



# **Shree Pushkar Chemicals and Fertilisers Limited**

**Investor Presentation  
Q4 & FY20**



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# **Q4 and FY20 Result Highlights**



# Standalone Profit and Loss Statement

(Rs. Cr)	Q4FY20	Q4FY19	% Change	FY20	FY19	% Change
<b>Net Sales</b>	<b>67.8</b>	<b>102.2</b>	<b>-33.7%</b>	<b>284.4</b>	<b>400.2</b>	<b>-28.9%</b>
Cost of Raw Material	39.6	75.8		179.9	273.8	
Employee Cost	5.9	5.9		20.8	26.7	
Other Expenses	13.9	12.3		42.8	41.1	
Total Expenditure	59.4	93.9		243.5	341.7	
<b>EBITDA</b>	<b>8.5</b>	<b>8.3</b>	<b>1.9%</b>	<b>40.9</b>	<b>58.5</b>	<b>-30.1%</b>
<b>EBITDA Margin%</b>	<b>12.5%</b>	<b>8.1%</b>		<b>14.4%</b>	<b>14.6%</b>	
Other Income	0.5	1.1		3.3	2.4	
Interest	0.5	0.8		1.1	2.0	
Depreciation	2.2	2.0		9.0	8.2	
Profit Before Tax	6.2	6.6		34.2	50.7	
Provision for Tax	-3.9	0.0		3.1	14.2	
<b>Profit After Tax</b>	<b>10.1</b>	<b>6.6</b>	<b>53.1%</b>	<b>31.1</b>	<b>36.5</b>	<b>-14.7%</b>
<b>PAT Margin%</b>	<b>14.9%</b>	<b>6.5%</b>		<b>10.9%</b>	<b>9.1%</b>	
<b>EPS</b>	<b>3.28</b>	<b>2.15</b>		<b>10.10</b>	<b>11.89</b>	



# Consolidated Profit and Loss Statement

(Rs. Cr)	Q4FY20	Q4FY19	% Change	FY20	FY19	% Change
<b>Net Sales</b>	<b>86.7</b>	<b>117.6</b>	<b>-26.3%</b>	<b>346.3</b>	<b>451.9</b>	<b>-23.4%</b>
Cost of Raw Material	51.0	84.2		214.4	302.6	
Employee Cost	7.0	6.7		24.9	30.1	
Other Expenses	17.9	16.1		56.7	52.1	
Total Expenditure	75.9	107.0		296.1	384.8	
<b>EBITDA</b>	<b>10.8</b>	<b>10.6</b>	<b>1.9%</b>	<b>50.3</b>	<b>67.1</b>	<b>-25.1%</b>
<b>EBITDA Margin%</b>	<b>12.4%</b>	<b>9.0%</b>		<b>14.5%</b>	<b>14.8%</b>	
Other Income	0.5	1.1		3.3	2.4	
Interest	0.7	1.8		2.1	3.7	
Depreciation	2.8	2.5		11.5	10.0	
Profit Before Tax	7.7	7.5		40.0	55.9	
Provision for Tax	-3.5	-0.2		4.3	15.0	
<b>Profit After Tax</b>	<b>11.3</b>	<b>7.7</b>	<b>47.1%</b>	<b>35.7</b>	<b>40.9</b>	<b>-12.6%</b>
<b>PAT Margin%</b>	<b>13.0%</b>	<b>6.5%</b>		<b>10.3%</b>	<b>9.0%</b>	
<b>EPS</b>	<b>3.65</b>	<b>2.49</b>		<b>11.60</b>	<b>13.32</b>	



# Standalone Balance Sheet

(Rs. Cr)	Mar-20	Mar-19
<b>EQUITY &amp; LIABILITY</b>		
Share Capital	30.8	30.7
Total Reserves	263.0	245.9
<b>Shareholder's Funds</b>	<b>293.8</b>	<b>276.6</b>
<b>Long-Term Borrowings</b>		
Secured Loans	0.3	0.3
Deferred Tax Liabilities	17.8	20.4
Long Term Provisions	0.6	0.5
Other Non Current Liabilities	0.7	0.5
<b>Total Non-Current Liabilities</b>	<b>19.3</b>	<b>21.6</b>
<b>Current Liabilities</b>		
Trade Payables	43.1	36.4
Other Current Liabilities	4.1	9.6
Short Term Borrowings	27.0	11.0
Short Term Provisions	0.1	0.1
<b>Total Current Liabilities</b>	<b>74.3</b>	<b>57.0</b>
<b>Total Liabilities</b>	<b>387.4</b>	<b>355.2</b>

(Rs. Cr)	Mar-20	Mar-19
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed Assets incl CWIP & intangible	181.0	148.4
Investment in subsidiary	21.3	21.3
Financial Assets	60.1	3.8
Other Non Current Assets	6.4	9.1
<b>Total Non-Current Assets</b>	<b>268.8</b>	<b>182.6</b>
<b>Current Assets</b>		
Inventories	44.9	46.0
Sundry Debtors	62.5	79.4
Cash and Bank	0.9	39.7
Short Term Loans and Advances	2.6	1.7
Other Current Assets	7.6	5.9
<b>Total Current Assets</b>	<b>118.5</b>	<b>172.6</b>
<b>Total Assets</b>	<b>387.4</b>	<b>355.2</b>



# Consolidated Balance Sheet

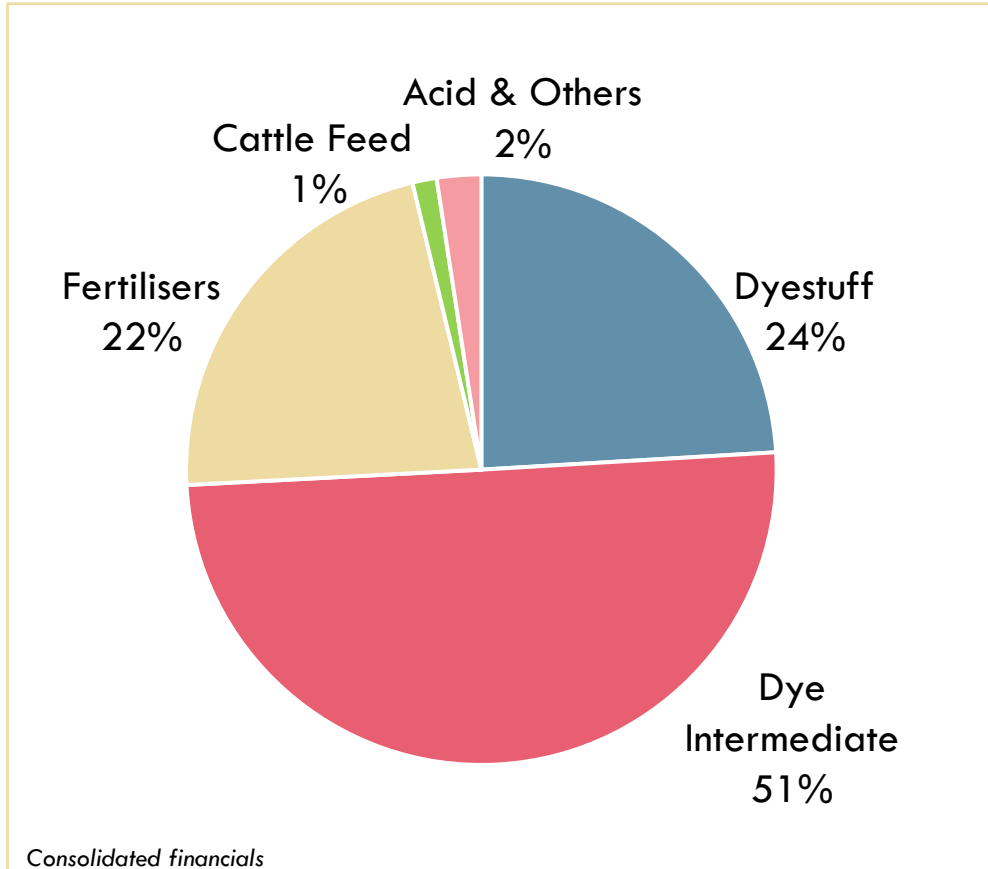
(Rs. Cr)	Mar-20	Mar-19
<b>EQUITY &amp; LIABILITY</b>		
Share Capital	30.8	30.7
Total Reserves	275.4	253.7
<b>Shareholder's Funds</b>	<b>306.2</b>	<b>284.4</b>
<b>Long-Term Borrowings</b>		
Secured Loans	3.8	7.4
Deferred Tax Liabilities	17.7	19.6
Long Term Provisions	0.7	0.5
Other Non Current Liabilities	0.7	0.5
<b>Total Non-Current Liabilities</b>	<b>22.9</b>	<b>28.0</b>
<b>Current Liabilities</b>		
Trade Payables	54.5	44.9
Other Current Liabilities	8.6	11.7
Short Term Borrowings	45.1	39.3
Short Term Provisions	0.1	0.1
<b>Total Current Liabilities</b>	<b>108.3</b>	<b>95.9</b>
<b>Total Liabilities</b>	<b>437.3</b>	<b>408.3</b>

(Rs. Cr)	Mar-20	Mar-19
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed Assets incl CWIP & intangible	215.5	182.7
Financial Assets	60.3	4.0
Other Non Current Assets	6.5	9.2
<b>Total Non-Current Assets</b>	<b>282.3</b>	<b>195.9</b>
<b>Current Assets</b>		
Inventories	62.1	62.3
Sundry Debtors	76.7	98.3
Cash and Bank	1.1	39.8
Short Term Loans and Advances	2.6	1.7
Other Current Assets	12.5	10.3
<b>Total Current Assets</b>	<b>155.1</b>	<b>212.4</b>
<b>Total Assets</b>	<b>437.3</b>	<b>408.3</b>



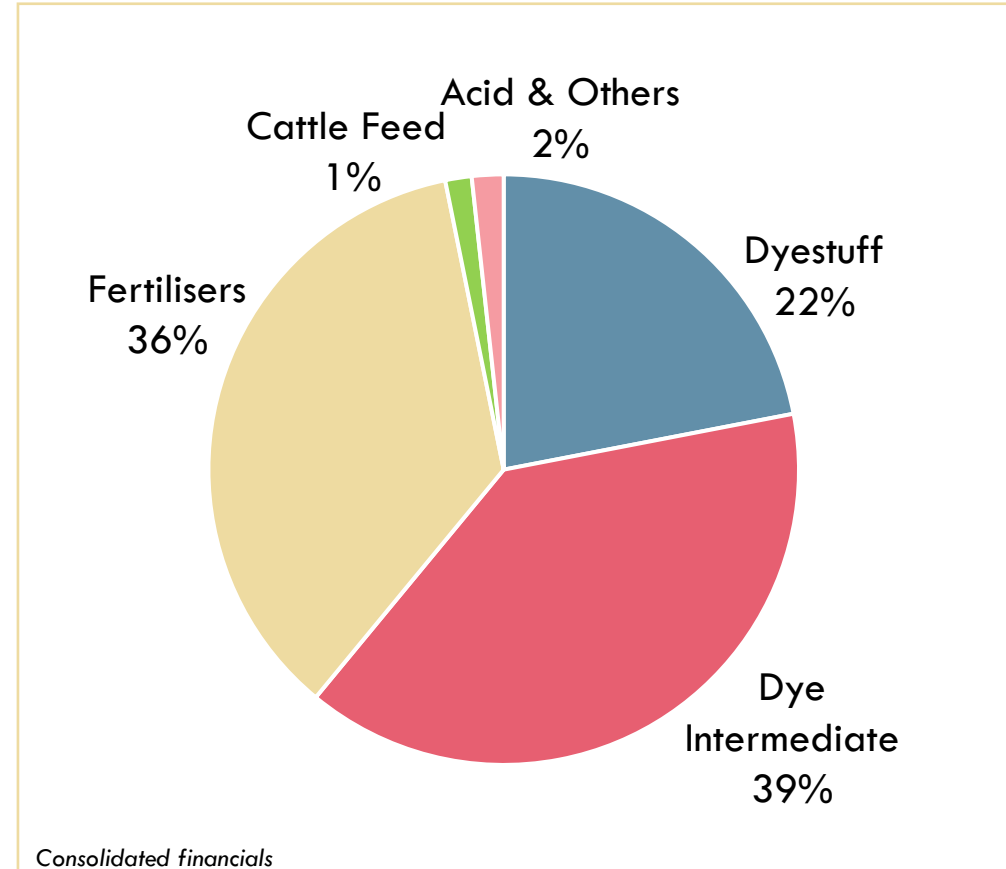
# FY20 Segmental Performance

## FY19 Segment Breakup



**FY19 Consolidated Revenue – Rs. 452 Cr**

## FY20 Segment Breakup



**FY20 Consolidated Revenue – Rs. 346 Cr**





# **Company Overview**



# Completely Integrated Product Portfolio



	Acid Complex	DCP – Cattle Feed	Fertilisers	Dye Intermediates	Dyestuff
<b>Capacity</b>	40,000 MTA	4,500 MTA	1,50,000 MTA	8,986 MTA	6,000 MTA
<b>Products</b>	Acid - Sulphuric Acid, Oleum and Chloro Sulphonic Acid	Cattle Feed - DCP	SSP, NPK, SOP and Soil Conditioner	Vinyl Sulphone, H-Acid, K-Acid and others	Reactive dyes
<b>Revenue share</b> (FY20 – Rs. 284 Cr)	Rs. 6 Cr 1%	Rs. 5 Cr 2%	Rs. 62 Cr 22%	Rs. 135 Cr 48%	Rs. 76 Cr 27%
	Backward Integration			Forward Integration	

Standalone financials



# A Cost-Efficient Business Model

## Strategic Plant Location

All manufacturing facilities are within MIDC, Lote Parshuram, Maharashtra, thus offering numerous logistics and management control advantages

## Own Logistics Fleet

Own Logistics fleet that brings ease of transportation without time delays in sourcing of raw materials or delivery to customers

## Captive Power Plant

Zero cost captive power plants based on waste-heat boilers generated in the manufacturing of Sulphuric acid that reduces our electricity cost and ensures uninterrupted power supply

## Focused Marketing Network

Focused market networking for dyestuff and fertilizer brands throughout India, creating brand visibility and sales push



# While Maintaining Best In Class Environmental Compliance



**Efficient use of byproducts:** effluents/ wastes from one production activity are utilized in other product verticals to create a set of value-added products



**Zero waste company:** the methodology of using effluents of one vertical in another leads to zero waste




**Rationalization of treatment cost:** zero waste method helps in minimal treatment cost; in house Effluent Treatment Plant (ETP)

## Certifications

Complying with local and international environmental guidelines





# **Chemical (DI and DS) Segments Overview**



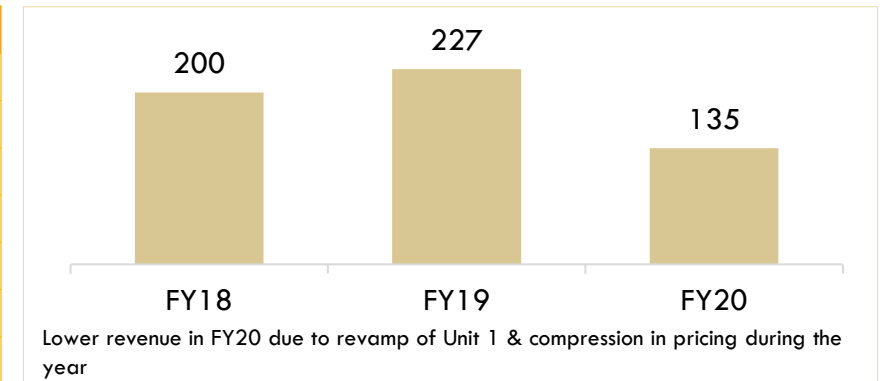
# Overview Of Dyestuff And Dye Intermediates

**Dye Intermediates**  
Wide range of products  
under one roof

Single product in 2001 to over 10 products now

Product	Capacity MTPA
H-Acid	3,150
VS	3,700
K-Acid	960
Gamma	480
Meta Ureido Aniline	600
R Salt	96
<b>Total</b>	<b>8,986</b>

Revenue (Rs. Cr)



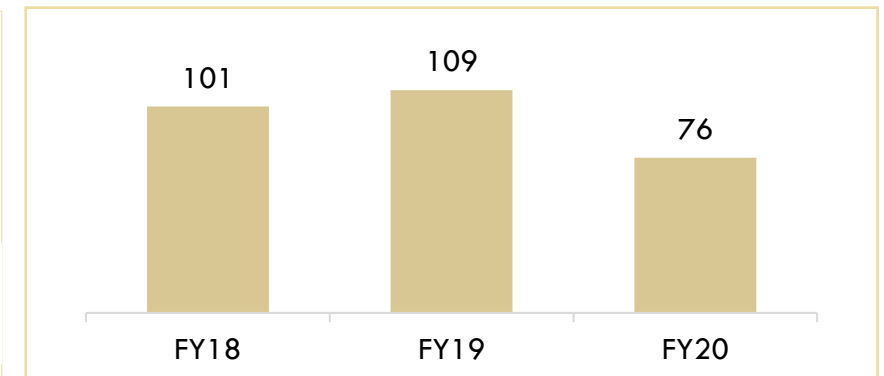
**Dyestuff**  
Leading manufacturers  
of reactive dyestuff  
(Variety of Shades &  
Colors)

Capacity – 6,000 MTPA

- Own brand of reactive dyes – DYECOL
- Product range certified from “GOTS” and enjoy the privileged status of being a Government recognized “Export House” from the last 15 Years
- “BLUE SIGN” System Partner and a “ZDHC” Contributor



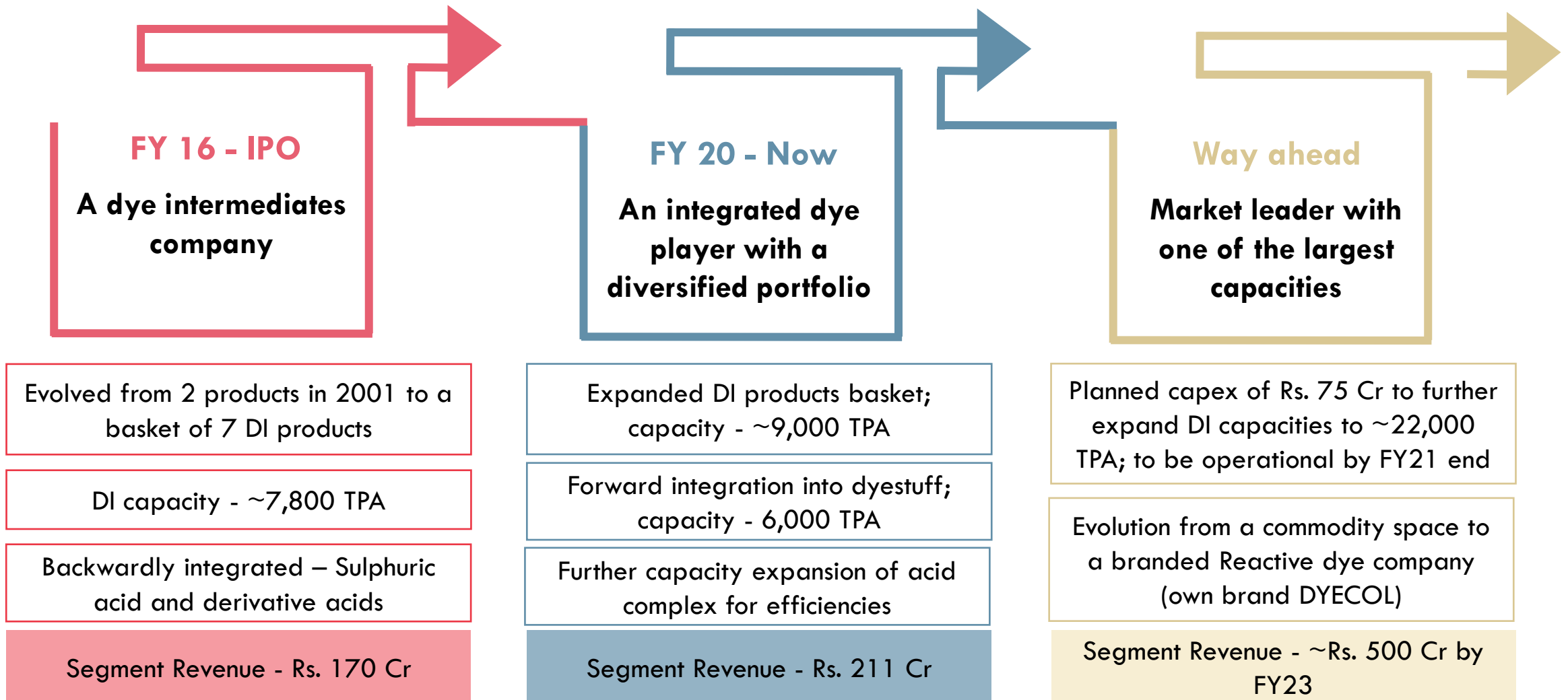
Revenue (Rs. Cr)



Consolidated financials



# The Evolution of Chemical Business



Consolidated financials



# Industry Opportunities For Dye And Dye Intermediates

## Strong Industry Demand Drivers

- The Indian Dyestuff and Dye Intermediate industry is undergoing a transitional phase – the country went from being a net importer to a leading exporter across the globe
- The Indian Dye Intermediates market is expected to grow to \$6.3 billion by 2022, displaying a CAGR of more than 7% during the forecast period of 2017-2022
- The textile industry contributes to over 70% of total dyestuff demand, population growth and rise in consumer savings is a leading driver for the textile industry, this in turn ensures a constant demand for dyestuff in the Indian and international markets

## India Emerging As Alternate Supplier to China

- During the past several years, numerous Chinese dyes and intermediates production plants have shut down due to implementation of stringent environmental laws
- With increased environmental norms, the cost advantage enjoyed by China has diminished
- India has come up and is emerging as the next alternative supplier for the global market

## Increasing stake of the Organized Sector

- The unorganized sector in the dyestuff industry has been declining over the years due to increasing environmental and waste management norms, along with external dependency on raw material sourcing
- This will benefit the companies that are compliant with local environment laws and have backward integration in place to be self sustainable for raw material needs





# Fertilisers Segments Overview



# Overview of Fertiliser Segment

## Pan-India presence in key agriculture states

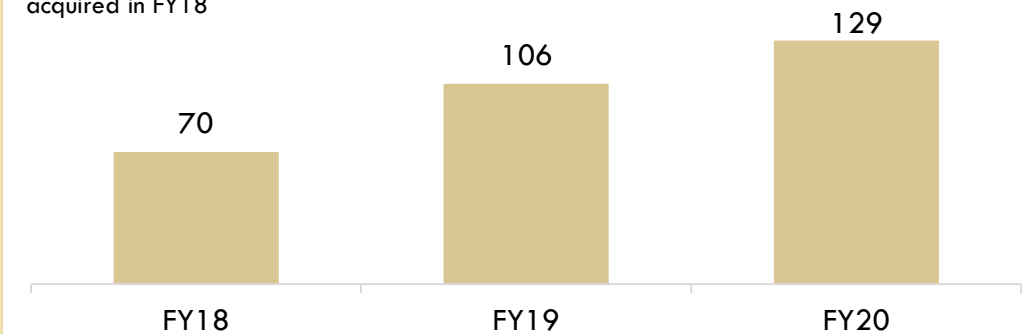
<b>Shree Pushkar Standalone</b>	Backward integration from DI and dyestuff	Maharashtra and Karnataka
<b>Kisan Phosphates (100% subsidiary)</b>	Acquired in FY18	UP, Punjab, Haryana & Himachal Pradesh
<b>Madhya Bharat Fertilizer (100% subsidiary)</b>	Acquired in FY20	Madhya Pradesh, Chhattisgarh, Rajasthan & Gujarat

**Marketing through +300 dealers through our own brand name and through our own marketing channels**

Product	Capacity MTPA
Single Super Phosphate (SSP)	2,00,000
Nitrogen Phosphorus Potassium (NPK)	18,000
Sulphate of Potash (SOP)	20,000
Soil Conditioner (SC)	12,000
Granular Calcium Chloride	6,500

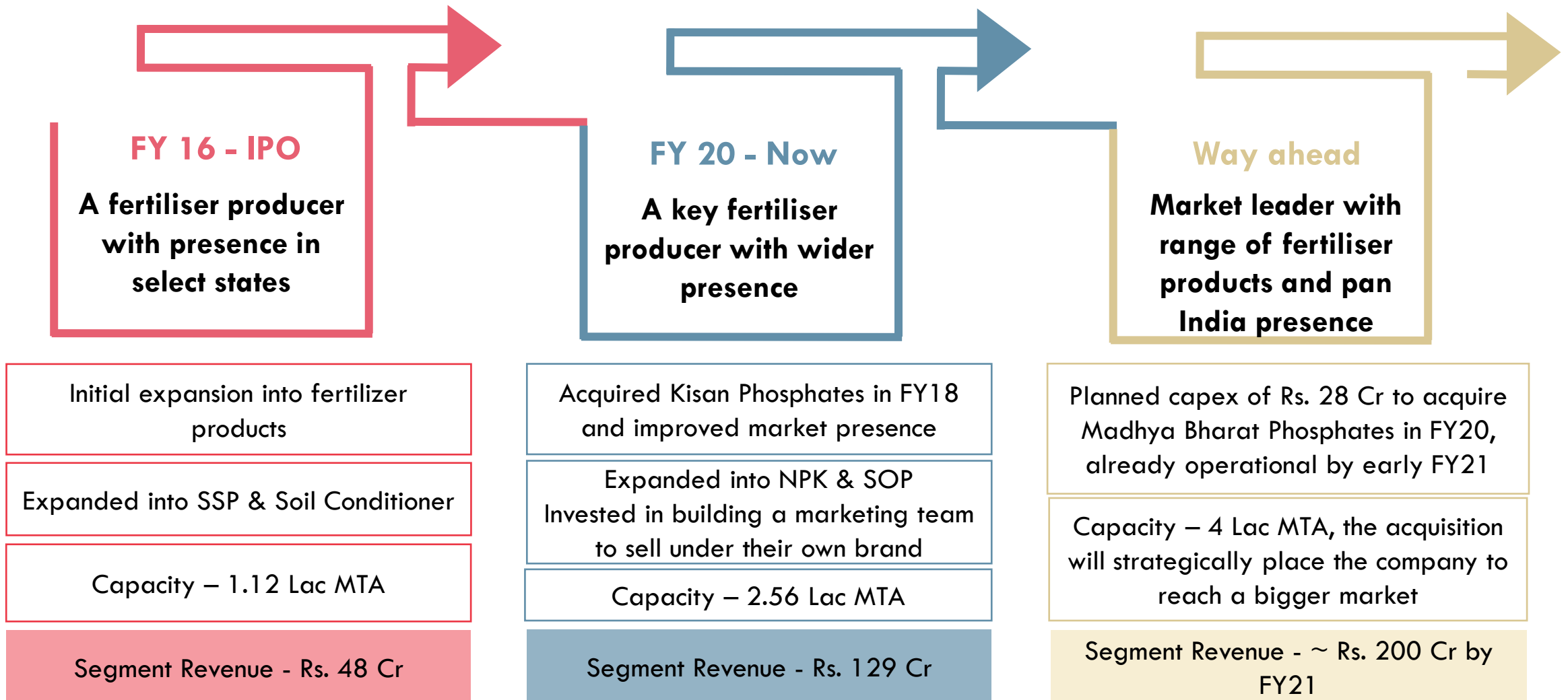
## Revenue (Rs. Cr)

Includes Kisan Phosphates which was acquired in FY18





# The Evolution of Fertilizer Business



Consolidated financials



# Industry Opportunities For Fertilisers

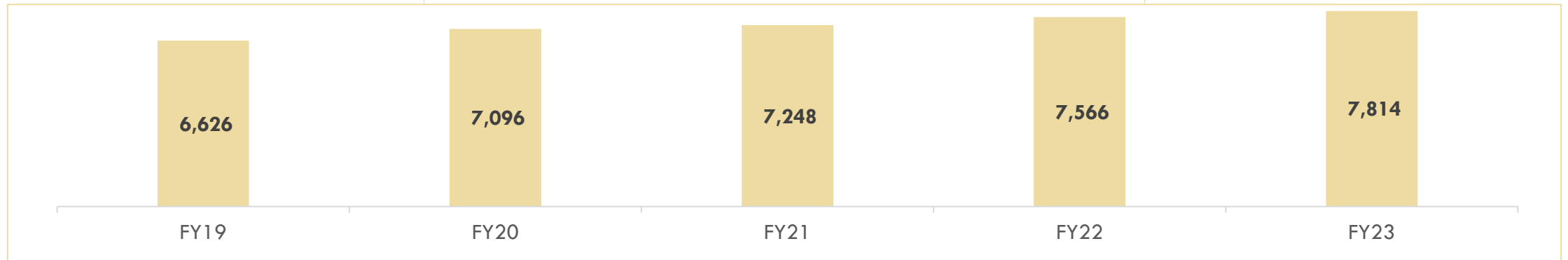
## Strong Industry Demand Drivers

- Fertilisers are a key component in the growth of India's agriculture sector, which accounts for about a sixth of the country's GDP
- India is the world's second-largest consumer of fertilisers and the world's third-largest producer
- Monsoons have a major impact on the agricultural sector, besides the commodity prices of major raw material inputs. In such a regime SSP fertilizer being a low-cost fertilizer and popularly termed as poor farmers fertilizer, has an increased preference with the farmers

## Factors affecting SSP Production

- Because of the simple production technique, it is one of the cheapest chemical fertilisers available
- Government of India has implemented the Nutrient Based Subsidy (NBS), this subsidy is given to companies based upon the nutrient content in each grade of the fertilisers they sell to farmers
- The Government is also encouraging SSP production as it is indigenous and is also considered as a substitute to diammonium phosphate (DAP), which is largely import based and costlier
- SSP demand is set to grow at a CAGR of 4%

All India Demand Forecast of SSP (Thousand Tonnes)



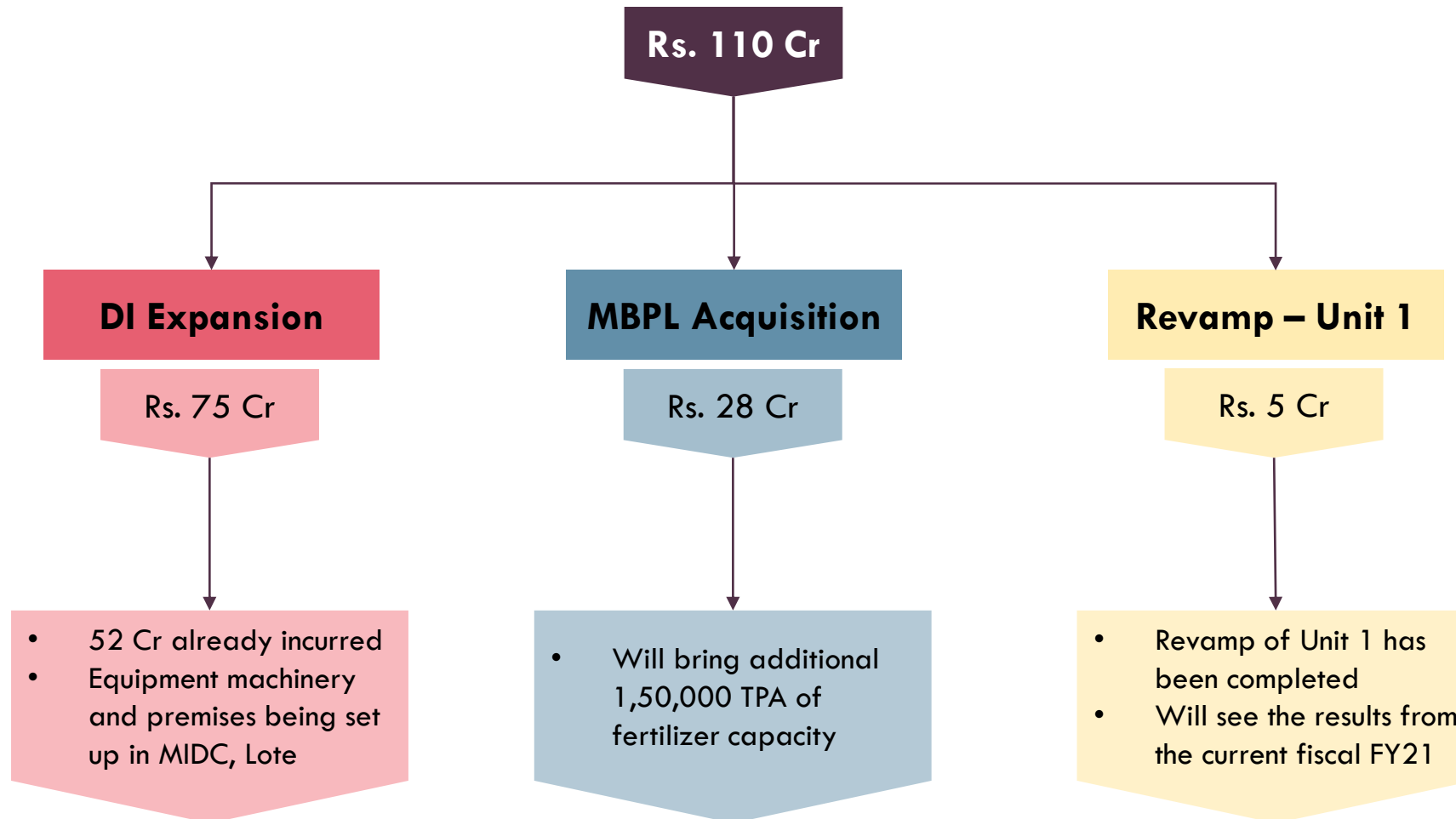
Source – GOI - Dept of fertilisers



# **Growth Strategy**



# CAPEX Plan To Tap Into These Opportunities



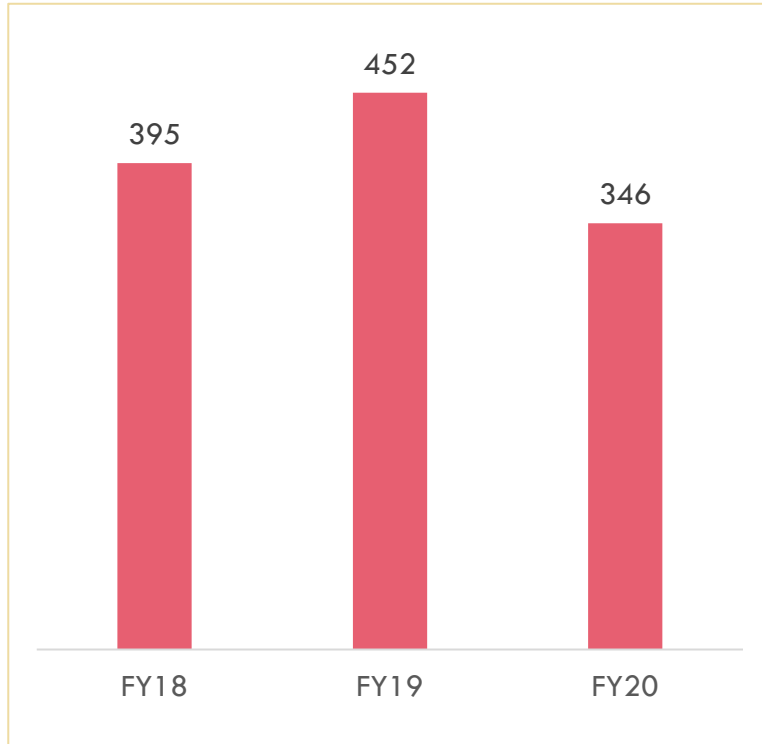


# Historical Financial Highlights

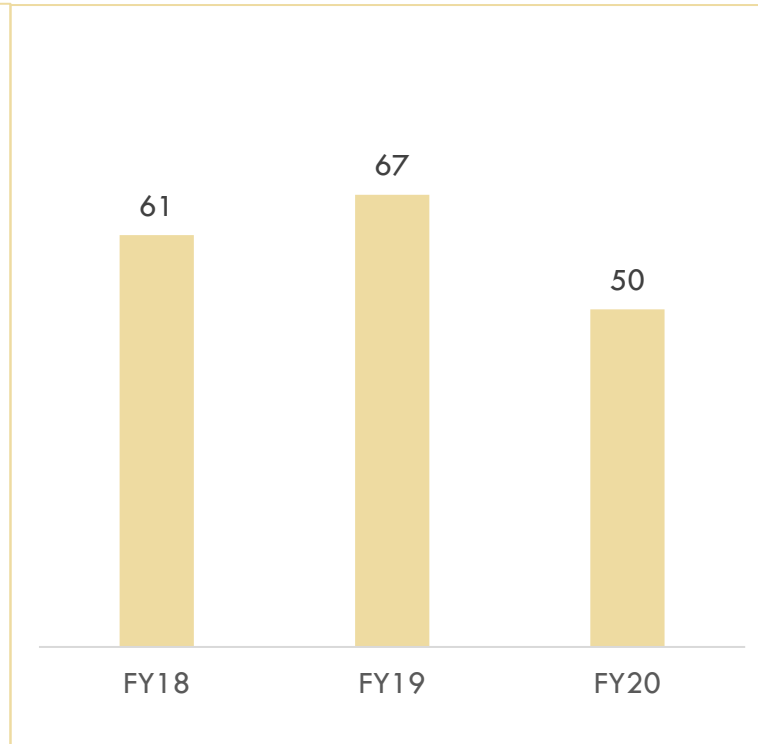


# Key Financial Highlights - Consolidated

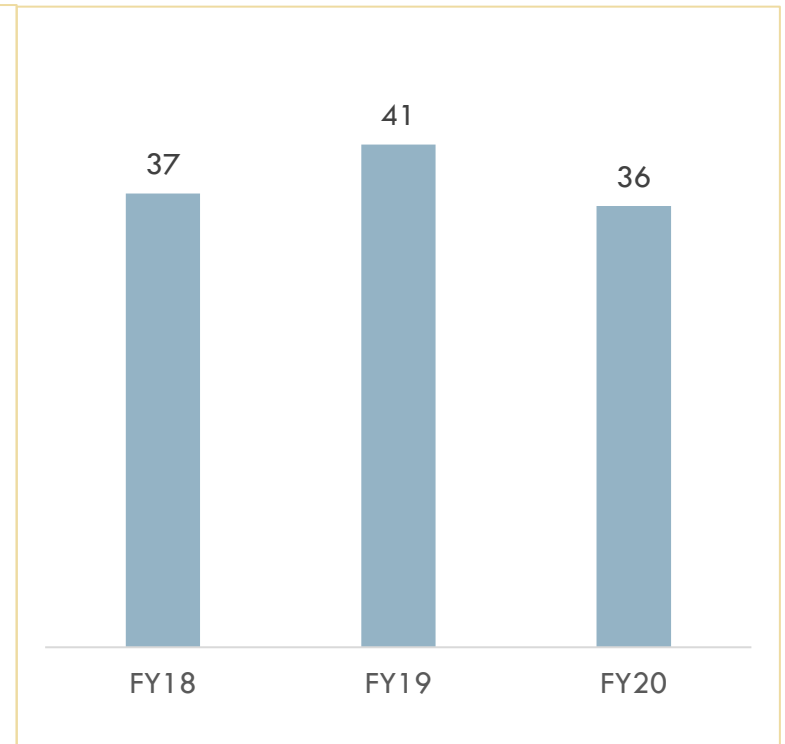
Revenue (Rs. Cr)



EBITDA (Rs. Cr)



PAT (Rs. Cr)

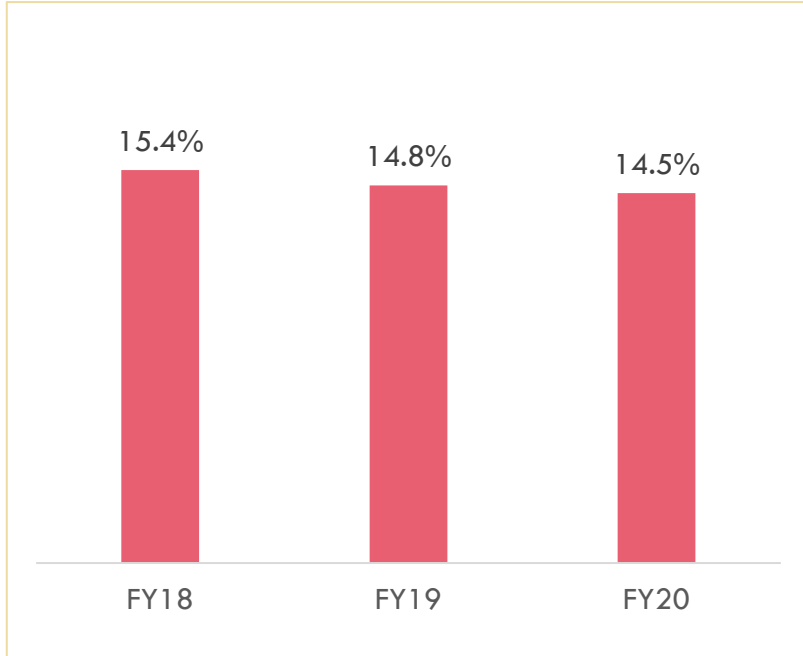




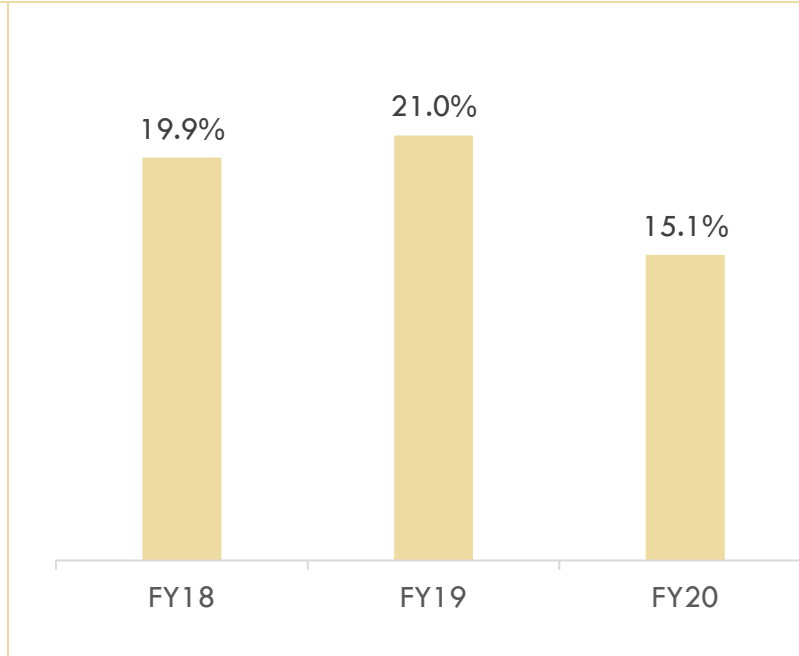


# Delivering Consistent Financial Performance - Consolidated

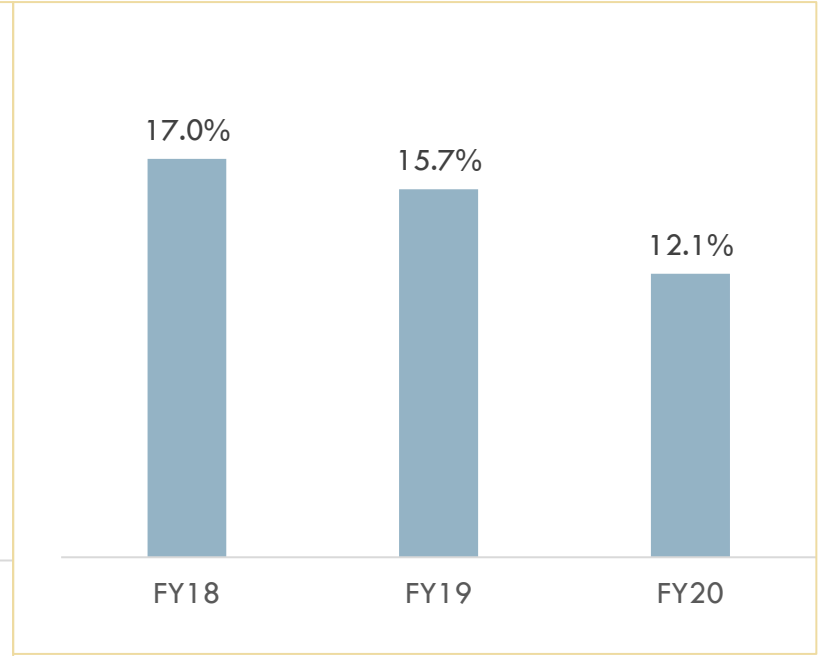
### EBITDA Margin



### ROCE



### ROE



ROCE = EBIT/Average Capital Employed (Equity + Short & Long Term Debt)

ROE = Net Income/Average Shareholders Equity

## A Zero Debt Company

The company has zero financial leverage



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# Thank You

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