

Ref: MPL / Sect1 / BSE & NSE / E-2 & E-3 / 2024

04<sup>th</sup> October 2024

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BSE Limited  
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**Mumbai - 400 001**  
**Stock Code: 500268**

The Listing Department  
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Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.C/1, G Block,  
Bandra-Kurla Complex,  
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**Mumbai - 400 051**  
**Stock Code: MANALIPETC**

Dear Sir,

Sub: Analyst/Investor Meet - Transcript

Ref: MPL / Sect1 / BSE & NSE / E-2 & E-3 / 2024 dated 24<sup>th</sup> & 27<sup>th</sup> September 2024

Please find attached the Transcript of the Analyst/Investor conference call held on 27<sup>th</sup> September 2024 as required under Clause 15(b)(ii) of Part A to Schedule III read with Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The same is also available on the website of the Company [www.manalipetro.com](http://www.manalipetro.com)

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,

**For Manali Petrochemicals Limited**

R Swaminathan  
**Company Secretary**  
Encl.: as above



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## **Manali Petrochemicals Ltd**

### **Analyst / Investor Meet**

**27<sup>th</sup> September, 2024**

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#### **Management Team:**

**Mr. Ashwin Muthiah - Chairman MPL and Founder Chairman of AMIH**

**Mr. Hugo Chardon - Head of strategy, AMIH**

**Mr. R Chandrasekar - Managing Director, MPL**

**Mr. Gurumurthy Nagarajan - Managing Director, Notedome, UK and**

**Mr. Tobias Tasche - Chief Executive Officer, PennWhite Limited, UK.**

*Disclaimer: This transcript contains statements about expected future events of Manali Petrochemicals Limited (MPL), which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. This document is provided without any express or implied warranties and request readers to read this with the information published by the company. This document has been edited for better clarity and accuracy to avoid any transcription error wherever required.*

**Moderator:**

Ladies and gentlemen, good evening and a very warm welcome to the Investor meet of Manali Petrochemicals Limited. Let us begin by introducing the MPL leadership team, who will be engaging in today's session.

Mr. Ashwin Muthiah - Chairman MPL and Founder Chairman of AMIH Group, Singapore. Mr. Hugo Chardon - Head of strategy, AMIH, R Chandrasekar - Managing Director, MPL, Mr. Gurumurthy Nagarajan - Managing Director, Notedome, UK and Mr. Tobias Tasche - Chief Executive Officer, PennWhite Limited, UK.

At this moment, all participants are in the listen only mode. Later, we will conduct a question-and-answer session. At that time, you may click on the Q&A tab to ask a live question. Please note that this conference is being recorded.

Manali Petrochemicals Limited is a leading petrochemical manufacturer with over three decades of expertise based in Chennai, India. MPL specializes in the production and marketing of propylene glycol and polyols. It is a part of Singapore headquartered USD 2+ billion AM international group.

I would now like to invite Mr. Ashwin Muthiah - Chairman, MPL and Founder Chairman of AMIH Group, Singapore, to please give the opening remarks and welcome the audience. Thank you and over to you, Sir.

**Ashwin Muthiah:**

Ladies and gentlemen, I take pleasure in welcoming you all on behalf of Manali Petrochemicals, to this investors call. We are very happy to share the latest updates on our strategy and the progress across our business. After the presentation, my leadership team and myself look forward to addressing your questions. It's been a while since we connected last and we hope today's session will provide insights into our journey, particularly in a more strategic context.

At MPL, our vision is deeply aligned with our ESG commitments. We remain steadfast in our focus on introducing low carbon products and making our businesses relevant to the future. We have a dual focus on maintaining our position in the commodity chemical space while expanding our share in the specialty chemicals market with a long term and sustainable approach.

I look forward to an engaging and fruitful discussion today and also, your active participation is invaluable. With that, I would like to hand over the session to Mr. Hugo Chardon. After the presentation, we'll be ready to take your questions. Over to Mr. Chardon.

**Hugo Chardon:**

Thank you, Chairman, and thank you to everyone for joining us today. To start the presentation, I will hand over to Mr. Chandrasekar to start covering the first slide of the presentation. Thank you.

**R Chandrasekar:**

Thank you, Chairman. Thank you, Hugo. Briefly, we cover a basic introduction about MPL. The Chemical Solutions, performance chemicals, consolidated position of the company, the macroeconomic outlook of the company. We start with the overall introduction for MPL.

Some basic information, we are A+(stable) credit rating from CARE for our long-term borrowings and A1+ for short term borrowings. Our long-term debt is very low and we have a strong liquidity of around 400 crores by end of June 24.

Internal accruals are predominantly used for expansions. Basically, with an IRR of 20% on PG expansion, 23% on polyester polyol, 30% for the proposed West Greenfield expansion. Our cash conversion cycle is 59 days in Q1 of 2024-25.

We move on to the next slide. A brief look at the business verticals we have. On the upstream side, we have Propylene oxide, Polyols, Propylene glycol, PGMME and on the downstream side, specialty polyols and on the performance chemicals, surfactants on foam control agents, release agents, etc.

We move on to the next slide. On the chemical solutions, specifically on MPL, stand alone, some of the numbers and performance we can look at. We are an ISO certified 3 decades old manufacturing company having two manufacturing facilities in Chennai. Predominantly producing propylene oxide, propylene glycol, Pgmme, polyols and other derivatives. We have a revenue, CAGAR 5.86 over the last eight-year period. MPL constantly works on expanding our product portfolio with good performance backs up by fiscal prudence and high potential for value unlocking. And we have over 360 employees by end of June. Have clocked a total turnover of 177 crores on standalone basis for Q1 of 2024-25 with an EBITDA of 10.6 crores.

We move on to the next slide. We show in graphic form the movement of some of the ratios. The first one is ratio of inventory to sales on the commodity products what we have and the second one is on the net realizable value, what we call as NRVs. Due to COVID, we had very high demand for our commodity products coupled with low exports and low imports as well on the similar products that drove our inventory levels quite a bit down. However, a slow return back to normal is expected now on a regular basis. The NRV's we had a very skewed NRV during the COVID period because we don't have imports during that period and the demand was very high, but that has leveled back to pre-COVID levels subsequently and we expect the trend to continue for the future.

We move on to the next slide. We look at specifically some of the new projects which we have recently announced and have started executing. The first one is the propylene glycol plants with an initial phase one capacity of 32,000 metric ton per annum. The model investment is for 94 crores with a 50:50 Debt Equity ratio has an IRR of 20.7%. The

predominant market segment we will be covering with the expanded capacity of PG will be food and beverage and pharmaceutical sectors.

We move on to the next one which is polyester polyol. Two such plants are planned and 1 is already completed with the 4,150 MT per annum capacity and the second one it's an ongoing project we'll be focusing at construction and appliances and elastomers specifically with polyester polyol coupled with the captive consumption requirement. A little bit on the West India Greenfield expansion. The board has recently approved an expansion into West India to cater to the requirements of the local market. Initially, we will target 30,000 tons per annum of polyols with an investment model of 130 plus crores and IRR of 30% is projected with the five-year payback. Predominantly, Manali, from Chennai, will be supplying the requirements for this polyol capacity coupled with bit of imports.

We move on to the next slide, some of the smaller but notable projects what we have undertaken in the recent past. We are sourcing renewable energy through hybrid power system, catering to 68% of our overall requirements. We are strengthening our R&D team. We are strengthening our marketing team. And we move on from fossil fuel to RLNG for our plant to operations that will completely eliminate usage of furnace oil in our operations. We have sourced additional storage capacity for PO plus polyols as well and we are working on quite a bit of optimizing the overheads in our plant operations.

We move on to the next slide. This will be on the Notedome and our other subsidiary in the UK. I would hand over to Mr. Gurumurthy for Notedome operations.

**Gurumurthy Nagarajan:**

Thank you, Chandru. Hello everyone. This is Guru from Notedome UK. As you know Notedome Limited is a pioneer in producing polyurethane solutions. For Cast Elastomers industry. As I can see in the slides, the applications are quite diverse. We do supply to oil and gas, I mean pipeline pigging is an example, mining and quarrying and then automotive and defense industry where they produce bushes and mining screens, agriculture like potato pickers, harvesters and Subsea, there's another growing industry where under the sea cable protection systems it finds, cast elastomers finds application and paper and steel manufacturing like the rollers and brittle rollers, tension rollers, application rollers for an example and construction, this finds the architectural molds. As you can see, I mean we do have we do cater to diverse industry and we have quite a long goodwill because our products find application in niche segments and we command a good goodwill across our products, at more than 40 different industries.

We do export to Middle East, Far East, South America and North America and majorly are markets is UK and wider Europe. So do we do cater to diverse countries and diverse industries and command strong goodwill and because of this we do have a natural hedge against all these countries

slowdown and various other market related risk and we do have a good team of people with can do attitude and people who have been with Notedome for more excess no. of 30 years. We do have a strong, lean and agile operations and customer centric attitude by which we make tailor made solutions to our customers.

Could you move to next slide, please? Yeah, the key goal of Notedome has been achieving enhanced value for the parent group and the wider shareholders. How we achieved this mainly we understood, we studied the entire value chain and then segregated our customers who sees our products as our value added where we are single sourced or where we command better premium due to the viscosity of the product or the stickiness that our product command at the customer end. So, we do tuned our pricing at a rate higher than the market and on top of that, we do, I mean this resulted in enhanced margins and on top of that, we do leverage the global supply chain. We do open up our supply chain and then we started sourcing both from Europe as well as the from the Asia, so all these things are resulted in enhanced gross margin on top of that, we do efficiently manage our costs through strict OpEx control. And also, we do have greener operations like Installing... we are in the process of installing solar panel which will not only reduce the carbon footprint, but also reduced our cost. So, we do have good management of pricing as well as our cost which by which we are able to deliver enhanced value at the EBITDA level?

Could we move to the next slide, please? And this slide captures, what lies ahead of us as you can see, the global cast elastomer market is in excess of 1.4 billion and this is going at a steady rate of 5 to 6% and mainly the growth is coming from APAC region. So, what Notedome device growth strategy is we do have a strong focus on innovation. We do develop new product to suit our growing customers and also, we do have a plan to develop our diversify into new markets like renewables under the cabling and all those things where traditionally Notedome didn't have much presence. We are cautiously putting more efforts into this region by employing new people and also by developing new technologies to tap into this high growth industry and also, we are expanding to new region. We do enter recent contract with a distributor in Spain and also, we recently participated in a trade show in Middle East in an effort to grow our presence in Middle East region and also, we have in the advanced negotiation with our distributor who have represented in Sweden, the Nordic territory, basically the Sweden, Finland and Denmark.

So, on top of this aligning with parent company's ESG goals, they are also developing sustainable products based on we are offering sustainable polyethylene solutions to our customers by leveraging the sustainable Polyol and sustainable crosslinkers this we have recently supplied to a customer in Finland as well as the customer in UK. On top of it, we are enhancing our brand awareness and presence in the market, not only by participating trade shows but also rebranding. We recently rebranded our

logo and relaunched our website. All these things I mean constantly in an effort to enhance our reach and presence in the market. So, this is the overview about Notedome. I'd request Tobias to take over PennWhite please. Sorry to be asked. You're on mute I guess.

**Tobias Tasche:**

Yes, that right. Thanks very much for that Gurumurthy and my name is Tobias Tasche, I'm the CEO of PennWhite. PennWhite is a manufacturer of specialty surfactants, in particular for foam control. But also, we manufacture a number of specialty products for quite specialist applications. We've been doing this for 40 years, originally as a successful family business that has exported has a long history of exporting to many countries. But two years ago, we were acquired by Manali and with the strong support from mother company,

Ashwin C Muthiah

Sorry Tobias, I think we need to move the slides.

**Tobias Tasche:**

Sorry, Yes, since the take off by the Manali, we really have had an opportunity to invest for growth and with support of the mother company also develop our growth plans, which is key because this has always been a very profitable business but we think we can continue on that profitability journey and globalize that profitability, so a number of things have already happened in that, ah in that space and mobile.

Well, if you then look at our typical key areas of where we're active in the market, we are very strong indeed in things like wastewater and recycling where we have a very strong position in the UK and in Europe. But we hope to globalize that because these are areas where also globally, there is a strong interest, in particular because of these application areas, strong links to sanitation and the circular economy, and in particular in the UK and Europe, we have a very strong footprint in supplying, for instance, the food grade and the beverage industries. Where we supply very many of the "A" brands in their segments with typical problems that they have with phone control, either in their processes or in their products and last but certainly not least, we also have quite a substantial position in fermentation. This is really either in controlling aerobic and anaerobic digestion in some applications, but also for instance is an area where we support the pharmaceutical industry in optimizing pharmaceutical fermentation, for instance.

And finally, we have a basket with some very niche specialty products, which typically tend to be quite specialist with very high margin areas, typical very specialist offerings here are products for parts of the print industry for parts of the construction industry and high-quality products for you, know, domestic plumbing for instance, or for fiber optic cables.

Next slide please. Here, you'll get a bit of a sense of that our current sales breakdown and our profitability journey that we've been on, we already have a strong history of profit growth, but we clearly think we can augment that and certainly, in under new ownership, we've been able to

bring much more structure and discipline to the sales and marketing function. So, we've been able to expand our pricing and margin management and key account manager and likewise, we've also have been able to invest in the plant to reduce complexity and cost with you know quite favorable results to show for it, so to speak.

If you look at where we approach the market, typically we focus on the premium end of the market where customers really value our customer intimacy, as we call it our technical service and a large portfolio of tailored products and consequently, our profitability is high, products really are valued on our ability to help customers with avoiding cost or improving efficiency in a plant or resolve issues with excessive foaming for instance and that means that the price is really determined by the value offering not by the cost of the underlying material and this of course is a typical aspect of, you know, the specialty chemical segment that we're involved in and that also means that our customers tend to be sticky, so to speak, once we have them, they don't tend to leave us and we have very many long-standing customer relationships who we can hold on to and for those customers the total purchase price of our category of products, the foam control chemistries is relatively small part of their total procurement spend. So, these customers also tend to be less price sensitive to the price of our products.

We then go to the next slide. If you then look at, you know, where are we going from here then you know it is very clear that we're on a good path already, but we will continue to focus on that. We will maintain our core focus on foam control, but we will continue to put selective focus on specialty areas where we can maintain niche value I should say. Historically, we've been a very strong operator in the UK and we're not done yet. We have a very strong opportunity still to grow in this local market, but clearly the next phase of our journey requires that we do a lot more in Europe where we have a material footprint already, but we can do much more based on our existing strengths and value proposition and in particular, we think we can do more in terms of direct sales of our own brand products. For the rest of the world, really that's where the symbiotic relationship with Manali will help us a lot. We already have profitable export business there, but we hope to expand that.

India is going to be an important market for us and you will have seen the announcement that we recently made about establishing an Indian subsidiary where we already have the first employees doing business development in that market. We are actively assessing the opportunities to create a manufacturing hub based in India, not just producing for the Indian market, but potentially also for the wider Asian region.

If we then look at some of these key ESG aspects that are important to the group, they are very important to us as well and we feel that PennWhite already has intrinsic advantages that can benefit us and that allow us to capture quite easily and increasing societal interest in these things. So, the way we manufacture our products is intrinsically low carbon. Many of our



competitors use higher carbon ways of manufacture so we think we have an advantage there. Because we have a long-standing focus on areas like food and pharma, very many of our product formulation chemistries are already based on water based or vegetable oil-based formulation platforms which intrinsically have a number of advantages in terms of environmental compatibility, no harm to people low toxicity and client degradability and these are strengths already for us in the market. I think the value of that will only increase going forward.

We do work of course, with a number of suppliers also to take carbon out of our feedstocks, but it is very clear that our ability to help our customers become more sustainable and do more. For instance, in the circular economy is a key element of our offering.

If you then look at the number of accreditations we have in the ESG space and outside it, this for us is a key element of our differentiation. We really want to manufacture to the highest standards in industry and we will continue to look for opportunities to increase that competitive gap with the competition. To support that, of course, we will continue to support plenty investments to take cost and complexity out and we still see opportunities to optimize there. We will continue to recruit, attract and retain high value standard and continue to build a good mix of marketing, channel management and strategic relationships. And with that, I'd like to give the floor back to the moderator.

**R Chandrasekar:**

Thank you, Tobias. We just move on to the consolidated position for Manali Petrochemicals. We have a very strong consolidated financial structure and if we look at the liquidity ratios, we have 4.3 presently on the current ratio and 3.6 on the quick ratio, we clocked the top line of INR 1,061 crores consolidated for the previous financial year 23-24 and considering the current on liquid assets, your company is very strong and having in an absolutely good position on the liquidity situation. The consolidated revenue shows a healthy trend in spite of tough global markets. So, we continue to, you know, expect a good stable platform for the years to come.

We move on to the next slide. Yeah, If we look at the sales alone, excluding other income, we clocked top line sales of INR 1,028 crores for the last financial year compared to INR 1,166 crores for the previous financial year.

We move on to the next slide. A bit of analysis on the core products, what we have and the breakdown of product wise analysis, predominantly 63% of our product portfolio is from commodities and 37% from specialties. If we look at the product wise portfolio, propylene glycol stand stop at 27% of the overall portfolio followed by slab stock at 19%, the others of 31% includes our Thermo Ware, General Rigids, Coal cure modes, Notedome and PennWhite products as well and just to reiterate, we are the sole manufacturer of propylene oxide in India, a market leader in propylene

glycol, polyols and PGMME and the only integrated polyol manufacturer in India.

We move on to the next slide. We do have certain lessons learned from the last financial year. The slowdown in China has significantly increased imports into India, putting lot of pressure on our NRVs, especially slab stock. The increased raw material cost coupled with supply chain disruptions, increased transportation costs the month or so impact of Cyclone Michaung in December 23. All these have put a tremendous stress on our margins. However, we look forward to a more stable platform in the future. Despite imposition of anti-dumping duties, its impact on the export volumes limitation, we continue to rely on our own performance than on the government intervention on the ADD side of it, we move on to the next slide.

The value building for our shareholders both on market capitalization and the net worth, we stand approximately at INR 1,000 crores now it's a very good performance compared to the previous years. Of course, leave alone the COVID period of two years, and we continue to maintain a 10-year unbroken record on dividend declaration and in spite of tough situation for the financial year 2023-24, we had declared a 15% dividend to the shareholders and the good financial health supportive is definitely from our own you know, whatever efficiencies, improvements we bring in in our own activities, in our performance, in our operations and supporting the value of the shareholders by continually giving dividends is our focus and we will try to maintain that in the years to come.

We move on to the next slide. For the future sustainable eco efficiency, some of the steps we have taken. First one is we have signed an MOU with Eonic Technologies and in the following slide, I would request our chairman to give a brief on our association with Eonic technologies. This is basically the waste CO<sub>2</sub> will be utilized as a material for our CO<sub>2</sub> based polyols, thereby reducing the impact of propylene oxide input into our polyols. This is one big way forward on our eco-friendly eco efficiency operation. We have already switched on to a 68% RE power for our energy utilization. We have signed 2 agreements with Thermax and Amplus we continue to use get the supplies and use the 68% of our energy resources through RE power and on the bio polyurethane, bio based raw materials have been introduced and we are working closely with two customers on bio-based MDI polymer for Notedome. This will definitely improve some of the ecofriendly activities undertaken by your company.

Now MPL also is moving on to R-LNG platform as I briefed few minutes before for our Plan 2 operations and completely, we will come out of usage of furnace oil in our operations in Chennai.

We move on to the next slide. I would request Chairman to say a few words on Eonic association, please.

**Ashwin Muthiah:**

Chandru, I'm pleased to say that Manali Petrochemicals has entered into a very strategic partnership with the Econic in the UK. So, they are working on technology that is useful for our polyol manufacturing and of course, it helps us in reducing the carbon footprint. So, we have an arrangement where Econic technology is available to us and also to the Indian market. So, I hope very soon we will be able to incorporate this into our full-scale commercial production and thereby reducing our dependence gradually on the on fossil fuels. So, this is a little short brief from my side on Econic.

**R Chandrasekar:**

Thank you, chairman. Couple of more points before I hand over to Hugo. The effluent reduction, we work on an ETP technology. There is a study going on with CSIR NEERI to implement a ZLD process, though it may not be achievable in full, we are trying to get the study fully up and running and implement to the maximum possible to reduce the liquid discharge from our system. And on the second portion without waiting for the study to be completed and implemented, we have already installed the skids to reduce the aldehyde concentration in our product, which will reduce the batch time of our production cycle and will increase the quality of the Polyol and doesn't require downstream separation process. So, we are embarking on certain stable future feasibility implementation projects. Certainly, that will help in ecofriendly future for Manali Petro.

The vision of Manali continues to continue continuously enhance our customer centric approach towards product customization and to upgrade safety and environmental standards for the betterment of the community at large. With this, I hand over to Mr. Hugo for the macroeconomic outlook of Manali.

**Hugo Chardon:**

Thank you, Chandru. Good afternoon, everyone. So, I will be covering very briefly the macro-outlook considering 3 things, local market, mega trends and the petrochemical industry. And as you can see on the 1<sup>st</sup> slide, the real question and I think I'm not the only one that is trying to figure it out is have we reached the bottom of the cycle yet? If you looked at India and the petrochemical industry for the past four to five years, we have seen two very different cycles since COVID.

The first cycle actually started in 2020 when we saw a strong shift in consumer spending from services to good purchases. And at that time, that was also coupled with supply chain disruptions and strong local demand. That's why you have seen a very big uptick into your company's results.

The second cycle, which is actually still going on today, started in 2022 and that's when we started to see a strong slowdown led by the supply chain reopening inflation growing, which is slowly coming down now and a very strong local demand. So, this cycle from our perspective will still go on for at least a year, a year and a half. We are definitely looking at the recovery from China and we do not expect that recovery to come anytime soon. So, for us, we feel that we have reached the bottom of the

cycle, but we don't feel that we are yet in a place where we are going to see a very strong growth and much less import from countries like China and the Middle East.

If you look on the right-hand side, we have added the Brent crude oil price. It has been declining and we still think that it will continue to soften. As most of you know, the Brent crude oil prices are correlated, positively correlated with the propylene price. As you know, propylene is a byproduct of crude oil refining and Manali is a major purchaser of propylene. So, for us, obviously, if prices go up, our prices go up. If prices come down, our prices go down. As you know, we are local manufacturers and will not be exposed that much to the fluctuations between dollar and rupees.

If you go to the next slide. These two graphs are quite interesting because if you actually look at your company on a standalone basis without looking at the market, you would think that your company has done not so well in the past two years. But if you actually look at the petrochemical industry, considering most of the upstream chemicals that exist propylene, ethylene, benzene, most of them at a global scale, rates for most of the plants have come down significantly from 2020 and if you what I've mentioned in the first slide about the second portion of the two cycle that we have seen, you can see that during COVID, the global operation rate started to come down significantly and they have reached a bottom in 2022 and still today with an increase of supply coming from China, we still feel that the operation rate will stay low. So, if you actually compare global operation rate versus Manali's capacity utilization for the commodity product, we are very much in line with the market from 2020 to (2022). Global operation rate went down from 82% to about 65, if you look at your company from 2021-22 to 2023-2024, for Plant 1, we went from 82% to 72% for Plant 2, we went from 55% to 45%. So, we are very much in line with the global market on top of it, we are facing, as you know, heavy imports from China, which obviously are putting a lot of supply which is not being catered to the local market due to the slowdown of their own economy. So again, if we look at the global macro, your company is not doing that bad. Looking purely on the global operation rate and capacity situation from our plants.

If you can move to the next slide. So that slide is mostly covering India as a country. If you see India has been in the news now for many months because of its stellar growth. Manufacturing sector has definitely been growing a lot. Public investment has been coming into India more and more. Luxury residential, real estate have been one of the key drivers for the country growth and as you know, India has always been protective of its own industry. But now you can see the country is very much inclined to work with the country around the region.

FY 2022 was the signing of the FTA with the UAE. This is a major milestone obviously for India as you now see a lot of capacity from the petrochemical, major petrochemical players coming from UAE. On the

back of that Government of India has put in place a strong tariff policy but as Chandru said, we don't want to rely solely on the tariff policy from the government because otherwise it would mean that we're not thinking about our own growth, but we're just thinking about protective measures that have been given by the government and I don't think in the long term, that should be a strategy for us.

In terms of the target of natural gas for a country like India, as we have put it into the right-hand side, 50% target of natural gas shares of India by 2030. Currently it's about 6%, and as Chandru explained, we're working towards that.

Apart from that, we are you know, we're very excited about the growth for the country in the next decade. I think that if good fiscal measures and reform are being worked on for the country, petrochemical will definitely be one of the sector that will grow with it.

If we move to the next slide. This slide very much emphasized the sustainability angle for our industry on top of what as a company, we have been doing and I think the key take away is that while company like Manali must do their best in order to be first of all compliant with the new regulations and on top of being compliant, being ahead of the curve with the new technology to be more green and more sustainable. It cannot happen at the pace that some people say. The reason for that is company's ultimately are moving as fast as possible, but implementation as all of you know takes time. It takes time and it takes large capital. So, company like Manali for example will do their best to implement new technology into their current processes. So Econic is one, DMC catalyst also is one to reduce the amount of PO and the EO that we're going to use in our product. So, what we see is that it's basically a work in progress and always a balance that the public, through the government policies and private company like Manali, must work together. But we don't really see a swift change and a strong disinvestment from any private companies, from fossil fuel related chemistry or anything of that sort. We see companies going down the road of being more sustainable, but also looking after the CapEx and the expenses which is what we are trying to do at Manali.

Next slide please. So, I think that's it for the presentation. Thank you very much for staying with us throughout the presentation. I will hand over to the moderator to take any question that you may have.

**Moderator:**

Thank you. Sir. We will now begin the question-and-answer session. To ask a question, please click on the Q&A tab on the panel and click on the raise hand button. The operator will announce your name when it is your turn to ask a question. Please accept the prompt on your screen and unmute your microphone while proceeding with your question. We will wait for a moment while the question queue assembles.

The first question is from the line of Tarun Saxena from Aditya Birla Finance Limited. Please go ahead.

**Tarun Saxena:**

Hi Hugo. Good to have listening from you about the outlook of the company. So, Hugo, I first of all, I must say that I'm very impressed by the ESG initiatives that the company is putting in place and the focus on sustainability going forward. And Mr. Chandrasekar also talked about, you know, the policy that you have of reducing the liquid discharge to Zero in the near future, if not immediately and that is something that we as investors to the company or we as financiers to the company very much want to have with the company with the investing company that we have. So, my question to the panel is two-fold. First of all, that you know to reduce the carbon emissions and to have a policy of that sort requires substantial investment into the overall Capex outlay, and probably it would involve realigning of the processes to sort of, you know, get that desired result of reducing the emissions and everything. So, the first question is that you know what is the incremental cost that the company's incurring to achieve that goal and how much pressure it puts on the margin of the company and how much does it, you know, put the company at a weaker pedestal in comparison to the other competitors who are not following such stringent norms for ESG initiatives. This is the first question. Second question would be more on the financials that I see that the top line of the company once it has shot up during the COVID years it has been going down considerably and you know in a manner it is showing a downward trend from 2021 onwards. So, first of all, what is the reason for that? And secondly, what is the outlook that the company has for the near future in terms of growth in revenues and margins? Thank you.

**Hugo Chardon:**  
question?

Thank you. Tarun. Chandru, do you want to take the first

**R Chandrasekar:**

Yes, Hugo. Yes, on the carbon reduction, we work on case-to-case basis work out the feasibility and then get into the mode of approval of CapEx through the Board. We haven't gone in you know on multiple activities at one go. To work on the Econic catalyst is one of the activity, to work on the ZLD reduction through study through NEERI is another activity, so we go in segments and once the study and feasibility is complete, then we get into the CapEx side of it and one by one, we go through the board approval, we are not going everything in one go. That is to answer your question on the carbon reduction CapEx. And on the financials, yes, the two years of peak what we have seen during COVID is with two factors. One, there were no imports allowed, so it was entirely Manali's products, commodity products which was available in the market and the demand was so high that it could achieve a better price and margin. We can't expect the COVID situation to continue forever we are back to pre-COVID levels. So even though you can see a drop in the top line and margins, it's not necessarily a drop. It's reaching the pre COVID levels and with all the optimization activities and you know efforts we do to improve our

performance and product portfolio, we should be on a stable platform in the days to come. That's from my side Hugo.

**Hugo Chardon:**

I'll just add two things, Tarun, on the CO2 reduction, there are two things as you rightly mentioned, there are large scale projects and there are announcement of current technology because ultimately Manali is not a technology provider. We are a manufacturer. So Manali always we have to work with technology provider to manufacture polyols. The reality is today when you look at the new plants that have been put in China that have been put for example by DOW in the US, only a handful of those plants have full green aspect into their technology. If you look at, for example Eonic, it's a public information, they have entered into an agreement with Changhua in China, which is a very large manufacturers of Polyol in order to manufacture polyol using a chronic catalyst. They are much larger than us in terms of the volume that they manufacture. But in terms of how far they are going with the green angle, they are at the same level as us. They work with Eonic on the special agreement for China. We work with Eonic on the special agreement for India. Now if you look for example of DOW which put it recently, a PO and PG and polyol manufacturing plant in Texas, I think that was in January 2024, they managed to get what's called the ISCC Plus certification and that is specifically for circular and bio circular solutions, which means that they're using, they're decoupling fossil feed start by using waste source feed star. So that's always something we can implement. For example, when we look at the new plant in the West, right, so that's the first part when you're talking about technology and things that can be done. In terms of pure engineering and technology that you can buy from provider, if you look at the brand-new plant for Polyols with brand new technology, which doesn't really give you a green factor to it, but maybe a better quality of PO and Polyol, you're talking about multi hundreds of billions of dollars in order to build those kinds of plants. For us in the West, we are going with the current technology that we have using the green credential that we know through Eonic, through the DMC catalyst that is for example used by our competitors in the West. So, there are two things to look at. One is at large scale. What can we do, the reality is today even the large players like DOW and Changhua are not doing much more than us when it's come to put green plant, they're just getting certification or they're just recycling fits up. On the technology itself, we will use our current technology because we feel that with the R&D work that we're able to do, we are able to bring down those numbers that, you know, make everyone a bit worried with regards to the sustainability and then we regard to the revenue, I think I agree with Chandru, COVID was definitely a special year that we very much enjoyed. The next two years have been obviously difficult. The company also went through management changes, which also was very important for your company. Now we are recruiting more people and the reality is that we've never had so many projects internally to be looking for. I mean we are going into a very large expansion for propylene glycol with 45% market share in India. We want

to grow that because it doesn't require Ethylene Oxide for example going into the West will be the first of its kind for a company like Manali that has been operating in the South. So, there are a lot of projects. PennWhite is doing very well. We're going to have a manufacturing site in India, so even though we don't have fixed revenue expectation and forecast, we are definitely working towards increasing revenue through organic growth instead of just looking at it on a flat basis and saying that we should just be back at where it was before COVID, I think now the key is to just go beyond what it was before COVID. I hope this was helpful.

**Moderator:** Tarun does that answer your question?

**Tarun Saxena:** Yeah. Yeah, absolutely. Thank you so much.

**Moderator:** Thank you. We'll move on to the next question. The next question is from the line of Aditya Khetan from Smiths Institutional Equities. Please go ahead.

**Aditya Khetan:** Yes, Sir. Thank you for the opportunity. So, my first question is, Sir, when we look at the numbers, so consolidated numbers from 2016 to around 2024, Sir, we are more or less standing at a similar EBITDA. But when we look at the top line, we had almost doubled. So, I just want to know so onto the raw material side, which are our major raw material and are we able to pass on the incremental price or the RM price to the end customers? If yes, then what is the reason why there is such an increase in the raw material cost? And that has not flown through the EBITDA. So, this is the first question and 2<sup>nd</sup> Sir. So, with these new projects which you had mentioned, which will be coming on stream into the propylene glycol and all, where you see so, so two to three years down the line, we could be standing in terms of revenue and EBITDA?

**Hugo Chardon:** Thank you. I will let Chandru take this question.

**R Chandrasekar:** Sure. Thank you, Aditya. Thank you, Hugo. Right. Our major raw material is propylene which is you know 70% of our consumption. That depends on the price of butane and propane and the international market price of crude so obviously you know it fluctuates on a monthly basis and it's fixed by the government entities which supplies our raw materials. To answer your specific question, we can't be passing on the raw material increase directly on to the consumers because the end price of commodities, they are heavily dependent on the import prices and as we briefed number of times in our presentation, we are influenced heavily by dumping of imports mainly from China and other Far East countries, and the import price whatever is available, we have to somehow match or live with that, otherwise we won't have these volumes and products moving in the market. So, we directly answer your question, we can't be in a position to pass on the increase of raw materials directly to customer. On to the second question. Yes, we can in general say we are trying to improve both on top line and EBITDA levels, but it would be an UPSI information to discuss about 2-3 years of revenue and EBITDA in this forum. But



obviously yes, all efforts are being done to stabilize, improve the top line as well as EBITDA matches. Thank you.

**Aditya Khetan:**

Sir, just a follow on to this, Sir, onto the raw material side. So as and when the crude prices fall, so your raw material also fall. So, like is there any sort of pricing power like we can keep so we can improve our margins. So currently we are witnessing that the crude prices are declining so into this situation, this is a positive for the company or a negative?

**R Chandrasekar:**

Certainly, crude prices falling will be good for the company, but obviously the end prices of our input raw materials are fixed by the state-owned companies and we don't have a say over it. We you know we can't demand the crude prices have dropped, so reduce our prices. We are not in that situation. We have to heavily depend on the state run utilities to fix the month-on-month prices and supply to us, but obviously a lower crude price will drive down the input prices of our raw materials and that should be good for the company and the shareholders.

**Aditya Khetan:**

And Sir, on to that import duty. So, is there any chance for so where the government is increasing the import duty or imposing an anti-dumping duty for this product?

**R Chandrasekar:**

To answer that specifically, we already have certain ruling ADD ruling in our favor. We have two such ruling in favor of flexible slab stock Polyol from Singapore till June 25. We have two rulings from Saudi on flexible slab stock Polyol from April 2021 on till April 2026, but the government can go on specific applications on products with specific countries. It can't have an all-encompassing law for import duties on these dumpings which are happening. So presently we have a case which has been a finding has been published by DGTR in favor of, you know, imposing ADD on China and Thailand imports on flexible slab stock polyol which is yet to be confirmed by Ministries up in the hierarchy. So obviously we have to wait for such favorable decisions. But as we briefed in the presentation itself and Hugo, we won't really wait for the ADD ruling to come in, you know, in the near future or later, we would work on optimizing our own resources and improving the margins, but any help from government on ADD ruling is certainly welcome and that will improve our performance definitely.

**Aditya Khetan:**

Thank you, Sir. Thank you. That's it from my side.

**R Chandrasekar:**

Thank you.

**Moderator:**

Thank you. The next question is from the line of Aashav Patel from Molecule Ventures. Please go ahead.

**Aashav Patel:**

Thank you for the opportunity. So, my question is that the DGTR recommended ADD on flexibles slab stock polyols based on the final findings published on 28<sup>th</sup> of March 2024. So ideally, Ministry of Finance imposes or reject an application within three months. But in our case, it has been over six months, but we have not heard any update on the same.

So, do you think it would actually be imposed going ahead or there could be a situation wherein ADD is not imposed because incremental pin point over the last two years, in terms of imports were largely from China and Thailand, and this ADD was precisely catering to that pinpoint of imports.

**R Chandrasekar:**

Thank you Aashav. To answer your question on this particular finding of DGTR. Yes, they have to give a ruling in three months' time, but obviously they have extended it by certain clarifications and queries which they are still picking up from the market as well as from specific consumers. They have not so far taken a decision on accepting the findings or rejecting the findings, but the fact that it is still live itself shows that government is considering some. So, we keep a positive outlook on that, we do expect government to support Make in India initiative. We are the largest integrated polyol manufacturer and government is expected to support us under the Make in India scheme and we do hope sincerely hope government takes a very pragmatic view of this DGTR finding on 28<sup>th</sup> March 2024.

**Aashav Patel:**

Got it, Sir. And just to follow up question on the same that as per the as mentioned in the PPT our FY 2024 breakdown and revenues Slabstock Polyols accounted for close to 20% base and system Polyols accounted close to 5% each and Pre-Polymers accounted for 10%. So, I just wanted to verify the ongoing ADT which we are discussing about if and all it applies then what proportion of our sales mix does it impact positively?

**R Chandrasekar:**

Sir, we have a capacity of 45,000 tons for polyols in our facility in Chennai and if the government is supportive of this ADD predominantly, I would say 60% of the imports which come from China and Thailand and the balance 40% from Singapore, that will certainly you know, improve our share of the product portfolio from 19%, it could go even up to 30-35%.

**Aashav Patel:**

OK. But it would impact only the slab stock polyols product?

**R Chandrasekar:**

That's right. That's right. It's a product specific. It's not, you know global this thing, it's a country specific under product specific.

**Aashav Patel:**

Got it Sir, another question in the in the standalone, even the PG segment is a very large product for us and as per the stand-alone profit and loss account in FY 2024, the company is operating at breakeven margins. Does that mean that the PG segment is also facing dumping currently, which was historically a better segment than Polyols in terms of margins and better capacity utilization?

**R Chandrasekar:**

Yes, perfect. You are right. On the PG segment, on the industrial grade and fragrance grade, there is a dumping happening now. So, the market is facing pressure on the NRV's because of the dumping on these two segments of PG. Otherwise the margins could have been better.

**Aashav Patel:**

OK and do you see any sign of improvements in the PG market specifically?

**R Chandrasekar:** It will improve. That is why we are we have, you know, ventured into this capacity expansion. The advantage is we give a five-year guarantee on our product. That's the USP what we have. And then when there are quality issues pointed out by agencies, drug control authorities, Manali is the first person to be there, attend to the query and sort it out. So, we give a complete backup to the consumers and the industry which uses our product. So, on the PG segment, the USP continues. We continue to give a five-year guarantee and we stand specifically on a high platform on that.

**Aashav Patel:** Yeah. Just to summarize, FY 2023 and 2024 standalone level spreads were lowest in the last entire decade now. So, can we say the FY 2025 profitability would be an inflection point for the company and we can see a revival this financial year itself towards the main profitability level?

**R Chandrasekar:** You know, certainly you have seen the Q1 numbers of FY 2024-25. So certainly, you know we are on a stable wicket and if government is going to support in the short run on rolling on the ADD from China and Thailand dumping and the couple of other factors on PG and the capacity increase, what we are working out, certainly you know we are in for good times.

**Aashav Patel:** A follow up question on the capacity increase as you rightly mentioned. So, in PG phase one we are doing capacity CapEx of around 100 crores. So, when do we expect it to actually start contributing in terms of volumes in the numbers?

**R Chandrasekar:** We should be completing the project in Q2 of FY 2025. So immediately from there on, we should be focusing more on marketing the additional capacities what we have.

**Aashav Patel:** And that would account for close to 32,000 metric ton of PG, is that right?

**R Chandrasekar:** Yeah, additional capacity, but we won't expect this whole thing to move in right from day one. So, it will be in stages. Yeah, it will be in stages.

**Aashav Patel:** Got it. And same questions Sir for polyester polyols, when is it expected to come the 8,000 MT?

**R Chandrasekar:** So, the first phase is already completed and we are using it for our captive consumption. The second phase should be up and running in by end of Q3 or beginning of Q4 that should be available for market to consume it.

**Aashav Patel:** Got it, Sir and Sir, how is current realization of PG and polyol segment? How has it moved over the last few months and what are the expected volumes for both this segment for FY 2025, I understand pricing we can't estimate but at least volume.

**R Chandrasekar:** And I'm, I'm afraid we can't go in depth into that being a UPSI information, but certainly, you know, based on Q1 trend, you can expect good things to turn around.

**Aashav Patel:** OK. And what would be the current capacity utilization for Notedome and PennWhite subsidiaries?

**R Chandrasekar:** Yeah, I would leave it to the CEOs to respond to that, just a minute.

**Aashav Patel:** Sure.

**Gurumurthy Nagarajan:** Yeah, at notebook level, I mean, our capacity is around in excess of you know 50% to 60%. So, there's still plenty of room to grow without making significant investments, but we cautiously operate in the premium end of the product line. So, we are not so focused on increasing the capacity utilization or playing filling the plant with commodity product. Our aim is to be on the specialty end of products so that long term still with the profits as well as stickiness of the customers exist. Hope that helps, over to your Mr. Tobias, Thank you.

**Tobias Tasche:** Yeah. Thanks very much very much, Gurumurthy. And from PennWhite's perspective, I can only mimic what in effect Gurumurthy says. I mean also PennWhite is very much focused on the premium end of the segment. So, we have no intrinsic desire or need to max out a plant. We don't necessarily have a very high minimum utilization rates that we need to pay off a capital investment for instance. Typically, we run at the moment after a number of debottlenecking activities under new ownership at about 50% utilization, which we foresee is enough for the next few years. So, we have an ambitious growth plan, but we foresee no major need for CapEx in the next three to five years, we can do quite a lot with the free asset capacity we have any further expansion that we will need to support will be primarily by putting more feet on the ground to about staff rather than capital investment.

**Aashav Patel:** OK. And Sir, it was mentioned in the PPT regarding the 30,000 MT expansion on the standalone in Western India. So, can you please throw some more light on the same, what sort of product profiling are you targeting? What is the expected timeline to commence the CapEx and when does the plant actually start? What would be the EBITDA expectation for the same?

**R Chandrasekar:** As of now, I can only, you know, give information on the CapEx what we have budgeted and the IR payback period what we have worked out. We are in the very initial stage of this expansion project. In the days to come maybe after a quarter we will come to know more on the development of this expansion work. This is on a on a very preliminary scale and we tried to cover 30,000 tons of systems polyols catering from the Western India expansion.

**Aashav Patel:** Sure, Sir. Thank you to the entire team for answering out all the questions and this was very insightful conversation. As feedback, I would like to communicate that if we can do this quarterly phone call frequently that

would be very helpful to stay updated with the company. Thank you so much for your time. Thank you.

**Moderator:**

Thank you. The next question is from the line of Nirav Jimudia from Anvil Wealth Management Limited. Please go ahead.

**Nirav Jimudia:**

Yes, Sir. Thanks for the opportunity. Sir, most of the questions have been answered on. I just want to understand from you, like you mentioned to the earlier participants that we were having the lower capacity utilization on the polyol side just because the prices were not remunerative, so just wanted to understand from you like when we see our production process like when we start from all the way from propylene to conversion to propylene oxide and further to one of the product is let's say propylene glycol and another is polyol. Because of the unavailability of, let's say propylene in the domestic market or the higher prices of propylene, we were slightly constrained in terms of our production and on the other end also the factors what you mentioned about the prices were also correct. So, if you can just explain in terms of whether the availability of propylene in the domestic market could help us improve the utilization rates or let's say long term contracts on the propylene side at a slightly better pricing could help us to get those margins between propylene and propylene oxide to improve the profitability as well as the utilization levels. This was my question.

**Management:**

Sure. Yeah. Rightly put up by you if there is an impact on the you know, input prices on propylene, certainly the outturn cost for our propylene oxide, PG and PY will definitely be a good factor for us, so yes, if there is a propylene availability capacity increase in India overall, that will help us stabilize the price and there could be more supplies and availability available for our input raw material that will obviously ease out the stress on increased cost on the input raw material side of it and that will certainly have the further conversion, you know, costs of PG and PY betterment for us to improve the margins on that, but the end product is obviously determined by the dumping which is happening as of now. The mindless dumping which is happening so we don't have a control as of now on the end result on the margins. So, we have to have a wait and watch situation. How we obviously are reacting to the dumping side of it, how government is going to help us further they Make in India process and obviously as you rightly mentioned, the import the input price of propylene, if that eases out with more capacities, that will improve both the capacity utilization as well as the margin side.

**Nirav Jimudia:**

So, Sir, if you can help us explain like as compared to the players who will be producing propylene oxide globally through the propylene route, how much because most of them would be integrated I suppose and we not being a producer of propylene and has to rely on the domestic market for the requirement of propylene, how extra we must be paying on in terms of the propylene cost and because of which those margins are getting compromised at this point of time, A. And B is there any other alternative to produce propylene oxide or any other route available in the world,

probably world maybe moving towards some better production process through which the utilization of propylene to that extent comes down and we could also adopt those routes and improve on the availability of propylene oxide because I guess if propylene is not available, even the propylene oxide imports to India would be at that price, which would curtail us from further converting into let's say polyols or propylene glycol. So, your thoughts on same.

**R Chandrasekar:** Sir, that's the reason why we have started this association with Econic. You know that should to a good percentage of our input materials, we will reduce the dependency of propylene based raw material for our PG and PY. So, the more we work closely and are successful in implementing the Econic CO2 based polyols, we will be reducing our dependency on the PO. So, to cut short, you know the overall analysis of what alternate available, I've given this brief on Econic.

**Nirav Jimudia:** Got it, Sir. Thank you so much and wish the entire team of Manali, all the best.

**Management:** Thank you so much, Sir.

**Moderator:** Thank you. We'll move on to the text questions. The first question is from Keshav Garg from Counter Cyclical PMS. And the question is what is the outlook for FY 2025 in terms of top line and bottom line? What is the steady state operating margin can we expect going forward? What is our current capacity and utilization levels? What is the peak revenue potential at optimum utilization? What is the scope PF margin improvement over the next 2-3 years?

**R Chandrasekar:** I think we have answered this in the previous questions with the voice queries which were raised. It will be not feasible to give the UPSI information as far as the future trends and expectations on the margins over two to three years. However, on capacities, the utilization and the raw material input cost, we have given a brief. So, I think we have answered the query.

**Moderator:** Alright. We'll move on to the next question. The next question is from Dhruv Patel. The question is what are the updates about the anti-dumping duties?

**R Chandrasekar:** Yeah, I think I've given a brief on country wise ADD presently available and the present position of the latest DGTR finding as well. So, I think we have answered that query.

**Moderator:** All right. The next question is from Disha Shah and the question is Hi, I have two questions. Please help me with some clarity. First, with PennWhite starting its India operations, what revenue will it contribute to the overall top line in the next 2-3 years? Second, you mentioned about the new project in Western India. Can you elaborate on the same?

**Tobias Tasche:**

Yes, thanks very much for that question. Yes, of course, the \$64,000 question, isn't it what this revenue will be contributed? I mean the reality is of course that we have high expectations of the Indian market and we're still trying to assess what the total market is that is addressable for us. We know that the total market size for foam control chemistry in the Indian market is around 35,000 tons so there about and you know we are looking to see what is the addressable volume. Clearly, we are not in the commodity segment there. We really are focused on our premium segment, which we reckon is about half of that. We also know that typically about half of that half is imported. These are companies in India that are importing, you know, reputable foam control chemistries from international players manufactured to the highest standards. In particular, that part of the segment we think is addressable to us and of course, this is an important input point for the current assessment work we are doing to work out if a manufacturing location for us in India itself would make sense. We have for many years already had an export business in India, which is at the moment relatively modestly sized. Our longer-term ambition clearly would be to have about potentially up to 10% of the total market demand for foam control chemistry. But in order for us to achieve that really local manufacture would be a necessary precondition, which is about as detailed as I want to be at this stage.

**R Chandrasekar:**

And we have answered the question on project in Western India in detail before.

**Moderator:**

All right. We'll move on to the next question. The next question is from Vinith Jain from Siddh Capital and the question is who are the competition to PennWhite in the domestic market in India?

**Tobias Tasche:**

Well, I mean, in reality, of course there are a number of global players in very active in surfactant chemistry in general, the Dow, chemicals of this world, Henkel, the Wacker, some of which have a presence in India already. They don't necessarily compete in the same space that we are operating in. In the more specialist segments for foam control in particular, you know there are a number of international players with a regional focus. Typically, some of the European competitors that are our competitors here in Europe, we do see in India as well and there are quite a number of local players in India, really local Indian players who are active, but they tend to focus really on the entry level of the market, not the higher level, not the premium segment, so to speak. So, we don't see them as a competitor. You know, some of our typical competitors in Europe are, you know the likes and again you know we don't see the likes of DOW or Henkel or Wacker as competitors because they focus just because of their size on a different type and a different segment of the market. Typically, we are looking at competitors like Schill and Seilacher Blackburn chemicals, Momentive, Bussetti similar players in the segment in Europe.

**Moderator:**

Thank you. We have a voice question from Ujin Shah, who's an individual investor. Please go ahead.

**Ujin Shah:** OK. Hi Manali team. I just wanted to ask one question. Are the PG and Polyol are related and the spreads of the PG expected to get better with expected ADD on Polyol or the prices are unrelated to them? That's my question.

**R Chandrasekar:** Thank you, Sir. The prices are not necessarily related. PG has its own, you know costing structure and the polyols and today polyols are getting affected by so much of dumping happening PG only to certain extent and the prices are not directly related.

**Ujin Shah:** OK, Sir. That's from my side, thank you so much.

**Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Hugo Chardon - Head of strategy, AMIH, for closing comments.

**Hugo Chardon:** Sure. So, thank you everyone for joining us today, it was really great to spend this time with you going through our strategy. I hope this was helpful. We will make sure that we continue doing this exercise going forward. I would like to extend my sincere thank you to all of you and all the participant to making time. It was, I feel, a very productive session and we truly value our interaction with you. So, I hope to see you soon and if you have any queries and suggestions, they are always welcome and we definitely encourage you to reach out to our team for any further question that you may have. Thank you everyone and I hope and we hope to, to see you soon and discuss further.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of Manali Petrochemicals Limited that concludes today's session. Thank you for your participation. You may now click on the exit meeting to disconnect.