



January 31, 2019.

To,

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051

BSE Limited
Listing Department
P.J. Towers, 1st Floor,
Dalal Street, Fort,
Mumbai – 400 001

Ref: Scrip Name: BHAGERIA

Scrip Code: 530803

Sub: Investor Presentation on the unaudited financial results of the Company for the quarter ended 31 December 2018.


Dear Sir/Madam,

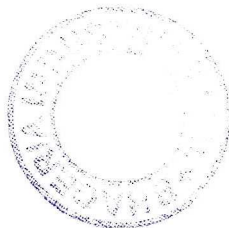
Please find enclosed a copy of investor Presentation on the unaudited financial results of the Company for the quarter ended 31 December 2018 for your information and record.

This is for you information and record

Thanking you,

Yours faithfully,
For Bhageria Industries Limited


Ketan Gaur
Company Secretary



Encl: A/a



**BHAGERIA
INDUSTRIES LTD**

INVESTOR
PRESENTATION

January 2019



Safe Harbor



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Q3 & 9M FY19 Result Highlights

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Company Overview

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Growth Strategy

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Financial Highlights

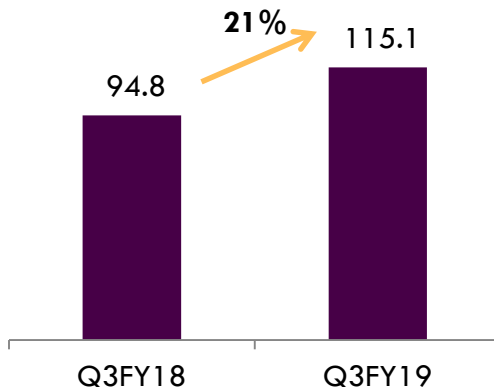
Q3 & 9M FY19
RESULT
HIGHLIGHTS



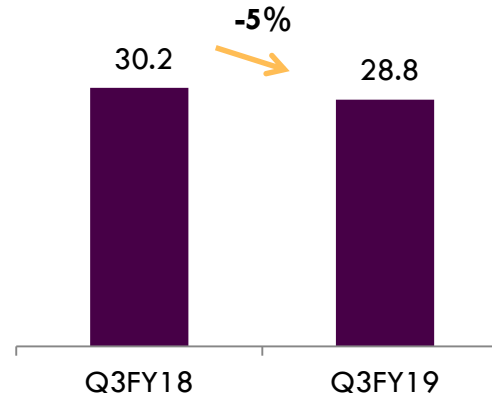


Q3 & 9MFY19 Result Highlights

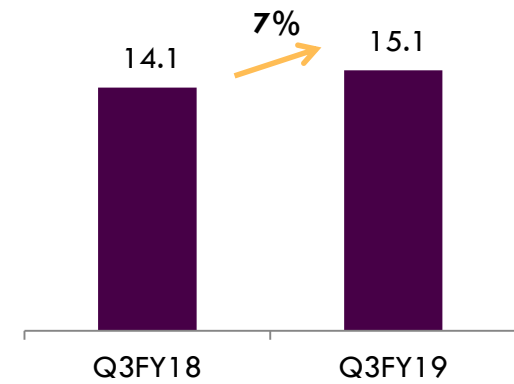
Revenue (Rs Cr)



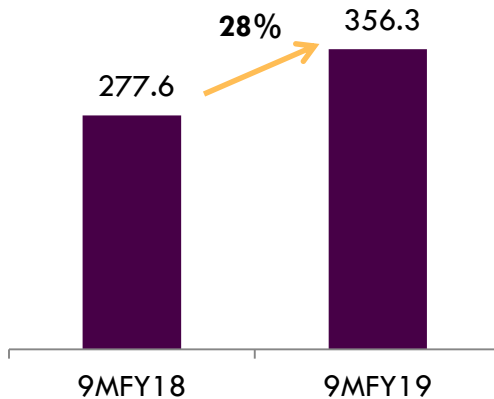
EBITDA (Rs Cr)



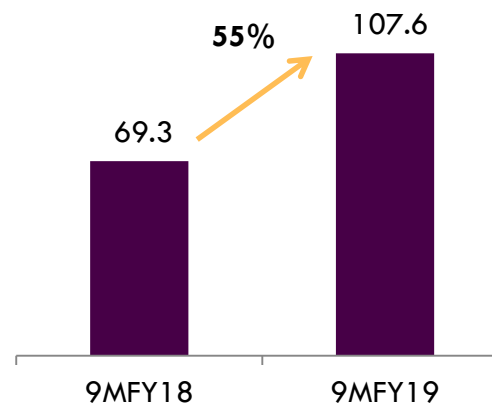
PAT (Rs Cr)



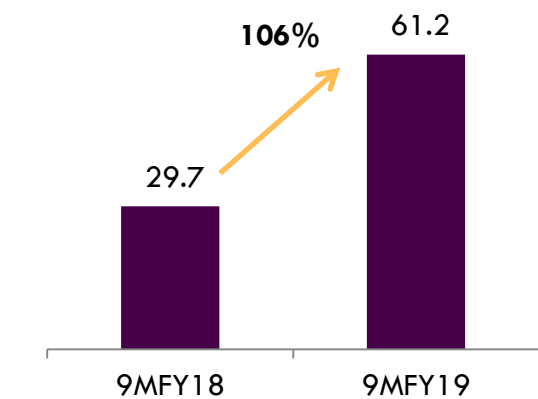
Revenue (Rs Cr)



EBITDA (Rs Cr)



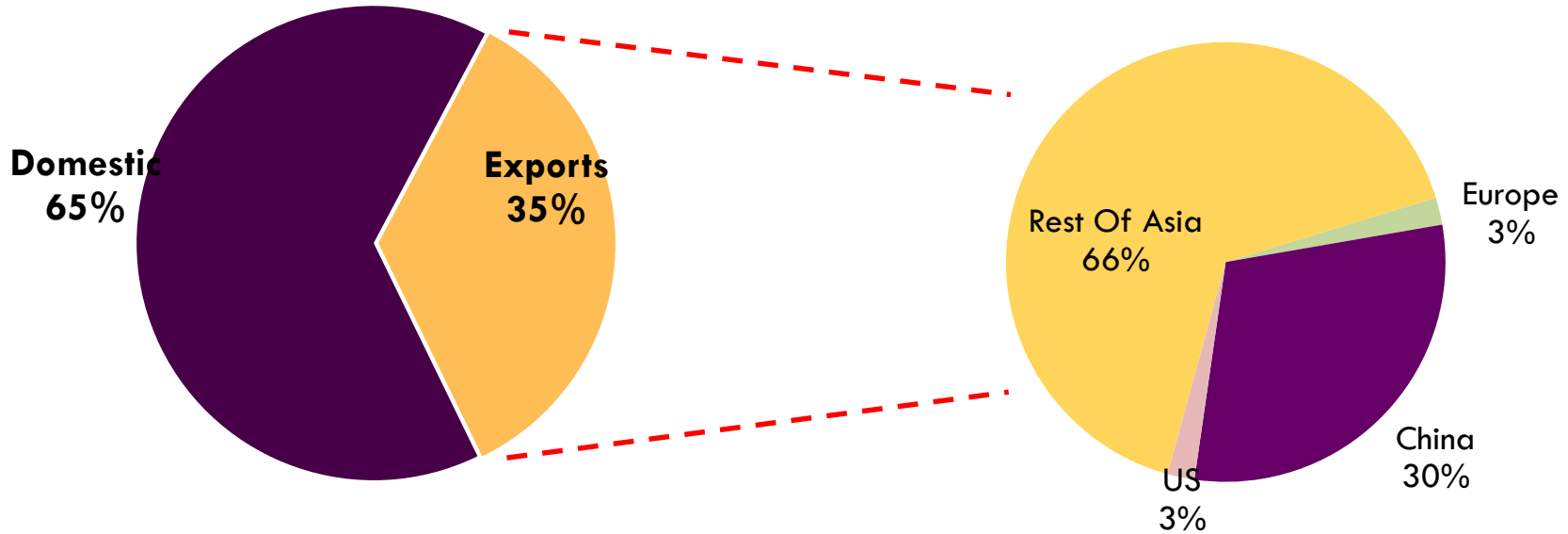
PAT (Rs Cr)



Interim Dividend of Rs 3.75 per share (75%) on face value of Rs 5 each

Exports Contributing to 35% of Revenues

For 9MFY19



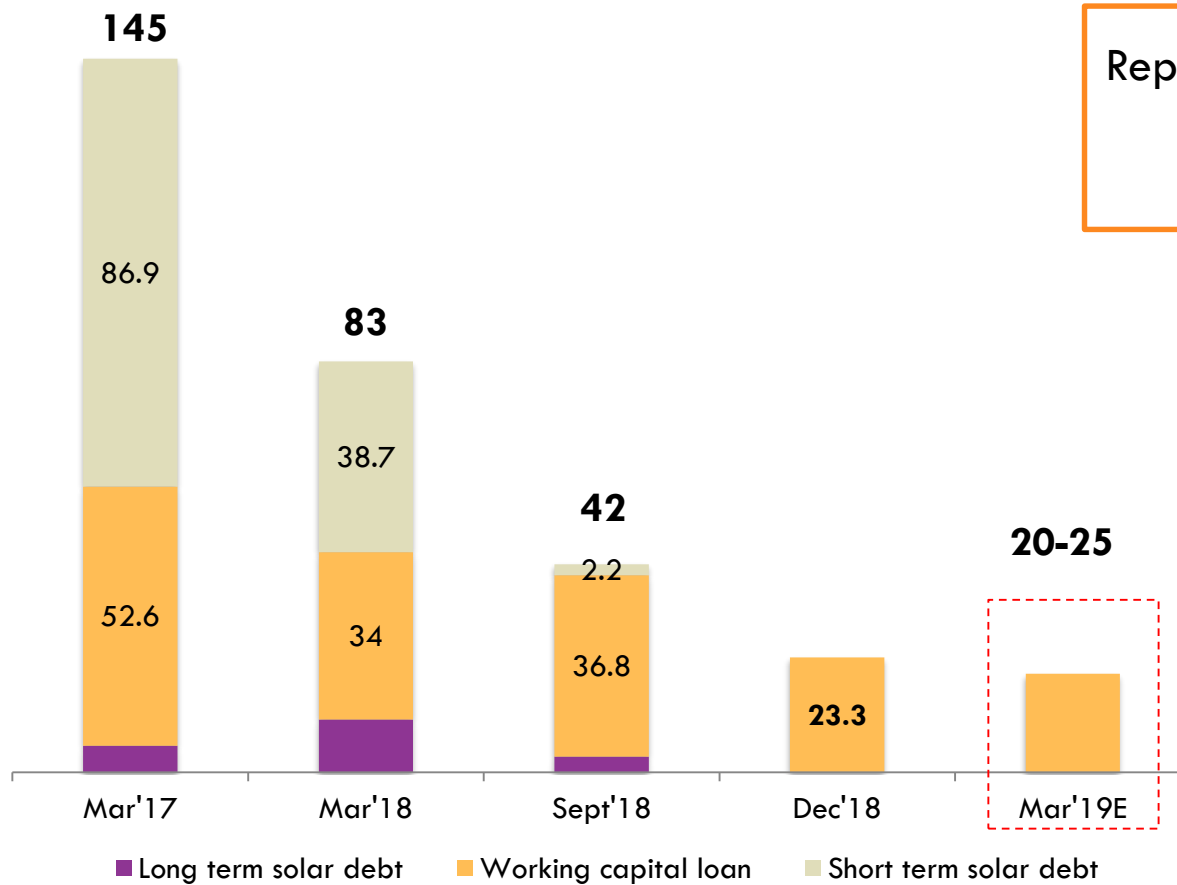
Increasing **geographical diversification**

Adding newer geographies & clients: Increased penetration to the China & other Asian markets



Debt Free; Only WC Loan

DEBT (Rs Cr)



Repaid over Rs 120 crore debt since Mar'17

Successful Commissioning of Solar Project



**Total Revenue from
solar business: Q3FY19 – Rs 8.6 cr
9MFY19 - Rs 23.2 cr
PLF (30MW) – 24***

Solar project fully commissioned in Maharashtra

- 25 year PPA with Solar Energy Corporation of India (SECI)
- Capacity - 30MW
- Tariff – Rs 4.41 /unit
- Total project capex – Rs 180 cr

Existing project

- Solar rooftop solution - 25 year PPA with Asahi India Glass Ltd, TRIL Ltd, Lucas Ltd & Kajaria Ceramics Ltd.
- Capacity – 4 MW
- Tariff – Rs 6.61 /unit

**last 6 months average*



Q3FY19 and 9MFY19 P&L

Rs Cr	Q3FY19	Q3FY18	% Change	9MFY19	9MFY18	% Change
Net Sales	112.1	90.6	23.7%	346.9	269.0	29.0%
Cost of Materials Consumed	71.0	50.2	41.6%	201.6	160.6	25.5%
Employee Benefit Expense	3.4	3.5	-4.8%	9.5	9.5	0.0%
Other Expenses	11.9	10.9	9.8%	37.7	38.1	-1.2%
Total Expenses	86.3	64.6	33.7%	248.8	208.2	19.5%
EBITDA	25.7	26.0	-1.3%	98.2	60.8	61.5%
EBITDA margin	23.0%	28.7%	-	28.3%	22.6%	-
Other Income	3.1	4.2	-27.2%	9.4	8.6	9.3%
Depreciation	5.5	6.7	-18.8%	16.3	18.9	-13.9%
Interest	1.2	1.5	-22.2%	3.5	4.6	-23.4%
PBT	22.1	22.0	0.6%	87.8	45.9	91.3%
Tax Expenses (Credits)	7.0	7.8	-10.6%	26.7	16.1	65.2%
PAT	15.1	14.1	6.9%	61.1	29.7	105.6%
PAT Margin	13.5%	15.6%	-	17.6%	11.0%	-



- Capex of Rs 100 crs to be incurred in the next 2 years
- Backward Integration into manufacturing of sulphuric acid
 - Consent received from Maharashtra Pollution Control Board (MPCB)
 - Sulphuric acid & derivatives (Capacity of 250 TPD)
 - 25% oleum (Capacity of 10 TPD)
 - 65% oleum (Capacity of 30 TPD)
 - Chloro Sulphuric Acid (Capacity of 30 TPD)
- Expansion of the other intermediates product basket
 - 3.4 acres of land acquired at GIDC, Vapi, Gujarat

COMPANY OVERVIEW





Company Snapshot

Dye Intermediates

H-Acid
Vinyl Sulphone
Gamma Acid

2

Manufacturing
plants



10+

Ship-to-countries



373

Revenue in
Rs Cr (FY18)

21%

EBITDA Margin
(FY18)

500+

Employees



33%

Return on Capital Employed
(FY18 chemical biz)

EPS

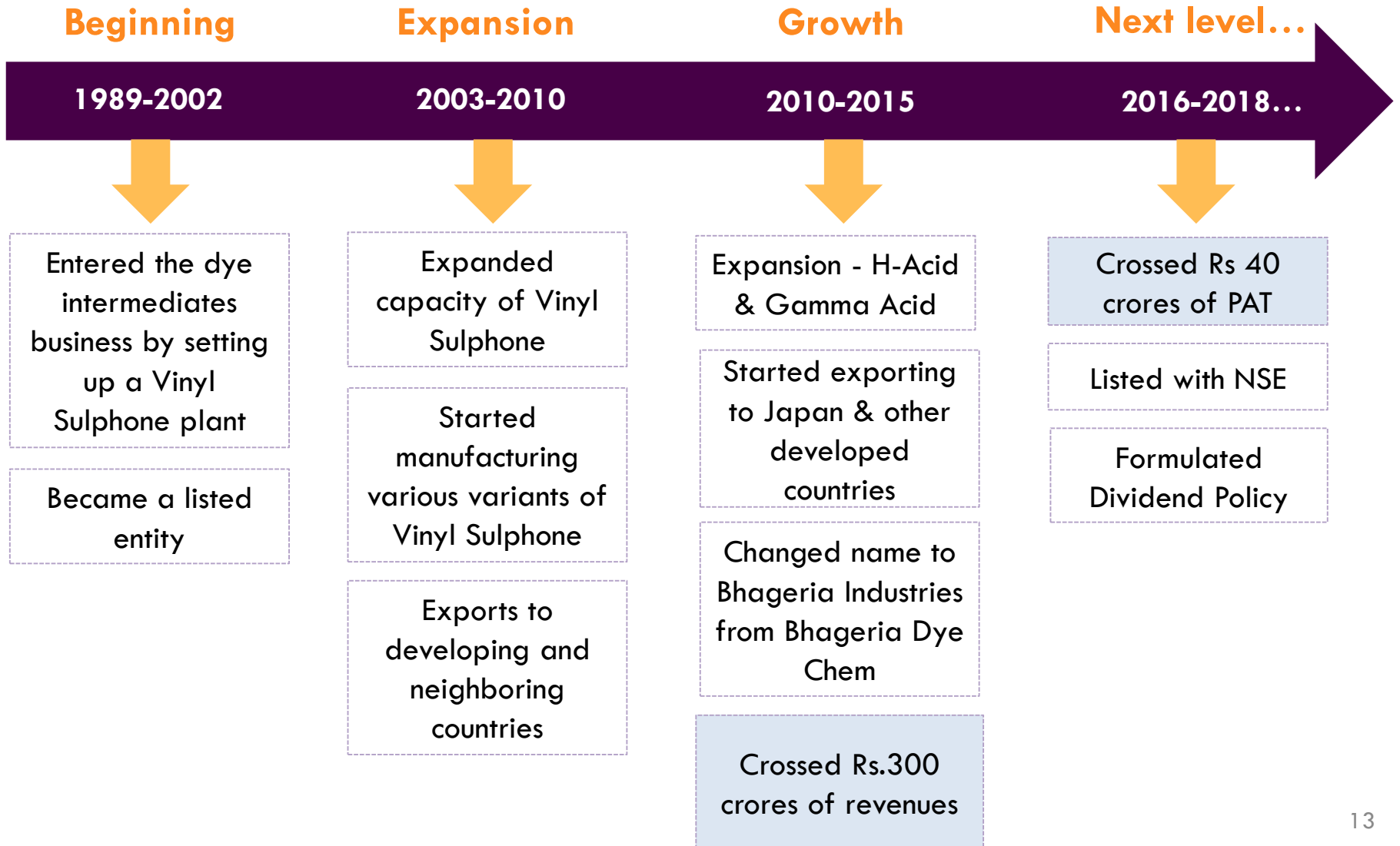
Rs 18.5 per share
(FY18) (FV Rs.5)

Dividend

Rs 5.5 per share
(110 % for FY18)



History and Evolution



Manufacturing Facilities

Vapi, Gujarat - Vinyl Sulphone

- Located in chemical belt of Gujarat
- Best pollution control facilities



Boisar, Maharashtra - H-Acid/Gamma Acid

- Spread over 25 acres; land available for expansion
- Captive solar power plant

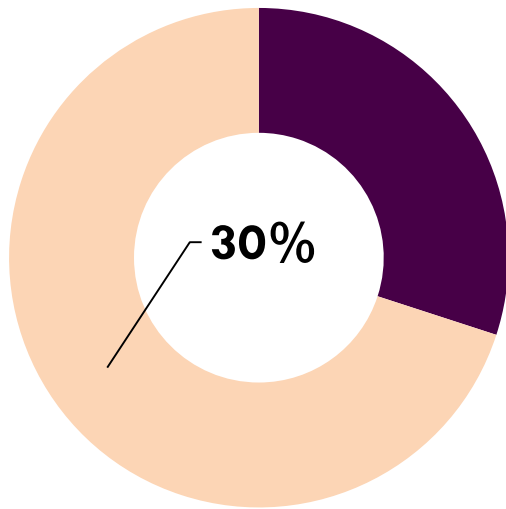


All facilities are moving towards zero discharge by end of this fiscal

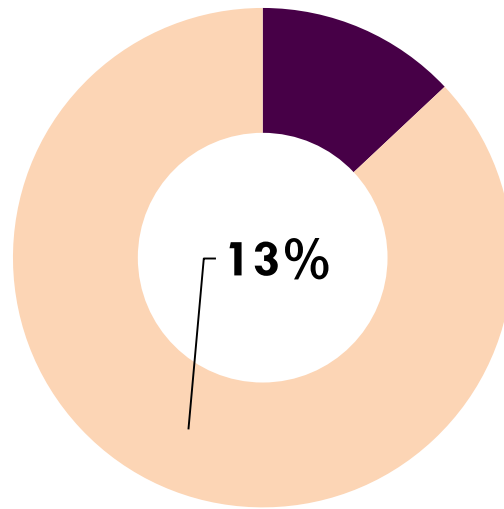


Leading Manufacturer across Dye Intermediates...

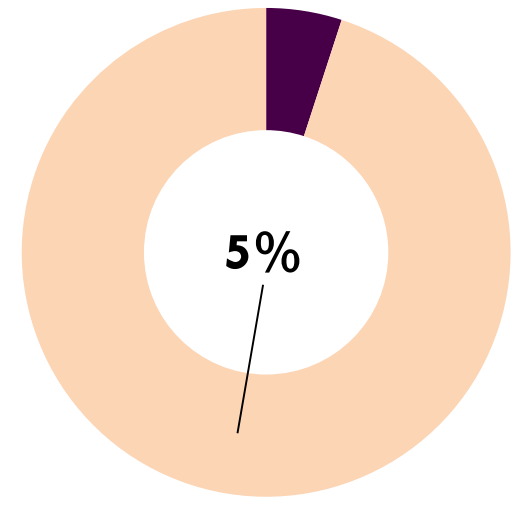
Gamma Acid



H-acid



Vinyl Sulphone



Market share of total global capacity*

Amongst the leading 3 manufacturers of H-Acid and Gamma Acid

Total Capacity of Dye Intermediates ~9,500 TPA

*Industry sources & management estimates



.. With margin leadership in the industry

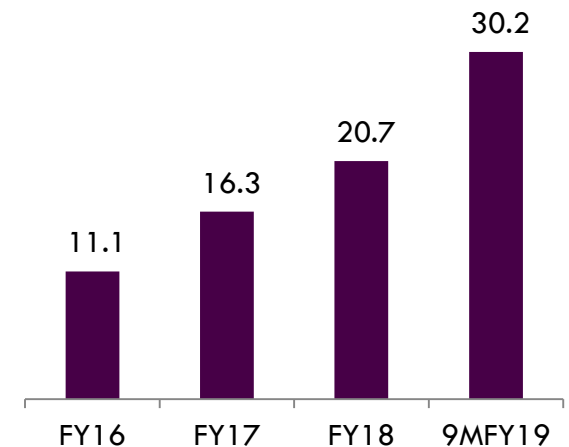
Cost optimization through various initiatives

95%+ Capacity utilisation

Consistently strong EBITDA margins

- Sourcing of raw materials
 - ✓ Bulk purchases which saves cost
 - ✓ Proximity to sources of raw material
- Strategically located close to major ports, saves on logistics cost
- Optimum and efficient use of by-products and effluent generated in the manufacturing process

EBITDA Margin (%)



Long Term Client Partnerships

Domestic Clients



Global Clients



PT Sinar



Promoters with significant industry experience



Suresh Bhageria

Chairman

- Has experience of more than 30 years in the Dyes & Dyes Intermediates Industry of Drugs and Pharmaceuticals
- Holds a degree in Bachelor of Commerce



Vinod Bhageria

Managing Director

- Has experience of more than 30 years in the areas of Dyes & Dyes Intermediates Industry, Finance, Taxation, Audit & other allied matters
- Holds a degree in Bachelor of Commerce



Vikas Bhageria

Joint Managing Director

- Experience of more than 10 years in the areas General Business Management & Project Execution
- Bachelor of Commerce and Master of Computer Applications



Chandraprabha Bhageria

Executive Director

- Has an experience of over 25 Years in general management & communication

Supported by Board of Directors



SP Tulsian

Independent Director

A renowned market analyst with rich experience of over 36 years; a commerce and law graduate, holds professional qualifications of Chartered Accountancy & Company Secretary



Surendra Gupta

Independent Director

Has expertise in taxation having experience of over 2 decades. He is a well known philanthropist & holds professional qualifications of Chartered Accountancy & Company Secretary



PS Dalvi

Independent Director

Has specialization in Chemical industry and having experience of over 38 year in various fields. He is a Qualified B.Sc (Hons) Tech



Dr. Shyam Agrawal

Independent Director

A reputed eye specialist. He has a rich experience of more than 35 years as a surgeon in the field of ophthalmology



OP Bubna

Independent Director

Has an experience of over 40 Years in taxation field. He is Qualified B.Com from Mumbai University and M.B.A from S.P. Jain Institute of Management and research



Sandeep Singh

Independent Director

A renowned Media Professional. Specialised in Media Planning from the Mudra Institute of Communications Ahmedabad & in General Business Management from IIM, Bangalore

Award and Accreditations



CHEMEXCIL

First Award

Small Scale Sector
Year 2015-16



CHEMEXCIL

Gold Award

Dyes & Dyes
Intermediaries Panel
Year 2007-08



CHEMEXCIL

Award for Outstanding
Performance in the
Export of Dyes & Dye
Intermediates Panel
Year 2006-07

CSR Activities

Health & Safety

Installed water purification plant at Kamptee & Mauda at Nagpur



Village Sanitation

Construction of toilets at Kachhi Gaam, Vapi



Eye Care

Donated cataract operation equipments to Param Shakti Peeth, a non-profit organization serving the underprivileged in Mathura



Rs 1.8cr spend in CSR for FY 18 – ~4% of PAT



Focus on Safety, Health & Environment

Safety

- Safety representative For each plant.
- Fire hydrant for each plant
- Safety training
- Classroom training
- On job training
- Mock drill for Ethylene Oxide conducted by Reliance

Health

- In-house occupational Health Center
- Part time doctor
- Medical representatives
- Pre-medical checkup
- Annual medical checkup
- Special camps

Environment

- Air pollution Management
- Member of CETP,TEPS & MWML
- Recover & re-use
- Solid waste management
- Sludge and gypsum
- Green zone in both factories with good greenery

ANNUAL FINANCIAL HIGHLIGHTS

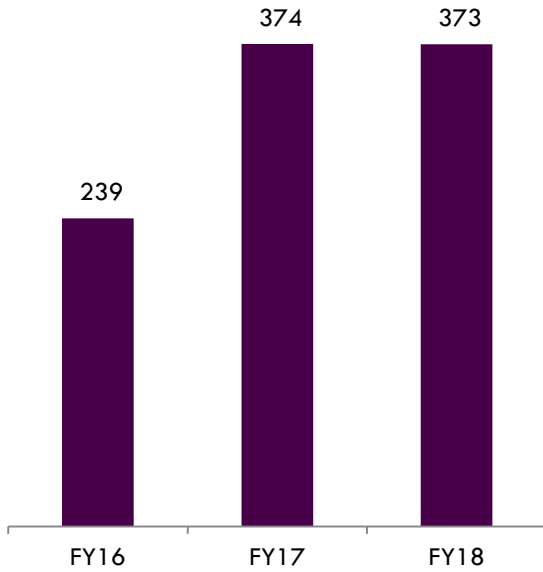




Robust Growth in Revenue and Profitability

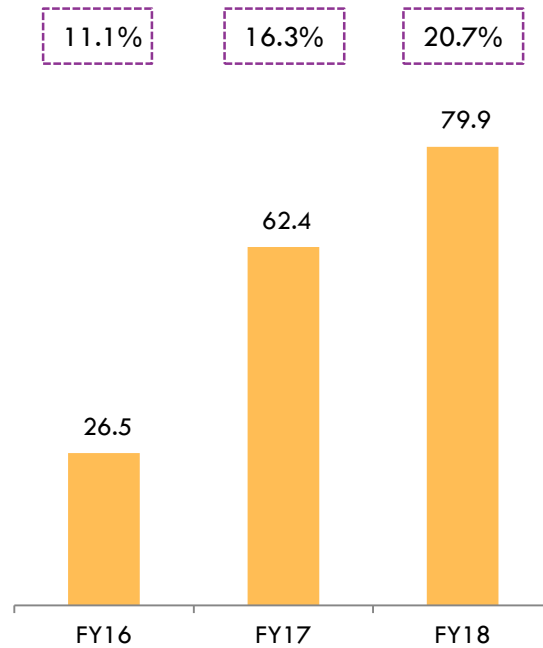
Rs cr

Revenue*



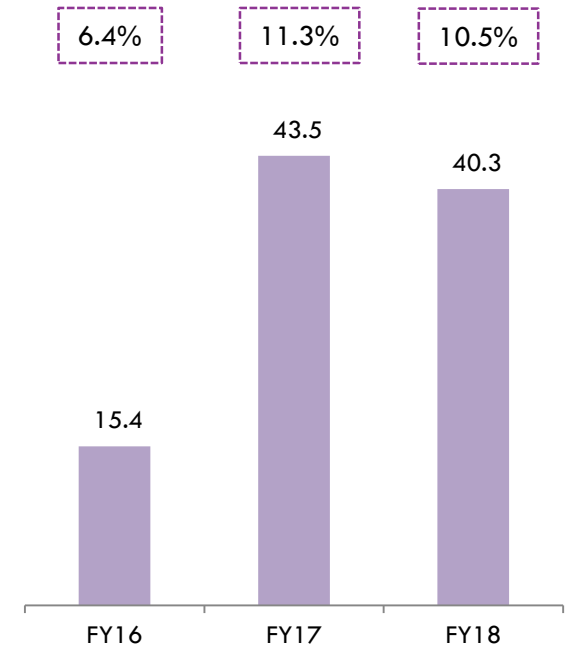
25% CAGR growth

EBITDA & EBITDA margins



73% CAGR growth

PAT & PAT margins



62% CAGR growth

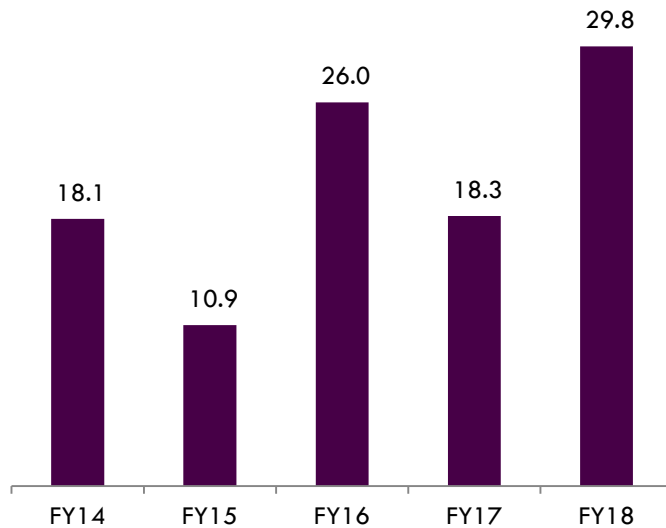
*net of Excise and GST



Consistent Dividend Paying Track Record

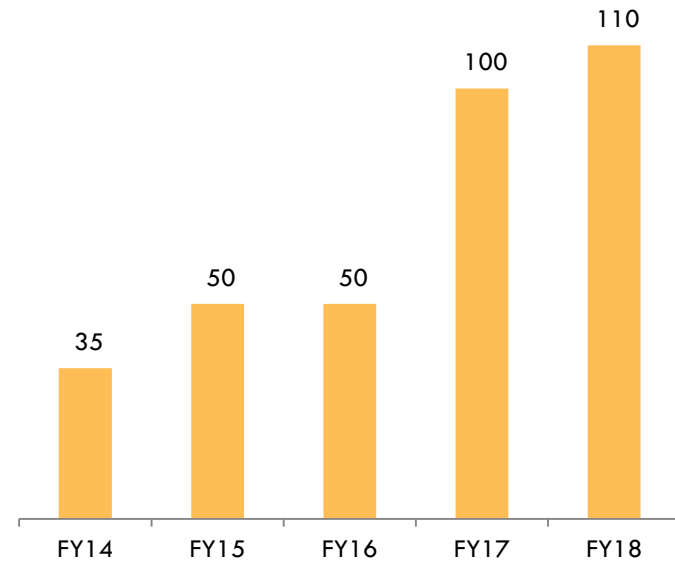
Dividend Payout

% of profit



Dividend

% of face value



Highest ever dividend paid Rs 5.5 per share in FY18 (110% of face value)

Consistently paying dividend each year since IPO



Annual Profitability Highlights

Rs Cr	FY16	FY17	FY18
Net Sales	238.5	373.5	373.3
Cost of Materials Consumed	146.2	215.5	224.0
Employee Benefit Expense	3.9	9.7	13.9
Other Expenses	61.9	85.9	55.7
Total Expenses	211.9	311.1	293.5
EBITDA	26.5	62.4	79.8
<i>EBITDA margin</i>	<i>11.1%</i>	<i>16.3%</i>	<i>20.7%</i>
Other Income	1.9	10.1	11.5
Depreciation	3.4	6.0	22.9
Interest	1.3	1.6	6.0
PBT	23.8	64.8	62.4
Tax Expenses (Credits)	8.4	21.4	22.1
PAT	15.4	43.54	40.3
<i>PAT Margin</i>	<i>6.4%</i>	<i>11.3%</i>	<i>10.5%</i>



Balance Sheet

Rs Cr	Sep 18	Mar 18
Share Capital	10.9	7.9
Equity Shares Pending Allotment	--	2.9
Reserves	315.9	284.4
Shareholders' Funds	326.9	295.3
Long Term Borrowings	3.2	9.2
Deferred Tax Liabilities	51.5	51.6
Long Term Provisions	0.9	0.7
Total Non-Current Liabilities	55.6	61.4
Trade Payables	47.2	52.2
Other Current Liabilities	6.9	13.0
Short Term Provisions	0.6	0.5
Short Term Borrowings	38.5	72.8
Total Current Liabilities	100.2	138.6
Total Liabilities	482.6	495.3

Rs Cr	Sep 18	Mar 18
Fixed Assets incl. CWIP	300.2	303.6
Long Term Loans & Advances	2.1	2.2
Total Non-Current Assets	302.3	305.8
Current Investments	0.1	0.8
Inventories	25.6	31.0
Trade Receivables	94.4	87.4
Cash and Bank	32.3	33.0
Other Current Assets	27.8	37.3
Total Current Assets	180.2	189.5
Total Assets	482.6	495.3

Thank You



Mr. Rakesh Kachhadiya / Mr. Bhavesh Kikani

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