



Bodal Chemicals Ltd.
COLOURS. INTEGRATION. INNOVATION.

By Online Submission

Sec/20-21/135
Date: 09-02-2021

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: Investor Presentation-Q3 & 9MFY21

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 Investor Presentation for Q3 & 9M FY21.

This is for your information and record please.

Thanking You,
For, **BODAL CHEMICALS LTD.**


Ashutosh B. Bhatt.
Company Secretary
Encl: As Above



HEAD OFFICE:

Plot No. 123-124, Phase-1,
G.I.D.C, Vatva, Ahmedabad- 382 445.,
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Investor Presentation

Q3 & 9MFY21

9th February 2021

Disclaimer

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.

Quarterly Performance

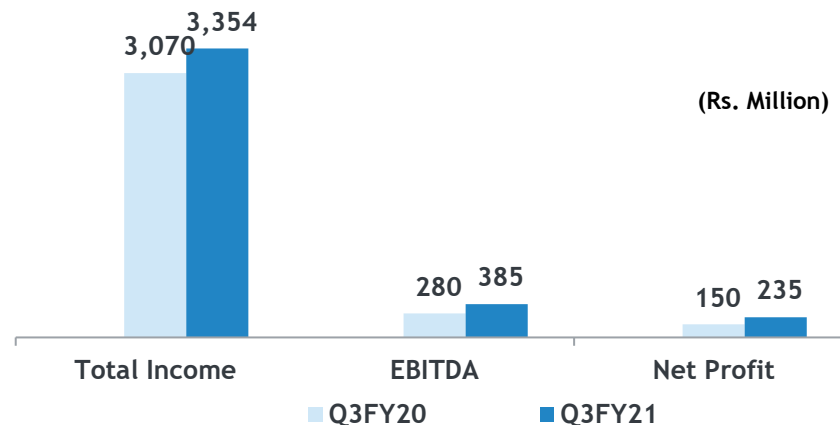
Q3FY21 Performance

Operational Highlights

- For Q3FY21, production of Dye Intermediates and Basic Chemicals improved 43% and 33% YoY respectively while production of Dyestuffs remained flat YoY.
- We expect Dyestuffs production levels to improve from Q4FY21 due to gradual increase in demand in domestic as well as export markets.

Financial Highlights (Standalone)

| Particulars | (Rs. Million) | |
|-------------------|---------------|--------|
| | Q3FY21 | Q3FY20 |
| Total Income | 3,354 | 3,070 |
| EBITDA | 385 | 280 |
| EBITDA Margin (%) | 11.5% | 9.1% |
| Net Profit | 235 | 150 |



Note: EBITDA includes other income. And net profit includes other comprehensive income

Financial - Standalone Basis

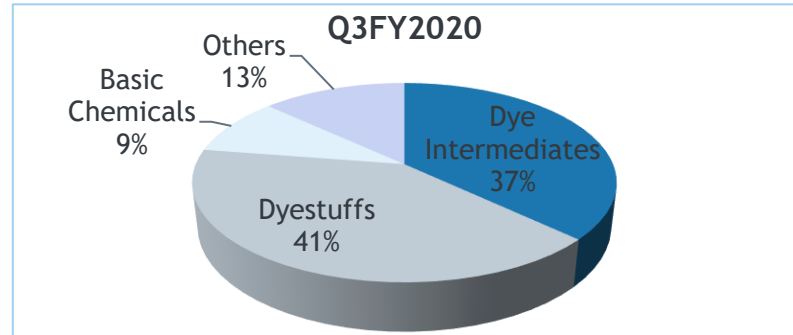
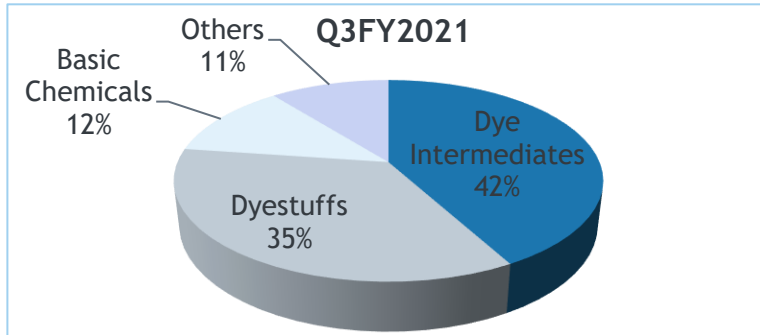
| Particulars | (Rs. million) | | |
|---|---------------|--------------|-------------|
| | Q3FY21 | Q3FY20 | YoY (%) |
| Revenue from operations | 3,307 | 3,012 | 10% |
| Other income | 47 | 57 | -18% |
| Total Income | 3,354 | 3,070 | 9% |
| Raw materials consumed | 2,121 | 2,019 | 5% |
| Employee benefits | 191 | 188 | 2% |
| Other expenses | 657 | 583 | 13% |
| Total expenses | 2,969 | 2,790 | 6% |
| Earnings before interest, tax and depreciation | 385 | 280 | 38% |
| Finance costs | 15 | 43 | -65% |
| Depreciation and amortization expense | 71 | 66 | 7% |
| Profit before tax | 299 | 171 | 75% |
| Tax expense | 69 | 19 | 256% |
| Profit (Loss) for the period | 231 | 152 | 52% |
| IND AS Adjustments | 4 | (1) | NA |
| Total comprehensive income for the period | 235 | 150 | 56% |
| EPS (Rs./ Share) (not annualized) | 1.88 | 1.24 | 52% |

Note: EBITDA includes other income. Q3FY20 performance include Trion Chemicals as it has been amalgamated with Bodal Chemicals Ltd w.e.f. 1st April 2019.

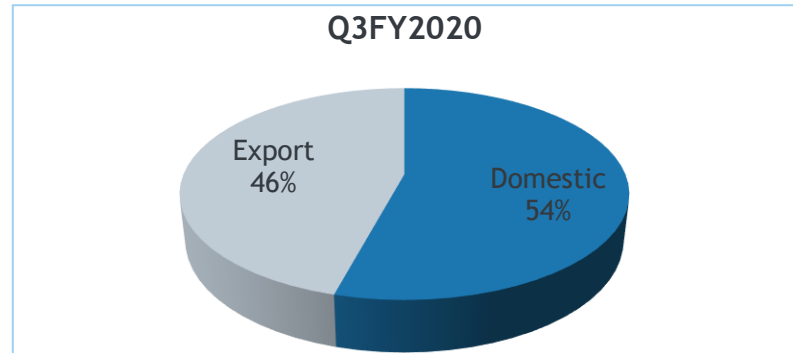
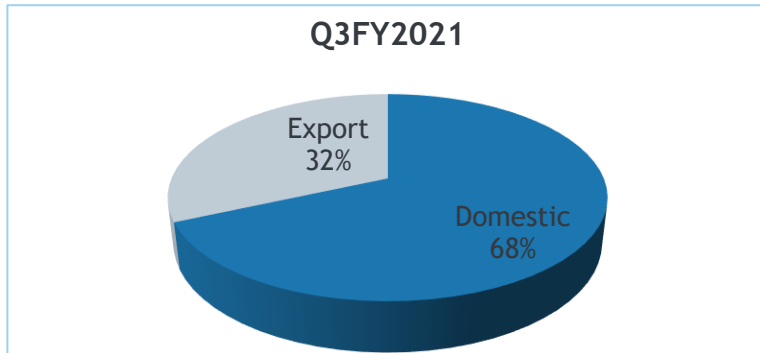
Revenue Breakup

Breakup (Standalone)

By Sub-Segment



By Geography





Nine Monthly Performance

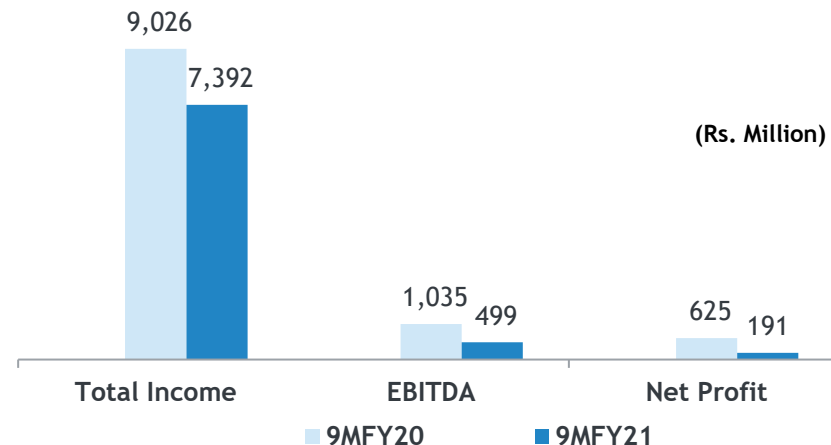
9MFY21 Performance

Operational Highlights

- 9MFY21 financial performance is not comparable to 9MFY20 due to Q1FY21 being impacted by the lockdown because of Covid-19.
- For 9MFY21, production of Dyestuffs, Dye Intermediates and Basic Chemicals declined by 45%, 37% and 24% YoY respectively.

Financial Highlights (Standalone)

| Particulars | (Rs. Million) | |
|-------------------|---------------|--------|
| | 9MFY21 | 9MFY20 |
| Total Income | 7,392 | 9,026 |
| EBITDA | 499 | 1,035 |
| EBITDA Margin (%) | 6.8% | 11.5% |
| Net Profit | 191 | 625 |



Note: EBITDA includes other income. And net profit includes other comprehensive income

Financial - Standalone Basis

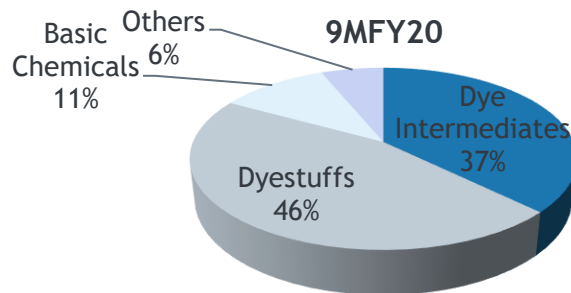
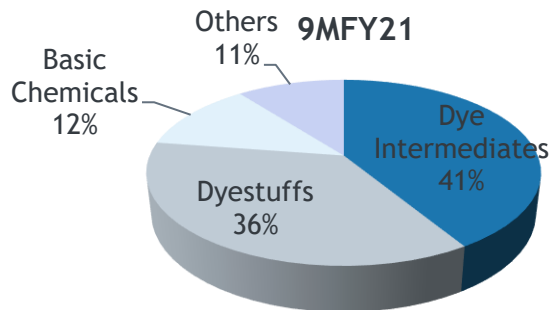
| Particulars | (Rs. million) | | |
|---|---------------|--------------|-------------|
| | 9MFY21 | 9MFY20 | YoY (%) |
| Revenue from operations | 7,237 | 8,920 | -19% |
| Other income | 155 | 106 | 46% |
| Total Income | 7,392 | 9,026 | -18% |
| Raw materials consumed | 4,857 | 5,681 | -15% |
| Employee benefits | 539 | 533 | 1% |
| Other expenses | 1,497 | 1,777 | -16% |
| Total expenses | 6,893 | 7,992 | -14% |
| Earnings before interest, tax and depreciation | 499 | 1,035 | -52% |
| Finance costs | 59 | 112 | -47% |
| Depreciation and amortization expense | 210 | 193 | 9% |
| Profit before tax | 230 | 730 | -68% |
| Tax expense | 51 | 101 | -49% |
| Profit (Loss) for the period | 179 | 630 | -72% |
| IND AS Adjustments | 12 | (4) | NA |
| Total comprehensive income for the period | 191 | 625 | -69% |
| EPS (Rs./ Share) (not annualized) | 1.46 | 5.15 | -71% |

Note: EBITDA includes other income. 9MFY20 performance include Trion Chemicals as it has been amalgamated with Bodal Chemicals Ltd w.e.f. 1st April 2019.

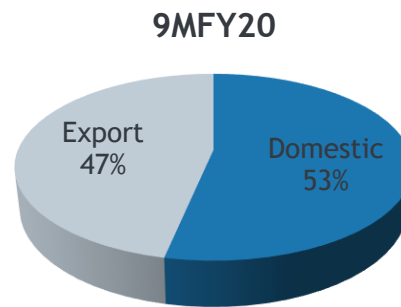
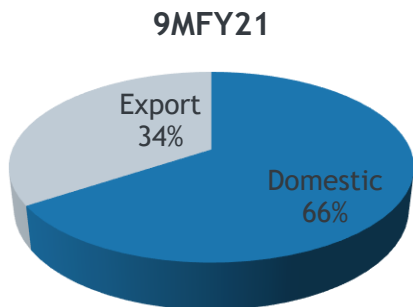
Revenue Breakup

Breakup (Standalone)

By Sub-Segment



By Geography





Consolidated Performance

Consolidated Financials

| Subsidiaries (Rs. million) | | | | |
|----------------------------|--------|-------|-----------|------------|
| Particulars | Q3FY21 | | | |
| | SPS | BCTPL | BCL-China | Sener Boya |
| Total Income | 339 | 81 | 73 | 236 |
| EBITDA | 30 | 1 | 12 | 75 |
| PAT | 2 | 1 | 9 | 30 |

| Consolidated Financials (Rs. million) | | | | |
|---------------------------------------|--------------|--------------|--------------|---------------|
| Particulars | Quarterly | | Nine Monthly | |
| | Q3FY21 | Q3FY20 | 9MFY21 | 9MFY20 |
| Operational Revenue | 3,661 | 3,264 | 7,937 | 10,063 |
| Other Income | 70 | 48 | 161 | 67 |
| Total Income (Net) | 3,732 | 3,312 | 8,098 | 10,131 |
| EBITDA | 456 | 278 | 565 | 1,044 |
| Margin % | 12.2% | 8.4% | 7.0% | 10.3% |
| PAT | 258 | 115 | 178 | 588 |

Note: EBITDA includes other income, PAT includes other comprehensive income. Q3&9MFY20 performance include Trion Chemicals as it has been amalgamated with Bodal Chemicals Ltd w.e.f. 1st April 2019.



Segment Wise Data

Sale of Products

(Rs. million)

| Geography- wise Revenues | Q3FY21 | % Share | Q3FY20 | % Share | YoY (%) |
|--------------------------|--------------|-------------|--------------|-------------|-----------|
| Domestic | 2,251 | 68% | 1,668 | 54% | 35% |
| Export | 1,043 | 32% | 1,409 | 46% | -26% |
| Total | 3,294 | 100% | 3,077 | 100% | 7% |

| Sub-Segment-wise Revenues | Q3FY21 | % Share | Q3FY20 | % Share | YoY (%) |
|---------------------------|--------------|-------------|--------------|-------------|-----------|
| Dye Intermediates | 1,382 | 42% | 1,138 | 37% | 21% |
| Dyestuffs | 1,160 | 35% | 1,244 | 40% | -7% |
| Basic Chemicals | 398 | 12% | 290 | 9% | 37% |
| Others | 353 | 11% | 404 | 13% | -13% |
| Total | 3,294 | 100% | 3,077 | 100% | 7% |

Note: Revenues from Trion Chemicals has been added in "Others" segment due to amalgamation with Bodal Chemicals Ltd w.e.f. 1st April 2019.

Production Data

| Production MT | Q3FY21 | Q3FY20 | YoY (%) |
|--------------------|--------|--------|---------|
| Dyestuffs | 4,476 | 4,530 | -1% |
| Dyes Intermediates | 7,166 | 5,022 | 43% |
| Basic Chemicals | 56,757 | 42,532 | 33% |

| Production MT | 9MFY21 | 9MFY20 | YoY (%) |
|--------------------|----------|----------|---------|
| Dyestuffs | 9,623 | 13,885 | -31% |
| Dyes Intermediates | 14,750 | 17,064 | -14% |
| Basic Chemicals | 1,34,759 | 1,45,229 | -7% |



Diversification and Acquisition

Projects at Saykha - Gujarat

- Bodal Chemicals Ltd (Bodal) announces increase in the capacity of Specialty Benzene Downstream Products from 55,000 MTPA (announced in September 2020 board meeting) to 78,960 MTPA. Capacity of Sulphuric Acid & its derivatives remain unchanged at 3,40,000 MTPA.
- Total cost of the project including one time infrastructure cost will be Rs 400cr. Out of that, cost of the Benzene Downstream products will be Rs 220cr (from Rs 165cr announced earlier) and cost of Sulphuric Acid & its Derivatives will be around Rs 125cr.
- We have already started the work at the site located at Saykha GIDC, Bharuch, Gujarat. These projects are expected to get completed by end of Q3FY23 and will further enhance 'Specialty Chemicals Segment' for Bodal.
- We will be setting up integrated product chain at this plant which will lead to cost efficiency, better productivity, and high margins for the company.
- We expect these projects to generate additional revenues of around Rs 550cr (from Rs 400cr announced earlier) at optimum utilization levels with EBITDA margins in the range of 15% to 18%.

Siel Chemical Complex (SCC)

(1 / 2)

- Bodal Chemicals Ltd (Bodal) announces acquisition of Siel Chemical Complex (SCC), which is a unit of Mawana Sugars Ltd, located at Rajpura, Punjab. SCC is built on a fully developed land area of ~124 acres (of which ~60 acres is surplus).
- SCC is one of the largest players in Chlor Alkali segment in north India having Caustic Soda capacity of 82,500 MTPA with a well-diversified client base capturing all major companies in Paper, Soap/Detergent, Textile etc and supplying to leading companies like HUL, Nestle, Indian Oil Corporation, HPCL, Vardhman, and Trident Group etc.
- The plant of SCC is very well integrated with internal and adjoining assured consumption of Chlorine for around 80% in Stable Bleaching Powder (SBP), Hydrochloric Acid (HCL), Sodium Hypochlorite (HYPO) and through pipeline sales to adjacent units. Rest Chlorine gets sold through cylinders to other third-party consumers.
- Current Capacities of SCC are as follows:

| Products | Installed Capacity (MTPA) |
|-------------------------------|---------------------------|
| Caustic soda | 82,500 |
| Chlorine | 73,095 |
| Hydrogen | 2,063 |
| Hydrochloric Acid (HCL) | 66,000 |
| Sodium Hypochlorite (HYPO) | 23,100 |
| Stable Bleaching Powder (SBP) | 18,000 |

Siel Chemical Complex (SCC)

(2/2)

- Bodal will acquire SCC at total cost of around Rs 137cr on slump sale basis (plus stamp duty of around Rs 6cr).
- After acquisition, Bodal will upgrade the technology of the plant which will result in substantial reduction in the power costs, annual repair & maintenance costs (cell refurbishment costs) and increase in production capacity for Caustic Soda plant from 82,500 MTPA to 99,000 MTPA.
- We expect to complete the acquisition of SCC by March 2021 and upgradation of the plant will be commenced immediately after the acquisition and should be completed by September 2022. During the upgradation process, plant will be under operations with about 70% utilization of existing capacity.
- We expect SCC to generate additional revenues of around Rs 300cr after upgradation of the plant at optimum utilization levels with EBITDA margins in the range of 20% to 22%.

Management Comments

Management Comments

- Total production during Q3FY21 improved by 31% YoY to 68,400 MT. For Q3FY21 on standalone basis, Basic Chemicals production (including Thionyl Chloride) stood at 56,757 MT (+33% YoY), Dye Intermediates production was 7,166 MT (43% YoY) and Dyestuffs (powder) production was 4,476 MT (-1% YoY).
- We did not take shutdown for Basic Chemicals plant in Q3FY21 (which we take every year in 3rd quarter) due to higher demand. We shall be taking the same in February 2021.
- During H1FY21, we did de-bottlenecking of our Dye Intermediates plants due to which we can now achieve capacity utilization around 95% both at Bodal Chemicals and SPS Processors.
- Total standalone income for Q3FY21 improved by 9% YoY due to improvement in demand for our products after unlock in the country as well as global markets.
- Gross margins improved YoY and QoQ due to lower Raw Materials prices in Q3FY21 leading to increase in operational EBITDA margins.
- Finance cost declined to Rs 15mn (-17% QoQ & -65% YoY) in Q3FY21 due to decline in interest rates and lower short term debt levels.

Management Comments

- We have started the production at Trion Chemicals (Trion) plant from September 2020 and production reached to around 230 MT per month in Q3FY21. Trion plant is expected to contribute to profitability going forward.
- SPS plant has all the approvals in place to commence manufacturing of Vinyl Sulphone (VS). We are planning to commence the production from Q1FY22 after changes with respect to technology.
- Sales from Sen-er Boya (Sener) unit at Turkey increased to around 300 MT per month in Q3FY21 and we believe it should improve further going ahead.
- Financial performance in Q3FY21:
 - ✓ Trion posted revenues of Rs 31mn with near to breakeven EBITDA and PAT levels.
 - ✓ SPS posted revenues of Rs 339mn with EBITDA of Rs 30mn in Q3FY21.
 - ✓ Sener posted revenues of Rs 236mn with EBITDA of Rs 75mn in Q3FY21.
- With the improvement in the Demand scenario for Chemical Sector globally, we believe Bodal is on strong growth path with strong standalone business model, improvement in performance of all subsidiaries and addition of new capacities via expansion/diversification, & acquisition.

Company Profile

Vision and Mission Statements

Vision

“ To become one of the prominent chemical company with distinctive integrated production models and varied products portfolio on a global arena ”

Mission

“ To achieve sustainable growth in business by providing best quality products & services to customers, taking utmost care of all our stakeholders and focus on Environment, Social and Governance policies ”

History of Bodal Chemicals Ltd (Bodal)

- Bodal was incorporated in 1989 by Mr. Suresh Patel, a first-generation entrepreneur. Bodal commenced its operations by setting up small Vinyl Sulphone plant at Ahmedabad (Gujarat).
- At present there are three sub - segments of Products:
 - ✓ Dye Intermediates (about 25 products)
 - ✓ Dyestuff (about 175 products)
 - ✓ Sulphur & Bulk Chemicals (about 12 products)
- Today, Bodal is one of the globally leading, integrated Dyestuff companies from India. The company has 9 manufacturing units in Gujarat, 1 in Uttarpradesh and 7 depots across India. Bodal also have 3 overseas depots in China, Turkey and Bangladesh.

History of Bodal Chemicals Ltd (Bodal)

- Bodal has strong presence across the globe. At present Bodal exports around 45% of its sales to 150+ customers in more than 45 countries.

- Subsidiaries:
 1. S P S Processors Pvt. Ltd. (SPS) - 70% holding
 2. Bodal Chemicals Trading Private Ltd. (BCTPL) - 100% holding
 3. Bodal Chemicals Trading (Shijiazhuang) Co. Ltd. (BCL-China) - 100% holding
 4. Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd (SEN-ER BOYA) - 80% holding
 5. Bodal Bangla Ltd (Bodal Bangla) - 100% holding
 - Step-down subsidiary:
 1. Senpa Dis Ticaret Anonim Sirketi

 - Trion Chemicals Ltd (Trion) has been amalgamated with Bodal Chemicals Ltd w.e.f. 1st April 2019 (NCLT order vide dated 31st December 2020)

Bodal at a Glance

Bodal is one of the largest manufacturers and exporters of multiple chemical products including Dyestuffs, Dye Intermediates, Basic Chemicals, and its variants. Bodal's wide range of products make it a well-integrated player enjoying a lowered cost of production. Besides, Bodal is also an end-to-end solution provider for its customers.

30+

years of experience
(Incorporated in
the year 1989)

10

Manufacturing
Facilities

5

Operating
Subsidiaries

70+

Distributors Network
Across India

10

7 Domestic Depots and
3 Overseas Depots
(China, Turkey &
Bangladesh)

150+

Overseas Customers

30+

Overseas Employees

1,560+

Domestic Employees

600+

Numbers of Customers

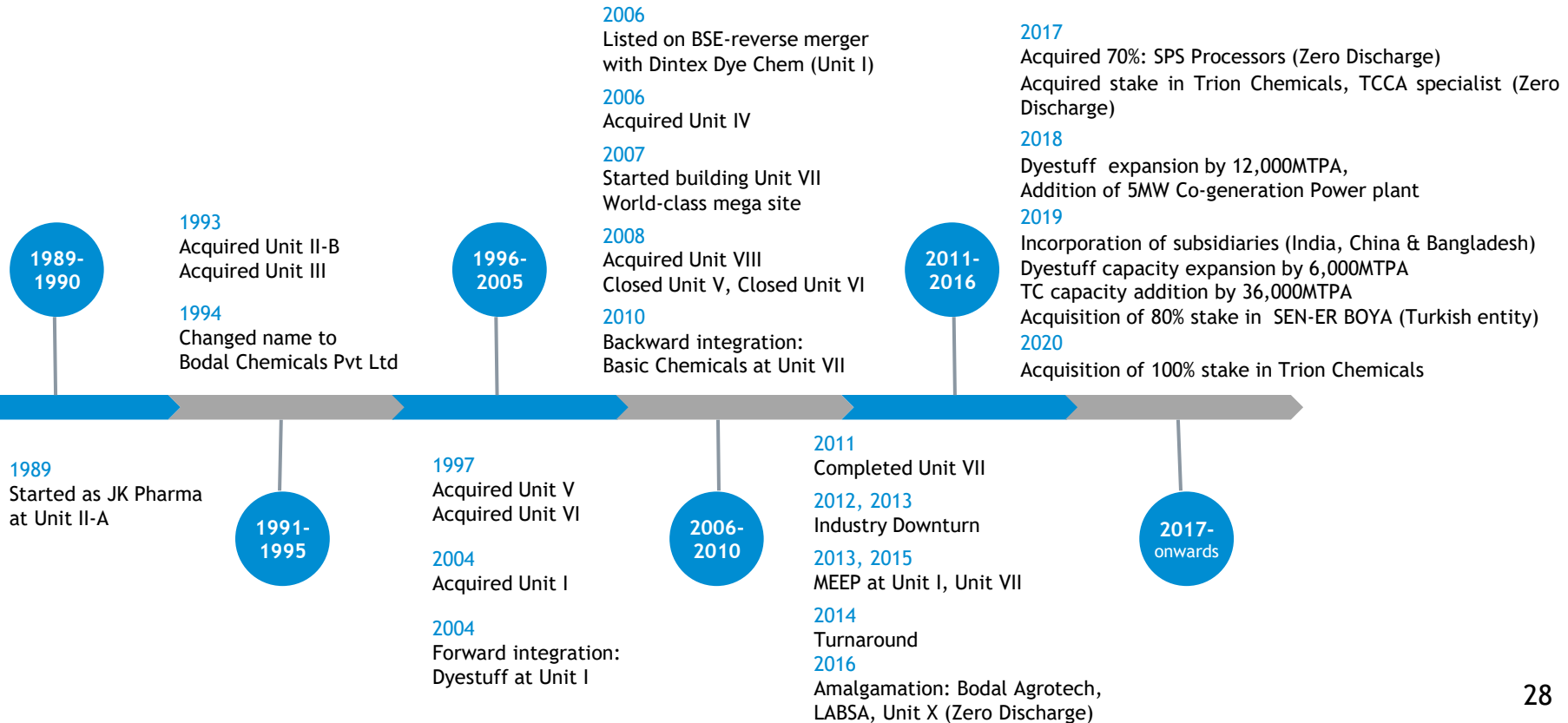
200+

Product Choice

1,500+

Contract Labours

Timeline

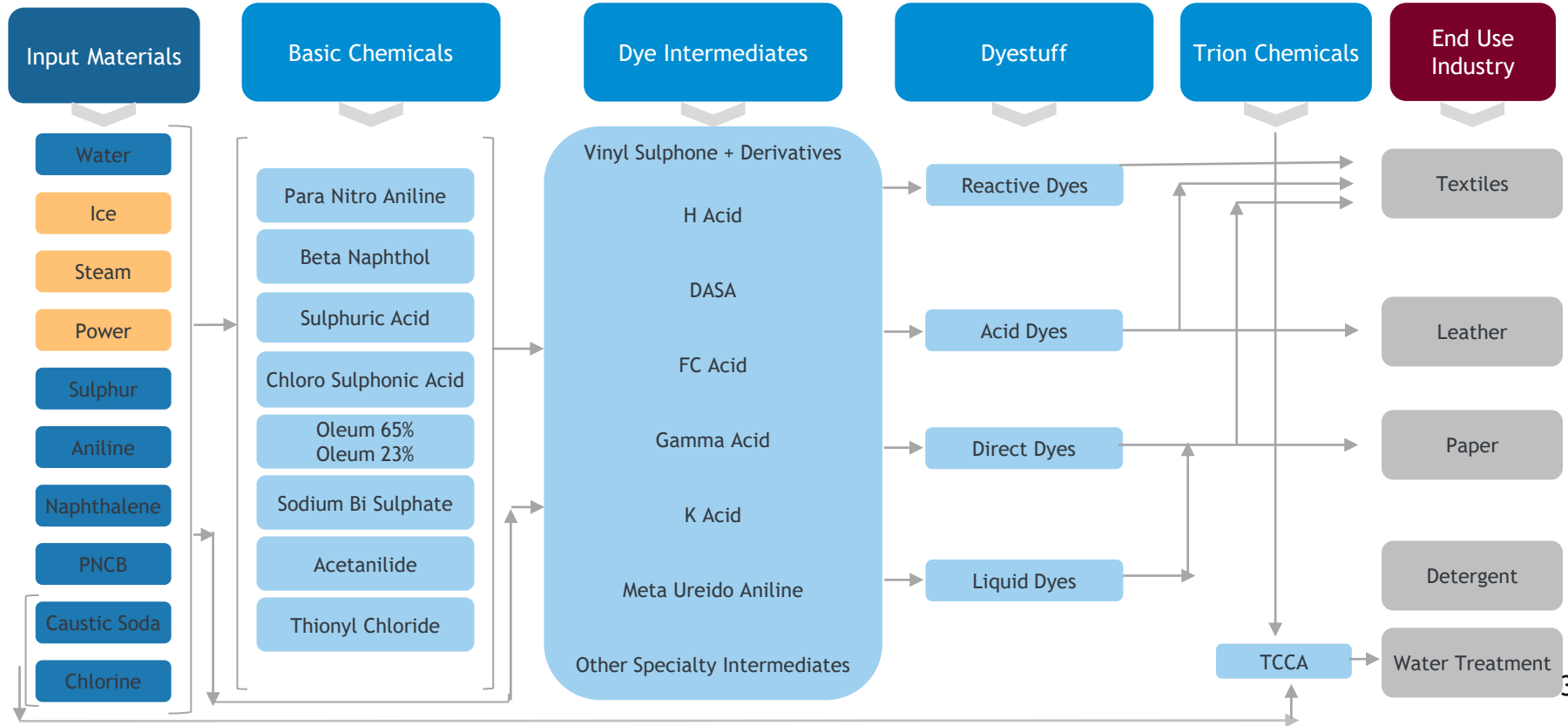




Integrated Business Model

Manufacturing Value Chain

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



Integrated Products Portfolio

| Segment | Product | Revenue Share 9MFY21 (%) | Production Capacity | Utilization* (9MFY21) |
|--------------------------|--|-----------------------------|------------------------|--------------------------|
| Basic Chemical | Sulphuric Acid Chlorosulphonic Acid Sulphur Trioxide Oleum 23% & 65% Sodium Bisulphate Acetanilide Thionyl Chloride Beta Nephthol Para Nitro Aniline | -12.1% | 2,26,000 MT | 79.5% |
| Dye Intermediates | Vinyl Sulphone & Derivatives + <ul style="list-style-type: none"> • Vinyl Sulphone Ester (Acetanilide Parabase) • Vinyl Sulphone Paracresidine Base • Ortho Anisidine Vinyl Sulphone • Sulpho Ortho Anisidine Vinyl Sulphone • Sulpho Para Vinyl Sulphone • PCVS 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 DIAZO | -41.2% | 33,000 MT | 59.6% |
| Dyestuffs* | Reactive Dyes Acid Dyes Direct Dyes Liquid Dyes | -36.2% | 35,000 MT | 36.7% |

Note: Dyestuffs capacity refers to Powder form only (Except Liquid Dyes capacity of 10,000 MTPA). Capacity utilization is annualized.

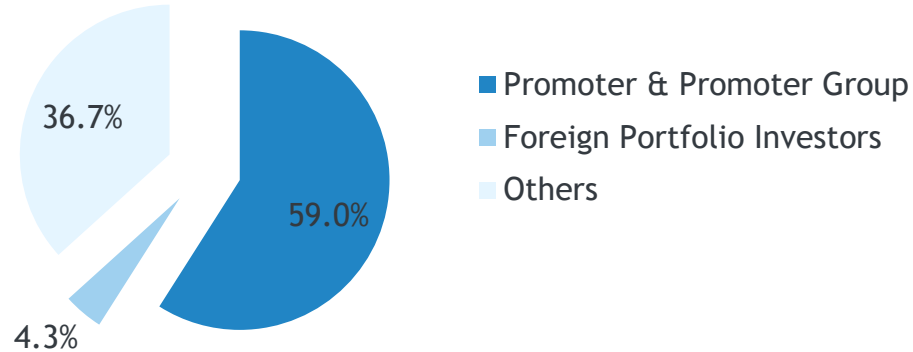
*Utilization levels for 9MFY21 have been impacted by lockdown in the country in Q1FY21.



Shareholding Data

Shareholding Data

Shareholding Pattern - December 2020



Share Data Points

| | |
|-------------------------------|-------------|
| Share Price (Rs) | 75 |
| Market Capitalization (Rs mn) | 9,193 |
| 52 week - High - Low (Rs) | 88.7 - 34.0 |
| Outstanding Shares (Rs mn) | 122 |

Source: Data as of 8th February 2021 (NSE)

Share Price Performance



Source: NSE

Q3FY21 Conference Call

Management will discuss results of Q3FY21 and Outlook on a conference call on **9th February 2021 at 4.30 PM IST.**

The conference call dial-in numbers are:

Primary number: +91-22-6280-1106 / +91-22-7115-8007

Local access number: +91-70456-71221

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

International toll-free number:

- USA : 18667462133
- UK : 08081011573
- Singapore : 8001012045
- Hong Kong : 800964448

Thank You

For any queries, please contact:

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