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Dear Sir,

Sub: Transcript of Earnings Conference call held on February 02, 2026 to discuss Q3 FY26 Financial Results.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith transcript of Earnings Conference Call held on February 02, 2026 to discuss Q3 FY26 Financial Results.

The said transcript is also available at www.meghmani.com in the investor section.

You are requested to kindly take the same on your record.

Thanking you,

Yours faithfully,

For Meghmani Organics Limited

Jayesh Patel
Company Secretary & Compliance Officer
Mem.No: A14898

Encl: As above



“Meghmani Organics Limited Q3 FY '26 Earnings Conference Call”

February 02, 2026



MANAGEMENT: **MR. ANKIT PATEL – CHAIRMAN AND MANAGING
DIRECTOR, MEGHMANI ORGANICS LIMITED
MR. G. S. CHAHAL – CHIEF FINANCIAL OFFICER,
MEGHMANI ORGANICS LIMITED
MR. NISHANT VYAS – INVESTOR RELATIONS,
MEGHMANI ORGANICS LIMITED**

MODERATOR: **MR. AYUSH CHATURVEDI – ARIHANT CAPITAL**

Moderator: Ladies and gentlemen, good day and welcome to Meghmani Organic Limited Q3 FY '26 Earnings Conference Call hosted by Arihant Capital.

As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*', then '0' on your touch-tone phone. Please note that this conference is being recorded.

I would now hand the conference over to Mr. Ayush Chaturvedi from Arihant Capital. Thank you and over to you.

Ayush Chaturvedi: Thank you. Good afternoon, everyone. We thank Meghmani Organics management for providing us the opportunity to host the company's Q3 Earnings Call.

From the management, we have today Mr. Ankit Patel - Chairman and Managing Director; Mr. G. S. Chahal - Chief Financial Officer and Mr. Nishant Vyas - Investor Relations.

Without taking further time, I would like to invite Mr. Patel for his opening remarks and following that, we can proceed to the Q&A. Over to you, sir.

Ankit Patel: Thank you, Ayushji. Good afternoon, everyone and thank you for joining us on our Quarter 3 FY '26 Earnings Call. I believe you have got a chance to go through the Financial Results and Investor Presentation uploaded on the Stock Exchanges and the website.

Broadly, our export volumes in Q3 are generally softer as overseas customers follow calendar years. In Quarter 3 FY '26, export volume witnessed additional pressure due to ongoing uncertainty around US trade policy. This uncertainty has not only impacted demand from the US market, but also led to softer demand across other export geographies. Raw material prices remain broadly stable and the price realization remains largely stagnant.

On standalone basis in Quarter 3 FY '26, revenue stood at Rs. 485 crores and our EBITDA stood at Rs. 51 crores. Profit after tax for the quarter stood at Rs. 22 crores. EBITDA margin on standalone basis stood at 10.6%.

If we talk about the revenue mix in Quarter 3 FY '26, Crop Protection constitutes about 79% of the total revenue while the balance 21% comes from the Pigment segment.

Now, let us look at our segment wise performance in Quarter 3 FY '26:

In Crop Protection segment, the production stood at approximately 9,283 MT and the capacity utilization for the segment stood at 66%. Revenue and EBITDA for the segment stood at Rs. 382 crores and Rs. 58 crores respectively. EBITDA margin for the segment stood at about 15.3%.

For Pigment segment, production stood at about 3,144 MT and the capacity utilization for the segment stood at about 38%. The segment reported the revenue and EBITDA of Rs. 103 crores

and Rs. 0.7 crores respectively. For the 9 months ended 31st December, revenue stood at Rs. 1,635 crores compared to Rs. 1,502 crores in the corresponding previous year. EBITDA grew by 75% on year-on-year basis to Rs. 203 crores compared to the EBITDA of Rs. 116 crores in the corresponding previous year.

In our Crop Nutrition segment, alongside ongoing field trials across few countries, we are actively developing new international markets for Meghmani Nano Urea. Sample consignments are currently being dispatched for further field evaluation. Parallely, we are also expanding our product portfolio, which will further strengthen our market position.

In Titanium Dioxide, profitability remained under pressure due to elevated raw material cost and the weaker price realization. The price realization was further impacted following the withdrawal of anti-dumping duty by the Finance Ministry. The DGTR has taken up the matter again and the new notification re-imposing the anti-dumping duty is expected shortly. We anticipate raw material prices to normalize in coming quarters, which along with the re-imposition of anti-dumping duty should improve the market dynamics going forward.

On consolidated basis in Quarter 3 FY '26, revenue stood at Rs. 509 crores and our EBITDA stood at about Rs. 38 crores. EBITDA margin on consolidated basis stood at 7.4%.

On nine-month basis, our consolidated revenue and EBITDA stood at Rs. 1,700 crores and Rs. 157 crores respectively. And the profit after tax stood at Rs. 21 crores against the loss of Rs. 30 crores in the corresponding previous year.

As of 31st December 2025, on standalone basis, our total debt stands at Rs. 573 crores comprising of Rs. 455 crores in short-term debt and Rs. 118 crores in long-term debt. Debt-to-equity ratio on standalone basis stood at Rs. 0.33.

On consolidated basis, our total debt stands at Rs. 783 crores which includes Rs. 464 crores in short-term debt and Rs. 319 crores in long-term debt. Debt-to-equity ratio on consolidated basis stood at Rs. 0.51.

Year-to-date, we have made a debt repayment of approximately Rs. 128 crores.

So, to conclude, while macroeconomic uncertainties posed near-term headwinds and impacted our quarterly performance, we remain confident in our long-term growth trajectory given our state-of-the-art infrastructure, plant compatibility, diversified product portfolio and strong geographic presence.

With this, I hand over the call to the moderator to open the floor for the questions and answers. Thank you.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Ankit Gupta from Bamboo Capital. Please go ahead.

Ankit Gupta: In this quarter, on the Crop Protection side, we have seen a decline in volume of almost 14%. So, if you can talk about that and what has been the reason for it and is it primarily because of the US tariffs, but the main competitor here again is China, and they also have similar tariffs as us?

Ankit Patel: Thank you, Ankitji. So, particularly in the Crop Protection segment, yes, there has been drop in the volume in this quarter. Normally, we have seen this trend in the third quarter. Globally, given it was a calendar year, but still, because of the tariff uncertainty, there has been reduction in the volume in the US market. And also, there is an indirect effect of the tariff on the other markets as well. So, we see that is one of the major reasons. And there is a demand in the market. At the same time, the inventory at the customer level is also not very high. It is at moderate level. So, going forward, we see the demand should improve.

Ankit Gupta: So, despite the tariffs continuing, we see improvement in demand is what we can say or?

Ankit Patel: So, particularly from the US market point of view, now the customer has become very pragmatic and they are buying the material as and when they need and again, in a small quantity, not in a big volume to avoid any kind of tariff-related uncertainty. So, let us hope that there is a good trade deal between India and US, which will help Indian exporters. But if at all it doesn't happen, then also, based on the demand, there will be improvement.

Ankit Gupta: On the TiO₂ side, you have said that the ADD has been withdrawn on the imports and then there has been an appeal. So, can you elaborate on that? There has hardly been any time since this ADD was imposed and now it has been withdrawn.

Ankit Patel: Yes. So, the anti-dumping was imposed in the last year, in the year 2025, somewhere in the month of May, middle of May. Following that, the order was challenged by the Indian Paint Association, IPA, in Kolkata High Court. And in that court case, it was not represented properly somewhere and the court order came in the favor of the Paint Association. And there was a lapse following the process of anti-dumping duty. And the anti-dumping got withdrawn and DGTR accepted the order rather than challenging it. Because if you challenge it, then it will be a very long process, there will be lot of rounds. Rather than doing that, DGTR accepted the order and worked on the lapses of the process, anti-dumping imposition process. And that has already been done. And now we are awaiting for the new order for the anti-dumping duty from DGTR side. The work has been already done by DGTR now. So, very soon, we should get the order. Following the DGTR order, there will be order from the Finance Ministry. So, again, this is a matter of few months now.

Ankit Gupta: Thank you, Ankit.

Ankit Patel: Thank you.

Moderator: Thank you. The next question is from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.

Madhur Rathi: Sir, thank you for the opportunity. Sir, if I look at our standalone and the consolidated revenue from our pigment segment, we made incremental revenue of Rs. 20 crores and we booked EBIT loss of Rs. 20 crores. So, from a capital allocation perspective, this TiO₂ business doesn't seem to be operating at any kind of profitability for us. So, if you could just help us understand regarding this segment?

Ankit Patel: So, Madhurji, as Titanium Dioxide as a segment, it is one of the very good product. Indian market is close to 5 lakh tons. And going forward, the segment is growing significantly because in India, our domestic market is also growing significantly. So, we believe that this is a good product, but it is only the time which has created the problem because of the anti-dumping duty reversal. At the same time, the key raw material prices have shot up drastically, unrealistically. And in near terms, again, there will be the imposition of anti-dumping duty. And we believe that the raw material prices should come back to the normal in next few quarters and that will bring the project back on track. So, yes, there has been a loss coming on Titanium Dioxide as a business and we have been working and we have been applying all different strategies to come out of it.

Madhur Rathi: Sir, is it prudent to operate such a business where incremental loss is equal to the incremental revenue? So, for this quarter, we made an incremental revenue of Rs. 21 crores. We made a loss of Rs. 21 crores on this business. Sir, till the time the dynamics of the business, either from the anti-dumping duty or from the raw material side, can't we just shut down this business for the time being and avoid losses?

Ankit Patel: Yes, Madhurji, for the timing, we have taken shutdown of the plant, looking at the market condition to reduce the loss.

Madhur Rathi: Got it. Sir, again on this Titanium Dioxide, we did a CAPEX of Rs. 600 crores. Working capital is additional. And we have incurred a total loss of around Rs. 225 crores on this Titanium Dioxide and more is to come. So, now if we add this Rs. 600 plus Rs. 225, so Rs. 825 crores we have already put here. Now, this plant will, even in the best-case scenario, make a Rs. 70 crores EBITDA. So, sir, what kind of return on capital can be expected? The downside, every quarter we see the downside, it is like Rs. 30 crores quarterly loss. And upside anyway is a single-digit return on capital. So, what is the wisdom of just carrying on with this dead project?

Ankit Patel: Madhurji, as I mentioned, this is one of the very good projects that is why the market condition is there. But only the current scenario is not right. And yes, we invested more money into it, looking at the future capacity expansion, keeping in mind. So, by doing for this very small CAPEX, we can increase the capacity, looking at the future market condition. But currently, the things what we planned from the anti-dumping point of view, from the raw material point of view, that is not coming in our favor and that is creating a problem. It has been a tough time for the company as well. And no promoter or no company would like to shut down any manufacturing plant. But it is very tough to do it. And this is kind of very long process manufacturing plant, where we have taken the shutdown, looking at the current market condition

point of view. And we will restart only once the market conditions are reasonably okay or in our favor. So, this will help to reduce the loss.

Madhur Rathi: Right. So, what kind of losses can be expected if the plant remains shut for the full quarter? Then what is the expected loss?

Ankit Patel: So, definitely there will be some amount of loss because there is some fixed overheads, manpower costs, certain things are already there, basing infrastructure point of view. But it will reduce drastically.

Madhur Rathi: Sir, also, if we operate at full capacity utilization across all our segments, so what kind of revenues can we generate?

Ankit Patel: Across all the segments?

Madhur Rathi: Yes. For example, in AgroChem, what is the peak revenue that we can generate, in Pigments and in Titanium Dioxide separately?

Ankit Patel: So, the kind of the infrastructure what we have created in the Agrochemical segment that can create revenue of close to Rs. 2,500 crores in total. In the Pigment, we already have the capacity which can go up to Rs. 700-Rs. 750 crores. And in Titanium Dioxide, again, if we run at the current capacity, which is 16,500 tons. So, with that and by doing some small bottleneck changes, we can take the capacity to nearly almost double capacity, we can take it. And by doing that, that can generate revenue optimally based on the market price, the revenue will be there. But the current market price, due to no anti-dumping duty, the prices have gone down drastically. If we consider on an average Rs. 200 price, then also it can generate revenue of close to about Rs. 400 crores.

Madhur Rathi: Sir, basically, Rs. 400 crores in Titanium Dioxide from doubling capacity. So, otherwise, current capacity would be Rs. 200 crores and that too on some hypothetical realization when anti-dumping comes and Chinese can still lower the prices. The other Titanium Dioxide players are saying that until Chinese economy revives and paint demand revives, so basically, construction has to revive in China for Titanium Dioxide prices to go up?

Ankit Patel: Madhurji, the Rs. 350-Rs. 400 crores revenue which I mentioned was based on the first phase only. Second phase, based on the expansion, it can increase further revenue.

Madhur Rathi: Right. And sir, in AgroChem, how far, if in percentage terms, from our steady state average realization, how far are we below from average realizations? Are we 5%, 10%, like any ballpark number?

Ankit Patel: I am sorry, can you repeat your question?

Madhur Rathi: Sir, the AgroChem realizations today, how much below the average realizations are there today in terms of percentage?

Ankit Patel: See, here there are various products in Agrochemical segment. We normally don't calculate on product to product. It is product mix. So, it is difficult to calculate the average realization.

Madhur Rathi: So, if we talk about margins, what kind of steady state operating margin in each of these 3 divisions once situation improves shareholders can expect?

Ankit Patel: In the Agrochemical segment, on an average, industry generates EBITDA margin of 15%-17%. And we will maintain that kind of profitability in this range. In the Pigment segment, currently it is under a lot of pressure. Going forward, we have been improving on operations. We believe to take our EBITDA margin close to 8%-9%. In Titanium Dioxide, on an average, in the reasonable market condition point of view, it should generate about 17%-20% EBITDA margin.

Madhur Rathi: And sir, in your best judgment, by when can we reach these kind of margins in AgroChem? We are not too far away from the steady state margins in Pigment as well as in Titanium Dioxide. In your best judgment, when do you foresee everything considered as reaching steady state margin?

Ankit Patel: So, Madhurji, as you already mentioned in Agrochemical segment, which is almost 80% revenue generating, we are almost near to what we have been talking right now. In the Pigment is the next target. We have been taking a lot of corrective actions in the operation level to improve the profitability. We believe somewhere from the first quarter onwards, we will see the numbers of improvement in the Pigment segment. In Titanium Dioxide, we need to wait for the anti-dumping duty as well as for the raw material prices to get normalized. We believe it will take nearly 2 more quarters for both the things to happen.

Madhur Rathi: Sir, in Titanium Dioxide, the raw materials are already, they are down. If you see Cochin Mineral Rutile, the synthetic rutile prices are at multi-year low. So, I am not able to understand how raw material prices are high?

Ankit Patel: One of the key raw materials is the Sulfuric Acid. Sulfuric Acid price used to be in the range of Rs. 4 - Rs. 5. Now, it is in the range of more than Rs. 15 - Rs. 18. So, that is getting used substantially in a huge volume. So, that is impacting a lot.

Madhur Rathi: And sir, what would be our total CAPEX requirement for the next 2-3 years?

Ankit Patel: For the next, at least for the next 2 years, there is not going to be any significant CAPEX. Only routine minor CAPEX is going to be there for some de-bottlenecks or some maintenance CAPEX.

Madhur Rathi: And sir, any thoughts on de-merger, sir? You told us sometime back that there is no correlation or no synergy between pigments and AgroChem and both are totally independent, sales force, infrastructure, manufacturing, so any thoughts on de-merger?

Ankit Patel: As of now, no. But we have been taking advice from few people. But as of now, no.

Madhur Rathi: Thank you very much.

- Ankit Patel:** Thank you.
- Moderator:** Thank you. The next question is from the line of Nipun Sharma from VLS Finance. Please go ahead.
- Nipun Sharma:** Good afternoon, everyone. So, I want to ask about Crop Protection segment. So, first of all, can you provide me the bifurcation for technicals and formulations for Crop Protection, sir?
- Ankit Patel:** Yes, Nipunji. So, we have been focusing more and more on the formulation now to improve our profitability and the growth point of view. So, year-on-year, there has been improvement and increase in the formulation business. And as of now, if we consider about 60% is the technical and about 40% is the formulation.
- Nipun Sharma:** So, are there any plans for increasing the contributions from formulations considering they are of high margins, sir, relatively?
- Ankit Patel:** Yes. So, even going forward, we would like to increase more volume from the formulation side. And definitely, formulation has got a little better profitability. So, that will help in improving the profitability further.
- Nipun Sharma:** And one more question from this segment is that, as I have seen from the investor presentation, the EBITDA as well as the profitability margins for 9 months for standalone results, they have reduced. So, is there any reason behind this apart from the US tariff for Crop Protection segment or is there any other reason for that?
- Ankit Patel:** One of the main reasons is the US tariff. So, that is impacting a lot and the sales is under pressure because of that. And Europe, particularly from the pigment market point of view, European economy is also not doing good. So, that is impacting the pigment business also.
- Nipun Sharma:** Understood. Sir, I wanted to ask you that you said that from first quarter of 27, Pigment segment would be having a recovery, and you will start to see improvement from then. So, can you elaborate more on that? How the improvement would happen for Pigment because as far as I can see, Pigment has been stagnant for quite some time?
- Ankit Patel:** Yes. So, Nipunji, so the market condition is not in our hand. The operation which is in our hands we have been working on it. So, to reduce the energy cost, particularly the power, electricity and the steam cost, we have been taking a lot of corrective actions. We have been modifying the plant and improving our process that will improve the consumption of the electricity and the steam, which will reduce the manufacturing cost. At the same time, we have been rationalizing and doing some small automation by which we want to reduce the overall manpower also. So, that is also going to work. At the same time, we have gone for the group captive power policy, which is the renewable power, which will come, that power will start somewhere from the second or third quarter onwards in the next financial year, which will further help to reduce the electricity cost. And it will also help to work towards our aim to reduce overall our burden on

the fossil fuel and focus more on the renewable energy. So, by doing that, I think in the coming years, we will be reaching close to 60% of our requirement will be renewable energy.

Nipun Sharma: Understood, sir. And one last question from Titanium Dioxide part. So, as I have heard, I may be wrong. Because after the Indian Paint Association, they challenged the ADD on Titanium Dioxide. And then it was temporarily removed, I believe. So, because of that, I believe that a lot of companies did stack a lot of TiO₂ from China at low prices. So, when do you think that it will be liquidated?

Ankit Patel: So, that is the problem, Nipunji. Somehow, people in India challenge the government here, the Paint Association challenged the DGTR. Now, we believe that they worked very hard for more than one year. And after doing all detailed investigation, the court order came against them. So, they reworked on the process. And again, the re-imposition of the anti-dumping duty is expected very soon. But in this period, in between period, again, importation has taken place. And the volume is also reasonably good. So, even after the anti-dumping imposition, it will take another 2-3 months at least to liquidate the inventory.

Nipun Sharma: So, the Titanium Dioxide segment will start to show improvement from the first quarter of Financial Year '27 or the second quarter, maximum by second quarter?

Ankit Patel: From second quarter onwards only, not before that.

Nipun Sharma: Thank you very much for answering my question and best of luck for the future.

Ankit Patel: Thank you very much.

Moderator: Thank you. The next question is from the line of Sunil Jain from Nirmal Bang Securities Private Limited. Please go ahead.

Sunil Jain: Yes, again on Titanium Dioxide. So, you said that you had taken the plant shutdown. So, when it was taken, sir?

Ankit Patel: It was taken somewhere in the November end.

Sunil Jain: So, the one month has gone in that.

Ankit Patel: Yes, so basically what happened, these are the long process plant. We need to remove all the in-process material step by step by doing the maintenance and cleaning activity, we can shut down. If we don't do that, then it creates a major problem while restarting the plant and it creates a problem in shelf life of the plant as well. So, shutdown and restart is always painful.

Sunil Jain: So, we can assume like you had done around Rs. 20 crores EBIT loss in this plant. So, it can come down to single digit, maybe less than Rs. 10 crores?

Ankit Patel: Yes.

Sunil Jain: And sir, second thing about Agrochemical. Agrochemical, we had shown weakness. So, how much is in Agrochemical export to the US market?

Ankit Patel: It is close to 24%-25%.

Sunil Jain: So, we had seen other Agrochemical companies reporting comparatively better number and are indicating that there is an improvement in even some cases, prices also. So, are we experiencing anything in that or still the products are different?

Ankit Patel: So, company to company, the product range may vary and the geographies may vary. But overall, as an Agrochemical segment, as I mentioned, the year 2025 started with good hope. And even in the first quarters, you have seen the numbers, it were very much aligned. Somewhere after September, because of the tariff related, once the Trump administration imposed 50% tariff on India, it got impacted drastically. And it affected not only the trade between India and US, particularly in our case, but in some other markets also there were indirect effect. We believe that these things will be recovered somewhere from the February-March onwards, we see the good things should start happening. And going forward, we see very good growth potential, particularly as the Meghmani Agrochemical division is concerned, we see very good growth potential.

Sunil Jain: So, nothing seasonally down in the margin, means you reached almost around 18% and then down to 14%. So, that doesn't mean because of the weakness, otherwise you would have met in the margin, 18%?

Ankit Patel: Yes. So, overall, on an average, we believe that we should be in the range of about 15%-17%. Quarter-on-quarter, there may be some variation, but on an average, year as a whole, there will be 15%-17% EBITDA margin.

Sunil Jain: So, we were having some advantage on account of 2,4-D. So, is that advantage still there or no?

Ankit Patel: So, that was related to the anti-dumping imposition in the US on 2,4-D manufacturer from China and India. So, among all the manufacturers, Meghmani got the least anti-dumping duty. So, we were having the advantage, but after that, the tariff came, which is significantly high. So, ultimately, to whom we sell, the end customer is farmer. And if the farmer has to buy any commodity, any Agrochemical having 50% extra cost, their Agro commodity like corn, soya bean, those prices are not going up to that extent. So, it is difficult for them to absorb such kind of price increase. So, either they reduce the consumption or they go for some other product where there is a less cost. So, there is a lot of volatility.

Sunil Jain: Great. And sir, last question regarding Nano Urea. So, we are trying for with the sampling and all in the international market. So, any breakthrough, any firm order we had supplied or it is all up till now sampling only is going on?

Ankit Patel: Positively, there has been some commercial order already started taking place in few markets. And a lot of positive trials result has already come. So, we expect in the year of '26-27, there

will be further more improvement in the export orders in several of the markets. So, there is a lot of positivity in different markets about this product.

Sunil Jain: Sir, any target you can give on the Nano Urea export sales specifically, which you may achieve in the next year?

Ankit Patel: Sunilji, it is little early because for us also it is a new product. And there are certain typically new products. So, sometimes we get the challenges in different market, which we have never seen, the first mover. But as far as the product is concerned, the results are good. The customer sentiments are positive. And you need to just click the product with the regulatory approval.

Sunil Jain: All the best. Thank you very much.

Ankit Patel: Thank you.

Moderator: Thank you. The next question is from Rohit Sinha from Sunidhi Securities. Please go ahead.

Rohit Sinha: Yes. Thank you for taking my question. Sir, most of my questions are already answered, just a couple from my side. One is, obviously, now if we look at the business, I think Crop Protection and Nano Urea are the two segments which are basically driving the growth for us. So, in Nano Urea, what kind of margin right now we are making and in the best case, what kind of EBITDA margin we can expect?

Ankit Patel: So, in the case of Nano Urea, the margins are in the range of about 20%-22%.

Rohit Sinha: It can go up once the volume increases or it will remain more or less in similar range?

Ankit Patel: Yes, if the volume will increase, then there will be a certain percentage improvement in the profitability.

Rohit Sinha: Got it. And in Crop Protection, as you said that 15%-17% kind of margin is what we are expecting in the best case. So, with our MPP plant, first of all, what kind of utilization we have reached in the MPP side? I believe that MPP volume growth or utilization growth will be the key to expand our margins further. So, how we are shaped in that segment?

Ankit Patel: So, in Agrochemical segment, the multipurpose plant which we did the CAPEX is improving the utilization year-on-year basis. So, this year, there has been reasonably good amount of utilization and next year we believe it will even further increase. And those are relatively new products and for those new products also we have been doing now formulation development activity. In certain markets, we have already got formulation approval. So, that will add to sell more formulation product and that will help to utilize the MPP plant in a better way. And that will help to improve the profitability as a segment overall.

Rohit Sinha: So, can that lead to margin in excess of 18%-19% or it will remain that 15%-17%, conservative number for us?

Ankit Patel: So, Rohitji, our expectation would be always higher than the average market price and average market profitability. But in the current market dynamics, it is very difficult to give very high hope. So, we would like to say that we will be in the range of 15%-17% and we would definitely try to have a better profitability.

Rohit Sinha: Sure. And sir, in TiO₂, as the re-initiation has been, if at all done, I think it will take almost 6 months. So, next 6 months we would be shut down for our TiO₂ site. Obviously, that would have some fixed cost till that time and once we will be if at all re-commissioning, that will also add some cost as the initial phase which will take some time to get it to that optimum level or it would it be in a quicker note that once we restart, we can again touch up to the optimum level at a quick time or it will take few months to reach to that and I think if that would be the case, more than 6 months we will take to get some profitability in that side. If at all that ADD comes into that.

Ankit Patel: So, Rohitji, let me divide it into two parts. First of all, regarding the anti-dumping duty. Now, DGTR has already did their work. The meeting which has to be called for the industry representation that has already been over. Every company has made their representation and submitted their reply in physical format. So, that has already been done. So, I think very soon we should get the final order from the DGTR. After DGTR comes up with the final order, then it will go to the Finance Ministry and in few days, again the Finance Ministry should come up with the final order. So, that is the case as far as the anti-dumping duty is concerned. As far as the restarting the plant is concerned, again the key raw material, which is the Sulfuric Acid, that price is significantly increased. We hope that that price should come down somewhere in the middle of this year. By June, it should start coming down reasonably and by that time, we will plan to restart the plant.

Rohit Sinha: That is it from my side, sir. Thank you and best of luck.

Ankit Patel: Thank you.

Moderator: Thank you. Our next question is from the line of Nipun Sharma from VLS Finance. Please go ahead.

Nipun Sharma: Thank you for taking my questions again. So, my one question is, sir, can you provide the revenue and margin bifurcation for your four segments?

Ankit Patel: Revenue and the margin for all the four segments?

Nipun Sharma: Yes, sir.

Ankit Patel: So, in the third quarter, the Crop Protection segment did the revenue of Rs. 382 crores with the EBITDA of Rs. 58 crores. The Pigment segment did the revenue of Rs. 103 crores with the EBITDA of Rs. 0.7 crores. And for the Kilburn, we did the revenue of close to Rs. 19 crores with the negative EBITDA of Rs. 13 crores. And in the MCNL, which is the Crop Nutrition segment, we did the revenue of Rs. 5 crores with the EBITDA of negative Rs. 0.4 crores.

- Nipun Sharma:** Thank you very much. And you said that your current margin is around 20%-22%. So, why has the EBITDA margin for Nano Urea been negative?
- Ankit Patel:** So, currently, the utilization is at very low level. So, there are a lot of fixed overheads for the plant. So, we believe that once we utilize the plant at reasonably good level, once we reach at about Rs. 10-Rs. 12 crores revenue level, then it will have about 20% EBITDA margin.
- Nipun Sharma:** And one last question, sir. Sir, can you comment upon the PAT for this quarter because it is negative. So, is it expected for the fourth quarter as well? And what exactly was the reason for the negative PAT? Are these taxes or any reason?
- Ankit Patel:** So, the negative PAT on consolidated basis is mainly on the account of the Kilburn Chemical.
- Nipun Sharma:** So, it was because of Titanium Dioxide?
- Ankit Patel:** Yes.
- Nipun Sharma:** And can you explain the tax effect as well? The tax has increased a little bit?
- G S Chahal:** So, there is no increase as far as tax is concerned. So, because in the standalone, it is a profit. So, we have to provide our rate of tax is 25%. And certain provisions which are allowed based on the payment basis. So, those are paid before filing of the return, you can claim. So, like new provisions and all that. So, due to that, it shows as 28% because absolute number is low. So, otherwise, rate of tax is 25%.
- Nipun Sharma:** Thank you very much, sir.
- Ankit Patel:** Thank you.
- Moderator:** Thank you. The next question is from the line of Parveen Sharma, an Individual Investor. Please go ahead.
- Praveen Sharma:** Hello.
- Ankit Patel:** Yes.
- Praveen Sharma:** Hi, Ankit. It has been a very long painful period as an investor in Meghmani Organics. My question is, on this Titanium Dioxide, when the anti-dumping was introduced, it was around Rs. 43-Rs. 45 a kg if I am correct. And it was there for quite a substantial period of time. And it was noticed and you pointed out in one of the concall that despite the ADD, Chinese actually reduced their prices further and we continued to bleed. Now, my question is, our hope actually hinges on this anti-dumping duty coming back. Now, will this duty be much more or it is just a procedural lapse which the DGTR is correcting and the prices, dumping duty will remain same. And assuming it will remain same or increase, what prevents Chinese from further reducing the prices? It has been a drag for quite a considerable time of time and in a very painful period. It is

an investment which has gone wrong and I think we should all accept it. So, I would like you to throw light on that. Thank you.

Ankit Patel: So, Praveenji, as far as the anti-dumping is concerned, so it was in the range of \$460-\$680 depending on the different companies from China. So, this was the procedural lapse and that has been getting corrected. So, as an industry, we have made the representation that even after the anti-dumping duty, there has been further reduction in the prices by the Chinese companies. But if we need to work on it, then it has to be completely different new process. So, as an industry, we have decided to do it only after first we get this basic, whatever was the earlier \$460-\$680. And then again, if the Chinese companies reduce the price, we need to collect the data for certain period of time, let us say, few months, few quarters or month, year. And then we need to resubmit that they have further reduced the price. And again, based on the data analysis, there can be further increase in the anti-dumping duty.

Praveen Sharma: But we had noticed in the past period when the ADD was there, this 460 to 600 which corresponds to around Rs. 45-Rs. 50 a kg, that they reduced the price much lower. And even then we were not profitable. Correct?

Ankit Patel: So, yes, at that time, because there was two reasons, because there was lot of channel inventory which was not getting liquidated which took almost 3 months' time to get liquidated, which happened by somewhere in the August-September. And by that time, the order came against ADD, by the court. So, that was the case.

Praveen Sharma: So, what are the prevailing prices of TiO₂ in the market? And what is our cost of production, ballpark?

Ankit Patel: So, currently we have stopped the production, as we mentioned. And currently, the price is ranging somewhere in the range of Rs. 170 - Rs. 180.

Praveen Sharma: And on this Agrochemical, if this tariff from the US continues, what impact will it have on our revenues and margins? Because as you said that farmers will not buy end customers?

Ankit Patel: Correct.

Praveen Sharma: Will it impact our margins?

Ankit Patel: So, first of all, if the tariff continues in the US, typically customer buying will go down drastically. So, we have already started focusing on the other geographies, and the other markets. And in the coming months and coming years, we expect good amount of revenue growth from the other markets, other than the US. So, if this tariff goes, then it will add extra benefit. If it remains, then also we have worked on the strategy to overcome it.

Praveen Sharma: But apart from us and Chinese, there are no other suppliers, means the end cost to farmer is, there is no other cheaper supplier to these, a farmer cannot buy from a cheaper source ultimately. That is my understanding. Correct?

- Ankit Patel:** Absolutely correct. So, the customers, they are not ready to take risks because who will have the extra 50% burden on their inventory. So, people are afraid that you never know that someday this person will remove the extra tariff. And if you have paid the duty, and whether there will be reversal of the duty, whether they will get back the duty portion or they will not get back the duty portion. So, even at the customer end, there is a lot of uncertainty. So, they buy only as and when they need the material or they are confident of passing on to the customer, to the farmer. So, it is going step by step.
- Praveen Sharma:** And my last request is, we should seriously consider demerger of Agrochemicals from other segments. That is what I wanted to say.
- Ankit Patel:** Sure. Thank you very much Praveen bhai for your suggestion. We will definitely consider it.
- Moderator:** Thank you. The next question is from the line of Anant Sharma, an Individual Investor. Please go ahead.
- Anant Sharma:** Yes. Thank you for the opportunity. And I think most of the questions have been answered. But still I would like Mr. Ankit Patel to let us know when this court has passed this order for TiO₂ anti-dumping duty. So, that will help us to understand since how long we have been suffering and there was no proper disclosure from the company and I believe, so could you?
- Ankit Patel:** So, the order was passed on somewhere 22nd September by the court. And then the Finance Ministry took action somewhere in December 5th.
- Anant Sharma:** And there was no further disclosure from the company and informing the investors about the same I believe, isn't it?
- Ankit Patel:** I think it was there in the public forum. Everyone knew it.
- Anant Sharma:** Anyway, thank you for the opportunity. I hope the company does well in the future. And I further hope that the new prices which come for the anti-dumping duty and the supply line should be cleared enough so that the company could do better in TiO₂.
- Ankit Patel:** Sure. Thank you.
- Moderator:** Thank you. The next question is from the line of Madhur Rathi from Counter Cyclic Investments. Please go ahead.
- Madhur Rathi:** Sir, thank you for the opportunity once again. Sir, I wanted to understand has there been any capacity closure in the blue or the green pigment in India?
- Ankit Patel:** There has been few small players who have stopped manufacturing it.
- Madhur Rathi:** So, no major player has gone out of the market. Sir what is the renewable cost reduction from the solar that you expect from next year?

- Ankit Patel:** I am sorry, can you repeat your question?
- Madhur Rathi:** Sir, the renewable power that we are expecting to commercialize in Q2 or Q3 of FY '27, what is the cost reduction expected from that?
- Ankit Patel:** So, typically the power which we get it from the grid, government, it is in the range of about Rs. 9-Rs. 9.5 and the power which we will be getting from the renewable source will be in the range of after adding all the expenditure close to Rs. 5. So, per unit there will be saving of about Rs. 4-Rs. 4.5.
- Madhur Rathi:** And sir, what is the total amount of capacity of these renewables are you adding?
- Ankit Patel:** So, it is close to 3.5 megawatt and the unit generation because there is a renewable energy, so there is no constant unit, it varies.
- Madhur Rathi:** Right, got it. Sir, can we manufacture Azo pigments from our current pigment capacity or that requires additional or altogether different kind of setup?
- Ankit Patel:** We need to create because the setup what we have it is for the green and blue pigments and these are kind of a dedicated setup. If we want to convert into Azo, then some modification, new equipment has to be done. So, it is better to do a new CAPEX and a new plant. And even we have evaluated the Azo project, it is not making sense in the current market condition as well.
- Madhur Rathi:** Got it. And sir, regarding Sulfuric Acid, it was mentioned by some of our competitors DMCC that with Kutch Copper commissioning its plant, the Sulfuric Acid prices would reduce by a lot and that was expected by this year end. So, why are we expecting it to be higher till the June of this year?
- Ankit Patel:** Madhur bhai, we are also waiting for the same thing that they should start increasing the copper production and the Sulfuric Acid price should come down. That is impacting every company, not just in TiO₂, but Sulfuric Acid is one of the basic raw materials which is getting consumed in all the industry. So, everyone is getting impacted of it and everyone is waiting that it should start coming down very soon. But it has not been happening. So, from the industry expert when we speak, then people say that somewhere from the middle of this year, it should start coming down. That is what the feedback we have been getting. But you rightly mentioned once the Adani's copper plant which is Kutch Copper, once it gets stabilized, once they will have a good production, then there will be huge amount of Sulfuric Acid coming into the market and which will help to reduce the price.
- Madhur Rathi:** Got it. Sir, that was from my end. Thank you so much.
- Ankit Patel:** Thank you.
- Moderator:** Thank you. As there no further questions from the participants, I now hand the conference over to the management for the closing comments. Over to you, sir.

Ankit Patel: On behalf of the management, we thank you for joining us today. We appreciate your trust and support on us. With this, we hope that we have been able to address most of your queries. In case of further queries, you may reach out to Mr. G. S. Chahal or Mr. Nishant Vyas and they will connect with you offline. Thank you.

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

This document has been edited to improve readability.