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IPO Note – Tatva Chintan Pharma Chem Limited

14-July-2021

RETAIL RESEARCH

Tatva Chintan Pharma Chem Limited

Issue Snapshot:
Issue Open: July 16 – July 20 2021

Price Band: Rs. 1073 –1083

*Issue Size: 4,616,805 eq shares
(Fresh Issue of 225 cr + Offer for sale of 275 cr)

Issue Size: Rs.500.0 cr

Reservation for:

QIB	Upto	50% eq sh
Non Institutional	atleast	15% eq sh
Retail	Upto	35% eq sh

Face Value: Rs 10

Book value: Rs 82.62 (Mar 31, 2021)

Bid size: - 13 equity shares and in multiples thereof

100% Book built Issue

Capital Structure:

Pre Issue Equity:	Rs.	20.09 cr
*Post issue Equity:	Rs.	22.17 cr

Listing: BSE & NSE

Book Running Lead Managers: ICICI Securities Ltd, JM Financial Ltd

Registrar to issue: Link Intime India Private Ltd

Shareholding Pattern

Shareholding Pattern	Pre issue %	Post issue %
Promoter and Promoter Group	100.0	79.2
Public	0.0	20.8
Total	100.0	100.0

*=assuming issue subscribed at higher band
Source for this Note: RHP

Background & Operations:

Tatva Chintan Pharma Chem Ltd (TCP) is a specialty chemicals manufacturing company engaged in the manufacture of a diverse portfolio of structure directing agents ("SDAs"), phase transfer catalysts ("PTCs"), electrolyte salts for super capacitor batteries and pharmaceutical and agrochemical intermediates and other specialty chemicals ("PASC"). The Company is the largest and only commercial manufacturer of SDAs for zeolites in India. It also enjoys the second largest position globally. In addition, it is one of the leading global producers of an entire range of PTCs in India and one of the key producers across the globe. As a manufacturer of specialty chemicals, it focuses on application of its products which form a key ingredient to its customers' manufacturing and industrial processes. For instance, its SDA and PTC products have various applications in green chemistry, which is pertinent considering the growing focus on green and sustainable technologies. The Company has accordingly, undertaken various 'green' chemistry processes such as electrolysis.

Considering the wide application of its products, TCP serves customers across various industries, including the automotive, petroleum, pharmaceutical, agro chemicals, paints and coatings, dyes and pigments, personal care and flavour and fragrances industries. Apart from its customers in India, it also exports its products to over 25 countries, including the USA, China, Germany, Japan, South Africa, and the UK. During the Fiscals ended March 31, 2018, 2019 and 2020, and in the nine months ended December 31, 2020, exports of products accounted for 64.99%, 69.57%, 76.74% and 70.72%, of its revenue from operations, respectively. As on March 31, 2021, it manufactured over 154 products which can be divided into the mainly four broad categories

Structure Directing Agents: SDAs are quarternary salts which are chemicals which helps in the formation of particular channels and pores during the synthesis of zeolites. Zeolites have varied applications including as catalysts and adsorbents. In particular, zeolites promoted with transition metals such as copper and iron have been proven to be active for the selective catalytic reduction, which is currently considered as one of the preferred technologies for emission control in automotive applications.

Phase Transfer Catalysts: PTCs are used to facilitate the migration of a reactant from one phase into another phase where the reaction occurs, in a heterogeneous multi-phase system. PTCs are used for a variety of industrial processes. Phase transfer catalysts are widely used in green chemistry applications. Therefore, the increasing global focus of the chemical industry on reducing residual waste and reducing the use of organic solvents is boosting the market for catalysts for phase transfer.

Electrolyte salts for super capacitor batteries: Electrolyte salts are used in the manufacture of super capacitor batteries, which are used in automobile batteries and other batteries. TCP is the largest producer of electrolyte salts for super capacitor batteries in India.

Pharmaceutical and agrochemical intermediates and other specialty chemicals*:* The products manufactured by TCP under this category are used in the manufacture of various pharmaceutical and agrochemical products as intermediates, disinfectants and catalysts, and solvents. In addition, it also manufactures specialty chemicals under this category that are used in dyes and pigments, personal care ingredients, flavour and fragrance sectors.

TCP's customers include Merck, Bayer AG, Asian Paints Ltd., Ipox Chemicals KFT, Laurus Labs Ltd., Tosoh Asia Pte. Ltd., SRF Ltd, Navin Fluorine International Ltd, Oriental Aromatics Ltd., Atul Ltd, Otsuka Chemical (i) Pvt Ltd., Meghmani Organics Ltd, Divi's Laboratories Ltd, Hawks Chemical Company Ltd, Firmenich Aromatics Prod.(I) Pvt. Ltd., Jiangsu Guotai Super Power New Materials Co., Ltd. and Jade Chem Co. Ltd. It has a dedicated R&D facility that is recognized by the Department of Scientific and Industrial Research ('DSIR'), Government of India, at Vadodara, Gujarat, with state-of-the-art research and development infrastructure. In addition, TCP is led by a well – qualified and experienced management team, which has demonstrated its ability to manage and grow its operations and has substantial experience in the sectors in which it operates.

Objects of Issue:

The Offer comprises the Offer for Sale and the Fresh Issue.

Offer for Sale

The proceeds from the Offer for Sale shall be received by the Selling Shareholders. TCP will not receive any proceeds from the Offer for Sale. The Selling Shareholders will be entitled to the proceeds from the Offer for Sale, net of their respective portion of the Offer related expenses.

Fresh Issue

TCP proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

- Funding capital expenditure requirements for expansion of Dahej Manufacturing Facility (Rs.1471 mn);
- Funding capital expenditure requirements for upgradation at R&D facility in Vadodara (Rs.239.7 mn); and
- General corporate purposes

Competitive Strengths

Leading manufacturer of structure directing agents and phase transfer catalysts, with consistent quality*:* With very few players in the Indian and global market, TCP is the largest and only commercial manufacturer of SDAs for zeolites in India. It also enjoys the second largest position globally. Its strategically located manufacturing facilities and robust and technically sound R&D capabilities has enabled it to maintain the quality of its products. Its large manufacturing capacity, consistent growth, experienced management, global footprint, and high-quality products makes it a reliable supplier of SDAs and PTCs. In addition, the versatile applications of PTC products as well as the non-regenerative nature of these products, helps in creating recurring demand for its PTC products. During the forecast period (2019-24F), the global phase transfer catalyst market is projected to expand at a CAGR of more than 5% globally. Rising demand and adoption of green chemistry in organic synthesis is expected to drive the growth of the phase transfer catalyst market across the globe. It is anticipated that the global phase transfer catalyst market will cross USD 1.4 billion by 2025F. The growth of the market is driven by a growing appetite for catalysts that can achieve faster reactions, higher yields and generate lower by-products.

Further, specifically for the purposes of the monitoring and maintenance of quality of products, the Company has a team of 81 employees of whom 27 are dedicated to quality assurance, and remaining for quality control. It also have a modern quality control lab equipped with modern analytical equipment, which among others, enables it to give results indicating impurities up to PPM levels, thus facilitating the various quality control initiatives that it undertake. Its operations are backed by strong manufacturing infrastructure, experienced and knowledgeable senior management team, strong analytical capabilities, and a technically robust R&D team.

Global presence with a wide customer base across various industries having high entry barriers: TCP supply its products to customers in India and export its products to over 25 countries, including the USA, China, Germany, Japan, South Africa and the UK. It also has two wholly owned subsidiaries in the USA and Netherlands, to facilitate its overseas operations. In addition, it participates in various domestic and international industry specific exhibitions and advertise in industry magazines, weekly and daily publications in USA, Europe and India. The varied applications for product portfolio has helped it to build a wide customer base across many sectors. It has also helped build on existing relationships by enabling to provide multiple product-oriented solutions for the varying requirements of its existing customers. TCP's customer relationships are led by its ability to develop innovative processes, meet stringent quality and technical specifications and manufacture customers' products in a cost effective and safe manner.

The Company has established long standing relationships with marquee players across various industries. Its wide customer base across various sectors has helped to minimize the impact of sector specific disruptions, on its business. The specialty chemicals manufacturers enjoy strong entry barriers in the form of vendor acquisition, lengthy and complex product approval, registration process, customer loyalty among others. These barriers help companies ensure sustainable growth. Further, a distinguished and resilient business model is also a unique driver for these companies.

Diversified specialised product portfolio requiring strong technical know-how: TCP has, over the years, diversified, expanded, and evolved its operations into manufacturing of pharmaceutical and agrochemical intermediates and other specialty chemicals, which have diverse applications across various industries. The expansion of its product portfolio is primarily driven by the continuously evolving needs and R&D initiatives undertaken by its customers, which is further supplemented by its R&D capabilities. Most of its products form part of the base raw materials required for the manufacture of products by its customers. Its strength lies in the quick turnaround in developing the product sample, following receipt of request of the new product. As of March 31, 2021, it offered 47 products under its SDA product portfolio, 48 products under PTC product portfolio, 6 products under electrolyte salts for super capacitor batteries portfolio and 53 products under PASC portfolio. Its R&D capabilities and technical expertise has enabled it to become one of the leading manufacturers of SDAs for zeolites and PTCs in the world.

Products of the Company have a wide range of applications. In light of the wide range of applications of its products, it is in a position to cater to customers across various industries, including the automotive, petroleum, pharmaceutical, agro chemicals, paints and coatings, dyes and pigments, personal care and flavour & fragrances industries. Its diversified product portfolio has helped accelerate its growth and in innovating the manner it cater to and thus retain both new and existing customers.

Modern manufacturing facilities with a focus on 'green' chemistry processes: TCP operates through two of its manufacturing facilities situated at Ankleshwar and Dahej. Its manufacturing facilities are strategically located close to the Hazira port thereby enabling its export and import operations and providing it a cost and logistics advantage. It has also employed the latest available technology such as ANFDs which has helped improve its productivity and the quality of the products manufactured by it. These Manufacturing Facilities employ advanced analytical equipment that indicate impurities up to PPM levels, which enables to certify its products as 'ultra-pure' grade. In addition, it continuously strive to improve its processes and infrastructure and help reduce its impact on the environment. In this regard, it undertake various 'green' chemistry processes such as electrolysis. Its 'green' chemistry are based on the principles of clean chemistry, minimum requirement of auxiliary substances, minimum waste and by-products and safe chemistry. TCP has also made and expect to continue making capital expenditure in maintaining and growing its existing infrastructure, purchase equipment, and develop and implement new processes and technologies in its manufacturing facilities. In addition, its facilities are designed to allow a level of flexibility enabling to manufacture a diverse range of products and provide it with the ability to modify and customize its product portfolio to address the changing requirements of customers.

TCP's integrated model that includes its manufacturing infrastructure, complex chemical processes and R&D capabilities has allowed it to develop insights across the entire value chain right from process innovation and process development to performing manufacturing services for its customers. The forward integration in its operations enables it to innovate processes, customize products and broaden its product offering to meet the needs of its customers.

Strong R&D capabilities: TCP's R&D efforts are mainly focused on development of new products, improvement of its existing production processes, adoption of advance production technology, and improvement of the quality of its existing products. These capabilities enables it to explore, among others, green and continuous flow chemistry processes which may give it a competitive edge in future. Of the products developed in last 10 years, 82 products have been successfully commercialized so far. Further, 82 products have been developed by it since March 31, 2011, and these products have contributed to 23.65%, 20.75%, and 12.88% of its total revenue, in Fiscals 2021, 2020, and 2019, respectively. It has a dedicated DSIR-approved R&D facility situated at Vadodara equipped with glass assemblies, continuous flow reactors, and high pressure autoclaves set-up with the ability to run reactions at temperatures ranging from -10ºC to +300ºC, and up to pressure conditions measuring up to 100 bar. It also has a modern analytical development laboratory, to support and improve its R&D capabilities.

TCP's continued focus on R&D helps it maintain and increase its market share by developing new products to cater to the evolving needs of its customers and also build and increase efficiencies in its current manufacturing processes, thus helping it produce high quality products consistently. This also enables it to maintain a cost advantage over its competitors.

Experienced Promoters with a strong management team: TCP has experienced robust business growth under the vision, leadership and guidance of its experienced management team comprising its Promoters, Chintan Shah, Ajay Patel and Shekhar Somani, who each have over 24 years in the specialty chemicals manufacturing industry and has established strong business relationships with domestic and overseas customers. The senior management team has also been instrumental in establishing and maintaining relationships with its customers. Additionally, its senior management possesses extensive industry and management experience which has given a specialized understanding of the complexities involved in the manufacturing of such specific and niche products and the processes involved Its experienced and dedicated management team also enables to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively manage changes in market conditions.

Robust Financial Performance: TCP has demonstrated consistent growth in terms of revenues and profitability. It has been able to increase its total revenue at a CAGR of 21.70% during the last three Fiscals, from Rs. 2,068.01 million in Fiscal 2019 to Rs. 3,062.92 million in Fiscal 2021. Its EBITDA has grown at a CAGR of 44.52% from Fiscal 2019 to Fiscal 2021. Further, in the Fiscals ended 2019, 2020, and 2021, ROCE was for 26.36%, 31.96%, and 32.98%, respectively. In the Fiscals ended 2019, 2020, and 2021, its ROE was 25.78%, 32.11%, and 31.49%, respectively. Financial position as mentioned above, illustrates not only the growth of the operations over the years, but also the effectiveness of the administrative and cost management protocols that it has implemented. Among other things, its strong financial position and results of operations have enabled it to invest in capital expenditure, including towards technology development and R&D.

Business Strategy:

Expand existing product portfolio: TCP has, since its inception, consistently sought to diversify its portfolio of products which could cater to customers across segments, sectors, and geographies. In accordance with this, while it seeks to continue to strengthen its existing product portfolio, it intends to further diversify into products with prospects for increased growth and profitability. It plans to continue to increase offerings in its current business segments as well as diversify into new products by tapping into segments which in the view of its management have attractive growth prospects. Its emphasis on quality of manufacture and timely delivery of its offerings has been a key factor in its ability to attract new customers and to retain existing customers. It intends to draw on its experience, market position and ability to timely deliver quality products to successfully foray into other sectors as well as to other geographies.

Further develop R&D capabilities*:* TCP has consistently invested in its R&D capabilities and technologies and has successfully implemented most of them based on market/customer demand at its manufacturing facilities over the years. It intends to further develop its research and

development capabilities in order to enhance its diversified product portfolio. Its research and development capabilities has enabled it to expand its product offerings from 72 products as at March 31, 2011 to more than 154 products as at March 31, 2021. It intends to identify and adopt new-age technologies for its process and product development to improve its productivity, quality and cost effectiveness and help make its products eco-friendlier. It is also aiming to develop technologies to produce conventional products using new-age technologies such as continuous flow chemistry and electrolysis processes. In addition, it intends to further improve its manufacturing processes to make it more environment friendly and sustainable. To enable this, it also intends to expand its R&D team and hire experienced personnel to help further this vision.

Increase wallet share with existing customers and continued focus to expand customer base: TCP's customer base currently comprises a host of marquee companies including, inter alia, Merck, Bayer AG, Asian Paints Ltd., Ipox Chemicals KFT, Laurus Labs Ltd., Tosoh Asia Pte. Ltd., SRF Limited, Navin Fluorine International Limited, Oriental Aromatics Ltd., Atul Limited, Otsuka Chemical (i) Pvt Ltd., Meghmani Organics Limited, Divi's Laboratories Limited, Hawks Chemical Company Limited, Firmenich Aromatics Prod.(I) Pvt. Ltd., Jiangsu Guotai Super Power New Materials Co., Ltd. and Jade Chem Co. Ltd. The longstanding relationships that it has enjoyed with its customers over the years and the repeat and increased orders received from them are an indicator of its position as a preferred supplier to its customers. TCP's continuing R&D endeavours and its reputation for quality and timely delivery will help increase its wallet share and product portfolio with existing customers. It has built long-standing relationships with some of its customers through various strategic endeavours, which it intends to leverage by capitalizing on the cross-selling opportunities that its diversified product portfolio offers. Further, it plans on utilizing its expanded geographical footprint to address the sourcing requirements of its existing multinational customers as and when they enter new markets, thereby consolidating its position as a preferred supplier across geographies.. Going forth, the Company intends to continue to leverage its sales and marketing network, diversified product portfolio and its industry standing to establish relationships with new multinational, regional and local customers and expand its customer base. It also promotes its products on online platform in a systematic manner.

Expand existing manufacturing capacities to capitalise on industry opportunities: TCP has, over the years, consistently grown its manufacturing and production capabilities. It seeks to capitalize on the growth opportunities in the specialty chemicals industry based on its well positioned operations and being led by an experienced management team. The Company's aggregate manufacturing capacity has increased at a CAGR of 20.59% from an aggregate reactor capacity of 82 KL and zero Assembly Lines as of March 31, 2010 to 280 KL Reactor Capacity and 17 Assembly Lines as of March 31, 2021. Consistent with past practice, it will look to add capacity in a phased manner to ensure that it utilize its capacity at optimal levels. Its expansion plans and strategy will allow it to meet the anticipated increase in the demand for its products in the future, enable it to supply growing markets more efficiently and drive profitability.

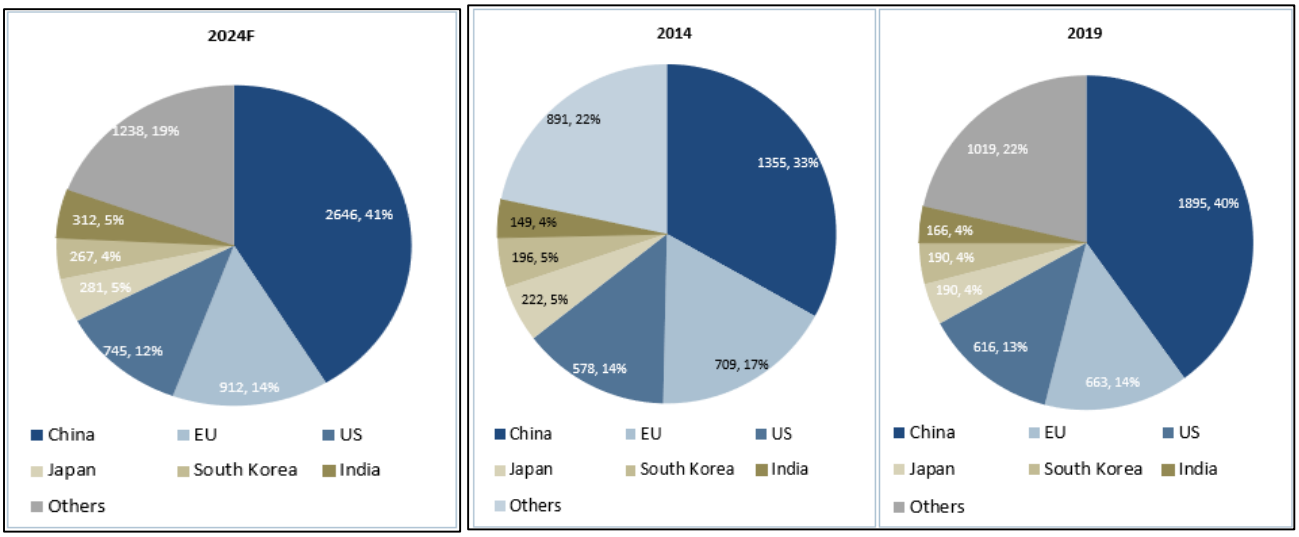
Industry

Global Chemical Industry Overview

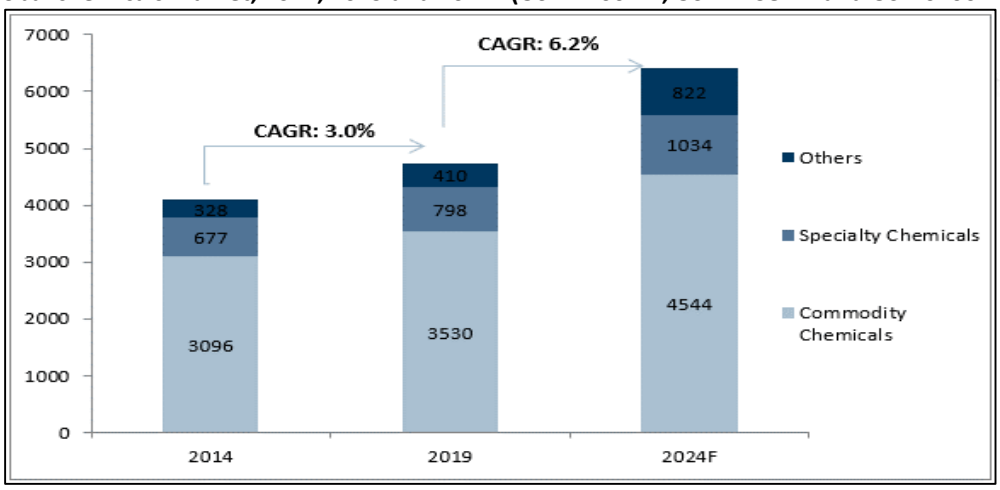
Global Chemicals Market

The global chemicals market is valued at around USD 4,738 Bn with China accounting for major market share (37%) in the segment followed by European Union (17%) and United States (14%). India accounts for ~3.5% market share in the global chemicals market. The global chemicals market is expected to grow at 6.2% CAGR; reaching USD 6,400 Bn by 2024. Going forward the APAC is anticipated to grow at the fastest rate of 7-8% during the forecast period (2019-24F). The chemicals markets in Western Europe, North America, and Japan are relatively mature and hence would record slow growth rates of around 3-4%.

Global chemicals market, 2014, 2019 and 2024F, USD 4,100, USD 4,738 Bn and 6,400 Bn



Global chemicals market, 2014, 2019 and 2024F (USD 4100 Bn, USD 4738 Bn and USD 6400 Bn)



Commodity Chemicals: The commodity chemicals market includes companies that manufacture basic chemicals in large volumes. These include plastics, synthetic fibres, films, certain paints and pigments, explosives, and petrochemicals. There is limited product differentiation within the sector; products are sold for their composition. The commodities market is highly fragmented. The end user markets include other basic chemicals, specialties, and other chemical products; manufactured goods such as textiles, automobiles, appliances, and furniture; and pulp and paper processing, oil refining, aluminium processing, and other manufacturing processes. Markets also include some non-manufacturing industries. The sector is presently valued at ~USD 3,700 Bn and is expected to grow at 5%-6% globally in the next five years.

Specialty Chemicals: The specialty chemicals market is characterized by high value-added, low volume chemical production. These chemicals are used in a wide variety of products, including fine chemicals, additives, advanced polymers, adhesives, sealants and specialty paints, pigments, and coatings. The specialty market is extremely fragmented. The consolidation of companies has been a major trend, and is expected to continue. Similar to the commodity sector, the specialty sector is affected by high costs of energy and feedstock. Intangible value issues include heightened emphasis on research, customer migration to alternative products, and the impact of regulations on products. The overall market stood at ~USD 800 Bn in 2019, and is expected to showcase a growth between 5-6% over the next five years.

World chemicals sales were valued at USD 4738 Bn in 2019. China is the largest chemicals producer in the world, contributing to 40.6% of global chemical sales in 2019. With 14.8%, the EU27 chemical industry ranked second in total sales and United States ranked third with 13.8%. Worldwide, the competitive landscape has changed significantly over the last ten years. Today, next to the EU 27, US and Japan mostly emerging countries from Asia rank in the top 10 in terms of sales. The BRICS countries (Brazil, Russia, India, China and South Africa) accounted for 47.2% of global chemical sales in 2019. Together with the EU27 and the USA the BRICS accounted for more than three quarters of global chemical sales, in 2019. The remaining quarter of global chemical sales were generated mainly by emerging countries in Asia, including the Middle East. The global landscape of the chemical industry is changing rapidly. China is taking its chemical industry to the next stage of development and is looking to move from “following the lead” to “taking the lead” and from a “big country” to a “great power” of the petroleum and chemical industry, leading in technology innovation and trade, and prevailing in international markets.

Global Specialty Chemicals Market Specialty chemicals are low-volume and high-value products which are sold on the basis of their quality or utility, rather than composition. Thus, they may be used primarily as additives or to provide a specific attribute to the end product. Specialty chemicals are more likely to be prepared and processed in batches. The focus is on value addition to the end-product and the properties or technical specifications of the chemical.

Growth Drivers The COVID-19 pandemic has had an unprecedented impact on the global economy. Chemical companies in North America and Europe have specifically started focusing on operational efficiency, asset optimization, and cost management. On a short term basis, most companies are considering to implement a series of targeted, strategic initiatives across major functional areas such as R&D and technology. Companies are also keen on addressing long-term opportunities like investing in innovation, emerging applications, adopting new business models that generate sustained growth, analysing temporary vs. permanent customer buying behaviour patterns across geographies. The industry is expected to see the following trends in the next 2-5 years:

- Companies will try and shift their focus toward new value streams and growing end markets, such as health care and electronics
- Most governments have announced policy proposals related to regulation, trade, and sustainability which could prove beneficial in shifting the dependence of the industry from China
- Chemical companies are now experiencing significant changes in the way they operate and serve their customers by leveraging on remote and digital sales channels

5 year growth forecast split by key industries highlighting key factors driving growth

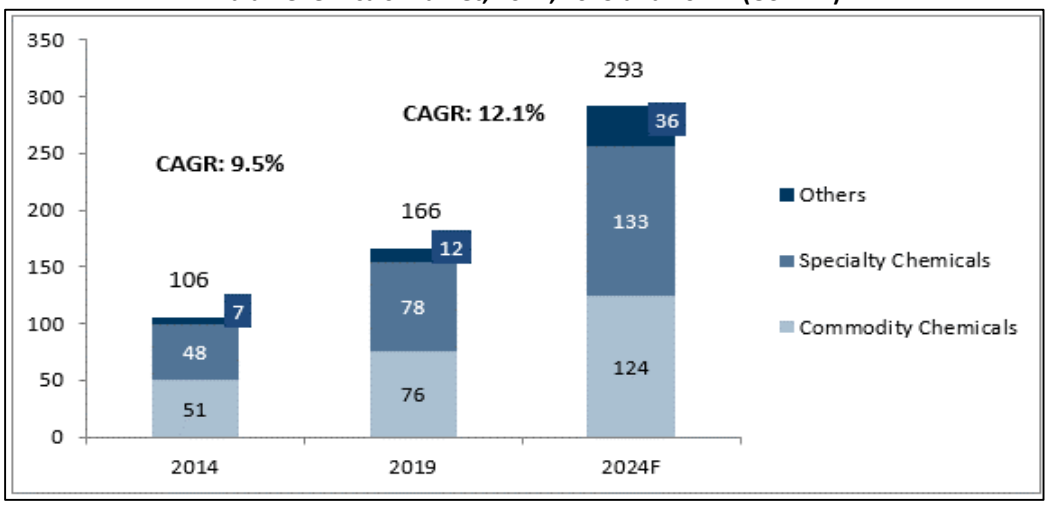
Segments	Key Growth Drivers	(2019-24 CAGR)
Agrochemicals & Fertilizers	Increasing global population, Decreasing arable land, and consequent requirement to improve crop yields. New demand for agricultural products would also be created by the use of agricultural products for industrial applications such as in fuel blending and polymer manufacturing, opening up new avenues of applications for agrochemicals.	5.80%
Pharmaceuticals Chemicals (API)	Growing demand for generic drugs globally and India being the largest provider of generic drugs results in higher demand for domestic consumption of Pharmaceuticals chemicals.	6.10%
Construction Chemicals	Rise in construction projects across emerging markets and increased adoption of construction chemicals for improvement in quality of projects.	5.10%
Home Care Ingredients	Growth in Household and Industrial & Institutional Cleaners market. Growing consumption of Environmentally Friendly Products	5.70%
Personal Care Ingredients	Growth in demand for personal care products is driven primarily by emerging markets in the Asia-Pacific region, particularly China and India which are expected to grow at around 9-10% CAGR.	6.20%
Paints & Coatings Additives	Demand driven by growing automotive industry, increasing urban population, rising household consumption expenditure and improving economic conditions	5.10%
Water Treatment Chemicals	Strengthening environmental regulations and rising water quality standards for municipal consumption in matured markets of North America and Europe. In emerging markets, strong economic growth resulting in greater municipal and industrial spending in water treatment effort will drive growth of this segment.	5.40%
Textile Chemicals	Increasing demand for finishing chemicals that allow a variety of beneficial properties like anti-microbial properties, wrinkle-free properties, stain-resistance, etc. to be imparted to the textile	3.90%
Flavours and Fragrances Ingredients	Strong growth in low-fat and low-carbohydrate foods and beverages in North America Higher consumer willingness to experiment with new flavours and fragrances Increased production of processed foods in developing countries causing a spurt in the demand for flavours. A shift in perception of fragrance from being a nonessential attribute to an indispensable part of personal care	5.20%
Dyes and Pigments	Growth is demand for high performance pigments (HPP) which are highly durable pigments, resistant to UV radiation, heat and chemical. Use of eco-friendly colorants such as low impact dyes is emerging	4.70%

In addition to the above, a lot of emphasis is laid upon green chemicals. With an increasing awareness of the ill effects of certain chemicals on humans and the environment, there is a growing trend in the chemicals industry to shift towards what is known as “green” chemicals or more accurately sustainable chemistry. These are products which are bio-degradable and which show a significant reduction in environmental impact when applied – this can be either through reducing energy and water consumption in the process or reducing the chemical and biochemical oxygen demand of the waste generated which reduces treatment costs and is kinder to the environment. The evolution of green chemistry in the chemical industry will be a critical trend fuelling the growth of the green chemicals market. The Global Green Chemicals market is expected to grow by ~40-50 Bn by 2024 at a CAGR of 10.5% from ~25-27 Bn in 2019.

India Chemical Industry Overview

The Indian chemicals market is valued at USD 166 Bn (~4% share in the global chemical industry) with the commodity chemicals accounting for almost 46%. It is expected to reach ~USD 280-300 Bn in the next 5 years, with an anticipated growth of ~12% CAGR. The specialty chemical industry forms ~47% of the domestic chemical market, which is expected to grow at a CAGR of around 11-12% over the same period. Agrochemicals and Fertilizers account for 18-20% of the domestic chemicals market and around 38% of the specialty chemicals domain which constitute of various differentiated chemicals used in the agro space including pesticides, herbicides etc. Pharmaceutical API make up for the second largest share of around 20% of the specialty chemical market with an anticipated growth of over 11% by 2024F.

Indian Chemicals Market, 2014, 2019 and 2024F (USD Bn)



The Specialty chemicals industry is driven by both domestic consumption and exports. India's specialty chemical companies are gaining favour with global MNCs because of the geopolitical shift after the outbreak of Covid-19 as the world looks to reduce its dependence on China. Currently China accounts for ~15-17% of the world's exportable specialty chemicals, whereas India accounts for merely 1-2% indicating that the country has large scope of improvement and widespread opportunity. It is anticipated that Specialty chemicals will be the next great export pillar for India.

The "Make in India" campaign is also expected to add impetus to the emergence of India as a manufacturing hub for the chemicals industry in the medium term. Through incentives, subsidies and grants under this campaign, Indian companies could gain further ground as companies would want to reduce dependence on China after the COVID-19 pandemic and shift their supply chains. The decline in raw materials prices could also help the margins and reduce working capital need. However, input costs are a pass through for most companies and benefits could be limited. Overall, the specialty chemicals industry is likely to continue to perform well in the near to medium term and is expected to capitalize on the Make in India benefits to assume leadership position in the market. The exports are on the rise as India is becoming a central manufacturing hub for such chemicals. Tightening of environmental norms (e.g. REACH Registration, Evaluation, Authorisation and Restriction of Chemicals Regulations) in developed countries and the slowdown of China are contributing to the growth of exports.

Owing to shutdowns in China and lack of capacity additions in other developed countries, India stands to benefit in the export market. Also supporting the growth in India is its ability to manufacture at a lower price compared with its western counterparts. Moreover, the specialty chemicals consumption in the country is low compared with the global average. The increasing availability of basic chemicals is likely to support investments in the specialty chemicals segment further. Specialty chemical companies will prosper in India because of its chemistry, R&D skillset and economies of scales achieved by the country. Additionally, India's Environmental and Health Safety practices are much more stringent than other manufacturing centres like China, providing a significant strategic advantage. This is evident from the stock performance of the specialty chemical companies. Stocks of specialty chemical companies have fared better than companies in other sectors. Since the start of 2020, even as the benchmark indices, Nifty and the Sensex have shed over 25%, specialty chemical companies have posted a growth of ~4% till August 2020. This indicates the growth prospects and opportunities for specialty chemical companies in India.

The rise of environmentally friendly specialty chemicals in India

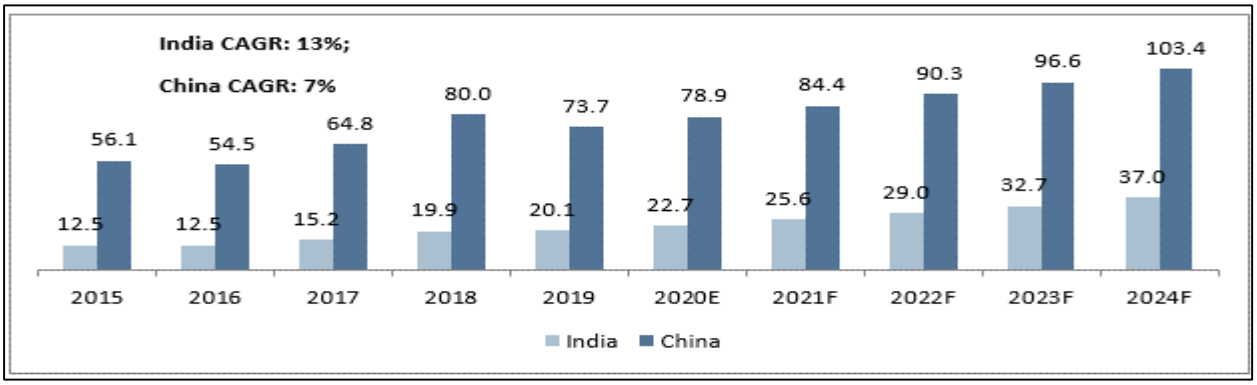
The concept of Green Chemicals in India is evolving. The rising pollution and harm caused to water bodies owing to emission of harmful chemical effluents into water is leading to rise in concern of sustainability. The classification as green or sustainable is measured across the life cycle of any chemical product, including its design, manufacture, application, and disposal. The products can be used for various applications such as food ingredients, home and personal care products, water treatment, and industrial cleaning products. The demand for green chemicals is particularly high from the textile industry which is one of the major end-users of chemicals.

India Trade Scenario

According to World Integrated Trade Solution (under World Bank), in 2018, the top partner countries and regions to which India exported Chemicals were United States, China, Brazil, United Arab Emirates and Germany. While India exported chemicals worth USD 44.6 Bn in 2018, over 35% of the exports were to the mentioned 5 countries. Moreover, in 2018, the top countries and regions to where most chemicals were exported across the globe were United States, China, Germany, Belgium and Switzerland contributing to ~37% of the world's exported chemicals.

In 2018, the top partner countries and regions from which India imported Chemicals included China, United States, Singapore, Saudi Arabia and Korea Republic. Indian imports were valued at USD 57.9 Bn with China contributing to almost 28% of India's total imports. Moreover, in 2018, the top countries and regions from where chemicals were imported across the globe were Germany, United States, China, Ireland and France contributing to over 40% of the world's imported chemicals.

Chemicals Exports Trend – India vs China (Calendar year 2015 – 19 Actuals, Calendar year 2020 – 24 Forecast), USD Bn



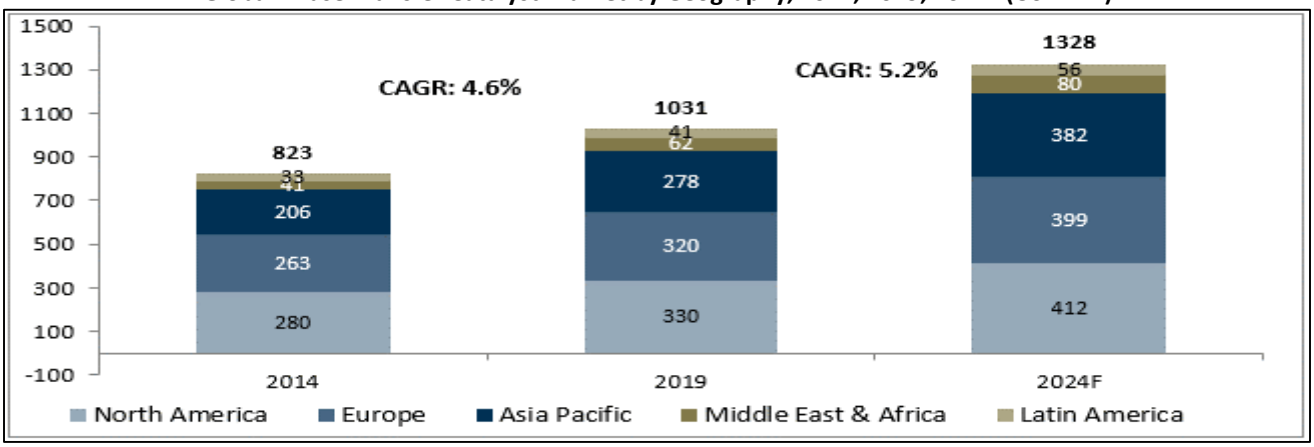
The domestic chemicals industry in China is also witnessing a slowdown, as a result of slower economic growth. China's economic growth is expected to slow down further in the coming years, thus resulting in reduced domestic demand and several plants shutting down in the last three years. This has also resulted in China's overall exports of chemicals growing at a slower rate than India. There is an ample replaceable export market for India to capitalize on, and weave a strong growth story for chemicals – led by Specialty chemicals. Several global players prefer a "China + 1 offshore strategy", with capacities shifting to cost efficient markets with strong technology capabilities like India. Stringent environmental regulations and increased cost of labor have already stifled growth in China, which contributes 35-40% to the global chemical industry. The pandemic has compounded the situation further as companies across the world are looking for alternate supply solutions. Japan's announcement to offer incentives to companies shifting base from China to India further proves the desperation engulfing countries to reduce dependence on China and develop local supply chains. JVs/ Technology transfers will drive the knowledge wave for the Indian industry, given stronger IP protection rights. The spillover impact of China's declining competitiveness has set the stage for India to intensify its effort to capture larger market share.

Currently Indian companies are experiencing wave of bigger orders from Global companies who previously used to purchase from Chinese counterparts. Many customers have been dependent on China for a long time and they are looking for an alternative and India is their preferred choice. Many small and large companies are experiencing surge in demand form global companies who are shifting their source from China to India.

Global Phase Transfer Catalysts (PTC) Market

A phase-transfer catalyst facilitates the migration of a reactant from one phase into another where the reaction occurs. The catalyst functions as a detergent for solubilizing the salts into the organic phase. Phase-transfer catalyst offers faster reactions, higher conversions or yields makes fewer by-products, eliminates the need for expensive or dangerous solvents, eliminates the need for expensive raw materials, and minimize waste problems. Phase-transfer catalysts, like ammonium salts among others have applications in pharmaceuticals and agrochemicals, which is likely to drive this market. During the forecast period, the global phase transfer catalyst market is projected to expand at a CAGR of more than 5% globally. Rising demand and adoption of green chemistry in organic synthesis is expected to drive the growth of the phase transfer catalyst market across the globe.

Global Phase Transfer Catalyst Market by Geography, 2014, 2019, 2024F (USD Mn)



India Phase Transfer Catalyst Market - Overview

The growth of end industries like pharmaceuticals and agrochemicals are driving the development of the Phase Transfer Catalyst market in India. India accounts for ~3.5% of the global Phase Transfer Catalyst market. With a few large manufacturers in India, India is keen on exports thereby aiming to improve its market share. With multiple initiatives from the government favorable for the growth of the Pharmaceutical and Agrochemical industries, India will see a growth in demand for Phase Transfer Catalysts of CAGR 6.6% thereby increasing its market share to ~4% by 2024F. The Indian Phase Transfer Catalyst market is currently valued at a little over USD 37 Mn.

Global Quats (Quaternary Ammonium Compounds) Market

The global market for Quats (Quaternary Ammonium Compounds) is expected to grow at a CAGR of 6.8% from USD 963.7 Mn in 2019 to USD 1.4 Bn in 2024F. The growth in hospital-acquired infections, an increase in the geriatric population, growth in the prevalence of chronic disease, and the rise in the number of surgical procedures are fostering the demand for the Quats market. The market demand is driven by the increase in the prevalence of hospital-acquired infections (HAIs) and the introduction of strict regulations and favorable government policies on disinfection and sterilization. The developing economies are expected to give market players ample growth opportunities.

Applications - Refining Catalyst and Emission Control

Highly prolific approach for synthesis of novel zeolites is the use of tailor-made structure-directing agents (SDA). This method resulted in many new and interesting zeolites; however, some of these large and exotic structure directing agents are rather expensive. To address this, a small amount of the particular structure-directing agent was used to drive the nucleation towards the desired structure, and other structuring functions such as pore-filling and control of pH were fulfilled by an additional, low-cost SDA. Zeolites are indispensable in many catalytic processes like fluid catalytic cracking, hydrocracking, dewaxing, production of octane boosters, hydrodesulphurization, Fischer–Tropsch synthesis, methanol-to-olefin reaction, aromatic alkylation, nitration, halogenation, nucleophilic substitution and addition, and many others. There are a number of hydrocarbon conversion processes that stand out as instances where the appropriate selection of a zeolite catalyst for use with indirect liquefaction products could in future lead to more efficient conversion and/or improve on current refinery designs. Catalytic naphtha reforming using Pt/K/LTL zeolite catalysts benefit from the high linear hydrocarbon content and sulfur-free nature of indirect liquefaction products. Hydroisomerisation of distillate using Pt/AEL (SAPO-11) zeolite catalysts has the potential to increase the yield of jet fuel from Fischer–Tropsch refineries. Zeolite-based catalysts for wax hydrocracking hold promise, but there is not a clear zeolite type, or clear benefit derived from a specific zeolite type that stands out at present. However, sulfur-free wax with a high n-alkane content is an 'ideal' feed for hydrocracking. Hydrocracked distillate has desirable properties for jet fuel and diesel fuel, but hydrocracked naphtha requires further extensive refining to have desirable properties for motor-gasoline. A zeolite that could regulate cracking position would constitute a breakthrough in hydrocracking catalysis. More recently, zeolites have also been introduced for catalytic emission control, e.g., reducing the emission levels of nitrogen oxides (NOx) from both stationary and mobile sources. In particular, zeolites promoted with transition metals such as copper and iron have been proven to be active for the selective catalytic reduction of NOx by ammonia, which is currently considered as one of the preferred technologies for NOx removal from lean exhaust gases in automotive applications.

Global Battery Electrolyte Market Overview

The global Battery Electrolyte market is valued at USD 4.80 Bn in 2019 and is forecasted to reach USD 7.1 Bn by 2024F with a growing CAGR of 8.2%. The growing number of applications of battery electrolyte predominantly in the automotive sector is major growth driver. The applicability of battery electrolytes is found largely in electrical devices like electrolytic cells and batteries among other devices. Emerging countries like China, India and Japan among other economies are pouring excessive investments in the automotive sector's international market. It is noted that developing regions are prominent importers of the global battery electrolyte market. There is also a shift seen from chemicals to bio based chemicals due to the growing concerns regarding the effect of battery electrolytes. Bio based chemicals are extensively produced by using fats and oils extracted from plants and animals. Along with being environment friendly, these are also cost efficient if compared with their predictable equivalents. In industries like automotive medical and manufacturing among other industries, the demand for battery electrolytes is up surging mainly due to its properties in wide variety of applications. Liquid, gel and dry are the main forms of battery electrolytes, where gel electrolytes are gaining a lot of market acceptance. They are also anticipated to hold the largest position in the market in the upcoming years due to their high employability in the in flexible solid-state batteries together with Super-Capacitors

Global Super-Capacitor Market Overview

Super-Capacitors are also known as ultra-capacitors or electrochemical capacitors which utilize high surface area electrode materials and thin electrolytic dielectrics to achieve capacitances several orders of magnitude larger than conventional capacitors. In a conventional capacitor, energy is stored by moving charge carriers and electrons from one metal plate to the other metal. This charge separation creates a potential between the two plates which can be harnessed in an external circuit. The total energy stored in the circuit will increases the amount of charge stored and also increase the potential between the plates. The global Super-Capacitors market was valued at USD 1.4 Bn in 2019 and is anticipated to grow at a CAGR of 26% to reach USD 4.4 Bn by 2024F. This growth which in turn is driving the electrolyte market is primarily driven by the increased use of Super-Capacitors in energy harvesting applications, vehicles such as aircraft & trains and large storage capacity of the Super-Capacitor. The high prices of raw materials, the availability of low priced substitutes, customer traditionalism and high level competition from the established high capacity batteries vendors are posing a hindrance to the market.

India Battery Electrolyte Market

India Battery Electrolyte market stands at USD 0.35-0.4 Bn in 2019 projected to grow at 8-9% CAGR over the next half decade to reach USD 0.55-0.65 Bn by the year 2024F. India battery electrolyte market is approximately 6-8% of the global battery electrolyte market. Automotive and Consumer Electronics comprise of more than half of the India's market. The Automotive segment saw a drop in sales in the last 2 years; it is however, expected to bounce back and grow exponentially. The demand for Hybrid vehicles and Electric Vehicles will in turn boost the demand from the Automotive and Transport industry. With growing technological savvy population and better standards of living, the demand for consumer electronics in forms of Phones, Mobiles, Laptops, Music Players, Audio Assistants and Reading Tablets among others is driving the Consumer Electronics market

India Super Capacity Market Overview

Super-Capacitors or ultra-capacitors are charge storage devices that store electrical charges via electrochemical and electrostatic processes. These have an unusually high energy density as compared to common capacitors. Due to their beneficial properties like fast charging ability, superior low temperature performance, long service and cycle life, and reliability, Super-Capacitors hold the potential to replace or complement traditional batteries and capacitors in several applications. These are already being used worldwide in a number of applications ranging from automotive, renewable energy to electronics. Super-Capacitors are steadily paving the way for hybrid power storage applications, such as complementary batteries especially in two-wheeler applications. Various market reports estimate the global demand for Super- Capacitors to grow tremendously, primarily driven by different consumer electronics and automotive applications, to provide backup power. Super-Capacitors provide the necessary power backup required for the smooth functioning of applications such as video calling, cameras, wireless communications and GPS navigation. Other industrial handheld devices—such as GSM/GPRS and radio frequency identification (RFID) communication tools, LED flashlights, thermal printers, barcode scanners and GPS chips—can also be operated more conveniently with the help of Super-Capacitors , to provide the required power boost. Using Super- Capacitors in line with batteries in these electronic devices increases the life cycle of conventional batteries, by reducing the load of voltage drops. Thus, battery runtime and operational life is improved extensively by using Super-Capacitors. The current practice, across the globe, of upgrading to power generation from renewable resources to reduce rapid depletion of natural resources is also expected to drive the market for Super-Capacitors in the coming years. Although Super-Capacitor technology is at a nascent stage in India, opportunity for this technology is huge considering the various application sectors. The Indian Super-Capacitors market was valued at around USD 250- 300 Mn and is projected to grow at a CAGR of around 16-18% by 2024F on account of huge demand for Super- Capacitors from the consumer electronics segment. Super-Capacitors are used in several devices in consumer electronics category including smartphones, laptops, TVs, cameras, lighting appliances and GPS devices. Moreover, evolution of Super-Capacitors as a sustainable energy storage solution, growth of EVs market and increasing capacities of Super-Capacitors resulting in their applications in wind and solar power sectors is anticipated to boost their demand in India in the next five years. The major demand for Super-Capacitors has been major from consumer electronics, EVs, renewable energy, railway, and defence among others.

Global Pharma & Agro Intermediates and other Specialty Intermediates Market Overview

The global specialty intermediates market stands at USD 115 Bn in the year 2019, and is projected to grow at 5.2% CAGR by 2024F and estimated to reach USD 148 Bn. This growth is primarily driven through the high growth end-use segments such as pharmaceuticals, agrochemicals, paints and coatings, personal care, flavour & fragrances, etc. Some of the countries like China and India have been actively catering to export led demand in the application segments of specialty intermediates, which is making these regions attractive (within Asia Pacific) in intermediates space. Intermediates refer to the substances that are semi-finished products and used as catalysts. Chemical intermediates are generated during each and every step of the chemical reaction that is meant to change a reactant into a final product. Intermediates come in various forms such as solid, liquid as well as gas. Specialty intermediates are highly consumed in application segments like manufacturing, API, crop protection active ingredients, paints and coatings, detergents, textiles, etc.

India Specialty Intermediates Market

India specialty intermediates market stands at USD 6.7 Bn in 2019 projected to grow at 10.2% CAGR over the next half decade to reach USD 10.8 Bn by the year 2024F. India specialty intermediates market is approximately 5-6% of the global specialty intermediates market. Pharmaceutical intermediates market comprise of more than half of the India specialty intermediates market. Some of the large volume specialty intermediates used in pharmaceutical application are amides, chlorides, organic acids, hydrochlorides, amines, hydroxides, etc. Pharmaceutical and agrochemical segments are expected to grow exponentially in India leading to a growth in the market size of these application segments as well.

Global Personal Care Market

The Global Personal Care market has shown a steady growth of 5.3% till 2019 and is anticipated to grow at 6.6% in the coming years. The main drivers are increasing disposable income, growing middle class and other trends such as men's grooming and increased hygiene awareness. With the penetration of internet and social media, cosmetics and skin care products are expected to drive the market of personal care products across the globe

India Personal Care Market Overview

The personal care industry in India is pegged at USD 14.3 Bn, and expected to grow at a CAGR of 9.8% to reach USD 25 Bn by 2025F. The personal care industry is one of the fastest growing consumer products sectors in India with a strong potential for foreign companies. From increasing shelf space in retail stores and boutiques in India to stocking products from around the world, the personal care sector in India

has shown continued strong growth. Increasing disposable income and young rising middle class are significant factors driving the market in the country.

Key Concerns:

- The continuing impact of the outbreak of the COVID-19 could have a significant effect on the operations, and could negatively impact the business, revenues, financial condition and results of operations.
- Unplanned slowdowns or shutdowns in manufacturing operations could have an adverse effect on the business, results of operations and financial condition.
- TCP is subject to quality requirements and strict technical specifications and audits by its institutional customers. Its failure to comply with the quality standards and technical specifications prescribed by such customers may lead to loss of business from such customers and could negatively impact its reputation, which would have an adverse impact on its business prospects and results of operations.
- Increase in the cost of raw materials could have a material adverse effect on the results of operations and financial conditions.
- Business subjects TCP to risks in multiple countries that could materially adversely affect its business, cash flows, results of operations and prospects.
- Depends on limited number of suppliers for certain raw materials. The loss of one or more such suppliers could adversely affect the business, results of operations, financial condition and cash flows.
- TCP commits substantial effort, funds and other resources towards its research and development activities in order to introduce new products and respond to changing customer preferences, and its inability to do the same in a timely and effective manner, may have an adverse effect on the business, results of operations and financial condition.
- Derives a significant portion of revenue from a few customers and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for TCP's products may adversely affect the business, results of operations, financial condition and cash flows.
- Non-compliance with and changes in, safety, health, environmental and labour laws and other applicable regulations, may adversely affect the business, results of operations and financial condition.
- A downgrade in credit rating could adversely affect TCP's ability to raise capital in the future.
- Manufacturing facilities are concentrated in a single region and any adverse developments affecting this region could adversely affect the business, results of operations and financial condition.
- TCP does not have any long term agreements with most of its customers, and the loss of one or more of them or a reduction in their demand for its products could adversely affect the business, results of operations, financial condition and cash flows.
- TCP may not be able to renew or maintain its statutory and regulatory permits and approvals required to operate the business, which may adversely affect its business, results of operations and financial condition.
- Operates in a hazardous industry and are subject to certain business and operational risks consequent to its operations, such as, the manufacture, usage and storage of various hazardous substances.
- If TCP is unable to sustain or manage its growth, its business, results of operations and financial condition may be materially adversely affected.
- Commercial success depends on the success of customer's products with end consumers. Any decline in the demand for TCP's customer's products would adversely impact the demand for its products.
- TCP's research and development efforts may not produce successful products or enhancements to its products that result in significant revenue or other benefits in the near future, if at all.
- Failure to keep technical knowledge confidential could erode competitive advantage.

- Any adverse changes in regulations governing the business, products and the products of its customers, may adversely impact the business, prospects and results of operations.
- TCP is subject to risks resulting from foreign exchange rate fluctuations that could adversely affect its results of operations.
- TCP's profitability could suffer if its cost management strategies are unsuccessful or its competitors develop an advantageous cost structure that it cannot match.
- The reputation of brand is important for the business and is key to TCP's ability to remain a trusted supplier of specialty chemistry and service.
- TCP has not been in compliance with certain statutes and rules in the past, including those applicable to it in its capacity as a company. Any further non-compliance of this nature, or adverse order passed by a regulator or statutory authority against the Company s in this regard may affect its reputation, business, operations and financial condition.
- TCP's direct customers and their direct and indirect customers face numerous competitive challenges, which may materially adversely affect the business..
- Revenue, earnings, and other operating results have fluctuated in the past and may fluctuate in the Future.
- If TCP does not continue to attract, motivate, and retain members of senior management team and qualified employees, it may not be able to support its operations.
- Ability to accurately forecast demand and manage inventory or working capital balances may have an adverse impact on the business, market position and result of operations.
- Significant disruptions of information technology systems or breaches of data security could adversely affect the business.
- TCP is susceptible to product liability claims that may not be covered by insurance, which may require substantial expenditure and may adversely affect its reputation and if successful, could require us to pay substantial sums.
- TCP operates in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressure could have a material adverse impact on its prospects and results of operation.
- Relies on third-party transportation providers for procurement of raw materials and for supply of its products and failure by any of TCP's transportation providers could result in loss in sales.
- Inability to expand business successfully in international markets may affect its growth which may have an adverse effect on the business, results of operations and financial condition.
- Failure to comply with trade restrictions such as economic sanctions and export controls could negatively impact the reputation and results of operations.
- Any defaults or delays in payment by a significant portion of TCP's customers, may have an adverse effect on cash flows, results of operations and financial condition.
- Research and development efforts may not produce successful products or enhancements to its products that result in significant revenue or other benefits in the near future, if at all.
- TCP's indebtedness and the conditions and restrictions imposed on it by its financing agreements could adversely affect the ability to conduct its business.
- TCP retains a large number of contract labour, resulting in increased costs to the Company. In the event of non-availability of such contract labour or any adverse regulatory orders, it may have a material adverse impact on its operations.
- Operations involve the operation of machinery. These activities can be dangerous and any accident, including any mechanical and operational failures could cause serious injury to people or property and in certain circumstances, even death, and this may adversely affect the production schedules, costs, sales and ability to meet customer demand.

- TCP is subject to risks arising from interest rate fluctuations, which could reduce the profitability of its projects and adversely affect the business, financial condition and results of operations.
- Employee misconduct could harm TCP and is difficult to detect and deter.
- Financial instability in other countries may cause increased volatility in Indian financial markets
- Regional conflicts, civil disturbances and terrorist attacks in South Asia may have an adverse effect on the business.
- If inflation were to rise in India, TCP might not be able to increase the prices of its products at a proportional rate in order to pass costs on to its customers and its profits might decline.
- Foreign investors are subject to foreign investment restrictions under Indian laws which limit TCP's ability to attract foreign investors, which may adversely impact the market price of its Equity Shares.

Profit & Loss

Particulars (Rs in million)	FY21	FY20	FY19
Revenue from Operations	3003.6	2632.4	2063.1
Other Income	59.3	13.8	4.9
Total Income	**3062.9**	**2646.2**	**2068.0**
Total Expenditure	**2346.6**	**2082.9**	**1725.1**
Cost of materials consumed	1509.1	1461.6	1182.9
Purchases of stock-in-trade	25.4	24.5	2.8
Changes In Inventories of WIP & Finished Goods	-40.6	-158.4	-43.3
Employee benefits expense	241.3	205.3	163.1
Other expenses	611.3	549.9	419.5
PBIDT	**716.4**	**563.4**	**343.0**
Interest	42.1	39.5	36.3
PBDT	674.3	523.9	306.6
Depreciation, amortization and impairment expense	67.3	47.9	40.2
PBT	**607.0**	**476.0**	**266.4**
Exceptional, Non-recurring items	0.0	0.0	-7.5
Tax (incl. DT & FBT)	**84.3**	**98.1**	**68.5**
Current tax	108.1	80.0	52.8
Deferred tax	-23.8	11.5	16.9
Tax for earlier years	0.0	6.6	-1.3
PAT	**522.6**	**377.9**	**205.4**
EPS (Rs.)	26.0	18.8	10.2
Equity (Latest)	200.8	200.8	200.8
Face Value	10.0	10.0	10.0
OPM (%)	21.9	20.9	16.4
PATM (%)	17.4	14.4	10.0

(Source:RHP)

Balance Sheet

Particulars (Rs in million) As at	FY21	FY20	FY19
Assets			
Non-current assets			
Property, plant and equipment	1085.1	991.7	544.6
Right-of-use assets	118.4	119.0	121.1
Capital work-in-progress	98.1	48.9	60.4
Intangible assets	1.0	1.2	1.4
Other non-current assets	3.0	1.7	3.8
Total non-current assets	**1305.5**	**1162.4**	**731.2**
Current assets			
Inventories	720.2	635.6	355.9
Financial assets			
- Trade receivables	907.4	495.7	412.6

- Cash and cash equivalents	44.8	101.6	151.0
- Bank balances other than (iii) above	8.6	6.7	6.5
- Loans and Advances	19.0	16.8	14.5
- Other financial assets	11.4	10.9	89.8
Current tax assets (net)	0.0	3.1	7.7
Other current assets	131.1	56.6	105.9
Total current assets	**1842.5**	**1327.0**	**1143.8**
Total assets	**3148.0**	**2489.4**	**1875.1**
Equity and Liabilities			
Equity			
Equity Share Capital	200.8	80.4	80.4
Other equity	1458.8	1096.6	716.7
Total equity	**1659.6**	**1176.9**	**797.0**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	267.6	387.1	315.2
Deferred tax liabilities (net)	20.8	44.6	33.1
Provisions	5.5	4.0	2.9
Other non-current liabilities	14.3	0.3	0.4
Total non-current liabilities	**308.2**	**435.9**	**351.6**
Current liabilities			
Financial liabilities			
- Borrowings	492.9	404.9	399.1
- Trade payables			
total outstanding dues of micro enterprises and small enterprises	129.1	52.5	73.4
total outstanding dues of creditors other than micro enterprises and small enterprises	345.6	263.7	147.9
Other financial liabilities	142.5	117.5	57.2
Provisions	1.1	0.6	0.4
Other current liabilities	62.0	37.4	48.5
Current tax liabilities (net)	6.9	0.0	0.0
Total current liabilities	**1180.2**	**876.5**	**726.5**
Total equity and liabilities	**3148.0**	**2489.4**	**1875.1**

(Source:RHP)

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