GALAXY
Chemistry Creates Care

May 21, 2026

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Ref.: Regulation 46(2)(oa) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Dear Sir/Madam,

Pursuant to the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are enclosing transcript of Earnings Conference Call for Q4 of FY 2025-26.

This is for your information and records.

Yours faithfully,
For **Galaxy Surfactants Limited**

Niranjan Arun Ketkar Digitally signed by Niranjan Arun Ketkar Date: 2026.05.21 15:27:39 +05'30'

Niranjan Ketkar
Company Secretary

Encl: as above

"Galaxy Surfactants Limited
Q4 and FY '26 Earnings Conference Call"
May 15, 2026

"E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 15th May 2026 will prevail."

MANAGEMENT: MR. K. NATARAJAN – MANAGING DIRECTOR
MR. VAIJANATH KULKARNI – ED & COO
MR. ABHIJIT DAMLE- CFO

Moderator: Ladies and gentlemen, good day, and welcome to Galaxy Surfactants Limited Q4 and FY '26 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. K. Natarajan, Managing Director of Galaxy Surfactants Limited. Thank you, and over to you, sir.

K. Natarajan: Thank you. A very good afternoon, ladies and gentlemen. Thank you for joining us today for our fourth quarter and full year FY '26 Earnings Call. Before delving into our performance on the business front and regional updates, it is important for me to set the broader context. The operating environment in the year and particularly the last leg of the final quarter, that is Q4 of the last financial year was shaped by a series of external disruptions that impacted global supply chains, trade flows and customers ordering behavior.

West Asia war introduced a prolonged period of uncertainty across global supply chains, trade routes and energy markets. What was initially perceived as a short-term disruption extended well into and beyond quarter 4 with visible second order impacts on logistics, feedstock availability, pricing volatility and customer ordering behavior, particularly across our export markets.

Disruptions and rerouting of sea freight resulted in delays in inbound raw material as well as outbound export shipments for our Egypt facility. Port congestion and vessel availability constraints led to extended transit times adversely impacting our dispatches.

Over recent weeks, the logistics situation has gradually begun to stabilize with shipments being directed through alternate ports. While congestion at ports has reduced, transit times remain elongated, and our team continues to actively manage the situation through tighter planning and close coordination with our customers and vendor partners.

On the supply chain front, due to the impact of the geopolitical situation, price of feedstocks has increased significantly. The sharp and simultaneous escalation across input raw materials created a highly challenging operating environment, exerting a need for repricing at major customer levels impacting overall Q4 volumes.

Coming to our regional performance and key highlights. India remained relatively resilient, supported by steady demand across Tier 1 and non-Tier 1 accounts. India volumes grew 8% year-on-year, driven by a 3% growth in performance and more than 27% growth in specialty volumes.

On a year-to-date basis, despite reformulation pressures from the key Tier 1 customers that impacted Performance segment, strong growth in non-Tier 1 and direct-to-consumer accounts fully offset these volume losses.

In Specialty, we are pleased to report a 27% growth on an annual basis, delivering consistent progress in line with our Strategy 2030. In contrast, the AMET region remains challenging for reasons outlined earlier with volumes declining 15% year-on-year in Q4.

This weakness was concentrated in the later part of the quarter and was largely driven by logistic disruptions, raw material availability constraints, customer repricing pressures and more cautious procurement behavior amidst heightened political -- geopolitical uncertainty.

The rest of the world region witnessed mixed trends with volumes declining 7% year-on-year in Q4 while delivering a 4% growth on a full year basis. The Q4 volume shortfall was partly influenced by delays in export shipments to Europe and LatAm driven by sudden spike in freight rates and cautious buying behavior at the customer end.

In contrast, the Americas emerged as a relative bright spot during the quarter, following improved clarity and partial reversals. On tariff-related developments, demand momentum strengthened sequentially with volumes improving over Q3. Importantly, our specialty pipeline in the U.S. has been reinitiated post tariff reversals, and we are seeing encouraging traction and strong growth potential in premium specialty products.

Coming to financial performance for the quarter. For Q4 FY '26, EBITDA stood at INR122 crores compared to INR135 crores in the earlier year quarter 4 with EBITDA per metric ton for Q4 FY '26 at INR20,114 per metric ton versus INR21,715 per metric ton in Q4 FY '25.

This performance was largely driven by effective pass-through of raw material prices, freight cost increase to customers, improved mix in specialty segment in Q4, post reduction of reciprocal tariffs in U.S., consistent better performance of our TRI-K business in the U.S. that is a premium specialty segment and disciplined cost control measures at various operation areas and at our subsidiaries.

Moving to an update on innovation. In this quarter, we further advanced our innovation agenda with the launch of Galsoft Lumithic in in cosmetics Paris, a next-generation mild surfactant which is self-thickening, amino acid-based surfactant that simplifies formulation by seamlessly combining gentleness, clarity, foam and process efficiency into a single system.

It delivers skin cleansing with a low-pH compatibility and is highly suited for sensitive applications such as baby care, feminine hygiene care, scalp care and anti-acne solutions.

To conclude, while recent supply chain disruptions have created near-term challenges, they also present an opportunity for us to remain agile and sharpen our focus on timely price pass-throughs to our customers.

We continue to remain confident in the strength of our business underpinned by resilient customer relationships, a diversified geographic footprint, a strong India franchise and a disciplined operating approach. Barring any new unforeseen events, we are confident that performance in the coming quarters will improve sequentially.

Thank you, ladies and gentlemen, for your continued trust and support. I now open the floor for questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Aditya Khetan from SMIFS Institutional Equity.

Aditya Khetan: I have couple of questions. Sir, first question is on the specialty side. Sir, you mentioned in your presentation that so tariff reversals we all know and renewed traction in the specialty products has led to improvement in your specialty side. But sir, when we look at the numbers on quarter-on-quarter basis, it is flat only some INR493 crores top line last quarter, this quarter, INR498 crores.

Also, sir, you mentioned into your Indian business also some strong traction is led by Specialty Care products. I believe India is the specialty mix in India is relatively smaller only. So what was the mix earlier? How much mix has changed in India? And why this improvement in your Americas business has not led to specialty growth quarter-on-quarter?

K. Natarajan: Yes. First of all, quarter-on-quarter, , it's essentially due to the mix of the specialty portfolio in that quarter -- in quarter 4 in U.S. So that's one of the reasons, ? So it's what products that we started moving out post the tariff reversal. So it's only the mix impact.

But as you see moving forward, things will start looking better because sequentially, that's what explains as to why it doesn't reflect -- the volume growth doesn't reflect in terms of the contribution growth.

With regard to your next question on India. India, as you said, it's because, as I said in my opening remarks, in terms of the way that we have been able to grow with the D2C franchise, direct-to-consumer brands franchise, where you have a good amount of specialty ingredients that go in.

So although the base in India is small of special ingredients. But then there is a significant momentum that we see that is gathering in terms of the direct-to-consumer brands increasing their presence significantly.

Aditya Khetan: Got it. Sir, slightly longer-term question on to the specialty sir, when we look the numbers over the last few years and quarters, it looks around so 35% to 40% range. Over the longer term, sir, how you see like this mix to improve by 2030? What could be the mix?

And secondly, last quarter also, you mentioned like some customers in U.S. have highlighted some demand-related problems. Offsetting that impact and considering the current ramp-up in specialty, how things will look over the longer term?

K. Natarajan: See over the longer term, see as our strategy is to grow both the segments of Performance Surfactants and Specialty Ingredients because we are very clear that skewing towards either of this swing only towards specialty ingredients is not going to be making us very relevant for our customers because they want -- they expect that we are able to serve them with the basket of all the ingredients for the HPC segment.

But with the way that we are growing our Specialty Ingredients portfolio, I would probably say it will keep swinging between 65%-35%, 60%-40%, 70%-30%, depending on how both these legs start performing. So even by 2031, I do not see it's going, say, probably in the zone of 60%-40%, 65%-35%. That's what I look at it.

Aditya Khetan: . Got it. Sir, my third question is on to the raw material prices, fatty alcohol. Sir, last quarter, we had seen a dip of 8%. And again, sir, this quarter, prices have jumped -- so what is the strategy?

Like -- sir, you have also mentioned in your last quarter that with rising raw material prices, definitely, so there could be a demand destruction, which would happen. And it would be also difficult for us to pass on the prices.

What is the outlook, sir, going forward? And how much we can pass on with the rising raw material prices? And how much the down trading can even happen now further like which you have seen in the last quarters that could continue going ahead?

K. Natarajan: Yes. The first correction is I never said that it will be difficult to pass on increased prices. I only said that you can't pass on prices every week that it increases because customers expect that you have some price stability. So I will have a lag effect. So that can have an implication because if the price increases today, I pass it on after 1 month, that will be a lag effect.

But saying that, I think there is a very clear way that our relationship with customers ensures that they understand, , when we go for a price increase that there is a clear rationale and transparency.

So that's not an issue, but you can't go to them every week. So having clarified that, today, if you see, you have raw materials across like today, petchem feedstocks also have gone up significantly. Forget about going up, even availability is a challenge. So the question here today is not about whether oleochemical has gone up because that was the fact till, say, last quarter.

Now everything has gone up significantly. In fact, petrochemical prices -- base feedstocks have gone up much more than the oleochemical feedstock prices. So that's the situation today. But the current challenge is in terms of how well we are able to manage the supply side in terms of ensuring that we have uninterrupted production. Because as of now, we see that demand is healthy.

And it's important that we manage supply side very, very judiciously and in a very agile manner, which my team is doing a fantastic job. And I'm sure that, that's going to aid us in terms of the way that we report performance in the coming months.

Aditya Khetan: Okay. Sir, just one last question. Sir, how much competitive we would be versus LABSA into the crude chain, the current prices of LABSA versus the oleochemicals prices of $2,800 fatty alcohols. Like, I just want to know how much difference today could be there. And what are the reasons why consumer could shift to the other chain? Second question, sir, considering the current RM prices, $2,800 per tonne, what could be the volume growth? Is there any change into the volume growth guidance for '27, '28?

K. Natarajan: Forget about prices, they have gone up significantly. They have more than doubled. And the issue is in terms of availability. Whereas your oleochemical prices also have gone up, but not to the same extent. So yes, so now when our customers are looking at, I think their requirement is how do they keep their formulations available on the shelves.

So they are doing various ways to ensure that they are able to have their products, finding a space on the shelf. They don't lose on any production. So essentially, we need to ensure that we are able to serve them well. As regards the -- you talked about your alcohol prices. Can you repeat that question?

Aditya Khetan: Sir, fatty alcohol -- so considering the current prices of fatty alcohol, what could be the volume growth we are looking?

K. Natarajan: Yes. So what we are seeing is that I don't want to be talking anything specifically moving into the year because it is too premature to be talking about that. But one thing that I am able to see very clearly is that if I look only at, say, Q1, because there's no way that I can look beyond that. But Q1, we are looking that you'll be able to -- we'll be delivering close to the higher end of the volume guidance range of 6% to 8%. And EBITDA as well at the higher end of the range of INR19,000 to INR21,000 metric tonne.

Aditya Khetan: Sir, this guidance is for Q1 or like for full fiscal, you mentioned for Q1, right?

K. Natarajan: Yes, Q1, but then I would like this to continue -- if the current scenario continues the way it is, that's my rider. If nothing -- it may not improve, but it's not worsen. If this is the situation what we have in Q1 continues, I think we'll also be able to deliver that for the full year. But we all know that the current situation doesn't give us the luxury of looking beyond 1 quarter. So I would suggest that probably we'll have a better clarity in the next call when we discuss on Q1 results.

Moderator: Next question is from the line of Rohit Nagraj from 360 ONE Capital.

Rohit Nagraj: Sir, first question is in terms of the Egypt facility. So currently, how is the situation out there, both in terms of availability of raw material, logistics? And even on the customer side in terms of the demand, which is in Egypt and around Egypt?

K. Natarajan: Yes. So first is, I think one thing that I can clarify -- is that as far as the Africa, Middle East, Turkey market is concerned, we do not see demand as a challenge, if you see even last quarter.

But the thing that impacted our Africa, Middle East Turkey business and more so our Galaxy Chemicals Egypt business was, I think the entire March was disrupted because all the materials that were to be coming in, got stuck at various transhipment points. And the team was essentially working aggressively to look at how we are able to get those materials released and reach to our factory.

It started bearing results, all the efforts only from the first week of April. So I think, say, post middle -- middle of April, I think the Egypt operations have got restored to a significantly superior level. And they have started catering to all the pending orders that were that they couldn't serve in the month of March. So that's the situation today.

The issue is not about demand side, I think more on the availability of raw materials to take care of supplies. That impacted March. but then into April, things started improving, and we expect that May and June should be significantly superior where we are able to run our operations uninterrupted.

Rohit Nagraj: Sure. Sir, second question is you just spoke about Q1 guidance in terms of volume growth. Now is it because that the supplies are constrained and we have the material to supply to the customers. That's the reason we are confident that 6% to 8% volume growth is possible, given that still in most of the geographies, there are challenges in terms of -- some challenges in terms of demand and some challenges in terms of availability. So the volume guidance is predominantly based on the supply constraints and availability at our end. Is that the right way to look at it?

K. Natarajan: No, that's not the only reason or the major reason. If you look at it, in our volume growth guidance, I've always been saying that India should come back to its robust growth of 8% to 10%. If you see that happened in the last -- in quarter 4. So that momentum is continuing, and that growth happened because the GST rationalization started showing results in last quarter.

And you see all of our customers also have spoken about 4% to 6% growth. And in line with that, we have also reported 8% growth. So we expect that also to continue because we don't see any demand challenge at least in Q1 as far as India market is concerned.

Second, we also see our -- in Americas, we had the implication on -- because of the tariff in terms of our business, I think that has got resolved and then we have started reviving business with our customers. That also will aid. And more importantly, I think you will have AMET, Africa, Middle East, Turkey through the sort of degrowth that was happening in terms of on the supply side, significant -- due to the supply side factors, that also will certainly improve significantly in Q1.

Rohit Nagraj: Got that. Sir, just one clarification. Did we recognize any project income during this quarter? And if so, what was the quantum?

K. Natarajan: No, we did recognize, but nothing significant. That's the reason why we are not reporting that separately. But yes, the project is progressing well. And we do -- based on completion level, we recognize, but that's not something significant or material as you might call it.

Moderator: We will take our next question from the line of Sanjesh Jain from ICICI Securities.

Sanjesh Jain: Sir, a couple of questions. First, on the U.S. market in the previous call, you sounded quite bullish post the tariff deal announced. Where are we now? Has this Middle East situation impacted the demand, the supplies which we were planning? Any change in the outlook on the U.S. side?

K. Natarajan: See, first of all, the demand side, which has started getting -- we started recouping post the tariff thing getting taken care, I think that is exact. The supply started very well, from Jan, Feb. I think we had a temporary impact in March because of the suddenness with which the West Asia crisis happened. It took us almost 2 to 3 weeks in March to be able to resolve that.

And I think things have resumed after that. So this West Asia crisis, as of now, there is no impact we are seeing on the demand side. And the supply side implication was for a brief period in March, which has gotten taken care of.

Sanjesh Jain: So from next quarter onwards, is it fair to assume that the U.S. business, which we were planning, the acceleration, that should show up some result because RoW, we have declined in this quarter. So which geography apart from U.S. has hurt us in RoW?

K. Natarajan: See, the last quarter decline in RoW was because, as I said, we had a good amount of dispatches. We had orders, but we couldn't dispatch into Latin America, into Europe. Because of the sudden increase in freight rates, we also had to be talking to and negotiating with customers for repricing because the rates have gone up so significantly that there's no way that you could have dispatched the material. So that took a good portion of March. So they're all -- the backlog is getting cleared.

The other thing is in terms of our -- the America business reflecting, in terms of results in the coming quarters, I do see that will start happening.

Sanjesh Jain: So when we say Q1 guidance in the volume, this all should help us to grow much faster than the normal level, right?

K. Natarajan: No, no what I'm...

Sanjesh Jain: I was just looking at the trajectory, till Q3, our RoW was growing at double digit?

K. Natarajan: Correct.

Sanjesh Jain: Suddenly, in Q4, we saw a decline of high single digit. Now if we assign that entire double digit to a decline, say, 15%, 20% of volumes, which happened because of the logistical issue, repricing, renegotiation and all, that will get recouped in Q1, right? So in Q1, ideally, assuming all other things remaining same and we are able to fulfill the demand, which we delayed in the Q4, Q1 on our RoW should look at significantly better.

K. Natarajan: Yes, you're right. But then when I'm giving you the guidance, I'm also looking at certain situations that I may build because I don't want to be guiding inappropriately. That's why I say it will be at the higher end of the 6% to 8%. Because I still have 45 days. So we want things to continue. So you're right. It should reflect, but I don't want to be guiding in beyond that 6% to 8%. Yes. So I'd be very happy if I'm able to breach that in a positive way.

Sanjesh Jain: Very clearly. But are you seeing any other headwind that you're not able to procure?

K. Natarajan: Not as of today, So for example, if this West Asia crisis worsens, see the Strait of Hormuz blockade, what happened, the freight industry has adjusted to that. We have adjusted the elevated lead times. We were replanning customers have all planned. If anything new comes up, which is going to further aggravate the situation, that's the only thing that is going to be impacting. I don't see anything else coming and impacting the momentum.

Sanjesh Jain: Because I see 2 big raw materials, which may have got impacted. One is sulfur and ethylene oxide. And these are the 2 very big raw material for us, right?

K. Natarajan: Yes.

Sanjesh Jain: And a lot of sulfur in India at least was coming from the Middle East. And ethylene oxide, we had only one supplier and ethylene is a gas based. We know what's happening on that side. How should we think of raw material in India? Again, Southeast Asia will have the same problem because most of the Southeast Asia sulfur used to come from the Middle East. How is this situation playing out or there is absolutely no issue in terms of the availability of raw material for us?

K. Natarajan: See first of all, on both on ethylene oxide and sulfur, there are -- it is not a comfortable situation if you ask me that you can sleep every day presuming that things will be on a steady state. So it's all about managing the situation on a daily basis. But we are not seeing any great worries or concern in terms of the supply side not being supportive, the way that our -- my team is able to manage, both on ethylene oxide and on sulfur.

The prices have gone up significantly. That's anyhow given. But the supply side has to be managed well. And with the sort of huge vendor partnerships that we have, I think we are managing it well.

Sanjesh Jain: That's very clear. One on the AMET side. The decline in teens, right? I know we were already struggling in the AMET because of the currency and all. Now what's further hurting us, because we were at 90,000 metric tonnes per annum at one point of time in AMET? We have already reached 60,000 and now we are declining by another teens. What's really happening in AMET? And how should we think AMET as a region for us?

K. Natarajan: So this we had -- see, if you are saying that 90,000 to 60,000 we had talked about, it should be a question of local players backward integrated taking the market share. And all the global customers who are our customers -- who are the key source of our business have lost market shares. So that we explained.

Now in fact, if you see last quarter, but for the March episode because my Egypt plant couldn't produce and dispatch, they were actually idle for most part of the month in March because raw materials didn't reach, even what was there, they couldn't ship out material, which impacted, as I said even earlier, the numbers for the month of March, and that significantly impacted.

So you're talking about degrowth that happened 15%, majorly was supply-led, very clearly, which should start getting taken care from the Q1 of this year. There is nothing new that is happening in terms of the volumes. I don't have a tailwind to take it to 90,000, but there's nothing that is going to not allow me to grow at a reasonable rate from this base of 60,000.

Sanjesh Jain: If you look at just Jan-Feb, ignoring March, what could have been the growth rate in the AMET?

K. Natarajan: We could have probably been say, 2%, 3%.

Sanjesh Jain: We're still not growing materially in AMET. That still remains a geography which is underperforming, correct?

K. Natarajan: Correct. Correct.

Sanjesh Jain: That's -- got it. One on the Middle East. We have a decent exposure on the Middle East, Saudi, UAE and all. We were already a supplier from AMET market -- AMET plant, which is our Egypt plant. How should we think about those volumes? Because if I remember it, we were in probably single-digit contribution from this geography.

Have the supplies resumed there? Or how should we think about performance in that market? Or when the war gets over, you will see a very big demand from the restocking. And this year, actually, we can end with, say, upwards of 10% kind of a volume growth?

K. Natarajan: Yes. So if the war -- AMET can have -- yes, there can be restocking that will happen. But right now, what is happening is that people have started exploring land routes now for managing supply chain. The Strait of Hormuz getting blocked is critical for the managing the supply chain in that part of the world. And I think we have also found out land routes, different sea routes, to be able to manage the situation.

But yes, you're right. If the war gets resolved, certainly, there will be restocking. But the restocking, but what is important, Sanjesh, is also with the way that the economies have got impacted in terms of damage to their key facilities, how is the demand going to be intact? I do not know. But if the demand is not impacted, you're right. The restocking will happen, which can lead to a spike in demand for us.

Sanjesh Jain: Got it. And second, you talked about your EBITDA per kg in the range of INR19 to INR21 emphasizing that upper end will be what we are aspiring or probable. This quarter, we did what, INR20 a kg. Now what will drive this INR20 to INR21? Is it purely operating leverage now that we are looking at higher volume or you still think there is a scope for some gross profit per kg improvement as well?

K. Natarajan: No. One is, I think it will be driven by -- one is because the volume growth is there's operating leverage, but that's not the only reason. The second also is the mix also impact because you will have specialties in Americas that are picking up. And also in Europe, we are seeing some green shoots in terms of sort of projects in pipeline maturing. So that will contribute.

Sanjesh Jain: Got it. One last question from my end. We were looking an alternative product taking some market share in Indian market. With this new scenario, have we seen that thing reversing, stabilizing and we were also looking to produce that product. Where are we in that entire...

K. Natarajan: So we are already producing and selling that product...

Sanjesh Jain: You're already doing it?

K. Natarajan: Yes, we're already doing it. Yes, obviously, the supply side has been got impacted. Things have changed dramatically. So now the whole thing is about how we are able to use this flexibility that we have to be able to gain back certain volume share. That's what we'll be doing.

Sanjesh Jain: So this year, India will be back to 10% kind of a growth. Will that be a fair assumption?

K. Natarajan: If the end market grows, I think I would not say because I'm still not seeing. If the monsoon doesn't impact demand, if the current energy prices doesn't impact demand because it's going to be inflationary. Subject to all this not being there, I see that, that's what I said about 8% to 10% should be possible.

But we do not know. We're keeping our fingers crossed. Because the demand can get impacted significantly if you have all the energy prices going up now and discretionary spending gets impacted. That's the only concern.

Moderator: We will take our next question from the line of Arun Prasath from Avendus Spark.

Arun Prasath: First, during this quarter in India, at least, what kind of volumes do you think probably would have come because of the, let's say, panic buying or inventory building? And do you see that risk of reversing out say, can settle and we may have a couple of quarters of destocking an impact on our volume growth?

K. Natarajan: No, I don't think there was any -- I don't think there was a panic buying because I also told you that the feedstock prices went up significantly. So if you look at freight rates, incoming freight rates went up. So we are also negotiating with customers for repricing.

You're talking about sulfur prices going up every day, you're talking about ethylene oxide prices going up every week. So that also was an issue. So I would not say -- there was no panic buying. I think the -- probably the buyers were looking at how do they ensure that they have security of supply. And obviously, as they reached out to us.

But it's not that -- because even it's not that if someone wants a panic buying, we had enough and more availability because even our supply chain gets impacted in terms of the incoming. So I would not say panic buying. So I do not see a reason as to why there will be a reversal. But yes, what can be an issue is based on my customers because these are high season months, Jan to August, September are high season months.

Our customers prepare for this high season in terms of ramping up their production. The only thing that can spoil this growth momentum is if the demand situation gets corrected because of the inflationary situation, then our customers will start cutting back on their production because they need to reduce their inventory levels.

So that's the only thing that I see, but there cannot be any issue in terms of the panic buying, getting reversed and then there being an impact on the volume growth in quarter 1.

Arun Prasath: And Natarajan ji, one more risk is the grammage cut indirectly that could also be putting pressure on our volume growth because beyond Q1, maybe the grammage cut will also play out at least in India?

K. Natarajan: They have all reduced prices. I've seen that they are increasing prices. So all of them have started increasing prices. So if they -- but see grammage reduction typically, yes, it can happen when there's one way of passing on a price increase by grammage, but yes, so that we'll have to wait and watch. But as of now, we're not seeing -- that's why I'm saying that I'm looking -- I'm able to clearly know about quarter 1. Beyond that, I think probably the next call will give us more clarity.

Arun Prasath: Understood, sir. And a bit on what we have done in the last 3 years, just a very -- if I zoom out and look at it, we have done capex in last 3 years of roughly INR480 crores. Do you think some of -- I mean, are you seeing some of these facilities, which is commissioned in this INR480 crores of capex, you can give broadly the breakup between some projects and if any of the idle capacities we are having and any chance of -- see, in terms of these difficult times, other supply is not coming, is there a possibility we can utilize because we have put capacity ahead of the time. Should -- this should be an easier time for us to monetize these capacities?

K. Natarajan: Yes. So if there is an opportunity, we are well prepared to encash the opportunity. The investments that we have done, obviously, we are very clear that we need to have -- and most of it was in the Specialty Ingredients segment. And I also said that the tariff situation in U.S. had created some issues in terms of the pipeline getting built and the pipeline getting converted.

We also had the issue in Europe where the inflation had created a lot of significant headwind in terms of conversion. But those things are -- we are seeing that they are getting taken care of. First is in terms of the way that we have been able to build the pipeline and convert them in terms of our efforts. And this -- in the current situation, if there are supply side challenges, which presents an opportunity, you're right, we are well equipped to encash that opportunity.

Arun Prasath: And sir, this entire INR480 crores of capex is already kind of reflecting in our volumes and P&L in terms of the extent of monetization.

K. Natarajan: We started commissioned a major portion of it only in the last 1.5 years. So they will start -- they start -- some of it will start this year, and then the momentum would be built upon.

Arun Prasath: Any specific projects or groups you want to call out from this?

K. Natarajan: I can't call out, but as I told you, it's -- the major portion of the investment was on the Specialty Ingredients segment.

Arun Prasath: Understood. And sir, on this EPC revenue, what are the milestones post which we'll be booking the revenues and in our P&L? Have you reached those milestones?

K. Natarajan: No, no. So we have started booking, but those milestones are what is mandated as per the international accounting standards. So that's what our team does. So the project is making good progress, and we have started recognizing a portion of the revenues based on the milestones as mandated by the international accounting standards.

Arun Prasath: And whole FY '26, what will be the contribution to the revenue from this if you see?

K. Natarajan: So we -- because we have bound with the condition with the customer, we are not able to reveal, but it is enough to say that it's not material in FY '25, '26.

Arun Prasath: Okay. And this revenue will be recognized over how many years, sir? And bulk of it will be in this year or next year? As I say this year plus '27?

K. Natarajan: Bulk of it will be in this financial year.

Arun Prasath: Okay. Understood. And finally, one thing. We -- last year, we had a Capital Day event where we had specified our 2030 target. What are the initiatives we have already done on -- to achieve those targets? Anything in terms of product approvals or in terms of discussion with the....

K. Natarajan: We have launched products. If you see, I talked about Lumithic. We have launched the products in line with what we had in the 5-year period, what was the Phase 1 in terms of launch, we have done that. We started building in production pipeline.

We also talked about how we're going to be leveraging on what capacities we already have in terms of the specialty ingredients. We also talked about how we're going to be looking at coming up with the Leave-on -- the ingredients for the Leave-on formulations. So that's all been done well.

It's only on the wellness segment that what we had to progress, we haven't made the progress that we should have made. So -- but that, again, it's something work in progress. But only thing that I'm not too satisfied is what we should have worked on the wellness segment, which is a new segment we introduced. Other than that, I think there are -- the work is happening as per schedule. So I don't think there's anything different that's happening there.

Arun Prasath: In terms of revenue and EBITDA or margin, when we should start expecting these things will be reflecting in our numbers?

K. Natarajan: We said so what we talked about, we had talked about in the Analyst Day talking about going to about INR25,000 per metric ton, correct? And I also said during the Analyst Day that it will all be backloaded. So it's not that it's going to be -- it will be a situation where it will start happening towards the later portion of the next -- the 5-year period that we have had. So I think it will start -- probably you will start seeing this reflecting, say, from -- you'll see some in '26, '27, then a good portion in '28, '29 and '29, '30. '27, '28 also will start reflecting.

Moderator: Next question is from the line of Akshay Hatiskar from Kanjalochana Finserve.

Akshay Hatiskar: Sir, can you just tell us like what kind of capex has been occurred? Like was it regarding maintenance or is there any new facilities was coming up? Can you just shed some light on that?

K. Natarajan: No, no. So the capex that we do, we do have maintenance capex. But they're not more than INR20 crores, INR30 crores per year. The balance, whatever Arun was talking about has all been on growth capex. And there, as I said, it is all -- bulk of it is on the specialty ingredients space.

Akshay Hatiskar: Okay, sir. So there won't be any capex for FY '27 also, right? Like...

K. Natarajan: We will have. I don't see any growth capex given what -- there may be some work in progress that will get capitalized. But nothing new commitments that we are seeing in this year other than certain brownfield that we do or we may do some routine capex, replacement capex.

Akshay Hatiskar: Okay, sir. And apart from this, like as this current geopolitical crisis, which are going on, so can you just give us revenue guidance for FY '27 and '28? Like what kind of growth do you expect?

K. Natarajan: I don't want to mislead because there's no way that I can -- because the way things are, I'm just looking at the quarter 1. Now based on the current situation, that's the sort of visibility that I have. It doesn't -- I'm looking towards the future with a lot of optimism, but I don't want it to be translating into guidance where it seems misleading for each of you.

So as I said, quarter 1, I'm looking at hitting the higher end of the 6% to 8% volume growth. And on the EBITDA per metric ton, INR21,000 per metric tonne, INR19,000, INR21,000 I look at hitting the higher end of the band. When we meet next time, when we have a call next time for Q1 results, hopefully, things will have settled down and we have more clarity.

Moderator: Next question is from the line of Rohit Nagraj from 360 ONE Capital.

Rohit Nagraj: What was the EBITDA per metric ton for FY '26 for the full year?

K. Natarajan: On a full year, we were at around INR19,000.

Rohit Nagraj: Sure. And just second, on the broader macro aspect. So we had in FY '23, a situation when the raw material prices went up. And at the same time, we had a beneficial impact on the EBITDA per metric ton.

So given the current situation, which is probably more or less similar, in FY '27, can we see a similar kind of modality barring the Q1 that you have already talked about and confidently guided for, that volume growth may be in question, but we'll have the ability to make it up through the higher EBITDA per metric ton.

K. Natarajan: Yes, Rohit, so that's my desire also, but only one change between '22-'23 and now. So in '22, '23, we had a supply side constraint, but the demand actually was an uptick. Whereas now, you have a supply side impacted. But the demand, sir, as of now is intact. But with the way that the energy situation across the world is happening, I am only -- only concern is that should not end up impacting consumer spending on discretionary items. That's the only thing that we need to watch out for. Probably we'll have better clarity in the coming months.

Moderator: Next question is from the line of Aditya Khetan from SMIFS Institutional Equities.

Aditya Khetan: Sir, my question is broadly on to the AMET market. Sir, we being a local player were impacted by currency-related headwinds and demand-related disruptions. So versus a player who is exporting into these markets, out of these 2, like who would be better placed, a local player or an export-oriented player like who is importing into all these markets?

K. Natarajan: No, no. The better place is a local player.

Aditya Khetan: Okay. But sir, like we have not seen any sort of an uptick. So if you can help us what was the market growth into this AMET market for the last 2 years? Like what was the surfactant in the market growth? And across categories like we have seen a decline or there are some categories we have gone down, others have gone up? Any sort of...

K. Natarajan: The only problem is this is the whole market, Africa, Middle East, Turkey is a combination. Like we had a year in which Turkey because of inflation got impacted. And then our exports into Turkey were impacted. Egypt had its own issues in terms of currency availability and inflation that impacted volumes.

So when due to inflation and currency unavailability, you have a significant, what I can say, destruction of consumption. It takes time to come back. That's typically what is happening there. And our ability to be able to place those significant volumes in Egypt and Turkey, which gets impacted due to the currency situation and inflation into other markets, is not happening that easily the way that we would want it because all the markets they are very different. So some markets, you'd be very careful in terms of credit risk.

Some markets, you need to be -- there are some markets you just can't even approach because of sanctions and all that. So that's the only thing that we have. So these markets have to -- if they get into a situation of demand destruction, it takes time for it to come back. That's the only situation that we are into as far as Africa, Middle East, Turkey is concerned.

Aditya Khetan: And sir, on to the categories part, so are we present in most of the categories which the end user or the OEMs use over there or like we are present only in some categories?

K. Natarajan: No, no. We have -- other than fragrance and color, I think we can serve them with the entire basket of ingredients, both on the performance surfactants side and the specialty ingredients.

Aditya Khetan: And sir, on to the market demand growth for the last 2 years. Any idea, sir, how this market has grown, AMET market?

K. Natarajan: AMET market, I do not have it right now with me, but I -- whatever I see in terms of the business at presentation that was doing, it wasn't reflecting anything great. There was growth, but then it was typically a little bit touchy because the countries were also going through their own struggle. So in my view, I think it's -- if I'm able to recall, it's about, say, 3% to 4%.

Aditya Khetan: 3% to 4%. In terms of the volume declines, like whatever we have seen over the last 2, 3 years, volume dip in AMET market, you see largely that to be bottoming out over the coming year, considering all these macroeconomic uncertainties will resolve into this market. Are you witnessing some sort of a change or like this will continue even for the 1 to 2 years' time frame?

K. Natarajan: No, I think probably it has bottomed out now. So from here, we should only improve. Yes. And we'll probably start seeing it from the coming quarters.

Moderator: That was the last question for today. I would now like to hand the call back to the management for closing comments.

K. Natarajan: Thank you so much, ladies and gentlemen, for coming into this earnings call for Q4 and full year FY '25, '26. Looking forward to talking to all of you in August when we announce our Q1 results for FY '26, '27. Thank you, and have a good day. Bye-bye.

Moderator: Thank you very much. On behalf of Galaxy Surfactants Limited, that concludes this conference. Thank you all for joining us today. And you may now disconnect your lines.