



Bodal Chemicals Ltd.
COLOURS. INTEGRATION. INNOVATION.

By Online Submission

Sec/19-20/156
Date: 14/11/2019

To,
The General Manager,
BSE Ltd.
1st Floor, New Trading Ring,
Rotunda Building, P.J. Tower,
Dalal Street, Fort
Mumbai- 400 001
BSE Code: 524370

To,
The General Manager,
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.
NSE CODE: BODALCHEM

Dear Sir/Madam,

SUB: Corporate Presentation- November 2019



Ref: Regulation 30, Schedule III Part A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With reference to the above captioned subject, we herewith enclosed Corporate Presentation- November 2019

This is for your information and record please.

Thanking You,

For, **BODAL CHEMICALS LTD**

Ashutosh B. Bhatt
Company Secretary
Encl: As Above.

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CIN No. : L24110GJ1986PLC009003



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Corporate Presentation
November 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



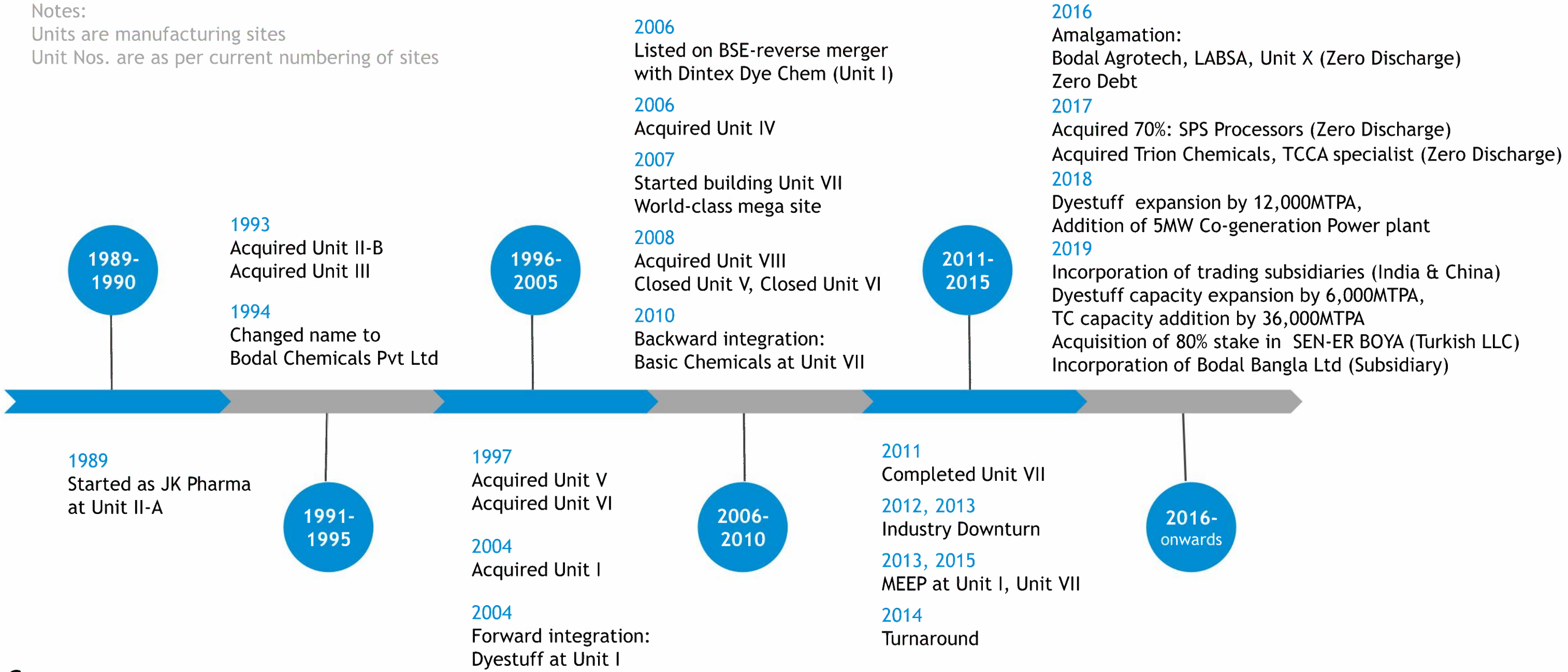
- Bodal was incorporated in 1989 by Mr. Suresh Patel, a first generation entrepreneur.
- Bodal is today one of the globally leading, integrated Dyestuff companies from India.
- Company commenced its operations by setting up a small Vinyl Sulphone plant at Vatva - Ahmedabad (Gujarat).
- At present there 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 7 depots across India.
- Company has six operating subsidiaries: (1.) S P S Processors Pvt. Ltd. (SPS), (2.) Trion Chemicals Pvt. Ltd. (TCPL), (3.) Bodal Chemicals Trading Private Limited (BCTPL) (4.) Bodal Chemicals Trading (Shijiazhuang) Co. Ltd (BCL-China) (5.) Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd (SEN-ER BOYA) and (6.) Bodal Bangla Ltd (Bodal Bangla)
- Market capitalization is Rs.9.0 billion (13-11-19). Promoters own 58.3%

Bodal- Milestones

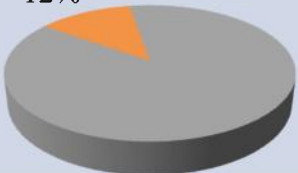
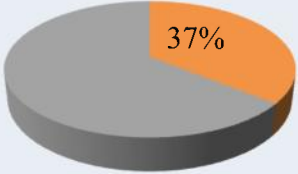
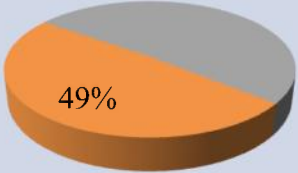
Notes:

Units are manufacturing sites

Unit Nos. are as per current numbering of sites



Manufacturing Capacities

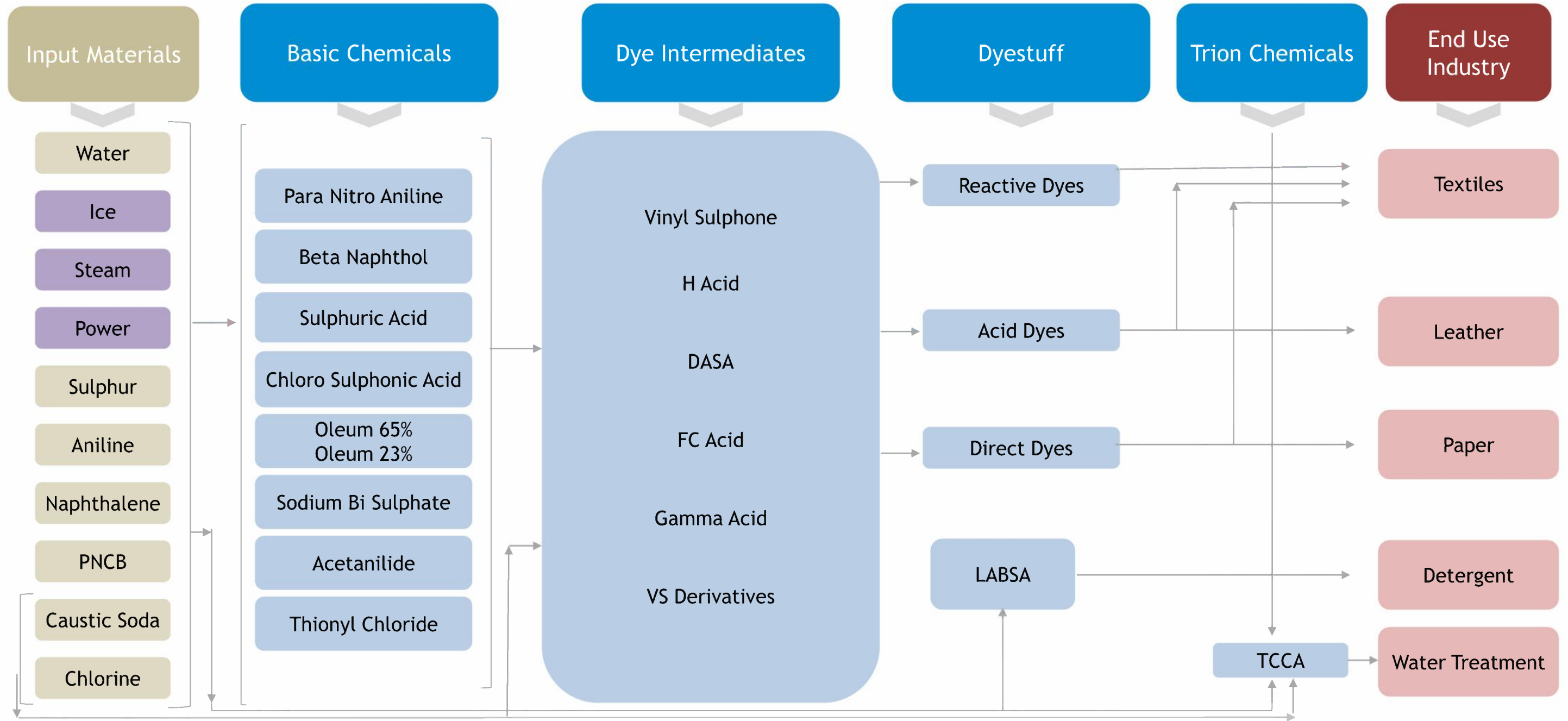
	Contribution (% Revenue, H1FY20)	Annual Capacity & % Utilization, H1FY20	Highlights
Basic Chemicals	12% 	226,000 MT* 91%	<ul style="list-style-type: none"> • Captive Power Plant and Steam generation • Centrally located, latest upgraded manufacturing facilities • Produces about 12 products
Dye Intermediates	37% 	33,000 MT** 81%	<ul style="list-style-type: none"> • Advance technology MEEP for effluent treatment with capacity, of 5 lakhs liters/day • Produces about 25 products
Dyestuff	49% 	35,000 MT*** 53%	<ul style="list-style-type: none"> • 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

Brine Treatment Plant

1. Bodal installed world's first Brine Treatment Plant at Unit-VII
2. Its is based on Modern Water's all-membrane brine concentration process (AMBC)
3. It treats the effluent from Dyes and Zero Liquid Discharge (ZLD) is achieved at the end of treatment cycle

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 First is one of the key policies of Bodal Chemicals



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

Challenges

Environmental norms

Shut down of units

Forex fluctuation

Low cost imports

Volatile raw materials price

Volatile sales price

Actions

Growing into dyestuff

Backward & Forward integration

Product quality

Exports

Financial discipline

Complete hedging

Results

Market Share

3%

Dyestuff Global

13%

Dyestuff Indian

6%

Dye Intermediates Global

25%

Dye Intermediates Indian

Consistent growth that we are proud of

Customer Relationship

Domestic Customers

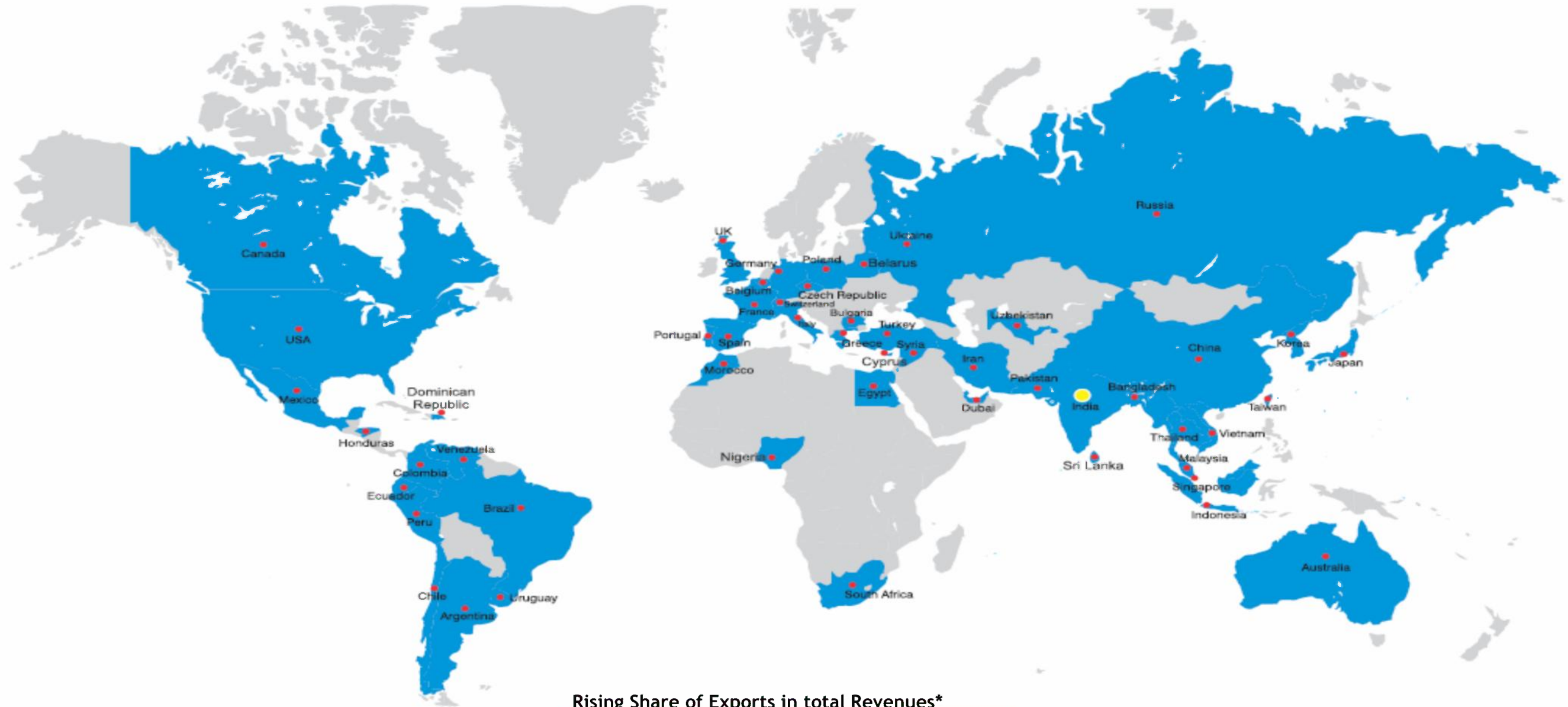
International Customers



Unidye S.A.



Strong long term Relationships with top Domestic and International Customers



Rising Share of Exports in total Revenues*

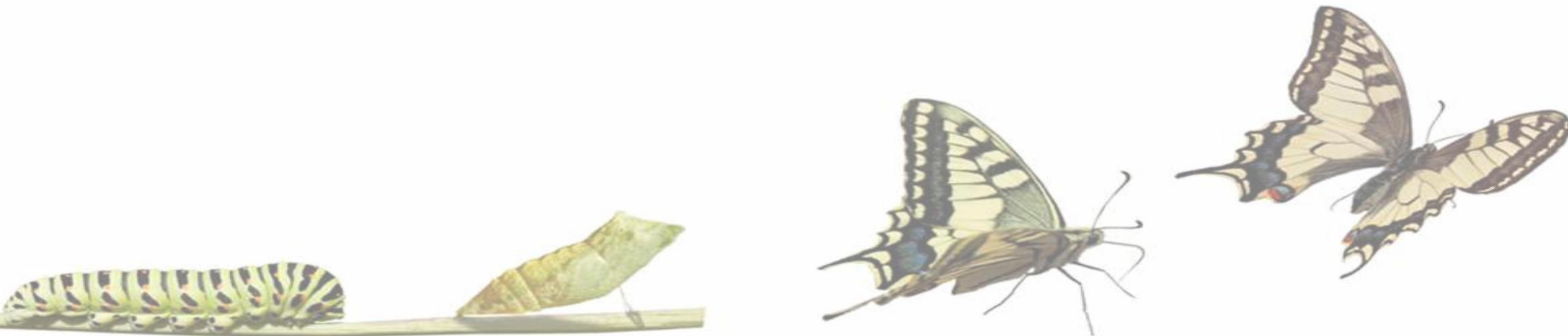
FY17	FY18	FY19	H1FY20
29.5%	30.2%	43.9%	47.2%

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

* Note: Revenues are Standalone

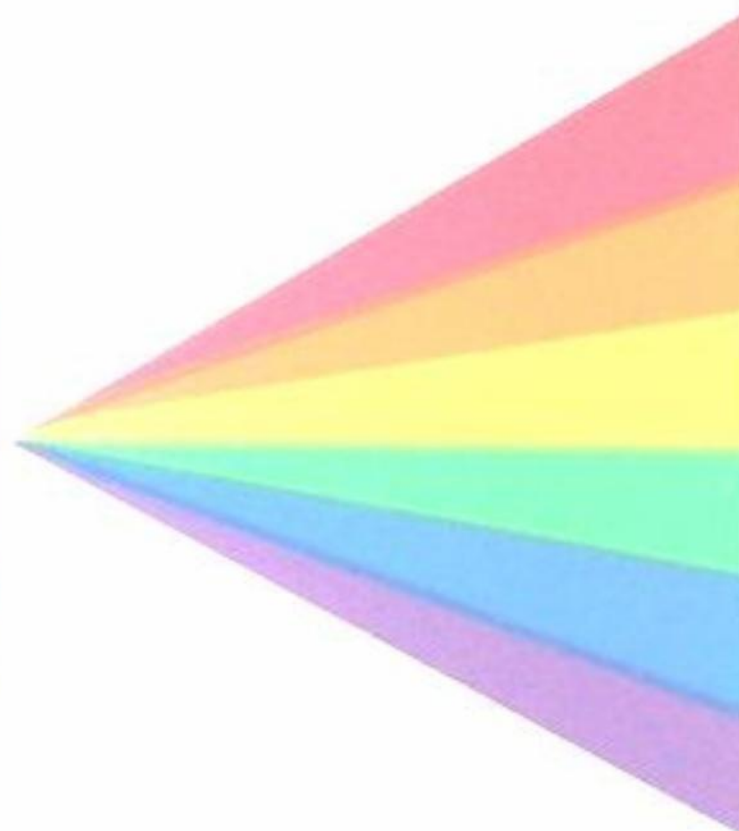
The Way Forward

Poised for strong growth in coming years



Thriving for increase in profitability and market share

Moving towards Global Dyestuff Player



Higher Dyestuffs Revenues



Further Business Integration



Stronger Customer Relationship



Higher & Stable Profitability

Share of Dyestuff to increase gradually which will lead to stronger integration and stable margins

1. Dyestuff: As part of the expansion plan, the company continues to expand the Dyestuff business. Last year added 12,000 MTPA in March-2018 and expanded by 6,000MTPA in March-2019. Share of Dyestuff in total revenues will increase going ahead.
2. Dye Intermediate: Adding VS capacity at SPS. Addition of VS plant should increase profitability of SPS and contribute to the growth in the coming years.
3. Trion Chemicals (TCPL): Gradual improvement in business should contribute to growth in coming years.
4. Promoter's continuous focus on integrated business model including plans to foray into Specialty Chemicals.

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

5. Opening up of subsidiaries in key geographies for the company. Bodal Chemicals has already opened trading subsidiaries in India and China. The company acquired ~80% stake in Turkish LLC named Sener Boya in August-2019 which will be marketing base for Turkey and surrounding countries. Recently, it has opened subsidiary in Bangladesh for marketing of Dyestuff.

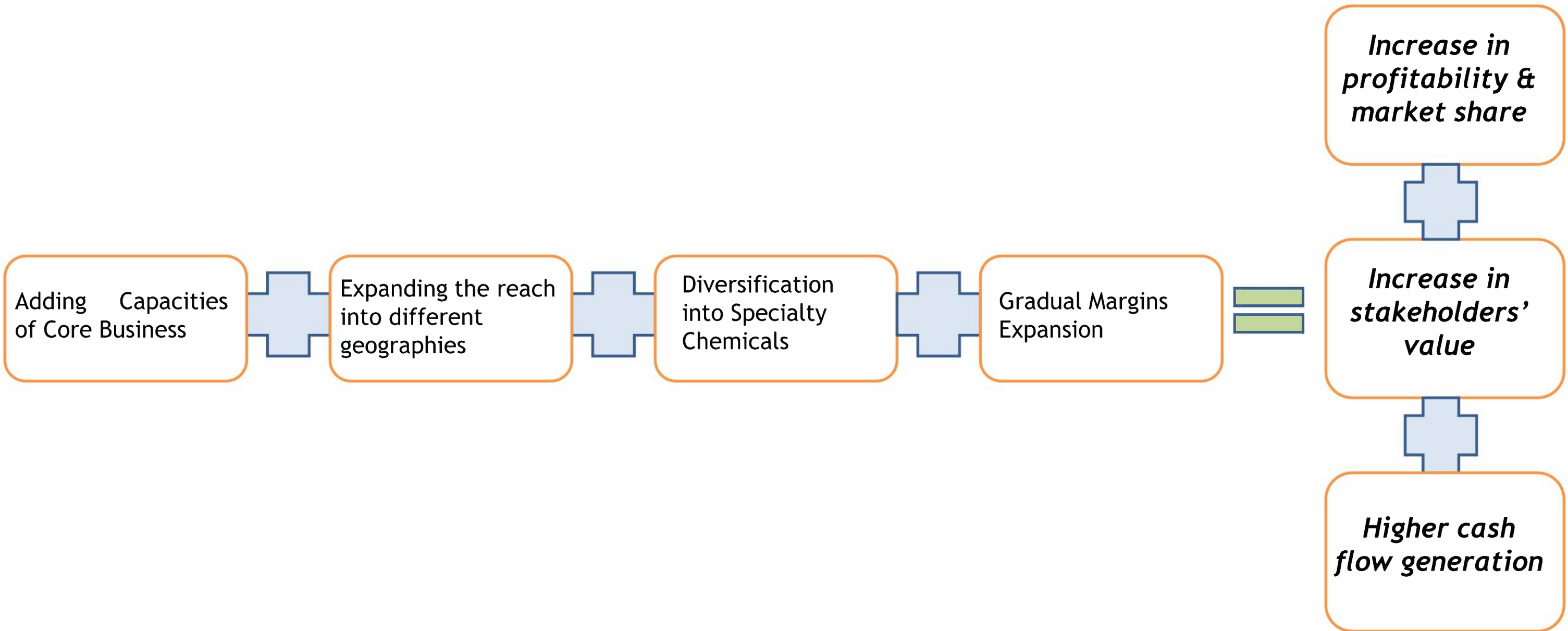
6. Gradual margins expansion due to:

- ❑ 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 Dyestuff across the world

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

Gradual expansion in margins to increase profitability

Bodal on Strong Growth Trajectory



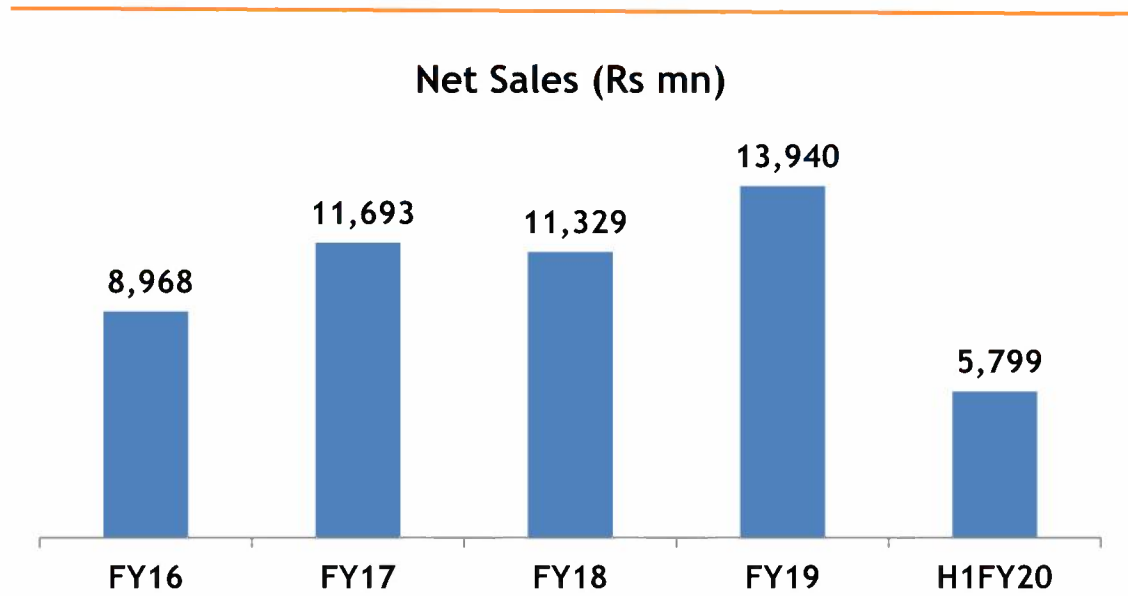
Continuous efforts to make higher integrated business model



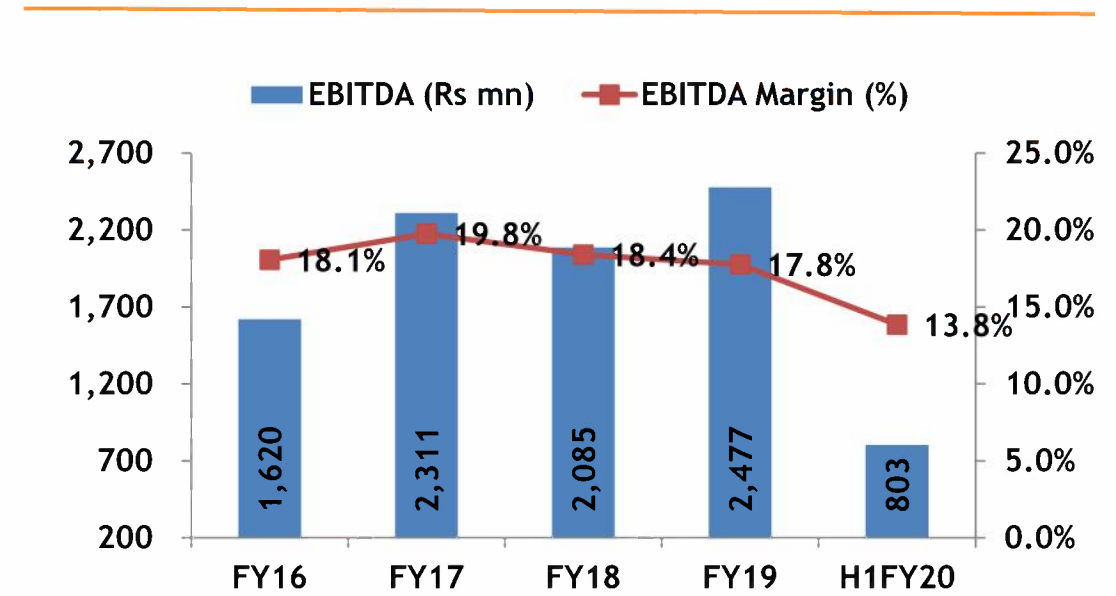
Financial Performance



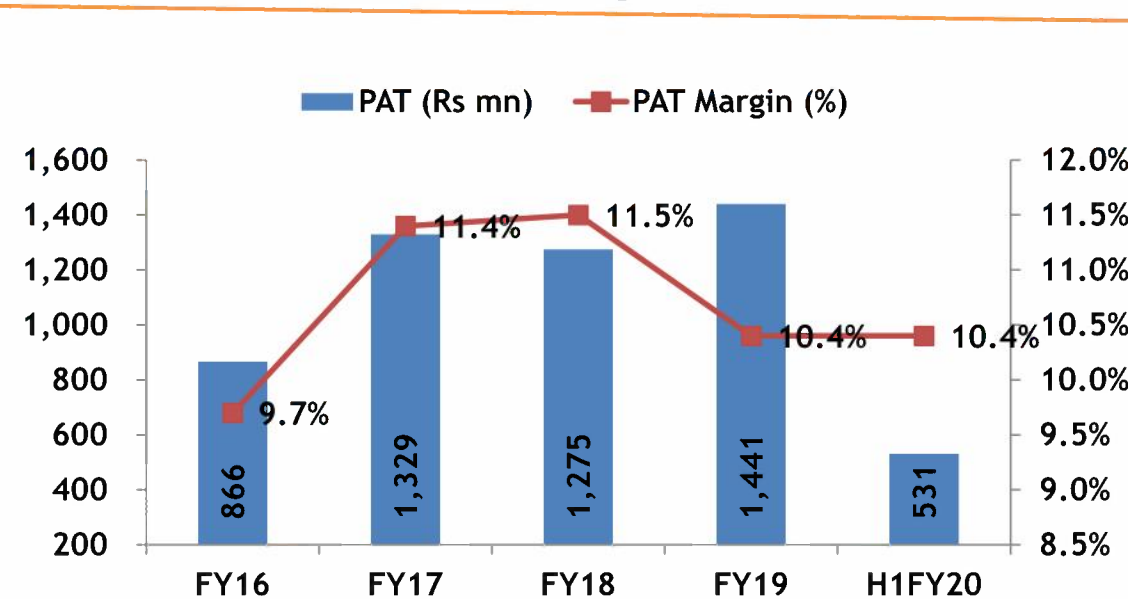
Net Sales



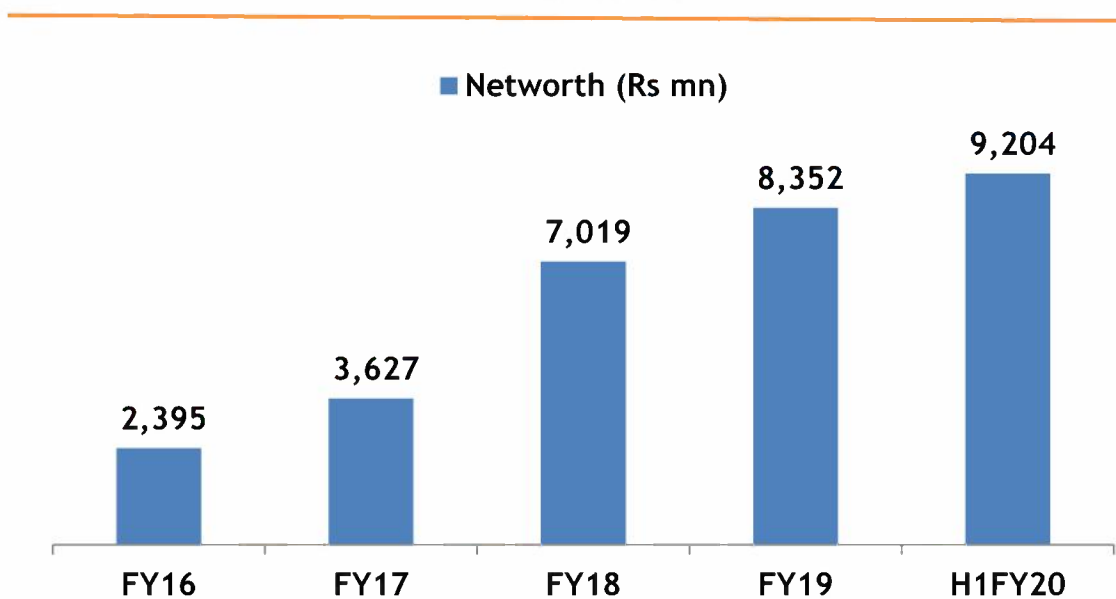
EBITDA and EBITDA Margins



PAT and PAT Margins



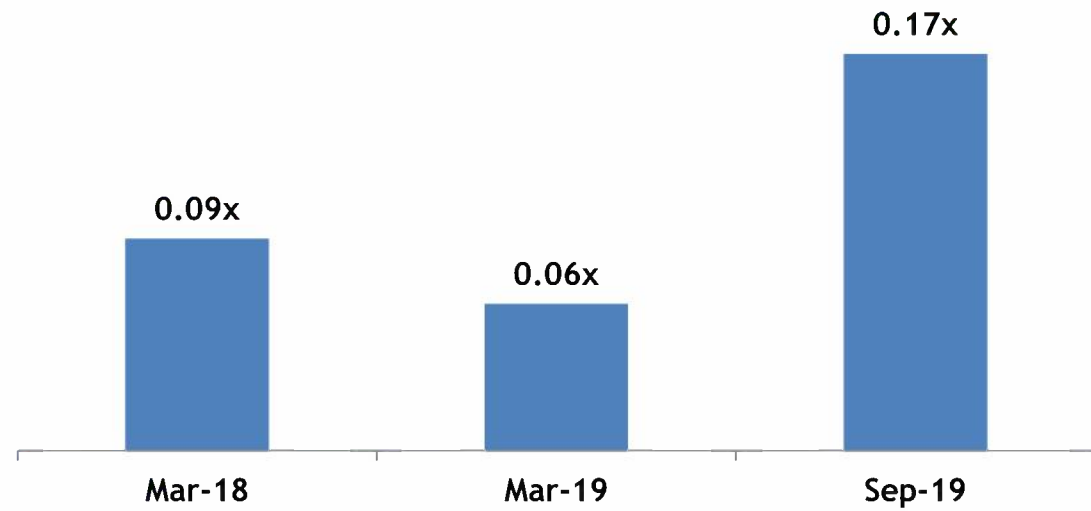
Net worth



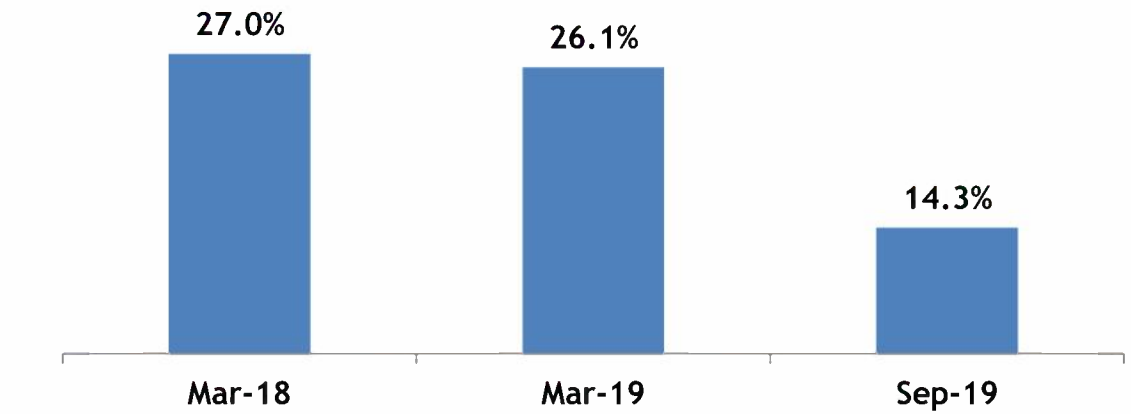
Strong performance over the years

Note: Standalone data

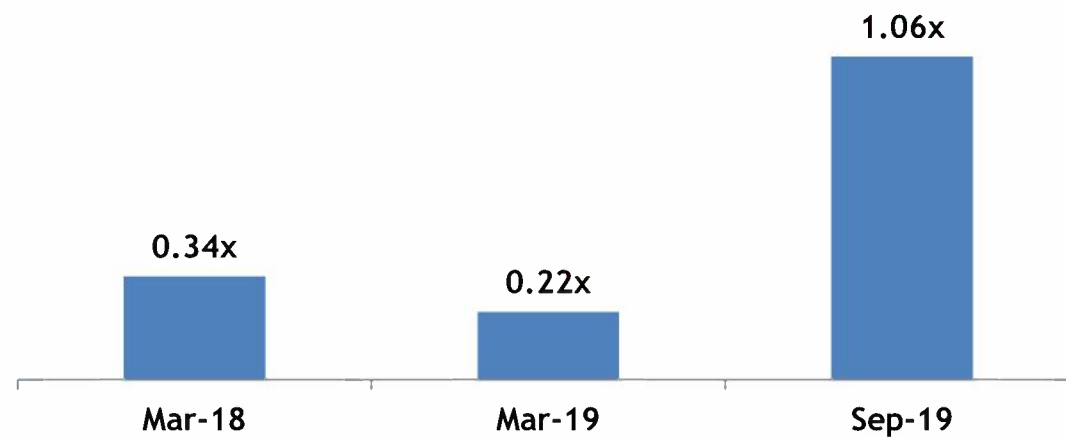
Net Debt/ Equity (X)



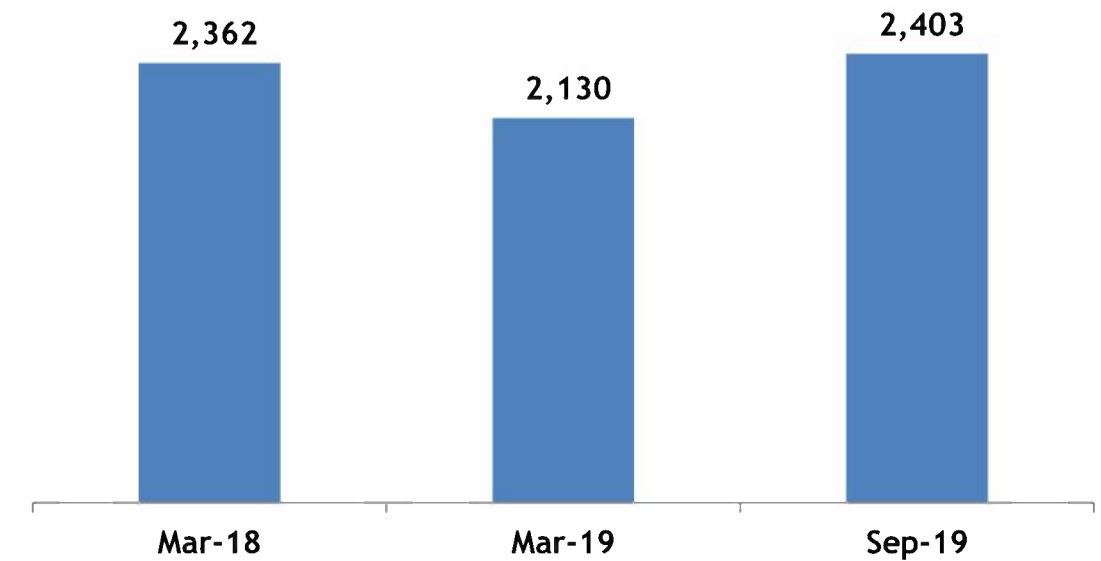
ROCE*



Net Debt / EBITDA*



Net Working Capital



Net Working Capital = Trade Receivables + Inventories - Trade Payables

Debt profile affected in H1FY20 due to higher working capital and demand slowdown

- 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
 - 25 Best Companies to Work For (Industry) 2019 by CEO Insights



- 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. 34.8 million in FY2019
 - Bodal's areas of work are into rural infrastructure, healthcare, hospitals, schools and sports

Thank you



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CIN : L24110GJ1986PLC009003

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