BODAL CHEMICALS LTD.

(GOVT. OF INDIA RECOGNISED EXPORT HOUSE) CIN : L24110GJ1986PLC009003
Registered Office : Plot No. 123/124, Phase-1, G.I.D.C., Vatva, AHMEDABAD-382 445. INDIA
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ISOQAR QUALITY ASSURED ISO 9001

By Online submission

Sec/15-16/187
Date : 23-02-2016

To,
The General Manager,
Department of Corporate Services
Bombay Stock Exchange 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: Earnings Presentation for Quarter 3 of FY 2016 for Investors.
Ref: Regulation 30, Schedule III part A of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015

With reference to above captioned subject, we herewith enclose Earnings Presentation for Quarter 3 of FY 2016 for Investors, February 2016.

This is for your information and record please.

Thanking You,

Yours faithfully,
For, BODAL CHEMICALS LTD.

Ashutosh B. Bhatt
Company Secretary

Encl : a/a

Bodal Chemicals Ltd.

Q3 FY2016 Earnings Presentation

February 2016

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.

Investment Rationale

One of the only few vertically integrated Basic Chemicals (BC), Dye Intermediates (DI) and Dyestuff (DS) manufacturers in India

Strategically located with easy access to key raw materials

Produces the largest variety of DI in India

Strong global reach: exports to over 35 countries

Considerably protected from raw material price volatility: a majority of the BC and DI requirement sourced in-house

Captive power plant and steam generation reduces power cost

Increasing revenue share of high value add DS

A high level of integration at plants reduces logistic costs

Conservative leverage profile: Total Debt to Equity of 0.8x (1.1x in Mar 2015) & Net Debt/LTM EBITDA of 1.2x

Highlights from the Quarter

Q3 FY2016 vs. Q3 FY2015			
Net Sales	**EBITDA**	**EBITDA Margins**	**Net Profit**
Rs. 2,039 million	Rs. 410 million	20.1%	Rs. 205 million
+16.0%	+57.1%	+525 bps	+60.5%

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

"Bodal Chemicals is pleased to report a stellar quarter with strong top line growth and robust profitability. This performance is a reflection of our underlying business strength and recent strategic initiatives. In addition, focused deleveraging has translated into significant interest cost saving of 50% y-o-y.

Recently, we were conferred with the Trishul award by Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotional Council (CHEMEXCIL), an apex body set up by Ministry of Commerce and Industry. The award is the highest export award from CHEMEXCIL to acknowledge outstanding performance in exports through development of new products and markets.

We are looking for opportunities to further diversify our product portfolio into other specialty chemicals which is expected to contribute in a meaningful way to our revenues and profits. Bodal Chemicals is strongly positioned to capitalize on the overall growth in its end markets."

Financial Performance

Key Financial Statistics

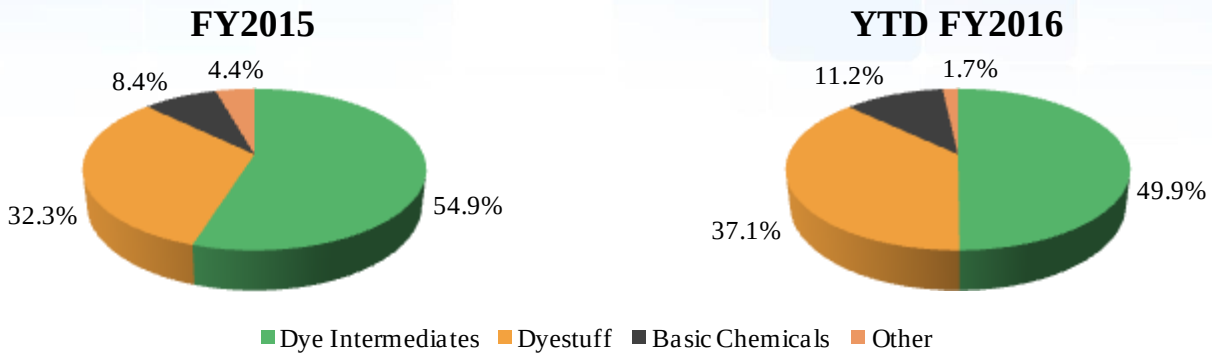
(Rs. million)	Q3		*y-o-y Growth (%)*	Q2	*q-o-q Growth (%)*	Nine Months Ended		*y-o-y Growth (%)*
	FY2016	FY2015		FY2016		FY2016	FY2015	
Total Income	2,038.7	1,757.0	*16.0%*	2,542.7	*(30.9)%*	7,042.6	8,104.8	*(13.1)%*
EBITDA	409.5	260.6	*57.1%*	438.8	*(40.6)%*	1,255.3	1,590.7	*(21.1)%*
Margin (%)	*20.1%*	*14.8%*		*17.3%*		*17.8%*	*19.6%*	
Net Profit	204.6	127.5	*60.5%*	233.9	*(45.5)%*	640.1	828.4	*(22.7)%*
Margin (%)	*10.0%*	*7.3%*		*9.2%*		*9.1%*	*10.2%*	
Earnings Per Share (EPS)	1.88	1.17	*60.7%*	2.14	*(45.3)%*	5.87	7.59	*(22.7)%*

Note: EBITDA including Other Income and excluding Exceptional Items

Segmental Financial Performance

Revenue Breakup

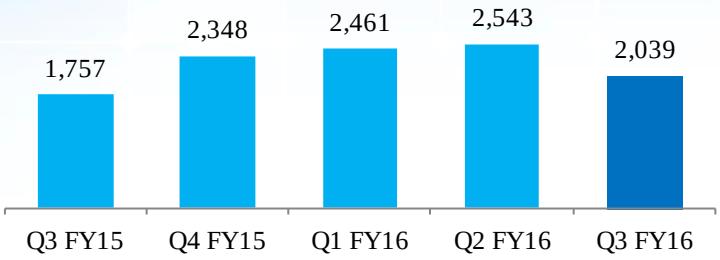
By Segment



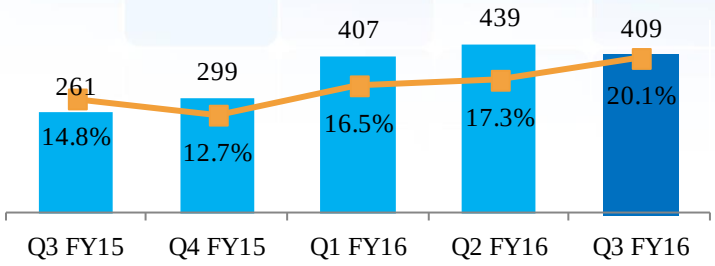
By Geography

Quarterly Financial Trends

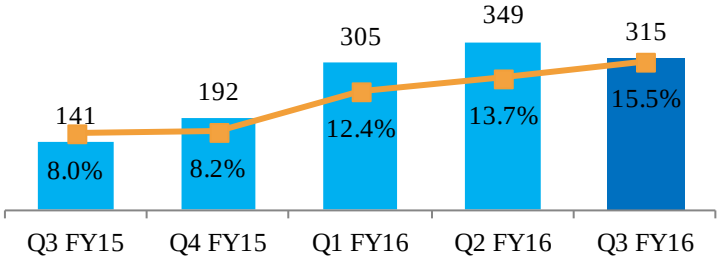
Revenue (Rs. Million)



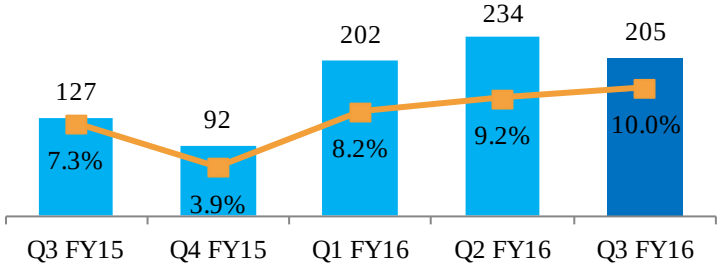
EBITDA (Rs. Million) and Margin (%)



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



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



Note: EBITDA including Other Income and excluding Exceptional Items

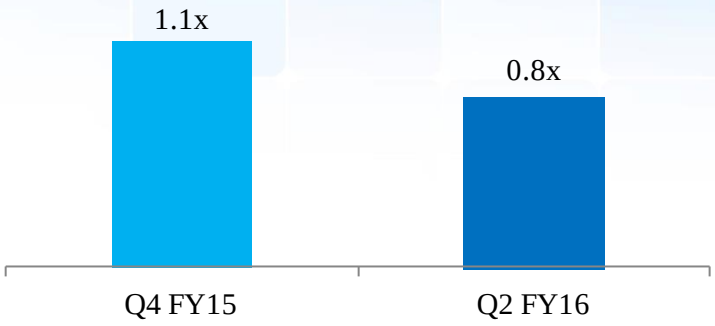
Leverage Profile

Particulars (Rs. million)	30-Sep-15	31-Mar-15
Short Term Borrowings	1,402	1,225
Long Term Borrowings	309	862
Current Portion of Long-Term Borrowings	--	1
Total Debt	**1,711**	**2,088**
Less: Cash & Cash Equivalents	37	30
Net Debt / (Net Cash)	**1,674**	**2,058**
Net Worth	**2,018**	**1,858**

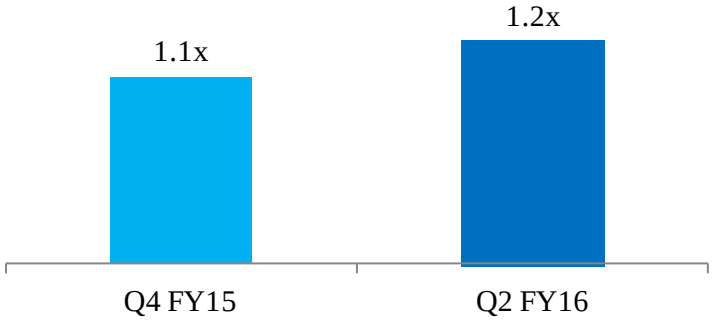
Ongoing reduction in Net Debt

Bank Facility	Credit Rating
Long Term Bank Facilities	CARE BBB+
Short Term Bank Facilities	CARE A2

Total Debt / Equity (x)



Net Debt / LTM EBITDA (x)



Business Snapshot

Company with the widest product portfolio in India across basic chemicals, dye intermediates and dyestuff

One of the leading producers of dye intermediates & dyestuff in the world

Sulphur & Bulk Chemical → Dye Intermediates → Dyestuff

End Markets

No. of Products		30 Variants	150 Variants
Annual Capacity	190,000 MT	30,000 MT	17,000 MT
% Total Revenue [1]	11%	50%	37%
Products	Sulphuric Acid, Oleum 23% & 65%, Sulphur Trioxide and Chlorosulphonic Acid	Vinyl Sulphone Ester, H Acid, F C Acid, DASA, Gama Acid, 6 Nitro	Reactive Dyes, Acid Dyes, Direct Dyes

Note:
1. For YTD FY2016

Manufacturing Footprint

Plant	Location	Basic Chemicals	Dye Intermediates	Dyestuff
Plant I	Ahmedabad	✓	✓	✓
Plant II	Ahmedabad	✓	✓	
Plant III	Ahmedabad		✓	
Plant IV	Ahmedabad			✓
Plant VII	Vadodara	✓	✓	✓
Plant VIII	Vadodara		✓	

Notes:
1. Plant V and VI have been closed
2. 70% of total company production is at Plant VII and is one of the most integrated BC-DI-DS plants in India

Geographical Reach

Outreach across more than 35 countries

Production Facilities Clients Presence

Key Clients*

asiatic colour-chem ind. ltd.

BASF The Chemical Company

Chemistar COLORS FOR RIGHT FIRST TIME DYEING

HUNTSMAN Enriching lives through innovation

JAY

McFills Enterprises Pvt. Ltd.

OHYOUNG

RIFA

stahl

* Arranged alphabetically

Bodal

Product Overview

Basic Chemicals & Dye Intermediaries

Basic Chemical - Highlights

- Centrally located manufacturing facilities
- 45% in house consumption
- Captive power plant & steam generation
- Latest upgraded production facilities

Product	Major Applications
Sulphuric Acid	
Oleum 23% & 65%	
Sulphur Trioxide	
Chlorosulphonic Acid	

Dye Intermediaries - Highlights

- Largest manufacturer in India with 25 years of experience
- Consumes 40% of dye intermediates in-house
- High entry barriers
- Competitive to Chinese suppliers in terms of pricing
- Easy raw material availability in Gujarat
- Only player with effluent disposal permission of 10 lac litres per day
- After implementation of a new policy to deal with environmental issues in China, setting up a new facility in the country has become tougher
- In a position to sell outside or consume in house depending upon market dynamics

Product Overview

Dyestuff

Highlights

- Large capacity for standardizing, storage and packaging & distribution
- In house ice plant with 300 MT/day capacity
- In house ETP plant with 1 million liters / day
- Sales across more than 35 countries
- Contract manufacturing for leading MNCs
- Scope for increasing production with existing infrastructure

Product	Major Applications
Reactive Dyes	
Acid Dyes	
Direct Dyes	

Key Milestones

- **2014 / 2015** Carried out one of the earliest debt repayments and exit from CDR
- **2012** CDR approved
- **2010** Carried out backward integration to start producing basic chemicals
- **2008** Acquired Milestone Organics Limited (Plant VIII)
- **2007** Initiated a mega expansion at Plant VII
- **2006** Reverse merger with Dintex Dye Chem and got listed on the BSE exchange; Bought Unit IV
- **2004** Carried out forward integration to start producing Dyestuff
- **1994** Changed name to Bodal Chemicals
- **1989** Started as JK Pharma

Board of Directors

Mr. Suresh J. Patel
Chairman & Managing Director

Mr. Bhavin S. Patel
Executive Director

Mr. Ankit S. Patel
Executive Director

Mr. Surendra N. Shah
Independent Director

Mr. Sunil K. Mehta
Independent Director

Mr. Bipin R. Patel
Independent Director

Mrs. Kajal Ritesh Soni
Independent Director

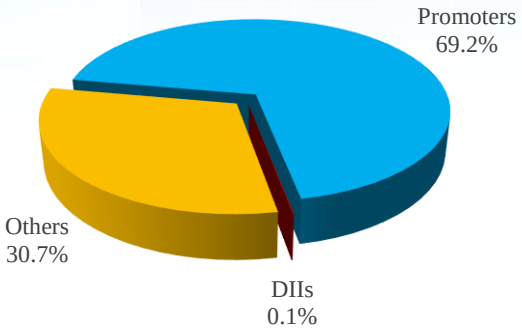
Mr. Mayur Padhya
Chief Financial Officer

Strategic Direction

- Trion Chemicals, a 42% owned associate company, to start production of specialty chemicals
- New plant under construction near Plant VII to produce Labsa, a raw material for the detergent industry
- Ramp up capacity of Dye Intermediaries and Dyestuff

Market Data

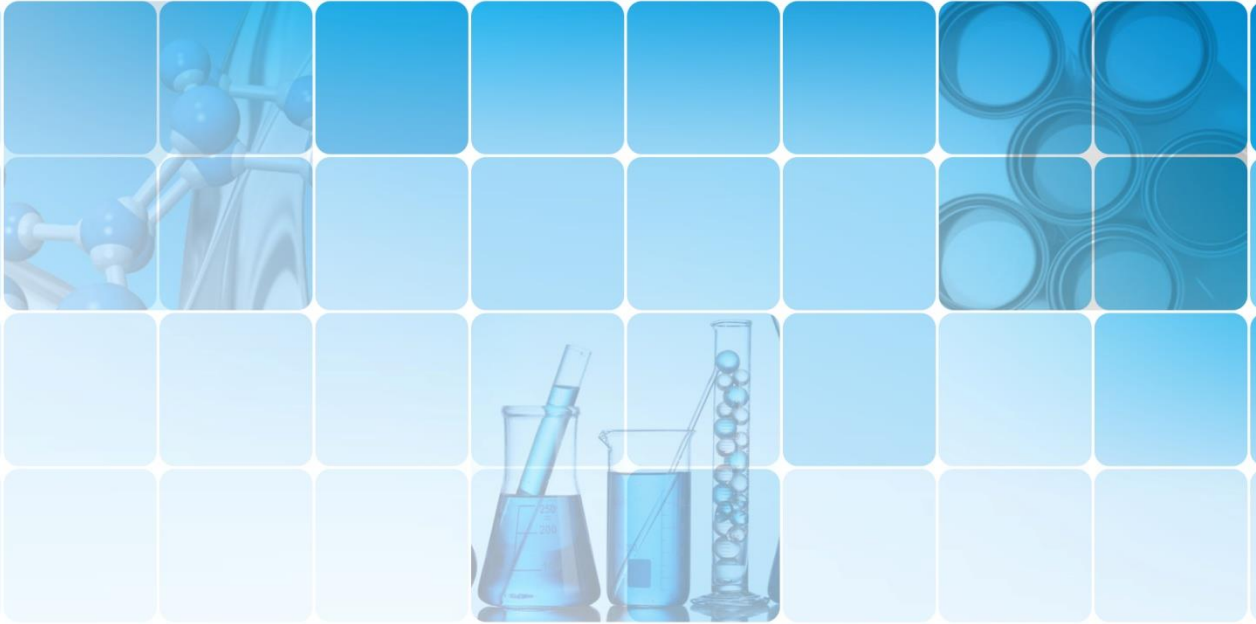
Shareholding Pattern (31st Dec 2015)



Market Data

Market Cap. (Rs. mn) (19-Feb-16)	5,830
Outstanding Shares (mn)	109.1
Bloomberg Ticker	BODL:IN
Reuters Ticker	BODA.NS
BSE Ticker	524370
NSE Ticker	BODALCHEM

Shareholders	**Mar-15**	**Jun-15**	**Sept-15**	**Dec-15**
Promoter	69.9%	69.7%	69.7%	69.2%
Domestic Institutional Investor (DII)	0.04%	0.14%	0.20%	0.07%
Others	30.1%	30.2%	30.1%	30.7%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**



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