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E-mail: monika@himadri.com

Ref: Listing Code: 500184	**Ref: Listing Code: HSCL**
BSE Limited	National Stock Exchange of India Ltd
Department of Corporate Services	Exchange Plaza, C-1, Block-G
P. J. Towers, 25th Floor,	Bandra Kurla Complex,
Dalal Street,	Bandra (E)
Mumbai- 400 001	Mumbai- 400 051

Sub: Transcript of Earnings Conference Call for Financial Performance for the 1st Quarter ended 30 June 2026 held on Thursday, 16 July 2026

Dear Sir/ Madam,

Further to our letters dated 13 July 2026 and 16 July 2026 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Schedule III of the SEBI Listing Regulations and other applicable provisions of the SEBI Listing Regulations, we are enclosing herewith the transcript of earnings conference call for Financial Performance for the 1st Quarter ended 30 June 2026 held on Thursday, 16 July 2026 at 04:00 p.m. (IST).

The above information will be made available on the Company's website at www.himadri.com

You are requested to take the same on record.

Thanking you,

Yours faithfully,
For Himadri Speciality Chemical Ltd

Monika Saraswat
Digitally signed by Monika Saraswat
Date: 2026.07.21 19:25:19 +05'30'

Monika Saraswat
Company Secretary & Compliance Officer
ACS: 29322

“Himadri Speciality Chemical Limited

Q1FY27 Earnings Conference Call”

July 16, 2026

MANAGEMENT: **MR. ANURAG CHOUDHARY – CHAIRMAN, MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – HIMADRI SPECIALITY CHEMICAL LIMITED**
MR. SOMESH SATNALIKA – EXECUTIVE VICE PRESIDENT, TYRE AND STRATEGY – HIMADRI SPECIALITY CHEMICAL LIMITED
MR. KAMLESH AGARWAL – CHIEF FINANCIAL OFFICER – HIMADRI SPECIALITY CHEMICAL LIMITED

MODERATOR: **MR. CHIRAG BHATIYA – MUFG INTIME**

Moderator: Ladies and gentlemen, good day, and welcome to the Himadri Speciality Chemical Limited Q1FY27 Conference Call hosted by MUFG. As a reminder, all participant line 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 touchtone phone.

I now hand the conference over to Mr. Chirag Bhatiya from MUFG. Thank you, and over to you, sir.

Chirag Bhatiya: Thank you, Nishya. Good evening, everyone, and welcome to Q1FY27 Earnings Conference Call of Himadri Speciality Chemical Limited. Today on the call, we have with us Mr. Anurag Choudhary, CMD and CEO; Mr. Somesh Satnalika, EVP, Tyre and Strategy; and Mr. Kamlesh Agarwal, CFO.

Before we proceed with the call, I would like to give you a disclaimer that this conference call may contain forward-looking statements about the company, which are based on beliefs, opinions and expectations as of today. Actual results may differ materially.

The statements are not the guarantee of the future performance and involve the risks and uncertainties that are difficult to predict. A detailed safe harbor statement is being given on Page 2 of the investor's presentation of the company, which have been uploaded on stock exchange and on the company website.

With this, I now hand over the call to Mr. Anurag Choudhary. Over to you, Sir.

Anurag Choudhary: Thank you, Chirag. Good evening, everyone, and a very warm welcome to the Q1FY27 Earnings Conference Call of Himadri Speciality Chemicals Limited. Thank you for joining us today. We look forward to taking you through our performance for the quarter ended June 30, 2026, the progress across our strategic priorities and how we see the road ahead.

Those who have followed our journey over the past few years will recognize that Himadri today has transformed into a different company from where it started.

We began as a coal tar derivative company and today, we operate as a global advanced materials and application-driven solution organization. We are positioned at the intersection of material science, energy transition and high-performance applications.

At the core of this transformation lies a simple belief, the companies that will lead the future are those that can continuously reload themselves, execute, reinvest, scale and repeat the cycle with discipline. This philosophy guides everything that we do.

Over 3 decades, we have laid foundation and today, we are building a future-facing growth platform for the energy transition economy, focusing on capturing a global opportunity backed with innovation-led growth.

Now let me briefly touch upon the financial picture for the quarter. On a consolidated basis, revenue stood at INR 1,432 Crores. EBITDA was at INR313 Crores with a margin of 22% and profit after tax was INR228 Crores, reflecting a PAT margin of 16%. This performance reflects both strong operational discipline and the continued shift in our product mix towards higher value segments.

Yesterday, we announced two important initiatives that further strengthen our innovation-led growth trajectory.

First, we successfully developed indigenous Carbon Nanotube (CNT) technology through our relentless, in-house innovation and research and development, marking another milestone in our innovation journey. Backed by a planned capex of approximately INR70 Crores, our upcoming 200 MTPA CNT manufacturing facility targeted for commissioning in Q4FY27, is expected to position Himadri among a select group of few global manufacturers serving this high-growth market. CNT is a next-generation material with application spanning across lithium-ion batteries, semiconductors, electronics, sensors, polymers, coatings, aerospace, etcetera. With demand accelerating across these industries, we believe CNT represents a significant long-term growth opportunity for the company.

The second initiative is our entry into Super Speciality Carbon Black. This is a structurally different, high-purity segment designed for high performance in highly specialized markets like lithium-ion batteries, engineered plastics, fabrics, fibers, coating, conductive black and other niche applications, delivering premium realizations. We are converting 6,000 MTPA of existing capacity with a capex of INR170 Crores. This is a classic example of our compounding philosophy, leveraging the same integrated feedstock base and new infrastructure to produce significantly high value-added products. This enhances margins, deepens application reach and strengthens our positioning in global speciality markets.

Let me now turn to what will define the next phase of Himadri's journey, new energy materials. Global lithium-ion battery demand is projected to rise from around 1.6 terawatt hours in 2025 to nearly 6.8 terawatt hours by 2035. We are positioning ourselves for this opportunity with a fully integrated complex.

On the anode side, we have commissioned our 200 MTPA anode material facility at Mahistikry in April 2026. This capability is built entirely on overall decade of in-house research. The facility has been specifically designed with feedstock flexibility, enabling the use of in-house developed special engineered pitch. This backward integration gives us scalability, cost efficiency and resilience within a self-reliant value chain.

On the cathode side, we are building capabilities in lithium-ion phosphate(LFP) cathode chemistry, which is fast emerging as the preferred solution for mass market EVs and energy storage. Our initial 2,000 MTPA capacity is expected to be commissioned in Q3FY27, representing the first milestone under Phase 1 of our 40,000 MTPA expansion plan, which forms part of our broader long-term vision to scale capacity to 200,000 MTPA.

What differentiates us is our integration. From feedstock to materials, we are working towards building a self-reliant, scalable platform, aligned with both global demand and national priorities.

We continue to strengthen our strategic investments in battery material ecosystem. Sicona, in which Himadri is a strategic investor, secured AUD45 million funding to accelerate its next-generation silicon carbon anode technology commercialization. Additionally, we have increased our stake in International Battery Company (IBC), reaffirming our confidence across battery value chain; from materials to validation and deployment.

Now coming to Birla Tyres, Birla Tyres turnaround continues to make steady progress. Since commencing commercial operation on 29th of May 2025, the focus has been on rebuilding the business on a strong operational and technological foundation. Alongside recommissioning the plant, significant efforts are underway to modernize manufacturing infrastructure, upgrade equipment and incorporate state-of-the-art automation across operations, thereby bringing the facility in line with contemporary industry standards and enhancing efficiency, consistency and product quality.

In parallel, a strategic transformation of the manufacturing footprint is being undertaken by progressively converting the existing Truck and Bus Bias (TBB) tyre capacity towards Off-the-Road (OTR) tyre production in a phased manner, That is in line with evolving market demand dynamics. This transition, along with modernization initiatives, will be supported by additional capital expenditure and expected to be executed over the next 3 years, creating a stronger platform for long-term growth and profitability.

As of today, the distribution network spans 49 distributors and over 1,000 dealers. Birla Tyres has been strengthening its portfolio across agriculture, mining and commercial segments with the launch of SKUs across 3 new agriculture products lines during the quarter - AGRIWIN, AGRIPLUS and AGRILEAP T40.

This momentum is supported by a strong product development pipeline, with over 400 new SKUs under development across segments. Birla Tyres' next strategic milestone is the commissioning of Passenger Car Radial (PCR) facility by FY28, paving the way for its planned entry into EV and SUV tyre segments.

In speciality carbon black, we continue to build on our technology advantage. With 250,000 metric ton capacity, including 130,000 tons of speciality carbon black capacity, we operate across a product portfolio of more than 70 speciality grades.

Our integration from feedstock to final formulation gives us control over quality, cost and consistency. Our approach remains lab-first, plant-later, and shows that capacity expansion is always backed by validated applications.

Our Coal Tar Pitch business continues to anchor the company. We operate the world's largest single location fully integrated carbon complex, with 600,000 MTPA of coal tar distillation capacity. Our domestic market share continues to be over 65% and the commissioning of liquid Coal Tar Pitch terminal at Haldia and Mangalore has strengthened our ability to serve global markets. Our forward integration into anthraquinone and carbazole with a total capacity of 5,300 MTPA is progressing well with full commissioning targeted by FY28. Initial phase capacity of 2,600 MTPA is set to commission in Q2FY27 and balance capacity of 2,700 MTPA is to be added in Q2FY28. This facility will be India's first commercial plant of its kind, reducing import dependence and unlocking the export-led growth, a right move towards Atmanirbhar Bharat.

Let me now briefly explain how we are structuring our existing business. Our model has been 3 clear layers.

At the core lies our coal tar derivatives, carbon black naphthalene, an oil of various grades, providing scale and feedstock security.

Secondly, our speciality offering consists of products, speciality carbon black, super speciality carbon black, CNT, niche engineered grades of coal tar pitch, SNF/PCE, speciality chemicals such as anthraquinone and carbazole, which provide us customer stickiness and greater value realization.

And the third is new energy materials, anode and electric cathode active material and silicon carbon technology, placing us at the very heart of global energy transition value chain.

What this structure allows us is to grow on earnings faster than revenue as we focus on value-accretive businesses.

Across all business initiatives, our capital allocation remains disciplined. The capex program is thoughtfully structured to balance scale with efficiency. It is entirely self-funded and deliberately calibrated between brownfield expansions, which enhance asset productivity and greenfield investments, where we are building new capabilities from the ground up. This approach allows us to pursue growth while maintaining balance sheet strength and capital discipline.

Sustainability remains deeply embedded in our business model and operational philosophy. All our plants operate on a zero-liquid discharge basis, reflecting our commitment to responsible manufacturing, resource efficiency and environmental stewardship. These efforts continue to gain recognition. The reaffirmation of our EcoVadis Platinum rating continues to place Himadri among the top 1% of the companies globally assessed by EcoVadis. Increasingly, such credentials are not merely accolades, but important commercial prerequisites in global value chain.

Our commitment to sustainable and responsible growth was further recognized during the quarter through several prestigious awards that belongs to entire Himadri family.

Our approach is very clear. We are diversifying to build resilience. We are shifting our product portfolio mix to drive profitability, and we are executing things while maintaining balance sheet discipline. We are building a strong foundation that allows us to scale transformational growth, while preserving financial discipline and transparency. I am confident that this combination of scale, integration, innovation, discipline will continue to deliver substantial value for all our stakeholders.

With that, let me hand over to our Chief Financial Officer, Mr. Kamlesh Agarwal, who will now take you through the financial performance for the quarter in greater detail. Thank you very much.

Kamlesh Agarwal: Thank you, Anurag ji. Good evening, everyone, and thank you for joining us today. I trust that everyone has had a chance to review our financial results and the latest investor presentation, which have been made available on both the stock exchanges and our company's website.

Let me begin with the key financial highlights of the quarter.

Our consolidated revenue for the quarter stood at INR1,432 Crores as compared to INR1,118 Crores a year ago, an increase of 28%. Our EBITDA stood at INR313 Crores as compared to INR235 Crores a year ago with an increase of 33% and margin of 22%. Our profit after tax has significantly increased to INR228 Crores from INR179 Crores a year ago, a jump of 27% with a margin of 16%.

Our stand-alone revenue for the quarter stood at INR1,274 Crores as compared to INR1,100 Crores a year ago, an increase of 16%. Our EBITDA stood at INR301 Crores as compared to INR234 Crores a year ago with a growth rate of 29% and margin of 24%. Profit after tax has significantly increased to INR223 Crores from INR183 Crores a year ago, a jump of 22% with margin of 18%.

We remain committed to delivering strong value through our strategic priorities and operational rigor. Thank you once again for your continued support and engagement. Thank you.

Anurag Choudhary: Yes, now you can open the floor for the question-and-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Sanjesh Jain: from ICICI Securities.

Sanjesh Jain: I've got a couple of questions. First, a numerical question, let me finish that. On the other segment, the EBIT has fallen from INR25 Crores last quarter to around INR1 Crores this quarter. What has changed? Because revenue number hasn't changed much. Why there is such a sharp swing in the EBIT margin for the other segment?

Anurag Choudhary: So other segment last time consists of mining profit, which this quarter didn't took place. That was the reason of fall.

Sanjesh Jain: So what explains less change in revenue in that? So what is compensated...

Anurag Choudhary: So this quarter, we did not operate the mines. We're waiting for some licensing to happen. Post that, the mining operation will start. That was the reason.

Sanjesh Jain: Okay. But it is not showing up in revenue. That means something else has picked up...

Anurag Choudhary: Revenue, because the Birla Tyres revenue has gone up. Last quarter, if you see the Birla quarter revenue, revenue was significantly low. And with the ramping up of capacity in Birla Tyres, the revenue is going up. So that's the reason you don't find change in revenue, but you find change in the profitability.

Sanjesh Jain: Clear, clear. Now coming to the new capex that we have announced, which is the carbon nanotube and the super-speciality carbon black. In nanotube, what is an approach? This will address India market, global market? What is the key application? You did said energy and semiconductor, but whom are we competing here? And how have we benchmarked the product?

Now that we are commercializing it, we would have done all that, right? So how should we see this segment? And what is the differential in the realization versus a speciality carbon black and the carbon nanotube? That's one.

Number two, we got the super speciality carbon black. What really is this because carbon nanotube, I can still understand. But when we say super speciality carbon black, what really are we trying to do here? So these are the two on these questions.

Anurag Choudhary: Thank you, Sanjesh. So first of all, coming to carbon nanotube. Carbon nanotube is a unique product where graphene is rolled into seamless cylinder that forms carbon nanotube. So it's nothing but graphene, which we have developed through relentless R&D efforts of many, many years. If you look at the entire value chain -- entire supply chain platform globally, there are only a few companies in the world who are doing this. And we are the first in India.

And if you look at the product, to make it very simple, it is 100x the strength of steel with the conductivity of the copper. That's the game changer. Strength of steel and conductivity of copper and very light material. So this opens the entire huge arena of applications, right, from lithium-ion batteries to semiconductors to conductive film sensors to industrial coatings, to lightweight high-strength material for aerospace and automotive, means every day, the usage is improving and increasing.

So that places Himadri in a unique position because the in-house technology we have developed and now we are putting it into scale. So this is the first step with 200 metric tons. We'll stabilize the product, set up the facility, get customers in place globally. So today, the market is very less in India. It's a global play. So we'll be supplying to the global players. And this is a very high value-added product and with significant value over the existing products.

Now coming to super speciality carbon black. So I have been talking about value-added products, the journey, and it's a journey. Every time you keep on working on it, you keep on developing and you go one step up the ladder. So we started with very low end of speciality carbon black, just marginal in terms of speciality carbon black. Then we are moving ahead. We are going up the ladder with the new speciality carbon black line coming up, we have moved up the ladder.

Now the aspiration, so I've been always talking about high-value niche market for speciality carbon black, which is a very -- not a very, very huge market, but it's a very, very prime and tailor-made super speciality market, where the value addition is multi-fold of the existing speciality. So in terms of value addition, you cannot compare the two products.

That's why you are seeing at only 6,000 metric tons, but the value addition will be very, very high. So this is the product we are targeting now. And we have given FY28 as when we'll start the capacity. And this will be a very big game changer for the company going into a very, very niche market, high value-add market with a very strong ROCE.

Sanjesh Jain: No, my question is that we just started a speciality plant. Why did we do that? We could have straight went into manufacturing the same, which is we are converting the old plant, right?

Anurag Choudhary: No, no, we are not converting the speciality plant. We are converting the commodity...

Sanjesh Jain: The rubber side of the...

Anurag Choudhary: Right, right. And speciality why we went -- see, you cannot leave one market and focus on one market. See, these players buy speciality, they buy super speciality. So you have to have the entire portfolio in your basket. It's not that I'll sell you only the best product, high-margin product, others you buy from others. That never works. So for that, you have to have the entire portfolio with us.

Speciality is the stepping stone to go towards super speciality. That's why we have to strengthen our position, make us very strong in speciality, that gives the confidence to the customers that they have the ability. So if you're not doing a speciality or super speciality, first question is, first you do speciality, then talk about super speciality. That's it.

Sanjesh Jain: No, no. But I just want to understand like conductive grade, it helps in improving the conductivity in the material. What property does this super speciality adding in, say, engineering plastic and EV, what really characteristic is this adding there?

Anurag Choudhary: See, because of competitive nature, I don't want to disclose all these technical details on a con call. So we have clearly articulated which is application is this, and I don't want to go into technical details of the subject.

Sanjesh Jain: Got it. No, no, no, that's fair. That's fair enough. Second, what is the market size of, say, carbon nanotube globally and the super speciality?

Anurag Choudhary: So if you look at the carbon nanotube, it's evolving market. Today, it is around 30,000 metric tons, which is growing every year. And a lot of -- what is happening, this product is getting more and more applications and user industry. So it's a new product, new technology, which is working now.

And over the years, you will find the uses multiplying, the growth will be phenomenal. So this is a growing industry, new age industry, advanced material industry. Coming to super speciality, the market is around 300,000 metric tons.

Sanjesh Jain: Okay. No, no, no. Super speciality is 300,000 metric tons? I thought speciality is even...

Anurag Choudhary: Speciality is very high. Speciality runs into 1 million, so more than 1 million. That's our normal market.

Sanjesh Jain: Okay. Got it, got it. Now coming to battery materials. So we are getting into anode LFP right now and then silicon probably soon. Now I want to understand LFP market, what is the size of the market today in China? How many players are there in this segment? And how are we approaching this segment?

Anurag Choudhary: So if you look at the LFP market, today, 100% global capacity of LFP rests in China and is mainly dominated by top 5 to 6 players in China. They are the leaders with 75% to 80% of the capacity. Globally, there is no other company manufacturing LFP as of now on a commercial basis. So entire capacity rests with China. And market, if you look at today, we are at 1.5 TWH, 1.6 TWH. And in that, you can say probably 50% is LFP.

And if you look at 50% LFP, that brings you to 800 gigawatt hour. 800 gigawatt hour, that will consume around 1.6 million ton of LFP as of now. But with a growing market, it is supposed to grow to 6-plus terawatt hour by 2035 and majority, 70% of the growth is coming in LFP. So looking forward, the demand for this product is going to be big.

Sanjesh Jain: Got it, got it. And what we are adding or aspiring to add 200,000, that's like we are talking of having a 10% market share of today's market, correct? That's how we are approaching it?

Anurag Choudhary: That's not the right way of looking at it because 200,000, we are projecting in next 5 to 6 years. So by that time, the market will definitely change from what it is today. So actually, we are targeting at 2% to 3%, which is hardly anything.

Sanjesh Jain: Got it. Got it. Now if I want to look at the same economics in anode because I think there are some other players in India also who have announced anode capacity. How are we different? Again, what is the demand in the world? What is the contribution of China?

Anurag Choudhary: So if you look at the anode chemistry, so unlike LFP, every lithium ion cell needs anode. In cathode material, there are different chemistries. There is NMC, CLO, LFP, various chemistries. But for anode, everyone needs anode.

So on a macro basis, 1,600 gigawatts need 1.6 million tons of anode. So anodes are different types, synthetic anode and natural graphite anode. So if you look at 70% of the market is synthetic because of high capacity, stability, quality, sustainability, this product is there.

What makes Himadri unique is that -- see, it's not that everyone is talking about lithium ion, so Himadri has also started talking about lithium ion. This has been our vision since last more than 10, 12 years. We have worked very hard on this to make it happen.

Extensive amount has been invested in terms of research and development capabilities and innovation. We have spent -- if you look at the last year's balance sheet only INR125-plus Crores we have spent, 2.6% of our top line. Current year also, we are spending in the same fashion.

Over the years, we have spent this money on R&D in different products. And we know the chemistry in and out. We have worked on it for years. We are the first company in the world to supply the precursor from pitch to the who's who of anode in China, like I don't want to name, any top 5 players in China before China could make coal tar-based precursors, we made it and we supplied to them.

So we are very seasoned in this industry and strongly positioned and only company who is talking of anode material backward integrated. So we have our own raw material. In addition to that, we have flexibility of using other raw materials. So this brings Himadri in a unique platform.

Other than that, we are working on natural graphite. We will also set up capacity for that. We will set up capacity of silicon carbon. This again brings Himadri into a unique position where we will meet the aspiring and need of our customers, not only through synthetic, but through natural silicon carbon. So I was talking about the strength and USP of Himadri we are into – going to set a plant for synthetic natural and silicon carbon that puts Himadri into unique positioning where we can supply hybrid material to our customers depending on their requirement. Sanjesh, I hope this answers your question.

Sanjesh Jain: Hello.

Anurag Choudhary: Yes Sanjesh.

Sanjesh Jain: Yes Sir. Can you hear me?

Anurag Choudhary: Yes I can hear you please.

Sanjesh Jain: I think they mute me because they were trying to connect you, but now you can hear me. Thank you. That's perfectly clear. So now we have started 200 metric ton of pilot plant in last one quarter, what has been the response? How many samples we have with us and what is the discussion with the client we are having? If you can give us some color, that will be really helpful?

Anurag Choudhary: Definitely. So what happens, from the pilot plant, we were allowed to give sample A. There are four stages, sample A, B, C and D. So now we have supplied sample B to many customers globally and in India, to all the customers in India and many customers, OEMs and manufacturers globally. So once we have the response for sample B, then we go for sample C.

Sanjesh Jain: I'm trying to understand how long this approval process goes?

Anurag Choudhary: This process takes 1.5 years to 2 years.

Sanjesh Jain: So this entire process for us will take almost 1.5 to 2 years. So for us to get into?

Anurag Choudhary: No, we have already advanced the process. So for us, it will take comparative -- by the time we have our plant in operation, we'll have the approvals in place.

Sanjesh Jain: When are we looking that, what would be the potential time line? I know you haven't disclosed that?

Anurag Choudhary: Yes, that's the reason I cannot disclose.

Sanjesh Jain: No, that's fine. We will wait for it. But you're telling generally, it's a very long drawn process in terms of taking approval, correct?

Anurag Choudhary: That's the reason we have started sampling from our commercial gate 200 metric ton plant. So that brings us in the front foot for getting approvals.

Moderator: Sorry to interrupt you, sir. You may rejoin the queue for a follow-up question. The next question is from the line of Deepak Poddar from Sapphire Capital.

Deepak Poddar: Am I audible, Sir?

Anurag Choudhary: Yes, you are audible.

Deepak Poddar: Yes. Just wanted to understand on the anode side, what's the capex amount?

Anurag Choudhary: So we have already spent INR120 Crores.

Deepak Poddar: And how much more to spend here?

Anurag Choudhary: How much?

Deepak Poddar: I mean how much more? I mean this INR120 Crores is the total amount for this...

Anurag Choudhary: There's no more capex we have announced now. Once we formulate our plan for a bigger capacity, we'll come up with public disclosure for the investment.

Deepak Poddar: Okay. Okay. Got it. And LFP Phase 1, what's the timeline for commissioning?

Anurag Choudhary: Q3FY '27.

Deepak Poddar: So that's only 2,000 metric tons, right? So I was talking about Phase 1, 40,000, yes.

Anurag Choudhary: That will be operational in FY '28.

Deepak Poddar: So that will come in FY '28?

Anurag Choudhary: Right.

Deepak Poddar: And for this INR40,000, we are spending around INR1,125 Crores, right?

Anurag Choudhary: Right, right.

Deepak Poddar: And on this 5 capex that we are doing in CNT, SSCB, anode, LFP, cathode and carbazole and anthraquinone. So do we have any kind of understanding so what can be the revenue potential from each of the segment at optimum utilization? So that gives us some picture, I mean, in terms of the overall revenue potential of your new age capex that we are doing, yes?

Anurag Choudhary: See, 40,000 tons as per the today's value will give you -- will give you a INR3,000 Crores top line. For anthraquinone, carbazole, depending on the value, it can give you anything between INR250 Crores to INR300 Crores of top line. Then super speciality carbon black depending on, again, which segment we are targeting, this will be also 3x of our investment -- capital investment, 3x asset ratio.

Deepak Poddar: 3x asset ratio, that effectively means around INR500 Crores, right? I mean?

Anurag Choudhary: INR500 Crores. Right.

Deepak Poddar: Okay. And what about CNT?

Anurag Choudhary: CNT is a small capacity, 200 metric tons. So it will not be substantial. So in the next phase, when we scale up, then the real revenue will come.

Deepak Poddar: Small in the sense what, I mean, INR50 Crores, INR100 Crores?

Anurag Choudhary: Yes, in that kind of, not INR100 Crores, less than INR100 Crores.

Deepak Poddar: Okay, INR50 Crores to INR70 Crores around about. And the last thing is, anode, yes.

Anurag Choudhary: So anode, we have not announced any capital investment in terms of bigger capacity. So this is a plant for approvals.

Deepak Poddar: Okay. But this 200 metric tons, so what is the revenue potential of this 200 metric tons? So this gives us some understanding, I mean, yes.

Anurag Choudhary: So revenue potential for 200 metric tons will be INR120 Crores, INR130 Crores...

Deepak Poddar: INR120 Crores, INR130 Crores. Okay. Okay. I got it. I got it. And in terms of -- are we also in future, have any strategy or planning towards going towards the cell manufacturing or something on those lines, the battery cell manufacturing. So do we have that plan as well or anything on both.

Anurag Choudhary: Not at all. We are a raw material component company, focused on this for the last many, many years. We want to continue in this direction. For cell manufacturing, we have invested in IBC. Idea is not to go for cell manufacturing. idea is to have a commercial play in terms of our product being displayed commercially by using -- by the cell manufacturing company, IBC. So today, Himadri product is no longer a laboratory product. It's a product which is commercially used in cells manufactured by IBC.

Deepak Poddar: Understood. And this INR1,100 Crores bottom line by FY '28 remains intact that I think we have earlier mentioned, right?

Anurag Choudhary: Definitely.

Deepak Poddar: And anything on FY '27, I mean, any outlook, I think you have not shared anything.

Anurag Choudhary: We don't give quarter and year guidelines, never.

Moderator: The next question is from the line of Ranvir Singh from Nuvama Wealth.

Ranvir Singh: I think two of my questions have already been answered. Just to elaborate a little bit on cathode material plan. So 40,000 metric tons by FY '28 and 2 lakh metric ton is our ultimate target in the next 5 years. So I think by FY '30, '31, we are planning this 2 lakh metric ton would be rolled out?

Anurag Choudhary: Right, right in 5 years from now. Right.

Ranvir Singh: And normally, what kind of capex is required to float this kind of capacity?

Anurag Choudhary: So we have already announced for 200,000 tons, INR4,800 Crores of capex.

Ranvir Singh: Okay. And when we talk 2 lakh metric tons, what would be the market share at that time if you have any kind of analysis would be helpful in terms of?

Anurag Choudhary: Global market share for LFP.

Ranvir Singh: Sorry?

Anurag Choudhary: 2% to 3% of the global LFP market.

Ranvir Singh: 2% to 3%. Okay. Okay. Fine. And here in the base business, in coal tar business, what is the capacity utilization of the existing capacity? And plus what we have expanded, I think 70,000 metric tons. So what will be the capacity utilization currently in both the segments?

Anurag Choudhary: 80% capacity utilization. Looking forward during the year, we will be at 90% plus.

Ranvir Singh: Taking it together or separately, you're talking for new capacity...

Anurag Choudhary: Together, together.

Moderator: The next question is from the line of Sagar Jethwani from PhillipCapital PMS.

Sagar Jethwani: Congratulations on a good show. Is my voice audible?

Anurag Choudhary: Yes. Thank you

Sagar Jethwani: Yes. So in terms of the LFP cathode again, how are we competing with the Chinese players? Can you give some confidence there and also insights on the price differentiation with the Chinese player? That is my first question. Yes.

Anurag Choudhary: So in terms of technology, we have developed our in-house technology towards for LFP through years of research and development. And all these products, whether it's anode or cathode is always moving ahead. So we started with Gen 1, Gen 2, Gen 3. So it keeps on moving.

So we have to work hand-in-hand with the customers and keep on developing new qualities depending on their requirement. That is something which is a strength of Himadri. In terms of pricing, we are trying to price our product as same as China. But base is that, we are trying to develop and set up the business.

Sagar Jethwani: Yes. But how does the economics work there? Because we are making considerable margins as well. And at a similar time, we are also competing with Chinese players, which have a humongous capacity and we are priced at almost like at par. So how does the economics work? Just trying to scratch my head over there?

Anurag Choudhary: So see, economics works, basically, we are not dependent on China for anything in this. We are not dependent on raw material. We are not dependent on anything. So our raw material source is different. Our production base is India. So we have cost advantage compared to China in many particular aspects. And given the technology that we are using, have some cost advantage altogether. So that will put us in an advantageous position compared to Chinese players.

Sagar Jethwani: Okay. And also, is there any client commitment regarding the supplies of LFP cathode once the capacity becomes live from Q3FY '27 and also once we are completed 40,000 of capacity. So what gives you that visibility? Is there any client commitment? Can you share some thoughts?

Anurag Choudhary: Yes. Definitely, see, the clients are very encouraged by our samples. And that is one of the reasons. The best example for all of that is the IBC. We supplied our LFP sample to IBC, and they were so encouraged by seeing the quality of the LFP we supplied that they came to us and we formed a strategic partnership because this will put IBC in a unique position where technology is developed outside China with supply chain positioned outside China.

So this is one of the such example. Other than this, we are having very strong relationship and the sample A has been approved. Now sample B trial will start from -- once we have 2,000 metric ton capacity in place, then sample C will go sample D. So that's the reason instead of setting up 40,000 in the beginning, we have set up 2,000 so that the capex is deferred. And we don't have to wait for the orders for the plant to commission. So by the time we have 40,000 metric ton plant, we have all the approvals because the commercial grade plant is operational and then 40,000 plant is up and running in full stream.

Sagar Jethwani: Yes. Just a small follow-up on that. So, okay. Okay. So now actually, I had a different question on CNT also. So what kind of potential revenue in your INR30,000 Crores of revenue guidance that you gave in next 5 to 6 years, are you baking in that? Or is it excluding that? And what is the margin profile? What rate market is growing? Some insights on those lines?

Anurag Choudhary: See, CNT, 30,000, we gave for lithium-ion component, so which includes 100 gigawatt of capacity for anode, cathode and part of it silicon carbon. For CNT, the market is evolving. We start with 200 tons. We see the market, we evaluate the market, very high potential product with very high growth. And depending on how it goes, we will announce our next capex plan for that. These are high value-added margin products.

Moderator: The next question is from the line of Parth Sodha from Trinetra Asset Managers.

Parth Sodha: Am I audible?

Anurag Choudhary: Yes, please.

Parth Sodha: You have guided towards INR1,100 Crores PAT by 2028. So after Q1, are there any assumptions underlying that road map that have changed either positively or negatively?

Anurag Choudhary: See, there is nothing negative. By God's grace, things are moving in the right direction and things are positive only. I don't want to comment or change my projections. So I'll remain at INR1,100 Crores for next year and let the quarter speak of itself what happens. We are very positive and optimistic about the business.

Moderator: The next question is from the line of Harsh Motika from SKP Securities Limited.

Harsh Motika: Congratulations on a great set of numbers for the quarter. Sir, given the West Asia situation that we had in April and May predominantly, how did that affect our realizations per ton and profitability in our core businesses?

Anurag Choudhary: So the best thing is to see the resilience in supply chain, which Himadri has built over the years, which is clearly depicted by the numbers we came up with even going through a deep crisis globally, geopolitical situation, we have been able to post strong numbers. This itself shows there is no dependence on West Asia for our functioning and working.

In addition to that, what is something special about Himadri, even though being a chemical company, but we are not dependent at all on China for any of our products that what happens with China, what happens with the pricing, their dumping, no dumping. So that is something we have built over the years.

Harsh Motika: Sir, also staying on the same point, we do notice that there has been a decline in sales volume for the quarter, but revenue as a total has gone up. How much of that can be attributed to a change in our sales mix towards higher-value products? And how much is on the account of passing over the raw material costs?

Anurag Choudhary: So see, the raw material has gone up because of which the finished product prices has gone up. That is definitely one of the part. But it's a journey in which we are transforming our product into higher value-added product. So that is, at the same time, we are continuing. Every quarter, you see we are improving in terms of bottom line, but with not similar improvement in terms of top line.

The reason being we are more focused on our bottom line rather than top line. The intermediate products are used in-house and converted into finished products and value-added products. So you see the value addition coming. This quarter, you have seen top line growth. Again, next quarter coming, you'll see top line growth from both volume and value.

Harsh Motika: Sir, from the other expenses for the quarter, so if we remove the forex loss that we have booked, the other expenses stand at similar to INR148 Crores, while the same number, excluding forex losses in Q4 was about INR172 Crores. Can you please shed some light on what has led to this decline in other expenses?

Anurag Choudhary: So freight outbound is part of other expenses, which has come down, which has helped us to reduce this cost. Plus we are working on a cost optimization on all the expenses, which is helping us to reduce the cost.

Harsh Motika: And Sir, just one last question on the new businesses that you've announced during the quarter. You've already given us a ballpark idea of what the revenues would look like. Can you also give us an idea of what the margins would be from this business, whether it be CNT or SSCB?

Anurag Choudhary: I don't want to disclose the margins at this point of time. So at the right point of time, the numbers will speak.

Moderator: The next question is from the line of Rohit Sinha from Sunidhi Securities.

Rohit Sinha: Congratulations for a good set of numbers. So most of my questions are already answered. Just one or a couple from my side. One is on the IBC side, we have increased our stake recently to around 19% something. So going forward, is there any target we have internal to take up our stake in this business?

Anurag Choudhary: No, no, no. It's a strategic investment. It's not a financial investment. So we will remain at where we are. And this is -- IBC has developed prismatic cell lithium-ion cell technology out of China in their AI-based R&D center in California, and they have their manufacturing facility in Seoul in South Korea for 50 megawatts, which is a full commercial plant operating.

So now with this integration with IBC, the Himadri product can be seen commercially used in cell. So they have already come up with a new cell like Prabal 2,000, Prabal 3,000 where Himadri LFP anode will be used, Prabal 3000 where Himadri silicon carbon and anode material will be used, hybrid material will be used. Plus they are setting up facility through their technology in India for 7 gigawatt. The work is in progress and expected to commence operation by Q4FY '27. So where IBC is giving the technology to set up the plant in which Himadri raw material will be used.

Rohit Sinha: Got it. But in future also, would be looking to raise our stake, if at all required?

Anurag Choudhary: No. We are not looking to raise.

Rohit Sinha: Okay. And secondly, sir, just on the mining side, as you have highlighted that this quarter, there was no such revenue from mining. So how the licensing progress we have and from coming quarter, any kind of number we can get on the mining side?

Anurag Choudhary: No, we have applied for environmental clearance. It takes time. So we don't have the visibility.

Rohit Sinha: Okay. That will take time.

Anurag Choudhary: It will take time.

Rohit Sinha: Got it.

Anurag Choudhary: It can take 3 months, it can take 6 months.

Moderator: The next question is from the line of Isha Agarwal from VT Capital.

Isha Agarwal: My first question is regarding the big swing that we had seen in forex change from a profit to a loss this quarter. So what's driving it? Is there any change in the hedging policy?

Anurag Choudhary: No, there is no change in the hedging policy because of the huge volatility in the currency, this happened. And this is done with. If you see last quarter also, there was a loss. This quarter, again, there's a loss. From next quarter, there will not be any impact on account of FX negative impact. So this is the last quarter for this because of so much of volatility in the currency, this happened. But looking forward, it's not going to happen.

Isha Agarwal: Okay. Sir, second question related to this. So last year, we had seen good foreign gains, which led to higher other income component. So sir, this quarter, we are again seeing a higher rise in the other income portion. So what is driving that? What component led to such growth if FX was a loss this quarter?

Anurag Choudhary: So this quarter, if you see 2, 3 factors. One, we have deployed a lot of fund in terms of interest in FDs. We have borrowed from bank and CPs and deployed in FDs, so which gives us a delta. So that helps to have interest earning on our investments. Plus, we have made investment in mutual funds. So that is part of it. Other than this, we have made investment in IBC, Sicona, NCDs of Birla Tyres. So mark-to-market of that is also helping us to -- that was the reason for other income.

Isha Agarwal: So Sir, this is the usual run rate that we should assume from now onwards when it comes to other income?

Anurag Choudhary: This will vary 30% to 40% quarter-on-quarter.

Isha Agarwal: Okay. And Sir, last question, the new capex that you have announced. So are we planning to take any incremental debt or in FY '27, the free cash flow will cover that?

Anurag Choudhary: Yes, definitely, the free cash flow will cover that. There is no question of any incremental debt.

Moderator: The next question is from the line of Bhavin Chheda from Enam Holdings.

Bhavin Chheda: Congratulations on excellent number and very exciting projects over the next 5 years. What would be the year-wise capex, if you can guide for next 2 or 3 years? Total consolidated.

Anurag Choudhary: Yes, total capex we have announced is around INR2,000 Crores, INR1,125 Crores for LFP, INR368 Crores announced yesterday. So that brings to around INR1,500 Crores of capex, plus INR500 Crores of capex this year in Birla Tyres. So total INR2,000 Crores. Out of this, we expect around INR1,000 Crores of capex happening this year and INR1,000 Crores next year.

Bhavin Chheda: INR2,000 Crores. And coal tar pitch, you are at 6 lakh tons. So there, no capex is happening?

Anurag Choudhary: There is no capex is happening. Right.

Bhavin Chheda: Distillation and no capex. So INR1,000 Crores this year, then INR1,000 Crores next year?

Anurag Choudhary: Right.

Bhavin Chheda: Right. And Birla Tyres, I think I heard on your CNBC interview, your quarterly sales was INR127 Crores?

Anurag Choudhary: Right, right.

Bhavin Chheda: Okay. And that's EBITDA positive?

Anurag Choudhary: Not yet. So now Birla Tyres is reflected on Dalmia Refractory balance sheet. So once it becomes part of Himadri, then the numbers will come. So it is through a subsidiary that we are selling. Tyres, that revenue is recognized in Himadri.

Bhavin Chheda: So the difference between consolidated sales and stand-alone sales is largely Birla Tyres?

Anurag Choudhary: It's largely -- largely Birla Tyres, yes.

Bhavin Chheda: Okay. And in case of the core business, coal tar and carbon black, these margins are sustainable?

Anurag Choudhary: Definitely, the way we have built up the business over the years is on sustainable value margins. So if you look at coal tar pitch, which we supply material to our customers at the lowest price globally. Did you hear me answer.

Bhavin Chheda: Yes, I think you said INR1,000 Crores this year, next year margins are sustainable. And sir last question on the tyre ramp up, if any guidance there?

Anurag Choudhary: So we are ramping up quarter-on-quarter if you see compared to the last quarter this quarter is higher in terms of volumes, in terms of sales. We will continue this trajectory and in next 4 years to 5 years the target is to reach INR3,000 Crores of top line in Birla tyres.

Bhavin Chheda: And what is the EBITDA breakeven level for the turnover?

Anurag Choudhary: We reach EBITDA breakeven in this financial year only. We will be cash positive.

Bhavin Chheda: This financial year?

Anurag Choudhary: Yes, will be cash positive.

Bhavin Choudhary: Okay. Thank you, sir.

Moderator: Thank you. The next question is from the line of Tanvi Warekar from Anand Rathi Institutional Equities.

Tanvi Warekar: Just a follow-up on the LFP cathode pricing, where you said that your pricing is competitive versus China. Just wanted to know from our workings, we arrived that we won't be making any money like we are arriving at a gross -- negative gross spread on this if we compare the China pricing versus the input cost calculation. So just wanted to know like where are we sourcing the lithium carbonate because that is like a major driver for the spreads on LFP. Do we have any advantage over there?

Anurag Choudhary: See, I'll suggest that it is not possible for you to calculate my cost on Excel sheet and come to a conclusion. It took a long time for us to come to a conclusion and see how to make profit. And on Excel sheet by seeing at few prices, you cannot determine what is the margin. But we are confident we'll work on it, and I cannot disclose my sources. That is confidential.

Moderator: The next question is from the line of Bhavika from Niveshaay.

Bhavika: Am I audible?

Anurag Choudhary: Yes, please.

Bhavika: Yes. So basically, most of my questions have been answered. I need to know as we continue to emphasize that we are shifting our product mix and that will lead to a higher profitability. So can you like tell us like what's the product margin mix from the current capex which we are doing, if you can broadly explain or in terms of pricing difference, if you can explain that, if not possible, with the margin?

Anurag Choudhary: Pricing difference as we move up the ladder, we go for the niche product, all the capex we have announced yesterday has significant high margins and significantly differently priced altogether. So there will be no comparison between what we are doing, what pricing we are doing, what margins we are having today and what margin will these products bring.

Bhavika: So how do you expect our blended EBITDA margin to go over the next 2 to 3 years?

Anurag Choudhary: So you calculate on the basis of what we are performing.

Bhavika: Sorry, I didn't get it.

Anurag Choudhary: You calculate on the basis of our results, what we are performing.

Bhavika: Okay. And also -- okay, got it. Also, sir, like as we are talking about the anode side, the pilot plant which we have, as per my understanding, we are doing with meso coke technology, which is different than other players in the market. And when we look at the other players, they have been doing the pilot plant since like years. So how confident we are that we will be able to onboard customers for our anode like pilot plant? How -- like are we seeing the traction from the customer that they are getting the confidence on our product as compared to...

Anurag Choudhary: First of all, no one is doing this product before Himadri. Himadri is a pioneer in this. So there's no other plant in India who has pilot plant before Himadri. So Himadri has set up 200 ton plant now, but pilot plant is there for last many, many years. And we have done -- and we are doing it on different types of raw material. So our raw material is one of it, other raw materials.

So we have all the varieties of finished product available with us, depending on the appetite requirement and specific uses of the user industry, we will produce the anode material and supply to them. Depending on what price they give, depending on what quality they want, we will do it.

Bhavika: So are we currently seeing any traction from the customer that they are?

Anurag Choudhary: Definitely. There's a huge traction from the customer traction. Because of the quality of what we are producing, there is great interest from customers in India and globally.

Bhavika: Got it. So what's the timeline we can expect them getting converted on the full-fledged commercialization at a large scale, if you can guide on that?

Anurag Choudhary: See, I have not made any public disclosure on that. So on a call, I don't want to make any public disclosure. So once we come up, we will come up with -- we'll come up with the announcement, formal announcement for the capacity.

Bhavika: Okay. And Sir, just last one clarity on the super speciality carbon where you have mentioned. Can you explain like how this is different from the speciality carbon, like you have already explained a bit. But I want to know in terms of application, like how it differs in terms of application? And what -- like how big the market TAM is for the particular super speciality carbon black we are talking about.

Anurag Choudhary: Yes. I told the market is not very big, very specialized 300,000 ton market and very niche application, very high value-added applications. I don't want to go into details of application as such. But if you look at margins, the margins are significantly higher than speciality carbon black. So there is no comparison between speciality margins and super speciality margins. These are significantly higher.

Bhavika: Okay. And sir, in the previous answer, you once mentioned that you are also focusing on the natural anode like synthetic anode you were talking about -- natural anodes you were talking about. As we are already in synthetic anode like materials, then why we are going for the natural, like I want to understand from where we are seeing the traction in the market in the industry, if you can?

Anurag Choudhary: So some customers need low-value anodes. Some need medium value, some need high value. So depending on customer appetite, we should have all the products available with us. Some need blend anodes, natural synthetic silicon. So as an anode producer, we will showcase a unique proposition to our customers, having all types of anode material.

Bhavika: So like what's our plan in the natural side, if you can -- like do we have current...

Anurag Choudhary: Natural also -- already we are producing natural anodes. Synthetic we are producing. Silicon carbon, our partner is producing. So all will be integrated in Himadri over a period of time.

Bhavika: Okay. Got it. That’s all, sir. Thank you so much.

Anurag Choudhary: Thank you so much.

Moderator: Thank you. Due to time constraints, we take that as the last question of the day. And now I hand the conference over to Mr. Anurag Choudhary for closing comments.

Anurag Choudhary: Thank you. Thank you so much. Let me close by thanking each of you for joining us today and for your continued interest and for thoughtful engagement we continue to receive around

Himadri. I hope our discussion has given you a clear sense not just of where we stand today, but of the direction in which we are building the business.

As I mentioned at the outset, we are pursuing our ambition with discipline, funding it from our own balance sheet and building it on firm foundations of safety, sustainability and trust. I remain confident that the decisions we are taking today will compound into meaningful and lasting value over the years ahead.

We would like to thank all our stakeholders and partners for their continued trust and to the entire Himadri family. Thank you for your dedication and commitment that makes all this possible. Our Investor Relations team remains available for any further questions and would look forward to staying engaged in quarters ahead. Thank you once again and I wish you all a very good evening. Thank you.

Moderator: On behalf of Himadri Speciality Chemicals Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.