



An ISO 9001:2015 Company
HERANBA[®]
INDUSTRIES LIMITED

Investor Presentation

Q4FY22 || May 2022

BSE: 543266 | NSE: HERANBA | ISIN: INE694N01015
www.heranba.co.in





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Contents

- 01 Company Overview**
SLIDE 04
- 02 Management Team**
SLIDE 11
- 03 Quarterly Performance**
SLIDE 13
- 04 Financial Performance**
SLIDE 17
- 05 Strategy for Growth**
SLIDE 22





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Section: 01

Company Overview

Heranba at glance

SLIDE 05

Our journey

SLIDE 06

Value chain

SLIDE 07

Intermediaries

SLIDE 08

Technicals

SLIDE 09

Formulations

SLIDE 10



Heranba at a Glance



4

Manufacturing
Facilities



65+

Countries
Presence



700+

Employees
(as of FY22)



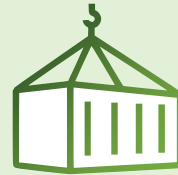
60+

Revenue from
Institutional
customers**
(as of FY22)



9400+

Dealers
across India



42%

Revenue from
Exports as % of sales
(as of FY22)



~25%

Revenue from
Top 10 customers
(as of FY22)



30.4%

ROE#
(as of FY22)

Our Journey



CMAC

Started manufacturing the Intermediate CMAC

1996



FORMULATIONS

Forward integrated into the manufacturing of Formulations developed from Company's synthetic pyrethroids product portfolio of cypermethrin, alphacypermethrin, deltamethrin, permitherin, lambda cyhalothrin



TECHNICALS

Forward integrated into the manufacturing of Technicals, primarily made from the raw material CMAC and other Intermediates

2002

2005

2006



BRANDED FORMULATIONS

Forward Integrated into Branded Formulations through its own distribution network



ISO CERTIFICATE

Receipt of ISO 9001:2015 certification in respect of production & dispatch of agro Formulations and packing & dispatch of agro based herbicides

2014



TURNOVER

Achieved Turnover of ₹1000 Crores

2019

2020

EXPORTS

Exported Technicals and Formulations to more than 65+ countries in the international markets

2021-22



INITIAL PUBLIC OFFERING

Listed on BSE & NSE



Commissioned Unit No. 4 in Vapi

Value Chain

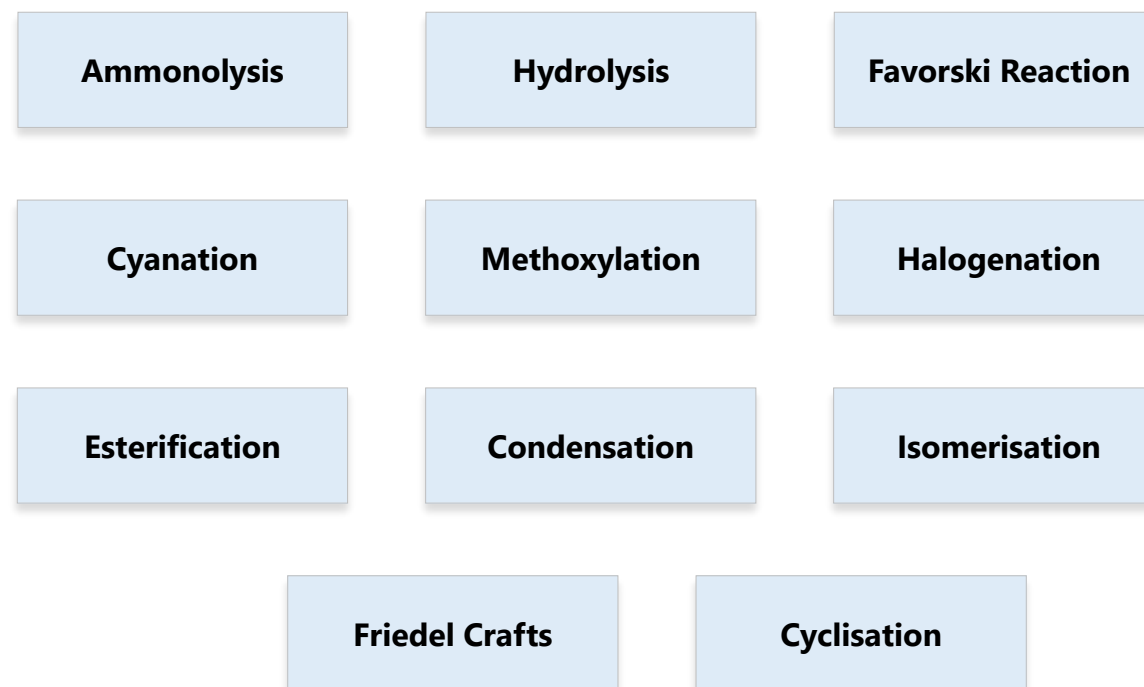


Value Chain

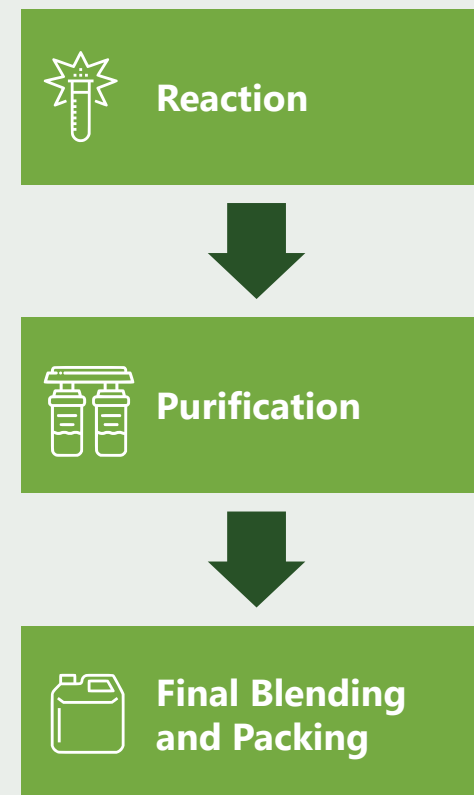
HIL over the years, has scaled up the manufacturing of Intermediates, Technicals and Formulations which form part of the entire value chain of the agrochemicals industry

Manufacturing Process

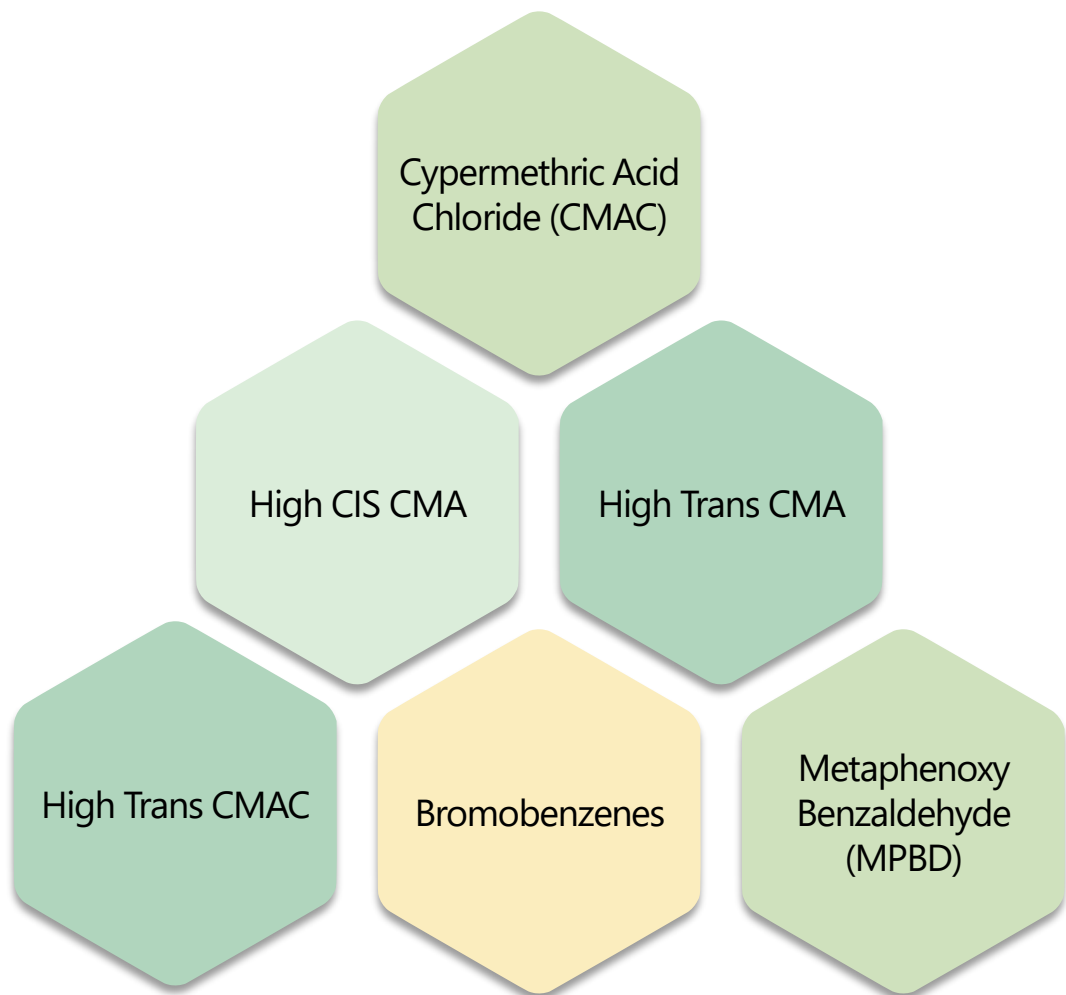
- HIL manufactures a wide range of products, and each product has its own unique manufacturing process
- The Company specializes in the manufacturing processes that mainly include chemical reactions of:



- The process of manufacturing can be classified broadly into three stages



Intermediaries



End-use

Intermediates manufactured are for Company's own captive consumption for manufacturing various Technicals and Formulations



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Section: 02

Management



Experienced Promoters with Domain Knowledge

Promoters having a cumulative experience of more than six decades



Mr. Sadashiv K. Shetty

Chairman and Executive Director

- Holds a bachelor's (physics and chemistry) and master's (chemistry) degree in science from University of Mysore
- Has experience of more than three decades in agrochemicals industry
- Has been on Board since September, 1994 and is responsible for the overall supervision, direction and management of the Company
- He has been instrumental in new products development and addition of capacities
- Has previously worked with Sudarshan Chemical Limited, Gharda Chemical Limited, Hoechst Pharmaceuticals and Nirlon Limited



Mr. Raghuram K. Shetty

Managing Director

- Holds a bachelor's degree in economics from University of Mysore
- Subsequently, pursued government commercial diploma from the Department of Education, Bureau of Government Examinations, Maharashtra and completed diploma in export and import management from the India International Trade Centre, Mumbai
- Has experience of more than three decades in agrochemicals industry
- Has been on Board since September, 1994 and is fully involved in day-to-day affairs of the Company
- He has been instrumental in developing export business for the Company



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Section: 03

Quarterly Performance

Financial Highlights

SLIDE 14

**Quarterly
Performance**

SLIDE 15

P&L Summary

SLIDE 16



Q4FY22 Financial Highlights

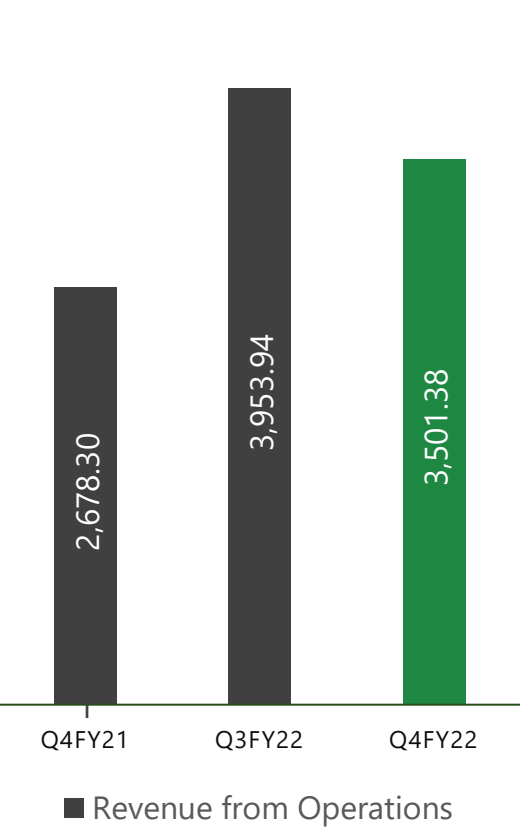
- Revenue from Operations at ₹3,501 million in Q4FY22 as compared to ₹2,678 million in Q4FY21 – growth of 30.73% Y-o-Y.
- EBITDA (incl. other income) at ₹673 million in Q4FY22 as compared to ₹630 million in Q4FY21 – growth of 6.77% Y-o-Y.
- EBITDA (incl. other income) Margins were at 19.23% in Q4FY22, well within the guided range.
- Profit After Tax at ₹426 million in Q4FY22 as compared to ₹432 million in Q4FY21



Quarterly Performance

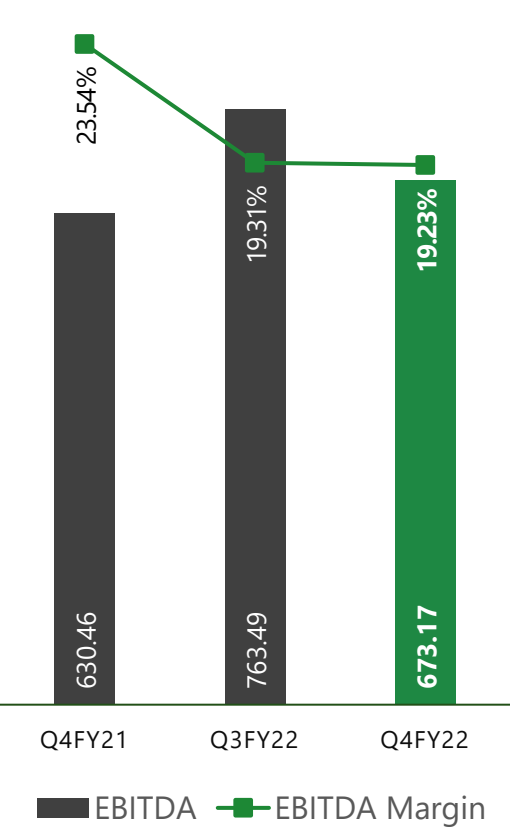
Net Revenue from Operations

(₹ IN MILLION)



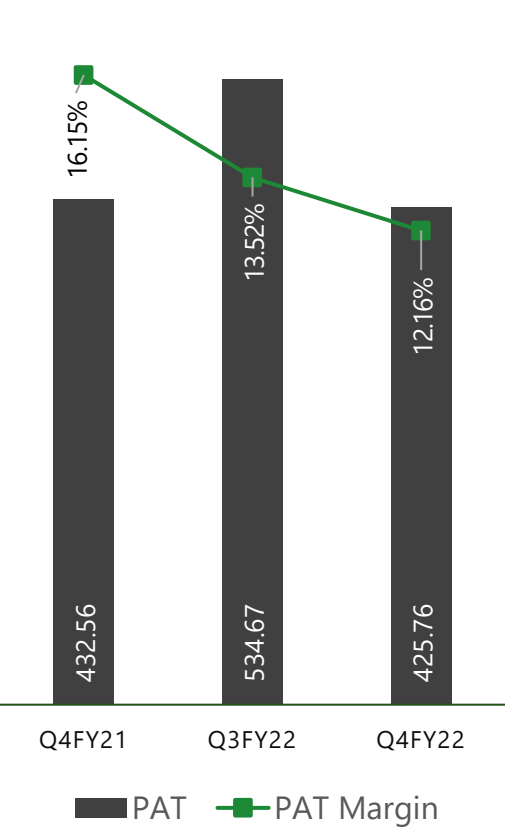
EBITDA(incl. Other Rev) and EBITDA Margin

(IN ₹ MILLION & %)



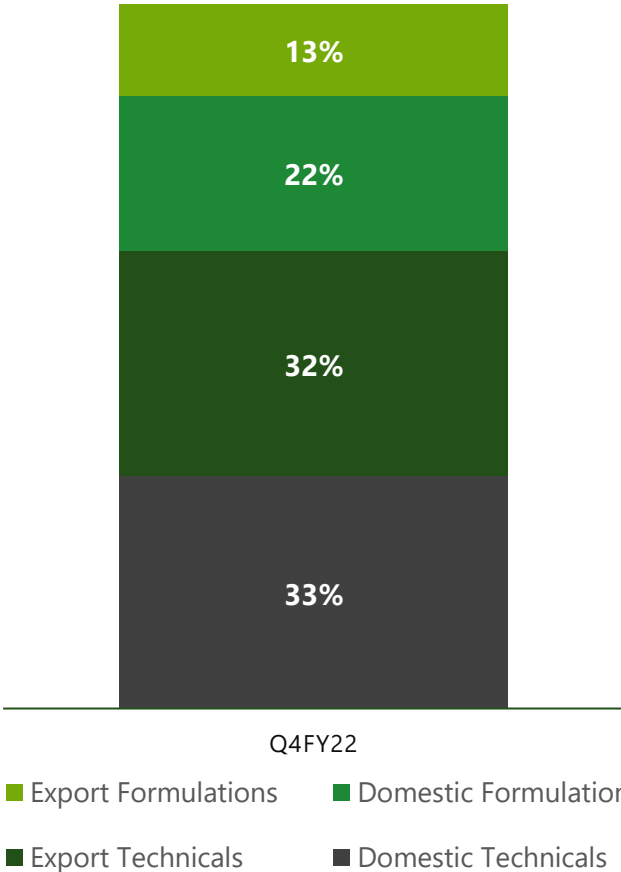
PAT and PAT Margin

(₹ IN MILLION & %)



Business Mix

(IN %)



NOTE: Domestic Formulations includes Branded Formulations and Public Health

Profit & Loss Summary

(Quarterly)

Figures in Rs Million, except EPS and Margins

PARTICULARS	Q4FY21	Q3FY22	Q4FY22
Revenue from Operations	2,678	3,954	3,501
Other Income	53	51	48
Total Revenue	2,732	4,005	3,549
Total Expenses	2,154	3,293	2,967
Profit Before Tax	578	713	583
Total Tax Expense	145	178	157
Profit After Tax	433	535	426
EPS Basic (₹)	11.04	13.25	10.64
EPS Diluted (₹)	11.04	13.25	10.64
EBITDA (incl. Other income)	630	763	673
EBITDA (incl. Other income) Margin	23.54%	19.31%	19.23%



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Section: 04

Financial Performance

Key Ratios

SLIDE 18

Financial Summary

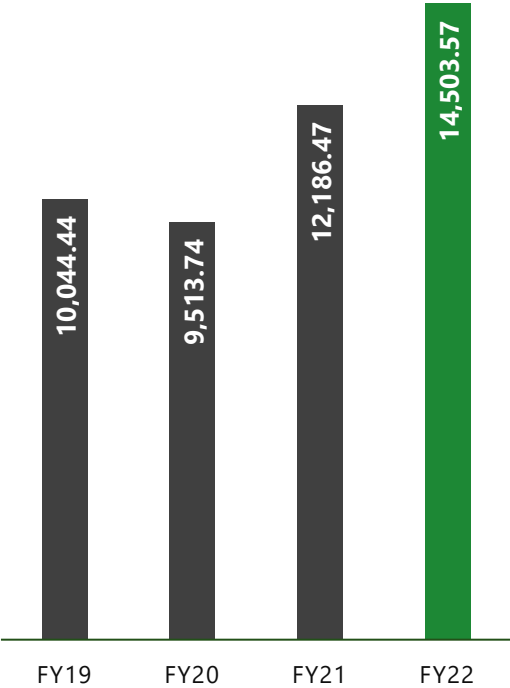
SLIDE 20



Key Financial Metrics

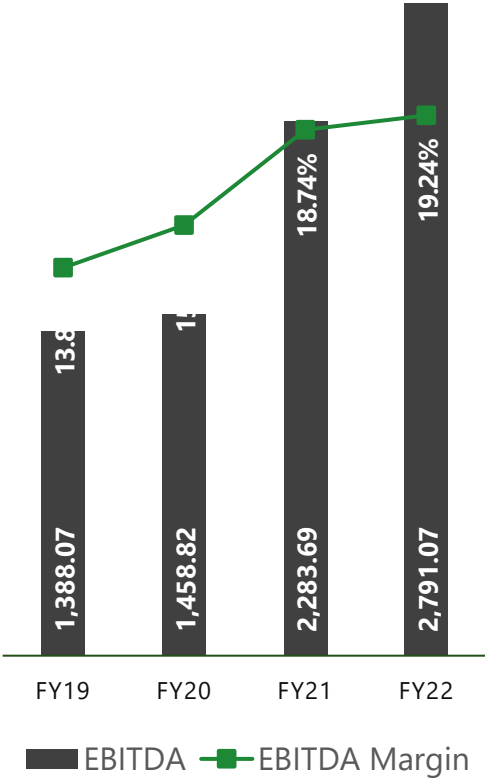
Net Revenue from Operations

(₹ IN MILLION)



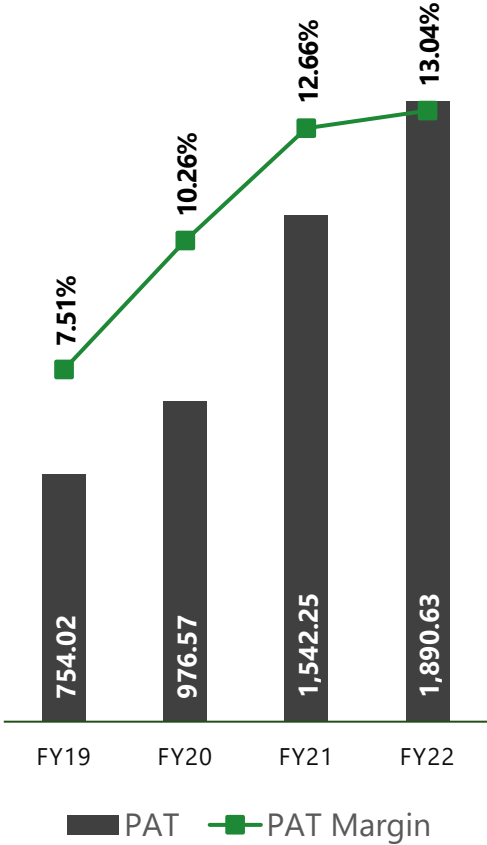
EBITDA(incl. Other Rev) and EBITDA Margin

(IN ₹ MILLION & %)



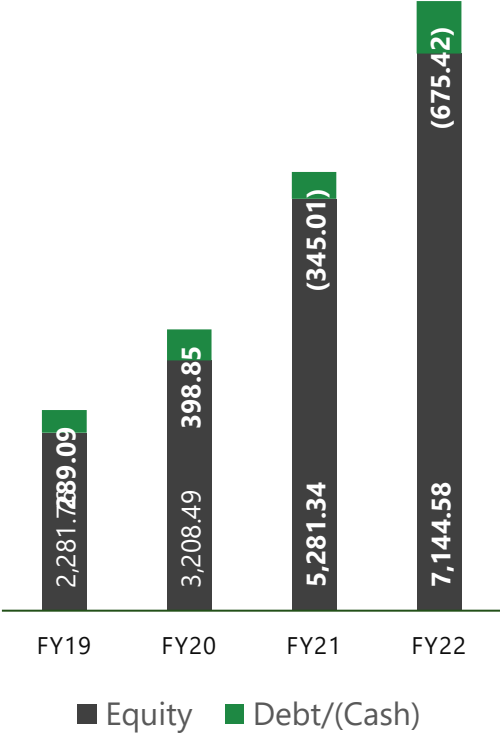
PAT and PAT Margin

(₹ IN MILLION & %)



Net Debt/(Cash) and Equity

(₹ IN MILLION)

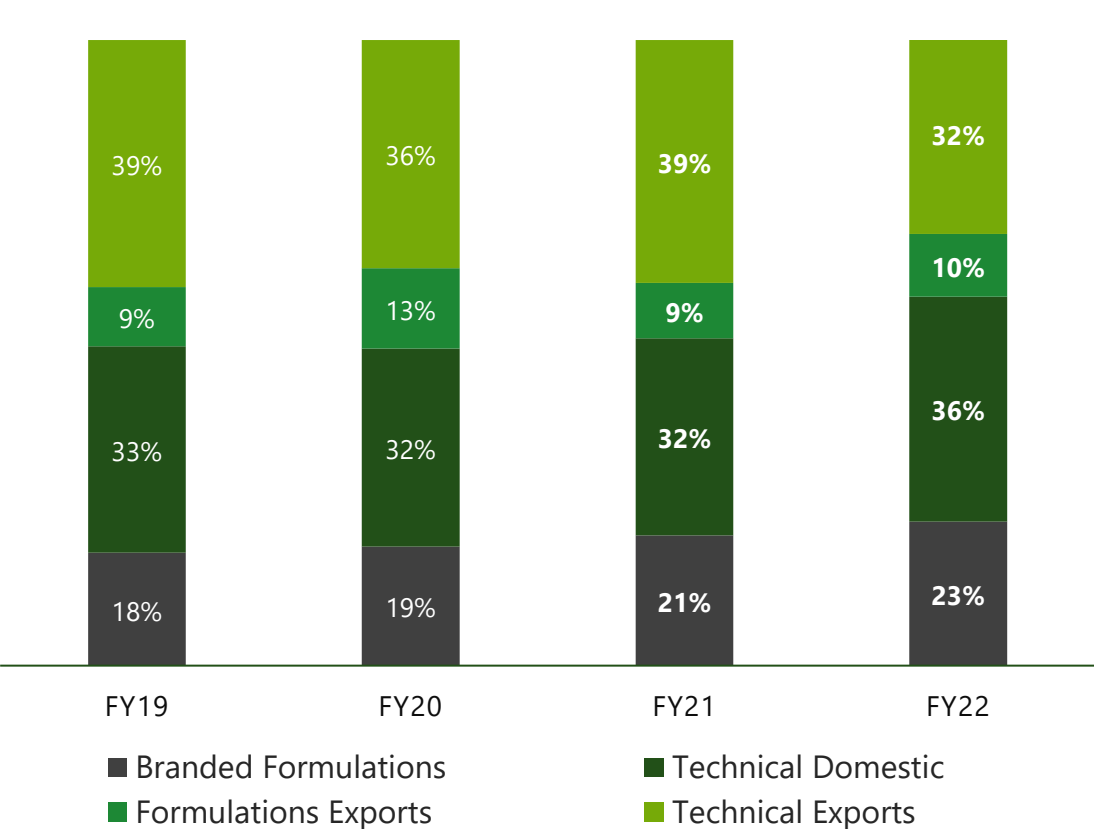


Business Mix

Diversified customers base across geographies helps to mitigate risks and benefit from expected growth in agrochemical market

Revenue from Operations

(IN%)

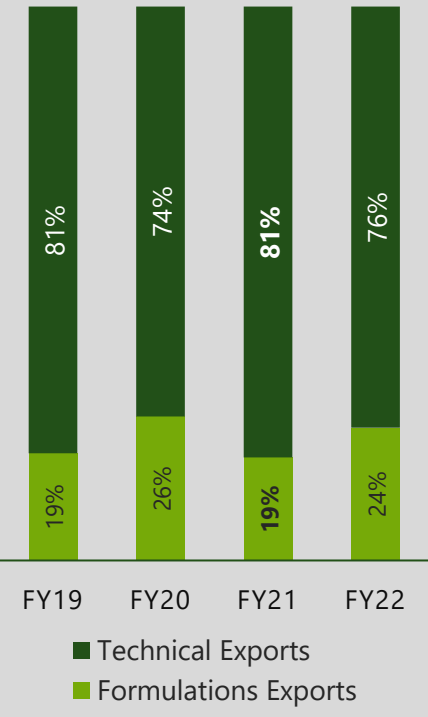


Revenue from Domestic / Exports

(% OF SALES)



Export Revenue Split: Technical and Formulations Export



Profit & Loss Summary

(₹ IN MILLION)

PARTICULARS	FY19	FY20	FY21	FY22
Revenue from Operations	10,044.44	9,513.74	12,186.47	14,503.73
Other Income	73.94	165.32	70.30	193.50
Total Revenue	10,118.38	9,679.06	12,256.77	14,697.23
Total Expenses	8,897.18	8,390.64	10,173.92	12,144.73
Profit Before Tax	1,221.2	1,288.42	2,082.85	2,552.50
Total Tax Expense	467.18	311.85	540.59	661.87
Profit After Tax	754.02	976.57	1,542.26	1,890.63
EPS Basic (₹)	19.31	25.00	39.41	47.25
EPS Diluted (₹)	19.31	25.00	39.41	47.25
EBITDA (incl. Other Income)	1,388.07	1,458.82	2,283.69	2,791.07
EBITDA (incl. Other Income) Margin	13.82%	15.33%	18.74%	19.24%

Balance Sheet (1/2)

(₹ IN MILLION)

PARTICULARS	FY19	FY20	FY21	FY22
Non-Current Assets				
Property, plant and equipment	511.39	954.41	1,334.35	1,934.26
Capital work-in-progress	159.70	377.72	96.95	142.29
Financial Assets:				
(i) Investments	0.24	37.31	100.98	21.27
(ii) Other Financial Assets	71	84.27	241.71	113.72
Current tax assets (Net)	1.48		10.20	28.06
Other non-current assets	344.58	80.66	97.01	59.86
Total Non-Current Assets (I)	1,088.39	1,534.37	1,881.20	2,299.46
Current Assets				
Inventories	1,138.94	1,455.18	1,659.86	2,557.39
Financial Assets:				
(i) Trade Receivables	2,532.72	2,584.67	3,417.62	4,096.45
(ii) Cash and cash equivalents	209.65	31.94	847.80	1,198.71
(iii) Loans	0	8.95		
(iv) Other financial assets	15.4	17.17	19.97	19.56
Other current assets	619.33	615.35	606.68	514.73
Total Current Assets (II)	4,516.04	4,713.26	6,551.93	8,386.84
Total Assets (I + II)	5,604.43	6,247.63	8,433.13	10,686.30

Balance Sheet (2/2)

(₹ IN MILLION)

PARTICULARS	FY19	FY20	FY21	FY22
Equity and liabilities				
Equity				
Equity share capital	390.56	390.56	400.13	400.13
Other equity	1891.2	2817.93	4881.21	6,744.45
Total Equity	2281.76	3208.49	5281.34	7,144.58
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings				
(ii) Other Financial Liabilities	57.27	61.46	66.41	70.85
Provisions	4.22	6.49	22.43	78.63
Other Non-current liabilities		2.28	11.71	6.34
Deferred Tax balances (net)	41.27	16.09		
Total Non-Current Liabilities (I)	102.76	86.32	100.55	155.82
Current Liabilities				
Financial Liabilities				
(i) Borrowings	498.74	430.79	502.79	523.29
(ii) Trade payables	2352.07	2124.68	1955.82	2,432.38
(iii) Other Financial Liabilities	121.89	139.30	283.27	176.19
Current tax Balances (net)	101.68	37.46	88.37	37.59
Other current liabilities	96.46	163.19	159.73	202.58
Provisions	49.07	57.40	61.25	13.87
Total Current Liabilities (II)	3219.91	2952.82	3051.24	3,385.90
Total Liabilities (I + II)	3322.67	3039.14	3151.79	3,541.72
TOTAL EQUITY AND LIABILITIES	5604.43	6247.63	8433.13	10,686.30

Cashflow Statement

(₹ IN MILLION)

PARTICULARS	FY19	FY20	FY21	FY22
Cash Flow from Operations	877.02	542.11	603.98	981.8
Cash Flow from Investing Activities	-373.79	-520.39	-407.13	-816.8
Cash Flow from financing Activities	-411.35	-199.43	619.01	-62.8
Net increase/ (decrease) in cash and cash equivalents	91.88	-177.71	815.86	102.2
Cash and cash equivalents at beginning of the year	117.77	209.65	31.94	847.8
Cash and cash equivalents at end of the year	209.65	31.94	847.80	950.0



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Section: 05

Strategy for growth

Competitive Strengths

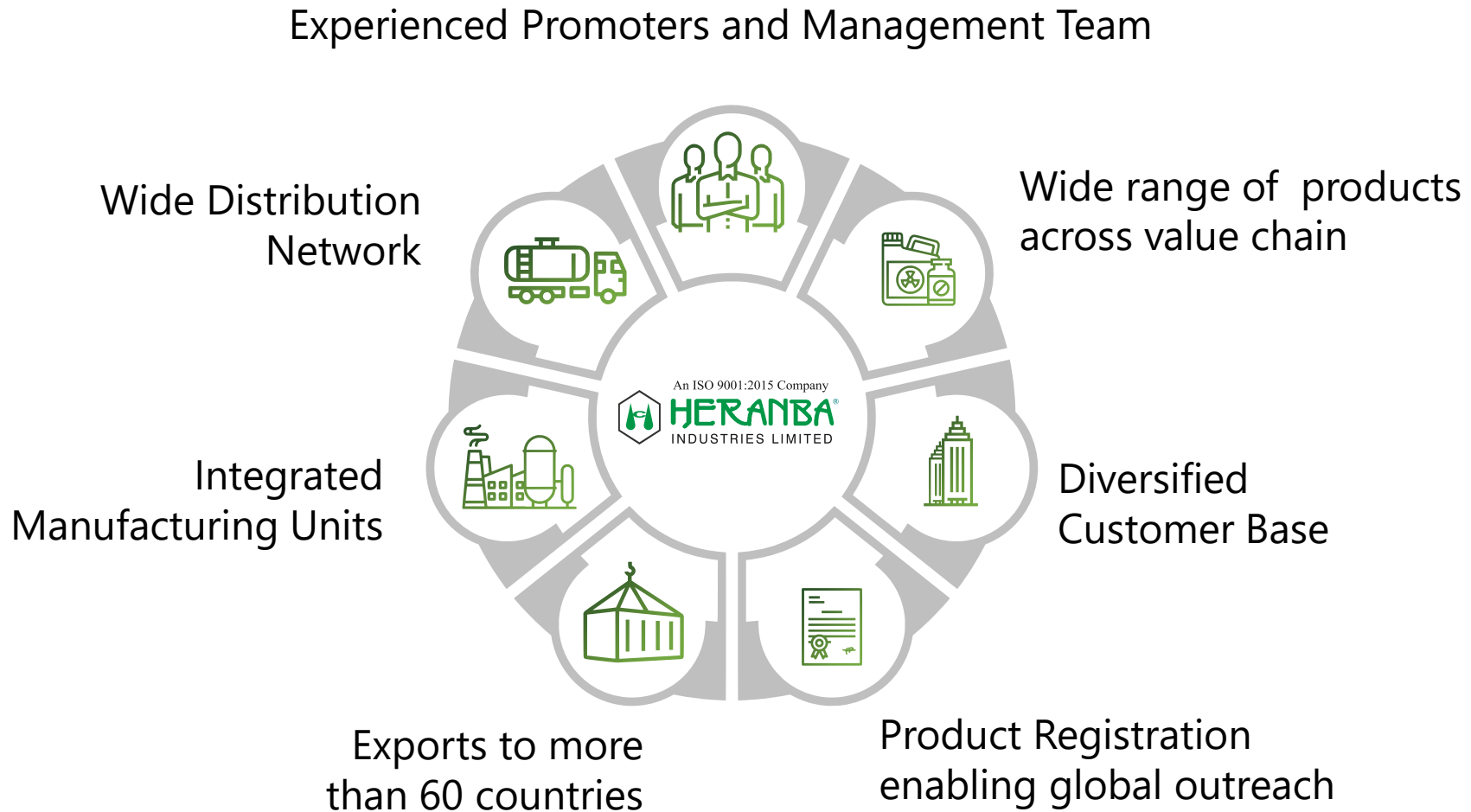
SLIDE 25

Business Strategy

SLIDE 27



Competitive Strengths



Business Strategy

Well positioned to exploit opportunities offered by growth in Agrochemicals



Entering Highly
Regulated USA and
Europe markets



Strengthening of
R&D Facility



Enhancing
Production
Capabilities



Enhancing
Formulation
& Technicals in
International
Markets



Branded
Formulations and
Public Health



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Thank You