

October 29, 2024

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

Dear Sir/Madam,

Sub: Investor Presentation

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 October 2024.

The aforementioned presentation is also being uploaded on the Company's website at 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 – October 2024**



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Q2 & H1 FY25 Performance Highlights



Q2 FY25 Performance Highlights



“The performance for the second quarter continues to remain soft as demand for key products were slower than expected. The revenue for the second quarter of FY25 stood at Rs 52.6 crores. The period gone by faced significant challenges on our organic chemicals segment, i.e. HMDS, CMIC, and bromobenzene, primarily due to subdued demand from the pharmaceutical and agrochemical industries. Our newly launched products which are primarily addressing the import market are gaining some healthy inquiries. We have started dispatching few trials of these products to clients. Demand in our inorganic chemicals segment remains volatile, influenced by fluctuating crude oil prices amid ongoing global uncertainties. Despite these hurdles, we maintained stable volumes in both business areas for the quarter and first half.

We are targeting to commence few new products at P-10 unit by the end of FY25 and P-11 by Q1 FY26, both at the Manjusar location. These units will produce new products primarily for pharmaceutical applications, aligning with our strategy to diversify and de-risk our portfolio. Our commitment to prudent investments and portfolio expansion remains strong. Given our client engagements, we are optimistic about long-term sustainable growth in the coming years.”

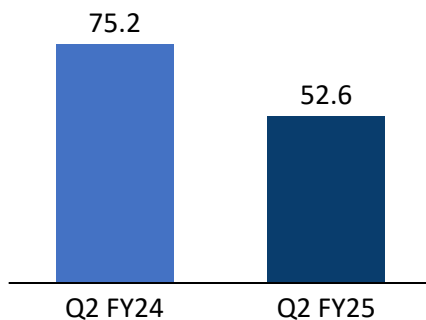
Mr. Kamal Aggarwal,

Chairman & Managing Director

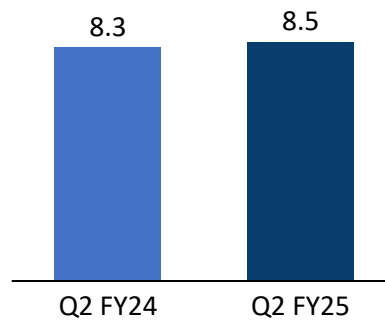
Financial Highlights



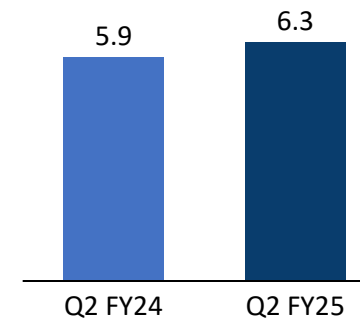
Total Revenue (Rs. Cr)



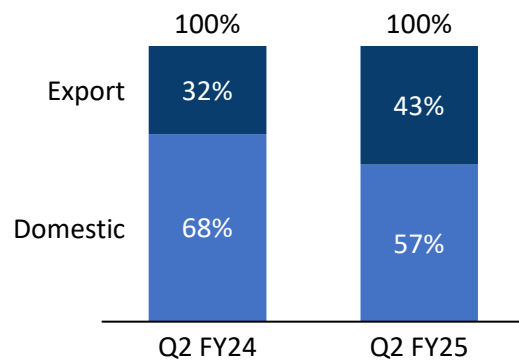
EBITDA (Rs. Cr)



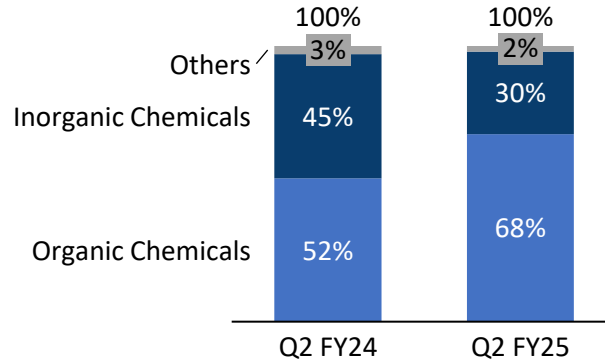
PAT (Rs. Cr)



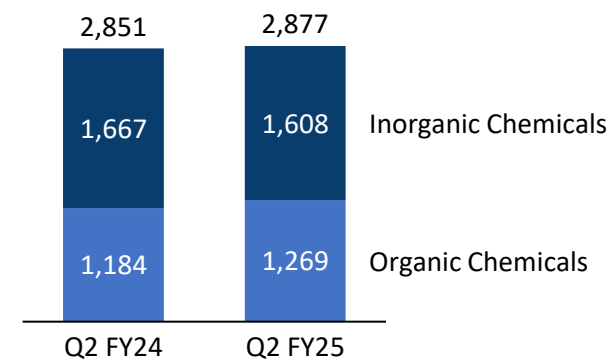
Geographic-Wise (%)



Business-wise (%)



Sales Volume (MT)



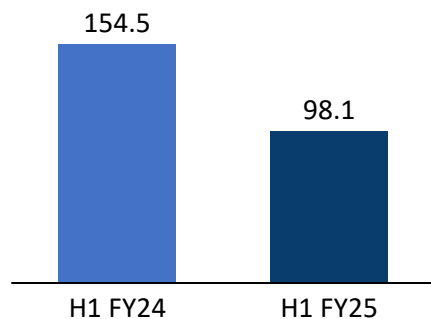
Organic chemicals refers to HMDS, CMIC and Bromobenzene whereas Inorganic chemicals refer to Bromides

Export data are inclusive of Deemed Exports

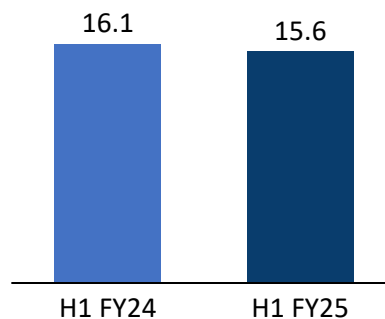
Financial Highlights



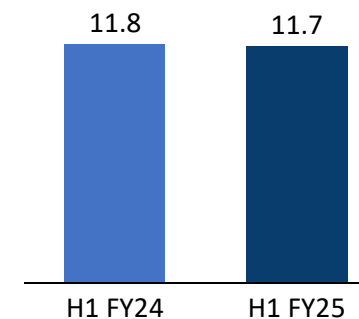
Total Revenue (Rs. Cr)



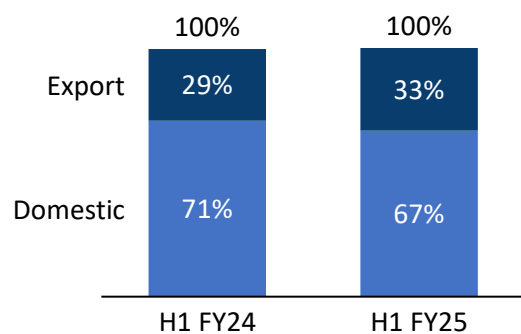
EBITDA (Rs. Cr)



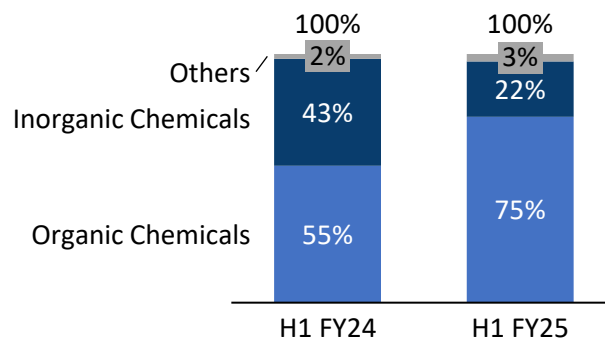
PAT (Rs. Cr)



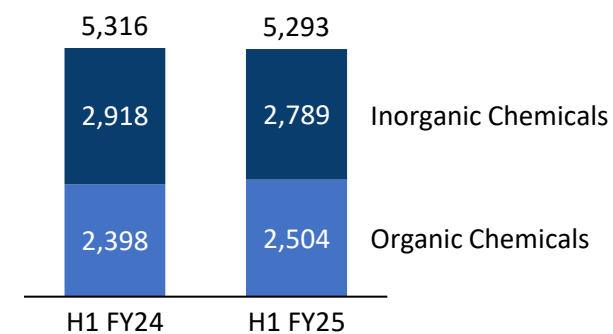
Geographic-Wise (%)



Business-wise (%)



Sales Volume (MT)



Organic chemicals refers to HMDS, CMIC and Bromobenzene whereas Inorganic chemicals refer to Bromides

Export data are inclusive of Deemed Exports

Profit & Loss Statement



Particulars (Rs. Crs)	Q2 FY25	Q2 FY24	H1 FY25	H1 FY24
Revenue from Operations	52.6	75.2	98.1	154.5
Cost of Goods Sold	31.6	53.5	57.7	113.3
Employee Cost	4.7	5.0	9.5	9.0
Other Expenses	7.7	8.4	15.3	16.0
EBITDA	8.5	8.3	15.6	16.1
EBITDA Margin	16.2%	11.1%	15.9%	10.4%
Other Income	3.5	3.0	7.3	6.5
Depreciation	2.5	2.6	5.1	5.2
EBIT	9.5	8.8	17.8	17.4
Finance Cost	0.9	0.7	1.9	1.4
Profit before Tax	8.5	8.0	15.9	16.0
Tax	2.2	2.1	4.2	4.2
PAT	6.3	5.9	11.7	11.8
PAT Margin %	12.0%	7.9%	11.9%	7.7%
Basic EPS	1.73	1.62	3.19	3.23

Balance Sheet

ASSETS (Rs. Crs)	Sep-24	Mar-24
Non-Current Assets		
a) Property, Plant And Equipment	143.0	146.5
b) Capital Work in Progress	48.3	42.4
c) Right Of Use Asset	0.0	0.0
d) Intangible Assets	0.0	0.0
e) Other Financial Assets	0.9	0.9
f) Other Non-Current Assets	2.9	2.3
Sub-Total - Non-Current Assets	195.0	192.1
Current Assets		
a) Inventories	77.5	61.6
b) Financial Assets		
i) Trade Receivables	69.8	81.9
ii) Cash And Cash Equivalents	3.8	7.1
iii) Bank Balances	177.2	163.5
iv) Other Financial Assets	11.8	9.6
c) Other Current Assets	23.7	21.8
d) Current tax assets	1.7	7.7
Sub-Total - Current Assets	365.6	353.2
Total - Assets	560.6	545.2

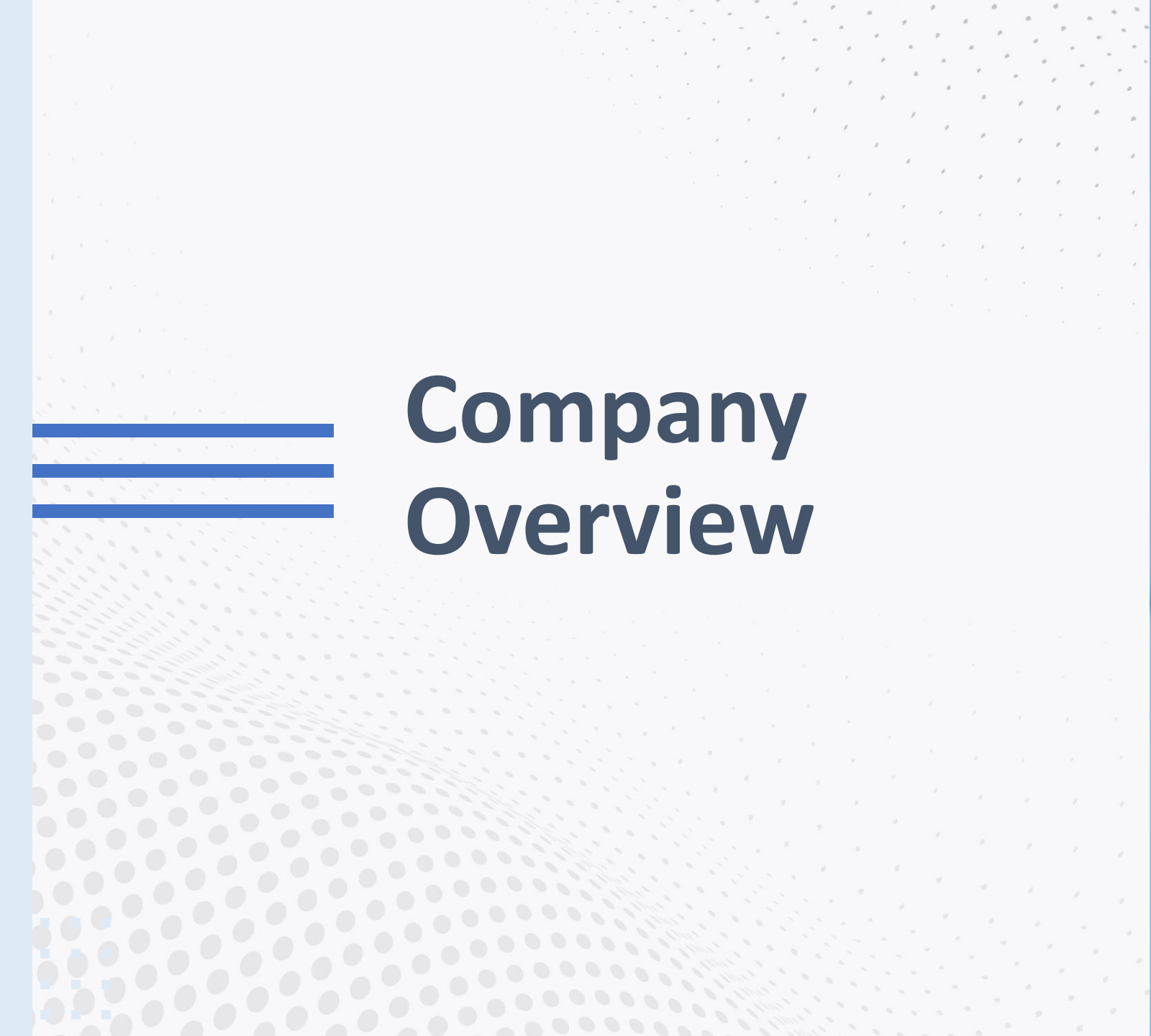
EQUITY AND LIABILITIES	Sept-24	Mar-24
EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	36.6	36.6
b) Other Equity	451.4	439.8
Total Equity	488.0	476.4
Liabilities		
Non-Current Liabilities		
a) Financial Liabilities		
i) Borrowings	0.3	0.4
ii) Lease Liabilities	0.0	0.0
iii) Other financial liabilities	0.0	0.0
b) Non current Provisions	0.4	0.3
c) Deferred Tax Liabilities (Net)	4.5	4.4
Sub-Total - Non-Current Liabilities	5.2	5.1
Current Liabilities		
a) Financial Liabilities		
i) Borrowing	43.0	42.3
ii) Trade Payables	17.2	12.0
iii) Other Financial Liabilities	4.7	5.5
iv) Lease Liabilities	0.0	0.0
b) Other Current Liabilities	2.1	3.6
c) Short Term Provisions	0.4	0.2
d) Current tax Liabilities	0.0	0.0
Sub-Total - Current Liabilities	67.3	63.7
Total - Equity And Liabilities	560.6	545.2

Cash Flow Statement



Particulars (Rs. Crs.)	Sept-24	Sept-23
Net Profit Before Tax	15.9	16.0
Adjustments for: Non Cash Items / Other Investment or Financial Items	0.0	0.5
Operating profit before working capital changes	15.9	16.5
Changes in working capital	-4.8	-22.2
Cash generated from Operations	11.1	-5.7
Direct taxes paid (net of refund)	0.2	-4.3
Net Cash from Operating Activities	11.3	-10.0
Net Cash from Investing Activities	-13.2	-7.0
Net Cash from Financing Activities	-1.4	-26.1
Net Decrease in Cash and Cash equivalents	-3.3	-43.1
Add: Cash & Cash equivalents at the beginning of the period	7.1	44.4
Cash & Cash equivalents at the end of the period	3.8	1.4





Company Overview



Company Snapshot

Incorporated in 1988

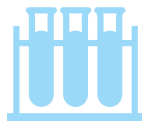
Manufacturer of Speciality Chemicals

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

Business Verticals: Organic Chemicals and Inorganic Chemicals

Manufacturing Facilities near Manjusar, Vadodara, Gujarat

9 Operational Plants, 6 Owned and 1 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 ancillary product of HMDS

FY22 –23

- » **Increase in CMIC & TMCS** Capacity by commissioning of plant P8
- » Increase in bromobenzene capacity by commissioning plant P-9



Global Presence

FY24 Export
Contribution*:

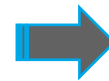
~41%

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



Organic Chemicals

Inorganic Chemicals



Shree Radha Overseas

CC Gran Limited Liability Company

Longstanding Clients

Strong Base

New Product Development

New Customer Reach

Top 5 customers contribute ~40%

Top 10 customers contribute ~55%

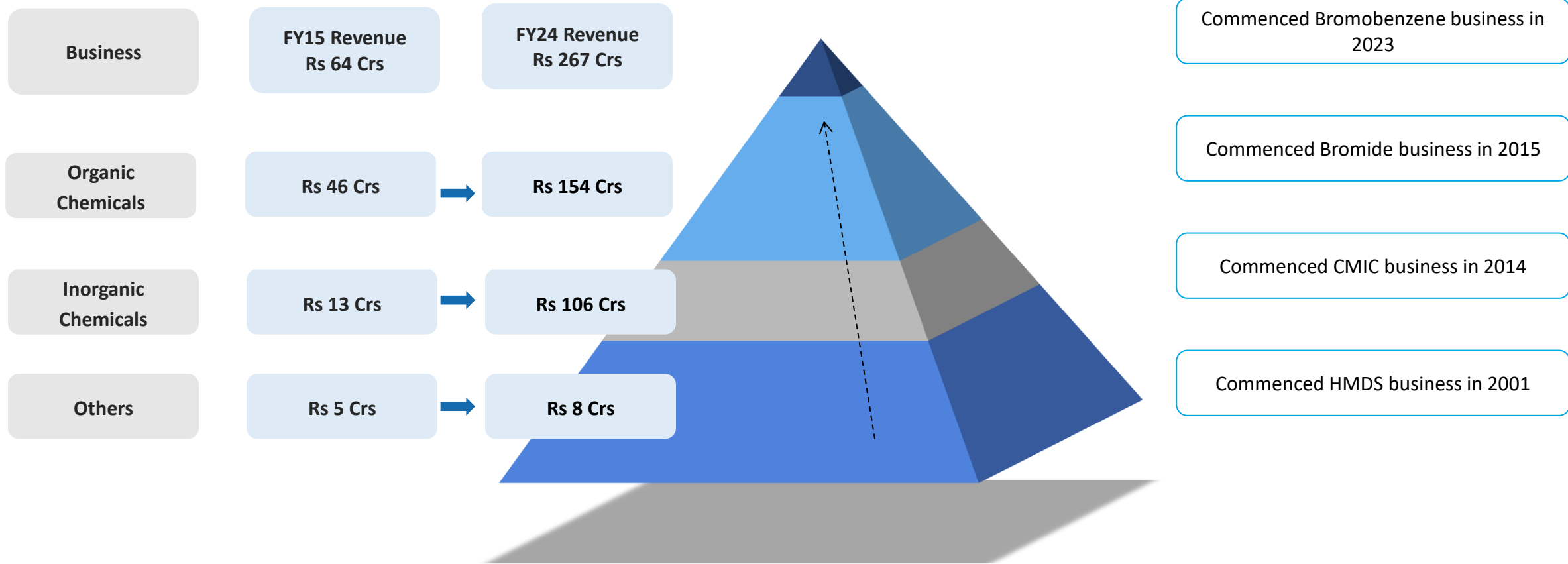
Few customers age more than 2 decades with us

Major customers have been with us for more than 5 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



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



Product Portfolio



Organic Chemicals

HMDS

- 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

Pharmaceuticals & Others

CMIC

- CMIC is an antiviral drug intermediate product, which is a key intermediate for anti-AIDS and anti-hepatitis B drug Tenofovir
- The downstream product of CMIC, Tenofovir is a nucleotide antiviral drug developed by Gilead Corporation of the United States.

Pharmaceuticals

Bromobenzene

- Bromobenzene, is a clear, colourless or pale-yellow liquid. It is manufactured through bromination of benzene in presence of iron and has form of heavy, mobile, colorless liquid having a pungent odor.

Agrochemicals

Inorganic Chemicals

Bromides

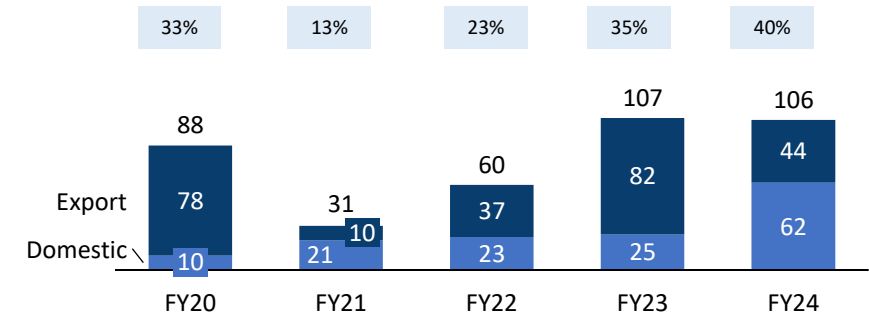
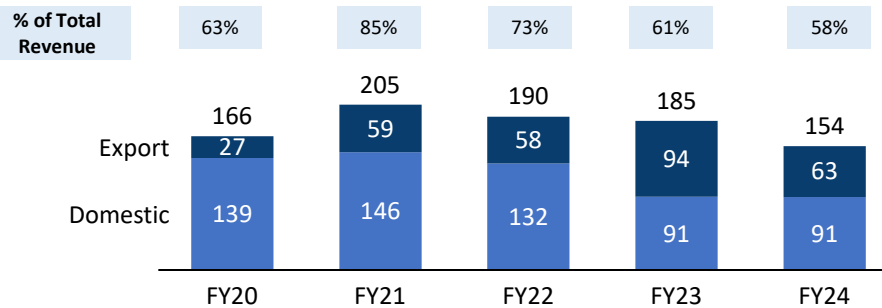
- Oilwell Completion Chemicals are used to complete the well and is normally a salty solution made up of chlorides or bromides
- Company manufacture a range of inorganic bromides, namely: Calcium Bromide (solution and powder), Zinc Bromide (solution) & Sodium Bromide (solution and powder)

Oil Drilling & Fluids

Key Products

End User Industry

Business Performance (Rs in cr)



Export data are inclusive of Deemed Exports

Manufacturing Facilities



Sr No	Product categories	Key Products	Installed Capacity (MTPA)
1	Organic Chemicals	HMDS, CMIC, Bromobenzene and other ancillary products	10,800
2		Proposed P-10 unit	Q4FY25e
3		Proposed P-11 unit	Q1FY26e
4	Inorganic Chemicals	Range of Inorganic Bromides	15,000

Located at Manjusar near Vadodara, Gujarat

9 Operational Plants

2 Proposed Expansion Plant under process

In-House R&D Laboratory

6 Owned Warehouses

Located at Manjusar near Vadodara, Gujarat



Capacity Expansion

- » We plan to add additional manufacturing capacity P10 unit and P11 unit. These additional capacity will manufacture organic chemicals

Import Substitution

- » Aims to capitalize on the potential growth of Organic Chemicals in India and to substitute imports

Exploring New Applications

- » Plan to expand the new products to have diversified product portfolio with diversified client base

Cost Efficiencies

- » Ongoing improvement in cost-efficiencies in the production process through Process re-engineering for efficient raw material consumption and through economies of scale



Way Forward

Moderate Growth in

Organic Chemicals



Healthy Growth in

Inorganic Chemicals



Exploring
Opportunities in

New Products



Leading to Long Term Sustainable Growth

New Products, New Clients, New Applications, New Opportunities



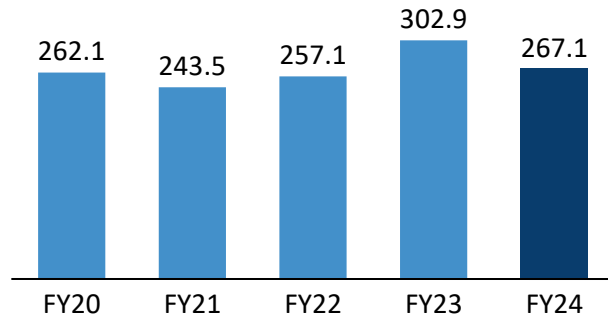
Financial Highlights



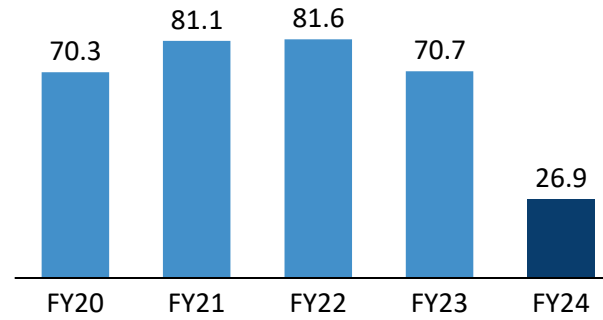
Financial Trends



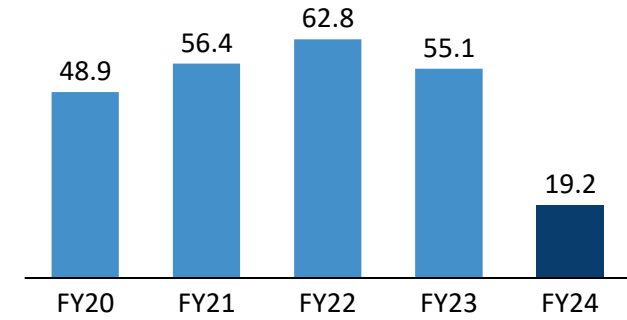
Total Revenue (Rs. Cr)



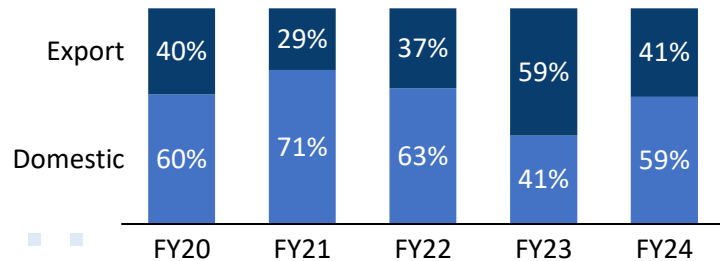
EBITDA (Rs. Cr)



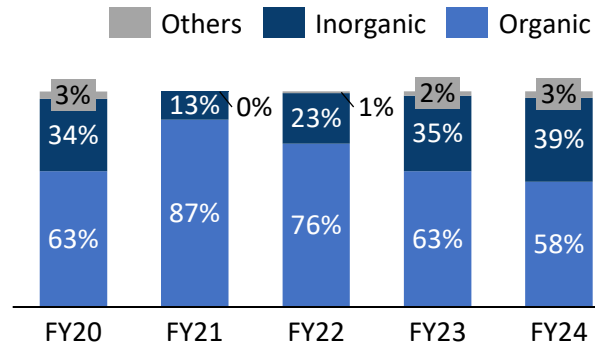
PAT (Rs. Cr)



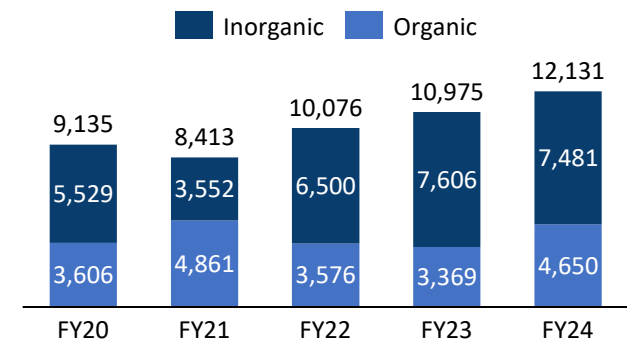
Geographic-Wise (%)



Business-wise (%)



Sales Volume (MT)

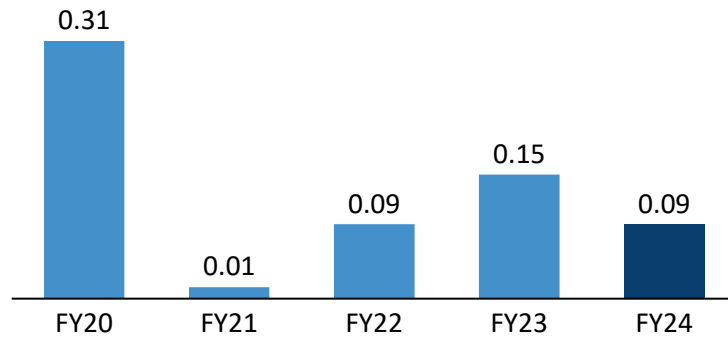


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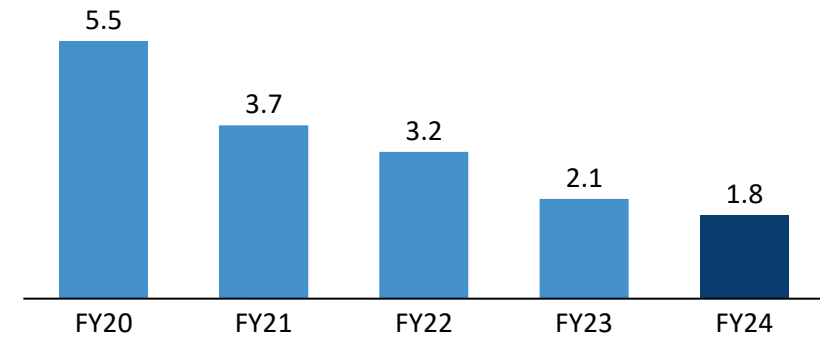
Export data are inclusive of Deemed Exports

Key Ratios

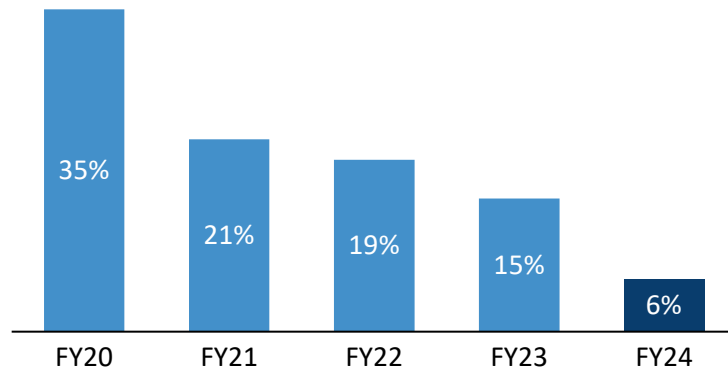
Debt/ equity (x)



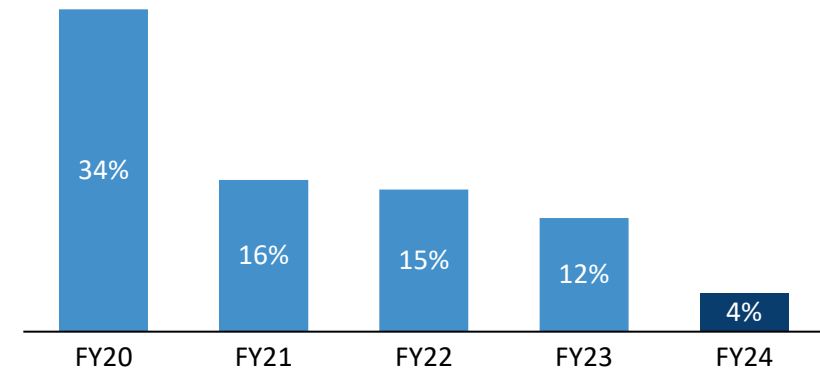
Fixed Asset Turnover(x)



ROCE (%)



ROE (%)



Balance Sheet



ASSETS (Rs. Crs)	Mar-24	Mar-23
Non-Current Assets		
a) Property, Plant And Equipment	146.5	141.4
b) Capital Work in Progress	42.4	13.6
c) Right Of Use Asset	0.0	0.0
d) Intangible Assets	0.0	0.0
e) Other Financial Assets	0.9	84.0
f) Other Non-Current Assets	2.3	3.0
Sub-Total - Non-Current Assets	192.1	242.0
Current Assets		
a) Inventories	61.6	79.0
b) Financial Assets		
i) Trade Receivables	81.9	67.6
ii) Cash And Cash Equivalents	7.1	44.4
iii) Bank Balances	163.5	86.4
iv) Other Financial Assets	9.6	4.3
c) Other Current Assets	21.8	24.4
d) Current tax assets	7.7	5.1
Sub-Total - Current Assets	353.2	311.4
Total - Assets	545.2	553.4

EQUITY AND LIABILITIES	Mar-24	Mar-23
EQUITY AND LIABILITIES		
Equity		
a) Equity Share Capital	36.6	36.6
b) Other Equity	439.8	420.7
Total Equity	476.4	457.4
Liabilities		
Non-Current Liabilities		
a) Financial Liabilities		
i) Borrowings	0.4	0.7
ii) Lease Liabilities	0.0	0.0
iii) Other financial liabilities	0.0	0.8
b) Non current Provisions	0.3	0.1
c) Deferred Tax Liabilities (Net)	4.4	3.1
Sub-Total - Non-Current Liabilities	5.1	4.7
Current Liabilities		
a) Financial Liabilities		
i) Borrowing	42.3	63.2
ii) Trade Payables	12.1	21.4
iii) Other Financial Liabilities	5.5	4.1
iv) Lease Liabilities	0.0	0.0
b) Other Current Liabilities	3.6	2.4
c) Short Term Provisions	0.2	0.0
d) Current tax Liabilities	0.0	0.0
Sub-Total - Current Liabilities	63.7	91.3
Total - Equity And Liabilities	545.2	553.4

Cash Flow Statement

Particulars (Rs. Crs.)	Mar-24	Mar-23
Net Profit Before Tax	26.3	74.2
Adjustments for: Non Cash Items / Other Investment or Financial Items	1.4	-0.8
Operating profit before working capital changes	27.7	73.3
Changes in working capital	-6.7	-38.5
Cash generated from Operations	21.0	34.9
Direct taxes paid (net of refund)	-9.0	-22.1
Net Cash from Operating Activities	12.0	12.7
Net Cash from Investing Activities	-24.6	-16.3
Net Cash from Financing Activities	-24.8	12.0
Net Decrease in Cash and Cash equivalents	-37.4	8.4
Add: Cash & Cash equivalents at the beginning of the period	44.4	36.0
Cash & Cash equivalents at the end of the period	7.1	44.4

Thank You



Chemcon Speciality Chemicals Ltd.

CIN – L24231GJ1988PLC011652

Mr. Rajesh Gandhi - CFO

Email – rajesh@cscpl.com

www.cscpl.com

SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Ltd.

CIN - U74140MH2010PTC204285

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