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GRP
IMPACT POSITIVE

Dated: 30.07.2026

To **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. **Scrip code : 509152**	To **National Stock Exchange of India Ltd.** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051. **Symbol : GRPLTD – Series: EQ**

Dear Sir / Madam,

Subject: Submission of Transcript of Earnings Call for Q1FY27

Please find enclosed herewith transcript of earnings call held with analyst / institutional investors on Monday, 27th July, 2026 at 03:00 p.m. (IST) to discuss Company's operational and financial performance for Q1FY27.

Kindly take the same on your records.

Thanking you,

For **GRP Limited**

Sonal Jaju
Digitally signed by Sonal Jaju
Date: 2026.07.30 20:08:57 +05'30'

Sonal Jaju
Compliance Officer and Compliance Officer

Encl.: As above.

"GRP Limited
Q1 FY27 Earnings Conference Call"
July 27, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recording is uploaded on the stock exchange on July 27, 2026, will prevail

MANAGEMENT: **MR. HARSH GANDHI – MANAGING DIRECTOR – GRP LIMITED**
MS. SHILPA MEHTA – CHIEF FINANCIAL OFFICER – GRP LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to GRP Limited Q1 FY27 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Harsh Gandhi, Managing Director, for his opening remarks. Thank you, and over to you, sir.

Harsh Gandhi: Thank you. A very good afternoon to everyone and thank you for joining GRP Limited's quarter 1 earnings call for fiscal year 2027. I'm joined today by our CFO, Ms. Shilpa Mehta; and by our Investor Relations advisers, SGA.

Our investor presentation has been uploaded to the stock exchanges and on our website, and hope all of you have had an opportunity to go through the same. For several quarters now, we have said that FY 2027 would be the year in which the investments that we have made over the last couple of years across our businesses begin to reflect in our operating performance.

This quarter is an encouraging step in that direction. And more than the headline numbers, it is early evidence of something we have been working towards for a long time, an integrated circular materials platform we set out to build is starting to come together.

Turning to performance. The consolidated total income for the quarter grew 26% year-on-year to INR1,573 million on the back of volume growth, mainly attributable to the Pyrova Energy capacity utilization and improving realizations with both domestic and export markets contributing meaningfully.

Importantly, that growth led to an EBITDA rise of 60% to INR174 million and EBITDA margin expansion by 233 basis points to 11%, even as raw material costs rose sharply during the quarter. Profit after tax more than doubled to INR42 million for the quarter. In the quarter of significant input cost inflation, operating leverage, product mix and cost discipline did the heavy lifting. You would have also noticed a change in how we present the business.

As the integration across our end-of-life tire value chain has deepened, we have regrouped our operations into 2 segments: Rubber Recycling, comprising Reclaim rubber, Custom Die Forms, and the newly instituted Pyrova Energy; and Others, comprising Engineering plastics, our Windmill operations, and the residual Polymer composite business.

In case of rubber recycling, the clubbing of the BUs is a reflection of how these businesses operate together in synergy with one another. The rubber recycling business led the quarter. On a stand-alone basis, the segment revenue grew 34%, of which Reclaim volumes grew 12%

and reclaim export volumes rebounded 20%, as customer order patterns normalized following the easing of U.S. tariffs.

Domestic demand stayed healthy with our market share staying intact. Despite elevated raw material costs and extreme volatility in global logistics, better realizations and manufacturing efficiencies supported a healthy expansion in the segment margins. Within this segment, Pyrova Energy is where the platform thesis is becoming most visible and its performance is improving with each passing month.

During the quarter, the plant achieved its longest continuous reactor run since commissioning, an important milestone because stable, continuous operation is the precursor to throughput, reliability, and commercial performance in a continuous pyrolysis process.

Both our crumb rubber and continuous pyrolysis facilities have now largely stabilized. And our focus is shifting to raising utilization, expanding customer approvals, improving process efficiencies, and progressing towards the commencement of recovered carbon black production. The cumulative investment under Pyrova now stands at approximately INR91 crores.

The more important point, however, is synergy. While the Pyrova business is shy of achieving stand-alone profitability, as it scales alongside Reclaim Rubber, the 2 businesses will increasingly reinforce one another through shared feedstock and sourcing capabilities. In the future, these synergies will also be realized across the energy needs of Reclaim, and more importantly, a possible common customer base.

This integration is what will structurally lift rubber recycling margins as the platform matures and there's a genuine source of advantage that will be difficult to replicate.

Plastics and others:

In the Others segment, revenue was broadly stable against a higher comparative base that included the polymer composite business, but the quality of business has improved markedly.

Engineering Plastics grew volumes 27%, helped by domestic automotive demand and a more favourable virgin nylon pricing environment. And our Repurposed Polyolefin business, run mostly through our subsidiary, delivered a clear turnaround in profitability.

Together, our plastic verticals expanded EBITDA margins by 14 percentage points year-on-year on a 10-point improvement in gross margin, reflecting a better product and customer mix and continued cost discipline. Behind this sits a regulatory tailwind that is clearly strengthening. Plastic EPR norms are getting tighter, and brand owners are becoming markedly more serious about implementation.

At the same time, we want to be realistic. The on-ground challenges of collecting waste effectively and improving yield remain real and persistent challenges and building a dependable, compliant recycled content supply chain will take a significant sustained effort.

We would, however, rather build that capability effectively than chase short-term volume, and we believe that discipline will be rewarded as the regulation matures.

Stepping back for a moment, our sector is drawing growing interest and rightly so. What distinguishes GRP is not a single product or a single plant. It is a 5-decade integrated platform spanning reclaim rubber, crumb rubber, and now tire pyrolysis oil and rCB along with engineering plastics, serving 8 of the top 10 global tire manufacturers and with more than half of our revenues coming from exports.

We are also the first reclaim rubber manufacturer in the world to earn the ISCC Plus certification, an affirmation of our capability and possible synergy with certain set of customers. As this platform matures, that breadth and integration is what converts into durable, structural margin growth, and that is precisely the trajectory our targets are reflecting.

While the external environment remains dynamic, we are confident in the medium-term direction of each of our businesses, and I'd like to share what we are aspiring for with you. In our tire recycling businesses for Reclaim Rubber, for example, we expect volumes in FY 2027 to grow by close to 20% over the prior year.

And over the next 3 years, we expect Reclaim Rubber to continue a sustained, midterm -- mid-teen volume growth on the back of new product introductions, translating into a healthy double-digit revenue growth and with EBITDA margins improving from the roughly 9% to 10% average over the last couple of years towards 10% to 14% as the synergies with Pyrova progressively come through.

For Pyrova Energy, we expect to steadily scale capacity to 45,000 tons as we stabilize the technology, followed by a further 30,000 tons capacity addition in FY 2028. On profitability, we expect margins to build from a single digit during the ramp-up stage that we are currently in to move towards 18% to 20% once the rCB facility is commissioned, operational and mature with customer approvals. That step change that will turn Pyrova into not just a growth engine, but an important profitability pillar for the company.

In our plastic recycling business, our nylon and polyolefin recycling verticals, we expect over a 20% growth this fiscal, followed by a mid-teen growth through FY 2030, while maintaining a stable EBITDA margin of between 10% to 15%, supported by tightening EPR regulation and our continued focus on value-added products. Taken together, these targets describe a business whose margins will expand structurally as the platform matures, and which is the essence of what we are building.

A brief word on our sustainability actions. Renewable energy accounted for approximately 48% of GRP's stand-alone power consumption in FY 2026, up from 37% a year ago. This is well ahead of our stated target of 50% by FY 2028, which we should reach in the current fiscal.

We published our first sustainability report during the quarter for FY 2026, in line with globally recognized reporting standards, and we continue to focus on measuring and reducing emissions, increasing renewable energy use and improving resource efficiency across our operations. To close, a strong start to fiscal year 2027, a platform that is visibly coming together and a clear, disciplined target to build on it.

With that, I would like to hand over to our CFO, Ms. Shilpa Mehta, who will take you through the financials in detail. Thank you.

Shilpa Mehta: Thank you, Harsh. Good afternoon, everyone. Let me take you through the consolidated financial performance for the quarter. Total income for Q1 FY27 increased 26% on a year-on-year basis to INR1,573 million from INR1,247 million, supported by strong volume growth and improved realizations across our businesses.

Total EPR income for the quarter was INR49 million compared with INR46 million in Q1 of FY26; excluding EPR, the underlying business continued to deliver healthy growth. Gross profit stood at INR760 million at a gross margin of 48.3%.

While gross margin moderated on higher raw material costs, EBITDA margin expanded to 11% from 8.7% on operating leverage and efficient cost management. EBITDA increased 60% year-on-year basis to INR174 million. Profit before tax stood at INR84 million, up 161% year-on-year basis and profit after year rose to INR42 million after adjusting for prior period items.

Beyond the operating performance, we improved our working capital cycle by 8 days to 86 days, reflecting continued operational discipline. We remain focused on maintaining a prudent balance sheet while investing in our strategic growth initiatives with a disciplined approach to capital allocation.

With that, we would be happy to take your questions.

Moderator: Thank you. We will now begin the question-answer session. The first question comes from the line of Shivam Gupta from Trinetra Asset Managers. Hello, Mr. Shivam Gupta. Can you hear me? As there is no response from the line of current participant, we'll move to the next question. And the next question is from the line of Raj Mehta from Wisdom Advisors.

Raj Mehta: Hello, am I audible?

Moderator: Yes.

Raj Mehta: And my first question is that following the tariff-related disruptions last year, so have you observed any permanent changes in the competitive landscape? So specifically, has GRP been able to win customers from global competitors? Or has the market largely reverted to pre-tariff dynamics?

Harsh Gandhi: Sure. Raj, I suggest if you can ask all the questions, and I'd be happy to address all of them rather than doing it one at a time.

Raj Mehta: Sure, sure, sir. So, my second question is that this quarter benefited from export recovery volume growth and improving contribution from new businesses. So, looking ahead, which of these do you expect to be the largest contributor to earnings growth for the remainder of FY27?

And lastly, after delivering a strong start to FY27, how confident are you about sustaining this trajectory while appreciating that you may not provide formal guidance. Could you indicate whether management expects FY27 to deliver double-digit revenue growth along with further EBITDA margin expansion versus FY26? That's it, sir.

Harsh Gandhi: Okay. Thank you, Raj. I'll try and take the questions in the order as received. So, the tariff-related competitive landscape, I think we've indicated this in the past. On account of the tariff, one particular business line, which is polymer composite, we have permanently shut down. So that is a permanent impact to the revenue as well as the margins coming or accruing from that particular business.

As far as the other businesses are concerned, which is Reclaim Rubber and the Custom Die Forms, we've seen that the volumes have restored to the past levels as was the case prior to the tariff implementation. As a matter of fact, on account of the currency, there is an overall positive impact in terms of margins compared to pre-February 2026.

So yes, net-net, there has been a change, which is for the positive. Not all of it is attributable just to these 2 businesses, but the loss on account of composites is a real onetime loss. There is also some amount of tariff that the customers are starting to receive credits for. And there's a possibility that this margin, therefore, for GRP may increase in the future. But at the moment, that visibility is not known. So that's the status as far as the tariff is concerned. Having said that, this is all to do with the direct business.

I have indicated in the past that GRP has lost some volume of business on account of indirect impact of tariff, which is our exports to some of the other countries, which was a base for manufacturing goods that were being supplied to North American markets. Some of that volume has honestly not come back yet because those volumes by those large global tire companies was diverted to other markets, and we are yet to see those impacts come through.

So, if I was to again sum up, loss of volume on account of polymer composite is permanent. Return in the business of direct exports to U.S. is back and at a healthier margin than before. Indirect business impact on account of the tariff to non-U.S. countries is not fully recovered and hopefully will be recovered through the rest of the year.

Your second question was regarding the different business units and the margins prospects from that. And your third question was regarding the expectation as far as growth and EBITDA for FY27 is concerned. I think I already indicated, I mean, this is one of the first things -- I mean, first time that we kind of provided an outlook.

But again, I'll recap it was already covered in the opening remarks, which is that we are expecting a close to overall 20%-plus revenue growth in the current fiscal on the back of the new business, which is the Pyrova Energy, growth in the Reclaim Rubber capacity and resultant order book there as well as the Plastic division scaling to a newer high.

So, all of this should help us deliver a significantly higher revenue growth. And all things pending, as we said, since this platform is kind of getting built and the structure -- structural changes coming to light, I do believe that this margin that we have generated in Q1 is not a onetime margin generation.

I do believe this will only continue to improve from here on forward. So that's broadly how -- where I would leave it as far as the business and the EBITDA margin guidance is concerned for the year. I hope that answers all your questions, and happy to move to the next.

Moderator: The next question comes from the line of Saransh Gupta from SVAN Investments. Hello, Mr. Sarang Gupta. Can you hear me? As there's no response from the current participant line, we'll move to the next question.

And the next question comes from the line of Shivam Gupta from Trinetra Asset Managers. Mr. Gupta. Can you hear me? Mr. Gupta. Can you hear me? As there's no response from the current participant line, we'll move to the next question. The next question comes from the line of Saransh Gupta from SVAN Investments.

Saransh Gupta: Sir, am I audible?

Moderator: Yes. You are audible. Please go ahead.

Saransh Gupta: Congratulations on a great set of numbers. So, I have 2 questions. I'll just put them across. So, I just wanted an update on the rCB project. Like have the customer trials been done? And what kind of revenues we can expect along with the margins? And the second one was like our engineering plastics volume grew 27% in this year. So, I just wanted to understand like what drove this volume growth.

Harsh Gandhi: I'll -- I mean, as far as the rCB is concerned, I think we've already indicated in our investor presentation as well. I mean our first phase was commissioned in October 2025, and that stabilized by March of 2026. As I said, month after month, there is an improvement in performance when it comes to pyrolysis. Our rCB plant is under commissioning -- will be under commissioning starting next month and hopefully will be commissioned by October of 2026.

I assume it will take at least a month or 2 before it stabilizes and starts becoming productive in terms of sale. I mean there will be a couple of months where there will be commissioning trials as well as product trials that will be ongoing. So, I expect that by Q4 of this fiscal, rCB will start meaningfully contributing towards the overall performance.

As I indicated, once rCB is completely set up, then the entire Pyrova business has the potential to generate between 18% to 20% EBITDA. But that will depend on stage gates in terms of customer approvals, as well as optimal utilization of the reactors as well as the rCB capacity utilization.

We are hoping that, that can happen at the earliest, but this is all subject to and dependent on customer approvals for the product and the stabilization of the technology. So, one can expect that FY28 is when this business will kind of attain maturity to be able to deliver that kind of margin percentages.

Your second question as far as the drivers of growth on the plastic business is concerned. I think bulk of our plastics, which is nylon, continues to be sold mostly to the automotive industry, but also some parts of the furniture and the appliance industry. We have been able to get some approvals in the appliance sector during Q4 of FY 2026, and some of that is translated into commercial volumes in this quarter.

But bulk of the growth was on account of the OE demand in the automotive industry. Whether this will replicate or not remains to be seen as far as nylon is concerned. But we remain fairly bullish because there are regulatory developments (factually corrected) that govern use or that mandate the use of circular plastic materials in automotive. And we continue to hope that, that will create demand maturity for our nylon business.

Our polyolefin business has also grown in terms of overall revenue, but there has been pretty flat -- but it has been pretty flat when it comes to volumes. And this is mainly, as I mentioned, on account of us being selective with the choice of customers, product categories, and also end applications.

We are looking to move into certain specialty sectors within the polyolefin space as well. And that is why the margin expansion has happened, which was the next part of your question. We will continue to maintain a healthy balance between the packaging appliances and automotive sector when it comes to the polyolefin business.

While our nylon business will continue to focus mostly on automotive, followed by furniture and appliances businesses. So, this is broadly the canvas of the plastic business, where we are focusing on, where the growth will come from and how the margins are accruing. I hope that answers all your questions. We can move possibly to the next.

Moderator: The next question comes from the line of Tanmay Golecha from 360 ONE Capital.

Tanmay Golecha: Hi. Congratulations on a great set of numbers, clearly a turnaround for the company. I just wanted to ask if you can comment on the rubber inflation and how do you see it continuing for the year or prices to stabilize at a certain point? And how much has it increased in the past 1 year? Yes, you could start with that.

Harsh Gandhi: Tanmay, if you have a couple of other questions or 1 or 2 more, happy to address all of them unless this is the only question, in which case, I'm happy to answer this.

Tanmay Golecha: Yes, this is the only question for now.

Harsh Gandhi: So, the answer on how long will the rubber inflation last, I don't think I'm qualified enough to answer that question. Yes, I mean, our revenue growth, partly, as I mentioned, out of the entire growth, I mean, about 12% has been volume growth. However, the overall revenue growth has been about 30%-odd. So, the balance is on account of price movement and a large part of those prices are transferred to the customers.

But against this backdrop, I mean, our raw material prices have also moved up as is evidenced in the gross margins. And as you know, that most of our pricing contracts run on either quarterly, 6 monthly or annual basis. So, there's generally some amount of lag before the pass-through entirely happens. But we would say we've been able to achieve a large part of the pass-through on raw material costs into the customers' pricing as we speak.

How long -- I mean, I think at least the projections, the way things stand, it will take some time before prices will reverse, especially on account of this being an El Niño year, there are expectations of natural rubber to behave in a certain way. Synthetic rubber prices, as you are aware, is very, very closely linked to the oil prices.

And hazarding any guess in that is not going to be worth any of our time, if I may. So, as we speak, I mean, this revenue -- I mean, volume growth of 12%, we are hoping to maintain a double-digit volume growth for this year. And that should, therefore, translate into, as I indicated, closer to a 20% overall revenue growth for the company.

Tanmay Golecha: Got it. And sorry, my second question is on the capex plan. Can you quantify the FY27 and FY28 capex? And also, if we have any plan or what the plan is for deleveraging the company?

Harsh Gandhi: Yes. So as far as FY27 is concerned, we have a targeted capex of between INR90 crores to INR100 crores. And bulk of this will be going in, what you call it, expansion of the pyrolysis lines, adding 2 more pyrolysis lines to take us to the 45 KTA that I alluded to in the opening comments as well as the rCB plant, which will be commissioned by October of 2026.

In addition to that, we are adding some sort of debottlenecking and -- I mean, we are adding capacity to debottleneck the overall reclaim rubber plants as well. So, combination of all of this would be between INR90 crores to INR100 crores of investment or capex in FY 2027. As far as FY 2028 is concerned, depending on the success of the entire Solapur facility coming through, we will take a call on capex for FY 2028 only in the second half of this year.

So, at this stage, it may be a little premature to put out an announcement of the likely numbers. But we remain committed towards the overall investment of the INR250 crores, which we set out about 18 months ago. And with some of these investments being completed, we will still have room for about another INR100 crores of expansion towards that target of INR250 crores. Whether all of it will happen in FY28 or will spill over to FY 2029, maybe a little early to comment.

But directionally, we are committed to creating another 30,000 tons capacity for pyrolysis along with a 12,000 tons capacity for recovered carbon black in our facility in Gujarat as well and doing some more debottlenecking in the reclaim rubber business with the new technologies to add some more capacity there as well. So, we continue to remain firm on our plan, and we have an eye on that number, and we will invest as the opportunity presents.

Tanmay Golecha: And on the deleveraging?

Harsh Gandhi: I think the deleveraging is -- I mean, timing of that is not entirely in our hands. So, we will take appropriate calls on deleveraging as the opportunity again presents itself. At least as things stand now, we do expect these businesses to start generating cash flow. Yes, if we want to accelerate the next phase of expansion in Gujarat plants, we will need to deleverage, but there are no firm plans at the moment on the table.

Moderator: The next question comes from the line of Shivam Gupta from Trinetra Asset Managers.

Shivam Gupta: Hello, am I audible?

Moderator: Yes.

Shivam Gupta: I want to know like how customer conversation has evolved? Like are customers increasingly approaching GRP for sustainability-led material solution rather than purely on prices?

Harsh Gandhi: Sorry, could you repeat that question again? I didn't hear you clearly, Shivam.

Shivam Gupta: Right. I want to hear like how customer conversation has evolved? Like are customers increasing, approaching GRP for sustainability-led material solution rather than purely on prices?

Harsh Gandhi: I think it's a combination. I wouldn't say it's either or. I mean the circular materials that we offer our positioning is always on the basis of value, not just price. We do offer or our products do offer a certain set of advantages when it comes to mechanical and chemical properties in addition to being sustainable and helping them fulfil their end-of-life obligation.

And in addition, also offer them commercial value for switch over to, I would say, a value material available at a much lower cost than the virgin materials. The context of the discussion changes depending on what are the prices of virgin rubbers. As we speak now with the volatility in oil prices as well as the demand-supply mismatches in the synthetic rubber, carbon black and other materials, reclaim rubber is being looked at as a fairly strong alternative.

And also, a lot of carbon black manufacturers and others are looking at TPO and other materials also fairly seriously to replace virgin materials. In plastics, it's a combination of regulation that is driving the conversion as well as cost that is driving the adoption. So, I think it's a combination in each material category by each industry.

Moderator: The next question comes from the line of Mohit Oberoi from PJ Investment

Mohit Oberoi: Congratulations on the good set of numbers. So, I had a couple of questions. Should I ask them in one go only?

Harsh Gandhi: Yes, please.

Mohit Oberoi: Okay. So first one is that last year, export volumes were impacted by U.S. tariffs, whereas this quarter, you have reported a recovery in exports and a 12% increase in reclaim rubber volumes. Could you help us understand how much of the recovery is simply demand normalization versus actual market share gains? Also, our export book -- order books today back to pre-tariff levels? Or is there still meaningful room for recovery? This was my first question.

Second is, despite gross margins declining by around 180 basis points, EBITDA margins expanded by over 230 basis points due to operating leverage and cost discipline. Which of these improvements are structural and sustainable? And what EBITDA margin range should investors think about once Pyrova reaches stable utilization?

I had one more question that is management mentioned that cumulative investment in Pyrova has reached approximately INR91 crores and that the unit is stabilizing before scaling further. Could you share the current utilization level and operational milestones remain before commercial scale operations? And by when you expect Pyrova to become EBITDA positive? That's all.

Harsh Gandhi: Thank you, Mohit. These were fairly loaded questions, but equally very insightful. So, thank you for the same. I'll take them one after the other. Obviously, as far as the export volume itself is concerned. There is -- sorry, go ahead, Shilpa. There's a 20% growth in the export volumes. Bulk of it is the exports to North America, which have kind of come back.

But we've also started to see some growth from Europe and some of the other markets. This is purely on account of a sustained effort. I mean, again, earlier this year, I had indicated that we're kind of investing in and setting up a base in Europe for serving the Western Hemisphere. So, some of that is starting to pay off. And as a result, we're seeing a likelihood of increasing growth in the coming years in the export geographies.

To your question, whether this was a onetime or whether there is still room for growth, I do believe there is more room for growth in certain geographies where hitherto, while we did have a presence in, the value was not compelling enough for the customer to look at us. However, with the introduction of several new categories of products, as I've indicated, these are deploying newer technologies as well as a higher performance set of material.

We are finding the adoption of these products in North American as well as European and Latin American markets fairly encouraging. So, we do believe that we will go back to exports becoming a dominant share of the total sales as far as reclaim rubber is concerned.

We are also enthused by the possibilities that tire pyrolysis oil as well as recovered carbon black will have markets outside of India. So, while our team focuses on reclaim rubber, we are also equally focused on starting to build a presence in those businesses in the international markets.

And as and when they come to fruition, I do believe that the overall margin profile will reflect the gains from the export customers. Our share -- I mean, you mentioned what are the market shares. I think in domestic industry, our market share remains marginally increased. I think it has grown by about 1% compared to the last year, this thing.

While exports out of India, our share continues to be more or less the same. But in the geographies where we choose to export, and I think there are certain geographies where we have deliberately stayed out of for the geographies that we focus on, our market share has actually grown from India as well.

So, in a nutshell, to answer your question, exports continue to be more promising from a margin perspective. We have restored all of the lost volumes and are eyeing for more. Our domestic share has marginally improved, while our export share in the geographies we concentrate on and focus on has increased as well. So that answers the first part of your question.

Your second question was on the gross margin to EBITDA and whether it is structural versus onetime. I think one has to look at each of these businesses stand-alone. I mean, we are now starting to see the full impact of the pyrolysis.

So let me actually take the third question first, and then I'll come back to the margins later. As far as the operational milestones are concerned on Pyrova, I think the first phase was on ensuring that the pyrolysis reactors start functioning, producing at the throughput that it was desired for and running on a continuous basis for a certain number of days.

The threshold in the industry from a performance perspective is for a run of minimum of 25 days in a month and a 4-day shutdown on the pyrolysis. I'm pleased to share that in the month of July, we've been able to achieve that level of performance, which gives us the confidence that the technology that we have chosen and the throughput that we are now generating is here to stay.

So, there's no more ambiguities or questions around replicating the same in terms of technology. That to us was the first milestone, Mohit, to be able to generate a 25-day run at a certain throughput, which we have already crossed.

The second threshold would be the commissioning of the rCB plant and then also generating the quality of recovered carbon black that would be usable by the tire industry. So, while we will commission the plant in October of 2026, I do believe it will take us several quarters before we can get a product which can be approved and used by the tire industry.

However, we've done some work on our pilot plant. Some of it is material that is likely to be used in the carbon black manufacturing process and used by the carbon black manufacturers. And that has been encouraging, and that gives us the confidence that as the pyrolysis -- sorry, as the recovered carbon black facility is commissioned, we will start having a market for this outside the tire industry in the carbon black industry as well as possibly in the non-tire sector. So that would be the second milestone, which is the stabilizing of the rCB product.

The third milestone would be the approval from the tire industry, and that will provide us a significant value add for the recovered carbon black. Thereafter, it is about replicating that model and figuring out what is the right size of crumb pyrolysis and rCB operating in a single unit.

Once we get that template right, which is likely to be at least 6 to 8 months post commissioning of the rCB plant is when we can look to replicate that whole template into another location, and that would then be the next milestone in this journey. So, we have several milestones away from that, but this is to describe the milestones as you kind of talked about.

With all of this through, I mean, the investment that we are making would generate in excess of INR250 crores to INR300 crores of revenue and possibly generate an EBITDA margin of between 15% to 20% on a stand-alone Pyrova basis. So that, I believe, answers your questions as far as the whole Pyrova is concerned.

The last part, therefore, coming back to what are the structural expectations as far as the gross margins and EBITDA margins are concerned, I'd say the gross margin is -- there's always a lead and a lag when it comes to our industry, given that our contracts with a lot of the tire companies as well as a lot of other customers is either quarterly or 6-monthly.

So, I wouldn't want to comment on the gross margin number. But when it comes to EBITDA margin, I've indicated for each of the businesses, I do believe Reclaim Rubber business, post synergy with Pyrova will get to an EBITDA margin of between 10% to 14%. The Pyrova business post the commissioning of and stabilization of rCB would get to between 15% to 20% EBITDA margin.

And the plastic business, which is now kind of stable, but we need to start -- continue to build scale, should generate an EBITDA margin of between 12% to 15% as well. So, this is broadly the EBITDA margin targets on an individual BU basis overall as a company. I hope that answers all your questions.

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

Harsh Gandhi: Thank you all for the set of questions. And again, as I said, I mean, FY27 continues to be, in our view, the pivot towards the panning out of the story around the circular materials platform. And I appreciate the patience that each of you has shown over the last several years and stood by the management through the investments that we've made.

And hopefully, we will continue to better this performance that has been delivered in this quarter over the course of the next quarters and appreciate your time, questions and your interest in the company. Thank you all for joining the call.

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