

February 18, 2026

To, BSE Limited, 25, P. J. Towers, Dalal Street, Mumbai – 400 001 Ref: Company Scrip Code: 532834	To, Listing Department, National Stock Exchange of India Ltd., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400051 Ref: Symbol: CAMLINFINE Series: EQ
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Sub: Transcript of the conference call on the Un-audited Financial Results (Standalone and Consolidated) for the quarter and nine months ended December 31, 2025 held on February 13, 2026.

In continuation of our disclosures dated February 5, 2026 and February 13, 2026 and pursuant to Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), the transcript of the conference call held on Friday, February 13, 2026 on the Un-audited Financial Results (Consolidated and Standalone) for the quarter and nine months ended December 31, 2025 is enclosed herewith and is also available on the Company’s website at https://www.camlinfs.com/investor-relations/home/investor_call_recording.

The Management was represented by Mr. Ashish Dandekar, Chairman & Managing Director, Mr. Nirmal Momaya, Managing Director and Mr. Santosh Parab, Chief Financial Officer.

Discussions were based on publicly available information. No unpublished price sensitive information (UPSI) was discussed during the interactions.

We request you to take the above on record and the same be treated as compliance under the applicable Regulations of SEBI LODR.

Encl. a/a.

Thanking You,

For Camlin Fine Sciences Limited

Rahul Sawale
Company Secretary
& VP Legal



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“Camlin Fine Sciences Limited Q3 and 9M FY'26 Earnings Call”

February 13, 2026

“E&OE - This transcript is edited for factual errors and readability. In case of discrepancy, the audio recordings uploaded on the stock exchange on 13/02/2026 will prevail.”



**MANAGEMENT: MR. ASHISH DANDEKAR - CHAIRMAN AND MANAGING
DIRECTOR, CAMLIN FINE SCIENCES LIMITED
MR. NIRMAL MOMAYA - MANAGING DIRECTOR,
CAMLIN FINE SCIENCES LIMITED
MR. SANTOSH PARAB - CHIEF FINANCIAL OFFICER,
CAMLIN FINE SCIENCES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Camlin Fine Sciences Limited Q3 and 9-Months FY'26 Earnings Call hosted by Strategic Growth Advisors.

This conference call may contain forward-looking statements about the Company which are based on beliefs, opinions and expectations of the Company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Ashish Dandekar. Thank you and over to you, sir.

Ashish Dandekar: Thank you. Welcome ladies and gentlemen to this quarterly earnings call. We know your time is precious, so we will get right into it.

Joining me is the Nirmal Momaya, Managing Director and Santosh Parab, CFO. Santosh will first give you highlights and numbers of the quarter after which both of them will answer your questions. Thank you for being here. Santosh?

Santosh Parab: Thank you, Ashish. Good evening, everybody. I will directly jump into the business. Yes, this quarter has been a bit tepid. We had turnover of Rs. 572 crores. It was almost equal to what we did in Q2. But there is a 6% hike when we compare it to the last corresponding quarter. We had been telling you that we will be doing a high amount of Vanillin sales. We had done over 700 odd tons in the last year.

Looking at the entire tariff scenario and other things, we had control over sales because we knew that there is more than likely to have higher realizations because of the tariff. As you know, we have been selling at an average price of 12.5, especially in US because of the tariff situation. In this quarter, we did Rs. 490 crores of sales to the third party. However, in the internal channels, that is with our subsidiaries in India, as well as in the financing distributors, we have around 650 tons out of which around 500 is committed sale at 12.5. But with the recent reduction of tariff to 25%, we can have a benefit of that on the 400 metric tons stock which we have. Some part of it will fall in the Quarter 4 and then a major portion will fall in Quarter 1. From Quarter 1, the real benefit of this will be appearing. So, Vanillin we did 490, which is around tons, which is around Rs. 55 crores with a realization price of 12.5. As far as Straights are, the main ingredient business is there. It has seen a fall in it. It has come down to 80 crores from 87 primarily for two reasons. One, the prices have been going down and that's what is impacting our margin. And as you know, there are local manufacturers who have come and there's intense competition in India itself. Plus, this business has a very plateaued growth and hence there is an intense competition.

We had a bit of lower volumes also, but the major portion was because dip in the realizations on Straights

As far as Blends is concerned, we have been saying Blends has been the hallmark of our business and we have grown by around 11% the corresponding quarter and almost 13% this quarter. We clocked around Rs. 271 crores in this quarter. Of course, this also was pushed by our recent acquisition, which happened on December 1st. The French company, Vinpai Limited Company, which contributed almost near to Rs. 13 crores in this quarter and that has also helped to grow the business. Blends remains on track. It is going to grow at a very high growth rate of what we have been saying. As far as performance is concerned, as we have been saying that this is what Diphenol, other than Aroma and the Straight, these are the chemicals where there were always lower margins and it remains plateaued. So in total, the revenue was Rs. 457 crores.

Coming to the cost structure, if you see employee cost, employee cost has been increasing because we are bracing for future which we have been acquiring new geographies and companies all over the world and which requires people on the ground all across who are experts to help us sell. So there's a lot of investment in employee cost, which has been happening over the last few quarters. Now, we will be adding few people, but not more. So you can see the employee cost has been quite stable. The only increase is because of the acquisition, which we did in Vinpai. So the salary also increased one month in Vinpai and generally in the American and Latin American markets, it's like Diwali and Christmas. So there is some kind of statutory bonus is also paid. As far as other expenses are concerned, they remain under control and we feel that they will remain in this range for the next quarter and will increase as the revenue grows.

EBITDA, coming to the EBITDA, yes, EBITDA expectation was high because we had said that we will be doing a higher number on Vanillin, which we have in a way controlled it to take the benefit of the tariff because if we would have sold now. In any case, realize only \$12.5. Delaying the sale into the subsequent quarters will help us to get \$2-\$3 more per kg and which is plain cash and entire EBITDA. So that was the plan to do. You would have also learned that we had disclosed that there was a fire incident last week, last Saturday at one of the blending units in Brazil. It was a massive fire at one of the machines which was being commissioned and the fire was of such extent that almost we have lost all the stock which was there. It was along with the warehouse, this unit. However, we have another unit also which is working and is operational. Obviously, we have to, we will keep on continuing operation. Brazil was looking forward. There was great action and it remains very interesting orders on various blends as well as biodiesel market, which is a market in Brazil. We have tried to provide raw material from our nearest geographies and also from the local distributors. We want to keep the sale happening. Obviously, because we are sort of buying on spot, a bit of margins will get impacted, but we are trying to keep the traction on sales, keep our customer service, honor all our orders. As far as today's condition is concerned, the survey is expected, insurance survey is expected to start tomorrow. At this moment, we feel that we are adequately insured. The surveys generally take 3 weeks to 4 weeks, so there will be clarity on the surveys and other things. We are also using local tollers to also satisfy the manufacturing and servicing the customers. At present, the unit is entirely

closed. We don't think it will be immediately usable. As the time passes, we will see how to rebuild it, where to rebuild it, and other things. You would have also read in our results that we have filed for our statutory board auditors have already filed for a petition for liquidation of Europe. Naturally, the continuing business of Blends will continue, though the entity will be closed because we will be shifting that business to other companies in Europe. We are not worried about the revenue of continuing business, but the good thing is that the cash burn, which has been happening, will certainly stop going forward. The plea with the court is scheduled on February 26. We will have more clarity, and as per the requirements, we will keep you updated on that. You would have seen that there were some few exceptional items also in this quarter. As we acquired Vinpai, the acquisition-related costs, due diligence costs, and other things had to be recognized, which was around Rs. 3.69 crores, which has been accounted. Obviously, the new labor code, we had aligned our salaries much earlier, so we were very near to 15%, and hence you could see that even though we have around 800 employees in India, the impact is not high. The other aspect is that we have a very younger team workforce, hence there is part of it left. We have provided for all the required under the statute, what is to be provided already, which is Rs. 2.25 crores. We have also provided for an advance term loan, which was a very old loan, which we had given for some project, which unfortunately, we don't think accounting provision is required, but we are trying to recover it. Subject to that, the PAT has been impacted for this, and we have also shown the discontinued business, which is mainly on account of Europe, which is around Rs. 9 crores, and some portion on China. China is also on the verge of liquidation. We have filed the necessary documentation. We accept that the liquidation process will move before the end of this financial year.

Remaining here and going forward, we feel that Vanillin needs the business, and the good thing is that already the duty has come down by 25%, and in the near future, it will come down furthermore. Blends has been doing, we have this inorganic acquisition of Vinpai, which will certainly help us to grow our business. At Vinpai, as well as those products, we will be replicating and selling all over the world. So, the Blend business is going to keep on growing at the same pace as it was in the earlier period.

Now, we open the forum for questions.

Moderator: Thank you very much. We will begin the question-and-answer session. Our first question comes from the line of Hrushikesh Shah from Alchemy Capital. Please go ahead.

Hrushikesh Shah: Sir, my first question is currently our Vanillin realization at \$12, right? And you mentioned that they may increase by \$2 to \$3. So, according to me, let's say your realization in US is \$18. If your tariffs move down by 25%, then your realization should increase by \$6. So, where is the disconnect in this?

Santosh Parab: So, the price in US is around \$18-\$19. That's correct. But what comes from India was being 50% duty has to be paid. So, to match the realizable value, because there is a local manufacturer who is selling at \$18 who doesn't have the duty. If we have to match the price of \$18, we have to bear

the duty as we used to transfer the material from here at \$12, pay the 50% \$6 duty, which is cost to us and sell in the open market at \$18. So, that's why the realization was \$12. Now, if the duty becomes 25%, we will get that additional duty which we are paying to the government will help us increase our realization. In another words, we will be selling at around \$14-\$14.5, pay the duty at 25% which will match the local price of \$18.

- Hrushikesh Shah:** Okay, understood. And what is the volume guidance for FY'27?
- Nirmal Momaya:** For FY'27, we have both methyl Vanillin and ethyl Vanillin and our guidance for FY'27 is between the two, the total would be 4,000 metric tons.
- Hrushikesh Shah:** Okay, understood. And sir, I had one more question regarding Vinpai. What was the revenue for the full year for them? I know we have consolidated from December onwards, but just to get an idea?
- Santosh Parab:** Around Rs. 13 crores was their monthly, which has been consolidated. But the turnover has been in the range of Rs. 12.5 crores on a monthly basis.
- Hrushikesh Shah:** Okay, understood. And sir, our margins are down like to 5% this quarter. So, what do you think is our steady state margin that we can expect after we have Vanillin realizations going up and your volumes also increasing on Vanillin side? So, what are the kind of margins you expect, gross margins as well as EBITDA margins from next year onwards?
- Santosh Parab:** The gross margin, as I said, is impacted by the straights business. As I said, the realization has come down almost the sale price of TBHQ, BHA which is down by around \$1. The cost remains the same. So, that has impacted us. So, the EBITDA, the gross margin, which have come down because the sale price decreased, it was 46% in 9 months, Quarter 2 which has come down. From 46%, it has come down to 45.8% in this quarter on operating revenues. And this is mainly because of impact of straights. And also, the new acquisition of Blend also will take time to settle. So, there is a cost is there. EBITDA margin has got impacted also because of the mainly because of Straight. And we have sold lesser amount of volume in this year, which impacted the fixed cost on the Vanillin business. That is why there is a reduction of around 55 basis point on the EBITDA margin as compared to Quarter 2. So, it was 7.3%, it came to 6.7%.
- Nirmal Momaya:** To answer your question on next year, FY'27, the gross margin should improve by at least a couple of percent with higher realization of Vanillin, as well as growth in the Blend business, which is also, depending on the product mix, there could be an improvement in margin. So, our guidance is that we should improve the margin by 1%-2%. It will be in the range of 46%-47%. And EBITDA margin based on the growth that we are projecting in Vanillin in the Blend business should improve and go to between 12%-14%.
- Hrushikesh Shah:** Okay. And sir, we already are at 46% right now. So, and you are saying we will be at 46%-47%. So, it should be higher than that, right? 48%-49% or something?

- Nirmal Momaya:** We are at 45% right now. So, we go to 47%.
- Hrushikesh Shah:** Okay. Understood. Thanks a lot. And sir, once again, EBITDA margins from 12% to 14%.
- Nirmal Momaya:** Yes.
- Hrushikesh Shah:** Okay. Understood. Thanks a lot, sir.
- Moderator:** Thank you. Our next question comes from the line of Satish Kumar from Incred Equity. Please go ahead.
- Satish Kumar:** Hi, sir. So, I just wanted to understand what is the duty right now in US? It is 25% or it is only 18%?
- Nirmal Momaya:** No, it is 25%. What is expected is once the trade deal is officially signed and announced, right now only fact sheets and some other documents have been shared by both sides. But once it is finalized, it will come down to 18%.
- Santosh Parab:** But today, whatever has been cleared from India, in US, whether it is in bond or coming from the ship, the duty is 25%. So, the additional duty which was levied on 27th of August 2025 of 25% because of Russian oil, that has been knocked out. But the first increase to 25% on 1st of August 2025 still remains. And that could come down after they sign the treaty deal between India and US.
- Satish Kumar:** Okay. Got it, sir. And sir, the second question was that you were saying that we did not do some sales this quarter of Vanillin. So, what was the quantity of that?
- Santosh Parab:** So, we will say that we would have pushed and sold another 200 tons. We went slow and tried to push it in the next quarter so that we get the duty benefit. So, we would have made around another 200 tons, at \$12-\$12.5.
- Satish Kumar:** Okay. Got it, sir. And so, the next quarter, our Vanillin sales should be in the range of what, sir?
- Nirmal Momaya:** In volume?
- Satish Kumar:** Yes, sir.
- Nirmal Momaya:** So, what we are doing now is we are taking a campaign for ethyl Vanillin. Starting next week, we will start the production of ethyl Vanillin, which we expect by March, we should be able to produce another 300 tons or so. And we produced another 300 tons of Methyl. So, we should be in the region of 600 plus tons.

- Santosh Parab:** Satish, to add to this, we have a channel stocks of around 550 tons of that. 150 is at \$12, which is already committed. So, and another additional 200 tons is likely to be manufactured and sold. So, you can just count that number.
- Satish Kumar:** Yes. So, maybe around 600-700 tons kind of range, right, sir?
- Santosh Parab:** It should be between 600 and 700 because half the quarter is gone in the Q4.
- Satish Kumar:** Got it, sir. Thanks, sir.
- Moderator:** Thank you. Our next question comes from the line of Surya Narayan Patra from Phillip Capital India Private Limited. Please go ahead.
- Surya Narayan Patra:** Yes, thanks for the opportunity, sir. First question is on the Vanillin pricing. It looks like that both US as well as the Euro pricing currently look similar during the tariff period. So, in the post tariff scenario, if the US pricing is likely to see a rise, so whether we should expect similarly in the Europe also?
- Nirmal Momaya:** No, not in Europe. So, Europe, the anti-dumping duty on Chinese material is 131%, whereas in the US, it's effectively with the tariffs at about 265%. So, there is a difference. That delta will remain. The DDP price is today in US \$19-\$19.5 DDP, whereas in Europe, that is around \$15-\$15.5. That will still remain.
- Surya Narayan Patra:** And our realization would be slightly lower than the other parties?
- Nirmal Momaya:** Yes, correct.
- Surya Narayan Patra:** And in US, what is the price differential between the ethyl and methyl?
- Nirmal Momaya:** Typically, the price difference is between \$1.5 to \$2. Okay. In the US, that's about \$21 DDP.
- Surya Narayan Patra:** Sure. And the second question is on the Vinpai and Vitafor integration. And way forward, if you can just talk about it, because this is a year of acquisition, integration, and some strategic plans about it, people addition, all that. So, next year, going ahead, how should one really think about those two businesses? And that's contribution to the overall Blend.
- Nirmal Momaya:** Yes. So, Vitafor, as you know, is in the animal feed side of the business. After acquisition, we have got several registrations now for several of our products in many countries. So, the push on Vitafor is going to be in the coming year in FY'27 is to scale up from where we are currently at roughly 12 million to 13 million euros topline to take it to about 17 million to 18 million euro topline in the next financial year. So, we are looking at least a 40%-50% growth there. We have launched the product in the US market in Mexico, and in the next quarter, we are launching it in the Brazilian market, as well as we have launched the product in the Indian market. So, wherever

our own sales force is operating, we have launched these products. We are increasing our reach to the other parts of the world through various distributors. And also, some of them are countries we are yet in registration process. So, all of that will kind of start opening out in FY'27. And for Vinpai, the next one was on Vinpai. Vinpai, which is doing about 11 million euros of topline. In FY'27, we look at, again, scaling that up by at least 40% to 50%. We have got several businesses in different parts of the world where our products have been approved by customers. Here, of course, there's no registration, but we have the approval process with customers. And we are pushing hard to see if we can grow it even faster than that. We have launched the product in India. We have launched the product in Mexico and Central America, in Brazil. So, wherever our sales channels are there, we have started introducing these products.

Surya Narayan Patra: Okay, sure. Next question is about the base business, the antioxidant business in ingredients. So, that has been seeing a kind of continued competition, either because of Indians or because of the Chinese. Also, the kind of a price pressure also, that is a separate thing along with the crude. So, given that, is it fair to believe that, okay, this is a kind of, this business is likely to see a kind of something like that? If that is the continued phenomenon, so what is the utilization of the Diphenol plant that you are anticipating for next year?

Nirmal Momaya: So, for Diphenol plant for the next year, basically, we calibrate the Diphenol based on catechol. It's not so much the hydroquinone, it's more the catechol. Because hydroquinone, even if we don't do value addition with the antioxidant business, there are some opportunities in performance chemicals that we can do. But the idea is to, at this point of time, we are seeing the Diphenol capacity, we will run it similar as what we had in the current year. And there is enough outlay for us for H2 in the coming year, because we have some contracts that we have signed also, so which will give us some volumes for selling hydroquinone and catechol. Of course, vanillin is the big outlet for us.

Surya Narayan Patra: Just two clarifications I wanted, sir, on this fire impact. Is it, or whether we are likely to see any kind of impact in the quarters although it is fully insured That is one? And secondly, are we getting out of the liquidation processes?

Nirmal Momaya: Sorry, what was the first part? I couldn't hear, your voice broke.

Surya Narayan Patra: Okay. So, about any fire impact that we are likely to see in the upcoming quarter for Brazil? Although it is fully insured?

Nirmal Momaya: Yes. So, that, I mean, that we will have to see how the insurance process goes. We are very difficult to predict right now whether there will be any impact. And if so, what will be the impact? At this point of time, in fact, the access to the premises has not been allowed as yet by the fire department, because they want to check the integrity of the structure and they don't want any other mishaps to happen. So, very early days to say whether there will be an impact and if there will be an impact, what that would be?

Surya Narayan Patra: No, it is not only the kind of a fire loss, fire-related loss, business loss subsequently in the subsequent period.

Nirmal Momaya: So, in the business loss, not really. We have the blending unit, which was our original blending unit. This was unit II, which was just commissioned right now for looking at the expanding numbers that we had. So, and in fact, the incident happened with a brand new equipment also because that site was just being started out. So, in terms of manufacturing, there is, there will not be so much of an impact for us if there is any shortfall, because we have some new contracts that we are signing. So, for which if there is a shortfall in capacity, we have contract manufacturing tie-ups in place, which we will be able to service. Having said that, of course, since the raw material was destroyed, we have to arrange for raw material immediately for servicing the business that we have on hand. And that possibly can have some impact on margin in Brazil for the short term, for the next one month or so till material which is on water will reach Brazil. I mean, already there's a lot of material which has been shipped out in anticipation of all these contracts. So, that could start hitting Brazil in the next 15 days. So, there would be some impact, but we are trying to buy material locally. And of course, it will be more expensive than what we would have supplied from India or from Mexico. But having said that, it's only temporary for one month or so, there will be an impact on the margin. Not on the topline, topline we will maintain.

Surya Narayan Patra: Okay. And any benefit that we are likely to see from the liquidation process?

Nirmal Momaya: Liquidation of Europe?

Surya Narayan Patra: European, yes.

Nirmal Momaya: So, the benefit is really the cash bleed that was there. And every quarter that we were taking a hit, once it goes into official liquidation, which by end of this month, the tribunal or the court will have to decide. And if that is the case, then of course, the entity gets dissolved into a liquidation entity. And of course, no other impact then will come to us.

Surya Narayan Patra: But any money realization out of the liquidation is not likely?

Nirmal Momaya: No. Unlikely. At this point of time, unlikely.

Surya Narayan Patra: Sure, sir. Thank you, sir. Wish you all the best.

Moderator: Thank you. Our next question comes from the line of Rehan from Coheron Wealth. Please go ahead.

Rehan: Hi, good evening. Thank you for taking my question. Just a couple of questions. What would be the margin profile at EBITDA level or gross level for Vinpai and the other acquisitions?

Santosh Parab: So Vinpai has really started late. It was a stressed asset we have bought. Vinpai is just near breakeven on EBITDA. The breakeven should be at Rs. 15 crores. They have done Rs. 13 crores. But at present, they are just below the breakeven margin. But as the business grows, they will be not able to sell because there is not much access to the market which we have given. So it will generally go, as the boss said, if it's a 50% growth, it will certainly start giving the margin. But at this point, it's almost EBITDA negative for a month. Vitafor is already broke even and has been making small 4% to 5%, 10% to 12% EBITDA. And I think it will grow as we start increasing the business.

Rehan: Understood. And if you could just quantify the expense for Vinpai acquisition, I think you mentioned about Rs. 3 crores to Rs. 4 crores on employee expense. On the other expense front, we have seen a sharp jump of about Rs. 10 crores to Rs. 15 crores on a year-on-year basis. And you mentioned, I think it is sustained. Any reason for such a sharp jump we are seeing? Or is it only a one time because of the acquisition?

Santosh Parab: So it's better to understand the Vinpai acquisition. It's better to compare it with last quarter. The increase in other expenses are predominantly because of Vinpai for a month. So naturally going forward, Vinpai had an operating cost of around Rs. 3.5 crores to Rs. 4 crores on a monthly basis. So that will come. That will be an increase in the next quarter. Similarly, there is around Vinpai labor cost is also around Rs. 1.5 crores to Rs. 2 crores per month. So that also will increase. As far as other expenses from other businesses are concerned, we don't think there will be an increase. Obviously, there is a Brazil impact if it comes then there could be some expenditure on that. But we don't think the other businesses are going to increase. But in the next quarter, obviously, my other expenses, employee cost will increase because the entire three months it will come from Vinpai.

Rehan: But that would be proportionately with the sales as well, right? This quarter was only 30 days.

Santosh Parab: So it's a 30 day Rs. 12 crores. Their run rate is already Rs. 12.5 crores. When they were under stress, now we have come, we will be certainly increasing the business. But looking at this coming quarter, it's a very short period. In three months, you cannot. But we think that we will do, we will keep maintaining that run rate for the balance year.

Rehan: Understood. And sir, just another question on Vanillin. You have about Rs. 400 crores of stock, you mentioned?

Santosh Parab: 400 metric tons, not 400 tons.

Rehan: 400 metric tons.

Santosh Parab: Yes.

- Rehan:** And last call, we were gauging that we would see some kind of channel inventory easing off. Are you seeing that happening? Or are we still seeing a stuff channel, for Vanillin?
- Nirmal Momaya:** Sorry, what was your question?
- Rehan:** I think last quarter when you had the conference call and the quarter before that as well, you were seeing buildup of inventory because of the ADD. And you gauged that it would take a couple of quarters before you have a better insight as to how your demand scenario is going to pan out. Has there been liquid and consistently you guys have also been scaled, which is extremely great in a tough time. But are you seeing a possibility for better tonnage going forward? I know you've given a guidance of 4000. But I want to understand, can we see European pricing move up to probably 14-15 dollars?
- Nirmal Momaya:** No, pricing will not move up. Pricing will remain in that region because the anti-dumping duty effectively makes the Chinese product come in at \$15. So that's at GDP level. So which means at a net level, it's about \$13. So we believe that the prices in Europe will not go up. It's only in the US where the tariff difference of 25%, our margin will improve. And in terms of channel stocks, they are being liquidated. So that's the reason why we think that we will be able to scale up our sales from around 2,300 tons-2,400 tons to about 4,000 tons in the next year.
- Rehan:** Understood. And if I can just squeeze in one last question, Santoshji, could you just re-explain that provisional for Rs. 11 crores that we have taken for this quarter?
- Santosh Parab:** The exceptional item?
- Rehan:** Yes, the PDD of Rs. 11 crores-Rs. 12 crores.
- Santosh Parab:** There are three components, acquisition related called labor costs, and we have also made a provision for a doubtful advance term loan, which was given five to six years back, that was for anticipating a project. The project didn't happen. And now, because five years are gone, this is an accounting adjustment. We will be taking other actions to recover that.
- Rehan:** Understood. Thank you.
- Moderator:** Thank you. Our next question comes from the line of Rohan Advant from Prad Capital. Please go ahead.
- Rohan Advant:** Thanks for the opportunity. Sir, what was the Vanillin tonnage in the first nine months of FY'26?
- Santosh Parab:** First nine months?
- Rohan Advant:** Yes.
- Santosh Parab:** 1,740 metric tons.

- Rohan Advant:** Okay. And sir, next year, we plan to do 4,000 tons. And even if we realize, say \$14 on an average, that is revenue of Rs. 500 crores. In your comment on margins, there you said the gross margin should be at 46%-47%. With Vanillin scaling up and realizations improving, shouldn't it add more to our margins? Or will the blends business face margin pressure? And that's why the margin improvement is likely to be lower.
- Nirmal Momaya:** So, the gross margin in the Blends business typically is less than 45%. And we are going to grow the Blends business by at least 20%-25% next year. On a base of Rs. 1,000 crores, we are looking at least 1,350 crores in the next year. So, that's why we are saying overall margin will average out at this price, at this level.
- Rohan Advant:** Okay. So, your revenue growth should be much higher because Vanillin will grow significantly and also the Blends business.
- Nirmal Momaya:** Correct. That is the assumption.
- Rohan Advant:** Okay. And sir, on this 4,000 tons of guidance that you have for FY'27, have you committed offtake or you are waiting for spot prices to maybe improve and get higher realizations? How are you looking at that offtake and how confident are you of 4000 tons?
- Nirmal Momaya:** So, in this environment, we have done 2,400. So, with a large amount of channel stock lying pre-anti-dumping duty in anticipation there. So, our assessment is that the market will open up. We are not rushing in for any contracts because even customers are looking at quarterly contracts as opposed to longer ones because they don't know how long this channel stocks will remain. So, I think our sense and our estimation comes from the fact that given all the adverse situations that were in FY'26, with channel stocks being emptied out to grow it by about 50%-60% from where we were is very likely.
- Rohan Advant:** Understood. Thank you. Thanks for taking my question.
- Moderator:** Thank you. Our next question comes from the line of Niraj Mansingka from White Pine Investment Management Private Limited. Please go ahead.
- Niraj Mansingka:** Sir, just wanted to clarify if right now the prices in the US is \$19 and if we have a 25% tariff, we will get a realization of \$15. Is it right?
- Nirmal Momaya:** Yes, about 14.5% or so because there is also local trade and things. This is duty paid.
- Niraj Mansingka:** And if the tariff goes to 18%, our realization would be \$15.5 or so, right?
- Nirmal Momaya:** Correct.

- Niraj Mansingka:** And this does not, and there can be, so and you said that the potential of price increase in Europe is lesser than US because US has much higher tariff and it's not adjusted to that level, the dumping duty. And is it right that US is \$19 and if you assume a 265%, it comes to \$23 plus? If I assume, I am just assuming \$6.5 in China.
- Nirmal Momaya:** In China, \$6.5 will come to \$23. That is right.
- Niraj Mansingka:** Okay. So, there is still \$4 upside in the price of Vanillin if they will pari passu the way the Europe is trading.
- Nirmal Momaya:** Yes.
- Niraj Mansingka:** And sir, if the tariff is, the detail is signed today, so then your realization will go up immediately, right?
- Nirmal Momaya:** Correct.
- Niraj Mansingka:** Okay. Then why are you saying that we will be realizing less value for next year? Because there's a very high possibility of that being signed also, right?
- Nirmal Momaya:** Yes, of course. But till it is signed, it is not signed. We were waiting for this reduction of from 50% to 25% for the last six months. So, I mean, I can't predict that.
- Niraj Mansingka:** I understand that, sir.
- Nirmal Momaya:** So, we have to assume that 25% and work on that, basically.
- Niraj Mansingka:** And on these stocks, please, I could not follow, very apology for that. You have a guidance of 700 tons for Q4. Am I right?
- Nirmal Momaya:** Correct.
- Niraj Mansingka:** And of that 700 tons, how much will be at \$14.5? And how much would be at the \$12.5?
- Nirmal Momaya:** So, I would say the US will have out of 700 tons, about 350 tons to 400 tons will be in the US, which will be at a higher realization. And Europe is at the same realization.
- Niraj Mansingka:** Europe's same realization means \$15-\$14.5?
- Nirmal Momaya:** No, \$12-\$12.5. What we are getting today.
- Niraj Mansingka:** Okay. And is it right to assume the similar ratio would be there for FY'27 for the entire 4,000 tons?

- Nirmal Momaya:** Yes, it'll be 60% in the US and 40% in Europe.
- Niraj Mansingka:** Okay, got it. And so, how much was the Brazilian value of the stock that you were carrying, which caught fire?
- Nirmal Momaya:** The stock value was about 16 million, 16 roughly.
- Niraj Mansingka:** And, okay, and what is the guidance on this. The new plant of the competition starting in the Vanillin? Can you give some color on that?
- Santosh Parab:** I think the US plant was supposed to start for the Vanillin.
- Nirmal Momaya:** In Europe, actually, the European plant. So, of course, that will start now, soon. And so, the total market, as we have said earlier, that between Europe and the US is about 16,000 tons. And the two plants in the US and Europe put together have a capacity of 10. So, there's a gap of 6,000 tons, which needs to be filled, which we expect that, hopefully, we should be able to fill at least 80% of that.
- Niraj Mansingka:** Got it.
- Santosh Parab:** Sorry to interject, I will just correct the numbers because on the Brazilian loss by fire, total loss at the book value is at Rs. 33 crores. Out of that, Rs. 28 crores is inventory. He told 16 million that is Brazilian Real. The Indian rupee is Rs. 28 crores and around Rs. 4.5 crores of machine and equipment. So, it's total Rs. 32.7 crores.
- Niraj Mansingka:** Right. Got it. So, if there's a delay in the insurance, then you will, is it possible you will write off next quarter and write back whenever you recover, get that amount?
- Santosh Parab:** That's an accounting thing, how the insurance companies look at it. We are confident, but you know how the insurance companies, there are cuts and things. If the insurance claim is finalized and there is no dispute, we may end up recognizing that shortfall in the next quarter. But it's not at all determinable at this stage because the surveys have not even entered that factory site.
- Niraj Mansingka:** Got it, sir. I think you said about the channel stock. Do you have any clarity on, because the US pricing will only go up to \$23 once the channel stock is totally liquidated. So, any color on that side?
- Nirmal Momaya:** No, I think it is more driven by what our competitor in US does in terms of pricing. So, since they are the leaders there and they define the price, we just follow. In that sense, the price will be really defined by them. Currently, this is the price that they've defined. And as the channel stocks do come down, they will probably increase it by a dollar or so. I don't think they will take it to match it to the anti-dumping duty impact. They'll keep it just below that.

- Niraj Mansingka:** Understand. So, last question on the China and the Europe cost, which were for the factories which were shut down. What was the run rate last quarter and what will be the current rate in say Q1 of next year?
- Nirmal Momaya:** So, in Q1 of next year, as I mentioned earlier, by the end of this month, there will be a ruling on the liquidation. And if it goes into liquidation, then there is no impact to us on our balance sheet on a running cost basis. And even China is the same by end of this quarter that will also go into liquidation or winding up. So, our estimate is next year, we should not have any significant impact.
- Niraj Mansingka:** What was the impact for Q3?
- Santosh Parab:** So, Q3 was Rs. 8 crores on discontinued business of Europe and Rs. 1 crore on a quarter of China. Both of these, if the plea for liquidation is accepted, then pro-rata will not have any cost from February on Europe, because it is said going to liquidation. As far as China is concerned, there is a different process. So, we may have to bear Rs. 1 crore expenditure in the coming quarter and maybe another crore in the next quarter.
- Niraj Mansingka:** So, after Q3 of '27, your cost will become zero, which cost run rate is today?
- Santosh Parab:** In this year itself, in the next quarter, China will be there. Europe, the hearing with the tribunal or the court is on February '26. If the plea is accepted and given, then the plea stops immediately because liquidation, then it goes to the liquidator and liquidator becomes the operator of the company we are out. So, if it does not happen, courts may take their own time a few months, it is SEBI, so it is very fast, but they may take a few months. In that case, the control remains with us and we may face that cash bleed of Rs. 7 crores-Rs. 8 crores next quarter also on Europe. China has a Rs. 1 crore run rate of bleed because we had to keep some people there to look after the proceedings of liquidation. We may end up Rs 1 crore of bleed for two more quarters.
- Niraj Mansingka:** Got it. So, our run rate after this goes down, the China and the Europe, the EBITDA will improve by Rs. 9 crores per quarter.
- Santosh Parab:** At present, this lead is not shown in operational EBITDA. It is shown as a discontinuity.
- Niraj Mansingka:** I know.
- Santosh Parab:** It is more of a cash bleed. So, how you look at EBITDA, if it is net of that, then there is no impact on EBITDA.
- Niraj Mansingka:** Got it, sir. Great. Thank you. Thank you very much for the information.
- Moderator:** Thank you. Our next question comes from the line of Chaitya Doshi from Incred Capital. Please go ahead.

- Chaitya Doshi:** Hello. Thank you, sir, for taking my question. Sir, I have a couple of questions. Sir, have you got FSSAI approval for Essential 4001?
- Nirmal Momaya:** No. We have applied for it.
- Chaitya Doshi:** Okay. And what is the status of selling Vin'Curd in Indian market?
- Nirmal Momaya:** So, there is a potential. So, we are working on that.
- Chaitya Doshi:** Okay.
- Nirmal Momaya:** So, it is basically, the market is large. I mean, the cheese market is growing in India and Vin'Curd is a product which goes into manufacturing cheese. And so, the process is, of course, these are all processing aids. So, most producers do not really need to get FSSAI because we are FSSAI approved, but the product does not need to be because it is not part of labeling. So, that is a question of interpretation. So, I mean, that is something that is in the pipeline.
- Chaitya Doshi:** Okay. And sir, so, what would be the overall take on Vanillin sales for FY'27 guidance and what would be your value growth?
- Nirmal Momaya:** No, we have already given that.
- Chaitya Doshi:** Okay. And guidance for Blends?
- Nirmal Momaya:** For Blends also, we have given that. 25% growth over FY'26.
- Chaitya Doshi:** Okay. Thank you, sir.
- Moderator:** Thank you. Our next question comes from the line of Shikhar Mundra from Vivog Commercial Limited. Please go ahead.
- Shikhar Mundra:** For a Company as a whole, what kind of revenue guidance are we targeting given for the next couple of years, '27 and '28?
- Nirmal Momaya:** For '27, we should be looking at about Rs. 2,200 crores.
- Shikhar Mundra:** Rs. 2,200 crores?
- Nirmal Momaya:** Yes.
- Shikhar Mundra:** And for '28?
- Nirmal Momaya:** That will be about Rs. 2,400 crores.

- Shikhar Mundra:** Okay. Rs. 2,200 crores is considering similar prices as now of the product.
- Nirmal Momaya:** Yes.
- Shikhar Mundra:** Okay. And what kind of CAPEX are we looking to put in for the next couple of years?
- Santosh Parab:** So, at present, no new plants. There is a maintenance CAPEX which keeps on coming because of the big plants which we have. So, we have a maintenance CAPEX of around 40 crores to 50 crores on an annual basis. But at this moment, we have not any CAPEX plan approved or otherwise.
- Shikhar Mundra:** Okay. So, the kind of debt levels we have, so these are kind of peak debt levels?
- Santosh Parab:** We may require it. If I am going to increase my revenues, there will be...
- Shikhar Mundra:** No, working capital side. I meant the long-term borrowings. So, these are peak long-term borrowings.
- Santosh Parab:** Nothing on cards. These are being repaid and they will go on as around Rs. 40 crores to Rs. 50 crores which is repaid every year. So, I mean, I want to understand for a Company as a whole, there are so many moving parts. You know, there is a Vanillin, then there are Blends. So, if the Vanillin prices rise, the Blend prices are falling. So, I mean, something or the other is pulling our performance down. So, how should we look at it?
- Nirmal Momaya:** Very difficult to answer that question. Our Blend prices are not falling. Our margins in the Blends are quite stable. Gross margins are not falling. It's only in the straights business, which is the TBHQ BHA business, where the margins have fallen in this year. And Vanillin, the gross margin remains stable.
- Shikhar Mundra:** Got it. Thank you and all the best.
- Moderator:** Thank you. Ladies and gentlemen, due to time constraints, we take that as the last question. I now hand the conference over to the management for closing comments.
- Ashish Dandekar:** Ladies and gentlemen, thank you very much for participating in this conference call. We look forward to interacting with you in the next quarter. Until then, good day, good evening.
- Moderator:** Thank you. On behalf of Camlin Fine Sciences Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.