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June 26, 2019

To, Corporate Relations Department BSE LIMITED, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001

Dear Sir/Madam,

#### Subject: Regulation 30 SEBI (LODR) - Media Release Ref: B<u>SE Scrip ID: CHEMCRUX</u> <u>BSE Scrip Code</u>: 540395

Dear Sir /Madam,

In terms of Regulation 30, of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 we would like to inform that Chemcrux Enterprises Limited has been featured in the special publication **' 50 Thriving SME companies of India'** of **Dalal Street Investment Journal** (June 24 - July 7, 2019 edition) wherein a communication from the Executive Chairman of the Company has been published containing interalia future outlook of the Company.

A copy of the publication is enclosed for your information and records.

Thanking you, For, CHEMCRUX ENTERPRISES LIMITED,

Elta lemar

Ekta Kumari Srivastava Company Secretary



# **Communication** Feature

### **Chemcrux Enterprises Limited**



### We Will Continue With The High Growth Momentum In Future

Girish Shah Executive Chairman, Chemcrux Enterprises Limited

#### Your company has been growing at what rate in the past three years in terms of sales and net profits? What is the growth rate your management team is aiming at for the coming three to five years?

Our company is on a growth trajectory and we are confident of continuing the growth. The financial parameters of the company for the last three years are as under:

				%	%	
				increase	increase	CAGR%
* ( In Lacs )	FY16-17	FY 17-18	FY 18-19	(1 year)	(3 years)	(3 years )
Turnover	2784.48	3175.99	5576.79	76	100	26.05
EBDIT	380.07	502.44	1391.04	177	266	54.11
Profit before Tax	285.44	404.33	1234.76	205	333	62.94
Net Profit	149.83	236.32	931.55	294	522	83.88
EPS	5.15	4.79	18.87	294	266	54.17
*Figures are in lakhs, except EPS						

We are aiming to continue with the growth momentum and working towards achieving three digit turnover in the next 3 years by way of expansion and diversification. We are working not only towards top line growth, but also for bottom line growth by adopting ISO 50001 and by being an energy-efficient company. 'Chemcrux' is one of the eight selected companies of India in the MSME for energy audit, a World Bank-funded project.

We are proud that, 'Chemcrux" got SKOCH award in March 2019 for being among Top 200 MSME companies in India.

#### What are your key growth levers?

The company's key growth levers are:

- ✓ Growth through quality, consistency and reliability has been our business mantra since 36 years and, as a result, we have been able to retain our clients for more than 25 years in business.
- ✓ Strong client base across various sectors like pharma, pigment, dyes assures a consistent demand of company's various products from the niche product basket. We have a strong client base of MNC pharma majors in the domestic

& overseas market. Our strength of In-house technology development and versatile design of plant, machinery and infrastructure of the company assures very high versatility for product changeover. This helps us to adapt to the market demand easily.

- ✓ Company's strong Quality Management Systems (QMS) and environment policy with ISO 9001 & ISO 14001 certification and both are matured systems for the company as these are being followed since more than a decade.
- ✓ These have been the prime reasons for continual growth of the company since decades.

## Please explain your product mix strategy that helps you maximise revenues?

As our company is technology-driven, all manufactured products are from in-house developed technology. This versatility strengthens our ability to change product mix as per market needs and which gives maximum value-addition.

We run product campaigns with optimum value additions and margins. Our foundation is in process-based manufacturing and not product-based manufacturing. This helps us to add product in manufacturing with high value-additions and increase company's revenues.

## What is your current manufacturing capacity? Do you have any plans of expansion on cards?

Our plant is located on 66,000 sq. ft of land in GIDC, Ankleshwar, Gujarat, handling high pressure oxidation, nitration and chlorosulfonation chemistry. The manufacturing capacity varies with product and process mix. The installed overall capacities for oxidation, nitration, chlorosulfonation and other products as of now are 2500 MT per year. We have done capital investment during the years for debottlenecking of processes and to improve efficiencies.

We plan to take our next step forward to expand capacities & diversify by way of creating additional production facility / acquisitions in domestic market. Keeping in view future expansion plans, Company has acquired land in GIDC, Ankleshwar, for warehousing. This will create space for further expansion in the existing plant.

#### What percentage of your revenues comes from exports?

We export our diversified product range across many countries such as Europe, USA, Africa and Japan. The company's business and revenues have grown well in the overseas market in the last five years. The total percentage of exports in total revenue has been 15% on an average in the last three years. Value-wise, the company has registered continuous growth in exports and the company's exports have increased in absolute terms by 22% in FY2018-19 vis-à-vis FY2017-18. With continued environmental issues in China, the overall scenario has been favourable for the domestic chemical exporters and we are also well-positioned to leverage the situation to our advantage.