



May 12, 2023

To,

<b>National Stock Exchange of India Ltd.</b> Exchange Plaza Bldg. 5 <sup>th</sup> Floor, Plot No.C-1 'G' Block, Near Wockhardt, Bandra Kurla Complex Mumbai 400 051. Fax: 26598237/38 Symbol: DCW	<b>BSE Limited</b> Department of Corporate Services, 1 <sup>st</sup> floor, New Trading Ring Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Fax : 22723121/3719/2037/2039 Scrip Code : 500117
--	--

Dear Sir(s)/Madam,

**Sub: Investors' Presentation**

Pursuant to Regulation 30 and Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the presentation of DCW Limited ("the Company") for the fourth quarter and Financial Year ended March 31, 2023, to be made to investors and analysts.

The same is also being uploaded on the Company's website at <https://www.dcwlimited.com> in compliance with regulations 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to take the aforesaid information on your record.

Thanking You,

Yours faithfully,

For DCW Limited



Dilip Darji  
Sr. General Manager (Legal) & Company Secretary  
Membership No. ACS-22527

**DCW LIMITED**

HEAD OFFICE :

"NIRMAL" 3RD FLOOR, NARIMAN POINT, MUMBAI-400 021.

TEL.: 2287 1914, 2287 1916, 2202 0743 TELEFAX: 22 2202 8838

REGISTERED OFFICE : DHRANGADHRA - 363 315 (GUJRAT STATE)

Email: ho@dcwlimited.com, Website: www.dcwlimited.com, CIN-L24110GJ1939PLC000748



# DCW Limited

## Earning Presentation

Q4-FY23/FY23



# Snapshot



## BUSINESS

**8+**

Decades of Experience

**2**

State-of-the-Art Integrated Manufacturing Units

**Pioneer**

In India Soda Ash, C-PVC, Synthetic Rutile & SIOF

**Leading**

Manufacturer of C-PVC and SIOF in India

**Largest and Unique**

Commercial scale manufacturer of SIOF in Asia

## OPERATIONS

**12+**

Chemicals with **3** Specialty Chemicals

**2,000+**

Employees

**Zero**

Effluent and waste Process

**58 MW**

Captive Power Capacity

**~2,500**

Acres of land available

## FINANCIALS

**27%**

3 year Revenue CAGR

**43%**

3 year EBITDA CAGR

**14%**

Specialty Chemicals Revenue contribution from 0.5% in FY16

**0.33x**

Net Debt to Equity Ratio

**0.79x**

Net Debt to EBITDA Ratio

**21.6%**

FY23 ROCE

# | Business Overview

Financial Highlights

Historical Financial Overview



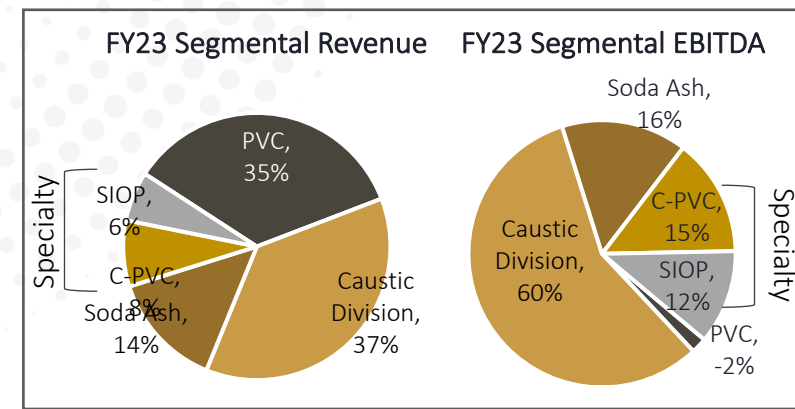
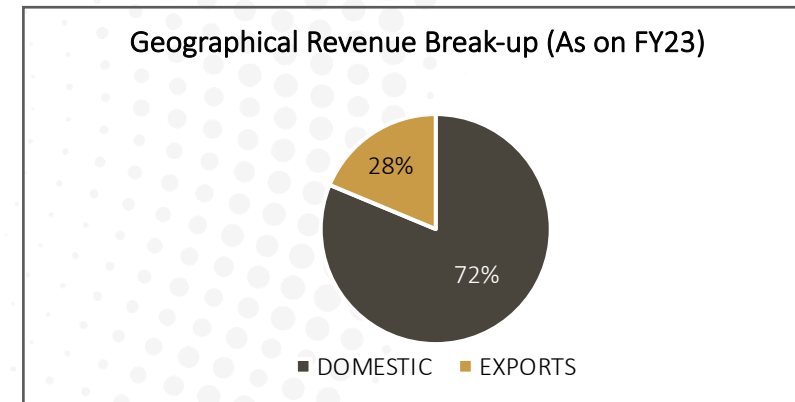
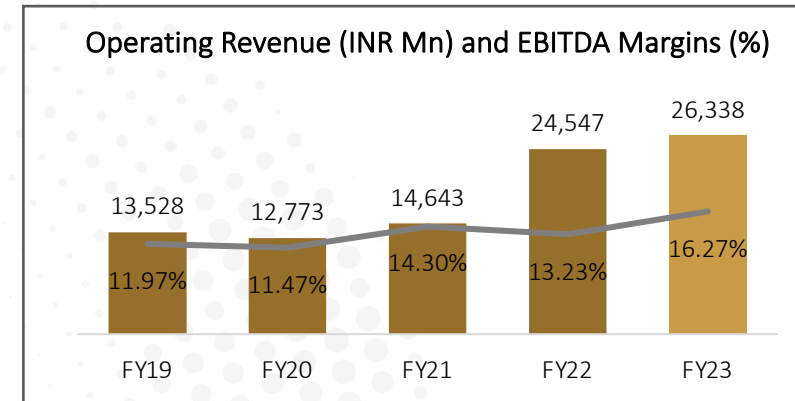
# Company Overview



- Incorporated in 1939, DCW Ltd. was established as Dhrangadhra Chemical Works at Dhrangadhra, Gujarat as India's first Soda Ash plant.
- Since then DCW has pioneered and created a strong presence in the Chlor-Alkali, Synthetic Rutile and PVC business segments, with a successful record of innovation in new products and processes.
- Over the years the company has expanded, diversified and modernized its operations with a diversified range of products for supply to customers in both, domestic and international markets with a conscious strategic shift towards specialty chemicals.
- DCW has an extensive distribution network spanning over 12 countries across USA, Europe, Japan, Malaysia and Netherlands catering to over 100+ customers.
- Today it has two state of the art manufacturing facilities located in Dhrangadhra, Gujarat and Sahupuram, Tamil Nadu.

## Product Basket

- **Specialty Chemicals:** Synthetic Rutile (SR), Synthetic Iron Oxide Pigments (SIOP) and Chlorinated Poly Vinyl Chloride (C-PVC)
- **Commodity Chemicals:** Soda Ash, Caustic Soda, Poly Vinyl Chloride (PVC)
- **Intermediate Chemicals:** Liquid Chlorine, Hydrochloric Acid, Trichloroethylene, Utox, Ferric Chloride, and Sodium Hypochlorite, Sodium Bicarbonate and Ammonium Bicarbonate.

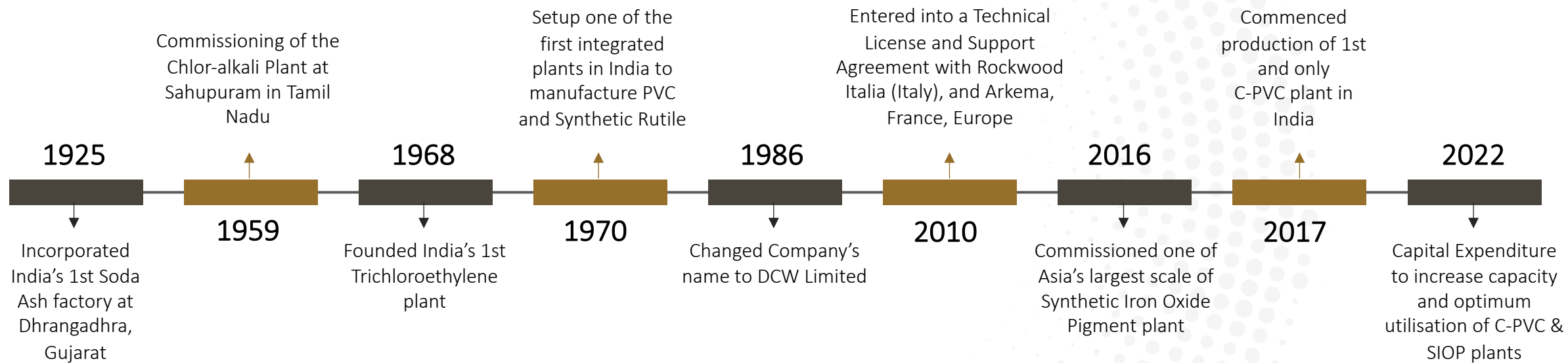


# Key Milestones



Growth in Commodity Chemicals

Expansion towards Specialty Chemicals



Moving up the value chain by pioneering various chemical products and processes in India

# Marquee Customers



## Commodity Chemicals



## Specialty Chemicals



## Significant Scale-up Opportunities

Over 2,500- acre land bank available at Sahupuram facility provides easy scale-up opportunity without incurring additional capex for land.

## Technology Tie-ups

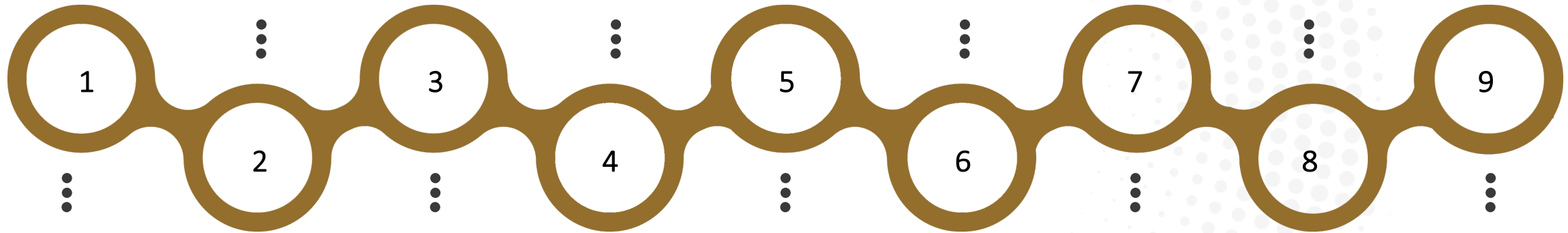
Licensed technology from Arkema & technical assistance from Rockwood Pigments for SIOp

## Diversified Application Base

Catering to over 15 industries with high end-user growing markets

## Niche & Diversified Product Mix

Diversified product mix of Commodity, Intermediate and Specialty Chemicals



## Strategic Location

Sahupuram Facility situated in the vicinity of the port providing logistical advantage for the export markets and tactical raw material procurement

## Moving up the Value Chain

Increasing the contribution from high value, high margin Specialty Chemicals Segments.

## Self Sufficiency

58 MW Co-Generation power plant ensures cost-effective, uninterrupted power supply. And major raw materials like Salt, Liquid Chlorine, Hydrogen, Hydrochloric Acid, etc. are captively produced to make value added products.

## Well Established Relationships

With over 8 decades of existence DCW has built strong client and supplier relationships across domestic and international markets

## Planned Capital Expenditure

Next growth phase led by Specialty Chemicals to boost revenue & margins with planned Capex to double C-PVC capacity and increase SIOp throughput



To further strengthen its position, DCW has planned a capital expenditure of INR 125 Crs to make further inroads into Specialty Chemicals and expand its CPVC capacity and with line-balancing capex to increase the utilization of SIOP capacity to near 100% from current levels

## Upcoming CAPEX at Sahapuram Facility

Product	Expected Year of Commissioning	Total Capacity after Capex
C-PVC	H2-FY24	20,000 MTPA
SIOP	H2-FY24	30,000 MTPA

Business Overview

| Financial Highlights

Historical Financial Overview

# Key Financial and Operational Highlights



## Q4-FY23 Financial Performance

Revenue from Operations <b>INR 5,881 Mn</b> <i>(16.8)% Y-o-Y</i>	EBITDA <b>INR 995 Mn</b> <i>0.7% Y-o-Y</i>	EBITDA Margins <b>16.92%</b> <i>295 Bps Y-o-Y</i>
PAT <b>INR 353 Mn</b> <i>(26.2)% Y-o-Y</i>	PAT Margins <b>6.0%</b> <i>(76) Bps Y-o-Y</i>	Diluted EPS <b>INR 1.20</b> <i>(26.4)% Y-o-Y</i>

## FY23 Financial Performance

Revenue from Operations <b>INR 26,338 Mn</b> <i>7.3% Y-o-Y</i>	EBITDA <b>INR 4,285 Mn</b> <i>31.9% Y-o-Y</i>	EBITDA Margins <b>16.27%</b> <i>304 Bps Y-o-Y</i>
PAT <b>INR 1,920 Mn</b> <i>78.6% Y-o-Y</i>	PAT Margins <b>7.29%</b> <i>291 Bps Y-o-Y</i>	Diluted EPS <b>INR 6.50</b> <i>72.0% Y-o-Y</i>

## Q4/FY23 Operational Highlights:

### Q4-FY23:

- Flat growth in operational income on a QoQ basis due to fall in Caustic & SR prices by 37% & 31% QoQ respectively, which was countered by volume increase across all product segments.
- Operational income declined on a YoY basis on account of sharp drop in net realisations for PVC, CPVC & Caustic by 34%, 19% and 14% respectively.
- EBITDA margins improved on a YoY basis due to improved performance of Soda Ash business.

### FY23:

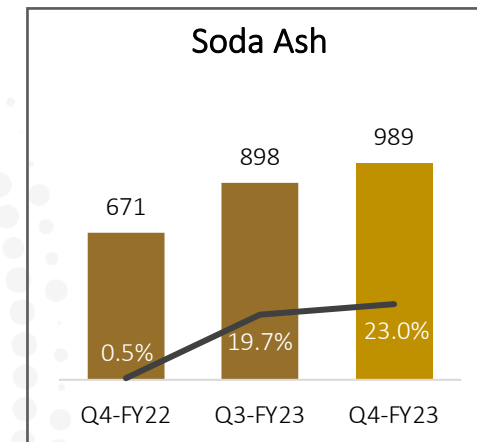
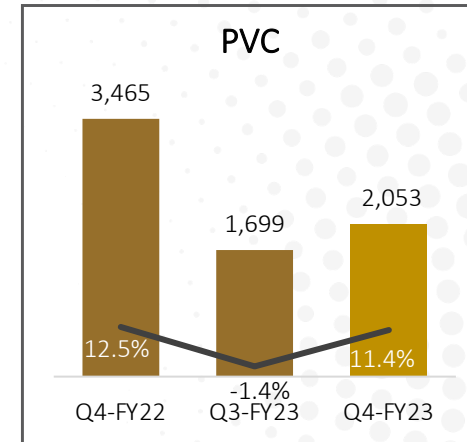
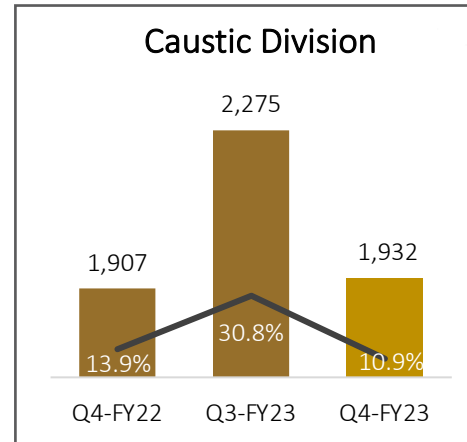
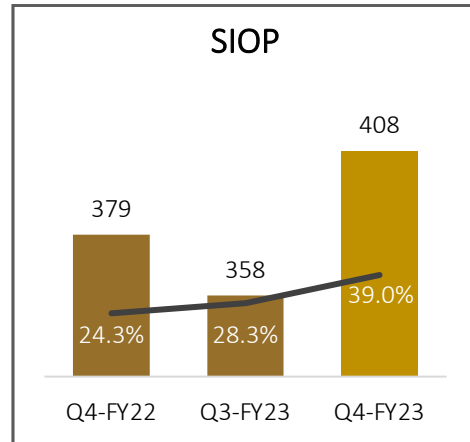
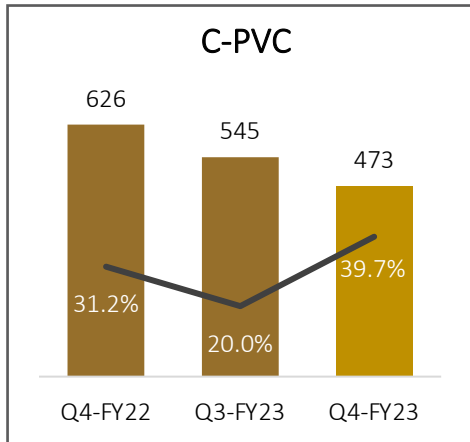
- Highest ever turnover and absolute EBITDA achieved in FY23 with EBITDA margins expanding to 16.27%.
- Capacity utilisations across all business segments reached optimum levels with SIOP volumes consistently increasing over the quarters
- There has been a structural shift in interest costs reducing to under 10% from 17% levels in the year earlier, through refinancing of borrowings.
- The company was able to strengthen the Balance Sheet significantly by de-leveraging and improving current ratio to 1.38 from 1.02 in FY22.
- ROCEs have significantly improved to 21.63%.
- The company's credit rating was upgraded to "A", with a consistent track record of 3 rating upgrades in the last 18 months.



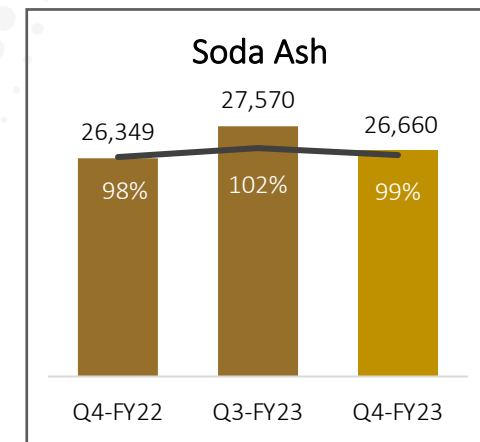
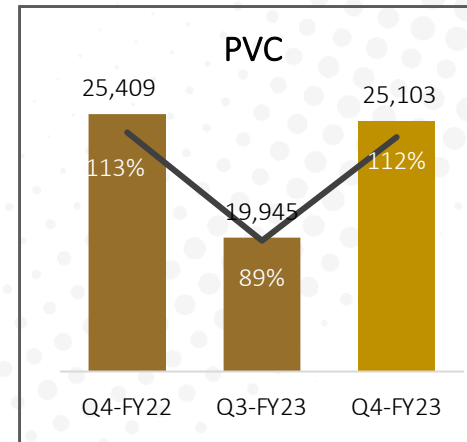
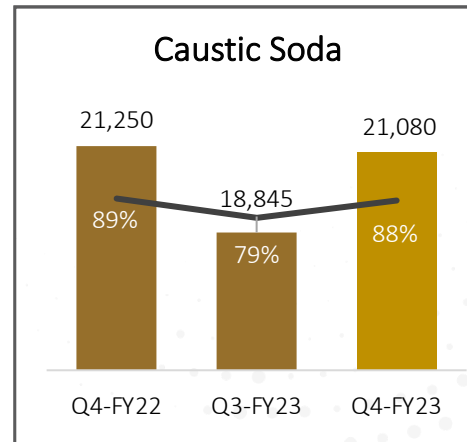
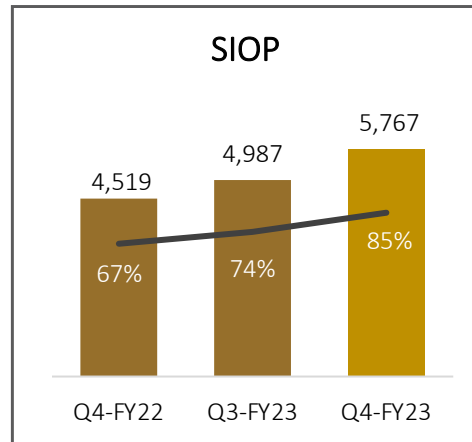
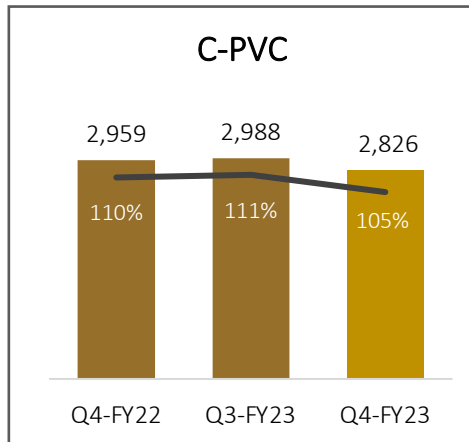
# Quarterly Key Segmental Performance



## Revenue (INR Mn) & EBITDA Margin (%)



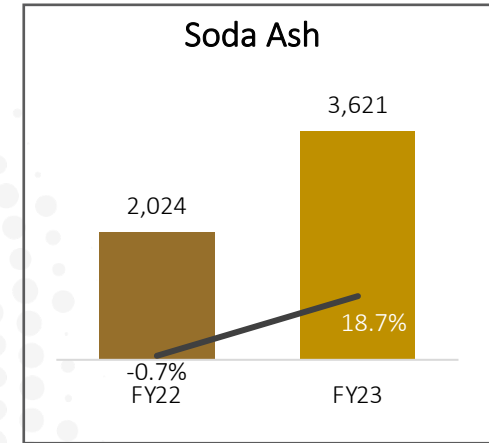
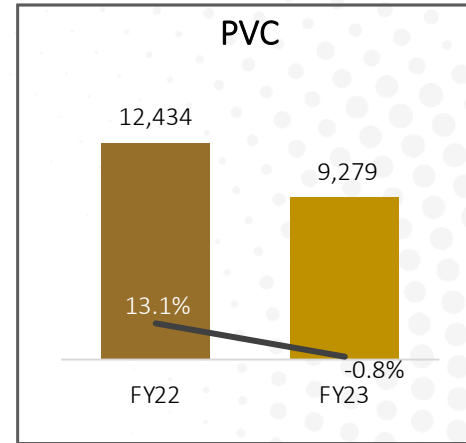
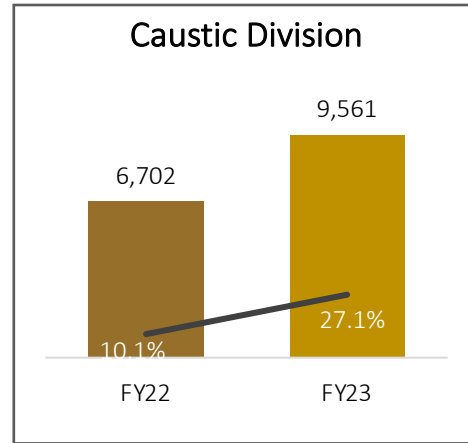
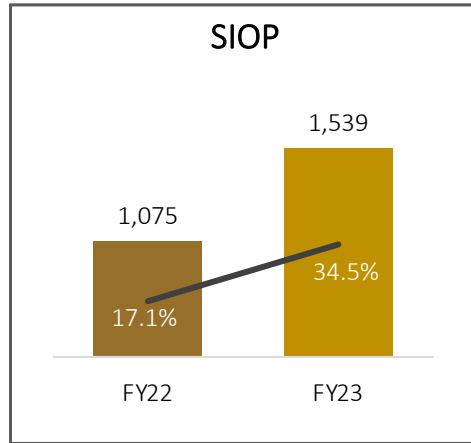
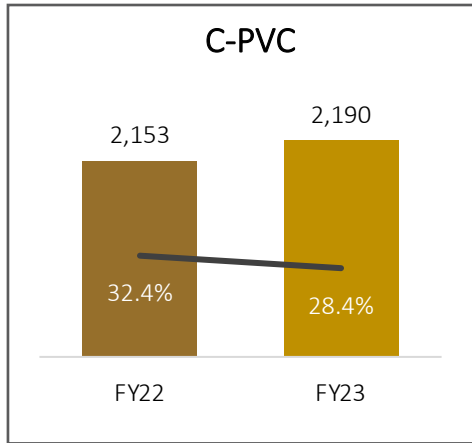
## Production (in MT) & Capacity Utilisation (%)



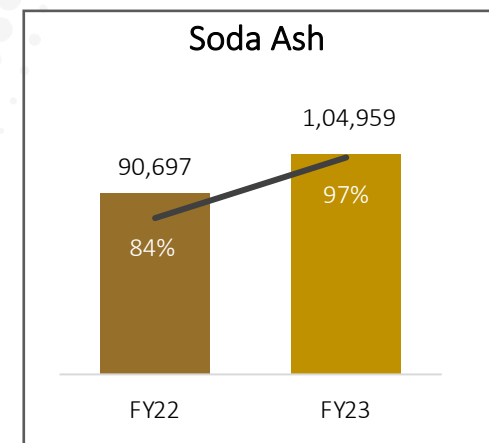
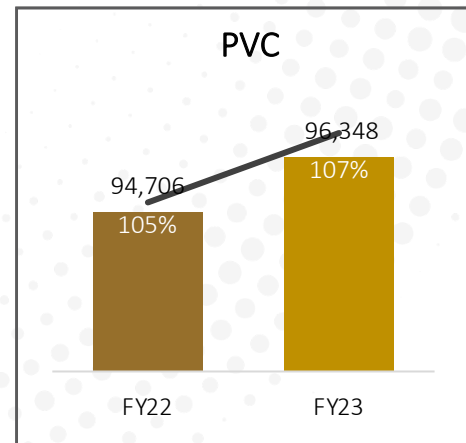
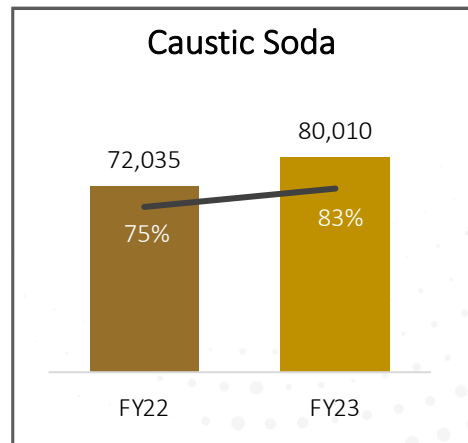
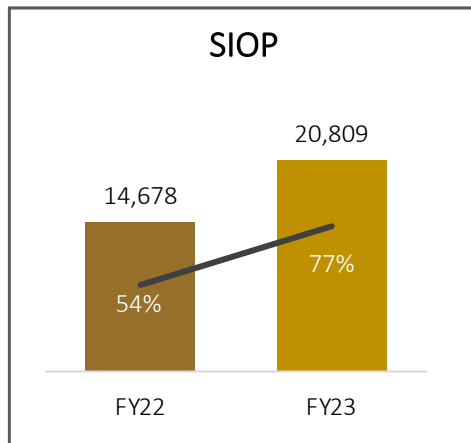
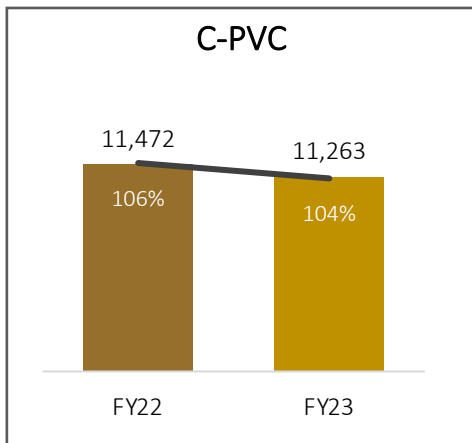
# Yearly Key Segmental Performance



## Revenue (INR Mn) & EBITDA Margin (%)



## Production (in MT) & Capacity Utilisation (%)



# Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q4-FY23	Q4-FY22	Y-o-Y	Q3-FY23	Q-o-Q
Operational Income	5,881	7,072	(16.8)%	5,792	1.5%
Total Expenses	4,886	6084	(19.7)%	4,777	2.3%
<b>EBITDA</b>	<b>995</b>	<b>988</b>	<b>0.7%</b>	<b>1,015</b>	<b>(2.0)%</b>
<i>EBITDA Margins (%)</i>	<i>16.92%</i>	<i>13.97%</i>	<i>295 Bps</i>	<i>17.52%</i>	<i>(60) Bps</i>
Other Income	44	13	NA	38	15.8%
Depreciation	228	221	3.2%	227	0.4%
Interest	191	258	(26.0)%	195	(2.1)%
<b>Profit before Exceptional Items</b>	<b>620</b>	<b>522</b>	<b>18.8%</b>	<b>631</b>	<b>(1.7)%</b>
Exceptional Items	-	-	-	27	NA
<b>PBT</b>	<b>620</b>	<b>522</b>	<b>18.8%</b>	<b>658</b>	<b>(5.8)%</b>
Tax	267	44	NA	176	51.7%
<b>Profit After tax</b>	<b>353</b>	<b>478</b>	<b>(26.2)%</b>	<b>482</b>	<b>(26.8)%</b>
<i>PAT Margins (%)</i>	<i>6.00%</i>	<i>6.76%</i>	<i>(76) Bps</i>	<i>8.32%</i>	<i>(232) Bps</i>
Other Comprehensive Income	(38)	(6)	NA	(1)	NA
<b>Total Comprehensive Income</b>	<b>315</b>	<b>472</b>	<b>(33.3)%</b>	<b>481</b>	<b>(34.5)%</b>
Diluted EPS (INR)	1.20	1.63	(26.4)%	1.63	(26.4)%



# Annual Consolidated Financial Performance



Particulars (INR Mn)	FY23	FY22	Y-o-Y
<b>Operational Income</b>	<b>26,338</b>	<b>24,547</b>	<b>7.3%</b>
Total Expenses	22,053	21,299	3.5%
<b>EBITDA</b>	<b>4,285</b>	<b>3,248</b>	<b>31.9%</b>
<b>EBITDA Margins (%)</b>	<b>16.27%</b>	<b>13.23%</b>	<b>304 Bps</b>
Other Income	153	61	NA
Depreciation	902	885	1.9%
Interest	1,261	1,131	11.5%
<b>Profit before Exceptional Items</b>	<b>2,275</b>	<b>1,293</b>	<b>75.9%</b>
Exceptional Items	469	139	NA
<b>PBT</b>	<b>2,744</b>	<b>1,432</b>	<b>91.6%</b>
Tax	824	357	NA
<b>Profit After tax</b>	<b>1,920</b>	<b>1,075</b>	<b>78.6%</b>
<b>PAT Margins (%)</b>	<b>7.29%</b>	<b>4.38%</b>	<b>291 Bps</b>
Other Comprehensive Income	(41)	(4)	NA
<b>Total Comprehensive Income</b>	<b>1,879</b>	<b>1,071</b>	<b>75.4%</b>
Diluted EPS (INR)	6.50	3.78	72.0%

Business Overview

Financial Highlights

| Historical Financial Overview

# Historical Income Statement



Particulars (INR Mn)	FY19	FY20	FY21	FY22	FY23
Operational Income	13,528	12,773	14,643	24,547	26,338
Total Expenses	11,909	11,308	12,549	21,299	22,053
<b>EBITDA</b>	<b>1,619</b>	<b>1,465</b>	<b>2,094</b>	<b>3,248</b>	<b>4,285</b>
<i>EBITDA Margins (%)</i>	<i>11.97%</i>	<i>11.47%</i>	<i>14.30%</i>	<i>13.23%</i>	<i>16.27%</i>
Other Income	36	85	113	61	153
Depreciation	834	872	874	885	902
Interest	1,040	1,075	1,197	1,131	1,261
<b>Profit before exceptional items</b>	<b>(219)</b>	<b>(397)</b>	<b>137</b>	<b>1,293</b>	<b>2,275</b>
Exceptional Item	-	-	-	139	469
<b>PBT</b>	<b>(219)</b>	<b>(397)</b>	<b>137</b>	<b>1,432</b>	<b>2,744</b>
Tax	(176)	(129)	99	357	824
<b>Profit After tax</b>	<b>(43)</b>	<b>(268)</b>	<b>38</b>	<b>1,075</b>	<b>1,920</b>
<i>PAT Margins (%)</i>	<i>NA</i>	<i>NA</i>	<i>0.26%</i>	<i>4.38%</i>	<i>7.29%</i>
Other Comprehensive Income	7	10	3	(4)	(41)
<b>Total Comprehensive Income</b>	<b>(36)</b>	<b>(258)</b>	<b>41</b>	<b>1,071</b>	<b>1,879</b>
Diluted EPS (INR)	(0.19)	(1.12)	0.15	3.78	6.50



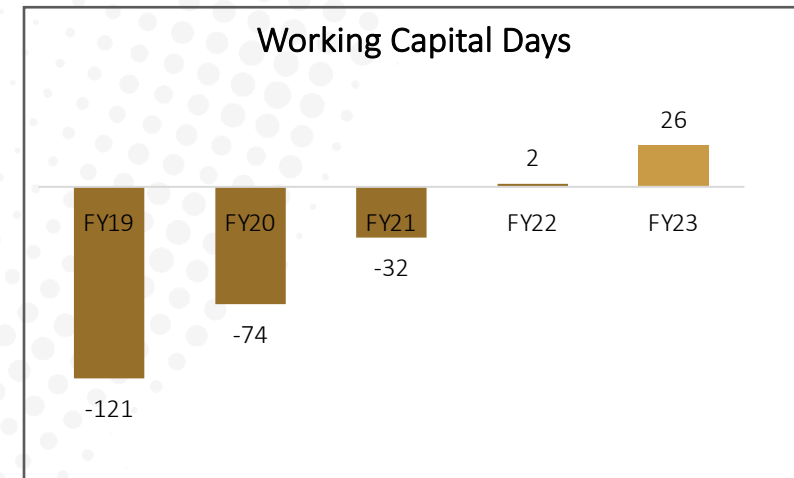
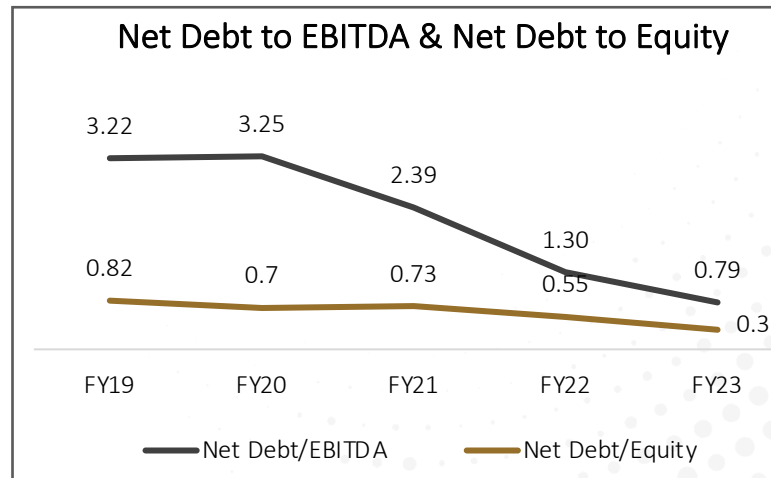
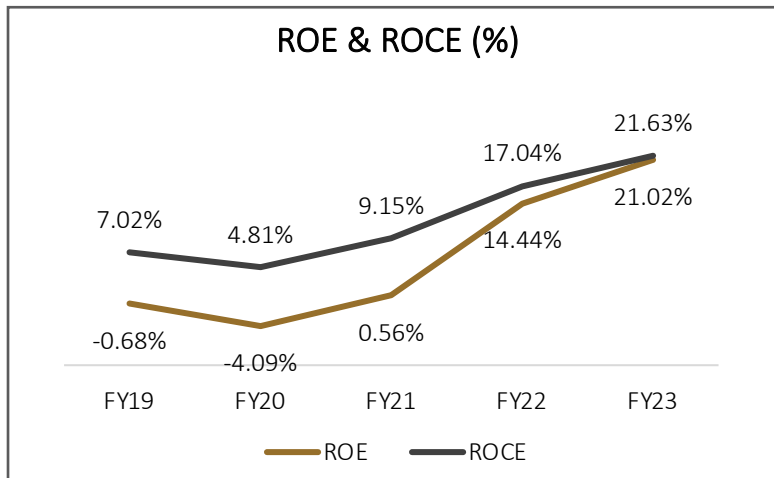
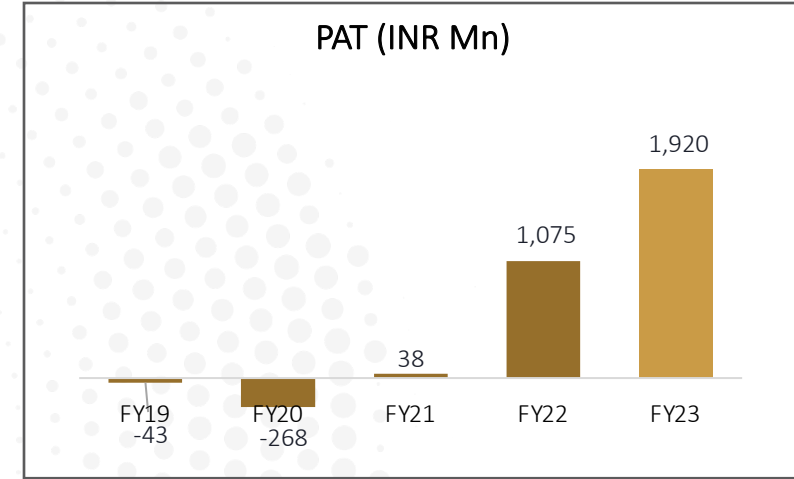
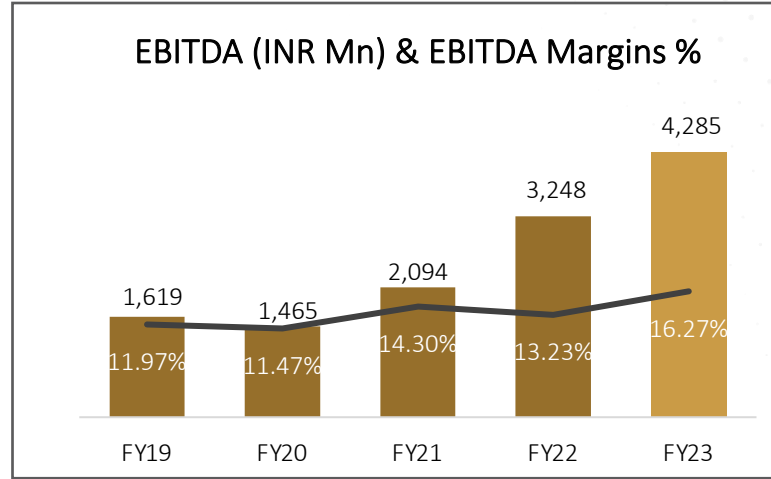
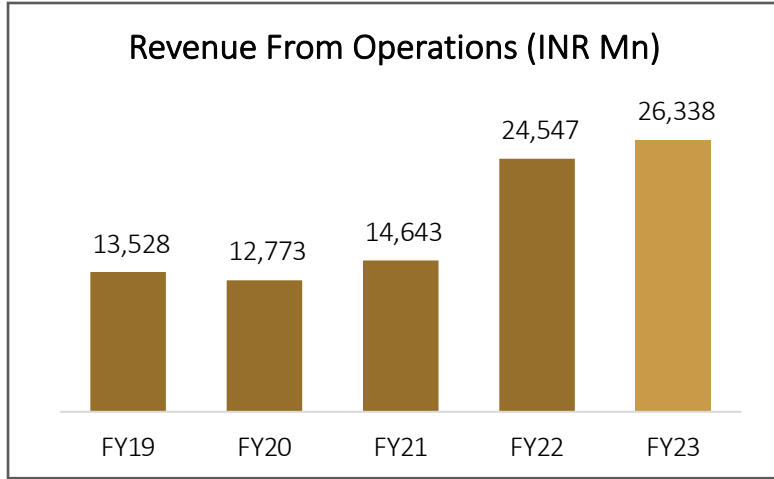
# Historical Balance Sheet



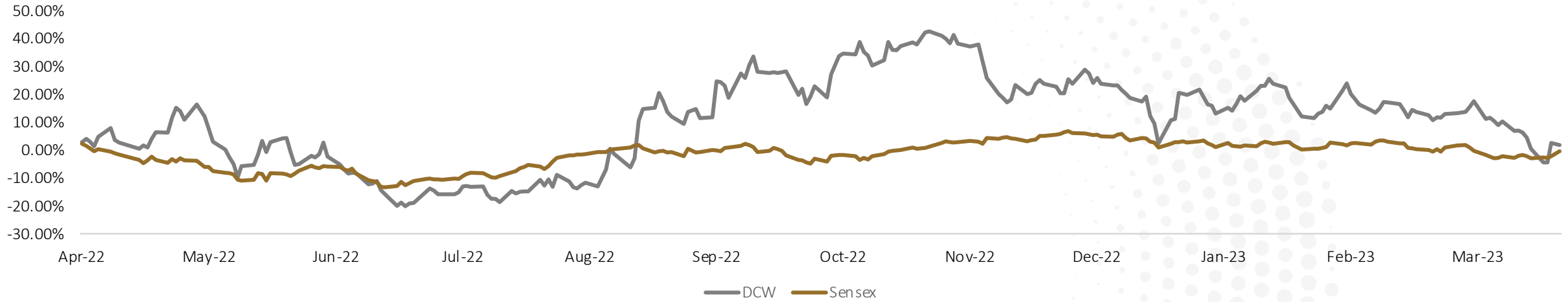
Particulars (INR Mn)	FY21	FY22	FY23
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	13,962	13,386	12,839
Capital Work in progress	38	81	597
Right – of – use Assets	107	134	121
<b>Financial Assets</b>			
(i)Investments	0	0	0
(ii)Other Financial assets	479	96	112
Income tax assets (net)	14	-	10
Other Non- Current Assets	40	58	78
<b>Total Non- Current Assets</b>	<b>14,640</b>	<b>13,755</b>	<b>13,757</b>
<b>Current Assets</b>			
Inventories	1,691	2,471	3,446
<b>Financial Assets</b>			
(i)Investments	-	-	-
(ii)Trade Receivables	952	1,165	1,329
(iii)Cash and Cash Equivalents	500	877	99
(iv)Other Bank Balances	725	248	1,585
(v) Loans	12	11	12
Other Current Assets	232	506	405
<b>Total Current Assets</b>	<b>4,112</b>	<b>5,278</b>	<b>6,876</b>
<b>TOTAL ASSETS</b>	<b>18,752</b>	<b>19,033</b>	<b>20,633</b>

Particulars (INR Mn)	FY21	FY22	FY23
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	522	522	590
Other Equity	6,350	7,496	9,661
<b>Total Equity</b>	<b>6,872</b>	<b>8,018</b>	<b>10,251</b>
<b>Non-Current Liabilities</b>			
(i)Borrowings	5,227	4,409	3,807
(ii)Lease Liability	10	29	17
(iii)Other Financial Liabilities	364	408	200
Provisions	153	184	235
Deferred Tax Liabilities (Net)	616	727	1,044
Other Non-Current Liabilities	98	91	84
<b>Total Non-Current Liabilities</b>	<b>6,468</b>	<b>5,848</b>	<b>5,387</b>
<b>Current Liabilities</b>			
(i)Borrowings	1,003	1,106	1,242
(i)Trade Payables	2,980	2,958	2,750
(ii)Other Financial Liabilities	536	458	749
(iii)Lease Liabilities	1	14	17
Other current Liabilities	836	560	166
Provisions	56	68	71
Income Tax Liabilities (Net)	-	2	-
<b>Total Current Liabilities</b>	<b>5,412</b>	<b>5,166</b>	<b>4,995</b>
<b>Total Liabilities</b>	<b>11,880</b>	<b>11,015</b>	<b>10,382</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>18,752</b>	<b>19,033</b>	<b>20,633</b>

# Financial Performance



### Stock Performance Data (As on 31st March, 2023)

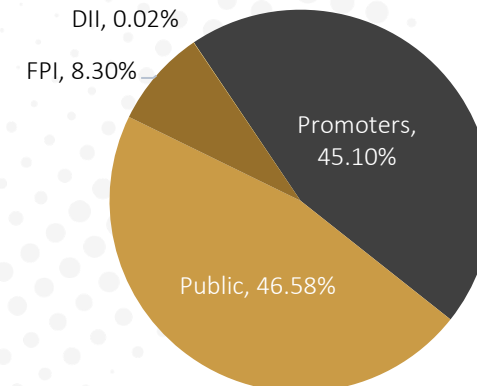


### Price Data (As on 31<sup>st</sup> March, 2023)

INR

Face Value	2.00
CMP	43.49
52 Week H/L	62.55 / 33.55
Market Cap. (Mn)	12,836.29
No. of Share outstanding (Mn)	295.16
Avg. Trading Volume ('000)	2,191.73
Avg. Net Turnover (Mn)	99.16

### Shareholding Pattern (As on 31<sup>st</sup> March, 2023)



# Disclaimer



## DCW Ltd.

*No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of DCW Ltd., which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.*

*Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.*

*This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.*

*This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.*

## 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 details, please feel free to contact our Investor Relations Representatives:***



Mr. Anuj Sonpal  
Valorem Advisors  
Tel: +91-22-4903 9500  
Email: [dcw@valoremadvisors.com](mailto:dcw@valoremadvisors.com)



Mr. Dilip Darji  
Sr. General Manager (Legal) & Company Secretary  
Email: [dilip.darji@dcwltd.com](mailto:dilip.darji@dcwltd.com)



THANK YOU