



An ISO 9001:2008 Certified Company

February 23, 2018

To
Manager (CRD)
Bombay Stock Exchange Ltd. (BSE)
P.J. Towers, Dalal Street,
Mumbai 400 001

Manager (CRD)
National Stock Exchange of India Ltd. (NSE)
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400051

Ref: Script Code- 516064

Script Code- ARROWGREEN

Sub: Presentation on Business Performance of the Company

Dear Sir,

With reference to captioned subject matter, please find enclosed herewith the presentation on business performance of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,

For Arrow Greentech Limited

Poonam Bansal

Company Secretary



ARROW GREENTECH LTD.

Solitaire Corporate Park, Building No.3, Unit No.372, 7th Floor, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai - 400 093, Maharashtra, INDIA.

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CIN No. : L21010MH1992PLC069281



ARROW
GREENTECH LTD.

FORMERLY KNOWN AS ARROW COATED PRODUCTS LTD.

Investor Presentation – February 2018

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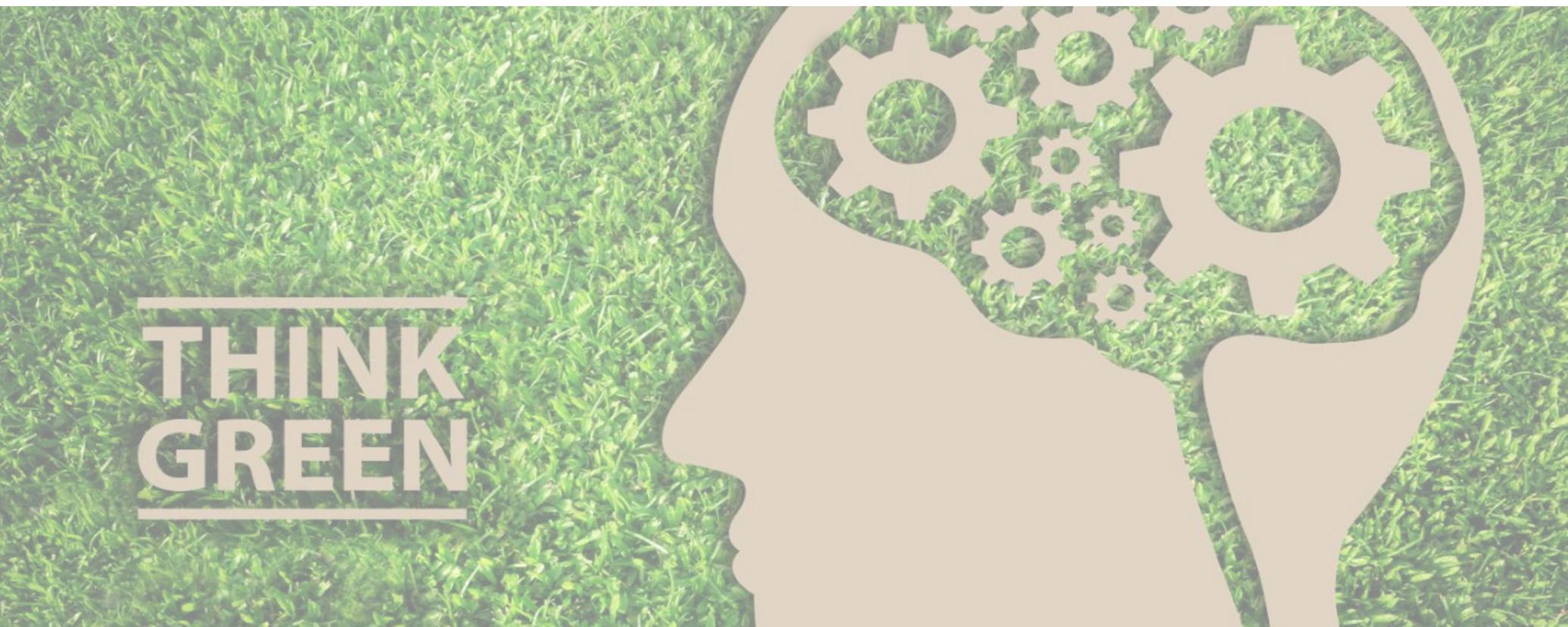
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About the Company

Only Manufacturer of
Water Soluble Films in
India

01



05

State of the Art
Manufacturing Facility
located in Ankleshwar,
Gujarat

Vastly Experienced
Research &
Development Team

02

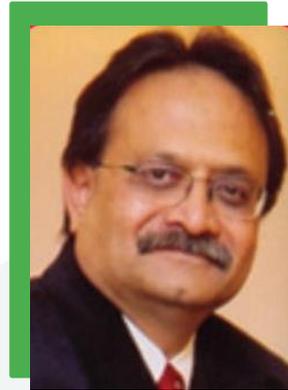
04

Caters to the Niche
Market

03

38 registered patents
across the globe





Mr. Shilpan P. Patel
Chairman & M.D



Mr. Neil Patel
Joint Managing Director



Mr. Haresh Mehta
Independent Director



Mr. Harish Mishra
Independent Director

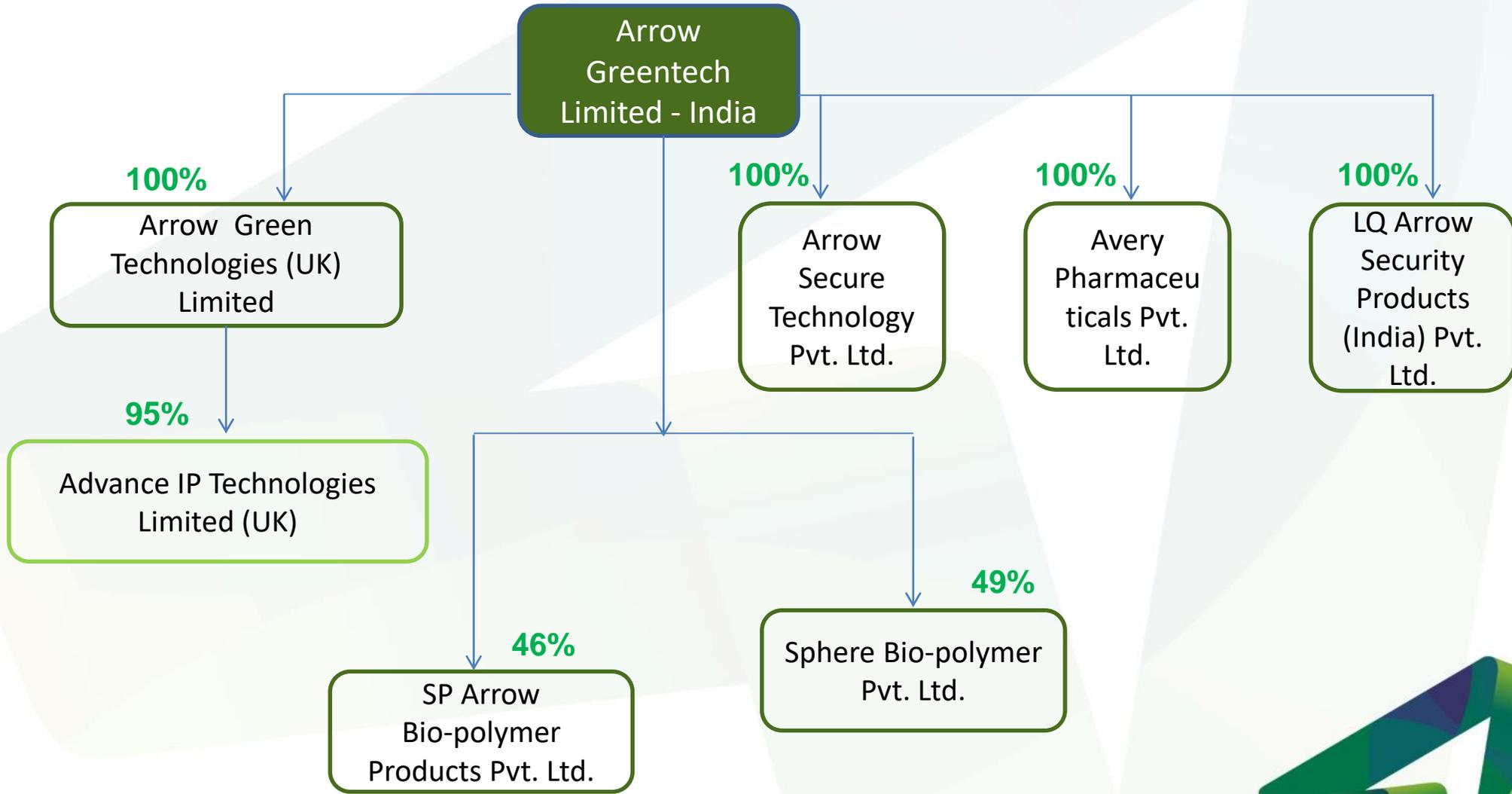


Mr. Dinesh Modi
Independent Director



Mr. Dinkar Trivedi
Independent Director







1. Result Highlights

Reduction in Royalty Income

- Income from Royalty has been decreasing as one of our Major Customer is facing headwinds in their business
- We expect their business to come back to normalcy in the future

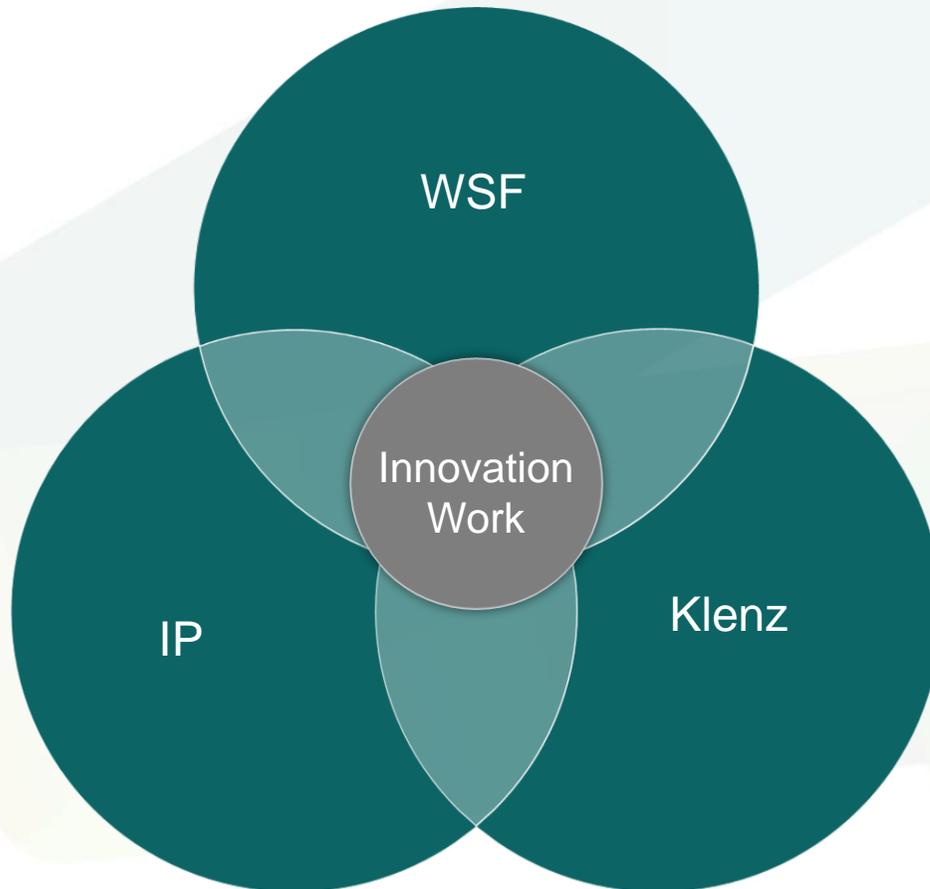
Water Soluble Films (WSF)

- During the quarter the Company carried out Trial-run for a New-grade of Film. By the end of FY18, we expect to streamline the new capacity and which will be available for utilising from FY19 onwards
- There have been certain costs and overheads related to expansion which have been charged to the P&L during the quarter which impacted our Profitability



- LQ Arrow Security Products (India) Private Limited (Security Business) –
 - Incorporated to manufacture, produce or to otherwise deal in all types of technologies relating to all kinds of paper layers
 - Paid-up Capital of Rs. 25 lakhs (2,50,000 equity shares of Rs. 10 each)
- Avery Pharmaceuticals Private Limited (Pharmaceuticals Business)–
 - Incorporated as wholly owned Subsidiary to manufacture, produce or to otherwise deal in pharmaceuticals and other related product
 - Paid-up Capital of Rs. 25 lakhs (2,50,000 equity shares of Rs. 10 each)





1 Water Soluble Film (WSF)

Development, Production & Marketing of Wide Range of Water Soluble Film

2 Klenz Pro

Arrow's Klenz Pro is the most concentrated range of hygiene, in water-soluble capsules. Does not generate plastic waste and is firmly committed to the environment

3 Intellectual Property

Total of 38 granted patents across the World, based on Core Technology of Water Soluble Film





1. Water Soluble Film (WSF)

What is Water Soluble Film (WSF) ?

1



Liquid Detergent
Packed in WSF

2



3



4



Dissolves Completely

What is WSF ?

- Packaging material that is environmentally safe & fully biodegradable when disposed in water or waste

Properties of WSF

- Optimum Tensile Strength
- Flexibility for using in multiple forms of packaging
- Excellent Moisture/Heat Sealing
- Eco-friendly



Applications of WSF

Packaging Film

Safe for the environment & fully biodegradable when disposed of in water or in waste

Soap Film

Watersol Soap Strips, 'Arrow Magic Strips' are a boon for travellers for maintaining hygiene while on the move

Water Transfer Printing Film

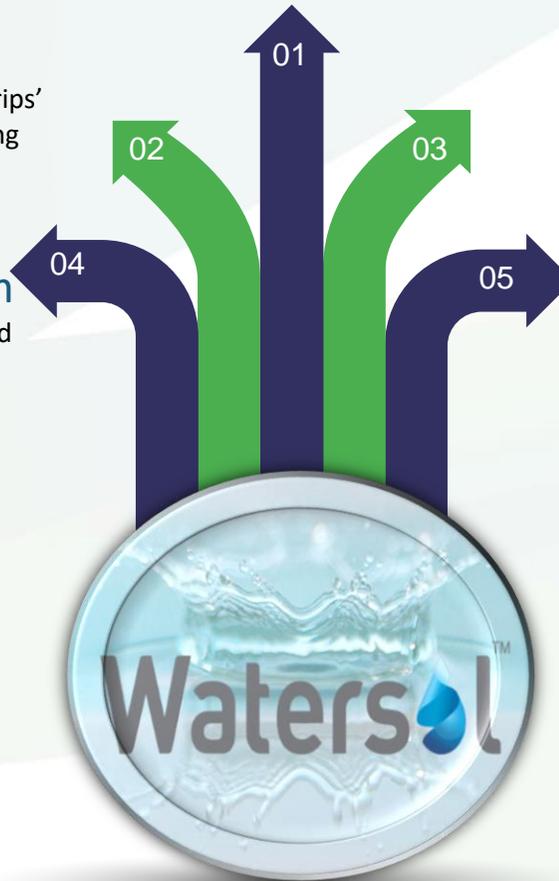
Decoration technology that uses a specialized Watersol film that is printed with a range of natural and abstract patterns to decorate complex-shaped plastics, metals and other materials

Embroidery Film

Help to avoid puckering and slipping of the fabric and make it more stable

Mould Release Film

Forms a barrier between parts and mold surfaces that are still curing. Film is resistant to solvents and yet is water-soluble



Watersol is the trademark product of Arrow Greentech Ltd.



Agrochemical Film



Cement / Dye Enzyme Film



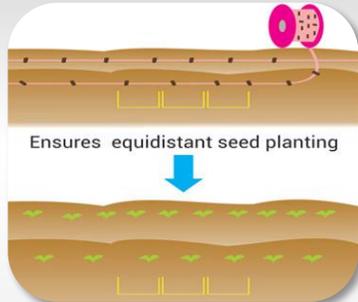
Liquid Detergents



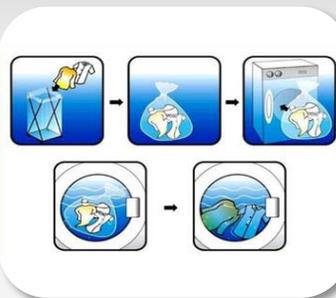
Fish Bait Film



Seed Film



Laundry Bags



Powered Detergents



Toilet Blocks





State of art Manufacturing Facilities

Ankleshwar, Gujarat : ~ 350 Km far from Bombay

Land on 99 years renewable lease from GIDC

R&D Centre with Modern Equipment's

Common Utilities and R&D available for future expansion



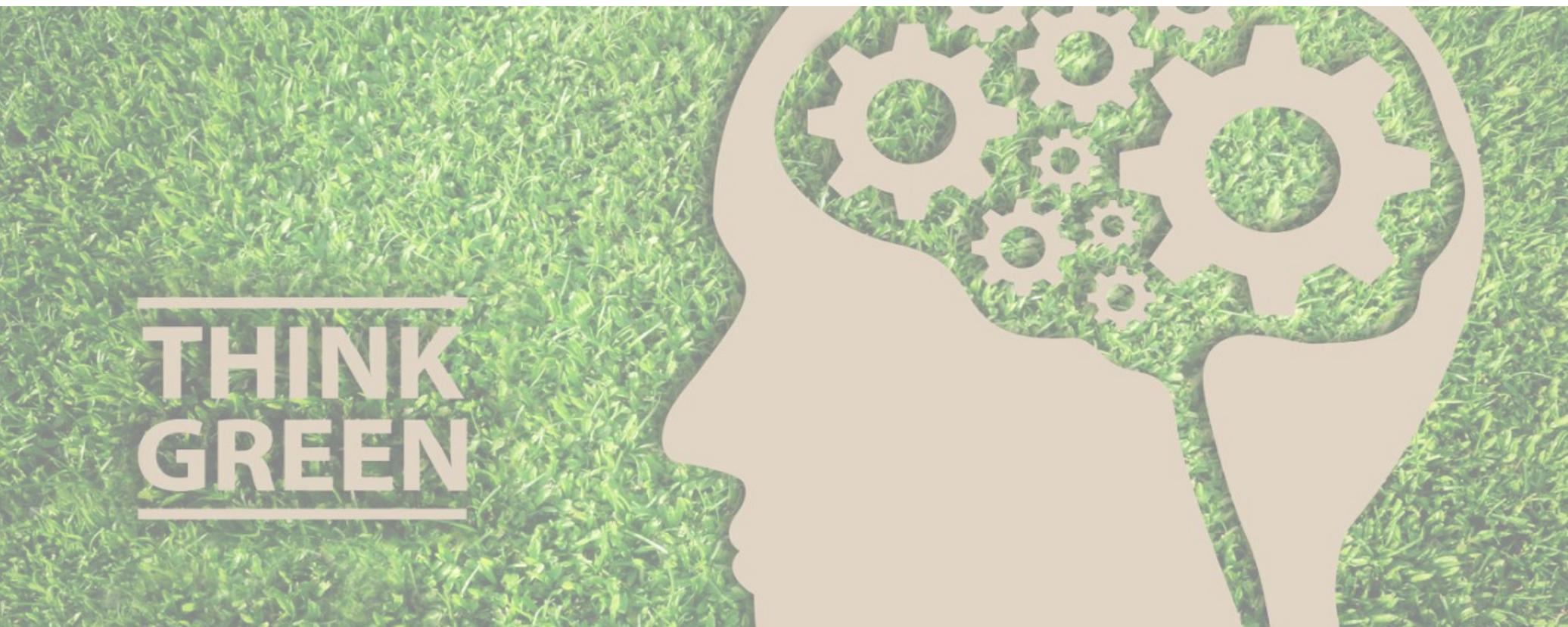


Presence in Europe, Asia, North & South America and Africa – mainly 3 supply points located in India, United Kingdom and South America

Wide Distribution channel to service our clients from around the world

-  – Factory
-  – Warehousing Facility
-  – Supply Zones
-  – Direct Supply
-  – Secondary Supply





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2. KLENZ PRO

What is Arrow Klenz Pro?

Klenz Pro is the most concentrated range of hygiene chemicals available in India

Product Range : General Cleaning, Kitchen Cleaning, Industrial Cleaning and Laundry Cleaning

Klenz Presence is currently in all states in West and South region of India with over 25 distributors

59 products already introduced in the market and plans to expand the range to about 90 products by 2018

First company to successfully launch cleaning chemical in water-soluble film

Designed in collaboration with Proquimia (Spain)

Caters to Hotels, Pharmaceutical plants, Manufacturing Industry, Auto Mobile Industry, Corporate offices, Facility Management companies, Government bodies



100% ECO-FRIENDLY



High concentrated bio-degradable products
Reduced use of raw materials and packaging
Reduced use of energy on the production process
75% less CO₂ emissions during transport
No plastic packaging (water soluble pouches) and carton casing

APPLICATION COST CONTROL



Precise control over product consumption, same dosage every time
No more waste management costs

OCCUPATIONAL RISKS MANAGEMENT



Safe handling, no direct contact with chemical product
85% reduction on loading weight
Easier and more convenient (pouch dissolves in water)
Dosing system not required

REDUCES 85% STORAGE ROOM AND TRANSPORT



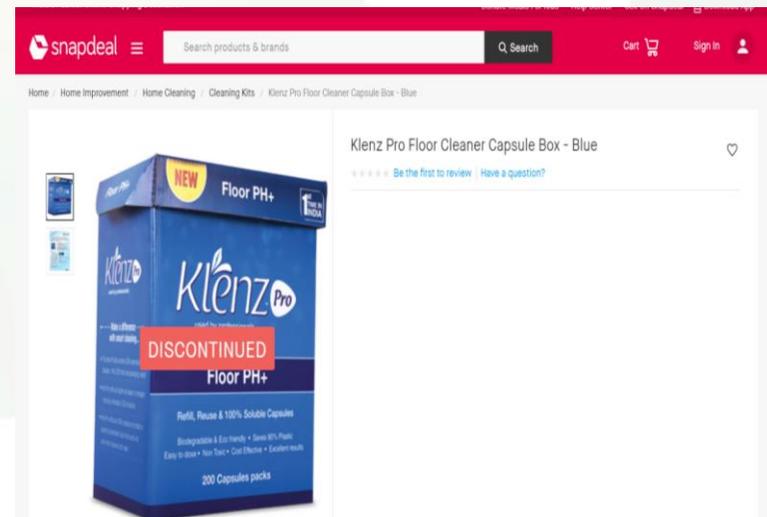
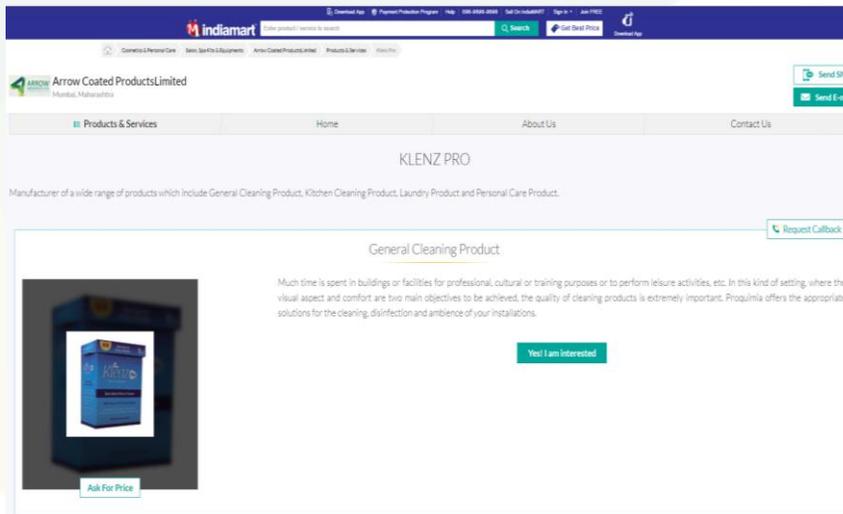
Reduced volume thanks to its high
Concentration formula

Klenz Pro Products are all compliant with European 2017 norms and have a wide range of ECO-LABELED products in the portfolio



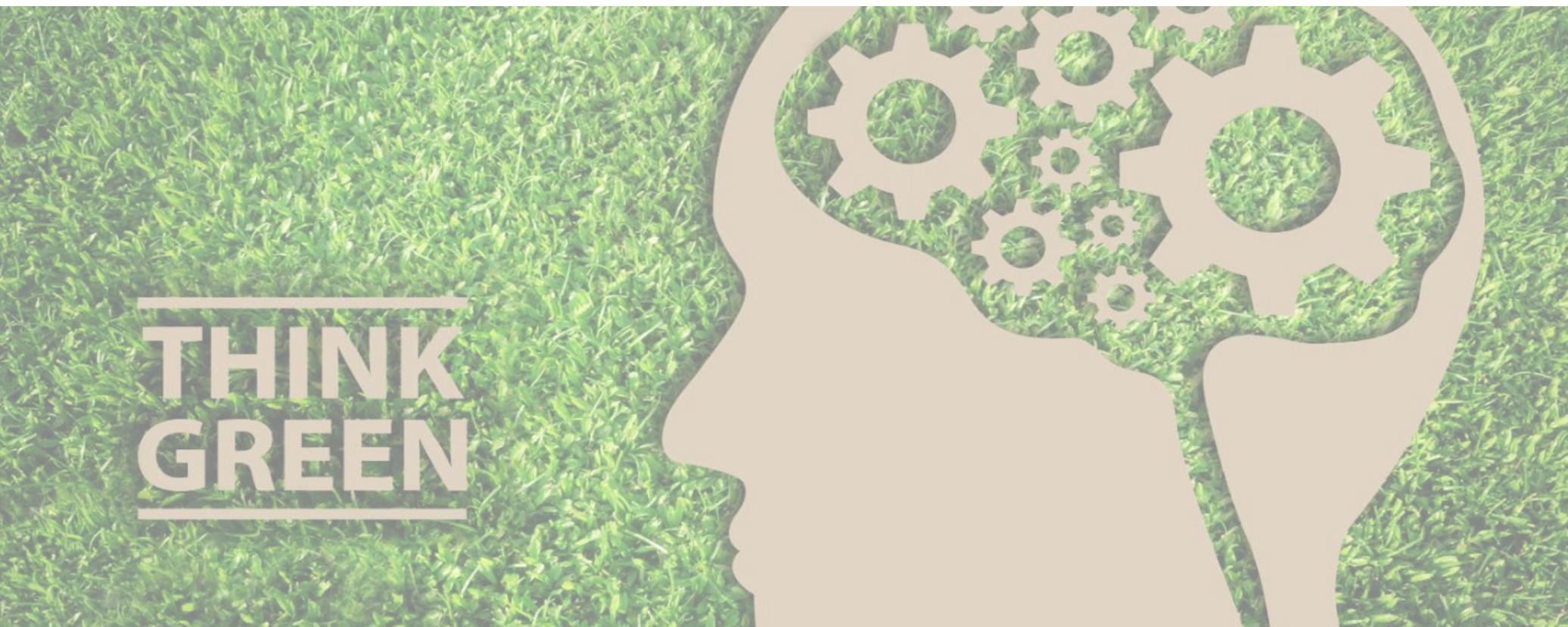


Company's website –
http://klenzpro.com/general_cleaning.html



Our Marketing & Launch Strategy along with Quality built Products made us win the “Best Innovative Chemical Product” in to build a strong Distribution and Sales team which will help our long-term vision





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3. Intellectual Property

Key Granted Patents across the Globe

Health

- Mouth Melting strips, Gel strips, Enzyme strips,
- Vitamins, Drugs, Medicine, Disinfectants and other Pharma ingredients
- For clinical setting like blood, serum, urine testing etc.

Hygiene

- Used to add Active ingredients of Detergents, Softeners, Cleaning Laundry, Dishes, Floorings, Walls, Furnitures and other Cleaning agents that are retained and remained intact for a longer time

Packaging

- Used in agronutrients such as fertilizers, urea, agrochemicals etc.
- Used for packaging for food products, liquid cement, shopping bags etc. or other biodegradable material

Security

- Used in making security labels or secure packaging of the products for identification
- Used in manufacturing of security documents such as cheques, bank notes, passport papers etc.

Printing

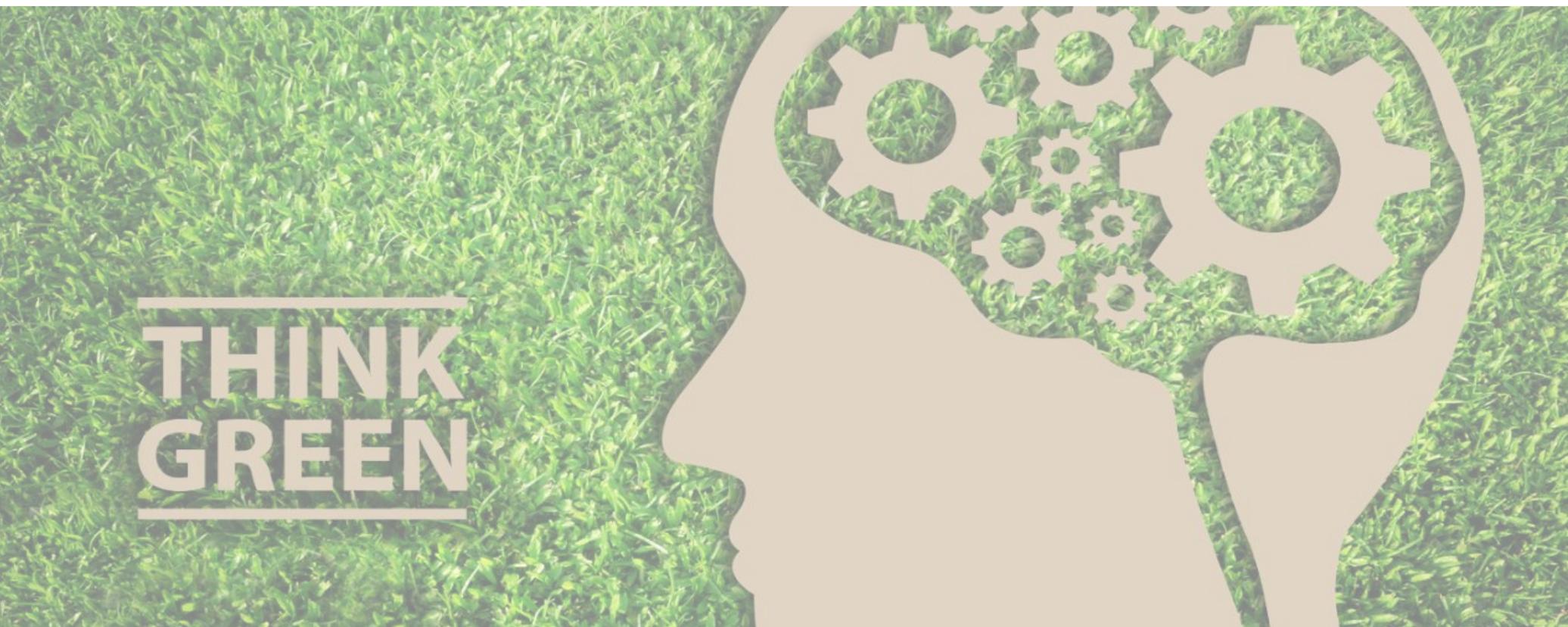
- Used for printing sarees, net or perforated cloth
- Used for printing paper, vinyl
- Used in printing of hoardings, one-way vision films

Self-Adhesive

- Used in making labels for product identification and/or advertising etc.

38 patents granted across the world





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Strategic Benefits & Growth Opportunities

Key Entry Barriers

Product Formulation

- Special Chemistry per end use
- Customized Formulations designed for various types of parameters of WSF
- Example : Various Water Temperature, time of dissolution and types of Water – Hard, soft, Salty etc.

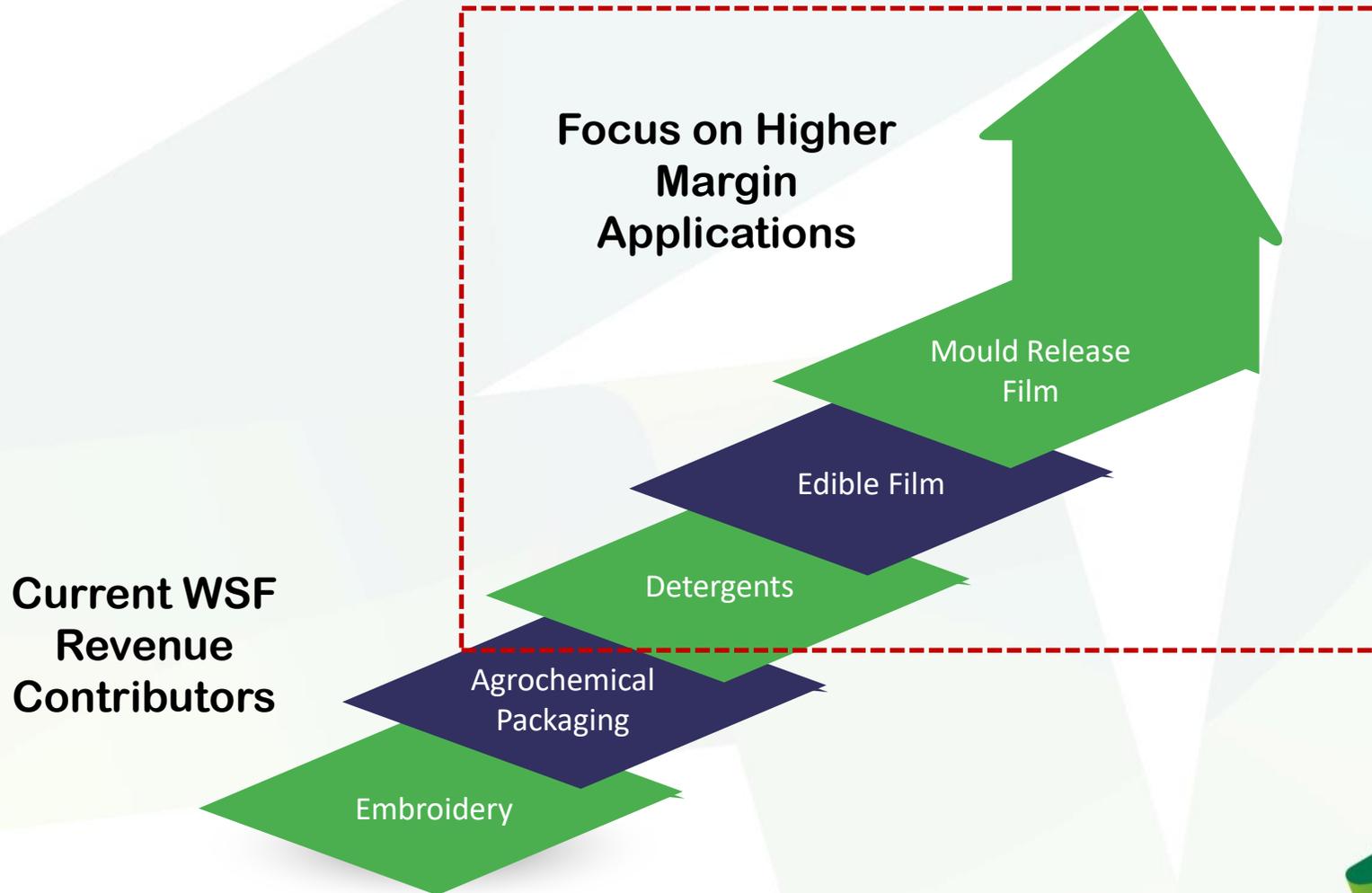
Proprietary Information

- RND outcome is privy to Arrow
- Example : Given a particular material to be packed: Under What Conditions will the WSF dissolve and the Chemical Properties of WSF once it is dissolved

Accelerated Ageing Test

- WSF goes through Accelerated Ageing test under accelerated ageing conditions. This matrix of information is vital to development of right WSF
- To help determine the long-term effects for the purpose of expected shelf life of packed product





Growth Drivers

Intellectual Property

- Monetize the existing Patents by selling or licensing the Patents
- R&D to develop more of Products & Processes and file New Patents

Water Soluble Film

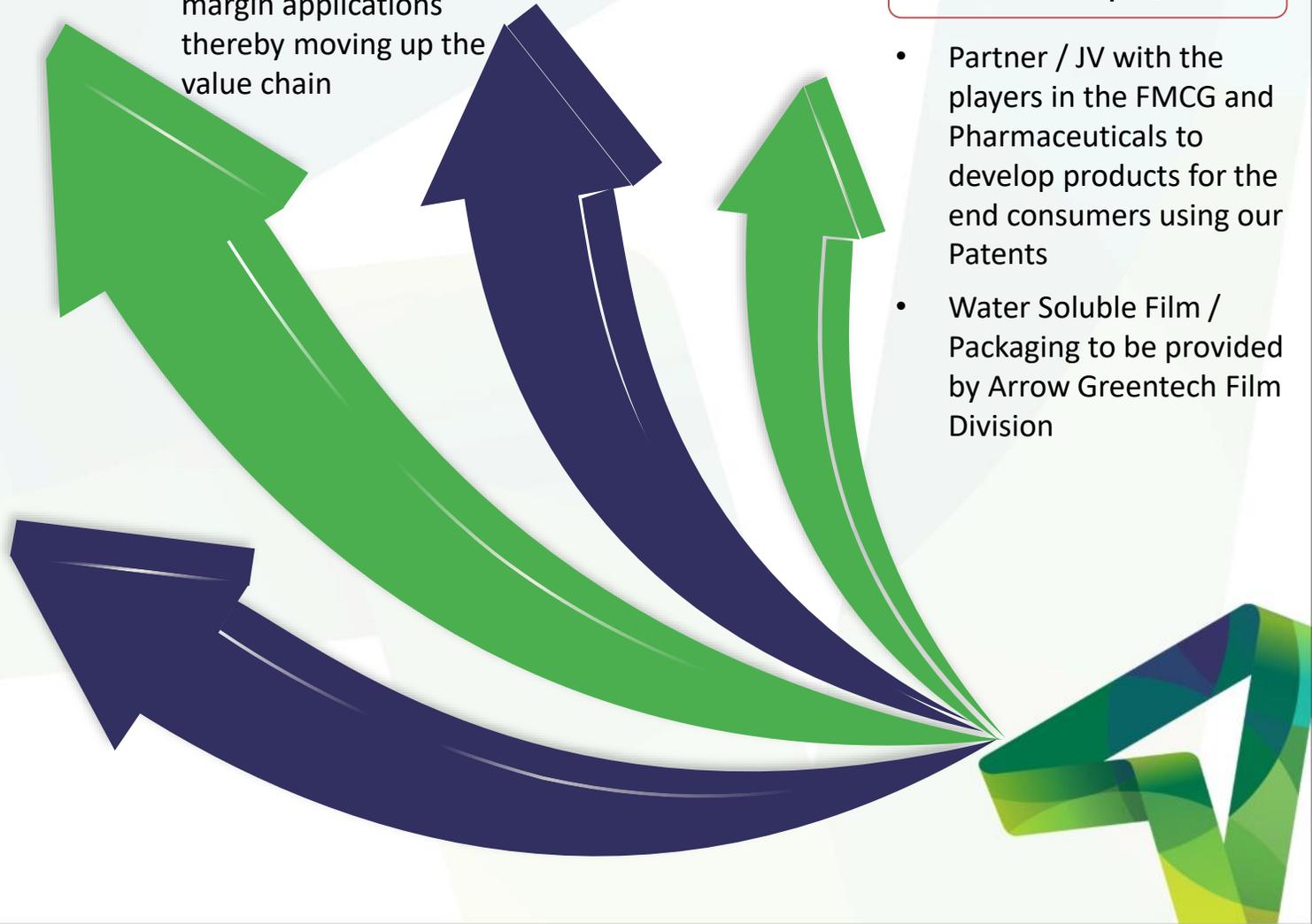
- Focussing on high margin applications thereby moving up the value chain

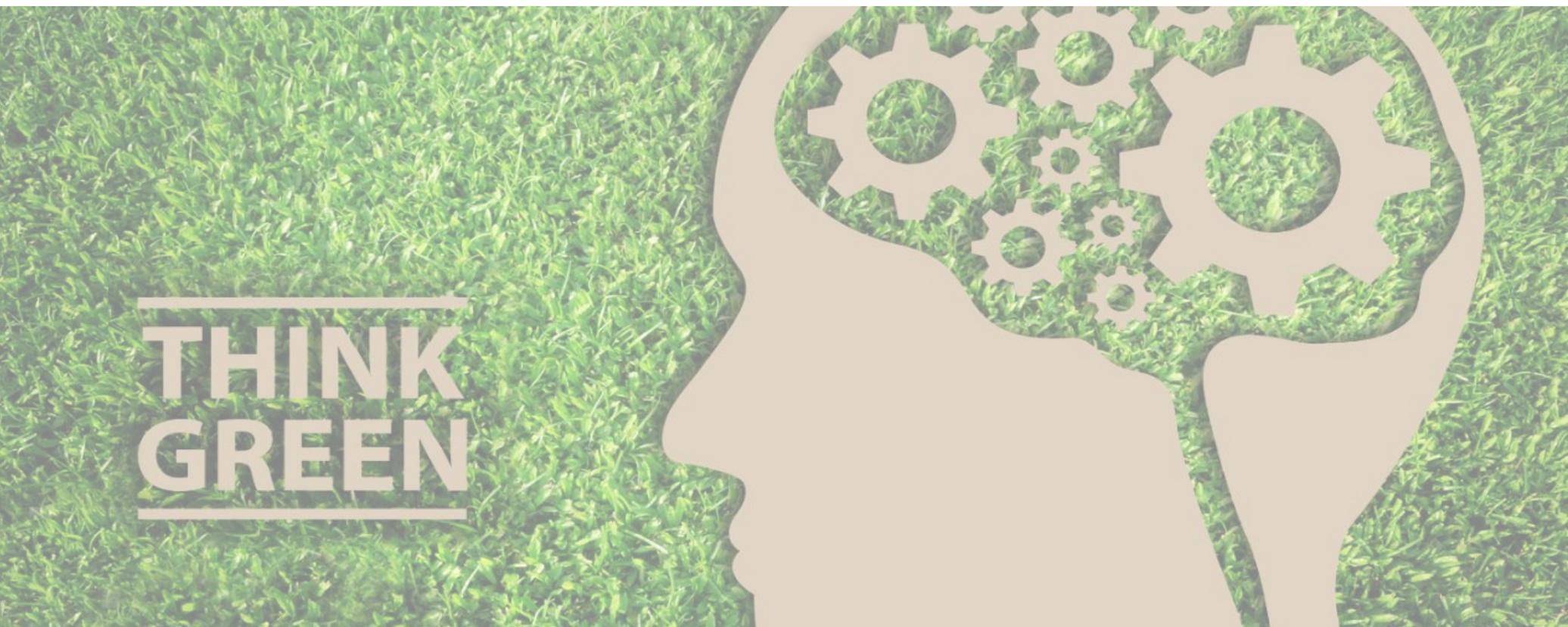
Partnerships / JV's

- Partner / JV with the players in the FMCG and Pharmaceuticals to develop products for the end consumers using our Patents
- Water Soluble Film / Packaging to be provided by Arrow Greentech Film Division

KLENZ

- Increase the product basket under KLENZ
- Once KLENZ reaches a sizeable turnover, we shall manufacture the chemicals ourselves

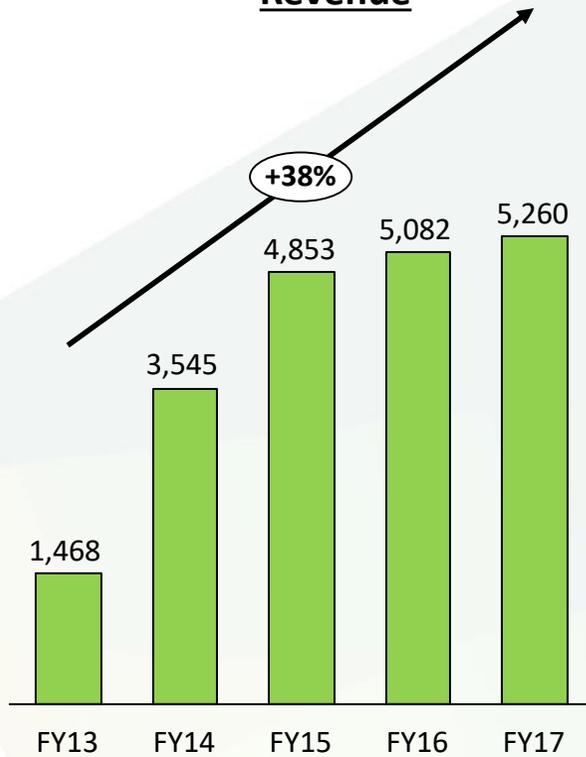




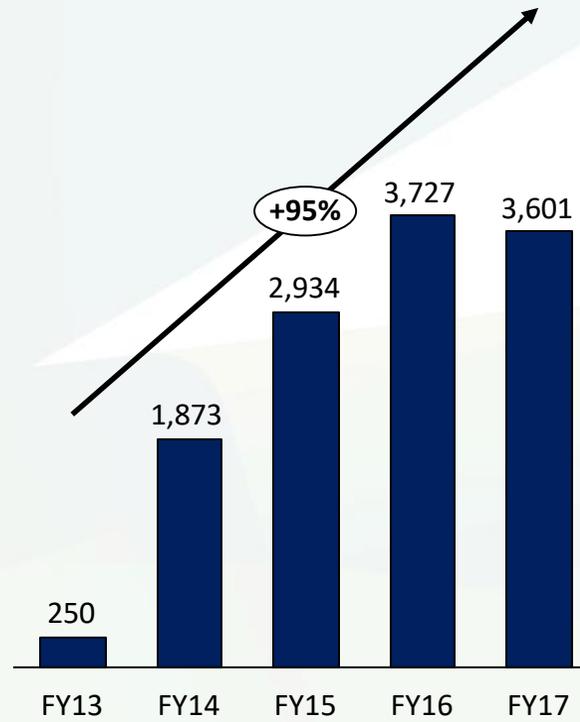
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Financials

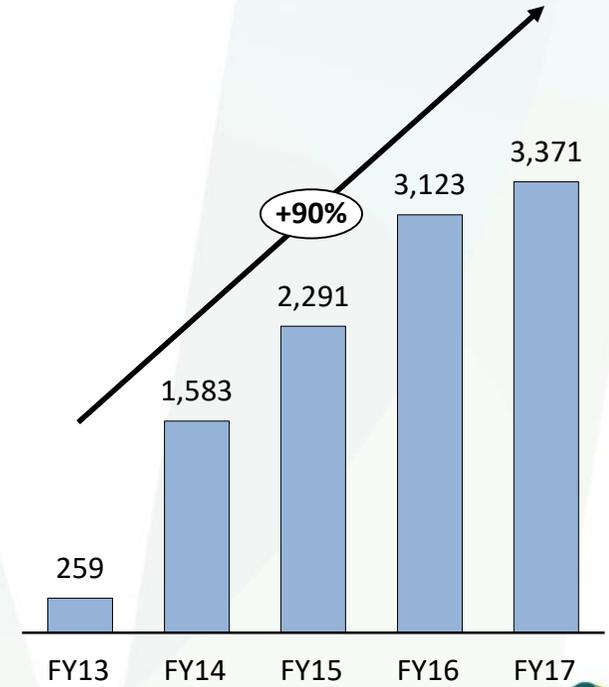
Revenue



EBITDA



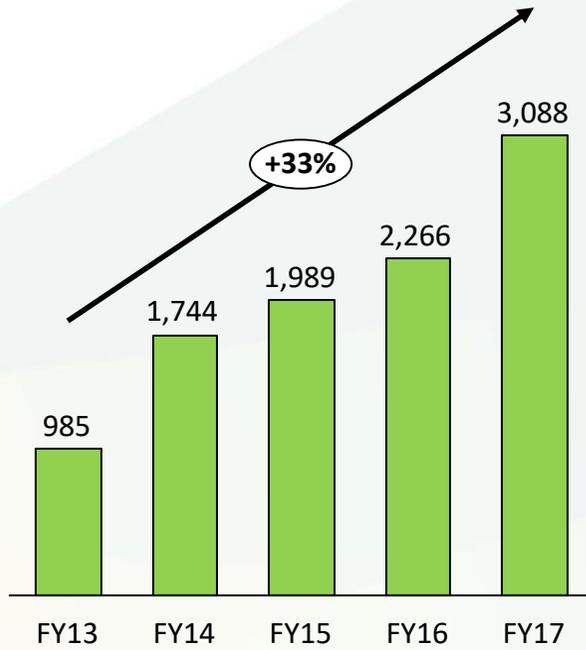
PAT



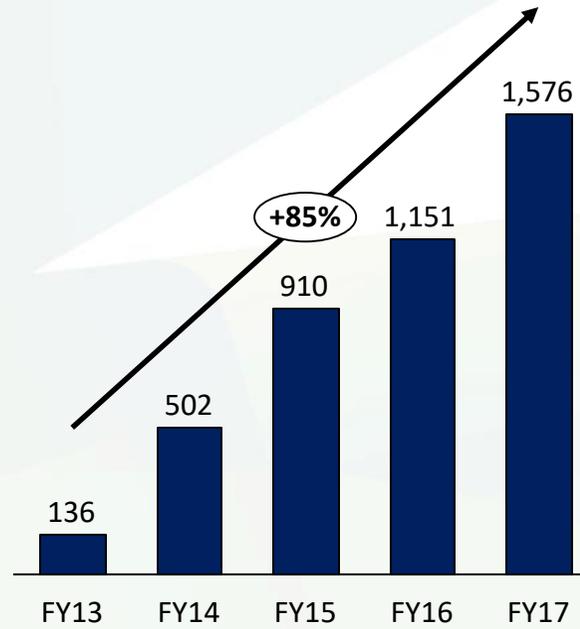
Rs. In Lakhs



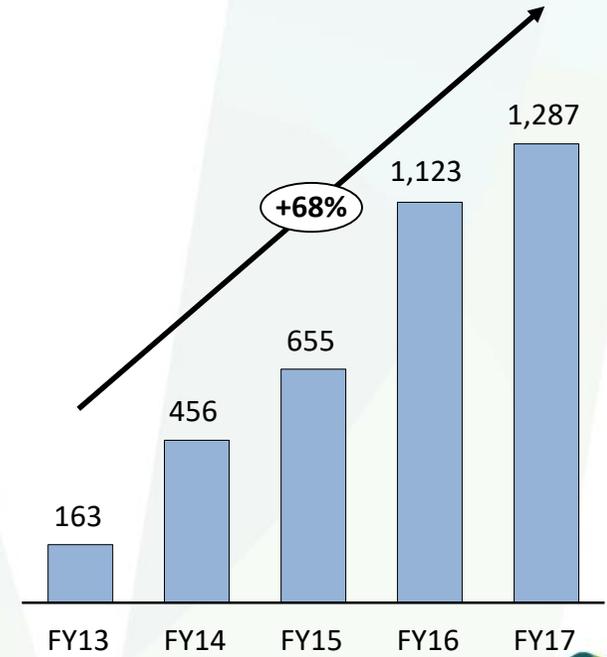
Revenue



EBITDA



PAT



Rs. In Lakhs



Consolidated Profit & Loss Statement

| Particulars (Rs. In lakhs) | Q3 FY18 | Q3 FY17 | Y-o-Y | 9M FY18 | 9M FY17 | Y-o-Y |
|--|--------------|--------------|-------------|--------------|--------------|-------------|
| Gross Revenue from Operations | 818 | 1,405 | | 3,536 | 3,900 | |
| Less : Excise Duty | 0 | 18 | | 15 | 62 | |
| Net Revenue from Operations | 818 | 1,387 | -41% | 3,522 | 3,838 | -8% |
| Cost of Material Consumed | 63 | 57 | | 219 | 158 | |
| Purchase of Stock-in-Trade | 130 | 68 | | 422 | 75 | |
| Change in Inventories | -41 | -60 | | -129 | -30 | |
| Total Raw Material | 152 | 66 | | 511 | 203 | |
| Employee Expenses | 171 | 123 | | 520 | 314 | |
| Other Expenses | 299 | 203 | | 945 | 588 | |
| EBITDA | 196 | 996 | -80% | 1,546 | 2,732 | -43% |
| EBITDA Margin (%) | 23.9% | 71.8% | | 43.9% | 71.2% | |
| Other Income | 105 | 14 | | 266 | 288 | |
| Depreciation | 113 | 63 | | 322 | 139 | |
| EBIT | 188 | 947 | -80% | 1,490 | 2,881 | -48% |
| EBIT Margin (%) | 23.0% | 68.2% | | 42.3% | 75.1% | |
| Finance Cost | 0 | 0 | | 0 | 0 | |
| Profit before Tax | 188 | 947 | | 1,490 | 2,881 | |
| Tax | 69 | 182 | | 398 | 418 | |
| Profit After Tax before Minority Interest | 119 | 764 | -84% | 1,092 | 2,464 | -56% |
| Less : Minority Interest | 7 | 11 | | 23 | 36 | |
| Profit After Tax | 112 | 753 | -85% | 1,069 | 2,428 | -56% |
| PAT Margin (%) | 13.7% | 54.3% | | 30.4% | 63.3% | |
| Other Comprehensive Income (Net of Tax) | 0 | 0 | | 1 | 0 | |
| TOTAL COMPREHENSIVE INCOME | 112 | 764 | | 1,093 | 2,464 | |
| EPS | 0.96 | 6.40 | | 9.11 | 20.68 | |

| Particulars (Rs. In lakhs) | Q3 FY18 | Q3 FY17 | Y-o-Y | 9M FY18 | 9M FY17 | Y-o-Y |
|---|--------------|--------------|------------|--------------|--------------|-------------|
| Gross Revenue from Operations | 970 | 734 | | 2,872 | 2,350 | |
| Less : Excise Duty | 0 | 18 | | 15 | 62 | |
| Net Revenue from Operations | 970 | 717 | 35% | 2,857 | 2,288 | 25% |
| Cost of Material Consumed | 63 | 57 | | 219 | 158 | |
| Purchase of Stock-in-Trade | 134 | 68 | | 410 | 75 | |
| Change in Inventories | -39 | -60 | | -122 | -29 | |
| Total Raw Material | 157 | 66 | | 507 | 204 | |
| Employee Expenses | 168 | 121 | | 511 | 308 | |
| Other Expenses | 267 | 187 | | 767 | 454 | |
| EBITDA | 378 | 343 | 10% | 1,072 | 1,322 | -19% |
| EBITDA Margin (%) | 39.0% | 47.8% | | 37.5% | 57.8% | |
| Other Income | 77 | -1 | | 1,036 | 136 | |
| Depreciation | 104 | 53 | | 296 | 112 | |
| EBIT | 351 | 288 | 22% | 1,812 | 1,346 | 35% |
| EBIT Margin (%) | 36.3% | 40.2% | | 63.4% | 58.8% | |
| Finance Cost | 0 | 0 | | 0 | 0 | |
| Profit before Tax | 351 | 288 | | 1,812 | 1,346 | |
| Tax | 84 | 96 | | 314 | 209 | |
| Profit After Tax | 268 | 192 | 39% | 1,498 | 1,138 | 32% |
| PAT Margin (%) | 27.6% | 26.8% | | 52.4% | 49.7% | |
| Other Comprehensive Income (Net of Tax) | 0 | 0 | | 1 | 0 | |
| TOTAL COMPREHENSIVE INCOME | 268 | 192 | | 1,499 | 1,138 | |
| EPS | 2.28 | 1.64 | | 12.76 | 9.69 | |

Consolidated Balance Sheet

| Particulars | As on Sept'17 |
|---|---------------|
| Equity and liabilities | |
| Equity attributable to owners of the company | 10,538 |
| (i) Equity Share capital | 1,174 |
| (ii) Other Equity | 9,364 |
| Non controlling interest | 196 |
| Non-current liabilities | 729 |
| Financial liabilities | |
| (i) Other Financial liabilities | 5 |
| Long-term provisions | 32 |
| Provision for Income tax | 588 |
| Deferred tax liabilities (net) | 104 |
| Current liabilities | 737 |
| Financial liabilities | |
| (i) Trade payables | 387 |
| (ii) Other Financial liabilities | 53 |
| Other current liabilities | 297 |
| Total | 12,199 |

| Particulars | As on Sept'17 |
|---|---------------|
| Assets | |
| Non-current assets | 5,331 |
| Property, plant and equipment | 2,478 |
| Investment property | 15 |
| Other Intangible assets | 196 |
| Intangible assets under development | 50 |
| Financial assets | |
| (i) Long-term loans and advances | 588 |
| (ii) Investments | 1,699 |
| (ii) Other Financial assets | 116 |
| Other non-current assets | 188 |
| Current assets | 6,868 |
| Inventories | 327 |
| Financial assets | |
| (i) Trade receivables | 1,148 |
| (ii) Cash and cash equivalents | 5,009 |
| (iii) Bank balances other than (ii) above | 30 |
| (iv) Other Financial assets | 56 |
| Other current assets | 297 |
| Total | 12,199 |

| Particulars | As on Sept'17 |
|---|---------------|
| Equity and liabilities | |
| Equity attributable to owners of the company | 4,729 |
| (i) Equity Share capital | 1,174 |
| (ii) Other Equity | 3,555 |
| Non-current liabilities | 124 |
| Long-term provisions | 32 |
| Deferred tax liabilities (net) | 93 |
| Current liabilities | 701 |
| Financial liabilities | |
| (i) Trade payables | 352 |
| (ii) Other Financial liabilities | 53 |
| Other current liabilities | 297 |
| Other Provisions | - |
| Total | 5,554 |

| Particulars | As on Sept'17 |
|---|---------------|
| Assets | |
| Non-current assets | 3,748 |
| Property, plant and equipment | 1,466 |
| Investment property | 15 |
| Other Intangible assets | 194 |
| Intangible Assets under development | 50 |
| Investment in subsidiaries and associates | 64 |
| Financial assets | |
| (i) Long-term loans and advances | 139 |
| (ii) Investments | 1,699 |
| (ii) Other Financial assets | 116 |
| Other non-current assets | 4 |
| Current assets | 1,806 |
| Inventories | 317 |
| Financial assets | |
| (i) Trade receivables | 322 |
| (ii) Cash and Cash equivalents | 791 |
| (iii) Bank Balance other than (ii) above | 30 |
| (iv) Other Financial assets | 56 |
| Other current assets | 291 |
| Total | 5,554 |

For further information, please contact

Company :

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