Omkar Speciality Chemicals Limited

Q1 FY17 Earnings Presentation

August 2016

Safe Harbor

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Director's Message

Director's Message

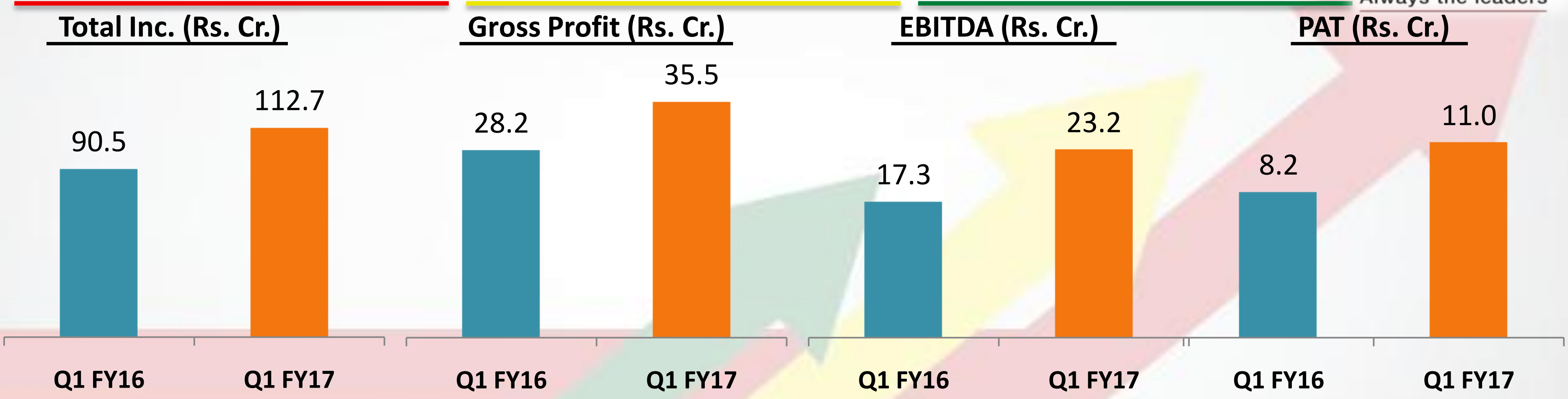
Commenting on the results, Mr. Omkar Herlerkar, Wholetime Director, Omkar Speciality Chemicals Ltd. said :

"We have witnessed strong growth across all our business segments. Our consistent focus on achieving higher operating efficiencies and productivity resulted in improved profitability.

We continue our R&D efforts in developing new products especially in Specialty Chemicals and Vet API segments. These new products, being developed through a much disciplined approach combined with process innovation, will be of superior quality and result in better margins."

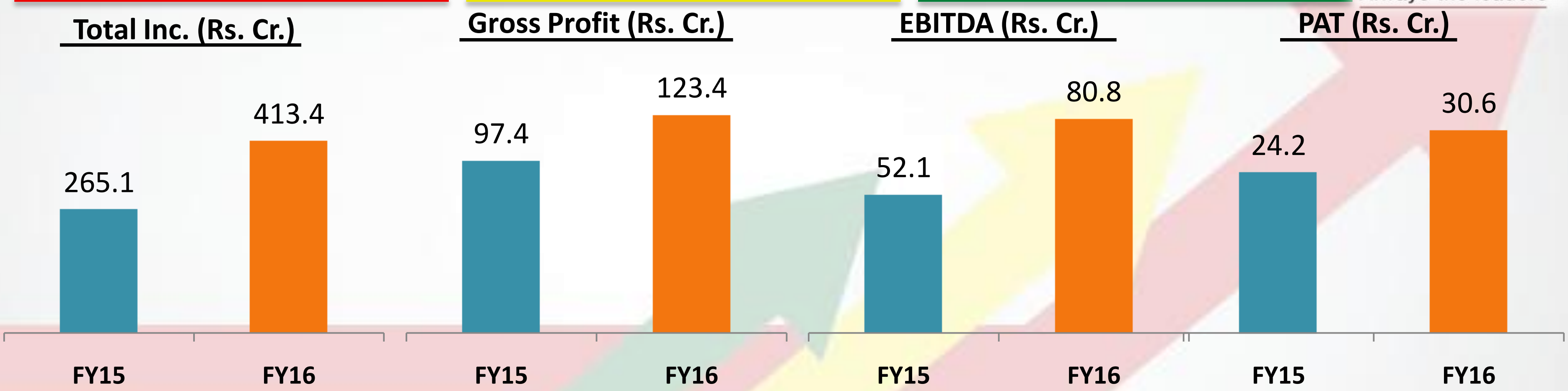
Financial Highlights

Consolidated Financial Highlights (Q1 FY17 v/s Q1 FY16)



Key ratios (%)	Q1 FY17	Q1 FY16
Gross Margin	31.5	31.2
EBITDA Margin	20.6	19.1
PAT Margin	9.7	9.0
EBIT/Interest (x)	3.5	4.3
EPS (Rs.)	5.3	3.9

Consolidated Financial Highlights (FY2016 v/s FY2015)



Key ratios (%)	FY16	FY15
Gross Margin	29.8	36.7
EBITDA Margin	19.6	19.7
PAT Margin	7.4	9.1
EBIT/Interest (x)	3.5	2.8
RoCE	24.7	18.3
RoE	15.7	14.4
EPS (Rs.)	14.9	12.0

Quarterly Performance – Consolidated P&L Statement

Particulars (Rs. Cr.)	Q1 FY17	Q1 FY16	Y-o-Y % Chg	Q4 FY16	Q-o-Q % Chg
Revenue from Operations	112.7	90.5	24.6%	113.3	(0.6%)
Raw Material & Fuel costs	77.2	62.3		75.2	
Employee Cost	4.9	4.0		5.4	
Other costs	7.4	7.0		4.9	
Total Expenditure	89.5	73.2		85.5	
EBIDTA	23.2	17.3	34.6%	27.8	(16.5%)
EBITDA Margin (%)	20.6%	19.1%		24.6%	
Depreciation	3.5	1.8		3.2	
Other Income	0.7	0.3		0.5	
Interest	5.5	3.6		8.2	
Exceptional Item	0.0	0.0		0.5	
Profit Before Tax	14.8	12.2		16.5	
Tax	3.8	4.0		12.4	
Profit After Tax	11.0	8.2	34.3%	4.0	172.0%
PAT Margin (%)	9.7%	9.0%		3.6%	

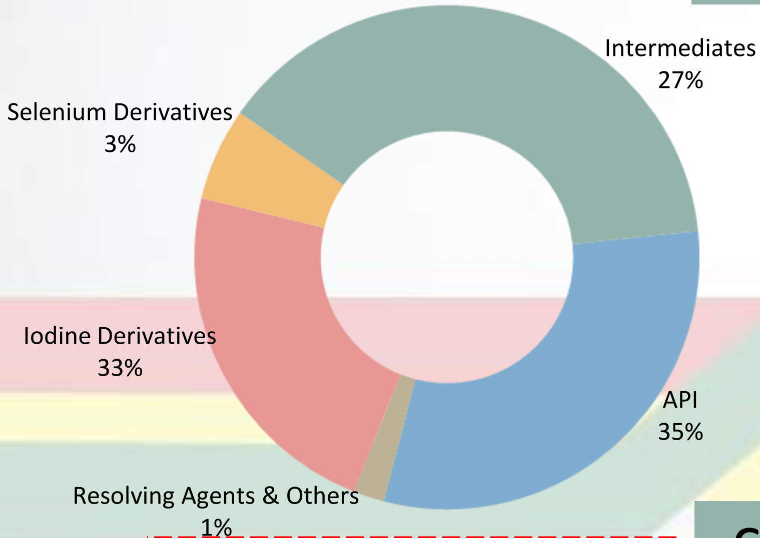
Annual Consolidated P&L Statement

Particulars (Rs. Cr.)	FY16	FY15	% Chg
Revenue from Operations	413.4	265.1	59.9%
Raw Material & Fuel costs	290.0	167.7	
Employee Cost	17.9	14.4	
Other costs	24.6	30.9	
Total Expenditure	332.6	213.0	
EBIDTA	80.8	52.1	55.1%
EBITDA Margin (%)	19.6%	19.7%	
Depreciation	9.0	10.3	
Other Income	1.4	0.9	
Interest	20.4	14.5	
Exceptional Item	0.5	0.0	
Profit Before Tax	52.4	28.2	
Tax	21.8	4.0	
Profit After Tax	30.6	24.2	26.6%
PAT Margin (%)	7.4%	9.1%	

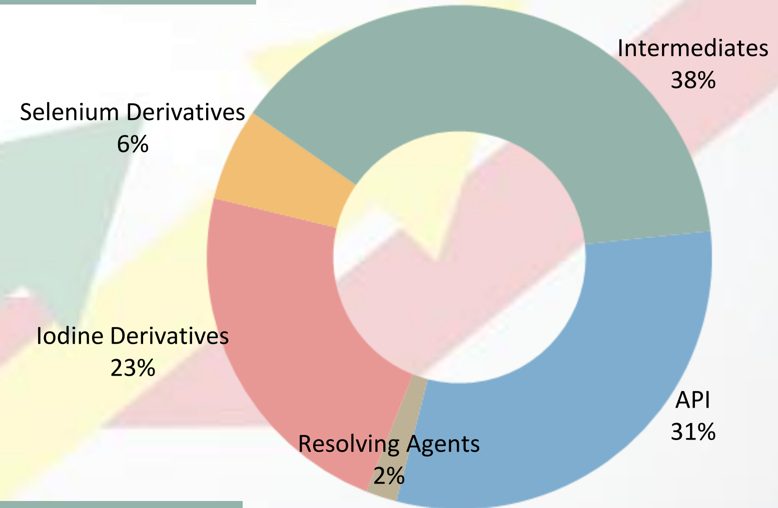
Segment & Geographical Revenue Split – Q1FY17

Segment break-up

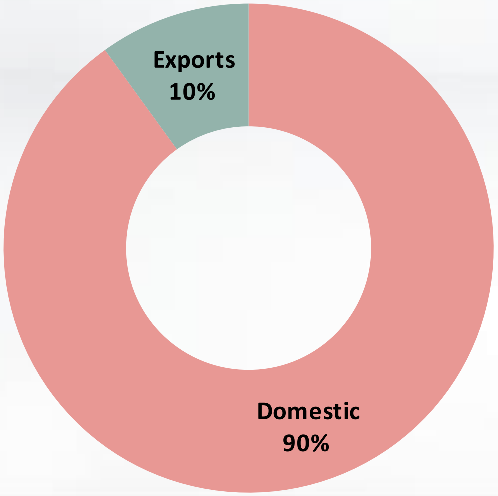
Q1 FY17

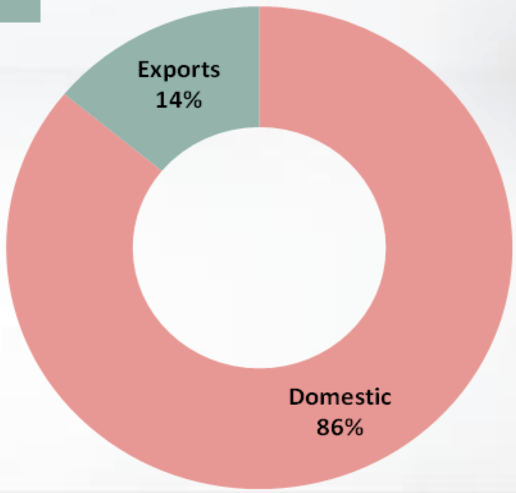


FY16



Geographical break-up





Annual Consolidated Balance Sheet Highlights

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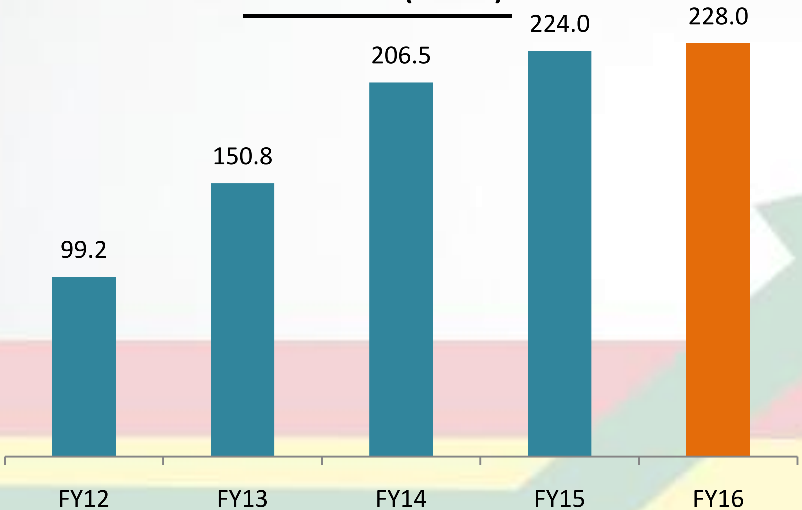
Rs. Cr.	Mar-16	Mar-15
Shareholder's Funds	**195.5**	**169.0**
Share capital	20.6	20.6
Reserves & Surplus	174.9	148.0
Money received against warrants	0	0
Non-current liabilities	**108.5**	**63.0**
Long term borrowings	94.5	60.7
Defer Tax liabilities	11.3	0.8
Other Long-Term liabilities	0	0
Long-Term Provisions	2.8	1.6
Current liabilities	**278.9**	**247.6**
Short Term Borrowings	113.1	140.6
Trade Payables	98.2	61.4
Other Current liabilities	46.9	32.8
Short-term provisions	20.7	12.8
Total Equities & Liabilities	**582.9**	**479.2**

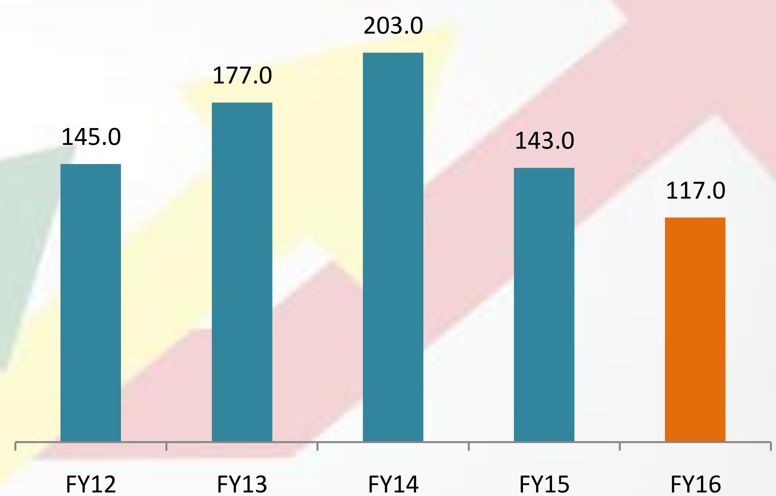
Rs. Cr.	Mar-16	Mar-15
Non-current assets	**310.9**	**271.8**
Fixed assets	309.6	270.7
Non-current Investments	0.1	0.1
Long-term loans & advances	0.9	1.0
Other non-current assets	0.4	0.0
Current assets	**272.0**	**207.4**
Current investments	0.0	0.0
Inventories	99.9	88.8
Trade receivables	130.4	76.8
Cash & Cash equivalents	10.3	15.5
Short-term loans & Advances	30.5	2.6
Other Current Assets	1.0	23.7
Total Assets	**582.9**	**479.2**

Key Performance Indicators

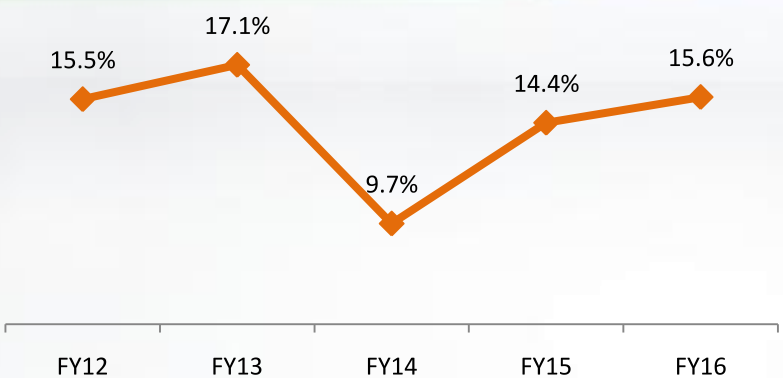
Total Debt (Rs. Cr.)



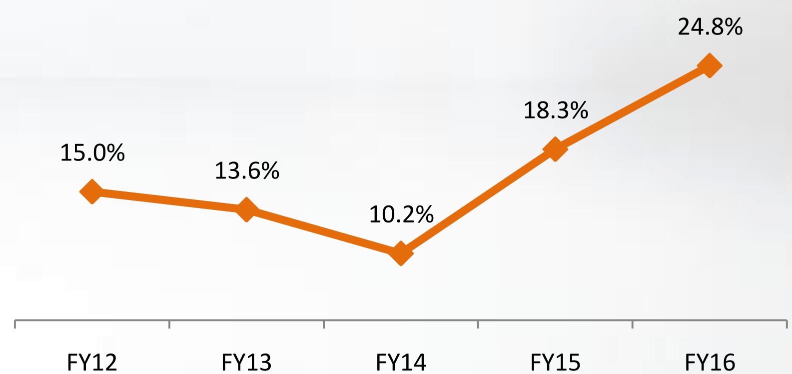
Net Working Capital Days



RoE (%)

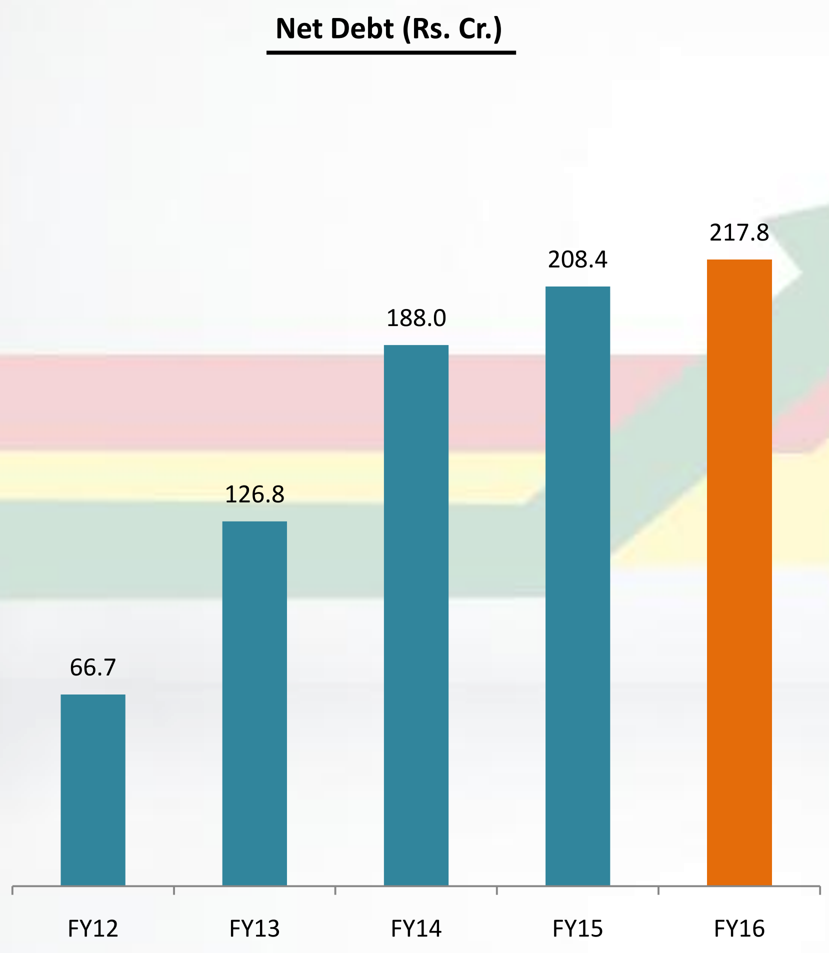


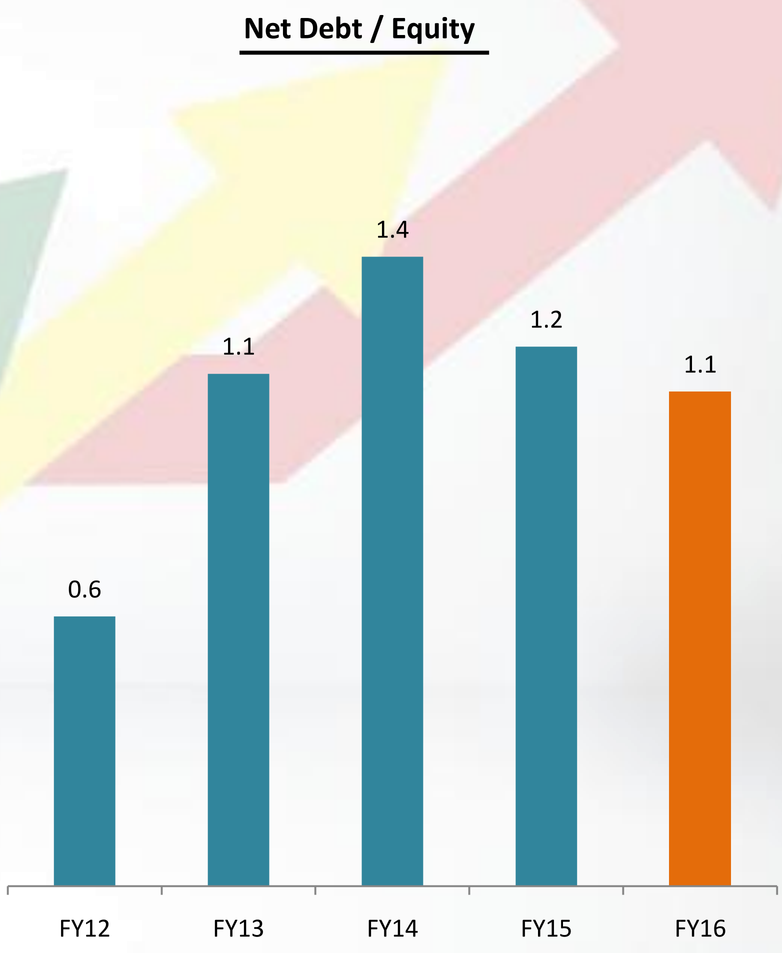
RoCE (%)



ROE = PAT/ Networth; ROCE = EBIT/ Capital Employed

Key Performance Indicators





Key Developments

De-pledging Exercise – Management focused on de-pledging and bring down debt

Credit Rating - Upgraded to BWR BBB for Fund based and BWR A3 for Non-Fund based Borrowings

Shift in Product Mix – Certain products transferred from Intermediate segment to Iodine derivatives

For further information, please contact:

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