

Date: July 25, 2020

To
BSE Limited
Compliance Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400001.

Dear Sir/Madam,

Sub: Investor Presentation on the Unaudited Financial Results for the first quarter ended June 30, 2020

Ref: Security Code: 514418

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Investor Presentation of the Company on the Unaudited Financial Results for the first quarter ended June 30, 2020.

This Investor Presentation may also be accessed on the website of the Company at www.mangalamorganics.com.

We request you to disseminate the above information on your website.

Thanking you,

Yours faithfully,

For Mangalam Organics Limited



Heena Tank
Company Secretary



Encl: As above



MANGALAM ORGANICS LIMITED

Investor Presentation

First Quarter (Q1) 2020 Results
July 25, 2020

Safe Harbour Statement

This presentation and the following discussion may contain “forward looking statements” by Mangalam Organics Limited (“MOL” or the “Company”) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives are based on the current beliefs, assumptions, expectations, estimates and projections of the management of MOL about the business, industry and markets in which MOL operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond MOL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

Such statements are not and should not be construed as a representation of future performance or achievements of MOL. In particular, such statements should not be regarded as a projection of future performance of MOL. It should be noted that the actual performance or achievements of MOL may vary significantly from such statements.

Products of the Company



Executive Summary



Overview:

- The Terepene and Synthetic Resin business of Mangalam Organics Limited was founded by Late. Ramgopal Dujodwala in 1981 as Allied Colloids Private Limited and has been nurtured and handed down to two generations.
- Mangalam Organics Limited was originally incorporated as Allied Colloids Private Limited in 1981 and then the Company was converted into Public Limited Company in 1992. Further, the name of the Company was changed to Dujodwala Products Limited in 1993 and then to Mangalam Organics Limited in 2013.
- Mangalam Organics Limited is a pioneer in the field of pine chemistry. It is a leading manufacturer of terpene and rosin derivatives.
- Facility for manufacture of Rosin and Turpentine was built at Khopoli (Maharashtra) in 1988. Further facility for manufacture of Camphor was built in 1994.
- The Company manufactures the following products:
 - **#Terpene Chemistry:** Camphor, Dipentene, Sodium Acetate
 - **#Synthetic Resins:** Terpene Phenolic, Alkyl Phenolic and Rosin-based Resins
- Turpentine, as the raw material to manufacture Camphor, is imported from across the globe i.e. Brazil, Argentina, Chile, USA, Russia, Indonesia, Vietnam, China, Portugal, and Spain, among other countries.
- Mangalam's Clients for Terepene Operations – Asian Paints, Kansai Nerolac, Berger Paints, Amrutanjan, Dabur, Emami and Himalaya.
- Clients for Synthetic resin Operations – Pidilite, Henkel, Bostik and H.B. Fuller.
- Retail Clients – D Mart, Reliance Retail, Spencers and Amazon.
- MOL operates through network of 8 offices across India.

Brief Profile of Directors & Key Managerial Personnel



➤ **Mr. Kamalkumar Dujodwala – Chairman**

A Graduate in Science along with training at National Chemical Laboratory, Mr. Kamalkumar Dujodwala brings with him a 40 years of experience in the Chemical Industry and has spearheaded commissioning and operations at various facilities across India. He has been the president of the All India Manufacturers Organization and is presently the Vice President of the Indo-China Chamber of Commerce. Mr. Kamalkumar took over as Chairman of the Company in year 2007.

➤ **Mr. Pannkaj Dujodwala – Managing Director**

Mr. Pannkaj Dujodwala holds an MBA degree from Landsdown College, New Hampshire University, UK and is a Graduate in Commerce. He has been involved in the Pine Chemicals Industry for over 30 years and brings with him wide experience to oversee day-to-day activities at Mangalam Organics Limited.

➤ **Mr. Sanjay Bhardwaj – Chief Executive Officer**

Sanjay Bhardwaj is a qualified Chartered Accountant. He has been working with the Company in various capacities and departments since last 24 years i.e. from 1st November, 1994 to present. He has successfully handled various portfolios such as production, marketing, finance, human resources planning, etc. during his tenure with the Company.

➤ **Mr. Shirang V Rajule – Chief Financial Officer**

Shirang V Rajule is a Commerce Graduate having 40 years of expertise in Accounts, Finance and Taxation. Mr. Rajule is associated with the Company since last 2 decades.

➤ **Mr. Akshay Dujodwala – Executive**

Mr. Akshay Dujodwala has received his Master's Degree in Business Analytics & Consulting from Warwick Business School, London and a Bachelors' Degree in Banking and Insurance from University of Mumbai. Mr. Dujodwala has also gained an experience by working as an Associate with Universal Consulting India Pvt Ltd. Further, he has also interned at Enam Securities and ICICI Prudential AMC Ltd. He has been appointed as an Executive of the Company since September 2018 with a responsibility to head Retail Sales and Marketing department.

Our Product Portfolio and Its Application

Business Segments	Terpenes	Synthetic Resins
Products	Camphor, Dipentene, Sodium Acetate	Terpene Phenolic Resin, Alkyl Phenolic Resin, Rosin Esters
Product Applications	Camphor: Religious use, healthcare products, hygiene products Dipentene: Paints, cleaning and decreasing agents Sodium Acetate: Textile and dyes industry, leather tanning	Adhesives, tyres, rubber, chewing gum, printing ink
Retail Brands	Mangalam: Camphor tablets for pious purposes CamPure: Camphor-based home care products	
Key Customers	Asian paints, Kansai Nerolac Paints Limited, Berger Paints, Dabur, Himalaya	Pidilite, Henkel, Bostik, H.B. Fuller

Q1-FY 2020-21 Results Key Highlights

Q1-FY 2020-21 Standalone Performance:

- Revenue from Operations: INR 4869.04 Lakhs
- EBITDA: INR 1295.53 Lakhs
- EBITDA Margins: 26.61 %
- Net Profit: INR 782.66 Lakhs
- PAT Margins: 16.07 %
- Diluted EPS: INR 9.14 per share

Q1 -FY 2020-21 Operational Highlights

- The First quarter of FY 2020-21 started with a depressing note due to severe intensification of COVID-19 Pandemic and countrywide lockdown. The performance in terms of sales & profit and operations of the Company has been affected on overall basis due to restrictions on movement, lack of labour, strict restriction by societies on its members, a large number of areas under red zone, etc on containment of Covid-19 pandemic. The Revenue from Operations for Quarter June 30, 2020 stood at Rs. 4869.04 Lakhs i.e. a downfall of 40.57% as compared to Rs. 8192.45 Lakhs in quarter March 31, 2020. Profit after Tax stood at Rs. 782.66 Lakhs for the quarter ended June 30, 2020 as compared to Rs. 1246.90 Lakhs in the previous quarter March 31, 2020 showing a decline by 37.23%.
- On year to year basis, the revenue from operations of Rs. 4869.04 Lakhs as on June 30, 2020 compared to that of previous year of Rs. 9107.74 Lakhs as on June 30, 2019, there has been a decline by 46.54%. The decline of 48.01% in Net Profit of June 30, 2020 which stood at Rs. 782.66 Lakhs as compared to Rs. 1505.54 Lakhs for quarter end June 30, 2019.
- Despite global and domestic shutdown, the Company has performed satisfactorily, and the Company further expects to bounce back with the continuous efforts on improving efficiencies and margins, barring unforeseen circumstances like the present outbreak of Covid-19. Further the Company expects to achieve better results for rest of the part of FY 2020-21. The Company is also in a good position to take advantage of the opportunities available in the market.

Income Statement



(Rs. in Lakhs)

Particulars	Q1 June 2020	Q1 June 2019	Y-o-Y (%)	Q4 March 2020	Q-o-Q (%)
1. Income from Operations					
a. Revenue from Operations	4869.04	9107.74	(46.54)	8192.45	(40.57)
a. Other Income	21.37	78.01	-	(86.72)	-
Total Income from Operations (Net)	4890.41	9185.75	(46.76)	8,105.73	(39.67)
1. Expenses					
a. Cost of material consumed	1864.40	6521.54	(71.41)	3,017.59	(38.22)
a. Purchase of stock-in-trade	42.90	119.83	(64.20)	50.26	(14.64)
a. Change of inventories of finished goods, work in process and stock-in-trade	163.64	(1275.22)	-	526.93	-
a. Employee benefit expenses	530.15	542.44	(2.27)	694.19	(23.63)
a. Finance cost	46.01	152.69	(69.87)	84.26	(45.40)
a. Depreciation and amortisation expenses	216.86	155.17	39.76	319.83	(32.20)
a. Other expenses	993.79	1263.76	(21.36)	1,267.65	(21.60)
Total Expenses	3857.75	7480.21	(48.43)	5,960.71	(35.28)
EBITDA	1295.53	2013.40	(35.65)	2,549.11	(49.18)
EBITDA Margin %	26.61%	22.11%	-	31.12%	-
Profit Before Tax	1032.66	1705.54	(39.45)	2,145.02	(51.86)
Exceptional items	-	-	-	(513.95)	-
Tax expenses	250.00	200.00	-	(346.52)	-
Profit After Tax	782.66	1505.54	(48.01)	1,284.55	(39.07)
Other comprehensive Income (net of tax)	-	-	-	(37.65)	-
Total Comprehensive Income for the period (Net of Tax)	782.66	1505.54	(48.01)	1,246.90	(37.23)

Contact Details

Investor Relation efforts are coordinated by:

Mr. Manoj Mhapadi - Finance Head

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Mr. Sanjay Bhardwaj - Chief Executive Officer

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For any further information please write to

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