



Life's god with our chemistry

Archean Chemical Industries Limited

August 03, 2024

National Stock Exchange of India Limited
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai-400051
Symbol-ACI

BSE Limited
Listing Operations
Phiroze Jeejeebhoy Towers Dalal Street
Mumbai-400001
Scrip Code- 543657

Dear Sir/Madam,

Subject: Investor presentation for the first quarter and three months ended June 30, 2024

Reference: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, please find enclosed Investor Presentation for Q1 of FY 24-25.

The above information shall be made available on the website of the Company at www.archeanchemicals.com

This is for your information and records.

Thanking you

Yours faithfully
For Archean Chemical Industries Limited

R Raghunathan
Chief Financial Officer

Enc- as above



Archean
Chemical
Industries
Limited

Archean Chemical Industries Limited

Q1 FY25 - Investor Presentation

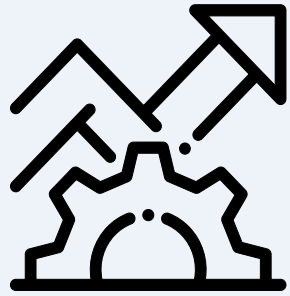




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Q1 FY25 Performance Highlights

Profit & Loss Statement



Particulars (Rs. in mn)	Q1 FY25	Q1 FY24	FY24
Total Income	2,234.0	3,543.0	13,762.8
Cost of material consumed	124.2	135.2	468.5
Change in Inventory	(317.0)	163.4	402.1
Purchase of Stock –in – Trade	-	-	-
Employee Cost	140.7	203.4	723.2
Other Expenses	1,437.4	1581.5	7,058.7
EBITDA	848.6	1,459.5	5,110.3
Depreciation	178.9	174.7	700.0
EBIT	669.7	1,284.8	4,410.3
Finance Cost	18.7	30.6	96.7
Profit before Tax	651.0	1,254.2	4,313.6
Tax	166.4	312.5	1090.1
Profit After Tax	484.6	941.7	3,223.5
EPS (in Rs.) - Basic	3.93	7.65	26.17
EPS (in Rs.) - Diluted	3.92	7.62	26.14



1

Idealis Chemicals Private Limited

- A wholly owned subsidiary was declared as the successful bidder for acquiring Oren Hydrocarbons Private Limited with sale consideration of ~Rs. 77 crores
- Oren Hydrocarbons Private Limited, a private limited company was incorporated in 1990, with the main object of catering the requirements of High-quality Specialized Mud Chemicals (lubricants and drilling fluids) used in the exploration and development of Oil & Gas fields.

2

Acume Chemicals Private Limited

- Part 1 of Phase 1 capacity expansion commissioned at Jhagadia, Gujarat to produce Bromine derivative products i.e. Clear Brine Fluids and catalyst to PTA Synthesis.
- A few new bromine derivative products will be added as part 2 capacity expansion of Phase1.
- Company is re-evaluating the phase 2 capacity expansion to produce Fire Retardant related products.



A leading Manufacturer of **Specialty Marine Chemicals** in India



Strong Clientele - 40 Global & 32 Domestic



Integrated production Facility located at Hajipir, Gujarat



Largest exporter of Bromine and Industrial Salt in India



'Responsible Care' Certification is in process

Rs. 13,762.8 Mn
FY24 Revenue

Bromine

- Leadership position in Indian Bromine merchant sales

Industrial Salt

- 100% Export business

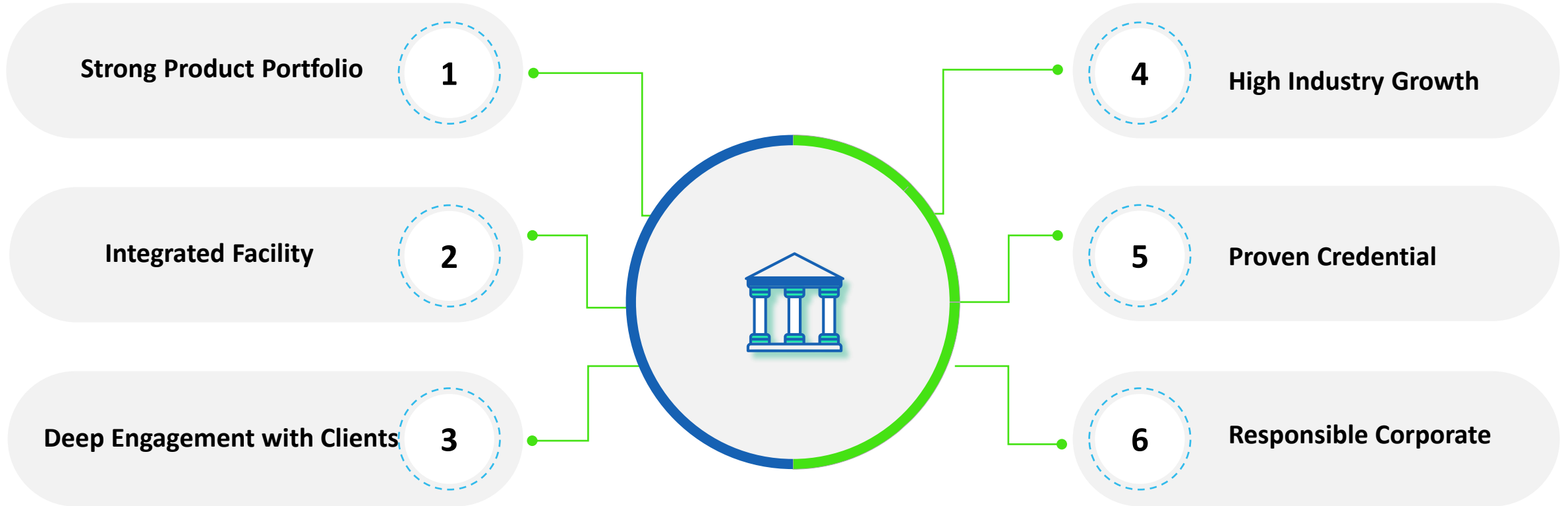
Sulphate of Potash

- Only Manufacturer from natural sea brine in India



Key Attributes behind Strong Foundation

Key Attributes Behind Strong Foundation





Product

Bromine

Industrial Salt

SOP

Overview

- Bromine is the only non-metallic element that is a liquid at standard conditions
- It is a member of the halogen family and is found naturally in seawater, underground brine deposits and other water reservoirs

- There are 14,000 commercial uses of Salt, a source of Sodium and Chlorine which are basic components of an array of materials – such as plastics, glass, synthetic rubber, cleansers, pesticides, paints, adhesives, fertilizers etc.

- Sulphate of Potash, also known as potassium sulphate, is a high-end, **specialty fertilizer** for chlorine-sensitive crops.

Archean's Position

- Leadership position in Indian Bromine merchant sales

- Produced using the solar evaporation method

- Only Manufacturer of SOP from natural sea brine, in India
- KTMS (kainite type mixed salt) had higher NaCl content (Sodium Chloride), which led to lower SOP production in the last few years

End User Industries

- Pharmaceuticals
- Agrochemicals
- Flame Retardants
- Water Treatment
- Oil & Gas & energy storage

- Chloralkali Chemicals
- Food & Beverage
- Water Treatment
- Oil & Gas

- Agrochemicals
- Various industries including glass, cosmetics etc.
- Medical uses



Location Advantages

- The manufacturing facility is located in close proximity to the **Jakhau Jetty** and **Mundra Port**. The Jakhau Jetty is a fair-weather facility, operating for seven to eight months a year from October to May
- It has a designed capacity of 5 million MT per annum and a capacity to load 28,000 MT equipped with a twin conveyor system, diesel generator sets
- An **integrated manufacturing site** with **access to the Rann of Kutch reserves** and a close connectivity to ports, results in production process efficiency, deliver superior quality and timely products

Established Infrastructure

- Archean **use brine from own reservoirs** as raw material which include Industrial Salt, kainite and end bittern. Other raw materials are primarily sourced from third-party suppliers in India
- Globally, two most popular Bromine production sites are near the Dead Sea (Israel & Jordan) and the underground well in Arkansas region in the USA
- India is well placed with brine resources at the Great Rann of Kutch in Gujarat





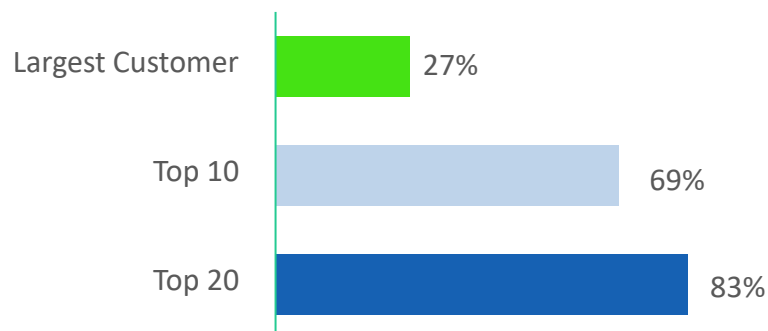
Enduring customer relationships helped to expand product offerings and geographic reach

Strong Clientele

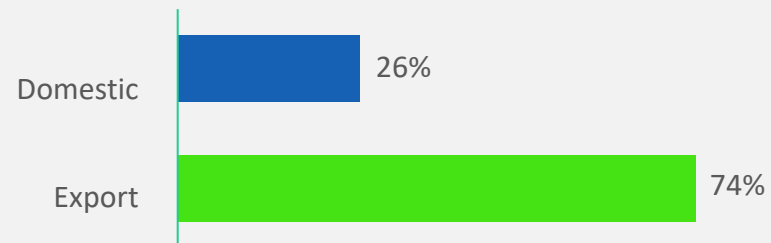


TOTAL **72** Clients

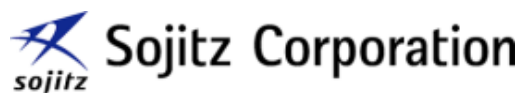
FY24 Revenue Contribution



FY24 High Focus on Exports



Major Clients



A Japanese Trading Conglomerate, Largest Customer



- Sojitz is a Japanese Trading Conglomerate with **diverse client base**
- Enjoy relationships in **excess of five years** with seven out of top ten customers



Product

Bromine

Industrial Salt

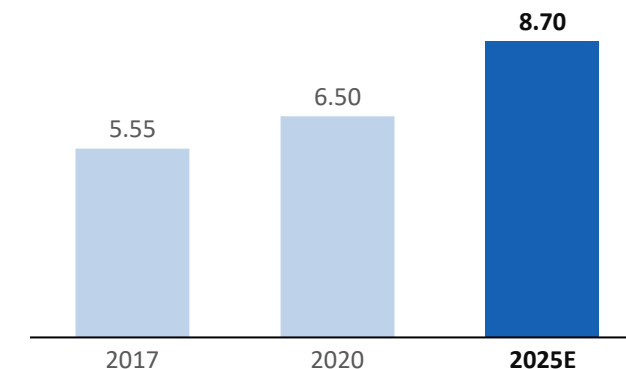
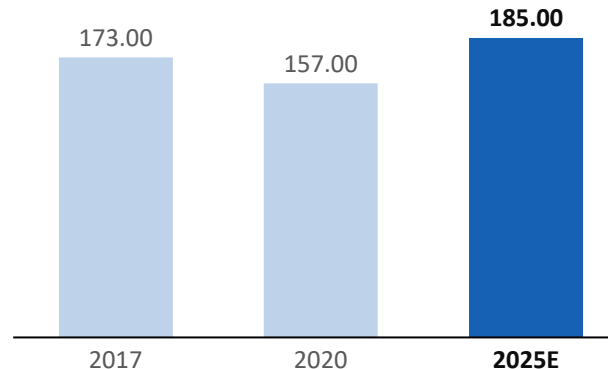
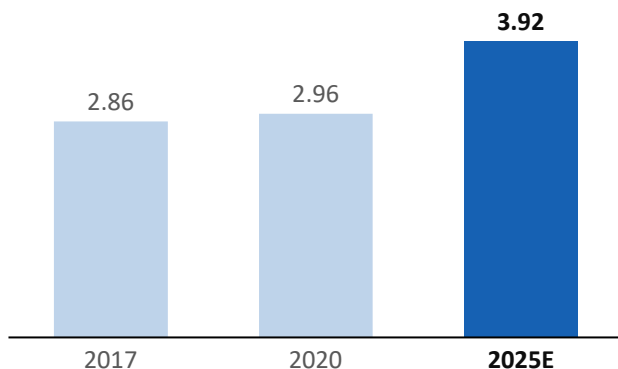
Sulphate of Potash

(US\$ billion)

(mn in MT)

(mn in MT)

Global Market Size



*High Growth
In
End User Industries*

- Increasing demand for flame retardants
- Increasing demand in Agro chemicals
- Increasing consumption of oil well chemicals
- Increasing use of bromide compounds in energy flow batteries

- Increasing industrialization leading to increase in Chlor Alkali, PVC & Polyurethane
- Increase in demand from the food and beverage industry

- Increase in use of fruits and vegetables growing fertilizers primarily



With Industry Standards and Regulatory Credentials

Key Certificates



MINISTRY OF COMMERCE
AND INDUSTRY
DIRECTOR GENERAL OF
FOREIGN TRADE

सत्यमेव जयते

- Accredited four star export house by Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India
- Member-signatory to **Responsible CARE** – Indian Chemical Council
- **REACH** certification enabling the Company to export Sulphate of Potash products to European customers

R&D Depth

- State of art R&D facility at plant location.
- Continuous effort undertaken to evaluate the brine chemistry.
- R&D facility has been set up in Jhagadia for Bromine downstream project.





Environment & Safety Measure

Environment and safety considerations are an important part of our operations. We undertake an annual environment and safety audit and strive to ensure that we do not discharge any harmful elements from our manufacturing operations.

- Annual environment and safety audit
- Environment Management Cell Program
- Stack & Ambient Air, water Quality and noise level Monitoring
- Water Audit
- Use of ISO tanks certified by the Bureau Veritas Quality International (“BVQI”) tanks



Social

Focused on education and skill development and healthcare for our staff and local community. We have carried out activities set forth below:

- Supply of drinking water to surrounding areas situated near Hajipir Factory
- Medical camps to raise health awareness amongst the local community
- Donation to schools for promoting education at Hajipir
- Building renovation of Hajipir & Nara Schools
- Rural development activities



Governance

Undertakes all necessary steps to comply with all the requirements of Listing Regulations and the Companies Act. Committees of the Board

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders’ Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee



Next level of Growth



01. Brownfield Expansion

Expanded Bromine and Industrial Salt capacities

Bromine

- Added an additional 14,500 MT per annum capacity in FY23 which will be used for producing Bromine Derivatives in the upcoming greenfield project

Industrial Salt

- Intend to expand the manufacturing capacities for Industrial Salt production by adding one additional washery of 250 tons per hour

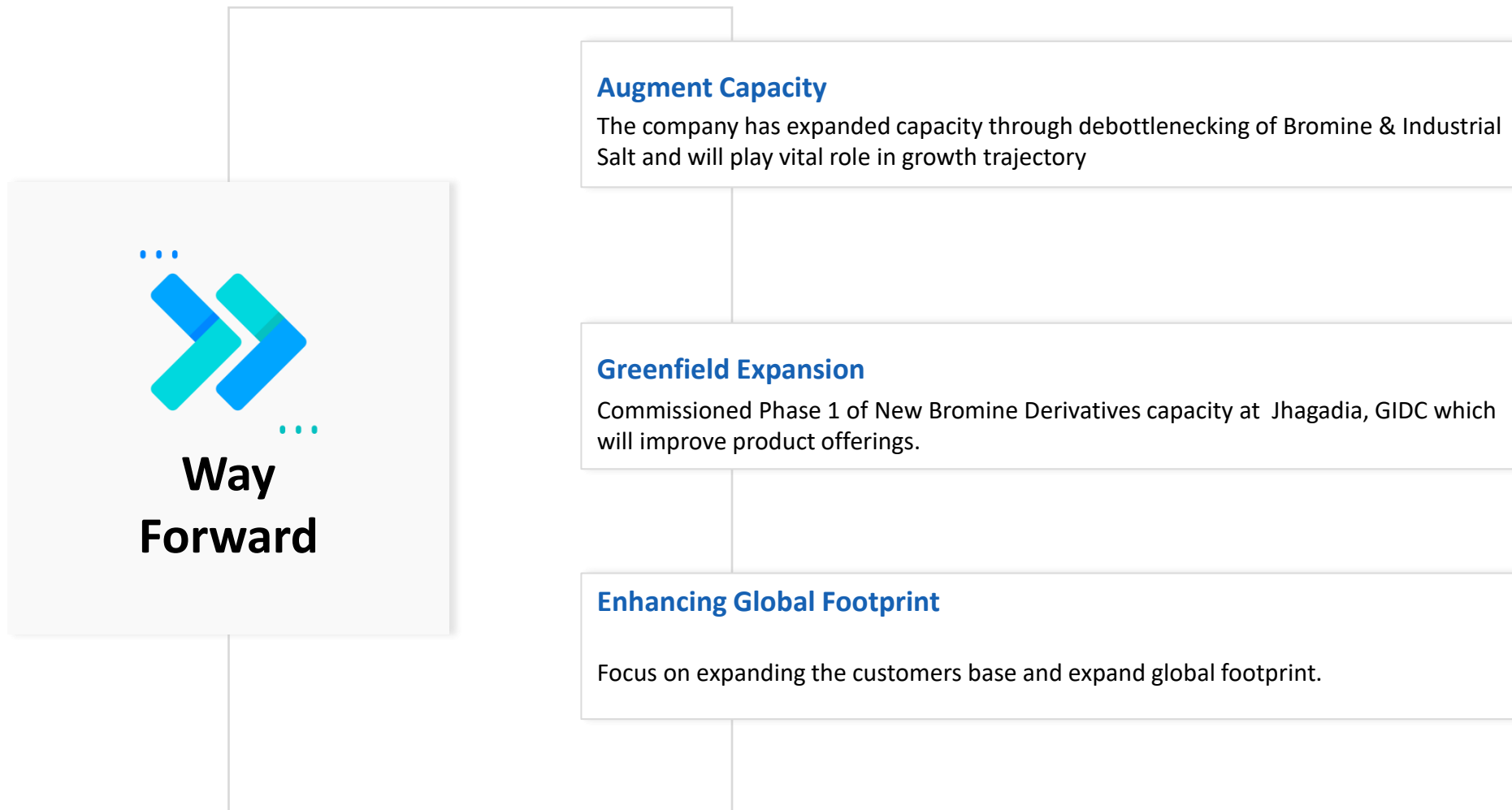
02. Greenfield Expansion



Expanded downstream Bromine derivative performance products

Bromine Derivatives

- Phase 1 expansion of new facility at Jhagadia, GIDC through Acume Chemicals Private Limited (Subsidiary) commissioned in Q4FY24 to manufacture Bromine Performance Derivatives
- Phase 2 expansion is currently on hold will update as per progress
- Primarily Brominated flame retardants, Clear Brine Fluids & Bromine Catalysts





Thank You !

Company:



Archean Chemical Industries Ltd.

CIN - L24298TN2009PLC072270

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SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Ltd.

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