



LAXMI ORGANIC INDUSTRIES LTD

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Date: October 4, 2023

To,

BSE Limited

Corporate Relations Department
Phiroze Jeejeebhoy Towers
Dalal Street
Fort, Mumbai 400 001
Maharashtra, India
Scrip Code: 543227

National Stock Exchange of India Limited

Listing Department
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex
Bandra (East), Mumbai 400051
Maharashtra, India
Symbol: LXCHEM

Dear Madam / Sir

Sub: Disclosure of Material Event / Information under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Corporate Presentation.

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You are requested to take the same on record.

Thank you

Yours faithfully

For **Laxmi Organic Industries Limited**

Name: Aniket Hirpara

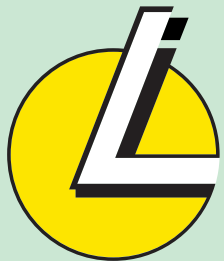
Designation: Company Secretary and Compliance Officer

Encl.: A/a



Laxmi Organic Industries Limited

Corporate Presentation



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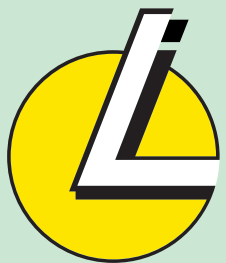
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Company Overview



Who we are?

AI

Acetyl Intermediaries

- Leading manufacturer of Acetyl Intermediaries*
- #1 exporter of Ethyl Acetate*
- Ethyl Acetate capacity of 200 kTPA
- **Lead in Quality, Safety & Reliability**

SI

Specialty Intermediaries

- #1 in India
- Top 5 globally
- >30 products via R&D
- High & growing contracted revenue
- **Lead in innovation, Quality, Safety & Reliability**

FI

Fluorine Intermediaries

- USD 23.5 bn market*
- Access to Electrochemical Fluorination technology
- **Innovation, Safety & Diversification**

End Use Applications

Essentials



Pharmaceutical



Agrochemical

Lifestyle



Dyes & Pigments



Paints & Coatings



Flavour & Fragrance

Opportunities

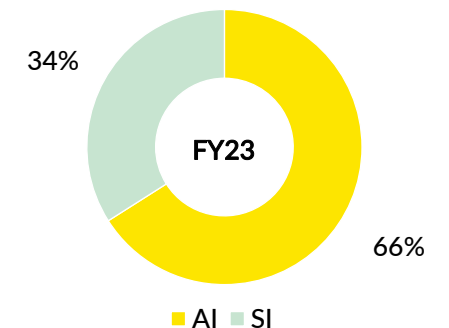


Electronics



Automobile

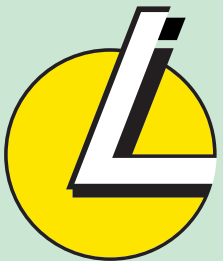
Business mix



*Source: Frost & Sullivan Report



Key Strengths



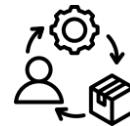
Category Leader with Differentiated Business Model

- 1 Global leadership in our range of products
- 2 Cost leadership across the technology platforms
- 3 Large-scale, flexible and safe operations
- 4 Multiple sites for expansion and business continuity
- 5 Diversified customer base across high-growth industries and geographies
- 6 Significant switching cost for customer due to high quality standards
- 7 Experienced leadership team and independent eminent Board
- 8 State-of-the art R&D infrastructure to synthesise specialty molecules and advanced intermediaries

Ambitions...

- 1 Top 5 in our segments globally
- 2 Continued leading cost positions
- 3 Healthy balance of exports and domestic sales*
- 4 Adding synergistic value-added products to existing portfolio

Leveraging...



Shifting of Supply Chains



Growing end products markets

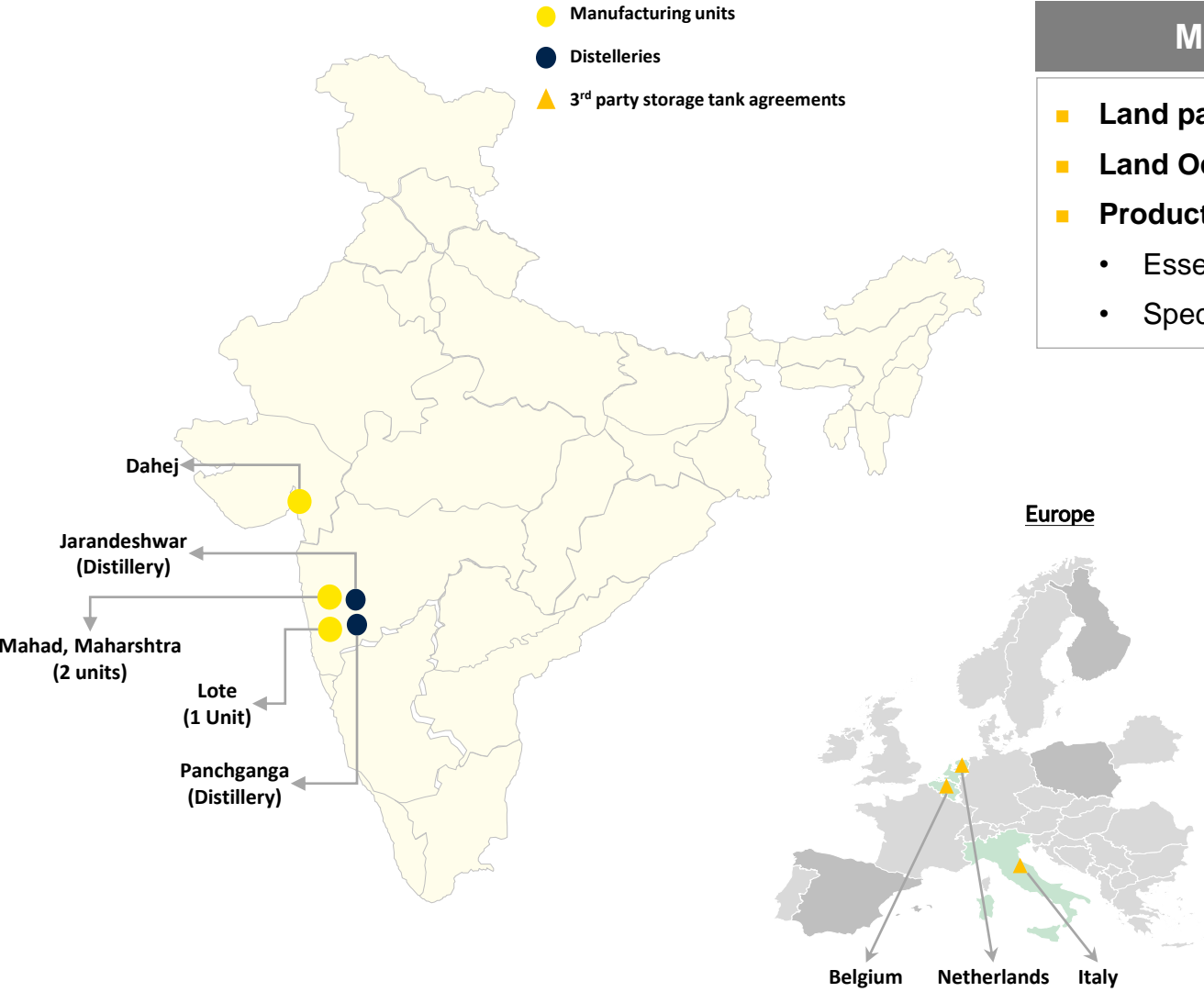


India market growth



* Historically 30-40% share of exports

Strategically located manufacturing sites with room for expansion



Mahad (2 units)

- **Land parcel:** 40 acres
- **Land Occupancy:** 90%
- **Product Mix:**
 - Essentials – 60%
 - Specialties – 40%

Lote

- **Land parcel:** 30 acres
- **Land Occupancy:** 50%
- **Product Mix:**
 - Specialties

Dahej

- **Land parcel:** 86 acres
- **Land Occupancy:** 20% (for Phase 1)
- **Product Mix (proposed):**
 - Specialties – 65%
 - Essentials – 35%



Track Record of technology absorption and in-house R&D capabilities

Clariant Chemicals

2010

- Acquisition of Ketene/Diketene business
- Acquired know-how of some pigment derivatives

Yellowstone Chemicals

2021

- Addition of capacity for ethyl acetate and acetaldehyde
- With this acquisition, LOIL became the largest manufacturer of ethyl acetate in India

Miteny (Italy)

2019

- Foray into fluorospecialties with acquisition of Miteny (Italy)
- Commercial production of existing product line to commence in FY25 at Lote plant

- Developed **multiple different chemistry platforms** on commercial scale

- **Addition of 30 New Products** to the SI Platform acquired from Clariant across various industries including Agro & Pharma

- Leading position in domestic SI market & **leader in several products globally**



Experienced promoters with senior management led by Dr. Rajan

Promoters



Ravi Goenka

Chairman

- Bachelors' degree in chemical engineering from Bangalore University
- 32 years of experience in the chemicals and paper industries, 18 years of experience in the education industry, and 23 years in the power industry
- Ex-trustee of Mumbai Port Trust and Jawaharlal Nehru Port Trust
- Ex-president of the executive committee of the Indian Chemical Council



Harshvardhan Goenka

Executive Director – BD & Strategy

- B.Sc from Babson College, School of Business, Boston USA
- 11 years of experience in the chemicals industry
- Heads Business Development & Strategy initiatives of the Company

Senior Management



Dr. Rajan Venkatesh

Managing Director & CEO

- M.Sc (chemistry) from University of Mumbai, M. Phil. in Polymer Science and Technology from the University of Manchester, and Ph.D. in Polymer Chemistry from Eindhoven University of Technology in the Netherlands
- 19 Years of experience in BASF across Germany, Singapore, India and Hong Kong



Tanushree Bagrodia

Chief Financial Officer

- Bachelor's degree in Computer Engineering from Vivekananda Education Society's Institute of Technology and MBA from INSEAD
- Worked as an investment banker at Merrill Lynch, KBC Financial Products (UK) and IDFC Limited
- Previously associated with Regency Healthcare – Kanpur as nominee director of International Finance Corporation (IFC)



Supported by seasoned professionals with deep-domain expertise

Leadership Team



Sruti Bora

Chief Transformation Officer

- M.A in personnel management & industrial relations from Tata Institute of Social Sciences (TISS)
- Previously associated with Kellogg India, Lakme-Lever and Cadbury India



Virag Shah

Executive Vice President - Specialty Intermediates

- M.Sc in applied chemistry and MBA from Maharaja Sayajirao University of Baroda
- ~18 years of experience in marketing, sales, business development of spec-chem, pharma intermediates and APIs



Jitendra Agarwal

Executive Vice President - Acetyl Intermediates

- Chartered Accountant with over 27 years of experience
- Multi-domain experience in finance, accounts, sales & marketing, supply chain, operations, industrial relations and global procurement
- Was previously associated with Huhtamaki India Ltd. as Head – strategic sourcing



Prashant Patil

Executive Vice President - Manufacturing

- Bachelor's in chemical engineering from Mumbai University and Diploma in materials management from Welingkar Institute
- Previously associated with Hikal, Reliance Industries, Hindustan Organic Chemicals, Petroskills and Deepak Fertilizers



Uday Vaishampayan

SVP – Environment, Health & Safety

- B.Sc from University of Mumbai and a Diploma in industrial safety from MSBTE
- Int'l Diploma in Occupational safety & health from British Safety Council
- Previously associated with Saudi Kalyan Petrochemical Co., Reliance Industries, Excel Industries, SMP Pvt. Ltd.



Global Leaders with best-in-class independent governance

Independent Directors



Rajeev Vaidya

- B.Tech (CE) from IIT, Mumbai, & a doctorate degree from The University of Southern Mississippi
- 32 years of experience in chemicals industry & 7 years of in investment advisory services
- Previously associated with DuPont Specialty Products, USA
- Based out of the US



Dr. Rajiv Banavali

- Bachelor's and doctorate degree in Philosophy (Chemistry) from University of Missouri
- Currently Senior Vice President - Science & Innovation at WestRock Corporation in the USA
- Previously associated with Rohm & Haas Texas Incorporated, Honeywell, and Huntsman.



Manish Chokhani

- MBA (LBS), associate of ICAI, admitted as a fellow of All India Management Association
- Previously associated with Enam Securities, Axis Capital, TPG Growth India
- Serves on the governing board of Flame University
- Served as member of SEBI's Alternative Investment Policy Committee



Omprakash Venkatswamy Bundellu

- M.Sc (other than mathematics and science), & Master's in financial management from the University of Bombay
- ~39 years of experience in banking industry
- Previously associated with Indian Bank & IDBI Bank



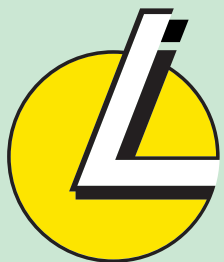
Sangeeta Singh

- BA from Wilson College
- Completed "Strategic Human Resource Management" programme by Harvard University
- Previously associated with KPMG as executive director, heading human resources in India



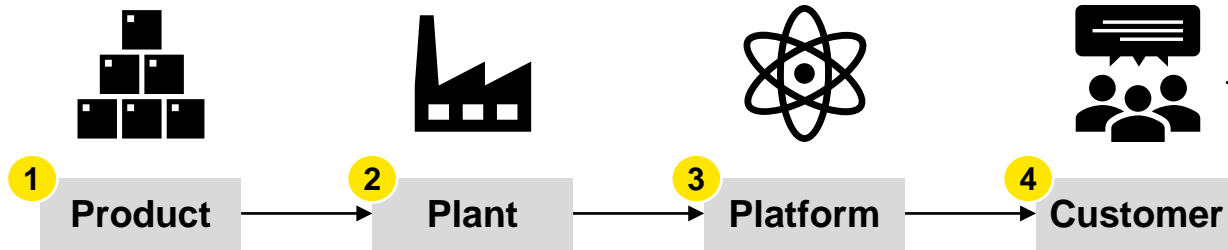


The Way Forward

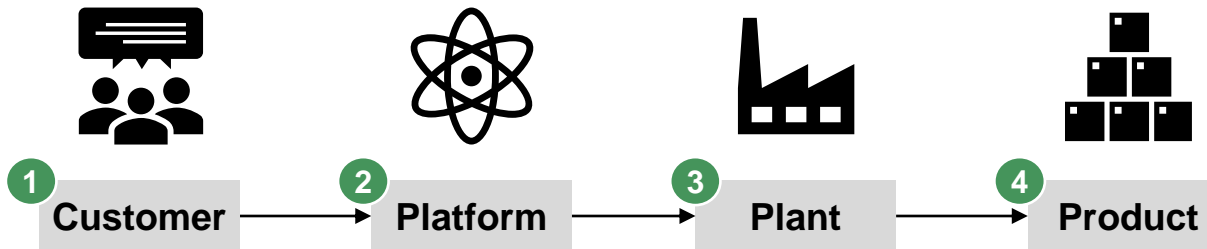


Positioning for the next Growth Phase

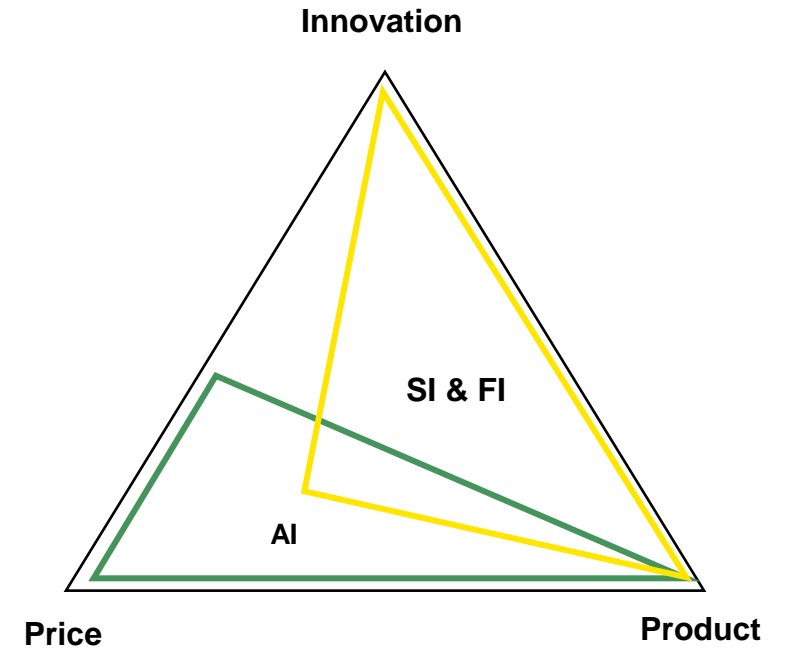
Proven Success



Pivoting for the Next Growth Phase



Customer Needs



— Acetyl Intermediates

— Specialty & Fluorine Intermediates



Sharpening Business Focus

Various Customer Interaction Models (CIM)

Business	Trader / Transactional Supplier	Lean/ reliable basics supplier	Standard package provider	Product/ process innovator	Customized solution provider	Value chain integrator
Acetyl Intermediates						
Specialty Intermediates						
Fluorine Intermediates						



Essentials

Acetyl Intermediates including Anhydrides

- Lean & reliable supplier
- #1 exporter of Ehtyl Acetate in the country*
- Economy of scale and cost leadership

Specialties

Fluorine & Specialty Intermediates

- Comprehensive Specialties portfolio of 48 products
- Experience in complex chemistries
- Innovation – lever for profitable growth



*Source: Frost & Sullivan Report

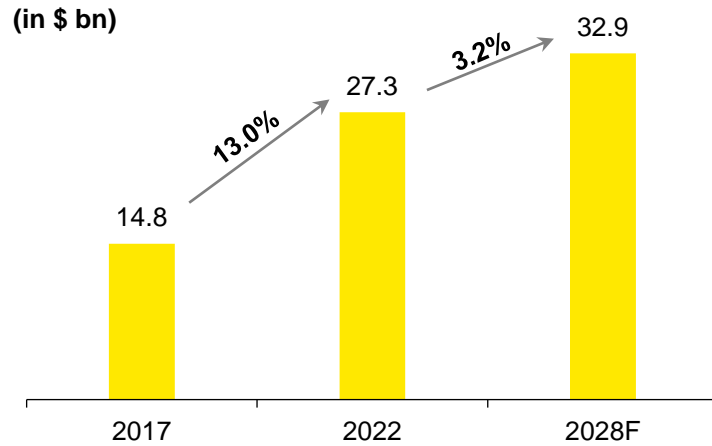
Robust Innovation pipeline

- 1** Developed 5 chemistry platforms on a commercial scale to expand product portfolio
- 2** Dedicated team of 73 research scientists to identify and develop new marketable products
- 3** Strong Innovation Pipeline – 11 products are in pilot and capex approval stage
- 4** Infrastructure - Miteni piloting assets already in place
- 5** New Innovation Campus startup in Mahape, Maharashtra by Mar'24

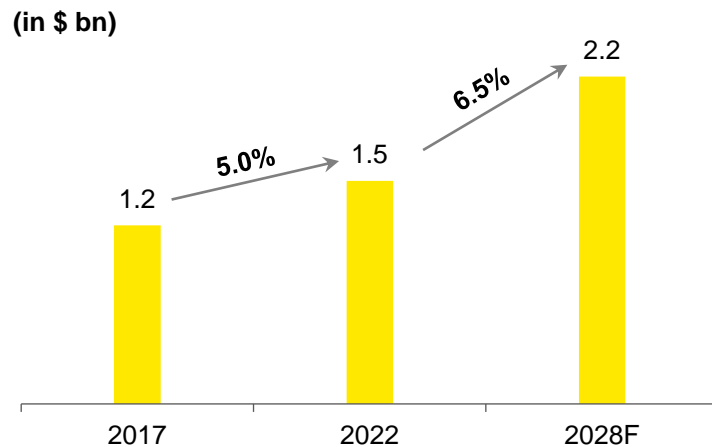


Essentials Business Unit

Global Acetyl Market

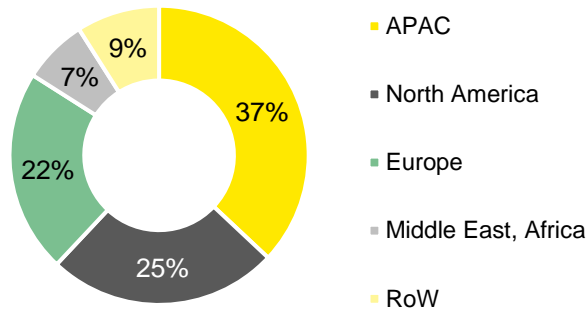


Indian Acetyl Market



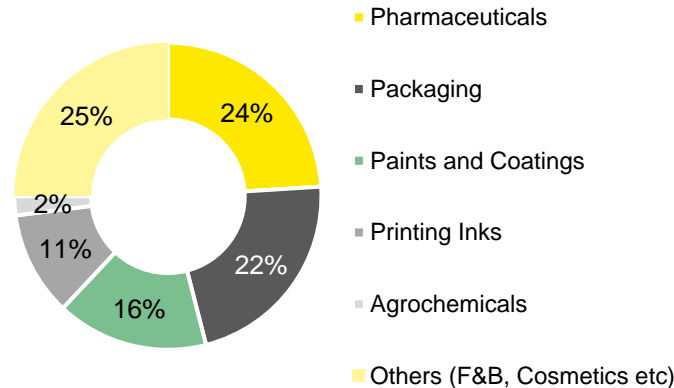
Geographical segmentation

2022: \$ 27.3 bn



Global Market, by end use application

2022: 16.0 MMT



Growth Drivers

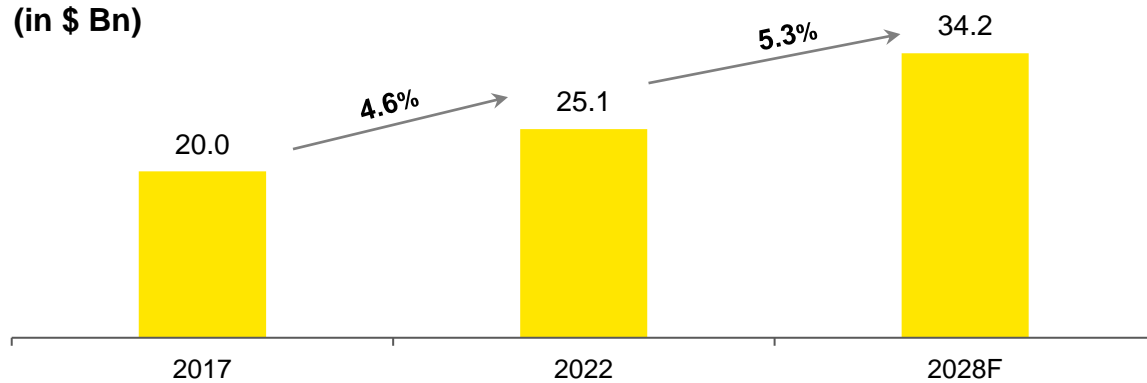
- Use of high evaporation rate solvents in manufacturing
- Growth in demand of personal care products, primarily in emerging markets
- Increasing per capita consumption of flexible packaging in emerging markets
- Rise in demand of sanitisers & disinfectants
- Usage of aluminium foils for packaging in high growth F&B industry in emerging markets
- Growth is demand for high performance pigments (HPP) which are highly durable, resistant to UV radiation, heat and chemical
- Laxmi Organic has a top position in the Indian Acetyls market



Specialties Business Unit

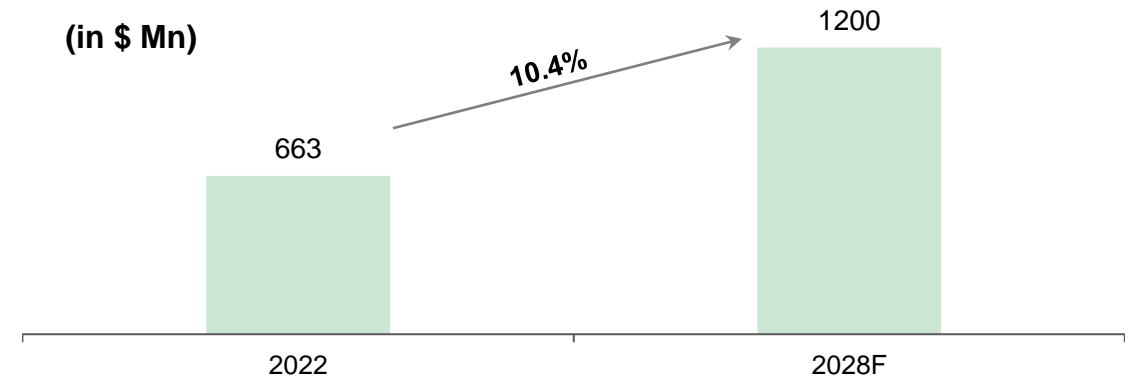
Sizeable Specialties Market*

Global Market growth

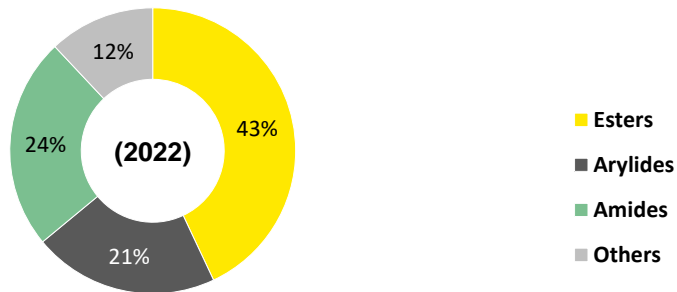


*Includes Diketene & Ketene Derivatives and Fluorochemicals

India Market growth

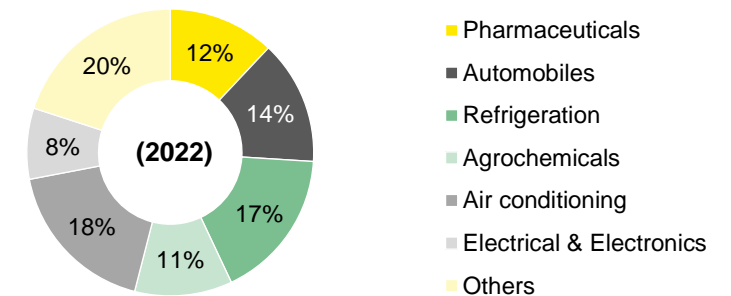


India Diketene & derivatives – Split by type



- North America and Europe make ~50% of the total Diketene market demand
- Laxmi Organic controls 53% of Indian Diketene Market (2022)

Fluorospecialties – Split by application

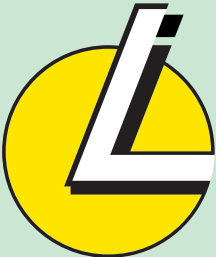


- North America & Asia (excl. India) make up ~45% of the total Fluorospecialties Market Demand
- Fluorine based intermediates growing at a high rate (8-9%) compared to other segments





Business Updates



Business Update –Lote

Project Update

- Cost to complete – INR 550 Cr
 - Project had delays and cost overrun
 - COVID restrictions, rise in freight costs and EHS
 - Invested in infrastructure & utilities for future expansions
- 50% of the land available for expansion

Timelines

- FY 24 – Complete commissioning and sampling
- FY 25 – Ramp up production

The First Wins

- Successfully qualified the first product with Miteni assets basis production norms and quality
- Qualification quantities of a new agro intermediate supplied to an Innovator company for their product launch in 2026
- Signed contract with MNC to add more technology beyond Miteni with buy-back supply agreement



CAPEX to consolidate market position

Leveraging...

- De-risking supply chains (China +1)
- Growing end products markets
- Growth of Indian market

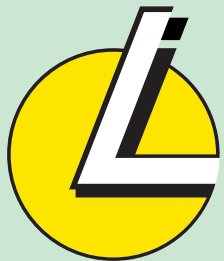
Investment at Dahej

- INR 710 Cr over the next 3 years
- Development over 20% of the available land parcel
- Support customers growth and business continuity needs
 - First customer led project signed
- Leverages economies of scale
- Product portfolio:
 - Specialties – Diketene and Ketene derivatives
 - Essentials – Esters, Anhydrides and Aldehydes derivatives





Financial Snapshot



Financial Update: Highlights Q1'24

Consol Revenue

₹ 7,375m

0% QoQ

-3% YoY

Consol EBITDA

₹ 813m

26% QoQ

-21% YoY

Consol CFO

₹ 1,644m

ROCE

12% for FY23

ROE

9% for FY23

Business Unit Revenue

Essentials: 68%

(vs 66% FY23)

Specialties: 32%

(vs. 34% FY23)

The Profitability and cashflow has improved QoQ. YoY lower realisations in Essentials impacting profitability but YoY & QoQ volume growth is consistent.



Financial Update– Consolidated Results

Particulars (INR Mn)	Q1 FY24	Q4 FY23	Q1 FY23	FY23	FY22	FY21
Total Revenue	7,375	7,370	7,587	28,087	30,991	17,730
Cost of Materials	4778	4880	4580	18,552	21,256	11,743
Gross Profits	2,597	2,490	3,007	9,535	9,735	5,987
Gross Margin (%)	35%	34%	40%	34%	31%	34%
Employee Cost	347	292	284	1,159	1,244	929
Other Expenses	1437	1553	1698	5,810	4,665	2846
EBITDA	813	645	1,025	2,566	3,825	2,213
EBITDA Margin (%)	11%	9%	14%	9%	12%	12%
Depreciation	210	230	136	724	481	465
EBIT	603	415	889	1,842	3,344	1,747
EBIT Margin (%)	8%	6%	12%	7%	11%	10%
Interest	46	-12	24	113	155	164
PBT	557	427	865	1,729	3,189	1,584
Tax	174	185	221	483	614	313.5
ETR (%)	31%	43%	26%	28%	19%	20%
PAT	383	242	644	1,246	2,575	1,271
EPS	1.44	0.92	2.44	4.70	9.76	5.58





Thank You!

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