



Shree Pushkar Chemicals and Fertilisers Limited

**Investor Presentation
Q1FY21**



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Q1 FY21 Result Highlights



Profit and Loss Statement

(Rs. Cr)	Standalone		Consolidated	
	Q1FY21	Q1FY20	Q1FY21	Q1FY20
Net Sales	44.64	77.66	63.83	92.15
Cost of Raw Material	29.28	52.19	42.73	60.16
Employee Cost	4.01	5.07	4.92	5.95
Other Expenses	10.31	12.04	13.03	15.19
Total Expenditure	43.60	69.30	60.68	81.31
EBITDA	1.05	8.36	3.15	10.84
EBITDA Margin%	2.35%	10.76%	4.93%	11.77%
Other Income	1.58	1.01	1.58	1.01
Interest	0.35	0.18	0.62	0.70
Depreciation	2.22	2.27	2.85	2.88
Profit Before Tax	0.05	6.92	1.26	8.27
Provision for Tax	-0.09	1.90	0.25	1.92
Profit After Tax	0.14	5.01	1.01	6.35
PAT Margin%	0.32%	6.46%	1.59%	6.89%
EPS	0.05	1.63	0.33	2.07

Revenue and profitability was impacted by the Covid-19 pandemic –

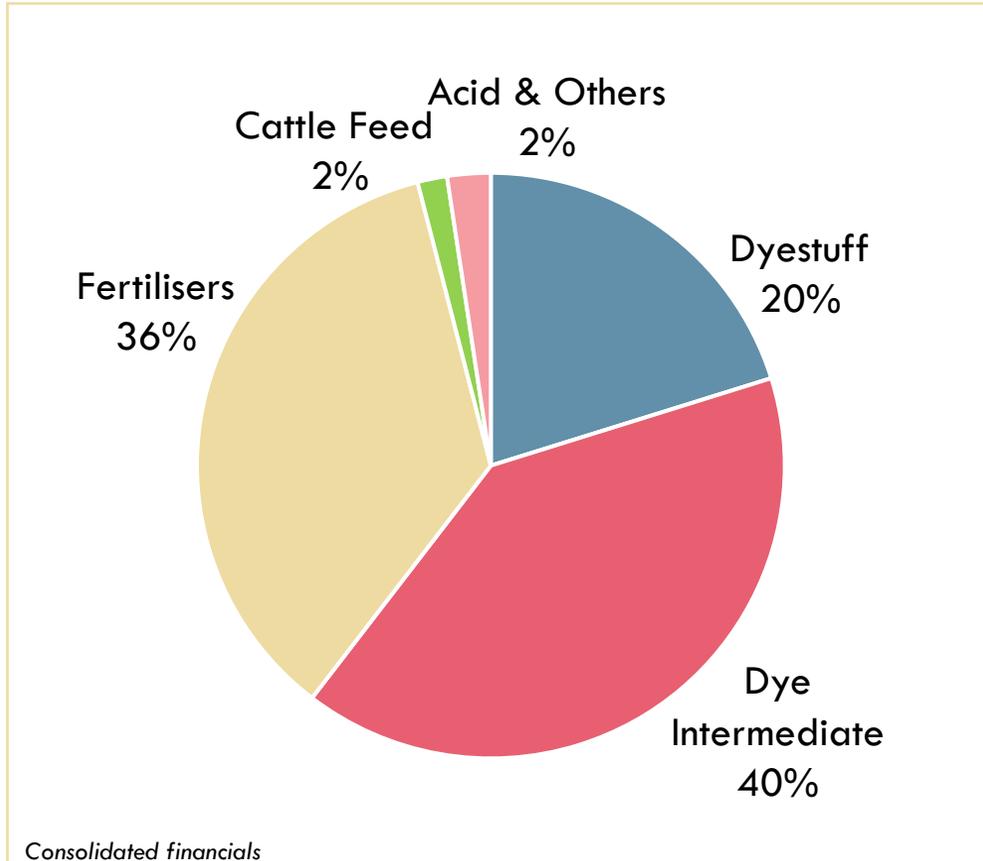
- Manufacturing facilities for Dyes and Dye Intermediates were operational only for a period of 20 days during the quarter
- Fertilizer production was operational for a period of 1.5 month during the quarter
- Flight of migratory laborers and supply chain restrictions across India hampered the movement of raw material and finished goods

Despite limited operations and general restrictions due to the pandemic, the company reported a profit of Rs 1 Cr on consolidated basis



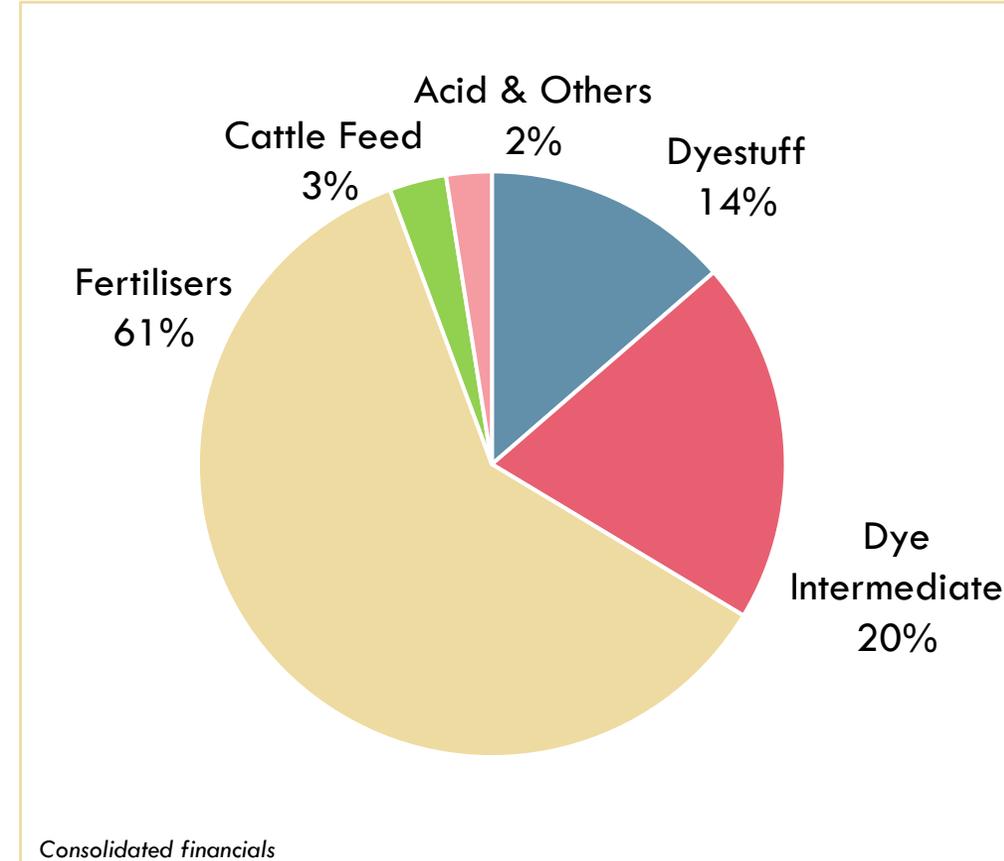
Q1FY21 Segmental Performance

Q1FY20 Segment Breakup



Q1FY20 Consolidated Revenue – Rs. 92 Cr

Q1FY21 Segment Breakup



Q1FY21 Consolidated Revenue – Rs. 64 Cr



Company Overview



Completely Integrated Product Portfolio



	Acid Complex	DCP – Cattle Feed	Fertilisers	Dye Intermediates	Dyestuff
Capacity	40,000 MTA	4,500 MTA	1,50,000 MTA	8,986 MTA	6,000 MTA
Products	Acid - Sulphuric Acid, Oleum and Chloro Sulphonic Acid	Cattle Feed - DCP	SSP, NPK, SOP and Soil Conditioner	Vinyl Sulphone, H-Acid, K-Acid and others	Reactive dyes
Revenue share (FY20 – Rs. 284 Cr)	Rs. 6 Cr 1%	Rs. 5 Cr 2%	Rs. 62 Cr 22%	Rs. 135 Cr 48%	Rs. 76 Cr 27%
	Backward Integration			Forward Integration	

Standalone financials



A Cost-Efficient Business Model

Strategic Plant Location

All manufacturing facilities are within MIDC, Lote Parshuram, Maharashtra, thus offering numerous logistics and management control advantages

Own Logistics Fleet

Own Logistics fleet that brings ease of transportation without time delays in sourcing of raw materials or delivery to customers

Captive Power Plant

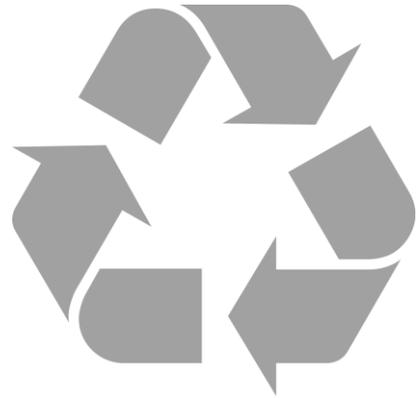
Zero cost captive power plants based on waste-heat boilers generated in the manufacturing of Sulphuric acid that reduces our electricity cost and ensures uninterrupted power supply, in addition the use of low-pressure steam in the plants for heating reduces fuel cost

Focused Marketing Network

Focused market networking for dyestuff and fertilizer brands throughout India, creating brand visibility and sales push



While Maintaining Best In Class Environmental Compliance



Efficient use of byproducts: effluents/ wastes from one production activity are utilized in other product verticals to create a set of value-added products



Zero waste company: the methodology of using effluents of one vertical in another leads to zero waste



Rationalization of treatment cost: zero waste method helps in minimal treatment cost; in house Effluent Treatment Plant (ETP)

Certifications

Complying with local and international environmental guidelines





Chemical (DI and DS) Segments Overview



Overview Of Dyestuff And Dye Intermediates

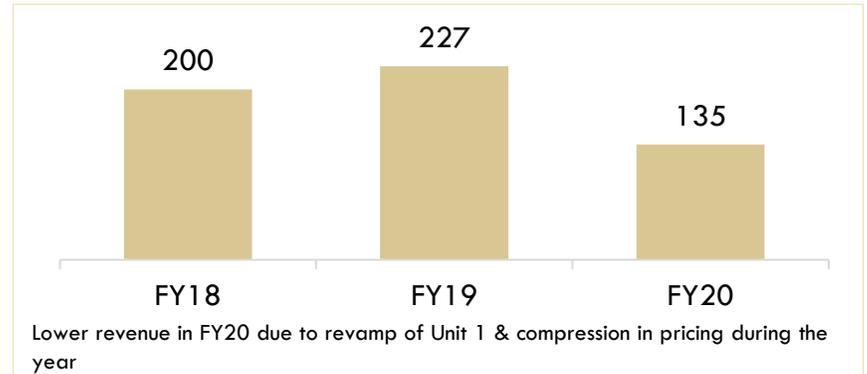
Dye Intermediates
Wide range of products
under one roof

Single product in 2001 to over 10 products now

Capacity – 8,986 MTPA

- A wide portfolio of dye intermediates – H-Acid, VS, K-Acid, Gamma Acid, R Salt, among others
- Capacities are fungible to a certain degree across products and are produced basis global demand and captive requirements
- Planned revamp of Unit 1 plant enables better production control and brings about flexibility in manufacturing as well as improved operational efficiencies

Revenue (Rs. Cr)



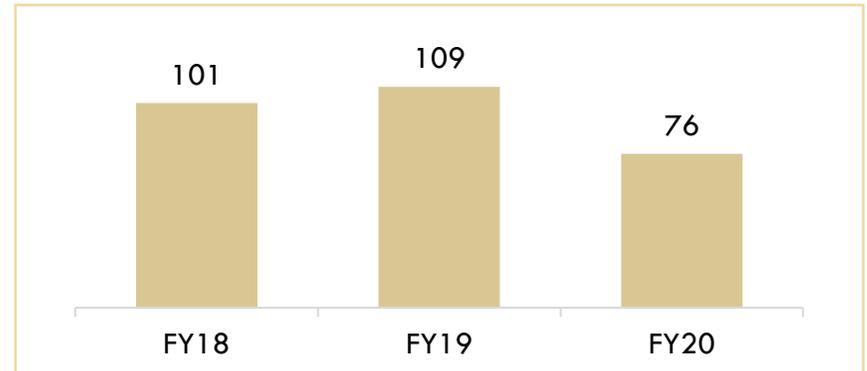
Dyestuff
Leading manufacturers
of reactive dyestuff
(Variety of Shades &
Colors)

Capacity – 6,000 MTPA

- Own brand of reactive dyes – DYECOL
- Product range certified from “GOTS” and enjoy the privileged status of being a Government recognized “Export House” from the last 15 Years
- “BLUE SIGN” System Partner and a “ZDHC” Contributor



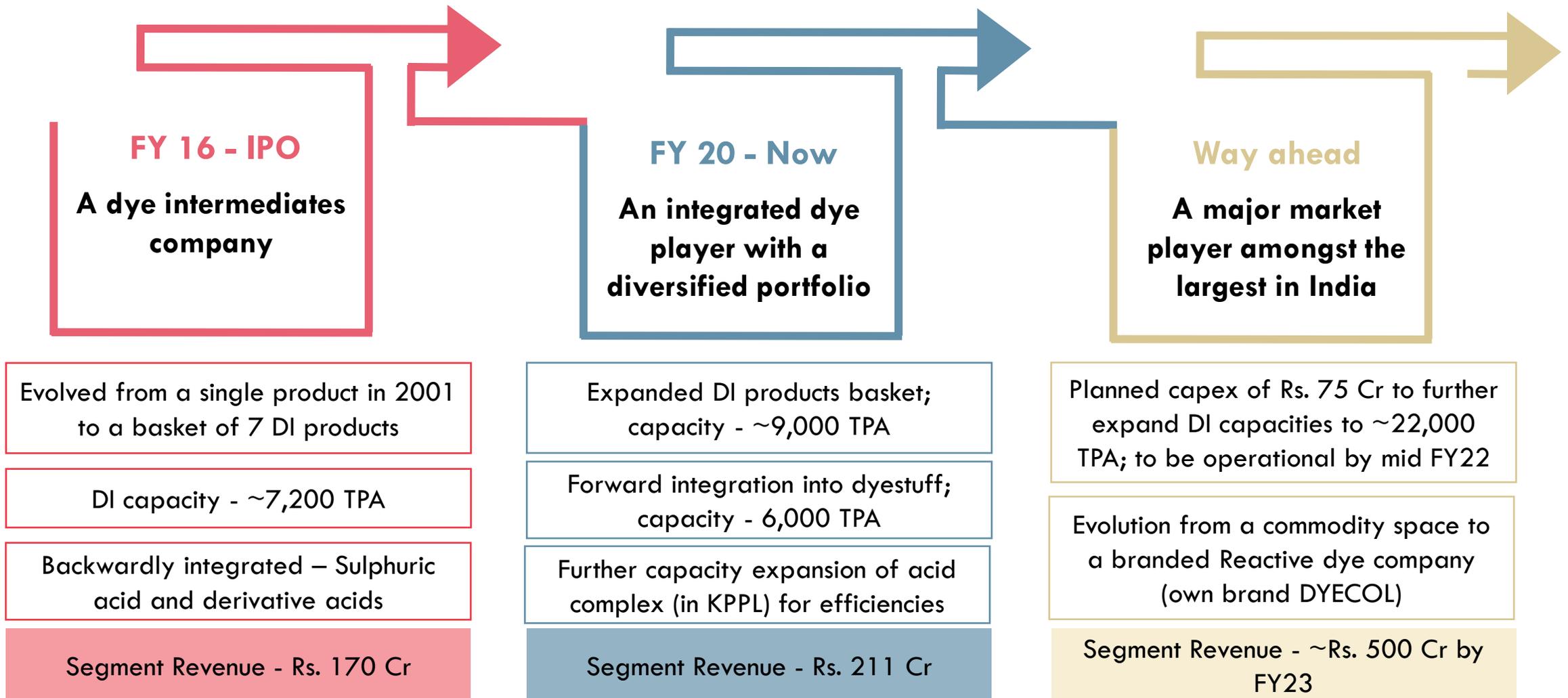
Revenue (Rs. Cr)



Consolidated financials



The Evolution of Chemical Business



Consolidated financials



Industry Opportunities For Dye And Dye Intermediates

Strong Industry Demand Drivers

- The Indian Dyestuff and Dye Intermediate industry is undergoing a transitional phase – the country went from being a net importer to a leading exporter across the globe
- The Indian Dye Intermediates market is expected to grow to \$6.3 billion by 2022, displaying a CAGR of more than 7% during the forecast period of 2017-2022
- The textile industry contributes to over 70% of total dyestuff demand, population growth and rise in consumer savings is a leading driver for the textile industry, this in turn ensures a constant demand for dyestuff in the Indian and international markets

India Emerging As Alternate Supplier to China

- During the past several years, numerous Chinese dyes and intermediates production plants have shut down due to implementation of stringent environmental laws
- With increased environmental norms, the cost advantage enjoyed by China has declined
- India is emerging as the next alternative supplier for the global market

Increasing stake of the Organized Sector

- The unorganized sector in the DI and dyestuff industry has been declining over the years due to increasing environmental and effluent management norms, along with external dependency on raw material sourcing
- This will benefit the companies that are compliant with local environment laws and have backward integration in place to be self sustainable for raw material needs



Fertilizers Segments Overview



Overview of Fertilizer Segment

Pan-India presence in key agriculture states

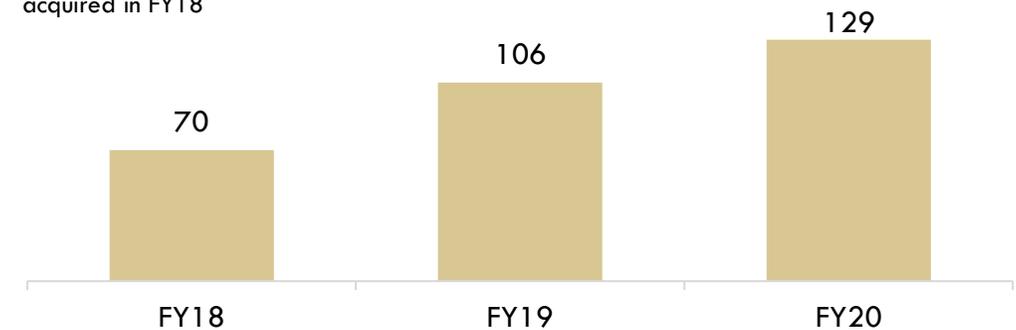
Shree Pushkar Standalone	Backward integration from DI and dyestuff	Maharashtra and Karnataka
Kisan Phosphates (100% subsidiary)	Acquired in FY18	UP, Punjab, Haryana & Himachal Pradesh
Madhya Bharat Fertilizer (100% subsidiary)	Acquired in FY20	Madhya Pradesh, Chhattisgarh, Rajasthan & Gujarat

Product	Capacity MTPA
Single Super Phosphate (SSP)	3,50,000
Nitrogen Phosphorus Potassium (NPK)	18,000
Sulphate of Potash (SOP)	20,000
Soil Conditioner (SC)	12,000
Granular Calcium Chloride	6,500

Marketing through +300 dealers through our own brand name and through our own marketing channels

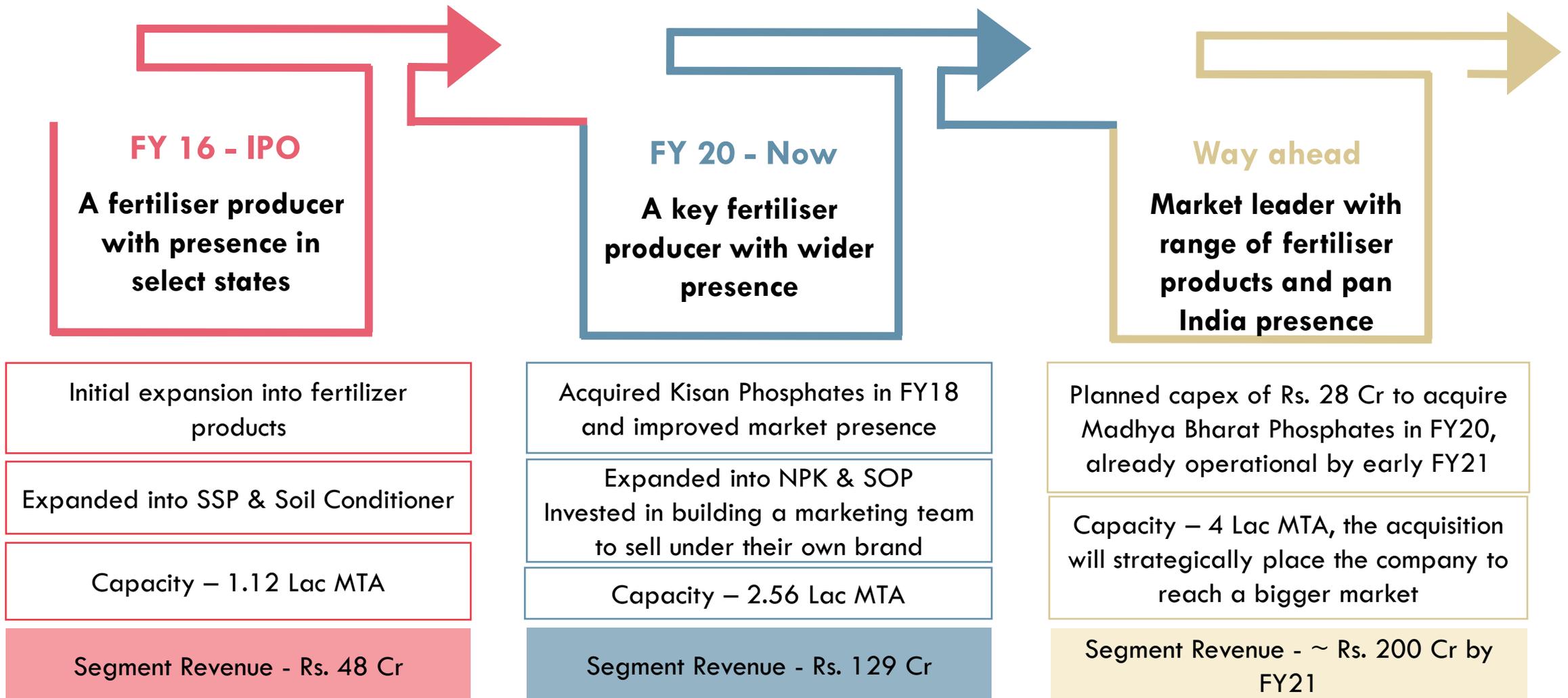
Revenue (Rs. Cr)

Includes Kisan Phosphates which was acquired in FY18





The Evolution of Fertilizer Business



Consolidated financials



Industry Opportunities For Fertilizers

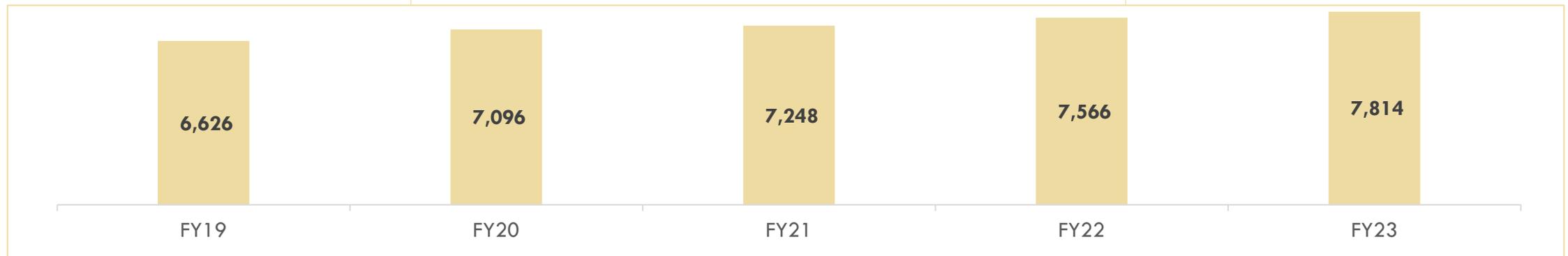
Strong Industry Demand Drivers

- Fertilisers are a key component in the growth of India's agriculture sector, which accounts for about a sixth of the country's GDP
- India is the world's second-largest consumer of fertilizers and the world's third-largest producer
- Monsoons have a major impact on the agricultural sector, besides the commodity prices of major raw material inputs. In such a regime SSP fertilizer being a low-cost fertilizer and popularly termed as poor farmers fertiliser, has an increased preference with the farmers

Factors affecting SSP Production

- Because of the simple production technique, it is one of the cheapest chemical fertilizers available
- Government of India has implemented the Nutrient Based Subsidy (NBS), this subsidy is given to companies based upon the nutrient content in each grade of the fertilizers they sell to farmers
- The Government is also encouraging SSP production as it is indigenous and is also considered as a substitute to diammonium phosphate (DAP), which is largely import based and costlier
- SSP demand is set to grow at a CAGR of 4%

All India Demand Forecast of SSP (Thousand Tonnes)



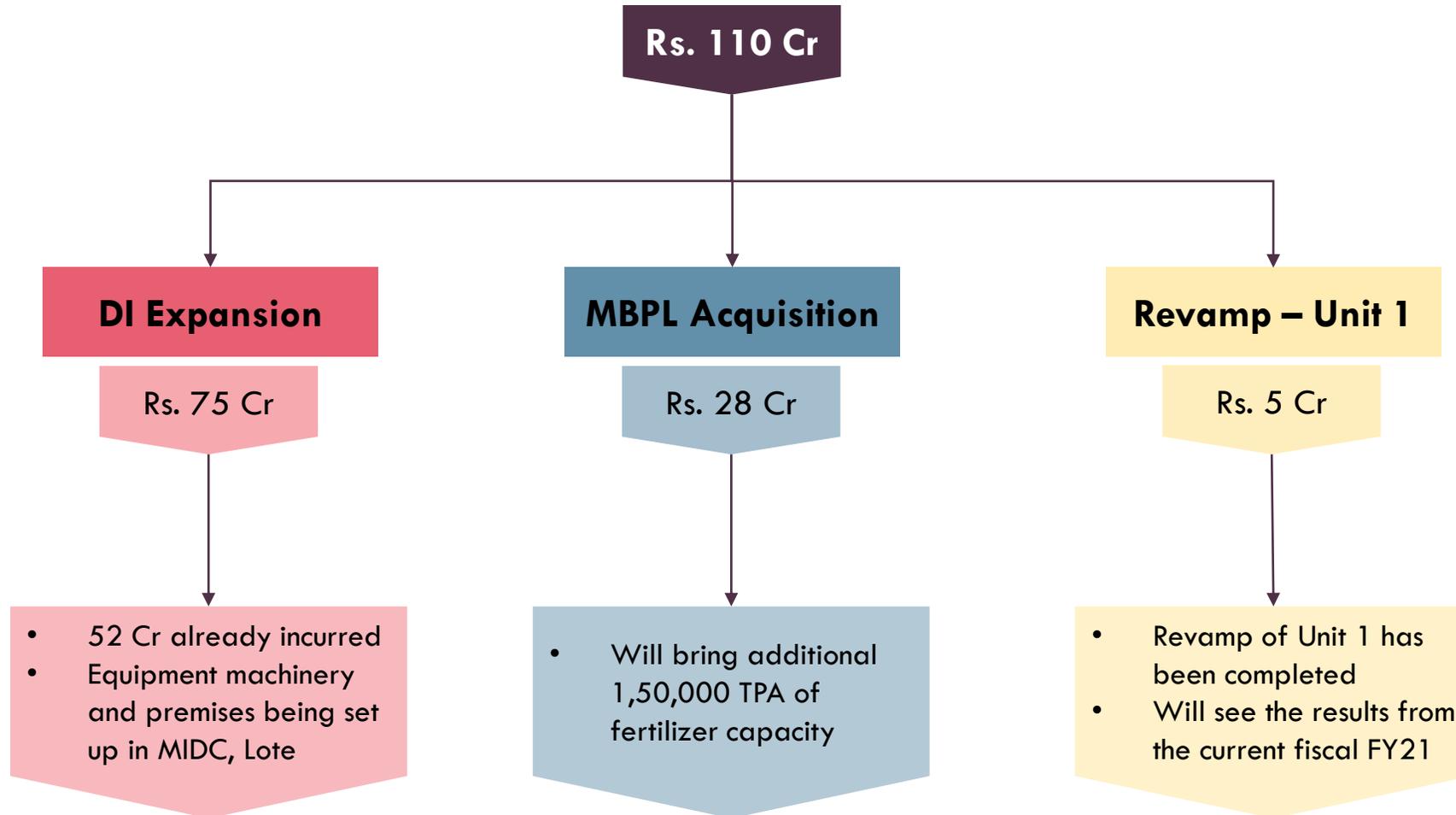
Source – GOI - Dept of fertilisers



Growth Strategy



CAPEX Plan To Tap Into These Opportunities



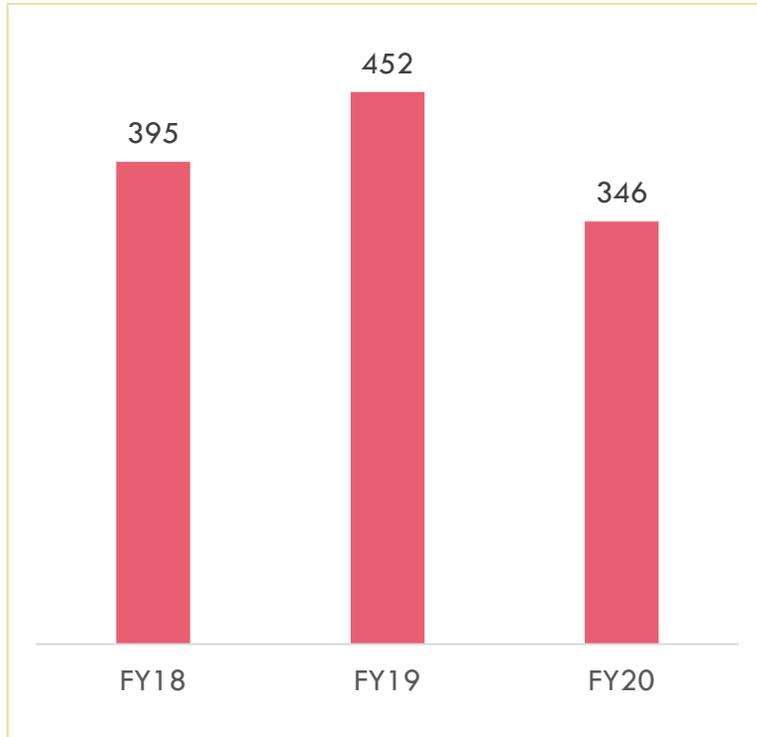


Historical Financial Highlights

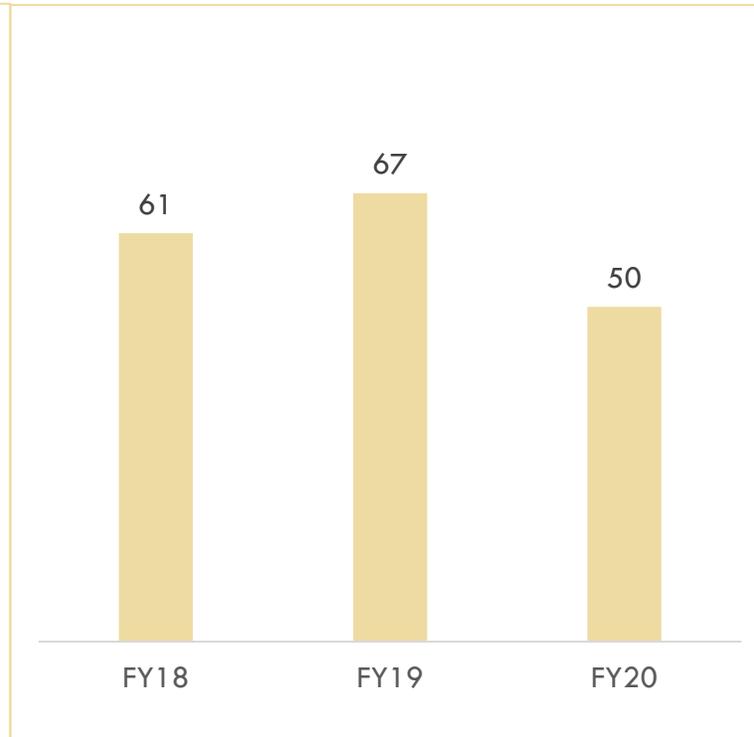


Key Financial Highlights - Consolidated

Revenue (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)



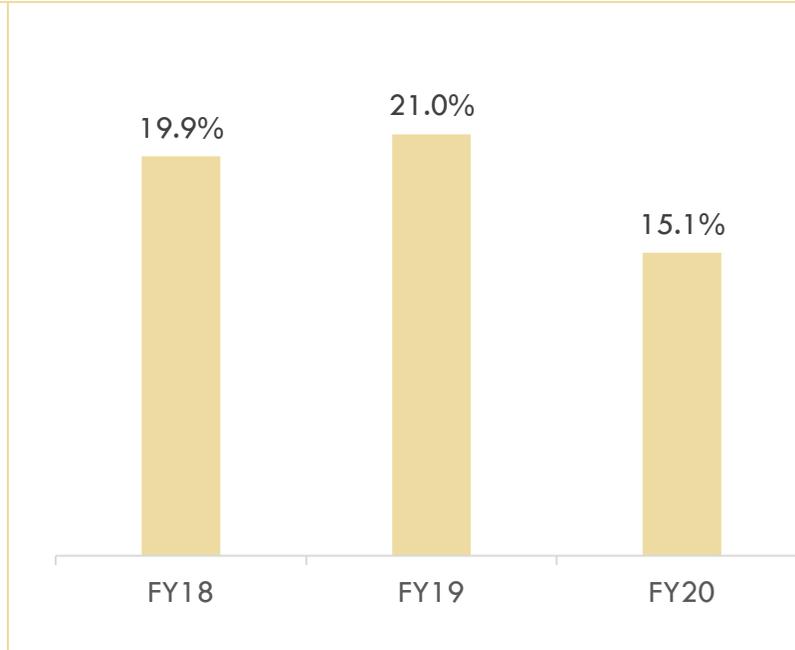


Delivering Consistent Financial Performance - Consolidated

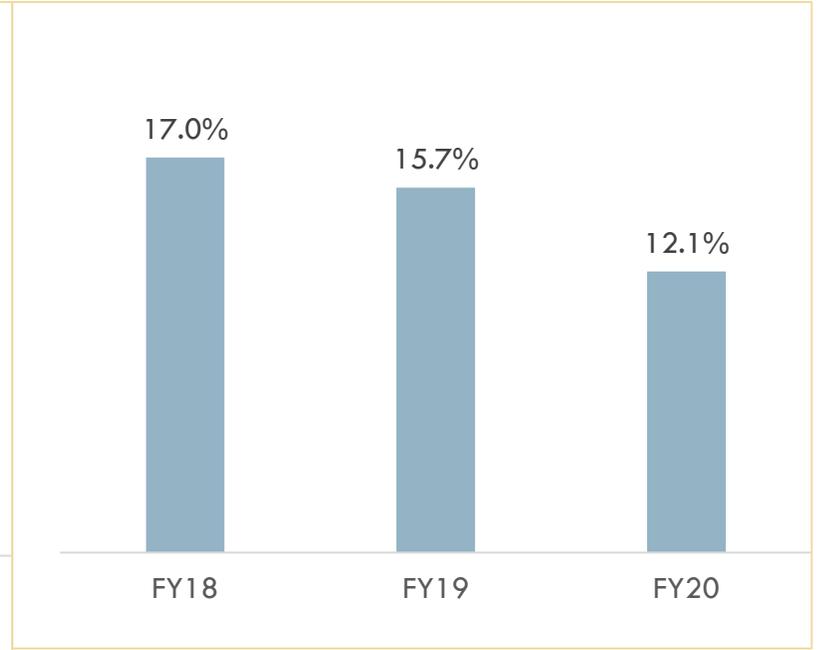
EBITDA Margin



ROCE



ROE



ROCE = EBIT/Average Capital Employed (Equity + Short & Long Term Debt)

ROE = Net Income/Average Shareholders Equity

A Zero Debt Company

The company has zero financial leverage



Standalone Profit and Loss Statement

(Rs. Cr)	FY20	FY19	FY18
Net Sales	284.4	400.2	370.2
Cost of Raw Material	179.9	273.8	258.3
Employee Cost	20.8	26.7	17.0
Other Expenses	42.8	41.1	37.7
Total Expenditure	243.5	341.7	313.0
EBITDA	40.9	58.5	57.2
EBITDA Margin%	14.4%	14.6%	15.4%
Other Income	3.3	2.4	1.7
Interest	1.1	2.0	2.3
Depreciation	9.0	8.2	6.9
Profit Before Tax	34.2	50.7	49.7
Provision for Tax	3.1	14.2	16.5
Profit After Tax	31.1	36.5	33.2
PAT Margin%	10.9%	9.1%	9.0%
EPS	10.10	11.89	10.98



Standalone Balance Sheet

(Rs. Cr)	Mar-20	Mar-19
EQUITY & LIABILITY		
Share Capital	30.8	30.7
Total Reserves	263.0	245.9
Shareholder's Funds	293.8	276.6
Long-Term Borrowings		
Secured Loans	0.3	0.3
Deferred Tax Liabilities	17.8	20.4
Long Term Provisions	0.6	0.5
Other Non Current Liabilities	0.7	0.5
Total Non-Current Liabilities	19.3	21.6
Current Liabilities		
Trade Payables	43.1	36.4
Other Current Liabilities	4.1	9.6
Short Term Borrowings	27.0	11.0
Short Term Provisions	0.1	0.1
Total Current Liabilities	74.3	57.0
Total Liabilities	387.4	355.2

(Rs. Cr)	Mar-20	Mar-19
ASSETS		
Non-Current Assets		
Fixed Assets incl CWIP & intangible	181.0	148.4
Investment in subsidiary	21.3	21.3
Financial Assets	60.1	3.8
Other Non Current Assets	6.4	9.1
Total Non-Current Assets	268.8	182.6
Current Assets		
Inventories	44.9	46.0
Sundry Debtors	62.5	79.4
Cash and Bank	0.9	39.7
Short Term Loans and Advances	2.6	1.7
Other Current Assets	7.6	5.9
Total Current Assets	118.5	172.6
Total Assets	387.4	355.2



Consolidated Profit and Loss Statement

(Rs. Cr)	FY20	FY19	FY18
Net Sales	346.3	451.9	395.3
Cost of Raw Material	214.4	302.6	272.1
Employee Cost	24.9	30.1	18.69
Other Expenses	56.7	52.1	43.35
Total Expenditure	296.1	384.8	334.1
EBITDA	50.3	67.1	61.15
EBITDA Margin%	14.5%	14.8%	15.5%
Other Income	3.3	2.4	1.7
Interest	2.1	3.7	2.9
Depreciation	11.5	10.0	7.8
Profit Before Tax	40.0	55.9	52.2
Provision for Tax	4.3	15.0	15.7
Profit After Tax	35.7	40.9	36.5
PAT Margin%	10.3%	9.0%	9.2%
EPS	11.60	13.32	12.09



Consolidated Balance Sheet

(Rs. Cr)	Mar-20	Mar-19
EQUITY & LIABILITY		
Share Capital	30.8	30.7
Total Reserves	275.4	253.7
Shareholder's Funds	306.2	284.4
Long-Term Borrowings		
Secured Loans	3.8	7.4
Deferred Tax Liabilities	17.7	19.6
Long Term Provisions	0.7	0.5
Other Non Current Liabilities	0.7	0.5
Total Non-Current Liabilities	22.9	28.0
Current Liabilities		
Trade Payables	54.5	44.9
Other Current Liabilities	8.6	11.7
Short Term Borrowings	45.1	39.3
Short Term Provisions	0.1	0.1
Total Current Liabilities	108.3	95.9
Total Liabilities	437.3	408.3

(Rs. Cr)	Mar-20	Mar-19
ASSETS		
Non-Current Assets		
Fixed Assets incl CWIP & intangible	215.5	182.7
Financial Assets	60.3	4.0
Other Non Current Assets	6.5	9.2
Total Non-Current Assets	282.3	195.9
Current Assets		
Inventories	62.1	62.3
Sundry Debtors	76.7	98.3
Cash and Bank	1.1	39.8
Short Term Loans and Advances	2.6	1.7
Other Current Assets	12.5	10.3
Total Current Assets	155.1	212.4
Total Assets	437.3	408.3



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Thank You

Shree Pushkar Chemicals & Fertilisers Ltd
S N Sengupta, Associate Director
sengupta@shreepushkar.com



Pareto Capital (Investor Relations)
Pooja Dokania
pooja.dokania@paretocapital.in
Rishav Das
rishav.das@paretocapital.in
210, B Wing, Kanakia Wall Street
Andheri East, Mumbai - 400069

