



Bodal Chemicals Ltd.
COLOURS. INTEGRATION. INNOVATION.

Corporate Presentation
March 2019

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.

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Company Profile



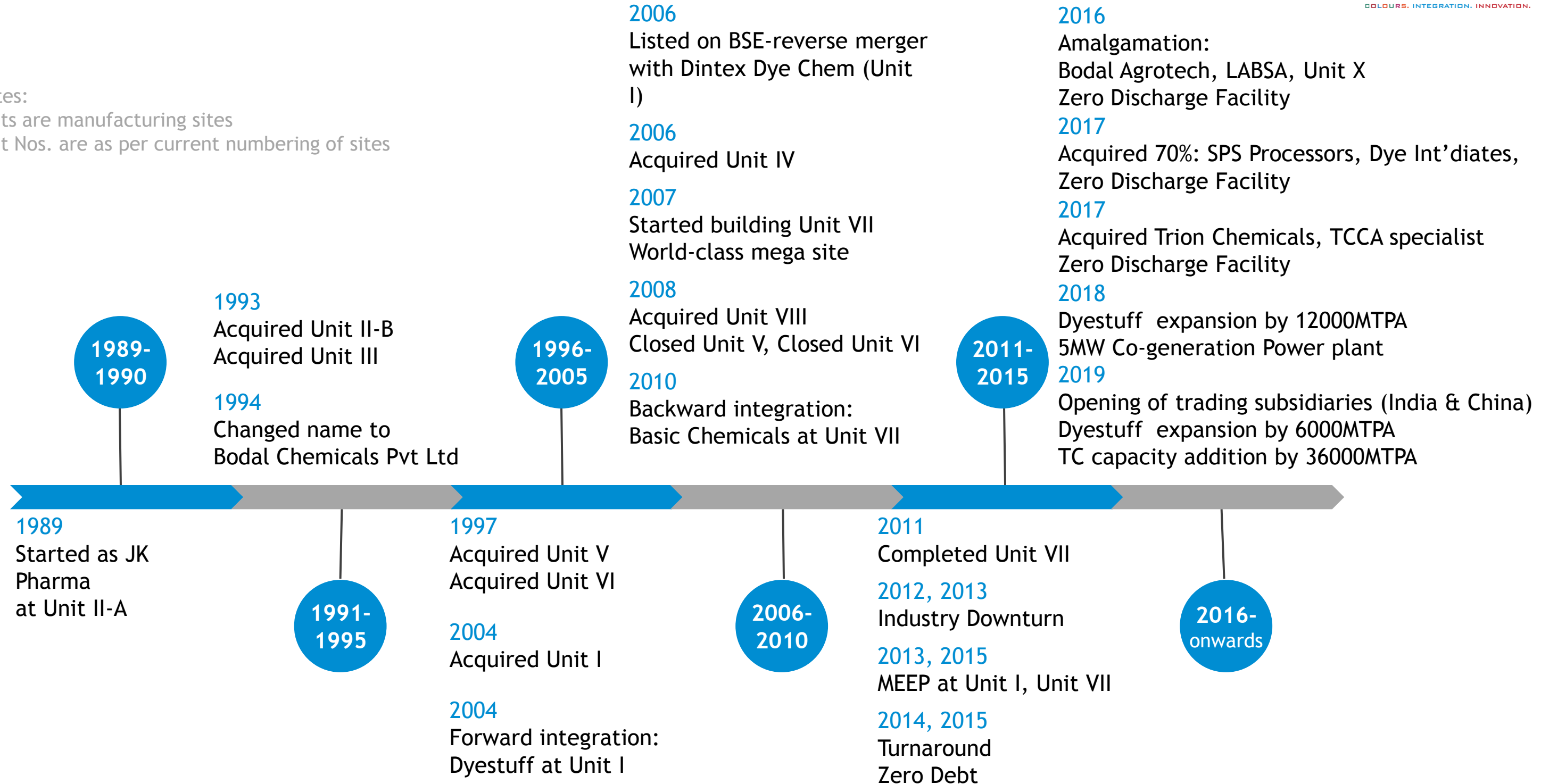
- Bodal was incorporated in 1989 by Mr. Suresh Patel, a first generation entrepreneur.
- Bodal is today one of the globally leading, integrated Dyestuff companies from India.
- Company commenced its operations by setting up a small Vinyl Sulphone plant at Vatva - Ahmedabad (Gujarat) with a small capacity 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.
- Company has four operating subsidiaries: (1.) S P S Processors Pvt. Ltd. (SPS), (2.) Trion Chemicals Pvt. Ltd. (TCPL), (3.) Bodal Chemicals Trading Private Limited (Recently added) and (4.) Bodal Chemicals Trading (Shijiazhuang) Co. Ltd (Recently added)
- Market capitalization is Rs.14.42 billion (22-03-19). Promoters own 57.4%

Bodal- Milestones

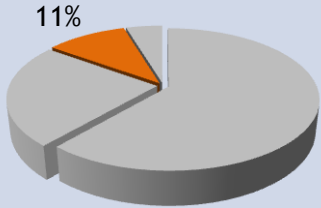
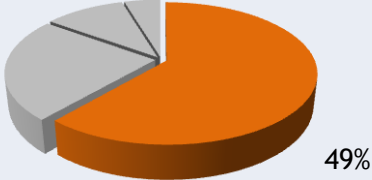
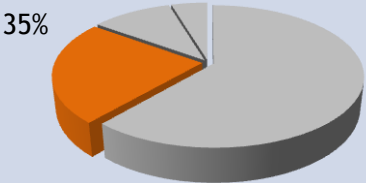
Notes:

Units are manufacturing sites

Unit Nos. are as per current numbering of sites



Manufacturing Capacities

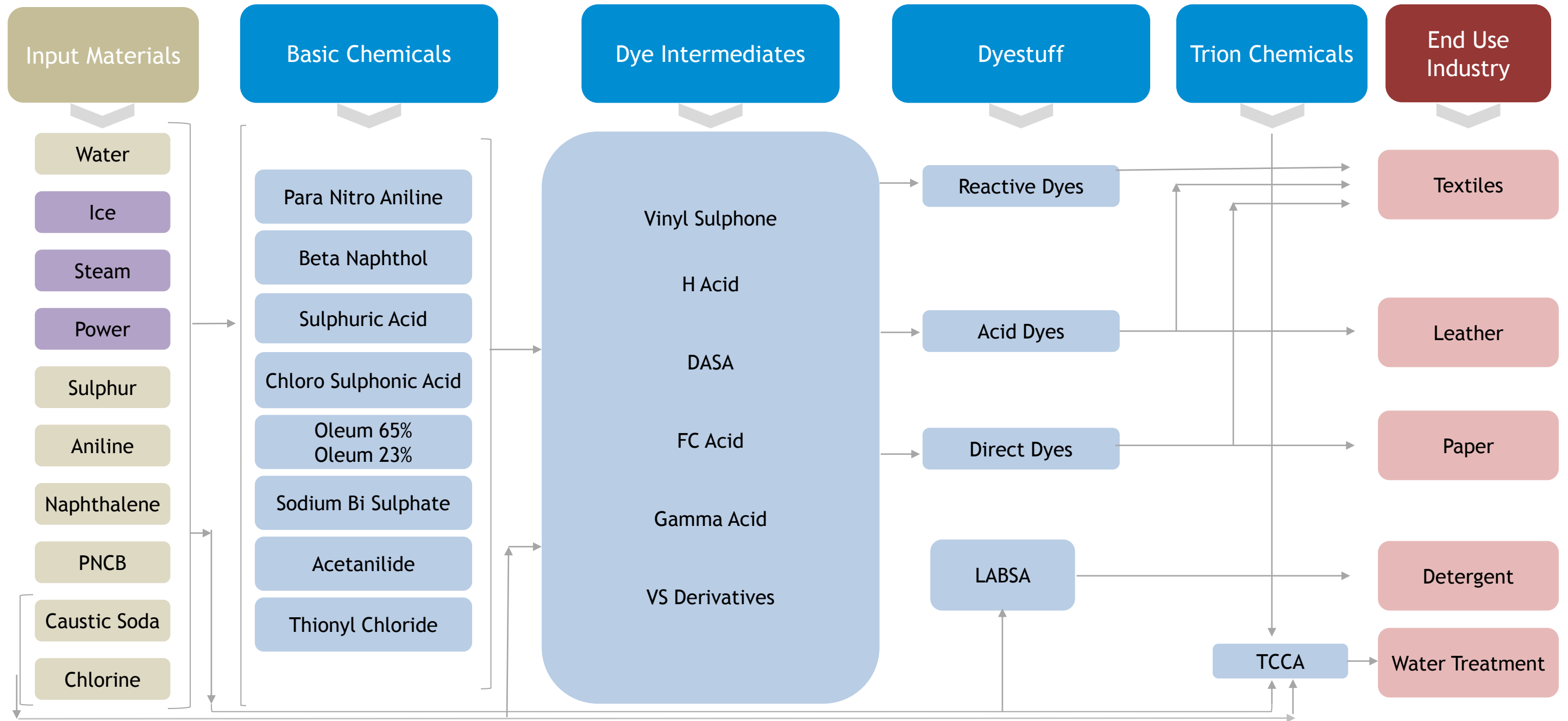
	Contribution (% Revenue, Q3FY19)	Annual Capacity & % Utilisation, 9MFY19	Highlights
Basic Chemicals		226,000 MT* 98%	- Captive Power Plant and Steam generation - Centrally located, latest upgraded manufacturing facilities - Produces about 12 products
Dye Intermediates		33,000 MT** 75%	- Advance technology MEEP for effluent treatment with capacity, of 5 lakhs liters/day - Produces about 25 products
Dyestuff		35,000 MT*** 63%	- Range of Reactive, Acid & Direct dyes that are used in Textile, leather & paper industries respectively - Permission for treated effluent disposal of 1 million liters/day - Advanced technology Effluent Treatment Plant (Brine treatment) - Produces about 175 products

Notes: (1.) *Thionyl Chloride capacity of 36,000 MTPA added in March-2019. (2.) ** Includes SPS existing Capacity. (3.) ***Dyestuff capacity of 6,000 MTPA added in March-2019. Dyestuff capacity refers to Powder Form. (4.) Vinyl Sulphone capacity of 6,000 MTPA will be added in SPS

Bodal is keenly investing for sustained growth

Integrated Business Model

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



About 45% of Basic Chemicals and Dye Intermediates are captively used

Environmental Facilities



In-house Facilities at Bodal

Effluent Treatment Plant (ETP)

1. Treats low load waste water
2. Compliant with GPCB, CPCB norms
3. Capacity 500,000 liters / day
4. Chemical oxidation
5. Flocculation
6. Clarification
7. Bio- degradation by AIS
8. Tertiary Poly system
9. Online monitoring system

Multiple Effect Evaporator Plant (MEEP)

1. Treats high load waste water
2. Recovers salts- captive use/ sold
3. Capacity 500,000 liters/day
4. Investment of Rs 350mn
5. Benefits:
 - Needs low steam, power
 - Re-use of condensed water
 - Integrated Zero Discharge System

Effluent Spray Dryer Plant (ESDP)

1. Treats high load waste water beyond MEEP
2. Minimizes treatment cost
3. Spray Dryers: 3 * 100,000 liters/ day
4. Incinerators: 3* 125,000 liters/ day

Note: AIS is Advent Integrated System, Advent Corporation, USA

Environment and safety are high priority for Bodal and key to sustainable growth

Environmental Facilities at different plants



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Plant	Location	Zero Waste Discharge Site (Solid + Liquid + Air)	Effluent Treatment Plant (ETP)	Common Effluent Treatment Plant, (CETP, at GIDC)	Multiple Effect Evaporator (MEEP)	Effluent Spray Dryer Plant (ESDP)	Solid Waste Incinerator Plant	Treated Effluent Discharge Access VECL Cala Lit./Day
Unit I	Ahmedabad	-	✓	✓	✓	✓	✓	-
Unit II	Ahmedabad	-	✓	✓	-	-	-	-
Unit III	Ahmedabad	-	✓	✓	-	-	-	-
Unit IV	Ahmedabad	-	✓	✓	-	-	-	-
Unit VII	Vadodara	-	✓	-	✓	✓	✓	949,000
Unit VIII	Vadodara	-	✓	-	✓	✓	✓	23,800
Unit IX	Vadodara	✓	✓	-	-	-	-	-
Unit X	Vadodara	✓	✓	-	-	-	-	-
SPS Processors	Kosi, UP	✓	✓	-	-	-	-	-
Trion Chemicals	Khambhat	✓	✓	-	-	-	-	-

Note: VECL- Vadodara Enviro Channel Limited

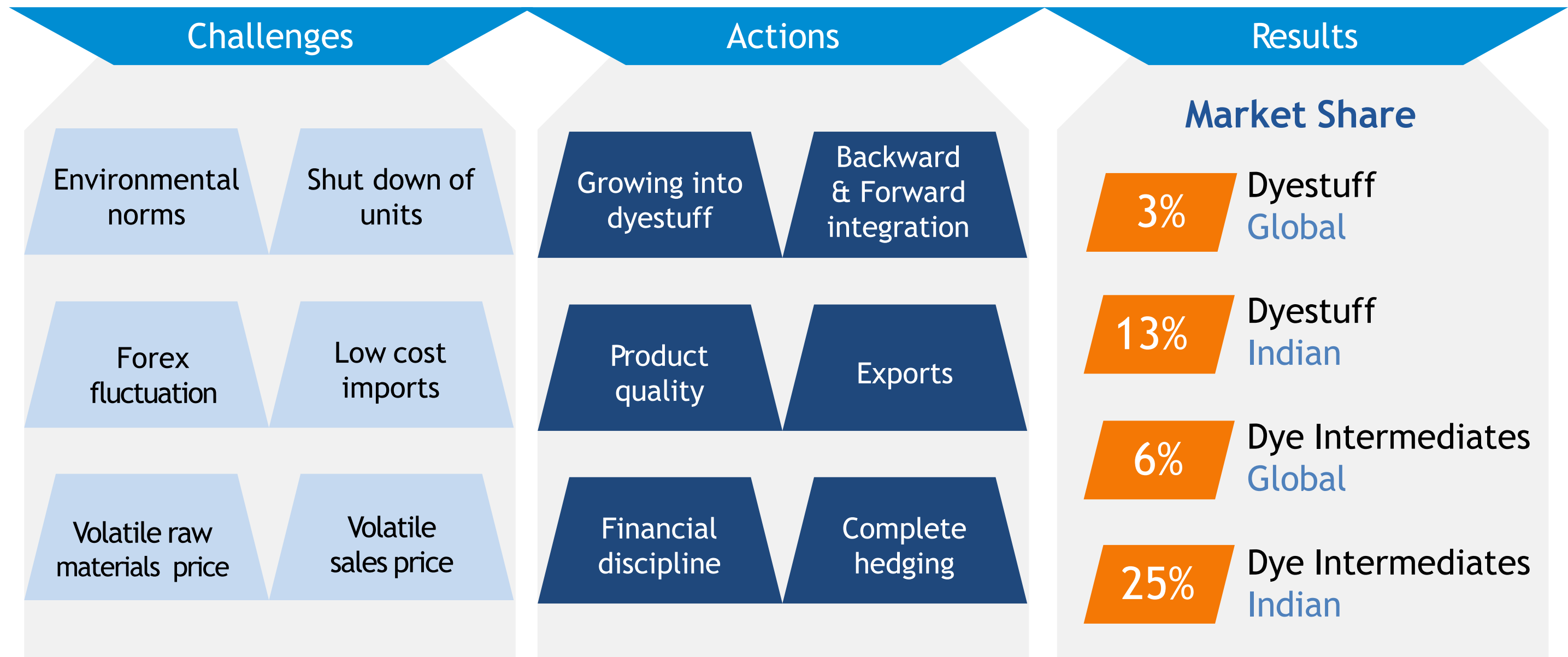
Environment and safety are high priority for Bodal and key to sustainable growth

Advantage Bodal



- Strong and experienced management team with continuous focus on growth and increase in shareholder's value
- Strong customer relationship across the globe
- Integrated business model leading to cost competitiveness and protection against commodity cycle
- Successful and consistent track record of organic and inorganic growth
- Well- equipped production facilities and laboratories. Strict quality adherence and continuous investment into R&D
- Strict environmental compliance with in house ETP and MEEP plants
- Presence in multiple countries minimizing country specific risks. And significant share of revenues coming from exports

Sustainability of profit and growth ensured



Consistent growth that we are proud of

Customer Relationship

Domestic Customers



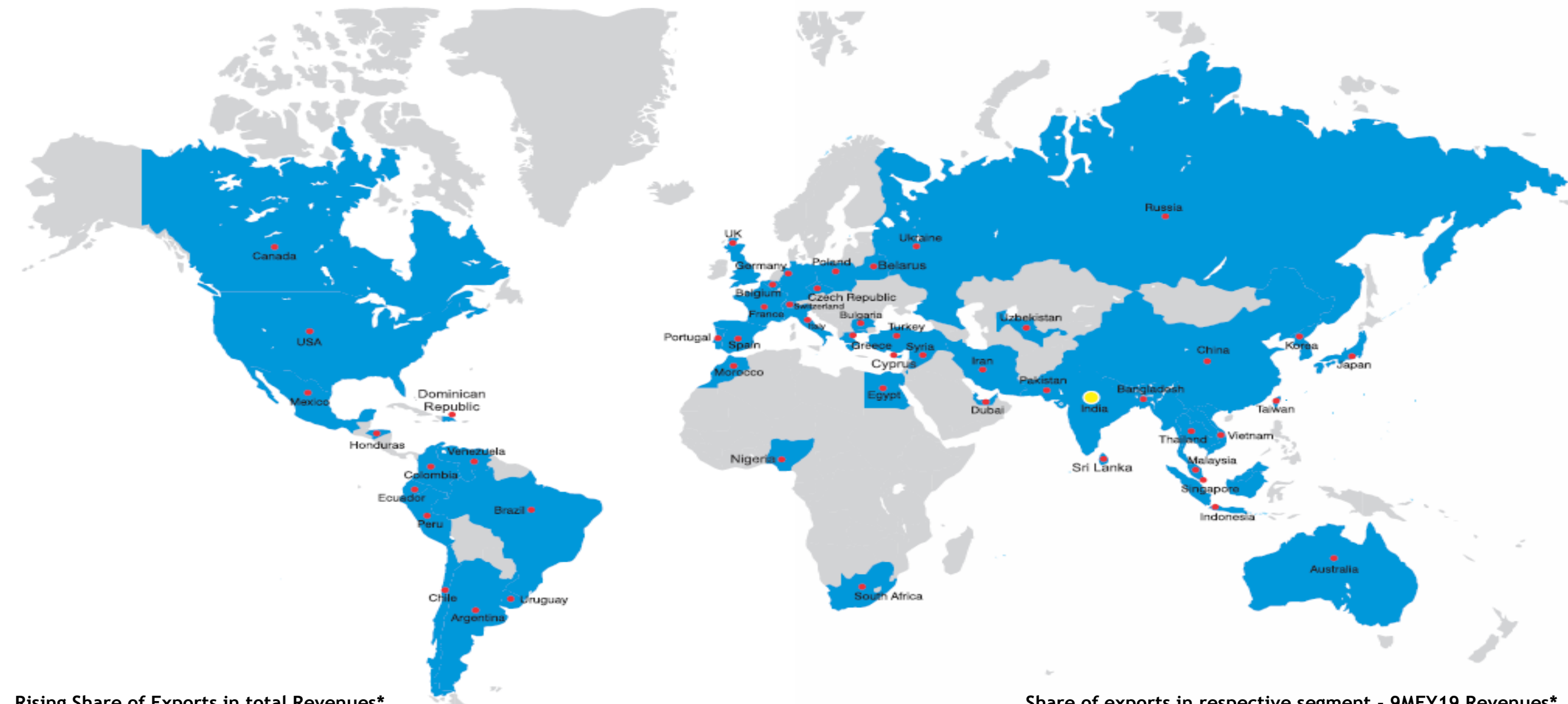
International Customers



Unidye S.A.



Strong long term Relationships with top Domestic and International Customers



Rising Share of Exports in total Revenues*

FY17	FY18	9MFY19
29.5%	30.2%	45.1%

Share of exports in respective segment - 9MFY19 Revenues*

Dye Intermediates	Dye Stuffs	Total
45.8%	62.5%	45.1%

Bodal Exports 45% of its sales to 150+ customers in 45+ countries

* Note: Revenues are Standalone

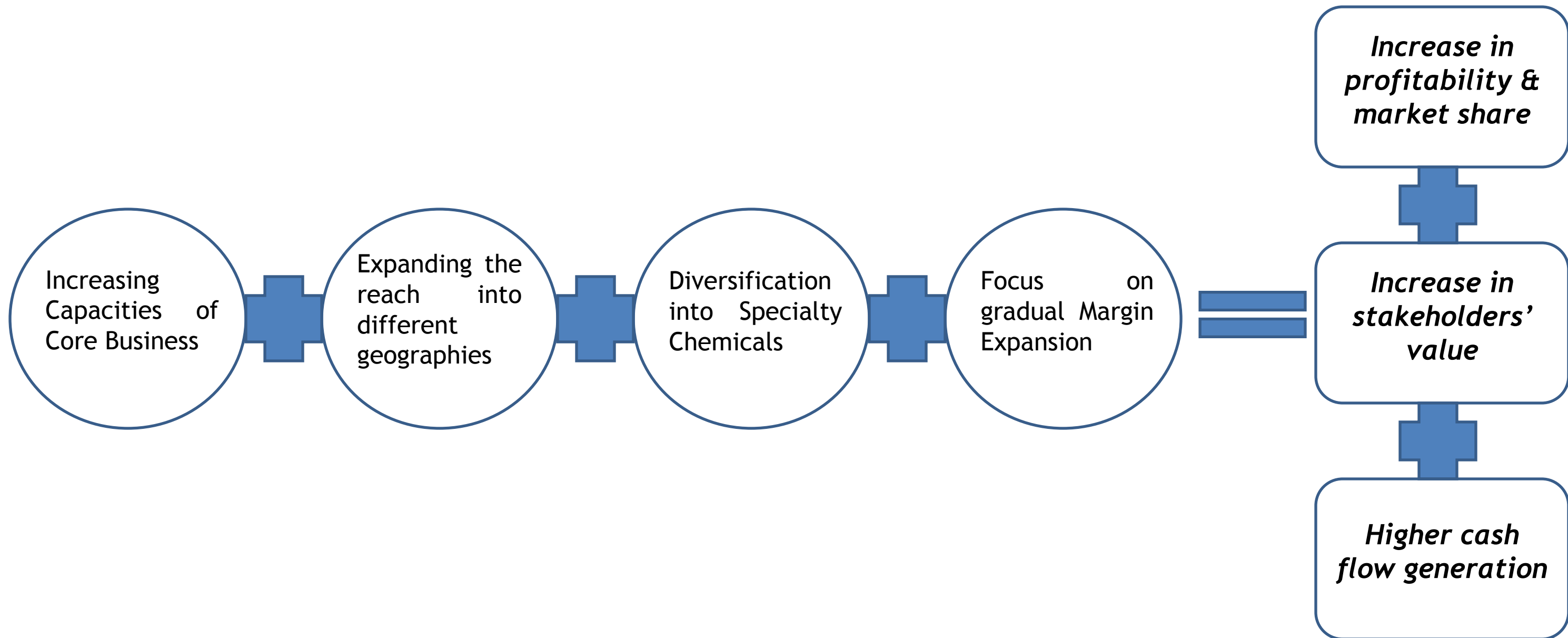
The Way Forward

Poised for strong growth in coming years



Thriving for increase in profitability and market share

Bodal on Strong Growth Trajectory



Continuous efforts to make higher integrated business model

1. Dyestuff: As part of the expansion plan, the company continues to expand the Dyestuff business. Last year added 12,000 MTPA and recently expanded by 6,000MTPA. Share of Dyestuff in total sales will gradually increase.
2. Dye Intermediate: Adding VS capacity at SPS. Addition of VS plant should turn SPS profitable and it is expected to contribute to the growth in the coming years.
3. Trion Chemicals (TCPL): Gradual improvement in business with expected break even by 1HFY20E and should contribute to growth in coming years
4. Promoter's continuous focus on integrated business model including plans to foray into Specialty Chemicals
5. Opening up of subsidiaries in key geographies for the company

Key drivers in place to lead Bodal to new heights in coming years

6. Gradual margins expansion due to:

- ❑ Further integration of business with more captive consumption of Dye Intermediates and Basic Chemicals
- ❑ Utilization of Thryniol Chloride (TC) Plant of 36,000 MTPA at Unit VII, a forward integration for sulphuric acid and backward integration for Vinyl sulphone
- ❑ Optimum utilization of co-generation power plant will lead to substantial saving in power & fuel costs going ahead
- ❑ Gradually increasing share of B2C in Dye Stuff across the world

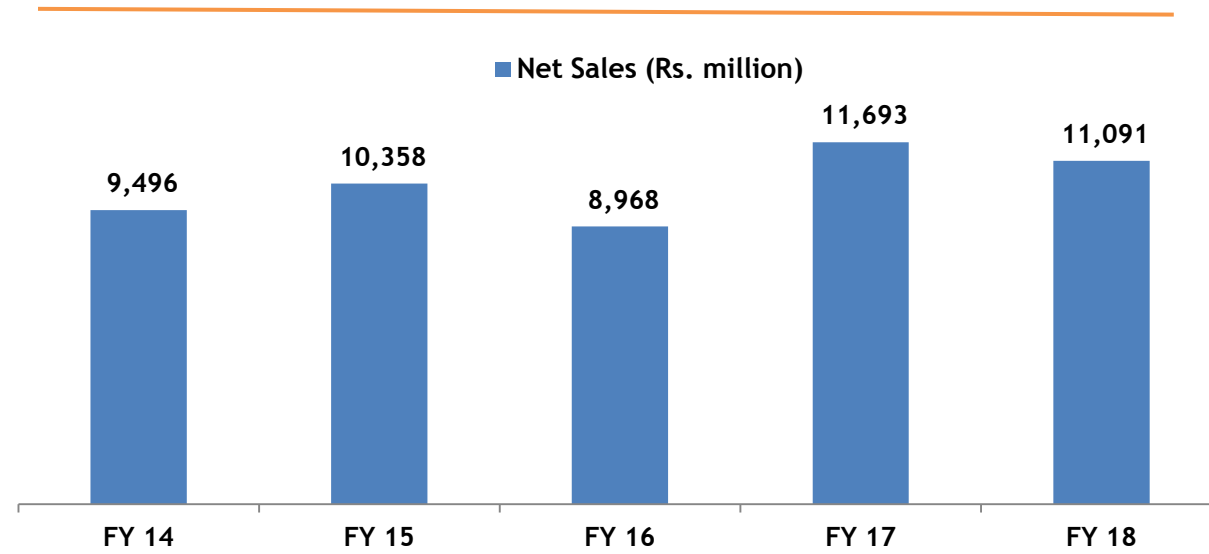
7. Strict financial discipline to ensure consistent returns and leverage ratios

Gradual expansion in margins to increase profitability

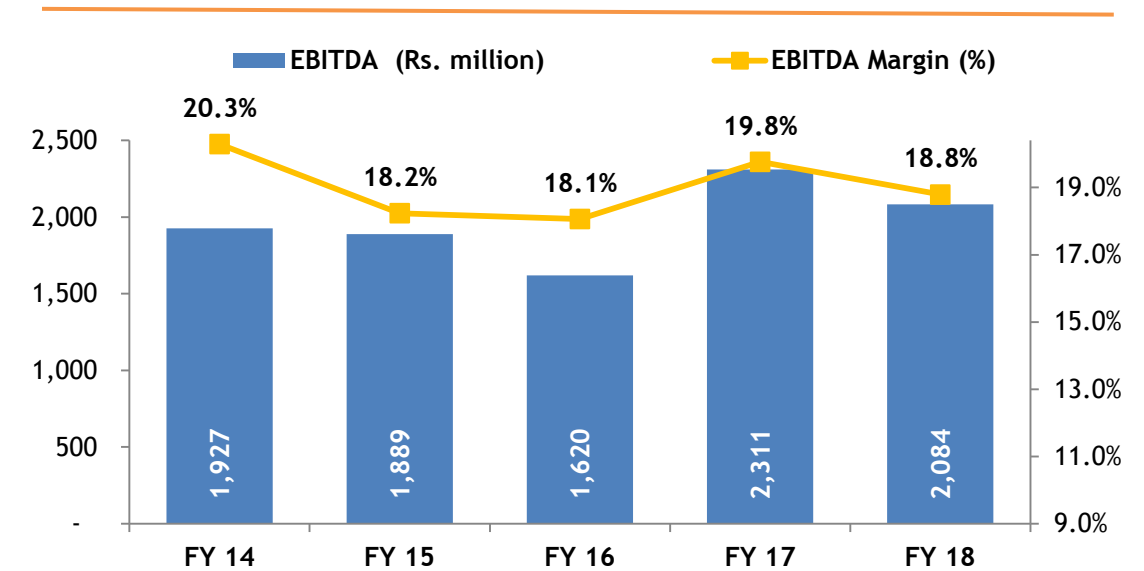
Financial Performance



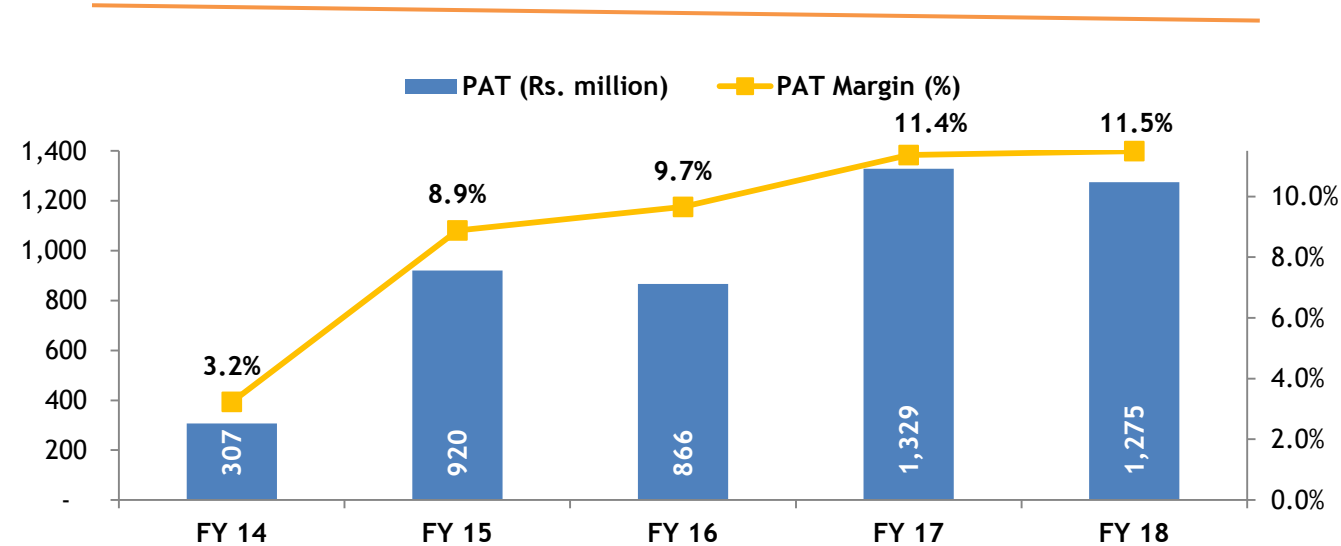
Net Sales



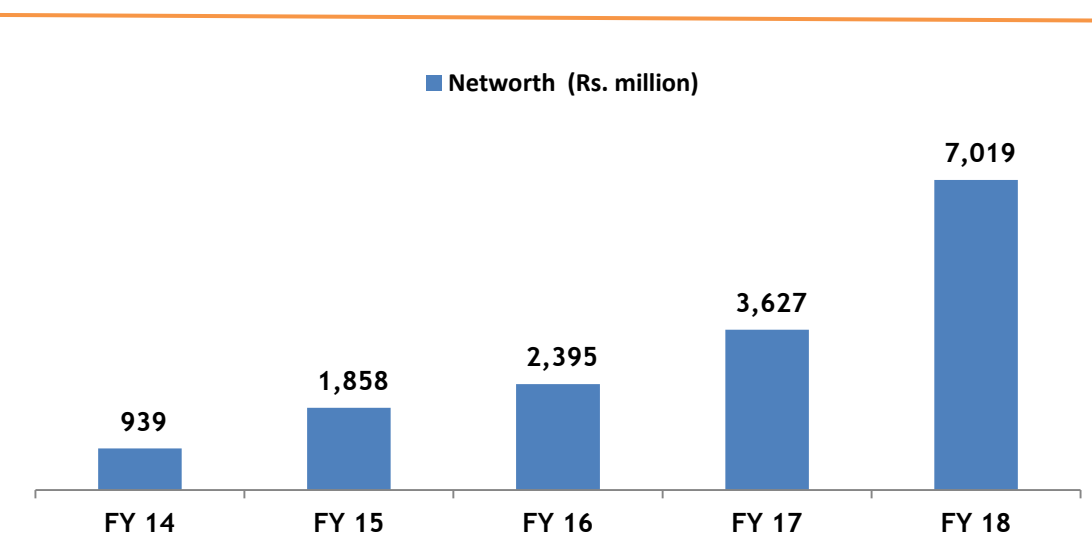
EBITDA and EBITDA Margins



PAT and PAT Margins



Net worth

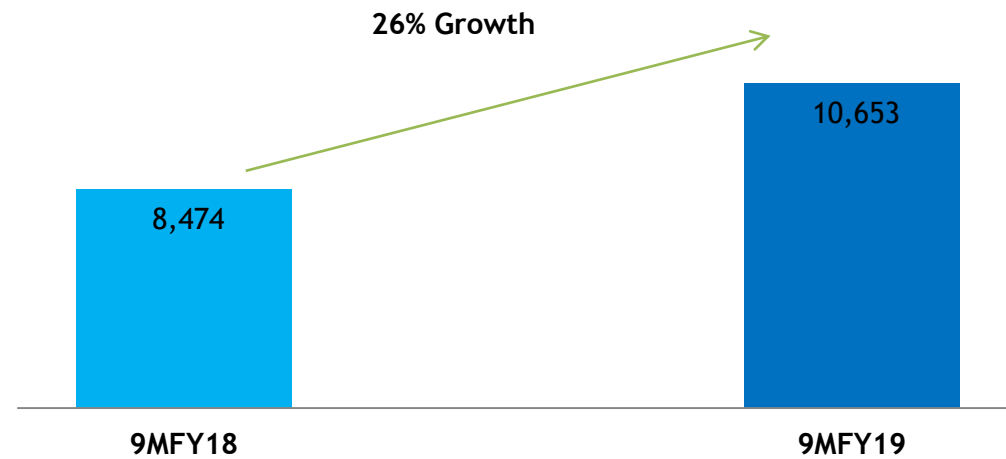


Strong performance over the years

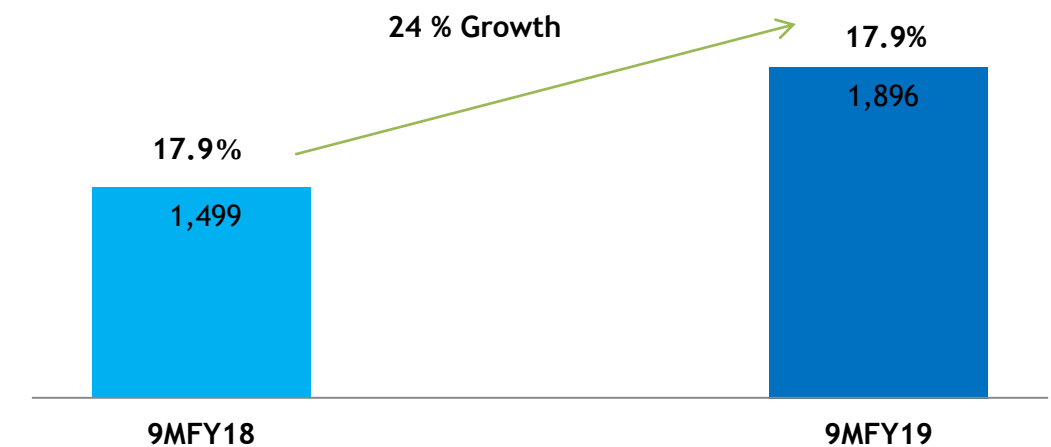
Note: Standalone data

9MFY19 Financials

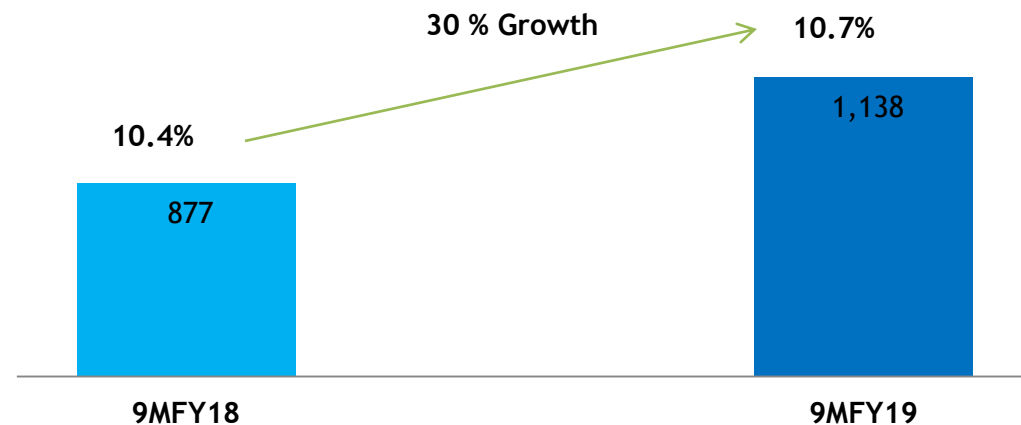
Total Income (Rs. Million)



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



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



Operational EBITDA

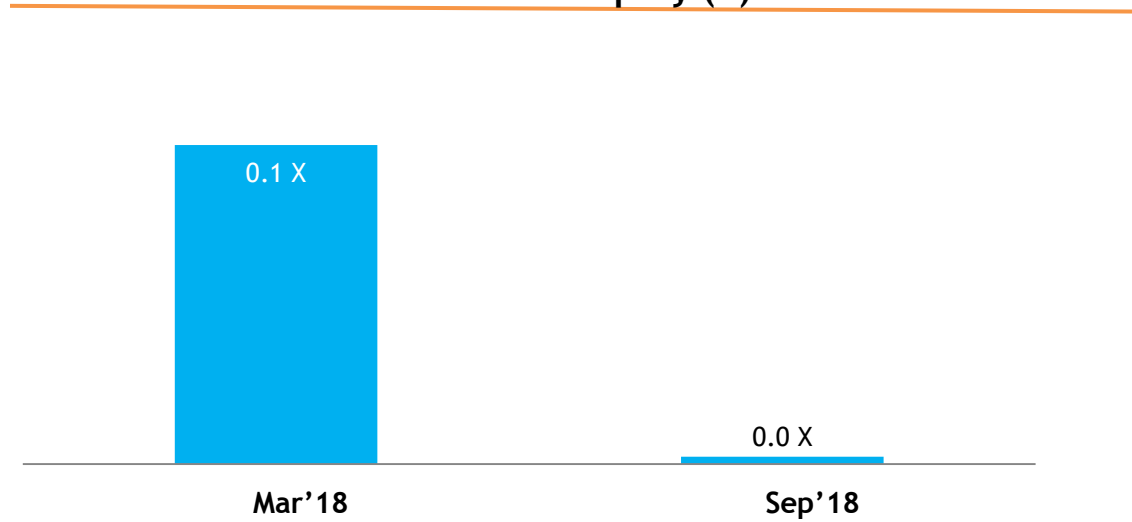
(Rs. Millions)	9MFY19	9MFY18	(YoY %)	
Revenue from Operations	10,587	8,386	▲	26%
EBITDA*	1,896	1,499	▲	27%
EBITDA Margin (%)	17.9%	17.9%	▲	4 bps
Net Profit	1,138	877	▲	30%

Consistent margins showing strength of our integrated business model

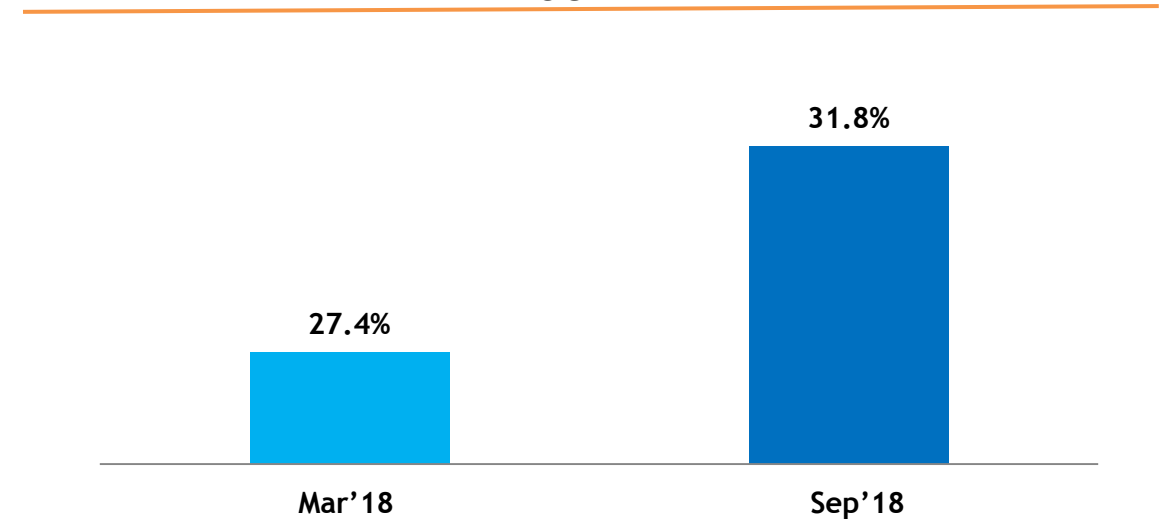
Note: Standalone data * EBITDA excluding other income

Balance Sheet Ratios

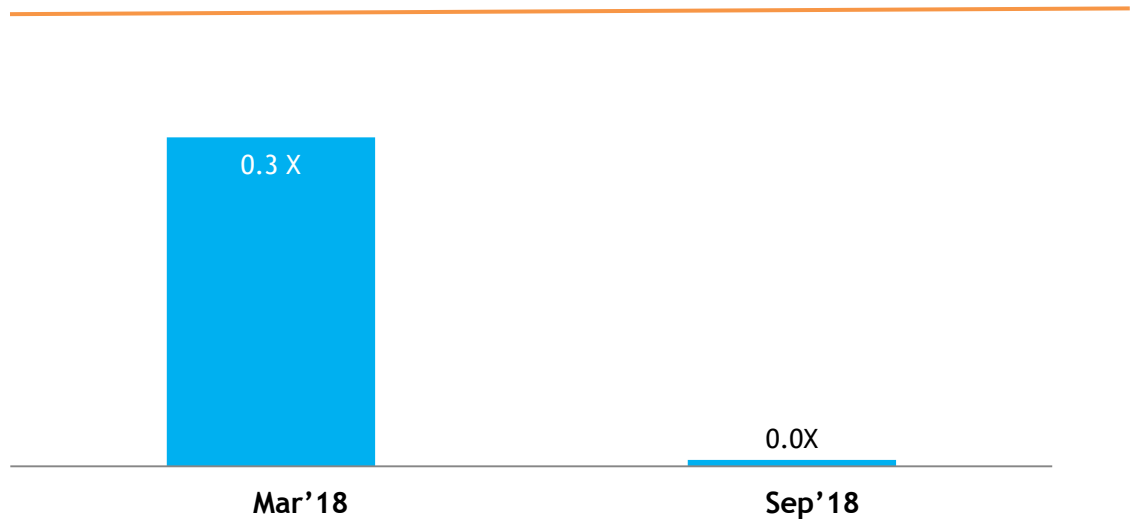
Total Debt/ Equity (X)



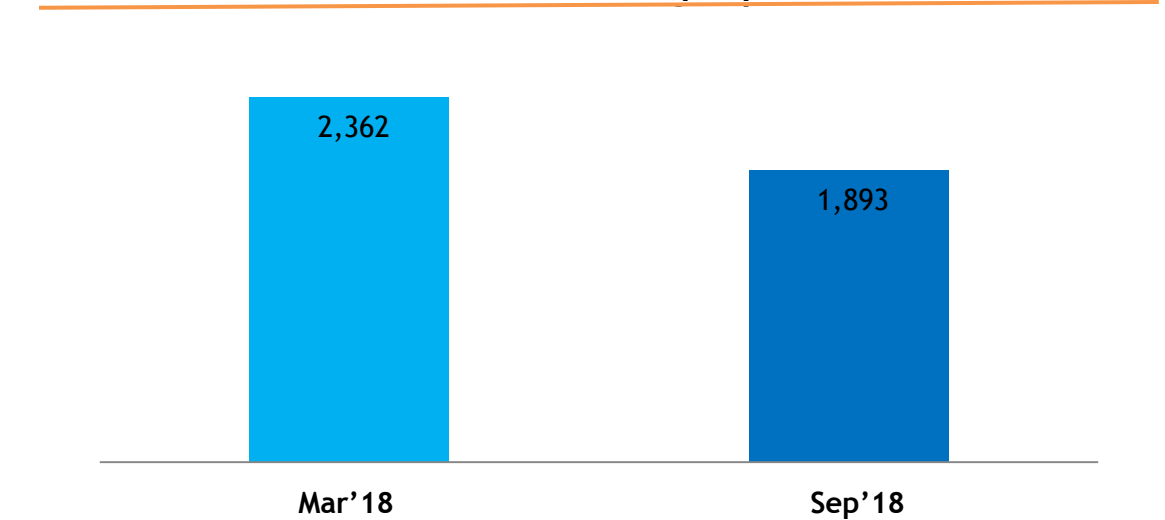
ROCE*



Net Debt / EBITDA*



Net Working Capital



*Note: To calculate Net Debt/EBIDTA, the EBIDTA is annualized and similarly, to calculate ROCE ,EBIT is annualized

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

Note: Standalone data

- Award for Highest Self Manufacturing Turnover from Domestic and Export of Dyes and Dye Intermediates during FY2016-17
The Gujarat Dyestuffs Manufacturers Association (in June-18)
- First in Large scale unit category for outstanding performance on Domestic Market and one as a Second in Large scale unit category for Excellent performance in Export of Dyestuffs
The Dyestuff Manufacturers' Association of India(in July -2018)
- Recently, recognised by
 - ET Enterprise Icons 2018
 - Gujarat Best brand award 2018



- 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 into rural infrastructure, healthcare, hospitals, schools and sports

Thank you



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