



November 13, 2019.

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051

BSE Limited
Listing Department
P.J. Towers, 1st Floor,
Dalal Street, Fort,
Mumbai - 400 001

Ref: Scrip Name: BHAGERIA

Scrip Code: 530803

Sub: Investor Presentation on the unaudited financial results of the Company for the quarter and half year ended 30 September 2019.

Dear Sir/Madam,

Please find enclosed a copy of investor Presentation on the unaudited financial results of the Company for the quarter and half year ended 30 September 2019 for your information and record.

This is for you information and record

Thanking you,

Yours faithfully,
For Bhageria Industries Limited

Ketan Gaur
Company Secretary
& Compliance officer



Encl: A/a



BHAGERIA INDUSTRIES LTD

INVESTOR PRESENTATION

Q2 & H1 FY20 PERFORMANCE



Safe Harbor

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Agenda

- 01 Q2 & H1FY20 Result Highlights**
- 02 Chemical Segment**
- 03 Solar Segment**
- 04 Corporate Overview**
- 05 Historical Financials**

Q2 & H1 FY20 RESULT HIGHLIGHTS



Q2 & H1 FY20 Profit & Loss statement

Rs Cr	Q2FY20	Q2FY19	% Change	H1FY20	H1FY19	% Change
Net Sales	108.4	125.5	-13.6%	209.8	238.8	-12.1%
-Chemical	93.1	118.8		185.4	223.5	
-Solar	5.5	6.7		14.6	15.3	
- Other	9.9	-		9.9		
Cost of Goods Sold	69.2	63.6		127.1	130.6	
Employee Benefit Expense	3.3	3.2		6.7	6.0	
Other Expenses	12.7	13.2		25.3	26.5	
Total Expenses	85.1	80.1	6.3%	159.1	163.1	-2.4%
EBITDA	23.3	45.4	-48.7%	50.7	75.7	-33.1%
EBITDA margin	21.5%	36.2%		24.2%	31.7%	
Other Income	1.4	1.8		3.1	3.1	
Depreciation	5.5	5.4		11.0	10.8	
Interest	0.3	1.2		0.7	2.3	
PBT	18.8	40.7	-53.7%	42.1	65.7	-36.0%
Tax Expenses (Credits)	1.7	12.4		7.9	19.7	
PAT	17.2	28.2	-39.2%	34.2	46.1	-25.8%
PAT Margin	15.8%	22.5%		16.3%	19.3%	

Balance sheet

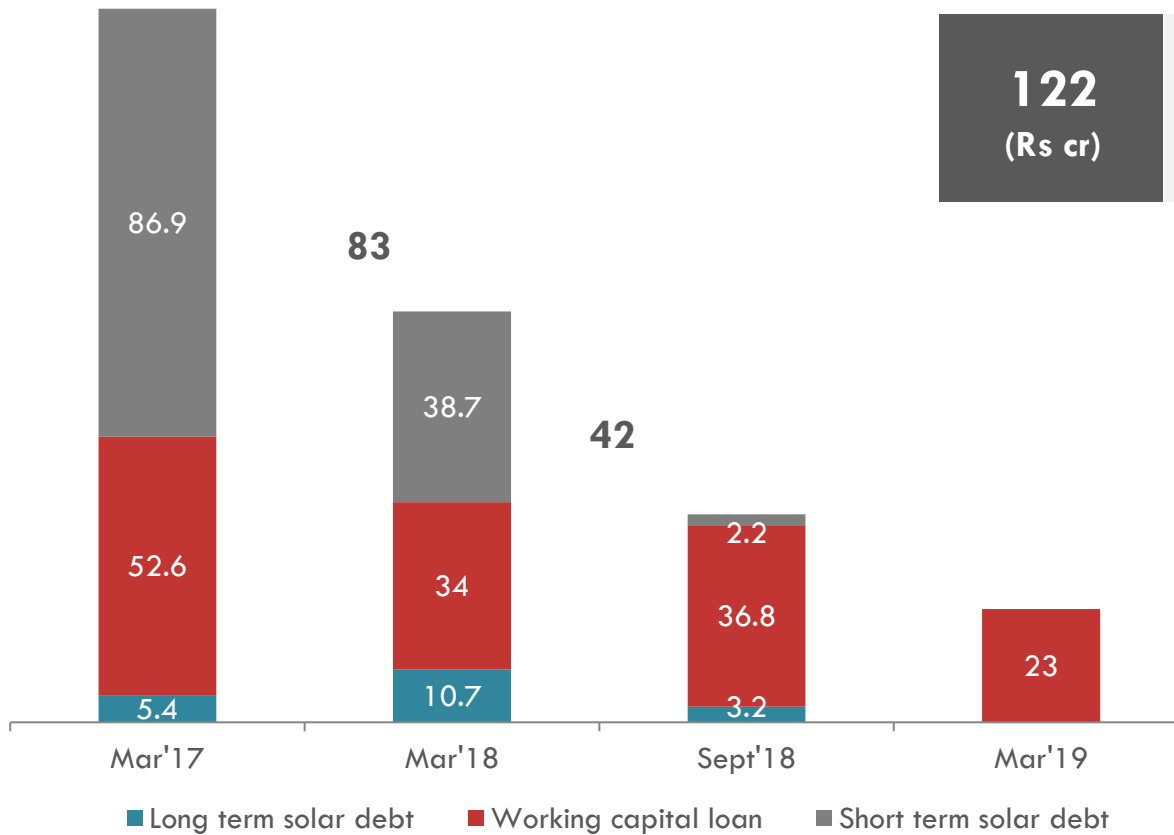
Rs Cr	Sep'19	Mar'19
Share Capital	21.8	10.9
Reserves	348.7	331.5
Shareholders' Funds	370.5	342.4
Deferred Tax Liabilities	48.3	50.2
Long Term Provisions	1.6	1.1
Total Non-Current Liabilities	49.9	51.3
Trade Payables	52.1	39.4
Other Current Liabilities	11.3	10.4
Short Term Provisions	0.1	0.1
Short Term Borrowings	32.3	23.5
Total Current Liabilities	95.8	73.4
Total Liabilities	516.2	467.1

Rs Cr	Sep'19	Mar'19
Fixed Assets incl. CWIP	334.5	301.9
Non-Current Investments	0.5	0.5
Long Term Loans & Advances	4.4	19.6
Total Non-Current Assets	339.3	321.9
Current Investments	0.0	9.5
Inventories	24.8	18.7
Trade Receivables	82.5	63.3
Cash and Bank	49.7	35.8
Other Current Assets	19.8	17.9
Total Current Assets	176.9	145.2
Total Assets	516.2	467.1

Debt free

Financials in Rs Cr

145



122
(Rs cr)

Debt repaid since
Mar'17 from internal
accruals

Brownfield capex of Rs.100 crs over 2 yrs

Phase
1

Backward Integration

- » 300 TPD of Sulphuric Acid & Derivatives to be manufactured at the Tarapur plant
- » Capacity to be on stream by Dec'19
- » Capex of Rs 35 crs
- » Progressing as per schedule

Phase
2

Expansion of the basket of Dye Intermediates

- » 4,500 MTPA capacity of J-Acid & Tobias to be manufactured at the Tarapur plant
- » Capacity to be on stream by March'20
- » Capex of Rs 30 crs

Phase
3

Manufacturing of Pigments Intermediates

- » 4,500 MTPA capacity
- » 3.4 acres of land purchased for the expansion at GIDC, Vapi
- » Capacity to be on stream by FY21
- » Capex of Rs 35 crs

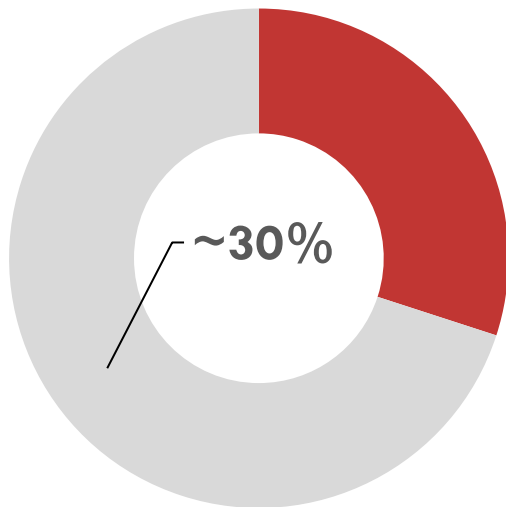
CHEMICAL SEGMENT



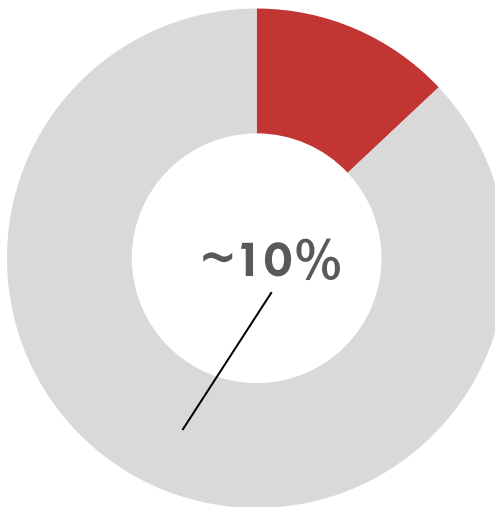
Leading manufacturer of dye intermediates

Market share of total global capacity

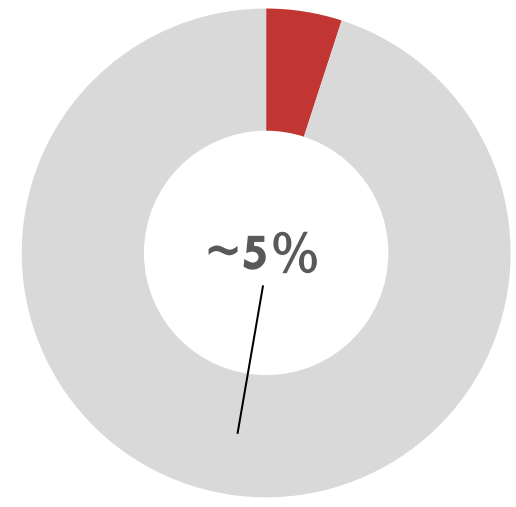
Gamma Acid



H-Acid



Vinyl Sulphone



~9,500
TPA

Total Capacity of
Dye Intermediates

3

Amongst the leading 3
manufacturers of H-
Acid and Gamma Acid

..With margin leadership in the industry

**Cost optimization
through various
initiatives**

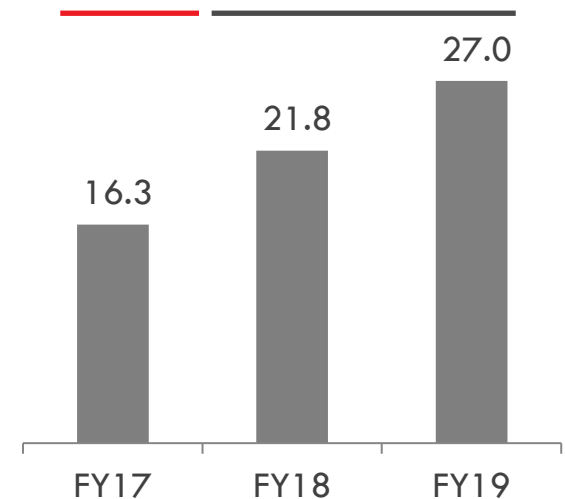
**95%+ Capacity
utilisation**

**Consistently strong
EBITDA margins**



- » Sourcing of raw materials - Bulk purchases which saves cost; proximity to sources of raw material
- » Strategically located close to major ports, saves on logistics cost
- » Optimum and efficient use of by-products and effluent generated in the manufacturing process
- » 1MW captive solar power, saves fuel cost

EBITDA Margin (%)



Zero discharge manufacturing facilities

Vapi, Gujarat - Vinyl Sulphone

- » Located in chemical belt of Gujarat
- » Best pollution control facilities



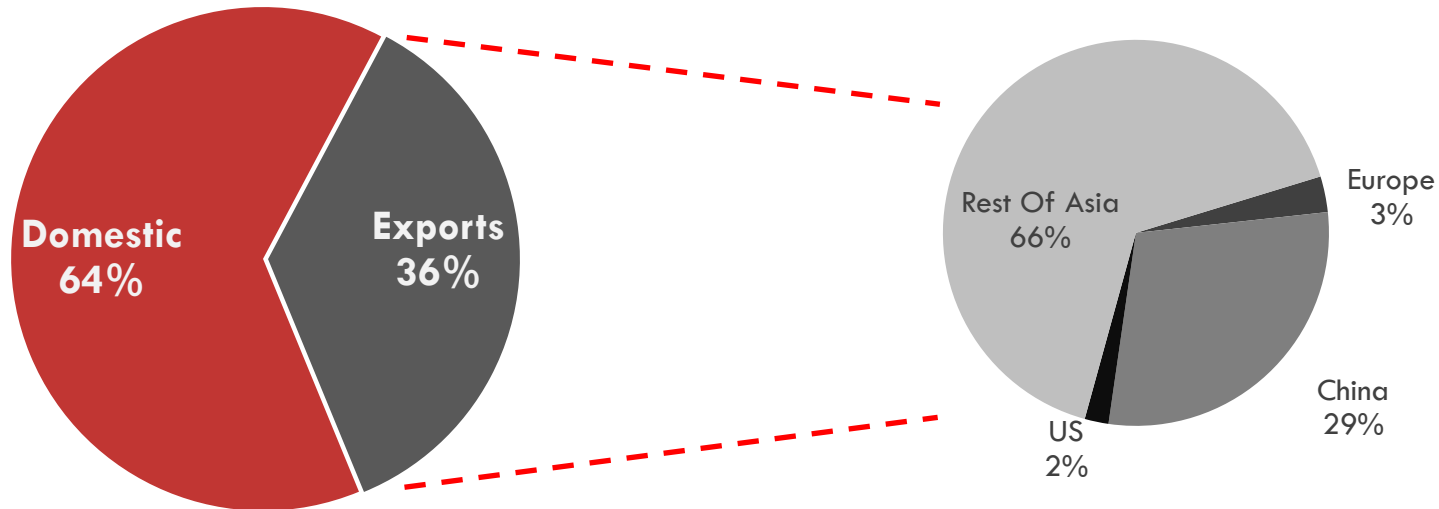
Boisar, Maharashtra - H-Acid/Gamma Acid

- » Spread over 25 acres; land available for expansion
- » Captive solar power plant



Exports contribute 36% of revenues (chemical biz)

For FY19



- » Increasing geographical diversification
- » Adding newer geographies & clients: Increased penetration to the China & other Asian markets

Long term client partnerships

Domestic Clients



Global Clients



PT Sinar



SOLAR SEGMENT



Solar projects overview

**30MW solar project in
Maharashtra
(commissioned in FY18 end)**

- » 25 year PPA with Solar Energy Corporation of India (SECI)
- » Capacity - 30MW
- » Tariff – Rs 4.41 /unit
- » Total project capex – Rs 180 cr
- » FY19 revenue – Rs 28.30 crore

**4MW rooftop solution
(commissioned in FY15)**

- » 25 year PPA with Asahi India Glass Ltd, TRIL Ltd, Lucas Ltd & Kajaria Ceramics Ltd
- » Capacity – 4 MW
- » Tariff – Avg Rs 6.50/unit
- » FY19 revenue – Rs 4.11 crore

30MW solar project rationale and economics

FY19	Unit	Value
AC Capacity	MW	30
DC capacity	MW	39
Energy generated	Kwh in crore	6.42
Energy charge	Rs/kwh	4.41
Revenue	Rs crore	28.30
Operating expenses	Rs crore	2.35
EBITDA	Rs crore	25.95
Depreciation	Rs crore	14.96
EBIT	Rs crore	10.99
Total Capex	Rs crore	180.00

- » Annuity income – Rs 26 crore EBITDA every year
- » PLF -19%
- » The investment was driven by lack of alternate investment opportunities in the core chemical business
- » Repaid debt - Rs 50 cr; no project debt now



CORPORATE OVERVIEW



Company overview

**Rs 462
cr**

FY19 Revenue
25% 3 year CAGR

27%

FY19 EBITDA margin
Margin leadership in
the industry



**68% 3 year Profit
After Tax (PAT)
CAGR**

28%

**Return on
capital employed**

**Rs 137
cr**

**Cash Flow from
Operations (CFO)**

**Debt
free**

Only working
capital loan

**9,500
TPA**

**Dye intermediate
capacity**
Leading manufacturer

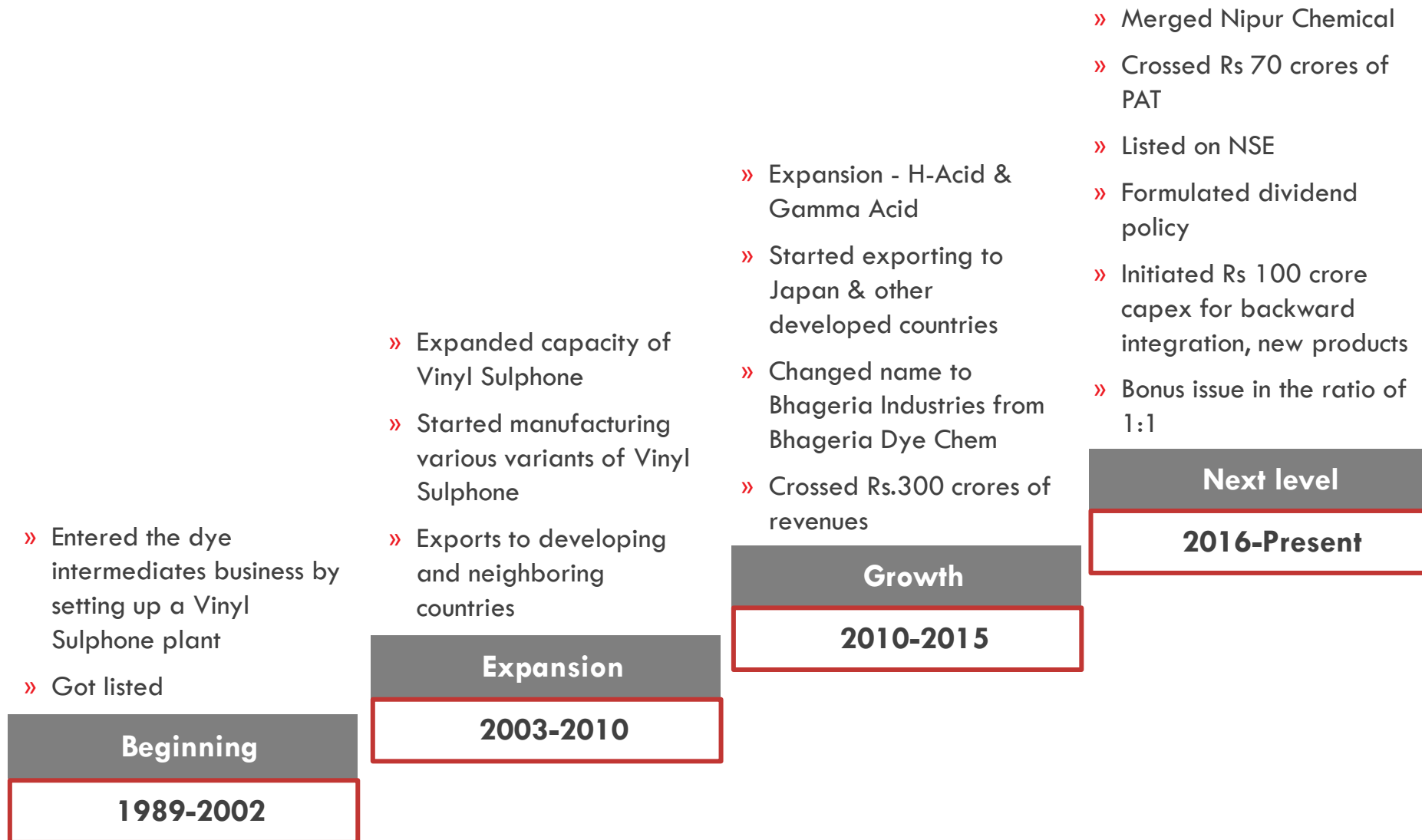


**2 manufacturing
plants**
Zero discharge



**10+ Ship-to-
countries**
36% exports

History and evolution



Promoters with significant industry experience



Suresh Bhageria
Chairman

- » Has experience of more than 30 years in the Dyes & Dyes Intermediates Industry of Drugs and Pharmaceuticals
- » Holds a degree in Bachelor of Commerce



Vinod Bhageria
Managing Director

- » Has experience of more than 30 years in the areas of Dyes & Dyes Intermediates Industry, Finance, Taxation, Audit & other allied matters
- » Holds a degree in Bachelor of Commerce



Vikas Bhageria
Jt. Managing Director

- » Experience of more than 10 years in the areas General Business Management & Project Execution
- » Bachelor of Commerce and Master of Computer Applications



Chandraprabha Bhageria
Executive Director

- » Has an experience of over 25 Years in general management & communication

Supported by Board of Directors

SP Tulsian

Independent Director



- » A renowned market analyst with rich experience of over 36 years; a commerce and law graduate, holds professional qualifications of Chartered Accountancy & Company Secretary

Mukund Chitale

Independent Director



- » A renowned CA with over 40 years of experience on advising companies on their business, financial & strategic matters. He was the President of the ICAI during 1997-98

Surendra Gupta

Independent Director



- » Has expertise in taxation having experience of over 2 decades. He is a well known philanthropist & holds professional qualifications of Chartered Accountancy & Company Secretary

Sandeep Singh

Independent Director



- » A renowned Media Professional. Specialised in Media Planning from the Mudra Institute of Communications Ahmedabad & in General Business Management from IIM, Bangalore

OP Bubna

Independent Director



- » Has an experience of over 40 Years in taxation field. He is Qualified B.Com from Mumbai University and M.B.A from S.P. Jain Institute of Management and research

PS Dalvi

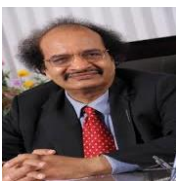
Independent Director



- » Has specialization in Chemical industry and having experience of over 38 year in various fields. He is a Qualified B.Sc (Hons) Tech

Ganapati Dadasaheb Yadav

Independent Director



- » A renowned chemical professional with 125 national and international honours, awards, fellowships, editorships, etc. He also serves on three renowned public limited companies i.e. Aarti Industries Ltd., Godrej Industries Ltd. and Meghmani Organics Ltd.

Award and accreditations



CHEMEXCIL

First Award

Small Scale Sector
Year 2015-16



CHEMEXCIL

Gold Award

Dyes & Dyes
Intermediaries Panel
Year 2007-08



CHEMEXCIL

Award for Outstanding
Performance in the
Export of Dyes & Dye
Intermediates Panel
Year 2006-07

CSR activities

Heath & Safety

Installed water purification plant at Kamptee & Mauda at Nagpur



Village Sanitation

Construction of toilets at Kachhi Gaam, Vapi



Eye Care

Donated cataract operation equipments to Param Shakti Peeth, a non-profit organization serving the underprivileged in Mathura



Rs 1.04cr spend in CSR for FY 19 – ~1.5% of PAT

Focus on Safety, Health & Environment

Safety

- » Safety representative For each plant.
- » Fire hydrant for each plant
- » Safety training
- » Classroom training
- » On job training
- » Mock drill for Ethylene Oxide conducted by Reliance

Health

- » In-house occupational Health Center
- » Part time doctor
- » Medical representatives
- » Pre-medical checkup
- » Annual medical checkup
- » Special camps

Environment

- » Air pollution Management
- » Member of CETP,TEPS & MWML
- » Recover & re-use
- » Solid waste management
- » Sludge and gypsum
- » Green zone in both factories with good greenery

HISTORICAL FINANCIALS



Statement of Profit & Loss

Rs Cr	FY19	FY18	% Change
Net Sales	462.4	366.8	26.1%
Cost of Goods Sold	271.4	218.1	
Employee Benefit Expense	13.5	12.8	
Other Expenses	52.7	56.1	
Total Expenses	337.5	287.1	17.6%
EBITDA	124.9	79.8	56.5%
EBITDA margin	27.0%	21.8%	
Other Income	5.3	11.5	
Depreciation	22.2	22.9	
Interest	3.8	6.0	
PBT	104.2	62.4	67.0%
Tax Expenses	32.7	22.1	
PAT	71.5	40.3	77.3%
PAT Margin	15.5%	11.0%	

Segment result highlights

Rs Cr	FY19	Chemical	Solar
Net Sales	462.4	429.3	33.1
EBITDA	124.9	107.5	29.0
EBITDA margin	27.0%	25.0%	87.5%
Depreciation	22.2	4.7	16.9
EBIT	102.7	102.8	12.1
Capital Employed	365.9	197.3	180.9
RoCE	28.1%	52.1%	6.7%

High RoCE of core chemical business

Notes:

1. Total of segments' EBITDA does not equal to reported EBITDA of FY19 due to unallocated corporate level expenses
2. Total of segments' capital employed does not equal to total capital employed of FY19 due to unallocated corporate/ common capital employed



Balance Sheet

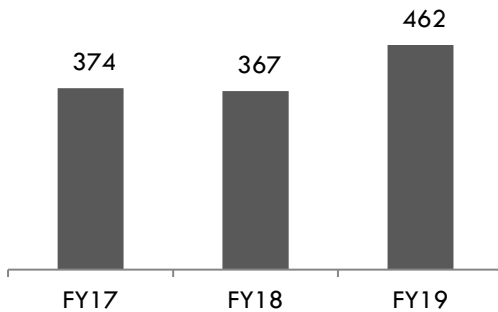
Rs Cr	Mar'19	Mar'18
Share Capital	10.9	7.9
Reserves	331.5	287.4
Shareholders' Funds	342.4	295.3
Long Term Borrowings	-	9.2
Deferred Tax Liabilities	50.2	51.6
Long Term Provisions	1.1	0.7
Total Non-Current Liabilities	51.3	61.5
Trade Payables	39.4	52.2
Other Current Liabilities	10.4	13.1
Short Term Provisions	0.1	0.1
Short Term Borrowings	23.5	72.8
Total Current Liabilities	73.4	138.2
Total Liabilities	467.1	494.9

Rs Cr	Mar'19	Mar'18
Fixed Assets incl. CWIP	301.9	303.6
Non-Current Investments	0.5	0.5
Long Term Loans & Advances	19.6	4.7
Total Non-Current Assets	321.9	308.8
Current Investments	9.5	0.8
Inventories	18.7	31.0
Trade Receivables	63.3	87.4
Cash and Bank	35.8	33.0
Other Current Assets	17.9	33.9
Total Current Assets	145.2	186.1
Total Assets	467.1	494.9

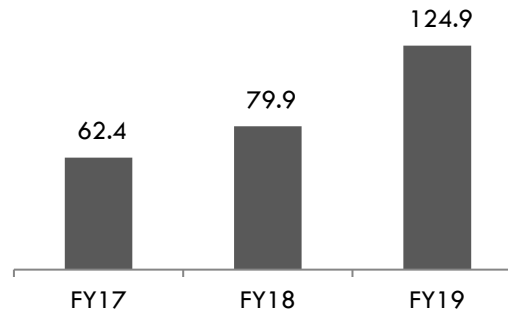
Revenue & profitability

In Rs cr

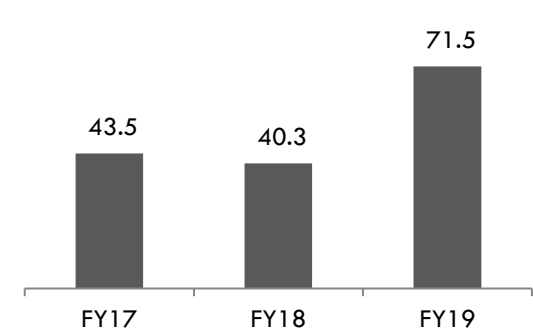
Revenue



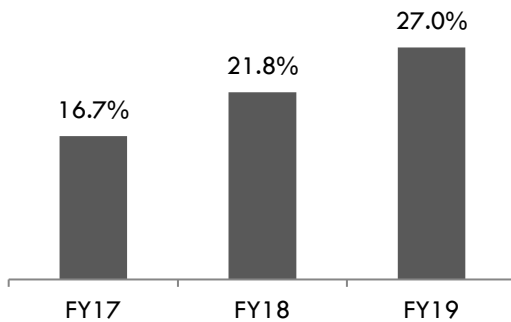
EBITDA



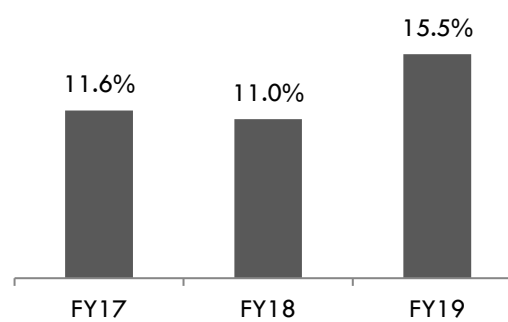
Profit After Tax (PAT)



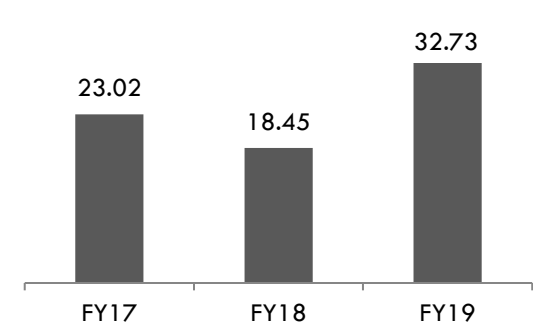
EBITDA Margin



PAT Margin



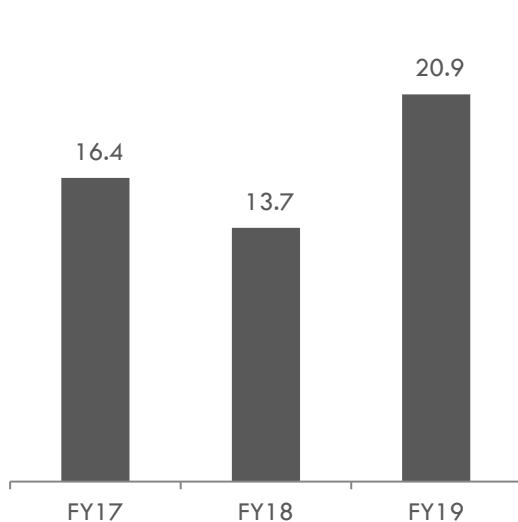
Earning per share (Rs)



Rewarding shareholders

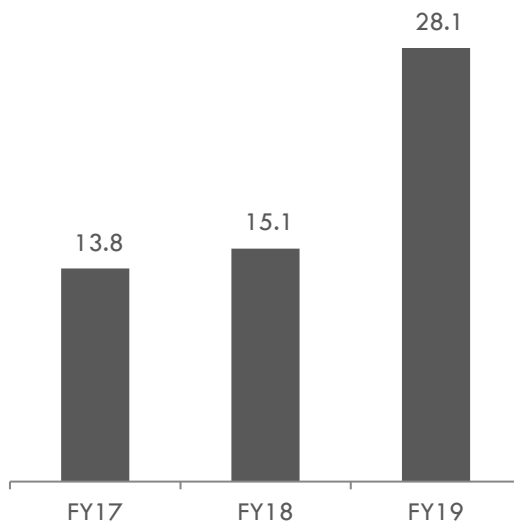
Return on Equity

%



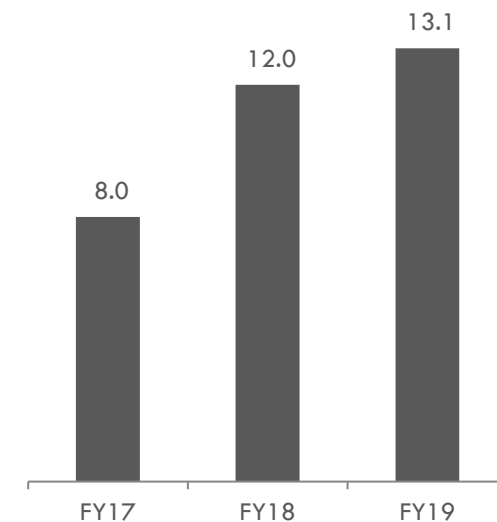
Return on Capital Employed

%



Dividend

Rs in Cr



Announced a bonus issue in the ratio of 1 : 1 in July 2019

THANK YOU

Bhageria Industries

Mr. Rakesh Kachhadiya, CFO

accounts.mumbai@bhageriagroup.com

1002, 10th Flr, Topiwala Centre, Goregaon (W), Mumbai



Bhageria Industries Limited

Pareto Capital (Investor relations advisor)

Ms. Pooja Dokania / Mr. Arpit Gandhi

pooja.dokania@paretocapital.in / arpit.gandhi@paretocapital.in

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