



Lords Chloro Alkali Limited

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Date: 26.02.2024

To,
The General Manager,
BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: 500284

To,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra (E)
Mumbai 400051
Scrip Code: LORDSCHLO

Dear Sir,

Sub: Investor Presentation– Q3 FY 24.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) please find attached herewith Investor Presentation for Q3 FY 24.

The same will also be available on the website of the Company at www.lordschloro.com.

This is for your information and record.

Thanking you.

For Lords Chloro Alkali Limited

Madhav Dhir
Director
DIN: 07227587

Encl: A/a

Lords Chloro Alkali Limited

Investor Presentation – Q3 & 9M FY24



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Manufacturing Facilities



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**Minimizing Waste,
Maximize Value**



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New initiatives



At a Glance



Rich heritage and legacy

4+
decades

In chemical industry



Capacity

~77,000
tonnes

In-house modern and
tech enabled
manufacturing



Strong Workforce

300+
Employees

Contributing to
our success



Diverse Product Range

6
product category

Broader Market
Appeal

Financial Parameters



13%

Revenue CAGR
(FY20-23)



55%

EBITDA CAGR
(FY20-23)



73%

PAT CAGR
(FY20-23)



0.09x

FY23 debt to Equity

About Us

Background

- Established in 1979, is one of leading chemical manufacturer with strong focus on producing diverse range of high-quality chemicals

Capabilities

- Specializing in production of caustic soda and various other chemicals,
- It has earned reputation for its exceptional product offerings
- Product offering includes Caustic Soda Lye, Sodium Hypo, Hydrogen Gas, Liquid Chlorine, HCL, CPW, etc.

Accreditation

- › ISO 9001
- › ISO 14001
- › ISO 45001

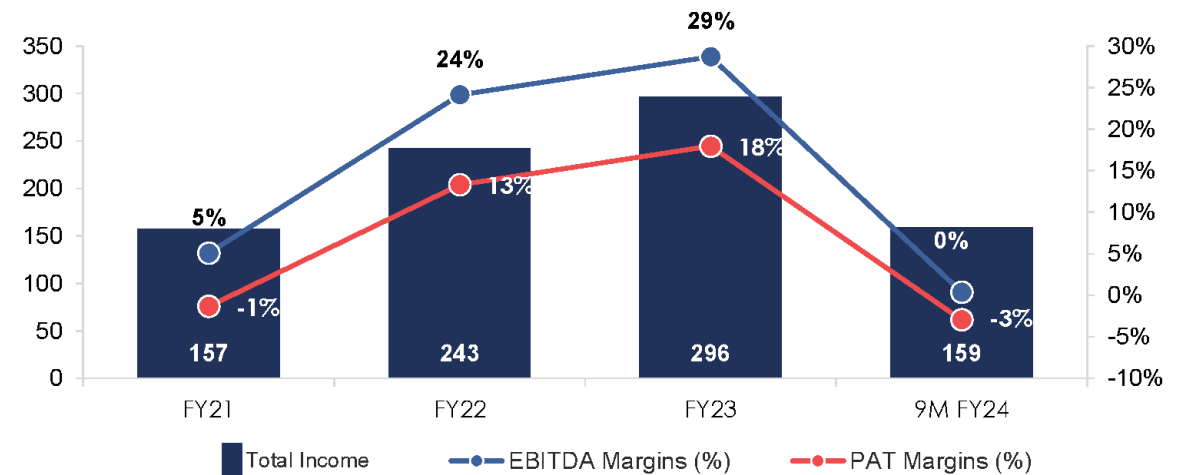
Vision

To become India's leading commodity and speciality chemical company, recognized for its unwavering commitment to quality, sustainability, and stakeholder satisfaction.

Mission

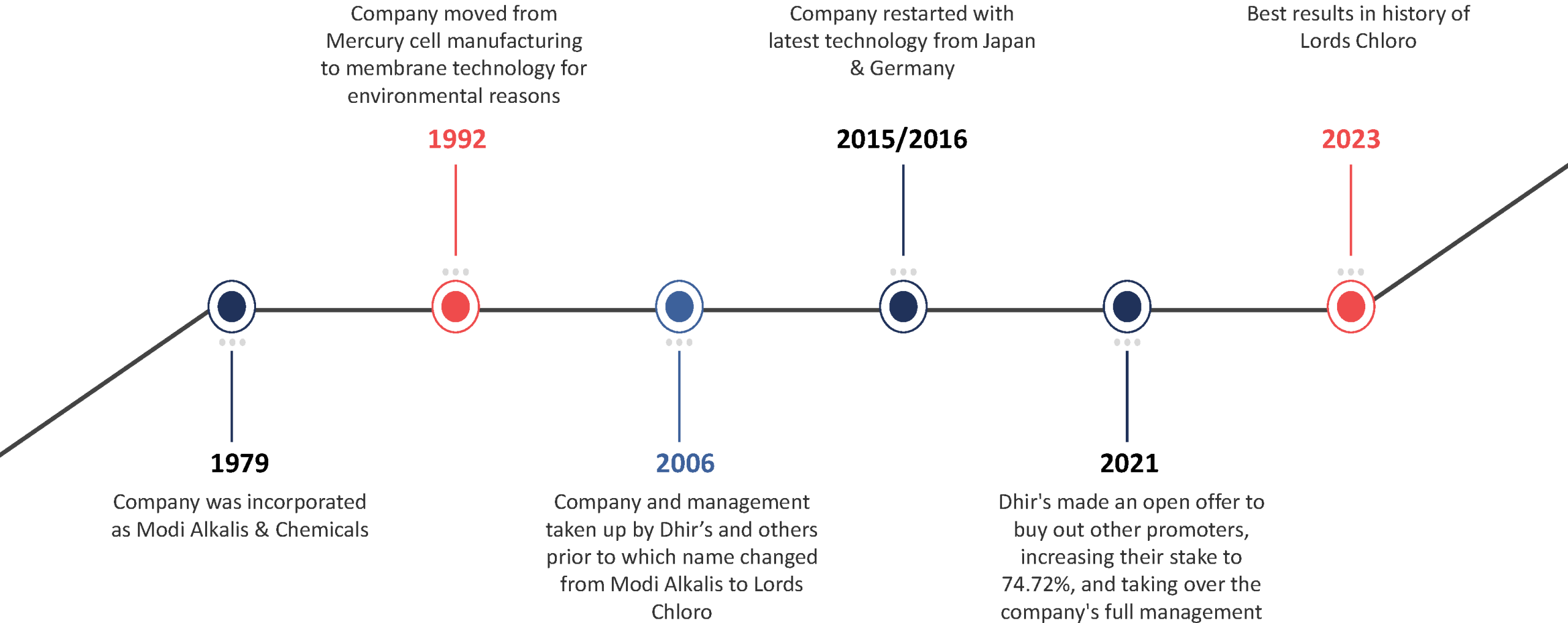
To nurture LCAL's growth and profitability through a culture of innovation, processes development and research that improve the product range & production capabilities whilst enhancing renewable energy for sustainable development.

Financial Glance





Journey so Far





Our Team



Ajay Virmani, Managing Director

- › Chartered Accountant by profession
- › 15 years of experience in the Chloro Alkali industry, he not only serves as President of AMAI but also brings wealth of industry knowledge and leadership

Madhav Dhir, Executive Director

- › BA in Business Management, MSc in Economics, LLB, Graduate from Imperial College London
- › Director of Lords Chloro Alkali Limited for over 8 years, focuses on Company's future, expanding business, adding new chemicals, and charting growth trajectory



Deepak Mathur, Technical Director

- › B.Tech. in Chemical Engineering from Punjab University, Chandigarh
- › Boasting more than 40 years of experience in chloro-alkali plants across India, is a seasoned expert in this field

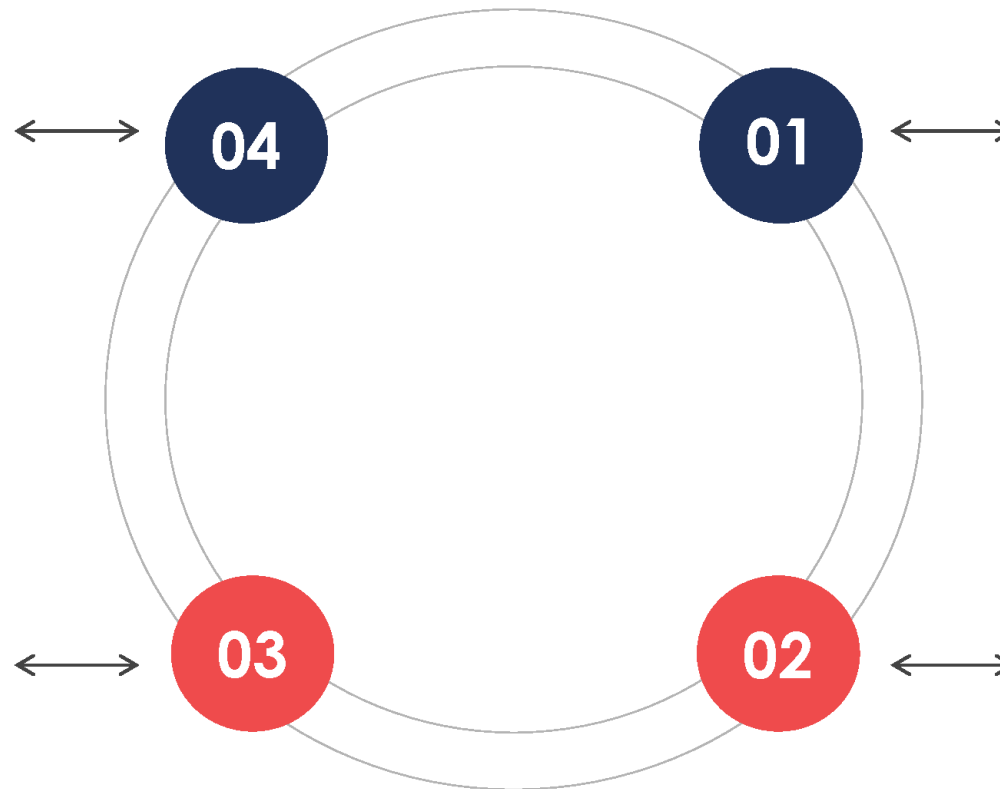
Key Strengths

Strong and experienced management

- Decades of relevant experience in chemical space
- Committed team of highly experienced individuals from technical and commercial sectors of organization

Strategically located manufacturing plant

- Proximity to end-user industry
- Easy availability of raw materials and essential inputs



Technology driven with robust In-house R&D

- Infrastructure mechanized with state of the art technology and machineries from Japan, Germany and Switzerland

Widespread geographical reach

- Large market footprint with dealers presence at strategic locations

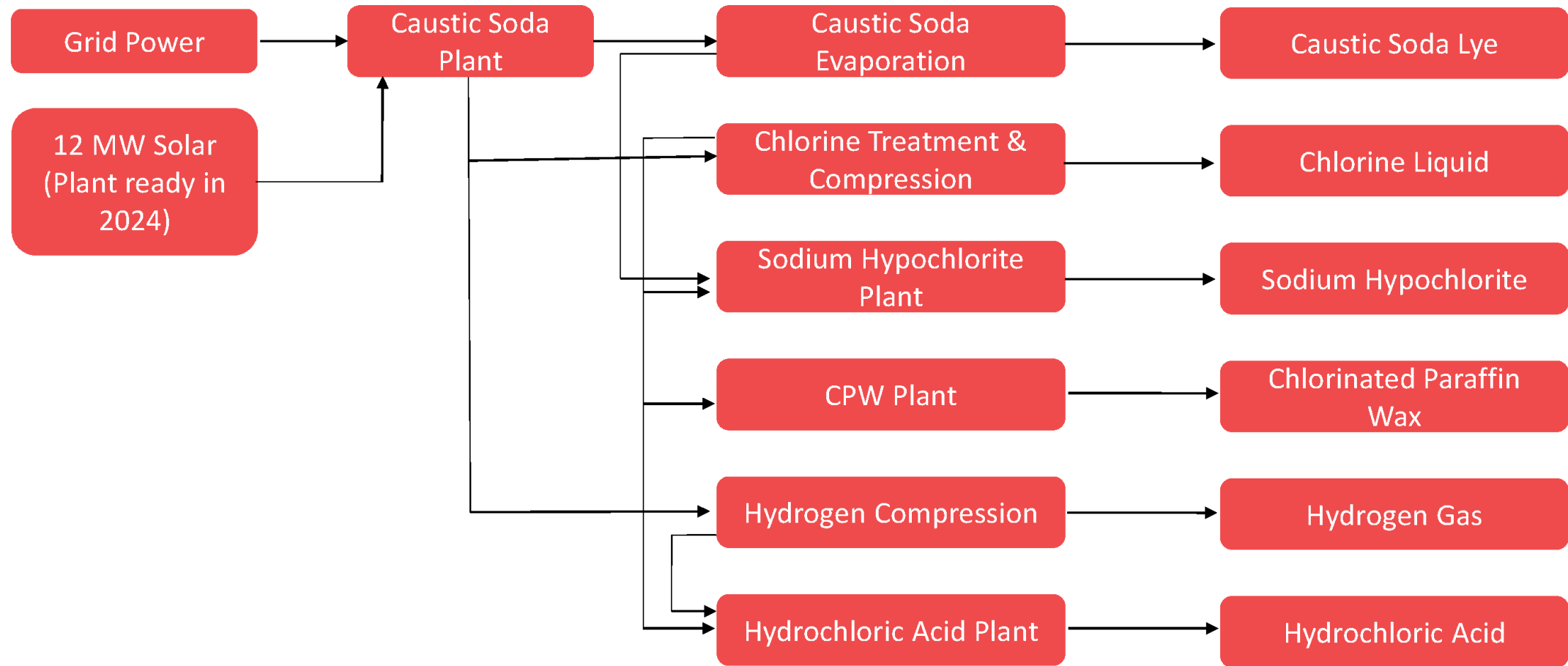
Manufacturing Facilities



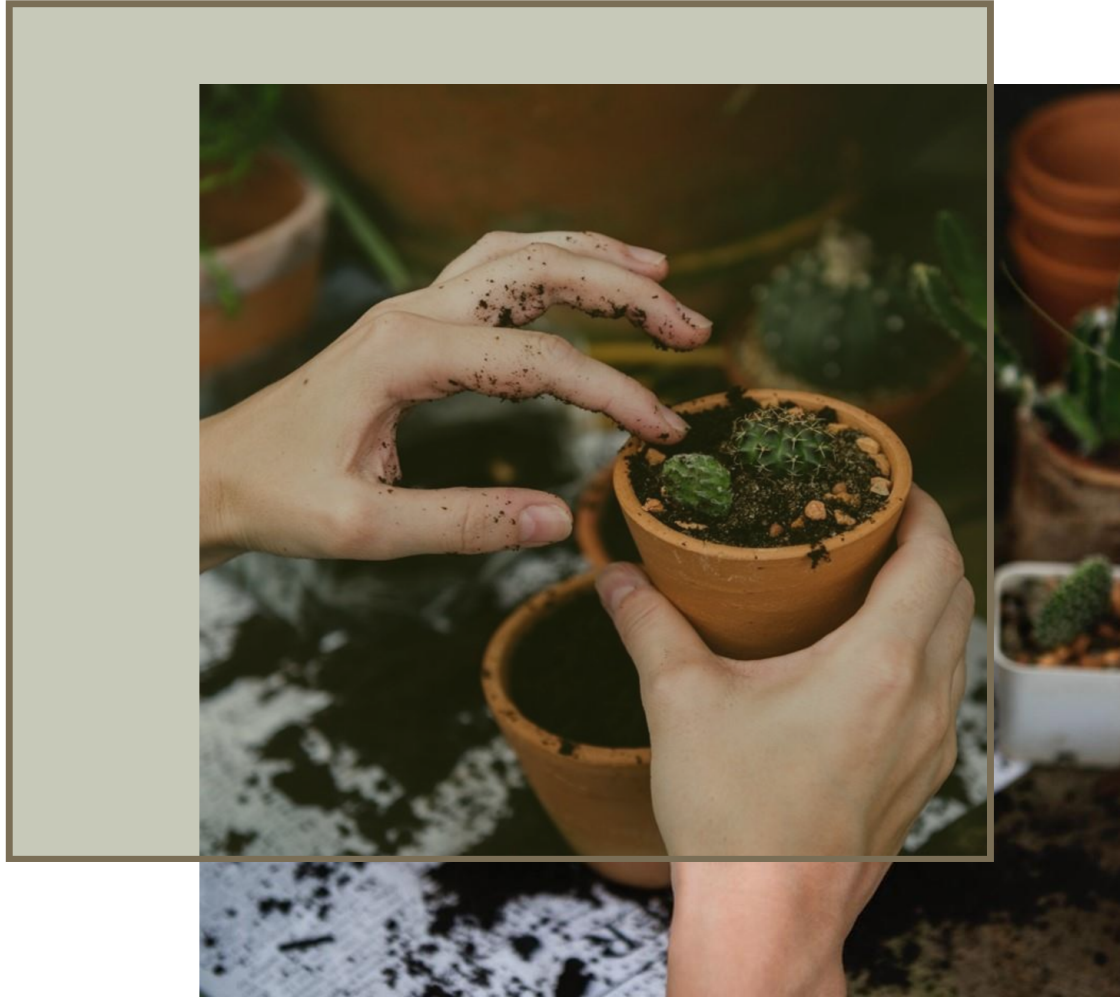
- Manufacturing facility is on 84 acres in Alwar at Matsya Industrial Area, Rajasthan, company boasts sophisticated manufacturing facilities with an installed capacity of 210 MT per day of Caustic Soda
- Additionally, Lords Chloro Alkali Ltd has recently ***commissioned a new Sodium Hypochlorite plant & a new Chlorinated Paraffin Wax plant***



Product Offerings



Minimizing Waste, Maximize Value



1

Closure of Mercury Cell Factory

- Proactive step towards environmental responsibility by permanently shutting down 200 Tons Per Day (TPD) mercury cell factory.
- Decision made to eliminate risk posed by release of hazardous mercury into water cycle.
- Demonstrate its commitment to safeguard environment from toxic pollutants.

2

Transition to Cleaner Fuels

- Made significant shift in energy consumption practices. Instead of relying on more polluting fuels, now utilizes Hydrogen and LPG (Liquefied Petroleum Gas) in boilers.
- Reduces emissions but also promotes cleaner air quality and contributes to greener, healthier planet.

3

Harnessing Solar Power

- Major stride towards sustainable energy generation, in process of establishing 12-megawatt solar power plant.
- This solar facility will supply more than 10% of energy requirements.
- By harnessing power of sun, the plan is to reduce reliance on non-renewable resources and significantly cutting our carbon footprint.

4

Wastewater Recycling with RO Plants

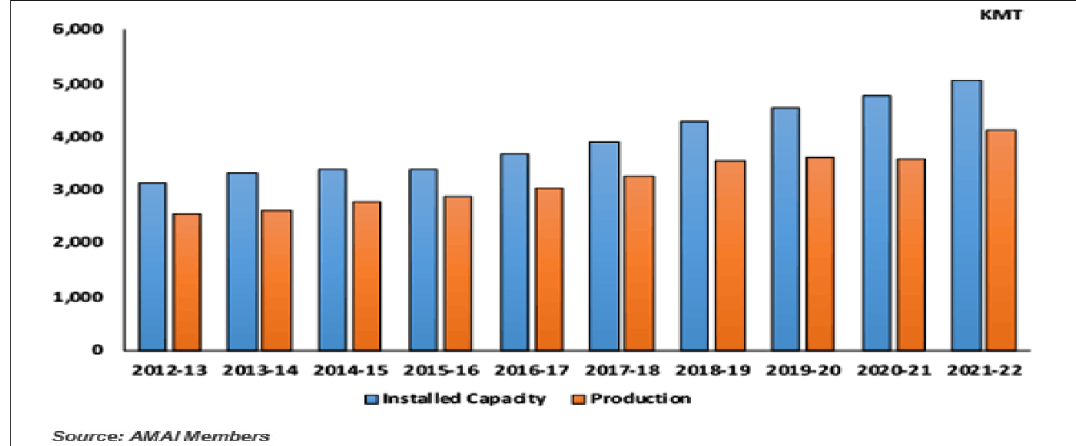
- To minimize water waste and promote responsible water management, installed state-of-art Reverse Osmosis (RO) plants.
- These plants efficiently treat and recycle wastewater, ensuring that water resources are conserved and reused responsibly.
- This initiative aligns with commitment to sustainable water usage and environmental stewardship

Industry Overview

Indian Chemical Industry* –

- Global outperformer in terms of demand growth and shareholder value creation
- Projected growth at 11-12% during 2021–27 and by 7-10% during 2027–40 thereby tripling its global market share by 2040
- Increased domestic demand and a shift in supply chain are expected to boost growth even further.

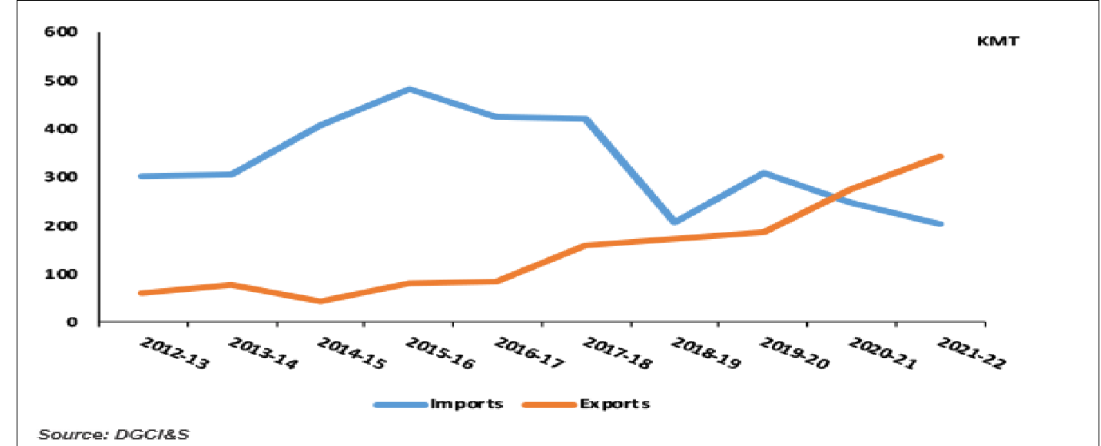
Industry Installed capacity & production in last 10 years



Indian Caustic Soda Industry** –

- Annual capacity of ~6.1 million MT (increase of 20% YoY) accounting for around 5-6% of global capacity and is expected to grow in line with country's GDP
- India has become net exporter of Caustic soda from being an importer of ~17% of domestic consumption in last 5 years
- In FY23, total Imports of 1.4 KMT. Exports stood at 4.6 KMT
- FY23 production of caustic soda – 44.7 Lakh MT

Imports & Exports in last 10 years



Growth Prospects –

- Realizations fell in last quarter of FY23 due to softness caused by weaker demand and new capacity installed in domestic market
- India's GDP is expected to keep demand for caustic soda high due to growth in both domestic manufacturing and the underlying end user industries

Commenting on the Q3 & 9M FY24 financial results –

“In navigating the challenges of persistently low caustic soda prices impacting our profitability, I'm pleased to share some positive developments. Despite the tough market conditions, our prices have shown resilience, maintaining a flat trajectory compared to the earlier part of the financial year. This stability is crucial, and I commend our team for ensuring that we didn't compromise on production levels and adhered to our planned capacity utilization, keeping us on a steady course.

It's reassuring to note that demand has remained stable, and we successfully weathered this period without resorting to production cuts. In the past month, we've witnessed a slight uptick in prices, and I'm hopeful that this positive momentum continues, contributing to an upswing in our overall profitability.

On the capital expenditure front, we're making significant strides. Our plans to expand capacity and set up a solar plant are well on track. These strategic steps addresses us to position ourselves to be ready to capture future growth.

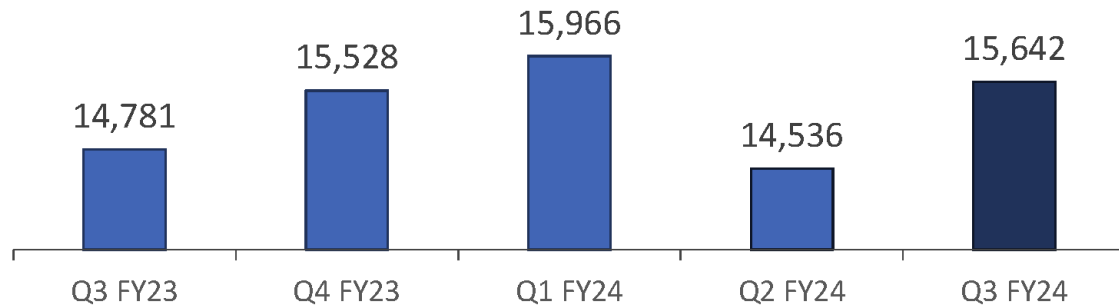
Looking ahead, I'm optimistic about our company's trajectory. Our strategic decisions, coupled with a stable demand environment, set the stage for capturing increased demand in the quarters to come. The combination of prudent financial management, stability in operations, and strategic capacity expansion reflects our commitment to long-term success. I'm confident that, we are well-prepared to navigate challenges and capitalize on opportunities for sustained growth.”



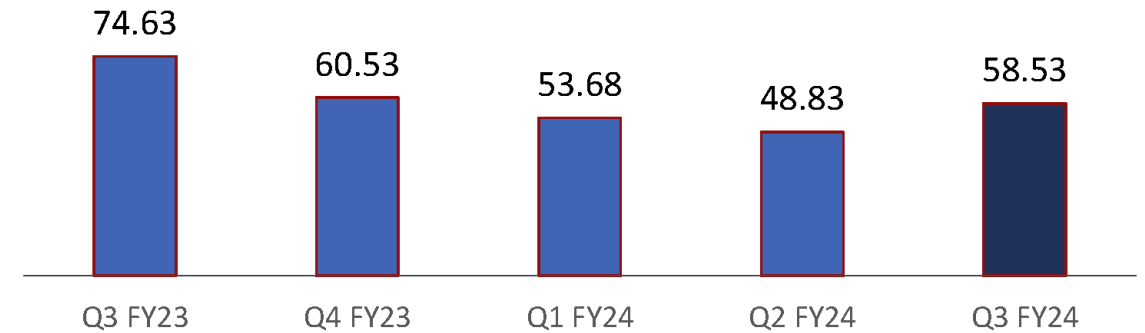
Mr Ajay Virmani, Managing Director

Financial Highlights - Quarterly

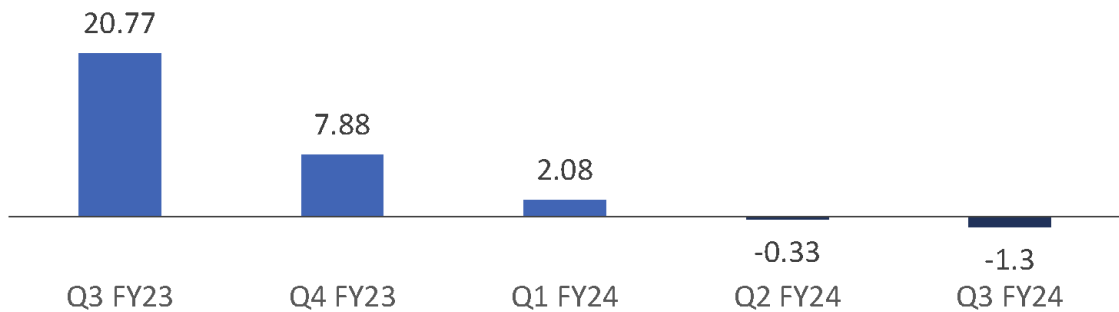
Volumes (in Tonnes)



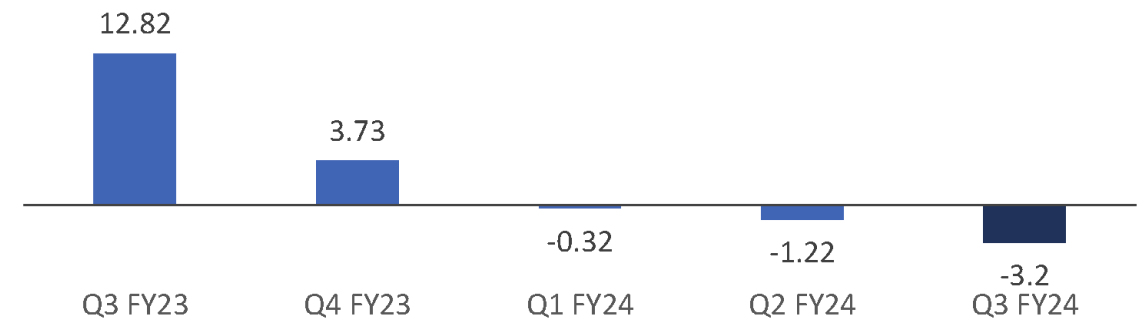
Revenue from Operation (Rs. Crore)



EBITDA (Rs. Crore)



Profit After Tax (Rs. Crore)



Profit & Loss Statement – Quarterly

All Figures in Rs. Crore	Q3 FY24	Q3 FY23	Q2 FY24
Income from operations	58.16	74.31	48.12
Other income	0.37	0.32	0.71
Total income	58.53	74.63	48.83
Cost of Raw Material	14.76	10.93	11.65
Changes in inventory	1.22	0.31	-2.49
Employee Cost	4.27	8.46	4.05
Power and Fuel Charges	34.91	30.00	32.32
Operating expenses	4.65	4.17	3.47
Total Expenditure	59.81	53.86	48.99
EBITDA	(1.29)	20.77	(0.16)
EBITDA Margin %	(2.20%)	27.83%	(0.33%)
Depreciation	2.37	2.06	2.21
Interest	0.62	1.95	0.44
Profit Before Tax	(4.27)	18.01	(2.82)
Tax	(1.07)	5.20	(1.60)
Profit After Tax	(3.20)	12.82	(1.22)
Basic EPS (Rs.)	(1.27)	5.10	(0.49)

Profit & Loss Statement – Nine months

All Figures in Rs. Crore	9M FY24	9M FY23
Income from operations	158.65	235.17
Other income	2.38	0.80
Total income	161.03	235.97
Cost of Raw Material	37.18	33.70
Changes in inventory	-1.03	3.06
Employee Cost	12.07	16.37
Power and Fuel Charges	100.02	90.85
Operating expenses	12.17	14.67
Total Expenditure	160.40	158.65
EBITDA	0.62	77.32
EBITDA Margin %	0.39%	32.77%
Depreciation	6.59	6.02
Interest	1.49	1.95
Profit Before Tax	(7.46)	69.35
Tax	(2.72)	19.86
Profit After Tax	(4.74)	49.49
Basic EPS (Rs.)	(1.88)	19.68

Balance Sheet as on 30th September

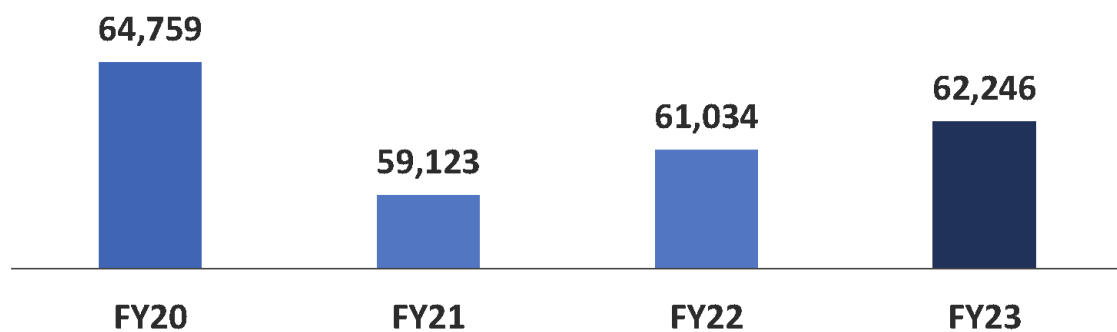
Equity & Liabilities (Rs. Crore)	As on 30 th Sept'23	As on 31 st Mar'23
Shareholders Funds	167.69	169.29
Share Capital	25.15	25.15
Other Equity	142.53	144.14
Non Controlling Interest	0.00	0.00
Non Current Liabilities	38.56	42.32
Long Term Borrowings	4.93	6.46
Lease Liability	5.94	6.06
Provisions	2.29	1.69
Deferred Tax Liabilities	16.14	18.84
Other non-current Liabilities	9.27	9.27
Current Liabilities	24.80	26.06
Short term Borrowings	10.79	9.50
Trade Payables	1.77	1.08
Lease Liability	0.46	0.45
Other Financial Liabilities	0.84	0.91
Other Current Liabilities	8.60	11.63
Short term Provisions	2.34	2.47
Current Tax Liability (Net)	0.00	0.01
Total Equity & Liabilities	231.05	237.66

Assets (Rs. Crore)	As on 30 th Sept'23	As on 31 st Mar'23
Non Current Assets	153.15	148.17
Property, plant & Equipment	130.09	116.84
Capital work-in-progress	3.12	10.85
Right-of-use assets	6.59	6.87
Intangible Assets under development	0.00	0.00
Intangible Assets	0.00	0.00
FA - Investments	0.34	0.27
FA - Loans	0.06	0.03
Other Non-Current Assets	12.96	13.31
Current Assets	77.90	89.50
Inventories	16.89	12.56
FA - Trade Receivables	14.03	12.22
FA - Cash & cash equivalents	0.68	0.15
FA - Bank balances	38.18	60.96
FA - Loans	0.09	0.06
Current Tax Assets	0.31	0.00
Other Current Assets	7.73	3.54
Total Assets	231.05	237.66

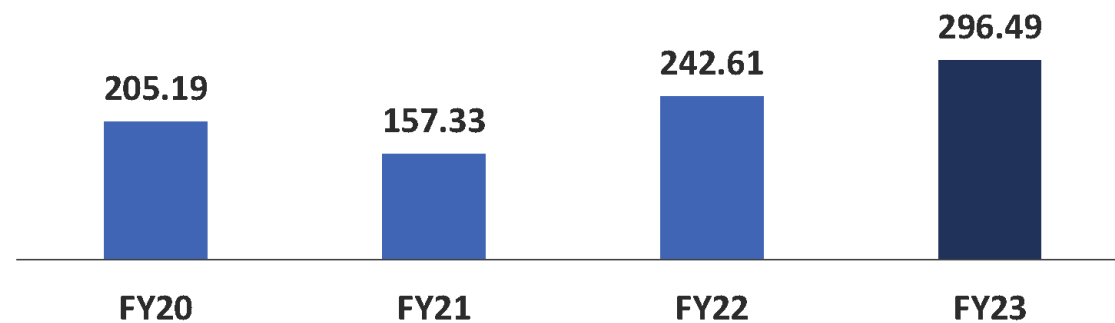


Financial Highlights

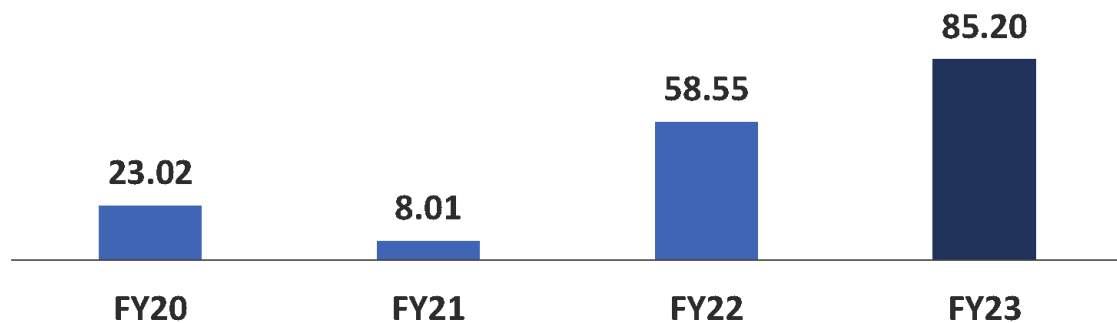
Volumes (in Tonnes)



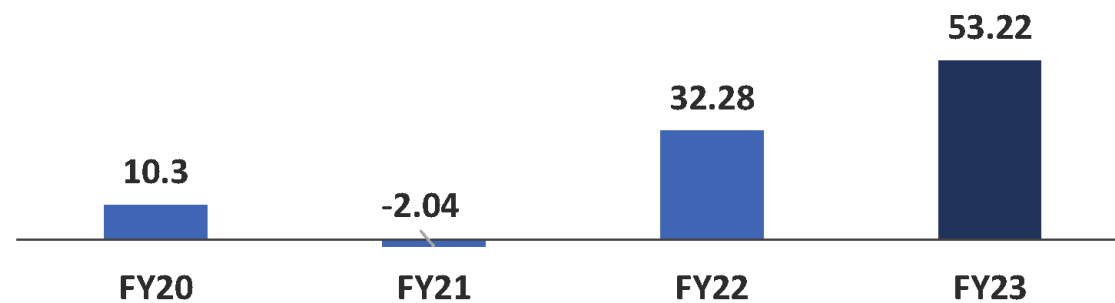
Revenues (Rs. Crore)



EBITDA (Rs. Crore)



Profit After Tax (Rs. Crore)



Profit & Loss Statement – Annual

All Figures in Rs. Crore	FY21	FY22	FY23
Income from operations	154.10	240.08	295.05
Other income	3.23	2.52	1.44
Total income	157.33	242.61	296.49
Cost of Raw Material	26.47	34.46	44.00
Changes in inventory	-5.19	5.92	2.78
Employee Cost	10.27	13.07	20.97
Power and Fuel Charges	106.46	114.49	125.33
Operating expenses	11.04	16.05	18.23
Total Expenditure	149.32	184.06	211.31
EBITDA	8.01	58.55	85.20
EBITDA Margin %	5.09%	24.13%	28.73%
Depreciation	6.41	7.26	8.08
Interest	3.99	4.77	2.41
Profit Before Tax	(2.39)	46.52	74.71
Tax	(0.35)	14.23	21.49
Profit After Tax	(2.04)	32.28	53.22
PAT Margin	(1.30%)	13.31%	17.95%
Basic EPS	(0.81)	12.83	21.16

Balance Sheet as on 31st March

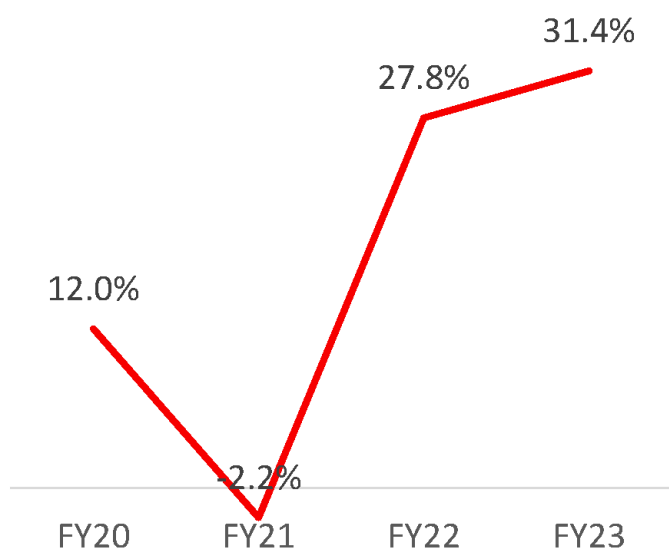
Equity & Liabilities (Rs. Crore)	As on 31 st Mar'23	As on 31 st Mar'22
Shareholders Funds	169.29	116.20
Share Capital	25.15	25.15
Other Equity	144.14	91.05
Non Controlling Interest	0.00	0.00
Non Current Liabilities	42.32	59.17
Long Term Borrowings	6.46	30.26
Lease Liability	6.06	6.51
Provisions	1.69	1.68
Deferred Tax Liabilities	18.84	11.15
Other non-current Liabilities	9.27	9.57
Current Liabilities	26.06	24.77
Short term Borrowings	9.50	4.52
Trade Payables	1.08	0.89
Lease Liability	0.45	0.24
Other Financial Liabilities	0.91	2.53
Other Current Liabilities	11.63	14.48
Short term Provisions	2.47	1.78
Current Tax Liability (Net)	0.01	0.34
Total Equity & Liabilities	237.66	200.15

Assets (Rs. Crore)	As on 31 st Mar'23	As on 31 st Mar'22
Non Current Assets	148.17	132.49
Property, plant & Equipment	116.84	118.30
Capital work-in-progress	10.85	0.37
Right-of-use assets	6.87	7.44
Intangible Assets under development	0.00	0.00
Intangible Assets	0.00	0.00
FA - Investments	0.27	0.31
FA - Loans	0.03	0.00
Other Non-Current Assets	13.31	6.06
Current Assets	89.50	67.66
Inventories	12.56	15.19
FA - Trade Receivables	12.22	14.34
FA - Cash & cash equivalents	0.15	21.11
FA - Bank balances	60.96	10.00
FA - Loans	0.06	0.42
Current Tax Assets	0.00	0.00
Other Current Assets	3.54	6.60
Total Assets	237.66	200.15

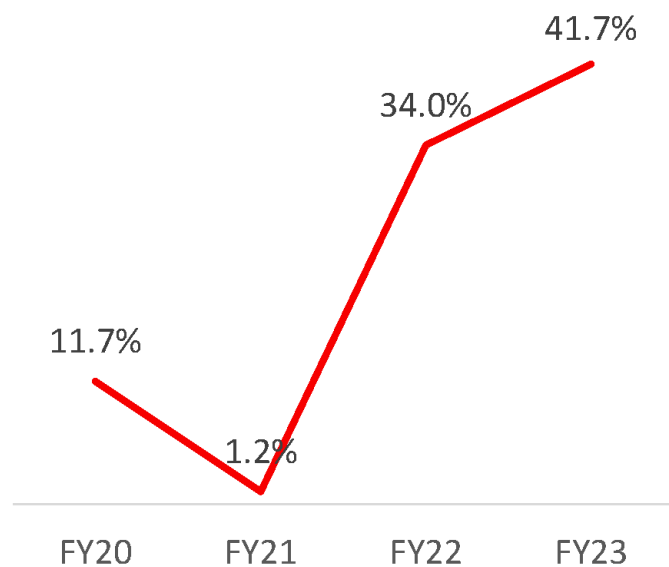


Key Ratios

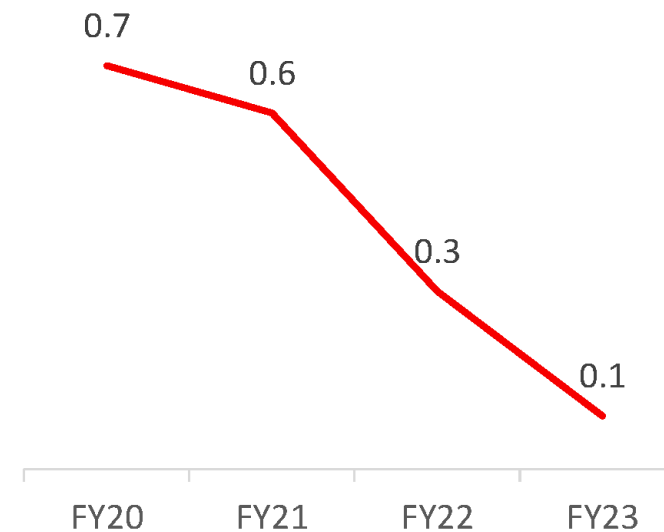
Return on Equity



Return on Capital Employed



Debt to equity



ROE – PAT/Shareholders Fund; ROCE – EBIT/(Shareholders Fund + Total Debt – Non Current Investments); Debt to Equity – Total Debt/ Equity



New initiatives



Increase production capacity

- Started its ambitious expansion plans with future growth in mind
 - Working on increasing Caustic Soda production capacity by about 43%, to 300 TPD
-

Further expand product portfolio & market presence

- Plans to broaden its product portfolio by increasing **Chlorinated Paraffin Wax** from 20 tons per day to 50 tons per day in near future.
 - Further consolidate its position in North Indian market and actively work in building new markets
-

Initiatives toward sustainability and cost savings

- Planned captive solar power plant of 12 MW in Rajasthan
 - Shall lower carbon footprint
 - Improve entire cost structure
-

Thank You

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