



Clean Science and Technology Limited

i n n o v a t i o n a t w o r k

Date: 07.02.2022

To,

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code: 543318

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1,
G Block, Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051
Trading Symbol: CLEAN

Dear Sir/Madam,

Subject: Investor Presentation.

In accordance with Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Financial Results presentation for quarter and nine months ended 31st December, 2021 is enclosed.

The aforesaid presentation is also available on the Company's website.

You are requested to take the same on record.

Thanking You.

For Clean Science and Technology Limited

Mahesh Kulkarni
Company Secretary



(Erstwhile known as Clean Science and Technology Private Limited)

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CIN: L24114PN2003PLC018532



Clean Science and Technology Limited

innovation at work

Q3 FY 2022 RESULTS PRESENTATION
February 2022

UPDATES FOR THE QUARTER 3, FY2022

KEY UPDATES DURING THE QUARTER

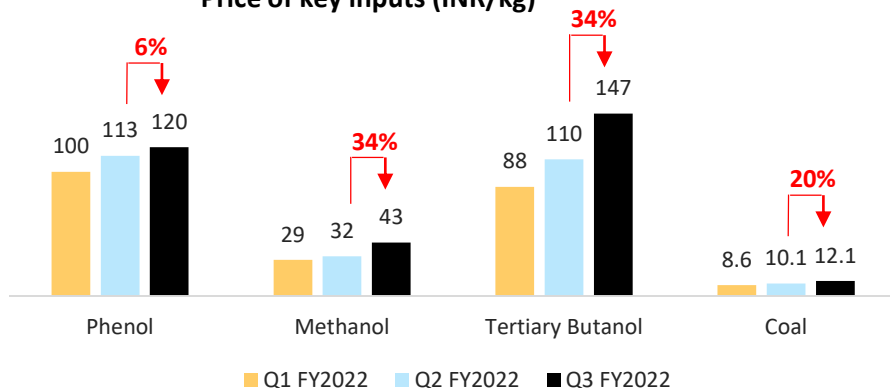


Stable sequential revenue growth; Awarded “Greenco Silver” rating

Mixed quarter

- Recorded highest ever revenue and PAT in Q3 FY2022 . Total revenues increased by 18% and 44% on Q-o-Q and Y-o-Y basis respectively
- Despite end product price hike, gross margins impacted as raw material price increase was steeper during Q3. Other key factors impacting margins are coal prices and moderation in product mix with pharma segment share significantly higher in Q3 compared to Q2

Price of key inputs (INR/kg)



	Q3 FY2022	Q2 FY2022	Q3 FY2021
Sale of products	100.0%	100.0%	100.0%
Raw material	35.5%	31.7%	24.3%
Gross margin	64.5%	68.3%	75.7%
Power & Fuel	9.9%	7.9%	6.8%

Focus on sustainability

- Company has been awarded the “**Greenco Silver**” rating by GreenCo - Green Company Rating System. Clean Science and Technology Limited is the first specialty chemical company in the country to be given the “Greenco” certification
- This rating is a clear validation of our company’s emphasis on clean, green and sustainable practices and processes

Product launch and capex

- Commissioned plants for manufacturing PBQ (Para benzoquinone), BHA and TBHQ. PBQ is an import substitute with Clean Science being the only company in India to manufacture PBQ
- Cash capex of ~INR 110 crore cumulatively during 9M FY2022, all funded from internal accruals

P&L OVERVIEW – STEADY REVENUE GROWTH

Margins subdued due to continued inflationary environment



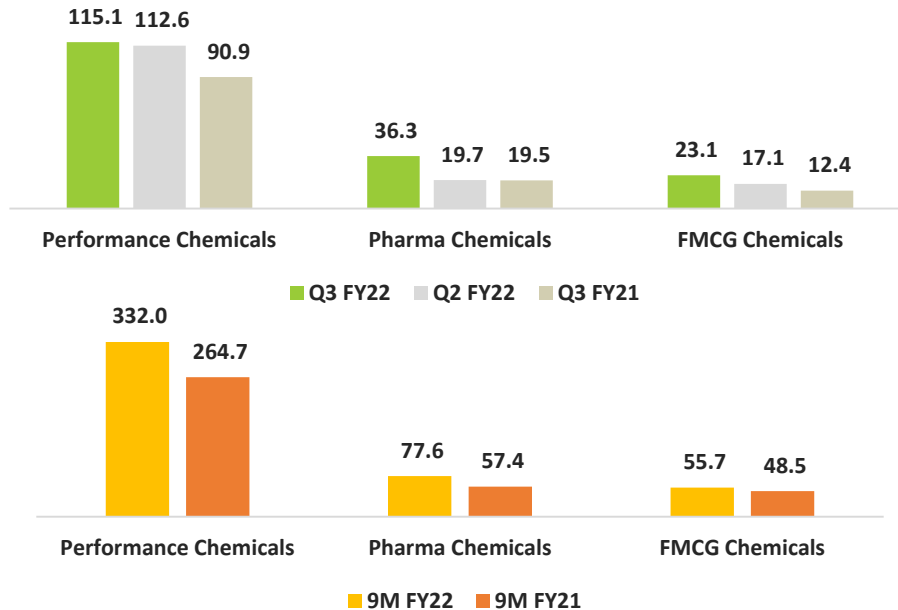
Particulars (INR Crore)	Q3 FY 2022	Q2 FY 2022	Q-o-Q (%)	Q3 FY 2021	Y-o-Y (%)	9M FY 2022	9M FY 2021	Y-o-Y (%)
Revenue from product sales	178.2	151.7	18%	124.3	43%	474.6	374.5	27%
Other operating income	2.6	1.5		1.1		5.7	4.0	
Total Revenue	180.8	153.2	18%	125.4	44%	480.3	378.5	27%
Raw material cost	63.3	48.0	32%	30.3	109%	153.5	95.0	62%
Operating expenses	41.4	36.4	14%	32.6	27%	110.6	94.7	17%
EBITDA	76.1	68.7	11%	62.5	22%	216.2	188.9	14%
<i>EBITDA %</i>	<i>42.7%</i>	<i>45.3%</i>		<i>50.3%</i>		<i>45.6%</i>	<i>50.4%</i>	
Depreciation costs	6.0	6.1	(2)%	4.7	28%	17.9	12.9	39%
Other Income	7.4	8.6		7.1		22.6	19.9	
PBT	77.6	71.2	9%	64.8	20%	220.9	195.8	13%
<i>PBT %</i>	<i>43.5%</i>	<i>47.0%</i>		<i>52.1%</i>		<i>46.5%</i>	<i>52.3%</i>	
PAT	58.0	53.5	8%	49.1	18%	166.1	145.3	14%
<i>PAT %</i>	<i>32.6%</i>	<i>35.3%</i>		<i>39.5%</i>		<i>35.0%</i>	<i>38.8%</i>	

SALES PROFILE – 9M FY22

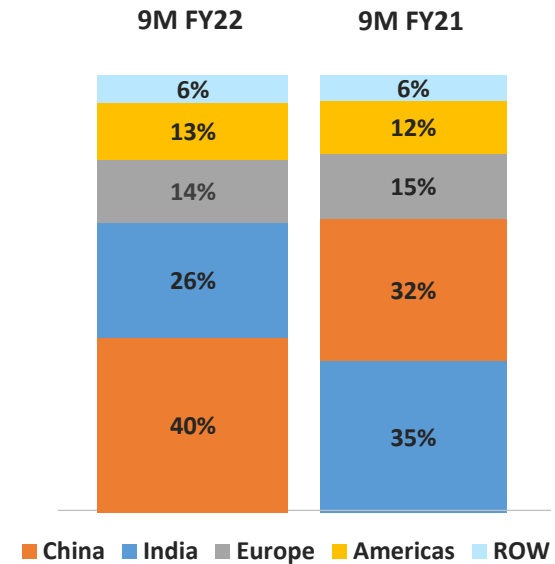
Strong sales growth across all segments and export markets



Revenue mix by segment



Revenue mix by geography



- Performance chemicals - Increased realizations across all products. Strong volume offtake for BHA during Q3 FY22 compared to Q3 FY21
- Pharma chemicals – Increased volume offtake across products, improved realizations for DCC during Q3 FY22 compared to Q3 FY21
- FMCG chemicals – Increased volume offtake and improved realizations for all key products in Q3 FY22 compared to Q3 FY21

- Exports continue to be key growth driver
- China market continues to be robust

CORPORATE PRESENTATION

COMPANY EVOLUTION

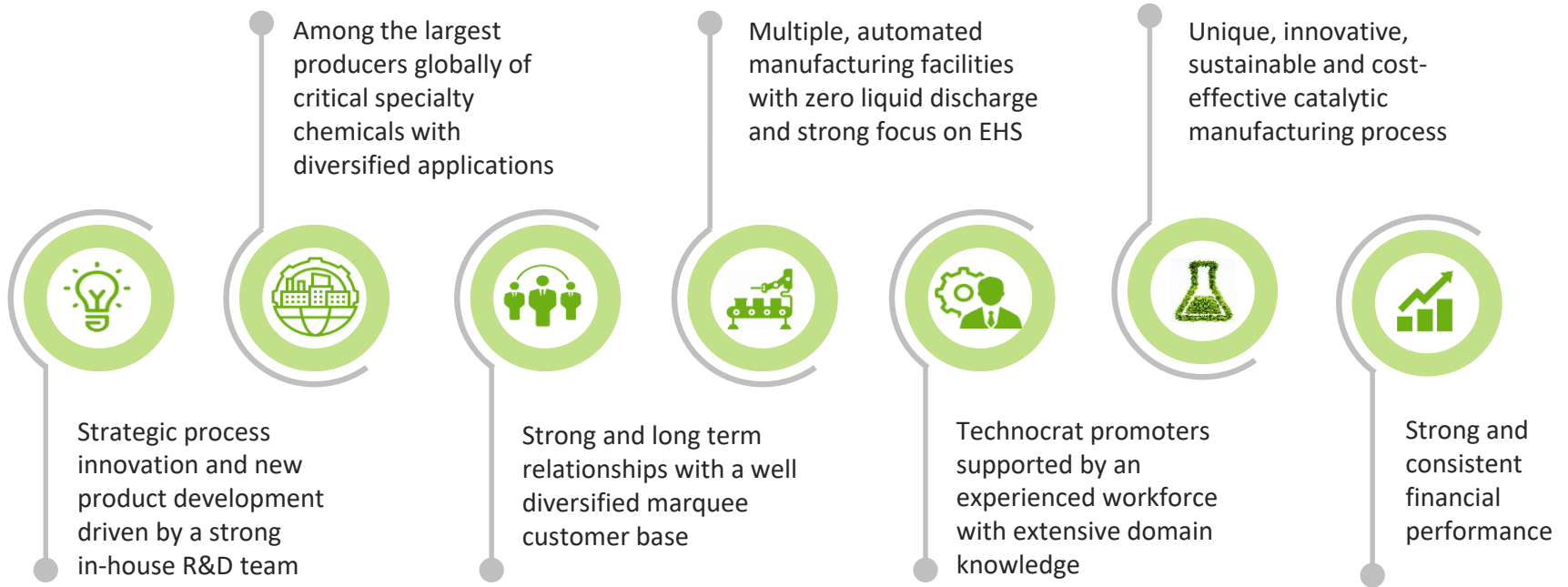


Focus on R&D and innovation has led to new product launches on a consistent basis

-
- A horizontal timeline diagram consisting of nine green hexagonal nodes connected by a thin line. Each node contains a year. Vertical lines connect each node to a list of key events for that year. The events are listed in two rows: the top row contains events for 2006, 2009, 2011, 2014, 2017, 2018, 2020, 2021, and 2022; the bottom row contains events for 2011, 2014, 2017, 2020, and 2021.
- In line with our vision, changed name to Clean Science and Technology
 - Started manufacturing 4-MAP
 - Started manufacturing Anisole using liquid phase technology
 - Started manufacturing DCC
 - Started manufacturing p-BQ and TBHQ
 - Started manufacturing MEHQ and Guaiacol
 - Started manufacturing BHA
 - Started manufacturing Anisole using vapor phase technology in UNIT-2
 - Started manufacturing AP
 - Started manufacturing Anisole using vapor phase technology in UNIT-3
 - Purchased 34 acre land for UNIT-4

KEY DIFFERENTIATORS

Helped company develop into a global supplier of critical specialty chemicals in just 15 years



STRONG IN-HOUSE R&D

Pioneered commercialization of catalytic-reactions in production processes



R&D Strategy

- Designing catalysts to create new manufacturing processes and new products
- Develop eco-friendly processes by eliminating use of toxic starting materials
- Focus on good Atom economy to avoid wastage

R&D Focus

- Improve yields and selectivity in our existing processes
- Expanding product portfolio across existing segments and adding new segments
- Identifying products with high demand that only limited manufacturers produce globally

R&D Capabilities

- State of the art technological equipment to develop, test and evaluate products
- Government of India's Department of Scientific and Industrial Research recognized R&D units
- 2 R&D units with 35 personnel (including 6 PhD's)

TECHNOCRAT PROMOTERS

Promoters' sole business interest remains Clean Science and Technology with 78.51% stake



Ashok Boob
Managing Director

Key functions: Projects,
Manufacturing Capabilities

Over 25 years of work experience in the chemical industry.

Previously worked as an Executive Director at Mangalam Drugs and Organics Ltd.

B.Chem. Engg. - ICT,
Mumbai, India



Siddharth Sikchi
Executive Director

Key functions:
Marketing, R&D

Over fourteen years of experience in the chemical industry.

M.Sc. –
University of Manitoba,
Canada.

B.Tech - ICT, Mumbai



Krishna Boob
Executive Director

Key functions:
Public relations, Purchase

Close to two decades of expertise in the chemical industry.

Previously, worked as Director at Mangalam Drugs and Organics Ltd.

B.Pharma - University of
Mumbai, India



Parth Maheshwari
Vice President

Key functions:
Business operations

Over 5 years of work experience in the chemical industry.

MBA – Babson College
B.Chem. Engg., Savitribai
Phule University, India

ROBUST CORPORATE GOVERNANCE

Distinguished Board of Directors and reputed financial market reviewers



Pradeep Rathi

Chairman and
Non-Executive Director

B.Sc, M.S. (MIT, USA),
MBA (Columbia, USA)

Chairman – Sudarshan Chemicals



Prof. G. D. Yadav

Non-Executive,
Independent Director

B.Chem. Engineering,
Ph.D Technology



Sanjay Kothari

Non-Executive Director

B.Com (University of Calcutta)
Member of ICAI and ICSI



Keval Doshi

Non-Executive,
Independent Director

B.Com. (University of Mumbai),
Member of ICAI

Erstwhile Partner at Ernst & Young LLP



Madhu Dubhashi

Non-Executive,
Independent Director

PG in Business Administration (IIM
Ahmedabad)

Mr. Pradeep Rathi, Prof. G. D. Yadav, and Mr. Sanjay Kothari have been Board members for over a decade, reflecting our commitment towards long-term value creation for our business

Statutory Auditor

BSR & Co. LLP

Unit of
KPMG

Long term A+ (Stable)

Short term A1+

CRISIL
An S&P Global Company

Commercial Banking Partners



ERP System

SAP® Business
One

DIVERSIFIED PRODUCT PROFILE

With applications across various critical end-user industries



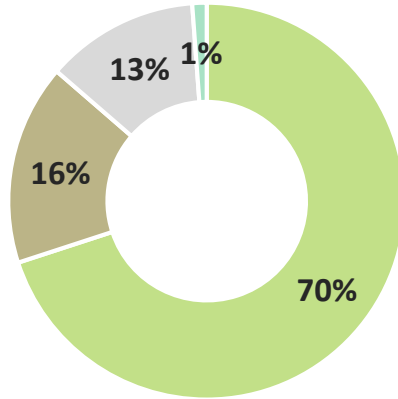
PRODUCT	APPLICATION	REVENUE (INR Crore)
PERFORMANCE CHEMICALS		
➤ MEHQ (Monomethyl ether of hydroquinone)	<ul style="list-style-type: none"> Polymerization inhibitor in acrylic acids, acrylic esters, super absorbent polymers (diapers and sanitary pads) Pre-cursor for agrochemical industry 	FY 2021 355 FY 2020 272 FY 2019 249 FY 2018 147
➤ BHA (Butylated Hydroxy Anisole)	<ul style="list-style-type: none"> Anti-oxidant in food and animal feed industry 	
➤ AP (L-Ascorbyl Palmitate)	<ul style="list-style-type: none"> Infant food formulations, breakfast cereals and cosmetics 	
PHARMACEUTICAL CHEMICALS		
➤ Guaiacol	<ul style="list-style-type: none"> Pre-cursor to manufacture APIs for cough syrup 	FY 2021 83 FY 2020 64 FY 2019 68 FY 2018 50
➤ DCC (Dicyclohexyl Carbodiimide)	<ul style="list-style-type: none"> Reagent in anti-retroviral 	
FMCG CHEMICALS		
➤ 4-MAP (4-Methoxy Acetophenone)	<ul style="list-style-type: none"> Used in UV blocker in sunscreens (cosmetics industry) 	FY 2021 63 FY 2020 67 FY 2019 61 FY 2018 33
➤ Anisole	<ul style="list-style-type: none"> Precursor to perfumes, insect pheromones, pharmaceuticals 	

FY 2021 REVENUE CONTRIBUTION

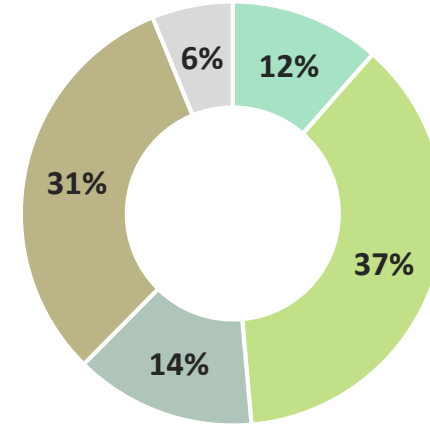
Diversified customer base and wide product applications across industries



BY SEGMENT



BY GEOGRAPHY



■ Performance Chemicals ■ Pharmaceutical ■ FMCG ■ Others

■ Americas ■ China ■ Europe ■ India ■ Row

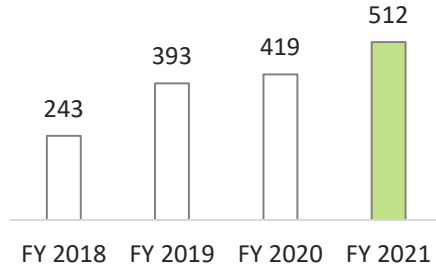
- Strong customer relationships and presence in export markets across multiple countries
- Strong contribution from high value critical performance chemicals segment.

STRONG FINANCIALS

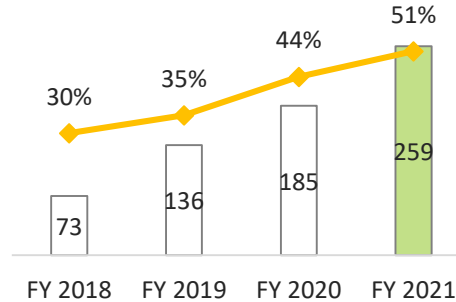


Amongst the fastest growing and profitable specialty chemical companies globally

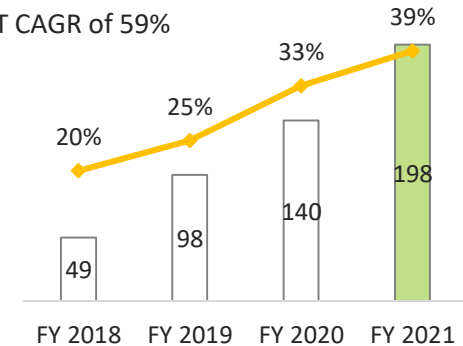
REVENUE
CAGR of 28%



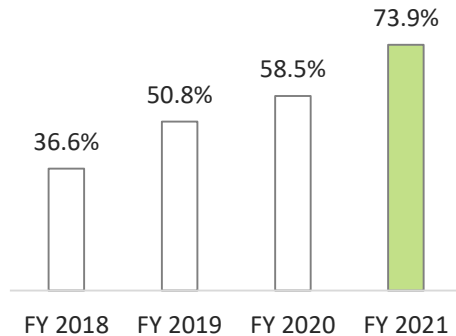
EBITDA & EBITDA%
EBITDA CAGR of 52%



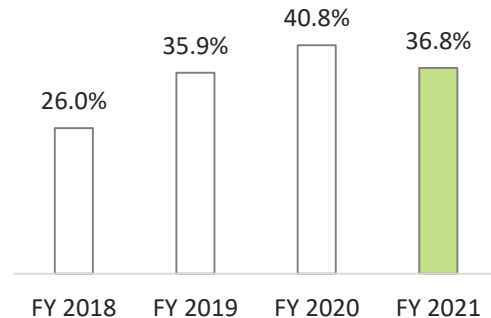
PAT & PAT%
PAT CAGR of 59%



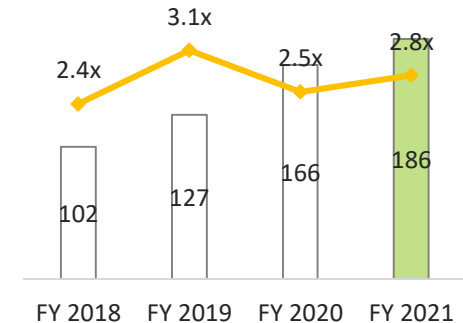
RoCE



RoNW



Net FA & Net FA Turnover(x)



Note: RoCE = EBIT (ex. Other income) divided by capital employed (Gross FA + Working Capital); RoNW = PAT as % of net worth
Net Fixed Asset Turnover = Revenue from Operations/Net Fixed Assets; Net Fixed Assets include Property, plant and equipment, Right-of-use asset & Intangible Assets
(Nos. in INR crore)



ENVIRONMENT (E)

- ✓ Among the few companies globally focused on developing “green”, eco-friendly & cost competitive technologies using in-house catalytic processes
- ✓ Eco-friendly production processes ensures zero liquid discharge sites or only water as effluent
- ✓ Not received any material observations from pollution control board in India
- ✓ Power consumption from captive solar plants and investments in renewable energy projects



SOCIAL (S)

- ✓ Total contribution towards CSR activities during last 3 years is INR 8.1 crore
- ✓ Focus Areas -
 - Education
 - Healthcare
 - Medical Relief
 - Vocational Skills
 - Environment Sustainability



CORPORATE GOVERNANCE (G)

- ✓ More than 1/3rd Board members are independent
- ✓ Statutory auditors BSR & Co.
- ✓ Long term & short term ratings by CRISIL are A+ (Stable) and A1+ respectively

DISCLAIMER



Certain statements and opinions with respect to the anticipated future performance of the company in the presentation (“forward - looking statements”), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such forward-looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward - looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward - looking statements only speak as at the date the presentation is provided to the recipient and the company is not under any obligation to update or revise such forward -looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient’s purposes. The delivery of this presentation does not imply that the information herein is correct as at any time subsequent to the date hereof and the company has no obligation whatsoever to update any of the information or the conclusions contained herein or to correct any inaccuracies which may become apparent subsequent to the date hereof