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Balaji



ISO 9001:2015



www.tuv.com
ID 01 100 058617

CIN : L24132MH1988PLC049387

AMINES LIMITED
... A Speciality Chemical Company

Regd. Off. : 'Balaji Towers' No. 9/1A /1,
Hotgi Road, Aasara Chowk, Solapur - 413 224.
Maharashtra. (India)

28th October, 2021

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


D. Ram Reddy
Managing Director

DIN: 00003864

Encl: a/a



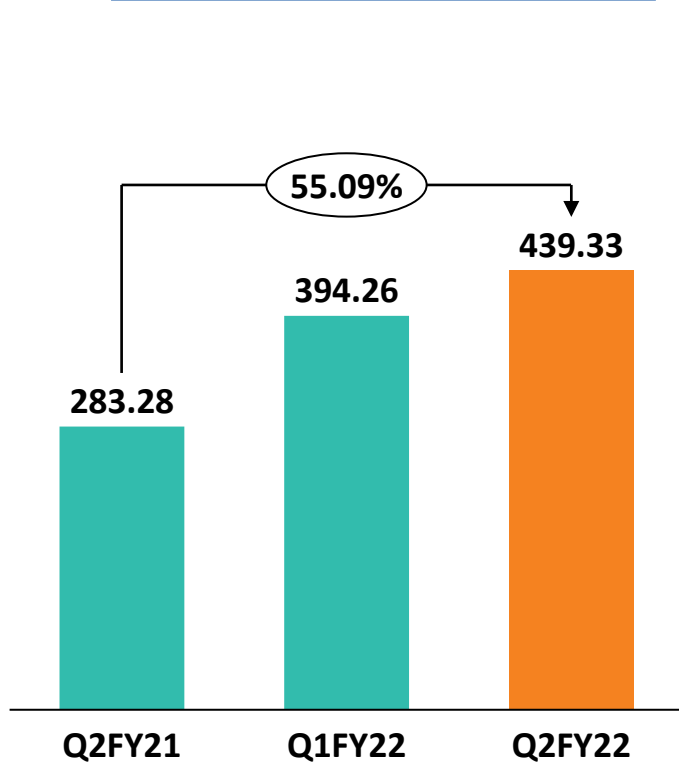


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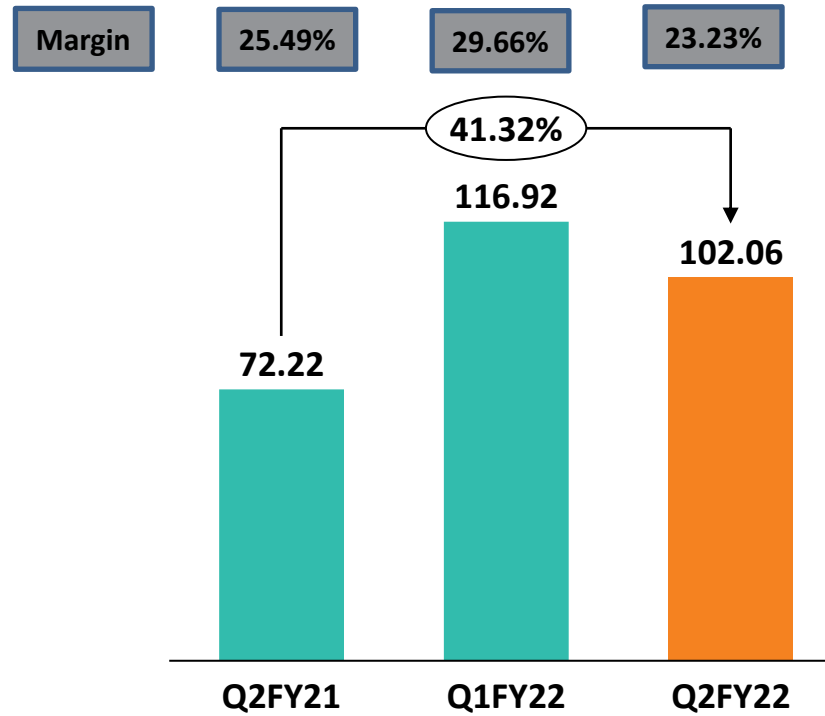
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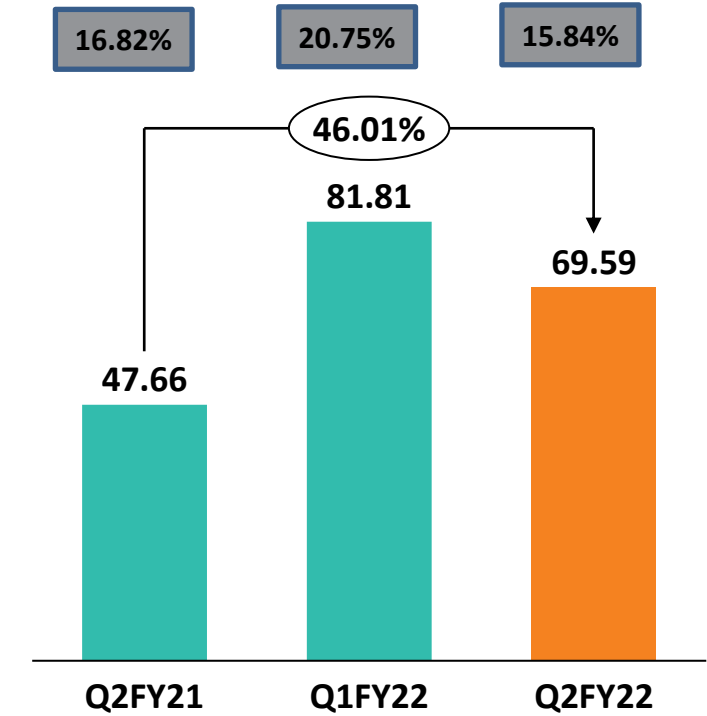
Revenue (Rs. Crore)



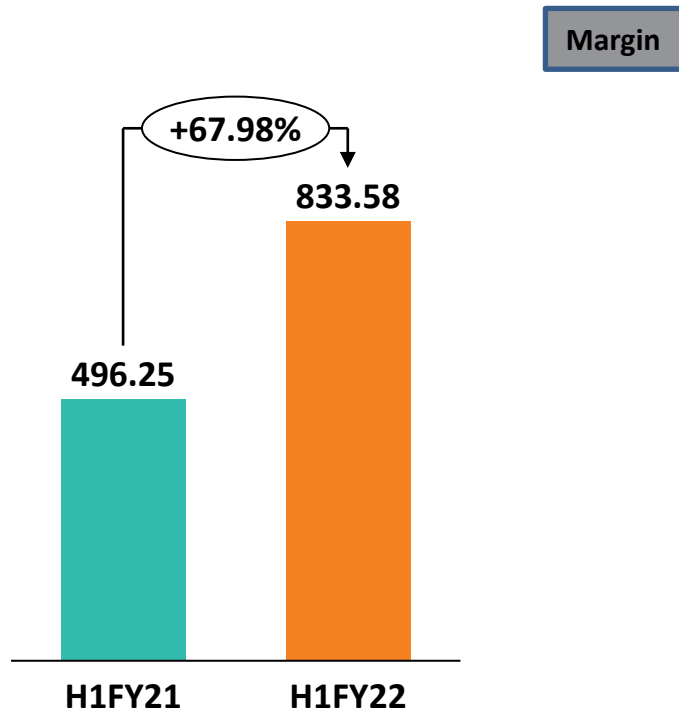
EBITDA (Rs. Crore)



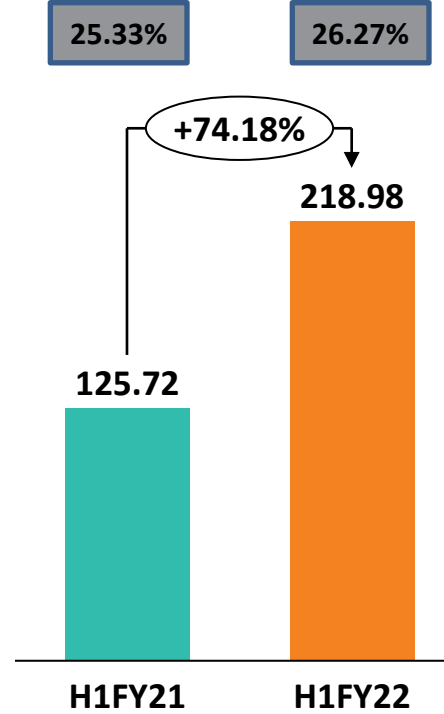
PAT (Rs. Crore)



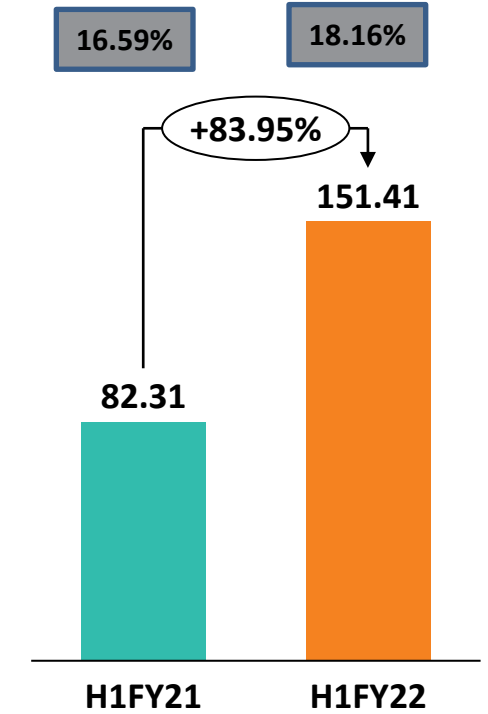
Revenue (Rs. Crore)



EBITDA (Rs. Crore)

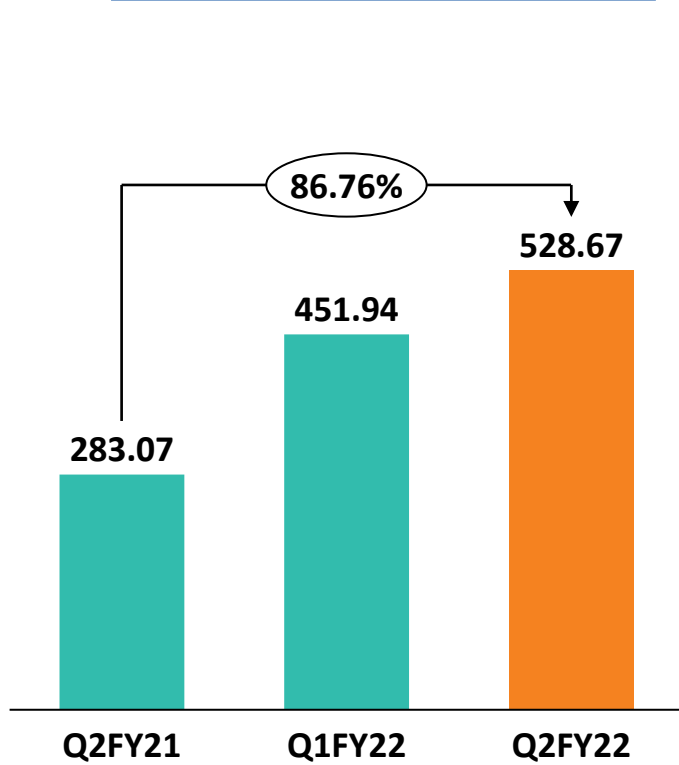


PAT (Rs. Crore)

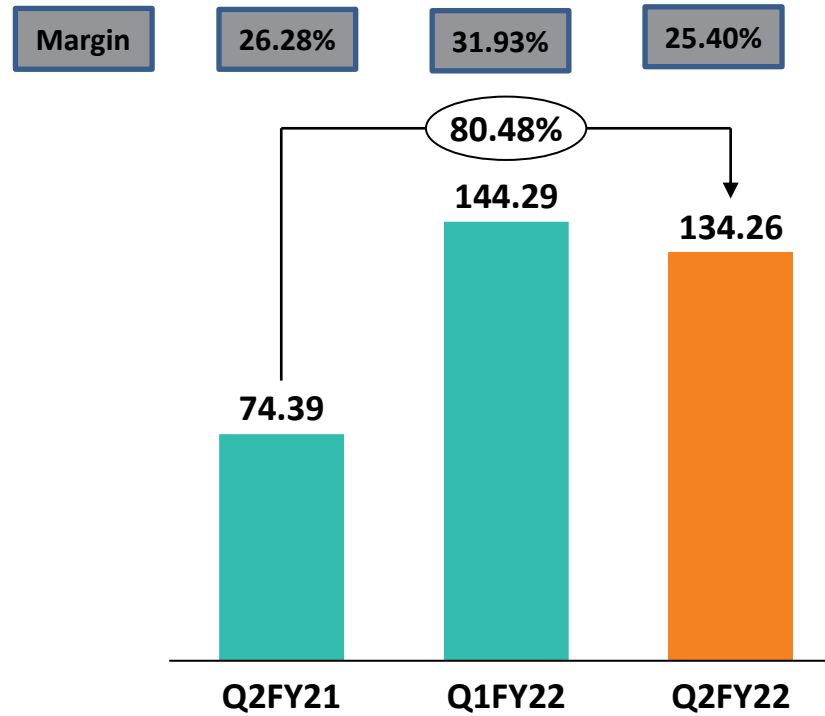


Q2FY22: Consolidated Performance Highlights

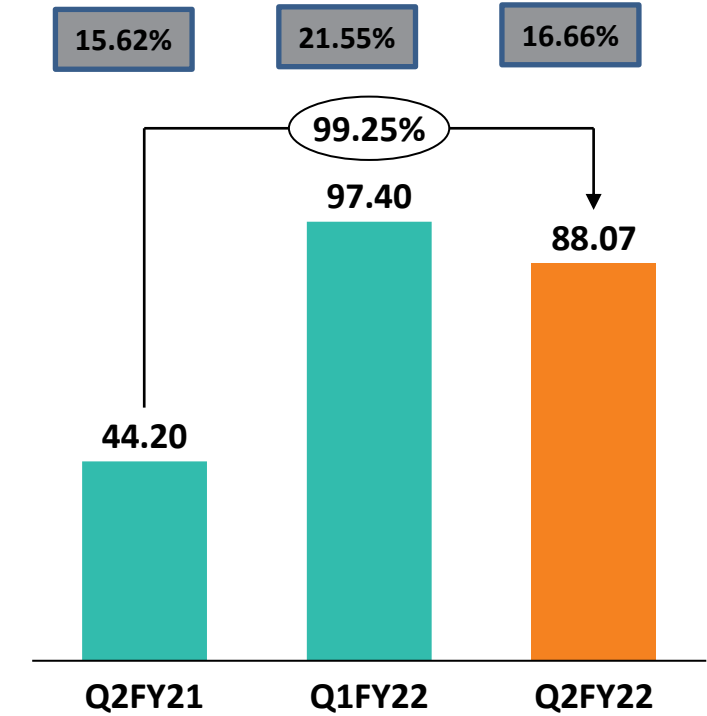
Revenue (Rs. Crore)



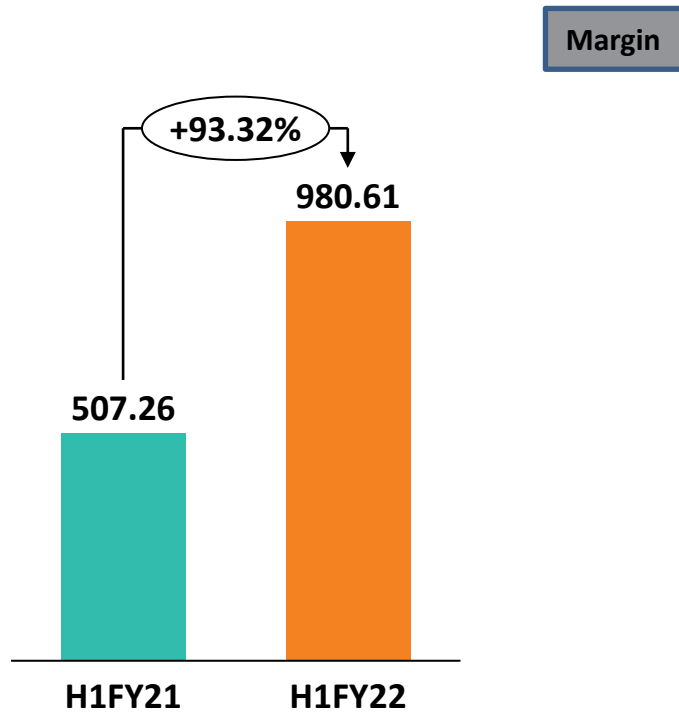
EBITDA (Rs. Crore)



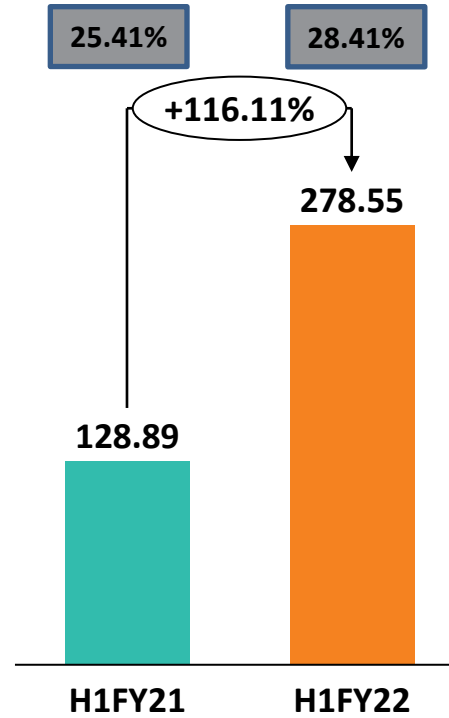
PAT (Rs. Crore)



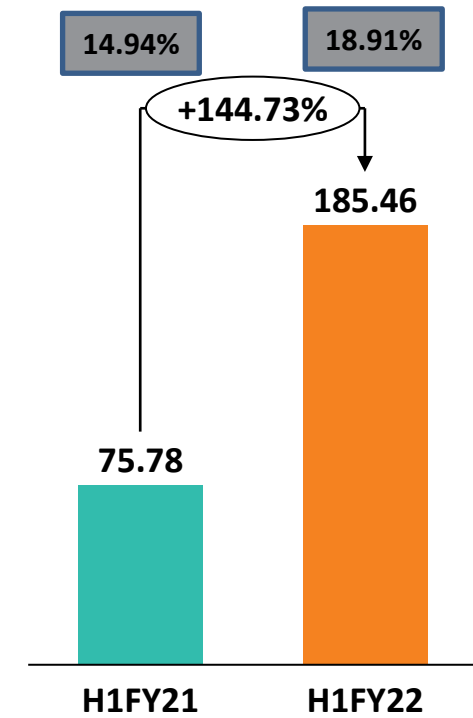
Revenue (Rs. Crore)



EBITDA (Rs. Crore)



PAT (Rs. Crore)



Sales volumes were up by 1.96% from 23,151 MT in Q2FY21 to **23,604 MT in Q2FY22**. The **overall demand for our product basket remained healthy** despite the temporary reduction in demand for certain products from pharmaceutical clients on account of Chinese API KSM unavailability due to challenges in ocean freight logistics

- Amines volumes stood at 5,861 MT
- Amines Derivatives volumes stood at 8,261 MT
- Specialty Chemicals volumes stood at 9,482 MT

Operating Margins remained subdued due to **significant increase in prices of key raw materials**, which are now being passed on to end customers after a lag of 3-4 weeks. We **expect operating margins to inch upwards in the H2FY22** on back of favorable pricing and better product mix going ahead

We have **completed the de-bottlenecking exercise of our current Acetonitrile plant**. The plant capacity has now increased from 9 TPD (tons per day) to 18 TPD. We also plan to undertake **capex of approximately Rs. 70 to 80 crore, by using a different technology for additional Acetonitrile plant having capacity of 50 TPD**, at our 90-acre Greenfield Project (Unit IV). This new plant is likely to get commissioned during FY23

The **capacity utilization of DMF plant was about 53% in Q2FY22** and 37% in H1FY22 (versus 35% in FY21). We had to shut down our DMF plant in the first week of October 2021 due to a small incident which had led to minor leakages. We took this opportunity to also undertake **debottlenecking exercise** which will **enhance the operating capacity of the plant from present 50 TPD to 75 TPD**

Our subsidiary company – **Balaji Specialty Chemicals Private Ltd.** – recorded 67% capacity utilization in Q2FY22, up from 42% in Q1FY22, with average production of 1,675 tons per month in the second quarter. The Board of Directors have provided the necessary authorization to appoint various consultants **to evaluate valuation and scheme of amalgamation of the subsidiary company with the parent entity**

Acetonitrile

- ❑ Have installed capacity of 9,000 ton per annum (TPA). Currently manufacturing about 9 tons per day (TPD)
- ❑ The process of de-bottlenecking of the plant is complete. The **production will now be gradually ramped up to around 18 TPD**
- ❑ We plan to undertake further capex of approximately Rs. 70 to 80 crore for **additional Acetonitrile plant having capacity of 50 TPD at our 90-acre Greenfield Project (Unit IV)**. This plant is likely to get commissioned during FY23
- ❑ 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**

Di-methyl Carbonate

- ❑ Under the phase-1 of Greenfield Project (Unit IV), **construction is going on as planned to install capacity of 9,900 TPA of Di-methyl Carbonate (DMC)**
- ❑ Manufacturing is expected to commence by end of FY22

Methylamines

- ❑ Market Leader in Methylamines production in India with installed capacity of 48,000 TPA
- ❑ Methylamines is a key raw material and the base product for value-added derivatives. 80% of our Methylamines production is captively used
- ❑ **Pharmaceutical application segment and agrochemicals are expected to drive significant demand for Methylamines and related value-added products**
- ❑ To meet our increasing captive requirements, we plan 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

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”, we plan to set up a **separate plant for DMF with a capacity of 30,000 TPA under Phase-2 expansion of Greenfield Project (Unit IV)**
- ❑ Demand for DMF in India is witnessing a growth in the range of 7% to 10% per annum
- ❑ Currently we are witnessing increased demand and reduced imports, which is a **major positive for the company** as it will lead to increased capacity utilization (since DMF capacity historically has been underutilized)
- ❑ **Demand-supply mismatch is also resulting in healthy price realizations**

Standalone Statement of Profit & Loss

Particulars (in Rs. Crore)	Q2FY22	Q2FY21	Y-o-Y	H1FY22	H1FY21	Y-o-Y	FY21
Total Revenue	439.33	283.28	55.09%	833.58	496.25	67.98%	1,239.81
Raw Material	241.86	147.35		439.76	259.04		622.69
Employee expense	18.99	15.14		37.09	25.97		65.68
Other expenses	76.42	48.57		137.75	85.52		212.79
EBITDA	102.06	72.22	41.32%	218.98	125.72	74.18%	338.65
EBITDA Margin	23.23%	25.49%		26.27%	25.33%		27.31%
Depreciation	7.59	6.61		14.40	12.21		23.34
EBIT	94.47	65.61	44.00%	204.58	113.51	80.23%	315.31
EBIT Margin	21.50%	23.16%		24.54%	22.87%		25.43%
Finance Cost	1.48	1.54		2.10	2.85		5.34
Profit before Tax	92.98	64.07	45.12%	202.48	110.66	82.97%	309.97
PBT Margin	21.16%	22.62%		24.29%	22.30%		25.00%
Tax	23.39	16.41		51.07	28.35		78.26
Profit after Tax	69.59	47.66	46.01%	151.41	82.31	83.95%	231.71
PAT Margin (%)	15.84%	16.82%		18.16%	16.59%		18.69%
EPS (in Rs.)	21.48	14.71		46.73	25.41		71.52

Consolidated Statement of Profit & Loss

Particulars (in Rs. Crore)	Q2FY22	Q2FY21	Y-o-Y	H1FY22	H1FY21	Y-o-Y	FY21
Total Revenue	528.67	283.07	86.76%	980.61	507.26	93.32%	1,317.5
Raw Material	279.32	137.48		498.99	255.84		630.26
Employee expense	19.65	15.61		38.31	26.83		67.82
Other expenses	95.44	55.59		164.76	95.70		240.15
EBITDA	134.26	74.39	80.48%	278.55	128.89	116.11%	379.30
EBITDA Margin	25.40%	26.28%		28.41%	25.41%		28.79%
Depreciation	11.05	9.30		20.73	17.23		34.41
EBIT	123.21	65.09	89.29%	257.82	111.66	130.90%	344.89
EBIT Margin	23.31%	22.99%		26.29%	22.01%		26.18%
Finance Cost	4.16	5.38		7.29	9.70		18.29
Profit before Tax	119.05	59.71	99.38%	250.53	101.96	145.71%	326.60
PBT Margin	22.52%	21.09%		25.55%	20.10%		24.79%
Tax	30.98	15.51		65.07	26.18		83.10
Profit after Tax	88.07	44.20	99.25%	185.46	75.78	144.73%	243.50
PAT Margin (%)	16.66%	15.62%		18.91%	14.94%		18.48%
EPS (in Rs.)	24.61	14.12		52.51	24.30		73.52

Standalone Balance Sheet Statement

ASSETS (Rs. Crs.)	Sep-21	Mar-21
(1) NON-CURRENT ASSETS		
(a) Property, plant & equipment	473.07	344.34
(b) Capital work-in-progress	79.21	173.27
(i) Investments	66.00	66.00
(ii) Loans	76.00	77.35
(iii) Other Financial Assets	138.44	133.80
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	9.55	10.81
Sub Total (A)	842.27	805.57
(2) CURRENT ASSETS		
(a) Inventories	217.90	95.93
(b) Financial Assets		
(i) Investments	0.00	0.00
(ii) Trade receivables	323.33	272.35
(iii) Cash and cash equivalents	2.86	15.37
(iv) Bank Balances other than (iii) above	3.43	2.29
(v) Other Financial Assets	-	-
(c) Current tax assets (net)	114.48	73.76
(d) Other current assets	35.50	26.52
Sub Total (B)	697.50	486.22
Total Assets (A+B)	1,539.77	1,291.79

EQUITY AND LIABILITIES (Rs. Crs.)	Sep-21	Mar-21
EQUITY		
(a) Equity Share capital	6.48	6.48
(b) Other equity	1029.37	890.93
Sub Total (C)	1035.85	897.41
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities	-	-
(i) Borrowings	-	-
(ii) Trade Payables	5.33	12.28
(iii) Other Financial Liabilities excl. provisions	135.08	132.62
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	49.79	48.67
(d) Other Non-Current Liabilities	0.97	0.97
Sub Total (D)	191.17	194.54
(2) Current Liabilities	-	-
(a) Financial liabilities		
(i) Borrowings	68.65	0.00
(ii) Trade Payables	83.01	73.52
(iii) Other Financial Liabilities	5.18	2.38
(b) Other current liabilities	0.98	3.60
(c) Provisions	30.62	38.99
(d) Current Tax Liabilities (Net)	124.31	81.35
Sub Total (E)	312.75	199.84
Total Equity & Liabilities (C+D+E)	1,539.77	1,291.79

Consolidated Balance Sheet Statement

ASSETS (Rs. Crs.)	Sep-21	Mar-21
(1) NON-CURRENT ASSETS		
(a) Property, plant & equipment	665.34	542.92
(b) Capital work-in-progress	79.21	173.28
(i) Investments		
(ii) Loans		
(iii) Other Financial Assets	5.99	5.91
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	9.85	11.14
Sub Total (A)	760.39	733.25
(2) CURRENT ASSETS		
(a) Inventories	236.68	109.94
(b) Financial Assets		
(i) Investments	0.00	0.00
(ii) Trade receivables	407.13	305.66
(iii) Cash and cash equivalents	3.61	17.32
(iv) Bank Balances other than (iii) above	5.06	2.32
(v) Other Financial Assets	-	-
(c) Current tax assets (net)	115.99	75.21
(d) Other current assets	68.06	66.63
Sub Total (B)	836.53	577.08
Total Assets (A+B)	1,596.92	1,310.33

EQUITY AND LIABILITIES (Rs. Crs.)	Sep-21	Mar-21
EQUITY		
(a) Equity Share capital	6.48	6.48
(b) Other equity	1,045.09	887.91
Non controlling interest	30.86	15.53
Sub Total (C)	1,082.43	909.92
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities	-	-
(i) Borrowings	71.21	88.85
(ii) Trade Payables	6.13	17.67
(iii) Other Financial Liabilities excl. provisions	0.75	2.87
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	62.36	47.24
(d) Other Non-Current Liabilities	0.97	0.97
Sub Total (D)	141.42	157.60
(2) Current Liabilities	-	-
(a) Financial liabilities		
(i) Borrowings	93.25	10.95
(ii) Trade Payables	88.51	76.80
(iii) Other Financial Liabilities	33.64	30.08
(b) Other current liabilities	1.08	3.61
(c) Provisions	32.29	40.02
(d) Current Tax Liabilities (Net)	124.30	81.35
Sub Total (E)	373.07	242.81
Total Equity & Liabilities (C+D+E)	1,596.92	1,310.33

Cash Flow Statement for twelve months ended (in Rs. Crore)	FY21	FY20
Profit before interest and tax	204.58	113.51
Other income considered	-6.83	-4.87
Depreciation	14.40	12.21
Operating profit before working capital changes	212.15	120.85
Changes in working capital	-228.36	-72.84
Cash generated from operations	-16.21	48.01
Income tax paid (net of refund)	0.00	0.00
Net Cash from Operating Activities	-16.21	48.01
Net Cash from Investing Activities	-39.67	-25.55
Net Cash from Financing Activities	44.52	-25.74
Net Change in cash and cash equivalents	-11.36	-3.28
Cash and cash equivalents (beginning of the year)	17.65	7.26
Cash and cash equivalents (end of the year)	6.29	3.98

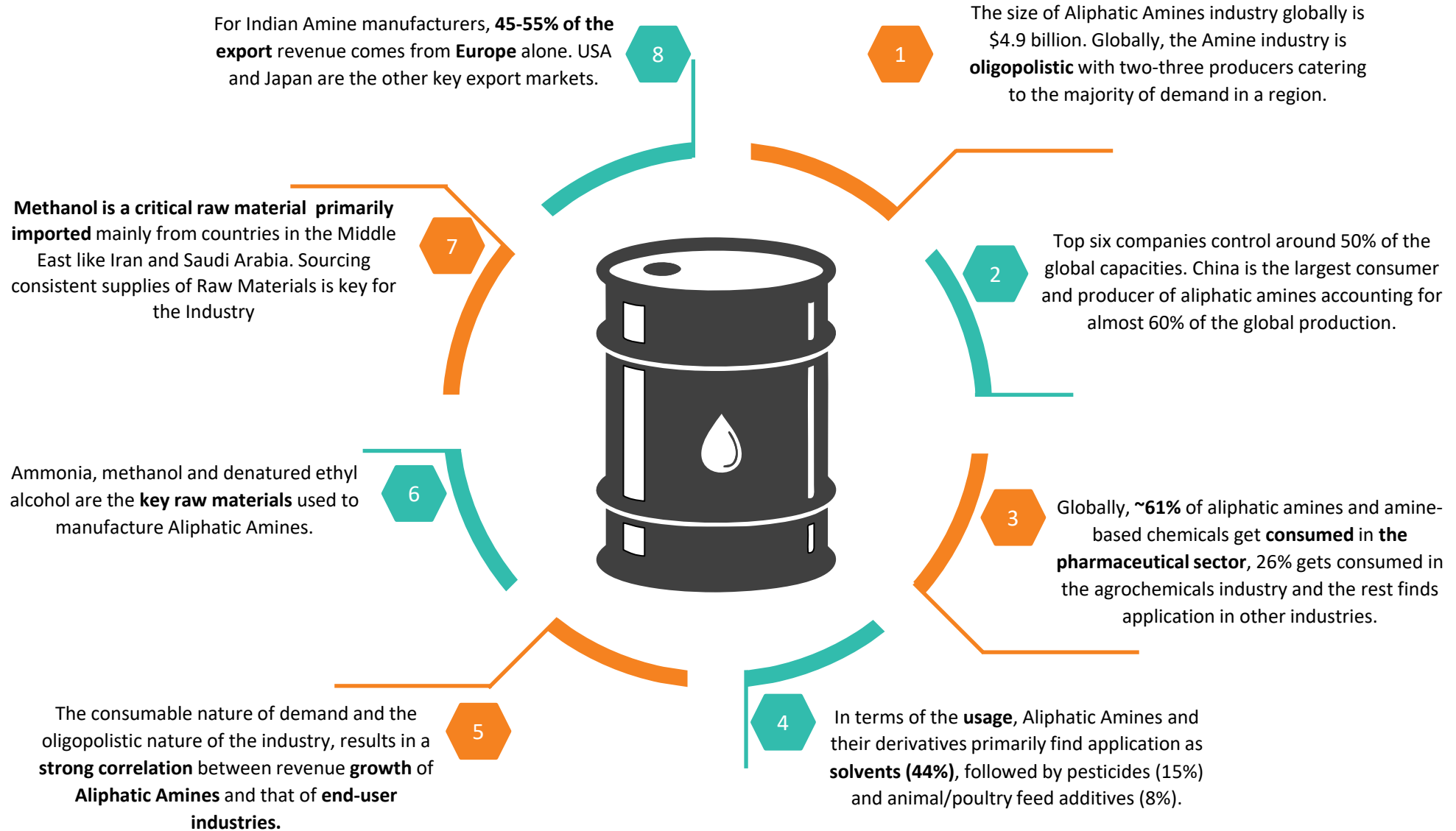
Consolidated Cash Flow Statement

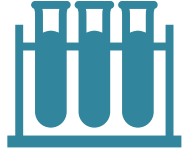
Cash Flow Statement for twelve months ended (in Rs. Crore)	FY21	FY20
Profit before interest and tax	257.82	111.66
Other income considered	-4.20	-1.96
Depreciation	20.73	17.23
Operating profit before working capital changes	274.35	126.93
Changes in working capital	-272.40	-86.61
Cash generated from operations	1.95	40.32
Income tax paid (net of refund)	0.00	0.00
Net Cash from Operating Activities	1.95	40.32
Net Cash from Investing Activities	-43.68	2.58
Net Cash from Financing Activities	30.76	-45.97
Net Change in cash and cash equivalents	-10.97	-3.07
Cash and cash equivalents (beginning of the year)	19.64	8.81
Cash and cash equivalents (end of the year)	8.67	5.74

SECTION 1

About Us



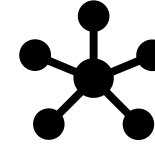




Largest manufacturer of Aliphatic Amines in India



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



25+ Product basket



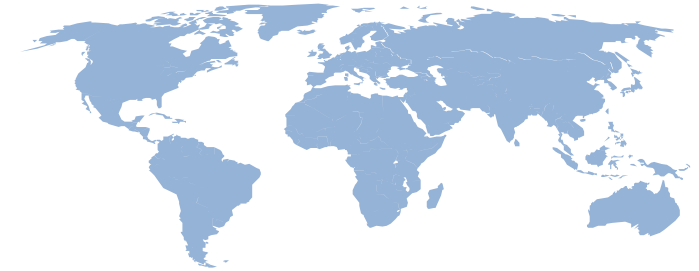
Zero Liquid Discharge facilities

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



Forward integrated suite of products

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



Installed Capacity

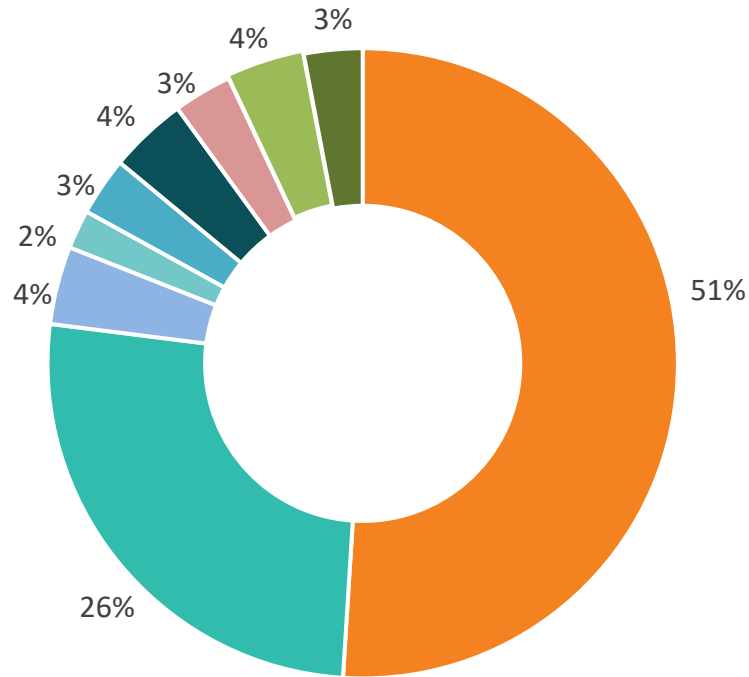
2,01,000 MTPA

Strong Global presence

INDIAN MULTINATIONAL

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





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)

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

- Morpholine
- Acetonitrile (ACN)
- 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



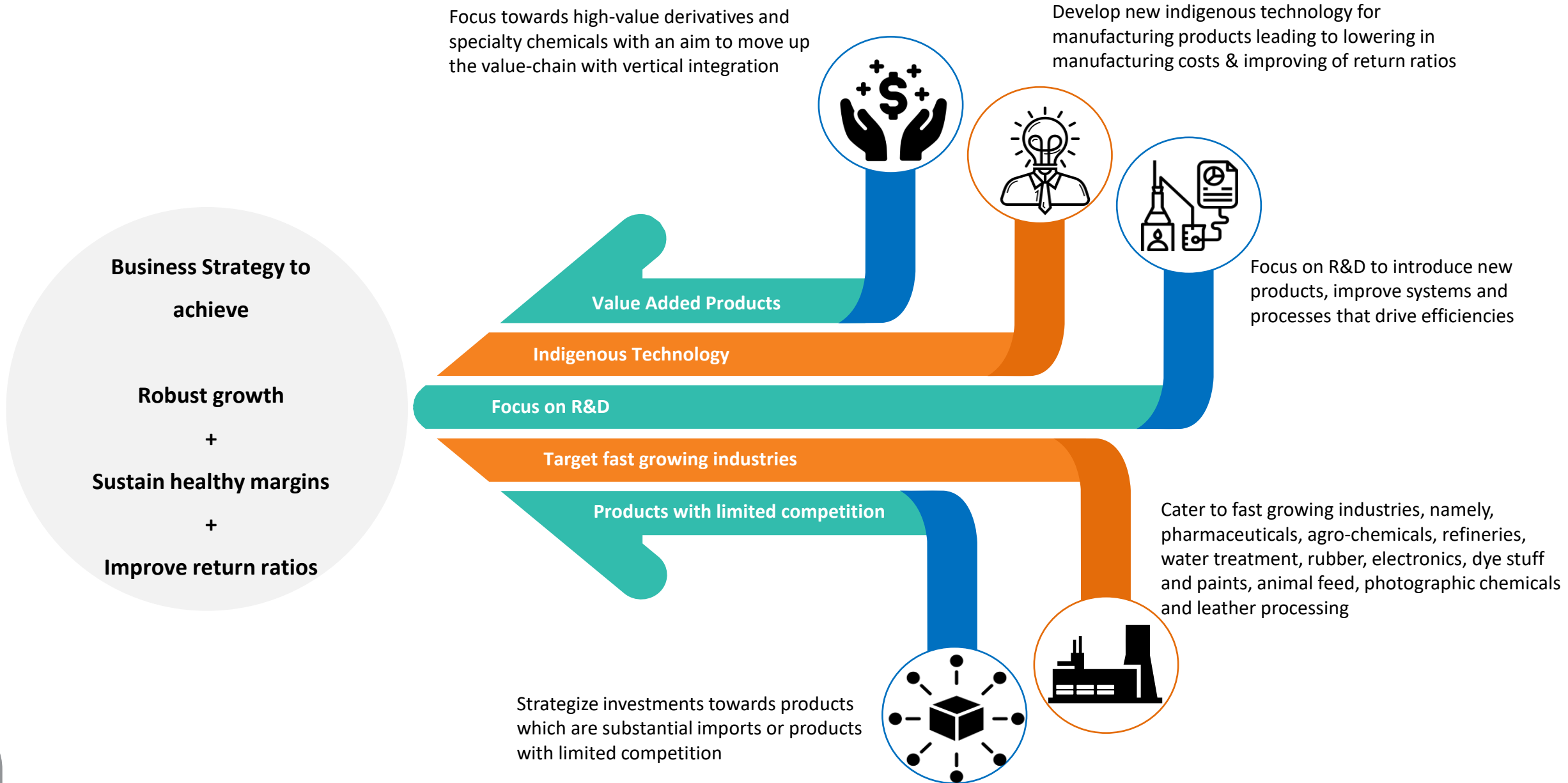
Amine Derivatives



Specialty & Other Chemicals



Well positioned Business Model aimed at Sustainable growth



Key Products (Current & Proposed) in Portfolio

Balaji Amines

In MTPA

Product	Existing Installed Capacity	Proposed Capacity	Application Areas
Methyl Amine	48,000	50,000	Pharma, Agro, Dye & Rubber
Ethyl Amine	22,500	-	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	16,500	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	2,01,000	1,21,900	

Balaji Speciality Chemicals

In MTPA

Product	Licensed Capacity	Application Areas
Ethylenediamine	37,350	Pesticides, Polymers
Piprazine	4,050	Pharma, Oilfield
Diethyltriamine	3,150	Coatings, Polymers, Pharma
Mixture of Amines	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

14.96% of the Total Revenue for FY21 i.e. Rs. 185.44 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



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



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



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



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



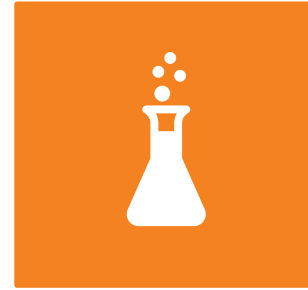
Mega Project Status

Ethylamines plant in Phase-1 of Greenfield Project **commenced operations in May 2021**; DMC plant to commence operations by end of FY22; Project accorded Mega Project Status; Additional Acetonitrile plant to be set up



Project Capex

Project cost of Rs. 250 Crore of Phase-1 to be funded entirely by Internal Accruals. **We have already undertaken capex of about Rs. 220 Crore as on 30th Sep 2021**. New Acetonitrile plant would involve capex of Rs. 70 to 80 crore



Product Profile

Capacity installed to manufacture **50 TPD of Ethyl Amines. Capacity to manufacture 30 TPD of Di-methyl Carbonate (DMC)** to come up by end of FY22. New Acetonitrile plant to commence operations in FY23



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

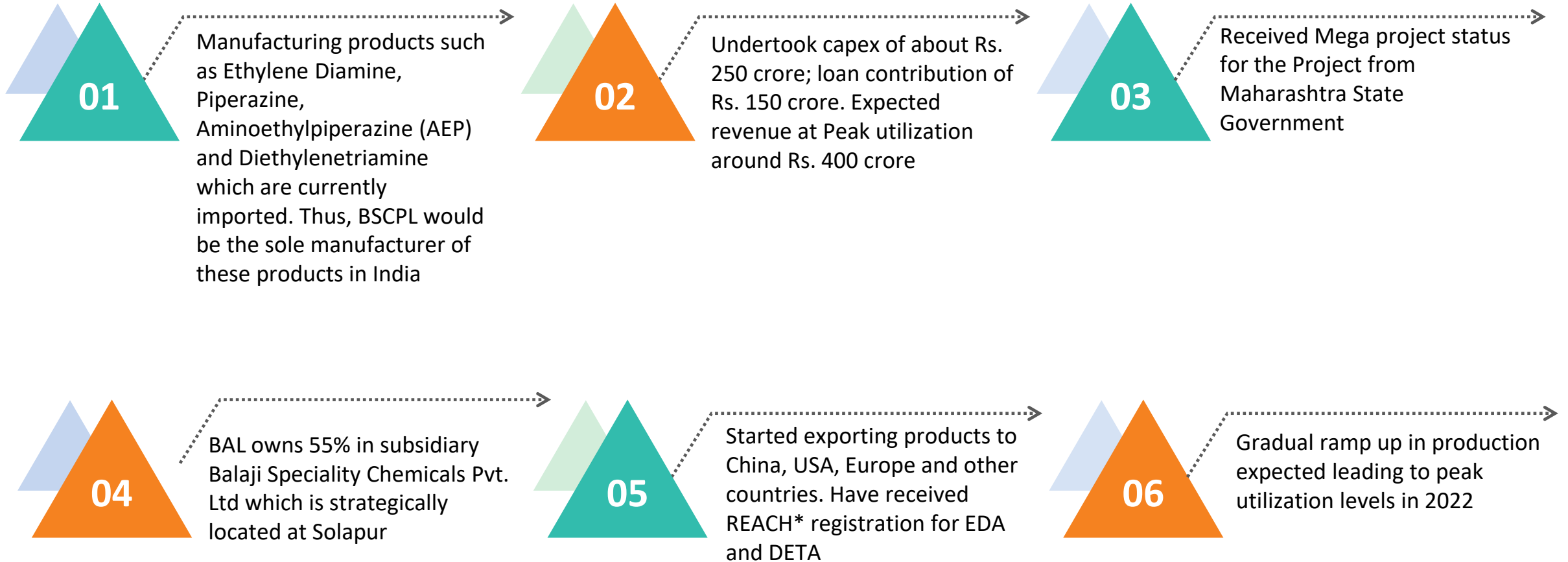
Significant opportunity exists to introduce new products & gain 1st mover advantage



High Demand for Products

We will be able to address the short supply of Ethylamines in India, which is set to increase to 15,000 tons by FY23. High demand exists for DMC which is currently fully met by imports. **Exports opportunity for both products also exists.** Demand for Acetonitrile is expected to remain elevated, as it has emerged as preferred solvent

Balaji Speciality Chemicals – Production commenced in FY20

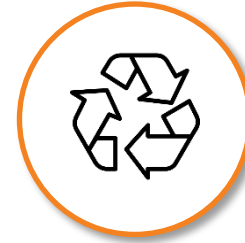


*REACH - Registration, Evaluation, Authorisation and Restriction of Chemicals is a European Union regulation



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.



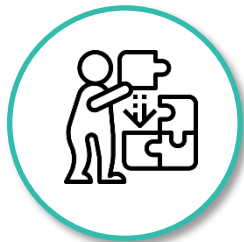
Optimization

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

SECTION 2

Hotel Division

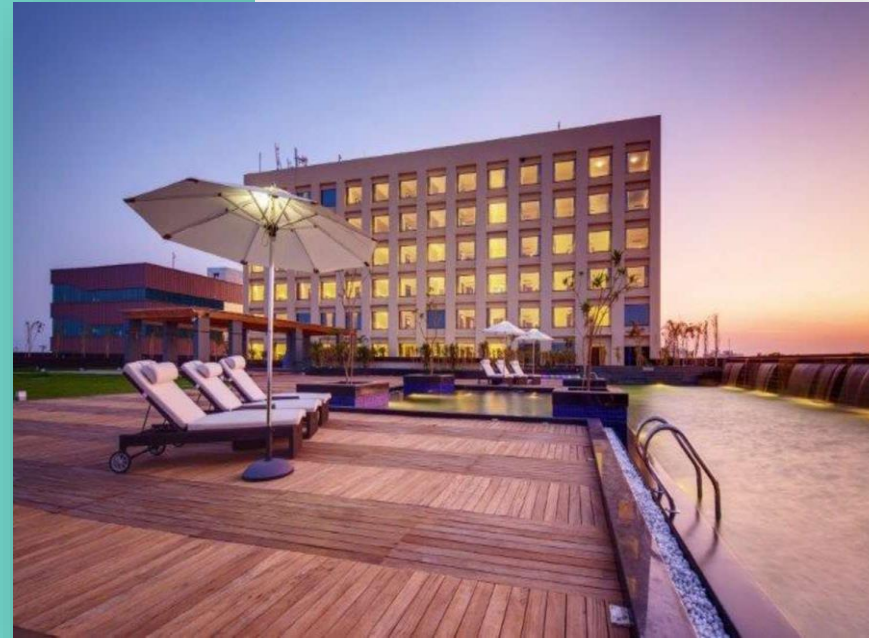




Balaji Sarovar Premiere (Solapur)

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



129 Rooms



Constitutes 0.59% of Total Revenue



Rs. 3,634 ARR



23% Occupancy Rate



Negligible Routine Capex incurred



RS. 830 RevPAR



Renowned Five Star Hotel In the City of Solapur

Balaji Sarovar Premiere

ARR : Average Room Revenue
RevPAR: Revenue per Available Room

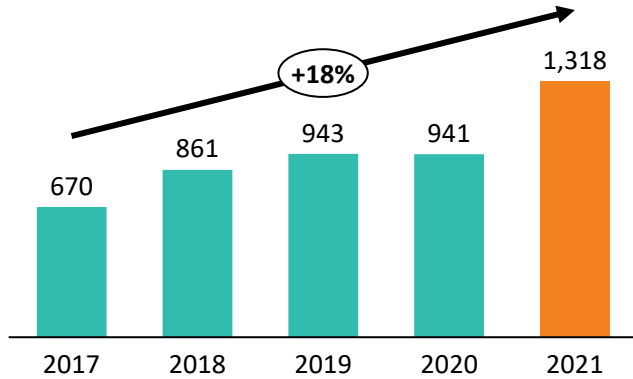
SECTION 3

Financial
Performance

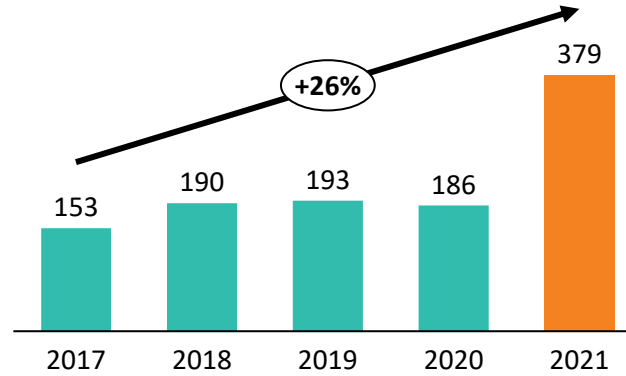


Consolidated Performance Highlights

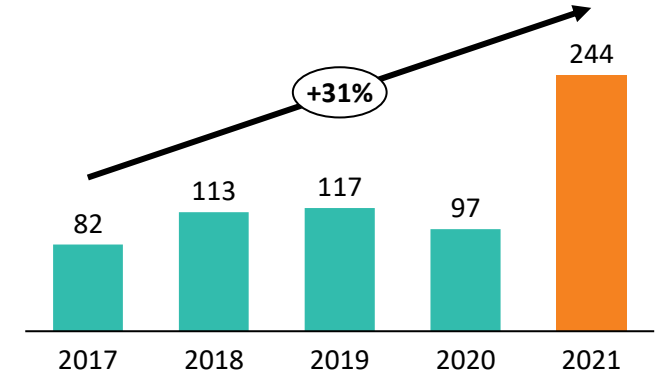
Revenue (Rs. Crs.)



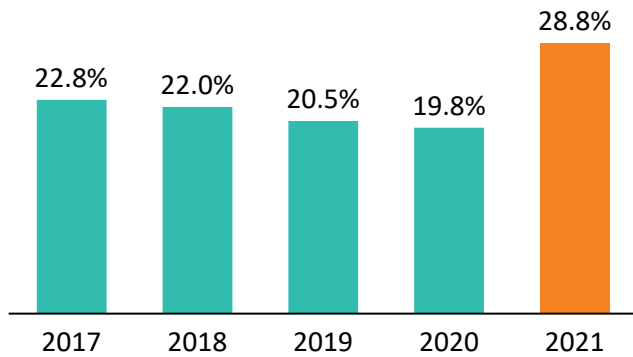
EBITDA (Rs. Crs.)



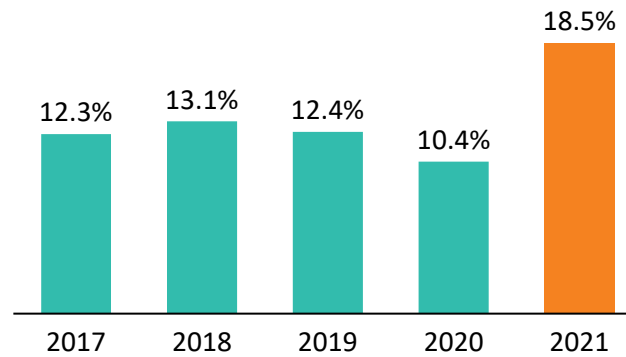
PAT (Rs. Crs.)



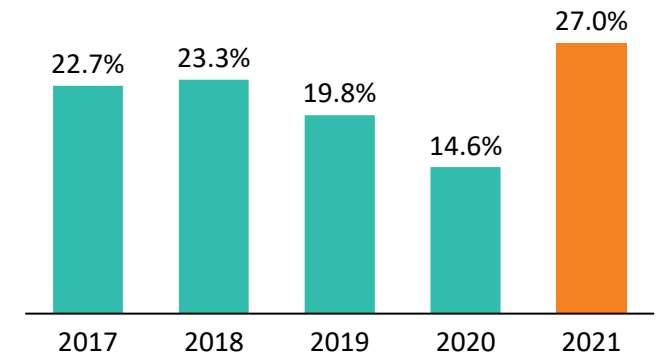
EBITDA Margin (%)



PAT Margin (%)



RoE (%)



Strong Core RoCE Profile

Particulars (Rs. Crs.)	FY20	FY21
Consolidated Debt	259.57	127.07
Consolidated Networth	668.37	909.92
Total Capital Employed	927.94	1,036.99
Less: Investment in Hotel Balaji Sarovar & CFL Lamps	133.32	133.39
Add: Loss in Hotel Balaji Sarovar & CFL Lamps	46.64	67.46
Less: Investments/Loan in Balaji Speciality	112.35	-
Less: Investments in Greenfield project (Unit 4)	69.14	155.57
Core Chemical Business Capital Employed (A)	659.77	815.49
EBIT on Consolidated Basis	154.14	344.89
Add: EBIT Loss Specific to Hotel Balaji Sarovar & CFL Lamps	1.93	11.11
Core Chemical Business EBIT (B)	156.07	356.00
ROCE for Core Chemical Business (B/A)	23.66%	43.65%
ROCE at Consolidated Entity Level	16.61%	33.26%

- For FY20, investments made to the tune of Rs. 112.35 crore in subsidiary company of Balaji Amines not considered, as the volume offtake was very limited
- For FY21, investments made to the tune of Rs. 155.57 crore in Phase 1 of Greenfield Project not considered, as the operations has just commenced in the month of May 2021
- Core Chemical Business RoCE is significantly higher, depicting the inherent strength of the business and capabilities developed in product manufacturing
- Capex in Greenfield project (Unit 4) to start substantially contributing to Revenues and profitability from FY22 onwards

Standalone Statement of Profit & Loss

Particulars (in Rs. Crore)	FY21	FY20	YoY
Total Revenue	1,239.81	929.32	33.41%
Raw Material	622.69	511.17	
Employee Cost	65.68	49.62	
Other Expenses	212.79	178.50	
EBITDA	338.65	190.03	78.21%
EBITDA Margin	27.31%	20.45%	
Depreciation	23.34	24.18	
EBIT	315.31	165.85	90.12%
EBIT Margin	25.43%	17.85%	
Finance Cost	5.34	12.13	
Profit before Tax	309.97	153.72	101.65%
PBT Margin	25.00%	16.54%	
Tax	78.26	39.96	
PAT	231.71	113.75	103.70%
PAT Margin %	18.69%	12.24%	
EPS (in Rs.)	71.52	35.11	

Standalone Balance Sheet Statement

ASSETS (Rs. Crs.)	Mar-21	Mar-20
(1) NON-CURRENT ASSETS		
(a) Property, plant & equipment	344.34	363.40
(b) Capital work-in-progress	173.27	46.27
(i) Investments	66.00	66.00
(ii) Loans	77.35	46.35
(iii) Other Financial Assets	133.80	162.50
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	10.81	26.94
Sub Total (A)	805.57	711.46
(2) CURRENT ASSETS		
(a) Inventories	95.93	92.18
(b) Financial Assets		
(i) Investments	0.00	47.50
(ii) Trade receivables	272.35	190.85
(iii) Cash and cash equivalents	15.37	2.83
(iv) Bank Balances other than (iii) above	2.29	4.43
(v) Other Financial Assets	-	-
(c) Current tax assets (net)	73.76	40.05
(d) Other current assets	26.52	15.18
Sub Total (B)	486.22	393.02
Total Assets (A+B)	1,291.79	1,104.48

EQUITY AND LIABILITIES (Rs. Crs.)	Mar-21	Mar-20
EQUITY		
(a) Equity Share capital	6.48	6.48
(b) Other equity	890.93	661.16
Sub Total (C)	897.41	667.64
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities	-	-
(i) Borrowings	-	-
(ii) Trade Payables	12.28	3.16
(iii) Other Financial Liabilities excl. provisions	132.62	160.79
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	48.67	49.99
(d) Other Non-Current Liabilities	0.97	0.24
Sub Total (D)	194.54	214.18
(2) Current Liabilities	-	-
(a) Financial liabilities		
(i) Borrowings	0.00	102.36
(ii) Trade Payables	73.52	56.19
(iii) Other Financial Liabilities	2.38	0.00
(b) Other current liabilities	3.60	3.47
(c) Provisions	38.99	20.64
(d) Current Tax Liabilities (Net)	81.35	40.00
Sub Total (E)	199.85	222.66
Total Equity & Liabilities (C+D+E)	1,291.79	1,104.48

Consolidated Profit & Loss Account

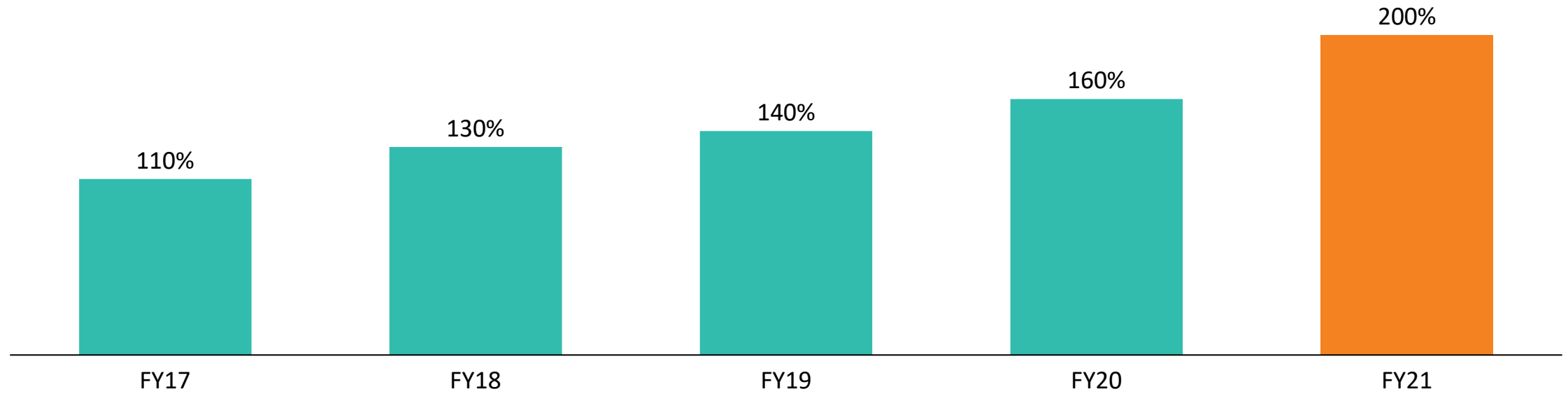
Particulars (in Rs. Crore)	FY21	FY20	YoY
Total Revenue	1,317.53	940.79	40.05%
Raw Material	630.26	513.83	
Employee Cost	67.82	50.99	
Other Expenses	240.15	190.21	
EBITDA	379.30	185.76	104.19%
EBITDA Margin	28.79%	19.75%	
Depreciation	34.41	31.62	
EBIT	344.89	154.14	123.75%
EBIT Margin	26.18%	16.38%	
Finance Cost	18.29	23.04	
Profit before Tax	326.60	131.10	149.12%
PBT Margin	24.79%	13.94%	
Tax	83.10	33.63	
PAT	243.50	97.47	149.82%
PAT Margin %	18.48%	10.36%	
EPS (in Rs.)	73.52	32.34	

Consolidated Balance Sheet Statement

ASSETS (Rs. Crore)	Mar-21	Mar-20
(1) NON-CURRENT ASSETS		
(a) Property, plant & equipment	542.92	573.00
(b) Capital work-in-progress	173.28	46.26
(c) Intangible Asset	-	-
(d) Financial assets		
(i) Investments	-	-
(ii) Loans	-	-
(iii) Other Financial Assets	5.91	5.85
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	11.14	27.38
Sub Total (A)	733.25	652.49
(2) CURRENT ASSETS		
(a) Inventories	109.94	108.81
(b) Financial Assets		
(i) Investments	0.00	47.50
(ii) Trade receivables	305.66	207.44
(iii) Cash and cash equivalents	17.32	4.31
(iv) Bank Balances other than (iii) above	2.32	4.50
(v) Other Financial Assets		-
(c) Current tax assets (net)	75.21	40.06
(d) Other current assets	66.63	47.99
Sub Total (B)	577.08	460.61
Total Assets (A+B)	1,310.33	1,113.10

EQUITY AND LIABILITIES (Rs. Crore)	Mar-21	Mar-20
EQUITY		
(a) Equity Share capital	6.48	6.48
(b) Other equity	887.91	651.66
(c) Non-Controlling Interest	15.53	10.23
Sub Total (C)	909.92	668.37
LIABILITIES		
(1) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	88.85	119.91
(ii) Trade Payables	17.67	11.75
(iii) Other Financial Liabilities excl. provisions	2.87	2.43
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	47.24	43.73
(d) Other Non-Current Liabilities	0.97	2.57
Sub Total (D)	157.60	180.39
(2) Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	10.95	121.48
(ii) Trade Payables	76.80	59.36
(iii) Other Financial Liabilities excl. provisions	30.08	18.92
(b) Other current liabilities	3.61	3.52
(c) Provisions	40.02	21.06
(d) Current Tax Liabilities (Net)	81.35	40.00
Sub Total (E)	242.81	264.34
Total Equity & Liabilities (C+D+E)	1,310.33	1,113.10

Consistent Dividend Payout



Particulars (Rs. per share)	FY17	FY18	FY19	FY20	FY21
Consolidated Book Value	111.87	149.71	182.71	206.28	280.84
Consolidated EPS	25.42	34.93	36.27	32.34	73.52
Dividend	2.20	2.60	2.80	3.20	4.00

SECTION 4

Moving towards
Growth Prospects



Capex Phase

Capex for Phase 1 of Greenfield
Capex to be completed till FY22
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**

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...A Speciality Chemical Company

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