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To,
The General Manager,
Department of Corporate Services
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: Transcript of "Bodal Chemicals Limited Q1 FY'21 Earnings Conference Call"

We enclosed the transcript of Q1 FY21 Earning Conference Call with Investors and Analysts which was held on August 14, 2020

Kindly take the same in your records.

Thanking you,

Yours faithfully,
For, BODAL CHEMICALS LTD

BODAL CHEMICALS LTD. AHMEDABAD

Ashutosh B Bhatt
Company Secretary & Compliance Officer
Encl: As Above.

"Bodal Chemicals Limited Q1 FY'21 Earnings Conference Call"

August 14, 2020

MANAGEMENT: MR. ANKIT PATEL - EXECUTIVE DIRECTOR, BODAL CHEMICALS LIMITED
MR. MAYUR PADHYA - CHIEF FINANCIAL OFFICER, BODAL CHEMICALS LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Q1 FY'21 Earnings Conference Call of Bodal Chemicals Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Ankit Patel -- Executive Director, Bodal Chemicals Limited. Thank you. And over to you, sir.

Ankit Patel: Good evening, everyone. Thank you for joining Q1 FY'21 Conference Call of Bodal Chemicals Limited. I have our CFO -- Mr. Mayur with me as well on the call. I hope all of you have got an opportunity to see our 'Financial Results' and 'Presentation' filed with stock exchanges and are also uploaded on our website.

First, I will highlight the Industry Scenario and our Business Strategy, and Financial performance will be taken up by Mr. Mayur later. The lockdown in the country for around 40-days from March-end due to COVID-19 significantly impacted our business in Q1 FY'21. We started our partial operations from May beginning, but there were issues with respect to labors, transportation and lower demand across the globe. The prices of our raw materials as well as finished goods came down in Q1 FY'21. During Q1 FY'21, the average sales price of VS was Rs.163 and H Acid was Rs.347.

The business scenario started improving gradually from mid of June 2020 in terms of better demand, higher utilization of plants and more dispatches. The prices of our finished goods improved after June 2020 due to increase in demand and few supply side disruptions in the domestic market. The current prices of Vinyl Sulphone is around Rs.160 and H Acid is around Rs.355. We believe demand should further improve gradually going ahead because along with India many countries globally have also opened.

On the Business Strategy front, we are committed to increase Dyestuff share in total revenues and further integrate our business which will lead to stable margins and increase in profitability in the coming years.

Due to lockdown in country and decline in the demand of our products, total income for Q1 FY'21 declined by 64% to Rs.117 crores. Sudden decline in the prices of our finished goods and purchase of raw materials at higher prices impacted the gross margins. We did not cut salaries of any employees during the lockdown and even under uncertain business environment. All this led to higher operating expenditure and loss for the company in Q1 FY'21.

On the Subsidiaries side, we are near to completion of all the safety-related changes at Trion plant, and we are confident to start operations from September 2020 at Trion. We will start VS plant at SPS once the demand scenario improves.

We believe this was one-off quarter impacted by lockdown in the country. Performance of the company should improve from Q2 FY'21 onwards. We are confident that all the facilities in which we have invested in last few years are underutilized currently like Dyestuff capacity, VS at SPS, Thionyl Chloride plant, Trion plant and Cogeneration Power plant, will have higher utilization gradually and add to profitability. We believe we shall reach to earlier achieved peak of our financial performance once utilization levels across all plants improve in coming 12 to 18-months.

Thank you. And I would now request Mr. Mayur to take up the Financial Performance in Detail.

Mayur Padhya: Thank you, Ankit bhai. Good evening to all. On the quarterly financial front, our standalone total income declined by 64% year-on-year to Rs.1,171 million. Our standalone EBITDA loss stood at Rs.139 million, which was impacted by higher operating expenditure as highlighted by Mr. Ankit earlier. Our finance costs have increased year-on-year to Rs.27 million, mainly due to higher utilization of working capital limits. It has declined by 10% quarter-on-quarter. The loss before tax stood at Rs.229 million and deferred tax led to loss after-tax of Rs.171 million. Our exports stood at Rs.419 million and its share in total revenue was at 38% in Q1 FY'21.

During Q1 FY'21 on standalone basis, inventory levels come down to Rs.1,524 million from Rs.1,855 million in Q4 FY'20. Trade receivables come down to Rs.2,409 million from Rs.2,942 million in Q4 FY'20, leading to improvement in working capital.

On Subsidiaries front, SPS posted revenue of Rs.42 million with loss of Rs.20 million in Q1 FY'21. Trion posted loss of Rs.20 million in Q1 FY'21. We are committed to minimize the losses at subsidiaries going ahead.

Thank you. And now I open the floor for question-and-answer session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Aditya Khetan from East India Securities. Please go ahead.

Aditya Khetan: Sir, my question is on the Vinyl Sulphone and the H Acid prices. So, the current prices of Vinyl Sulphone you said is around Rs.160/Kg and during Q1 also the prices were around Rs.163/Kg. Am I right on this number?

Ankit Patel: Yes, you are right, the Q1 average price of Vinyl Sulphone was Rs.163.

Aditya Khetan: So there has been not an improvement in the price, right, currently?

Ankit Patel: No in June, the price went even lower than Rs.150 level. And from that level, it is now back to Rs.160 plus levels.

Aditya Khetan: So, what gives you confidence that the prices will sustain? Are you looking that the textiles demand is coming back or what is the Dyestuff scenario?

Ankit Patel: I think overall if we look at our volumes and our dispatches, May was very dull, but then June was not bad; June, we had around 65%, 70% of the sales level and again in July also, it has improved to 75%-plus. So, we see a continuous improvement in the demand from textiles and other sectors also, because our export is around 40% to 50%, it is very important that all the other economies also open which has been gradually improving in the last two months. So, what we feel is regardless of COVID situation, I think globally governments do not have an option but to open the trade and open the country. So that has been improving every week since May mid, since we started our operations in most of the plants.

Aditya Khetan: **W**hat would be the current utilization levels and what it was in Q1 of Dye Intermediates and Dyestuff both?

Ankit Patel: The utilization in Q1 of Dye Intermediates was around 20% and currently it is at 78%. So, there is a huge gap there. In Dyestuff, it was around 15% in Q1 FY'21 and for the month of July, it was around 40%, 45%.

Aditya Khetan: On the Trion business, previously, we said that the plant will start in Q1. Now it has been shifted to Q2 around.

Ankit Patel: So, this is all actually we were supposed to receive some mechanical items from China, because this is the only one plant in India and it was set up with the help of some Chinese consultants. We had identified some issues regarding some safety and some other issues. So last few months we were working on that only. And our shipment was at Nhava Sheva port for a while. So, we had issues during the lockdown. So, the lockdown has delayed the entire process.

Aditya Khetan: In Q1, you said that because of the weak demand, you had put your CAPEX on hold. So now have you all planned any CAPEX for the year and what would be the amount?

Ankit Patel: We are currently working in which combination we should go ahead. So as earlier mentioned about a few months ago that we had deferred the original plan of setting up a caustic chlorine plant and some other chemicals. So that has now been deferred for sure. And we are currently working on some other combinations of organic chemicals and specialty chemicals. So, we will come out with the plan very soon. But looking at the current situation, we do not want to be too aggressive to start the spending.

Aditya Khetan: So, in this year, we will incur mostly the maintenance CAPEX only and what would be that amount?

Ankit Patel: Just a routine CAPEX that we have around Rs.20 crores to Rs.30 crores annually, that will be the only CAPEX. We are not planning to increase any capacity or setting up any new plant. It depends on how this COVID situation how fast it changes. But obviously, our target is to start some activity at our new site near Dahej. By the end of this financial year, we want to start spending and start setting up the plant because the process will be one and a half, two years.

Moderator: Thank you. The next question is from the line of Rohit Nagraj from Sunidhi Securities. Please go ahead.

Rohit Nagraj: A couple of questions. One is in terms of our HSE practices and zero liquid discharge plants. So how are we currently across our facilities in terms of our environmental facilities and on the safety front as well because we have seen in the last few months there have been a lot of incidences which have been happening across the chemical industry, so how are we placed on that front?

Ankit Patel: In last few years, we have been very clear as a policy matter within the company about the safety and environment, because these two things like you said matter a lot, environment can give us issues in terms of closures or not able to operate the plant, so that is very risky for us. Since this COVID situation, unfortunately, there has been many accidents across India, mainly in Gujarat area. So, it is very unfortunate. We also had a small accident two, three years ago in one of our plants in Ahmedabad. So since then we have improved our overall policies even more. We also have a director on board specifically has been elected for the purpose of HSE. So that is our approach. And as far as the environment goes, at our main plant, for intermediates, we are a zero-discharge unit. So, there is no issue there. And, for dyestuff production, we have set up a multiple effect evaporator. So, we are totally complied as far as the norms or the requirements of the government bodies go.

Rohit Nagraj: Sir, secondly, in terms of the demand, so what would be the trigger from increasing the demand from base level both in domestic market and international market? And an allied question to that, whether we have seen small players going out of the business because of the working capital requirement or the plant being shut down for a fairly long time and they were unable to sustain during the last few months, so have we seen any kind of such phenomena?

Ankit Patel: So, like I answered in the first question, the demand has been increasing because the numbers I told is not our production numbers, the numbers come from the VS numbers. So, in June, we had around 65% compared to the last year’s turnover, again in July we had about 75%. So that shows a good sign… obviously, there must be a demand, otherwise we would not be able to sell or dispatch. So, there we are continuously seeing improvement domestically and internationally also. It is a very important point that in month of May we were able to get the permissions from the government, but some of the smaller competitors, especially here in Ahmedabad who are located in the industrial estate, two or three key players did not start their plants until July mid, July end. So, this is a very clear sign that in the time of competitiveness or very low margins, it is very difficult for non-integrated or a single location, single product kind of players. So that happened between May to June and July. So that is the reality of the trade because a few players have been integrating, have become a single location player. So, players like us, we have some advantage over some of the traditional players who are still there in the smaller units or multiple smaller units across different sites.

Rohit Nagraj: Sir, one last question in terms of the backward integration initiative, so we have already done that in sulfuric acid. Any other initiatives? And during these last four months, have we taken any steps in terms of cost optimization or on the digitization front because we have seen the manpower has been one of the constraints which has also impacted the overall business?

Ankit Patel: There is not much room for digitization because half of our plants are already operating on DCS systems. So, we already have a very upgraded and latest systems like companies from Honeywell and Yokogawa, etc., So I think as far as the digitization of plants, I do not think there is much room. Half of the other plants are batch type. So, there is no room of DCS systems and all. We did have some issues regarding people, the labor that is involved especially because many of the migrated people left for their states and most of them have not come back. So, we did have an issue there, but we have a great image in our area in Baroda at our main plant and we are able to source local people who are open to do any kind of work that we require. So, we can manage. Obviously, there were issues in the beginning. But looking at the July numbers, I think those issues remain, but I think not where the issues can affect performance of the company.

Rohit Nagraj: Just last one clarification. So, at what utilizations level will we be able to break even because certainly last quarter was a different story altogether? And on the distribution channel, whether the inventories have relatively come down or dried up and probably once the demand slightly improves again inventories restocking will happen?

Ankit Patel: It is very difficult to tell the breakeven production levels for us because finished goods prices and raw material prices do not have a direct connection because most of the raw materials that we use, they are not only produced or sold only to cater to our sector, most of the raw materials also cater to other sectors. So, their relation is not very direct. So, the control over the prices of raw materials or finished goods, they really vary, for example, currently, obviously, the finished goods prices are on the lower side; at the same time raw materials are also on the lower side. One or two months ago, some of the raw materials were at probably five or ten-year bottom which have improved because the demand has improved. So, it is very difficult for me to come up to any number which can be a breakeven number. Backward integration question that you had asked. Not only sulfuric acid, we also produce some other chemicals which are backward integrated, for example, Thionyl Chloride, the plant that we have set up recently, that is also backward integration. In Sulfuric Complex, we have another three or four products which we captively use about 20%, 30%, 40%, 50%. And, there is another product called Beta Naphthol. That is also our captive product integrated into making our dye intermediates. Also, we integrated the entire complex with the common utility system which replaced all the old multiple boilers, and which also replaced the more expensive power that we were buying from the electricity board. So that also we have recently done. Utilization in the power plant has been not bad; its average must be around 70%, 75%, but there is a room to improve about 15%, 20% there also. So, we are planning there. Thionyl Chloride also has not been very smooth because plant and quality is not an issue, but the demand levels and this COVID situation has again affected it. So, again, we only had utilization of around 50% last month. So there also there is a lot of room to improve, take it up to about 80%, 90% levels and continuously lower our overheads on that front.

Moderator: Thank you. The next question is from the line of Sriram Srinivasan from Sincere Syndication. Please go ahead.

Sriram Srinivasan: As you said earlier to the response to question from another investor or analyst, what did you say that the Vinyl Sulphone cost has improved from Rs.150 to Rs.163 during one month of difference, if I am right means what will be the cost of the Vinyl Sulphone over a period in Q1 FY'20, what is the growth or degrowth in numbers of realization for FY'20?

Mayur Padhya: Twelve months is a long time and the prices of raw material are fluctuating in chemicals industry. Last year, we were selling Vinyl Sulphone say in Q4 more than Rs.200, at the same time in Q1 of current year, the prices were Rs.160-plus something. But that does not mean that our profit has eroded more than Rs.40. Prices of raw material has also fallen. So, to give a specific number of costs for Vinyl Sulphone is difficult.

Sriram Srinivasan: Another question from my side is that what is the shift from China to India in terms of the chemical industries boosting so far from the government initiatives, how things are ramping up on your side, how do you think this will work for the industry?

Ankit Patel: So there has been a lot of talk, a lot of tweets also officially coming from CNBC, etc., for last about 30 to 45-days, there has been a buzz about government coming up with some very positive policy for new investments regarding the chemicals and the chemicals sector. But we are also waiting for that. No exact plan has really come out from the government. But for pharma, they had come up with a plan I think about 15, 20-days back. So that was very useful for new investments. So I am hoping for a similar kind of policy or help from the government for the chemicals growth also because we do have a large piece of land, we also have some other land also which we are eager to start, our growth factors there. So, I think it is a good timing for us because most of the time these policies or the new announced policies from the government involve Greenfield projects. So, if any company wants to expand, that is usually not covered in these policies. So, we are at a stage where we have not started any work and we have an option on multiple sites. So, I think we are at the right time. If government comes up with some positive policy, we can take advantage of it. And overall, because of some issues between the governments of India and China at the Ladakh borders, there was a lot of hype regarding India may ban chemicals or may ban many items that come from China. But practically, I do not see that happening much because it will not be possible if you look at the WTO norms and stuff. And also just the way how Indian industry depends a lot on Chinese raw materials, so I do not think that will be too big of a step to ban in chemicals, but the government can definitely probably impose some extra duties on some of the chemicals and then that way, it can help the domestic industry. So, in that case, if something like that comes up with some anti-dumping or some extra duty structure, then we can benefit because we compete with the materials that are imported from China in our Intermediates segment.

Moderator: Thank you. The next question is from the line of Dipesh Mehta from SBICAP Securities. Please go ahead.

Dipesh Mehta: What was the H Acid and VS realization for the quarter?

Ankit Patel: For the Q1 FY'21, the H Acid average selling price was Rs.347/Kg and for Vinyl Sulphone it was Rs.163/Kg.

Dipesh Mehta: Where it would be right now trading at?

Ankit Patel: Currently, H Acid has increased a little; it is around Rs.355 levels and Vinyl Sulphone is about same price, but the production level has really picked up because our Intermediates production level is now around 80%.

Dipesh Mehta: Earlier, our H Acid and VS used to contribute almost 40%, that is when H Acid and VS prices were substantially higher. Now what would be the contribution from these two relatively volatile commodities for us?

Ankit Patel: The contribution that comes from H Acid and VS is still in the same range; it is around 40% of our top line.

Dipesh Mehta: And whether at this price, now considering overall raw material scenario, we make some money, or it is hardly breakeven for us?

Ankit Patel: I think there are some slight margins in this price level also because the raw material side is still on the lower side. In Dyestuff, the utilization is still not that high compared to intermediates. So overall at a company level, the utilization level we need to increase so that way we can avoid a lot of extra cost. To answer your question, at this level, I am sure some small margins are there.

Dipesh Mehta: In your last quarter call, you alluded about some of the capacity moving out of the market or likely to move out. Those capacity returned to market or yet not? And any benefit or any price support you are seeing?

Ankit Patel: There were two plants which were not operational; one of them has not started, and second one has started just very recently I think two days back. There is no movement in the price so far because it has just started, and I think there is also a captive base. So, since it is a captive base, the entire plant was shut down, so when they start their intermediates plant, they will also start their dyestuff plants. So that way, it is not going to be a lot of materials that is going to come up in the market which will disturb the prices.

Dipesh Mehta: From demand perspective, by when do you expect normalcy to return kind of overall demand trend which we are observing over last few months, if you can provide some perspective? And then last what would be the debt and inventory position if you can provide?

Ankit Patel: I have July numbers with me, and July numbers are giving a lot of confidence to us, because earlier around May, when we were starting the plants, we were not sure what kind of utilization we will be able to reach. So within just two months, we have reached about 75%, 80% in Intermediates and even Basic Chemicals is at 100%. So overall, I think we are at around 65%, 70% which is not bad. And what we observe is every week it is improving. So, I think that by Diwali, we should probably reach around 80% levels at a company level which should be good solid numbers which should create some good margins also.

Mayur Padhya: As far as inventory level is concerned, it has reduced drastically because some production was lower, and demand was also lower. So, whatever we could sell, that is some parties from stock, so inventory level is reduced. And as far as debt level is concerned, that has also reduced to some extent because the recovery from customer was very good than what we have expected initially. So as far as fund inflow, that was good, and outflow was a bit limited. So, there was some reduction as far as debt is concerned.

Dipesh Mehta: Can you share exact number or maybe I can take it offline if it is not ready?

Mayur Padhya: You can take it offline.

Moderator: Thank you. The next question is from the line of Nav Bhardwaj from Anand Rathi. Please go ahead.

Nav Bhardwaj: My understanding was that we do not import any raw material from China. Is that correct?

Ankit Patel: We do import some chemicals, there are a couple of intermediates, which we require for our Dyestuff production that are not actually produced in India. So, for those three or four chemicals, we do depend on Chinese. Other than that, in our imports, there are options in some of the chemicals where it is available in China. So, there we do not depend on the Chinese companies, but only for these three intermediates which are required which are not produced here, there, we must buy from China.

Nav Bhardwaj: Would you be comfortable sharing as to the critical ones as to what percentage of the raw materials will they be?

Ankit Patel: The percentage is hardly 2%, 3% because those are required to be produced for some special colors. So not for any of the high-volume dye's items. So obviously, that is why it has not been developed here because the demand here is very small. And that is why we have also not started captive manufacturing of the same because the volumes are very small.

Nav Bhardwaj: The other question would be, sir, there have been a few new companies which have been granted clearances for setting up new plants in dye chemistry, like Mac Dye-chem right in your backward in Vatva, Ecofine in Bharuch. So what I wanted to ask is with the current subdued demand, with newer capacities coming up, how do we see the demand/supply inside India panning say a year or two and as you rightly said that the Chinese imports are going to continue even in the future, we already being there and the new capacities coming up, how do you see this coming up?

Ankit Patel: I think if you leave the COVID part apart, then I think there is a consistent demand of around 4% to 6% that comes from the textiles industry globally and our particular trade because our dyestuff which goes into textiles, which is the higher number among our dyes business there it is not only domestic business, but it is also mainly international business because we supply dyestuff to all the textile hubs in the world, for example, Turkey, Bangladesh, and then Pakistan, Indonesia. And China has a model of self-reliance; China has had most of the production produced there. There are a couple of reasons why because China was very aggressive in growing up the manufacturing sector. And, there was an opportunity. So, China took a lot of the global share in terms of dyes and intermediates and all. So, they also grew rapidly I would say about 10-years ago, 15-years ago. But because of the environmental issues that came up a few years ago, the growth has not been great in China because of their national level policy regarding the environment and because of a lot of the restrictions that have been implied, the growth of that sector has hardly happened I would say. So that is why the Indian companies which are already producing these products in these cycles benefited a few years ago and that continues to give the opportunity to the Indian players. Obviously, there were some extraordinary prices that happened three or four times because of the closures of plants in China, but that does not happen anymore. Because now China not being keen to grow in some of the sectors, I think the Indian players especially the integrated ones, definitely have the opportunity because Indian companies have definitely increased their share in the global markets and I think they continue to do so.

Nav Bhardwaj: You were talking about some CAPEX in Dahej. Could you please outline the capital outlay and products and the timeline that you are thinking on the same?

Ankit Patel: So earlier, we had announced CAPEX regarding Chlor-Alkali Complex and some of the specialty chemicals within the same complex. But we had deferred that plan; we had announced that pre-COVID. And during this lockdown and now post-COVID era, there are some changes, but we have not finalized yet. So hopefully within a couple of months we will able to announce our exact plans. But it does not include Chlor-Alkali anymore.

Moderator: Thank you. The next question is from the line of Aman Soni, an individual investor. Please go ahead.

Aman Soni: Can you help me with the realizations and the price of Thionyl Chloride in the current quarter and the previous one?

Ankit Patel: The price in the current quarter is around Rs.11/Kg. That is the average market price right now.

Aman Soni: What was in the same period last year?

Ankit Patel: In the same period last year must be around Rs.15 to Rs.20, between somewhere there.

Moderator: Thank you. The next question is from the line of Rajesh Sarda from EXIM Scrip. Please go ahead.

Rajesh Sarda: What is our consolidated debt figure at this position?

Mayur Padhya: That is Rs.180 crores.

Rajesh Sarda: Have we availed any moratorium?

Mayur Padhya: No, not at all. We do not have any term loan, so that was out of question. But even interest also, we are serving regularly. We have not taken any advantage or any moratorium.

Moderator: Thank you. The next question is from the line of Aditya Khetan from East India Securities. Please go ahead.

Aditya Khetan: Sir, my question is on one of your subsidiaries which is Sener Boya Kimya. In that I am looking at the annual report, the sales of materials are recorded as Rs.39 crores whereas receivables pending are Rs.35 crores. I would like to know what the position is of the subsidiary.

Mayur Padhya: Let me explain your observation. See, in Turkey, this dyestuff when we sold in the local market, over their credit period is a bit higher compared to what we have in India. Sometimes, it goes beyond six months to even nine months also. And the higher level of realization you look at because of the higher turnover which has happened in last quarter itself. So over there, credit period is a bit higher than what we have over here. See, we get cheques from the customers. It is kind of post-dated cheque. The system over there is whenever you issue a check, it must get cleared. Otherwise, it is a very big criminal offense. So normally, nobody dishonors their cheque, and whatever we receive check that get honored. But yes, credit period is a bit higher compared to what we enjoy in India.

Aditya Khetan: So, in what business is this subsidiary into?

Ankit Patel: It is into distribution of what we produce here mainly dyestuff. It is a kind of marketing arm for us.

Aditya Khetan: I am looking that a good amount of loans is being given to the subsidiary of SPS Processors, that has increased from Rs.42 crores in FY'19 to Rs.75 crores whereas I believe the revenues and profitability are very less, in fact, it is reporting a loss on the SPS Processors side. So, can you help me with the asset and liabilities of this subsidiary?

Ankit Patel: In subsidiary, Vinyl Sulphone plant, what we built is from Bodal's fund only. And at the same time, whatever working capital require increase over there, that is also being funded by Bodal. That company is a debt-free company. We are not enjoying any bank limit from there. So, whenever demand is low, fund do get blocked at inventory level as well as at the receivable level. So that is being funded by Bodal. That is why this has increased.

Aditya Khetan: Are you confident that the money given to your subsidiary would be repaid back considering the demand for the next two years of Vinyl Sulphone and H Acid?

Ankit Patel: Definitely, there is no question about it, it will be repaid.

Moderator: Thank you. The next question is from the line of Shantilal Patel from Shanti Patel & Associates. Please go ahead.

Shantilal Patel: I just wanted to know who are our main competitors in terms of production and capacity which we have built up and the sales if possible?

Mayur Padhya: I think some of the main competitors which have high capacities like us in the trade, I think one would be Kiri Industries and second Jay Chemicals Industries Limited, but they are more focused on the Dyestuff and also third one is Colourtex, which is South Gujarat-based, but their focus is even more on dyestuff than Jay Chemicals and similar model to ours would be Kiri Industries and Shree Pushkar, also has a similar model as ours which has a three step integration.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Mayur Padhya, Chief Financial Officer, for closing comments.

Mayur Padhya: Thank you very much for attending our conference call. And if anyone's questions remain unanswered, they can directly contact me, and I will be happy to answer it. Thank you and goodbye.

Moderator: Thank you. On behalf of Bodal Chemicals Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.