



May 25, 2022

The National Stock Exchange of India Ltd. Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	BSE Limited Department of Corporate Services Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Company Symbol: DHARAMSI	Scrip Code : 506405

Sub: Investor Presentation for Q4FY22 & FY22.

Dear Sir/Madam,

Pursuant to Regulation 30(6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we are enclosing herewith Investor Presentation on the Company's Financial Performance of Q4FY22 & FY22.

The said presentation will also be made available at the website of the Company at <https://www.dmcc.com→Investor→Announcements→Analyst-Investor-Meets→Investor Presentations>

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

Thanking you,

For The Dharamsi Morarji Chemical Company Limited

Omkar Mhamunkar
Company Secretary & Compliance Officer
ICSI Membership No. ACS 26645

Encl : As Above

CIN NUMBER: L24110MH1919PLC000564

INVESTORS PRESENTATION
(MAY 2022)

BSE - DHARAMSI /506405
NSE - DHARAMSI
BLOOMBERG - DMCC:IN

The Dharamsi

MORARJI CHEMICAL CO. LIMITED

100+ YEARS OF EXPERTISE IN SULPHUR CHEMISTRY



Safe Harbour



This investor presentation has been prepared by The Dharamsi Morarji Chemicals Company Limited (“DMCC”) and does not constitute a prospectus or placement memorandum or an offer to acquire any securities. This presentation or any other documentation or information (or any part thereof) delivered or supplied should not be deemed to constitute an offer. No representation or warranty, express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information contained in this presentation is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements”, including those relating to the general business plans and strategy of DMCC, its future financial condition and growth prospects, future developments in its industry and its competitive and regulatory environment, and statements which contain words or phrases such as ‘will’, ‘expected to’, ‘horizons of growth’, ‘strong growth prospects’, etc., or similar expressions or variations of such expressions. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. DMCC may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. This presentation cannot be copied and disseminated in any manner.

Inside this Presentation

Q4FY22 HIGHLIGHTS 04

ABOUT THE COMPANY 11

SUSTAINABILITY 26

INVESTMENT MERITS 29

FINANCIAL HIGHLIGHTS 32



Q4 & FY22 HIGHLIGHTS

SUMMARY OF PROFIT AND LOSS STATEMENT	05
SUMMARY OF BALANCE SHEET	07
SUMMARY OF CASH FLOW STATEMENT	08
MANAGEMENT COMMENTARY	09
UPDATES ON CAPEX	10

Financial Statement Summary

(CONSOLIDATED P&L STATEMENT)

PARTICULAR	Q4 FY21	Q3 FY22	₹ IN CRORE		
			Q4 FY22	Q-o-Q	Y-o-Y
Revenue from Operations	63.89	81.48	101.64	24.74%	59.09%
Total Income	64.28	81.74	104.77	28.17%	62.99%
Total Operating Expense	53.50	70.05	91.09	30.04%	70.26%
EBITDA (Including OI)	10.78	11.69	13.68	17.02%	26.90%
EBITDA Margin %	16.88%	14.35%	13.46%	(89) bps	(341) bps
Interest Cost	0.37	0.83	1.85	122.89%	400.00%
Depreciation and Amortisation	1.76	1.83	2.63	43.72%	49.43%
Profit Before Taxes	8.65	9.03	9.20	1.88%	6.36%
Profit After Taxes	10.76	6.44	3.72	(42.24)%	(65.43)%


[CLICK HERE to view the financial Results](#)

CONSOLIDATED REVENUE

₹ IN CRORE

101.6 **59%**
Y-O-Y

Robust growth in topline driven by higher realization and volumes

CONSOLIDATED EBITDA

₹ IN CRORE

13.7 **27%**
Y-O-Y

Growth in absolute EBITDA on back of higher realization and volumes

CONSOLIDATED PBT

₹ IN CRORE

9.2 **6%**
Y-O-Y

Moderate growth in PBT despite a challenging operating environment

Financial Statement Summary

(CONSOLIDATED P&L STATEMENT)

PARTICULAR	₹ IN CRORE		
	FY21	FY22	Y-o-Y
Revenue from Operations	200.15	326.30	63.03%
Total Income	207.93	332.36	59.84%
Total Operating Expense	164.66	286.27	73.86%
EBITDA (Including OI)	43.27	46.09	6.52%
EBITDA Margin %	21.62%	14.13%	(749) bps
Interest Cost	2.40	3.89	62.08%
Depreciation and Amortisation	6.83	8.06	18.01%
Profit Before Taxes	34.04	34.14	0.29%
Profit After Taxes	32.58	21.34	(34.50)%

→ [CLICK HERE](#) to view the financial Results

CONSOLIDATED REVENUE

₹ IN CRORE

326.3 **63%**
Y-O-Y

Robust growth in topline driven by higher realization and volumes

CONSOLIDATED EBITDA

₹ IN CRORE

46.1 **7%**
Y-O-Y

Growth in absolute EBITDA on back of higher realization and volumes

CONSOLIDATED PBT

₹ IN CRORE

34.1 **0.2%**
Y-O-Y

Moderate growth in PBT despite a challenging operating environment

Financial Statement Summary

(CONSOLIDATED BALANCE SHEET)

PARTICULAR	₹ IN CRORE	
	AS ON 31 ST MARCH 2021	AS ON 31 ST MARCH 2022
Shareholders Fund	173.19	193.62
Non-Current Liability	21.85	58.26
Current Liability	68.67	131.81
Total	263.71	383.69
Non-Current Assets	148.56	257.26
Current Assets	115.15	126.43
Total	263.71	383.69

→ [CLICK HERE](#) to view the financial Results

BORROWINGS

₹ IN CRORE

78

Increase in LT & ST borrowings to fund the ongoing capex and working capital requirements

INVESTMENT IN PPE

₹ IN CRORE

98

Capital expenditure for ongoing bulk and specialty chemicals at Roha and Dahej

RECEIVABLES

₹ IN CRORE

50

Primarily due to increase in price of finished goods.

Financial Statement Summary

(CONSOLIDATED CASH FLOW STATEMENT)

₹ IN CRORE

PARTICULAR	AS ON 31 ST MARCH 2021	AS ON 31 ST MARCH 2022
Cash Flow from Operating Activities	32.25	50.66
Cash Flow from Investing Activities	(39.66)	(98.41)
Cash Flow from Financing Activities	3.02	46.11
Net Increase/ decrease in cash and cash equivalents	(4.39)	(1.65)
Cash and cash Equivalents at the beginning of year	8.31	3.92
Cash and cash equivalents at the end of the year	3.92	2.27



[CLICK HERE](#) to view the financial Results

Management Remarks



Mr. Bimal L Goculdas
MD & CEO



I am delighted to report to you on our performance in FY22. The fiscal year of 22 was an interesting one for Dharamsi. While operationally confronted with significant raw material cost inflation and other logistical challenges, we remained resolute in our pursuit of expanding our operations and transforming ourselves into a preferred speciality chemicals partner in the sulphur chemistry market.

While our performance optically appears somewhat lacklustre, I would like to draw your attention to two critical facts:

- We have consistently passed on the raw material price rise to our customers with a quarterly lag; but, when the price increase is sustained and consistently higher than the preceding quarter, the quarterly margins appear depressed and do not correctly reflect the business's true strengths.

- Considering the MAT credit and one-time profit from the sale of the Khemli unit in 2021, we have been able to maintain the same level of profitability as the previous year despite far more adverse situations.

We believe we may be witnessing the peak in the raw material pricing, and slowly and gradually, things should start reverting to the mean. For instance, the price of sulphur increased by nearly threefold in the past year, while other essential raw materials such as benzene also increased twofold. Consequently, while greater realisations drove the majority of our top-line growth, we also increased our volumes. In FY22, we also recorded our highest-ever operating cash flow. During the year, we continued to face raw material availability challenges in our Boron business. However, we are presently observing some improvement in the situation and foresee the availability improving in the upcoming quarters.

With the completion of our CAPEX in FY23, we should achieve volume-driven growth. The demand outlook remains robust, and we are confident that we will record a strong operating performance in the times to come.

Q4FY22 EXPORT REVENUES IN %

24%

Q4FY22 DOMESTIC REVENUES IN %

76%

Q4FY22 SALE OF SPECIALITY CHEMICALS IN %

49%

Q4FY22 SALE OF BULK CHEMICALS IN %

51%

Update on Capex

DEBOTTLENECKING AT ROHA	MULTIPURPOSE PLANTS AT DAHEJ	BULK CHEMICALS AT DAHEJ	SPECIALTY CHEMICALS AT DAHEJ	INTERMEDIATES PLANT AT DAHEJ
The company has invested ~₹ 10 crores on this project.	The company has invested ~₹ 10 crores in 2 multipurpose plants at the Dahej facility.	The company will be investing ₹ 50 crores in adding incremental capacity in bulk chemicals segment.	The company will invest ₹ 20 Crores in a dedicated plant at Dahej facility.	The company will invest ₹ 20 crores for expansion to manufacture intermediates for pharmaceutical and agrochemical industry.
↓ ~₹ 10 crores	↓ ~₹ 10 crores	↓ ₹ 50 crores	↓ ₹ 20 crores	↓ ₹ 20 crores
COMPLETE	COMPLETE	COMPLETE	THE PLANT IS EXPECTED TO BEGIN COMMERCIAL PRODUCTION BY Q1FY23	THIS PROJECT IS EXPECTED TO COMPLETE BY Q1FY23
<i>Commercial production has started</i>	<i>The Commercial production has started</i>	<i>The Commercial production has started and we expect to ramp up the production to optimum utilisations by the end of Q1FY23</i>	<i>The company will use this facility for manufacturing products under contract. The products to be manufactured and other details remain confidential as the company has signed an NDA</i>	<i>The company had earlier decided to invest this amount in Sulfores. However with a downturn in the international markets for the product category, the plan has been put on hold</i>

About the COMPANY

COMPANY AT A GLANCE 12

JOURNEY 13

MANAGEMENT TEAM 14

BOARD OF DIRECTORS 16

PRODUCT PORTFOLIO 18

CLIENTELE 19

GLOBAL FOOTPRINT 20

MANUFACTURING INFRASTRUCTURE 21

FOCUS ON R&D 23

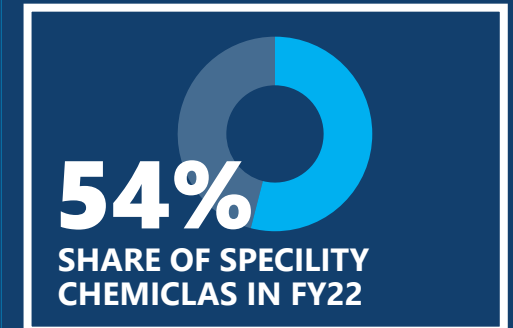
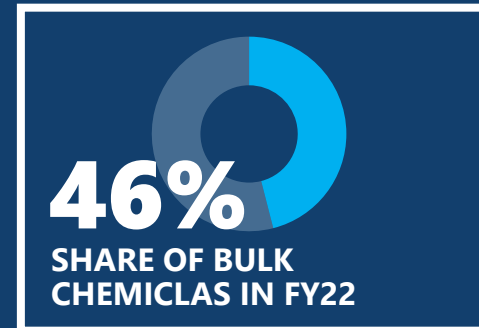
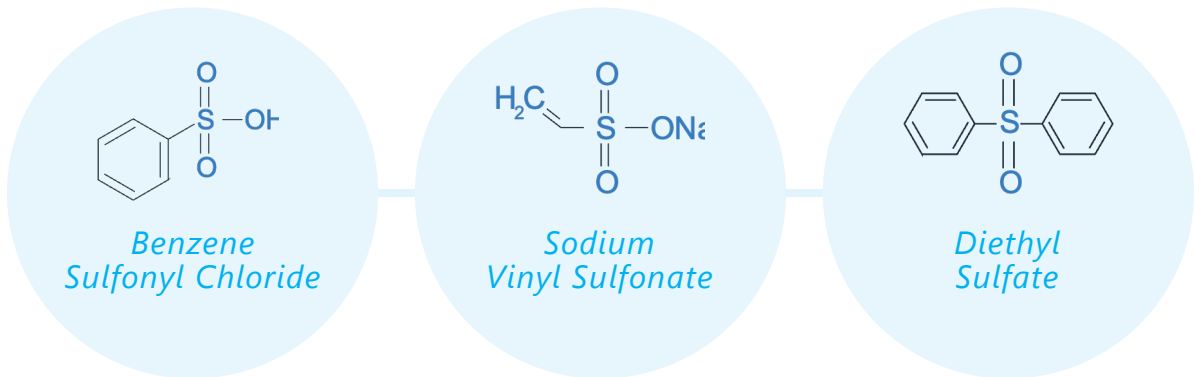
AWARDS AND ACCOLADES 25

Company at a Glance



Incorporated in 1919, DMCC was the first producer of Sulphuric Acid & Phosphate Fertilizers in the country. Predominantly known for Single Superphosphate (fertilizer) for almost entirety of its life, DMCC currently is a fully-integrated specialty chemical player in Sulphur, Boron and Ethanol chemistry.

Globally Relevant Manufacturers of



Evolution of DMCC

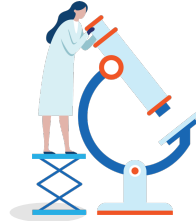
01



Focus on Fertilizer Business

- Incorporated in the year 1919, commenced operations as a manufacturer of Sulphuric Acid and Single Superphosphate Fertilizers.
- For majority of its existence, the company focused on the fertilizer business, which at point contributed ~ 75% of the revenues.
- The government policy on SSP, market conditions and unexpected delays in subsidy distribution by the central government caused financial strain and losses beginning in the year 2000.

02



Restructuring and Transition Timeframe 2007-2011

- In 2009 the company decided to exit the fertilizer business (highly dependent on Govt. policy) and undergo restructuring.
- The company shifted its focus to the Sulphur chemicals business, and its downstream products.
- A shift in vision and strategy – focus on specialty chemicals with niche expertise and become a globally relevant manufacturer for the same.
- Decided to deploy incremental funds primarily towards expanding specialty chemicals segment.

03



Focus on Specialty Chemicals

- With a strong focus on research and development, the company is actively working to expand its product portfolio in the specialty chemicals segment.
- Focusing only on Chemicals where the company envisages an operating margin of 30% + and a payback period of no more than 3 years.
- To expand its capacity in the specialty chemicals segment the company planned a capital expenditure at the available land parcel in Dahej.

Management Team (1/2)



Mr. Bimal L Goculdas
MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER

Mr. Bimal Goculdas heads the management team and is responsible for overall performance. He is a Chemical Engineer with postgraduate qualifications from the USA and has two decades of work experience in India and the USA. He has been associated with the Company, holding various senior management positions, for over 21 years and has handled production, technology, supply chain management, marketing both domestic & export and finance.



Mr. Dilip T. Gokhale
EXECUTIVE DIRECTOR

Mr. Dilip T. Gokhale is a B. Com, LLB, CAIIB, FCS and has work experience of more than 33 years. Mr. Gokhale is handling various diversified activities like. Secretarial, legal, Corporate Governance, Finance, HR & Administration, Insurance and Internal Audit etc.

He is ably supported by Mr. Anilkumar Pillai, Manager Internal Audit & Corporate Affairs.



Mr. Ashok R. Nagarch
TECHNICAL ADVISOR TO
MD & CEO

Mr. Ashok R. Nagarch, Technical Advisor to MD and CEO, heads the Research & Development team. He has nearly four decades of experience in Sulphur chemistry.



Mr. Shirish Pandit
SR. VICE PRESIDENT –
PROJECTS

Mr. Shirish Pandit, heads the Project Division at DMCC. He is B.sc in Chemistry from Mumbai University & AMIChE (Associate Member of Indian Institute of Chemical Engineers.) He has 43 years of experience in plant operation management, factory operation management and project management.

Management Team (2/2)



Mr. S. N. Jadhav
VICE PRESIDENT –
OPERATIONS

Mr. S. N. Jadhav heads the Roha unit. He is a postgraduate in Inorganic Chemistry with nearly three decades of experience in chemical industries with main focus on sulphur-based chemicals.



Mr. Kuldeep Kumar Tiwari
WORKS MANAGER

Mr. Kuldeep Kumar Tiwari heads the Dahej Unit. He is a Science Graduate with nearly 24 years experience of project and operations in sulphuric Acid Industry in India and Abroad.



Mr. Chirag Jaswant Shah
CHIEF FINANCE OFFICER

Mr. Chirag Jaswant Shah holds a B.Com. and Chartered Accountant degree and has experience of more than two decades. He is responsible for the finance and accounting functions of DMCC. He has in-depth knowledge of Finance, Accounts, Strategic Planning, Merger & Acquisition, Treasury, Insurance and Risk, and ERP Implementations. He is ably supported by Mr. S.R. Mohite – General Manager Accounts and Taxation.



Mr. Omkar Mhamunkar
COMPANY SECRETARY
AND COMPLIANCE OFFICER

Mr. Omkar Mhamunkar is a Commerce and Law graduate and Associate Member of the Institute of Company Secretaries of India, New Delhi. He has got over 12 years of experience and is responsible for secretarial, legal compliance and governance functions at DMCC. He is ably supported by Ms. Reshma Shetty - Executive Secretarial.

Mr. Jitesh Doshi
HEADS THE BULK CHEMICALS
DIVISION

Mr. Srinivas Rao
HEADS THE SPECIALITY
CHEMICALS DIVISION

Ms. Vandana Agarwal
HEADS THE INTERNATIONAL
BUSINESS

Board of Directors (1/2)



Mr. Laxmikumar N. Goculdas
CHAIRMAN

Mr. Laxmikumar Narottam Goculdas, Chairman of the Company has about 50+ years' experience in the Industry with wide knowledge of Trade, Commerce, Strategy, Corporate Restructuring, Corporate Affairs, Public Relation, Business Administration and International Trade.



Ms. Mitika L. Goculdas
VICE CHAIRPERSON

Ms. Mitika Laxmikumar Goculdas, is an MBA (Finance) from Pennsylvania State University, USA. She has total work experience of 25 years including her stint as Vice President with Merrill Lynch, both in the USA and Dubai. She has experience in Finance, Industry, and International Trade.



Mrs. Dr. Janaki Patwardhan
NON-EXECUTIVE,
INDEPENDENT

Dr. Janaki Ashwin Patwardhan is a doctorate chemical engineer from Mumbai University Institute of Chemical Technology. She has more than 22 years' of experience in Chemical and Pharmaceutical Industry. She has expertise in Process Engineering, Health and Safety, Plant design and Techno Commercial Feasibility studies, ISO Audit, R&D and has served as an Independent Consultant to various renowned Companies.



Mr. Mukul M. Taly
NON-EXECUTIVE,
INDEPENDENT

Mr. Mukul Manoharlal Taly is B.Sc., L.L.M practicing over 38 years as Senior in S. Mahomedbhai & Co., Advocate & Solicitors, High Court, Mumbai. He has been a Gold Medallist (1st in the University of Mumbai in LLB) in the year 1983. He has wide experience in litigation, Legal, Compliance and Governance, Taxation, Insurance, Foreign Trade, Risk Management, Strategy, Finance, International Business, Corporate Restructuring, Due Diligence.

Board of Directors (2/2)



Mr. Madhu T. Ankleshwaria
NON-EXECUTIVE,
INDEPENDENT

Mr. Madhu Thakorlal Ankleshwaria is a B.Com.(Hons), F.C.A. and Practicing Chartered Accountant for over three decades. He has in-depth knowledge in Finance and Accounting, Auditing, Internal Audit, Taxation, Foreign Trade, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.



Mr. Sanjeev V. Joshi
NON-EXECUTIVE,
INDEPENDENT

Mr. Sanjeev Vishwanath Joshi is a B.Com, F.C.A and a practicing Chartered Accountant for over 35 years. Shri Sanjeev Vishwanath Joshi has in-depth knowledge in Finance and Accounting, Auditing, Internal Audit, Insurance, Foreign Trade, Taxation, Financial Management, Risk Management, Corporate Restructuring, Due Diligence, Corporate Governance and Strategy.



Mr. Dilip T. Gokhale
EXECUTIVE DIRECTOR

Mr. Dilip T. Gokhale is a B. Com, LLB, CAIIB, FCS and has work experience of more than 33 years. Mr. Gokhale is handling various diversified activities like. Secretarial, legal, Corporate Governance, Finance, HR & Administration, Insurance and Internal Audit etc. He is ably supported by Mr. Anilkumar Pillai, Manager Internal Audit & Corporate Affairs.



Mr. Bimal Goculdas
MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER

Mr. Bimal Goculdas heads the management team and is responsible for overall performance. He is a Chemical Engineer with postgraduate. Qualifications from the USA and has two decades of work experience in India and the USA. He has been associated with the Company, holding various senior management positions, for over 21 years and has handled production, technology, supply chain management, marketing both domestic & export and finance.

Product Portfolio

	BULK CHEMICALS	SPECIALITY CHEMICALS	PRODUCT FROM BORON CHEMISTRY
ABOUT	The company is one of the oldest manufacturers of Sulphuric acid in the country. These products are sold domestically, within a limited radius from the manufacturing site. Almost 50% of the production is sold off in the markets and rest is consumed captively.	The sulfonating agents manufactured by the company are reacted with organic substrates like Phenol, Benzene, and Methanol to get down stream products. 65-70% of these products are exported. The company is backward integrated into this process.	Boron Chemistry is handled by Borax Morarji. The company is working to add downstream products in Boron Chemistry as well.
KEY PRODUCTS	<ul style="list-style-type: none"> • Sulphuric Acid • Sulphuric Anhydride • Oleum • Chloro Sulphonic Acid 	BENZENE SULFONYL CHLORIDE <ul style="list-style-type: none"> • Benzene Sulfonic Acid • Phenol Sulfonic Acid • Sodium Benzene Sulfonate • Sodium Phenol Sulfonate • Menthyl Lactate • Thiophenol • Lasamide • Diethyl Sulfate • Diphenyl Sulfone • Sodium Vinyl Sulfonate 	<ul style="list-style-type: none"> • Boric Acid • Borax Pentahydrate • Borax Decahydrate • Trimethyl Borate • Zinc Borate
APPLICATION	<ul style="list-style-type: none"> • <i>Detergents</i> • <i>Dyes</i> • <i>Fertilizers, etc.</i> 	<ul style="list-style-type: none"> • <i>Agro-chemicals</i> • <i>Detergents</i> • <i>Dyes</i> • <i>Pigments</i> • <i>Pharmaceuticals</i> • <i>Cosmetics, etc.</i> 	<ul style="list-style-type: none"> • <i>Thermal Power Stations</i> • <i>Detergents</i> • <i>Ceramic & Tiles Industries</i> • <i>Steel Industries</i> • <i>Electroplating, etc.</i>

Our Clientele

 <p>Alkyl Amines Chemicals Limited</p>	 <p>apcotex industries limited AN ISO 9001 : 2008, ISO 14001 : 2004 & OHSAS 18001 : 2007 CERTIFIED COMPANY</p>	 <p>ARKEMA INNOVATIVE CHEMISTRY</p>	 <p>AUROBINDO Committed to healthier life!</p>	 <p>BASF We create chemistry</p>	
 <p>DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED</p>	 <p>DEEPAK NITRITE</p>	 <p>DOW</p>	 <p>ipca A dose of life</p>	 <p>EXCEL</p>	 <p>Hansol Paper</p>
 <p>HETERO</p>	 <p>LANXESS Energizing Chemistry</p>	 <p>MANGALAM MANGALAM DRUGS & ORGANICS LIMITED (AN ISO 9001 & WHO - GMP COMPANY)</p>	 <p>MEGHMANI An Essence of Excellence...</p>	 <p>MITSUBISHI CHEMICAL</p>	 <p>Pidilite</p>
 <p>VINATI ORGANICS LIMITED</p>	 <p>ROHM AND HAAS</p>	 <p>saltigo customized competence</p>	 <p>SOLVAY asking more from chemistry®</p>	 <p>WEYL CHEM Better chemistry – achieving more.</p>	 <p>UNICHEM LABORATORIES LTD.</p>

Global Footprint



TOTAL REVENUE DERIVED FROM EXPORTS

27.0%

North America

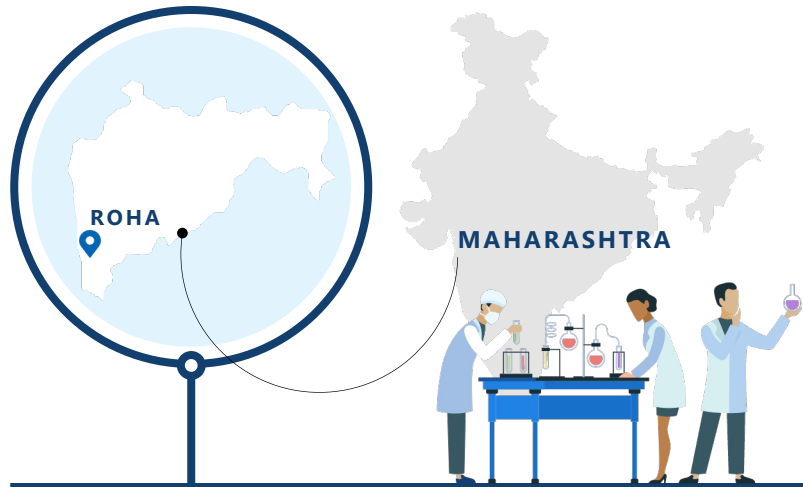
South America

Europe

Asia



Manufacturing Facility - Roha Site



SETUP IN
1978

IN-HOUSE R&D CENTER AT SITE
R&D CENTER

TEAM STRENGTH
266

TOTAL AREA AVAILABLE FOR
EXPANSION
25%

SITUATED ON A
88,355 sq. mt. plot

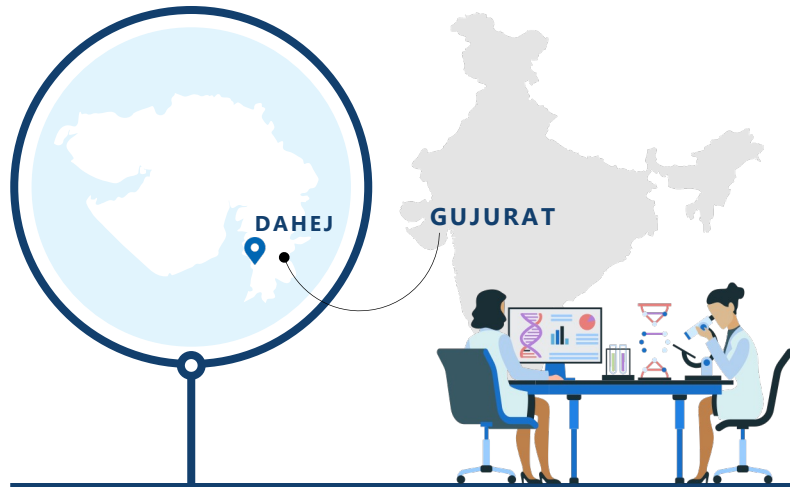
PRODUCT CATEGORY:
Sulphur Chemistry

EQUIPPED WITH 10 DEDICATED AS WELL AS
3 MULTI-PURPOSE PLANTS
10+3

CAPACITY TO PRODUCE SULPHURIC ACID
300 MT/day

WASTE EFFLUENT TREATMENT FACILITY
AVAILABLE
ZLD + STP

Manufacturing Facility - Dahej Site



SETUP IN
2013

TEAM STRENGTH
125

ACQUIRED THROUGH AMALGAMATION OF
BORAX MORARJI LIMITED

In 2016

TOTAL AREA AVAILABLE FOR FURTHER
EXPANSION AFTER COMPLETING OF
UPCOMING CAPEX

50%

SITUATED ON A
1,03,327 sq. mt. plot

With unutilized land available for further
development

PRODUCT CATEGORY:
**Boron and Sulphur
Chemistry**

EQUIPPED WITH 08 DEDICATED AS WELL AS
02 MULTI-PURPOSE PLANTS

8+2

WASTE EFFLUENT TREATMENT FACILITY
AVAILABLE WITH PLANS FOR

ZLD



Focus on R&D (1/2)



The company has in-house R&D centre at its manufacturing facility in Roha, with key focus on process improvement (for existing products) and new process development (for product additions).



IN HOUSE ENGINEERING SERVICES TEAM

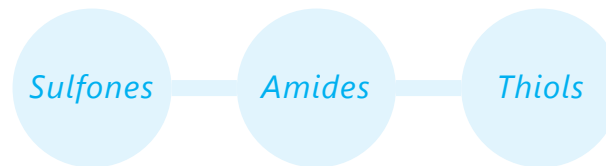
R&D team is strongly supported by in house engineering services team to ensure timely implementation of new products on commercial scale.



RECOGNISED BY

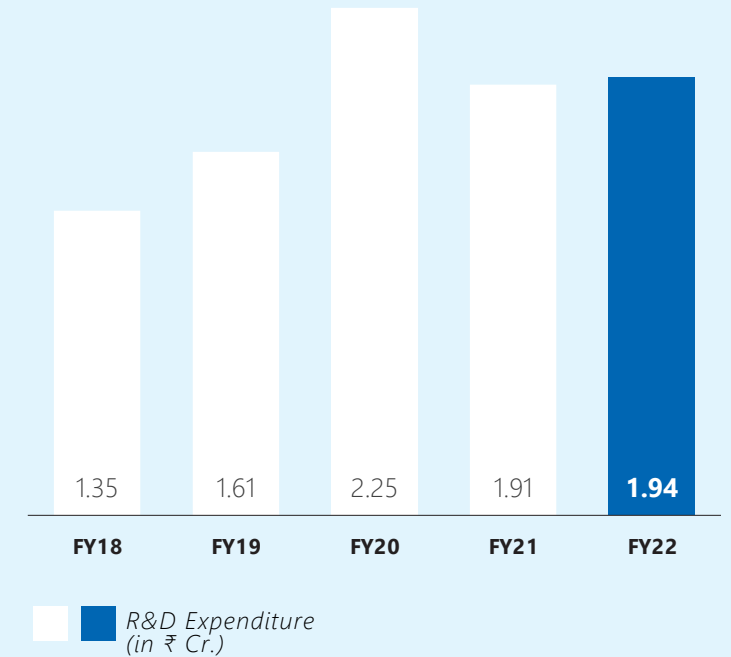
Department of Scientific and Industrial Research

PRODUCTS UNDER PIPELINE



ALL PRODUCTS ARE BASED ON
Internally Developed Processes

R&D EXPENDITURE



PRODUCT CATEGORY



CURRENTLY PUT ON HOLD

The company had earlier decided to expand capacities in Sulfones. However, with a downturn in the international markets for the product category, the plan has been put on hold

Focus on R&D (2/2)



Sustainability



SUSTAINABILITY INITIATIVES

27

Sustainability Approach

The company takes pride in maintaining a healthy relationship with the environment. It extends its responsibility to society with an increasing focus on sustainable development. The company strongly believes –



"being environmentally conscious is the only long-term winning strategy."



Sustainable Sites

- Green Cover at all factory sites
- Zero liquid Discharge
- 80% of energy requirement being met through non-conventional resources



Sustainable Suppliers

-  **TOGETHER FOR SUSTAINABILITY**
Joint initiative of International chemical companies for sustainable supply chains
-  **Responsible Care®**
OUR COMMITMENT TO SUSTAINABILITY
A voluntary commitment by global chemical industry to drive improvement in environment health and safety



Sustainable Product Portfolio

- Systematic evaluation of the sustainability of entire product portfolio by applying sustainability criteria in the development of products and processes

Sustainability Approach



Investment

MERITS

COMPETITIVE ADVANTAGES 30

GROWTH DRIVERS 31

Competitive Advantages



FOCUS ON SPECIALTY CHEMICALS

The company through its strong research and development department has been working on products that are individually small in market size but have little or no competition. The company aims to become a globally relevant manufacturer of a variety of these specialty chemicals.



STRATEGIC LOCATIONS

The company has its manufacturing facilities in Gujarat and Maharashtra which are the biggest domestic markets for the company's products. The upcoming facility at Dahej will bring the company closer to its suppliers leading to savings in logistical costs.



BACKWARD INTEGRATED MANUFACTURING OPERATIONS

The company is backward integrated for its specialty chemicals, which makes it a low-cost manufacturer of these products, thus realizing higher margins.



HIGH LEAD TIME

Because of the technical and complex nature of the products, the customer approvals take long periods. However, once the relationship is established, it becomes difficult for the other players to take the market share. Due to its long track record and presence in the markets DMCC enjoys a long-standing relationship with majority of its customers.



R&D LED INNOVATION

Increasing investments for development of new products and processes.



STRONG REGULATORY COMPLIANCES

Because of the hazardous nature of the chemicals involved, environmental clearances are not easy to attain.



HANDLING OF HAZARDOUS CHEMICALS

Sulphuric acid is a hazardous chemical, the manufacturing and handling of the same requires high levels of technical know-how and skill set. DMCC has created along standing track record in sulphur chemistry over its 100-year journey.



LONG-TERM SALES CONTRACTS

Majority of the specialty chemicals sales are under long-term sales contracts, with pass-through clauses (for RM fluctuations) with a lag of one quarter.

Growth Drivers

01



STRATEGIC PORTFOLIO ENHANCEMENT

The company has streamlined its focus towards the specialty chemicals that offer higher and stable margins.

02



ONGOING CAPEX TO ENHANCE GROWTH

Ongoing CAPEX to enhance growth in revenues which will further be aided by increasing margins with the increase in share of specialty products.

03



FIX UNDERPERFORMING BUSINESS

The company is on track to turnaround its loss-making boron segment. The R&D team is also working on launching downstream products from Boron Chemistry.

04



FOCUS ON INNOVATION & ENVIRONMENT

Research on the identification of new products and the development of advance process technology to optimize the utilization of energy and other resources.

Financial HIGHLIGHTS

SUMMARY OF PROFIT AND LOSS STATEMENT	33
SUMMARY OF BALANCE SHEET	34
SUMMARY OF CASH FLOW STATEMENT	35

Financial Statement Summary

(CONSOLIDATED P&L STATEMENT)

PARTICULAR	₹ IN CRORE				
	FY18	FY19	FY20	FY21	FY22
Revenue from Operations	180.76	227.57	187.66	200.15	326.30
Total Income	181.65	228.57	193.90	207.93	332.36
Total operating expense	158.75	175.07	159.85	164.66	286.27
EBITDA	23.78	54.5	34.05	43.27	46.09
EBITDA margin %	13.16%	23.95%	18.14%	21.62%	14.13%
Interest Cost	3.96	2.77	2.03	2.40	3.89
Depreciation and Amortisation	4.19	4.51	6.16	6.83	8.06
Profit Before Taxes	15.63	47.22	25.85	34.04	34.14
Profit After Taxes	12.29	46.14	31.46	32.58	21.34

Financial Statement Summary

(CONSOLIDATED BALANCE SHEET)

PARTICULAR	₹ IN CRORE				
	FY18	FY19	FY20	FY21	FY22
Shareholders Fund	72.77	115.78	144.88	173.19	193.62
Non-Current Liabilities	23.85	19.53	20.22	21.85	58.26
Current Liabilities	57.79	52.96	46.78	68.67	131.81
Total	154.42	188.27	211.88	263.71	383.69
Non-Current Assets	92.17	101.63	112.48	148.56	257.26
Current Assets	62.25	86.64	99.40	115.15	126.43
Total	154.42	188.27	211.88	263.71	383.69

Financial Statement Summary

(CONSOLIDATED CASH FLOW STATEMENT)

PARTICULAR	₹ IN CRORE				
	FY18	FY19	FY20	FY21	FY22
Cash flow from operating Activities	18.36	20.85	27	32.25	50.66
Cash flow from Investing Activities	(9.17)	(12.69)	(16.84)	(39.66)	(98.41)
Cash flow from Financing Activities	(9.05)	(8.13)	(5.66)	3.02	46.11
Net Increase/Decrease in cash and cash Equivalents	0.13	0.03	4.50	(4.39)	(1.65)
Cash and Cash equivalents at the beginning of year	3.65	3.78	3.82	8.31	3.92
Cash and Cash equivalents at the end of year	3.78	3.81	8.31	3.92	2.27

Get in Touch



Mr. Omkar Mhamunkar

COMPANY SECRETARY AND
COMPLIANCE OFFICER

The Dharamsi Morarji Chemical
Co. Limited

omhamunkar@dmcc.com



Mr. Abhishek Mehra

INVESTOR RELATIONS ADVISOR

TIL Advisors

abhishek@theinvestmentlab.in

