



FAIRCHEM ORGANICS LIMITED

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website: www.fairchem.in

December 18, 2023

To,
**National Stock Exchange of India
Limited**
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400051

To,
**Department of Corporate Services
BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Ourselfs: BSE Scrip Code: 543252/NSE symbol: 'FAIRCHEMOR'
**Ref.: Regulation 30 read with Schedule III Part A of SEBI (LODR) Regulations,
2015**

Dear Sirs,

Sub: - Investors' Presentation

Pursuant to Regulation 30 read with Schedule III Part A of SEBI (LODR) Regulations, 2015, we are uploading herewith a PDF file containing Investors' Presentation. Please note that we did not have any analyst/institutional investors meet and so have not shared this presentation with any one.

Please find the above in order and take the same on your records.

Thanking you,

Yours faithfully,
For Fairchem Organics Limited

RAJEN
NIRANJANBHAI
AI JHAVERI

Rajen Jhaveri
Chief Financial Officer & Company Secretary
ACS - 6615

Digitally signed by RAJEN NIRANJANBHAI JHAVERI
DN: c=IN, postalCode=380015, st=GUJARAT,
street=AHMEDABAD, s=NIRANJANBHAI, o=Personal,
serialNumber=d2c1154646496ac787ab3e604d716
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pseudoName=c=36300b0d04747781158620b874f3c,
2.5.4.20=4f42323000f5d611214834853305443a
cf28b9699d48181159f7a4c528a84,
email=d=RAJEN.JHAVERI@FAIRCHEM.LI, cn=RAJEN
NIRANJANBHAI JHAVERI
Date: 2023.12.18 11:55:40 +05'30'

Encl: As above

Fairchem Organics Limited



Investor Presentation

December 2023

Company at a Glance

27 years of legacy

Long lasting Pan India Raw Material sourcing capabilities with diversified vegetable oil refineries

Well entrenched Customer Relationships in high growth industries like Paint, Inks, Printing

Promoted by Fairfax India Holdings and backed by experienced Management team

Forward integration to make value added products from current co-product – Monomer (Monobasic) Fatty Acid – stream to make Stearic Acid, Isostearic Acid

Proposal to add one new raw material (falling under Oleo Chemicals only) to make value added products

One of a kind manufacturing process using by-products of vegetable oils which are generated in very small quantities of ~ 1.25% (for Acid Oil) and ~0.25% (for DOD) of soft oils processed

Leading manufacturer in India for substantial part of the overall revenue

High emphasis on Business Sustainability and Corporate Governance standards


Raw materials throughput capacity expansion completed in Q1-FY23 with minimal capex

State-of-the-art manufacturing unit with critical equipment/design from Germany & Switzerland

Strong Return Ratios
ROE: 17%
ROCE: 24%

Strong Long Term Financial Track Record
5 year CAGR:
Revenue: 22%
EBITDA: 16%
PAT: 18%

Commercial sale of Stearic Acid started in September, 2023. Maiden Export shipment of Isostearic Acid being made in December, 2023.

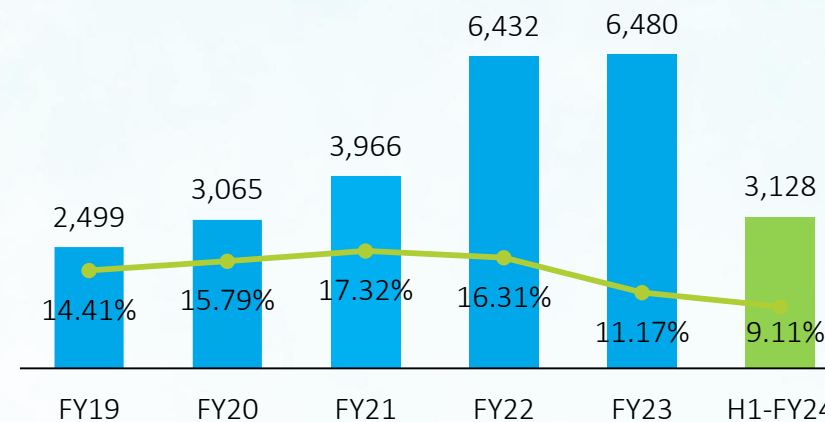


Company Overview

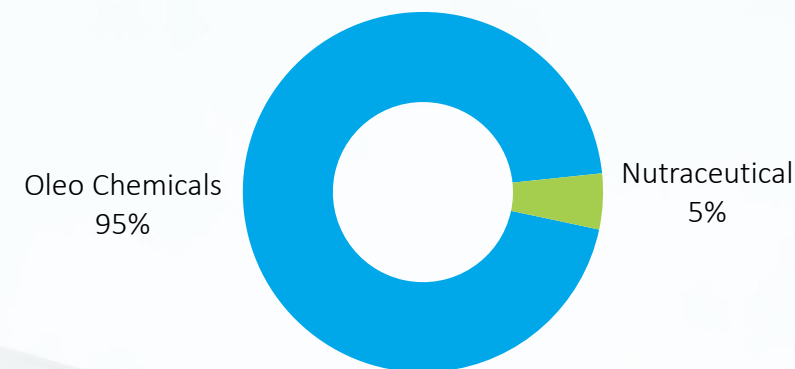
Company Overview

- Fairchem Organics Ltd. (Fairchem) is engaged in the business of manufacturing of Oleo Chemicals and Nutraceuticals, since the last 27 years.
- It has a state -of-the-art Manufacturing unit which was set up in 1995 and has over the years gone through various stages of expansion, backward integration, debottlenecking and technological advancements to create a one of its kind world class facility.
- Fairchem has a permanent employee base of 215 along with few contract workers, company enjoys a very low employee attrition across various levels.
- The company’s key oleo chemical products include Dimer Acid, Linoleic Acid, Palmitic Acid, Monomer Acid, Isostearic Acid and nutraceutical products include Mixed Tocopherols and Sterol concentrate.
- Fairchem is the one of the only / leading manufacturers of Linoleic Acid and Dimer Acid in India, which are the major part of the overall revenues and having a large addressable market size in India.
- Mixed Tocopherol concentrate and Sterols concentrate are nutraceutical products having usage in FMCG and food additives.
- Its customers include marquee names like Asian Paints, Huber, Arkema, Kensing, ADM, Cargill etc.
- The company increased the raw material throughput capacity of its plant to 120,000 MTPA in Q1-FY23.

Revenue & EBITDA Margin (In Mn)



Q2-FY24 Segmental Revenue (%)



Key Milestones

The original project was to process by-product stream of Rice Bran Oil.

Commenced project in late 1993.

The Company was Listed on the BSE in 1995

Main focus on reduction of manufacturing cost per ton.

Complete Re- Engineering of its Energy Consumption System. Installation of new balancing equipment.

Increase in manufacturing Capacity to 18,000 MT p.a.

Fairfax India Holdings Corporation (FIH) acquired about 45% stake in Adi Finechem Ltd

De-Merged from Fairchem Speciality and now operating as Fairchem Organics

Got listed on the NSE and BSE as Fairchem Organics on December 2020

1985
1995

1996
2010

2010
2012

2013
2014

Nov
2015

2016

2020

2021
2022

Shifted its focus to producing Fatty Acids.

Was the first and only company to manufacture Mixed Tocopherol Concentrate in India and supply to Henkel Corp subsequently taken over by Cognis Increase in Manufacturing Capacity to 8,000 MT p.a.

Increased capacity to 25,000MT p.a. In December 2013.

Further increased its capacity to 30,000 MT p.a. in September 2014.

Increased capacity of 45000 MT in FY 16. Fairfax India acquired approximately 45% of the outstanding shares in the company at INR 212/share.

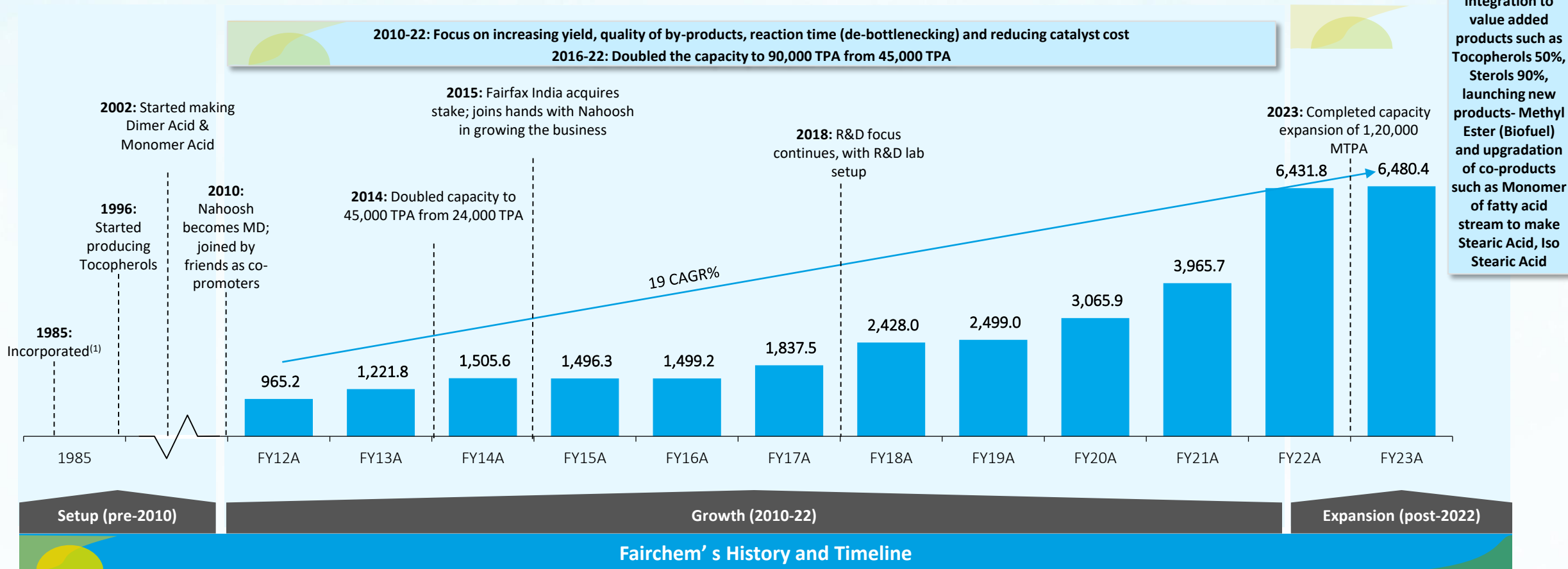
Board of Adi and Privi unanimously approved a scheme of arrangement to demerge the aroma chemicals business of Privi into a wholly owned subsidiary of Adi Finechem – Adi Aromatics Limited

The name of Adi Finechem Limited changed to 'FAIRCHEM SPECIALITY LIMITED'

Expanded capacity from 45,000 MTPA to 120,000 MTPA

Sequence of Key Events and Growth Trajectory

Annual Revenue (INR Mn)



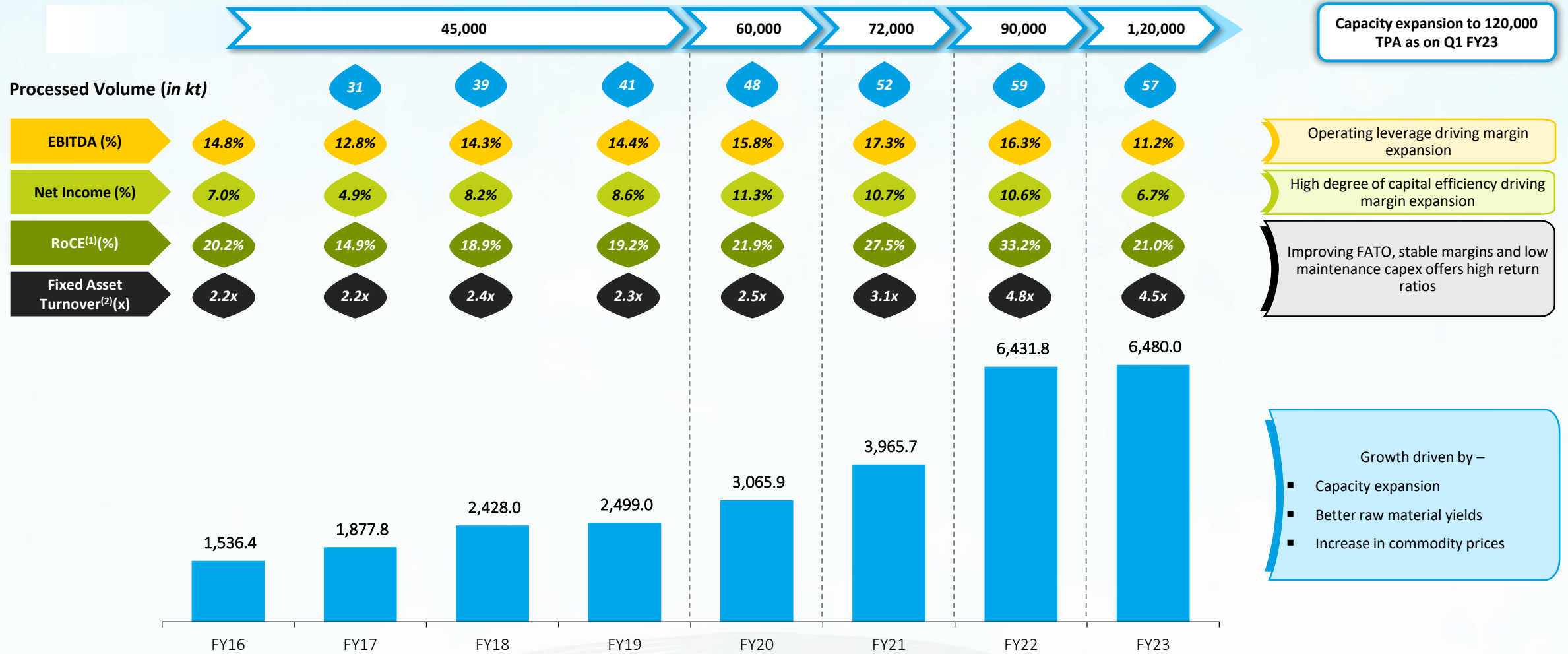
Forward integration to value added products such as Tocopherols 50%, Sterols 90%, launching new products- Methyl Ester (Biofuel) and upgradation of co-products such as Monomer of fatty acid stream to make Stearic Acid, Iso Stearic Acid

Continuous improvement in yield of 'Prime' products driving strong organic growth, a testament to Fairchem's strong R&D focus & significant experience

(1) Company was originally incorporated in May, 1985 as H K. Agro Oil Limited. Between 1994 and 2016, its name was changed several times. The last name (at the time of approval for Demerger) was Fairchem Speciality Limited. De-Merged from Fairchem Speciality in 2020 and now operating as Fairchem Organics. Got listed on the NSE and BSE as Fairchem Organics on December 2020

Exceptional Track Record of Growth & Profitability

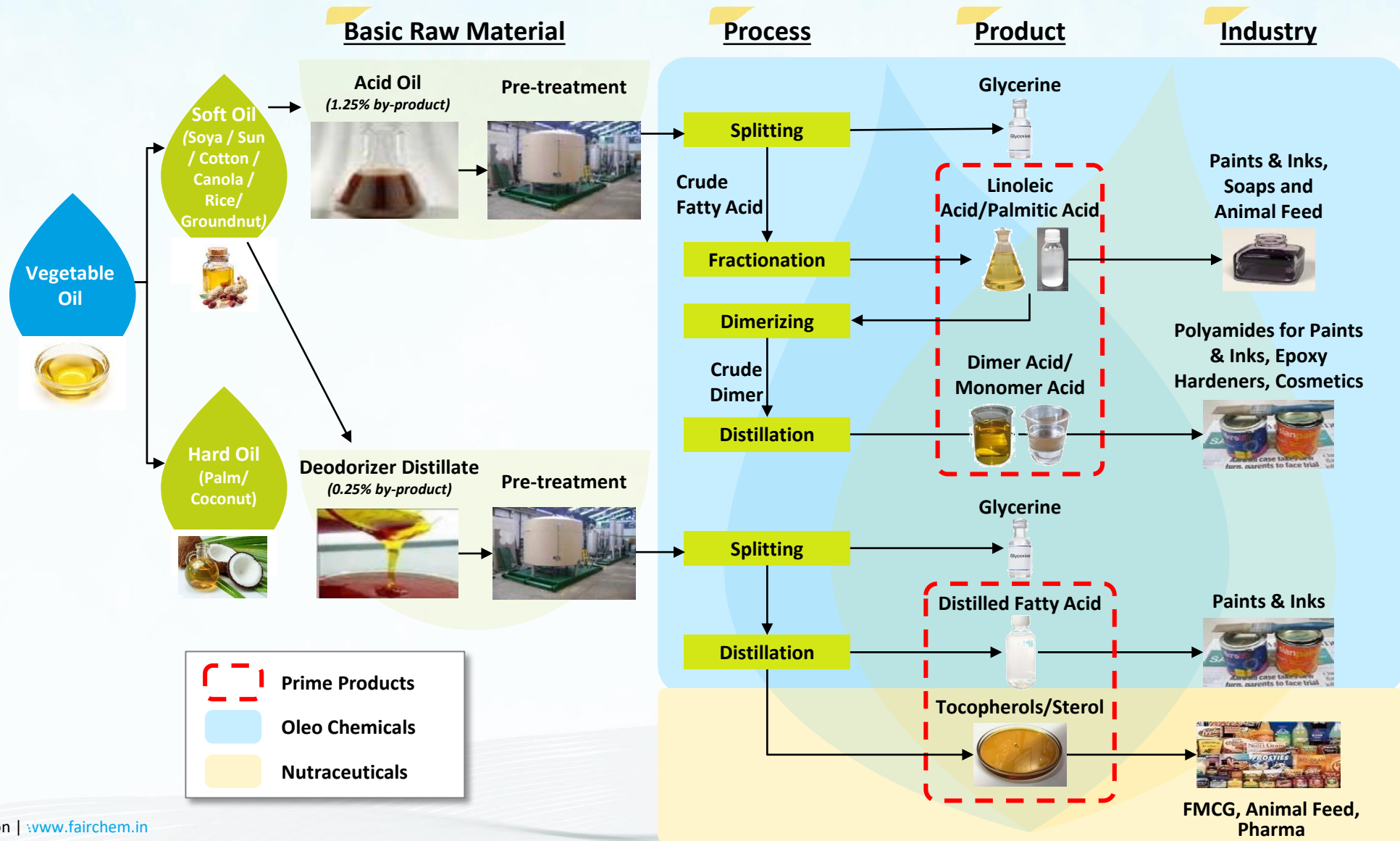
Raw Material Processing Capacity (in TPA)



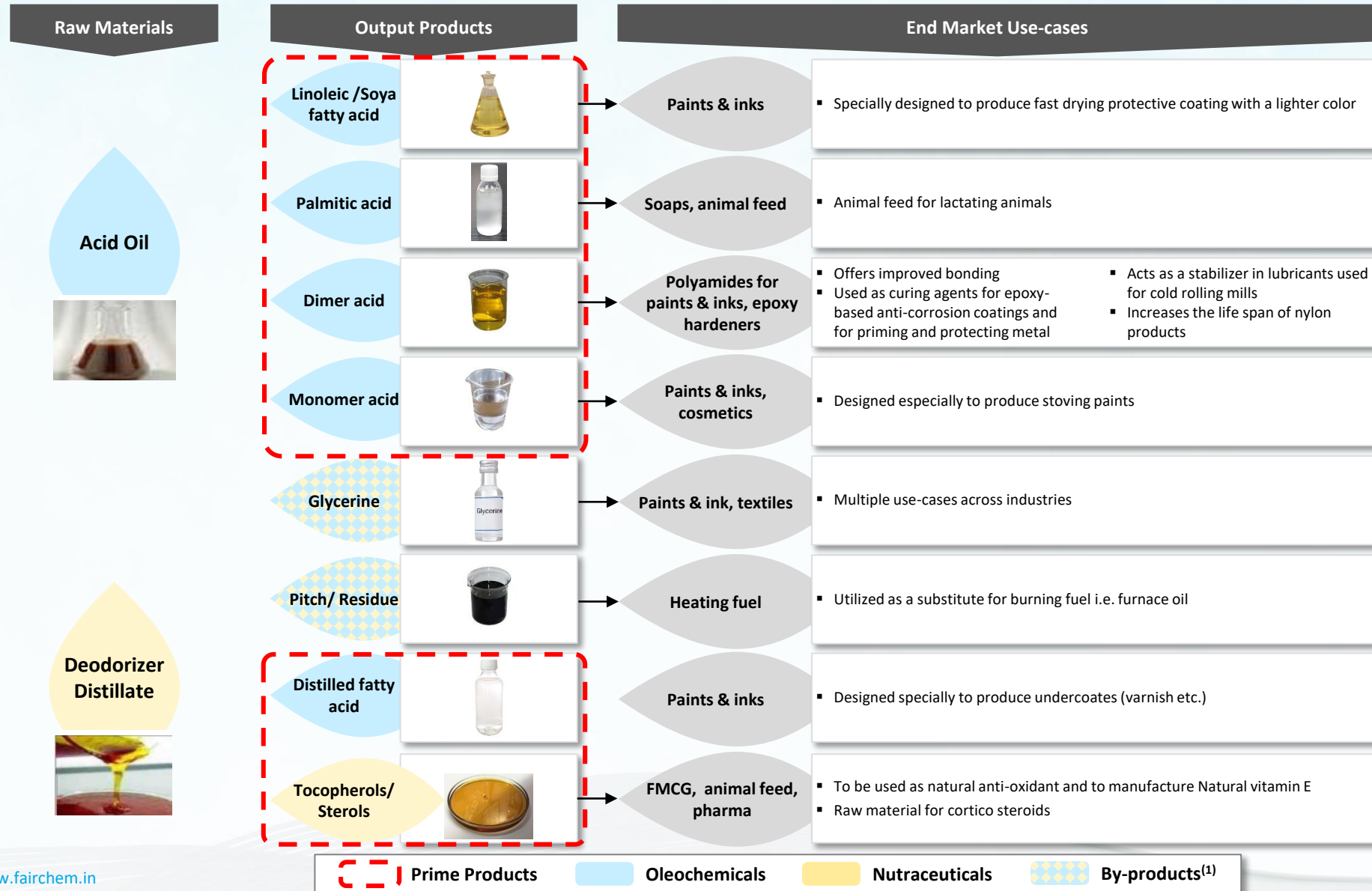
(1) Return on capital Employed = EBIT / Closing (Equity + Net Debt)

(2) Fixed Asset Turnover = Revenue / Average Fixed Assets

Manufacturing Process Overview



Product Overview – Existing Portfolio












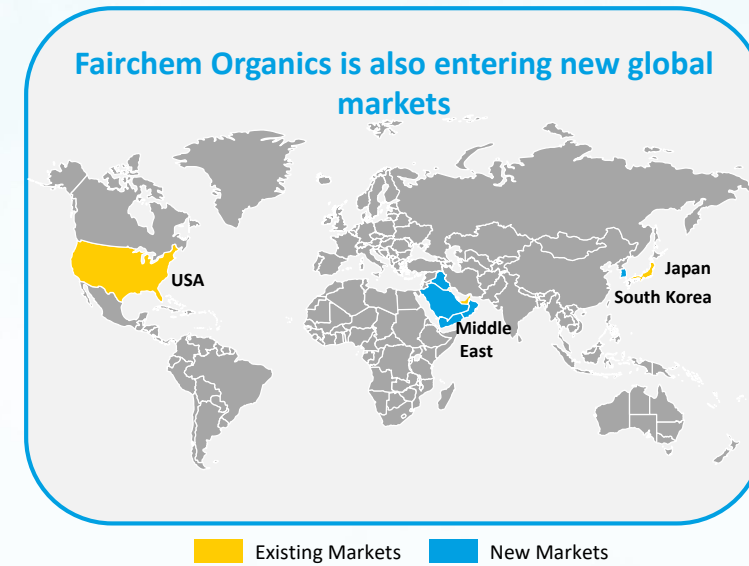
 Prime Products
 Oleochemicals
 Nutraceuticals
 By-products⁽¹⁾

(1) Pitch/ Residue are outputs of the processes run on both raw materials – Acid Oil and Deodorizer Distillate

Multiple Adjacencies for Future Growth

Further processes “key products” into “value added products” / “high yielding products”

Current Products	New Derivatives	End Market Industry
Monomer Acid 	★ Iso Stearic Acid 	Cosmetic, aviation fuel, lubricant
	◆ Stearic Acid 	Soap, textile auxiliaries, etc.
	◆ Palmitic Acid 	Soap
Tocopherols / Sterols 	▲ Pitch / Residue 	Burning
	● Tocopherols (50%) 	As an anti oxidant in pet food and Natural Vitamin E
	● Sterols (90%) 	To manufacture Cortico Steroids
	★ Methyl Esters 	Burning as a biofuel (biodiesel)



Fairchem Organics is constantly improving its processes to create better quality by-products and converting them to 'Prime' products

Oleo Chemicals
Nutraceuticals
Palm oil-based
★ New product
 ◆ Existing Product
 ▲ By-product
 ● Enriching current product

Fairchem's Competitive Advantage

Major Player in the Indian Oleo Chemical Market Using Renewable Resources

- Processing waste from edible oil refining process to produce high value oleo chemicals giving it price advantage
- Enjoy Leadership Position in the industry due to barriers to entry
- Focus on green manufacturing processes which reduces effluents to ensure sustainability

Strong Customer and Supplier Relationships

- Well entrenched Customer Relationships in high growth industries like Paint, Inks, FMCG
- Long lasting customer relationships of more than 15 years with various customers
- More than 20 years relationship with key raw material suppliers

Competitive Position

- Low cost of raw material and efficient manufacturing process enables it to be highly cost competitive vis a vis global peers
- Leading manufacturer in India for substantial part of the overall revenue
- Position to sell most that it produces

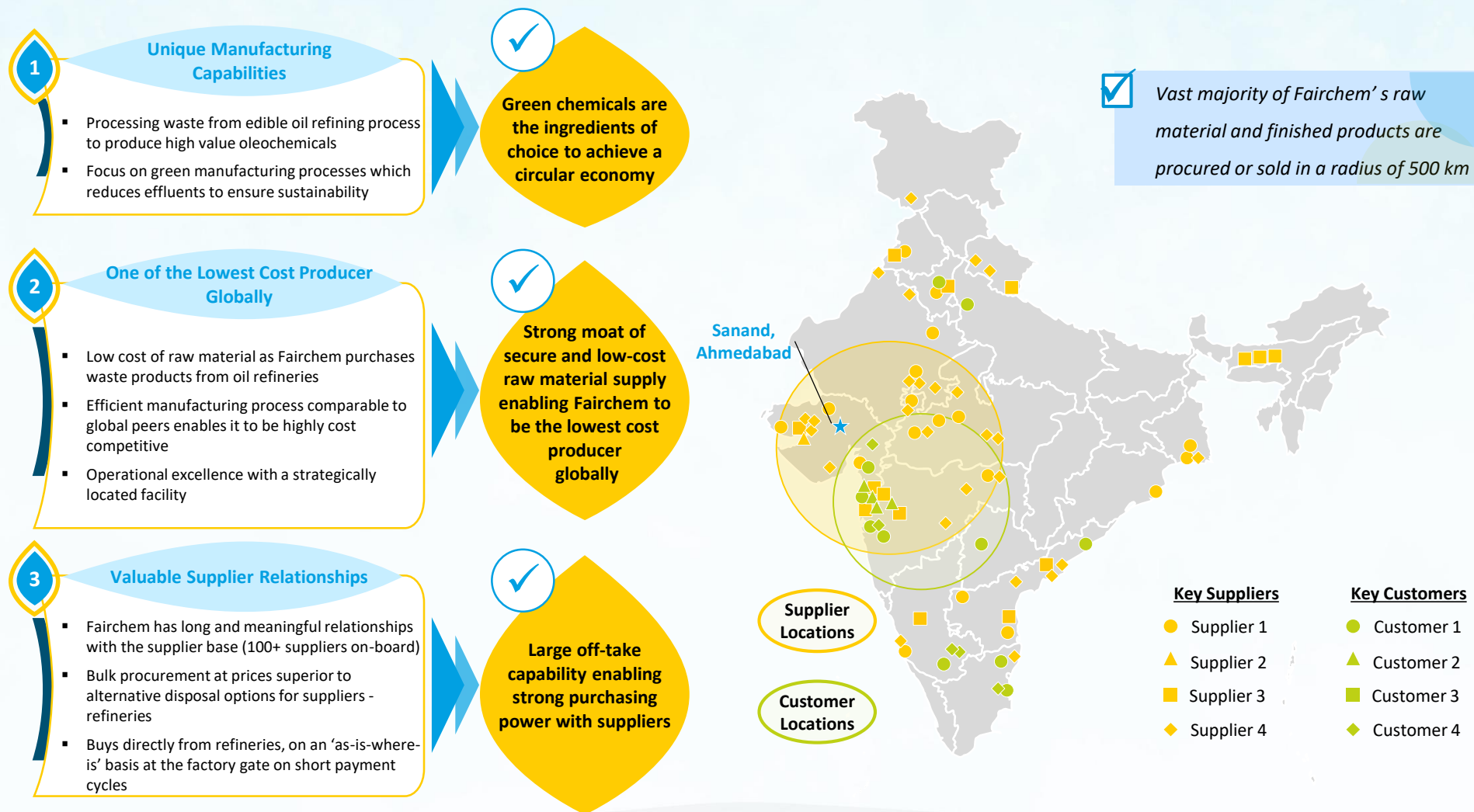
Experienced senior management

- Fairchem is well supported by an esteemed Promoter Institution – Fairfax India Holdings
- Strong and experienced management team that have positioned business well for continued growth and development
- Strong R&D team focusing on integration and green chemistry

Capital Efficiency

- Majority of the capacity expansion has been undertaken primarily through internal accruals.
- Judicious strategy on capacity expansion by evaluating market demand-supply scenario and working very closely with its customer base

Highly Differentiated “Waste-to-Wealth” Manufacturing Capabilities



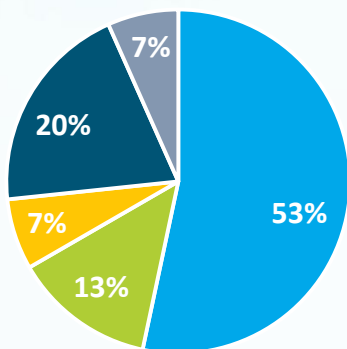
"Make-in-India, Buy within India" strategy providing strong competitive moats while delivering operational excellence

Well Entrenched Long Term Customer Relationships

Customer network - a competitive advantage

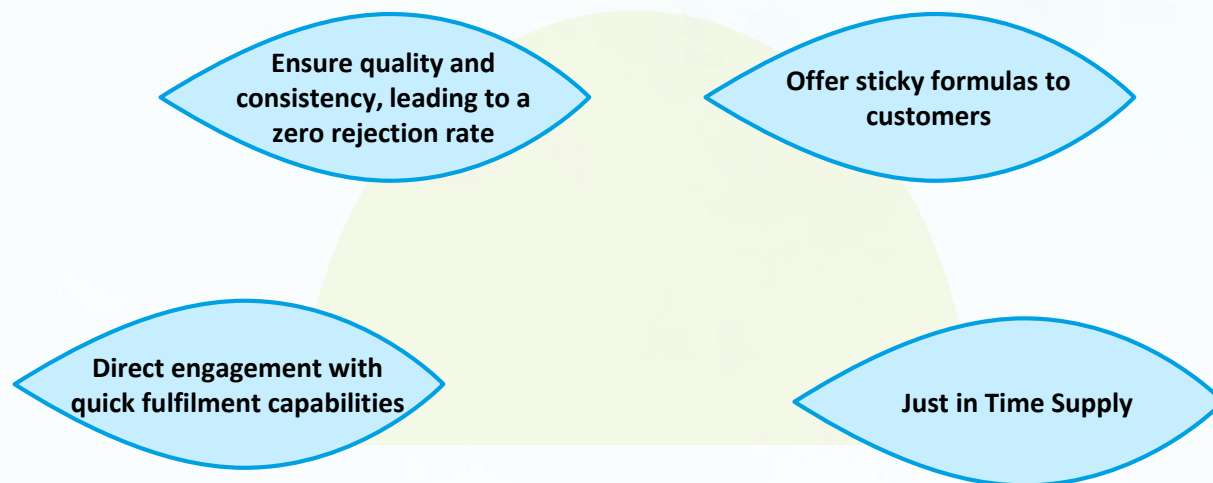
Long History of Deep Engagement with Customers

Key Customers Displaying High Levels of Stickiness



■ >20 years ■ 15-20 years ■ 10-15 years ■ 5-10 years ■ 2-5 years

Bulk of the top 15 customers have growing, long-term relationships with Fairchem Organics

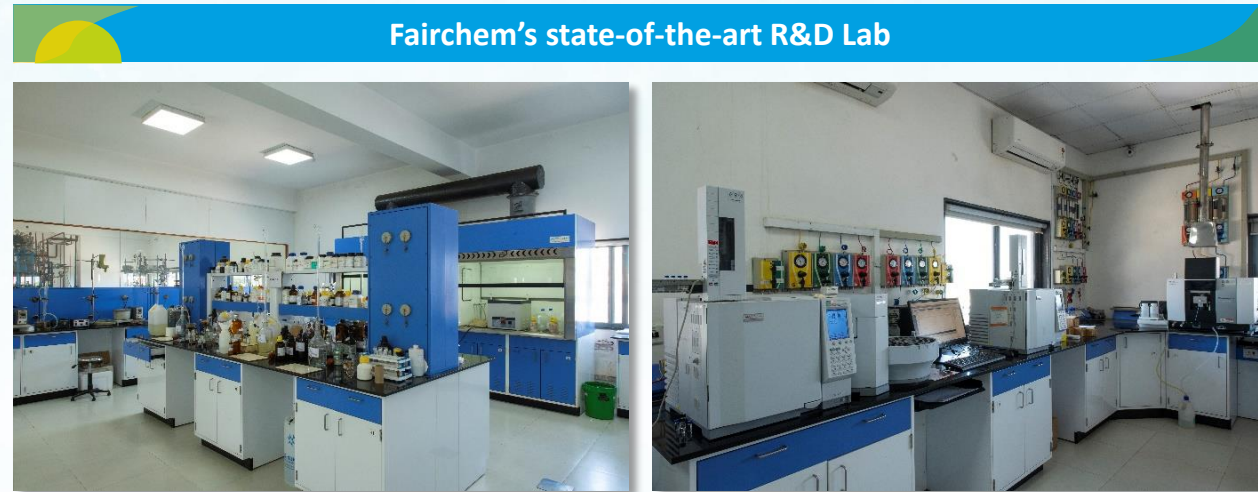


Fairchem's products are critical for its customer base, evidenced by its track record of near-zero bad debts

Strong R&D Focus with an Experienced Team Resulting in a Long History of Innovation

Continued Investment in R&D and Innovation

- Highly skilled employee base with strong engineering focus and deep experience (average experience of 10 years in the firm)
- Building a state-of-the-art biofuel plant
- Capable of offering blends specific to customer requirements at short notice
- Low switching cost of process lines
- Built the capability to expand and contract production as required
- 'Near-zero rejections' of output stemming from strict quality controls



R&D lab
established in
2018



Area:
386 sq mt



of employees:
12 (including 1
PhD)



Critical lab
equipment made in
European countries
viz. Switzerland,
Germany etc.

Experienced and Professional Management with Strong Governance Framework

High profile Board put in place by Parent which has taken several initiatives to improve the corporate governance framework

- Rigorous adoption of risk framework by audit committee
- Internal controls testing and certification by statutory auditors
 - IT systems upgraded to support controls environment
- Internal online compliance management system for tracking statutory compliances
- Implemented Business Continuity Plan for all plants
- Helpline system implemented for whistle blowing, sexual harassment, etc.
- Current auditors are KPMG, and audited by one of the Big 4 for the last 6 years

Executive / Non-executive directors



Nahoosh Jariwala
Managing Director
and Chairman

- Served as MD of Fairchem Speciality Limited (now known as Privi Speciality Chemicals Limited) since April, 2010 and currently MD & Chairman of Fairchem Organics
- Holds a bachelor's degree in commerce from Gujarat University
- Has work experience of more than 25 years in the chemical industry



Sumit Maheshwari
Nominee Director
from Fairbridge

- Presently serving as the MD and CEO of Fairbridge Capital Private Limited and has previously worked at KPMG
- Holds a MBA degree from ISB and is a associate member of the Institute of Chartered Accountants of India

Independent Directors



Venkatraman Srinivasan
Independent Director

- Partner in M/s. V. Sankar Aiyar & Co., Chartered Accountants
- Holds a bachelor's degree in commerce from University of Bombay and is a fellow member of Institute of Chartered Accountants of India
- Holds position of Independent director at Tata Coffee, NPCI, HDB Financial Services



Darius Dinshaw Pandole
Independent Director

- Presently serving as MD and CEO of JM Financial. Previously Partner at New Silk Route Advisors and IDFC Private Equity
- Holds a bachelor's degree from Harvard University and a master's degree from the University of Chicago
- Independent director at Mahindra Logistics



Sonal Vimal Ambani
Independent Director

- Holds a master's degree in business administration in marketing and finance and a doctorate in business management
- Has worked as an Assistant Vice President in Morgan Stanley Dean Witter



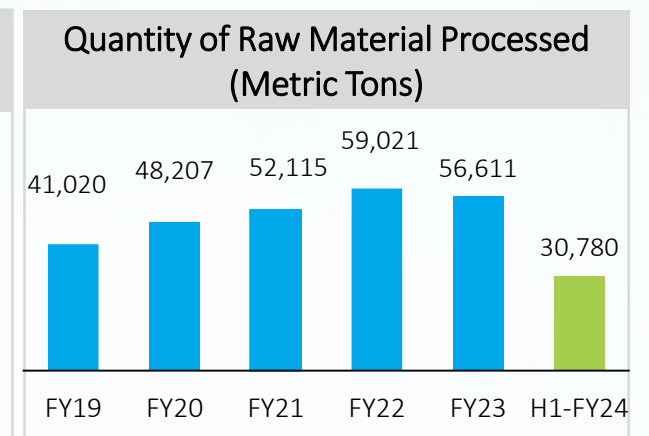
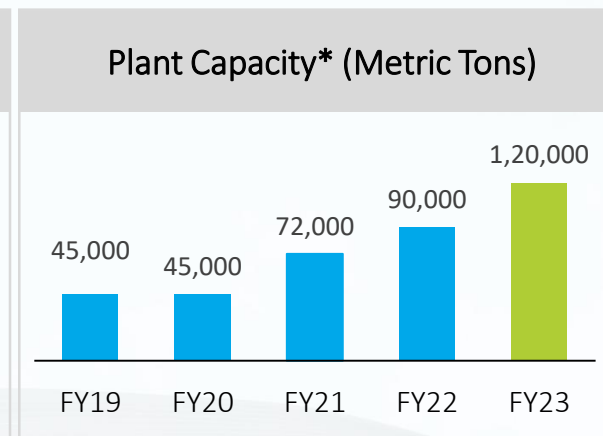
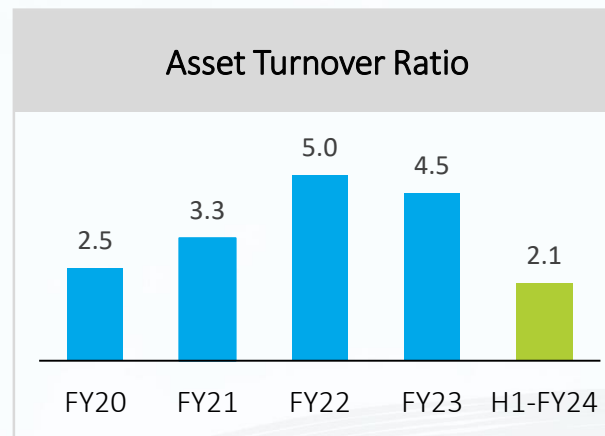
Sudhin Choksey
Independent Director

- MD of Gruh Finance until Oct 2019, and a financial services veteran with 40+ years of industry experience
- Is an independent director of CSB Bank and an advisor at WestBridge Capital
- Holds a Bachelor's degree from University of Mumbai and a member of the Institute of Chartered Accountants of India since 1978

Manufacturing Facility



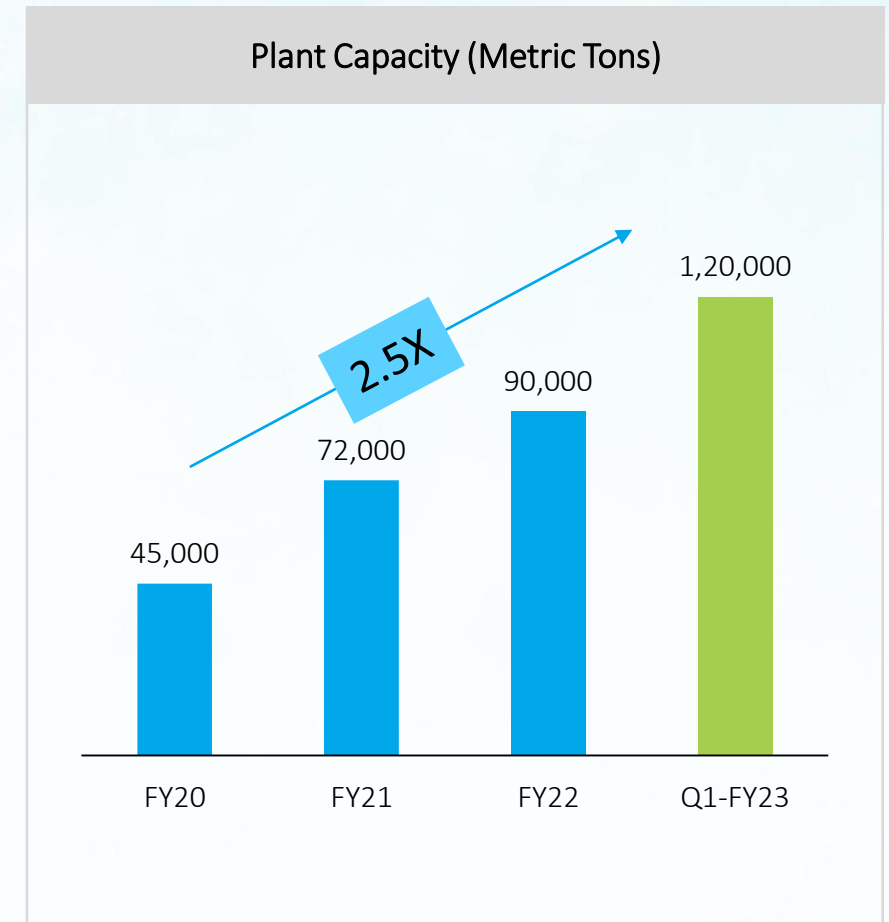
- The company's State -of-the-Art Manufacturing unit is located in Sanand, Ahmedabad and is one of the largest processing capacities for Natural Soft Oil based Fatty acids in India.
- In 2018, the Company set up state of the art R&D laboratory with ~ 400 Sq. Meters area and currently has a manpower strength of 12 officials with one Ph.D.
- The current installed capacity measured in terms of throughput of raw materials is 120,000 MTPA as on Q1-FY23.
- The plant currently has a staff strength of more than 200 employees.
- Equipment and Make : Short Part Distillation from UIC Germany, Fractionation from Sulzer Switzerland, Wiped film Evaporators, Medium and High-Pressure Splitters.
- The plant is strategically well placed in the western India which is an industrially advanced region of the country, furthermore, many edible oil refineries are located near western sea-ports which facilitates sourcing of raw materials, similarly, most of the customers are also located within a radius of about 500 Km from the plant location.
- The low cost of raw material and efficient manufacturing process enables the company to be highly cost competitive vis-a-vis global peers.



* Plant Capacity at the end of the year

Capacity Expansion

- Over the years Fairchem has gone through various stages of expansion, debottlenecking and technological advancements to create a one of its kind world class facility.
- Majority of the capacity expansion has been undertaken primarily through internal accruals.
- The company uses a judicious strategy on capacity expansion by evaluating market demand-supply scenario and working very closely with its customer base to understand their needs and requirements.
- The company undergoes a major capex every few years only once the plant utilisation reaches optimum levels.
- Fairchem's last major capex was done from FY14 to FY16 when it enhanced the capacity from 18,000 MTPA to 45,000 MTPA
- By Q1-FY23 the company completed its capacity expansion program to take the raw material throughput capacity from 45,000 MTPA to 120,000 MTPA.
- The total capex spend for this enhancement of capacity along with forward integration of existing product streams was under INR 100 crores.
- The capacity expansion has the potential to more than double the company's revenues in the coming years, besides enhancing the return ratios.



Manufacturing Facility – Aerial Site Overview



ESG Initiatives

ENVIRONMENT

Effluent	Method of Disposal
Water Discharge	Zero Liquid Discharge by Multi Effect Evaporator and Agitated Thin Film Dryer
Air Emission	Currently, bag filters are there. We will have Scrubber System in place in near future.
Non-hazardous waste	We are sending the same to GPCB approved Solid Waste Disposable site for doing the needful there.
Hazardous waste	We are sending the same to GPCB approved registered Recycler / Co-processor.


SOCIAL

- ### CSR Activities
- Dr. Jivraj Mehta Smarak Health Foundation - Purchase of Ventilator Machine
 - Contribution towards 'Project Dialysis'
 - Infrastructure Facility at Primary Health Centre at Village Chekhala
 - Plastic Waste Management as per G.P.C.B. Circular
 - Products are manufactured using natural source raw materials

GOVERNANCE

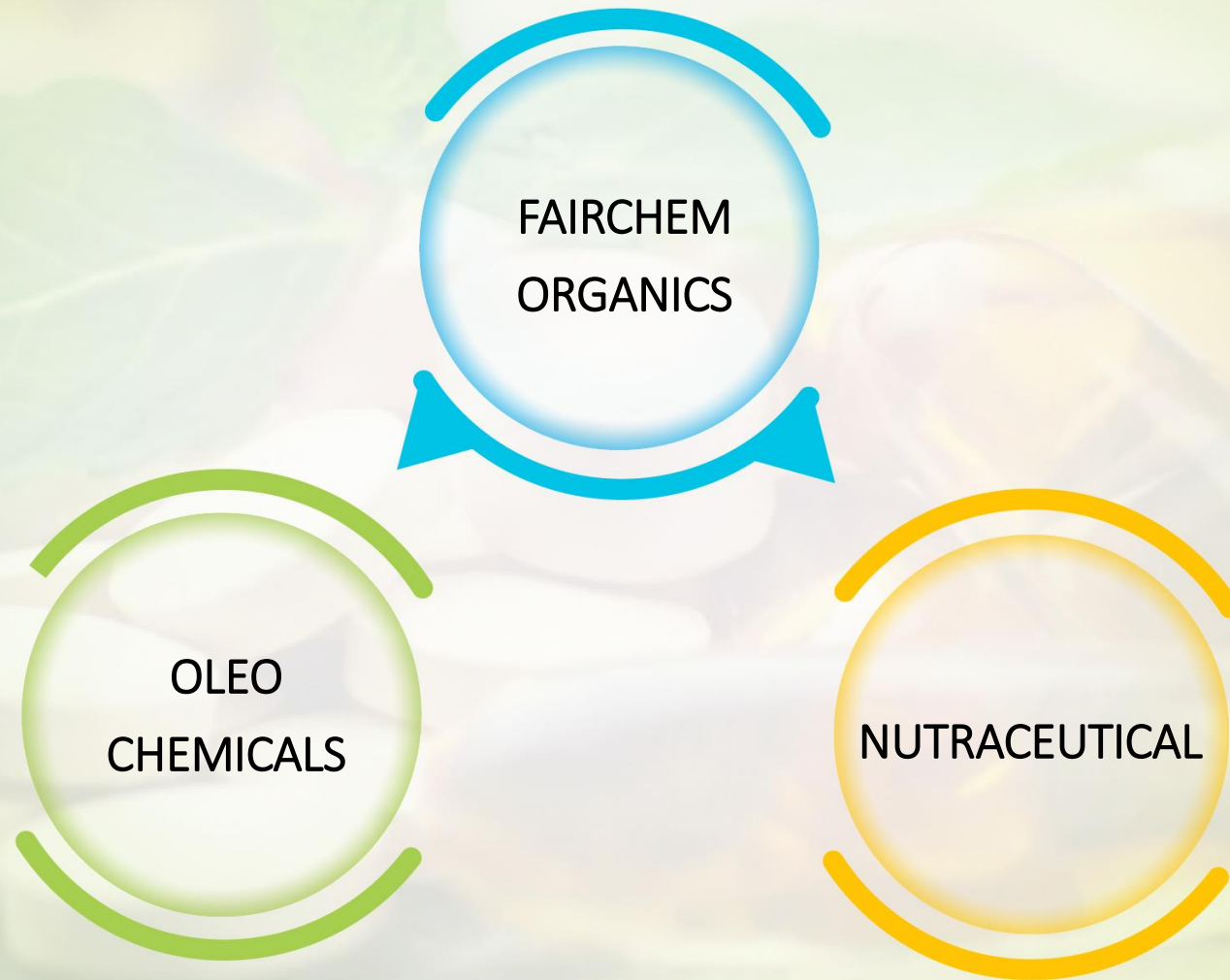
- Always be adequately capitalized
- Not overleverage the balance sheet
- Secure sources of sustainable raw material supply
- Invest in backward and forward integration
- Transparent communications with all the stakeholders
- Low volatility in the cash flow generation
- Employees are given training on fire safety, first aid, housekeeping and cleanliness practices
- Production equipment tested every three years by external firm
- Near-zero factory accidents since inception⁽¹⁾

⁽¹⁾ Fire in November 2012 (with no casualties or injuries) was the only major incident since inception



Business Overview

Business Segments

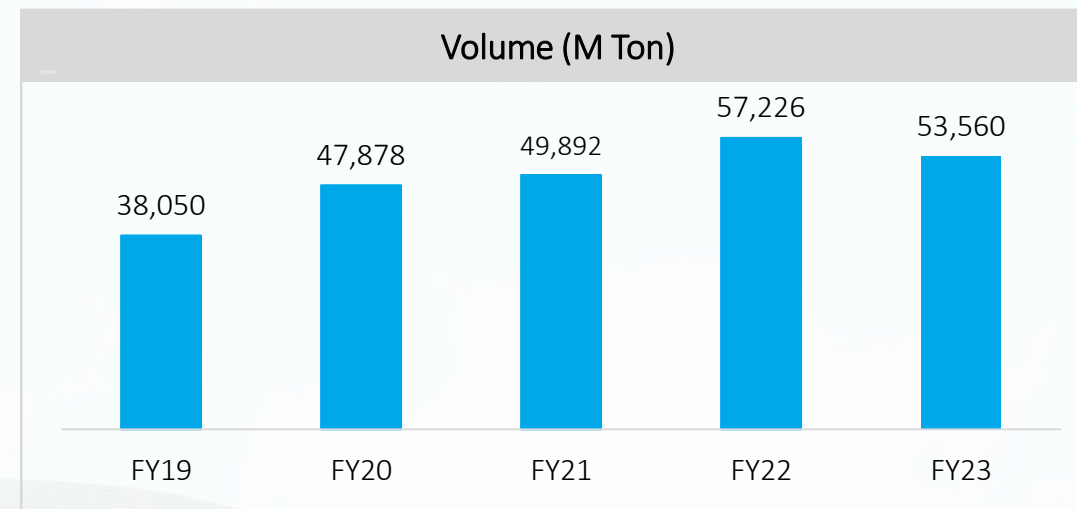
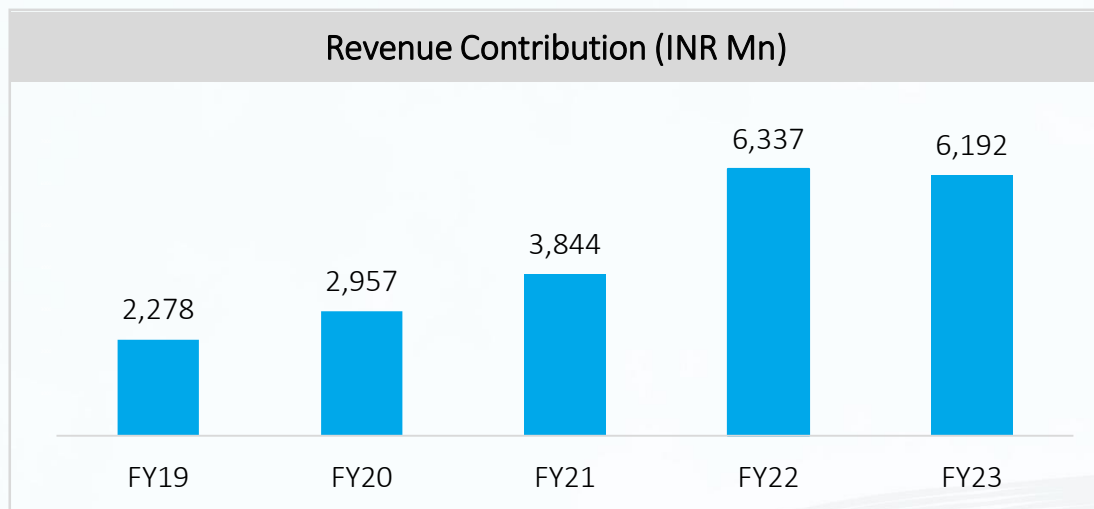


Oleo Chemicals

Oleo Chemicals are chemicals derived from Plant and Animal Fats. They are analogous to petrochemicals derived from petroleum. The formation of basic oleochemical substances like Fatty Acids, Fatty Acid Methyl Esters (FAME), Fatty Alcohols, Fatty Amines and Glycerol are by various chemical and enzymatic reactions.

- Fairchem is a leading producer of Fatty Acids from natural oils and fats derived from vegetable oils.
- The company has over the years developed and mastered the process of manufacturing its entire product range from waste/by product streams of natural vegetable oils by utilizing state of the art equipments of acceptable local and international quality.

Main Product	Application
Linoleic Acid / Soya Fatty Acid	• Paints and Inks
Dimer Acid	• Paints, Inks and Epoxy Hardeners
Monomer Acid	• Paints and Inks
Distilled fatty acids	• Liquid Soap, Textile Auxiliaries and low Value paints
Palmitic	• Amines, Amides, Soap



Linoleic Acid

Applications

Linoleic Acid is designed especially to produce fast drying protective coating having lighter color. It is an unsaturated fatty acid and is a liquid at room temperature.

Purpose of Use:

- Linoleic Acid is designed especially to produce fast drying protective coating having lighter color.

Company Positioning:

- The only company to manufacture Linoleic Acid of such quality in India.
- Cost advantage due to usage of by product of vegetable oil refinery as raw material.

Paints



Inks



Amines



Lubricants



Cosmetics



Textiles



Dimer Acid

Dimer Acid also known as dimerized fatty acids are prepared from unsaturated fatty acids obtained from vegetable oil. It is a light yellow or yellow viscous transparent liquid. It is non-toxic.

Purpose of Use:

- Offers improved bonding.
- Used as curing agents for epoxy-based anti-corrosion coatings and for priming and protecting metal.
- Dimer acids act as a stabilizer in lubricants used for Cold Rolling Mills.
- Increase the life span of nylon products Applications.

Company Positioning:

- Fairchem is the only company to manufacture this product in India with market share of more than 50% of domestic demand.
- The company supplies this product as an import substitute for sale to consumers in Surface Coating and Printing Ink industry on import parity with added advantage of just-in-time delivery and better quality. As result Fairchem has been preferred supplier for most of its clients and believes it would gradually substitute large part of its client requirement, which are met through import at present.
- It makes this product by using relatively cheaper raw material which is a by-product of vegetable oils whereas world at large makes them from virgin Vegetable oils or Tall Oils.

Applications

Paints



Inks



Epoxy Hardeners



Lubricants



Resins



Textiles



Monomer Acid & Distilled fatty acids

Fairchem is one of the leading producers of Monomer and Other distilled fatty acids with significantly lower raw material costs

Monomer Acid:

- Monomer Acids are non-petroleum, non-animal based products that can be used as substitutes for various vegetable and tallow-based fatty acid derivative products.
- Monomers are atoms or small molecules that bond together to form more complex structures such as polymers.

Distilled fatty acids:

- Fatty acids are obtained from hydrolysing fats and oils of animal and plant origin at a high pressure and temperature. They are then distilled, obtaining a product with a white appearance and a soapy feel.
- Distilled fatty acids have a wide range of applications in consumer and industrial markets. They are generally liquids or soft solids, and contain a mixed composition of acids reflecting the parent oil or fat.
- Distilled fatty acids are important raw materials for the production of soaps, detergents, surfactants and lubricants.

Applications

Paints



Lubricants



Soaps



Detergents



Textiles



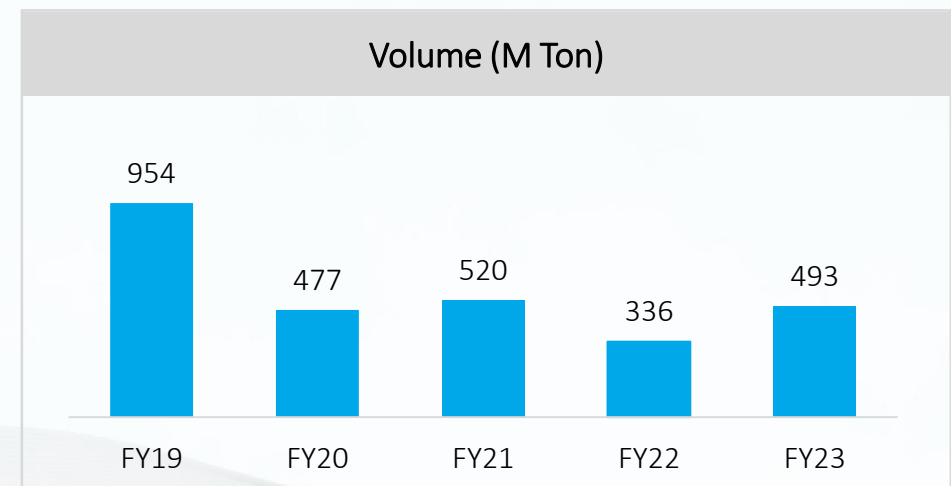
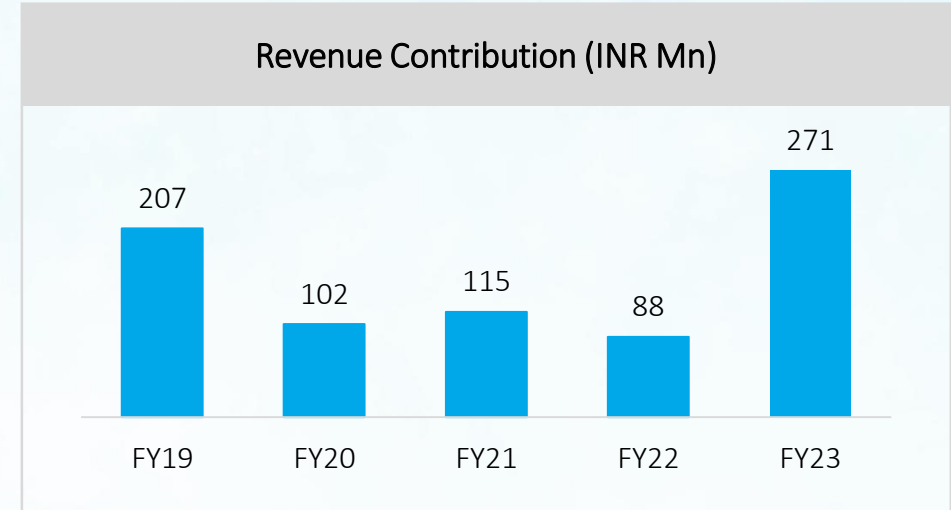
FMCG



Nutraceuticals

- Nutraceutical, a portmanteau of the words “nutrition” and “pharmaceutical” applied to products that range from isolated nutrients, dietary supplements and herbal products, specific diets, genetically modified food, and processed foods such as cereals, soups, and beverages.
- Fairchem currently produces (Natural) Mixed Tocopherol Concentrate /Natural vitamin E which it primarily exports to global MNCs.

Main Product	Application
(Natural) Mixed Tocopherol Concentrate	<ul style="list-style-type: none"> • Natural Vitamin E/Food and Cosmetic Industry • Vitamin E • Cosmetic Industry • Food • Pharmaceutical • FMCG • Pet Food
(Natural) Concentrated Sterols	<ul style="list-style-type: none"> • Food • Pharmaceutical (Raw material to manufacture Cortico Steroids)



Mixed Tocopherol Concentrate

- Tocopherol is used as raw material to manufacture natural Vitamin E. Natural Vitamin E is almost 3-4 times more expensive than synthetic Vitamin E. Developed markets like US and Europe are the key consumers due to the high value of the product.
- Only method of manufacturing Natural Vitamin E is through vacuum distillation of the raw material which is a by-product of vegetable oil refining - Deodorizer Distillate.
- Fairchem is the dominant manufacturer of Mixed Tocopherol Concentrate in India which is sold on 'Freight Saving', 'Production Cost Saving' and 'By-product Value concept'.
- Key clients for Nutraceuticals are BASF, ADM, Cargill Inc. (U.S.A).

Purpose of Use:

- Essential ingredient in making Natural Vitamin E
- Help skin with problems such as Acne, Dryness, and Swelling
- Useful for fighting diseases associated with aging- particularly cancer and heart disease.

Advantages of Natural Vitamin E

- The effect of natural vitamin E as compared to synthetic vitamin E is 1:3. However, after absorption, a protein in the liver recognizes only the naturally occurring forms, such as d-alpha tocopherol. As a result, the unrecognized forms of synthetic vitamin E are preferentially excreted.
- When taking some synthetic vitamins, there's also an increase potential for allergic reactions. Since some synthetic vitamins are largely made up of chemicals, including nicotine and coal tars, some individuals may experience allergic reactions when taking them.
- Pregnant women transfer natural-source vitamin E to their babies approximately three times more efficiently than synthetic vitamin E.

Applications

Vitamin E



Food



FMCG



Pet Food




Cosmetic Industry



Pharmaceutical





Strategic Overview

Future Growth Strategies



Forward Integration of Oleo Chemicals

Increasing customer base

Enhancing customer base to serve new industries like specialty inks for flexible packaging

Forward Integration of Nutraceuticals

Expanding manufacturing capacities

Greenfield capacity expansion plans for new product range

Expanding global footprint for Oleo Chemicals


Increasing supplier base

Increasing raw material supplier base

Diversifying into new geographies globally

Forward integration of to develop Methyl Ester (Biofuel) and upgrading of a co-product – Monomer (Monobasic) of fatty acid stream to make Stearic Acid, Iso Stearic Acid

Forward integration to make value added products such as Tocopherols 50%, Sterols 90% from current intermediate Nutraceuticals stream



Industry Overview

Oleo Chemicals Industry


- The oleo chemicals market is broadly segmented into four key applications markets:
 - Pharmaceutical & personal care,
 - Food & beverages,
 - Soaps & detergents,
 - Polymers
- Pharmaceutical & personal care is the largest application market for oleo chemicals accounting for majority of the share.
- Growing biochemical product demand in various consumer applications such as personal care, detergents, and food & beverages is expected to remain a key factor driving growth.
- The global oleo chemicals market is expected to reach USD 30.15 billion by 2024. The global oleochemicals market size was valued at USD 19.46 billion in 2020 and is expected to grow at a compound annual growth rate (CAGR) of 7.57% from 2021 to 2028.
- The Linoleic Acid Market is forecasted to grow at a rate of 4.0% CAGR during the period of 2021-2026.
- Dimer acid market will reach an estimated valuation of USD 2.11 Billion by 2027, while registering this growth at a rate of 4.10% for the forecast period of 2020 to 2027. Dimer acid market report analyses the growth, which is currently being growing due to the growing number of construction activities in emerging economies.
- During F.Y. 2021-22, an aggregate of about 7,078 M.Tons of Dimer Acid (under different names) was imported. Fairchem's quantity sales during this period was 7,745 M.Tons. (As per Indian import data)
- Asia Pacific is the leading consumer of oleo chemicals. The region is also expected to witness the fastest growth over the next few years owing to abundant raw material supply and significant developments in the application markets.

Oleo Chemicals Industry in India

- India oleochemicals market is projected to cross USD 2.6 Bn by 2025.
- India oleochemicals market has been segmented into five categories namely - fatty acids, fatty alcohols, glycerin, fatty acid methyl esters and fatty amines. Robust growth in India oleochemicals market can be attributed to the increasing demand for naturally derived raw materials for paints and soaps industry. Fatty acids control a lion's share in the India oleochemicals market on account of large requirement for distilled fatty acids and polyunsaturated acids, which are essential in the production of soaps, personal care products, detergents, lubricants, surfactants, etc.
- Indian Oleo Chemical players are well positioned with abundant raw material supply, lower manpower cost and improving infrastructure which should be the key market drivers for the industry at large.
- Fatty acids, Fatty Alcohol and Methyl Ester and Refined Glycerin are basic Oleo Chemicals which then go into end use application of Surfactant, Soap and Detergents, Cosmetics, Food Emulsifiers, Paints and Inks & Lubricants.
- In India while processing crude soft vegetable oils like SSCC, Groundnut and Rapeseeds 3 key products are generated by these oil refineries
 - Prime Oil
 - Acid Oil (AO) (Used for Linoleic & Dimer Acid)
 - Deodorizer Distillate (DOD) (Used for Tocopherol)
- The Prime Oil is converted into oils for edible purpose and AO and DOD which are composed of Free Fatty Acids, Mix Glycerides and other important nutraceutical products are sold to chemical companies to derive fatty Acids
- AO from different sources of Vegetable Oil can generate varied Fatty Acids that have different applications

Oils	By-product	Fatty Acids	Application
SSCC, Groundnuts, Rice Bran & Rapeseeds	Acid Oils	Palmitic, Linoleic, Dimer, Monomer	Inks & Paints, Epoxy hardeners
SSCC, Groundnuts, Rice Bran & Rapeseeds	Deodorizer Distillate	Mixed Tocopherol, Distilled Fatty Acids	Natural Vitamin E Low grade resins and Soap'
Palm, Palm Kernel & Coconut	Deodorizer Distillate	Stearic, Lauric , Distilled Fatty Acids	Soap Noodles, Rubber Tyre, Cosmetic

SSCC - Soya, Sunflower, Corn and Cotton



Financial Overview

Historical Income Statement

PARTICULARS (INR Mn)	FY19	FY20	FY21	FY22	FY23	H1-FY24
Revenue from Operations	2,499	3,065	3,966	6,432	6,480	3,128
Total Expenses	2,139	2,581	3,279	5,383	5,756	2,843
EBITDA	360	484	687	1,049	724	285
<i>EBITDA Margins (%)</i>	<i>14.41%</i>	<i>15.79%</i>	<i>17.32%</i>	<i>16.31%</i>	<i>11.17%</i>	<i>9.11%</i>
Other Income	43	66	3	3	7	6
Depreciation	54	60	66	71	82	43
Finance Cost	57	66	68	69	63	27
PBT	292	424	556	912	586	221
Tax	77	77	131	233	151	57
Profit After Tax	215	347	425	679	435	164
<i>PAT Margins (%)</i>	<i>8.60%</i>	<i>11.32%</i>	<i>10.72%</i>	<i>10.56%</i>	<i>6.71%</i>	<i>5.24%</i>
Other Comprehensive Income	(2)	(1)	(5)	1	5	-
Total Comprehensive Income	213	346	420	680	440	164
Basic/Diluted EPS (INR per share)	5.51	26.65	32.63	52.15	33.41	12.60

Balance Sheet

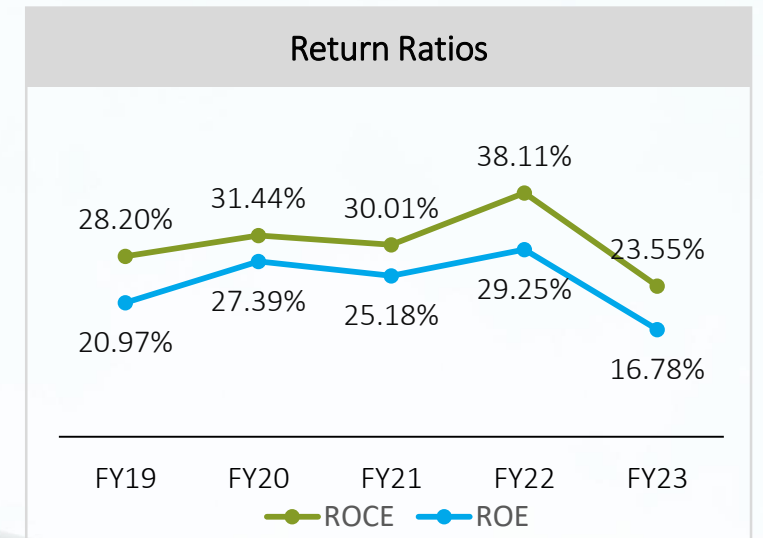
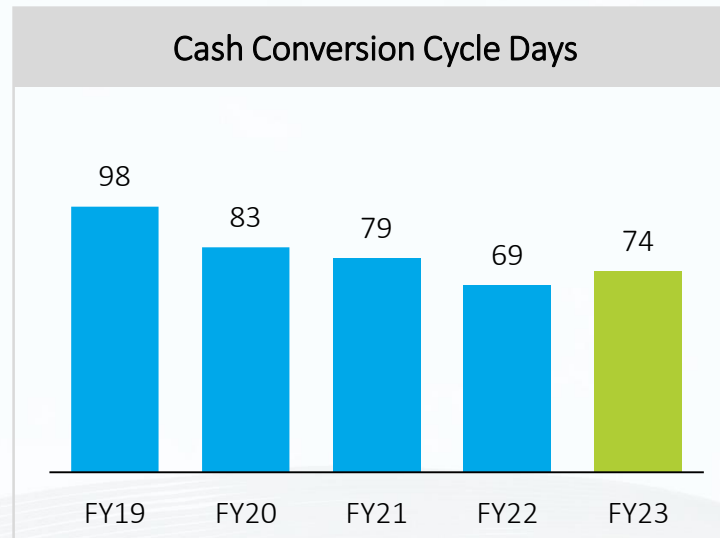
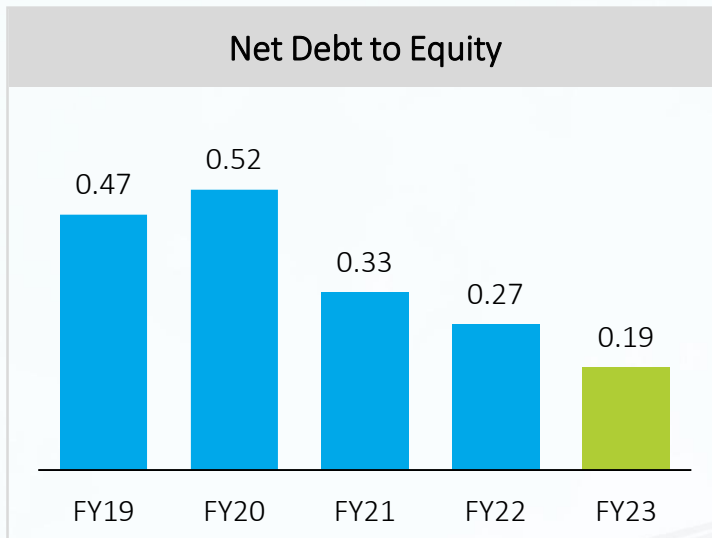
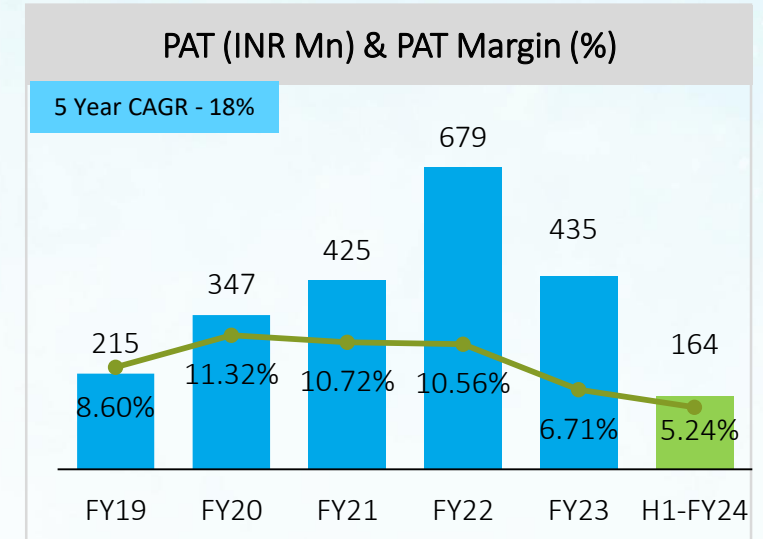
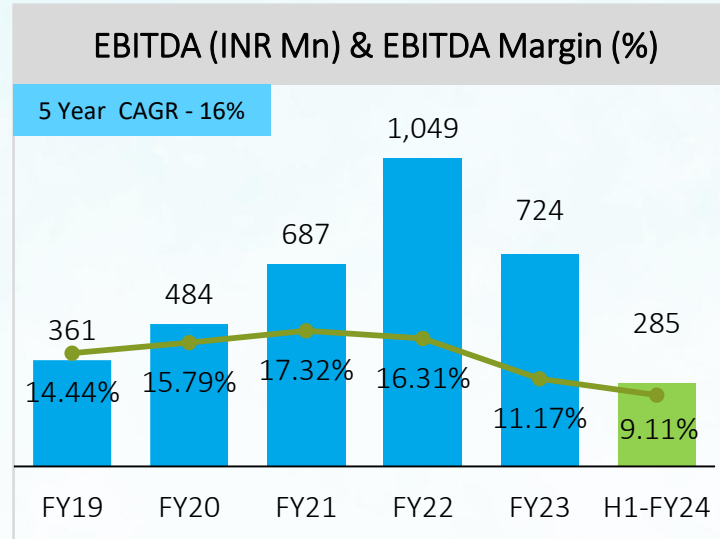
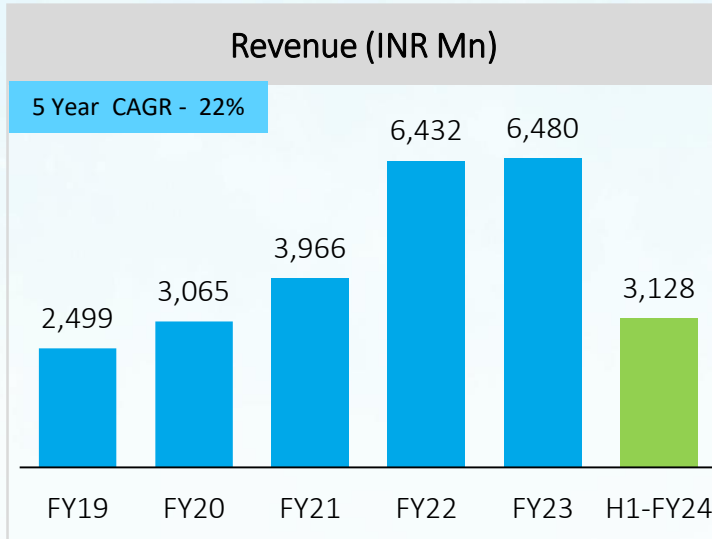
ASSETS	FY20	FY21	FY22	FY23	H1-FY24
Non-Current Assets					
Property, Plant and Equipment	1,219	1,220	1,363	1,514	1,486
Capital work-in-progress	94	295	420	349	391
Right of use assets	43	43	42	42	41
Intangible Assets	1	-	-	5	4
Intangible Assests Under Development	-	-	2	-	-
Financial Assets					
(i) Other Financial Assets	3	-	2	2	2
Non-current Tax Assets (Net)	14	18	19	18	35
Other Non-current Assets	66	30	20	8	50
	1,440	1606	1,868	1,938	2,009
Current Assets					
Inventories	353	453	700	800	677
Financial Assets					
(i) Trade receivables	379	468	622	626	554
(ii) Cash and Bank Balance	2	4	2	1	1
Other current assets	15	55	49	59	68
	749	980	1,373	1,486	1,300
TOTAL ASSETS	2,189	2,586	3,241	3,424	3,309

EQUITY AND LIABILITIES	FY20	FY21	FY22	FY23	H1-FY24
EQUITY					
Equity Share Capital	130	130	130	130	130
Other Equity	1,137	1,557	2,191	2,462	2,529
	1,267	1,687	2,321	2,592	2,659
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	163	260	100	-	-
Provisions	12	18	17	18	19
Deferred Tax Liabilities (Net)	116	113	128	146	152
	291	391	245	164	171
Current Liabilities					
Financial Liabilities					
(i) Borrowings	504	308	520	502	342
(ii) Trade Payables	64	109	91	105	81
(iii) Other financial liabilities	21	21	8	11	7
Other current liabilities	29	46	36	36	38
Provisions	3	10	10	9	10
Current Tax Liabilities (Net)	10	14	10	5	1
	631	508	675	668	479
TOTAL EQUITY AND LIABILITIES	2,189	2,586	3,241	3,424	3,309

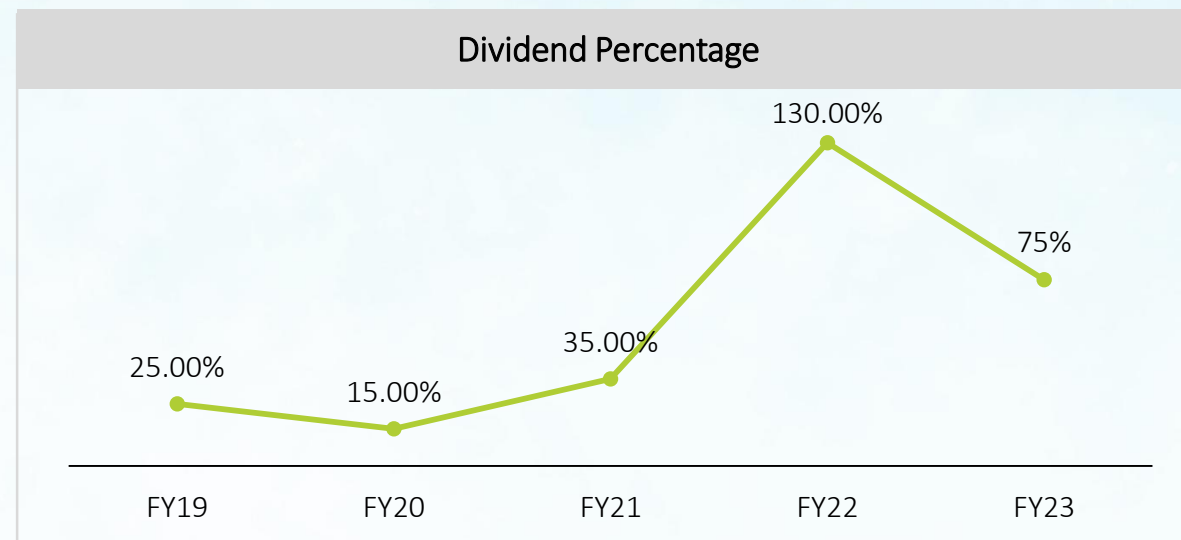
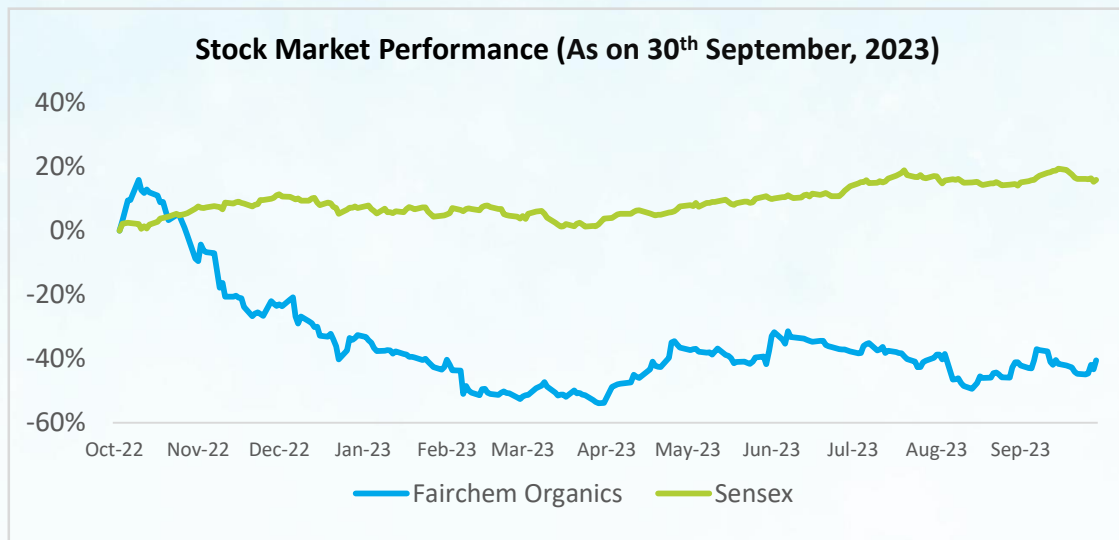
Cash Flow Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	FY23	H1-FY24
Cash and Cash Equivalents at Beginning of the year	0.2	0.3	0.3	0.1	0.1
Cash Flow From Operating Activities	312	394	405	496	386
Cash Flow from Investing Activities	(239)	(228)	(342)	(145)	(102)
Cash Flow From Financing Activities	(73)	(166)	(63)	(351)	(284)
Net Inc./ (Dec.) in Cash and Cash Equivalent	-	-	(0.2)	-	-
Cash and Cash Equivalents at End of the year	0.2	0.3	0.1	0.1	0.1
Operating Cash Inflow	312	394	405	496	386

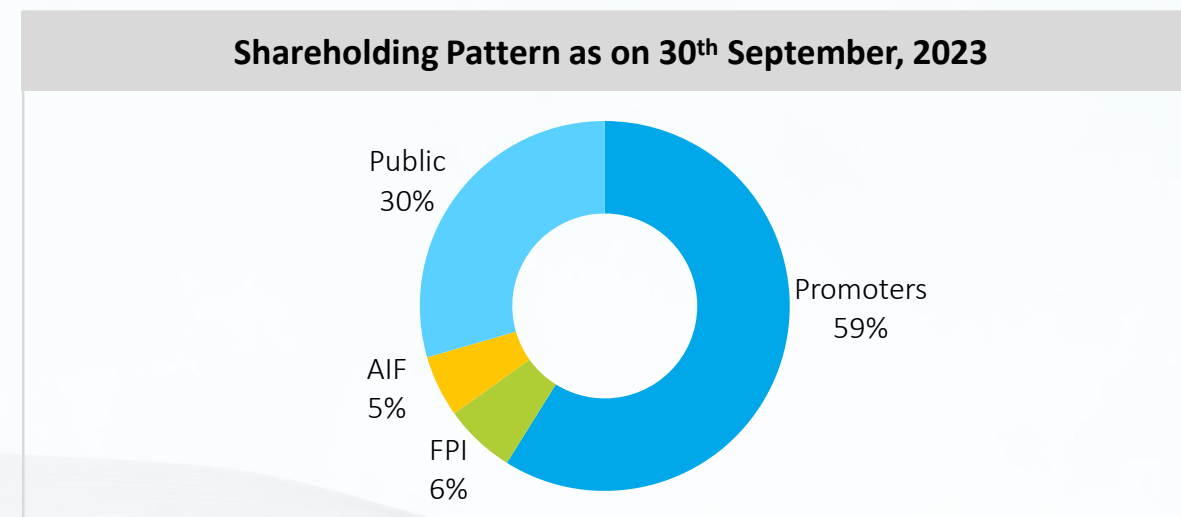
Key Financial Highlights



Capital Market Data



Price Data as at 30 th September, 2023	INR
Face Value	10.0
Market Price	1,176.85
52 Week H/L	2,448.9/ 905.0
Market Cap (Mn)	15,323.65
Equity Shares Outstanding (Mn)	13.0
1 Year Avg Trading Volume ('000)	32.8



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Thank you