated July 25, 2025 audio recording of Q1 FY 2025-26 earnings call, please find attached herewith the transcript of the earnings call held on Friday, July 25, 2025, 4:30 PM IST. The same is also available on the company's website at www.sigachi.com.

Request you to kindly take the same on record.

Thanking You,

Yours faithfully

For Sigachi Industries Limited

Vivek Kumar

Company Secretary & Compliance Officer



Registered Office

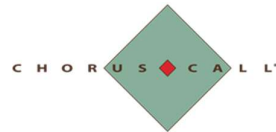
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“Sigachi Industries Limited
Q1 FY '26 Earnings Conference Call”
July 25, 2025



MANAGEMENT: **MR. AMIT RAJ SINHA – MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER – SIGACHI INDUSTRIES
LIMITED**
**MR. O. SUBBARAMI REDDY – CHIEF FINANCIAL
OFFICER – SIGACHI INDUSTRIES LIMITED**
**MR. VIVEK KUMAR – COMPANY SECRETARY AND
COMPLIANCE OFFICER – SIGACHI INDUSTRIES
LIMITED**

MODERATOR: **MS. RIDDHI SHAH – GO INDIA ADVISOR**

Moderator:

Ladies and gentlemen, good day, and welcome to Sigachi Industries Limited Q1 FY '26 Earnings Conference Call hosted by Go India Advisors. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Riddhi Shah. Thank you, and over to you, ma'am.

Riddhi Shah:

Thank you, Avirath. Good afternoon, everyone, and welcome to Sigachi Industries Limited earnings conference call to discuss Q1 FY '26 results. We have on the call Mr. Amit Raj Sinha, Managing Director and Chief Executive Officer; Mr. O. Subbarami Reddy, Chief Financial Officer; and Mr. Vivek Kumar, Company Secretary and Compliance Officer. We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, viewed in conjunction with the risk that the company faces.

May I now request Amit Raj Sinha to take us through the company's business outlook and performance subsequently to which we will open the floor for Q&A. Thank you, and over to you, sir.

Amit Raj Sinha:

Thank you, Riddhi. Good evening, everyone, and welcome to Q1 FY '26 Earnings Conference Call of Sigachi. The financial results and investor presentations have been made available on the exchanges and I hope everyone has had the opportunity to review them. We begin today's call with a heavy heart.

On 30th June 2025, a fire incident occurred at Pashamylaram unit in Hyderabad reportedly triggered by dust explosion in the spray drying machine. This incident resulted in a tragic loss of team members and injuries within our workforce. On behalf of the entire Sigachi family, I extend our heartfelt condolences to the families affected. Our thoughts remain with them.

Our immediate response post incident was focused on medical care, financial assistance and supporting those impacted. As part of this comprehensive support effort, Sigachi has commenced making payments towards financial compensation and medical assistance. This includes INR10 lakhs each to the 46 of the deceased and INR15 lakhs to the families of the 8 unaccounted team members, amounting to a total of INR5.8 crores. INR1 lakh each has been extended to 25 injured employees.

In addition, Sigachi has taken full responsibility for all hospitalization, critical care and medical costs. At present, only 3 individuals remain under medical supervision, and we continue to extend our full support to them and their families.

Initial investigations are underway, and we are working closely with authorities to understand the full nature of the incident. Sigachi has also constituted an internal task force to oversee relief, compliance and operational follow-ups. We're also actively cooperating with the external safety committee whose report is awaited to strengthen our safety protocol across all facilities.

Sigachi remains focused on ensuring that all commitments are fulfilled in a transparent, time bound and accountable manner with regular update to all the stakeholders. The Pashamylaram unit with a capacity of 6,400 metric tons per annum, which contributed nearly 29% of our total installed capacity of approximately 24,000 metric tons per annum remains under temporary shutdown.

Based on the current assessment, we expect operations in this facility to remain suspended for approximately 180 days. In the interim, production has been reallocated to our Dahej and Jhagadia Unit, which continue to run smoothly.

Given that the incident occurred on the last day of the quarter, Q1, the quarter's performance remained largely unaffected. We currently estimate a revenue impact of INR60 crores over the next 6 months. Even as we navigate this difficult period, our long-term priorities and growth initiatives remain firmly on track.

Our R&D center in Hyderabad inaugurated recently is scheduled to commence operations from 28th of July. The facility brings API development and analytical capabilities under one roof strengthening our entry into regulated markets. Commercialization steps for our CCS facility at Dahej are also progressing steadily.

The Trimax unit at Raichur Karnataka is scaling up steadily with a focus on regulatory compliance. We have filed 4 CEPs, including metformin, which has already been approved, positioning us for entry into the regulated European markets. A robust pipeline of future filings is also in place, reinforcing our strategy to expand our high-value segments.

Our O&M services vertical continues to evolve into a stable and scalable revenue stream. We have also secured the terms of reference for our upcoming bulk drug and specialty chemical unit at Orvakal, Andhra Pradesh. This facility represents a key step towards vertical integration and reinforces Sigachi's commitment to becoming a globally competitive integrated pharmaceutical manufacturer.

Additionally, in a forward-looking collaboration, Sigachi has signed an MOU with Respilon Group S.R.O to revolutionize drug delivery system using Respilon's proprietary NUENEX nanofiber technology. Our strategic focus remains unchanged, deepening core capabilities, expanding into high-growth areas, strengthening operational resilience and driving long-term stakeholder value.

With that, now I invite the CFO, Mr. Reddy to take you through the financial performance. Over to you, Mr. Reddy.

Subbarami Reddy:

Thank you, sir. Good evening to you all. During Q1 FY 2026, Sigachi reported total operating income of INR128 crores, reflecting a year-on-year increase from INR95 crores in Q1 FY 2025. EBITDA for the quarter stood at INR24 crores with a margin of 18.79% up from INR21 crores in the same period last year.

Net loss came in at INR101 crores, translating to a negative PAT margin of 79% compared to INR13 crores and 13.38% in Q1 FY 2025. The MCC segment contributed INR103 crores, while

the O&M and API segment recorded revenues of INR13 crores and INR9 crores, respectively, continuing the growth trajectory witnessed in the previous fiscal.

That concludes my update. Now we can open the floor for the question and answers. Thank you.

Moderator: Thank you very much. First question is from the line of Deepesh Sancheti from Maanya Finance. Please go ahead.

Deepesh Sancheti: Yes. Firstly, heartfelt condolences for the incident which happened on 30th June. Just wanted to understand, we have accounted for INR121 crores for the entire incident. You mentioned that the -- I mean, if you can just break up on what have we included into all this?

Subbarami Reddy: Yes. In fixed assets, the total is plant and machinery and civil structures. That is around INR51.48 crores, a stock loss of INR7.66 crores, estimated compensation is around INR59.35 crores, GST reversal is INR2.52 crores.

Deepesh Sancheti: And how much of -- sorry.

Subbarami Reddy: This is as per the accounting standards, of course, this loss is backed up by the insurance claim, but we have considered as a prudence and as per the Indian accounting standards, we have considered the loss this quarter, and we have applied for the insurance, we have claimed the insurance initially as and when we receive then that will be treated as income.

As per Indian Accounting Standard, the PPE property, plant and equipment AS 16, we have to recognize the entire loss that has happened on 30th June 2025, this last day of the quarter. And that insurance claim is there, of course, and it comes then we can recognize as income.

And also, we have a business interruption policy also is there, which covers the operating profit. That is to the extent of INR25 crores, it is available for a period of 12 months. And there is 7 days, they'll not give means 12 months minus 7 days almost nearly 1 year, we'll get it. Even before the compensation also, we have mentioned on the higher side, but this we are working out the authorities not to have impact much on the company.

Deepesh Sancheti: So the compensation, which we have paid to the individuals also, that is also covered by the insurance?

Subbarami Reddy: Yes. To some extent that is covered, but even that compensation amount, whatever it is declared by the government, that anyway, we are in discussion with them, and we are trying to reduce the burden. But anyway -- but initially, we have considered the entire amount and the prudent but on higher side only, we have considered.

Deepesh Sancheti: Perfectly understood. Okay. Could you elaborate on the different categories within the MCC segment? And how realizations vary across these categories?

Subbarami Reddy: Yes. In Hyderabad unit, it will be around 6400 MT in volumes, that would be there 27%, 28%, around it is less than 30%. But as a revenue side, it contributes 20% of the total revenue, proportionately first quarter it is more or less the same. But in the last day, some quantity finished

goods were there in the godown, but we couldn't dispatch, else, the revenue would have increased by INR4 crores.

We have planned for the delivery. But now the stock is there, that will be dispatched in this quarter. Revenue proportion more or less same, same line around O&M is less than 10% in this quarter, next quarter let us see. But the losses would be recovered from the insurance policy, business interruption policy.

- Deepesh Sancheti:** Right. And what is the expected asset turnover for the API business?
- Subbarami Reddy:** API business this year, around -- we are expecting around INR70 crores this year. Gradually by next year, it will improve further. This time, maybe around onetime would be there, gradually, it will increase to 2 to 3 times.
- Deepesh Sancheti:** If I talk about -- I mean, obviously, the 6 months this -- because of this incident, things will get affected. But how do you see Sigachi's overall revenue mix evolving over the next 2 to 3 years, particularly between the core MCC segment and emerging areas like O&M and API?
- Subbarami Reddy:** Anyway, in MCC, we intended to increase the capacities, we hope we'll maintain the same level like before.
- Deepesh Sancheti:** If you could just mention what was the revenue mix this time? I mean what do you plan to maintain? How much we plan to maintain it?
- Subbarami Reddy:** Yes. At present, around 80%, 85% is from MCC. But going forward, API may increase next after 2 years down the line, API portion will increase. MCC maybe, we maintain around 75% or so. Even right now, it is too early to say, but after 2 years -- we'll get more clarity on this. API business also will increase because we have some new molecules, new products are there, the value also on higher side would be there for API products compared to the MCC.
- Deepesh Sancheti:** Okay. The working capital days have increased to 193. What are the key factors behind this rise? And where do you expect this trend to go forward?
- Subbarami Reddy:** Yes. It will come down. We have aimed to bring it less than 90 days.
- Deepesh Sancheti:** Less than 90 days?
- Subbarami Reddy:** Yes, less than 90 days.
- Deepesh Sancheti:** Over a period of what time?
- Subbarami Reddy:** Over a period of maybe another next 9 months, by end of FY '26, we'll bring it down.
- Deepesh Sancheti:** Okay. And do you think that the...
- Moderator:** Sorry to interrupt Mr. Deepesh, may we request that you return to the question queue...
- Deepesh Sancheti:** Sure, sure.

- Moderator:** The next question is from the line of Vishvender Singh from Prudent Equity.
- Vishvender Singh:** Sir, I wanted to ask that like EBITDA margins have shrunk by somewhere around 300 basis points. So could you share your commentary on the same? And like what is the appropriate margin you see down this fiscal and next year after this disruption?
- Subbarami Reddy:** Yes. See, whatever operational loss is there from the Hyderabad unit, that will be covered by the insurance business interruption policy. But we'll regain, we'll build the capacities and then we get the business. And right now, operations side, from this unit, total 6,400 metric tons capacity is there. But we have insurance policies where operational profit wise, quantities will come down.
- Vishvender Singh:** Okay. Also I wanted to ask like you are extrapolating the loss of capacity to bring back in 6 months. So what time of like after 6 months, how many months will it take to go back to the -- where we started earlier this fiscal?
- Subbarami Reddy:** Yes, that initially now as for the estimates around 6 months.
- Amit Raj Sinha:** See, once we have the facility handed over back from the authorities, we will then be able to make a detailed assessment on what is the time line, which will take. At this moment, we believe 6 months should be good enough for us to get us restarted. But once the facility is handed back to Sigachi, I think then we'll be in a better position to make an estimate.
- Vishvender Singh:** Okay. Lastly, I wanted to ask, do you see any disturbance in the revenue projections that we made earlier in the Q4 call after this disruption and coming back of the plant after 6 months or like would it be hurt due to the coming back capacity?
- Subbarami Reddy:** Only temporarily changes would be there, impact would be there. But later on, that can be recovered. But revenue, obviously, this -- the revenue, whatever it comes from Hyderabad unit, that would not be there in another 2 quarters. But later on, we can get it back immediately.
- Vishvender Singh:** However, the loss of profit is insured?
- Subbarami Reddy:** Yes. In the operations side, profit is ensured, yes.
- Moderator:** Thank you. The next question is from the line of Dinesh Kulkarni from Finsight.
- Dinesh Kulkarni:** First of all, heartfelt condolences to the victims of the unfortunate incident. Sir, my question is on -- in terms of -- you mentioned we have filed for the insurance, right? So what is the amount for that? Is it the whole INR120 crores you have filed for?
- Subbarami Reddy:** Yes, almost we have -- the insured is around INR90 crores is there.
- Dinesh Kulkarni:** Okay. Fair enough. And you mentioned that it's because of some dust explosion in the spray drying machine around that. That's your initial assessment? Or is that the conclusion?
- Amit Raj Sinha:** No, no, no. That is the initial assessment. Internally, we have done an initial assessment to see what is it that has gone wrong. And parallelly, we have investigation committee, which has been

appointed by the Government of Telangana, which has scientists from the IICT and fire and explosion experts, they are making an assessment, and they should be out with the investigation report by the end of July. And then we will have corrective actions in place.

Dinesh Kulkarni: Okay. Sounds great. So my question is, sir, we have multiple other plants, right, across geographies. Have we done an analysis of this like it's a worst-case scenario, I understand, but something like this is not happening in those plants as well?

Amit Raj Sinha: Yes. We have carried out return safety audits, Re-safety Audit audits just to make sure that everything is on track, whatever checks and balances, which are required to be done on the equipment, all those have been carried out at the Dahej and Jhagadia plant.

Dinesh Kulkarni: Okay, sounds fair. So with all assumptions and how sure you are that with your initial estimates, I'm saying like the insurance claim will -- it's a large amount, right? It's almost INR100 crores you're talking about. So there won't be any issues with the -- what are the clauses. Are there any clauses where if say worst-case scenario, there is a mistake found at the plant management level, handling level that the insurance will be rejected?

Subbarami Reddy: As of now, nothing. We hope we'll get it...

Moderator: The next question is from the line of Himanshu Bisani from PinpointX Capital.

Himanshu Bisani: First of all, my heartfelt condolences to do families of the victims and everyone impacted by the incident. Sir, in the light of the event, could you share if there has been any formal inquiries or ongoing conversations initiated by the state or central government regarding the incident?

Amit Raj Sinha: So from the state government, we have an expert committee, which has been constituted to study deeper into what actually has gone wrong. In this committee, we have people from the state government, from the officials. We have top scientists from the IICT. And all of these people are putting in time and efforts to see as to what actually went wrong. And we expect that by end July, they should be able to bring out a report and hand it over to the state government.

Himanshu Bisani: Okay. And the objective of the report is to obviously find out what went wrong, but is there any kind of contingent liabilities that we might face or something?

Amit Raj Sinha: No, I don't think so. CFO. Do you have any thoughts on this?

Subbarami Reddy: No, no. As of now, nothing. There is no contingent liability or there is no obligation.

Himanshu Bisani: Okay. And sir, what has been conversations with the clients because of the 30% of our volumes would be somewhat of affected due to -- for next 6 months. So what are the conversations with our clients?

Amit Raj Sinha: So we have been very proactive in reaching out to them. We have indicated to them on the business continuity protocols. We have brought out that certain quantities, which were being produced here in Hyderabad unit, they have proactively been moved to Jhagadia and Dahej facilities. However, we will still have certain shortfalls. So our sales team is in discussions with

the clients so that even if there is a temporary drop in supplies, it only remains temporary and we come back with all the quantities as soon as possible.

Himanshu Bisani: Understood. And sir, lastly, on the plans of increasing capacity of CCS -- bringing capacity of CCS next year. Are we on track for that? Or do we have something thought about it?

Amit Raj Sinha: No, no, no, very much on track on that. There are no delays whatsoever and the works are going on at full speed.

Moderator: The next question is from the line of Dhruv Mimani from Niveza Investments.

Dhruv Mimani: Yes. So I wanted to know that the revenue from the API segment has declined in this quarter. So what was the reason? And what would be the contribution the company expect in the next 2 to 3 years?

Subbarami Reddy: This year, in the first quarter, we have achieved around INR9 crores. But by end of FY '26, we are expecting around INR70 crores. In July, there is a good turnover will be there and every month here onwards. We are expecting around INR70 crores in FY '26.

Dhruv Mimani: Okay. And sir, your EBITDA margin in this segment?

Subbarami Reddy: Our EBITDA margin, we are expecting around 18% to 20% will be there annually.

Moderator: The next question is from the line of Koustubh Shaha from Wallfort PMS.

Koustubh Shaha: First of all, condolences from our side to the victims of the families for this unfortunate incident. I had only one question. So post this incident, has -- you got any feedback from our clients and from the assessment as to for the shortfall, what they are saying in terms of continuity? That was my first question.

Amit Raj Sinha: So Mr. Shaha, we have had tremendous support from our customers. We have had a reasonable number of our customers sending us written condolences message and expressing all possible support to Sigachi. There have been customers who have paid us well in advance even before the due date payouts.

So the customer support has been tremendous, and that has given us strength to reach out to them to express that at this moment, there is a slight disruption and there will be a reduction in quantities and that will, however, be temporary. We are working to build what is it that can be done so that we can recommence the supply to them at the same volumes as was being done until Q1 of FY '26.

Koustubh Shaha: Okay. That's good to know. And one more thing. So you mentioned that the CCS facility is on track by October '26, what we had given earlier deadline. We should be on track now to go live on that. But do you have any -- can there be any possibility because of this incident some government agency or someone, kind of delaying some approvals or something of that sort? Any sense that you have currently?

- Amit Raj Sinha:** No, not at all, Mr. Shaha. Whatever are the learnings from this incident because it is in project phase, we will be -- it will be much more easier for us to implement those learnings, implement those safety protocols or whatever else needs to be done in a project phase. So I don't see that as a challenge. And we don't see any pushback from the authorities primarily because we have 2 MCC running plants and they still continue to run.
- Moderator:** The next question is from the line of Avnish Burman from Vaikarya.
- Avnish Burman:** First of all, condolences for the incident. I just have a couple of questions. Just -- I mean, very similar to the question that was asked previously on the customer side. Now if the operations, for example, don't resume in 180 days that you are expecting, and in the event that you end up losing customer, how does it work?
- Like when we get back to normalcy, is it easy to get those customers back, on what basis will you attract the customers back? Because from what I understand, this is a pretty sticky business. It's not very easy to shift supplier. So if the customers are forced to shift out of you, then how do you get them back? That's the first question.
- Amit Raj Sinha:** Okay. Avnish, I would say, at this moment, we really haven't thought that deep and that far. But one thing I can tell you is that we have had tremendous support from our customers, and we believe even if there is a disruption of supply for certain months. And once we get back in terms of supply quantities, our customers are going to get back to us. We believe it is just a temporary phase. The moment we have capacities, they will align with us.
- Avnish Burman:** Okay. Fair enough. Second question was on the gross margins. If you look at on a Y-o-Y basis, your gross margins have compressed from 58% to 51%. Can you just talk a little bit about that? What has been the prime reason?
- Subbarami Reddy:** This is in the June quarter, in the June month last, we had planned for dispatches which we couldn't dispatch because of this incident and wherein the closing stock of finished goods were valued at cost as per the accounting standard, cost of net realizable value, which was less we have to account.
- But as for the cost we have accounted, had it been sold then the overall percentage of consumption of raw material also comes down. This is the reason. Anyway, this will be postponed to the second quarter. The stock whatever is there, that will be sold in 2nd quarter.
- Avnish Burman:** Understood. Last thing, can you just tell me the volumes of MCC in this quarter and the realization?
- Subbarami Reddy:** In this quarter, the total volumes are around 4,764 metric tons. And the realization -- average realization is 216.20.
- Moderator:** The next question is from the line of Ankur Savaria an Individual Investor.

- Ankur Savaria:** My question is that since some of our capacity was lying vacant in the other states. So what is the loss -- total loss do you see not in terms of the projected revenue, but the real revenue in the 180 days, sir?
- Subbarami Reddy:** Yes. In 180 days around INR60 crores of revenue would be there from Hyderabad unit, but to some extent, that can be recovered from the other units for Dahej and Jhagadia. Maybe around 40 Crores loss of revenue during this period. Loss of profit would be covered from Business interruption Insurance Policy.
- Ankur Savaria:** My question is overall INR60 crores loss would be from the Hyderabad plant. And overall, how much can we make up from our unutilized capacity in the other states, sir?
- Subbarami Reddy:** Yes, that's what. Maybe around, this INR20 crores from other units.
- Ankur Savaria:** So our net loss would be about INR40 crores of revenue. Is that, correct?
- Subbarami Reddy:** Yes, yes, yes.
- Moderator:** The next question is from the line of Madhur Rathi from Counter Cyclical Investments.
- Madhur Rathi:** Sir, my question was partially answered. Sir, regarding our capacity of 19,000, 6,000 has gone because of this Hyderabad unit. Sir, is there a possibility that if things don't go our way in the 180 days to restructure or refurbish the plant? Sir, can we move our equipment to the other facility or everything is damaged and insurance claim is the only source of getting that facility on and up and running?
- Amit Raj Sinha:** Yes, Madhur. I think that's a very relevant question. See, at this moment, we have not been allowed access to the facility. So it is difficult for us to make an assessment. Definitely, in case we see delays, we will work to have alternate plans. We have already done some groundwork on plan B, plan C and plan D basis, the turnaround time we can get comfort from our investors -- sorry, the customers. So the easier and the faster way is what will be taken in.
- Madhur Rathi:** Got it. And sir, do we expect some margin pressure because I suppose that the fixed cost or cost of employees and all we would have to incur, but we aren't making any revenue from this plant? So can we -- do we expect the scenario for margin pressure over the next 6 months?
- Subbarami Reddy:** During non-operational overheads are very low.
- Madhur Rathi:** Sir, just one thing I had. So MCC volumes, I understand that our competitors they get much higher realization than what we get. So any possibility or how can we increase our realization per KG?
- Amit Raj Sinha:** Yes, Madhur, I'll just tell you one thing. If we make this statement of competitors having higher realization, I would say, somewhere there is apple and oranges being compared, nothing for the competitors. Of course, everybody is good and they follow the right practices. But sometimes in the cost realizations, the freight is added. The road transport is added. So all these are hidden charges, which looks good in terms of good realizations, but effectively, it's not coming to the company.

And in terms of ways and means to improve realizations. We have kind of on earlier occasions, spoken out that we have special grades. We have co-process grades. And all these special and co-processed combines in the range of -- they sell in the range of around 20% of our volumes. And there, the margins are much better. And our sales to all our customers are a mix of the standard grades, the special grades and the co-process grades.

Madhur Rath: Got it. Sir, and just a final question. Sir, the INR70 crores API revenue that we are projecting. So is this based on order that you have received from our customers in the European market or like we will market it going forward and we expect to reach the INR70 crores revenue?

Amit Raj Sinha: No, no. At this moment, our export orders are minimal. We are having most the visibility of the INR70 crores, primarily from domestic and ROW markets. And that is why we are looking at a visibility of around 18% to 20% EBITDA.

Madhur Rath: And sir, when can we expect this...

Moderator: The next question is from the line of Deepak Poddar from Sapphire Capital.

Deepak Poddar: Yes, and my condolence for the incident. So sir, just you mentioned about INR60 crores of impact, and earlier, we were targeting around 25% growth. So ideally, what INR550 crores of revenue is what we might be targeting for this year?

Amit Raj Sinha: So before the incident, Deepak, we had indicated that we will have a top line growth of at least 25%. However, now considering this, we are yet to come back on the kind of impact on the top line. However, on the bottom line, what is -- the thing I can assure you is that we don't see any major impact on the bottom line considering that we have had comfort of the insurance being available for the loss of profits.

Deepak Poddar: Okay. I got it. But you mentioned that we have INR60 crores revenue impact, right? That's what you mentioned over the next 6 months.

Subbarami Reddy: Because now we hope it maybe around INR550 crores to INR575 crores.

Deepak Poddar: Yes. So yes, that is the range we might be looking at. But this insurance claim, I mean, that we did in terms of provisioning around INR121 crores. So we don't expect any further provisioning to be done, right, on this account?

Subbarami Reddy: Yes, yes.

Deepak Poddar: And any kind of chances of reversal happening from this? I mean, what sort of reversal we can see given you have provided on a higher end effort you mentioned?

Subbarami Reddy: Once we get the insurance claim, on receipt only, we have to recognize as the revenue. This revenue recognition concept is on receipt -- or once we receive the intimation then claim receipt. Then we can reverse it. We can recognize loss will be reduced.

Deepak Poddar: This will be reduced. And when we say we don't see any impact -- just a follow-up. It's just a follow-up. When we say bottom line, we don't see any major impact. So ideally, I mean, last

year, we bidded about INR70 crores of bottom line, right? So on that number, we can see some growth. I mean in this year because of no impact. I mean, so some clarity on there would be helpful.

Subbarami Reddy: Yes. Maybe it depends upon -- this year, if you get it, the insurance claim completely, we are expecting, but if there is any delay or in some assets, some areas, maybe it is deferred. Otherwise, there will not be much impact on that.

Deepak Poddar: So we can -- if there is no impact on the insurance part, we get as per time line, then we'll see some growth also on the bottom line. That is possibility.

Yes. So I asked it. I mean -- so what you're saying is that if we get the insurance part on time, then we can see some growth on bottom line also because you said we don't see any major impact on the bottom line.

Amit Raj Sinha: That's right, Mr. Deepak.

Moderator: The next question is from the line of Devendra Chawla, from Prasun Exponentials.

Devendra Chawla: Firstly, my condolences regarding the fire incident. I wanted to know was there any change in prices of MCC over the last month or so?

Amit Raj Sinha: No, no, Mr. Devendra. We have not had any major change in prices of MCC. The input material prices have remained stagnant. And so we haven't really had any change in prices.

Devendra Chawla: Not of the finished good as well?

Amit Raj Sinha: Yes, yes. Not at all.

Moderator: The next question is from the line of Meeta Rungta an Individual Investor. As there is no response from the current participant, we'll move on to our next question. The next question is from the line of Anupam Agarwal from Lucky Investment.

Anupam Agarwal: Thank you for taking my question and condolences to the family of the deceased. Sir, just one question. How much capex we will have to incur for getting the plant up and running back to the next 6 months?

Amit Raj Sinha: Anupam, at this moment, the access to the facility is only limited. We believe that whatever is the insurance amount which we are going to get, that should be good enough for us to set up the whole facility.

Anupam Agarwal: But the building construction is also part of that? I mean would we have to stay build up for the entire thing? Or is it just plant and machinery?

Amit Raj Sinha: No, no, no. It is fixed assets, plant and machinery and building as well.

Anupam Agarwal: And building. Okay. So very early to comment as to how much we'll have to incur?

- Amit Raj Sinha:** I think it will only be a guesswork. But however, we believe that the insurance amount, whatever has been insured is aligning with the rebuilding value, so it should cover the cost.
- Anupam Agarwal:** Understood. And we will be coming up with the same amount of capacity of 6,400 tons? Or will there be some increase or decrease in the stated capacity?
- Amit Raj Sinha:** Yes. Anupam, I just spoke around 3, 4 questions before that once we have full access to the facility, we will make an assessment as to plan A is the best thing or plan B or plan C. And our objective would be that we turn around the facility and the production to our customers' ASAP. That would be our immediate focus. So in that process, which plan we go to will depend on what kind of time lines and what kind of activity build-up we need to do basis the facility.
- Anupam Agarwal:** Understood. Understood. My second question is in the INR100 crores of sales of MCC this quarter. How much was the domestic and exports?
- Subbarami Reddy:** Around 67% exports are INR 78 crores.
- Anupam Agarwal:** Domestics are INR38 crores of the INR108 crores?
- Subbarami Reddy:** Exports are INR78 crores.
- Anupam Agarwal:** Sorry. Can you come again? Sir, can you come again with the number?
- Subbarami Reddy:** Yes, around INR78 crores, around nearly INR80 crores exports.
- Anupam Agarwal:** Exports is INR80 crores. Hello?
- Subbarami Reddy:** Yes, yes, yes. It is around INR80 crores.
- Moderator:** The next question is from the line of Dinesh Kulkarni from Finsight.
- Dinesh Kulkarni:** Sir, my question is again to the incident because there was -- all of us were tracking that incident very closely. There were some news saying that some of the workers had already flagged that there were some security and incidence possible because it was not being taken care well up. How much truth is that in that? Because I am sure the people who are there, they would not lie at this point in time, right?
- Amit Raj Sinha:** So Dinesh, one thing I tell you that if you -- for all good reasons, if you start believing media at the face value of what they print or what they showcase, then the world will be a different world. It isn't true. You can come and you can have a look at the people, you can meet the people. There have been people who have been hospitalized and who have been discharged and they have said at what time when we can re-join the duty. So that isn't the case.
- And on the flip side, from the company side, if you have a look, if there is -- there are old machineries being used, which way does it benefit the company? There is productivity loss. There are other challenges, output is less. So maintenance costs are high.

So there is -- it is absolute foolishness to have an equipment which has lived its life to be using it. We have had safety audits done, safety audit reports are available, ISO45001 is in place. So there is no reason to believe somebody who just says for the sake of saying it or who just brings for the sake of publicity.

Dinesh Kulkarni: Yes, I just hope that we recover from this as soon as possible.

Moderator: The next question is from the line of Annasaheb Fand an Individual Investor.

Annasaheb Fand: Last week, I visited your -- that plant in Telangana. It's damaged too much. Sir, it is not true that there is no I spoke to 2-3 people regarding that, they are very supportive to you, they were saying that you are going to start a plant, so my question is, did you have that fire NOC? In the media, they were saying that there is no fire NOC. I know that Amit sir is there, I saw his interview, he missed the answer. So my question is related to fire NOC. My question is that you have promised a payment of INR1 crores, has that been done or not? Till when will it be done?

Amit Raj Sinha: So Anna Saheb, here I would like to bring out that fire NOC, the applicability of fire NOC for this size and height of plant is not there. If we didn't have the NOC and if there was a rule in place, the plant would have been stopped, basic rule says that. For this height of plant, there is no need for a fire NOC.

In terms of the compensation package, which has been declared by the Chief Minister, we are in close discussions with the government of Telangana officials to see what best can be done to the people -- to our people and as soon as possible. And meanwhile, all this -- while it all this happens, we are working to support them by our interim payouts of certain amounts, which are anyway being sent out as a press release.

Annasaheb Fand: Thank you sir and all the best, we believe in you.

Amit Raj Sinha: Thank you very much. Thank you for your confidence.

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

Amit Raj Sinha: Thank you. Before we conclude, I would once again like to express our heartfelt condolences to the families affected by this unfortunate incident at our Hyderabad unit. As a responsible organization, we are committed to maintaining the highest standard of safety protocols across all our facilities.

We have already initiated detailed safety audits and are reinforcing preventive systems to ensure such incidents are not repeated. We thank all our stakeholders for their continued trust and support as we move forward with a focus on sustainable and safe operations. Thank you.

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