



Bodal Chemicals Ltd.
COLOURS. INTEGRATION. INNOVATION.

By Online Submission

Sec/19-20/102
Date: 13/08/2019

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 Q1 FY2019-20

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 Q1 FY 2019-20.

This is for your information and record please.

Thanking You,

For, **BODAL CHEMICALS LTD**

Ashutosh B. Bhatt.
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

Q1FY2019-20

13th August, 2019



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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.





Company Profile



Bodal Chemicals Ltd.

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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 Dyestuffs companies from India.
- Company commenced its operations by setting up Vinyl Sulphone plant at Vatva - Ahmedabad (Gujarat) with a small capacity.
- At present there are three sub - segments of Products:
 - Dye Intermediates (about 25 products)
 - Dyestuff (about 175 products)
 - Sulphur & Bulk Chemicals (about 12 products)
- At present, there are 9 manufacturing Units in Gujarat, 1 in Uttar pradesh and 7 depots across India.



Bodal's History

- Bodal has strong presence across the globe. At present Bodal exports around 45% of its sales to 150+ customers in more than 45 countries.
- Company has five subsidiaries:
 1. S P S Processors Pvt. Ltd. (SPS) – 70% holding
 2. Trion Chemicals Pvt. Ltd. (TCPL) – 59% holding
 3. Bodal Chemicals Trading Private Ltd. (BCTPL) – 100% holding
 4. Bodal Chemicals Trading (Shijiazhuang) Co. Ltd. (BCL-China) – 100% holding
 5. Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd (SEN-ER BOYA) – 80% holding



Journey

Notes:

Units are manufacturing sites

Unit Nos. are as per current numbering of sites



1989-1990

1993
Acquired Unit II-B
Acquired Unit III

1994
Changed name to
Bodal Chemicals Pvt Ltd

1996-2005

2006
Listed on BSE-reverse merger
with Dintex Dye Chem (Unit I)

2006
Acquired Unit IV

2007
Started building Unit VII
World-class mega site

2008
Acquired Unit VIII
Closed Unit V, Closed Unit VI

2010
Backward integration:
Basic Chemicals at Unit VII

2011-2015

2016
Amalgamation:
Bodal Agrotech, LABSA, Unit X (Zero Discharge)
Zero Debt

2017
Acquired 70%: SPS Processors (Zero Discharge)
Acquired Trion Chemicals, TCCA specialist (Zero Discharge)

2018
Dyestuff expansion by 12,000MTPA,
Addition of 5MW Co-generation Power plant

2019
Opening of trading subsidiaries (India & China)
Dyestuff capacity expansion by 6,000MTPA,
TC capacity addition by 36,000MTPA
Acquisition of 80% stake in SEN-ER BOYA (Turkish LLC)

1989
Started as JK Pharma
at Unit II-A

1991-1995

1997
Acquired Unit V
Acquired Unit VI

2004
Acquired Unit I

2004
Forward integration:
Dyestuff at Unit I

2006-2010

2011
Completed Unit VII

2012, 2013
Industry Downturn

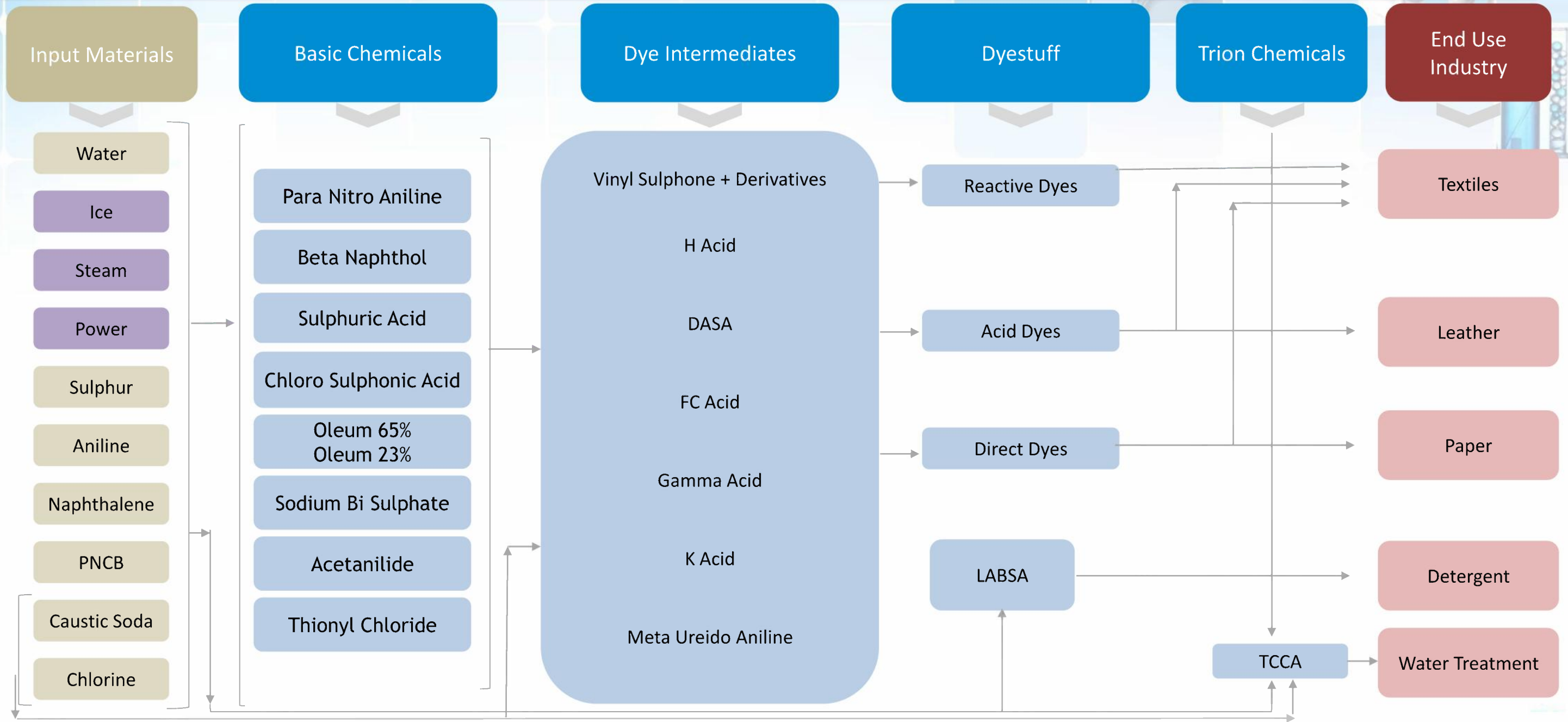
2013, 2015
MEEP at Unit I, Unit VII

2014
Turnaround

2016-onwards

Manufacturing Value Chain

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



Note: Bodal added Thionyl Chloride (TC) capacity of 36,000 tons per year in Q4FY19



Quarterly Performance



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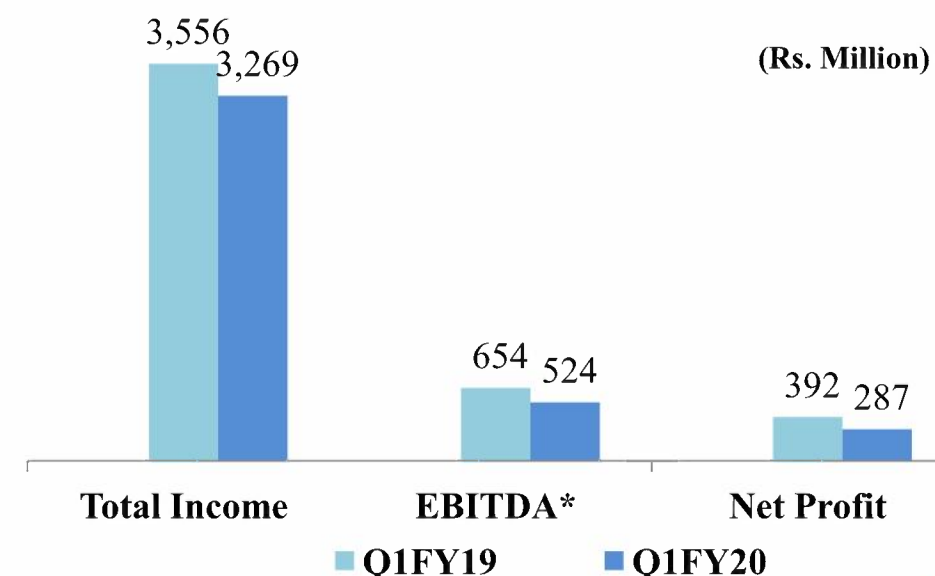
Q1FY20 Performance

Operational Highlights

- Dyestuff revenue has grown by 42% YoY and its share in total revenues increased to 48% in Q1FY20 (from 31% in Q1FY19). This is inline with our strategy of higher business integration and moving towards a global Dyestuff player.
- Dyestuff production grew by 24% YoY while Dye Intermediates production declined by 15% YoY mainly due to short-term supply disruption in one of the key raw materials (E.O) for VS. Basic Chemicals production was flat YoY.

Financial Highlights (Standalone)

Particulars	(Rs. Million)	
	Q1FY20	Q1FY19
Total Income	3,269	3,556
EBITDA	524	654
EBITDA Margin (%)	16.0%	18.4%
Net Profit	287	392



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



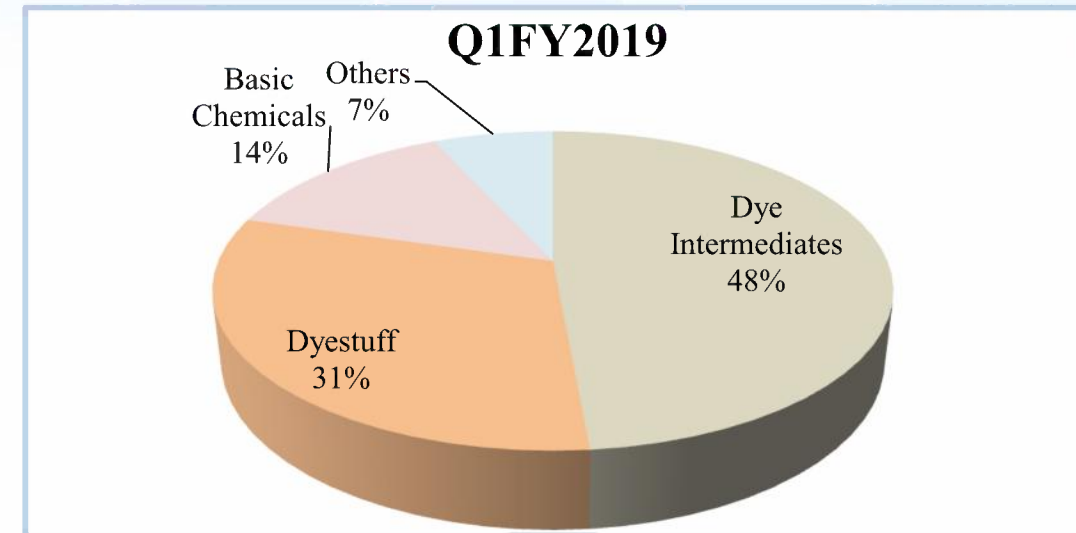
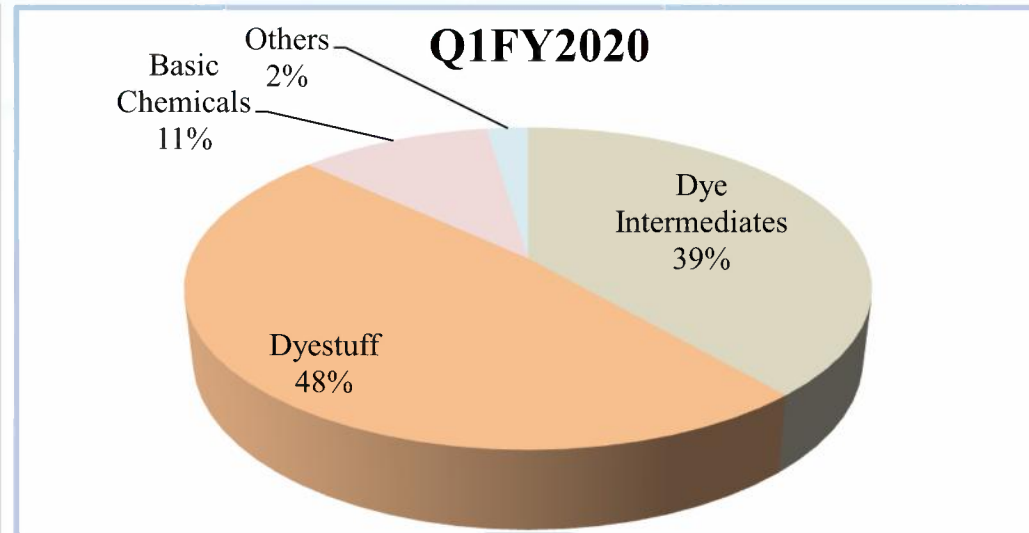
Financial–Standalone basis

	(Rs. million)		
Particulars	Q1FY20	Q1FY19	YoY (%)
Revenue from operations	3,223	3,530	-9%
Other income	46	27	71%
Total Income	3,269	3,556	-8%
Raw materials consumed	2,031	2,184	-7%
Employee benefits	159	153	4%
Other expenses	555	566	-2%
Total expenses	2,745	2,903	-5%
Earnings before interest, tax and depreciation	524	654	-20%
Finance costs	23	16	44%
Depreciation and amortization expense	56	42	33%
Profit before tax	445	595	-25%
Tax expense	156	201	-23%
Profit (Loss) for the period	289	394	-27%
IND AS Adjustments	(1)	(2)	-38%
Total comprehensive income for the period	287	392	-27%
EPS (Rs./ Share) (not annualised)	2.36	3.21	-26%

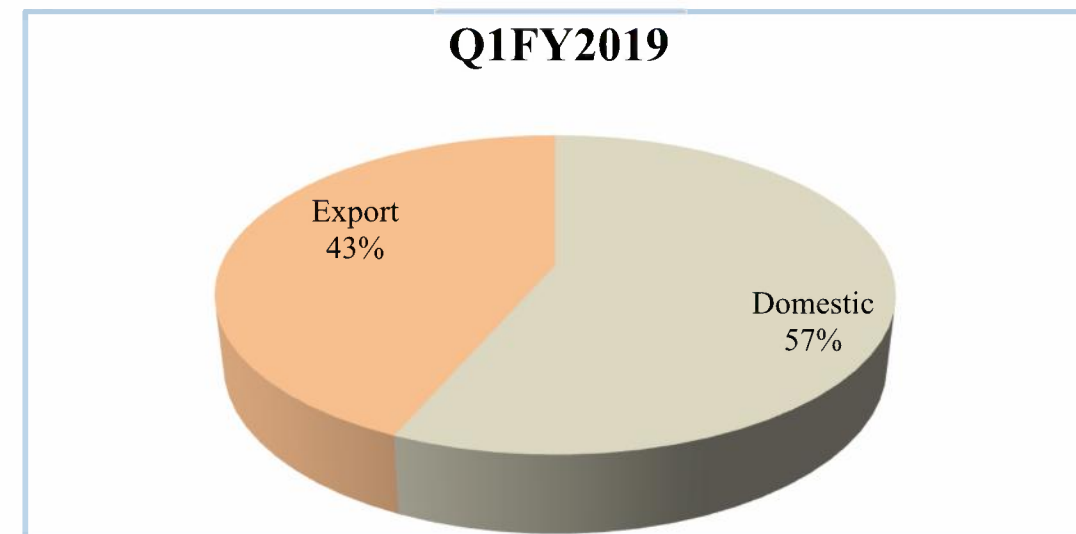
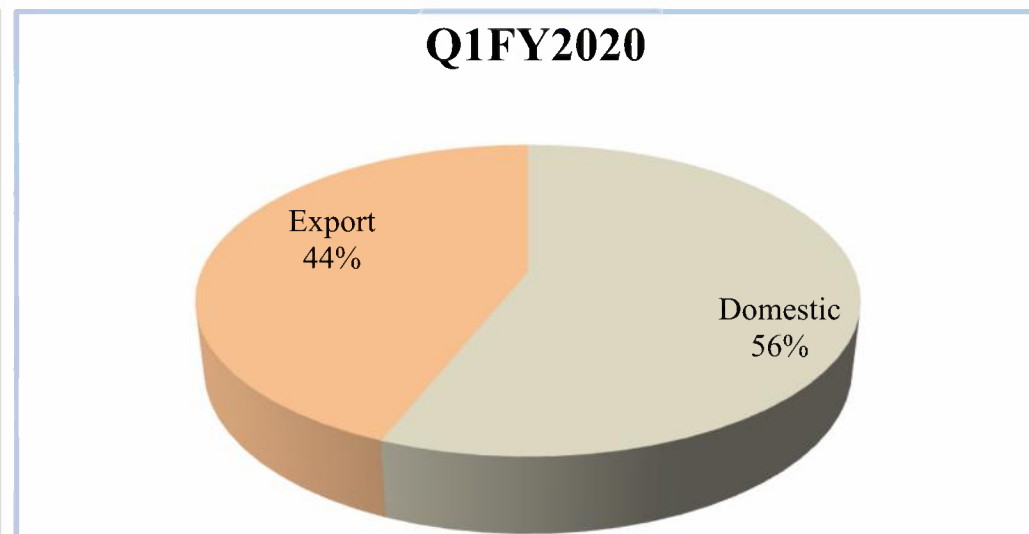
Revenue Breakup

Breakup (Standalone)

By Sub-Segment

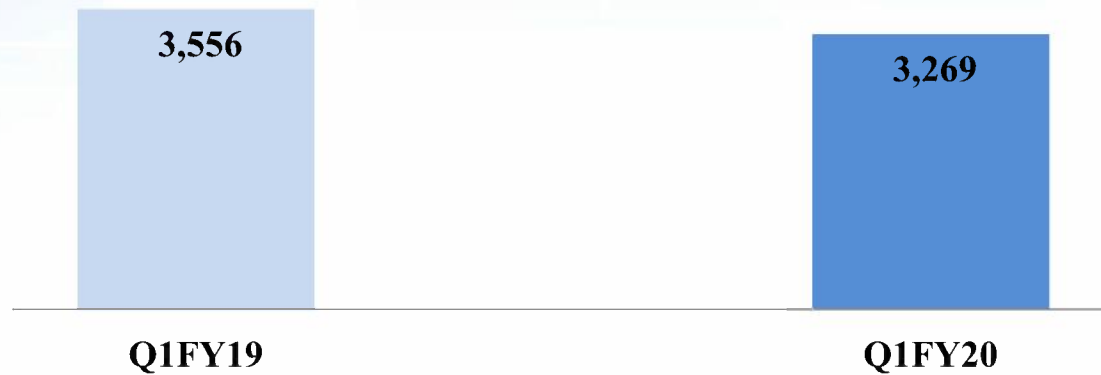


By Geography

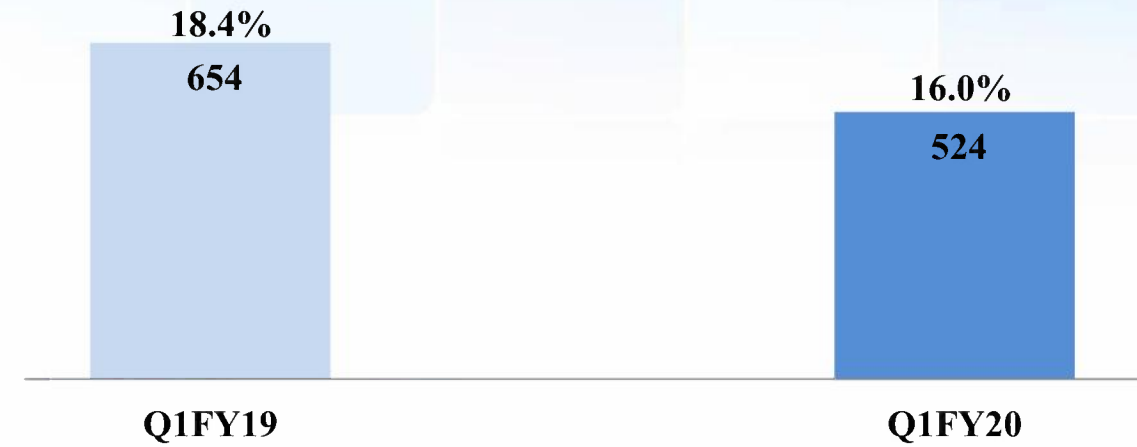


Financial Highlights- Standalone

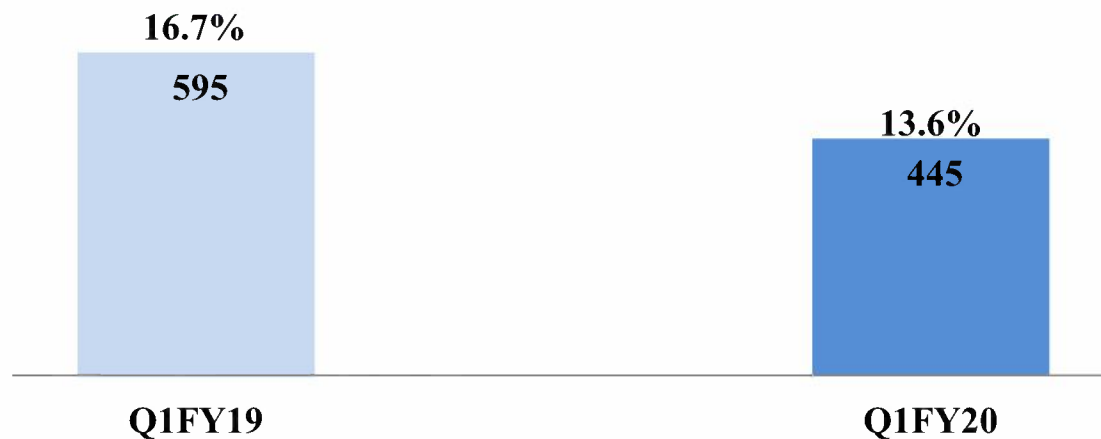
Total Income (Rs. Million)



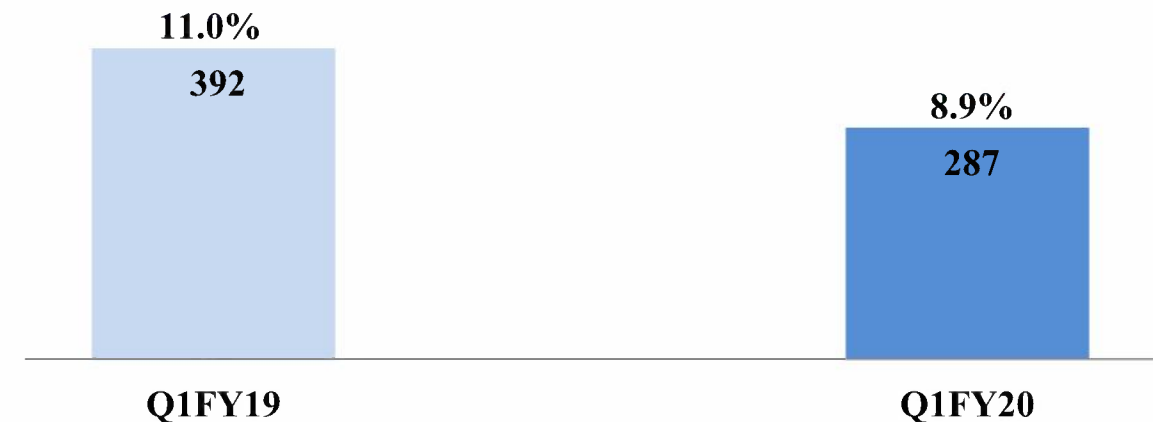
EBITDA (Rs. Million) and Margin (%)



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



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



Note: EBITDA includes other income. And PAT includes other comprehensive income

Financials of Subsidiaries & Consolidated Numbers



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Financials of Subsidiaries & Consolidated Numbers

Subsidiaries

(Rs. million)

Particulars	Q1FY20				FY19	
	SPS	Trion	BCTPL	BCL-China	SPS	Trion
Total Income	270	85	292	6	810	168
EBITDA	17	(9)	5	(1)	55	(19)
PAT	0	(26)	1	(1)	16	(80)

Consolidated Financials

(Rs. million)

Particulars	Quarterly		Yearly	
	Q1FY20	Q1FY19	FY19	FY18
Operational Revenue	3,723	3,517	14,235	11,661
Other Income	19	24	134	95
Total Income (Net)	3,742	3,541	14,369	11,756
EBITDA	508	662	2,495	2,039
Margin %	13.6%	18.7%	17.4%	17.3%
PAT	263	382	1,409	1,212

Note: EBITDA includes other income. And PAT includes other comprehensive income
 BCPTL - Bodal Chemicals Trading Private Ltd and BCL-China - Bodal Chemicals Trading (Shijiazhuang) Co. Ltd.

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 59,985 MT in Q1FY20. Dyestuff production for Q1FY20 stood at 5,417 MT which grew by 11% QoQ and 24% YoY due to higher capacity utilization. Dye Intermediates (mainly VS) production was impacted due to short term supply disruption in one of the key raw materials (E.O) during the quarter. The supply is now normalized since last 15 days.
- Liquid Dyestuff production was more than 350MT per month during Q1FY20. We are increasing the production gradually and see a scope of improvement there in future.
- Total standalone income for Q1FY20 declined by 8% YoY due to overall slowdown in economy leading to lower demand and above normal Dye Intermediates prices during H1FY19. Dyestuff revenues stood at Rs 1,533mn which grew by 33% QoQ and 42% YoY. Standalone EBITDA margins during the quarter were impacted by lower VS production and prices compared to last year.
- Both Dyestuff production and revenues have improved significantly in Q1FY20 which is inline with our strategy of higher business integration and moving towards a global Dyestuff player.
- Our finance cost in Q1FY20 was higher mainly due to increase in working capital limits utilization because of higher Dyestuff revenues.



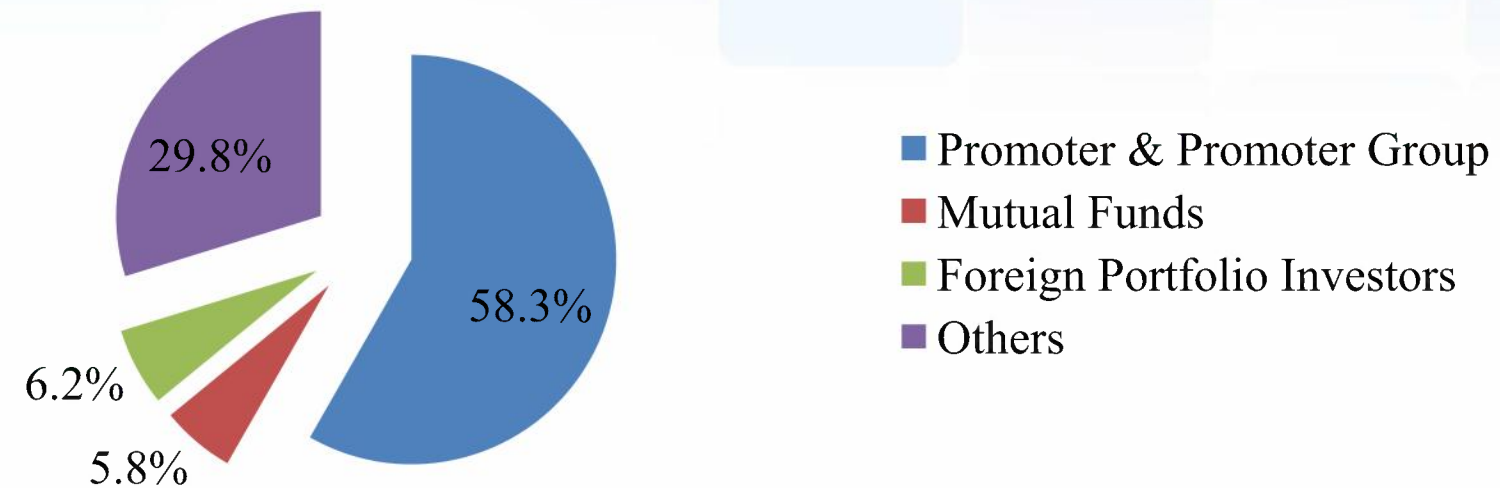
Management Comments on Results (2of 2)

- Total exports for Q1FY20 stood at Rs 1,396mn and its share in total revenues stood at 44%. The company continues to further enhance presence in different geographies across the globe.
- We have acquired 80% stake in SEN-ER BOYA (Turkish LLC) in August- 2019 which will be our marketing base for Turkey and surrounding countries. It should start contributing from Q2FY20 onwards.
- Subsidiaries performance :
 - SPS posted revenues of Rs 270mn with EBITDA of Rs 17mn in Q1FY20. We expect VS plant at SPS should come by end of 1HFY20E and after that SPS should contribute more to overall profitability.
 - TRION posted loss of Rs 26mn in Q1FY20. We are making best efforts to minimize losses at the company.
 - After the completion of our Chlor Alkali plant, profitability of TRION will be ensured because we will have in-house production of Caustic and Chlorine which are raw materials for TCCA.



Shareholding Data

Shareholding Pattern – June 2019



Share Data Points

Share Price (Rs)	80
Market Capitalization (Rs mn)	9,786.4
52 week - High – Low (Rs)	138.9 – 71.2
Outstanding Shares (Rs mn)	122

Source: Data as of 9th August, 2019 (NSE)

Share Price Performance



Source: NSE



Conference call to discuss Q1FY20 Results & Outlook

Management will discuss results of Q1FY20 and Outlook on a conference call on **14th August, 2019 at 5.30 PM IST.**

The conference call dial-in numbers are:

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

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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Annexures



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

(Rs. million)

Geography- wise Revenues	Q1FY20	% Share	Q1FY19	% Share	YoY (%)
Domestic	1,780	56%	1,968	57%	-10%
Export	1,396	44%	1,513	43%	-8%
Total	3,176	100%	3,481	100%	-9%

Sub-Segment-wise Revenues	Q1FY20	% Share	Q1FY19	% Share	YoY (%)
Dye Intermediates	1,227	39%	1,690	49%	-27%
Dyestuff	1,533	48%	1,078	31%	42%
Basic Chemicals	342	11%	476	14%	-28%
Others	74	2%	237	7%	-69%
Total	3,176	100%	3,481	100%	-9%

Production Quantity Metric Tons (MT)

Production MT	Q1FY20	Q1FY19	YoY (%)
Dyestuff	5,417	4,358	24%
Dyes Intermediates	5,277	6,217	-15%
Basic Chemicals	49,291	50,448	-2%

Production MT	FY19	FY18	YoY (%)
Dyestuff	18,588	15,412	21%
Dyes Intermediates	23,674	22,343	6%
Basic Chemicals	188,534	179,544	5%