November 20, 2026

The National Stock Exchange of India Ltd. Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 **Company Symbol: DMCC**	**BSE Limited** Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **Scrip Code : 506405**

Sub: Transcript of Conference Call held on November 18, 2026 with investors and analysts on the financial performance of Q2H1FY27.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we are enclosing herewith the transcript of the Conference Call held on Wednesday, November 18, 2026, at 4:00 p.m. (IST) with investors and analysts on the financial performance of Q2H1FY27.

The said transcript will also be made available at the website of the Company at www.dmcc.com under Investors>>Announcements>>Analyst Investor Meets>>Investor Conference Call.

You are requested to kindly take the same on your record.

For DMCC Speciality Chemicals Limited

PALLAVI SATISH PEDNEKAR

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Pallavi Pednekar
Company Secretary & Compliance Officer
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Encl: As Above

"**DMCC Speciality Chemicals Limited**
Q2 & H1 FY27 Earnings Conference Call"
November 18, 2026

MANAGEMENT:

MR. BIMAL GOCULDAS
MANAGING DIRECTOR AND CEO

MR. SUNIL KUMAR GOYAL
CHIEF FINANCE OFFICER

MS. PALLAVI PEDNEKAR
COMPANY SECRETARY AND
COMPLIANCE OFFICER

DMCC Speciality Chemicals Limited
Conference Call
November 18, 2026

Moderator: Ladies and gentlemen, good day and welcome to Q2 and H1 FY27 Earnings Conference Call of DMCC Speciality Chemicals Limited hosted by TIL Advisors.

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 '*' then '0' on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhishek Mehra from TIL Advisors. Thank you and over to you, Mr. Mehra.

Abhishek Mehra: Thank you. Good evening and welcome everyone. Thank you for joining this Q2 and H1 FY27 earnings conference call of DMCC Speciality Chemicals Limited. The investor updates have already been uploaded on the stock exchange and on the company website. In case you do not have a copy of the same, please feel free to reach out to us.

To take us through the discussion, we have with us from the management team, Mr. Bimal Goculdas – Managing Director and CEO; Mr. Sunil Goyal – Chief Financial Officer and Mrs. Pallavi Pednekar – Company Secretary and Compliance Officer.

We will be starting the call with a brief overview of the business performance which will then be followed by the Q&A session. I would like to remind you all that everything written is called reflecting any outlook for the future which can be construed as a forward-looking statement, which must be viewed in conjunction with the risks and uncertainties that the company faces. These risks and uncertainties have been mentioned in our annual report.

With that said, I will now hand over the call to Mr. Bimal Goculdas for opening comments. Over to you, sir.

Bimal Goculdas: Thank you, Abhishek. Good afternoon, ladies and gentlemen. Thank you for taking the time to attend this call. I am Bimal Goculdas, Managing Director and CEO of DMCC. I will give some of my comments on this quarter.

First of all, I would like to apologize for the late conference call. We should have had this much earlier, but there was some pre-planned travel. So, we decided to post the commentary online

and then have the call at a convenient time. And so, I will begin with discussing the results for the quarter.

As you could see, the topline was quite high. It was about Rs. 273 crores, but the EBITDA was only Rs. 11.6 crores and that's a sharp drop from the previous quarter. As I mentioned in the commentary, the main reason for the decline is two-fold actually. One is that the prices of sulfur became so high that the sulfuric acid made from that sulfur could not be absorbed by the end-use markets. So, there was demand destruction at these prices. And just to refresh your memory, before the Iran crisis, sulfur was at about $500 per ton. After the Iran crisis, it went up to as high as $1,100-$1,200 per ton. And now it has started tapering off but the entire quarter, it was at elevated levels. In Q1, we were able to pass on the price increase but we couldn't do that in Q2.

The second reason is that we also ran the plants at lower capacity because we didn't see the sense in selling below-cost additional volumes. So, we rationalized the production. You may have also seen that the working capital increased dramatically compared to the previous year and compared to previous quarter, which is in line with the increased price of the raw materials as well as the increased receivables due to the higher topline. In terms of the downstream products, the Speciality Chemical business, the results don't reflect it but we had pretty good traction.

We've recovered a lot of overseas markets in new countries, and we continue to do well in that regard. The whole thing was overshadowed by the sulfur price and I in fact recently attended a conference on sulfur and sulfuric acid, and it was sort of reassuring to see that it was not only India which was affected, but also globally, there was demand destruction. And one of the presentations I had seen was that above a price of about Rs. 30,000 per ton equivalent of sulfuric acid, there is significant demand destruction, which is exactly what we witnessed in India.

And now that price is coming off, we expect that there will be an increase in demand again and in fact we have seen some of that already. So, unfortunately, whatever we did on the Speciality Chemical side was overshadowed by the sulfur price volatility and that's the result you see in the Q2 performance.

With that, I'd like to open up to any questions that you might have had.

Moderator: Thank you. We will now begin the question-and-answer session. The first question comes from the line of Yug Jain, an individual investor. Please go ahead.

Yug Jain: Thank you, sir, for the opportunity. So, I would like to start with earnings quality because that's where I think most of us are struggling. In Q1, you were candid that part of the 13.5% margin came from inventory, and you said that they would reverse. Q2 came in at 4%. So, across the

half, that's about 8% to 8.5% EBITDA on roughly Rs. 525 crores of revenue. So, I'm trying to understand firstly, how much of the Q2 fall was that reversal? Second, how much was the sulfur and sulfuric acid spread collapsing? And third, how much risk was spread over lower output because you choose to run the plant slower? Even a rough split would help us work out what a normal year looks like.

Bimal Goculdas: Sure. So, what you can do, the best way is to look at the delta between the sale and the raw material cost and that has shrunk. So, the gross margin has shrunk substantially between the two quarters. And while we don't give a specific breakup for each individual product, I had already mentioned at the end of Q1 that the inventory gains cannot continue and inventory gains were in the sense, I will just refresh your memory of that. Basically, if sulfur goes up, I'm selling sulfuric acid at the higher price and whatever inventory I have, that will get sold at a higher price in terms of sulfuric acid. In this quarter, the price remained high and it remained at a level where there was demand destruction. So, for example, if our plant capacity is 100, we ran at about 65%. So, it didn't make sense to run at the higher capacity. But that also meant that we didn't get the utilities from the sulfuric acid plant that we would have got in a normal time. So, it's a combination effect. If we are losing money on variable cost of sulfur, the question of absorption of overhead is not relevant. And this is what happened in the quarter.

Yug Jain: Okay, understood. So, secondly, on the Speciality transition, in earlier calls, you had mentioned that 50% Speciality revenue split with DMCC becomes a true Speciality company. True to show 27%, but with bulk prices this high, the revenue mix probably understated the progress. If you look at volume or gross contribution instead, where does Speciality actually stand today? And without asking, could you just outline the roadmap to 50%? Which markets, which products, or roughly what time frame that we can reach to the 50%?

Bimal Goculdas: So, let me be, you know, I will give you a very simple way to look at it. If you go back to the pre-war levels, you put sulfur back to $500 per ton. Okay, then we'll be very close to 50-50. Okay, so we are at that level already. Unfortunately, this whole, this war situation has completely skewed the numbers. And in terms of even the percentage margin, I mean, 270 crores turnover for the quarter is equal to Rs. 1000 crores for the year. But that is not our normal operating level. The previous year was much lower. And we would have been somewhere above that, of course, we are growing in the Speciality business, we are growing in the boron business. But the increase in price of sulfur is purely a mathematical number because of increase, I mean, increase in price of sulfuric acid and the commodity chemical is basically a mathematical adjustment for the price of sulfur.

Yug Jain: Okay, understood. So, next question is that decision to like run below the optimum in Q2 seemed deliberate. Now, if my understanding is correct, acid plants are expensive to slow down and restart. So, I am just curious that how you drew the line? Did you protect volumes for contract and Speciality customers and cut mainly pot bulk sales? Or how was that this worked out?

Bimal Goculdas: Exactly. So, we ran the plant, acid plant only to the extent needed for the specialties. We do have some leverage on turndown. So, we didn't shut down the plants, but we operated at a low level. And we do have the ability to slow down sulfuric acid. And you're right, shutting down and restart is expensive, but we didn't do that.

Yug Jain: Understood. So, my next question is like in the Q4 FY26 call, you have spoken that Speciality is limited by the market, not by capacity. If that's the case, what are you deliberately doing to accelerate the growth? People on the ground in Latin America and Asia, distribution partners, application support, and like exports were only about 12% of the revenue in Q2. Despite the progress you have described in the new geography, why has that number been low to move? And like connected to that, I am trying to work out whether Europe is cyclical or structural. If your Europeans are moving production to Asia, the business is not coming back to Europe.

Bimal Goculdas: Right. So, our Speciality business is in India and overseas. And in terms of absolute numbers, exports are better than previous quarter and the previous year. What your question is about Europe is exactly correct. We believe, I personally believe that it is a structural problem in Europe. I do not see that coming back. I think there are too many issues with their energy cost and too many issues on their whole integration sort of falling apart. So, unless they decide to make real fundamental changes to protect their chemical industry, I do not see a revival. I know that many countries are trying, Great Britain has provided, I think, 300 million pounds for their chemical industry specifically to do some revival. Europe is more difficult because so many countries have to get together and agree and all those countries do not have a chemical industry. So, there is a different, people are pulling in different directions. So, what we are doing is, whatever we have in Europe, we have, we do not expect great growth anymore. We believe that whatever destruction was to happen, has happened. And we are exploring other markets. We have had good success in Latin America. We have had good success in Japan. We are exploring the Korean market, which we expect to see some developments, hopefully soon. And within India as well, we see a good growth in the Speciality Chemicals area.

Yug Jain: The Latin American and the Asian orders that are replacing the European, do they carry the similar sort of margins or are we giving up some quality to hold the volumes?

Bimal Goculdas: No, we are able to maintain the margins.

Yug Jain: So, sir, just last one question from my end. How much headroom is still left before you need to commit capital again? And roughly what utilization should operating leverage start to show clearly in the margin?

Bimal Goculdas: Right. So, we have different plans for different downstream products and so different capacity utilizations for the same. But we have at least 25% to 30% room to expand. And in addition, we could do some expansion with very low CAPEX. So, it's not like any, it's not like we have to put up an entire new plant and all that, unless we want to do an entirely new product.

Yug Jain: Thank you so much, sir, for answering my question and all the best for the coming one.

Moderator: Thank you. Next question comes from the line of Aashav Patel with Molecule Ventures, LLP. Please go ahead.

Aashav Patel: Thank you for the opportunity, sir. So, sir, my first question is, I'd like to talk about new products. You mentioned you have started a commercial sale of an intermediate for a polymer used in enhanced oil recovery. So, could you help us to understand how big this could become? Like, what are your aspirations here? And is there any long lead time involving additional qualifications from the customer end as well?

Bimal Goculdas: Sure. So, we have done commercial supplies. The products have been approved. And we expect to get at least, you know, on an annualized basis, between 25 to 50 crores from this single product.

Aashav Patel: Okay. And is this single product, single customer?

Bimal Goculdas: No, single product, multiple customer.

Aashav Patel: Got it. And, sir, with regards to the, because it is oil field activity related. So, how would it be exposed to the crude price?

Bimal Goculdas: So, I guess, if the crude prices are up, there would be more crude oil being pumped. So, there would be more consumption. But there would be a requirement anyway. And we are sort of entering this business from a zero base. So, we are going to take market share from incumbents.

Aashav Patel: Got it, sir. And, sir, on Boron side, so you mentioned a couple of Speciality products in development. So, can you please throw some light on end applications of these products, which are under development?

Bimal Goculdas: So, they are basically in the fine chemical space in Boron. I would not like to say too much more at this time. It is, you know, some are a catalytic application and one of them goes as an intermediate in Agrochem. But they are also, both of them are developing well.

Aashav Patel: Okay. And with regards to aspired margin profile for these newer products, how different would it be than the existing margin profile?

Bimal Goculdas: So, substantially better.

Aashav Patel: And sir lastly, on the R&D, so last time you mentioned that R&D spending will go up in coming quarters. So, any update on that front sir?

Bimal Goculdas: Yes, you will see that. You will see that shortly. That is on course.

Aashav Patel: Sure, sir. Thank you and all the best.

Moderator: Thank you. Next question comes from the line of Aditya Baid with YS Wealth Management. Please go ahead.

Aditya Baid: So, my question is that, the interest cost has roughly doubled year-on-year in short-term borrowing funded working capital. In short-term, is this, how quickly should that working capital release?

Bimal Goculdas: So, your question is about the interest cost and the working capital. And yes, the interest cost has gone up mainly because of our requirement of working capital, which is in line with what our topline has grown. So, we have approached our banks and they have been supportive. They have increased our working capital. So, we are comfortable on the funds availability. But of course, we need to finance the interest and that is what you are seeing. All the interest cost increase you are seeing is because of the growth in topline and which results in more working capital requirement. In terms of term loans, we are repaying. That is as per schedule. And the interest rate, Sunil, could you comment?

Sunil Goyal: Yes, it is ranging from 7.5% to 8.5%.

Bimal Goculdas: So, even that is a normal interest rate, 7.5% to 8.5%. And if you look at the working capital number of days, that is also under control. I think debtors, we are within 45 days. And so, we are trying to run it as tightly as possible.

Aditya Baid: And my second question is that with respect to the long-term borrowing under the government schemes for the businesses affected by the Middle East conflict, could you share that tenure and any condition attached to that?

Bimal Goculdas: So, we took, I think, about 9 or 10 crores, 10 crores ECLGS. And that interest rate was also about 8.5%.

Aditya Baid: Okay. And the last question is that on the land near Amarnath, setting aside the deal in transferring the title, which monetization route are you looking at? So, we think of it as likely source of funds for the next CAPEX route. And by estimate, by when do you think in the most conservative estimates that you would be able to monetize that in parcel?

Bimal Goculdas: So, very tough to say because Supreme Court has given the order, but Maharashtra government has still not complied with the order. They are doing some survey and things like this. I can't give an estimate of how long it will take, but we'll have to just wait for it.

Aditya Baid: Okay. I understand, sir. Thank you, sir.

Bimal Goculdas: It is not only us, it is the whole area.

Aditya Baid: Okay, sir. Thank you, sir, for the answer of my questions and best of luck.

Moderator: Thank you. Next question comes from the line of Shikha, an individual investor. Please go ahead.

Shikha: Thank you for the opportunity. So, firstly, I wanted to ask two quick questions on the Sulfur part first. I actually read somewhere that the Indonesian smelters pulled about 3 million tons before Hormuz even happened. So, does this imply that Sulfur will remain tight regardless of the Gulf? And if so, how do we look at the commodity part of the business?

Bimal Goculdas: Yes, that is correct. The Indonesian smelter was picking up material over the past, I think, year and a half or two years, which is what resulted in the price of Sulfur going up from about $200 to about $500, $600 per ton. And post-Hormuz, it went up further to about $1,100, $1,200 per ton. So, for us, we need to finance that Sulfur. And for the most part, we were able to pass on the price increase. The challenge was actually, number one, to increase our working capital and manage that so that we could fund the Sulfur purchase at a higher price. And the second was, of course, to ensure that we got supplies during the initial stages of the Iran crisis, when supplies became really tight. So, we, I think, have been through the worst of it. And I think now prices are softening and availability is also easing. Hopefully, nothing flares up again.

Shikha: All right. And secondly, on the demand destruction in Q2, so which end markets cracked first since Sulfur eased from mid-October? Is that demand fully back?

Bimal Goculdas: Yeah, I think one of the first to go was the fertilizer sector. You know, in fact, GSFC, the Gujarat State Fertilizer Corporation, which is actually a net consumer of Sulfuric acid, they shut down their fertilizer operations and they were selling Sulfuric acid in the market at a low price. And so fertilizer sector was the first. Other sectors, including detergents, they also reduced production. And all other downstream chemicals were also in difficulty. Post-October situation is easing slowly. We'll have to see. This is not fertilizer season now. But we'll have to see what happens in the coming month. We expect that it'll come back because you can't keep fertilizer plants shut down because fertilizer is needed in the country. They'll have to come back now.

Shikha: Understood. So, coming on the industry structure, you said much of the Q2 market sold below cost. Non-integrated players must have bled. So, do you see any consolidation or exits?

Bimal Goculdas: So, nobody has actually exited. But everyone was operating at low capacities in the Sulfur business.

Shikha: Okay. And, sir, on our integration of using common utilities like steam and power from the acid plants for the Speciality plant, when acid runs below optimum, how much does Speciality cost per unit rise?

Bimal Goculdas: So, right. That's a good question. If we were to completely shut down the sulfuric acid part of it, we would see an increase in cost of perhaps 10% or so on our Speciality Chemical side. I don't know this offhand. I'm giving you an estimate. But as I mentioned, we didn't shut down the plant. We just ran it enough to supply utilities to our own downstream plants.

Shikha: Okay. All right. Thank you. And that's it from my end. All the best for the next quarter.

Moderator: Thank you. Next question comes from the line of Henil Bagadia with Equicorp. Please go ahead.

Henil Bagadia: Sir, thank you for the opportunity. So, with respect to the R&D, I think we're doing about Rs. 2 crores of R&D expense per annum. So, if you could give some understanding in this R&D expense, how much is actually going towards the new product development, because we're actually counting new geographies such as Latin America, some in Asia, Korea, Japan, etc. And out there, some of the filings and the product development that we've done for the European markets, most of those products, do they have market in Latin America and other geographies in Asia? Or are they just shelved for now, because Europe was the main focus market for that particular product?

Bimal Goculdas: Right. So, partly, the products have been placed elsewhere. And partly, we've replaced with other products. So, we would have liked to do the other products along with the old ones. But of course, that wasn't possible. In terms of R&D expenditure, at the moment, all of it is going towards the new product development.

Henil Bagadia: So, with respect to the product approval cycles, I think so Europe and Latin America is pretty long. Europe and sorry, North America is pretty long. So, if you give some understanding on the product cycles for Latin America and Asian countries.

Bimal Goculdas: So, even Asian countries, because the people we are supplying to are quite sophisticated end users. And in fact, even the Latin American customers, they belong to multinational companies. So, there is or there has been a time lag, but we are past that now for most of the countries.

Henil Bagadia: Okay. So, we have actually got a product in the portfolio called as a DDS, a 4-4 DDS that we actually used to do. Are we on path to develop a DC DPS that I think some of the big guys like Solvay, BASF, Sumitomo, etc. deal into because this is a Speciality more and more. And it's got a big application in Europe and North American markets?

Bimal Goculdas: That's not our focus at the moment.

Henil Bagadia: So, lastly, with respect to the Sulfur prices, with the current prices at about $800, what kind of number of day stock that we have at the plant right now across both Roha and Dahej?

Bimal Goculdas: See, I can't tell you offhand, but typically we keep 15 days, 15 days to 20 days maximum.

Henil Bagadia: Okay. So, lastly, if the utilization of the plant has actually dropped to about 15%, so one of the previous participants did allude to a similar question. So, if the utilization, earlier we used to operate at about 95%-100% utilization on the Sulfuric acid side. With the current 50%-60% utilization, what is the delta in terms of the cost? Because I think so, we used to generate steam and the steam was actually used to regenerate energy and it was used in the plant. So, with the fall in both the price realization as well as lower steam generation, what is the net cost delta impact that is under P&L?

Bimal Goculdas: So, I can't discuss exact numbers, but I can tell you that as a business, Sulfuric acid was negative for a quarter.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. We have reached the end of question-and-answer session. I now hand the conference over to Mr. Bimal Goculdas for closing comments.

Bimal Goculdas: Thank you. So, thank you, ladies and gentlemen, for attending and for insightful questions as well. It's always a learning for us and I hope that we've been able to answer you satisfactorily. As always, we don't give forward-looking projections, but we'll be happy to answer anything in future on anything in our results. Thank you very much. Back to you, Abhishek.

Moderator: Thank you. On behalf of DMCC Speciality Chemicals Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.