



## Chemplast Sanmar Limited

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CIN L24230TN1985PLC011637

12<sup>th</sup> February, 2024

BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Scrip Code - 543336	National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Mumbai- 400 051 Scrip Symbol: CHEMPLASTS
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Dear Sirs,

**Sub: Earnings Release**

Please find enclosed the earnings release titled "**Q3 / 9M FY'24 Results**".

The above information will also be available on the website of the company at [www.chemplastsanmar.com](http://www.chemplastsanmar.com)

Date & Time of occurrence of the event/information: 12<sup>th</sup> Feb, 2024, 6.15 PM (IST)

This is for your information and records.

Thanking you,

Yours faithfully,

For CHEMPLAST SANMAR LIMITED

M Raman  
Company Secretary & Compliance Officer  
Memb. No. ACS 6248



### Q3 / 9M FY '24 Results

**Chennai, Feb 12, 2024:** Chemplast Sanmar Limited (NSE: CHEMPLASTS | BSE : 543336), a speciality chemicals company with a significant presence in the Custom Manufacturing business, the market leader in Speciality Paste PVC in India, and the 2nd largest producer of Suspension PVC in India (through its wholly-owned subsidiary), announced its unaudited Financial Results for the quarter/ nine months ended December 31, 2023.

## Financial highlights

Rs. Crs

Particulars	Q3 FY '24	Q3 FY '23	Y-o-Y	Q2 FY '24	Q-o-Q	9M FY '24	9M FY '23	Y-o-Y
Revenue from Operations	888	1,189	(25%)	988	(10%)	2,872	3,794	(24%)
EBITDA	(7)	78	nm	46	nm	5	371	(99%)
EBITDA Margin %	(1%)	7%		5%		0%	10%	
PAT	(89)	27	nm	26	nm	(127)	106	nm
PAT Margin %	(10%)	2%		3%		(4%)	3%	

### Key Highlights

- Prices of both Suspension PVC and Paste PVC were lower by 8% and 6% respectively on q-o-q basis
- Caustic Soda and Chloromethanes prices were flat on q-o-q basis
- EDC prices witnessed a 12.5% increase during Q3 FY '24 compared to Q2 FY '24 while VCM prices remained flat during the quarter compared to the previous quarter
- Power cost (Rs. 143 Cr) increased marginally by around Rs. 4 Cr compared to the previous quarter
- Commercial despatches commenced during the quarter from the Phase 1 expansion project of the Custom Manufactured Chemicals division

### Projects Update

- Paste PVC expansion project – expected to be commissioned in Q4 FY '24
- Custom Manufactured Chemicals Phase 2 expansion project – expected to be completed in Q1 FY '25

**Commenting on the results, Mr. Ramkumar Shankar, Managing Director,** said, *“After a relatively better Q2 FY '24, Q3 FY '24 performance ran into heavy weather due to further correction in PVC prices on account of dumping from China and other countries, slow down in the Other Chemicals (Caustic Soda, Chloromethanes, Hydrogen Peroxide, Refrigerant gases) business due to the over-supply situation in India, increase in key feedstock (EDC and Ethylene) prices and adverse impact of the lag effect in correction of VCM prices.*

*However, the boom in the infrastructure and real estate sectors is driving the strong demand for PVC. We expect a gradual recovery in prices and margins over the next 2-3 quarters. The Other Chemicals business is also expected to witness improvement in prices in the next 3-4 quarters once the excess supply is absorbed by the market.*

*In our Custom Manufactured Chemicals Division's business, the pipeline is healthy. We commercialised 3 new products this year and a number of products are under various stages of development. Despite the challenges on account of the downturn in the global agrochemicals industry and the consequent inventory rationalisation, we expect this business to deliver a reasonable growth during the year. While commercial production from Phase 1 of the expansion project has commenced, Phase 2 is expected to be completed in Q1 FY '25.*

*The 41 ktpa Paste PVC project is expected to start commercial production in Q4 FY '24. This will further cement our position as the leading Paste PVC producer in India. Despite the recent uncertainty in the industry, we are confident of the long term potential of all our businesses and are strengthening our capabilities and relationships to grow in a sustainable manner.”*

### **About Chemplast Sanmar Limited**

Chemplast Sanmar Limited is part of the SHL Chemicals Group, which in turn is a constituent of The Sanmar Group, one among the oldest and most prominent corporate groups in South India. It is a major manufacturer of Speciality Chemicals such as Speciality Paste PVC resin and Custom Manufactured Chemicals for agro-chemical, pharmaceutical and fine chemicals sectors. The Company also produces other chemicals such as Caustic Soda, Chloromethanes, Hydrogen Peroxide and Refrigerant Gas. Chemplast is one of the most integrated chemical producers in the country with a closed manufacturing loop.

Chemplast also manufactures Suspension PVC through its wholly-owned subsidiary Chemplast Cuddalore Vinyls Limited. Chemplast Sanmar is the largest manufacturer of Speciality Paste PVC resin in the country and is the second largest producer of Suspension PVC in India.

Chemplast is a pioneer in adopting eco-friendly manufacturing processes and one of the industry leaders in sustainability practices. The Company is a recipient of numerous awards and recognitions on this front.

### **Safe Harbor Statement**

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

#### Company:



#### **Chemplast Sanmar Ltd.**

**CIN-** L24230TN1985PLC011637

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#### Investor relations advisor:

**SGA** Strategic Growth Advisors

#### **Strategic Growth Advisors Pvt. Ltd.**

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