

# *Oriental Aromatics*

Ref: OAL/BSE/NSE/54/2020-21

21<sup>st</sup> October, 2020

To  
The Manager  
Department of Corporate Services,  
**BSE Limited**,  
Phiroz Jeejeebhoy Towers  
Dalal Street, Mumbai- 400 001  
**Scrip ID** : OAL  
**Scrip Code**: 500078

To  
The Manager  
Listing Department,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai - 400 051  
**Symbol**: OAL  
**Series** : EQ

**Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Ma'am,

This is to inform you that pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), read with Part A of Schedule III of the Listing Regulations, we hereby enclose the Earnings Presentation for the Quarter and Half year ended 30<sup>th</sup> September, 2020.

Pursuant to Regulation 46(2) (0) of the Listing Regulations, the aforesaid Earnings Presentation is also uploaded on the website of the Company i.e. [www.orientalaromatics.com](http://www.orientalaromatics.com).

Kindly take the same on your record.

Thanking you.

**For Oriental Aromatics Limited**

**Kiranpreet Gill**  
**Company Secretary & Compliance Officer**

*Oriental Aromatics Ltd.*

**Registered Office** 133, Jehangir Building, 2nd Floor, M.G. Road, Fort, Mumbai 400 001, India.

**T** +91-22-66556000 / 43214000 **F** +91-22-66556099 **E** [oa@orientalaromatics.com](mailto:oa@orientalaromatics.com) **CIN** L17299MH1972PLC285731

[www.orientalaromatics.com](http://www.orientalaromatics.com)

*Oriental Aromatics Ltd.*

EARNINGS PRESENTATION | H1 / Q2-FY21





## Overview

- Oriental Aromatics Ltd. is one of the largest Indian manufacturers of a variety of Aroma Chemicals, Camphor, Fragrances and Flavours.
- The company is one of the privileged few integrated manufacturers of fragrances and flavours as well as aroma chemicals globally.
- The Company aspires to become a global player in the specialty aroma chemicals and use these synergies to become one of the most prominent fragrance and flavour companies.
- The company is listed on both NSE and BSE with an approximate Market Capitalisation of INR 11,812 Mn as on September 30, 2020.

## Business Mix

- **Aroma Chemicals and Camphor** - Ranging from Pinene derivatives, to petrochem derivatives, and even musk and sandalwood derivatives, OAL delivers quality aroma chemicals to clients across the world.
- **Flavours and Fragrances** – OAL delivers innovative flavours and fragrance raw materials to marquee FMCG companies.

## Manufacturing Plants & Capacities

### Aroma Chemicals and Camphor:

- Bareilly, U.P. - 12,000 MTPA
- Vadodara, Gujarat - 6,700 MTPA

### Flavours and Fragrances:

- Ambernath, Maharashtra - 6,000 MTPA

## R&D Facilities

- Centre for Innovation at Mumbai
- Process re-engineering lab at Vadodara

## FY20 Consolidated Financials

Op. Income  
INR 7,599 Mn

EBITDA  
INR 1,264 Mn

EBITDA Margin  
16.63%

ROCE  
23.00%

PBT  
INR 1,029 Mn

Net Profit  
INR 862 Mn

EPS  
INR 25.61

ROE  
18.57%





## Company Overview

# Company Overview

- The Fragrance and Flavours business of Oriental Aromatics was founded by Mr. Keshavlal Bodani in 1955 and has been nurtured and handed down to three generations of the Bodani's.
- In August 2008, Oriental Aromatics' promoters acquired a controlling stake of 57.66% in the listed entity of Camphor & Allied Products Ltd.(CAPL), a key supplier of Camphor and other specialty aroma chemicals. Furthermore in April, 2017, Oriental Aromatics was fully amalgamated into the listed entity and thereafter, the name of CAPL was changed to Oriental Aromatics Limited (OAL).
- Today, The Company is one of the largest manufacturers of variety of specialty based aroma chemicals, and camphor, with a vast product range including Synthetic Camphor, Terpeneols, Pine Oils, Astromusk, several other specialty aroma chemicals finding applications in a wide array of industries ranging from like Cosmetics, Soaps, Pharmaceuticals and many more.
- OAL's custom designed fragrances are found in fine fragrances, incense sticks, candles, and various FMCG products like soaps, shampoos, hair oils, detergents, etc. and it also provides flavours for ice-creams, bakeries, confectionaries, beverages, chewing gums, chocolates etc.
- The Company has evolved into a one stop solution provider for the flavour and fragrance industry.



Fragrances



Flavours

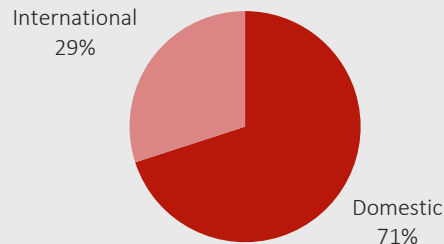


Aroma Chemicals

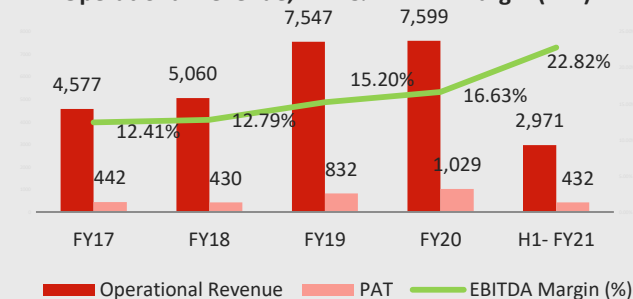


Camphor

FY20 Geographical Sales (%)



Operational Revenue, PAT & EBITDA Margin (INR)



## Sources of Raw Materials



Pine Tree



Petroleum



Aleuritic Acid  
(Shell Powder)

## Raw Materials



Alpha Pinene



Petro Chemicals

## Products/Blends

### Aroma Ingredients

Speciality Aroma Chemicals

Pine Oil

Terpene based aroma chemicals

Others

### Synthetic Camphor

### Fragrance and Flavour Products

Industrial Fragrance Compounds

Flavour Compounds

Customized Fragrance  
Compounds

## Applications



Incense Sticks



Air Fresheners



Cosmetics



Pooja



Balms



Detergents



Hair Oils,  
Shampoos, Soaps  
etc.



H1/Q2-FY21  
Financial  
Overview

## *Q2- FY21 Standalone Performance:*

- Revenue from Operations: INR 1,838 Mn
- EBITDA : INR 491 Mn
- EBITDA Margins: 26.71%
- Net Profit: INR 332 Mn
- PAT Margins: 18.06%
- Basic/Diluted EPS: INR 9.85 per share

## *H1-FY21 Standalone Performance:*

- Revenue from Operations: INR 2,971 Mn
- EBITDA : INR 679 Mn
- EBITDA Margins: 22.85%
- Net Profit: INR 432 Mn
- PAT Margins: 14.54%
- Basic/Diluted EPS: INR 12.84 per share

## *Q2- FY21 Consolidated Performance:*

- Revenue from Operations: INR 1,838 Mn
- EBITDA : INR 490 Mn
- EBITDA Margins: 26.66%
- Net Profit: INR 332 Mn
- PAT Margins: 18.06%
- Basic/Diluted EPS: INR 9.88 per share

## *H1- FY21 Consolidated Performance:*

- Revenue from Operations: INR 2,971 Mn
- EBITDA : INR 678 Mn
- EBITDA Margins: 22.82%
- Net Profit: INR 432 Mn
- PAT Margins: 14.54%
- Basic/Diluted EPS: INR 12.83 per share



- During the quarter, with gradual lifting of the lockdown, the company witnessed a healthy demand for all the products.
- Production volumes on a Y-o-Y basis were better for most of the products. This points to all our manufacturing sites reaching pre Covid productions levels with healthy demand.
- Sales Volumes for the quarter have grown by 49% on a Q-o-Q basis while they remained flat on a Y-o-Y basis.
- Improvement in sales realizations along with stabilized raw material prices have significantly improved profit margins on Q-o-Q as well as on a Y-o-Y basis.
- As on 30<sup>th</sup> September, 2020 cash from operations stood at INR 354 Mn.
- Company reduced its net debt further by INR 333 Mn to INR 175 Mn.
- Cash profit stood at INR 378 Million, an increase of 20.38% on a Y-o-Y basis and substantial increase in Q-o-Q basis .
- Debt/Equity ratio as on 30<sup>th</sup> September 2020 improved to 0.03 from 0.11 as on 31<sup>st</sup> March 2020.

# Q2-FY21 Standalone Income Statement (IND-AS)

*Oriental Aromatics Ltd.*

Particulars (INR Mn)	Q2-FY21	Q2-FY20	Y-O-Y	Q1-FY21	Q-O-Q
Revenue from Operations	1,838	2,042	(10.0)%	1,133	62.2%
Total Expenses	1,347	1,771	(23.9)%	950	41.8%
<b>EBITDA</b>	<b>491</b>	<b>271</b>	<b>81.2%</b>	<b>183</b>	<b>168.3%</b>
<b>EBITDA Margin (%)</b>	<b>26.71%</b>	<b>13.27%</b>	<b>NA</b>	<b>16.15%</b>	<b>NA</b>
Other Income	3	15	(80.0)%	6	(50.0)%
Depreciation	46	47	(2.1)%	46	NA
Finance Cost	3	38	(92.1)%	8	(62.5)%
<b>PBT</b>	<b>445</b>	<b>201</b>	<b>121.4%</b>	<b>135</b>	<b>NA</b>
Tax	113	(60)	NA	35	NA
<b>PAT</b>	<b>332</b>	<b>261</b>	<b>27.2%</b>	<b>100</b>	<b>NA</b>
<b>PAT Margin (%)</b>	<b>18.06%</b>	<b>12.78%</b>	<b>528 Bps</b>	<b>8.83%</b>	<b>923 Bps</b>
Basic/Diluted EPS (INR)	9.85	7.76	26.9%	2.98	NA

# H1-FY21 Standalone Income Statement (IND-AS)

*Oriental Aromatics Ltd.*

Particulars (INR Mn)	H1-FY21	H1-FY20	Y-O-Y
Revenue from Operations	2,971	4,159	(28.6)%
Total Expenses	2,292	3,525	(35.0)%
<b>EBITDA</b>	<b>679</b>	<b>634</b>	<b>7.1%</b>
<b>EBITDA Margin (%)</b>	<b>22.85%</b>	<b>15.24%</b>	<b>761 Bps</b>
Other Income	5	16	(68.8)%
Depreciation	92	92	NA
Finance Cost	11	67	(83.6)%
<b>PBT</b>	<b>581</b>	<b>491</b>	<b>18.3%</b>
Tax	149	44	NA
<b>PAT</b>	<b>432</b>	<b>447</b>	<b>(3.4)%</b>
<b>PAT Margin (%)</b>	<b>14.54%</b>	<b>10.75%</b>	<b>379 Bps</b>
Basic/Diluted EPS (INR)	12.84	13.27	(3.2)%

# Q2-FY21 Consolidated Income Statement (IND-AS)

*Oriental Aromatics Ltd.*

Particulars (INR Mn)	Q2-FY21	Q2-FY20	Y-O-Y	Q1-FY21	Q-O-Q
Revenue from Operations	1,838	2,042	(10.0)%	1,133	62.2%
Total Expenses	1,348	1,767	(23.7)%	949	42.0%
<b>EBITDA</b>	<b>490</b>	<b>275</b>	<b>78.2%</b>	<b>184</b>	<b>166.3%</b>
<b>EBITDA Margin (%)</b>	<b>26.66%</b>	<b>13.47%</b>	<b>NA</b>	<b>16.24%</b>	<b>NA</b>
Other Income	5	17	(70.6)%	4	25.0%
Depreciation	46	47	(2.1)%	46	NA
Finance Cost	3	38	(92.1)%	8	(62.5)%
<b>PBT</b>	<b>446</b>	<b>207</b>	<b>115.5%</b>	<b>134</b>	<b>NA</b>
Tax	114	(60)	NA	35	NA
<b>PAT</b>	<b>332</b>	<b>267</b>	<b>24.3%</b>	<b>99</b>	<b>NA</b>
<b>PAT Margin (%)</b>	<b>18.06%</b>	<b>13.08%</b>	<b>498 Bps</b>	<b>8.74%</b>	<b>932 Bps</b>
Basic/Diluted EPS (INR)	9.88	7.94	24.4%	2.95	NA

# H1-FY21 Consolidated Income Statement (IND-AS)

*Oriental Aromatics Ltd.*

Particulars (INR Mn)	H1-FY21	H1-FY20	Y-O-Y
Revenue from Operations	2,971	4,163	(28.6)%
Total Expenses	2,293	3,531	(35.1)%
<b>EBITDA</b>	<b>678</b>	<b>632</b>	<b>7.3%</b>
<b>EBITDA Margin (%)</b>	<b>22.82%</b>	<b>15.18%</b>	<b>764 Bps</b>
Other Income	5	18	(72.2)%
Depreciation	92	92	NA
Finance Cost	10	67	(85.1)%
<b>PBT</b>	<b>581</b>	<b>491</b>	<b>18.3%</b>
Tax	149	44	NA
<b>PAT</b>	<b>432</b>	<b>447</b>	<b>(3.4)%</b>
<b>PAT Margin (%)</b>	<b>14.54%</b>	<b>10.74%</b>	<b>380 Bps</b>
Basic/Diluted EPS (INR)	12.83	13.28	(3.4)%





## Historical Financial Overview

# Historical Standalone Income Statement (IND-AS)

*Oriental Aromatics Ltd.*

Income Statement (Mn)	FY18	FY19	FY20	H1-FY21
<b>Total Operational Income</b>	<b>5,057</b>	<b>7,526</b>	<b>7,594</b>	<b>2,971</b>
Total Expenses	4,398	6,372	6,319	2,292
<b>EBITDA</b>	<b>659</b>	<b>1,154</b>	<b>1,275</b>	<b>679</b>
<b>EBITDA Margin (%)</b>	<b>13.03%</b>	<b>15.33%</b>	<b>16.79%</b>	<b>22.85%</b>
Other Income	41	13	70	5
Depreciation	148	177	190	92
Finance Cost	69	130	120	11
Exceptional Items	-	(101)	-	-
<b>PBT</b>	<b>483</b>	<b>759</b>	<b>1,035</b>	<b>581</b>
Tax	180	260	167	149
<b>Profit After Tax</b>	<b>303</b>	<b>499</b>	<b>868</b>	<b>432</b>
<b>PAT Margin (%)</b>	<b>6.00%</b>	<b>6.63%</b>	<b>11.43%</b>	<b>14.54%</b>
EPS (After Exceptional Items)	9.01	14.82	25.78	12.84

# Historical Standalone Balance Sheet

*Oriental Aromatics Ltd.*

Liabilities (INR Mn)	FY19	FY20	H1-FY21	Assets (INR Mn)	FY19	FY20	H1-FY21
<b>Shareholders Fund</b>				<b>Assets</b>			
Share Capital	168	168	168	<b>Non-Current Assets</b>			
Other Equity	3,752	4,470	4,898	Property, Plant and Equipment	1,941	1,814	1,755
				Intangible Asset	58	24	7
<b>Non-Current Liabilities</b>				Capital WIP	8	17	132
Financial Liabilities				Right of use- Lease	-	74	70
i) Long-Term Borrowings	118	15	-	Goodwill on amalgamation	450	450	450
ii) Other Financial Liabilities	-	8	6	Financial Assets			
Deferred Tax Liabilities (Net)	342	261	260	Investment in Subsidiaries	-	60	60
Long-Term Provisions	19	18	18	Other financial assets	37	37	38
				Income Tax Assets (Net)	30	32	18
				Other non-Current assets	3	6	25
<b>Current Liabilities</b>				<b>Current Assets</b>			
Financial Liabilities				Inventories	2,027	1,623	1,997
i) Short-Term Borrowings	1,622	431	129	Financial Assets			
ii) Trade Payables	534	566	663	Trade and other Receivable	1,610	1,524	1,351
iii) Other financial Liabilities	146	114	107	Cash & Cash Equivalents	36	131	40
Short-Term Provisions	14	17	22	Bank Balance other than above	13	18	18
Current Tax Liabilities	-	-	-	Other Current Financial Assets	14	8	10
Other Current liabilities	17	21	21	Other Current Assets	504	270	320
				Non-Current Assets classified as held for Sale	1	1	1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,732</b>	<b>6,089</b>	<b>6,292</b>	<b>TOTAL ASSETS</b>	<b>6,732</b>	<b>6,089</b>	<b>6,292</b>

# Historical Consolidated Income Statement (IND-AS)

*Oriental Aromatics Ltd.*

Income Statement (Mn)	FY18	FY19	FY20	H1-FY21
Total Operational Income	5,060	7,547	7,599	2,971
Total Expenses	4,413	6,397	6,335	2,293
<b>EBITDA</b>	<b>647</b>	<b>1,150</b>	<b>1,264</b>	<b>678</b>
<b>EBITDA Margin (%)</b>	<b>12.79%</b>	<b>15.24%</b>	<b>16.63%</b>	<b>22.82%</b>
Other Income	4	13	74	5
Depreciation	148	178	190	92
Finance Cost	73	130	119	10
Exceptional Item	-	(23)	-	-
<b>PBT</b>	<b>430</b>	<b>832</b>	<b>1,029</b>	<b>581</b>
Tax	180	261	167	149
<b>Profit After Tax</b>	<b>250</b>	<b>571</b>	<b>862</b>	<b>432</b>
<b>PAT Margin (%)</b>	<b>4.94%</b>	<b>7.57%</b>	<b>11.34%</b>	<b>14.54%</b>
EPS (After Exceptional Items)	7.42	16.98	25.61	12.83

# Historical Consolidated Balance Sheet

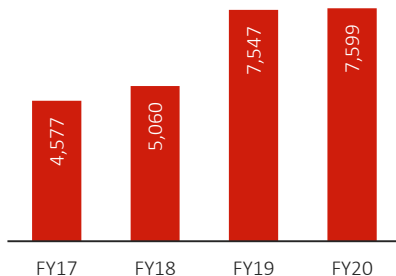
*Oriental Aromatics Ltd.*

Liabilities (INR Mn)	FY19	FY20	H1-FY21	Assets (INR Mn)	FY19	FY20	H1-FY21
<b>Shareholders Fund</b>				<b>Assets</b>			
Share Capital	168	168	168	<b>Non-Current Assets</b>			
Other Equity	3,751	4,473	4,901	Property, Plant and Equipment	1,941	1,815	1,755
				Goodwill on Amalgamation	450	450	450
				Capital WIP	8	18	132
<b>Financial Liabilities</b>				Intangible Assets	58	24	7
i) Long-Term Borrowings	118	15	-	Right to use	-	74	70
ii) Other Financial Liabilities	-	8	6	Other Financial Assets	37	37	38
Deferred Tax Liabilities (Net)	342	260	260	Income Tax Assets (Net)	30	32	18
Long Term Provisions	19	18	18	Other non-Current assets	4	6	37
<b>Current Liabilities</b>				<b>Current Assets</b>			
Financial Liabilities				Inventories	2,029	1,623	1,997
i) Short-Term Borrowings	1,622	431	129	Financial Assets			
ii) Trade Payables	535	557	654	Trade and other Receivable	1,600	1,514	1,340
iii) Other financial Liabilities	146	115	107	Cash & Cash Equivalents	50	173	52
Short-Term Provisions	14	17	22	Bank Bal other than above	13	38	57
Current Tax Liabilities	-	-	-	Other Current Financial Assets	8	8	11
Other Current liabilities	17	21	21	Other Current Assets	503	270	321
				Non-Current Assets Classified as held for Sale	1	1	1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,732</b>	<b>6,083</b>	<b>6,286</b>	<b>TOTAL ASSETS</b>	<b>6,732</b>	<b>6,083</b>	<b>6,286</b>

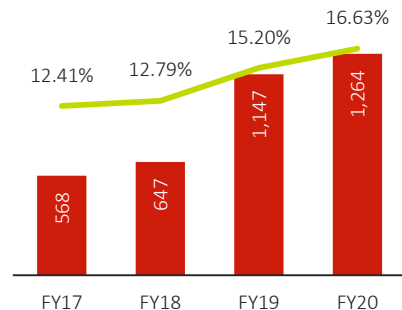


# Financial Performance (Consolidated)

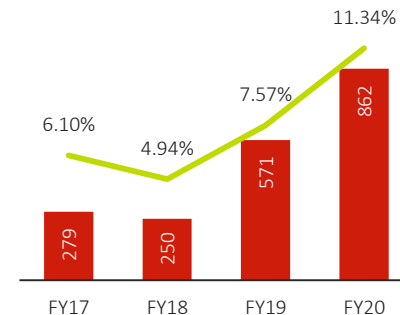
Revenue from Operations (INR Mn)



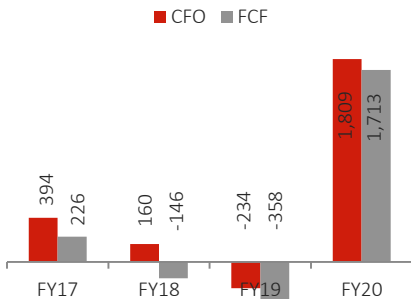
EBITDA (INR Mn) EBITDA MARGIN (%)



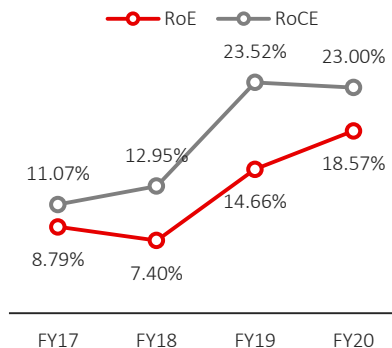
PAT (INR Mn) PAT MARGIN (%)



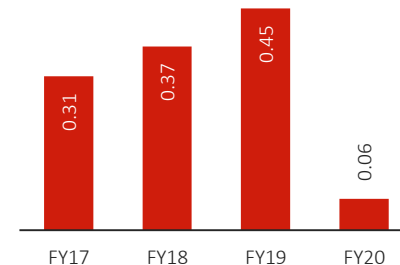
Cash flow from operations (CFO) & Free Cash Flows (FCF) (INR Mn)



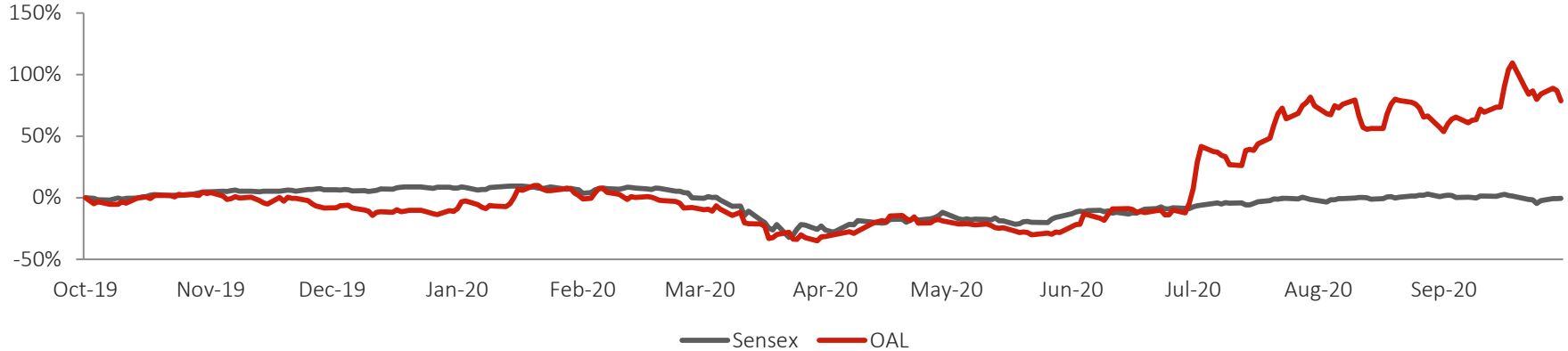
RoE (%) and RoCE (%)



Net D/E (x)



# Capital Market Information

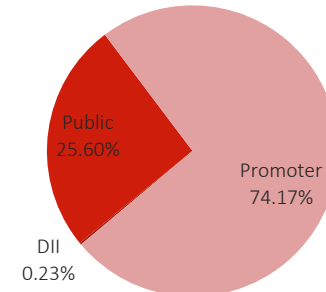


## Price Data (30<sup>th</sup> September, 2020)

INR

Face Value	5.0
CMP	351.0
52 Week H/L (INR)	424.4/117.05
Avg. Net Turnover(INR Mn)	7.6
Market Cap (INR Mn)	11,812.4
Equity Shares Outstanding (Mn)	33.7

## Shareholding Pattern as on 30<sup>th</sup> September, 2020



*This presentation and the accompanying slides (the "Presentation"), which have been prepared by Oriental Aromatics Limited (the "Company"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*

*This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*

*Certain matters discussed in this Presentation may contain statements regarding the Company's market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the tire industry in India and world-wide, competition, the company's ability to successfully implement its strategy, the Company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company's market preferences and its exposure to market risks, as well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.*

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

**For further information please contact our Investor Relations Representatives:**



**For further information please contact our Investor Relations Representatives:**

**Valorem Advisors**

**Mr. Anuj Sonpal, CEO**

Tel: +91-22 3006-7521/22/23/24

Email: [oriental@valoremadvisors.com](mailto:oriental@valoremadvisors.com)

Thank you

*Oriental Aromatics Ltd.*