



EVOLVING



Himadri Speciality Chemical Ltd

(Formerly known as Himadri Chemicals & Industries Limited)

Annual Report, 2015-16

Himadri Speciality Chemical in 2015-16

Our aspiration is to emerge as one of the leading speciality chemicals manufacturer in the world on the back of an unmatched product portfolio, cutting-edge research and best-in-class technical capabilities.

Our resolve is to enhance value of our stakeholders...

For our customers – by manufacturing high-end products

For our investors – by maximising returns on their investments

For our employees – by establishing a holistic work-life balance

For the society – by undertaking responsible initiatives

For the environment – by maintaining eco-friendliness

Himadri Speciality Chemical's performance, 2015-16

Revenues



₹1151.84 Crores

EBITDA



₹155.14 Crores

EBITDA margin



13.47%

PBT



₹(16.51) Crores

Post-tax profit



₹(12.08) Crores

Earnings per share



₹(0.31)

Long-term secured debt-equity ratio



0.48

Promoters' holding

%

48.95%

Total net debt-equity ratio



0.91

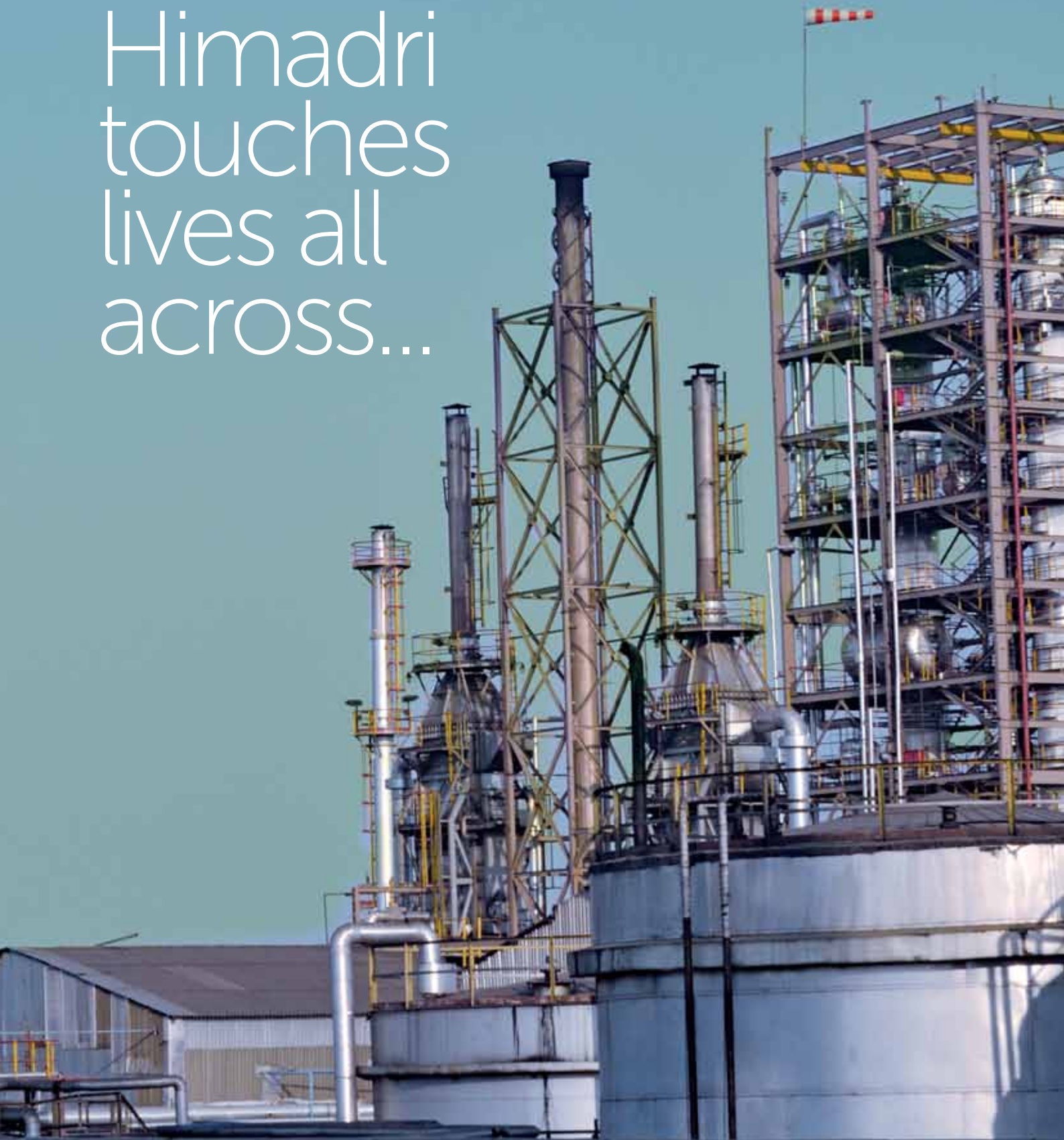
Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Himadri
touches
lives all
across...





The new Himadri logo

The new logo of Himadri Speciality Chemical Ltd is an aesthetically designed butterfly. A butterfly provides a sense of life, growth and care, which accurately showcase the values and journey of the group. Much like the butterfly, Himadri is a vibrant, ever-growing and environment-friendly company.

The different wings symbolise the multi-faceted and integrated nature of the group. The multiple wings emerge from the same focal point, signifying multiple lines of businesses, operating in close association to each other, all emerging from the same foundation – carbon.

The Himadri logo has been designed to illustrate the wings of growth. The butterfly also symbolises tenderness and care, which reflects the Group's emphasis on eco-system sustainability as well as approach towards employees and other stakeholders.

The colors yellow, orange, mauve and red evoke strength, energy and growth. The logo and colors combine the calm stability of blue and the fierce energy of red, which indicate goal planning.

The corporate name re-defined

The Company has been renamed Himadri Speciality Chemical Ltd to reflect the sphere of business that it operates in and convey its essence clearly. The evolving nature of the Company's business is reflected through the new name.

Our products are primarily speciality chemicals formulated around specific applications and used solely in performance-critical applications. The future plans and research & development initiatives are aligned towards speciality products and businesses.

Himadri manufactures

coal tar pitch used in the manufacture of aluminium, which is used in automobiles, aeroplanes, televisions, radio components, rockets, beverage cans, wires, cables, smartphones, furniture, foil wraps...



Himadri manufactures

coal tar pitch, which finds downstream use in the manufacture of graphite electrodes in electric arc furnaces.



Himadri manufactures

specialised coal tar pitch, which is used in long war head missiles.



Himadri manufactures

advanced carbon used in the manufacture of lithium-ion batteries that power smartphones, electric vehicles and digital cameras as well as airplane brakes that make flying safer.



Himadri manufactures coal tar-based thermoplastic polymeric coating, which is used as an anti-corrosive material in underground and offshore pipelines.

Himadri manufactures

carbon black used for reinforcement of elastomeric materials. Carbon black is a critical raw material in tyre and other rubber industries, inks, plastics and paints.



Himadri manufactures a range of speciality carbon black with specific applications in plastics, fibre, inks and food grade materials.



Himadri generates clean and green power, which is marketed to the state electricity grid and consumed in-house.



Himadri manufactures SNF (Sulphonated Naphthalene Formaldehyde), which enhances the performance of concrete for commercial and core infrastructure constructions.



Himadri manufactures PCE (poly carboxylate ether) which is a performance chemical used in next-generation superplasticisers to manufacture high-strength, high-performance concrete.



Himadri manufactures wood preservatives and fuel oils to replace existing varieties of furnace oils.



Himadri is one of the few integrated speciality carbon companies in the world, dedicated to creating cutting-edge products through relentless innovation.



Performance Ambition

Long-term goals

- Emerge as one of the most respected global speciality chemical companies
- Emerge among the three leading global producers of coal tar products
- Emerge among the most competitive global producers of coal tar products
- Scale capacities to address demand growth for advanced carbon products
- Address the growing needs of institutional customers
- Improve processes to create a quality-driven niche product portfolio

Immediate goals

- Maintain domestic leadership in the coal tar pitch segment
- Capitalise on the demand for carbon black arising from the tyre and speciality segments
- Expand product portfolio by focusing on value-added and market-specific products
- Foster growth via organic and inorganic means
- Reduce debt significantly

Financials

- Reported a 5-year CAGR revenue growth of 10%
- Reported a y-o-y growth of 456 bps in EBITDA margin
- Repaid ₹122.46 Crores (including conversion of debt of ₹ 62.08 Crores into equity shares), moderating the overall long-term debt-equity ratio to 0.53.

