

November 05, 2022

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Fax No.2272 3121/2037/2039 Stock Code: 543213	Listing Compliance National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No.C/1, 'G'Block, Bandra- Kurla Complex Bandra East Mumbai 400 051 Fax No.2659 8237/8238 Stock Code: ROSSARI
---	--

Dear Sir/Madam,

Subject: Q2 & FY23 Earnings Presentation

Please find enclosed a copy of the Earnings Presentation for the quarter ended September 30, 2022.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours Sincerely,
For Rossari Biotech Limited

PARUL Digitally signed
by PARUL GUPTA
GUPTA Date: 2022.11.05
22:37:32 +05'30'



Parul Gupta
Company Secretary & Compliance Officer
Membership No.: A38895

Encl.: as above

ROSSARI BIOTECH LIMITED

(An ISO 9001:2015 & 14001:2015 Certified Company), CIN: L24100MH2009PLC194818

Regd. Office : 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S Marg, Next to GE Gardens, Kanjurmarg (W) Mumbai - 400078, India. **T** : +91-22-6123 3800 **F** : +91-22-2579 6982

Factory : Plot No. 10 & 11, Survey No. 90/1/10/ & 90/1/11/1, Khumbharwadi, Village Naroli, Silvassa - 396235, Dadra & Nagar Haveli (U.T.), India. **T** : 0260-669 3000

: Plot No. D3/24/3, Opposite ATC Tyre Phase III, G.I.D.C Dahej, Village Galanda, Taluka Vagra, Bharuch-Gujarat - 392130, India. **T** : +91 2641-3505 03

info@rossari.com

www.rossari.com



Rossari Biotech Limited

Q2 & H1 FY23
Results Presentation

November 5, 2022



Disclaimer

Certain statements and opinions with respect to the anticipated future performance of Rossari Biotech Ltd (Rossari) in the presentation (“forward-looking statements”), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such forward-looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward-looking statements only speak as at the date the presentation is provided to the recipient and Rossari is not under any obligation to update or revise such forward-looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient’s purposes. The delivery of this presentation does not imply that the information herein is correct as at any time subsequent to the date hereof and Rossari has no obligation whatsoever to update any of the information or the conclusions contained herein or to correct any inaccuracies which may become apparent subsequent to the date hereof.

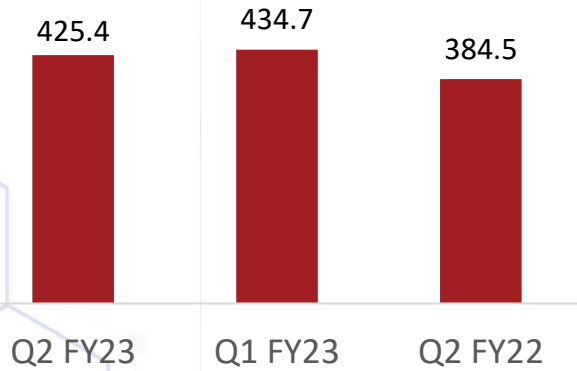




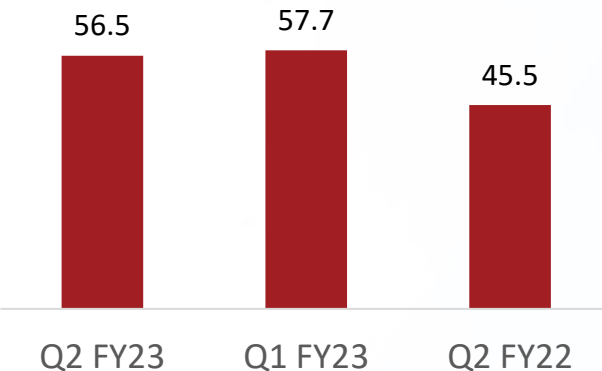
Q2 & H1 FY23 Results Overview

Q2 FY23 – Key Financial Highlights

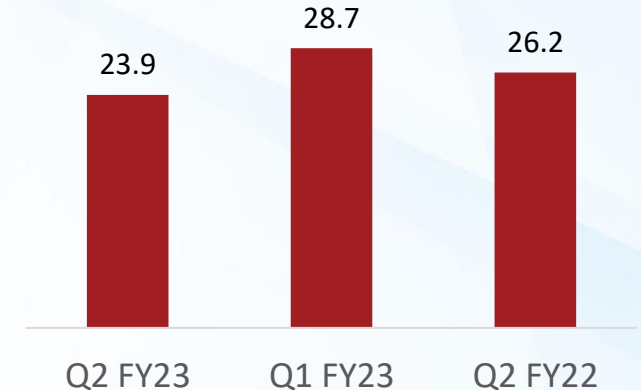
**Revenue from Operations
(Rs. crore)**



**EBITDA
(Rs. crore)**



**PAT
(Rs. crore)**



Shift % (Y-o-Y)	11%	24%	-9%
Shift % (Q-o-Q)	-2%	-2%	-17%

Margins (%)	13.3%	13.3%	11.8%	5.6%	6.6%	6.8%
--------------------	-------	-------	-------	------	------	------

Note:

- 1) All figures, unless mentioned otherwise, are on a consolidated basis.
- 2) Rossari completed the acquisition of 65% equity shares of Unitop Chemicals Private Limited (“Unitop”) w.e.f August 26, 2021 and of 76% equity shares of Tristar Intermediates Private Limited (“Tristar”) w.e.f September 1, 2021. Accordingly, results for the quarter ended 30th September, 2022 and 30th June, 2022 includes results of Unitop and Tristar for the relevant periods, as applicable and hence the results for current quarter and quarter ended 30th September, 2021 (corresponding quarter) are not comparable.

Management Message

Commenting on the performance, in a joint statement, Mr. Edward Menezes, Promoter & Executive Chairman, and Mr. Sunil Chari, Promoter & Managing Director, said

“We have reported a steady performance in our key business segments during the quarter amidst a volatile operating environment. Our acquired Companies performed consistently during the quarter. On a consolidated basis, our total revenue from operations stood at Rs. 425.4 crore in Q2 and Rs. 860.1 crore in H1.

In spite of continued challenging macro economic environment and subdued global demand, we have been able to maintain our Q –o- Q margins. On the raw material front we are now witnessing some price stability. This should help maintain our margins through the second half of the year.

During the quarter, we successfully acquired additional stake of 15% in Unitop and 8% in Tristar, taking our total holding to 80% and 84% respectively. Since the acquisition, both companies have added tremendous value to Rossari, and we are very pleased with the acquisitions and the seamless integration executed by our team.

Overall, we are optimistic that over a longer period of time the demand environment should get stabilized which will help drive sustainable growth. To maintain our market position as a leading provider of intelligent and sustainable solutions, our long-term focus will continue to be on growing our wallet share among our current client base while expanding out to emerging customer segments.

The Specialty Chemicals industry in India is fast progressing with strong growth prospects for the future. With a strong balance sheet, adequate manufacturing capacities and a diversified product portfolio, we are well-poised to capitalize on the upcoming opportunities in this space.”

Abridged P&L Statement - Consolidated

Particulars (Rs. crore)	Q2 FY23	Q1 FY23	Q-o-Q Change (%)	H1 FY23	H1 FY22	Y-o-Y Change (%)
Revenues from Operations	425.4	434.7	-2%	860.1	615.6	40%
Total Expenditure						
• COGS	301.8	310.9	-3%	612.7	460.5	33%
• Employee benefits expense	24.1	23.5	3%	47.7	25.5	87%
• Other expenses	43.0	42.6	1%	85.6	46.2	85%
EBITDA	56.5	57.7	-2%	114.3	83.4	37%
EBITDA Margin (%)	13.3%	13.3%	0.01 bps	13.3%	13.5%	-0.26bps
Other Income	0.8	0.7	10%	1.6	4.7	-67%
Finance Costs	8.2	5.1	62%	13.3	2.6	419%
Depreciation and Amortization	15.6	15.3	2%	31.0	16.5	88%
PBT	33.5	38.1	-12%	71.58	68.99	4%
Share of profit /(loss) of joint venture/associate	0.1	0.6	-81%	0.7	0.1	1063%
Tax expense	9.7	10.0	-3%	19.7	18.3	8%
PAT	23.9	28.7	-17%	52.6	50.8	4%
PAT Margin (%)	5.6%	6.6%	-0.98 bps	6.1%	8.2%	-2.13 bps
EPS Diluted (Rs.)	4.3*	5.2*		9.5*	9.2*	

Note: 1) All figures, unless mentioned otherwise, are on a consolidated basis.

2) Rossari completed the acquisition of 65% equity shares of Unitop Chemicals Private Limited ("Unitop") w.e.f August 26, 2021 and of 76% equity shares of Tristar Intermediates Private Limited ("Tristar") w.e.f September 1, 2021. Accordingly, results for the quarter ended 30th September, 2022 and 30th June, 2022 includes results of Unitop and Tristar for the relevant periods, as applicable and hence the results for current quarter and quarter ended 30th September, 2021 (corresponding quarter) are not comparable.

Consolidated Balance Sheet

EQUITY AND LIABILITIES	CONSOLIDATED	
	As at 30th September, 2022 (Unaudited)	As at 31st March, 2022 (Audited)
Particulars (Rs. crore)		
EQUITY		
(a)Equity Share Capital	11.0	11.0
(b)Other Equity	848.0	794.2
Equity Attributable to Owners of the Company	859.0	805.2
Non controlling interests	-	-
TOTAL EQUITY	859.0	805.2
LIABILITIES		
NON-CURRENT LIABILITIES		
(a)Financial Liabilities		
(i) Borrowings	39.9	-
(ii) Other Financial Liabilities	7.0	85.0
(b)Provisions	3.5	2.9
(c)Deferred Tax Liabilities (Net)	63.9	69.0
TOTAL NON CURRENT LIABILITIES	114.3	156.9
CURRENT LIABILITIES		
(a)Financial Liabilities		
(i)Borrowings	31.5	8.4
(ii)Trade Payables		
a) total outstanding dues of Micro Enterprises and Small Enterprises	33.1	21.2
b) total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	155.3	165.0
(iii) Other Financial Liabilities	100.9	81.6
(b)Other Current Liabilities	7.7	9.7
(c)Provisions	1.4	1.6
(d) Current Tax Liabilities (Net)	8.3	7.2
TOTAL CURRENT LIABILITIES	338.2	294.7
TOTAL EQUITY AND LIABILITIES	1,311.5	1,256.8

ASSETS	CONSOLIDATED	
	As at 30th September, 2022 (Unaudited)	As at 31st March, 2022 (Audited)
Particulars (Rs. crore)		
ASSETS		
NON-CURRENT ASSETS		
(a)Property, Plant and Equipment	288.0	302.4
(b)Right of Use Assets	43.9	44.2
(c) Capital Work-in-Progress	0.9	1.3
(d)Goodwill	118.7	89.9
(e)Other Intangible Assets	161.0	170.6
(f)Intangible assets under development	1.3	-
(g)Investments accounted for using the equity method	24.8	24.2
(h)Financial Assets		
(i) Investments	0.2	0.2
(ii) Other Financial Assets	3.6	4.1
(i)Income Tax Assets (Net)	9.4	5.8
(j)Deferred Tax Assets (Net)	1.7	1.4
(k)Other Non-current Assets	1.8	3.3
TOTAL NON CURRENT ASSETS	655.3	647.4
CURRENT ASSETS		
(a)Inventories	198.9	189.9
(b) Financial Assets		
(i)Investments	17.4	11.5
(ii)Trade Receivables	351.1	304.9
(iii)Cash and Cash Equivalents	50.4	37.5
(iv)Bank Balances other than (iii) above	6.0	14.9
(v)Loans	0.3	1.4
(vi)Other Financial Assets	0.6	0.9
(c) Other Current Assets	31.5	48.3
TOTAL CURRENT ASSETS	656.2	609.3
TOTAL ASSETS	1,311.5	1,256.8

Consolidated Cash Flows

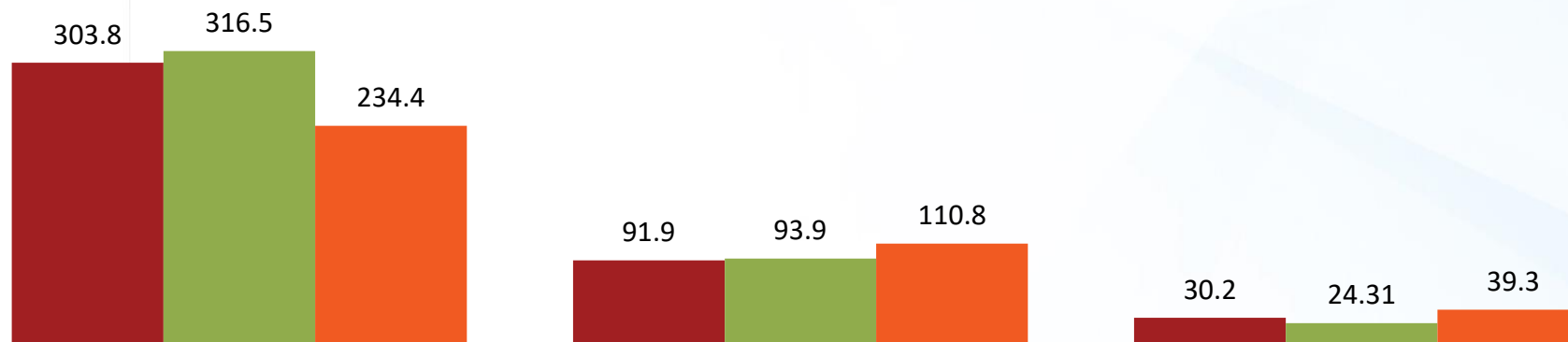
CASH FLOW	CONSOLIDATED	CONSOLIDATED
Particulars (In Crores)	As on 30th September, 2022 (Unaudited)	As on 31st March 2022 (Audited)
Cash flows from operating activities		
Profit before tax	72.3	136.3
Adjustments for:	0.0	0.0
Depreciation and amortization expenses	31.0	48.1
Gain on disposal of property, plant and equipment (net)	(0.2)	(0.6)
Provision for expected credit loss	1.0	0.9
Share-based payments expenses	0.8	1.8
Write down of value of Inventory to net realisable value		0.4
Finance Costs	13.3	12.7
Dividend Income	0.0	(0.0)
Interest Income	(0.8)	(4.1)
Share of profit in Joint Venture/Associate	(0.7)	(1.5)
Net (gain) on sale/fair value of Investments	(0.3)	(1.0)
Net (gain) / loss arising on derivative instruments measured at fair value through profit or loss	1.3	(0.4)
Net foreign exchange gain	(0.5)	-
Operating profit before working capital changes	117.2	192.5
Changes in:		
Trade Receivables and other assets	(29.3)	(42.5)
Inventories	(9.0)	(48.2)
Trade Payables and other liabilities	4.2	(22.3)
Cash generated from Operations	83.2	79.5
Income taxes paid (net of refunds)	(27.5)	(50.1)
Net cash flows generated from / (used in) operating activities	55.7	29.4

CASH FLOW	CONSOLIDATED	CONSOLIDATED
Particulars (In Crores)	As on 30th September, 2022 (Unaudited)	As on 31st March 2022 (Audited)
Cash flows from investing activities		
Net (Investment) in / proceeds from investment in Mutual Funds	(5.6)	1.6
Payments to acquire subsidiaries (net of cash acquired)	0.0	(340.2)
Payments to acquire associate	0.0	(7.5)
Payments to acquire additional stake in subsidiaries	(98.5)	(2.0)
Payment for acquisition of assets under Business combination	0.0	(5.3)
Dividend Received	0.1	0.0
Interest Received	0.9	5.0
Payments to acquire property, plant and equipment (including Capital work in progress) and intangible assets and intangible assets under development	(10.7)	(38.2)
Proceeds from sale of property, plant and equipment and intangible assets	0.3	1.9
Decrease in bank balances not considered as cash and cash equivalents (net)	9.0	85.9
Net cash flow used in investing activities	(104.5)	(298.9)
Cash flows from financing activities		
Proceeds from/ (Repayment of) short term borrowing (net)	18.0	(4.8)
Proceeds from long term borrowing	44.9	0.0
Interest paid	(2.2)	(2.2)
Proceeds from Issue of equity shares (net of share issue expenses)	3.2	301.5
Dividend paid on equity shares	(2.8)	(2.8)
Net cash flow generated from financing activities	61.3	291.8
Net increase in cash and cash equivalents (A+B+C)	12.4	22.3
Opening Cash and cash equivalents	37.5	15.2
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	0.5	0.0
Closing Cash and cash equivalents	50.4	37.5

Q2 FY23 - Segment-wise Details

Segment-wise Revenue Break-up (Rs. crore)

■ Q2 FY23 ■ Q1 FY23 ■ Q2 FY22



	HPPC	TSC	AHN
Shift (Y-o-Y) %	30%	-18%	-23%
Shift (Q-o-Q) %	-4%	-3%	24%

Note: 1) All figures, unless mentioned otherwise, are on a consolidated basis

2) Home, Personal Care and Performance Chemicals (HPPC); Textile Specialty Chemicals (TSC); Animal Health and Nutrition (AHN)

3) Rossari completed the acquisition of 65% equity shares of Unitop Chemicals Private Limited ("Unitop") w.e.f August 26, 2021 and of 76% equity shares of Tristar Intermediates Private Limited ("Tristar") w.e.f September 1, 2021. Accordingly, results for the quarter ended 30th September, 2022 and 30th June, 2022 includes results of Unitop and Tristar for the relevant periods, as applicable and hence the results for current quarter and quarter ended 30th September, 2021 (corresponding quarter) are not comparable.

Q2 FY23 - Financial and Operational Discussions (Q-o-Q)

Net Revenues

Q2 FY23 Revenues from operations stood at Rs. 425.4 crore

- Despite a challenging operating environment, the Company maintained steady performance across business verticals
 - On a standalone level, Rossari clocked turnover of Rs. 240.9 Crs
- Consistent performance registered by the acquired businesses, Unitop and Tristar
- Revenue contribution from the HPPC segment stood at 71%, followed by TSC and AHN at 22% and 7%

EBITDA

Q2 FY23 EBITDA at Rs. 56.5 crore, with EBITDA Margins at 13.3%

- Key raw materials showing some price stability which helped maintaining margins during the quarter
- Operating margins are expected to be maintained through the second half of the fiscal

PAT

Q2 FY23 PAT stood at Rs. 23.9 crore

Note: 1) All figures, unless mentioned otherwise, are on a consolidated basis.

2) Rossari completed the acquisition of 65% equity shares of Unitop Chemicals Private Limited ("Unitop") w.e.f August 26, 2021 and of 76% equity shares of Tristar Intermediates Private Limited ("Tristar") w.e.f September 1, 2021. Accordingly, results for the quarter ended 30th September, 2022 and 30th June, 2022 includes results of Unitop and Tristar for the relevant periods, as applicable and hence the results for current quarter and quarter ended 30th September, 2021 (corresponding quarter) are not comparable..



Company Overview

Rossari – At a Glance

Technocrat promoters with

45+

cumulative years of experience in the specialty chemicals industry



8*

Manufacturing facilities



354,100*

MTPA Capacity Installed



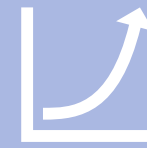
4*

R&D Facilities



57%

Revenue CAGR % (FY19-22)



22%

PAT CAGR % (FY19-22)



Rossari – A Specialty-Chemical manufacturer providing intelligent and sustainable chemical solutions for customers across industries

* Including production capacities and R&D facilities of Unitop Chemicals & Tristar Intermediates

One of the leading specialty chemicals manufacturer delivering differentiated & tailor-made solutions across Home, Personal Care and Performance Chemicals (HPPC), Textile Specialty Chemicals (TSC) and Animal Health and Nutrition (AHN) businesses

HPPC

- One of the fastest-growing specialty chemicals manufacturer in the HPPC sector in India
- Tailor-made range of solutions across industries - FMCG, Home & Personal Care, Cosmetics, Pulp & Paper, Ceramics, Agro, Oil and Gas
- Key product-groups: Soaps & Detergents, Ink, Paints & Coatings, Ceramic & Tiles, Pulp & Paper, Cements, Water treatment chemicals, Aroma Chemicals, Agro Chemicals

TSC

- Largest textile specialty chemical manufacturer in India
- Provides specialty chemical solutions across entire value-chain of the textile industry
- Solution applications: Thread, Yarn and Man-made Fibre production, digital printing, fabric processing, dyeing auxiliaries and garment finishing range

AHN

- Manufactures a range of over 100 products from poultry feed supplements and additives, pet grooming and pet treats
- Wide range of feed additives : Vitamin Premix, Acidifiers, Disinfectants, Enzymes, Trace Minerals and liquid Essential oils
- Pet-grooming and pet-care products

Strengthening Market Presence



Strong and long-standing relationships with several clients and distributors spanning 15+ years

Robust Manufacturing Capabilities



Manufacturing Facility at Silvassa

- Located on 8.6 acres of land
- Fungible manufacturing capabilities for powders, granules and liquids
- Facility has a comprehensive range of testing & packaging capabilities
- Effluent treatment facility, with 2,500 MT bulk storage capacity for acid, alkali, base oils and surfactants

Manufacturing Facility at Dahej

- Enjoys proximity to multi-cargo port of Dahej – providing cost & logistical advantage
- State-of-the-art facility, well-equipped with advanced technologies
- Designed on lean manufacturing principles
- Driving cost efficiencies and economies of scale

Unitop's Manufacturing Facility at Dahej

- Located on 10 acres of land
- Superior facility for the Agrochemicals and Oil & Gas segment
- Fully equipped R&D centre dedicated to product development, quality and process standardisation
- Adequate scope for further capacity expansion

Tristar's Manufacturing Facility at Sarigam

- 3 manufacturing units located in chemical zone at GIDC, Sarigam
- Leading manufacturer of preservatives, aroma chemicals, and home and personal care additives
- Access to High-tech distillation facilities

Asset-light approach enables healthy return ratios

Strategic Growth Levers

Augmenting product portfolio with enhanced emphasis on green solutions

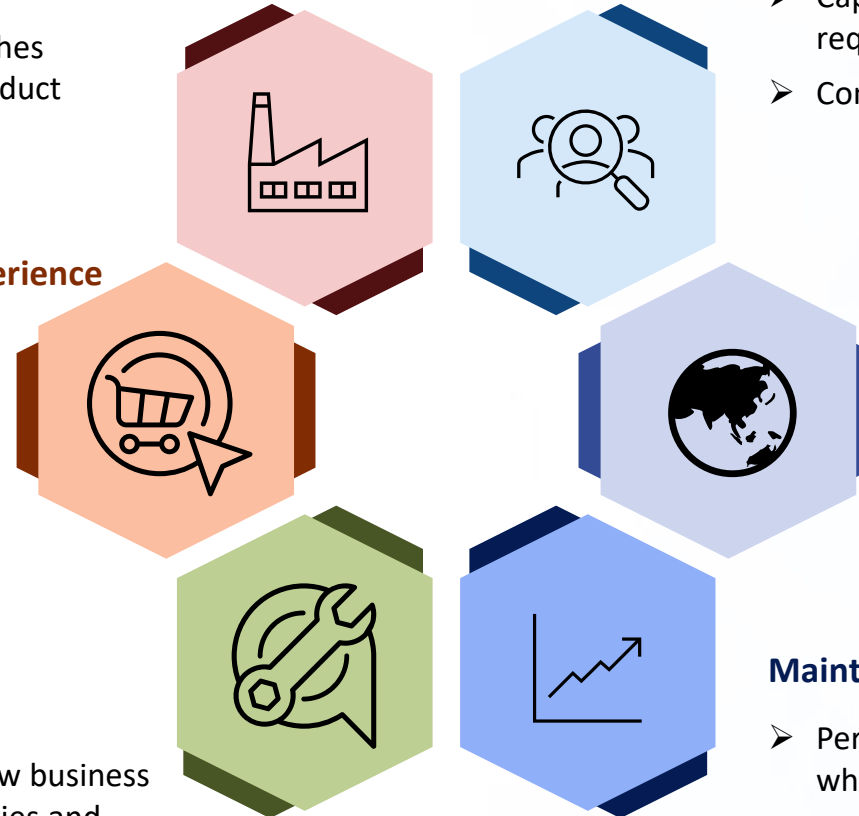
- Identifying and developing new niches in product offerings by leveraging R&D capabilities
- Strong upcoming pipeline of new product launches centered on customer requirements, higher product excellence and process sustainability

Innovation-backed solutions to enrich customer experience

- Strengthen innovation platform to deliver differentiated offerings and provide unique product value
- Combining consumer insights and strong market research to provide solutions with shorter lead times

Seeding new business lines

- Evaluating opportunities to introduce new business lines based on existing business capabilities and technical know-how
- New businesses to drive the next leg of growth



Increase wallet share across existing customer base while also tapping new customer segments

- Capitalize on cross-selling opportunities & address sourcing requirements of MNC customers
- Consolidate position as a preferred supplier for customers

Inorganic growth through strategic value-accretive acquisitions

- Expanding presence into newer categories of specialty chemical segments and personal care, strengthen market reach and broaden product portfolio
- Driving economies of scale and market consolidation

Maintain financial discipline

- Performance-focused and high growth-driven while maintaining strong financial discipline
- Prudent management of cash and financial resources at all times

Recent Inorganic Initiatives

Executed two synergistic acquisitions and one strategic investment in FY 2022 complementing the ethos of Rossari's business model

Unitop Chemicals

Unitop solutions sold across 25+ countries

Presence in high-potential Specialty chemical segments, such as Agrochemicals and Oil & Gas segments

Operates three manufacturing sites in India with a total capacity of 86,000 MTPA

Professionally-managed, well-experienced and competent talent pool to build progressive future

Key Financials: FY22 revenues stood at Rs. 454 crore, with EBITDA at Rs. 69 crore and PAT at 61 crore; Zero Net debt

Tristar Intermediates

Prominent player in the field of Preservatives, Aroma Chemicals, and Home & Personal Care Additives

Expanded product portfolio in Personal Care segment to facilitate cross-selling opportunities

Preferred supplier to various reputed companies and MNCs across India, Europe, USA and Far East countries

High-tech distillation manufacturing facilities at Sarigam, Gujarat with a total capacity of 15,000 MTPA

In FY2022, revenues stood at Rs. 165 crore, with EBITDA at Rs. 18 crore and PAT at Rs. 11 crore

Romakk Chemicals

Primarily engaged in the business of manufacturing silicone oils

Strategic investment to strengthen Rossari's presence in Home and Personal Care segment

Exciting portfolio of products focused on the Home and Personal care industry

Key Synergies from Recent Acquisitions

Strategic & value-accretive acquisitions accelerate growth and drive economies of scale




Augmented presence in Specialty Chemical, Personal Care and Agrochemical segments




Expansion of addressable domestic and export markets and end-user applications



Extension of manufacturing capabilities



Pooling together of related technologies provides R&D edge



Inorganic investments within operational and financial discipline criteria outlined by Board

Focus on Green & Sustainable Chemical Solutions



Specialists in producing environmentally-benign substitutes that replace legacy and harmful products

Focus on green, sustainable and cost neutral products

Minimizing carbon footprint of manufacturing processes while maximizing customer benefits

Aggressively embracing sustainability in business operations to accelerate growth



Annexure

Q2 FY23 Earnings Conference Call

Time

- 11:00 a.m. IST on Monday, November 7, 2022

Pre-registration

To enable participants to connect to the conference call without having to wait for an operator, please register at the below mentioned link:



Click here to
ExpressJoin the Call

Primary dial-in number

- + 91 22 6280 1141 / 7115 8042

International Toll-Free Number

- Hong Kong: 800 964 448
- Singapore: 800 101 2045
- UK: 0 808 101 1573
- USA: 1 866 746 2133

About Us

Rossari Biotech Limited (Rossari) (BSE: 543213, NSE: ROSSARI), is a Specialty-Chemicals manufacturer providing intelligent and sustainable solutions for customers across industries. Headquartered at Mumbai, India, the Company operates strategically located manufacturing facilities at Silvassa and Dahej. The Company offers tailor-made solutions for Home, Personal Care and Performance chemicals (HPPC), Textile specialty chemicals and Animal Health and Nutrition (AHN). With differentiated product offerings, Rossari caters to an array of applications across FMCG, Home care, Industrial Cleaning, Personal Care, Textile Specialty Chemicals, Performance Chemicals, the Animal Health and Nutrition and Pet Care businesses. The Company has an extensive and a dedicated network of distributors spread all over India.

For further information, please contact:



Manasi Nisal



Rossari Biotech



Tel: +91 22 6123 3800



Email: manasi.nisal@rossari.com



Anoop Poojari / Aesha Shah



CDR India



Tel: +91 98330 90434 / 98672 50569



Email: anoop@cdr-india.com / aesha@cdr-india.com

Thank you