



Bodal Chemicals Ltd.
COLOURS. INTEGRATION. INNOVATION.

TRANSFORMATION IN PROGRESS

ANNUAL REPORT | **2021-22**





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An electronic version of this Report is available online at:

<https://bodal.com/annual-report-audit.php>

Scan this QR code to navigate investor-related information



INVESTOR INFORMATION

Market Capitalisation (as on 31st March 2022)	: ₹ 1,234.62 Crores
BSE Code	: 524370
CIN	: L24110GJ1986PLC009003
NSE Symbol	: BODALCHEM
Bloomberg Code	: BODL:IN
Dividend	: ₹ 0.80 per share
AGM Date	: 26 th September, 2022
AGM Mode	: VC/OAVM

Disclaimer: This document contains statements about expected future events and financials of Bodal Chemicals Limited ('Bodal', 'the Company' or 'We'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



TRANSFORMATION IN PROGRESS

Bodal Chemicals has consistently sought innovation and the realisation of aspirations via the wonder of chemistry throughout the years. The Company works to develop cutting-edge technologies to promote economic growth, harmony with the society and the environment at large. It has grown to include new products, as it strategically expanded its manufacturing capabilities by increased capex spendings, and transitioned to serve society by developing new technologies and materials that will influence the industry's future. Throughout, keeping the market's demands in mind, it is still evolving to retain a competitive edge in the market.

Thus, from improving bottom lines by cost effective innovations to path breaking research, in order to offer better solutions to our customers, Bodal Chemicals has been adapting itself at every step of the way and believes in being a transformation in progress for each step that brings it closer to fulfilling customer's needs.

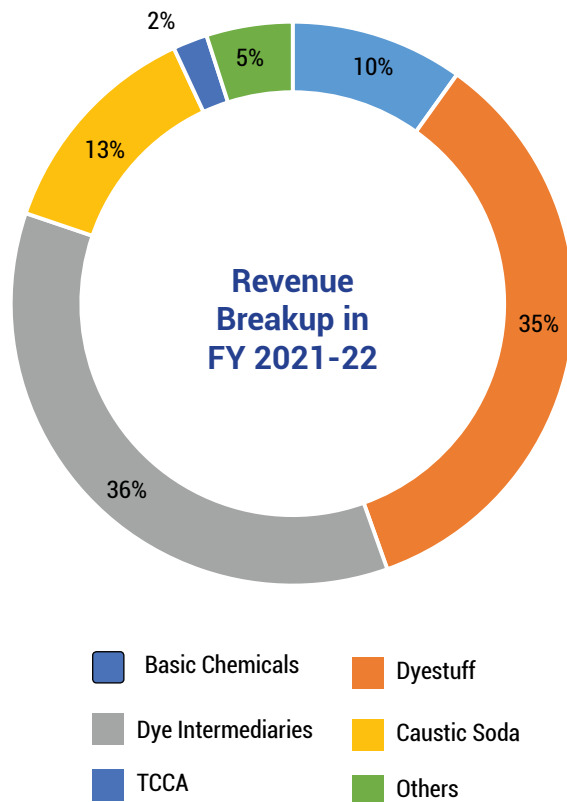
ABOUT BODAL CHEMICALS

Bodal Chemicals is one of the world's major manufacturers and exporters of Dyes Intermediate, Dyestuff, and Sulphuric Acid, with vertical and horizontal integration that delivers product and service solutions to their clients in the shortest feasible time. The Company is backed up by technological know-how and competence in the production of Dyes Intermediates and

other specialty chemicals. Incorporated in the year 1989 and later listed in 2006, Bodal Chemicals is a globally integrated and innovative company that provides end-to-end solutions to its clients.

₹ **20,680** million

Consolidated Revenue in FY 2021-22



Over the years, the Company has managed to stay consistent and expanded the business. This has been made possible by the following important strengths:

3 Decades

Home-grown brand with thorough awareness of the Indian and global chemical markets

4

Operating subsidiaries

INTEGRATED BUSINESS MODEL

State-of-the-art manufacturing, cost competitiveness, commodity cycle protection and efficient distribution channel backed by an integrated business framework.

10

Manufacturing facilities

39,000 MTPA

Dye intermediates capacities

45,000 MTPA

Dyestuff (including liquid dyes) capacities

22,6000 MTPA

Basic chemicals

82,500 MTPA

Caustic soda

12,000 MTPA

TCCA

70+

Distributors across India

7 Domestic **+** **3** Overseas depots

IN-HOUSE R&D FACILITIES

Well-equipped manufacturing and research facilities with strict commitment to quality standards and focus on innovation.

3

R&D facilities

200+

Products

STRONG RELATIONS WITH MARQUEE CLIENTS

Our strict dedication to quality has earned us long-term business associations with diverse clientele across the world.

600+

Customers

~20%

Domestic market share of Dye intermediates

~13%

Domestic market share of Dyestuff

~6%

Global market share of Dye intermediates

~3%

Global market share of Dyestuff

ROBUST COMPLIANCE

Environmental compliance is strictly enforced using in-house MEEP and ETP facilities



EXPERIENCED MANAGEMENT TEAM

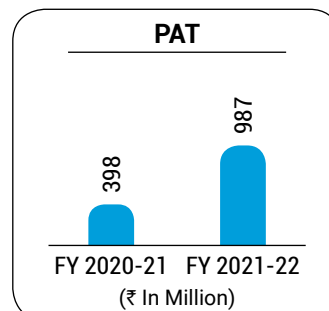
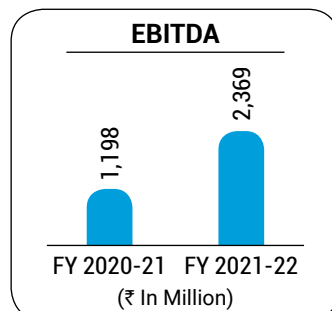
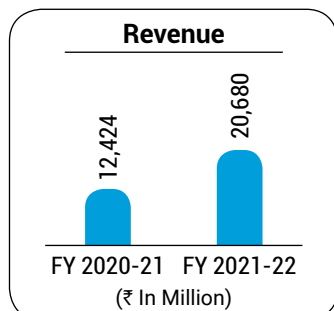
With their significant expertise and experience in the chemical industry, the senior management team has propelled the growth of the organisation through the years.

30+ Management experience in years

2,025 Total workforce



GROWTH IN NUMBERS

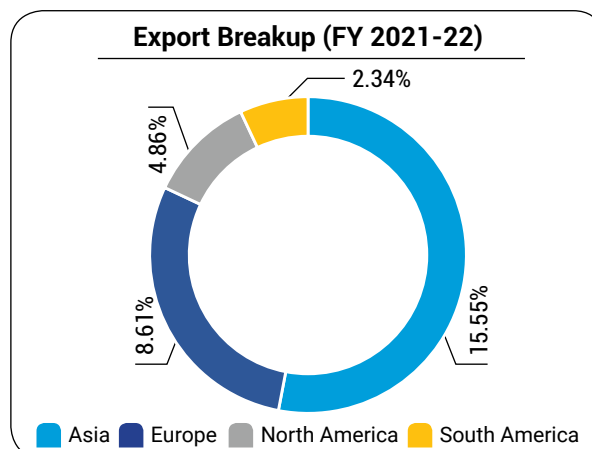
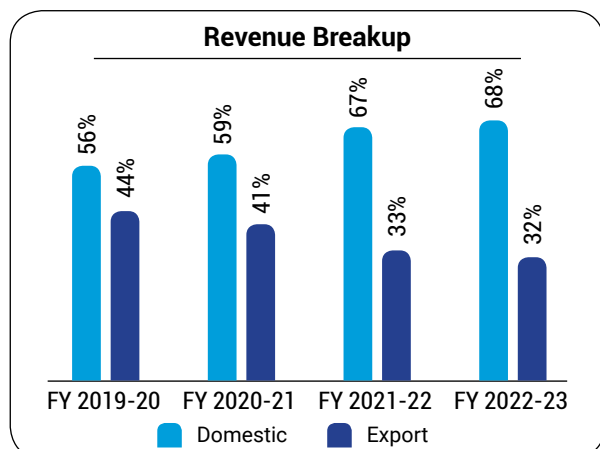
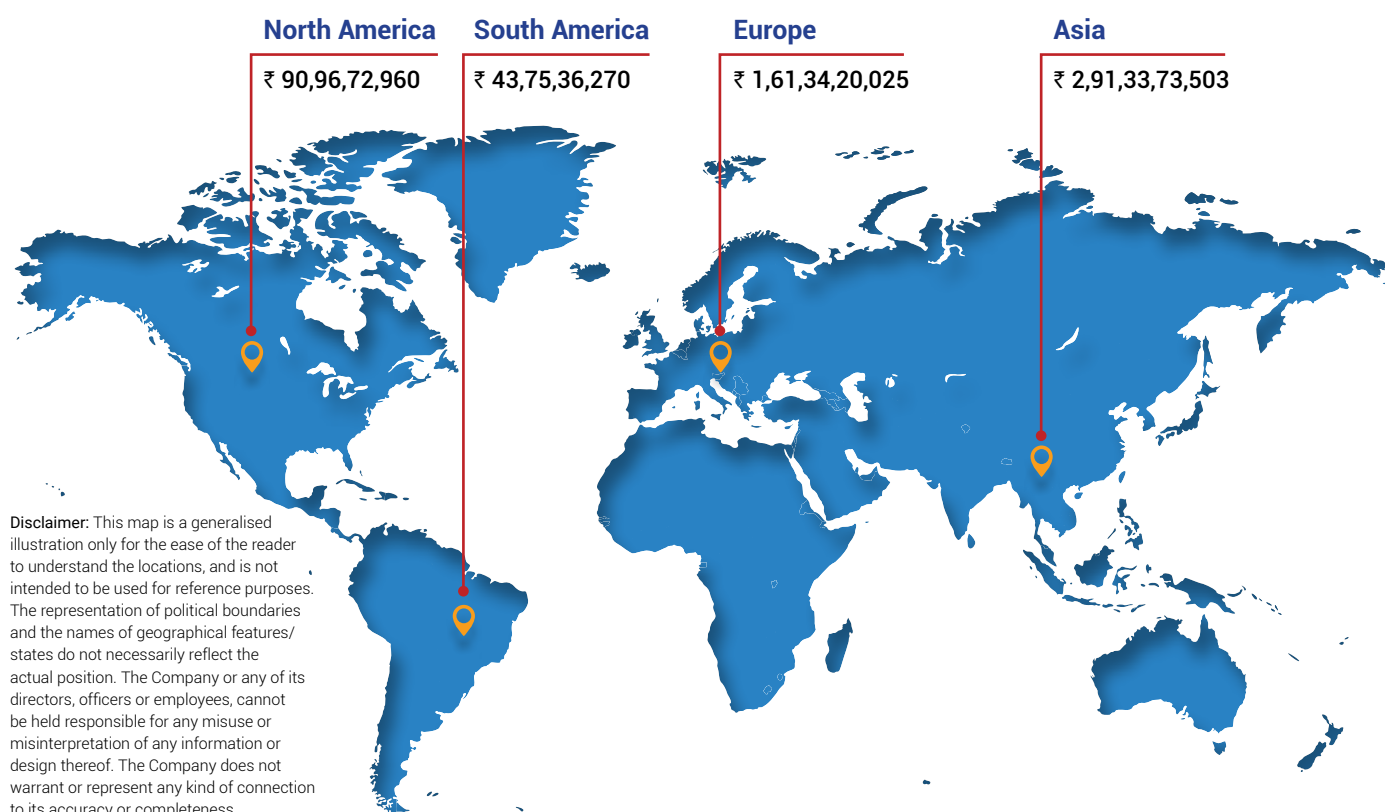


All numbers are on consolidated basis for FY 2021-22

EBITDA: Earnings before Interest, Taxes, Depreciation and Ammortisation **PAT:** Profit After Taxes

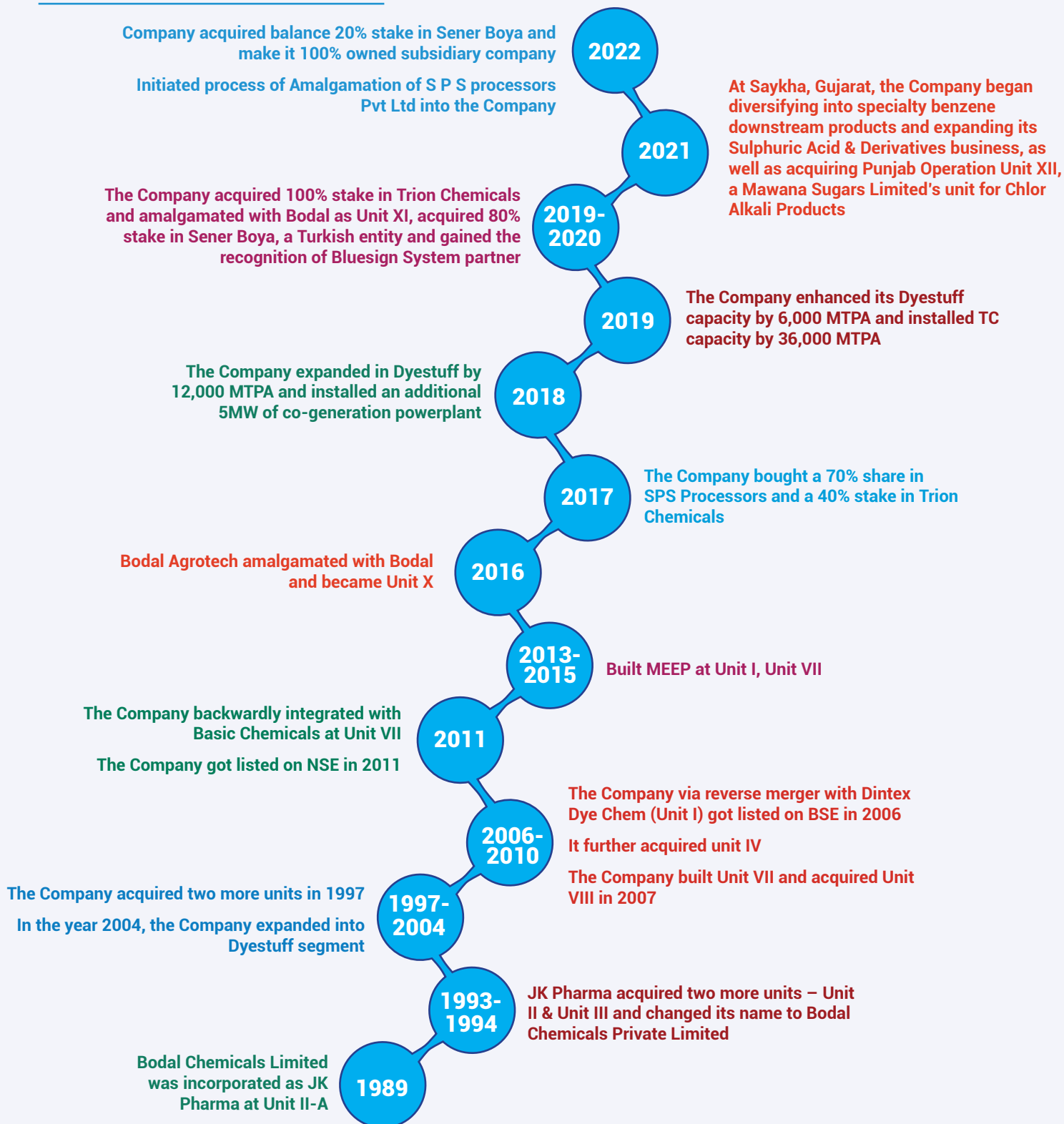
GEOGRAPHICAL FOOTPRINTS

Bodal has a presence in over 45 countries and derives about 32% of its revenue from exports.



on standalone basis

EVOLUTION



DIVERSIFIED PRODUCT PORTFOLIO

As one of the world's largest manufacturers and exporters of dye intermediates and dyestuffs, the Company's vertically and horizontally integrated operations provide clients with-solutions in the quickest time possible. Textiles, leather, paper, pharma, agro-chemicals, water treatment, and home care are just a few of the end-user industries it serves. The product line of the organisation is divided into the following categories:

BASIC CHEMICAL

- Sulphuric Acid
- Chlorosulphonic Acid
- Sulphur Trioxide
- Oleum 23% & 65%
- Sodium Bisulphate
- Acetanilide
- Thionyl Chloride
- Beta Nephthol
- Para Nitro Aniline

DYESTUFF

- Reactive Dyes
- Acid Dyes
- Direct Dyes
- Liquid Dyes

DYE INTERMEDIARIES

- Vinyl Sulphone & Derivatives
- H. Acid
- DASA
- F.C. Acid
- Gamma Acid, K. Acid
- Sulpho Tobias Acid
- 4.N.A.D.P.S.A
- 6-Nitro
- MPDSA
- Meta Ureido Aniline
- 1:2:4 DIAZO

CHLOR ALKALI

- Caustic soda
- Chlorine
- Hydrogen
- Hydrochloric Acid (HCL)
- Sodium Hypochlorite (HYPO)
- Stable Bleaching Powder (SBP)

The Company is now moving from Integrated Dyestuff to niche value-added products and it is under process of expanding and diversifying its product portfolio. These include:

SULPHURIC ACID

- Sulphuric Acid
- Oleum (23%-65%)
- Liquid SO₃
- Chloro Sulphonic Acid

BENZENE DERIVATIVE

- MCB
- PNCB
- ONCB
- MNCB
- DNCB
- PNA
- 2,4 DNCB
- MPDSA

CHAIRMAN'S MESSAGE



“We have developed a strong foundation and a very resilient and diversified business over the years. Our diverse portfolio also enables us to cater a variety of markets and application areas. We have acquired the flexibility and agility needed to succeed in today's demanding markets, as well as the capacity to adapt quickly and effectively to demand variations, as a leading global player.”

Dear Shareholders,

The year 2022 will be remembered as the year when the world began to overcome the Covid-19 pandemic's difficulties gradually and slowly. Despite the pandemic, Bodal Chemicals' performance remained consistent throughout the year as the economy recovered. We have been able to use our leading position in today's market, when Indian suppliers are rising as preferred partners internationally. While adapting to the new normal, we also made many improvements to our approach and fortified our core.

Industry Trends

India is the world's leading exporter and importer of chemicals, ranking 14th in exports and 8th in imports (excluding pharmaceuticals). With small chemical businesses in China stopping operations as a result of stringent measures and environmental regulations, India is rising as the next alternative supplier for the global market. The Government has taken various measures to lessen reliance on chemical imports. With more Government assistance, the industry is likely to advance at a CAGR of 11%. Within the industry, there has been a significant structural transformation. The number of unorganised companies in the Dye intermediates and Dyestuff industry is steadily decreasing. There has been an upsurge in the number of businesses that are both backward integrated and comply with global environmental standards.

At Bodal, we are highly integrated and operate on a large scale. We are expanding our product basket, have meaningful capacity across various products to serve the demand of end-users and are constantly strengthening our client relationships as well as establishing ourselves as a reliable supplier in the global market.

Financial Performance

For the year under review FY 2021-22, the Company's total revenue was ₹ 20,680 million and witnessed a growth of 67% compared to same period last year. The primary forces behind this rise were an improved pricing realisation and an improved product portfolio. The Dyestuff business grew dramatically in FY 2021-22, with sales of ₹ 6,995 million, up from ₹ 3,989