

The logo features the word "KESAR" in a bold, sans-serif font. The letters "K", "E", "S", and "R" are white with a pink outline. The letter "A" is a solid orange color. The text is centered over a large, irregular cloud of blue powder or dust that has a soft, ethereal appearance with some darker blue and black speckles.

**KESAR**

**KESAR PETROPRODUCTS LIMITED**

Investor Presentation – February 2018

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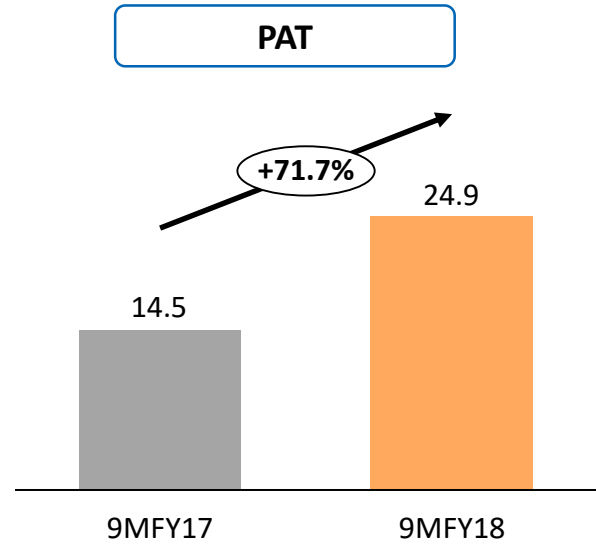
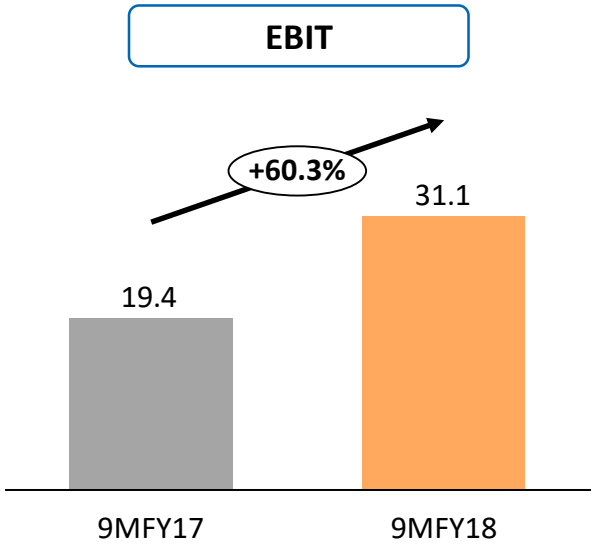
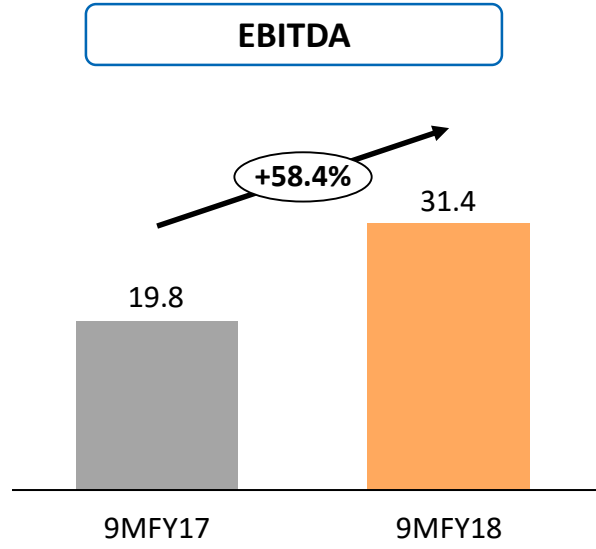
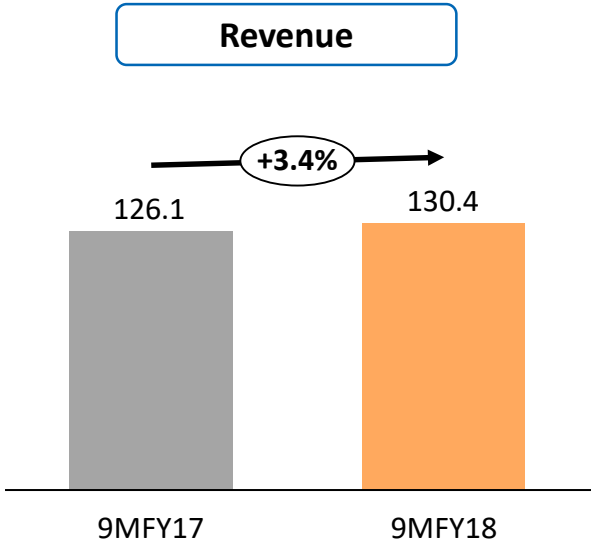
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# Strong Performance in 9M FY18\*



In Rs. Crs

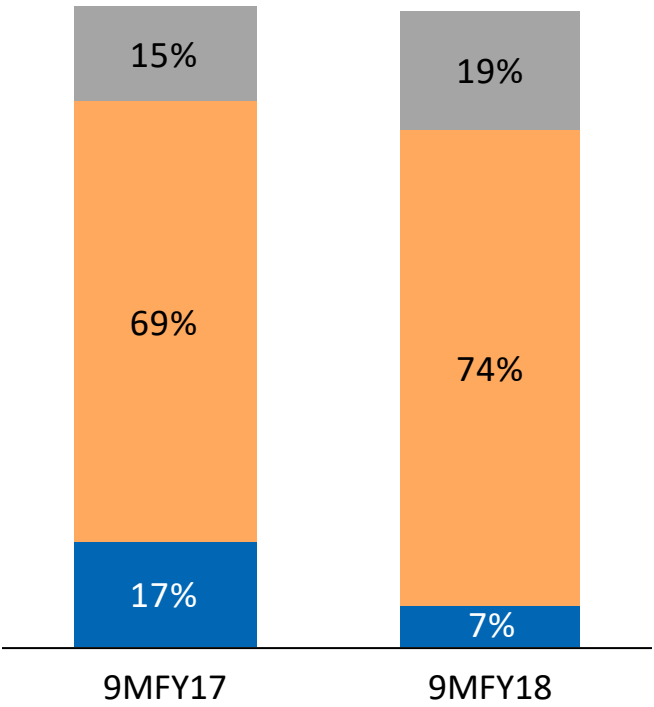


\* As per IND-AS

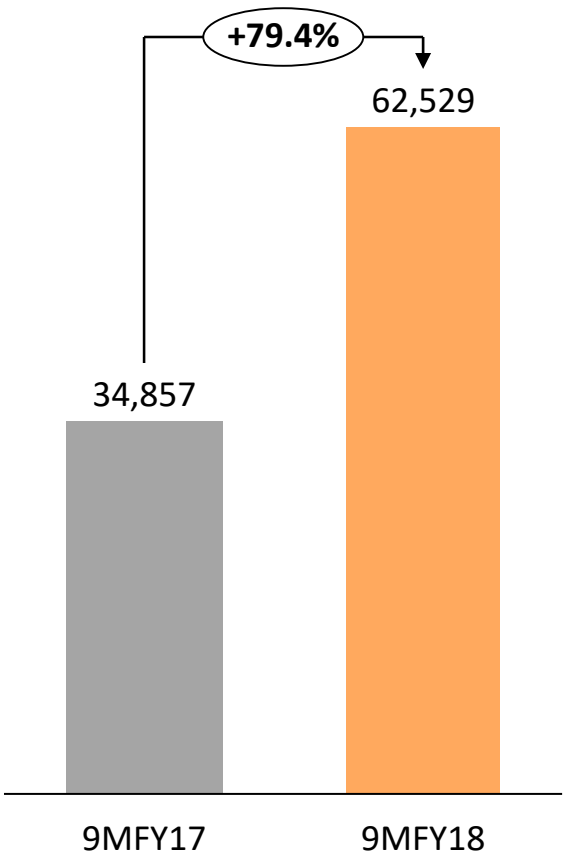
# Improved Performance

% of Total Volume

- Alpha+Beta
- CPC Crude Blue
- Dye Inetrmeidiates



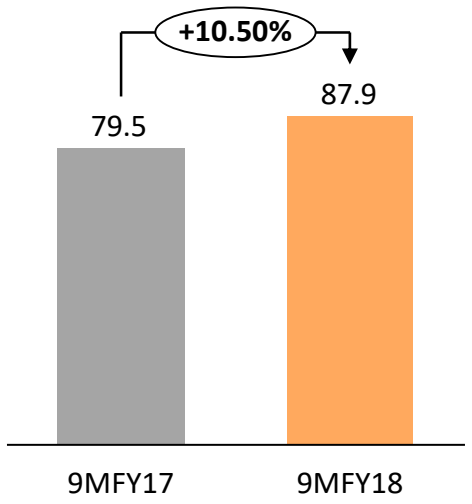
EBITDA Per MT (In Rs.)



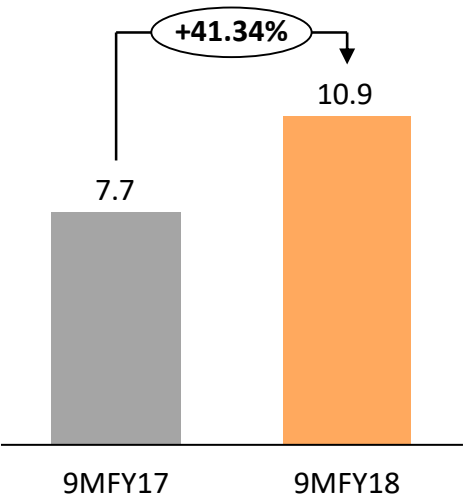
# Increased Revenue from High Value Product

In Rs. Crs

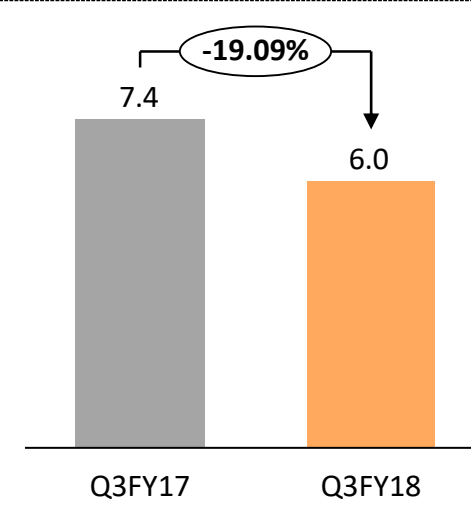
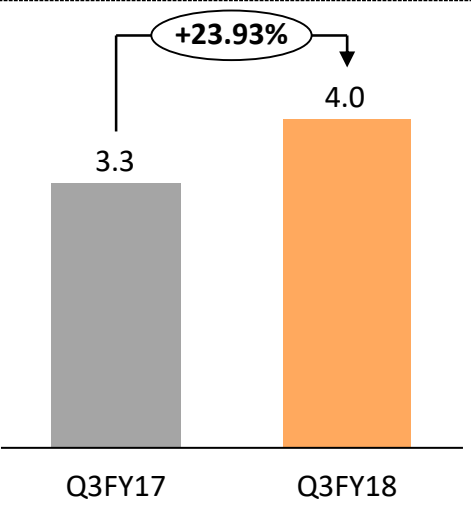
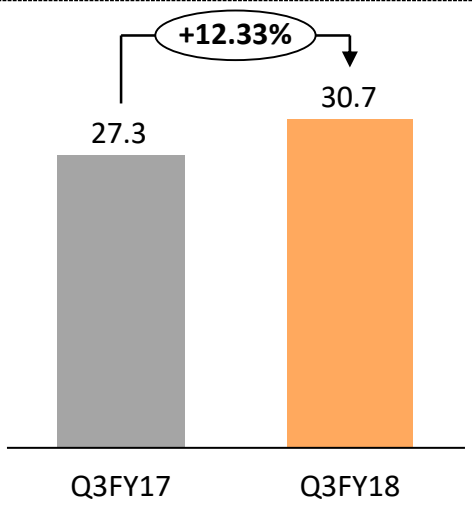
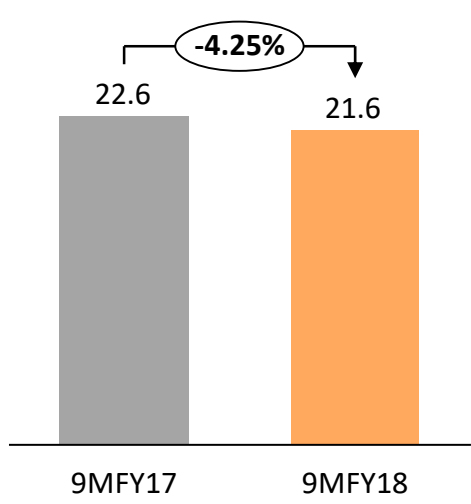
## CPC CRUDE BLUE



## BETA BLUE



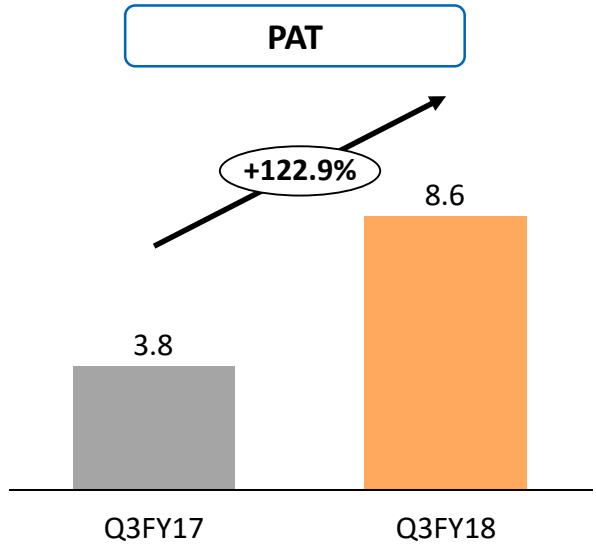
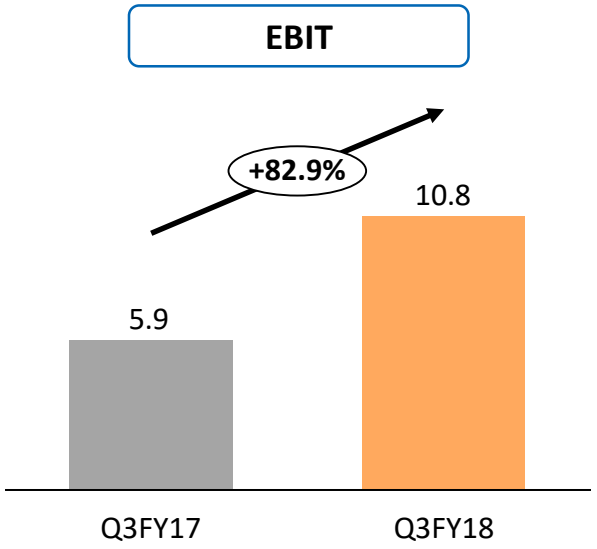
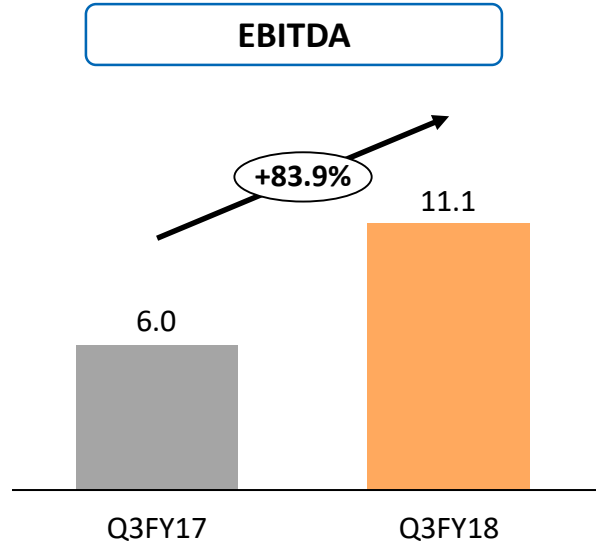
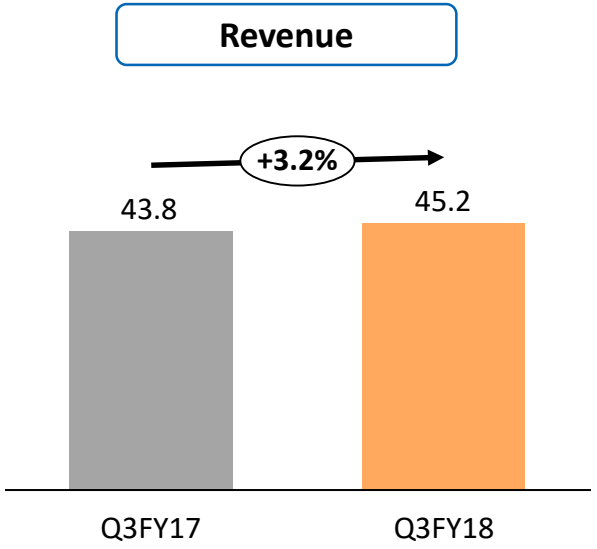
## ALPHA BLUE



# Strong Performance in Q3 FY18\*



In Rs. Crs



\* As per IND-AS

01

One of the Leading manufacturers of CPC Blue Crude and its downstream products in India. 15% market share of the Indian CPC market

02

Vertically Integrated : CPC Blue is the primary raw material for Pigment Blue

03

Moving up the Value chain with Alpha Blue, Beta Blue and Dye-intermediates

04

Environmentally friendly and sustainable processes and technologies







Kesar integrates services in a manner that aims to provide timely deliveries along with high quality product output

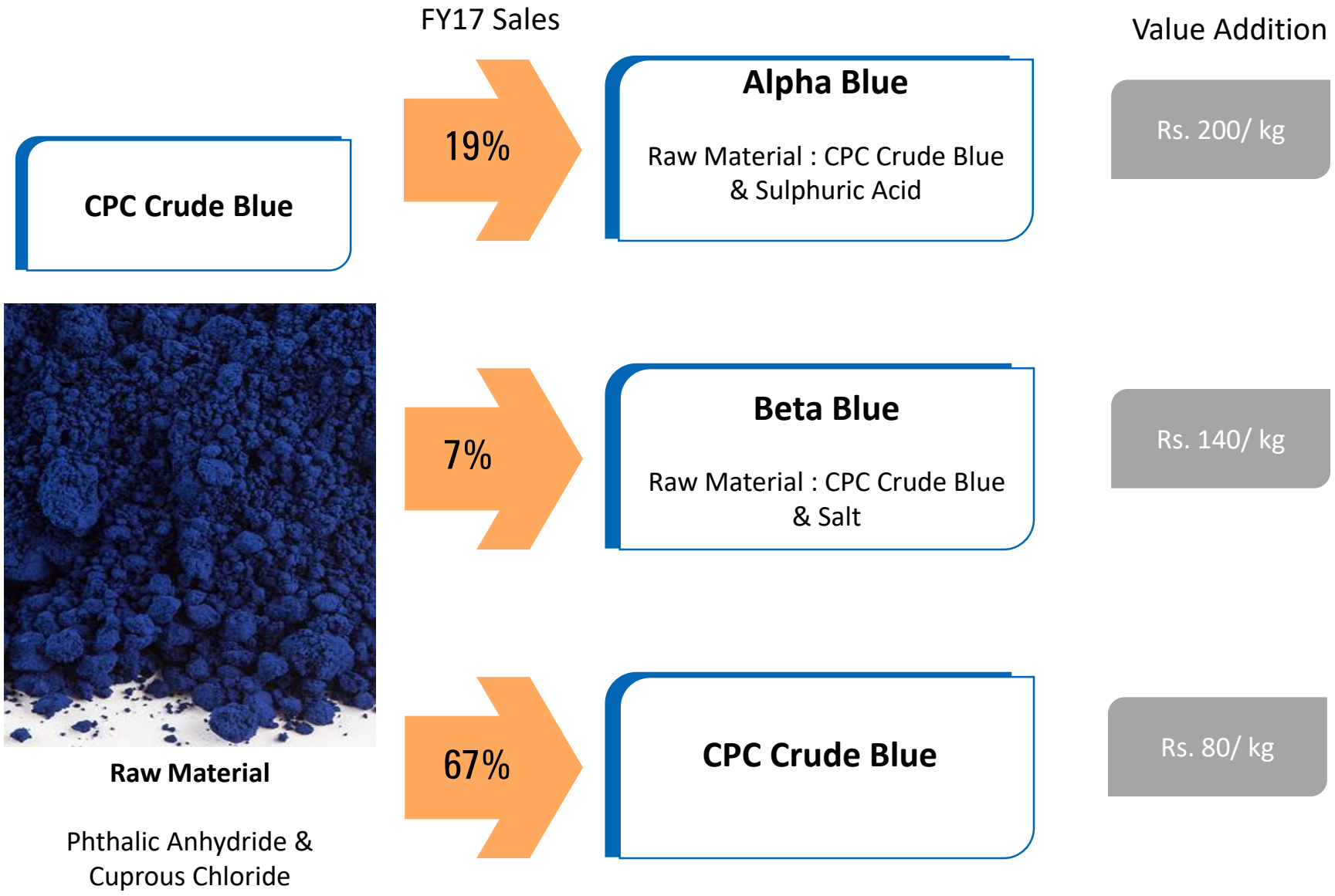
### Pigments

Product	Capacity (MTA)
CPC Blue Crude	18,000
Alpha Blue	2,400
Beta Blue	3,600

### Dye Intermediates

Product	Capacity (MTA)
Dye Intermediates (Includes K-acid, Gamma acid and Others)	1,200

# Pigment Value Chain



# Long Term Client Relationships



15 Years+



15 Years+



8 Years+



8 Years+



8 Years+



17 Years+



8 Years+



2 Years+



**Operational Efficiencies through Vertical Integration**

**Focus on Process Innovation**

**Located at Lote Parshuram, the Chemical Belt of Maharashtra**

# Facilities at a glance



**Activated CPC**



**Aminated**



**Beta-Blue-15-3**



**Beta-CPC-15**



**CPC-Blue-15-0**



**CPC-Blue-15-1-**



**CPC-Crude**



**CPC-Crude2**



**CPC-Crude4**



**Nitrated-N**

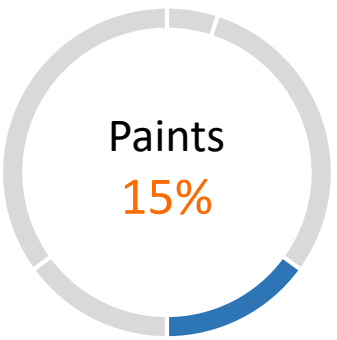
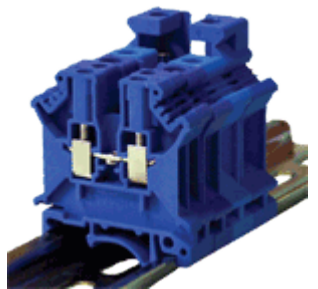
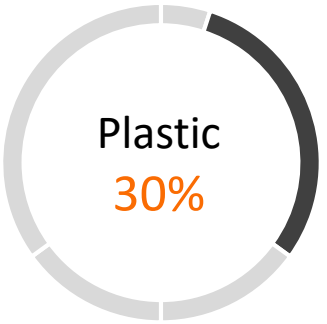
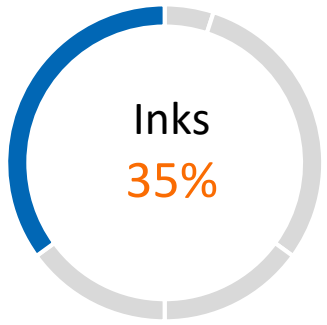


**RM**



**Sulphonated-N**

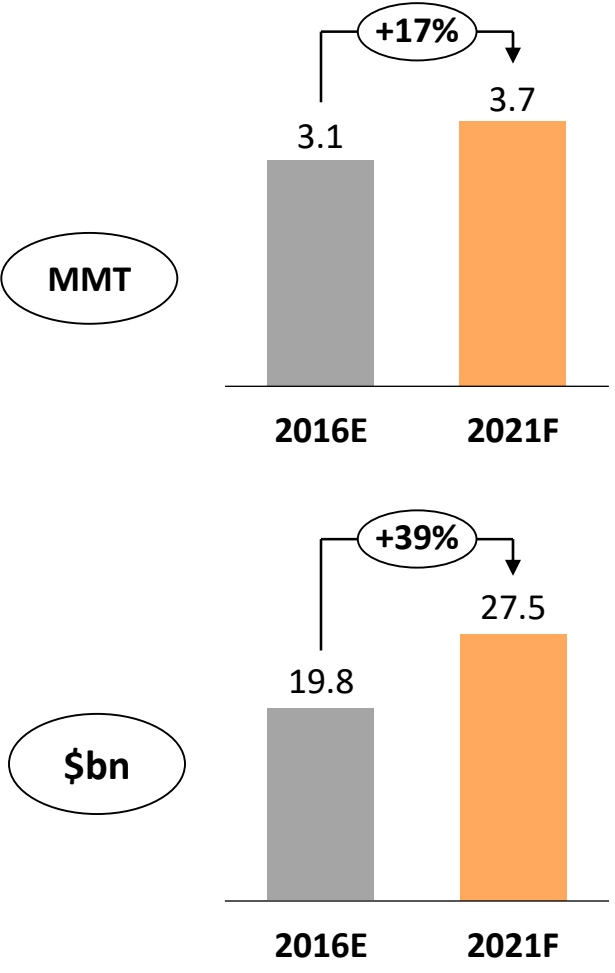
# End Users Application



KESAR

BIG THINKING  
PRECEDES  
GREAT ACHIEVEMENT

## Global Demand for Dyes & Organic Pigment

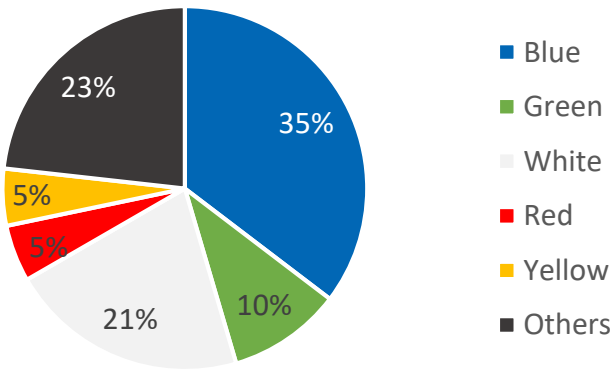
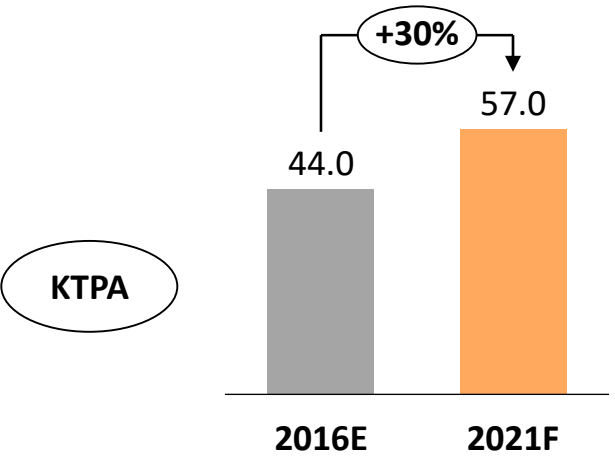


## Outlook : Global Dyes & Pigments

- Growth in Dyes segment will be driven by textiles, leather and food
- Pigments market is expected to be propelled by printing ink, paints and coatings
- China and India account for over 50% of total production and are expected to increase their market share in the global markets
- **Key Expected Trends**
  - Strict environmental norms to limit growth of China's market, Reduced capital inflows and Increased cost of production
  - Chinas slowdown to benefit India and increase the latter's market share in global dyes and pigments
  - India's share in total global production to reach ~20% by 2021 from ~15-16% in 2016



## Domestic Demand for Pigment Industry



Classification - Types of Pigment

## Outlook : Global Dyes & Pigments

- The Organic Dye and Pigments Industry is estimated at ~\$3-3.2bn as of 2015-16
- Dyes : The demand has grown at a healthy pace of 6-7% over the last 5 years driven by textile industry
- Pigment : The domestic organic pigments industry, driven largely by paints and inks, has grown by 4-5% in the last 5 years
  - Blue, Green and White Colors together account for 65% of domestic production of organic pigments
  - The key movers in the pigment markets are inks (42-44%), plastics (12-13%), paints and coatings (27-28%), textiles (7-8%) and others (7-8%)
  - Demand from Paints and Plastic segment is healthy at 6-7% led by improved demand from Housing Industry and Irrigation

# Huge Headroom for Growth

Percentage Utilization

32%

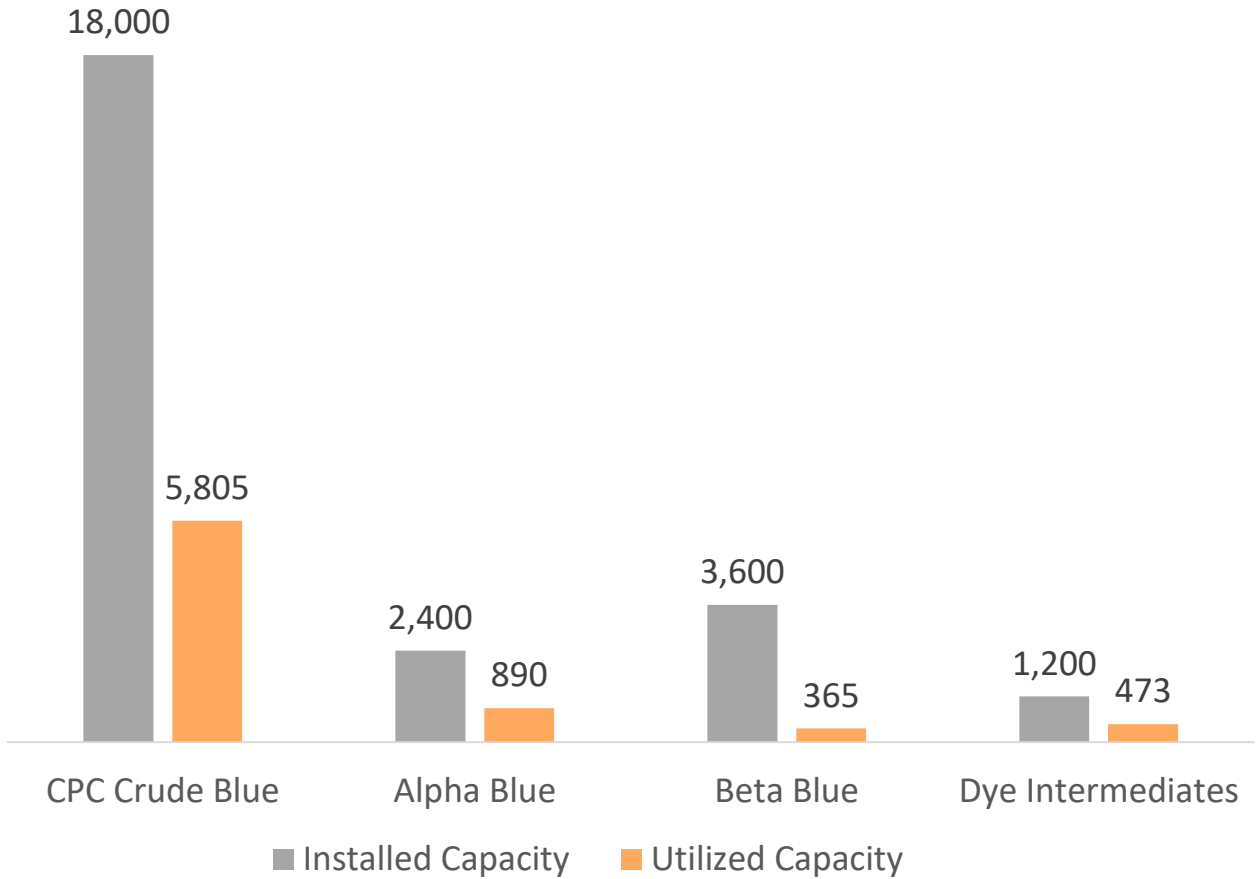
37%

10%

39%

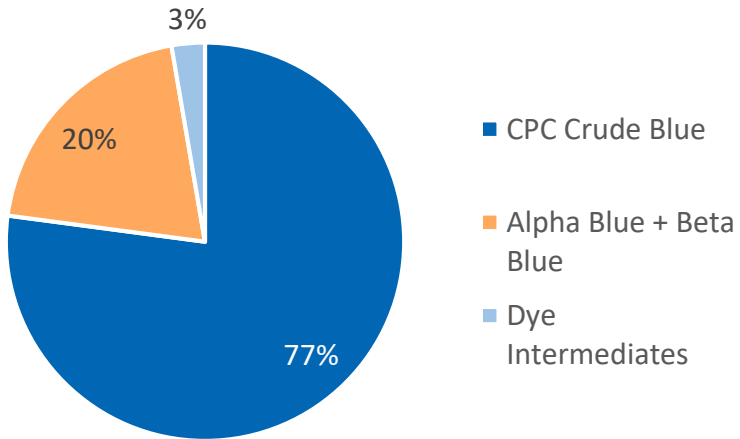
No Major Capex in Near Future

Increase in volumes will lead to Operating Leverage and Better Profitability

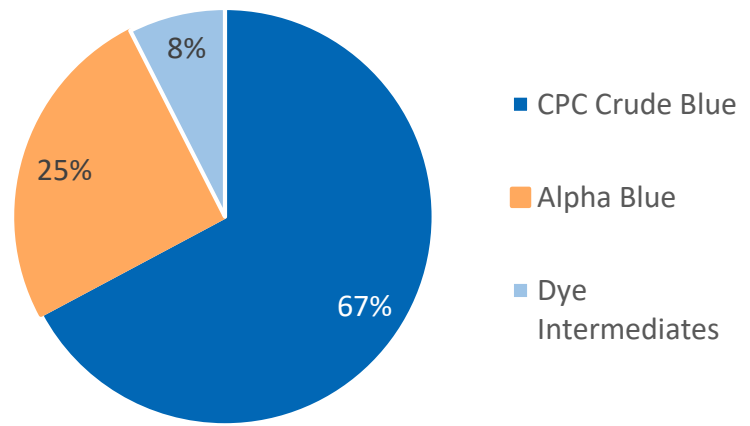


# Moving up the Value Chain with...

REVENUE FY15 : Rs. 112 Crs



REVENUE FY17 : Rs. 171 Crs

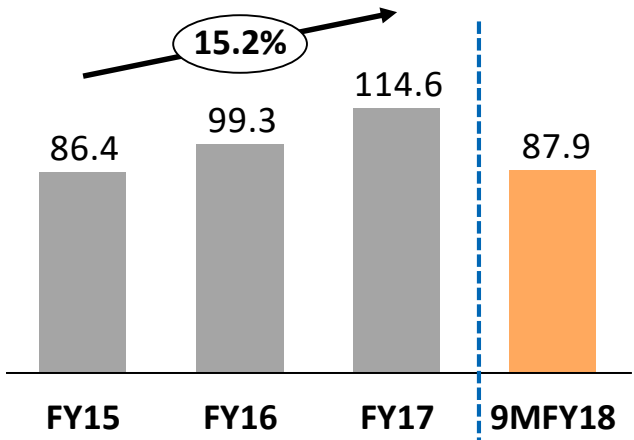


**Increasing contribution from High Value High Margin Products like Alpha Blue and Beta Blue has resulted in an improvement in our Overall Margins**

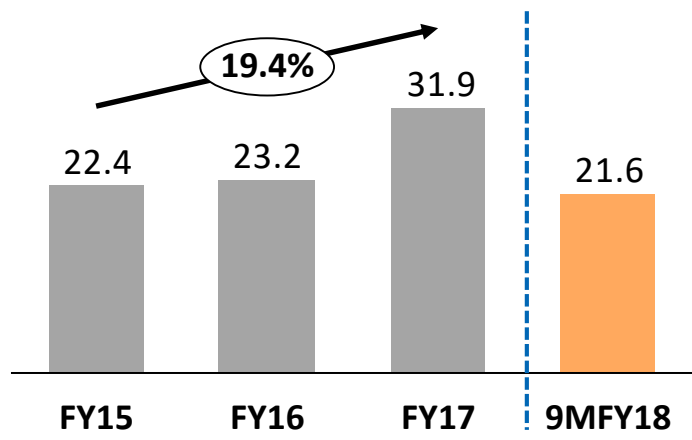
# ...significant growth in High Value Product

In Rs. Crs

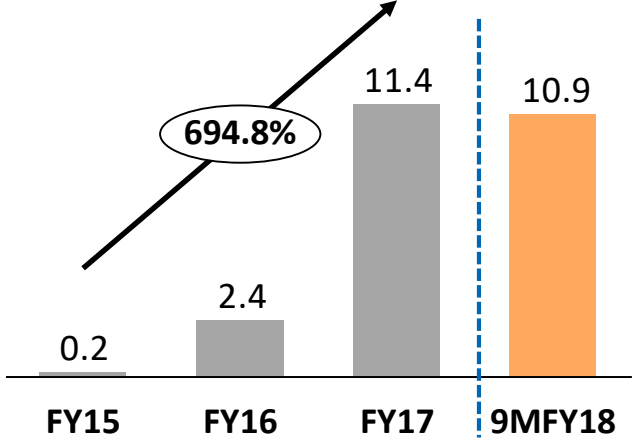
## CPC CRUDE BLUE



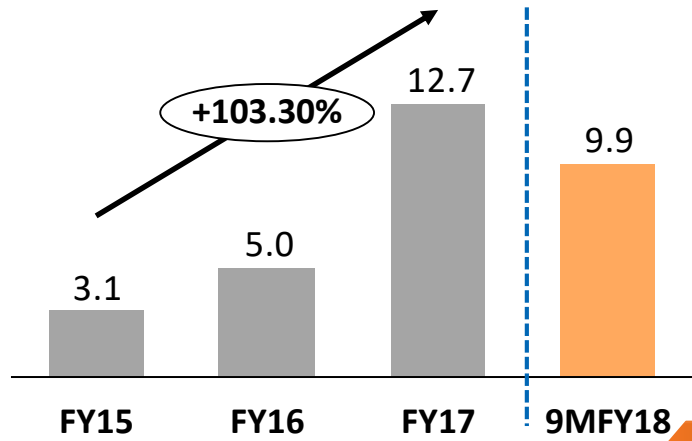
## ALPHA BLUE



## BETA BLUE



## DYE INTERMEDIATES



01

Economies of Scale

Geared to improve utilization levels resulting in better operating leverage

02

High Margin Products

Focus on increasing the mix of high value products like Alpha Blue & Beta Blue Pigments

03

Product Innovation

Continuous Product Innovation through use of Technology and by way of Backward / Forward Integration

04

High Entry Barrier Business

Intensive Environmental Regulations, High Water Requirements, difficulty in Obtaining New Licenses and Client Stickiness

05

Growing Export Opportunities

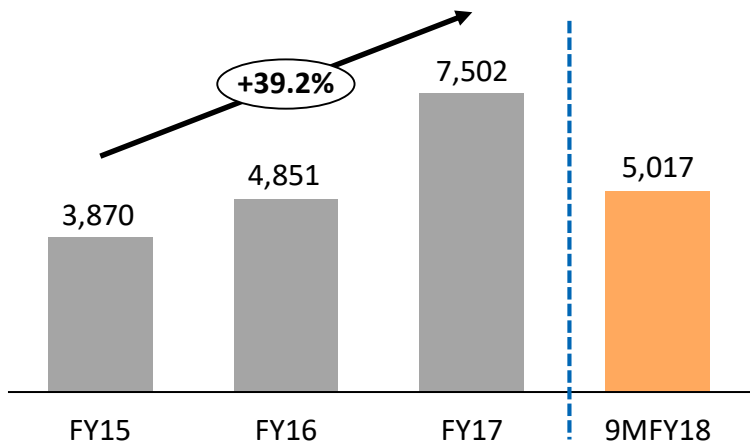
Growth in the Pigment Industry and the continued dominance of Indian Players in Pigments such as Blue and Green



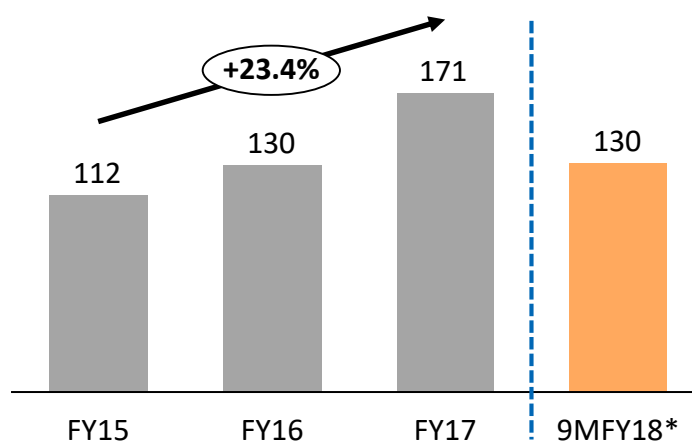
# Historical Financial Highlights

In Rs. Crs

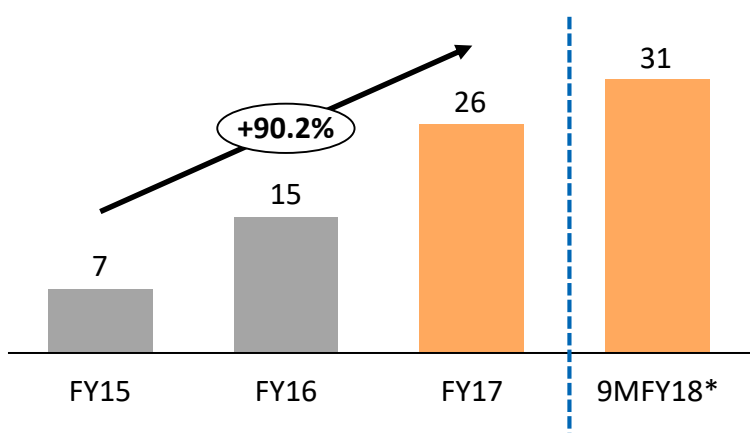
**Volume (MT)**



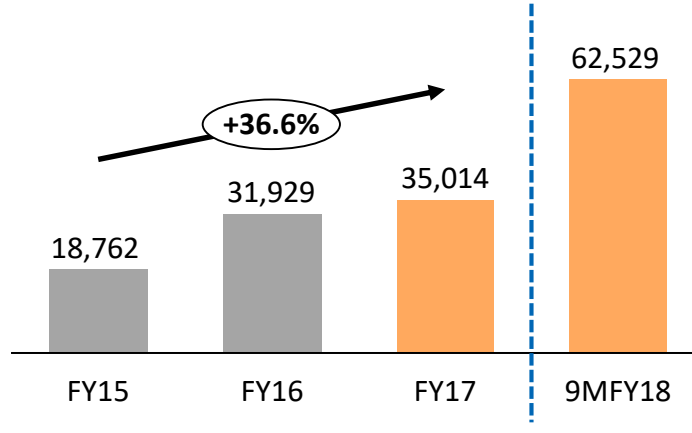
**Revenue**



**EBITDA**



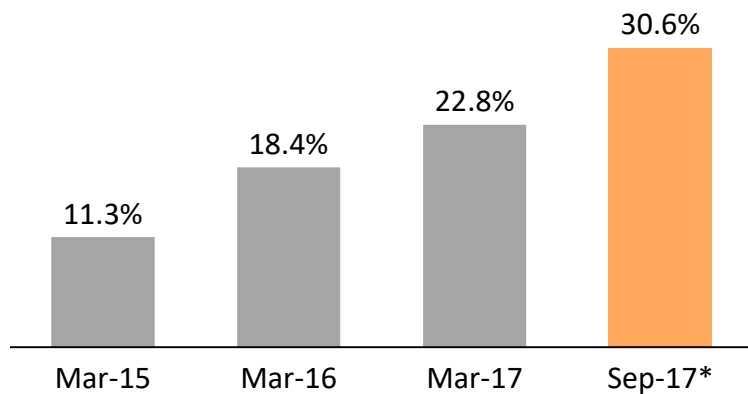
**EBITDA (per MT)**



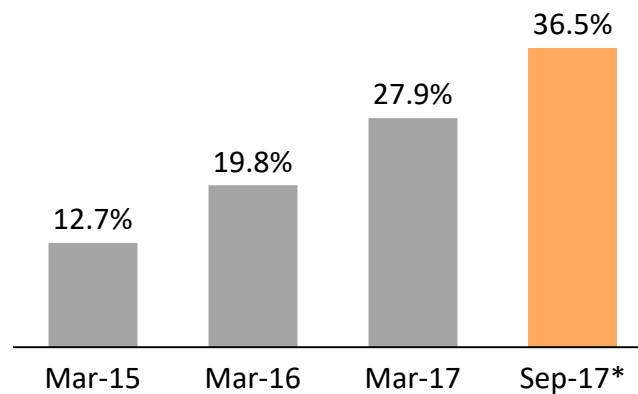
\* As per IND-AS

# Ratio Analysis

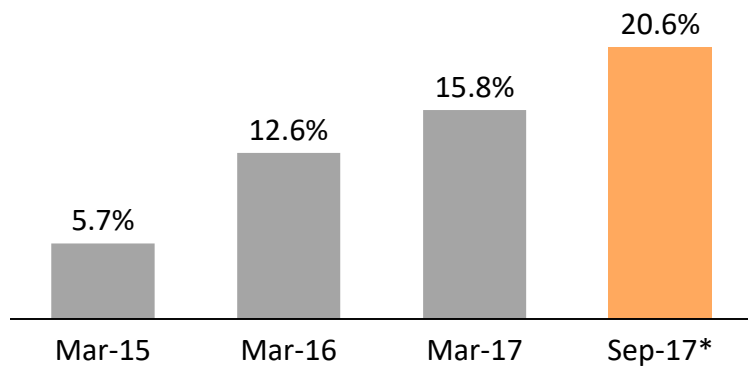
**ROE (%)**



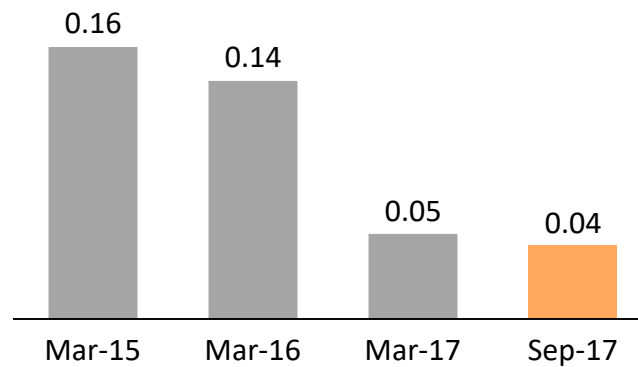
**ROCE (%)**



**ROA (%)**



**Debt/Equity (x)**



\* EBIT & PAT are annualised for H1FY18



# Profit & Loss Statement\*

Particulars (Rs. Crs)	Q3FY18	Q3FY17	Y-o-Y	Q2 FY18	Q-o-Q	9MFY18	9MFY17	Y-o-Y
<b>Revenue from Operations</b>	<b>45.2</b>	<b>43.8</b>	<b>3.1%</b>	<b>42.6</b>	<b>6.0%</b>	<b>130.4</b>	<b>126.1</b>	<b>3.4%</b>
Raw Material Cost	28.1	29.7		26.5		81.6	84.3	
<b>Value Addition<sup>^</sup></b>	<b>17.1</b>	<b>14.2</b>		<b>16.1</b>		<b>48.8</b>	<b>41.8</b>	
<b>Value Addition (%)</b>	<b>37.9%</b>	<b>32.3%</b>		<b>37.8%</b>		<b>37.4%</b>	<b>33.1%</b>	
Employee Expenses	1.4	0.2		1.9		3.6	0.9	
Other Expenses	4.6	7.9		3.8		13.9	21.1	
<b>EBITDA</b>	<b>11.1</b>	<b>6.0</b>	<b>83.9%</b>	<b>10.4</b>	<b>6.9%</b>	<b>31.4</b>	<b>19.8</b>	<b>58.4%</b>
<b>EBITDA Margin (%)</b>	<b>24.6%</b>	<b>13.8%</b>		<b>24.4%</b>		<b>24.1%</b>	<b>15.7%</b>	
Other Income	0.2	0.2		0.5		1.0	0.5	
Depreciation	0.5	0.3		0.5		1.3	1.0	
<b>EBIT</b>	<b>10.8</b>	<b>5.9</b>	<b>82.9%</b>	<b>10.4</b>	<b>3.4%</b>	<b>31.1</b>	<b>19.4</b>	<b>60%</b>
<b>EBIT Margin (%)</b>	<b>23.9%</b>	<b>13.5%</b>		<b>24.5%</b>		<b>23.8%</b>	<b>15.4%</b>	
Finance Cost	0.1	0.3		0.1		0.2	0.7	
<b>Profit before Tax</b>	<b>10.7</b>	<b>5.7</b>		<b>10.4</b>		<b>30.9</b>	<b>18.7</b>	
Tax	2.1	1.8		2.1		6.0	4.2	
<b>Profit After Tax</b>	<b>8.6</b>	<b>3.8</b>	<b>122.9%</b>	<b>8.3</b>	<b>3.2%</b>	<b>24.9</b>	<b>14.5</b>	<b>71.3%</b>
<b>PAT Margin (%)</b>	<b>19.0%</b>	<b>8.8%</b>		<b>19.5%</b>		<b>19.1%</b>	<b>11.5%</b>	
<b>EPS</b>	<b>0.88</b>	<b>0.40</b>		<b>0.86</b>		<b>2.57</b>	<b>1.50</b>	

\*As per IND-AS

<sup>^</sup> Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories

# Historical Profit & Loss Statement

Particulars (Rs. Crores)	FY17*	FY16	FY15	FY14	FY13
Revenue from Operations	173.0	144.0	145.8	153.3	44.4
Raw Material	116.7	108.1	120.2	137.6	42.8
Value Addition^	56.3	35.9	25.6	15.7	1.6
Value Addition %	32.6%	24.9%	17.6%	10.2%	3.5%
Employee Expenses	1.3	1.4	4.2	3.2	0.2
Other Expenses	29.0	19.0	14.1	10.2	0.8
Total Expenses	147.1	128.6	138.5	151.0	43.8
EBITDA	25.9	15.5	7.3	2.3	0.6
EBITDA Margin %	15.0%	10.8%	5.0%	1.5%	1.3%
Other Income	1.3	0.5	0.4	0.2	0.1
Depreciation	1.3	1.1	1.0	0.4	0.4
EBIT	25.9	14.9	6.7	2.1	0.2
EBIT Margin %	15.0%	10.3%	4.6%	1.4%	0.5%
Finance Cost	0.6	0.1	0.1	0.0	0.0
PBT	25.4	14.7	6.6	2.1	0.2
Tax	5.3	2.6	1.5	0.4	0.0
PAT	20.1	12.1	5.1	1.7	0.2
PAT Margin %	11.6%	8.4%	3.5%	1.1%	0.5%
EPS	2.08	1.31	7.02	2.28	0.27

\*As per IND-AS

^ Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories

# Balance Sheet

Particulars (Rs. Crs.)	30-Sep-17	31-Mar-17
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	<b>106.6</b>	<b>88.2</b>
Equity Share Capital	9.7	9.7
Other Equity	97.0	78.6
<b>Non-Current Liabilities</b>	<b>4.6</b>	<b>4.6</b>
Financial Liabilities		
(i) Borrowings	4.6	4.6
Deferred Tax Liabilities (Net)	0.0	0.0
<b>Current liabilities</b>	<b>47.4</b>	<b>34.2</b>
Financial Liabilities		
(i) Trade Payables	32.3	29.1
(ii) Other Financial Liabilities	0.0	0.0
Provisions	6.5	4.7
Other Current Liabilities	8.6	0.4
<b>TOTAL</b>	<b>158.6</b>	<b>127.1</b>

Particulars (Rs. Crs.)	30-Sep-17	31-Mar-17
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>54.1</b>	<b>39.6</b>
Property, Plant and Equipment	41.8	39.5
Capital work-in-progress	12.1	0.0
Intangible Assets under Development	0.1	0.0
Other Non-current assets	0.1	0.1
<b>Current assets</b>	<b>104.5</b>	<b>87.5</b>
Inventories	20.3	18.5
Financial Assets		
(i) Investments	5.3	1.0
(ii) Trade receivables	32.5	28.9
(iii) Cash and cash equivalents	12.7	5.4
(iv) Bank balances other than cash and cash equivalents	0.0	0.0
Other Current Assets	33.8	33.7
<b>TOTAL</b>	<b>158.6</b>	<b>127.1</b>

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