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Mitsu
You visualise...we mold

Date: February 04, 2026

BSE Limited
Phiroze Jeejeebhoy Towers,
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Mumbai- 400001

Script Code : 540078

Dear Sir/Madam,

Sub: Transcript of Conference Call with Investors and Analysts held on February 02, 2026

With reference to our previous communication dated January 23, 2026 intimating you about the Conference Call with Investors and Analysts held on February 02, 2026, please find attached transcript of the aforesaid Conference Call.

Kindly take the same on record.

Thanking you.
Yours truly,

FOR MITSU CHEM PLAST LIMITED

MANISH MAVJI DEDHIA

Digitally signed by MANISH MAVJI DEDHIA
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Manish Dedhia
Managing Director
(DIN:01552841)
Encl: as above

"Mitsu Chem Plast Limited
Q3 FY'26 Results Conference Call"
February 02, 2026

MANAGEMENT: **MR. MANISH DEDHIA – MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER – MITSU CHEM PLAST LIMITED**
MS. KASHMIRA DEDHIA – VICE PRESIDENT - FINANCE AND ACCOUNTS – MITSU CHEM PLAST LIMITED

MODERATOR: **MR. GANESH – KIRIN ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to Mitsu Chem Plast Limited Q3 FY '26 Results Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ganesh from Kirin Advisors Private Limited. Thank you, and over to you, sir.

Ganesh: Thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of Mitsu Chem Plast Limited. From the management team, we have Mr. Manish Dedhia, Managing Director and CFO; and Ms. Kashmira Dedhia, Vice President, Finance and Accounts.

With that, now I hand over the call to Mr. Manish Dedhia for the opening remarks. Over to you, sir.

Manish Dedhia: Thank you, Mr. Ganesh. Good afternoon, everyone. It is a pleasure to welcome all investors, analysts and participants to the Mitsu Chem Plast Limited Q3 and 9 months FY 2026 Earnings Conference Call. We sincerely appreciate your continued support and interest in our company. Q3 FY '26 reflects continued progress for Mitsu Chem Plast as we strengthen our operational capabilities and deepen relationships across domestic as well as global market.

The company delivered strong improvement in profitability, reflecting disciplined execution and improving operational efficiencies. Mitsu Chem Plast today operates as an integrated blow and injection molding solution provider serving industries such as industrial packaging, infrastructure, health care and emergency handling equipment.

Our 3 manufacturing facility in Maharashtra equipped with over 51 blow molding and 20 injection molding machines provide installed capacity exceeding over 29,000 metric tons annually. Supported by strong in-house R&D testing capabilities, this enable us to consistently deliver quality products while responding efficiently to evolving customer requirements.

Health care furniture components under our Furnastra brand continue to be a key growth driver with rising acceptance across domestic and export markets. Participation in international exhibition and industry events continue to strengthen brand visibility and deepen engagement with global OEM partners.

Our export business also continued to grow steadily with Mitsu brand Furnastra currently exporting to more than 17 countries. Participation in global trade fairs has helped enhance brand recall and strengthen relationship with OEM customers across pharmaceutical, health care, chemical and FMCG sectors, reinforcing Mitsu's position as a reliable long-term manufacturing partner.

During the quarter, we progressed on key operational initiatives aimed at supporting future growth. The company undertook a capacity expansion that has added approximately 650 metric tons per annum, taking total installed capacity over 29,000-plus metric tons annually. This expansion is expected to improve production flexibility and responsiveness to customer demand. Sustainability and responsible manufacture remains central to our operation as we continue initiative focused on energy optimization, recycling and water conservation while gradually working towards reducing carbon and energy intensity across facilities.

Beyond business performance, we remain committed to social impact through Mitsu Foundation, supporting initiative in health care, sports and community welfare, including eye care programs, cancer support and promotion of sports talent, reflecting our commitment to long-term stakeholders' value creation.

As we move ahead, our strategic focus remains on driving profitable and sustainable growth through innovation, operational excellence and diversification guided by our transformation pillars, health care furniture under Furnastra, packaging products, operational excellence and data-driven marketing, we continue progressing towards our long-term objective of achieving INR1,000 crores in annual revenue by FY 2028.

Before concluding, I would like to thank our employees, customers, business partners and shareholders for their continued trust and support.

With this, I conclude my remarks. And now I request Ms. Kashmira Dedhia to take you through the financial performance for the quarter and 9 months ended December 31, 2025.

Kashmira Dedhia: Thank you, and good afternoon, everyone. I will now take you through the financial highlights for quarter 3 and 9 months FY 2026. For the third quarter of financial year 2026, Mitsu Chem Plast Limited reported steady growth in performance, supported by better operating efficiency and improved product mix.

Total income for the quarter stood at INR8,608.85 lakhs, reflecting a year-on-year growth of 6.92%. EBITDA increased significantly to INR954.45 lakhs, registering a growth of 73.35% with EBITDA margin improving to 11.10%, reflecting expansion of 426 basis points compared to the same period of last year.

Net profit for quarter 3 financial year 2026 stood at INR470.63 lakhs, up by 217.03% year-on-year with net profit margin improving to 5.47%. Earnings per share for the quarter stood at INR3.47, higher by 218.35% compared to the corresponding quarter of the last year.

Moving to the performance for 9 months financial year 2026. Total income stood at INR26,405.09 lakhs reflecting a year-on-year growth of 8.94%. EBITDA for the period increased by 35.71% to INR2,043.58 lakhs, with margin improving to 7.75%, reflecting expansion of 152 basis points year-on-year.

Net profit for the 9-month period stood at INR790.13 lakhs, registering growth of 113.03%, with net profit margin improving to 3%. Earnings per share stood at INR5.82, up by 110.11% compared to the previous year. This result reflects better sales realization and higher margins achieved during the quarter, supported by the company's continued focus on improving operational efficiency, optimizing costs and enhancing product mix despite a competitive operating environment.

Going forward, we remain focused on strengthening margins, expanding exports and scaling higher value-added segments, including health care furniture components under the Furnastra brand.

That concludes my update on the financial performance. I would now request to open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press * and 1 on their touchtone telephone. If you wish to remove yourself from the question queue you may press * and 2. Participants are requested to use handsets while asking a question. Ladies and Gentlemen we will wait for a moment when the question queue assembles.

Moderator: The first question is from the line of Aditya Singla from Oaklane Capital.

Aditya Singla: Sir, so my first question is that your EBITDA margins have moved up sharply year-on-year and also improved quarter-on-quarter. So what exactly drove this jump? And is this level sustainable going forward?

Manish Dedhia: Yes. Thank you very much, Mr. Aditya-ji. I think good question, but see, I think we are starving to get a lot of things here. As we said, operational efficiency, the better margin, the better sales realization and the better purchasing. I think all together, we are working right now. So we hope this continues for the further quarters as well.

Aditya Singla: And so sir, like how should we think about a normal margin for Mitsu through the cycle? Like what EBITDA margin range do you believe is structurally achievable over the next 12 to 18 months?

Manish Dedhia: So generally, I think 8% to 10% is a quite reasonable amount because we have both mix, commodity and niche item. So I think 8% to 10% is quite accepted. But we are trying for the new innovation things and new things because we have also a niche product. So we always try to get more margin and more efficiency there. So I think 8% to 10% for your answer.

Aditya Singla: Okay. Thank you for the answering that Sir. So what were the key reasons for the lower margins in the last few quarters?

Manish Dedhia: Yes. There were many. So I think in the last call also, I mentioned -- so the raw material prices, the better sales -- sales realization. So all together mix, and we are trying to get -- we are adding a new customer every quarter, every month. So if some customers are not giving you better rates, so maybe we have to switch over to another customer. So I think these are the practice, but it takes a lot of time. And we are trying to do that.

Aditya Singla: Okay. Sir, can you share the current revenue mix for Q3 and 9 months across your key verticals like...

Manish Dedhia: So the niche item is around 16%, and the rest is 84% is my commodity like containers.

Aditya Singla: And within this mix, which vertical is like currently has the highest margin and which has the lowest margin?

Manish Dedhia: Yes. So as I said, like 16% contains of like furniture parts and other articles. So they have like a little more marginable item compared to the containers.

Aditya Singla: And sir, do we plan to schedule increase...

Moderator: Sorry to interrupt you sir. But if you have a follow-up question, please rejoin the queue.

Aditya Singla: Okay. Thank you for answering that Sir.

Moderator: Our next question comes from the line of Maitri Shah from Sapphire Capital. Please go ahead.

Maitri Shah: Hello, Good Morning. Am I audible?

Manish Dedhia: Yes.

Maitri Shah: Firstly, congratulations on the great set of margins that you've achieved to this quarter. Since you said that our reasonable range is around 8% to 10% that we can assume our expectation to reach INR1,000 crores in FY '28, what sort of margins do you see when we achieve that number of revenue?

Manish Dedhia: I'm sorry, the last line, I think, after INR1,000 crores, we got -- your voice got cut.

Maitri Shah: Sure. So in FY '28, we are expecting INR1,000 crores revenue. What sort of margins do you see on the EBITDA during that fiscal year?

Manish Dedhia: Yes. So see, basically, when I say this 8% to 10% is in the current scenario. But yes, definitely, we are also trying to improve our EBITDA margin. In the industry, it looks like 8% to 15% margin because since 3, 4 quarters, we are trying to get a little better, better the margin. And I think we have achieved near to the 10%. But I expect a little more margin when we go for a larger turnover. That's for sure.

Maitri Shah: Correct. So the operational efficiency will also kick in to achieve this INR1,000 crores, what sort of capacity expansion do you expect now going forward in FY '27 to take place?

Manish Dedhia: Okay. So if you must have seen, I mean, like after 31st -- before 31st, we have already announced one -- I mean like we are doing a little smaller, smaller. So as soon as -- I mean, as the machines are coming, we are announcing on the website. So we have announced already 2 announcements, one is in November and one is in January. One is in January for capacity announcement.

Maitri Shah: And the total announcement of capacity expansion will be enough to fulfill the INR1,000 crores…

Manish Dedhia: No, no. Obviously not. So I think I said very small thing. Even we have announced just in January, we have announced Unit 4 also, so which will also have an addition to the capacity. It takes a lot of time to come -- when we order the machine, it takes around 4 to 6 months. So I think we are in the process of the expansion right now.

Maitri Shah: So any sort of number range you can give on the capacity...

Manish Dedhia: Your voice got disconnected.

Kashmira Dedhia: Your voice is getting cut in between. Words are getting cut. If you can speak a little louder and near the microphone.

Maitri Shah: Yes, sure. Any sort of range you can give on the capacity that you need to achieve this INR1,000 crores, if that's possible?

Manish Dedhia: Range means?

Maitri Shah: Like currently, we have close to 29,000 plus metric ton capacity, maybe at 35,000 metric ton capacity, we can achieve the INR1,000 crores. Any number you can give on that?

Manish Dedhia: Yes. So approximately, it will be double the capacity definitely.

Maitri Shah: Double the capacity. Okay.

Manish Dedhia: Yes, double the capacity.

Maitri Shah: And what sort of capex would be required to increase that to get to that number of capacity?

Manish Dedhia: We will announce because we are yet to finalize many of the things. And we will announce, I think, in a piecemeal as soon as we finalize and we get installed, we will announce...

Maitri Shah: Okay. Yes, no worry. Makes sense. And the EBITDA margins, if you can give a differential between the niche products and the commodity, is that possible? What sort of margins we earn on the niche side and on the commodity side?

Manish Dedhia: So around the difference is around 5% to 7%.

Maitri Shah: 5% to 7%. And currently, we have around 16% of sales from the niche products. So how do you see that expanding to reach that INR1,000 crores? What sort of percentage do you expect from niche products going forward?

Manish Dedhia: So we are expecting around 15% to 20% when we reach -- I mean it's -- although we were reaching INR1,000 crores, we wanted to keep that niche item should be approximately 15% to 20%.

Maitri Shah: We are currently in that range. So nothing more that we can expect or the niche products...

Manish Dedhia: No. As soon as we are expanding. So we are expanding in both these things. We are expanding into niche item, we are expanding into commodity item as well.

Maitri Shah: We'll follow the same growth path.

Manish Dedhia: Yes, yes. But we will try to increase the niche items because better margin.

Maitri Shah: Correct, correct. Okay. And the export share for 3Q versus the export share in revenue currently?

Manish Dedhia: So around 2.5% because see, we have been exporting to 17 countries because I think this is a capital item, and it takes a lot of time to successfully pass from the customer. So we have already achieved that milestone. And now maybe the export will be generated once all -- I think we have achieved that milestone. Now I think the results will come.

Maitri Shah: And this export is majorly for the niche products but also the commodities are being exported.

Manish Dedhia: Mostly niche, mostly niche.

Maitri Shah: Mostly niche. So do we have a better margins on the export side? And if you can give the differential between...

Manish Dedhia: A little better than domestic. Yes.

Maitri Shah: Little better. And mostly these exports are in which continent if you can mention that?

Manish Dedhia: Europe, Canada and Gulf.

Maitri Shah: Europe, Canada and Gulf. Okay. Any guidance on the '27 -- FY '27 revenue you can mention or will grow -- how will we grow from '26, '27?

Manish Dedhia: So almost in the same range, almost in the same range, yes, but because more focus right now, we are doing on the profitability.

Maitri Shah: Yeah, Thank you so much.

Manish Dedhia: Yeah, Thank you.

Moderator: Thank you, Participants who wish to ask a question, may press * and 1 on their touchtone telephone.

Moderator: Our next question is from the line of Surbhi Vohra, an individual investor. Please go ahead.

Surbhi Vohra: Hello.

Manish Dedhia: Yes

Surbhi Vohra: So my question is on pricing, how quickly are you able to pass through resin price increase to customers? And in resin -- I mean, rising resin cycle, how much margin compression do you typically see before you changing prices, sir?

Manish Dedhia: Ma'am it's echoing. Your voice is echoing and could not understand any of the words.

Surbhi Vohra: Now, is it audible?

Manish Dedhia: Yes, maybe.

Surbhi Vohra: Okay. So I just wanted to ask you that on pricing, how quickly are you able to pass through resin price increases to customers? And in rising resin cycle, how much margin compression do you typically see before pricing catches up?

Manish Dedhia: Good question, ma'am. So yes, it takes -- sometimes it takes a good time and sometimes it is very, very quick. So due to a lot of fluctuation in the U.S. dollar, the crude and everything and market sentiment and everything. So the prices sometimes goes up, goes down also. But yes, I think it takes a little more time. Sometimes customers are not agreeing on to give the rates immediately. So it takes around sometimes more than a month.

Surbhi Vohra: Okay. So -- and what is the export potential over the next 2, 3 years?

Manish Dedhia: Yes, very good potential because see, as I said, we are exporting to these niche items and it's a capital goods item. And we have now achieved one milestone that all that 17 countries have been -- all our export orders and everything has been successfully passed. So I think now we expect a huge jump in the export.

Surbhi Vohra: Okay. So can you also tell me like which export geographies are working best today?

Manish Dedhia: So ma'am, everything -- I mean, like for us, everything right now is a similar situation as like Europe and well. But with the India-EU tie-up, so we expect a good demand, and they will maybe try to purchase from us there rather than other countries. I know I'm sure that the tax benefit and everything, it will take a little longer time, but at least they will start purchasing from India. So I hope the Europe will be the major chunk for us.

Surbhi Vohra: Thank you Sir and wish you all the best.

Moderator: Our next question comes from the line of Avesh Chauhan, an individual investor.

Avesh Chauhan: Sir, congratulations on great margins in this quarter.

Kashmira Dedhia: Sir, can you speak loudly, your voice is not coming at all.

Avesh Chauhan: Am I audible now?

Manish Dedhia: Now it's good.

Avesh Chauhan: Okay. Sir, congratulations on great set of margins in this quarter. Sir, my question is on sales growth target. I think our target of INR1,000 crores, if we have to reach there in FY '28 or even FY '29, we'll require 35% -- 35% to 40% CAGR. And historically, we have done -- in last 5 years, I was saying that we have done something like 18%, 19% CAGR. So what new thing is happening that we are going to grow at a far faster rate than historical?

Manish Dedhia: Great question, sir. Thank you. So I'll tell you, I mean, see, obviously, with our capacity, we have grown very slow in this. You must have heard our -- we have announced our Unit 4 also recently. Very recently, we announced, I think, last week only that we have in our Unit 4 plant. And also in the month of December also, we bought land. So all this is plan is an expansion. So I think once we are freezing our plant, definitely, we will announce step by step.

Avesh Chauhan: Yes, sir. But in FY '26, I'm seeing that we might end up doing something like INR300 crores, INR400 crores or something, and then we will have -- we will be required to more than doubling in next 2 years. But our FY '27 guidance is very much in line with that historical 20% run rate. So I'm still not able to understand the math whether we will have a very significant growth in FY '28 or something?

Manish Dedhia: Yes. So I think, sir, your calculation is perfectly right. Yes, definitely, but in plastics, always, we have to go with the major machinery. All the current plants are saturated right now. So we can't expand too much in the same premises. So obviously, we have to go for expansion. Hence, we have gone with the Unit 4 and now maybe very soon, we will come up with the new plant as well.

Avesh Chauhan: Right. Sir, that is on the production part. I am also concerned about the sales thing that how our sales will ramp up so much that in next 2 years, from INR400 crores, we reached that you do additional INR600 crores of sales to INR8,000 crores. So that on the sales…

Manish Dedhia: We will not do immediately INR600 crores, obviously. So I think it will be gradually. So I think Unit 4 has already started. Now we will see many of the things -- and I think it will be gradually. But yes, we are very confident to achieve what milestone we have set for ourselves.

And there will be -- see, we are also building up a team. We are also building up infrastructure. We are also building up the customer relationship. We are building many new customers acquisition. So I think this is all together.

Avesh Chauhan: Okay. And we'll do again a rights issue to fund this capex Unit 4?

Manish Dedhia: As of today, we don't think so, but you never know how the things goes on.

Avesh Chauhan: Right. But sir, in terms of we have to build up a plant at Unit 4 and that to something with the potential of INR500 crores sales. So I'm sure there will be a lot of capex requirements. So any thought process on that, that how we are looking to fund that?

Manish Dedhia: Not as such, sir. But yes, some of the plants are on the paper. So maybe once it is freezed and Board approves, then we will announce soon.

Avesh Chauhan: Right, right. Got it, sir. Sir, but I would just have one request that if you could guide on the sales part more thoroughly, it will be better. I actually think that we have very good potential. Our company is very good. And we have a potential to do maybe INR1,000 crores, but maybe that FY '28 guidance looks a little unrealistic. So sir, maybe if you could -- in the next quarter, if we could come up with a more clearer path to that INR1,000 crores?

Manish Dedhia: We'll try to -- I think it's a good suggestion, and we'll try to do that.

Avesh Chauhan: Thank you, Thanks a lot Sir and All the Best.

Moderator: Yeah, Take care.

Moderator: Thank you. Any one who wishes to ask a question, may press * and 1 on their touchtone telephone. Our next question comes from the line of Aradhya Nayak an Individual Investor. Please go ahead.

Aradhya Nayak: Hello, Am I audible**?**

Mpderator: Yes Ma'am, loud and clear**.**

Manish Dedhia: Little louder**.**

Aradhya Nayak: Sir, actually, can you talk about your current customer base quality? Are orders largely repeat programs? Or do you still depend meaningfully on spot business?

Manish Dedhia: Okay. So ma'am, basically, in our industry, we do not have orders more than a month because the prices change every fortnightly. Hence, the orders are only for 1 month. But yes, see, we have -- I think out of our sales, I think my repeat orders are approximately more than 65% to 70% customers.

Aradhya Nayak: Okay. So like what is the current utilization level across your facilities?

Manish Dedhia: Kashmira maybe you can say.

Kashmira Dedhia: So around 65% for quarter 3.

Aradhya Nayak: Okay. Sir, like what is the current debt level and cost of borrowing? And how much leverage are you comfortable carrying while funding expansion?

Kashmira Dedhia: So current debt level is around INR63 crores, INR64 crores, ma'am. Can you repeat your next question?

Aradhya Nayak: No, this is like my last question. Thank you and All the Best.

Kashmira Dedhia: Ok. Thank You.

Moderator: Thank You. Our next question comes from the line of Moksh Ranka from Aurum Capital.

Moksh Ranka: Sir, I wanted to understand what is the gross margin difference between your niche and commodity products? And who generally are the export customers?

Manish Dedhia: So as I mentioned last time, so EBITDA margin is like around 4% to 7% difference between the commodity and the niche product.

Moksh Ranka: And the gross margin difference -- it will be the same or...

Manish Dedhia: Almost similar, almost similar.

Moksh Ranka: Okay. And who generally are our export customers?

Manish Dedhia: Who means you -- we can't disclose the name.

Moksh Ranka: Okay. But in the industry, right?

Manish Dedhia: Yes, they are a hospital bed manufacturer worldwide.

Moksh Ranka: Okay. So...

Manish Dedhia: You're talking about local.

Moksh Ranka: About the local?

Manish Dedhia: Sorry.

Kashmira Dedhia: Sir you want to understand on export customers or local domestic customers, sir?

Moksh Ranka: I got about the export. Could you give some more clarity on the local one as well?

Kashmira Dedhia: So in local one, we have 2 product verticals, majorly industrial packaging and the other is our infrastructure and hospital bed furniture. So in packaging industry, we sell to many industries, chemical, pharma, FMCG, pharmaceutical, many industries. So customer base is very wide as far as the domestic customers are concerned.

Moksh Ranka: Okay. And can you explain our working capital cycle? How is it like?

Kashmira Dedhia: So, in days, it is around 65-70 days.

Moksh Ranka: Okay. The full working capital cycle. And can you give a breakup of the debtor day and receivable day?

Kashmira Dedhia: So our debtor days lies between 60 to 65 days, sir.

Moksh Ranka: Okay. And just one more question. In the recent announcements we have made that we're adding 900 metric tons of capacity. So is that the Unit 4 capacity which we are speaking of?

Kashmira Dedhia: Yes.

Manish Dedhia: Sorry, what was the question?

Moksh Ranka: In our recent announcement, which we have made on 27 January to the stock exchange, we mentioned that we are adding a proposed capacity of 900 metric ton, which is quite low. I think our current is 29,000 metric ton. So is this the whole unit for capacity or there will be a much bigger...

Manish Dedhia: No. That's a fact. So as I start -- initially, I mentioned, so machinery takes a lot of time. So as soon as the machinery started coming, we are announcing.

Moksh Ranka: Okay. And based on the current capacity, what is the maximum top line we can generate?

Manish Dedhia: I think around 450 metric ton approximately.

Moksh Ranka: Okay. So to get to INR1,000 crore turnover, you essentially have to double your gross block. So around INR50 crores to INR100 crores could be the approximate investment you might require? Is my understanding correct?

Manish Dedhia: Not exactly. I think -- yes, but there is a change in that. So I mean, like every time you don't have to go with the same exact same thing. So I think we will focus more on the machinery expansion side more. And I think maybe what do you call -- so the amount, obviously, we will definitely -- we will announce amounts and the plan also as somebody recommended. We'll try to announce it by next quarter looks like.

Moksha Ranka: Okay. That's all from my side. Thank you for answering all my questions.

Moderator: Thank You. Our next question comes from the line of Sakshi Shinde from Shah Consultancy Limited. Please go ahead.

Manish Dedhia: Hello**.**

Sakshi Shinde: A few questions, sir with me. So the first is regarding the fund cap. In caps and closure and, what is your customer switching cost? Do you like own the molds, are there long approvals? And what is the typical locking period once you get it into a program?

Manish Dedhia: Okay. So in every business, every customer has a different, different this thing. So it's very difficult to bifurcate the things. But generally, when it is a custom-made design, then definitely a customer owns the mold and generally locking period is around 2 to 3 years.

Sakshi Shinde: Okay. And also, sir, like is there any like a regulation angle? Do you see any risks from stricter plastic EPR regulation? And how prepared is Mitsu on those regulations?

Manish Dedhia: So Mitsu from day 1, Mitsu is already prepared with the EPR, and we are already supplying PCR to many of our customers. I think if I'm not mistaken, we were among the first one to give PCR in entire range.

Sakshi Shinde: One question because ESG is now very like, hottest selling cake. . So have you -- have any of your key customers started using ESG scorecard, supplier audit covering environment, labor, we are compliant, the formal part of...

Manish Dedhia: Most of the clients. Yes. So most of the clients are adopting those standards because we have around -- from our customer base, approximately 15% to 16% are multinational companies and around 40% is our -- they are limited companies, the large corporates. And obviously, they are following many of the things. And if you can see our annual report last 4 years, we are already following ESG, BRSR and whatever needed as of today, we are following all this.

Sakshi Shinde: Great. Good to hear. Looking forward to update. Thank You. Have a good day.

Manish Dedhia: Thank you very much.

Moderator: Thank You. Our next question comes from the line of Vignesh Iyer from Sequent Investments.

Vignesh Iyer: Hello Sir, Thank You for the opportunity. I wanted to know what is the peak utilization level that we can hit on our current capacities? If I heard you right earlier, you said utilization in Q3 FY '26 is 65%?

Kashmira Dedhia: So you want to understand how far we can go for the current capacity utilization and how far we have.we already done?

Vignesh Iyer: As in the number, 85%, 90% utilization is possible or we max out at 80%?

Manish Dedhia: So the maximum 85% is industry standard. So you can go 85% to 90%, not more than that. Whatever your capacity utilization -- I mean, capacity, you can go 85% to 90%, not more than that.

Vignesh Iyer: Right. And when you say, sir, that peak turnover possibility is INR450 crores, so you are assuming current prices and the current product mix, right?

Manish Dedhia: Yes.

Vignesh Iyer: Right. Ok. That's all from my side.

Manish Dedhia: Thank You.

Moderator: Our next question comes from the line of Rujun Mishra an individual investor. Please go ahead.

Rujun Mishra: Hi Sir !!

Manish Dedhia: Hi.

Rujun Mishra: Actually, my first question is how do you see the competition evolving especially...

Manish Dedhia: Sir, your voice is not clear.

Rujun Mishra: Yes. So my first question is, how do you see the competition evolving, especially from the imports and smaller regional players. So where do you see our company has differentiated?

Manish Dedhia: No, the competition is very good. I think we are seeing that we always try to differentiate with the competitors by service and by value addition to the customer. That's the only way to be differentiated with others.

Rujun Mishra: Customers globally are pushing recycled content and sustainability. So are your customer asking for PCR or recycled content? Can you supply without impacting margins?

Manish Dedhia: Yes, we are doing that right now.

Rujun Mishra: That's our only customer concentration....

Kashmira Dedhia: Can you be little louder?

Manish Dedhia: One thing is louder and if you can come in the range because your -- most of the words are cracking.

Moderator: Your voice is too muffled, sir.

Rujun Mishra: Is it fine now?

Manish Dedhia: Yes. Right now, it looks okay.

Rujun Mishra: Okay. So do you have any customer concentration risk? And what percentage of revenue do your top 5 to 10 customers contribute?

Manish Dedhia: Generally, I think our 80% business is with around 30 customers.

Rujun Mishra: Come again, what did you say?

Manish Dedhia: So our 80% business is approximately with around 30, 35 customers.

Rujun Mishra: Okay. 80%. Okay. Fine. And sir, your working capital, I can see that historically has a factor in the sector. So how our receivables and inventory is trending in Q3? Can we improve further?

Kashmira Dedhia: Yes, sir, we are definitely trying day by day to increase the efficiency of our working capital.

Rujun Mishra: Okay, any approximation of what's our current CCC?

Kashmira Dedhia: Current?

Rujun Mishra: Cash conversion cycle.

Kashmira Dedhia: It is 70 days, sir.

Rujun Mishra: 70 days. Ok. I will be back in the queue if I need any further questions.

Moderator: Thank You. Participants who wish to ask a question, may press * and 1 on their touchtone telephone. Anyone who wishes to ask a question, may press * and 1 on their touchtone telephone. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to Mr. Ganesh from Kirin Advisors Private Limited for closing comments. Please go ahead.

Ganesh Nalawade: Thank you, everyone, for joining the conference call of Mitsu Chem Plast Limited. If you have any further queries, you can write to us at research@kirinadvisors.com. Once again, thank you, everyone, for joining the conference.

Manish Dedhia: Thank you.

Kashmira Dedhia: Thank you, everyone.

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