

December 17, 2021

To,  
National Stock Exchange of India,  
Exchange Plaza, Plot No C/1, Block 'G'  
Bandra Kurla Complex, Bandra East  
Mumbai 400 051  
NSE Symbol: TARSONS

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dala Street,  
Mumbai 400 001  
BSE Scrip Code: 543399

Dear Sir,

**Subject: Half Yearly Business Update - H1FY22**

This is to provide the half yearly update for H1 of FY 2021-22 as furnished in the attached document.

Kindly take the same on record.

Thanking You,  
**For Tarsons Products Limited**



Santosh Agarwal  
CFO





## Half Yearly Business Update: H1FY22

### Business Update

- The overall demand environment for the Company's products remained strong in H1FY22 despite localised lockdowns in various parts of the country during the period.
- The Company witnessed a strong volume uptick on a Y-o-Y basis in H1FY22, across its product categories in the domestic market. This was on the back of robust demand from its end consumers across the Pharmaceuticals and Healthcare sectors, Contract Research Organisations, and the Diagnostics Industry. The Company also saw healthy demand for its products in its export markets during H1FY22.
- The Company has seen continued traction in its business in the months of October & November 2021 and the demand environment is expected to remain robust for the remaining period of FY22.

### Financial & Operational Update

- In H1FY22, Company's revenues grew **by around 40% on Y-o-Y basis** on the back of strong growth in both domestic and export business.
- Operating margins saw a healthy uptick in H1FY22 on account of improvement in product mix, higher realisations, operating leverage & cost rationalisation. Accordingly, **EBIDTA margins for H1FY22 stood at around 52%**. This is compared to EBITDA margins of 46.5% for the year ended March 2021.
- The Company is working on expanding its manufacturing capacities for both existing and new products, in a phased manner, through construction of a new manufacturing facility in Panchla, West Bengal. The project is on track and the Company is targeting to commission the **new facility by middle of 2023**.
- The Company is also planning to develop a new fulfilment centre in Amta, West Bengal to consolidate and expand its warehouse operations. At the same location, the Company also aims for backward integration in the manufacturing process through building of an in-house sterilization centre for captive consumption. The Company recently completed acquisition of the land admeasuring around 6 acres for the facility in Amta and is targeting to complete this **project by middle of 2023**.

### Update on Usage of IPO Proceeds

- The Company has repaid debt amounting to Rs. 78 Crores, in line with the Objects of the IPO, using the net proceeds of fresh issue of equity shares of the Company. This has brought down the net debt of the company substantially and will result in lower financing cost in FY22 and a stronger balance sheet position for the Company.
- The remaining net proceeds of the primary issue are to be primarily used to fund the on-going expansion at Panchla, West Bengal as per the indicated deployment schedule.

*This is a one-time update to provide a direction on the key trends witnessed by Tarsons Products Limited ("Tarsons") in the six months ended 30<sup>th</sup> September, 2021. The growth numbers and other details provided in this note are based on management estimates.*



### **About Tarsons Products Limited (TPL)**

TPL, incorporated in 1983, has more than 36 years of experience in the life sciences industry delivering high-quality labware products. TPL is one of the leading Indian labware companies engaged in the design, development, manufacturing and marketing of consumables, reusables and others (including benchtop equipment & instruments). The company has a diversified product portfolio with over 1,700 SKUs across 300 products. The company's products are made from high-quality medical grade DMF registered resins which are selected to minimize additives & reduce potential leachables.

TPL currently operates 5 integrated manufacturing facilities in West Bengal with plans of adding a new facility in Panchla, West Bengal along with a new fulfilment centre (with in-house sterilization capability) in Amta, West Bengal.

TPL has a pan-India distribution network with long-standing relationships with its key distributors and is one of the few players in India to have a global reach in the labware market with products being supplied to over 40 countries.

### **Safe Harbor**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

**For further information, please contact**

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**Company:****Tarsons Products Limited**

CIN: U51109WB1983PLC036510

**Mr. Santosh Agarwal**

Chief Financial Officer

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