



Shree Pushkar Chemicals & Fertilisers Ltd

Investor Presentation

Q3 & 9M FY17

February 2017



Safe Harbor



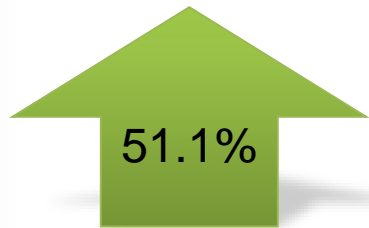
This presentation and the accompanying slides (the “Presentation”), which have been prepared by Shree Pushkar Chemicals & Fertilisers Limited Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.



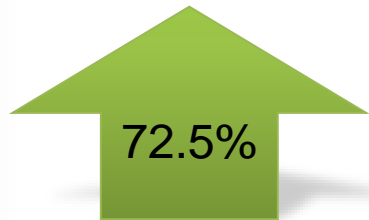
Q3FY17 Highlights



Total Revenue
Rs 76.48 Crs

Consistently Improving Performance

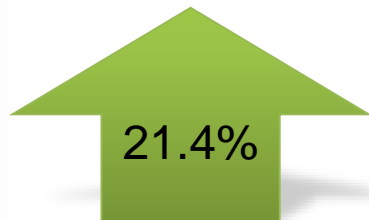
- Dyestuff contribution of 10% in revenue
- Robust revenue growth in Dye Intermediates



EBIDTA
Rs 12.84 Crs
(Margin 16.8%)

Better operating leverage

- Improved Product Mix



PAT
Rs 7.23 Crs
(Margin 9.5%)

Performance in Line

- Lower Tax provisioning in base quarter due to capitalization of Dyestuff Plant

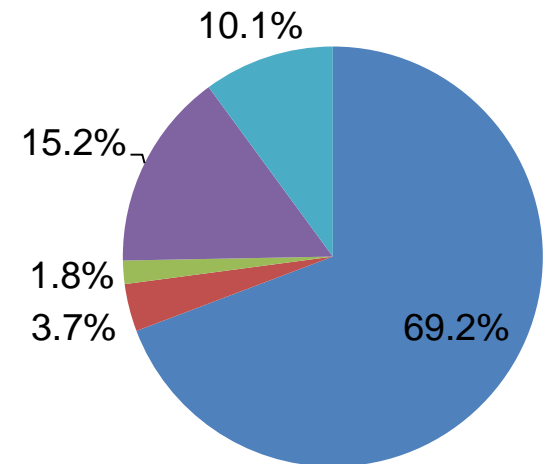
Strong Dyestuff performance continues



9M FY17 Segmental Highlights

- Steady increase in contribution from Dyestuff segment to our revenues
- Acid Complex Division had higher captive utilization

Revenue Break up 9MFY17



■ Dye Intermediates ■ Acid Complex
■ Cattle Feed ■ Fertiliser
■ Dyestuff

Dye Intermediates

↑ 18% Volume growth
↑ 38% Revenue growth

Acid Complex

↓ 35% Revenue de-growth

Cattle Feed

↓ -10% Volume de-growth
↓ -7% Revenue de-growth

Fertiliser

↑ 40% Volume growth
↑ 24% Revenue growth

*Volumes represent production volumes

Financial Highlights



Particulars (Rs. In Crs)	Q3FY17	Q3FY16	Y-o-Y	Q2FY17	Q-o-Q	9MFY17	9MFY16	Y-o-Y
Net Sales	75.65	49.61		80.37		219.27	170.02	
Other Income	0.83	1.00		0.78		2.78	1.94	
Total Revenue from Operations	76.48	50.61	51.1%	81.15	-5.8%	222.05	171.96	29.1%
Cost of Material Consumed	50.38	34.08		52.22		146.18	118.87	
Employee Expenses	3.44	2.67		3.60		9.82	7.64	
Other Expenses	9.81	6.42		9.45		26.38	20.31	
EBITDA	12.84	7.44	72.5%	15.88	-19.1%	39.67	25.13	57.9%
EBITDA (%)	16.8%	14.7%		19.6%		17.9%	14.6%	
Depreciation	1.37	0.85		1.28		3.85	2.64	
EBIT	11.48	6.59	74.2%	14.60	-21.4%	35.83	22.49	59.3%
EBIT (%)	15.0%	13.0%		18.0%		16.1%	13.1%	
Finance Cost	0.40	0.63		0.74		1.38	1.43	
Profit before Tax	11.07	5.96		13.86		34.45	21.07	
Tax	3.84	0.00		4.81		12.14	4.48	
Profit after Tax	7.23	5.96	21.4%	9.05	-20.1%	22.31	16.58	34.5%
PAT %	9.5%	11.8%		11.1%		10.0%	9.6%	

Product launches pipeline



Description	Products	Current Capacity	New Capacity/Expansion	Status
Forward Integration	Reactive Dyes	3000 MTA (On stream in Jan 2016)	3000 MTA	Marginal Capex of ~Rs 5Cr expected by Q4FY17
Captive Consumption in Dyes Plant	H – Acid	2,400 MTA	750 MTA	Expected by Q4FY17
	Vinyl Sulphone	2,700 MTA	1000 MTA	Commissioned in May 2016
Expanding Fertiliser portfolio	NPK (Nitrogen, Phosphorus and Potassium)	20,000 MTA	-	Commissioned in Feb 2016
	Sulphate of Potash (SOP)	10,000 MTA	-	Commissioned in August 2016
To use effluents generated in SOP	Granular Calcium Chloride		6,500 MTA	Commissioned in September 2016

Funded through IPO



Our New Reactive Dyes Plant



Capacity of
3000 MTA

At Lote
Parshuram,
Maharashtra

New Quality
Control
Laboratory

Sales
commenced in
May 2016



Reactive Dyes... A Forward Integration

Reactive Dyes : a class of highly coloured organic substances, primarily used for dyeing textiles, for cellulosic fibers like cotton/flax & also wool that attach themselves to their substrates by a chemical reaction that forms a covalent bond between the molecule of dye and that of the fibre.



New Manufacturing Capacity

- New Manufacturing Division for manufacture of Reactive Dyes at Lote Parshuram, Maharashtra
 - Installed capacity of 3,000 MTA
 - The plant is a Zero effluent Discharge Plant
- To meet the captive requirement
 - 2 additional plants for Dye Intermediates
 - H-Acid , Capacity of 750 MTA expected to be commissioned by the end of FY17
 - **Additional Vinyl Sulphone, Capacity of 1000 MTA commissioned in May 16**

Reactive Dyes	In-house Inputs
Black	Vinyl Sulphone + H- Acid
Red	Gamma Acid + Vinyl Sulphone + H- Acid
Yellow	K- Acid + Meta Ureido Aniline + Vinyl Sulphone + H- Acid

One Stop Shop for Dyestuff Manufacturers catering to Textile Sector



Fertiliser - NPK

- NPK fertilizer is primarily composed of three main elements: Nitrogen (N), Phosphorus (P), and Potassium (K)
- Company has received a license for manufacture of Mixed Fertilizer NPK in the state of Maharashtra
- Sold under Marketing tie-up with DCM Shriram
- Launched under the brand 'Shriram Urja Mix' in the state of Maharashtra
- Commenced operations of NPK under its existing Fertiliser Division

NPK

***Capacity
20,000 MTA
launched
on February 2016***





Fertiliser - Sulphate Of Potash (SOP)

- As Fertiliser
 - SOP is a preferred form of potassium in saline or sodic soil conditions and where irrigation water may have high chloride levels
- Commercial Production at SOP plant commenced in the end of September 2016
 - Commissioned on 1st August, 2016
- Continuing Zero Waste status
 - Commissioned a Granular Calcium Chloride plant with capacity 6500 MTA. Commercial Production commenced in February 2017
 - Calcium Chloride is designed for snow removal and deicing operations
 - To utilize HCL generated in SOP

SOP

**Capacity
10,000 MTA**

**Commercial
Production started
in September, 2016**

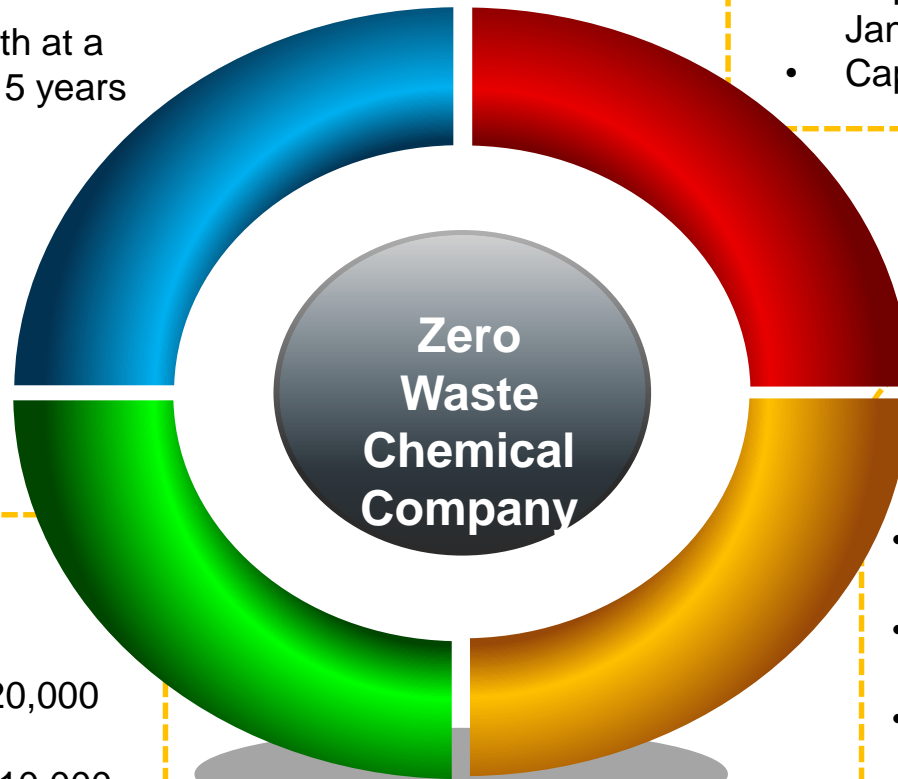




Future Growth Indicators

Maintaining steady growth in current business

Consolidated business growth at a CAGR of 19% over the past 5 years



Plant Commissioned

Reactive Dyes

- Capacity commissioned on 28th Jan 2016
- Capacity – 3,000 MTA

Plant Commissioned

Environmentally Conscious

- Set up a Calcium Chloride plant - 6,500 MTA
- Utilizing the HCl generated in the manufacture of SOP
- Commenced commercial production in February 2017

Plant Commissioned

Additional Fertiliser Products

- Mixed Fertilisers (NPK) – 20,000 MTA
- Sulfate Of Potash (SOP) – 10,000 MTA

“Continue the Zero Waste status”



Utilization of IPO Proceeds

Particulars (Rs Crs)	Objects of the issue as per prospectus	Total Spent/Utilisation upto December 31 th 2016	Amount Pending Utilisation
Acquisition of Existing Factory at B-97, Lote Parshuram	2.29	2.29	-
Construction of Godown at unit II	2.38	2.38	-
Amount Spent for setting up the facilities at B-97, Lote Parshuram for Dyes & Allied Products	41.59	40.70	0.89
Setting Up the ETP at Existing Unit I	4.88	3.39	1.49
Preliminary & Pre-operative expenses / Issue Expenses	7.00	5.51	1.49
General Corporate	4.00	1.68	2.32
Total	62.14	55.95	6.19

All the unspent Amount are kept with Bank in Fixed Deposit Accounts



The chemistry
Behind colours...

Business Details





The Chemistry Behind Colours



India's largest manufacturer of **K Acid**

Established in **1993** as a Chemical Trading company

Single location plant at Lote Parshuram

Products across Dyes, Dye Intermediates, Acid Complex, Cattle Feed Supplement & Fertilizers

Marketing through **+300 dealers** across Maharashtra, Gujarat and Karnataka

Exports to world's leading dye manufacturers such as Archroma and Bezema

Moving up the product value chain with manufacturing of Dyes

2 Key **Marketing tie – up's** for Cattle Feed & Soil Conditioner



Key Milestones



Single Location Plants in Lote Parshuram, Maharashtra



Unit 1 – Dye Intermediates



Unit 2– Granulation Plant



**New Reactive Dyes Plant
Unit 3**



Sulphuric Acid Plant



**New Quality Testing Lab for
Dyes**



Only manufacturing unit with a basket of Dye-intermediates
“One Stop Shop for Dye Manufacturers”



Key Management



Punit Makharia

Chairman & Managing Director
A first generation entrepreneur, he holds a Bachelors in Commerce with a rich business experience of over 2 decades in dealing with chemical and dyes intermediates



Gautam Makharia

Managing Director
With and BE in Electronics and an MBA(Finance), his experience spans across GE, P & G, Barclays, BARC



Ratan Jha

CFO
CA with experience in accountancy and taxation



Dilip Shah

GM – Export Import
Has 27 years of experience in the field of Import and Export



R Purohit

GM Marketing–Fertilizer
20+ years of experience in strategic planning, marketing/ business development



S N Sengupta

Associate Director
A chemical engineer with experience of 33 years in project financing and techno economic feasibility studies of industrial projects



Rajkumar Sahani

VP - Projects
A chemical Engineer with over 42 years of experience in setting up various chemical plants and has worked with R.C. Fertilisers Private Limited



Mahendra Kavadia

GM of Unit I
Over 28 years of experience in the field of dyes, chemicals and fertilisers



R M Tiwari

GM of Unit II
29 years of experience in manufacturing of fertilizers



Dolekar

GM of Unit III
With an B. Tech in Dyes & Pigments, he has over 20+ years of experience in the manufacture of Dyes



Satish Chavan

Company Secretary
With experience of over 2 years he is a CS with BCom and Bachelors in Law qualifications

Business Overview

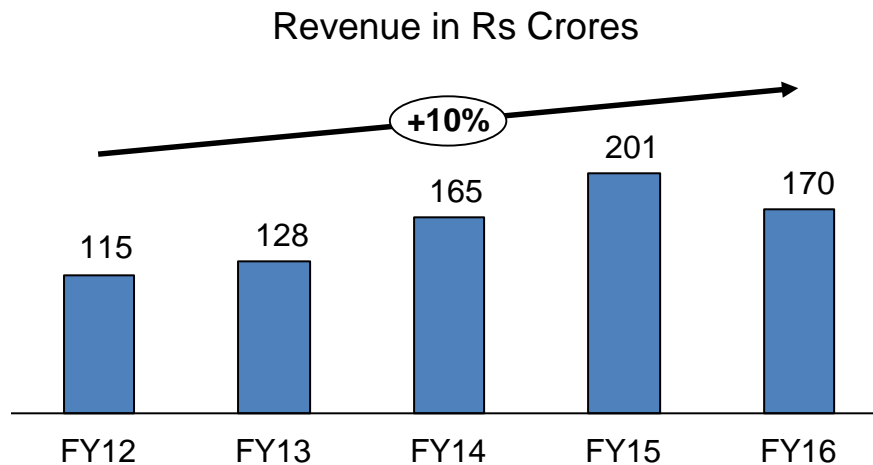


% of 9MFY17 Revenue	Business Verticals	Details	Products	Industries
69%	Dye Intermediates	Products manufactured from organic chemicals and are further processed to obtain dyestuff	Gamma Acid, K- Acid, R-Salt, Vinyl Sulphone, Meta Ureido Aniline and H- Acid	Manufacturers of Synthetic Dyes
4%	Acid Complex	Active sulphonating agents	Sulphuric Acid, Oleum and Chloro Sulphonic Acid (CSA)	An acid reagent typically used for Sulphonation reaction
2%	Cattle Feed Supplement	Mainly used as a dietary supplement in animal feed products	Di- Calcium Phosphate (DCP)	Used by Cattle & Poultry Feed manufacturers
15%	Fertilisers	Phosphatic fertiliser & a fertiliser used to the improve the soils quality and for improving / Building soil	Single Super Phosphate (SSP) Soil Conditioner, Nitrogen Phosphorus Potassium (NPK), Sulphate Of Potash (SOP)	Agriculture
10%	Dyestuff	Commenced commercial production in May 2016	Reactive Black, Reactive Red, Reactive Yellow	Used for Dying of Textile / Yarns commonly cellulosic material

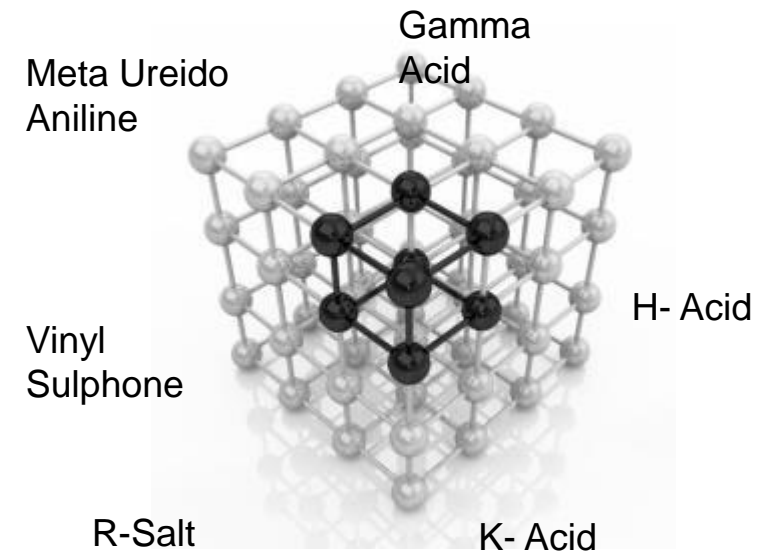


Dye Intermediates

- One of the few manufactures of wide range of dye intermediates in India with zero waste
- State of art integrated manufacturing facilities located at Lote Parshuram, Maharashtra
- Total Capacity of 8,236 MTA
- Amongst India`s large manufacturers of K-Acid
- End Use in manufacturing of Dyes for Textile Industry



Product offerings for Dyestuff Manufacturers



One Stop Shop for Dyestuff Manufacturers



Dye Intermediates

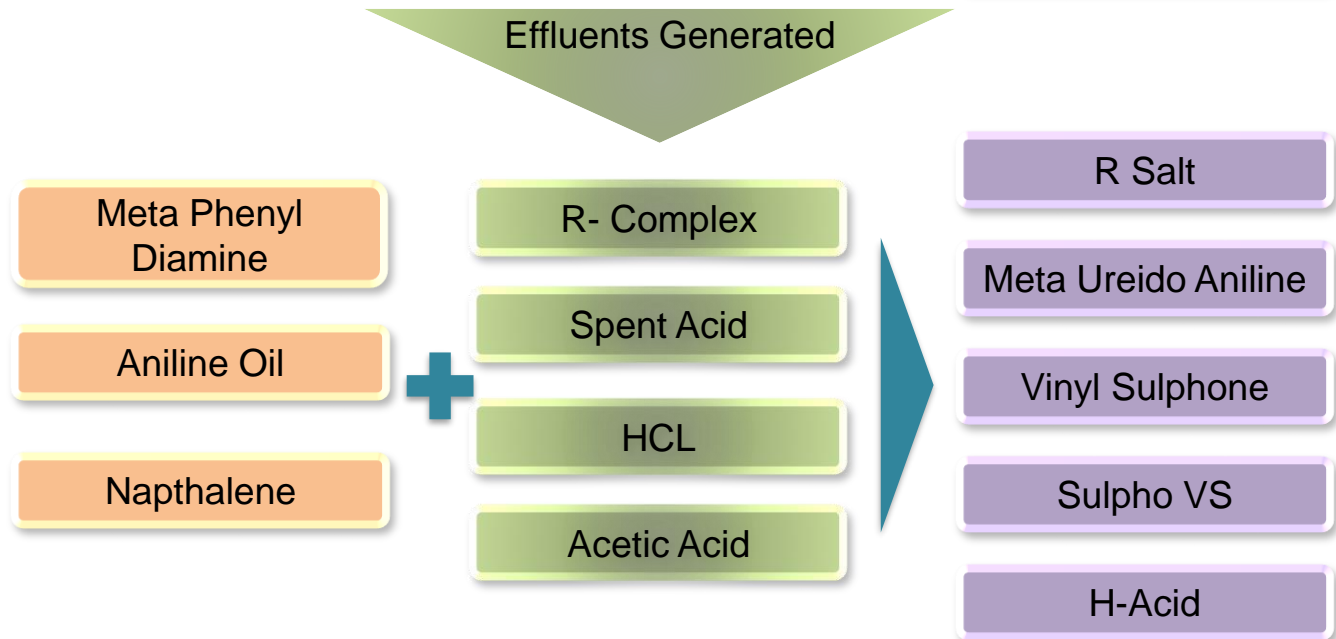
2001 – 2006

- Production of Gamma Acid and K – Acid
- Lower cost efficiencies due to Effluents generated



2006 – till date

- Creating a **Waste to Wealth** manufacturing model with smart use of Effluents to create new products
- Now offer a basket of Dye Intermediates with best cost efficiency
- Current Product basket cater to ~80% of dye stuff industry



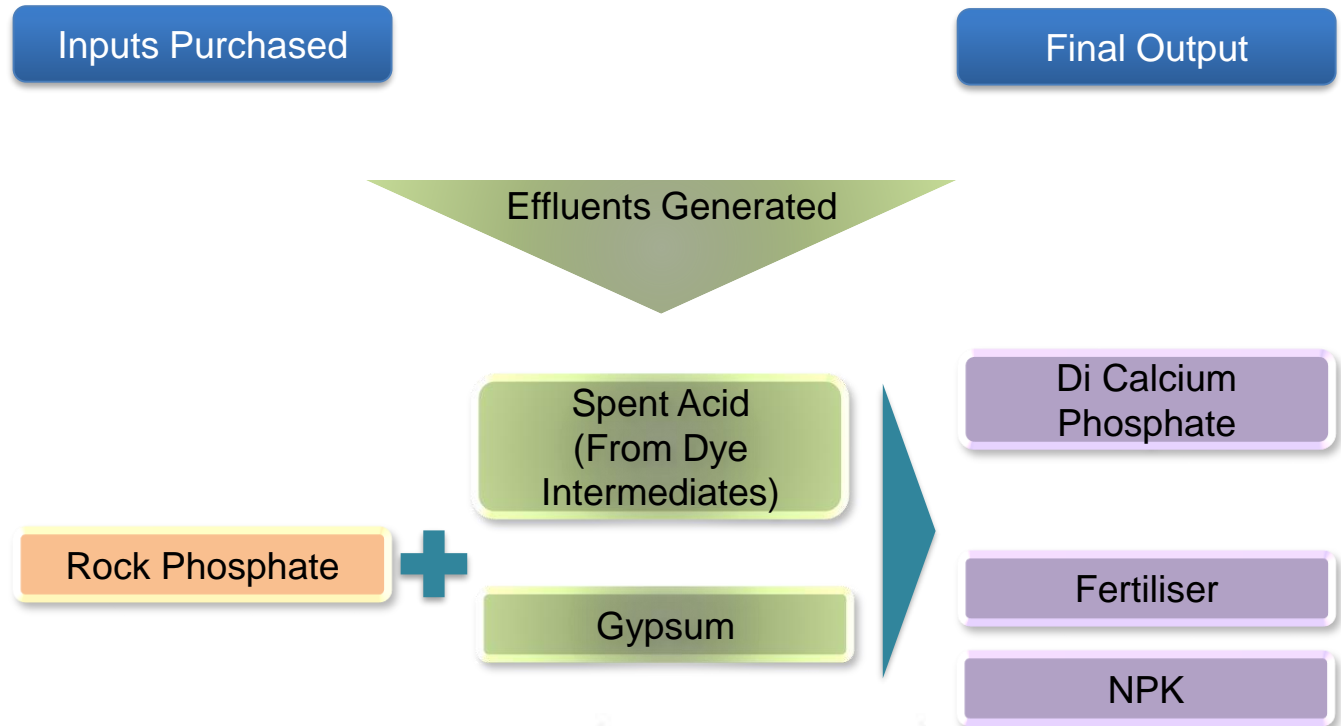
Increased product basket from 2 to 7



Evolution Towards Cattle Feed and Fertiliser

2007 – till date

- Exclusive marketing arrangement with Shriram Chemical & Fertilizers for Single Super Phosphate in Maharashtra and Karnataka
- Tie-up with Shivam Chemicals for marketing of Di-Calcium Phosphate in Karnataka
- Launched its own soil conditioner brand 'Dharti Ratna' in Western Maharashtra





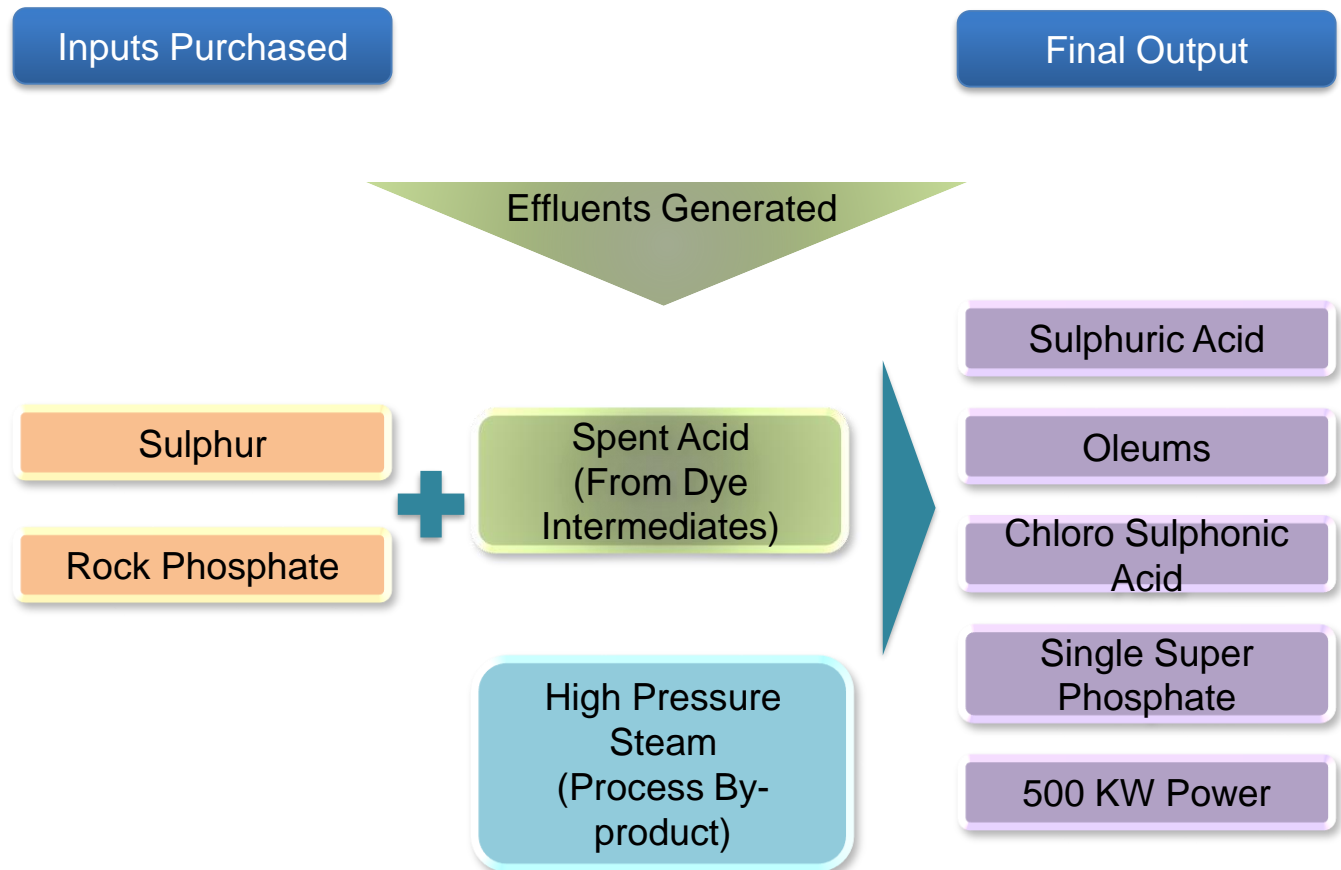
Evolution Towards Acid Complex and Power

2009 – till date

- Sulphuric acid is a major raw material in solphonation in all chemical industry and phosphoric acid industry
- Capacity of 40,000 MTA
- Excess Spent Acid from Dye Intermediates division used for

High Pressure steam

- Used to generate 500 KW Power at zero direct cost for Captive Consumption
- Rest converted to low pressure steam for internal consumption



Client Profile



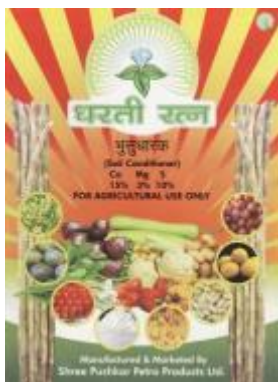
Domestic Clients



International Clients



Own Brand



- **Exclusive marketing arrangement** with DCM Shriram Chemical & Fertilizers for Single Super Phosphate in **Maharashtra and Karnataka**
- Tie-up with Shivam Chemicals for marketing of **Di-Calcium Phosphate in Karnataka**
- Launched its own soil conditioner brand '**Dharti Ratna**' in **Western Maharashtra**



Key Strengths

01 Zero Waste
Recycle of Effluents to generate new products

02 Internal Power Generation
Use of High Pressure Steam generated from Acid Plant for Power Generation and Internal Consumption

03 Cost Efficiencies
Led by Backward Integration of Raw Material manufacturing

04 Own logistics Fleet
For smooth transportation of raw material and products to Clients

05 Low Financial Leverage
A Zero Debt Company with Debt to Equity nearly NIL

06 Single Location Plant
All Facilities within MIDC, Lote Parshuram, Maharashtra





The chemistry
Behind colours...

Financials



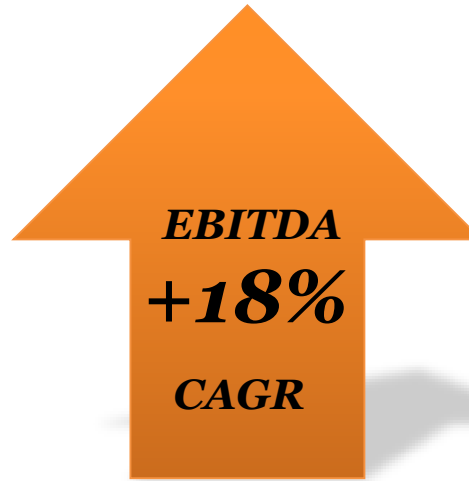


Strong Financial Performance

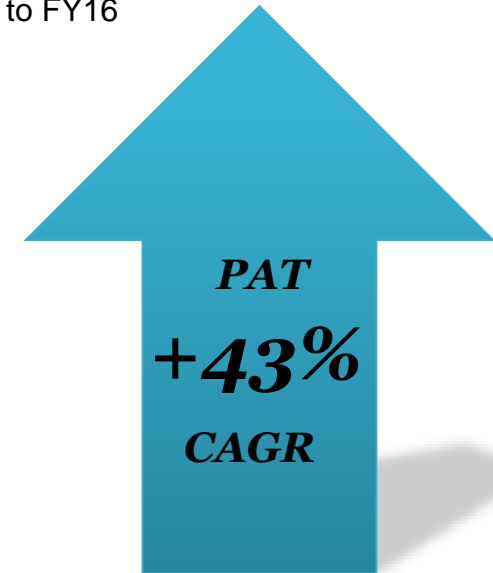
CAGR from FY12 to FY16



Improved
Product Mix



Margins up
from 12% to 14%



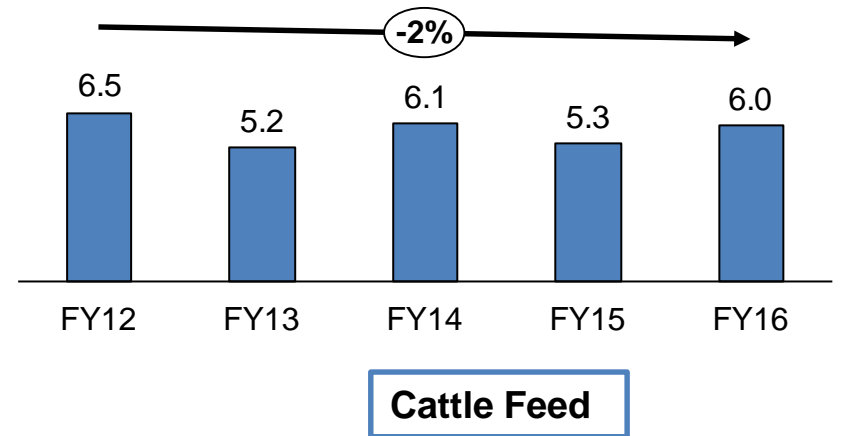
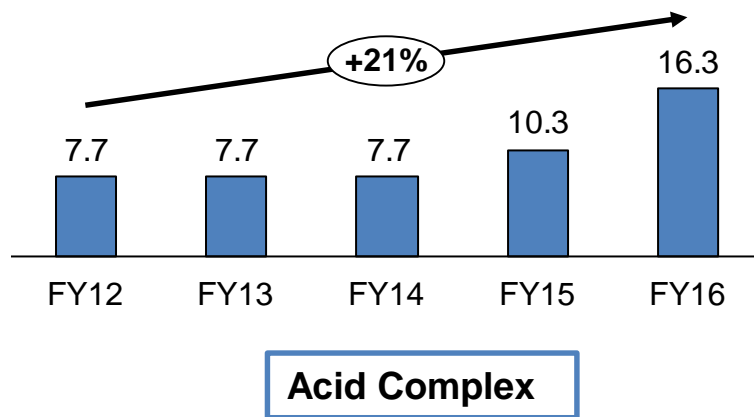
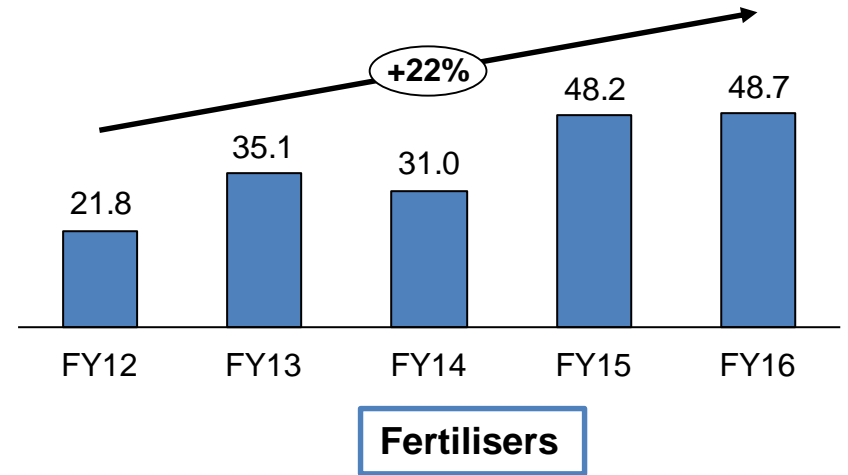
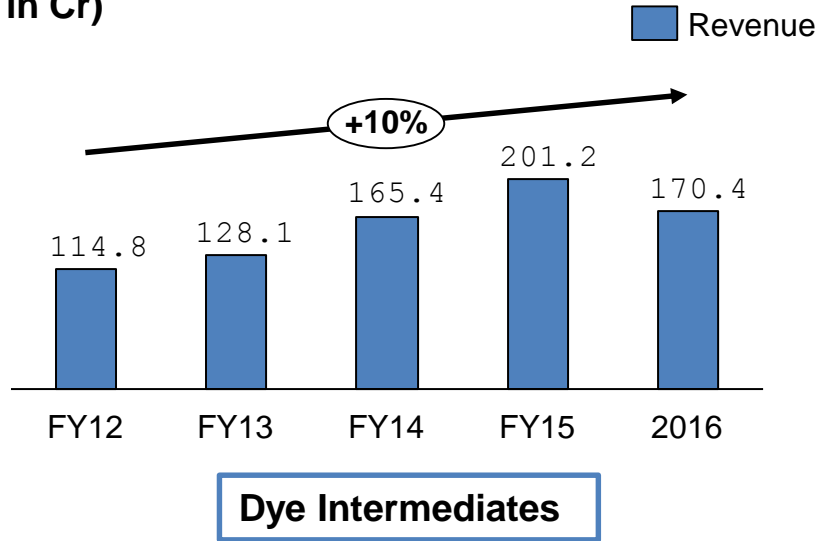
Margins up
from 4% to 9%

Along with a strong Balance Sheet



Segmental Performance

(Rs in Cr)

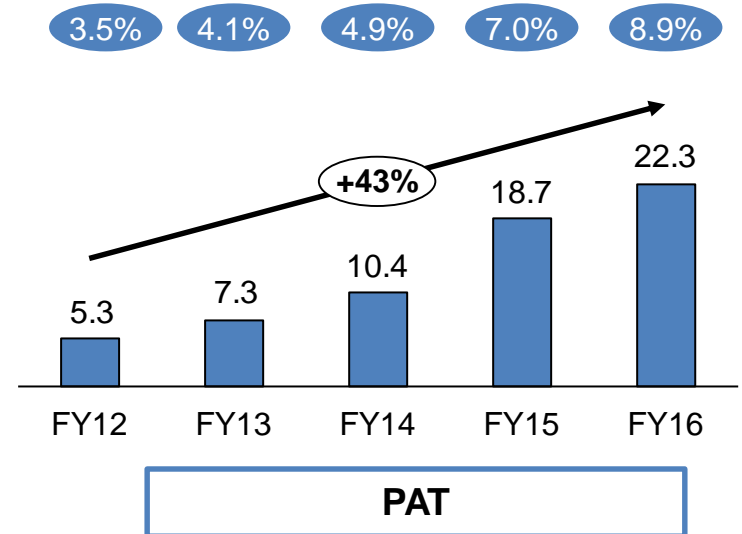
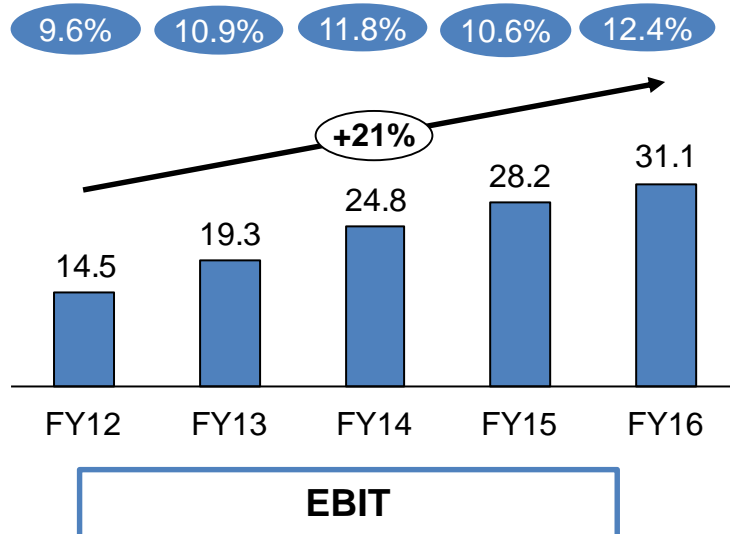
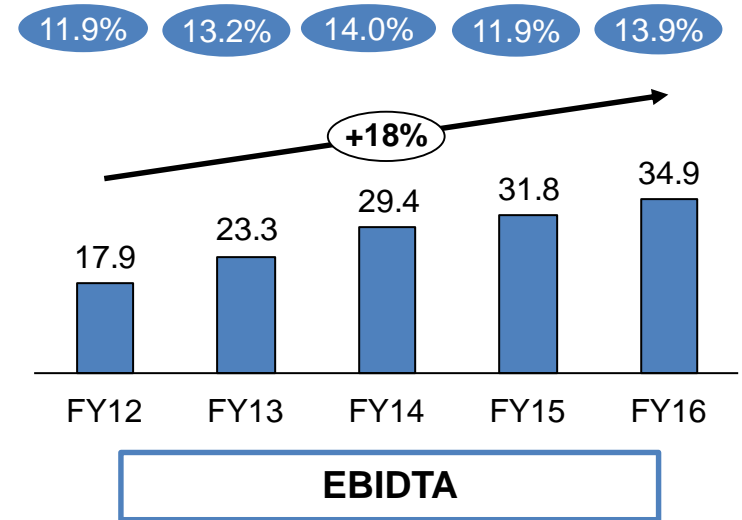
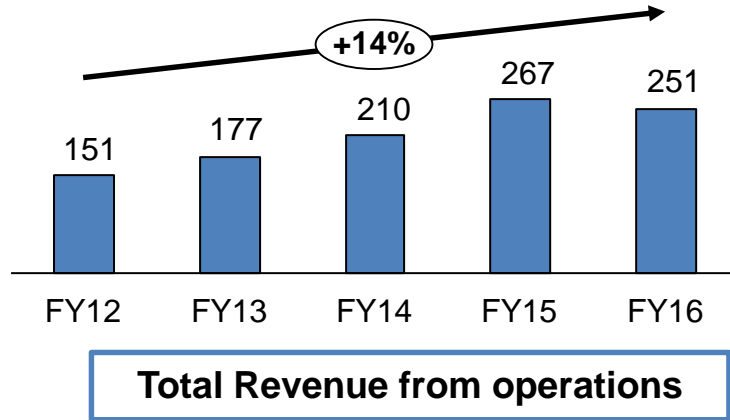




Key Financial Parameters

(Rs in Cr)

● Margin %

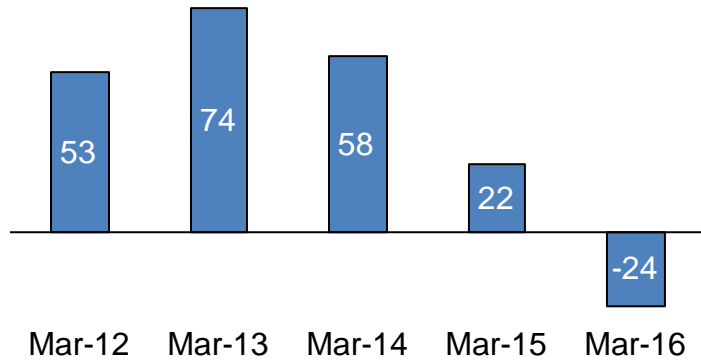




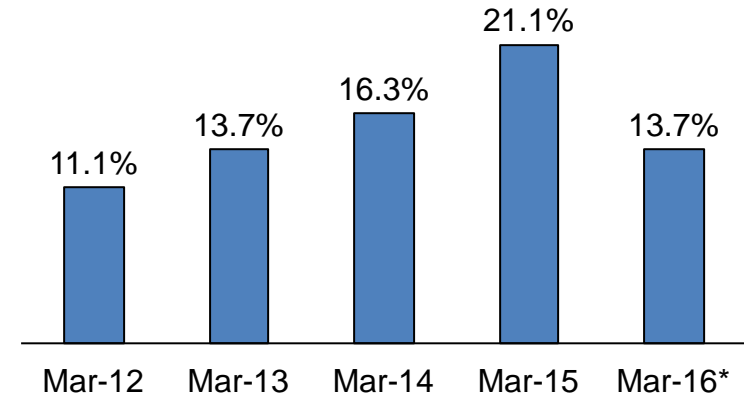
Key Financial Parameters

(Rs in Cr)

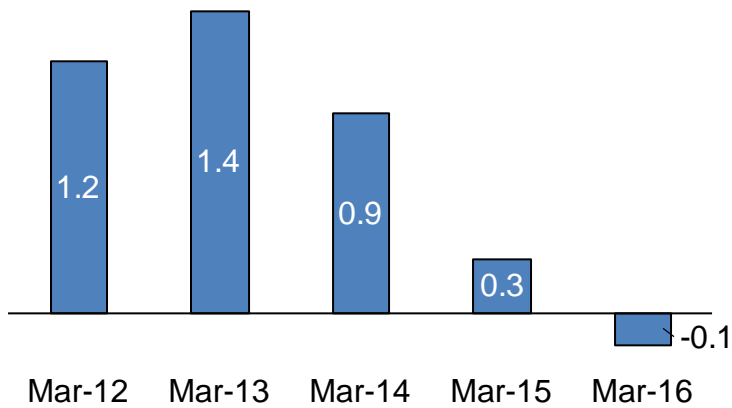
Net Debt



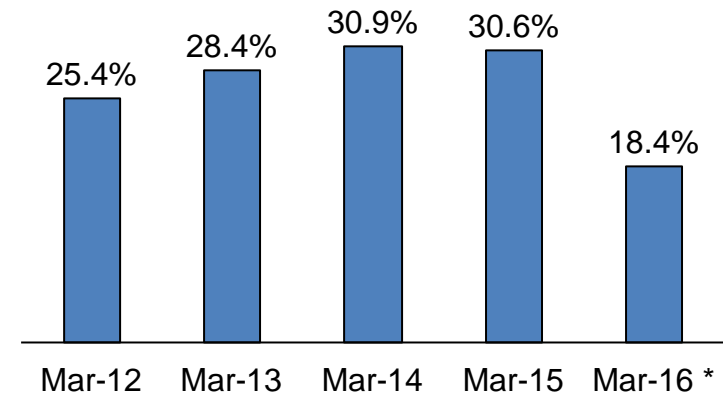
ROE %



Net Debt to Equity



ROCE %



* Lower return ratios led by increase in Shareholder Capital post IPO



Historical Profit & Loss

Particulars (Rs. In Crs)	FY16	FY15	FY14	FY13	FY12
<i>Total Revenue</i>	248.70	266.52	210.09	175.98	150.71
Other Income	2.54	0.29	0.28	0.59	0.26
<i>Total Revenue from Operations</i>	251.24	266.81	210.37	176.57	150.97
Raw Material	175.29	195.46	150.58	129.88	116.39
Employee Expenses	10.17	9.11	7.97	4.79	3.76
Other Expenses	30.87	30.41	22.42	18.56	12.91
<i>EBITDA</i>	34.91	31.84	29.40	23.34	17.91
<i>EBITDA %</i>	13.9%	11.9%	14%	13%	12%
Depreciation	3.80	3.62	4.64	4.05	3.39
<i>EBIT</i>	31.11	28.22	24.76	19.29	14.52
<i>EBIT (%)</i>	12.4%	10.6%	11.8%	10.9%	9.6%
Finance Cost	1.97	5.42	10.62	10.28	7.28
<i>Profit before Tax</i>	29.13	22.80	14.14	9.01	7.24
Tax	6.84	4.15	3.75	1.73	1.93
<i>Profit after Tax</i>	22.29	18.65	10.39	7.28	5.31
<i>PAT %</i>	8.9%	7.0%	4.9%	4.1%	3.5%

Balance Sheet



Liabilities (Rs in Crs)	Sept-16	Mar-16
Shareholders Fund	178.21	163.13
Share Capital	30.22	30.22
Reserves & Surplus	147.99	132.91
Total Non Current Liabilities	7.46	5.73
Long Term Borrowings	0.19	0.08
Deferred tax liabilities	6.88	5.37
Other Non-Current Liabilities	0.14	0.12
Long term provisions	0.26	0.16
Total Current Liabilities	53.16	53.02
Short Term Borrowings	14.87	17.41
Trade Payables	16.50	21.04
Other Current Liabilities	11.59	8.54
Short term provision	10.20	6.03
TOTAL EQUITY & LIABILITIES	238.84	221.88

Assets (Rs in Crs)	Sept-16	Mar-16
Total Non Current Assets	120.11	105.93
Fixed Assets (including CWIP)	109.79	95.07
Non Current Investments	0.05	0.05
Long term loans & advances	10.27	9.81
Other Non Current Assets	0.00	1.01
Total Current Assets	118.73	115.94
Inventories	35.79	24.50
Trade Receivables	48.32	43.92
Cash & Cash Equivalents	27.84	41.77
Short Term loans & Advances	4.89	3.85
Other current asset	1.89	1.91
TOTAL ASSETS	238.84	221.88



For further information, please contact

Company :

Shree Pushkar Chemicals & Fertilisers Ltd

CIN: U24100MH1993PLC071376

Mr. S N Sengupta, Associate Director

sengupta@shreepushkar.com

www.shreepushkar.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Ms. Ruchi Rudra/ Ms. Samantha Francis

ruchi.rudra@sgapl.net /

samantha.francis@sgapl.net

www.sgapl.net
