

12th November 2022

To, BSE Limited Listing Compliance & Legal Regulatory Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code: 543233	To, National Stock Exchange of India Limited Listing & Compliance Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai 400 051 Stock Symbol: CHEMCON
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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 November, 2022.

The aforementioned presentation has been uploaded on the company's website 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 – November 2022**



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Q2 & H1 FY23 Highlights



“Q2FY23 Business performance has been slow primarily due to lower volume offtake from pharmaceutical manufacturers. Most of our clients are facing challenges due to adverse pricing scenario across formulation & softening of demand. For Q2FY23, we have registered a revenue of Rs 58 crores for the quarter as both HMDS & CMIC has underperformed in the domestic market. On the other hand, robust performance in the export market has partly negated the subdued performance. Also, inorganic bromides have been affected marginally due to inconsistent sourcing of key raw material bromine.

As a part of diversification strategy and business expansion, we have successfully commenced the commercial production of Bromo Benzene at P9 facility which will cater to Agrochemical manufacturers in the global market. With the expansion of Bromo Benzene, we will be adding Organic Bromides in our product basket. We are awaiting necessary approvals from regulatory authorities for another pharma chemical, Guanine at P9 Unit. We will be adding few other chemicals which are imported in India at P10 Unit and expect to commence production by Q1FY24. Recently, we have purchased a land parcel at Gothda, near Vadodara for future leg of expansion and invested in solar power plant for captive purpose which will reduce our power cost.

Over the years, we have invested in the company to improve the product basket and add meaningful capacities. The company is also looking to establish vast presence in export market with diversified product mix. India imports many pharmaceutical chemicals, which offers a plenty of space for a producer like us to become a long-term trustworthy and sustainable domestic partner.”

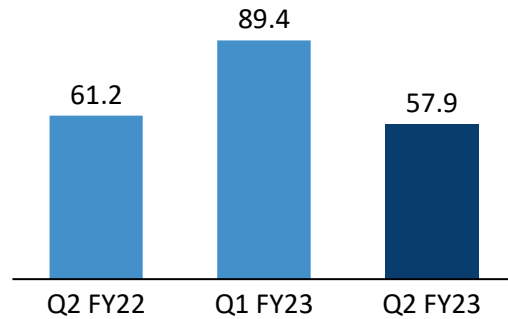
Mr. Kamal Aggarwal,

Chairman & Managing Director

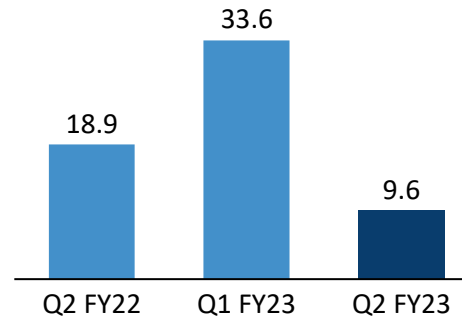
Performance Highlights



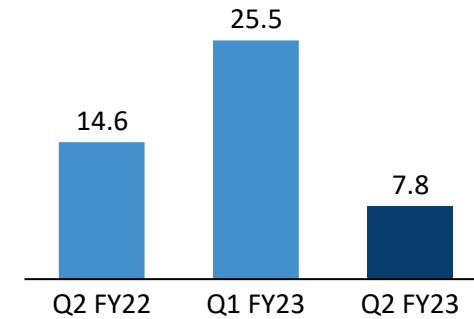
Total Revenue (Rs. Cr)



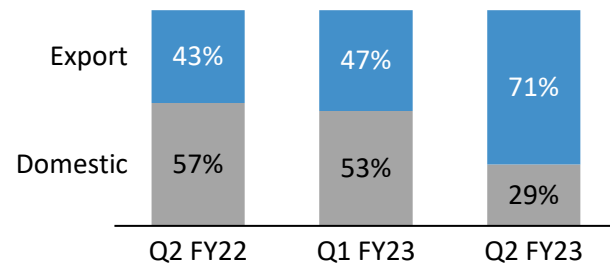
EBITDA (Rs. Cr)



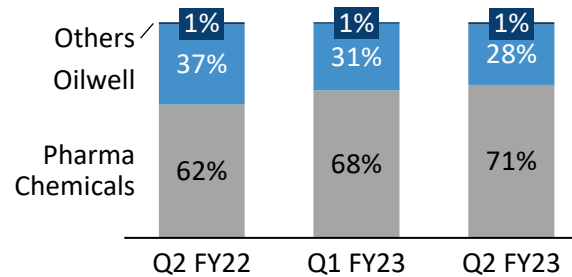
PAT (Rs. Cr)



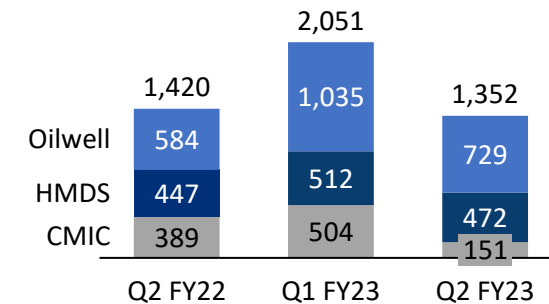
Geographic-Wise (%)



Business-wise (%)



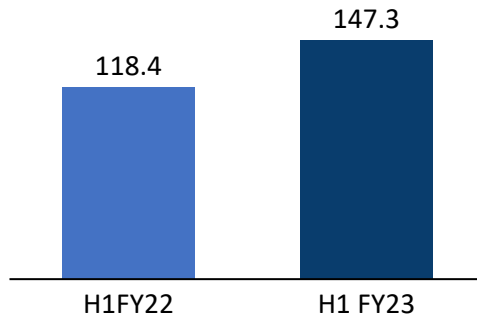
Production Volume (MT)



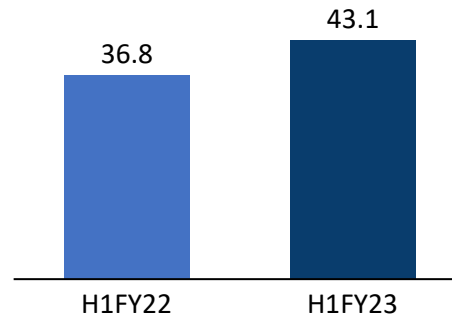
Financial Trends



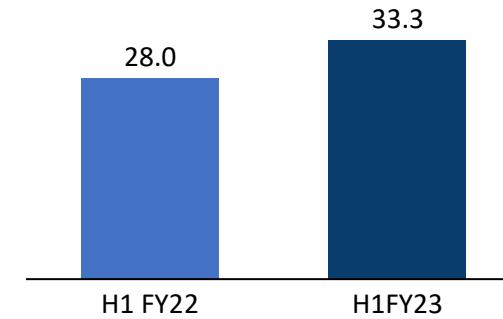
Total Revenue (Rs. Cr)



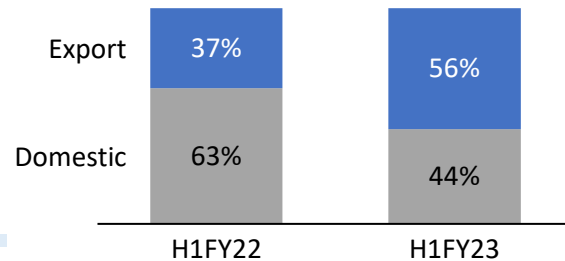
EBITDA (Rs. Cr)



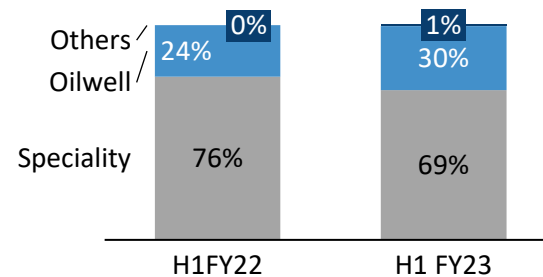
PAT (Rs. Cr)



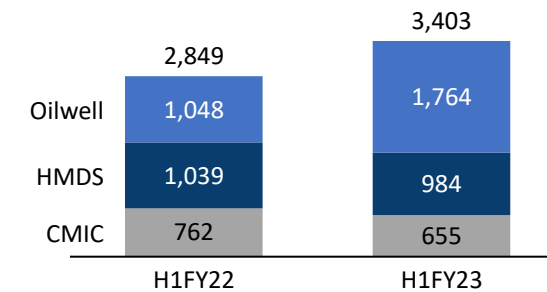
Geographic-Wise (%)

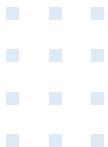
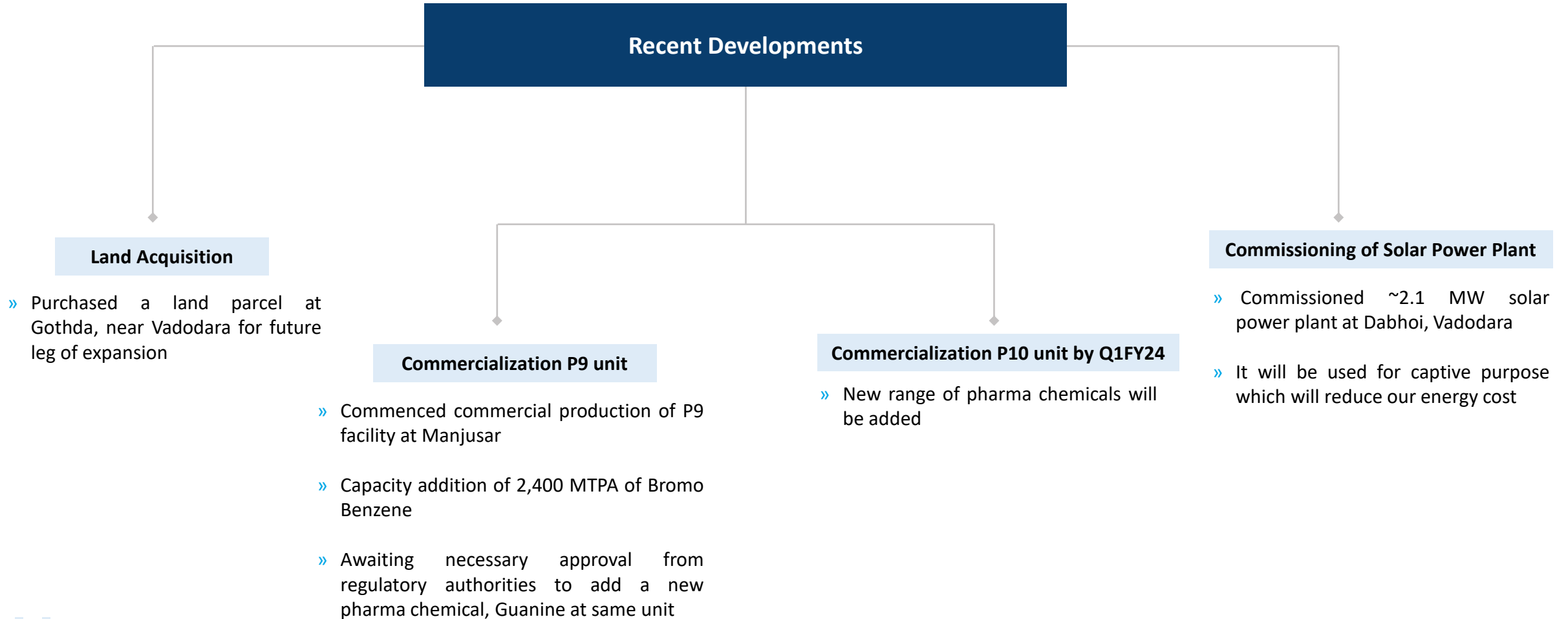


Business-wise (%)



Production Volume (MT)





Profit & Loss Statement

Particulars (Rs. Crs)	Q2 FY23	Q2 FY22	Y-o-Y	H1FY23	H1FY22	Y-o-Y
Revenue from Operations	57.9	61.2	-5.4%	147.3	118.4	24.4%
Cost of Goods Sold	35.0	30.8		73.2	59.5	
Employee Cost	4.9	4.8		10.6	9.0	
Other Expenses	8.4	6.7		20.4	13.1	
EBITDA	9.6	18.9	-49.4%	43.1	36.8	17.2%
EBITDA Margin	16.6%	30.9%		29.3%	31.1%	
Other Income	3.3	2.3		6.0	4.2	
Depreciation	2.1	1.5		4.0	3.0	
EBIT	10.8	19.7		45.1	38.0	
Finance Cost	0.2	0.2		0.4	0.4	
Profit before Tax	10.6	19.5		44.7	37.6	
Tax	2.8	5.0		11.4	9.6	
PAT	7.8	14.6	-46.3%	33.3	28.0	18.9%
PAT Margin %	13.5%	23.8%		22.6%	23.6%	
Basic EPS	2.14	3.98		9.09	7.64	

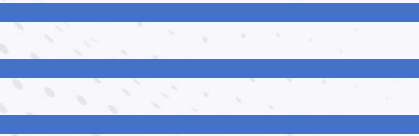
Balance Sheet

ASSETS (Rs. Crs)	Sep-22	Mar-22
Non-Current Assets		
a) Property, Plant And Equipment	92.2	81.7
b) Capital Work in Progress	37.1	34.0
c) Right Of Use Asset	0.2	0.5
d) Intangible Assets	0.0	0.0
e) Other Financial Assets	0.9	0.9
f) Other Non-Current Assets	12.3	5.1
Sub-Total - Non-Current Assets	142.6	122.3
Current Assets		
a) Inventories	70.9	34.6
b) Financial Assets		
i) Trade Receivables	80.7	102.5
ii) Cash And Cash Equivalents	22.0	35.9
iii) Bank Balances	172.5	188.2
iv) Other Financial Assets	7.8	5.5
c) Other Current tax Assets	0.0	0.7
d) Other Current assets	10.8	8.3
Sub-Total - Current Assets	364.7	375.7
Total - Assets	507.3	498.0

EQUITY AND LIABILITIES	Sep-22	Mar-22
EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	36.6	36.6
b) Other Equity	399.1	380.6
Total Equity	435.7	417.2
Liabilities		
Non-Current Liabilities		
a) Financial Liabilities		
i) Borrowings	0.9	0.6
ii) Lease Liabilities	0.0	0.2
iii) Other Financial Liabilities	1.4	2.1
b) Non current Provisions	0.1	0.1
c) Deferred Tax Liabilities (Net)	1.1	0.3
Sub-Total - Non-Current Liabilities	3.5	3.2
Current Liabilities		
a) Financial Liabilities		
i) Borrowing	36.5	34.9
ii) Trade Payables	17.8	23.9
iii) Other Financial Liabilities	8.6	7.1
iv) Lease Liabilities	0.2	0.3
b) Other Current Liabilities	1.3	9.8
c) Short Term Provisions	0.0	0.0
d) Current tax liabilities	3.6	1.5
Sub-Total - Current Liabilities	68.1	77.6
Total - Equity And Liabilities	507.3	498.0

Cash Flow Statement

Particulars (Rs. Crs.)	Sep-22	Sep-21
Net Profit Before Tax	44.7	37.6
Adjustments for: Non Cash Items / Other Investment or Financial Items	-0.8	-0.6
Operating profit before working capital changes	43.9	37.0
Changes in working capital	-32.2	15.8
Cash generated from Operations	11.8	52.8
Direct taxes paid (net of refund)	7.8	11.3
Net Cash from Operating Activities	4.0	41.5
Net Cash from Investing Activities	-4.5	-57.4
Net Cash from Financing Activities	-13.3	59.7
Net Decrease in Cash and Cash equivalents	-13.9	43.8
Add: Cash & Cash equivalents at the beginning of the period	35.9	24.4
Cash & Cash equivalents at the end of the period	22.0	68.1



Company Overview



Company Snapshot

Incorporated in 1988

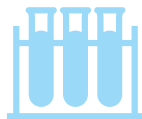
Manufacturer of Speciality
Chemicals

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

Business Verticals: Pharmaceuticals
& Oilwell Completion Chemicals

Manufacturing Facilities near
Manjusar, Vadodara, Gujarat

9 Operational Plants, 6 Owned and 2
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 upto 600 MTPA of Hi-Purity HMDS
- » Product development of **New Chemicals 4 CBC and 2,5DHT completed**
- » Commercial supplies of 4CBC started

FY22

- » **Increase in CMIC & TMCS** Capacity by commissioning of plant P8



Global Presence

FY22 Export
Contribution*:

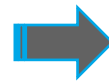
~37%

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



Pharmaceutical Chemicals

Oilwell Completion Chemicals

HMDS

CMIC

Inorganic Bromides



Shree Radha Overseas

CC Gran Limited Liability Company

Longstanding Clients

Strong Base

New Product Development

New Customer Reach

Top 5 customers contribute < 50%

Top 10 customers contribute < 65%

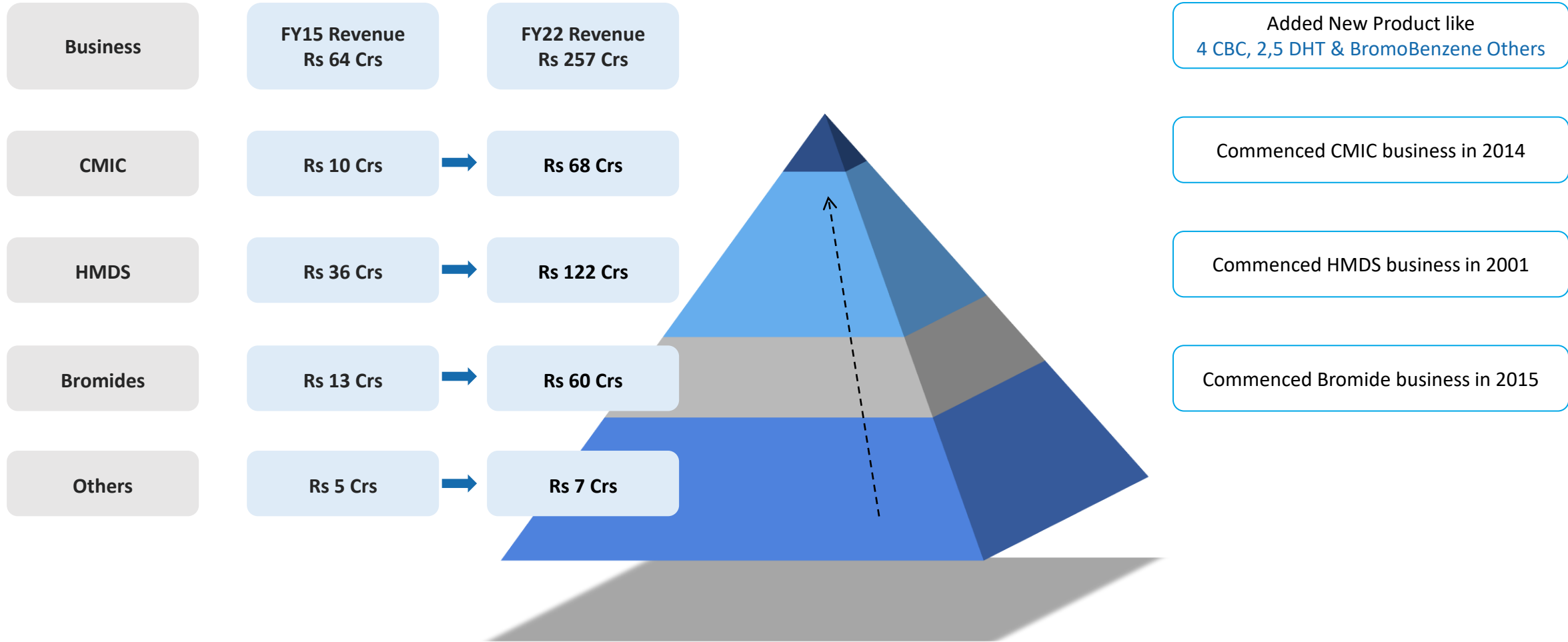
Few customers age more than 2 decades with us

Top 7 customers have been with us for more than 4 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



Board of Directors : Experienced Team



Kamalkumar Rajendra Aggarwal

Chairman and Managing Director

- » Holds Diploma in Petrochemical Technology (Plastic Technology) from the Maharaja Sayajirao University of Baroda, Gujarat
- » He has more than 26 years of experience in the specialized chemicals industry. He has been on our Board since January 19, 2004



Navdeep Naresh Goyal

Deputy Managing Director

- » He has more than 11 years of experience in operations. He has been on the Board since April 1, 2015.
- » He is actively involved in the decision making and management of day-to-day operations.



Rajesh Chimanlal Gandhi

Whole-time Director and Chief Financial Officer

- » Holds a Bachelor's Degree in Commerce from Gujarat University
- » He has more than 23 years of experience in finance & accounts and related operations. He has been on our Board since May 1, 2012



Himanshu Purohit

Whole-time Director

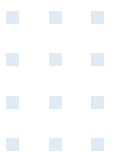
- » He holds a Master's Degree in Science in Inorganic Chemistry from the Sardar Patel University, Gujarat
- » He has more than 23 years of experience in production related operations. He has been on our Board since May 1, 2012



Rajveer Aggarwal

Whole-time Director

- » He holds a bachelor's degree in chemical engineering from the Gujarat Technological University, Gujarat
- » He has more than six years of experience in operations. He has been on the Board since Oct 2017



Board of Directors : Independent Directors



Lalit Chaudhary

Independent Director

- » He holds a bachelors' degree in commerce from the Sardar Patel University, Gujarat Limited as a director since 1993.
- » He has more than 21 years of experience as an entrepreneur. He has been on the Board since April 29, 2019



Pradeep Agarwal

Independent Director

- » Qualified as Chartered Accountant and Company Secretary
- » He is also an Independent Director of Bharat Petroleum Corporation Limited and also engaged in social activities
- » He has more than 25 years of experience. He also acts as a Trustee of the various Trusts



Bharat Shah

Independent Director

- » He holds a bachelor's degree in science from the Maharaja Sayajirao University of Baroda, Gujarat.
- » In the past, he has been associated with Bank of Baroda in various roles
- » He has more than 38 years of experience in the financial services sector. He has been on the Board since April 29, 2019



Neelu Shah

Independent Director

- » She holds a bachelor's degree in science from Kanpur University, UP and an MBA from the Jiwaji University, Gwalior
- » She has 6 years of experience in sales and has been on the Board since April 29, 2019



Samir Chandrakant Patel

Independent Director

- » He holds a master's degree in science from the Sardar Patel University, Gujarat.
- » He has more than 31 years of experience. He has been on the Board since April 29, 2019



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



Market Overview



	HMDS	CMIC	Oilwell Completion Chemicals
Global Market Capacity (CY19)	~35,700 MT	~6,880 MT	~362,000 MT
Global Market Production (CY19)	~25,390 MT	~3,927 MT	~246,000 MT
Chemcon Production (FY22)	2,068 MT	1,295 MT	2,703 MT
Chemcon Share in Global Market	> 5%	> 30%	~1%
Domestic Import (CY19)	~1,622 MT	~1,574 MT	-

We are well positioned to substitute imports and maintain growth trajectory

Source: Frost & Sullivan

Hexamethyldisilazane / Hexamethyldisilane

- » 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 and may also be used in the semiconductor electronics industry and in vinyl silicone rubber to improve their tearing strength

Key Attributes*

Only Manufacturer in India

3rd Largest Manufacturer Worldwide

Capacity

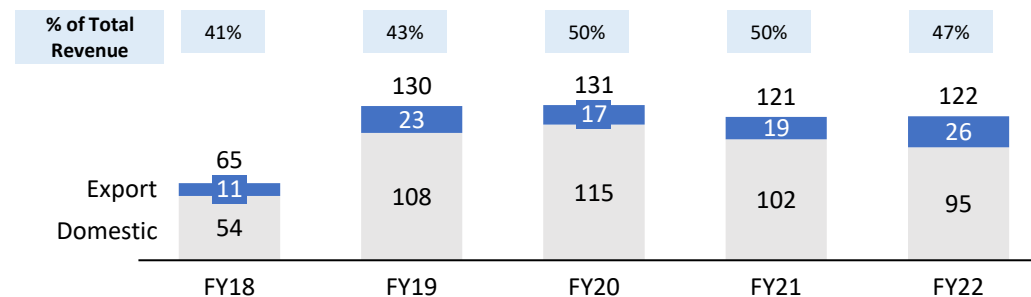
Product	Period	Capacity	Production	Utilisation
HMDS	FY22	4,200	2,068^	49%
Hi-Purity HMDS	FY22	600	-	

^Includes Outsource Capacity

End Applications

- » **Pharmaceutical:** As a silylating agent in the process of manufacture of pharmaceutical drugs of the Penicillin group
- » **Semiconductor:** Surface treatment agent of diatomite, white carbon black, titanium and blond additives of photoresist
- » **Organic Synthesis:** Precursor to many bases common in organic synthesis and organometallic chemistry
- » **Others:** Photolithography, electron microscopy and pyrolysis gas chromatography-mass spectrometry

Business Performance (Rs in Cr)



Source: Frost & Sullivan *Above data are as per CY19
Export data are inclusive of Deemed Exports

Chloromethyl Isopropyl Carbonate

- » CMIC (chloromethyl isopropyl carbonate) is an antiviral drug intermediate product, which is a key intermediate for anti-AIDS and anti-hepatitis B drug Tenofovir
- » The downstream product of chloromethyl isopropyl carbonate, Tenofovir is a nucleotide antiviral drug developed by Gilead Corporation of the United States. Tenofovir and its combination preparations have become the largest sales of anti-AIDS drugs

Key Attributes*

Largest Manufacturer
Worldwide

Capacity

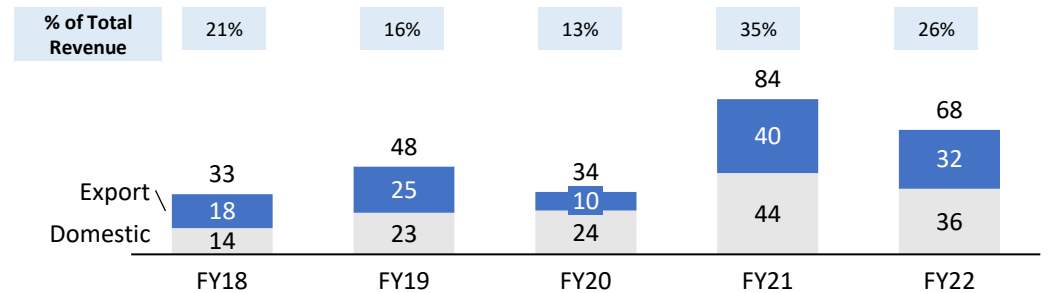
Product	Period	Capacity^	Production	Utilisation
CMIC	FY22	1,800	1,295	~72%

^Exclude recently added capacity of 1,200 MT

End Applications

- » CMIC is mainly used in pharmaceutical industry as a key intermediate for anti-AIDS anti-hepatitis B drug Tenofovir
- » CMIC can also be used in synthesis of other antiviral drugs

Business Performance (Rs in Cr)



Source: Frost & Sullivan *Above data are as per CY19
Export data are inclusive of Deemed Exports

Inorganic Bromides: Calcium Bromide, Zinc Bromide and Sodium Bromide

- » Oilwell Completion Chemicals are used to complete the well and is normally a salty solution made up of chlorides or bromides
- » In addition to cleaning the wellbore, after the drilling is finished, completion chemical is used to control the pressure down-hole, prior to and while well completion operations are in progress
- » We manufacture a range of inorganic bromides, namely: Calcium Bromide (solution and powder), Zinc Bromide (solution) & Sodium Bromide (solution and powder)

Key Attributes*

Only Manufacturer of Zinc Bromide in India

Largest Manufacturer of Calcium Bromide in India

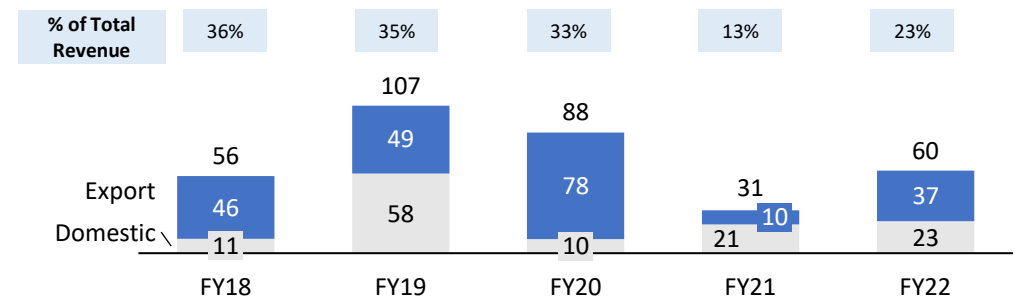
Capacity

Product	Period	Capacity	Production	Utilisation
Bromides (Total)	FY22	15,000	2,703	~18%

End Applications

- » **Sodium Bromide (NaBr)** : Used alone or in a combination with sodium chloride or zinc bromide to form clear work-around and drilling fluids; useful when used in formations that are known to have sensitivity towards calcium
- » **Zinc Bromide (ZnBr₂)**: Clear, solid-free brine fluid; it can be used with other bromides and chlorides to prepare non-damaging liquids
- » **Calcium Bromide (CaBr₂)**: Used as a completion and work-over fluid to control wellbore pressures in upstream oil & gas operations

Business Performance (Rs in Cr)



Source: Frost & Sullivan *Above data are as per CY19
Export data are inclusive of Deemed Exports

Manufacturing Facilities



Dedicated Plants



Multipurpose Plants



In-house Laboratory



Warehouses

Improving
Efficiencies

Manufacturing Facilities



Plant No	Product categories	Product Manufactured	Installed Capacity (MT P.A)	Volume Reactor Capacity (In KL)
P-3 & P-7	Pharmaceutical Chemicals	HMDS and ancillary products	4,200	177.80
P-2		HMDS (hi-purity)	600	13.00
P-4		CMIC	3,200	121.75
P-6		Multipurpose Capacity - CMIC, 4 CBC & 2,5 DHT		
P-8		Multipurpose Capacity - TMCS, CMIC	3,600	
P-9		Bromo Benzene	2,400	
P-10		Proposed Multipurpose Capacity (Pharma Intermediate Chemicals)	Q1FY24e	-
P-5		Oilwell Completion Chemicals	Calcium Bromide (solution), Zinc Bromide (solution) and Sodium Bromide (solution)	14,400
P-1	Calcium Bromide (powder)		600	5.00
Total Capacity (MTPA)			29,000	374.85

Located at Manjusar near Vadodara, Gujarat

9 Operational Plants

1 Proposed Expansion Plant under process

In-House R&D Laboratory

6 Owned + 2 Lease Warehouses

2 Marketing Offices in Mohali & Hyderabad

- » eHMDS (also known as hi purity HMDS) capacity can be used for HMDS
- » CMIC capacity can be used for HMDS purpose
- » P7 has the flexibility to manufacture 4 CBC & 2,5 DHT products

Capacity Expansion

- » We intend to build two additional plants P9 & P10 unit in FY23
- » These additional plants will manufacture chemicals which are principally used in the pharmaceutical industry

Import Substitution

- » India's current domestic demand is being catered by imports for HMDS and CMIC
- » We are the only manufacturer of HMDS in India and the largest manufacturer of CMIC in India in terms of production in the calendar year 2019, aims to capitalize on the potential growth in the demand for CMIC and HMDS in India and to substitute imports

Exploring New Applications

- » Aim to expand the sale of our products to other industries where our products have an application
- » For instance, for HMDS, we aim to market our products for end-use applications in other industries including the rubber and semiconductor manufacturing industry
- » Company has recently commissioned a new plant specifically to produce high purity HMDS which finds usage in semiconductor industry

Cost Efficiencies

- » We intend to continue to be cost-efficient in the production of our products. This efficiency is achieved through strategies like –
 - Having a large single-location manufacturing facility
 - Dedicated plants for each product
 - Process re-engineering for efficient raw material consumption
 - Being a sizeable player in the industry in each of our products



Way Forward

Moderate Growth in

Pharma Industry



Moderate Recovery in

Oil Industry



Exploring
Opportunities in

New Products



Leading to Long Term Sustainable Growth

New Products, New Clients, New Applications, New Opportunities



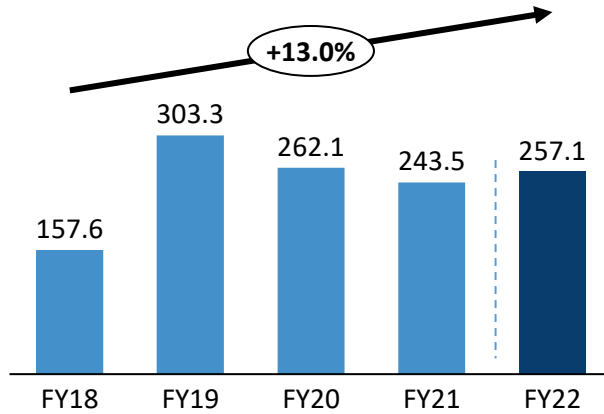
Financial Highlights



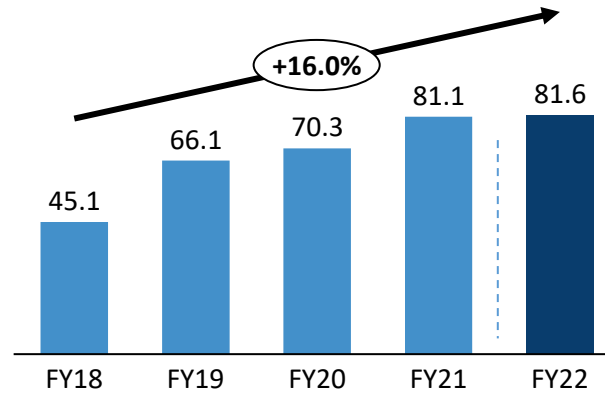
Financial Trends



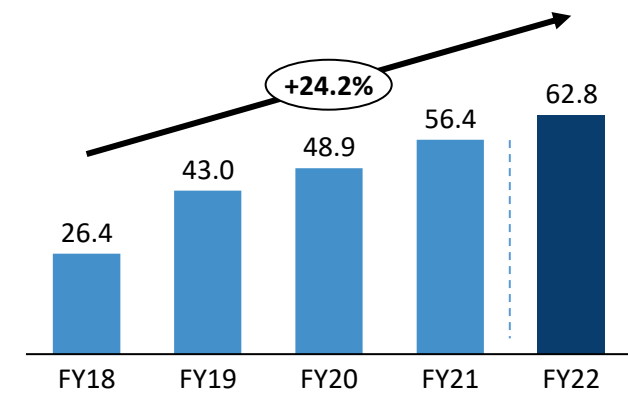
Total Revenue (Rs. Cr)



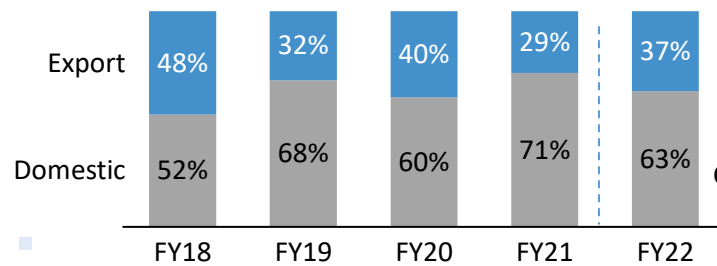
EBITDA (Rs. Cr)



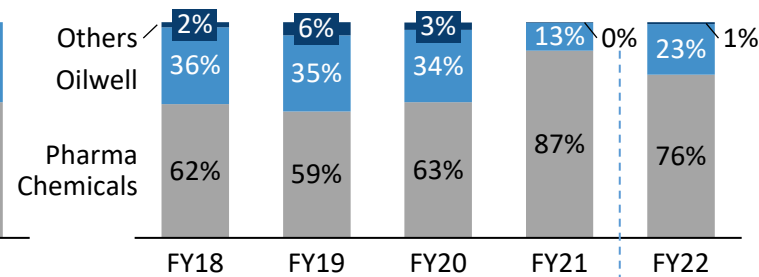
PAT (Rs. Cr)



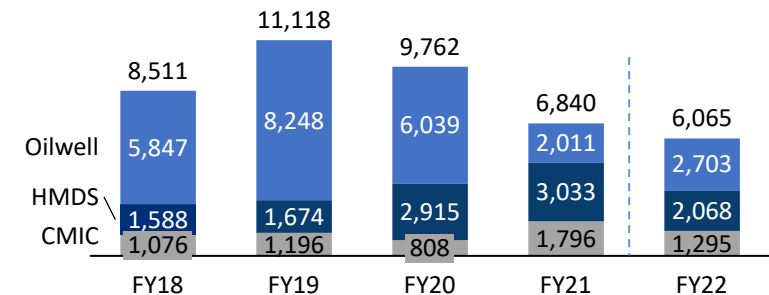
Geographic-Wise (%)



Business-wise (%)



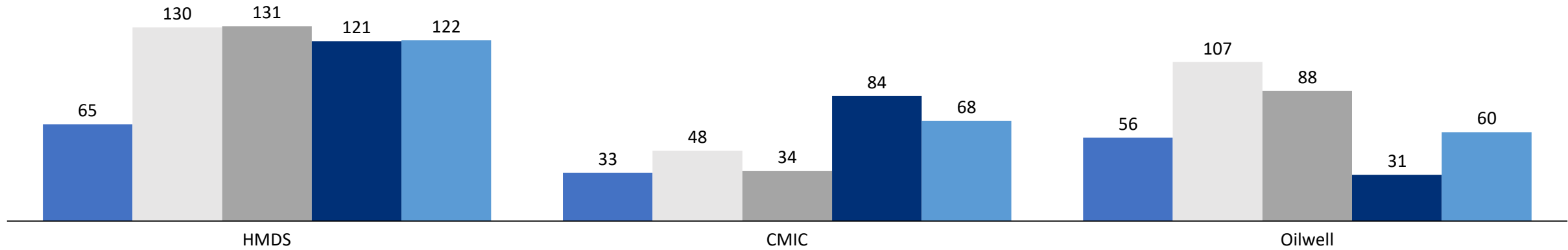
Production Volume (MT)



Performance Highlights

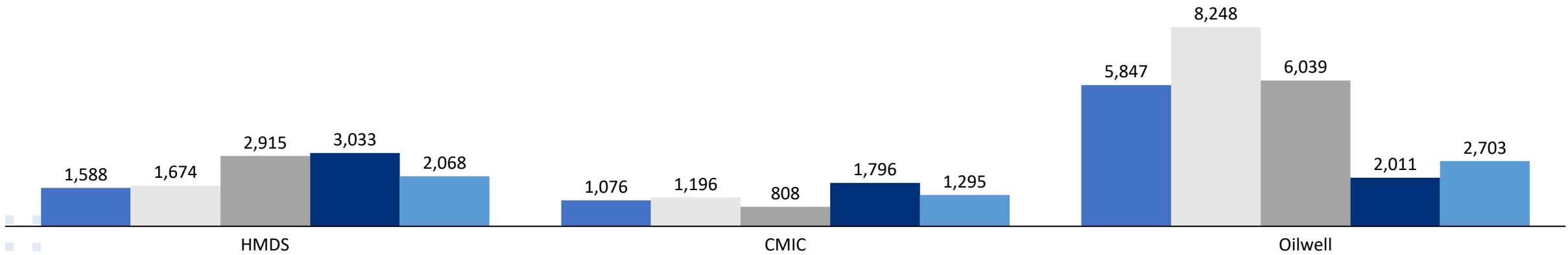


Total Revenue (Rs. Cr)



FY18 FY19 FY20 FY21 FY22

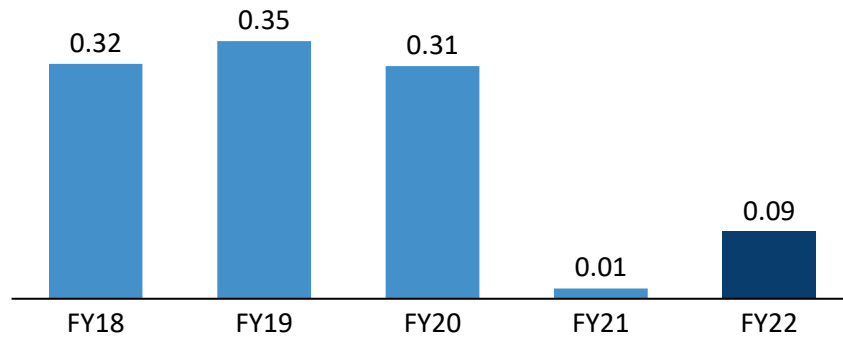
Production Volume (MTPA)



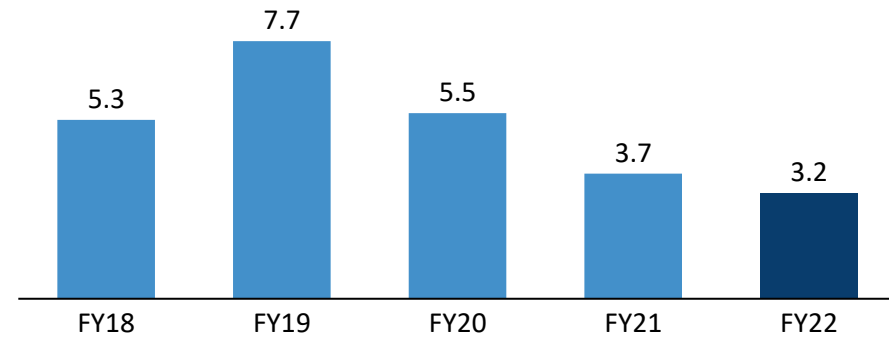
Key Ratios



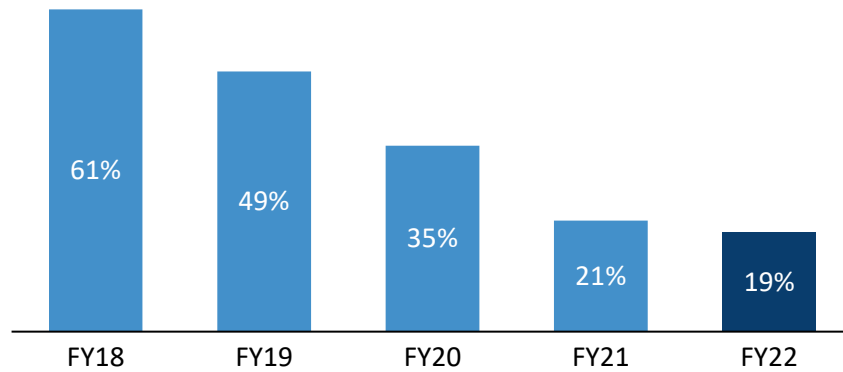
Net Debt/ equity (x)



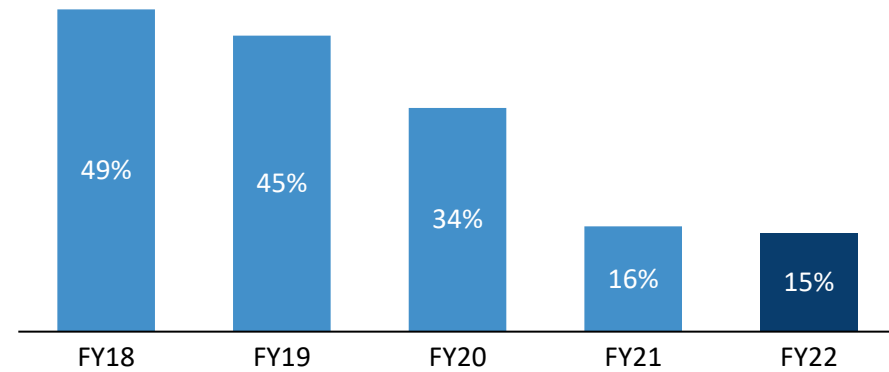
Fixed Asset Turnover(x)



ROCE (%)



ROE (%)



Utilisation of the Net IPO Proceeds



Particulars	Original Cost (as per Prospectus)	Revised Cost	Utilisation Upto 30-09-2022	Unutilisation Amounts as on 30-09-2022
Capital expenditure towards expansion of Manufacturing Facility	41.0	41.0	41.0	-
Incremental working capital requirement	90.0	90.0	90.0	-
General corporate purposes*	18.8	19.3	19.3	-
Total	149.8	150.3	150.3	-

*The revision in general corporate purposes expense is on account of reduction in offer expense as compared to estimated.



Thank You



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SGA Strategic Growth Advisors

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