



Coming out with
flying colours



Bodal Chemicals Ltd.
COLOURS. INTEGRATION. INNOVATION.

Q3 FY2017 Earnings Presentation

February 13, 2017

Global Leadership Position



Competitive Advantages



Financial Discipline



Strong Growth Engine



Formula for Success

- 5% market share globally (Dye Intermediates)
- 20% market share in India (Dye Intermediates)
- Produce the largest variety of Dye Intermediates

- Most integrated Dyestuff player in India
- Captive power plant and steam generation
- Reduced logistics cost and protection from raw material price volatility from in house sourcing of inputs
- Export to over 45 countries

- Net Debt to Equity of 0.28x & Net Debt/LTM EBITDA of 0.42x

- High margin products such as Speciality Chemicals and Liquid Dyestuff expected to diversify revenue streams

Poised to enter a new growth trajectory

Q3 FY2017 Vs. Q3 FY2016

Total Sales

Rs. 2,757 mn
Growth: 35.2%

EBITDA

Rs. 572 mn
Margin: 20.8%

PAT

Rs. 316 mn
Growth: 54.2%

Management Commentary

Commenting on the results, **Mr. Ankit S Patel**, **Executive Director of Bodal Chemicals** said

“We are pleased to report another strong quarter for Bodal Chemicals in terms of operational and financial performance. The robust sales growth and improvement in profitability was primarily driven by better price realization in certain products in Dye Intermediaries segment coupled with increase in domestic demand.

Our various initiative for product innovation, diversification and capacity expansion which we have started during last few quarters are running as per schedule. We have started the production of speciality chemicals at Trion Chemicals and expect meaningful contribution to start from Q1 FY2018. Moreover, our proposed dyestuff capacity expansion work has been started and expected to be complete by FY2018.”

Robust operational and financial performance

Key Financial Statistics

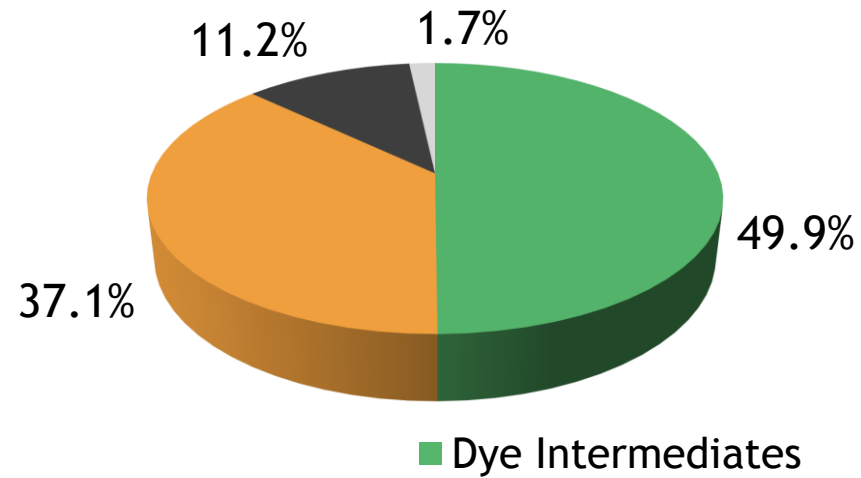
(Rs. million)	Q3		y-o-y Growth (%)	Q2		q-o-q Growth (%)	9M		y-o-y Growth (%)
	FY2017	FY2016		FY2017	FY2016		FY2017	FY2016	
Total Income	2,756.9	2,038.4	35.2%	3,422.1		(19.4)%	8,936.2	7,042.5	26.9%
EBITDA	572.2	409.5	39.7%	589.7		(3.0)%	1,726.9	1,255.3	37.6%
Margin (%)	20.8%	20.1%		17.2%			19.3%	17.8%	
Net Profit	315.6	204.6	54.2%	331.2		(4.7)%	964.7	640.1	50.7%
Margin (%)	11.4%	10.0%		9.7%			10.8%	9.1%	
Earnings Per Share (EPS)	2.89	1.88	54.0%	3.04		(4.9)%	8.84	5.87	50.6%

- Total Income increased 35.2% y-o-y to Rs. 2,756.9 mn supported by better price realization for certain Dye Intermediaries products coupled with improvement in demand in the domestic market
- Profitability for the quarter was benefitted from better operating profit. Reduction in finance cost further aided the margins
- Effective from April 1st, 2016, Bodal Agrotech Ltd. merged with Bodal Chemicals Ltd. Accordingly, the results for quarter ended December 2016, September, 2016 and Nine Months Ended December 2016 have been restated. Therefore, the results for the current period are not comparable with the previous periods

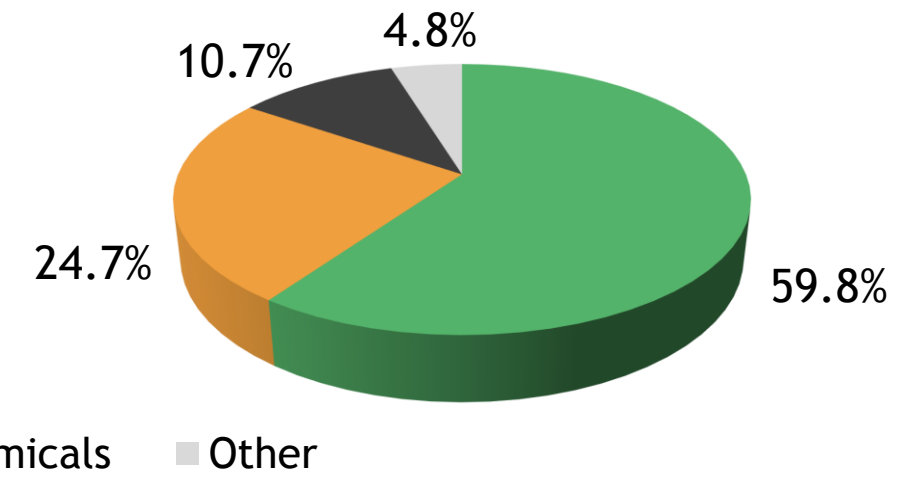
Improving profitability supported by increasing domestic demand

Revenue Breakup

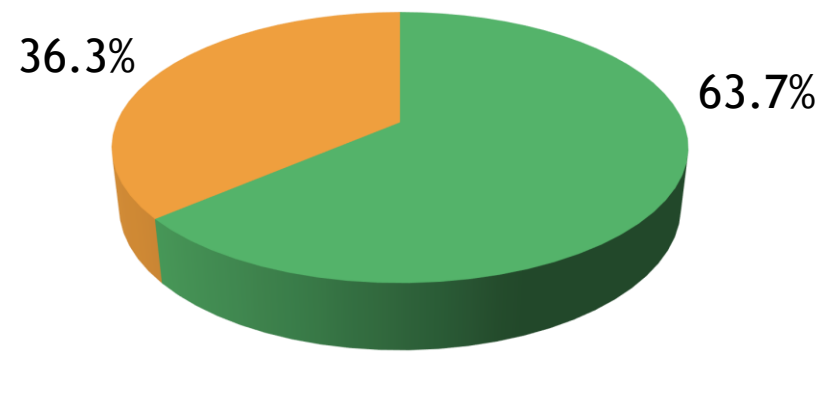
9M FY2016



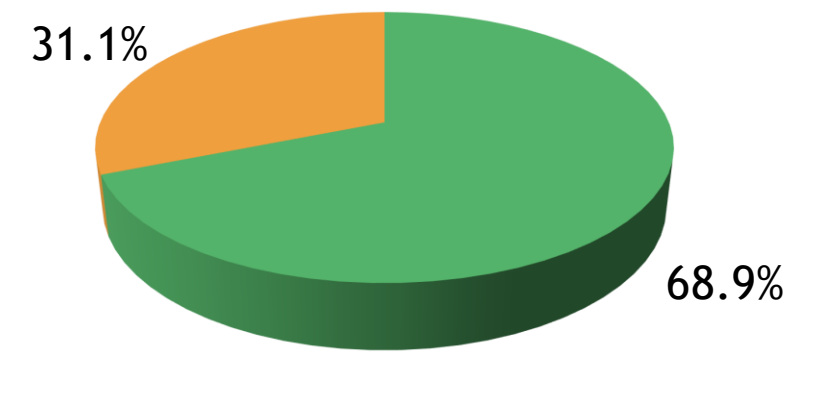
9M FY2017



9M FY2016



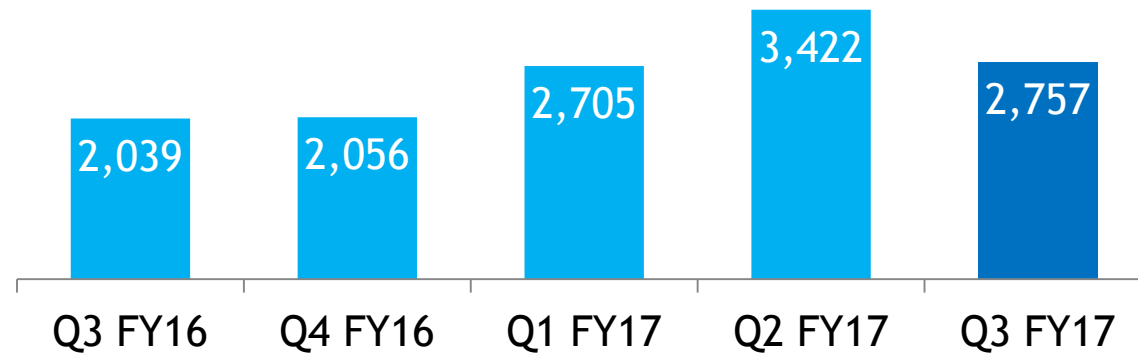
9M FY2017



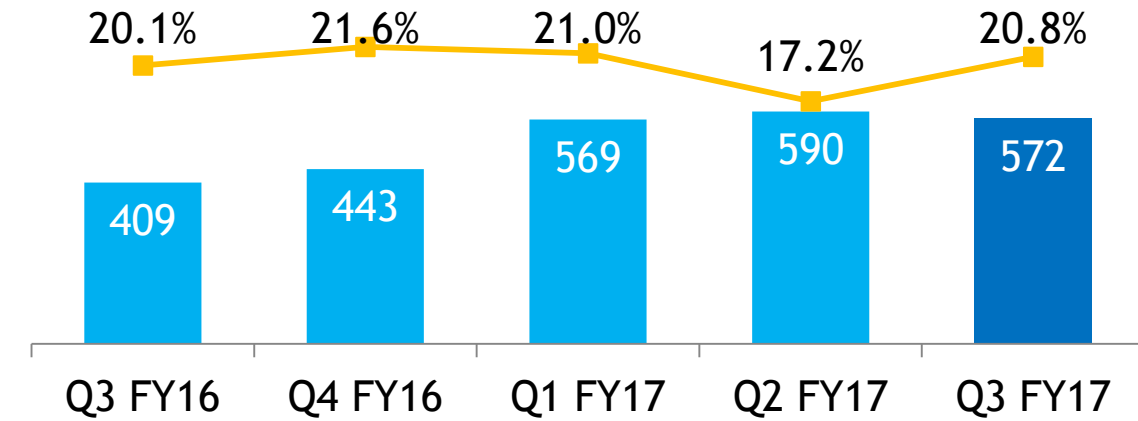
Well diversified revenue

From Strength to Strength

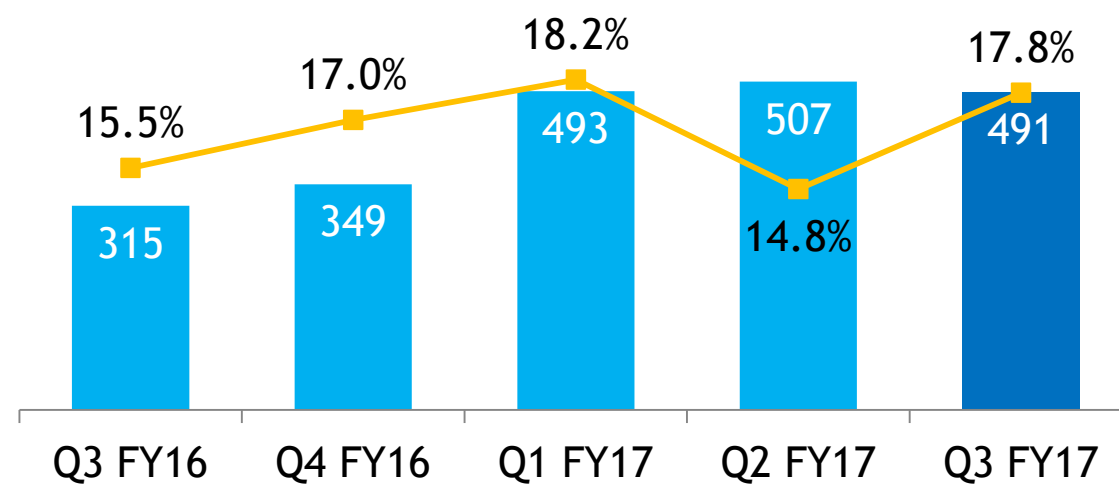
Revenue



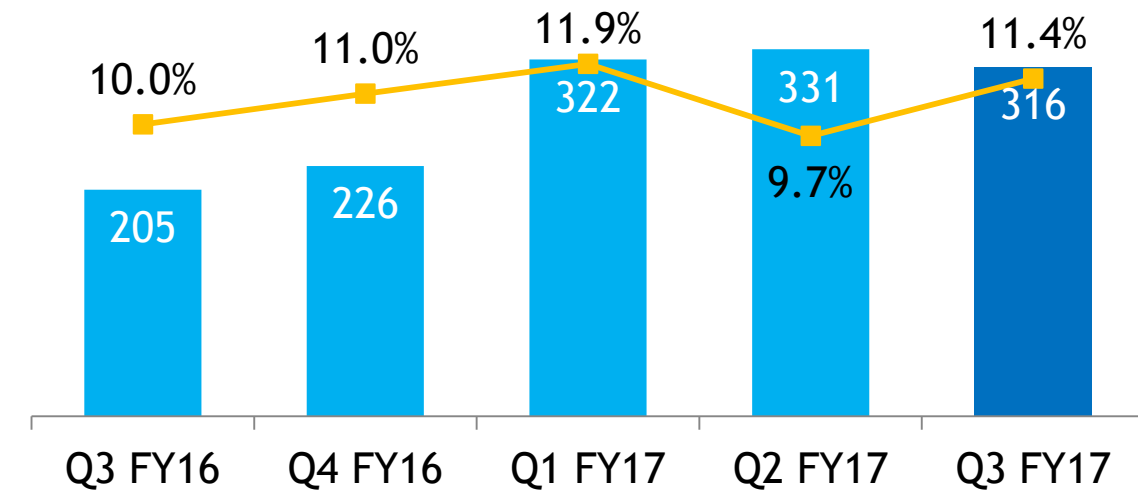
EBITDA and Margin %



Profit Before Tax and Margin %



Profit After Tax and Margin %



Note: Figures in Rs. million

A strong underlying business underpins our financial performance

Leverage Analysis

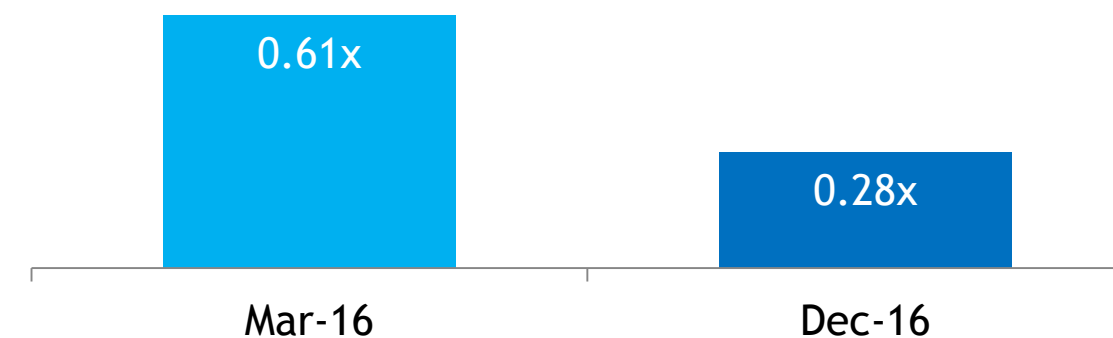
Particulars (Rs. million)	31-Dec-16	31-Mar-16
Short Term Borrowings	1,133	1,422
Long Term Borrowings	7	7
Total Debt	1,140	1,429
Less: Cash & Cash Equivalents*	234	5
Net Debt / (Net Cash)	906	1,424
Net Worth	3,269	2,346

* Cash & cash equivalent includes investment in liquid fund of Rs. 220 million

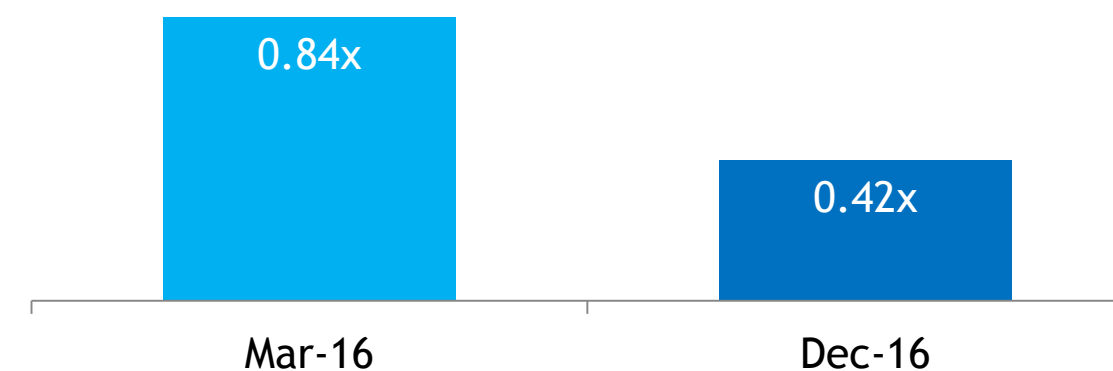
Credit Ratings

Bank Facility	Credit Rating
Long Term Bank Facilities	CARE A
Short Term Bank Facilities	CARE A1

Net Debt / Equity (x)

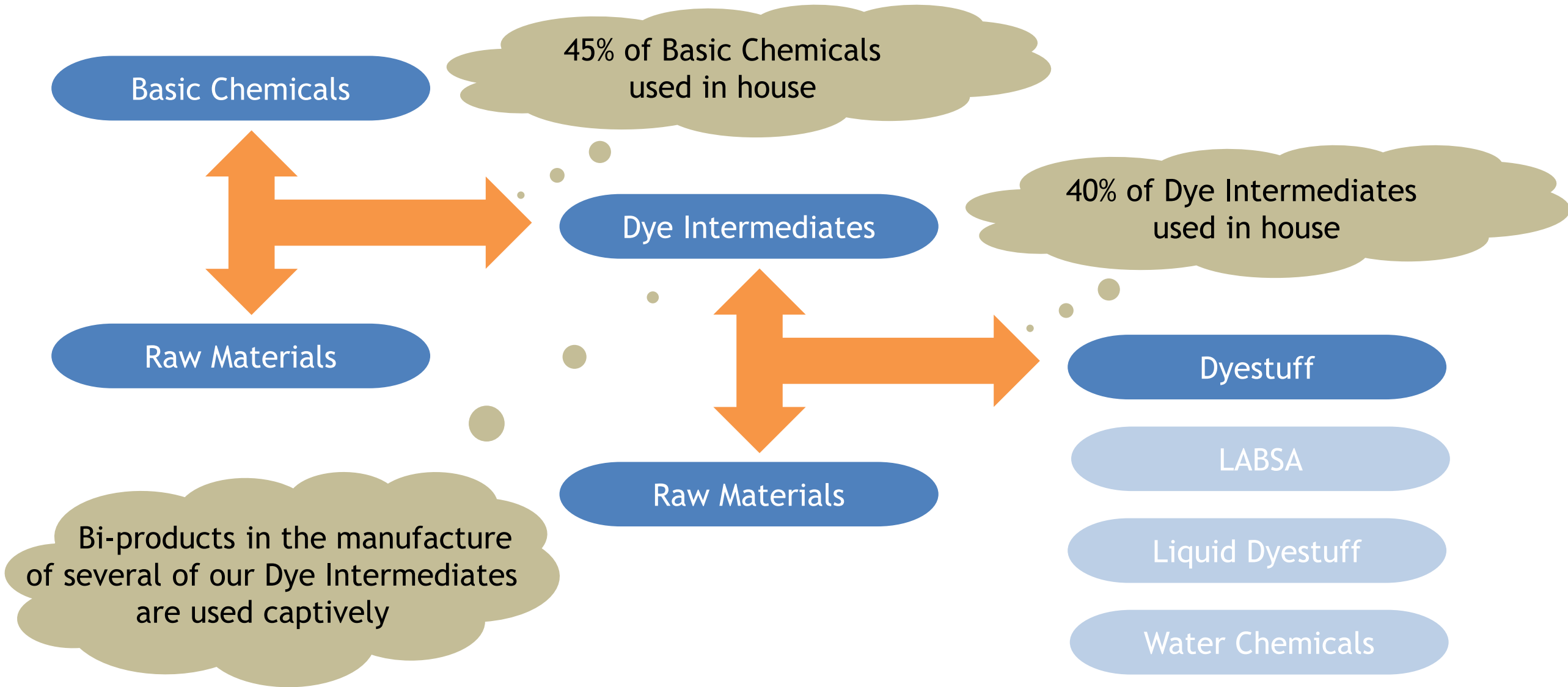


Net Debt / LTM EBITDA (x)



Sound financial health complements a strong business model

What's Unique About Our Business

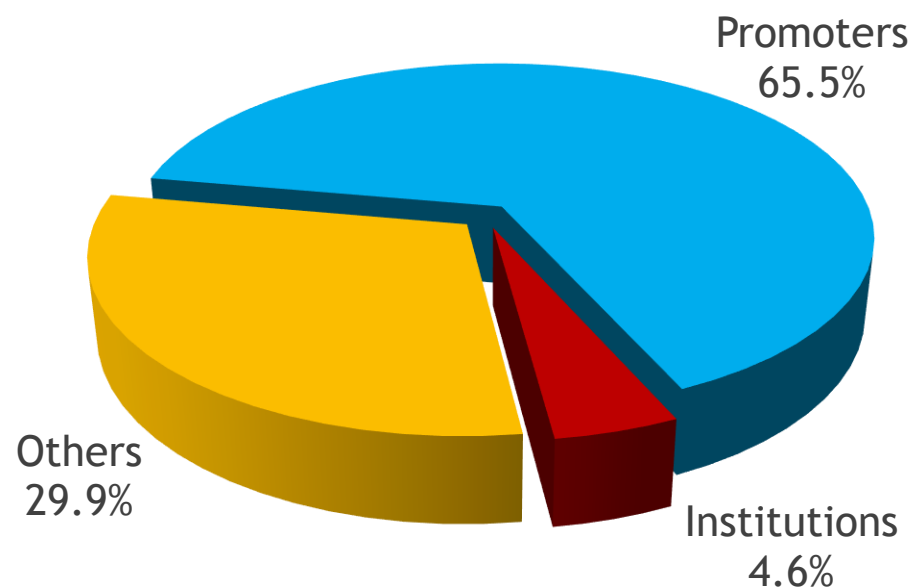


The level of integration is what sets us apart

The New Growth Engine

	Capacity Expansion of Dyestuff	Trion Chemicals	Production of LABSA	Production of Liquid Dyestuff
Details	<ul style="list-style-type: none"> Capacity to be expanded by 8,000 MTPA in first phase Capex required of Rs. 28 Cr to be funded out of internal accruals Total capacity expansion of 24,000 MTPA over 3-4 yrs Expansion of first phase were started and will be over by FY2018 	<ul style="list-style-type: none"> 42% owned associate company (in progress) To produce a compound which is a disinfectant, algicide and bactericide Production started Meaningful contribution from Q1 FY2018 	<ul style="list-style-type: none"> Started new plant near Plant VII for production of Linear Alkyl Benzene Sulphonic Acid (LABSA) Production started in Q1 FY2017 Plan to double capacity at the cost of ~Rs. 5 Cr 	<ul style="list-style-type: none"> Very few players currently producing Liquid Dyestuff All capex incurred Look forward to increasing production in the near term
Capacity	25,000 MT (including additional DS capacity from Phase I)	12,000 MT	18,000 MT	10,800 MT
End Market	Textile, Leather and Paper industry	Swimming pools and water treatment; also used as a bleaching agent in the textile industry	Detergents, cake and dish wash cleaners	Paper industry

The new opportunities are poised to take us onto a new growth trajectory



Market Data

Market Cap. (Rs. mn) (13-Feb-17)	14,773.1
Outstanding Shares (mn)	109.1
Bloomberg Ticker	BODL:IN
Reuters Ticker	BODA.NS
BSE Ticker	524370
NSE Ticker	BODALCHEM

Shareholders	Mar-16	Jun-16	Sep-16	Dec-16
Promoter	69.21%	67.35%	65.55%	65.55%
Institutions	0.29%	1.21%	5.30%	4.56%
Others	30.50%	31.44%	29.15%	29.89%
Total	100.0%	100.0%	100.0%	100.0%

Increasing public shareholder base

Mr. Suresh J. Patel
Chairman & Managing Director

Mr. Bipin R. Patel
Independent Director

Mr. Bhavin S. Patel
Executive Director

Mr. Nalin Kumar
Independent Director

Mr. Ankit S. Patel
Executive Director

Mr. Surendra N. Shah
Independent Director

Well diversified board complements strong corporate governance

Core Management Team

Mr. Suresh J. Patel
Chairman & Managing Director

Mr. Bhavin S. Patel
Executive Director

Mr. Ankit S. Patel
Executive Director

Mr. Prasad H. Pujari
Head - Sulphur Products Division

Mr. Mayur B. Padhya
Chief Financial Officer

Mr. V. K. Shashidharan
Vice President - Technical

Mr. Bansibhai Patel
President - Production & Technical

Mr. Rakeshbhai R. Patel
President - Production & Technical

Mr. N. K. Tiwari
Senior Consultant (Indirect Tax)

A senior management team committed to growth & excellence



Bodal Chemicals Ltd.

COLOURS. INTEGRATION. INNOVATION.

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