



Ref. No: HSCL / Stock-Ex/2017-18/047
Date: 3 August 2017

E-mail: blsharma@himadri.com

Ref : Listing Code: 500184 BSE Limited Department of Corporate Services P. J. Towers, 25 th Floor, Dalal Street, Mumbai- 400 001	Ref: Listing Code: HSCL National Stock Exchange of India Ltd Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400 051
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Sub: Investor Presentation & Media Release

Dear Sir,

We are enclosing herewith:-

1. Investors presentation
2. Media Release

We request you to kindly take on record the same.

Yours faithfully,



For Himadri Speciality Chemical Ltd


Company Secretary
FCS: 8148

Himadri Speciality Chemical Ltd

(Formerly known as Himadri Chemicals & Industries Limited) CIN: L27106WB1987PLC042756
Regd. Office: 23A, Netaji Subhas Road, 8th Floor, Kolkata – 700 001, India
Corp. Office: 8, India Exchange Place, 2nd Floor, Kolkata – 700 001, India
Tel: 91-33-2230-9953, 2230-4363, Fax: 91-33-2230-9051, Website: www.himadri.com



Himadri Speciality Chemical Ltd

(Formerly known as Himadri Chemicals & Industries Ltd.)

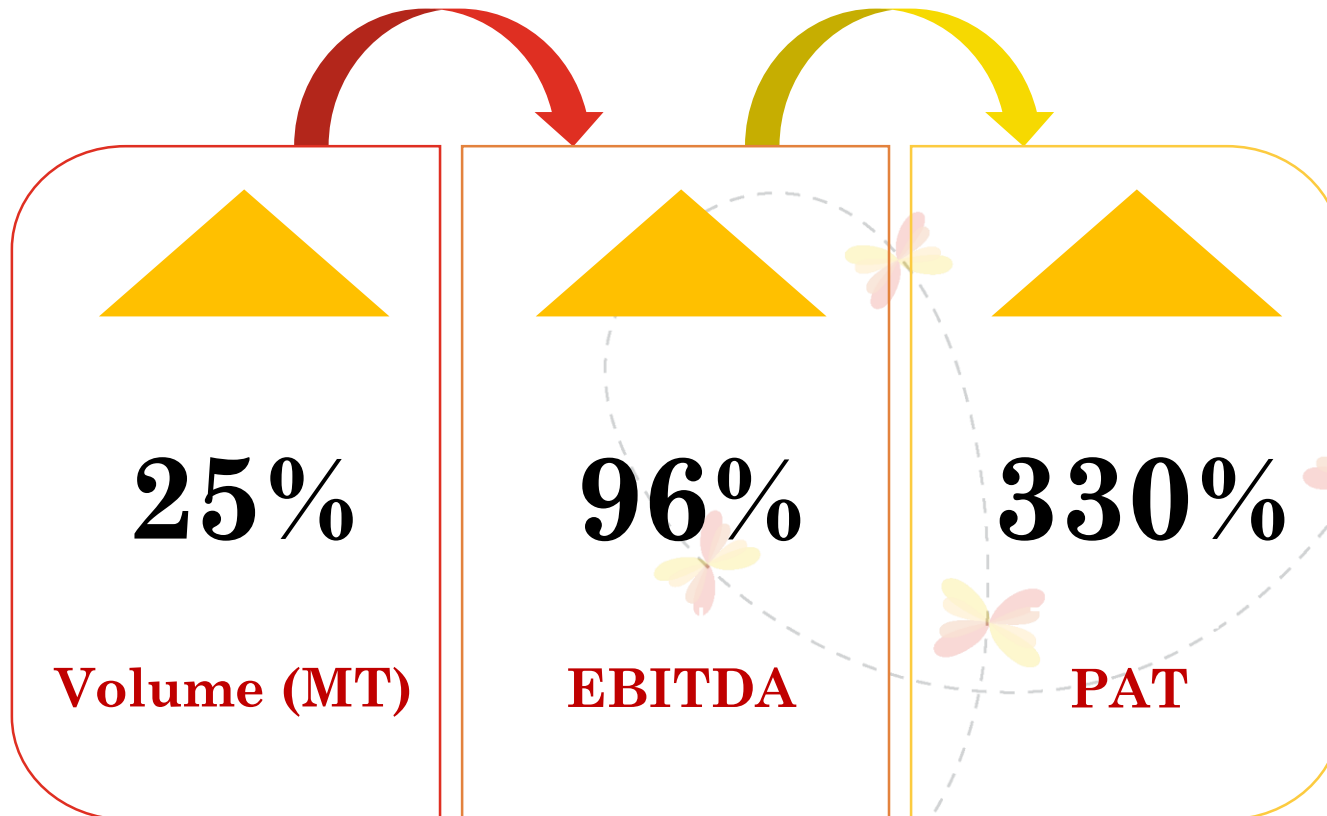
**INVESTOR
PRESENTATION**
August - 2017

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Impressive Growth with Sustainable Performance



Y-o-Y Growth

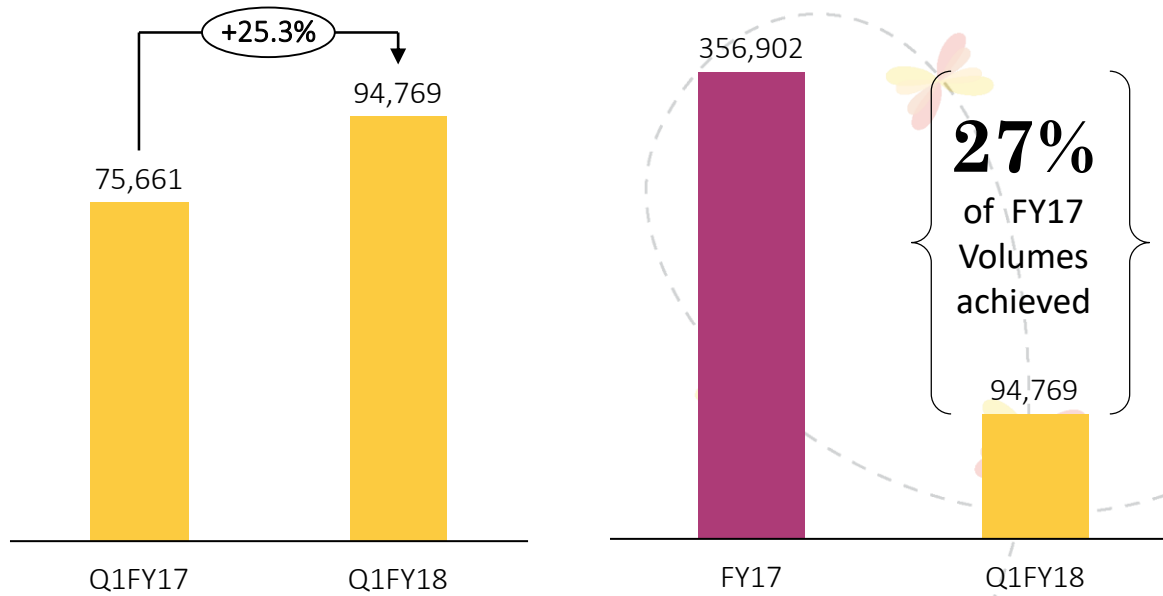
Key Initiatives

- ✓ Increase in **High Margin** Products
- ✓ Change in **Customer Mix**
- ✓ **Higher Utilization** of Capacities

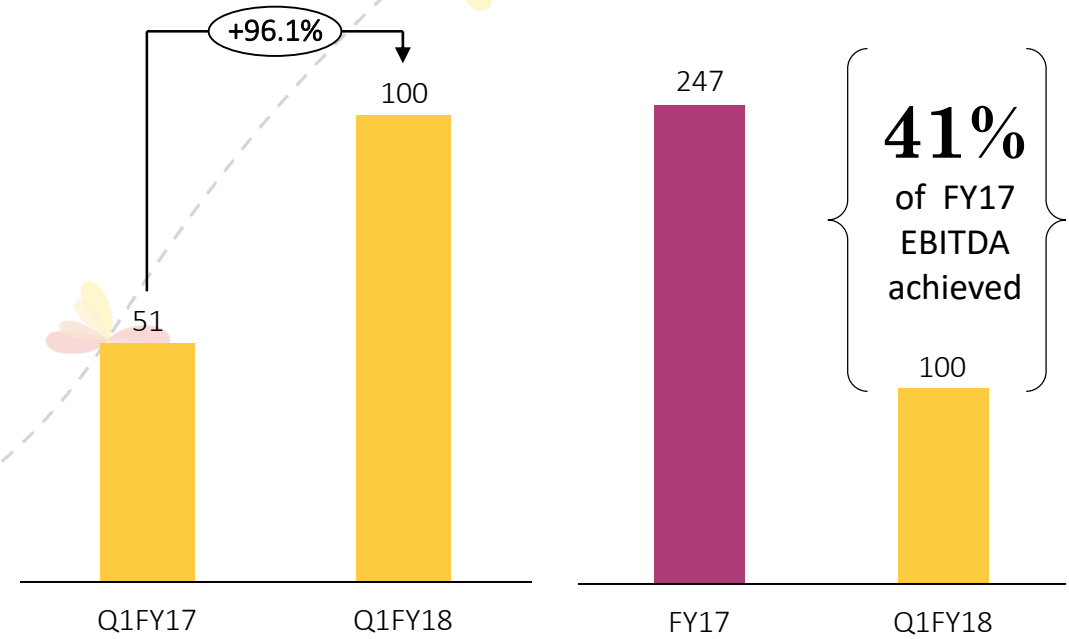
Performance Parameters



Total Sales Volume (MT)



EBITDA (Rs. Crs)

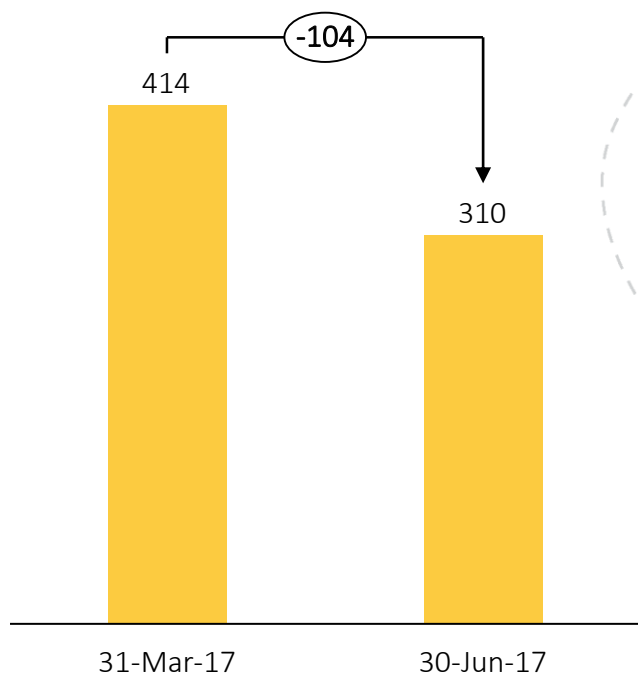


Long Term Debt reduced by Rs. 100 Crores

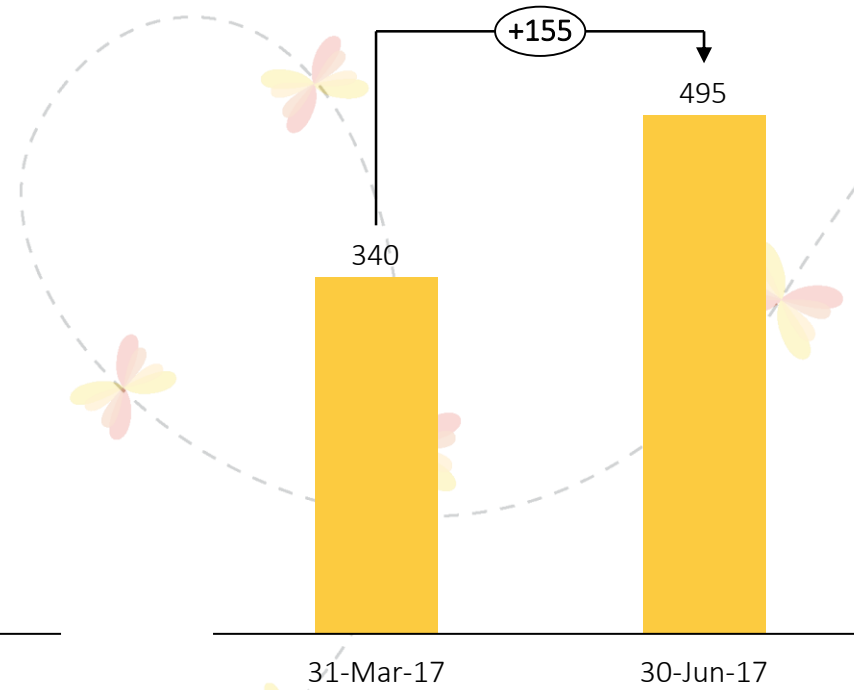


In Rs. Crores

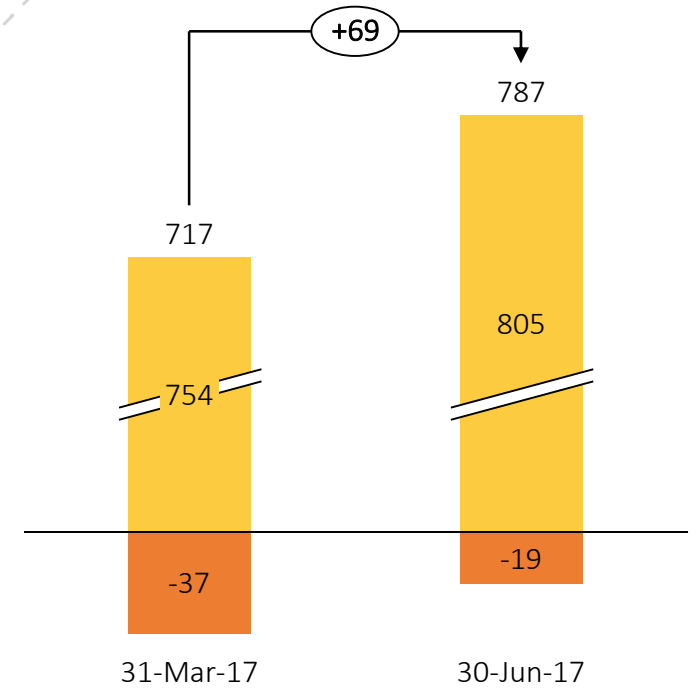
Long Term Debt



Working Capital Debt



Net Debt



Standalone Profit & Loss



Particulars (In Rs. Crs)	Q1 FY18	Q1 FY17	Y-o-Y (%)	Q4 FY17	Q-o-Q (%)
Revenue from Operations	502.67	282.34		415.28	
Excise Duty	50.35	27.28		39.68	
Net Revenue From Operations	452.32	255.06	77.3%	375.60	20.4%
Cost of materials consumed	320.80	161.20		252.42	
Gross Profit	131.52	93.86		123.18	
Employee benefits expense	9.84	8.11		9.57	
Other expenses*	21.30	34.53		41.18	
EBITDA	100.38	51.22	96.0%	72.4	38.6%
Other Income	1.18	1.98		1.97	
Foreign exchange fluctuation (net)	-0.55	-4.18		-7.19	
Depreciation and amortization expense	7.89	7.78		7.73	
EBIT	93.12	41.24	125.8%	59.48	56.6%
Finance costs	18.59	23.55		13.83	
Profit / (Loss) before tax	74.53	17.69		45.65	
Tax expenses	24.5	6.06		15.25	
Profit / (Loss) for the year	50.03	11.63	330.2%	30.4	64.6%

*Provision of excise duty on closing stock of finished goods as on 31 March 2017 aggregating to Rs 18.27 crores has been reversed during Q1FY18 under the head "other expenses" and added to change in inventories clubbed with cost of raw materials consumed. Hence cost of materials consumed is higher by Rs 18.27 crores and other expenses are lower by Rs 18.27 crores during Q1FY18 which has neutral effect in the profitability of the company.



Himadri Speciality Chemical Ltd



Value Creation Journey
by way of
Vertical Integration

Fit for Future: Products &
its Potential

- Accelerating Core Business
- Finding next Core Business

Looking back at Three
Decades of Experience

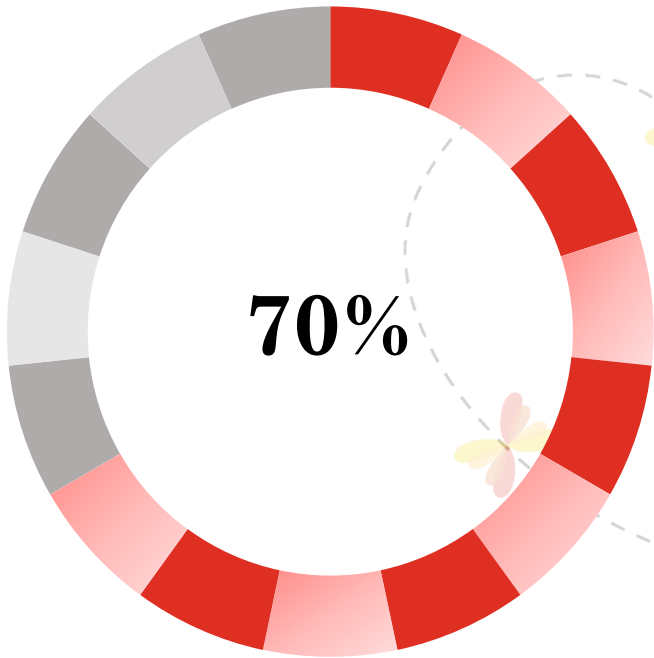
Financial Agenda

Looking Forward with
Confidence

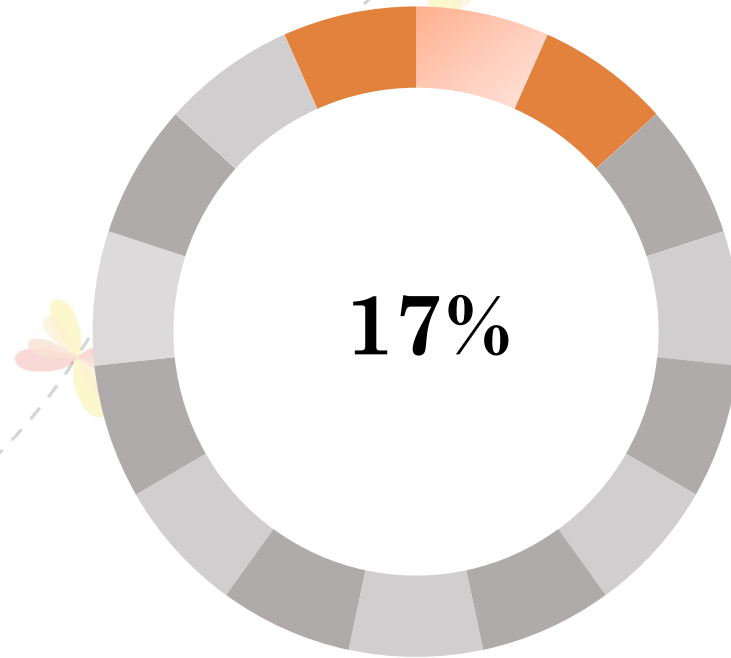
Leadership Position in our Products



Coal Tar Pitch



Carbon Black

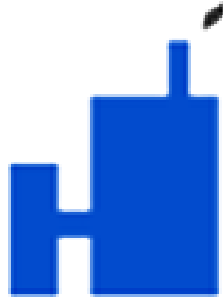


Market Leadership as % of Total Domestic Demand including Imports

Product Development was a Clear Focus



2010



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

2017



- Aluminium Grade Pitch
- Graphite Grade Binder Pitch
- Graphite Grade Zero QI (Quinoline Insoluble) coal tar impregnated pitch
- Anode 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

Evolving with Emerging Business Paradigms

To make an Impact on the End Markets



Aluminium



Graphite
Electrodes



Missiles



Lithium – Ion
Batteries



Anti Corrosive
Material



Rubber Industries



Paints, Plastic &
Fibre



Power



Infrastructure



Construction
Chemical



Wood Preservative
Oils



Specialized
Products

If You Can Be One Thing, Be Dependable



CTP Clientele



CB Clientele



Others Clientele



Rapid growth through R&D



- » R&D Centre recognised by the Department of Science and Technology and the Department of Scientific and Industrial Research - **Government of India**
- » R&D Centre is an NABL (**National Accreditation Board for Testing and Calibration Laboratories**) - accredited lab
- » Research activities of the Company have been published in **Research Journals across the world**



Innovation as a result of R&D

Coal Tar Pitch

- Developed zero QI pitch – one of the three global manufacturer
- Developed special pitch for use in long range warhead missile

Carbon Black

- Launched a series of application specific Speciality Blacks with superior performance parameters

SNF

- Developed next - generation product in PCE
- Developed application specific SNF for non-construction segment (Agro chemical/ gypsum/ latex)

Advanced Carbon Materials

- Only company in India with technology to manufacture anode material for Lithium-ion Batteries

Resulting in Faster Growth



Value Creation Journey
by way of
Vertical Integration

Fit for Future: Products &
its Potential

- Accelerating Core Business
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Looking back at Three
Decades of Experience

Financial Agenda

Looking Forward with
Confidence

» **Product Leadership – Accelerating Core Business**

- **Coal Tar Pitch**
- **Carbon Black**
- **Naphthalene**
- **Sulphonated Naphthalene Formaldehyde (SNF)**

Coal Tar Pitch



Used in Aluminium & Graphite Industry

Caters to more than **Two-Third** of demand for **Indian Graphite and Aluminium Industries**

Supplier of upto **95% of Coal Tar Pitch** requirements of certain Smelters

One amongst the **Few Global Manufacturers to Produce Zero QI (Quinolene Insoluble)** – coal tar impregnated pitch and Advanced Carbon Material

Critical Input in Downstream Industries



Anode Material

Used for
Li-ion batteries

Coal Tar Pitch

Graphite Grade Zero
QI Coal tar
Impregnating Pitch

In graphite electrode, nipple
impregnation and UHP grade electrode
manufacturing

Graphite Grade Binder Pitch

In Graphite Electrode
Manufacturing

Special Pitches

Used by DRDO in long range warhead
missiles. In carbon composites,
refractories, carbon paste, paints/ultra-
marine blue and water proofing among
others

Aluminium Grade Pitch

In pre-baked anode and soderberg in aluminium manufacturing

Inelastic & Growing Demand

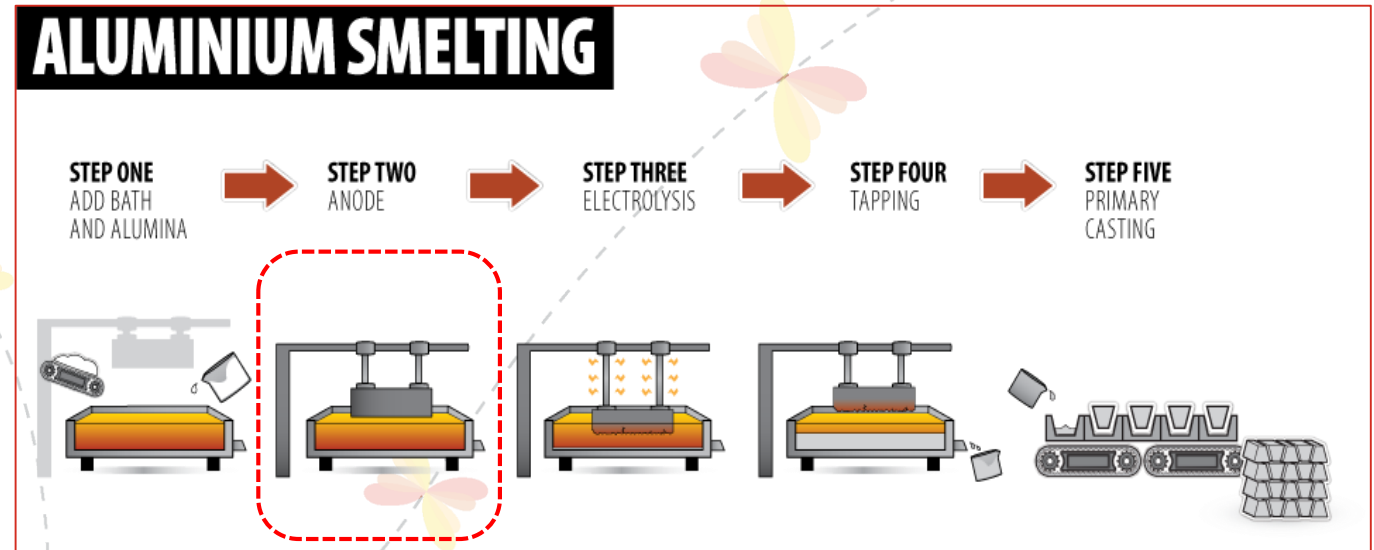
» **Inelastic Demand** : Coal Tar Pitch is used in pre-baked anode in aluminium smelter to produce aluminium. Aluminium Smelting is a Continuous Process - Smelter cannot be stopped and restarted easily

» **Complex Chemical** : Coal Tar Pitch is a Complex chemical with 22 Chemical and Physical Properties obtained through Coal Tar Distillation (CTD)

» **High Barriers for Import** : Liquid Coal Tar Pitch needs to be handled and shipped at 250°C and requires special fleets

» **Growing Demand** : 1MT of Aluminium requires 100 kgs of Coal Tar Pitch and 1MT of Graphite requires 440kgs of Coal Tar Pitch

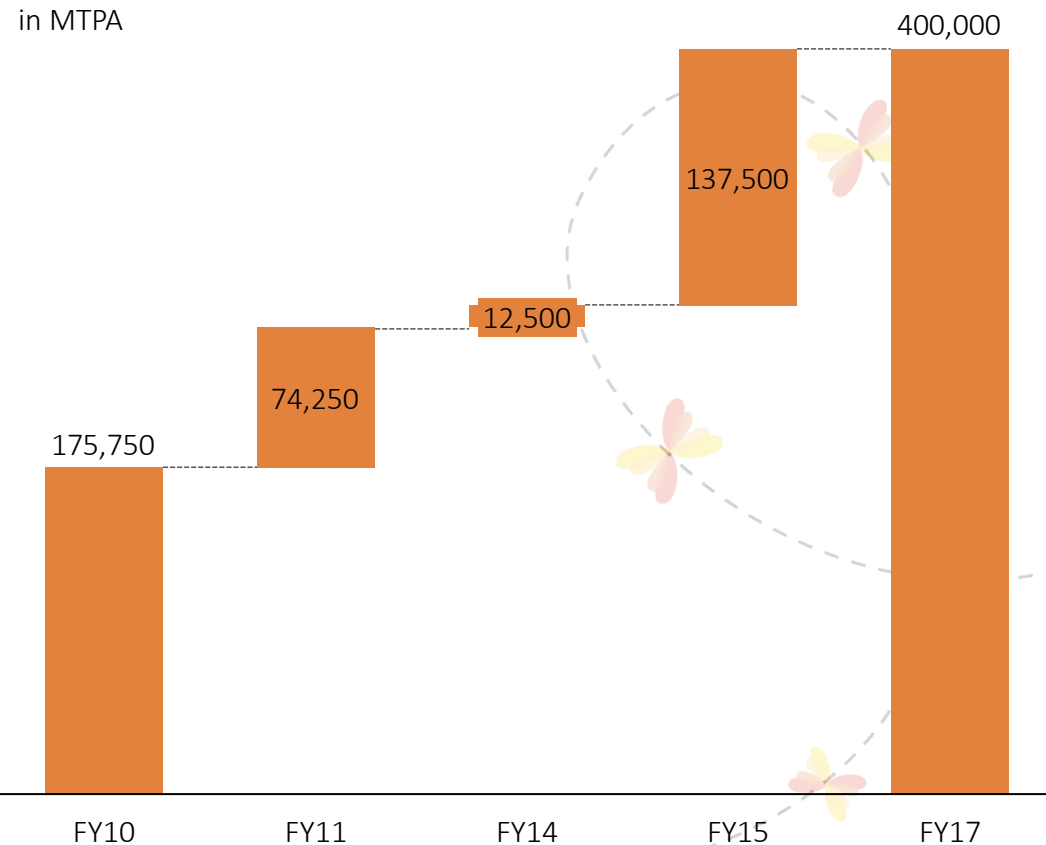
» **Aluminium Capacity Outlook**: India's aluminium production capacity expected to increase from 2.75 MTPA to 4 MTPA by end-FY19



Capacity Built Up to Support Growth



Distillation Capacity Built Up in India



» Raw Material Procurement:

- Largest Purchaser of Coal Tar in India from almost all domestic steel plants
- Strategically imports Coal Tar based on prevailing global demand supply dynamics

» Pricing:

- Value based pricing
- Increase in Raw Material and other costs passed on to Customers



Anything that is
manufactured Black
has
Carbon Black

Forward Integration to convert
Coal Tar Oil into Carbon Black

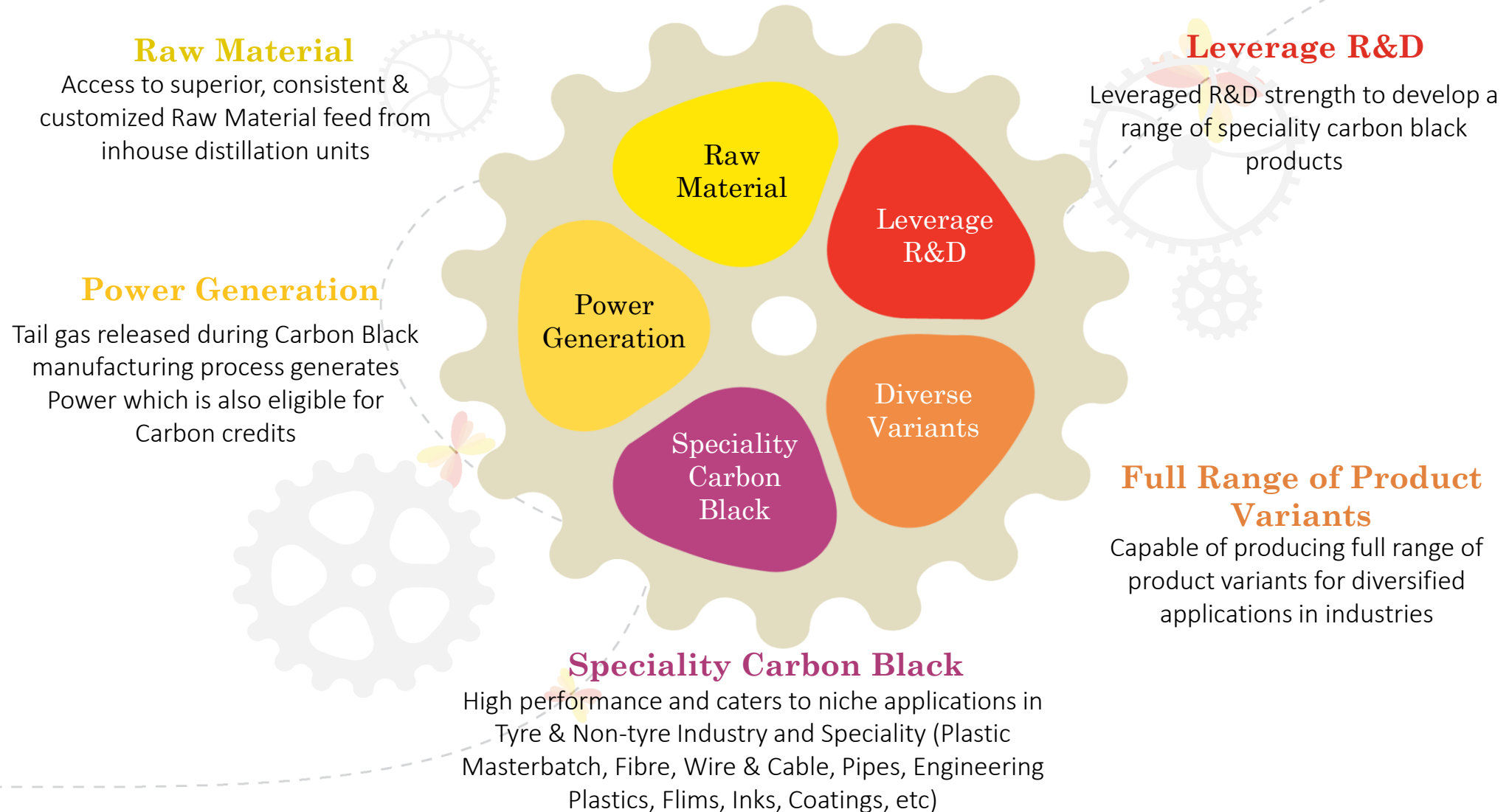
3rd Largest Carbon Black Producer in India
with

120,000 MTPA

With **Superior Inhouse Raw
Material & R&D**

Capabilities launching
Speciality Carbon Black
range with niche application

Benefits of Forward Integration

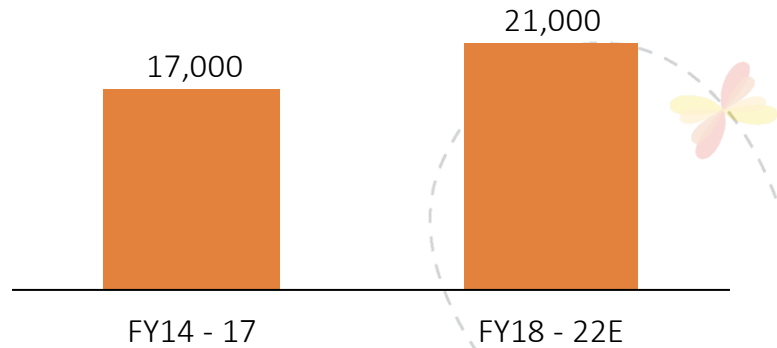


Large Market Potential



Indian Tyre - Commissioned Projects

Rs. Crore

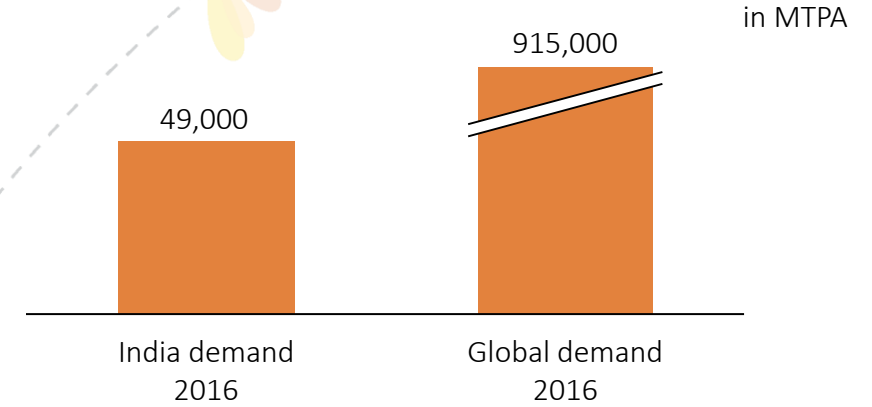


Indian Tyre Market is ~ **Rs. 500 Bn** in FY16

40% Carbon Black Revenue is generated from **Tyre Industry**

13 Distributors across India to focus on Sales to **Non-Tyre** Rubber Application

Speciality Carbon Black



Speciality black market in India is currently small at less than **5% of Total Volume** but growing rapidly

Globally, the speciality CB market is **10-12% of Total Volume**

Naphthalene



Value-additions through
**Refined
Naphthalene and
SNF**

**Capacity
Doubled** for
refined Naphthalene

Also formulate
Special Grade Naphthalene



Naphthalene Value Proposition



Special Grade Naphthalene

Special Grade Naphthalene is formulated to cater customer's niche requirements in dyestuff and dyes intermediates application



Naphthalene Moth Ball

Moth Balls is made by using superior grade chemical composition and leading-edge techniques in compliance with predefined quality standards for use in natural fragrances

Sulphonated Naphthalene Formaldehyde (SNF)

SNF is a water soluble Chemical admixtures, improves the concrete mix workability and compressive flexural strength. Mainly used in the construction/infrastructure industry



Sulphonated Naphthalene Formaldehyde (SNF)

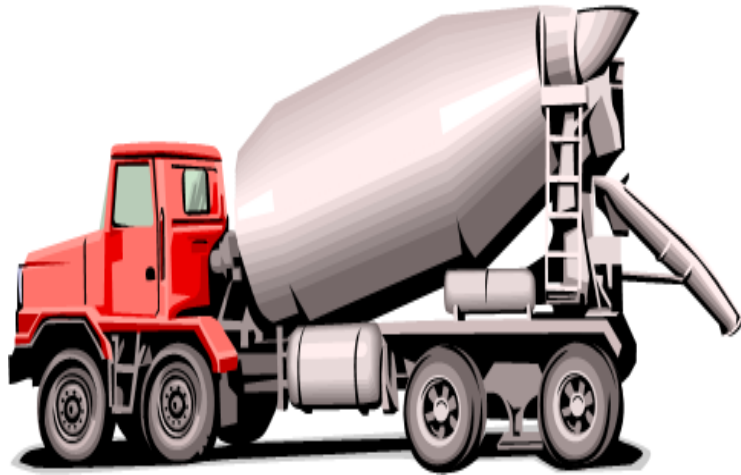


SNF – Next Generation Product
for the Construction Chemical Industry (Admixture),
Agro chemicals, Latex, Gypsum

Largest Indian manufacturer of
SNF with an installed capacity of
68,000 MTPA

Highest Purity SNF manufactured from
In-house produced Naphthalene

Penetration of SNF admixture in concrete
in India is **less than 10% against a high
global average**



- » **Sulphonated Naphthalene Formaldehyde (SNF)** is a speciality chemical condensate that helps improve concrete mixes by dispersing cement particles for extended workability and reinforcing compressive flexural strength
 - Naphthalene, one of the by product of Coal Tar Distillation is used in-house to manufacture SNF

- » Himadri has emerged as the largest Indian manufacturer of SNF with an installed capacity of **68,000 tonnes per annum**.
- » Although concrete finds mass usage across India, **the penetration of SNF** admixture in concrete is **less than 10%** against a high global average
- » Used in growing Industries like **Construction Chemical Industry (Admixture), Agro chemicals, Latex, Gypsum etc**



» Future Products – Finding Next Core Business

- Advance Carbon Material

Advance Carbon Material



Forward Integration

from Coal Tar to
Advance Carbon Material

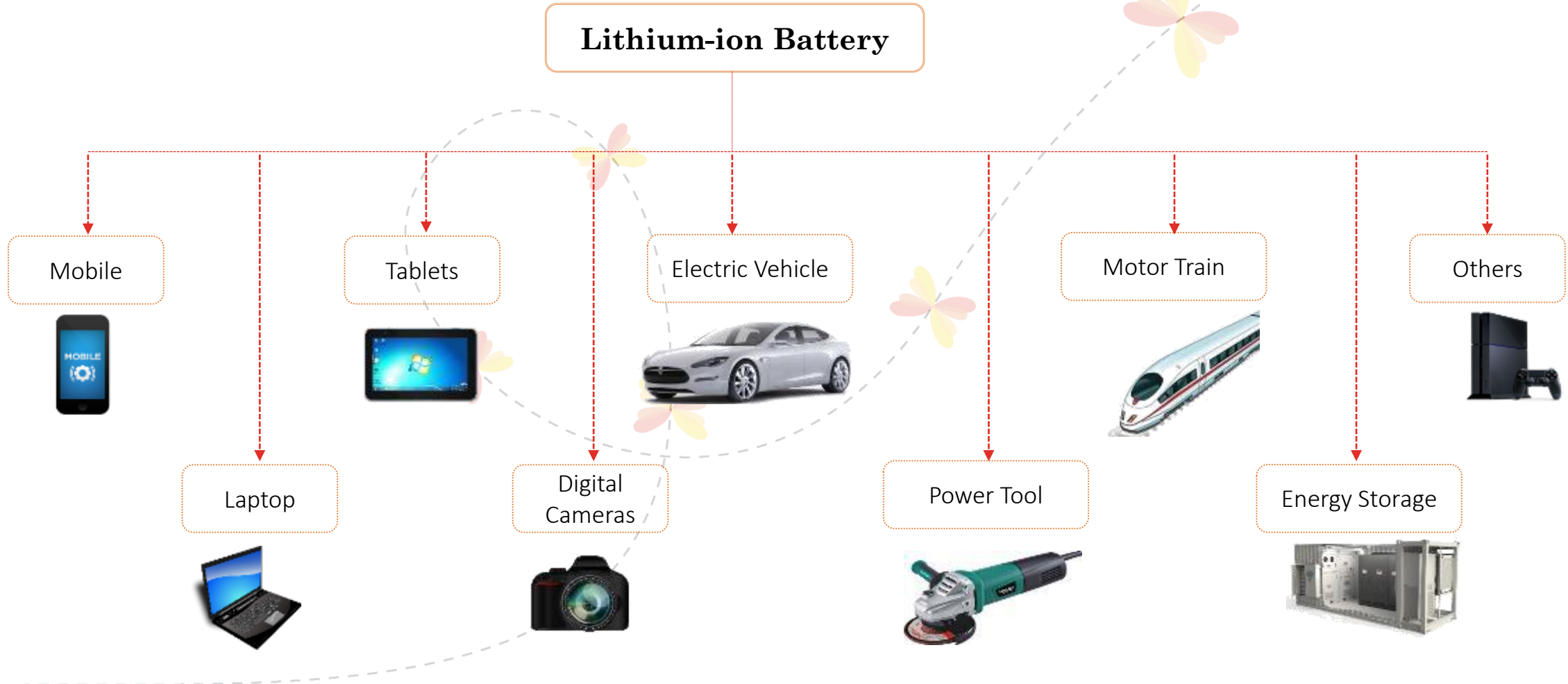
Anode Material used in
Lithium-ion Batteries

Only Producer
of Advance Carbon Material in India

Best in class

Proprietary Technology
With **Cost Leadership**

Application in Sunrise Sector



At early stage of Growth

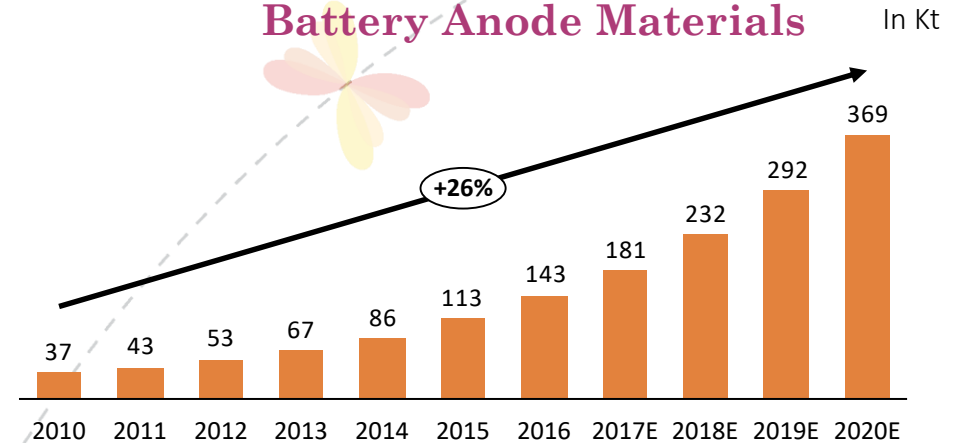


- » First Indian Company to develop **anode material** of both Synthetic and Natural varieties for **lithium-ion batteries**
 - **Best-in-class Proprietary technology** which involves Coal Tar treatment into Advance Carbon Material, carbonisation, classification and graphitisation
 - **Only few Japanese Companies manufacture anode material through Coal Tar route having superior performance**
 - **Cost Leadership :**
 - **In-house access to raw material**
 - ✓ High Quality Material
 - ✓ Captive Power

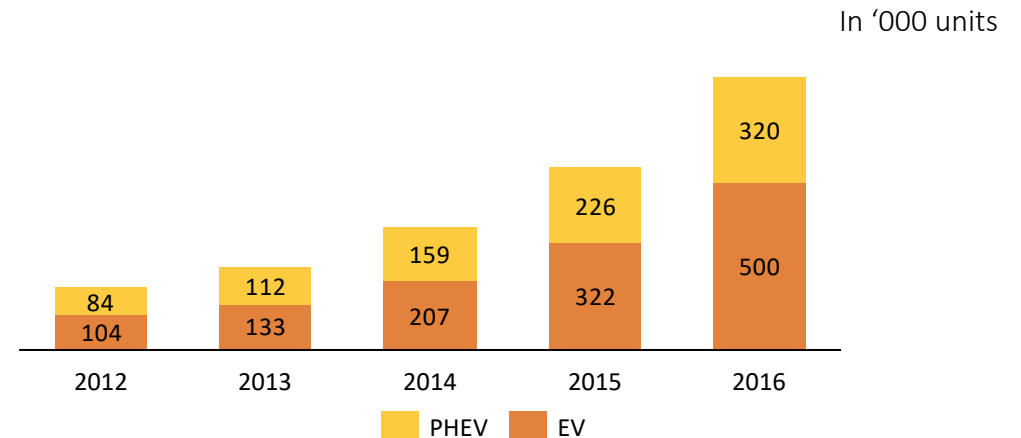
Capacity Expansion to Capitalize Growth

- » Advantage of its integrated manufacturing facility to reduce logistics and energy costs
- » To leverage cutting-edge product to develop next-generation materials

Global Shipments of Lithium-ion Battery Anode Materials



Global Electric Vehicles Sales





Value Creation Journey
by way of
Vertical Integration

Fit for Future: Products &
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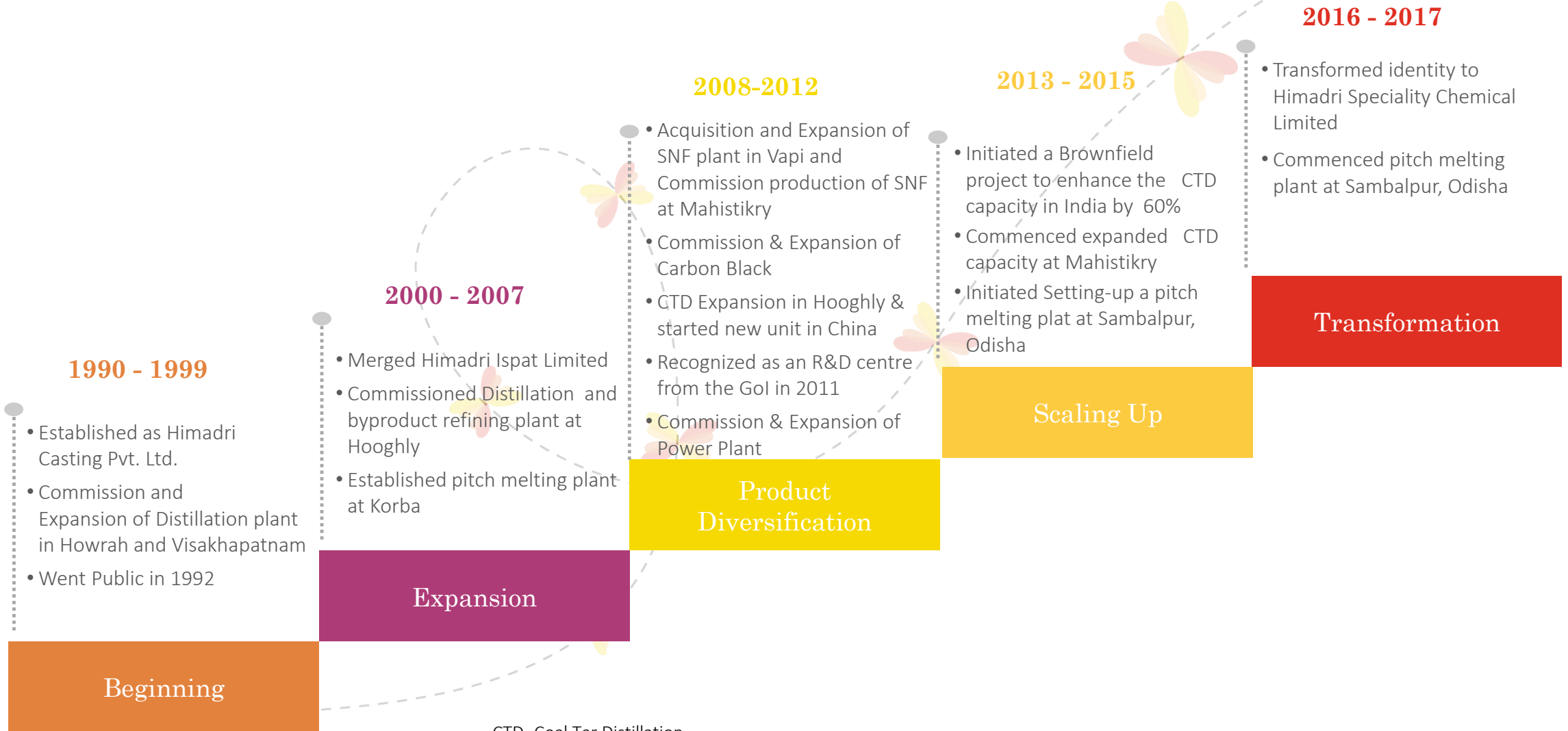
- Accelerating Core Business
- Finding next Core Business

Looking back at Three
Decades of Experience

Financial Agenda

Looking Forward with
Confidence

Evolving...



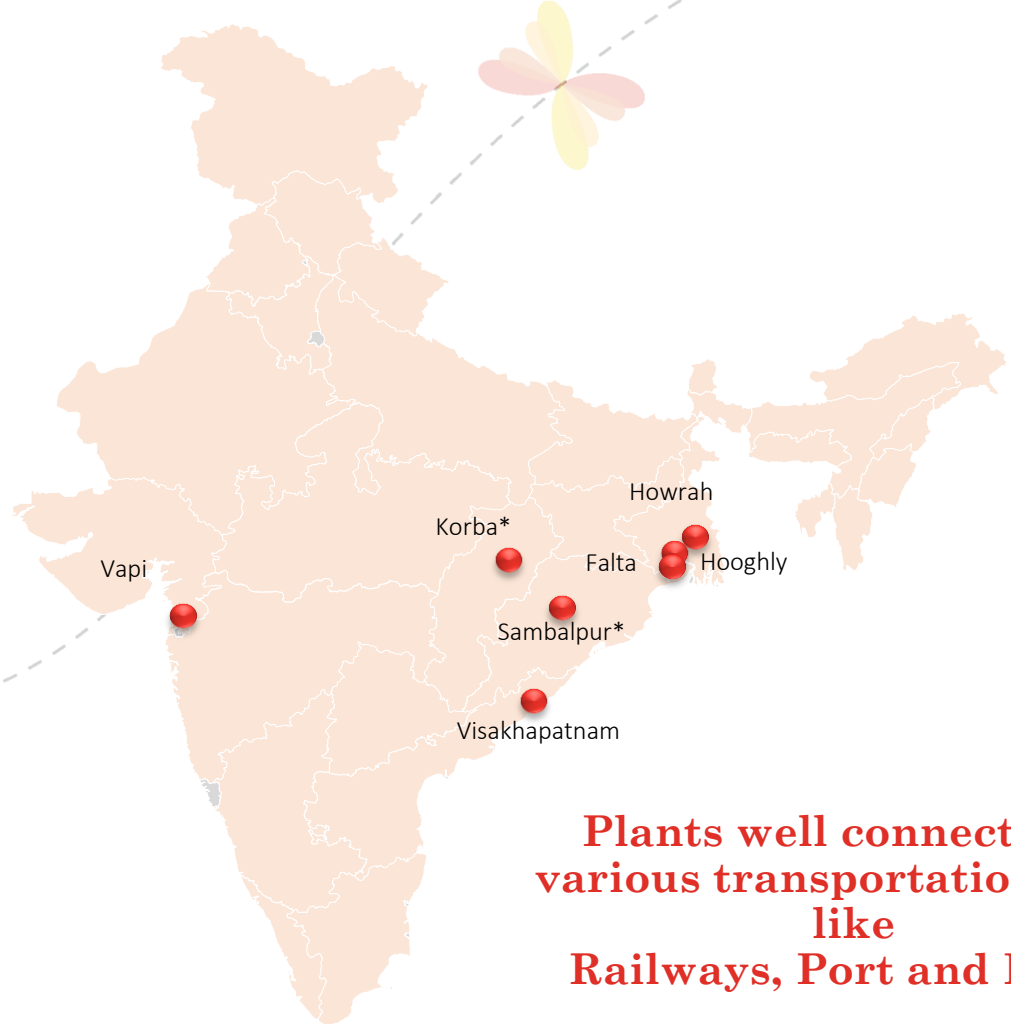
CTD- Coal Tar Distillation

...with Presence at Strategic Locations in India...

Product Capacity

Plant	Existing Capacity
Coal Tar Distillation Capacity	400,000
Carbon Black – MTPA	120,000
Power Plant (Co. generation) – MW	20
SNF - MTPA	68,000

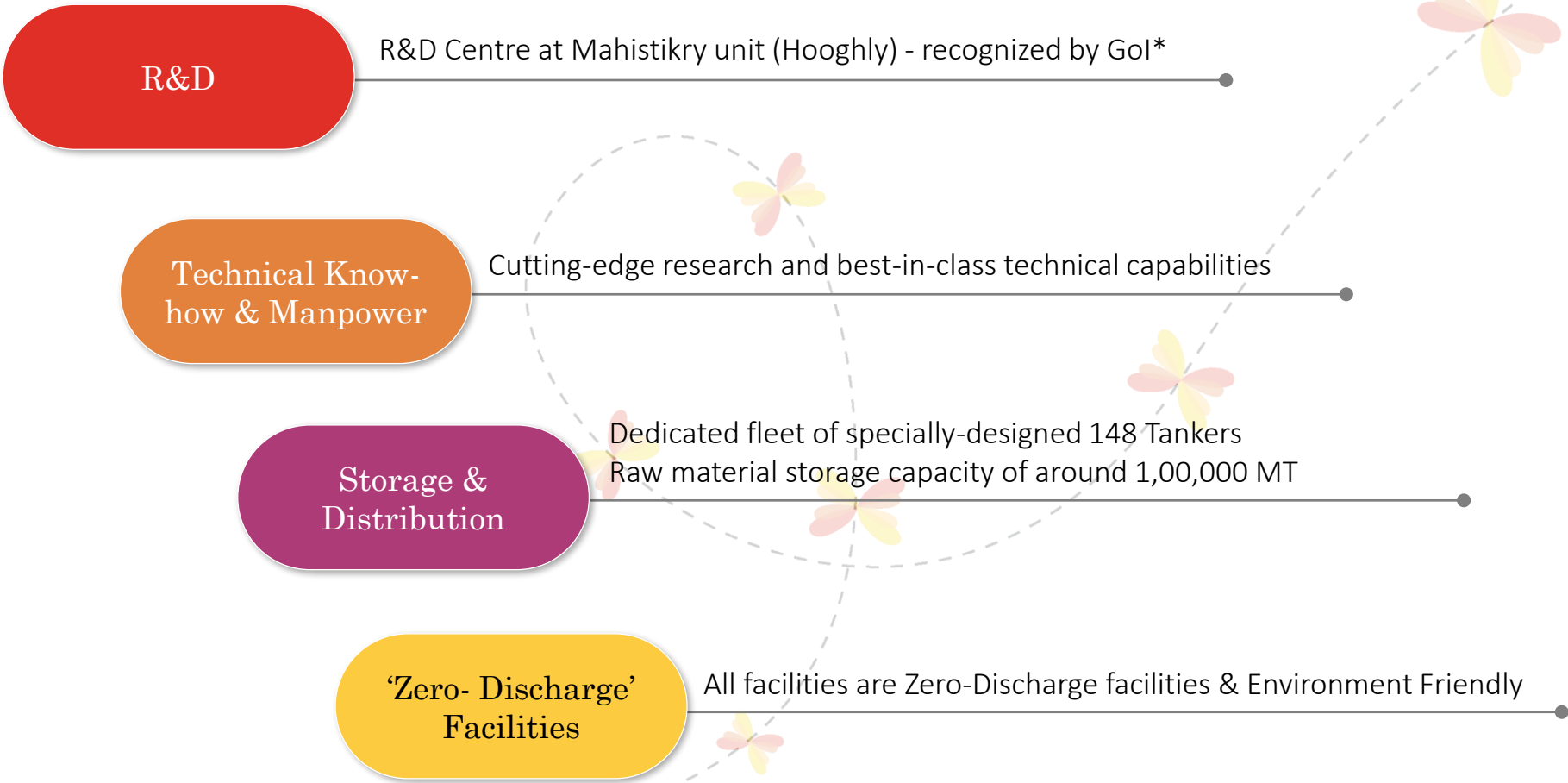
All our facilities are Zero-Discharge Facilities



Plants well connected to various transportation mode like Railways, Port and Roads

* Pitch Melting Plant

...supported by Key Elements in Business Model...



*Government of India

...with validation through Awards & Recognition




**'Best Large Corporate' of WB
in INR 1,000+ Cr Category**



**'Highest Job Creator' of WB
in INR 1,000+ Cr Category**





Value Creation Journey
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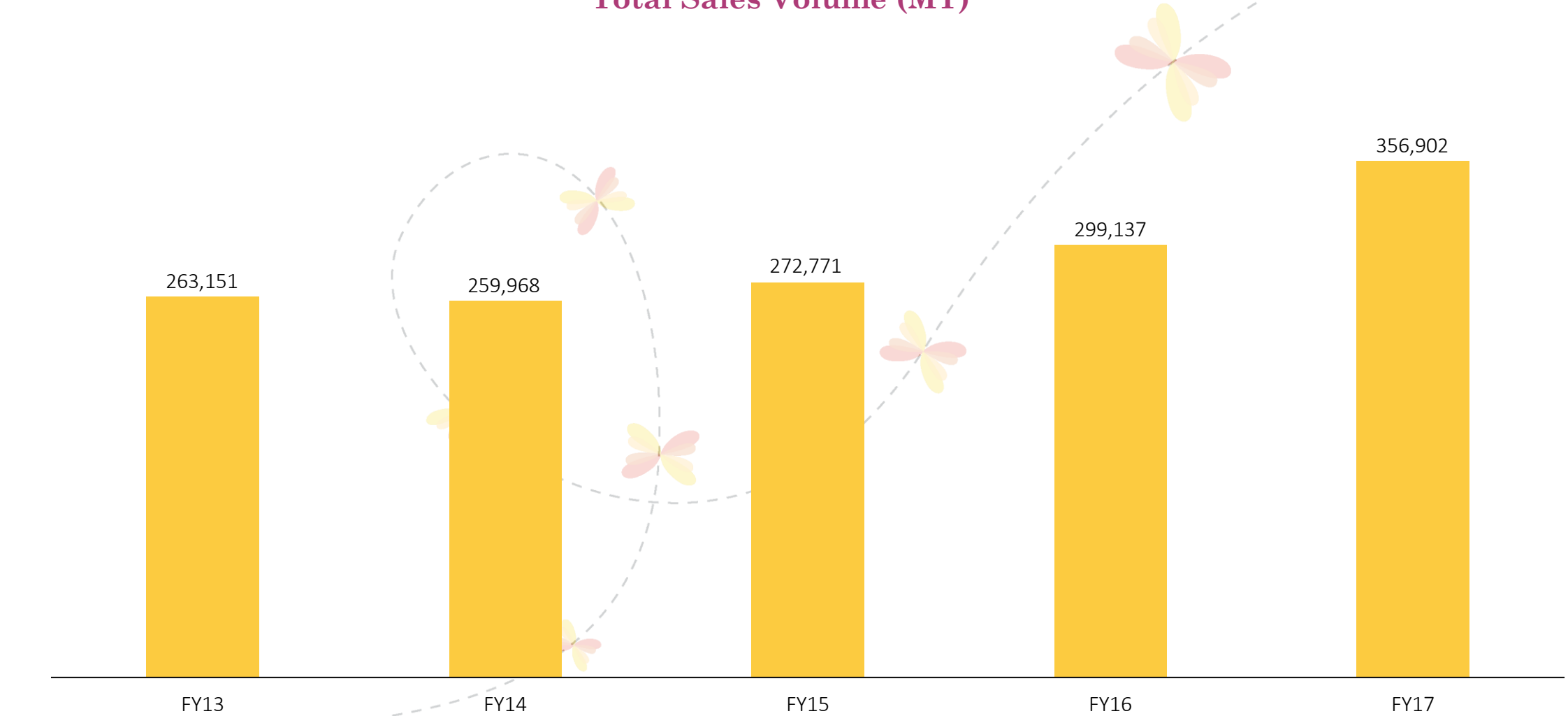
Financial Agenda

Looking Forward with
Confidence

Key Performance Indicator



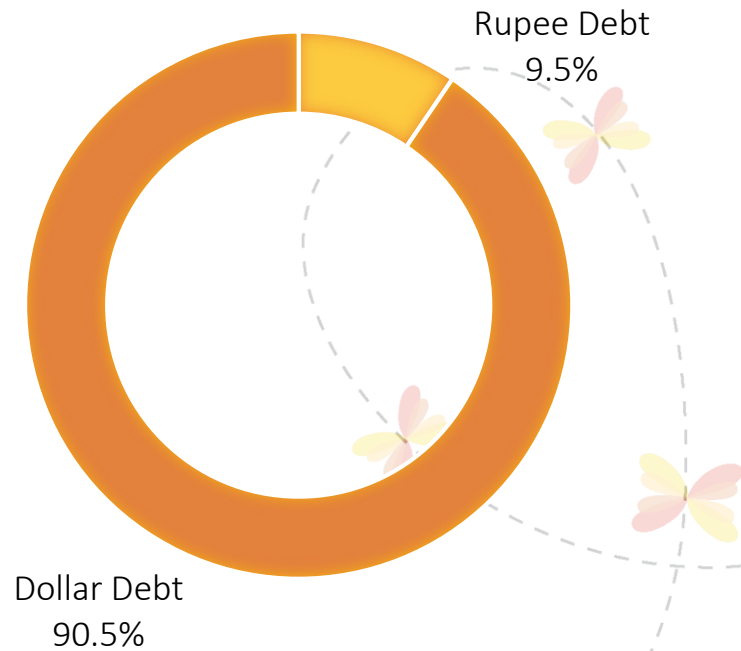
Total Sales Volume (MT)



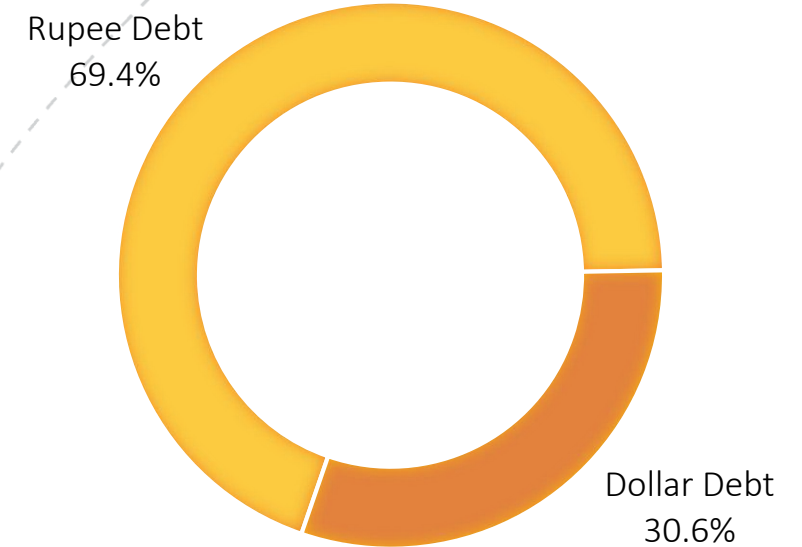
Change in the Debt Composition



Total Debt Profile FY12



Total Debt Profile FY17



Change in **Debt Composition** from **~91%** of Foreign Currency Loans to **~31%** in FY17

Debt Repayment of over Rs. 500 Crores

Rupee Debt

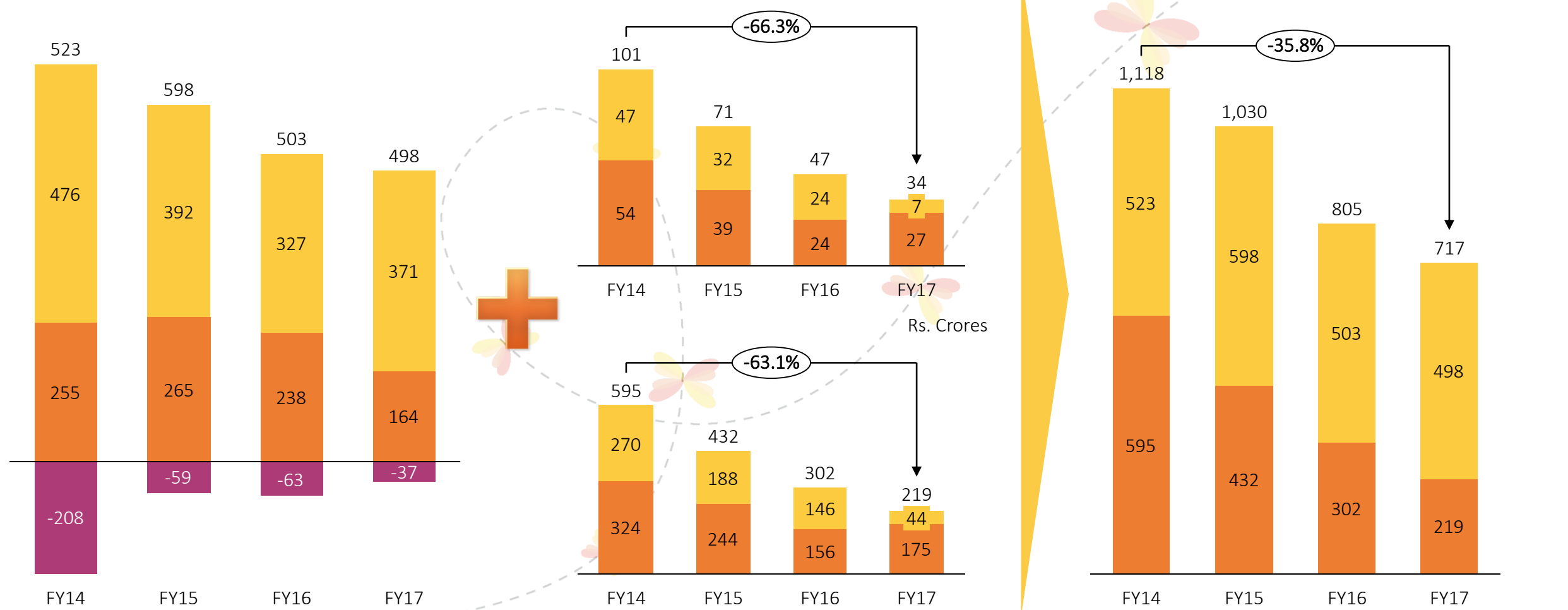
Dollar Debt

Net Debt

Rs. Crores

\$ million

Rs. Crores



Long Term Debt Working Capital Loans Cash/Bank Balance

Rupee Loan Dollar Loan



Value Creation Journey
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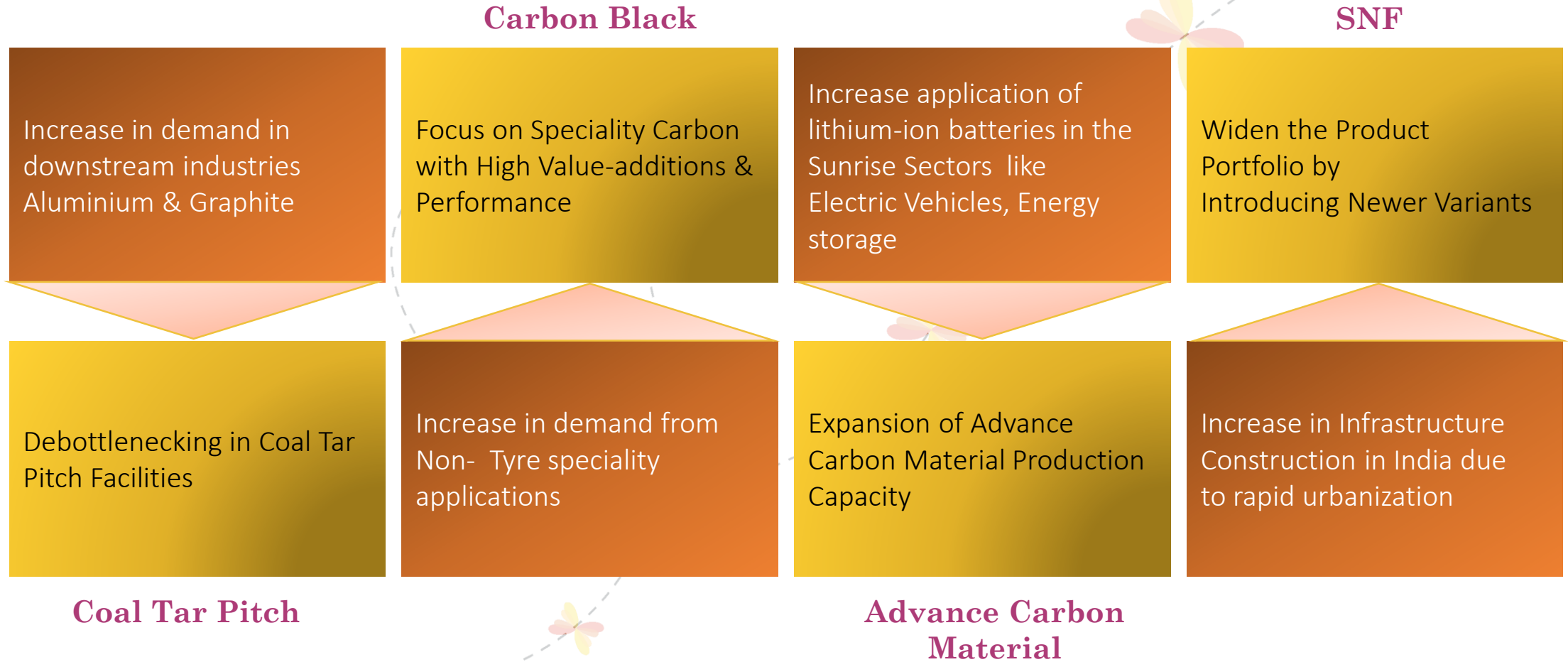
Financial Agenda

Looking Forward with
Confidence

Strongly positioned to capture Growing Markets



Strategic Growth Priorities



For further information, please contact:



Company :

Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

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www.sgapl.net



Himadri Speciality Chemical Ltd

Impressive Growth with Sustainable Performance

Sales Volume of 94,769 MT; growth of 25% Y-o-Y

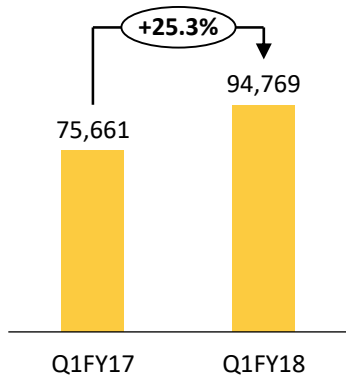
EBITDA of Rs. 100 Crores; growth of 96% Y-o-Y

PAT of Rs. 50 Crore; growth of 330% Y-o-Y

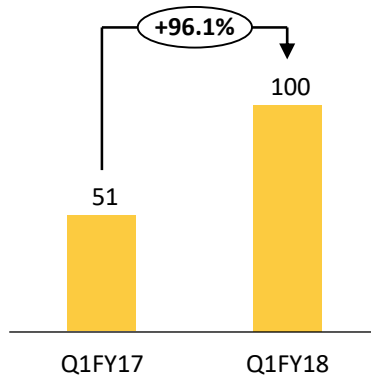
Release: 3rd August, 2017, Kolkata

Himadri Speciality Chemical Ltd, the largest vertically integrated Speciality Carbon Company. The Company is leader in products like Coal Tar Pitch with market share of 70% and Carbon Black with market share of 17%.

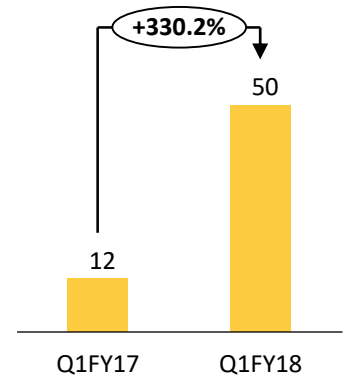
**Total Sales Volume
(MT)**



EBITDA (Rs. Crs)



PAT (Rs. Crs)



- **Robust Revenue Growth of 77% Y-o-Y :**
 - Increase in Volume
 - Better Product Mix and Customer Mix
- **EBITDA Outpaced by 96% Y-o-Y :**
 - Increased contribution from Higher Margin Products
 - EBITDA per MT increased by 56% Y-o-Y
 - Higher Utilisation of Capacities and Operational Efficiencies
- **Net Profit increased by 330% Y-o-Y :**
 - Interest cost reduced by Rs. 2 crores due to reduction in Debt



Commenting on the results and performance, Mr. Anurag Choudhary, CEO of Himadri Speciality Chemical Ltd said:

“ Financial Year 2018 has started on a very good note. Your Company have delivered robust overall business performance. Our Product Mix is complemented with High Margin Products like Refined Naphthalene, SNF, Speciality Carbon Black and Future High Growth Pipeline product like Advance Carbon Material.

We cater to more than two third of the demand for Indian Graphite and Aluminium Industries. The future outlook in these industries looks very positive based on their plans to expand their capacities which in turn require Coal Tar Pitch as a key raw material. We are also expanding end markets for use of Carbon Black in niche applications which would not only increase demand but also increase profitability of this product. We will continue to focus on maintaining our leadership in our Core Products like Coal Tar Pitch and Carbon Black. We have also developed our next core products that find its applications in sunrise sectors. Our product Advance Carbon Material used for lithium-ion batteries has been appreciated by clients.

In the last few years, we had taken various initiatives like forward integration into high value products, customer alignment, better utilization of our assets and channelling the resources towards Innovation to build your Company to Last.

We have already started receiving the benefits of our efforts to innovate in products and bring efficiencies in system. All our divisions are showing Profitable Growth. We have delivered robust and sustainable performance in this quarter with an increase in EBITDA of 96% and Profits by 330% .

Moving forward, we reiterate our Confidence in our ability to Company’s delivery of Outstanding Performance and increased Shareholders Value.



About Himadri Speciality Chemical Ltd

Himadri Speciality Chemical Ltd (“Himadri Speciality”) was established in 1987, is the largest vertically integrated speciality carbon company and the largest producer of coal tar pitch in India with headquarters in Kolkata, West Bengal.

The Company is a leader in products like Coal Tar Pitch with market share of around 70% catering to more than two-thirds of the Indian Graphite and Aluminium industry, Carbon Black with market share of 17% catering to niche application in Tyre and non- Tyre industry. In the last few years, Himadri Speciality has diversified its product portfolio by way of forward integration which includes advance carbon material and other value added speciality products. The Company has eight manufacturing capacities spread across India in Andhra Pradesh, Chhattisgarh, Gujarat, Odisha and West Bengal. The Company is focused on maintaining consistent leadership in the core products and developing market for the value-added product. The Company have developed strong experienced R&D team with international experts, its R&D unit is situated at Mahistikry, West Bengal which is recognized by Government of India.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

Company :

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CIN: L27106WB1987PLC042756

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Investor Relations Advisors :

SGA Strategic Growth Advisors

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Payal.Dave@sgapl.net

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