



February 03, 2022

To,

National Stock Exchange of India Ltd. Exchange Plaza Bldg. 5 th Floor, Plot No.C-1 'G' Block, Near Wockhardt, Bandra Kurla Complex, Mumbai 400 051 Fax:26598237/38 Symbol: DCW	The BSE Limited Department of Corporate Services, 1 st floor, New Trading Ring Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Fax : 22723121/3719/2037/2039 Scrip Code : 500117
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Dear Sir(s)/Madam,

Sub: Revised Press Release

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, enclosed herewith is a copy of the Revised Press Release to be distributed to the media, contents of which are self-explanatory.

This intimation is also being uploaded on the Company's website at www.dcwlimited.com.

You are requested to kindly take the same on record & oblige.

Thanking You,

Yours faithfully,

For DCW Limited


Dilip Darji

Sr. General Manager (Legal) & Company Secretary
Membership No. ACS-22527



DCW LIMITED

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PRESS RELEASE

DCW continues its solid growth momentum:

- Reports 73% higher Revenue YoY and 59.7% higher EBITDA YoY for 9MFY22
- Q3 FY22 delivers highest ever Quarterly EBITDA, led by growth across segments

Mumbai, Wednesday, 2nd February 2022: DCW Limited (“the Company” or “DCW”), a speciality chemicals company headquartered in Mumbai, declared the financial results for the quarter ended on 31st December 2021.

The Company reported an all-around improvement in its performance in Q3FY22. While Speciality chemicals business performance has been garnering its positive momentum, other segments such as PVC segment has been an important contributor in 9MFY22, followed by its Caustic Soda business on the commodities business front.

- **C-PVC:** This segment remains a consistent growth driver for the Company. The revenue from this segment increased by 32% YoY to INR 562 Mn in Q3FY22. For 9MFY22 revenue growth from this segment is up by 49% YoY to INR 1,527. Average NSR for C-PVC witnessed an increase of 39% YoY in Q3FY22. The Company remains the largest indigenous manufacturer of C-PVC in India. With a clear shortfall in domestic supply of C-PVC, the Company has been able to tactfully garner the optimum benefits of this market imbalance.
- **SIOP:** Consistent efforts have led to a positive turnaround of this division. The SIOP’s plant capacity utilization have been improving consistently. Plant capacity utilisation in FY21 stood at 38%. With definitive and constructive actions, its capacity utilization has improved to more than 50% as on 9MFY22. SIOP (red) volumes increased by 51% YoY in Q3FY22, with SIOP (yellow) increasing by 31% YoY.
- **PVC:** With concerted efforts over the years, the capacity utilisation in this segment has reached its ‘near to optimum’ volume. The PVC segment has been building continuous strength since FY21. With capacity utilisation of merely 75% in FY20 and 88% in FY21, the Company has been able to reach close to ~98% capacity utilisation by 9MFY22. Astute production management and encouraging demand scenario have led to better realisations for PVC.
- **Caustic Soda:** With favourable demand scenario, coupled with the Company’s strategic decisions of tying up with clients at appropriate times have led to improved performance in Q3FY22. Revenue from this division has increased by 189% YoY in Q3FY22 and by 75% YoY in 9MFY22.

Financial Highlights Q3FY22:
Q3FY22 Financial Highlights –

(in INR Mn)

Particulars (INR Million)	Q3FY22	Q3FY21	YoY%	9MFY22	9MFY21	YoY%
Revenue	6,534.9	3,860.8	69.3%	17,458.7	10,085.8	73.3%
EBITDA	906.6	595.3	52.3%	2,311.0	1,447.3	59.7%
EBITDA Margin (%)	13.9%	15.4%	(153 bps)	13.2%	14.3%	(111)bps
Profit After Tax (PAT)	266.8	61.9	331.0%	597.3	(26.8)	N.A.
PAT Margin (%)	4.1%	1.6%	248 bps	3.4%	(0.4%)	N.A.

- **Revenue** from operations for Q3FY22 stood at INR 6,534.9 Mn, delivering growth of 69.3 % on a YoY basis. Better operational efficiency coupled with favourable market conditions across all its products led to overall improvement in revenue.
- **EBITDA** for Q3FY22 stood at INR 906.6 Mn compared to INR 595.3 Mn in Q3FY21, delivering a growth of 52.3% YoY, despite of witnessing pressure on account of higher raw material prices for its speciality chemicals business. The Company has by in large been able to pass on this costs to end consumers from Q4 onwards, which will ease the pressure on the margin front for its overall speciality chemicals business.
- **PAT** stood at INR 266.8 Mn in Q3FY22, compared to a profit of INR 61.9 Mn in Q3FY21.

Commenting on the results, **Mr. Vivek Jain, Managing Director, DCW Limited** said, “Despite challenging environment in terms of raw material inflation and fear of a third covid wave, the Company’s performance has remained buoyant in Q3FY22. We have been able to ignite all our growth silos at the right time, continuing to move with an inspiring momentum. We began our Fiscal year with strong C-PVC performance, and from thereon we have been able to overcome challenges with strong responses. During 9MFY22, our C-PVC, SIOP , PVC and Caustic soda segment have reported substantial growth. Each segment has been delivering on its strengths, which gives immense confidence going ahead.

The Specialty chemicals segment remains a steady revenue generator and shows tremendous potential going ahead. C-PVC & SIOP maintained its strong foothold by contributing 25% to the total EBITDA during 9MFY22. The Company experienced raw material cost pressures during 9MFY22 for its speciality chemical business. As the order book for speciality chemicals is medium to long term in nature, raw material inflation is passed on with a lag. Thus for SIOP where margins declined on QoQ due to higher raw material costs, it is expected to get neutralize going ahead.

On commodity chemicals front, PVC has been witnessing a good demand scenario, which has helped us to report better performance. Besides PVC, our Caustic Soda division is also witnessing strong momentum. The strong recovery in these commodities, coupled with strategic initiatives on the operations front, were the key drivers of the Company’s underlying performance.

We continue to focus on excellence by leveraging our well balanced portfolio, focusing on better operating performance and maintaining quality standards.”

Specialty Chemicals Business– Q3FY22

Over the last 4 years, DCW has added niche, value-added, high margin specialty chemicals to its portfolio. The Company has various products in its specialty chemicals portfolio such as C-PVC, SIOP and Synthetic Rutile. The Company is one of the few large-scale synthetic iron oxide manufacturers for red and yellow pigments and the only C-PVC manufacturer in India.

The revenue mix between Commodity Chemicals: Specialty Chemicals for 9MFFY22 stood at 87:13. However, Specialty chemicals contribute more than 25% to the company's overall EBITDA. The Company is focusing on increasing the revenue mix from specialty chemicals. Increasing the revenue share from specialty chemicals will help the Company to elevate its margin profile and return ratios.

SIOP:

- Revenue for Q3FY22 stood at INR 285.7 Mn, as against INR 171.0 Mn in Q3FY21; growth of 67.1 % YoY. Revenue growth was attributable to higher volume sales and improving capacity utilizations.
- EBITDA for Q3FY22 stood at INR 25.1 Mn, as against INR 24.5 Mn in Q3FY21 with an EBITDA margin of 8.8 % in Q3FY22.

C-PVC:

- Revenue for Q3FY22 stood at INR 561.5 Mn, a robust growth of 31.7% on a YoY basis.
- EBITDA for Q3FY22 stood at INR 211.4 Mn, compared to INR 163.8 Mn in Q3FY21; a growth of 29.1 % YoY. The revenue growth is attributed to better realisations owing to shortfall in domestic supply of C-PVC.

Specialty Chemicals Performance Highlights

(in INR Mn)

	Q3FY22	Q3FY21	YoY%	9MFY22	9MFY21	YoY%
SIOP						
Revenue	285.7	171.0	67.1%	696.3	373.2	86.6%
EBITDA	25.1	24.5	2.6%	92.2	51.2	80.1%
EBITDA Margin (%)	8.8%	14.3%	(553 bps)	13.2%	13.7%	(47 bps)
C-PVC						
Revenue	561.5	426.5	31.7%	1,526.7	1,026.7	48.7%
EBITDA	211.4	163.8	29.1%	503.3	362.5	38.8%
EBITDA Margin (%)	37.6%	38.4%	(76 bps)	33.0%	35.3%	(234 bps)

Commodity Chemicals Business– Q3FY22

The Company's commodity chemical business consists of Caustic Soda, Soda Ash and PVC. Soda Ash facility is based out of Dhragandhra, Gujarat, while Caustic Soda and PVC facilities are based out of Sahapuram, Tamil Nadu.

Caustic Soda:

- Revenue for Q3FY22 stood at INR 1,876.5 Mn, compared to INR 657.1 Mn in Q3FY21, registering a revenue growth of 185.6% on a YoY basis.
- EBITDA for Q3FY22 stood at INR 149.8 Mn, compared to INR (34.6) Mn in Q3FY21.
- **Soda Ash:**
 - Revenue for Q3FY22 stood at INR 435.7 Mn, compared to INR 506.0 Mn in Q3FY21; a de-growth of 13.9% YoY.
 - EBITDA for Q3FY22 stood at INR (56.2) Mn, compared to INR 51.4 Mn in Q3FY21. EBITDA margins remained under pressure due to higher raw material costs. Higher energy costs have kept margins subdued for Q3FY22.
 - However, intermediate products like Synthetic Rutile are witnessing strong momentum over the near to medium term.

PVC:

- Revenue for Q3FY22 stood at INR 3,354.3 Mn, compared to INR 2,079.0 Mn in Q3FY21; a growth of 61.3 % YoY. Such growth was due to better capacity utilisations and an encouraging demand scenario.
- EBITDA for Q3FY22 stood at INR 563.0 Mn, compared to INR 378.4 Mn in Q3FY21; a growth of 48.8 % YoY.

Commodity Chemicals Performance Highlights:

(in INR Mn)

	Q3FY22	Q3FY21	YoY%	9MFY22	9MFY21	YoY%
Caustic Soda						
Revenue	1,876.5	657.1	185.6%	4,778.0	2,722.0	75.5%
EBITDA	149.8	(34.6)	N.A.	419.0	162.5	157.8%
EBITDA Margin (%)	8.0%	(5.3%)	N.A.	8.8%	6.0%	280 bps
Soda Ash						
Revenue	435.7	506.0	(13.9%)	1,352.9	1,338.0	1.1%
EBITDA	(56.2)	51.4	N.A.	(16.4)	125.6	N.A.
EBITDA Margin (%)	(12.9%)	10.2%	N.A.	(1.2%)	9.4%	N.A.
PVC						
Revenue	3,354.3	2,079.0	61.3%	8,969.0	4,490.0	99.8%
EBITDA	563.0	378.4	48.8%	1,199.3	650.0	84.5%
EBITDA Margin (%)	16.8%	18.2%	(142 bps)	13.4%	14.5%	(111 bps)

About DCW

DCW is a specialty chemicals company, manufacturing PVC, C-PVC (chlorinated polyvinyl chloride), Caustic Soda, Soda Ash, and Synthetic Iron Oxide Pigment (SIOP). The Company is the only domestic manufacturer C-PVC, a versatile thermoplastic used mainly for manufacturing hot and cold-water pipes, industrial liquid handling, and a wide range of products serving a variety of applications. DCW's Caustic Soda, SIOP and PVC Units are in close proximity to the Tuticorin Port in Tamil Nadu, giving the Company a competitive edge over its peers to export its products to global markets.

For more information, please contact:

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