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CIN L24230TN1985PLC011637

February 11, 2023

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code - 543336	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai – 400 050 Scrip Symbol - CHEMPLASTS
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**Subject: Investor Presentation**

Please find enclosed a copy of Investor Presentation on Performance Highlights Q3 & 9M - FY '23

Copy of Investor Presentation will also be available on the website of the company at [www.chemplastsanmar.com](http://www.chemplastsanmar.com).

Thanking You,  
Yours faithfully,

For CHEMPLAST SANMAR LIMITED

M RAMAN  
Company Secretary and Compliance Officer  
Memb No. ACS 6248



**SANMAR**

# Chemplast Sanmar Ltd.

Investor Presentation

Q3-FY'23 Results

February 2023



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# Performance Highlights

# Performance Highlights: Q3 & 9M-FY'23

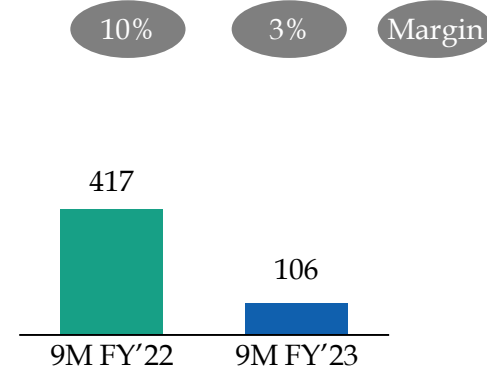
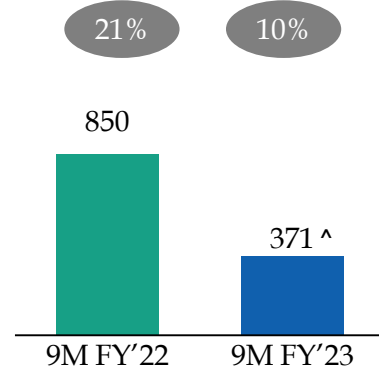
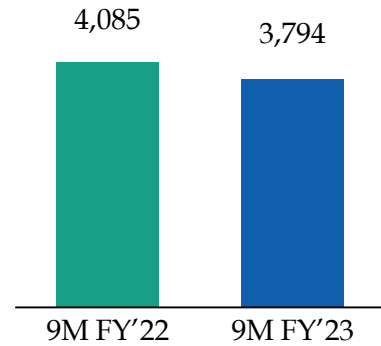
Rs. Cr

## Total Revenues

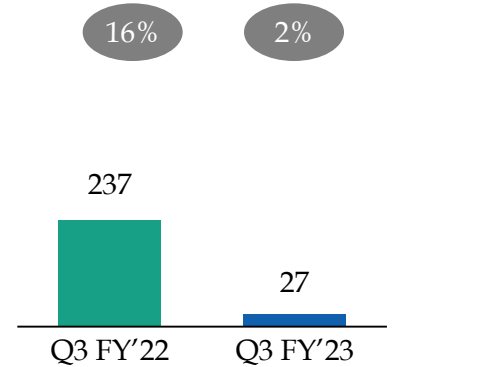
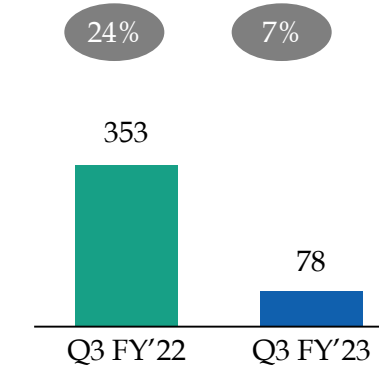
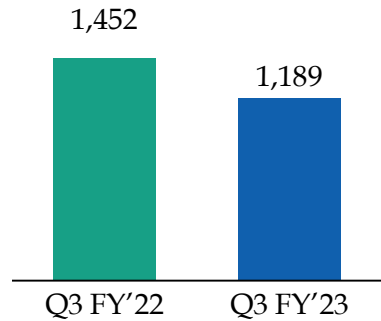
## EBITDA

## PAT

Nine Months



Quarterly



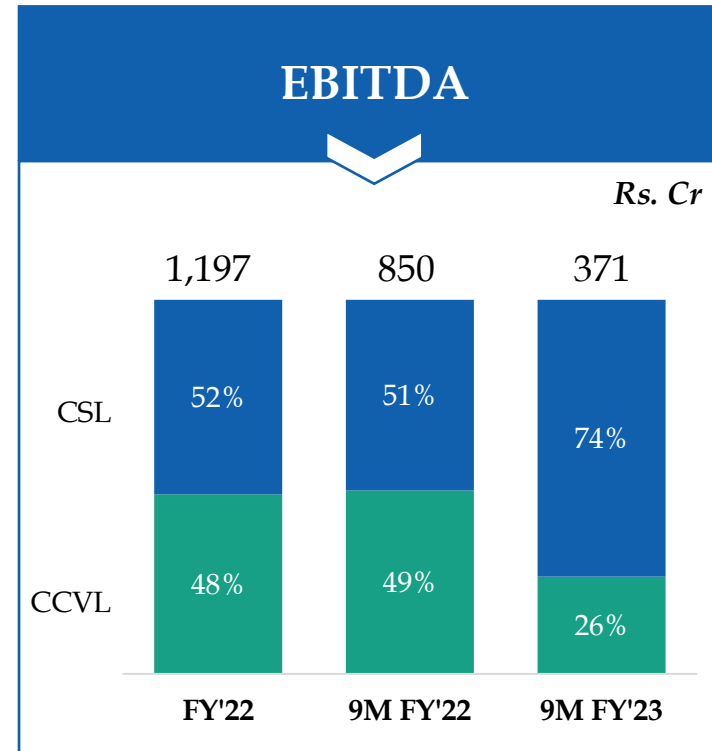
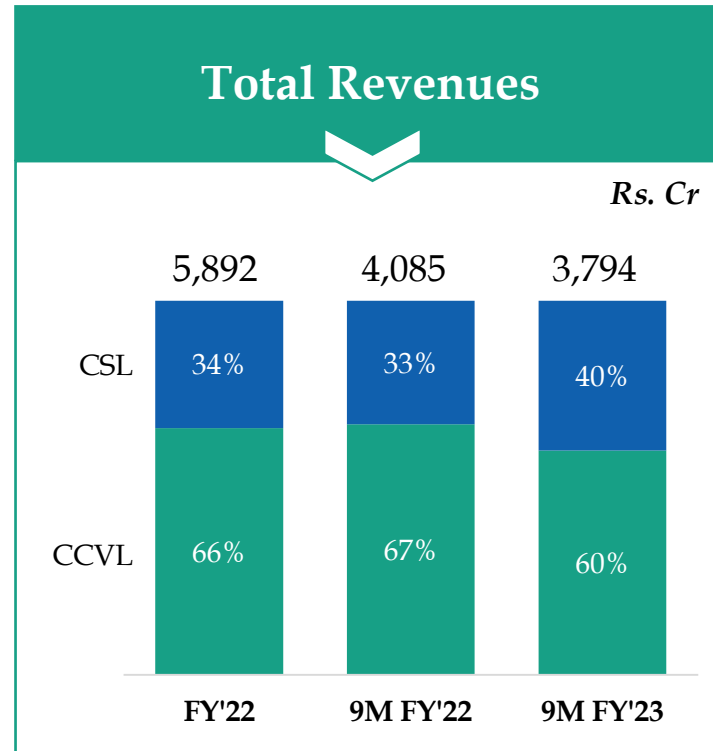
## Key highlights

- Prices for both Paste PVC and Suspension PVC bottomed out during the quarter, after continuous fall from April'22. Trend reversed from December'22 onwards with multiple price increases for both Suspension PVC and Paste PVC
- Feedstock (EDC and VCM) prices continued to move in line with PVC prices, albeit with a lag. We expect margins to improve in Q4-FY'23
- Volumes across the portfolio saw an uptrend in Q3-FY'23 as compared to the corresponding period last year
- The Custom Manufacturing business continues to achieve strong growth
- Power & fuel cost increased by Rs. 170 Cr and by Rs. 37 Cr as compared to 9M and Q3 of FY'22, respectively - mainly due to increase in coal, natural gas & superior kerosene prices
- Both the Paste PVC and Custom Manufacturing expansion projects are on track
- Plan to kick-start the next phase of expansion of Custom Manufacturing multi-purpose facility. The total capex outlay (including the next phase) will be ~ Rs. 680 Cr to be spent over the next 15 months
- With a healthy cash balance of Rs. 1,167 Cr, the company continues to be net cash positive on a consolidated basis

<sup>^</sup> Excludes negative impact of ~ Rs. 81 cr in Q1-FY'23 due to write down in the carrying value of stocks of major intermediates and finished products

# Specialty Chemicals Continue to Drive the Profitability

Currently, Suspension PVC dominates the sales mix. However, in terms of profitability, share of Specialty vehicle is larger



In the long term, once our proposed expansions come on-stream, Specialty vehicle would contribute even larger share of profitability

## MD's Message



**Ramkumar Shankar**  
Managing Director

*"In an evolving macro environment, as expected, the quarter gone by has turned out to be another subdued one for us as well as the industry. Our business continued to face headwinds for most part of Q3-FY '23 with a revival in PVC prices only from December onwards. For the 9M-FY'23 period, revenues were lower by 7% as compared to the corresponding period last year – however, sales volumes of all products were higher on a YoY basis. Falling prices of finished goods coupled with increase in energy costs have resulted in reduction of EBITDA margin which stood at ~10% for the 9M-FY'23 period.*

*The situation for the PVC segment is turning favorable again, driven by robust domestic demand and China re-opening. PVC prices have started moving upwards after nine months of falling prices, channel inventory has dried up and volume off-take is back to normal. We expect the demand in FY'23 for Suspension PVC in India to touch the pre-pandemic levels of 3.3 million tonnes, a 16%-17% growth over FY'22. Overall, with recovery in PVC prices and healthy demand trends, we expect our Q4-FY'23 performance to return to a growth trajectory.*

*High energy costs continue to remain a concern, though here too, there are some encouraging signs with a reduction seen in coal prices.*

*In the Custom Manufacturing segment, we will continue to achieve strong growth going forward. We recently received confirmation from one of our customers that we have been selected to supply an advanced intermediate for an already established generic AI. Based on this development, along with the announcement in the previous quarter on the signing of an LOI for another intermediate, and a healthy pipeline of products, we plan to kick-start the next phase of expansion of the multi-purpose facility immediately. While Phase 1 is expected to come on-stream by Q2-FY'24 as originally scheduled, we are targeting to commission the next phase by end of FY'24.*

*The Other Chemicals<sup>^</sup> businesses complete our integration story and outlook for this segment remains stable over the medium-term, though there are some short-term challenges.*

*Both our capex projects are on track and slated to meet expected timelines. We expect a better performance in FY'24 driven by a combination of a rebound in PVC demand & prices along with new capacities (Paste PVC and Custom Manufacturing) coming on-stream during the year."*

<sup>^</sup> - Includes Caustic Soda, Chloromethanes, Refrigerant gases and Hydrogen Peroxide

## Product group-wise Volumes & Revenues: Q3 & 9M-FY'23

mt

Sales Volume	Q3 FY'23	Q3 FY'22	Y-o-Y	9M FY'23	9M FY'22	Y-o-Y
Specialty Chemicals	19,437	14,055	38%	53,140	43,732	22%
Other Chemicals #	43,137	39,498	9%	1,22,947	106,131	16%
Suspension PVC	88,177	65,248	35%	2,40,594	211,745	14%
<b>Total Sales Volume</b>	<b>150,751</b>	<b>118,801</b>	<b>27%</b>	<b>416,681</b>	<b>361,607</b>	<b>15%</b>

Rs. Cr

Total Revenue	Q3 FY'23	Q3 FY'22	Y-o-Y	9M FY'23	9M FY'22	Y-o-Y
Specialty Chemicals	279	294	-5%	823	857	-4%
Other Chemicals #	237	223	6%	694	507	37%
Suspension PVC	673	935	-28%	2,278	2,722	-16%
<b>Consolidated Revenues</b>	<b>1,189</b>	<b>1,452</b>	<b>-18%</b>	<b>3,794</b>	<b>4,085</b>	<b>-7%</b>

"mt" stands for metric tons

# - Includes Caustic Soda, Chloromethanes, Refrigerant gases and Hydrogen Peroxide



# Consolidated Profit & Loss Account

Rs. Cr

Particulars	Q3-FY'23	Q3-FY'22	Y-o-Y	9M-FY'23	9M-FY'22	Y-o-Y
<b>Revenue from Operations</b>	<b>1,189</b>	<b>1,452</b>	<b>-18%</b>	<b>3,794</b>	<b>4,085</b>	<b>-7%</b>
Cost of Goods Sold	777	833		2,464	2,509	
Employee Cost	34	31		108	92	
Other Expenses	300	235		851	634	
<b>EBITDA</b>	<b>78</b>	<b>353</b>	<b>-78%</b>	<b>371</b>	<b>850</b>	<b>-56%</b>
<b>EBITDA Margin %</b>	<b>7%</b>	<b>24%</b>		<b>10%</b>	<b>21%</b>	
Other income	17	13		49	49	
Depreciation	35	33		109	97	
<b>EBIT</b>	<b>60</b>	<b>333</b>	<b>-82%</b>	<b>311</b>	<b>802</b>	<b>-61%</b>
Finance Cost	39	37		116	287	
<b>Profit Before Tax and exceptional items</b>	<b>21</b>	<b>295</b>	<b>-93%</b>	<b>196</b>	<b>515</b>	<b>-62%</b>
Exceptional Items**	-	-		-81	-	
<b>Profit Before Tax</b>	<b>21</b>	<b>295</b>	<b>-93%</b>	<b>115</b>	<b>515</b>	<b>-78%</b>
Tax	-7	59		9	98	
<b>PAT</b>	<b>27</b>	<b>237</b>	<b>-89%</b>	<b>106</b>	<b>417</b>	<b>-75%</b>
<b>PAT Margin %</b>	<b>2%</b>	<b>16%</b>		<b>3%</b>	<b>10%</b>	
<b>Basic EPS (Rs./share)</b>	<b>1.72</b>	<b>14.98</b>		<b>6.72</b>	<b>28.67</b>	

\*\* Negative impact in Q1-FY'23 due to write down in the carrying value of stocks of major intermediates and finished products


# Stand-alone Profit & Loss Account

Rs. Cr

Particulars	Q3-FY'23	Q3-FY'22	Y-o-Y	9M-FY'23	9M-FY'22	Y-o-Y
<b>Revenue from Operations</b>	<b>630</b>	<b>517</b>	<b>22%</b>	<b>1,769</b>	<b>1,364</b>	<b>30%</b>
Cost of Goods Sold	306	139		799	424	
Employee Cost	24	20		72	58	
Other Expenses`	216	168		623	445	
<b>EBITDA</b>	<b>83</b>	<b>190</b>	<b>-56%</b>	<b>274</b>	<b>437</b>	<b>-37%</b>
<i>EBITDA Margin</i>	<i>13%</i>	<i>37%</i>		<i>16%</i>	<i>32%</i>	
Other income	6	6		19	29	
Depreciation	23	23		70	65	
<b>EBIT</b>	<b>66</b>	<b>173</b>	<b>-62%</b>	<b>224</b>	<b>401</b>	<b>-44%</b>
Finance Cost	5	3		17	134	
<b>Profit before Tax and Exceptional items</b>	<b>60</b>	<b>170</b>	<b>-64%</b>	<b>207</b>	<b>267</b>	<b>-22%</b>
Exceptional items **	-	-		-50	-	
<b>Profit before Tax</b>	<b>60</b>	<b>170</b>	<b>-64%</b>	<b>157</b>	<b>267</b>	<b>-41%</b>
Tax	4	27		20	36	
<b>PAT</b>	<b>57</b>	<b>143</b>	<b>-60%</b>	<b>137</b>	<b>231</b>	<b>-41%</b>
<i>PAT Margin %</i>	<i>9%</i>	<i>28%</i>		<i>8%</i>	<i>17%</i>	
Basic EPS (Rs./share)	<b>3.59</b>	<b>9.03</b>		<b>8.69</b>	<b>15.91</b>	



\*\* Negative impact in Q1-FY23 due to write down in the carrying value of stocks of major intermediates and finished products



# Company Overview

# Chemplast Sanmar: Leading Chemical Manufacturer in India...



## Consolidated revenue

**Rs. 5,892 Cr**  
FY'22

**Rs. 3,794 Cr**  
9M-FY'23

## Marquee parentage



The Sanmar Group is amongst the oldest and most prominent corporate groups in South India

**FAIRFAX INDIA**

Fairfax, a well-known international investor, has been an investor since 2016 in the SHL Chemicals Group <sup>(2)</sup>







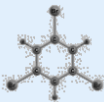














**4**  
**Manufacturing Facilities** with a high degree of backward integration <sup>(3)</sup>

**Experienced management team with deep domain expertise**

Note:

- S-PVC - Suspension PVC ;
- 1. Through its wholly owned subsidiary, Chemplast Cuddalore Vinyls Limited ("CCVL")
- 2. Through FIH Mauritius Investments Limited
- 3. For significant portion of its operations

# ... with a Diversified Product Portfolio

	Chemplast Sanmar					CCVL (1)
	Specialty Chemicals		Other Chemicals			Suspension PVC
<b>End user industries</b>	<p><u>Specialty Paste PVC resin</u></p>  <p>Footwear</p>  <p>Auto upholstery</p>  <p>Leather</p>  <p>Mats</p>	<p><u>Custom manufacturing</u></p>  <p>Pharma</p>  <p>Agrochemicals</p>  <p>API Molecules</p>  <p>Chemicals</p>	<p><u>Caustic soda</u></p>  <p>Paper</p>  <p>Textile</p>  <p>Chemicals</p>	<p><u>Hydrogen peroxide</u></p>  <p>Paper &amp; Pulp</p>  <p>Textile Park</p>  <p>Effluent treatment at refineries</p>  <p>Disinfectants</p>	<p><u>Chloromethanes</u></p>  <p>Pharma</p>  <p>Agro-Chemicals</p>  <p>Refrigerants (HFOs)</p>	 <p>Irrigation</p>  <p>Urban infra</p>  <p>Real estate</p>
<b>Capacity</b>	<b>66,000</b> mtpa	<b>1,068</b> mtpa	<b>119,000</b> mtpa	<b>34,000<sup>(2)</sup></b> mtpa	<b>35,000</b> mtpa	<b>331,000</b> mtpa
<b>9M FY'23 Sales split</b>	<b>22%</b>			<b>18%</b>		<b>60%</b>

Note:

1. Wholly owned subsidiary of Chemplast Sanmar Ltd.
2. The hydrogen peroxide capacity is calculated at 50% concentration level, in line with industry standards. ('mtpa' stands for metric tons per annum)

# Specialty Paste PVC Resin

## Industry Overview

143 ktpa Indian demand FY20 <sup>(1)</sup>

Domestic 55%

Imports 45%

9.3%  
CAGR (FY21-25) <sup>(1)</sup>



### Key growth drivers

1 **High entry barriers:** Licensed technology and lack of availability of raw materials

2 Growth in the end-user industries

3 Low per capita consumption (kg, 2019)



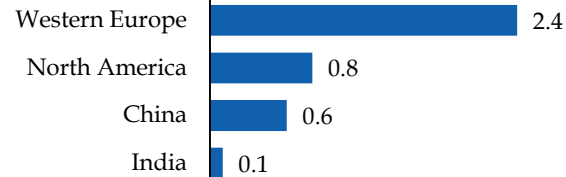
Footwear



Automotive



Vinyl Gloves



4 Permanent shut down of some plants globally (~10% of total capacity closed)

5 Lack of substitutes

## Company Overview

**#1** manufacturer of Specialty Paste PVC resin in India



66 ktpa  
Installed capacity  
at Mettur



41 ktpa  
Planned capacity addition at  
Cuddalore by FY'24

- Manufactured at Mettur facility since 1968
- Primary raw materials include VCM, EDC, ethylene and chlorine
- Manufactures significant portion of EDC and all of VCM requirements in-house. This provides flexibility in operations and reduces dependence on external suppliers
- High repeat business – customer stickiness

Note:  
1. Source : CRISIL Research  
\*ktpa' stands for kilo tons per annum

# Custom Manufactured Chemicals

## Industry Overview

US\$ 6.0 bn  
Indian market size FY21 <sup>(1)</sup>

9.1%  
CAGR (FY21-25) <sup>(1)</sup>



### Key growth drivers



Availability of skilled economic labor



Surge in global food grain demand



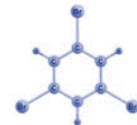
Growth in demand for drugs and hygiene products



India to be a focus region as companies move away from China for custom manufacturing



PLI Scheme for bulk drug parks



Higher penetration of API manufacturing in India

## Company Overview

### Leading player in custom manufacturing



1,068 mtpa  
Installed capacity at Berigai



Setting up a multi-purpose facility in phases

- Engaged in custom manufacturing of advanced intermediates to global innovator companies in the agro-chemical, pharmaceutical and fine chemical end uses
- Capabilities include wide range of chemistry capabilities such as cyanation, hydrogenation and liquid purification
- In-house process research, process engineering and large scale manufacturing capabilities, enables us to act as one-stop shop for manufacture of newly discovered molecules




Note:  
1. Source : CRISIL Research

# Other Chemicals


## Industry Overview

## Company Overview


### Caustic Soda

3.5 mn mtpa Indian demand FY21 <sup>(1)</sup>	8.2% CAGR (FY21-25) <sup>(1)</sup>	
<b>Key growth drivers</b>		
<ul style="list-style-type: none"> <li>• Growth in paper and textile industry</li> <li>• Increasing demand from end user industries, especially:               <ul style="list-style-type: none"> <li>• Alumina – increase in refineries</li> <li>• Chemical industries – dyes and paints</li> </ul> </li> </ul>		
<b>#4 manufacturer of caustic soda in South India region</b>		
<ul style="list-style-type: none"> <li>• Caustic soda is generated as a joint product in the process of manufacture of chlorine</li> <li>• Caustic soda is produced at 32% concentration levels and thereafter further concentrated to 48-50% for sale to customers</li> </ul>		

### Hydrogen Peroxide

282 ktpa Indian demand FY21 <sup>(1)</sup>	10.3% CAGR (FY21-25) <sup>(1)</sup>	
<b>Key growth drivers</b>		
<ul style="list-style-type: none"> <li>• Setting up of textile parks</li> <li>• Growth in paper &amp; pulp industry</li> <li>• Effluent treatment at refineries to aid demand growth</li> <li>• Rapid growth in market size for disinfectants during COVID-19</li> </ul>		
<b>#1 manufacturer of hydrogen peroxide in South India region</b>		
<ul style="list-style-type: none"> <li>• Hydrogen peroxide is part of downstream integration as a value added product.</li> <li>• Hydrogen peroxide plant is designed for a capacity of 34000 tons per year of 50 percent concentration. Production process adopted is environment-friendly.</li> </ul>		

### Chloromethanes

510 ktpa Indian Demand FY21 <sup>(1)</sup>	10.1% CAGR (FY21-25) <sup>(1)</sup>	
<b>Key growth drivers</b>		
<ul style="list-style-type: none"> <li>• Rapid growth in pharma industry</li> <li>• New generation refrigerants (HFOs)</li> <li>• Rising agrochemicals demand</li> <li>• PLI scheme to boost API and bulk drugs</li> </ul>		
<b>One of the oldest manufacturers of chloromethanes in India</b>		
<ul style="list-style-type: none"> <li>• Chloromethanes refers to a group of products namely, Methyl Chloride, Methylene Di Chloride, Chloroform and Carbon Tetra Chloride.</li> </ul>		

Note: 1. Source : CRISIL Research



# Suspension PVC (CCVL)

## Industry Overview

**3,340 ktpa**  
Indian demand in FY20<sup>(1)</sup>

**7.7%**  
CAGR (FY21-25) <sup>(1)</sup>



### Key growth drivers

- 1** Significant gap between demand and supply : No new capacity additions in India in the near future and increasing supply tightness due to Chinese PVC capacity shutdowns
- 2** Low per capita consumption in India
- 3** Significant demand-supply gap due to lack of new capacity in India
- 4** Strong growth in end-use markets



Irrigation spending



Urban Infra Spending



Real Estate Sector Spending

## Company Overview

**#1** manufacturer of S-PVC in South India and 2<sup>nd</sup> largest in India



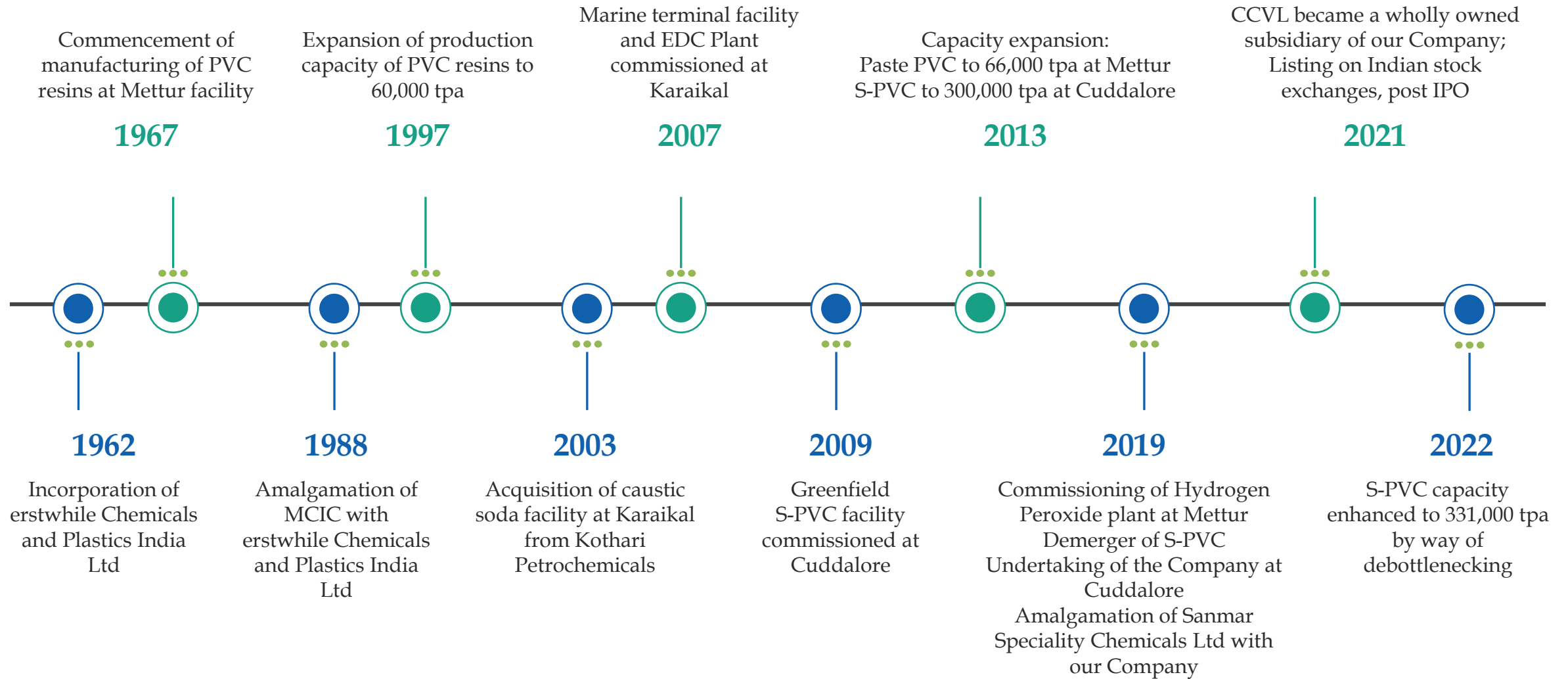
**331 ktpa**  
Installed capacity  
at Cuddalore  
(31 ktpa added in May'22 via debottlenecking)

- Manufactured at Cuddalore facility since 2009. This facility has a captive import terminal facilitating VCM imports for PVC production



Note:  
1. Source : CRISIL Research

# Legacy of Over Five Decades



# Chemplast Sanmar: Key Highlights

**Leadership position across a wide array of products; Growing end-use applications; Wide and stable customer base**

## High entry barriers

Paste PVC manufacturing technology is closely guarded and is not available on licence

The custom manufacturing industry has significant entry barriers, including customer validation and approvals, expectation from customers for process innovation and cost reduction, high quality standards and stringent specifications

**Highly integrated operations enabling greater value-addition and flexibility in operations resulting in superior yields**

**Robust expansion pipeline to benefit from structural changes in the supply side dynamics; Ability to expand at a fast pace due to surplus land and infrastructure**

**Established and stable relationship with suppliers**

**Marquee parentage, eminent board of directors and experienced management team with domain expertise**

**Healthy financial performance and robust balance sheet with net cash surplus**



A photograph of a construction site at sunset. Two large cranes are silhouetted against a sky filled with orange and yellow clouds. The ground is dark, and some lights are visible in the distance. The image is overlaid with a blue and teal geometric design on the left side.

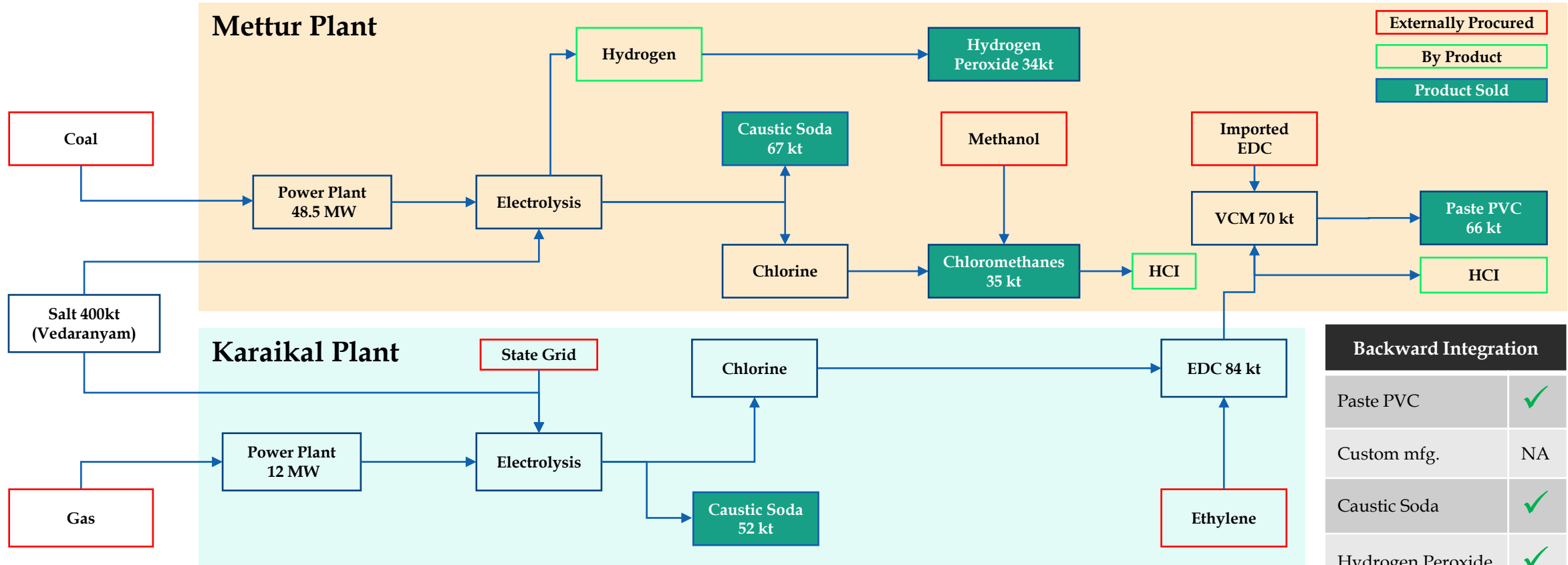
# Organizational Capabilities

# Quality Manufacturing Facilities...

Location	Mettur, Tamilnadu	Berigai Tamilnadu	Karaikal, Puducherry	Cuddalore, Tamilnadu	
Capacity	Paste PVC	66 ktpa	Custom manufacturing 1,068 mtpa	Caustic soda 52 ktpa	
	Caustic Soda	67 ktpa			
	Hydrogen Peroxide	34 ktpa			
	Chloromethanes	35 ktpa			
	Refrigerant gas	1.7 ktpa			
Key highlights	<ul style="list-style-type: none"> <li>Zero liquid discharge facility</li> <li>Sourcing of power from a captive power plant of 48.5 MW</li> <li>Leased salt field to ensure stable supply</li> </ul>	<ul style="list-style-type: none"> <li>Multi-purpose facility</li> <li>Fully automated with distributed control systems and modern technologies</li> <li>Capability to support development work in various chemistries at the laboratory scale and pilot scale</li> </ul>	<ul style="list-style-type: none"> <li>Zero liquid discharge plant</li> <li>Desalination plant</li> <li>Captive terminal for import of feedstock and sale of product</li> <li>Two captive power plants of 8.5 MW and 3.5 MW</li> <li>Double walled insulated cryogenic ethylene storage tank with 4 kt capacity</li> <li>Leased salt field to ensure stable supply</li> </ul>	<ul style="list-style-type: none"> <li>Zero liquid discharge plant</li> <li>Desalination plant</li> <li>Captive terminal for import of feedstock</li> <li>Two refrigerated VCM storage tanks with a capacity of 7,500 MT each</li> <li>31 ktpa added in May-22 via debottlenecking</li> </ul>	
	ISO 14001 2015	✓	✓	✓	✓
	ISO 9001 2015	✓	✓	✓	✓
	ISO 45001 2015	✓	✓	✓	✓

With all facilities located in Tamilnadu and Puducherry, the company enjoys proximity to key customers across industries in South and East India. Also, the two coastal locations provide significant advantage in terms of raw material sourcing and transportation of finished goods

# ... with a High Degree of Backward Integration



Externally Procured  
By Product  
Product Sold

Backward Integration	
Paste PVC	✓
Custom mfg.	NA
Caustic Soda	✓
Hydrogen Peroxide	✓
Chloromethane	✓
Suspension PVC	✗

Quantity of EDC manufactured at Karaikal plant/EDC imported, depends on the relative pricing vis-à-vis International Markets

# Glance at Manufacturing Facilities



Paste PVC plant,  
Mettur, Tamilnadu



Chloromethanes plant,  
Mettur, Tamilnadu



Marine Terminal Facility,  
Cuddalore, Tamilnadu



Custom manufacturing,  
Berigai, Tamilnadu



Caustic Soda manufacturing,  
Karaikal, Puducherry



Suspension PVC,  
Cuddalore, Tamilnadu

# Strong Focus on Sustainability

## Environment Friendly Practices

- Zero liquid discharge policy
- Desalination plants at coastal facilities - avoid usage of groundwater
- Rain water harvesting & ground water recharging capacities at Mettur facility

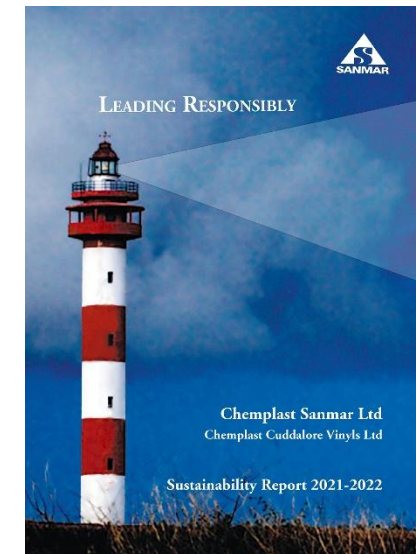
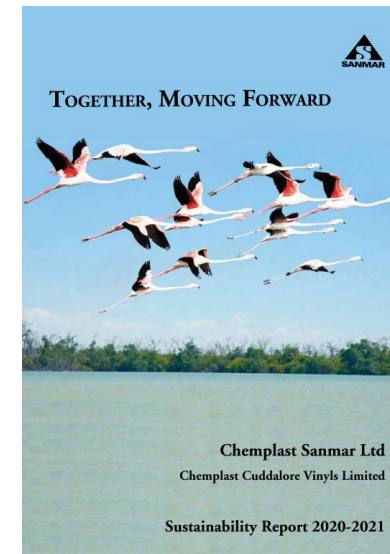
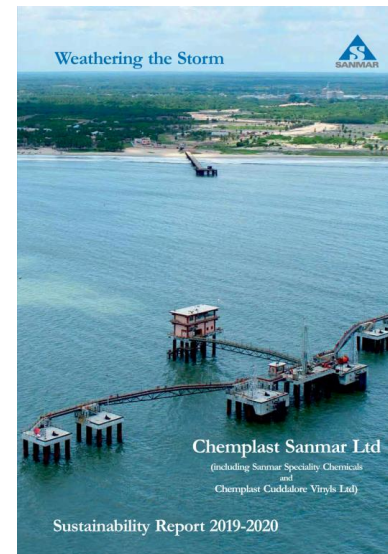
## Health & Safety Measures

- Transport safety - Installation of speed control & safety systems in trucks
- Process safety – PSM, BBS
- Personnel safety – PPE



- Harmonious relationship with neighboring communities
- Receive enquiries from potential customers focused on sustainability
- Reduce power and water cost

## Annual sustainability reports published for over a decade



## Pioneers in Zero Liquid Discharge

- Installed Zero Liquid Discharge (ZLD) facilities at its Mettur plant at an investment of Rs. 27 Cr
- In CCVL, Cuddalore and CSL, Karaikal, ZLD has been the norm right since the inception of the units
- In Sep'09, Chemplast became the first chemical manufacturer to achieve 100% ZLD in all its plants



# Key Awards & Recognition

## Accreditations



## Key Awards

**ecovadis**  
ECOVADIS SILVER  
MEDAL

Safety

**nsc**  
National Safety Council  
Star Award from  
National Safety Council

Safety

Sustainability Award  
for Carbon Reduction from a key  
Customer - CMC Division  
2022

Sustainability

**ICC**  
Indian Chemical Council  
ICC's Award for  
Excellence in  
Management of  
Environment  
2021

CSR

**FICCI**  
FICCI  
Safety system  
Excellence Award  
2019

Safety

**FICCI**  
FICCI  
Sustainability Award  
Excellence in Safety  
(Petrochemicals)  
2017

Sustainability

# Leadership Team With Deep Domain Expertise



**Vijay Sankar**  
Chairman and Non-Executive Director

- Industrialist with experience in managing several businesses
- Past president of Indian Chemical Council
- He is on the boards of companies such as The KCP Ltd, Oriental Hotels Ltd, Kaveri Retreats & Resorts Ltd and Transport Corporation of India Ltd.
- CA, and MBA from Kellogg School of Management



**Ramkumar Shankar**  
Managing Director  
Exp : 34+ Years

- Member of the CII National Committee on Chemicals and Petrochemicals
- Past president of Alkali Manufacturers' Association of India
- Vice President, The Madras Chamber of Commerce & Industry
- CA, Cost Accountant



**Dr. Krishna Kumar Rangachari**  
Deputy Managing Director - Custom Manufactured Chemicals Division  
Exp : 31+ years

- Associated with The Sanmar Group since 2008
- Previously associated with Rayonier Performance Fibres Division, USA
- Bachelor's degree in engineering in chemical branch from the Birla Institute of Technology and Science
- Masters' degree science and a degree in doctor of philosophy from North Carolina State University, USA



**N Muralidharan**  
Chief Financial Officer  
Exp : 34+ years

- Associated with The Sanmar Group since 1991
- Diverse Experience in Accounting, Financial Reporting & Fund raising
- CA and MBA



**M Raman**  
Company Secretary & Compliance Officer  
Exp : 33+ years

- Associated with The Sanmar Group since 1989
- Bachelors' degree in arts from the University of Madras
- Bachelors' degree in general laws from Madurai Kamaraj University
- Associate member of ICSI



**N Krishnamoorthy**  
Deputy Managing Director (Commercial)  
Exp : 38+ years

- Associated with The Sanmar Group since 1993
- Previously associated with Reliance Industries Limited and Southern Petrochemical Industries Corporation Limited
- Bachelor's degree in engineering from Madurai Kamaraj University
- MBA from Anna University.



**M N Bhaskaran**  
Executive Director (Head of Operations )  
Exp : 38+ years

- Associated with The Sanmar Group since 2019
- Previously associated with Aditya Birla Group, Nagarjuna fertilizers, Sulfindo and Balmer Lawrie
- Bachelor's degree in technology from Anna University



# Eminent Board of Directors



**Vijay Sankar**  
Chairman and Non-Executive Director

- Industrialist with experience in managing several businesses
- Past president of Indian Chemical Council
- He is on the boards of companies such as The KCP Ltd, Oriental Hotels Ltd, Kaveri Retreats & Resorts Ltd and Transport Corporation of India Ltd.
- CA, and MBA from Kellogg School of Management



**Ramkumar Shankar**  
Managing Director

- Member of the CII National Committee on Chemicals and Petrochemicals
- Past president of Alkali Manufacturers' Association of India
- Vice President, The Madras Chamber of Commerce & Industry
- CA, Cost Accountant



**Chandran Ratnaswami**  
Non-Executive Director

- CEO of Fairfax India Holding Corporation and MD of Hamblin Watsa Investment Counsel
- B.Tech from IIT Madras
- MBA from University of Toronto



**Amarnath Ananthanarayanan**  
Non-Executive Director

- Experience across financial services, manufacturing & academics
- Doct. of Philosophy (State University of New Jersey)
- Recipient of Udyog Rattan Award conferred by The Institute of Economic Studies



**Aditya Jain**  
Independent Director

- Chairman & Editorial Director of International Market Assessment India and Director of P R Pundit Public Relations Pvt. Ltd. And E I U India Pvt. Ltd.
- MBA from Brunel University



**Dr. Lakshmi Vijayakumar**  
Independent Director

- Medical practitioner and honorary Assoc. Professor in the University of Melbourne
- Founder of SNEHA, an NGO in Chennai
- PGD in psychological medicine, University of Madras



**Prasad Menon**  
Independent Director

- Independent Director at Neuland Laboratories Ltd. and Data Patterns India Ltd.
- Bachelors' degree from IIT Kharagpur



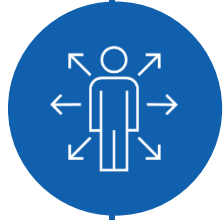
**Sanjay Bhandarkar**  
Independent Director

- Director at Tata Power, Tata Power Renewable Energy, Tata Projects, HDFC AMC, New Age Power, Walwhan Renewable Energy and NIIF Ltd.
- PGD in management from XLRI Jamshedpur



# Way Forward

# Our Strategies



## Expansion of the production capacities

- Increasing Paste PVC capacity to benefit from structural changes in the supply side dynamics and to cement leadership position in India
- Expanding custom manufacturing capabilities to leverage our chemistry process research and existing manufacturing capabilities



## Improving financial performance through focus on operational efficiencies through:

- De-bottlenecking of Suspension PVC facility to improve operational metrics - Completed in May '22
- Increasing focus on Southern and Eastern markets to maximise netbacks



## Adding value to by-products

- By-product Hydrogen from the manufacturing process is converted to Hydrogen Peroxide and sold

# Capex Plans

Low cost future expansion leveraging existing land and infrastructure facilities

**2022**

Suspension PVC resin

Capacity debottlenecking by 31 kt at Cuddalore came onstream in Q1-FY'23

Completed in May 2022

Rs. 23.5 Cr ^

**2024**

Paste PVC

Planning to add 41 kt capacity at Cuddalore

**Approvals received and construction in full swing.**

Slated to be completed by H2-FY '24

Estimated capex Rs. 360.0 Cr ^

**2024-2025**

Custom Manufacturing

Setting up a multipurpose facility in phases

1<sup>st</sup> phase slated to be completed by Q2-FY '24

Kick-starting the next phase of expansion now; targeting commissioning by end FY'24

Estimated capex Rs. 680.0 Cr ^

^ Excluding GST



# Historical Performance

# Product group-wise Volumes & Revenues

*mt*

Sales Volume	FY'22	FY'21	FY'20
Specialty Chemicals	65,841	63,231	64,739
Other Chemicals #	1,46,652	105,060	119,863
Suspension PVC	2,99,268	273,296	271,300
<b>Total Sales Volume</b>	<b>5,11,761</b>	<b>441,587</b>	<b>455,902</b>

*Rs. Cr*

Total Revenue	FY'22	FY'21	FY'20
Specialty Chemicals	1,277	913	749
Other Chemicals #	735	376	511
Suspension PVC	3,880	2,510	1,863
<b>Total Revenue</b>	<b>5,892</b>	<b>3,799</b>	<b>3,123</b>

On Consolidated Basis

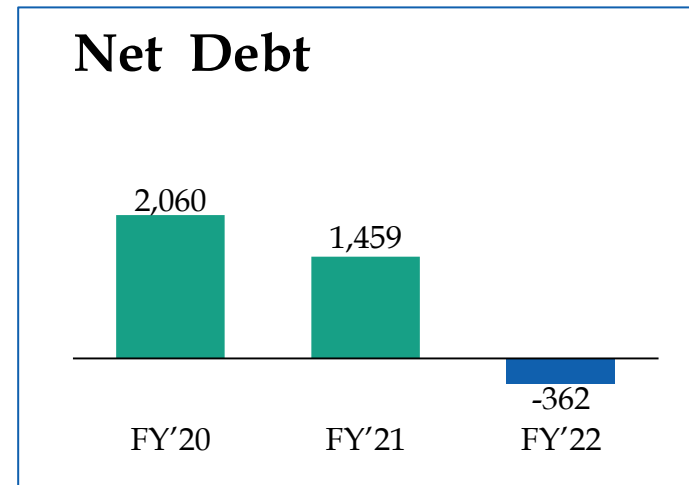
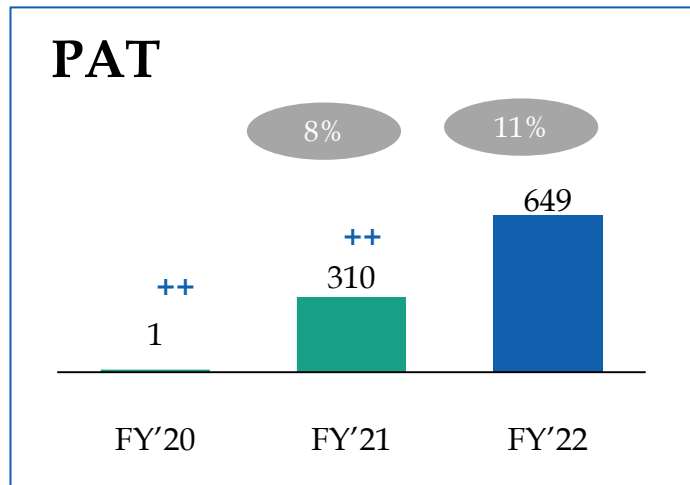
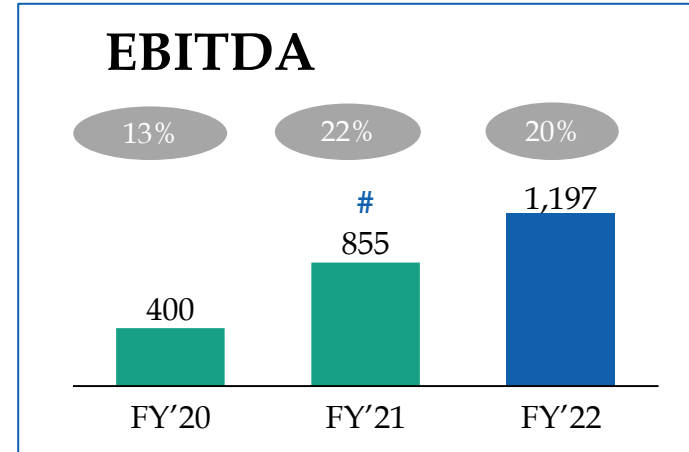
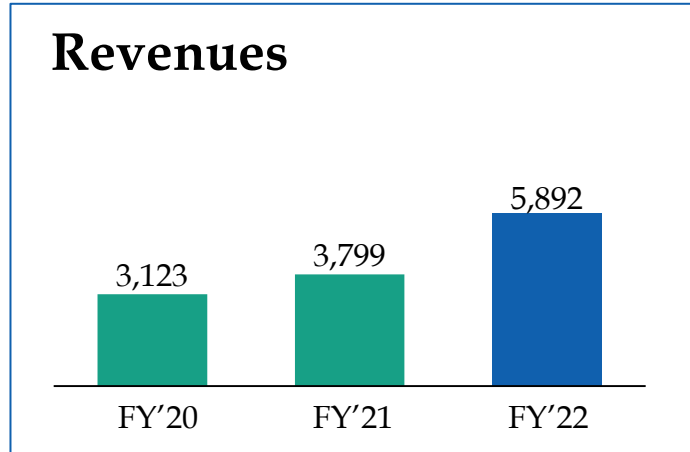
Historical Numbers are restated post CCVL Acquisition in FY21

# - Includes Caustic Soda, Chloromethanes, Refrigerant gases and Hydrogen Peroxide



# Historical Performance Highlights

Rs. Cr Margin



All computations are on Consolidated basis  
 Historical Numbers are restated post CCVL Acquisition in FY '21  
 # Excludes positive impact on account of inventory write down of Rs.107 Cr made in FY'20

++ Excludes post tax impact of gains/ (loss) from JV & Associates: Rs. 48 Cr loss in FY'20; Rs. 100 Cr gain in FY'21; These investments have been delinked in FY'21.

# Consolidated Profit & Loss Account (Proforma)

Rs. Cr

Particulars	FY'22	FY'21	Y-o-Y	FY'20
<b>Revenue from Operations</b>	<b>5,892</b>	<b>3,799</b>	<b>55%</b>	<b>3,123</b>
Cost of Goods Sold	3,714	2,229		1,933
Employee Cost	120	114		118
Other Expenses	862	601		671
<b>EBITDA</b>	<b>1,197</b>	<b>855</b>	<b>40%</b>	<b>400</b>
<i>EBITDA Margin</i>	<i>20.3%</i>	<i>22.5%</i>		<i>12.8%</i>
Other income	57	16		19
Depreciation	137	131		129
Inventory adjustment **	-	107		-
<b>EBIT</b>	<b>1,117</b>	<b>847</b>	<b>32%</b>	<b>291</b>
Finance Cost	322	433		212
Profit before tax and exceptional items	796	413		79
Exceptional items	-	-16		-107
<b>PBT (before Share of Profit/ (Loss) from Joint Venture and Associate)</b>	<b>796</b>	<b>398</b>	<b>100%</b>	<b>-28</b>
Less: Tax	147	88		-29
<b>Proforma PAT</b>	<b>649</b>	<b>310</b>	<b>109%</b>	<b>1</b>
<i>Proforma PAT Margin %</i>	<i>11.0%</i>	<i>8.2%</i>		<i>0.0%</i>
Share of Profit / (Loss) from Joint Venture and Associate - post tax <sup>++</sup>	-	100		-48
Reported PAT	649	410		-47
Basic EPS (Rs./share)	43.66	30.58		-2.09

Historical Numbers are restated post CCVL Acquisition in FY'21

\*\* Positive impact on account of write down of inventory made in FY'20

++ These investments have been delinked in FY'21

# Consolidated Balance Sheet (Proforma)

Rs. Cr

ASSETS	Mar-22	Mar-21	Mar-20
<b>Non-Current Assets</b>			
a) Property, Plant And Equipment	3,195	3,087	3,232
b) Capital Work in Progress	34	25	13
c) Right Of Use Asset	64	61	18
d) Intangible Assets	-	-	-
e) Other Financial Assets	23	24	17
f) Other Non-Current Assets	28	14	14
g) Investment in Associate and JV	-	-	2,643
<b>Sub-Total - Non-Current Assets</b>	<b>3,344</b>	<b>3,212</b>	<b>5,938</b>
<b>Current Assets</b>			
a) Inventories	711	407	320
b) Financial Assets			
i) Trade Receivables	190	74	50
ii) Cash And Cash Equivalent	1,000	303	92
iii) Bank Balances	229	348	88
iv) Other Financial Assets	88	89	64
c) Other Current Assets	39	53	29
d) Derivative assets	-	-	53
<b>Sub-Total - Current Assets</b>	<b>2,257</b>	<b>1,275</b>	<b>696</b>
<b>Total - Assets</b>	<b>5,601</b>	<b>4,487</b>	<b>6,633</b>

EQUITY AND LIABILITIES	Mar-22	Mar-21	Mar-20
<b>Equity</b>			
a) Equity Share Capital	79	67	67
b) Other Equity	1,592	-451	-839
c) Instruments entirely equity in nature	34	34	2,490
<b>Total Equity</b>	<b>1,705</b>	<b>-349</b>	<b>1,718</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	799	2,025	2,026
ii) Lease Liabilities	11	14	17
b) Other Non current Liabilities	91	79	84
c) Deferred Tax Liabilities (Net)	741	720	675
<b>Sub-Total - Non-Current Liabilities</b>	<b>1,642</b>	<b>2,838</b>	<b>2,801</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowing	68	86	214
ii) Trade Payables	1,878	1,656	1,397
iii) Other Financial Liabilities	164	159	419
iv) Lease Liabilities	3	3	2
b) Other Current Liabilities	83	40	60
c) Derivative liabilities	7	16	-
Current tax liabilities (net)	50	39	22
<b>Sub-Total - Current Liabilities</b>	<b>2,254</b>	<b>1,998</b>	<b>2,114</b>
<b>Total - Equity And Liabilities</b>	<b>5,601</b>	<b>4,487</b>	<b>6,633</b>

Historical Numbers are restated post CCVL Acquisition in FY'21

# Consolidated Cashflow Statement (Proforma)

*Rs. Cr*

Particulars	Mar-22	Mar-21	Mar-20
Net Profit Before Tax	796	563	9
Adjustments for: Non Cash Items / Other Investment or Financial Items	420	526	303
<b>Operating profit before working capital changes</b>	<b>1,216</b>	<b>1,089</b>	<b>312</b>
Changes in working capital	-141	48	-84
<b>Cash generated from Operations</b>	<b>1,075</b>	<b>1,137</b>	<b>228</b>
Direct taxes paid (net of refund)	-174	-61	-42
<b>Net Cash from Operating Activities</b>	<b>901</b>	<b>1,076</b>	<b>186</b>
<b>Net Cash from Investing Activities</b>	<b>108</b>	<b>2,152</b>	<b>-1,379</b>
<b>Net Cash from Financing Activities</b>	<b>-313</b>	<b>-3,017</b>	<b>1,187</b>
<b>Net Increase in Cash and Cash equivalents</b>	<b>696</b>	<b>211</b>	<b>-7</b>
Add: Cash & Cash equivalents at the beginning of the period	303	92	99
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>1,000</b>	<b>303</b>	<b>92</b>

# Stand-alone Profit & Loss Account

Rs. Cr

Particulars	FY'22	FY'21	Y-o-Y	FY'20
<b>Revenue from Operations</b>	<b>2,012</b>	<b>1,289</b>	<b>56%</b>	1,259
Cost of Goods Sold	700	427		421
Employee Cost	77	77		83
Other Expenses	607	393		441
<b>EBITDA</b>	<b>628</b>	<b>391</b>	<b>60%</b>	<b>314</b>
<i>EBITDA Margin</i>	<i>31.2%</i>	<i>30.4%</i>		<i>24.9%</i>
Other income	33	6		8
Depreciation	91	88		87
<b>EBIT</b>	<b>569</b>	<b>309</b>	<b>84%</b>	<b>234</b>
Finance Cost	136	254		95
<b>Profit before Tax and Exceptional items</b>	<b>434</b>	<b>56</b>		<b>139</b>
Exceptional items	-	-16		-
<b>Profit before Tax</b>	<b>434</b>	<b>40</b>	<b>987%</b>	<b>139</b>
Tax	54	-4		40
<b>PAT</b>	<b>379</b>	<b>44</b>	<b>770%</b>	<b>99</b>
<i>PAT Margin %</i>	<i>18.9%</i>	<i>3.4%</i>		<i>7.8%</i>
Basic EPS (Rs)	25.54	3.25	685%	4.37

# Stand-alone Balance Sheet

Rs. Cr

ASSETS	Mar-22	Mar-21	Mar-20
<b>Non-Current Assets</b>			
a) Property, Plant And Equipment	2,220	2,088	2,156
b) Capital Work in Progress	27	25	8
c) Right Of Use Asset	12	15	18
d) Investments	1,556	1,556	1,556
e) Other Financial Assets	19	16	15
f) Other Non-Current Assets	26	8	10
g) Investment in Associate and JV	-	-	-
<b>Sub-Total - Non-Current Assets</b>	<b>3,860</b>	<b>3,708</b>	<b>3,764</b>
<b>Current Assets</b>			
a) Inventories	347	237	182
b) Financial Assets			
i) Trade Receivables	180	68	48
ii) Cash And Cash Equivalents	357	74	75
iii) Bank Balances	113	75	37
iv) Other Financial Assets	74	82	81
c) Other Current Assets	22	40	12
d) Derivative assets	-	-	7
<b>Sub-Total - Current Assets</b>	<b>1,093</b>	<b>576</b>	<b>443</b>
<b>Total - Assets</b>	<b>4,953</b>	<b>4,284</b>	<b>4,206</b>

EQUITY AND LIABILITIES	Mar-22	Mar-21	Mar-20
<b>Equity</b>			
a) Equity Share Capital	79	67	67
b) Other Equity	3,718	1,954	1,910
<b>Total Equity</b>	<b>3,797</b>	<b>2,021</b>	<b>1,977</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	-	1,184	1,207
ii) Lease Liabilities	11	14	17
b) Other Non current Liabilities	65	63	59
c) Deferred Tax Liabilities (Net)	537	506	519
<b>Sub-Total - Non-Current Liabilities</b>	<b>613</b>	<b>1,766</b>	<b>1,802</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowing	-	28	82
ii) Trade Payables	360	310	216
iii) Other Financial Liabilities	104	106	83
iv) Lease Liabilities	3	3	2
b) Other Current Liabilities	44	24	23
c) Derivative liabilities	2	5	-
Current tax liabilities (net)	30	22	22
<b>Sub-Total - Current Liabilities</b>	<b>542</b>	<b>497</b>	<b>428</b>
<b>Total - Equity And Liabilities</b>	<b>4,953</b>	<b>4,284</b>	<b>4,206</b>

# Stand-alone Cash flow Statement

*Rs. Cr*

Particulars	Mar-22	Mar-21	Mar-20
<b>Net Profit Before Tax</b>	<b>434</b>	<b>56</b>	<b>139</b>
Adjustments for: Non Cash Items / Other Investment or Financial Items	194	324	174
<b>Operating profit before working capital changes</b>	<b>628</b>	<b>379</b>	<b>313</b>
Changes in working capital	-125	42	-108
<b>Cash generated from Operations</b>	<b>503</b>	<b>422</b>	<b>205</b>
Direct taxes paid (net of refund)	-73	-10	-39
<b>Net Cash from Operating Activities</b>	<b>430</b>	<b>411</b>	<b>166</b>
<b>Net Cash from Investing Activities</b>	<b>-51</b>	<b>-80</b>	<b>-438</b>
<b>Net Cash from Financing Activities</b>	<b>-96</b>	<b>-333</b>	<b>298</b>
<b>Net Increase in Cash and Cash equivalents</b>	<b>283</b>	<b>-1</b>	<b>26</b>
Add: Cash & Cash equivalents at the beginning of the period	74	75	49
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>357</b>	<b>74</b>	<b>75</b>

On Consolidated Basis  
Historical Numbers are restated post CCVL Acquisition in FY'21

# Thank you

## Company



**Chemplast Sanmar Ltd.**

CIN- L24230TN1985PLC011637

N Muralidharan – Chief Financial Officer

[nm3@sanmargroup.com](mailto:nm3@sanmargroup.com)

[www.chemplastsanmar.com](http://www.chemplastsanmar.com)

## Investor relations advisor

**SGA** Strategic Growth Advisors

**Strategic Growth Advisors Pvt. Ltd.**

CIN - U74140MH2010PTC204285

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