

November 09, 2023

<p>The National Stock Exchange of India Ltd. Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051</p> <p>Company Symbol: DMCC</p>	<p>BSE Limited Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001</p> <p>Scrip Code : 506405</p>
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Sub: Press Release on financial performance for Q2FY24.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed herewith a Press Release dated November 09, 2023 on the financial performance of the Company for Q2FY24.

You are requested to kindly take the same on your record.

Thanking you,

For DMCC Speciality Chemicals Limited
(Formerly known as “The Dharamsi Morarji Chemical Company Ltd)

Omkar Mhamunkar
Company Secretary & Compliance Officer
ICSI Membership No. ACS 26645
Encl: As Above

MUMBAI, NOVEMBER 9TH, 2023

DMCC Speciality Chemicals Limited, India's leading Sulphur chemistry solutions manufacturer reported its financial performance for Q2FY24.

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR QUARTER ENDED SEPTEMBER 30TH, 2023

REVENUE FROM OPERATIONS	EBITDA	EBITDA MARGIN	PROFIT AFTER TAX
₹ 76.52 cr	₹ 10.36 cr	13.39%	₹ 2.37 cr
↓ 11% Q-o-Q	↓ 13% Q-o-Q	↓ 31 BPS Q-o-Q	↓ 25% Q-o-Q
↓ 27% Y-o-Y	↑ 163% Y-o-Y	↑ 967 BPS Y-o-Y	↑ 184% Y-o-Y

OPERATIONAL HIGHLIGHTS FOR QUARTER ENDED SEPTEMBER 30TH, 2023

EXPORT REVENUES	DOMESTIC REVENUES	SALE OF SPECIALITY CHEMICALS	SALE OF BULK CHEMICALS
29%	71%	51%	49%

COMMENTING ON THE Q2FY24 PERFORMANCE,

Bimal Goculdas, Managing Director and CEO, said

"I am pleased to report on our performance for Q2FY24. The period continued to present us with an array of challenges that we have communicated over the past few quarters. The operating environment has remained challenging, particularly impacting our speciality chemicals vertical, which has seen declining demand from our primary markets in Europe and the United States. These regions continue to grapple with economic headwinds, marked by persistent high interest rates and sluggish end-user demand.

With ongoing discussions with our customers to gauge market conditions, we anticipate that this tepid demand may persist for a few more quarters before we experience a strong rebound. The sustained destocking observed at the customer level over the last two years has led to low inventory levels, underscoring the prevailing uncertainty within the market.

From an operational standpoint, our bulk chemicals business has maintained optimal capacity utilisation. However, we have encountered margin pressures within this segment. The speciality chemicals vertical continues to face headwinds, exacerbated by aggressive pricing from Chinese imports. Notably, while the agrochemicals industry remains under strain, we have started to see some recovery in demand within the dyes and pigments sector.

Leveraging this downturn, we have concentrated on fortifying our operational capabilities. We are proud to announce the commencement of our Waste Heat Recovery power plant at the end of August, a significant stride towards energy self-sufficiency. By Q3FY24, this investment will enable us to decrease our reliance on the grid, down to just 10% in Dahej and 25% in Roha, unlocking substantial cost savings and advancing our sustainability agenda. Moreover, our innovation pipeline has been active, and we are on the cusp of commercialising three new products within the speciality chemicals domain. Notably, one such product in the Boron chemistry is poised to serve the automotive fluids market.

Looking ahead, while we foresee the current market conditions to prevail in the short term, we are strategically positioned to seize future opportunities. Our enhanced capacity, streamlined cost structures, committed team, and upcoming product launches are set to drive growth and profitability as market circumstances improve."

CONSOLIDATED PROFIT AND LOSS STATEMENT

₹ in cr

PARTICULARS	Q2FY24 (Unaudited)	Q1FY24 (Unaudited)	Q2FY23 (Unaudited)	QOQ% change	YOY% change	H1FY24 (Unaudited)	H1FY23 (Unaudited)	YOY% change
Revenue from Operations	76.52	85.59	104.71	-11%	-27%	162.11	218.11	-26%
Total Income	77.39	86.51	105.16	-11%	-26%	163.90	219.32	-25%
Total Operating Expense	67.03	74.65	101.22	-10%	-34%	141.68	199.74	-29%
EBITDA (INCLUDING OI)	10.36	11.86	3.94	-13%	163%	22.22	19.58	13%
EBITDA Margins %	13.39%	13.70%	3.72%	-31 BPS	967 BPS	13.56%	8.93%	463 BPS
Interest Cost	2.88	3.47	1.84	-17%	57%	6.35	4.13	54%
Depreciation and Amortisation	3.90	3.56	4.93	10%	-21%	7.46	8.25	-10%
Profit Before Taxes (and exceptional items)	3.57	4.83	-2.83	-26%	226%	8.40	7.20	17%
Profit After Taxes	2.37	3.14	-2.83	-25%	184%	5.51	3.40	62%

FOR FINANCIAL RESULTS

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ABOUT DMCC SPECIALITY CHEMICALS LIMITED (DMCC)

DMCC Speciality Chemicals Limited (DMCC), (formerly known as The Dharamsi Morarji Chemical Company Limited) began its humble journey in 1919 with just one product and one manufacturing unit. It was the first manufacturer of sulphuric acid and phosphate fertilisers in India. The Company evolved over the years to establish its own brand, 'Ship', which soon became the trusted source for quality Single Superphosphate (SSP). Today, DMCC is a fully integrated speciality chemical company that specialises in sulphur, boron and ethanol chemistry, exporting its products to markets worldwide. The Company takes pride in its heritage, and borrows from its experience, to deliver tailor-made solutions to its customers from across the globe. Its products find application in a variety of end-use industries, such as, pharmaceuticals, detergents, dyes, fertilisers, pigments and cosmetics.

FOR FURTHER DETAILS PLEASE GET IN TOUCH WITH

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Q2FY24 Earnings Conference Call Invitation

We cordially invite you to a conference call with the management of **DMCC Speciality Chemicals Limited** (formerly known as The Dharamsi Morarji Chemical Company Limited) to discuss the **Q2FY24** performance of the Company.

FRIDAY, 10th NOVEMBER 2023 AT 12:30 PM (IST)

Management Participants



Mr. Bimal Goculdas
MANAGING DIRECTOR AND CEO



Mr. Dilip Gokhale
EXECUTIVE DIRECTOR



Mr. Omkar Mhamunkar
COMPANY SECRETARY AND
COMPLIANCE OFFICER



Mr. Sunil Kumar Goyal
CHIEF FINANCE OFFICER

Express join with DiamondPass™ no wait time

[CLICK HERE TO REGISTER](#)

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