



SIGACHI INDUSTRIES LIMITED

CIN : U24110TG1989PLC009497

AN EXCIPACT GMP, ISO 9001:2015 & FSSC 22000 CERTIFIED COMPANY



To,

Date: 25.07.2022

**The Manager
BSE Limited
P. J. Towers, Dalal Street
Mumbai-400001
(BSE Scrip Code: 543389)**

**The Manager,
NSE Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai- 400051.
(NSE Symbol: SIGACHI)**

Dear Sir/Madam,

Sub: Earnings Presentation on Q1 FY 23 Results

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) 2015, and with reference to the subject cited, please find enclosed Presentation on Earnings for Q1 FY 2023 results. The same is also uploaded on the website of the Company www.sigachi.com.

This is for your information and records.

Thanking You,

Yours faithfully

For Sigachi Industries Limited

SHREYA Digitally signed
by SHREYA MITRA
MITRA Date: 2022.07.25
11:48:07 +05'30'

Shreya Mitra

Company Secretary and Compliance Officer

Registered Office:
229/1 & 90, 2nd Floor,
Kalyans Tulasiram Chambers,
Madinaguda, Hyderabad - 49,
Telangana State, India.
Email : mktg.gm@sigachi.com
Customer Service +91 40 40114874-76

Unit-1:
Plot No. 20-21
IDA Pasamailaram
Phase I, Sangareddy Dist.
Telangana State, India

Unit-2:
Plot No. Z-16, SEZ Unit
Dahej SEZ Part I
Bharuch Dist.
Gujarat, India

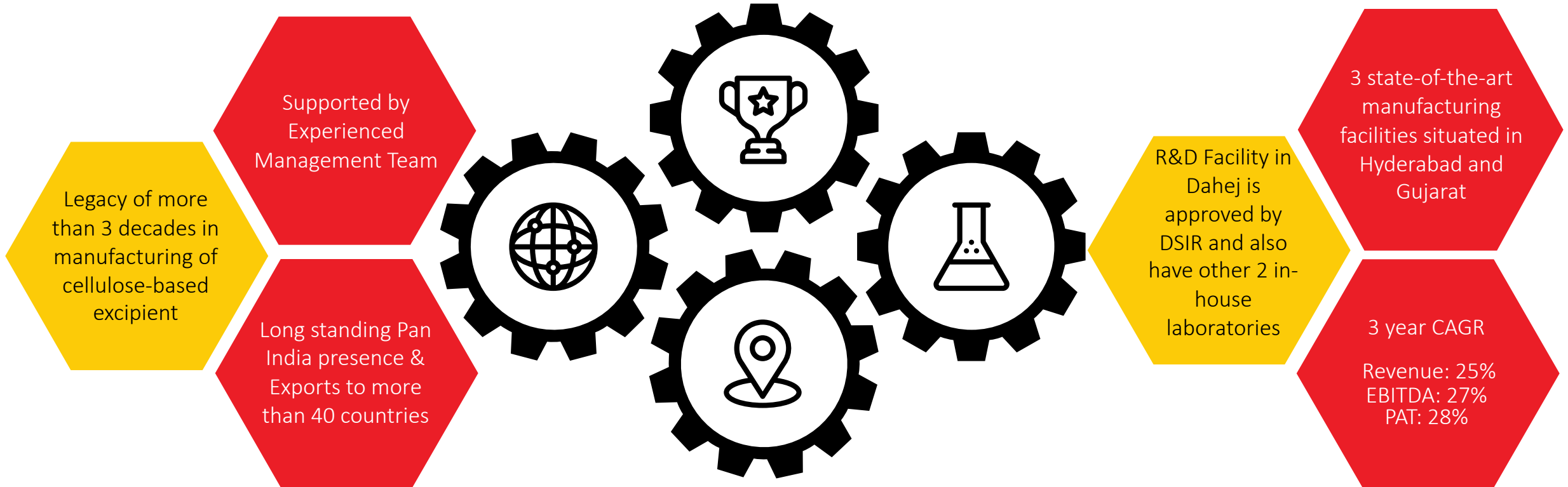
Unit-3:
Plot No. 763/2
Jhagadia GIDC
Bharuch Dist,
Gujarat, India



Sigachi Industries Limited

Earnings Presentation

Q1-FY23

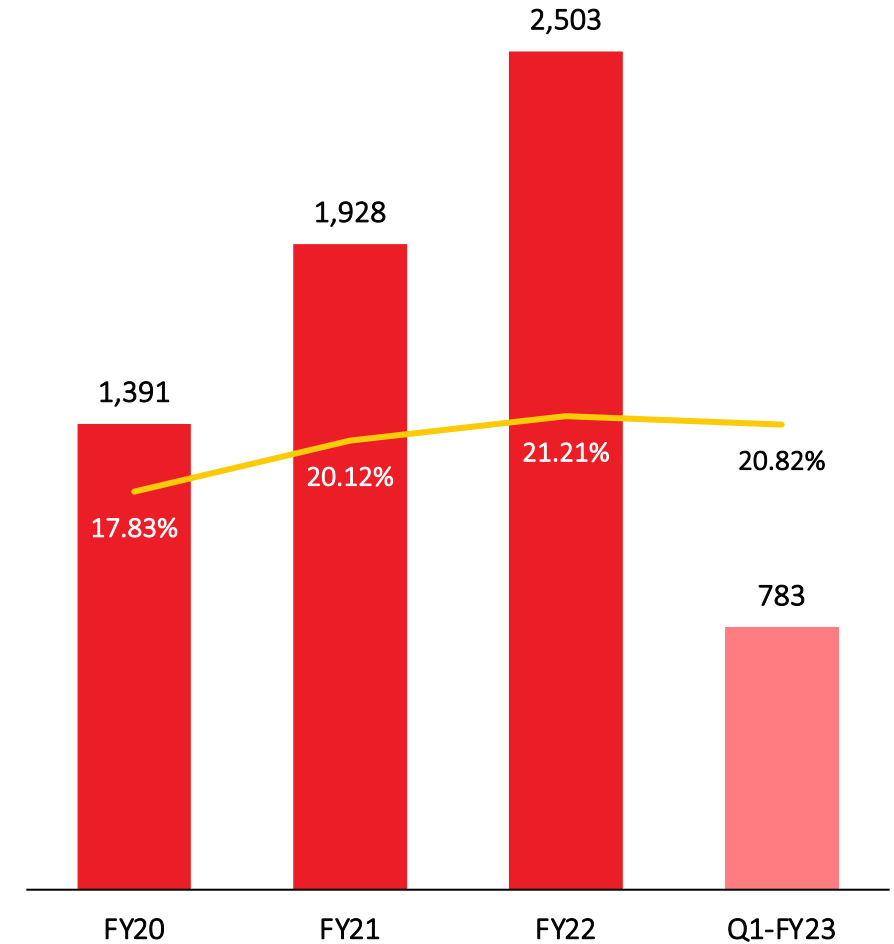




Company Overview

- Sigachi Industries Limited (Sigachi), incorporated in the year 1989, is one of the leading manufacturers of Micro Crystalline Cellulose (MCC) in the world.
- Sigachi manufactures high-quality cellulose-based excipients, which predominantly find usage in the pharmaceutical, supplement and food industries.
- The company has created a niche in manufacturing highly innovative pre-formulated excipients & 60+ widely used excipients of international quality standards.
- With two facilities in Gujarat and one in Telangana, Sigachi ensures supply chain reliability for its customers in India and across the globe.
- Sigachi has a global sales and distribution network and exports to more than 40 countries across Asia, Australia, American Continent, Europe and Middle East.
- From its state-of-the-art R & D facility the company ensures continuous innovation to efficiently meet evolving customer demands.
- The company also has an agreement with Gujarat Alkalies and Chemicals Limited (“GACL”) for operating and managing the manufacturing units owned by GACL and for contract manufacturing of sodium chlorate, stable bleaching powder and poly aluminum chloride.

Revenue (INR Mn) & EBITDA Margins (%)





Key Strengths



One of the leading manufacturers of MCC in India with over 30 years' experience:

- Made advancements in development of MCC and positioned as one of the key manufacturing players globally
- Technical capabilities, capable R&D Division and manufacturing infrastructure, gives a first mover advantage in India



Pan India and International market presence:

- A long-standing market presence in India and internationally
- Export products to 41 countries including Australia, USA, South America, U.K., Poland, Italy, Denmark, China, Colombia, Bangladesh, to name a few



Comprehensive product portfolio enables to serve diverse end-use applications:

- Customize the usage and application of the products to various industries including but not limited to pharmaceutical, food, nutraceuticals and cosmetics
- Manufacture MCC in various grades ranging from 15 microns to 250 microns



Presence across diverse industry verticals with long standing relationship with customers:

- Customization of products based on customer specifications and requirements
- Track record of consistent delivery of quality and cost-effective products and solutions through strategic alignment of key customers' goals over the years



Growth led by continuous investment and focus on R&D:

- Regular investments in R&D to expand the product offerings and to streamline manufacturing process
- 2 R&D Division and 2 in-house laboratories
- The laboratory in the Jhagadia R&D Division has been approved and has received an accreditation by DSIR to undertake R&D activities



Strategically located manufacturing facilities

- Set up 3 multi locational manufacturing units namely, Hyderabad, Telangana ("Unit I"), Jhagadia, Gujarat ("Unit II") and Dahej, Gujarat ("Unit III") which helps provide timely, efficient and customized delivery of the products in terms with the specific demographic needs



Financial Overview

Q1-FY23 Financial Highlights

<p>INR 783 Mn</p> <p>Operating Income</p> <p>+43% YoY</p>	<p>INR 163 Mn</p> <p>Operating EBITDA</p> <p>+34% YoY</p>	<p>20.82%</p> <p>EBITDA Margin</p> <p>-140 Bps YoY</p>
<p>INR 128 Mn</p> <p>Net Profit</p> <p>+42% YoY</p>	<p>16.35%</p> <p>PAT Margins</p> <p>-4 Bps YoY</p>	<p>INR 4.17/Share</p> <p>Diluted EPS</p> <p>+7% YoY</p>

Q1-FY23 Operational Highlights

- Revenue growth driven by increased demand for MCC across all industries, with volume growth of ~10% and realisation growth of ~19% on a QoQ basis.
- Export sales increased to 75.43% in Q1-FY23 as compared to 73.60% in Q1-FY22 with continuous efforts to enhance the global client base through marketing efforts and product customization.
- Focus on high margin yielding product mix with cost-effective manufacturing processes, effective management of inventory resulted in improvement of EBITDA and Profitability on a QoQ basis.
- The consumption of material reduced to 47% from 51% in Q1-FY22 due to adoption of cost effective process and favorable product mix.
- Company expects the growth trend to continue with current profitability at sustainable levels.
- Furthermore, capacities of around 7,000 MT will be added during the latter part of FY23 which will contribute to additional revenue growth in the coming financial years.
- Company is constantly thriving to improve upon its R&D capabilities and cost-effective manufacturing processes and thereby remain as a manufacturer of choice with highest quality standards.



Quarterly Consolidated Financial Performance

Particulars (INR Mn)	Q1-FY23	Q1-FY22	Y-o-Y	Q4-FY22	Q-o-Q
Operational Revenue	783	549	42.6%	725	8.0%
Total Expenses	620	427	45.2%	579	7.1%
EBITDA	163	122	33.6%	146	11.6%
<i>EBITDA Margin (%)</i>	<i>20.82%</i>	<i>22.22%</i>	<i>(140) Bps</i>	<i>20.13%</i>	<i>69 Bps</i>
Depreciation and amortisation	8	6	33.3%	8	NA
Finance costs	5	2	NA	5	NA
Other Income	16	2	NA	17	(5.9)%
PBT	166	116	43.1%	151	9.9%
Tax Expense	38	26	46.2%	35	8.6%
PAT	128	90	42.2%	116	10.3%
<i>PAT Margin (%)</i>	<i>16.35%</i>	<i>16.39%</i>	<i>(4) Bps</i>	<i>16.00%</i>	<i>35 Bps</i>
Diluted EPS	4.17	3.90	6.9%	4.49	(7.1)%



Historical Consolidated Financial Performance



Particulars (INR Mn)	FY20	FY21	FY22	Q1-FY23
Operational Revenue	1,391	1,928	2,503	783
Total Expenses	1,143	1,540	1,972	620
EBITDA	248	388	531	163
<i>EBITDA Margin (%)</i>	<i>17.83%</i>	<i>20.12%</i>	<i>21.21%</i>	<i>20.82%</i>
Depreciation and amortisation	20	23	29	8
Finance costs	23	13	12	5
Other Income	48	33	26	16
PBT	253	385	516	166
Tax Expense	50	82	116	38
PAT	203	303	400	128
<i>PAT Margin (%)</i>	<i>14.59%</i>	<i>15.72%</i>	<i>15.98%</i>	<i>16.35%</i>
Diluted EPS	8.81	13.13	15.44	4.17



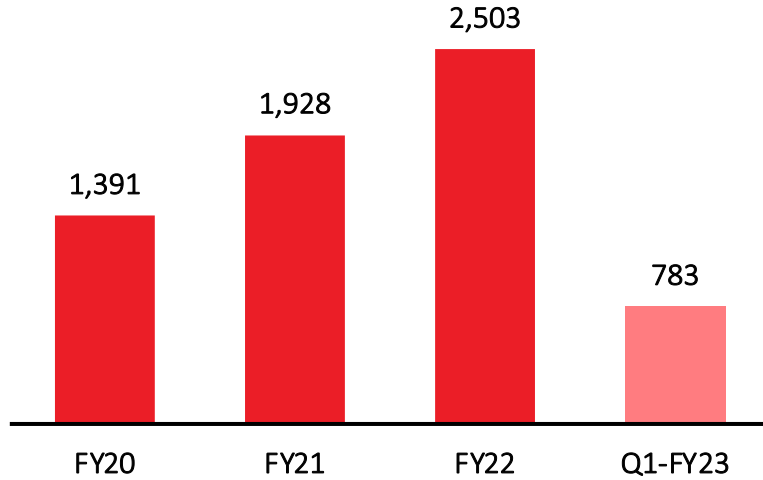
Historical Consolidated Balance Sheet

Particulars (INR Mn)	FY20	FY21	FY22
EQUITY	646	942	2,277
Equity Share Capital	77	77	307
Other Equity	569	865	1,970
NON-CURRENT LIABILITIES	55	70	76
a) Financial Liabilities			
i) Borrowings	19	19	12
b) Provisions	7	8	9
c) Deferred tax liabilities (net)	29	43	55
CURRENT LIABILITIES	390	322	515
a) Financial Liabilities			
i) Borrowings	270	183	332
ii) Trade Payables	72	80	106
iii) Other financial liabilities	14	7	6
b) Other current liabilities	33	43	59
c) Provisions	1	9	12
TOTAL LIABILITIES	445	392	591
TOTAL EQUITY AND LIABILITIES	1,091	1,334	2,868

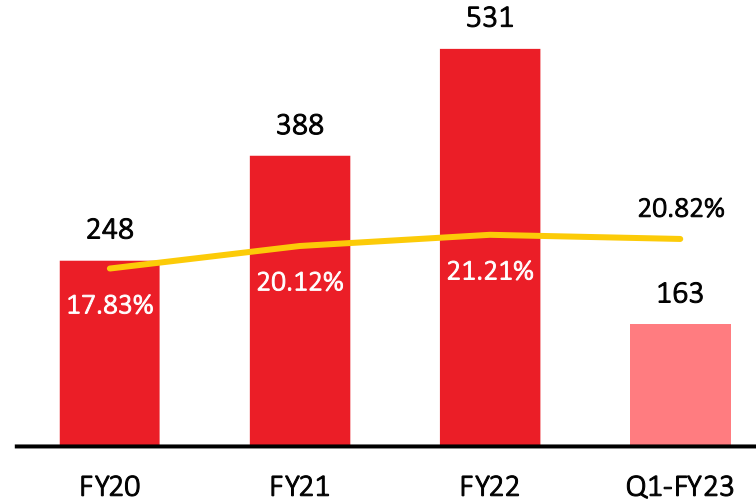
Particulars (INR Mn)	FY20	FY21	FY22
NON-CURRENT ASSETS	371	463	1,069
a) Property, plant and equipment	312	376	527
b) Capital work-in-progress	31	37	97
c) Intangible assets	4	3	7
d) Financial assets			
i) Investments	-	2	2
ii) Other Financial Assets	14	18	351
e) Other non-current assets	10	27	85
CURRENT ASSETS	720	871	1,799
a) Financial Assets			
i) Trade Receivables	276	358	601
ii) Cash and cash equivalents	88	159	291
iii) Bank balances other than above	18	21	403
iv) Other financial assets	46	100	128
b) Other current assets	13	21	71
c) Inventories	279	212	305
TOTAL ASSETS	1,091	1,334	2,868

Consolidated Financial Highlights

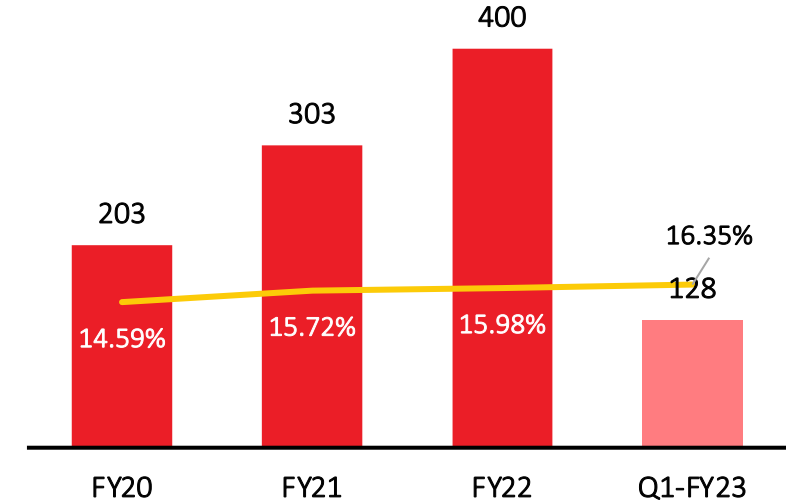
Operational Revenue (INR Mn)



EBIDTA (INR Mn) & EBITDA Margins (%)



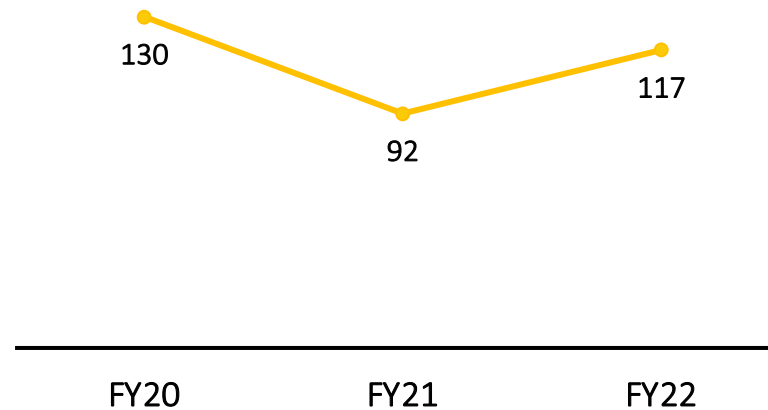
PAT (INR Mn) & PAT Margins (%)



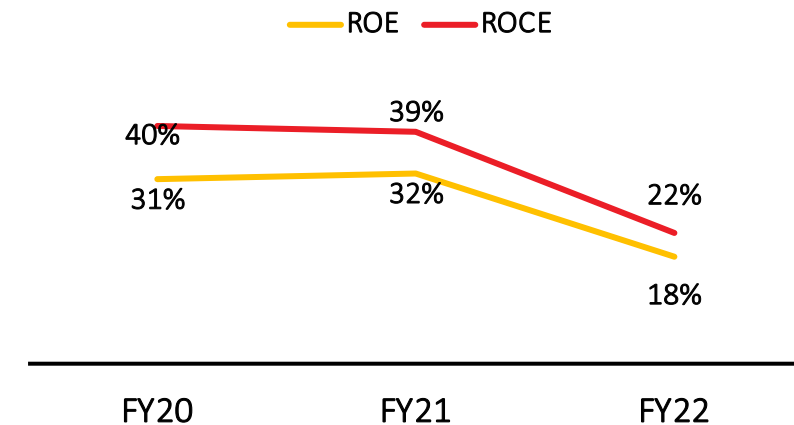
Net Debt to Equity (x)



Cash Conversion Cycle (Days)

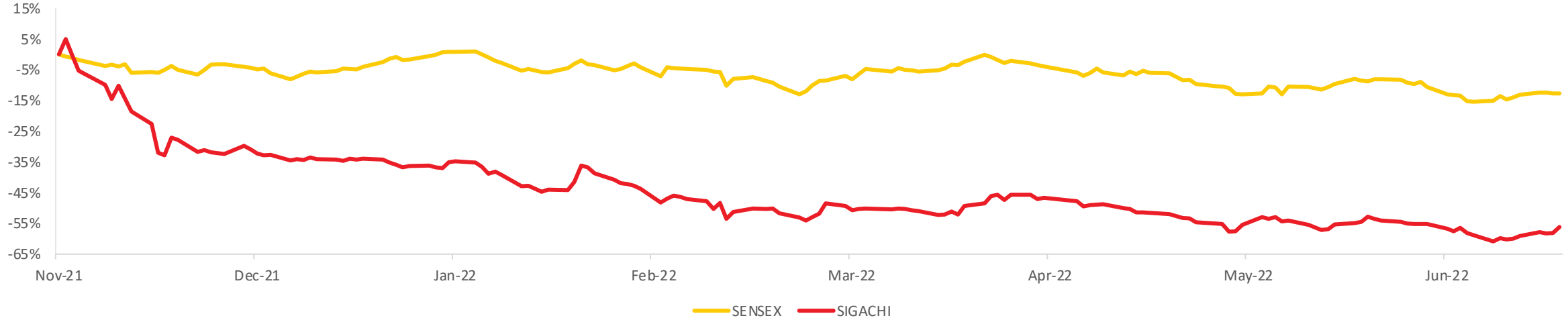


ROCE (%) and ROE (%)



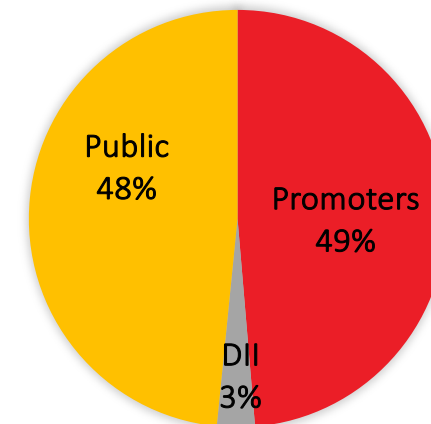


Share Price Movement (Upto 30th June, 2022)



Market Data (INR) as on 30 th June, 2022	
Face Value	10.0
CMP	264.4
52 Week H/L	648.0 / 231.3
Market Cap (INR Mn)	8127
Shares O/S (Mn)	30.7
Avg. Vol. Since Listing ('000)	301.5

Shareholding Pattern as on 30th June, 2022





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Thank You
