



# SIGACHI INDUSTRIES LIMITED

CIN: L24110TG1989PLC009497

AN EXCiPACT GMP, ISO 9001:2015 & FSSC 22000 CERTIFIED COMPANY

[www.sigachi.com](http://www.sigachi.com)



To,

Date: 25.05.2023

<b>The Manager BSE Limited P. J. Towers, Dalal Street Mumbai-400001 (BSE Scrip Code: 543389)</b>	<b>The Manager, NSE Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051. (NSE Symbol: SIGACHI)</b>
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Dear Sir/Madam,

**Sub: Earnings Presentation for Q4 FY 23**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) 2015, and with reference to the subject cited, please find enclosed the Earnings Presentation for Q4 FY 2023 for the earnings call to be held on 29.05.2023. The same is also uploaded on the website of the Company [www.sigachi.com](http://www.sigachi.com).

This is for your information and records.

Thanking You,

Yours faithfully

**For Sigachi Industries Limited**

**Shreya Mitra**

**Company Secretary and Compliance Officer**

**Encl: As above**

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Registered Office:

#229/1 & 90, 2nd Floor, Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad-49,  
Telangana State, India.

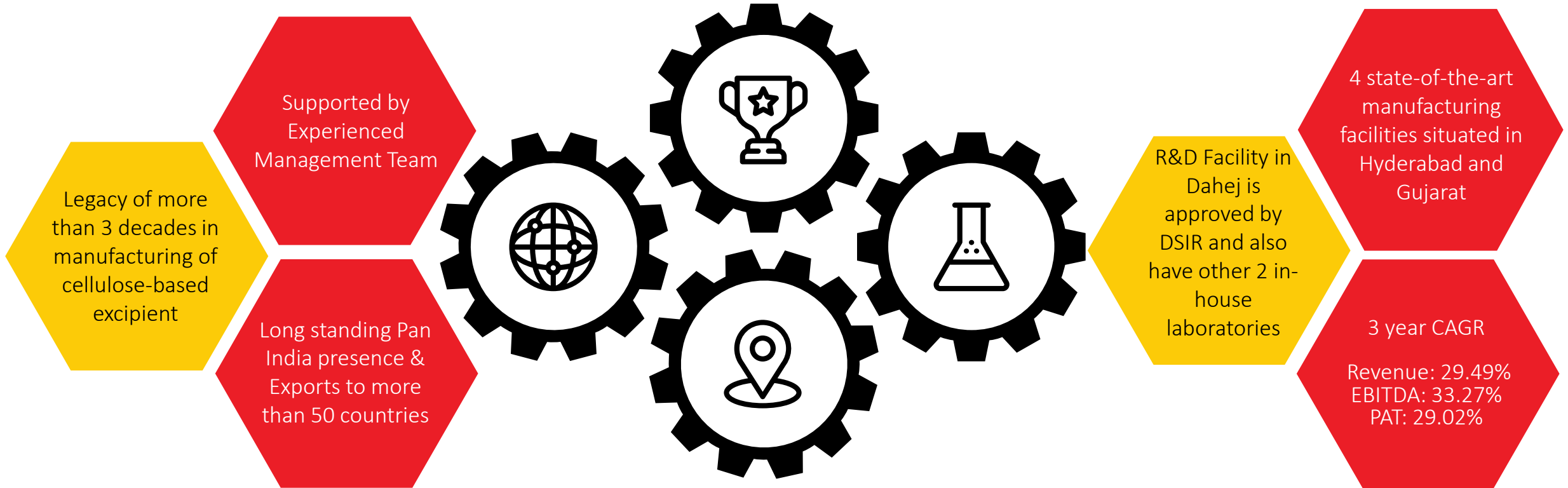
Email: [info@sigachi.com](mailto:info@sigachi.com), Customer Service +91 40 40114874 - 76



# Sigachi Industries Limited

Earnings Presentation

Q4-FY23/FY23

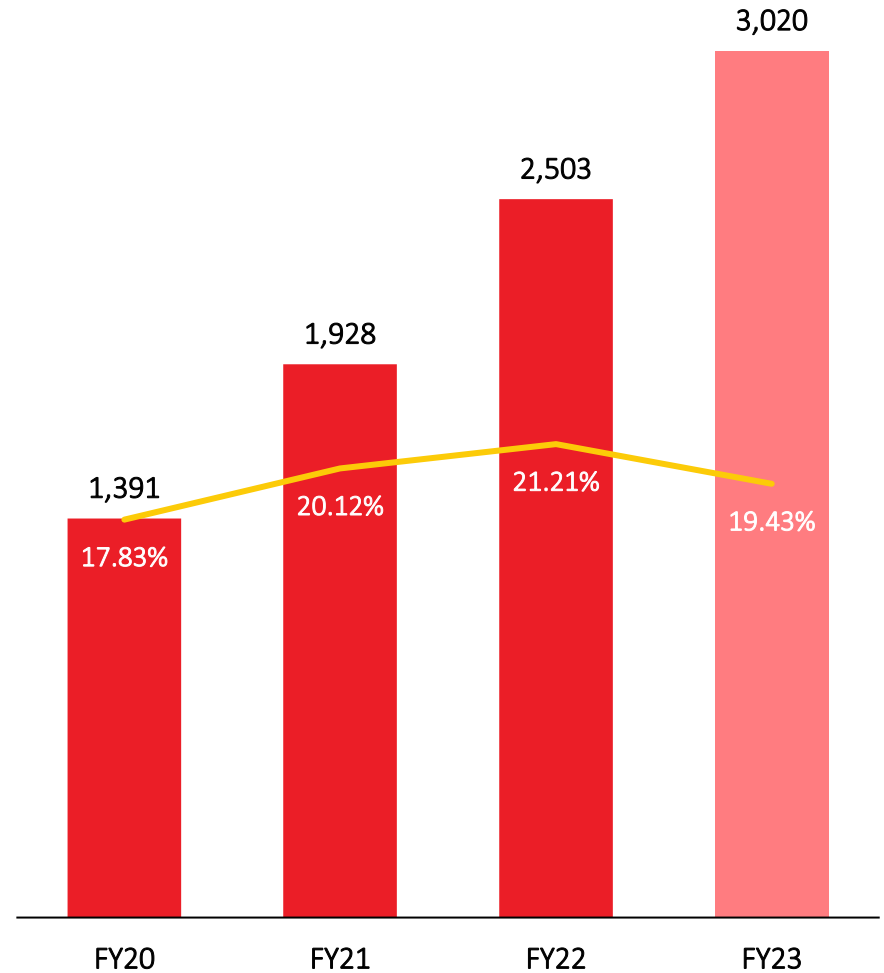




# Company Overview

- Sigachi Industries Limited (Sigachi), incorporated in the year 1989, is one of the leading manufacturers of Micro Crystalline Cellulose (MCC) in the world.
- Sigachi manufactures high-quality cellulose-based excipients, which predominantly find usage in the pharmaceutical, supplement and food industries.
- The company has created a niche in manufacturing highly innovative pre-formulated excipients & 60+ widely used excipients of international quality standards.
- With two facilities in Gujarat and two in Telangana, Sigachi ensures supply chain reliability for its customers in India and across the globe.
- Sigachi has a global sales and distribution network and exports to more than 50 countries across Asia, Australia, American Continent, Europe and Middle East.
- From its state-of-the-art R & D facility the company ensures continuous innovation to efficiently meet evolving customer demands.
- The company has an agreement with Gujarat Alkalies and Chemicals Limited (“GACL”) and also with Grasim Industries(Aditya Birla Group) for operating and managing the manufacturing units owned by GACL and for contract manufacturing of sodium chlorate, stable bleaching powder and poly aluminum chloride.

Revenue (INR Mn) & EBITDA Margins (%)





# Key Strengths



**One of the leading manufacturers of MCC in India with over 30 years' experience:**

- Made advancements in development of MCC and positioned as one of the key manufacturing players globally
- Technical capabilities, capable R&D Division and manufacturing infrastructure, gives a first mover advantage in India



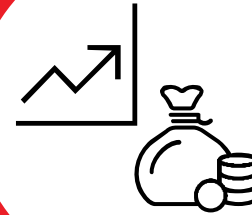
**Presence across diverse industry verticals with long standing relationship with customers:**

- Customization of products based on customer specifications and requirements
- Track record of consistent delivery of quality and cost-effective products and solutions through strategic alignment of key customers' goals over the years



**Pan India and International market presence:**

- A long-standing market presence in India and internationally
- Exporting products to over 50 countries worldwide, including regions of US, UK, Australia, EU region, Middle East and SE Asia



**Growth led by continuous investment and focus on R&D:**

- Regular investments in R&D to expand the product offerings and to streamline manufacturing process
- 2 R&D Division and 2 in-house laboratories
- The laboratory in the Dahej R&D Division has been approved and has received an accreditation by DSIR to undertake R&D activities



**Comprehensive product portfolio enables to serve diverse end-use applications:**

- Customize the usage and application of the products to various industries including but not limited to pharmaceutical, food, nutraceuticals and cosmetics
- Manufacture MCC in various grades ranging from 15 microns to 250 microns



**Strategically located manufacturing facilities**

- Set up 4 multi locational manufacturing units namely, Hyderabad, Sultanpur unit TG ("Unit I"), Jhagadia, Gujarat ("Unit II") and Dahej, Gujarat ("Unit III") and Kurnool plant ("Unit IV") which helps provide timely, efficient and customized delivery of the products in terms with the specific demographic needs

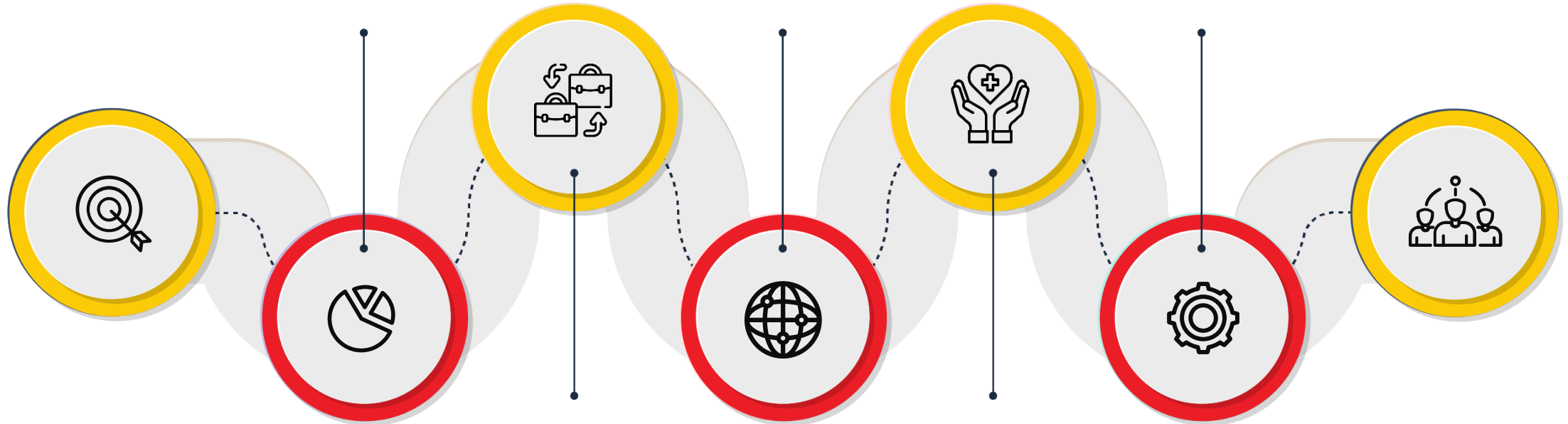


# Strategy going forward

**Diversifying Product Mix in Pharma:**  
 Manufacturing higher grades of products as well as enhancing product basket by offering innovative new value-added products

**Enhancing global footprint:**  
 Increasing market share by exploring untapped markets

**Expanding manufacturing capacities:**  
 At Dahej and Jhagadia to focus on the growing demand of MCC, setting up a new unit at Dahej to manufacture CCS



**Increasing focus on core business segment:**  
 Pushing efforts towards manufacturing MCC and its various grades for various industries or applications leading to optimum resource utilization

**Widen its horizon- Food & Nutrition are integral to good health:**  
 Company will venture into the human nutritional segment, with a prime focus on B2B markets, in India and across the globe. The product portfolio will include spray-dried ingredients, micronutrient premixes and other allied products.

**Health Care Division :**  
 Capture the growing Branded Generics & OTC market and cater to the increasing health expenditure in India through launch of various products in the healthcare sector

**Dedicated Transformation office to oversee the Hyper growth:**  
 Enhancing customer base through marketing efforts and customizing products for various applications as per requirements of customers



# Financial Overview

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# Q4-FY23/FY23 Consolidated Highlights

## Q4-FY23 Financial Highlights

**INR 724 Mn**  
Operating Income

**INR 122 Mn**  
Operating EBITDA

**16.85%**  
Operating EBITDA  
Margins

**INR 73 Mn**  
Net Profit

**10.08%**  
PAT Margins

**INR 2.38/Share**  
Diluted EPS

## FY23 Financial Highlights

**INR 3020 Mn**  
Operating Income

**INR 587 Mn**  
Operating EBITDA

**19.43%**  
Operating EBITDA  
Margins

**INR 436 Mn**  
Net Profit

**14.43%**  
PAT Margins

**INR 14.16/Share**  
Diluted EPS





# Q4-FY23/FY23 Operational Highlights

- Revenue growth in FY23 primarily driven by realisation growth of ~15% YoY .
- Focus on high margin yielding product mix and cost-effective manufacturing processes, effective management of inventory resulted in increase of EBITDA and Profitability.
- During the quarter the company was successful in being able to pass on increased freight & raw material prices on to customers.
- Company is constantly thriving to improve upon its R&D capabilities and cost-effective manufacturing processes and thereby remain a manufacturer of choice with highest quality standards.



# Quarterly Consolidated Financial Performance

Particulars (INR Mn)	Q4-FY23	Q4-FY22	Y-o-Y	Q3-FY23	Q-o-Q
Operational Revenue	724	725	(0.14)%	688	5.23%
Total Expenses	602	579	3.9%	548	9.85%
EBITDA	122	146	(16.43)%	140	(12.85)%
<i>EBITDA Margin (%)</i>	16.85%	20.14%	(329)Bps	20.35%	(350)Bps
Depreciation and amortisation	20	8	150%	18	11.11%
Finance costs	14	4	250%	12	16.67%
Other Income	15	17	(11.76)%	13	15.38%
PBT	103	151	(31.78)%	123	(16.26)%
Tax Expense	30	35	(14.28)%	25	20%
PAT	73	116	(37.06)%	98	(25.51)%
<i>PAT Margin (%)</i>	10.08%	16.00%	(592)Bps	14.24%	(416)Bps
Other Comprehensive Income	7	(5)	NA	0	NA
Total Comprehensive Income	80	111	(27.93)%	98	(18.37)%
Diluted EPS	2.38	4.49	(47)%	3.20	(25.62)%



# Annual Consolidated Financial Performance

Particulars (INR Mn)	FY23	FY22	Y-o-Y
Operational Revenue	3,020	2,503	20.65%
Total Expenses	2,433	1,972	23.37%
EBITDA	587	531	10.54%
<i>EBITDA Margin (%)</i>	<i>19.43%</i>	<i>21.21%</i>	<i>(178)Bps</i>
Depreciation and amortisation	66	29	127.58%
Finance costs	43	12	258.33%
Other Income	67	26	157.69%
PBT	545	516	5.62%
Tax Expense	109	116	(6.03)%
PAT	436	400	9%
<i>PAT Margin (%)</i>	<i>14.43%</i>	<i>15.98%</i>	<i>(155)Bps</i>
Other Comprehensive Income	1	(6)	NA
Total Comprehensive Income	437	394	10.91%
Diluted EPS	14.16	15.44	(8.29)%



# Historical Consolidated Financial Performance

Particulars (INR Mn)	FY20	FY21	FY22	FY23
Operational Revenue	1,391	1,928	2,503	3,020
Total Expenses	1,143	1,540	1,972	2,433
EBITDA	248	388	531	587
<i>EBITDA Margin (%)</i>	<i>17.83%</i>	<i>20.12%</i>	<i>21.21%</i>	<i>19.43%</i>
Depreciation and amortisation	20	23	29	66
Finance costs	23	13	12	43
Other Income	48	33	26	67
PBT	253	385	516	545
Tax Expense	50	82	116	109
PAT	203	303	400	436
<i>PAT Margin (%)</i>	<i>14.59%</i>	<i>15.72%</i>	<i>15.98%</i>	<i>14.43%</i>
Other Comprehensive Income	(0)	1	(6)	1
Total Comprehensive Income	203	304	394	437
Diluted EPS	8.81	13.13	15.44	14.16



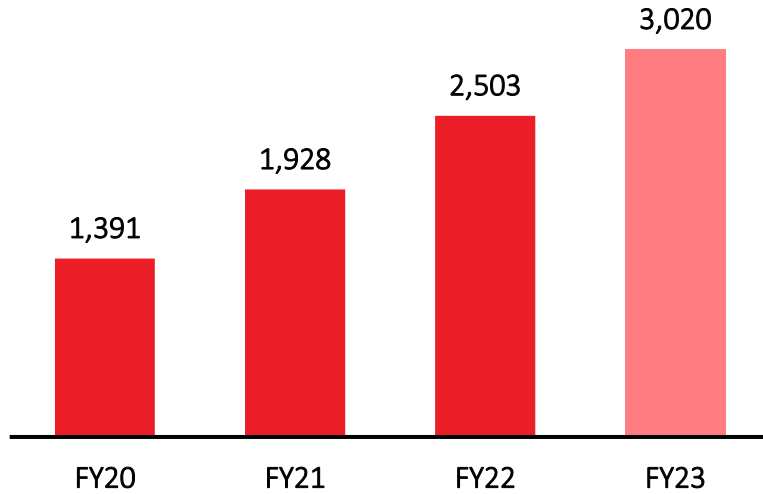
# Historical Consolidated Balance Sheet

Particulars (INR Mn)	FY20	FY21	FY22	FY23
<b>EQUITY</b>	<b>646</b>	<b>942</b>	<b>2,277</b>	<b>2683</b>
Equity Share Capital	77	77	307	307
Other Equity	569	865	1,970	2376
<b>NON-CURRENT LIABILITIES</b>	<b>55</b>	<b>70</b>	<b>76</b>	<b>308</b>
a) Financial Liabilities				
i) Borrowings	19	19	12	10
ii) Lease Liability	-	-	-	231
b) Provisions	7	8	9	15
c) Deferred tax liabilities (net)	29	43	55	52
<b>CURRENT LIABILITIES</b>	<b>390</b>	<b>322</b>	<b>515</b>	<b>747</b>
a) Financial Liabilities				
i) Borrowings	270	183	332	395
ii) Lease Liabilities	-	-	-	41
iii) Trade Payables	72	80	106	208
iv) Other financial liabilities	14	7	6	9
b) Other current liabilities	33	43	59	94
c) Provisions	1	9	12	-
<b>TOTAL LIABILITIES</b>	<b>445</b>	<b>392</b>	<b>591</b>	<b>1055</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,091</b>	<b>1,334</b>	<b>2,868</b>	<b>3738</b>

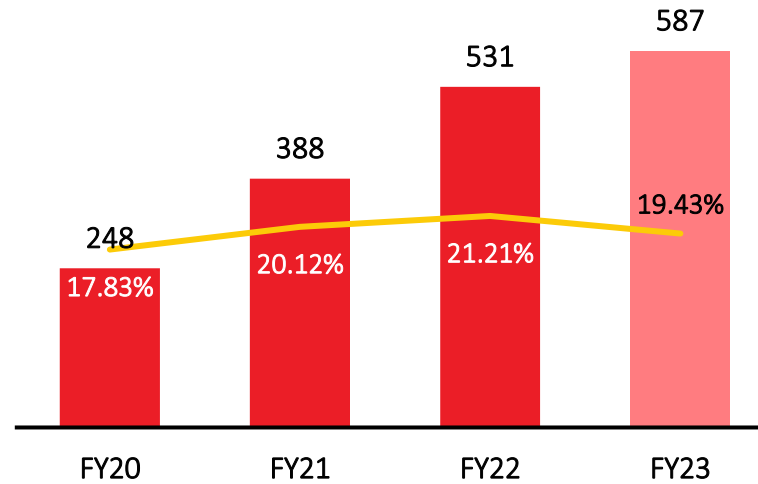
Particulars (INR Mn)	FY20	FY21	FY22	FY23
<b>NON-CURRENT ASSETS</b>	<b>371</b>	<b>463</b>	<b>1,069</b>	<b>1964</b>
a) Property, plant and equipment	312	376	527	960
b) Capital work-in-progress	31	37	97	349
c) Right of Use Assets	-	-	-	257
c) Intangible assets	4	3	7	7
d) Financial assets				
i) Investments	-	2	2	2
ii) Other Financial Assets	14	18	351	225
e) Other non-current assets	10	27	85	164
<b>CURRENT ASSETS</b>	<b>720</b>	<b>871</b>	<b>1,799</b>	<b>1774</b>
a) Financial Assets				
i) Trade Receivables	276	358	601	802
ii) Cash and cash equivalents	88	159	291	137
iii) Bank balances other than above	18	21	403	190
iv) Other financial assets	46	100	128	69
b) Other current assets	13	21	71	110
c) Inventories	279	212	305	466
<b>TOTAL ASSETS</b>	<b>1,091</b>	<b>1,334</b>	<b>2,868</b>	<b>3738</b>

# Consolidated Financial Highlights

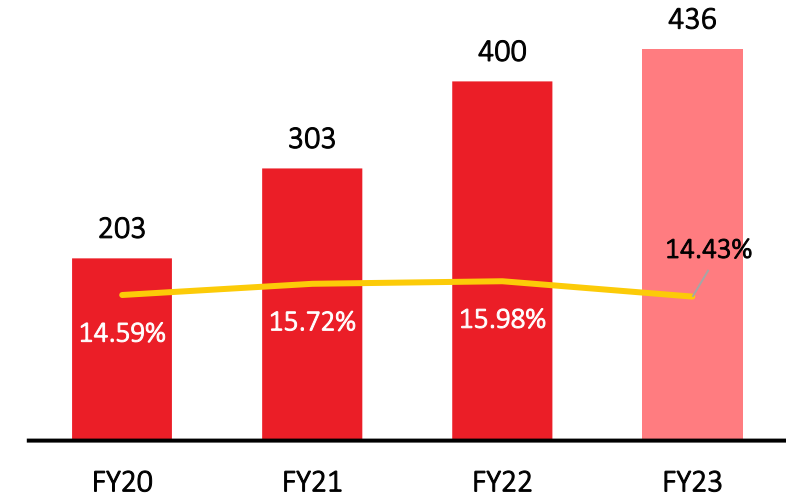
Operational Revenue (INR Mn)



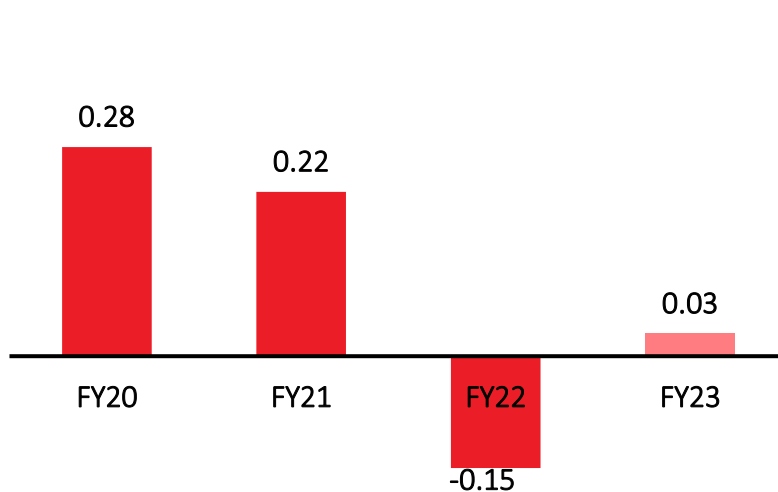
EBIDTA (INR Mn) & EBITDA Margins (%)



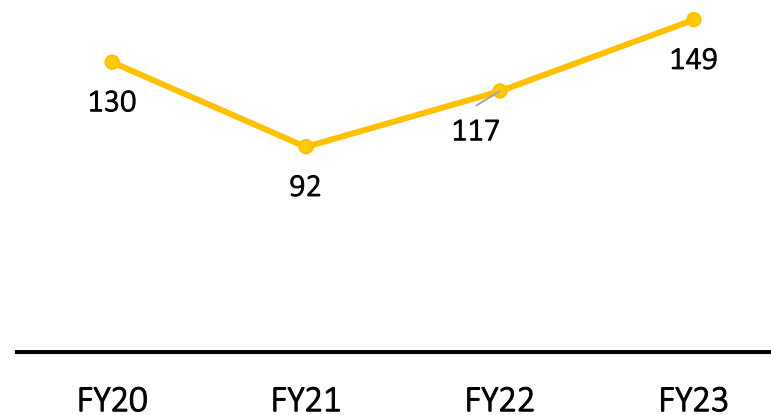
PAT (INR Mn) & PAT Margins (%)



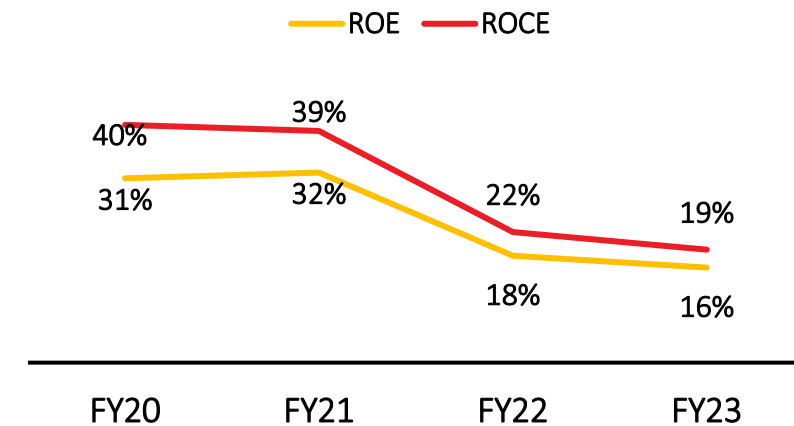
Net Debt to Equity (x)



Cash Conversion Cycle (Days)

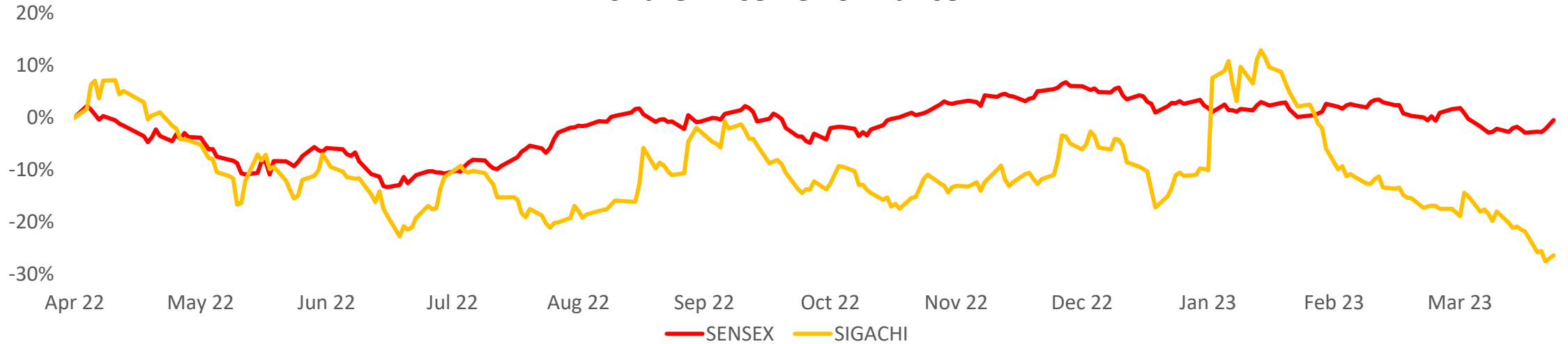


ROCE (%) and ROE (%)





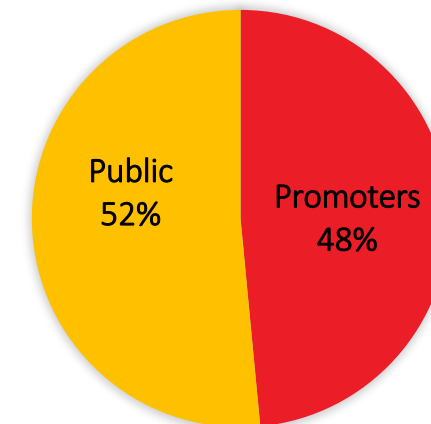
## Share Price Performance



### Market Data (INR) as on 31<sup>st</sup> March, 2023

Face Value	10.0
CMP	225.10
52 Week H/L	359.0/220.0
Market Cap (INR Mn)	6,920.13
Shares O/S (Mn)	30.7
Avg. Volume ('000)	168.4

### Shareholding Pattern as on 31<sup>st</sup> March, 2023





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Thank You

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