Sector: Specialty Chemicals **RESULT REVIEW Q3FY26** **Declared On: 06 Feb 2026**

DMCC Speciality Chemicals Limited

RECOMMENDATION SNAPSHOT				
*CMP	MCap (Rsbn)	Recommendation	Target	Potential Upside
Rs237	5.9	Accumulate	Rs300	27%

**as on 09th Feb, 2026*

About the Company:

DMCC Speciality Chemicals Limited formerly known as The Dharamsi Morarji Chemical Company Limited, established in 1919, was the first producer of sulfuric acid and phosphate fertilisers in India and become a trusted source for quality single superphosphate. Since then, the company has commercialised downstream processes of sulfur based chemicals and today, are known as a trusted provider of speciality chemicals. DMCC is engaged in manufacturing commodity chemicals i.e. sulfuric acid, oleum and cholorosulfuric acid etc. which are further used to manufacture downstream products used by a wide range of end users. Over a period of time, DMCC has built a large portfolio of nearly 4 key products offering in the bulk chemical segment and 8-10 key products in the speciality chemical segment. The company has two state-of-the-art manufacturing facilities located at Dahej in Gujarat and Roha in Maharashtra; are also coupled with consistent R&D centres to help commercialise processes for downstream sulfur-based chemicals. Both the plants are ISO 9001:2015 certified. In 2016 DMCC had merged with Borax Morarji which has helped DMCC to enter into speciality chemical space in the boron segment. Mr. Laxmikumar Goculdas is the Chairman of the company and Mr. Bimal Goculdas is the MD and CEO.

Results: Quick Glance:

- Net revenue for the quarter under review grew by 27.8% to Rs1509mn as compared to Rs1180mn in the same quarter last year
- The Ebitda margins for the quarter under review stood at 9.8% as compared to 15.0% in the corresponding quarter last year
- The company reported net profit of Rs62mn as compared to Rs79mn in the comparative quarter of the previous year; de-growth of 21.6%
- EPS for the quarter under review came in at Rs2.47 as compared to Rs3.16 in the corresponding period last year
- For 9MFY26, the revenues came in at Rs4039mn as compared to Rs3061mn; growth of 32.0% while the PAT stood at Rs197mn as against Rs151mn. The EPS came in at Rs7.89 as against Rs6.04 in 9MFY25

Financials:

Performance (Q3FY26)									
Q3FY26 Result (Rs mn)	Dec-25	Dec-24	y-o-y	Sept-25	q-o-q	9MFY26	9MFY25	y-o-y	FY26E
Total Revenue	1509	1180	27.8%	1260	19.7%	4039	3061	32.0%	5259
EBITDA	147	177	(17.0%)	140	5.1%	456	419	8.9%	605
Other Income	2	4	(51.1%)	3	(37.4%)	9	9	(3.7%)	13
Interest	23	25	(8.7%)	19	21.1%	62	83	(24.9%)	86
Depreciation	38	43	(11.5%)	41	(8.6%)	121	127	(4.8%)	160
Tax	27	35	(23.0%)	25	5.3%	85	67	25.7%	115
Net Profit	**62**	**79**	**(21.6%)**	**58**	**7.3%**	**197**	**151**	**30.7%**	**256**

Outlook and Recommendations: During Q3FY26, the company has delivered healthy growth in topline, driven by decent performance in the Boron business and improved realisations in the commodity chemicals segment. The revenue mix consisted of ~86% from the domestic market and ~14% from exports. In addition to this, the sales of speciality chemicals stood at ~33% and ~67% from commodity chemicals. During the quarter, the sulphur prices remained firm, while sulphuric acid prices softened owing to the commissioning of new smelter capacity by competitors. The company was able to achieve high volume but due to softer prices of sulphuric, the overall margins and profitability got impacted. However, the company was able to pass through the cost to customers, thereby protecting absolute profitability on a blended basis. During the quarter the company has witnessed significant recovery in the boron segment, as this segment is expected to gradually strengthen the product mix and reduce dependence on commodity-linked earnings, indicating a gradual shift towards a more balanced and diversified revenue profile.

Outlook and Recommendations (contd.):

As per the Management commentary, the Boron business has the potential to generate a topline in the range of ~Rs1250-Rs1500mn. The company has started witnessing traction in Latin American markets, with increasing traction in export markets enabling the company to offset slower demand conditions in traditional regions and reducing concentration risk over time. Post the favourable outcome pertaining to the Ambernath land, the company is progressing through the administrative process for formal transfer of land rights and name registration. This development also removes a long-standing uncertainty and creates a trigger for future strategic use of the asset. With recent trade agreements involving the US and the EU, there could be indirect benefits to flow through to downstream industries over the coming quarters. On the sustainability front, the solar power project at Roha, along with the waste heat recovery and cogeneration facilities at Roha and Dahej, now together contribute ~80% of the energy requirements, strengthening cost efficiency and environmental performance. DMCC is gradually moving from a phase of managing cyclical pressures towards building a more stable and diversified chemicals platform, where specialty products, improved market reach, stronger cost control, and better utilization of assets collectively support gradual improvement in performance. Overall, the company's performance in the coming quarters will remain dependent on external factors such as commodity price movements, global demand recovery, and new capacity additions from the competition which can further limit the pricing power and create pressure on realizations during weaker demand periods. Taking all this into consideration the earnings may continue to face volatility until the business mix becomes more skewed toward higher-margin and less cyclical segments, thus we have cut our margins estimates and the target price to Rs300 (from earlier Rs400).

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