



February 8, 2024

**BSE Ltd.,**  
P J Towers,  
Dalal Street,  
Mumbai - 400 001.  
**Scrip Code: 524735**

**National Stock Exchange of India Ltd.,**  
Exchange Plaza,  
Bandra-Kurla Complex, Bandra,  
Mumbai - 400 051.  
**Symbol: HIKAL**

Dear Sir/Madam,

**Subject: Results Presentation of the Company for the quarter and period ended December 31, 2023**

With reference to the subject, we are enclosing a copy of the Results presentation on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and period ended December 31, 2023.

This is for your information and records.

Thank you,

Yours sincerely,  
**for HIKAL LIMITED,**

**Rajasekhar Reddy**  
**Company Secretary & Compliance Officer**

**Encl: As above**

**Hikal Ltd.**

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*Results Presentation - Q3 FY24*

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Jai Hiremath

“The global chemical industry continues to witness turbulence on the back of increased inventory levels, higher interest rates and intense price competition. We see prices bottoming out over the next few months and at the same time we can see things improving in the industry going forward.

For Q3FY24, we reported revenues of Rs. 448 Cr and EBITDA of Rs. 65 Cr. The softening of raw materials prices coupled with focused cost improvement, lean initiatives and a diversified product mix helped us to improve our margins sequentially on a QoQ basis.

Our pharmaceutical business reported revenues of Rs. 267 Cr and EBIT of 18 Cr for Q3 FY24. In the API business, we are seeing traction on the back of improved penetration across different geographies, stabilized prices and signs of recovery in market demand. On the CDMO side, we continue to maintain a strong pipeline of enquiries from several Pharma innovators, and several products are in advanced stages of development.

For Q3FY24, our crop protection business reported revenue of Rs. 180 Cr and EBIT of 22 Cr. The global crop protection industry continues to experience severe headwinds. Subdued global demand on the back of the destocking situation coupled with intense price competition have impacted the industry. Proactive implementation of cost improvement programs has benefited us in this quarter in maintaining the margin profile. Our new multi-purpose facility at Panoli is completed and stabilization of the plant is in progress.

In the animal health segment, the progress on developing new products as part of a long-term contract with an innovator animal health company is on track. Our new multipurpose plant for animal health was commissioned this quarter and validation of several products has been initiated which is expected to be completed in the upcoming quarters. These validation batches will be a first step towards registration and commercialisation of the products.

Our strategic transformation program – Pinnacle, has made significant progress towards sustainable growth across business verticals. We are seeing good momentum in building new capabilities, attracting new customers and creating a niche and differentiated technology platform. Amidst our transition to the next phase of strategic transformation we've achieved significant progress by integrating sustainable practices as part of our ESG initiative.

Despite the prevailing global headwinds, we expect the market trajectory to change positively over the next few quarters and we remain steadfast in our commitment to drive long-term profitable and sustainable growth across our businesses.”



## *Quarterly Financials Highlights*

Gradual Recovery in Q3 - expect sequential improvement in revenues and margins



Revenue - Q3 FY24  
Rs. 448 Crore



YoY  
17%



QoQ  
3%



EBITDA - Q3 FY24  
Rs. 65 Crore



YoY  
13%



QoQ  
13%



EBITDA Margin - Q3 FY24  
14.5%



YoY  
70 bps



QoQ  
130 bps



PAT - Q3 FY24  
Rs. 16 Crore



YoY  
38%



QoQ  
30%



EPS - Q3 FY24  
Rs 1.32



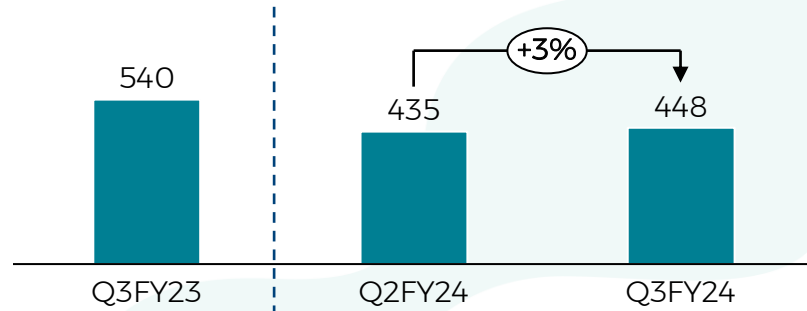
YoY  
38%



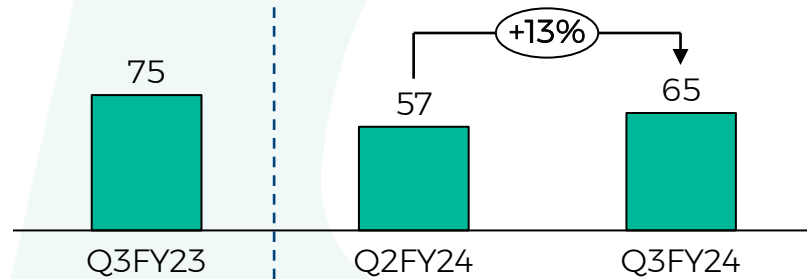
QoQ  
30%

## Quarterly Performance Highlights

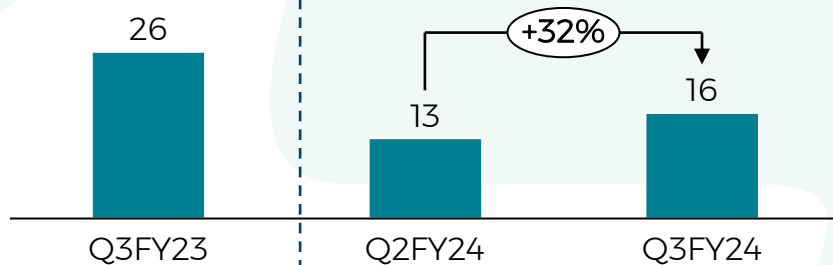
### Revenue



### EBITDA



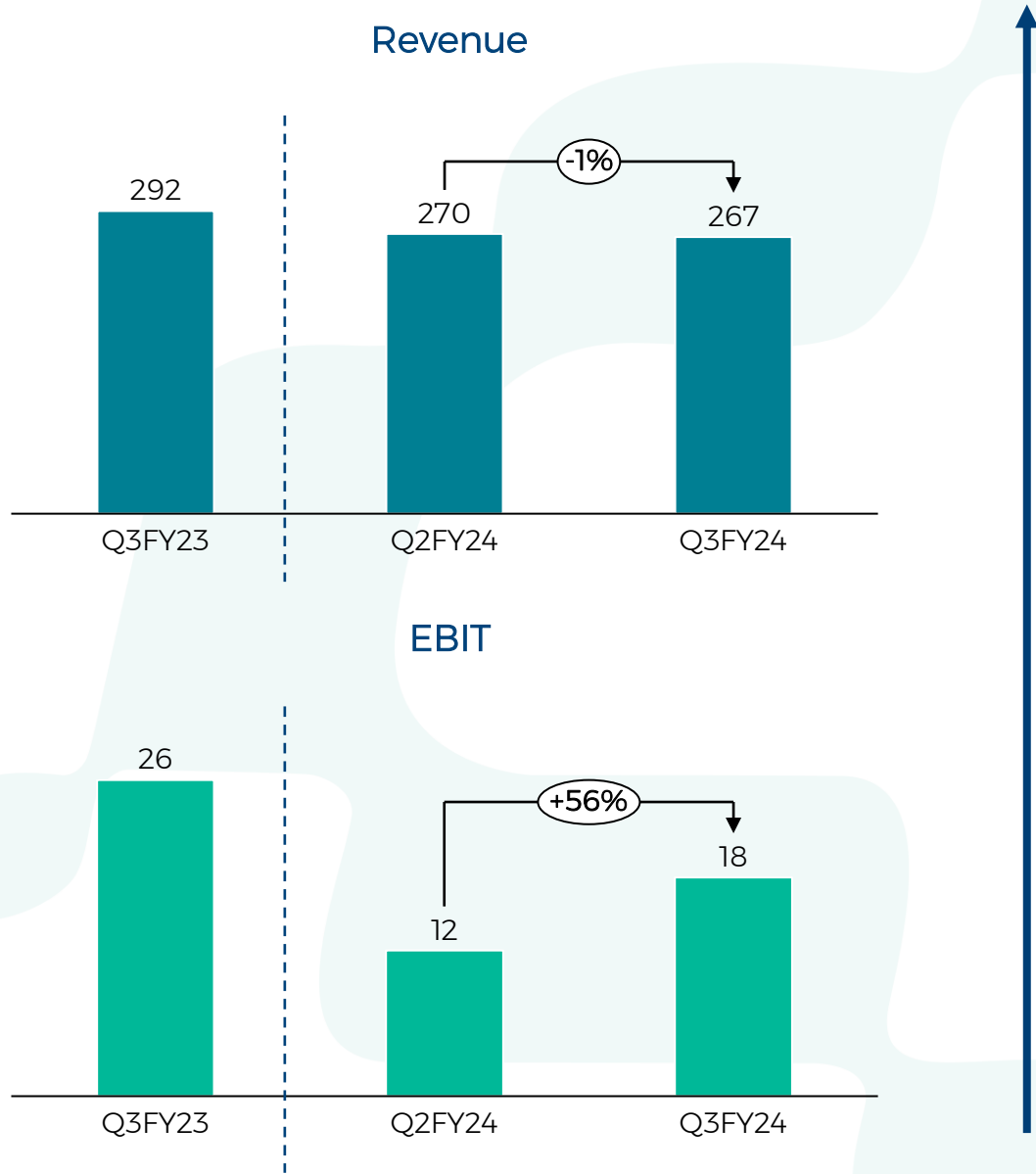
### PAT



Rs. Crore

### Performance Highlights

- Revenue recorded at Rs 448 Crore, 3% growth QoQ basis
  - Change in product mix
  - Increased demand of Own products in Pharmaceutical segment
- EBITDA stood at Rs 65 Crore, 13% increase on QoQ basis
  - Cost improvement initiatives, softening in RM costs and change in product mix
- PAT was Rs. 16 Crore
  - Marginal increase in finance costs in view of interest rate hikes
  - Improved operating leverage sequentially
- Hikal's long term credit rating is maintained at A+ by ICRA
- Sequential growth in revenue and margins is expected for Pharma business.
- Animal Health Plant at Panoli has been commissioned

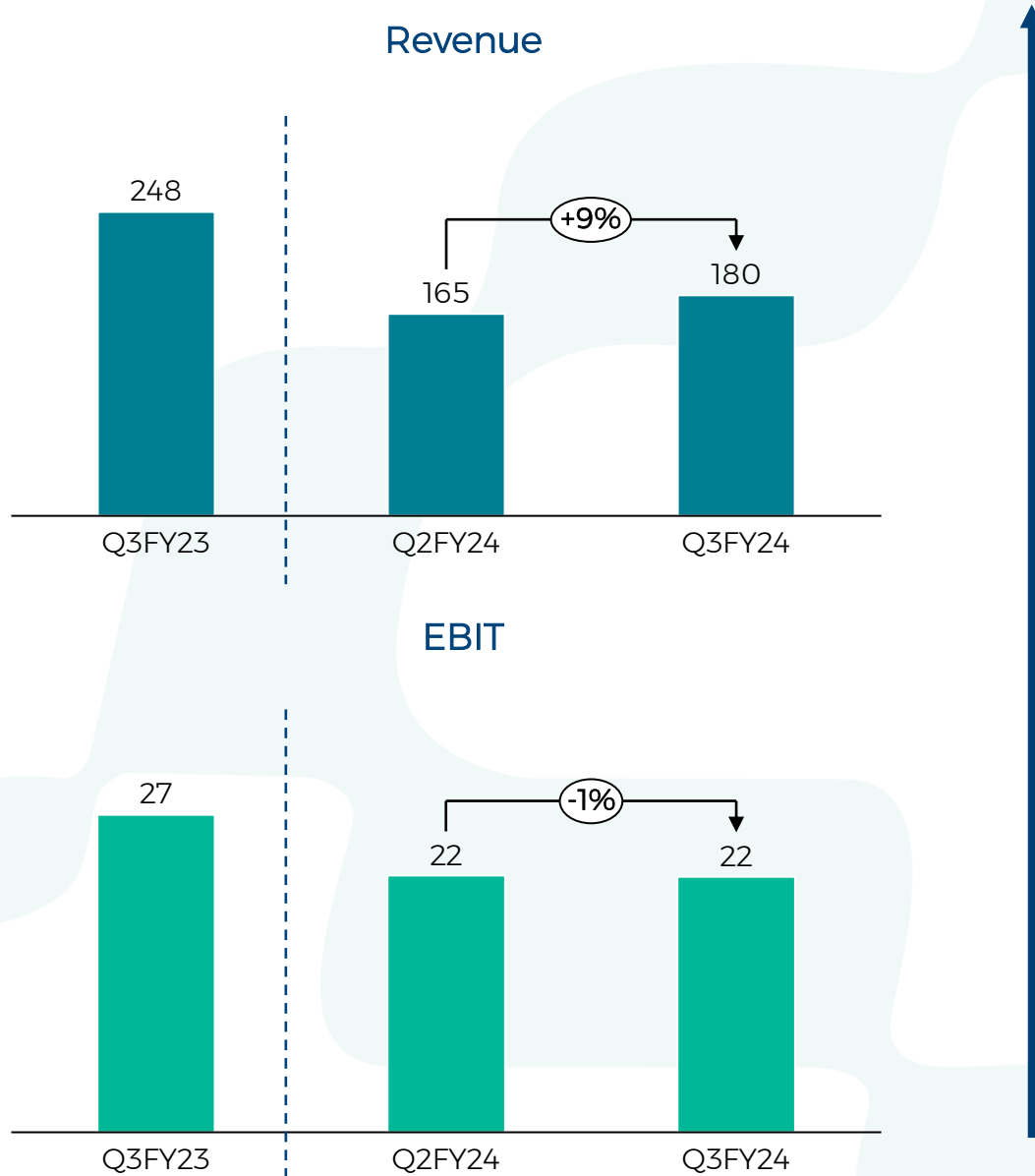


## Pharmaceuticals - Performance Highlights

- Revenue stood flat at Rs 267 Crore sequentially
- EBIT stood at Rs 18 Crore, sequential growth of 56%
  - Softening of key RM prices
  - Improvement on account of business excellence initiatives
- New multipurpose Animal Health Plant at Panoli has been commissioned
  - Validation of several products is going on and expected to be completed in upcoming few quarters
- Good traction in Own Products from customers in Japan, Latin America and Middle East geographies for the newer product portfolio
- New opportunities are under advanced stage of discussion with various global innovators in CDMO business



## Quarterly Performance Highlights - Crop Protection



### Crop Protection - Performance Highlights

- Revenue stood at Rs 180 Crore
  - Destocking situation continues at an Industry level
  - Operating environment is expected to normalize towards the end of H1 FY25
- EBIT stood at Rs 22 Crore
  - Softening of key RM prices
  - Improvement on account of business excellence initiatives
- New multipurpose facility at Panoli, Gujarat is currently stabilizing and commissioning activity is going as per plan
- We have a strong pipeline of opportunities under discussion with various global innovators

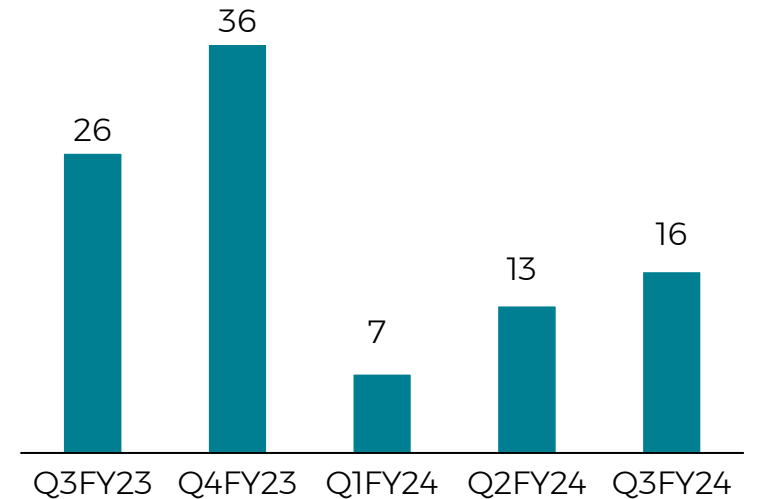
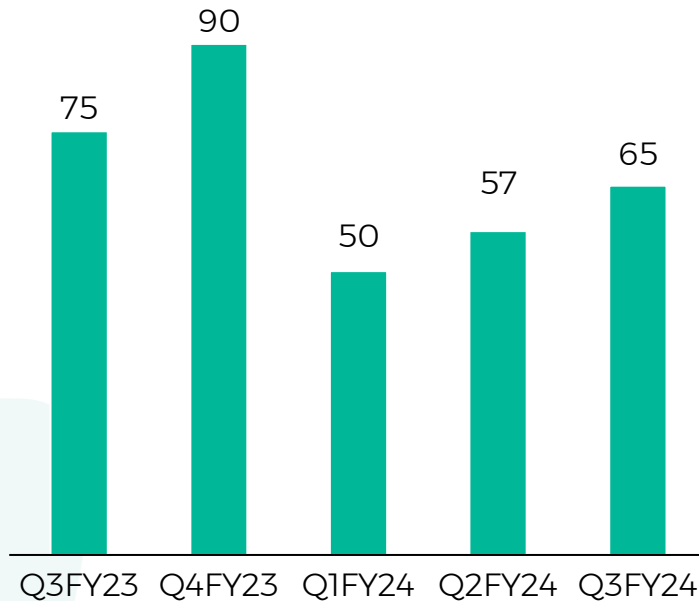
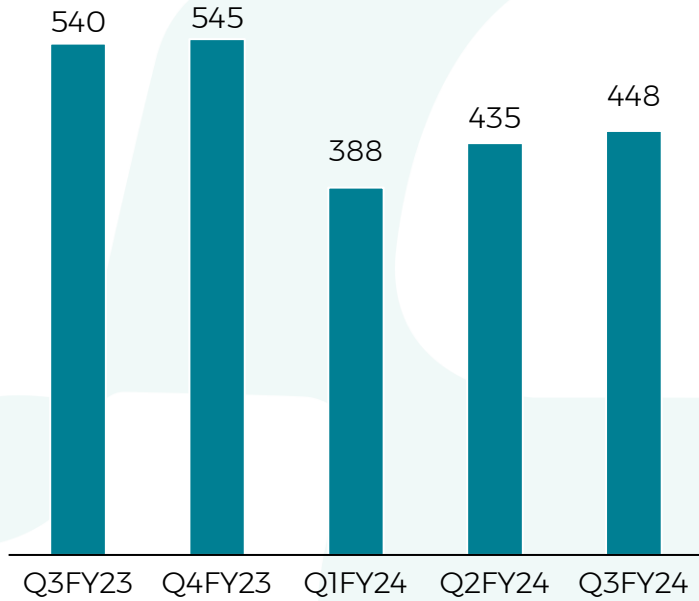
# Quarterly Financial Highlights



### Consolidated Revenue

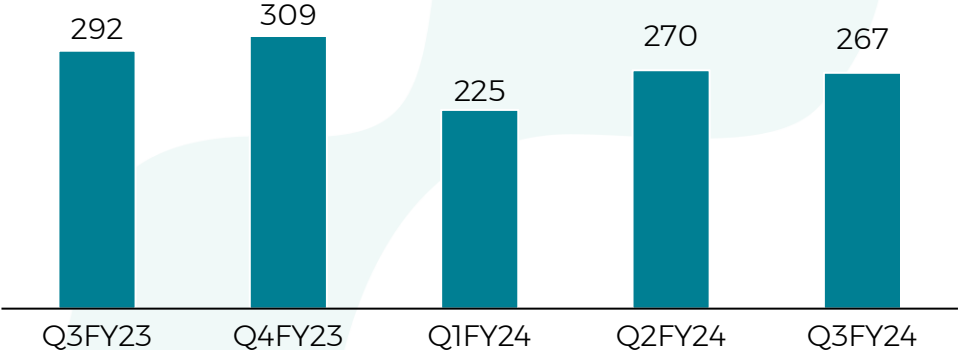
### Consolidated EBITDA

### Consolidated PAT

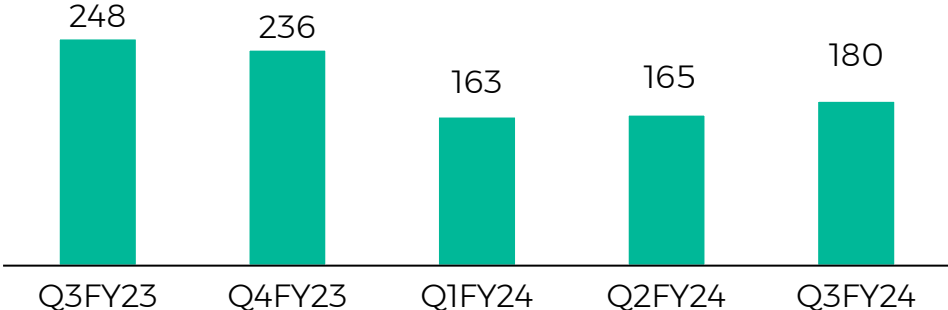


# Quarterly Segmental Highlights

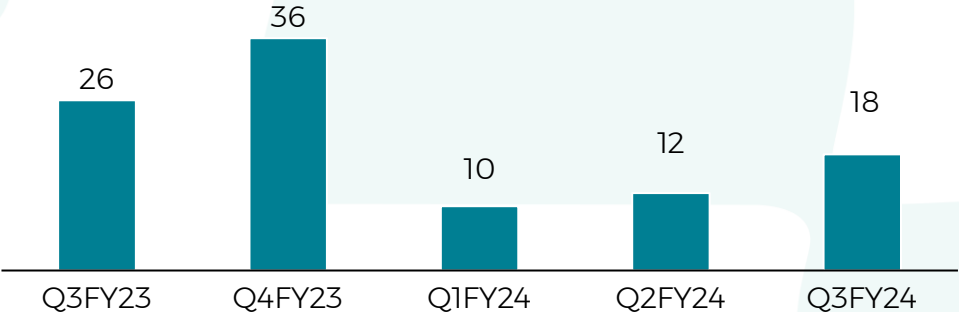
### Pharmaceuticals Revenue



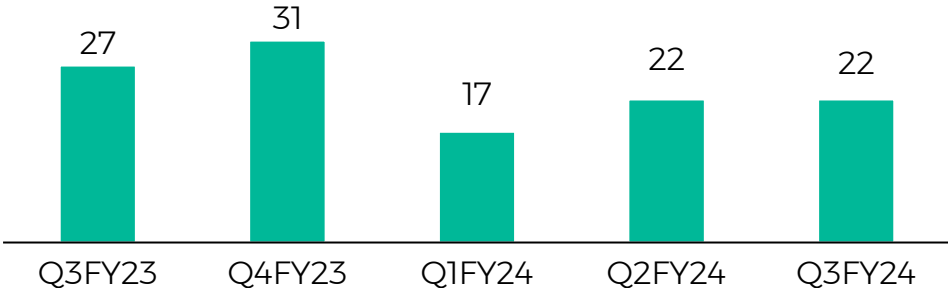
### Crop Protection Revenue



### Pharmaceuticals EBIT



### Crop Protection EBIT



## Consolidated Profit & Loss - Q3 FY24



Particulars (Rs. Crore)	Q3 FY24	Q3 FY23	Y-o-Y	Q2 FY24	Q-o-Q
<b>Net Sales</b>	<b>448</b>	<b>540</b>	<b>-17%</b>	<b>435</b>	<b>3%</b>
Expenditure	383	465		375	
<b>EBITDA</b>	<b>65</b>	<b>75</b>	<b>-13%</b>	<b>57</b>	<b>13%</b>
<b>Margin</b>	<b>14.5%</b>	<b>13.8%</b>		<b>13.2%</b>	
Other Income	0	2		1	
Depreciation	29	28		29	
Finance Costs	14	13		13	
<b>PBT</b>	<b>22</b>	<b>36</b>	<b>-39%</b>	<b>17</b>	<b>31%</b>
Tax	5	10		4	
<b>Net Profit</b>	<b>16</b>	<b>26</b>	<b>-38%</b>	<b>13</b>	<b>32%</b>
<b>Margin</b>	<b>3.7%</b>	<b>4.9%</b>		<b>3.0%</b>	



## **Nine Months Financials Highlights**

## Financial Highlights - Nine Months



Revenue – 9M FY24  
Rs. 1271 Crore



YoY  
14%



EBITDA – 9M FY24  
Rs. 173 Crore



YoY  
3%



EBITDA Margin – 9M FY24  
13.6%



YoY  
230 bps



PAT – 9M FY24  
Rs. 36 Crore



YoY  
16%



EPS – 9M FY24  
Rs 2.89



YoY  
16%

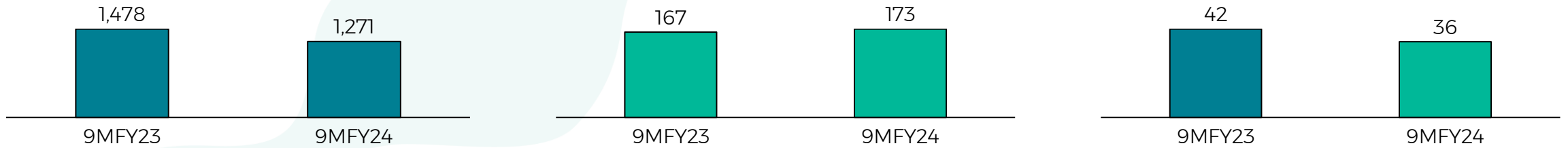
# Nine Month Performance Highlights



Revenue

EBITDA

PAT

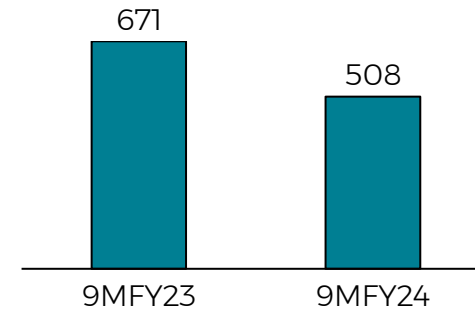
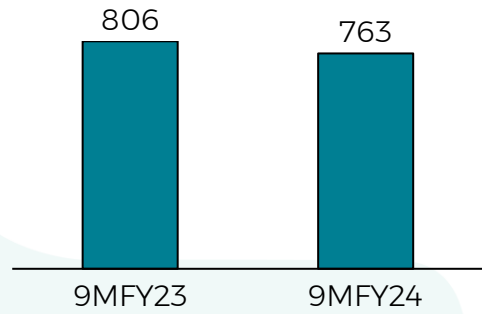


## Pharmaceuticals Division

## Crop Protection Division

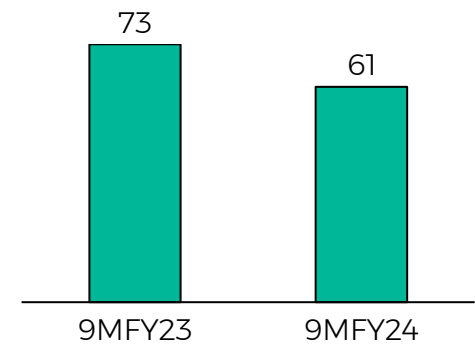
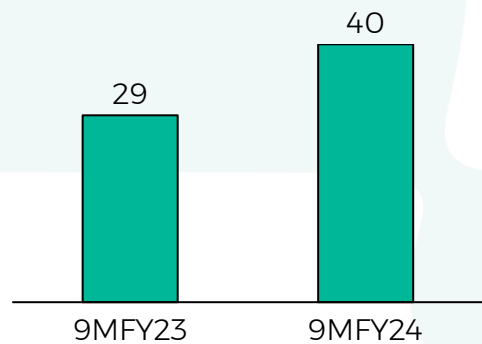
Revenue

Revenue

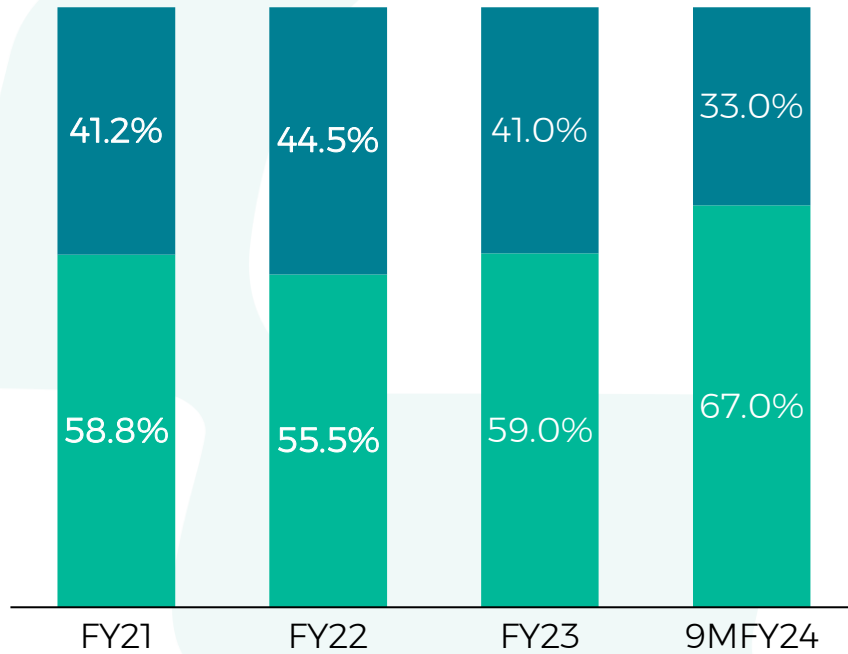


EBIT

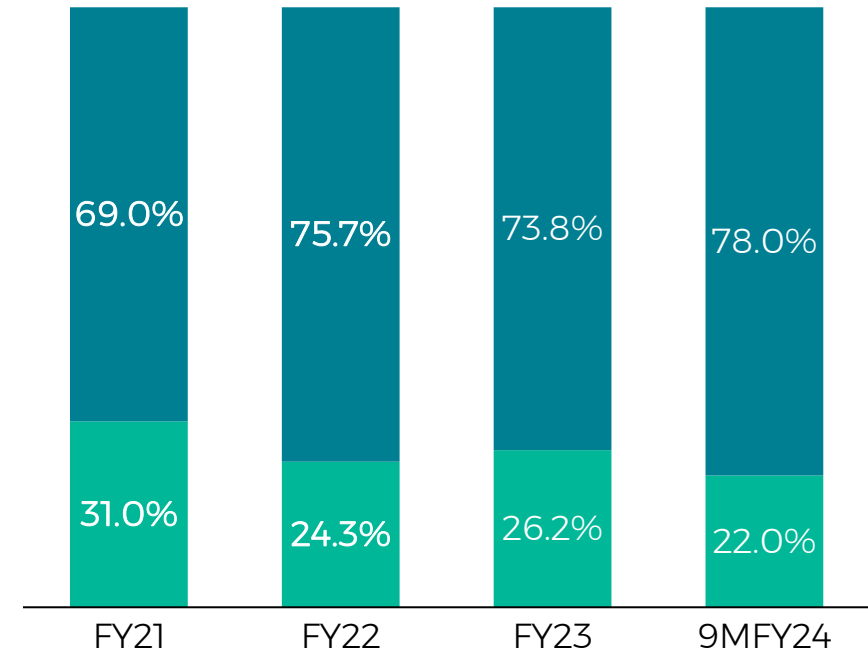
EBIT



### Pharmaceuticals Revenue Break-Up



### Crop Protection Revenue Break-Up



CDMO Own Products





**Annual Financials Highlights**

## Financial Highlights - Annual



Revenue – FY23  
Rs. 2,023 Crore

↑ YoY  
+4%



EBITDA – FY23  
Rs. 257 Crore

↓ YoY  
-25%



EBITDA Margin – FY23  
12.7%

↓ YoY  
-482 bps



PAT – FY23  
Rs. 78 Crore

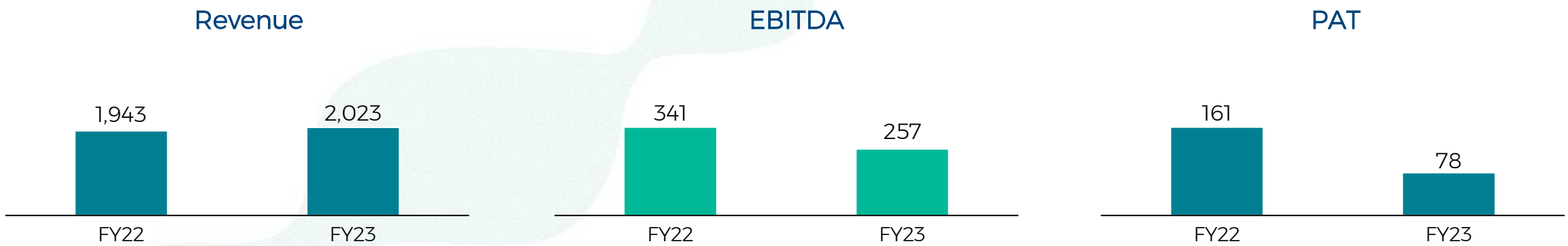
↓ YoY  
-51%



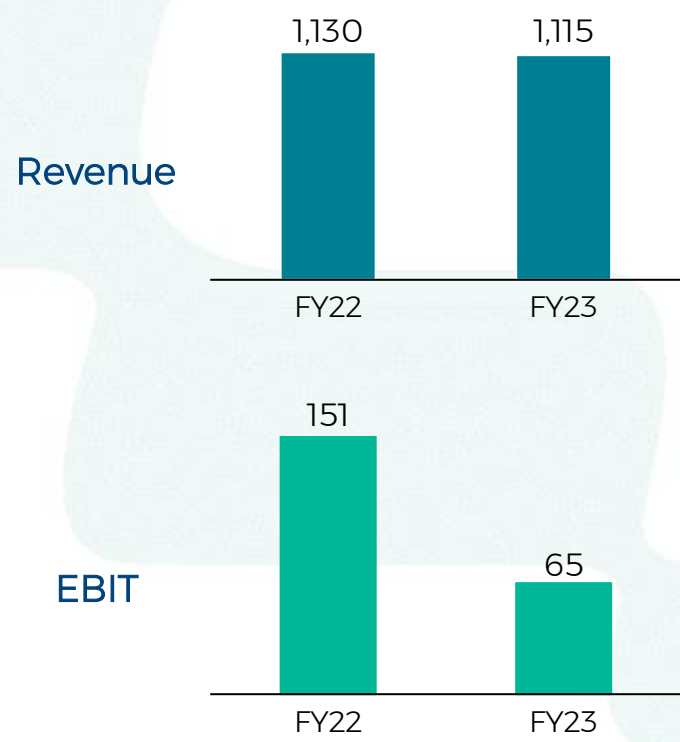
EPS – FY23  
Rs 6.36

↓ YoY  
-51%

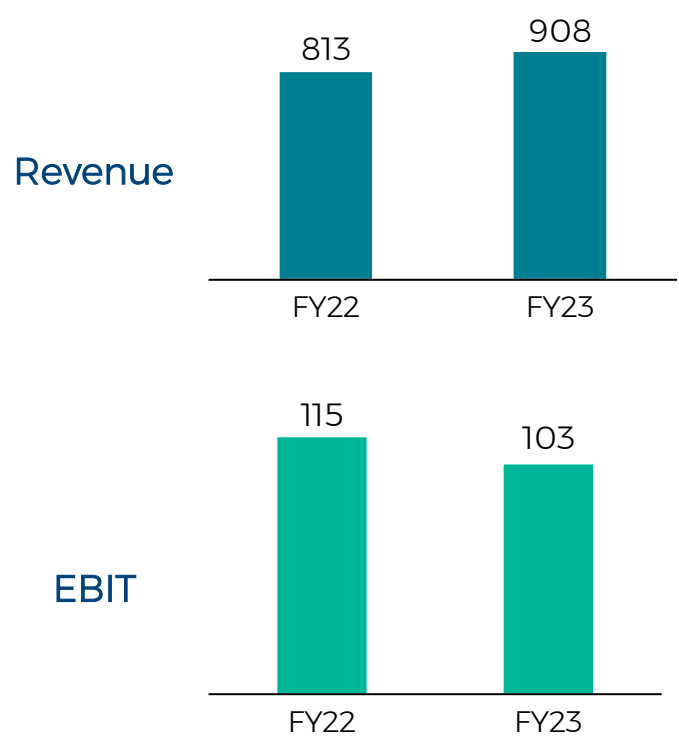
# Annual Performance Highlights



## Pharmaceuticals Division



## Crop Protection Division



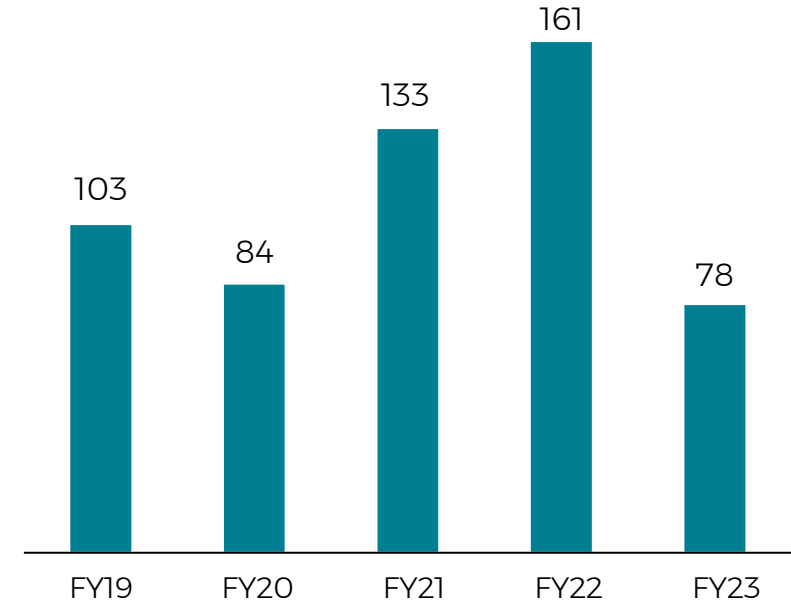
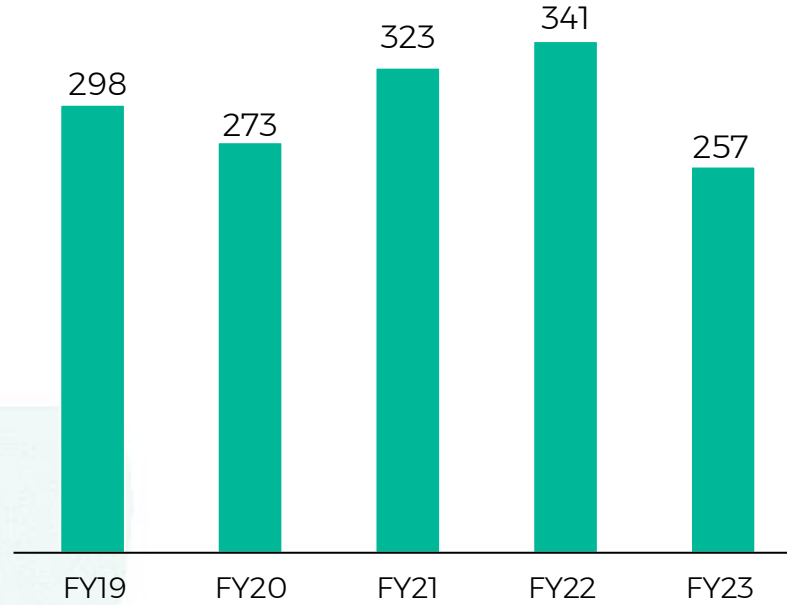
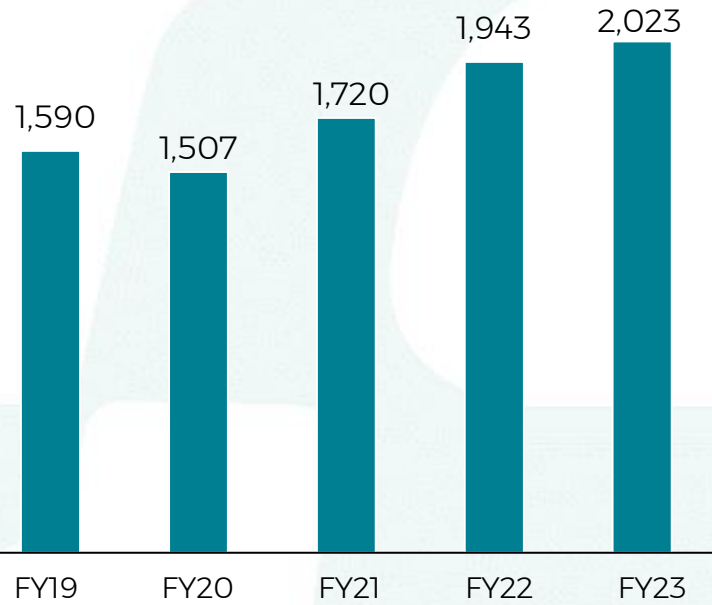
# Yearly Financial Highlights



### Consolidated Revenue

### Consolidated EBITDA

### Consolidated PAT



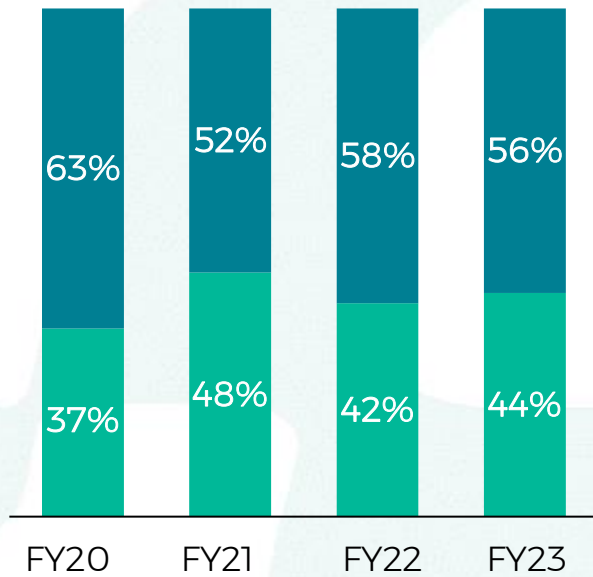
Rs. Crore

# Sales Break-Up

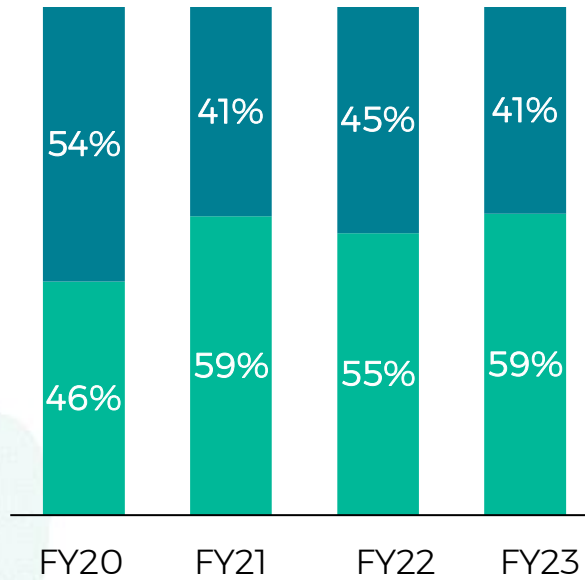


- CDMO
- Own products

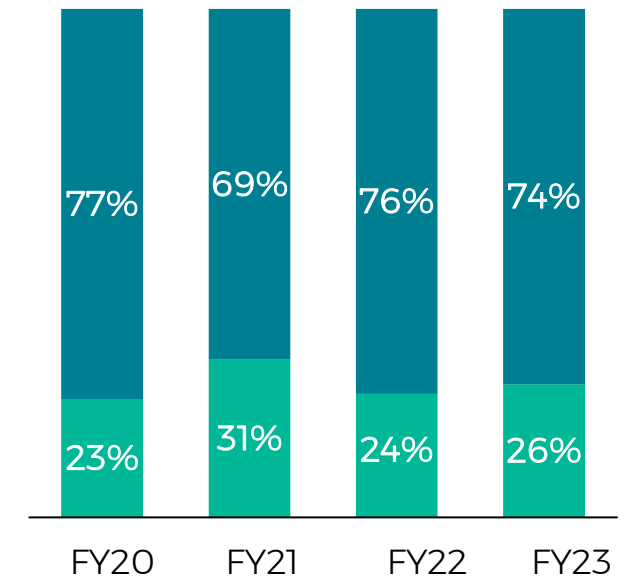
### Company Revenue Break-Up



### Pharmaceuticals Revenue Break-Up

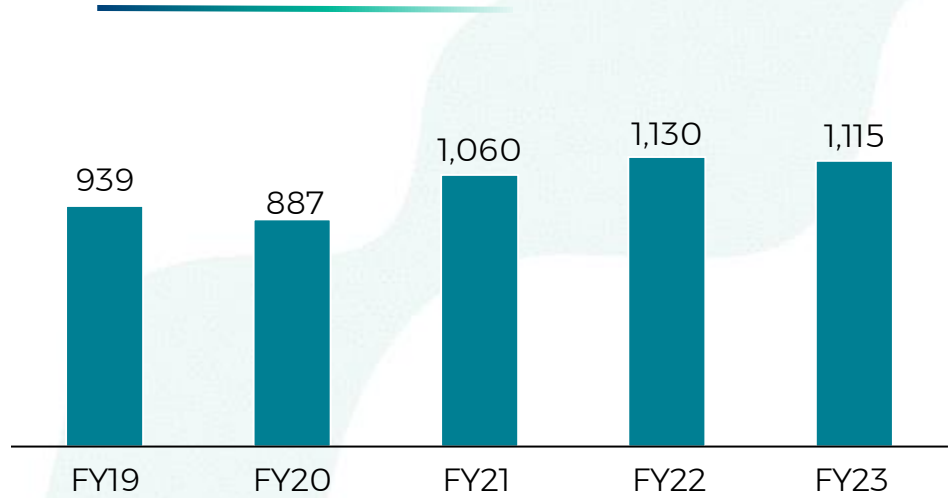


### Crop Protection Revenue Break-Up

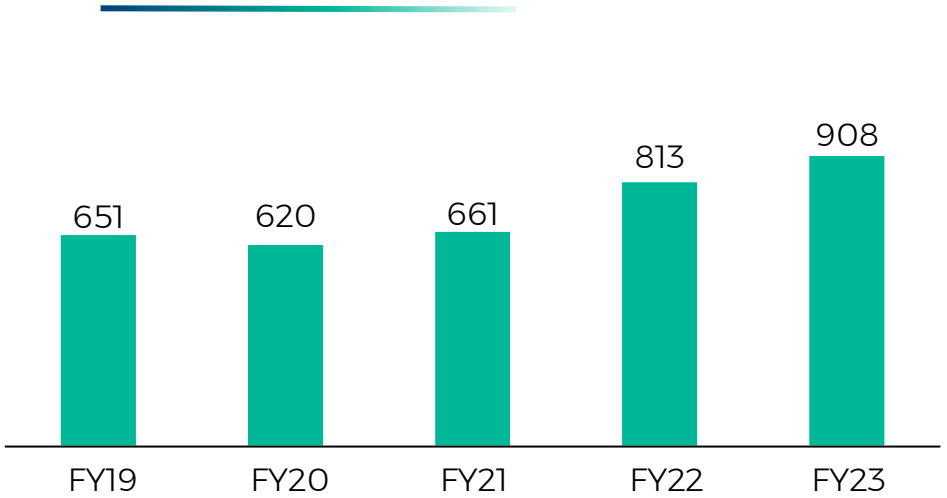


# Yearly Segmental Highlights

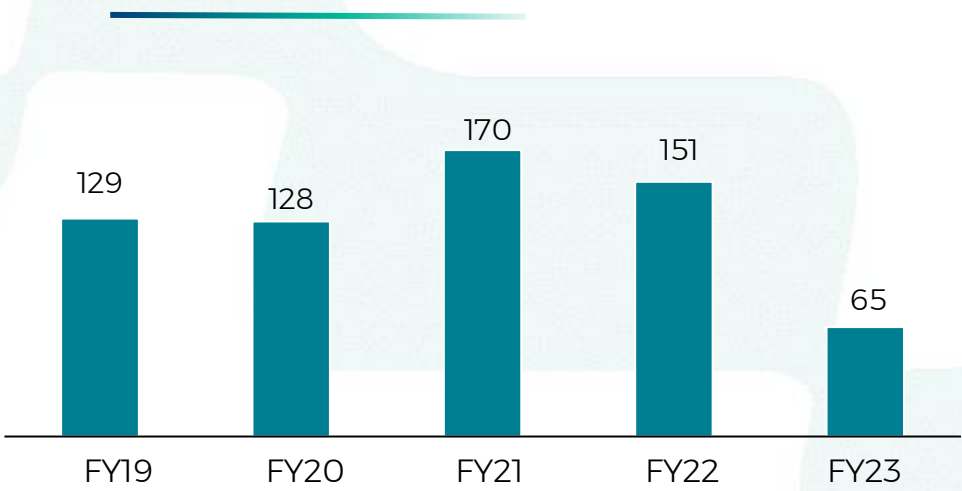
### Pharmaceuticals Revenue



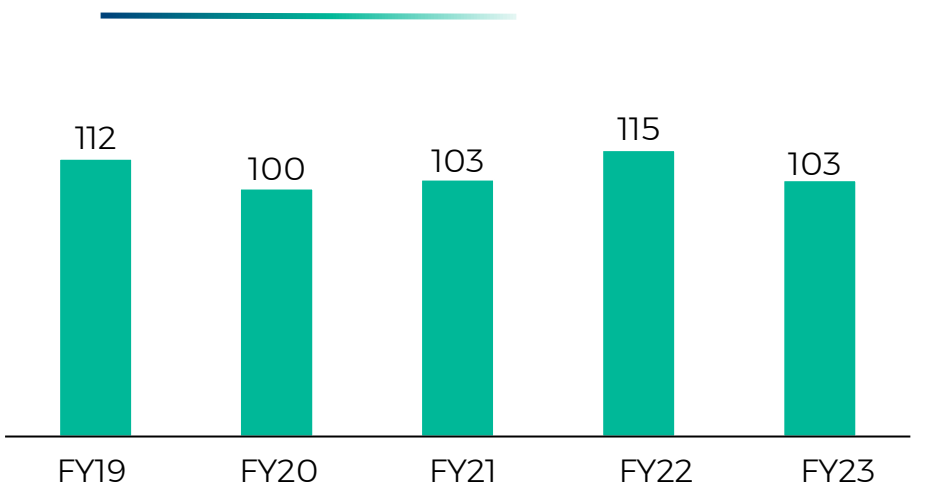
### Crop Protection Revenue



### Pharmaceuticals EBIT



### Crop Protection EBIT



## Consolidated Profit & Loss - Full Year

Particulars (Rs. Crore)	FY23	FY22	Y-o-Y
<b>Net Sales</b>	<b>2,023</b>	<b>1,943</b>	<b>4%</b>
Expenditure	1,766	1,602	
<b>EBITDA</b>	<b>257</b>	<b>341</b>	<b>-25%</b>
<b>Margin</b>	<b>12.7%</b>	<b>17.5%</b>	
Other Income	5	5	
Depreciation	109	96	
Finance Costs	48	31	
Exceptional Item	-	-	
<b>PBT</b>	<b>105</b>	<b>219</b>	<b>-52%</b>
Tax	27	58	
<b>Net Profit</b>	<b>78</b>	<b>161</b>	<b>-51%</b>
<b>Margin</b>	<b>3.9%</b>	<b>8.3%</b>	

## Consolidated Balance Sheet

Assets (Rs. Crore)	Mar-23	Mar-22	Equities & Liabilities (Rs. Crore)	Mar-23	Mar-22
<b>Total Non Current Assets</b>	<b>1,446</b>	<b>1,249</b>	<b>Shareholders Fund</b>	<b>1,134</b>	<b>1,068</b>
Property, Plant and Equipment	885	815	Share Capital	25	25
Capital work in Progress	402	285	Other Equity	1,109	1,043
Right to Use Assets	63	64	<b>Total Non Current Liabilities</b>	<b>591</b>	<b>376</b>
Other Intangible Assets	-	1	Financial Liabilities		
Intangible Assets Under Development	10	10	Borrowings	490	287
Financial Assets			Lease Liability	-	-
Investments	5	1	Provisions	24	24
Loans	-	-	Deferred Tax Liabilities (net)	33	36
Other	19	15	Other non current liabilities	44	29
Income Tax Assets (Net)	2	2	<b>Total Current Liabilities</b>	<b>661</b>	<b>769</b>
Other Non Current Assets	60	57	Financial Liabilities		
<b>Total Current Assets</b>	<b>940</b>	<b>964</b>	Borrowings	258	388
Inventories	317	329	Lease Liability	-	-
Financial Assets			Trade Payables	313	249
Current Investment	-	10	Other Financial Liabilities	49	68
Trade Receivables	442	438	Other Current Liabilities	24	48
Cash & Cash Equivalents	27	11	Provisions	3	3
Bank Balances	33	38	Current Tax Liabilities (Net)	14	12
Loans	-	-	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,386</b>	<b>2,213</b>
Other	17	17			
Other Current Assets	104	120			
<b>TOTAL ASSETS</b>	<b>2,386</b>	<b>2,213</b>			



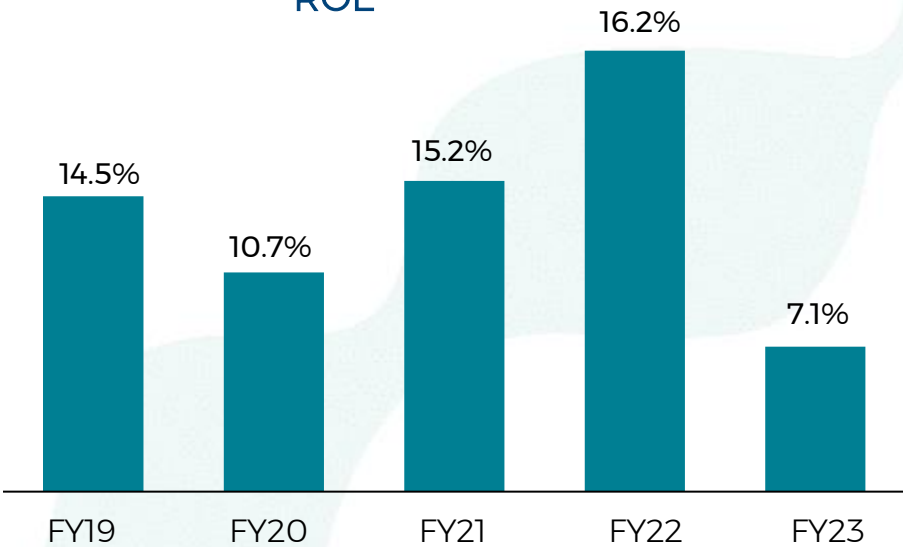
## Consolidated Cash Flow Statement



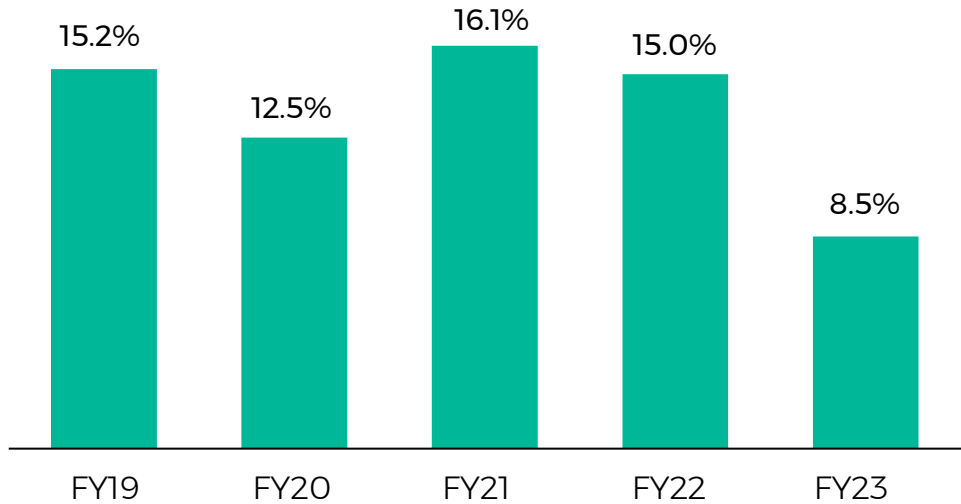
Particulars (Rs. Crore)	Full Year ended 31-Mar-23	Full Year ended 31-Mar-22
Profit before tax	105	219
<i>Adjustments</i>	<i>163</i>	<i>126</i>
Operating Profit Before Working Capital Changes	268	345
<i>Change in operating assets and liabilities</i>	<i>76</i>	<i>19</i>
Cash generated from operations	344	364
<i>Income taxes paid</i>	<i>29</i>	<i>70</i>
<b>Net cash inflow from operating activities (A)</b>	<b>315</b>	<b>294</b>
<b>Net cash inflow/(outflow) from investing activities (B)</b>	<b>(292)</b>	<b>(284)</b>
<b>Net cash outflow from financing activities (C)</b>	<b>(8)</b>	<b>(6)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>15</b>	<b>3</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11</b>	<b>8</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>26</b>	<b>11</b>

**Ratio Analysis**

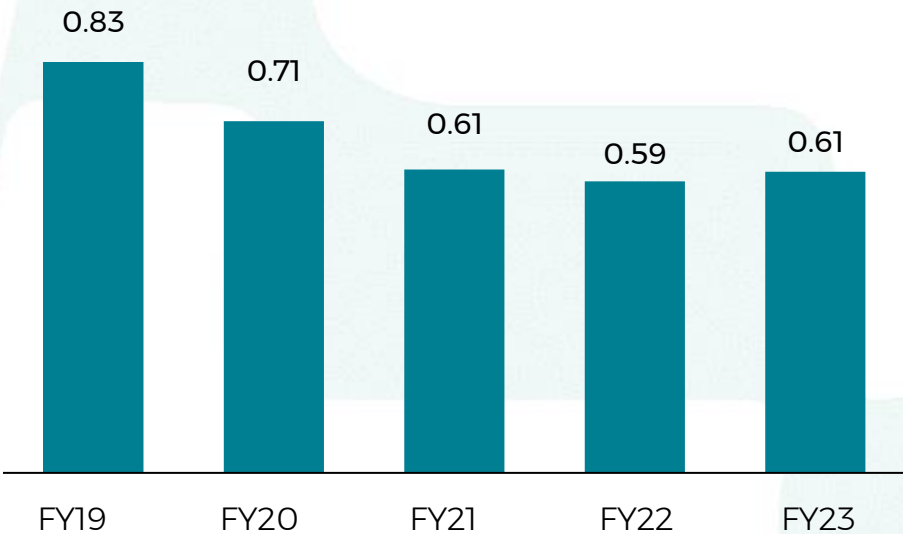
ROE



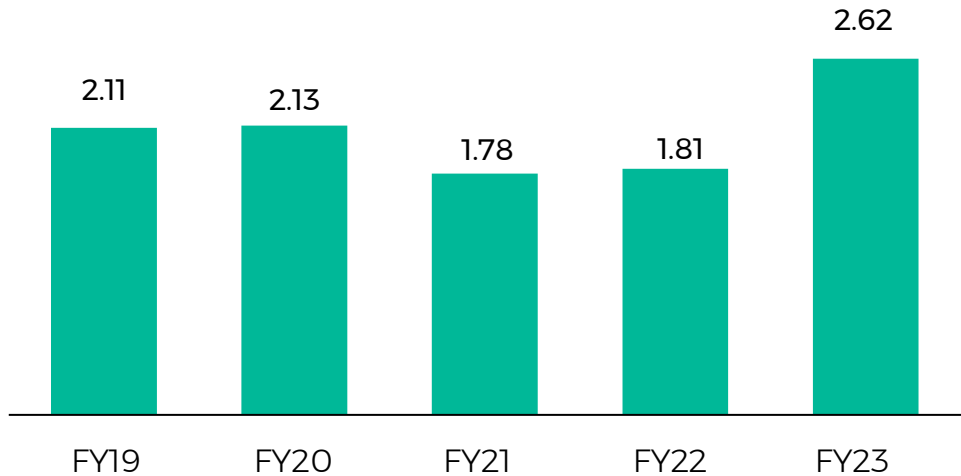
ROCE



Net Debt / Equity



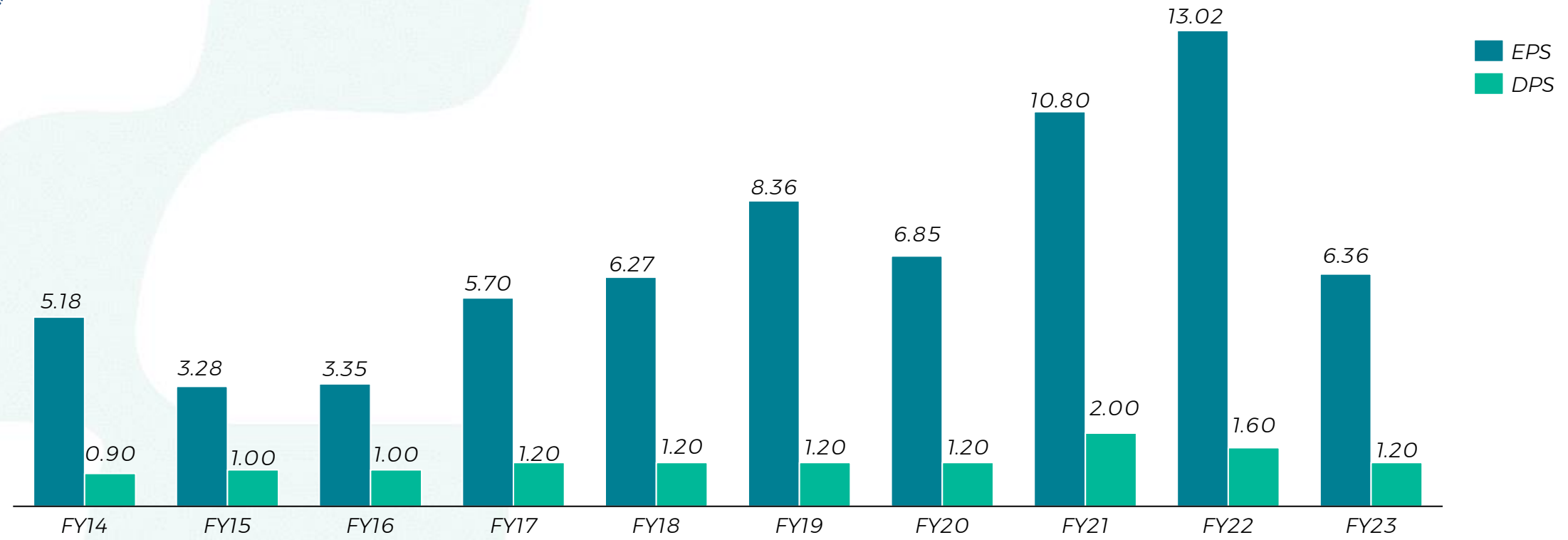
Net Debt / EBITDA



# Annual Dividend Payout

Dividend Payout including DDT

24% 22% 18% 19% 17% 20% 19% 19% 12% 19%



The above dividend is based on Face Value of Rs. 2 per share



**Company :**

**Hikal Limited**  
**CIN: L24200MH1988PTC048028**

Mr. Kuldeep Jain

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**Investor Relations Advisors :**

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**HIKAL**

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