

May 21, 2026

To,

The General Manager,
Listing Department,
Bombay Stock Exchange Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001
Company code: 533333

The Manager,
Listing & Compliance Department
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai - 400051
Company code: FCL

Subject: Transcript of Q4 FY2025-26 Earnings Conference Call held on May 18, 2026

Dear Sir/Madam,

Pursuant to regulation 30 read with Para A of Part A of Schedule III of the SEBI (LODR) Regulations 2015 and with reference to our letter dated May 11, 2026, please find enclosed a copy of the transcript of the Investors/Analyst Concall held on Monday, May 18, 2026 at 10 AM on Q4 FY2025-26 financial results of the Company.

The above information is also available on the website of the company i.e. www.fineotex.com

This is for your information and records.

Thanking you,

Yours faithfully,
For FINEOTEX CHEMICAL LIMITED

Sunny Parmar
Company Secretary & Compliance Officer



Encl: As above



“Fineotex Chemical Limited
Q4 and FY '26 Earnings Conference Call”
May 18, 2026

E&OE - This transcript has been edited for grammatical and other transcribing errors. In case of discrepancies, the audio recordings uploaded on the stock exchange on May 18th 2026 will prevail. In case of any conflict of factual information with published data in the Investor Presentation, the latter should be considered to be accurate



MANAGEMENT: MS. AARTI JHUNJHUNWALA – EXECUTIVE DIRECTOR – FINEOTEX CHEMICAL LIMITED
MR. ARINDAM CHOUDHURI – CHIEF EXECUTIVE OFFICER – FINEOTEX CHEMICAL LIMITED
MR. SANJAY TIBREWALA – CHIEF FINANCIAL OFFICER – FINEOTEX CHEMICAL LIMITED
MR. YUSUF CONTRACTOR – HEAD, MERGERS & ACQUISITIONS AND INVESTOR RELATIONS – FINEOTEX CHEMICAL LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Fineotex Chemical Limited Q4 and FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Aarti Jhunjhunwala, Fineotex Chemical Limited. Thank you, and over to you, ma'am. Aarti ma'am over to you.

Aarti Jhunjhunwala: Good morning, everyone. It's always a pleasure to connect with our investors, analysts and stakeholders. We deeply appreciate your time and continued trust in Fineotex Chemical Limited. Fineotex today is evolving into a diversified global specialty chemicals platform driven by innovation, customer centricity, sustainability and execution excellence.

Over the years, we have built strong capabilities across textile specialty, FMCG and hygiene chemicals and are now strategically expanding into the high-growth adjacent segments, including Oil & Gas and water treatment chemical.

As you all are aware, in December 2025, we acquired CrudeChem Technologies Group, a US-based specialty oilfield chemical manufacturer focused on advanced chemical fluids, additives and comprehensive solutions for the global Oil & Gas sector. This acquisition marked a significant step in our strategic expansion into high-value specialty chemical segment, further strengthening our position as a diversified global specialty chemicals company.

On a strategic front, this acquisition provides us with an immediate entry into the large North American oilfield chemicals market through an established and operational platform with an existing customer base and distribution network. It also significantly strengthens our presence in high-margin upstream specialty chemicals.

CrudeChem brings strong manufacturing and formulation expertise, technical capabilities and deep customer relations across the key oil and gas basins in the US. We see meaningful opportunities for cross-selling, product innovation, sourcing efficiencies and leveraging Fineotex global formulation expertise across this combined platform.

Importantly, since this acquisition, we have already initiated several operational improvements focused on execution, scalability, capacity utilization and customer servicing, which we believe will create significant long-term value for the company. Encouragingly, we are already witnessing improved operational efficiencies and stronger business momentum across the acquired operations.

Also, most importantly, the acquired group shares the same ESG-driven philosophy that forms a core pillar for Fineotex long-term vision, which reinforces our commitment to sustainability, compliance and responsible growth. The company has been serving Marquee Global oil service

and producing companies in US, which serves leading global oilfield service and exploration and production companies across the US.

In the line with increasing demand outlook and strong customer traction in the US oilfield chemicals market, we are now in process of doubling the manufacturing capacity in CrudeChem. This expansion positions helps us to cater to larger contracts, onboard new customers and accelerate growth in the high-margin specialty oilfield chemicals segment.

Now Arindam ji will take us through the key developments for this quarter in the Specialty Textile Chemicals business of the company. Over to you, Arindam ji.

Arindam Choudhuri:

Thank you, Aarti ji, and very good morning, everyone. Coming on to the Textile Specialty Chemicals, the industry environment remains stable with healthy underlying demand during the quarter, both globally, as well as in India.

Expanding on to India-US trade deal, its key point, its effect on the textile sector. It has the potential to significantly strengthen Indian textile export competitiveness, which adds further excitement in the domestic textile and garment producers, particularly along with the evolving trade, framework and partnership with the UK and European market, which we all aware.

Demand continued to be supported by recovery in the apparel export, growth in home textile, increasing penetration of technical textile by Government of India and rising adaptation of the sustainable and performance-driven chemical formulation.

Indian textile export grew 2.1% year-on-year in FY '26 to 3.16 trillion. I repeat 3.16 trillion, led by ready-made garments, growth occurred across 120-plus destination despite challenges last year like US tariff and West Asia disruption.

Also, very interestingly, domestic demand remains steady, supported by the urban consumption, home furnishing depart specifically and government initiative towards technical textile and manufacturing expansion in the particular technical textile field.

Within Specialty Chemicals, demand for value-added finishing and performance chemicals remain relatively stronger compared to last year. And also, the conventional auxiliary products are also moving quite well, which continues to benefit companies with diversified and innovation driven product portfolios like us.

Going forward, we remain optimistic on the sector outlook supported by China Plus One opportunity, supply chain diversification, sustainability driven demand and potential benefits from ongoing trade agreement and FTAs across key export markets.

Now I'll request Yusuf ji will highlight the opportunity and the tailwinds in the Oil & Gas specialty chemicals sector and future tie-ups. Over to you, Yusuf ji.

Yusuf Contractor:

Thank you, Arindam ji. Good morning, everyone. Coming on to the Oil & Gas segment. The overall industry environment continues to remain constructive, supported by stable upstream and midstream activity levels across the global energy markets, particularly in North America.

Demand trends remain healthy across specialty oilfield chemical categories. Customers globally are increasingly focused on operational efficiencies, production optimization, water management, sustainability and high-performance formulations. This continues to drive demand for value-added specialty chemical solutions and technically differentiated products.

From a strategic perspective, the recent US acquisition represents an important milestone in Fineotex's long-term vision of building a diversified global specialty chemicals platform. Beyond the immediate scale-up in the Oil & Gas segment, the acquisition strengthens our technological capabilities, manufacturing footprint, customer access and presence in high-value specialty chemical markets.

Our approach towards partnerships and acquisitions remains highly disciplined and strategically aligned. We are evaluating opportunities that can enhance our product basket strengthen our presence across niche and high-margin chemistries, provide access to new geographies and customer relationships and further deepen our technical capabilities.

With a strong balance sheet, improving global scale and a proven execution track record, we believe the company is well-positioned to participate in the ongoing consolidation and transformation within the global specialty chemicals industry, while continuing to create sustainable long-term value for all stakeholders.

Now I request Sanjay ji to guide us through the financial performance of the company. Thank you.

Sanjay Tibrewala:

Thank you, Yusuf ji. Thank you. Good morning, everyone. I would like to start by highlighting to all that quarter four financial year '26, our revenue from operations grew by 162% to INR314 crores, compared to the last year quarter. This strong performance was driven by healthy underlying demand across three business segments, along with robust contribution from our newly acquired business.

Our profit after tax for the quarter grew by 118% to INR44 crores, compared to INR20 crores in quarter four financial year '25, reflecting both strong operational performance and improving business mix.

Additionally, our international revenue contribution increased significantly to 70% in quarter four financial year '26, demonstrating the growing scale, traction and the growing global diversification of our business. From a return ratio perspective, the company continues to maintain healthy financial metrics with ROIC at 31%, reflecting efficient capital allocation and disciplined execution.

Further, our working capital cycle remains healthy at 79 days despite the significant scale-up in international operations and business integration activities. Since the acquisition, we have undertaken several operational initiatives focused on improving execution efficiencies, enhancing scalability, optimizing capacity utilization and strengthening customer servicing capabilities.

These measures have started yielding encouraging results, including improvement in EBITDA margins. Importantly, even post-acquisition and through the ongoing expansion initiatives, the company continues to maintain a strong financial position, enabling us to remain focused on both organic and inorganic growth opportunities going forward.

Going forward, the company remains actively focused on expanding its global specialty chemical portfolio through a combination of organic growth initiatives, strategic joint ventures, technology collaboration and selective inorganic opportunities across high-growth specialty chemicals segment.

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

Moderator: Thank you very much. We will now begin with the question-and-answer session. We will take the first question from the line of Amit Mehendale from RoboCapital Capital. Please go ahead.

Amit Mehendale: Thank you, and congrats on great set of numbers. My first question is on our US acquisition of CCT. Are we expecting \$200 million of revenue in FY '28? And because I was looking at the PPT where it mentioned the specific number, and the timeline as well. And also, what type of EBITDA are we looking at in terms of EBITDA percentage as we scale up the business?

Sanjay Tibrewala: Yes. Thank you so much for this question. This is something, which we have been answering very often. So yes, already, if you see the run rate at what we are in quarter four, if you annualize it, it's already touching almost \$90 million to \$100 million and the kind of traction, which has been seen with the customers, the kind of technology transfers we have done, the kind of efficiencies, I am very confident that the team will be able to deliver a \$200 million business in the coming times.

At the same time, the EBITDA margins have been improving considerably with the, kind of, the resources, which we have -- after our -- after we being the shareholders in CrudeChem, we could have a lot more resources on machinery, manpower, negotiations and suppliers' negotiations. So, these factors have contributed to increase of EBITDA. So going forward, I think comfortably, we should be at EBITDA of 15% more or less.

Amit Mehendale: Great. Thanks for that. And in terms of business, I was looking at customers like Halliburton, Schlumberger, Bakers. These are all marquee customers. So what type of services are we providing to them? Any color on some products and services will be great?

Sanjay Tibrewala: So how it happens, I'll just give you a general overview of how the business model works. So, one part of the business is to produce the specialty chemicals. The second part is to provide technical services to the end users. And the third thing is also to give the last mile deliveries.

Now in North America, I mean, unlike in India, the transportation, the deliveries and the other kind of services have a great importance. Because that's something, which the American companies are looking forward for.

So it's like on-time delivery, the kind of consignment sales, the kind of technical services to explain how do we get more better output to get the right kind of efficiency. So these are the

kind of -- so our offering is not only producing specialty performance chemicals, but we provide a lot of sustainable solutions and technical services.

So, the kind of, package and the systems we set with the customers is something, which is much appreciated by the customers, and that's quite evident in the traction and the way the things are going ahead.

Amit Mehendale: Great sir. And we were also talking about doubling the capacity. So at peak capacity, what will be our revenue for the US business?

Sanjay Tibrewala: So as such, already, we have been increasing the capacities from December onwards. This month also, we are seeing a great increase in the capacity, a lot of machines have been ordered, and we are just installing it maybe in a couple of weeks, things should also be increased to a great extent.

I think easily, we should be looking at touching a business of \$200 million with the new investment we are going to do in the machineries. At the same time, there has been a lot of product mix and a lot of traction in the customers demand, and the kind of sustainable solutions, which we have started providing in Oil & Gas is something, which is also picking up dramatically.

So, we are totally geared about it. Earlier, our expectation to touch \$200 million was something in 2030. However, I think that should not take so long now. It should be definitely before 2028. So this is the kind of action going on.

Amit Mehendale: Great sir. And what type of investment...

Moderator: Sorry to interrupt in between, Amit. I would request you to please rejoin the queue again for more questions.

Amit Mehendale: Sure. Thanks.

Moderator: Thank you. We will take the next question from the line of Pritesh Chheda from Lucky Investments. Please go ahead.

Pritesh Chheda: Sir, on the CCT side, can you just explain us where is this whole growth linked to for us to better comprehend the scale up to \$100 million and the scale up to \$200 million revenue in a couple of years' time. So, is it a fair assumption that it's actually linked to the US Oil & Gas production and you could give some linkages there?

Sanjay Tibrewala: Yes, definitely, the market in North America has been growing rapidly, and also not only North America, I mean, the Suriname and Guyana, these are the new places, which is coming up in Venezuela also is getting into the limelight from most of the users, service providers. So around North America, there is no doubt that the oil activities are going to go up furthermore.

CCT is well-poised for having the best kind of systems and the best kind of customers' approach. Historically, they have been working with all the biggest users, let's say, all the biggest marquee

names, which must be there on the investor presentation as well. So, these are the kind of companies with CrudeChem has a great history.

The demand has been growing, and they have been seeing a lot of value, which CCT has been providing in general in terms of last mile deliveries, technical services. We have been trying to make the processes more sustainable by reducing the time taken for the oil drilling activity. So there is a lot of combination of factors, which is leading CCT to the next level.

Right now, what has been experienced in the quarter four is something, which is the base what is already done. But already, as I see even now and going times, I think the order book is too strong enough even to comment right now. But I can say on a conservative number, the quarter four was the baseline for the next step.

Pritesh Chheda: I am presuming that the oil production will not double in US in a defined time frame, but your revenue is expected to double. So, is it some contracts that you have won...

Sanjay Tibrewala: So, let me tell you how it is. The market where we are catering to is about \$4 billion, the products, which we are in, okay? This is the scope of the market. It's there in one of our investor presentations probably. So the North American market is growing. There is no doubt about it. I mean this is -- especially in the last four months, the trend has picked up, and it's not going to stop.

This is the entire global conflict according to us is helping North America in a very long perspective. So, the business is growing. The customers' demand is increasing. At the same time, we are able to get a stronger wallet share. The companies are now looking at CCT to replace most of their suppliers because after the involvement of Fineotex, there has been great capital investment going on.

Things have been changing. The customers' trust has been brought back into a very strong level. So there is a lot of things, which is factoring around. Business market is growing and CCT is taking a bigger share of it. So that's something what we are looking at.

Pritesh Chheda: And \$4 billion is the US consumption of these products?

Sanjay Tibrewala: I'm sorry?

Pritesh Chheda: \$4 billion market is the US market size alone or is it...

Sanjay Tibrewala: Yes. It's I think \$3.5 billion or something. But yes, that I'm talking about the North American market only. Our focus is North America and surrounding only for the moment. However, we have also started taking care of the Middle East businesses.

In fact, a couple of days back, I was there. Our team right now, Aarti and the Oil & Gas team is also in Oman. Today, we have a fair in Oman, in OPES, Oman Show. So we are tapping wherever the opportunities are coming in from Middle East as well.

Pritesh Chheda: So, you need to set up a facility in future? That's how we're doing in Middle East?

Sanjay Tibrewala: So, right now, we already have a subsidiary where we were supposed to start a plant. It's in Ras Al Khaimah in UAE, and we were supposed to start the plant there. Thereafter, we had a plan to start from organically, rather there are a lot of opportunities, which are coming in, especially in these times for inorganic acquisitions for companies who are looking for growth capital and things like that.

So this is something, which we are discussing with such companies for how do we bring it under the Fineotex umbrella. So, yes, eventually, there will be something or the other, which is going to shape up in the Middle East. There's no doubt about it.

Pritesh Chheda: Okay. Thank you.

Sanjay Tibrewala: Thank you, Pritesh.

Moderator: Thank you. We will take the next question from the line of Darshil Jhaveri from Crown Capital. Please go ahead.

Darshil Jhaveri: Hello. Good morning, sir. Thank you so much for taking my question. Firstly, congratulations on a great set of a result sir. Hopefully, I am audible?

Sanjay Tibrewala: Could you be a little loud, Mr. Jhaveri?

Darshil Jhaveri: Hello, hi. I hope this is better, sir.

Sanjay Tibrewala: Yes, much better. Please go ahead.

Darshil Jhaveri: Yes. Hi, sir. So, sir, just wanted to understand with the \$200 million target that we have from CCT business itself, what is the revenue guidance that we could give for FY '27 and FY '28?

Sanjay Tibrewala: I mean, Mr. Jhaveri, there are so many things going on. I don't want to be too vague enough to be wrong, but there are so many things moving around. And I think whatever we have seen in quarter four is the base, which we have set going forward.

So we also revised, we were planning \$200 million business in 2030, which is now revised to 2028 because also a lot of our technology transfers have also been done from Fineotex, a lot of products are going to be produced and already being produced in US where the market is. So, we are going more closer to the biggest giant global Fortune 500 customers, giving them the last mile delivery, giving them the right technical services, things are moving, and we are trying to do and achieve whatever best we can.

So, I would not be able to share any forward-looking statements here. But in general, this is what is the trend, and we are on the right pitch. There is a great tailwind, which has come to us in the industry, and we are grabbing whatever opportunities coming to us.

Darshil Jhaveri: Okay. Fair enough, sir.

Sanjay Tibrewala: Thank you, Mr. Jhaveri.

Darshil Jhaveri: With regards to the margins, like, as you said that we are also now getting the operating leverage in. So, I think Q4 was around 14%. So on a steady-state basis, what do you expect it to be going forward? I understand CCT will take some time at the lower end of the business in terms of margins. But what do you feel a consolidated margin range can be? I don't want any exact number, or range will also be there?

Sanjay Tibrewala: So, all along, Fineotex has been proven for operational efficiencies in the last 15 years of being listed. Always, our EBITDA margins have been minimum in any of the quarters of, let's say, 60 quarters of being listed, Fineotex EBITDA have always been minimum 18% to 28% on the general level.

So, this is something, which we are very much capable to bring more operational efficiencies and see wherever we can invest in the right technologies and the right inventories and other things.

On a blended level, we would always look at getting to an easy EBITDA of around 18% to 20%, and that's what we are heading to. I think it's not too far from now, but what's more important right now is to drive the businesses and take the maximum businesses in control, and then keep working on the operational EBITDAs and operational efficiencies.

As, you know, there has been a massive change in the global freight rates, logistics, everything is getting moving around here and there. So in such times, if we are able to perform like this, I'm very confident our team is going to do a great show once the situation gets much better than where it is today. So, I can easily envisage that 18% to 20% blended should be easy, should be achievable by us.

Darshil Jhaveri: Fair enough, sir.

Sanjay Tibrewala: Thank you, Mr. Jhaveri.

Darshil Jhaveri: I just want to ask, when we are saying we want to double our capacity in CCT, what kind of capex are we incurring right now? And how much of it has already been spent, sir?

Sanjay Tibrewala: So there has been a lot of capex being done. In fact, after the acquisition also, the Fineotex has already done a capex of around \$7 million. And, I mean, Fineotex has extended the funds to CCT for investments further of almost -- the line of -- this thing is almost \$7 million. So, yes, this is going on.

And as you can see, the Fineotex has -- there is no debt on books, It's a cash-rich company. So, this is something, which we are looking at where all we can get the best return on our capital, and that's exactly what we have been doing now. Going forward, we will keep updating all the participants and investors on the exchange level about the capacities and the investments going forward.

Darshil Jhaveri: Okay. And just last question if I may, sir.

Moderator: Sorry, to interrupt in between, Darshil, I would request you to please rejoin the queue again.

- Darshil Jhaveri:** Yes. Okay. Thank you.
- Moderator:** Thank you. We will take the next question from the line of Nalin Shah from NVS Brokerage. Please go ahead.
- Nalin Shah:** Sanjay ji, congratulations for the entire team for the excellent performance of Q4. I have a few questions regarding the...
- Moderator:** Sorry, to interrupt in between.
- Sanjay Tibrewala:** Yes, Mr. Nalin Shah. Please go ahead.
- Moderator:** The line for Mr. Nalin has been disconnected. We will take next participant.

We have the next question from the line of Keshv Garg from Counter Cyclical PMS. Please go ahead.
- Keshv Garg:** Sir, many congratulations for an extremely attractive valuation that you completed in CCT. Sir, there are two questions. So, firstly, the consolidated EBITDA margin is 14% for Q4. Sir, so for FY '27 itself, you are expecting the EBITDA to increase to the range of 18% to 20%? Or will it be a gradual increase? And if so, what is the broad EBITDA at consol level for FY '27? And sir, secondly, we have 53% stake in CCT, so any road map to increase it and make it into a fully-owned subsidiary or we will stay at this level only?
- Sanjay Tibrewala:** So, to take your first question, there has been enhancement in the EBITDA. There has been enhancement in the businesses also. You will see that eventually, even from this quarter, you will see, like I said, in a way that what you saw in quarter four was a base. Things are getting much better than where it is now, where it was before.

There is no doubt that eventually we'll be targeting and touching the blended EBITDA, what I mentioned to you, one of the participants just now. And so yes, that's the outlook where we are confident enough to develop.

Coming to your different question about the stake. So, yes, we have already signed with the founders that further 25% has to be sold by them to Finotech's in January '28. It's part of the agreement. So that's about it. So that is going to add us to almost 79% or 80%.
- Keshv Garg:** Great, sir. And sir, my final question that the remaining business, non-CCT business, sir, so it seems that we have been flattish for the past three years. Sir, so now in FY '27, you think we can break out from the range that we have been stuck for the past two, three years?
- Sanjay Tibrewala:** Well, I mean, I would like to mention to you the volumes have already been picked up, number one. Number two, even if you talk about textile specialty, so our team has done a commendable job by now. We have already gone up by almost 8% if you compare quarter 4 by quarter 4 year-on-year basis.

So this is something which is -- as you know, the last year, financial year '26 was almost one of the worst year of the decade for the textile companies because of the sanctions and the kind of geopolitical situations from the U.S. and a lot of things were moving around.

And so, going forward, there is no doubt that -- and also -- I mean, we are already experiencing it. From April itself, there has been quite a good movement in the textile demand and also the textile companies are doing much better than what they were doing before, because now India has 3 big treaties, which is very important for the textile companies to export, which is U.K. is 0 tax, EU and U.S.A. is back. So, all the 3 things, which has come to India.

At the same time, the fuel cost here has not gone to a different level compared to Pakistan and Bangladesh. So I think the industry and the government is doing a commendable job to protect the textile industry. I see a great growth in textile businesses in comparison to the last year, and that also translates that our business is going to go up.

And not only because of that reason, but also because of the reason that we have been able to get more attention from the customers, more wallet shares from the existing businesses. So yes, that's the way it has been shaping up. So we are very confident this is also the color here is also going to get more improved.

Keshav Garg: Great, Sir. Thank you very much and I'll join the question queue.

Sanjay Tibrewala: Yes.

Moderator: Thank you. We will take the next question from the line of Sunil Jain from Nirmal Bang Securities Private Limited. Please go ahead.

Sunil Jain: Yes. Congratulations, sir, for the good numbers. Sir, my question relates to, is it possible for you to share the numbers of the CrudeChem for fourth quarter?

Sanjay Tibrewala: So I'll be sharing those details with you. It's almost -- I'll give you the details. It's more or less INR170 crores or something like this on the -- INR165 crores. So that can be shared. But as such, we are not -- I cannot give most of the details right now. We can always connect about it and give you more information with our Investor Relations company or you can contact our team members also for that.

Sunil Jain: Second question, sir, related to working capital for CrudeChem. So if you can talk about that, how is the working capital cycle for them is inventory days or debtor days for them?

Sanjay Tibrewala: So actually, the times are such now that there is a shortage of raw material, sometimes the inventory, the logistics are all haywire. There's a lot of planning being done. Logistics is -- globally is not in the right shape. So now the way to do it would be is not to look at too much of a working capital, because it's going to get better in future. But right now, the number -- the working cycle is almost 80, 85 days, and that's what it is going on right now to answer that question.

Sunil Jain: Okay. And any plan for the investment...

Moderator: Sorry to interruption between, Mr. Sunil. I will request you to please rejoin the queue again for more questions.

Sunil Jain: Okay. Great. Thank you.

Moderator: We will take the next question from the line of Karan Kamdar from Choice Institutional Equities. Please go ahead.

Karan Kamdar: Hello. Hopefully, I'm audible Congratulations, sir, on a great set of numbers and a great acquisition at a cheap valuation. Sir, if you could throw some color on working capital again. On the last 2 years, it's been on an increasing track. So where do you expect this number to sort of stabilize? And our OCF was also sort of negative for this full year. So is this something to do with the acquisition or how would it work out for the next year?

Sanjay Tibrewala: Perfect. So let me tell you the working capital right now is almost 79 days, which is at par with the industry requirements. There is no doubt about it. Number two, right now, as you can also understand the kind of uncertainty in the availability of raw materials and other logistics and the kind of delays, which is happening globally.

It's very important to keep inventory -- higher inventories in control because of such kinds of -- we have to -- we are committed with our customers and that we need the stock in place. So right now, inventory is not the challenge. It's not the focus also. Working cycle, anything below 90 days is one of the best ways to work around.

Also, keep in mind, we have a great negotiation going on. That's also reflected in the EBITDAs. So having working cycle a little longer doesn't lead to any kind of a discomfort on that line, because overall, what is important for us is customers trust, the stock availability. So it's a strategy which is working very well for us. And so working capital right now is around 79 days. But even if it's up to 90 days, it's not a big problem for us. So that's number one.

And regarding your question, as you have rightly spotted out, regarding the investments, yes, as the company had acquired, there has been -- as per the accounting policy, we have to deduct the investments of our acquisitions in the operations from cash flow, which is a one-time thing, and that's already been reflected.

Going forward, you will not -- you will have -- that entry will not be there. So obviously, you will see the positive cash flows from operations. Actually, till now also it's positive only. However, from the accounting point of view, because the acquisition money has to be deducted from the operations from cash flow. So that's why you can see that kind of a number.

Karan Kamdar: Got it, sir. Sir, on the CCT side, if you could throw some color on what sort of products are we looking to sell, and is it service based or is it more product-based? That will be my last question, sir. Thank you.

Sanjay Tibrewala: So anything what we do in Fineotex and CCT is a combination of 3 things: manufacturing specialty performance chemicals, that's number one; providing sustainable solutions by reducing

the water content and the time for the processing, that's number two; and number three is providing technical services and the last mile delivery.

Now, last mile delivery is very, very important in this business or at least in the North American side, because service is something which is very, very important for Americans and the kind of customers. I mean, they are global giants. Everything what they look forward from the vendors is that how much is -- what kind of support is there, what kind of confirmation on the stocks and inventories and everything and deliveries. So that's also one part of it.

So this is something which CCT has been doing. And so there has been a lot of modifications in the decisions making in CCT after our involvement. And like there has been increased -- dramatic increase in the R&D expenditures, R&D marketing team members have increased.

A lot of machinery and production activities have been shaping up. So all in all, we have been able to lead this company in a very different -- into a different level already. And I think that's helping a lot. And we can see what's the kind of positiveness in the customers and the delight, which has come to CCT now.

Karan Kamdar: Okay. Got it, sir. Thank you, sir. All the best.

Sanjay Tibrewala: Thank you so much, Mr. Karan.

Moderator: Thank you. We will take the next question from the line of Vinay Nadkarni from Hathway Investments Private Limited. Please go ahead.

Vinay Nadkarni: Thanks for the opportunity. Sanjay ji, brilliant set of numbers. Nice to see growth coming back after 2 years of little hardships. I just have -- I mean, I can touch base with your team later for the financials. I just wanted a couple of things. In CCT, do we follow the same logic that you used to follow in FCL, which is tailor-made products for the customers or so that there is more customer stickiness going forward?

Sanjay Tibrewala: Absolutely. That's befitting our model itself. So it's exactly the same thing. Everything is tailor-made. Everything is designed as per the customer. In fact, to be more precise, like in India, we don't have too much of weather fluctuations, whereas in U.S., we have to tweak the products accordingly to have working it in minus 20 degrees with snowfall.

At the same time, sometimes it is 40 degrees or 45 degrees centigrade also. So in fact, the challenge there is more. There is more customization required there, which we have been proving ourselves very well.

Vinay Nadkarni: Was that being done by CrudeChem even earlier? Or was it added after you joined them?

Sanjay Tibrewala: No, it is already there. I mean -- so basically, let me tell you what -- so basically, why this -- so we have actually invested for growth capital, let's put it like that. So our involvement was for growth capital. There were a lot of advantages which CCT saw in Fineotex, the technologies, the kind of way the Fineotex has been evolving from the last 15 years, and especially in the last 6 years, what Fineotex has been -- the way the operational efficiencies have been picking up.

So broadly, CCT could see that, and that's why we were there for joining hands and taking it to the next level. But CCT had these kinds of strategies in place. But there was something which was required together, and this is something which we have achieved now and things are looking much more positive going forward.

Vinay Nadkarni: Great. I think it's a great acquisition. Just one last question for you. When you said 18% to 20% of blended EBITDA going forward, would that be in F '27 or would you look at that as F '28?

Sanjay Tibrewala: We are trying our best to make it as soon as – as quickly as possible, but I think this can be reflecting even in this financial year. So, I won't be surprised rather on that.

Vinay Nadkarni: Okay. Thank you very much, sir. All the best.

Sanjay Tibrewala: Thank you so much. Thank you, Mr. Vinay.

Moderator: Thank you. We will take the next question from the line of Nalin Shah from NVS Brokerage. Please go ahead.

Nalin Shah: Sanjay ji, first of all, my heartiest congratulations for achieving such brilliant performance in the midst of such uncertain world order. It is an excellent performance. Some of the questions which comes to my mind is that looking to the future, one, that what is the kind of top line which you would like to sort of project in next 3 years, because after this acquisition, it appears that it has become a game changer for the company. So what is the kind of top line you are expecting from here?

And as you rightly said that Q4 is establishing the benchmark for the future, so in the light of that, I would say, broadly, we come to the number that your top line could be in the vicinity of about INR1,200 crores, INR1,250 crores and bottom line could be something like INR175 crores, INR185 crores. This is my second question.

And my third question is, are we going to have any more consideration for acquisitions or we are going to first, I mean, take the full advantage of this acquisition, which we have already made and then only consider the next acquisition, if at all?

Sanjay Tibrewala: Thank you so much, Mr. Nalin Shah. So, okay, so taking up your first question, what I mentioned was the quarter 4 numbers are the base numbers. It's not reflecting that this is all about it. And this is just a base which has been set. The way the things are going on even in the current scenario, the kind of demand coming from the customers, I am very sure that there is a lot of things which are going to happen even this year.

Nalin Shah: Excellent.

Sanjay Tibrewala: Going forward, I think with Fineotex organic growth, the kind of -- last year, we had a new plant investment in India, which is in Ambernath, plus we have the CCT now with us. I don't feel a challenge that it can go another 3, 4 times in the next 4 years or something like that. So this is something which is within the range. And I think we will be looking at it.

And also, keeping in mind that, EBITDAs are going to be much better than where it is step-by-step. So eventually, gradually, things will get much better on that things. Again, coming to a good touch, which you mentioned about further plan with the inorganic acquisitions.

So as you can see, Fineotex is very disciplined in deployment of cash, and in the last 15 years, this is the second acquisition. The first one was done when the IPO came in 2011. That was Biotex, which is a European producing specialty chemical company in Malaysia, which was where Fineotex acquired 72% in 2011 after the IPO. So this was the second one.

So anything which comes -- and Fineotex, we are -- we have a very good -- we look at synergies, number one, either in terms of the markets or either in terms of the chemistry, if it's fitting our the chemistries which are doing like polymerization, esterification, sulfonation, phosphonation or anything, something like that.

We are always looking at those angles. There is a lot of excitement coming in the semiconductors businesses, database, water treatment chemicals in U.S. This is something which is already on the cards.

We have some more professionals. In fact, Mr. Yusuf has also been introduced. He is the M&A business head and also taking care of the investor relationships. So there is a lot of action going on for tie-ups, joint ventures and any kind of stake sales, which is happening around.

So if I can give you something, our focus area will be more on U.S. and maybe Middle East also on that line. But U.S. is something which is definitely -- I mean, one cannot go wrong in U.S. That's the way it is because the demands are unimaginable.

So in fact, to touch something more, I spend most of my, let's say, almost every month, at least for 10 days or 15 days, I'm more or less in U.S. And there is a lot of action going on. There is a lot of new manpower and on the business front being added on the team members onboarding. A lot of actions are going on that line.

Right now, we are looking at certain more opportunities. And so there is a good cash -- cash on bank in Fineotex is more than INR300 crores even as we speak after doing the acquisition and things like this. And also after doing the kind of investment we have done in the inventories and the business scale up and the machines and other things. So this is where we are today.

I think any great opportunity similar to CCT is always welcomed. We are looking at certain things. As and when we proceed ahead, we will always be, as usual, updating to all the investors and participants via the stock exchange medium and so it's in the mind. So this is -- so our focus is how do we organically grow Fineotex, Biotex, CCT, and also look at any inorganic opportunities, whichever comes on the way.

Nalin Shah: Excellent, sir. Congratulations once again. And my last question, can we just take it as you said, 3x to 4x...

Sanjay Tibrewala: Go ahead. Yes.

- Nalin Shah:** You said it could be 3 to 4 times from the present. So can we assume -- I mean, very, very reasonably speaking, that in 3 to 4 years' time, we could be a INR3,000 crores top line company from here?
- Sanjay Tibrewala:** Oh yes. That if the way the things are going on, I would not be at all surprised if we don't -- I mean, touching that number will -- I mean, I will be rather surprised if we don't touch it.
- Nalin Shah:** Excellent. Excellent, sir. Once again, congratulations, fantastic and best wishes to the entire team. Thank you.
- Sanjay Tibrewala:** Thank you, Mr. Shah.
- Moderator:** Thank you. We will take the next question from the line of Anupam Agarwal from Lucky Investments. Please go ahead.
- Anupam Agarwal:** Yes, hi. Thank you so much for taking my question, and good morning and congratulations to the entire team for a great set of numbers. My first question, sir, would be at group level on the raw material side, what kind of raw material supply chain tightness are you looking at? That is one. And secondly, also what level of -- what percentage of your contracts are spot and what are contracted for basically and what time lines are those contracts for?
- Sanjay Tibrewala:** So by and large, in the businesses of Fineotex or CCT, it's not based on contracts. It's not government orders where you have to follow the kind of the volume commitments or the pricing. And again, there's a tender, there's nothing as such, okay? So it's more driven in the similar lines like the way Fineotex has been doing.
- We keep inventory in hand for a month or 2. As soon as there is an increase in the prices, we start talking to our customers to pass on the increase. This is something which we have been doing in CCT also and in Fineotex also. That's going very well.
- The only thing is that, yes, as we all experienced some kind of logistic issues globally and the freight cost and the container shortages already, which has been happening in almost all the sectors. So this is something which we have navigated. I think the worst is behind us. I think the last quarter and also the April month was something which was a bit of a challenge to realign, readjust our inventory levels, readjust our pricing.
- So there was a lot of efforts, a lot of time taken and the team has done a very great job and to win the trust of the customers as well as pass on the cost to the consumers. So this is what has been done and making sure the margins are maintained. So that is something what we always love to do.
- Anupam Agarwal:** So on a basket level, what -- how much raw material price increase have you seen in the fourth quarter and, let's say, even in April? And how much have you been able to pass on?
- Sanjay Tibrewala:** So I mean, it's a very generalized question actually. It's very difficult to answer you numerically. There is a lot of things which moves on. And sometimes what happens if -- I mean, from a chemistry point of view, I mean, how do I put it like if -- I mean, if I can give you an analogy

like if the price of wheat is going up, then we can use maida for the food. So the consumers, we adjust it as per the chemistry availability, because these are performance chemicals, let me tell you.

I mean, our cost or our ingredients of the chemicals is not the whole perspective of the consumers. What is important is either are we able to give the right performance? Is it giving them the right value and solution? That's all it counts. And so the customers are also very much willing in such times, they also understand that things are changing.

They also need to run their show and they know that Fineotex, CCT and Biotex are the companies which can be relied upon, and it's already the brand which is shaping up in a very stronger way. And I think -- so we are making sure that the customers are delighted to work more with us. They are also absorbing the increase. We keep passing on the increase. And by and large, our team has done a very good job. That's what I can say.

Anupam Agarwal: Understood. Last question, what has been the plant level utilization at Ambernath and at CCT?

Sanjay Tibrewala: So I mean, it's a very too deep a question. But generally, I can tell you that we had a good volume increase also due to the CCT addition. So overall, we are at 60%, 62% broadly at the moment on the quarter 4 numbers. And that's also getting -- in the quarter 1, I can see again there that has been going up. So yes, that is something which is growing.

And even in the Ambernath one, things are getting better than where it is before because textile has also picked up, the volumes has gone up and the volume of textiles has also gone up by -- I was just checking the details, I think it's around 10% or something like that has gone up in the volume basis. So yes, that's something which is helping us to go ahead.

Anupam Agarwal: Perfect. Perfect. Thank you so much for answering my questions, and wish you all the best for the upcoming quarters. Thank you.

Sanjay Tibrewala: So just to complete that part, I just got the numbers in front of me. So it's 15% volume has gone up in textile, just to answer that -- complete that question over there, okay?

Anupam Agarwal: Understood. Thank you so much.

Sanjay Tibrewala: Thank you so much.

Moderator: Thank you. We will take the next question from the line of Rohit Ohri from Progressive Shares. Please go ahead.

Rohit Ohri: Hi team. Many congrats to Aarti for receiving this invitation from the Honorable President of India.

Sanjay Tibrewala: Thank you. Thank you very much, Mr. Rohit.

Rohit Ohri: Yes. Sanjay, I've got a few questions. First one, is there any sort of seasonality that we see in the CrudeChem business?

Sanjay Tibrewala: Not at all, actually. This is something which there is no seasonality in this business. It's like drilling and completion, production keeps going on and on. U.S. is the best place to be for those segments. I mean there is no seasonality on this business.

Rohit Ohri: So on a steady state, then CrudeChem can give us somewhere around INR600 crores, INR650 crores kind of a top line, right?

Sanjay Tibrewala: Yes, easily. There's no doubt about it.

Rohit Ohri: Okay. Can you take us through this development or maybe this expansion that you're looking at Midland?

Sanjay Tibrewala: I mean, yes. So basically, we are adding more capacities there. There has been addition in the R&D team members. A lot of -- many PhDs have joined recently. So a lot of resources, machines, manpower, everything has been increasing and to maintain these kind of growth rates and readjust the resources, we need those kind of investments, and that's shaping up very well.

Rohit Ohri: Any number you'd like to put that after 2 years or so, what sort of revenue can come from this?

Sanjay Tibrewala: Things are -- Mr. Rohit, things are getting so quickly changing, growing positively. Whatever I tell you today, I don't know, I can hold it to after 1 month or not. But what we are trying to do right now not to look 2 years, 3 years, because every quarter, every half year, we feel that, this is something new, which has happened.

So we are trying to look at the initial steps and rather than only look at the -- in the -- after 2 years or 3 years because right now, also, there has been a big traction in the customers' demand. We are trying our best to capture as much as opportunities we can right now, which will require more expansion.

So expansion is ongoing. So we cannot plan now for 2 years, because already whatever we are planning now is for the current quarters and the next quarters. That's it. So that's the kind of traction which we are seeing.

Rohit Ohri: Are there any sort of chemistries which are difficult for the competitors or somebody to come up or any technical barriers which are there, which is protecting the business right now for us from CCT?

Sanjay Tibrewala: I mean there are a lot many factors. It's not only production, it's technical services, it's the last mile deliveries, it's the kind of customer profile we have. These are the companies where it takes 2 years also to introduce and to get the right people in the company. So having these kinds of volumes with this company itself means a lot.

And the companies, is rather -- even if I talk to you, even if you talk about the wallet share, I can -- I would like to make this statement here. The wallet share increase with the kind of customers we have right now, forget about adding more customers, can easily go to 5x.

So rather, even if you don't get any new customers, I'm just saying hypothetically, with the same customers, we have a potential of going 5x because they are giant companies. I mean they are all like \$50 billion, \$30 billion, like Shell and Exxon, if I'm not wrong, they are like \$500 billion, \$0.5 trillion companies or something like this.

So I'm just trying to say the potential there is enormous. And they need companies like us. They need companies like us to serve them. It's not only producing the last-mile deliveries, it's about giving the technical services.

There is a lot of things involved. It's not just -- it's not the China kind of businesses where we are. It's more customization, tailor-made solutions. And also, there's a lot of -- like I said, the weather is also very important in North America. It's not the -- everyone can digest that.

Just to tell you just an example, it had a snowfall in last January and the snowfall was predicted 5 days, 6 days, 7 days before. All the oil companies had to shut down even the pipelines, because if there is a snowfall, all the pipelines will also get choked. So there is a lot of things where weather is also playing.

So it's not that the Chinese can come down there or Indians can come down there and capture the market. This doesn't work like that. So this is just to give you an example about it. And yes, so...

Rohit Ohri: My last question, we see there is a small shift that is happening in the business mix. But currently, if you can tell us that what is the business mix for maybe textile oilfield and maybe after 2 years or 3 years, do you think that it would be that the oilfields will take over the textile business?

Sanjay Tibrewala: So let me tell you something. From the value revenue point of view, textiles has picked up even in the last quarter, okay? However, the percentage composition of textiles contribution to total revenue has gone down to 36% or 35%. This is not because textile, like I said, textile has still grown up, but the other industries for us has grown much higher.

So that's something which has -- so wherever we are today, it's growing. There is no doubt about it. However, with the addition of CCT and furthermore technology transfer, some of the technologies we transferred to CCT as well to produce and service the customers there. And that has also helped us to have more businesses in our -- in the newly acquired U.S. company group.

So that's the point. So that's something which is going on. And at the moment, almost oil is 60%. Oil Specialty Chemicals is contributing to almost 55% to 60% in terms of value and revenue for the quarter 4.

Rohit Ohri: Okay, Sanjay. Thank you for answering my question. All the very best for future.

Sanjay Tibrewala: Thank you, Mr. Rohit.

Rohit Ohri: Thanks a lot.

Moderator: Thank you very much. Ladies and gentlemen, we will take that as the last question. I now hand the conference back to the management for the closing comments.

Sanjay Tibrewala: So thank you, everyone. Thank you participants for joining in. I would like to thank all of you. And if there is anything you want some further insight or information, our team will be very much delighted to reply to you as soon as possible.

You can contact our Investor Relations team. The e-mail IDs are with you or you can contact Mr. Yusuf Contractor or you can contact the Adfactors team. And we will try our best to explain you the developments. And going forward, you can expect a more stronger days going forward. Thank you very much. Have a good week ahead. Thank you.

Aarti Jhunjhunwala: Thank you, everyone. Thanks a lot.

Moderator: Thank you, members of the management. On behalf of Fineotex Chemical Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines. Thank you.