



Clean Science and Technology Limited

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

02.11.2023

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

Subject: Investor Presentation.

Dear Sir/Madam,

In accordance with Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Financial Results presentation for the quarter and half year ended 30th September, 2023 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

Encl: As above



Clean Science and Technology Ltd.

Investor Presentation

Q2 FY 2024 | NOVEMBER 2023



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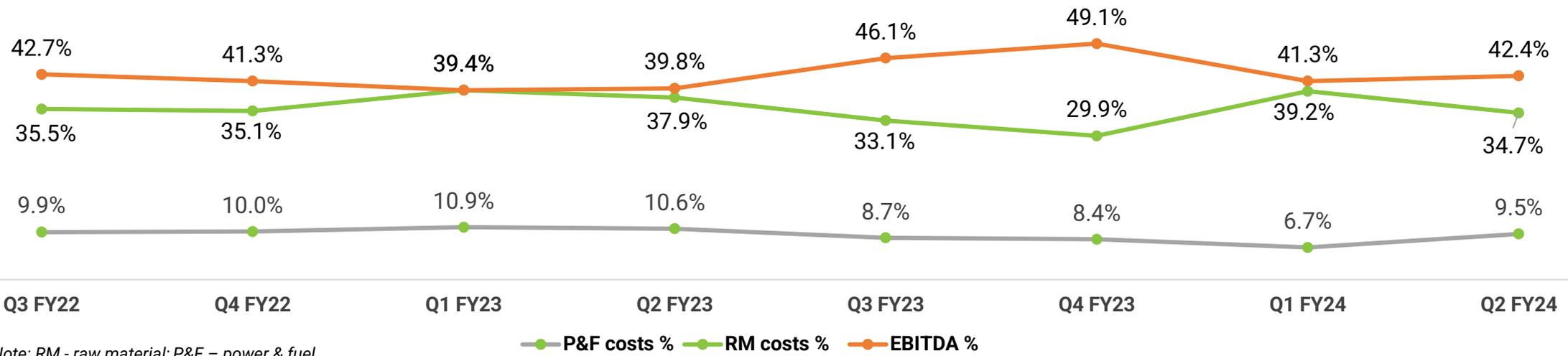
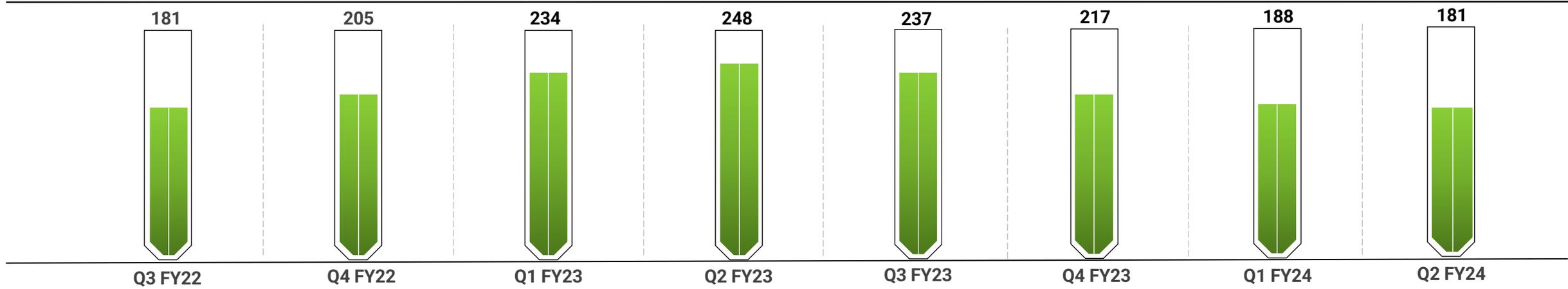
Q2 FY 2024 & H1 FY2024 Update

Q2 FY24 UPDATE



Lower realization impacted the revenue growth; EBITDA margins improved further

Revenue in INR Crore



Note: RM - raw material; P&F - power & fuel

● P&F costs % ● RM costs % ● EBITDA %

CAPEX & BUSINESS UPDATE

- Incurred total capex of ~ Rs. 165 crores during H1, including investment in subsidiary of Rs. 155 crores.
- Clean Fino-Chem Limited (CFCL) construction work on track with commercialization estimated from Q4
- Clean Science is now Responsible Care certified company
- Recently performed Bhoomi Poojan at CFCL for construction of new chemical plant for manufacturing of Pharma/ Agro Intermediate

Q2 FY24 and H1 FY24 P&L OVERVIEW - STANDALONE



Moderation in raw material prices and improved profit contribution from relatively newer products led to higher EBITDA margin during the quarter

P&L (INR Crore)	Q2 FY2024	Q1 FY2024	Q-o-Q (%)	Q2 FY2023	Y-o-Y (%)	H1 FY 2024	H1 FY 2023	Y-o-Y (%)
Sale of products	178.1	185.2	(4)%	245.0	(27)%	363.3	477.0	(24)%
Other operating income	3.0	2.9		2.5		5.9	4.6	30%
Total Revenue	181.1	188.1	(4)%	247.5	(27)%	369.2	481.5	(23)%
Raw material expenses	61.8	72.6	(15)%	92.7	(33)%	134.4	184.0	(27)%
Raw material %	34.7%	39.2%		37.9%		37.0%	38.5%	
Other operating expenses	43.7	38.9	12%	57.2	(24)%	82.7	108.6	(24)%
EBITDA	75.4	76.5	(1)%	97.5	(23)%	152.1	188.8	(19)%
EBITDA %	42.4%	41.3%		39.8%		41.9%	39.2%	
Depreciation expenses	11.0	10.7	3%	8.7	26%	21.6	17.1	26%
Finance costs	0.2	0.0		0.0		0.2	0.0	
Other Income	5.1	12.4	(59)%	3.1	65%	17.4	13.9	25%
Profit before tax (PBT)	69.4	78.2	(11)%	91.9	(24)%	147.7	185.7	(20)%
PBT %	39.0%	42.2%		37.5%		40.6%	38.6%	
Profit after tax (PAT)	51.9	58.5	(11)%	68.3	(24)%	110.5	138.6	(20)%
PAT%	29.1%	31.6%		27.9%		30.4%	28.8%	

H1 FY 2024: DEBT FREE BALANCE SHEET WITH CASH SURPLUS OF ~INR 250 CRORES

Growth capex being funded from internal accruals



In INR Crore	As at 30-Sept.-2023	As at 31-March-2023
Assets		
Non-current assets		
Fixed Assets	413.6	422.1
Capital work-in-progress	2.2	4.1
Right of use asset	3.8	3.9
Other non-current assets	333.7	151.5
Total non-current assets	753.3	581.6
Current assets		
Inventories	106.4	108.8
Investments	214.1	281.7
Trade receivables	131.2	147.7
Cash and bank balances	5.2	12.4
Other current assets	13.0	26.5
Asset held for sale	-	-
Total current assets	469.9	577.1
Total assets	1,223.3	1,158.7
Equity and Liabilities		
Net-worth	1,098.7	1,018.8
Non-current liabilities		
Borrowings	-	-
Provisions	0.6	0.6
Other non-current liabilities	29.4	26.5
Total non-current liabilities	30.0	27.0
Current liabilities		
Trade payables	72.8	80.4
Other current liabilities	21.9	32.5
Total current liabilities	94.7	112.9
Total equity and liabilities	1,223.3	1,158.7

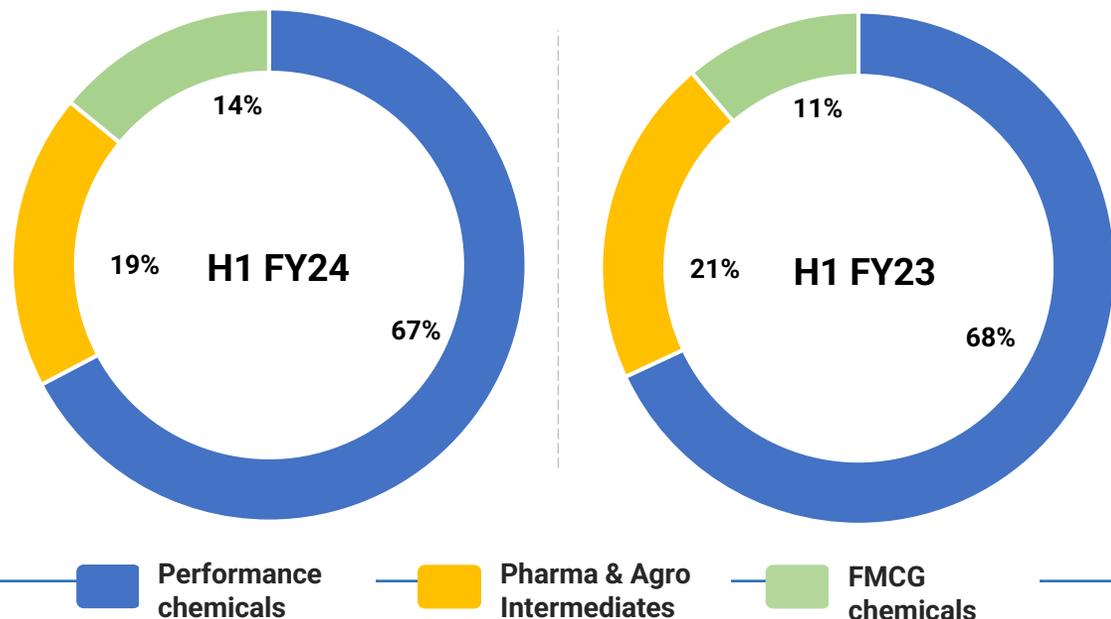
Note: Cash surplus includes investments + cash balance + some investments classified under other non-current assets

REVENUE PROFILE – H1 FY 2024

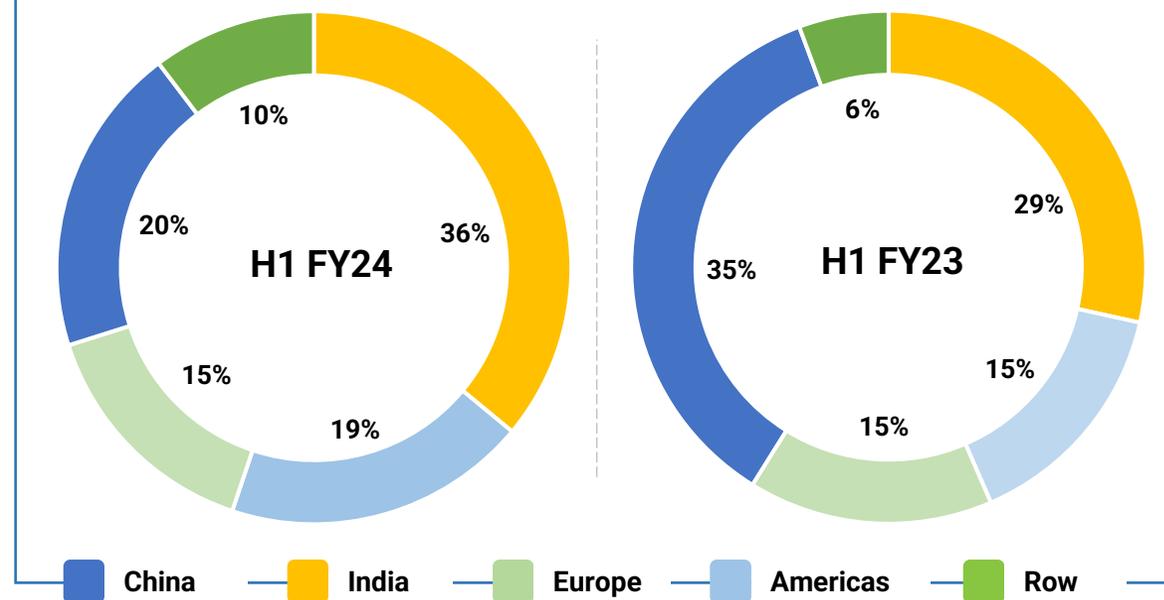
Revenue contribution from domestic market increased



REVENUE MIX BY SEGMENT



REVENUE MIX BY GEOGRAPHY



- Segment wise share is steady
- Decline in revenue during H1 FY2024 is majority volume led when compared to H1 FY2023
- Revenue diversification increasing as contribution from newer products is increasing

- Domestic market was relatively less impacted than export market
- Shift in product mix has also led to higher domestic share of revenue
- Revenue share of Americas increased



Corporate presentation



- One of the fastest growing and among the most profitable fine and specialty chemical companies globally. Among the largest manufacturers of certain specialty chemicals developed in-house.
- Among the few global organizations focused on developing ingenious technologies with unique, innovative, sustainable, and cost-effective catalytic manufacturing processes

500+ Global
and domestic customers across
30+ countries

1,300+ Strong team
(**8%** women)

16+ Accreditation &
Certifications

Zero Debt Company

Sustainability and
ESG deeply ingrained in our
philosophy

72% revenues from exports

3 manufacturing units with
44,000 MTPA combined
capacity

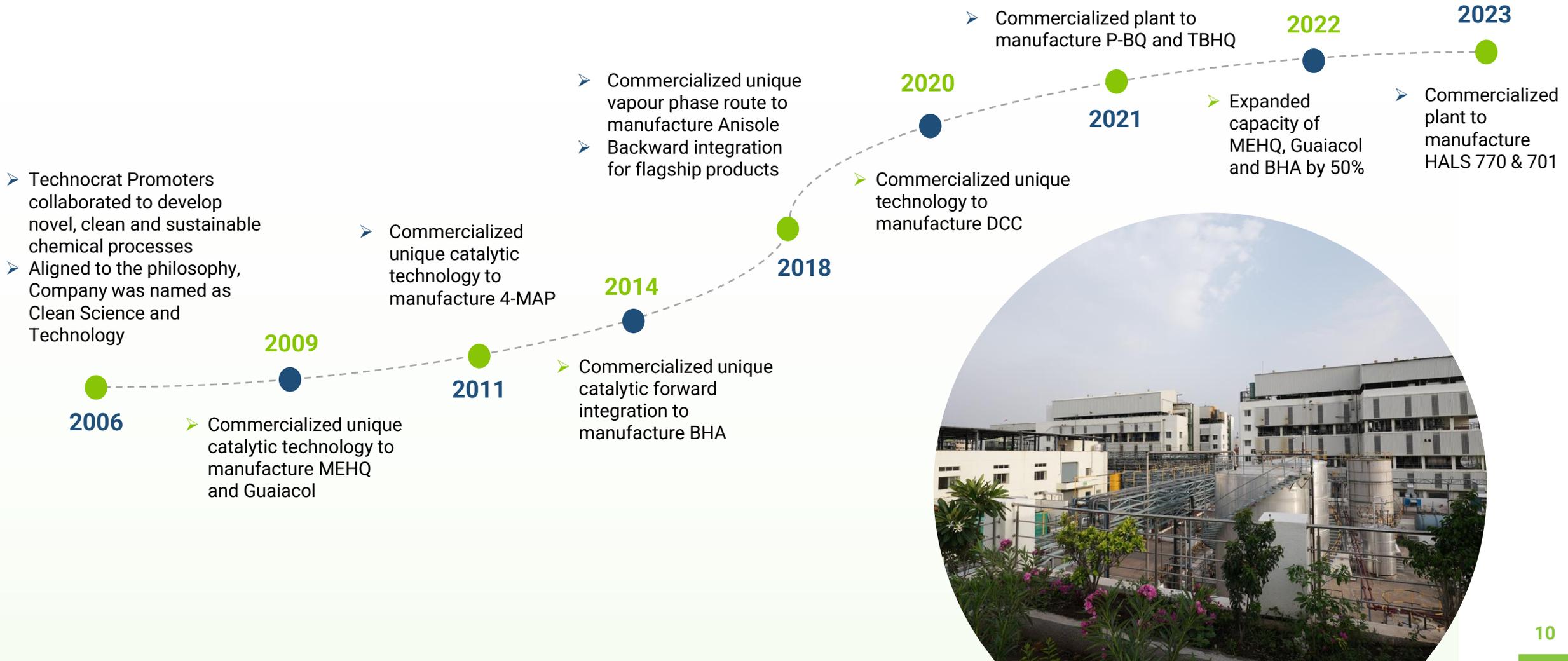
90+ Scientists over
4 R&D facilities

COMPANY EVOLUTION

Continuous R&D and Innovation has led to new product launches on a consistent basis



YEAR	2006	2009	2011	2014	2018	2020	2021	2022	2023
REVENUES (INR Crore)	-	1	19	120	241	419	512	685	936



DIVERSIFIED PRODUCT PROFILE SERVING CRITICAL END-USER INDUSTRIES

Largest capacity in the world for our flagship products



PERFORMANCE CHEMICALS



MEHQ (Monomethyl Ether of Hydroquinone)

- Used as polymerization inhibitor in acrylic acids, acrylic esters, super absorbent polymers (diapers and sanitary pads)
- Pre-cursor for agrochemical industry

1 in World & India



BHA (Butylated Hydroxy Anisole)

- Used as anti-oxidant in food and feed industry

1 in World & India



AP (Ascorbyl Palmitate)

- Used in infant food formulations, breakfast cereals and cosmetics

1 in World & India



TBHQ (Tertiary Butyl Hydroquinone)

- Stabilizer in oil industry

2 in World & India



HALS (Hindered Amine light Stabilizers)

- HALS 701 is used in water treatment
- HALS 770 is used for UV stabilization in a variety of polymers

1 in India

PHARMA AND AGRO INTERMEDIATES



Guaiacol

- Pre-cursor to manufacture APIs for cough syrup (pharma industry)
- Key raw material to produce Vanillin

2 in World

1 in India



DCC (Dicyclohexyl Carbodiimide)

- Used as reagent in anti-retroviral

2 in World

1 in India



p-BQ (Para Benzoquinone)

- Intermediate in agrochemical industry

2 in World

1 in India

FMCG CHEMICALS



4-MAP (4-Methoxy Acetophenone)

- Used in UV blocker in sunscreens (cosmetics industry)

1 in World & India



Anisole

- Precursor to perfumes, insect pheromones, pharmaceuticals
- Majority of Anisole produced is used for captive consumption

1 in World & India

KEY DIFFERENTIATORS THAT ADD VALUE

Unique benefits that set our business apart from competition



INNOVATION

Strategic process innovation and new product development driven by a strong in-house R&D team



GLOBAL LEADERS

Among the largest producers globally of critical specialty chemicals with diversified applications



PREFERRED PARTNER OF CHOICE

Strong and long term relationships with a well diversified marquee customer base



STATE-OF-THE-ART

Multiple, automated manufacturing facilities with zero liquid discharge and strong focus on EHS



PROMOTERS

Technocrat promoters supported by an experienced workforce with extensive domain knowledge



FORMULATION

Unique, innovative, sustainable and cost-effective catalytic manufacturing process



STATISTIC

Strong and consistent financial performance

Research and Development team's focus areas

1 Enhance our existing catalyst systems to further optimize yield and selectivity

2 Expand product portfolio in the performance chemical segment

3 Develop products with high demand which are produced by limited manufacturers globally

**COMPETENCY ACROSS
~10+ CHEMISTRIES**

Hydroxylation	Hydrogenation
Grignard Reaction	Chlorination
Oxidation	Polymeric Reaction
Alkylation	Esterification
Catalysis	Halogenation

**BACKED BY DIVERSE
TECHNOLOGY**

- Continuous flow reaction
- Vapour phase reaction
- Tri-phasic reaction
- Fixed bed reaction

**LED BY EXEMPLARY
R&D TEAM**

March 2018	March 2023
1 PhD	7 PhD
22 scientists	90 scientists

4 independent R&D labs with pilot facility

COHESIVE AND TECHNOCRAT PROMOTERS

Strong visibility on longevity of Promoters' engagement in the business



ASHOK BOOB

Managing Director

Key functions: Projects,
Manufacturing Capabilities

Over **27** years of work experience in the chemical industry.

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

Bachelor of Chemical Engineering – Institute of Chemical Technology, Mumbai, India (formerly known as UDCT)



SIDDHARTH SIKCHI

Executive Director

Key functions:
Marketing, R&D

Over **17** years of experience in the chemical industry.

Bachelor of Chemical Technology – Institute of Chemical Technology, Mumbai, India (formerly known as UDCT)

Master of Science in Organic Chemistry – University of Manitoba, Canada.



KRISHNA BOOB

Executive Director

Key functions: Public relations, Purchase

Over **22** years of expertise in the chemical industry.

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

Bachelor of Pharmacy – University of Mumbai, India



PARTH MAHESHWARI

President

Key functions:
Business operations

Over **7** years of work experience in the chemical industry.

Bachelor of Chemical Engineering – Pune University, India

MBA – Babson College, USA

Promoters' sole business interest remains Clean Science and Technology with 75% stake

ROBUST CORPORATE GOVERNANCE

Distinguished Board of Directors and reputed financial market participants underscore sound governance



PROFILE OF NON-EXECUTIVE, INDEPENDENT DIRECTORS ON THE BOARD



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, Non-Independent 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)

Balanced board ensures transparency and accountability

Highly experienced and diversified non-executive directors, are also board members of other reputed listed companies

Mr. Pradeep Rathi, Prof. G. D. Yadav, and Mr. Sanjay Kothari have been Board members for over a decade

More than 1/3rd Board members are independent Non-executive directors form majority of all committees

Separate Chairman & Managing Director

CONTINUED COMMITMENT TOWARDS SUSTAINABILITY AND ESG

Sustainability and ESG initiatives are embedded in our long term growth strategy



ENVIRONMENT EMPATHY (E)

- Utilize resources efficiently, reduce waste and minimise emissions as part of our sustainability commitment
- We aim to plant more than 11,000 trees over the next three years
- 17.4 MW of solar capacity. Share of renewable energy in power consumption at 55%.
- Reduced fresh water consumption by 14% and GHG emissions (Scope 1/Scope 2) by 7% over the last 3 years



SOCIAL RESPONSIBILITY (S)

- Total contribution towards CSR activities during last 3 years is INR 12.3 crore
- Health, safety and wellbeing of employees is integral part of all our activities
- Continual improvement in safety measures have resulted in zero casualties till date
- Our key initiatives include regular safety audits, safety trainings and health checkups among others



CORPORATE GOVERNANCE (G)

- Statutory auditors - Big 4 (BSR & Co. LLP)
- Internal Auditor - Big 4 (PwC India)
- Highly experienced, competent and balanced Board driving corporate ethics and values
- Long term & short term ratings by CRISIL are AA- (Stable) and A1+ respectively
- No auditor qualification or re-statements of financial statements till date

FOCUS ON SUSTAINABILITY



GreenCo Certificate



Together for Sustainability

ecovadis

Ecovadis



Reduce



Recycle



Reuse

FOCUS ON CSR ACTIVITIES



Vocational Skills



Environment Sustainability



Medical Relief



Healthcare



Education

FOCUS ON GOVERNANCE



Audit Committee



Nomination And Remuneration Committee



Stakeholders Relationship Committee



Risk Management Committee



Corporate Social Responsibility Committee

ADVANCED MANUFACTURING FACILITIES DESIGNED BY IN-HOUSE ENGINEERING TEAM

3 independent functional units at Kurkumbh Industrial Area, Maharashtra with dedicated lines for each product



UNIT 1

7 plants

Total area – **30,000 sq.m**



UNIT 3

5 plants

Total area – **40,343 sq.m**

UNIT 2

4 plants

Total area – **23,337 sq.m**



NO plant closure notice received from pollution control board

All Units are **ISO 9001, ISO 14001 and ISO 45001** certified

Sustainable processes ensures **zero liquid discharge (ZLD)** facility

- Multiple dedicated plants for key products. To that extent, each plant is immune to challenges in other plants
- Independent plants for catalysts
- Each unit has a separate R&D facility, warehouse, engineering and utility section
- Construction for 100% owned subsidiary Clean Fino-Chem Limited (CFCL) on track.

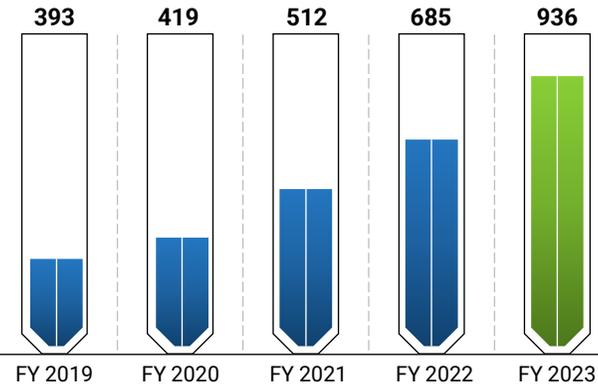
STRONG FINANCIAL PERFORMANCE

Resilient performance demonstrated over business cycles maintaining a debt free balance sheet



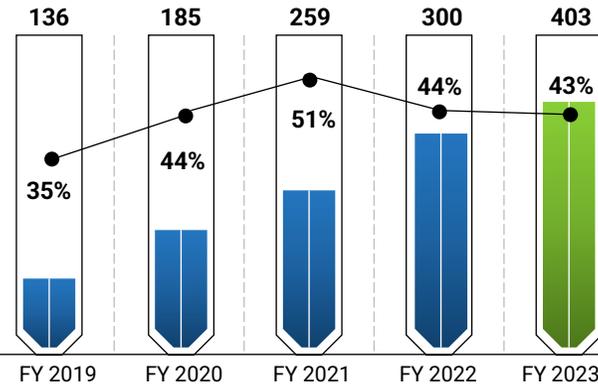
REVENUE

CAGR of 24%



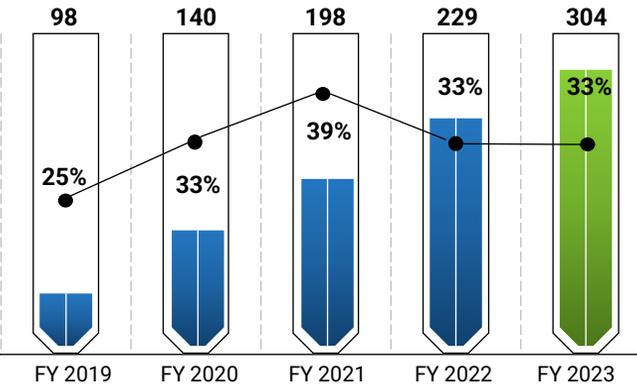
EBITDA & EBITDA%

EBITDA CAGR of 31%

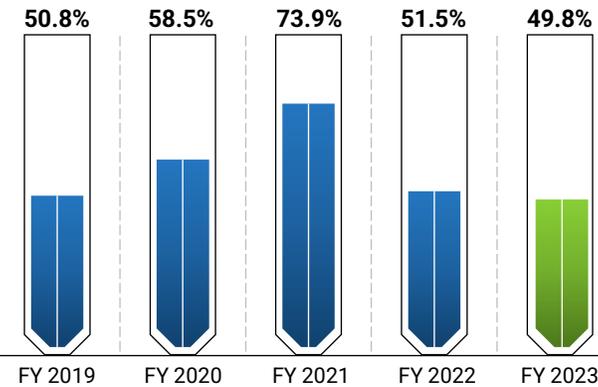


PAT & PAT%

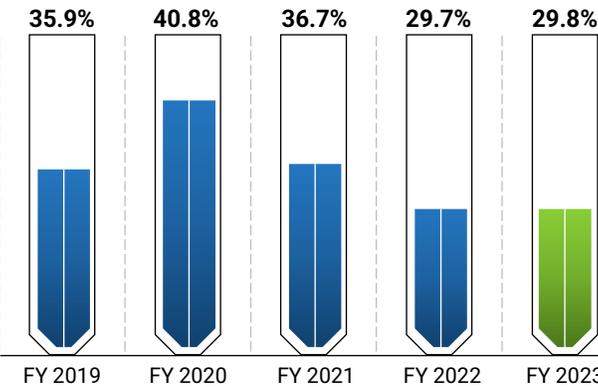
PAT CAGR of 33%



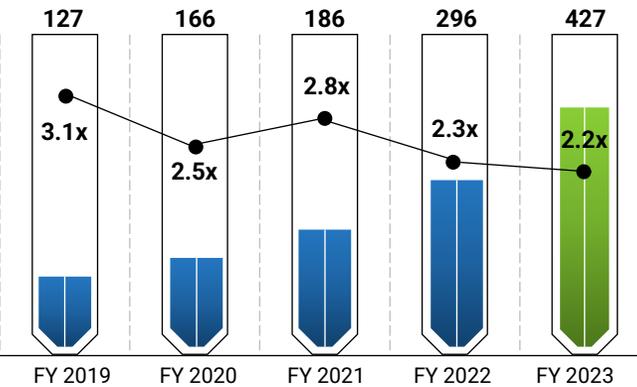
RoCE



RoNW



Net FA & Net FA turnover(x)



Note: RoCE = EBIT (ex. Other income)/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)

KEY GROWTH LEVERS

Strategic initiatives and investments aimed at long term sustainable growth



FOCUS ON ESG AND SUSTAINABILITY

Capitalise on our core philosophy of clean and green chemistry to address opportunities arising from the shift in demand to sustainable chemistry.

STRENGTHEN IN INDIA AND EXPAND GLOBALLY

Focus on import substitution opportunities in India and add new export customers across geographies



SIGNIFICANT GREENFIELD CAPEX

Planned capex on track for commercialising new series of products

ADD NEW COMPETENCIES

Adding new chemistries and process technologies with significant focus on high value products that limited manufacturers produce globally

NEW PRODUCT DEVELOPMENT

Strategic investments towards developing products for new range of speciality chemicals that find applications across diverse and fast growing end user industries



THANK YOU

For further information, please contact:

PRATIK BORA

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Clean Science and Technology Limited

Website: <https://www.cleanscience.co.in/>