

February 8, 2022

To,  
Department of Corporate Service (DCS-CRD),  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai — 400 001.

**Sub: Investor Presentation for quarter and nine months ended December 31, 2021.**  
**Scrip Code: 524774 – NGL Fine-Chem Limited**

Dear Sir/Madam,

Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 enclosed herewith please find Investor Presentation for quarter and nine months ended December 31, 2021.

Kindly take the same on your record.

Thanking you,

Yours faithfully,  
For NGL Fine-Chem Limited



Pallavi Pednekar  
Company Secretary & Compliance Officer  
Membership No: A33498

Encl: Investor Presentation.



**NGL Fine-Chem Ltd**

**Earnings Presentation  
Q3 & 9MFY22**



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# Q3 & 9MFY22 Financial Highlights

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# Consolidated profit & loss statement



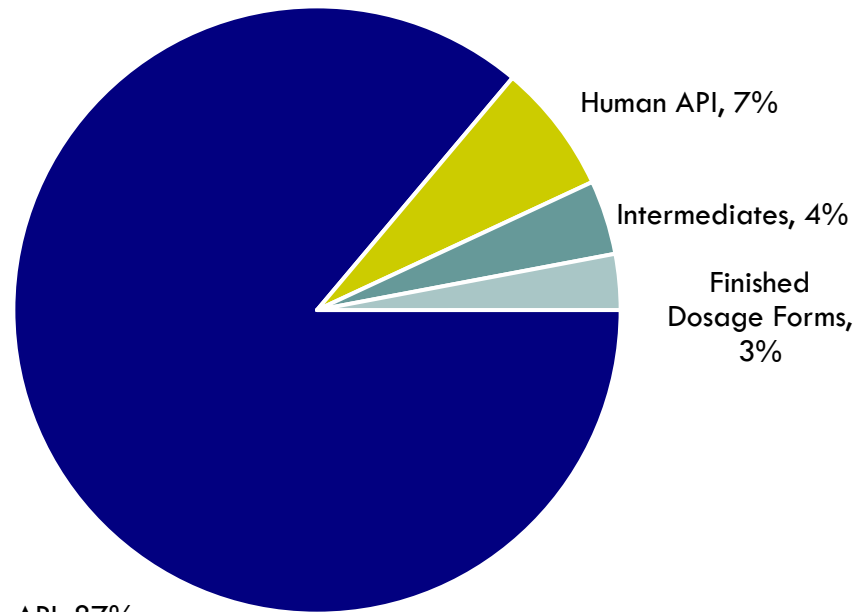
(Rs Cr)	Q3FY22	Q3FY21	YoY	9MFY22	9MFY21	YoY
Revenue from operations	81.1	72.7	12%	235.5	183.4	28%
Cost of material consumed	41.9	29.2		109.3	76.0	
<b>Gross Profit</b>	<b>39.2</b>	<b>43.5</b>	<b>-10%</b>	<b>126.2</b>	<b>107.4</b>	<b>17%</b>
<b>Gross Profit margin</b>	<b>48%</b>	<b>60%</b>		<b>54%</b>	<b>59%</b>	
Employee expenses	9.0	8.1		25.6	20.7	
Other expenses	17.7	13.0		47.0	30.5	
<b>EBITDA</b>	<b>12.5</b>	<b>22.4</b>	<b>-44%</b>	<b>53.6</b>	<b>56.2</b>	<b>-5%</b>
<b>EBITDA margin</b>	<b>15.4%</b>	<b>30.8%</b>		<b>22.8%</b>	<b>30.7%</b>	
Finance cost	0.4	0.4		1.2	1.5	
Depreciation	2.4	2.1		6.8	6.3	
Other income	3.8	3.5		12.5	8.5	
<b>PBT</b>	<b>13.5</b>	<b>23.4</b>	<b>-42%</b>	<b>58.2</b>	<b>56.9</b>	<b>2%</b>
Tax Expenses (Credits)	3.6	5.7		15.0	14.0	
<b>PAT</b>	<b>9.9</b>	<b>17.7</b>	<b>-44%</b>	<b>43.1</b>	<b>42.9</b>	<b>1%</b>
<b>PAT margin</b>	<b>12.3%</b>	<b>24.4%</b>		<b>18.3%</b>	<b>23.4%</b>	

- Revenue growth of 12% YoY in Q3FY22 and 28% YoY in 9MFY22, driven by strong volume growth and increasing market penetration
- Continuing rise in input prices (27% YoY in Q3), fuel costs (167% YoY in Q3) and freight costs (43% YoY in Q3) led to margin and profitability contraction during the quarter

# Strong growth in Vet API biz. driven by increasing market share



**9MFY22 Revenue Distribution**



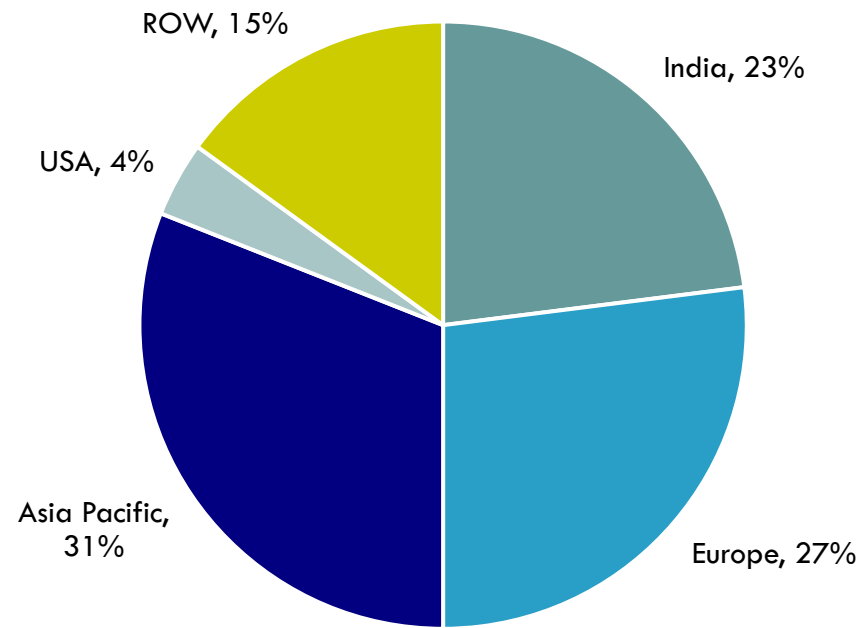
Revenue (Rs Cr)	Q3FY22	Q3FY21	YoY%	9MFY22	9MFY21	YoY %
Veterinary API	70.4	56.3	<b>25%</b>	193.9	141.8	<b>37%</b>
Finished Dosage Forms	2.2	5.2	<b>-59%</b>	8.8	12.8	<b>-31%</b>
Human API	5.6	6.0	<b>-7%</b>	13.9	13.5	<b>3%</b>
Intermediates	3.1	5.2	<b>-41%</b>	18.8	15.2	<b>23%</b>
<b>Total</b>	<b>81.1</b>	<b>72.7</b>	<b>12%</b>	<b>235.5</b>	<b>183.4</b>	<b>28%</b>

Veterinary API, 87%

# Coupled with growth across regions



**9MFY22 Revenue Distribution**



Revenue (Rs Cr)	Q3FY22	Q3FY21	YoY%	9MFY22	9MFY21	YoY %
Asia Pacific	28.1	20.5	<b>36.6%</b>	72.5	62.3	<b>16.4%</b>
Europe	22.4	22.6	<b>-0.6%</b>	63.5	56.5	<b>12.5%</b>
India	12.7	17.7	<b>-28.6%</b>	53.7	43.2	<b>24.4%</b>
ROW	14.5	10.3	<b>40.6%</b>	35.4	18.9	<b>87.7%</b>
USA	3.6	1.6	<b>119.1%</b>	10.3	2.7	<b>284.3%</b>
<b>Total</b>	<b>81.1</b>	<b>72.7</b>	<b>12%</b>	<b>235.5</b>	<b>183.4</b>	<b>28%</b>

# Company Overview

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# Animal health company with strong global footprint



## Comprehensive product portfolio

- 22 APIs (18 veterinary API, 4 human), 4 intermediates, 10 finished dosage forms
- Best quality and value-driven pricing



## Market leadership in vet API

- Leadership in top 3 products – 50%+ market share
- Growing position in next 4 – taking market share from other players



## Manufacturing excellence

- 3 state of the art manufacturing facilities
- Strong R&D capabilities in custom synthesis



## Large global presence

- 45+ countries across the globe with country-wise regulatory approvals
- Strong presence in unregulated markets



## Long standing customer relationships

- ~400 customers
- Reliable supplier focused on good sale support to all customers

# Leadership in veterinary API on the back of superior quality



Strong controls of processes with **95%** in-house manufacturing and backward integrated facilities leading to cost competitiveness

High quality and reliable products with no market rejection in **15 years**

## Wide Range of Product Categories

Anthelmintics

Ectoparasiticides

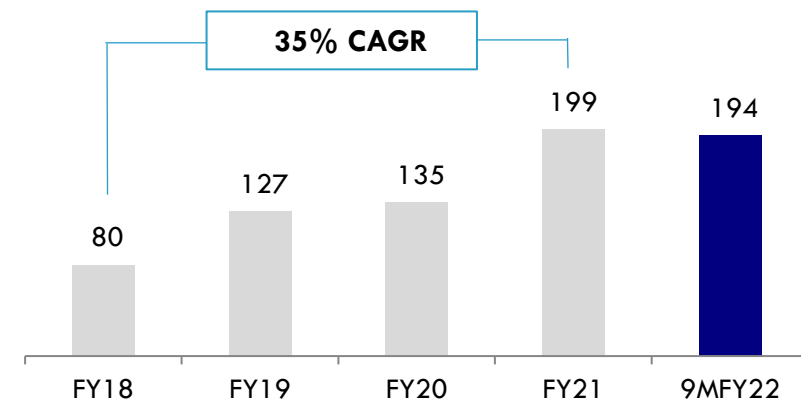
Antiprotozoals

Phosphorus Supplements

Market share ranging from **15% to 50%+** in key products

Team of **25 R&D** professionals spearheading a pipeline of 5 molecules under development

## Revenue from veterinary API segment (Rs cr)



Large product portfolio with primary presence in livestock and farm animals

Strong presence in APAC – **30%+** revenue

# State-of-the-art manufacturing capabilities



**3 manufacturing facilities** located at Tarapur & Navi Mumbai, Maharashtra, designed to meet the requirements of regulatory agencies and are capable of a wide range of reaction capabilities

**10,000 m<sup>2</sup>**

Area of manufacturing facilities

**102 m<sup>3</sup>**

Glass-lined reactors

**194 m<sup>3</sup>**

Stainless steel reactors

**12 m<sup>3</sup>**

Gas induction reactors

**-20° C to +250° C**

Reaction range



## Accreditations

WHO-GMP, ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and cGMP accredited



# Represented by a professional team & Board



## Promoters



**Mr. Rahul Nachane**

**Managing Director**

- 30+ years of experience in the pharmaceutical industry
- Is involved in the operations of the Company since 1989, and a fulltime director of the Company since 1992. He is responsible for the overall management of the Company and specifically for marketing and production



**Mr. Rajesh Lawande**

**Whole-Time Director & CFO**

- 20+ years of experience in the pharmaceutical industry
- Is involved in the operations of the company since 1999. He has been shaping the Company's R&D efforts and introducing new markets and customers. He is responsible for R&D, sales and production

## Board of Directors

**Mrs. Ajita Nachane**

**Non-Executive Director**

- 24+ years of expertise in sales and marketing functions
- Founder director of Tele Access E-Services Pvt Ltd, a BPO providing services to the finance, FMCG and other sectors

**Mr. Jayaram Sitaram**

**Independent Director**

- 20+ years of expertise in consulting and management functions
- Currently Managing Director at Praxis Technologies. He is a Co-founder of Matrix Technologies, Inc. He was the Country Head at Lionbridge in India earlier

**Ms. Sarala Menon**

**Independent Director**

- 35+ years of expertise in manufacturing and supply chain functions
- Currently Executive VP at Colgate-Palmolive India. Her area of focus is on optimizing manufacturing operations and management

**Mr. Milind V Shinde**

**Independent Director**

- 30 years of expertise in manufacturing and engineering industry
- Founder of AVM Engineering a leading manufacturer of industrial fans in India and caters to the requirement of all major OEMS in India as well as exports to Middle East and Africa.

**Mr. K.V. Subramanian**

**Non-Executive Independent Director**

- 30+ years of expertise in banking and financial markets
- Currently Managing Director at Standard Chartered Bank and a member of the India Country Management team driving Strategy, Process & Governance & CVO. On the Board of all the Standard Chartered subsidiary companies in India and is also on the Board of CDSL Ventures Limited.

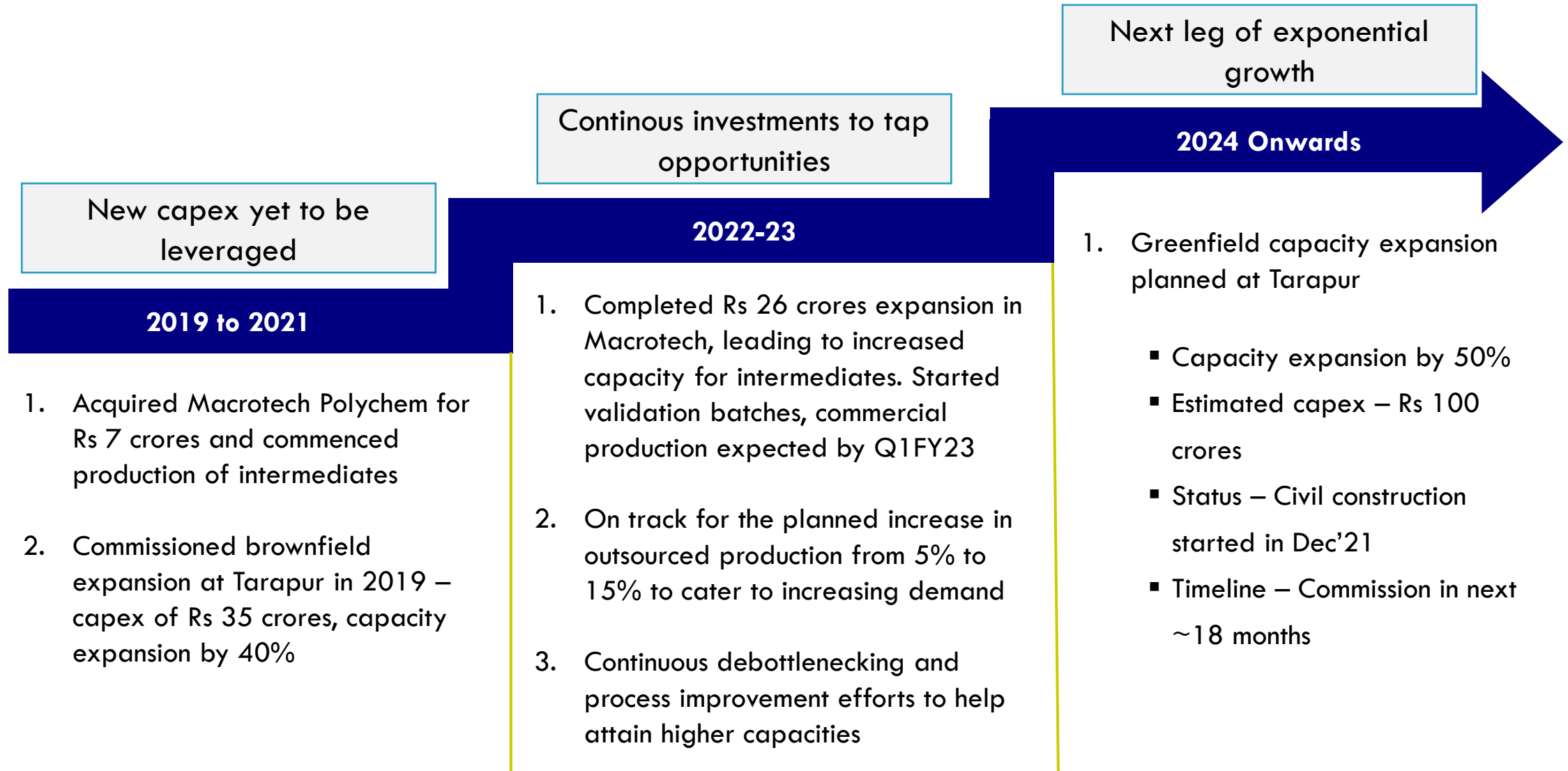
# Advantageously placed in a growing opportunity



	Market Size 2020	Market Size 2027	Segment Trends	Growth Drivers
<b>Animal Health Market</b>	\$139 Billion	\$192 Billion (CAGR – 4.7%)	<ul style="list-style-type: none"><li>Pharma segment to grow at higher rate – 5.4% CAGR</li><li>Production animal segment have the larger pie</li></ul>	<ul style="list-style-type: none"><li>Rising prevalence of zoonotic diseases, animal population &amp; pet ownership</li><li>Global livestock population has been experiencing rapid growth</li><li>High demand for animal-based products and growing meat consumption</li></ul>
<b>Animal API Market</b>	\$6.6 Billion	\$10.5 Billion (CAGR – 6.9%)	<ul style="list-style-type: none"><li>APAC market to grow at higher rate – 7.3% CAGR</li><li>Antiparasitics API fastest growing segment</li></ul>	

Source: Grand View Research & Global Market Insights

# On strategic growth path



# Historical Financials

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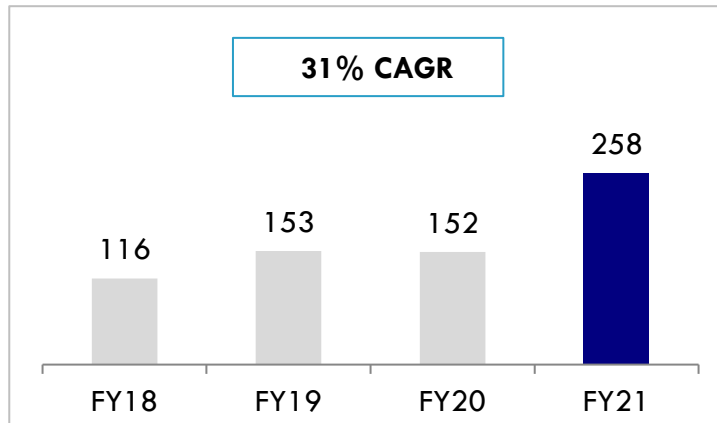


# Robust financial performance

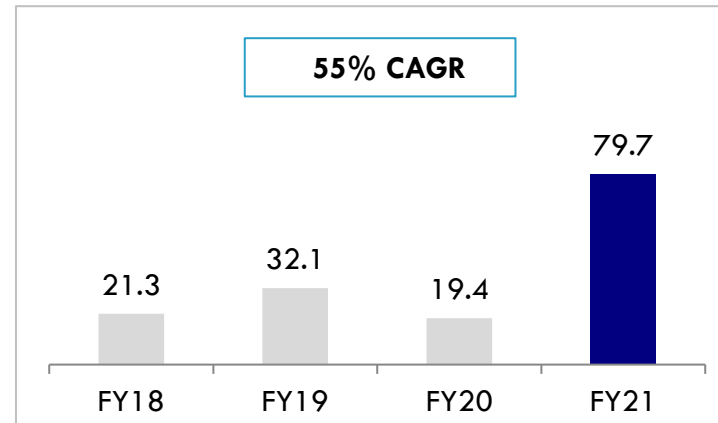


Consolidated Figures

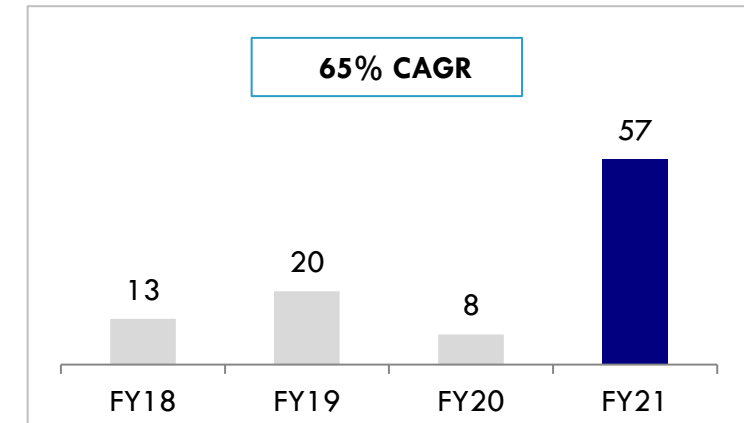
### Revenue (Rs Cr)



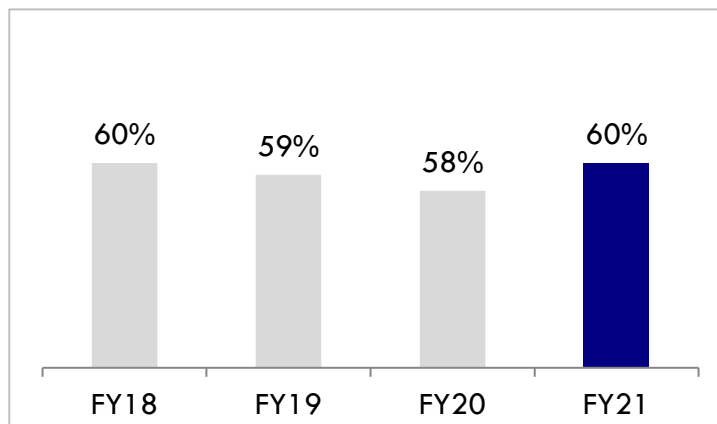
### EBITDA (Rs Cr)



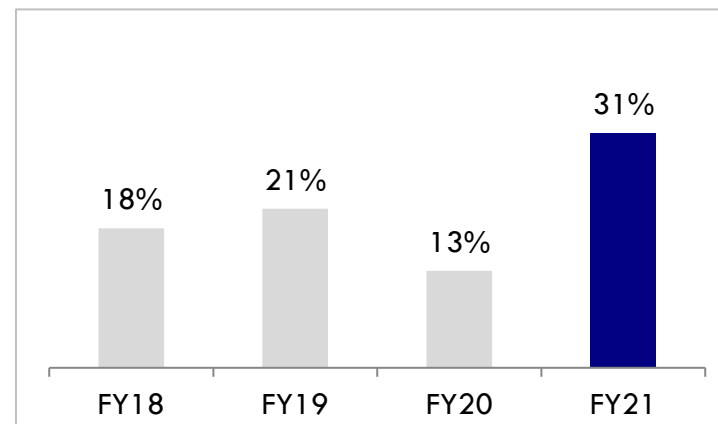
### PAT (Rs Cr)



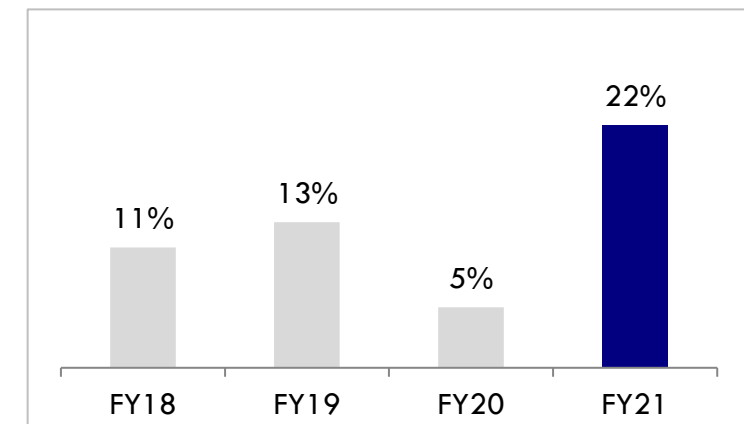
### Gross Margin (%)



### EBITDA Margin (%)



### PAT Margin (%)



EBITDA excludes Other Income

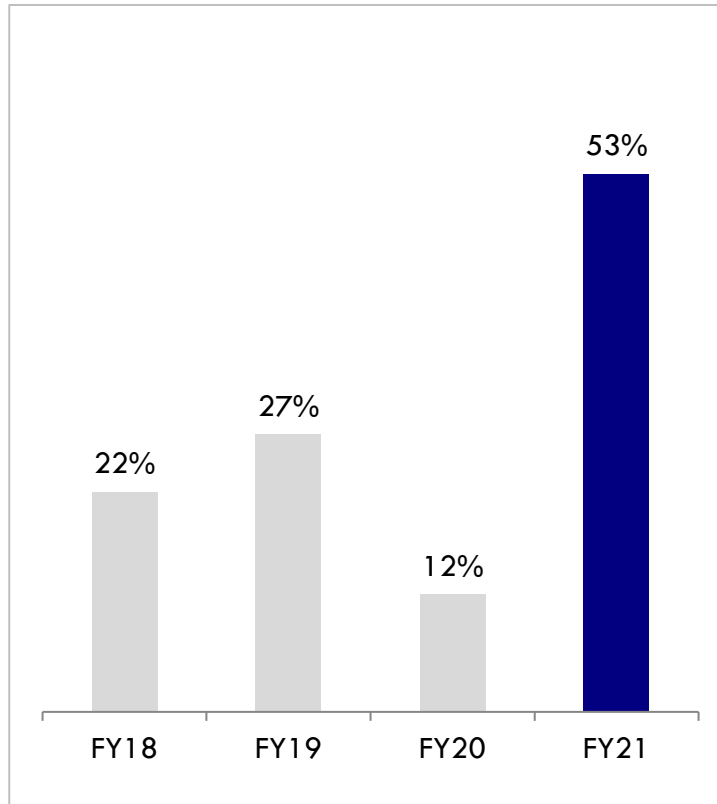


# Improving efficiencies

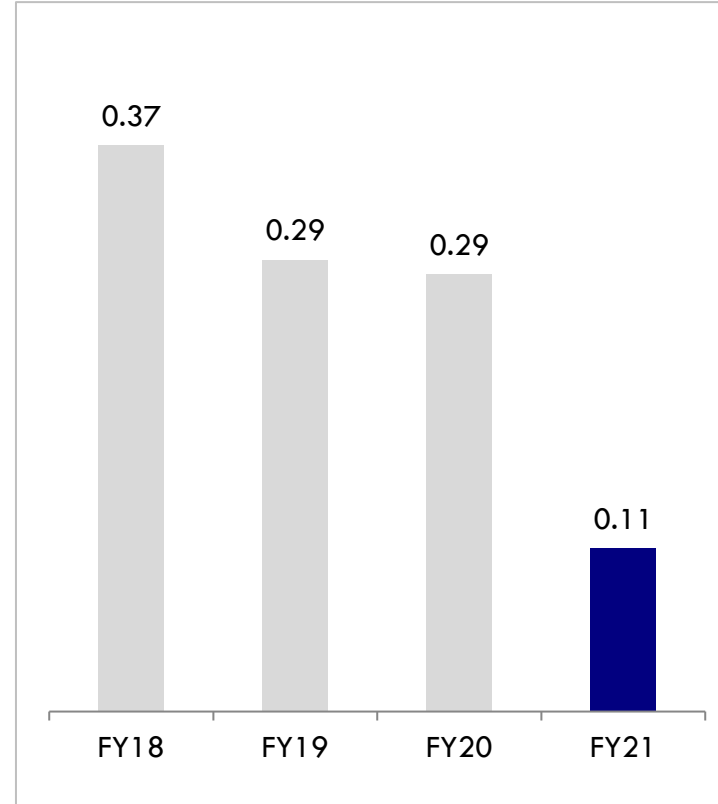


Consolidated Figures

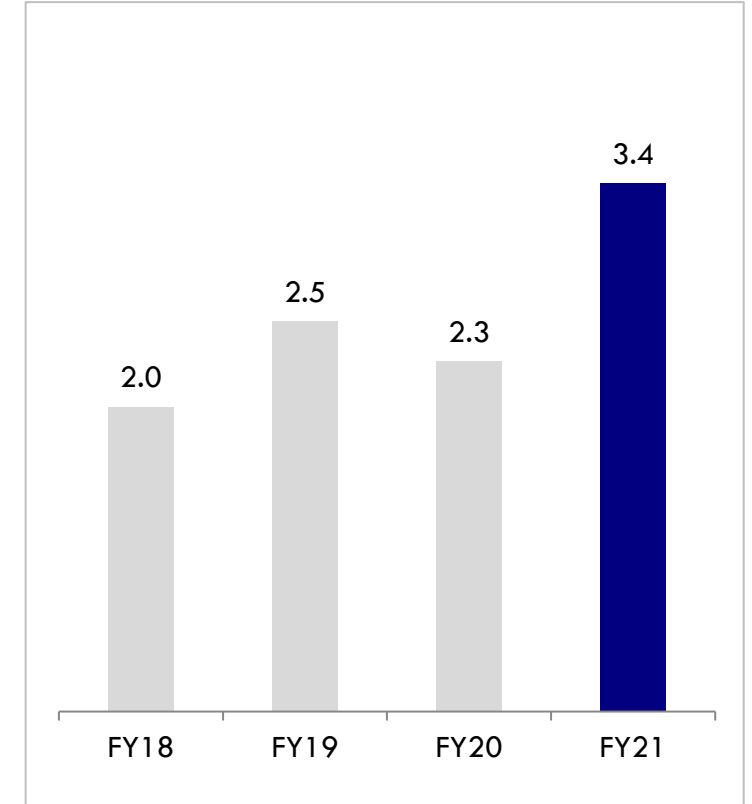
### ROCE (%)



### Debt/ Equity (x)



### Fixed Asset Turnover (x)



ROCE = EBIT / Avg Capital Employed (Shareholder's Fund + Total Debt)

Debt/Equity = Total Debt / Shareholder's Fund

FATO = Revenue / Fixed Assets (Inc CWIP)

# Consolidated profit & loss statement



(Rs Cr)	FY21	FY20	FY19
Revenue from operations	258.0	151.7	153.2
Cost of material consumed	102.4	64.4	62.6
<b>Gross Profit</b>	<b>155.6</b>	<b>87.3</b>	<b>90.6</b>
<b>Gross Profit margin</b>	<b>60.3%</b>	<b>57.5%</b>	<b>59%</b>
Employee expenses	28.1	24.0	21.2
Other expenses	47.8	43.9	37.3
<b>EBITDA</b>	<b>79.7</b>	<b>19.4</b>	<b>32.1</b>
<b>EBITDA margin</b>	<b>30.9%</b>	<b>12.8%</b>	<b>21.0%</b>
Finance cost	1.8	2.3	2.3
Depreciation	8.3	8.1	6.3
Other income	8.0	3.0	4.1
<b>PBT</b>	<b>77.6</b>	<b>12.0</b>	<b>27.6</b>
Tax Expenses (Credits)	20.9	3.7	7.4
<b>PAT</b>	<b>56.7</b>	<b>8.3</b>	<b>20.2</b>
<b>PAT margin</b>	<b>22.0%</b>	<b>5.5%</b>	<b>13.2%</b>

# Consolidated balance sheet highlights



Abridged Balance Sheet (Rs Cr)	Sep-21	Mar-21
Shareholders' Funds	186	154
Total Borrowings	24	16
Trade Payables	46	30
Other Liabilities	10	8
<b>Total Liabilities</b>	<b>267</b>	<b>208</b>
Fixed Assets (inc CWIP)	88	76
Inventories	55	38
Trade Receivables	58	38
Cash, Bank & Investments	40	34
Other Assets	27	22
<b>Total Assets</b>	<b>267</b>	<b>208</b>

- Increased inventories to cater to growing demand, while maintaining a strong working capital with a NWC of 78 days as of Sep'21
- Incurred CAPEX of ~ Rs 17 crores for H1FY22
- Continue to remain Net Cash positive at Rs 16 crores as of Sep'21

Note :

1. Other Liabilities : Deferred Tax Liabilities, Current Tax Liabilities, Other Financial Liabilities & Provisions
2. Other Assets : Intangible Assets, Other Financial Assets and Other Non-current and Current Assets

# Thank You

## **NGL Fine-Chem Ltd**

Pallavi Pednekar  
(Company Secretary)  
[cs@nglfinechem.com](mailto:cs@nglfinechem.com)



## **Pareto Capital (Investor Relations)**

Pooja Dokania  
[pooja.dokania@paretocapital.in](mailto:pooja.dokania@paretocapital.in)



Rishav Das  
[rishav.das@paretocapital.in](mailto:rishav.das@paretocapital.in)