



LAXMI ORGANIC INDUSTRIES LTD

Chandermukhi, Third Floor, Nariman Point, Mumbai 400021, India

T +91 22 49104444 E info@laxmi.com W www.laxmi.com

February 4, 2026

BSE Limited

Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code: 543277

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

Trading Symbol: LXCHEM

Dear Sir / Madam,

Sub: Disclosure under Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we wish to inform you that the Company participated in the investor conference as given below:

Date and time	Type of Meeting / Event	Location
January 30, 2026, at 14.00 hours onwards	Investor & Analyst Meet to discuss performance for the quarter ended December 31, 2025	Conference Call through dial-in

No Unpublished Price Sensitive Information was shared/discussed in the meeting with the investors.

Further, please see enclosed the transcript of the Investor Call for Q3FY26.

We request you to take the above on record.

For **Laxmi Organic Industries Limited**

Aniket Hirpara

Company Secretary and Compliance Officer

Encl.: A/a



“Laxmi Organic Industries Limited
Q3 & 9M FY '26 Earnings Conference Call”
January 30, 2026

E&OE - This transcript is edited for factual errors. In case of any discrepancy, the audio recording uploaded on the stock exchanges on 30th January 2026 will prevail.



**MANAGEMENT: DR. RAJAN VENKATESH – MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER – LAXMI ORGANIC
INDUSTRIES LIMITED**
**MR. MAHADEO KARNIK – CHIEF FINANCIAL OFFICER
–LAXMI ORGANIC INDUSTRIES LIMITED**



Moderator: Ladies and gentlemen, good day, and welcome to the Q3 and 9M FY '26 Earnings Conference Call of Laxmi Organic Industries Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone.

Please note that this conference is being recorded. From the management, we have with us Dr. Rajan Venkatesh, MD and CEO; and Mr. Mahadeo Karnik, CFO. We will now begin the call with remarks from the management team, followed by a question-and-answer session. Before we begin, I would like to point out that 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 guarantee of the future performance of the company and involve risks and uncertainties that are difficult to predict.

I now hand the call over to Dr. Rajan Venkatesh, MD and CEO. Thank you, and over to you, sir.

Rajan Venkatesh: Thank you. Very good morning, good evening and good afternoon, Namaskaram from my side to wherever and whichever time zone you're dialing in from. To set the context, again, like I've usually done in the past, I would like to just spend a small amount of time on what is the global macro on the global chemical industry, focus then on the demand trends signals **that** we are seeing from our key customer industries that we serve; give you a bit of a glimpse about how the feedstocks have developed, at least the key primary feedstocks that we tend to employ and that impacts us; and then give you a quick insight into how our performance has evolved into quarter 3; our projects, key projects, how that is progressing and also in this time, really focus on the self-help measures that we continue to work ourselves upon in the current backdrop and also give you a quick update on our Lote facility. So let me start with the global chemical industry. Not surprisingly, that continues to be challenging.

And what you see is clearly continued efforts in the global landscape towards cost optimization, shutdowns, restructuring of subscale and non-competitive assets and rerouting of supply chain linked to the continuously evolving tariff situation that we are all grappling with.

That being said, I would say in the past months and weeks, the recent announced shutdowns in certain parts of the world -- in this case, Europe and specific measures in China in accordance with their anti-involution policy reflect that actions are being taken to improve the situation. The recently signed EU-India FTA, upon actualization, because we all understand there is a certain time between that should also at least in our lens, be a positive catalyst.

Coming to the demand signals. Demand signals from key industry segments that we serve: packaging, inks and adhesives remained stable on a quarter-on-quarter basis. If you look at agrochemicals, it remained moderate. On paints and coatings, it continued to be weak to moderate because we serve a global customer base there. And on pharmaceuticals, it remains stable.



One of the key feedstocks, and in this case, acetic acid, while many feedstocks have seen a deflationary price trend over the last quarters and in fact, also over the last 1 or 2 years. Calling out acetic acid, which is a key building block for us. Over the calendar years of 2024 and 2025, acetic acid prices have dropped by greater than 20%, right.

Only in December, we are noticing this trend positively reversing. And as you can imagine, while we are positively thrilled about it, but we are also monitoring this very granularly. For our Specialties business, if you look into our quarter 3 performance, while maintaining market share, financials on a year-on-year basis continue to be impacted by 3 levers. One is a market price moderation. This is something we have called out also in the past.

I gave you an example of acetic acid as one key, I would say, example. One-time campaign product, and this is what you will hear a little bit more about. This was the one-time campaign product that we did in quarter 3 of the last financial year, which certainly did not repeat into this financial year. And as previously we had highlighted the agro product phase out for which we were supplying an important intermediate.

In the Essentials part of our basket, the spread for our key product, ethyl acetate, continued to be subdued. And our current focus in the Essentials segment remains achieving volume-driven profitable growth. Both in the Specialties and also Essentials, moving into quarter 4 and also into the next financial year, new capacities are coming up.

So obviously, as you can imagine, a core focus from our side would be really getting into a hunting mode with close proximity to many of our customers because that is the call of the hour. At our Dahej facility, which is the single largest capex that Laxmi has embarked on to, as we had called out in the past, the Phase 1 is already online. We are already supplying customers from that.

And the project remains, especially for the Phase 2, on course, and our priority remains bringing the Phase 2, completing it by the end of quarter 4. The fluoro intermediates operation at Lote remain on track, and we are, I think, in a good space to achieve what we have called out in the past in our first year of operations from our Lote setup.

We continue, as I said, on self-help measures. This is very, very important given the continuing landscape backdrop on the chemical industry by focusing on productivity. This is something we started quite some time back, and that is again something we continue to focus upon.

Commercial excellence, execution excellence, this is also driven by executing these projects that we have laid out the capex for in time, within budget and within scope. Cost discipline and needless to say, last but not the least, but sometimes the most important part, the new growth projects and focusing on the new product development and the cycle, especially for our specialty part of the vertical.

We also affirmed that our Lote facility operates in compliance with all applicable Indian requirements, and there has been no discharge of hazardous effluence into the environment where we operate. We remain steadfast in our commitment to transparency and continue to



actively engage with all relevant stakeholders. Again, that being said, our fluoro intermediates operation in Lote remains on track, and we continue to operate that.

So with that, I will hand it over to my dear friend, Mahadeo, who will take us through how the financials have evolved.

Mahadeo Karnik:

Thank you, Rajan. So good afternoon, all. I'm taking you through now slide by slide. I'm currently on Page 22. So if you look at our revenues for the quarter have decreased by nearly 9% quarter-on-quarter versus previous year.

Our EBITDA is at nearly INR 50 crores, which is 33% down versus previous year. And our PAT is at INR 25 crores versus INR 29.3 crores in previous year. Key highlight to this is 3 things: continuing pressure in the space of ethyl acetates. There is a product mix difference between Essential and Specialties. This time because of the decline in Specialties business, the percentage has gone down.

And also from this quarter, we will see the impact of incremental cost of Lote as well as part of the Dahej facilities going up. So that comes in our P&L. These results also include a one-time gain, which we have called it out specifically from our notes in the published accounts for favorable litigation settlement for wheeling and transmission charges of INR 407 million. As the labor codes were also announced in November, so we have taken a provision of INR 38 million for the same. And there is ongoing supply chain redesign project, which has costed us nearly INR 9 million.

So these are the one-timers that we have. If you look at Essential business, the revenue has declined by 6%, but the volume remains same, mainly this revenue is impacted by the acetic acid feedstock prices. In case of Specialties, the revenue has declined by 30%. As Rajan called out, there is a price moderation, which is causing 12%. One-time campaign product in FY '25, which caused around a decline of nearly 5% to 6% and phaseout of agrochemical intermediate, which is around 10%. So these are the key components of the decline for Specialties.

If you look at our cost components, our employee cost is at INR 46 crores versus previous year of INR 34 crores. In previous year of INR 34 crores, mainly there was a reversal of ESOP of nearly INR 4 crores. And also it has an impact of additional headcounts at Lote and Dahej of INR 4 crores. And also it has an impact of annual increments. But if you look at the other expenses line, there is a decline by nearly INR 5 crores, mainly on account of freight management and all other expenses to be in control.

So overall, our adjusted EBITDA is at INR 14 crores. There is a onetime gain of INR 36 crores, which again, I want to reiterate is that there is a reversal from operations for the wheeling charges and transmission losses on account of the Supreme Court favourable order of INR 407 million and offset by the employee cost due to one-time labor core cost, which is INR 38 million and other expenses for cost of supply chain of INR 9 million. So that's it from my side.



Moderator: Thank you very much. The first question comes from the line of Jainam Ghelani from Svan Investment. Please go ahead.

Jainam Ghelani: So my first question is mainly on the ethyl acetate spreads. So what are they currently? And how do we foresee them going in Q4 as well as FY '27?

Rajan Venkatesh: So again, thank you for the question, Jainam. So first is, let me start with acetic acid because that's the key, I would say, mover and shaker when you talk about ethyl acetate spreads, right. While ethyl acetate spreads has, apart from acetic acid also got ethanol as the key raw material going into that product. The acetic acid is where the root cause, I would say, stem from.

And as I called it out in my opening remarks, acetic acid has dropped almost more than 20% over the last 2 years. And we saw acetic acid prices sort of on the lower end in the last few months, which actually plateaued, I would say, at about \$320, \$330.

And since then, we have certainly seen that this seems to be, I would say, a floor on the basis of which some of the key producers that are serving the Indian market from China and also ASEAN, have proactively taken certain capacity offline but also have chosen to improve the price points both domestically and also into the Indian market. So as we speak now, acetic acid prices have rebounded. And that's what we are seeing in December. They are closer to about \$360, \$370, \$380 levels.

But that being said, you also have Chinese New Year coming around the corner. So post Chinese New Year, you will also see capacities coming back online. So we anticipate that we do not expect to go back to the pain points that these producers experienced in the past. And somewhere the new reality will be between what we experienced between \$330 to \$380 is what we anticipate.

As you can then also imagine, the spreads of ethyl acetate because on the back of feedstocks has also improved. And where we were really at a pain point of \$90 to \$100 over acetic acid and ethanol, we are now inching towards the \$130 range.

Jainam Ghelani: So sir, does that mean that the worst in terms of acetic acid is behind us and from Q4 onwards we should see improvement in the profitability on the Essentials front?

Rajan Venkatesh: So what this implies certainly is price points of \$320, \$330 for acetic acid was not sustainable for the producers. And here, I'm talking about leading producers like the likes of INEOS, Shanghai Huayi and also Celanese. So that seems to be the key takeaway at this point of time. So we are certainly expecting things to be not going back to that level. Now whether it remains at \$370, \$380 or moderates lower to the midpoint of \$350 \$360 post Chinese New Year is something we need to diligently monitor.

Jainam Ghelani: Sir, I think in Q4, you mentioned that our Dahej Phase 2 should come online. So almost INR 1,000 crores of capex should be over. So how do we see that ramping up over FY '27 and FY '28?



Rajan Venkatesh:

So Dahej, like we have also called out in the past was done in 2 phases. The Phase 1 was already operational in the end of quarter 2, quarter 3, and that ramp-up is happening as we speak. But the big chunk -- and again, don't forget the Dahej capex is a INR 710 crores capex. It's not INR 1,000 crores; INR 710 crores. And a big chunk of the diketene, ketene, and the downstream derivatives will get mechanical completions towards the end of quarter 4.

So FY '27 would be the first year. A, you'll have also a sampling period because a big chunk of that capex is our diketene derivatives. These are specialty in nature. There is also a product of anhydride that we are going to produce there. So all of this require customer qualification. So FY '27 will be the first year of qualification plus ramp-up and FY '28 is where we will try to further fast track the ramp-up.

Jainam Ghelani:

Okay. So we can expect basically revenues from H2 FY '27 from the diketene space?

Rajan Venkatesh:

If we are able to get all the qualifications done, I think that is the focus that we are working towards.

Jainam Ghelani:

So in the third quarter, our Specialties segment just saw 12% to 13% EBITDA margin. So how do we see that recovering over the year? And other than the phaseout of the product, what was the reason for the drop?

Rajan Venkatesh:

Specialties -- so again, can you just repeat your question? Can you just repeat your question, please?

Jainam Ghelani:

So in the Specialties segment, we saw EBITDA margins of 12% to 13% in Q3. So other than the agro product that phased out, what was the reason for the drop? And when do we see the margins to recover to almost 20% to 22%, which was our earlier outcome?

Rajan Venkatesh:

So as we explained also, first and foremost, we have put a slide which goes to show what has been our journey in the Specialties and specifically the diketene. We came in where we started with about FY '17, we were at about INR 250 crores. And we today, we closed out last financial year at close to INR 950 crores.

Even if you see in the last few years, we have actually delivered EBITDA in the range of 20% to 25% in our specialty basket, which is primarily diketene. The trigger for us to invest in the capex at Dahej and to double our capability was that we were already maxed out with our capacity at our existing sites.

We have the largest portfolio in the diketene space globally and we are serving a varied range of industries. And we believe we have a good cost position to build upon that. So that was the first thesis of which we have done. What we saw this year happening was what we have called out also in the past. We had one product, which was almost contributing 10% of our revenues, which was the intermediate going into the agro space.

That got phased out. In fact, in the discussion with that customer, they were anticipating that still to continue, but that did not manifest into this financial year. The second lens, what we have also



called out is when you have feedstocks, and it is not only acetic acid, if you speak to multiple, even aromatics value chain, you have seen feedstock dropping double digit.

So even while you are selling Specialties and positioning Specialties, I think one cannot simply wish away that you will not have an impact on product pricing. So that is the lens where we are. And clearly, the chug rate remains as we are also ramping up. And again, don't forget that we also have our Lote facility that has come online and that Lote facility primarily is linked to our specialty portfolio on fluorination. So you also have the cost and all the capitalization and cost coming in from there. So those have been the factors.

Our focus still remains the same that we have a clear right to win into our diketene derivative space. And once the Dahej facility is up and running, we will leverage both Mahad plus Dahej and ramp this up into 2027, as I just explained, and moving more important to 2028 and beyond. That is the way we view it, and that is where also gradually, we will see the improvements into the basket.

Jainam Ghelani: Sir, is it safe to say that Q3 was one of the worst quarters that was -- and all the problems are gone as of now?

Rajan Venkatesh: At this point of time, I think we will have to navigate it quarter-on-quarter. Chemicals is challenging. I do not want to wish that away. At least on the upstream feedstock lens, we certainly see that things seems to be rebounding, but I would still take it quarter-on-quarter.

Jainam Ghelani: So do we see any improvement in Q4 as of now in our performance?

Rajan Venkatesh: I would take it quarter-on-quarter. I have already shared very transparently with you the movements that we have seen in our Essentials basket, and then we will need to move accordingly.

Moderator: The next question comes from the line of Rohit Nagraj from 360 ONE Capital.

Rohit Nagraj: Two questions. One, company specific. During this quarter, did we see any secondary impact from the U.S. tariffs given that some of the intermediates that we supply to the domestic players who are manufacturing and selling the final product to the U.S. market? So was there any impact? Or was there any such situation which we faced? If you can just give a broader picture on the same?

Rajan Venkatesh: So Rohit, as we have shared in the previous call, Laxmi's exposure to the U.S. market is only 10% of our top line revenue. That is INR 300 crores. Of that INR 300 crores, only about 10% of that was truly impacted by the tariff topics. So it is not as material.

But certainly, our customers, whom we supply, their products then potentially are also impacted. So yes, there is, I would say, at a company level, not a direct large material impact. But if you talk about the value chain, there is a certain impact.

Rohit Nagraj: Sure. But it's not material to quantify or to hurt us significantly or it hasn't hurt us significantly during 3Q?



Rajan Venkatesh: No, that has not been the material impact into quarter 3. The U.S. part has not been the material impact.

Rohit Nagraj: Right. Second, a general question, given that you've also worked in Europe earlier. So I mean, given the EU FTA that we have signed recently, in terms of the domestic India import tariff to the EU has been about 13-odd percent. But on the contrary, the EU tariffs, import tariffs towards India were 22%.

So there is a differential in terms of the duty structure. So will this have any material impact in terms of higher materials flowing from EU to India? Or just a perspective in terms of the quality of material, which is coming from EU to India and the material which is going from India to EU? A broader perspective would do.

Rajan Venkatesh: Rohit, I think it will all depend on value chain. So for example, if we talk about value chains, which are linked to natural gas in some form, I think what is public information out there, certainly, natural gas in Europe is 4x or 3x of that what is cost competitively in North America. So for them to move products like example, methanol, ammonia into India, I see that as difficult.

Now in Specialties, there could be opportunities. In my thesis, I would say, with also the restructuring that is happening broadly now in the European chemical industry, I would see more opportunities of Indian companies actually exporting into Europe. That's the way I would view it from this point of time, Rohit.

Rohit Nagraj: Sure. But is it safe to assume that the products which are coming from Europe to India either they are kind of proprietary patented or super specialty products? And there are not large or there are no material manufacturers in the domestic market due to which this flow has been there. So there will not be any material impact on the industry, as you rightly pointed out in terms of the more opportunities coming through the FTA?

Rajan Venkatesh: No. Again, you see India remains a net import, even if you look at all key building blocks, be it propylene oxide, be it MDI, TDI. So I would say those would be some of the commodities that could come in, but I would more focus on the specialty part, where certainly Europe still has a right to win in certain of these value chains. So it's going to be really, in my lens, to summarize, this is a very value chain approach where Europe certainly continues to have a right to win. And same way, again, from an India lens, where India then has a right to win.

Moderator: The next question comes from the line of Ankur Periwal from Axis Bank.

Ankur Periwal: So the first question on the Essentials part. Now you rightly mentioned the pricing decline in acetic acid and the resultant contraction in spreads. Just wanted to understand two things here. One, from a volume growth perspective, do we have adequate capacity, surplus capacity now to ramp up the volumes further? Or how should one look at it?

Rajan Venkatesh: Ankur, like we have also said in the past, we were running our assets broadly at significant high operation rates, both on the Essentials side and also the Specialties side. And that was one of the triggers that we chose to expand our footprint. So if you remember from the previous claims that



we have made, we basically announced the establishment of a world-scale ethyl acetate facility that would come up in our Lote site. And that is what we are diligently working towards. Our Phase 1, which has started up at Dahej is one of our Essentials product.

So from our existing capacity, we are fully utilized, and it is going to be really the growth coming from the newer capacity, which is going to move the needle positively. Our operational excellence journey that we started in 2023 actually yielded a significant double-digit output from our existing asset base in Mahad with limited to no capex. But you can only juice that out so much.

Ankur Periwal: Sure. And there's 70,000 ton capacity that you are referring to if I'm not wrong. And when do we expect, let's say, a full ramp up capacity? Historically, we have seen a quicker ramp whenever there has been a capacity addition. But given the macro, what are your thoughts on this?

Rajan Venkatesh: So again, if you look at our Essentials basket, 70% of our Essentials business primarily is in domestic. And while we all talk about the macro for chemicals globally, India in that sense still is a positive outlier because you do continue to see demand growth in India, whereas in other geographies that is certainly not the case.

So given that has been our pivot in the Essentials side, I think we remain confident. And also with the cost position that we are establishing that we will diligently move, once the asset is ready, into FY '27, we will diligently move that into the market.

Ankur Periwal: On the pricing on acetic acid, you expect it to largely stable between \$320, \$370, \$380 over the near term, or probably over the near-term?

Rajan Venkatesh: You are referring to acetic acid, is it?

Ankur Periwal: Acetic acid, yes. That's right.

Rajan Venkatesh: Yes. So acetic acid, again, I wish we knew everything, how things would evolve if I have to take a side step who expected gold to move the way it did. But that being said, what seems to be clearly evident is the price levels where acetic acid dropped to in the last weeks and months of close to \$320, \$330 certainly do not seem to be sustainable for the acetic acid producers.

And that is where my expectation is at least in the short to midterm, it might not come back to that level. That being said, other things could play. But from today's perspective, that is where we expect somewhere between upward of \$340 to that \$360, \$370 level is where it might float.

Ankur Periwal: Secondly, on the Specialties intermediate part. Last year, we were around INR 9.5 billion of revenue. This time on YTD basis, we are roughly INR 5.6 billion, INR 5.7 billion. One, what is the breakup between the fluorochemical business and the Specialties? And second, while pricing is one part which is highlighted in terms of decline, how has been the volumetric growth or degrowth on 9 months?

Rajan Venkatesh: So let me take the first element. The fluorination, our focus was to be closer to about the INR 70 crores to INR 80 crores of top line. And I think we are chugging towards closer to be in that



range. So that's the first positive thing because that's been an area which has been a heightened focus for us to establish that setup and actually deliver revenues and profitability from that setup. That's the first part to your question, Ankur, when we look at the Specialties base.

What one needs to rebate certainly is the fact that close to about 10% of that INR 950 crores that we clocked in the last financial year was -- I mean just shy of 10% is what was attributed from the agro intermediate, which was phased out, right? So you need to baseline that at least for this financial year versus the previous financial year. And coupled with the element of the fact that you've had the moderation on the feedstocks.

On volumes, if you look at the ketene, the diketene, we continue to be well utilized because the way we steer that portfolio, it is not unlike in Essentials where you have acetic acid and ethyl acetate. In the Specialties basket, it is diketene as a starting raw material. And then we have a plethora of downstream products that we can leverage that into with the asset-based flexibility that we have in our grid at Mahad and that will also be established at Dahej.

Moderator: The next question comes from the line of Harshil Sethia from Singularity AMC.

Harshil Sethia: Sir, in the acetic acid, prices moving up is because of the trade rebates, which has been removed in China?

Rajan Venkatesh: No, no. Harshil, no, that has got nothing to do with the trade rebates. That was done for certain of the agro products, not on acetic acid.

Harshil Sethia: Okay. Sir, secondly, you said that there was a molecule ramp-up, which was going to start from Q3 in the Specialties segment. So what is the update over there?

Rajan Venkatesh: No. What we had called out, Harshil, in the past is the agro product that got phased out for which we were supplying the intermediate that we had already a backup plan for that. And that product basically is in the qualification phase, and we will see sales from that manifesting in quarter 4.

But obviously, that is going to be the first quarter and then the ramp-up would happen into FY '27. As we have also explained in the past, it is not a one-to-one substitute in volumes or profitability, but that is what we have referred to in the past. Harshil, if that is what you are alluding towards.

Harshil Sethia: Sir, lastly, this new product will be from our Dahej plant or from Mahad?

Rajan Venkatesh: Sorry, can you just repeat the question, Harshil?

Harshil Sethia: The new product will be from Mahad or Dahej?

Rajan Venkatesh: No, no. So this would be from our Mahad setup because -- as we said, right, so where we were producing the previous product, we had already mapped out alternatives because we knew eventually it would happen. And so we had mapped out alternatives, so it would be at a Mahad setup.



Moderator: The next question comes from the line of Nitesh Dhoot from Anand Rathi Institutional Equity.

Nitesh Dhoot: Just to check on your comments on the anti-involution and the likely Chinese shutdowns. So almost 5 million tons of acetic acid capacity is getting added over '26, '28 period. So while recently, there has been an uptick on the acetic acid prices given some maintenance shutdowns, et cetera, but what is your thought of the overall medium-term supply-demand dynamics there?

Rajan Venkatesh: So Nitesh, supply-demand dynamic continues to be long. What we are observing is, again, typically what you would see in a commodity business is where are you on a cost curve? So at the price point that acetic acid reached, which was close to \$320, \$330, you could certainly see that most producers were struggling to make money.

And hence, you had some of the major multinational producers in Asia taking shutdowns or extending their shutdowns. To that effect, you had also some of the Chinese capacity, which was going off-line. So while, yes, on the capacity supply-demand dynamics, it is long. But at these price points, you are also seeing it is not sustainable to operate despite the fact you have capacity.

Nitesh Dhoot: Sir, my second question is on the diketene derivatives. So how much is the spend there on the capex at Dahej for diketene? I mean if you could just give us some sense of whether you would be doubling your capacity or anything on that side? And how is the business expected to grow there? So any contracts that you might be having on this side, any visibility that you might be having if you could share?

Rajan Venkatesh: So Nitesh, as we have shared in the past, of the INR 710 crores for the Dahej capex, close to 65% is dedicated to the Specialties, which in this case, in the diketene and diketene derivatives. So that is your first part of the question. With the diketene business, I think that remains something which is close to our heart. That is something we understand very, very well. And that is where we have decided consciously to expand our footprint.

As we have also discussed in the past, with the current capacity expansions globally, we will be number 3. We already today have the largest portfolio of 50-plus products of diketene derivatives in our portfolio. And to sort of conclude, we have had recent wins, and there are also ongoing conversations with customers, needless to say. Customers are also viewing us positively because we become very uniquely positioned that we are the only fully integrated supplier from India or even globally to that extent to a certain level across 2 sites.

Nitesh Dhoot: Just one last, if I may squeeze in. On the fluorochem project, we had indicated that we would be doing close to about INR 80 crores top line in FY '26. So any sense of where we would be on in the 9-month period there?

Rajan Venkatesh: We are on track on that one, Nitesh. And that is what is continuing to give us confidence as we move across.

Moderator: The next question comes from the line of Chetan Doshi, an individual investor.



Chetan Doshi:

Sir, first question is that in the result you have mentioned that depreciation is -- there is no change in the method of calculation. So you mean to say that there is an actual loss of INR 2 million if you incurred as per the earlier method? Second question is regarding the Hitachi joint venture. There is no mention in the presentation as to what is happening on that project particularly?

Mahadeo Karnik:

So let me clarify on depreciation first. So we were at a WDV method of depreciation up to last year. And when we benchmarked across the industry, we see that all our peers are at straight-line method. So we adopted that method. So there is definitely an impact to the extent what we have mentioned in the financials. So I will ask Rajan to jump in.

Rajan Venkatesh:

On the Hitachi topic, Chetan, I think we remain excited, and we remain on track. So no new news to share beyond what we have shared in the previous con call, and we remain on track. Now we are more in the execution mode. And again, just to clarify, it is not a joint venture. Basically, Hitachi becomes our lead partner. The IP and know-how is owned by Laxmi, and that is the way to view this. And it is not an exclusive relationship.

Chetan Doshi:

It is not exclusive?

Rajan Venkatesh:

No, it is not exclusive.

Chetan Doshi:

One last question is, you have mentioned that first phase of Dahej is already -- we have started the operations. So what is the current volume what we have done in this last quarter from Dahej?

Rajan Venkatesh:

So the Dahej investment, Chetan, is linked to a multiyear contract that we have with one of our customers who have also established their downstream product in Dahej. So our ramp-up is in sync with theirs. So they are also in a ramp-up phase. So I think it's still early days, but we have already got qualified, and we have already started supplying them.

Chetan Doshi:

So what is the volume, current volume?

Rajan Venkatesh:

I would like to keep that confidential at this point of time because it is also impacting how our customer is being viewed. So please respect us on that topic.

Chetan Doshi:

How much you expect in the next quarter?

Rajan Venkatesh:

No. It's a multiyear contract. And this is, again, the entire capex is on the base of a clear contractual take-or-pay analysis that has been established in close collaboration with our customers. I would not break it down into quarter. I kindly would seek your understanding on that.

Moderator:

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

Rajan Venkatesh:

Thank you all for investing your valuable time for the con call today. So let me conclude by the following. Chemical industry, like we spoke about, continues to be challenging, but we are seeing some early green shoots, which is impacting, I would say, structurally how things are evolving globally in the chemical space and also some of the key actions taken by China. Our



key industries that we serve continue to, I would, be stable to a moderate growth mode. That is positive for us with the new capacities coming.

While we have seen continued deflationary impacts on key raw materials, in certain cases, we are seeing that pivoting positively. So we will need to see how sustainable that remains. Both our businesses, clearly, our strategy is in place. Projects are coming on track, on time and within budget. Our fluorination setup also remains on track.

We are focusing continuously on our self-help measures, focusing on productivity, commercial excellence, execution excellence, cost discipline and growth projects. Last but not least, we like to reaffirm again that our Lote facility operates in compliance with all applicable Indian requirements, and there has been no discharge to the environment, and we remain steadfast in our commitment to transparency and continue to actively engage with all relevant stakeholders.

To conclude, while this year and quarter remain challenging, as team Laxmi, we remained committed to geared to win and geared for growth. I'm deeply grateful to all members of team Laxmi and its stakeholders for their continued engagement. Thank you all. Have a wonderful day ahead.

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