

29th October, 2024

The Manager,
Listing Department,
National Stock Exchange of India Ltd,
Exchange Plaza,
Plot No. – C – 1, G Block,
Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400051

NSE Code:- PCBL

The General Manager,
Department of Corporate Services,
BSE Ltd.,
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers,
Dalal Street, Fort,
Mumbai – 400001

BSE Code:- 506590

Dear Sir,

Sub:- Investor Update – Q2 FY25

Please find enclosed herewith the Investor Update of PCBL Limited for Q2 FY25.

We request you to please take the afore-mentioned information in record and oblige.

Thanking you,

Yours faithfully,
For **PCBL Limited**

K. Mukherjee
Company Secretary and Chief Legal Officer

PCBL Limited

Registered Office: 31 Netaji Subhas Road, Kolkata – 700 001, West Bengal, India

Corporate Office: RPSG House, 4th Floor, 2/4 Judges Court Road, Kolkata – 700 027, West Bengal, India

P: +91 33 6625 1443 | **E:** pcbl@rpsg.in | **W:** www.pcblttd.com | **CIN:** L23109WB1960PLC024602



PCBL Limited
Investor Update Q2 FY25

RPSG group: Building a diversified conglomerate



- One of India's **New-age And fastest growing** conglomerates
- Strong workforce of **50,000+** employees, belonging to different nationalities
- Presence in **60+** countries
- **100+** offices worldwide

* All figures as on FY24

PCBL - A Global Specialty Chemical Player

Transforming from carbon black player to a diversified specialty chemical company

Carbon Black

- India's largest & world's 7th largest rubber black & value-added chemicals company
- PCBL has a Capacity of 770 KTPA comprising Rubber Black (658 KTPA) and Specialty Black (112 KTPA) in 5 location across India.
- Post expansion, rubber black & specialty capacity to increase to 880 KTPA in FY26
- Green power generation capacity of 122 MW, to expand to 134 MW in FY26
- Robust product portfolio with customized offerings for tyres, performance chemicals and specialty chemicals

Water Treatment, Detergents and Oil & Gas Chemicals

- Aquapharm chemicals- Among top 3 producers (Ex-China # 2) of phosphonates globally - India's largest phosphonate producer.
- Production capacity of 130KT. Manufacturing Plants in India, USA & Saudi Arabia
- 275+ Products. Phosphonates accounts for over 50% revenue share in the overall product portfolio
- Focus on new product development with successful launches across phosphonates, polymers & green chelates
- Key applications across home care, industrial water treatment, oil & gas, pharma, textile and pulp & paper industries

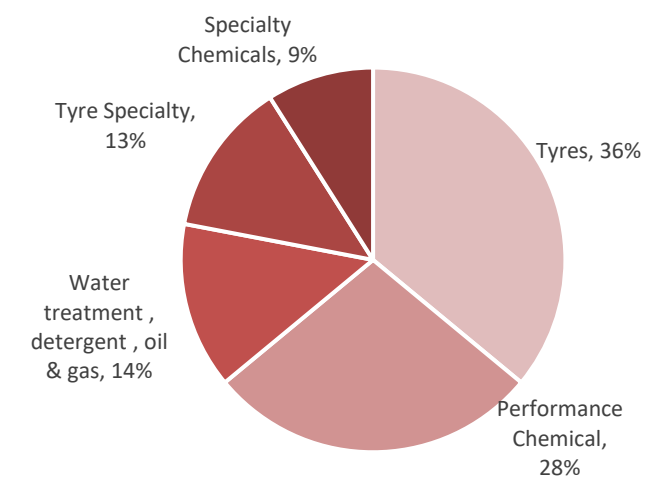
Battery Chemicals

- JV with Kindia to develop nano-silicon products for Li-Ion batteries- Nanovace Technologies Ltd (JV co.).
- PCBL holds 51% & Kindia 49% in Nanovace Technologies
- PCBL to infuse \$44mn in Nanovace in multiple stages over the next 2 yrs for acquiring IPs, setting up large pilot plant and commercial scale manufacturing facility

Product Applications

PCBL	Aquapharm	Nanovace
<ul style="list-style-type: none"> Tyres Performance Chemicals Specialty Chemicals 	<ul style="list-style-type: none"> Water treatment Detergents Oil & Gas Chemicals 	<ul style="list-style-type: none"> Nanosilica products for Lithium-ion batteries

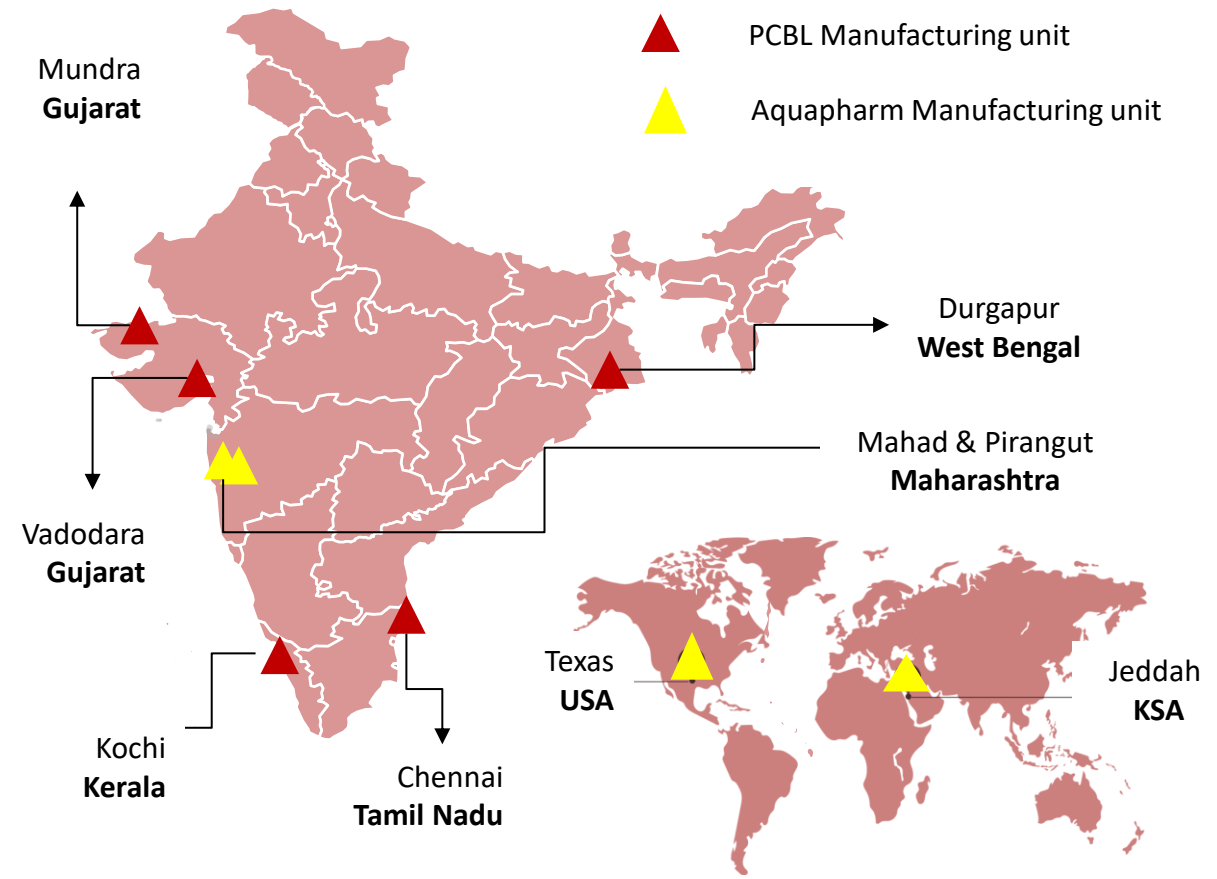
Sales Volume (H1FY25)



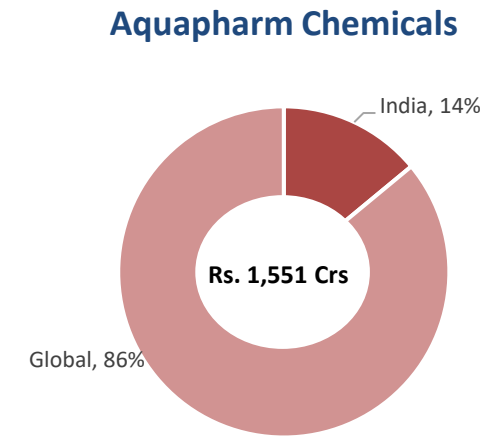
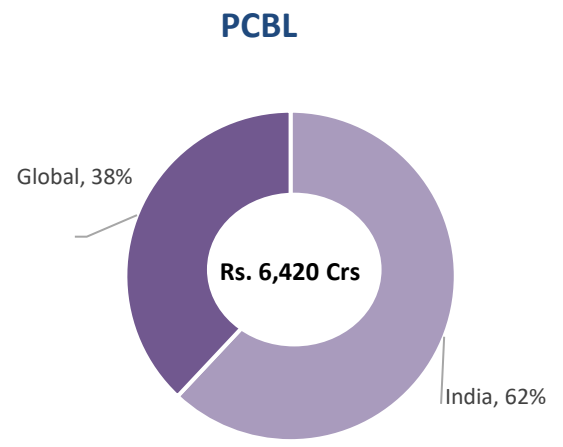
9 Manufacturing facilities	300+ Grades (Tyre, Performance, Specialty, water treatment)	140+ Grades of specialty Chemicals	60+ Countries	4 R&D and Innovation centre	300+ Customers of Specialty Chemicals across all applications	40+ Supply chain points
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Strategically located plants provides competitive advantage

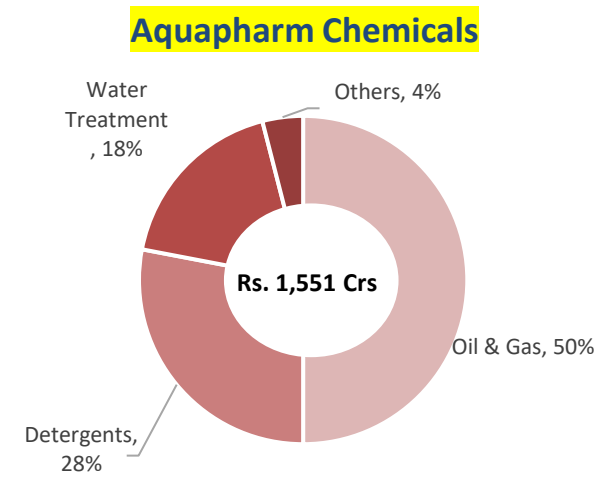
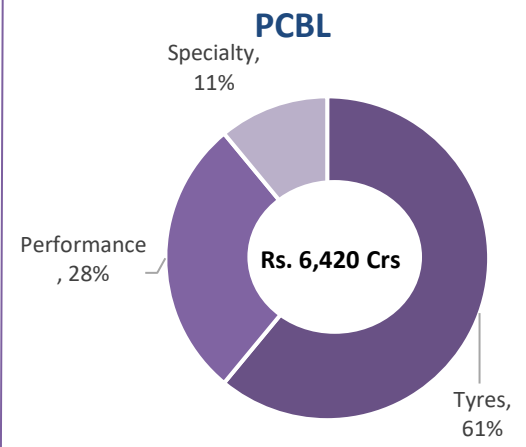
Manufacturing Presence



Revenue: Geography wise (FY23-24)

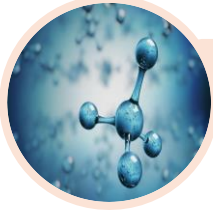


Revenue: Product Segment wise (FY23-24)



Nanovace - Powering the Future of Battery Innovation

This new venture has enhanced the brand of PCBL further as a global multi-specialty and material innovation company



About Nanovace

World's first, unique Technology Platform which enables conversion of widely available Silicon/ Graphite precursors to battery grade Nano Silicon/ Graphite, using a single stage, green (1/5th energy intensity) electro chemical process.

Nanovace's innovative, low-cost proprietary technology is set to **transform the battery industry**

In Mar'24, **Nanovace Technologies Limited** was incorporated. It will manufacture and sell products related to **nano-silicon technology or any other battery technology application** derived from the Transferred IP.



Overview

- PCBL & Kindia has entered into a JV agreement for developing Nano-Silicon products to be used in anodes of Li-Ion batteries
- **PCBL will hold 51% and Kindia will hold 49% in Nanovace**
- Cash consideration of USD 44 mn in stages (subject to completion of certain milestones) in the JV Company for setting up a manufacturing facility for such products
- Ownership of 2 IP transferred to JV company to be licensed by Kindia

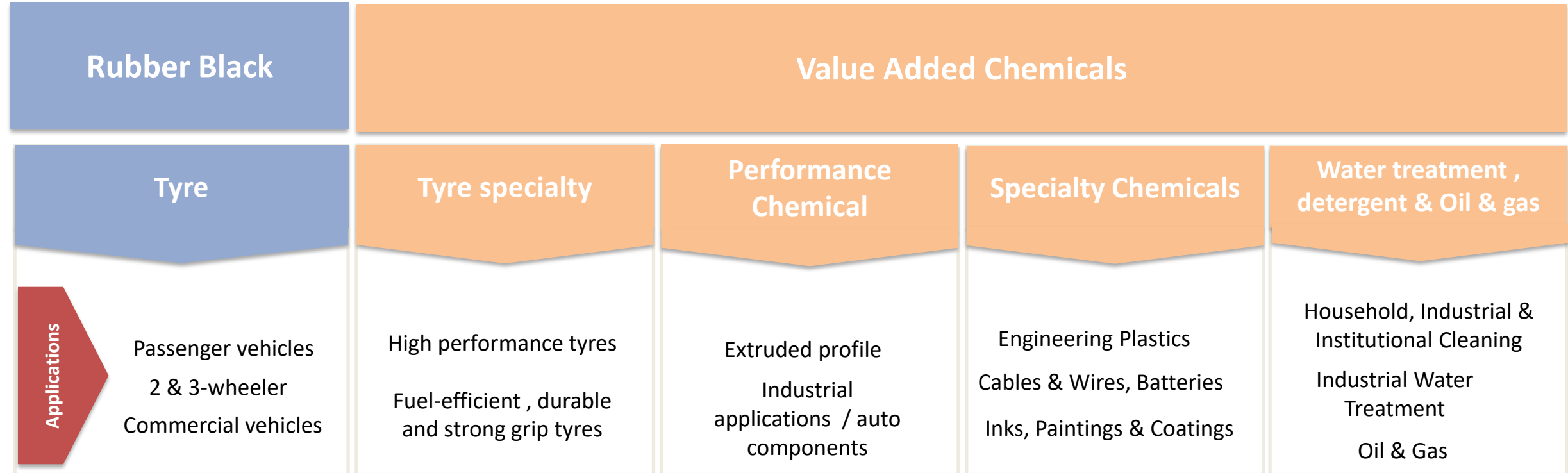


Project Plans & Highlights

Vision: Plan in progress to set up a pilot plant to produce larger **quantities battery/EV manufacturers for commercialisation** followed by a **full-scale plant**. The business will be highly margin & earnings accretive after commercialization

Market Size: Global demand for LiB is expected to grow by about 27% annually to reach about 4700 GWh by 2030 from 700GWh in 2022

Synergies: Participate in **fast growing/profitable Li-ion battery global market with innovative technology** aiming at: Enhanced battery capacities, enabling higher milage to EV, Faster charging, Safer battery chemistries , Reduce carbon foot- print & Reduce cost per unit energy stored



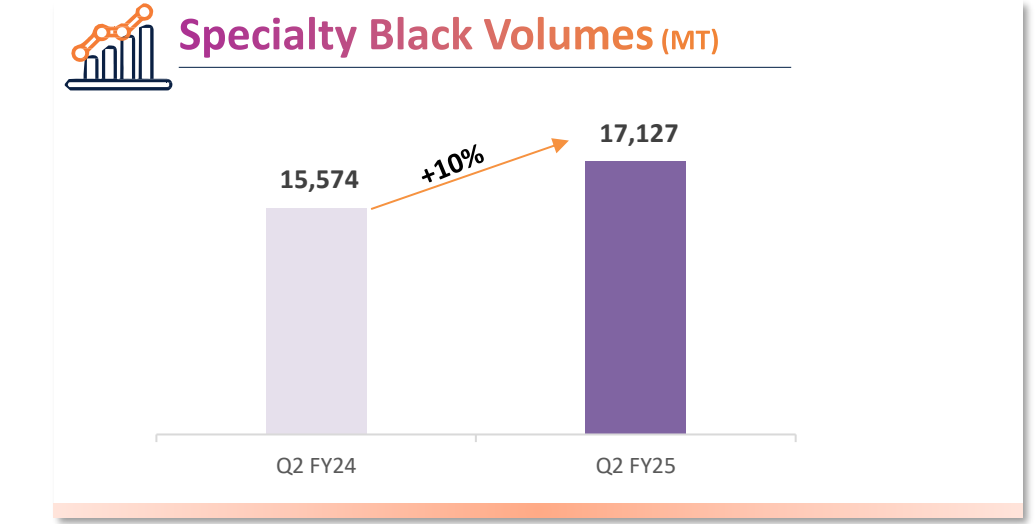
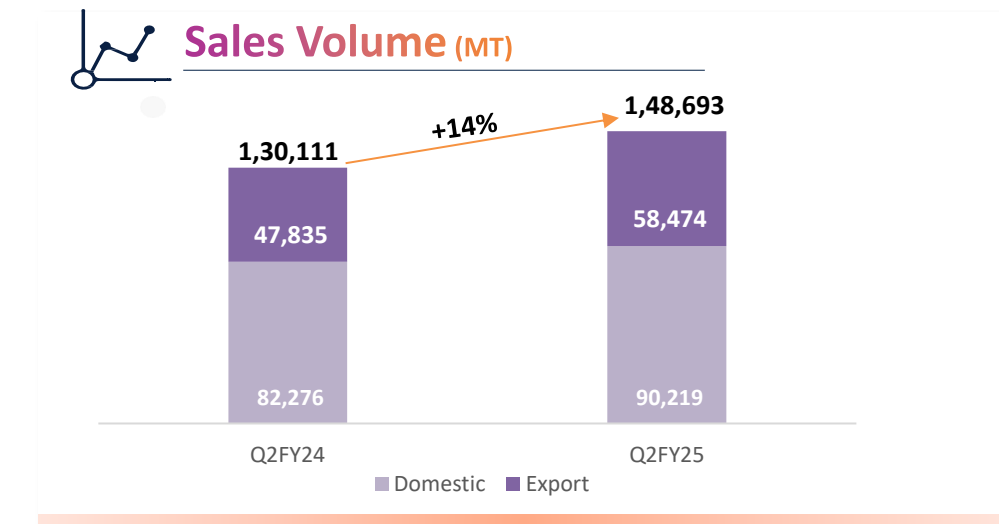
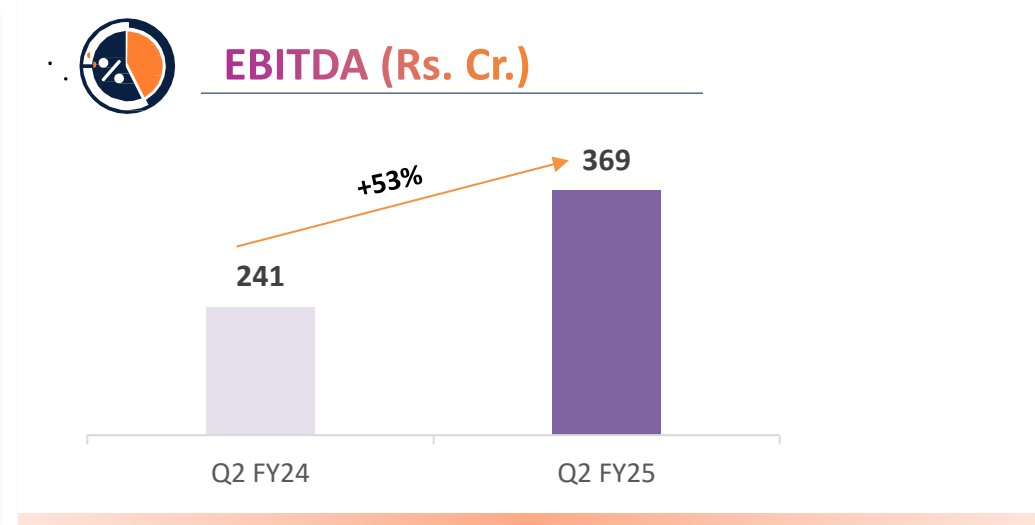
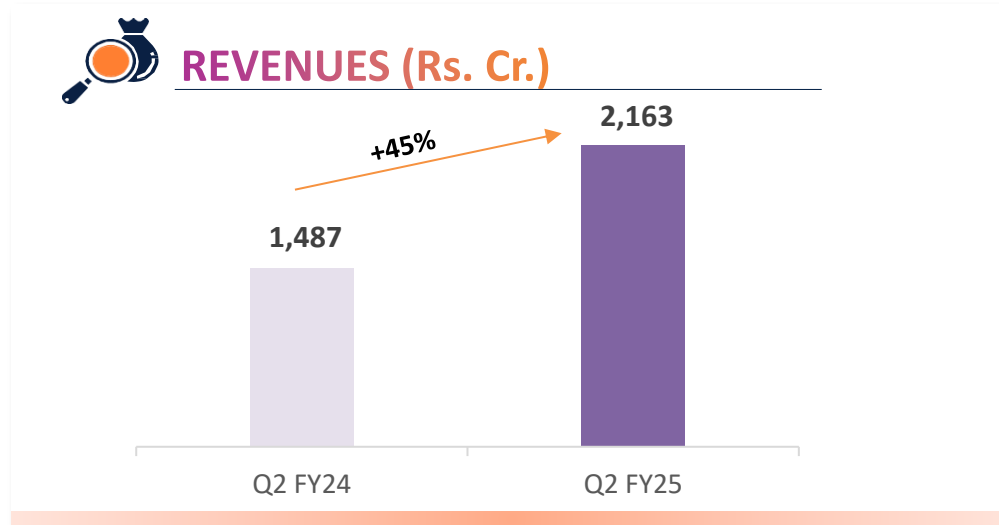
Growth Drivers

Growing automobile market , replacement demand , radialization , reduced carbon footprints	Growing economy , consumer demand , industrial growth across automative , electronics , construction , packaging , EV	Increase in hygiene awareness , urbanization , crude demand
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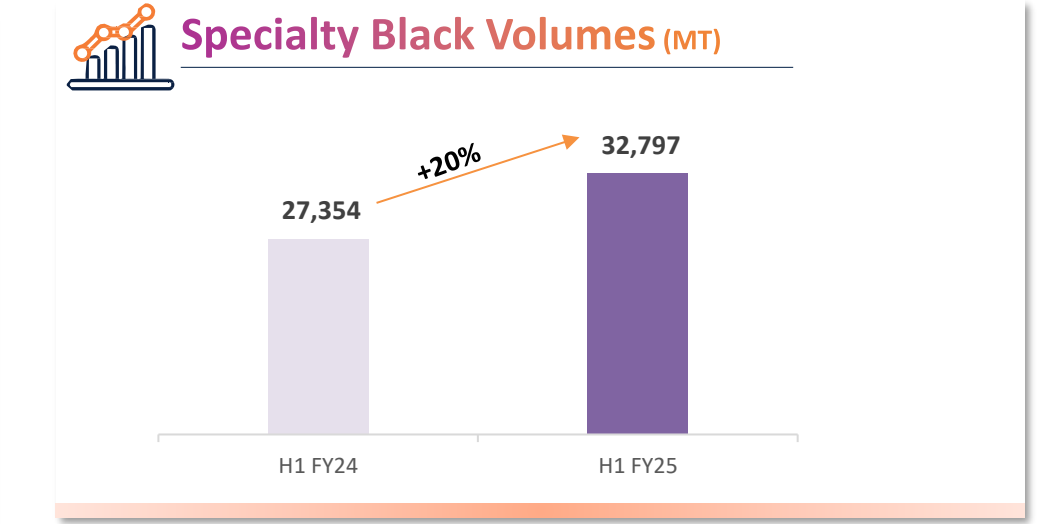
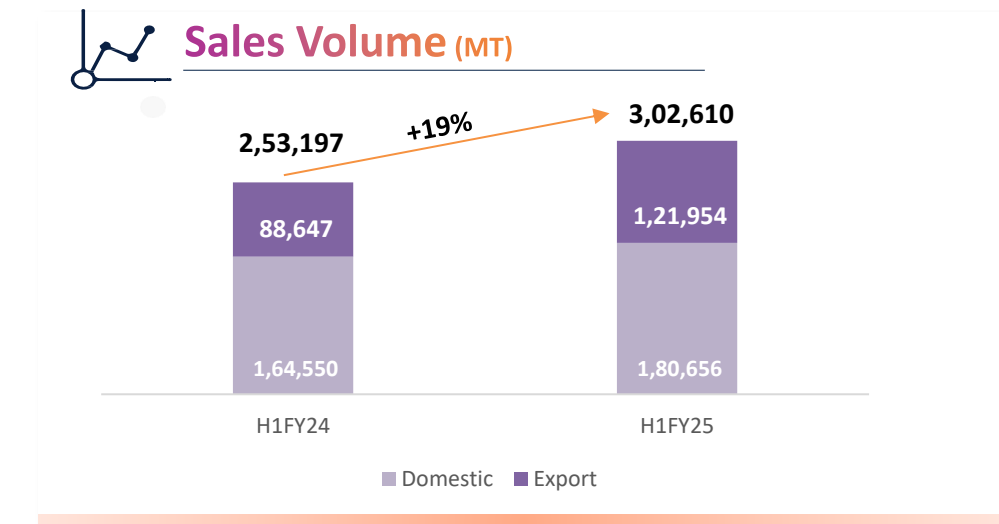
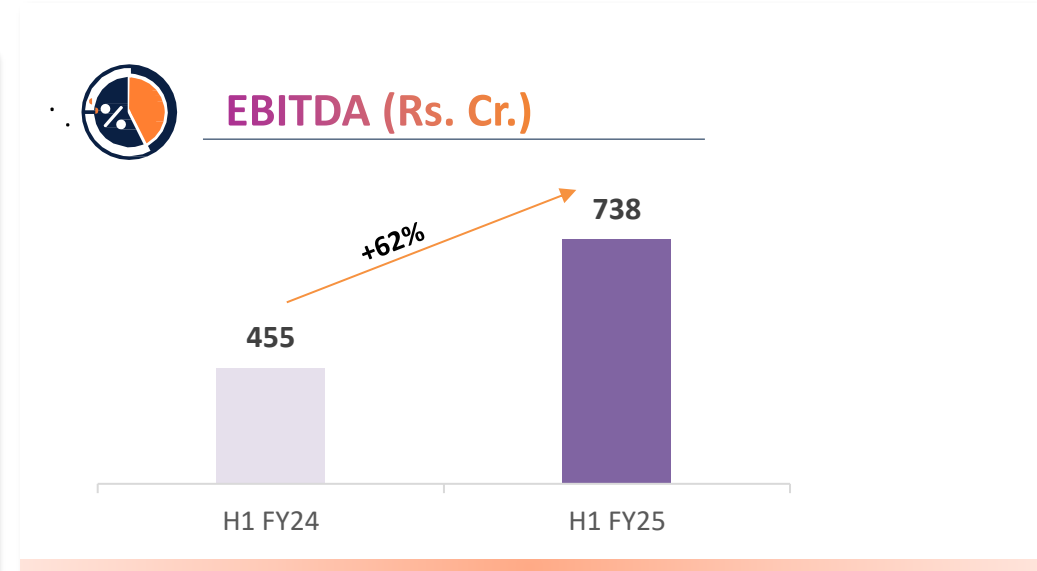
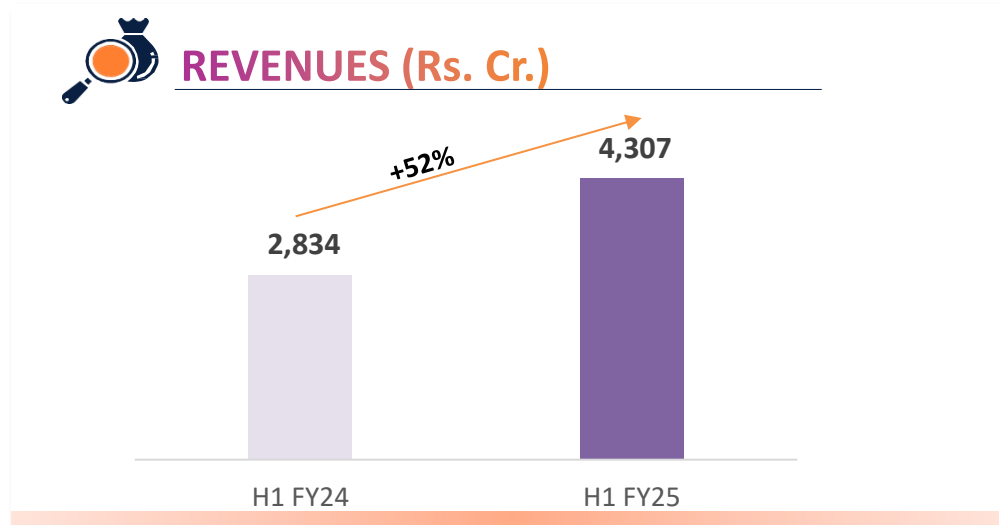


Presence in **60 countries** Across **6 continents**

Summary of Consolidated Performance for the Quarter ended Sept 30, 2024



Summary of Consolidated Performance for the Half Year ended Sept 30, 2024



Q2FY25 Key Highlights

Consolidated revenue from operations increased by 45% YoY to Rs. 2,163 Cr. while EBITDA increased by 53% YoY to Rs. 369 Cr.

PBT stood at Rs. 164 crs in Q2FY25.

PCBL reported a 14% YoY growth in sales volume to 1,48,693 MT in Q2FY25 as compared to 1,30,111 MT during Q2FY24.

Specialty Black sales volume jumped 10% to 17,127 MT in Q2FY25 as against 15,574 MT in Q2FY24.

The sales mix between Domestic and International stood at 90,219 MT and 58,474 MT during the quarter.

Export sales volume registered a strong YoY growth of 22% in Q2FY25.

Consolidated EBITDA/MT for Carbon Black for Q2FY25 stood at Rs. 21,324/-

During the quarter, PCBL(TN) achieved a sales volume of 25,982 MT.

PCBL(TN) facility is operating above 80% utilization during the quarter.

Green Power Generation increased 25% YoY to 209 MU during Q2FY25 with external sales volume of 126 MU.

Current green power generation capacity stands at 122 MW.

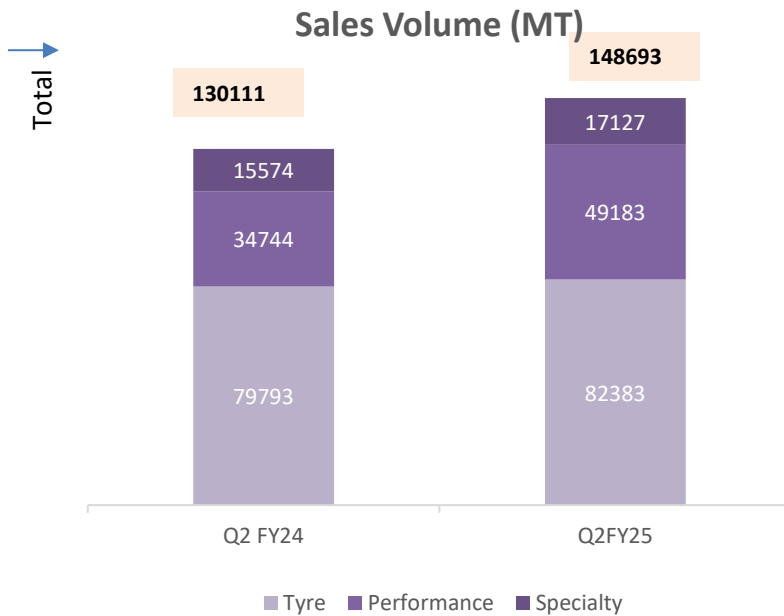
In Q2FY25, Aquapharm Chemicals reported revenue of Rs. 362 Cr with EBITDA of Rs. 50 Cr.

Capacity utilization in Aquapharm is at 75%. Sales volume stood at 24,510 MT during the quarter.

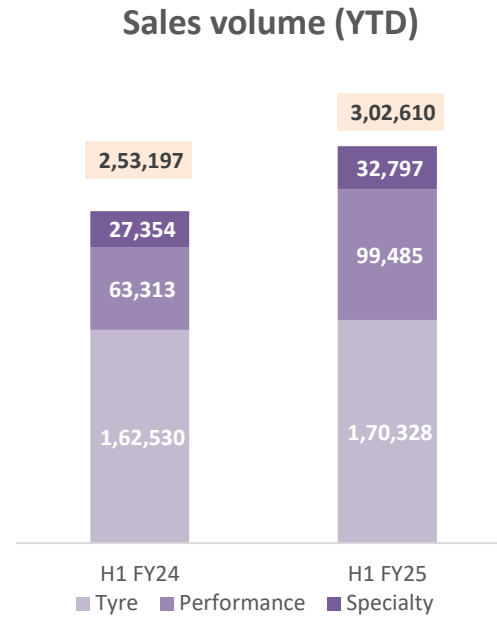
Executed the JV agreement with Kindia Pty Ltd. to form Nanovace Technologies Ltd. for developing nano-silicon products to be used in anodes of Li-Ion batteries.

Setting up of a pilot plant which will be followed by a full scale plant.

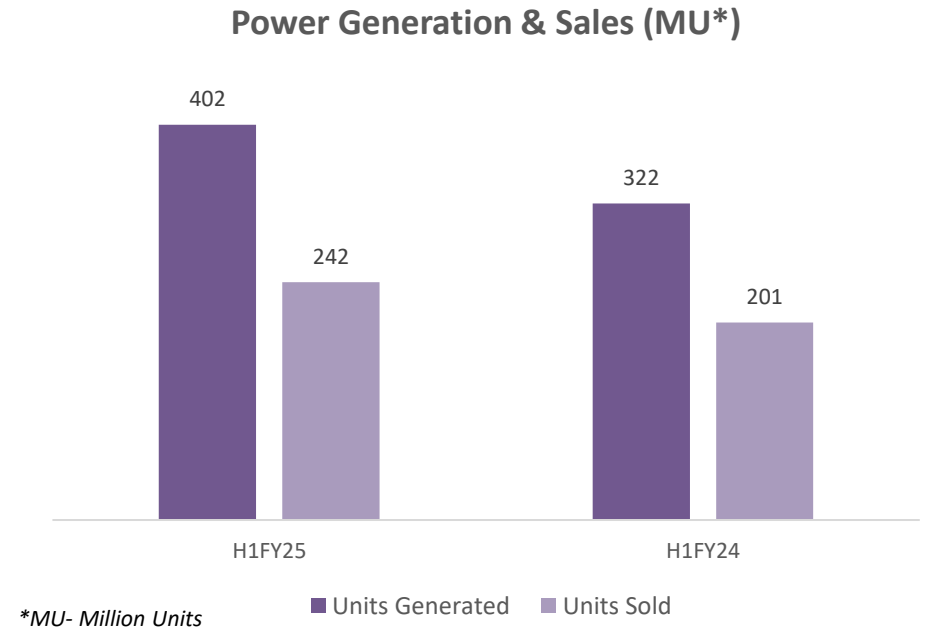
Operational Performance – Carbon Black



Quarterly Sales volume increased by 14% YoY backed by strong growth in export volumes



Q2FY25 Specialty Blacks sales volume increased by over 10% YoY to 17,127 MT



Q2FY25 Green Power generation increased by 25%

Net realization from Power sales was 3.56/kWh during the quarter

Capacity Expansion

Rubber & Specialty Black



Plan to reach capacity of 1 million MTPA within next two years.

Multiple sites under evaluation



Water Cleaning, Detergents and Oil & Gas chemicals segment

Capacity expansion at Aquapharm chemicals by 38,000 MTPA in India (March - 25)



Brownfield Expansion planned in Texas.

Planned increase of specialty phosphonate products for Oil & Gas Industry



Brownfield Expansion planned in Jeddah.

Local production to cater to key accounts demand in Saudi

Expansion of product line to serve the Middle East and North Africa region



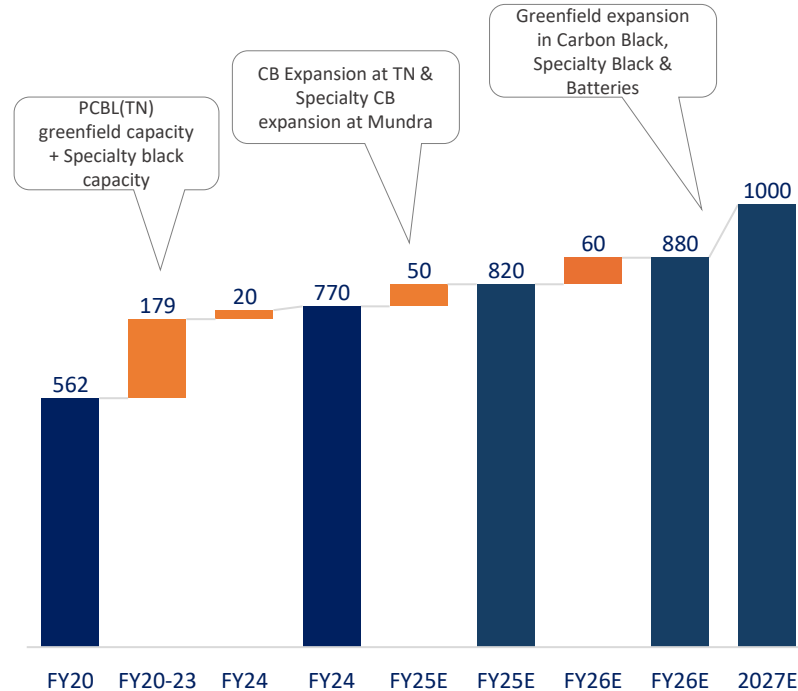
Specialty Blacks expansion of 20,000 MTPA at Mundra would be commissioned by Q3FY25

This would increase the Specialty Blacks capacity to **1,12,000 MTPA in FY25.**



Brownfield expansion of TN facility by 90,000 MTPA Carbon Black and 12 MW Green Power . First phase of 30,000 MTPA to be commissioned by Q3FY25 and 2nd phase of 60,000 MTPA by H1FY26

This would take total Carbon Black capacity to 8,80,000 MTPA and Green Power capacity to 134 MW next year.



Future Outlook

PCBL plans to reach capacity of 1 million MTPA within next two years.

Currently evaluating new sites for proposed greenfield capacity.

The Indian tyre industry is witnessing strong growth driven by a growing vehicle population and resultant after-market demand.

Global freight cost remains elevated due to the Red Sea shipping situation. The company has been able to pass on the higher cost to customers.

Specialty Blacks expansion of 20,000 MTPA at Mundra would be commissioned by Q3FY25.

This would increase the Specialty Blacks capacity to 1,12,000 MTPA in FY25.

Long-term prospects of the specialty segment also look very positive, and PCBL expects the business potential to sustain the growth momentum.

Aquapharm Chemicals is implementing a capacity expansion project of 38,000 MTPA by Mar 2025.

Brownfield capacity expansion of PCBL(TN) facility by 90,000 MTPA Carbon Black and 12 MW Green Power is being expedited. First phase of 30,000 MTPA to be commissioned by Q3FY25 and 2nd phase of 60,000 MTPA by H1FY26

This would take total Carbon Black capacity to 8,80,000 MTPA and Green Power capacity to 134 MW next year.

PCBL is expecting significant growth in international sales volume to European markets.

With planned capacity addition in TN facility, PCBL plans to ramp up global sales volume from FY26.

JV with Kindia (Nanovace Technologies Ltd.) has started work on large pilot plant in India which will develop Nano-Silicon additives to be used in anodes of Li-Ion batteries.

Consolidated Financial Performance

Income Statement (In ₹ Crs)	Q2 FY25	Q1 FY25	Q2FY24	H1 FY 2025	H1 FY 2024
Revenue from Operations	2,163	2,144	1,487	4,307	2,834
Other Income	6	10	3	17	7
Revenue from operations	2,169	2,154	1,489	4,423	2,841
YoY Growth %	45%	-	-	56%	-
Cost of Materials (including change in inventory)	1,499	1,449	1,048	2,949	1,984
Employee Benefit Expense	98	100	56	199	108
Other Operating Expense	203	236	144	439	294
EBITDA	369	369	241	738	455
EBITDA %	17%	17%	16%	17%	16%
Finance Cost	119	121	21	240	40
Depreciation and amortization expense	86	84	48	171	89
Profit Before Taxes	164	164	172	327	326
Taxes	41	46	49	86	94
Profit After Tax	123	118	123	241	232
Diluted EPS (₹ /Share)	3.3	3.1	3.3	6.4	6.1

Consolidated Balance Sheet and Cash Flow Statement

Balance Sheet (In ₹ Crs)	30-Sep-24	31-Mar-24
Equity And Liabilities		
Equity Share Capital	38	38
Other Equity	3,784	3,213
Borrowings (Current & Non Current)	4,750	4,820
Deferred tax liabilities (Net)	871	871
Other Non - Current Liabilities	185	187
Trade Payables	1,713	1,802
Other Current liabilities	403	365
Total	11,744	11,295
Assets		
Fixed Assets (includes Right-of-use assets)	7,579	7,325
Investments (Current & Non Current)	672	433
Other Non Current Assets	132	135
Cash and Cash Equivalents	257	385
Inventories	981	999
Trade Receivables	1,775	1,710
Other Current Assets	348	308
Total	11,744	11,295

Cash Flow Statement (In ₹ Crs)	30-Sep-24	31-Mar-24
Cash Flow from Operating Activities		
Profit Before Tax	327	676
Adjustment: Non-Cash and Other Income / (Expense)	399	353
Operating Cash before Working Capital	726	1,029
Add/Less: Working Capital Changes	(206)	292
Less: Income Taxes Paid	(86)	(216)
Net cash generated from Operating Activities (A)	434	1,105
Cash Flow from Investing Activities		
Capital Expenditure, net	(420)	(533)
Proceeds from Current Investments	7.7	14
Payment towards acquisition of subsidiary	-	(3,708)
Other Investment Activities	(0.8)	12.4
Net cash generated from / (used in) Investing Activities (B)	(413)	(4,214)
Cash Flow from Financing Activities		
Net Increase in Borrowings	(73)	3,803
Proceeds from issue of share warrants	112	-
Proceeds from issue of equity shares and Compulsory Convertible Debenture (CCDs) to Non-Controlling Interest	4	-
Dividend Paid	-	(208)
Net Interest Paid	(172)	(165)
Payment of Lease Liabilities	(22)	(49)
Net cash generated from / (used in) Financing Activities (C)	(151)	3,381
Net (decrease) / increase in Cash and Cash Equivalents	(130)	272
Opening Cash and Cash Equivalents	312	40
Closing Cash and Cash Equivalents	183	312

Cautionary Statement

Statement in this “ Investor Update” describing the Company’s objectives, projections, estimates, expectations or predictions may be “ forward looking statements” within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include demand supply conditions, finished goods prices, availability and prices of raw materials, changes in the government regulations, tax regimes, economic development within India and the countries within which the Company conducts business and other factors such as litigations and labour negotiations

Thank You

Company Details:

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