

May 26, 2025

To,

The General Manager, Listing Department, <b>Bombay Stock Exchange Limited,</b> P.J. Towers, Dalal Street, Mumbai – 400 001 <b>Company code: 533333</b>	The Manager, Listing & Compliance Department <b>The National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400051 <b>Company code: FCL</b>
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**Subject: Transcript of Q4 and FY2024-25 Earnings Conference Call held on May 21, 2025**

Dear Sir/Madam,

Pursuant to regulation 30 read with Para A of Part A of Schedule III of the SEBI (LODR) Regulations 2015 and with reference to our letter dated May 13, 2025, please find enclosed a copy of the transcript of the Investors/Analyst Concall held on Wednesday, May 21, 2025 at 04.00 PM on Q4 & FY2024-25 financial result of the Company.

The above information is also available on the website of the company i.e. [www.fineotex.com](http://www.fineotex.com)

This is for your information and records.

Thanking you,

Yours faithfully,

**For FINEOTEX CHEMICAL LIMITED**

**Sunny Parmar**  
**Company Secretary & Compliance Officer**



Encl: As above



“Fineotex Chemical Limited Q4 & FY ‘2025 Earnings  
Conference Call”

**May 21, 2025**



**MANAGEMENT: MS. AARTI JHUNJHUNWALA – EXECUTIVE DIRECTOR,  
FINEOTEX CHEMICAL LIMITED  
MR. ARINDAM CHOUDHURI – CHIEF EXECUTIVE  
OFFICER, TEXTILE, FINEOTEX CHEMICAL LIMITED  
MR. SANJAY TIBREWALA – EXECUTIVE DIRECTOR  
& CHIEF FINANCIAL OFFICER, FINEOTEX CHEMICAL  
LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Q4 & FY '25 Conference Call of Fineotex Chemical Limited.

As a reminder, all participant lines will remain 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 the operator by pressing "\*", then "0" on your touch tone telephone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Aarti Jhunjhunwala from Fineotex for opening remarks. Thank you and over to you.

**Aarti Jhunjhunwala:** Thank you so much. Good afternoon, everyone. Let me start by extending a warm welcome to everyone who has joined us today on the call. It is always a pleasure to connect with our investors, analysts and stakeholders. We deeply appreciate your time and continued trust in Fineotex Chemical Limited.

Before delving into the operational performance, I would like to give a brief overview of the Company:

Let me begin by reiterating our core philosophy. Fineotex has always been more than just a specialty chemicals Company with innovation, customer centricity and sustainability at the heart of everything we do, while remaining cost effective.

We are a single-stop solution provider across various lines of businesses, including textile chemicals, FMCG, cleaning and hygiene, oil and gas, and water treatment. Our expertise in these areas, combined with our deep customer relationships, allows us to deliver high quality and tailor-made solutions that meet the evolving needs of the industries worldwide. With a strong manufacturing base and the global footprint, we are well positioned to capitalize on future high growth opportunities.

Coming onto our operational performance:

The textile chemical segment remained stable with sustained demand across key geographies. We added 25 new customers during 4th Quarter and a testament to our expanding reach and trusted performance. We also developed 15 new products, reinforcing our focus on innovation and our ability to respond swiftly to evolving customer requirements.

While the FMCG, cleaning and hygiene segment witnessed a temporary softness in volumes, the underlying demand fundamentals remain intact, and we anticipate a pickup in the coming quarters. Our new business lines - water treatment, and oil and gas - delivered strong performance with a substantial increase in both volumes and value contributions, backed by a robust and growing order pipeline.

Further, we are undertaking focused capital expenditure and brand building initiatives. These investments are aimed at enhanced production capabilities, strengthening our market presence

and accelerating customer acquisition in these fast growing business segments. These business lines are expected to play an increasingly significant role in our revenue mix in the coming years.

In water treatment, the demand is driven by industrial expansion, environmental regulations and ZLD, which is Zero Liquid Discharge mandate, increasing the need for biodegradable polymers, antiscalants, coagulants and metal chelating agents.

The oil and gas sector is benefiting from increased upstream activity and refinery expansion, driving demand for demulsifier, corrosion inhibitors and stimulation chemicals, with a growing shift toward eco-friendly and water-based formulation. This diversification strengthens our overall business and allows us to capture emerging opportunities in high demand industries.

A testament to our innovation and sustainability drives is the launch of our new product, AquaStrike Premium, our next generation biotechnology-based mosquito control solution. This is non-toxic and eco-friendly, not only disrupts the mosquito lifecycle more efficiently than conventional methods, but also contributes to water preservation. AquaStrike Premium presents a strong market opportunity, driving impactful innovations in the global chemical industry.

Driven by the launch of innovative products through cutting-edge R&D capabilities while remaining and maintaining a sharp focus on sustainability, we have developed 30 new products during the quarter, increasing our product offerings.

I would now request Arindam ji to take us through our key developments.

**Arindam Choudhuri:**

Thank you, Aarti ji. Very good evening. It has been an eventful year for us, marked with several important milestones in our journey. The year witnessed growth in new business areas in the line with our diversification strategy. We expanded in water treatment chemicals as explained by Aarti ji, obviously, with oil and gas to capitalize on the tremendous growth opportunity in these areas. We aim to leverage our expertise in these avenues and are already seeing an increase in pipeline orders across the domestic as well as export market.

During this year, we developed AquaStrike Premium, which is our biotechnology-based mosquito control solution, formulated using a particular chemical called Azadirachtin. This product has already received government approval. This product gives us inroads into the public health domain. Being an eco-friendly plant-based bio site, we expect AquaStrike to open new opportunities in both institutional and public health markets, particularly in the topical and developing regions.

Speaking about our greenfield expansion initiative. We are happy to report that it is progressing well and we aim to commence operation by Q2 Financial Year 2026. This new facility will add 15,000 metric tonnes per annum of capacity taking our total installed capacity to 1,20,000 metric tonne per annum. Designed with state of art, manufacturing technology and strong focus on environmental sustainability, the plant will enhance our ability to meet rising global demand while adhering to the highest ESG standards.

Touching upon our industry scenario, the recently approved Free Trade Agreement between India and the UK is expected to benefit Indian chemical exporters like us, by improving market access, reducing tariffs, and obviously enhancing supply chain efficiencies. This agreement positions Fineotex to strengthen its presence in the UK and broader European market, especially in textile and specialty chemicals.

Moreover, it is heartening when our products garner recognition in the global industry. For instance, we received the NABL accreditation for the third consecutive year. Our cleaning and hygiene range got the GreenPro certification. This reflects our cognizance towards our environmental impact. Last but not the least, our Company owned the Great Place to Work certification for the fourth consecutive year, which is itself a great achievement.

So, with this, I would now like to hand over the call to Mr. Sanjay Tibrewala, who will take us through the financial performance of our Company. Thank you. Over to you, Sanjay ji.

**Sanjay Tibrewala:**

Thank you, Arindam ji. Good afternoon, everyone.

Talking about our financial performance for the Full Year '25:

Our total income remains flattish at Rs. 558 crores year-on-year. The gross profit for the year is Rs. 205 crores with margins being stable at 38.57%, the gross margin. The EBITDA for the full year stood at Rs. 127 crores, while the EBITDA margin softened by 222 basis points to 23.85%.

This was led by CAPEX and brand building initiatives taken by the Company for future growth, and the new business verticals and the product lines that the Company is developing, especially for the oil and gas, for the water treatment, and also for the mosquito lifecycle controller. The PAT has been reported as Rs. 109 crores vis-à-vis Rs. 121 crores in the previous corresponding year. The PAT margin stood at 20.48%.

The cash balance and equivalent cash equivalents for the year is reported at Rs. 352 crores. This is after the cash deployment, CAPEX deployment in the new facility and the new corporate office located in Andheri, and the new plant which is upcoming for which already deployment has been taken. The share of exports in the total income comes at 22% during the quarter.

Moving to our financial ratios:

The ROCE for the year stood at 23.56% while the ROE was 18.32%. Due to the fund raise activity during the Financial Year '25, our return ratios have been moderately temporarily reflecting the higher capital base. We generated positive operating cash flows of Rs. 69.33 crores with a healthy CFO to EBITDA ratio of 54.50%, underscoring once again a strong operational efficiency and prudent working capital management.

The Company has a healthy order book reflecting its underlining business performance and customer trust. However, certain deliveries were postponed during the Q4 Financial Year '25

due to certain geopolitical tensions in Bangladesh and other places, and the trade related disruptions. These deferred orders are expected to be fulfilled in the current financial year.

With the current improving global trade environment and the new policies which have been coming up, and easing of the geopolitical conditions, Fineotex is well positioned to capitalize on these backlogs, which are likely to act as a strong tailwind in the upcoming quarters. Our long term growth strategy remains focused on developing our core business while diversifying into new product segments and verticals.

As Arindam ji has already mentioned, the upcoming plant is set to be operational in Q2 Financial Year '26. It's going to further bolster our manufacturing capability. Innovation is in our DNA and new solutions like AquaStrike Premium demonstrates our commitment to new product development and global market expansion, while keeping sustainability in mind.

Our disciplined financial management positions us to capitalize on any opportunities, both organic and inorganic, including strategic investments in R&D, market expansion and potential acquisitions that align with our long-term vision. Furthermore, our continued focus on operational excellence and customer-centric solutions should allow us to unblock new revenue streams and expand our footprint across key and emerging markets.

With a clear road map, a strong order pipeline and ongoing diversification into high potential sectors, we are confident in delivering value to stakeholders and achieving our ambitious annual growth targets. We have entered a new financial year on a very optimistic note.

With that, I now open the floor for questions. Over to you, Ryan.

**Moderator:** Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. The first question comes from the line of Suraj Khaitan from SKP Securities Limited. Please go ahead.

**Suraj Khaitan:** Thank you for the opportunity. Sir, I want to know two things, EBITDA margins for this quarter was low, what is the reason behind it? And what is the guidance for the upcoming financial year?

**Sanjay Tibrewala:** Okay. So, as we have mentioned, I would like to also touch on the gross margins, which has been pretty intact and in line with the delivering of the last five years as well. The EBITDA margins, as I also mentioned in the opening remarks, there has been a lot of sales promotional expenses being done by the Company, and which has already been going very positive, lot of acquisitions, a lot of new product developments, a lot of promotional activities which are all going, and that has also led to lower EBITDA margins for the quarter.

However, as already mentioned, our EBITDA margin for the entire year is 24% as such. So going forward, we are quite confident with the new initiatives and the attention and the brand-building exercise which the Company has done in the new product segment. We are looking for strong concrete growth going forward, and we are quite confident that we will be having similar kind of performances as we have done in the last four or five years in the EBITDA percentages.

- Suraj Khaitan:** Sir, second question, one more question, sir. The new product that we are launching, what is the target market size for this segment?
- Sanjay Tibrewala:** See, there are a lot many. See, there is ongoing activities in the textile segment and there is a lot of things going on routinely on those lines. The new product segment which I am referring mainly is the oil and gas and the water treatment. Now, the oil and gas, as we are also seeing geopolitical changes happening around, so the biggest market for this is the Middle East and the US markets, and most of these companies operating from US have diverted their supply chain to India or on the way of diverting it to India right now. With the same focus and the kind of product lines we have and the kind of exhibitions we have been doing now, we have been participating in OTC in Houston, in ADIPEC and WETEX in Dubai. In the last three months our team has been visiting most of the countries, and I am also personally taking care of this new exciting opportunities which has come on our way. There's a lot of order booking which has happened on this line and we are very positive that this business will be also chipping up and becoming one of our very important segments going forward.
- Suraj Khaitan:** Okay. Thank you, sir. Thank you for the opportunity.
- Sanjay Tibrewala:** Thank you, Mr. Khaitan.
- Moderator:** Thank you. We take the next question from the line of Kautuk Yemdey from Axanoun Investment. Please go ahead.
- Kautuk Yemdey:** Yes, sir. Thank you for taking my question. I have a couple of questions from my side. I wanted to know why there was a softening of the FMCG vertical of the business, can you please elaborate on the same?
- Sanjay Tibrewala:** So I will answer this question which I heard. He asked about the drop in the hygiene and this thing. So as such there has been quite a price rise in the detergent raw material prices in FMCG sectors, it was already fair from November, December, the chemical prices have gone up. And then what happens generally when these things do happen, it's like there has always been flexible in the demand and such situations where the performance boosters and the products and the sustainable solutions which we offer for such FMCG players, their consumption decreases because in turn they also have softening in their demand.
- So as such, we have not lost any customer, for sure. And this kind of demand is also because cheaper products were launched. There has been a change in the product mix. At the same time, there is a lot of new products being launched. There is a change in the market requirements from powders to liquids. And any such changes takes time and the transition time for the things to settle around. So I think I would rather say this quarter has been more of a transitional quarter where the things are shaping up. And already we have got superb, exciting opportunities for the new product launch and the new product mix which the customers have launch. And we are very confident that going forward we should be seeing better numbers always.

- Kautuk Yemdey:** Okay. Thank you. And what are the investments that we are seeing in the books? So the investments have actually tripled from last year, so can you throw some light on that?
- Sanjay Tibrewala:** As you would also be knowing that we have already had a fundraise, and thereafter we have invested in the new plant which is being setup. So we have almost gone for a fundraise of Rs. 342 crores, out of which the promoter has contributed Rs. 44 crores actually. And some of it has to be paid upon the 18 months of the warrants as such when the time comes in. So this is kind of investment and there is a lot of capital in work progress also going on now. So maybe by September you will find more clarity on what all things have been installed, because we are hoping that before September we will be initiating our plant in Ambarnath. This plant is also very close to our existing plant at Ambarnath one which we started three years back where we are already producing more than 61,000 tonnes. So this will be another one which is being done right now.
- Kautuk Yemdey:** Fair enough. And the last question is regarding the future outlook, so do you see things bottomed out in this quarter? Or do you further expect a quarter or two to be quite muted?
- Sanjay Tibrewala:** I can give you all the, our view and our opinions I can share with you. So as you see, in the last five years the Company has performed an average of 50% CAGR in the PAT, and also performed almost, the EBITDA numbers has also been 32% EBITDA in the last five years, CAGR level. So, obviously, there is always a point where the Company has now invested a lot. If you see also there is a lot amount of depreciation which has come into play now. At the same time, lot of promotional activities, lot of promotional sales, more team members, top senior people have joined us from different industries and product segments which things are moving rapidly. I would say this is the inflection point probably.
- Also, I can say so because in textiles we are hoping a great revival as far as the Indian markets are concerned especially from the coming months, from June onward. That's one. Detergent market are going to get normalized because the prices of the crude has softened, so the chemical prices will eventually get softened. So more special boosters will be added in the detergents. At the same time, our order books for water treatment and oil and gas, we are quite enthusiastic and excited with this kind of opportunities which we have got right now. So, I think, I would rather, I am quite confident that the going forward years will be something which we have done in the last three, four years as well, looking at our opportunities we have and also the industrial direction.
- Kautuk Yemdey:** Thank you for taking my questions. I will move back to the queue.
- Sanjay Tibrewala:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Ajay Kumar from Kusum Capital. Please go ahead.
- Ajay Kumar:** Hello sir.



- Aarti Jhunjhunwala:** Yes, Mr. Ajay.
- Ajay Kumar:** Yes, sir. Sir, my question is on the new product, AquaStrike Premium, is the WHO approval done sir?
- Sanjay Tibrewala:** So what we could do, we have taken the Central Insecticide Board approval which is from the ministry. At the same time, we have invested and we have got the approval from Hopkins Institute, and a detailed report has come to us on that. Already this has been offered to the National Vector Board also and the Technical Administrative Committee, TAC, which we call it, is also considering that part as well. So the reports have come extremely exciting. And we have got great results and we are seeing a mortality rate of 100% in the use of two to three hours, which is quite phenomenal actually. So, in a short while I can only express to you these updates that this is where it is today. And yes, that's the way it is.
- Ajay Kumar:** Is there any new orders from Indian boards like it's summer season, like some trial order from Bombay, Delhi, some southern states, right now it's the peak of the product use.
- Sanjay Tibrewala:** So what we have done now, we have just got the Hopkins reports, which is just one month old and we have already submitted to several state governments. There is quite of interest coming up. But due to the political situation which happened in the last two weeks back, the focus by most of the states and the central was not on this at the moment. However, it looks like now things have settled down. And things are getting back to track and there will be a faster approaches on this line.
- Ajay Kumar:** Okay. At present there is no order from this product?
- Sanjay Tibrewala:** As such, this product has already been sold in Singapore and Vietnam, as we have told you in the past also. It is going from Malaysia. India has a procedure, it has systems, there are lot of government machineries and authorities and approvals, etc. So these things always we need to pass on the protocols, and as and when we pass it on we will be keeping on updating the investors by the stock exchange medium also.
- Ajay Kumar:** My second question is that in this quarter the PAT is down approximately to Rs. 20 crores from Rs. 27 crores from last quarter. Sir, I have just seen that goods purchased and inventory loss is there.
- Sanjay Tibrewala:** I will tell you the answer. I think this is your third question, but I will still answer it. So the first thing is, as such the gross margins have been totally impact, number one, almost intact let's say, it's a minor drop of 1.5% or 1%, something like that. Number one. As we have also mentioned, there has been a lot of investment done by the Company for sales promotion, team add, etc., etc., which I have already repeated twice today. At the same time, there has been an increase in the depreciation as you can consider that part also. So these things, if you can go through that, you will find that this is the situation where it is. Nevertheless, we are very hopeful that these investments are going to see the results in the coming times.

- Ajay Kumar:** That's okay, sir, but I have seen that the inventory loss is also there, sir.
- Sanjay Tibrewala:** Yes. So that also would be a point. But the major points which I have already directed you and all the participants, and I think if you have some more queries, I think you can also meet our investor relations and our team as well, or maybe Ryan can also join you again in the queue.
- Ajay Kumar:** Okay, okay.
- Moderator:** Thank you. The next question comes from the line of Bhavin Soni from B&K Securities. Please go ahead.
- Bhavin Soni:** Hi sir, thanks for the opportunity. Just if you can help me for FY '25 revenue breakup between textile and FMCG, and volume growth or degrowth.
- Sanjay Tibrewala:** So, I mean, you require the revenue breakups, right, so you can say.
- Bhavin Soni:** Yes sir.
- Sanjay Tibrewala:** Almost like 70% of the revenues is textile specialties for the entire year, 73% at the moment for this year. And in terms of volume, if you consider from the last year, there has been a drop of almost 10% in the volume. But as such, there are always changes in the product mix also because we have 1,500 SKUs, there are times when the product, let's assume like when the cotton prices move here and there, there has been a shift and PVCs are launched that is the polyester synthetic one, then the chemicals have to change again, some prices of the products are not the same. So we have more than 1,500 SKUs. But still to answer your number, this was the number which I shared with you.
- Bhavin Soni:** And the 10% volume degrowth was overall basis or for textiles?
- Sanjay Tibrewala:** No, actually thanks for mentioning that point. As such, the textile has not gone down. The textile has in fact gone up by 15% in terms of volume. And the revenue of the same has gone up by almost 10%. The gap has been coming up in the health and hygiene, the cleaning sector, and that has brought down the overall performance in terms of volume in the numbers.
- Bhavin Soni:** Thank you.
- Moderator:** Thank you. We take the next question from the line of Devandar Kumar from Devendra Capital. Please go ahead.
- Devandar Kumar:** Yes, sir. My question is on the front of FMCG sector, sir, one order of Rs. 150 crores you got I think three years back. No such query or any update like big players you said are querying about your product, no order in three years.

- Sanjay Tibrewala:** I got your point. I could understand your question. So if you see, we have already got it, we have already executed it, it's still going on. This is not one year, I think you are talking about at least 2023 or '22 December.
- Devandar Kumar:** 2021.
- Sanjay Tibrewala:** Okay, '21, still better. So it's already four years old now and this is what we have performed. And as you know, any order from any Company is always subject to the market conditions and things. And if there are some changes in the markets external scenarios, we all have to adhere to that and respect it. And always there are certain orders which do get postponed, not only for that industry, even for textile industry. Right now also as you know, due to the tariffs and all, lot many orders from Chinese to Americans have been stopped, similar for some of the Indian textiles also. So this is part of it. There is no Company which can modify and get into those things. All what we can do is we can we do the things what is best for the Company and in the interest of the stakeholders. So that's been done perfectly as long as it's in our control.
- Devandar Kumar:** Thank you.
- Moderator:** Thank you. We take the next question from the line of Ganesh Nagarsekar from Bharat Bet research. Please go ahead.
- Ganesh Nagarsekar:** Hello sir. Sir, my question is regarding the FMCG part of our business. So, in Q4 if you could quantify the volume decrease that we have had. And this part of the business has been struggling for a couple of quarters now, even as some of our other listed competitors are seeing an improvement in this segment. So, I mean, the management would have thought about this as well, so where do you think we are kind of going wrong in terms of execution? And going forward into the next year where can we see incremental improvement in the FMCG part of the business?
- Sanjay Tibrewala:** I will tell you what, we are producing sustainable solutions and performance booster products which help their performance to go up. So, that is one. What happens is, when the overall industry is not faring well due to price reasons or due to competitiveness reasons, Hindustan Unilever, P&G, all had its certain markets and the there was a lot of issues in the market in the pricing this and that. What happens, people change the product mix to lower category of product mixes so that it fits the pocket size of the customers and the consumers.
- So those times people do not get into too much of specialty performance boosters or sustainability is on the second level. It's something like that. I do not know what analogy I can give you. So basically I can say that we are producing the paneers and the cheese of the products, and when the markets are not good, people do not have the cheese than the paneer, they have more of the idlis than the dosas. So that is something which I would like to give you an analogy. Those products which we are doing are sustainable solution providing and performance boosters. But when the pricing of the consumers, there is a restriction on that in terms of the demands and

the kind disposable incomes and things like that, that time a lot of economical products move by the consumers and FMCG companies, and hence this is the way.

This is not happening first time by the way. It's always the way it is. It happens once in always in seven, eight quarters. If you see even in '22 January, or '21 or something, we had similar kind of quarter where everything had gone down in this field. So this is what I will say. We are not supplying the basic chemical of it, we are supplying the high end high-EBITDA margins, solution-providing sustainable solutions for the consumers. So, this is the place where it's not the bread and butter kind of thing, it's something more on it. So we are hoping that and already things are getting better than before, so that's the way we are.

**Ganesh Nagarsekar:** Understood. And in terms of the volume decrease for the FMCG segment in this quarter, what would that be?

**Sanjay Tibrewala:** Actually you know what, the FMCG segment what we are mentioning is, there are two subverticals we have. One is the products which we have our own FDA pharma certifications where institutions are using our product lines, we are working with big brands already. So that has not been much affected actually. The major affect which we got is let's say when we are supplying our products to detergent and FMCG companies. So that has affected mainly. So if you see from that angle, there has been a drop of almost, I can say, 18%. But these things do happen sometimes, so this is something on that line also.

**Ganesh Nagarsekar:** Understood. And in FY '26, other than the market improvement scenario, anything proactively that we are doing for the FMCG segment?

**Sanjay Tibrewala:** Well, there are a lot more, geographically we have expanded, lot many customers have come in, more sustainable solutions have been made. Things are getting better. Lot of new inquiries and new products we have started for the new product mix also. So right now there is a lot of new demands for the liquid detergents. Also, if you are watching the performance of PNG and all, mainly their liquids are picking up because powders and cars have become little old-fashioned, I can say. And so, already a lot of our customers are shifting to a liquid. Like I said, transition takes time, everything takes a quarter or two to change over, get the product inside, the market has to understand it and accept it. So we are in that stage.

**Ganesh Nagarsekar:** Understood. And we were pitching to some of the MNC clients for the FMCG businesses as well, right, so any progress on that front or is that still in the works?

**Sanjay Tibrewala:** Everything is under progress. I would not like to diverge too much of the exact updates here. But yes, so everything is going on as we are expecting it to be.

**Ganesh Nagarsekar:** Okay. I understood. Perfect. Thank you so thank you.

**Aarti Jhunjhunwala:** Thank you.

- Moderator:** Thank you. We take the next question from the line of Rohit Ohri from Progressive Shares. Please go ahead.
- Rohit Ohri:** Hi team. A couple of questions. The first one, we know that there are certain clients, customers who are trying to revamp their portfolios, by when do you think that this exercise would be completed from their end?
- Sanjay Tibrewala:** It's an ongoing exercise, but that is not the only thing. I mean, apart from that we are already getting more stronger in the existing product range and getting more consumers as well. But I think by the coming month or let's say another month or so everything should be getting back to normalcy where it was. I am talking about only the FMCG industry, rest all is going fine. Like I mentioned now, textile is already booming for us. By the way, it's not exactly for everyone right now due to these changes. But yes, again, the future for textiles from June is looking one of the most optimistic sector as far as we can understand it.
- Rohit Ohri:** That's encouraging. But is it possible to share the value of orders which must have gotten deferred from Q4 to Q1? Is it possible to quantify that?
- Sanjay Tibrewala:** It is tough to right now find that answer for you, but we can connect again, Mr. Rohit.
- Rohit Ohri:** Understood. You and your team, they have been investing quite a lot in the exhibitions and you all have seen quite a lot in the chem expos. While you have also added 25 new customers, is it possible to give a break up of which are these segments where these customers are added?
- Sanjay Tibrewala:** Right now like our business heads and everyone are doing the best they can. We have got interesting orders and tie-ups with the biggest oil and gas companies of the world. These companies, each of them are above \$20 billion businesses globally. And I cannot name those names, but I can just tell you some thought processes which is going on the back end, that some of these companies are, let's say, like example, one of them is buying let's say \$150 million of chemicals from India and they have been mandated by the Headquarters USA to divert the Chinese procurement by \$500 million and it should be procured from India. And there is a big supply gap happening. We are drenched with inquiries.
- So in the oil and gas there is something amazing happening. It's something which we were not anticipating. And we are increasing our manpower, our exposures. Last week also all of us were in the Middle East, I mean, we were participating in the Oman show and exciting orders and contracts have been achieved there. I would not be able to divulge numbers and other things on these calls, but yes. So we are very opportunistic and excited about these opportunities. I think this is just to give an idea to you what we are talking about and where the industry is going, yes.
- Rohit Ohri:** Because Aarti also mentioned quite a lot about oil and gas, and she mentioned about these upstream activities, which we can also read in the newspapers with ONGC, Reliance, Cairn India and Saudi Aramco doing quite a lot of things, any idea as to what sort of numbers that we can -

**Sanjay Tibrewala:** Perfect. Mr. Rohit, we have already signed certain NDAs with these giant companies and we are already supporting them. And yes, rightly said, we also exhibited in Russia NFT gas, that was just three weeks back. And so one team was in Middle East, one was in Russia, so every month we have international trips and a lot of things, actions going. And in fact, with Russia, I can say India is the only country which has the maximum potential to suffice to Russian requirements. The Russian market itself needs chemicals of Rs. 70,000 crores in the oil and gas sector. And it's equivalent to lot many Middle East countries.

And also, as you know, due to the geopolitical situation US companies are not allowed to do business with Russia, even UAE and others, and India has a best chance to have great relations with the US as well as Russia. So I think in the oil and gas sector Indian companies are poised to do much better than before. And also, if you see companies like Dorf-Ketal and other names, they have been progressing rapidly on that. We also hear some acquisitions happening in the oil and gas sector, Indian companies are also looking at more opportunities.

And also the cost economies in India is much better. The European chemicals and oil and gas has also been, not only oil and gas, I would say even the European textile chemical companies or the European oil and gas chemical companies are already facing the problem and competition from Indian companies like us. So, I think this is going to continue.

**Rohit Ohri:** Sanjay, one last question from my side. With these warrant conversions, without the warrant conversions, which can probably lead to some increase in the shares outstanding in the market. Do you think you will be able to sustain maybe 22% to 23% kind of growth in the earnings per share from 26% to 28%, is it possible?

**Sanjay Tibrewala:** Well, there is, like I said, there has been a lot of organic expansion going on. Also, we are looking at inorganic opportunities day in day out. I was quite hopeful that with the kind of opportunities we have now, I think we should be at least continuing the trend of the last five years, which we have done. Of course, there have to be certain quarters or overs or whatever in which, you know, everything cannot be having the same pattern this way, so that is what I can say today.

**Rohit Ohri:** Okay, Sanjay, thank you for answering my question. Thanks a lot.

**Sanjay Tibrewala:** Thank you, Mr. Rohit.

**Moderator:** Thank you. The next question comes from the line of Rushabh from RBSA Investment Managers. Please go ahead.

**Rushabh:** Just to carry forward from the optimism which had in the oil and gas segment, I believe this could be as big as the textile segment if all things go in our favor. So should we not be announcing significant capacity already since you are saying that you are expecting significant orders, so when can you expect some significant CAPEX in this segment from your side?

**Sanjay Tibrewala:** Yes, our capacities are fungible, and we are already vendors to ONGC from 2008 by the way. Although we were not too active in that sector because in India, oil and gas business is not great,

I mean, historically if you talk about. Not great, what I mean is comparatively, if you talk about ADNOC, if you talk about PD Oman or Aramco, or KOCs. Now KOC is doing 250,000 barrels a day and they are expecting in the next 18 months or two years they are going to do 400,000 barrels, which is a jump of 50% almost, let's say, a little more. And they are worried that who's going to supply, how is the supply trend going to happen, etc., etc. So what has happened is we are not exactly too much focus on oil and gas in India, because here as you know it's more government-owned companies are here, more or less, but still we are hanging there. So these products what we are doing like polymerization, esterification, sulfonation, phosphonation, for all these industries it is a fungible capacity.

So in the same product, I mean, in the same machinery setup we can make these kind of products. So we do not need a separate investment for oil and gas. However, having said that, there can be some requirements specific for product lines because some products are like in powder forms or this and that where we will need Rs. 20 crores, Rs. 30 crores of investment. So as we have also mentioned that we have a cash balance of Rs. 355 crores odd at the moment, this is after the investment of almost Rs. 110 crores or Rs. 115 crores, which we have already done in the last financial year, or a little more than that, let's say, in the last 15 months. So, I think we have enough of internal accruals and also generating good cash, so I do not think we have to worry on the cost of the expansion on that line for production capacities in future.

- Rushabh:** What is the capacity utilization, can you share, for FY '25?
- Sanjay Tibrewala:** FY '25 it is around 59% or so, yes, around 60% you can say round up. Actually, I think we have to get back in the queue because there are some more questions which are coming up. Yes, please. Thank you for that.
- Moderator:** Thank you. We take the next question from the line of Anirudh Daga from AV Securities. Please go ahead.
- Anirudh Daga:** Hello. Thank you for the opportunity. Sanjay sir, any update regarding the acquisition plans that we have?
- Sanjay Tibrewala:** So, yes, Mr. Anirudh, like we have been mentioning, any kind of such substantial material fact which comes up, it will be shared with all as per the protocol on the stock exchange. Right now, yes, we have been negotiating, there have been negotiations. And a lot of changes have also happened in the last four or five months. So we also have to be very careful with whatever action plan we do. And so, yes, things are on.
- Anirudh Daga:** Okay. And just sir, regarding the conversion of the balance money that is going to come in say by November or September or whatever, are you confident of getting the balance 75% into the Company? Because to be fair, the stock price and the conversion at 387 is very, very profound.
- Sanjay Tibrewala:** So then the point is that it is of November, there is six months to go, number one. Number two, the Company has enough of cash which can be utilized for any inorganic opportunities or organic

opportunities. Organically, like I said, we have already invested Rs. 115 crores by now and right now we have Rs. 355 crores of liquid cash and cash equivalents available for the expansion. So, even if that does not happen, it does not affect the working of the Company or any opportunity of the Company to be missed out, number one. And number two, as you must be knowing, if that 75% does not come in, the 25% is retained by the Company tax free and directly added to the reserves.

**Anirudh Daga:** Right, thank you.

**Sanjay Tibrewala:** So in any case, the Company is not having any kind of issue or a worry point right now. And the promoter, in fact myself, invested almost Rs. 11 crores and Rs. 33 crores yet to be done in the conversion by November.

**Anirudh Daga:** So I am assuming the promoter is definitely going to convert, right?

**Sanjay Tibrewala:** I mean, I do not know what to answer to you right now. But yes, I mean, let's see what happens, I mean. But ours was at 345, not at 385. Okay, thank you so much for touching up this topic also, yes.

**Anirudh Daga:** Thank you.

**Moderator:** Thank you. Ladies and gentlemen, with that we conclude the question-and-answer session. I now have the conference over to Mr. Sanjay Tibrewala for his closing comments.

**Sanjay Tibrewala:** Thank you, participants. It has been lovely to have this kind of attendance again, more than 100. And I would like to thank all our employees, customers, investors and stakeholders for your continued support and trust in Fineotex. We are totally committed and we are in the right directions. We are in fact more excited than before ever in the future. And we will continue to being committed to create long term value for all of you. Thank you so much. Have a great evening ahead. Thank you very much.

**Moderator:** Thank you. On behalf of Fineotex Chemical Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.