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*Balaji*



## AMINES LIMITED

*...A Speciality Chemical Company*

Regd. Off. : 'Balaji Towers', 9/1A/1,  
Hotgi Road, Aasara Chowk, Solapur - 413 224.  
Maharashtra. (India)

7<sup>th</sup> February, 2023

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

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 : 530999**

**Scrip Code : BALAMINES**

Dear Sir/Madam,

**Sub.: 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 Investor Presentation on Q3FY23 Financial Results.

Thanking you.

Yours faithfully,

**For Balaji Amines Limited**

**Lakhan Dargad**  
**Company Secretary & Compliance Officer**

Encl.: a/a



*Balaji* **AMINES LIMITED**  
*...A Speciality Chemical Company*

Investor Presentation February 2023

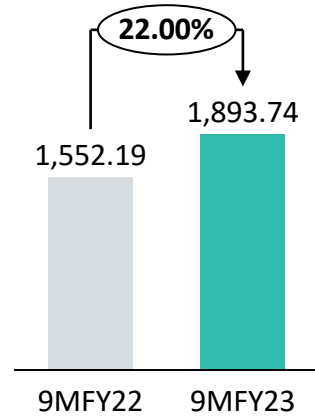
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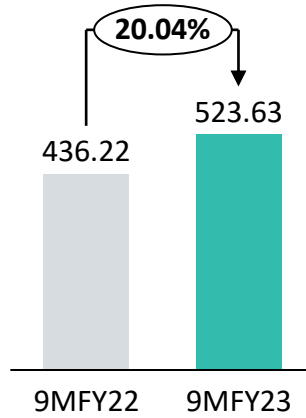
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Consolidated

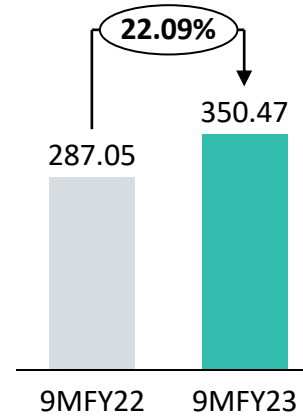
## Revenue (Rs. Crore)



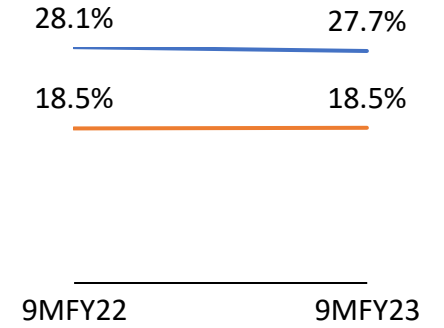
## EBITDA (Rs. Crore)



## PAT (Rs. Crore)

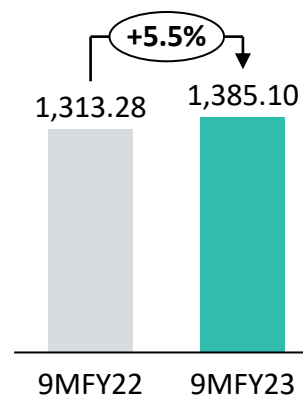


## EBITDA & PAT Margin

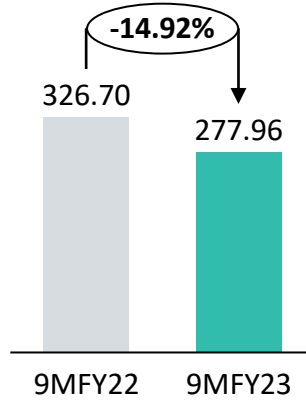


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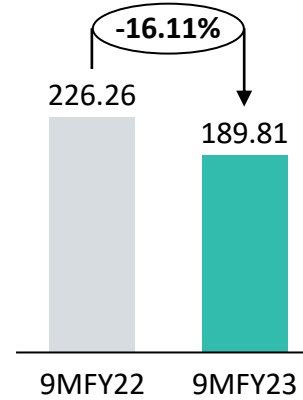
## Revenue (Rs. Crore)



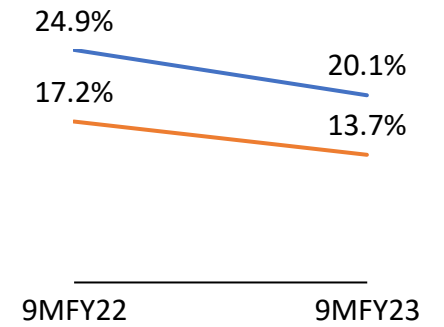
## EBITDA (Rs. Crore)



## PAT (Rs. Crore)

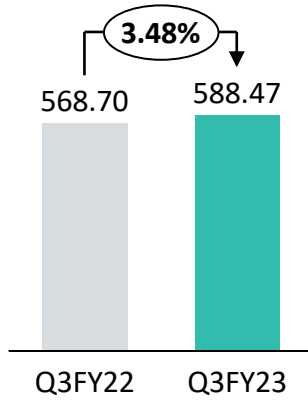


## EBITDA & PAT Margin

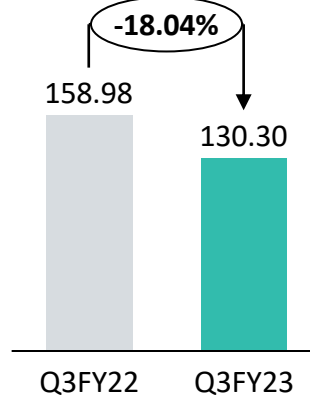


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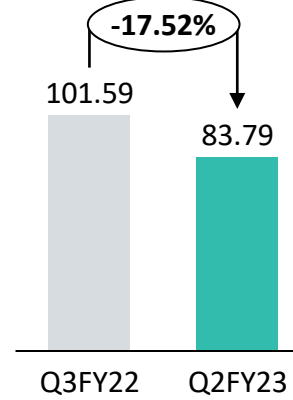
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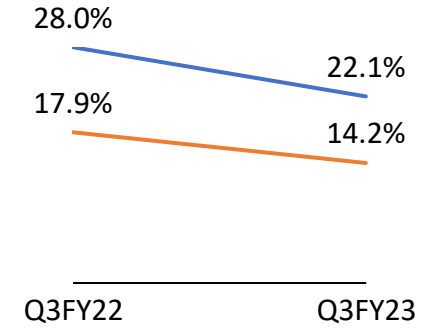
### EBITDA (Rs. Crore)



### PAT (Rs. Crore)

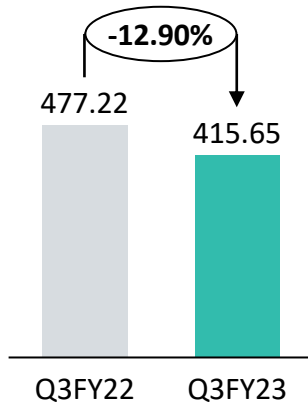


### EBITDA & PAT Margin

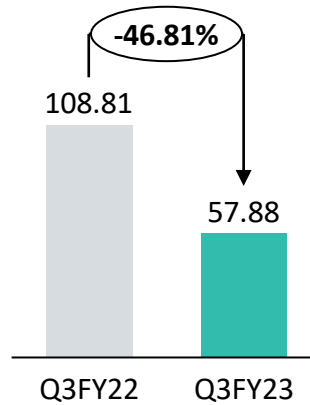


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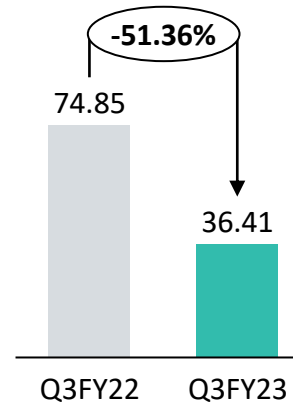
### Revenue (Rs. Crore)



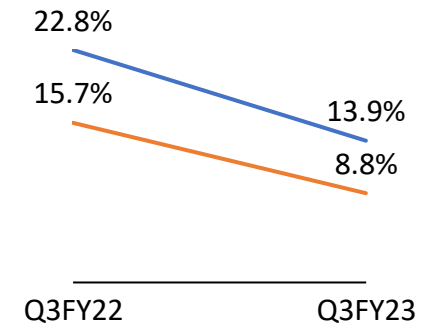
### EBITDA (Rs. Crore)



### PAT (Rs. Crore)



### EBITDA & PAT Margin



Revenue from Operations for Q3FY23 stood at ₹ 588.47 crore, up by 3.48%, as compared to ₹ 568.7 crore in Q3FY22. Total volumes stood at 28,147 MT for Q3FY23 as against 27,589 MT in Q3FY22. For Q3FY23 :

- Amines volumes stood at 6,082 MT
- Amines Derivatives volumes stood at 8,587 MT
- Specialty Chemicals volumes stood at 13,478 MT

EBITDA for Q3FY23 was ₹ 130.30 crore, as compared to ₹ 158.98 crore in Q3FY22. EBITDA margin for Q3FY23 stood at 22.14% as against 27.96% in Q3FY22. The fall in operating margin was primarily on account of degrowth in pharma and API sector. **PAT** for Q3FY23 was ₹ 83.79 crore, as compared to ₹ 101.59 crore in Q3FY22. **Diluted EPS** for Q3FY23 stood at ₹ 19.31 per equity share as against ₹ 27.64 in Q3FY22.

The Phase 1 of 90-acre Greenfield Project (Unit IV) has been completed where in Ethylamines Plant with installed annual production capacity of 16,500 tons started the commercial production in May 2021 and the DMC/PC and PG Plant started the commercial production at the end of September 2022. This is with installed annual production capacity of 15,000 tons of Di-methyl Carbonate (DMC)/Propylene Carbonate (PC) and 15,000 tons Propylene Glycol (PG). We believe this will also provide a strategic advantage of being the sole manufacturer of Di-methyl Carbonate (DMC) and Propylene Carbonate (PC) in India. Currently the annual domestic demand of Di-methyl Carbonate (DMC) is about 6,000 to 8,000 tons with main usage in Pharma and others Annual demand of Propylene Glycol (PG) is about 170,000 to 180,000 tons & Propylene Carbonate (PC) is about 3,000 to 4,000 tons which are completely met by imports. DMC is used in Pharma and also in the production of Polycarbonate and Lithium Batteries – the consumption of which will exponentially grow in India backed by various government initiatives and EV industry being a sunrise industry in the years to come.

Apart from the earlier announced capex, the company has also started construction for Methyl Amines plant which is expected to be commissioned during 2nd half of FY -2023-24 and the production of other plants will commence over next 2 to 3 years subject to the Government approvals / permissions / environment clearances. The company has received environmental clearance for N-Butylamines plant apart from other products which will be taken up immediately as the detailed engineering is already completed and project is ready for execution.

Our new Acetonitrile plant, we plan to undertake production through a new upgraded technology, where we envisage to have cost advantage, which will enable us to withstand higher prices of acetic acid and shall lead to healthy operating margins.

We expect to witness an increase in capacity utilization for our legacy products in FY24.

## N-Butylamine

- We plan to undertake capex for a new product, namely N-Butylamine having capacity of 15,000 TPA under Phase-2 expansion
- N-Butylamine is used as an ingredient in the manufacturing of, pharmaceuticals, APIs, pesticides and emulsifiers
- The annual domestic demand stands at about 8,000 tons which is currently completely met by imports

## Acetonitrile

- Post the process of de-bottlenecking the production at current plant has been ramped up to around 11 to 12 TPD
- We plan to undertake further capex for additional Acetonitrile plant having capacity of 15,000 TPA under Phase-2 expansion. This plant is likely to get commence operations by mid of FY24
- For our new plant, we plan to use a new upgraded technology, where we envisage to have cost advantage, which will enable us to withstand higher prices of acetic acid and shall lead to healthy operating margins
- 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

## 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 TPA under Phase-2 expansion 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
- 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

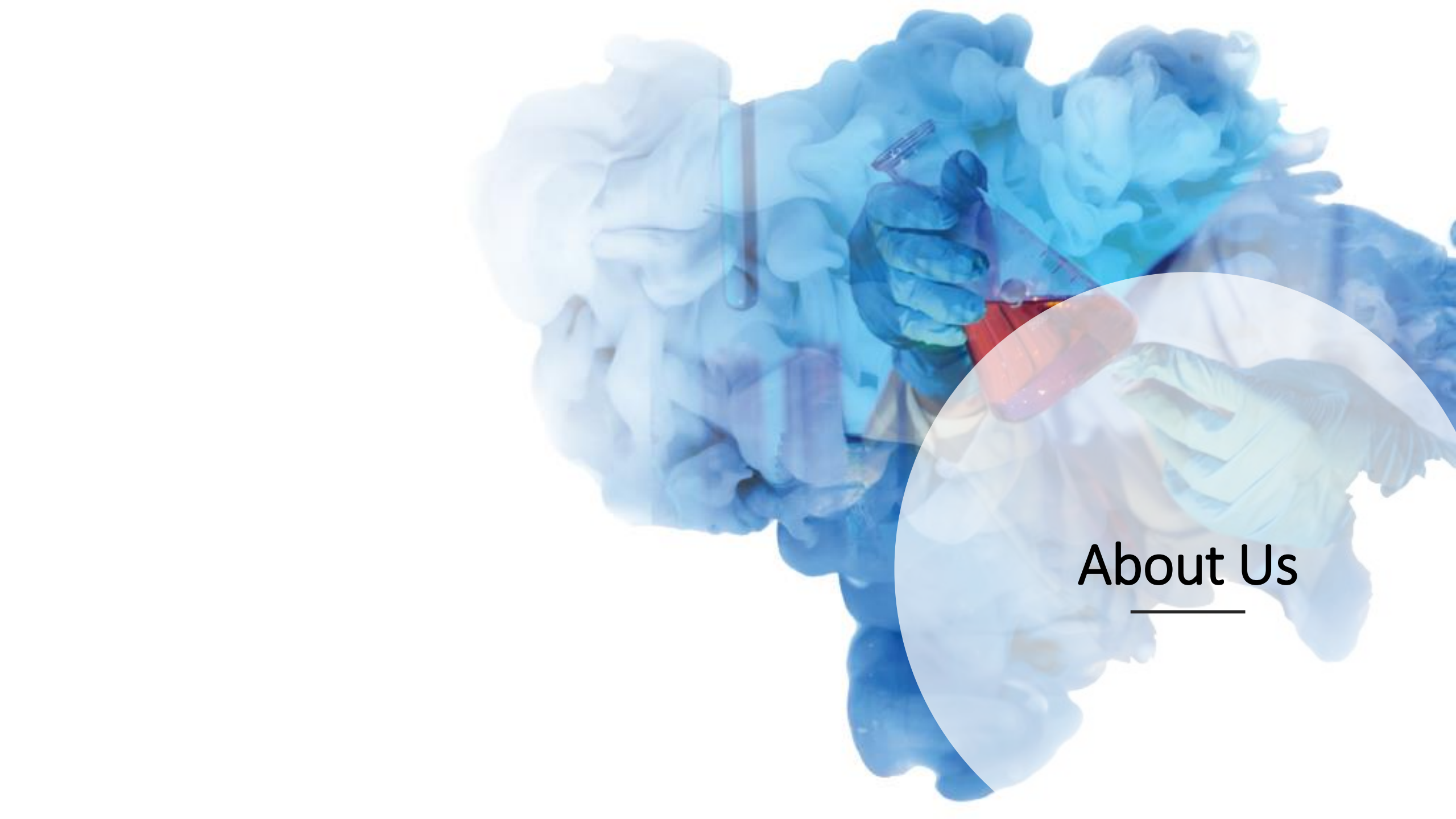
# Consolidated Statement of Profit & Loss

Particulars (in Rs. Crore)	Q3FY23	Q3FY22	Y-o-Y	9MFY23	9MFY22	Y-o-Y
<b>Total Revenue</b>	<b>588.47</b>	<b>568.70</b>	<b>3.48%</b>	<b>1,893.74</b>	<b>1,552.19</b>	<b>22.00%</b>
Raw Material	338.82	286.66		983.45	785.65	
Employee expense	19.58	23.86		67.08	62.17	
Other expenses	99.77	99.20		319.58	268.15	
<b>EBITDA</b>	<b>130.30</b>	<b>158.98</b>	<b>-18.04%</b>	<b>523.63</b>	<b>436.22</b>	<b>20.04%</b>
<b>EBITDA Margin</b>	<b>22.14%</b>	<b>27.96%</b>		<b>27.65%</b>	<b>28.10%</b>	
Depreciation	12.34	10.49		34.43	31.22	
<b>EBIT</b>	<b>117.96</b>	<b>148.49</b>	<b>-20.56%</b>	<b>489.20</b>	<b>405.00</b>	<b>20.79%</b>
<b>EBIT Margin</b>	<b>20.05%</b>	<b>26.11%</b>		<b>25.83%</b>	<b>26.09%</b>	
Finance Cost	2.94	3.97		7.35	9.95	
<b>Profit before Tax</b>	<b>115.03</b>	<b>144.52</b>	<b>-20.41%</b>	<b>481.85</b>	<b>395.06</b>	<b>21.97%</b>
<b>PBT Margin</b>	<b>19.55%</b>	<b>25.41%</b>		<b>25.44%</b>	<b>25.45%</b>	
Tax	31.23	42.93		131.38	108.00	
<b>Profit after Tax</b>	<b>83.79</b>	<b>101.59</b>	<b>-17.52%</b>	<b>350.47</b>	<b>287.05</b>	<b>22.09%</b>
<b>PAT Margin (%)</b>	<b>14.24%</b>	<b>17.86%</b>		<b>18.51%</b>	<b>18.49%</b>	
<b>EPS (in Rs.)</b>	<b>19.31</b>	<b>27.64</b>		<b>85.83</b>	<b>80.15</b>	



# Standalone Statement of Profit & Loss

Particulars (in Rs. Crore)	Q3FY23	Q3FY22	Y-o-Y	9MFY23	9MFY22	Y-o-Y
<b>Total Revenue</b>	<b>415.65</b>	<b>477.22</b>	<b>-12.90%</b>	<b>1,385.10</b>	<b>1,313.28</b>	<b>5.47%</b>
Raw Material	264.45	263.87		803.38	703.63	
Employee expense	18.22	23.08		63.58	60.17	
Other expenses	75.10	81.46		240.18	222.78	
<b>EBITDA</b>	<b>57.88</b>	<b>108.81</b>	<b>-46.81%</b>	<b>277.96</b>	<b>326.70</b>	<b>-14.92%</b>
<b>EBITDA Margin</b>	<b>13.92%</b>	<b>22.80%</b>		<b>20.07%</b>	<b>24.88%</b>	
Depreciation	8.58	7.49		23.44	21.89	
<b>EBIT</b>	<b>49.30</b>	<b>101.32</b>	<b>-51.34%</b>	<b>254.52</b>	<b>304.81</b>	<b>-16.50%</b>
<b>EBIT Margin</b>	<b>11.86%</b>	<b>21.23%</b>		<b>18.38%</b>	<b>23.21%</b>	
Finance Cost	0.12	1.66		0.15	2.67	
<b>Profit before Tax</b>	<b>49.17</b>	<b>99.66</b>	<b>-50.66%</b>	<b>254.38</b>	<b>302.15</b>	<b>-15.81%</b>
<b>PBT Margin</b>	<b>11.83%</b>	<b>20.88%</b>		<b>18.37%</b>	<b>23.01%</b>	
Tax	12.76	24.81		64.56	75.89	
<b>Profit after Tax</b>	<b>36.41</b>	<b>74.85</b>	<b>-51.36%</b>	<b>189.81</b>	<b>226.26</b>	<b>-16.11%</b>
<b>PAT Margin (%)</b>	<b>8.76%</b>	<b>15.69%</b>		<b>13.70%</b>	<b>17.23%</b>	
<b>EPS (in Rs.)</b>	<b>11.24</b>	<b>23.10</b>		<b>58.58</b>	<b>69.83</b>	



About Us

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# Amines Industry – Unique but Critical Industry with growth potential

<p>The size of Aliphatic Amines industry globally is \$4.9 billion. Globally, the Amine industry is <b>oligopolistic</b> with two-three producers catering to the majority of demand in a region.</p>	<p>The consumable nature of demand and the oligopolistic nature of the industry, results in a <b>strong correlation</b> between revenue <b>growth of Aliphatic Amines</b> and that of <b>end-user industries</b>.</p>
<p>Top six companies control around 50% of the global capacities. China is the largest consumer and producer of aliphatic amines accounting for almost 60% of the global production.</p>	<p>Ammonia, methanol and denatured ethyl alcohol are the <b>key raw materials</b> used to manufacture Aliphatic Amines.</p>
<p>Globally, <b>~61%</b> of aliphatic amines and amine-based chemicals get <b>consumed in the pharmaceutical sector</b>, 26% gets consumed in the agrochemicals industry and the rest finds application in other industries.</p>	<p><b>Methanol is a critical raw material primarily imported</b> mainly from countries in the Middle East like Iran and Saudi Arabia. Sourcing consistent supplies of Raw Materials is key for the Industry</p>
<p>In terms of the <b>usage</b>, Aliphatic Amines and their derivatives primarily find application as <b>solvents (44%)</b>, followed by pesticides (15%) and animal/poultry feed additives (8%).</p>	<p>For Indian Amine manufacturers, <b>45-55% of the export</b> revenue comes from <b>Europe</b> alone. USA and Japan are the other key export markets.</p>



**Largest**  
manufacturer of  
Aliphatic Amines in  
India

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

**30+** Product  
basket

**Forward integrated  
suite of products**

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

**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

**2,31,000**  
MTPA Installed Capacity

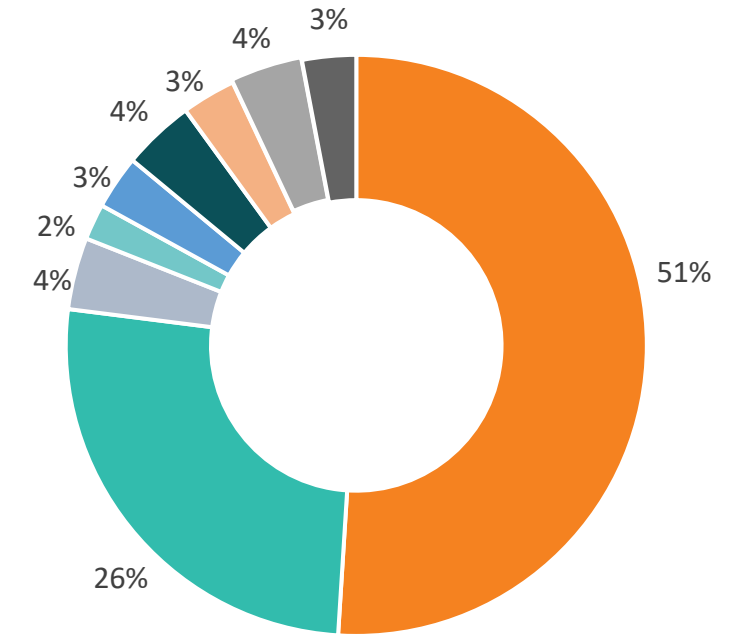
**Strong Global presence  
INDIAN  
MULTINATIONAL**



# 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

# 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

Particulars	Amines	Amine Derivatives	Specialty & Other Chemicals
Description	<ul style="list-style-type: none"> <li>Aliphatic Amines find increasing consumption and applications in a Chemically mature Industry such as India, Europe, US, China and Japan</li> <li>The Aliphatic Amines industry is expected to grow at a CAGR of 5%-7%</li> </ul>	<ul style="list-style-type: none"> <li>Amine Derivatives are used to make further salts and other complex chemical Intermediates and API's</li> <li>In derivatives, Di-Methyl Amine Hydrochloride (DMA HCL) is one of BAL's key product offerings.</li> </ul>	<ul style="list-style-type: none"> <li>Albeit a small and fastest growing segment</li> <li>Within specialty chemicals, is the single-largest product in specialty chemicals.</li> </ul>
Products	<ul style="list-style-type: none"> <li>Mono Methyl Amine (MMA)</li> <li>Di-Methyl Amine (DMA)</li> <li>Tri-Methyl Amine (TMA)</li> <li>Mono-Ethyl Amine (MEA)</li> <li>Di-Ethyl Amine (DEA)</li> <li>Tri-Ethyl Amine (TEA)</li> <li>Di-Methyl Amino Ethanol (DMAE)</li> <li>Di-Ethyl Amino Ethanol (DEAE)</li> </ul>	<ul style="list-style-type: none"> <li>Mono-Methyl Amine Hydrochloride (MMA HCL)</li> <li>Di-Methyl Amine Hydrochloride (DMA HCL)</li> <li>Tri-Methyl Amine Hydrochloride (TMA HCL)</li> <li>Mono-Ethyl Amine Hydrochloride (MEA HCL)</li> <li>Di-Ethyl Amine Hydrochloride (DEA HCL)</li> <li>Tri-Ethyl Amine Hydrochloride (TEA HCL)</li> <li>Di-Methyl Acetamide (DMAC)</li> <li>Di-Methyl Urea (DMU)</li> <li>Choline Chloride</li> </ul>	<ul style="list-style-type: none"> <li>Morpholine</li> <li>Acetonitrile (ACN)</li> <li>Dimethylformamide (DMF)</li> <li>N-Ethyl-2-Pyrrolidone (NEP)</li> <li>2-Pyrrolidone (2-P)</li> <li>Gamma Butyrolactone,</li> <li>N-Methyl-Pyrrolidone (NMP)</li> <li>Pharmapure Povidone (PVP K30 &amp; PVP K25)</li> </ul>
Application	<ul style="list-style-type: none"> <li>Pharma</li> <li>Agro</li> <li>Photographic chemicals</li> <li>Rocket fuel</li> <li>Dyestuff intermediates</li> <li>Rubber chemicals, etc</li> </ul>	<ul style="list-style-type: none"> <li>Pharma</li> <li>Pesticides</li> <li>Performance chemicals</li> <li>Specialty chemicals</li> <li>Animal/poultry feed additive etc.</li> </ul>	<ul style="list-style-type: none"> <li>Production of Water Treatment chemicals and pesticide formulations</li> <li>Solvents across industries like pharmaceuticals, petrochemicals, dyes, Agro and paint industries</li> </ul>

## Amines



**Cipla**



## Amine Derivatives



## Specialty & Other Chemicals

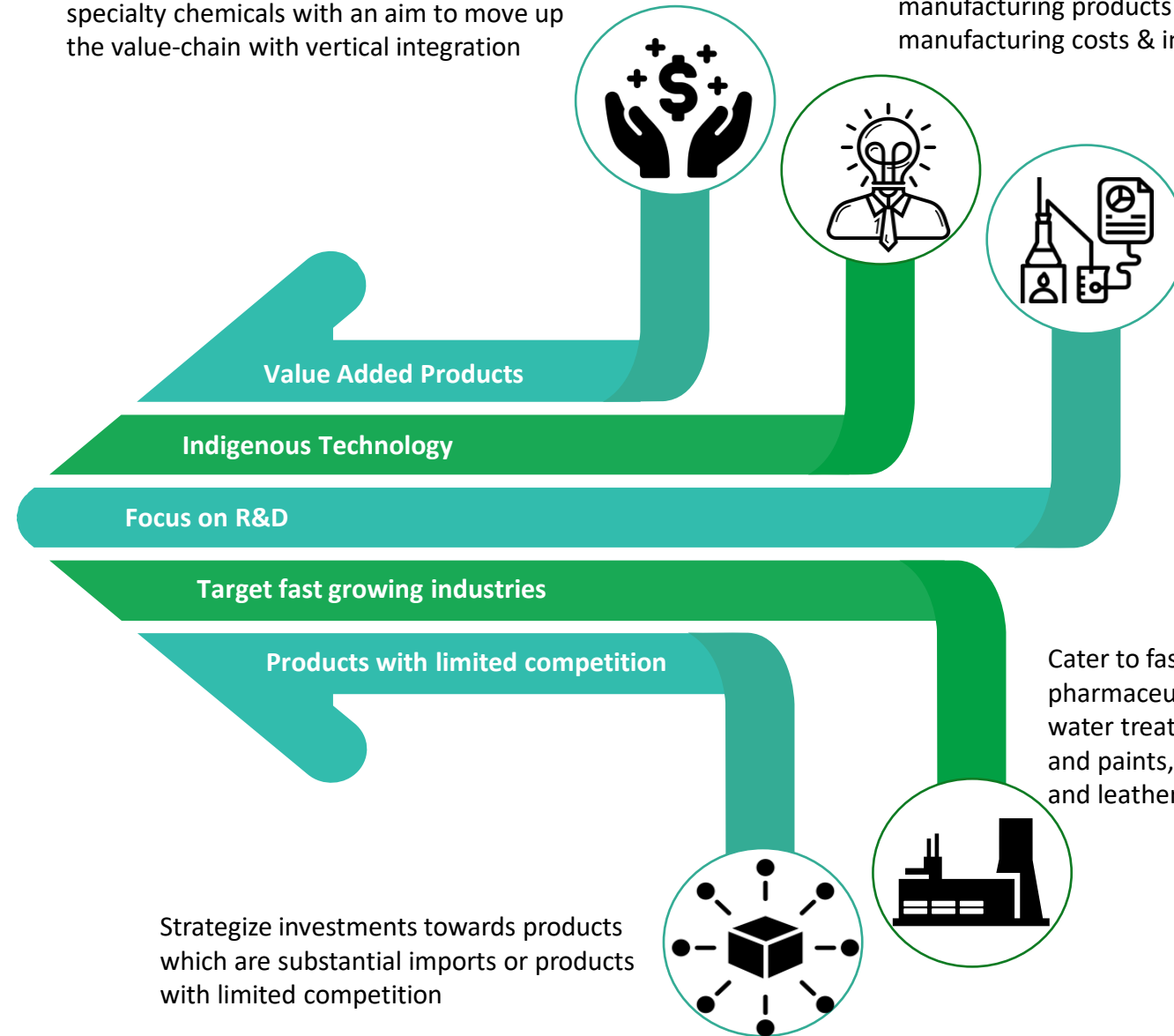




# Well positioned Business Model aimed at Sustainable growth

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



**Business Strategy to achieve**

**Robust growth**

+

**Sustain healthy margins**

+

**Improve return ratios**

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

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

# Key Products (Current & Proposed) in Portfolio

**Balaji Amines**

Product	Existing Installed Capacity	Proposed Capacity	Application Areas
Methyl Amine	48,000	40,000	Pharma, Agro, Dye & Rubber
Ethyl Amine	22,500	-	Pharma, Agro, Dye & Rubber
DMAHCL / DMAC	31,000	7,500	Pharma
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	15,000	Pharma, Petro, Textile, Plastics
PVP K-30	750	-	Pharma, Agro, Cosmetics
Di-methyl Carbonate (DMC)	15,000	-	Pharma, Polycarbonate, Automobiles
Propylene Glycol (PG)	15,000	-	Pharma
N-Butylamine	-	15,000	Pharma, Agro
<b>Total</b>	<b>2,31,000</b>	<b>1,07,500</b>	

**Balaji Speciality Chemicals**

Product	Licensed Capacity	Application Areas
Ethylenediamine	37,350	Pesticides, Polymers
Piprazine	4,050	Pharma, Oilfield
Diethyltri-amine	3,150	Coatings, Polymers, Pharma
Mixture of Amines	780	Multiple Industries
<b>Total</b>	<b>45,330</b>	

Proven Product Portfolio with few products manufactured for the 1<sup>st</sup> time in India



# We are Global suppliers – a significant validation of our Capabilities



- UK
- US
- Argentina
- Canada
- Israel
- India
- Pakistan
- Bangladesh
- Oman
- Germany
- Italy
- Egypt
- South Africa
- Korea
- Taiwan
- Spain
- France
- Belgium
- Netherlands
- Norway
- Poland
- Ukraine
- Mexico
- Brazil
- Australia
- China
- Japan
- Turkey
- Finland
- Indonesia
- Switzerland
- Sri Lanka
- Russia
- Malaysia
- Singapore
- Bahrein
- Jordan
- Guatemala
- Columbia
- Costa Rica
- Thailand
- Morocco
- Peru
- Venezuela
- Philippines
- Saudi Arabia
- Vietnam
- Ireland
- Qutar
- Slovenia
- Kuwait

**19.37% of the Total Revenue for FY22 i.e. Rs. 373.83 Crore is generated from exports spanning across continents**

Note: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

# Awards & Certificates – A Testimony of our capabilities



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



**Product Innovator of the Year in Chemicals – 2018**



**Distinguished Contribution in the Indian Chemicals Industry**



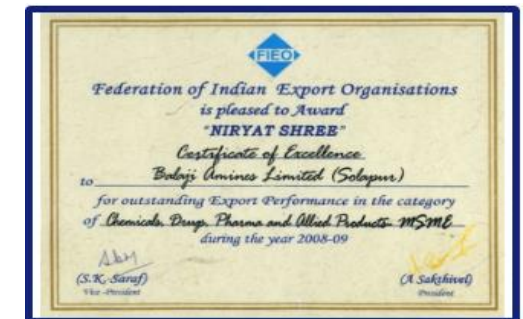
**WHO GMP Certificate**



**Niryat Shree Award by FIEO**



**Excellent CSR in Water Conservation**

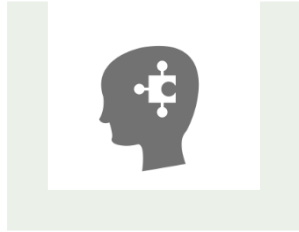


**REACH Pre-Registration**



**“Long-Term Issuer Rating upgraded to ‘IND AA’ from ‘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
- Sole producer for a few specialty chemicals insulates company from the competition
- Use of indigenous technology to manufacture amines, leading to lower manufacturing costs
- Improved realizations across products and higher volume offtake
- Ability to pass on raw material price volatility to its customers and thus maintain healthy & stable EBITDA margins
- Ramp-up in new capacity additions and subsidiary operations to drive revenue growth in the medium term
- New project capex undertaken to add new products and further drive growth
- Credit metrics improved significantly driven by EBITDA accretion
- Liquidity position is backed by strong operating cash flows and unused working capital lines



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



Niche product offering with high lead time in customer approvals



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 focus to introduce new products for import substitutes for Indian market




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




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



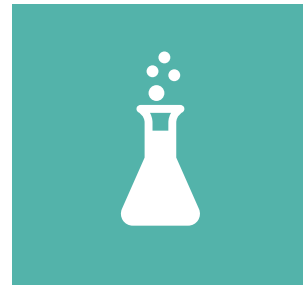
## Project Accorded Mega Project Status

In Phase-1 of Greenfield Project **Ethylamines plant** commenced operation in May **2021**, **DMC/PC and PG** plant commenced operations in **Sep 2022**. ; **Phase-2 expansion** will involve capex for a new products Methylamine, N-Butylamines, Acetonitrile & DMF is subject to government approval/Permission/ Environment Clearance



## Project Capex

**Project cost of Rs. 250 Crore** of Phase-1 was funded entirely by Internal Accruals. **Phase-2 expansion would involve capex of Rs. 300-350 crore to be incurred over FY23 and FY24**. This will be funded mostly by internal accruals



## Product Profile

New Acetonitrile plant to commence operations in mid of FY24. The production for other products under Phase-2 expansion will commence between mid FY24 till end of FY25



## Indigenous Technology

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



## New Products = 1<sup>st</sup> mover advantage

Significant opportunity exists to introduce new products & gain 1<sup>st</sup> mover advantage



## High Demand for Products

**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

01

Manufacturing products such as Ethylene Diamine (EDA), Piperazine Anhydrous (PIP) , Di Ethylene Tri Amine (DETA), Amino Ethyl Ethanol Amines (AEEA) and Amino Ethyl Piperazine (AEP) which are currently imported. Thus, BSCPL would be the sole manufacturer of these products in India

02

Undertook capex of about Rs. 250 crore; loan contribution of Rs. 150 crore. Expected revenue at Peak utilization around Rs. 475 - 500 crore

03

Received Mega project status for the Project from Maharashtra State Government

04

BAL owns 55% in subsidiary Balaji Speciality Chemicals Pvt. Ltd which is strategically located at Solapur

05

Started exporting products to China, USA, Europe and other countries. Have received REACH\* registration for EDA and DETA

06

Gradual ramp up in production expected leading to peak utilization levels in 2023



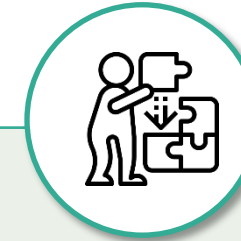
## New Products

Identification of new products and development of latest process technologies



## Optimization

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



## Integration

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



## Environment Conscious

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



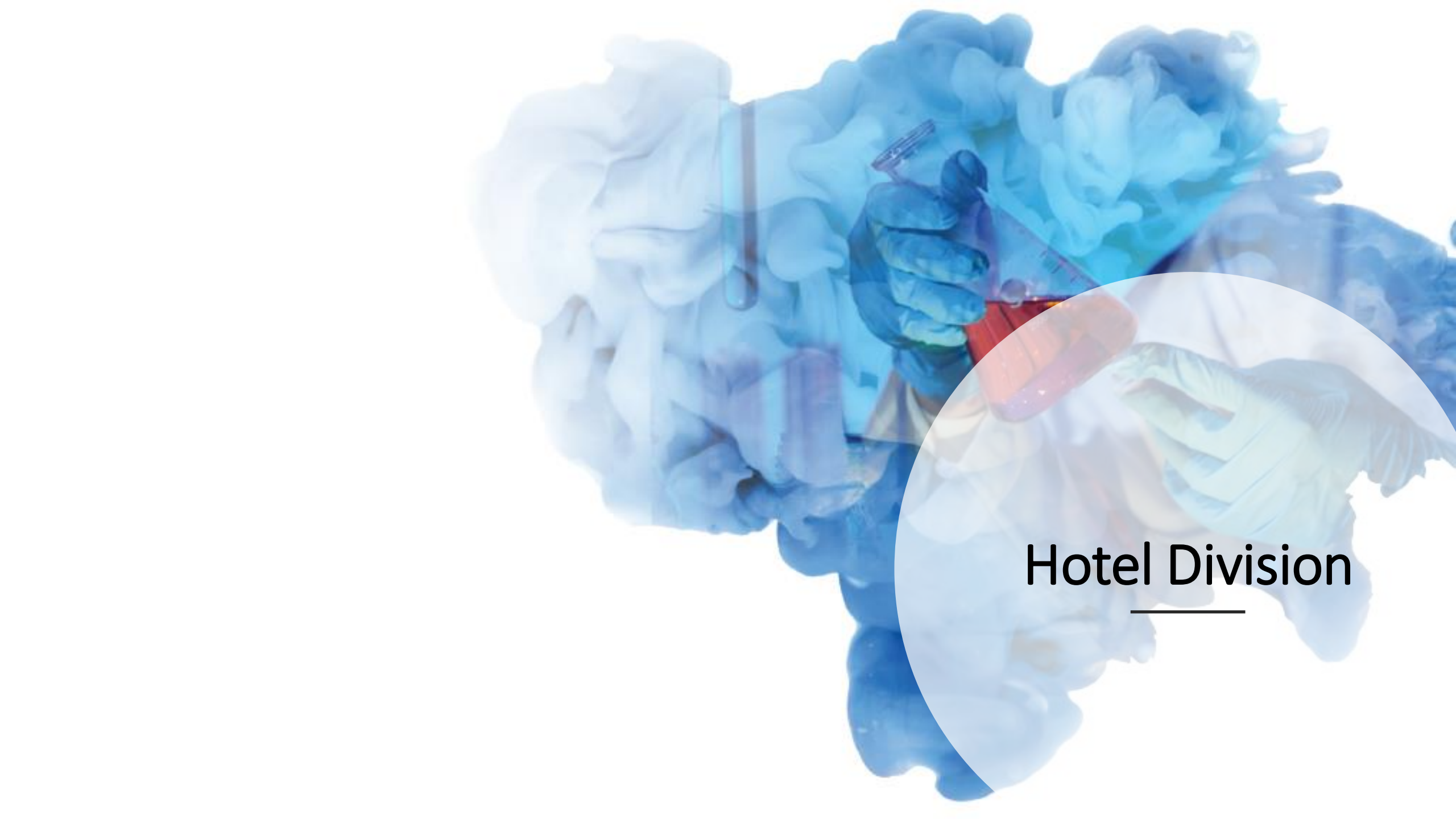
## Efficiency

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



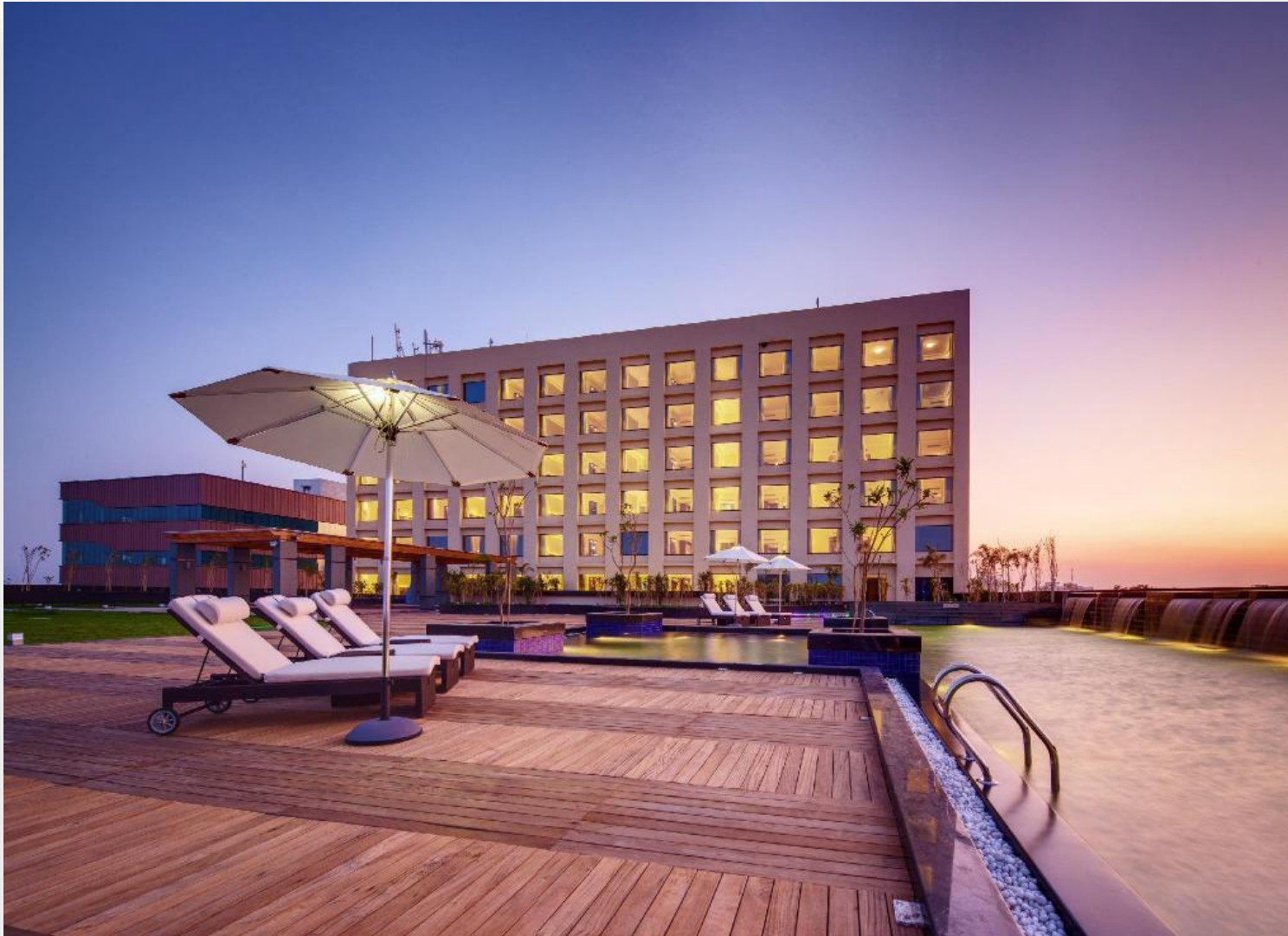
## Sustainability

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**

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- 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, Ganapur, 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

**129** Rooms

Constitutes  
**0.84%** of  
Total Revenue

Negligible Routine  
Capex incurred

RS. **3,666**  
ARR



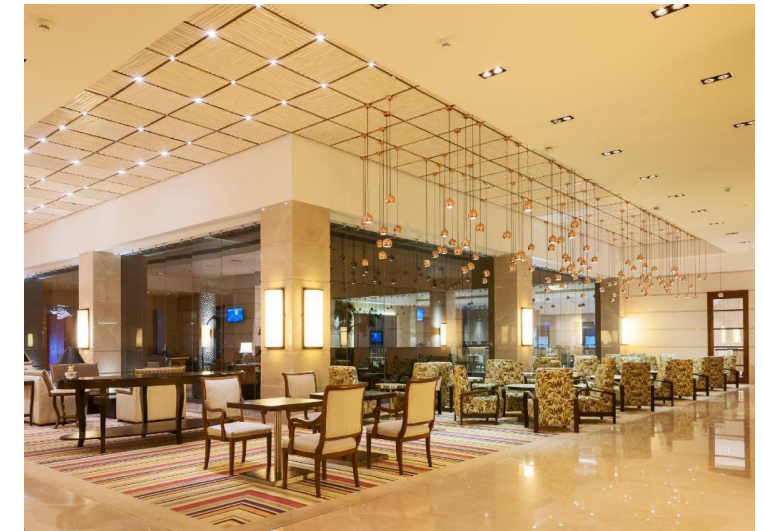
**47%** Occupancy  
Rate



RS. **1,705**  
RevPAR

*Renowned Five Star Hotel In the City of Solapur*

For FY22



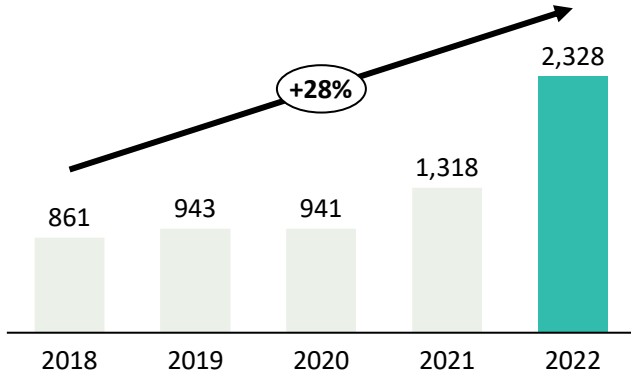
ARR : Average Room Revenue  
RevPAR: Revenue per Available Room



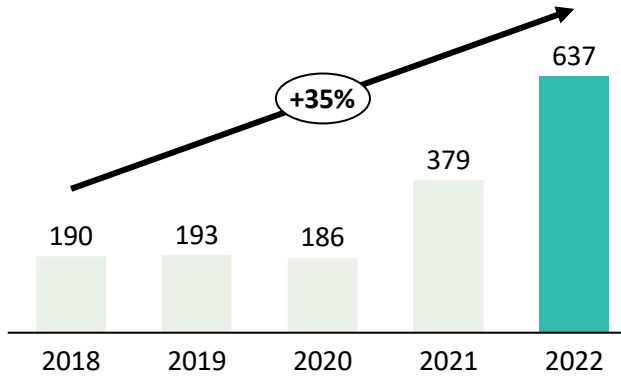
# Financial Performance

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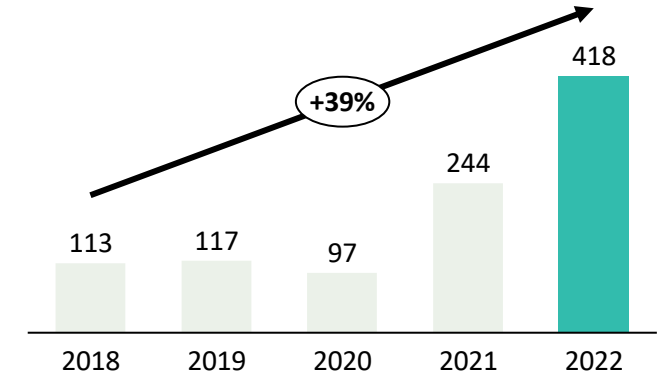
### Revenue (Rs. Crs.)



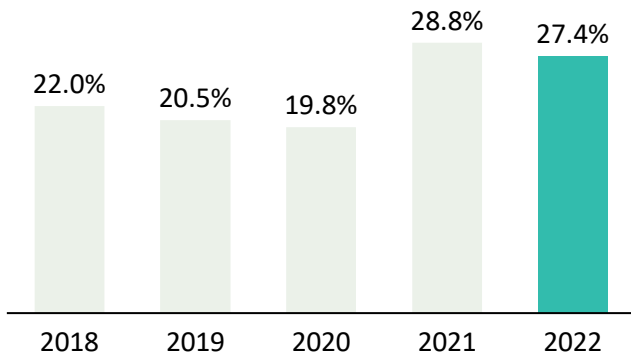
### EBITDA (Rs. Crs.)



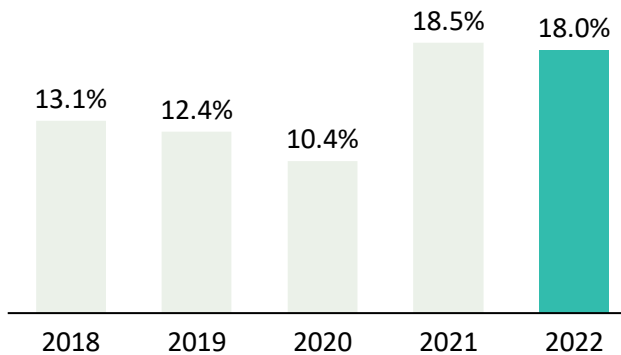
### PAT (Rs. Crs.)



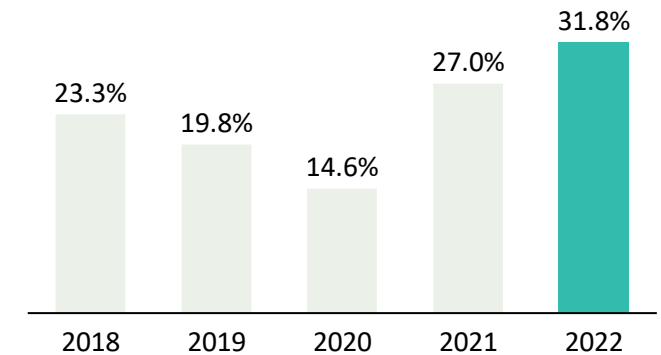
### EBITDA Margin (%)



### PAT Margin (%)



### RoE (%)





# Strong Core ROCE Profile

Particulars (Rs. Crs.)	FY20	FY21	FY22
Consolidated Debt	259.57	127.07	100.64
Consolidated Networth	668.37	909.92	1,314.86
<b>Total Capital Employed</b>	<b>927.94</b>	<b>1,036.99</b>	<b>1,415.50</b>
Less: Investment in Hotel Balaji Sarovar & CFL Lamps	133.32	133.39	131.75
Add: Loss in Hotel Balaji Sarovar & CFL Lamps	46.64	67.46	66.21
Less: Investments/Loan in Balaji Speciality	112.35	-	-
Less: Investments in Greenfield project (Unit 4) & Power Plant in Unit 3	69.14	155.57	145.54
<b>Core Chemical Business Capital Employed (A)</b>	<b>659.77</b>	<b>815.49</b>	<b>1,204.42</b>
EBIT on Consolidated Basis	154.14	344.89	595.39
Add: EBIT Loss Specific to Hotel Balaji Sarovar & CFL Lamps	1.93	11.11	-0.87
<b>Core Chemical Business EBIT (B)</b>	<b>156.07</b>	<b>356.00</b>	<b>594.52</b>
<b>ROCE for Core Chemical Business (B/A)</b>	<b>23.66%</b>	<b>43.65%</b>	<b>49.36%</b>
<b>ROCE at Consolidated Entity Level</b>	<b>16.61%</b>	<b>33.26%</b>	<b>42.06%</b>

- 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 for new Ethylamines plant is not considered, as the operations has just commenced in the month of May 2021
- For FY22, investments made to the tune of Rs. 145.54 crore for DMC plant and Unit 3's power plant is not considered, as the operations are expected to commence in Q1FY23
- 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 FY23 onwards

# Consolidated Profit & Loss Account

Particulars (in Rs. Crore)	FY22	FY21	YoY
<b>Total Revenue</b>	<b>2,327.60</b>	<b>1,317.53</b>	<b>76.66%</b>
Raw Material	1,222.53	630.26	
Employee Cost	91.54	67.82	
Other Expenses	376.14	240.15	
<b>EBITDA</b>	<b>637.39</b>	<b>379.30</b>	<b>68.04%</b>
<b>EBITDA Margin</b>	<b>27.38%</b>	<b>28.79%</b>	
Depreciation	42.00	34.41	
<b>EBIT</b>	<b>595.39</b>	<b>344.89</b>	<b>72.63%</b>
<b>EBIT Margin</b>	<b>25.58%</b>	<b>26.18%</b>	
Finance Cost	17.10	18.29	
<b>Profit before Tax</b>	<b>578.29</b>	<b>326.60</b>	<b>77.06%</b>
<b>PBT Margin</b>	<b>24.84%</b>	<b>24.79%</b>	
Tax	160.39	83.10	
<b>PAT</b>	<b>417.90</b>	<b>243.50</b>	<b>71.62%</b>
<b>PAT Margin %</b>	<b>17.95%</b>	<b>18.48%</b>	
<b>EPS (in Rs.)</b>	<b>113.71</b>	<b>73.52</b>	<b>54.67%</b>

# Consolidated Balance Sheet Statement

ASSETS (Rs. Crs.)	Mar-22	Mar-21
<b>(1) NON-CURRENT ASSETS</b>		
(a) Property, plant & equipment	681.18	542.92
(b) Capital work-in-progress	140.94	173.28
(i) Investments		
(ii) Loans		
(iii) Other Financial Assets	5.99	5.91
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	4.60	11.14
<b>Sub Total (A)</b>	<b>832.71</b>	<b>733.25</b>
<b>(2) CURRENT ASSETS</b>		
(a) Inventories	222.36	109.94
(b) Financial Assets		
(i) Investments		-
(ii) Trade receivables	588.14	305.66
(iii) Cash and cash equivalents	33.13	17.32
(iv) Bank Balances other than (iii) above	18.43	2.32
(v) Other Financial Assets	-	-
(c) Current tax assets (net)	132.92	75.21
(d) Other current assets	47.08	66.63
<b>Sub Total (B)</b>	<b>1,042.06</b>	<b>577.08</b>
<b>Total Assets (A+B)</b>	<b>1,874.77</b>	<b>1,310.33</b>

EQUITY AND LIABILITIES (Rs. Crs.)	Mar-22	Mar-21
<b>EQUITY</b>		
(a) Equity Share capital	6.48	6.48
(b) Other equity	1,243.37	887.91
Non controlling interest	65.01	15.53
<b>Sub Total (C)</b>	<b>1,314.86</b>	<b>909.92</b>
<b>LIABILITIES</b>		
(1) Non-Current Liabilities		
(a) Financial Liabilities	-	-
(i) Borrowings	57.57	88.85
(ii) Trade Payables	15.19	17.67
(iii) Other Financial Liabilities excl. provisions	0.41	2.87
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	67.75	47.24
(d) Other Non-Current Liabilities	0.98	0.97
<b>Sub Total (D)</b>	<b>141.90</b>	<b>157.60</b>
(2) Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	15.79	10.95
(ii) Trade Payables	176.42	76.80
(iii) Other Financial Liabilities	30.07	30.08
(b) Other current liabilities	1.91	3.61
(c) Provisions	55.44	40.02
(d) Current Tax Liabilities (Net)	138.38	81.35
<b>Sub Total (E)</b>	<b>418.01</b>	<b>242.81</b>
<b>Total Equity &amp; Liabilities (C+D+E)</b>	<b>1,874.77</b>	<b>1,310.33</b>

# Standalone Statement of Profit & Loss

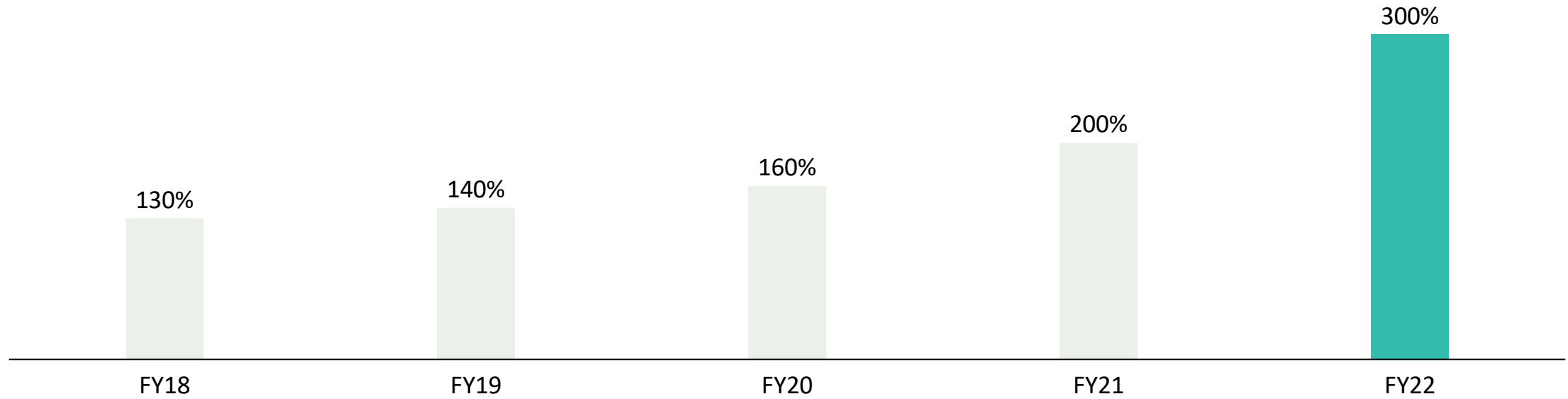
Particulars (in Rs. Crore)	FY22	FY21	YoY
<b>Total Revenue</b>	<b>1,930.19</b>	<b>1,239.81</b>	<b>55.68%</b>
Raw Material	1,073.07	622.69	
Employee Cost	88.73	65.68	
Other Expenses	309.04	212.79	
<b>EBITDA</b>	<b>459.35</b>	<b>338.65</b>	<b>35.64%</b>
<b>EBITDA Margin</b>	<b>23.80%</b>	<b>27.31%</b>	
Depreciation	29.17	23.34	
<b>EBIT</b>	<b>430.18</b>	<b>315.31</b>	<b>36.43%</b>
<b>EBIT Margin</b>	<b>22.29%</b>	<b>25.43%</b>	
Finance Cost	7.04	5.34	
<b>Profit before Tax</b>	<b>423.14</b>	<b>309.97</b>	<b>36.51%</b>
<b>PBT Margin</b>	<b>21.92%</b>	<b>25.00%</b>	
Tax	115.20	78.26	
<b>PAT</b>	<b>307.94</b>	<b>231.71</b>	<b>32.90%</b>
<b>PAT Margin %</b>	<b>15.95%</b>	<b>18.69%</b>	
<b>EPS (in Rs.)</b>	<b>95.04</b>	<b>71.52</b>	<b>32.89%</b>

# Standalone Balance Sheet Statement

ASSETS (Rs. Crs.)	Mar-22	Mar-21
<b>(1) NON-CURRENT ASSETS</b>		
(a) Property, plant & equipment	495.03	344.34
(b) Capital work-in-progress	140.93	173.28
(i) Investments	66.00	66.00
(ii) Loans	66.00	77.35
(iii) Other Financial Assets	110.31	133.80
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	4.60	10.81
<b>Sub Total (A)</b>	<b>882.87</b>	<b>805.58</b>
<b>(2) CURRENT ASSETS</b>		
(a) Inventories	202.63	95.92
(b) Financial Assets	-	-
(i) Investments	-	-
(ii) Trade receivables	436.13	272.35
(iii) Cash and cash equivalents	29.71	15.37
(iv) Bank Balances other than (iii) above	18.41	2.29
(v) Other Financial Assets	-	-
(c) Current tax assets (net)	108.08	73.76
(d) Other current assets	20.94	26.52
<b>Sub Total (B)</b>	<b>815.90</b>	<b>486.21</b>
<b>Total Assets (A+B)</b>	<b>1,698.77</b>	<b>1,291.79</b>

EQUITY AND LIABILITIES (Rs. Crs.)	Mar-22	Mar-21
<b>EQUITY</b>		
(a) Equity Share capital	6.48	6.48
(b) Other equity	1,185.91	890.93
<b>Sub Total (C)</b>	<b>1,192.39</b>	<b>897.41</b>
<b>LIABILITIES</b>		
(1) Non-Current Liabilities		
(a) Financial Liabilities	-	-
(i) Borrowings	-	-
(ii) Trade Payables	15.19	12.28
(iii) Other Financial Liabilities excl. provisions	106.62	132.62
(b) Provisions	-	-
(c) Deferred Tax Liabilities (Net)	52.63	48.67
(d) Other Non-Current Liabilities	0.98	0.97
<b>Sub Total (D)</b>	<b>175.42</b>	<b>194.54</b>
(2) Current Liabilities		
(a) Financial liabilities	-	-
(i) Borrowings	-	-
(ii) Trade Payables	162.90	73.52
(iii) Other Financial Liabilities	2.45	2.38
(b) Other current liabilities	1.85	3.60
(c) Provisions	52.49	38.99
(d) Current Tax Liabilities (Net)	111.27	81.35
<b>Sub Total (E)</b>	<b>330.96</b>	<b>199.84</b>
<b>Total Equity &amp; Liabilities (C+D+E)</b>	<b>1,698.77</b>	<b>1,291.79</b>

# Consistent Dividend Payout



Particulars (Rs. per share)	FY18	FY19	FY20	FY21	FY22
Consolidated Book Value	149.71	182.71	206.28	280.83	405.81
Consolidated EPS	34.93	36.27	32.34	73.52	113.71
Dividend	2.60	2.80	3.20	4.00	6.00



**Moving towards  
Growth Prospects**

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## Capex Phase - 2

Capex for Phase 2 of Greenfield  
Capex to be completed till FY25

## Increased capacity utilization & capacity additions of Phase – 1 capex

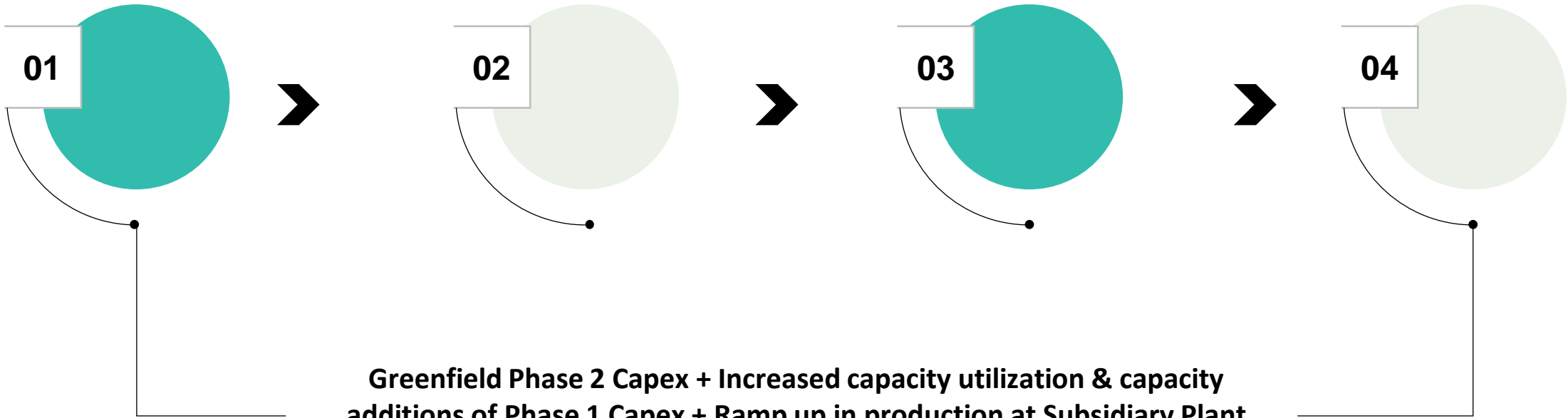
Higher capacity utilization of new Ethylamines plant as well as capacity additions on account of DMC and PG

## Ramp up in production at Subsidiary Plant

Ramp up in manufacturing of Ethylene Diamine, Piperazine and Diethylenetriamine in Balaji Speciality Chemicals to provide strong boost to volume offtake

## 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



**Greenfield Phase 2 Capex + Increased capacity utilization & capacity additions of Phase 1 Capex + Ramp up in production at Subsidiary Plant = Balaji Amines Ltd moving towards Growth Prospects**





Donated Rs. 1 Crore to CM Relief Fund towards helping for flood affected victims on 26.07.2021



Distribution of RNA Covid -19 testing machine to Dr. Babasaheb Ambedkar University, Osmanabad



Distribution of highflow O2 therapy machine – 2 and bipap machine 1 to ISIS Hospital, Solapur on 20.01.2022



Set-up of ME- Electrical Cremation Furnace of cost of Rs. 1.05 Crore on 26.01.2022



Constructed science laboratory for Shivprabhu Madyamik Prashalava Kanishtha Mahavidyalay Akkolekati Tal North Solapur on 14.12.2021

# Thank You

For further information, please contact:

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[www.balajiamines.com](http://www.balajiamines.com)



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