



# Manorama Industries Limited

KHASRA No. 2449-2618  
Nr. I IDC, Birkoni  
Mahasamund (C.G.)  
Pin : 493445

May 09, 2023

To,  
The Manager,  
**BSE Limited ("BSE")**  
P. J Towers, Dalal Street, Fort,  
Mumbai - 400 001

To,  
The Manager,  
**National Stock Exchange of India Limited**  
("NSE")  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400051

**Scrip Code: 541974**  
**ISIN: INE00VM01010**

**Symbol: MANORAMA**  
**ISIN: INE00VM01010**

Dear Sir/Madam,

## Subject: Press Release

In reference to the above captioned subject, please find attached a copy of Press Release with respect to Audited Financial Results for quarter and year ended March 31, 2023.

The same is also available on the website of the Company at <https://manoramagroup.co.in/investors-financial#press-releases>.

Kindly take the above on records.

For Manorama Industries Limited



**Divya Jajoo**  
**Company Secretary and Compliance Officer**  
**Encl: As Above**

### Corporate Office :

F-6, Anupam Nagar,  
Raipur - 492007, Chhattisgarh, INDIA  
E-mail : [info@manoramagroup.co.in](mailto:info@manoramagroup.co.in)  
Tel.: +91-771-2283071, 2282579, 2282457  
Telefax: +91-771-4056958  
CIN: L15142MH2005PLC243687  
GSTIN: 22AAECM3726C1Z1

FSSC 22000, ISO 9001, ISO 14001 & ISO 45001 Certified Company  
Manufacturing & Supplying different products  
certified for RSPO, Kosher, Halal (MUI), Fair Trade (FT), Fair for Life (FFL)  
A Government of India Recognized Star Export House  
MSME ZED GOLD

### Registered Office :

403, Midas, Sahar Plaza,  
Andheri Kurla Road, Andheri East  
Mumbai-400059, Maharashtra, INDIA  
Tel. 022 22622299, 49743611, 022 67088148  
[www.manoramagroup.co.in](http://www.manoramagroup.co.in)  
GST - 27AAECM3726C1ZR



## Manorama Industries Limited achieves Rs. 1,000 million quarterly revenue milestone in Q4FY23

**Raipur, Chhattisgarh, May 9, 2023:** Manorama Industries Limited, a global pioneer in the manufacturing of specialty fats, announced its audited financial results for the quarter and full year ended 31<sup>st</sup> March 2023.

**Commenting on the results and performance, Mr. Gautam Kumar Pal, Managing Director said:**

*"We are delighted to report another milestone of commissioning the new Refinery plant of 30,000 tonnes and 15,000 tonnes of Interesterification plant in May 2023. The said expansion marks a significant investment in the future of our company and the Industry. Post this expansion the total refinery capacity of the company will be 45,000 Tonnes per annum. The said expansion will not only improve our efficiency but also allow us to better serve our customers by increasing our output and shorter lead times.*

*The Board has recommended its maiden final dividend of Rs. 2 (20%) per equity share on the paid-up equity capital for the year 2022-23 subject to the approval of shareholders. The dividend recommended amounts to ~10% of the net profit of the Company in FY23.*

*The Company's revenue for the year grew by 26% year on year which stood at Rs. 3,508.0 million while EBITDA grew by substantial 45% which stood at Rs. 564.5 million as compared to Rs. 389.4 million in the same period last year. EBITDA Margins which stood at 16.1%, improved by ~214 bps year on year, reflecting our focus on operational efficiency and cost controls.*

*With the commissioning of capex for Refinery plant, we are now focusing on completion of the Fractionation plant which is expected to be completed by early Q2FY24 with gradual ramp up thereafter. The cost of this capex was originally envisaged to be Rs. 650 million. However, as of 31<sup>st</sup> March 2023 the company has incurred Rs. 1,013 million towards this Capital Expansion. This cost increase was largely due to addition of certain enhanced equipment's and technologies along with setting up of additional 5,000 tonnes of Refinery capacity, powerhouse, Boiler and Factory Infrastructure in the plant. The macro-economic challenges in European region resulted in increase in machine cost which was further accentuated by rise in steel prices. Further, automation, designing and integration of new capex with existing facility also resulted in time overruns.*

*Gautam Kumar Pal*





Post completion of expansion, our combined capacity is expected to deliver strong topline & bottom-line growth with improved throughput. Along with improved capabilities of manufacturing speciality and tailor-made products as per customer requirements. We are optimistic about the future of our company and our industry. We believe that our focus on innovation, customer service, and operational excellence will continue to drive growth and profitability in the years to come. We will continue to invest in our people, products, and technologies to ensure that we remain at the forefront of our industry."

**Key Financial Highlights are as follows:**

Particulars (Rs. in Million)	Q4 FY23	Q4 FY22	Y-o-Y	FY23	FY22	Y-o-Y
Income from operations	1,017.4	776.4	31%	3,508.0	2,791.2	26%
EBITDA	164.9	115.4	43%	564.5	389.4	45%
EBITDA Margin (%)	16.2%	14.9%		16.1%	14.0%	
Profit After Tax	100.0	68.2	46%	297.4	241.5	23%
PAT Margin (%)	9.8%	8.8%		8.5%	8.7%	

**Update on financials**

- We have continued business momentum in Q4FY23. This is the first time in our history where we have achieved our highest ever quarterly sales with revenues crossing the milestone of Rs. 1,000 million.
- Revenues for the quarter stood at Rs. 1,017.4 million registering a growth of 31% year on year as compared to Rs. 776.4 million same period last year.
- This performance was despite rise in prices of one of the raw material globally (shea nuts), along with lower realizations of Olein products. However, the company will be able to sell Olein based value added products with the commissioning of the new Refinery.
- Reported a very strong absolute EBITDA growth of 43% year on year which stood at Rs. 164.9 million as compared to Rs. 115.4 million in the same period last year





- EBITDA Margins too improved by ~135 bps year on year and ~26 bps sequentially which stood at 16.2%. This improvement in margins reflects our commitment and focus on operational efficiency and cost controls.
- PAT for the quarter grew by 46% year on year to Rs. 100.0 million as compared to Rs. 68.2 million same period last year.
  - PAT margins improved by ~103 bps which stood at 9.8%
- Cash PAT for the quarter grew by 49% year on year which stood at Rs. 132.3 million.
- The Company continues to invest in people by hiring new professionals at various organisation levels.
- The Company has onboarded new customers in Latin American and European regions.
- The Board has recommended a maiden final dividend of Rs. 2 (20%) per equity share on the paid-up equity capital for the year 2022-23 subject to the approval of shareholders.

#### Update on Capex

- As of 31st March 2023, the company has incurred Rs.1,013.5 million towards this Capital Expansion
- **Since the new Capex announcement in August 2022, the Company has successfully completed the commissioning of the following**
  - **Solvent Extraction Plant:** 300 TPD Solvent Extraction Plant which will save on additional costs and lead to yield improvements.
    - Also, the company would be able to have better control over the production, better inventory management, and an efficient working capital cycle.
  - **Boiler Plant and Warehouses:** Installed new Boiler plant and constructed new warehouses and go-downs in the factory premises for storage of Seeds and De-oiled cake
    - This will lead to cost rationalisation in terms of rentals of warehouses and logistics
  - **Refinery Plant, Degumming Plant, and their Automation:** Commissioned 30,000 capacity New Refinery Plant, which will help in fulfilling the demand of the product in the global Market.
    - Post this expansion the total refinery plant capacity of the company is 45,000 Tonnes per annum

*S. Dautem*





- **Interesterification Plant:** Commissioned of 15,000 tonnes of interesterification Plant
- The Company's Fractionation plant along with its supporting infrastructure is expected to commission in early Q2FY24 and ramping up of this new facility will gradually begin thereafter.
- The cost of this capex was originally envisaged to be Rs. 650 million. However, as on 31<sup>st</sup> March 2023 the company has incurred Rs. 1,013 million towards this Capital Expansion.
- This cost increase was largely due to addition of certain enhanced equipment's and technologies along with setting up of additional 5,000 tonnes of refinery capacity, powerhouse, Boiler and Factory Infrastructure in the plant.
- The macro-economic challenges in European region resulted in increase in machine cost which was further accentuated by rise in steel prices. Further, automation, designing and integration of new capex with existing facility also resulted in time overruns.
- Post completion of expansion, our combined capacity is expected to deliver strong topline & bottom-line growth with improved throughput. Along with improved capabilities of manufacturing speciality and tailor-made products as per customer requirements.

#### Update on Inventory

- For the expansion of the new facilities the company has already made suitable arrangements for procuring additional Inventories of exotic seeds such as Sal, Shea and Mango.
  - Sal seeds are abundantly available in India as it has the largest Sal forests in the world.
    - Apart from Indian forests the company has also started procuring Sal seeds from Nepal
  - Shea Nuts are abundantly available in West African Countries of Ghana, Ivory coast, Burkina Faso, Nigeria, Mali, Benin, etc
  - Mango is a seasonal fruit available abundantly during the months of June-July in India. Currently Manorama directly collects mango kernel through its supplier network spread across thousands of village in the states of Chhattisgarh, Odisha, Maharashtra, Madhya Pradesh, etc
- Our company has a major sourcing advantage of these seeds as we are based in the heart of the forests and have established a strong relationship with tribal residents, who are familiar with forest topography.

*R. Anand*





- Thus, we are uniquely positioned to source the required quantities of these seeds through our well-trenched network and there is limited concentration risk as products derived from trees are renewable and the seeds ripen periodically in the summer months.

#### Update on Working Capital and Cash Flows

- For the year ended 31<sup>st</sup> March 2023, the Company has reported a positive cash flow from operations which stood at Rs. 712.8 million.
- The seeds procured and processed by the Company are seasonal in nature, however, the products that it supplies to its customers have an all-year demand. Due to this inherent nature of the business, the company needs to procure adequate inventories for the whole year.
  - The Company has adequate working capital facilities available from the banks in addition to FD's of Rs. 635 Millions with the banks; thus, enabling sufficient resources for business growth
- Currently the company is operating a single Fractionation plant of 15,000 MTPA to process these raw materials which limits processing to a single type of seed at a time.
  - However, with the commercialisation of the second Refinery of 30,000 tonnes & Fractionation plant of additional 25,000 tonnes each and a simultaneous processing of multiple type of seeds, the Company expects better inventory turns which will strengthen the working capital and cash flow from operations over the time.

#### Awards & Accolades

- Awarded **"TWO EXPORT EXCELLENCE AWARDS"** under the category **"Highest Foreign Exchange Earner – 2018-2019 and 2019-2020"** organized by Federation of Indian Exporters Organization (FIEO) from Minister for Commerce and Industry, Government of India.
- Awarded **"Sustainable Exports of Value-Added Products from Wasted Seeds generating employment for Tribal"** at Nepal Globoil 2023.
- Awarded **'Eminent Excellence in ESG & Sustainable Creation of Business through waste, with support to thousands of forest dwellers'** at GLOBOIL INDIA 2022 Awards Ceremony & Conference
- Manorama Industries Limited has meritoriously conferred five awards at the AGM organized by **The Solvent Extractors' Association of India on September 21<sup>st</sup>, 2022**

*Signature*





### About Manorama Industries Limited

Manorama Industries Limited is a global pioneer in the manufacturing of specialty fats from tree-borne and plant-based seeds. The Group has a history of many decades which started with extracting butter and fats from Sal seed and Mango kernel and gradually forayed into exotic products and specialty fats. Today, the company is one of the top global players in the food and cosmetic industries and maintains a good relationship of many decades with Fortune 500 companies all over the world in the cosmetic, chocolate, and confectionery industries. Over the years, the Company is the recipient of more than 50 International and National awards for its successful and unique business model and for playing a pivotal role in empowering communities and its contribution to nation-building.

### 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**

**Company:**

**Investor Relations Advisors:**



**Manorama Industries Limited**  
CIN: L15142MH2005PLC243687  
**Ms. Ekta Soni**  
Investor Relations Officer  
(O) - +91 7712283071  
[investors@manoramagroup.co.in](mailto:investors@manoramagroup.co.in)  
[www.manoramagroup.co.in](http://www.manoramagroup.co.in)

**SGA** Strategic Growth Advisors

**Strategic Growth Advisors Pvt. Ltd.**  
CIN: U74140MH2010PTC204285  
**Mr. Abhishek Shah**  
[abhishek.shah@sgapl.net](mailto:abhishek.shah@sgapl.net)  
(M)+91 9930651660  
[www.sgapl.net](http://www.sgapl.net)