



Limitless Growth



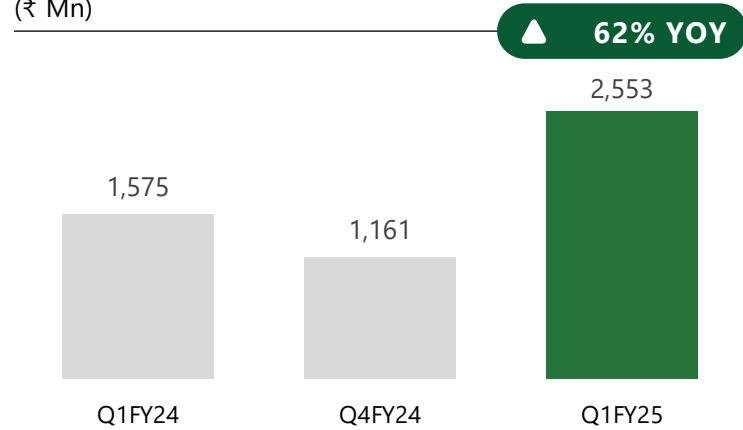
NSE: DHARMAJ | BSE: 543687
BLOOMBERG: DHARMAJ:IN

Dharmaj Crop Guard Limited
Q1FY25 Investor Presentation | August 2024

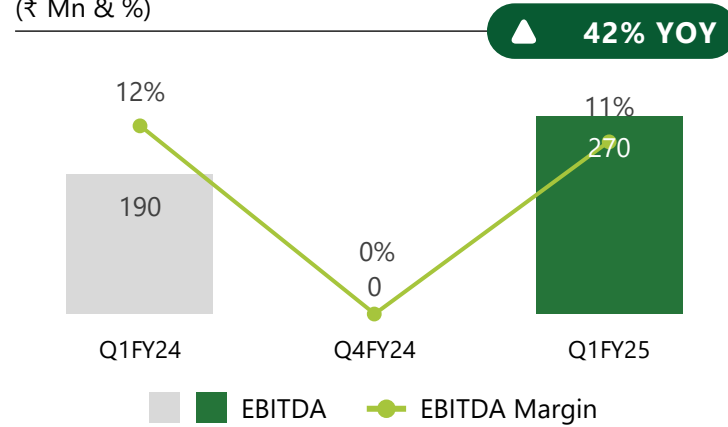
Performance Highlights (Q1)

FINANCIAL HIGHLIGHTS

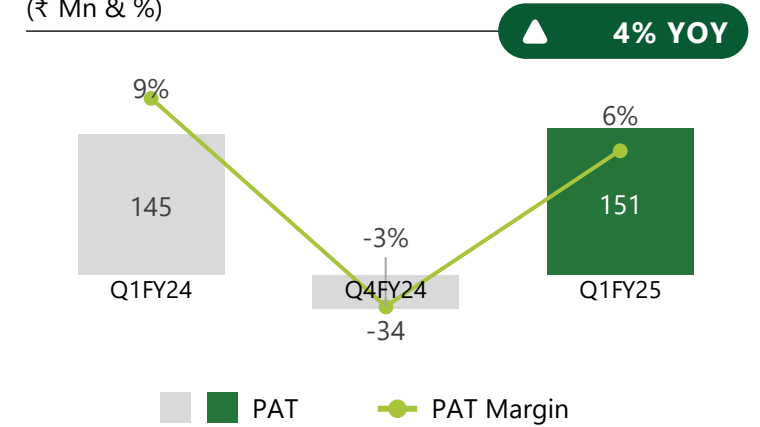
Revenue from Operations (₹ Mn)



EBITDA & EBITDA Margin (₹ Mn & %)

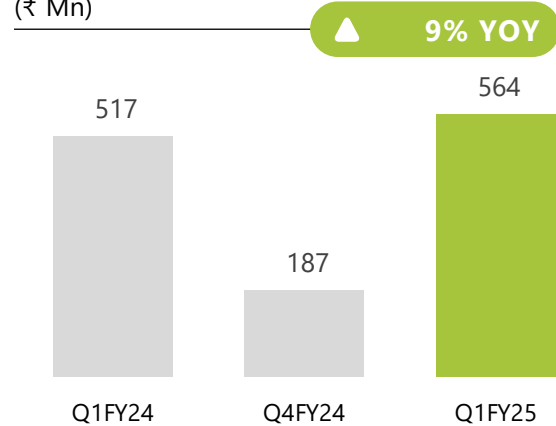


PAT & PAT Margin (₹ Mn & %)

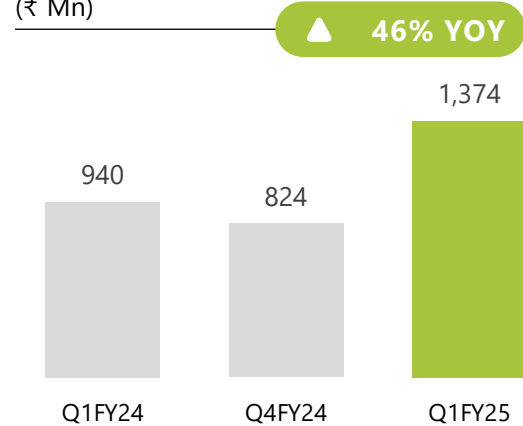


BUSINESS VERTICALS HIGHLIGHTS

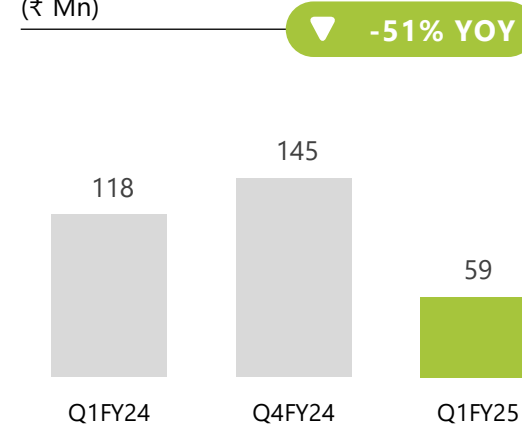
Branded Formulations (₹ Mn)



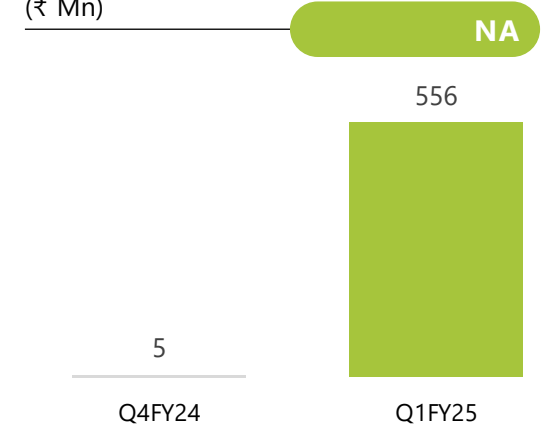
Domestic Institutional Formulations (₹ Mn)



Export Institutional Formulations (₹ Mn)



Active Ingredients (₹ Mn)



Profit & Loss Summary (Q1)

(₹ Mn)

Particulars	Q1FY24	Q4FY24	Q1FY25	YoY Change
Revenue from Operations	1,575	1,161	2,553	62%
Total Income	1,599	1,162	2,557	60%
Gross Profit	330	223	579	76%
Gross Profit Margin (%)	21.0%	19.2%	22.7%	175 BPS
Operating Expenses	140	223	310	121%
EBITDA (Excluding OI & EI)	190	0	270	42%
EBITDA Margin (%)	12.1%	0.0%	10.6%	(151 BPS)
Finance Cost	7	20	27	304%
Depreciation & Amortisation	13	31	44	255%
Profit Before Taxes (and EI)	195	(49)	202	4%
Profit After Taxes	145	(34)	151	4%
Profit After Taxes Margin (%)	9%	-3%	6%	(318 BPS)
Earnings Per Share (₹)	4.29	(1)	4.46	4%

Note: Previous year figures have been restated wherever necessary for appropriate comparison.

Management Commentary



Dharmaj has commenced the financial year with a strong performance, marked by significant growth and strategic advancements. Our Revenue from Operations for the first quarter reached an impressive ₹2,553 million, representing a 62% YOY increase. This growth is attributed to the solid performance of our existing Formulation operations and the successful introduction of our new Active Ingredients vertical, which contributed to our revenue for the first time this quarter. Our Gross Profit margins have improved, on both YOY and sequential basis.

Due to the commissioning of the new plant, fixed operating expenses, such as an increase in employee headcount and subsequent employee benefit expenses, and other operating expenses, have caused a marginal contraction in our EBITDA margins. Additionally, our depreciation and finance costs have risen due to the plant commissioning. As the capacity utilization ramps up, we expect these expenses to normalize a percentage of revenue.

The domestic agrochemical industry has started the season on a positive note. Although rainfall has not entirely met initial expectations, it has been adequate, and the India Meteorological Department (IMD) forecasts improved rainfall between August and September 2024, which is promising for the agricultural sector.

Our Institutional Formulations business remains a cornerstone of our growth, continuing to strengthen and drive our overall performance. In the Branded Formulations vertical, our growth has been partially offset by lower realizations in our generic portfolio as compared to Q1FY24, thus resulting in lower growth rate from this vertical. We have also strategically discontinued certain low-price products and focussed on high value products. Within Branded vertical, our 'Focus Portfolio' has performed better, and we anticipate improved results as we move forward. The performance of our Institutional Formulation Exports was sluggish in April and May, affected by delayed orders from certain customers & unexpected lumpiness. However, we have observed a positive shift in demand July onwards.

In the Active Ingredients vertical, following the commissioning of our Saykha unit in the previous quarter, we have begun to see commercial scaling at the plant, with external sales reaching ₹556 million in the first quarter. We have a healthy order book for the upcoming quarter. While the scale-up has started, the financial benefits are yet to be realized due to the rebasing of operational expenses and depreciation & finance costs associated with the project. These costs have impacted short-term profitability but are expected to normalize as revenues from Unit 2 increase.

On the operational front, we have launched 7 new products this quarter, including 3 in the new Plant Health vertical, which focuses on micronutrient products. Additionally, we have added 4 products to our existing B2C portfolio. Our workforce has expanded with the addition of 10 sales and marketing personnel and cumulative 88 new hires at the company level, primarily for Unit-2 at Saykha. Efforts in product registrations and commercialization are ongoing, with the Saykha plant producing 9 molecules, including 1 intermediate, in the first quarter. We are poised for further commercializations as we continue to scale up production at Unit-2. Dharmaj remains committed to its growth trajectory, leveraging strategic initiatives and market conditions to enhance its operational and financial performance.

We have begun witnessing commercial scale-up at the Saykha plant, with external sales reaching ₹556 million in the first quarter. We have a healthy order book for the upcoming quarter.

Mr. Rameshbhai Ravajibhai Talavia
Chairman and Managing Director

Strengthened Product Portfolio & Team

1,000+

Retail touchpoints increase from 15K+ to 16K+ over the previous quarter

~10

Team Strength addition in on-ground Sales & Marketing team, and total headcount increase by 88 people, mainly due to hiring at Unit 2 in Saykha.

Product Registration Activity

- 3 new technical registrations received
- Cumulatively 18 technical registrations received
- 7 export market product registrations received & total 18 during the quarter (formulations & technical)

Recently launched products (B2C portfolio)

Plant health product launches:



7

New product launches in Branded Formulations vertical

Other product launches:



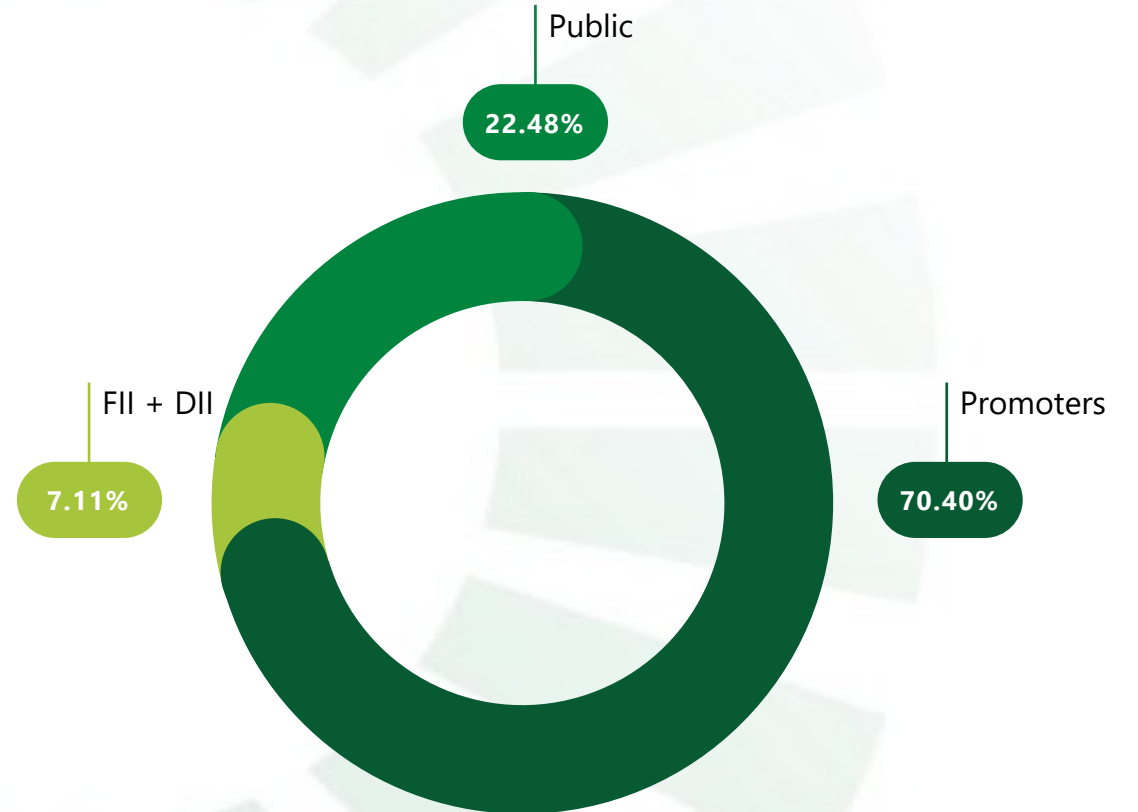
Latest Demand Generation Activity

Dealer meets, field days, product demonstrations, in both, 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	₹363
52 Week High/Low	₹375 / ₹197
Shares Outstanding	3.38 Cr
Market Capitalization	₹1,227 Cr
Industry Classification	Pesticides & Agrochemicals



Note: Market Price Data as on 12th August 2024

For more details read FY24 Investor Presentation



Safe Harbour

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