

February 09, 2024

<p>The National Stock Exchange of India Ltd. Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051</p> <p>Company Symbol: DMCC</p>	<p>BSE Limited Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001</p> <p>Scrip Code : 506405</p>
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Sub: Press Release on financial performance for Q3FY24.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed herewith a Press Release dated February 09, 2024 on the financial performance of the Company for Q3FY24.

You are requested to kindly take the same on your record.

Thanking you,

For DMCC Speciality Chemicals Limited
(Formerly known as “The Dharamsi Morarji Chemical Company Ltd)

Omkar Mhamunkar
Company Secretary & Compliance Officer
ICSI Membership No. ACS 26645
Encl: As Above

MUMBAI, FEBRUARY 09, 2024

DMCC Speciality Chemicals Limited, India's leading Sulphur chemistry solutions manufacturer reported its financial performance for Q3FY24.

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR QUARTER ENDED DECEMBER 31, 2023

REVENUE FROM OPERATIONS	EBITDA	EBITDA MARGIN	PROFIT AFTER TAX
₹ 80.53 cr	₹ 7.81 cr	9.61%	₹ 0.31 cr
↑ 5% Q-o-Q	↓ 25% Q-o-Q	↓ 378 BPS Q-o-Q	↓ 87% Q-o-Q
↑ 12% Y-o-Y	↑ 267% Y-o-Y	↑ 669 BPS Y-o-Y	↑ 110% Y-o-Y

OPERATIONAL HIGHLIGHTS FOR QUARTER ENDED DECEMBER 31, 2023

EXPORT REVENUES	DOMESTIC REVENUES	SALE OF SPECIALITY CHEMICALS	SALE OF BULK CHEMICALS
24%	76%	44%	56%

COMMENTING ON THE Q3FY24 PERFORMANCE,

Bimal Goculdas, Managing Director and CEO, said

During Q3FY24, DMCC faced a challenging operating environment that continued to impact the broader chemical industry. The quarter was marked by a subdued financial performance, primarily attributable to the compression of gross margins. This compression was largely a result of an unfavourable product mix that emerged during the quarter.

In the bulk chemicals segment, we experienced high volumes, which, while contributing to the top line, came with relatively lower margins. Conversely, the speciality chemicals segment, particularly in export markets, saw a reduction in volume off-take compared to previous quarters. Notably, the months of November and December witnessed unusually low volumes in speciality chemical exports, a trend that persisted into January. Among the end user industries, the agrochemical sector faced significant challenges, leading to decreased demand for our products. On a brighter side, the pigments segment showed signs of slight improvement.

Despite these challenges, we continued to focus on innovation and product development, ensuring we remain at the forefront of the industry even during downturns. A significant achievement in this quarter was the debottlenecking of our Boron production capacity. This strategic expansion has successfully increased our Boron capacity by 30-35%. Towards the quarter's end, we observed promising traction in the Boron segment, fuelling our optimism for increased volumes in the subsequent quarters. We are confident that FY25 will mark an upturn for our Boron business.

In line with our commitment to sustainability and responsible operations, we have initiated the implementation of the Responsible Care program at our Dahej site. This initiative is expected to be completed in the coming months, further strengthening our dedication to environmental stewardship and safety.

Despite the headwinds faced in Q3FY24, leading to an impact on our financial performance, we remain positive about the future. Our team's resilience and the strategic initiatives underway, including capacity expansions and product innovations, position us well for a rebound. As the demand environment normalises, DMCC is poised to leverage its enhanced capacities and diversified product portfolio to drive improved financial performance.

CONSOLIDATED PROFIT AND LOSS STATEMENT

₹ in cr

PARTICULARS	Q3FY24 (Unaudited)	Q2FY24 (Unaudited)	Q3FY23 (Unaudited)	QOQ% change	YOY% change	9MFY24 (Unaudited)	9MFY23 (Unaudited)	YOY% change
Revenue from Operations	80.53	76.52	72.04	5.23%	11.78%	242.64	290.15	-16.37%
Total Income	81.24	77.39	72.98	4.98%	11.33%	245.15	292.29	-16.13%
Total Operating Expense	73.43	67.03	70.85	9.55%	3.65%	215.12	270.58	-20.50%
EBITDA (INCLUDING OI)	7.81	10.36	2.13	-24.60%	266.95%	30.03	21.71	38.32%
EBITDA Margins %	9.61%	13.38%	2.92%	(378bps)	669bps	12.25%	7.43%	482bps
Interest Cost	3.56	2.88	3.16	23.54%	12.63%	9.91	7.29	36.00%
Depreciation and Amortisation	3.92	3.90	4.81	0.35%	-18.55%	11.38	13.06	-12.88%
Profit Before Taxes (and exceptional items)	0.34	3.57	-5.84	-90.61%	-105.75%	8.74	1.36	543.14%
Profit After Taxes	0.31	2.37	-3.16	-87.04%	-109.71%	5.82	0.24	2363.19%

FOR FINANCIAL RESULTS

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ABOUT DMCC SPECIALITY CHEMICALS LIMITED (DMCC)

DMCC Speciality Chemicals Limited (DMCC), (formerly known as The Dharamsi Morarji Chemical Company Limited) began its humble journey in 1919 with just one product and one manufacturing unit. It was the first manufacturer of sulphuric acid and phosphate fertilisers in India. The Company evolved over the years to establish its own brand, 'Ship', which soon became the trusted source for quality Single Superphosphate (SSP). Today, DMCC is a fully integrated speciality chemical company that specialises in sulphur, boron and ethanol chemistry, exporting its products to markets worldwide. The Company takes pride in its heritage, and borrows from its experience, to deliver tailor-made solutions to its customers from across the globe. Its products find application in a variety of end-use industries, such as, pharmaceuticals, detergents, dyes, fertilisers, pigments and cosmetics.

FOR FURTHER DETAILS PLEASE GET IN TOUCH WITH

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