



**NEOGEN**  
CHEMICALS LTD.

Expanding Capabilities  
Exploring  
New Horizons

**Q4 & FY23**  
**Earnings Presentation**  
May 2023

# Safe Harbour



Certain statements in this document may be forward-looking statements. Such forward looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Neogen Chemicals Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



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# Introduction to Neogen Chemicals

# Neogen Chemicals – At a Glance



<b>244</b>	<b>4 Manufacturing Sites + 2 R&amp;D Facilities</b>	<b>10%</b>	<b>29</b>	<b>ISO 9001:2015, ISO 14001:2015 &amp; ISO 45001:2018</b>	<b>482.6</b>	<b>33%</b>	<b>37%</b>
Products developed by in-house R&D	Infrastructure	Of workforce in R&D team	Exporting countries	Manufacturing units certified on Quality & SHE management systems	Net worth - FY23 (Rs. crore)	5-year Revenue CAGR	5-year PAT CAGR

Leading manufacturer of Bromine and Lithium-based specialty chemicals, operating since 1991 – 32 Years of Strong History

Strong portfolio of Organic and Inorganic products

Manufacturing Lithium Salts for Various Applications since 1991

Largest Importer of Lithium Carbonate & Lithium Hydroxide for last 3 decades – Strong Relationship with Global Leading Lithium Miners & Processors

Customers across multiple industries including Pharma, Engineering, Battery Chemicals and Agrochem

Key export geographies include USA, Europe, Japan and Middle East

Growing contribution from Custom Synthesis and Contract Manufacturing

Promoters are technocrats with substantial domain expertise; cumulative experience of more than six decades

Developed strong R&D capabilities with dedicated in-house team

# Evolution of Neogen Chemicals



## 1970's to 1991 Pre-Neogen

- Mr. HT Kanani graduated as a Chemical Engineer and started his association with Bromine chemistry in the early 1970s
- Set up one of India's first Bromine plants using indigenous technology at Navlakhi near Morbi, Gujarat
  - Plant was later destroyed in 1970s due to flooding followed by Morbi Dam Collapse
  - Mr. Kanani worked as a consultant for setting up Bromine and other manufacturing units till 1984 to recover these losses
- In 1985, started manufacturing Bromine derivatives from a 600 sq. ft. plant under a proprietorship firm, in small 20 lit reactors to start making n-propyl bromide and lithium bromide.

## 1991 to 2016 Pre-expansion

- 'Neogen Chemicals' commenced business operations in 1991, at Mahape, Navi Mumbai manufacturing a few Bromine Compounds and Lithium Compounds
- From 1991 to 1999, two molecules namely Lithium bromide and N-Propyl Bromide contributed almost 80-90% to the topline; revenues moved from ~Rs. 1 crore to ~Rs. 10 crore during this period
- Set up dedicated R&D and hired first PhD scientist in 2001
- Capacity expansions at Mahape plant took place in 2000, 2007 and 2012; this left no scope for further brownfield expansion at Mahape
- Dr. Harin (now MD) re-joined Neogen Chemicals in 2008 after pursuing his PhD in Chemical Engineering from University of Maryland, USA and working as a Research Scientist with Pioneer – DuPont Company

## 2016 to 2023 Present

- Acquired 12 acres of land in Dahej for Greenfield expansion in 2015
- Achieved turnover of Rs. 100 crore in FY16 after reporting full utilisation at the Mahape plant
- Acquired Solaris ChemTech Industries' Bromine derivatives plant at Vadodara in 2016 via slump sale
  - Acquisition cost included 39 acres of land for the running business, plant and machinery at the site, ~50 trained manpower and several technologies developed by the acquired site
- Acquisition increased total organic glass lined reactor capacity from 45,000 litres in FY16 to 130,000 litres in FY18
- Turnover more than doubled in two years, to Rs. 240 crore in FY19, from Rs. 110 crore in FY17
- Doubled Inorganic Chemicals capacity from 1,200 MT to 2,400 MT through Greenfield expansion at Dahej SEZ
- Phase I & II expansion completed: Increased Organic Chemicals reactor capacity from 154,000 litres to 407,000 litres through brownfield expansions across facilities. Current reactor capacity is 422,000 litres
- Signed agreement with MU Ionic Solutions Corporation, Japan in April 2023 to acquire manufacturing technology license for electrolytes in India
- Acquired 100% stake in BuLi Chem from Livent in May 2023 to offer organolithium products to Pharma and Agrochemical Industries

# Key Milestones

Leading manufacturer of Bromine and Lithium-based specialty chemicals since 1989



Signed agreement with MU Ionic Solutions Corporation, Japan in April 2023 to acquire manufacturing technology license for electrolytes in India

Acquired 100% stake in BuLi Chem from Livent in May 2023 to offer organolithium products to Pharma and Agrochemical Industries

Formed a wholly owned subsidiary of Neogen Chemicals namely Neogen Ionics Limited to house Battery Chemicals Business

Increased the capacity for Inorganic Chemicals from 1,200 MT to 2,400 MT through Greenfield expansion at Dahej, Gujarat

Commenced manufacturing operations at Vadodara Facility

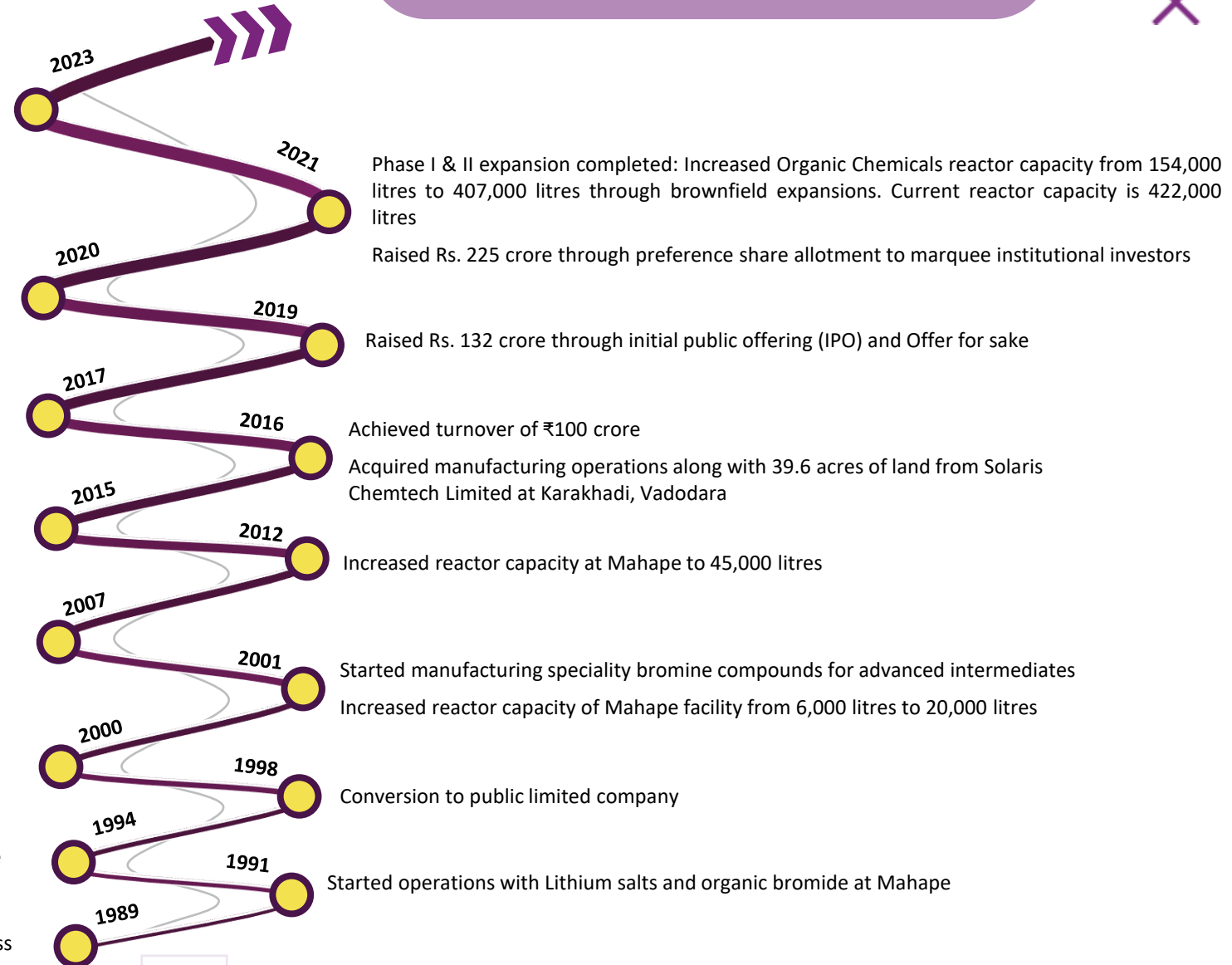
Acquired land in Dahej SEZ

Increased reactor capacity at Mahape to 30,000 litres

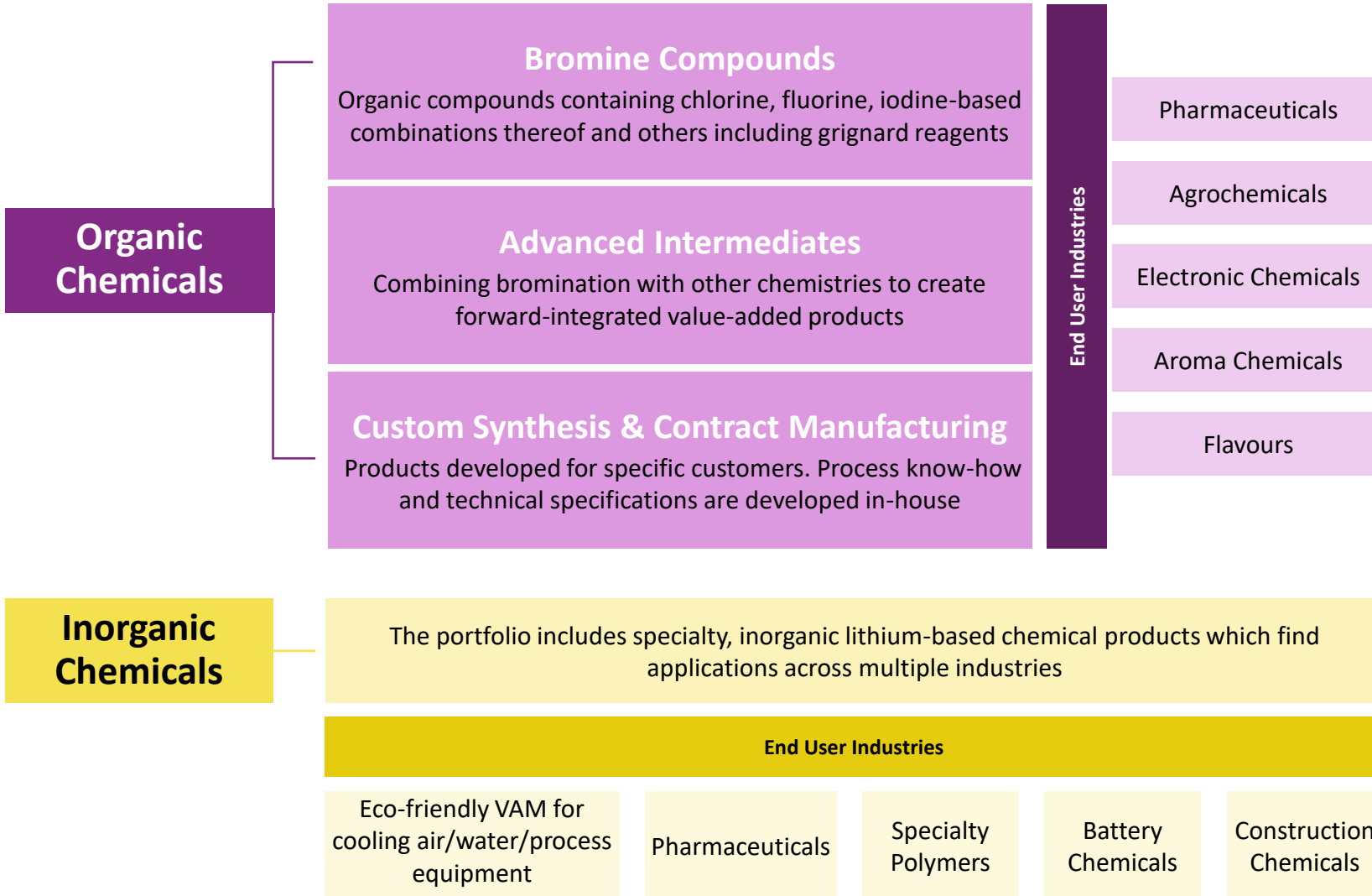
Dedicated R&D Division set up

Increased in capacity from 1,600 litres to 6,000 litres at Mahape

Incorporation as a private limited company to scale up existing bromine derivatives business



# Business Overview



## Select Clientele

**AUSTIN**

**SOLVAY**

**SUN PHARMA**

**Divis**  
*Divis Laboratories Ltd.*

**HETERO**

**HICAL**

**CBC Co.,Ltd**  
CBC GROUP

**Mylan**

**THERMAX**

**VOLTAS**  
A TATA Enterprise

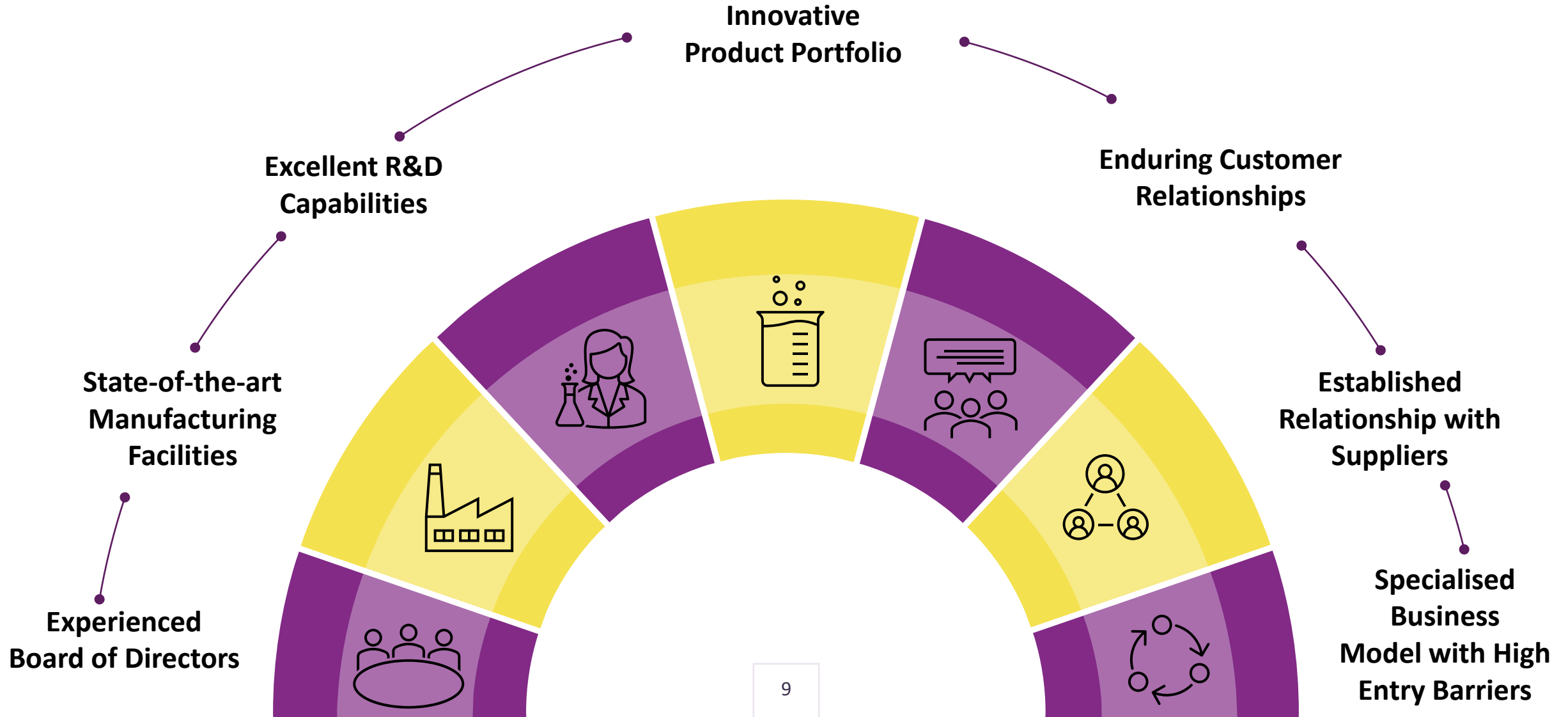
**Piramal**

**AUROBINDO**

*Kirloskar*  
Enriching Lives



# Compelling value-proposition



# Experienced Leadership Team



**Mr. Haridas Kanani,  
B.TECH (CHEM) M.I.I.Ch.E.  
Chairman & Managing Director**

- Holds a bachelor's degree in chemical engineering from the Indian Institute of Technology (IIT), Bombay
- Set up one of India's first Bromine plants using indigenous technology at Gujarat which was later destroyed due to a flood
- Subsequently, set up the firm Chem Ocean Consultant which provided consultancy, technology and engineering technologies to set up Bromine plants for other companies
- Then later established NCL in 1989 and has been on the Board since then
- Has previously worked with Excel Industries Ltd. In 1968-1970.22
- Oversees the manufacturing, research and development and general operation and management of the Company's manufacturing units



**Mr. Harin Kanani,  
PhD, Managing Director**

- Holds a bachelor's degree in chemical engineering from IIT, Bombay and a Master's degree and a doctorate in chemical engineering from the University of Maryland
- Served as a research fellow at the University of Maryland, where he has published 4 first author manuscripts in the field of chemical engineering
- Presented various talks and presentations at national and international conferences
- Also participated in the Small and Medium Enterprises Programme from IIM Ahmedabad
- Joined NCL in 2008 and is on the Board since 2017
- Has previously worked with companies such as Asian Paints India Ltd. and as a senior research scientist at Pioneer Hi-Bred International Inc. (DuPont Subsidiary) in the United States
- Heads various business divisions of the Company including research and development, business development, quality control, purchase, marketing and finance

## Mr. Anurag Surana, Non-Executive Director

- Holds a bachelor's degree in commerce with Honours from the University of Delhi
- Experience of more than 20 years in Contract Manufacturing business
- A well known personality in the Agrochemical and specialty chemical industry in India, Europe and Japan
- Founded a consulting company specialising in consulting with companies in the chemical, agrochemical and fertilizers sector in India and abroad
- Previously, he was an Executive Director on the Board of PI Industries Ltd. for 14 years

## Shyamsunder Upadhyay, Whole time Director

- Holds a master's degree in science from Vikram University, Ujjain
- He has 41 years of work experience in the field of chemicals
- Oversees maintenance, projects, logistics, administration and engineering store in the company
- Has previously been associated with companies such as Savita Chemicals, Wimco, Gharda Chemicals, Clariant India, Tytan Organics Limited, Arch Pharamalabs Limited and Laxmi Organic Industries Limited

## Ketan Vyas, Chief Financial Officer

- Is a fellow member of the Institute of Chartered Accountants of India, MBA and has completed his Project Management Professional Certificate from (PMI) USA in the year 2013
- He has 22 years of work experience in the field of Finance & Accounts, Taxation/ International Taxation across industries, Corporate Banking, Audits, Corporate & Commercial laws and other Regulatory and Statutory compliances
- Other expertise lies in Strategic Planning, Budgeting & Cost Control, Financial Reporting & Management, Process Re-engineering, System Integration and Solution Design
- Has previously been associated with companies like Batliboi, Arcelor Mittal Projects India Private Limited, SGS India Private Limited, Integreon Managed Solutions, Dow Corning India Private Limited, Rhodia Chemicals India Private Limited and Amplas Polymers Private Limited,

# Robust Manufacturing Expertise



## Strong Manufacturing Infrastructure



Factory	Land Area	Land Utilisation	Capacity		Certifications of Manufacturing Facilities
			Organic Chemicals (Reactor capacity)	Inorganic Chemicals (Tonnage)	
<b>Mahape (Since 1991)</b>	1 acre	100%	69 m <sup>3</sup>	9 m <sup>3</sup>	ISO 9001:2015 from Bureau Veritas Certification Holding SAS
<b>Vadodara (Since 2017)</b>	40 acres	20%	111 m <sup>3</sup>	-	ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications from Bureau Veritas Certification Holding SAS
<b>Dahej (Since 2020)</b>	12 acres	40%	258 m <sup>3</sup>	30 m <sup>3</sup>	ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications from Bureau Veritas Certification Holding SAS. Also, GMP (Good Manufacturing Practices) certified by SGS
<b>Hyderabad (May 2023)</b>	5 acres	50%	25 m <sup>3</sup>	-	
<b>Total</b>	<b>58 acres</b>		<b>463 m<sup>3</sup></b>	<b>39 m<sup>3</sup></b>	

## Quality Control and Quality Assurance



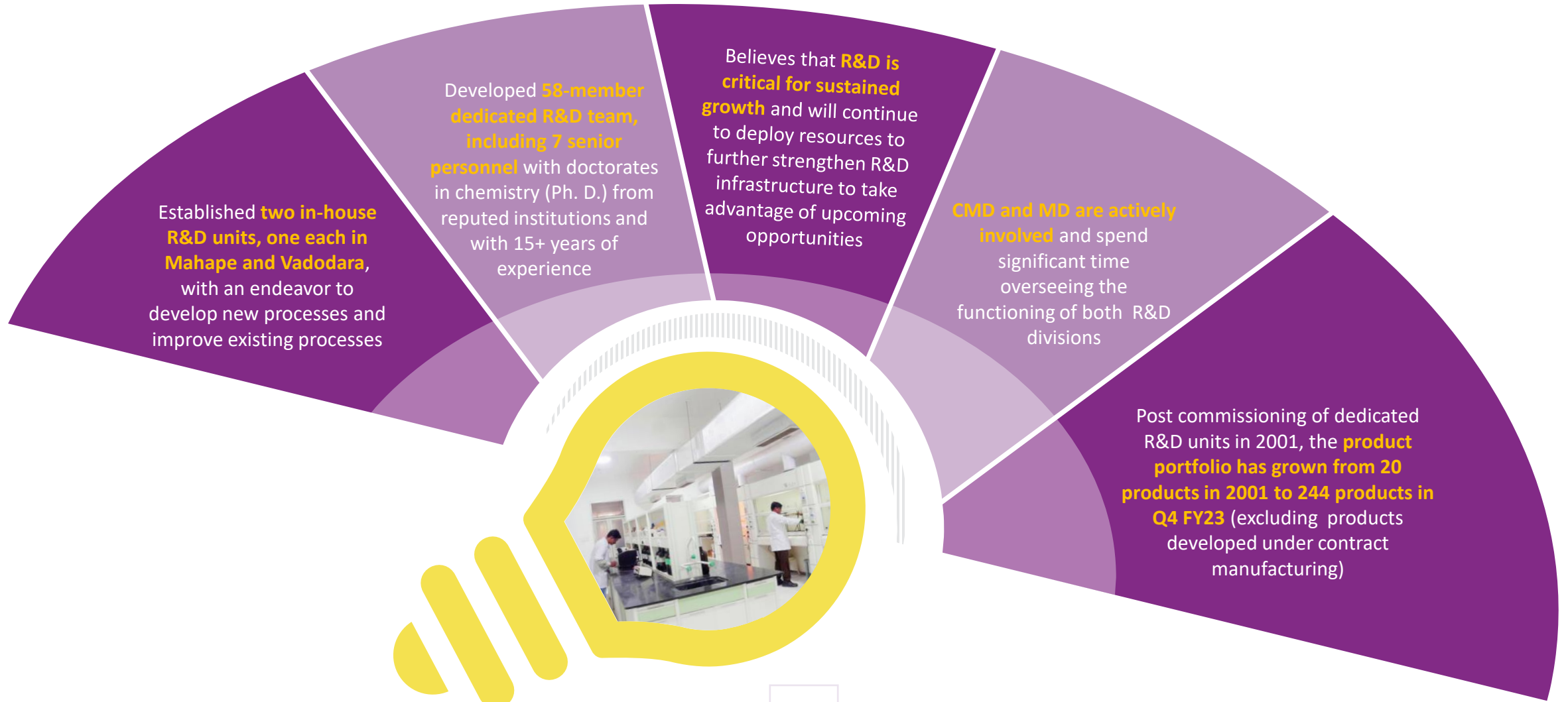
- Dedicated QC and QA team in place monitoring the entire manufacturing process at all stages right from initial testing stage to the final product
- Implemented current good manufacturing practice (cGMP) prescribed by the US FDA as applicable for intermediates

## World-class operational practices

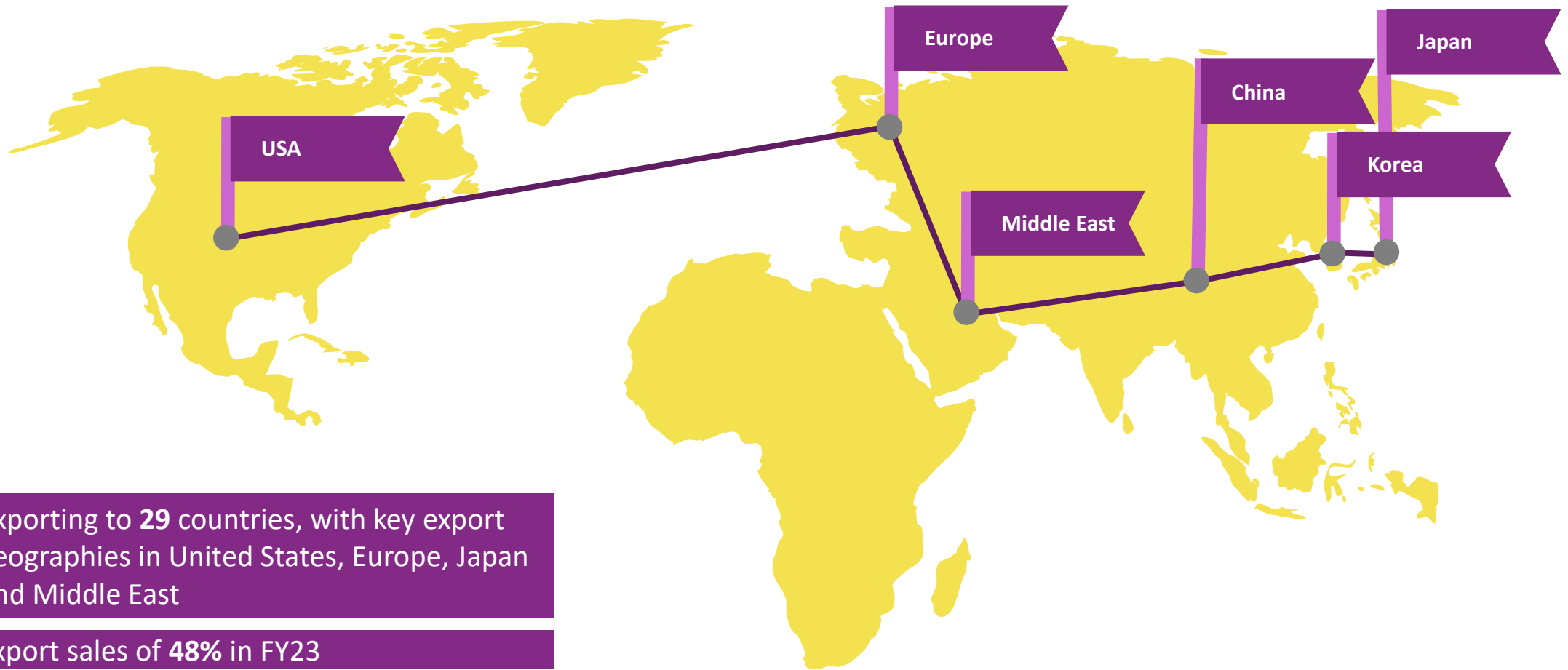


- Zero Liquid Discharge, significantly reducing water usage
- Focus on compliance with stringent quality and EHS norms

# Developed strong R&D capabilities

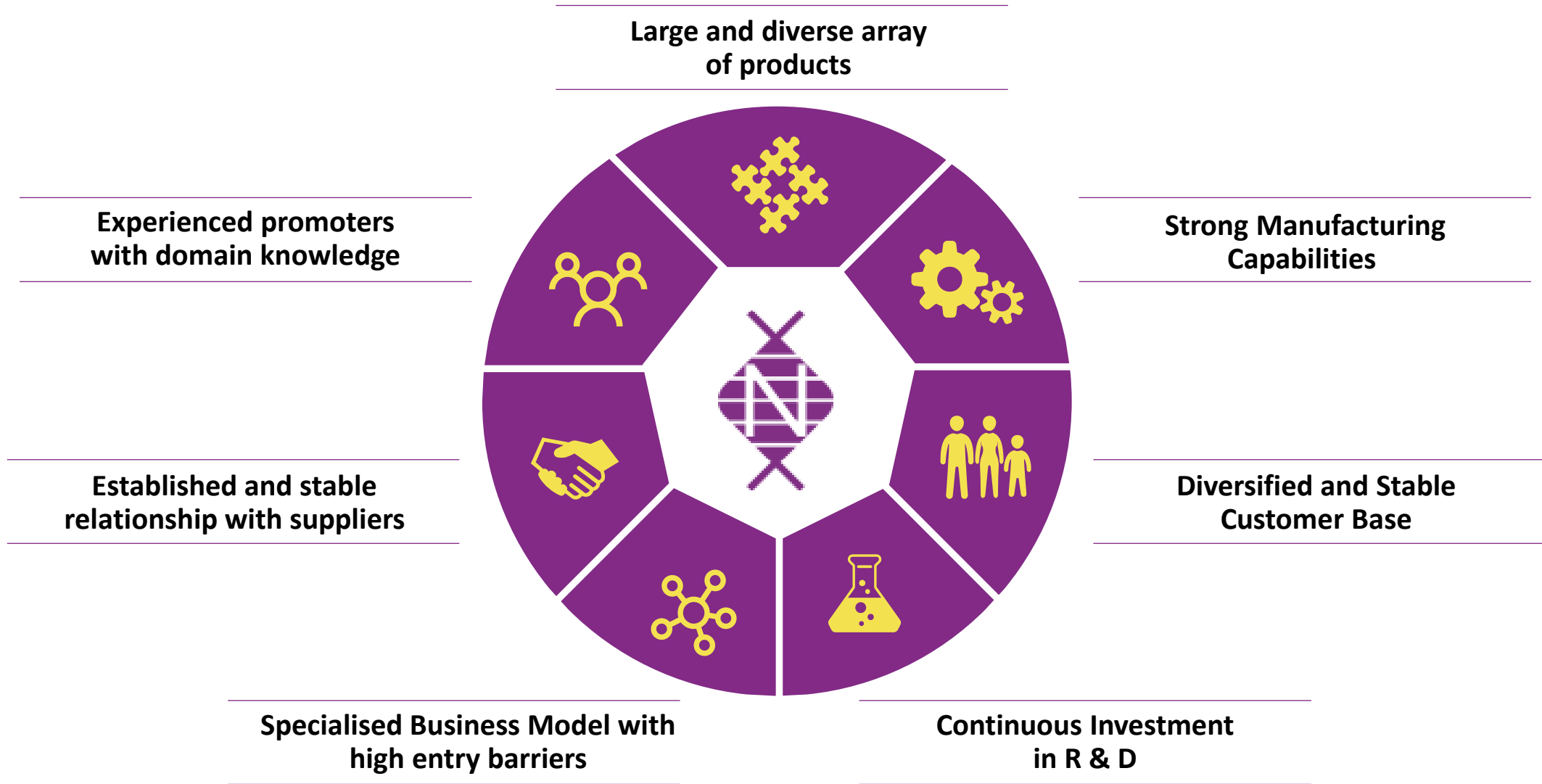


# Key Export Geographies





# Competitive Advantages





## Expansion Initiatives



# Update on various expansion initiatives

## Details of expansion projects announced:

## Current project updates:

Expansion of specialty organic chemicals capacity by 60,000 litres (60 m<sup>3</sup>)

29 m<sup>3</sup> will be commissioned by Sept 2023; 31 m<sup>3</sup> commissioned upto Q4 FY23

Expansion of inorganic chemicals capacity from 1,200 MT (15 m<sup>3</sup>) to 2,400 (30 m<sup>3</sup>) in existing Inorganic MPP

Capacity increased to 30 m<sup>3</sup> till March 23

New capacity of 400 MTPA (92 m<sup>3</sup>) for manufacturing Specialty Electrolyte Salts and additives

To be commissioned by June 23

Plant for manufacturing 1,000 MT of Electrolyte at Dahej facility

To be commissioned by Sept 23

## Recent CAPEX announcements

### Board approval for expansion of:

- Electrolyte capacity to 5,000 MT\* to be operational by June 2024
- Specialty Electrolyte Salts capacity to 1,000 MT (232 m<sup>3</sup>) to be operational by June 2024
- Greenfield expansion of Electrolyte and Specialty Electrolyte Salts at a new site for dedicated battery materials
- This includes additional 5,000 MT\* of Electrolyte capacity and additional 1,000 MT (232 m<sup>3</sup>) \* of Specialty Electrolyte Salts' – to be operational by Sept 2025

- **Collective CAPEX for all the new projects is ~Rs. 450 crore**
- **Debt : Equity will continue to remain below 1.25x**

\* Now being considered for revision post MUIS agreement

Existing Business

Battery Chemicals Business

# Capacity & potential revenue target based on expansion



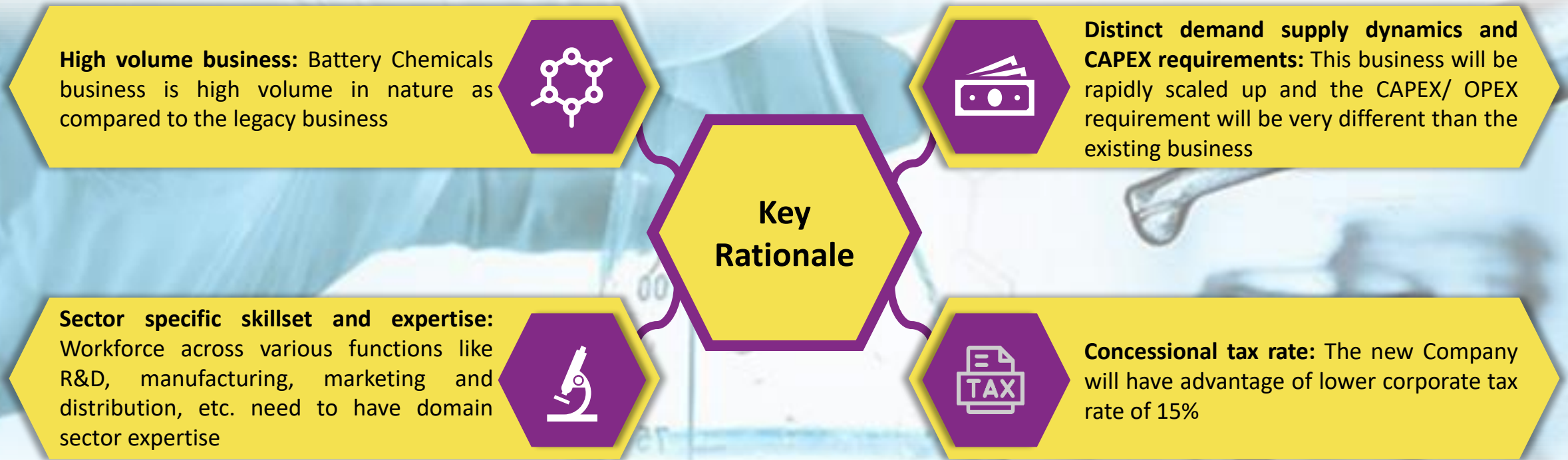
	Existing Business		Battery Chemicals Business **		Incremental capacities that will be operational
<b>Capacity</b>	Organic Chemicals (Reactor capacity) <b>491 m<sup>3</sup></b> BY FY24	Inorganic Chemicals (Reactor Capacity) <b>39 m<sup>3</sup></b> By FY23	Electrolyte: <b>10,000</b> MT Lithium Salt: <b>2,000</b> MT* (by FY26)	<b>FY23</b>	<ul style="list-style-type: none"> <li>▪ <b>31 m<sup>3</sup></b> in Organic Chemicals</li> <li>▪ <b>15 m<sup>3</sup></b> in Inorganic Chemicals</li> </ul>
<b>Revenue Potential</b>	Rs. <b>900-1,050</b> crore FY25/ FY26		Rs. <b>1,000-1,200</b> crore FY27	<b>FY24P</b>	<ul style="list-style-type: none"> <li>▪ <b>29 m<sup>3</sup></b> in Organic Chemicals</li> <li>▪ <b>92 m<sup>3</sup></b> in Specialty Electrolyte Salts</li> <li>▪ <b>1,000</b> MT in Electrolyte</li> </ul>
				<b>FY25P**</b>	<ul style="list-style-type: none"> <li>▪ <b>5,000</b> MT in Electrolyte</li> <li>▪ <b>140 m<sup>3</sup></b> in Specialty Electrolyte Salts</li> </ul>
			*Salt capacity will be majorly consumed for in-house production of electrolyte	<b>FY26P**</b>	<ul style="list-style-type: none"> <li>▪ <b>5,000</b> MT in Electrolyte</li> <li>▪ <b>232 m<sup>3</sup></b> in Specialty Electrolyte Salts</li> </ul>

\*\*Battery Chemicals Business capacity & revenue projection is now being considered for revision post MUIS agreement

# Wholly Owned Subsidiary (WOS) for Battery Chemicals business



Battery Chemicals business will commence in a separate entity namely Neogen Ionics Limited, which will be a wholly owned subsidiary of Neogen Chemicals Limited.







## Key Developments till May 2023

1. Acquisition of 100% stake in BuLi Chem
2. Licensing agreement with MU Ionic Solutions Corporation,  
Japan



# Acquisition of 100% stake in BuLi Chem

## About BuLi Chem

- Prior to the acquisition, BuLi Chem was a subsidiary of Livent USA Corporation (formerly known FMC Lithium USA Corp) and Livent Corporation (formerly known as FMC Lithium USA Holding Corp)
- It owns the technology to manufacture N Butyl Lithium and other organolithium products using Lithium metal, which are key reagents for Lithiation reaction used in manufacturing of several complex pharmaceutical and agrochemical intermediates

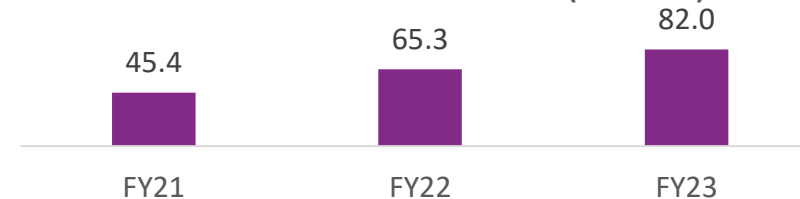
## Acquisition Completed on 3rd May, 2023

- Pursuant to completion of the said transaction, BuLi Chem has become a Wholly Owned Subsidiary of the Company

## Cost of acquisition

- Cost of Acquisition of the 100% Equity Shares of BuLi Chem on a fully diluted basis, has been Rs. 19.35 crore
- This acquisition has been funded by a mix of internal accruals and debt

Historical turnover of BuLi Chem (Rs. Crore)



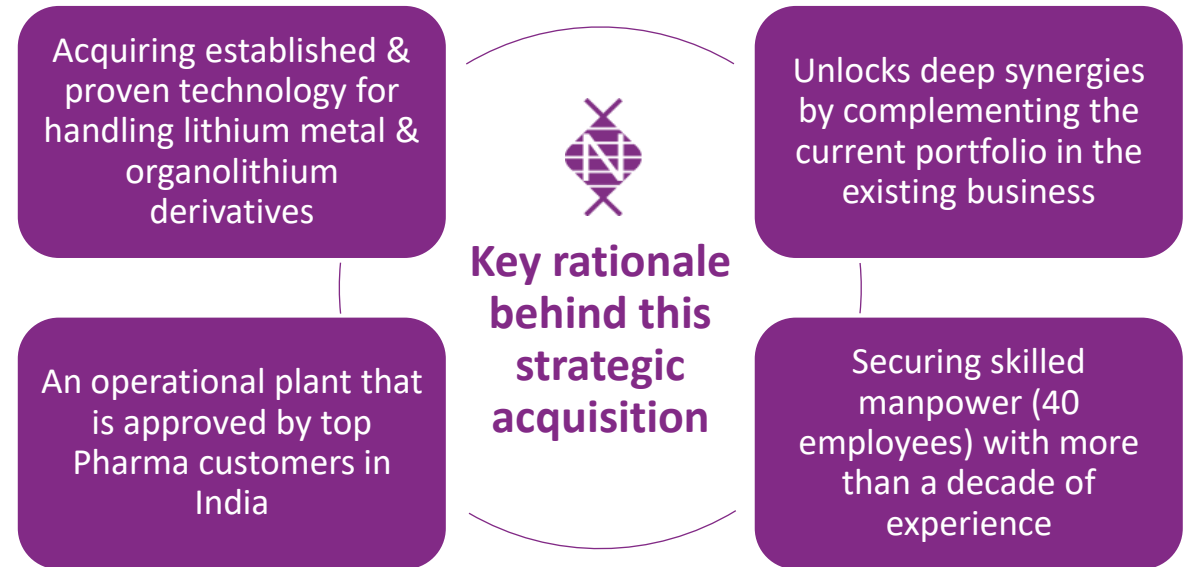
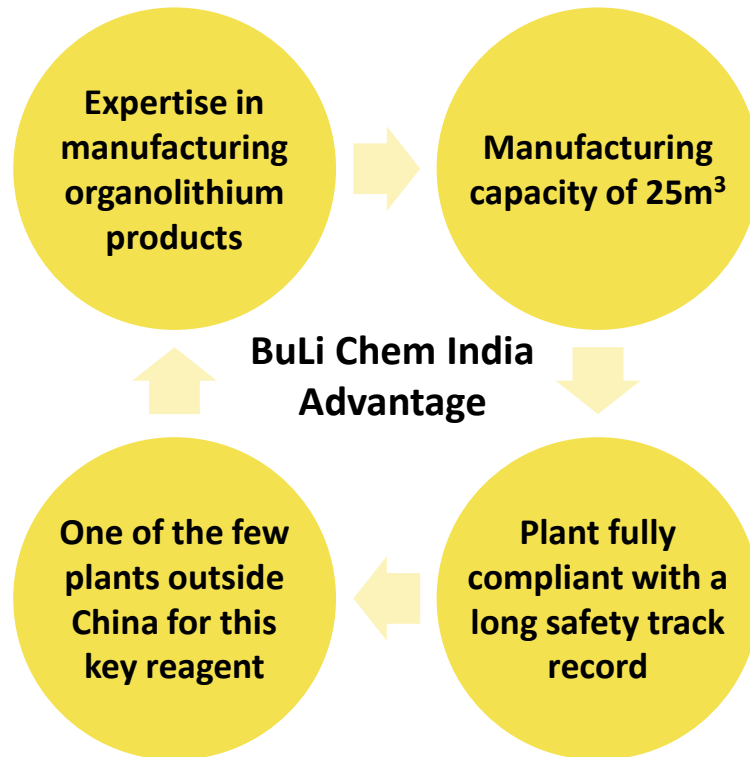
## Advantage for Neogen Chemicals

- **Organo Lithium compounds are critical in manufacturing several Pharmaceutical & Agrochemical Intermediates**
- **The technology to use highly reactive Lithium metal and to manufacture N Butyl Lithium and other Organo Lithium derivatives in house along with Neogen's ability to recycle Lithium, will give significant competitive advantage by providing Neogen an additional Technology Platform which can be leveraged across the above segments to generate more Custom Synthesis and Manufacturing business**

# Contours of the acquisition



*Acquisition will allow Neogen to offer Lithiation chemistry to Pharma and Agrochemical Industries*



**To provide Neogen with a strong technology lever to approach Pharma & Agro customers for CSM business**

# Deal benefits/ Synergies for Neogen Chemicals



## Scale up and business diversification

- To boost Neogen's portfolio by offering Lithiation Reaction to existing and new pharma and agrochemical industries
- This will further strengthen and help scale up its advanced intermediates & CSM manufacturing business with both existing and new customers

## Strengthening technical capability

- Post completion of the said acquisition, Neogen will be the only Company in the world to make organolithium products and captively use these reagents to manufacture complex pharma intermediates
- Neogen's ability to recycle lithium coming out as by-product from such reactions will enable Neogen to provide excellent cost economics to its customers
- Based on the available technology, the Company will use its expertise to introduce new and more complex products in the future

**Will significantly bolster the business prospects of Neogen's Organic Chemicals segment**

# MUIS-Neogen Electrolyte Manufacturing License Agreement



## FIRST Ever License Issued by MUIS Anywhere in the Globe

- License to manufacture electrolyte materials using globally acclaimed technology & Plant Design
- Capacity – up to 30,000 MTPA
- Commercial Production Start Date expected in 2025

## Rationale and Synergies



Targeted to meet the growing demand of lithium-ion Battery manufacturers in India



Will greatly reduce approval times with Indian Lithium-Ion Battery makers



Will enable manufacturing plant to meet stringent global standards for quality, reliability, safety



MUIS to provide manufacturing technology & plant design

Neogen Chemicals will be the **first-ever company in the world to have a proven global technology of MUIS, to manufacture electrolytes** in India

MU Ionic Solutions Corporation (MUIS), incorporated in October 2020, is a JV between Mitsubishi Chemical Corporation (MCC) and UBE Corporation now a group company of The Mitsubishi Chemical Group (MCG), Japan



# Advantage Neogen Chemicals



**Full Backward Integration – Manufacturing Electrolyte and Major Raw Material of Electrolytes (Lithium Salts)**



**Offering High Degree of Indigenization to Battery Manufacturers – will help Battery Manufacturers in Achieving PLI Target**



**Having 30 years of experience in manufacturing Lithium Salts**



**Drastically Reducing Dependence on China for Battery Raw Materials**



**Excellent Relations with Lithium Raw Material Suppliers**



**Manufacturing Technology License from Leading Electrolyte Manufacturers of the World, thereby bringing World Class Manufacturing Technology to India**





# Financial Performance

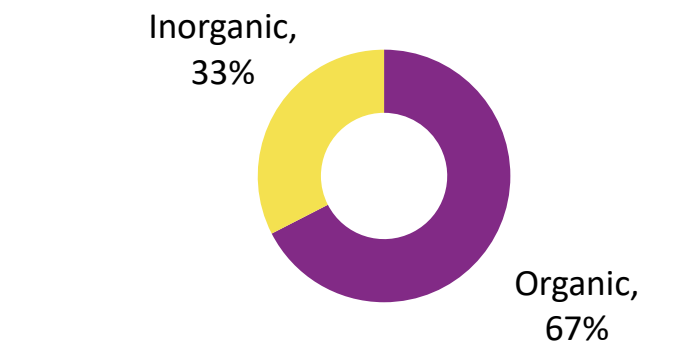
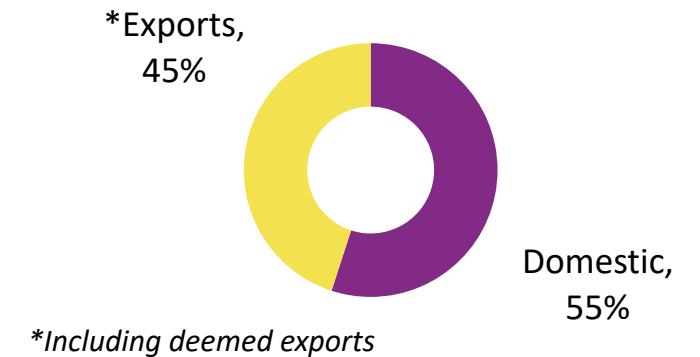


# Key Performance Highlights – Q4 & FY23

	<u>Q4 FY23</u>	<u>FY23</u>
Revenues	Rs. 203.9 crore ↑ 30%	Rs. 686.2 crore ↑ 41%
EBITDA	Rs. 32.6 crore ↑ 22%	Rs. 111.6 crore ↑ 29%
Profit Before Tax	Rs. 20.7 crore ↑ 10%	Rs. 71.1 crore ↑ 24%
Profit After Tax	Rs. 14.3 crore -9%	Rs. 50.1 crore ↑ 12%

The Board of Directors has recommended a final dividend of Rs. 3 per share, i.e., 30% of the FV, for FY23, subject to shareholders approval

## Q4 FY23 Revenue break-up

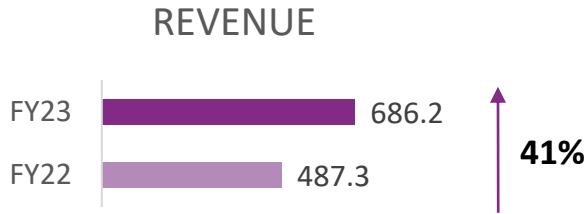


**Note:** 1. Growth for Q4 FY23 is compared to Q4 FY22, and FY23 is compared to FY22  
2. All figures are Standalone

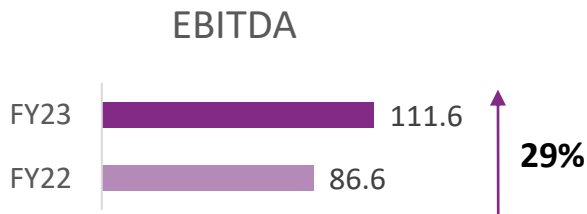
# Financial Summary – FY23



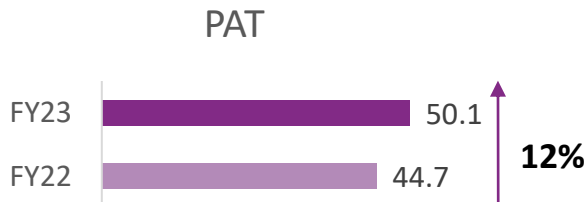
Rs. crore



- Reported **Highest-Ever revenues in FY23** fueled by incremental contribution from expanded capacities, sustained demand trajectory as well as favorable mix change in the business
- During the year, the Company **witnessed noticeable shift in the share of value-added products** that entail multiple steps and processes, as planned



- Despite high fluctuations in input prices, utilities costs and adverse FOREX movement, the Company **demonstrated sharp improvement in absolute EBITDA** attributed to positive product mix change
- **Increase in key cost components is in-line with strong revenue expansion**, while it **remains stable when seen as a % of topline**. The Company continues to build on its capabilities to be future ready



- PAT performance stood strong and includes the impact of **elevated Finance Costs due to ongoing expansion initiatives and high interest rates** as compared to the base year. This was in addition to **high Depreciation related to incremental reactors added during the year which has not yet reached full utilisation**

During the year under review, the Company witnessed significant increase in the prices of Lithium raw materials which Company was able to pass on to the customers, thereby protecting the absolute EBITDA. The EBITDA percentage margin considers the impact of higher revenues and higher RM costs with preserved absolute earnings.

# Revenue break-up – Q4 & FY23



## Organic Chemicals

Q4 FY22

Rs. 99 crore

Q4 FY23

Rs. 138 crore

↑ 39%

FY22

Rs. 363 crore

FY23

Rs. 463 crore

↑ 28%

## Inorganic Chemicals

Q4 FY22

Rs. 58 crore

Q4 FY23

Rs. 66 crore

↑ 14%

FY22

Rs. 124 crore

FY23

Rs. 223 crore

↑ 80%

# Seasonal Variance Factors



- Neogen's business has some seasonal drivers, due to which the company tends to deliver stronger financial performance in the second half of the financial year (October to March). Seasonal variance is driven by strong demand from Europe as orders tend to scale up in October-November and further accelerate from January after the holiday season
- Demand for Lithium-based chemicals tends to be strong in Q4 as demand from the HVAC segment, a key usage area, is linked to capital expenditure that enjoys 100% depreciation benefits for air-conditioning/cooling machines
- Demand from the agrochemicals segment is linked to the crop cycle and is stronger during H2
- Consequently, investors are urged to compare financial performance of each quarter only with that of the corresponding quarter previous year to evaluate business progress on a like-to-like basis



# Financial Table – Profit & Loss Statement (Standalone)



(Rs. crore)

Particulars	Q4 FY23	Q4 FY22	Growth (%)	FY23	FY22	Growth (%)
<b>Revenue</b>	<b>203.9</b>	<b>156.8</b>	<b>30%</b>	<b>686.2</b>	<b>487.3</b>	<b>41%</b>
Expenditure	171.3	130.2	32%	574.6	400.7	43%
<b>EBITDA</b>	<b>32.6</b>	<b>26.6</b>	<b>22%</b>	<b>111.6</b>	<b>86.6</b>	<b>29%</b>
Margins	16.0%	17.0%	-100 bps	16.3%	17.8%	-150 bps
Depreciation	4.3	3.8	13%	16.2	11.7	39%
<b>EBIT (inc. Other Income)</b>	<b>30.1</b>	<b>23.8</b>	<b>26%</b>	<b>100.1</b>	<b>76.2</b>	<b>31%</b>
Interest	9.3	5.0	86%	28.9	19.1	52%
Other Income	1.8	1.0	84%	4.6	1.3	246%
<b>Profit Before Tax</b>	<b>20.7</b>	<b>18.8</b>	<b>10%</b>	<b>71.1</b>	<b>57.2</b>	<b>24%</b>
Margins	10.2%	12.0%	-180 bps	10.4%	11.7%	-140 bps
Tax Expense	6.4	3.1	106%	21.1	12.4	69%
<b>Profit After Tax</b>	<b>14.3</b>	<b>15.7</b>	<b>-9%</b>	<b>50.1</b>	<b>44.7</b>	<b>12%</b>
Margins	7.0%	10.0%	-300 bps	7.3%	9.2%	-190 bps
<b>Earnings Per Share (Rs.)</b>	<b>5.76</b>	<b>5.50</b>	<b>5%</b>	<b>20.07</b>	<b>18.74</b>	<b>7%</b>



# Balance Sheet Snapshot (Standalone)



(Rs. crore)

Particulars	As on March 31, 2023	As on March 31, 2022
<b><u>Assets</u></b>		
Non-Current Assets	397.7	306.5
Current Assets	656.2	493.1
<b>Total Assets</b>	<b>1,053.9</b>	<b>799.5</b>
<b><u>Liabilities</u></b>		
Shareholders' Funds	482.6	439.3
Non-Current Liabilities	161.5	141.9
Current Liabilities	409.8	218.3
<b>Total Liabilities</b>	<b>1,053.9</b>	<b>799.5</b>

- Total Debt (after including current maturities of long-term debt) stood at Rs. 362 crore in FY23
- Net Debt (after including current maturities of long-term debt) stood at Rs. 265 crore in FY23

# Management Commentary



**Commenting on the Q4 & FY23 performance, Mr. Haridas Kanani, Chairman & Managing Director, at Neogen Chemicals said:**

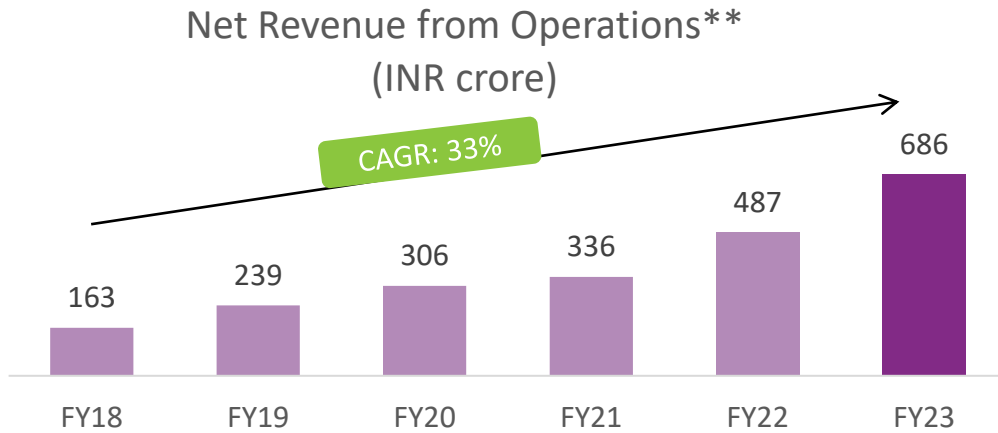
*"I am happy to share that we have concluded the year on a strong note despite challenging operating scenario aggravated by continued volatility in input costs, disruption of global supply chains due to Russia Ukraine conflict and variations in foreign exchange rates among others. Amid all these headwinds, we demonstrated solid financial performance in FY23 steered by 41% growth in revenues and 29% expansion in EBITDA. More importantly, we reported Highest-Ever revenues and PAT in the Company's history propelled by positive demand environment, onset of several expansion initiatives and augmentation of the product portfolio. This is a testament of our commitment and perseverance towards building a solid foundation for the future.*

*FY23 was a momentous year for Neogen Chemicals as we charted ambitious growth plans for both existing as well as Battery Chemicals business and saw a lot of these initiatives take concrete shape. On one hand, we acquired 100% stake in BuLi Chem to strengthen our product offerings while on the other hand, we signed a landmark agreement with MUIS, Japan to acquire manufacturing technology license for electrolytes in India. Both these events will significantly bolster our competitive position in the market and lay the roadmap for the future. We have markedly expanded our R&D prowess across several high-potential chemistries to offer deep value to our customers. Initiatives under Battery Chemicals business are progressing well, and we are on track to achieve several milestones as per our internal forecasts.*

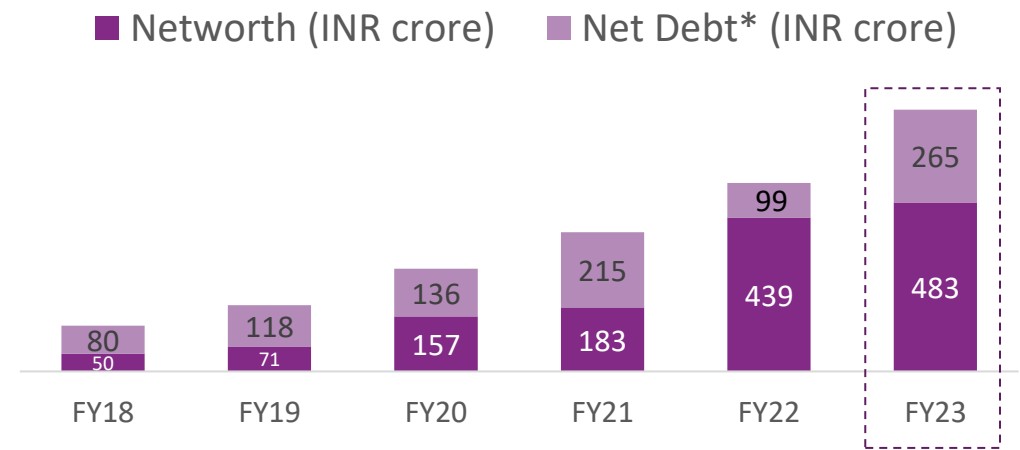
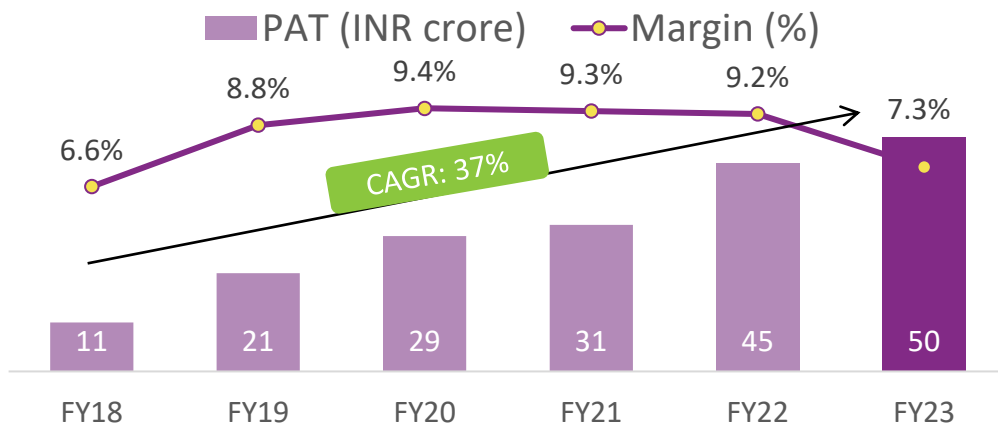
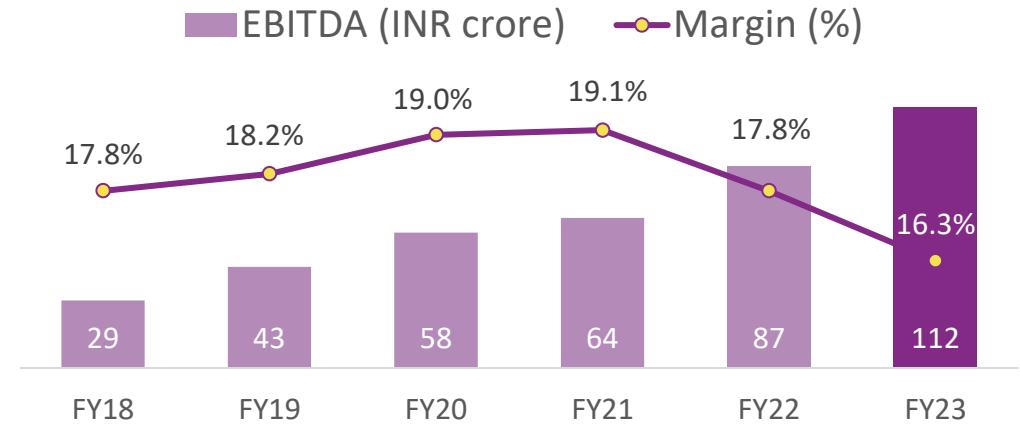
*The roadmap appears equally encouraging and we are ready to march to the next leg of growth that will demonstrate our manufacturing capabilities at scale as well as expertise in several complex chemistries. The industry is supportive, and the demand scenario continues to be favourable. Our objective is to continue on this profitable growth journey and deliver sustained value for our stakeholders."*



# Historical Financial Trends



\*\* Revenue is Net of Excise





# Industry Overview: Lithium Ion Batteries

# Strong Opportunities in Lithium Battery sector

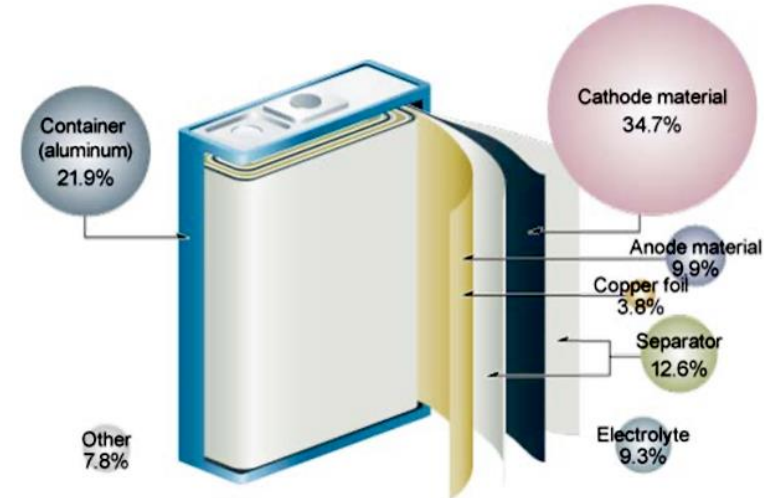


## Government Focus on “ATMANIRBHAR”

- PLI scheme is expected to accelerate EV adoption
- PLI Battery Scheme – Target Incentive Outlay – Rs.18,100 Crores
- 60% of Battery Material to be Indigenous
- Direct investment of around Rs. 45,000 crore in ACC Battery storage manufacturing projects
- Target Net Savings on Import of Approx Rs. 2Lakhs crore on account of oil import bill

### Lithium-ion battery (3.7v)

Approximate Cost Component Break up\*

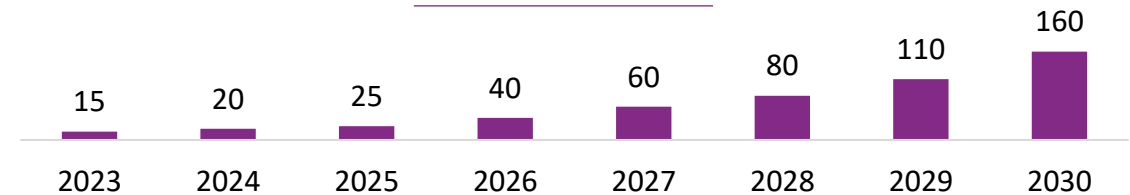


\*Based on literature as an example, actual % will vary

### Demand Estimates for the Indian Market

Lithium Cells (GWh)

ACC WINDOW (2024-28)



Source: India Energy Storage Alliance

This will translate into Electrolyte demand of >150,000 MT by 2030 as per Company estimates



# Way Forward

# Way Forward



**Increasing Custom Synthesis & Contract Manufacturing portfolio**



**Foray into sunrise sector of Lithium-Ion Batteries**



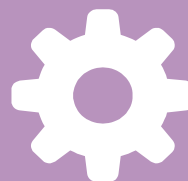
**Focus on operational efficiency and functional excellence**



**Focus on advanced speciality intermediates**



**Expanding production capacities**

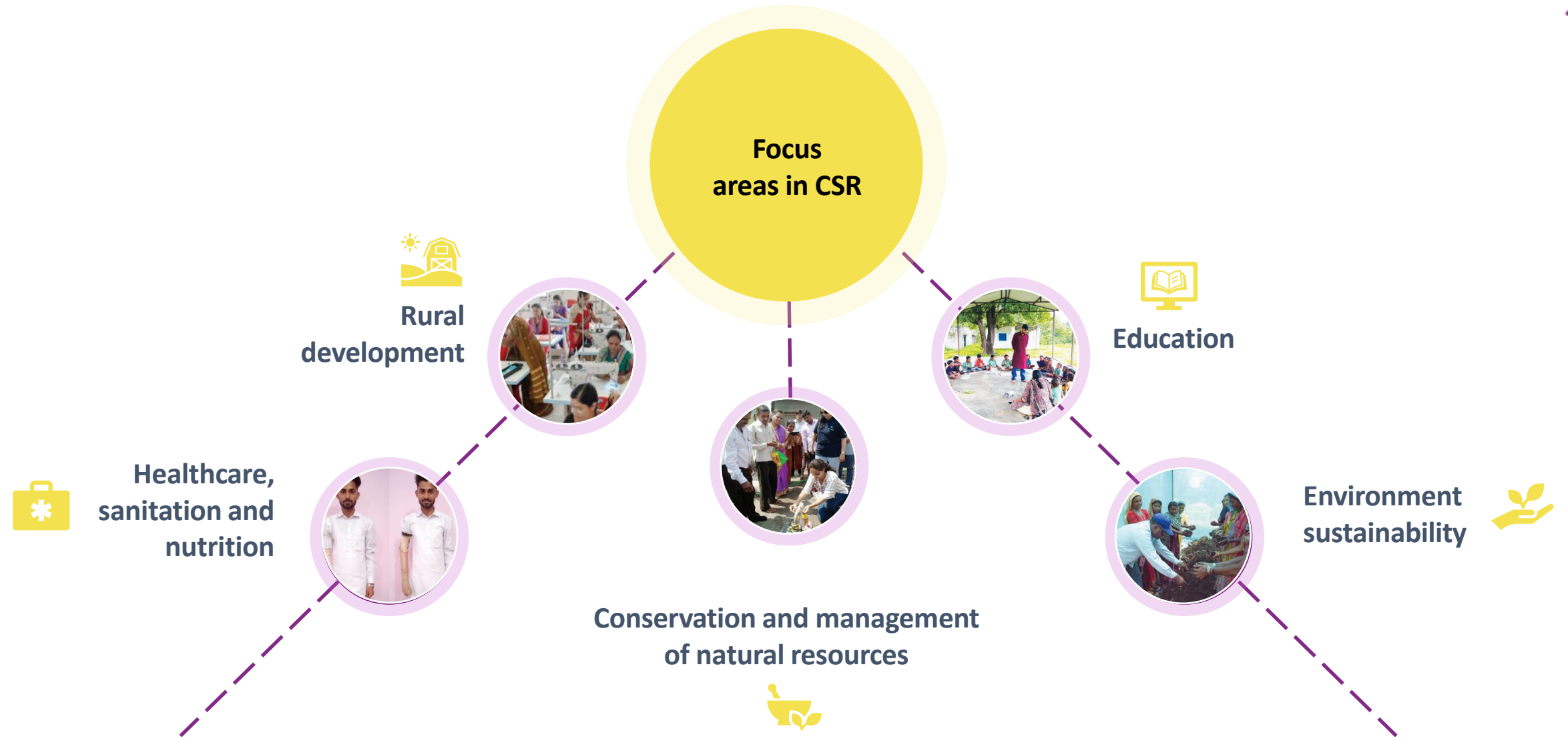






## CSR Initiatives

# CSR Initiatives



# Contact Us



## About Neogen Chemicals Limited

Incorporated in 1989, Neogen Chemicals Ltd. (NSE Code: NEOGEN; BSE Code: 542665) is India's one of the leading manufacturers of Bromine-based and Lithium-based specialty chemicals. Its specialty chemicals product offerings comprises of Organic as well as Inorganic chemicals. Its products are used in pharmaceutical and agrochemical intermediates, engineering fluids, electronic chemicals, polymer additives, water treatment, construction chemicals, and aroma chemicals, flavours and fragrances, specialty polymers, Chemicals and Vapour Absorption Chillers – original-equipment manufacturers and with new upcoming usage in lithium-ion battery materials for energy storage and Electric Vehicles (EV) application. Over the years, Neogen has expanded its range of products and at present, manufactures an extensive range of specialty chemicals which find application across various industries in India and the world. It has a product portfolio of over 244 products.

In addition to manufacturing specialty chemicals, Neogen also undertakes custom synthesis and contract manufacturing where the product is developed and customised primarily for a specific customer, but process know-how and technical specifications are developed in-house.

The Company has recently announced plans to utilise its three decades of experience in Lithium Chemistry to manufacture Lithium-Ion battery materials with an initial investment plan of manufacturing electrolytes and Lithium salts needed for electrolytes.

The Company operates out of its three manufacturing facilities located in Mahape, Navi Mumbai in Maharashtra and, Dahej SEZ, Bharuch as well as Karakhadi, Vadodara in Gujarat. In May 2023, the Company acquired 100% stake in BuLi Chem, which operates out of one manufacturing unit located in Hyderabad and has now become a wholly owned subsidiary of Neogen Chemicals Limited.

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**NEOGEN**  
CHEMICALS LTD.

**Thank You**