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E-mail: blsharma@himadri.com

Ref: Listing Code: 500184 BSE Limited Department of Corporate Services P. J. Towers, 25 th Floor, Dalal Street, Mumbai- 400 001	Ref: Listing Code: HSCL National Stock Exchange of India Ltd Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400 051
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Sub: Investor Presentation

Dear Sir,

We are enclosing herewith

- (i) Investors presentation;
- (ii) Media/Press Release.

We request you to kindly take on record the same.

Thanking You,

Yours faithfully,

For Himadri Speciality Chemical Ltd

Managing Director & CEO
DIN: 00173934

Himadri Speciality Chemical Ltd

(Formerly known as Himadri Chemicals & Industries Limited) CIN: L27106WB1987PLC042756
Regd. Office: 23A, Netaji Subhas Road, 8th Floor, Kolkata – 700 001, India
Corp. Office: 8, India Exchange Place, 2nd Floor, Kolkata – 700 001, India
Tel: 91-33-2230-9953, 2230-4363, Fax: 91-33-2230-9051, Website: www.himadri.com



Himadri Speciality Chemical Ltd

INVESTOR PRESENTATION
Q3 FY20



Safe Harbor



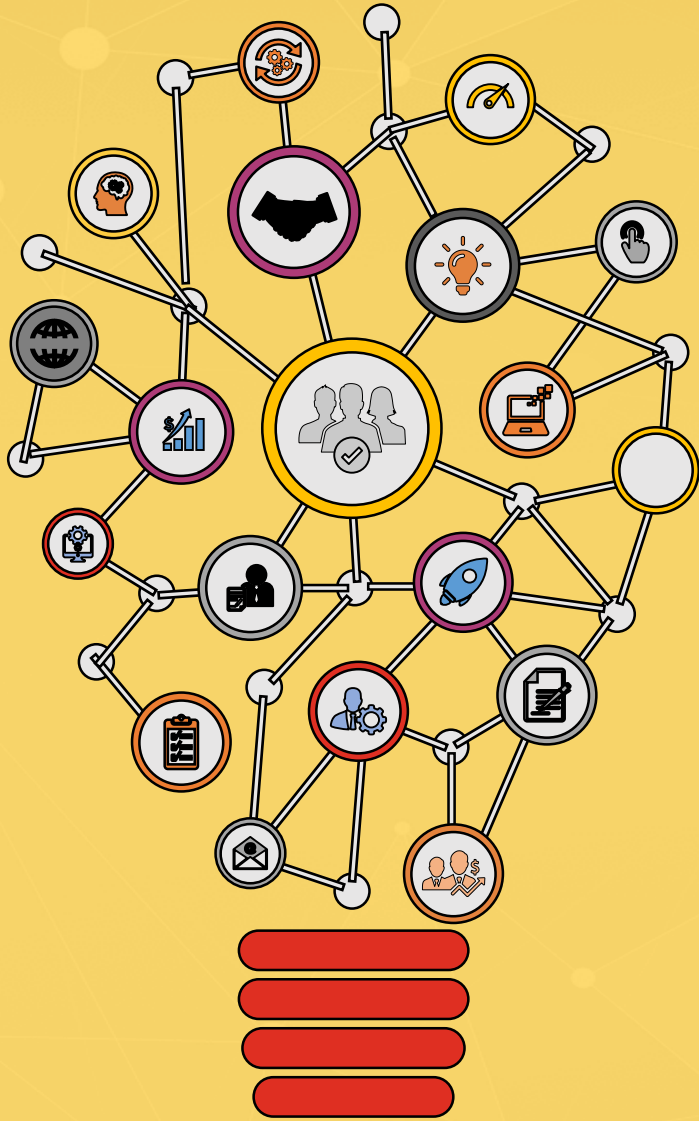
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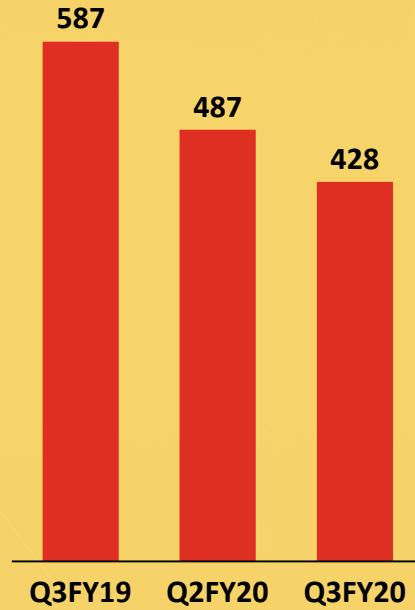
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Standalone Performance Highlights

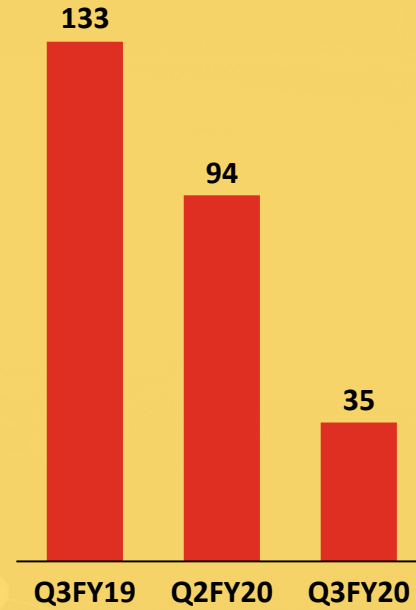
Rs. In Crs



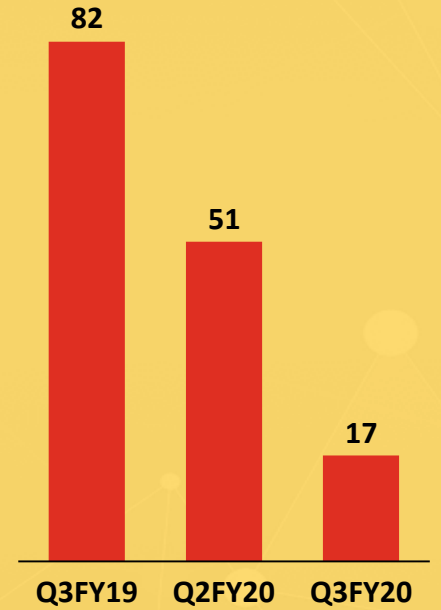
Revenue



EBITDA



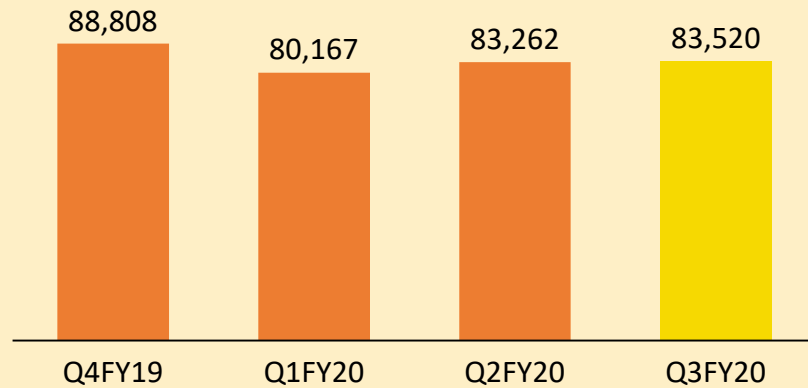
PAT



Other Key Highlights

Sales Volume (MT)

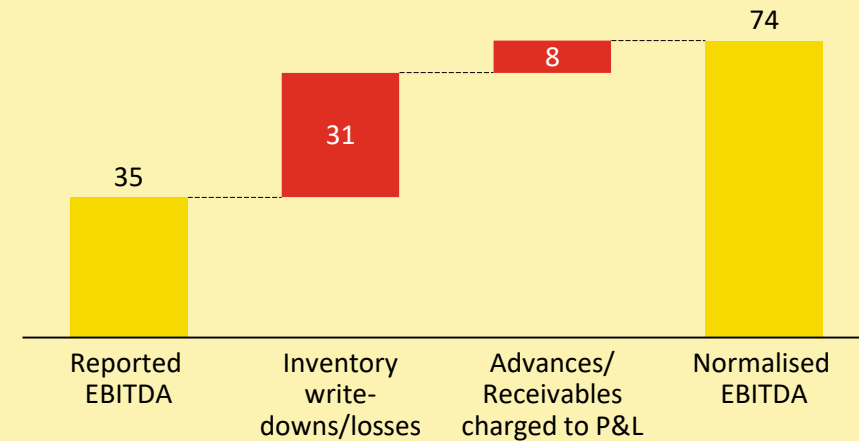
Sales Volume maintained inspite of the difficult market conditions



EBITDA for Q3FY20 (Rs. In Crs)

EBITDA largely Impacted on account of:

- Drop in sales realizations due to slow down &
- One-offs like inventory write downs/losses & charging of advances/receivables to P&L was Rs. 39 crores

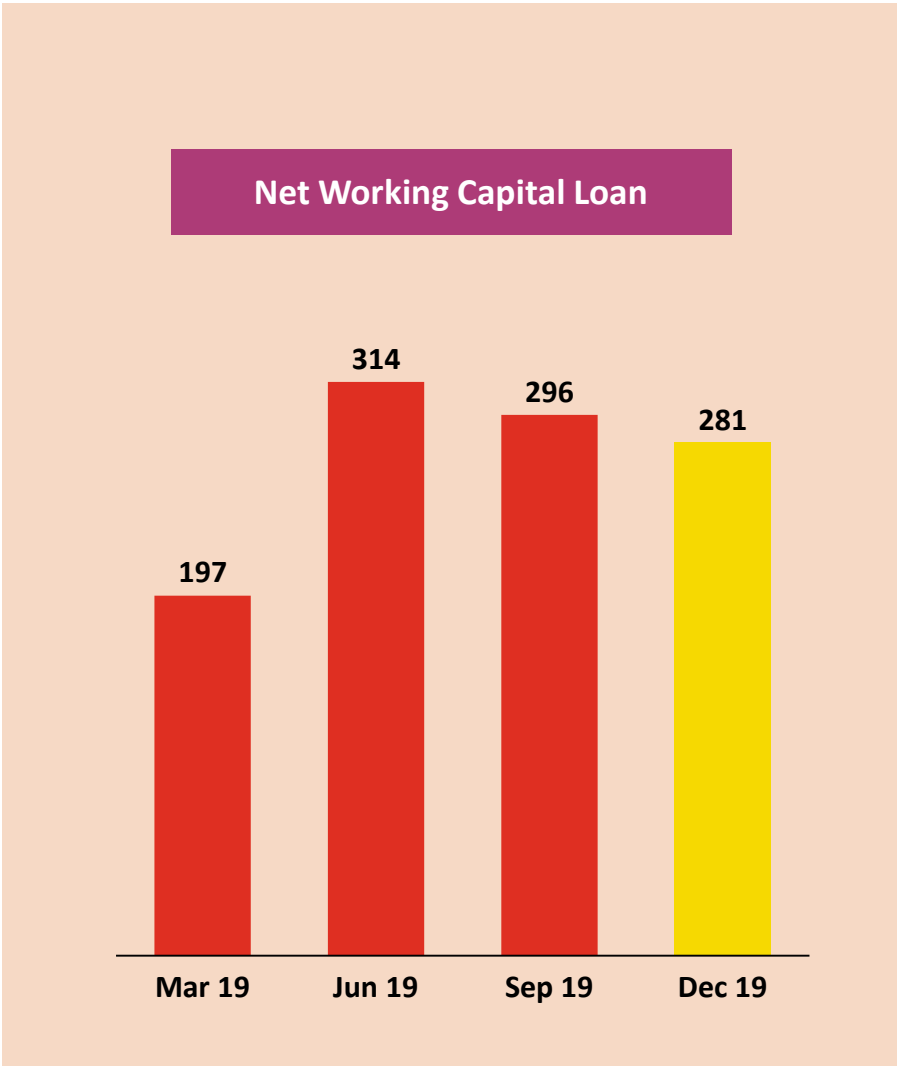
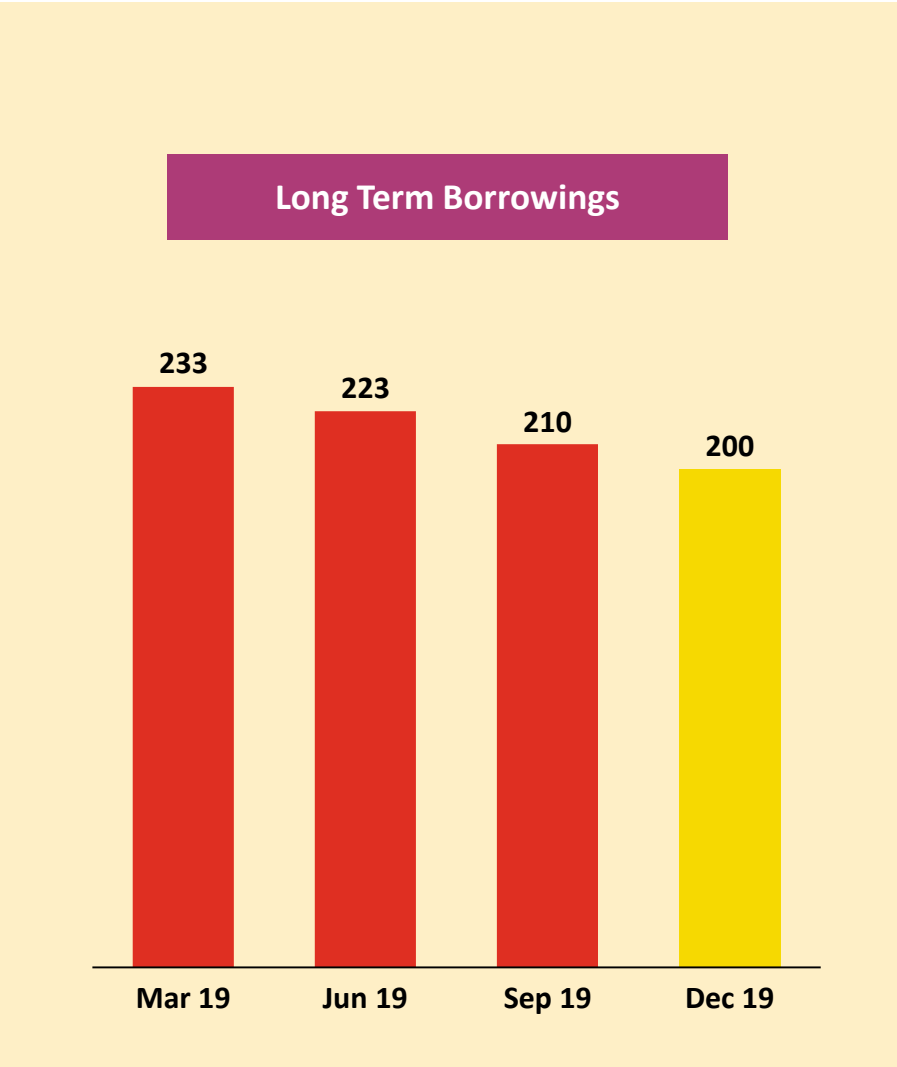


Volume Maintained: Though Pricing strategy & one-offs impacted Profitability

Strong Balance Sheet



Rs. In Crs.



Credit rating Reaffirmed

Non-Convertible
Debenture Issue

₹ 150 Crores

CARE AA- ; Stable

(Double A minus; Outlook:
Stable)

Reaffirmed

Long Term Bank
Facilities

₹ 48.68 Crores

CARE AA- ; Stable

(Double A minus; Outlook:
Stable)

Reaffirmed

Long Term Bank
/Short
Term Bank Facilities

₹ 1,625 Crores

**CARE AA- ; Stable / CARE
A1+**

(Double A minus; Outlook:
Stable/ A One Plus)

Reaffirmed

Commercial Paper

₹ 300 Crores

CARE A1+

(A one plus)

Reaffirmed

Standalone Profit & Loss

Profit and Loss (in Rs. Crs)	Q3FY20	Q3FY19	Y-o-Y	Q2FY20	Q-o-Q	9MFY20	9MFY19	Y-o-Y
Revenue from Operations	428	587	-27.0%	487	-12.1%	1,439	1,793	-19.7%
Raw Material	318	389		321		976	1,200	
Gross Profit	110	198	-44.3%	166	-33.8%	463	593	-21.9%
Employee Cost	18	16		20		54	42	
Other Expenses	56	50		52		159	136	
EBITDA	35	132	-73.3%	94	-62.1%	250	415	-39.8%
Depreciation	9	8		8		25	25	
Other Income	2	3		2		7	8	
Foreign Exchange Fluctuation (Gain) / Loss	-1	-10		4		-3	-1	
EBIT	29	137	-78.5%	84	-64.6%	235	399	-41.2%
Finance Cost	11	17		14		41	54	
Exceptional Item Gain / (Loss)	0	0		0		0	0	
Profit before Tax	18	120	-85.0%	70	-74.2%	194	345	-43.9%
Tax	1	38		19		51	105	
PAT	17	82	-79.7%	51	-66.9%	143	240	-40.6%

Ready for the next phase...



Next Phase of Innovation and R&D



Next Phase of High-Value Products



Next Phase of Earnings



Next Phase of Growth



Next Phase of Innovation and R&D



14

New grades introduced & commercialised in Speciality Carbon Black

7%

Reduction in energy consumption in certain processes

11%

Increased productivity of certain grades through debottlenecking

Next Phase of High Value Products

Coal Tar



Advance Carbon
Material

Carbon Black



Speciality Carbon
Black

Naphthalene



Sulphonated
Naphthalene
Formaldehyde

*Global well-diversified Product portfolio with Strong
Competitive*



Most Integrated

Speciality Carbon Corporation Globally

Expansion in High-Value Products

Speciality Carbon Black

Focus on Speciality Carbon with High Value-additions & Performance

Set-up of Speciality Carbon Black at West Bengal with an annual capacity of 60,000 MTPA

Increase in demand for specialised applications

Operational subsequent to the end of Q3FY20

Advance Carbon Material

Advance Carbon Materials project of 20,000 MTPA is progressing well

Commissioning is expected to be in phases starting from H1FY21

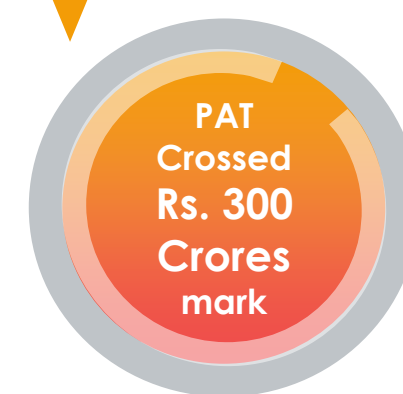
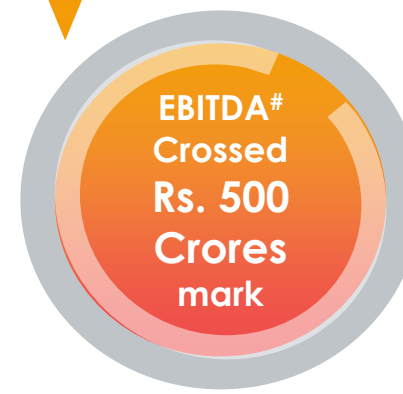
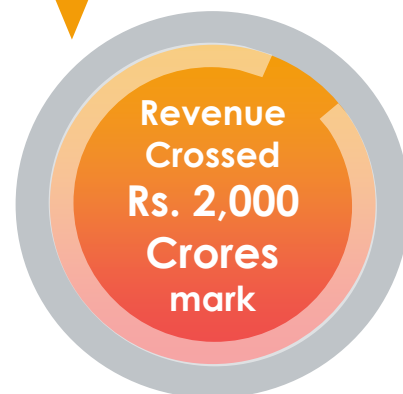
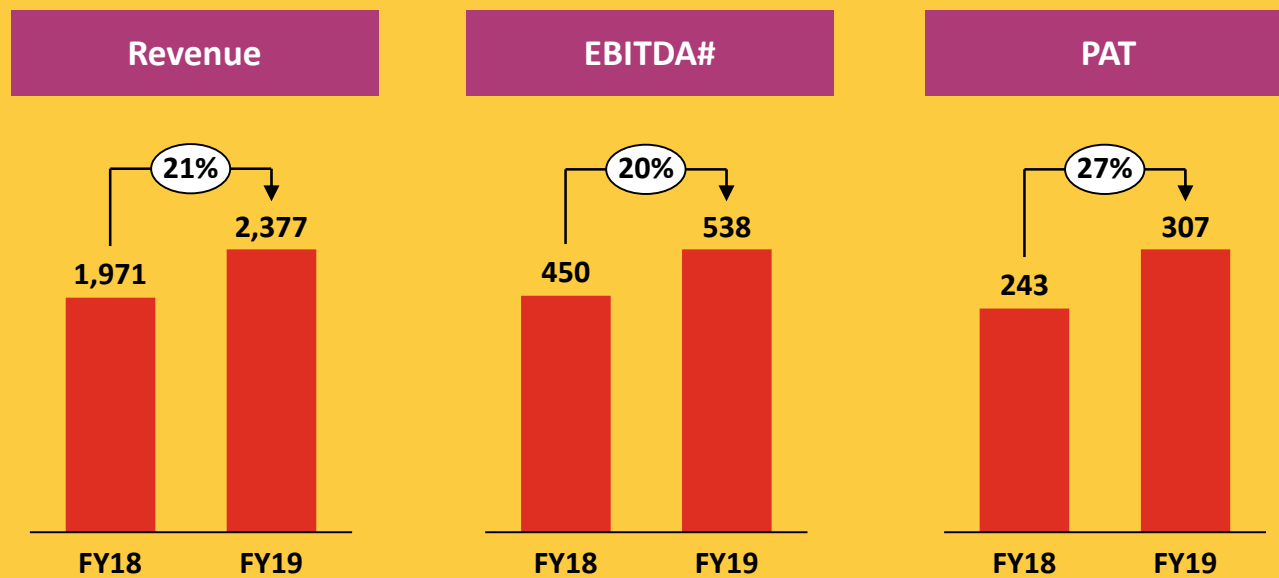
Commissioning is expected to be in Phases

Increase application of lithium-ion batteries in the Sunrise Sectors like Electric Vehicles, Energy storage

Expansion of Advance Carbon Material Production Capacity

Next Phase of Earnings

Standalone Performance Rs. In Crs



#EBITDA excludes FX Fluctuation loss / Gains

Priorities for Cash

NEW CAPACITIES ANNOUNCED



Focus on Speciality Carbon with High Value-additions & Performance

- » Set-up of Speciality Carbon Black at West Bengal with an annual capacity of 60,000 MTPA
- » Commissioning is expected to be in Dec'19

Expansion of Advance Carbon Material Production Capacity

- » Advance Carbon Materials project of 20,000 MTPA is progressing well
- » Commissioning is expected to be in phases starting from H1FY20 over the next 12 months thereon

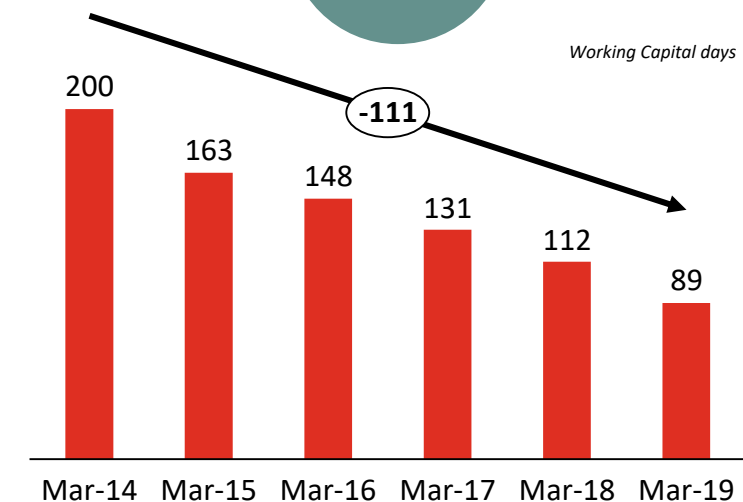
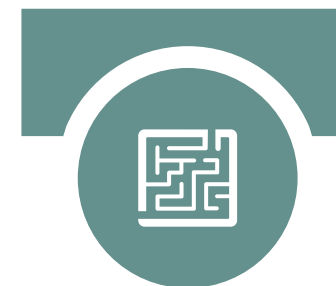
DEBT REDUCTION



- » Net Debt decreased by INR 688 Crores from INR 1,118 Crs. in FY14 to INR 430 Crs. in FY19 thus leveraging the Balance sheet
- » Net Debt to EBIDTA stands at 0.8x as compared to 6.25x in FY14
- » Net Debt to Equity is down to 0.26 in FY19 from 1.34x in FY14

Provides an excellent platform to continue our Capital disciplined Growth journey

IMPROVED OPERATING EFFICIENCIES

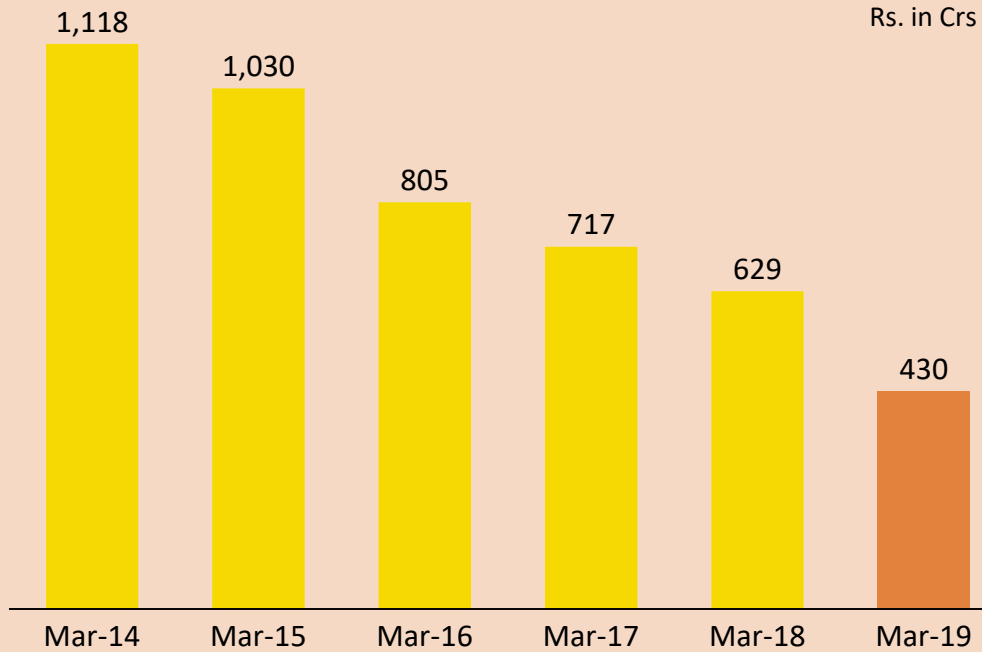


- » Cash generation through intense operational rigor and strict financial discipline led to an improved working capital management

Balance Sheet Strength & Financial Flexibility

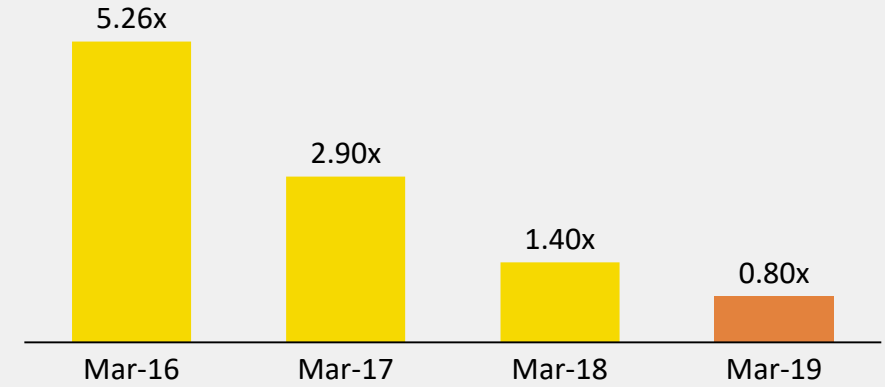
Net Debt

Strong Balance Sheet and Sufficient Financial flexibility...

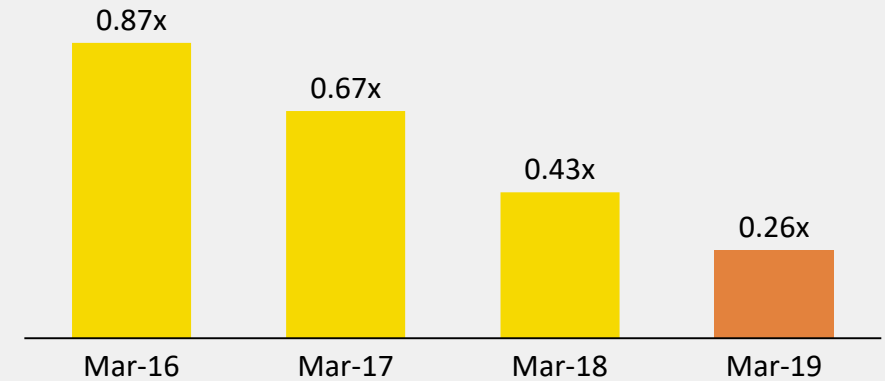


...provides an excellent platform to continue our Capital disciplined Growth journey

Net Debt / EBITDA*



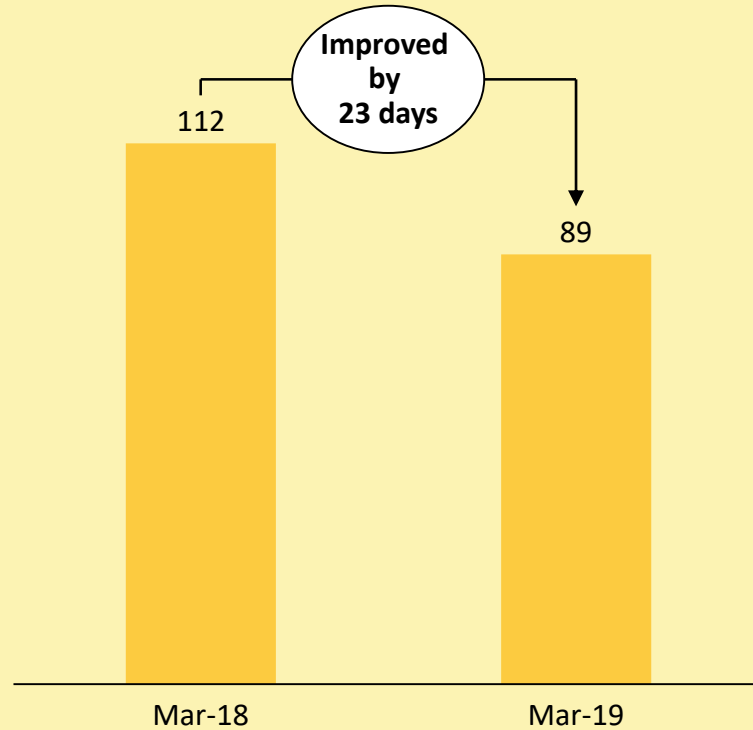
Net Debt / Equity



*EBITDA excluding FEF

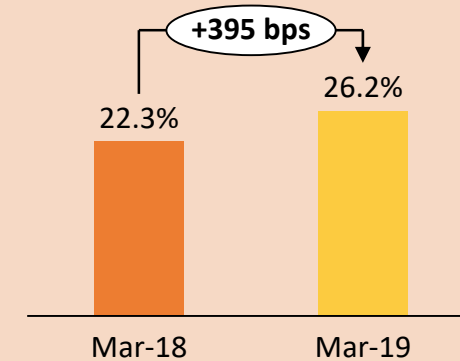
Operating Efficiency leading to Higher Returns

Working Capital (No. of days)



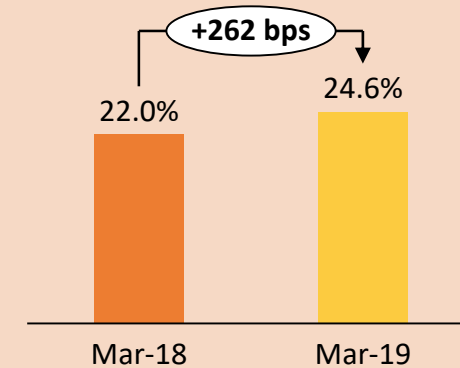
Cash generation through intense operational rigor and strict financial discipline led to an improved working capital management

ROCE (excl. CWIP) (%)



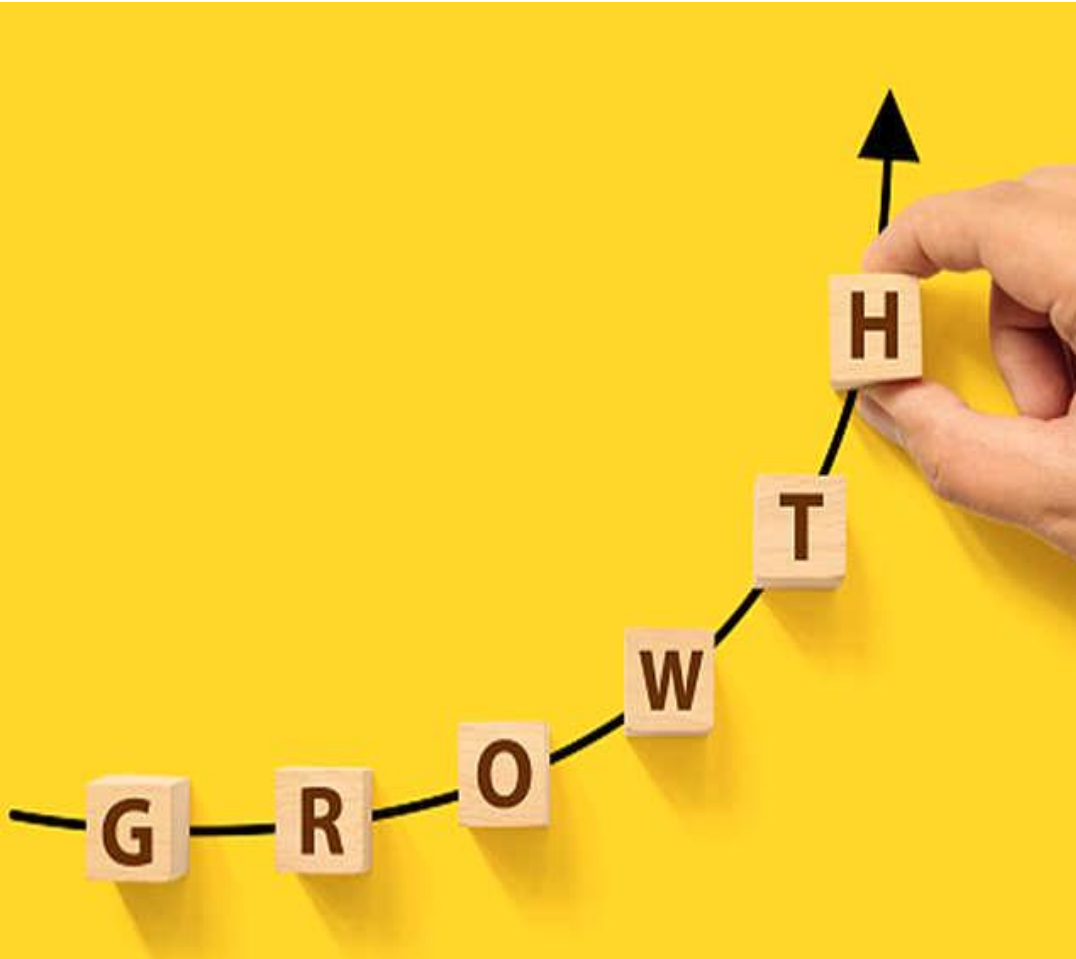
ROCE (excl. CWIP) = EBIT / (Equity + Total Debt - Cash & Cash Equivalents - CWIP)

ROCE (%)



ROCE = EBIT / (Equity + Total Debt - Cash & Cash Equivalents)

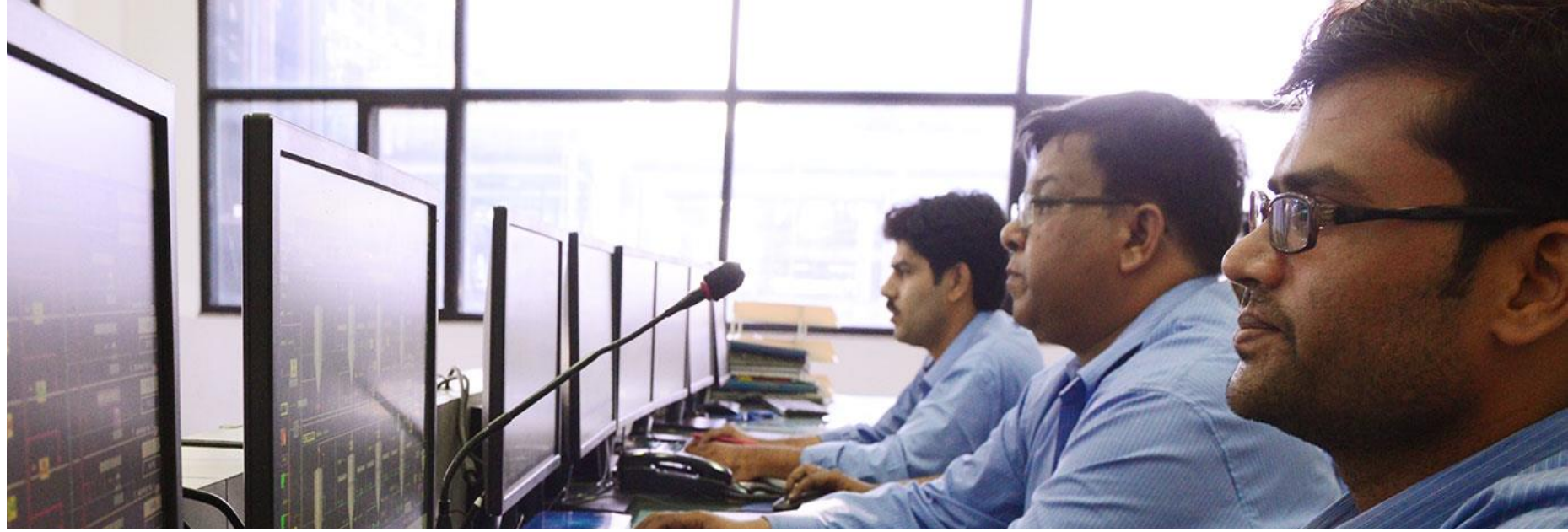
Next Phase of Growth



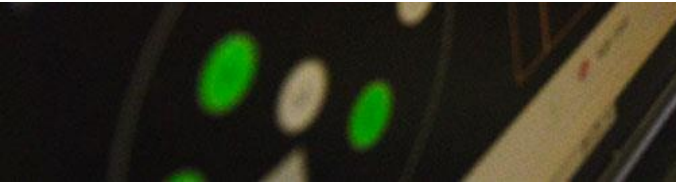
High Value Product Pipeline	Right Capacity	Strong Clientele
Product Leadership	Strong R&D	Strategic Location
Diversified End Markets	Global Management Team	Cutting Edge Technologies

Strategic Growth Priorities

Coal Tar Pitch	Carbon Black	Advance Carbon Material	SNF
Serving core sectors of economy through Aluminium & Graphite Electrode industries	Focus on Speciality Carbon with High Value-additions & Performance	Increase application of lithium-ion batteries in the Sunrise Sectors like Electric Vehicles, Energy storage	Widen the Product Portfolio by Introducing Newer Variants
Debottlenecking in Coal Tar Distillation Facilities	Increase in demand from Non- Tyre speciality applications	Expansion of Advance Carbon Material Production Capacity	Increase in Infrastructure Construction in India due to rapid urbanization



Financial Performance



Consolidated Profit & Loss



Particulars (In Rs. Crs)	9MFY20	FY19	FY18
Net Revenue From Operations	1,441	2,422	2,022
Cost of Materials Consumed	976	1,600	1,365
Gross Profit	465	822	656
Employee Benefits Expense	55	60	48
Other Expenses	162	200	155
EBITDA	248	563	452
Other Income	4	8	5
Foreign Exchange Fluctuation (Loss)/Gain	1	(3)	7
Depreciation and Amortization Expense	27	34	33
EBIT	226	533	431
Finance Costs	41	71	70
Profit / (Loss) Before Tax	185	462	361
Tax Expenses	51	138	113
Profit / (Loss) for the year	134	324	248

Validation through Awards & Recognition 2018

CII Water Management Award

Winner in Within the Fence Category in CII's Water Management National Competition for Excellence



Greentech Safety Award

Bestowed with Gold Award for best performance nationally in Chemical sector



Fortune India The Next 500 Awards 2018

Recognised as 1 among 25 Companies for the Top Wealth Creators over the last three years



World's 100 Greatest Brands

Received at the Fourth edition of India-UAE Business and Social Forum

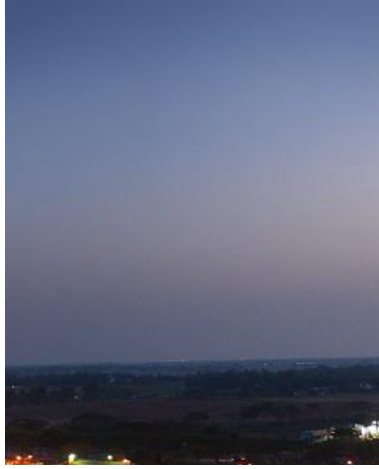
Asia Pacific Entrepreneurship Award (APEA)

Received the prestigious (APEA) India under the category of Chemical & Plastics Industry by General Vijay Kumar Singh, MOS, External Affairs in New Delhi

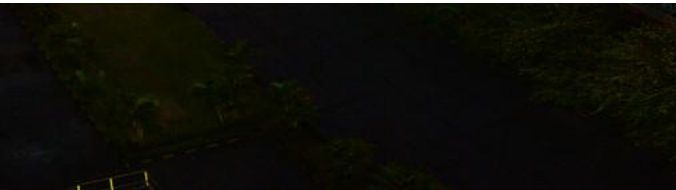
Annual Report Award

Received Gold Award & among Top 100 in International Annual Report Competition by League of American Communications Professionals LLC (LACP)



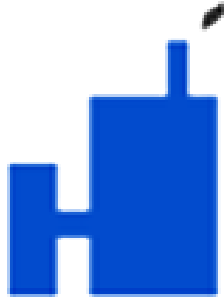


Business Overview



Product Development was a Clear Focus

2010



- » Coal tar pitch – Binder grade
- » Coal tar pitch – Impregnating
- » Carbon Black
- » Advanced Carbon Material
- » Naphthalene
- » SNF
- » C. B. Oil

2019



- » Aluminium Grade Pitch
- » Graphite Grade Binder Pitch
- » Graphite Grade Zero QI (Quinolene Insoluble) coal tar impregnated pitch
- » Anode Material for Lithium-ion Batteries
- » Special Pitch
- » Naphthalene
- » Refined Naphthalene
- » Light Creosote Oils

- » Heavy Creosote Oils
- » Anthracene Oil/Carbon Black Oil/ CT Oil
- » SNF
- » PCE
- » Carbon Black
- » Speciality Carbon Black
- » Himcoat enamel
- » Himcoat Primer-B
- » Himtape
- » Himwrap

Evolving with Emerging Business Paradigms

Coal Tar Pitch : Critical Input in Downstream Industries

Anode Material

Used for
Li-ion batteries

Coal Tar Pitch

Graphite Grade Zero QI Coal tar Impregnating Pitch

In graphite electrode, nipple
impregnation and UHP grade electrode
manufacturing

Graphite Grade Binder Pitch

In Graphite Electrode
Manufacturing

Special Pitches

Used by DRDO in long range warhead
missiles. In carbon composites,
refractories, carbon paste, paints/ultra-
marine blue and water proofing among
others

Aluminium Grade Pitch

In pre-baked anode and soderberg in aluminium manufacturing

Speciality Carbon Black : Niche Applications



Forward Integration to convert Coal Tar
Oil into Carbon Black

3rd Largest Carbon Black Producer in India with
180,000 MTPA

With **Superior Inhouse Raw
Material & R&D Capabilities**

launching
Speciality Carbon Black range with
niche application



Tyre Speciality



Moulded Rubber Goods



Plastic



Fibre



Wires & Cables



Inks & Coatings

Naphthalene Value Proposition

Special Grade Naphthalene

Special Grade Naphthalene is formulated to cater customer's niche requirements in dyestuff and dyes intermediates application



Naphthalene Moth Ball

Moth Balls is made by using superior grade chemical composition and leading-edge techniques in compliance with predefined quality standards for use in natural fragrances

Sulphonated Naphthalene Formaldehyde (SNF)

SNF is a water soluble Chemical admixtures, improves the concrete mix workability and compressive flexural strength. Mainly used in the construction/infrastructure industry



SNF : Next Generation products



SNF – Next Generation Product
for the Construction Chemical Industry (Admixture),
Agro chemicals, Latex, Gypsum

Largest Indian manufacturer of
SNF with an installed capacity of
68,000 MTPA

Highest Purity SNF manufactured from
In-house produced Naphthalene

Penetration of SNF admixture in concrete
in India is **less than 10% against a high
global average**



High Performance Construction Chemicals



- » **Sulphonated Naphthalene Formaldehyde (SNF)** is a speciality chemical condensate that helps improve concrete mixes by dispersing cement particles for extended workability and reinforcing compressive flexural strength
 - Naphthalene, one of the by product of Coal Tar Distillation is used in-house to manufacture SNF

- » Himadri has emerged as the largest Indian manufacturer of SNF with an installed capacity of **68,000 tonnes per annum**.
- » Although concrete finds mass usage across India, **the penetration of SNF** admixture in concrete is **less than 10%** against a high global average
- » Used in growing Industries like **Construction Chemical Industry (Admixture), Agro chemicals, Latex, Gypsum etc**



Advance Carbon Material



Forward Integration

from Coal Tar to
Advance Carbon Material

Anode Material used in
Lithium-ion Batteries

Only Producer

of Advance Carbon Material in India

Best in class

Proprietary Technology
With **Cost Leadership**

Applications across Industries



Paints, Plastic & Fibre



Graphite Electrodes



Anti Corrosive Material



Missiles



Construction Chemical



Aluminium



Lithium – Ion Batteries



Infrastructure



Rubber Industries



Wood Preservative Oils



Power



Specialized Products

If You Can Be One Thing, Be Dependable

CTP Clientele



CB Clientele



Others Clientele



For further information, please contact:



Company :

Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

Mr. Somesh Satnalika
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Himadri Speciality Chemical Ltd

Sales Volume maintained inspite of challenging environment

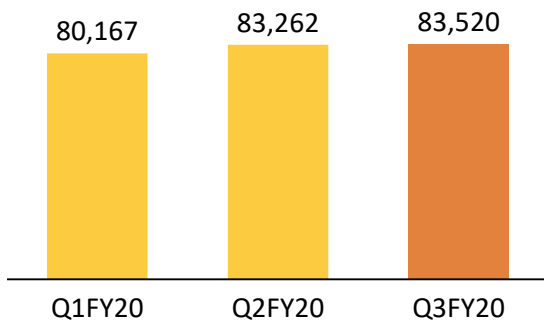
- ✓ Sales Volume at 83,520 MT
- ✓ Revenues at Rs. 428 crore

Investor Release: 14th February 2020, Kolkata

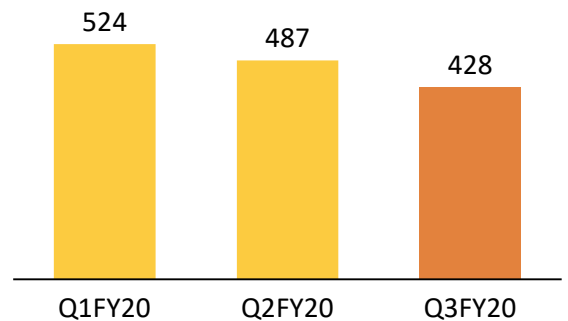
Himadri Speciality Chemical Limited reported results for the quarter & nine months ended 31st December 2019

Standalone Financial Highlights

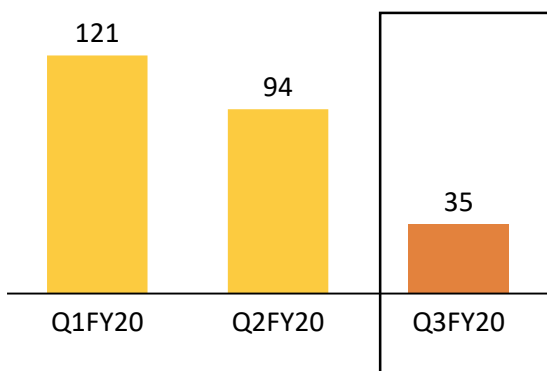
Sales Volume (MT)



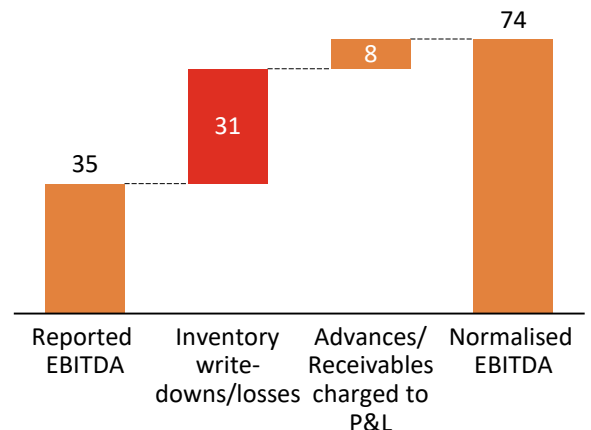
Revenue (In Rs. Crore)



EBITDA (In Rs. Crore)



EBITDA for Q3FY20 (In Rs. Crore)



Key Highlights:

- ✓ Sales Volume sustained inspite of the difficult market conditions
- ✓ Sales realizations was impacted due to slowdown in Aluminum, Graphite Electrode, Tire and Automobile industry
- ✓ EBITDA largely Impacted on account of:
 - Drop in sales realizations due to slow down &
 - One-offs like inventory write downs/losses & charging of advances/receivables to P&L was Rs. 39 crores



Commenting on the results and performance, Mr. Anurag Choudhary, MD & CEO of Himadri Speciality Chemical Ltd said:

“Your Company has continued to maintain its market share and volume even in the challenging scenario. Our volumes were maintained in the last quarter at 83,520 MT. The profitability of the Company got impacted in this quarter due to pricing pressure and one offs like inventory write downs/losses and charging of advances/receivables to Profit & Loss account to the tune of Rs. 39 crores.

We are glad to inform you that our speciality carbon black capacity has become operational subsequent to the end of Q3FY20. Your Company believes that the long-term prospects of the industry remains strong.

I would like to reiterate that your Company is taking steps in the right direction by expanding capacities in high value products which will significantly enhance the operating profit levels of the Company. We continue to invest in R&D and the team is working tirelessly towards future growth avenues.

India is emerging as a very strong player in the Chemicals Chain and your Company is ready to capitalized these opportunities. To be ahead of curve, we have expanded our capacities towards High Margin Products over the last few years. We believe that sustainability is derived from a stronger product mix.

With a complete basket of carbon chain products, R&D capabilities and strong relationship with the customers, we feel Himadri continues to be at a sweet spot and expected to do well in the coming years.”



About Himadri Speciality Chemical Ltd

Himadri Speciality Chemical Ltd (“Himadri Speciality”) was established in 1987, is a leading Carbon corporation with one-of-its-kind vertical integration in the world with headquarters in Kolkata, West Bengal.

The Company is a market leader and significant market player in multiple product segments like Coal Tar Pitch, Carbon Black, Naphthalene and Refined Naphthalene, SNF, Speciality Oils, etc. In the last few years, Himadri Speciality has diversified its product portfolio by way of forward integration which includes advance carbon material and other value added speciality products. The Company has 9 ‘Zero Discharge’ World Class Manufacturing Facilities across India & China. The Company has developed a strong and experienced R&D team with international experts, its R&D unit is situated at Mahistikry, West Bengal which is recognized by Government of India.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

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