

Dharmaj Crop Guard Limited



Q2 & H1FY25
**Earnings
Presentation**

NOVEMBER 2024

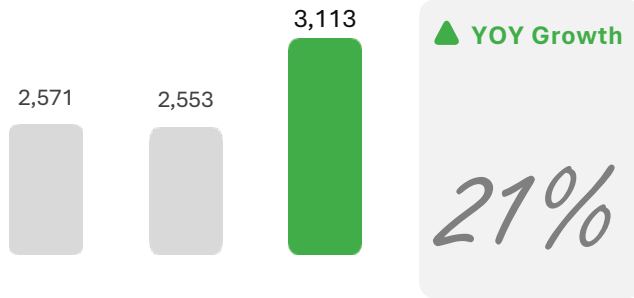


Performance Highlights (Q2)

Financial Highlights

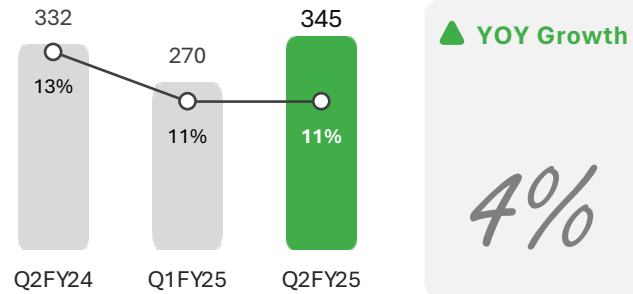
Revenue from Operations

(₹ Mn)



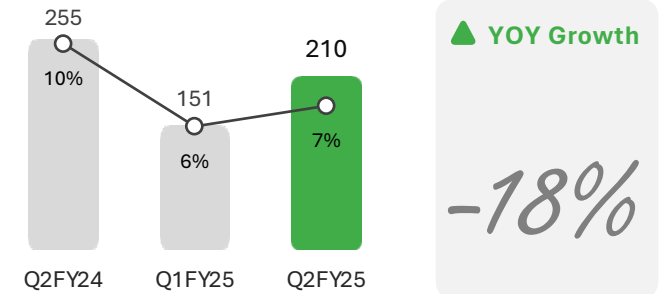
EBITDA & EBITDA Margin

(₹ Mn & %)



PAT & PAT Margin

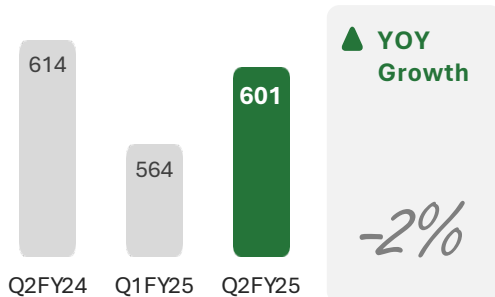
(₹ Mn & %)



Business Verticals Highlights

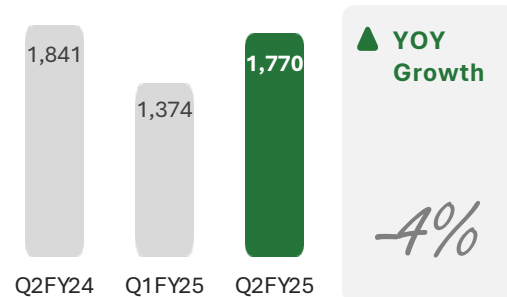
Branded Formulations

(₹ Mn)



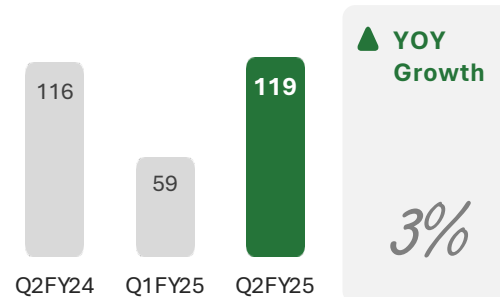
Domestic Institutional Formulations

(₹ Mn)



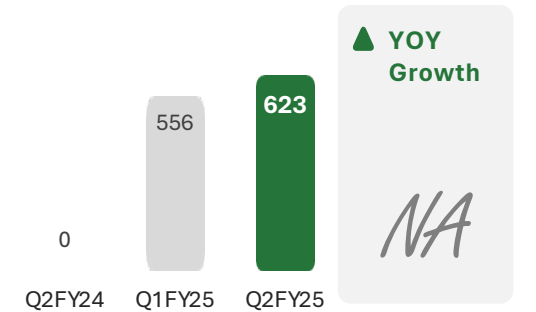
Export Institutional Formulations

(₹ Mn)



Active Ingredients

(₹ Mn)

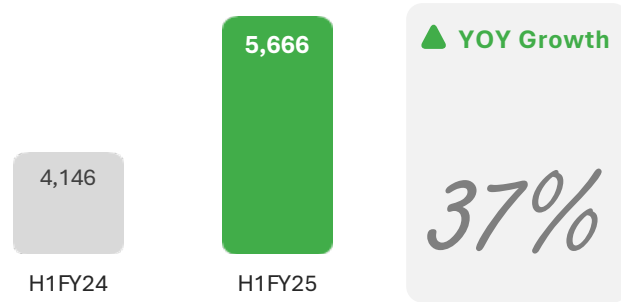


Performance Highlights (H1)

Financial Highlights

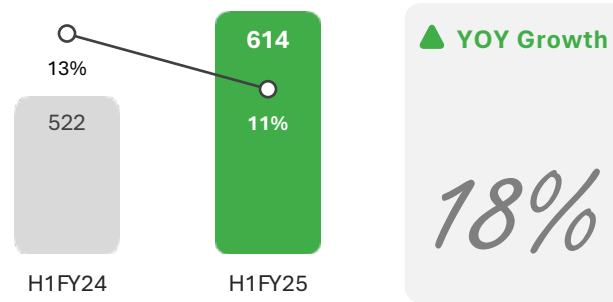
Revenue from Operations

(₹ Mn)



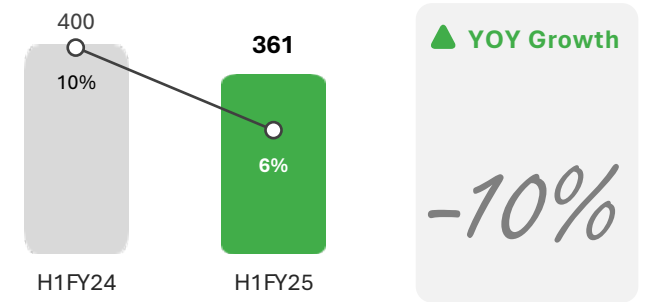
EBITDA & EBITDA Margin

(₹ Mn & %)



PAT & PAT Margin

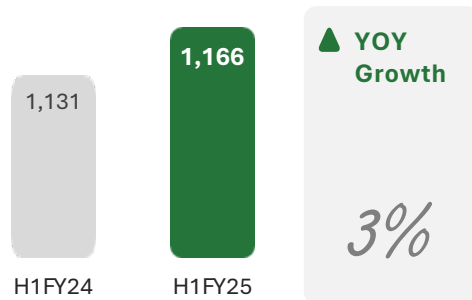
(₹ Mn & %)



Business Verticals Highlights

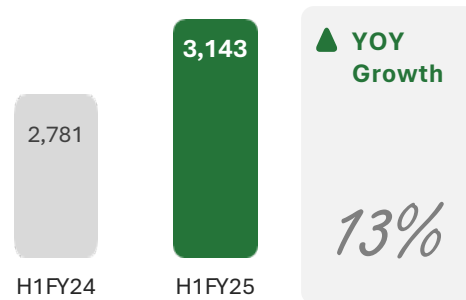
Branded Formulations

(₹ Mn)



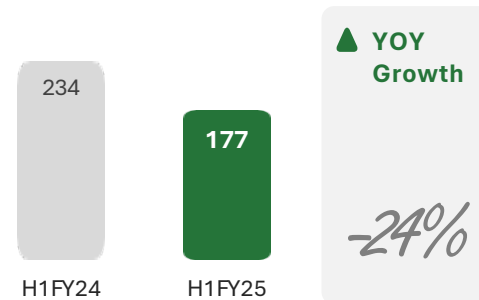
Domestic Institutional Formulations

(₹ Mn)



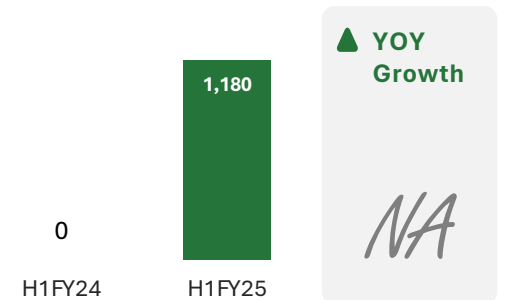
Export Institutional Formulations

(₹ Mn)



Active Ingredients

(₹ Mn)



Profit & Loss Summary (Q2 & H1)

(₹ Mn)

PARTICULARS	Q2FY24	Q1FY25	Q2FY25	YOY CHANGE	H1FY24	H1FY25	YOY CHANGE
Revenue from Operations	2,571	2,553	3,113	21%	4,146	5,666	37%
Total Income	2,577	2,557	3,116	21%	4,176	5,673	36%
Gross Profit	530	579	725	37%	860	1,305	52%
Gross Profit Margin (%)	21%	23%	23%	+267 BPS	21%	23%	+228 BPS
Operating Expenses	198	310	381	92%	338	690	104%
EBITDA (Excluding OI & EI)	332	270	345	4%	522	614	18%
EBITDA Margin (%)	13%	11%	11%	-185 BPS	13%	11%	-175 BPS
Finance Cost	4	27	30	582%	11	57	415%
Depreciation & Amortisation	1	44	46	6262%	13	90	583%
Profit Before Taxes (and EI)	333	202	272	-18%	528	474	-10%
Profit After Taxes	255	151	210	-18%	400	361	-10%
Profit After Taxes Margin (%)	10%	6%	7%	-316 BPS	10%	6%	-322 BPS
Earnings Per Share (₹)	7.55	4.46	6.22	-18%	11.84	10.68	-10%

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

Balance Sheet Summary (H1)

(₹ Mn)

PARTICULARS	H1FY24	FY24	H1FY25
<i>Assets</i>			
Non-Current Assets	2,660	3,162	3,226
Property, plant and equipment	473	3,100	3,132
Capital work-in-progress	2,080	4	3
Current Assets	3,503	2,471	4,838
Inventories	726	934	1,165
Trade Receivables	2,570	1,187	3,455
Cash and cash equivalents	4	30	8
<i>Total Assets</i>	6,163	5,633	8,064
<i>Total Equity</i>	3,552	3,594	3,955
Non-Current Liabilities	513	782	747
Borrowings	497	763	702
Current Liabilities	2,098	1,257	3,363
Borrowings	223	358	665
Trade Payables	1,352	674	2,425
<i>Total Equity & Liabilities</i>	6,163	5,633	8,064

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

Management Commentary



Dharmaj has demonstrated continued strong performance in Q2FY25, with Revenue from Operations showing a robust 21% growth, primarily driven by the Active Ingredients vertical. This growth underscores the Company's ability to capitalize on market opportunities in this segment.

The formulations business remained flattish year-over-year due to a few factors. Firstly, significantly higher rainfall in August and September across major geographies disturbed the usual insecticide spraying schedule towards end of season, leading to slower business momentum across industry. Further, dampened demand towards the end of season resulted in a price contraction of ~10% across the board in September. This correction came after promising price trends for Agrochemicals from April to August.

These factors contributed to a marginal decrease in B2B and B2C sales during Q2. However, it's noteworthy that volume growth in formulations was still achieved, offset by lower realizations.

Operations at Unit 2 in Sayakha are progressing as expected, with a 12% QOQ growth. Unit 2 at Sayakha has been able to register ₹1,180 million in sales in the first-half of FY25. Production activities are being gradually ramped up, and the performance in H1FY25 has been satisfactory.

Mr. Rameshbhai Ravajibhai Talavia
CHAIRMAN AND MANAGING DIRECTOR

Overall, the Company has achieved an impressive 37% top-line growth in H1FY25, with a higher contribution coming from the Active Ingredients segment.

There is a fillip to higher falls as well. The abundant rainfall across the country has led to record reservoir levels, which bodes well for a strong Rabi season. Dharmaj anticipates recovering some of the lost momentum in the formulations business during the Kharif season in the upcoming Rabi season.

On the profitability front, while Gross Margins remained healthy and in line with Q1, there was some compression in EBITDA margins YOY due to; higher Operating Expenses associated with Unit 2 operations, increased Employee Benefit expenses resulting from annual appraisals in July and new hirings and higher Depreciation & Finance Costs.

These factors led to a decrease in PAT on a YOY basis. However, it's important to note that the costs associated with Unit 2 are expected to normalize as revenues from the unit increase.

Operationally, our efforts to further build our extensive market presence are ongoing, we continue to add retail touchpoints and have also launched 4 new products on the Brand Formulations front.

The outlook for the upcoming Rabi season remains positive, supported by expectations of bumper sowing. The company is making concentrated efforts to ramp up production at Unit 2, positioning it as a key growth engine for future expansion.

Strengthened Product Portfolio & Team

1,000+

Retail touchpoints increase from 15K+ to 16K+ over FY24

21

Team Strength addition in on-ground Sales & Marketing team (6) and at Unit 2 in Saykha (12) and other functions.

Product Registration Activity

- 11 new technical registrations filed in Q2
- Cumulatively 18 technical registrations received & 30 additional awaited
- 2 export market product registrations received (formulations & technical)

Recently launched products (B2C portfolio) Q2FY25 product launches



Plant health product launches (Q1FY25):



04

New product launches in Q2 within Branded Formulations vertical

Latest Demand Generation Activity

Dealer meets, field days, product demonstrations, in both, new & existing markets



Shareholding & Market Statistics

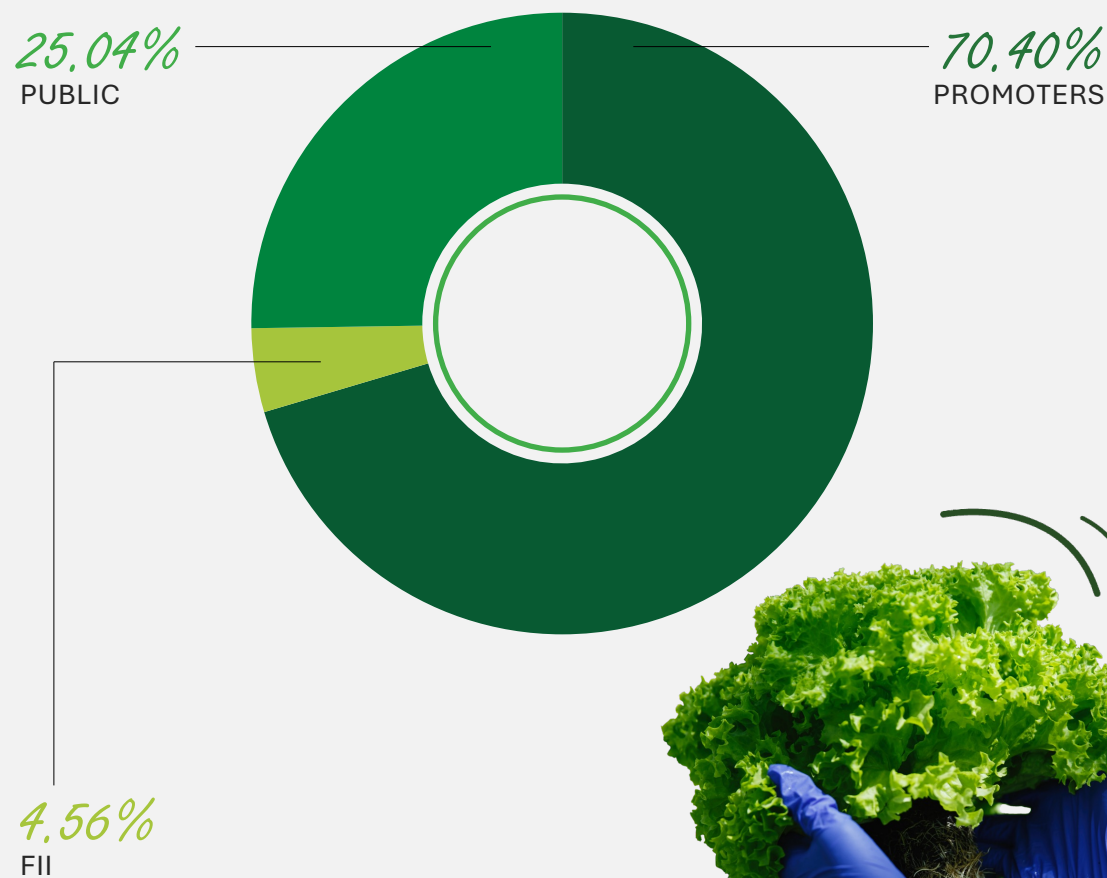
NSE SYMBOL

DHARMAJ

BSE Scrip Code	<u>543687</u>
IPO Issue Price Band	₹216 to ₹237
Current Market Price	₹359
52 Week High/Low	₹390 / ₹197
Shares Outstanding	3.38 Cr
Market Capitalization	₹1,213 Cr

Industry Classification *Pesticides & Agrochemicals*

Note: Market Price Data as on 8th November 2024



For more details read FY24 Investor Presentation



Safe Harbour

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