



Himadri Speciality Chemical Ltd

INVESTOR PRESENTATION

Q3FY21

OPTIMISM

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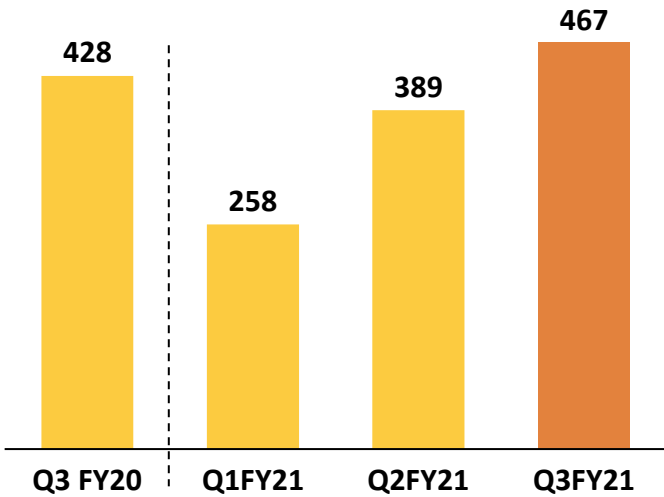
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Standalone Performance Highlights

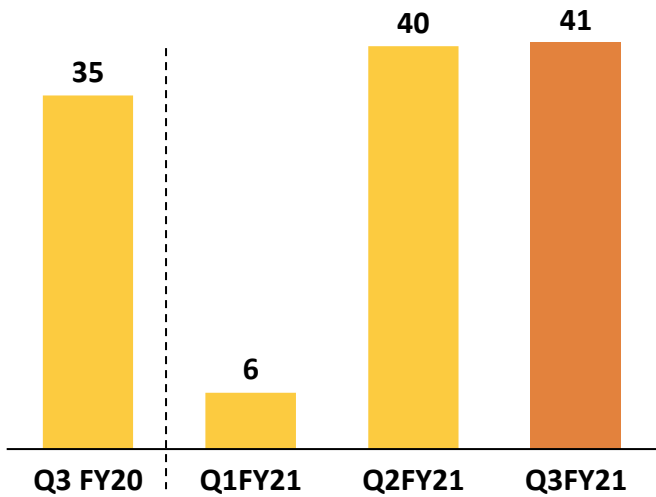
Steady Sequential Performance

Revenue (Rs. In Crs)



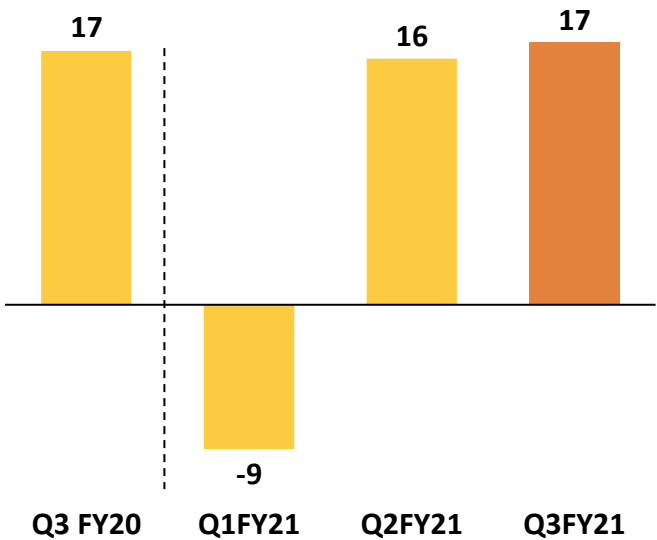
Production is ramping up and operating levels are improving

EBITDA (Rs. In Crs)



Realisations change in accordance with raw material cost

PAT (Rs. In Crs)

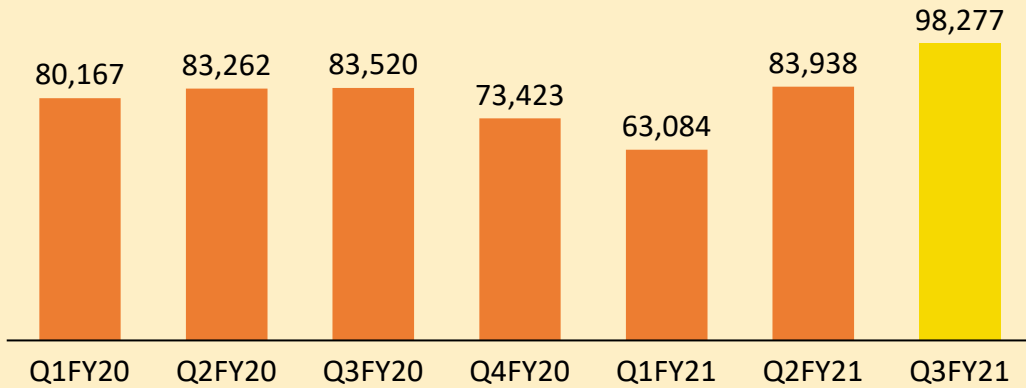


Despite the Raw material price volatility, profitability has been maintained

Other Key Highlights

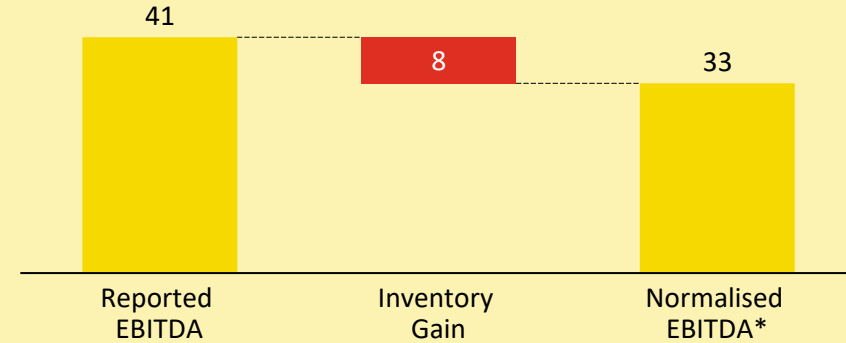
Sales Volume (MT)

Volumes across businesses have steadied due to improved business environment

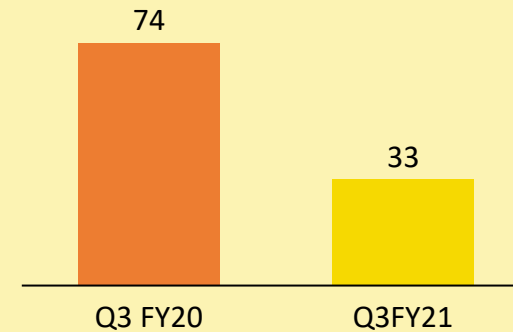


On Standalone basis

EBITDA for Q3FY21 (Rs. In Crs)



Normalized EBITDA* (Rs. In Crs)



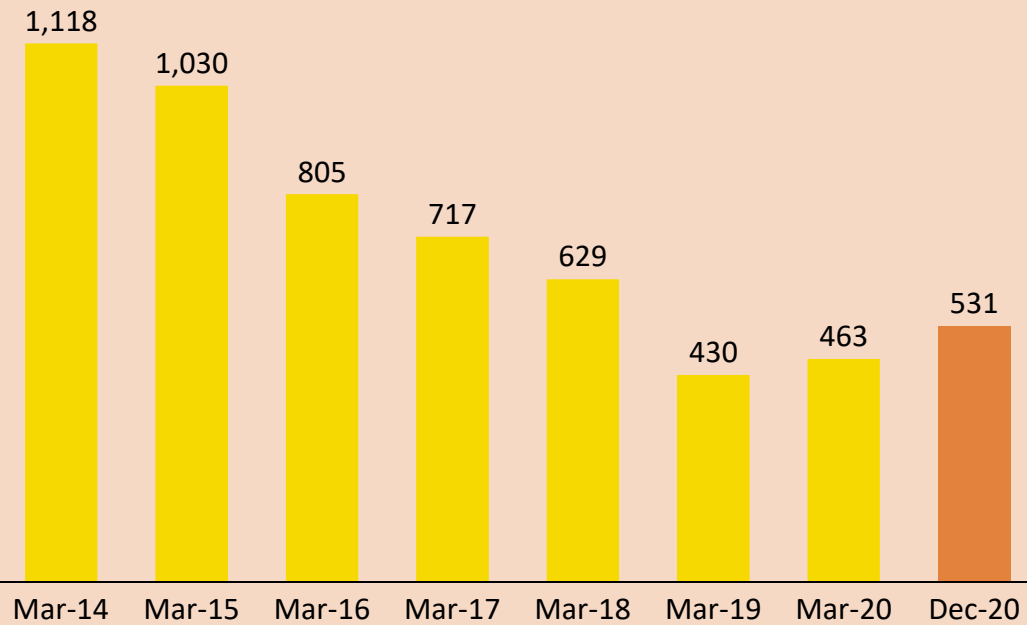
* Normalized for One-offs like inventory write downs/losses & charging of advances/receivables to P&L

Debt at Comfortable level

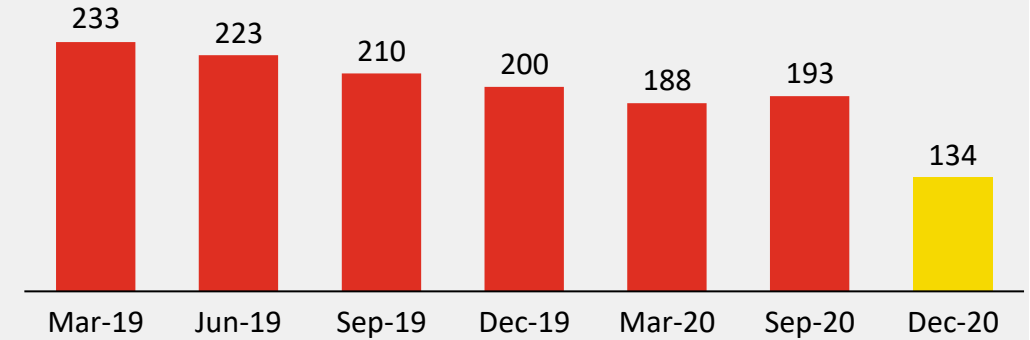
Net Debt

Robust Balance Sheet and Financial flexibility

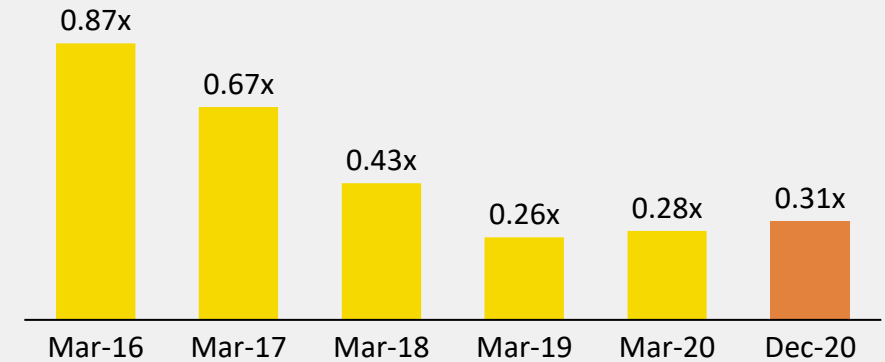
Rs. in Crs



Long Term Borrowings



Net Debt / Equity



On Standalone basis

Standalone Profit & Loss



Particulars (In Rs. Crs)	Q3FY21	Q3FY20	Y-o-Y (%)	Q2FY21	Q-o-Q	9MFY21	9MFY20	Y-o-Y (%)
Revenue from Operations	466.81	428.26	9%	389.24	20%	1,113.92	1,439.13	
Cost of Materials Consumed	339.70	318.18		277.64		809.64	975.72	
Gross Profit	127.11	110.08	15%	111.60	14%	304.28	463.41	
Employee Cost	18.68	18.19		18.65		55.85	54.45	
Other Expenses	67.67	56.45		52.57		161.66	159.25	
Reported EBITDA	40.76	35.44	15%	40.38	1%	86.77	249.71	
Other Income	1.63	2.39		2.91		5.91	6.50	
Foreign Exchange Fluctuation Loss/(Gain)	(2.61)	(0.38)		(2.31)		(6.18)	(3.22)	
Depreciation and Amortization Expense	11.01	8.72		11.09		32.96	25.10	
EBIT	33.99	29.49	15%	34.51	-2%	65.90	234.33	
Finance Cost	6.72	11.55		8.95		26.15	40.91	
Exceptional Item Gain / (Loss)	-	-		-		-	-	
Profit before Tax	27.27	17.94		25.56		39.75	193.42	
Tax	10.01	1.24		9.38		15.80	50.82	
PAT	17.26	16.70	3%	16.18	7%	23.95	142.60	

Performance is not comparable with same period last year as Q1FY21 performance was impacted due to lockdown

Consolidated Profit & Loss

Particulars (In Rs. Crs)	Q3FY21	Q3FY20	Y-o-Y (%)	Q2FY21	Q-o-Q	9MFY21	9MFY20	Y-o-Y (%)
Net Revenue From Operations	466.81	429.73	9%	389.24	20%	1,113.92	1,441.39	
Cost of Materials Consumed	339.28	318.85		271.69		805.07	975.81	
Gross Profit	127.53	110.88	15%	117.55	8%	308.85	465.58	
Employee Benefits Expense	18.84	18.48		18.80		56.32	55.24	
Other Expenses	67.90	57.27		53.01		162.78	161.85	
EBITDA	40.79	35.13	16%	45.74	-11%	89.75	248.49	
Other Income	1.62	1.44		2.91		5.90	3.63	
Foreign Exchange Fluctuation Loss/(Gain)	(2.51)	(1.46)		(2.20)		(5.97)	(1.23)	
Depreciation and Amortization Expense	11.72	9.37		11.78		35.03	26.99	
EBIT	33.20	28.66	16%	39.07	-15%	66.59	226.36	
Finance Costs	6.77	11.64		9.03		26.33	41.17	
Profit / (Loss) Before Tax	26.43	17.02		30.04		40.26	185.19	
Tax Expenses	10.01	1.22		9.38		15.80	50.81	
Profit / (Loss) for the year	16.42	15.80	4%	20.66	-21%	24.46	134.38	
Other Comprehensive Income	-8.93	-24.67		20.30		20.57	-68.28	
Total Comprehensive Income for the year	7.49	-8.87		40.96		45.03	66.10	

Performance is not comparable with same period last year as Q1FY21 performance was impacted due to lockdown

Credit Rating Reaffirmed

Non-Convertible
Debenture Issue

₹ 150 Crores

CARE AA- ; Stable

(Double A minus; Outlook:
Stable)

₹ 150 Crores

ICRA AA- ; Negative

(Double A minus; Outlook:
Negative)

Reaffirmed

Long Term Bank
Facilities

₹ 48.68 Crores

CARE AA- ; Stable

(Double A minus; Outlook:
Stable)

₹ 52.86 Crores

ICRA AA- ; Negative

(Double A minus; Outlook:
Negative)

Reaffirmed

Long Term Bank /Short
Term Bank Facilities

₹ 1,625 Crores

**CARE AA- ; Stable / CARE
A1+**

(Double A minus; Outlook:
Stable/ A One Plus)

₹ 1,423 Crores

**ICRA AA- ; Negative/ ICRA
A1+**

(Double A minus; Outlook:
Negative/ A one plus)

Reaffirmed

Commercial Paper

₹ 300 Crores

CARE A1+

(A one plus)

₹ 300 Crores

ICRA A1+

(A one plus)

Reaffirmed

Long Term Value Protected

01

**Vertically integrated leading
Carbon Corporation**

02

Portfolio Transformation

03

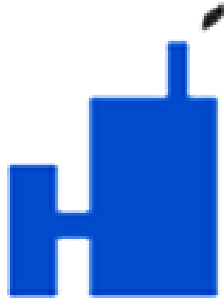
Strong Research & Development

04

Future Strategy

Most Integrated Speciality Carbon Corporation Globally

2010



- » Coal tar pitch – Binder grade
- » Coal tar pitch – Impregnating
- » Carbon Black
- » Advanced Carbon Material
- » Naphthalene
- » SNF
- » C. B. Oil



2020



- » Aluminium Grade Pitch
- » Graphite Grade Binder Pitch
- » Graphite Grade Zero QI (Quinolene Insoluble) coal tar impregnated pitch
- » Advance Carbon Material for Lithium- ion Batteries
- » Special Pitch
- » Naphthalene
- » Refined Naphthalene
- » Light Creosote Oils

- » Heavy Creosote Oils
- » Anthracene Oil/Carbon Black Oil/ CT Oil
- » SNF
- » PCE
- » Carbon Black
- » Speciality Carbon Black
- » Himcoat enamel
- » Himcoat Primer-B
- » Himtape
- » Himwrap

Portfolio Transformation

Most Integrated

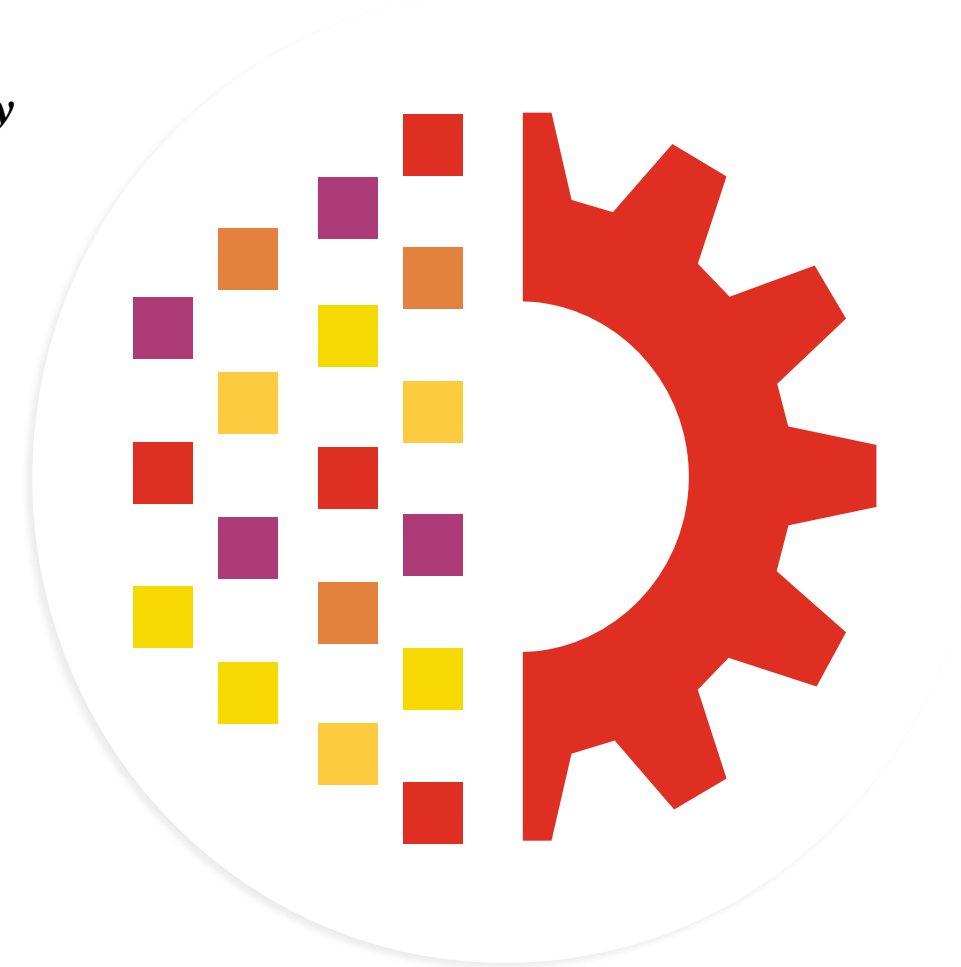
Speciality Carbon Corporation Globally

From
Carbon Black
to
Speciality Carbon
Black

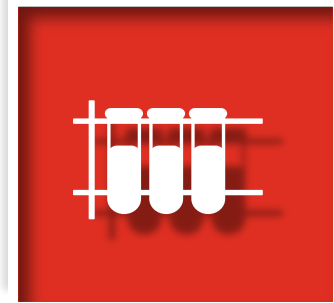
From
Coal Tar
to
Advance Carbon
Material

From
Naphthalene
To
Sulphonated
Naphthalene
Formaldehyde

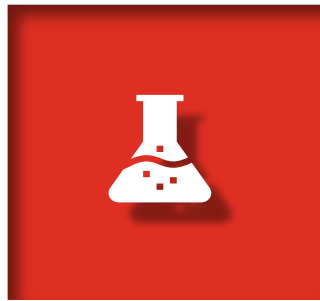
*Transformation towards
High Value Products*



Strong Research & Development



**World Class
Laboratory**



**Techno-
Commercial
Team**

**An
Innovation
Mindset**



**Large
Knowledge
Bank**



**Continuous
R&D**

4
New brands introduced with multiple grades catering to different application segments of Speciality Carbon Black

7%
Reduction in energy consumption in certain processes

11%
Increased productivity of certain grades through debottlenecking

Manufactured speciality chemicals at **'Zero Discharge'** world-class facilities across India



High Value
Product Pipeline

Right Capacity

Strong Clientele

Product
Leadership

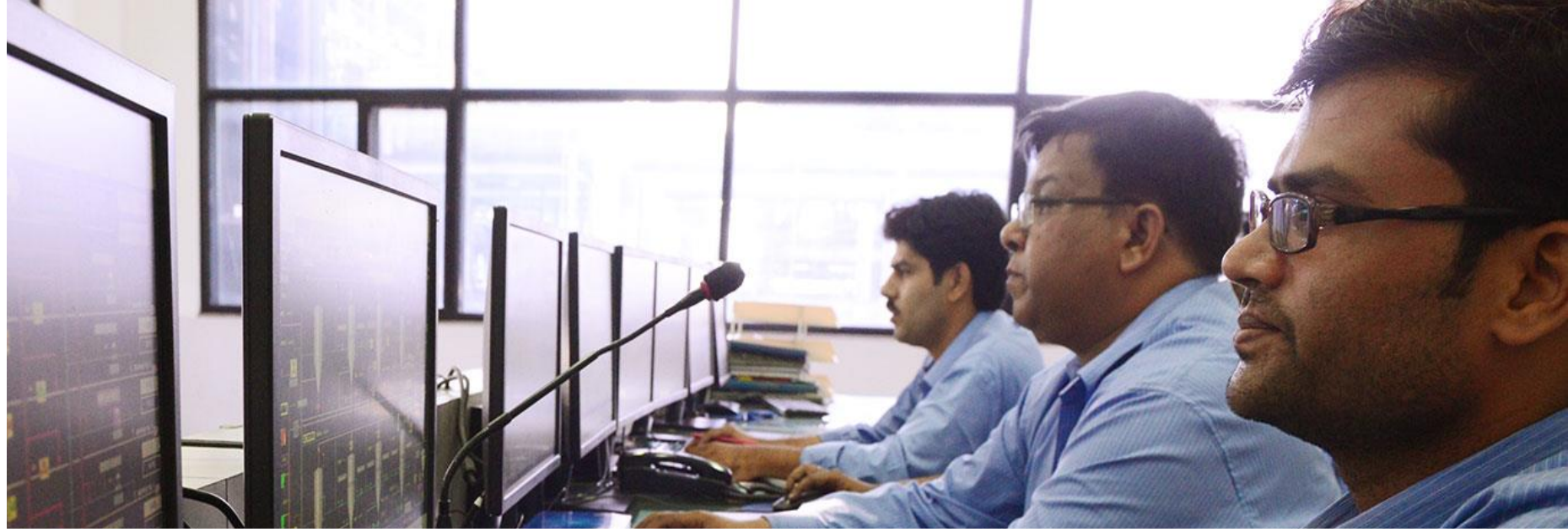
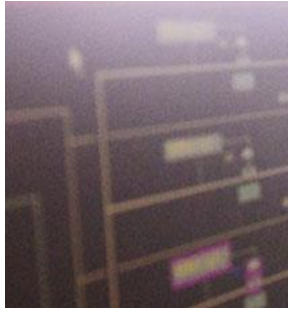
Strong R&D

Strategic
Location

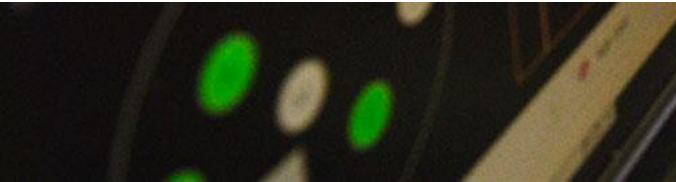
Diversified End
Markets

Global
Management
Team

Cutting Edge
Technologies



Financial Performance



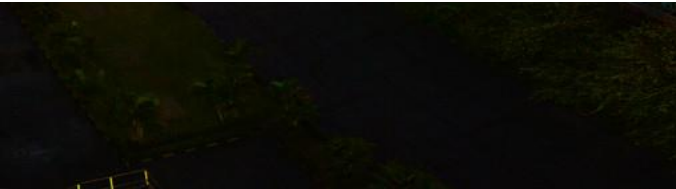
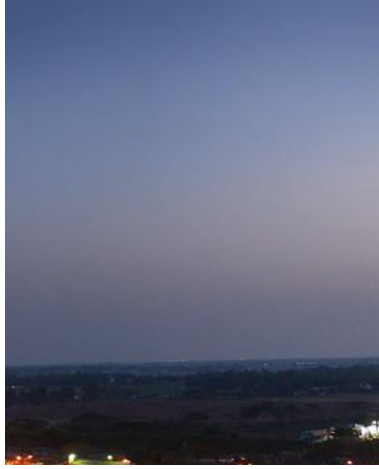
Consolidated Profit & Loss

Particulars (In Rs. Crs)	H1 FY21	FY20	FY19	Y-o-Y (%)
Net Revenue From Operations	647.11	1,806	2,422	-25%
Cost of Materials Consumed	465.79	1,224	1,600	
Gross Profit	181.32	582	822	-29%
Employee Benefits Expense	37.48	74	60	
Other Expenses	94.88	213	200	
EBITDA	48.96	294	563	-48%
Other Income	4.28	8	8	
Foreign Exchange Fluctuation Loss/(Gain)	3.46	14	3	
Depreciation and Amortization Expense	23.31	39	34	
EBIT	33.39	249	533	-53%
Finance Costs	19.56	55	71	
Profit / (Loss) Before Tax	13.83	194	462	
Tax Expenses	5.79	-11	138	
Profit / (Loss) for the year	8.04	205	324	-37%
Other Comprehensive Income	29.50	-97	-104	
Total Comprehensive Income for the year	37.54	108	220	

Consolidated Balance Sheet

Particulars (in Rs. Crs.)	Sep'20	Mar'20
ASSETS		
Non-Current Assets	1,770	1,725
Property, Plant and Equipment	1,422	1,439
Capital work-in-progress	168	158
Right use of assets	33	34
Intangible Assets	2	2
Financial Assets		
(i) Investments	84	47
(ii) Trade Receivables	8	8
(iii) Loans	22	20
(iv) Other Financial Assets	0	0
Non-Current Tax Assets (net)	10	2
Other Non-Current Assets	22	15
Current Assets	1,011	837
Inventories	360	405
Financial Assets		
(i) Investments	0	0
(ii) Trade Receivables	294	300
(iii) Cash and Cash Equivalents	149	42
(iv) Bank Balances other than cash and cash equivalents	50	5
(v) Loans	3	3
(vi) Other Financial Assets	35	6
Other Current Assets	119	76
TOTAL	2,781	2,562

Particulars (in Rs. Crs.)	Sep'20	Mar'20
EQUITY AND LIABILITIES		
EQUITY	1,772	1,734
Equity Share Capital	42	42
Other Equity	1,730	1,692
Total Equity attributable to the equity holders of the Company	1,772	1,734
Non-Controlling Interest	-1	0
Non-current liabilities	179	86
Financial Liabilities		
(i) Borrowings	104	22
(ii) Derivatives	0	0
(iii) Other Financial Liabilities	7	7
Provisions	4	5
Deferred Tax Liabilities (net)	64	52
Current liabilities	830	742
Financial liabilities		
(i) Borrowings	492	314
(ii) Trade Payables	195	229
(iii) Derivatives	3	2
(iv) Other Financial Liabilities	116	186
Other Current Liabilities	22	10
Provisions	1	1
Current Tax Liabilities (net)	0	0
TOTAL	2,781	2,562



Business Overview

Coal Tar Pitch

#1 Producer



Carbon Black

3rd Largest player in India



Naphthalene

Largest Indian Player



Refined Naphthalene

Largest Indian Player



Advance Carbon Material

Only Company in India



SNF

Largest player in India



Speciality Oils

Niche segments in India and internationally



Power

Green Power from In-house process gas



Applications across Industries



Paints, Plastic & Fibre



Graphite Electrodes



Anti Corrosive Material



Defence



Construction Chemical



Aluminium



Lithium – Ion Batteries



Infrastructure



Rubber Industries



Wood Preservative Oils



Power



Specialized Products

If You Can Be One Thing, Be Dependable

CTP Clientele



CB Clientele



Others Clientele



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