



Chembond Chemicals Limited

About us and our activities

2020-21



Welcome

- Chembond Chemicals Limited is in its 46th year of operations
- Consistent performer; dividend paying since inception
- Pan-India manufacturing, sales and service footprint
- Head Office in Navi Mumbai, MH
- DSIR certified R&D facilities at Navi Mumbai, MH and Dudhwada, GJ
- Family driven, professionally managed, agile organization
- New business lines are evaluated and incubated continuously

Core Business Units



Businesses aligned by solutions offered and segments catered

Each business has a team of specialists working in the field with customers



Business Unit Walkthroughs

2020-21



Water Technologies

Chembond Water Technologies Limited

Chembond Clean Water Technologies Limited

Chembond Water Technologies (Malaysia) Sdn Bhd

2020-21

Water

- Water is extensively used by industries
- Different areas / applications of water in industry:
 - Raw Water, Boiler Water, Cooling Water, Wastewater, RO membrane
- Raw water quality and availability varies across the country / world
- Treatment of raw water for any further use thus becomes critical
- Inadequate / improper treatment becomes detrimental to plant performance and longevity

WITH YOU FOR YOUR WATER TREATMENT NEEDS



	1 Raw Water Tank	2 Clarifier	3 Treated Water Tank	4 Cooling Tower	5 Boiler	6 Process Water	7 Effluent Tank	8 Secondary Clarifier	9 Treated Water Tank
We Offer	<ul style="list-style-type: none"> • Coagulants 	<ul style="list-style-type: none"> • Flocculants • Scraper • Media Filters 	<ul style="list-style-type: none"> • Disinfectants 	<ul style="list-style-type: none"> • Corrosion Inhibitors • Scale Inhibitors • Dispersants • Biocides • Chemical Dosing Skid • Blow down water filters 	<ul style="list-style-type: none"> • Sludge Conditioners • Oxygen Scavengers • Condensate Corrosion control • DM Plant • Condensate Polisher 	<ul style="list-style-type: none"> • DM Plant • UF Plant • RO Plant • RO Membrane treatment 	<ul style="list-style-type: none"> • Coagulants • Microbial cultures • Aeration system 	<ul style="list-style-type: none"> • Flocculants • Odor control Enzymes • Filtration equipment 	<ul style="list-style-type: none"> • Disinfectants
Purpose	Once coagulants are added and mixed, heavy particles in the water begin to stick together and form large and heavy flocs.	Flocculants are added to accelerate settling of the flocs. These large particles are removed by scrapers. The water passes through media based filters for further turbidity reduction.	Chlorine Dioxide and/or Chlorine are added to treated water to control microbiological growth. Untreated water with microbial load can cause various problems.	Chemicals are added to control corrosion, scale, deposition and biological fouling in heat transfer equipment. Chemical dosing is automated by dosing skids. Blow down water is passed through filters for re-use in cooling towers.	Improved efficiency is achieved through use of corrosion and scale control chemicals in boilers. Feed water quality of high purity is obtained through DM plants. Condensate polishers enable water re-use.	Process side water generally needs to be of a particular quality. This quality is obtained by treating the water through equipment, RO membranes need to be clean and scale free to maintain throughput.	Microbial cultures help break down complex chemical pollutants and reduce pollution load. Aeration is very important to provide oxygen for break down activity. Coagulants help form large flocs.	Foul odor is an often neglected problem in ETP's. Enzymes are safe to use odor control products. Flocculants accelerate settlement of flocs and their transfer to sludge tank. Filters further reduce turbidity.	Chlorine Dioxide and/or Chlorine are added to treated water to control microbiological growth. Untreated water with microbial load can cause various problems.

What We Do

- Specialty Water Treatment chemicals
 - Raw water treatment coagulants
 - Boiler water treatment formulations
 - Cooling water treatment products
 - Wastewater treatment flocculants
 - Reverse Osmosis (RO) membrane treatment chemicals
- Water treatment equipment
 - Filtration systems for suspended solids removal
 - RO and Resin based solutions for dissolved solids removal
 - Wastewater treatment systems for treating and recycling water
 - Special solutions for process water treatment and recovery
- Bio-remediation of industrial wastewater using microorganisms

Application Areas

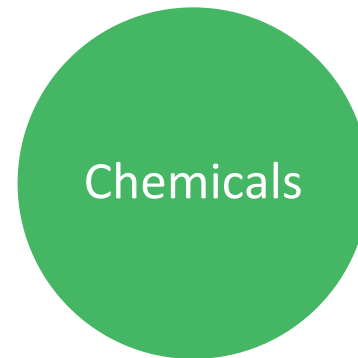


Complete Water Treatment solutions

Chembond Clean Water Technologies Ltd

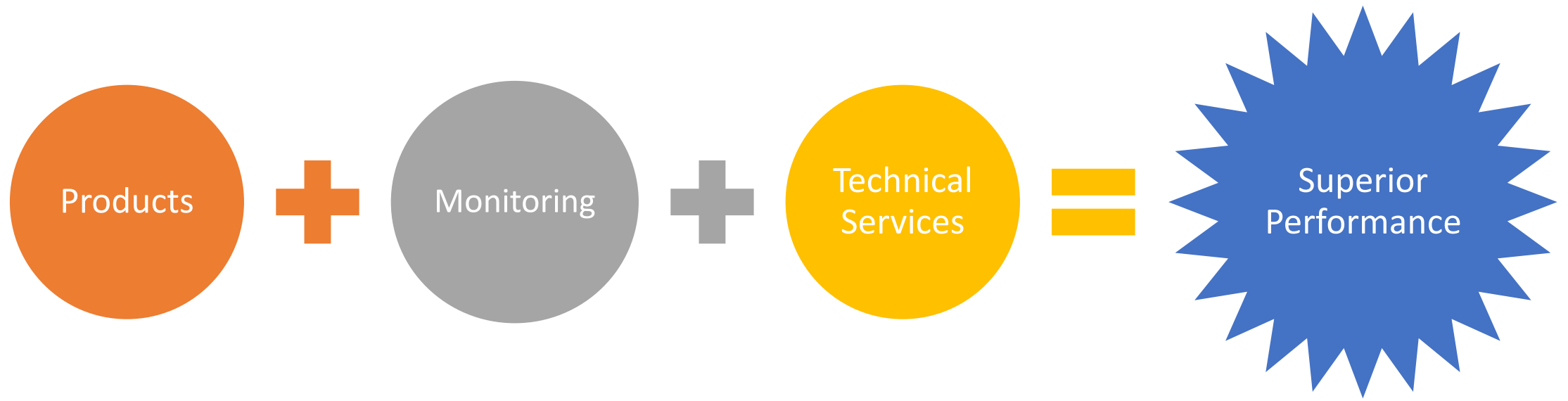


Chembond Water Technologies Ltd

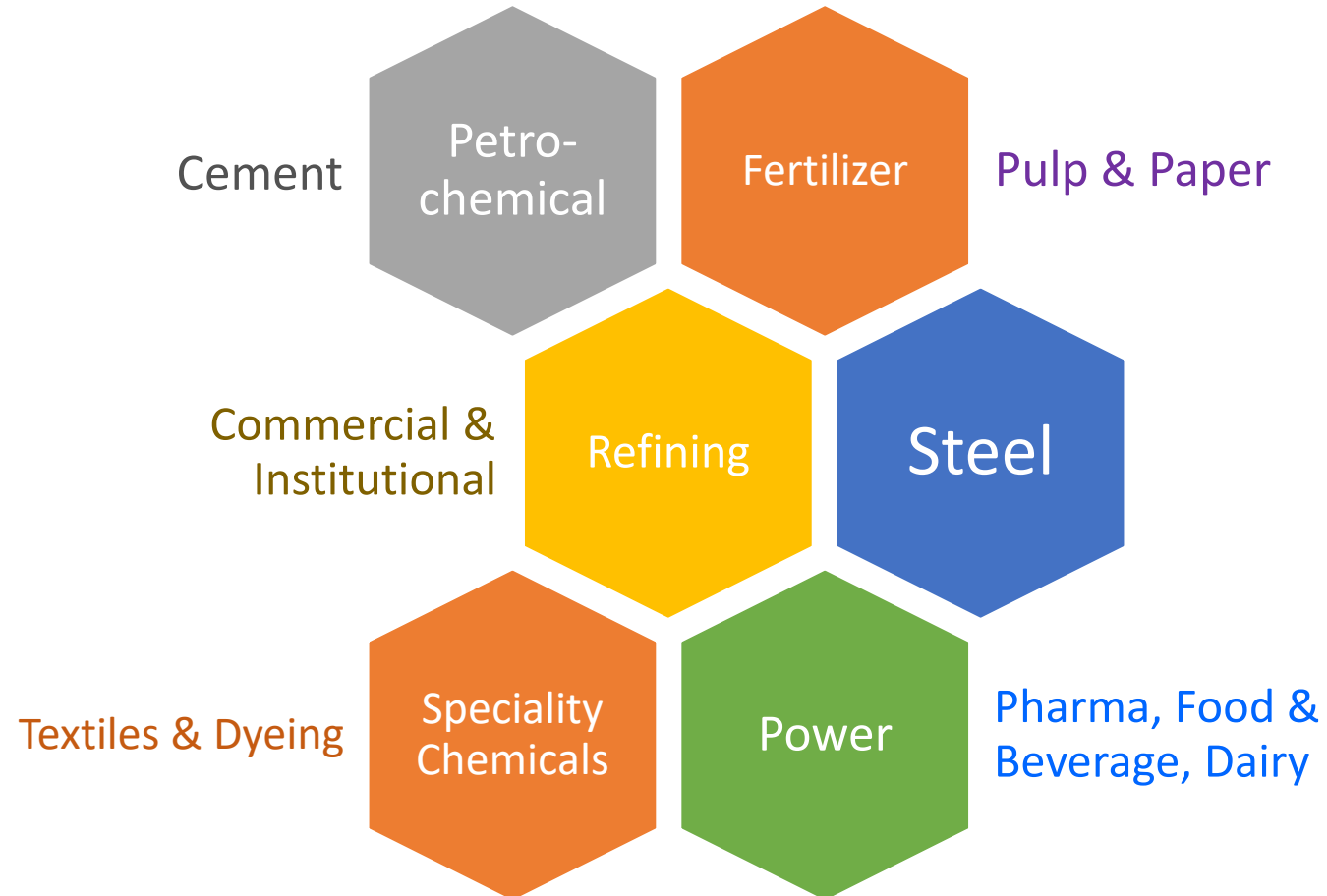




Superior Performance = Customer Satisfaction[®]



Customer Segments



Our Silver Bullets

- Integrated solutions – equipment, bio-remediation and chemicals
- Trained, Empowered and Dedicated services team
- Pioneer in India for leading edge technology introductions:
 - Glassy Zinc Polyphosphate corrosion inhibitor
 - Chlorine Dioxide based oxidizing biocide
 - Multicomponent, concentrated product tablets for mid-sized water systems
 - Performance Based, self learning monitoring and control automation
- Excellent track record since 1982



Material Technologies

Chembond Material Technologies Private Limited

Phiroze Sethna Private Limited

Gramos Chemicals India Private Limited

2020-21



Material Technologies

Wide range of synergistic products offered

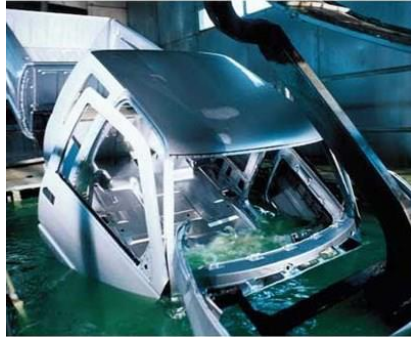
- Metal Treatment Chemicals
- Automotive Sealants
- Industrial Coatings and Specialty Additives
- Engineering Adhesives
- Paint Booth Wipes and Chemicals
- MRO Products

Used in automotive (OEM's and components), steel, appliance, engineering, and general industry

Metal Treatment Chemicals



Pretreatment of steel for automotive and appliance industry



Wire and tube drawing

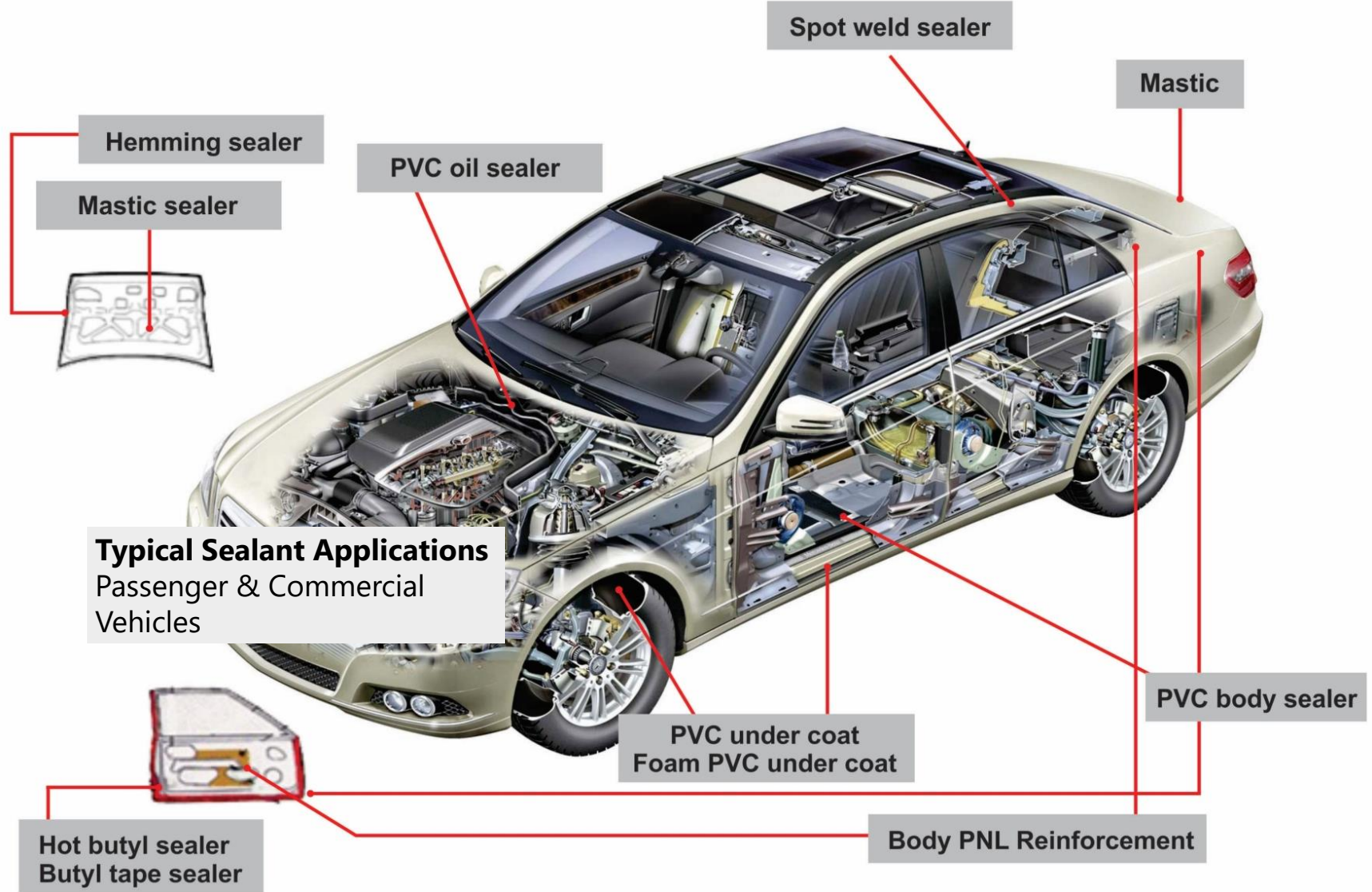


Metal working,
lubrication and cleaning



Coil coating

Automotive Sealants



Industrial Coatings

- Used for coating industrial parts such as engines, chassis, auto components, agricultural and construction equipment, structures, transformers, etc.
- Leaders in water-based coatings that eliminate solvent emissions to improve employee safety and protect the environment
- Product technologies based on acrylics, PU dispersions, water-based epoxies, as well as conventional solvent systems



Specialty Additives

- Adhesion Promoters
- Green Plasticizers
- Compatibilizers
- Acrylic Emulsions



Engineering Adhesives



Retaining Compound



Thread Sealant



Thread Locker

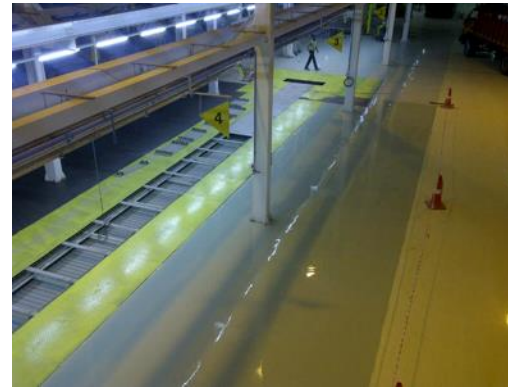
Kem[™] Vibra-TITE[®]



Gasketing Compound

High Performance Coatings

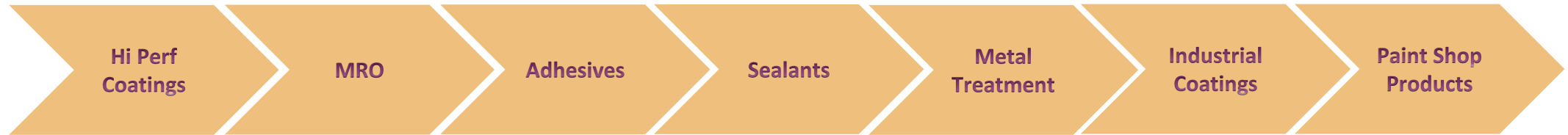
for Corrosion Protection



for Industrial & Commercial Floors



Material Technologies Value Chain



Flooring	Rust Loosen	Anaerobics	Underbody	Steel & Coil	Waterborne	Coagulant
Structural	Anti-Seize	Epoxies	Seam	Conversion	Epoxies	Tack Cloths
	Chain Lube	Silicones	Hemming	Cleaners	PU	Masking
	Repair Epoxies	PU	Cavity Wax	Lubricants	DTM	Peelable
		Cyano	Structural	NewGen	PUD	Strippers

End to End Solutions for the Customer with the service, reliability, and value Chembond is renowned for!



Animal Health and Nutrition

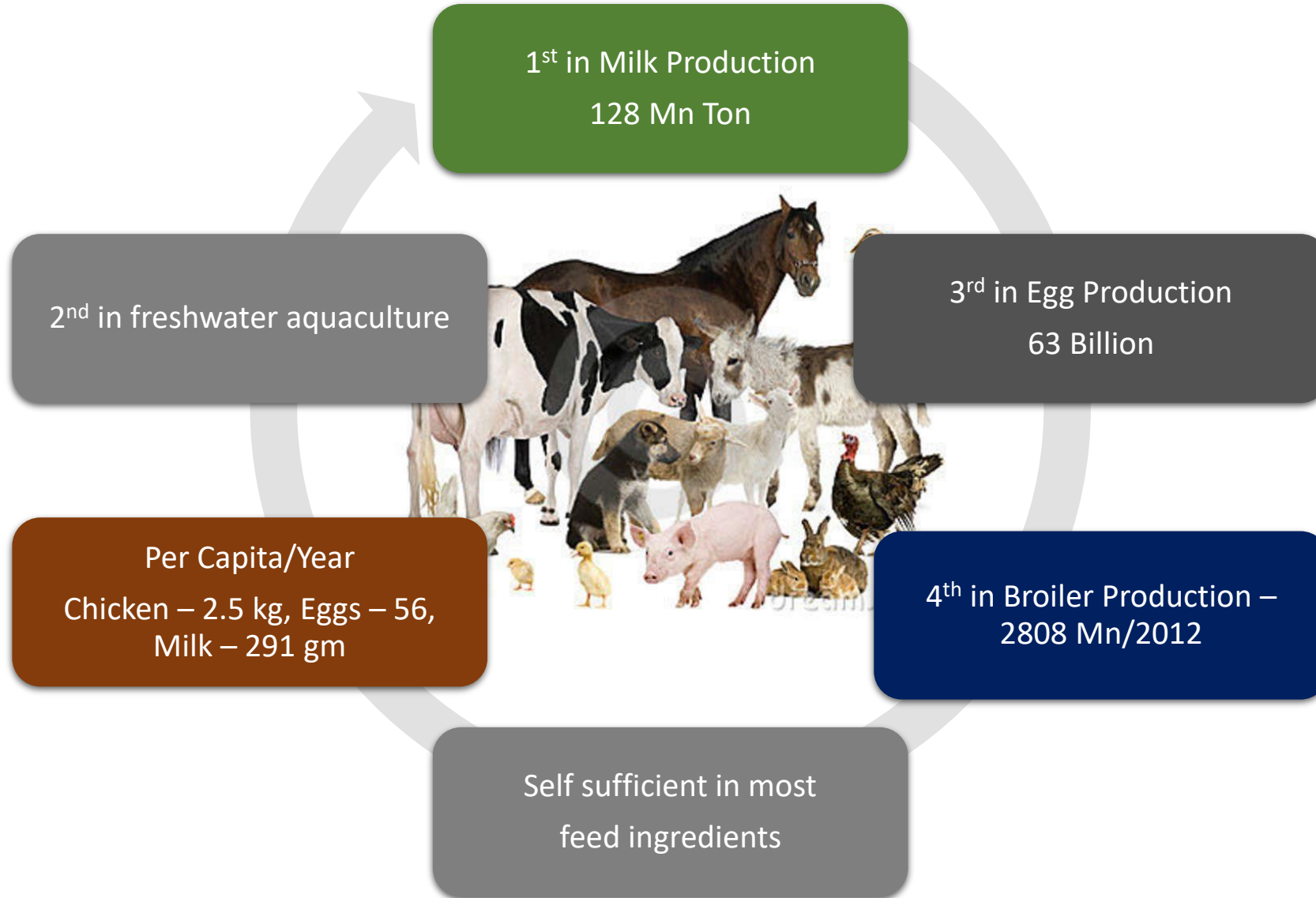
Chembond Biosciences Limited

2020-21

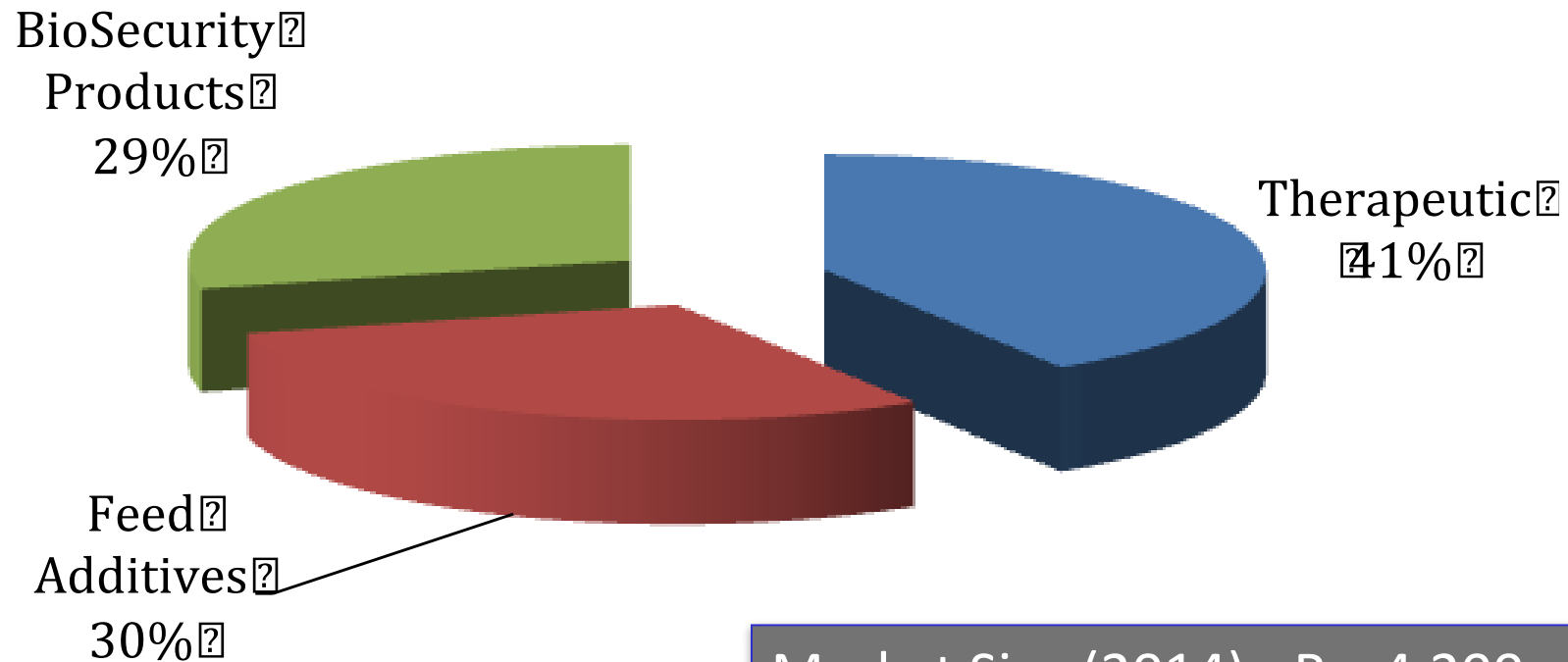
About

- Chembond entered this segment in 2010
- Produce nutritional supplements for animal health industry
- Catering mainly to the poultry and dairy industry
- Presence across India with manufacturing and storage locations at Tarapur
- We offer quality products at excellent value
- Experienced yet young team

Livestock in India

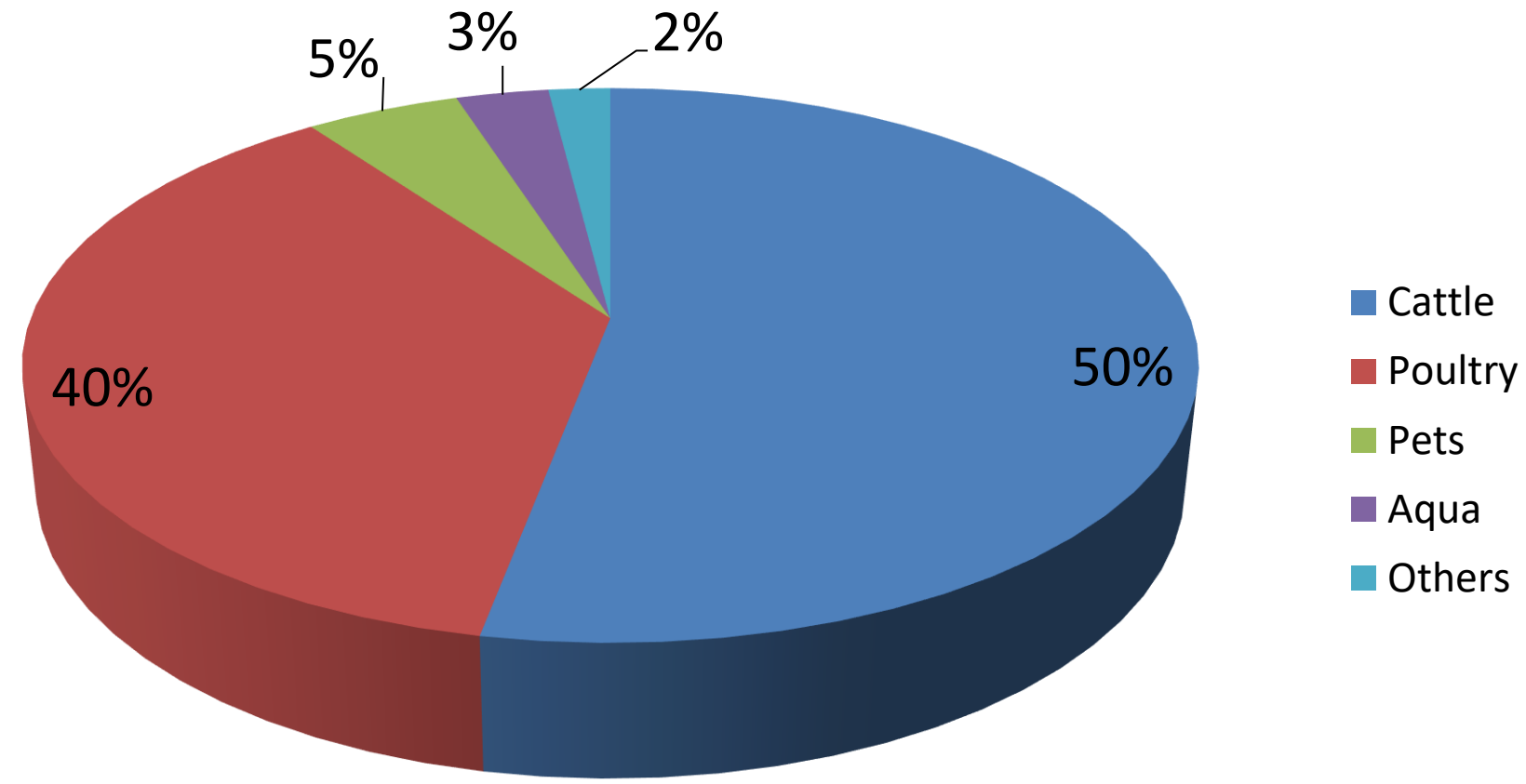


Indian Market by Segment



Market Size (2014) - Rs. 4,200 cr
Est. in 2018 – Rs. 6,000 cr

Indian Market by Species



Product Range

Products that enhance nutrition, reduce waste, improve mortality rates

**Enzymes,
Probiotics,
Prebiotics**

**α D₃, other
Vitamin
concentrates
and
Premixes**

**Minerals,
incl.
Chelated
Minerals**

**Disinfectants,
Water
Purification,
Sanitizers**



Construction Chemicals

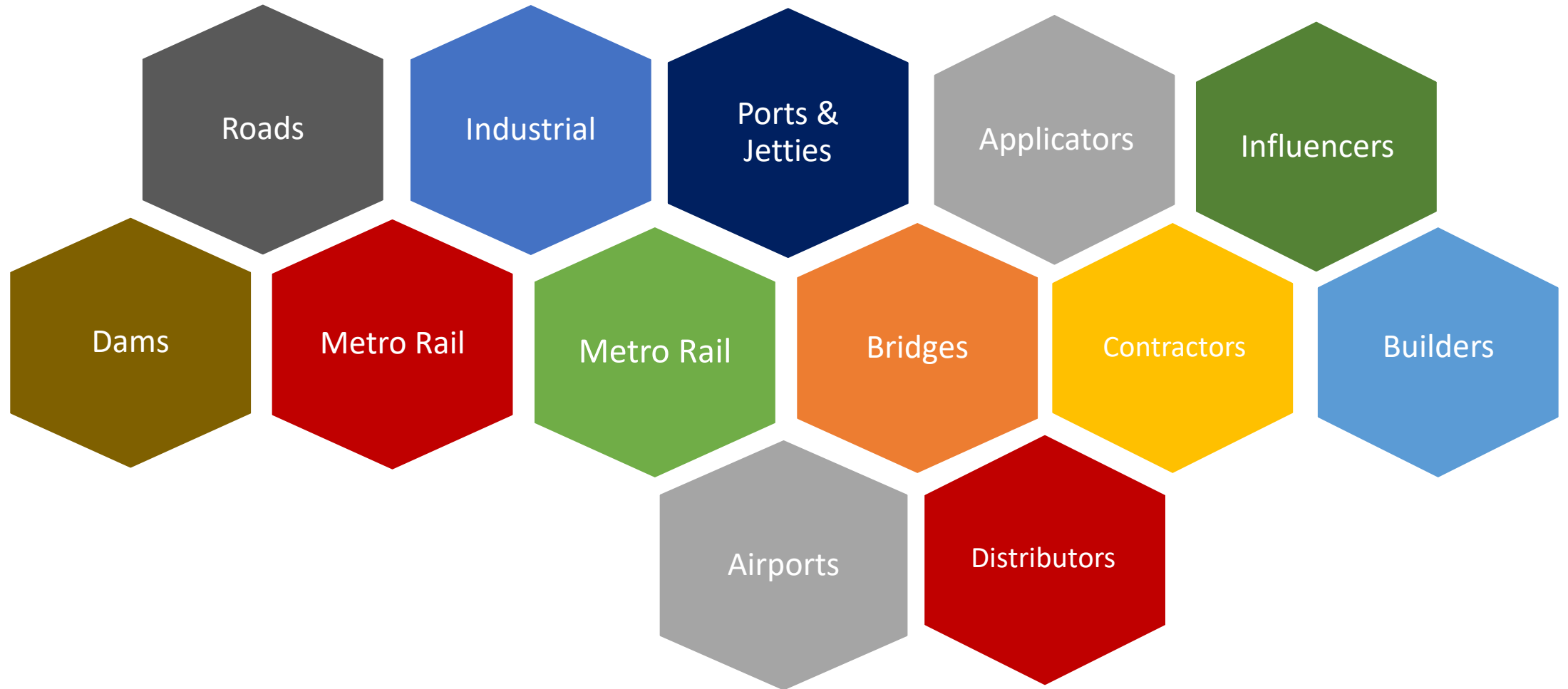
Chembond Chemicals Limited

2020-21

Products

- Products for a wide range of applications
 - Admixtures for concrete modification
 - Sealants based on Polysulphide, PU and Acrylics
 - Waterproofing solutions for under-construction and built-up structures
 - Repair mortars for concrete roads, structures and flooring
 - Curing compounds for concrete
 - Grouts for heavy engineering equipment
 - Tile adhesives and joint fillers

Customer Segments





chembond

Construction Chemicals





Industrial Hygiene

Chembond Calvatis Industrial Hygiene Systems Ltd

2020-21

Industrial Hygiene Systems



- A JV between Chembond and Calvatis GmbH, Germany
- Cleaning and hygiene products and systems for food processing, beverage, dairy and brewing industries

Applications / Industry Served

Applications	Beverage	Dairy	Food Processing
Cleaning in Place (CIP) Chemicals	✓	✓	✓
Bottle Washer Additives	✓		
Conveyor Lubricants	✓	✓	✓
Surface Cleaning Products	✓	✓	✓
Pasteurizer/ Warmer Treatment Products	✓		
PET/ PC Jar Cleaning and Disinfection Chemicals	✓		
Membrane Cleaning Products		✓	
Crate Washing Chemicals		✓	
Fryer Cleaning Chemicals			✓
Air Treatment Chemicals			✓
Cold Fogging Chemicals	✓	✓	✓
Personal Hygiene Chemicals	✓	✓	✓
Entrance Hygiene Chemicals	✓	✓	✓
Smokehouse Cleaning Products			✓

We also offer detailed audits of CIP systems and process.



**YOUR
CLEANING & HYGIENE
PARTNER**





Chemical Distribution

Chembond Distribution Limited

2020-21

What We Do

- Import, stock and sell specialty chemicals
 - Additives for water treatment chemicals
 - Additives for construction chemicals
 - Additives for paints and inks
 - Polyurethane primers, sealants and coatings





Financial Information

Chembond Chemicals Limited

2020-21

Executive Commentary ^{1/2}

Q4 2020-21 Consolidated Revenue from operations at Rs. 82.22 crores.

▲ 9.3% v/s Q3 2020-21

▲ 27% v/s Q4 2019-20

FY 2020-21 Consolidated Revenue from operations at Rs. 274 crores.

▲ 2.4% v/s FY 2019-20

Revenue Performance of verticals

Water Technologies ▲ 8%

Material Technologies ▲ 4%

Animal Health ▼ 4%

Construction Chemicals ▼ 20%

Slowdown in manufacturing sector in Q1 2020-21 and effects of lockdown hide the fact that the Material Technologies vertical grew at 24% in the remainder of the year.

Lockdown and Bird Flu affected the growth in our Animal Health vertical.

Prolonged effects of lockdown resulted in steep revenue reduction in the Construction Chemicals vertical.

Revenue growth in spite of challenges was a result of good teamwork and proactive efforts by sales, service, manufacturing and R&D personnel

Executive Commentary ^{2/2}

Q4 2020-21

Consolidated EBITDA at Rs. 7.17 crores

Consolidated PBT at Rs. 5.84 crores

FY 2020-21

Consolidated EBITDA at Rs. 33.52 crores v/s Rs. 13.02 crores

Consolidated PBT at Rs. 28.53 crores v/s Rs. 7.89 crores

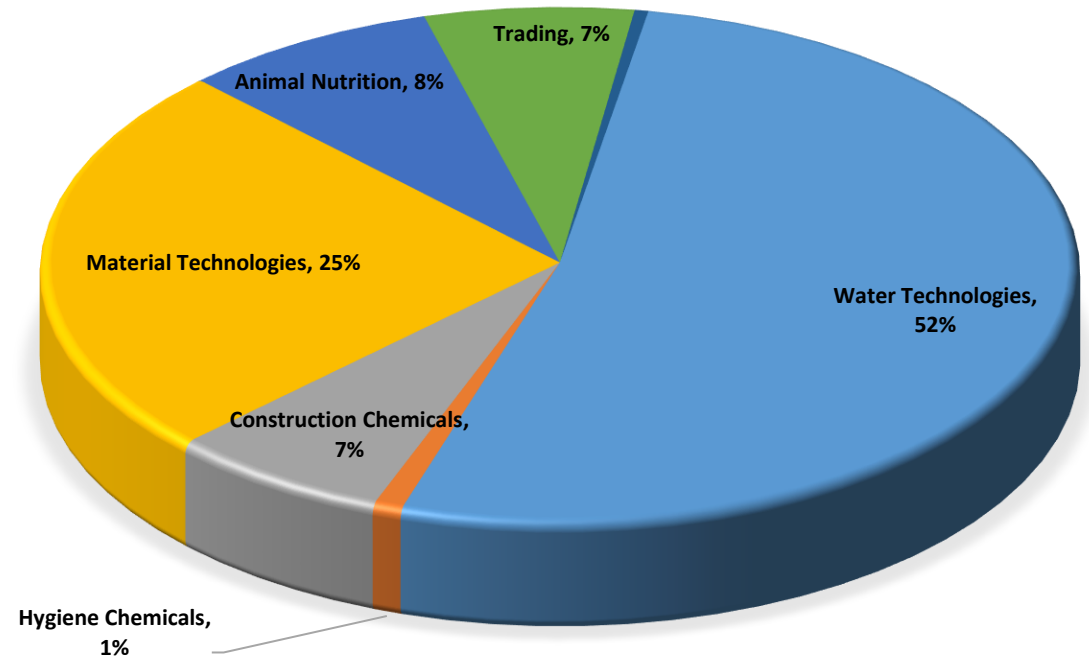
Significant inflation in input materials prices in Q4 2020-21 affecting product margins across verticals.

Better margin realisation only once the input materials prices ease while top line growth continues.

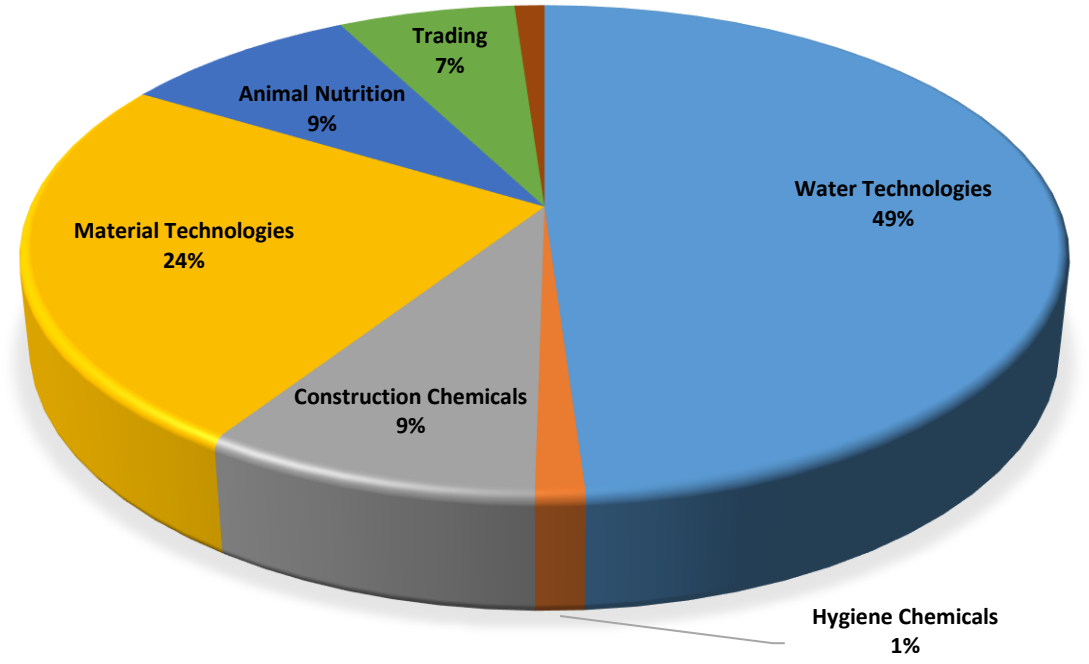
Employee and other expenses for the year have been lower v/s prior year as a result of lockdown and restricted movements.

Investments in mutual funds have recovered from the low last year resulting in decent returns in FY 2020-21.

Share of Revenue by Segment Consolidated



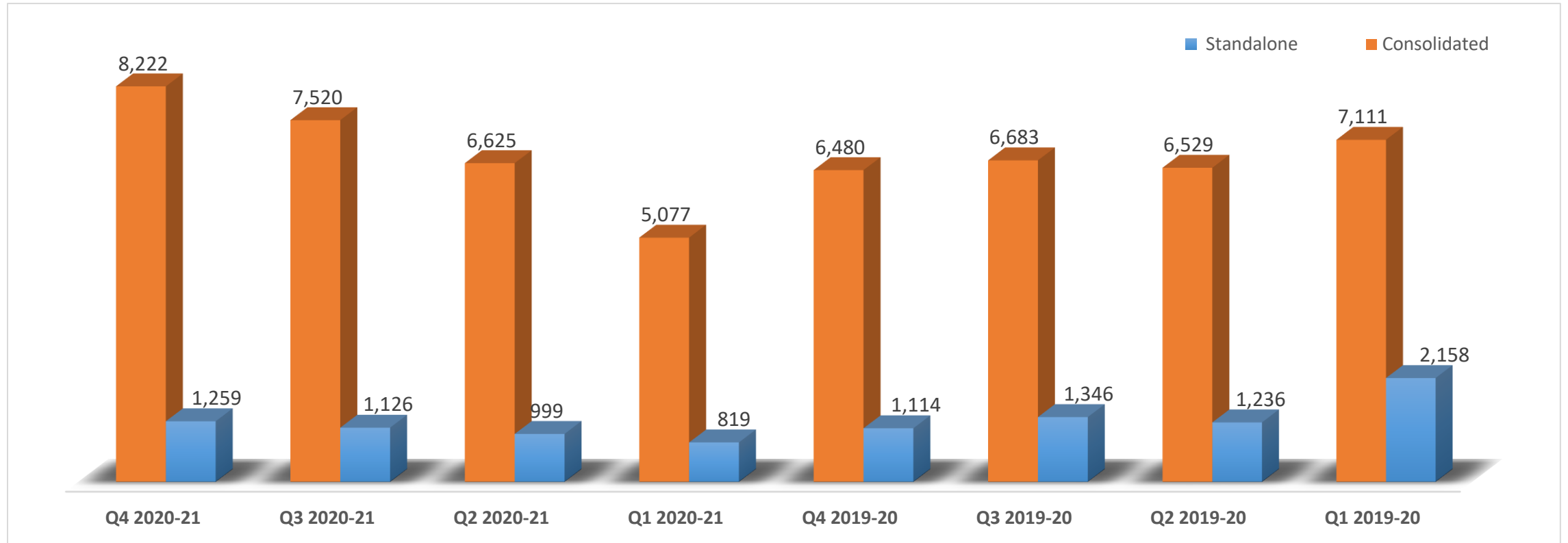
2020-21



2019-20

Revenue from Operations Q-on-Q

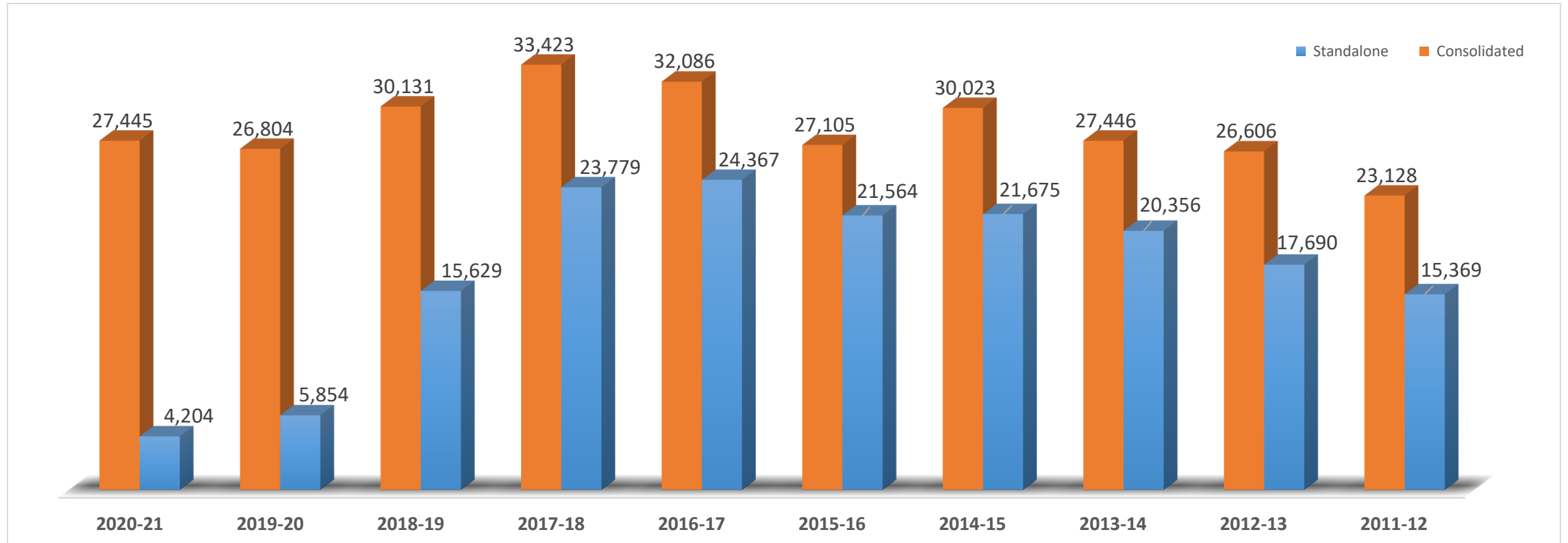
Rs. lakhs



In Q1 2020-21 owing to COVID-19 disruption, the consolidated revenues trailed those of Q1 2019-20. For the remainder of 2020-21 revenues have grown on the back of business recovery

Revenue from Operations Y-o-Y

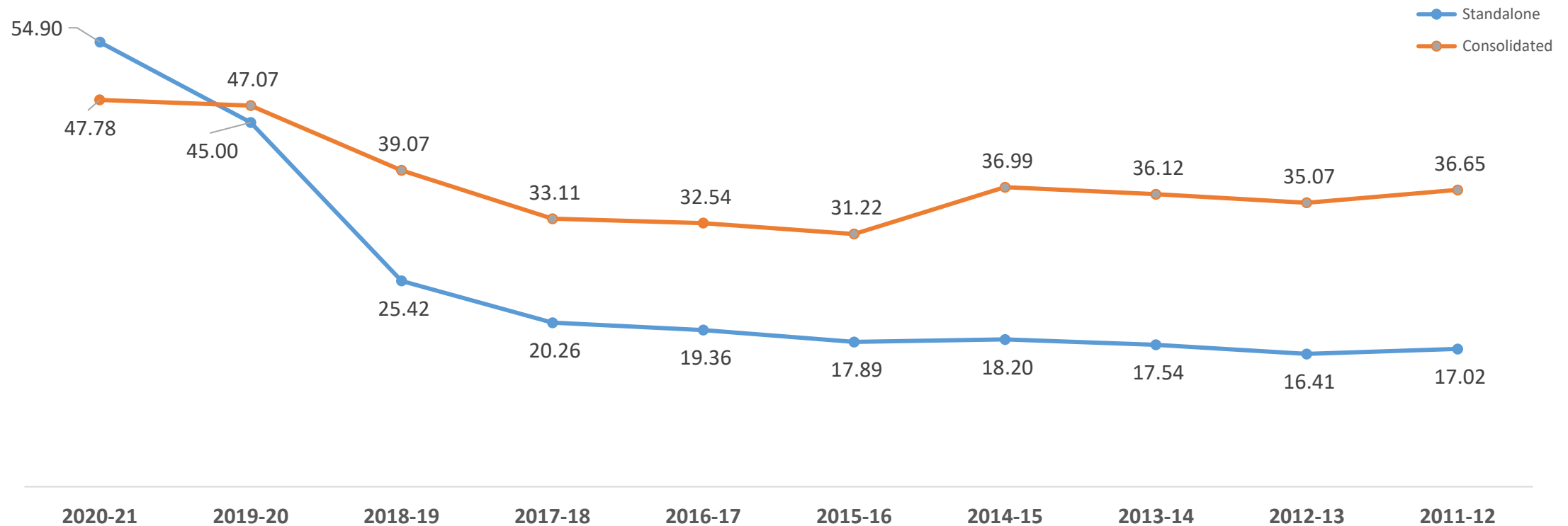
Rs. lakhs



Subsequent to the divestment in JVC in 2015, the toll manufacturing agreement continued till June 2018. The revenues on this account have therefore dropped expectedly, from Q2 2018-19 onwards and to that extent, the results are not comparable with current periods.



Product Margin %

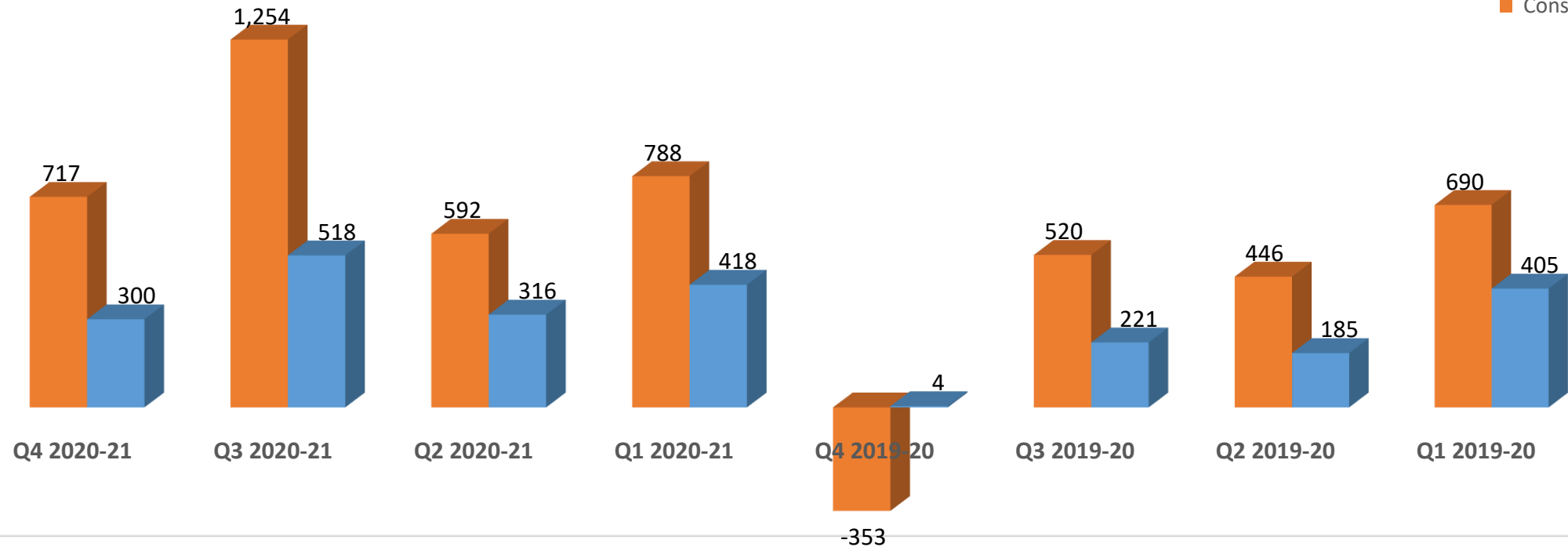


Subsequent to the divestment in JVC in 2015, the toll manufacturing agreement continued till June 2018. The product margins in Standalone results have therefore grown in 2019-20 and to that extent, the results are not comparable with prior periods.

EBITDA Q-on-Q

Rs. lakhs

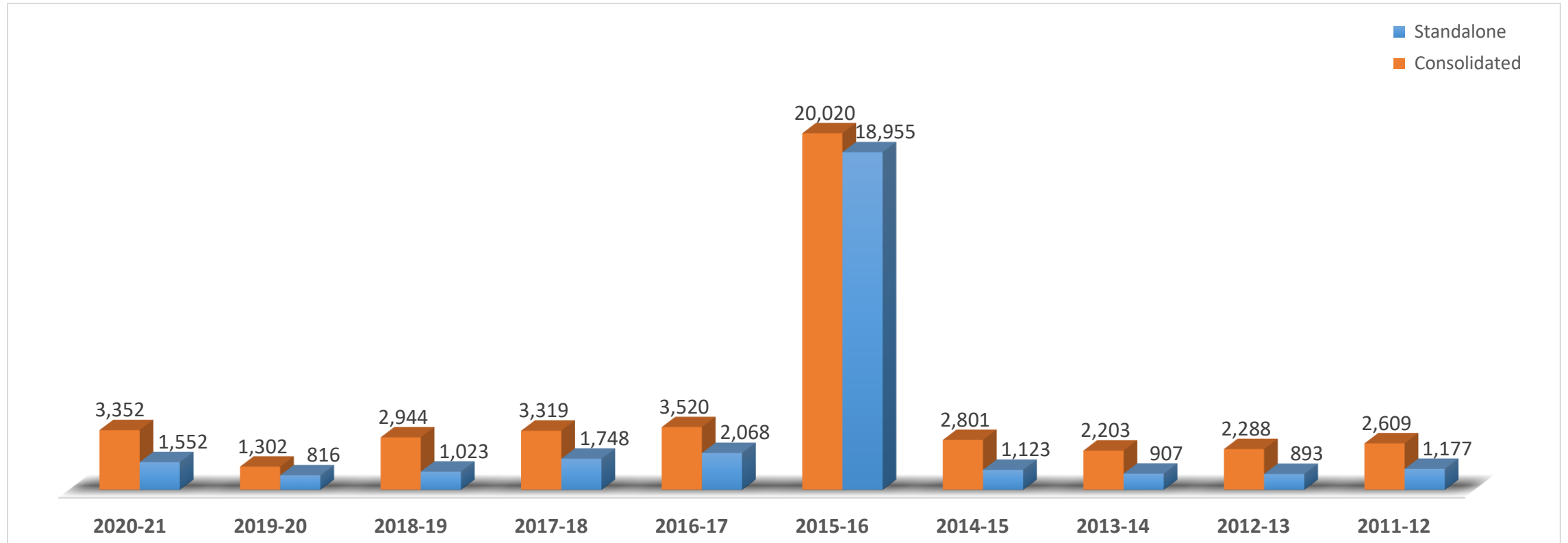
■ Standalone
■ Consolidated



Q4 2019-20 was negatively impacted due to revaluation of investments and poor business sentiment in the automotive industry.

EBITDA Y-on-Y

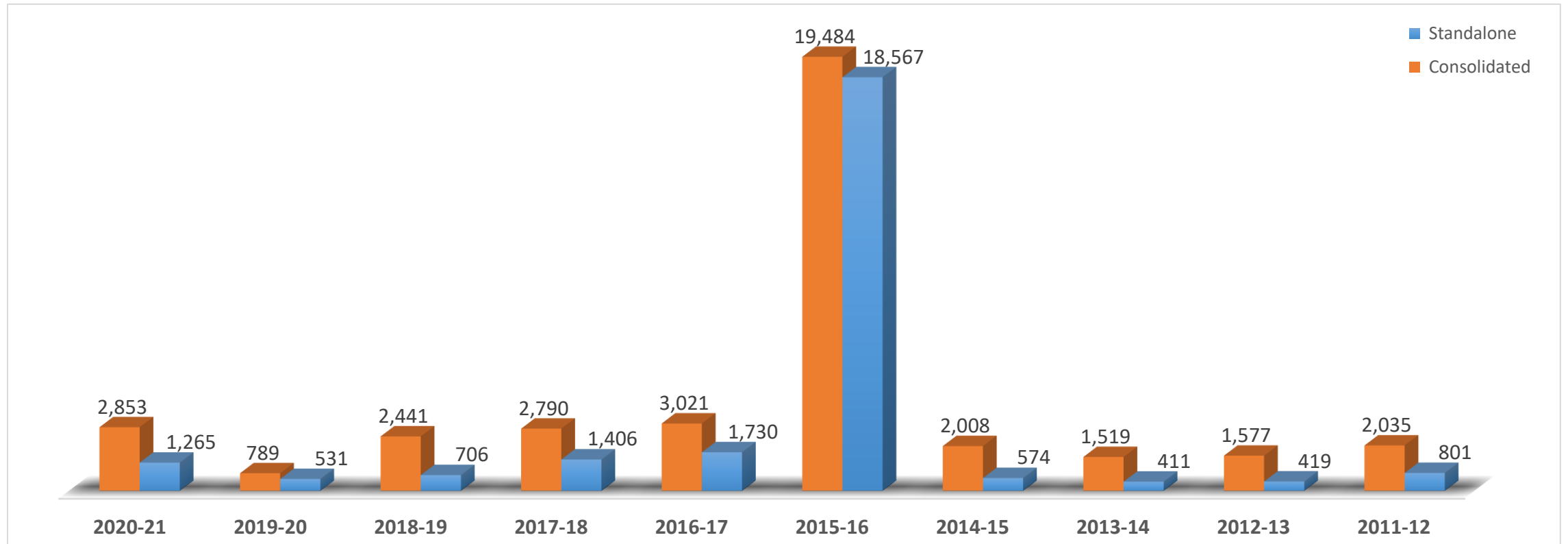
Rs. lakhs



The results for 2015-16 include one-time income from sale of the Company's stake in a Joint Venture

Profit Before Tax

Rs. lakhs



The results for 2015-16 include one-time income from sale of the Company's stake in a Joint Venture

5 Year Financial Performance Consolidated



Rs. lakhs

Highlights	2020-21	2019-20	2018-19	2017-18	2016-17
<u>Operating Result</u>					
Revenue From Operations	27,444.58	26,804.28	30,130.94	33,422.81	32,086.11
Other Income	1,533.09	303.78	393.14	1,064.02	1,829.86
Finance Cost	42.19	78.29	78.20	118.21	116.67
Depreciation	455.45	434.80	423.98	410.67	381.56
PBT	2,852.92	789.21	2,440.59	2,790.28	3,021.42
PAT	2,040.89	308.50	1,983.64	2,356.77	2,285.73
Dividend on Equity Shares	-	537.93	248.79	221.90	-
<u>Financial Position</u>					
Equity Share Capital	672.41	672.41	672.41	672.41	672.41
Reserves (Less Revaluation Reserve & Misc exp)	28,646.73	26,195.52	25,471.56	24,162.33	22,335.46
Net Worth	29,319.14	26,867.93	26,143.97	24,834.75	23,007.87
Borrowings	188.06	337.82	670.22	908.96	888.25
Net Block (Asset)	12,155.39	12,391.26	10,921.78	10,813.77	4,912.55
<u>Ratios</u>					
Return on Average Networth %(RONW) (PAT divided by Average Networth)	7.26%	1.16%	7.78%	9.85%	10.42%
Return on Average Capital Employed % (ROCE) (PBIT divided by Average Fund Employed Excluding Def tax liab)	10.21%	3.21%	9.58%	11.72%	13.69%
Gross Gearing % (Debt as a percentage of Debt plus Equity)	0.64%	1.24%	2.50%	3.53%	3.72%
Current Ratio (Current Assets divided by Current Liabilities**)	3.24	3.71	3.47	2.42	3.37
Asset Turnover Ratio (Net Sales divided by Total Assets)	0.78	0.83	0.94	1.03	1.00
Earning Per Share (Basic)*	15.13	1.39	12.88	16.34	14.40
Dividend Per Share	-	4.00	1.85	1.65	-
Book Value Per Share*	218.01	199.79	194.40	184.67	171.08

The Company has adopted Ind-AS accounting standards with effect from 1 St April 2016, hence F.Y 2017 onwards, the financials are reported as per Ind-AS and are not strictly comparable with previous Years. For FY 2016, Balance sheet items are as per Ind-AS.

* Adjusted for issue of Bonus Shares in March 2010 in the ratio of 1 : 1 & Subdivision of Shares in September 2016 from face value of Rs.10/- each to Rs.5/- each

** Current Liabilities excludes Short Term Borrowing and Current maturities of Long term Debt

5 Year Financial Performance Standalone



Rs. lakhs

Highlights	2020-21	2019-20	2018-19	2017-18	2016-17
<u>Operating Result</u>					
Revenue From Operations	4,203.69	5,854.29	15,628.96	23,779.03	24,367.32
Other Income	1,191.20	655.81	564.58	1,048.47	1,682.00
Finance Cost	7.11	4.86	29.12	54.60	63.88
Depreciation	280.46	279.84	287.77	287.18	274.10
PBT	1,264.90	530.81	706.27	1,406.12	1,729.97
PAT	967.32	554.16	633.15	1,359.31	1,451.50
Dividend on Equity Shares	-	537.93	248.79	221.90	-
<u>Financial Position</u>					
Equity Share Capital	672.41	672.41	672.41	672.41	672.41
Reserves (Less Revaluation Reserve & Misc exp)	23,257.87	22,291.87	22,282.45	21,907.35	20,765.91
Net Worth	23,930.28	22,964.28	22,954.86	22,579.77	21,438.32
Borrowings	-	-	-	467.12	732.18
Net Block (Asset)	3,414.79	3,652.39	3,763.63	3,805.35	3,936.97
<u>Ratios</u>					
Return on Average Networth %(RONW) (PAT divided by Average Networth)	4.13%	2.41%	2.78%	6.18%	7.01%
Return on Average Capital Employed % (ROCE) (PBIT divided by Average Fund Employed Excluding Def tax liab)	5.45%	2.35%	2.90%	6.46%	8.35%
Gross Gearing % (Debt as a percentage of Debt plus Equity)	0.00%	0.00%	0.00%	2.03%	3.30%
Current Ratio (Current Assets divided by Current Liabilities**)	7.45	7.73	4.33	1.78	3.13
Asset Turnover Ratio (Net Sales divided by Total Assets)	0.17	0.24	0.62	0.85	0.89
Earning Per Share (Basic)*	7.18	4.12	4.71	10.11	10.81
Dividend Per Share	-	4.00	1.85	1.65	-
Book Value per Share*	177.94	170.76	170.69	167.90	159.41

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Contact Us



Chembond Chemicals Limited
Chembond Centre
EL-71 Mahape MIDC
Navi Mumbai 400710. INDIA

www.chembondindia.com

T: +91 22 62643000 - 03

F: +91 22 27681294

E: cs@chembondindia.com