AksharChem

Ref: AKSHAR/SE/2017-18/1705/11

May 29, 2017

To,
Deputy General Manager
Department of Corporate Services
BSE Limited
25th Floor, P. J. Towers
Dalal Street,
Mumbai – 400 001
Scrip Code: 524598

To,
The General Manager (Listing)
National Stock Exchange of India Ltd.
5th Floor, Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051
Company Symbol: AKSHARCHEM

To,
Secretary
Ahmedabad Stock Exchange Limited
Kamdhenu Complex,
Opp. Sahajanand College,
Panjara Pole, Ambawadi
Ahmedabad - 380 015
Company Code : 6408

SUB: PRESS RELEASE

Dear Sir/Madam,

We are enclosing hereby a Press Release of the Company dated May 29, 2017.

The aforesaid Press Release dated May 29, 2017 will also be uploaded on the website of the Company i.e. www.aksharchemindia.com

This is for your information and record.

Thanking you,

Yours faithfully,
For, **AKSHARCHEM (INDIA) LIMITED**

Meet Joshi
Company Secretary

Encl: As above

AksharChem India Ltd.
"**Akshar House**" Chhatral - Kadi Road, Indrad-382 715. Mehsana, India.
Tele: 91-2764 233 007-10 • Fax: 91-2764 233 550 • Email: admin@aksharchemindia.com

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AksharChem (India) Limited

Release: 29th May 2017, Mehsana

AksharChem, one of the market leaders in the manufacture of Vinyl Sulphone & CPC Green Pigment has declared its Audited Results for the Financial Year ended March 31, 2017.

Financials at a Glance:

Rs. Crores	Q4FY17	Q4FY16	Y-o-Y	FY17	FY16	Y-o-Y
Net Revenue from Operations	**53.0**	**48.4**	***10%***	**259.7**	**187.7**	***38%***
EBITDA	**6.7**	**8.0**	***-16%***	**79.5**	**32.2**	***147%***
EBITDA Margin (%)	***12.7%***	***16.5%***		***30.6%***	***17.2%***	
Profit After Tax	**6.9**	**4.0**	***72%***	**51.9**	**16.6**	***212%***
PAT Margin (%)	***13.1%***	***8.3%***		***20.0%***	***8.9%***	

Key Highlights for FY17:

- The Company reported Net Revenue from Operations of Rs. 259.7crs during FY17; a growth of 38% compared to the same period corresponding year which stood at Rs. 187.7crs
- EBITDA for FY17 stood at Rs. 79.5crs, an increase of 147% from Rs. 32.2crs same period in the corresponding year
    - EBITDA margins for the same period improved by 1,344 bps to 30.6%
- Profit After Tax for FY17 stood at Rs. 51.9crs from Rs. 16.6crs same period corresponding year, a growth of 212%
    - Margin improved by 1,113 bps to 20.0%
- Sales Volume during the year,
    - Vinyl Sulphone: ~6,000 tons, a growth of 4% Y-o-Y
    - CPC Green: ~1,750 tons, a growth of 13% Y-o-Y
- Exports contributed to 90% of Revenues during FY17 vs 82% in FY16

Commenting on the Result, Mr. Munjal Jaykrishna, Joint Managing Director & CFO of AksharChem (India) Limited said, *"Our business has seen a good traction in the last year with Revenue growth of 38% in FY17. The growth was largely on account of better price realization & increase in volumes.*

On Profitability front we have seen significant outperformance for FY17. EBITDA & PAT Margins improved exponentially by 1,344 bps & 1,113 bps to 30.6% & 20.0% respectively.

We feel there is still a huge growth opportunity for our products in the coming years and in view of this, our Board had recently approved a CAPEX plan of ~Rs.175 Crores which includes backward integration for one of our products CPC Green which will result in improvement of margins for that business.

With this new CAPEX, we have moved a step forward in transforming the business profile of the company which will be visible in our performance going ahead. "

CAPEX Update:

In view of the Long-Term sustainability of our business, the board had approved a Capital Expenditure plan up to Rs. 175crs which would take place in the following areas:

Proposed Projects	Existing Capacity (In TPA)	Additional Capacity (In TPA)	Post Expansion Capacity (In TPA)	Approx. Cost of Project (Rs. In Crore)
ORGANIC PIGMENTS				85
CPC Green (Phase 1)	1,920	480	2,400	
CPC Green (Phase 2)	2,400	1,800	4,200	
CPC Blue	-	1,800	1,800	
DYES & INTERMEDIATES				25
H Acid	-	1,200	1,200	
SPECIALTY CHEMICALS				65
Precipitated Silica	-	10,000	10,000	
TOTAL				**175**

Regarding this, the work on the capacity expansion has started and is on schedule to be commissioned in the next twelve to fifteen months.

About AksharChem (India) Limited

AksharChem (India) Ltd. Incorporated as Audichem (India) Pvt. Ltd. began commercial production of Vinyl Sulphone with the capacity of 600 TPA in 1991. The Company got renamed as AksharChem (India) Ltd. in 2003. The company is the Largest exporter of Vinyl Sulphone in India with over 45% share in exports. The Company is also one of the largest exporters from India and among the largest players globally for CPC Green Pigment with a global market share of ~10%. The Company has over 2 decades of relationship with the biggest dye stuff houses in the world. It has state-of-the-art manufacturing unit which is strategically located in the Chemical Belt of Gujarat, at Mehsana Covering over 100,000 sq mt. of area. The Company has presence in over 20 countries.

Safe harbor statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For more Information, please contact:

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