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Balaji



AMINES LIMITED

REGD. OFF. : 'BALAJI TOWERS'
No. 9/1A /1, HOTGI ROAD,
AASARA CHOWK, SOLAPUR - 413 224.
MAHARASHTRA. (INDIA)

2nd November, 2020

To,
The General Manager-Department of
Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.
Scrip Code:530999

The Manager-Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.
Scrip Code: BALAMINES

Dear Sir,

Subject: Investor Presentation

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith the Updated Investor Presentation.

The Investor Presentation is also being uploaded on the website of the Company at the URL <http://www.balajiamines.com/investor-relations>

Thanking you,

Yours Faithfully
For Balaji Amines Limited

Jimisha Parth Dawda
Company Secretary & Compliance Officer
Encl: a/a



Balaji Amines Limited



Investor Presentation – November 2020

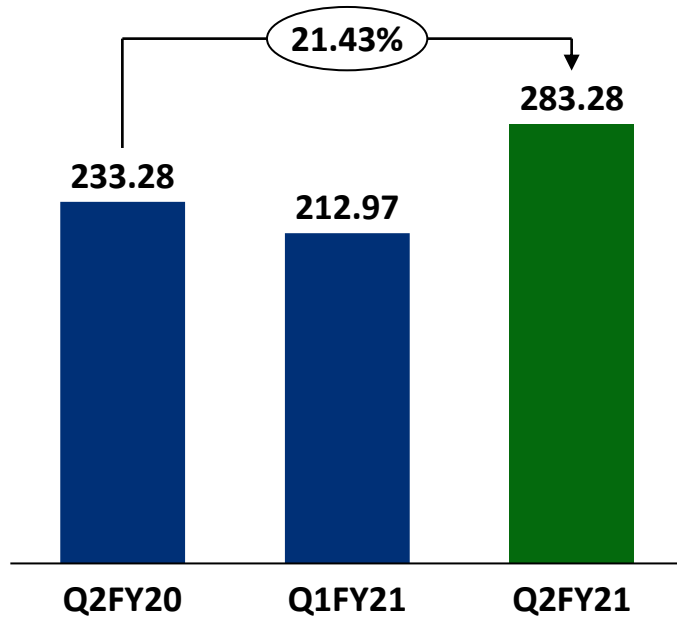
This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Balaji Amines Limited (the “Company”)**, have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

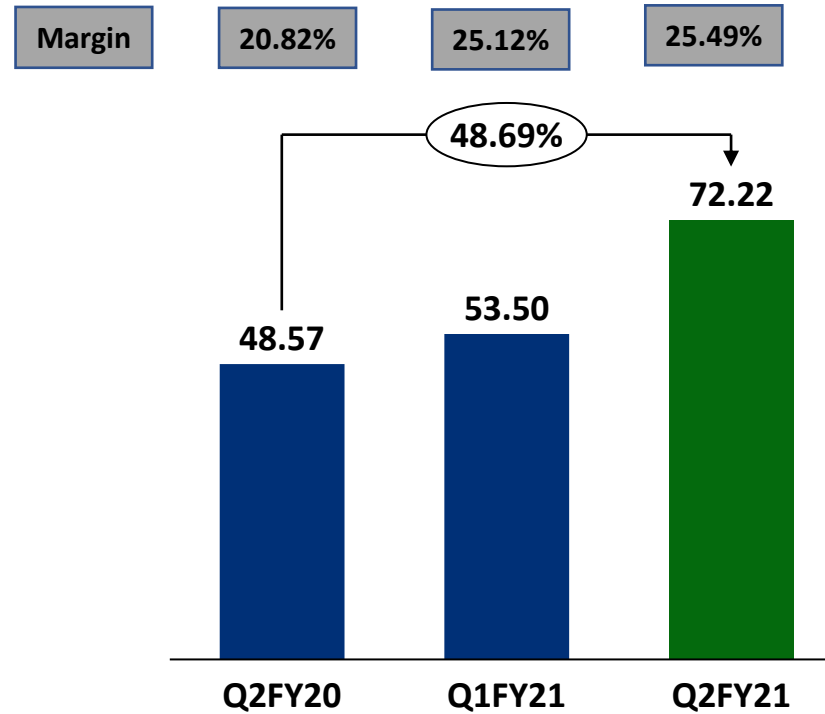
This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

Q2FY21: Standalone Performance Highlights

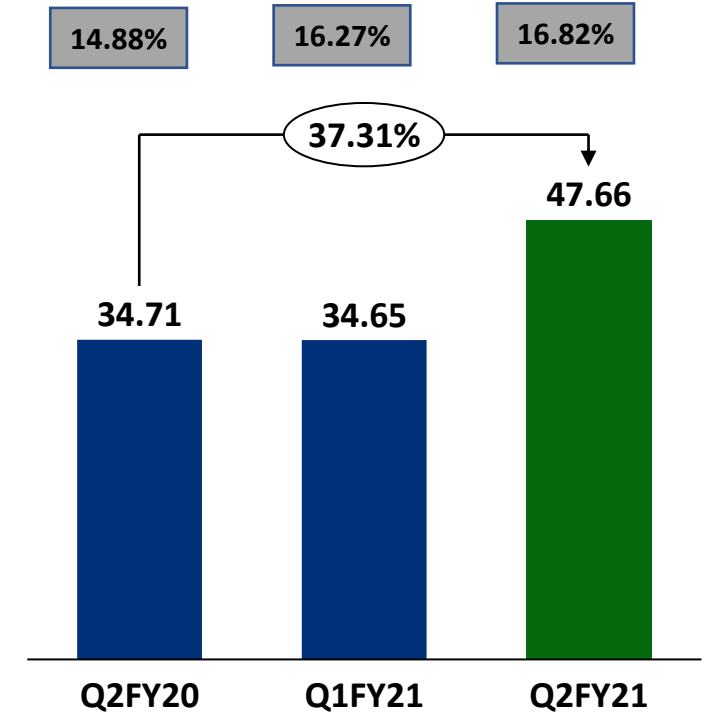
Revenue (Rs. Crore)



EBITDA (Rs. Crore)

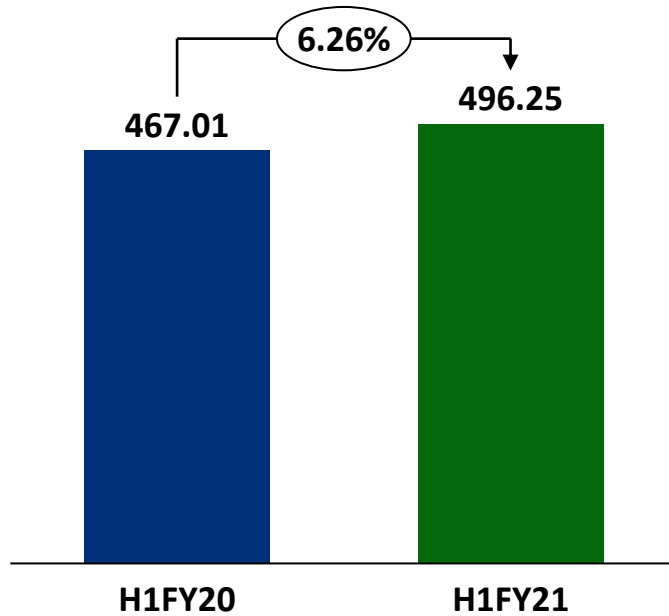


PAT (Rs. Crore)

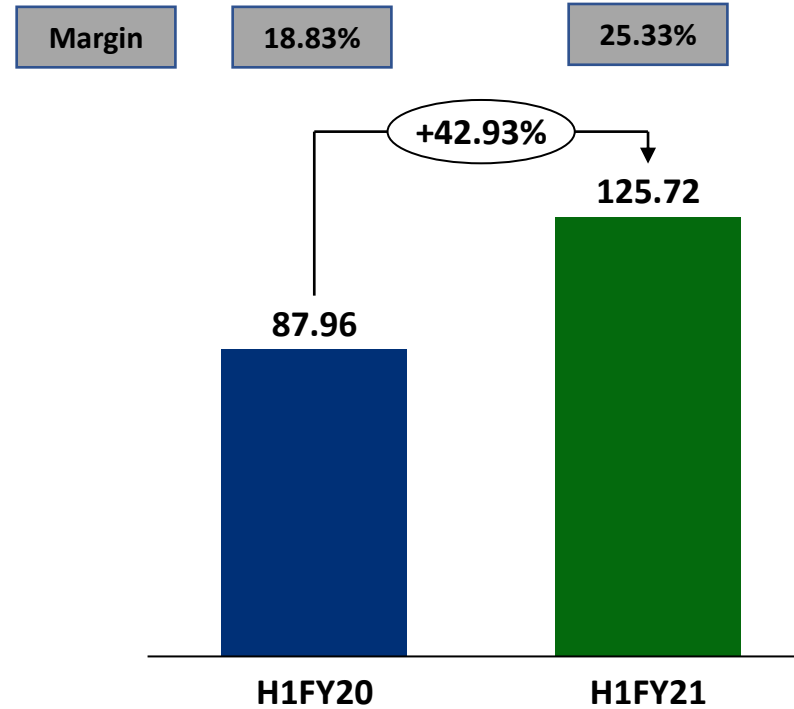


H1FY21: Performance Highlights

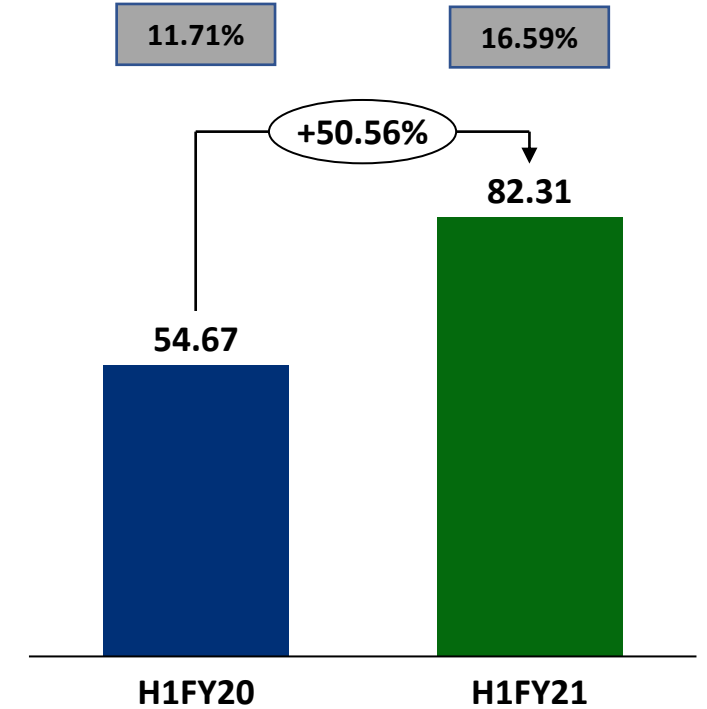
Revenue (Rs. Crore)



EBITDA (Rs. Crore)



PAT (Rs. Crore)



Q2FY21 Performance Highlights

Sales volumes were up by 8.30% from 21,376 MT in Q2FY20 to **23,150 MT in Q2FY21**. Our plants' capacity utilization in Q2 was similar to pre-COVID levels. We witnessed **an increase in demand across our product portfolio with improved price realizations**. Our EBIDTA margins improved primarily on account of improvement in operating leverage due to increase in volume offtake, better price realization and benign raw material prices

- Amines volumes stood at 5,094 MT
- Amines Derivatives volumes stood at 9,916 MT
- Specialty Chemicals volumes stood at 8,140 MT

Demand for products like Acetonitrile, DMF, NEP, DMA and TEA will continue to remain elevated as they are intermediates for drugs required for COVID-19 treatment. We are likely to observe better volume offtake in the second half of this fiscal year, especially with the expected revival of the entire economic value-chain across industries. The **process of debottlenecking of the Acetonitrile plant has commenced**, post which the production output should jump to 18-20 tons per day, from the current 9 tons per day.

After our continuous endeavours, the Preliminary Findings report of the Government committee has **recommended provisional anti-dumping duty (ADD) on DMF imports from China and Saudi Arabia**. This is a major positive for the company as levying of ADD will **result in higher capacity utilization**, since DMF capacity has historically been underutilized at only about 20% due to dumping from China and the **prices are also set to increase over medium to long-term**

Our subsidiary 'Balaji Speciality Chemicals Private Limited' recently received the REACH Certification from Europe for export of our product Di-Ethylene Tri Amine (DETA). In FY20, we had received REACH Certification for export of Ethylene Di Amine (EDA). In Q2FY21, the subsidiary company had an **improved sales run-rate of about Rs. 10 crore per month**. Brightened prospects for agrochemicals sector should bode well for improved performance in H2FY21

By the end of this financial year, we expect to commence manufacturing of Ethylamines under the first phase of our 90-acre Greenfield Project, for which **capex of Rs. 105 crore out of total Rs. 150 crore has been completed**. The shortfall of supply in Ethylamines in India is likely to increase to 15,000 tons p.a. by FY23 from 9,000 tons p.a. currently. Demand for Ethylamines is likely to get further boost as it finds application in COVID-19 medicines. The production of Di-Methyl Carbonate (DMC) is expected to commence during FY22

Acetonitrile

- ❑ Have installed capacity of 9,000 ton per annum (TPA). Currently manufacturing about 9 tons per day (TPD)
- ❑ Process of de-bottlenecking of the plant, which was delayed due to COVID-19, has commenced
- ❑ Post the completion of the exercise, **production will be ramped up to about 18-20 TPD by the end of this fiscal year**
- ❑ The demand for Acetonitrile is expected to be elevated, as it has **emerged as user-friendly solvent and is being preferred by many end-users over other solvents**
- ❑ We have already got environment clearance of 18,000 TPA. After studying the demand trend over the next year, **we may undertake capex for expansion of Acetonitrile production**

Ethylamines & DMC

- ❑ Have installed capacity of 6,000 TPA
- ❑ Under the phase-1 of Greenfield Project (Unit IV), capex of Rs. 105 crore (out of the proposed capex of Rs. 150 crore) already undertaken:
 - **To install additional capacity of 16,500 TPA of Ethylamines** (making us the largest manufacturer in India). **Manufacturing of Ethylamines expected to commence by the end of the last quarter of FY21**
 - **To install capacity of 9,900 TPA of Di-methyl Carbonate (DMC)**. Manufacturing expected to commence during FY22
- ❑ Presently, there is **supply shortfall of about 9,000 TPA of Ethylamines** in India, which is **expected to increase to about 15,000 TPA** in the next two years
- ❑ Demand for Ethylamines is likely to get **further boost as it finds application in COVID-19 medicines**

Methylamines

- ❑ Market Leader in Methylamines production in India with installed capacity of 48,000 TPA
- ❑ 80% of our Methylamines production is captively used
- ❑ Methylamines is a key raw material and the base product for value-added derivatives
- ❑ **Pharmaceutical application segment and agrochemicals are expected to drive significant demand for Methylamines**
- ❑ Company has approved the plan in its Board Meeting to set up a **separate plant for Methylamines with capacity of 40,000 to 50,000 TPA under Phase-2 expansion of Greenfield Project (Unit IV)** for which the company has already received environmental clearances
- ❑ Post the beginning of construction, this project will commence in about 12-18 months

Dimethyl Formamide

- ❑ Market Leader in Dimethyl Formamide (DMF) production in India with installed capacity of 30,000 TPA
- ❑ Looking into the current scenario which indicates the growth of API and Pharmaceutical Industries under “Atmanirbhar Bharat Package”, the Company has approved the plan in its Board Meeting to set up a **separate plant for DMF with a capacity of 30,000 TPA under Phase-2 expansion of Greenfield Project (Unit IV)**
- ❑ Levying of **anti-dumping duty on DMF imports** from China and Saudi Arabia will lead to **substantial increase in demand over medium to long-term**
- ❑ A **major positive of the company** as it will lead to increased capacity utilization (since DMF capacity historically has been underutilized) and increased prices over medium to long-term

Standalone Statement of Profit & Loss

Particulars (in Rs. Crore)	Q2FY21	Q2FY20	Y-o-Y	H2FY20	H1FY20	Y-o-Y
Total Revenue	283.28	233.28	21.43%	496.25	467.01	6.26%
Raw Material	147.36	128.12		259.04	269.47	
Employee expense	15.14	11.49		25.97	22.21	
Other expenses	48.56	45.10		85.52	87.37	
EBITDA	72.22	48.57	48.69%	125.72	87.96	42.93%
EBITDA Margin	25.49%	20.82%		25.33%	18.83%	
Depreciation	6.61	5.81		12.21	10.77	
EBIT	65.61	42.76	53.44%	113.51	77.19	47.05%
EBIT Margin	23.16%	18.33%		22.87%	16.53%	
Finance Cost	1.54	3.76		2.85	6.45	
Profit before Tax	64.07	38.99	64.32%	110.66	70.74	56.43%
PBT Margin	22.62%	16.71%		22.30%	15.15%	
Tax	16.41	4.28		28.35	16.07	
Profit after Tax	47.66	34.71	37.31%	82.31	54.67	50.56%
PAT Margin (%)	16.82%	14.88%		16.59%	11.71%	
EPS (in Rs.)	14.71	10.71		25.41	16.87	

Standalone Balance Sheet Statement

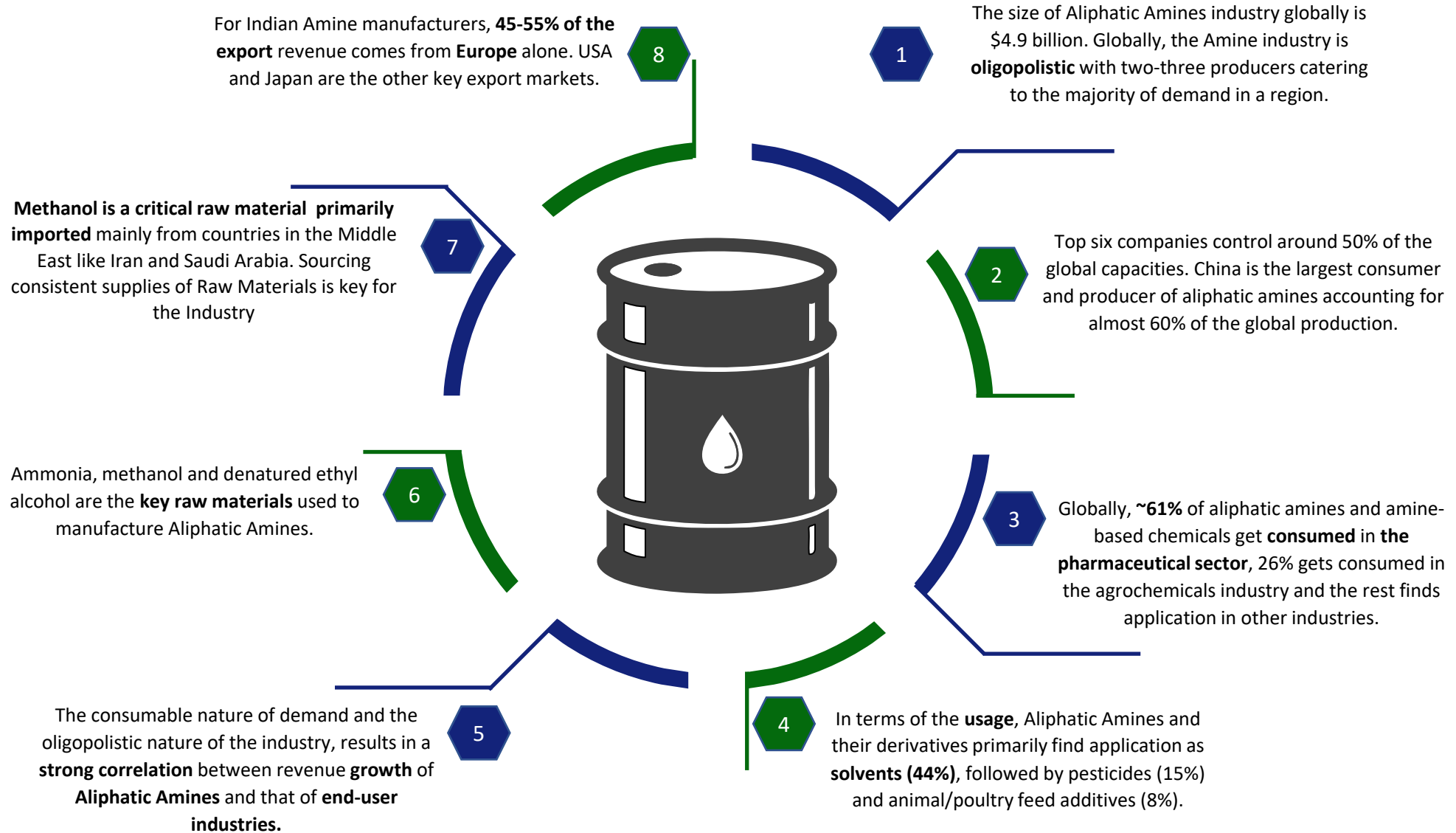
ASSETS (Rs. Crs.)	Sep-20	Mar-20
(1) NON-CURRENT ASSETS		
(a) Property, plant & equipment	352.16	363.40
(b) Capital work-in-progress	98.65	44.63
(i) Investments	66.00	66.00
(ii) Loans	77.35	46.35
(iii) Other Financial Assets	152.14	162.11
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	19.76	27.33
Sub Total (A)	766.06	709.82
(2) CURRENT ASSETS		
(a) Inventories	105.86	93.82
(b) Financial Assets		
(i) Investments	-	47.5
(ii) Trade receivables	194.85	190.85
(iii) Cash and cash equivalents	2.40	2.83
(iv) Bank Balances other than (iii) above	1.58	4.43
(v) Other Financial Assets	-	-
(c) Current tax assets (net)	63.31	40.05
(d) Other current assets	50.18	14.94
Sub Total (B)	418.18	394.42
Total Assets (A+B)	1,184.24	1,104.24

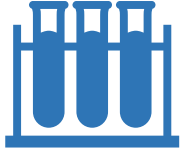
EQUITY AND LIABILITIES (Rs. Crs.)	Sep-20	Mar-20
EQUITY		
(a) Equity Share capital	6.48	6.48
(b) Other equity	742.01	661.16
Sub Total (C)	748.49	667.64
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities	-	-
(i) Borrowings	-	-
(ii) Trade Payables	4.81	3.16
(iii) Other Financial Liabilities excl. provisions	148.81	160.79
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	49.28	49.99
(d) Other Non-Current Liabilities	-	-
Sub Total (D)	202.90	213.94
(2) Current Liabilities	-	-
(a) Financial liabilities		
(i) Borrowings	81.78	102.36
(ii) Trade Payables	60.62	56.19
(iii) Other Financial Liabilities	3.38	-
(b) Other current liabilities	0.70	3.47
(c) Provisions	17.31	20.64
(d) Current Tax Liabilities (Net)	69.06	40.00
Sub Total (E)	232.85	222.66
Total Equity & Liabilities (C+D+E)	1,184.24	1,104.24



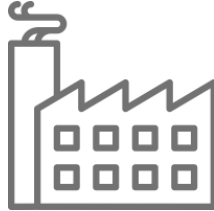
About Us

Amines Industry – Unique but Critical Industry with growth potential

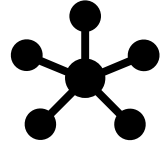




Largest manufacturer of Aliphatic Amines in India



State-of-the-art manufacturing facilities fully equipped with latest DCS technology



25+ Product basket



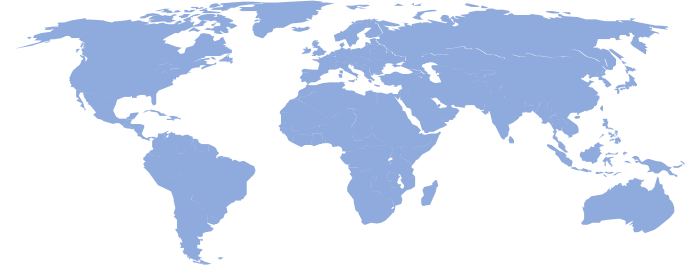
Zero Liquid Discharge facilities

Only Company to develop an Indigenous Technology to manufacture Amines



Stringent Domestic & International Quality Standards

- ISO 9001: 2015 certified Company
- REACH certified products to regulated markets in Europe
- WHO-GMP certificate to export its products to regulated international markets



Strong Global presence

INDIAN MULTINATIONAL



Forward integrated suite of products

Downstream products added based on strength of amine manufacturing which have value addition and cost advantage

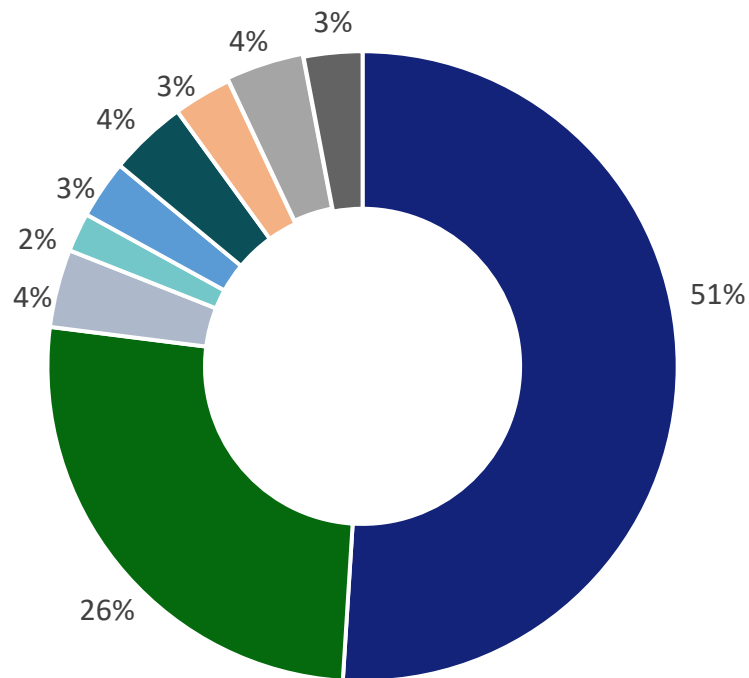


Installed Capacity

1,84,500 MTPA

Our Products are supplied to India's fast-growing Industries

INDUSTRY WISE – REVENUE BREAKUP



- Pharma
- Agrochem
- Paints & Resins
- Animal Feeds
- Oil & Gas
- Rubber Cleaning Chemicals
- Water Treatment Chemicals
- Dye and Textiles
- Others



PHARMA



AGRO-CHEMICALS



ANIMAL FEEDS



PAINTS & RESINS



OIL & GAS



RUBBER CLEANING CHEMICALS



WATER TREATMENT CHEMICALS



DYES & TEXTILES

Highly Experienced Management Team



Mr. A. Srinivas Reddy

Whole Time Director

- Post Graduate in Computer Science and completed Executive Management Programme at ISB Hyderabad.
- More than 25 years experience in multiple Project Management Roles
- He is presently responsible for projects

Mr. D. Ram Reddy

Managing Director

- 35 years of experience across various businesses.
- Focused on establishing customer and supplier's relationship with leading buyers and suppliers
- Responsible for the supply chain, sales and marketing

Mr. A. Pratap Reddy

Executive Chairman

- Civil Engineer by Education. Incorporated BAL in 1988
- BAL's continuing success is a testimony to his entrepreneurial skills.
- His vision has made BAL today as one of the leading players in chemical industry.

Mr. N. Rajeshwar Reddy

Joint Managing Director

- B. Com. Over 45 years of experience across industries
- Instrumental in project commissioning with indigenous approach to improve return profile
- Responsible for operations in Solapur

Mr. G. Hemanth Reddy

Whole Time Director & CFO

- Post Graduate in management with Finance and Marketing as specialization.
- More than 30 years of experience
- Responsible for finance, operations & administration along with Hyderabad Operations

Amines

Amine Derivatives

Specialty & Other Chemicals

Description

- Aliphatic Amines find increasing consumption and applications in a Chemically mature Industry such as India, Europe, US, China and Japan
- The Aliphatic Amines industry is expected to grow at a CAGR of 5%-7%

- Amine Derivatives are used to make further salts and other complex chemical Intermediates and API's
- In derivatives, Di-Methyl Amine Hydrochloride (DMA HCL) is one of BAL's key product offerings.

- Albeit a small and fastest growing segment
- Within specialty chemicals, is the single-largest product in specialty chemicals.

Products

- Mono Methyl Amine (MMA)
- Di-Methyl Amine (DMA)
- Tri-Methyl Amine (TMA)
- Mono-Ethyl Amine (MEA)
- Di-Ethyl Amine (DEA)
- Tri-Ethyl Amine (TEA)
- Di-Methyl Amino Ethanol (DMAE)
- Di-Ethyl Amino Ethanol (DEAE)

- Di-Methyl Acetamide (DMAC)
- Di-Methyl Amine Hydrochloride (DMA HCL)
- Tri-Methyl Amine Hydrochloride (TMA HCL)
- Mono-Methyl Amine Hydrochloride (MMA HCL)
- Di-Ethyl Amine Hydrochloride (DEA HCL)
- Tri-Ethyl Amine Hydrochloride (TEA HCL)
- Mono-Ethyl Amine Hydrochloride (MEA HCL)
- Di-Methyl Urea (DMU)
- Choline Chloride

- Morpholine
- Acetonitrile
- Dimethylformamide (DMF)
- N-Ethyl-2-Pyrrolidone (NEP)
- 2-Pyrrolidone (2-P)
- Gamma Butyrolactone,
- N-Methyl-Pyrrolidone (NMP)
- Pharmapure Povidone (PVP K30 & PVP K25)

Application

- Pharma
- Agro
- Photographic chemicals
- Rocket fuel
- Dyestuff intermediates
- Rubber chemicals, etc

- Pharma
- Pesticides
- Performance chemicals
- Specialty chemicals
- Animal/poultry feed additive etc.

- Production of Water Treatment chemicals and pesticide formulations
- Solvents across industries like pharmaceuticals, petrochemicals, dyes, Agro and paint industries

Amines



Amine Derivatives



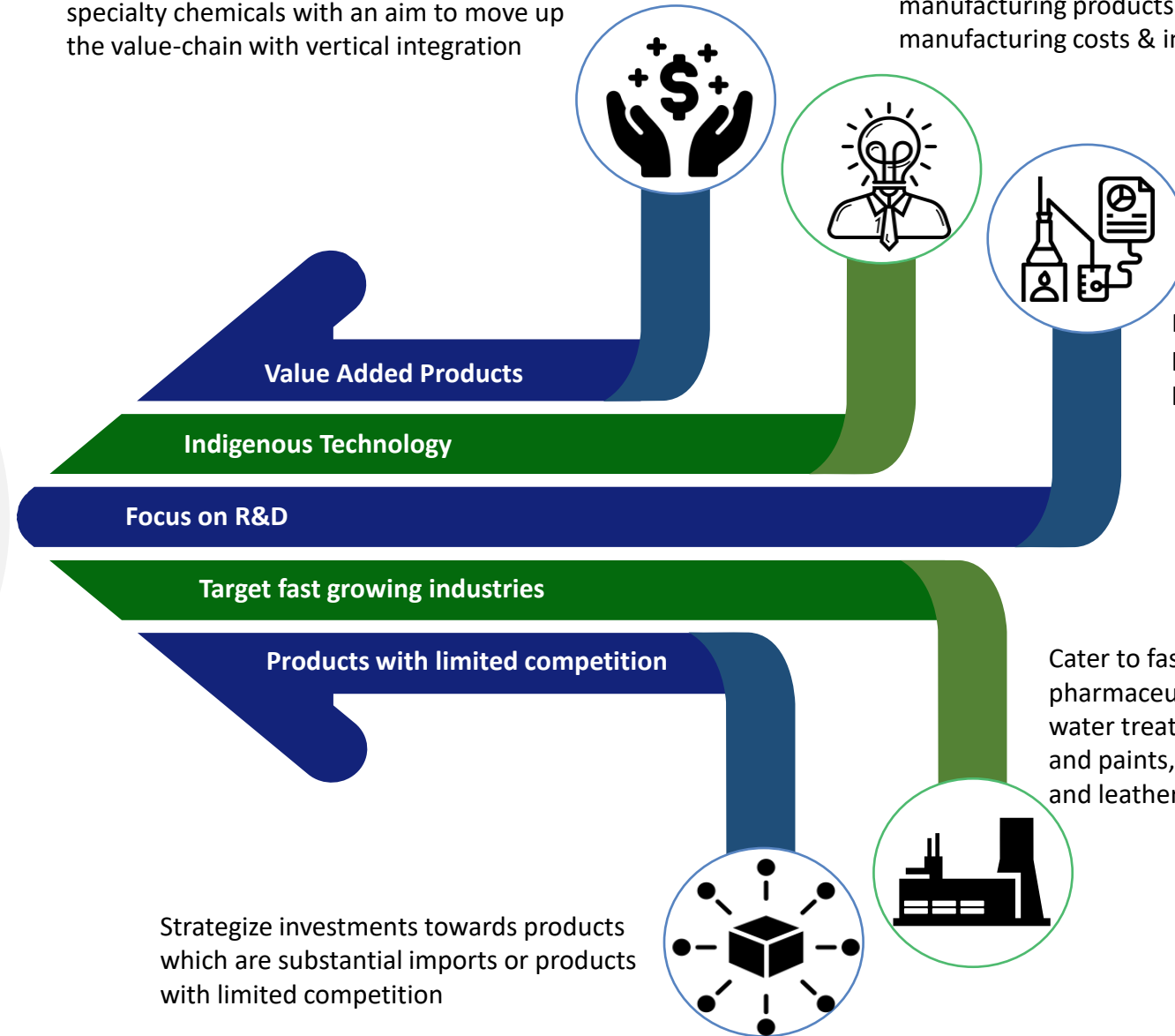
Specialty & Other Chemicals



Well positioned Business Model aimed at Sustainable growth

Focus towards high-value derivatives and specialty chemicals with an aim to move up the value-chain with vertical integration

Develop new indigenous technology for manufacturing products leading to lowering in manufacturing costs & improving of return ratios



Focus on R&D to introduce new products, improve systems and processes that drive efficiencies

Cater to fast growing industries, namely, pharmaceuticals, agro-chemicals, refineries, water treatment, rubber, electronics, dye stuff and paints, animal feed, photographic chemicals and leather processing

Strategize investments towards products which are substantial imports or products with limited competition

Business Strategy to achieve

Robust growth

+

Sustain healthy margins

+

Improve return ratios

Key Products (Current & Proposed) in Portfolio

Balaji Amines

In MTPA

Product	Installed Capacity	Future Capacity	Application Areas
Methyl Amine	48,000	50,000	Pharma, Agro, Dye & Rubber
Ethyl Amine	6,000	16,500	Pharma, Agro, Dye & Rubber
DMAHCL	25,000	7,500	Pharma
DMAC	6,000	-	Pharma API
Choline Chloride 60% (Corn Cob)	6,000	-	Animal Feed
Choline Chloride 75% & 98%	6,000	-	Animal Feed
2P / NEP	33,000	-	Pharma, Agro, Petro, Dyes, Paints
NMP		-	Pharma, Agro, Petro, Dyes, Paints
GBL		-	Pharma, Agro, Petro, Dyes, Paints
DMU	2,000	-	Pharma, Textile, Agro
DMAE / DEAE	2,000	-	Cosmetics
Morpholine	10,000	-	Pharma, Agro, Dyes, Paints, Textile, Rubber
Other HCL'S	750	-	Animal Feed
DMF	30,000	30,000	Pharma, Agro, Polymers, Petro, Dyes, Paints
Acetonitrile	9,000	9,000	Pharma, Petro, Textile, Plastics
PVP K-30	750	-	Pharma, Agro, Cosmetics
Tetra Hydro Furan	-	8,000	Pharma API Agro
Di-methyl Carbonate (DMC)	-	9,900	Pharma, Polycarbonate, Automobiles
Total	1,84,500	1,21,900	

Balaji Speciality Chemicals

In MTPA

Product	Installed Capacity	Application Areas
Ethylenediamine	37,350	Pesticides, Polymers
Piprazine	4,050	Pharma, Oilfield
Diethyltriamine	3,150	Coatings, Polymers, Pharma
Mixture of Amines (Aminoethylpiperzine / Hydroxyethylpiperzine / Aminoethylethanolamine, etc.)	780	Multiple Industries
Total	45,330	

Proven Product Portfolio with few products manufactured for the 1st time in India

OUR CUSTOMER SPREADS ALL OVER THE WORLD



UK • USA • KLAIPEDA • ARGENTINA • LATIN AMERICA • CANADA • ISRAEL • PAKISTAN • BANGLADESH
OMAN • GERMANY • ITALY • EGYPT • SOUTH AFRICA • KOREA • TAIWAN • SPAIN • FRANCE • BELGIUM
THE NETHERLANDS • NORWAY • POLAND • UKRAINE • MEXICO • BRAZIL • AUSTRALIA • CHINA • JAPAN
TURKEY • FINLAND • INDONESIA • SWITZERLAND • SRI LANKA • RUSSIA • MALAYSIA • SINGAPORE
BAHREIN • JORDAN • GUATEMALA • COLOMBIA • COSTA RICA • THAILAND • PUERTO RICO • MOROCCO
PERU • VENEZUELA • PHILLIPPINES • SAUDI ARABIA • VIETNAM • IRELAND • SOUTH AMERICA

19.11% of the Total Revenue for FY20 i.e. Rs. 177.56 Crore is generated from exports spanning across continents

Awards & Certificates – A Testimony of our capabilities (1/2)



ISO Certificate



Two Star Export House



ISO Certificate



ISO 9001 : 2015 Certificate



Certificate of Merit – CHEMEXCIL



First Award – CHEMEXCIL

Awards & Certificates – A Testimony of our capabilities (2/2)



Product Innovator of the Year in Chemicals – 2018



Distinguished Contribution in the Indian Chemicals Industry



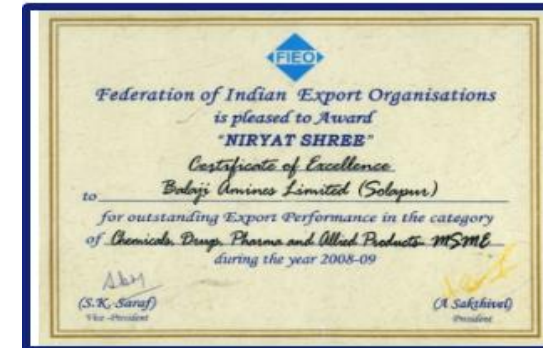
Excellent CSR in Water Conservation



WHO GMP Certificate



REACH Pre-Registration



Niryat Shree Award by FIEO



“Long-Term Issuer Rating affirmed at ‘IND AA-’ by India Ratings and Research (Ind-Ra).” The ratings process highlighted the following factors:-

-
- Largest manufacturer of aliphatic amines and their derivatives in India
 - Increased product offtake and meaningful contribution from BSCPL from FY21 onwards
 - New project capex undertaken to add new products and drive growth
 - Sole producer for a few specialty chemicals insulates company from the competition
 - Ability to maintain healthy and stable EBITDA margins
 - Ability to pass on raw material price volatility to its customers
 - End product selection policy based on import substitution, and to be the first or second domestic manufacturers of products
 - Diversified portfolio of over 25 products
 - Ability to generate operating cash flow to remain strong in the medium term

High entry barrier Business – Paving way for Sustainable growth



Complex Manufacturing

Complex manufacturing process requiring high levels of technological know-how. Efficient producers with wide product range emerge winners



High Lead time

Niche product offering with high lead time in customer approvals



Capex Heavy Business

High fixed costs, with fixed asset turns hovering in the range of 1.5-2x. Optimum capacity utilization is paramount to sustain profitability over a long period of time



R&D led Innovation is key

R&D focus to introduce new products for import substitutes for Indian market



High Volume Continuous Process

Continuous process ensures better efficiencies as compared to batch process but adds to complexity that cannot be easily replicated



Stringent Government Regulations

Hazardous nature of the Process requires environmental clearances

Well positioned Business Model aimed at Sustainable growth



Value-Added Products

Capex towards high-value derivatives and specialty chemicals will materialize into higher revenue and enhanced margins

01



Applicability in Solvents segment

Solvents account for 80%-90% of the mass utilised in a typical pharmaceutical chemical operation

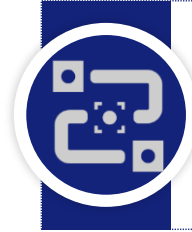
05



Specialization in logistics

Aliphatic Amines have huge handling risk and hence it is difficult to transport them, which reduces the threat of imports

02



Consumed by bulk drug companies

Methyl Amines and derivatives, utilized by bulk drugs players, are expected to continue to see a surge in demand

06



Preference for Local Sourcing

Safety is a critical factor and hence end-users prefer to work with only local 2-3 credible suppliers

03



Huge potential in agrochemical markets

The agrochemicals market in India is expected to be a \$10.6 bn market by FY2020 with nearly 55% exports – Aliphatic Amines to be key beneficiary

07



Exposure to pharma sector

Extensive usage in solvents led to significant exposure of Aliphatic Amines in the pharma segments; Growth of Pharma sector to benefit Amines Industry

04



Vertical and Horizontal Integration

Vertical and horizontal integration has enabled BAL to maintain a dominant position in a majority of its products through the dual advantage of cost competitiveness and product switching flexibility

08

Greenfield Project to fuel growth and add Revenue Visibility



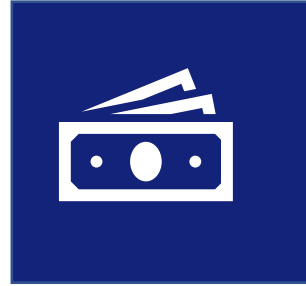
Strategically Located Plant

Environmental clearance received for Greenfield Project on a **90-acre land** in Solapur, Maharashtra. Strategically located to customers in western & southern India



Mega Project Status

Phase-1 of Greenfield Project is expected to **commence production at the end of FY21**; Project accorded Mega Project Status



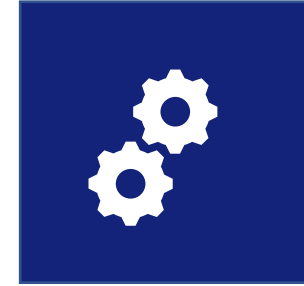
Project Capex

Project cost of Rs. 150 Crore of Phase-1 to be funded entirely by Internal Accruals. **We have undertaken capex of about Rs. 105 Crore as on 30th September 2020**



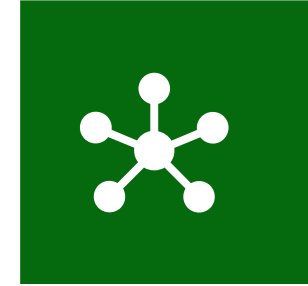
Product Profile

Plan to Manufacture **50 TPD Ethyl Amines** and **30 TPD Di-methyl Carbonate (DMC)** in Phase-1



Indigenous Technology

Plan to deploy Indigenous technology resulting in higher Asset Turns; Established customer base for products leading to faster break-even



New Products = 1st mover advantage

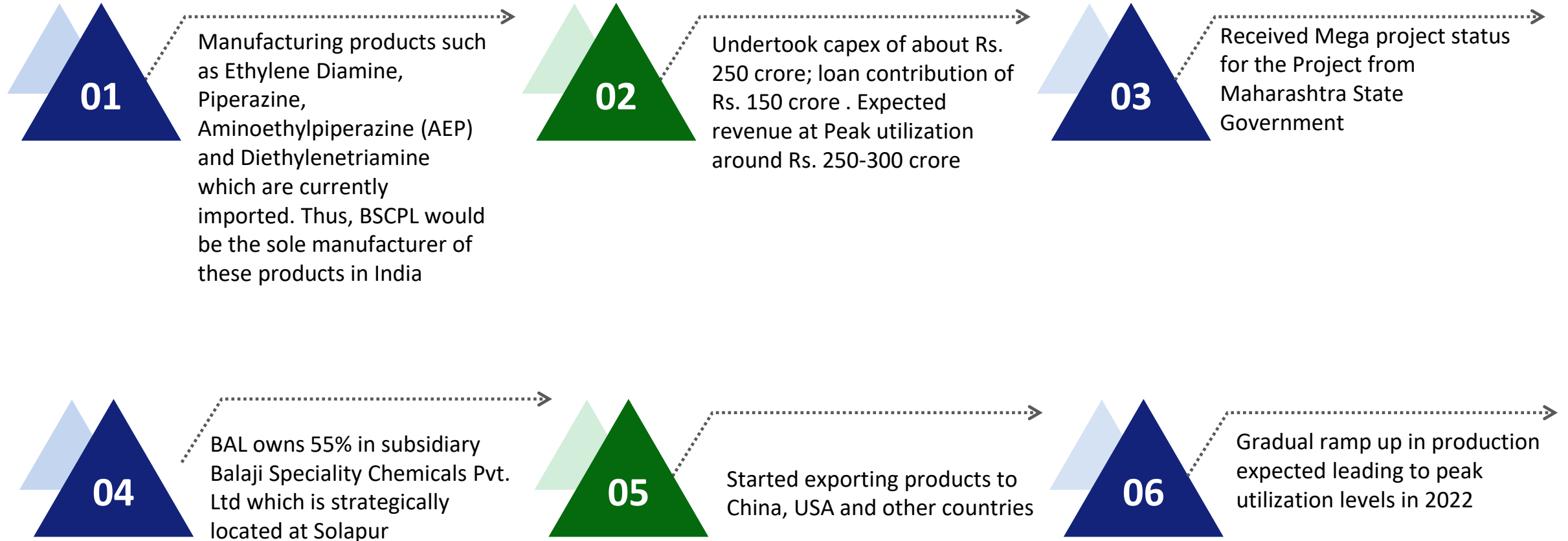
Significant opportunity exists to introduce new products & gain 1st mover advantage



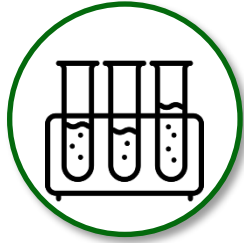
High Demand for Products

Supply shortfall of Ethylamines in India to increase to 15,000 tons by FY23. High demand exists for **DMC** which is currently fully met by imports. Import substitution is key opportunity in addition to inherent domestic demand & **exports opportunity for both products**

Balaji Speciality Chemicals – Production commenced in H2FY20

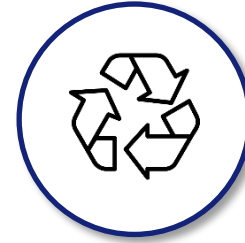


R&D led Investments to provide significant early mover advantage



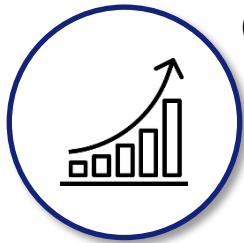
New Products

Identification of new products and development of latest process technologies



Environment Conscious

Waste water treatment and minimization of effluents by adopting Industry best practices for effluent treatment.



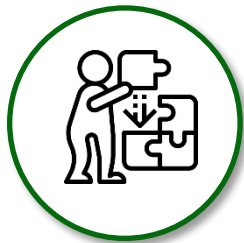
Optimization

Continuous efforts to optimize utilization of energy, utilities & raw materials consumption and alternate routes to drive efficiencies



Efficiency

Continuous efforts in all plants have delivered lowest consumption coefficients in the Industry for BAL products



Integration

Backward and forward integration of products to improve value chain and better utilization of all the resources



Sustainability

Through Continuous efforts For sustainable usage of natural resources, the Company has initiated various models in reducing, reusing and recycling of various natural resources



Hotel Division

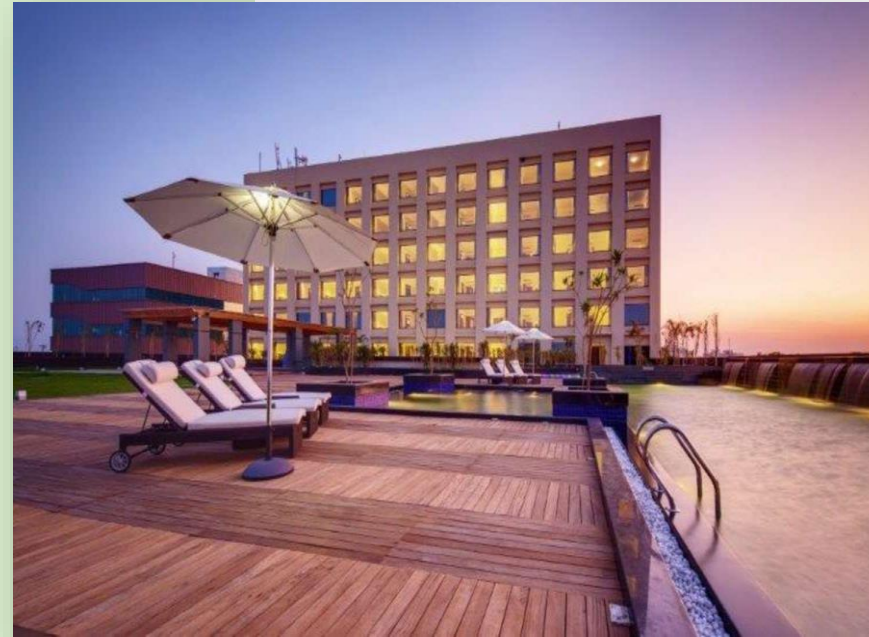
Balaji Sarovar Premiere – Best in class Business Hotel in Solapur



Balaji Sarovar Premiere (Solapur)

Balaji Sarovar Premiere – At a Glance

- Commenced Operations in October 2013 Hotel Balaji Sarovar Premier is the only 5 star hotel in Solapur
- Invested Rs. 110 crore in the Hotel Project via mix of Debt and Equity
- Tied up with Sarovar Group for the Management of the Hotel on Management Fee + Revenue Share model
- Solapur is an important Tourist hub owing to its close proximity to Pandharpur, Tuljapur, Siddeshwar Temple, Ganagapur, Bijapur and Akkalkot
- Solapur attracts millions of Tourists and pilgrims every year



Hotel project has resulted in substantial cash flow savings

Balaji Sarovar Premiere – Operating Matrix (FY20)



129 Rooms



Constitutes 2.20% of Total Revenue



Rs. 3,452 ARR



58% Occupancy Rate

Balaji Sarovar Premiere



Negligible Routine Capex incurred



RS. 1,994 RevPAR



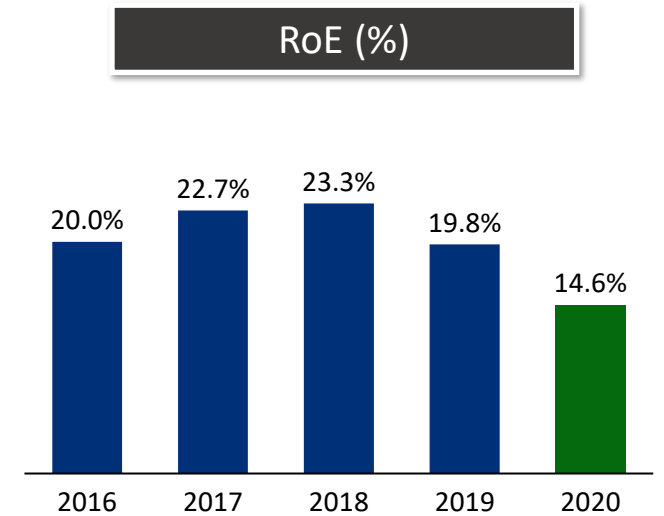
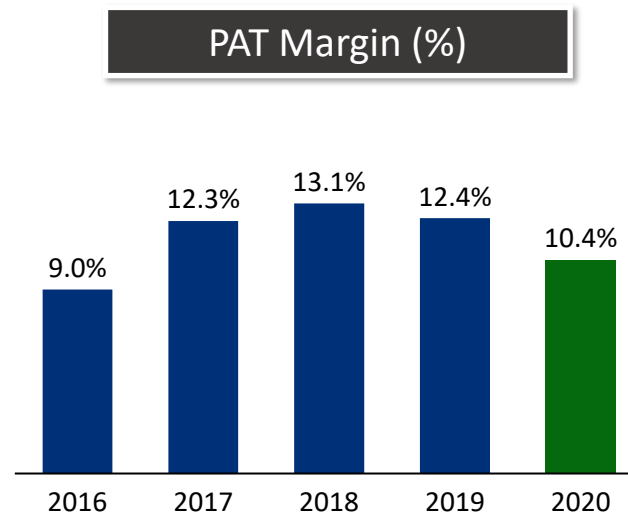
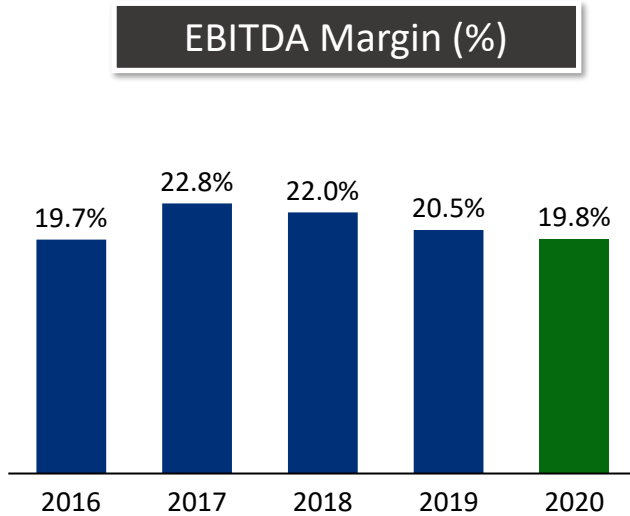
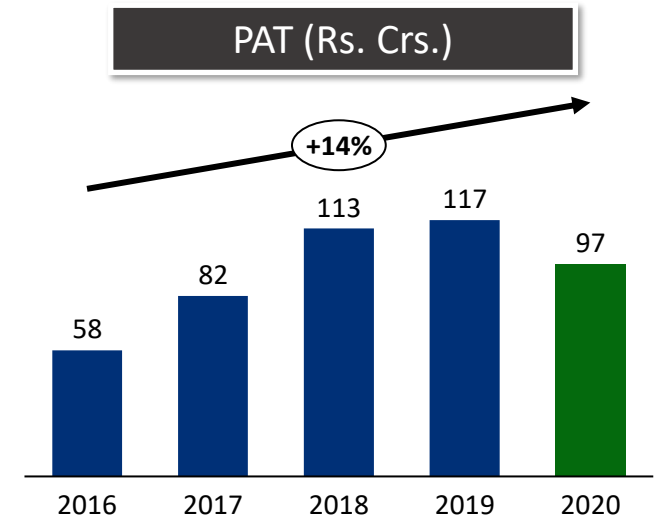
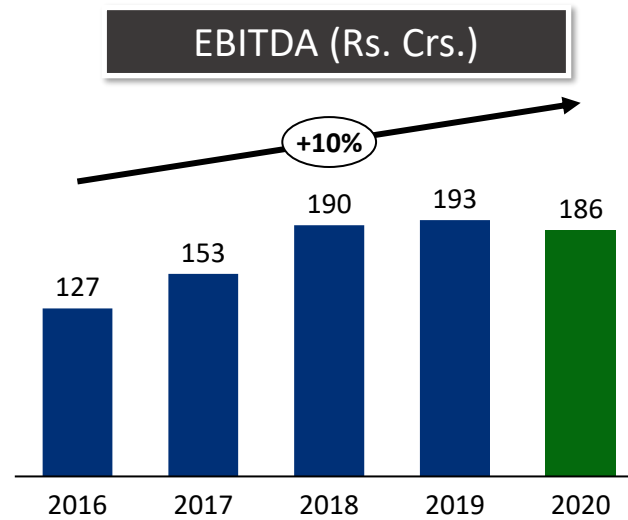
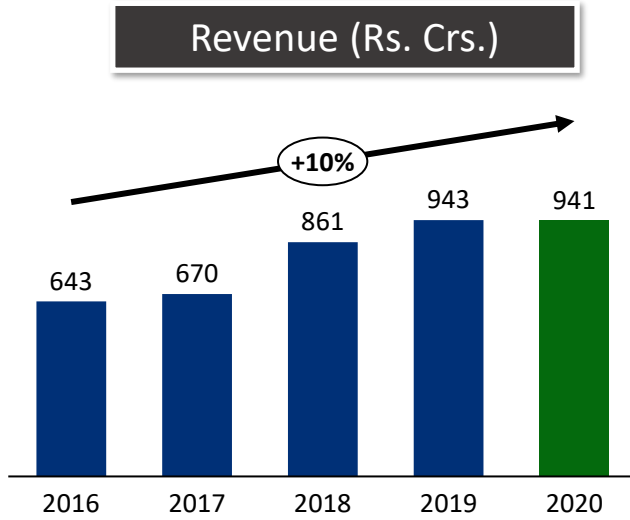
Renowned Five Star Hotel In the City of Solapur

ARR : Average Room Revenue
RevPAR: Revenue per Available Room



Financial Performance

Consolidated Performance Highlights



Strong Core RoCE Profile

Particulars (Rs. Crs.)	FY19	FY20
Standalone Debt	94.83	102.36
Standalone Networth	575.00	667.64
Total Capital Employed	669.83	770.00
Less: Investment in Hotel Balaji Sarovar & CFL Lamps	133.32	133.32
Add: Loss in Hotel Balaji Sarovar & CFL Lamps	48.72	46.64
Less: Investments/Loan in Balaji Speciality	98.66	112.35
Less: Investments in Greenfield project (Unit 4)	19.12	69.14
Core Chemical Business Capital Employed (A)	467.27	501.83
EBIT on Standalone Basis	179.07	165.85
Add: EBIT Loss Specific to Hotel Balaji Sarovar & CFL Lamps	1.58	1.93
Core Chemical Business EBIT (B)	180.65	167.77
ROCE for Core Chemical Business (B/A)	38.65%	33.43%
ROCE on Standalone Basis	26.73%	21.54%

- Investments made to the tune of Rs. 112.35 crore in subsidiary company of Balaji Amines not considered, as the volume offtake was limited in FY20, since our clients has prior contracts with other suppliers. The subsidiary plant will steadily realize its full potential in FY21, as we have started signing contracts with Indian agrochemical companies for their requirements in this financial year
- Investments of Rs. 69.14 crore made in Greenfield project (Unit 4) till date not considered as the commercialization of the same is expected in FY22
- Core Chemical Business RoCE is significantly higher, depicting the inherent strength of the business and capabilities developed in product manufacturing
- Capex in Subsidiary and Greenfield project (Unit 4) to start substantially contributing to Revenues and profitability from FY21 and FY22 onwards respectively

Standalone Statement of Profit & Loss

Particulars (in Rs. Crore)	Q2FY21	Q2FY20	Y-o-Y	FY20	FY19	Y-o-Y
Total Revenue	283.28	233.28	21.43%	929.32	955.05	-2.69%
Raw Material	147.36	128.12		511.18	522.20	
Employee expense	15.14	11.49		49.62	48.28	
Other expenses	48.56	45.10		178.50	185.95	
EBITDA	72.22	48.57	48.69%	190.02	198.62	-4.33%
EBITDA Margin	25.49%	20.82%		20.45%	20.80%	
Depreciation	6.61	5.81		24.18	19.55	
EBIT	65.61	42.76	53.44%	165.84	179.07	-7.39%
EBIT Margin	23.16%	18.33%		17.85%	18.75%	
Finance Cost	1.54	3.76		12.13	13.03	
Profit before Tax	64.07	38.99	64.32%	153.71	166.04	-7.43%
PBT Margin	22.62%	16.71%		16.54%	17.39%	
Tax	16.41	4.28		39.96	47.97	
Profit after Tax	47.66	34.71	37.31%	113.75	118.08	-3.67%
PAT Margin (%)	16.82%	14.88%		12.24%	12.36%	
EPS (in Rs.)	14.71	10.71		35.11	36.44	

Standalone Balance Sheet Statement

ASSETS (Rs. Crs.)	Mar-20	Mar-19
(1) NON-CURRENT ASSETS		
(a) Property, plant & equipment	363.40	318.35
(b) Capital work-in-progress	44.63	63.24
(c) Intangible Asset	-	-
(d) Financial assets	-	-
(i) Investments	66.00	66.00
(ii) Loans	46.35	32.66
(iii) Other Financial Assets	162.11	119.39
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	27.33	1.61
Sub Total (A)	709.82	601.25
(2) CURRENT ASSETS		
(a) Inventories	93.82	142.61
(b) Financial Assets	-	-
(i) Investments	47.50	-
(ii) Trade receivables	190.85	167.22
(iii) Cash and cash equivalents	2.83	14.45
(iv) Bank Balances other than (iii) above	4.43	5.92
(v) Other Financial Assets	-	-
(c) Current tax assets (net)	40.05	53.27
(d) Other current assets	14.94	12.54
Sub Total (B)	394.42	396.01
Total Assets (A+B)	1,104.24	997.26

EQUITY AND LIABILITIES (Rs. Crs.)	Mar-20	Mar-19
EQUITY		
(a) Equity Share capital	6.48	6.48
(b) Other equity	661.16	568.52
Sub Total (C)	667.64	575.00
LIABILITIES		
(1) Non-Current Liabilities	-	-
(a) Financial Liabilities	-	-
(i) Borrowings	-	-
(ii) Trade Payables	3.16	3.04
(iii) Other Financial Liabilities excl. provisions	160.79	116.90
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	49.99	45.75
(d) Other Non-Current Liabilities	-	-
Sub Total (D)	213.94	165.69
(2) Current Liabilities	-	-
(a) Financial liabilities	-	-
(i) Borrowings	102.36	94.83
(ii) Trade Payables	56.19	83.41
(iii) Other Financial Liabilities excl. provisions	-	-
(b) Other current liabilities	3.47	0.36
(c) Provisions	20.64	21.97
(d) Current Tax Liabilities (Net)	40.00	56.00
Sub Total (E)	222.66	256.57
Total Equity & Liabilities (C+D+E)	1,104.24	997.26

Consolidated Profit & Loss Account

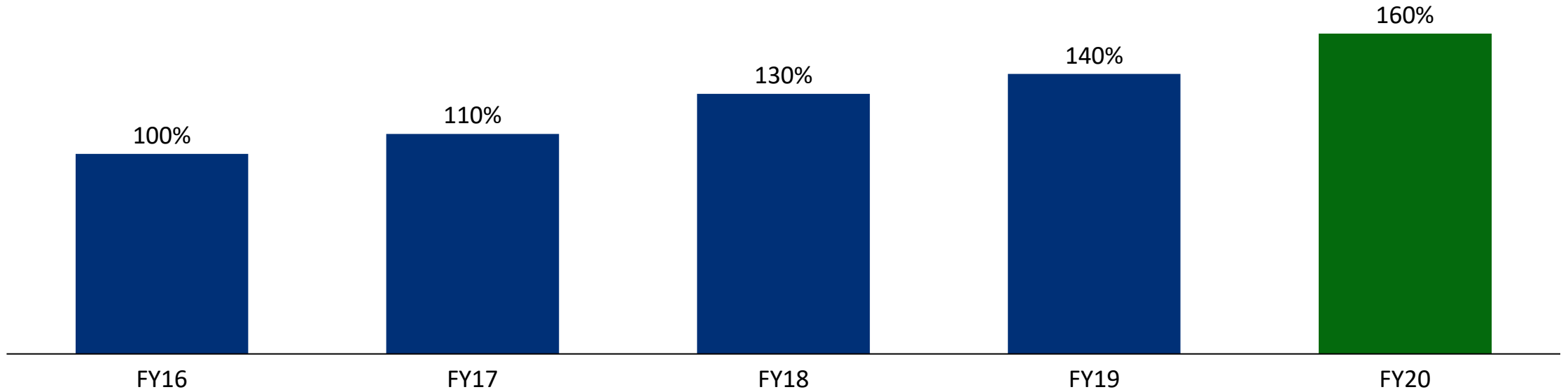
Particulars (in Rs. Crore)	FY20	FY19	YoY
Total Revenue	940.79	947.28	-0.69%
Raw Material	513.83	515.35	
Employee Cost	50.99	48.28	
Other Expenses	190.21	186.01	
EBITDA	185.76	197.64	-6.01%
EBITDA Margin	19.75%	20.86%	
Depreciation	31.62	19.55	
EBIT	154.14	178.09	-13.45%
EBIT Margin	16.38%	18.80%	
Finance Cost	23.04	13.03	
Profit before Tax	131.10	165.06	-20.57%
PBT Margin	13.94%	17.42%	
Tax	33.63	47.97	
PAT	97.47	117.09	-16.76%
PAT Margin %	10.36%	12.36%	
EPS (in Rs.)	32.34	36.27	

Consolidated Balance Sheet Statement

ASSETS (Rs. Crore)	Mar-20	Mar-19
(1) NON-CURRENT ASSETS		
(a) Property, plant & equipment	573.00	319.75
(b) Capital work-in-progress	44.63	269.46
(c) Intangible Asset	-	-
(d) Financial assets		
(i) Investments	-	-
(ii) Loans	-	-
(iii) Other Financial Assets	4.90	4.01
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	28.33	3.26
Sub Total (A)	650.86	596.48
(2) CURRENT ASSETS		
(a) Inventories	110.44	163.15
(b) Financial Assets		
(i) Investments	47.50	-
(ii) Trade receivables	207.44	167.22
(iii) Cash and cash equivalents	4.31	14.48
(iv) Bank Balances other than (iii) above	4.50	5.92
(v) Other Financial Assets	-	-
(c) Current tax assets (net)	40.06	53.31
(d) Other current assets	47.99	45.33
Sub Total (B)	462.24	449.41
Total Assets (A+B)	1,113.10	1,045.89

EQUITY AND LIABILITIES (Rs. Crore)	Mar-20	Mar-19
EQUITY		
(a) Equity Share capital	6.48	6.48
(b) Other equity	651.66	567.98
(c) Non-Controlling Interest	10.23	17.56
Sub Total (C)	668.37	592.02
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	119.91	83.33
(ii) Trade Payables	11.75	13.18
(iii) Other Financial Liabilities excl. provisions	5.00	3.19
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	43.73	45.75
(d) Other Non-Current Liabilities	-	-
Sub Total (D)	180.39	145.45
(2) Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	121.48	107.40
(ii) Trade Payables	59.36	85.05
(iii) Other Financial Liabilities excl. provisions	18.92	37.16
(b) Other current liabilities	3.52	0.39
(c) Provisions	21.06	22.42
(d) Current Tax Liabilities (Net)	40.00	56.00
Sub Total (E)	264.34	308.42
Total Equity & Liabilities (C+D+E)	1,113.10	1,045.89

Consistent Dividend Payout



Particulars (Rs. per share)	FY16	FY17	FY18	FY19	FY20
Consolidated Book Value	88.89	111.87	149.71	182.71	206.28
Consolidated EPS	17.78	25.42	34.93	36.27	32.34
Dividend	2.00	2.20	2.60	2.80	3.20



Moving towards Growth
Prospects

Capex Phase

Capex for Phase 1 of Greenfield
Capex to be completed till 2021
which will result in 50% increase in
revenue base by 2022-23

Brownfield Expansion

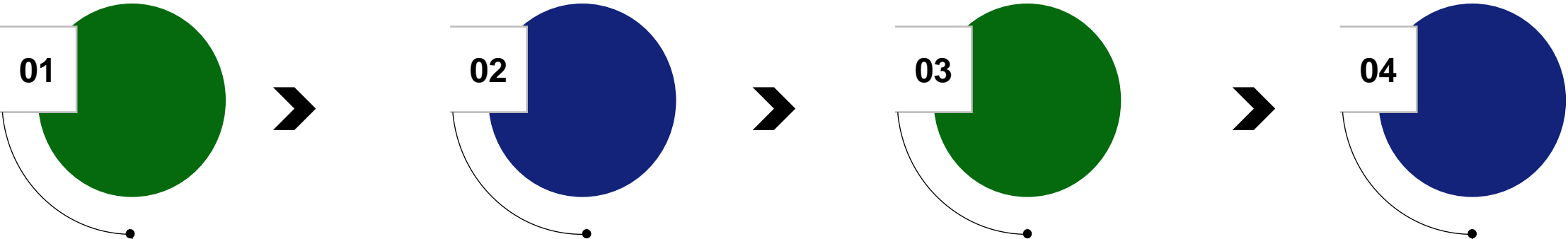
Moving to higher margin niche
products will result in stable to
positive up move in Margin profile

Subsidiary Expansion

Manufacturing of new products such
as Ethylene Diamine, Piperazine and
Diethylenetriamine in Balaji
Speciality Chemicals to provide
strong boost to product profile

Greenfield

Expansion and commercialization of
90-acre project in MIDC Chincholi to
focus on manufacturing new
products to address the increasing
demand for value added amine
derivatives



**Brownfield Expansion & Greenfield Capex + Subsidiary Expansion =
Balaji Amines Ltd moving towards Growth Prospects**

For further information, please contact:

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Balaji
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