

Press Release

Meghmani Finechem Limited gets listed on NSE and BSE announcing a stellar performance in Q1FY22

Highlights: Q1 FY22 (YOY comparison):

- Revenues up 111% at ₹ 290 Cr
- EBITDA up 124% at ₹ 92 Cr
- PAT up 107% at ₹ 37 Cr

Meghmani Finechem Limited (MFL) announced its first set of results after getting listed as an independent entity on 18th August.

Ahmedabad, August 18, 2021: Meghmani Finechem Limited made a stellar debut on stock exchanges on 18th August, as the stock got listed at ₹ 387.10 on NSE, a 180 % premium to its opening price of ₹ 138.25 (Closing price of its parent company, Meghmani Organics Ltd, on 17th May, 2021). On BSE, the script got listed at ₹ 386.35, up 180%.

The shareholders of Meghmani Organics Ltd (Face value ₹ Rs. 1 per share) were allotted shares of MFL (Face value of ₹ 10 per share) in the ratio of 1000:94. Considering the face value of both the companies at same price, ratio comes to 94 shares of MFL against 100 shares of MOL.

In addition to the listing, the company has delivered a strong operating and financial performance in Q1FY22 amidst the second wave of the pandemic. The key performance highlights are:

Q1FY22 OPERATIONAL HIGHLIGHTS:

- Capacity utilization across all the division is highest ever
- On YoY, ECU realisation for Caustic Soda improved by 12% and CMS sales realisation improved by 40%.
- H2O2 sales realisation improved by 36% QoQ
- Achieved 75% capacity utilisation of Hydrogen Peroxide in the 2nd year of operations.

FINANCIAL HIGHLIGHTS:

- Revenues 111% higher YoY at ₹ 290 Cr, driven by higher sales of Chlor-Alkali (up 92%) and its Derivatives (up 170%)
- On YoY basis, EBITDA margin increased by 190 bps to 31.9%; absolute EBITDA increased by 124% at ₹ 92 Cr in Q1FY22.
- On YoY basis, PAT increased by 107% to ₹ 37 Cr and PAT margin maintained at 12.7%
- Derivative (CMS and H2O2) segment contributed 32% to revenue from operations in Q1FY22 compared to 25% in Q1FY21
- In Q1FY22, ROCE% improved to 22.3% and ROE improved to 24.8%

STRATEGIC UPDATE:

- The expansion plan of Epichlorohydrin (50 KTPA), CPVC (30 KTPA), Caustic Soda (106 KTPA) and CPP (36 MW) are going as per schedule.

Commenting on the results Mr Maulik Patel; Chairman and Managing Director – MFL said: “The listing of MFL as a separate entity is a key milestone in our journey towards sustainable and long term value creation. We at MFL have a singular focus of creating a world-class chemicals company with strong focus on sustainability.

Our highly capable management team and our motivated workforce are ensuring that we continue our strong growth trajectory. This is also evident from the fact that we delivered on of our best operational and financial performance in Q1FY22, despite an extremely challenging environment on account of 2nd wave of Covid. Our revenue and profitability both grew 2.1x compared to Q1 of last year. We have been able to maintain our balance sheet strength and our growth have primarily been financed through strong internal cash flows. We hope to maintain similar momentum in the coming quarter and are confident of delivering superior stakeholder value. ”

About Meghmani Finechem Ltd

Meghmani Finechem Limited (“MFL”), incorporated in 2007, is a leading manufacturer of Chlor-Alkali products and value-added Derivatives. The company has state of the art manufacturing facilities in Gujarat, Dahej – a leading PCPIR region in the country. MFL’s Dahej facility is a fully integrated complex with a well-established infrastructure and Captive Power Plants. The company is India’s 4th largest manufacturer of Caustic Soda, Chlorine and Hydrogen and a leading manufacturer of Caustic Potash, Chloromethanes and Hydrogen Peroxide. The company was a subsidiary of the listed entity Meghmani Organics Ltd and is recently listed as an independent entity.

MFL is now expanding its product base to include value added derivative products like Epichlorohydrin (ECH) and Chlorinated Polyvinyl Chloride (CPVC), which are a key raw material for multiple end user industries, which are presently catered by 100% import. The company is focused on sustainable value creation for all its stakeholders and has recently been awarded with the Responsible Care certificate.