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Balaji



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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)

27th 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

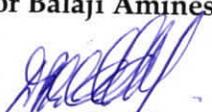
Dear Sir,

Sub: Press Release in connection with Un-audited Financial Results for the Second quarter and half year ended 30th September, 2021

Please enclosed herewith the copy of Press Release in Connection with the Un-audited Financial Results for the second quarter and half year ended 30th September, 2021.

This is for your information and records.

For Balaji Amines Limited


D. Ram Reddy
Managing Director

DIN: 00003864

Encl: a/a



**Balaji Amines Q2FY22 Revenue up by 86.76% at ₹ 528.67 Crore;
EBITDA up by 80.48% at ₹ 134.26 Crore;
Net Profit up by 99.25% at ₹ 88.07 Crore**

Solapur, October 27, 2021: Balaji Amines Limited (“Company”), a leading manufacturer of Aliphatic Amines & Speciality Chemicals in India, specialized in manufacturing of Methyl Amines, Ethyl Amines, Derivatives of Amines and other Specialty Chemicals, announced its unaudited financial results for the quarter and half year ended September 30th, 2021.

Key Financial Highlights are as follows:

Particulars (₹ Cr.)	Standalone			Consolidated		
	Q2FY22	Q2FY21	Growth	Q2FY22	Q2FY21	Growth
Sales Volume (in MT)	23,604	23,151	1.96%	28,361	25,499	11.22%
Total Income (Rs. Cr)	439.33	283.28	55.09%	528.67	283.07	86.76%
EBITDA (Rs. Cr)	102.06	72.22	41.32%	134.26	74.39	80.48%
EBITDA Margin (%)	23.23%	25.49%		25.40%	26.28%	
PAT (Rs. Cr)	69.59	47.66	46.01%	88.07	44.20	99.25%
PAT Margin (%)	15.84%	16.82%		16.66%	15.62%	
Cash PAT* (Rs. Cr)	77.63	53.85	44.16%	107.16	52.17	105.41%
Cash PAT Margin (%)	17.67%	19.01%		20.27%	18.43%	

*Cash PAT is PAT + Depreciation + Deferred tax

Particulars (₹ Cr.)	Standalone			Consolidated		
	H1FY22	H1FY21	Growth	H1FY22	H1FY21	Growth
Sales Volume (in MT)	45,600	41,456	10.00%	53,981	45,517	18.60%
Total Income (Rs. Cr)	833.58	496.25	67.98%	980.61	507.26	93.32%
EBITDA (Rs. Cr)	218.98	125.72	74.18%	278.55	128.89	116.11%
EBITDA Margin (%)	26.27%	25.33%		28.41%	25.41%	
PAT (Rs. Cr)	151.41	82.31	83.95%	185.46	75.78	144.73%
PAT Margin (%)	18.16%	16.59%		18.91%	14.94%	
Cash PAT* (Rs. Cr)	166.93	93.81	77.94%	221.3	90.13	145.53%
Cash PAT Margin (%)	20.03%	18.90%		22.57%	17.77%	

*Cash PAT is PAT + Depreciation + Deferred tax

Standalone Performance Highlights for Q2FY22 & H1FY22

Total Income for Q2FY22 grew by 55.09% to ₹ 439.33 crore as compared to ₹ 283.28 crore in Q2FY21. The revenue surged on account of higher volumes driven by the commissioning of additional Ethyl amines capacity of 16,500 MT in last quarter, improved capacity utilization and overall healthy demand across our product basket.

Total volumes stood at 23,604 MT for Q2FY22 as against 23,151 MT in Q2FY21.

For Q2FY22,

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

EBITDA for Q2FY22 was ₹ 102.06 crore as compared to ₹ 72.22 crore in Q2FY21, posting a growth of 41.32%. **EBITDA margin** for Q2FY22 was at 23.23%, as compared to 25.49% in Q2FY21. The margins remained a little 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.

PAT for Q2FY22 was ₹ 69.59 crore, up by 46.01%, as compared to ₹ 47.66 crore in Q2FY21. Diluted EPS for Q2FY22 stood at ₹ 21.48 per equity share.

Revenue from Operations for H1FY22 stood at ₹ 833.58 crore, up by 67.98%, as compared to ₹ 496.25 crore in H1FY21. **EBITDA** for H1FY22 was up by 74.18% at ₹ 218.98 crore as compared to ₹ 125.72 crore in H1FY21. **EBITDA margin** for H1FY22 was at 26.27%, up by 94 basis points, as compared to 25.33% in H1FY21. **PAT** for H1FY22 witnessed a jump of 83.95% to ₹ 151.41 crore from ₹ 82.31 crore in H1FY21. Diluted EPS for H1FY22 stood at ₹ 46.73 per equity share.

Consolidated Performance Highlights for Q2FY22 & H1FY22

Revenue from Operations for Q2FY22 stood at ₹ 528.67 crore, up by 86.76%, as compared to ₹ 283.07 crore in Q2FY21. **Total volumes** stood at 28,361 MT for Q2FY22 as against 25,499 MT in Q2FY21.

EBITDA for Q2FY22 was ₹ 134.26 crore, up by 80.48%, as compared to ₹ 74.39 crore in Q2FY21. **EBITDA margin** for Q2FY22 was at 25.40% as against 26.28% in Q2FY21. **PAT** for Q2FY22 was ₹ 88.07 crore, witnessing an increase of 99.25%, as compared to ₹ 44.20 crore in Q2FY21. Diluted EPS for Q2FY22 stood at ₹ 24.61 per equity share.

Revenue from Operations for H1FY22 stood at ₹ 980.61 crore, up by 93.32%, as compared to ₹ 507.26 crore in H1FY21. **EBITDA** for H1FY22 was up by 116.11% at ₹ 278.55 crore as compared to ₹ 128.89 crore in H1FY21. **EBITDA margin** for H1FY22 was at 28.41%, up by 300 basis points, as compared to 25.41% in H1FY21. **PAT** for H1FY22 witnessed an increase of 144.73% to ₹ 185.46 crore from ₹ 75.78 crore in H1FY21. Diluted EPS for H1FY22 stood at ₹ 52.51 per equity share.

Merger of Balaji Speciality Chemicals Private Limited with Balaji Amines Limited

Board of Directors in their meeting today have approved for the authorisation to identify and appoint various consultants including but not limited to advocates/consultants/auditors, merchant bankers and other intermediaries as may be required for obtaining Valuation Report and for evaluation of Scheme of Amalgamation of Subsidiary Company, M/s Balaji Speciality Chemicals Private Limited with the Company.

On the performance Mr. D. Ram Reddy, Managing Director commented, “Post the swift weakening of COVID-19 pandemic across India, 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. The prices of some of the key raw material prices witnessed significant increase which impacted the operating margins of the business in the current quarter. However, the transition period of 3-4 weeks is now over, and we have started passing on the increase in cost prices to end customers. While anticipating favourable pricing and better product mix going ahead, we expect operating margins to inch upwards in the H2FY22, from the current levels.

During Q2FY22, the higher price of acetic acid gave us perfect opportunity to undertake the long pending activity of the de-bottlenecking exercise of our Acetonitrile plant. With this exercise now complete, the plant capacity has now increased from 9 TPD (tons per day) to 18 TPD and we now expect gradual ramp-up in capacity utilization in H2FY22. As disclosed in previous quarter, 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 plant is likely to get commissioned during FY23.

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. We expect the DMF plant to re-commence operations within first week of November 2021. The capacity utilization of DMF plant was about 53% in Q2FY22 and 37% in H1FY22 (versus 35% in FY21) and we expect the capacity utilization to steadily increase on account of robust demand and continued higher price realisations.

Our subsidiary company – Balaji Specialty Chemicals Private Ltd. – continues to witness robust demand and higher price realization for its products. The capacity utilization increased from 42% in Q1FY22 to 67% in Q2FY22 with average production of 1,675 tons per month in the second quarter. The subsidiary company has been facing shortage of raw materials which is imported. Upon smoother accessibility to the raw materials in coming quarters, we expect rapid increase in capacity utilization in H2FY22 and over the next fiscal year. We also aim to increase the share of exports from our subsidiary plant to about 25-30% going forward from about 15% in H1FY22.

We shall continue to witness improved demand across our product portfolio as the dependability on Indian pharma and agrochemicals industry increases on account of ‘China Plus One’ business strategy being adopted by western companies. Our thrust remains to expand our portfolio of key derivative products alongside entering newer specialty chemicals to gain from both vertical integration and operating efficiencies.”

About Balaji Amines Limited (BAL)

Balaji Amines Ltd (BAL), set up in 1988, is a leading manufacturer of Aliphatic Amines in India. Broadly, the company is specialized in manufacturing Methyl Amines, Ethyl Amines, Derivatives of Specialty Chemicals and Natural Product and its business is broadly classified into three segments - Amines, Specialty Chemicals and Derivatives. BAL commenced manufacturing of Methyl Amines in 1989, and later added facilities of Ethyl Amines and other derivatives of Methyl amines and Ethyl amines. The company enjoys leadership position in many of its products like Monomethylamine (MMA), Dimethyl amine (DMA), Trimethylamine (TMA), Dimethyl Amino Ethanol (DMAE), Mono Methyl Amino Ethanol etc.

It caters to host of industries like Pharma, Agro Chemicals, Paint Stripping & Resins, Rubber cleaning etc. The company has three state of the art manufacturing facilities – two near Solapur and one near Hyderabad. In addition, BAL possess a fully furnished Laboratory which helps the company in development of newer products. A majority of its products are being exported to major customers worldwide and company has become one of the leaders in Specialty Chemicals among the International Specialty Chemical players. The company also operates a 5 star hotel in Solapur – Balaji Sarovar. It has tied up with Sarovar group for management of this hotel.

For more information please visit www.balajiamines.com

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

Company	Investor Relations Advisors
 <p>Balaji Amines Limited CIN No: L24132MH1988PLC049387</p> <p>Mr. Lakhan Dargad, Company Secretary Email id: cs@balajiamines.com</p>	 <p>Strategic Growth Advisors Pvt Ltd CIN No: U74140MH2010PTC204285</p> <p>Mr. Shogun Jain / Mr. Parin Narichania Email id: shogun.jain@sgapl.net / parin.n@sgapl.net Tel No: +91 77383 77756 / +91 99300 25733</p>