



Bodal Chemicals Ltd.
COLOURS. INTEGRATION. INNOVATION.

Investor Presentation

Aug- 2018



Forward Looking Statements

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Bodal Chemicals’ future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Bodal Chemicals undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



Executive Summary

- Bodal was incorporated in 1989 by Mr. Suresh Patel, a first generation entrepreneur
- Bodal is today one of the globally leading, integrated Dyestuff companies from India
- The Company's FY2018 Consolidated Financials are:
 - Net Revenue : Rs. 11,517 million
 - EBITDA : Rs. 2,039 million
 - PAT : Rs. 1,219 million
 - ROCE : 26.4%
 - RONW : 17.4%
 - D/E : 0.2
- Over the past 10 years, Bodal's business has expanded rapidly:
 - Revenues : 2.8 x
 - EBITDA : 4.9 x
 - PAT : 7.0 x
- Market capitalization is Rs. 15.91 billion (13-08-18). Promoters own 55.68%

Bodal Chemicals: A globally competitive Dyestuff company.

Dyestuff Industry Overview

16%

India's share in global Dyestuffs production

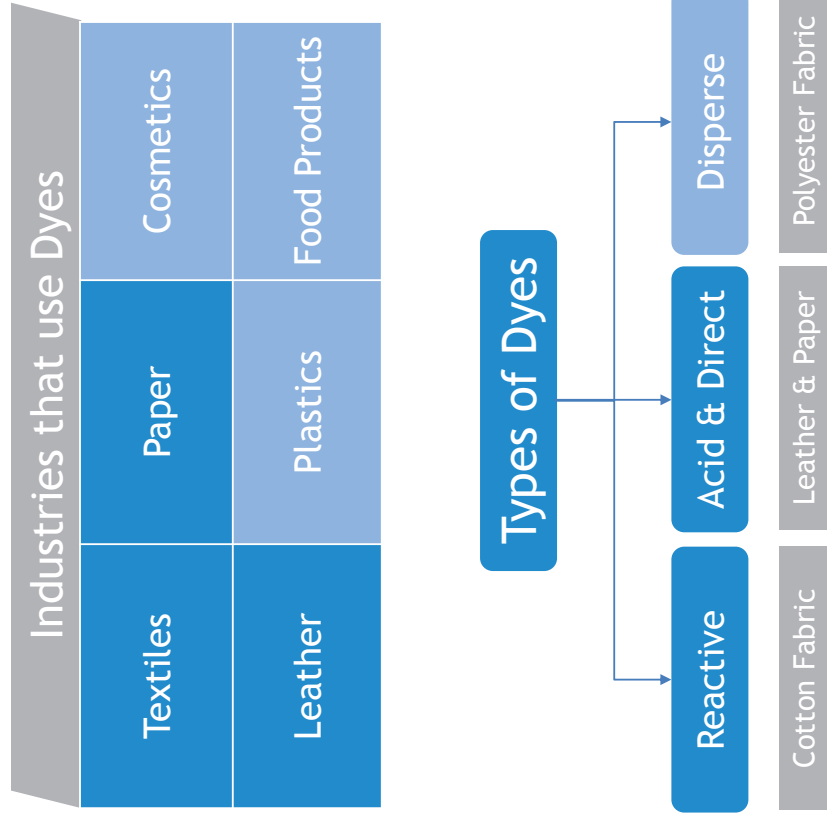
85%

Gujarat and Maharashtra's share in Indian Dyestuff production

50%

Organized sector's share in Indian Dyestuff production

Source: IBEF January 2016; Industry



Bodal present in right geography. Most integrated Dyestuff company.

The China factor

- China dominant position declining.
- Indian profitability independent of china crises - inequality of opportunity removed.
- Chinese's cost up- government not allow environmental dumping.
- India fares better on global environmental standard than china.



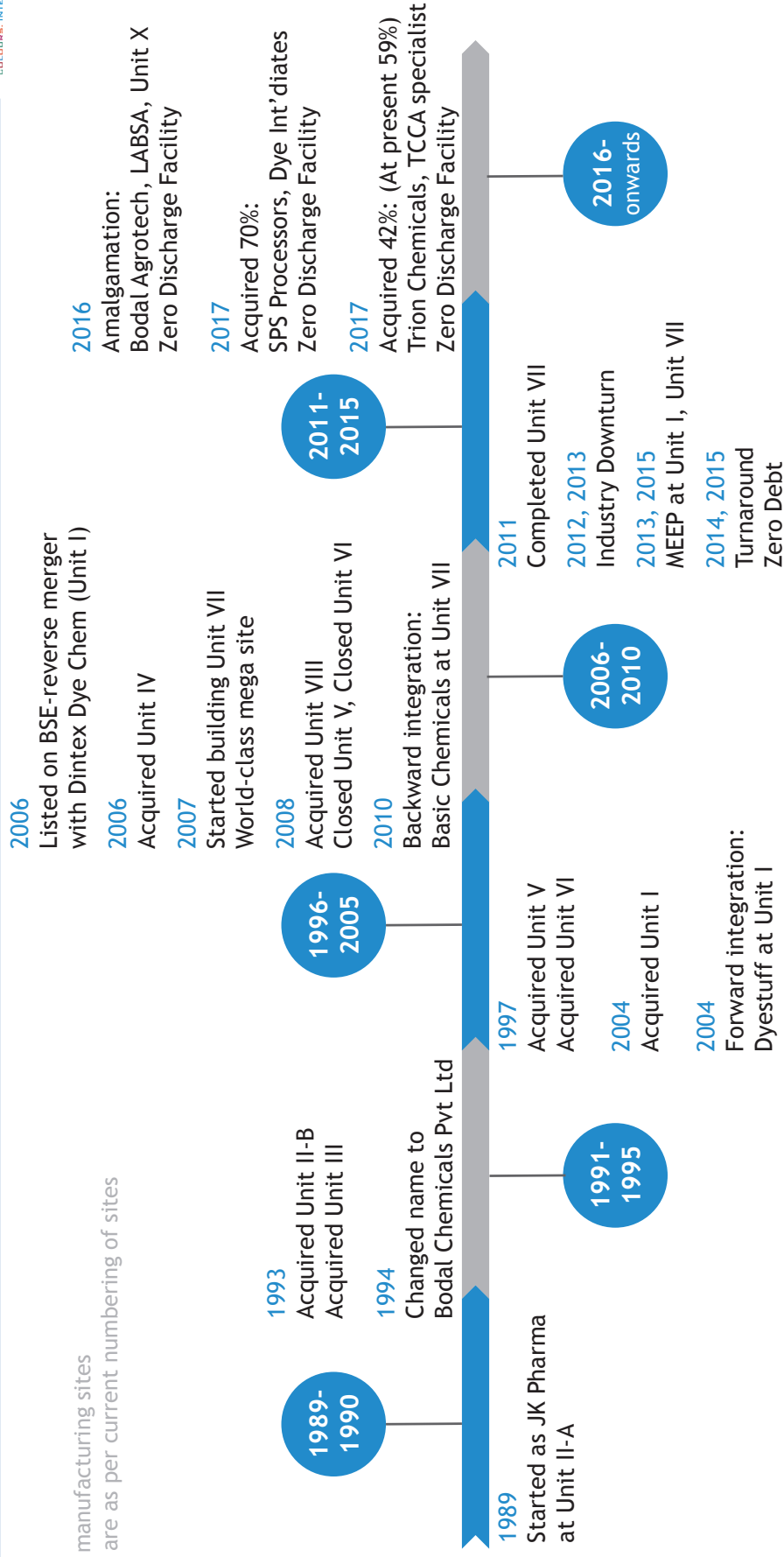
China's 'green' issues boost India's FY18 chemical Exports

Bodal- Milestones

Notes:

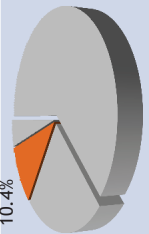
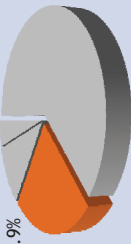
Units are manufacturing sites

Unit Nos. are as per current numbering of sites



Bodal has built over 28 years with a healthy mix of organic + inorganic growth

Manufacturing Capacities

	Contribution (% of Revenue)	Annual Capacity	Highlights
Basic Chemicals	 10.4%	190,000 MT	- Captive Power Plant and Steam generation - Centrally located, latest upgraded manufacturing facilities
Dye Intermediates	 53.1%	* 33,000 MT	- Advance technology MEEP for effluent treatment with capacity of 5 lakhs liters/day - Produces about 25 variants
Dyestuff	 31.9%	39,000 MT	- Captive Ice Plant of 500 MTs/day , - Produces about 175 variants - Permission for treated effluent disposal of 1 million liters/day - Brine treatment plant - an advance technology in our industry

Notes:

- In addition to above , following capacities will be on stream ,
 - Bodal Thionyl Chloride 36,000 MTPA
 - SPS Vinyl Sulphone 6,000 MTPA
- Dyestuff capacity 29,000 MTPA in powder & 10,000 MTPA in liquid

Bodal is keenly investing for sustained growth

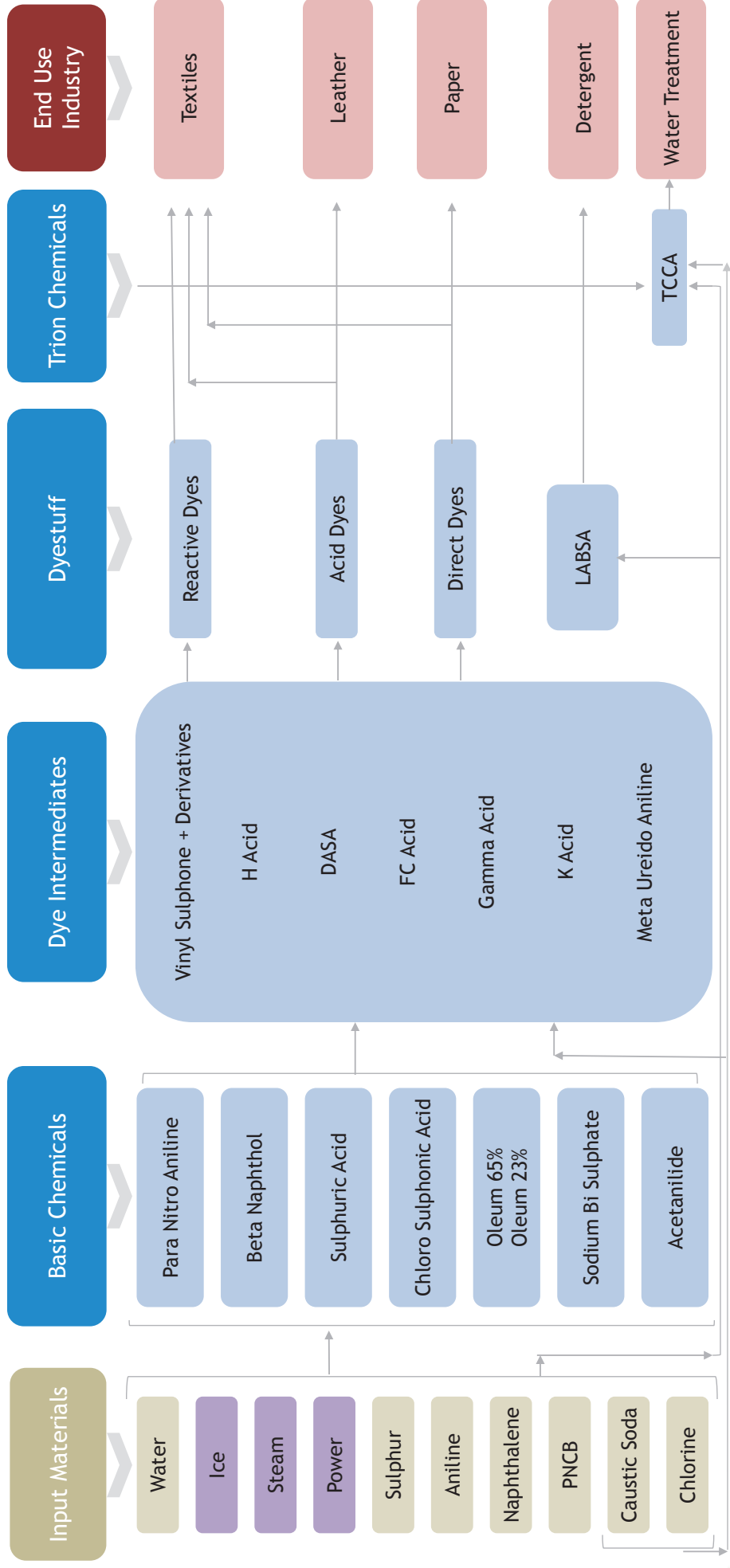
Unique Business Model

Input Materials - part/full in-house

Input Materials - external

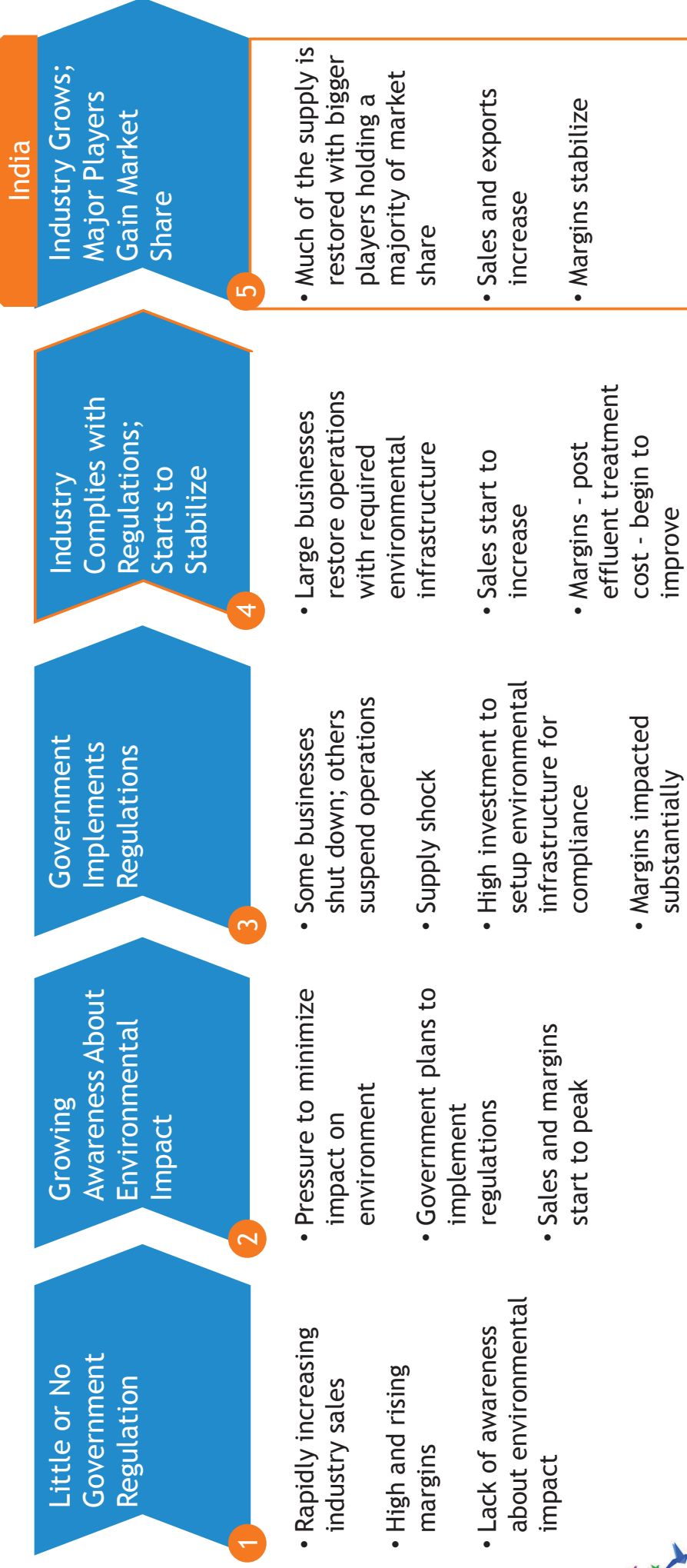
Bodal Chemicals Products

End use industries



Basic Chemicals and Dye Intermediates in-house use is about 45% and 40% rspy

Regulated Environment -India's Evolution



Bodal meets highest compliance standards

Customer Relationships

Domestic Customers



International Customers



OHYOUNG



Unidye S.A.

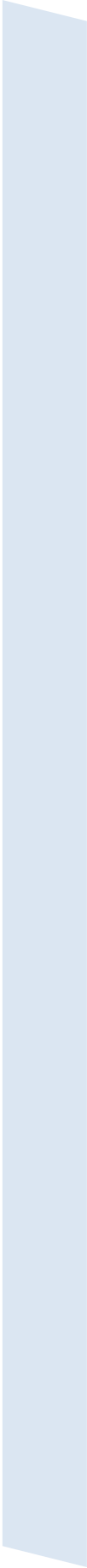


Hubei Color Root
Technology Company



Relationships with top Domestic and International Customers





• Consistent Growth



Sustainable Performance

Q1FY 2018-19 - Highlights

Operational Highlights

- Increase in production volume of, Dyes Intermediates by 21%, from 5,129 MT to 6,217 MT ,Dyestuff by 11% , from 3,920 MT to 4,358 MT and Basic chemicals by 7%, from 46,933 MT to 50,488 MT
- Exports up by 86%, from Rs. 811 Million to Rs. 1,513 Million
- Dyestuff new capacity expansion has started contributing.

Financial Highlights

- Total Income of Rs. 3,556 million vs Rs. 2,745 million, up by 30%
- EBITDA * of Rs. 695 million vs 509 million, up by 36%
- EBITDA * margin at 19.7% vs 18.7%, grew by 100bps
- PBT of Rs.595 million vs Rs. 479 million, up by 24%
- PAT of Rs. 392 million vs. Rs. 311 million , up by 26% and PAT stand at 11%

Robust performance



Q1FY 2018-19 Financial -Standalone basis

Particulars	Q1FY19	Q1FY18	YoY (%)
Revenue from operations (Net of Excise duty)	3,529.76	2,719.84	30%
Other income	26.71	25.08	7%
Total Income (Net of Excise duty)	3,556.47	2,744.92	30%
Total Expense before Foreign Exchange (Gain)/Loss (Net)	2,834.78	2,210.35	28%
Foreign Exchange (Gain)/Loss (Net)	68.03	(22.77)	
Earnings before Interest, Tax and Depreciation	653.66	557.34	17%
Finance costs	16.19	17.09	-5%
Depreciation and amortisation expense	42.14	61.38	-31%
Profit before tax	595.33	478.87	24%
Tax expense	201.43	167.37	20%
Profit (Loss) for the period from continuing operations	393.90	311.50	26%
Items that will not be reclassified to profit or loss (net c	(1.97)	-	
Total Comprehensive Income for the period	391.93	311.50	26%
Paid-up Equity share capital (Face value of Rs. 2 per	244	218	12%
EPS (Rs./ Share) (not annualised)	3.21	2.85	13%

Growth in Total income by 30% and PAT by 26%



Operating Margin :

EBITDA- Operational

Particulars	Q1FY19	Q1FY18
Revenue from operations (Net of Excise duty)	3,530	2,720
EBITDA as published	654	557
Less: Other Income	(27)	(25)
Add/Less: Foreign Exchange (Gain)/Loss Net	68	(23)
EBITDA -Operational	695	509
EBDITA -operational Margin (%) to Revenue from operation	19.7%	18.7%

EBITDA -operation increased by 36% and margin grew by 100bps



Leverage Profile

Particulars (Rs. Million)	30-Jun-18	31-Mar-18
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Short Term Borrowings	305	840
Long Term Borrowings	7	8
Total Debt	312	848
Less: Cash & Cash Equivalents	483	186
Net Debt / (Net Cash)	(171)	662
Reduction in Debt	833	

Net Worth	7,416	7,020
EBITDA	2,780	2,085

Credit Ratings

Bank Facilities	CARE	India Rating
Long Term Bank Facilities	A (Positive Outlook)	A+
Short Term Bank Facilities	A1	A1+

Notes: *To calculate Net Debt/EBITDA, the EBITDA is annualized, EBITDA after excluding Other Income & Foreign Exchange (Gain)/Loss (Net)

Net Debt / Equity (x)

0.1 x

0 x

Jun-18

Mar-18

Net Debt / EBITDA * (x)

0.3 x

0 x

Jun-18

Mar-18

Net Debt to Equity & Net Debt to EBITDA are below Zero



Capacity utilization Metric Tons (MT) - (Standalone)

Capacity utilization - Q1FY 2018-19 Metric Tons (MT) for the Quarter

Particulars	Dyestuff	Dyes Intermediates Metric Tons (MT)	Basic Chemicals
Installed Capacity	29,000	30,000	190,000
Quarterly Capacity	7,250	7,500	47,500
Production	4,358	6,217	50,448
Utilization %	60.10%	82.90%	106.20%

Note: Quarterly Production Capacity is calculated for three months on the basis of full year installed capacity

Capacity utilization - FY2017-18 Metric Tons (MT) for full year

Particulars	Dyestuff	Dyes Intermediates Metric Tons (MT)	Basic Chemicals
Installed Capacity	17,000*	30,000	190,000
Production	15,412	22,344	179,544
Utilization %	90.70%	74.50%	94.50%

*Note: Additional capacity of 12,000 was added in the month of March, production is not considered for that capacity

Effective utilisation of capacity



Production - Metric Tons (MT) (Standalone)

Q1FY2018-19 Production-Metric Tons (MT)

Production MT	Q1FY19	Q1FY18	YoY (Growth)
Dyestuff	4,358	3920	11%
Dyes Intermediates	6,217	5129	21%
Basic Chemicals	50,448	46933	7%

FY 2017-18 Production - Metric Tons (MT)

Production MT	FY 17-18	FY 16-17	YoY (Growth)
Dyestuff	15,412	12,503	23%
Dyes Intermediates	22,344	23,100	-3%
Basic Chemicals	179,544	188,767	-5%

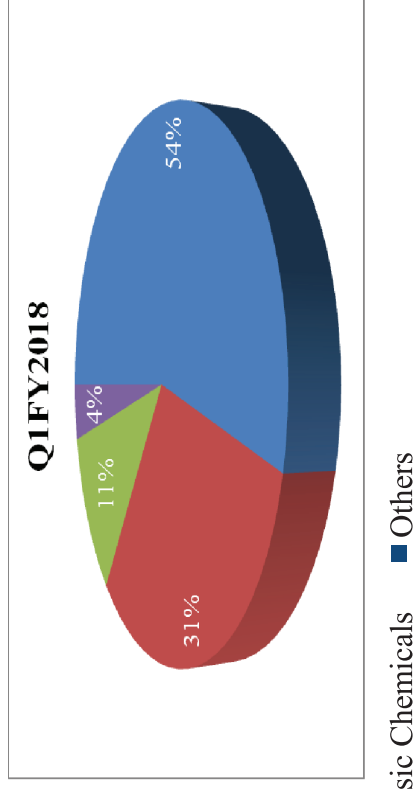
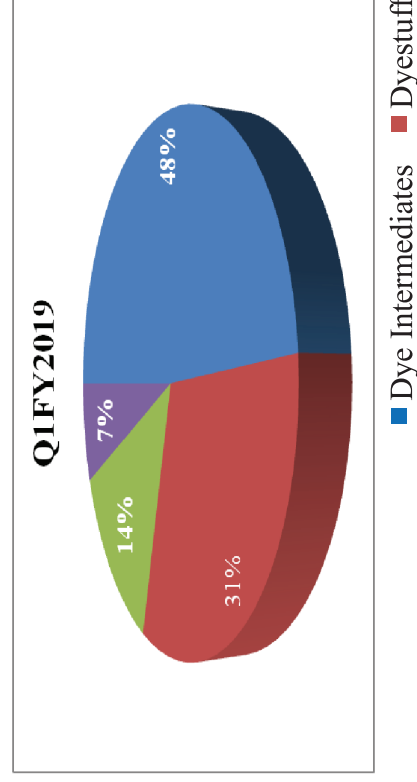
Growth in production volume in all sub- segment



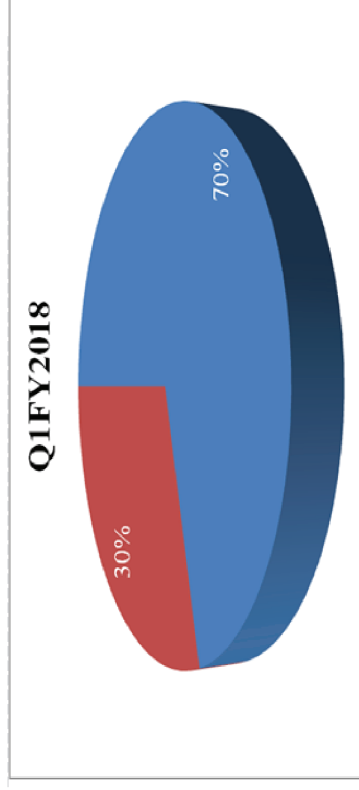
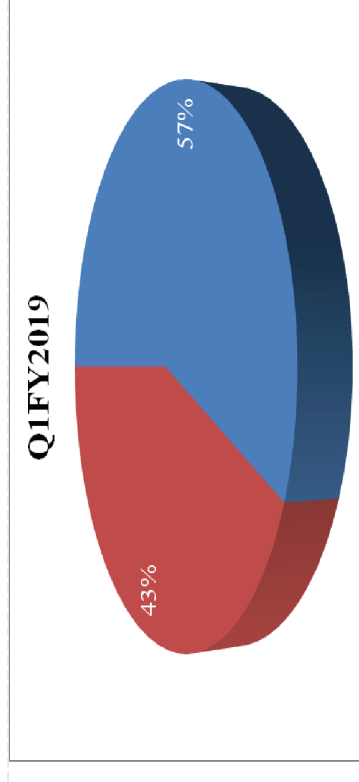
Q1FY2018-19 Sale of products – by sub-segment and geography

Break-up

By Sub-Segment



By Geography



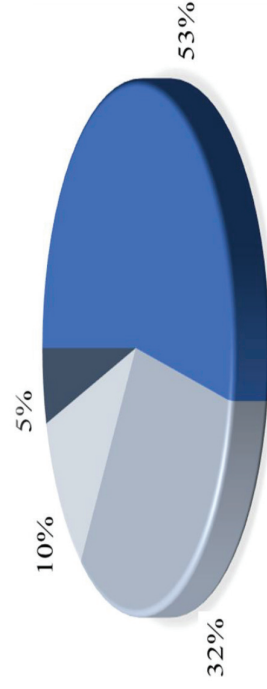
Note: Sale of products are net of excise duty & GST and exclude operating other income

FY 2017-18 Sale of products – by sub-segment and geography

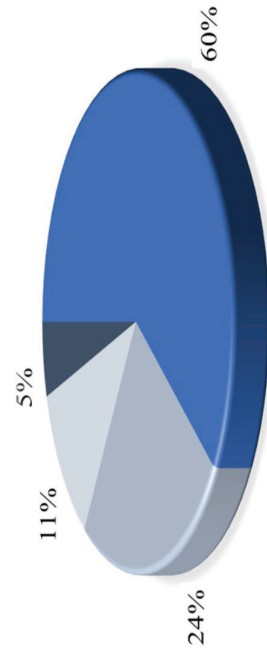
Break-up

By Sub-Segment

FY 2018



FY 2017



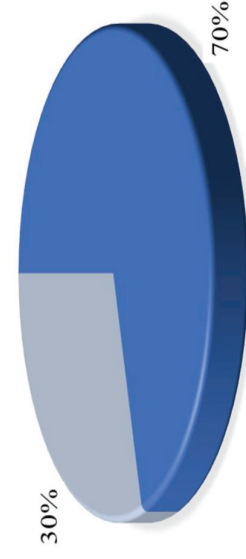
■ Dye Intermediates ■ Dyestuff ■ Others ■ Basic Chemicals

By Geography

FY 2018



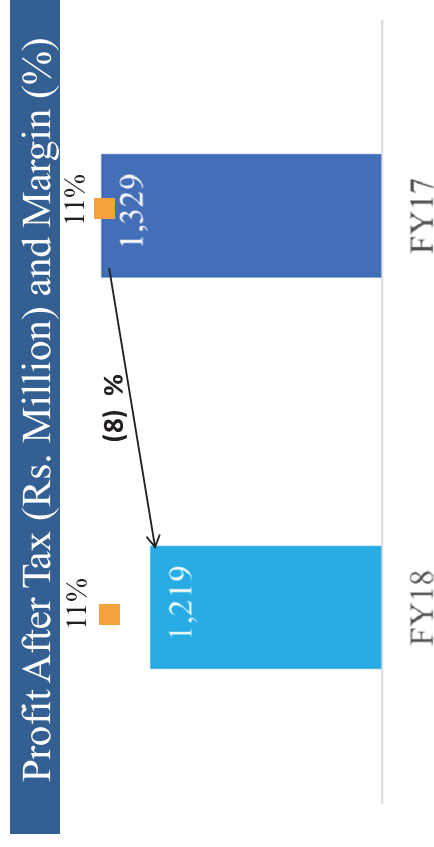
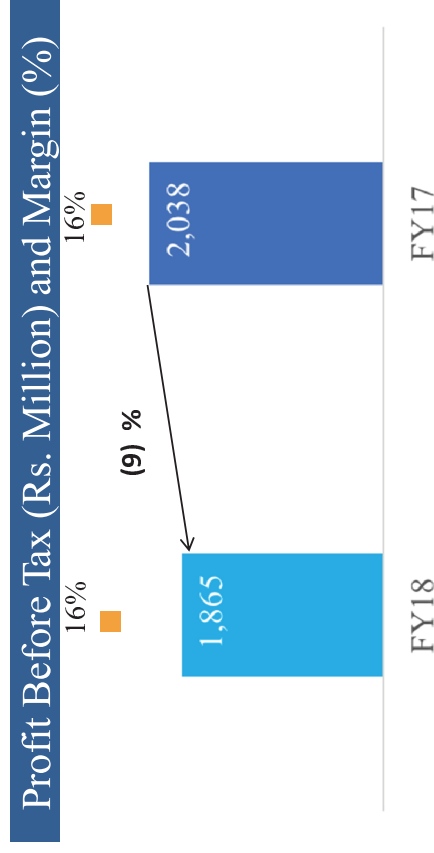
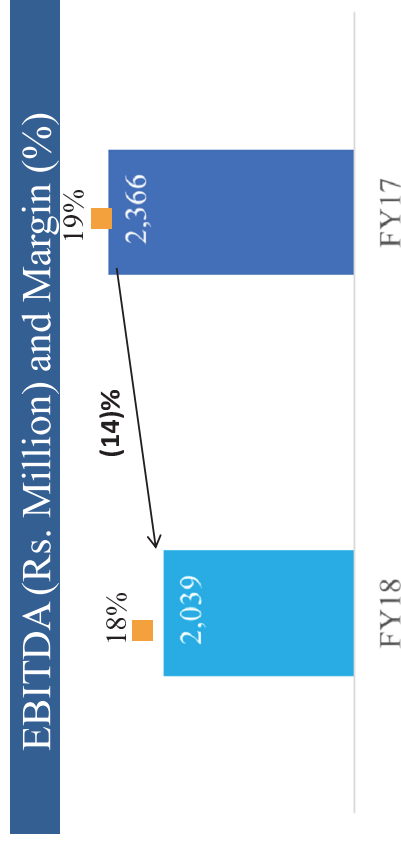
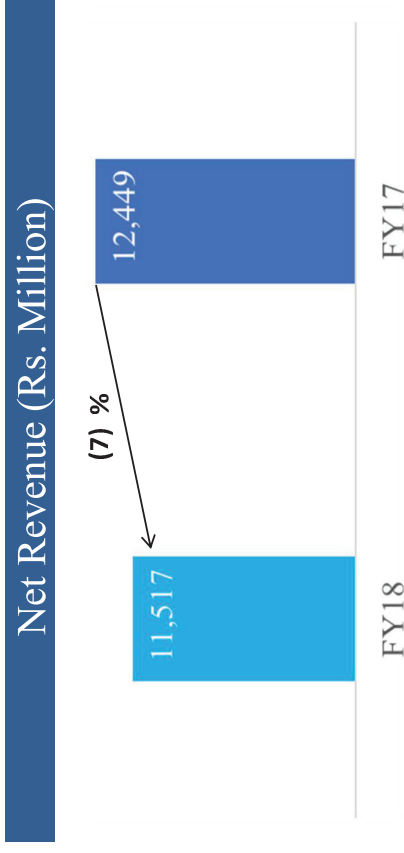
FY 2017



■ Domestic ■ Exports

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FY-2017-18 - Financial comparison - Standalone

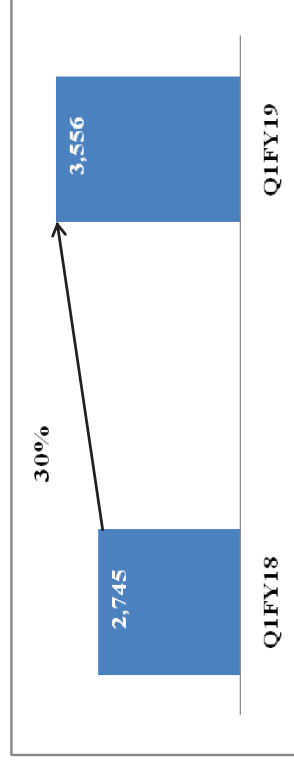


Higher EBITDA margin maintained, revenue de-growth from crude prices & currency

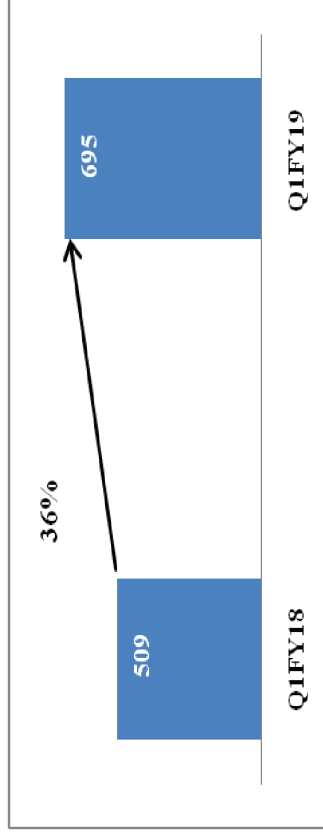


Q1FY2018-19- Financial comparison - Standalone

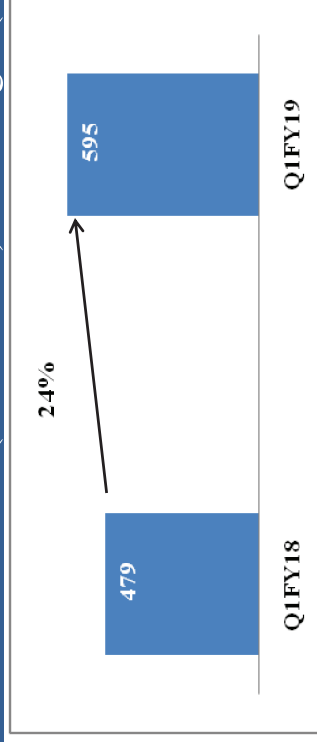
Net Revenue (Rs. Million)



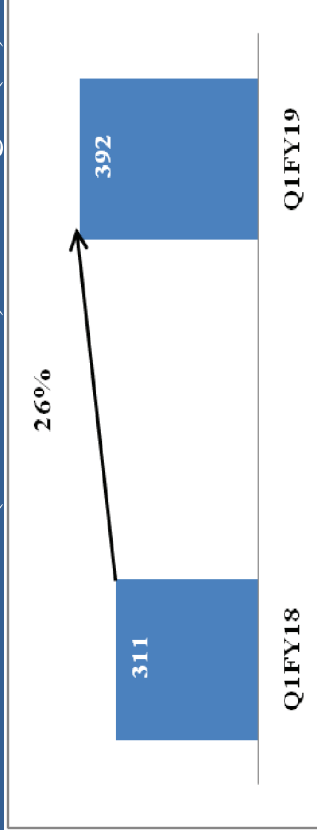
EBITDA* (Rs. Million) and Margin (%)



Profit Before Tax (Rs. Million) and Margin (%)



Profit After Tax (Rs. Million) and Margin (%)



Note: Margins are calculated on Total Income (Net of Excise) , * EBITDA after excluding Other Income & Foreign Exchange (Gain)/Loss (Net)

All round excellent growth



Outlook for FY 18-20

We expect positive revenue and profit growth in FY 2018-19. The key drivers for Revenue growth will be:

- Trion and SPS will start generating cash and add to profits during the year
- As part of the expansion plan, the company continues to expand the Dyestuff business. Capacity is already being expanded by 12,000 MTPA
- Thionyl chloride (TC) sits very interestingly between Sulphuric Acid and Vinyl Sulphone. Therefore, TC is a forward + backward integration project. Bodal is building a TC Plant of 36,000 MTPA at Unit VII. SO₃ from Sulphuric Acid Plant will be used to make TC. Then, TC will be used to make Vinyl Sulphone. About 30% TC will be used in-house. Bodal will benefit from scale, low inventory, quality supply and no logistics cost. Balance 70% TC will be sold to Chemical, Pharma and Agro industries in the vicinity. Presently, there are only three major TC producers. This project will start contributing from this year
- Upgrade existing major Utility facilities at Unit VII. With a Cogeneration Power Plant, Bodal will achieve substantial saving in energy cost. The project will generate Power of 5MW along with Steam. It will also enable uninterrupted production

Bodal is keenly investing for sustained high growth over next 3 years



Outlook for FY 18-20 (contd.)

- SPS Processors: New Vinyl Sulphone Plant of 6,000 MTPA will start production. New Vinyl Sulphone Plant of 6,000 MTPA. By producing both H Acid and Vinyl Sulphone, SPS will utilize effluents of the two Plants into each other's production respectively. This will generate additional revenue and reduce cost of managing effluent
- Existing businesses will yield higher margins due to better pricing in domestic and exports. Also, from Q1FY2018-19, the raw material prices have started stabilizing to some extent. The dollar is becoming stronger again which may lead to better profitability

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CSR Initiatives

- Bodal seeks to be a responsible corporate citizen. It works through Trusts and YUVA – a renowned NGO
- Bodal's focus area is enhancement of rural infrastructure and healthcare
 - Providing funds for construction for drinking water pipelines
 - Conducting regular health check-up camps
- Bodal also promotes sports, with contributions to
 - Sports Council of the Deaf Basketball Club
 - Promoting individual talent to represent the country in sporting events
- Bodal's CSR contribution was Rs. 31.1 million in FY2018

Bodal's areas of work are rural infra & healthcare and sports

Thank you

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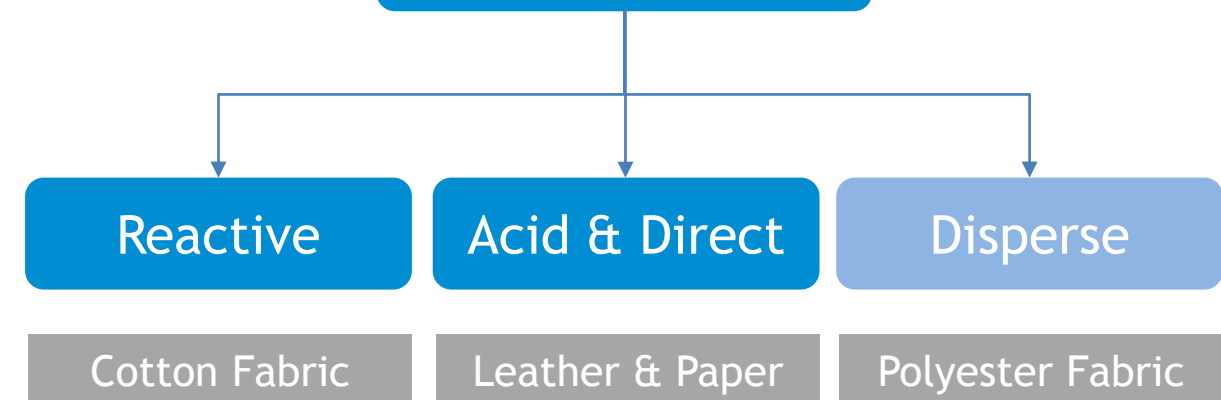
50% Organized sector's share in Indian Dyestuff production

Source: IBEF January 2016; Industry

Industries that use Dyes

Textiles	Paper	Cosmetics
Leather	Plastics	Food Products

Types of Dyes



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- Chinese's cost up- government not allow environmental dumping.
- India fares better on global environmental standard than china.

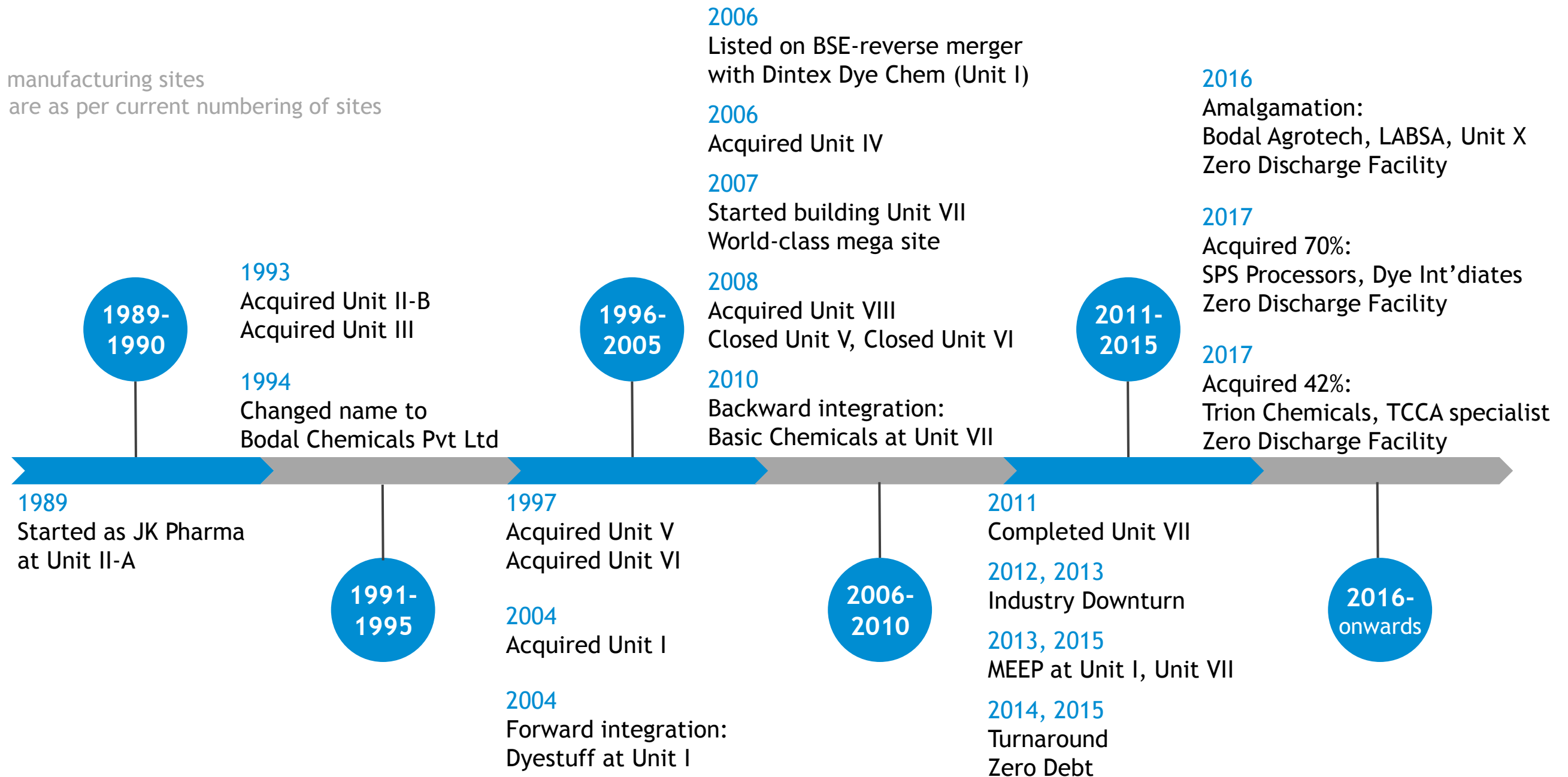


Bodal- Milestones

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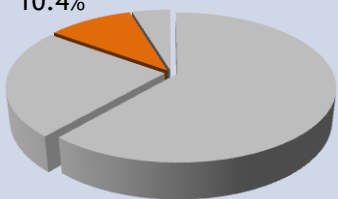
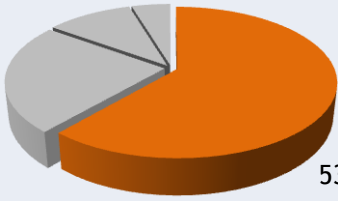
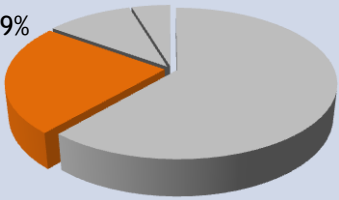
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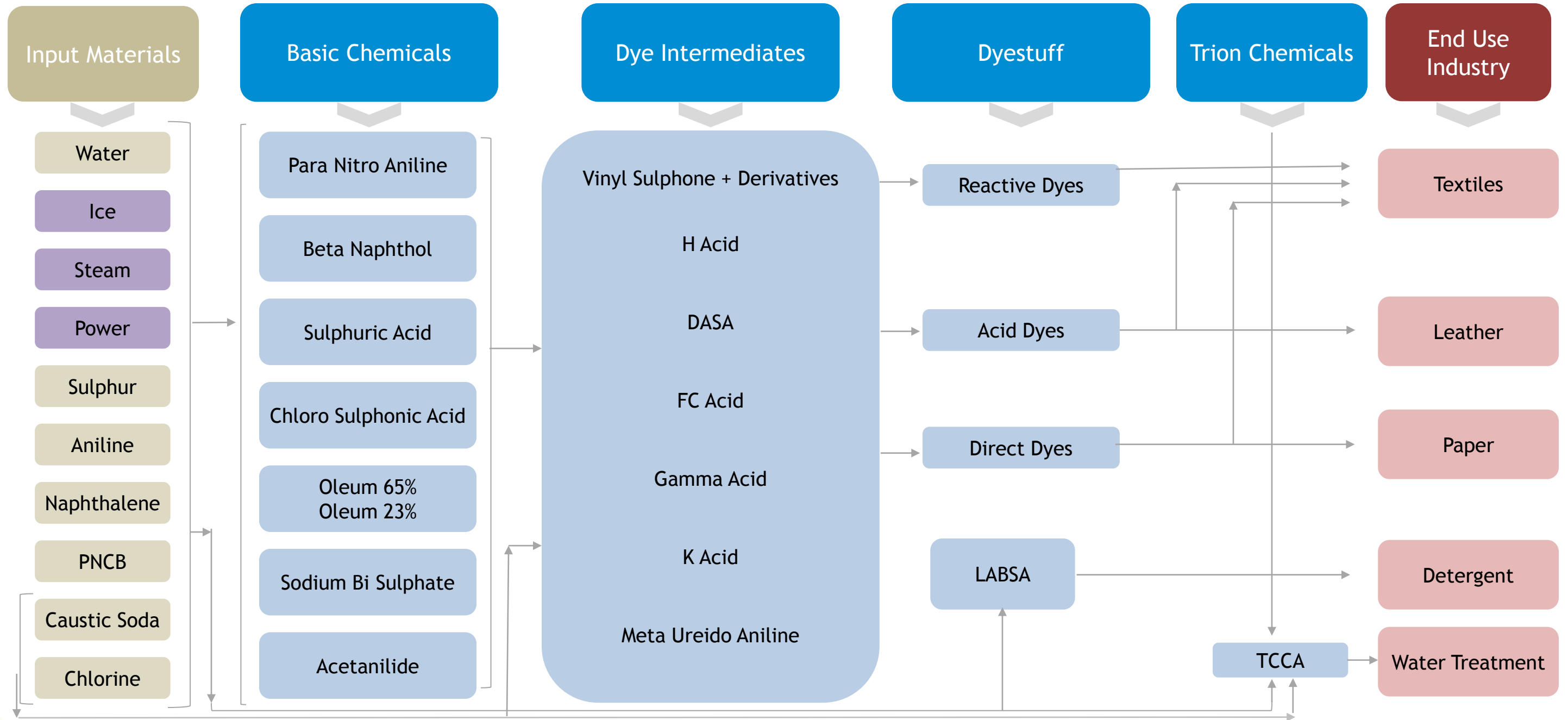
1. In addition to above , following capacities will be on stream

1. SPS Vinyl Sulphone Sep-18: 6,000 MTPA
2. Bodal Thionyl Chloride Sep-18: 36,000 MTPA

Bodal is keenly investing for sustained growth

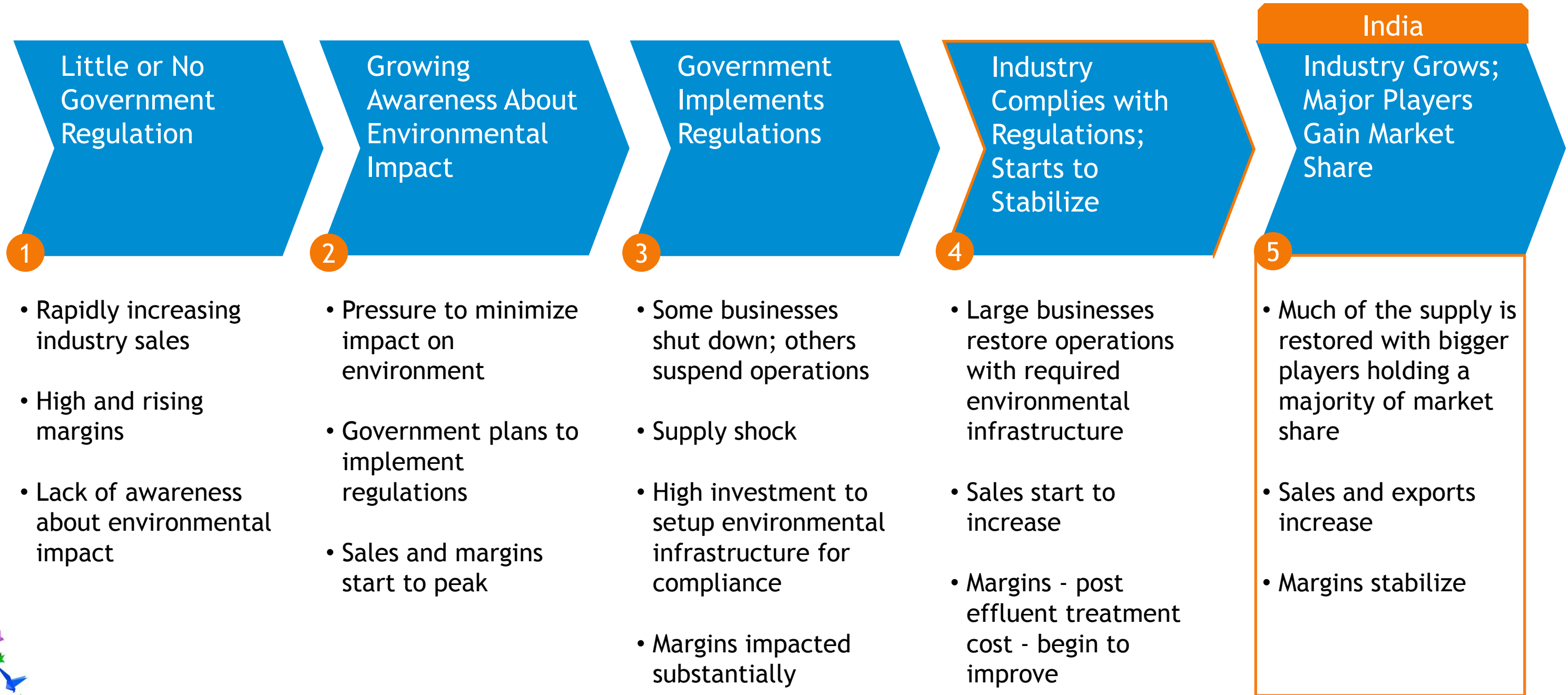
Unique Business Model

■ Input Materials - part/full in-house
■ Input Materials - external
■ Bodal Chemicals Products
■ End use industries



Basic Chemicals and Dye Intermediates in-house use is about 45% and 40% rspy

Regulated Environment - India's Evolution



Bodal meets highest compliance standards

Customer Relationships

Domestic Customers



International Customers



Relationships with top Domestic and International Customers

Consistent Growth

Capacity utilization - FY17-18 (Standalone) Metric Tons (MT)

Particulars	Dyestuff	Dyes Intermediates	Basic Chemicals
	Metric Tons (MT)		
Installed Capacity	17,000*	30,000	1,90,000
Production	15,412	22,344	1,79,544
Utilization %	90.7%	74.5%	94.5%

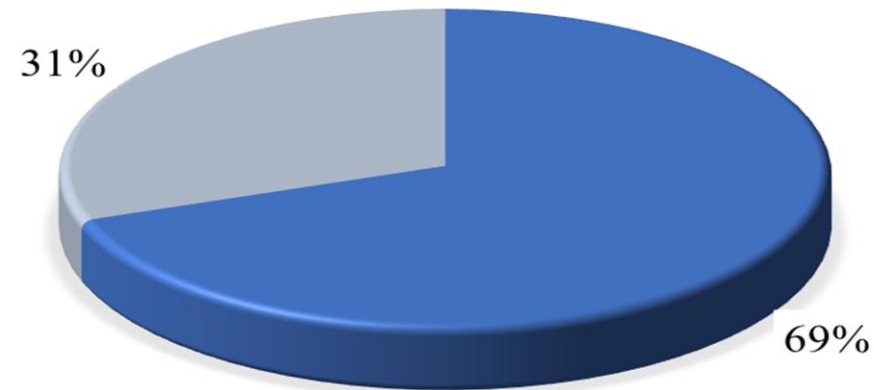
*Note: Additional capacity of 12,000 was added in the month of March, production is not considered for that capacity

Production - Metric Tons (MT)

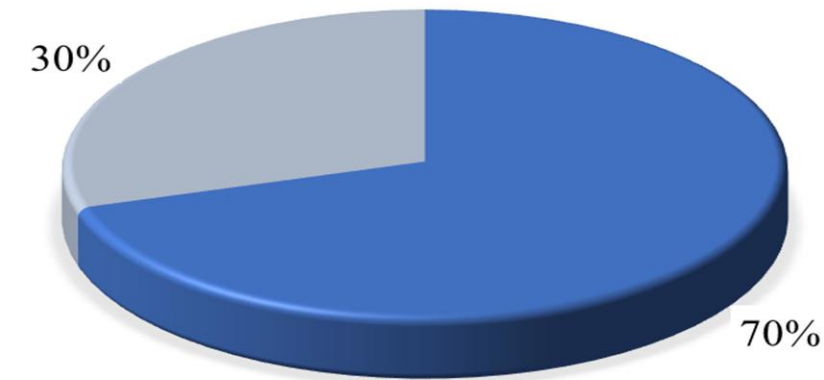
Production MT	FY18	FY17	YoY Growth (%)
Dye Intermediates	22,344	23,100	-3%
Dyestuff	15,412	12,503	23%
Basic Chemicals	179,544	188,767	-5%
Others	2,530	6,835	-63%
Total	219,830	231,204	-5%

Global Revenues

FY 2018



FY 2017



Notes:
Sale of products are net of excise duty & GST
and exclude operating other income

■ Domestic ■ Exports

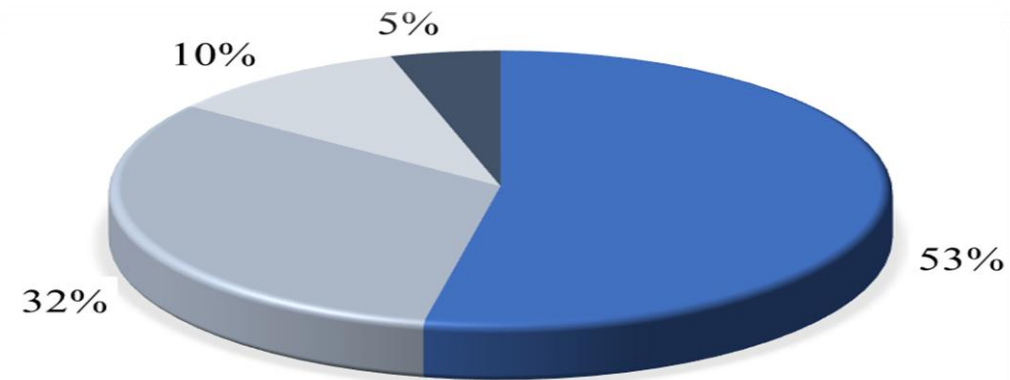
FY2018 Revenues Rs.11.5 billion with Exports to around 151 customers & from around 41 countries

Sale of products – by sub-segment and geography

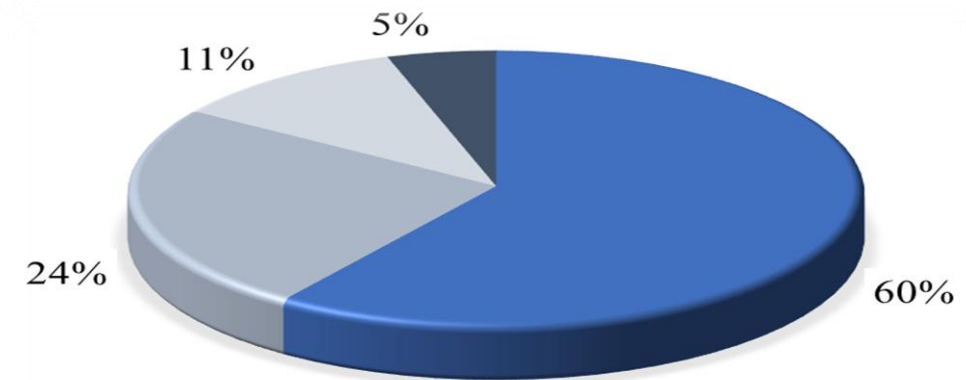
Break-up

By Sub-Segment

FY 2018



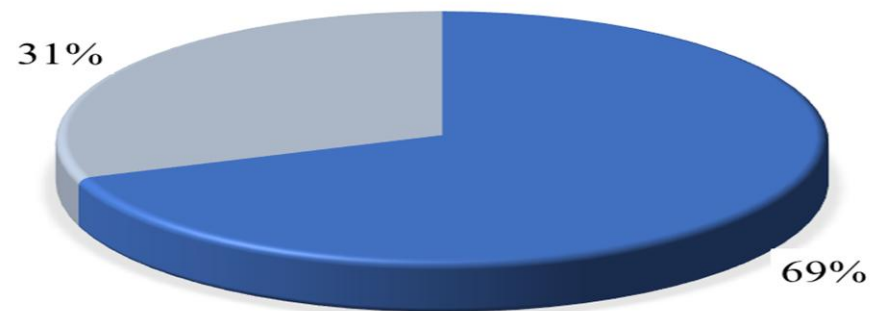
FY 2017



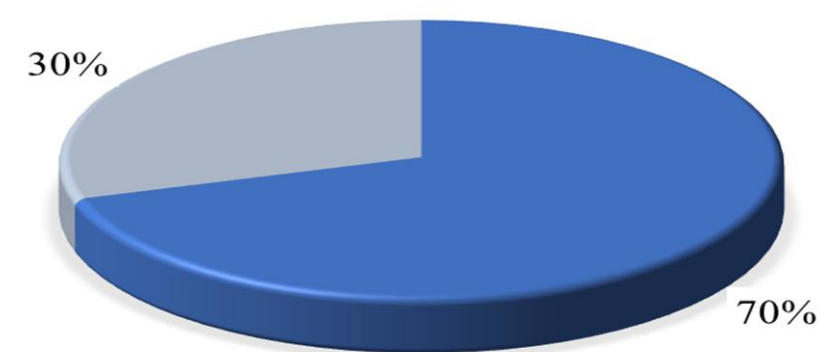
■ Dye Intermediates ■ Dyestuff ■ Basic Chemicals ■ Others

By Geography

FY 2018



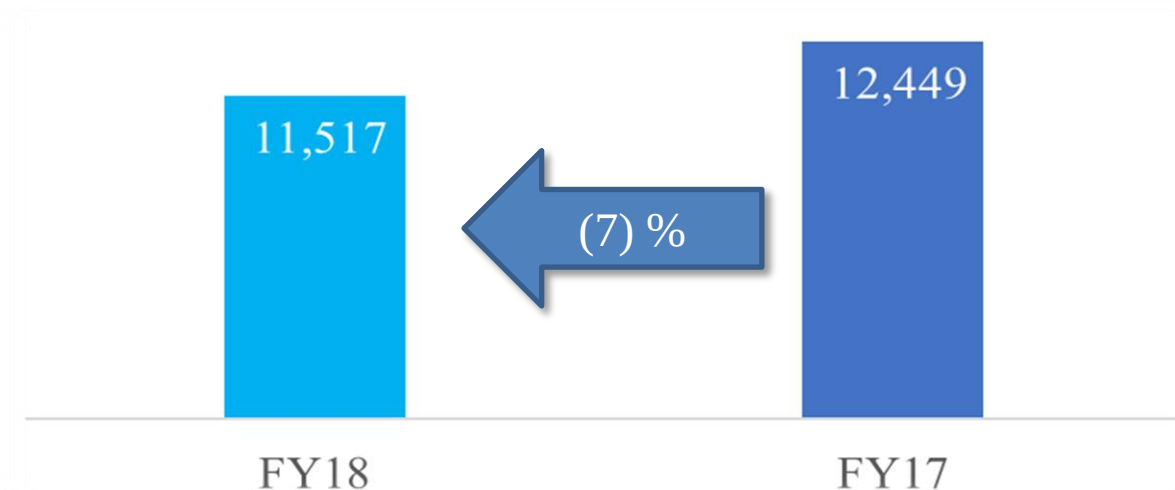
FY 2017



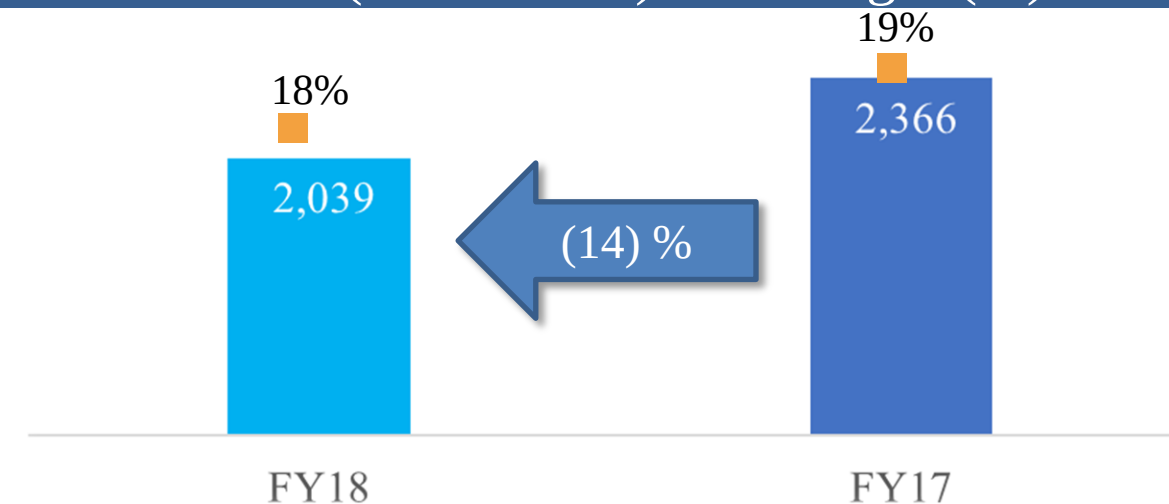
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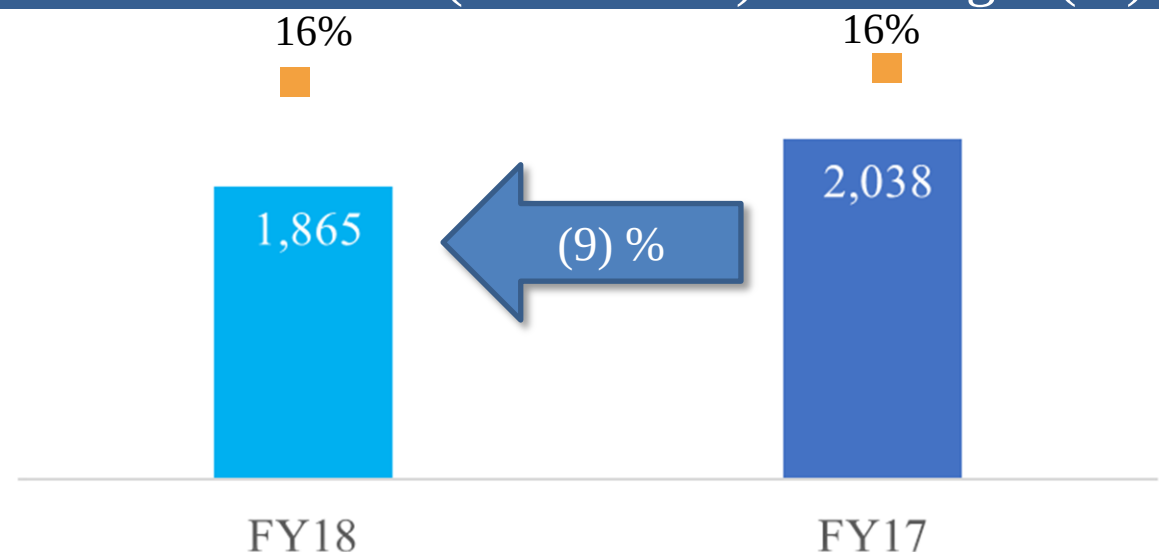
Net Revenue (Rs. Million)



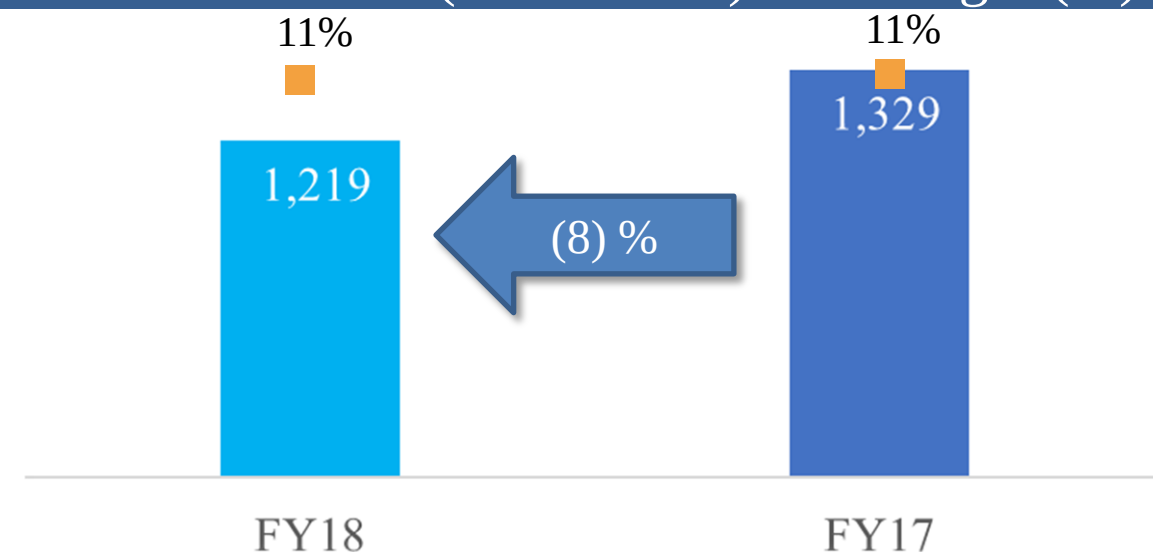
EBITDA (Rs. Million) and Margin (%)



Profit Before Tax (Rs. Million) and Margin (%)



Profit After Tax (Rs. Million) and Margin (%)



Note: Margins are calculated on Net Revenue; EBITDA includes Other Income

Higher EBITDA margin maintained, revenue de-growth from crude prices & currency

Consolidated Profit & Loss Account

For the year ended 31 March

	FY2017-18	FY2016-17	FY2015-16
	Rs. Million	Rs. million	Rs. million
Revenues	11,517	12,449	9,218
Cost of Goods Sold	7,057	7,973	5,706
Gross Profit	4,460	4,476	3,512
Personnel Expenses	472	419	368
Other Expenses	1,949	1,691	1,528
Total	9,478	10,083	7,602
EBITDA	2,039	2,366	1,616
Finance Cost	53	87	122
Depreciation	121	289	258
Exceptional Expenses/ (Income)	-	(49)	(68)
Profit Before Tax	18,65	2,038	1,304
Tax	592	709	445
Profit After Tax	1,219	1,329	859
Gross Contribution (%)	38.7%	36.0%	38.1%
EBITDA Margin (%)	17.7%	19.0%	17.5%
PAT Margin (%)	10.6%	10.7%	9.3%
Tax Rate (%)	33.2%	34.8%	34.1%

Bodal has worked on expanding profitability along with Revenue growth

We expect positive revenue and profit growth in FY 2018-19. The key drivers for Revenue growth will be:

- Trion and SPS will start generating cash and add to profits during the year
- As part of the expansion plan, the company continues to expand the Dyestuff business. Capacity is already being expanded by 12,000 MTPA
- Thionyl chloride (TC) sits very interestingly between Sulphuric Acid and Vinyl Sulphone. Therefore, TC is a forward + backward integration project. Bodal is building a TC Plant of 36,000 MTPA at Unit VII. SO_3 from Sulphuric Acid Plant will be used to make TC. Then, TC will be used to make Vinyl Sulphone. About 30% TC will be used in-house. Bodal will benefit from scale, low inventory, quality supply and no logistics cost. Balance 70% TC will be sold to Chemical, Pharma and Agro industries in the vicinity. Presently, there are only three major TC producers. This project will start contributing from this year
- Upgrade existing major Utility facilities at Unit VII. With a Cogeneration Power Plant, Bodal will achieve substantial saving in energy cost. The project will generate Power of 5MW along with Steam. It will also enable uninterrupted production



Bodal is keenly investing for sustained high growth over next 3 years

Outlook for FY 18-20 (contd.)

- SPS Processors: New Vinyl Sulphone Plant of 6,000 MTPA will start production. New Vinyl Sulphone Plant of 6,000 MTPA. By producing both H Acid and Vinyl Sulphone, SPS will utilize effluents of the two Plants into each other's production respectively. This will generate additional revenue and reduce cost of managing effluent
- Existing businesses will yield higher margins due to better pricing in domestic and exports. Also, in the last two months of April and May 2018, the raw material prices have started stabilizing to some extent. The dollar is becoming stronger again which may lead to better profitability



Bodal is keenly investing for sustained high growth over next 3 years

- Bodal seeks to be a responsible corporate citizen. It works through Trusts and YUVA – a renowned NGO
- Bodal's focus area is enhancement of rural infrastructure and healthcare
 - Providing funds for construction for drinking water pipelines
 - Conducting regular health check-up camps
- Bodal also promotes sports, with contributions to
 - Sports Council of the Deaf Basketball Club
 - Promoting individual talent to represent the country in sporting events
- Bodal's CSR contribution was Rs. 31.1 million in FY2018



Bodal's areas of work are rural infra & healthcare and sports



Thank you

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Quarterly Performance

Q2FY2018-19 & H1FY2018-19

25 October 2018



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Important Notice

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Bodal Chemicals’ future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

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

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



Company Profile



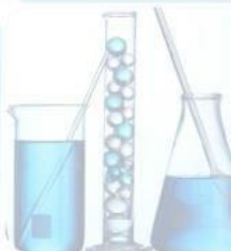
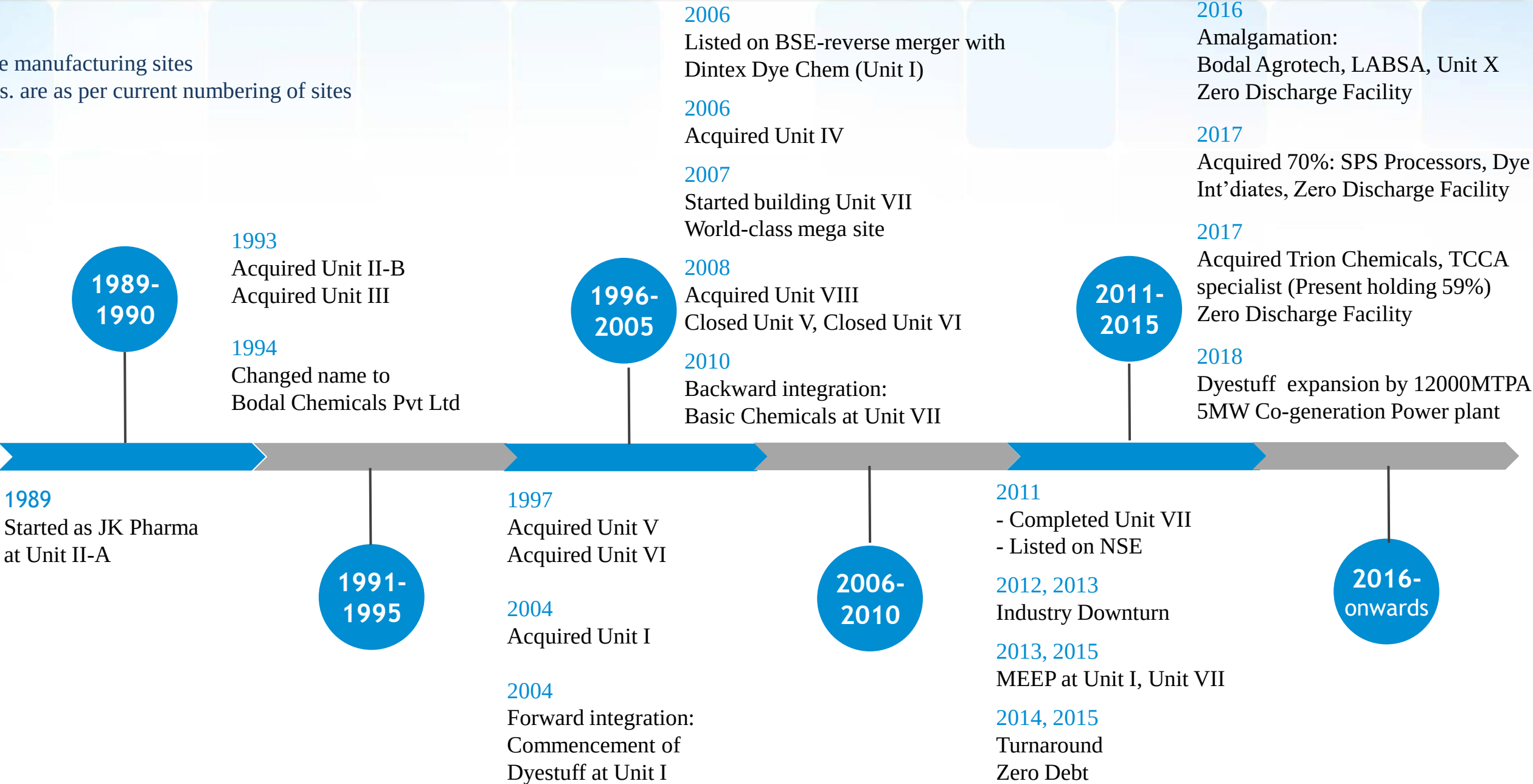
Bodal's History

- Bodal was incorporated in 1989 by Mr. Suresh Patel, a first generation entrepreneur.
- Bodal is today one of the globally leading, integrated Dyestuff companies from India.
- Company commenced its operations by setting up a small Vinyl Sulphone plant at Vatva - Ahmedabad (Gujarat) with a small capacity which has now expanded to more than 16000 MTPA
- At present there are three sub -segments of Products:
 - Dye Intermediates (about 25 products)
 - Dyestuffs (about 175 products)
 - Sulphur & Bulk Chemicals (about 12 products)
- At present, there are 9 manufacturing Units in Gujarat, 1 at Uttar pradesh and 4 depots across India.
- Market capitalization is Rs.14.02 billion (24-10-18). Promoters own 57.4%



Journey

Notes:
Units are manufacturing sites
Unit Nos. are as per current numbering of sites



Market share

Bodal's Position in Global & Indian Dye Intermediates Industry

25%

Share in Indian Dye Intermediates Industry

6%

Share in Global Dye Intermediates Industry

Bodal's Position in Global & Indian Dyestuff Industry

13%

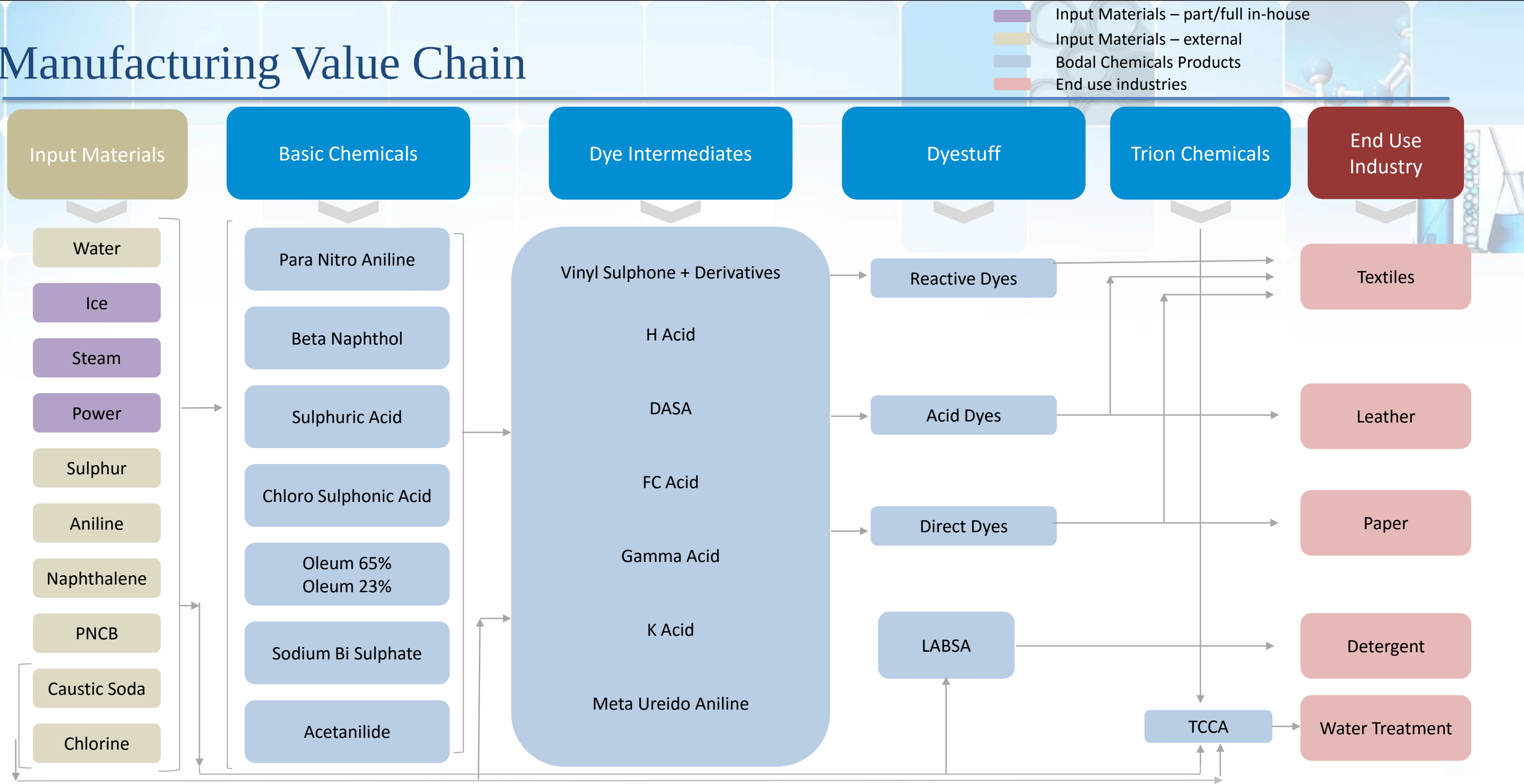
Share in Indian Dyestuff Industry

3%

Share in Global Dyestuff Industry



Manufacturing Value Chain



Quarterly Performance



Operational & Financial Highlights



Highlights - Q2 FY19 (YoY)

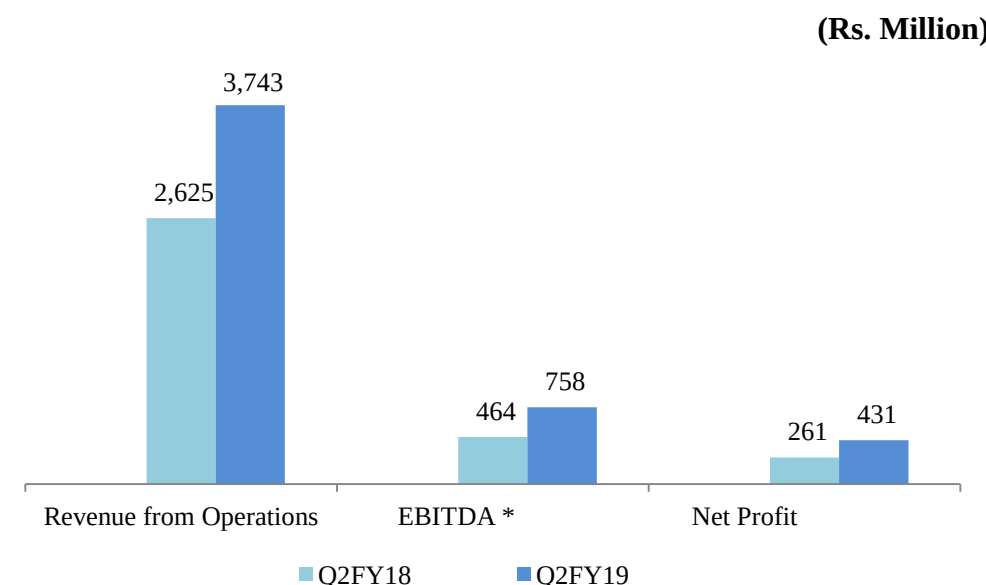
Operational Highlights

- Increased Volume, improved product mix & better realizations
- Exports up by 179%, from Rs. 619 Million to Rs. 1,730 Million
- Dyestuff new capacity expansion has started contributing better than expectation, Dyestuff volume grew by 54% YoY.
- Growth in Dye intermediates & Basic Chemicals volume by 12% and 15% respectively YoY.

Another sequential outperformed quarter
Growth in volume and value
Higher realisation in Dye Intermediates
Dyestuff expansion making integration further stronger

Financial Highlights

(Rs. Millions)	Q2FY19	Q2FY18	% (YoY)	
Revenue from Operations	3,743	2,625	▲	43%
EBITDA *	758	464	▲	63%
EBITDA Margin (%)	20.2%	17.7%	▲	250bps
Net Profit	431	261	▲	65%



Note: * Operational EBITDA , numbers are rounded to nearest rupee or percentage

Financial–Standalone basis

	(Rs. million)		
Particulars	Q2FY19	Q2FY18	YoY (%)
Revenue from operations	3,743	2,625	43%
Other Income	19	16	12%
Total Income	3,761	2,642	42%
Raw Materials Consumed	2,267	1,631	39%
Employee Benefits	160	101	58%
Foreign Exchange (Gain)/Loss (Net)	62	(1)	
Other expenses	558	429	30%
Total expenses	3,047	2,160	41%
Earnings before Interest, Tax and Depreciation	714	482	48%
Finance costs	12	9	
Depreciation and amortisation expense	45	64	
Profit before tax	657	409	61%
Current Tax	205	145	
Deferred Tax	20	2	
Tax expense	225	147	53%
Profit (Loss) for the period	432	262	65%
IND AS Adjustments	(2)	(1)	
Total Comprehensive Income for the period	431	261	65%
EPS (Rs./ Share) (not annualised)	3.54	2.39	48%

Note-: We have, for better presentation, bifurcated net foreign exchange (Gain)/Loss from Other expenses in Q2FY19 and similarly from other income of Q2FY18.

EBITDA Reconciliation

(Rs. million)

EBITDA as published

Particulars	Q2FY19	Q2FY18
Revenue from operations	3,743	2,625
Other income	19	16
Total Income	3,761	2,642
Less: Total expenses	3,047	2,160
EBITDA as published	714	482
EBITDA Margin (%) to Total Income	19.0%	18.2%

Operational -EBITDA

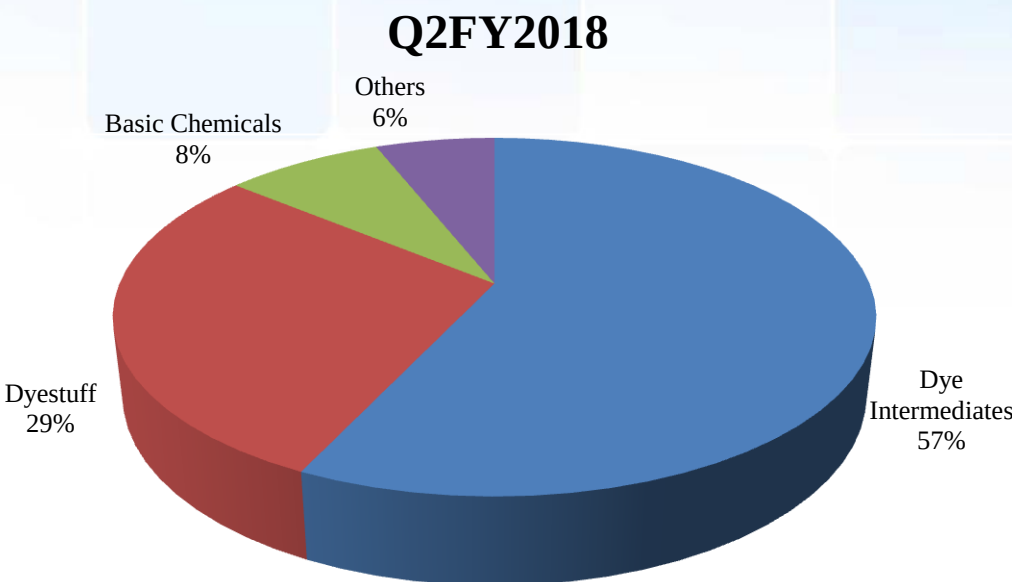
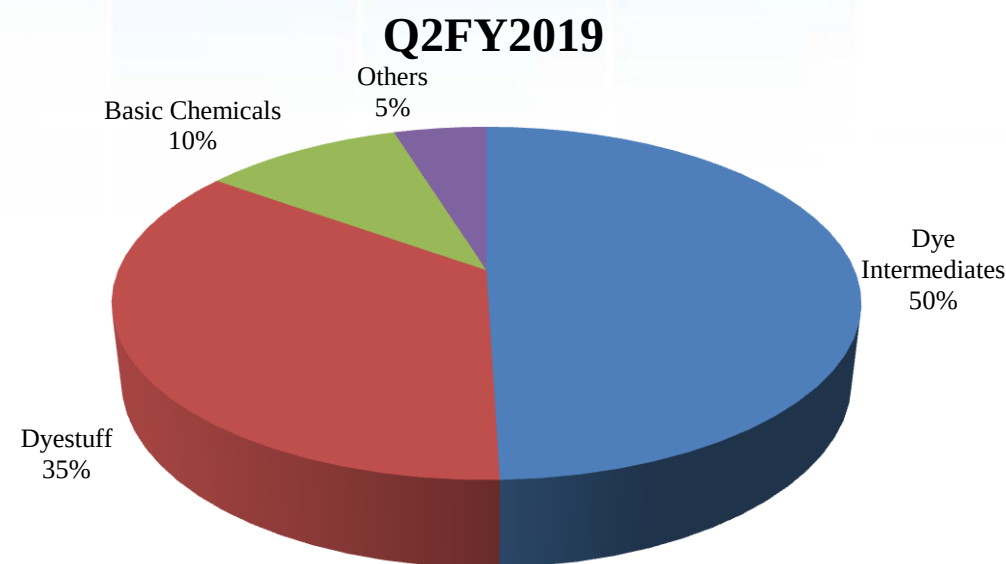
Particulars	Q2FY19	Q2FY18
Revenue from operations	3,743	2,625
EBITDA as published	714	482
Less: Other Income	19	16
Add: Foreign Exchange (Gain)/Loss (Net)	62	(1)
Operational EBITDA	758	464
Operational EBITDA Margin (%) to Revenue from operation	20.2%	17.7%



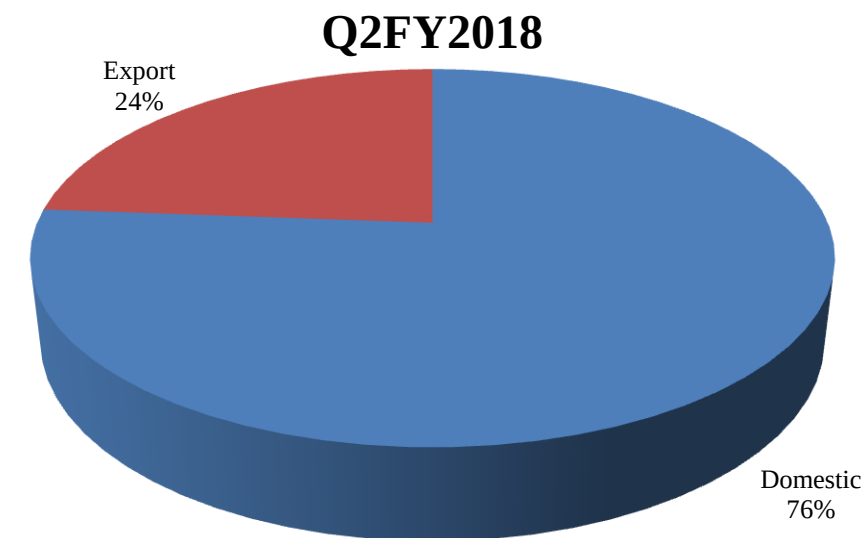
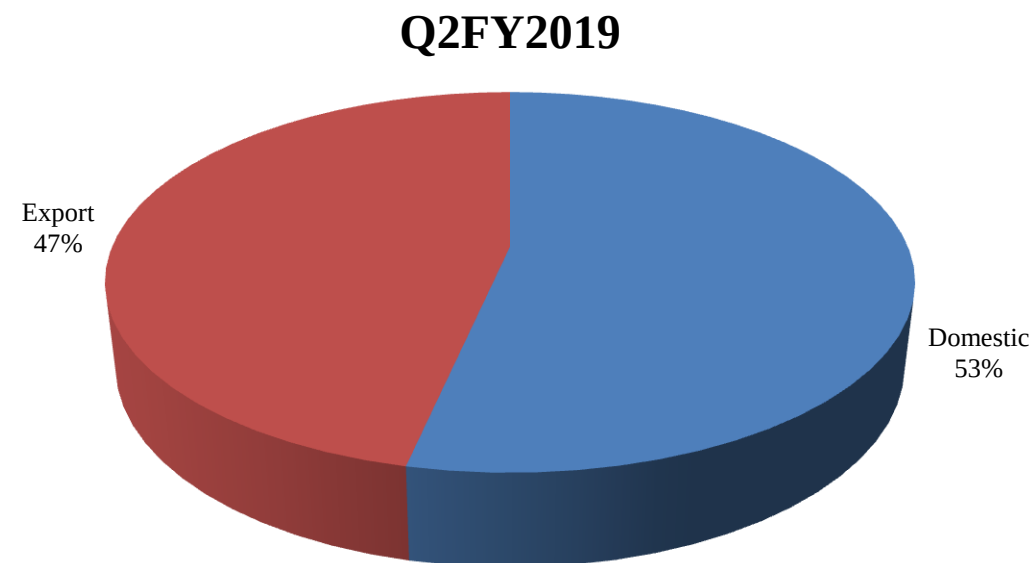
Revenue Breakup

Break-up (Standalone)

By Sub-Segment



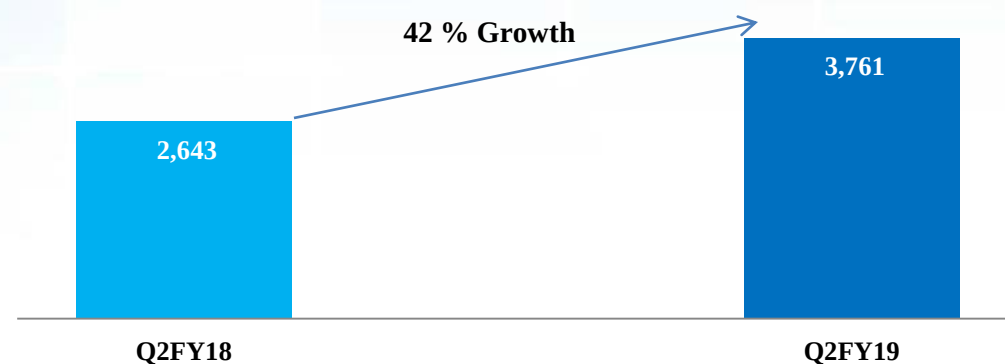
By Geography



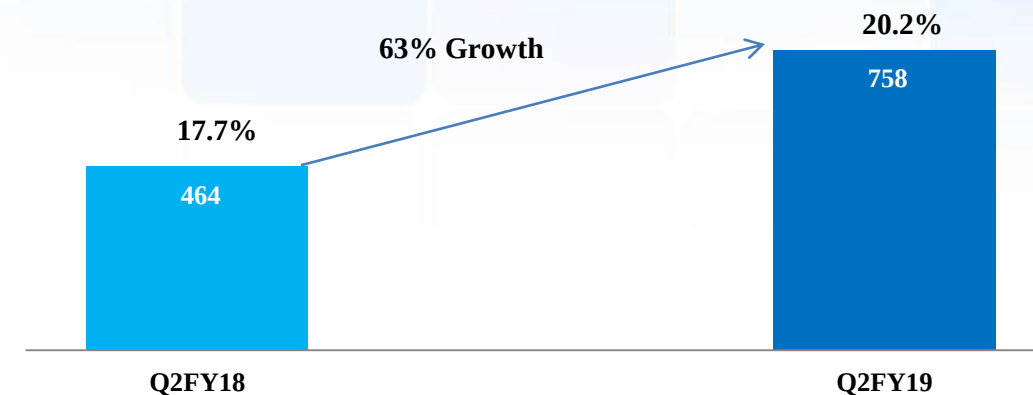
Note: Sale of products are net of excise duty & GST

Financial Highlights- Standalone

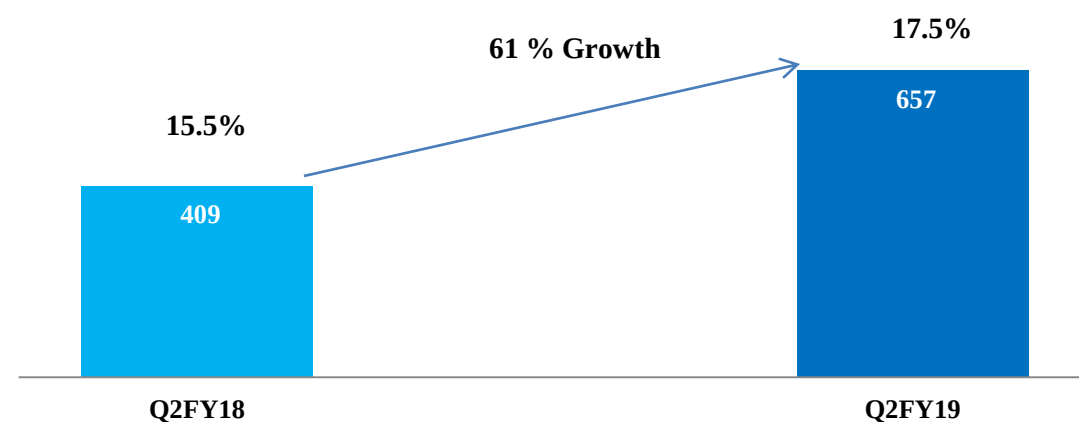
Total Income (Rs. Million)



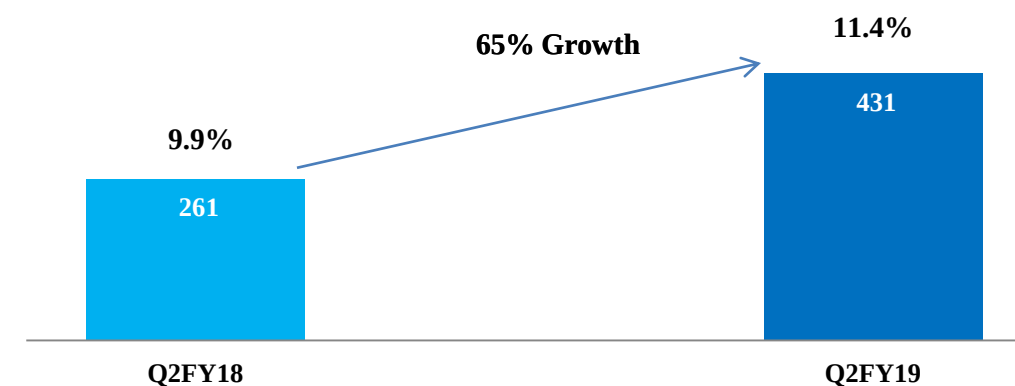
EBITDA* (Rs. Million) and Margin (%)



Profit Before Tax (Rs. Million) and Margin (%)



Profit After Tax (Rs. Million) and Margin (%)



Half yearly Performance



Financial –Standalone basis

	(Rs. million)		
Particulars	H1FY19	H1FY18	YoY (%)
Revenue from operations (Net of Excise Duty)	7,272	5,345	36%
Other Income	45	42	9%
Total Income	7,318	5,386	36%
Raw Materials Consumed	4,451	3,314	34%
Employee benefits	313	207	51%
Foreign Exchange (Gain)/Loss (Net)	130	(24)	
Other expenses	1,055	851	24%
Total expenses	5,950	4,348	37%
Earnings before Interest, Tax and Depreciation	1,368	1,039	32%
Finance costs	28	26	
Depreciation and amortisation expense	87	125	
Profit before tax	1,252	888	41%
Current Tax	389	313	
Deferred Tax	37	1	
Tax expense	426	314	36%
Profit (Loss) for the period	826	573	44%
IND AS Adjustments	(4)	(1)	
Total Comprehensive Income for the period	822	572	44%
EPS (Rs./ Share) (not annualised)	6.76	5.24	29%

Note-1: Revenue from operation is net of Excise duty in Q1FY18 for making comparable revenue with the Q1FY19

Note-2: We have, for better presentation, bifurcated net foreign exchange (Gain)/Loss from Other expenses in H1FY19 and similarly from other income of H1FY18.

EBITDA Reconciliation

(Rs. million)

EBITDA as published

Particulars	H1FY19	H1FY18
Revenue from operations	7,272	5,345
Other income	45	42
Total Income	7,318	5,386
Less: Total expenses	5,950	4,348
EBITDA as published	1,368	1,039
EBITDA Margin (%) to Total Income	18.7%	19.3%

EBITDA- Operational

Particulars	H1FY19	H1FY18
Revenue from operations	7,272	5,345
EBITDA as published	1,368	1,039
Less: Other Income	45	42
Add: Foreign Exchange (Gain)/Loss (Net)	130	(24)
Operational EBITDA	1,453	973
Operational EBITDA Margin (%) to Revenue from operation	20.0%	18.2%

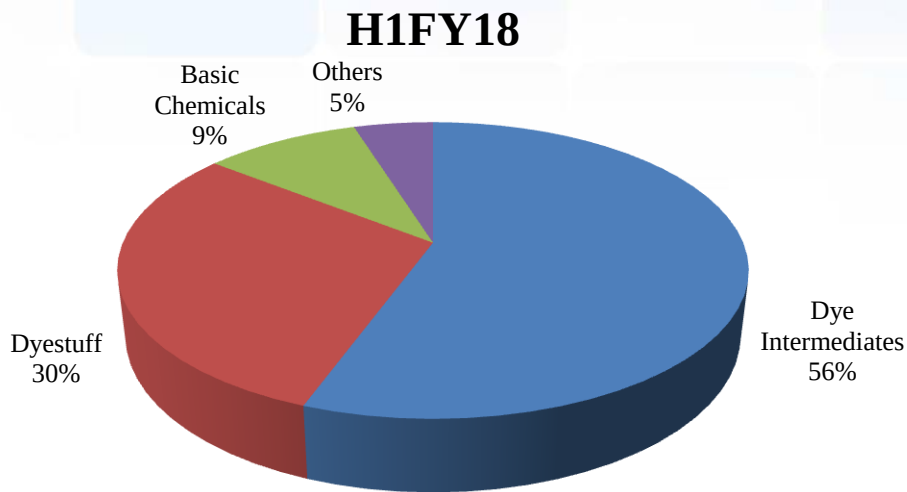
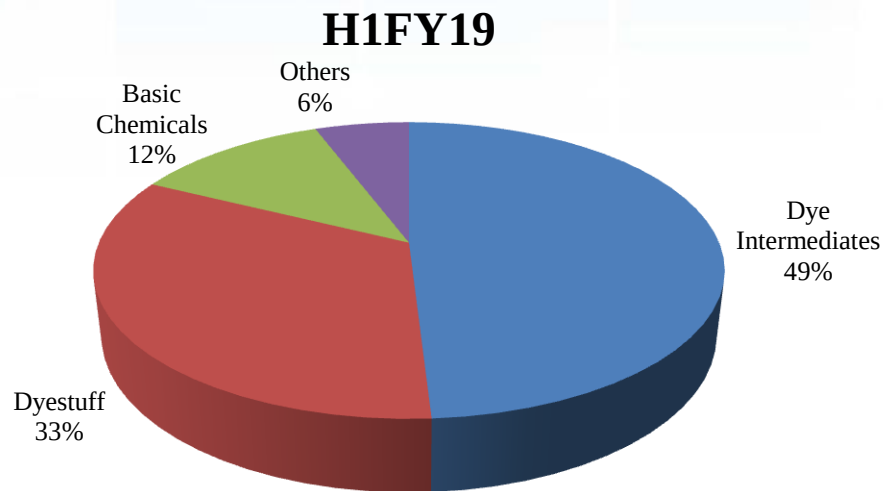


Revenue Breakup

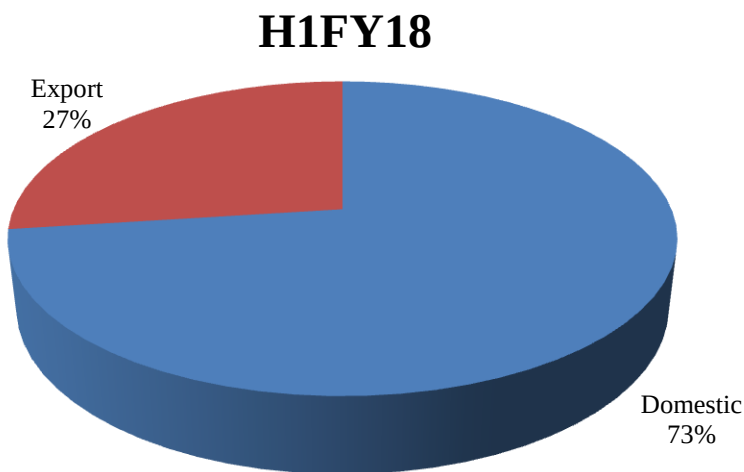
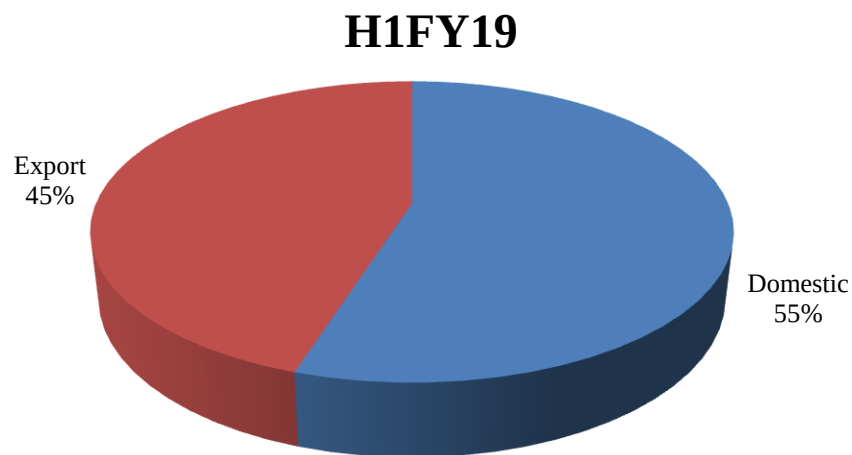
Break-up (Standalone)



By Sub-Segment



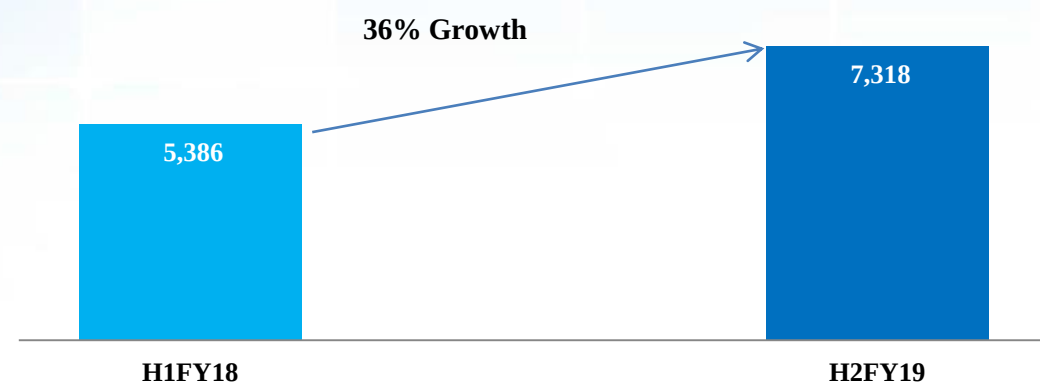
By Geography



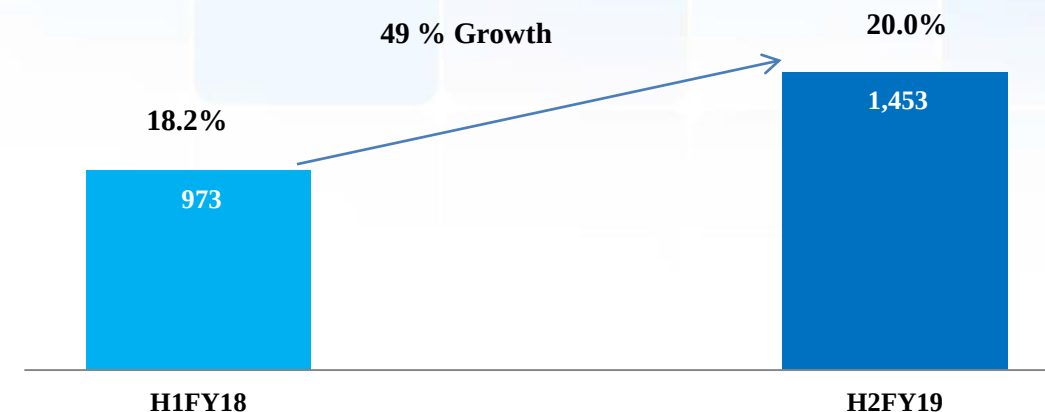
Note: Sale of products are net of excise duty & GST

Financial Highlights- Standalone

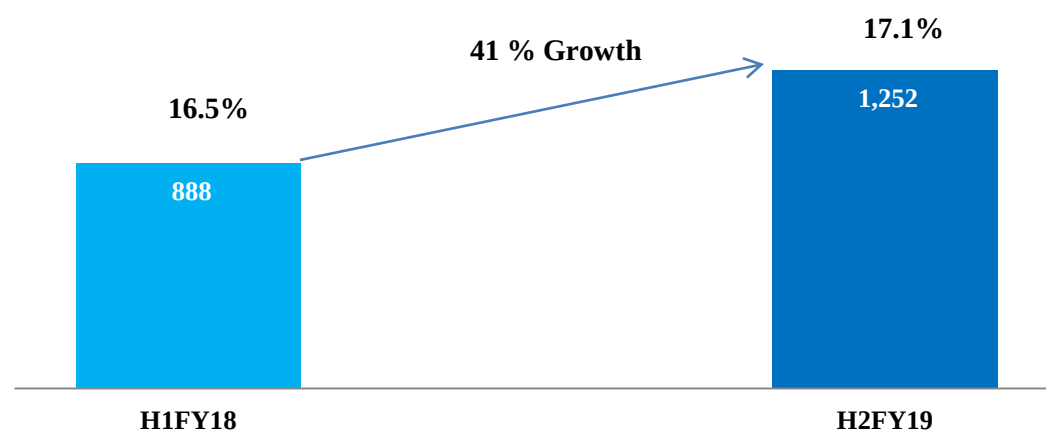
Total Income (Rs. Million)



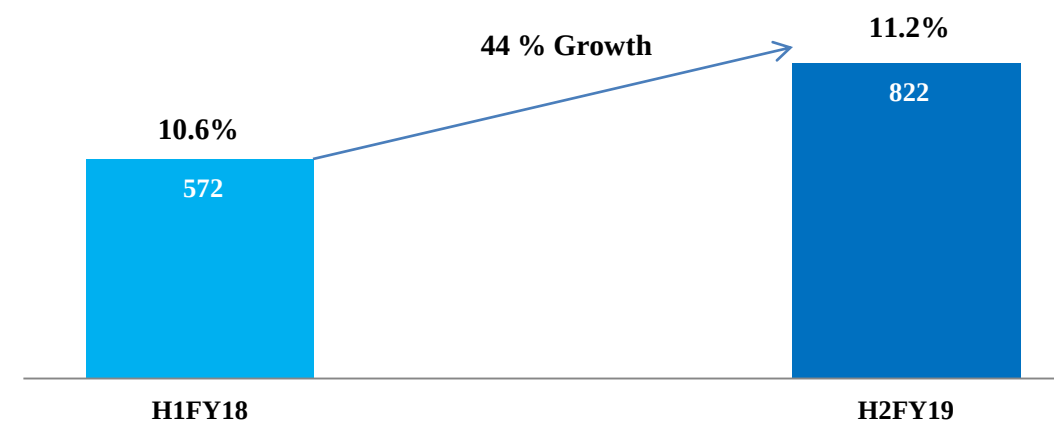
EBITDA* (Rs. Million) and Margin (%)



Profit Before Tax (Rs. Million) and Margin (%)



Profit After Tax (Rs. Million) and Margin (%)



Financials of Subsidiaries & Consolidated Numbers



Financials of Subsidiaries & Consolidated Numbers

(Rs. million)

Subsidiaries

SPS & Trion	Q2FY19		H1FY19	
Particulars	SPS	Trion	SPS	Trion
Total Income	305	21	398	23
EBITDA	39	(11)	53	(19)
PAT	16	(25)	17	(46)

Consolidated

Particulars	Quarterly		Half Yearly	
	Q2FY19	Q2FY18	H1FY19	H1FY18
Operational Revenue	3,932	2,561	7,449	5,418
Other Income	30	12	54	22
Total Income (Net)	3,962	2,573	7,504	5,440
EBITDA *	791	461	1,496	960
Margin %	20.1%	18.0%	20.1%	17.7%
PAT	448	247	830	532

* Operational EBITDA



Balance Sheet Analysis

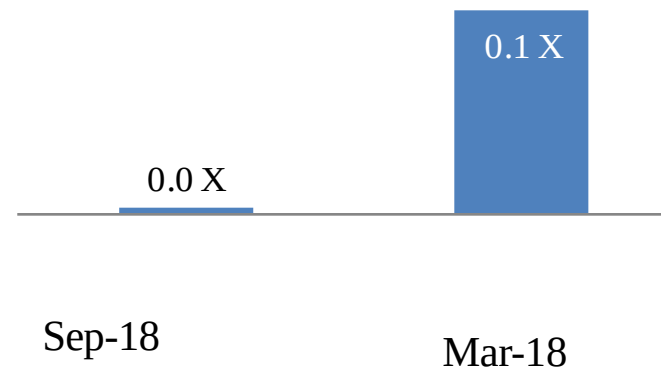


Leverage –Standalone

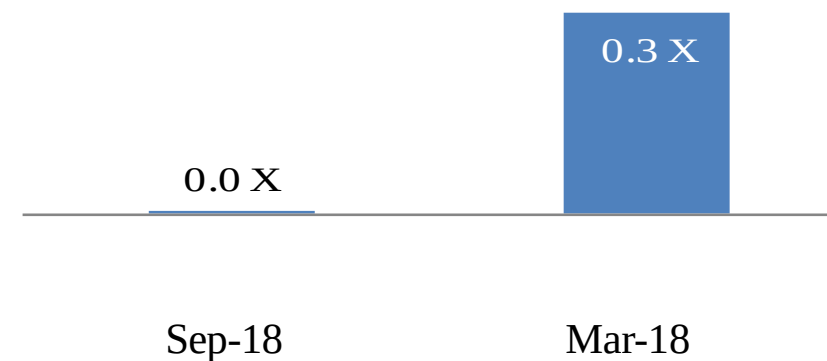
Particulars (Rs. Million)	30-Sep-18	31-Mar-18
Short Term Borrowings	207	840
Long Term Borrowings	7	8
Total Debt	214	848
Less: Cash & Cash Equivalents	197	186
Net Debt / (Net Cash)	17	662
Reduction in Debt	646	
Net Worth	7,733	7,020
EBITDA*	2,736	2,085

Bank Facility : Credit Ratings	CRISIL	India Rating
Long Term Bank Facilities	A+	A+
Short Term Bank Facilities	A1+	A1+

Total Debt / Equity (x)

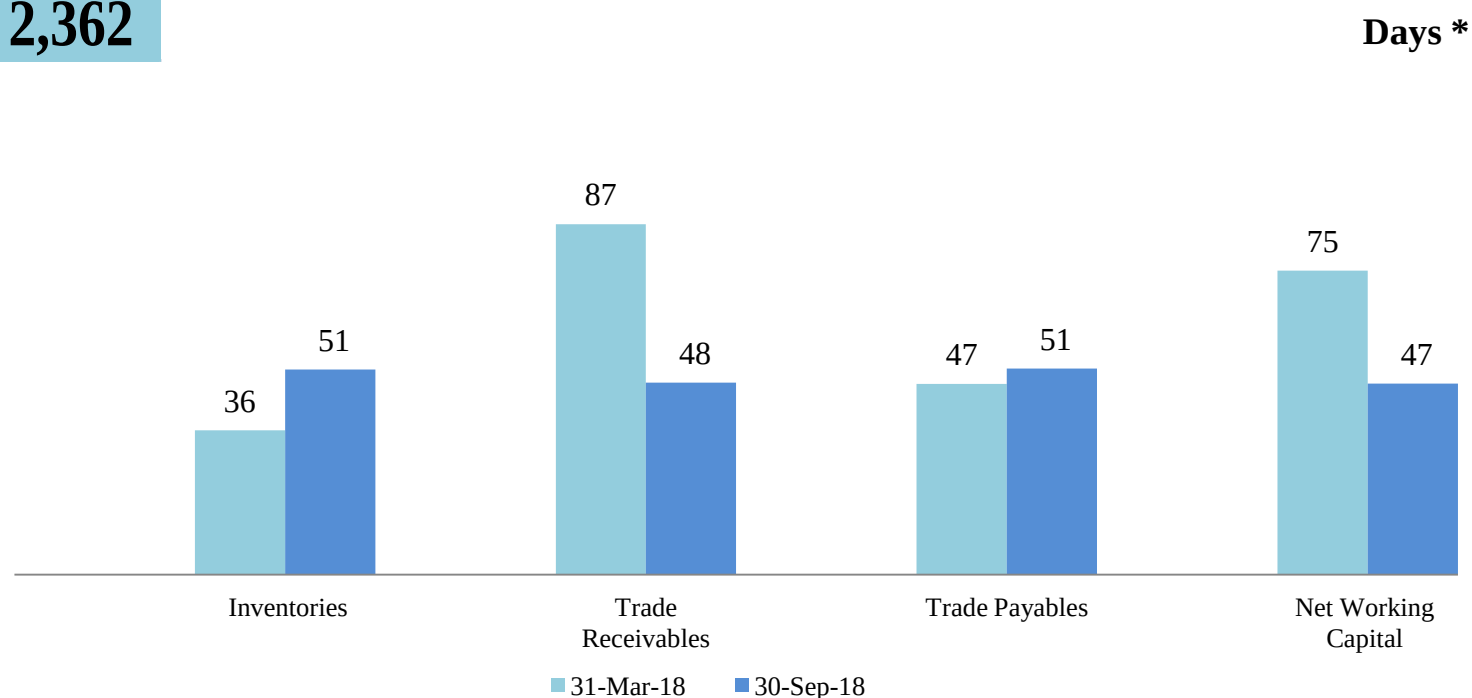


Net Debt / EBITDA* (x)



Working Capital Analysis :

	(Rs. Million)	
Working Capital	30-Sep-18	31-Mar-18
i) Inventories	2,033	1,121
ii) Trade Receivables	1,903	2,723
iii) Trade Payables	2,043	1,482
Net Working Capital (i+ii-iii)	1,893	2,362



Management Comments on Results



Management Comments on Results & Updates (1of 2)

- During this quarter company achieved 43% growth in revenue YoY basis and increased operating profit by 250bps, operational EBITDA stand at 20.2% .
- Margins: In this quarter, the sales realisation for some of the key Dye intermediates and volume for Dyestuff have increased, which has contributed for better operating profit in comparison to previous year. We expect continuous growth in Dyestuff.
- Operating -EBITDA: To make appropriate comparison of operating performance of the company during the quarter, Other Income and net of foreign Exchange rate difference gain/loss are excluded from Earnings, which are not a part of operating activity.
- Capex : During H1FY19, company has made capex of Rs. 743 millions including Capital work in progress which includes Thionyl Chloride, New office building, Storage & infrastructure facility for Dyestuff, Land & maintenance capex.



Management Comments on Results (1of 2)

- Dyestuff expansion : Considering the sharp increase achieved in recently added Dyestuff capacity during the quarter, management has decided to further expand dyestuff (powder) capacity by 6000 MTPA , ahead of original schedule, at Unit-7. The estimated expansion cost is about Rs. 260 millions and we expect the same to become operational by Q1FY20. After this expansion total Dyestuff capacity (powder) of the company will be 35000MTPA .
- Thionyl chloride project : Due to death of principal technical consultant of Thionyl chloride project, we expect to commence production in Q4FY19.
- Subsidiaries: SPS posted profit for this quarter and expected to remain in profit during the year. In Trion we have started the production and expect to minimize losses.



Conference call to discuss Q2 FY 2019 results & outlook

Management will discuss results of Q2 & H1 FY2019 and Outlook on a conference call on 25 October 2018 at 4 PM India time.

The conference call dial-in numbers are:

Primary number: +91 22 6280 1106/+91 22 7115 8007

Local access number: +9170456 71221

The numbers listed above are universally accessible from all networks in all countries

International toll free number:

- USA : 1 866 746 2133
- UK : 0 808 101 1573
- Singapore : 800 101 2045
- Hong Kong : 800 964 448



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Thank you



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Annexures



Sale of products – by sub-segment and geography (Standalone)

(Rs. million)

Geography- wise Revenues	Q2FY2019	% Share	Q2FY2018	% Share	Yo YGrowth (%)
Domestic	1,950	53%	1,979	76%	-1%
Export	1,730	47%	619	24%	179%
Total	3,680	100%	2,598	100%	41.6%

Sub-Segment-wise Revenues	Q2FY2019	% Share	Q2FY2018	% Share	Yo YGrowth (%)
Dye Intermediates	1,822	50%	1,482	57%	23.0%
Dyestuff	1,301	35%	751	29%	73.3%
Basic Chemicals	379	10%	208	8%	82.4%
Others	176	5%	157	6%	12.4%
Total	3,680	100%	2,598	100%	41.6%

(Rs. million)

Geography- wise Revenues	H1FY19	% Share	H1FY18	% Share	Yo YGrowth (%)
Domestic	3,918	55%	3,861	73%	1.5%
Export	3,243	45%	1,431	27%	126.6%
Total	7,161	100%	5,292	100%	35.3%

Sub-Segment-wise Revenues	H1FY19	% Share	H1FY18	% Share	Yo YGrowth (%)
Dye Intermediates	3,512	49%	2,942	56%	19.4%
Dyestuff	2,379	33%	1,588	30%	49.8%
Basic Chemicals	855	12%	505	10%	69.4%
Others	413	6%	257	5%	60.9%
Total	7,161	100%	5,292	100%	35.3%

Production Quantity Metric Tons (MT)

Production MT	Q2FY19	Q2FY18	YoY (Growth)
Dyestuff	5,277	3,420	54%
Dyes Intermediates	6,031	5,403	12%
Basic Chemicals	51,522	44,672	15%
Production MT	H1FY19	Q2FY18	YoY (Growth)
Dyestuff	9,635	7,340	31%
Dyes Intermediates	12,248	10,532	16%
Basic Chemicals	101,970	91,605	11%

