



Date: May 22, 2026

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

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

Scrip Code: **541167**

Symbol: **YASHO**

Dear Sir/ Madam,

Sub: Earnings Conference Call Transcript for Q4FY26

With reference to the captioned subject matter, please find attached herewith the earnings conference call transcript for Q4FY26 for your reference and records.

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

You are requested to take the above information on record.

Thanking You,
Yours faithfully,
For Yasho Industries Limited

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

Encl: a/a

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“Yasho Industries Limited
Q4 FY '26 Earnings Conference Call”

May 19, 2026



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

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



Moderator:

Ladies and gentlemen, good day and welcome to Yasho Industries Limited Q4 FY '26 Earnings Conference Call hosted by MUFG Intime. As a reminder, all participant lines will be in the lesson 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 Ms. Sejal from MUFG Intime. Thank you, and over to you, ma'am.

Sejal Bhattar:

Thank you, Yusuf. Welcome to Yasho Industries Q4 and FY '26 Earnings Conference Call. From the management today, we have Mr. Parag Jhaveri, Managing Director and CEO; and Mr. Chirag Shah, CFO. Before we proceed with the call, I would like to give a small disclaimer that this call may contain certain forward-looking statements, which are based on business operations and expectations of the company as of today. These statements are not guarantees of future performance and involves risks and uncertainties, which are difficult to predict. A detailed disclaimer has been given in the company's investor presentation, which is uploaded on the stock exchange.

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

Parag Jhaveri:

Good evening, everyone, and thank you for joining us for the Yasho Industries Q4 and FY '26 Earnings Call. We appreciate your continued support and engagement. I trust you have reviewed our financial results and investor presentation.

FY '26 was marked by a challenging global environment for specialty chemicals with price disturbance, geopolitical tension, supply chain volatility and cautious procurement trend impacting demand and pricing. Despite these headwinds, Yasho Industries delivered a resilient performance through disciplined execution, strategic decisions and operational efficiencies.

Consolidated revenue reached INR830 crores, up 22.7% year-on-year, while EBITDA stood at INR144 crores with margin improving to 17.4%, supported by product mix, operating leverage and cost optimization. Exports contributed positively, while Industrial Chemical segment remains the key growth driver. We strengthened our long-term platform with investment in R&D and manufacturing, with additional manufacturing lines in high-growth categories are being commercialized and expected to contribute meaningful to revenue and margins.

A key milestone was securing a 15-year long-term agreement. This reinforces our capabilities and enhance revenue visibility for us in the long term. Advanced funding of INR51.4 crores has already been received, reflecting strong customer confidence. Our plant facilities operated at above 60% utilization in FY '26 due to the various challenges what we have faced. With improving sentiment and enhanced customer engagement, we target over 75% utilization in FY '27, supporting EBITDA margin expansion.

For FY '27, the company has planned a capex of INR125 crores, which will be completely funded through internal accruals. Our R&D facility completed in October '25 is now fully operational, accelerating innovation and strengthening our portfolio. In these challenging times,



I would thank our investors for their continued faith and trust in Yasho. We continue to work towards building a strong business and increasing shareholder value over the long term.

With this, I hand over to our CFO, Mr. Chirag Shah, for the detailed financial updates.

Chirag Shah:

Thank you, Parag bhai, and good evening, everyone. I will now take you through the financial highlights for Q4 and FY '26. For Q4 FY '26, revenue was INR246.72 crores, up 33% year-on-year. EBITDA stood at INR44.71 crores with margin at 18.1%, reflecting 23.7% growth. This was driven by improved execution, cost management, sourcing efficiencies and plant productivity.

For FY '26, volume growth was 33% year-on-year, supported by stronger customer traction and scale up across categories. Industrial Chemicals contributed 87% of revenue for both the quarter and the full year, while exports accounted for 62%, underscoring resilience despite global challenges. In FY '26, the company generated positive cash from operations of INR152.75 crores. Financial discipline remains strong with debt-to-EBITDA improving to 3.75x from 4.70x in FY '25. We also prepaid INR23.30 crores of FY '27 liabilities, leaving only INR15.6 crores due, easing repayment pressure and enhancing flexibility.

Capex for the year FY '26 was INR75 crores. For our long-term contract signed in FY '26, we received an advance of INR51.4 crores with execution progressing as planned. We expect the revenue from this to start realizing in FY '28. With improving demand, strong operations and continued financial discipline, we are well positioned to deliver consistent and profitable growth to our investors.

Thank you, and we now welcome your questions.

Moderator:

Thank you very much. First question is from the line of Dheeraj Kumar Reddy from AlphaSqr. Please go ahead.

Dheeraj Kumar Reddy:

Sir, I just wanted to understand what kind of -- are we seeing this INR1,500 crores revenue target to be achieved by FY '28? What is fundamentally driving this? And what are the kind of molecules which we are working in order to build our capabilities?

Parag Jhaveri:

Yes. First and foremost, we are expecting to utilize our assets by FY '28 by optimal, when we say optimal, 85% to 90% that will drive us. Also in FY '28, the special project where we got the advance which will come in commercial operation. So that will also add to it, and that gives us confidence. Besides when we talk about the new molecules, we are working on a number of applications besides our traditional business, that's a rubber lube working on many chemistries. So that should also add to the top line.

Dheeraj Kumar Reddy:

Got it. Sir, beyond 2028, like what kind of areas are we working? I mean, beyond rubber, what are the additional categories which the company is currently focusing on in terms of R&D?

Parag Jhaveri:

I cannot get too much into that. But I can tell you we are working more to the performance chemicals, which can drive the future growth of the company also besides our traditional field where we are working today.



- Dheeraj Kumar Reddy:** Sir, it is not rubber. You mean this is ex rubber, it could be semiconductors or anything? I mean I'm just guessing it. So...
- Parag Jhaveri:** I don't want to name it but I don't want to give a wrong hope or feedback to you that we work on a semiconductor, we could work on a data center. No, we don't do all that thing. We are purely chemical producers. We are in B2B. We are not in B2C segment. So -- and we are working on an industrial segment on different applications.
- Moderator:** Next question is from the line of Parikshit Gujrati from Niveshaay. Please go ahead.
- Parikshit Gujrati:** Yes. Thank you for this opportunity, sir. So my first question is previously, you mentioned that all the revenue growth has come from the volume growth of 33%. So there is no price growth meaning you have not seen any growth in the sales due to currency depreciation of INR against USD and euro?
- Parag Jhaveri:** There was a very, very minor. As you know, we also import equivalent quantity of raw materials from overseas. So that will always nullify. There will be a slightly more edge on export side. But if you look at net to net, there is import export and a little bit extra on export side. So I won't say that the currency prices depreciation can help. Yes, it do help to some extent. The company always measures growth in terms of volume.
- What we sell rather than a value because value is always volatile in current situation, there is also a lot of pricing pressure due to the various factors we had in FY26. So the prices were always under pressure and margin was also under pressure.
- Parikshit Gujrati:** Okay perfect. So my second question is many of our raw materials are linked to petrochemical derivatives, right? And also crude prices have moved up significantly due to this global crisis. So I want to ask that how this crude movement impact our margins? Because if you look at Y-o-Y basis, our margins were not hit that high, how could we hold healthy margins?
- Parag Jhaveri:** I will give that credit to my sourcing team greatly, how they maneuver it, the supply chain. Also with some product mix also that has been negative. The low-margin product has not been pursued, but the reasonable margin products have been pursued here. So yes, it's a mix of a lot of the effort from sourcing team, manufacturing team, sales team, everybody together helped us to remain afloat and to hold on our margins.
- Parikshit Gujrati:** Okay. Perfect. And sir, my last question is that, sir, without naming any customers, so the orders which we have got from the big MNC player, so if that order is completed in time successfully. So there are other big additive players which are expanding into India their operations. So can they be open to our customers as well in the next 3, 4 years?
- Parag Jhaveri:** Yes, very much.
- Parikshit Gujrati:** Okay. Got it. Thank you so much.
- Parag Jhaveri:** Thank you.



- Moderator:** Thank you. Next question is from the line of Naeem Patel from Bastion Research. Please go ahead.
- Naeem Patel:** Hi thank you for this opportunity. Congratulations on good set of numbers. So my first question was on the EBITDA margin side. So historically, Yasho has guided for 17% to 19% guidance and now I'm -- so is it in the same band? Or like are we expecting now 20% plus or any color on that?
- Parag Jhaveri:** I think we are -- I have already mentioned that we are looking for the better margins compared with this year. So yes, we are expecting at least 2%, 3% higher EBITDA compared to the what we had, purely because of the operational efficiencies when we are driving up the utilization beyond 70%, we should be able to rationalize a lot of cost.
- Naeem Patel:** Understood. And considering the tariffs has moderated compared to Q2 as well as Q1 and Q4 now has the customer base from U.S., what is the response on that? And like how are we looking into the America geography for FY '27, if you could highlight on that?
- Parag Jhaveri:** Yes. Definitely, the tariff has helped us to expand our sales in Q4. And that comes in the results. And we believe that the Americas market is doing very well for us even in this quarter.
- Naeem Patel:** And for FY '27 onwards also, we believe there are steady responses. Is that correct?
- Parag Jhaveri:** I think yes, yes, very much.
- Naeem Patel:** And just a follow-up on the geographic front as well. We are seeing some slowdown in the European economy. And Europe is also one of our key markets. And now we are targeting our capacity utilization to ramp up to 75% as well as this supply side disruption from Strait of Hormuz. So like how are we going to navigate to achieve this target of 75% utilization considering these dynamics?
- Parag Jhaveri:** No. One side, we see there's a slowdown in Europe and second time in some segment we see the good demand coming up to us. Besides Europe, we're also venturing into the Asian market, which was not highly penetrated by us. And third, the Americas market is opening up. So that will also help us to achieve the better utilization.
- Naeem Patel:** Understood. That's all from my side. Thank you very much.
- Parag Jhaveri:** Thank you.
- Naeem Patel:** Best of luck. Thank you.
- Moderator:** Thank you. Next question is from the line of Harshit Singhania from RoboCapital. Please go ahead.
- Harshit Singhania:** Yes, thank you for the opportunity. And congratulations on a great set of results. Just a few questions. So you have guided that the peak potential of both the plants combined is around INR1,450 crores. So that is as per the existing capacity?



- Parag Jhaveri:** Yes.
- Harshit Singhanian:** Okay. And the Pakhajan plant has further potential to land on which there can be development?
- Parag Jhaveri:** Yes.
- Harshit Singhanian:** And right now, we are taking an active effort of not taking much more debt. So can that be assumed like for '27, '28 both that the debt levels are going to be on the lower end only?
- Parag Jhaveri:** I won't assure that. What we are assuming is that debt-to-EBITDA ratio to come down and our comfort zone will be in the 2.5x. That's what we want to draw. So first, let's achieve that and then we talk about the debt. Till that we don't want to talk about increasing the debt. Absolute number could rise. But when you look at the ratio point of view, it will remain that.
- Harshit Singhanian:** Okay, great. That's it from side. Thank you so much.
- Parag Jhaveri:** Thank you.
- Moderator:** Thank you. Next question is from the line of Arnav from Inga Ventures. Please go ahead.
- Shivam:** Good afternoon sir. Shivam this side. Sir, just wanted to understand on the domestic demand that was well in Q3 and Q4 despite exports being on the lower side. So is this domestic demand coming from new set of customers or is there an existing customer demand ramped up? And which segment that is contributing to this domestic front, sir?
- Parag Jhaveri:** Domestic front is driven mainly by industrial segment that is growing very well for us. We have added some few customers and existing customers also increased the share from us. Maybe to - they might be having a supply issue from some other existing supplier. So we have got opportunity to cater them. So multiple factors help us to expand our reach domestically also, and we hope that we continue that to proceed.
- Shivam:** So we expect this demand from this new set of customers and even the existing set of customers from domestic to continue. And sir, one more point on this, what I've observed this particular quarter that despite having a higher domestic share, the margins have improved. So do you see this trend continuing despite the higher contribution from domestic, the margins will be there?
- Parag Jhaveri:** I think so it will be. What drove the margin is the better utilization in Q4 that has helped us to achieve and if we are going to utilize our plant capacity to 70%, 75%, that will also improve the margin further up. And that's why we are giving a guidance of improvised your EBITDA to 20% or so.
- Shivam:** Fair, sir. And sir, final question, in the Industrial segment, anything that you can highlight whether it was rubber or lube additives which was contributing?
- Parag Jhaveri:** I think all segments are doing quite good for us.
- Shivam:** Fair, thank you so much. All the best.



- Parag Jhaveri:** Thank you.
- Moderator:** Thank you. Next question is from the line of Rupesh Tatia from Long Equity Partners. Please go ahead.
- Rupesh Tatia:** Hello sir. Thank you for the opportunity. And congratulations on good results. Sir, I have a very basic question. I'm relatively new to the company. Can you tell me what percentage of your revenue comes from automotive engine oils and what percentage comes from industrial engine oils? And with the EV penetration, what kind of risk do you see to our portfolio?
- Parag Jhaveri:** Okay. Let me be honest, I don't have -- how much my customer use for automobile or industrial. We don't have that data. Number -- second question is on EV. Yes, EV is increasing, but we don't see that case for next 15 to 20 years. That could be reality down the line, but not in the next 5-10 years, it could be a threat to the lubricant industry. Number three, the -- besides the automotive industrial segment of lubricants is also growing rapidly due to the data center, due to the solar or due to turbine or wind power.
- So there is also increase in demand happening. So we don't -- and we are catering all these segments. So I don't see a big threat in near to the medium to long term, 10, 15 years horizon, we don't see a threat on our business of lubricant.
- Rupesh Tatia:** Okay. The second question, sir, is there any area in which we make our own formulation for lubricant and sell that? Because what I understand is formulation is a bit hard, is proprietary, and probably higher margin. So any idea about what percentage of our revenue comes from formulations, how we are looking at it?
- Parag Jhaveri:** Yasho don't do any formulation. Yasho only make the pure chemicals. So all Yasho's customers are who make formulation, and we don't compete with our customer. That's the policy of Yasho. So we don't have any intention to go in that direction.
- Rupesh Tatia:** Okay. Okay. That is very, very clear. And sir, the final question is, I mean, the current Pakhajan plant, we are currently in Phase 1. But in the past, you have also talked about doing Phase 2 and Phase 2 will be sort of like a brownfield capex. So at what point do you start looking at Phase 2, what kind of products will you do there? Any comments on that?
- Parag Jhaveri:** I don't have like Phase 2 today because that's ongoing. In FY '26 also, we spent about INR40 crores in Pakhajan as an additional capex. We have a special project running. That is about INR90 crores capex in this -- in addition, we are looking at INR100 crores capex in Pakhajan. So that's an ongoing process that will continue till we totally exhaust our land available to manufacture.
- Rupesh Tatia:** So your capacity went from 12,000 to 32,000. What is the capacity now? And what is the maximum that we can go to?
- Parag Jhaveri:** Honestly speaking, I don't know what is my current capacity. But I can tell you in Pakhajan, we have made 2 production building, and we can build additional 4 production building. So that



four building will be start construction one by one as we see the ramp-up or the additional demand coming in.

Rupesh Tatia: Okay. Thank you for answering my question, sir.

Parag Jhaveri: Thank you.

Moderator: Thank you. Next question is from the line of Chintan Shah from JM Financial Family Office. Please go ahead.

Chintan Shah: Thank you so much for the opportunity. Mr. Parag, I was just going through the presentation and we sort of changed the language there. So now we mentioned that we are a emerging global specialty chemical partner to MNCs. And plus we are doing a lot more investment on the R&D side. So just wondering as your strategy is changing more towards sort of a CDMO model.

And just wanted to understand, is this more customer driven or what exactly is happening that is driving this change? And if you were to think about it 4 to 5 years down the line, how will the company evolve? Would we see a much higher mix from the CDMO-driven contracts versus the products that we manufacture on our own?

Parag Jhaveri: Yasho is not governed for the CDMO kind of work. But we don't mind leveraging our capability to tie up with some big user who is looking to source large volume from Yasho, okay? So that's my answer.

Chintan Shah: Okay. Got it. Understood. That's all I have. Thank you.

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

Ankur: Yes. Hi, sir. Thanks for the opportunity. First question, in our presentation, we are guiding for a INR1,500 crores revenue by FY '28. So what sort of visibility here do we have? Is it largely contracted with respect to the customer demand ramp-up, etc., today delivery towards ramping up your existing capacities? But how is the demand visibility there?

Parag Jhaveri: I think we have more penetration with the customers and expanding our customer base, which is helping us to grow the market. With the current challenges, we are able to gain confidence of our customers who are a little bit conscious that whether far away from India, the supply can support us or not, that we have proven even in the difficult time of this.

So that is helping us with some customer commitment coming to us on the table, which is helping us to give a guidance of 70%, 75% utilization. And if you achieve 75% utilization, that is more 15% than what we had today that will give us confidence. And also the project which we are doing with the one of the customer, that will also start kicking in from early FY '28. So all these things will help us to achieve INR1,500 crores revenue in FY '28.

Ankur: Sure, sir. Just a follow-up here. The commitment and the customer ramp-up that you are referring to, this is largely same product going to more number of customers and geographies or these are new products also which are going to the existing ones?



Parag Jhaveri: Well, relationship what we built with a new customer is exclusive to them. So that cannot be shared to anybody. It's what we -- but similar chemistry we have also been and that can be shared to all the customer across the Board.

Ankur: Sure, sir. That's helpful. And secondly, on our working capital, if you can share some thoughts there. We used to be 120, 150 days working capital, but of late, there is an increase. So if you can just help us better understand how to look at that part?

Parag Jhaveri: I think we were at the 200-odd days in FY '25, was 215, 216 days. We are broadly down to 190 days today. Our debtors are constant that has not increased. On the stock has dropped to some extent. That will help us.

And let me be honest, higher stock has helped us a lot in this crisis that was blessing in disguise to us. okay? So we could navigate very well with the last 3 months supply challenges of raw materials since we had enough stock, we could manage it well.

So if you ask me today, how much you want to reduce, I said I'm happy, but it will come down as a number of days, but as an absolute number, it will remain same. So we would like to bring it down to 175, 170 in the next 6 to 12 months rather than drastically bringing down and wait for a raw material to have a production.

Ankur: Sure, that's helpful. Thank you for all the answers and all the best.

Moderator: Thank you. Next question is from the line of Dheeraj Kumar Reddy from AlphaSqr. Please go ahead.

Dheeraj Kumar Reddy: Sir, in the previous participant's question, can you just again touch upon the CDMO model because historically, company has been evolving, moving away from commodity to entering into more complex areas. Can you just elaborate that answer again?

Parag Jhaveri: Well, CDMO is something which is done in API segment and those kind of segments. We are not in that segment here. We are not here to cater for a smaller volume kind of thing. Somebody wants 20 metric ton-100 metric tons. I don't think so Yasho is there to do that kind of a model. We have a design Pakhajan looking into the molecule, which we can produce at least 500 to 1,000 metric tons minimum and then take it up from there.

So we are not looking at a CDMO, CDMO style. But yes, we are looking for a cooperation with the customer who are looking for larger volume, which they want to source from us. Yes, we are there for that.

Dheeraj Kumar Reddy: Understood. Sir, also in one of the interviews, you mentioned that beyond '28, the idea is to ramp up the current 2 facilities to probably 4, 5, 6 facilities, right? Sir, how do you see that journey coming? What will drive that? What are the kind of areas which company -- at least if you can touch upon like what -- I mean, how is the company foreseeing that growth curve beyond '28 is what we would like to understand it from you?



Parag Jhaveri: Well, beyond 28, we have a lot of molecules which we think that will help us to grow. Beyond that, even also our existing product, there are certain opportunities where we can go further. So we would like to do a dual. So we will look at our product portfolio from where we can increase. And number two, we are in a process of introducing more chemistry in our portfolio. So that will also help us to grow.

Dheeraj Kumar Reddy: Understood, sir, that strategy of entering into one molecule is more like replacing -- so any Indian customer is already doing it or it's only us who is actually supplying it to this MNC from an Indian geography standpoint? And what is the market size of each molecule, sir?

Parag Jhaveri: Well, we are looking at each molecule nothing less than INR50 crores, at least to add to our top line. Otherwise, we are not interested to look at some molecule which just give us a revenue of INR5 crores. When you are looking at the INR1,500 crores and adding a molecule of INR5 crores, INR10 crores revenue, does it going to help us? No, my dear friend.

So we need to look at the molecule, which gives at least INR50 crores revenue to go up in R&D that much more meaningful because R&D takes a lot of resources, not only the human also financial resources. So we need to be very careful where we are going to spend our money.

Dheeraj Kumar Reddy: Understood. And what about this Indian geography competition? Sir, are we sole supplier for these molecules or are there any other...

Parag Jhaveri: Always there's a competition. You cannot claim that you are a sole. it could be that one of the products could be sole today, tomorrow, there could be some more producer. So you cannot claim that. And that's not -- I would like to comment on it.

Dheeraj Kumar Reddy: Understood, sir. Thanks a lot. Thank you.

Moderator: Thank you. Next question is from the line of Agastya Dave from CAO Capital. Please go ahead.

Agastya Dave: Thank you very much for the opportunity, sir. Sir, most of my questions have been answered. One question that I had was, is there any sort of disruption or distortion, dislocation in the supply chain, either your -- from your raw material side or the end user side or in the space of your competition, which you can point out as of now because of the problems in Middle East?

Parag Jhaveri: Well, I can give any number of points. Number one, a lot of our imports are getting delayed, which generally typically takes 3 to 4 weeks, at times it's taking more than 8 to 12 weeks to get the product. So that's one of the biggest challenge. At times, we don't know where our import contents align.

And then those are the challenges when we are exporting earlier days to the U.S.A. was only 25 days. Today, it takes more than 60, 70 days to reach the container to U.S.A. Those are the challenges we are facing today. Number three...

Agastya Dave: These are timing issues or sir, the quantity -- the supply itself is the same. Will this sooner or later become a volume issue?



- Parag Jhaveri:** Well, this will at times cause a problem at our end that we have been stuck with a lot of material because it's not been moving out quickly or sometimes we are waiting for one of the key raw materials, which is not coming, so the production is hampered or you have to buy at a decent price from the market. So there are multiple challenges come.
- And number three, the challenge is because of the petrochemical challenges, a lot of raw materials are not available or available at a very fancy price. So you -- one has to take a decision, can you afford to buy at that price or you have to wait. So there are multiple challenges today. And some of the challenges have been mitigated by having a very high inventory.
- Agastya Dave:** Sir, just last question to -- I mean, just to elaborate this point. So is there a particular time by when this problem becomes a really big problem and you won't be able to substitute or wait long enough? I mean when do the volumes really dry up of the things...
- Parag Jhaveri:** Let me be honest. Neither I have a crystal ball nor I have a source from a White House, which can give you that information, what's going to happen tomorrow.
- Agastya Dave:** Thank you very much, sir. All the best.
- Moderator:** Thank you. Next question is from the line of Pujan Shah from Molecule Ventures. Please go ahead.
- Pujan Shah:** Thanks for the opportunity, sir. My first question pertains to can you give us some sense on the volume part during Q4 FY '26?
- Parag Jhaveri:** Well, we always say that we are in FY '26, we have grown by 33% in volume terms. And next year, FY '27, we are expecting to grow by -- utilization to grow by 15% or so, and the volume growth should be something in the range of 40% to 50%. Again, we should gain that growth.
- Pujan Shah:** Sir, why I'm asking is I just want to understand on the chemical side. So, on the...
- Parag Jhaveri:** Sorry to interrupt, you are not clear. Can you go slow?
- Pujan Shah:** Just hold on. Am I clear now, sir?
- Parag Jhaveri:** Yes.
- Pujan Shah:** Okay. So my first question why I'm asking is I just want to understand because we have seen quite a bit of increase in pricing of the chemicals, obviously, the base chemicals and even the lubricant chemicals have been increasing the price in terms of China and our competitors. So just want to understand how these prices have been sustainable going across for a year or 2 and how we are seeing because we are being benefited by 2 things. One...
- Parag Jhaveri:** Well, first and foremost, again, I said I don't have a crystal ball how long this will continue, what will happen. Nobody can answer that today. So I have no idea about when the price will normalize, absolutely no idea. I cannot comment on that part of it.



- Pujan Shah:** Yes, I agree. But my question pertains to how much percentage of price increase we have seen from the base like pre-war era to right now in current stand?
- Parag Jhaveri:** About 10% to 15%.
- Pujan Shah:** 10% to 15%. Okay. Okay. And are we getting any benefits of being the yen appreciation or rupee depreciation all together. So that will ultimately expense out the -- more on the imports that will ultimately help, which we have been seeing in the domestic growth. Is that can be a call we should take or it is more on the product quality and the working capital of what they are like to manage because ultimately shipments are taking -- are being delayed right now?
- Parag Jhaveri:** There are multiple reasons can influence that. Number one, availability. Number two, how much you can pass on to when the prices are increasing, our margins always come under pressure. One cannot pass on 100%, one has to absorb something because of the relationship or whatever the nature of what kind of contract you have with the customer. So there are multiple reasons and one cannot say that what's going to happen tomorrow. So we are a little bit cautious on that side.
- Pujan Shah:** Got it. That is all from my side.
- Moderator:** Thank you. Next question is from the line of Anupam Agarwal from Lucky Investments. Please go ahead.
- Anupam Agarwal:** Thank you for taking my question. Sir, I just missed your comment on the capex that you have done in FY '26 across Vapi, Pakhajan and the new project? And what will be the capex in FY '27 for different projects?
- Parag Jhaveri:** Well, FY '26, we spent about INR75 crores, INR25 crores we spent on R&D, about INR40 crores, INR42 crores on Pakhajan and about INR7 crores, INR8 crores into the Vapi. Vapi was mainly for some adjustment into the new product, when you introduce it you need to do some capex. So that's the reason. In FY27, we are looking at about INR125 crores capex that will be purely done at the Pakhajan.
- Anupam Agarwal:** And what will be the share of our capex for this MNC project?
- Parag Jhaveri:** Zero.
- Anupam Agarwal:** Okay. Understood. My second question, sir, just alluding to your comment to the earlier participant, 15% increase in utilization will translate to 40% to 50% volume growth.
- Parag Jhaveri:** 30% to 40% you can see these are different product mix what product which we sell everything upon that. But I think between 40% to -- 40%, 45% volume growth will happen.
- Anupam Agarwal:** Got it, sir. Thank you so much, sir.
- Moderator:** Thank you. Next question is from the line of Manjeet Buaria from Saamya Advisors LLP. Please go ahead.



- Manjeet Buaria:** Thank you for taking my question. If would it be possible to share what percent of our revenue in Q4 came from long-term contracts versus spot market out of the INR246 crores and the same ratio for the full year '26?
- Parag Jhaveri:** Well, in Q4, it's a regular business what we had from Q1, Q2, Q3. So there could be some new customer added there in Q4, but mainly from our regular customer only the businesses came up and that also has helped us to grow the business.
- Manjeet Buaria:** Right, sir. And I was just trying to understand, I thought there were certain long-term contracts you were looking at and then there were certain business you were doing in the spot market. So is there a ratio within that which you can share or it's not possible?
- Parag Jhaveri:** Long term, when you say long term, we have customers who buy on a regular basis, they buy either quarterly pricing or 6 monthly pricing. So that is about 40% of the revenue and balance 60% come from spot what you call or customer with whom we have relation over time and they buy as and when they require.
- Manjeet Buaria:** Thank you very much. And Parag bhai, the second question was over the next 2 or 3 years, as the mix of our products goes up, the value addition in our products, right, will our gross margin also inch up from the 40% in FY26 or is 40% the right level to think about?
- Parag Jhaveri:** I think 40% -- anything between 40% to 42% should be the right guidance. What will help us as we are going to do more utilization of our -- all the assets that will help us to leverage all our expenses, fixed expenses and that will come down drastically, which will also help us to improve the margins.
- Manjeet Buaria:** Got it, sir. And the last question, sir, I missed your response in the earlier question. Out of the INR125 crores capex for FY27, how much is going to be funded by the strategic contract we have versus ours I missed that response, sorry.
- Parag Jhaveri:** INR125 crores has nothing to do with strategic. That's a separate capex altogether. That has nothing to do with INR125 crores. INR125 crores is probably done by Yasho Industries by internal accruals for the product which we want to launch new or where we want to expand further.
- Manjeet Buaria:** Got it, sir. Thank you so much.
- Moderator:** Thank you. Next question is from the line of Yash Mehta from SKP Capital. Please go ahead.
- Yash Mehta:** Thank you so much for the opportunity first of all. Sir I've got a few questions. So the first is, how should investors think about competitive intensity from Chinese suppliers going ahead, especially in brand lubricant additives and industrial chemicals?
- Parag Jhaveri:** Strong, very strong. They are very, very competitive and they do come hard.
- Yash Mehta:** Okay. And Yasho has also mentioned strong demand visibility from Europe. So has the India, EU trade opportunity resulted in better customer engagement and improved competitiveness or new inquiries from European customers?



- Parag Jhaveri:** Well, number -- first and foremost, India, Europe and treaty FTA will come in place only by early January, hopefully, we are hopeful that it will come in by early January. So today what you see is our existing relationship, which is helping us to grow. Also, we have our team on the ground in Europe. Now they are almost a 1-year old team. So they are getting more mature, and we are confident that they will be able to deliver much better results to us.
- Yash Mehta:** Okay. Got it. Thank you.
- Moderator:** Thank you. Next question is from the line of Karan Gupta from Acmil. Please go ahead.
- Karan Gupta:** So my question is regarding the FY28 guidance of INR1,500 crores approx. What are the capacity expansion we've included in that? The Vapi and Pakhajan is included in that?
- Parag Jhaveri:** When we talk about INR1,500 crores, the capacity expansion what we did in FY26 is included in that. FY27 could give some leverage for FY28. Definitely, we'll give leverage in FY28. And also the long-term contract which we signed will give us a leverage in FY28.
- Karan Gupta:** Okay. And the margins will be maintained?
- Parag Jhaveri:** Yes, absolutely. The margins will be maintained.
- Karan Gupta:** Okay. And any sector-wise growth if you can share segment-wise sector wise if you can share?
- Parag Jhaveri:** Sorry, I can't hear you properly.
- Moderator:** Karan request you to please use your handset. Your voice is not clear. You are not audible clearly.
- Karan Gupta:** Now I think it's audible?
- Moderator:** Yes, please go ahead.
- Karan Gupta:** Yes. So this 33% of volume growth, if you can share the breakup maybe product-wise, industry-wise?
- Parag Jhaveri:** Well, the maximum volume growth has -- our entire volume growth has come from industrial segment. I can give that much breakup to you. Whatever we gain is on -- while there could be a slightly dip into our consumer side.
- Karan Gupta:** Okay. And the price we've taken, I think you said 10% to 15%, if I'm correct?
- Parag Jhaveri:** That has not happened across the year. That has only happened now and maybe happened in the last 10 days of March. Earlier, the price growth was not there. Price growth is now really kicking from April onwards. Because till March, we already have fixed prices with customers. So we changed price every quarterly for 6 months with our major customers.
- Karan Gupta:** Okay. And just last one on the geopolitical scenario side. Having this geopolitical backdrop, how you're seeing the quarter 1, quarter 2 in terms of growth?



- Parag Jhaveri:** I have no clue on the growth side because I don't track that, honestly. Yes. But we see that the price volatility in our couple of solvents, strong volatility, some chemistry of sulfur-based chemistry, we see the strong volatility. But besides that, prices are quite stable.
- Karan Gupta:** Okay. We are -- then we are optimistic about the volume growth then?
- Parag Jhaveri:** Yes, absolutely.
- Karan Gupta:** Any guidance you can give on the volume side?
- Parag Jhaveri:** We already said that we will grow by about 15% on capacity utilization and volumes are between 35% to 45%, volume growth also will happen in FY27.
- Karan Gupta:** Sorry, 30% to 35%?
- Parag Jhaveri:** 35% to 45%.
- Karan Gupta:** 35% to 45% volume you are saying and 15% on the capacity addition side?
- Parag Jhaveri:** Yes.
- Karan Gupta:** Okay. Thank you.
- Moderator:** Thank you. Next question is from the line of Nikhil Porwal from Perpetual Capital. Please go ahead.
- Nikhil Porwal:** Yes. Hi, thank you for the opportunity. Parag bhai, my first question is just a clarification. So the INR125 crores capex for FY27, it doesn't include the capex for the MNC that is ongoing, right?
- Parag Jhaveri:** No.
- Nikhil Porwal:** Okay. And once the plant for the MNC commercializes in '28, all these advances will be set up against future deliveries?
- Parag Jhaveri:** Yes.
- Nikhil Porwal:** Okay. And last question is on any problem on availability of sulfur?
- Parag Jhaveri:** There is a challenge. I won't say there is a problem, but there is a challenge to get what we need, but availability is there.
- Nikhil Porwal:** Okay. I hope the higher inventories is helping you in this volatile environment now?
- Parag Jhaveri:** Yes, to some extent, but we don't hold sulfur, unfortunately, so much quantity. One of the cheapest raw material in our portfolio.
- Nikhil Porwal:** Okay. Yes. That is it from me. All the best.



- Moderator:** Thank you. Next question is from the line of Laveena Jagwani from Spark Capital. Please go ahead.
- Laveena Jagwani:** Hello, sir. Just one question from my side. What is the current capacity utilization between Vapi and Pakhajan?
- Parag Jhaveri:** Well, for March, we utilized more than 60%, anything between 60%, 62% utilization up until March FY26, better utilization. Currently -- in current quarter, it's been improving, but I don't have exact number of improvement, how much we have improvised.
- Laveena Jagwani:** What will be the individual capacity utilization like for each plant?
- Parag Jhaveri:** Well, let me be honest, we are not -- we will always talk about the Yasho level rather than I'll talk about the individual capacity level. So I'd like to stick to the Yasho level capacity.
- Laveena Jagwani:** Okay. Thank you, sir.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for the closing comments.
- Parag Jhaveri:** Thank you very much, everyone, for joining this call. I appreciate your time. Thank you. Have a good day.
- Moderator:** Thank you, sir. On behalf of Yasho Industries, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.