

Ref.: OSCL/SE/2017-18/061

Date: August 16, 2017

To,

Corporate Services Department <b>BSE LIMITED</b> P.J. Towers, 1 <sup>st</sup> Floor, Dalal Street, Mumbai – 400001. BSE Code: 533317	Corporate Services Department <b>NATIONAL STOCK EXCHANGE OF INDIA LIMITED</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051. NSE Symbol: OMKARCHEM
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Dear Sir/Madam,

**SUB: PRESENTATION – REG. 30**


In furtherance of our letter bearing Ref. No.: OSCL/SE/2017-18/059 Dated: August 11, 2017 and pursuant to Regulation 30 (6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Para A of Part A of Schedule III thereto, please find enclosed herewith presentation on the financial performance of the Company for the Quarter ended June 30, 2017.

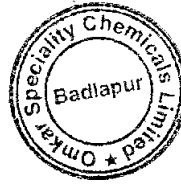
This is for your record and reference.

Thanking you,

Yours truly,

For **OMKAR SPECIALITY CHEMICALS LIMITED**

  
for **SUNNY PAGARE**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
M. NO.: F8896



# OMKAR SPECIALITY CHEMICALS LIMITED

EARNINGS PRESENTATION – Q1-FY18



**OMKAR**  
Always the leaders





# Executive Summary

# Executive Summary



## OVERVIEW

- Omkar Speciality Chemicals Ltd. is one of the leading global speciality chemicals companies with a strong focus on process innovation to develop high quality customized products.
- Incorporated and promoted by Mr. Pravin S. Herlekar in 1983, the company got listed in 2011 and has a market cap of INR 1,833 Mn as on June 30, 2017.
- The Company has emerged as a specialty chemicals power-house with proprietary processes, strong R&D capabilities, integrated manufacturing facilities with high degree of self-sufficiency.
- Manufactures more than 200 products with specialized process patented catalysts and has an esteemed clientele network both in India and globally.
- The Company is a pioneer & only manufacturer of many niche products in India.

## BUSINESS MIX

Manufacture and sale of

Specialty Chemicals:

- Iodine Compounds
- Resolving Agents & Others
- Organic & Inorganic Intermediates
- Selenium Compounds

## MARQUEE CLIENTS

- Cipla
- Lupin Pharma
- Sun Pharma
- Glenmark
- Amul
- Dr. Reddy's
- Honeywell
- Jubilant
- FDC
- Dupont
- Pfizer
- Samsung
- Netchem
- Zydus Cadila, etc.

## MANUFACTURING FACILITIES

**Total volumetric capacity of 2,500 MTPA at Badlapur**

- **Unit I** – Inorganic Derivatives
- **Unit II** – Organic Intermediates
- **Unit III** – Selenium Sulphide
- **Unit IV** – Centralized Warehouse
- **Unit V** – Pilot Plant/ Scale-up facility
- **Unit VI** – Open plot for further expansion at Chiplun

Total Income

**INR 3,472 Mn**

3 Year CAGR

**17.3%**

EBITDA

**INR 574 Mn**

EBITDA Margin

**16.64%**

ROCE

**16.4%**



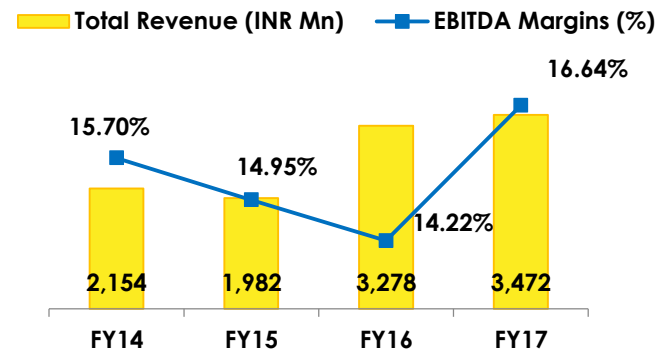
# Company Overview

# About Omkar Speciality Chemicals Limited

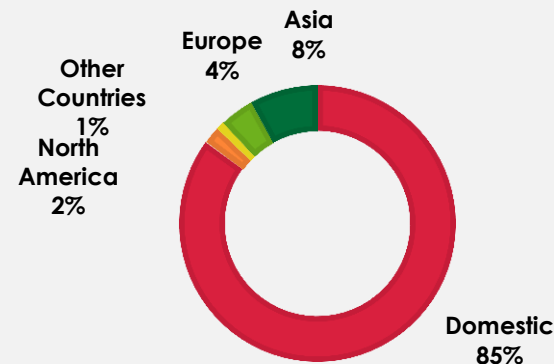


- Incorporated in 1983, Omkar Speciality Chemicals Ltd (OSCL) is mainly engaged in manufacturing and sale of Speciality Chemicals and Pharma Intermediaries for Pharma and Allied Industries.
- OSCL manufactures a range of Organic, Inorganic and Organo Inorganic Intermediaries.
- These products find applications in various industries like Pharmaceutical Industry, Chemical Industry, Glass Industry, Cosmetics, Ceramic Pigments, and Cattle and Poultry Feeds, Fragrances & Flavours, Foods, Nutraceuticals, etc.
- OSCL's association with leading companies in India and abroad has enabled them to broaden their business, expand existing product range and to develop new molecules as per the specific requirements of their esteemed customers.
- OSCL is the largest and the only manufacturer of many key speciality intermediates in India & a leading global player in high margin niche speciality chemicals.
- OSCL has 5 manufacturing units and 1 R&D centre. Its in-house multi product manufacturing facilities with catalyst driven processes - ensures better customized products and higher yield.
- OSCL has basic research capabilities and also has a pilot plant scale-up facility.
- The company exports to around 38 countries including regulated markets of Europe, North America, China and other Asian countries.

## Total Revenue & EBITDA Margins



## Sales - Location wise (FY17)



# Q1-FY18 Key Highlights



## □ Q1-FY18 Performance (Standalone):

- **Total Income:** INR 860 Mn; Growth of 6.7% YoY
- **EBITDA:** INR 150 Mn; Growth of 22.0% YoY
- **EBITDA Margin:** 17.4%; Growth of 218 bps YoY
- **Net Profit:** INR 76 Mn; Growth of 38.2% YoY
- **PAT Margin:** 8.8%; Growth of 202 bps YoY
- **Diluted EPS:** INR 3.72; Growth of 37.8% YoY

## □ FY17 Performance (Standalone):

- **Total Income:** INR 3,450 Mn; Growth of 8.1% YoY
- **EBITDA:** INR 574 Mn; Growth of 26.4% YoY
- **EBITDA Margin:** 16.64%; Growth of 241 bps YoY
- **Net Profit:** INR (255) Mn
- **PAT Margin:** (7.39)%
- **Diluted EPS:** INR (12.42)



# Financial Overview



# Quarterly - Standalone Income Statement



<b>PARTICULARS (INR Mn)</b>	<b>Q1-FY18</b>	<b>Q1-FY17</b>	<b>Y-o-Y</b>
<b>Total Revenue</b>	<b>860</b>	<b>806</b>	<b>6.7%</b>
Total Expenses	710	683	4.0%
<b>EBITDA</b>	<b>150</b>	<b>123</b>	<b>22.0%</b>
<b>EBITDA Margins (%)</b>	<b>17.44%</b>	<b>15.26%</b>	<b>218 bps</b>
Depreciation	39	20	95%
Finance Cost	47	47	-
Other Income	13	22	(40.9)%
<b>PBT before Exceptional Items</b>	<b>77</b>	<b>78</b>	<b>(1.3)%</b>
Exceptional Items	-	-	-
<b>PBT</b>	<b>77</b>	<b>78</b>	<b>(1.3)%</b>
Tax	1	23	(95.7)%
<b>PAT</b>	<b>76</b>	<b>55</b>	<b>38.2%</b>
<b>PAT Margins (%)</b>	<b>8.84%</b>	<b>6.82%</b>	<b>202 bps</b>
Diluted EPS	3.72	2.70	37.8%

# Historical Standalone Income Statement



<b>PARTICULARS (INR Mn)</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>
<b>Total Income</b>	<b>2,096</b>	<b>1,933</b>	<b>3,191</b>	<b>3,450</b>
Total Expenses	1,767	1,644	2,737	2,876
<b>EBITDA</b>	<b>329</b>	<b>289</b>	<b>454</b>	<b>574</b>
<b>EBITDA Margins (%)</b>	<b>15.70%</b>	<b>14.95%</b>	<b>14.22%</b>	<b>16.64%</b>
Depreciation	61	20	43	82
Finance Cost	118	114	165	194
Other Income	58	49	87	22
<b>PBT before Exceptional Items</b>	<b>208</b>	<b>204</b>	<b>333</b>	<b>320</b>
Exceptional Items	1	-	-	632*
<b>PBT</b>	<b>207</b>	<b>204</b>	<b>333</b>	<b>(312)</b>
Tax	61	25	112	(57)
<b>PAT</b>	<b>146</b>	<b>179</b>	<b>221</b>	<b>(255)</b>
<b>PAT Margins (%)</b>	<b>6.97%</b>	<b>9.26%</b>	<b>6.93%</b>	<b>(7.39)%</b>
Diluted EPS	7.10	8.89	10.79	(12.42)

\*Note: Exceptional Items consists of the difference between the fair value & book value of Assets transferred to resulting company amounting to INR 632 Mn.

# Standalone Balance Sheet

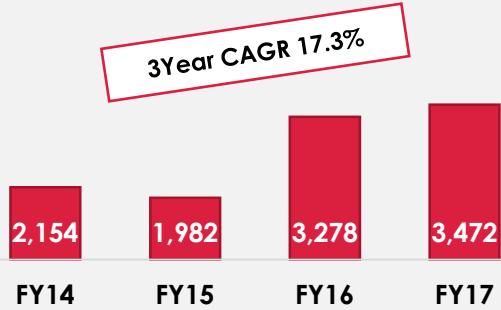


PARTICULARS (INR Mn)	FY16	FY17	PARTICULARS (INR Mn)	FY16	FY17
<b>EQUITIES &amp; LIABILITIES</b>			<b>ASSETS</b>		
<b>Shareholder Funds</b>			<b>Non-current Assets</b>		
(A) Share Capital	206	206	(A) Fixed Assets	1,906	1,685
(B) Reserves & Surplus	1,609	622	(B) Investments	139	1
<b>Non-current Liabilities</b>			(C) Loans & Advances	265	17
(A) Long-term Borrowings	792	1,246			
(B) Deferred Tax Liabilities	80	72	<b>Current Assets</b>		
(C) Long-term provisions	24	22	(A) Inventories	618	731
<b>Current Liabilities</b>			(B) Trade Receivables	1,023	1,036
(A) Short term Borrowings	955	826	(C) Cash & Bank Balances	66	106
(B) Trade Payables	505	898	(D) Short-term loans & advances	441	511
(C) Other Current Liabilities	159	160	(E) Other Current Assets	9	9
(D) Short-term provisions	137	44			
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>4,467</b>	<b>4,096</b>	<b>GRAND TOTAL – ASSETS</b>	<b>4,467</b>	<b>4,096</b>

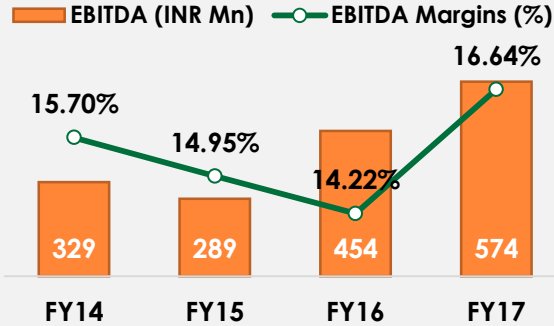
# Financial Highlights



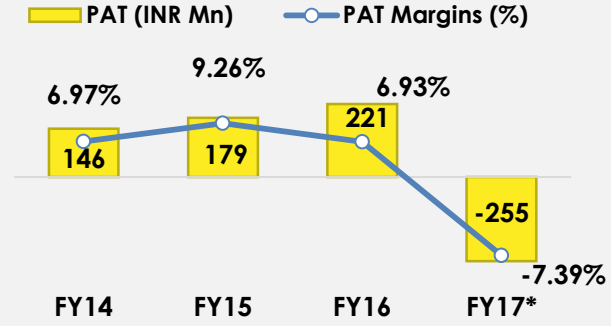
## Total Revenue (INR Mn)



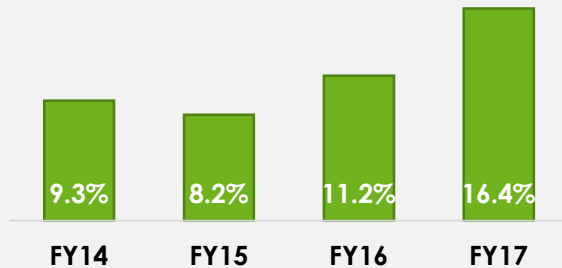
## EBITDA & EBITDA Margins



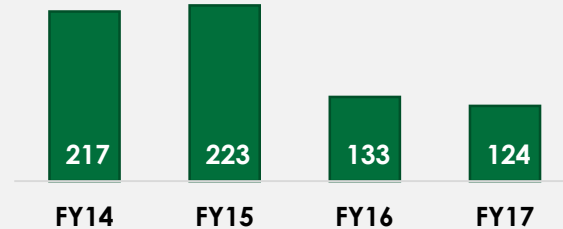
## PAT & PAT Margins



## RoCE



## Working Capital Days

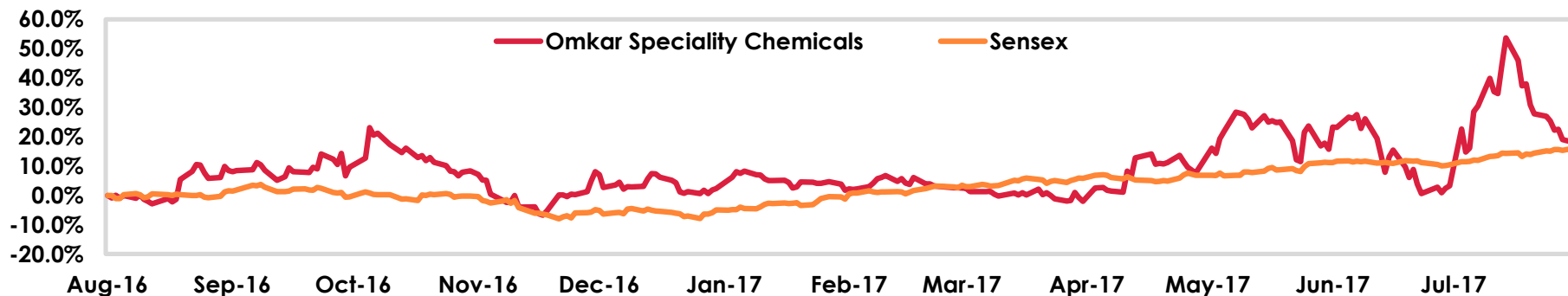


\*Note: PAT for FY17 is after reducing one time exceptional items of INR 632 Mn on account of Merger & Demerger

# Market Data



## Share Price Data as on 31<sup>st</sup> July, 2017

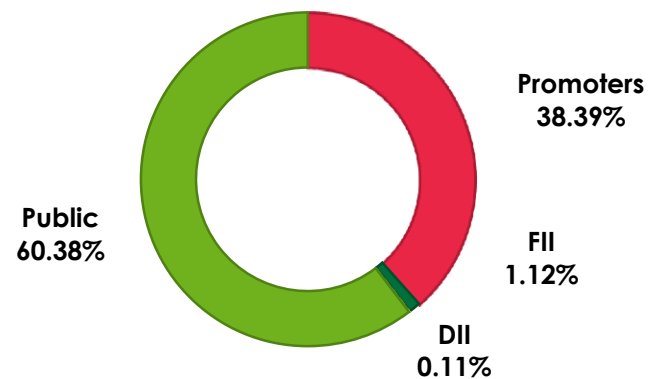


### Price Data (31<sup>st</sup> July, 2017)

INR

Face Value	10
Market Price	89
52 Week H/L	120.05/63.13
Market Cap (Mn)	1,833
Equity Shares Outstanding (Mn)	2.057
1 Year Avg Trading Volume ('000)	582

### Share Price Data as on 30<sup>th</sup> June, 2017



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Thank you