



Limitless Growth



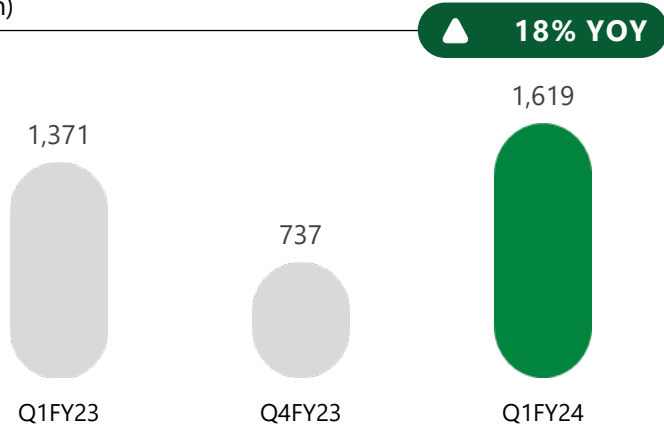
DHARMAJ[®]
CROP GUARD LIMITED

Dharmaj Crop Guard Limited
Q1FY24 Earnings Presentation | July 2023

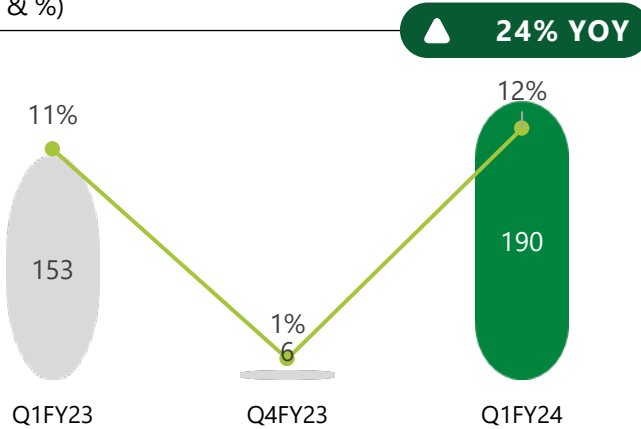
Performance Highlights (Q1)

FINANCIAL HIGHLIGHTS

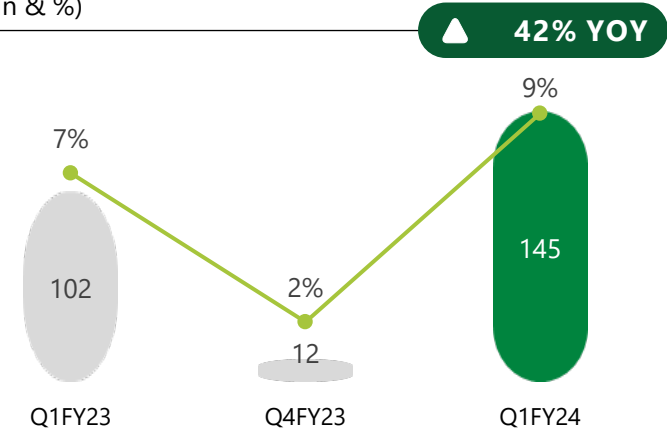
Revenue from Operations (₹ Mn)



EBITDA (₹ Mn & %)

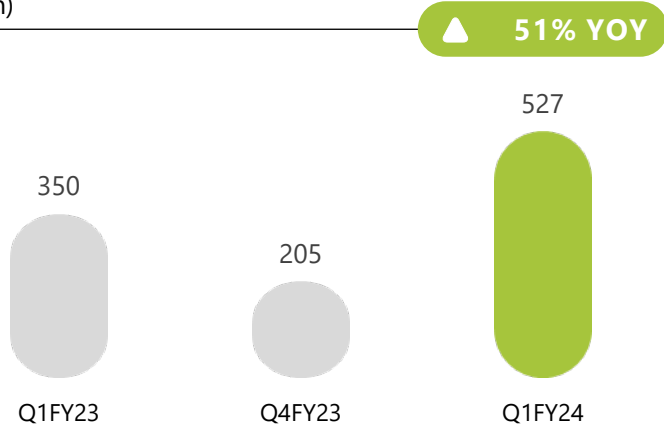


PAT (₹ Mn & %)

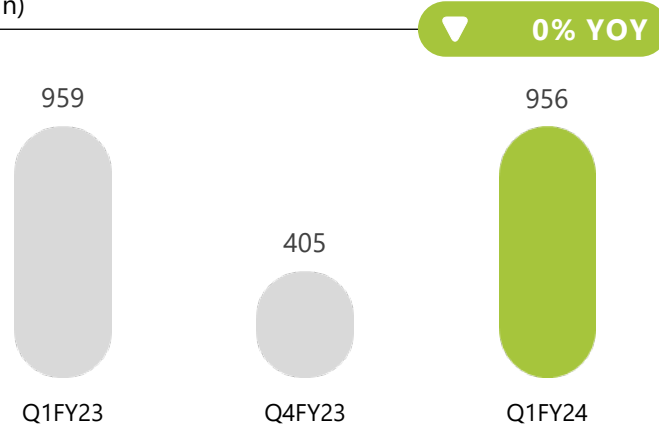


BUSINESS VERTICALS HIGHLIGHTS

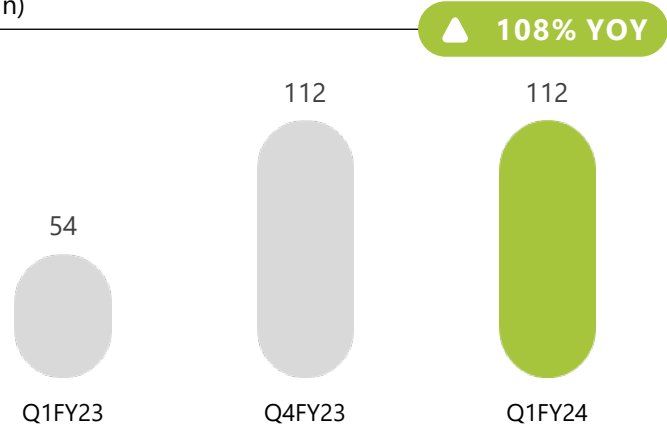
Branded Formulations (₹ Mn)



Domestic Institutional Formulations (₹ Mn)



Export Institutional Formulations (₹ Mn)



Note: Difference in Revenue from Operations and Sales Break-up (as per business verticals) is due to Export Incentives & Other Operational Income

Profit & Loss Summary (Q1)

(₹ Mn)

Particulars	Q1FY23	Q4FY23	Q1FY24	YoY Change
Revenue from Operations	1,371	737	1,619	18%
Total Income	1,372	767	1,644	20%
Gross Profit	260	142	337	29%
Gross Profit Margin (%)	19%	19%	21%	+181 BPS
Operating Expenses	107	137	147	37%
EBITDA (Excluding OI & EI)	153	6	190	24%
EBITDA Margin (%)	11%	1%	12%	+57 BPS
Finance Cost	6	4	7	15%
Depreciation & Amortisation	12	15	13	6%
Profit Before Taxes (and EI)	137	18	195	43%
Profit After Taxes	102	12	145	42%
Profit After Taxes Margin (%)	7%	2%	9%	19%
Earnings Per Share (₹)*	4.13	0.45	4.29	4%

Note: *EPS not annualised

Management Commentary

Dharmaj has commenced the new financial year on a positive trajectory, despite contending with external headwinds faced by the agrochemical industry in the recent quarters. After a slow start in April, we made substantial progress in the subsequent month and achieved a noteworthy 18% YOY growth in our Revenue from Operations, which stood at ₹1,619 million for the quarter. This growth is particularly significant given the industry-wide decline in realizations, to the tune of approximately 25-30% during the last two quarters.

Encouragingly, there are signs of improvement on the horizon, as we have observed price stabilization and reversal in several products throughout July. In the short term, it appears that agrochemical prices have found a stable base.

Our Branded Formulations vertical performed exceptionally well during the quarter, bolstered by higher volumes in both existing and newly tapped markets. This business vertical achieved an impressive 51% YOY growth, with sales amounting to ₹527 million during Q1. Notably, we received a positive response from new markets such as Jammu & Kashmir and Maharashtra. Our newly tapped states from last year, have contributed 17% of our Branded Formulations sales in Q1FY24, as compared to only 6% in Q1FY23. This contribution will increase further as we strengthen our position in new markets. Although sales in the Domestic Institutional vertical remained flattish on a YOY basis, we still achieved decent volume growth in this segment during the quarter.

Driven by increased sales, strategic procurement in the previous quarter, and a higher sales mix from the Branded vertical (33% in Q1FY24 compared to 26% in Q1FY23), our EBITDA margins improved to 12% in Q1FY24 compared to 1% in Q4FY23 and 11% in Q1FY23. Consequently, our Net Profit for the quarter reached ₹145 million, reflecting a 42% year-on-year growth.

The Company is also making significant strides in its key strategic initiatives, particularly evident in the progress at the Saykha plant, where the work is in full-swing. To speed up the execution, currently, five contractors are actively engaged at the site, with considerable progress in plant and machinery installations, particularly in one of the intermediate blocks. The R&D and Administration block have also been started since July. We are on track to commission the project in Q3FY24.



“In conclusion, Dharmaj has started the new financial year on a good note, and we maintain a positive outlook for our performance throughout the rest of the year.”

• **Mr. Rameshbhai Ravajibhai Talavia**
Chairman and Managing Director

Active Ingredients Expansion

Status as of late June



**R&D and Administration
Block Started in July**



Civil Works at Recovery Plant



**Reactor
Installation**



**Technicals Block (Left Side)
Intermediates Block (Right Side)**



**Foundation Works Completed
of Isobutylene (RM) Tank**



**Reactor
Installation**

Strengthened Product Portfolio & Team

300+

Dealers & Distributors added during Q1FY24

25+

Team Strength addition in Sales & Marketing during Q1FY24, taking the total count to ~220

Product Registration Activity

- 3 technical registered
- 11 technical registrations filed
- 13 export market product registrations received (formulations & technical)

Recently launched products in Branded Portfolio



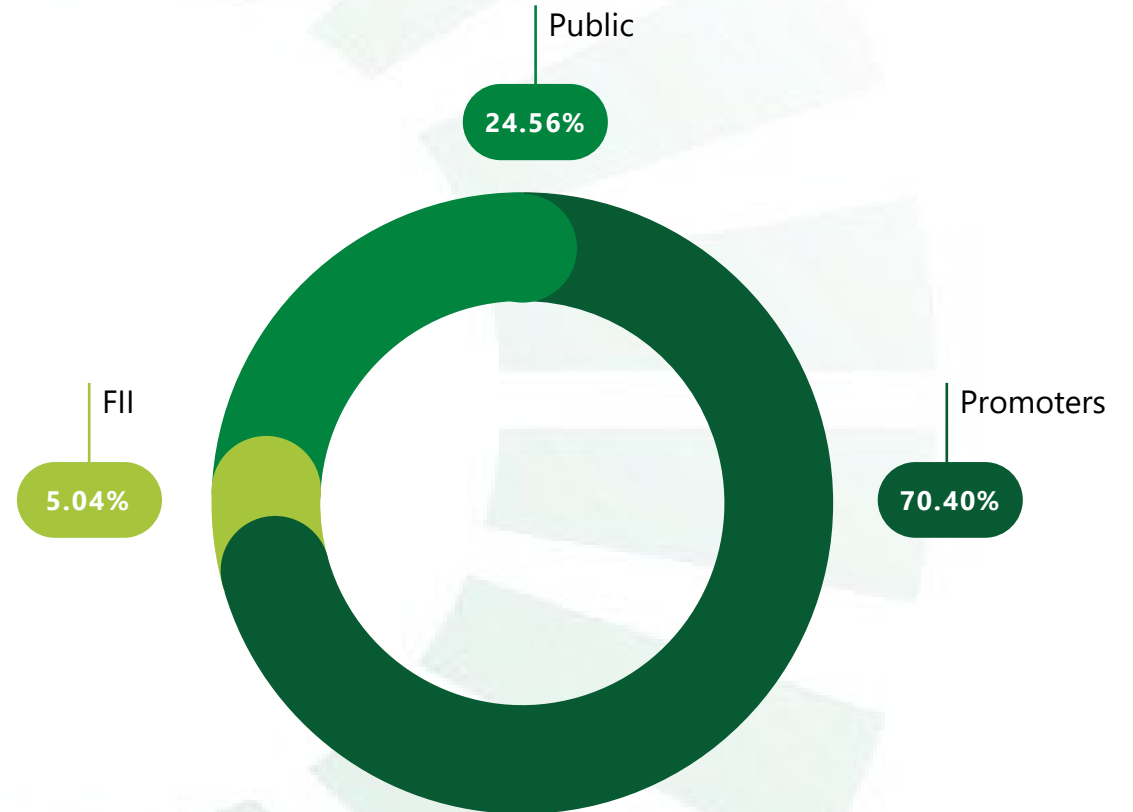
Latest Demand Generation Activity

Dealer meets, field days, product demonstrations in new & existing markets



Shareholding & Market Statistics

NSE Symbol	<u>DHARMAJ</u>
BSE Scrip Code	<u>543687</u>
IPO Issue Price Band	₹216 to ₹237
Current Market Price	₹171
52 Week High/Low	₹279 / ₹139
Shares Outstanding	3.38 Cr
Market Capitalization	₹578 Cr
Industry Classification	Pesticides & Agrochemicals



Note: Data as on 31 July 2023

For more details read FY23 Investor Presentation



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