



SUPREME PETROCHEM LTD

Regd. Office :

Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400 093. INDIA
② : 91-22-6709 1900 Fax - 022 - 4005 5681 • CIN : L23200MH1989PLC054633
Website : www.supremepetrochem.com • Email : corporate@spl.co.in

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BSE Limited
Phiroze Jeejeebhoy Towers,
1st Floor, Dalal Street,
Mumbai - 400 001
Script Code - 500405

National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Bandra East,
Mumbai – 400 051
Scrip Code - SPLPETRO

Dear Sir/Madam,

Sub: Transcript of Earnings Conference Call of Supreme Petrochem Ltd ('The Company')

Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Please refer our letter dated January 16, 2026, wherein we had informed you that Earnings Conference Call with investors of the Company will be held on Friday, January 23, 2026 to discuss Q3/9M-FY26 earnings.

Please note that the said conference call as scheduled was held at 04:00 PM (IST) on January 23, 2026. In this regard, pursuant to Regulation 30 of Listing Regulations, please find attached Transcript of the call with investors of the Company.

This is for your information and record.

Thanking you

Yours faithfully,
For **SUPREME PETROCHEM LTD**

D. N. MISHRA
COMPANY SECRETARY





Supreme Petrochem Limited
Q3 and Nine Months FY'26 Earnings Conference Call
January 23, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Supreme Petrochem Limited Q3 and nine months FY'26 Earnings Conference Call.

As a reminder, all participant lines will be in a 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 “*” then “0” on your touchtone phone.

I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you and over to you, ma'am.

Purvangi Jain: Good evening, everyone, and a very warm welcome to you all. My name is Purvangi Jain from Valorem Advisors. We represent the Investor Relations of Supreme Petrochem Limited.

On behalf of the company, I would like to thank you all for participating in the Company's Earnings Call for the 3rd Quarter and nine months of the Financial Year 2026.

Before we begin, let me mention a quick cautionary statement:

Some of the statements made in today's earnings call may be forward-looking in nature. Such forward-looking statements are subject to risk and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on management belief as well as assumptions made by and information currently available to the management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's Earnings Conference Call is purely to educate and bring awareness about the company's fundamental business and financial performance for the quarter under review.

Now, let me introduce you to the Management participating with us in today's Earnings Call. We have with us Mr. Rakesh Nayyar – Executive Director and CFO, Mr. Dilip Deole – Chief Executive Officer of Finance and Accounts, and Mr. D. N. Mishra – Company Secretary.



Without any delay, I request Mr. Rakesh Nayyar to start with his opening remarks. Thank you and over to you, sir.

Rakesh Nayyar:

Thank you, Purvangi. Good evening, everybody. It is a pleasure to welcome you to the earnings conference call for the 3rd Quarter and nine months of the Financial Year 2026. I will give a brief overview of the financial performance for the quarter ended 31st December 2025.

On a standalone basis, the operating income for the 3rd Quarter was Rs. 1,265 crores. It was lower by 10% year-on-year, mainly on account of fall in SM prices. Average published price of SM during 3rd Quarter of FY'25 was about USD 1,040 while the same dropped to about USD 810 in December 2025, which resulted in the fall in the revenues as well. The operating EBITDA stood at Rs. 69 crores at a margin of around 5.47%. The total EBITDA, including other incomes stood at Rs. 78 crores with a total EBITDA margin of Rs. 6.12 crores. The net profit after exceptional items and tax was Rs. 30 crores.

For the nine months of the Financial Year 2026, the operating income was Rs. 3,751 crores. The operating EBITDA stood at Rs. 262 crores with an operating EBITDA margin of 6.97%. The total EBITDA was Rs. 294 crores with total EBITDA margins of 7.77%. The net profit after tax and the exceptional items stood at Rs. 159 crores.

On the operational front, the sales volume of the manufactured products stood at 91,265 MT in Q3 as against 85,537 MT in Q3 FY'25. And for the nine-month period, volumes stood at Rs. 2,62,537 as compared to Rs. 2,60,416 in the corresponding period of the previous year.

On the raw materials front, after witnessing a prolonged decline until November 2025, Styrene monomer prices kind of stabilized and showed an upward bias. The trend has encouraged processors to increase their offtake of Styrene products in December.

With regards to our CAPEX project, the ABS plant with an installed capacity of 70,000 MTPA was successfully commissioned and production started in September 2025. The ABS plant operated satisfactorily. However, operations were suspended in December 2025 due to malfunctioning of a critical production equipment. Necessary action is being taken in consultation with the engineering consultant, equipment supplier and technical collaborator to restore the operations.

On the balance sheet side, the company continues to remain debt free and all capital expenditure is being funded entirely through internal accruals. As of 31st December 2025, we maintain an investible surplus of Rs. 463 crores.

With this I conclude my opening remarks. We now open the floor for question-and-answer sessions. Thank you.



Moderator: Thank you very much sir. We will now begin the question-and-answer session. The first question comes from the line of Nirav Jimudia with Anvil Wealth. Please go ahead.

Nirav Jimudia: Yes, sir. Good afternoon and thanks for the opportunity. Sir, few questions. Sir, first is on the ABS plant. Like we commissioned the plant in September, and the equipment failure and the subsequent things happened in the month of December. So, in our overall sales volume, what we have reported in Q3, is it possible to share the contribution of ABS into those numbers A and B - When can we again restart the plant and take the capacities to the optimum levels in terms of the production?

Rakesh Nayyar: The collaborators, the engineering consultant and equipment suppliers, they have already reached our site last week and they are evaluating all options. So, I really cannot tell you when will operations start. But only thing I can tell you at this stage is that the plant ran very smoothly and the commissioning and operations were very smooth when it was operating in the month of October and November. But then this unfortunate incident happened and we had to shut down in December. And it is a proprietary critical equipment. So, we could not have opened it here also. Their arrival was delayed because of the Christmas holidays and the New Year holidays in Europe and the visa issues and all that. But now finally they are here and the work is on. But we have no definite answer from the team yet that by when it can be operated.

Nirav Jimudia: Correct. And sir, any number in terms of the contribution?

Rakesh Nayyar: As far as segment-wise numbers are concerned, we never share and I will not be able to share that number.

Nirav Jimudia: Correct. Sir, you mentioned that the plant ran very smoothly. And we subsequently also commissioned our compounding line of ABS in quarter 3 also.

Rakesh Nayyar: Yes. That is right.

Nirav Jimudia: So, have we got an opportunity to convert those ABS into the compounds in Q3 and the volumes have been a part of

Rakesh Nayyar: We have converted our ABS into compounds and have also successfully marketed them also. Since our material of ABS is very white, unlike the other emulsion-grade material available in the market, which is more of an ivory or a yellow colour. So, there were issues with regard to the original master batches, the quantity of master batch, the colour matching, those issues came because our material is absolutely white, which needs less of pigments than others. So, that matching process took some time. But now wherever that matching has happened, not only of colour compounds, but as well as the other additive compounds are also doing well there.



Nirav Jimudia: Correct. Sir, second question is on the demand for EPS. So, how we have seen the demand for EPS here in India for Q3 and nine months of FY'26? Also, if you can share the market size of EPS in India and your thoughts on the subsequent quarters, how the demand of EPS is panning out?

Rakesh Nayyar: In India, EPS is doing all right. In the first six months, like any other polymer, because the OEM's lifting was less, the demand was also slow there. But then in the current quarter, the market picked up and our estimation is that in the current quarter, the market picked up compared to the previous year, by almost 6% or so. As far as the demand is concerned, the overall market size of EPS in the country is around 160,000 tonnes p.a.

Nirav Jimudia: Correct. Sir, third question and probably the last one. Sir, how do you see or let us say if I rephrase it that way that, sir, from the polystyrene part, are we working on any newer applications which could potentially be termed as the value-added grades either on the GP side or HI side? Your thoughts here and since we have been predominantly a polystyrene player and now, we have added the ABS capacities and since the Panipat plant is far away, are we planning any debottlenecking for the existing PS capacities? Thank you so much.

Rakesh Nayyar: At the moment, I would say that whatever is being discussed is in-house, and since that is still not officially announced, we cannot share that thought with you. So, I would give a pass to your question.

Nirav Jimudia: Correct. And, sir, any grades on which we are working so far as the polystyrene is concerned?

Rakesh Nayyar: Yes, there are grades on HIPS and GP also. These grades are being developed but then, unless and otherwise, they are fully developed and marketed successfully, very futile to comment on that. So, that is why I said that unless it is opened out, I cannot really comment.

Nirav Jimudia: Perfect. Thank you so much, sir. And I will join back in the queue.

Moderator: Thank you. The next question comes from the line of Sailesh Raja with B&K Securities. Please go ahead.

Sailesh Raja: Thanks for the opportunity. Sir, it looks like you are unwell today. I hope you feel better soon. So, I have three questions to ask. First is, so excluding the ABS capacity, we have achieved 80% utilization level in 3Q. And with the IOCL styrene monomer plant facing commissioning delays, so how is management thinking about sustaining growth in the near to medium term? Are there any plans for capacity expansion or debottlenecking to support volume growth in the interim phase?



Rakesh Nayyar: Sailesh, I just answered this to Nirav also that we are discussing internally. But it is too premature for me to say anything at this forum. And you are right that our polystyrene plant operated at 80% in this quarter. Our EPS plant operated at almost 87%, 88%. So, the demand picked up in the last quarter, particularly towards the end of the quarter after the styrene prices kind of stabilized, which had a fall for the last almost one year. So, we are fully appreciative of the fact that going forward with this IOCL styrene plant getting delayed, our Panipat plant will also get delayed. And to meet the domestic demand, we need to be working on some steps in this direction. So, we are working on that. We have still a cushion of almost 20% in existing capacity. And we are also in the export market. So, to some extent, we have a cushion there also. So, in the near future, we do not see that there we will have any constraints as far as supply to the domestic market is concerned or meeting the domestic demand is concerned.

Sailesh Raja: Okay. So, what is our total exports volume in nine months?

Rakesh Nayyar: We do not give the numbers separately Sailesh. We have been always giving one number only. But then the exports this year are better than the last year.

Sailesh Raja: Okay. Sir, now that size of the company, it is a billion-dollar market cap company and inventory level always we maintain at very lean at 30, 40 days. But if you see the quarterly performance, there is a lot of volatility. So, unlike styrene products, the compound business across peers appears relatively stable. So, what step that we are taking to reduce the earnings volatility and improve the predictability?

Rakesh Nayyar: The raw material volatility is there. But then we have been also mitigating that volatility by keeping very lean stocks or the way we have negotiated our contracts with our suppliers so that we are not fully affected, not that we are fully insulated. But then to some extent, the impact is reduced. And as it is going forward with the ABS product coming in, ABS compounds coming in, so they are the other product which gets added to our portfolio. And compounds business, you rightly said, provides a cushion where the volatility is concerned. So, our focus will be more on the ABS compounds with our own ABS available and the compounding facility to the extent we have. We should be focusing on that.

Sailesh Raja: Okay. Sir, again, same question about the ABS side. So, how serious is the malfunction in the new manufacturing equipment? Does it entail any incremental CAPEX or execution risk beyond what was originally estimated? And also, are these issues covered?

Rakesh Nayyar: The capital cost is not an issue here. Even if there is any damage these equipment are under warranty.

Sailesh Raja: Secondly, I wanted to ask, is there any insurance or performance warranty?



Rakesh Nayyar: Sure. Since these are the proprietary equipment and we do not have the drawings for it, we cannot touch these equipment because otherwise the warranty will go away for us.

Sailesh Raja: Okay.

Rakesh Nayyar: Right. So, the impact is certainly, it is a big setback for us in terms of the loss of production and the opportunity to penetrate the market in the interim period.

Sailesh Raja: Okay.

Rakesh Nayyar: But all efforts are being made so that we are able to commission the plant at the shortest period.

Sailesh Raja: Okay. That is great, sir. Sir, one last question. Has there been any transition in demand from suspension grade ABS to mass ABS grade in the market where Versailles has set up plants before Supreme like in China or Middle East?

Rakesh Nayyar: With the mass ABS only being 10% of the global capacity today and 90% is still suspension. Demand is there for all ABS. So, it all gets absorbed. It is very difficult to say that some specific application shifted to mass unless otherwise a global application-wise study has been done, but which we do not have any data about.

Sailesh Raja: Okay. Okay, sir. Thank you, sir. All the best.

Moderator: Thank you. The next question comes from the line of Aditya Khetan with SMIFS Institutional Equities. Please go ahead.

Aditya Khetan: Yes. Thank you, sir, for the opportunity. Just a couple of questions. Sir, first on polystyrene, when we said earlier like we used to mention like the average gross spread should be around \$150, \$200 per tonne. So, today, sir, where are they standing and what are the reasons like for the compression if we are witnessing? Sir, second question is on to the mass ABS. So, we know like the technology is quite new in India and there are no players who have adopted this technology. Although, sir, not asking for timeline, but in the near term, how quickly can you start the plant considering all the issues can be resolved? And similarly, sir, I think, sir, so with this kind of a product ABS, the order book already would have been full like so before commissioning the plant only. So, what are we saying to the customers now? Like, are we delaying the, you can say the sampling of, are we delaying the products sending to them?

Rakesh Nayyar: Aditya, as far as our ABS is concerned, we did not take any advance order book as we wanted to let everybody use it for the applications and as I explained in earlier speaker's case, because it is more white in colour as compared to emulsion grade materials. So, the master batch comparison and matching is an issue. Like any other polymer, there is no such advance order book for these products, And as far as the start-up date is



concerned, I really cannot comment on today, but since the whole team of engineering consultants as well as the equipment supplier have already arrived, they are at our plant, they have opened the equipment, looking at it, unless we get a green signal, some kind of an idea or a commitment from there, I really cannot comment on it, because whether they are going to just replace some part or they have to repair that part, all that is not known to us at this stage and it is a massive equipment which they have opened up and they are working on it. So, it is very difficult for me to say. As far as the margins are concerned, yes, globally also the styrene prices when they were falling, everyone wanted destock, they do not want to keep any material and that pulls down the demand. And also the demand in Europe and other countries was on the lower side. And the styrene prices, which last year were closer to \$1050 or so, in this quarter they averaged at almost \$810 and that was almost a fall of over 20% prices. So, that shrinks the market because in a falling market, the demand automatically shrinks. So, these are the reasons for the PS margins to shrink also and demand also has come down. In the first six months of the year because of the early monsoons and the very pleasant weather continuing for a long period, the cooling devices demand was down including, the ACs, refrigerators, coolers. So, the OEM pickup in the first six months of the year was low. Now, from December onwards, the OEM season starts. And we have seen in the last two weeks of December that the pull from the OEMs is better now.

Aditya Khetan: Okay. Thank you, sir, for that explanation. Sir, with the uncertainty around ABS, what sort of volume growth are we targeting for FY'27 and FY'28?

Rakesh Nayyar: For FY'27-28, unless I know our likely date of commissioning of ABS, to comment on that is very difficult. And assuming that it is operational by the end of this current financial year, then we should be logging in growth of around 10% or so.

Aditya Khetan: Okay. And sir the contribution from the base business would be how much from this 10%?

Rakesh Nayyar: The contribution from base business would be closer to 3% to 4%.

Aditya Khetan: Okay. So, 7% would be from ABS if it started commissioning from this quarter. Okay. Got it. Sir, just one last question. Sir, when we look at the import history of PS, polystyrene in India, sir, in this calendar year, CY'25, so just gone by, so there has been a highest import which has happened over the last 10,15 year data when we look. Obviously, the import is from China, wherein large capacity is

Rakesh Nayyar: You are talking about FY'25?

Aditya Khetan: Sir, CY'25, calendar year 2025, from January to December.

Rakesh Nayyar: Okay.



Aditya Khetan: So, sir, the import has been quite high of polystyrene and a lot of imports are coming from China. Any, sir, idea like which are the large capacities and which are expanding in China today?

Rakesh Nayyar: Imports from China are not high. The imports from Thailand are high this year. And also though they all get cleared under this HS code, one needs to go and segregate this data because there is a lot of reprocessed or regranulated polystyrene that gets imported, which is used in an application where the prime grade polystyrene is not used, like wall panels, or photo frames etc. In India the wall panel business has picked up a lot. That reprocessed material is getting more and more diverted to that application. You are very right, there has been an increase in the calendar 2025, particularly this is in the month of March, April and May. These were the three months when all of a sudden bulk of it came.

Aditya Khetan: Correct, sir. Any supply chain, sir, which has happened like you see like a lot of material which are coming, low cost imports, any particular reason, sir, like global capacities which have been added, which have started, which is going?

Rakesh Nayyar: A major part of it is coming in as a recycled material or the grade B grade material, which is getting used for the, where the typically recycled material is used. Because there you do not need the impact, you do not need the finish, you do not need any color issues. And these are mainly photo frames and wall panels.

Aditya Khetan: Okay. So, these are having no competition with the refrigerators, ABS or the

Rakesh Nayyar: The material which comes from Thailand, South Korea, Taiwan, they are the major source or Singapore, they are the ones that has a competition which has been there historically always. Now, the material coming in from USA today, that is all fully recycled material. If you look at the country-wise data there, you will see even material coming in from Ghana and Slovenia and Salvador and all that, those volumes are essentially recycled material because they do not have capacities, to produce polystyrene.

Aditya Khetan: Okay. Okay, sir. Got it. Thank you, sir. That is it from my side.

Rakesh Nayyar: Thank you. The next question comes from the line of Rahul Agarwal with Ikigai Asset. Please go ahead.

Rahul Agarwal: Hi, sir. Very good evening. Sir, few questions and just to extend a bit on the earlier discussion. If I have to really understand this performance over a bit of medium term, right? I mean the quarter volatility keeps on happening. But if I look at next two, three years and your experience into this industry, both in terms of volume growth, pricing and margins, like typically at this current pricing of polystyrene and ABS, how should the Indian market actually behave in terms of both customers and manufacturers? In terms of how would they expect this to actually play out over a three-year timeframe? So both



from a demand supply perspective and from a manufacturer margin perspective, cyclical in this industry, right now we are seeing normalization of margins after COVID. Has this happened in your view? How do you see pricing moving further in India and outside India, imports? Some comments over there at an industry level and from an Indian manufacturer level will help. Sir that is the first question.

Rakesh Nayyar:

Rahul, polystyrene is not separated or differentiated from other polymers. The cyclical in which you see in the other polymers, we get to see in this once in a while. The demand as far as India is concerned will grow because of the thrust on the exports, PLI schemes and the affluency level going up in India. The Indian OEM, appliance manufacturers, be it air conditioners, refrigerators, washing machine or even the smaller appliances, all are out there to increase their capacity and new capacities are coming up in the electronics and electricals. The demand for polystyrene is bound to grow there and we do not see that there will be any setback or there will be any issues with regard to the growth. It is as far as we are concerned, as I said earlier, currently are operating at 80% of our capacity and though we have margin still, but going forward we may have also to look at de-bottling our plant or increasing our capacity at our existing complex at Amdoshi. Now, as far as the prices or margins are concerned, much gets determined by the events happening globally also. We are not separated or isolated from the world. So, if there is a price pressure, global deltas go down, that eventually gets reflected in the domestic market as well. So, I will only talk about the demand. In India, demand is bound to increase and it will increase. There will be minor setbacks like last year we had first six months there were low lifting by the OEMs because of the extended monsoons and early monsoons. So, all those issues will come up, but on a year-on-year basis, the demand for polystyrene will grow.

Rahul Agarwal:

Right sir. But as you said, December obviously indicates that there is some stabilization on styrene monomer pricing, off-take is better. Purely from what we have seen in the last 10 years, current pricing looks like pretty much at low levels. The INR has depreciated significantly in January. Right? So, would that mean that incrementally, if I take a next three-year view, do we think there is a bottom here or do you think incremental global supply can actually take this styrene mono-pricer? You know it is still difficult to predict that. There will be some marginal cost of production cost for

Rakesh Nayyar:

Styrene monomer again does not play in isolation. Styrene monomer is also a combination of ethylene and benzene. And the styrene producers can only withstand the fall in prices, up to an extent. If the fall is more, they are losing money, they are bound to shut down their units for one reason or the other reason. And the prices will fall, but then after a period, they are bound to go up. So, there is a limit up to which the prices can fall. And we think that with the current set of the benzene or ethylene, the prices had already fallen too much. And that is why now they are witnessing some stability and may have an upward bias a bit. But let us hope this continues for a while.



Rahul Agarwal: Got it, sir. Secondly, sir, on ABS, on the import trends, ABS is a larger quantity of import in the country. We saw BIS removal happening sometime in November, December. I do not know why, but a lot of polymers where BIS was removed. Clearly, it means that there is shortage and the country domestic capacity cannot meet demand in the country. But have we seen higher Chinese imports happening in ABS? Maybe some comments on the quantity, the country, you mentioned something on the polystyrene side where we are seeing imports from Thailand. But anything on the ABS side, what kind of changes are expected globally in terms of supply demand? How could that behave going forward?

Rakesh Nayyar: The ABS supplies to India are mainly from Korea and Taiwan. And Chinese exports to India have been negligible. The BIS getting removed certainly opens a window for China to start supplying to India. But then there are other issues there because depending upon the location of the plant. If the plants are located inland in China, there are local freight and ocean freight from China to India, all those issues are there and their quality also. So it is difficult to say whether they will replace the Korean supply to India or the Taiwanese supplies to India. But then as of now, the Chinese supplies to India, as far as ABS is concerned, they are practically nil.

Rahul Agarwal: And in history, has it ever happened? Because I also did some channel checks. Looks like distributors have to say that the material is not very linear in supply. Sometimes they sell, sometimes they do not really have the material. And second is, as you said, the matching of colours and quality with customers is a big headache. Right? So ultimately, it has to be more consistent supply of quality.

Rakesh Nayyar: Yes.

Rahul Agarwal: Would I take a guess that ABS from China actually will not really come? It will continue with Korea and Taiwan, which is good quality material. And you know, this ABS pricing should stabilize here.

Rakesh Nayyar: People will prefer to continue with the existing suppliers. But the trader mentality, you never know. And the people who are not conscious of their end product quality here, they may source the material. It is very difficult to say because it is a very dynamic situation. So assuming, yes, if the quantities come in, I presume that the quantities, if they come from China, they will be minimal. The main quantities will continue to come from Taiwan and Korea.

Rahul Agarwal: Right. And anything on the global demand supply of ABS, China-Korea pricing, would that be suppressed for a while now? Or is it also pretty similar to what we are seeing?

Rakesh Nayyar: Again, because of the global demands, styrene prices, ACN prices, the butadiene prices, the ABS prices had also fallen considerably. But with the SM price now getting stabilized,



butadiene price going up, so the ABS price will also inch up now. At least in the domestic Indian market, the prices have already increased.

Rahul Agarwal: Got it, sir. Perfect. And sir, last question on the trading value or volume, whatever you want to share for the 3rd Quarter and nine months?

Rakesh Nayyar: Our trading volumes are now close to 20% of our total turnover.

Rahul Agarwal: This is for nine months or for the quarter?

Rakesh Nayyar: Nine months as well as quarter.

Rahul Agarwal: And how much was this Y-O-Y? Will there be a number for that?

Rakesh Nayyar: Last year, they were more. They were, I think, closer to 22%, 22.5% or so. But this year, the trading volumes are around 20%.

Rahul Agarwal: Perfect. Got it Rakesh ji, thank you so much for answering all the questions and wish you all the luck.

Moderator: Thank you. The next question comes from the line of Kirtan Mehta with Baroda PNP Paribas. Please go ahead.

Kirtan Mehta: Thank you so much for the opportunity. One question on the ABS plant. How many months of depreciation we have booked in the quarter and what could be the quarterly depreciation run rate from Q4?

Rakesh Nayyar: We have booked the depreciation for the full quarter. The plant has run. So, it has been put to use. So, the depreciation has been booked for the full quarter. So, whatever incremental depreciation you are seeing from the previous year is all for the ABS as well as our new SPC lines.

Kirtan Mehta: And will this 270 million odd will remain now the depreciation rate looking forward in terms of these?

Rakesh Nayyar: Yes, that is right.

Kirtan Mehta: Thank you.

Rakesh Nayyar: Plus, whatever we capitalize going forward for any other project. But as of now, assuming the current capacities Rs. 270 million is what depreciation per quarter will be.

Kirtan Mehta: Thank you. Second question was about, there has been some closures being talked about in Korea as well as Europe. Plus, there will be some anti-evaluation policy could



get sort of announced during the China. Do we have any sort of understanding whether this will result in any closure of the capacities in our chemical chain?

Rakesh Nayyar: We have also read that. We have been told about that. But eventually, what we consider is that once these are announced, the smaller old plants, which do not meet their new environment norms and pollution related norms, they will close down because they are very concerned now in China with regard to the energy consumption and others. But then how much of that will go away from the market is still not known. Once the policy is announced, and we will get to know after three months, four months that finally what will be the impact of that.

Kirtan Mehta: Right. Would we have an idea about every utilization rate globally in our chain? Are they significant?

Rakesh Nayyar: China is concerned, their average utilization rates are closer to 50, 55 depending upon the products. That is what we are informed.

Kirtan Mehta: Right, sir. Thank you.

Moderator: Thank you. The next question comes from the line of Radha with B&K Securities. Please go ahead.

Radha: Hi, sir. Thank you for the opportunity. Sir, considering the improvement in offstake from OE since December and also improvement in styrene prices, do you believe that 3rd Quarter performance is the bottom and can we expect sequential improvement from there on?

Rakesh Nayyar: The next quarter, that is the current quarter of January to March will certainly be better because the OEM demand in this quarter is always the strongest. And with the prices of styrene getting stabilized, we hope yes, we will certainly be doing much better than the last quarter.

Radha: All right. Sir, secondly, you have been trying to increase the export sales especially to European Union. When do you expect these numbers to start reflecting? And what has been the changes in the supply chain in our key export markets like Europe, Middle East, Africa in the last six months?

Rakesh Nayyar: The demand from Europe has been very erratic because there have been some segments or some nations, there were no demands coming up. But they also have their local capacities there and the demand is low. And also, we hope that our demand will certainly pick up from India once the India-EU FTA is signed. And if once that is done, yes, then Europe will hopefully open for us and we will be able to compete with the other



nations who have an FTA agreement with the EU. But otherwise also, the demand from Europe was kind of dull in the last nine months.

Radha: All right, sir. Thanks. Sir, last question. What is the fixed cost per month of running the ABS first line facility?

Rakesh Nayyar: I will not be able to share that with you, Radha. The depreciation is the fixed cost, which is the major fixed cost for us. And that incremental depreciation is there, which is closer to Rs. 8 crore a quarter for us.

Radha: Okay, sir. Thanks and all the best to you.

Moderator: Thank you. The next question is a follow-up question. It is from the line of Nirav Jimudia with Anvil Wealth. Please go ahead.

Nirav Jimudia: Thanks for the opportunity again. Sir, just two clarifications. Sir, one on the Xmold side. Last time when we had a call, you mentioned that the utilization rates were closer to around 79% for six months and 72% for the second quarter. So, how it has been in Q3 and just a clarification on the compounding capacities. I think my understanding suggests that combining us and Xmold, we are today at around 60,000 tonnes of compounding capacity. So, if you can just help me with that.

Rakesh Nayyar: Yes, sir. Xmold is concerned. They have been trying to get new customers and the old customers who are not good paymasters or wanted extended credit lines and all that, we have been kind of staying away from them now. And I am happy to tell you that the two of the larger OEM suppliers had sampled their product for their required compounds and one of them, has already given the orders, Sample orders have come in. The other one is in the process of giving us the orders and the third large consumer of compounds is also coming now in the next few days. So, it is a transitional period and we are confident that the Xmold in the next financial year would be significantly increasing their utilization rate there. From their current volumes, they should be seeing almost 20% to 25% increase in their volumes.

Nirav Jimudia: Got it, sir. And with respect to our capacities in terms of compounds, like with the recent addition of the ABS line, when can we say that like or have a visibility in terms of going closer to the full utilization levels before we plan any CAPEX there?

Rakesh Nayyar: We are waiting for our ABS now to start and once that happens, then we will be able to more and more use our compounding lines which we have set up.

Nirav Jimudia: Correct. Thank you so much, sir, and wish you all the best.

Moderator: Thank you. The next question comes from the line of Aditya Khetan with SMIFS Institutional Equities. Please go ahead.



Aditya Khetan: Thank you, sir, for the follow-up. So, just a couple of questions. Sir, any update on EPS Phase 2 expansion? And sir, what sort of maintenance CAPEX we would be taking in FY'26 and FY'27? And apart from Phase 2 ABS and Haryana, any other new CAPEX or new businesses like we have identified considering we are having a good amount of cash on the balance sheet?

Rakesh Nayyar: Your question was that how much CAPEX you are going to incur in the coming year?

Aditya Khetan: Correct, sir. Maintenance CAPEX and the growth CAPEX both.

Rakesh Nayyar: Yes. So, we estimate that we will be doing around Rs. 250 crores to Rs. 275 crores of CAPEX in the coming year. So, that is our estimation. We shall be incurring this CAPEX mainly at Chennai and Amdoshi and infrastructure developments at Panipat. These are the three locations. And as far as the EPS Phase 2 is concerned, that should be going operational in the coming month in February or by March.

Aditya Khetan: Okay. Sir, just one fundamental question. Sir, on ABS, is there any volumes which have been booked in this quarter or everything has been converted as a compound book?

Rakesh Nayyar: There is no booking of volume because the material is produced and sold. The orders come in, they are fulfilled. But right now, we are not taking any orders also because until otherwise we are satisfied, the plant is up and ready after this mishap what has happened. So, no orders have been taken.

Aditya Khetan: Okay. So, sir, now the focus remains on the Haryana project only and the Phase 2 of ABS.

Rakesh Nayyar: Yes, that is right.

Aditya Khetan: Okay, got it. Thank you.

Moderator: Thank you. The next question comes from the line of P. Venkatesh with Corporate Database India Private Limited. Please go ahead.

P. Venkatesh: Thank you for the opportunity, sir. Just wanted to understand, are we covered with the loss of production of the ABS plant? Secondly, the proprietary manufacturers, have they encountered any such problems in their earlier projects or is this something which has uniquely happened in other projects? And thirdly, can you please let us know, what is the progress on, how has the XPS segment fared till in the current year? Thank you.

Rakesh Nayyar: Our collaborators or the equipment suppliers, they are also shocked because this is the first time they are encountering this kind of an incident. They have never had any such incident in the past at any other location. As far as insurance is concerned, the plant is under warranty and is fully insured. And XPS is concerned. Yes, XPS demand, except the



monsoon period, has been doing well. We are currently operating our XPS at around 70%, utilization.

P. Venkatesh: Thank you.

Moderator: Thank you. We have our next question. It is from the line of Rahul Agarwal from Ikigai Asset. Please go ahead.

Rahul Agarwal: Yes, hi. Thank you for the follow-up. So just two basic questions on the mass ABS side. Firstly, I understand that ABS is a credit market. The channel needs kind of 40, 45-day credit at least, you know, to monetize their own sales and then pay back to you. Historically, obviously, polystyrene has been very lean in terms of receivable cycle. Incrementally, how would you deal with this situation in terms of, you know, the ABS customers obviously need more credit. So we will be in line with the industry. Any thoughts on this in terms of how do we manage this?

Rakesh Nayyar: Rahul, see, when we came into the polystyrene and EPS market, the credit periods were also very long. It all depends upon the product supply, the quality, and the kind of discipline we want to follow. And like I just said, in for our Xmold also, the customers who wanted extended credits or they were defaulting in payments, we have kind of said no to them now for future supplies. That has of course reduced our volumes in the interim. But we know going forward, it will be good for us. And here we will have to talk to the other players also to change the credit period pattern maybe. But then I am sure this can be curtailed from 45 days to 30 days or maybe lower numbers. It is not a very big issue there as far as the credit terms are concerned.

Rahul Agarwal: Okay. And secondly, you know, as we have been saying that as the customers test samples, there are matching issues which come up. Ultimately, it all gets sorted once the supply is on time and the mixing is done. Incrementally, what we are seeing is domestic customers who are right now using ABS either from imports or from existing suppliers will try and have some kind of 5% to 10% mixing in the existing product purely to get more whiteness, more gloss. And then that is how this business will actually evolve over time. Is this understanding right? Or is it going to be only new products?

Rakesh Nayyar: No, I do not think it will be getting mixed with that material. Maybe if they want to do compounding they can do it. But then otherwise, the master batches and other will be made for these grades, which are being done now by many and for certain colours, because eventually the master batch cost will come down for our material. The pigments you need for this because it is white base. So, to colour a white base is required less of a pigment as compared to colouring an ivory colour or a creamish colour or a yellowish material. So, over a time, once the grades are developed, this will become a preferred material then. And the colours will eventually be the same because specific master batch would be used. Eventually they will match the colour. There will be no mixing of the



kind that they will mix 10% of this with 90% of that. That can be done only in compounding business. That is my understanding.

Rahul Agarwal: Right. So, basically, what we are saying is whatever, you know, 50,000 tonnes kind of ABS imported today, we will replace that market with our products once the customer is satisfied with the company, you know, the master batch mixing. Right?

Rakesh Nayyar: That is right.

Rahul Agarwal: And then that material is comparable to the existing ABS, which is getting sold on a value-added basis from other suppliers in India. Is that correct?

Rakesh Nayyar: Yes, that is right.

Rahul Agarwal: Okay. Thank you so much. Have a good evening. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Rakesh Nayyar: Thank you all for participating in the earnings conference call. If you have any further questions or would like to know more about the company, please reach out to our investor relations managers at Valorem Advisors. Thank you so much. Thank you.

Moderator: Thank you. On behalf of Supreme Petrochem Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.