



20th May, 2026

To

BSE Limited

Phiroze JeeJeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code: 543318

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1,
G Block, Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051
Trading Symbol: CLEAN

Subject: Transcript of conference call on the Company's Q4 and financial year ended 31st March, 2026 Earnings.

Ref.: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/Madam

In terms of the referred Regulation 30 read with Schedule III - Part A to the Listing Regulations, we are enclosing herewith the transcript of conference call on the Company's Q4 and financial year ended 31st March, 2026 Earnings held on Thursday, 14th May, 2026.

You are requested to take the same on record.

Thanking You.

For Clean Science and Technology Limited

Ruchita Vij
Company Secretary & Compliance Officer

Encl: as above



“Clean Science and Technology Limited
Q4 FY26 Earnings Conference Call”
May 14, 2026



**MANAGEMENT: MR. SIDDHARTH SIKCHI – MANAGING DIRECTOR AND
PROMOTER – CLEAN SCIENCE AND TECHNOLOGY
LIMITED
MR. SANJAY PARNERKAR – CHIEF FINANCIAL
OFFICER – CLEAN SCIENCE AND TECHNOLOGY
LIMITED
MR. PRATIK BORA – PRESIDENT, COMMERCIAL –
CLEAN SCIENCE AND TECHNOLOGY LIMITED**



Moderator: Ladies and gentlemen, good day, and welcome to the Q4 FY26 Earnings Conference Call of Clean Science and Technology Limited. We have with us on the call Mr. Siddharth Sikchi, Managing Director and Promoter; Mr. Sanjay Parnerkar, CFO; and Mr. Pratik Bora, President, Commercial.

As a reminder, all participant line will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone.

I now hand the conference over to Mr. Siddharth Sikchi for opening remarks. Thank you, and over to you, sir.

Siddharth Sikchi: Thank you so much. Good evening, everyone. Thank you for attending our quarter 4 and 12 months FY26 earnings call. I sincerely appreciate your continued trust and engagement, and it is our pleasure to connect with you once again.

Let me speak briefly on the business environment. The Q4 FY26 has been a resilient quarter for the company, marked by strong delivery despite challenging global environment and geopolitical uncertainties.

The challenging conditions that we had highlighted during the earlier part of the year continued for a large part of FY26 with muted customer offtake, pricing pressure in selected products and selected geographies and, of course, tariff-related uncertainty. At the same time, we remain focused on customer engagement, process efficiency, backward integration and protecting our market position in our key product categories.

On other side, the quarter reflected sequential improvement in overall performance, largely driven by increase in customer's volume offtake in our products. We continue to see scale in our HALS business segment, which saw the highest ever revenue in Q4 FY26 with continued improvement in favorable product mix.

During this quarter, in line with our disciplined and shareholder-aligned approach, the Promoter Directors voluntarily chose to forgo substantial portion of their performance bonus for this particular financial year. Consequently, the performance bonus for FY26 is reduced to less than 1% of PBT as against entitled 4% PBT for this financial year.

On stand-alone business performance, starting from Q-o-Q comparison, the revenues improved by 8% to INR193 crores, largely due to increase in customer offtake. The EBITDA and PAT margins are at 46% and 40%, respectively, translating into an EBITDA of INR88 crores and a PAT of INR 77 crores. This revenue increase is primarily led by increase in volumes.

Coming to Y-o-Y, the sales declined 19% during the quarter, and this decline was primarily led by sales volume.



On 12-month Y-o-Y front, the revenue declined 12% from INR 900 crores to INR 796 crores i.e. roughly INR 800 crores. This is attributed to loss of key account or a particular customer in an FMCG, which is 4-MAP product, lower offtake and pricing pressure in our key products.

On consolidated business performance, the consolidated revenues increased by 14% to roughly INR 246 crores and the consolidated EBITDA and PAT margins are at 33% and 28%, respectively. In absolute terms, that is INR 96 crores and INR 58 crores, respectively.

On 12-month Y-o-Y basis, the revenues remained flattish at about INR 945-odd crores against the stand-alone revenue on account of consistent scale up in our HALS business. The consolidated EBITDA and PAT margins are at 37% and 24%, respectively, which amounts to INR 355 crores and INR 230 crores, respectively.

The key business developments for the Clean Fino-Chem Limited - Company reported a positive EBITDA of INR 7 crores in Q4, marking its first quarter of positive EBITDA following an EBITDA breakeven performance in the preceding quarter. The Hydroquinone/Catechol plant which was established in December '25 is under initial stabilization phase, and we expect the plant to achieve optimal operations with improved productivity and efficiency in the following 1 to 2 quarters.

The product quality approval from customers have already been secured. In the current quarter, the Hydroquinone and Catechol imports are fully replaced by captive HQ Catechol production for our products, TBHQ and Veratrole, leading to moderation in raw material cost.

A little on capex update. Our capex timeline of Performance Chemical 2 is as per plan, and we expect to commercialize by September '26. The change in plant commercialization timeline is attributed to scarce manpower resources as labor movement is observed due to increase in gas prices.

The Clean Fino-Chem is further backward integrating in some of the key starting material or raw materials, which are required for our HALS production. This strategic initiative is aimed at ensuring uninterrupted supply of essential inputs while strengthening our margins and overall operational efficiency. And these initiatives will be implemented with minimal capital expenditure and in-house developed processes.

We are now planning to also debottleneck our -- some of our HALS product lines and also setting up a dedicated product line for HALS 2020, which is a key intermediate product for higher grade of NOR-HALS product. Thus, we are enlarging our existing HALS product portfolio while enhancing our presence in value-added specialty chemistries.

During this year, the capital infusion in subsidiary was approximately INR 200 crores with total investments of subsidiary now standing at INR 750 crores. I am glad to inform you that the Board in today's meeting has declared a final dividend of INR 4 per equity share, amounting to 400% of face value of INR1 per share.



With this, I conclude my opening remarks and looking forward to the Q&A session. Thank you so much.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Sanjesh Jain from ICICI Securities.

Sanjesh Jain: First, just can you help us with the segmental numbers, I think, that you used to give in the presentation. That will be really useful to make the analysis.

Siddharth Sikchi: So, basically, you want the Performance versus...

Sanjesh Jain: Performance, Pharma, FMCG and others.

Pratik Bora: So Sanjesh, Performance segment contributed 72%; the second segment i.e. Pharma-Agro contributed 19% and FMCG contributed balance 9% to standalone revenues.

Sanjesh Jain: This is for the quarter or the full year, Pratik?

Pratik Bora: This is for full year.

Sanjesh Jain: Okay. For the quarter?

Pratik Bora: Quarter, I can -- okay, I'll get back to you on quarter number. But effectively, in the presentation also we put for the full year. So basically, full year minus 9 months, you can get to a quarter number.

Sanjesh Jain: I can do that. I got it. But that's super useful. Siddharth, just wanted to get your view on MEHQ. Now that HQ prices have gone up so sharply, how should we see the MEHQ competitiveness for us? The phenol price has also gone up. But relatively, do you think your position has strengthened in the market in -- post this West Asia? And how should we see MEHQ market in FY27?

Siddharth Sikchi: No, I agree with you because of the Hydroquinone prices going up, it definitely helps us in MEHQ. But also, to be honest, with the capacities of Hydroquinone in China, and they are not as impacted with the raw material prices to that extent, which we have in India. So in view of this, we have to calibrate our prices in a manner that we are able to balance all the positions and still keep our market share within China as a market.

Sanjesh Jain: Okay. So what we are telling is that we are able to fully absorb the increased phenol prices or do you think...

Siddharth Sikchi: We are able to pass some, but wherever there has been long-term contracts, in those cases, we have not been able to pass.



- Sanjesh Jain:** And how long are these contracts for us?
- Siddharth Sikchi:** It depends on customer to customer. There are some contracts which are half yearly, some there are full yearly.
- Sanjesh Jain:** So as they expire, we will renegotiate, right?
- Siddharth Sikchi:** Absolutely.
- Sanjesh Jain:** Got it. Got it. But slowly, steadily, we will pass on a lot of it, would be the right understanding?
- Siddharth Sikchi:** Yes, yes. We definitely will.
- Sanjesh Jain:** Got it. Got it. Second, on the HALS, very heartening to see a very sharp increase in the revenue for HALS when we do consol minus stand-alone. Can you just give us a color what led to a sudden jump? And how sustainable these numbers are? What volume we did? Which category of HALS did very well for us domestic versus international?
- Siddharth Sikchi:** Yes. I will not get into too much of product-wise due to competitive nature of the business. But I can tell you, this was a little delayed response. I mean we were really hoping this response to come a few quarters prior. So this is not actually surprising, but it is just delayed. So of course, as customers were evaluating big accounts for testing, trials, all validations, that took a large portion of this time.
- But now that, as I said, you can see our export growth picking up. Earlier, we were predominantly India import substitute. We were only trying to cater majorly to Indian market. So we were roughly 80% India, 20% export. Today, we stand at 50% export in select products. So our exports have picked up dramatically.
- And I think over the period, our expensive grades of HALS are also being -- I mean, we have been able to also start selling those on larger scale. And hence, we are also now in the process of debottlenecking and also putting more capex wherever needed to get into backward integration of these products.
- Sanjesh Jain:** I thought we were significantly backward integrated.
- Siddharth Sikchi:** Yes, actually, we are. But then there are some of the key intermediates, which typically not all HALS producers make. But we have found that it would further strengthen our positions, and we are getting into those intermediates as well.
- Sanjesh Jain:** Got it. Got it. What was the HALS volume because we were looking at like 250 metric tonnes per month?
- Siddharth Sikchi:** I think, overall, we did about over 1,000-plus tonnes for the quarter.



- Sanjesh Jain:** In this quarter?
- Siddharth Sikchi:** Yes, yes.
- Sanjesh Jain:** And as you said, when you say export, which are the geographies where we are seeing a...?
- Siddharth Sikchi:** Majorly Europe, Middle East, and of course, United States. So there are still untapped regions now where we are exploring, like majorly Southeast Asia, LatAm. So these are some markets which now we want to explore.
- Sanjesh Jain:** Just one question here. For HALS, we use acetone and acetone as a commodity has seen a very sharp increase in prices.
- Siddharth Sikchi:** Absolute sharp increase. And same is the case with ammonia because light stabilizers are amine-based, and so is the case with ammonia.
- Sanjesh Jain:** So how should we see the pricing competitiveness for us and the ability to pass on in the market, considering that we are a new kid on the block?
- Siddharth Sikchi:** See, I can tell you have seen quarter 3, we were EBITDA neutral. In quarter 4, we made an EBITDA of INR 8 crores despite all prices shooting up in the month of March. So more or less, we are now quite competitive. We are able to pass prices at some point, not 100%. But I think with the efficiencies which we have picked up and as the volumes grow, all these in combination will help us in this financial year. And we are very hopeful that HALS will be a good -- I mean, a good business decision for us.
- Sanjesh Jain:** Got it. Just one final question before I join back in the queue. How should we look -- so last year was a flattish year for us? How do we envisage FY27 panning out for us with HALS finding traction, inflation being in the business? How should we see the EBITDA and revenue growth in FY27?
- Siddharth Sikchi:** We are waiting for this Chinese summit to end, then this Russia summit to end to understand where the world stands in terms of crude oil, what is our supply positions in terms of crude oil. We are so dependent on macro that it is very difficult to really tell you how do we see this financial year. This is going to be a very tricky financial year for chemical industry in my view.
- Sanjesh Jain:** But generally, I thought inflation is a good scenario to be than the deflation.
- Siddharth Sikchi:** It is very good, but it has to be across the world. It does not work when price differentiation exists -- if China gets better crude oil position from some part of the geography and we don't get in India, then there will always be a price arbitrage between the Chinese producers for commodity versus us. This is the major hitch which spoils the party. I hope you are able to understand.



- Sanjesh Jain:** No, no, I got your point. But have we seen that happening in last 1, 1.5 months?
- Siddharth Sikchi:** I can tell you, we bought majority of phenol and acetone from China, which was never the case in last many years.
- Sanjesh Jain:** There was a significant pricing differential in India available...
- Siddharth Sikchi:** Yes.
- Sanjesh Jain:** Versus China?
- Siddharth Sikchi:** Absolutely, absolutely. And the delta -- in commodity chemicals, the delta is not too high, but this time, the arbitrage was very high. So I mean just to give you a correlation so quickly, the prices in China are so -- I mean, quite better for these commodities that we were able to import into India and still be competitive against the guys who are just few hundred kilometers away from us.
- Sanjesh Jain:** Got it. But has that reduced over time or you still see that scenario persist in India?
- Siddharth Sikchi:** At least in June, I can tell you they are more competitive.
- Moderator:** Next question is from the line of Ankur from Axis.
- Ankur:** First question, continuing with HALS there. So given that we have seen good traction in the export markets here, would it be fair to say that Q4 should be a base case revenue here for us and incrementally things should only improve? And second -- yes, and this will also -- is there a significant benefit that we are seeing from the distribution tie-up that we had done? Or is it the older ones wherein you were doing direct touch with the customers and those have sort of converted?
- Siddharth Sikchi:** Ankur, it's always a combination, right, in the sales, larger accounts, direct accounts, distribution channel. Even when distributions are now increasing, I mean, they started with small volumes. Now their confidence have picked up. They are now able to maintain more safety stocks, supply more to the customers. So it's a combination of both, right? But in totality, we are now known as a good supplier of HALS, both not just India, but also global player. And now we are also seeing a lot of inbound interest coming from customers. So it's a good thing for us, I think.
- Ankur:** Sure. And given the traction now, your earlier guidance of, let's say, optimal utilization in 3 years, that stands or probably we can look at -- we will be looking at increasing capacity in HALS further to capture the opportunity?
- Siddharth Sikchi:** I think when we try and increase capacity, we have a little longer term view because increasing capacities in chemical businesses do not happen in a few weeks. It typically takes couple of months, sometimes a larger period when you have to debottleneck in a running plant. So with



all these view, we have started to understand that there will be a phase where we will run out of these capacities.

And hence, we have already started looking at debottlenecking or getting backward integrated in some of our products, which I mentioned during the start of the call. So with all this, we feel or I personally believe this can be a good traction for the company in the coming years.

Ankur: Okay. Fair enough. From the other capex that we were doing, you did highlight pushback in the water treatment product, the Performance 2 part, to September there, right? If you can help the timelines of capex and if at all with the current volatility, there is any change in revenue time lines, etcetera, that will be helpful?

Siddharth Sikchi: So I think typically, validation Q3, commercial production -- I mean, commercial, some business Q4 and then pick up FY28. So it's a standard process.

Ankur: Sure. This is for the Performance 2. The HQ catechol, you mentioned 1, 2 quarters will take for the product validation?

Siddharth Sikchi: Yes. So that has started in some of the accounts. I mean, I'm sure you've seen some exports also happening. We are already supplying within India markets. Plus we are fulfilling all our captive needs by our own in-house production. But we are still not at the point where we want to be. So I think -- I mean, in chemical plant, it takes some time. Probably 2 more quarter will take to completely optimize and be running at the full-scale capacities, which we were looking for.

Ankur: Fair enough. And the last one, the pharma one, that plant already got commissioned, right?

Siddharth Sikchi: No, the pharma, we have already refurbished. We realized there is too many issues which we did not anticipate. And fortunately, we were able to refurbish those plants very quickly to make the HALS intermediates where we were dependent on just some Chinese sources. So all those refurbishments will happen in the next couple of months and those plants -- and those are better return to us rather than keeping that pharma intermediate.

Ankur: Okay. So as a product, that intermediate is no longer there on the...

Siddharth Sikchi: No, we dropped it.

Ankur: Fair enough. Lastly, we have also been working on other products across performance as well as on the pharma side. Any updates there? Any breakthrough there? And just one more addition there. From a global competition perspective, not only India, any thoughts there? Anyone sort of being looked as a competition or a threat to our business or growth there?

Siddharth Sikchi: No, I think whatever we are looking at, I mean, we are still pursuing those opportunities. And of course, like we mentioned right now that I mentioned, this 2020, which we developed a



completely in-house technology, that will be a greater addition to our HALS and also already been validated with some customers in Europe where supplies have begun.

We want to scale up these capacities and also now trying to get into higher grade of HALS. So I think a lot of focus is now put on those businesses where we see the offtake being quicker and also the TAM being far larger than some of the other products which we were pursuing in the past.

Ankur: Sure. And on the competition bit, any comments?

Siddharth Sikchi: In which business?

Ankur: In the MEHQ, BHA business, both in India or even from the global players, if at all?

Siddharth Sikchi: See, India, I mean, you know the players who are there, but we are not seeing yet. So I will not comment too much. There could be some competition within China, and we are well placed to compete with them.

Moderator: Next question is from the line of Arun Prasath from Aventus Spark.

Arun Prasath: My question is on the MEHQ. So because of the excess HQ capacity last at least 3, 4 months, we were anticipating there will be -- we need to compete really hard in terms of pricing. So is that part behind us or we are still seeing too much of HQ being in China at least diverted towards MEHQ production and keeping us in toes?

Siddharth Sikchi: See, we are still trying to keep our market share. And if you see, that is still happening. So wherever needed, we are working on pricing, tech and whatever is needed to keep our market share.

Arun Prasath: Okay. So these HQ capacities were originally put up for manufacturing MEHQ or something else? And that something else is not happening that's why this HQ is diverted towards MEHQ? How is this happening in general?

Siddharth Sikchi: Hydroquinone in itself is a very, very large product. It itself is used as multi-fold application. MEHQ is just the smallest item out of that. So hydroquinone is never made to -- I mean, hydroquinone is not produced to make MEHQ. Hydroquinone itself has a lot of usage. Like for instance, we have started hydroquinone now, but we are not making anything getting into MEHQ.

Arun Prasath: Right. So what prompted these Chinese players to actually -- I mean, allocate HQ for MEHQ production in the first place?

Siddharth Sikchi: Only if we can understand Chinese and their pricing ways, I mean, life would be so easier, Arun.



- Arun Prasath:** Okay. So that uncertainty still remains largely in the MEHQ business. Is that the right understanding?
- Siddharth Sikchi:** I don't know if it's the right answer, but it says that, as I said, whatever is needed to maintain the market share, we are doing. And I think you have seen that the revenues are not dropping anymore, but it is on a flattish basis. So we have been able to, I mean, keep our market share intact.
- Arun Prasath:** Right. Can you just highlight what is our volume growth in MEHQ during FY26?
- Siddharth Sikchi:** We don't give all these product by product math, Arun, you are aware of it.
- Arun Prasath:** All right. But largely, when we say we have maintained the market share and MEHQ as a category also grows at a certain level, there will be some positive growth. That is a fair understanding?
- Siddharth Sikchi:** Yes.
- Arun Prasath:** Understood. Second, though we are saying that we have maintained the market share in MEHQ by taking the appropriate pricing actions, at least on a gross margin level, we are seeing -- not seeing this happening. Is it because as a percentage, it is not giving the right picture because we have maintained the gross margin almost at 65 to 67 percentage in the stand-alone business. So what is happening on this point?
- Pratik Bora:** Arun, in stand-alone the gross margins have improved. For this quarter, the RMC is 33%, which is better compared to the previous quarters by at least 2%. So the gross margins...
- Arun Prasath:** That's the point. We have maintained the market share by responding to the competition, but still in -- at least in percentage terms, the gross margin has increased. So I'm trying to understand what we are missing here. Is it the mix or is it the rupee...
- Siddharth Sikchi:** No, no, it's a good thing, right?
- Pratik Bora:** But it's a product mix, which is driving a better gross margin. On a sequential basis, whatever growth we have seen of 7%, 8%, that is largely volume led. And in that too, if you go to Level 2 detail, which is these flagship products have contributed more compared to the last quarter. So in fact, we have seen a rebound in volume in the flagship products, which is leading to not only increase in revenue, but also better gross margins.
- Arun Prasath:** All right. Any one-off because of, say, rupee depreciation or say, inventory-related gain in this?
- Pratik Bora:** No, no, there is no one-off. Not in the gross margin. But yes, below line items, we have already explained about this performance bonus thing. Apart from that, there is no one-off in this.



- Arun Prasath:** Understood. And secondly, on our Performance Chemical 1, we said we will take around a couple of quarters to optimize. But usually, volumes are at least firm here. Optimization will probably help us in achieving better yields and margins. But do we have visibility on the volume placement for our capacity?
- Siddharth Sikchi:** We have already started selling hydroquinone catechol both in India and abroad. The product quality, which is coming out is at par with the world's, I mean, competition quality. So quality is not a concern. However, we need to keep improvising our processes, meaning the efficiency, the norms, they have to keep improving.
- So when you start a plant, the norms are not as we had expected. So the optimization keeps happening, but the production has started. The volume are accruing on a daily basis. We are already selling these products. But what we would love is to get that norms, perfecting that norms, what is happening, and that is what we are trying to establish over the next 1 or 2 quarters. That's what I wanted to highlight.
- Arun Prasath:** No, understood, Siddharth. Just what I'm trying to understand is if our utilization levels reach certain threshold so that we can actually breakeven within these 2 quarters or you will increase the utilization only after achieving certain optimized yield levels?
- Siddharth Sikchi:** Yes. Yes, you are right.
- Arun Prasath:** So we will -- so our utilization level is still at a very low level at this point?
- Siddharth Sikchi:** Very low. It's quite low compared to what we -- yes, it is less than -- it is 10%, 15%-odd right now. And we want to ramp up. Every quarter-on-quarter, you will see the ramp-up happening.
- Arun Prasath:** Okay. If we have volume placement and sales visibility, why not operate at a higher level? And then later on, we can do minor optimization because at any point of time, absolute revenue and absolute EBITDA is better, right?
- Siddharth Sikchi:** Arun, let us do what we want to do and we understand our business.
- Arun Prasath:** No, no. I just wanted to usually the...
- Siddharth Sikchi:** I know, I know. Usually what happens, we understand, but let us do what we are doing.
- Arun Prasath:** Got it. Got it. And finally, on HALS, this -- we said that we have converted our DHDT facility into HALS intermediate. Does it give you the better edge over, say, at least Chinese players?
- Siddharth Sikchi:** 100%, otherwise what would be the point on doing all this? And even in that same line also, we will be adding this 2020 capacity.



- Arun Prasath:** Right. And then this quarter's EBITDA margin in the subsidiary, 15%. I'm sure there will be some cost associated with the HQ catechol also into this. So if not for this, what kind of...
- Siddharth Sikchi:** Not too big.
- Arun Prasath:** Okay. And this -- sequentially, the margin expansion in the subsidiary from 1% to 3% because of the -- anything is because of the pricing because I'm sure you would have passed on the better pricing...?
- Siddharth Sikchi:** No, no, ramping up will start happening. Fixed cost will get distributed. And plus, the higher value-added products, see primarily, we were -- until last year, we were still selling the basic HALS product. Now the higher grade of HALS has started picking up. So the favorable mix, if you read my transcript, I mentioned that the favorable product mix is now rolling out what we wanted. So all this will start -- you'll start seeing will help us in margin expansion.
- Arun Prasath:** What is our exit utilization in HAS in March, Siddharth?
- Pratik Bora:** March was almost around 40%, Arun. Stand-alone March quarter.
- Arun Prasath:** How much percent, sorry?
- Pratik Bora:** 40%.
- Arun Prasath:** And you said that you have better mix and what will be the blended realization?
- Pratik Bora:** Blended realization per kg is around INR 460.
- Arun Prasath:** Which was around probably 8% to 10% higher than on a sequential basis?
- Pratik Bora:** No, no. Last quarter, it was in the range of INR 420, INR 430.
- Arun Prasath:** Okay. And then eventually, our plan to reach \$7 to \$7.5 per kg of blended realization. That is still we are aspiring to?
- Siddharth Sikchi:** Yes, absolutely. We are aspiring to do that.
- Moderator:** Next question is from the line of Shreyans Jain from S Jain Capital.
- Shreyans Jain:** So I have a few questions. Sir, first, with new players entering the anisole, MEHQ, BHA with large capacity and they have started filling up.
- Siddharth Sikchi:** Who?



- Shreyans Jain:** Companies like Vinati Organics and Gem Aromatics. How do you see the demand and supply scenario over there? And can there be an oversupply? And can prices come down and hit our margins?
- Siddharth Sikchi:** See, we cannot comment on the competition, but so far, we are very well secured.
- Shreyans Jain:** Okay, sir. And just wanted to know about the stand-alone market size of anisole in India and globally?
- Siddharth Sikchi:** Anisole market in India and globally, we are the largest producer and we are the largest consumer.
- Shreyans Jain:** Okay, sir. And I'm new to the company. So I have a question like why China is producing MEHQ from HQ? And why they are not developing vapor phase technology which will get better realization and also do better ESG compliance?
- Pratik Bora:** Shreyans, just in interest of the other participants who have joined the call, we can connect offline for these questions because these are primary level questions.
- Moderator:** Next question is from the line of Omkar Dandekar from 3A Capital Services.
- Omkar Dandekar:** My question is on the -- who are the players globally and India who has developed vapor phase technology currently. I think Gem Aromatics and Vinati also have this same technology. Any other players?
- Siddharth Sikchi:** I think you know better. These are the 2 we heard. I don't know any third one. In India, we don't have.
- Omkar Dandekar:** Globally?
- Siddharth Sikchi:** Globally for which product? Anisole?
- Omkar Dandekar:** Vapor phase technology.
- Siddharth Sikchi:** Vapor phase technology. Whom you said in India has developed?
- Omkar Dandekar:** Gem Aromatics and Vinati Organics.
- Siddharth Sikchi:** Okay, okay.
- Pratik Bora:** Omkar, we can't confirm for other companies. It's only in our case we can confirm that vapor phase route has been used for manufacturing anisole. For other companies, we are not the right ones to confirm.



- Omkar Dandekar:** Okay. One more question I have. Do we face any competition from China in anisole? And how is the demand and supply scenario in anisole?
- Pratik Bora:** Anisole we use largely for the captive purpose. Competition from China does not impact us on the sales part. Anisole global market could be in the range of 25,000-odd tonnes.
- Omkar Dandekar:** And one question is on a global player, Solvay. They are selling their aroma business, which in-house anisole, MEHQ, guaiacol, BHA. They are losing the market share in this product from last 3 to 4 years. So this is the reason Indian players entering this market to take market share?
- Siddharth Sikchi:** But if they have already lost then somebody has already gained also.
- Omkar Dandekar:** Yes. So this is the reason like Indian players are entering?
- Siddharth Sikchi:** Indian players, I don't know if they are entering, but they believe looking at our margins that they can also replicate this. That is why Indians enter in other businesses. There is no other real reason for it.
- Moderator:** Next question is from the line of Abhijit from Kotak Securities.
- Abhijit:** Congratulations on significantly improved results. Just a few basic data point related questions for me. I'll keep it brief. That revenue salience of the top products, would it be possible to share how much it was this quarter? And second thing also the breakdown by geography. We used to give that in the presentation.
- Pratik Bora:** Abhijit, we have realized that these are fairly sensitive data points from competition perspective. And that's why we have taken a conscious call not to share that level details.
- Abhijit:** Fair enough. Fair enough. The revenue -- sorry, the revenue breakdown in terms of volumes versus prices for this quarter gone by?
- Pratik Bora:** So sequentially, whatever growth we have seen around 8%, that is largely volume led. And I'm talking only from a stand-alone perspective, at consol level, of course, because of HALS, the growth is more volume led.
- Abhijit:** Okay. And the INR200 crores capex that you're investing in Clean Fino-Chem, any further color you might be able to share with us on that in terms of capacity or revenue potential or products or things like -- anything that would be possible to share?
- Pratik Bora:** This INR200 crores, this is an enabling resolution which we have taken from the Board. There are certain projects in the pipeline. We may also plan to undertake a greenfield capex. We are in the initial stages, but this is an enabling resolution. We have a road map, but we don't want to put out at this stage. It's more like work in progress stage.



- Abhijit:** So will there be any investments in fiscal '27 on this front or is that a bit later on?
- Pratik Bora:** No, it could be in the later half of FY27.
- Abhijit:** Okay. Just a capex budget for the upcoming year, what should we work with?
- Pratik Bora:** It could be in the range of max INR80 crores to INR100 crores.
- Abhijit:** Understood. And one last thing from my side, just on this, the performance bonus reversal. So what would the exact amount be that we have reversed out here? And how much would the bonus be for the full year?
- Siddharth Sikchi:** That is roughly amounting to about INR11-odd crores.
- Abhijit:** INR11-odd crores reversed. And so the full year bonus will be -- I can take that offline.
- Siddharth Sikchi:** Yes, I can take it offline.
- Moderator:** Next question is from the line of Priyank Chheda from Vallum Capital.
- Priyank Chheda:** First, Siddharth, if we were to analyze the situation of our industry before this disruption that happened, the prices were trending at 20-year low and which was the case with the base chemical as well as the end products that we make. Now the position as we stand today, I'm sure the base chemical would have moved, would you be able to quantify in certain or any -- and in broad range that would have been the price hikes or the increase in the prices because of whatever the reason that we would have taken standing as on date, which should be reflected in the coming quarters?
- And to our positioning or our situation where we are, in our industry, would there be certain any disruption which would lead to an advantaged position for us to supply our materials, maybe there would be certain other players in Europe who would be facing high cost of raw materials, maybe certain parts of China may be facing some other disruption. So we would be in the position to ramp up our core products other than HALS? I'm not talking about HALS, but our stand-alone business.
- Pratik Bora:** Yes. Priyank, in base products, like at least in the commodity, we have seen the prices shooting up 2x in that range. But that's not again a fair benchmark because these are not transactional prices. Second is, there is a more pressure in the European geography, which is leading to some gain in terms of volumes or the end product pricing as well. However, as Siddharth mentioned earlier that China continues to be in a better position compared to the other geographies. And there is some arbitrage in terms of the price increases in China versus rest of world.
- Priyank Chheda:** Got it. But we would not be able to quantify that benefit that we should think of it when it comes to FY27 in terms of stand-alone business. And just wanted your thoughts around what should be



-- after reaching 1,000 tonnes of HALS sales in Q4, what should be that number that we should think of as a target for FY27? And also, I just missed out what should be the utilization that we are planning in HQ catechol for FY27 that we should think of?

Pratik Bora:

So Priyank, we don't want to pencil in any price hikes and give guidance as this is a very evolving situation as of now. However, as we have mentioned that in inflationary environment, we stand to benefit. And that has been the case during FY23 as well. For HALS also, progressively quarter-on-quarter, we have seen increase in momentum.

Like 8 quarters back, we were doing around 350, 360 tonnes per quarter. Today, we are doing over 1,000 tonnes per quarter. So that momentum we see building. And not only momentum, but also the product portfolio. Now the higher grades of HALS have also added to the revenue, and hence, the margins are also seeing better profile quarter-on-quarter.

Priyank Chheda:

One last question on HALS again. The backward integration that we have done or we are planning to do, I'm not sure, I'm confused around it, that DHDT plant or pharma plant which we were having, we have converted into the intermediate which leads to backward integration for HALS, right? So that leads to certain benefits in terms of margins for us. What should be a revised state -- steady state optimal utilization level margins that earlier we were guiding for '25, what should be that revised number?

Siddharth Sikchi:

No, we are not getting into such numbers. But yes, it will definitely help us improve our margins and supply position. So our dependence on import will dramatically drop.

Priyank Chheda:

Okay. Got it. And Siddharth, one last thing, again on HALS, sorry. We read through that a large European player like BASF is expanding HALS capacity in China, NOR HALS. Is there any possibility of we benefitting out of that in terms of contracting large volumes to their front-end products? Is there any such kind of possibility that we should think of it?

Siddharth Sikchi:

No, not at the moment.

Priyank Chheda:

So the total sales, whatever we have or we would do are the commercial sales not in terms of contract manufacturing, but in terms of final end-to-end sales to the consumers?

Siddharth Sikchi:

Yes. Right now, we are focusing on distribution and end-to-end customers.

Moderator:

Ladies and gentlemen, we will take that as the last question for today. I now hand the conference back to Mr. Siddharth Sikchi for closing comments. Over to you, sir.

Siddharth Sikchi:

So thank you, everybody, for your time to understand the company and for our -- understanding our quarterly and '26 numbers. I appreciate your time. Thank you so much. Have a good one.

Moderator:

Thank you very much. On behalf of Clean Science and Technology Limited, that concludes this conference. Thank you all for joining us today, and you may now disconnect your lines.

Siddharth Sikchi:

Thank you.