



Himadri

Ref. No: HSCL / Stock-Ex/2020-21/68

Date: 30/10/2020

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<b>Ref: Listing Code: 500184</b> BSE Limited Department of Corporate Services P. J. Towers, 25 <sup>th</sup> Floor, Dalal Street, Mumbai- 400 001	<b>Ref: Listing Code: HSCL</b> National Stock Exchange of India Ltd Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400 051
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**Sub: Investor Presentation**

Dear Sir/ Madam,

We are enclosing herewith Investors presentation.

We request you to kindly take on record the same.

Thanking You,

Yours faithfully,

For Himadri Speciality Chemical Ltd

*Monika Saraswat*  
Company Secretary  
ACS: 29322



**Himadri Speciality Chemical Ltd**

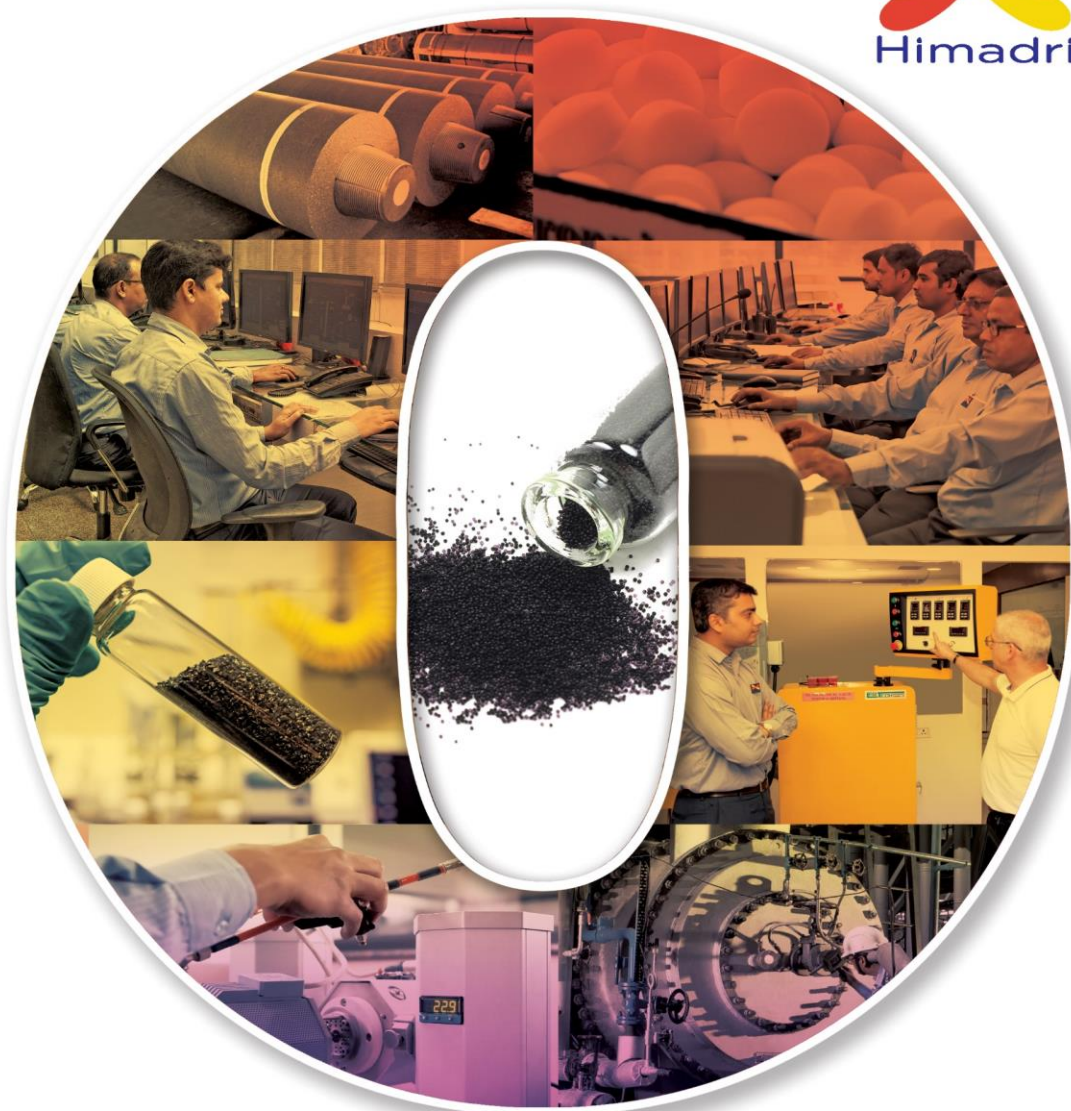
(Formerly known as Himadri Chemicals & Industries Limited) CIN: L27106WB1987PLC042756  
Regd. Office: 23A, Netaji Subhas Road, 8th Floor, Kolkata – 700 001, India  
Corp. Office: 8, India Exchange Place, 2nd Floor, Kolkata – 700 001, India  
Tel: 91-33-2230-9953, 2230-4363, Fax: 91-33-2230-9051, Website: [www.himadri.com](http://www.himadri.com)



# Himadri Speciality Chemical Ltd

INVESTOR PRESENTATION

Q1FY21



# OPTIMISM

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# COVID-19 Update

## Business Operations

- From April 2020 partially started manufacturing operations
- We are taking necessary preventive measures like social distancing, temperature testing, providing masks and sanitization facility to all workers etc. to safeguard against COVID-19;
- Most of our labourers are from local villages, so we are not facing any issue of migrant labour

## Safety Measures

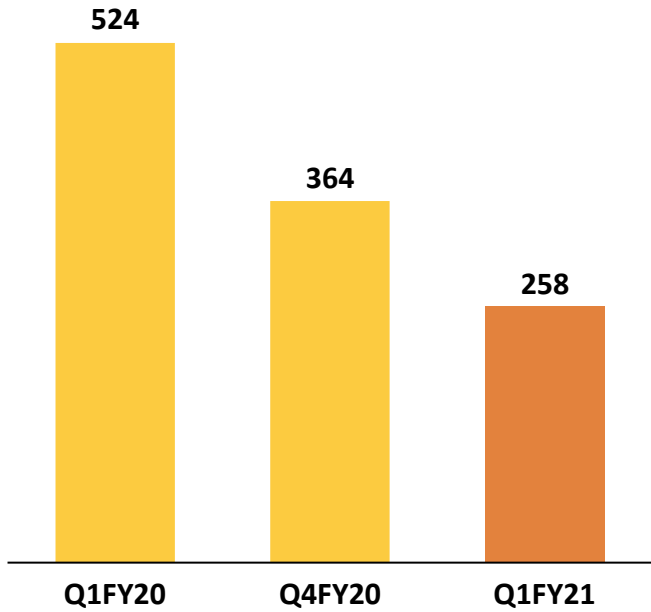
- **Work from Home:** Implemented work from home during the nationwide lockdown. Post lockdown we have re-started Corporate offices with limited workforce
- **Sanitization & Social Distancing at workplaces:** Regular sanitization undertaken at offices & factory for safety of employees. Workplace area sanitization before every shift and staff bus and car sanitization before every use
- **Employee Screening & adhering to safety protocols:** Regular thermal screening of employees at our plant and offices on daily basis
- **Mask & Sanitization compulsion:** Compulsion for the use of mask and hand sanitization; following all the protocols and guidelines; employee awareness initiatives

## Serving the Society

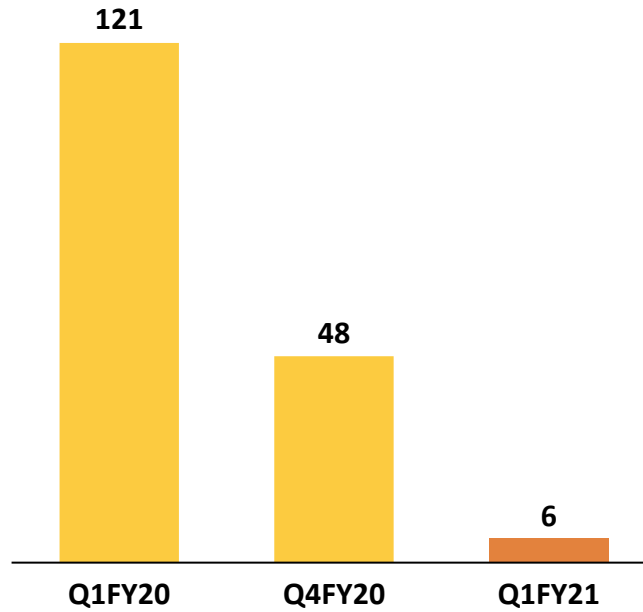
- **Monthly Ration Distribution:** Distribution of monthly ration to ~62,000 families in our locality during the lockdown period
- **Sanitization of nearby Villages:** Regular sanitization of community buildings in adjacent villages
- **Providing Shelter:** Built and provided shelter to needy during the pandemic
- **Medical Support:** Medical advice and ambulance support to nearby villages

# Standalone Performance Highlights

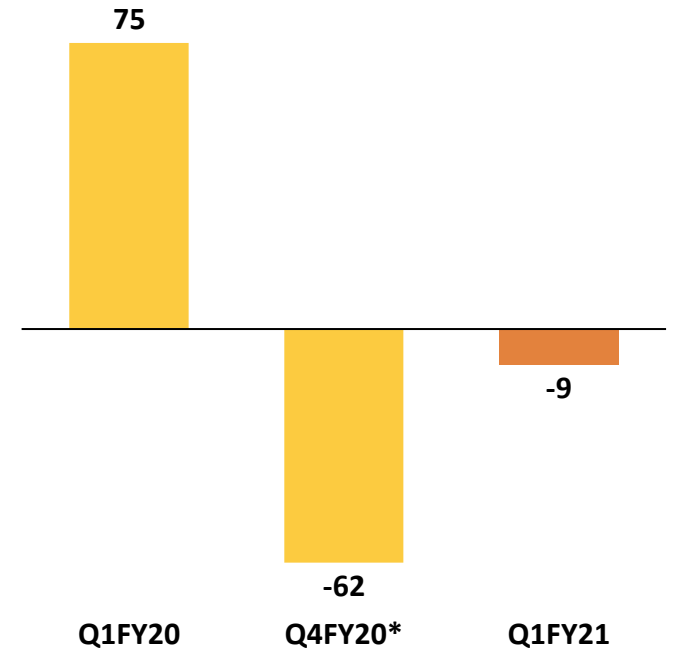
## Revenue



## EBITDA



## PAT



Rs. In Crs

**The performance of Q1 FY21 does not represent normal quarter/operations and is not strictly comparable with previous periods**

\* Exceptional loss of Rs. 128 crores - The Company had made investments in equity shares and given loans and advances to its wholly owned subsidiary, AAT Global Limited ('AAT'), Hongkong. AAT, in turn, invested in equity shares and had given loans and advances to its subsidiary, Shandong Dawn Himadri Chemical Industry Limited ('SDHCIL'), China. Shortfall in the business performance of both AAT and SDHCIL compared with budgets and further changes in the technology, market, economic environment have adverse impact on the value of the investments and recoverability of loans and advances given. The Company's investments in equity shares and loans and advances given to AAT, amounting to Rs 128 crores, have been fully provided for.

# Standalone Profit & Loss



Particulars (In Rs. Crs)	Q1FY21	Q1FY20	Y-o-Y (%)	Q4 FY20	Q-o-Q	FY20	FY19	Y-o-Y (%)
<b>Revenue from Operations</b>	<b>258</b>	<b>524</b>	<b>-51%</b>	<b>364</b>	<b>-29%</b>	<b>1,804</b>	<b>2,377</b>	<b>-24%</b>
Raw Material	192	337		247		1,222	1,588	
<b>Gross Profit</b>	<b>66</b>	<b>187</b>	<b>-65%</b>	<b>117</b>	<b>-44%</b>	<b>582</b>	<b>789</b>	<b>-26%</b>
Employee Cost	19	17		19		73	58	
Other Expenses	41	49		50		211	193	
<b>Reported EBITDA</b>	<b>6</b>	<b>121</b>	<b>-95%</b>	<b>48</b>	<b>-88%</b>	<b>298</b>	<b>538</b>	<b>-45%</b>
Inventory write-offs/advanced receivables charged to P&L	23	0		5		44	-	
<b>Normalised EBITDA</b>	<b>29</b>	<b>121</b>	<b>-76%</b>	<b>53</b>	<b>-45%</b>	<b>342</b>	<b>538</b>	<b>-36%</b>
Depreciation	11	8		12		37	33	
Other Income	1	2		(1)		5	11	
Foreign Exchange Fluctuation (Gain) / Loss	(1)	(7)		17		14	(3)	
<b>EBIT</b>	<b>(3)</b>	<b>122</b>	<b>-102%</b>	<b>18</b>	<b>-112%</b>	<b>252</b>	<b>519</b>	<b>-51%</b>
Finance Cost	10	16		14		54	70	
Exceptional Item Gain / (Loss)*	0	0		(128)		(128)	0	
<b>Profit before Tax</b>	<b>(13)</b>	<b>106</b>		<b>(124)</b>		<b>70</b>	<b>449</b>	
Tax	(4)	31		(62)		(11)	138	
<b>PAT</b>	<b>(9)</b>	<b>75</b>		<b>(62)</b>		<b>81</b>	<b>311</b>	

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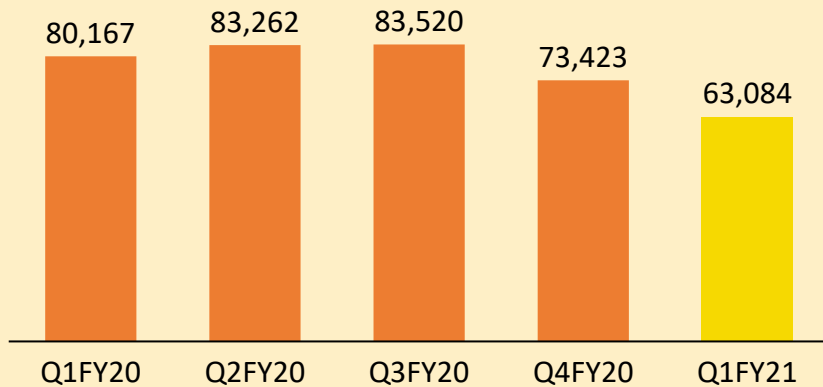
# Consolidated Profit & Loss

Particulars (In Rs. Crs)	Q1 FY21	Q1 FY20	Y-o-Y (%)	Q4 FY20	Q-o-Q	FY20	FY19	Y-o-Y (%)
<b>Net Revenue From Operations</b>	<b>258</b>	<b>524</b>	<b>-51%</b>	<b>364</b>	<b>-29%</b>	<b>1,806</b>	<b>2,422</b>	<b>-25%</b>
Cost of Materials Consumed	194	334		248		1,224	1,600	
<b>Gross Profit</b>	<b>64</b>	<b>190</b>	<b>-66%</b>	<b>116</b>	<b>-45%</b>	<b>582</b>	<b>822</b>	<b>-29%</b>
Employee Benefits Expense	19	17		19		74	60	
Other Expenses	42	51		51		213	200	
<b>EBITDA</b>	<b>3</b>	<b>122</b>	<b>-97%</b>	<b>46</b>	<b>-93%</b>	<b>294</b>	<b>563</b>	<b>-48%</b>
Other Income	1	2		4		8	8	
Foreign Exchange Fluctuation Loss/(Gain)	(1)	(5)		15		14	3	
Depreciation and Amortization Expense	12	9		12		39	34	
<b>EBIT</b>	<b>(6)</b>	<b>120</b>	<b>-105%</b>	<b>23</b>	<b>-125%</b>	<b>249</b>	<b>533</b>	<b>-53%</b>
Finance Costs	11	16		14		55	71	
<b>Profit / (Loss) Before Tax</b>	<b>(17)</b>	<b>104</b>		<b>9</b>		<b>194</b>	<b>462</b>	
Tax Expenses	(4)	31		(62)		-11	138	
<b>Profit / (Loss) for the year</b>	<b>(13)</b>	<b>73</b>	<b>-117%</b>	<b>71</b>	<b>-118%</b>	<b>205</b>	<b>324</b>	<b>-37%</b>
Other Comprehensive Income	9	(16)		(29)		-97	-104	
<b>Total Comprehensive Income for the year</b>	<b>(4)</b>	<b>57</b>		<b>42</b>		<b>108</b>	<b>220</b>	

# Sales Volume

## Sales Volume (MT)

Even with nation-wide lockdown during large part of Q1 and logistical and production challenges across the country, Himadri continued business operations as it serves multiple sectors which have different dynamics



On Standalone basis

## Demand Scenario

- **Coal Tar Pitch:** Aluminium manufacturing being a continuous process, its demand remained largely inelastic; graphite electrode's production suffered
- **Carbon Black:** Tyre industry, which is directly linked with automobile sector, was severely impacted. The temporary lockdown paused production activities across facilities. Carbon Black production started partially in May 20
- **Speciality Carbon Black:** The facility did not operate during the quarter due to lockdown related restrictions
- **Naphthalene:** Dyes and textile industry had huge production and demand issues leading to loss in sale and production of naphthalene
- **SNF:** Construction chemicals suffered significantly due to lack of demand. Sales started partially from Jun 20 onwards



# Credit Rating Reaffirmed

Non-Convertible  
Debenture Issue

**₹ 150 Crores**

**CARE AA- ; Stable**

(Double A minus; Outlook:  
Stable)

**₹ 150 Crores**

**ICRA AA- ; Negative**

(Double A minus; Outlook:  
Negative)

**Reaffirmed**

Long Term Bank  
Facilities

**₹ 48.68 Crores**

**CARE AA- ; Stable**

(Double A minus; Outlook:  
Stable)

**₹ 52.86 Crores**

**ICRA AA- ; Negative**

(Double A minus; Outlook:  
Negative)

**Reaffirmed**

Long Term Bank /Short  
Term Bank Facilities

**₹ 1,625 Crores**

**CARE AA- ; Stable / CARE  
A1+**

(Double A minus; Outlook:  
Stable/ A One Plus)

**₹ 1,423 Crores**

**ICRA AA- ; Negative/ ICRA  
A1+**

(Double A minus; Outlook:  
Negative/ A one plus)

**Reaffirmed**

Commercial Paper

**₹ 300 Crores**

**CARE A1+**

(A one plus)

**₹ 300 Crores**

**ICRA A1+**

(A one plus)

**Reaffirmed**

# Awards & Accolades

- » Recognized as the Fastest Growing Company in ET Bengal Corporate Awards 2020
- » Identified as Growth Champions (Ranked #76) in Economic Times-Statista inaugural edition of India's Growth Champions 2020 by Economic Times (2020)
- » Gold Award for the Year in Safety Practices by Greentech Foundation
- » Gold Award & Top 100 in International Annual Report Competition 2019 by League of American Communications Professionals LLC (LACP)
- » Ranked #1 by Fortune India in their fifth edition of midsize marvels-The Next 500
- » 19th Annual Greentech Environment Award 2019" by Greentech Foundation



# Long Term Value Protected

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**01**

**Vertically integrated leading  
Carbon Corporation**

**02**

**Portfolio Transformation**

**03**

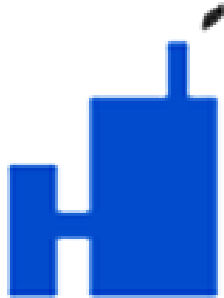
**Strong Research & Development**

**04**

**Future Strategy**

# Most Integrated Speciality Carbon Corporation Globally

2010



- » Coal tar pitch – Binder grade
- » Coal tar pitch – Impregnating
- » Carbon Black
- » Advanced Carbon Material
- » Naphthalene
- » SNF
- » C. B. Oil



2020



- » Aluminium Grade Pitch
- » Graphite Grade Binder Pitch
- » Graphite Grade Zero QI (Quinolene Insoluble) coal tar impregnated pitch
- » Advance Carbon Material for Lithium- ion Batteries
- » Special Pitch
- » Naphthalene
- » Refined Naphthalene
- » Light Creosote Oils

- » Heavy Creosote Oils
- » Anthracene Oil/Carbon Black Oil/ CT Oil
- » SNF
- » PCE
- » Carbon Black
- » Speciality Carbon Black
- » Himcoat enamel
- » Himcoat Primer-B
- » Himtape
- » Himwrap

# Portfolio Transformation

*Most Integrated*

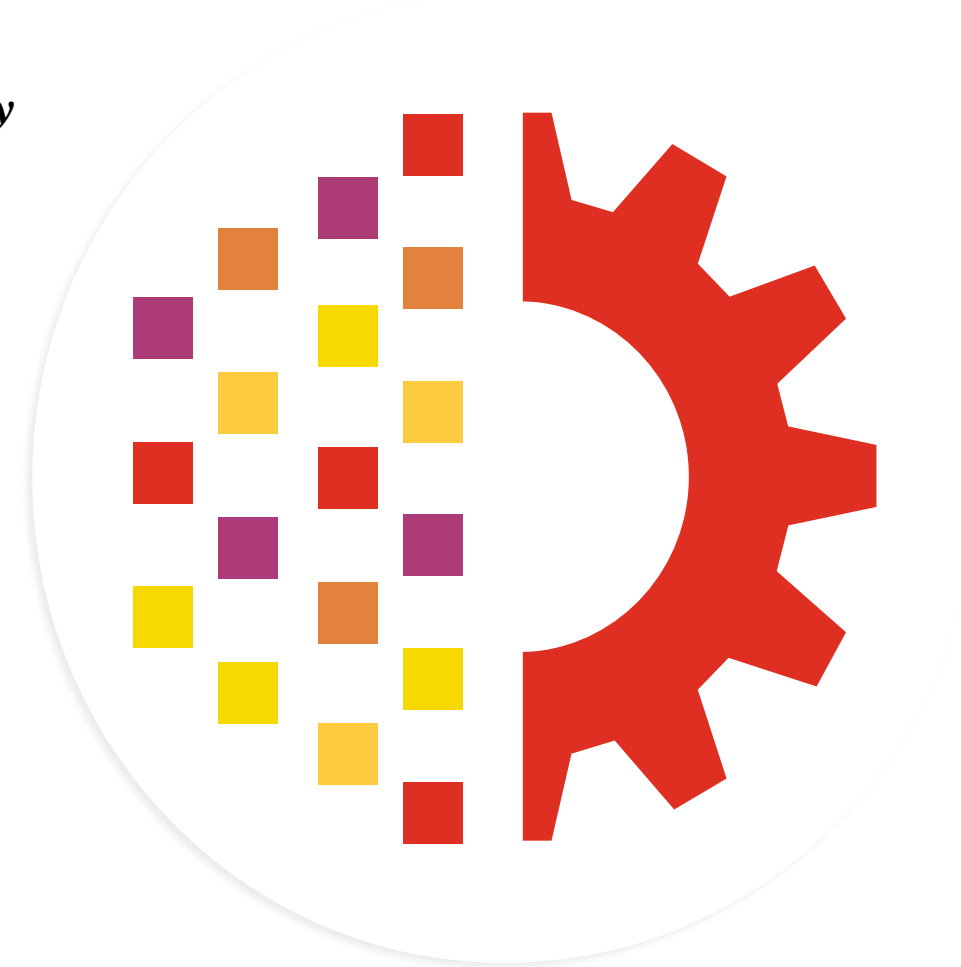
*Speciality Carbon Corporation Globally*

From  
Carbon Black  
to  
Speciality Carbon  
Black

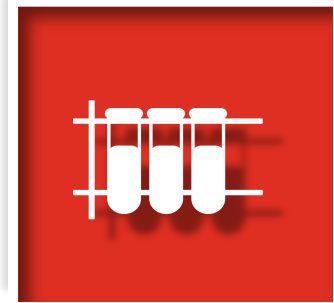
From  
Coal Tar  
to  
Advance Carbon  
Material

From  
Naphthalene  
To  
Sulphonated  
Naphthalene  
Formaldehyde

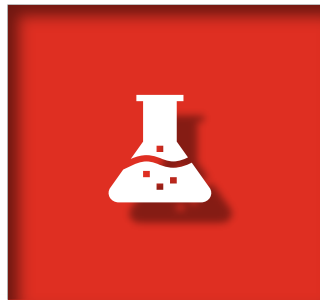
*Transformation towards  
High Value Products*



# Strong Research & Development



**World Class  
Laboratory**



**Techno-  
Commercial  
Team**

**An  
Innovation  
Mindset**



**Large  
Knowledge  
Bank**



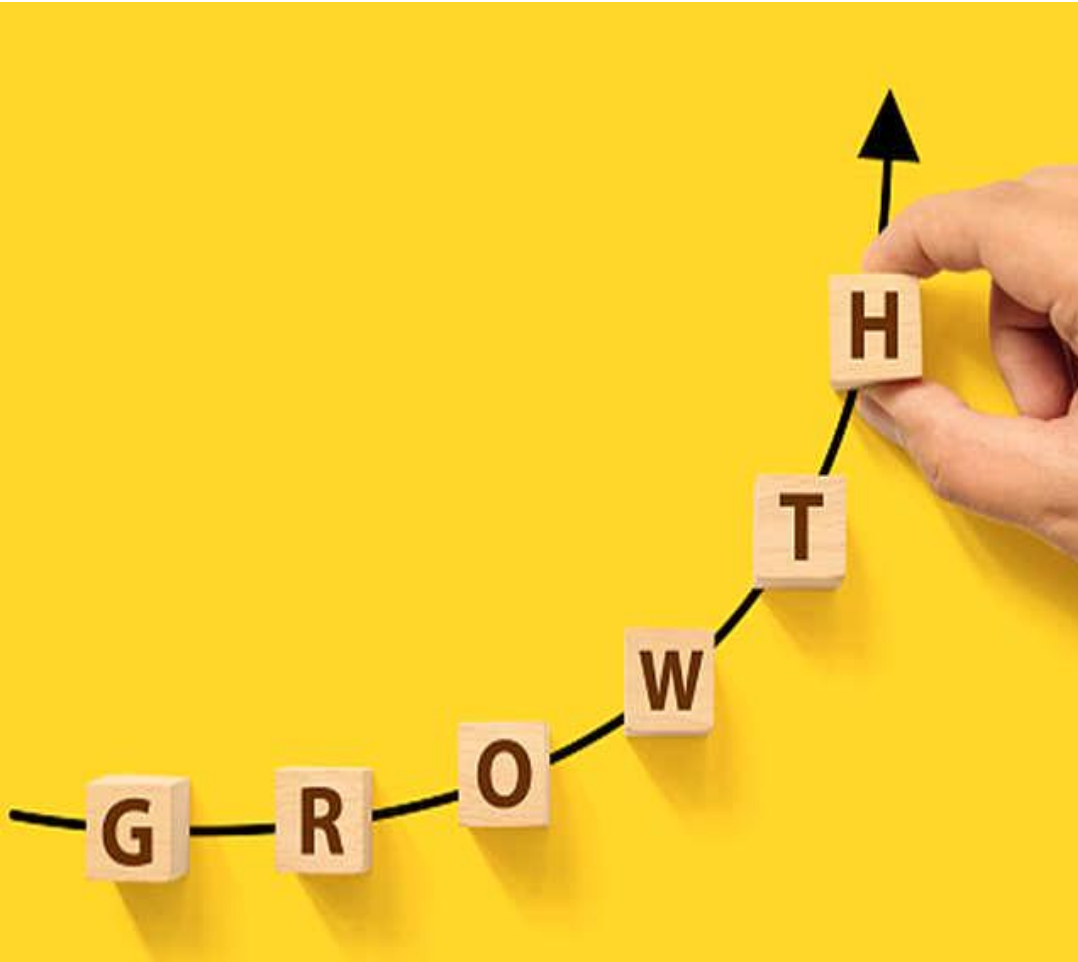
**Continuous  
R&D**

**4**  
New brands introduced with multiple grades catering to different application segments of Speciality Carbon Black

**7%**  
Reduction in energy consumption in certain processes

**11%**  
Increased productivity of certain grades through debottlenecking

Manufactured speciality chemicals at **'Zero Discharge'** world-class facilities across India



High Value  
Product Pipeline

Right Capacity

Strong Clientele

Product  
Leadership

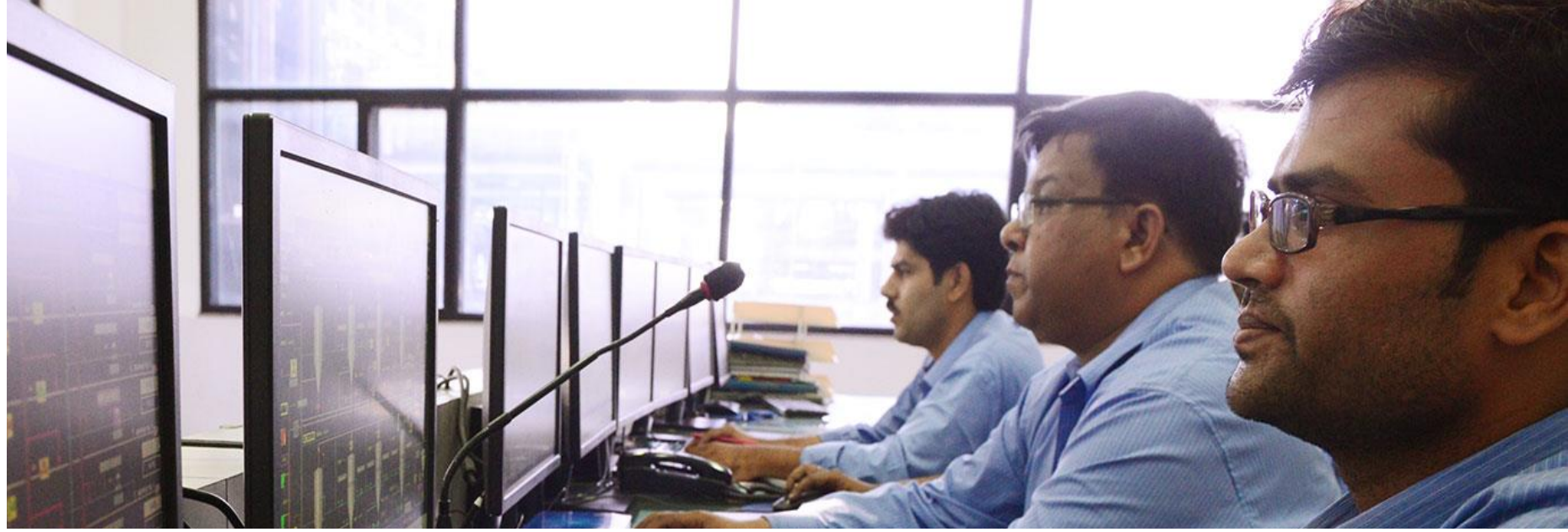
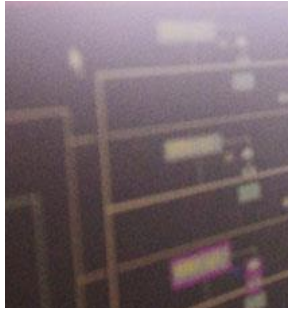
Strong R&D

Strategic  
Location

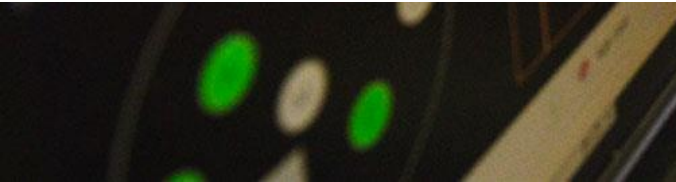
Diversified End  
Markets

Global  
Management  
Team

Cutting Edge  
Technologies



# Financial Performance





# Consolidated Profit & Loss

Particulars (In Rs. Crs)	FY20	FY19	Y-o-Y (%)
<b>Net Revenue From Operations</b>	<b>1,806</b>	<b>2,422</b>	<b>-25%</b>
Cost of Materials Consumed	1,224	1,600	
<b>Gross Profit</b>	<b>582</b>	<b>822</b>	<b>-29%</b>
Employee Benefits Expense	74	60	
Other Expenses	213	200	
<b>EBITDA</b>	<b>294</b>	<b>563</b>	<b>-48%</b>
Other Income	8	8	
Foreign Exchange Fluctuation Loss/(Gain)	14	3	
Depreciation and Amortization Expense	39	34	
<b>EBIT</b>	<b>249</b>	<b>533</b>	<b>-53%</b>
Finance Costs	55	71	
<b>Profit / (Loss) Before Tax</b>	<b>194</b>	<b>462</b>	
Tax Expenses	-11	138	
<b>Profit / (Loss) for the year</b>	<b>205</b>	<b>324</b>	<b>-37%</b>
Other Comprehensive Income	-97	-104	
<b>Total Comprehensive Income for the year</b>	<b>108</b>	<b>220</b>	

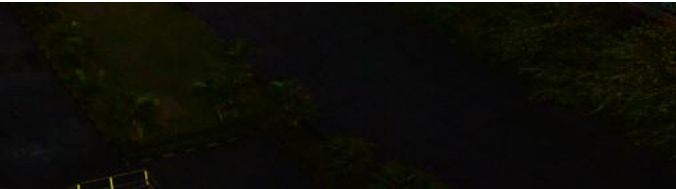
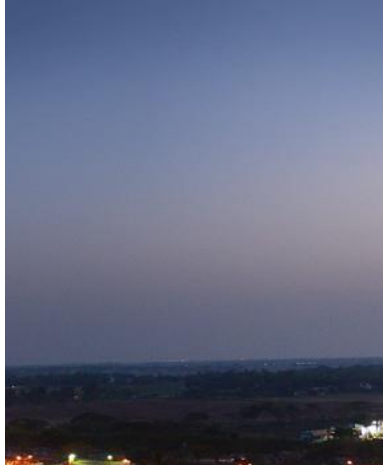
# Consolidated Balance Sheet

Particulars (in Rs. Crs.)	Mar'20	Mar'19
<b>ASSETS</b>		
<b>Non-Current Assets</b>	<b>1,725</b>	<b>1,637</b>
Property, Plant and Equipment	1,439	1,168
Capital work-in-progress	158	133
Right use of assets	34	0
Intangible Assets	2	2
Financial Assets		
(i) Investments	47	179
(ii) Trade Receivables	8	8
(iii) Loans	20	20
(iv) Other Financial Assets	0	0
Non-Current Tax Assets (net)	2	2
Other Non-Current Assets	15	125
<b>Current Assets</b>	<b>837</b>	<b>1,151</b>
Inventories	405	543
Financial Assets		
(i) Investments	0	0
(ii) Trade Receivables	300	366
(iii) Cash and Cash Equivalents	42	14
(iv) Bank Balances other than cash and cash equivalents	5	37
(v) Loans	3	3
(vi) Other Financial Assets	6	10
Other Current Assets	76	178
<b>TOTAL</b>	<b>2,562</b>	<b>2,788</b>

Particulars (in Rs. Crs.)	Mar'20	Mar'19
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	<b>1,734</b>	<b>1,631</b>
Equity Share Capital	42	42
Other Equity	1,692	1,590
Total Equity attributable to the equity holders of the Company	1,734	1,632
Non-Controlling Interest	0	(1)
<b>Non-current liabilities</b>	<b>86</b>	<b>322</b>
Financial Liabilities		
(i) Borrowings	22	188
(ii) Derivatives	0	4
(iii) Other Financial Liabilities	7	0
Provisions	5	3
Deferred Tax Liabilities (net)	52	127
<b>Current liabilities</b>	<b>742</b>	<b>835</b>
Financial liabilities		
(i) Borrowings	314	242
(ii) Trade Payables	229	441
(iii) Derivatives	2	2
(iv) Other Financial Liabilities	186	68
Other Current Liabilities	10	78
Provisions	1	1
Current Tax Liabilities (net)	0	3
<b>TOTAL</b>	<b>2,562</b>	<b>2,788</b>

# Cash Flow Statement

Particulars (Rs. Crs.)	Consolidated	
	Mar-20	Mar-19
Profit Before Tax	<b>194</b>	<b>462</b>
Adjustments for: Non -Cash Items / Other Investment or Financial Items	110	75
Operating profit before working capital changes	304	537
Changes in working capital	13	34
<b>Cash generated from Operations</b>	<b>317</b>	<b>571</b>
Direct taxes paid (net of refund)	<b>34</b>	<b>95</b>
<b>Net Cash from Operating Activities (A)</b>	<b>283</b>	<b>476</b>
Capex Investments	(247)	(204)
Cashflow from other investing activities	33	(20)
<b>Net Cash from Investing Activities (B)</b>	<b>(214)</b>	<b>(224)</b>
Dividend Paid	(8)	(5)
Interest & Other Payments	(33)	(253)
<b>Net Cash from Financing Activities( C)</b>	<b>(41)</b>	<b>(258)</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>	<b>28</b>	<b>(6)</b>



# Business Overview

## Coal Tar Pitch

#1 Producer



## Carbon Black

3<sup>rd</sup> Largest player in India



## Naphthalene

Largest Indian Player



## Refined Naphthalene

Largest Indian Player



## Advance Carbon Material

Only Company in India



## SNF

Largest player in India



## Speciality Oils

Niche segments in India and internationally



## Power

Green Power from In-house process gas



# Applications across Industries



Paints, Plastic & Fibre



Graphite Electrodes



Anti Corrosive Material



Defence



Construction Chemical



Aluminium



Lithium – Ion Batteries



Infrastructure



Rubber Industries



Wood Preservative Oils



Power



Specialized Products

# If You Can Be One Thing, Be Dependable

## CTP Clientele



## CB Clientele



## Others Clientele



# For further information, please contact:

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Company :

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[www.sgapl.net](http://www.sgapl.net)

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