

24.01.2024

To,  
National Stock Exchange of India Limited  
“Exchange Plaza”,  
Bandra-Kurla Complex,  
Bandra (East) Mumbai 400 051

BSE Limited  
Floor- 25, P J Tower,  
Dalal Street,  
Mumbai 400 001

**SYMBOL:- EPIGRAL**

**Scrip Code: 543332**

Dear Sirs,

**Sub.: Earnings Presentation for Un-Audited Financial Results – Q3 FY2024**

**Ref.: Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Earnings Presentation for Un-Audited Financial Results – Q3 FY2024.

The said Earnings Presentation is also available at [www.epigral.com](http://www.epigral.com) in the Investor Relations section.

This is for information and records.

Thanking you,

Yours faithfully,

**For Epigral Limited**  
(formerly known as ‘Meghmani Finechem Limited’)

**Maulik Patel**  
**Chairman and Managing Director**  
**DIN: 02006947**



**Epigral Limited**

(formerly known as **Meghmani Finechem Limited**)

Epigral Tower, Behind Safal Profitaire, Corporate Road  
Prahlnagar, Ahmedabad 380015, Gujarat, India.

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**EPIGRAL**



# Epigral Limited

*(formerly known as Meghmani Finechem Limited)*

Q3FY24 Earnings Presentation








## Disclaimer

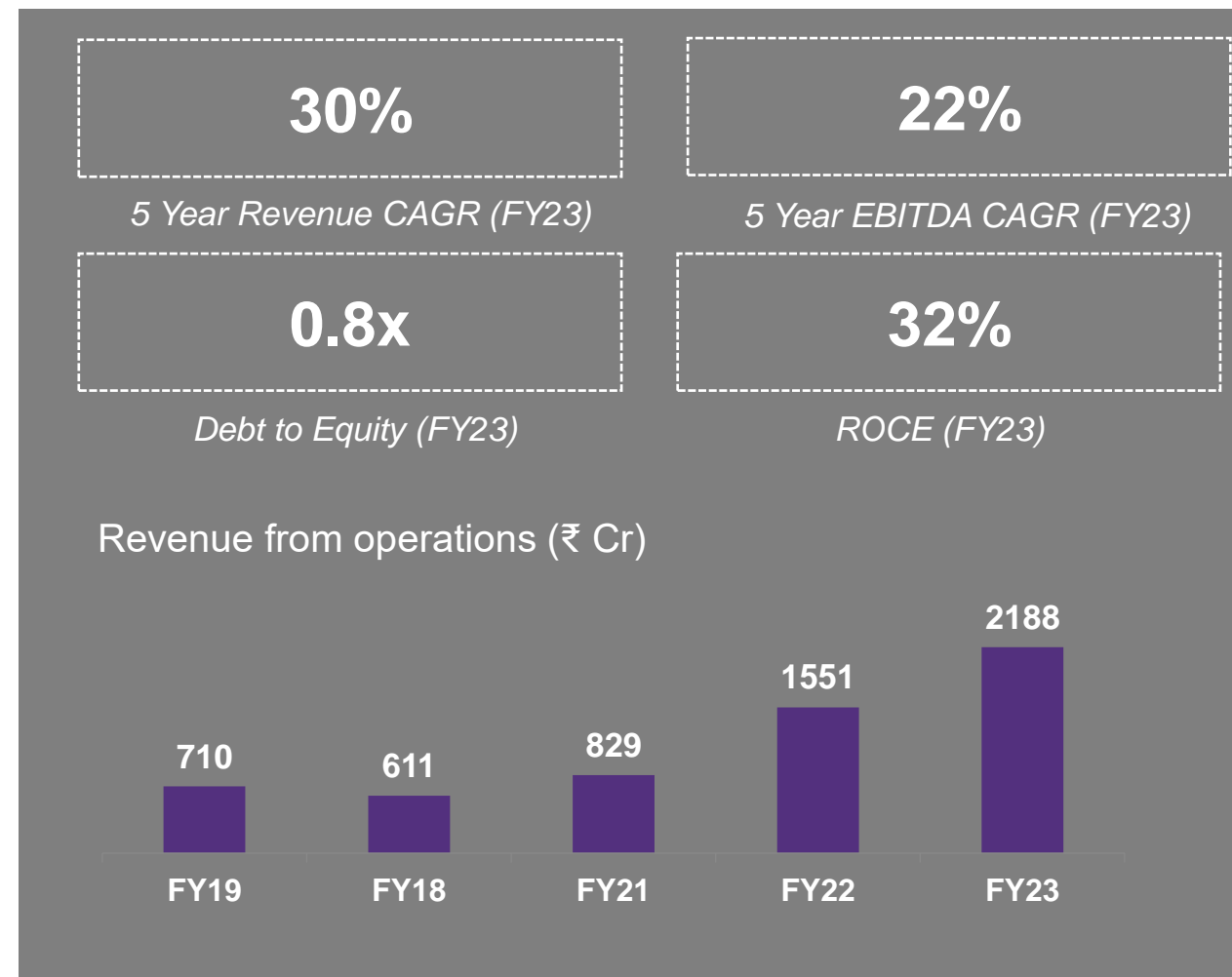
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# Company Overview

-  **Founded:** 2007
-  **Employees:** 900+
-  **Capacity:** Chlor-Alkali# – 421 KTPA  
Derivatives# – 190 KTPA
-  **Certified:** Responsible Care Certificate
-  **Manufacturing facility:** Fully-integrated & automated complex



# Chlor-Alkali : Caustic Soda - 400 KTPA and Caustic Potash - 21 KTPA

Derivatives : CPVC Resin – 30 KTPA, Epichlorohydrin – 50 KTPA, Chloromethanes - 50 KTPA and Hydrogen Peroxide - 60 KTPA

# Our Journey

**FY 2007**

Epigral Ltd (MFL) incorporated

**FY 2010**

Commissioned 1<sup>st</sup> Plant

- **Caustic Soda – 119 KTPA**
- **CPP – 40 MW**

**FY 2015**

Increased capacity to

- **Caustic Soda – 167 KTPA**
- **CPP – 60 MW**

**FY 2017**

Commissioned

- **Caustic Potash – 21 KTPA**

Converted all Membrane to Zero Gap

**FY 2020**

Commissioned

- **Chloromethanes – 50 KTPA**

Announced Capex

- **Epichlorohydrin – 50 KTPA**

**FY 2021**

Commissioned

- **Hydrogen Peroxide – 60 KTPA**

Increased capacity to

- **Caustic Soda – 294 KTPA**
- **CPP 96 MW**

Awarded “**Responsible Care**” Certificate

**FY 2022**

Listed as an independent entity on 18<sup>th</sup> August 2021

Announced Capex

- **Chlorotoluene & Value Chain**
- **Setting up R&D Centre**

**FY 2023**

Commissioned

- **Epichlorohydrin – 50 KTPA**
- **CPVC Resin – 30 KTPA**

Increased capacity to **Caustic Soda – 400 KTPA**  
**CPP – 132 MW**

Announced Capex

- **18.34 MW Green Hybrid Power Plant**
- **CPVC Resin – 45 KTPA**

**FY 2024**

Renamed company from **Meghmani Finechem to Epigral**

Commissioned

- **18.34 MW Green Hybrid Power Plant**

Announced Capex

- **CPVC Compound – 35 KTPA**

## Q3FY24 - Key Highlights

### Q3FY24 Operational Highlights:

- YoY volume grew by 18%. Major growth came from Derivatives & Specialty segment and partially from Chlor-Alkali business
- Capacity utilization stood at 81% in Q3FY24 vs 77% in Q2FY24
- On QoQ, realizations of all the products were down in the range of 1% to 7%, except for Chloromethanes, on account of weak demand

### Q3FY24 Financial Highlights:

- QoQ, Revenue stood at ₹ 472 Cr vs ₹ 478 Cr in Q2FY24
- Revenue contribution from Derivatives & Specialty segment increased to 42% in 9MFY24 vs 27% in 9MFY23
- QoQ, EBITDA grew by 14% to ₹ 123 Cr. Margin stood at 26% vs 23% in Q2FY24 on account of increase in utilization and improvement in spreads
- QoQ, PAT up by 29% to ₹ 49 Cr. PAT margin stood at 10% vs 8% in Q2FY24
- ROCE stood at 18% and Net Debt/EBITDA stood at 1.96x

## 9MFY24 - Key Highlights

### 9MFY24 Strategic Highlights:

- Capex / Expansions
  - Epigral announced to enter into CPVC Compound with a capacity of 35,000 TPA. This expansion is expected to get commission in Q4FY24
  - Epigral commissioned 18.34 MW Wind Solar Hybrid Power Plant in Q1FY24
  - Epigral inaugurated its first R&D Centre in Ahmedabad in November 2023
  - Expansion of CPVC Resin capacity of 45,000 TPA and Chlorotoluenes Value Chain is on schedule and expected to get commission by Q4FY24
  - Epigral spent Rs. 323 Cr on capex for 9MFY24
- Meghmani Finechem Limited has been rebranded to Epigral Limited. This renaming is undertaken to strengthen the corporate brand in line with the company's commitment to transform the company as a global multi-product chemical conglomerate and enhance our reputation as an integral partner for esteemed clients and our stakeholders



## CMD Message

*“We witnessed sales volume growth of 18% on YoY, this growth is coming from Epichlorohydrin and CPVC Resin. Increase in revenue from these new products and improvement in spreads led us to PAT growth of 29% QoQ, despite flattish revenue. Demand in the chemical industry has remained weak and we expect a pick-up in demand in the forthcoming quarters. On account of our various expansion projects and specialized products catering to diversified industries has helped us to deliver better performance compared to industry as a whole.*

*We are moving in line with our focus on diversifying our business model by increasing revenue contribution from Derivative & Specialty segment. Nine months of FY24, revenue contribution from Derivatives & Specialty segment increased to 42% vs 27% in nine months of FY23. This contribution will further enhance as all future expansion projects are towards Derivatives & Specialty segment.*

*Our capex for new projects are on schedule and will get commission on committed timelines. These projects that will get commission in FY2024 and few projects commissioned in FY2023 will drive volume growth for FY2025 and FY2026.*

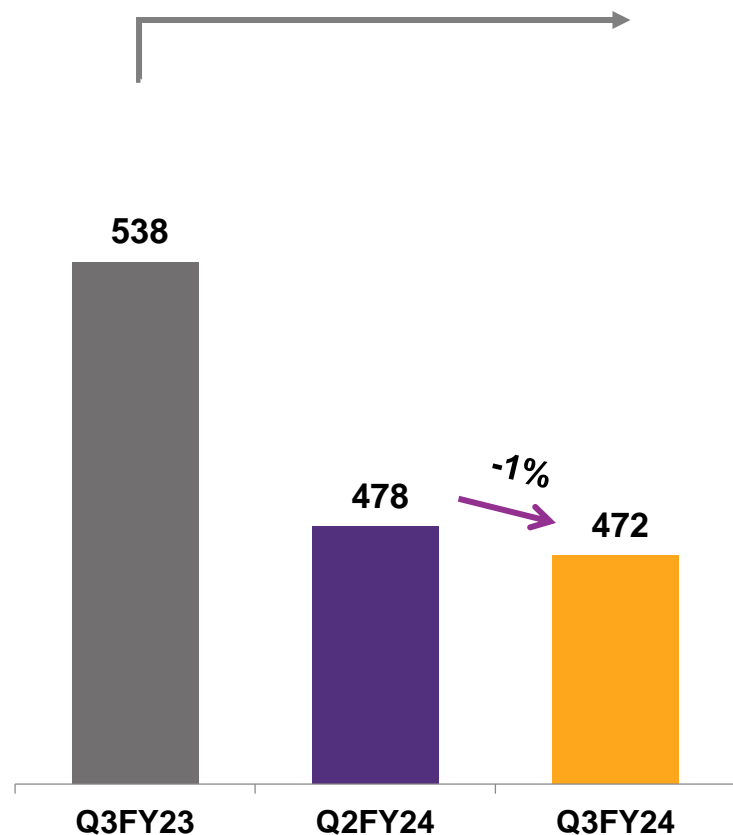
*We are focused to enter into import substitute products, diversifying our customer base and create value for our stakeholders.”*

**- Mr. Maulik Patel, Chairman and Managing Director**

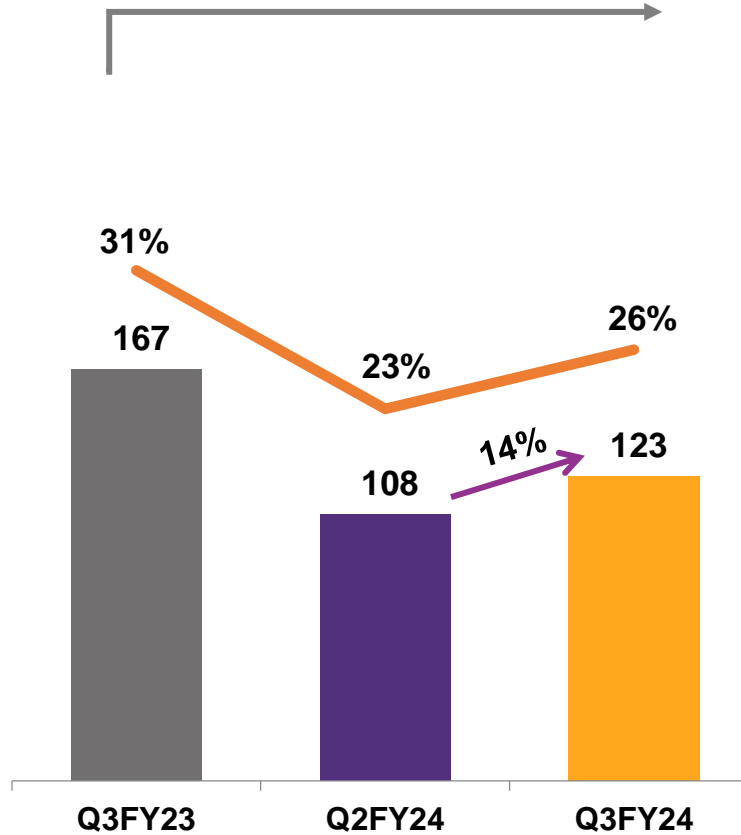


## Q3FY24 Financial Highlights

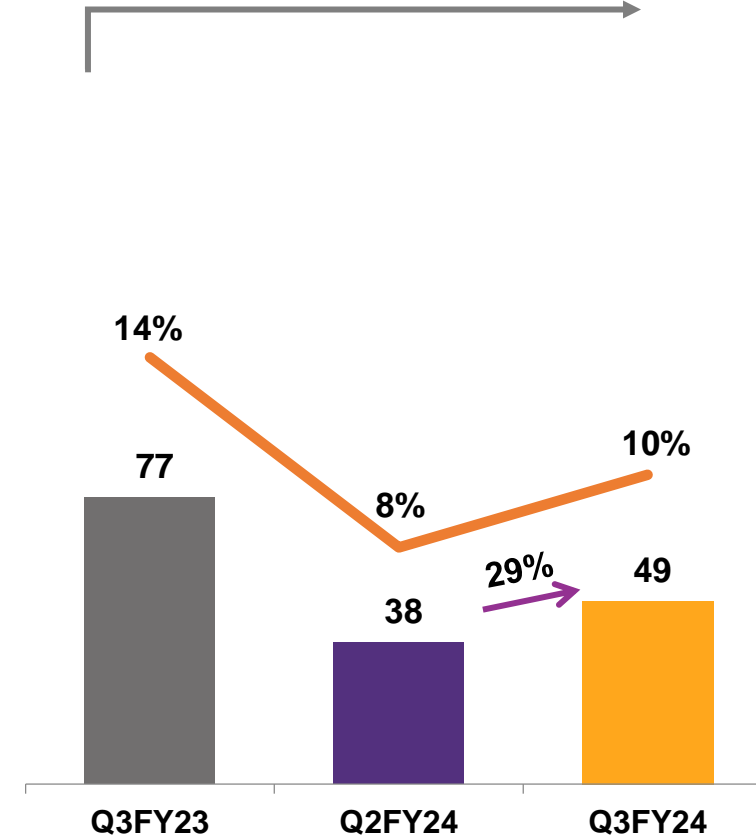
Revenue – YoY Growth: -12%



EBIDTA – YoY Growth: -26%



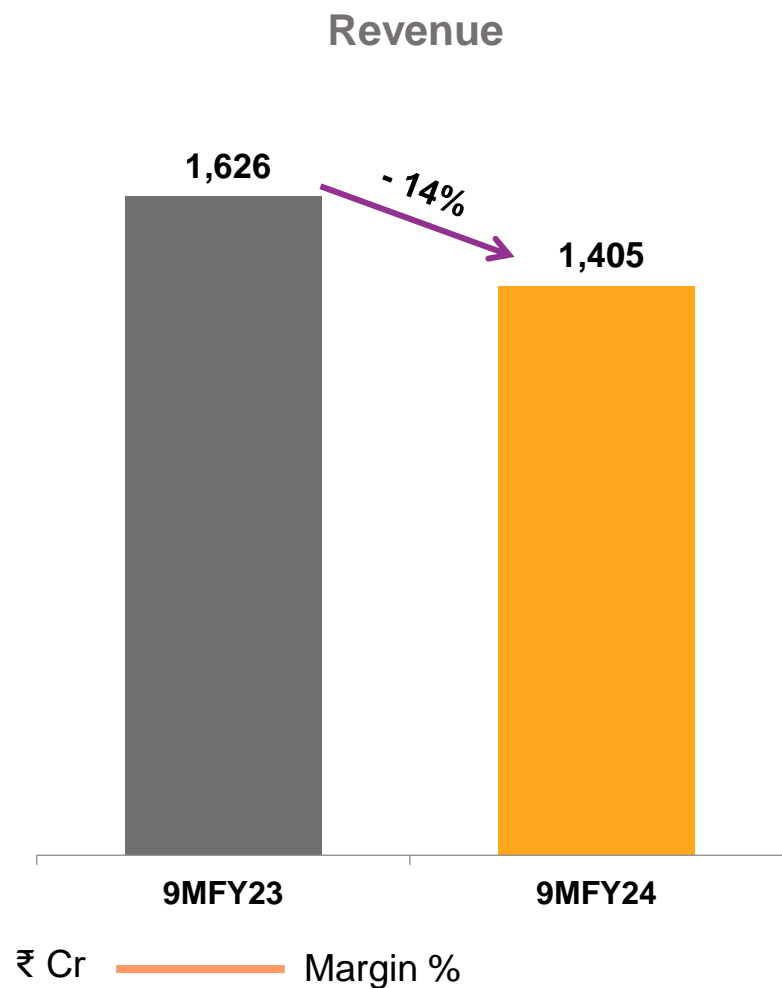
PAT – YoY Growth: -36%



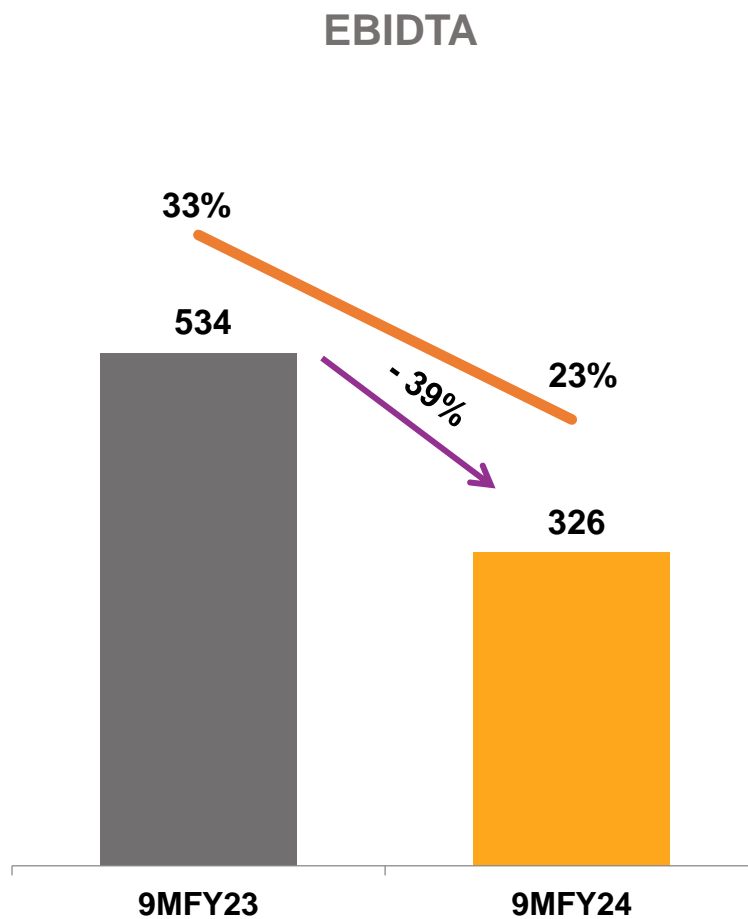
₹ Cr ——— Margin -%

# 9MFY24 Financial Highlights

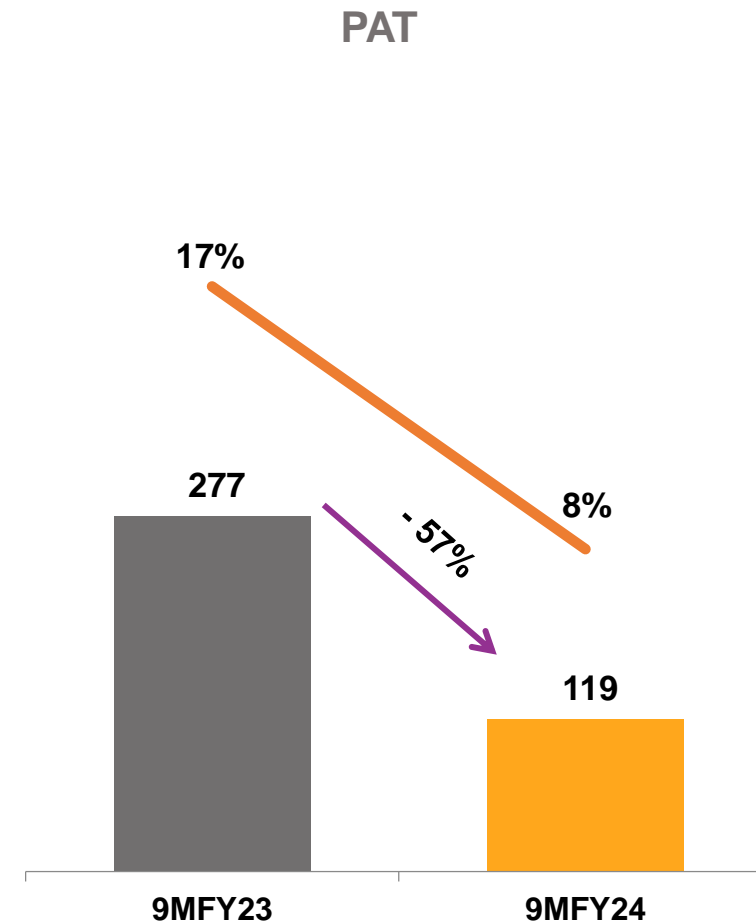
## Revenue



## EBIDTA

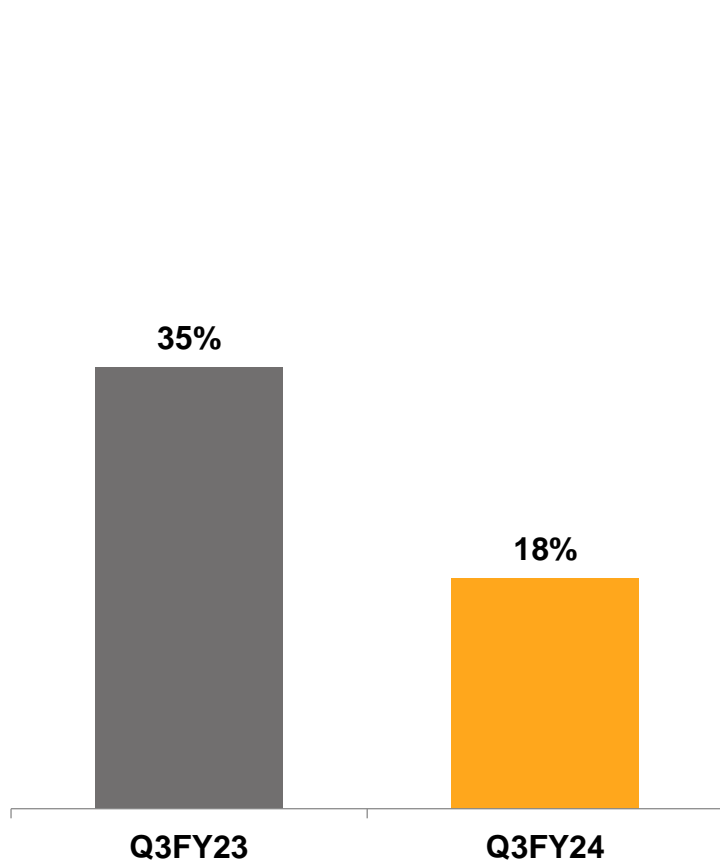


## PAT

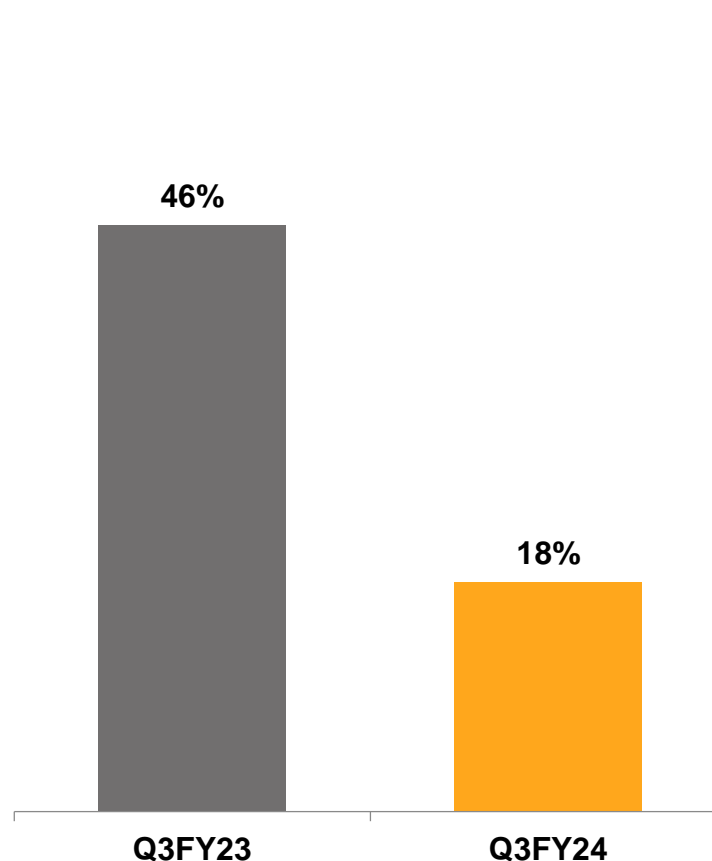


## Key ratios as on 31<sup>st</sup> December 2023

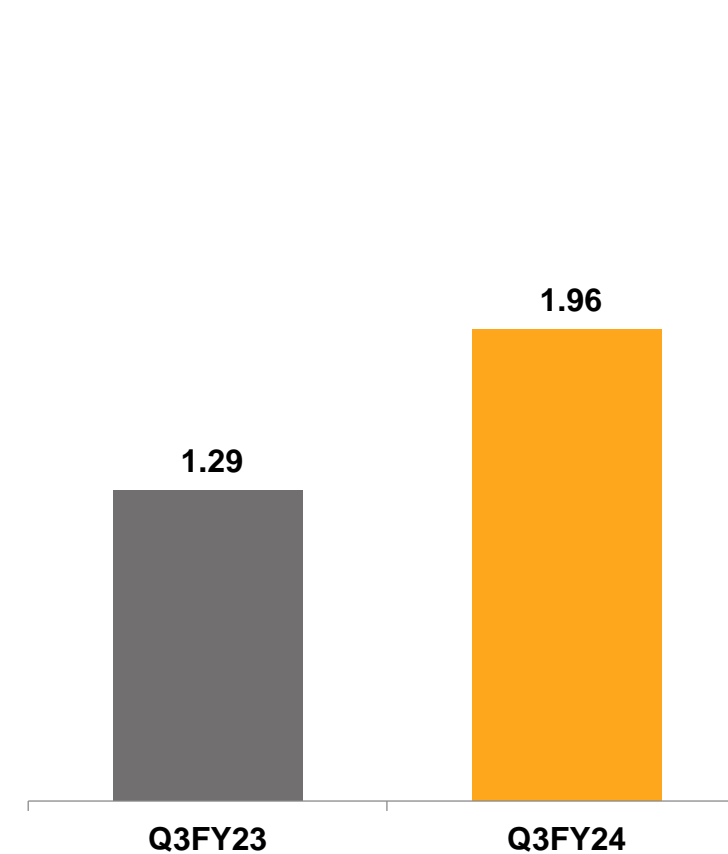
ROCE (%)\*



ROE (%)\*



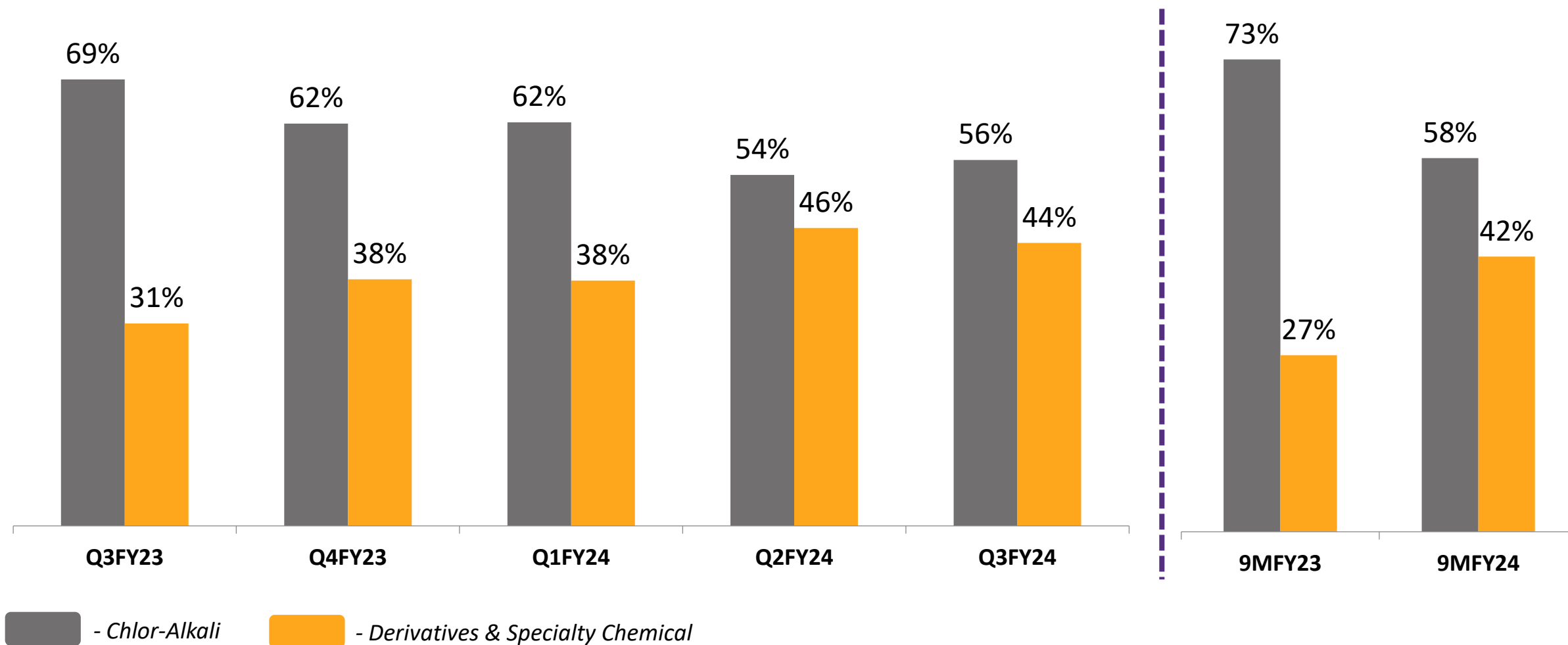
Net Debt/EBITDA (x)\*



\*TTM EBIT, PAT and EBITDA are considered for above ratios

\*\*Capital employed in ROCE includes Capital Work in Progress

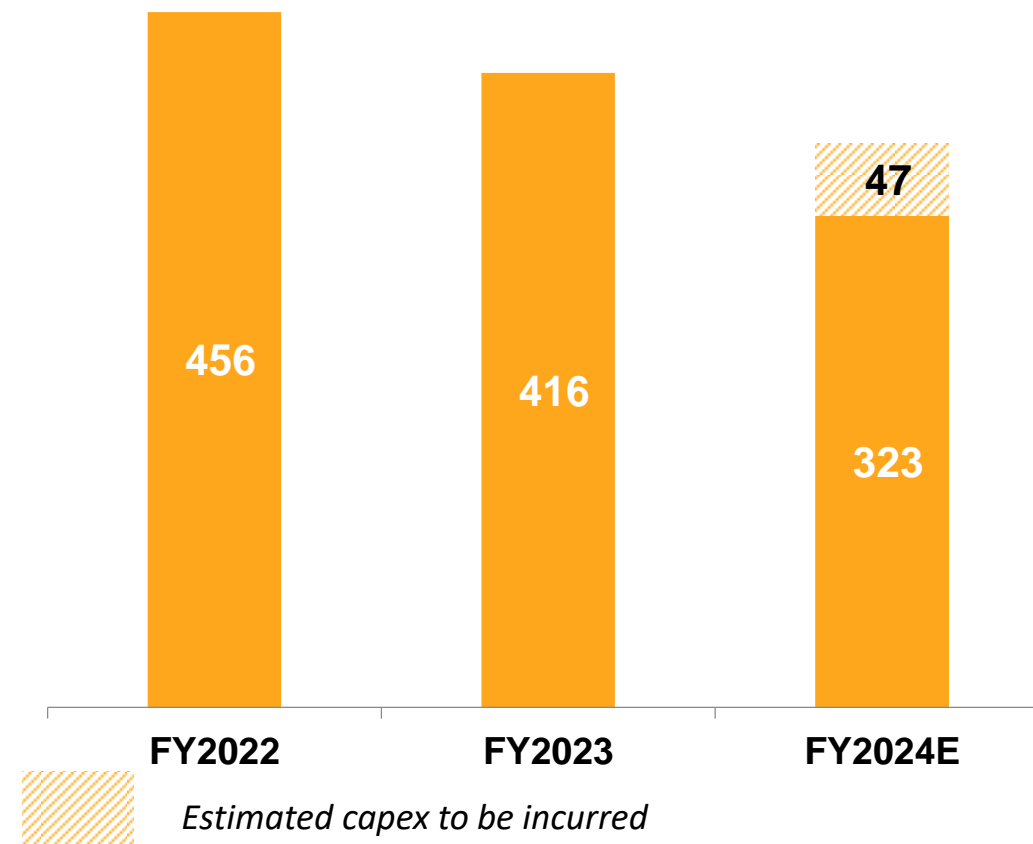
## Revenue Transition towards Derivatives & Specialty Chemicals



## Project Update as on 31<sup>st</sup> December 2023

Product	Capacity	Expected Commissioning Date	% of project completed
Chlorotoluene & its value chain	-	Q4FY24	85%
CPVC Resin (Additional)	45 KTPA	Q4FY24	90%
CPVC Compound	35 KTPA	Q4FY24	60%

### Capex Spends - ₹ Cr



## Focused on ESG

### ENVIRONMENT



- Focused on using **best technology** to manage critical resources, to moderate the consumption of energy and natural resources and drive operations efficiently
- Focus is to manufacture more from less, basis for environment responsibility
- **Entered in JV to set up 18.34 MW Wind-Solar Hybrid Power Plant for internal consumption**
- Intend is to minimize effluents discharge while moderating water consumption
- **First company to produce sustainable bio-based Epichlorohydrin**
- **Safety protocols imbining in the culture** of the company and timely management review safety systems with quantified leading and lagging indicators

### SOCIAL RESPONSIBILITY



- **Employees** – Investment in culture of excellence, timely training, scope for growth, talent investment, extensive safety provisions and supporting financially and mentally in difficult times
- **Community** – Engaged community around manufacturing plant. Supporting them in difficult times. Deeply rooted CSR in the area of education, health & family welfare, sustainable livelihood, infrastructure and other social activities
- **Customers and vendors** – Strong and long relation with customers and vendors. Over a period built on ecosystem of vendors and primary customers

### GOVERNANCE



- Qualified and experienced board driving strategic decisions, ethics and values
- Focus on managing the business in transparent manner with all stakeholders
- All the strategic decisions are taken considering interest of minority shareholders
- Reputed statutory auditor – SRBC & Co LLP
- Timely disclosure of material announcements



## Income Statement

Particulars (₹ Cr)	Q3FY24	Q3FY23	YoY % Change	Q2FY24	QoQ % Change
Total Revenue	474	538	-12%	479	-1%
<b>Gross Profit</b>	194	231	-16%	176	10%
<b>Gross Margin (%)</b>	<b>41%</b>	<b>43%</b>		<b>37%</b>	
<b>EBITDA</b>	123	167	-26%	108	14%
<b>EBITDA Margin (%)</b>	<b>26%</b>	<b>31%</b>		<b>23%</b>	
Depreciation	31	31	0%	32	-2%
Finance Cost	20	21	-4%	21	-5%
PBT	74	114	-35%	56	32%
<b>PAT</b>	49	77	-36%	38	29%
<b>PAT Margin (%)</b>	<b>10%</b>	<b>14%</b>		<b>8%</b>	
EPS (₹)	<b>11.9</b>	<b>18.6</b>	<b>-36%</b>	<b>9.2</b>	<b>29%</b>

## Historic Income Statement

Particulars (₹ Cr)	FY19	FY20	FY21	FY22	FY23
Total Revenue	720	613	831	1,555	2,196
<b>Gross Profit</b>	431	300	407	716	951
<b>Gross Margin (%)</b>	<b>61%</b>	<b>49%</b>	<b>49%</b>	<b>46%</b>	<b>43%</b>
<b>EBITDA</b>	312	194	261	509	689
<b>EBITDA Margin (%)</b>	<b>44%</b>	<b>32%</b>	<b>32%</b>	<b>33%</b>	<b>31%</b>
Depreciation	54	44	74	86	109
Finance Cost	25	11	29	44	66
<b>PBT</b>	242	141	161	383	523
<b>PAT</b>	<b>183</b>	<b>112</b>	<b>101</b>	<b>253</b>	<b>353</b>
<b>PAT Margin (%)</b>	<b>25%</b>	<b>18%</b>	<b>12%</b>	<b>16%</b>	<b>16%</b>
EPS (₹)	<b>25.1</b>	<b>27.0</b>	<b>24.3</b>	<b>60.8</b>	<b>85.0</b>



## Historic Balance Sheet

Assets (₹ Cr)	FY22	FY23	H1FY24	Liabilities (₹ Cr)	FY22	FY23	H1FY24
Fixed Assets	1,657	1,962	2,156	Share Capital	42	42	42
Financial Assets	8	28	28	Reserves & Surplus	684	1,028	1,087
Other Non-current Assets	11	23	26	Long-Term Borrowings	557	435	432
Inventories	154	212	197	Redeemable Preference Shares	211	110	110
Trade Receivables	256	166	191	Other Non-current Liabilities	97	171	185
Cash & Bank Balances	25	15	12	Short Term Borrowings	221	332	427
Loans & Advances	0	0	0	Trade Payables	88	110	140
Other Current Assets	11	26	38	Other Current Liabilities	223	205	226
				Short Term Provisions	0	0	0
<b>Total</b>	<b>2,124</b>	<b>2,432</b>	<b>2,649</b>	<b>Total</b>	<b>2,124</b>	<b>2,432</b>	<b>2,649</b>

# EPIGRAL

Enhance to Exceed

Epigral Ltd (formerly known as Meghmani Finechem Ltd), incorporated in 2007, is a leading integrated manufacturer of chemicals in India. The company has state of the art manufacturing facilities in Gujarat, Dahej – a leading PCPIR region in the country. Epigral's Dahej facility is a backward and forward integrated and automated complex with a well-established infrastructure and Captive Power Plants. In India, Epigral is the 1<sup>st</sup> to set up an Epichlorohydrin plant and largest capacity plant of CPVC Resin. Epigral is India's 4th largest manufacturer of Caustic Soda, Chlorine and Hydrogen and a leading manufacturer of Caustic Potash, Chloromethanes and Hydrogen Peroxide.

Epigral is strengthening its position in the specialty chemical segment by expanding CPVC Resin capacity to 75,000 TPA, setting up CPVC Compound capacity of 35,000 TPA, entering into Chlorotoluene & value chain and setting up R&D centre. The company is focused on sustainable value creation for all its stakeholders and has been awarded with the Responsible Care certificate.

## For further information

Please log on to website - [www.epigral.com](http://www.epigral.com)

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## **Corporate Office**

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Gujarat, India

## **Manufacturing Site**

CH/1 and CH/2, GIDC Industrial Estate, Dahej,  
Tal. Vagra, Dist. Bharuch – 392130,  
Gujarat, India