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February 18, 2026

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI - 400 001

Scrip Code: 506401

Dear Sir,

Sub: Submission of earnings conference call Transcript

We enclose herewith the transcript of the earnings conference call of the Q3 & 9M FY 2026 Financial Results held on February 13, 2026 and the same is also available on the website of the Company at the weblink <https://www.godeepak.com/financial-result/>.

Please take the same on your record.

Thanking you.

Yours faithfully,
For DEEPAK NITRITE LIMITED

ARVIND BAJPAI
Company Secretary

Encl.: as above

DEEPAK NITRITE LIMITED

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Deepak Nitrite Limited
Q3 & 9M FY26 Earnings Conference Call
February 13, 2026



MANAGEMENT: **MR. MAULIK MEHTA** – EXECUTIVE DIRECTOR & CEO
MR. SANJAY UPADHYAY – DIRECTOR (FINANCE) &
GROUP CFO
MR. SOMSEKHAR NANDA – CFO, DEEPAK NITRITE
LIMITED

MODERATOR: **MR. RANJIT CIRUMALLA** – IIFL CAPITAL

Moderator: Ladies and gentlemen, good day and welcome to Deepak Nitrite's Q3 & 9M FY26 Earnings Conference Call hosted by IIFL Capital Services Limited.

At the outset, I would like to clarify that certain statements made or discussed on the conference call today may be forward-looking in nature and a disclaimer to this effect has been included in the results presentation shared with you earlier.

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. Please note that this conference is being recorded.

I now hand over the conference to Mr. Ranjit Cirumalla from IIFL Capital. Thank you, and over to you, sir.

Ranjit Cirumalla: Good afternoon everyone and thank you for joining us on Deepak Nitrite's Q3 and 9M FY26 Earnings Conference Call. Today, we have with us Mr. Maulik Mehta, Executive Director and CEO, Mr. Sanjay Upadhyay, Director, Finance and Group CFO, and Mr. Somsekhar Nanda, CFO of Deepak Nitrite Limited.

We'll begin the call with opening remarks from the management team, followed by an interactive Q&A session. To begin, Mr. Maulik Mehta will share the views on operating performance and the growth plans of the Company, followed by Mr. Sanjay Upadhyay, who shall take us through the financial and segmental performance. Thank you, and over to you, sir.

Maulik Mehta: Good afternoon everybody and a warm welcome to you all on Deepak Nitrite's Q3 and 9M FY26 Earnings Conference Call. Our results documents were shared with you earlier, and I trust you've had the opportunity to review them. I will briefly cover the financial highlights and the operational highlights for the quarter and nine months ended 31st December 2025.

Mr. Upadhyay will then take you through a detailed financial review, following which we would be happy to address your questions.

The global chemical industry continues to navigate through a very complex operating environment characterized by persistent pricing pressures, heightened competitive intensity and an uneven demand pattern across key end segments. These challenges driven largely by global trade flows, protectionism and aggressive pricing by Chinese producers have influenced market dynamics throughout the year.

In this backdrop, Deepak Group has delivered a mixed performance characterized by higher volumes with transitionally subdued margins. During Q3, our consolidated total revenue stood at INR 1,983 crore, registering a growth of 3% on both a year-on-year and a quarter-on-quarter basis. EBITDA for the quarter increased by 16% year-on-year to INR 219 crore, underscoring the benefits of improved operating efficiencies and prudent cost control measures. This demonstrates stability despite softer price realizations across select product categories. For the nine-month period of FY26, consolidated revenue stood at INR 5,820 crore with an EBITDA of INR 658 crore. While profitability during the nine-month period reflects the impact of

challenging pricing conditions, our continued focus on operational excellence and volume-led growth supported performance stability.

Our domestic to export revenue mix remains at 83:17 during Q3 FY26, highlighting the resilience of our domestic franchise while continuing to strengthen global customer relationships. Working capital efficiency remained a strategic priority and through tighter inventory planning, supply chain optimization and improved receivables discipline, we achieved better cash flow management and enhanced balance sheet quality.

The Phenolics segment delivered a consistent performance during the quarter. Revenues from operations stood at INR 1,334 crore and EBIT reached INR 145 crore, representing a 20% year-on-year increase. Increased phenol and acetone sales volumes were driven by higher plant utilization and ongoing process optimization, resulting in better operating leverage.

The Advanced Intermediates segment recorded stable revenue growth with Q3 FY26 revenue reaching INR 652 crore, reflecting a growth of 18% year-on-year and 11% quarter-on-quarter. This was driven by higher volumes with improved market penetration of key products. However, EBIT for the segment stood at INR 15 crore, reflecting this continued pricing pressure arising from aggressive Chinese dumping and global oversupply.

A defining milestone during the year has been the strategic integration and ramp-up of new capacities. The commissioning of the nitric acid plant, both the WNA as well as the CNA plant in Nandesari, along with the nitration and expanded hydrogenation plant at Dahej completes our vertical integration across the ammonia-nitration-to-amines value chain. This integration enhances raw material security and structurally strengthens our margins through reduced supplier dependency. It also unlocks a broader downstream product portfolio and positions Deepak Group as probably the only completely integrated aromatic-to-amine player.

Our long-term growth strategy remains firmly anchored in value chain integration and specialty product expansions. The MIBK/ MIBC project is progressing well and is targeted for commissioning within this quarter. Our polycarbonate project, a transformational step involving India's first integrated propylene to polycarbonate manufacturing. Plant dismantling activities at Stade, Germany are underway, marking a major milestone towards relocation to India. In the meanwhile, engineering activities, technology engagement and site construction, amongst other initiatives are progressing at a steady pace.

We are accelerating our transition towards green energy by sourcing 60% to 70% of our energy mix from hybrid renewable sources, improving energy efficiency and embedding green chemistry principles across operations.

To navigate current near-term headwinds, the Group is strategically prioritizing product innovation and geographical expansion with a specific focus on our fluorination, nitration, diazotization and amination segments. A boost to this strategy comes from a favourable shift in the U.S. India tariff policy, along with a complete removal of anti-dumping duty (ADD) by the U.S. on Deepak's sodium nitrite exports.

Complementing this market expansion, the Group's integrated approach of leveraging in-house nitric acid production for downstream nitration and amination is set to steadily improve overall profitability. With this positive backdrop, the Group expects a favourable performance in Q4 FY26. Notably, the India-EU trade deal provides Indian chemical companies with seamless access to one of the world's largest markets, boosting global competitiveness through reduced trade barriers. This fosters long-term strategic partnerships and encourages European firms to integrate Indian manufacturers into their high-value supply chain while also opening up important sectors of the Indian consumer base to European manufacturers for high-end products such as automobiles.

Deepak is driving the Group's commitment to integrating different value chains, which will increase margins, enhance resilience and reduce our carbon footprint in both current and future investments. Our strategy is guided by three core mantras: achieving the world's best quality, maintaining the world's best capacity utilization and ensuring complete integration across the value chain.

Overall, while cautious, we remain optimistic. Recent developments in global trade dynamics present an encouraging medium-to-long-term opportunity base. We remain focused on driving operational excellence, accelerating ramp-up of new capacities, expanding our specialty and high-value product portfolios, deepening geographical diversification and maintaining financial prudence.

I would now like to hand over the call to Mr. Sanjay Upadhyay, who will address this forum and take you through the financial performance.

Sanjay Upadhyay:

Thank you Maulik. Good afternoon everyone and thank you for joining us today on Deepak Nitrite's earnings call. I will now take you through the highlights of financial results for the quarter and nine months ended December 31, 2025.

Deepak Nitrite (DNL) delivered a steady and resilient financial performance during the third quarter and the nine months period FY26. Despite external headwinds, our strategic focus on project execution, volume expansion, operational excellence and disciplined cost management enabled us to maintain stability across our core businesses. Strong capital efficiency continues to underpin our performance with consolidated ROCE at 15%, reinforcing our ability to consistently create value across business cycles.

For Q3 FY26, the Company reported consolidated total revenue of INR 1,983 crore, reflecting 3% growth both year-on-year and sequentially. This performance primarily was driven by improved volumes supported by better plant utilization and stable domestic demand. Our diversified product portfolio and agile operating model helped mitigate the impact of softer pricing trends across certain categories.

On the operational front, domestic revenues stood at INR 1,647 crore in Q3 FY26 and INR 4,903 crore for the nine months ended December 2025. Export revenues were INR 328 crore in Q3 and INR 864 crore for the nine months period. On a consolidated basis, export revenue stood at 17% for Q3 FY26.

EBITDA for the quarter stood at INR 219 crore, registering a 16% improvement compared with Q3 FY25. This growth highlights the benefits of operating leverage, process optimization initiatives and sustained cost discipline. The EBITDA margin improved to 11% compared to 10% in the corresponding period quarter last year. PBT stood at INR 151 crore, representing a 12% year-on-year increase. Q3 FY26 PBT includes one-time exceptional provision of INR 12.84 crore under the new labor codes.

For the nine months ended FY26, consolidated revenue stood at INR 5,820 crore. EBITDA amounted to INR 658 crore and PAT stood at INR 331 crore. The moderation in profitability during the nine-month period reflects ongoing pricing pressure and margin compression in select product lines. We also incurred certain one-off pre-commissioning costs for our new projects. As revenue scales, these expenses will be more effectively absorbed. Nevertheless, sustained operational performance and volume-led growth supported the overall financial resilience.

Now coming to segmental performance, the Phenolics business continued to demonstrate strength and stability. During the quarter, segment recorded revenue of INR 1,334 crore and EBIT of INR 145 crore, reflecting a 20% year-on-year growth in EBIT. Higher sales volume in phenol and acetone, better net raw material realization, finished goods margin, along with process optimization efficiency gains contributed to enhanced operating leverage.

In Advanced Intermediates, the segment delivered strong topline growth with Q3 FY26 revenue of INR 652 crore, representing an 18% year-on-year growth and 11% sequential increase. Growth was driven by higher volumes and improved market penetration. However, EBIT stood at INR 15 crore impacted by continued pricing pressure arising from global oversupply, residual inventory destocking and aggressive import competition.

Finance cost for Q3 FY26 stood at INR 11 crore, reflecting higher borrowing associated with growth investments. Depreciation and amortization expenses stood at INR 58 crore following capitalization of newly commissioned assets like nitration and hydrogenation. The Company's financial position remains strong, providing adequate liquidity and flexibility to fund strategic growth initiatives, results of which shall be visible in the coming quarters.

Working capital optimization remains a priority through improved inventory controls, enhanced supply chain efficiencies and tighter receivable management. We strengthened cash flow discipline and improved operating cycle metrics, reinforcing overall balance sheet robustness.

Our balance sheet continues to remain robust, supported by disciplined capital allocation and prudent leverage. Consolidated net worth stood at INR 5,651 crore, providing strong financial flexibility to support future growth and expansion. Capital allocation during the period was firmly anchored to our long-term strategic priorities with accelerated investments across multiple high-impact growth platforms.

We continue to scale key projects, including expanded specialty and commodity chemical manufacturing capacities at Deepak Chem Tech Limited, alongside mega integrated complex, establishing a fully integrated value chain from cumene-to-polycarbonates and other advanced derivatives.

Notably, for the upcoming polycarbonate project, necessary financial arrangements and funding tie-up are at the final stage, ensuring readiness for both capital and balance sheet perspective. These initiatives are progressing as per schedule and are poised to deliver a decisive step change in the revenue diversification, margin expansion and sustainable shareholder value creation.

Looking ahead, while near-term market conditions may continue to be influenced by global supply and demand dynamics, our integration advantage, cost leadership programs, operational excellence and prudent financial management position us well to navigate through this cycles and deliver long-term stakeholder value.

With that, I would now request the moderator to open the forum for question-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Nirav Jimudia from Anvil Wealth.

Nirav Jimudia: Few questions, in one of the investor presentation slides, we have mentioned that we are in the process of introduction of new products. So if you can share how many products would be coming up? Where are we in terms of these products with the customers, the user industries/ applications? And if possible, the size of revenue which Company is expecting from these products put together?

Maulik Mehta: Nirav, thanks for the question. At the moment, we have a pipeline of about 15 products at various stages between R&D, piloting and awaiting customer feedback with regards to samples. So the largest segments in terms of applications, would be in applications such as mining chemicals, flame retardants, personal care, flavors and fragrances and polymer applications.

Nirav Jimudia: So are any of these products coming up in first half of FY27, where some of these could be commercialized and we can see some revenue contribution from them?

Maulik Mehta: So, other than the last one, which I mentioned, which is polymer applications, which requires medium-sized CAPEX. The others are already made at pilot scale. The plant mapping is also done in available assets and the production plan will align with the customers' requirement plan. So that's going through its validation cycles, including purity profiling and stability studies. So, as and when those things finish, which should happen in the next couple of months, we will then have a plan with regards to production and dispatching. So many of these will come over in the next several months in a staggered manner based on the stage of approval.

Nirav Jimudia: Second question is on the sodium nitrite. So we mentioned that the duties which were there earlier has now been removed. So let's say, before the tariffs in place and post tariff, how much volumes we were exporting before and after the tariffs and which has now got a fair chance to get recouped with the removal of tariffs by the U.S.A?

Maulik Mehta: So, historically, for the last couple of years, you're referring only to sodium nitrite, right?

Nirav Jimudia: Correct.

Maulik Mehta:

So, historically, in the last couple of years, when we exported to the U.S. specifically, it was to the tune of about 5,000 tonnes a year. And over the last 8 months, there has been a tariff overhang between antidumping duty, tariffs and other things in excess of about 105%. So now, of course, the total tariff overhang would be substantially less than that. So we are still engaged with customers to see how we can ensure that we play a more critical role in sodium nitrite consumption in the U.S. but our focus always is to ensure that we are there to add value rather than reduce value.

Nirav Jimudia:

Perfect. And last question from my side is with respect to the FTA with EU because what I could understand from our annual report is that our exports to Europe is substantial, close to around 46% of our standalone business. So with the kind of product profile we are having and the kind of opening up of EU probably from next year onwards? How do you see this opportunity shaping up for us in terms of the current products as well as extension of the current products in terms of the forward integration? And also if you can share your thoughts, are we importing any raw materials currently from Europe, which earlier used to have a duty and with this EU FTA had a fair chance of duty getting removed?

Maulik Mehta:

Okay. So Nirav, you're well aware that the EU India FTA requires a ratification by several countries. So what is there is a proposed FTA and it will take whatever period of time it takes six to eight months, is what we believe, in terms of full ratification by all the 20-something member countries of the EU. Along with that, I would also want to add that whether it is the U.S. or it is Europe or the U.K., all of these are unmitigated tailwinds, all positive for the Indian chemical industry, specifically also for Deepak. So that said, like anything else, this was my short answer. But in the long answer, there are obviously nuances. For example, Europe does not currently have a very high tariff barrier for Indian products to go there. But it increases the opportunity for European companies, which are currently under a real malaise to have an export opportunity to India. Deepak will also be looking forward to being able to procure some raw materials from Europe, for example, such as cyanuric chloride where we are dependent on imports. But at the same time, you have a mix between this, the bilateral trade agreement with the U.S., which will also have a lot of product imported into India, and it will open up certain segments, which, in my personal opinion, India is highly constrained on, whether it is in the farm segment or whether it is in the energy segment, where Indian consumers stand to benefit the most. So I'm not getting into Governments, but I'm talking about the Indian consumer at large, really will benefit, and that will increase the production and the disposable income of all of the countries that are involved. So I'm not commenting on what happens to Government tax and tariff revenues. But these kind of trade deals where the benefit flows down to the consumer certainly have the significant advantage that comes to industries such as the chemical industry, the agriculture industry, the construction industry. So this will have a positive effect when you look at all of these things put together. If you look at only the EU India trade deal, you will feel like the positive effect is, in my opinion, a fraction of what it will turn out to be given the progress of time.

Nirav Jimudia:

Just a last clarification. When can we expect the full benefit of nitric acid into our operational numbers?

Maulik Mehta:

So we commissioned the nitric acid plant in the middle of December 2025. This quarter and next quarter will be the first period where we would have pretty much 100% consumption of nitric acid. And we also have expanded our nitration and our hydrogenation capacities. Now I'm sure this question will come up later on, there were two points where there was a miss timing impact in Q3, where we had only limited control. We anticipated the commissioning of our nitric acid and our nitration assets at the same time. Unfortunately, that did not happen and the nitration with the ETP assets got commissioned earlier. And the nitric acid plant had some technical challenges in the last mile. So that got delayed to middle of December 2025, which meant that for that period of time, we took it upon ourselves as a strategic call to ensure that we maximize our market presence even if it comes at the expense of having to procure raw materials like nitric acid at spot rates. Now this meant that Q3 looked much weaker. We do believe that we have taken the right approach. Similarly, in sodium nitrite, we had an original judgment in our favour in October 2025, and we were anticipating the public announcement. But after that, the U.S. went into a shutdown for about 45-48 days. And this delayed the formal announcement of the judgment. And that's why it also disrupted our sales planning as we had originally envisaged to the U.S. So now both of these challenges are behind us, and we look forward with some degree of optimism moving forward. It's a long-winded answer, but I hope it also answered your question about nitric acid.

Moderator:

The next question is from the line of Sanjesh Jain from ICICI Securities.

Sanjesh Jain:

I got a few questions, Maulik bhai, First, regarding the standalone business: for at least part of this quarter, nitric acid and the gross profit margin, or material margin, at 33.6%, are probably among the lowest we have seen in the last seven to eight years. Can you help us understand which product category, where we have seen a significant margin compression? And when you see that we are staring at a favourable Q4, what do we really mean from an Advanced Material or a standalone point of the business, which are the product categories which is showing some green shoots for Q4?

Maulik Mehta:

Okay. So, first of all, the two biggest pinch points that occurred to us where, as I said, that we had limited ability to control the outcome. One was the delayed announcement of the antidumping duty by the U.S. imposition on India. It's also heartening to just share that the removal of the duty, by the way, is specific for Deepak Nitrite. It is not a removal of duty for Indian manufacturers. It's only for Deepak. But because we anticipated that the public announcement would happen imminently after the judgment was passed. And this was in the beginning of October 2025. So there, we had our hopes up, but unfortunately, the U.S. went through its own turmoil on this front and that affected our margins.

The second point that affected our margins was, as I mentioned earlier, when we had our nitration capacities commissioned and our hydrogenation capacities that were commissioned towards the tail end of Q2 FY26, it became tactically sound even though it compressed margins in Q3 FY26. You will notice that we mentioned even in our discussion that we did have significantly higher volumes in Q3 FY26 than in past quarters. So this was done with full knowledge that we were buying the feedstock at spot prices because we were no longer expecting to remain in the market for purchase of products such as nitric acid. So we had no long-term contracts or quantity discounts or such that we were able to apply in our purchase. Nonetheless,

we worked hard to see how to ensure that we are occupying a significantly larger market presence, but within the quarter this did hit our contribution numbers. And finally, one last point is that for Deepak Nitrite as a standalone entity, most of the world, which is going through its own turbulent times, has a financial year closing in December. So a lot of customers were also already in a depressed state in terms of their own operating activities, and they were more focused on inventory rationalization rather than anything else. All of them also were under the impression that India was going through a period where there were high tariffs, uncertainty about a lot of other trade dynamics. So no one was sure about how to place long-term commitments or even medium-term commitments. You look at February 2025, and of course, the mood is quite different. And we have to see how this plays out in the remainder of Q4 FY26 and Q1 FY27 onwards.

Sanjesh Jain:

Maulik bhai, Just one more question on the third point you mentioned regarding customer destocking worldwide, we were still able to sell significantly higher volumes, correct? So is destocking really the reason for the margin compression, or did we place that additional volume elsewhere at a lower margin? Is that the point you're trying to make?

Maulik Mehta:

No, we placed that same product at a higher cost because we had to buy the raw materials, which we were otherwise intending to integrate ourselves and manufacture. So our cost of goods became much higher than it should have been in a traditional situation. And instead of being restrained in the supply of our products to the market, we became aggressive in the supply of our products into the market. When I'm referring to these products, the larger markets here are domestic or near domestic. When I'm referring to financial year closures and inventory destocking, I refer more to the European and the U.S. markets. I hope this clarifies.

Sanjesh Jain:

No, that clarifies. And regarding a favourable Q4 FY26, what green shoots are we seeing? Are we mainly expecting these issues to be resolved and margins to recover, or are we also seeing early signs of improvement in demand?

Maulik Mehta:

We are looking at margins coming back to a normalized basis because of our integration. But let me also point out that we are working closely with customers on, as I mentioned earlier, some new products. Those are already in the process of being approved. I just want to also share that whatever it is with regards to trade agreements and all, it is still quite a turbulent environment. So, I definitely expect Q4 FY26 to be better than Q3 FY26. I also want to be cautiously optimistic on this front because whatever happens with regards to India and the Western countries that are our traditional markets, it doesn't change the fact that there is a significant Chinese overcapacity. And this will affect a couple of products. I don't anticipate that it affects every single one of our products, maybe many of our products, 60%, 70% of our products are not as directly affected by Chinese oversupply. But when this oversupply is there, it does affect our customers.

So, agrochemicals continues to be a space where there is a marginal improvement in the outlook, but it is not a consistent improvement. It is still a little bit rocky. And places where we expect to see an uptick because of these trade agreements are places such as dyes and pigments, mining chemicals, explosives, polymer applications, food applications, pharmaceuticals, personal care, those are places where I expect a good improvement, which has nothing to do with the Chinese

overcapacity. And in all of this, of course, one thing that remains a bright spot is India's own growth story. So any product, such as phenol that is sold in India continues to see robust demand. And we remain quite optimistic about the downstream also as we are investing a significant amount there.

Sanjesh Jain:

That's Clear. One follow-up on agrochemicals, Maulik bhai, which you touched upon partly. If you look at the commentary from the global majors, a couple of them have already put out their earnings, they are turning more cautious on CY26 than what we have heard them, say, six months back or three months back? And even if you look at some of the Indian peers who supply to the agrochemical majors have also turned a little cautious on the demand side, particularly on the pricing side, while we look a little more optimistic, is it more product specific that we are looking at or we are looking to diversify or as we have spoken earlier that we are moving up in the value chain, some of those efforts are paying up?

Maulik Mehta:

So it is a little bit product specific, but it's also geography specific. So when you look at agrochemicals, you're talking about fungicide, herbicide, insecticides, seed treatment, etc. So there's a lot of different applications and weather patterns play as much of a role as overcapacity or inventories. So the answer will be different depending on product categories, geographies and weather. When you have commentary coming out from a lot of agrochemical majors, some amount of that is also due to inventory stocking, but some amount of that is also due to what they expect to see in terms of geopolitics. For example, now in the recent couple of weeks, it seems like the U.S. is very bullish on agriculture exports to India, which has never traditionally been a large importer from the U.S. Similarly, you're seeing that there is, at the same time, an imbalance between what Brazil is producing and what the U.S. hopes to accommodate on the world stage. So these trade tensions across geographies do continue to play out. And for us, as an intermediate supplier to these majors, the impact of that is generally seen one to two quarters down the line because our products are eventually going one or two steps down the line to these majors.

Last one point that I'll just mention on this front is that we've also made a medium-scale investment in Dahej for agrochemicals. That is uniquely positioned because it has a tremendous value integration with our chemistries. And the process that we are following is a world's first. So that, basis its carbon footprint, basis its cost, and basis its product quality, will remain unmatched in the world for this product or this product category. That will ramp up along with customer allocations on the basis of whatever contractual versus available. And that will play out in full for supplies that go on from October onwards for calendar year 2027 onwards. But it will play a role even in the first few months after commissioning.

Sanjesh Jain:

Very clear. One last question from my side. On the phenolics side, generally, winter appears to be best for us from the production perspective. And earlier, we have optimized ourselves to produce 350,000 metric tonnes of phenol. Have we touched that kind of capacity in this winter as well? And number two, post Q3 FY26, we have seen a good run-up in the prices of phenolics. Should that also make us positive for Q4 FY26 on the phenolics side? Are the spreads for us even in India showing that trend?

Maulik Mehta:

I want to share something. Today, we manufactured our 2 millionth tonne of phenol.

- Sanjesh Jain:** Congratulations on that.
- Maulik Mehta:** Yes. Looking back, you focus so much on the months and the quarters that it's also always good to step back and look at the journey so far. In terms of spreads, cracks and phenolic crack versus global cracks and all of those things, we continue to feel quite optimistic about finding new spots for potential debottlenecking even in our existing assets. We are seeing some degree of volatility, both on acetone as well as on phenol. Some of it may be seen as temporarily positive or temporarily negative, but I just want to clarify that this particular quarter, Q4 FY26 is always a quarter where you would expect a degree of volatility because China goes in for its new year, customers start looking at their purchase patterns differently because in India, you have the financial year closing, you have a lot of CAPEX outlays also based on Government investing in construction and infrastructure. So this is a quarter where any answer that I give you will be outdated within the next week.
- Sanjesh Jain:** That's clear. But from the production perspective, we are hitting that peak, right? Absolutely, no problem with that?
- Maulik Mehta:** I mean we've gone past what we thought were peaks in the past.
- Moderator:** The next question is from the line of Arun Prasath from Avendus Spark.
- Arun Prasath:** Just few questions. First on the projects that we have started in this quarter, can we broadly give a direction to reach steady state, say, 80% to 100% utilization, how many quarters we will take and how long it will take to reflect in our P&L? That's number one. And second is, broadly in the last three years in the AI segment, the topline has reduced from, say, INR 3,000 crore, right now, we are close to around, say, INR 2,400 crore of annual run rate. What percentage of this would be purely led by the pricing, if you can give the pricing and volume decline or a growth, some broad directions on this.
- Maulik Mehta:** Okay. So, for all of the capacity or the investments that we have made so far, it is largely broken down into, I think, about INR 100-odd crore for the R&D facility, which is a strategic investment. So we don't look at operating rates there. Then you have the nitration, you have the hydrogenation, you have the fluorination, chlorination and the nitric acid investment. So on the nitric acid investment, on the nitration and on the hydrogenation, we are expecting to run at 100% or close enough to 100% utilization from this quarter onwards. They may be between 95% to 100%, 105%. That's the kind of range we look at in terms of asset utilization on these fronts. When we are referring to photochemical, chlorination and fluorination, that we expect those utilizations to pick up in Q1 FY27. And when we talk about the fluorination, diazotization asset, which we commissioned in May, that will have a gradual ramp-up in line with customer requirements. When we talk about MIBK, it will have a ramp-up in Q1 FY27 in a phased manner because these technologies are extremely unique. So the process that we have invested in, while it is a high CAPEX investment, it is probably the most efficient process in the world, and it allows us to have some downstream value-add products also along with MIBK and MIBC. There, we hope to have a reasonably quick ramp-up because what we did is on MIBC, we started seed marketing even over the last four months. And we've seen a good degree of customer interest, both in India as well as abroad. So this asset will allow us to be able to service the

customers where we already have a broad degree of acceptance. And finally, on the high-pressure alkylation asset, which will come in around between June and July 2026, that will have a ramp-up over two to three months basis the customer requirement. And with that, we will complete the entirety of our Phase 1 of investments. And I'm not referring at all to any small to medium scale up to about INR 100 crore of investment, which are in debottlenecking assets.

Arun Prasath: Understood. Just one additional information on this. At current prices, what would be the steady-state revenue that we are talking for these production blocks at a cumulative basis? That will also be helpful. And my question on the AI segment, INR 3,000 crore to INR 2,500 crore, volume and pricing break up. If you can address that also will be useful?

Maulik Mehta: Yes. We can certainly drill down into that, Arun. Just to once again just clarify about half of the investment that we've made, which was into things like nitric acid production, we don't anticipate any revenue. This was always clarified as an upstream integration. And EBITDA improvement was substantial, EBITDA improvement into the AI business. When we refer to products such as MIBK, MIBC and the nitro aromatics, I think on MIBK, MIBC, the right time to talk about will be Q1 FY27 because Q4 FY26 is the period of commissioning. And there is an oversupply right now in the market. But at the same time, India is entirely import dependent. The entirety of the market that we seek to service for MIBK is in India. And we have what we believe is the most efficient process of converting acetone to MIBK in the world. We have to see how this plays out with regards to overcapacity in China versus our efficient plant processes, but it is an integration story. So, I'll refer to revenue coming from this only in Q1 FY27. With regards to the numbers that we spoke about in Q3 FY26 in the Advanced Intermediates segment, I would say that at the very moment, a substantial amount of this is because of pricing, not so much because of volume. There is some volume impact because of key agrochemical intermediates. But there is more than that, I would say, a pricing impact because of the oversupply situation from China.

Arun Prasath: Understood. On the hydration, nitration and fluorination blocks with the photochemical fluorine blocks already started, any ballpark revenue on the current pricing?

Maulik Mehta: No. Just to clarify, the photochemical fluorine will start towards the end of this quarter. The fluorination which we have commissioned, right now it is just doing small batch plant transfer key intermediates with customers. But it will be more of a steady state. So these two are generally looked at together. And we'll refer to the revenue at that time because we're also currently in conversations with key customers about these particular assets. So, I want to give business teams the opportunity, to be optimistic or cautiously optimistic or whatever.

Arun Prasath: Maybe we'll get the update from you probably in next quarter. My second question is on India – Europe FTA. See, in polycarbonate, we have very high aspiration and Covestro is the market leader there. And probably this FTA gives Covestro the slight advantage in competing against in the markets like India. Does it negate the cost benefits in India, especially in a highly grade specific products like polycarbonates?

Maulik Mehta: I don't believe that it does, frankly. I believe the kind of investments that are taking place in India for consumption of polycarbonate resins and compounds. When we first envisaged this project, we were looking at India's import dependency of about 2 lakh tonnes a year of

polycarbonate resin, not even the compounds. So, when Covestro exports, they generally import the compounds, and I'm referring to the resin itself that is imported. That was, I think, just about 1 year, 1.5 years ago. And right now, India has already been importing in excess of 300,000 tonnes. So just within a year, our estimates of what India's domestic requirement of polycarbonate resins has changed by a factor of 50%, we are planning on coming online with this asset over the next 2, 2.5 years in an integrated fashion with propylene, phenol, BPA and then polycarbonates. So we believe that the resilience of this integration as well as the investments that are taking place in India for the consumption of the resin as well as our earlier investment also into the compounding piloting facility to work in partnership with companies such as Covestro, such as SABIC, such as Trinseo itself, will help us be very relevant in India's consumption of the resin as well as the compound. So we don't anticipate this or any other trade deal to really derail the advantage of having an integrated chain in India.

Arun Prasath:

Right. On phenol also, if you see European players are operating at a very low operating rate because they couldn't sell to the Chinese when the Chinese started their plant. So 10 percentage swing is large because it's duty free now. Should we be worried in phenol also because at least in phenol, the market is large in India and import is still coming. So should we see some step-up or restarting of the European phenol operators to dump, say, in India?

Maulik Mehta:

I don't think so, frankly speaking. India already imports a certain degree of phenol from Asian countries, where it is made more cost effectively and it is supplied here. I mean, if a place as close to India as Singapore decided to permanently shut down its phenol manufacturing, I don't anticipate that the removal or reduction of an import duty, and by the way, Singapore is at 5% import duty into India, it is negligible, to be honest. If it could have survived operating in Singapore conditions by exporting to India, it would have. I don't anticipate any inflow of any substantial amount of phenol coming from Europe to India. However, I do anticipate with all of these free trade agreements and all that, improvement in the consumption of phenol itself in Europe, where there will be a gradual recovery of downstream consumers such as automobiles. So when that happens, it is good for everybody. But at the same time, the way Chinese investments have been taking place over the last couple of years now are starting to alarm even the Chinese Government. So they are putting all sorts of deflation control measures in place. So what happens with regards to trade deals is to be looked at, in my opinion, personally from the chemical industry in pretty much a positive light. What happens with regards to China's attempt to rein in its deflationary cycle because of its overcapacities needs to be looked at in an entirely separate lens. And there is no real reason to conflate these two.

Arun Prasath:

Understood. Are there any new Chinese capacities coming onstream this year in phenol?

Maulik Mehta:

Last year, the year before that, the year before that, this year, next year, every year. India has not traditionally been in the past, even with the kind of overcapacity, even with the physical proximity of China to India, India has not really been the destination for Chinese phenol.

Arun Prasath:

No, no, but it does depress the spreads, right? If there is suddenly higher capacities there and people who are selling to Chinese couldn't sell there, they obviously bring down the international prices. So that's the point of view of my question?

- Maulik Mehta:** Yes. I mean, look, we may end up finding some volume coming. It's an ocean, right? So material flows happen the way that they happen. We have to be resilient no matter what, but I just want to share that this is not a new phenomenon. This has been taking place since we commissioned the project, since we conceptualized the project, and it will remain always. In the meanwhile, we have to see whatever we can do to be as internally resilient as possible. Even in the last couple of months, there has been announcements about Far East Asian capacities shutting down permanently this year. So there is in Singapore, an announcement of a shutdown, in the Far East, an announcement of a shutdown. In China, the announcement of capacities coming in, capacities that may be constrained because of the Government's campaign. In Europe, capacity is being brought down permanently. So this is a very dynamic situation.
- Arun Prasath:** Understood. One bookkeeping question for Sanjay bhai or Nanda ji. We've seen the reported standalone revenue and the reported AI segment revenue closely match in the past. However, over the last two quarters, there has been a small but growing difference. Difference in reported standalone revenue versus a segment revenue and as well as the EBIT? What could be the reason for this?
- Sanjay Upadhyay:** This is due to the inclusion of Deepak Chem Tech's AI-related business within Deepak Nitrite's AI segment.
- Arun Prasath:** But Sanjay bhai segment revenue is lower than the standalone revenue. And EBIT is also lower than the standalone EBIT.
- Sanjay Upadhyay:** So there are other income also included it's because of that.
- Arun Prasath:** So segment EBIT includes other income for the respective segments. That is what you are saying?
- Sanjay Upadhyay:** So revenue will include other income, whereas this is not there in the EBIT. Arun, if okay, I can call you and discuss.
- Arun Prasath:** No problem, sir. We'll do it separately.
- Moderator:** The next question is from the line of Tushar Raghatate from Omega Portfolio Advisors.
- Tushar Raghatate:** I just wanted to know the new products which are coming up, like 10, 15 products. Firstly, the competitive scenario in India and in that specifically the application of mining and explosives and the polymer one. So our right to win in this segment, what is your view on that?
- Maulik Mehta:** On the mining, the explosives and which segment?
- Tushar Raghatate:** Polymer, through any PPDA?
- Maulik Mehta:** Okay. So, first of all, on all of these, we do have an extremely strong right to win because we manufacture all of these in an integrated manner. The teams are already working very tightly along with customers to see how there is a significant value addition that Deepak is able to provide to customers. So, for example, one of the applications, which has turned out to be a significant one in terms of volume in India is the explosive segment. So products such as

trinitrotoluene, which seem to be in very high demand all over the world for their mining applications as well as the defence applications. So Deepak is a strong partner to these applications and these customers. I wouldn't call it dependency, but there's a very high degree of collaborative partnership where the technical teams of both sides work hand-in-hand to see how to improve the performance to make it meet and exceed military grades at global standards. So this is something which has actually transpired over the last year. We expect to see the outcome of this over the next three months, six months, whatever as it picks up because the kind of investment that's going here is very major, not at our end, but at our customers' end. In terms of other mining chemicals, as I've mentioned, we already started seed marketing products such as MIBC and that has also been received very favourably. But we've been waiting for our main plant to come up so that we can start manufacturing volumes in line with customer demands. So we will see how that progresses, and I should have good feedback to you. But rest assured, the market across geographies is looking forward to Deepak value and volume addition here.

Finally, when it comes to certain other segments where you have energy, things like heat treatment and things like that. Again, we are working along with customers. We are bullish here. We were more bullish a couple of years ago when global industrial policy also encouraged more of these investments. But lately, between the U.S. and other regions, they have deprioritized these, that said, our product quality is excellent. It's been received well, and there are still good customers in these segments, not so much yet in India, but in other regions, and we are working with them. So this is something that we expect to see landing in somewhere over the next 6 months. Until then, these will be small-scale volumes.

Tushar Raghatate: Fair enough. And this Chinese VAT rebate renewal and the Chinese anti-involution stance. So there are some companies from India supplying intermediates to global giants. They said that the prices has improved adjusting that VAT rebate thing. Do you see that for our product basket?

Maulik Mehta: Some, we see that there is an anticipation of improvement in others. These are still ongoing conversations. Very often, what ends up happening is that the final action that the Chinese Government takes may be a version of what it has announced it will work on. And it will also be based on how rigorously it kind of follows through. I think this month, you will also get the five-year strategic road map, I think the 15th five-year plan. Let's see how much it features into that. Until then, these are all conversations which are more intent-driven rather than on-ground reality.

Tushar Raghatate: On the phenolics front, the major laminate players in India have been increasing their capacity and major companies' capacities are on stream as well. So do you see a place where you might go for a phenol debottlenecking or some CAPEX in case the polycarbonate plant gets a little extended?

Maulik Mehta: We continue to remain vigilant about debottlenecking opportunities. Even right now, we are seeing how we can do a little bit more or a lot bit more even in the existing side. But in the meanwhile, to be very clear, the second phenol plant that is coming in will have some amount of its product being consumed internally for polycarbonates and some amount of it will be placed outside for market sale. So we expect to remain as relevant as a percentage of India's consumption as we are right now. So if the current phenolics consumption in India's requirement

is, let's say, I think, 55% to 60%. We're working hard to ensure that it remains that moving forward also.

Tushar Raghatate: Fair enough. My last question, you mentioned in the standalone business, some kind of raw materials, you got it from the spot market. Had there been any case if you have procured internally, what would be the gross margin difference to that?

Maulik Mehta: I don't want to speculate. But in the Q2 FY26 concall, I had sounded quite upbeat about our Q3 FY26 performance. You can assume that the delta between how upbeat I was and what it turned out to be would be an accurate reflection of the gap between having our own self-consumption versus buying it at spot rates. So the rates that we ended up buying these raw materials was obviously higher than we would have procured if we were not investing in our own asset and if we continue to buy large volumes with discounts and contractual agreements in place.

Moderator: The next question is from the line of Pranitha Shetty from Morgan Stanley.

Pranitha Shetty: I had two questions. One on advanced intermediates, so taking into account the antidumping duty withdrawal as well as the U.S. India deal and the EU deal. Could you give us some color on the outlook of this segment going forward?

Maulik Mehta: The outlook of the segment for the advanced intermediate or Deepak Nitrite in particular?

Pranitha Shetty: Advanced intermediates would be better?

Maulik Mehta: So, as I mentioned earlier, we are cautiously optimistic, Q4 FY26 would be better than Q3 FY26. But Q4 FY26 will also be a quarter where we have the performance looking better from middle of the quarter rather than the beginning of the quarter. And frankly, I think Q1 FY27 will be continue in that positive direction. Q4 FY26 will be better, but Q1 FY27 will be better still.

Pranitha Shetty: Okay. On the follow-up on the initial question when you answered on sodium nitrate, I didn't get the amount of the current exports what we do to U.S. in terms of sodium nitrate. You said around 5 KTPA is what we used to do a few years ago?

Maulik Mehta: No, I said for the last few years, we've been doing 5 KTPA.

Pranitha Shetty: Okay. And prior that it was?

Maulik Mehta: There was an antidumping duty even when there was a 50% reciprocal tax on India. So the antidumping duty was specific on sodium nitrite and the reciprocal tax was on all Indian exports to the U.S. We were operating in a regime where it was about 105%, 106% total gap between the ex-factory price here and the price within the U.S. for Deepak's sodium nitrite. That will be significantly reduced now because the antidumping duty has been reduced from whatever that 45%, 48% was to essentially zero. The countervailing duty continues to remain as it was, more or less, I think 3%, 4%, 5%, something like that. And then you have the 18% reciprocal duty as against the 50% reciprocal duty. So, the delta, as you can see, is down from about 106%. So it is certainly heartening news for Deepak Nitrite in particular. And we're still working with

customers to understand what the near term and the medium term looks like, both in volumes as well as in value.

Pranitha Shetty: That was a detailed explanation. I had another quick question on phenol. Does the company get a premium pricing to the benchmark market pricing on phenol and acetone?

Maulik Mehta: The answer is not universally yes. In some segments, it does because our quality is superior and 100%, it is superior compared to the co-mingled phenol or acetone that is imported into India. Recent development has been that we have also started selling pharmacopoeia-grade acetone, small volumes, but this is a beginning, and we see how to ramp this up moving forward. But in terms of the premiumization of the product, it is a very relevant one. And in some segments, I would say that our phenol is over-spec, so we don't really get any value premium for that. The premium that we get is with regards to our physical proximity to the customers. Our ability to supply to them in different packaging types, drums or tanks or IBCs, all those kinds of things and as well as having a really strong customer relationship and dealer network. So the premium that comes is the premium of convenience in most cases. And in some applications, customers do pay a justifiable premium because they require a higher quality and we supply a higher quality.

Moderator: The next question is from the line of Rohit Nagraj from 360 ONE Capital.

Rohit Nagraj: First, quick question on polycarbonate facility. So based on the current status of the project, when is the facility likely to be commissioned?

Maulik Mehta: Rohit, we gave certain anticipated timelines. Plus/ minus a couple of months, it is basically aligned with that. December 2027 is the timeline we had discussed for being onstream. So we are roughly on track. If there are any delays, we will keep you informed. But so far, all the activities with regards to site dismantling at Stade, Germany as well as site construction works at Dahej. Both of those things are progressing. This is, of course, a very delicate execution where you have to get those assets here properly. And meanwhile, you have to have these assets built here. And you're doing this in partnership with the equipment and technology supplier where they will also be an anchor customer. So they have an inventory that they have to keep drawing down until our asset starts onstream again. So, we're working to see how we can manage this as well as possible.

On the second phenol plant, that is coming online along with the upstream propylene at PLL, Petronet. So that we have delinked it from the polycarbonate asset. If they all happen along the same time, no problem. If there is a misalignment also, we have worked with the assumption that there will be a misalignment and we're going with that production schedule.

Rohit Nagraj: Sure. And second question is on the Advanced Intermediates. So given that probably some products where there is continuous oversupply and because of which the pricing margins are under pressure, are we recalibrating some of the product slate to focus more on better margin products or something new where the valuation can be there?

Maulik Mehta: So, while we're doing new products, we prioritize in Q2 FY26 and Q3 FY26 on the assumption that we need to see how to maximize in line with our assets, which have been debottlenecked

the new investment that has come in. We have a familiarity with the market, and we have a nitric acid plant being commissioned. And our anticipation originally was that all of these are going to happen around at the same time. In fact, the nitric acid plant would be commissioned a few weeks earlier than the nitration assets. So our first priority and target was no matter what happens, let's make sure that we are being aggressive with market presence here, even if it comes at some short-term price drops because we want to be significantly higher in line with our upstream investment. So that was a plan. It was a good plan, unfortunately, because nitric acid got delayed in its commissioning. Even during that period where it was being delayed, we did deliberate on this, and we believe that the right thing to do was to remain the course, continue to see how to ensure that we are aggressively utilizing our recently commissioned and existing assets, place the product in the market even if it comes at a short-term impact on price.

- Moderator:** The next question is from the line of Sanil Jain from Ambit Capital.
- Sanil Jain:** I just have two questions. So, the first one is, can you let us know the CAPEX outlay for 2026 and 2027?
- Sanjay Upadhyay:** Around INR 2,500 crore.
- Sanil Jain:** INR 2,500 crore for FY26?
- Sanjay Upadhyay:** INR 2,500 crore is for FY27, not FY26. FY26 is already underway, that would involve spending of around INR 100 crore, bringing the total to approximately INR 1,200–1,300 crore.
- Sanil Jain:** Okay. Understood. And the second question is that, if we see the phenol spreads, they have declined sequentially. But if we see the gross margin of the Phenolics business, then the gross margins have improved by 150 bps sequentially. So can you help me understand the disconnect between the spreads and the gross margins?
- Maulik Mehta:** The spreads you are referring to are based on international indices, as are the cracks you mentioned. In terms of our margins, one contributing factor is the increased pressure on suppliers in India. So we have been able to see that our raw material procurement and our FG pricing, the cracks there are slightly different compared to global cracks. And secondly, there is a value add that comes from increased capacity utilization, which allows you to iron out more and more of the potential inefficiencies that you consider into what you calculate as a crack in other companies.
- Sanil Jain:** Okay. So what will be the utilization rate for the phenol business?
- Maulik Mehta:** I think we're at a significant utilization rate. We are trying to work through some debottlenecking exercises, and we're trying to align that in time with what we would traditionally have as shutdown periods for regular inspection of things like boilers and all that. So there's no specific number I can give you that number passed a long time ago. We have some room between where we are and where we can be. And we continue to investigate other opportunities for further debottlenecking.
- Moderator:** The next question is from the line of Krishan Parwani from JM Financial.

Krishan Parwani:

Just wanted to understand a couple of things. First, what has led to the delay of close to 2 years in commercialization of our MIBK and MIBC project?

Maulik Mehta:

Krishan, first of all, it hasn't been a delay of two years. There has been a delay, no doubt about it. Honestly, if I'm being very frank, we attempted something which generally is not practiced in the chemical industry. So worldwide, I think we would be the only chemical company in this kind of chemistry where we decided to go ahead with a divided wall column saying that India is inherently disadvantaged against places like China when it comes to energy cost as well as energy quality in terms of power and the steady-state availability of energy. So we went ahead with a technology, which is new to this space. We put a lot of our own engineering hard work into that. And in the construction of this technology, there were a lot of hiccups that took place. Luckily, they've been ironed out, but it ended up taking longer than it should have. In line with that, what we therefore, did was we started seed marketing of the downstreams of MIBK earlier. So this was one of the areas where we had a delay. On the other hand, the second place where we had a delay is where we said that, look, there is this Chinese overcapacity, there is the situation. While the plant is taking its time being constructed with these technical hiccups, what can we do with regards to further optimizing on certain things like the catalyst. So we've been working to see how we can improve on that front, improve the recyclability, improve the cost, those fronts. Our original schedule, it was ambitious.

Krishan Parwani:

Okay. Fair. I understand where you're coming from—it's probably just technical delays. However, it would be helpful, perhaps going forward, if you could indicate that the timeline is tentative rather than exact. That would allow some buffer when building in the numbers. That was my suggestion. Secondly, Maulik bhai, you mentioned that in the AI segment, there is a pricing pressure, which has led to kind of a subdued performance. Does that mean your volume growth could have been broadly similar to the 20% year-on-year growth reported in the AI segment this quarter?

Maulik Mehta:

So I want to just clarify. I think partially, the pricing pressure and the margin pressure, to be completely honest, were a little bit self-inflicted, as I mentioned earlier, because we decided tactically to be aggressive in placing our product in the market. That would allow us to also ensure that, as usual, if there are any technical hiccups or this and that in newly commissioned plants. They get ironed out as you're making it, ensuring the quality is the right quality, placing it in the market. Certain small challenges, for example, would be things like the ETP running as efficiently as it needs to be, product being supplied in drums versus tankers versus other SKUs. So some of these things get ironed out when you commission, and we decided to be a little bit aggressive post commissioning even before the upstream integration was commissioned. So that is where we ended the quarter. If I look at this quarter and the next few quarters, our job will be to ensure that we maintain our market presence now that we have our upstream integration. And we see whatever we can do to improve the prices where it doesn't look like as a key supplier, we are in such a hurry to push. These volumes are there. We were maybe over aggressive because we wanted to ensure that our quality matches and even if it is with a discount, this and that. Now the customers are satisfied with the quality and the consistency of our supply. We work with them to see how we can, over a period of time, optimize on pricing. I want to clarify that this is not something which is across the board. This has been in certain products, key amongst this,

for example, would be a product called para-nitroaniline, which is made as an isomer. And it was anyways a soft market. I think by increasing our production and supply to the market, we may have softened it a little bit more. We'll work to see how we can improve the margins over and above the margin expansion that comes from the integrated raw material.

Krishan Parwani: Understood. And lastly, if I may. So, have we started manufacturing BPF from BTC? And consequently, have we begun using nitric acid in-house? Which stage are we currently in? And will those benefit our AI margins to improve going forward?

Maulik Mehta: Okay. Krishan, just to clarify, BTC is produced through the photochemical halogenation with chlorine. BTF is produced via Halex, replacing the three chlorines with three fluorines. Therefore, there is no nitric acid consumption there.

Krishan Parwani: I meant separately. Yes, I meant separately, like BTC to BTF requires HF, right? So my first point was that whether you have started the fluorination and the nitric acid for the other reactions, let's say, probably meta-aminobenzotrifluoride, MMBTF you would use there or maybe before creating TFM somewhere or for the other products also. So that was the whole question?

Maulik Mehta: Okay. First of all, amazing clarity on the product profile. I really have to commend you, Krishan. And the second point that you mentioned with regards to BTC to BTF, as I mentioned, I think a couple of questions ago was that this will come online in Q1 FY27. While the asset for fluorination has been commissioned, I think, about a year or 1.5 years ago, there were challenges with regards to getting the right quality of the BTC. I hope that as we're speaking right now and in the next month, those Gremlins will have gone out of the system. And from Q1 FY27 onwards, we anticipate either BTC to BTF or other products which have the exact same chemistry. So instead of tool, you just replace tool with something else. Those will feature in, and they will continue to have the nitration reduction and downstream assets also being consumed for the same thing. So we have a degree of multiproduct flexibility. Same process, multiproduct. And nitric acid is something that we have been already manufacturing from the middle of December 2025 onwards and as I speak, I think close to about 100% of our requirement is already made ourselves, 100%. And over the next couple of months, we're still seeing that there are opportunities to debottleneck both the nitric acid as well as the nitration assets.

Moderator: Ladies and gentlemen, that was the last question from the participant. I now hand over the conference to management for closing comments. Over to you, sir.

Maulik Mehta: Thank you very much, and look forward to speaking with you for the Q4 results conference call and every opportunity to speak to you in the interim. Thank you.

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