NGL FINE-CHEM LIMITED

November 18, 2026

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

Scrip Code: 524774

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai 400051.

Symbol: NGLFINE

Dear Sir/Madam,

Sub: Transcript of the Earnings Call – Q2 & H1 FY 27.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Transcript of the Earnings Conference Call for **Q2 & H1 FY 27** held on Thursday, November 12, 2026.

The above transcript is also being made available under the Investors Section on the Company's website at www.nglfinechem.com .

You are requested to kindly take the information on record.

Thanking you,

Yours faithfully,
For NGL Fine-Chem Limited

Shivam Jagdish Gharat
Digitally signed by Shivam Jagdish Gharat
Date: 2026.11.18 22:49:52 +05'30'

Shivam Gharat
Company Secretary and Compliance Officer
M. No.: A56704

Encl: As Above.

“NGL Fine-Chem Limited
Q2 & H1 FY’27 Earnings Conference Call”
November 12, 2026

MANAGEMENT: **MR. RAHUL NACHANE**
MANAGING DIRECTOR
NGL FINE-CHEM LIMITED

MR. RAJESH LAWANDE
WHOLE-TIME DIRECTOR & CFO
NGL FINE-CHEM LIMITED

NGL Fine-Chem Limited
Q2 and H1 FY27 Earnings Conference Call
November 12, 2026

Disclaimer: *This transcript has been prepared from the audio recording of the Earnings Conference Call held on November 12, 2026, and has been edited for clarity, readability and grammatical accuracy. Verbal fillers, repetitions and obvious transcription errors have been removed wherever necessary. Such editorial changes are not intended to alter the substance or meaning of the discussions. While every effort has been made to ensure accuracy, the transcript may not be a verbatim reproduction of the proceedings. In case of discrepancy, the audio recordings will prevail.*

Moderator: Ladies and gentlemen, good day and welcome to the Q2 and H1 FY27 Earnings Conference Call of NGL Fine-Chem Limited.

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 '*' followed by '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhishek Mehra from TIL Advisors. Thank you and over to you, Abhishek.

Abhishek Mehra: Thank you, Danish**.** Good morning, everyone, and thank you for joining this Q2 and H1 FY27 Earnings Conference Call of NGL Fine-Chem Limited.

The results and investor updates have been uploaded to the stock exchanges. To take us through the results for the quarter and answer your questions, we have with us today Mr. Rahul Nachane, Managing Director, and Mr. Rajesh Lawande, Whole-Time Director and Chief Financial Officer. We will start the call with a brief overview of the financial performance, followed by the Q&A session.

I would like to remind you that any statements made on this call that reflect an outlook for the future and may be construed as forward-looking statements must be viewed in conjunction with the uncertainties and risks that the company faces. These uncertainties and risks include, but are not limited to, those mentioned in our annual reports. With that, I will now hand over the call to Mr. Rahul Nachane. Over to you, sir.

Rahul Nachane: Good morning, everyone, and welcome to NGL Fine-Chem Limited's Q2 and H1 FY27 earnings call. Thank you for joining us and for reviewing our financial results and investor presentation. Q2 was a strong quarter for NGL with higher revenues, improved operating profitability, and continued volume growth.

We also commenced production in Phase II of our Tarapur greenfield facility on 24 September 2026, completing the commissioning of the project. These developments give us greater confidence in the business. At the same time, commissioning marks the beginning of the next stage: building utilization, completing customer and regulatory requirements, and earning an appropriate return on the investment.

Let me first take you through our consolidated financial performance. Revenue from operations for Q2 FY27 was Rs. 158.71 crores, an increase of 32% over the corresponding quarter last year and 14% over Q1 FY27. Revenue also exceeded the Rs. 149.23 crores reported in Q4 FY26. Growth continued to be led primarily by volumes, supported by demand across our product portfolio and markets.

EBITDA increased by 64% year-on-year to Rs. 28.06 crores. The EBITDA margin was 17.68%, compared with 14.27% a year earlier and 16.73% in the preceding quarter. The improvement reflects the benefit of partial price pass-through to customers in Q1 and better absorption of fixed costs at higher volumes. The quarter's margin was within the 15%-18% range we had indicated earlier. We are encouraged by this performance while recognizing that the cost of bringing new capacity into operation will influence margins over the coming quarters.

Profit before tax was Rs. 21.60 crores, an increase of 67% year-on-year. Profit after tax increased by 69% to Rs. 16.25 crores. On a sequential basis, profit after tax was lower than the Rs. 18.4 crores reported in Q1. This should be viewed alongside the change in other income, which declined from Rs. 7.43 crores to Rs. 1.20 crores, and the increase in depreciation from Rs. 5.25 crores to Rs. 6.55 crores. Q1 had also benefited from inventory gains and favorable foreign exchange movements, as discussed in our previous update.

At the operating level, Q2 EBITDA increased by approximately 20% over Q1. The underlying improvement in the business is therefore stronger than the sequential movement in reported net profit alone would suggest. In the first half, revenue from operations was Rs. 297.87 crores, an increase of

approximately 33% over H1 FY26. Profit after tax was Rs. 34.64 crores compared with Rs. 18.87 crores in the corresponding period last year. Turning to cash flow and the balance sheet, net cash from operating activities was Rs. 35.80 crores in the first half. Net investing outflows were Rs. 44.05 crores as we continued expenditure towards completing the expansion. Inventories increased from Rs. 70.28 crores at the end of March to Rs. 118.38 crores at the end of September. This reflects higher business activity and the stock required to support the new facility and our sales growth.

Nevertheless, the increase is significant, and working capital discipline will be an important priority as production and sales scale up. Total borrowings were approximately Rs. 122 crores, compared with Rs. 108 crores at the end of FY26. Our focus now is on converting the investment in capacity and working capital into sales, operating cash flow and improved results. Coming to Tarapur, Phase II is operational and fully staffed. The facility provides flexibility to manufacture existing products and support products in our development pipeline. In the near term, we intend to use the capacity to serve demand in our existing markets while progressing the requirements for business in regulated markets. We currently expect utilization to reach approximately 30%-40% over the next two to three quarters, subject to customer demand, product mix and the pace of production ramp-up.

As utilization builds, the facility's fixed operating costs will spread over a larger production base. Initially, however, these costs will be incurred ahead of the full revenue contribution. Depreciation and finance costs will also affect reported earnings as the project moves fully into operation.

We therefore expect some pressure on margins during this transition. Higher volumes should support earnings over time, but the pace of improvement will depend on utilization, realizations and operating efficiency. Our regulatory program continues in parallel.

In Europe, we have begun transferring registrations to the new facility and currently target completion of this program by the end of calendar year 2027. Investors should distinguish completion of the overall transfer program from the timing of individual product approvals and customer orders. For the US, we have filed Veterinary master files for 9 products.

Our customer is expected to complete its filings by December 2026. This is an important step in progressing the regulatory process, but the timing of an FDA

inspection and subsequent commercialization remains dependent on the regulator, customer requirements and satisfactory completion of the applicable reviews. We see regulated markets as a medium-term growth opportunity.

Our immediate priorities are to execute the filings well, maintain inspection readiness and develop customer relationships that can translate approvals into sustained business. Animal health APIs remain the core of NGL, accounting for approximately 95% of revenue this year. Our top 10 customers contributed approximately 26% of sales, and our top 10 products contributed approximately 65%.

We will continue to build the business through our existing portfolio while developing additional products and customers. Looking ahead, we remain cautiously optimistic. Demand has held up, operating performance has improved and the expanded manufacturing capacity gives us room to grow.

The next few quarters will also require careful execution. Our priorities are to build utilization economically, manage working capital closely and progress regulatory and customer approvals. Pricing, input costs, currency movements and approval timelines will continue to influence the pace of improvement.

We believe NGL is better positioned to deliver profitable growth over the medium term. Our focus is on translating that opportunity into stronger cash generation and sustainable returns for shareholders. I thank you for your continued interest and support. I will now be happy to take your questions.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin the question-and-answer session. The first question comes from the line of Dhwanil Desai with Turtle Capital. Please go ahead.

Dhwanil Desai: Good morning, sir, and congratulations on a very strong Q2 and the commissioning of the entire Tarapur facility. My first question relates to the P&L. You spoke about incremental employee costs, depreciation, finance costs and other costs coming through in subsequent quarters. However, even this quarter, employee and other expenses have grown in line with revenue, by around 30%. What incremental costs are yet to come through? Could you elaborate on whether a large portion is still expected to flow through over the next two quarters? That is my first question.

My second question relates to the 30%-40% utilization you mentioned over the next two to three quarters, which could translate into approximately Rs. 150

crores of incremental revenue. You indicated that this would largely come from unregulated markets. Once the regulated market business picks up, how do we sustain this unregulated market revenue? Do we have further capex planned for unregulated markets? Eventually, we will need capacity to support that volume. Those are my two questions.

Rahul Nachane: Thank you, Dhwanil. Employee costs have increased in the current year, as you have noted. This is because we started recruiting for the new facility during this quarter. These employees were trained at our other plants and moved to the new project once they were fully trained. We have therefore seen an increase in costs, and there is likely to be a further increase in employee costs as we move forward. We are currently seeing good volume growth in the less regulated markets, which are our existing markets. We would like to serve this growth opportunity by retaining our market share and meeting our customers' requirements.

To that extent, we are moving part of our production requirement for these products to the new facility. This will occupy only part of the facility. As mentioned earlier, we expect capacity utilization of about 30%-40%. As business from regulated markets starts coming in, we believe we will be able to accommodate both requirements for at least the next three years.

If requirements exceed that capacity, we will review the situation within a year and decide whether further capital expansion is needed. I hope that answers your question.

Dhwanil Desai: Just one follow-up on this. Other expenses have increased almost in line with revenue growth. Typically, other expenses have both fixed and variable components. Should we expect the incremental increase in these expenses to be lower than revenue growth going forward, allowing operating leverage to come through? How should we look at this?

Rahul Nachane: Within other expenses, the main increase has been in fuel costs because we use gas as fuel at a couple of our plants. Distribution expenses have also increased, as logistics costs have risen sharply over the last six months due to the Gulf War. Our transportation costs have nearly doubled. We hope these increases will prove temporary and that costs will normalize over time as the geopolitical situation improves.

Dhwanil Desai: Understood. I have one more question, but I will rejoin the queue.

Moderator: Thank you. Our next question comes from the line of Ishan Thakkar with Fort Capital. Please go ahead.

Ishan Thakkar: Congratulations on a good set of numbers. Sir, last time you mentioned a possible price increase, but I believe it has not yet been implemented. Is it fair to say that all the growth reported in Q2 was driven by volumes, with no contribution from price increases? Is my understanding correct?

Rahul Nachane: Yes, a substantial part of the growth came from volumes. Part of it was also due to the rupee weakening against the dollar during that period, but a substantial part was driven by volume growth.

Ishan Thakkar: Has the price of Fluralaner stabilized now? What is the prevailing realization per kg, and how much incremental business opportunity do you see at the current price level? Given the significant price erosion following increased competition, do you believe current pricing is sustainable over the next two to three years? What volume growth and margin contribution can Fluralaner generate for the company?

Rahul Nachane: Are you asking a specific question about a specific product?

Ishan Thakkar: Yes, yes.

Rahul Nachane: Which product are you asking about?

Ishan Thakkar: Fluralaner.

Rahul Nachane: Fluralaner, yes. Prices have come down. It is very difficult to predict what will happen in the future, but historically, we have typically seen prices decline during the first two years after a product comes off patent, followed by stabilization. It has already been close to a year and a half. We therefore feel that any further price erosion would probably occur over the next six months, after which prices should start stabilizing.

Ishan Thakkar: Understood. One more question on the US and European markets. Our end users have started trial runs, and we currently have nine DMFs and four CEPs in place. How has the initial response been so far, and when do you expect these two markets to contribute meaningfully to the business?

Rahul Nachane: The business normally develops quite slowly. In Europe, the CEP for our first filing was granted about two years ago, and we are now seeing some business

coming through in the current year. The lead time is therefore about two to three years from the date approval is received; business does not develop immediately. We expect it to reach critical mass during the period from 2028 to 2030. Until then, we will continue to focus on our existing markets and pursue the opportunities available there.

Ishan Thakkar: Understood. Thank you, sir.

Moderator: Thank you. The next question comes from the line of Rahul Jain with Credence Wealth. Please go ahead.

Rahul Jain: Thank you for the opportunity, sir. Congratulations to you and the entire team at NGL on a wonderful set of results, and a very happy new year to you all. My first question concerns the relationship between sales revenue and capacity at the new plant.

In the Q4 FY26 call, we had mentioned that quarterly sales would stabilize at around Rs. 150 crores or more within a quarter or two, which has happened in the current quarter. You have also mentioned utilization of about 30%-40% at the new greenfield plant. Given that the new plant will also start contributing from the second half of the current year. can we expect second half to be significantly better than the first half, over and above the quarterly baseline sales of Rs. 150 crores-Rs. 155 crores? Could this mean an additional Rs. 630 crores-Rs. 650 crores in revenue? What utilization do we expect at the new greenfield plant in FY28? That is my first question.

Rahul Nachane: Yes, I will answer that. As mentioned earlier, we expect capacity utilization at the recently commissioned new plant to reach 30%-40% over the next two to three quarters. Further utilization will depend on the volume growth we see in the existing markets we serve. It is therefore very difficult to give a precise estimate for FY28. However, as you can see, the market has been performing well, demand has recovered substantially, and we have been able to meet that demand.

To remind you, Phase I was commissioned last year, and we have already been meeting part of the demand from that facility. It has contributed significantly to our ability to ramp up sales in the current year. We are quite optimistic about market developments. We stand by our earlier guidance and are broadly on track.

Rahul Jain: Sir, turning to expenses, you mentioned increasing fuel and transportation costs due to the situation over the last six months. We understand that. Assuming those costs normalize, we had indicated incremental operating costs of about Rs. 15 crores-Rs. 18 crores per annum and an increase in depreciation of around Rs. 6 crores-Rs. 8 crores per year. How much of these increases in operating costs and depreciation has already been reflected in Q2? What further increases do we expect from the new plant? Could you also comment on the related finance costs?

Rahul Nachane: We do not anticipate finance costs increasing by more than 20% from the current level. Depreciation will increase, as you have indicated, but we have been capitalizing assets as they are put to use. Compared with the half year just ended, we anticipate a further increase in depreciation of probably no more than about Rs. 3 crores.

As far as operating costs are concerned, about 50% of the staffing for the plant is already in place, and we anticipate that the remaining 50% will be added for this project. We do not anticipate a huge increase in manpower costs going forward. However, operating expenses will increase, and we will have to see how margins develop.

Rahul Jain: One last question, sir, regarding inventory—

Rahul Nachane: Yes, we anticipate that the greater part of the pressure should not last beyond two to three quarters.

Rahul Jain: Sir, inventory has increased significantly in the first half, both in absolute terms and in terms of inventory days. Is this increase intended to support anticipated sales from the new plant, or does it relate to inventory from validation batches? Could you share some insights?

Rahul Nachane: About a year ago, we moved from manufacturing to order to manufacturing to stock. As a result of that change in strategy, inventory has increased over the last five quarters. There was also a spike in inventory because we anticipated possible disruption due to unrest in the Gulf region.

We therefore increased our stocks of key raw materials, particularly those with long delivery lead times. These are the two primary reasons for the increase in inventory levels. Going forward, we will work towards tighter inventory controls to streamline inventory management.

Rahul Jain: Thank you very much, sir, and all the best.

Rahul Nachane: Thank you.

Moderator: Thank you. The next question comes from the line of Dhwanil Desai with Turtle Capital. Please go ahead.

Dhwanil Desai: Thank you for the opportunity again, sir. Regarding EU filings, I believe we had four CEP approvals and five or six ASMF approvals. Could you provide an update? I also believe we were targeting approximately Rs. 50 crores-Rs. 60 crores from Europe in the current year. Are we on track to achieve that? From there, would reaching approximately Rs. 100 crores take a couple of years, or is there enough visibility to reach that level next year?

Rahul Nachane: Customer acquisition has not been as fast as we anticipated. It is taking two to three years to onboard customers after receiving regulatory approval. That has been a little slower than usual for us.

We might therefore miss the target we set for the current year, hopefully not by a very large margin. As I said, we anticipate the business reaching critical mass only between 2028 and 2030. That is when we expect most of our efforts to start yielding results.

Dhwanil Desai: Understood, sir. On the US side, you mentioned that the customer would complete its filing by December 2026. If I remember our earlier interaction correctly, a US inspection generally takes place within about six months of filing. However, progress in Europe took slightly longer than expected. I assume there were no specific customer-related approvals required there. In the US, once the customer files with reference to our VMF, does that mean the ramp-up could be faster than in Europe?

Rahul Nachane: At present, we have one sponsor customer. In Europe, we can register the product ourselves directly without a customer acting as an intermediary. In the US, it works differently. After our filing is submitted, the requirement for an audit is not triggered until a customer submits a request and completes its filings. Until the plant is audited, sales into the US are not possible.

We have been fortunate to have one sponsor customer supporting us over the past year, and we have been working very closely with it. We are hopeful that its filing will trigger the requirement for an audit. Of course, it is up to the agency

to schedule and decide when to inspect. That period could range from three months to a year, so we will need to be patient.

The customer is very eager, and we are hopeful that sales to it will begin quickly once the regulatory approvals are in place. An approval would also provide impetus because several customers serve both the US and European markets.

Quite a few of them are waiting to see the outcome of the US audit. We are fairly confident that we will then be able to acquire those customers.

Dhwanil Desai: Understood, sir. For Europe, could you tell us how many filings and approvals we have as of today?

Rahul Nachane: Please give me a minute, and I will confirm. We have four CEP approvals and have filed CEP applications for four more products. We also have five ASMF approvals, with four more applications filed. That makes a total of 17 filings, of which nine are currently approved.

Dhwanil Desai: In terms of timing, do we expect approvals for all 17 filings by next year?

Rahul Nachane: By the end of the next calendar year, definitely, yes.

Dhwanil Desai: Understood, sir. One last question on the US. If I understand correctly, this will be our first USFDA inspection, and clearing an inspection the first time may not be easy. There could be observations and possibly a follow-up inspection, perhaps six months later. What steps are we taking to improve our chances of clearing the first inspection?

Rahul Nachane: We have an experienced team that has already handled US inspections and other regulatory inspections. We also have consultants who audit the facility every two months. Our objective is to remain audit-ready so that we are prepared whenever an inspection is scheduled.

Dhwanil Desai: Understood. Thank you, and all the best.

Moderator: Thank you. Our next question comes from the line of Rohit with I thought PMS. Please go ahead.

Rohit: Yes, hello. Am I audible?

Rahul Nachane: Yes, you are.

Rohit: Good morning, sir, and congratulations on a very strong quarter. Following up on earlier questions, you mentioned that the new plant would reach 30%-40% utilization over the next two to three quarters, largely driven by less regulated markets. Are these the same products for which we have filed in Europe, or are they other new products we have been adding into our kitty over the last two to three years? Could you elaborate?

Are these also the same customers—customers who operate in both less regulated and regulated markets? I am trying to understand how the ramp-up in regulated markets could develop. Although progress has been slow so far, could supplying these products help accelerate the ramp-up in the EU if the products and customers are the same? That is my first question.

Rahul Nachane: A substantial proportion of the products we are introducing at the new facility are products for which we have filed in Europe, as well as products we plan to file for in the US. As mentioned earlier, there are about 17 products that are either registered or in the filing process. We are concentrating on these 17 products, which are also our leading products by volume.

Production of these products is being moved to the new facility, although not entirely. We continue to manufacture them at our existing facilities, while the incremental requirements are being moved to the new facility.

Rohit: From the perspective of the ramp-up in the EU and US, do you expect a significant increase next financial year or in calendar year 2028? I understand that the US business largely depends on the audit being triggered and the subsequent inspection. For the EU, where progress has been slow, you had earlier mentioned revenue of around Rs. 50 crores-Rs. 100 crores. Do you think that could be achieved in FY28?

Rahul Nachane: Progress in obtaining approvals and onboarding customers remains a little slower than we had planned. As I said, we anticipate the business reaching critical mass between 2028 and 2030.

Rohit: Sir, I assume your customers already have suppliers, so you would be taking market share from them. Alongside quality and reliable supply, would cost be a key factor? If so, how much lower would your prices be than those of their existing suppliers? Could you also share some insights into who those suppliers are, including their geographical locations?

Rahul Nachane: The value proposition varies by customer. For some, it is the opportunity to onboard a supplier with registrations in both the EU and the US. Another advantage is our fully integrated manufacturing chain, which not many companies offer.

For some customers, we also need to offer a pricing advantage. It is therefore a combination of factors; decisions are not based on pricing alone.

Rohit: Understood. My final question is on margins. Over the last two quarters, operating margins have been around 17%-18%. You mentioned in your opening remarks and the presentation that costs would increase. Do you expect margins to remain in a similar range of around 16%-18%, or could there be greater pressure? The ramp-up could be substantial even at 30%-40% utilization, as that represents revenue of approximately Rs. 130 crores-Rs. 150 crores.

Rahul Nachane: We have consistently said that our long-term margin target in this industry is 15%-18%, and we are currently within that range. We feel there could be a modest decline as incremental costs come through, with some pressure on margins for two or three quarters. Our long-term expectation for this business remains 15%-18%.

Rohit: Understood. Thank you very much. I will rejoin the queue with a couple more questions.

Moderator: Thank you. The next question comes from the line of Raghuram Kuchi with Bestpals Research and Advisory LLP. Please go ahead.

Raghuram Kuchi: Thank you for the opportunity, sir, and congratulations on a good set of numbers. I would like to understand two things. First, how could margins in regulated markets compare with historical margins? How much higher could they be? An indication, rather than precise guidance, would be helpful.

Rahul Nachane: Margins are a little higher in regulated markets. If we aim for 15%-18% in non-regulated markets, I would estimate that we could aim for 18%-22% in regulated markets.

Raghuram Kuchi: You have grown well in existing non-regulated markets over the last four quarters. What is driving this growth? Given the cyclical pattern over the last two to three years, do you see this growth continuing for the next one, two or three years, or is it too difficult to predict over that period?

Rahul Nachane: We saw a market downturn, mainly between 2023 and 2025, for several reasons. As you may recall, sales increased sharply during COVID, and customers built up substantial inventories. Between 2023 and 2025, customers reduced those inventories, which led to lower demand across the industry.

We believe that inventory adjustment is now complete. Going forward, we see very strong growth in this segment.

Raghuram Kuchi: Do you foresee this strong growth continuing over the next one, two or three years, sir?

Rahul Nachane: Pardon?

Raghuram Kuchi: Do you foresee growth over the next—

Rahul Nachane: We feel growth is quite substantial; the international market is currently growing at a healthy 10%-12%.

Raghuram Kuchi: Sir, what has changed structurally in the regulated market business that allows us to acquire new customers? That is one question. My other question concerns the USFDA. Once we obtain USFDA approval, can we keep filing additional DMFs, or would every DMF require a new USFDA approval?

Rahul Nachane: No. The USFDA does not approve specific product files; it approves the plant. Once the plant is approved, we can continue filing DMFs. The agency will review and approve the DMF, without triggering additional audits.

Raghuram Kuchi: Thank you, sir. That was helpful. All the best.

Rahul Nachane: Thank you.

Moderator: Thank you. Our next question comes from the line of Rahul Jain with Credence Wealth. Please go ahead.

Rahul Jain: Thank you for the opportunity again, sir. Over the last three quarters, you have referred to robust and consistently increasing demand. You also mentioned in response to the previous participant that, after the difficult period from 2023 to 2025, you expect very strong growth going forward.

Do you expect this growth momentum to continue for at least another year? Prices have still not increased after declining substantially over the last two to

three years. In your assessment, if demand remains strong, could prices improve over the next one or two quarters? Is that a possibility?

Rahul Nachane: I do not see that possibility in the near future, at least for the next three to five quarters. I do not expect prices to rise over that period.

Rahul Jain: Understood, sir. Regarding gross margins, after remaining around 50% for almost five or six quarters, they have been around 56% for the last two quarters. Is a gross margin of 55%-56% sustainable going forward? I am referring to gross margins.

Rahul Nachane: It is very difficult to say because the long-term gross margin has always been in the 50%-55% range. We are probably at the upper end of the spectrum currently. Going forward, it should remain within that range, although it can move up or down by a couple of percentage points.

Rahul Jain: There were no one-off factors in the last two quarters, correct? Is that understanding correct?

Rahul Nachane: No, there were no one-off factors. The performance currently reflects normal operations.

Rahul Jain: My last question concerns debt. We have done reasonably well in controlling long-term debt despite the large capex of Rs. 220 crores. Considering long-term and short-term debt together, do you believe total debt has now peaked, or could it increase further as sales grow?

Rahul Nachane: I expect short-term debt to increase slightly because incremental turnover will require additional working capital. However, I do not expect any increase in long-term debt.

Rahul Jain: Thank you very much for the opportunity again, sir.

Moderator: Thank you. We have a follow-up question from the line of Raghuram Kuchi with Bestpals Research and Advisory LLP. Please go ahead.

Raghuram Kuchi: Thank you again for the opportunity, sir. One question on regulated markets: what filings have we completed? You mentioned a total of around 17 filings in Europe, with additional filings in the US. Could you give us a sense of the addressable market size and the market share we would target in the EU and

US? I am referring to a three- to five-year perspective, rather than the short term. What market share could realistically be achieved?

Rahul Nachane: We are currently building our portfolio of regulatory filings and approvals, so it is too early to discuss the market share we might achieve. Our objective is to register as many products as possible from our portfolio. This creates two opportunities. First, customers requiring multiple products can source them from a single supplier. Customers are often unwilling to switch suppliers for just one product because the compliance requirements are substantial. Second, we are targeting smaller firms as well as the top five or ten companies, including firms with a narrower product portfolio or lower volume requirements. Our philosophy is that no customer is too small, and we would like to serve customers across the market.

Raghuram Kuchi: Are changes in market structure creating any gaps that allow us to target these opportunities?

Rahul Nachane: There are no readily available gaps that we can simply step into. This is a mature market, and most of our products have been off patent for a substantial period. Established supply chains already exist, so we need to win business by offering a better value proposition.

Raghuram Kuchi: Understood. Thank you very much, sir.

Moderator: Thank you. As there are no further questions from participants, I will now hand the conference over to Mr. Rahul Nachane for the closing remarks. Over to you, sir.

Rahul Nachane: Thank you for joining us today and for your questions. We look forward to keeping you updated on our progress in the quarters ahead. Thank you, and a happy new year and good day to all of you.

Moderator: Thank you very much, sir. Ladies and gentlemen, on behalf of NGL Fine-Chem Limited, that concludes today's call. Thank you for joining us. You may now disconnect your lines.