November 20, 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 Q2 & H1 FY2026-2027 Earnings Conference Call held on November 16, 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 November 07, 2026, please find enclosed a copy of the transcript of the Investors/Analyst conference call held on November 16, 2026 at 11.00 AM on Q2 & H1 FY2026-2027 financial result 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 BHARATBHAI PARMAR
Digitally signed by SUNNY BHARATBHAI PARMAR
Date: 2026.11.20 15:21:50 +05'30'

FINEOTEX CHEMICAL LIMITED MUMBAI

Sunny Parmar
Company Secretary & Compliance Officer

Encl: As above

“Fineotex Chemicals Limited

Q2 & H1 FY27 Earnings Conference Call”

November 16, 2026

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

Moderator: Ladies and gentlemen, good day, and welcome to the Fineotex Chemicals Limited Q2 FY '27 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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 the 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 call over to Dr. Aarti Jhunjhunwala, Executive Director. Thank you, and over to you, ma'am.

Aarti Jhunjhunwala: Thanks a lot, and a very good morning, everyone. A warm welcome to our shareholders, analysts and members of the investment community. Thank you for joining us to discuss Fineotex Chemicals Limited's performance for the second quarter and half year ended September 30, 2026.

This is an important phase in Fineotex's evolution. We are moving forward with a much larger international footprint, deeper technical capabilities and a more diversified set of growth opportunities. Our ambition is to build a globally integrated specialty chemicals and industrial solutions platform, the one that brings together chemistry, manufacturing, engineering support and dependable execution for customers across critical industries. The first half of FY '27 reflects the expanded scale of our business. Consolidated total income grew by 166.8% year-on-year to INR778.13 crores.

Operating EBITDA increased by 111.2% to INR118.74 crores, and profit after tax rose by 81.5% to INR92.75 crores. Business volumes increased approximately 132.3%. These results are encouraging, but our focus is not on growth in numbers alone. We are building capabilities that can support customer relationships and sustainable profitability over the long term.

Two important opportunities are particularly important to our next chapter. Oil and gas specialty chemicals through our U.S.-based CrudeChem Technologies Group and advanced water and wastewater solutions through Fineotex America. These businesses place us closer to large technically demanding industrial customers and create avenues to deliver a wider range of products and services.

In oil and gas, our U.S. Specialty Chemicals business, brings specialized formulations, application engineering, manufacturing and field level delivery capabilities. Its Brookshire and Midland operations give us a platform from which to serve customers with tailored solutions and responsive technical support. We see significant potential in strengthening this platform through innovation, deeper customer engagement and disciplined execution.

Equally exciting is the opportunity in water. Data center, semiconductor manufacturing and our other advanced industrial facilities require reliable water quality, efficient cooling operations, wastewater management and water reuse. We intend to develop Fineotex America as a

comprehensive solutions platform spanning specialty water treatment chemistry and as capabilities and partnerships develop, integrated operational infrastructure and service support.

This is an emerging vertical for us, and we are building it carefully with a long-term perspective. Our cleaning and hygiene business also continues to broaden our application-led portfolio.

Across our operations, we see customer demand moving toward efficient, performance-driven and more sustainable solutions. Our priority is to translate this demand into a differentiated offering, not simply compete on volume. Another encouraging development is ICRA's upgrade of our long-term credit rating to ICRA AA- stable alongside reaffirmation of the ICRA A1+ short-term rating.

We view this as an important milestone as we scale our international activities. We remain committed to financial discipline and responsible capital allocation and a strong operating practice. What gives us confidence is the combination of market opportunity and capability along already assembled across India, Malaysia and United States. The coming period will be about integration, innovation and converting opportunities into measurable performance. And we look forward to updating you all on this progress. I will now invite Mr. Arindam Choudhuri to provide a brief update on Textile Chemical Specialties.

Arindam Choudhuri: Thank you, Dr. Aarti. A very good morning to everyone. Our Textile Specialty Chemicals portfolio continues to address the evolving needs of processes across pretreatment, dyeing, printing and finishing all the space of textile processing. We remain focused on customized formulation that improve quality, consistency and process efficiency at our all customers' end.

The industry is increasingly looking for sustainable chemical solutions and integrated processing packages that can help to reduce water, steam and energy consumption while delivering reliable performance.

We are well positioned to respond through our application knowledge, customer-centric relationship and ongoing product development, which will through our goal for the best textile chemical company globally.

Our technical collaboration with Biotex in Malaysia, Eurodye-CTC in Belgium, HealthGuard in Australia and obviously, our lab in SASMIRA, which broaden our R&D capabilities and help us develop differentiated products for changing customer requirements and satisfying their needs and wants. Our priorities remain value-added applications, technical service and deeper engagement in domestic and international markets.

With that, I invite Mr. Yusuf Contractor to discuss our U.S. operations and our oil and gas growth initiatives. Thank you.

Yusuf Contractor: Thank you, Arindam. Good morning, everyone. The acquisition of 53.33% controlling stake in CrudeChem Technologies Group has significantly strengthened Fineotex Chemical's position in the U.S. oilfield specialty chemicals market and broadened our international capability. Our U.S. arm offers more than 100 engineered chemical solutions across drilling, completion, production and related applications. This model extends beyond supplying chemicals. It combines

production -- product design and testing, manufacturing, application engineering, field support and last-mile delivery.

This end-to-end approach is particularly valuable where customers require reliable performance and quick technically informed execution and support. Our operations in Brookshire and Midland, Texas supports this integrated offering. The U.S. manufacturing platform has approximately 148,000 metric tons of stated annual capacity. We are focused on making this most of the platform whereby strengthening customer relations, expanding our reach and improving our operating efficiency.

Our central priority is green chemistry, developing more environmentally responsible and cost-effective alternatives without compromising product performance. We also intend to invest in differentiated and proprietary formulations, technical capabilities and customized field services, including opportunities in friction reducers and liquid additive applications. We see meaningful opportunities in growth with existing customers and engaging new accounts across key markets.

At the same time, we will remain disciplined about integration, product quality, service reliability and cash-generative growth. Our goal is to make our American manufacturing platform a stronger, more responsive and more technically differentiated supplier to the energy industry.

I will now hand over to Mr. Sanjay Tibrewala for the financial overview and his perspective on Fineotex America and FCL Group as a whole.

Sanjay Tibrewala: Thank you, Yusuf. Good morning, everyone. I'll briefly cover the financial performance and then touch upon where we see the next phase of opportunities. For quarter 2 financial '27, the consolidated total income increased by 169% year-on-year basis to approximately INR391 crores Operating EBITDA rose by 92% to almost INR60 crores and PAT grew 71% approximately to INR45 crores.

For H1 financial year '27, the total income reached INR778 crores, up by 167%. Operating EBITDA increased by 111% to INR119 crores. The PAT rose by almost 82%, touching INR93 crores approximately. The reported consolidated ROIC for the first half was approximately 36.12%. The increase in scale reflects the contribution of our expanded international platform.

As we move ahead, we are equally focused on the quality of growth, improvising operating efficiency, maintaining disciplined working capital and translating earnings into cash.

Our capital deployment will continue to be guided by strategic fit, execution capabilities and long-term returns. Our U.S. specialty chemical business is an important part of this journey. With this U.S. manufacturing, technical services and the last mile delivery capabilities, it gives the opportunity to serve the energy customers more comprehensively and build a differentiated specialty chemical business.

In parallel, we are seeing a substantial long-term opportunity in the industrial water and wastewater management. Through our new subsidiary, Fineotex America Inc., we are positioning ourselves to serve data centers and semiconductors and other advanced industrial

facilities where water quality, cooling performance, water reuse and dependable operations are mission-critical.

Our vision extends beyond supplying treating chemicals. Over time, we aim to bring chemistry, engineering, equipment, operational support and service partners into integrated solutions across the water life cycle. This is an emerging business. We'll be building up through customer engagement, partnerships, technical capabilities and disciplined execution. We are optimistic about its potential while remaining careful not to go ahead of the commercial development on the platform.

Overall, Fineotex is entering a new phase with broader market, stronger international capabilities and a clear focus on sustainable, profitable growth. With that, I would like the moderator to open the floor for question and answers. Over to you.

Moderator: The first question is from the line of Dhruvi Shah from NVS Brokerage.

Dhruvi Shah: Sir, my first question is that FY '24 was one of the best years of Fineotex with PAT of approximately 21% following the acquisition of CrudeChem consolidated margins have moderated. Given the recent decline in profitability, can we expect the PAT margins to recover to at least 16% as it was in FY '26, if not the earlier peak of 21%? My second question is following the expansion of...

Sanjay Tibrewala: I mean, do you want to add on some more questions or I should answer one -- I mean, you want an answer now or?

Dhruvi Shah: Sir, you can answer. I have another question that I'll ask.

Sanjay Tibrewala: Okay. So let me enlighten you on this topic first. So as you can also see, the business overall in financial year '24 was not even half of where we are today. At the same time, you can see the absolute PAT numbers have been jumping and almost we are touching almost, let's say, almost doubling it even in the last 2 quarters and maybe in some point of '24, you can see there is a substantial jump happening.

So what also happens whenever we try to acquire companies, there is always an operational efficiency, which comes down the line. It doesn't come on the year 1. But as you said, we will always be looking at any company where we will be able to get more operational efficiencies and try to bring up the EBITDA margin to the line of what is our historic EBITDA margins and PAT margins always.

So we always endeavor to do that. Things like you can also see from the time we acquired on 9th December last year from till the time today, you can see there has been a substantial jump in the books of CrudeChem and also overall, the businesses have been picking up. We have been able to bring the single-digit EBITDA margin company into double digits.

The target which we had for covering the next 2 years to double -- have a double-digit EBITDA margins is already done in the quarter 4 last year itself. And then you can see quarter 1, this

current year and quarter 2 also, which is also faring very well. So things are going as per the -- in fact, things are going much better than what we had anticipated.

Coming to your point, yes, we always look at these things. There are a lot of sustainable products which have been eyeing our attention, and we have been getting great breakthroughs in a lot of big companies.

You'll be seeing a lot of things happening where we are able to bring a lot of efficient chemicals solutions to the customers, including sustainability, at the same time, making sure the oil operations are more enhanced and the recovery of the oil is done much better by use of our product.

So we have been able to delight the customers by giving them solutions, which are not only sustainable. At the same time, it is adding a lot of efficiencies to their existing oil and oil recovery cost. So there is a lot of things where the margins are going to be much higher than the normal margins. So when you look at the blended margins in the coming couple of years or wherever we are, you will see that we are closer to what you are looking at. So that's what I can say.

Dhruvi Shah: My second question is that following the expansion of manufacturing capacities in India and the U.S., could the company share its capex plan for the next 2 to 3 years? How much investment is planned and which business will receive priority? And what additional revenue potential can we expect from these investments?

Sanjay Tibrewala: So if I say about priority, I mean, let's put it like that. Textile Specialty Chemicals Fineotex is already a well-recognized international brand now, okay? So that is an auto-run business. Things are going very well.

As you can also see, the results of textile companies per se in India has been faring much better even in the last quarter, if you might have noticed a lot of bedsheet companies who are our top customers, you can see the results. Everything is getting much better.

So let's just say about -- I mean, all the participants, let me answer everyone on this line. So how we look at it is textile was subdued in the past due to the -- as you know, like India depends a lot on U.S. market, and there was a jump in the prices of chemicals and yarns, et cetera. In U.S., there was geopolitical tariffs and everything which happened due to which India was not favorable last year, calendar let's say so.

And now with India, with the U.K., with the EU tariffs, I mean, 0 tax almost and with the U.S. getting back to the original tax or maybe a little lower than that. Things are faring very well in textile. So that business is already going up. Everything is a priority. I mean I would not say that this is not a priority or that is not a priority, number one.

Number two, coming to cleaning and hygiene businesses, it has been doing quite -- a lot of new things are happening in cleaning and hygiene because there is a lot of sustainable needs coming up at the same time, cost reduction is going on. I think in the coming times, cleaning and hygiene is going to be picking up.

Now in oil and gas, we have 2 kinds of businesses. One is from the Indian operations and one is from the acquisition company in U.S., the U.S. arm. So let's say, in the Indian oil and gas specialty chemicals where we are, it's mainly connected to export businesses. So that business has been growing much more than what we had anticipated.

In fact, last week also, we were in ADIPEC, which is the largest oil show on planet actually in Abu Dhabi. And there has been such a great tailwind happening in this industry, especially from India that most of the Middle East companies, they want to buy more products from India. They don't want to buy from China, U.S. and other ones because it's more closer to them, the freight rates are still digestible compared to the other areas.

So already in India also, we are getting a good business from Aramco. We are supplying to -- I mean, you can name the big customers, and we are almost -- everyone has started to buy from us in, let's say, a month back or 1 or 2 months back. So a lot of things are going on. And in terms of oil. CrudeChem in U.S., you can see the way things have been shaping up.

There's a lot of operational companies, operators who have been asking for -- services and operators who have been asking our specialty products because we give the last mile deliveries and everything as well. So that is also getting exciting.

So priority-wise, yes, we are going to expand our focus and investments more in the oil and gas and water treatment. Now water treatment is such a business, which is also -- in a way, we are already doing it from India. We have polymers, which goes in the water treatment. We supply to products for B2B companies who buy the chemicals from us and they give their services to the likes of Aquapharm, Ion Exchange and these are the service providers and the companies where our products are, you can say, comparable in terms of the product category.

Plus, we are doing a lot of water treatment chemicals already exports from India. So even in textiles, you need water as ETP and ETP requirements are growing up in textiles as well. So any company, any production company will always -- wherever water is used, compulsory going forward, water treatment business is going to grow.

Now coming to U.S. market. Now U.S. is getting -- as you might have seen, like in U.S. in the next -- they say in the next 2 years, there is going to be an increase of almost $2 billion -- $1.5 trillion of investment is going to happen in U.S. in semiconductors and data centers, especially in Texas, especially in Midland, where our plant is, by the way.

So this is something which the world has never seen before. And even if you can -- a couple of days back, even Tesla has mentioned about the $74 billion investments which they are going to do in water treatment, I mean, data centers and semiconductors. Again, these industries need a lot of water treatment and all the water has to be recycled. Now that's the catch over there that being a supplier to these companies, this industry is going to be always flourishing because there is -- this is just one of the examples.

There are so many more companies which are coming up. And we are very much inspired and excited on those kinds of businesses. So that will be also one of the lines where we will be

investing. Actually, I just tried to give a broader picture to all the participants on this question itself and to give a more elaborated answer.

Moderator: We will take the next question from the line of Samarth Goel from Choice Institutional Equities.

Samarth Goel: So my first question is that like the other expenses dropped by around 6% and the COGS saw a 6% increase simultaneously. Can you just throw some light on how would we see like coming quarters?

Have you made any changes to the operational performance, which resulted to drop in other expenses? Simultaneously from the COGS perspective, I wanted to know how was the price pass-through in this quarter, were you able to pass through elevated prices to the customers or because of increased competition, do you face any challenges in passing through that?

Sanjay Tibrewala: So thanks, Samarth. I'll just try to give a rep address to that query. So like you mentioned about other incomes, there are a lot of things which are happening around. There is a lot of -- initially, there were a lot of investments which we have done now to start some new product lines in CrudeChem as well.

And there was a lot of action going on for the other incomes, more technical people, strong technical partners and consultants were invited, and there was a lot of expenses being done in order to have much better -- in order to have much better product lines and grow the companies and capacities and new product lines in the same machines, which we are already installed.

So yes, there was -- in the previous to previous quarter, Q1, there were certain -- a lot of more expenses than it was. But I think some way or the other, it's getting settled around, and we have been becoming more operational efficient as well. And with the new machines and the new things, there is a lot of cost savings, which we have been working on. So going forward, I think it should be in the similar line.

Also, if you can also notice the other income has also been reduced in this quarter. okay. Just to give a perspective of the other -- when you said about the other expense, I want to touch on the other income also.

So as you can see, this quarter, the other income has dropped considerably, you can say so. It's because this is about the treasury investments and the dividend incomes and other things. So technically, those are the ones and some foreign exchange things around. So that is something which has also reduced on the other incomes in this quarter.

Now -- sorry Samarth, I forgot your second question. What was it?

Samarth Goel: So it was a continuation of this that the COGS expenses increased by 6%. What was the -- like what were the challenges there? Were you able to pass through the elevated prices? Or was there additional competition from other players as well?

Sanjay Tibrewala: Yes. So it's not about competition actually. And also, we can always pass on the prices in a couple of months. So generally, what happens is once we get a customer, we have a tie-up with

them for a couple of months maximum because -- and in fact, in oil and gas, a lot of things keep changing on. So everyone knows that everyone has to only be secured for a month or 2, cannot be having long-term contracts.

Even in fact, Aramco has also dismissed all their old contracts. Everything is happening fresh and on spot. So there is a new concept started like war surcharge and spot purchases and spot businesses, which is marking only 1 or 2 months of the demand of the company. So we can always -- we do keep passing the things.

At the same time, sometimes it also happens that some of the prices of chemicals have gone down. And maybe we have ordered it before. There was a delay in the inventory coming -- the stocks coming to the plant because of the longer -- as you see, due to the geopolitical situation, the freight rate; that is one. And apart from that, the transit time from Asia to U.S. and other things have increased a lot. So sometimes what happened is we had to order a lot of chemicals, which reached maybe later, but then the prices might have corrected on that line. So there is a little bit of inventory destocking also which plays into factors.

So this is something, but it is always the equilibrium where you can always expect things to get back to somewhere midpoint or something like that.

Samarth Goel: Sir, Next...

Moderator: I'm sorry to interrupt, Samarth. You may please rejoin the queue for follow-up questions. Next question is from the line of Nalin Shah from NVS Brokerage.

Nalin Shah: At the outset, I must congratulate the team at Fineotex for, I would say, the much, much greater top line growth -- and of course, the absolute numbers, even the bottom line has gone up considerably well. So that I must congratulate the team.

Now some of the things which we want to understand is that this oil and gas chemicals business, which is U.S. you are doing, is it that this business also can be -- I mean, because the oil and gas industry in India is also very big. So are you going to do something similar in India also? Or for the time being, you are going to concentrate only on the overseas market? That is my first question.

My second question is that on the water, this data center, water treatment and water, I mean, this recycling business, which looks to be very, very much, imminent. What is the earliest point of time when you feel that you will start some kind of top line contribution from that business? And whether there is any technological data involved, which is already with us already? And secondly, similarly, whether this data center business, you will be also able to do it in the Indian market also, same thing or how you propose to envisage? That is the second question.

And my third question is because you said that so many different things are happening, so many exciting opportunities are coming up. So if you can just give us some idea about that where do you see Fineotex in 3 years' time, say, by 2030 March, where do you see the Fineotex in terms of at least top line numbers?

Sanjay Tibrewala: Thank you, sir. Thanks for your questions. So one by one, let me pick it up and reply to you. So oil and gas, typically, what happens in India, basically, India is more into refinery. So oil is not extracted from India per se. However, we are one of the vendors to ONGC from 2006 and '07. So I'd like to give all the participants a perspective on what is our business model.

So the 4 verticals and segments, which we just spoke about, which is textile specialties, cleaning and hygiene, where our plant is already FDA certified and then the oil and gas, which has from India and as well as from the U.S. company, which is this thing, manufacturing units, plus the water treatment.

So all 4 sectors and plus, in fact, we are doing some business with RCF, we do some business with paint companies for their additives and other things, which are not too important. So we classify in others and things like that. So basically, our model is either we increase more product range in the same set of customers to excite the existing customer to take a better wallet share.

At the same time, the chemistries, wherever we have common chemistry, let's say, we do polymerization, esterification, sulfonation, phosphonation. In polymers, we do homopolymer, co-polymer, terpolymer, we do for acrylic, we do for maleic, we do for polymaleic, we do for -- I mean, all the chemistries that we're doing.

Wherever these chemistries have an application in other industries, we always focus on those segments also. So we get a better efficiency of operations and better asset turnover ratio, which you might have also seen in the last 60 quarters of being listed or maybe more now.

So last 60 quarters, since Fineotex has been listed and the data are on the public domain, you can see always our asset ratio has been favorable because of this, where we focus more on fungibility of the machines.

Our product lines and our reactions are also in a way that our reactors are multifunctional and made to suit them all the kind of reactions in the same thing. These are batch-wise processes, which helps us to always have a -- I mean, the process is to have a better SOP of cleaning.

And then after the production is done of one particular chemistry, we can always have a cleaning process and then go to the next chemistry in the same vessel. That is the reason you can see always we have a better internal accruals, better ROCs and better asset turnover ratios and things like that. So oil and gas may we are already vendors to ONGC. However, India, the scope of oil and gas business is not at all comparable to maybe a smallest country in the Middle East also, for example.

Now -- so basically, we still -- like oil, there are 3 main processes. One is the upstream when the oil is taken out from the ground. Then there's a midstream where the oil is transported and there is a downstream where the refinery process happens. India mainly it is refinery more of it. However, which ONGC also does.

So we keep doing those things in India. We are already vendor. We get a lot of orders from Oil India, ONGC. I think we supply it to Reliance also, but these are not too much important and comparable because ONGC is also -- it has its own -- it's not -- it's still somewhat, let's say, it's

not a choice of our customers. I mean we would like to work with bigger companies, which have more professionally -- I mean, ONGC is getting much better from where it was, but it has a lot of long-term, let's say, contracts and tenders and all these things, which we'd never like to do.We always like to have flexibility. So oil and gas, we are already doing in India, but the scope is less in this. Now coming to water treatment. Now in water treatment, you had asked us one question right now that how do you see what are the -- when can we see numbers and things coming up?

Nalin Shah: Correct.

Sanjay Tibrewala: We'll be soon officially launching our website and announcing it on the social media and LinkedIn, I mean also on the stock exchange probably about our new website and things which we have totally dedicated to water treatment. I think in a couple of weeks, we are -- or maybe next week itself or this week, and we are going to take it up to that line where you can understand the kind of companies we have -- I mean, kind of sectors we are going to service to.

Water treatment is such a thing that every customer is requiring. Even if it is a textile company, you need it, even if you are doing semiconductors. Now semiconductors and data centers are huge. They are going to grow huge. And already, let me tell you, coming to more accurate answers to you, I think we were expecting Q1 next year to be the order lines picking up.

But I think the Q4 this year itself, I think we will be having orders in hand because there is a lot of approval systems, which we have done, a lot of, let's say, Fortune top 10 companies of the world has also done a lot of NDAs from us, which we are not allowed to disclose here.

And so there is a lot of excitement going on internally on those lines. We are very much excited with this opportunity. And I think we are rightly poised for this because it's a totality of the things. They don't need only the product. They need the product, they need the people, they need the services. We have a logistic company, as you know. So CrudeChem also has FrackMex which is an exclusive logistic company doing only work for CrudeChem, where we have our trailers, ISO tanks, flat beds, drivers, other things.

So in U.S. last mile delivery is a very, very important. We, as Indian based, we don't much value about the delivery part of it. But just to give you some more insight about it in the U.S., even the tankers and truck, when it is reaching, even if it is 1,000 miles away, you have to be very specific on the ETA and there is an hourly window open that your tankers or trucks has to reach in that. Otherwise, there are penalties happening and in oil and gas, this is a very important thing. They work on NPTs -- it's all downtime rate or something like that, in which if something goes -- if you delay something, you pay claims on that.

So that is what we have a service here along with us. And I would like to mention that, that is also helping the business and the customers to be more happier, delighted. And in U.S., companies are ready to pay you the price as long as you give them the services. This is -- they have more service-oriented concept.Like in India, we are not too much service oriented. We are more happier with the products brought at cheaper rate, we will manage our own purchases. We'll send a - find some transporter and even the transport systems. And just a perspective to all

of you on that line. So touching on your question again, we have -- already have the right people, I mean, in the company, in the group who have great experience in water treatment.

And so this is something which is where we are -- I mean, if you ask me where is my focus area right now, I'm putting my personal timeline and energy on 2 main fronts. One is oil and gas, which is already growing and a lot of things are going on that. And one is the water, waste management and water treatment things, which is also -- this can be one of our major businesses maybe going forward.

So we are looking at -- because the opportunities are of a very high level. Now coming to another question which you asked me, I think, was about how do you see, let's say, 2 years, 3 years down the line, you said, I think, right? So...

Nalin Shah: Yes, by 2030.

Sanjay Tibrewala: So I mean, I would like to mention here, there is a lot of things happening. We are getting a lot of opportunities from chemical companies for mergers and acquisitions and inorganic joint ventures and things like that. It's very hard to say that way. But if you see the way the company has grown in the last 6 years. In the last 6 years, I think the company has grown by 10x.

And I think now the opportunities are increasing. We have already got a lot of -- so we have a plant -- we don't have a plant, sorry. We have a company in Ras Al Khaimah as well in UAE. And there's a lot of exciting opportunities, which is also coming in the Middle East. There is some opportunity coming in the U.S. also.

So I think going forward, we will be -- I mean, there is a lot of opportunities that we can always become in the coming decade or to give a broader picture, 6 to 7 years. I think we should be at least 3x from where we are and/or maybe 4x minimum. So I would not rule that out at all. I mean, rather, I would be a little bit surprised if we don't do that rather actually. But that is just a general estimation, assuming a lot of factors, as you know.

And also, as you know, that in the geopolitical situation changes on every day or every Twitter, I tweet or I don't know what how. But -- so a lot of things keep changing. So we are assuming things to be normal. And so that's what I would like to say to address your question and all the participants also where we are looking at ourselves in the coming times.

Nalin Shah: Correct. Correct. Sanjay, what is the kind of capex required for this water management thing?

Sanjay Tibrewala: So yes, that's an interesting one. So already, the company has a substantial cash flow -- cash on books right now. And there are a lot of internal accruals also coming up and being accumulated in going forward the way it looks like. So I mean, the asset turnover ratio of this division is going to be definitely in line with our normal practice. I mean, normal last -- the way we are working like it should be at least 5x to 6x always higher.

So I don't want to give you exact number right now, but I think we can always do it. And in case we need something, we can always go to -- in case we need some kind of fundraising or

something, we have the debt opportunity always with us or maybe in equity or something. We can always -- we have an open mind for that.

Moderator: Next question is from the line of Prateek Giri from Subh Labh Research.

Prateek Giri: My first question is on sequential revenue number in CCTL. By the looks of it, it seems from the last quarter, Q1 '27 to Q2 '27, number is either flattish or probably has declined a bit. I closely track this number of rig count in U.S.A., probably that has gone up materially in the last 3 months. So if you can just help me understand why our number has gone down this quarter as compared to last quarter, Q1 '27.

Sanjay Tibrewala: So I'd like to take a step back also. If you also consider the kind of businesses CrudeChem was doing before, so the business was around the range of $50 million maybe in the last year. And already it is annualized to $100 million from the time we have acquired. So we have not completed 1 year also, by the way. And in 1 year, you have seen 2x things happened out, okay?

Number two, I would like to mention that I don't see any kind of a decline or something. I would rather say that there is a lot of things happening around. And sometimes the rig count is good way of comparing things. You are very right that the rig count has increased. So what you can also infer on that basis, there will be more and more opportunities coming up.

So also keep in mind, there is a lot of -- every well is a customized well. I mean customized products are required for every well. Sometimes you get fresh water there, sometimes you get saline water. Some wells are in Midland, some are in Delaware, some are in South Texas and so on and so forth.

So there is always in oil and gas, you will always see things coming up and having flattish also. So it's not directly connected to the -- to exactly the ecosystem of the growth of the industry in a way. However, if you also go one step behind, if you see that we have already doubled and you can see the numbers of Baker Hughes or Halliburton or Weatherford or Schlumberger in that. So there is sometimes a lag of things which is there pending and sometimes the customer says, don't deliver it this month, deliver in the next month.

So in -- so how to take this understanding much easier. It's not a cleaning and hygiene detergent soap kind of business that every day the person is going to use soaps, sometimes due to weather, sometimes due to the other factors because these chemicals are just one of the ingredients. There is the clay, there is the sand, there is water. There is so many different factors. Weather -- by the way, weather is also very important.

It's like if there is a lightning there, everything shuts and they have to do it. It's a rule of the -- it's the way it works. So there is always something which flows out of this quarter goes to the other quarter, sometimes it rolls back. So always view this business on the annual basis. You cannot -- it's like a -- how do I say, IPL match, you cannot watch every over and then translate that in 20 overs how much will be the run rate. So there will be certain power overs, which comes and does the job. So similarly, there are certain quarters which does the job of 2, 3 quarters.

And sometimes some orders of quarters are not -- has always been postponed to the next one as per the well, as per the requirement of it. So that is just the way it works. So you need to understand this and see it on a macro level. Yes, Mr. Giri.

Prateek Giri: Yes. No, this was helpful. So probably we should expect some recovery probably this quarter or probably this H2 itself.

Sanjay Tibrewala: I mean I don't know what you call recovery. I mean, in fact, we are too excited about the way we have performed. And so I don't know what does the recovery mean. I think we are almost -- in less than 1 year, we have -- let's say, in 6 months, by the way, because you are talking of quarter 2, so let's say, 6 months because December was -- last year, we just entered and that was just the paperworks and things happened. Let's say, from 1st Jan to 6 months, you have seen -- the numbers are evident to you.

So I mean, I don't see any scope of word recovery here. I mean there is nothing to recover. I mean the growth momentum is there and how much we can keep maintaining the growth momentum. That's about it. That's the way we would look at.

Prateek Giri: Got it, Sanjay. Got it. Sanjay, my second question is on our aspiration to probably acquire another business probably in water treatment segment. Sanjay bhai, I would like to get your opinion on the fact that we have recently acquired CCTL. It is to an extent that we have acquired it half only.

So as a shareholder, is it right to think that for the next few months, quarters or probably a year or 2, we should largely focus on CCTL scaling, probably increasing our stake there and then only go for acquisition in other chemistries, probably water chemistries, et cetera, because it is involving equity dilution also, Sanjay bhai. And so that is where I'm coming from.

Sanjay Tibrewala: So Mr. Giri, I mean, we can send you some more inputs about it. Maybe it's -- already it's in the earlier con calls and some of the presentations, which we have shared about. And I mean -- so basically, we have almost 54% today. We -- let's say, the SPAs in a way where the promoters, founders have to sell 25% to us in January '28, okay? So that is 25%. So we will become 79% to 80%. That's number one.

Number two, the new investments which we are doing or the new opportunities which we are eyeing is something which is not in this company CrudeChem. We have already have, as you might have seen on the stock exchange also in the last 2 months, we have 2 new companies commissioned. One is Fineotex Holdings Inc. and one is Fineotex America Inc. So these are our subsidiaries, wholly owned subsidiaries of Fineotex Group.

And so that answers to your point. So anything on -- anything will be invested there will be on 100% on Fineotex.

Prateek Giri: That answers my question, Sanjay bhai. Good luck to your team and....

Sanjay Tibrewala: Thank you for asking this, because your question was very important actually. This helps all the participants also to get the direction of the real situation as well as where it is going forward. So thanks.

Prateek Giri: Yes. Sanjay bhai, actually, equity dilution is something which as our existing shareholder, we sometimes feel the pain of when things go down south. So that is why I was asking this, but good luck to you and good wishes to everyone there.

Moderator: We will take the next question from Mansi Rathod from Hathway Investments Private Limited.

Mansi Rathod: So I just had a few questions. One on the tax rate, which fell from like 25.5% in Q1 to 21% in Q2. And...

Sanjay Tibrewala: Can you repeat? Can you repeat what you say, sorry? Can you repeat the last piece?

Mansi Rathod: Tax rate fell from 25% in Q1 to 22% in Q2. So what drove this? And could you please share your revenue split by segment for Q2?

Sanjay Tibrewala: Yes, perfect. Thank you for asking this. So as I would like to mention that even the Indian operations, the new plant, which we have commissioned 2 years back is also under the new company, India's wholly owned subsidiary, which is FSPL Specialties, which is 100% of Fineotex Chemical Limited, where the tax as per the new tax investments for the new companies, it's 115BAB, where the taxes are 15%, number one.

Number two, the tax rate in U.S. is far lower than India. And the more and more we grow the companies and the businesses in these 2 areas, the tax rate overall, historically, what you have been seeing will be coming down, and it should be always -- I guess, I mean, our estimate would be that it should be always around 17% to 20% going forward. So 20% would be also a good number to be expecting it in future, number one.

Number two, to give you -- you wanted the revenue breakup and things like that, right? So basically, oil has been -- so okay, oil is almost like 65% of it, approximately. Textile specialty, which was, in fact, 90% in 2022 has still grown by the way from that number in absolute numbers. However, due to the other verticals and segments doing far exceedingly better and scaling it up, that has come to 25% broadly. And let's say, the hygiene cleaning businesses and other things, it is around 7%, 8%, let's say, more or less.

Mansi Rathod: Would be the CrudeChem share compared to Indian business or split between CrudeChem and India business?

Sanjay Tibrewala: So what has also happened, now I would like to give to all the participants here that there are a lot of -- as you know, the freight rate has increased and a lot of things have happened. So what we also did, like I have been telling in our previous con calls also, after entering CrudeChem, we brought a lot of resources to CrudeChem that is technical resources, technology transfers, product knowledges, financial resources, manpower and things, so on and so forth.

Now coming to your question, there has been a great good product lines, which were also transferred -- technology transferred to CrudeChem because to cater the U.S. demand, which helps us to avoid the freight rate. Now supposing you make the products in India and then you export it to U.S. or wherever it is, you want to.

So it becomes a lot more challenging from the inventory control from the time line, which has increased dramatically because earlier it use to go from Middle East now you have to round it up totally. And as you know, like Jebel Ali is closed, Kuwait ports are closed, Dammam is closed. Jeddah is depending on the center of the Middle East. So we also done a lot of transfer technology due to which a lot of businesses has been -- so CrudeChem will always be, let's say, 90%, 95% of the businesses, let's say, on that line. But I would not like to stay in that way.

We work always on a totality. And so that is the way we look at it on a broader terms.

Moderator: Next question is from the line of Ather Syed from HS Capital Ventures.

Ather Syed: Sir, I just have 2 questions on the warrant front. Sir, firstly, I wanted to understand like we had allotted warrants to promoters as well as shareholders like some other groups. So I wanted to understand in 2025, on consol basis, we saw some outflow.

Sanjay Tibrewala: Yes, go ahead, I can listen to you.

Moderator: Mr. Ather, we are not able to hear you. Can you hear us?

Sanjay Tibrewala: Okay. But let me -- okay, let me give some perspective on that. I guess the question was that maybe about -- yes, so basically, yes, there was -- in fact, in my individual name, I had subscribed to the warrants, which was exercised as well on the time period before that. And that proceeds are also in the books of the company and being used for the growth of the company. Possibly, this is what you must be asking, yes, those are exercised.

That's what it is maybe. Okay. Madam moderator, please go ahead.

Moderator: We will take the next question from the line of Darshil Zaveri from Crown Capital.

Darshil Zaveri: First, congrats on a great set of results, sir. Sir, just wanted to know like I think you mentioned there's some seasonality impact in CrudeChem. So is it like H2 is always better? Could you help us out with that, sir? And I think -- I was just hoping that if going forward, we can give in presentation some brief numbers about how CrudeChem has performed, maybe just some revenue and profitability, that would also be really helpful, sir. That's my first question.

Sanjay Tibrewala: Okay. So yes, Mr. Darshil, let me answer in a way. So there is not exactly H1s or H2s happening around, but -- so what happens, let's assume in a way. So let's take Christmas, for example. Now when Christmas comes in, generally the -- like from 15 December, things are getting in -- new things are not happening around and people postpone their things on that. But if you consolidate the, let's say, December and Jan, the totality is always the same. So that's -- I don't know if that is what you would like to listen to, I don't know.

But in a way, I would like to say it doesn't work exactly on that. What are the external factors which affect this is, one is the, let's say, the rig counts, the geopolitical situation, the freight cost of it, sometimes the weather. But again, having said that, these are short-term things because ultimately, oil is going to be the charm of the world even for the next 50, 100 years. There is no doubt about it, number one.

Number two, even if it doesn't happen in this particular month or quarter, let's assume it is going to fall on the other one. That's the way oil industry works. It's not like a detergent market where every day you will have to clean your hands and soap it out and things like that, and it's always predetermined that in spite of recessions or boom or anything, the detergent consumption is assumably the same. It doesn't work like this. So this is the way I would like to answer your point.

Coming to CrudeChem, I think that is your -- the second question or a part of the first question. Yes, I mean, everything is going as expected or maybe a little bit better than what we were expecting in this quarter also. And the kind of new things happening around, the kind of pain we are getting, if you also see, we have been invited as panel guests for the biggest federations. If you see our LinkedIn CrudeChem posts and other things, you will see that our team members, the technical people and the directors have been also invited to -- on the seminars and the panel of the entire U.S. forums where we are telling people about the trend happening around and what should be done.

So there is a lot of things going to shape up. Sustainability is going to come in a big way. We are already poised for it. 44% of our products in CrudeChem is sustainable. At the same time, it is helping to get EOR, enhanced oil recovery.

So this is going to help the customers to save cost. If I'm not wrong, I think we were able to -- some of our products were able to save almost 17% to 18% of the cost of the consumer, which is huge in fracking and completion. So I mean, it's already getting the attention. We are getting ahead of the other companies who are into this play. And we are -- I think we will be more quicker in achieving and making further enhancing the brand and the businesses on those areas, which are going to be more and more in demand.

So this is something which I would like to tell you to answer your question and all the participants.

Darshil Zaveri: Yes. That's really helpful, sir. And sir, just wanted to know, I think we had mentioned previously that our target for next year would be around $200 million revenue from CrudeChem. Are we holding on to that, sir?

Sanjay Tibrewala: Yes. I mean what we mentioned was 2028, which is the calendar year '28. I mean there -- that's the way they work out. They don't work on our Indian calendar point of view. So I mean, it is -- this is -- we have a plan in place and things are going on that line.

However, these are like I was referring about a cricket match, IPL match. You cannot estimate every over will do how many runs. But broadly, it is something which is -- which should be achieved. And it looks like if we have doubled the business in 9 months or let's say, 6 months or

in that run rate, I don't think why should this not happen in the next 6, 7 quarters. So that's the way we are looking at it.

And plus your participants also said and your participants also -- the participants today also mentioned about the rig count, which is perfectly right, actually, there has been an increase in rig counts.

And U.S. -- by the way, U.S. is going to grow. There's no doubt about it because Guyana is coming up. If you see there was some big news about Guyana being going to supply to India also the oil in the -- there was something last week in -- from the PM office also, and that's also picking up Guyana, Suriname.

We have started to supply to Canada also, by the way, to big service operators, which is huge. So there's a lot of things happening around. We are in the right position. We are rightly positioned right now. That's what I can say.

Moderator: Next question is from Amit Kumar from KA Private Limited.

Amit Kumar: My question will be on -- like most questions are covered. Like you have acquired the certification for AquaStrike Premium in India. Has orders start flowing, has any production? Any update, sir on this?

Sanjay Tibrewala: So as you might have also seen, Amit ji, we have already -- I think it is mentioned in the investor presentation in this quarter, we have achieved -- our plant has been audited by CIB and the registration certification is also may be attached, which shows the date as September or something like this, which is just a couple of months back.

And yes, we are very close to that, and this should also be shaping up in this financial year look to be. Now this is something when we achieve it, we will be updating everyone. And this is something where there are efforts and there are -- in the company, there is -- I mean, the entire -- a couple of people who are focused on this business generation as well.

So yes -- and also we have uploaded the Haffkine's approval things certification this time about the product's performances. The product already registered in Delhi CIB, which was done 1 year back, but the plant approval was pending and that also we have completed. So we are very closer to -- and all the compliances and all these things are getting forward. Thank you so much, Mr. Amit.

Moderator: Next question is from the line of Viraj Trivedi from Vinay Digital.

Viraj Trivedi: Congratulations for the good set of numbers. I would -- firstly, that in previous con call, we have given the guidance of achieving INR3,000 crores revenue.

Moderator: Sorry to interrupt, Viraj. May I request you to please speak with your handset mode, please. We are not able to hear you. It's fluctuating.

Viraj Trivedi: Okay. Now can you hear me?

Sanjay Tibrewala: Yes, we can hear you.

Viraj Trivedi: Okay. Congratulations for the good set of numbers. I would like to ask that in previous con call, we have given the guidance of achieving INR3,000 crores revenue by FY '28. So we are very much -- can we say that we are very much on the track of achieving that?

Sanjay Tibrewala: I can tell you one thing in this topic like we are looking at a lot of things happening around. And so actually, if you see we are already at INR1,600 crores if you analyze the last 2 quarters also. and the kind of opportunities we are getting in organic and other opportunities of chemical plants, I think, yes, we are looking at a lot of things happening around. And even if it -- INR3,000 doesn't happen in the, let's say, the financial year '28, '29 or whatever it is, we are still going to be much ahead of time in the businesses where we are. And we are trying to -- as we have also mentioned, we are going to be making it more operational efficiencies are going to come, and we are trying to increase further on the margins, however -- as we proceed ahead.

Moderator: Next question is from Utkarsh Somaiya from Eiko Quantum Solutions.

Utkarsh Somaiya: I had 2 questions and one clarification on one of your previous answers. I'll just start with the clarification. I think you said that if you happen to do an acquisition, you will not dilute equity in Fineotex Chemicals, but you may raise money in the 2 recently incorporated subsidiaries. Please tell me if I got that right. And my I ask my other question?

Sanjay Tibrewala: So, let me answer this first. Yes. So no, that is not correctly understood. What the question that time was the -- I think someone was asking a question, one of the participant, whether -- why are you putting more investments of new businesses in CrudeChem because you have lesser share and the investments will not be correctly justifying or whatever he meant to. So that was the note about CrudeChem comparing vis-a-vis our new companies, which has been formed recently, not even 2 months back.

And at the same time, I also highlighted that even in CrudeChem, we are going to increase the stake, which is evident. So what you understood now is -- was not right. I mean this is the correction -- clarification for that.

Utkarsh Somaiya: So if we do find an acquisition, we are open to raising money via equity. Is that fair?

Sanjay Tibrewala: No, there are 2 parts of it. Now raising funds and in which company you are going to acquire it from. So let me say, we already have 2 new subsidiaries. Even if we acquire in U.S., we can go through those channels or if we are doing something in Middle East or anywhere else, we can always do from the main Fineotex wholly owned subsidiaries, et cetera. So that is the way it is.

So basically, this -- this also takes care of the question of the earlier participant, which was -- I mean, he was not encouraging in a way to buy the companies via CrudeChem. That is what it was.

Now coming to your part of the question or, let's say, your question now is, are we open for equity dilution or not? Now I mean, yes and no both. I mean it's not a no, no, but it's not a yes, yes. I mean it also depends on what kind of acquisitions are we looking at, what's the time frame

and how quickly we need the funds and what is the -- so basically, any acquisition which we will do will be EBITDA accredited. That is number one, number one.

Number two, we are also very disciplined in deployment of our cash. If you see our 60 quarters of being listed, the company promoters are not too ever working on debts and leverages and too much of things.

So we have quite a predictable management, I would say. and predictable business also in a way. So we are not going to do anything which is out of proportion. And so we are not too comfortable on adding too much of a debt. Now having said that, in case we need some debt in the initial times and then we can bridge it up with other equity fund raise or wherever it is, we can always consider that.

So it's a question about how we look at those opportunities when we touch that platform.

Utkarsh Somaiya: Okay. And sir, one more question. I think you just said that if you don't achieve INR3,000 crores by FY '29, you'll be shy of that, but you'll make up for it by getting your EBITDA margins to your erstwhile 20-odd percent. So can you just speak a little bit on this, please and clarify the same?

Sanjay Tibrewala: So basically, this is something to do with the way we are looking at ourselves. So I also mentioned a couple of more things. I don't know whether you heard about that. But yes, I mean, we have been at a run rate of almost INR1,600 crores and the kind of businesses which we are getting, if we don't -- in the next 2, 3, 4 years, I don't think why we should not be doubling or something like that. And the -- I mean, this is something what we have ourself plan or what things are -- we can see that way.

Now that has -- I don't know -- I mean, you want to hold on that number as a base of things. Okay. So let me also tell you, this world, I'm very sure all the participants are not even knowing like what is going to happen tomorrow, day after, right, now where the situation is. So everything works on the external factors where things are totally governed by geopolitical situation. There is this election coming up.

There is this happening, there is crude oil prices fluctuating, there is India and things are -- a lot of things are happening around. So this has -- all things are assumably, assumably constant and good, then maybe this is what we are looking at. That's the way I would say.

Moderator: Ladies and gentlemen, we will take that as the last question.

Sanjay Tibrewala: Okay. Thank you, everyone...

Moderator: I would like to hand the conference back to Mr. Sanjay for closing comments. Over to you.

Sanjay Tibrewala: Thank you. Thank you so much. Thank you, everyone, for your questions and interest in Fineotex. We have been able to do the best for -- and increase the value of the share, stakeholders as usual. We have been making sure that we keep on maintaining our growth momentum, which you have seen in the last 6 years as well.

We appreciate your trust. And we are -- you can always reach to us. Our enthusiastic team is always there to give you more insights. And in case you want any factory plant visits, you are more than welcome. And the silent period is also over from today.

So yes, we can always do that. Thank you, everyone. That's all from us. Thank you.

Moderator: Thank you very much, sir. On behalf of Fineotex Chemical Limited, that concludes this conference. Thank you all for joining us today, and you may now disconnect your lines.