



Bodal Chemicals Ltd.
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By Online Submission

Sec/18-19/201
Date: 06/02/2019

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: EARNING PRESENTATION FOR Q3 FY2018-19 & 9MFY2018-19

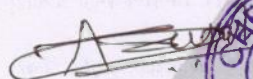
Ref: Regulation 30, Schedule III Part A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

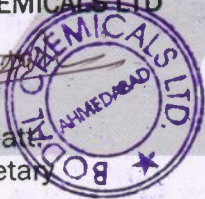
With reference to the above captioned subject, we herewith enclosed Earning Presentation for Q3 FY2018-19 & 9MFY2018-19.

This is for your information and record please.

Thanking You,

For, BODAL CHEMICALS LTD


Ashutosh B. Bhat
Company Secretary



Encl: As Above.

HEAD OFFICE:

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G.I.D.C, Vatva, Ahmedabad- 382 445.,
Gujarat, India.

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Quarterly Performance

Q3FY2018-19 & 9MFY2018-19

6 February 2019



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Important Notice

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 Limited undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.





Company Profile



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Bodal's History

- 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.



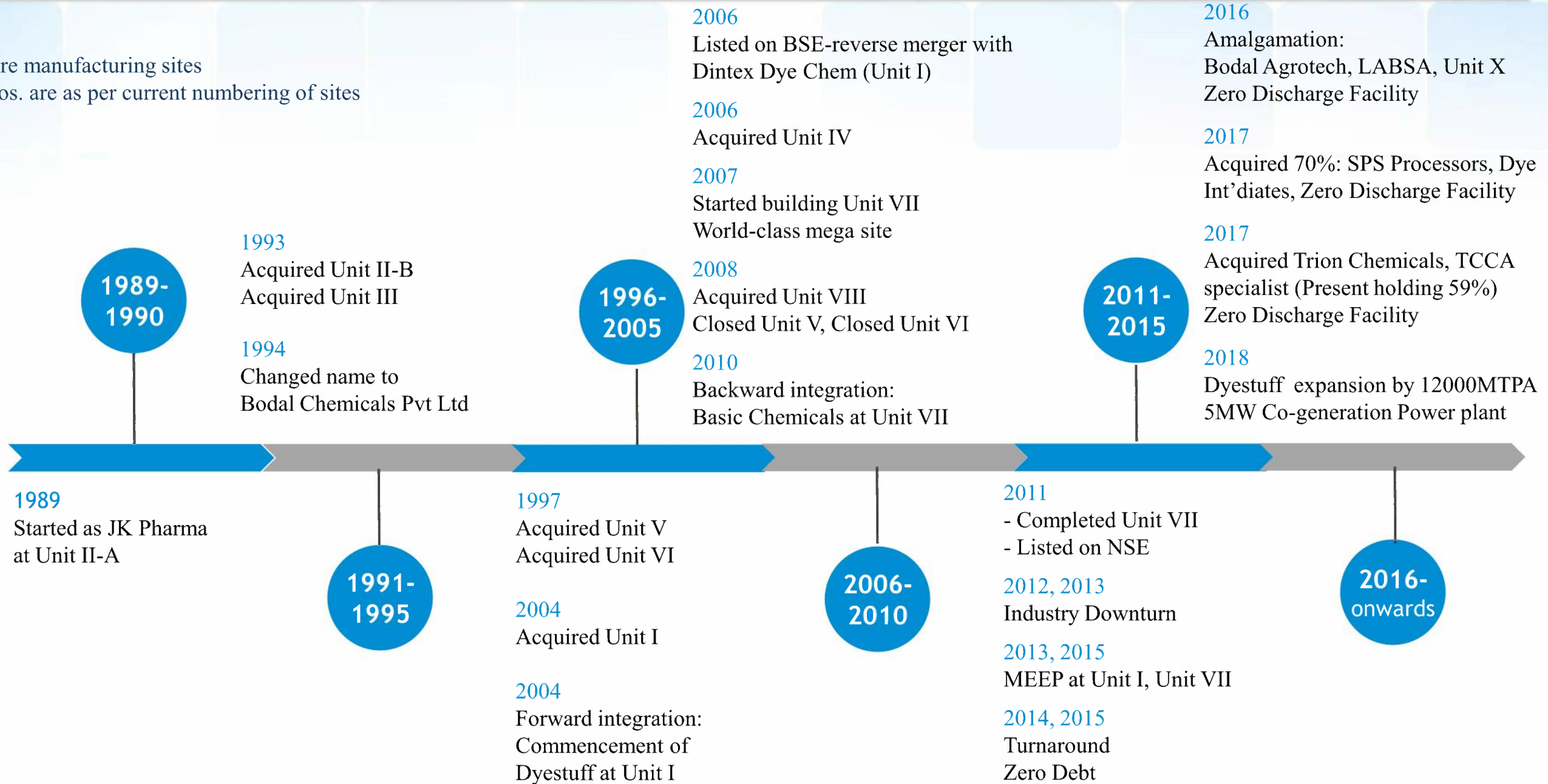
Bodal's History

- Bodal recently added Thionyl Chloride (TC) capacity of 36,000 tons per year which will be backward as well as forward integration for the business. The commercial operations should start by end of Q4FY19
- Company has four fully owned subsidiaries:
 1. S P S Processors Pvt. Ltd. (SPS)
 2. Trion Chemicals Pvt. Ltd. (TCPL)
 3. Bodal Chemicals Trading Private Limited (Recently added)
 4. Bodal Chemicals Trading (Shijiazhuang) Co. Ltd (Recently added)
- Market capitalization is Rs.12.63 billion (05-02-19). Promoters own 57.4%



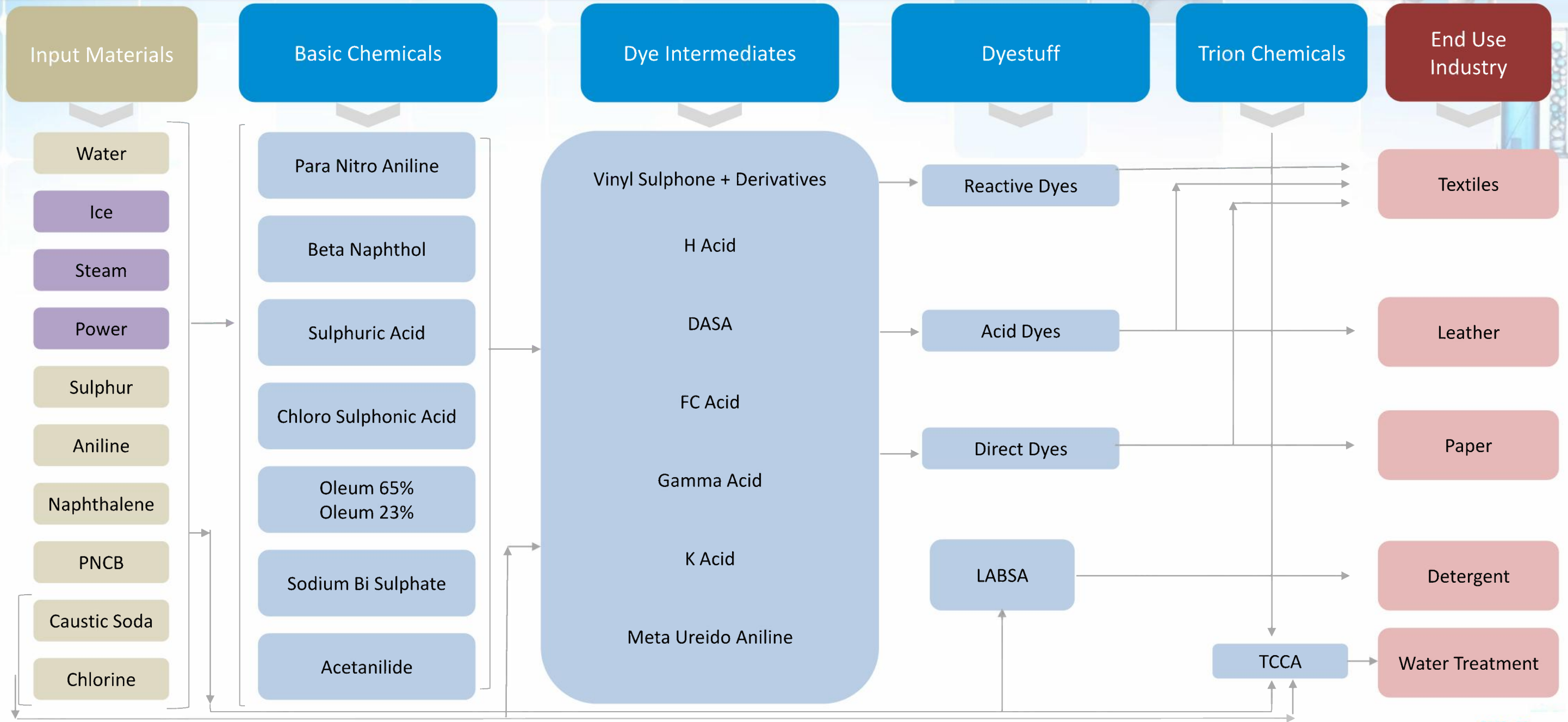
Journey

Notes:
Units are manufacturing sites
Unit Nos. are as per current numbering of sites



Manufacturing Value Chain

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



Note: Bodal recently added Thionyl Chloride (TC) capacity of 36,000 tons per year which should start production by Q4FY19

Quarterly Performance



Bodal Chemicals Ltd.
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Operational & Financial Highlights

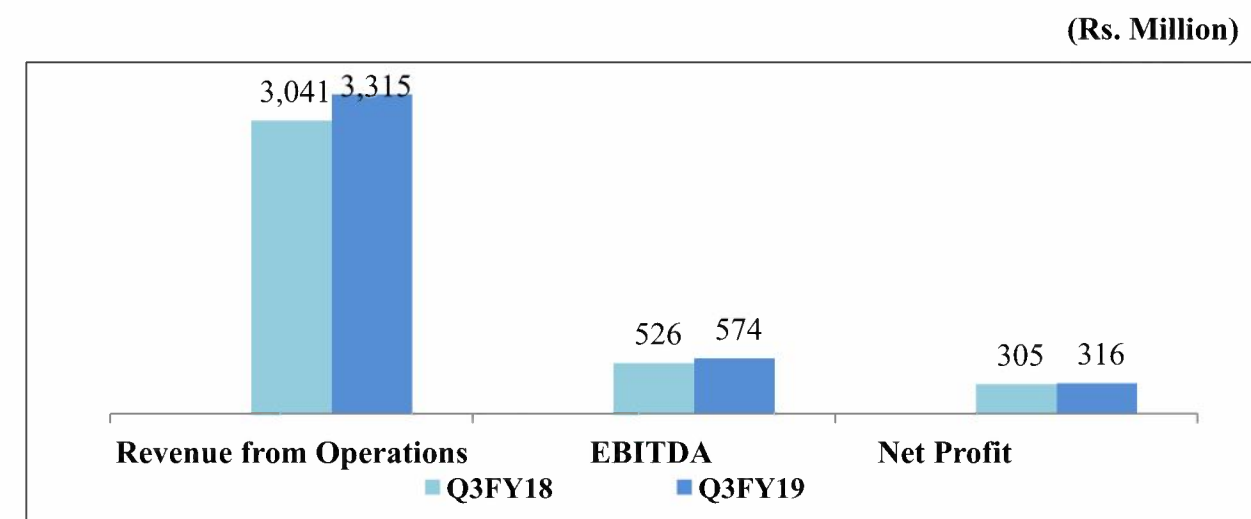
Highlights - Q3 FY19 (YoY)

Operational Highlights

- Total production remained flat yoy in Q3FY19 mainly due to plant shutdown during the quarter
- Dyestuff production grew by 3% yoy in Q3FY19 while Dye intermediates and Basic Chemicals production declined by 14% and 1% yoy respectively.
- Exports up by 78% yoy, from Rs. 857 Million to Rs. 1,529 Million

Financial Highlights

| (Rs. Millions) | Q3FY19 | Q3FY18 | % (YoY) |
|-------------------------|--------|--------|---------|
| Revenue from Operations | 3,315 | 3,041 | ▲ 9% |
| EBITDA* | 574 | 526 | ▲ 9% |
| EBITDA Margin (%) | 17.3% | 17.3% | ▲ 2 bps |
| Net Profit | 316 | 305 | ▲ 4% |



Note: EBITDA calculation excludes other income

Financial–Standalone basis

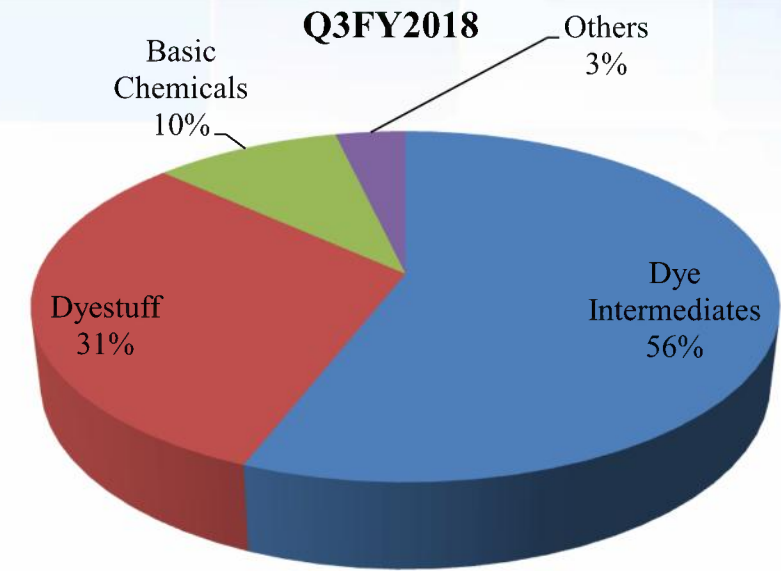
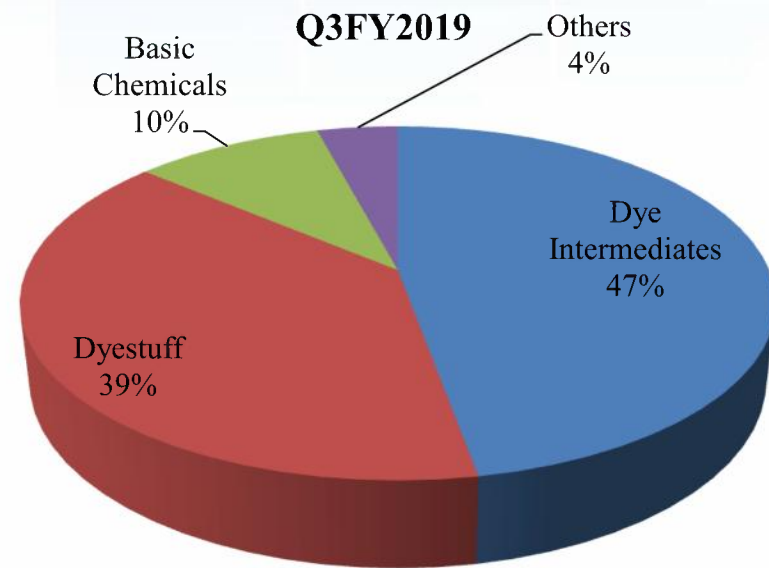
| Particulars | (Rs. million) | | |
|---|---------------|--------------|------------|
| | Q3FY19 | Q3FY18 | YoY (%) |
| Revenue from operations | 3,315 | 3,041 | 9% |
| Other Income | 20 | 23 | -11% |
| Total Income | 3,335 | 3,063 | 9% |
| Raw Materials Consumed | 2,159 | 1,951 | 11% |
| Employee Benefits | 173 | 119 | 45% |
| Other expenses | 409 | 445 | -8% |
| Total expenses | 2,741 | 2,515 | 9% |
| Earnings before Interest, Tax and Depreciation | 594 | 548 | 8% |
| Finance costs | 22 | 12 | 80% |
| Depreciation and amortisation expense | 47 | 65 | -28% |
| Profit before tax | 525 | 471 | 11% |
| Current Tax | 142 | 165 | - |
| Deferred Tax | 65 | 1 | - |
| Tax expense | 207 | 166 | 25% |
| Profit (Loss) for the period | 318 | 305 | 4% |
| IND AS Adjustments | (2) | (1) | - |
| Total Comprehensive Income for the period | 316 | 305 | 4% |
| EPS (Rs./ Share) (not annualised) | 2.59 | 2.56 | 1% |

Note: During Q3FY18, company successfully completed its QIP due to which weighted average no of shares have been considered for EPS calculation

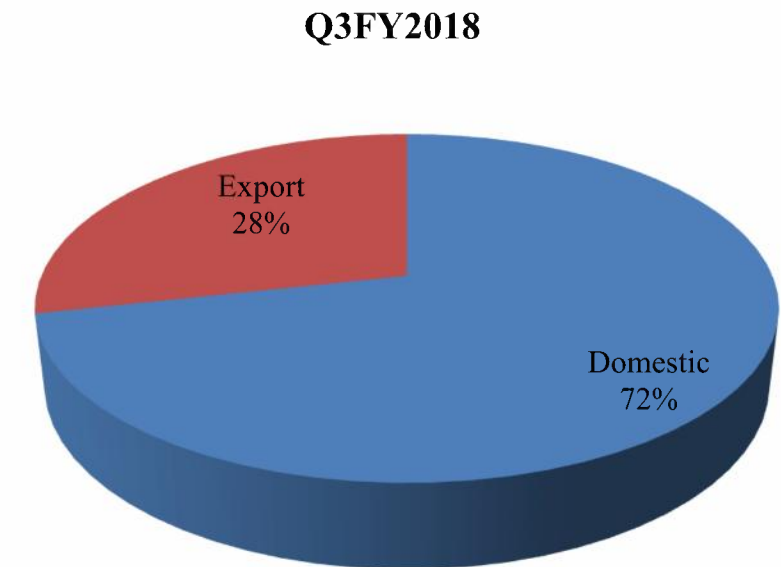
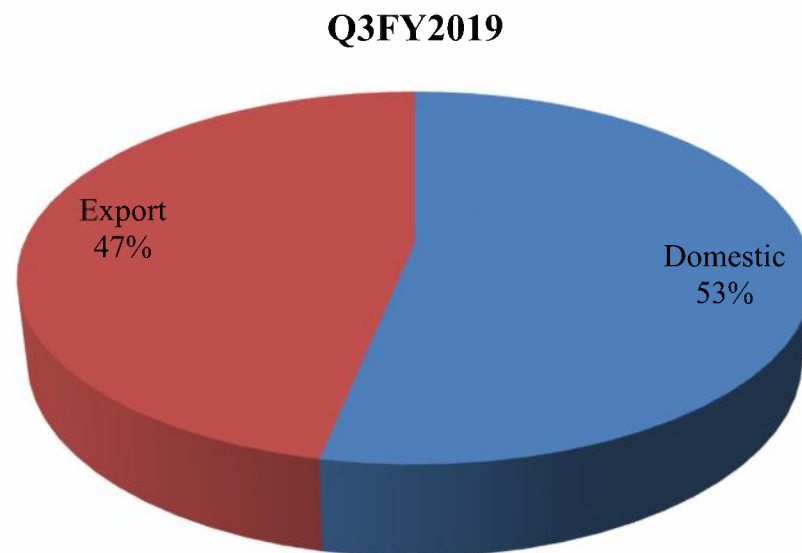
Revenue Breakup

Breakup (Standalone)

By Sub-Segment

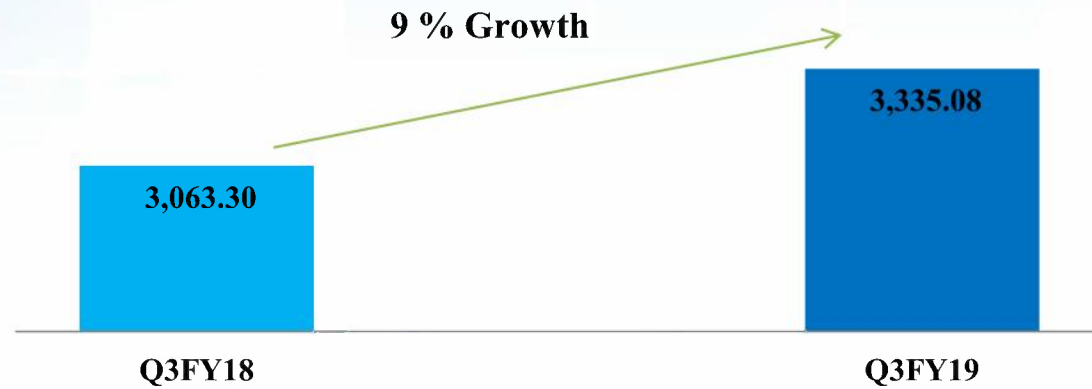


By Geography



Financial Highlights- Standalone

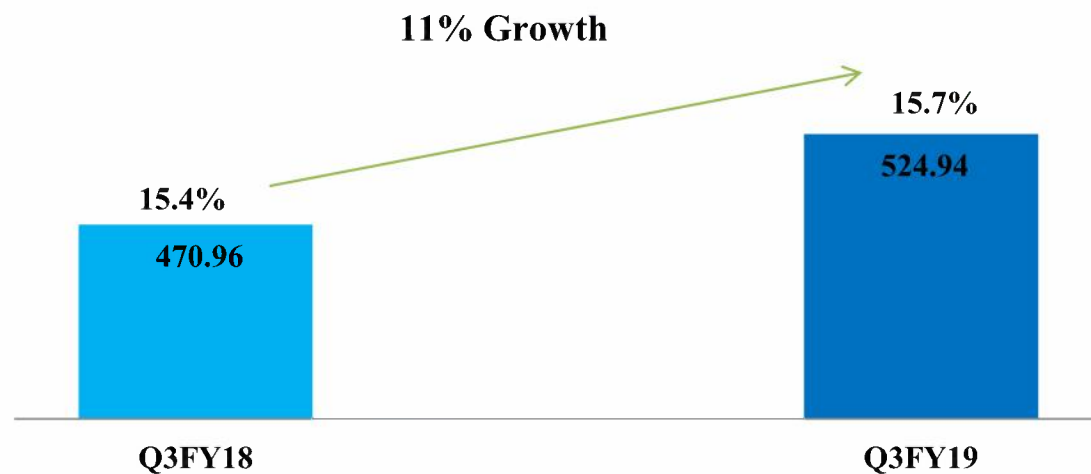
Total Income (Rs. Million)



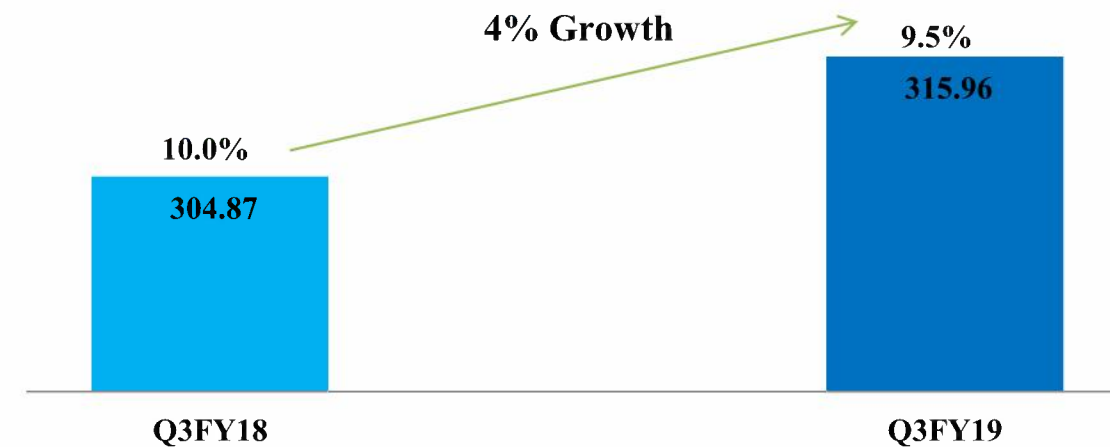
EBITDA* (Rs. Million) and Margin (%)



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



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



Nine months Performance



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Financial – Standalone basis

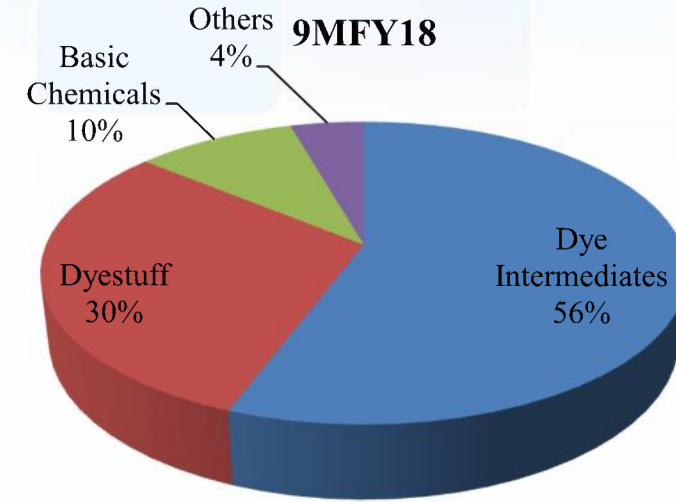
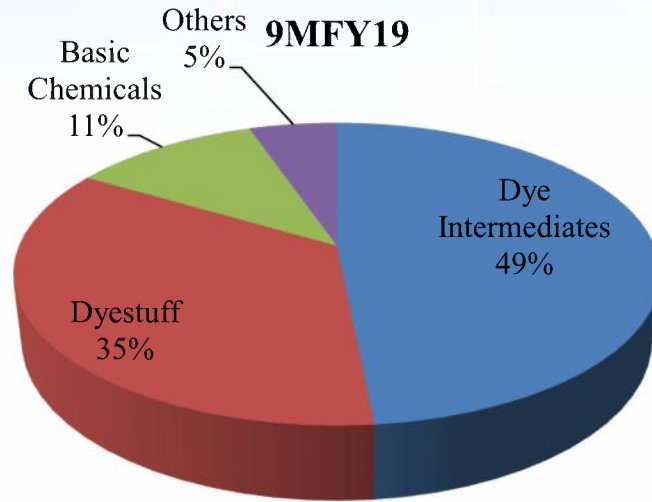
| | (Rs. million) | | |
|---|---------------|--------------|------------|
| Particulars | 9MFY19 | 9MFY18 | YoY (%) |
| Revenue from operations (Net of Excise Duty) | 10,587 | 8,386 | 26% |
| Other Income | 65 | 88 | -26% |
| Total Income | 10,653 | 8,474 | 26% |
| Raw Materials Consumed | 6,610 | 5,265 | 26% |
| Employee benefits | 486 | 326 | 49% |
| Other expenses | 1,595 | 1,296 | 23% |
| Total expenses | 8,691 | 6,887 | 26% |
| Earnings before Interest, Tax and Depreciation | 1,962 | 1,587 | 24% |
| Finance costs | 50 | 38 | 30% |
| Depreciation and amortisation expense | 134 | 190 | -29% |
| Profit before tax | 1,777 | 1,359 | 31% |
| Current Tax | 531 | 478 | |
| Deferred Tax | 102 | 2 | |
| Tax expense | 633 | 480 | 32% |
| Profit (Loss) for the period | 1,144 | 879 | 30% |
| IND AS Adjustments | (6) | (2) | |
| Total Comprehensive Income for the period | 1,138 | 877 | 30% |
| EPS (Rs./ Share) (not annualised) | 9.35 | 7.80 | 20% |

Note: During Q3FY18, company successfully completed its QIP due to which weighted average no of shares have been considered for EPS calculation

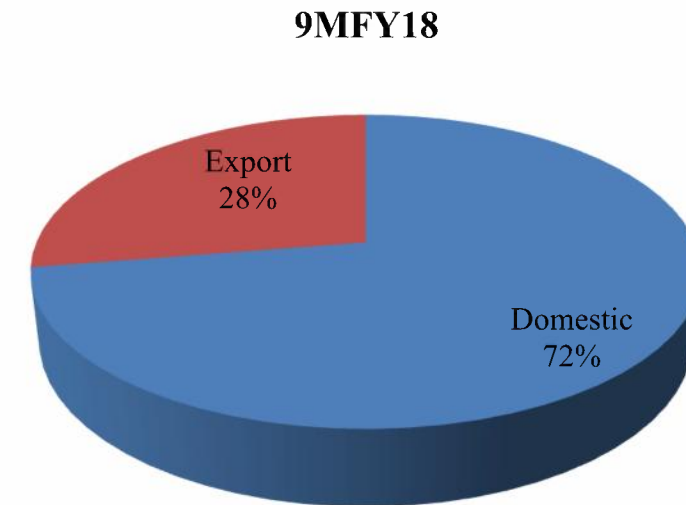
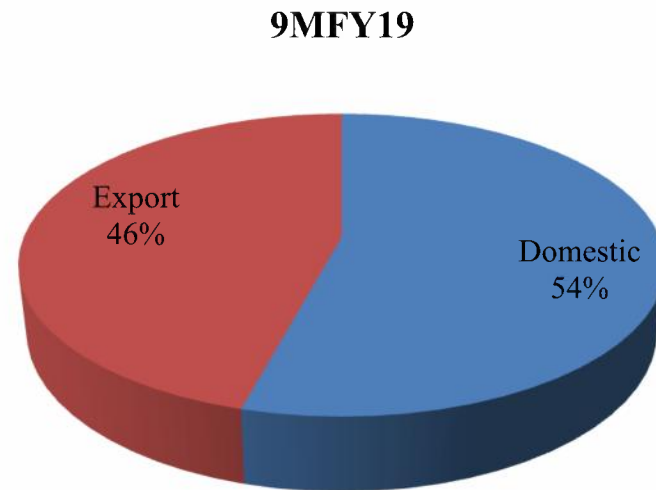
Revenue Breakup

Break-up (Standalone)

By Sub-Segment

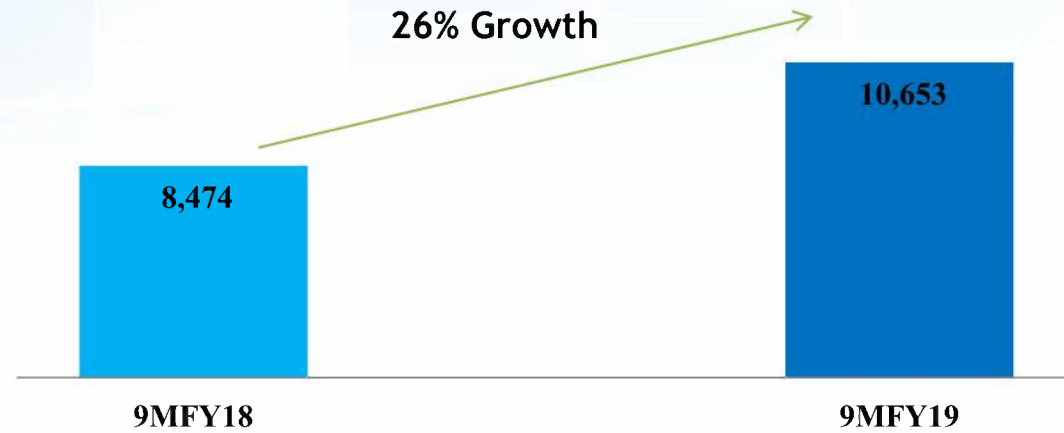


By Geography

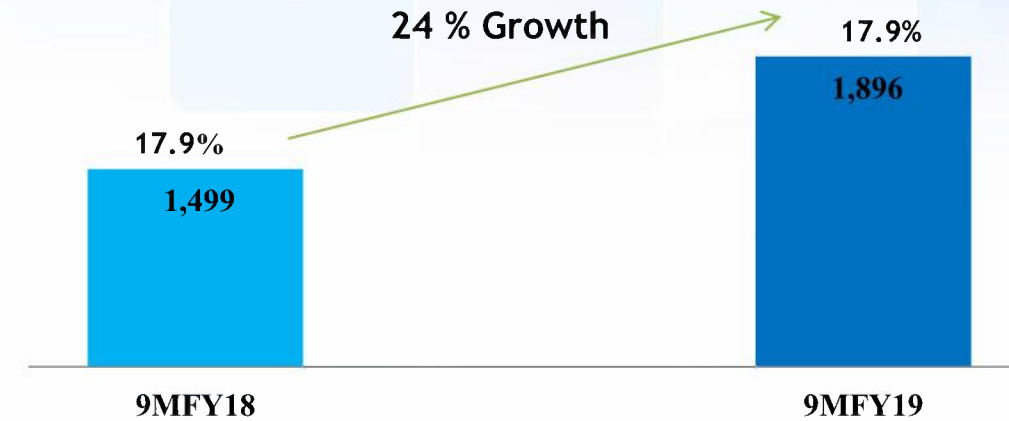


Financial Highlights- Standalone

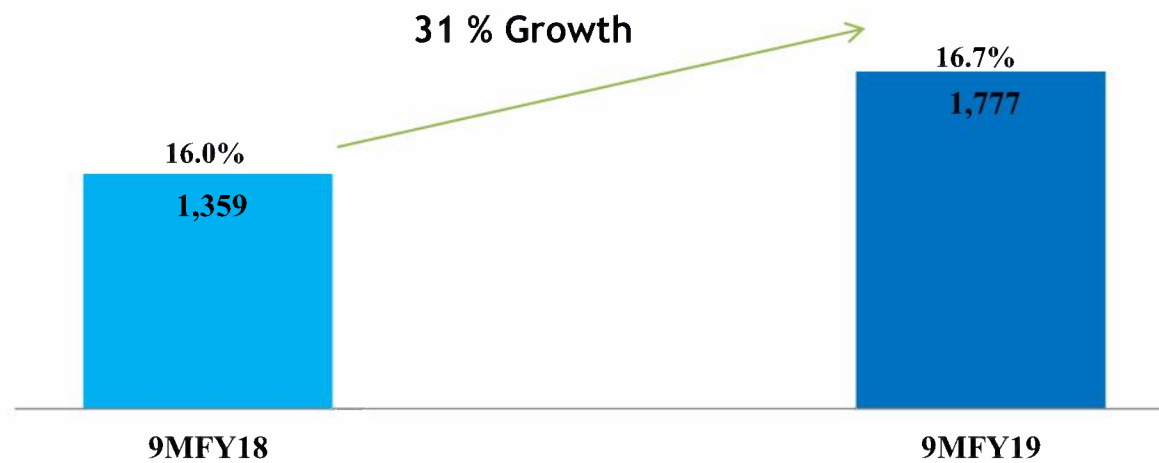
Total Income (Rs. Million)



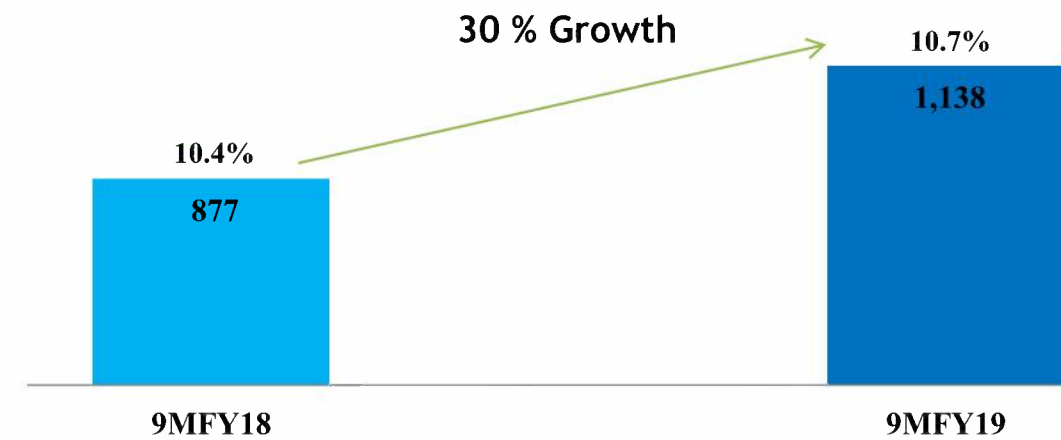
EBITDA * (Rs. Million) and Margin (%)



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



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



Note: EBITDA calculation excludes other income



Financials of Subsidiaries & Consolidated Numbers



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Financials of Subsidiaries & Consolidated Numbers

Subsidiaries

(Rs. million)

| SPS & Trion Particulars | Q3FY19 | | 9MFY19 | |
|----------------------------|--------|-------|--------|-------|
| | SPS | Trion | SPS | Trion |
| Total Income | 142 | 36 | 540 | 59 |
| EBITDA | (16) | (0) | 37 | (19) |
| PAT | (18) | (15) | (1) | (61) |

Consolidated

| Particulars | Quarterly | | Nine Monthly | |
|---------------------|-----------|--------|--------------|--------|
| | Q3FY19 | Q3FY18 | 9MFY19 | 9MFY18 |
| Operational Revenue | 3,343 | 3,072 | 10,792 | 8,729 |
| Other Income | 5 | 20 | 60 | 67 |
| Total Income (Net) | 3,348 | 3,093 | 10,852 | 8,796 |
| EBITDA | 562 | 555 | 1,983 | 1,561 |
| Margin % | 16.8% | 18.1% | 18.4% | 17.9% |
| PAT | 285 | 295 | 1,119 | 828 |

The background features a grid of light blue squares. Some squares contain faint, semi-transparent images: a molecular model of a polymer chain, a cluster of blue spheres, and laboratory glassware including a flask with a test tube, a beaker, and a graduated cylinder.

Management Comments on Results



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Management Comments on Results & Updates (1 of 2)

- Total production during the quarter remained flat yoy at 46,798 MT in Q3FY19 mainly due to plant shutdown because of planned maintenance schedule and environmental aspects
- However, the company achieved 9% growth in revenue YoY basis while EBITDA grew by 9% YoY in Q3FY19. EBITDA margins remained consistent at ~17.3% showing strength of our integrated business model.
- Total exports are up by 78% yoy at Rs 1.5bn and its share in total revenues increased to 47% in Q3FY19 from 28% in Q3FY18. This was the result of increased efforts by company to further enhance presence in different geographies.
- During the quarter, the company has commissioned Thionyl Chloride (TC) capacity of 36,000 tons per year and commercial production should start by end of Q4FY19



Management Comments on Results (2of 2)

- Dyestuff expansion : The company is on track to further expand dyestuff (powder) capacity by 6000 MTPA at Unit-7. We expect the same to become operational by Q1FY20. After this expansion total Dyestuff capacity (powder) of the company will be 35000MTPA .
- Subsidiaries: SPS posted loss for this quarter mainly due to decline in H Acid prices and we are working consistently to improve performance at SPS. Production at TRION has picked up and we expect to minimize losses going ahead.
- Recently, the company has incorporated two new subsidiaries to further increase the business activities in China and other geographies. One is Bodal Chemicals Trading Private Limited at India and the other is Bodal Chemicals Shijiazhuang Ltd at China.



Conference call to discuss Q3FY19 & 9MFY19 Results & Outlook

Management will discuss results of Q3 & 9MFY19 and Outlook on a conference call on 6th February 2019 at 4 PM India time.

The conference call dial-in numbers are:

Primary number: +91 22 6280 1271/+91 22 7115 8172

Local access number: +9170456 71221

The numbers listed above are universally accessible from all networks in all countries

International toll free number:

- USA : 13233868721
- UK : 44 2034785524
- Singapore : 44 2034785524
- Hong Kong : 85 230186877





Thank you



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CFO, Bodal Chemicals
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The background features a grid of light blue squares. Several squares contain images: a molecular model of a polymer chain, a cluster of blue spheres, and laboratory glassware including a flask with a test tube, a beaker with blue liquid, and a test tube rack with blue spheres.

Annexures



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Sale of products – by sub-segment and geography (Standalone)

| Geography- wise Revenues | Q3FY19 | % Share | Q3FY18 | % Share | YoYGrowth (%) |
|--------------------------|--------------|-------------|--------------|-------------|---------------|
| Domestic | 1,736 | 53% | 2,155 | 72% | -19% |
| Export | 1,529 | 47% | 857 | 28% | 78% |
| Total | 3,265 | 100% | 3,012 | 100% | 8.4% |

| Sub-Segment-wise Revenues | Q3FY19 | % Share | Q3FY18 | % Share | YoYGrowth (%) |
|---------------------------|--------------|-------------|--------------|-------------|---------------|
| Dye Intermediates | 1,540 | 47% | 1,684 | 56% | -8.6% |
| Dyestuff | 1,274 | 39% | 928 | 31% | 37.3% |
| Basic Chemicals | 316 | 10% | 291 | 10% | 8.6% |
| Others | 135 | 4% | 109 | 4% | 23.9% |
| Total | 3,265 | 100% | 3,012 | 100% | 8.4% |

| Geography- wise Revenues | 9MFY19 | % Share | 9MFY18 | % Share | YoYGrowth (%) |
|--------------------------|---------------|-------------|--------------|-------------|---------------|
| Domestic | 5,647 | 54% | 6,017 | 72% | -6.1% |
| Export | 4,777 | 46% | 2,287 | 28% | 108.9% |
| Total | 10,424 | 100% | 8,304 | 100% | 25.5% |

| Sub-Segment-wise Revenues | 9MFY19 | % Share | 9MFY18 | % Share | YoYGrowth (%) |
|---------------------------|---------------|-------------|--------------|-------------|---------------|
| Dye Intermediates | 5,052 | 48% | 4,626 | 56% | 9.2% |
| Dyestuff | 3,653 | 35% | 2,516 | 30% | 45.2% |
| Basic Chemicals | 1,171 | 11% | 796 | 10% | 47.1% |
| Others | 548 | 5% | 366 | 4% | 49.7% |
| Total | 10,424 | 100% | 8,304 | 100% | 25.5% |

Production Quantity Metric Tons (MT)

| Production MT | Q3FY 19 | Q3FY 18 | YoY (Growth) |
|--------------------|---------|---------|--------------|
| Dyestuff | 4,067 | 3,956 | 3% |
| Dyes Intermediates | 5,084 | 5,917 | -14% |
| Basic Chemicals | 37,647 | 37,858 | -1% |

| Production MT | 9MFY 19 | 9MFY 18 | YoY (Growth) |
|--------------------|---------|---------|--------------|
| Dyestuff | 13,702 | 11,296 | 7% |
| Dyes Intermediates | 17,332 | 16,449 | 2% |
| Basic Chemicals | 139,617 | 129,463 | 4% |