

14th August 2023

To,
BSE Limited
Listing Compliance & Legal Regulatory
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

To,
National Stock Exchange of India Limited
Listing & Compliance
Exchange Plaza, Bandra-Kurla Complex,
Bandra East, Mumbai 400 051

Stock Code: 543233

Stock Symbol: CHEMCON

Dear Sir/Madam,

Sub: Investor Presentation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith the "Investor Presentation" for August 2023.

The aforementioned presentation is also being uploaded on the Company's website at www.cscpl.com.

We request you to take the above on your records.

Thanking you,
Yours faithfully,
For Chemcon Speciality Chemicals Limited

Shahilkumar Kapatel
Company Secretary & Compliance Officer
Membership No.: A52211




**Chemcon Speciality Chemicals Limited
Investor Presentation – August 2023**



This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Chemcon Speciality Chemicals Limited (the “Company”)**, have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.



Q1 FY24 Performance Highlights



Q1 FY24 Performance Highlights



“For the Q1FY24, company has registered the total revenue of Rs 79 crores aided by better performance from Inorganic chemicals. Company continue to experience a slowdown in the Organic chemicals due to a host of challenges such as market volatility, pricing pressures and slow pickup from pharma players. Inorganic chemical business has been steady for the quarter on the back of healthy demand and better sourcing of key raw materials. Newly launched Organic chemical has witnessed some volatility due to destocking from agrochemical manufacturers which has further reflected on the product prices for last few months. Resurgence of major Pharma and Agrochemical players will revive the demand of our key products in coming quarters.

We expect a new product to commercialize in the coming quarters which will further onboard new clients and diversify our product basket. We will plan to commercialize the P10 unit by end of FY24 and P11 unit by FY25 which will add other few organic chemicals. To drive future growth, we will steer our focus and investments towards increasing our production capacities and expansion of product portfolio. We also aim to invest and strengthen the marketing team to expand the client base. Our company is strategically positioned to capitalise on the upcoming prospects and is fully dedicated to providing long-term value add to our esteem clients.”

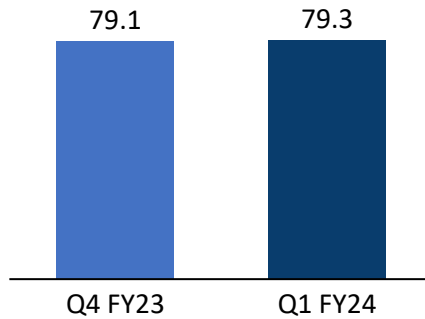
Mr. Kamal Aggarwal,

Chairman & Managing Director

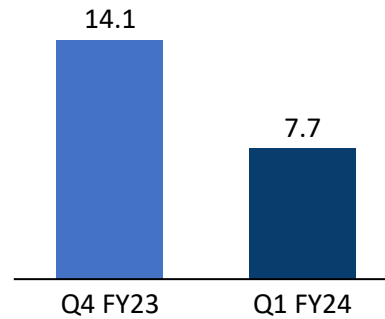
Financial Highlights



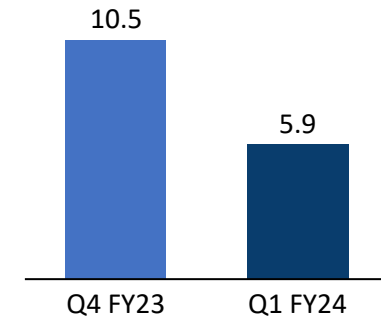
Total Revenue (Rs. Cr)



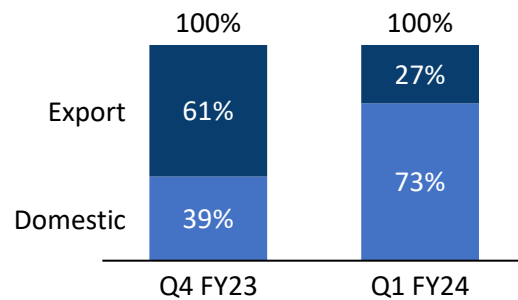
EBITDA (Rs. Cr)



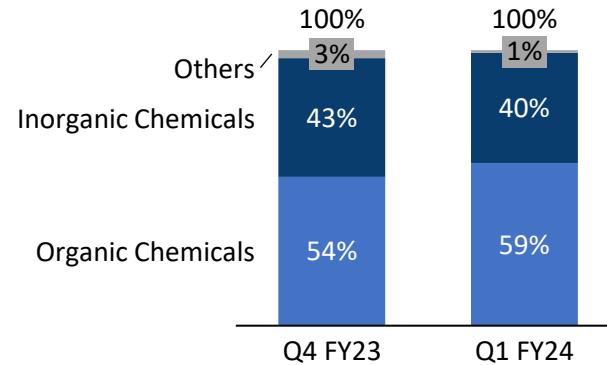
PAT (Rs. Cr)



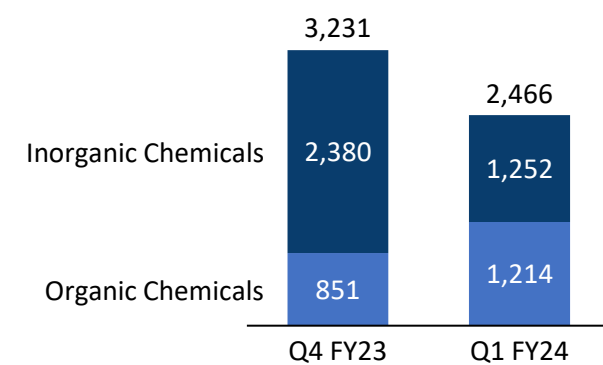
Geographic-Wise (%)



Business-wise (%)



Sales Volume (MT)



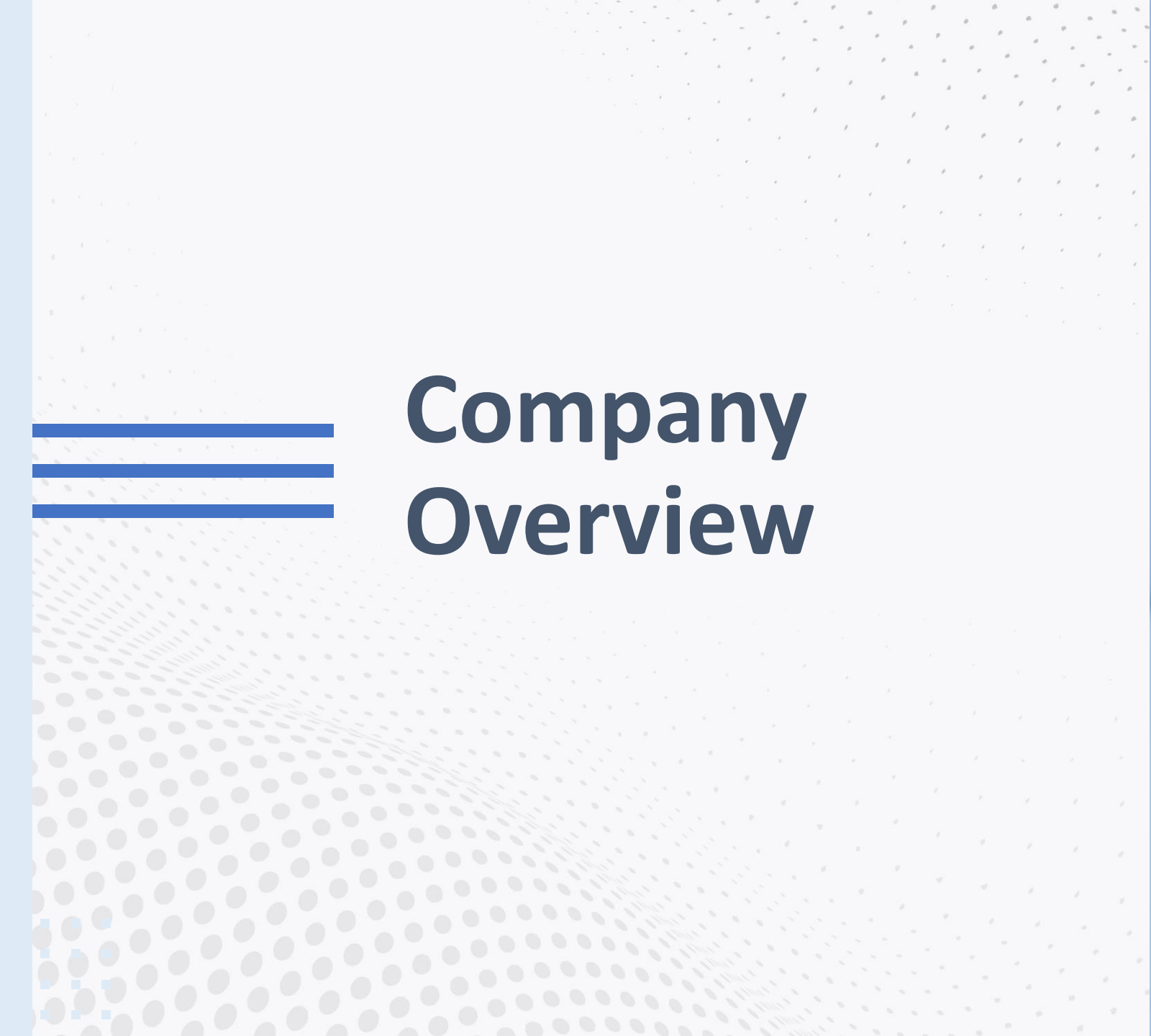
Organic chemicals refers to HMDS, CMIC and Bromobenzene whereas Inorganic chemicals refer to Bromides

Export data are inclusive of Deemed Exports

Profit & Loss Statement



Particulars (Rs. Crs)	Q1 FY24	Q4 FY23	Q-o-Q	FY23
Revenue from Operations	79.3	79.1	0.3%	302.9
Cost of Goods Sold	59.9	53.6		175.7
Employee Cost	4.0	5.0		20.5
Other Expenses	7.7	6.4		35.9
EBITDA	7.7	14.1	-45.2%	70.7
EBITDA Margin	9.7%	17.8%		23.3%
Other Income	3.6	2.9		13.3
Depreciation	2.6	2.3		8.4
EBIT	8.7	14.7	-40.9%	75.6
Finance Cost	0.7	0.5		1.5
Profit before Tax	8.0	14.2	-43.7%	74.2
Tax	2.1	3.7		19.0
PAT	5.9	10.5	-43.6%	55.1
PAT Margin %	7.4%	13.2%		18.2%
Basic EPS	1.61	2.86		15.04



Company Overview



Company Snapshot

Incorporated in 1988

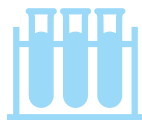
Manufacturer of Speciality
Chemicals

An ISO 9001:2015 and ISO
14001:2015 Certified Company

Business Verticals: Organic
Chemicals and Inorganic Chemicals

Manufacturing Facilities near
Manjusar, Vadodara, Gujarat

9 Operational Plants, 6 Owned and 1
lease Warehouses



Only Manufacturer of HMDS in India



3rd Largest Manufacturer of HMDS
Worldwide



Largest Manufacturer of CMIC
worldwide



Only Manufacturer of Zinc Bromide in
India



Largest Manufacturer of Calcium
Bromide in India

Evolution

FY89

- » Company was incorporated as Gujarat Quinone Private Limited

FY95-98

- » First sale of few chemical products
 - Pyridine Hydrobromide
 - Para Nitro Benzyl Bromide
 - Methyl Iodide
 - GA-1

FY01-03

- » Commenced **HMDS** Business in 2001
- » Discontinued few products due to lower demand

FY05

- » First export shipment of **HMDS**
- » Amalgamation of Chemcon Engineers Private Limited with Gujarat Quinone Private Limited; name changed to "Chemcon Speciality Chemicals Private Limited"

FY14

- » First sale of **CMIC**

FY15-16

- » First sale of **Calcium Bromide** (Solution)
- » First sale of **Zinc Bromide** (Solution)



FY17

- » First sale of **Calcium Bromide** (Powder)
- » First sale of **Sodium Bromide** Solution

FY18

- » Increase in annual installed production capacity for
 - **CMIC** from 600 to 1,200 MTPA;
 - **Oilwell Completion Chemicals** from 7,200 to 14,400 MTPA

FY19

- » Increase in annual installed production capacity for **CMIC** from 1,200 MTPA to 1,800 MTPA

FY20

- » **Increase in HMDS Capacity** by commissioning of plant P7

FY21

- » **Plant P2 commissioned** with a capacity to manufacture ancillary product of **HMDS**

FY22 -23

- » **Increase in CMIC & TMCS** Capacity by commissioning of plant **P8**
- » Increase in bromobenzene capacity by commissioning plant P-9



Global Presence

FY23 Export
Contribution*:

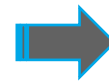
~59%

Key Countries

- » United States of America
- » Italy
- » South Korea
- » Germany
- » People's Republic of China
- » Japan
- » United Arab Emirates
- » Russia
- » Spain
- » Thailand
- » Malaysia

Over Two Decades of Experience in Chemicals

- Manufacturing
- Exports



Well Equipped to Seize Upcoming Opportunities

Entry Barriers

Complex Chemistry

- » The involvement of complex chemistry in the manufacture of the Products, which is difficult to commercialize on a large scale

Stringent Impurity Measure

- » Our processes and products are subject to, and measured against, high quality standards and stringent impurity specifications

Long Gestation Period

- » Customer acquisition involves a long gestation period, resulting in a very few players being involved in manufacturing of the products

Entry Barriers

Technical Know-how

- » Handling chemicals requires a high degree of technical skill and expertise and operations involving such hazardous chemicals ought to be undertaken only by personnel who are well trained to handle such chemicals

Regulatory Norms

- » To comply with all regulatory norms and filings with various agencies

High Replacement Cost

- » Any change in the vendor of the product may require significant time and cost for the customer

Key Long-Term Relationships



Organic Chemicals

Inorganic Chemicals



Shree Radha Overseas

CC Gran Limited Liability Company

Longstanding Clients

Strong Base

New Product Development

New Customer Reach

Top 5 customers contribute ~40%

Top 10 customers contribute ~58%

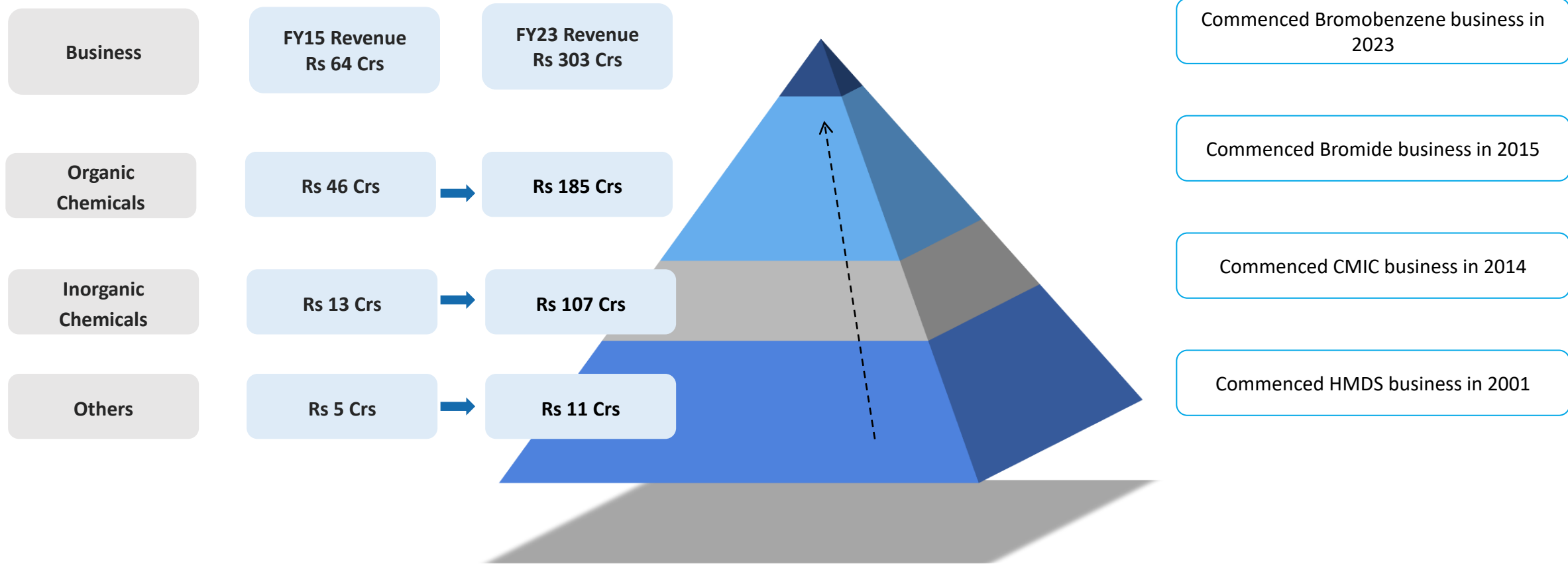
Few customers age more than 2 decades with us

Major customers have been with us for more than 5 years

Well equipped to retain market presence

Leading to increase in new product base and reach out to new customers

Moving up the Value Chain



Key Certificates



R&D

In-house laboratory to test

- » Raw materials procured
- » New Products & Innovation
- » Final products testing at the various stages of the manufacturing process
- » Well equipped with new instruments & machinery



Environment

Complying All Environment Laws

- » The Environment (Protection) Act, 1986
- » Water Prevention and Control of Pollution Act
- » Air Prevention and Control of Pollution Act, 1981
- » We are a zero-discharge company





Product Overview



Product Portfolio



Organic Chemicals

HMDS

- HMDS, an organosilicon compound, is a reagent and a precursor to bases that are popular in organic synthesis and organometallic chemistry
- HMDS is widely used in the pharmaceutical industry as a silylating agent in the process of manufacture of pharmaceutical drugs of the Penicillin group

Pharmaceuticals & Others

CMIC

- CMIC is an antiviral drug intermediate product, which is a key intermediate for anti-AIDS and anti-hepatitis B drug Tenofovir
- The downstream product of CMIC, Tenofovir is a nucleotide antiviral drug developed by Gilead Corporation of the United States.

Pharmaceuticals

Bromobenzene

- Bromobenzene, is a clear, colourless or pale-yellow liquid. It is manufactured through bromination of benzene in presence of iron and has form of heavy, mobile, colorless liquid having a pungent odor.

Agrochemicals

Inorganic Chemicals

Bromides

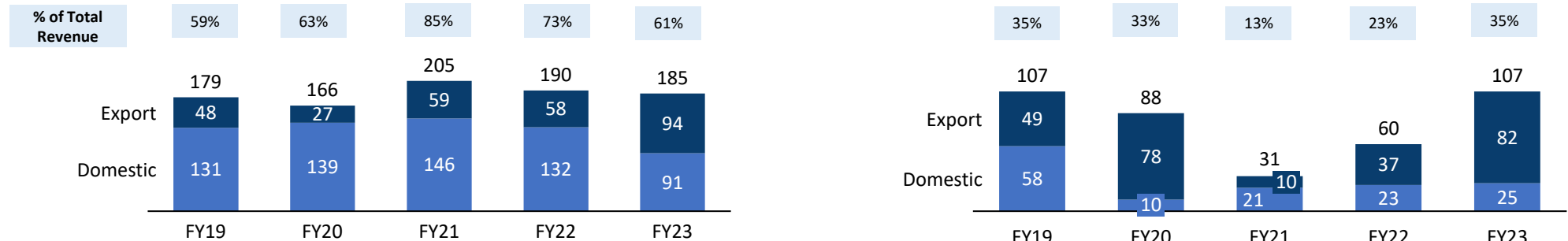
- Oilwell Completion Chemicals are used to complete the well and is normally a salty solution made up of chlorides or bromides
- Company manufacture a range of inorganic bromides, namely: Calcium Bromide (solution and powder), Zinc Bromide (solution) & Sodium Bromide (solution and powder)

Oil Drilling & Fluids

Key Products

End User Industry

Business Performance (Rs in cr)



Export data are inclusive of Deemed Exports

Manufacturing Facilities



Sr No	Product categories	Key Products	Installed Capacity (MTPA)
1	Organic Chemicals	HMDS, CMIC, Bromobenzene and other ancillary products	10,800
2		Proposed P-10 Capacity	FY24e
3		Proposed P-11 Capacity	FY25e
4	Inorganic Chemicals	Range of Inorganic Bromides	15,000

Located at Manjusar near Vadodara, Gujarat

9 Operational Plants

2 Proposed Expansion Plant under process

In-House R&D Laboratory

6 Owned + 1 Lease Warehouses

Located at Manjusar near Vadodara, Gujarat



Capacity Expansion

- » We plan to add additional manufacturing capacity P10 unit by end of FY24 and P11 unit by FY25. These additional capacity will manufacture organic chemicals

Import Substitution

- » Aims to capitalize on the potential growth of Organic Chemicals in India and to substitute imports

Exploring New Applications

- » Plan to expand the new products to have diversified product portfolio with diversified client base

Cost Efficiencies

- » Ongoing improvement in cost-efficiencies in the production process through Process re-engineering for efficient raw material consumption and through economies of scale



Way Forward

Moderate Growth in

Organic Chemicals



Healthy Growth in

Inorganic Chemicals



Exploring
Opportunities in

New Products



Leading to Long Term Sustainable Growth

New Products, New Clients, New Applications, New Opportunities



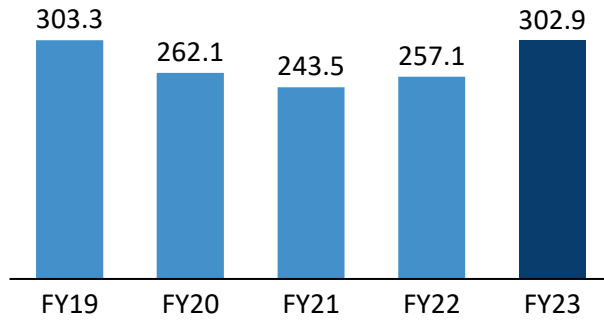
Financial Highlights



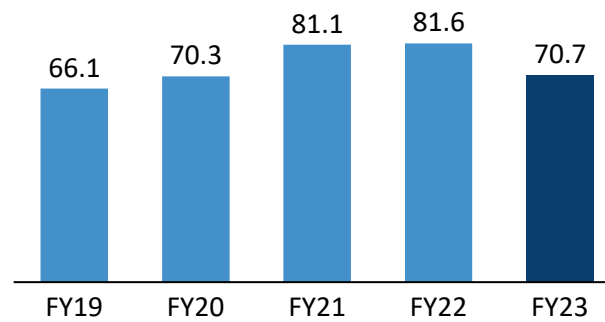
Financial Trends



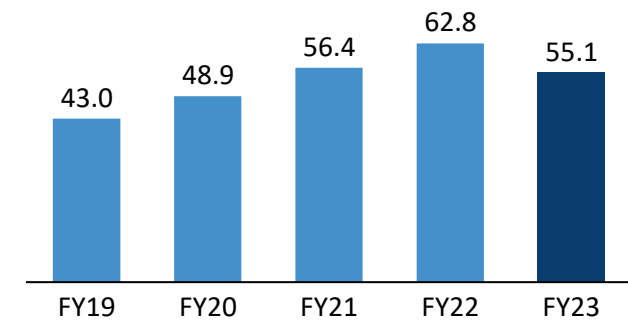
Total Revenue (Rs. Cr)



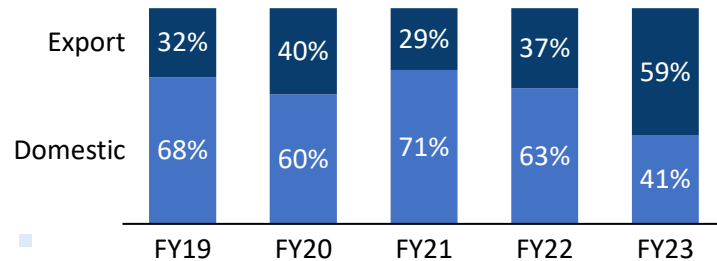
EBITDA (Rs. Cr)



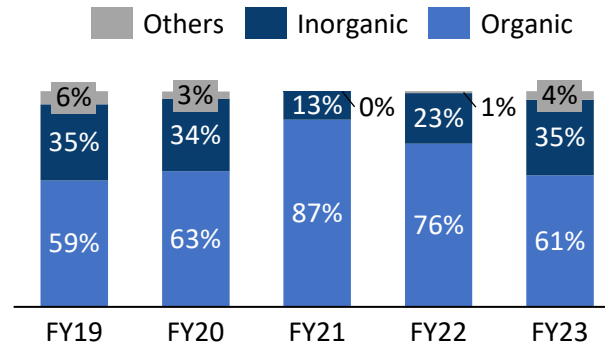
PAT (Rs. Cr)



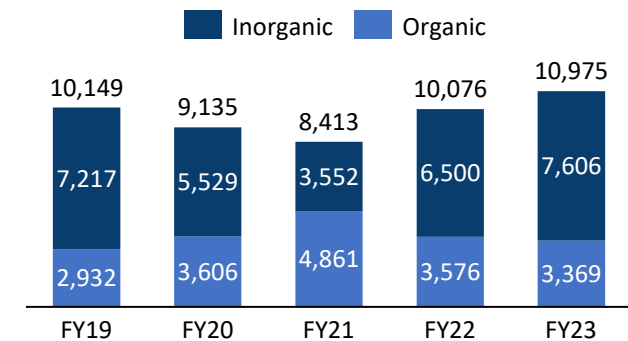
Geographic-Wise (%)



Business-wise (%)



Sales Volume (MT)

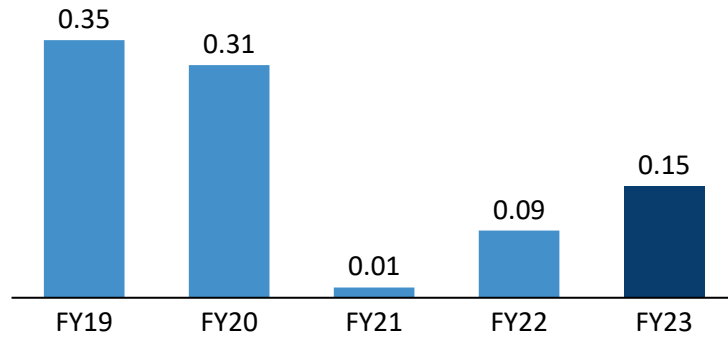


Organic chemicals refers to HMDS, CMIC and Bromobenzene whereas Inorganic chemicals refer to Bromides

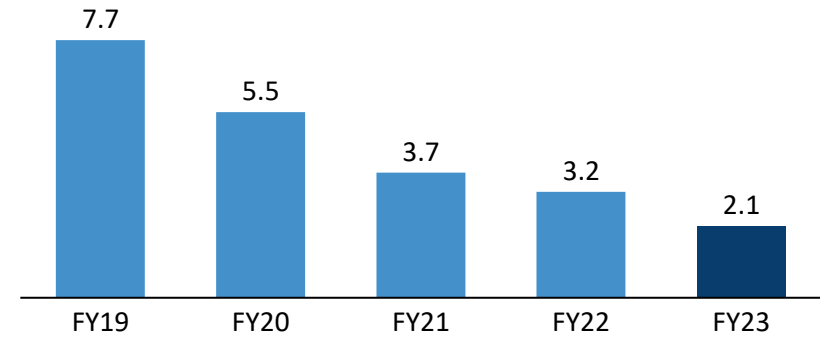
Export data are inclusive of Deemed Exports

Key Ratios

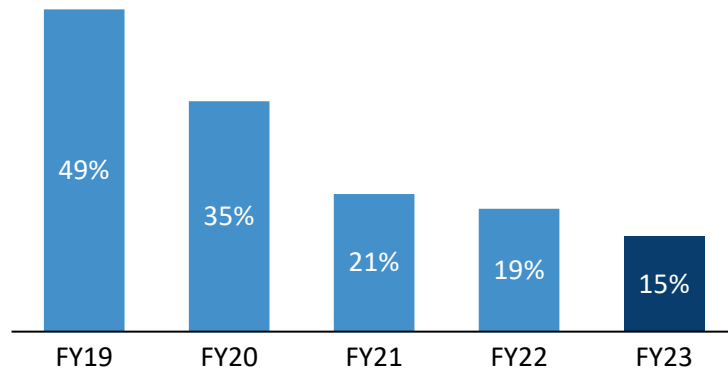
Net Debt/ equity (x)



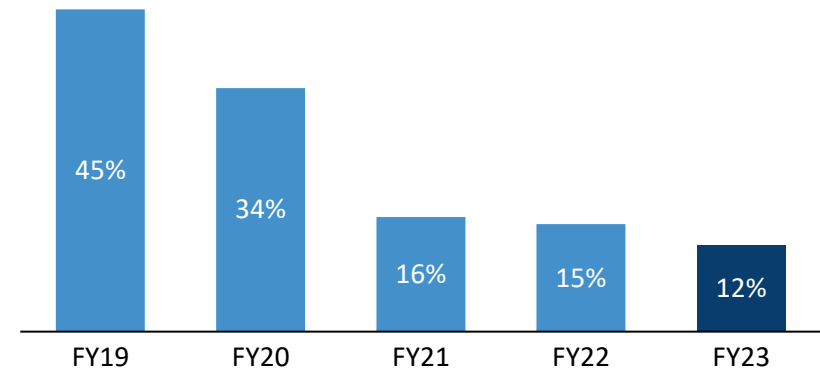
Fixed Asset Turnover(x)



ROCE (%)



ROE (%)



Balance Sheet

ASSETS (Rs. Crs)	Mar-23	Mar-22
Non-Current Assets		
a) Property, Plant And Equipment	141.4	81.7
b) Capital Work in Progress	13.6	34.0
c) Right Of Use Asset	0.0	0.5
d) Intangible Assets	0.0	0.0
e) Other Financial Assets	84.0	0.9
f) Other Non-Current Assets	2.9	5.1
Sub-Total - Non-Current Assets	242.0	122.3
Current Assets		
a) Inventories	79.0	34.6
b) Financial Assets		
i) Trade Receivables	67.6	102.5
ii) Cash And Cash Equivalents	44.4	35.9
iii) Bank Balances	86.4	188.2
iv) Other Financial Assets	4.3	5.5
c) Other Current Assets	24.4	8.3
d) Current tax assets	5.1	0.7
Sub-Total - Current Assets	311.4	375.7
Total - Assets	553.4	498.0

EQUITY AND LIABILITIES	Mar-23	Mar-22
EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	36.6	36.6
b) Other Equity	420.7	380.6
Total Equity	457.4	417.2
Liabilities		
Non-Current Liabilities		
a) Financial Liabilities		
i) Borrowings	0.7	0.6
ii) Lease Liabilities	0.0	0.2
iii) Other financial liabilities	0.8	2.1
b) Non current Provisions	0.1	0.1
c) Deferred Tax Liabilities (Net)	3.1	0.3
Sub-Total - Non-Current Liabilities	4.7	3.2
Current Liabilities		
a) Financial Liabilities		
i) Borrowing	63.2	34.9
ii) Trade Payables	21.4	23.9
iii) Other Financial Liabilities	4.1	7.1
iv) Lease Liabilities	0.0	0.3
b) Other Current Liabilities	2.4	9.8
c) Short Term Provisions	0.0	0.0
Current tax assets	0.0	1.5
Sub-Total - Current Liabilities	91.3	77.6
Total - Equity And Liabilities	553.4	498.0

Cash Flow Statement

Particulars (Rs. Crs.)	Mar-23	Mar-22
Net Profit Before Tax	74.2	84.0
Adjustments for: Non Cash Items / Other Investment or Financial Items	0.8	1.4
Operating profit before working capital changes	73.3	82.6
Changes in working capital	-38.5	14.6
Cash generated from Operations	34.9	97.2
Direct taxes paid (net of refund)	22.1	23.1
Net Cash from Operating Activities	12.7	74.1
Net Cash from Investing Activities	-16.3	-92.5
Net Cash from Financing Activities	12.0	29.8
Net Decrease in Cash and Cash equivalents	8.4	11.4
Add: Cash & Cash equivalents at the beginning of the period	36.0	24.5
Cash & Cash equivalents at the end of the period	44.4	35.9

Thank You



Chemcon Speciality Chemicals Ltd.

CIN – L24231GJ1988PLC011652

Mr. Rajesh Gandhi - CFO

Email – rajesh@cscpl.com

www.cscpl.com

SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Ltd.

CIN - U74140MH2010PTC204285

Mr. Shrikant Sangani / Ms. Shaily Patwa

Email - shrikant.sangani@sgapl.net/ shaily.p@sgapl.net

+91 9619595686 /+91 9819494608

www.sgapl.net

