

16.08.2023

To,
National Stock Exchange of India Limited BSE Limited
"Exchange Plaza", Floor- 25, P J Tower,
Bandra-Kurla Complex, Dalal Street,
Bandra (East) Mumbai 400 051 Mumbai 400 001

SYMBOL:- MFL

Scrip Code 543332

Dear Sir,

Sub.: Corporate Presentation

Ref.: Regulation 30 of SEBI (LODR) Regulations, 2015

We forward herewith Corporate Presentation of the Company.

The presentation will be shared to Investors for Virtual Conference / Investors Meet / Conference Call.

The aforesaid information is also being placed on the website of the Company.

Thanking you.

For Epigral Limited

(Formerly known as 'Meghmani Finechem Limited')

K. D. Mehta

Company Secretary and Compliance Officer

Membership No. FCS 2051

Epigral Limited

(Formerly known as Meghmani Finechem Limited)

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EPIGRAL

Epigral Limited

(formerly known as Meghmani Finechem Ltd)

Corporate Presentation








Disclaimer

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Certain statements in this presentation concerning our future growth prospects are forward looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The Risk and uncertainties relating to the statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting demand / supply and price conditions in domestic and international markets. The company does not undertake to update any forward -looking statement that may be made from time to time by or on behalf of the company.

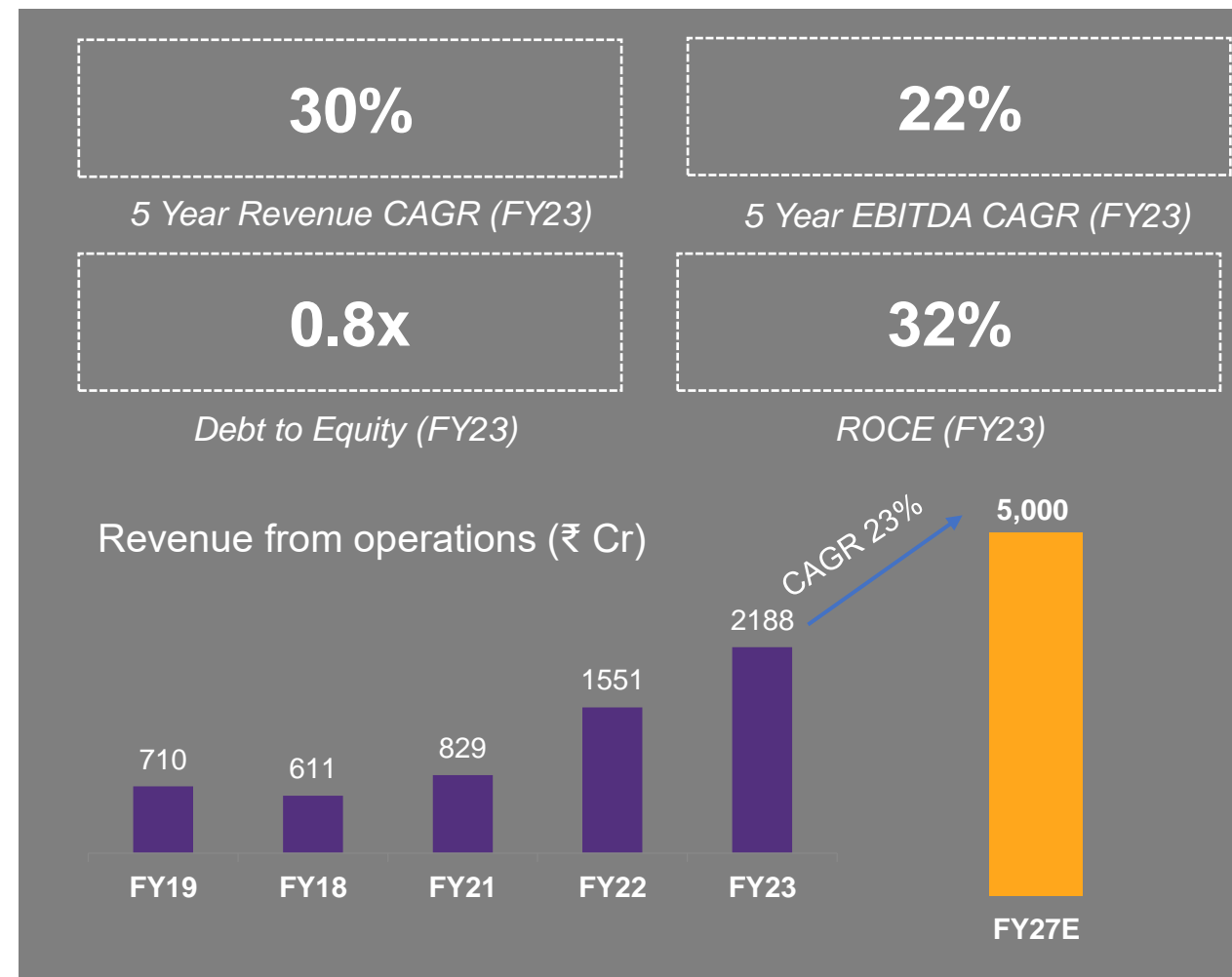
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Company Overview

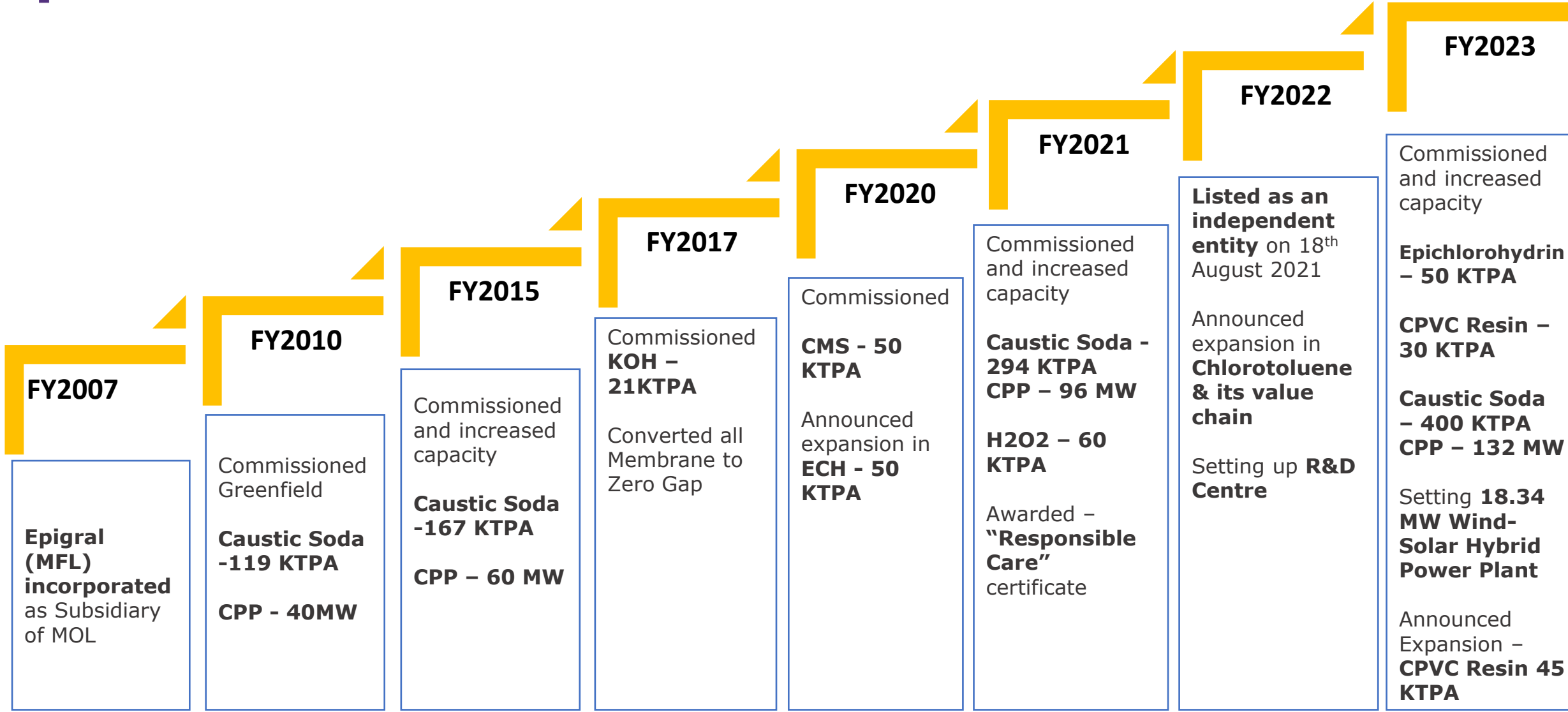
-  **Founded:** 2007
-  **Employees:** 900+
-  **Capacity:** Chlor-Alkali# – 421 KTPA
Derivatives# – 190 KTPA
-  **Certified:** Responsible Care Certificate
-  **Manufacturing facility:** Fully-integrated & automated complex

Chlor-Alkali : Caustic Soda - 400 KTPA and Caustic Potash - 21 KTPA

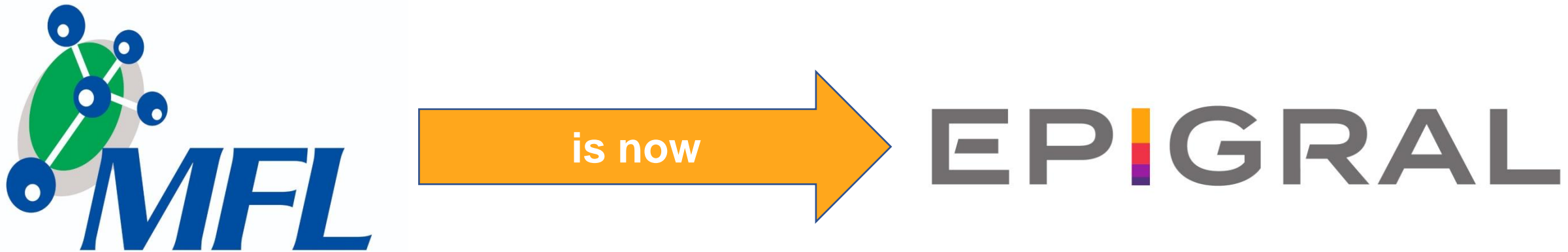
Derivatives : CPVC Resin – 30 KTPA, Epichlorohydrin – 50 KTPA, Chloromethanes - 50 KTPA and Hydrogen Peroxide - 60 KTPA



Our Journey



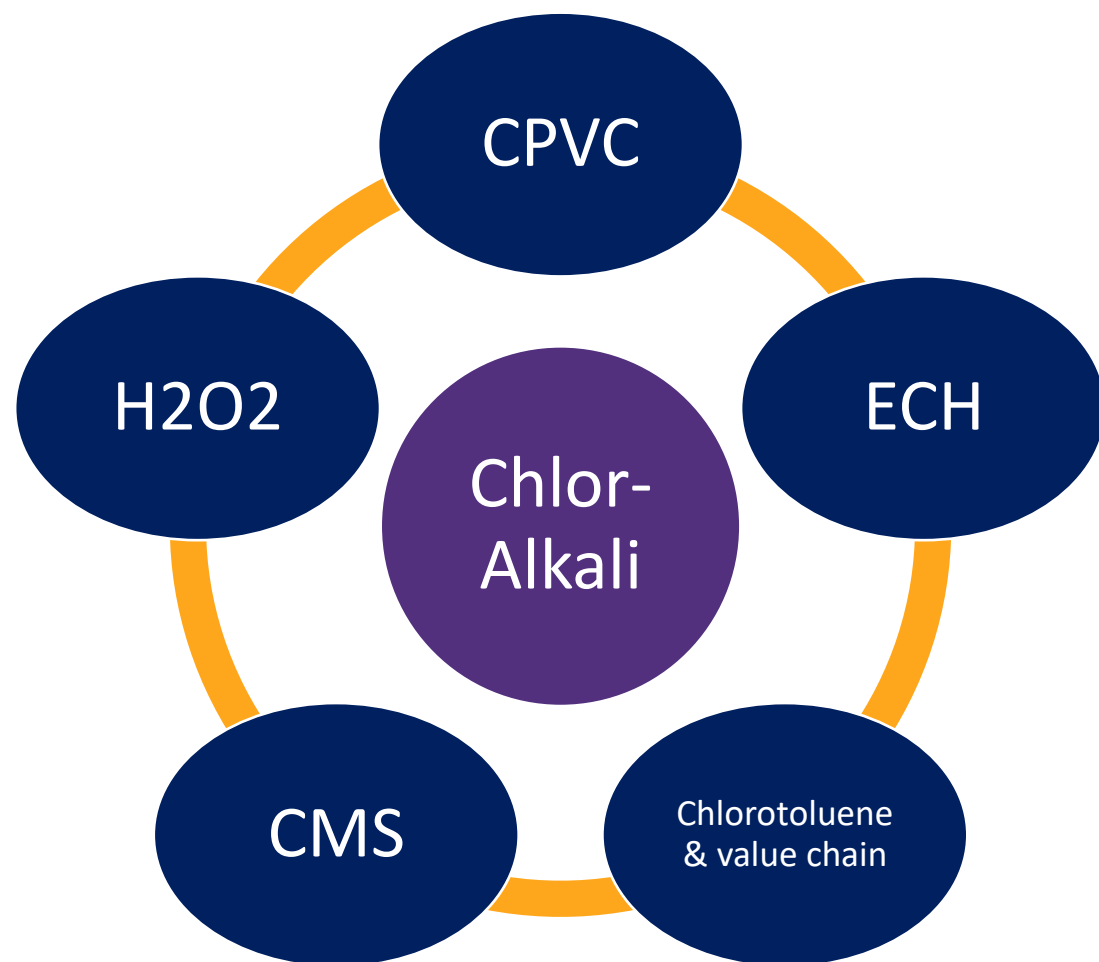
Rebranding



- Renaming is undertaken to strengthen the corporate brand in line with the company's commitment to transform the company as a global multi-product chemical conglomerate and enhance our reputation as an integral partner for esteemed clients and our stakeholders
- This is done through an inclusive process involving internal, external perspectives and engagement with multiple stakeholders

Diversified and integrated portfolio

Fully Integrated Product Portfolio



High Value Products

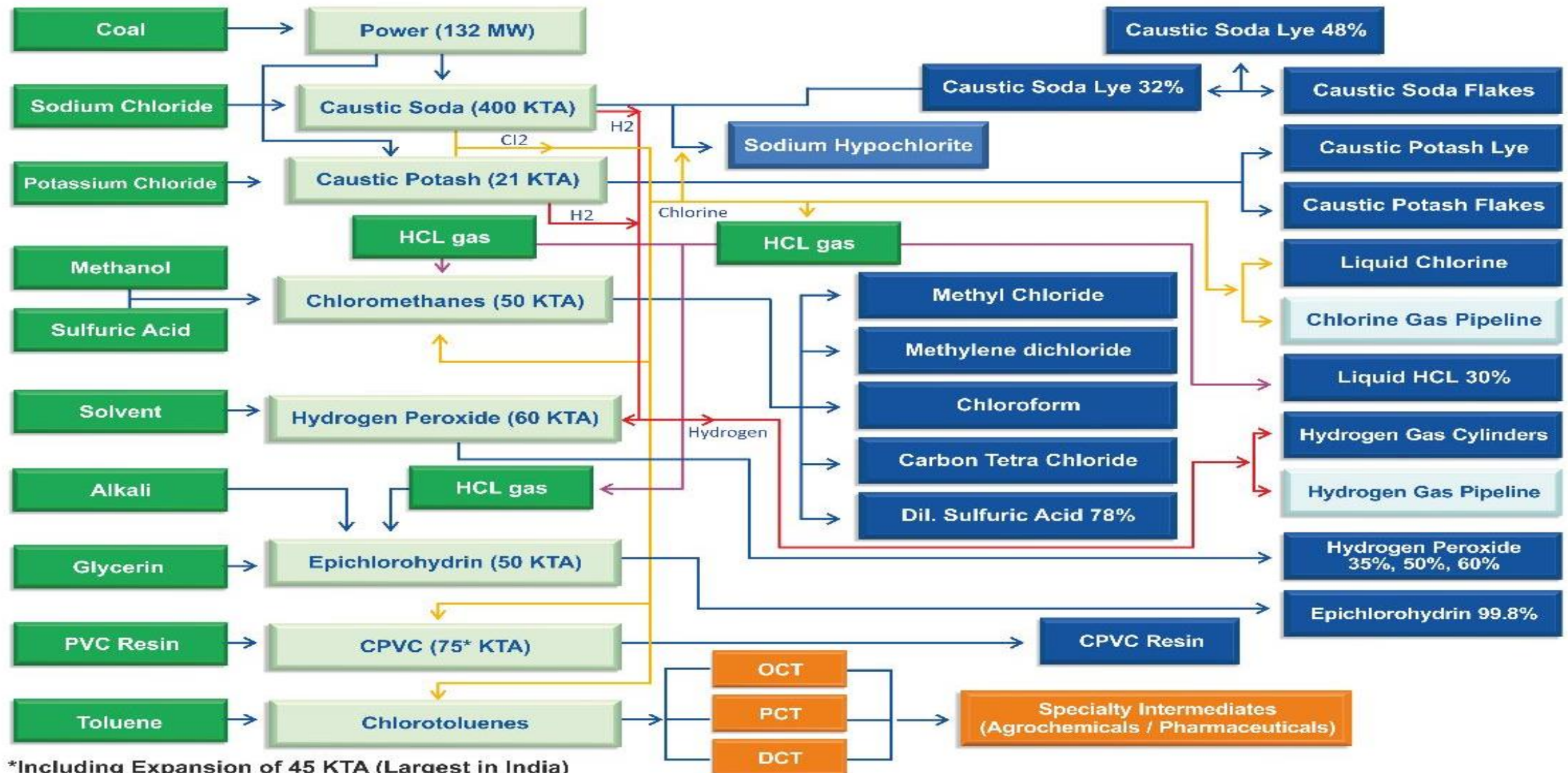
Import Substitution – Make in India

Diversified End User Industries

Sole Manufacturer of ECH in India

Diversifying Portfolio; De-Risking Business Model

Fully Integrated Complex



*Including Expansion of 45 KTA (Largest in India)



Our Values



TOGETHER

Teamwork
Passion
Relationships



CARING for

Quality Colleagues
EHS



AGILE

On time
OTIF
Faster



MAKE IT HAPPEN

Keep promises
Own the outcome

Together, in caring and agile manner, we make it happen

Competitive Strength



Well Invested Infrastructure

- State of the art manufacturing facility
- Strategic location with close connectivity to ports and raw material availability.
- Large customer base within a 100 km radius



Well established brand

- Epigral is a known brand in Indian chemical market
- Serving domestic customers for last 12 Yrs
- Pan India reach through a wide network of distributors



Focused on Efficiency

- Low cost operations as fully backward and forward integration
- Fully automated complex
- Continuous addition of value added products



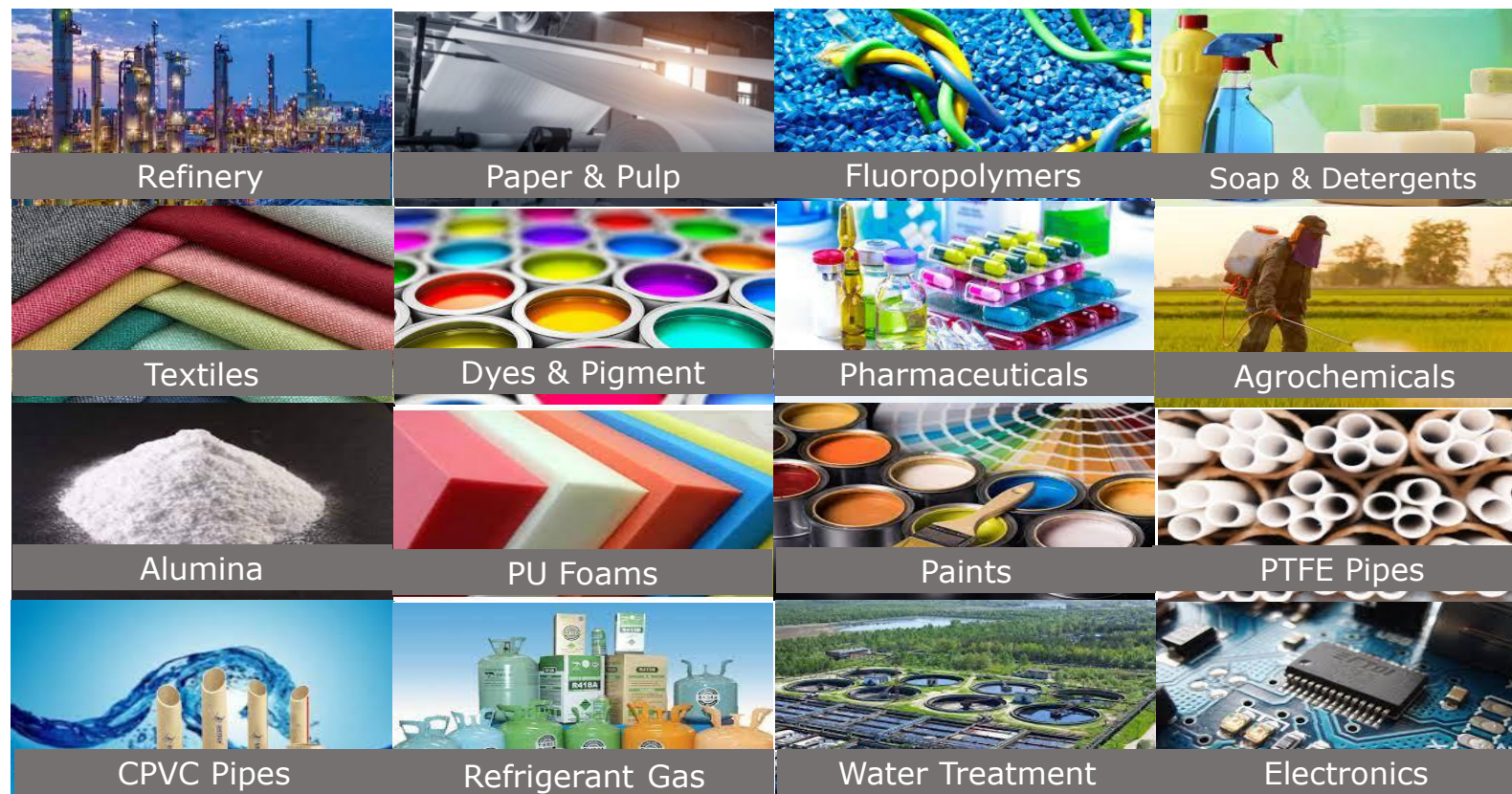
Diversified Application Base

- Catering to more than 15 industries
- Revenue split is evened out among customer base
- End user market growing rapidly

Underpinned by a Technically Qualified Leadership Team

Catering to high growth industries

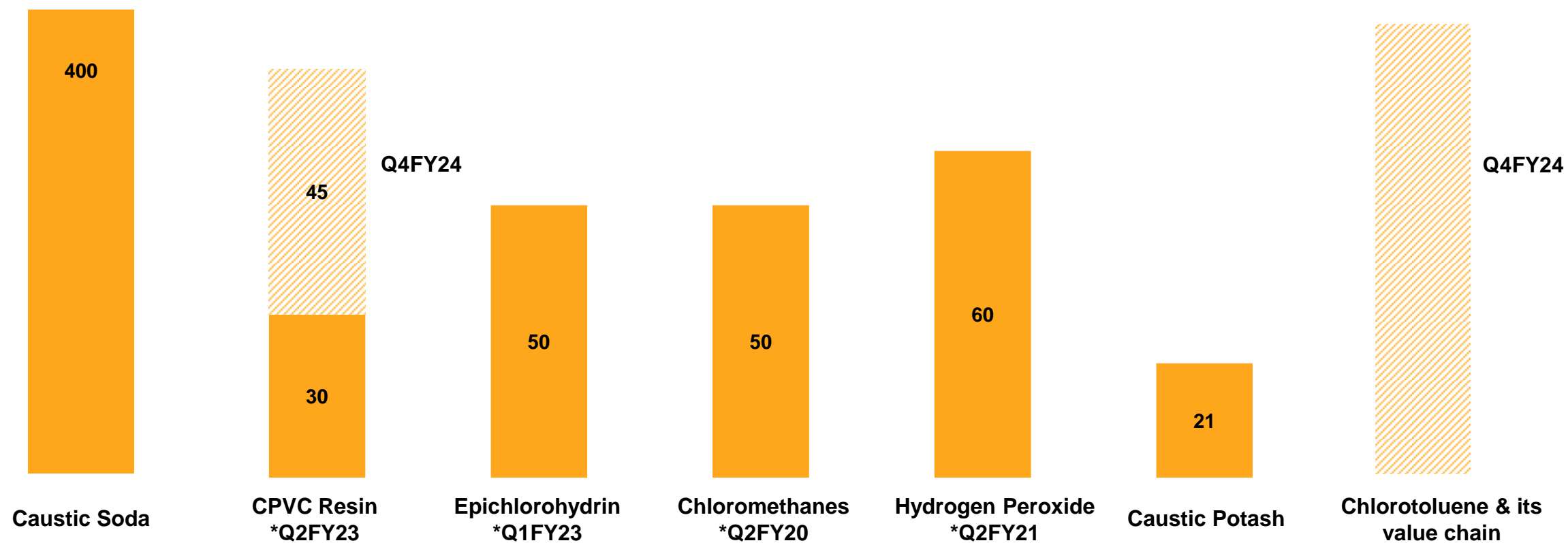
Increased market potential & higher growth exposure



The addressable market for Epigral is growing ~10-13% in the next 5 years

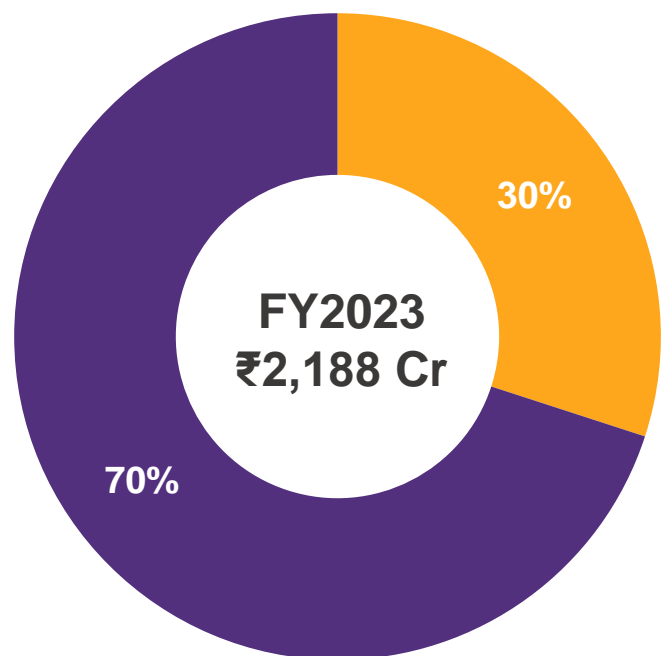
Capacities

Manufacturing Plant Capacity (KTPA)

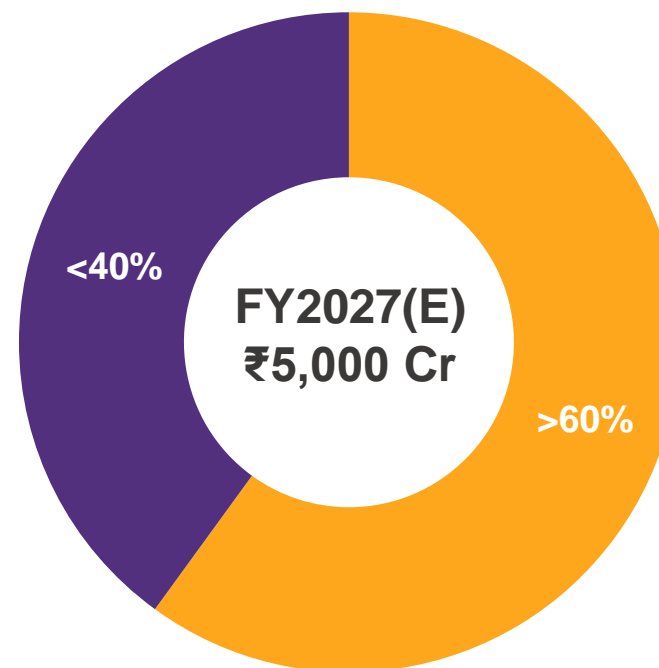


 Expected Commissioning, * Commissioning date

Transitioning towards Derivatives & Specialty Chemicals



■ Derivatives & Specialty ■ Chlor-Alkali



■ Derivatives & Specialty ■ Chlor-Alkali

Revenue from the derivatives and specialty segment to be >60% by FY27E

Chlor-Alkali

Caustic Soda (NaOH)

- ❖ India's NaOH Requirement: ~ 4,500 KTPA
- ❖ Demand CAGR: ~ 8%



Alumina



Textile



Chemicals

- We are 4th largest producer in India
- Caustic Soda is basic raw material and caters to many industries. Major industries are alumina, textile, chemical, etc.
- Demand for Caustic Soda is expected to increase to 5.0 million ton by FY2025
- Co-products are key raw material for our value added downstream products (CMS, H₂O₂, ECH and CPVC)

Caustic Potash (KOH)

- ❖ India's KOH Requirement: 94 KTPA
- ❖ Demand CAGR: ~ 8%



Agrochemicals



API

- We are 3rd largest producer in India
- Caustic Potash is majorly consumed in soap & detergent, agrochemical and pharmaceutical industry
- The India's capacity stands at 83 KTPA
- Co-products are key raw material for our value added downstream products (CMS, H₂O₂, ECH and CPVC)

Derivative Products

Chloromethanes (CMS)

- ❖ India's CMS Requirement: 580 KTPA
- ❖ Demand CAGR: ~ 12%



Solvent in Pharma



PTFE Pipes



Refrigerant Gas

- We are 5th largest producer in India
- CMS plant produces 3 products, MDC, Chloroform and CTC. It is majorly drive by MDC
- The India's capacity stands at 677 KPTA
- CMS is used majorly in pharmaceutical, refrigerant, Tetrafluoroethylene (TFE), etc.

Hydrogen Peroxide (H₂O₂)

- ❖ India's H₂O₂ Requirement: 340 KTPA
- ❖ Demand CAGR: ~ 10%



Paper & pulp



Textile



Chemicals

- We are 3rd largest producer in India
- H₂O₂ demand will continue to grow driven by diverse industrial uses – paper & pulp, textiles, effluent treatment, chemicals, etc.
- The India's capacity stands at 429 KTPA

Derivatives & Specialty Chemicals

CPVC Resin

- ❖ India's CPVC Requirement: 200 KTPA
- ❖ Demand CAGR: ~ 13%



Pipes and Fixtures

- Largest producer in India
- Key raw material for heat resistant pipes
- Antidumping duty Imposition on Imports from China and Korea creating opportunity for domestic Market.
- Growing demand of CPVC in India for Pipe and Fittings in Chemical processing and Irrigation.
- 95% of CPVC resin demand was served through import (before Epigral commissioned its plant)

Epichlorohydrin (ECH)

- ❖ India's ECH Requirement: 85 KTPA
- ❖ Demand CAGR: ~ 15%



Wind mill



Automobile



Adhesives

- 1st company in India to produce sustainable bio based ECH
- Domestic alternative for 100% imported product
- Competitive advantage due to captive raw materials
- Estimated Capex ₹ 270 Cr, with a capacity of 50 KTPA

Chlorotoluene & Value Chain

Project Details

- **Capex** for the project will be ₹ 180 Cr and **expected revenue of Rs. 300 Cr**
- **Expected commissioning date: Q4FY24**
- This facility will be **forward integrated to our chlor-alkali facility**
- **Range of products** will be manufactured through various reaction capabilities
- This will be **intermediates** for manufacturing **pharmaceutical and agrochemical active ingredients**

Rationale

- **Foundation for the next phase of growth** in Specialty Chemicals
- **Chlorine is captive a raw material** - in line to strengthen fully integrated complex
- **1st in India to manufacture**, under the initiative of Make in India and Aatmanirbhar Bharat
- Facility will enable us to manufacture various reactions

Research & Development Centre

Project Details

- **Capex** for the project will be **₹ 25 Cr**
- A step towards **strengthening presence in Specialty chemicals**
- **Location Changodar, Ahmedabad**

Rationale

- R&D center will be used for creating further molecules for Chlorotoluene and other new molecules, which will be intermediates for pharmaceutical and agrochemical active ingredients
- R&D center will be helpful to create Chlorotoluene ecosystem/family and strengthen fully integrated facility
- It will help the company as whole to grow in Specialty Chemical post FY2024

Focused on ESG



ENVIRONMENT

- Focused on using **best technology** to manage critical resources, to moderate the consumption of energy and natural resources and drive operations efficiently
- Focus is to manufacture more from less, basis for environment responsibility
- **Entered in JV to set up 18.34 MW Wind-Solar Hybrid Power Plant for internal consumption**
- Intend is to minimize effluents discharge while moderating water consumption
- **First company to produce sustainable bio-based Epichlorohydrin**
- **Safety protocols imbuing in the culture** of the company and timely management review safety systems with quantified leading and lagging indicators



SOCIAL RESPONSIBILITY

- **Employees** – Investment in culture of excellence, timely training, scope for growth, talent investment, extensive safety provisions and supporting financially and mentally in difficult times
- **Community** – Engaged community around manufacturing plant. Supporting them in difficult times. Deeply rooted CSR in the area of education, health & family welfare, sustainable livelihood, infrastructure and other social activities
- **Customers and vendors** – Strong and long relation with customers and vendors. Over a period built on eco-system of vendors and primary customers

GOVERNANCE



- Experienced board with 8 of 10 are non-executive directors and 50% board is independent
- Each board committee is chaired by an Independent director
- Focus on managing the business with all stakeholders in transparent manner
- All the strategic decisions are taken considering interest of minority shareholders
- Timely disclosure of material announcements



Growth Strategy

Forward & Backward Integration:

- Scale up capacities in existing products
- New value added products in existing value chains
- Improved market position

Opportunities in high growth sectors:

- Explore opportunities in various sectors
- Increase presence & improve market share
- Entering into products which are fully imported

New Value Chains:

- Expand chemistry expertise to enter new value chains (specialty chemicals)
- Addition of new reaction capabilities

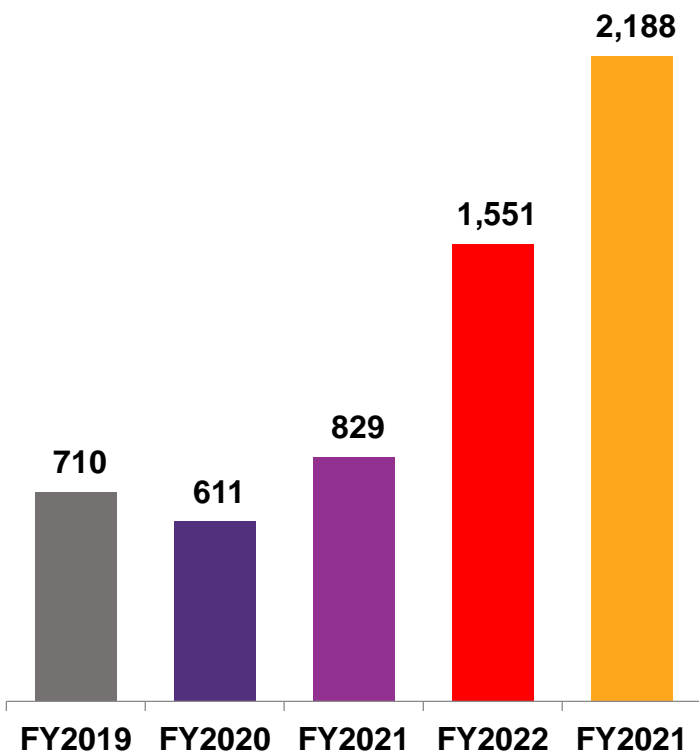
Achieving economies of scale:

- Optimising existing complex
- Achieving efficiency operations to become a low cost producer

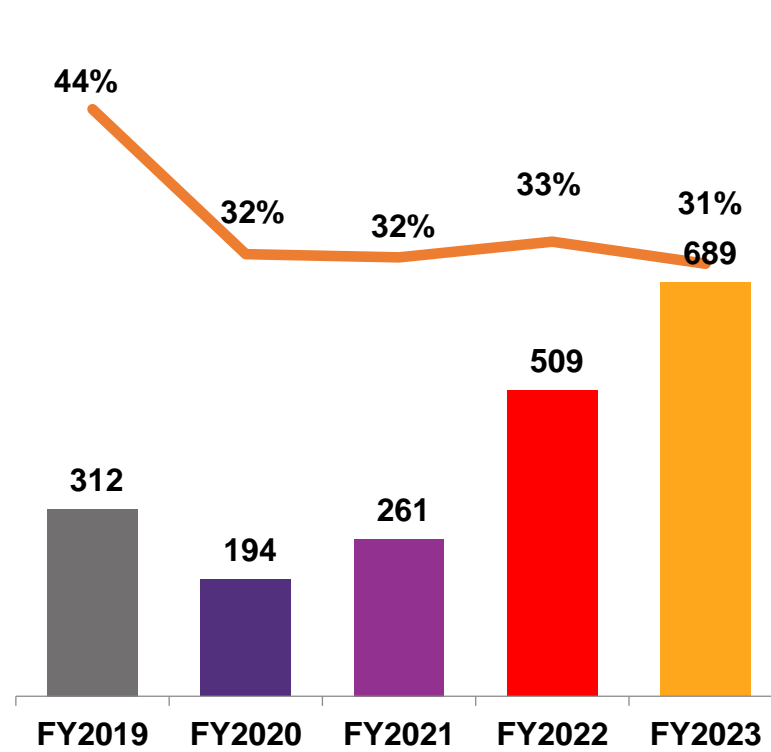
Vision – To achieve revenue of ₹ 5,000 Cr by FY2027

Financial Performance – P&L

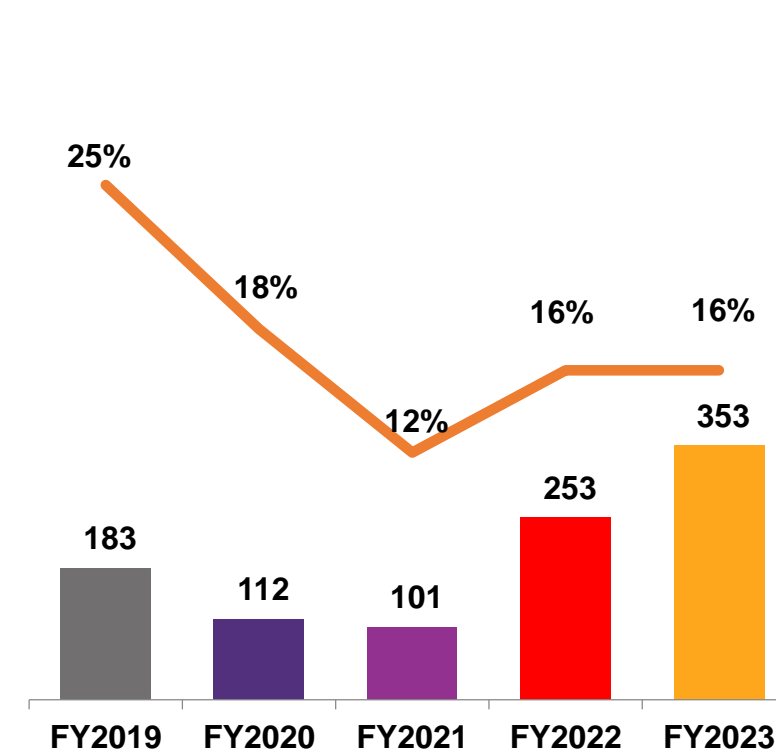
Revenue from operations (₹ Cr)



EBIDTA (₹ Cr and %)

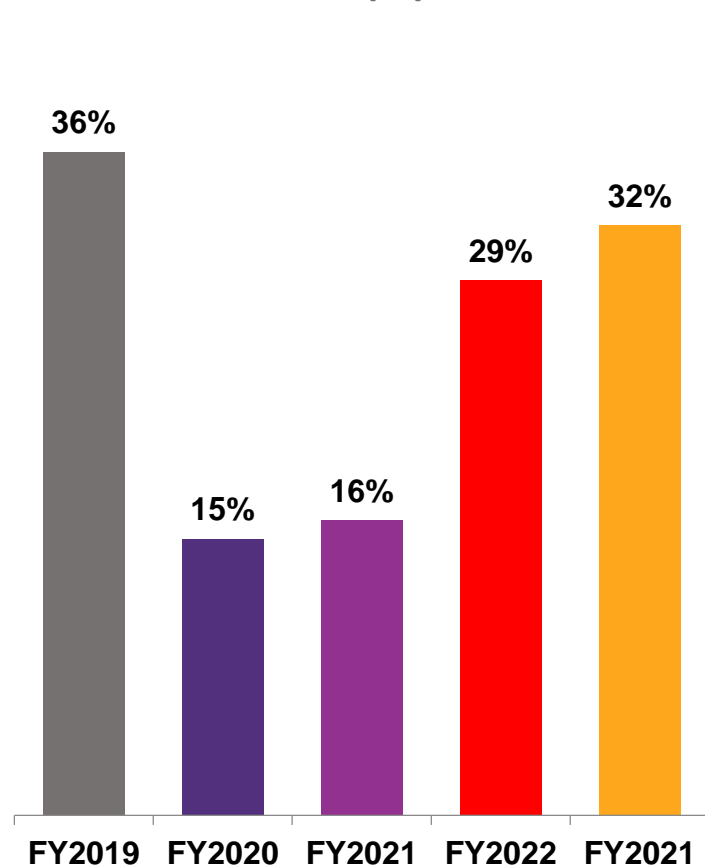


PAT (₹ Cr and %)

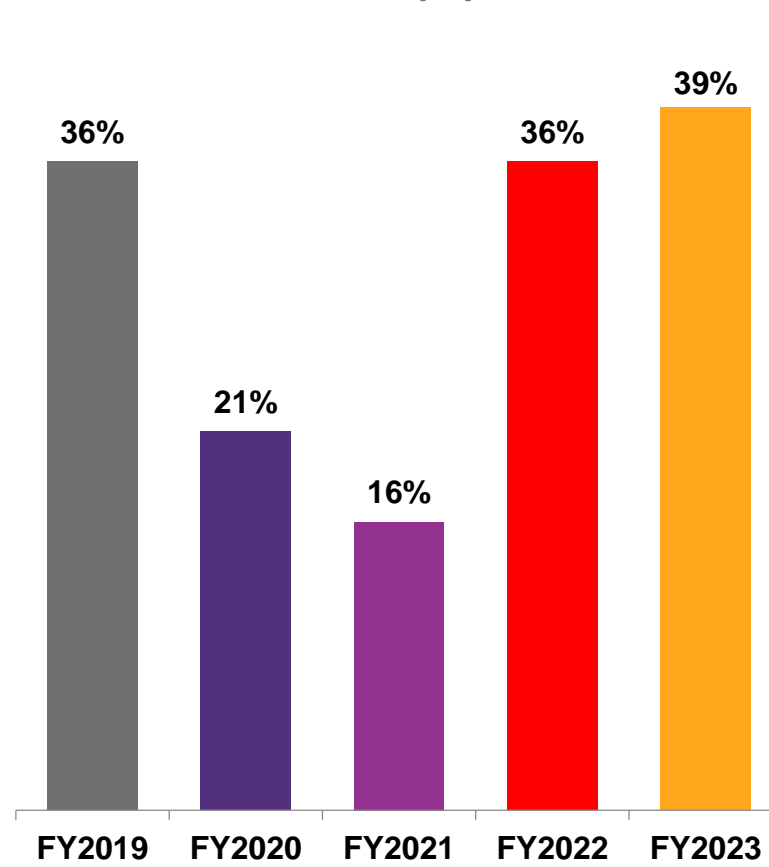


Balance Sheet Ratios

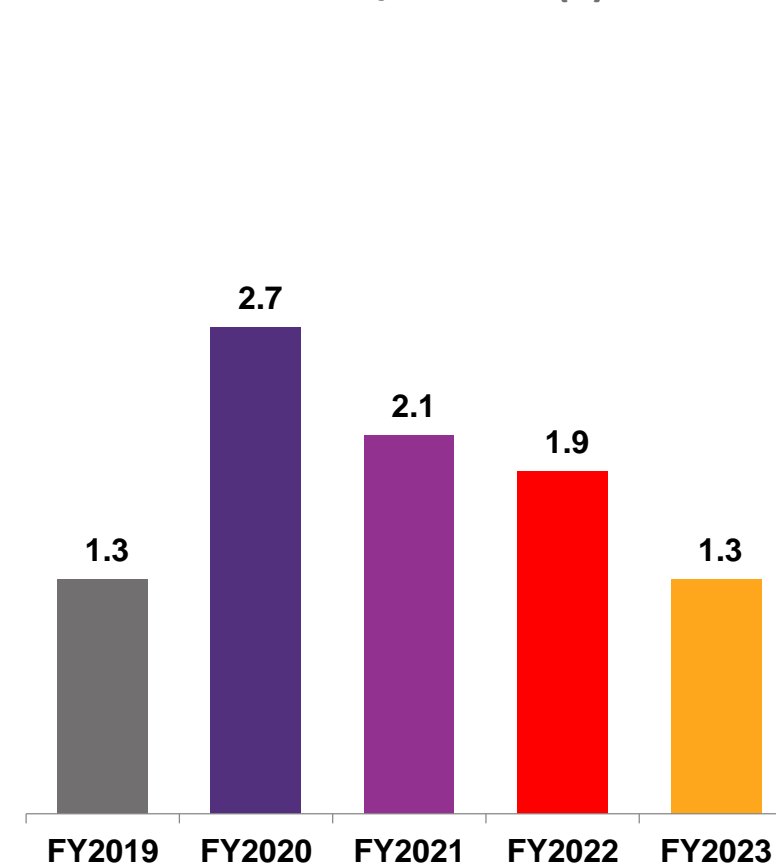
ROCE (%)



ROE (%)



Net Debt/EBITDA (x)



Historic Income Statement

| Particulars (₹ Cr) | FY19 | FY20 | FY21 | FY22 | FY23 |
|--------------------|------|------|------|-------|-------|
| Total Revenue | 720 | 613 | 831 | 1,555 | 2,196 |
| Gross Profit* | 431 | 300 | 407 | 716 | 951 |
| Gross Margin (%) | 61% | 49% | 49% | 46% | 43% |
| EBITDA | 312 | 194 | 261 | 509 | 689 |
| EBITDA Margin (%) | 44% | 32% | 32% | 33% | 31% |
| Depreciation | 54 | 44 | 74 | 86 | 109 |
| Finance Cost | 25 | 11 | 29 | 44 | 66 |
| PBT | 242 | 141 | 161 | 383 | 523 |
| PAT | 183 | 112 | 101 | 253 | 353 |
| PAT Margin (%) | 25% | 18% | 12% | 16% | 16% |
| EPS (₹) | 25.1 | 27.0 | 24.3 | 60.8 | 85.0 |

Historic Balance Sheet

| Assets (₹ Cr) | FY21 | FY22 | FY23 | Liabilities (₹ Cr) | FY21 | FY22 | FY23 |
|--------------------------|--------------|--------------|--------------|-------------------------------|--------------|--------------|--------------|
| Fixed Assets | 1,228 | 1,657 | 1,962 | Share Capital | 42 | 42 | 42 |
| Financial Assets | 10 | 8 | 28 | Reserves & Surplus | 643 | 684 | 1,028 |
| Other Non-current Assets | 29 | 11 | 23 | Long-Term Borrowings | 340 | 557 | 396 |
| Inventories | 54 | 154 | 212 | Redeemable Preference Shares | - | 211 | 149 |
| Trade Receivables | 119 | 256 | 166 | Other Non-current Liabilities | 35 | 97 | 171 |
| Cash & Bank Balances | 1 | 25 | 15 | Short Term Borrowings | 75 | 221 | 332 |
| Loans & Advances | 0 | 0 | 0 | Trade Payables | 73 | 88 | 110 |
| Other Current Assets | 8 | 11 | 26 | Other Current Liabilities | 240 | 223 | 205 |
| | | | | Short Term Provisions | 0 | 0 | 0 |
| Total | 1,449 | 2,124 | 2,432 | Total | 1,449 | 2,124 | 2,432 |

About us and Investor Contact

Epigral Ltd (formerly known as Meghmani Finechem Ltd), incorporated in 2007, is a leading integrated manufacturer of chemicals in India. The company has state of the art manufacturing facilities in Gujarat, Dahej – a leading PCPIR region in the country. Epigral's Dahej facility is a backward and forward integrated and automated complex with a well-established infrastructure and Captive Power Plants. In India, Epigral is the 1st to set up an Epichlorohydrin plant and largest capacity plant of CPVC Resin. Epigral is India's 4th largest manufacturer of Caustic Soda, Chlorine and Hydrogen and a leading manufacturer of Caustic Potash, Chloromethanes and Hydrogen Peroxide.

Epigral is strengthening its position in specialty chemical segment by expanding CPVC Resin capacity to 75,000 TPA, entering into Chlorotoluene & value chain and setting up R&D centre. The company is focused on sustainable value creation for all its stakeholders and has been awarded with the Responsible Care certificate.

For further information

Please log on to website -
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Manufacturing Site

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