



Intelligence of Integration



SEYA
INDUSTRIES LTD.

Investor Presentation
September 2018

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India's only Single Location
Fully Backward Integrated Benzene based Specialty
Chemical Manufacturer



Products with
unmatched purity
standards - Strict
Compliance to
International Norms



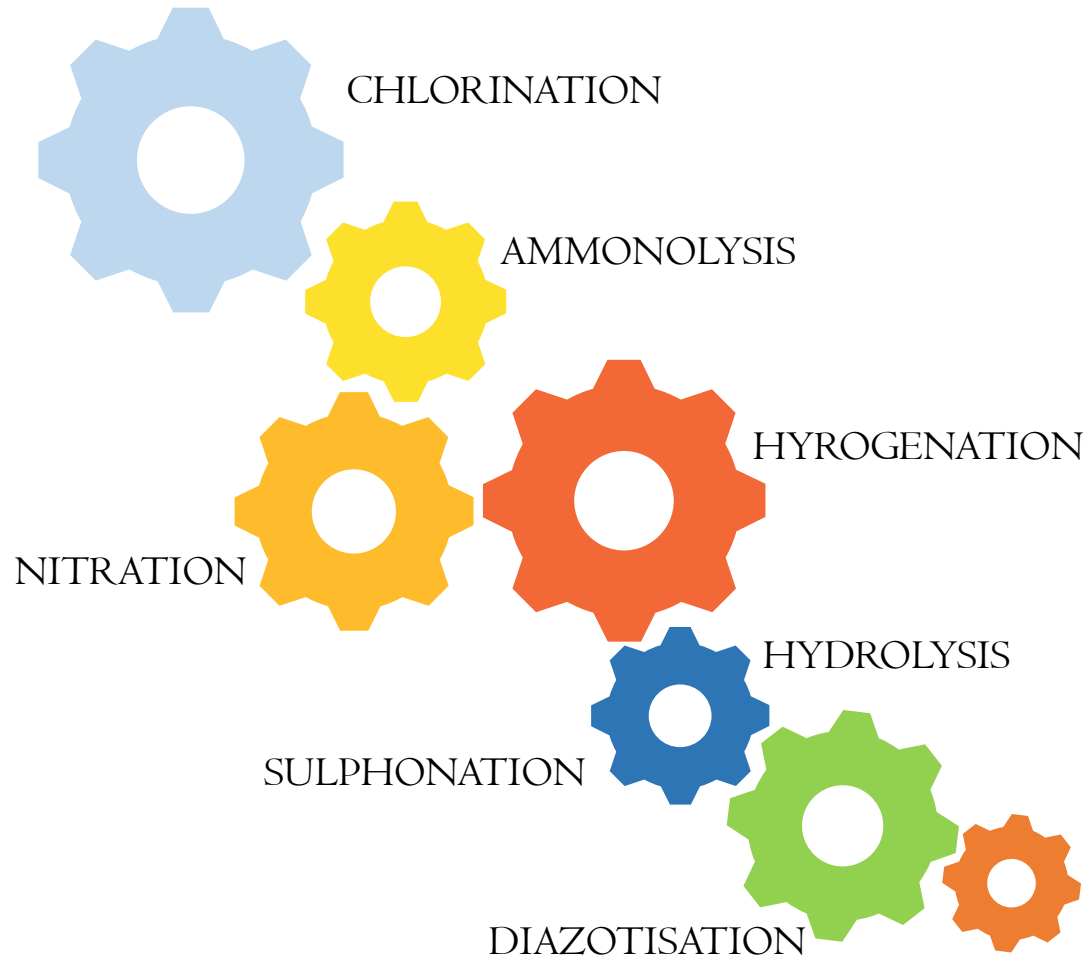
Fully Equipped
Quality Control Labs
& R&D Facilities



Profitable Product
Selection to capture
complete
Value-chain



Technologically
driven to optimize
process and reduce
costs



Existing Products

MCB
MNCB
ONCB
PNCB
3,3 Dichloro Benzidine
Para Nitro Aniline
HCL
2, 4 Di Nitro Chloro Benzene
WSA
Di Chloro Benzene

Up-coming Products

Expansion of Nitro Chloro Benzenes
Sulphuric Acid
OA & FRBB
Sulphur trioxide based Specialty Chemicals
Oleums 25% & 65%
Chloro sulphonic acid
Thionyl Chloride
Di methyl Aniline
Di methyl Sulphate

Development of Newer and Niche Value-added Products and Process Chemistries

Multiple End-users



AGRO CHEMICALS



PHARMACEUTICAL INTERMEDIATES



PRINTING INK



PHARMA



PETROLEUM REFINING



PIGMENT & DYE INTERMEDIATES



TEXTILE CHEMICALS



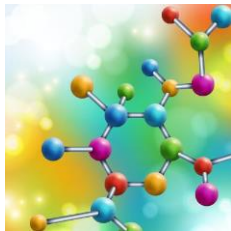
COSMETICS & COLORING AGENTS



SYNTHETIC DETERGENTS & FABRIC SOFTENERS



PRESERVATIVE FOR WINE, PAPER, FOOD



SPECIALITY CHEMICALS



METAL PROCESSING

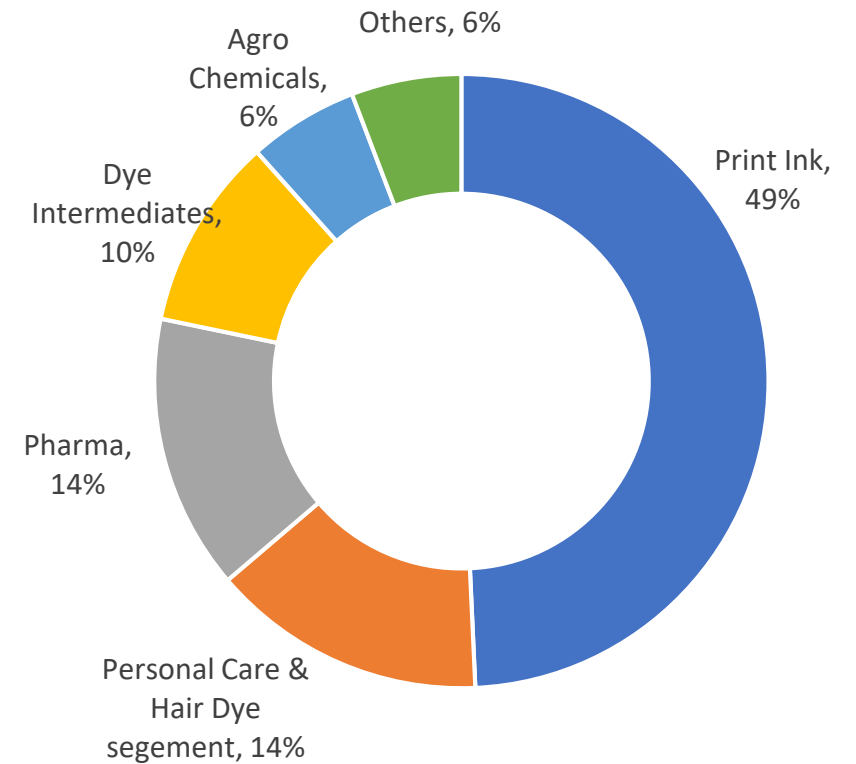


PAINTS & COATING



AERONAUTICAL FUEL POLYESTER/ VINYL RESINS

Industry-wise Revenue Breakup – FY18



IT'S ALL ABOUT
RELATIONSHIPS



Long term Relationships

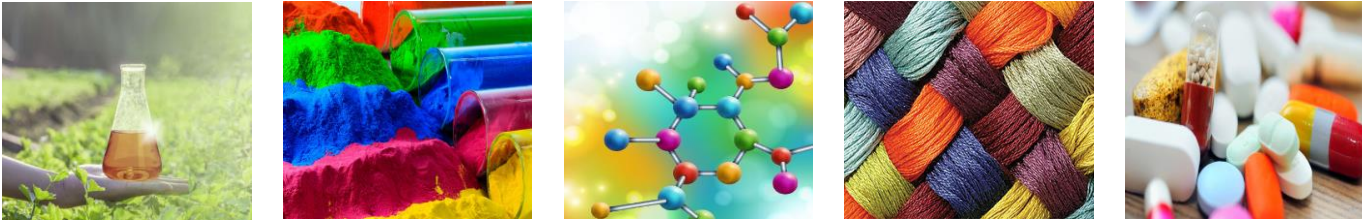
Increase Product Offering to
Customers

Technical Sales Support given to
Customers



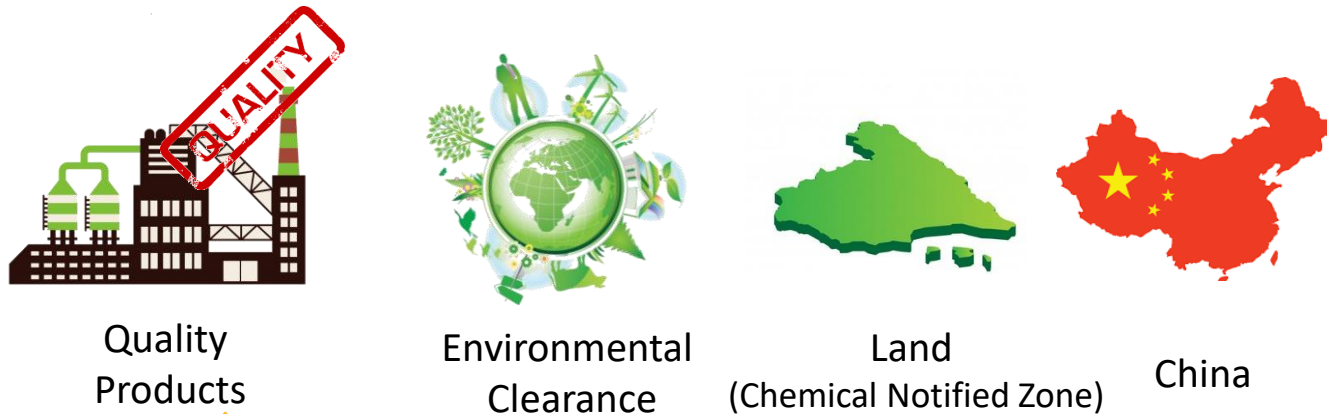
No Customer contributes more than 10% of Revenue

Growing End-user Demand



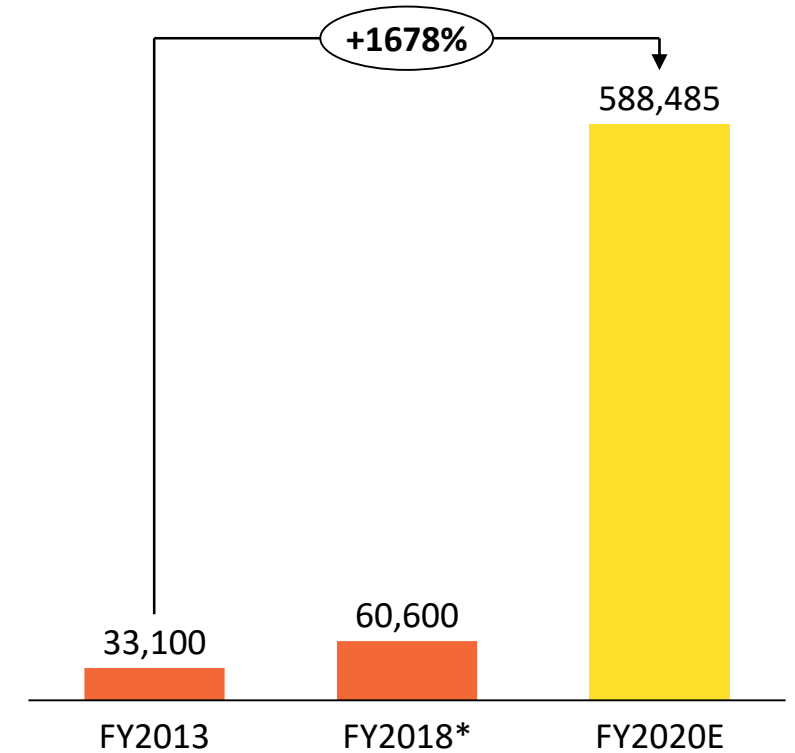
End-User expected to grow at 9% CAGR over next 7 years to reach \$90 Bn by 2023

Our Competitive Edge



*Incl. Proposed expansion of PNA by 4,000MTPA

Capacity Expansion (MTPA)



Our Technology Partners



[projects and plants for the chemical industry]

SULZER



THERMAX

De Dietrich
PROCESS SYSTEMS



MONSANTO



Unmatched Product Quality – Improved purity of some products from 93% to 99.99%

Strict Compliance to International Norms

Fully Equipped Quality Control Labs & R&D Facilities – Kilo to Pilot Plant

Technology driven to optimize process and reduce costs – works with the best Technology providers and PMC's in the industry

Phase II

- Highly experienced and reputed EPC contractors
- German Technology Suppliers
- Successful track-record of more than 105 years backed by performance guarantee

- State-of-the-art, cutting edge, continuous, fully automated process technology

- Executing confidentiality and copyright agreements with its technology suppliers restricting sale of technology acquired, for next 20 years

- License, Process Know-how and Engineering package for patented technology

Lowest cost producer in the World for the products under set-up



Mr. Ashok G. Rajani
Chairman & Managing Director

- A Rank holder in Chemical Engineering from L.I.T. Nagpur, he started his career with Union Carbide, Mumbai, where he worked for 6 years
- He has over all 40 years of experience in the industry & being a technocrat, he is able to guide his team of professionals to achieve new milestones for themselves & the company
- Mr. Rajani brings forth his vision to create a global manufacturer for specialty chemicals and leads the company
- He has been resourceful and exemplary leader to support company's endeavors from time to time with capital and guidance



Mr. Amrit A. Rajani
Chief Operating Officer

- Mr. Amrit is son of Mr. Ashok Rajani, has been associated with Seya, since 2010
- He is a Gold Medalist in Chemical Engineer from the University of Mumbai with 17 years of varied experience in Sales, Purchase, Project Management, Operations, Corporate Planning, Finance and Business management in Chemicals and Infrastructure Industry
- He has been instrumental in carrying out various large scale expansion projects to enter new chemistry's and products to expand company's offering to its customers

with Strong Senior Management team

Mr. Asit Kumar Bhowmik **Executive Director**

- He is a Chemical Engineer with more than 40 years of experience in Chemical Industries and has worked with Hindustan Insecticides Ltd, Udyogamal Unit (Kerala) and Rasayani Unit (Maharashtra) in various capacities
- He has been with the Company since last 24 years and held various strategic positions in Production and Operations Management
- He was successful in overcoming various basic bottlenecks and commissioned MCB, PNCB and ONCB plant

Mr. H N Desai **Sr. Vice President**

- He has more than 40 years of Experience in Project Management & Execution, and has served as a vice President for more than 25 years with Piramal Healthcare Ltd
- He is serving the Company with his enriched experience and knowledge as a Sr. Vice President since last 6 years
- He is leading the Project team and is mentoring the team members in methodology and consulting excellence and encouraging best practice in Project Management and Project Planning

Mr. Raj Kumar Sinha **Vice President**

- He is a M. Tech (Chemical), B. Tech (Chemical) and B.Sc. (Hons) with experience of 35+ years in the field of Chlor-Alkali and allied Chemical Industries
- His main skill areas are in Plant operation & maintenance, Projects, Modification and Development, Feasibility Study, HSE, Process Optimization etc.
- He is a life member of Indian Institute of Chemical Engineers and has successfully completed more than 120 nos. of E-learning Courses on Leadership and Project Management

Mr. Bijay Mohapatra **Vice President**

- He is a B Tech (Chemical Engg.) from LIT, Nagpur having 31 years of varied experience in the field of Refinery, Petrochemicals and Fertilizers. He has also PGDM in Finance & IT
- His expertise are in the areas of Project Management of Large-Scale Greenfield Project, Conceptual Engineering, Commissioning, Troubleshooting, and debottlenecking, Plant Operations and Production Management

Mr. Satish Kewalramani **Vice President**

- He is a B. Tech from Nagpur University brings on table, global experience of various countries like Brazil, Germany, China, Iraq, Japan, Saudi Arabia, United Arab Emirates, United Kingdom and USA etc
- He has independently handled responsibilities of Project Conceptualisation to Project Commissioning
- He was associated with Giants like Monsanto Inc, USA, Rama Group, India, Vidarbha Phosphates & Fertilizers Ltd and Al Arab Power, Saudi Arabia are few names among other



Product Selection

Integration

Efficiencies

Product Selection



Growth by way of Right Product Selection

Seya Industries – Till FY14

- ✓ MCB
- ✓ ONCB
- ✓ PNCB

Phase I Expansion (FY15)

Downstream products

- ✓ 3,3 DCB
- ✓ 2,4 DCB
- ✓ PNA

Phase II Expansion (FY20E)

Horizontal expansion,
backward integration &
Value added products

- ✓ Expansion of Nitro Chloro Benzenes
- ✓ Sulphuric Acid
- ✓ OA & FRBB
- ✓ Sulphur trioxide based Specialty Chemicals
- ✓ 14 MW Power

Profitable Product Selection to capture complete Value-chain

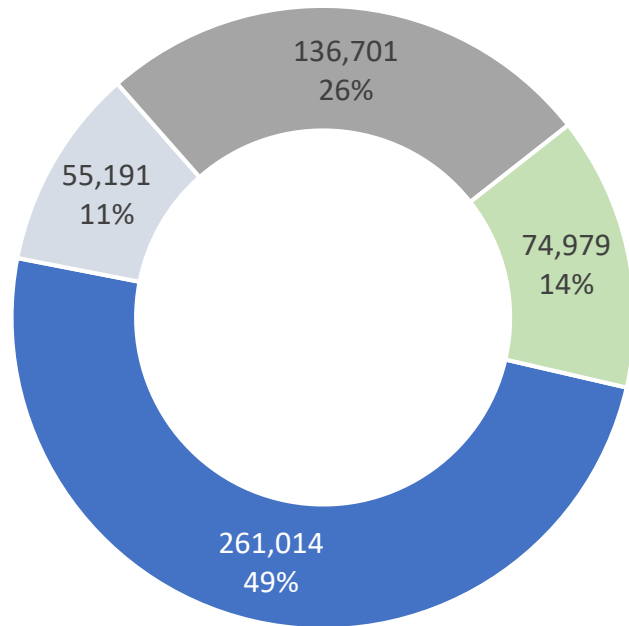
“De-risked Portfolio with diverse Products addresses different End-user applications”



India's only Single Location – Fully Backward Integrated Benzene based Specialty Chemicals Manufacturer

Multiple levers of Growth

Capacity Distribution Quantity (MTPA)

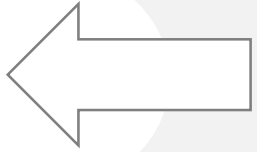


- Captive Consumption
- Existing Product Sales to Existing Customers
- New Product Sales to Existing Customers
- New Product Sales to New Customers



Integration





Backward Integration

- Cost Savings,
- De-risking Material Sourcing,
- Reducing Risk of Handling Hazardous
- Corrosive Raw Material

Sulphuric Acid (98%)
Mono Chloro Benzene



Forward Integration

- High-Value Products
- Serving Existing Customer with Strong Long-Term Relationship

Ortho Anisidine, Fast Red B Base, Di Methyl Sulphate (DMS)
Di Methyl Aniline (DMA),
3 Di Chloro Benzidine, 2, 4 Di Nitro Chloro Benzene, Para Nitro Aniline,



Horizontal Integration

- Product, Industry & Customer Diversification
- Value-addition – Moving up the Value chain

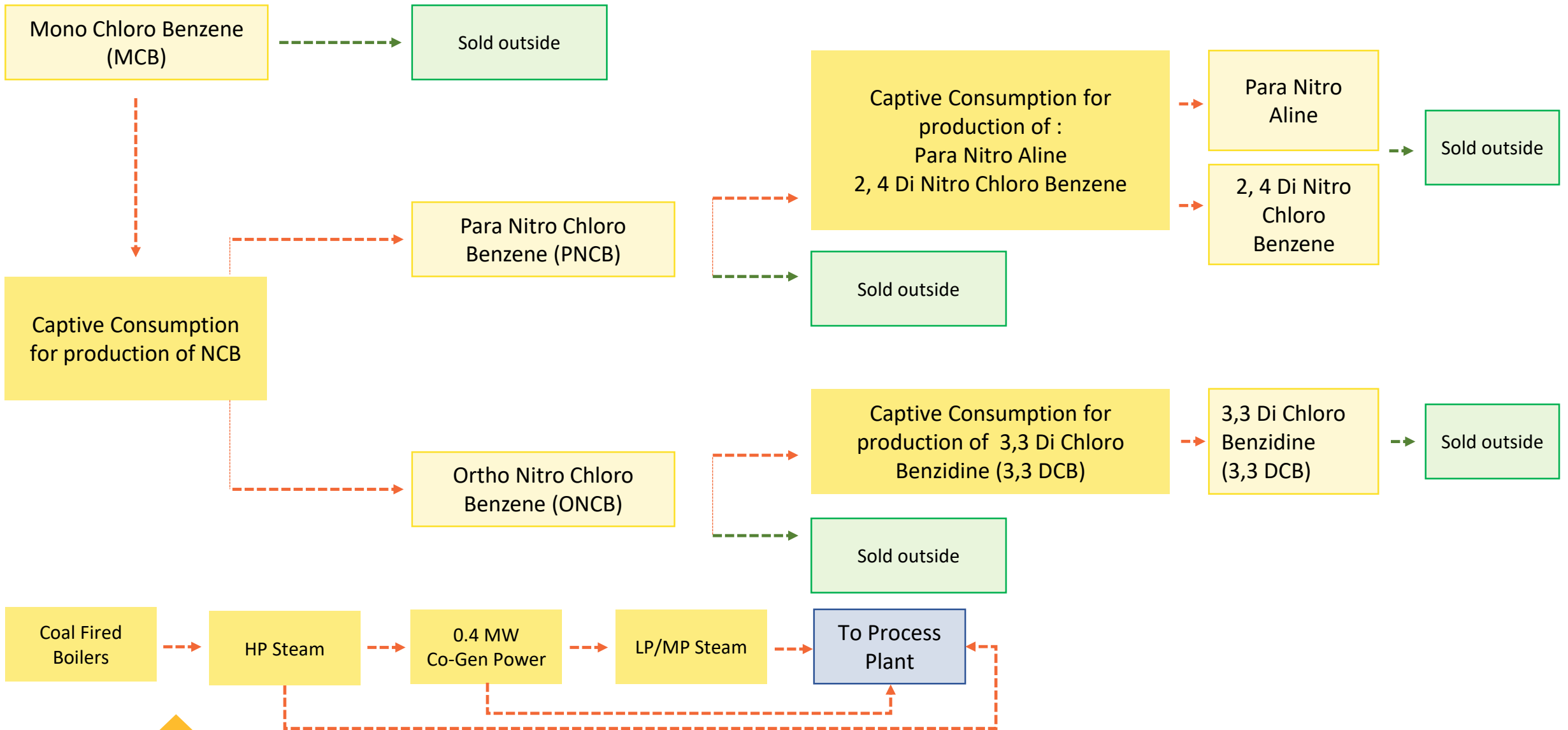
Oleums (24/65%), Liq. Sulphur Trioxide (SO3), Thionyl Chloride (TC)
Liq. Sulphur Di Oxide (SO2), Chloro Sulphonic Acid (CSA), Ortho Nitro Chloro Benzene, Para Nitro Chloro Benzene

Phase II - Project Rationale

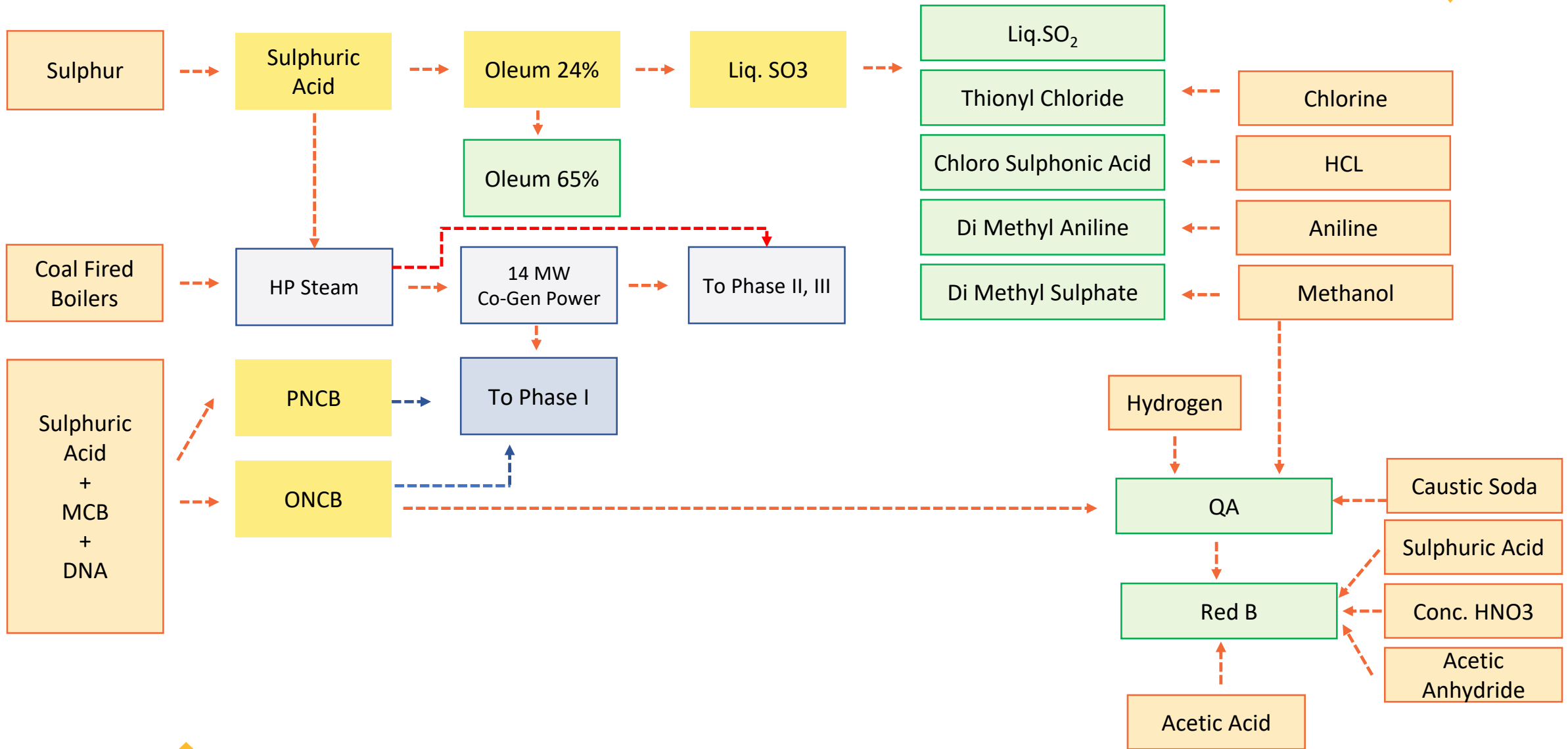
Particulars	Savings
Raw Material Cost Savings	Bulk Raw materials & Intermediates presently procured at 1.5 time Procurement & Logistics Cost Savings > INR 100 Crores p.a.
Recycle & Reuse of By-Products	Captive Utilization of By-Products for fast moving Value-added products: Savings > INR 37 Crores p.a.
Free Captive Generation from Process Waste Heat	8 MW Free Power from Process Waste Heat Recovery Power Cost Savings > INR 60 Crores p.a.
Other Integration Benefit	Value addition, Diversified Product mix, New Industry Applications, Long-term Customer Satisfaction & Loyalty

Integration of Phase I & Phase II for unlocking the value

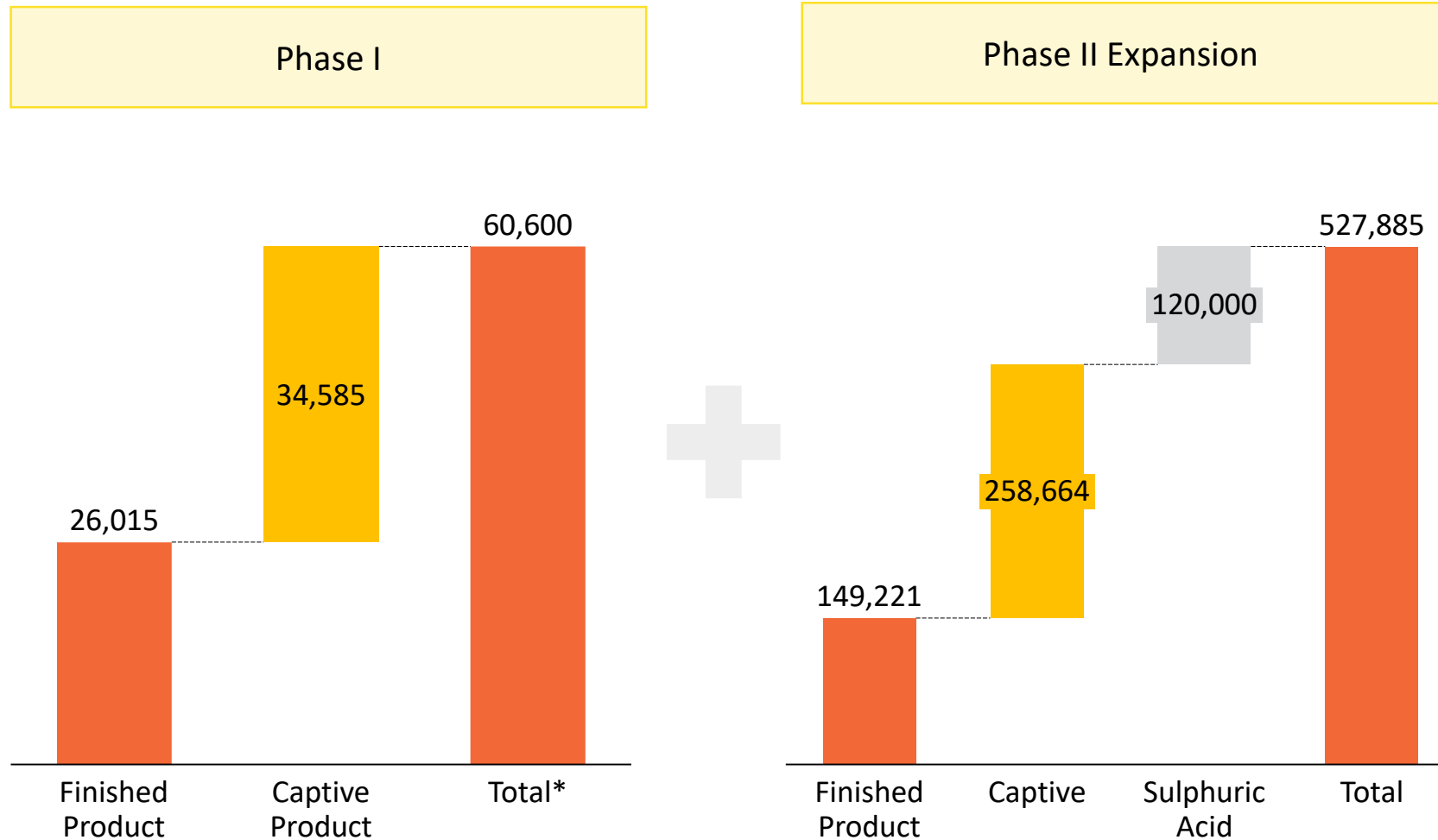
Phase I: Manufacturing Process



Phase II: Manufacturing Process



Post Expansion of Phase II Capacities



Converting -ve realisation product:

Hydrochloric acid to Profitable product: Chloro Sulphonic acid

Higher requirement of Sulphuric acid for manufacturing

- Reduces transportation & handling risk
- Steam Generation reduces Power cost

Project is expected to contribute additional Rs. 10-12bn in Revenue with EBIDTA margins on similar lines of present manufacturing operations

*Incl. Proposed expansion of PNA by 4,000MTPA



- ✓ Global Size Manufacturing Plant driven by the latest world class State of the Art Technology
- ✓ Near “All – Weather” International ports viz., JNPT, Dahej, Kandla & Mundra
- ✓ Proximity advantage of Chlor Alkali and Fertilizers Plants & Refineries for consistent supply of key raw materials
- ✓ Certification equivalent to ISO 9001 : 2000, ISO 14001 : 2004 & OHSAS 18001 : 1999
- ✓ Captive Back up Power Generation to ensure continuous and Quality Power

Cost Efficiencies:

- Transportation cost
- Handling cost
- Effluent Treatment cost
- Raw Material & Energy cost
- Manpower cost

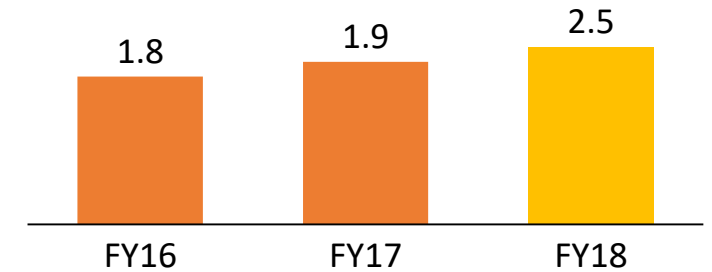
India's only Single Location – Fully Backward Integrated Benzene based Specialty Chemicals Manufacturer

Phase I & II integration, will lead to economies of Scale & better Profitability

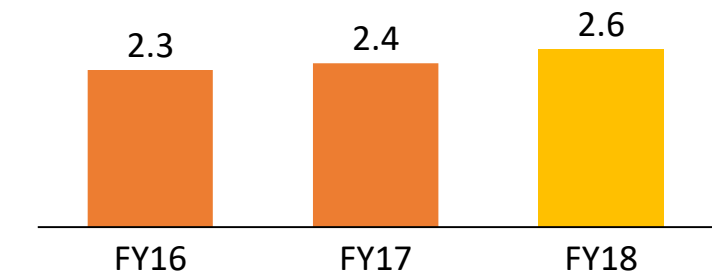


Fully Automated Plant – Leading to Cost Efficiencies

Avg. Employee Cost
(Rs. In Lacs/yr)*



Fixed Cost as % to Sales



Emerge as one of the Highest Quality at lowest cost producers of Benzene derivatives in the world

R&D is our Core Competence

From scientific conceptualization-to-Plant scale-up-to-
Customer end-use



RESEARCH & DEVELOPMENT



Maintaining a strong foundation in the science of our
current product lines



Improving process
capabilities



Developing new products
to meet
Target market needs



Delivering superior
technical service and
technical dialogue with our
customers



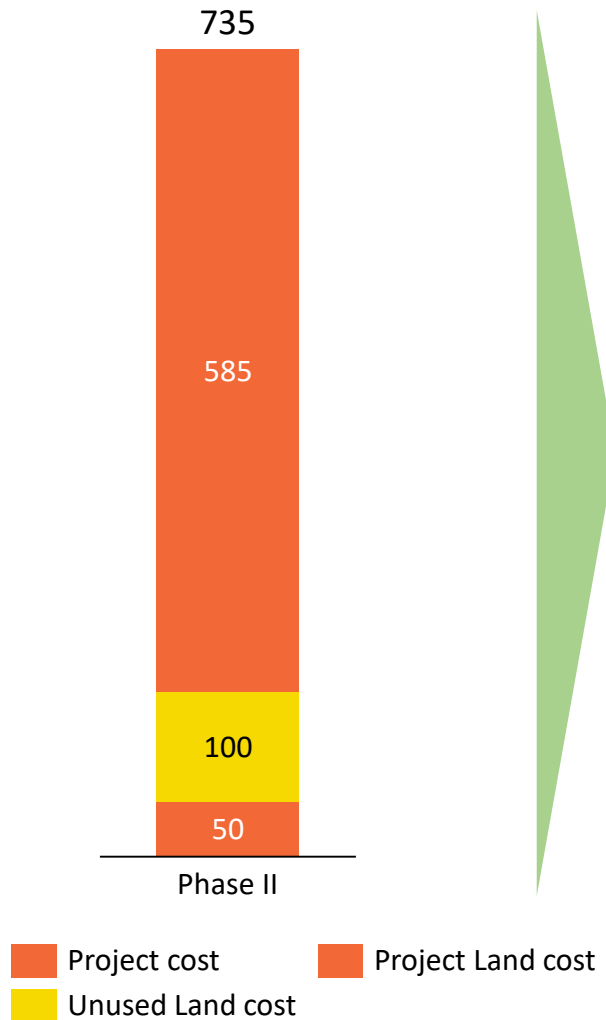
Reducing
manufacturing costs

Unmatched Product Quality – Improved
purity of some products from
93% to 99.99%



Execution of Strategy on Track

Phase II (Rs. In Crs)



Rationale

Additional Installed Capacity:

527,900 MTPA,

- ✓ 50% Capitive Consumption
- ✓ 30% for existing customers
- ✓ 20% to substitute import

Additional Revenue expected:

10-12 bn at **80%**
utilization

Debt to Equity

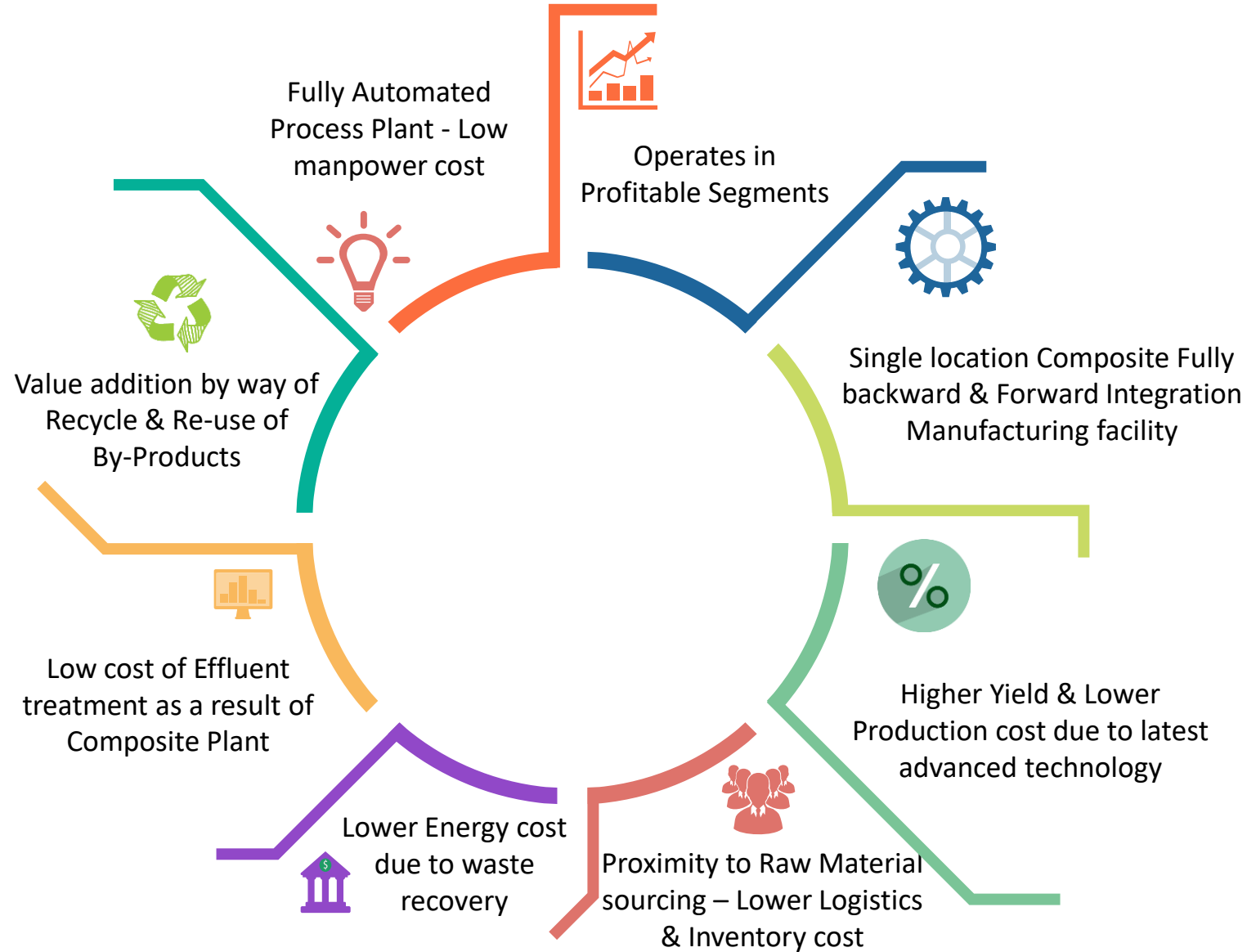
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Current Project Completion
Status:

60%



Key Takeaways



Financial Highlights

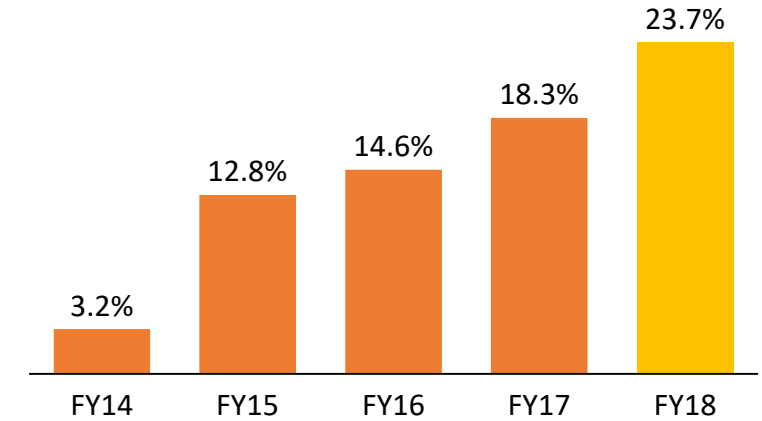


Strong Capital Employed

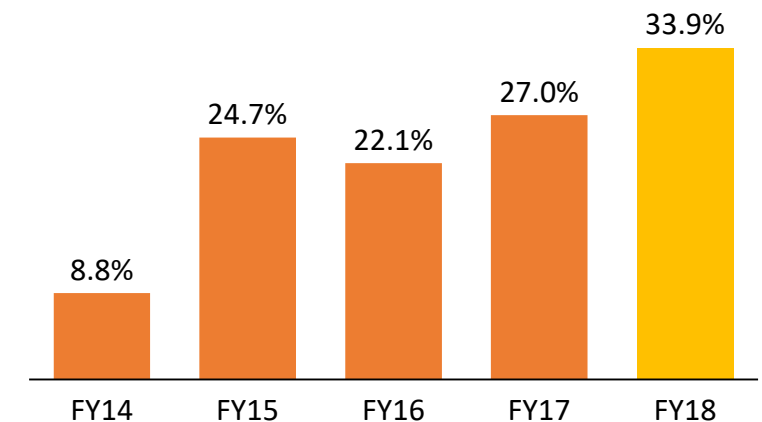


Particulars (Rs in Cr)	FY14	FY15	FY16	FY17	FY18
Equity = Share Capital + Reserves & Surplus	52.1	65.1	89.1	366.6	737.3
Quasi Equity: NCRPS	370.2	386.0	409.0	234.1	234.1
Total Equity	422.3	451.1	498.0	600.7	971.4
Long Term Debt	42.9	37.1	89.8	93.3	221.0
Current Maturities	5.1	6.9	6.6	6.6	22.2
Total Long Term Debt	48.0	44.0	96.4	99.9	243.2
Unsecured Loans	17.2	47.1	39.1	57.3	70.4
Short Term Debt	65.2	91.1	135.5	157.1	313.6
Capital Employed = Total Equity + Total Long Term Debt + Unsecured Loans + Short Term Debt	487.4	542.2	633.5	757.8	1,285.0
Less: Unutilised Gross Block (Land for Future Expansion)	211.4	211.4	211.4	211.4	211.4
Less: Land Revalued with Fair Market Value as per IND - AS 16	-	-	-	-	314.2
Less: Capital Work in Progress	90.3	145.6	160.9	213.5	375.7
Net Capital Employed	185.7	185.2	261.2	332.9	383.6
EBIT	5.9	23.6	38.2	60.9	91.0
ROCE = EBIT / Net Capital Employed	3.2%	12.8%	14.6%	18.3%	23.7%
Net Capital Employed excluding Short Term Debt	168.5	138.1	222.1	275.6	313.3
EBITDA	14.8	34.2	49.0	74.5	106.1
ROCE = EBITDA / Net Capital Employed excluding Short Term Debt	8.8%	24.7%	22.1%	27.0%	33.9%

ROCE = EBIT / Net Capital Employed

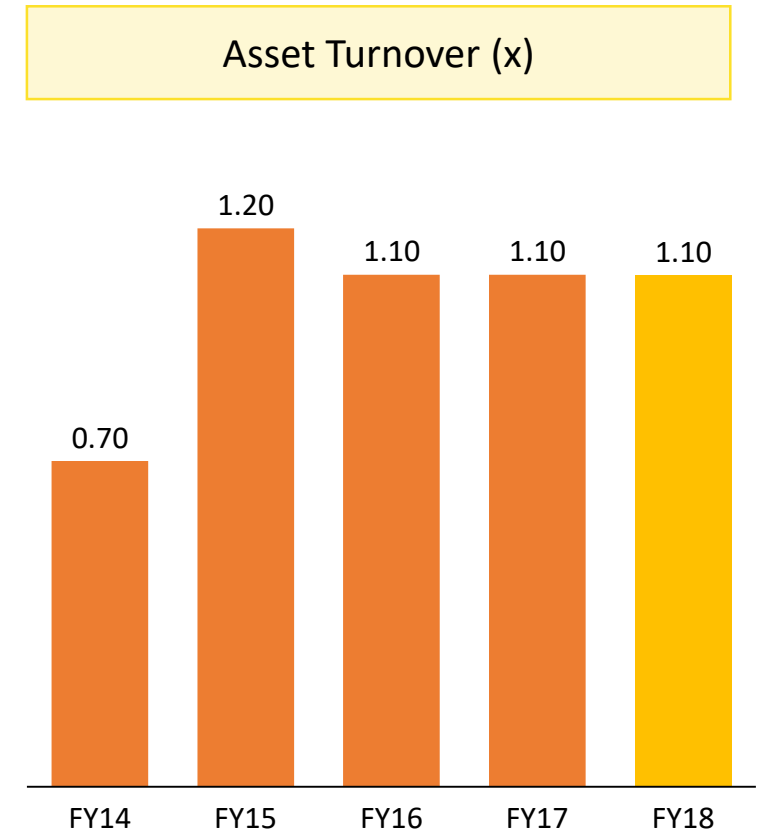


ROCE = EBITDA / Net Capital Employed excluding Short Term Debt



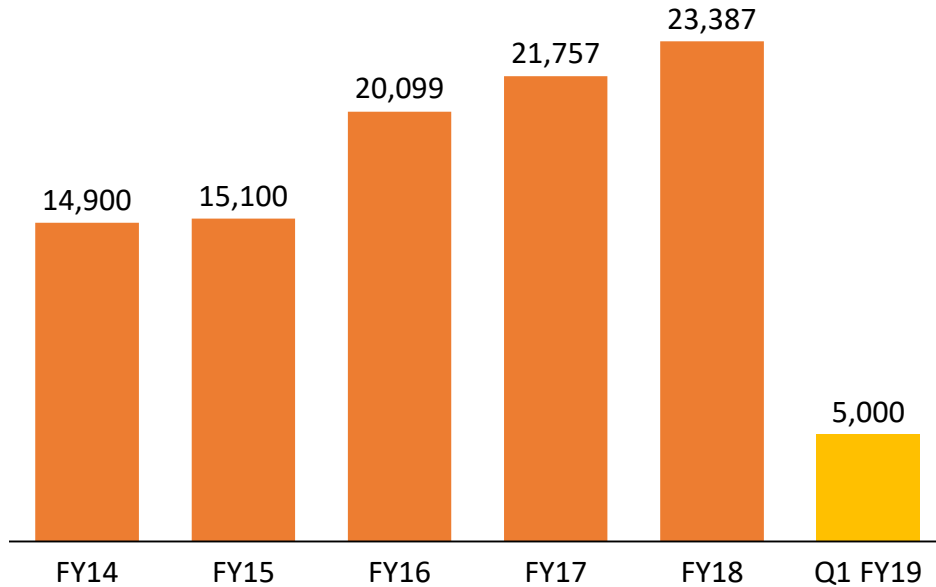
Stable Asset Turnover

Particulars (Rs in Cr)	FY14	FY15	FY16	FY17	FY18
Net Sales	131.5	247.6	275.3	308.6	346.2
Gross Block of Fixed Assets	406.2	412.1	464.9	503.1	838.8
Less: Unutilised Gross Block (Land for Future Expansion)	209.0	209.0	210.0	210.0	211.4
<i>Less: Land Revalued with Fair Market Value as per IND - AS 16</i>	-	-	-	-	314.2
Actual Gross Block	197.2	203.1	254.9	293.1	313.2
Asset Turnover	0.7	1.2	1.1	1.1	1.1

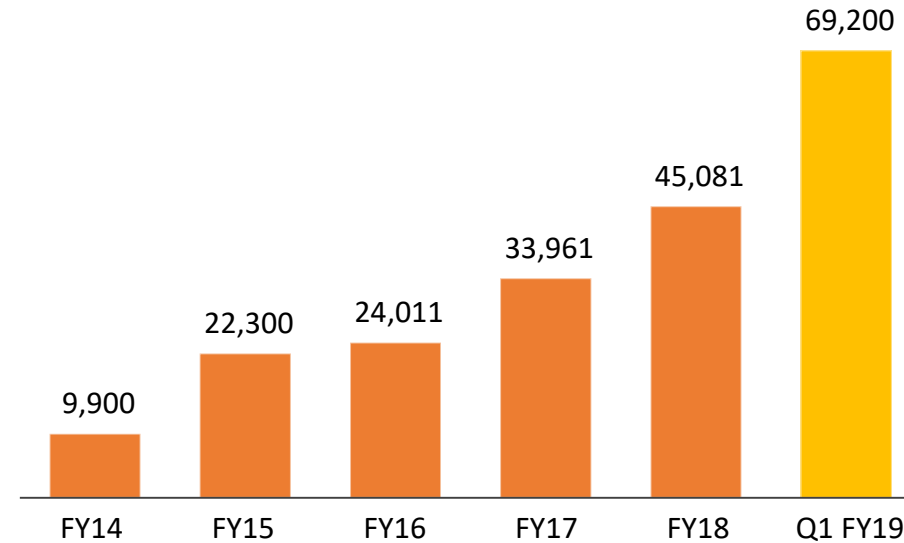


Improving Financial Performance

Sales Volume (MT)



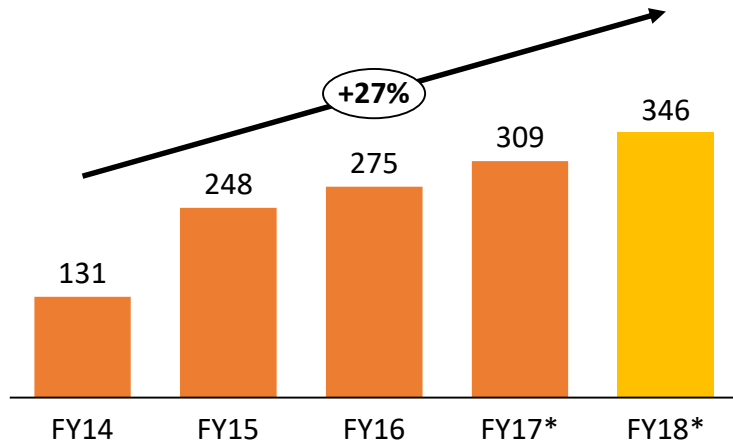
EBITDA (Rs. / MT)



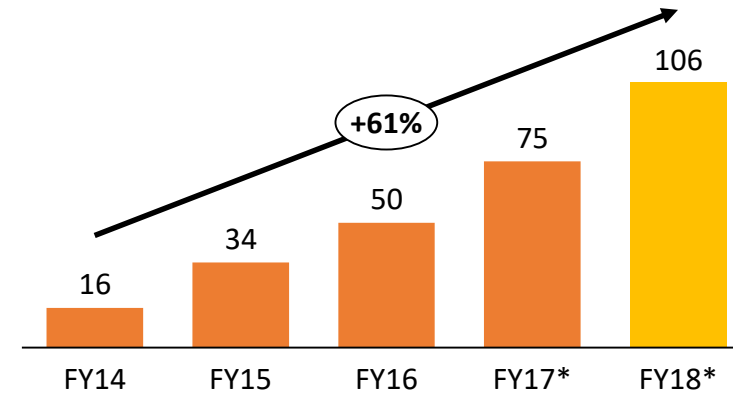
On commissioning of Phase II, expect EBITDA per ton excluding Sulphuric Acid on a sustainable basis to be ~Rs. 33,000 per ton to ~ Rs. 35,000 per ton

Performance Trend on Yearly basis

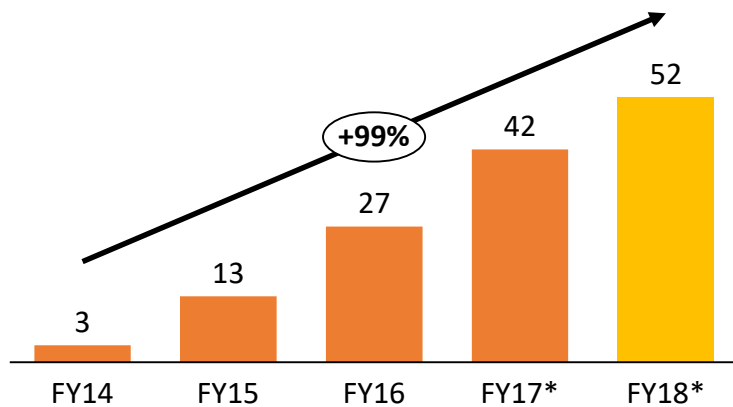
Revenue (Rs. In Crs)



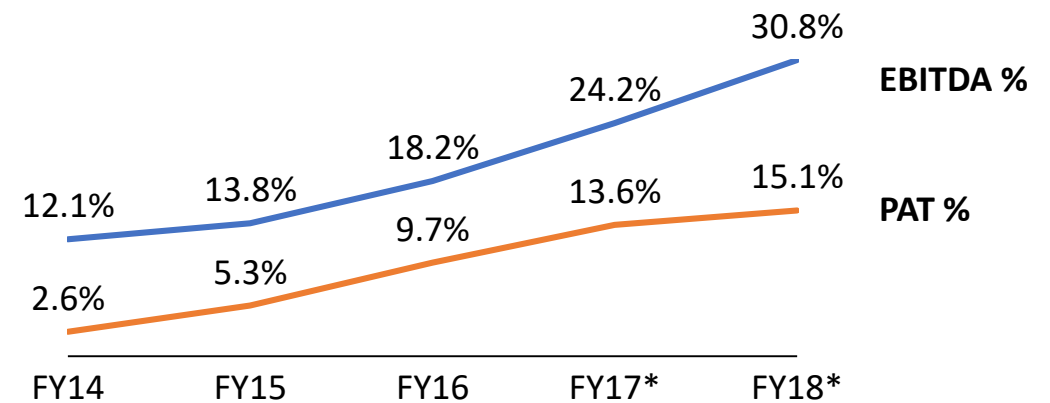
EBITDA (Rs. In Crs)



PAT (Rs. In Crs)

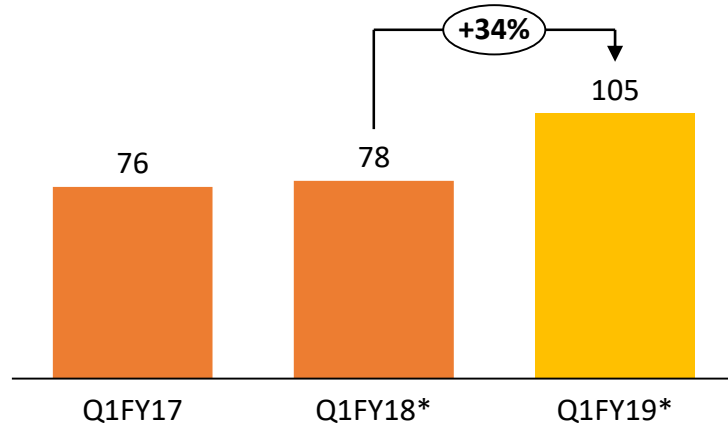


Margin

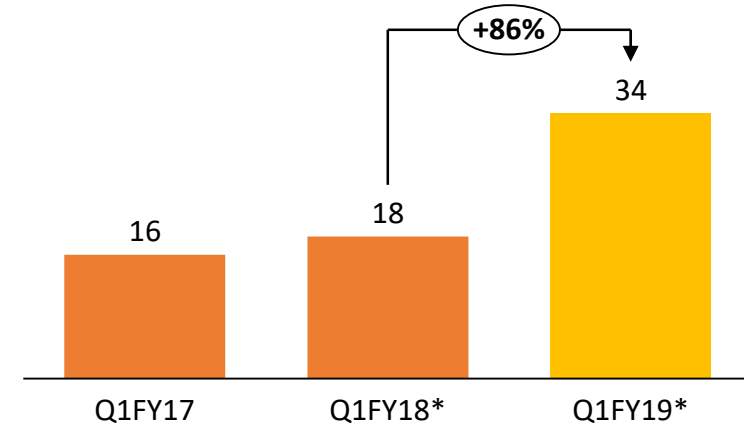


Performance Trend on Quarterly basis

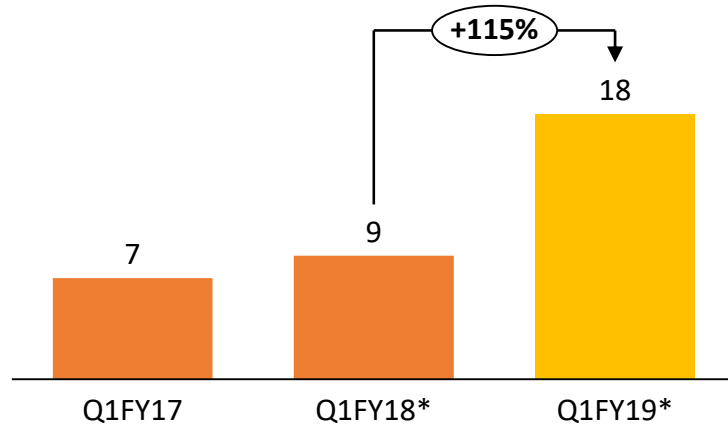
Revenue (Rs. In Crs)



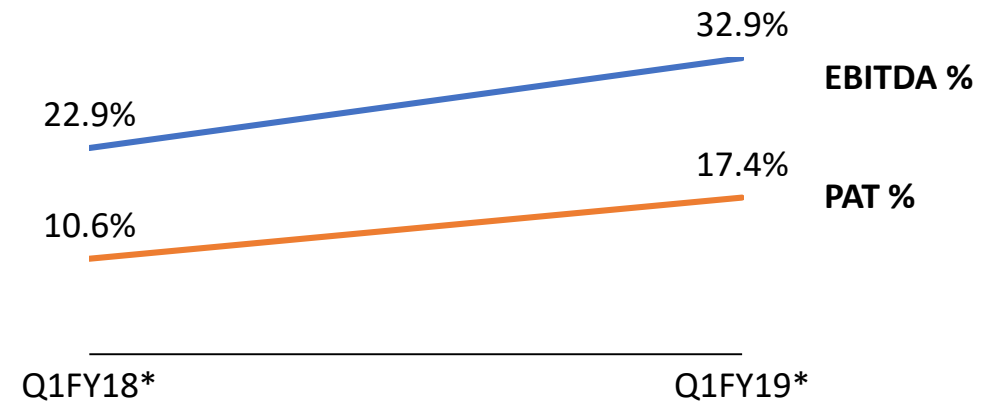
EBITDA (Rs. In Crs)



PAT (Rs. In Crs)



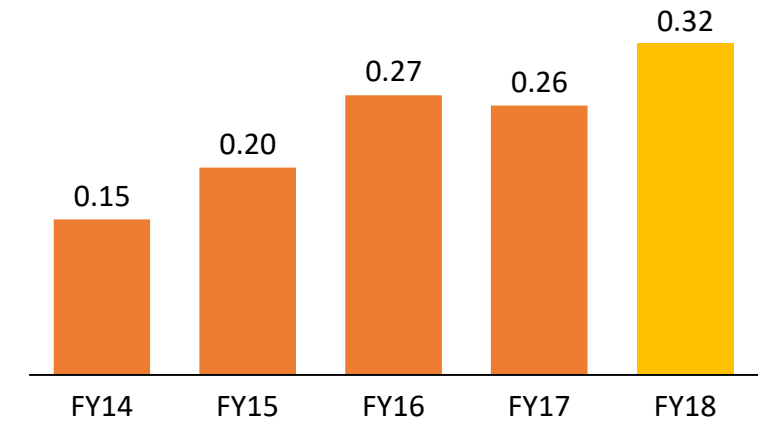
Margin



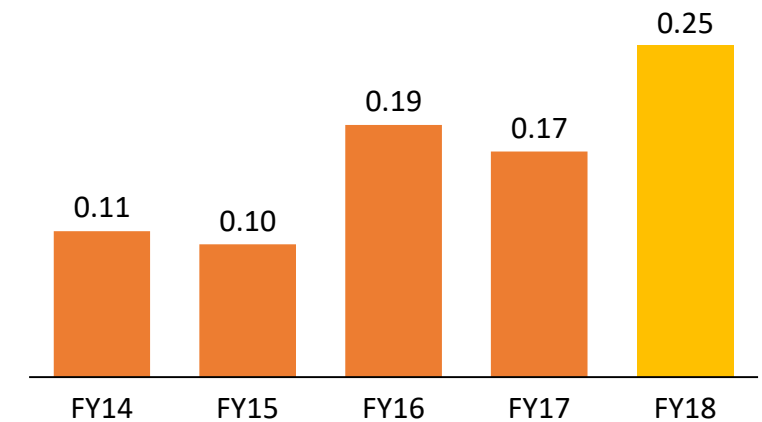
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Short Term Debt	17.2	47.1	39.1	57.3	70.4
Total Debt = Total Long Term Debt + Short Term Debt	65.2	91.1	135.5	157.1	313.6
Debt to Equity = Total Debt / Total Equity	0.15	0.20	0.27	0.26	0.32
Long Term Debt to Equity	0.11	0.10	0.19	0.17	0.25

Debt/ Equity (x)

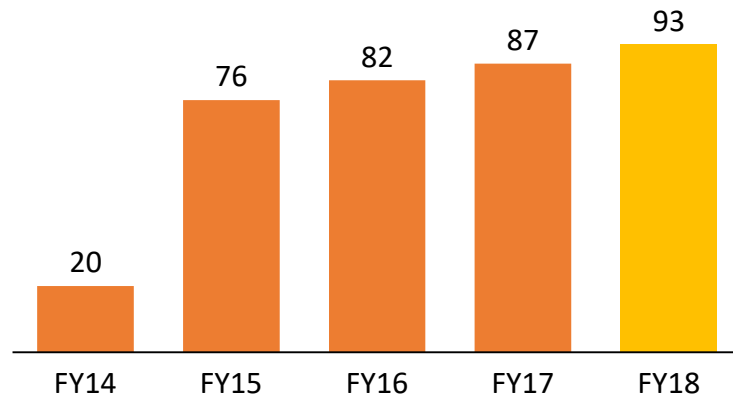


Long Term Debt/ Equity (x)

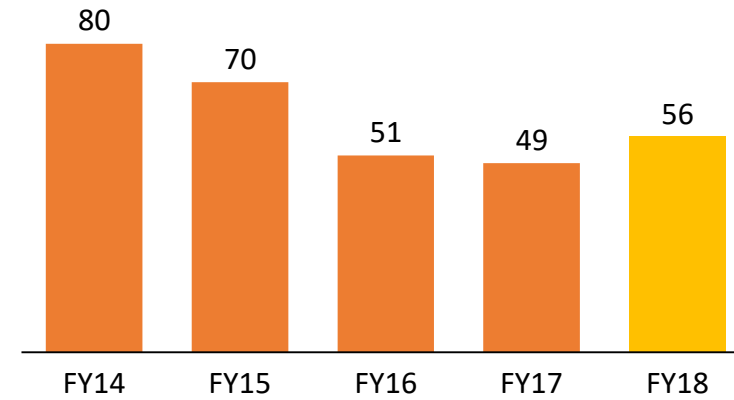


Working Capital Cycle

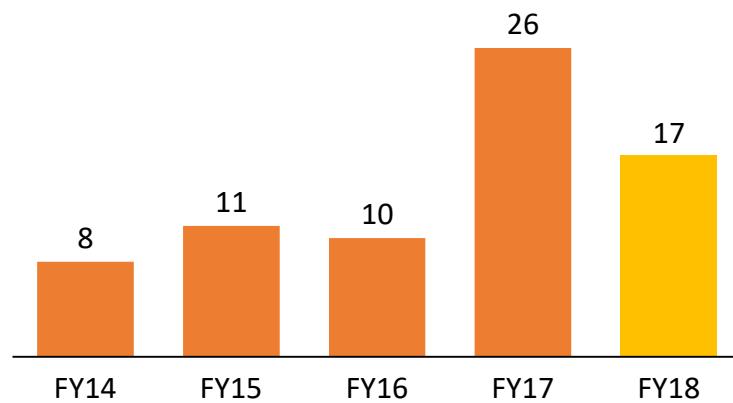
Debtor Days*



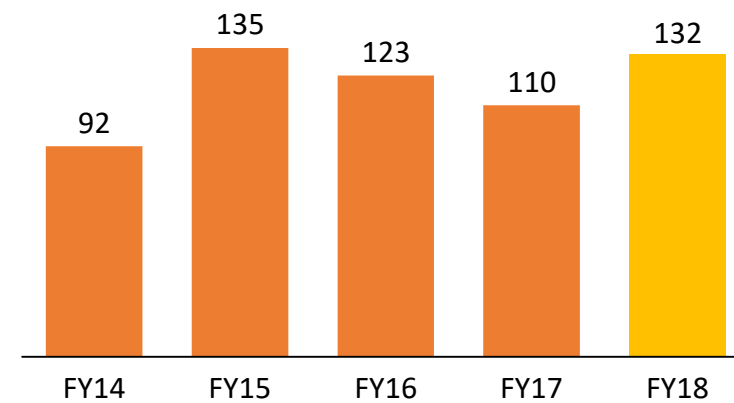
Inventory Days



Creditor Days



Working Capital Days



* Calculated on Gross Sales

FY14, FY15 & FY16 are as per I - GAAP

Standalone Profit & Loss Statement

Particulars (Rs. In Crs.)	Q1FY19	Q1FY18	YoY %	Q4FY18	QoQ %	FY18
Total Revenue (Net)	105.1	78.4	34.1%	97.2	8.1%	346.2
Total Raw Material	60.8	57.9		56.2		213.2
Employee Expenses	1.5	0.7		1.5		4.6
Other Expenses	8.6	1.4		8.6		23.0
Other Income	0.3	0.3		0.6		1.0
EBITDA	34.5	18.7	84.6%	31.5	9.5%	106.5
EBITDA (%)	32.8%	23.9%		32.4%		30.8%
Depreciation	3.9	3.6		3.9		15.1
EBIT	30.6	15.1	102.6%	27.6	10.6%	91.4
Finance Cost	4.6	4.4		4.5		17.9
Exceptional Items	0.0	0.0		0.0		0.0
Profit Before Tax	25.9	10.7	143.3%	23.2	12.0%	73.5
Tax	7.6	2.1		6.4		21.1
Profit After Tax	18.3	8.5	115.0%	16.8	9.2%	52.4
Profit After Tax (%)	17.4%	10.9%		17.3%		15.1%
EPS	7.45	4.19		6.82		23.32

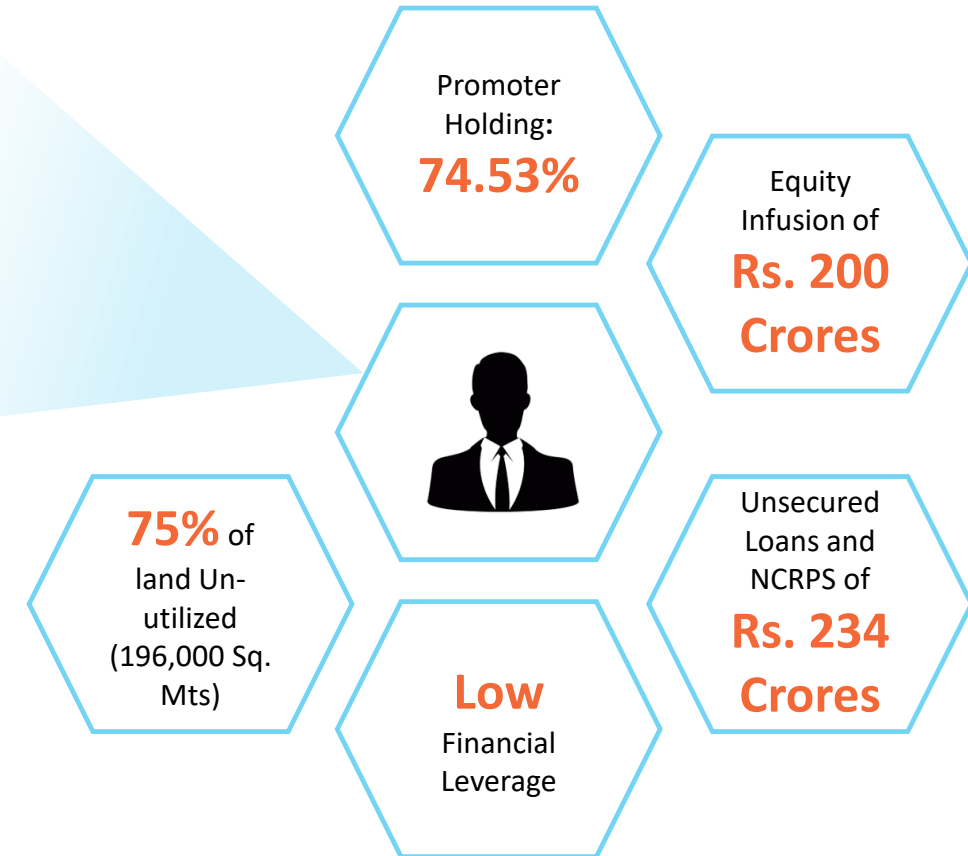
Standalone Balance Sheet

Assets (Rs. Crs.)	Mar-18
Non-current assets	1,130.3
Property, Plant and Equipment	742.2
Capital Work In-Progress	375.7
Financial Assets	
(i) Investments	-
(ii) Loans	0.6
Deferred Tax Assets(Net)	11.5
Non-Current Tax Assets	0.2
Current assets	208.0
Inventories	33.2
Financial Assets	
(i) Investments	-
(ii) Trade receivables	103.5
(iii) Cash and cash equivalents	13.8
(iv) Bank balances other than (iii)	2.1
(v) Loans	24.7
(vi) Other Current Financial Assets	
Other Current Assets	30.6
TOTAL - ASSETS	1,338.3

Equity & Liabilities (Rs. Crs.)	Mar-18
Equity	737.3
Equity Share capital	24.6
Other equity	712.7
Money Against Warrants	0.0
LIABILITIES	
Non-current liabilities	483.6
Financial Liabilities	
(i) Borrowings	455.1
Provisions	0.2
Deferred tax liabilities (Net)	25.4
Other Non-Current Liabilities	2.9
Current liabilities	117.4
Financial Liabilities	
(i) Borrowings	70.4
(ii) Trade Payables	10.1
(iii) Other Financial Liabilities	
Other Current Liabilities	25.4
Provisions	11.5
TOTAL - EQUITY AND LIABILITIES	1,338.3

Promoter Capacity and Commitment

- ✓ Promoter **infused equity** through warrants: Rs. 69 Crores at Rs. 180 per share
- ✓ **Unsecured loans** of Rs. 126.9 Crores **converted to equity** at Rs. 180 Per share
- ✓ **Equity (private placement) infusion** by Reliance Nippon Life AMC and Zillow Real Estate: Rs. 41.4 crores at Rs. 180 per share
- ✓ **Equity through warrants** to Jayesh Parmar: Rs. 7.2 Crores at Rs. 180 per share
- ✓ Promoters, unsecured loans and NCRPS: Rs. 234 Crores
- ✓ **Un-utilised land** of 196,000 Sq mts
- ✓ **Low Financial leverage**: Debt to equity of 0.71





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