



May 24, 2021

To,

National Stock Exchange of India Ltd. Exchange Plaza Bldg. 5 th Floor, Plot No.C-1 'G' Block, Near Wockhardt, Bandra Kurla Complex Mumbai 400 051. Fax:26598237/38 Scrip Code : DCW	BSE Limited, 1 st floor, New Trading Ring Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Fax : 22723121/3719/2037/2039 Scrip Code :500117
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Dear Sir/Madam,

Sub: Press Release

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, enclosed herewith is a copy of the Press Release to be distributed to the media, contents of which are self-explanatory.

This intimation is also being uploaded on the Company's website at www.dcwlimited.com.

You are requested to kindly take the same on record & oblige.

Thanking You,

Yours faithfully,

For DCW Limited


Name: Dilip Darji
General Manager (Legal) & Company Secretary
Membership No. ACS-22527



DCW LIMITED

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DCW LIMITED

CIN: L24110GJ1939PLC000748

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PRESS RELEASE

DCW Limited announces Q4 & FY21 results

PVC and CPVC continue the positive trajectory, SIOP strengthens further in Q4FY21.

Mumbai, Friday, 21 May 2021: DCW Limited ("the Company" or "DCW"), a specialty chemicals company headquartered in Mumbai, declared the financial results for the quarter and year ended on 31st March 2021 today.

Healthy operational performance in Q4 & FY21

- **PVC:** This segment reported a revenue of INR 7,082 mn in FY21; a 56% growth YoY. Revenue for Q4FY21 is INR 2,592; a 139% growth YoY. Higher PVC prices coupled with higher capacity utilization has led to robust performance for this division.
- **C-PVC:** The revenue increased by 44% YoY and stood at INR 1,486 Mn in FY21 as against INR 1,029 Mn in FY20. Revenue for Q4FY21 stood at INR 459 Mn; with a healthy growth of 113% YoY. The growth was primarily driven by higher capacity utilization. Firm domestic prices is aiding the growth for this division.
- **SIOP:** Consistent efforts has led to positive turnaround of this division. Capacity utilization increased 2x YoY which has resulted into revenue growth of 55% YoY for Q4FY21.

Financial Performance – Q4 & FY21:

- Revenue from operations for Q4FY21 stood at INR 4,557 Mn, growth of 55% on a YoY basis. For FY21, Revenue stood at INR 14,643 Mn, compared to INR 12,773 Mn in FY20, growth of 14.6% YoY. Overall improvement in demand scenario for its products, especially PVC, CPVC & SIOP led to such growth.
- EBITDA for Q4FY21 stood at INR 698 Mn compared to INR 104 Mn in Q4FY20.
- For FY21 EBITDA grew by 43% YoY to INR 2,094 Mn, compared to INR 1,465 Mn in FY20. PVC and CPVC dominated the higher share in overall EBITDA. EBITDA margin for FY21 stood at 14.4%, an improvement of 290bps on a YoY basis. Various cost control measures coupled with better market dynamics led to higher growth in EBITDA.
- Q4FY21 PAT stood at INR 65 Mn, compared to loss of INR 251 Mn in Q4 FY20. Cash PAT for Q4FY21 stood at INR 287 Mn
- FY21 PAT stood at INR 38 Mn, compared to loss of INR 268 Mn in FY20. Cash PAT for FY21 stood at INR 912 Mn.

Commenting on the results, **Mr. Vivek Jain, Managing Director, DCW Ltd.** said, *“This year the company found itself in a rapidly evolving environment, one in which it has been making decisions in real-time, prioritizing the health and safety of the Company’s employees. Cladding the challenges amid second wave of COVID, the company reported revenue growth of 55% YOY for Q4FY21. This growth was predominantly led by improved market dynamics of various products like PVC, CPV and SIOP. The overall revenue growth in specialty chemicals was driven by 55% and 113% YoY growth in SIOP and C-PVC business, respectively. Efficient handling of raw material and rationalisation of operational overheads has also led to considerable improvement in margins.*

During Q4FY21 DCW was able to manage the fundraise of INR 4,100mn via NCD’s of INR 3,500mn and OCD’s of INR 600 mn. Through these transactions, the company extended its debt stack maturities and added additional liquidity to the balance sheet.

Even though the situation seems uncertain with the second wave of Covid-19, the company aims to grow by leveraging the agility and efficiency it now has hard-wired into the business. The SIOP division has been showing promising turnaround and is likely to contribute meaningfully backed by higher capacity utilization and favourable market conditions in coming quarters. The Company remains committed to long-term sustainable improvement in performance, and believe that focus on speciality chemicals will drive sustainable growth in future .”

Q4&FY21 Financial Highlights –

(in INR Mn)

Particulars	Q4FY21	Q4FY20	YoY%	Q3FY21	QoQ%	FY21	FY20	YoY%
Revenue	4,557	2,936	55%	3,861	18.0%	14,643	12,773	14.6%
EBITDA	698	104	573.1%	575	21.5%	2,094	1,464	43.0%
EBITDA Margin (%)	15.3%	3.5%	1180bps	14.9%	40bps	14.3%	11.5%	280bps
Profit After Tax (PAT)	65	-251		62	4.4%	38	-268	
PAT Margin (%)	1.4%	-8.5%		1.6%		0.3%	-2.1%	

Specialty Chemicals Business– Q4 & FY21

Over the last 4 years, DCW has added niche, value-added, high margin specialty chemicals to its portfolio. The Company has various products in its specialty chemicals portfolio like C-PVC, SIOP and Synthetic Rutile. The Company is one of the few large-scale synthetic iron oxide manufacturers for red and yellow pigments and the only C-PVC manufacturer in India.

The revenue mix between Commodity Chemicals: Specialty Chemicals for Q4FY21 stood at 85%:14% and for FY21 stood at 86%:14%. The Company is focusing on increasing the revenue mix from specialty chemicals. Increasing the revenue share from specialty chemicals will help the Company to boost its margin profile and return ratios.

SIOP:

- Revenue for Q4FY21 stood at INR 225 Mn, as against INR 145 Mn in Q4FY20; growth of 55.2% YoY. Revenue for FY21 stood at INR 598 Mn, as against INR 396 Mn in FY20; growth of 50.8% YoY. Revenue growth was attributable to higher volume sales and better realisation.
- EBITDA for Q4FY21 stood at INR 48.5 Mn, as against INR (6) Mn in Q4FY20 with EBITDA margin of 21.6%. EBITDA for FY21 stood at INR 94.1 Mn, as against INR (26) Mn in FY20 with EBITDA margin of 15.7%. Improvement in EBITDA was primarily led by higher operational efficiency.

C-PVC:

- Revenue for Q4FY21 stood at INR 459 Mn, a robust growth of 113% on a YoY basis. Revenue for FY21 stood at INR 1,486 Mn, compared to INR1,029 Mn in FY20 .
- EBITDA for Q4FY21 stood at INR 183 Mn, compared to INR 58 Mn in Q4FY20; a growth of 213.3%. EBITDA for FY21 stood at INR 548 Mn, a growth of 87.9% on a YoY basis.
- The revenue growth is attributed to robust domestic demand.

Specialty Chemicals Performance Highlights –

(in INR Mn)

	Q4FY21	Q4FY20	YoY%	Q3FY21	QoQ%	FY21	FY20	YoY%
SIOP								
Revenue	225	145	55.2%	171	31.3%	598	396	50.8%
EBITDA	48.5	-6	-	22.4	117%	94.1	-26	-
EBITDA Margin (%)	21.6%	-4.2%	-	13.1%	850bps	15.7%	-6.5%	-
C-PVC								
Revenue	459	215	113.4%	426	7.7%	1,486	1,029	44.3%
EBITDA	183	58	213.3%	168.5	8.4%	548	291	87.9%
EBITDA Margin (%)	39.8%	27.1%		39.5%	30 bps	36.9%	28.3%	

Commodity Chemicals Business– Q4FY21

The Company's commodity chemical business consists of Caustic Soda, Soda Ash and PVC. Soda Ash facility is based out of Dhragandhra, Gujarat, while Caustic Soda and PVC facilities are based out of Sahapuram, Tamil Nadu.

Caustic Soda:

- Revenue for Q4FY21 stood at INR 809 Mn, compared to INR 1,044 Mn in Q4FY20. Revenue for FY21 stood at INR 3,577 Mn, degrowth of 24% on a YoY basis.
- EBITDA for FY21 stood at INR 159 Mn, a degrowth of 80% on a YoY basis. EBITDA for Q4FY21 stood at INR 10.3 Mn, compared to INR 56.6 Mn in Q4FY20.

Soda Ash:

- Revenue for FY21 stood at INR 1,787 Mn degrowth of 9.9% YoY basis. Revenue for Q4FY21 stood at INR 449 Mn, compared to INR 419 Mn in Q4FY20; growth of 7.1% YoY.
- EBITDA for Q4FY21 stood at INR 22.8 Mn, compared to INR 70 Mn in Q4FY20. EBITDA for FY21 stood at INR 140.8, compared to INR 408 Mn in FY20.

- The market for Soda ash remains stagnant with no significant demand in medium term.

PVC:

- Revenue for Q4FY21 stood at INR 2,592 Mn, compared to INR 1,086 Mn in Q4FY20; a growth of 138.6%. Revenue for FY21 stood at INR 7,082 Mn, growth of 56% on a YoY basis. Such growth was due to increase in volume and realisation.
- EBITDA for Q4FY21 stood at INR 416.2 Mn, compared to INR (92) Mn in Q4FY20. EBITDA for FY21 stood at INR 1,044.5 Mn against INR (133) Mn in FY20.

Commodity Chemicals Performance Highlights –

(in INR Mn)

	Q4FY21	Q4FY20	YoY%	Q3FY21	QoQ%	FY21	FY20	YoY%
Caustic Soda								
Revenue	809.1	1,044	-22.5%	657	23.1	3,577	4,675	-23.9%
EBITDA	10.3	56.6	-81.8%	-46.6	-122.1%	159	799	-80.1%
EBITDA Margin (%)	1%	6%		-7%	-	4.5%	17.1%	
Soda Ash								
Revenue	449	419	7.1%	506	-11.3%	1,787	1,983	-9.9%
EBITDA	22.8	70	-67.4%	50	-54.6%	140.8	408	-65.5%
EBITDA Margin (%)	5.1%	16.7%		9.9%	-480 bps	7.8%	20.6%	
PVC								
Revenue	2,592	1,086	138.6%	2,079	24.7%	7,082	4,541	55.9%
EBITDA	416.2	-92	-	366	14%	1,044.5	-133	-
EBITDA Margin (%)	16.1%	-8.5%	-	17.6%		14.7%	-3%	-

About DCW

DCW is a specialty chemicals company, manufacturing PVC, C-PVC (chlorinated polyvinyl chloride), Caustic Soda, Soda Ash, and Synthetic Iron Oxide Pigment (SIOP). The Company is the only domestic manufacturer C-PVC, a versatile thermoplastic used mainly for manufacturing hot and cold-water pipes, industrial liquid handling, and a wide range of products serving a variety of applications. DCW's Caustic Soda, SIOP and PVC Units are in close proximity to the Tuticorin Port in Tamil Nadu, giving the Company a competitive edge over its peers to export its products to global markets.

For more information, please contact:

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