

May 29, 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 Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2026 held on May 26, 2026.

In continuation of our disclosures dated May 20, 2026 and May 26, 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 Tuesday, May 26, 2026 on the Audited Financial Results (Consolidated and Standalone) for the quarter and year ended March 31, 2026 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 No unpublished price sensitive information (UPSI) was discussed during the interactions.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
Q4 & FY 2026 Earnings Conference Call”

May 26, 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 26th May 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 Q4 and FY 2026 Earnings Conference Call. Before we proceed, this conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on 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 participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on a touchtone phone. Please note that, this conference call has been recorded.

I now hand the conference to Mr. Ashish Dandekar, Chairman and Managing Director, Camlin Fine Sciences Limited. Thank you, and over to you, sir.

Ashish Dandekar: Thank you. Ladies and gentlemen, welcome to the quarter's earnings call. We know your time is precious, so we will immediately begin the relevant portion. You will note amongst all the noise that is happening around the world that we have been on a very consistent strategy implementation for the last two years, three years, and you'll see the progress in the numbers and in the explanations.

So without anything more, I'll hand over to Santosh Parab for his brief.

Santosh Parab: Thanks, Ashish. Good evening, everybody, and thanks for attending our earnings call. I'll just start with a brief on what is happening around the world. Everybody knows that but there has been some impact on our business in this quarter. This quarter, the sale was impacted by around 20% due to delay in shipments, lack of ships and increased freight time to our markets across the globe.

This conflict also has affected the availability and prices of some of our raw materials. The longer delivery time has also impacted our working capital cycle and that paucity of working capital cycle has also percolated in some ways on the pushing of our business and growing of our business in some of the geographies.

With this, we clocked around INR424 crores of revenue in this quarter. The total revenue is INR1,723 crores. You have to note that, we have some disclosures on discontinued operation on which I will talk later, which have been shifted from the total revenues to a discontinued business since the nine month revenue and as well as last year's revenue is looking like it has reduced, but it is a disclosure.

The revenues have been made in this quarter also, we had INR7 crores to INR8 crores of revenue, which had to be shown as discontinued business. And the total revenue of INR1,723 crores is also lower by around INR53 crores.

I'll now come to the segments -- our segments. The Straights business, we have been able to hold on to our market share. However, due to local competition and pricing pressures, the revenue from Straights has reduced a bit. Of course, it was also helped by increase in the dollar prices, but the local competition has impacted our sales.

Having said that, we changed our strategy of trying to use more of the Straights or making Blends rather than competing it with the local Indian competitors. We have been trying to blend the Straights into Blends business. And hence, some of the Straights sales business has moved to the Blends business.

In Blends, we have shown -- that has been the hallmark of our revenue in the last few years, and we have maintained a steady growth. We have been saying that we will be doing around 20%. We have clocked 17%. If we add the discontinued business of Blends business of Europe, we would have grown by 18%. We missed the target of 20% primarily because the projections of Vinpai, which did INR10 crores in the first month was only able to do around INR17crores in the last three months.

As I said, the working capital cycles and the liquidity crunch has impacted their business. But we are confident that, it will come and it will give the results which we have been talking about in Vinpai.

Going forward also, Blend business is looking good. I'll tell you about it after some time. The Vanillin aroma portion, we had told you last time that we have changed to the ethyl vanillin campaign, and we stopped the production of methyl vanillin and we had -- modification, for changing over our methyl plant into ethyl vanillin plant, which took around 2 months then we started ethyl vanillin plant.

So largely methyl vanillin, there was very small portion of methyl vanillin produced in the quarter four. It's around 110 metric ton. But we did have internal channel stocks. We had sold and we were holding on to some inventories in U.S., especially looking at the tariff going down, we had delayed some of the inventories and roll those inventories to reduce the tariff impact.

So internal channel stock, the entire sale of vanillin, which is being happening in Q4 is largely through the internal channel stock, which was liquidated. We also have some internal channel stock still remaining of methyl vanillin, which will help us in the coming quarters.

Of course, ethyl vanillin, we have orders on hand for the quarter 1 of around 300 metric ton. The plant is running well. We'll be taking a campaign of around 600 metric ton of ethyl vanillin. So we have enough methyl vanillin to -- not enough, but a fairly good stock of ethyl vanillin to not allow the market to dry. Of course, and the tariff withdrawn, there would be higher realizations.

We have started looking the green shoots on that. Our -- the channel stock that was sold in the last month and our average realization for the company for the vanillin has gone up from sub-\$11 to more than \$12.5 in quarter four, and we are quite confident it will grow obviously above because of no tariffs there, only 15% tariff is there in U.S. and Europe. This higher realization will also benefit us in the next quarter.

You have seen that we also had launched the claim after the withdrawal of tariff by the Supreme Court order. We did have -- we had paid around INR9 crores of duty through the customs till February, which we applied for the claim and that has reduced our cost because the payment of duty of subsidiary cost of goods sold, which we have now reduced. We are confident that this claim will be received. These have been lodged and accepted by the authorities.

If you see the overall cost also remain under control. As far as employee cost is concerned, we have been saying that we'll be investing in human capital to help us grow the business, especially in the Blends sector, and we are really looking at exponential growth in Blends business. Hence, last two years, if you see, we have been investing into employee cost, and that's the main -- one of the main reason in increase in employee cost.

Of course, Vinpai also came for four months. This entire quarter results also include revenues and expenses of Vinpai for the whole quarter, last quarter, it was only month. That has also pushed the cost.

Overall costs also are under control, but for the freight cost, which has increased in the last 6 months and some of the other costs, but Vinpai also has contributed to increase in that cost. Resultantly, the quarter EBITDA has been INR21 crores, it's 5%. I think it's -- in the given circumstances, it's not a bad performance.

Obviously, going forward, the currency fluctuations will impact the business. But for us, increasing dollar -- sales in dollars, it should positively impact and may increase our revenues to such extent that we would be able to absorb the increase in the cost of the raw materials. Of course, it may not be entirely, but there will be -- we can recover the cost.

This year, this quarter, we also -- I'd say liquidation of CFS Europe has happened. We received the order -- liquidated order. And the accounting entries has been done. There is a gain booked on loss of control of the company, which is around INR100-odd crores, which we have booked this quarter.

One good thing about this is the cash burn on this discontinued operations of around INR50 crores, INR60 crores every year is going to come to zero from next quarter, and that's a big cost saving.

China still remains under liquidation, but we don't think the cost will be more than INR7 crores to INR8 crores next year. Just quickly on the outlook for the next year or the subsequent quarters, vanillin business, as I said, will improve its realization. Volumes are also likely to increase. But yes, we have to see the lingering conflict situation, how it acts.

Blends, again, as I said, we have invested into the human capital. We are already have the pole position to now push the Blends for higher growth. In the first month itself, we have clocked more than INR100 crores of global Blends business. And that run rate is taken, you can just see the kind of growth we are looking at Blends.

Obviously, we have also -- last Saturday, we had an unfortunate incident, though it was not a fire at Dahej plant. Fortunately, because of our responses in quick and safety measures been there if -- the fire didn't spread to all the plant.

We were able to contain it. There will be some loss, but we will be -- we have adequate insurance cover. In fact, we were -- we had reduced the -- or planning to close down the plant or shut down the plant of diphenol, especially with the price.

As you know, our basic raw material prices INR85 is now being quoted at more than INR150 per kg and the availability is also not consistent. So at present, we are getting it, but we are not sure if the conflict lingers how, it will look like.

So, we had taken a conscious decision that we should reduce the cash burn because of the high pricing and lower realization in Catechol. We had already secured Hydroquinone from China, which is at a very reasonable rate and can -- we would save by purchase rather than manufacture, which helps us to keep our downstream of Straights running.

Catechol, we already have enough stock because the plants were running at 60%, 70% last year, and it was not matching the -- the consumption was not enough for the vanillin and hence, we have enough stocks in the system of catechol, which can sustain eight to nine months of our vanillin production.

So having said that, things look good. We will be looking at how to use or repurpose this diphenol plant, we have to also look at how the prices move, what will be the raw material prices of diphenols, how the competition is looking at it, how the Chinese are responding to the whole situation and also the conflict. And soon, we'll take some decision and decide on the path of the diphenol plant.

Having said this, I think I'll open this forum for questions.

Moderator: Thank you very much. We will now begin with the question-and-answer session. We will take the first question from the line of Raman KV from Sequent Investments. Please go ahead.

Raman KV: Hello, sir. I just have some doubts. One is with respect to diphenol prices, which you said have increased drastically from INR85 to INR150. This is a raw material for production of what actually -- can you hear me?

Santosh Parab: Yes. So diphenol is the product which we manufacture. Diphenol is nothing but hydroquinone and catechol. I was talking about the raw material phenol, which was generally INR85 last -- just before the conflict. Now it has gone up to INR150. So naturally, the cost of production of our product, hydroquinone and catechol have drastically increased.

Raman KV: Okay. Understood. And catechol, we are manufacturing internally and hydroquinone, we are supplying it from China, right?

Santosh Parab: We manufacture hydroquinone catechol together as diphenols. If we stop the diphenol plant, both of the products cannot be manufactured. I was saying that hydroquinone, we used to use entirely for our Straights production, value adding it. That hydroquinone we will be importing.

As far as catechol is concerned, because vanillin plant has not achieved enough capacity utilization last year, we are carrying enough catechol, which can help us to produce vanillin for next eight to nine months. And that catechol will not be importing. We will be importing hydroquinone for our downstream. And that hydroquinone, we have already secured from Chinese manufacturers for next quarter.

- Raman KV:** Okay. Understood, sir. So basically, we don't have any impact of -- any direct impact of this sudden rise of phenol prices, if my understanding is right?
- Santosh Parab:** So yes, we are trying to make or buy -- it's a simple thing. It's better to buy now the raw material than making it at higher cost. So you are right in that sense. And we are buying hydroquinone so that our real downstream sales of Straights and vanillin, we are able to keep that sale and at a reasonable margins than producing it at present.
- Raman KV:** Okay, sir. And sir, one from the PBT, I can -- from the -- obviously, from the report result and the PBT, I can see that we have INR85 crores gain from discontinued operation. Can you just elaborate what is this?
- Santosh Parab:** As you know, I just mentioned that we have this CFS Europe subsidiary, which was liquidated and there were certain loans in that subsidiary, which has been booked as a gain on derecognition of CFS Europe, and that's what has come. This is -- it's around INR95 crores of loan, but the credit to -- credit is lower because there are some discontinued business and the losses there, which have been adequately explained in the notes. So that -- this discontinued business, the credit is largely on account of the loans which have got derecognized from the financial statements for the -- on liquidation of CFS Europe.
- Raman KV:** Okay. Understood. And sir, with respect to vanillin, you have mentioned that the internal channel stock of vanillin has been liquidated at the end of quarter four. So now can we expect our realization to move upwards given that the inventory has been liquidated at the same time, the U.S. tariff has reduced from 50% to 25%.
- Santosh Parab:** So as I started with saying that we had taken a campaign of ethyl vanillin. We have two vanillin, methyl and ethyl. Till now we were producing methyl and selling methyl. We had a good order book of ethyl vanillin. And hence, we wanted to produce ethyl vanillin. For that purpose, we had to take a break of methyl vanillin.
- We stopped the production of methyl vanillin from 15th of January. So there was hardly any production here, but we have sale of vanillin. And that sale of vanillin is from the internal channel stock in the sense the material which we had sold to US to our subsidiary was carrying the stock.
- So that channel stock has been sold in this quarter, and that's why you can see the revenue. And still, we are carrying internal channel stocks, which will be sold in the subsequent quarter. And we'll also be selling methyl vanillin, which the campaign has started and the production we have got from April.
- So in April, in the Q1 quarter, we'll be selling ethyl vanillin, which we are producing now, and we'll be selling some channel stocks, internal channel stocks of methyl vanillin. Now coming back to prices, you had that last -- I'll answer the last part.
- Yes, the tariffs have gone down. Naturally, we were impacted. The basic prices in U.S. are not more. They are \$17.5, \$18. Because the duty was at our cost, we had to sell from India at \$11, \$12. Now duty reduced, our realizations will increase. In fact, as I said, our realization moved

from sub \$11 in the last quarter to almost \$12.5 plus in this quarter. And naturally, the realizations are better. Realizations will increase in the next quarter.

Raman KV: Sir, just a follow-up on this. Is there any realization difference from methyl when we compare methyl vanillin to ethyl vanillin? I just want to understand the rationale behind switching from methyl vanillin to ethyl vanillin?

Santosh Parab: Generally, methyl and ethyl the customers like to have -- ethyl is a more stronger note product. So if consumption is lesser than methyl vanillin, but the customers ask for ethyl vanillin also and they're happy if the supplier is able to sell both the vanillin's. Now having said that, this ethyl vanillin price difference generally is \$1 to \$1.5 more than methyl vanillin. But our cost is also almost \$1 more. So either I sell methyl or ethyl, my realizations, the margins per kg remain the same.

Raman KV: Understood, sir. Understood. Thank you, sir.

Moderator: Thank you. We will take the next question from the line of Hrushikesh Shah from Alchemy Capital. Please go ahead.

Hrushikesh Shah: Am I audible?

Santosh Parab: Yes.

Hrushikesh Shah: Yes. Sir, thank you for taking my question. Sir, I wanted to know what would be our vanillin sales this quarter?

Santosh Parab: In quantities or value?

Hrushikesh Shah: In quantity?

Santosh Parab: In quantity, vanillin we sold -- around 320 ton.

Hrushikesh Shah: 321. Sir, if I remember -- Yes, if I remember correctly in Q3, you had mentioned that we had 200 ton of vanillin, which we had held back. So I thought this quarter, we might see a better volume sales. So what would be the reason for only 320, I know that we had to hold off our production, but still we had INR650 crores in -- 650 ton in our channel with subsidiaries and everywhere. So I think our volumes would have been better, right?

Santosh Parab: So I'll just put the same numbers which we said we talked last in February. By that, we had done 100 ton. We said that we'll be doing 200 more ton by holding back the stock and trying to take the benefit of realization at 300 ton. And as I said, I'm still carrying around 300 ton of vanillin stock in the channel to sell in quarter 1. That's how it 600 ton works out.

Hrushikesh Shah: Okay. So -- okay. Got it. Sir, my second question was if you look at our profitability, how much of an impact would you say this Middle East crisis had on our EBITDA? See because if I remove the INR10 crores or INR12 crores of tariff rebate that we have got, then our EBITDA would have been around INR10 crores. So it is only 2%, 2.5% EBITDA margin in FY 2027, we have

guided for double digit. So what do you think, would there be any change to our guidance revenue-wise and margin-wise?

Nirmal Momaya: So I explain to you. The Middle East crisis has impacted our sales by about INR50 crores or so as well as Santosh mentioned earlier in his opening remarks that the Vinpai acquisition, there was an EBITDA loss -- a loss at EBITDA level of INR10 crores, which was due to some liquidity issues which Vinpai had, which, of course, we are addressing. So if you combine these two, our EBITDA should have been higher by about INR30 crores or so.

Hrushikesh Shah: Okay. And...

Nirmal Momaya: And -- we are not changing our guidance -- and we are not changing our guidance for FY 2027. We are guiding on the same line.

Hrushikesh Shah: Right. And sir, this right now, see now, let's say, our tariffs are down to 18% and we are able to sell it at \$18, ethyl would be at \$20 or something. So what would be our blended realization we can take for FY 2027?

Nirmal Momaya: So I think it will be around in the range of \$13.5 to \$14.

Hrushikesh Shah: Okay. And I have one more question on the Blend side. Sir, Blend and Vitafor, what would be the EBITDA breakeven we can expect at what revenue run rate?

Nirmal Momaya: Yes. So Vitafor is at 16 million for the whole year. And so is Vinpai is also at the same level, 14 million to 16 million.

Hrushikesh Shah: Okay. Okay. Got it. Thanks. I'll come back, if I have any other question. Thanks a lot.

Moderator: Thank you. We will take the next question from the line of Avnish Tiwari from Vaikarya. Please go ahead.

Avnish Tiwari: Hi. Can you explain or help us understand your debt levels at March 2026 and how you plan to manage your cash flow in fiscal 2027 in terms of how much you expect from operations and any other sources to meet your debt payments and working capital requirements as you're growing the business again in 2027?

Santosh Parab: So last year, we had -- we started with around INR620 crores of debt, our business was increasing, we did take some debt in India of around INR45 crores on working capital, which is an increase. If you have seen we have also borrowed INR30 crores for our Vinpai open offer we borrowed at the year-end.

On a global basis, Vinpai was added to the whole kitty this year, it was acquired. It had around INR6.5 million of loans in its book. So that was INR60 crores orders increased because of that. But however, the increase in the total loan is only INR50 crores because we knocked out around INR85 crores of Italian loan. So at the end of this year, we have around INR670 crores loan. Out of that, we are carrying INR30 crores in escrow, which is for the Vinpai open offer.

Having said that, this INR670 crores, the overall repayment for the whole year on a consolidated basis around INR60 crores to INR70 crores. We think that it could be managed. There will be some stress on if our turnover increase at a faster rate, we will require additional liquidity and additional support.

We are looking at some kind of an support from the market on debt for the growth as well as stabilizing the current business and have some cash to tide over this conflict situation, it's better to have some cash. So there could be longevity of the working capital if the conflict lingers.

Avnish Tiwari: Right. So are you looking at some degree of capital infusion just to make it even more resilient so that you can pursue your growth plan...

Santosh Parab: Capital infusion is the last resort. We are in the market for debt at this moment. So that looks like a better option. But we know that the times are difficult, and that's why we have kept that door open and you have seen that we have increased our authorized capital to some extent in the month of March. But at this moment, we are -- the equity infusion is really a last resort, not on the table at all.

Avnish Tiwari: And is that you're looking at this is a simple plain bank debt or this is more structured bit of a high-yield debt between equity and debt kind of?

Santosh Parab: We are looking in a combo because we have a large now a network of our companies all over the place. So looking at the nature of the -- if you see in India, I'll go for a structured debt. So for example, if I borrow in Mexico, it will be more of a bank debt. So we will be looking at a combo. We have kept our doors open. As you know, the times are difficult, especially to have cash from the market, right, in that situation. So largely structured in this situation, but we are also looking at the bank finance.

Avnish Tiwari: And do we have some sort of a sense or range what cost it would come at?

Santosh Parab: It's very difficult now because it will be assessed -- the guy who give structured finance is going to assess my risk and -- but we'll try to keep it as minimal as possible as the market rates.

Avnish Tiwari: Got it. The second question I had in the industry cycle. You were talking about inventories in the channel reducing in U.S. and then maybe getting your volumes back in U.S. How is that situation, when you think you can get your volumes strongly growing in the U.S.?

Nirmal Momaya: This is for the vanillin business?

Avnish Tiwari: Yes, vanillin business. Yes.

Nirmal Momaya: Yes. So vanillin business this year, as we've said in the past, our estimate for FY 2027 in the U.S. will be around the 2,200 to 2,400 metric ton. And we are on stream to achieve that number. That's both methyl and ethyl together. So we have several businesses already contracted and some being contracted. So I think that 2,200 to 2,400 tons is what we are looking at for this year.

Avnish Tiwari: Will it be more coming in second half or even Q1, Q2 can also see a strong pickup wherein Q4 was less of 300-plus ton?

- Nirmal Momaya:** Yes. So Q1 also will show some pickup in the U.S. But the total combined between U.S. and Europe, Q1 will show some growth over Q4 of last year of FY26.
- Avnish Tiwari:** Got it. And then it will keep picking up to meet your guidance?
- Nirmal Momaya:** Yes, correct. That's right. Yes.
- Avnish Tiwari:** Thank you.
- Nirmal Momaya:** Thank you very much.
- Moderator:** Thank you. We will take the next question from the line of Rehan from Coheron Wealth.
- Rehan:** Hi. Thank you for the opportunity. I had a couple of questions across the business. What is the tonnage or catechol inventory we are sitting on in terms of -- for now?
- Nirmal Momaya:** So it's about in the region of about 3,000 ton.
- Rehan:** So that in terms of vanillin yield is how much approximately between methyl and ethyl because I know the yield would be different because of catechol, sorry?
- Nirmal Momaya:** Yes. So it's about 1:1 -- roughly for a calculation, you can take 1:1 for both for methyl and ethyl.
- Rehan:** Okay. And considering our guidance for FY 2027 has been about 70% utilization. So that would be about 4,000 to 4,200 ton of vanillin. Where would the balance 1,000 come from?
- Nirmal Momaya:** So we buy from China.
- Rehan:** So you'll buy catechol from China?
- Nirmal Momaya:** Yes, either catechol or Guaiacol.
- Rehan:** Okay. And then you will blend it here and do the needful.
- Nirmal Momaya:** Yes. Then we'll do it -- yes, the final step, I mean whatever the vanillin manufacturing is done.
- Rehan:** Understood. And the tariff currently, as per my understanding, it is 10%, not 18%, right, because the...
- Nirmal Momaya:** 15%.
- Santosh Parab:** 15.5%.
- Nirmal Momaya:** So there's a base 5.5% duty and then there's 10% tariff across the board. So it's 15.5%.
- Rehan:** So your current realization would be about \$16-odd in U.S. at the moment?
- Nirmal Momaya:** No, because the DDP pricing today in the U.S. market, our competitor, Syensqo is selling at about \$17 to \$18, so there is -- cost, there's a holding cost and the tariff cost and some channel

financing costs. So all of that gives us net realization would probably be in the region of about \$13.

- Rehan:** But I think a couple of quarters back, we had seen prices signed at \$19, \$19.5?
- Nirmal Momaya:** Correct. Yes. So -- but Syensqo is trying to saturate the market. I mean, get the Chinese out of the market completely. And they've taken this position of pricing, and we can't price higher than them. So we kind of maintain pricing along with them. But I think in the next quarters, they have no choice but to increase the price. And that's what we are thinking that they would look at increasing the prices to the \$19 to \$20.
- Rehan:** So your pricing for Q1 as on blended across Europe and U.S. realization would be about -- like in and post tariff will be about closer to \$14?
- Nirmal Momaya:** Yes, \$13.5, \$14 in that range.
- Rehan:** Okay. And is there -- because it's been almost a year since the ADD came in, are we now seeing that -- now is the channel clear because prices should have been north of \$20 by now excluding Syensqo, even them, I mean, I'm wondering how -- with this inflationary scenario...
- Nirmal Momaya:** Yes. It's surprising what they're doing, but I think we expect them to change their position in the next couple of months. They will increase it because they've kind of -- the capacity utilization would be at 100% by then. So naturally, they will have increase the prices. Yes.
- Rehan:** And the cost currently that the company is incurring because of employees, is this -- as we had discussed earlier in the February con call as well, this is the peak, right? Now we will let the business stabilize a bit because you've done two acquisitions. You have a new facility coming on stream, which is the vanillin. So now is this the peak hiring we're not seeing more increased employee expenses on the P&L?
- Nirmal Momaya:** Yes. No. So I don't think there will be significant changes. It will be in this region..
- Rehan:** So then do we -- I mean, considering you're moving from -- like from manufacturing to importing and then doing your value addition here with vanillin scaling up and Blends in its nature is already asset-light, are you on track to deliver about INR300 crores, INR330 crores of EBITDA for FY 2027 because vanillin alone at your current realizations of \$13.5, \$14 should give you INR200 crores of EBITDA.
- Nirmal Momaya:** Yes. So the way we are seeing it is that on the top line, we should be in the region of between INR2,200 crores to INR2,400 crores. And EBITDA margins would be between 12% to 14% on an overall basis. So that's the swing. Of course, we do have a plant, which we are trying to look at what to do with -- to make it into multipurpose and see if we can reduce some of the costs on our raw materials as well.
- So there are different programs which we are working on. That's why the range would be between 12% to 14% in terms of EBITDA. And top line also would be in this range of INR2,200 crores to INR2,400 crores.

- Rehan:** So going forward, we don't have any European losses. The Chinese losses, I think, are about INR8 crores to INR10 crores -- INR8 crores-odd annually, right, which is about INR2 crores -- INR1.5 crores, INR2 crores a quarter. And considering you have about -- 300 ton of stock in vanillin plus a 600 metric ton campaign. So are we moving back to double-digit margins in Q1 onwards at least? Because Q4, we expected some sequential performance, but I think we've slipped further because of the geopolitical tension.
- Nirmal Momaya:** Yes. Because of the geopolitical. So Q1 is difficult to say that whether we -- because we did have manufacturing of diphenol till the 22nd of May when we discontinued and we started getting material from China, which now we are consuming. So the full impact of that will really come in Q2. So...
- Rehan:** But you would also have phenol inventory, right, which would give you some inventory gains?
- Nirmal Momaya:** No, no, no. Phenol, we don't have any inventory because it's just in time because it's next door, the Deepak Phenolics plant. So we have -- we don't keep any stock. We just keep -- it's just in time supply from them.
- Rehan:** So are we -- in Q1, are we going to maintain the 48% gross margins? Or are we going to slip down? Because I mean if you're going to do 4,000 ton of vanillin.
- Nirmal Momaya:** I think we'll maintain that margin. There could be 1% up or down, but we should be able to maintain that margin. Yes.
- Rehan:** Because at 700 ton of vanillin alone -- I mean, sorry, not 700, 1,000 ton of vanillin, even if I take it as a quarterly phenomenon, I know it's not that way, but if you had to even average it out for the -- just for simplicity, that alone should give you back to your old numbers, right? I mean at \$13.5 with this current rupee depreciation, even if your cost of manufacturing is \$9, \$9.5 all inclusive, you're at INR360 a kg at 1,000 ton, that's automatically INR36 crores, INR37 crores of EBITDA. So I mean, I'm just not understanding the numbers, if you can help me understand the same.
- Nirmal Momaya:** No. So again, the raw material costs have gone up, right? The \$9 is no longer \$9 because phenol costs and all other raw material costs have gone up in the geo with this -- the current situation that we are seeing. So that \$9, \$9.5 assumption is -- was prior to the war. After that, of course, with all these cost increases, your realization has not gone up, but your cost has gone up for vanillin. So when I look at vanillin, I would say you bake in about...
- Rehan:** But this catechol is old inventory, as Santosh sir also mentioned that 3,000 ton is not going down, it's being...
- Nirmal Momaya:** Catechol is only a-quarter of the raw materials, there are other raw materials as well. So for example, glycolic acid, caustic. Caustic is actually equal in value as catechol is, and that has gone up by literally doubled up in the last -- after the war situation.

- Santosh Parab:** The total cost of -- raw material cost itself is \$7.5 pre-war, it's around \$2 of catechol. So you can just imagine there are a lot of other raw materials which are going, which can really get impacted by the geopolitical situation.
- Rehan:** So today, what is your -- at current pricing, even what is your cost to make at 4,000 ton, what will be your per kg cost of vanillin?
- Santosh Parab:** So, my raw material cost, even if we hold on to the catechol and we are seeing that around 20% to 25% increase in cost. So if I knock out \$1.5, \$2 from my total cost of \$7.5, \$5.5 that's how boss was saying \$9.
- Rehan:** So today, is it \$10 or \$9.5.
- Moderator:** Sorry, to interrupt in between.
- Rehan:** This is on the same, madam. No, Santosh ji, what is the current cost per kg of vanillin at these levels?
- Nirmal Momaya:** Yes. So that's what I'm saying. So the raw material -- Rehan, the raw material cost, which was \$7.5 has gone up by at least \$1.20. So it's almost \$9 is the RMC plus your conversion cost at 4,000 ton, if you were to look at your conversion cost, it would be at \$1.5. So you're at \$10.5 of base cost. And your realization is \$13.5. So you're talking about \$3 spread on an 800 ton in the first quarter, you're looking at INR22 crores, INR23 crores coming from, not INR35 crores, INR36 crores what you're baking in.
- Moderator:** Sorry to interrupt in between Rehan, I would request you to please rejoin the queue again for questions as there are participants waiting in the queue. Thank you. We will take the next question from the line of Surya Patra from Phillip Capital.
- Surya Patra:** Yes. Thank for this opportunity. Sir, my first question on the, let's say, the base business TBHQ, BHA, and all those kind of things. So the kind of price pressure competition also the kind of recent general rise in chemical prices because of the war situation what we have seen. Given those background, what is the kind of outlook that you would be having on the Straights with specialty ingredients as well as the specialty -- the Straights business?
- Nirmal Momaya:** So in the Straights business, some of the cost increases, we will be able to pass on and we are passing on TBHQ prices have corrected and have gone up to reflect that. BHA pricing also is slightly better than it was pre-war. So in terms of passing on the increase of cost with a lag, we are in track to be able to pass it on.
- So I don't see a problem with that. As far as volume is concerned, I think we are gaining a lot of market share also in the blends business where our TBHQ and BHA consumption -- internal consumption is growing, which also is giving us some economies of scale in terms of production of TBHQ and BHA.
- Surya Patra:** So whether the outlook for 2027, it will be positive? Or how should one really think, sir?
- Nirmal Momaya:** For TBHQ, BHA. It is positive. Yes. For TBHQ, BHA, it is positive, the outlook.

- Surya Patra:** And from the performance chemical point of view, it will be?
- Nirmal Momaya:** Yes, we don't have much for performance chemicals. We don't have much now. And now with catechol -- I mean, after stopping the diphenol production, the performance chemicals will be a very small part. They're not selling -- we were making hydroquinone and selling some hydroquinone also in the market. So slowly, all of that will grow. So we are not -- really the focus is not on that.
- Surya Patra:** Okay. Okay. My second question is on the supply chain issue practically that you would be seeing currently. So, there was obviously a difficult situation, whether the worst is behind now and Q1 onwards, should we see a kind of improved supply situation for us? Or there would be - - still there will be some challenges relating to some particular input, if you can highlight that?
- Nirmal Momaya:** See, the problem is, as you know, in the supply chain, the bigger problem is logistics. And that is very, very unpredictable because what looks like 20-day shipments are taking sometimes 40 days to come or 50 days to come. So that uncertainty till this geopolitical situation settles down will remain and very difficult to predict whether that will very quickly correct or it will take maybe a few months to correct.
- Santosh Parab:** The overhang remains because even if the situation is, I don't think the logistic price will immediately come down. In fact, tomorrow morning, our guys are meeting one of big logistic guy, he's coming and I know why he's coming, he wants to increase the price.
- The cost if you compare pre-war and now, in fact, pre-war also the costs are increasing of freight. The cost as far as we are concerned, where we put almost a lot of material across the globe in the American continent, both north and south of it, the costs are almost three times.
- And -- yes, you can always say why it's not here, actually, but it doesn't work like that. So I don't think even if tomorrow, the war stops, this thing is going to get unwound in a day or a week. We feel that this will linger on for some time, at least it will take a quarter to come back to the normal situation.
- Surya Patra:** So then H1 of FY27 is a continued impacted period for the business generally, theoretically, that is what one should believe right, sir?
- Santosh Parab:** So how this pans out on cost basis, I feel that the cost of freight will remain high. Even if the war is over and the crude remains at \$100, then there's no, respite, right, for the feedstock.
- Surya Patra:** Correct. Yes, Yes.
- Santosh Parab:** So, it's very unpredictable. The question is if the crude is \$100, how much I can -- pass it on to my customer, right? And how much I may have to bear from that? So it's a very difficult calculation to say. I feel that even a stable growth of 10% to 15% over these two quarters is great. Really great.
- Surya Patra:** Okay. Sir, about vanilla vanillin business, you have talked about it already. So, since the tariff - - U.S. tariff was not there or almost near normal kind of tariff situation that is in there in some

time, and -- and this is a kind of a year-end situation. And normally, the order book buildup has a time also. So, any order book buildup that you have seen for FY 2027 and hence, that confidence, okay, the certain quantum of the supply that is definitely possible irrespective of the pricing or the cost equation? yes, sir...

Nirmal Momaya: Yes. So to answer that, we started with the ethyl vanillin campaign and the campaign is for 600 ton, and we already have an order book covering 50% of that. And the campaign is for -- we'll have to maintain stocks also because we can't be out of the market once we change back to methyl vanillin.

So I think in terms of demand, what we were saying between around that 4,000 ton mark, I think is very doable. Our bigger challenge is, of course, the longer working capital cycles and logistics and cash flow.

So that's what we need to address because we have a large order book even in our -- all our businesses actually and executing that with tight cash flow position is a bigger challenge than the market itself.

Surya Patra: Okay. And if you can also just add up on to the kind of your outlook about vanillin for the European market, what inventory situation now, do you see some easing situation in Europe at least, which was...

Nirmal Momaya: Yes, Yes, -- Europe -- Yes, the market situation is much better. In the ethyl vanillin also out of the 300, 150 is coming from Europe. And methyl vanillin, we have no stocks to give to the European market until we start our campaign again. So, the market is coming back. So, I mean, what we had said the 1,500, 1,600 ton for the year, I think we are good for that.

Surya Patra: Okay. Okay. Just last one point from my side. About the Vinpai and the Vitafor ramp-up. So we have been trying to build up the field force for scaling up those operations, which was almost like stalled before acquisition. So, what is the field force addition practically now we have created for -- during FY26? And what was the exit rate revenue that we have seen for both these two businesses. So how -- what is the kind of scale up that we should see in the Blends operations?

Nirmal Momaya: So in the Blends operation, we closed the year at INR1,050 crores...

Santosh Parab: INR1,050 crores, including discontinued.

Nirmal Momaya: INR1,050 crores including discontinued. This year, we are looking at anything an upwards INR1,400 crores for the FY27 in the Blends business. So as far as adding sales force, it is across the world. So it's not only for -- in Vinpai -- in Vinpai or Vitafor, we've also added workforce because the markets are in different places, right?

So the salespeople are being added across the world, and that addition we have done, which will support Vitafor and Vinpai growth. We expect Vinpai and Vitafor to be above breakeven EBITDA in FY 2027 for sure. And the overall Blends business to be northwards of INR1,400 crores.

- Surya Patra:** Sure. Just one point, sir, this tariff refund that you have mentioned from the U.S. So, whether that would be really tangible or it would be adjusted subsequent to trade?
- Nirmal Momaya:** 50-50. That's what we understand, it normally becomes 50-50.
- Santosh Parab:** So by historically, it has been 50-50. But the U.S. government and the people there on the consent are saying that we may get the cash upfront. But historically, if you see similar situation, they have given 50% as cash and 50% has been adjusted against duty. But the kind of turnover we have from India vanillin itself that INR9 crores, INR10 crores, we can follow it in a couple of three, four months. So, we are not worried about that. If they give cash, we are more than happy. If they give duty refunds, still we are happy.
- Surya Patra:** Okay. Sure. Yes. Thank you, sir. Wish you all the best.
- Santosh Parab:** Thank you.
- Moderator:** Thank you very much. Ladies and gentlemen, due to time constraint, we will take that as the last question for today. I now hand the conference back to the management for the closing comments. Thank you, and over to you, sir.
- Ashish Dandekar:** Thank you. Thank you for your precious time, ladies and gentlemen, and we look forward to interacting with you in the next quarter. Thank you.
- Moderator:** Thank you, members of the management. On behalf of Camlin Fine Sciences Limited, we conclude this conference. Thank you all for joining with us today, and you may now disconnect your lines. Thank you.