

22.04.2024

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.: Investors Presentation for Audited Financial Results – Q4 & 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 Investors Presentation of Audited Financial Results – Q4 & FY2024.

The said Earnings Presentation is also available at 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



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



Epigral Limited

(formerly known as Meghmani Finechem Limited)

Q4 & FY2024 Earnings Presentation








Disclaimer

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Certain statements in this presentation concerning our future growth prospects are forward looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The Risk and uncertainties relating to the statements include, but are not limited to, risks and uncertainties regarding fiscal policy, competition, inflationary pressures and general economic conditions affecting demand / supply and price conditions in domestic and international markets. The company does not undertake to update any forward -looking statement that may be made from time to time by or on behalf of the company.

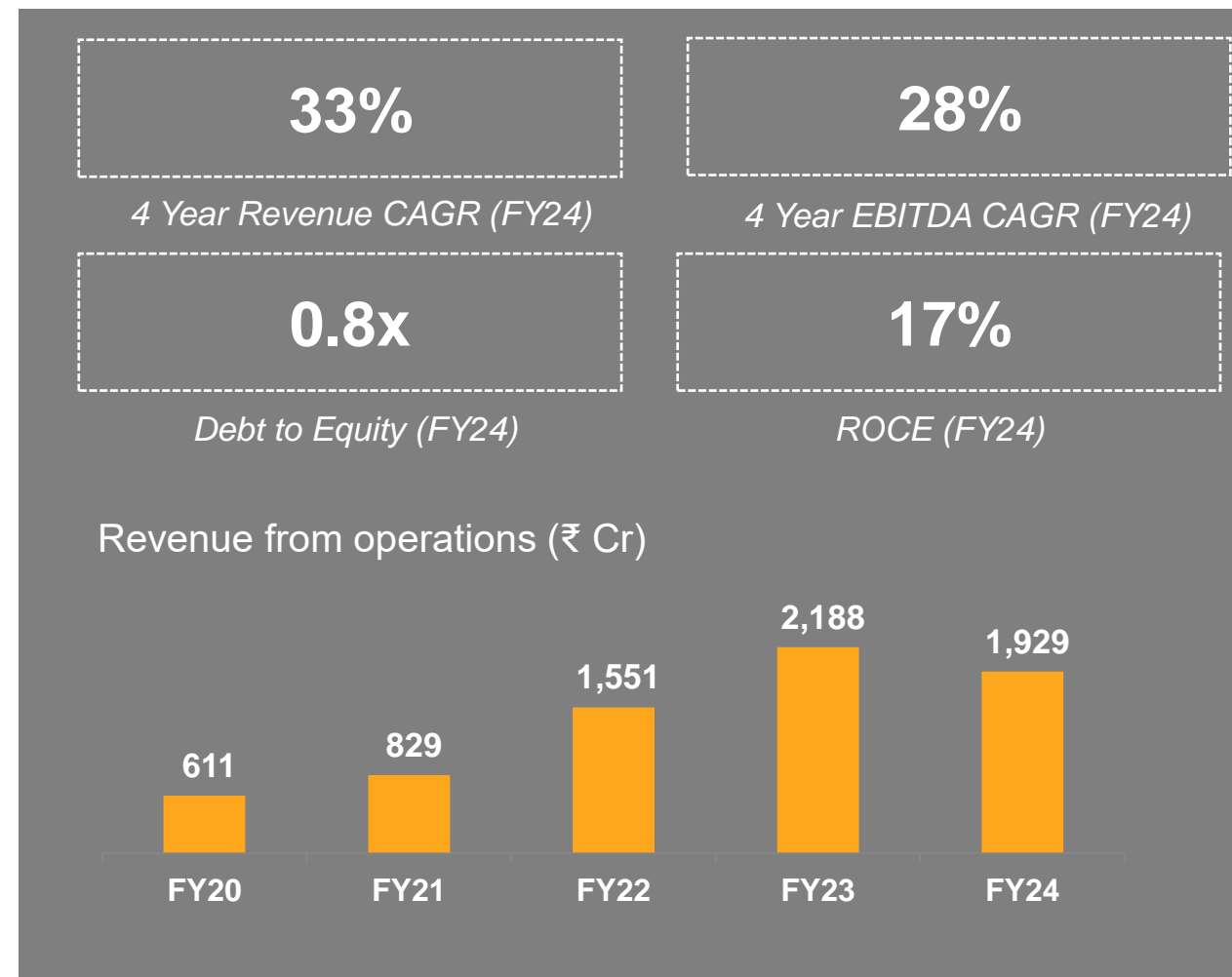
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Company Overview

-  **Founded:** 2007
-  **Employees:** ~ 1000
-  **Capacity:** Chlor-Alkali# – 421 KTPA
Derivatives# – 235 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 – 75 KTPA, Epichlorohydrin – 50 KTPA, Chloromethanes - 50 KTPA and Hydrogen Peroxide - 60 KTPA



Our Journey

FY 2007

Epigral Ltd (MFL) incorporated

FY 2010

Commissioned 1st 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 18th 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**

FY 2025

Commissioned

- **CPVC Resin – 45 KTPA**
(Total capacity stood at 75 KTPA)

Q4FY24 - Key Highlights

Q4FY24 Operational Highlights:

- Volume grew 9% YoY and 4% QoQ. YoY major growth comes from new projects commissioned in FY2023
- Capacity utilization stood at 83% in Q4FY24 vs 81% in Q3FY24 and 77% in Q4FY23
- YoY realizations dropped for all the products in range of 15% to 37%
- QoQ realizations dropped for all the products, except for Caustic Soda and Hydrogen Peroxide

Q4FY24 Financial Highlights:

- QoQ, Revenue from operations grew by 11% to ₹ 525 Cr vs ₹ 472 Cr in Q3FY24
- Revenue contribution from Derivatives & Specialty segment increased to 52% in Q4FY24 vs 38% in Q4FY23
- QoQ, EBITDA grew by 27% to ₹ 155 Cr vs ₹ 123 Cr in Q3FY24
- EBITDA margin stood at 30% in Q4FY24 vs 26% in Q3FY24 on account of increase in utilization and marginal improvement in spreads
- QoQ, PAT up by 55% to ₹ 77 Cr. PAT margin stood at 15% vs 10% in Q3FY24

FY2024 - Key Highlights

FY2024 Operational Highlights:

- Despite challenging year, Epigral sales volume grew 15%. Volume from Derivatives & Specialty business grew around 30% and Chlor-alkali business grew around 7%
- Capacity utilization stood at 78% in line with FY2023
- Realization for all the products were down in FY2024 in the range of 12% to 45%

FY2024 Financial Highlights:

- Revenue was down by 12% to ₹ 1,936 Cr on account of drastic drop in realizations in FY24 compared to FY23
- In line with transition strategy, revenue contribution from Derivatives & Specialty segment increased to 45% in FY2024 vs 30% in FY2023
- EBITDA was down by 30% to ₹ 481 Cr vs ₹ 689 Cr in line with bottom out realization for all the products.
- Despite depressed year we maintained EBITDA margin of 25% for FY2024
- PAT stood at ₹ 196 Cr vs ₹ 353 Cr in FY2023. PAT margin stood at 10%
- ROCE stood at 17% and Net Debt/EBITDA stood at 1.99x

FY2024 - Key Strategic Updates

- Epigral board proposed final dividend of ₹ 5 per equity share (50% of face value) for FY2024
- Capex / Expansions
 - Epigral spent ₹ 405 Cr on capex for FY2024
 - On 3rd April 2024, Epigral expands its CPVC Resin capacity to 75,000 TPA, by commissioning additional 45,000 TPA capacity of CPVC Resin
 - Epigral announced to enter into CPVC Compound with a capacity of 35,000 TPA. This expansion is expected to get commission in Q1FY25
 - Chlorotoluenes Value Chain is expected to get commission in Q2FY25
 - Epigral commissioned 18.34 MW Wind Solar Hybrid Power Plant in Q1FY24
 - Epigral inaugurated its R&D Centre in November 2023 and it recognized by DSIR
- 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

“Epigral performed better on sequential basis in every quarter starting from Q2FY24. Our 55% growth in PAT on a sequential basis stands out despite challenging macroeconomics, subdued demand and drop in realizations. We delivered volume growth of 15% in FY2024 and 9% YoY in Q4FY24, as we saw major growth coming in from new projects commissioned in FY2023. Epigral ended FY24, with Q4FY24 witnessing, QoQ, revenue growth of 11% and with EBIDTA margin of 30%.

The strategy of diversification by entering into various import substitute products and catering to several industries played a key role in Epigral being resilient in this tough FY2024 year. In FY2024, revenue contribution from Derivatives & Specialty business reached 45% compared to 30% in FY2023, in line with our business plan.

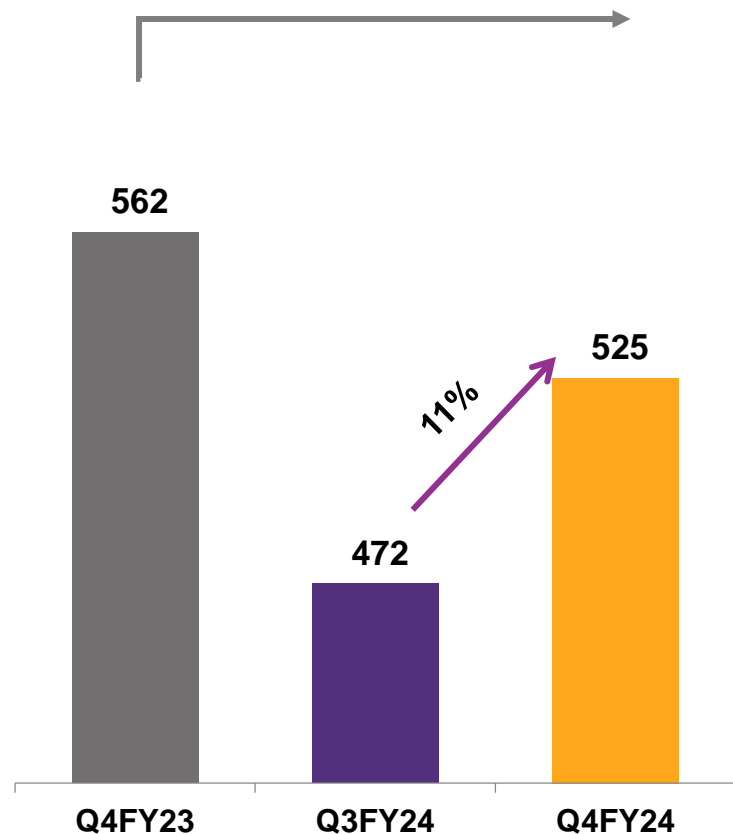
Our past capex drove volume growth in FY2024. Similarly, we recently commissioned CPVC Resin capacity (45,000 TPA) and in H1FY25 we expect to commission Chlorotoluenes Value Chain and CPVC Compound facility, that will drive growth for coming years.

With our focus on expanding Derivatives & Specialty business, diversifying the business model and strengthening our integrated complex, we are committed to create value for our stakeholders.”

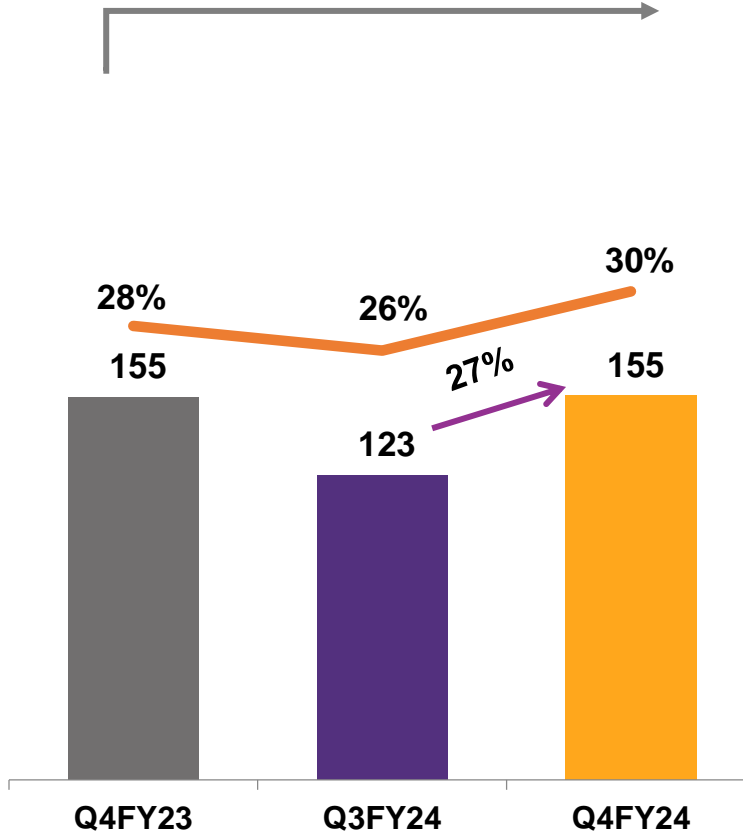
- Mr. Maulik Patel, Chairman and Managing Director

Q4FY24 Financial Highlights

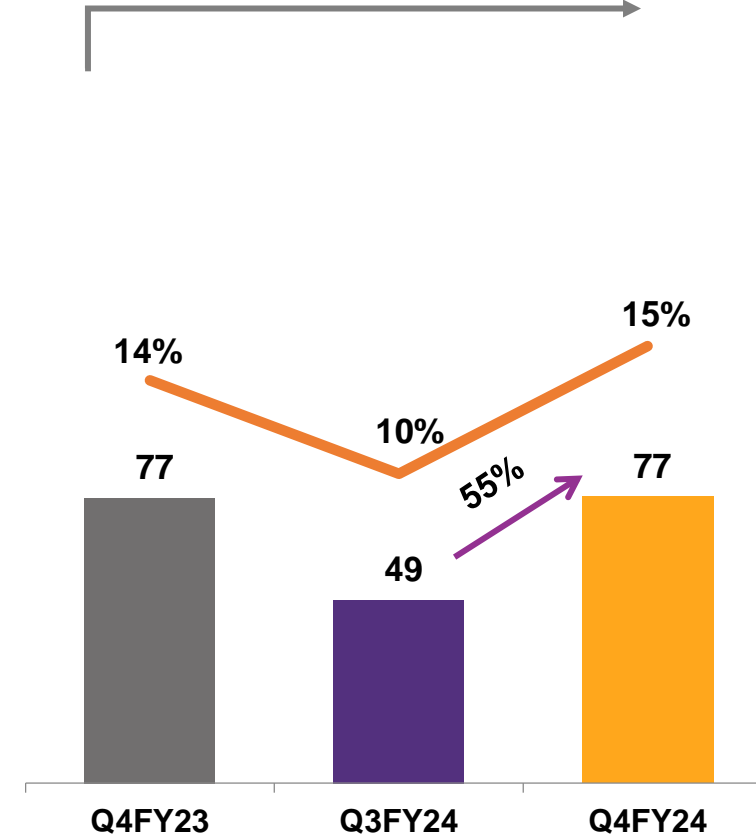
Revenue – YoY Growth: -7%



EBIDTA – YoY Growth: 0%



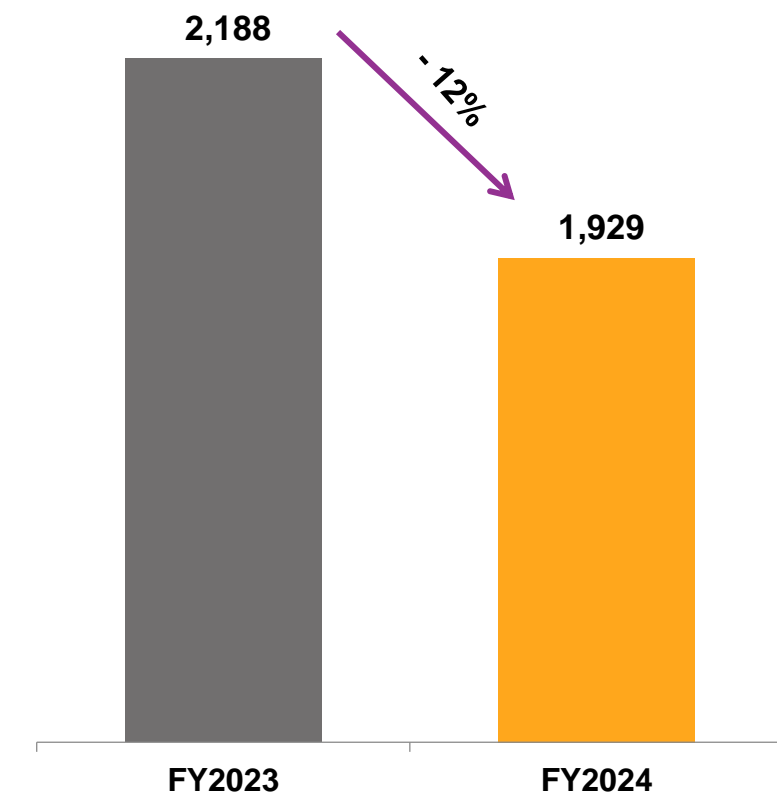
PAT – YoY Growth: 0%



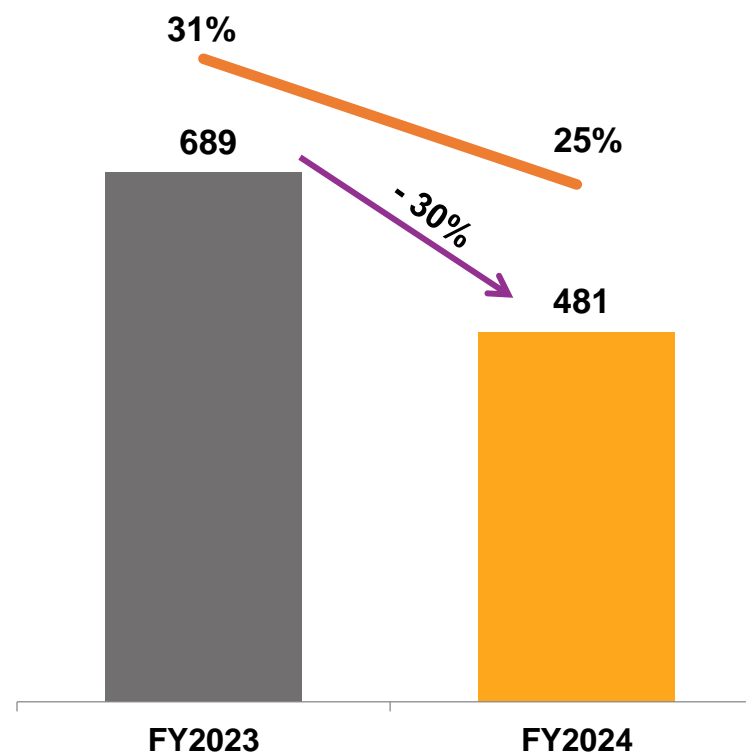
₹ Cr ——— Margin -%

FY2024 Financial Highlights

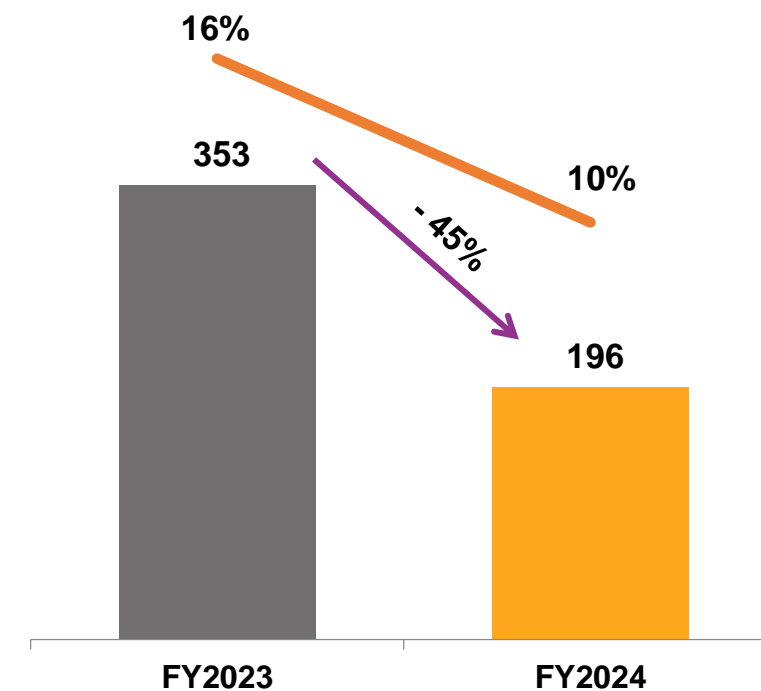
Revenue



EBIDTA



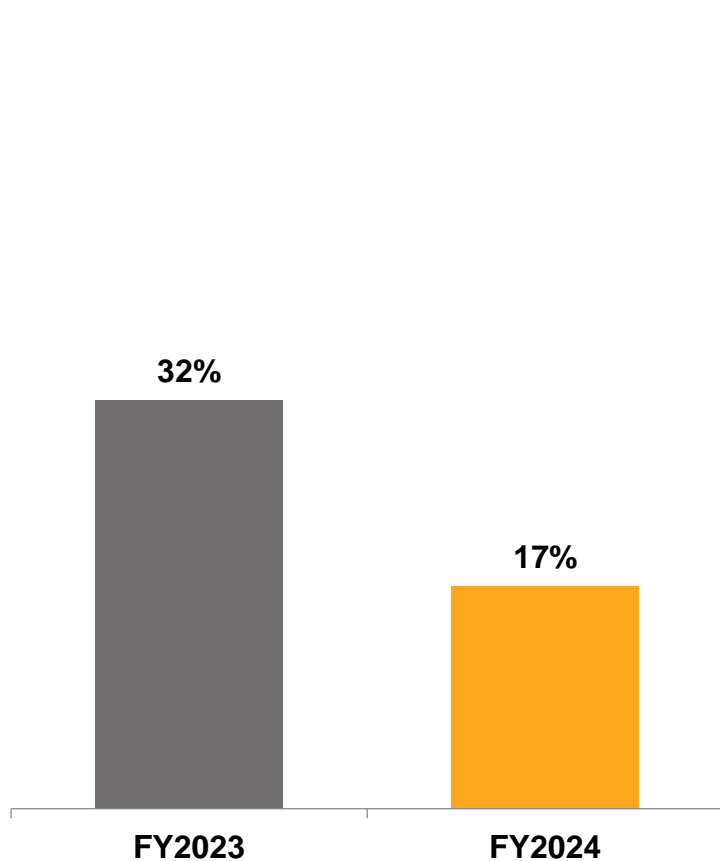
PAT



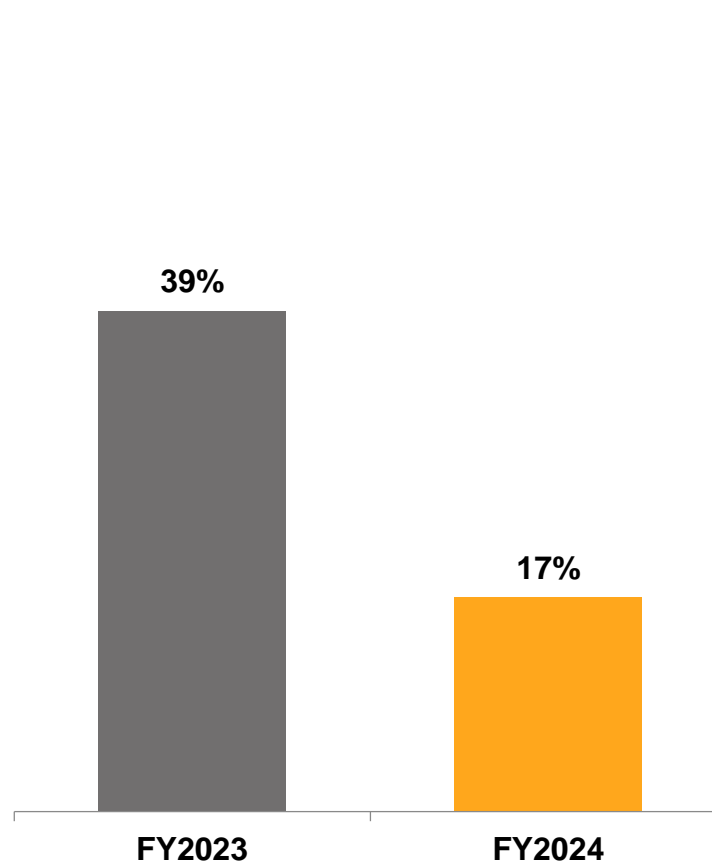
₹ Cr ——— Margin %

Key ratios as on 31st March 2024

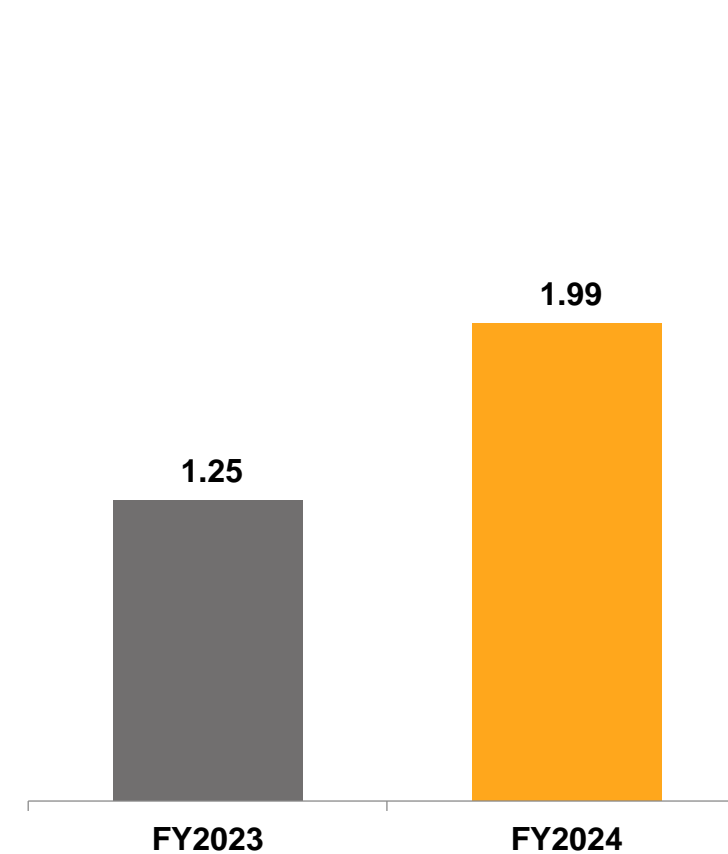
ROCE (%)*#



ROE (%)*

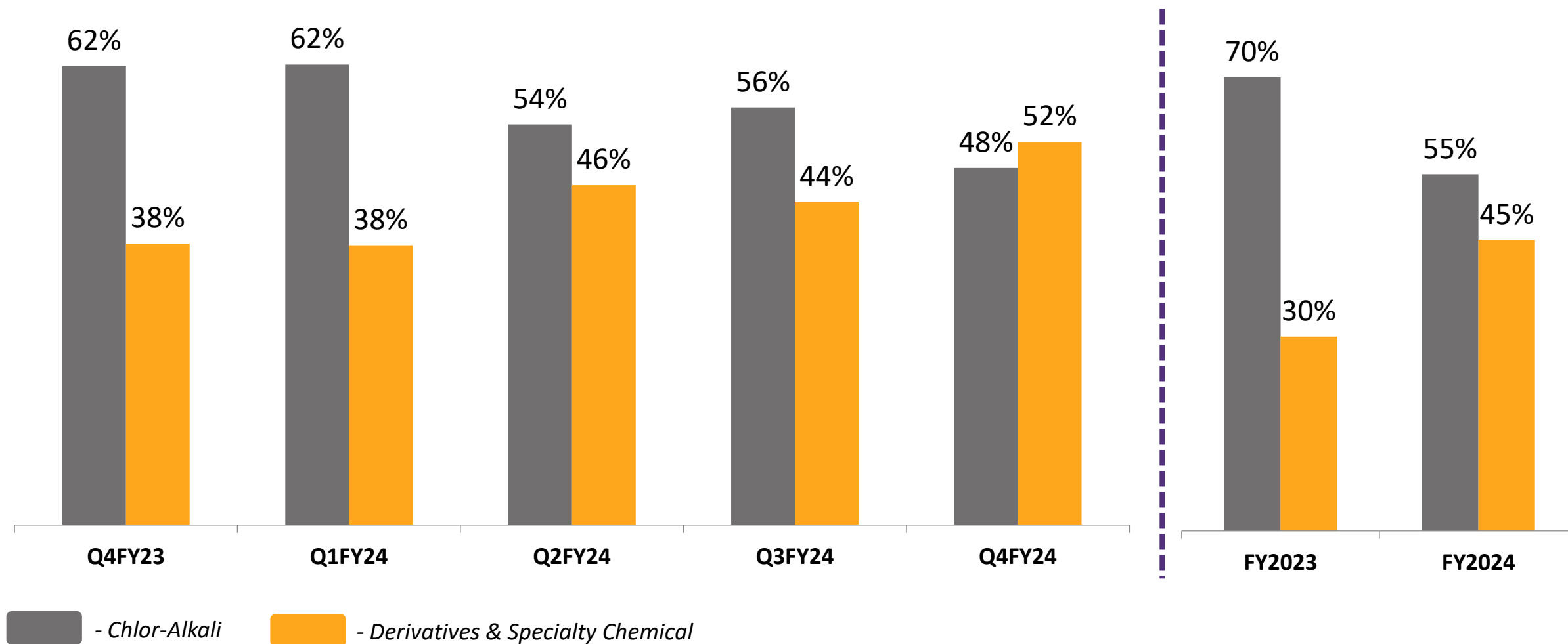


Net Debt/EBITDA (x)*



*TTM EBIT, PAT and EBITDA are considered for above ratios
#Capital employed in ROCE includes Capital Work in Progress

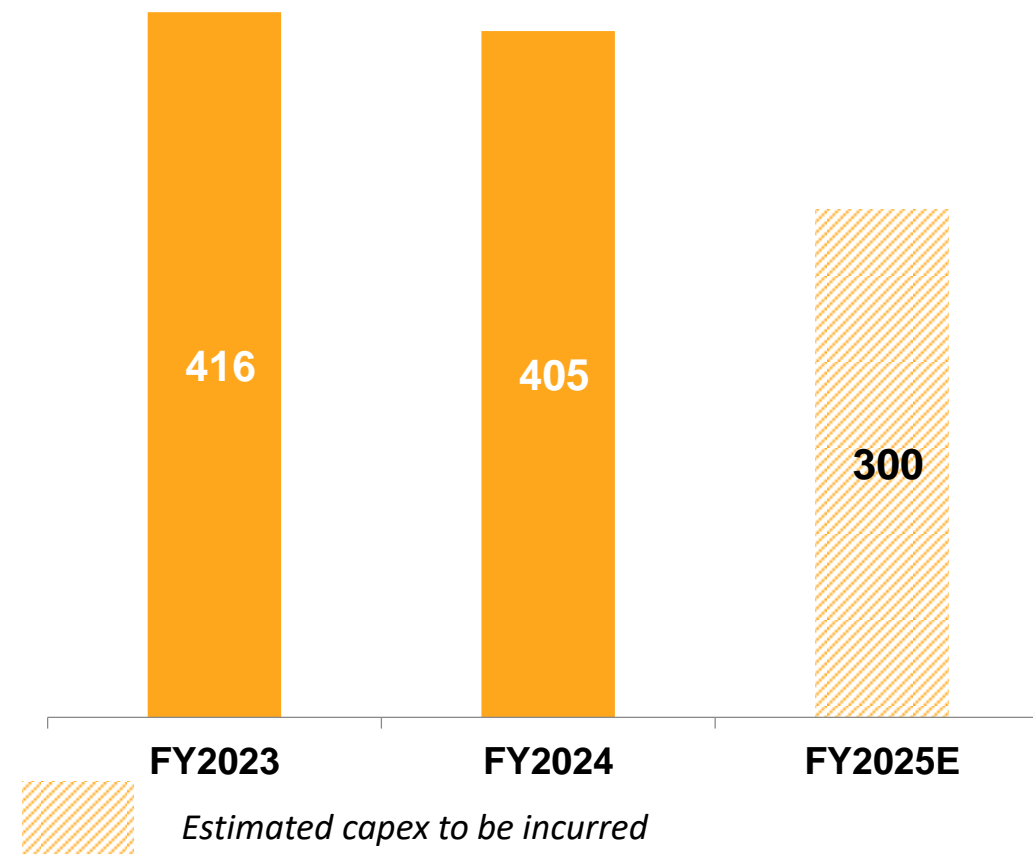
Revenue Transition towards Derivatives & Specialty Chemicals



Project Update as on 31st March 2024

Product	Capacity	Expected Commissioning Date	% of project completed
CPVC Resin (Additional)	45 KTPA	Q4FY24	Commissioned 3 rd April 2024
Chlorotoluenes Value Chain	-	Q2FY25	90%
CPVC Compound	35 KTPA	Q1FY25	80%

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



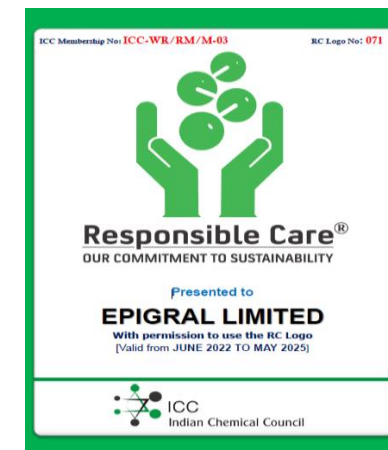
SOCIAL RESPONSIBILITY

- **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)	Q4FY24	Q4FY23	YoY % Change	Q3FY24	QoQ % Change
Total Revenue	526	567	-7%	474	11%
Gross Profit	230	224	3%	194	19%
Gross Margin (%)	44%	40%		41%	
EBITDA	155	155	0%	123	27%
EBITDA Margin (%)	30%	28%		26%	
Depreciation	30	30	1%	31	-2%
Finance Cost	14	19	-28%	20	-32%
PBT	113	110	2%	74	52%
PAT	77	77	0%	49	55%
PAT Margin (%)	15%	14%		10%	
EPS (₹)	18.5	18.5	0%	11.9	55%

Historic Income Statement

Particulars (₹ Cr)	FY20	FY21	FY22	FY23	FY24
Total Revenue	613	831	1,555	2,196	1,936
Gross Profit	300	407	716	951	763
Gross Margin (%)	49%	49%	46%	43%	40%
EBITDA	194	261	509	689	481
EBITDA Margin (%)	32%	32%	33%	31%	25%
Depreciation	44	74	86	109	124
Finance Cost	11	29	44	66	73
PBT	141	161	383	523	291
PAT	112	101	253	353	196
PAT Margin (%)	18%	12%	16%	16%	10%
EPS (₹)	27.0	24.3	60.8	85.0	47.1

Historic Balance Sheet

Assets (₹ Cr)	FY22	FY23	FY24	Liabilities (₹ Cr)	FY22	FY23	FY24
Fixed Assets	1,657	1,962	2,249	Share Capital	42	42	42
Financial Assets	8	28	29	Reserves & Surplus	684	1,028	1,213
Other Non-current Assets	11	23	14	Long-Term Borrowings	557	435	492
Inventories	154	212	263	Redeemable Preference Shares	211	110	55
Trade Receivables	256	166	179	Other Non-current Liabilities	97	171	214
Cash & Bank Balances	25	15	7	Short Term Borrowings	221	332	416
Loans & Advances	0	0	0	Trade Payables	88	110	165
Other Current Assets	11	26	53	Other Current Liabilities	223	205	198
				Short Term Provisions	0	0	0
Total	2,124	2,432	2,794	Total	2,124	2,432	2,794

EPIGRAL

Enhance to Exceed

Epigral Limited (Epigral), formerly known as Meghmani Finechem Ltd, incorporated in 2007, is a leading integrated manufacturer of chemicals in India. Epigral's Dahej facility is a backward and forward integrated and automated complex with a well-planned infrastructure. In India, Epigral is the first to set up an Epichlorohydrin plant and largest capacity plant of CPVC Resin. Epigral is also a leading manufacturer of Caustic Soda, Caustic Potash, Chloromethanes, Hydrogen Peroxide, Chlorine and Hydrogen.

Epigral is strengthening its position in the specialty chemical segment by enhancing its capacity in CPVC Resin, entering into CPVC Compound, venturing into the Chlorotoluene & value chain and dedicated R&D centre. The company is focused on sustainable value creation for all its stakeholders and has been awarded with the Responsible Care certificate.

Through integral collaborations and exceptional solutions, Epigral strives to enhance value and exceed expectations, leaving an indelible mark on stakeholders and the industry.

For further information

Please log on to website - www.epigral.com

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