



Bodal Chemicals Limited

Investor Presentation – February 2023



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Q3 & 9M FY23 Highlights

Business Highlights

9M
FY23

Rs 11,782 mn
Revenue

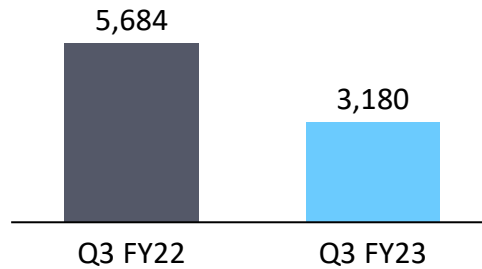
Rs 1,142 mn
EBITDA

Rs 352 mn
PAT

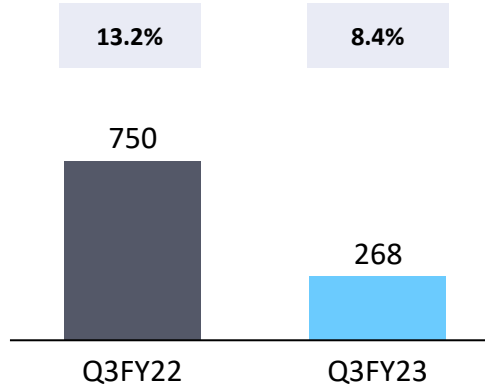
- Overall business performance for 9MFY23 has been weak with total revenue of Rs 11,782 mn, a de-growth of 20% on a YoY basis. Consumption of end user industries has been sluggish due to overall slowdown in the global market. Uncertainty of European market has further decelerated demand scenario of chemical industry.
- The price volatility of key raw materials has affected many textiles players in India, resulting in sub-optimal capacity utilization, inventory destocking and slow exports. The Dyestuff performance has been subdued over the last few quarters. Revenue contribution from dyestuff stood at Rs 4,420 mn in 9MFY23. Dye Intermediates revenue stood at Rs 2,580 mn for 9MFY23, a de-growth of 51%. Average prices of our key products, i.e., H Acid and Vinyl Sulphone in Q3FY23 to Rs 422 per kg and Rs 263 per kg, respectively. We expect this weakness to continue in the short term
- The Chlor Alkali business continues to perform reasonably well with revenue of Rs 2,292 driven by a healthy volume uptick. During the quarter, realization of caustic soda has been normalized. Production were halted for 3 to 4 week due to the implementation of technology upgradation. Our chlor Alkali business will contribute meaningful business in coming period on back of technology upgradation.
- Our subsidiary Sener Boya has reported a decent performance whereas other Subsidiaries have reported weak performance due to soft demand.
- Our Saykha Greenfield Project is expected to start trial run of Benzene Derivatives in Q2FY24. Once we have decent visibility of demand for our product portfolio and new site is stabilized, we will restart the Sulphuric Acid project

Performance Highlights

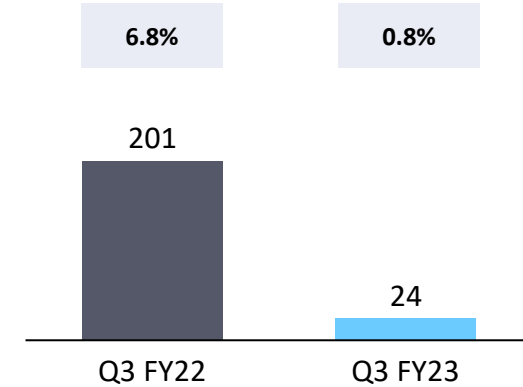
Revenue (Rs. In Mn)



EBITDA (Rs. In Mn)



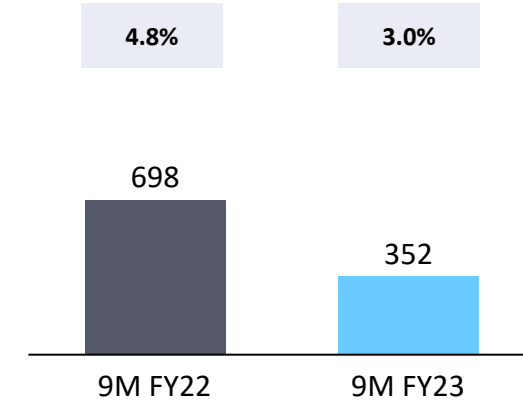
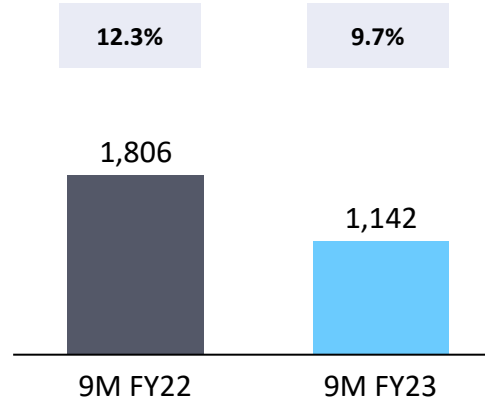
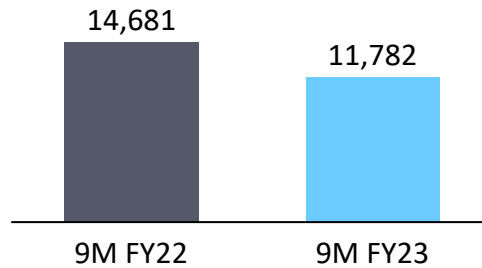
PAT (Rs. In Mn)



Margin

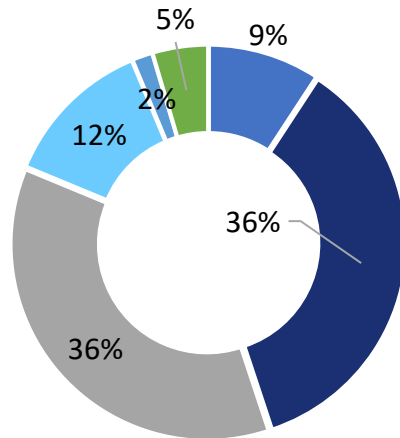
Q3 FY23 Performance

9M FY23 Performance

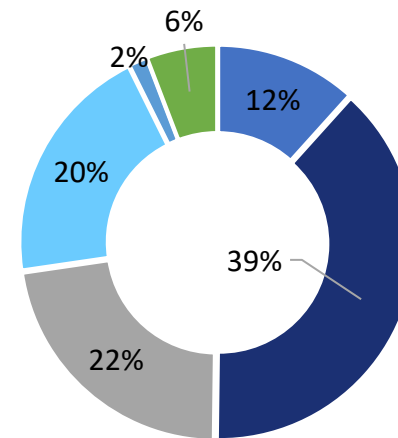


Performance Highlights

9M FY22
Revenue Rs 14,372 mn

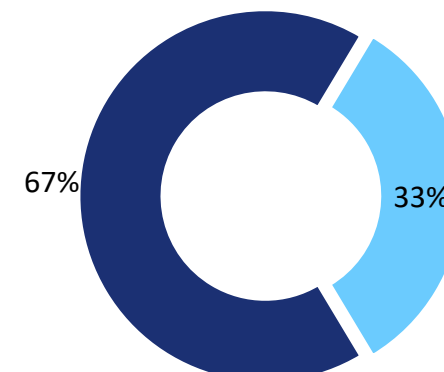
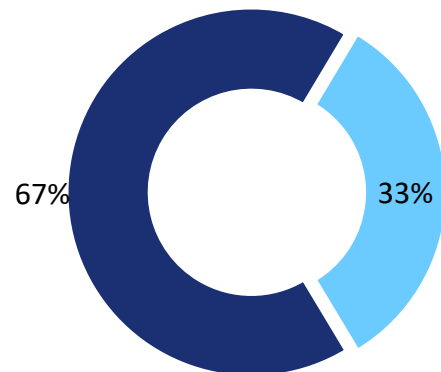


9M FY23
Revenue Rs 11,472 mn



- Basic Chemicals
- Dyestuff
- Dye Intermediates
- Caustic Soda
- TCCA
- Others

Revenue Breakup



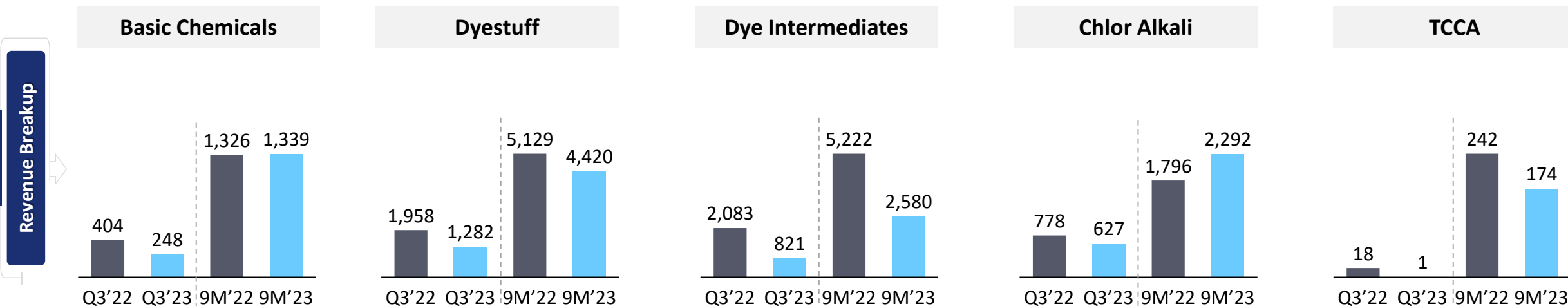
- Domestic
- Export

Geographic Breakup

* On Consolidated basis excluding other non operating income

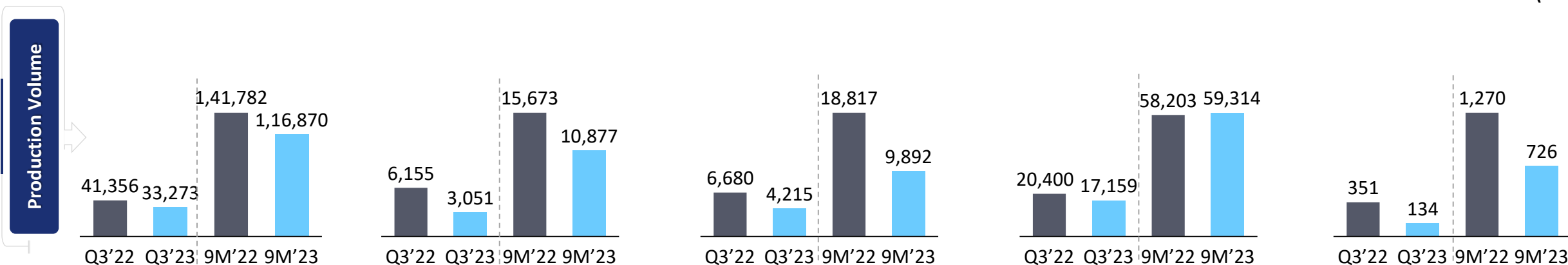
Performance Highlights

(Rs in mn)



*Revenue breakup on a Consolidated basis

(MT)

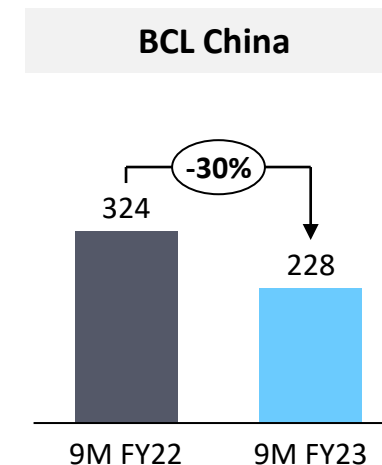
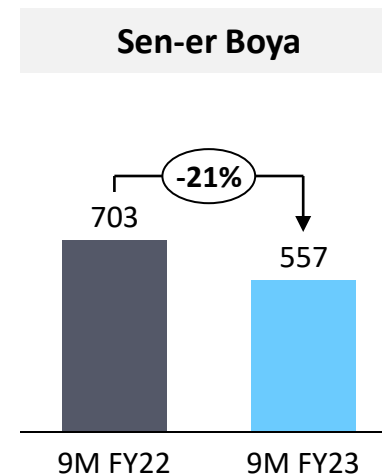
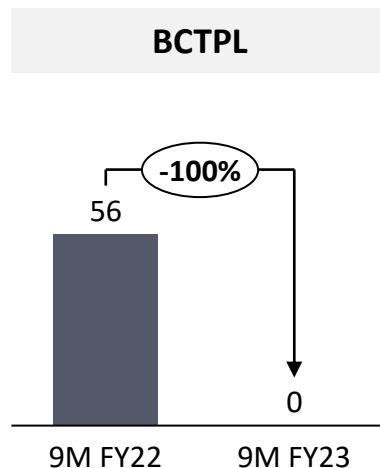


* Production Volume on a Standalone basis due to limited information on subsidiaries

Subsidiaries Performance

(Rs in mn)

Revenue



Particulars (Rs in mn)	BCTPL		Sener Boya		Bodal-China	
	9M FY22	9M FY23	9M FY22	9M FY23	9M FY22	9M FY23
Sales	55.8	0.0	703.0	556.5	323.8	227.9
PBT	-0.4	-0.5	-262.2	76.9	25.7	-1.0
PAT	-0.3	-0.4	-273.6	68.6	24.5	-0.9

* SPS unit has been amalgamated

Consolidated Profit & Loss Statement

Particulars (Rs. In Mn)	Q3 FY23	Q3 FY22	Y-o-Y%	9M FY23	9M FY22	Y-o-Y%
Revenue from Operation	3,157.8	5,618.1		11,704.6	14,533.3	
Other Income	22.2	66.4		77.3	147.6	
Total Income	3,180.0	5,684.4	-44.1%	11,781.9	14,680.8	-19.7%
Raw Material Consumed	1,717.0	3,088.6		6,719.6	8,011.7	
Employee Expenses	192.2	291.8		724.7	816.1	
Other Expenses	1,003.2	1,554.4		3,196.0	4,047.5	
EBITDA	267.6	749.6	-64.3%	1,141.5	1,805.5	-36.8%
EBITDA (%)	8.4%	13.2%		9.7%	12.3%	
Depreciation	139.2	115.8		384.4	346.7	
EBIT	128.4	633.9		757.1	1,458.7	
EBIT (%)	4.0%	11.2%		6.4%	9.9%	
Finance Cost	101.1	92.3		294.5	230.3	
Exceptional Items	0.0	187.9		0.0	187.9	
Profit Before Tax	27.3	353.7		462.6	1,040.5	
Tax	3.1	153.1		110.4	342.3	
Profit After Tax	24.2	200.6	-87.9%	352.2	698.2	-49.6%
Profit After Tax (%)	0.8%	3.5%		3.0%	4.8%	
EPS (in Rs.)	0.19	1.95		2.81	6.00	

Standalone Profit & Loss Statement

Particulars (Rs. In Mn)	Q3 FY23	Q3 FY22	Y-o-Y%	9M FY23	9M FY22	Y-o-Y%
Revenue from Operation	3,043.9	5,521.9		11,514.4	14,191.8	
Other Income	23.0	26.2		43.9	82.3	
Total Income	3,066.9	5,548.1	-44.7%	11,558.4	14,274.0	-19.0%
Raw Material Consumed	1,636.6	2,991.7		6,657.9	7,741.6	
Employee Expenses	182.7	281.7		703.8	793.4	
Other Expenses	995.2	1,537.0		3,197.4	3,973.7	
EBITDA	252.4	737.8	-65.8%	999.3	1,765.3	-43.4%
EBITDA (%)	8.2%	13.3%		8.6%	12.4%	
Depreciation	138.4	114.1		377.5	339.7	
EBIT	114.1	623.7		621.9	1,425.6	
EBIT (%)	3.7%	11.2%		5.4%	10.0%	
Finance Cost	98.6	59.2		232.0	151.3	
Profit Before Tax	15.5	564.5		389.9	1,274.4	
Tax	0.7	130.9		99.5	320.0	
Profit After Tax	14.8	433.5	-96.6%	290.3	954.3	-69.6%
Profit After Tax (%)	0.5%	7.8%		2.5%	6.7%	
EPS (in Rs.)	0.12	3.46		2.32	7.61	



Company Overview

A Leading Chemical Manufacturer



3

Decade Old Organization



10

Manufacturing Facilities



70+

Distributors Across India



10

7 Domestic + 3 Overseas Depots



200+

Products



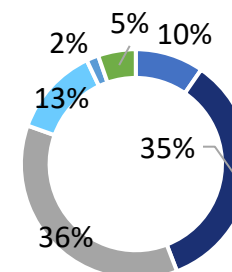
600+

Customers

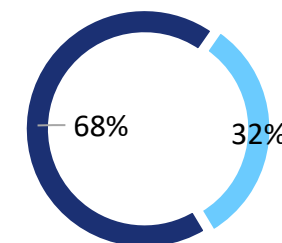


Rs. 20,680 mn

FY22 Consolidated Revenue



- Basic Chemicals
- Dyestuff
- Dye Intermediates
- Chlor Alkali
- TCCA
- Others

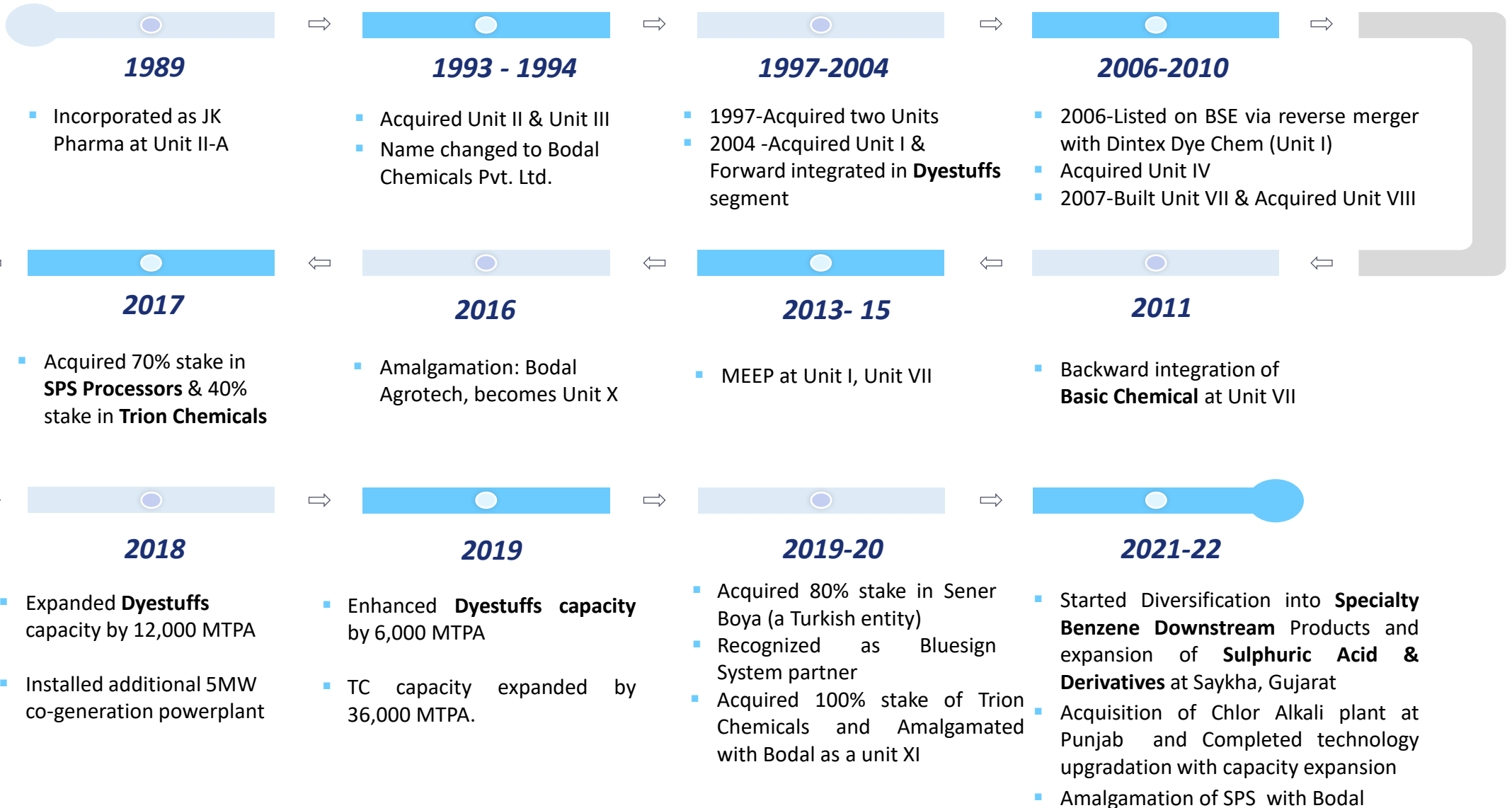


- Domestic
- Export



Integrated Dyestuff Chemical Player Having Global Presence Across Multiple Products

Company Evolution

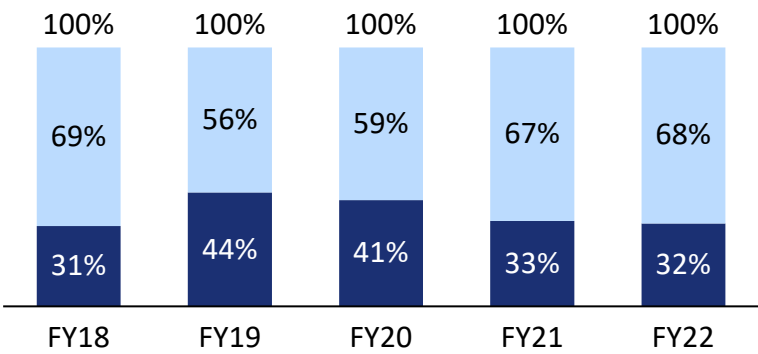
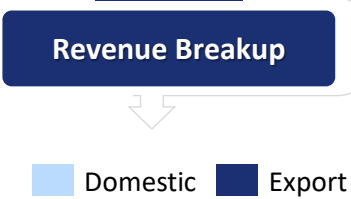


Geographical Footprint

~33% of Total revenue comes from exports



45+ Countries
Global Presence



Note : Maps not to scale. All data , information are provided “as is” without warranty any representation of accuracy , timeliness or completion
Export data are as per standalone

Longstanding Clientele

Basic Chemicals

LANXESS

DEEPAK
NITRITE

MOL
MEGHANI ORGANICS LIMITED

ADITYA BIRLA
GRASIM

GFL
GUJARAT FLUORO-CHEMICALS
VALUE THROUGH GREEN CHEMISTRY

SRF

EVONIK
POWER TO CREATE

AksharChem

Dye Intermediates

OHYOUNG

McFills Enterprises Pvt. Ltd.

COLOR ROOT

ALPS

Chemistar
COLORS FOR RIGHT FIRST TIME CHOICE

ACETO

JAY

ORNET
Intermediates

Dyestuffs

DyStar

BASF
The Chemical Company

ARCHROMA
LIFE ENHANCED

stahl

REPICO
ROHRANLAGENBAU

RIFA

HUNTSMAN
Enriching lives through innovation

TFL

Everlight
Chemical

united
FARMACIA INDIA, INC.

KISCO
SENIOR LIVING



70+
Distributors Across India



600+
Customers

Experienced Board & Management Team

Mr. Suresh J. Patel Chairman & MD

Experience : 35 years

Background :

- Founder & Visionary of the company
- Involved in day-to-day operations & Dye Intermediates marketing
- +3 decade of experience in the chemicals manufacturing & trading

Mr. Bhavin S. Patel Executive Director

Experience : 19 years

Background :

- He played an instrumental role in Dyestuffs business
- He heads the Dyestuffs division including production, marketing etc
- Increased business presence in global market significantly

Mr. Ankit S. Patel Executive Director

Experience : 15 years

Background :

- Economics Graduate from University of Nevada & MBA from Dervi University, USA
- He heads basic chemicals division and lead the sulphuric acid and Chlor Alkali plant expansion

Mr. Mayur Padhya Chief Financial Officer

Experience : 27 years

Background :

- Qualified Chartered Accountant & Cost Management Accountant
- He handles finance, corporate affairs and investor relationship

Mr. Rajarshi Gosh Director - HSE

Experience : 23 years

Background :

- Progressive experience in Cross functional management and senior leadership roles
- Well versed in EHSS Management, Principles of Risk Management

Mr. Rohit B. Maloo Independent Director

Experience : 15 years

Background :

- CA, MBA, M.Com & & CFA Level II
- Has been a practicing in the field of audit and taxation since a decade of listed companies having turnover of more than 1500 crores

Mr. Nalin Kumar Independent Director

Experience : 26 years

Background :

- BTech, IIT-Kharagpur, MBA, IIM-Calcutta
- Previously associated with leading financial services firms like HSBC, JP Morgan etc

Mr. Mayank Mehta Independent Director

Experience : 40+ years

Background :

- Banking & Finance professional with over 4 decade of experience
- Previous associated as CFO of Union Bank of India and Executive Director at Bank of Baroda

Mrs. Neha Huddar Independent Director

Experience : 34 years

Background :

- Qualified C.A & Finance professional with experience in funds management, audit, accounting, taxation etc.
- Previously associated with Thirumalai Chemicals as CFO & Reliance Foundation as Head Finance

Awards & Certifications

Awards

2005-06

- Received the prestigious **Chemexcil Gold Award** for outstanding performance in **Exports by Merchant Exporters Panel** of Chemexcil, Government of India

2009-10

- Award for direct export of **Dye Intermediates** and **Dyestuffs** from the **Gujarat Dyestuffs Manufacturers Association**.

2011-12

- CHEMEXCIL - "**Trishul Award**" - 2011-12 and 2013-14

2013-14

- Highest Self Manufacturing Turnover for Domestic and Export** of Dyes and Dye Intermediates from the **Gujarat Dyestuffs Manufacturers Association**

2015-16

- CHEMEXCIL - "**Gold Award**"

2016-17

- Highest Self Manufacturing Turnover** for Domestic and Export of Dyes and Dye Intermediates from the Gujarat Dyestuffs Manufacturers Association.
- First in **Large scale unit category** for **outstanding performance on Domestic**
- CHEMEXCIL - "**Award of Excellency**"

2017-18

- Second in **Large scale unit category** for Excellent performance in Export of Dyestuffs from the Dyestuffs Manufacturers' Association of India
- Listed amongst the Top 500 Indian Companies by the Dun & Bradstreet in 2018 for the second consecutive time

2018-19

- ET Enterprise Icons 2018 | Gujarat Best brand award 2018
- 25 Best Companies to Work For (Industry) 2019 by CEO Insights

Certifications

- BCL has ISO 9001:2015 and ISO 14001:2015 certifications for their production of Dye intermediates & Dyestuffs.
- Bluesign Certification – Recognized as Bluesign System partner – Bluesign approved Product Supplier
- GOTS (Global Organic Textile Standard) Certification
- ZDHC Certification
- ISO 45001 : 2018 Certification
- BEHIVE Certification
- ECOTAX Certification





Product Overview

Diversified Product Portfolio

Existing Products

Basic Chemicals

- Sulphuric Acid
- Chlorosulphonic Acid
- Sulphur Trioxide
- Oleum 23% & 65%
- Sodium Bisulphate
- Acetanilide
- Thionyl Chloride
- Beta Naphthol
- Para Nitro Aniline

~12
Products

Dye Intermediates

- Vinyl Sulphone & Derivatives
- H Acid
- DASA
- F.C. Acid
- Gamma Acid, K Acid
- Sulpho Tobias Acid
- 4.N.A.D.P.S.A
- 6-Nitro
- MPDSA
- Meta Ureido Aniline
- 1:2:4 DIA70

~25
Products

Dyestuffs

- Reactive Dyes
- Acid Dyes
- Direct Dyes
- Liquid Dyes

~175
Products

Chlor Alkali

- Caustic soda
- Chlorine
- Hydrogen
- Hydrochloric Acid (HCL)
- Sodium Hypochlorite (HYPO)
- Stable Bleaching Powder (SBP)

6
Products

New Products Additions

Sulphuric Acid*

- Sulphuric Acid
- Oleum (23%-65%)
- Liquid SO3
- Chloro Sulphonic Acid

Benzene Derivative

- MCB
- PNCB
- ONCB
- MNCB

End User
Industries



Textiles



Leather



Paper



Water Treatments



Home Care



Pharma



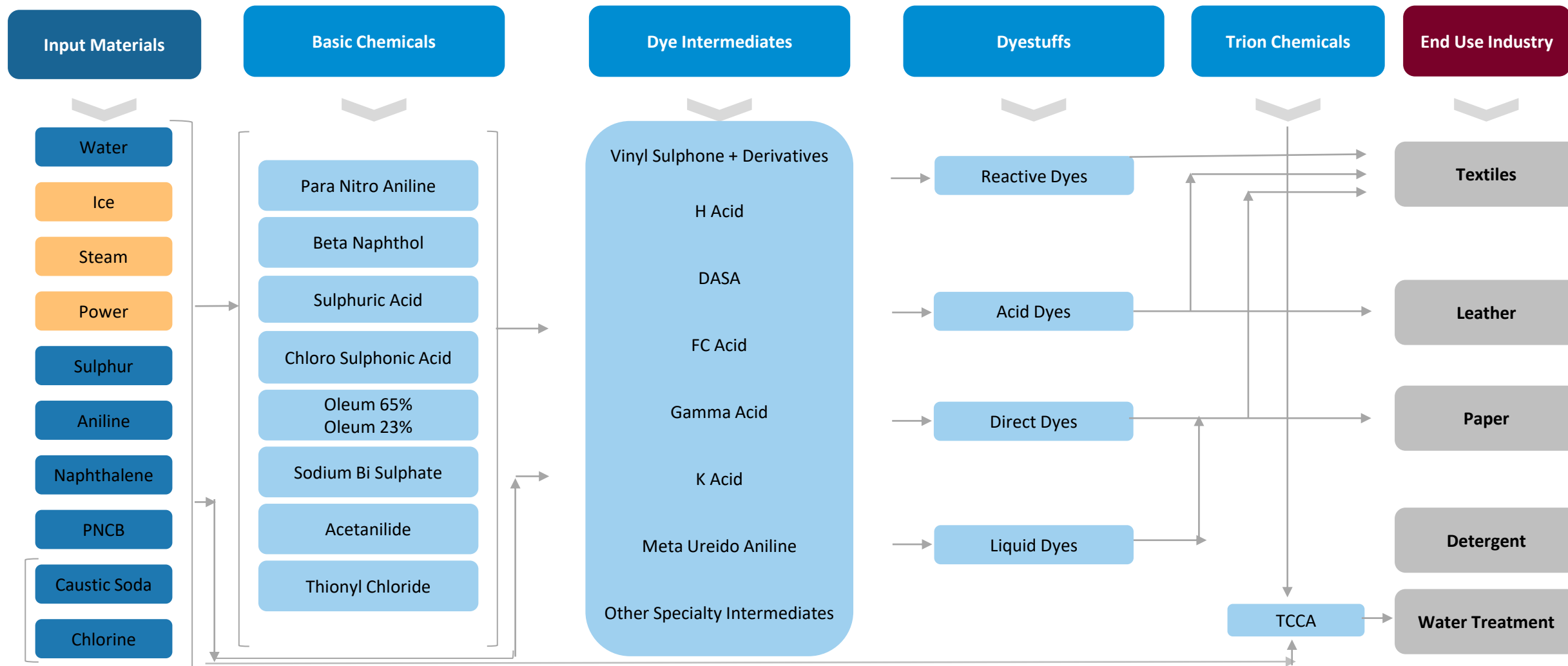
Agro-Chemical



Home Care

Moving From Integrated Dyestuffs Player to Niche Value-added Products

Manufacturing Value Chain



Input Materials – part/full in-house

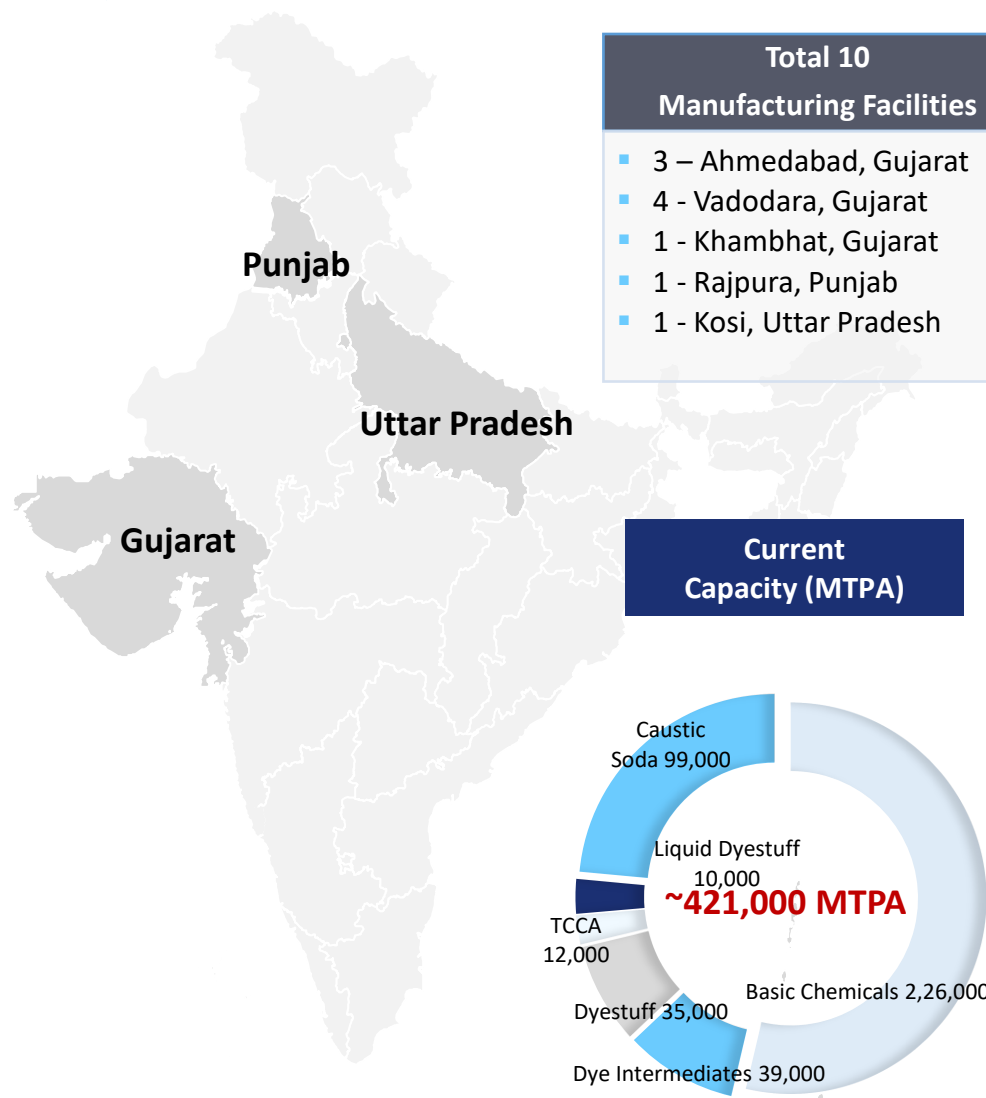
Input Materials – external

Bodal Chemicals Products

End use industries

~ 48% of the Basic Chemicals to be captively consumed by Dye Intermediates and
~ 43% of Dye Intermediates output to be consumed by Dyestuffs, giving us a cost-competitive advantage

Manufacturing Facilities



Total 10 Manufacturing Facilities
3 – Ahmedabad, Gujarat 4 - Vadodara, Gujarat 1 - Khambhat, Gujarat 1 - Rajpura, Punjab 1 - Kosi, Uttar Pradesh

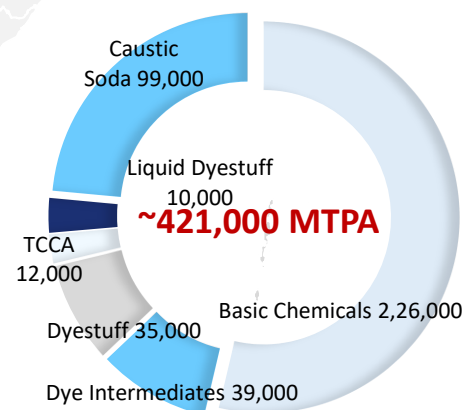
In-house R&D Lab
1 - Ahmedabad, Gujarat 2 - Vadodara, Gujarat

Total Employees
- Domestic 2,000+ - Contract Labours ~1,500 - Overseas 30+

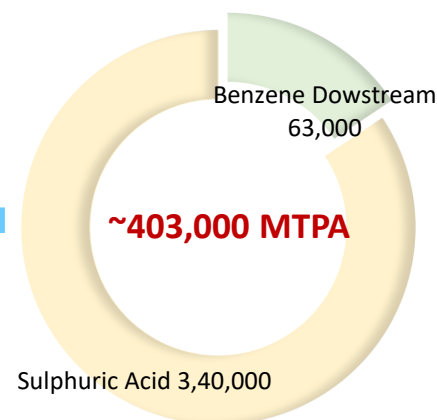
10 Depots (Exclusive Distribution Warehouse)
7 - India 1 - China 1 - Turkey 1 - Bangladesh

- Strategically located at western belt of India which is largest chemical manufacturing zone
- Proximity to nearby seaport at Mundra, Pipavav, Hazira and Nhava Sheva

Current Capacity (MTPA)



Upcoming Capacity (MTPA)



Our Subsidiaries

Company Name	Location	Stake	FY22 Revenue	Details
Bodal Chemicals Trading Private Limited	Gujarat, India	100%	Rs 67 mn	Trading and Marketing subsidiary
Bodal Chemicals Trading Shijiazhuang Limited	China	100%	Rs 356 mn	Trading & Marketing subsidiary for China and adjacent countries
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret	Turkey	100%	Rs 851 mn	Standardizing, trading, and marketing subsidiary for Turkey

Key Growth Drivers

Dyestuff Expansion

Dyestuffs capacity of **35,000 MTPA** will be ramped-up gradually



Revenue

TCCA Division

Acquired **100% stake** in Trion Chemicals and amalgamated with Bodal. Production has been stabilized & became profitable



Profitability

Vinyl Sulphone at SPS

Vinyl Sulphone plant of **6,000 MTPA** capacity at SPS has been commercialized



Revenue

Turkish entity Sener Boya

Acquired **~ 100% stake** to strengthen the global presence



Presence in Turkey & nearby markets

Marketing Initiative

Opened **multiple warehouses & incorporated marketing subsidiaries** to strengthen relationship with marquee clients directly



Direct Client Relationship

Bodal China

Trading & Marketing subsidiary will increase our presence in **China**



Revenue

Rajpura, Punjab Unit

Newly acquired **Chlor Alkali** products have started contributing to our business and will increase gradually



Revenue

Saykha Project

Greenfield Saykha Project will lead to new level of growth with Benzene Downstream and Sulphuric Acid products



Revenue



Next Level of Growth

Capex To Drive Next Level Of Growth

Greenfield Saykha Project

Project Location	Saykha, Gujarat
Products	Benzene Downstream ~63,000 MTPA + Sulphuric Acid ~3,40,000 MTPA
Project Cost	~Rs 2,200 mn Benzene + ~ Rs 1,250 mn Sulphuric Acid + ~Rs 650 mn onetime additional cost = Rs 4,000 mn
Expected Revenue	~Rs 5,500 mn with EBIDTA Margin of 15% - 18%
Expected Commercialisation	- Trial run expected in Q2FY24 for Benzene Derivatives - Once we have decent visibility of demand and new site is stabilized, we will restart Sulphuric Acid plant
End User Industry	Pharmaceuticals, Agrochemicals, Dyes Industry and Rubber Industry
Key Rationale	- Enhance 'Specialty Chemicals Segment' - Import substitution - Integration for cost efficiency, better productivity and high margins - Portfolio diversification

Key Synergies

- Strategic Location
- Diversified Product Portfolio
- Integration for Captive Consumption
- Margin Expansion
- De-risk & Diversified Client Base
- Cost Efficiency
- Long term Sustainable Growth

Moving Up The Value Chain With New Chemistries

Sulphur Chain

Sulphur

Sulphuric Acid

Oleum 23% - 65%

Liquid SO₃

Chloro Sulphonic Acid

- Sulphuric Acid Captive Consumption <10%
- PNCB
- ONCB
- Apart from captive consumption, additional steam will be utilized for Benzene unit

Benzene Chain

Benzene

MCB

PNCB

ONCB

MNCB

DNCB

- Captive Consumption:
- MCB :100%
- PNCB: ~45%

Chlor Alkali Chain

Salt & Water Solution

Electrolysis (Power)

Chlorine

Caustic Soda

Hydrogen

- Punjab unit has strong internal consumption of chlorine
- ~ 30% of Chlorine will be captively used for HCL, SBP and HYPO
- ~ 45% will sold through pipeline to adjacent units
- ~25% will be sold in cylinder to other near by units

Backward Integration

- Cost savings
- De-risking material sourcing
- Reducing risk of handling hazardous

Sulphuric Acid, MCB

Horizontal Integration

- Product, industry & customer diversification
- Value-addition – moving up the Value chain

Oleums 23% -65%, PNCB, ONCB, MNCB, DNCB

New Products

Capex To Be Completed in FY24

Revenue Visibility			
Chemical Segments	FY22	FY23	FY24
Basic Chemicals	10%	✓	✓
Dye Intermediates	36%	✓	✓
Dyestuffs	35%	✓	✓
Trichloroisocyanuric Acid (TCCA)	2%	✓	✓
Caustic Soda	13%	✓	✓
Sulphuric Acid & Derivatives (New additional capacity)	-	-	✓*
Benzene Downstream	-	-	✓
Others	5%	✓	✓

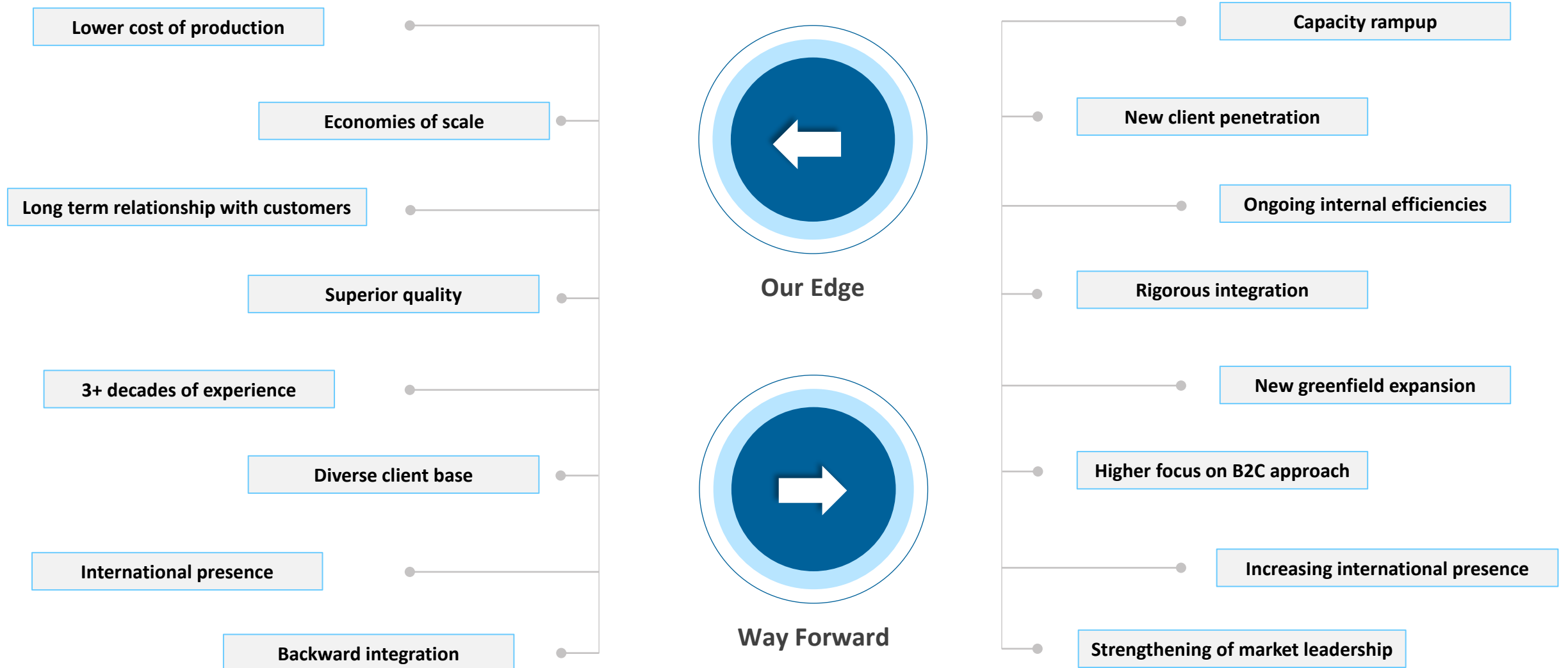
*Sulphuric Acid project is temporarily put on hold
On Consolidated basis

Organic Growth

Inorganic Growth

Internal Efficiencies

Way Forward

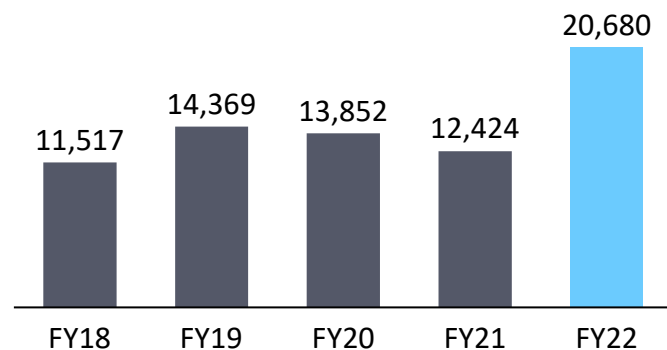




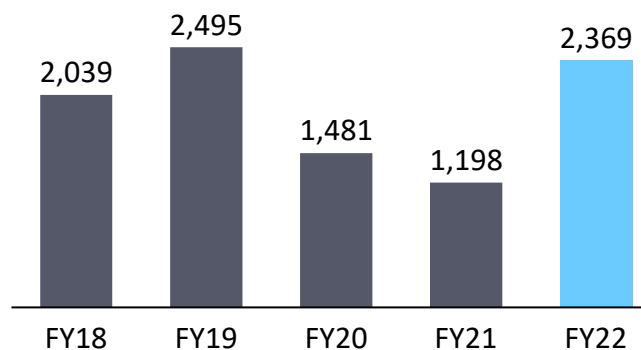
Financial Highlights

Financial Highlights

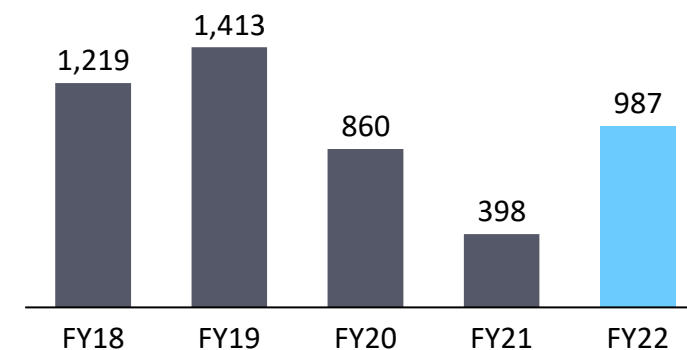
Revenue (Rs. In Mn)



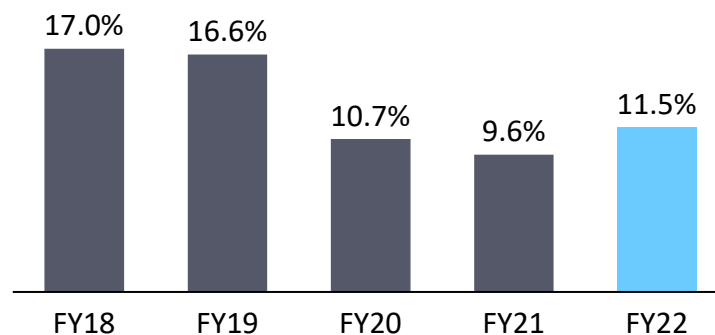
EBITDA (Rs. In Mn)



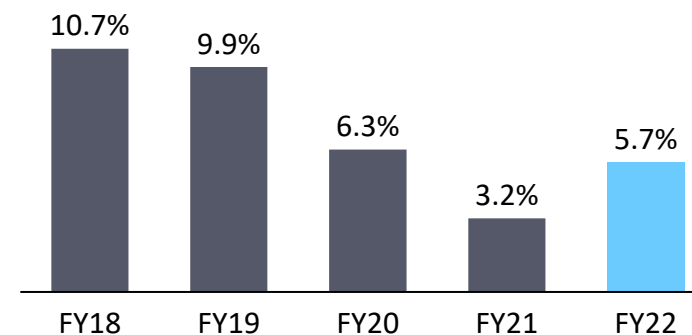
PAT (Rs. In Mn)



EBITDA Margin (%)

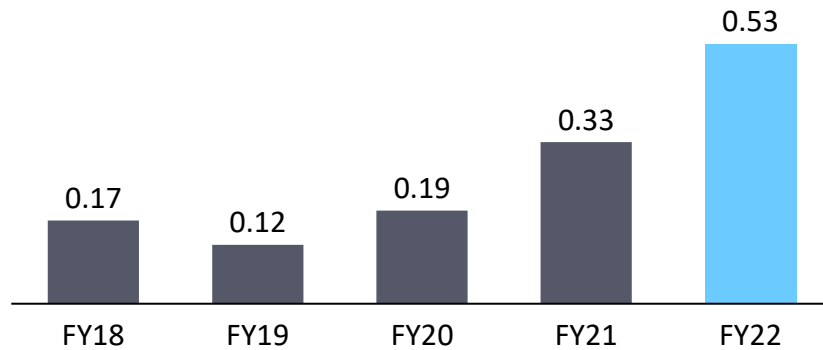


PAT Margin (%)

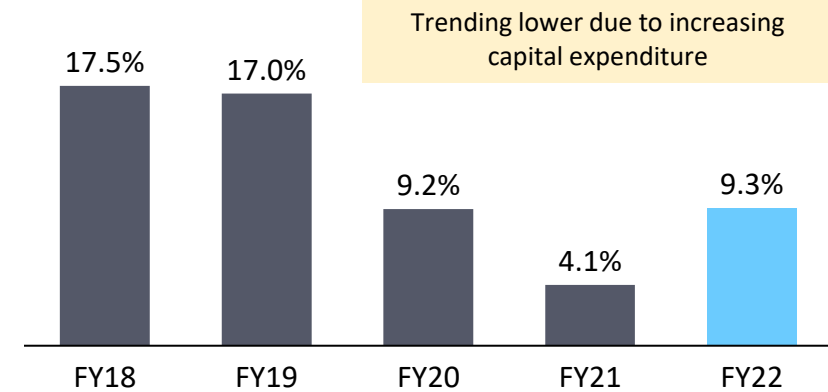


Key Ratios

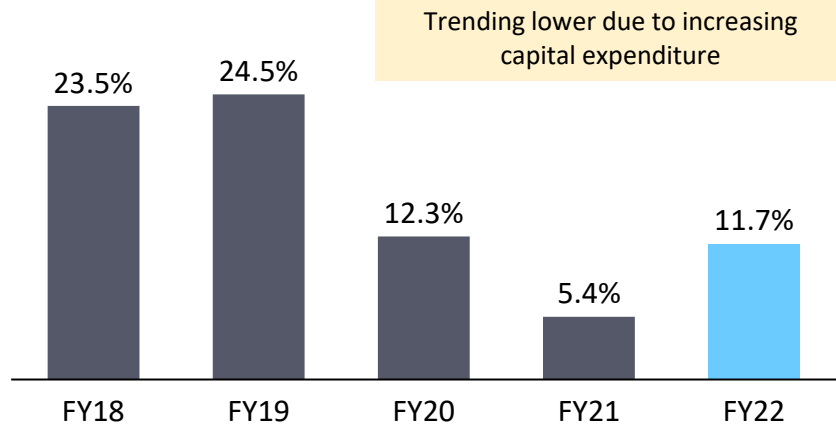
Net Debt/ Equity (x)



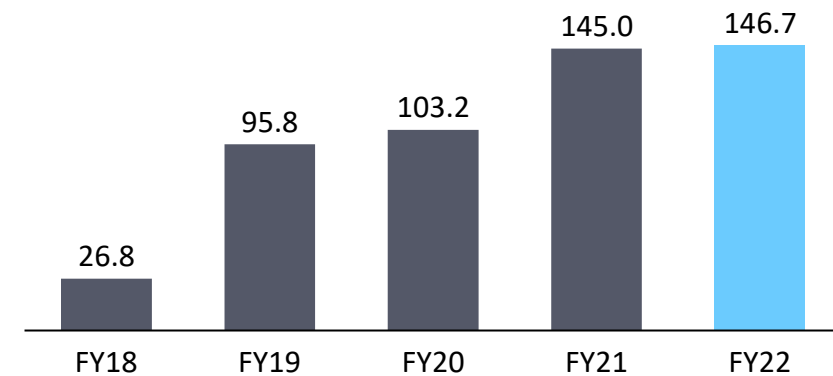
Return on Equity(%)



Return on Capital Employed (%)



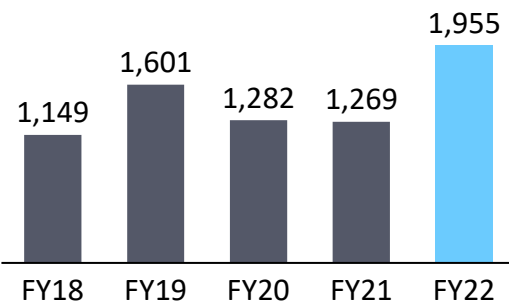
Net Working Capital Days



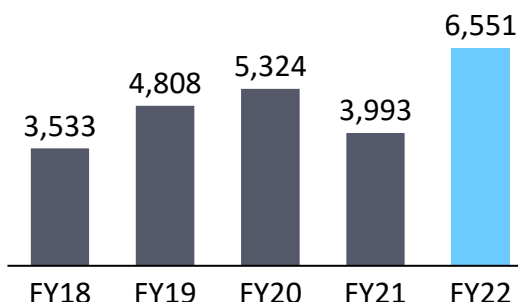
Segmental Performance

Basic Chemical

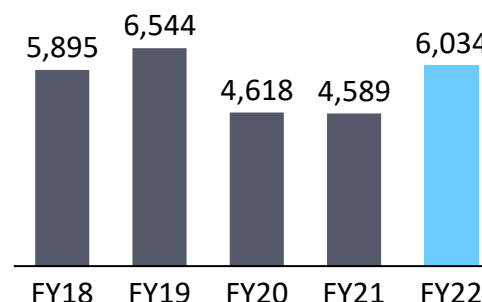
Revenue Breakup



Dyestuffs

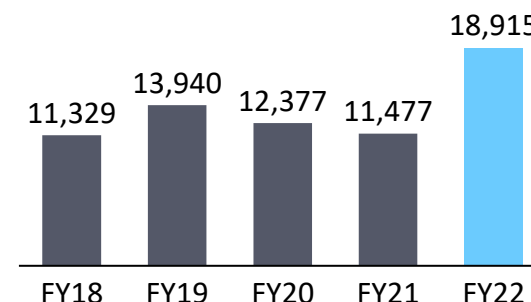


Dye Intermediates



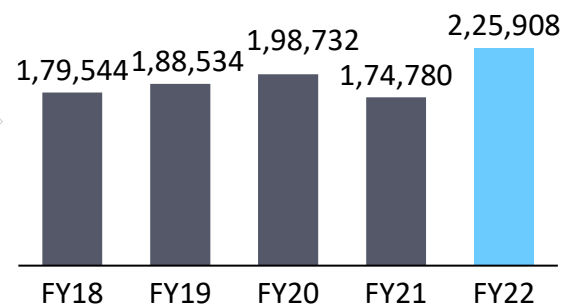
Total Revenue

(Rs in mn)

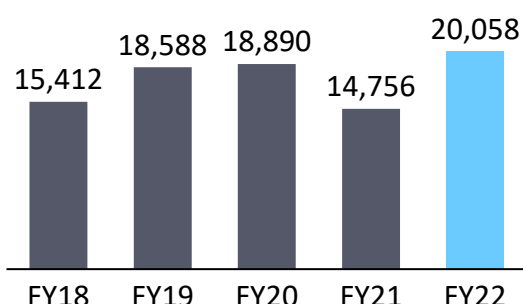


Basic Chemical (MT)

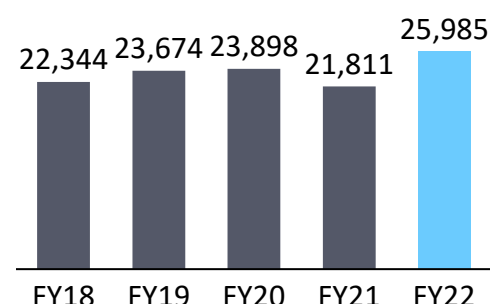
Volume Breakup



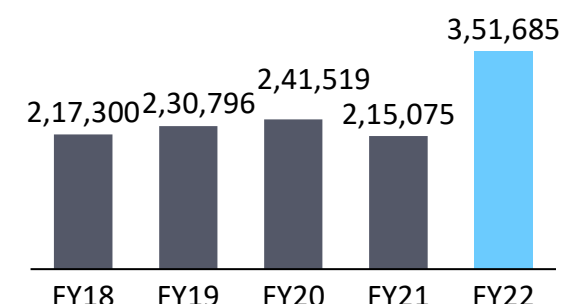
Dyestuffs (MT)



Dye Intermediates (MT)



Total Production(MT)



Thank You



Contact Information

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