

Date : 10.11.2023

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex,
Bandra (East)
Mumbai-400 051

Company Code: KRISHANA

Dear Sir/Madam,

Sub: Results Presentation for the Quarter -2 for the financial year 2023-24

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Result Presentation for the Quarter -2 for the financial year 2023-24 of the Company. The same shall also be uploaded on Company's website.

The above is for your kind information and records.

Thanking You,

For Krishana Phoschem Limited

Sunil Kothari

Digitally signed by Sunil Kothari
DN: cn=Sunil Kothari, postalCode=471001, ou=Jharkhand,
c=IN, email=sunil.kothari@krishnaphoschem.com, o=Krishana Phoschem Limited,
ou=Krishana Phoschem Limited, cn=Sunil Kothari
Date: 2023.11.10 12:46:46 +05:30

Sunil Kothari

(Whole Time Director cum CFO)

DIN - 02056569

Place: Bhilwara

Date: 10.11.2023



KRISHANA PHOSCHEM LIMITED

(A Unit of Ostwal Group of Industries)



Results Presentation
Q2 & H1 FY 2023-24

Forward Looking Statement

Disclaimer:- This presentation may contains “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating Krishana Phoschem Limited (KPL) future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

KPL undertakes no obligation to publicly revise any forward looking statements to reflect future/likely events or circumstances.

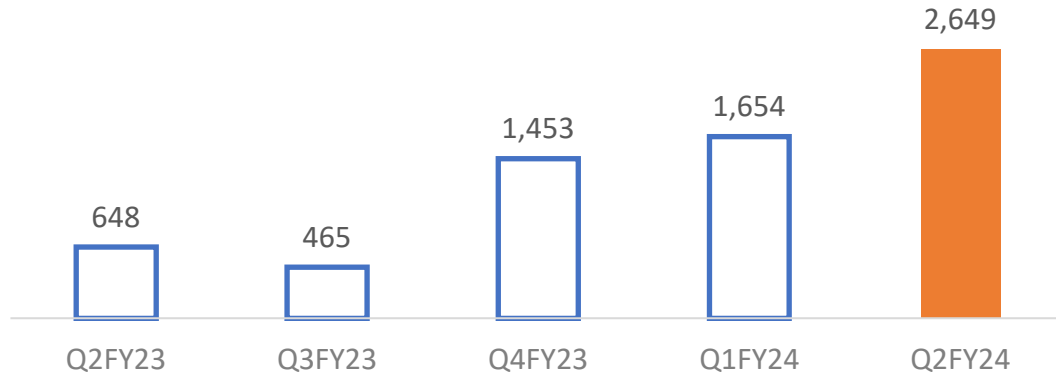
Q2FY24 Highlights



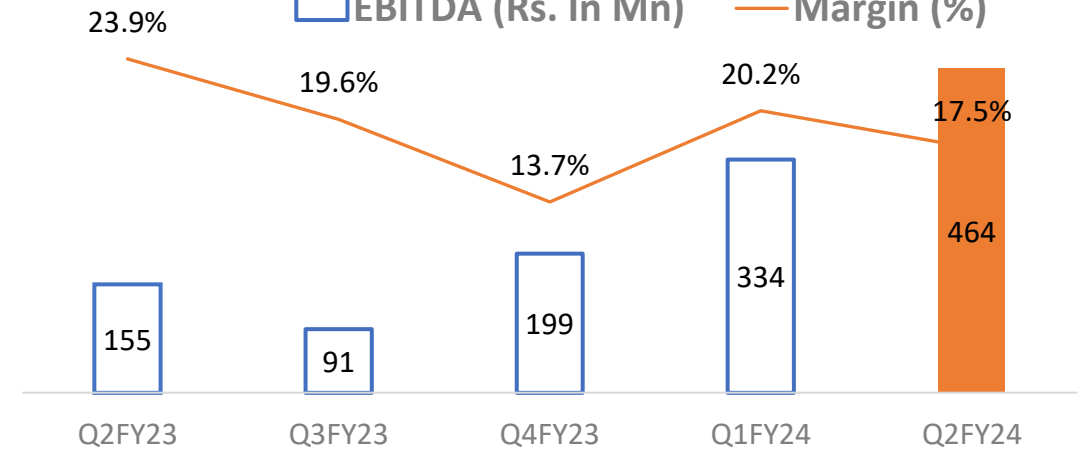
- **Q2 was focused on keeping the new capacities**
 - New DAP/NPK plant commenced in Mar 23 has reached 36% capacity utilisation
 - Phosphoric Acid plant commenced in Mar 23 has reached 30% utilisation
 - Revenue at INR 2,649 million, has grown by 309% YoY
 - EBITDA at INR 464 million has grown by 200% YoY (EBITDA Margins at 17.5%; EBITDA per ton is ~INR 7,202).
 - PAT at INR 193 mn (PAT Margins are 7.3%).
- **Launched tech-based marketing app 'Annadata Samriddhi Yojna' for the group to deepen company's connect with the farmer**
 - Enables farmers to avail incentives.
 - Will help Company to offer a range of products and farm solutions to farmers
- **Migrated to latest state of the art SAP systems in Oct 2023 for accounting, operation controls, Fixed Asset management, Audits, Inventory, Receivables Management and MIS etc.**
- Upgraded to **A Stable** by CRISIL recently

Performance Trend

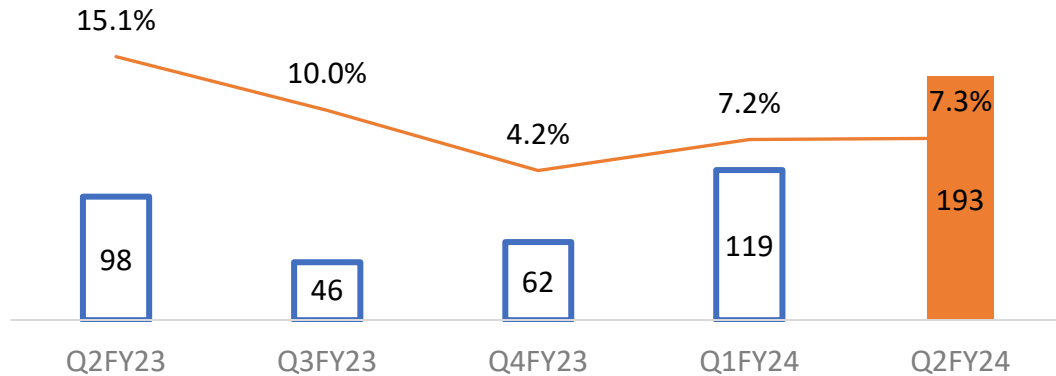
Revenue (Rs. in Mn)



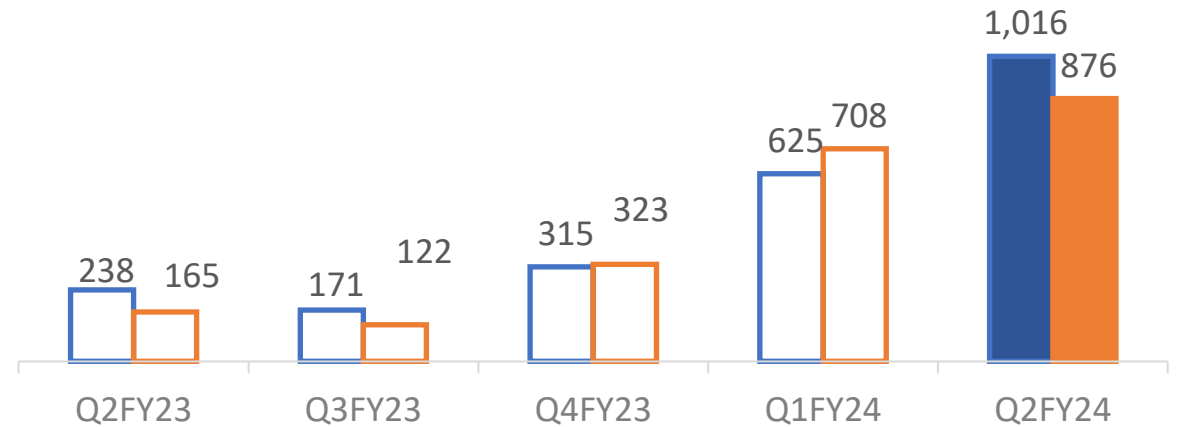
EBITDA (Rs. In Mn) Margin (%)



PAT (Rs. In Mn) Margin (%)

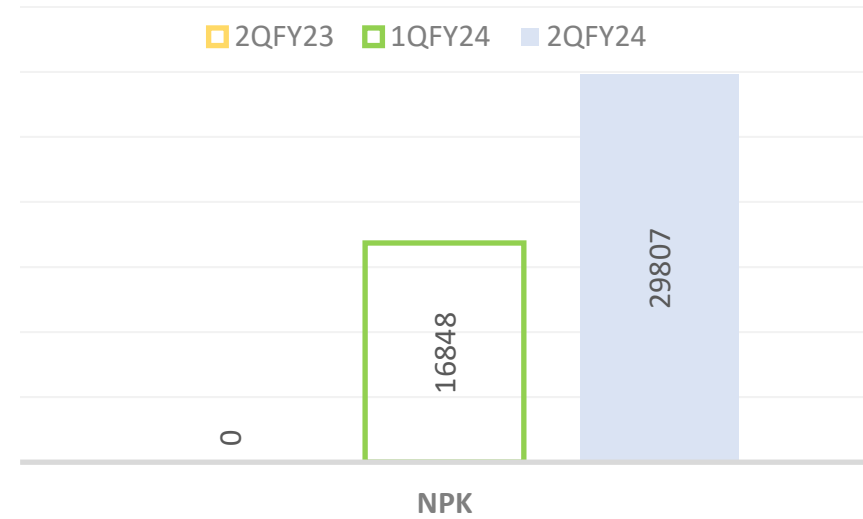
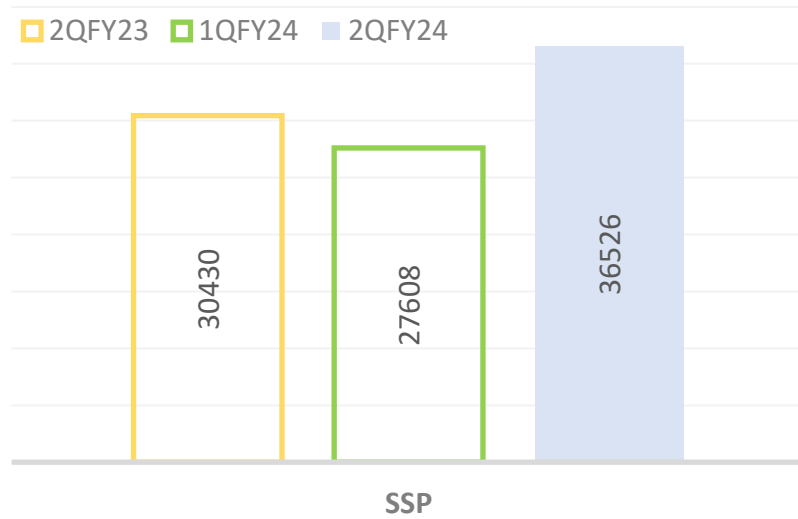


Subsidy Receivable Subsidy Outstanding (Rs. In Mn)

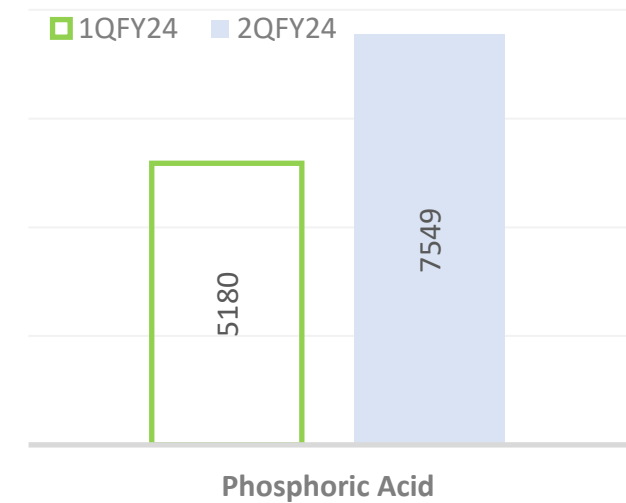
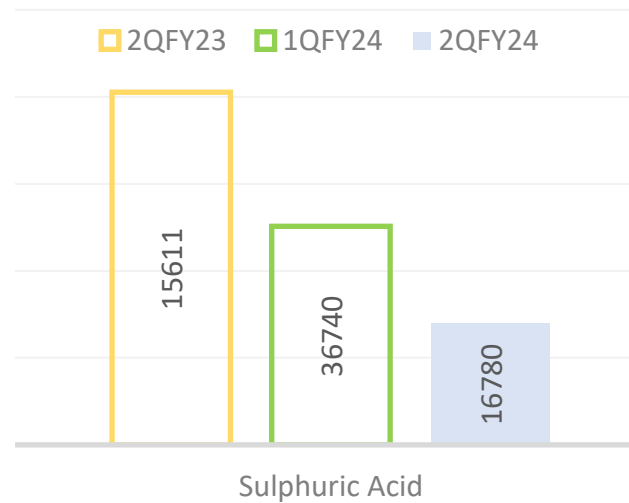
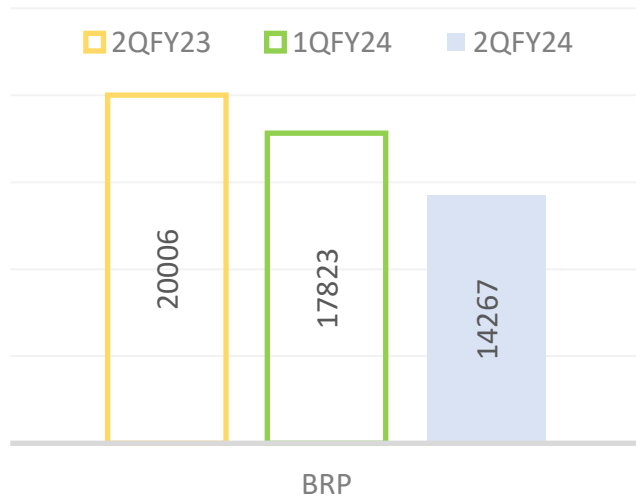


Production & Sales Volume (MT)

SALES VOLUME (MT)

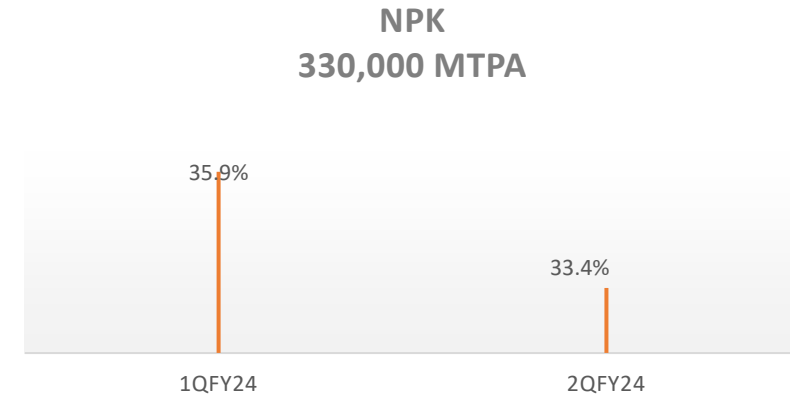
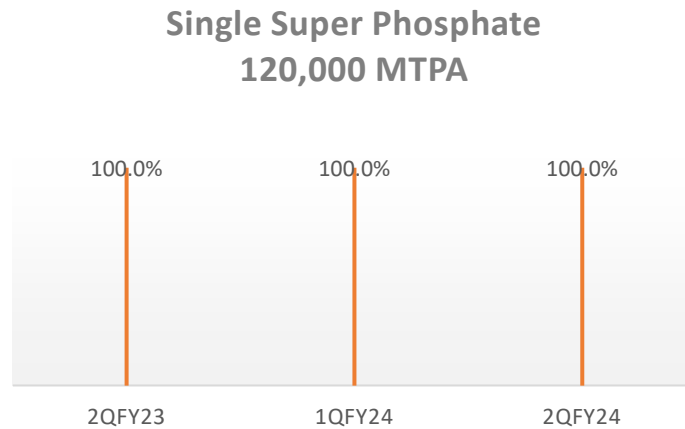


Raw Material Production (MT)

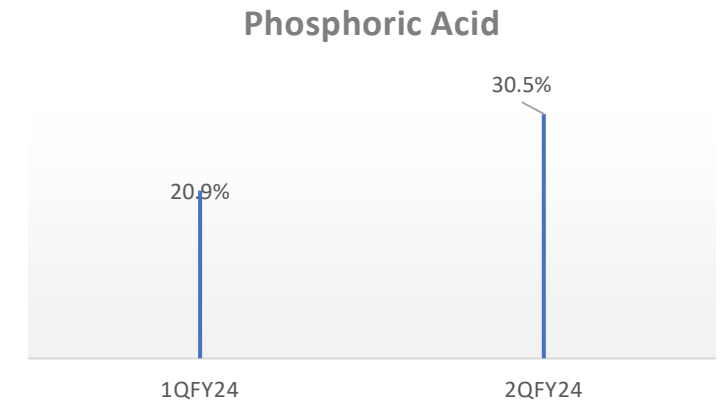
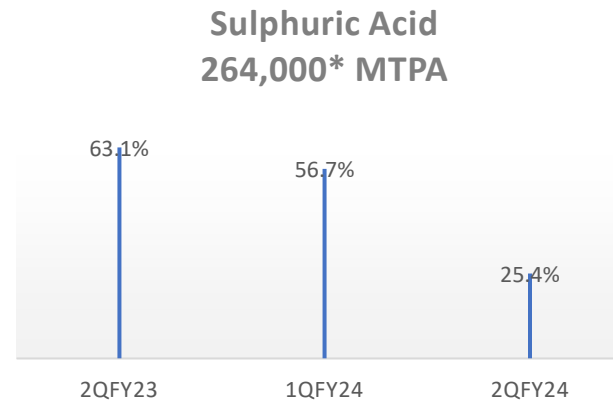
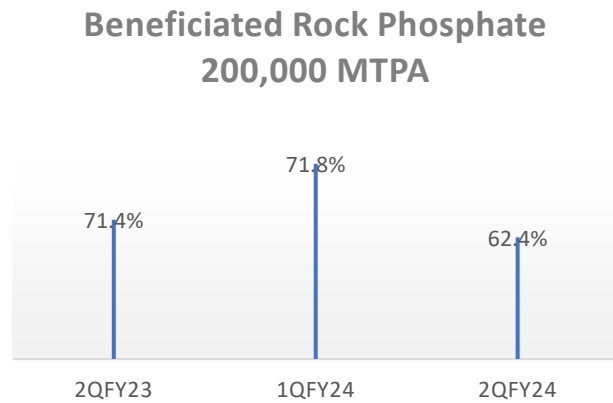


Capacity & Utilisation

Finished Goods



Raw Material



NPK & Phosphoric Acid Plant commenced production in 1QFY24
Sulphuric acid capacity increased from 99000 MTPA to 264000 MTPA in Feb, 2023

Key Ratios



	H1 FY23	H1 FY24
Operational		
EBITDA/tonne (Rs.)	2,550	7,979
Financial		
Debt-Equity Ratio	0.78	1.51
Current Ratio	2.29	1.24
Working Capital (Rs. in Mn)	1153	810
Total Debt (Rs. in Mn)	1929	4394
ROCE (%)	5%	8%
RONW (%)	6%	11%
Debtors (Days)	82	87
Creditors (Days)	96	82

Results Table



(Rs. in Mn)	Q2		Y-o-Y	Q1	Q-o-Q	H1		Y-o-Y	Full Year
	FY2024	FY2023	Growth (%)	FY2024	Growth (%)	FY2024	FY2023	Growth (%)	FY2023
Revenue from operations	2648.9	648.3	309	1653.6	60	4302.6	1310.0	228	3228.2
Other income	-8.7	1.9	-570	9.6	-191	0.9	11.9	-93	28.9
Total income	2640.2	650.2	306	1663.2	59	4303.5	1321.9	226	3257.1
Cost of materials consumed	1059.5	398	166	1163.7	-9	2223.2	865.9	157	1546.4
Purchase of Stock in Trade	533.1	2.7	19427	328.1	63	861.1	3.4	25378	571.2
Changes in Inventories of finished goods, work in progress and stock in trade	207.4	-53.1	-490	-465.2	-145	-257.8	-100.2	157	-35.9
Employee benefits expenses	72.4	31.4	131	51.3	41	123.7	63.3	95	136.9
Depreciation and amortisation expenses	84.2	21.2	300	84.0	1	168.2	42.4	299	86.8
Finance costs	97.0	15.4	524	72.0	34	168.9	21.6	679	68.2
Other expenses	303.6	116.7	160	251.8	21	555.4	234.6	137	494.0
Total expenses	2357.2	532.3	343	1485.7	59	3842.7	1131.0	240	2867.6
Profit / (Loss) before exceptional items and tax (III-IV)	283.0	118.0	140	177.5	59	460.8	190.9	141	389.5
EBITDA	464.2	154.5	200	333.5	39	797.9	254.9	213	544.5
<i>Margin (%)</i>	<i>18.0</i>	<i>24.0</i>		<i>20.0</i>		<i>19.0</i>	<i>19.0</i>		<i>17.0</i>
Reported Profit After Tax	193.0	97.7	97	118.8	62	311.8	158.7	96	266.7
<i>Margin (%)</i>	<i>7.3</i>	<i>15.0</i>		<i>7.0</i>		<i>7.0</i>	<i>12.0</i>		<i>8.0</i>
Basic EPS (Rs./share)	6.24	3.3		3.8		10.1	5.3		8.8

Chairman's Quote



Commenting on the financial performance of the company for Q2FY24, Mr. MK Ostwal said, *“Krishana Phoschem has recently made giant strides in its manufacturing ability by adding NPK/DAP. This has enabled company to successfully record three-fold growth in revenues. The capacity addition has led to sustainable revenues despite the reducing price concessions from the government.*

With more than anticipated reduction in price concession by the government announced in October 2023, the manufacturers will have to strategise their plans. We believe only the well integrated fertilizer manufacturer will stand to benefit. Your company is probably the only private manufacturing which is most integrated with ability to convert low grade phosphate to high grade to manufacture complex fertilizer. This gives your company a very significant cost advantage and ability to sustain any such interim revenue challenges.

To fuel the growth, the group has commenced tech-based marketing system by connecting directly with the farmers to provide them incentives. With a long term vision this initiative will be a huge value driver to all the stake holders.

We strive to continuously upgrade ourselves and our systems. I am delighted to inform that recently we have migrated to state-of-the-art SAP system from our legacy system, the benefits of it on operations are already visible.”



- **Krishana Phoschem Ltd. (KPL)**, a part of **Ostwal Group of Industries**, is led by **Mr. MK Ostwal**, a first generation technocrat entrepreneur.
- Mr. Ostwal is regarded as one of the pioneers of Single Super Phosphate (SSP) manufactured from BRP. He along with his sons **Mr. Pankaj Ostwal** and **Mr. Praveen Ostwal** have mastered the art of turning around loss making fertilizer units. They have turnaround 4 such fertiliser units.
- KPL, acquired in 2007 as a loss-making unit, is now one of the most profitable unit for the group. It manufactures and markets fertilisers (SSP, NPK/DAP complex) under the brand name **'Annadata'** and **'Bharat'** respectively.
- Recently, the company has also acquired a DAP/NPK plant from Spain and relocated it successfully to Meghnagar, Madhya Pradesh. It has a installed capacity of 330,000 tons and commenced production in March 2023. It has reached utilization of ~36% and we foresee this foray in DAP/NPK should increase the penetration in the segment and benefit the company in long run.
- Ostwal group is the only private group which is most fully integrated with the ability to convert low grade rock phosphate to high grade rock phosphate and then use the beneficiated rock phosphate to manufacture complex fertilisers.
- We are India's second largest Single Super Phosphate (SSP) manufacturing group with the market share of 35%+ in the state of Chhattisgarh and 12%+ in the state of Madhya Pradesh.
- Robust distribution network of 1,400 wholesalers and 15,000 dealers and retailers.
- Secured supply of rock phosphate through long term agreements.
- KPL is an NSE listed Company since 2017 (Current Market cap~ Rs.15bn)

COMPLEX FERTILISER

SSP: 120,000 MT
NPK/DAP: 330,000 MT

PRESENCE

9 States
~ 60 marketing staff

FINANCIAL STABILITY

11.3% RoE; 8.4% RoCE
1.5x D/E

RATING

A Stable by
CRISIL

History of Krishana Phoschem Ltd

2007

Took over Co. from old promoters

2012

Company started production of Single Super Phosphate Fertilizer

2017

Company got listed on NSE
Company setup its own Sulphuric acid plant

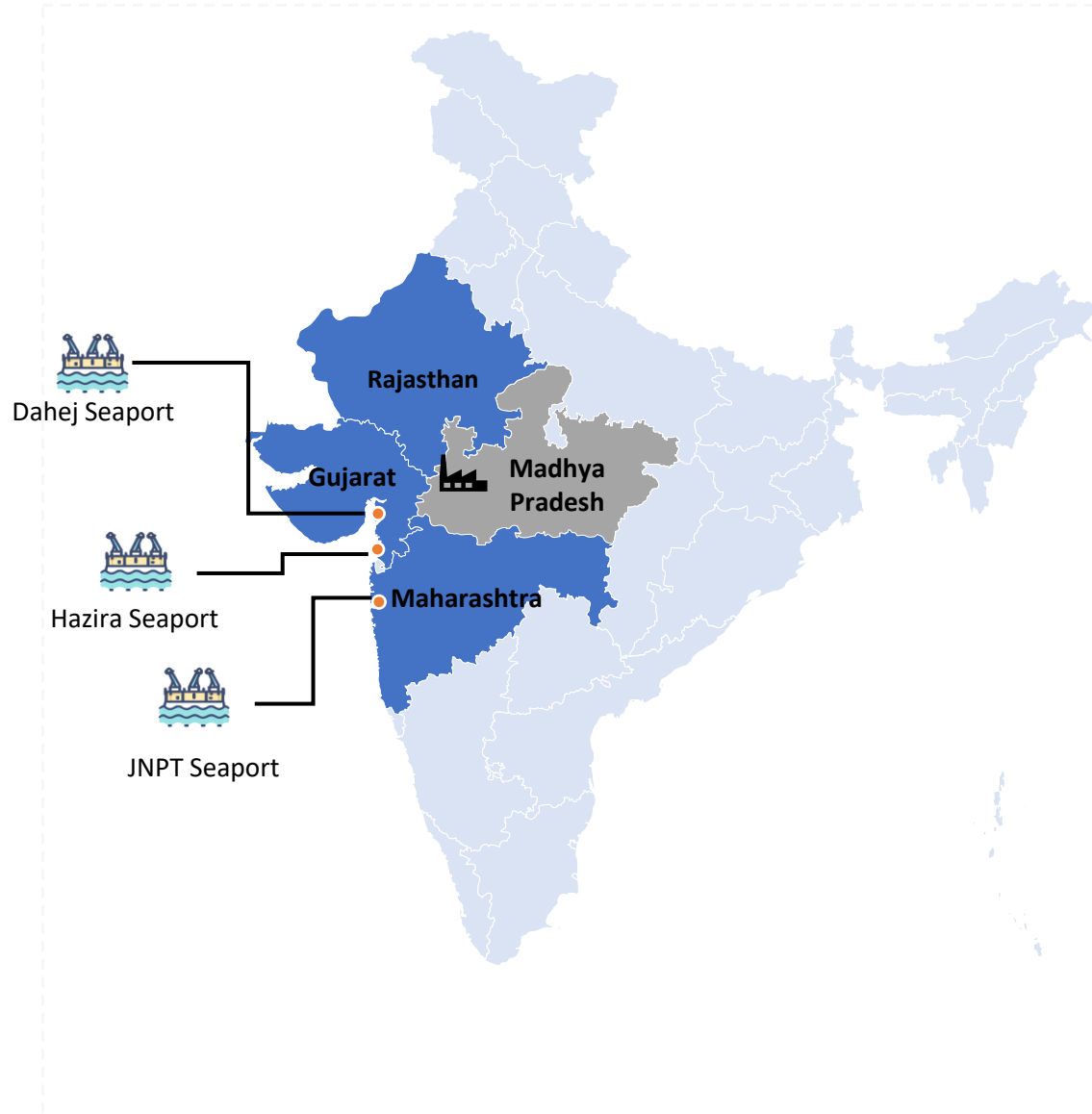
2018

Company started selling Products under self developed Brand Name "Annadata"

2023

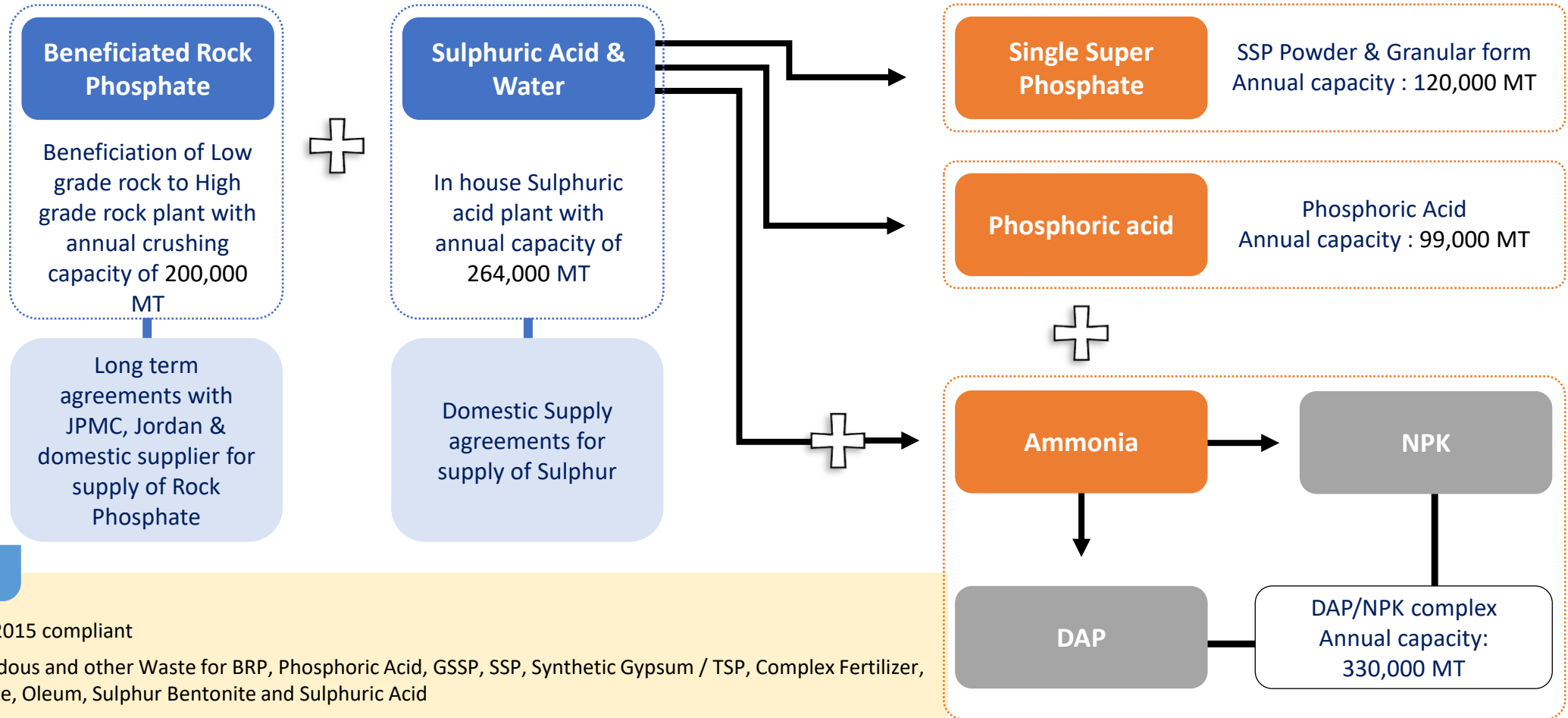
Acquired & relocated a plant from Spain to Meghnagar (MP) & started commercial production of DAP/NPK Complex Fertilizer

State of Art Facility at Strategic Location



Meghnagar, Madhya Pradesh

Only Manufacturing Group in India with Full Backward Integration



Certifications

All facilities are ISO 9001:2015 compliant

Authorization under Hazardous and other Waste for BRP, Phosphoric Acid, GSSP, SSP, Synthetic Gypsum / TSP, Complex Fertilizer, Alum, Di Calcium Phosphate, Oleum, Sulphur Bentonite and Sulphuric Acid

NABL accredited laboratories (ISO/IEC 17025:2017)

Access to adequate low grade rock phosphate and beneficiation ensures sustainable and efficient operations

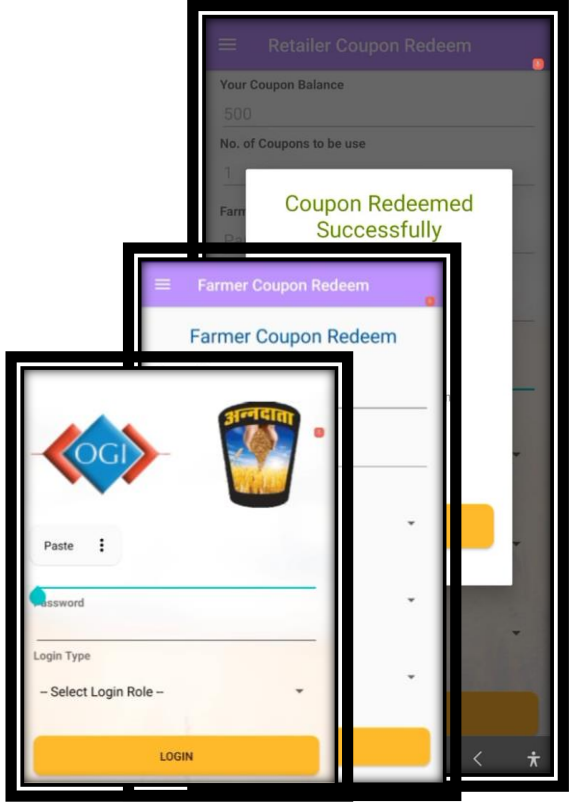


Expansive distributors and marketing reach in areas of market & **EXPANDING**

60
Marketing professionals

1,400
Wholesalers

15,000
Dealers & retailers



STRONG
FORMIDABLE
SUSTAINABLE
VISIONARY

'Marketing Strategy'

Using Technology to directly connect with farmers.

Competitive Advantage

PROVEN track record

Time and again promoters have acquired & turnaround loss making units at low cost of acquisition

ONLY Fully Backward Manufacturer

Ability to beneficiate a low-grade Rock Phosphate to High Grade Rock Phosphate

BENEFITS of Economies of Scale

Ostwal Group is 2nd largest SSP manufacturer enabling discounts on procurement

STRATEGICALLY Located

Plant is located close to rock phosphate mines, sulphur sources and the irrigated markets

FREEDOM ON PRICING

Complex manufacturer are not governed by government to determine market price

SECURED

Raw Material Supplies

Entered into long term rock phosphate agreement domestic as well overseas

Low Opex, High Margins

Backward integration, Economies of Scale leading t high Margins

Low Capex, Low Opex High RoCE

Low acquisition cost and turning around leads to high returns.

Our Promoters



Mr. M.K. Ostwal (Promoter, Chairman & Director)

Aged 67 years has a vast 43 years experience in the sector setting up various fertilizer capacities. He is regarded as is one of the pioneers of BRP based SSP technology. A commerce graduate and founder of Ostwal Group of Industries is the guiding force of the Group

Mr. Pankaj Ostwal (Promoter & Director- Commercial)

Aged 46 years is a C.A by qualification with 23 years of experience in the field of fertiliser, textiles, chemical & mineral beneficiation. He is a commercial director and oversees all the Import and Export Business of the Ostwal Group of Industries.



Mr. Praveen Ostwal (Promoter & Director-Technical)

Aged 43 years he is a C.A by qualification & has 20 years of experience in the field of fertiliser, chemicals sector & mineral beneficiation. He is engaged in managing the Company domestic as well overseas acquisitions & bringing innovations in the group





Thank you

KRISHANA PHOSCHEM LIMITED

(A Unit of Ostwal Group of Industries)

Reg. and Corp. Off.: 5-O-20, Basement, R.C. Vyas Colony, Bhilwara (Rajasthan) 311001

CIN: L24124RJ2004PLC019288

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