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Balaji



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)

3rd February, 2022

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

Lakhan Dargad
Company Secretary & Compliance Officer
Encl: a/a



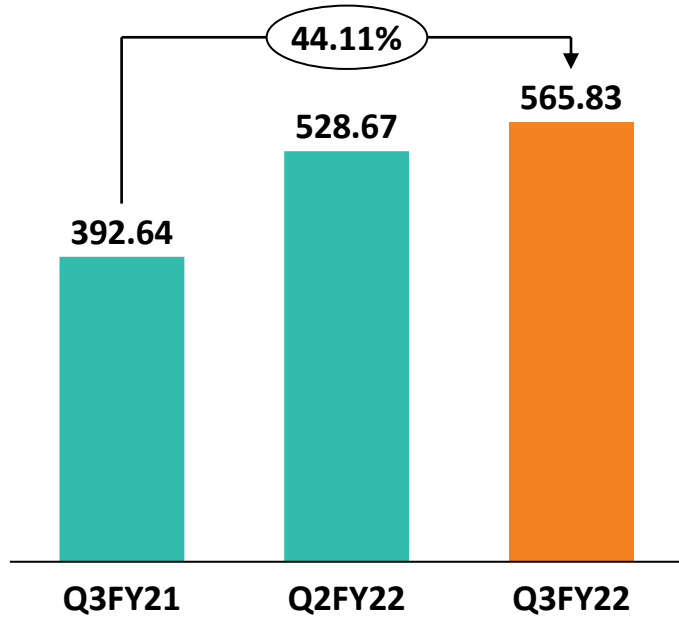


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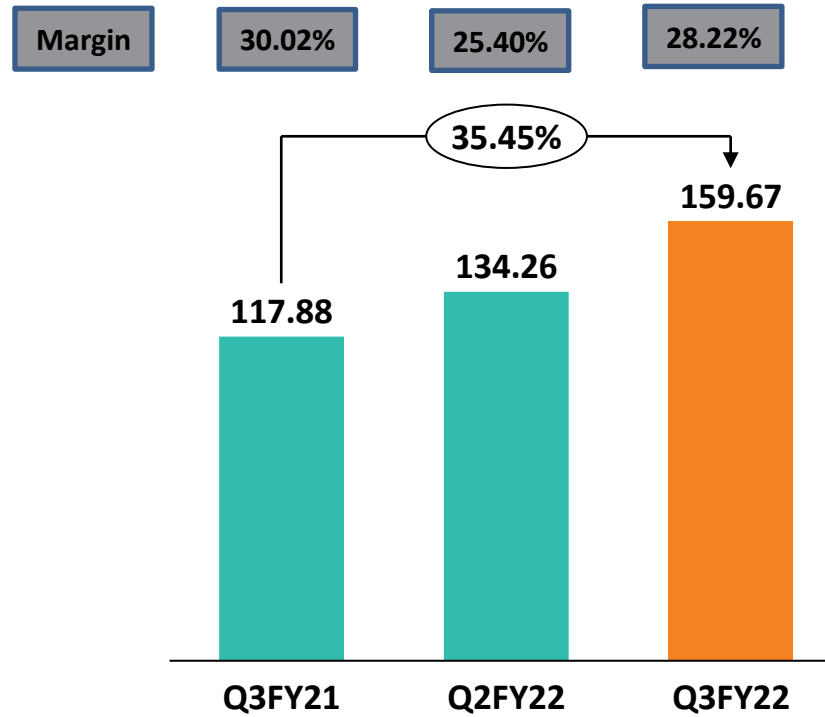
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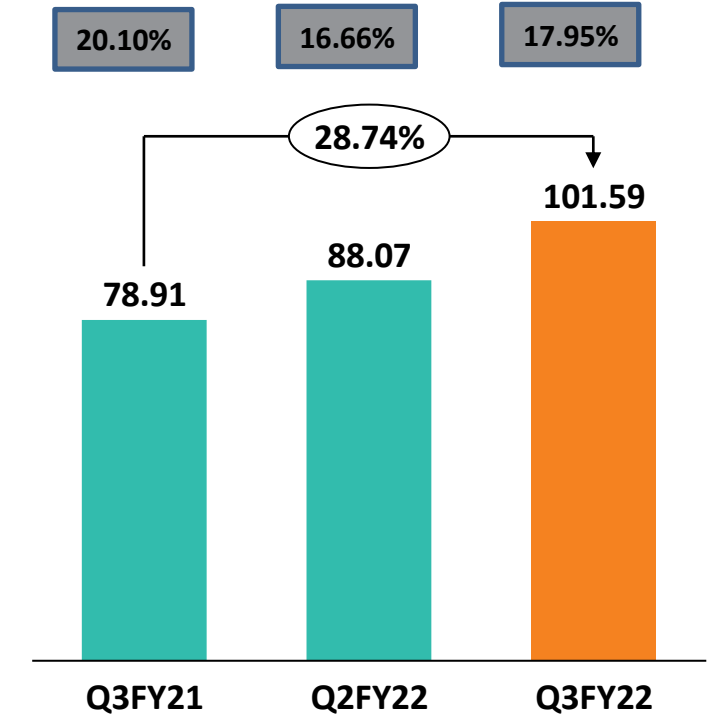
Revenue (Rs. Crore)



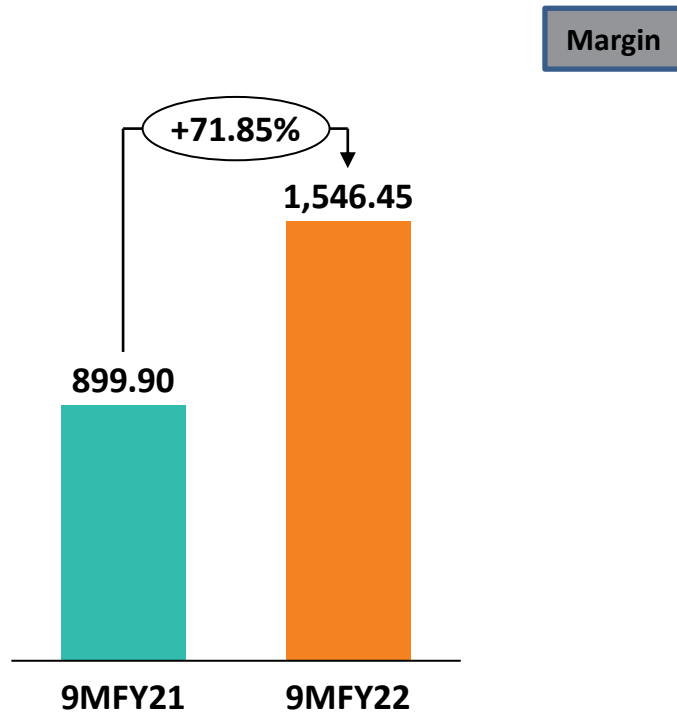
EBITDA (Rs. Crore)



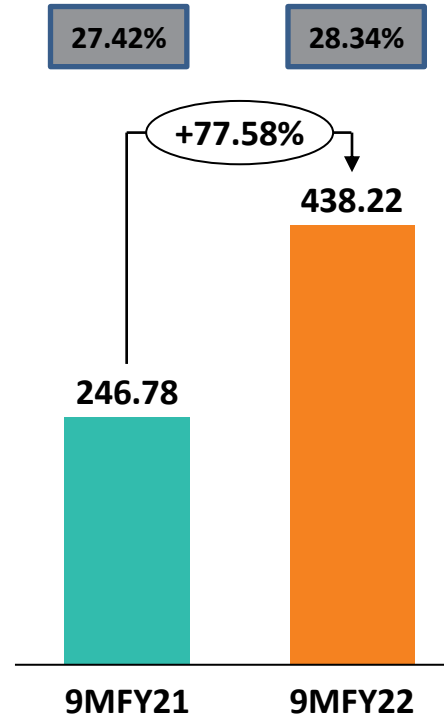
PAT (Rs. Crore)



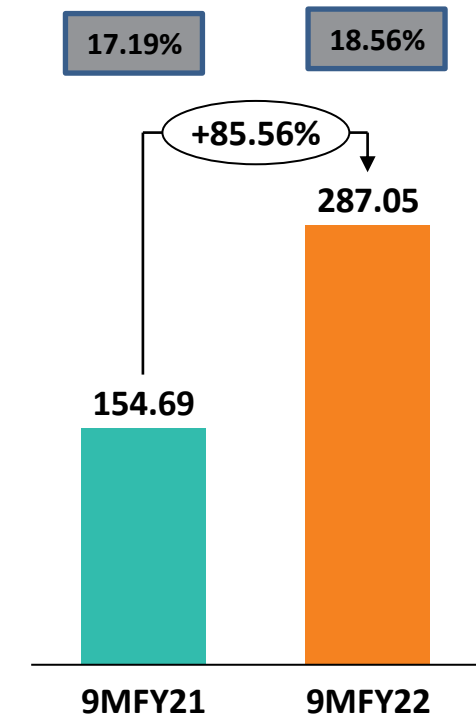
Revenue (Rs. Crore)



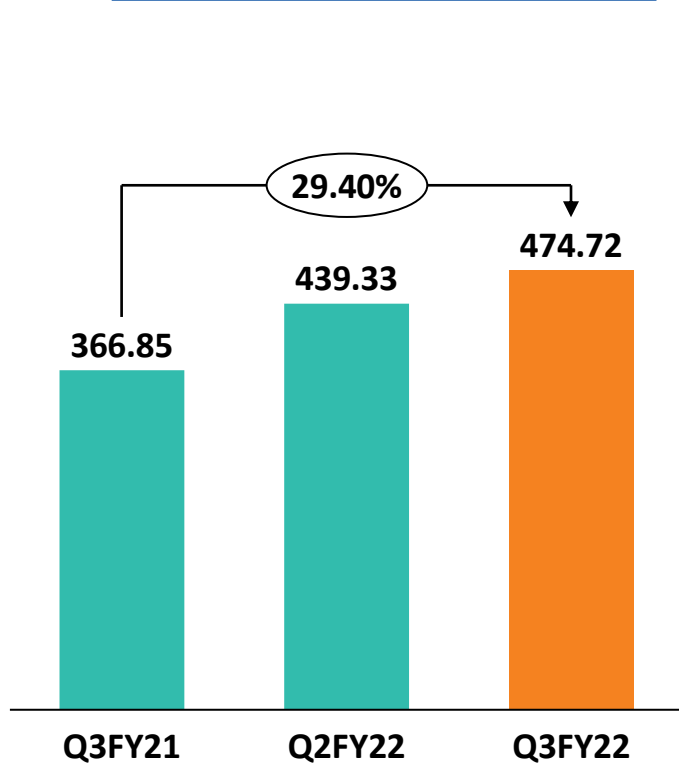
EBITDA (Rs. Crore)



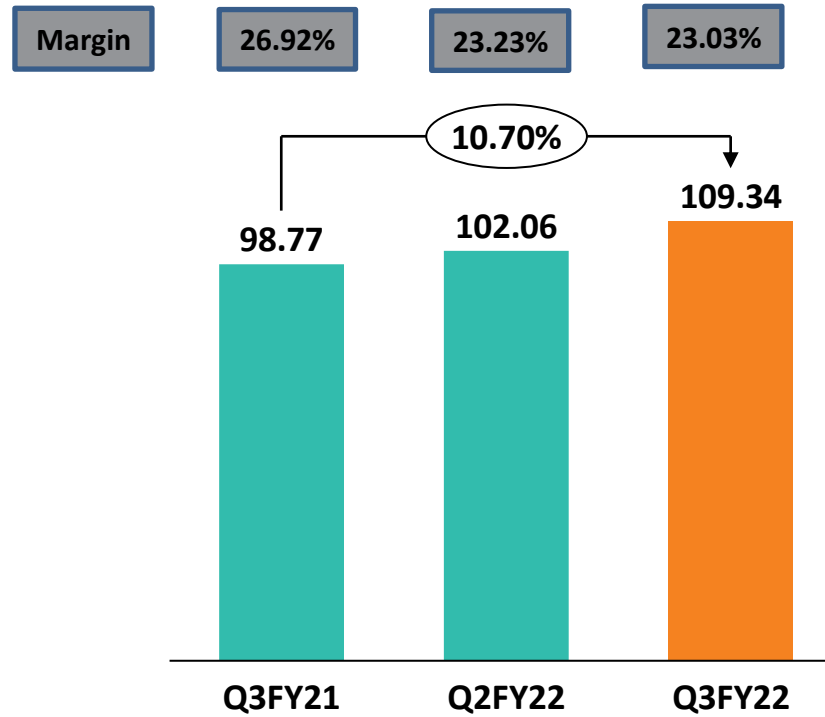
PAT (Rs. Crore)



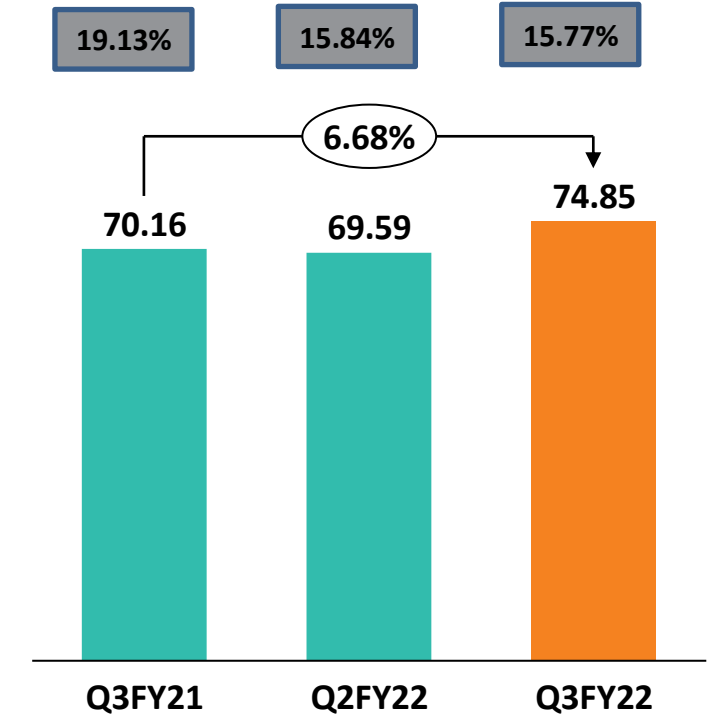
Revenue (Rs. Crore)



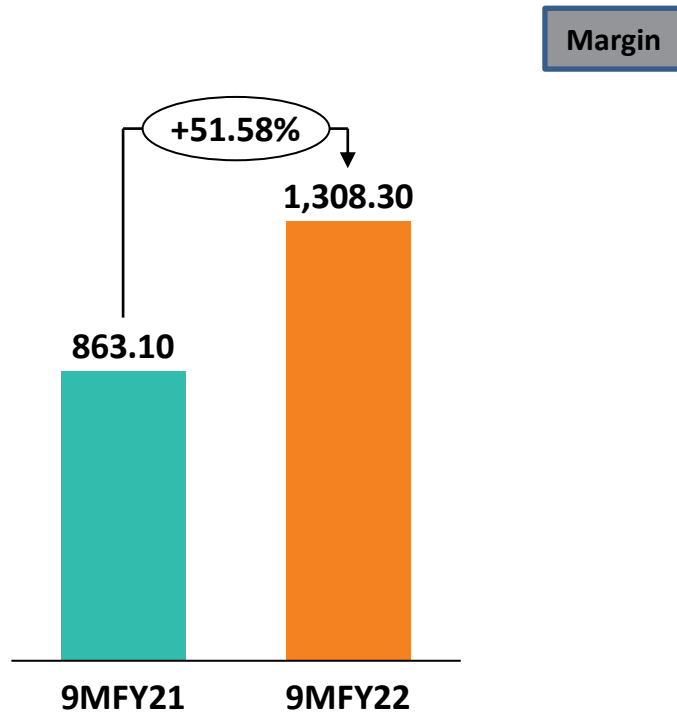
EBITDA (Rs. Crore)



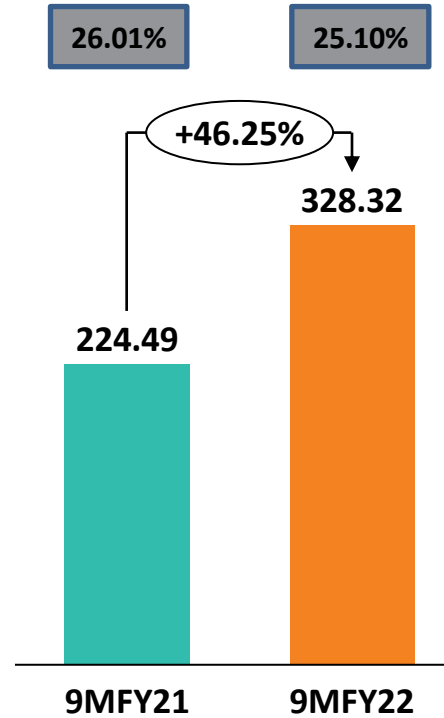
PAT (Rs. Crore)



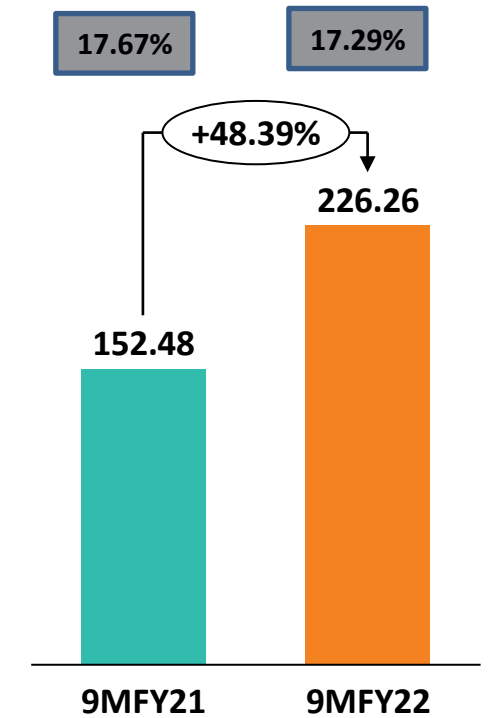
Revenue (Rs. Crore)



EBITDA (Rs. Crore)



PAT (Rs. Crore)



Sales volumes were down by 13.77% from 31,993 MT in Q3FY21 to **27,589 MT in Q3FY22**. This was due to sluggish demand – as few of **our clients couldn't procure Key Starting Materials (KSMs)** for some of our matching products. However, this constraint is now over, and we are witnessing a substantial pick-up in these products. At the same time, the company **had to shut down the plants of DMF & Acetonitrile for a brief period** to carry out the de-bottlenecking exercise, which were completed in the month of November 2021

- Amines volumes stood at 6,460 MT
- Amines Derivatives volumes stood at 9,912 MT
- Specialty Chemicals volumes stood at 11,217 MT

EBITDA margin for Q3FY22 stood at 28.22% as against 30.02% in Q3FY21. The fall in operating margin was primarily **due to lower operating leverage on account of dip in volume offtake**. We **expect operating margins to inch upwards in coming quarters** on back of moderation in prices of key raw materials, favorable product pricing and better product mix going ahead

Our **capex for DMC plant under Phase 1 of our 90-acre Greenfield Project (Unit IV) is nearing completion** and we hope to commence operations during Q1FY23. The capacity of this plant would be about 10,000 to 12,000 tons per annum. The company would be the sole manufacturer of this product in India and currently the **annual domestic demand stands at about 8,000 to 9,000 tons** which is completely met by imports. We are confident on achieving **capacity utilization of 60-70% at our DMC plant in our first year** of operation

The prices of DMF continue to remain healthy and with the completion of the debottlenecking exercise, the capacity utilization of this plant has increased substantially, the full impact of which is likely to be visible in Q4FY22 and next financial year. We expect the **capacity utilization of DMF plant to increase from about 34% in 9MFY22 to 70-80%** in coming quarters

The products of our subsidiary company – **Balaji Specialty Chemicals Private Ltd.** – continue to witness robust demand and higher price realization. Unavailability of key raw materials dissuaded us from operating the subsidiary plant at full capacity. However, from the month of January **the supply bottlenecks have eased**, and we expect to operate the subsidiary plant at 70-80% capacity and achieve **annual turnover of about Rs. 475 - 500 crore** in the next fiscal year

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 13 TPD**
- ❑ We plan to undertake further capex for **additional Acetonitrile plant having capacity of 50 TPD at our 90-acre Greenfield Project (Unit IV)**. This plant is likely to get commence operations by FY24
- ❑ 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 10,000 to 12,000 TPA of Di-methyl Carbonate (DMC)**
- ❑ Manufacturing is expected to **commence during Q1FY23**
- ❑ DMC is used in the **production of Polycarbonate and Lithium Batteries** – the consumption of which will exponentially grow in India backed by various government incentives
- ❑ Also, we see encouraging **scope for exporting DMC** to outside markets
- ❑ Confident on achieving **capacity utilization of 60-70%** at our DMC plant **in our first year** of operation

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**

Consolidated Statement of Profit & Loss

Particulars (in Rs. Crore)	Q3FY22	Q3FY21	Y-o-Y	9MFY22	9MFY21	Y-o-Y	FY21
Total Revenue	565.83	392.64	44.11%	1,546.45	899.90	71.85%	1,317.5
Raw Material	286.65	186.53		785.65	442.36		630.26
Employee expense	23.86	19.22		62.17	46.05		67.82
Other expenses	95.65	69.01		260.41	164.71		240.15
EBITDA	159.67	117.88	35.45%	438.22	246.78	77.58%	379.30
EBITDA Margin	28.22%	30.02%		28.34%	27.42%		28.79%
Depreciation	10.49	8.71		31.22	25.94		34.41
EBIT	149.18	109.17	36.65%	407.00	220.84	84.30%	344.89
EBIT Margin	26.36%	27.80%		26.32%	24.54%		26.18%
Finance Cost	4.66	4.81		11.95	14.51		18.29
Profit before Tax	144.52	104.36	38.48%	395.06	206.32	91.47%	326.60
PBT Margin	25.54%	26.58%		25.55%	22.93%		24.79%
Tax	42.93	25.45		108.00	51.64		83.10
Profit after Tax	101.59	78.91	28.74%	287.05	154.69	85.56%	243.50
PAT Margin (%)	17.95%	20.10%		18.56%	17.19%		18.48%
EPS (in Rs.)	27.64	23.14		80.15	47.44		73.52

Standalone Statement of Profit & Loss

Particulars (in Rs. Crore)	Q3FY22	Q3FY21	Y-o-Y	9MFY22	9MFY21	Y-o-Y	FY21
Total Revenue	474.72	366.85	29.40%	1,308.30	863.10	51.58%	1,239.81
Raw Material	263.88	189.48		703.64	448.51		622.69
Employee expense	23.08	18.60		60.17	44.58		65.68
Other expenses	78.42	60.00		216.17	145.52		212.79
EBITDA	109.34	98.77	10.70%	328.32	224.49	46.25%	338.65
EBITDA Margin	23.03%	26.92%		25.10%	26.01%		27.31%
Depreciation	7.49	5.64		21.89	17.85		23.34
EBIT	101.85	93.13	9.36%	306.43	206.64	48.29%	315.31
EBIT Margin	21.45%	25.39%		23.42%	23.94%		25.43%
Finance Cost	2.19	1.61		4.29	4.45		5.34
Profit before Tax	99.66	91.52	8.89%	302.15	202.19	49.44%	309.97
PBT Margin	20.99%	24.95%		23.09%	23.43%		25.00%
Tax	24.81	21.36		75.89	49.71		78.26
Profit after Tax	74.85	70.16	6.68%	226.26	152.48	48.39%	231.71
PAT Margin (%)	15.77%	19.12%		17.29%	17.67%		18.69%
EPS (in Rs.)	23.10	21.66		69.83	47.06		71.52

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

Standalone Balance Sheet Statement

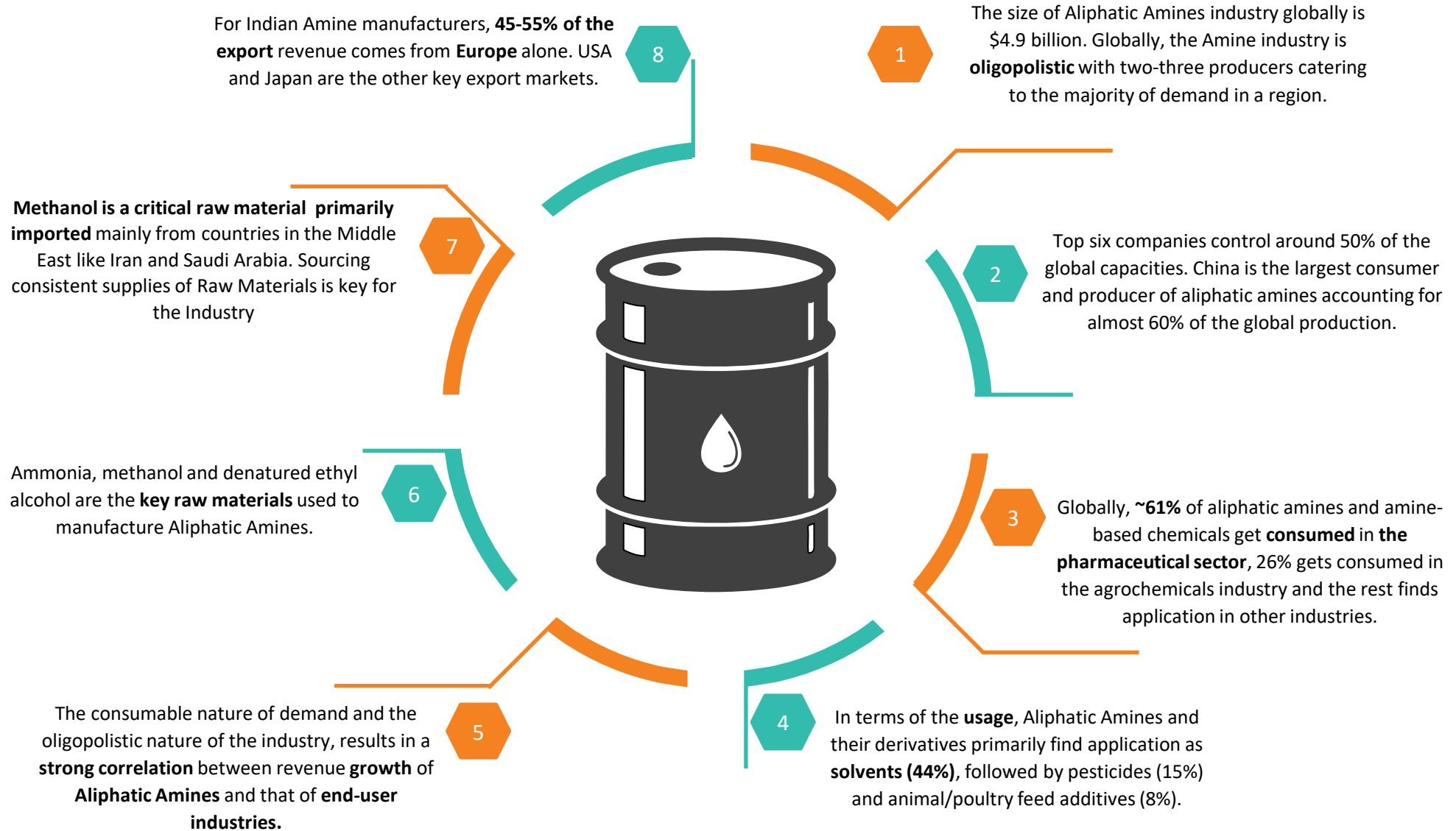
ASSETS (Rs. Crs.)	Sep-21	Mar-21
(1) NON-CURRENT ASSETS		
(a) Property, plant & equipment	473.07	344.34
(b) Capital work-in-progress	79.21	173.27
(i) Investments	66.00	66.00
(ii) Loans	76.00	77.35
(iii) Other Financial Assets	138.44	133.80
(e) Deferred Tax Asset	-	-
(f) Other Non - current assets	9.55	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

SECTION 1

About Us



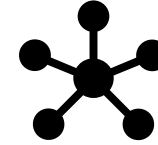




Largest manufacturer of Aliphatic Amines in India



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



25+ Product basket



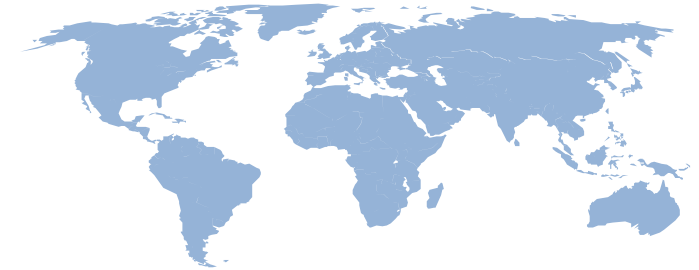
Zero Liquid Discharge facilities

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



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

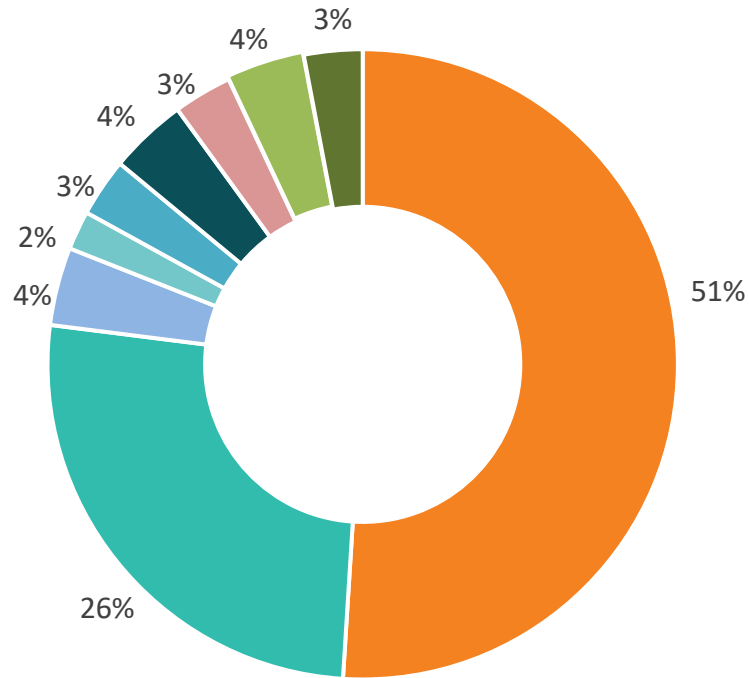


Installed Capacity

2,01,000 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





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

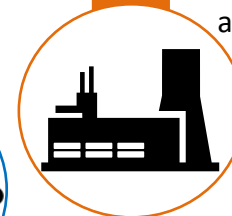
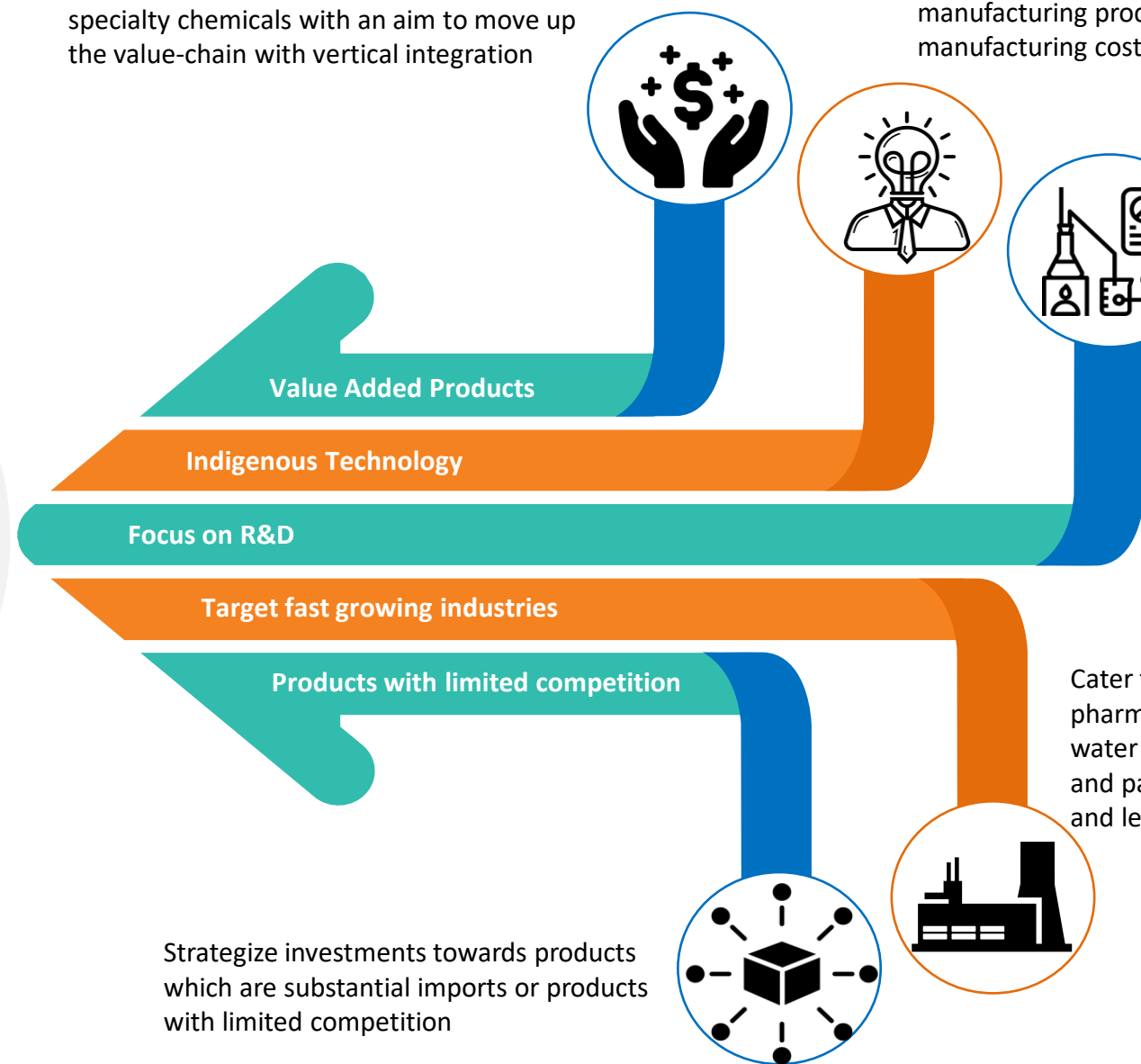
Focus towards high-value derivatives and specialty chemicals with an aim to move up the value-chain with vertical integration

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



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)	-	10,000	Pharma, Polycarbonate, Automobiles
Total	2,01,000	1,22,000	

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



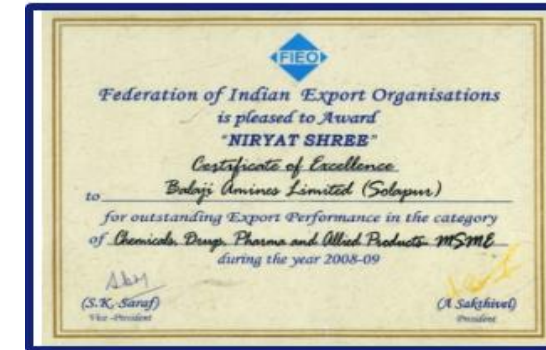
Excellent CSR in Water Conservation



WHO GMP Certificate



REACH Pre-Registration



Niryat Shree Award by FIEO



“Long-Term Issuer Rating 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

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



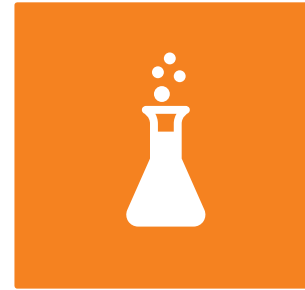
Mega Project Status

Ethylamines plant in Phase-1 of Greenfield Project **commenced operations in May 2021**; DMC plant to commence operations during Q1FY23; 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. 236 Crore as on 31st Dec 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 in the beginning of FY23. New Acetonitrile plant to commence operations in mid of FY24



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

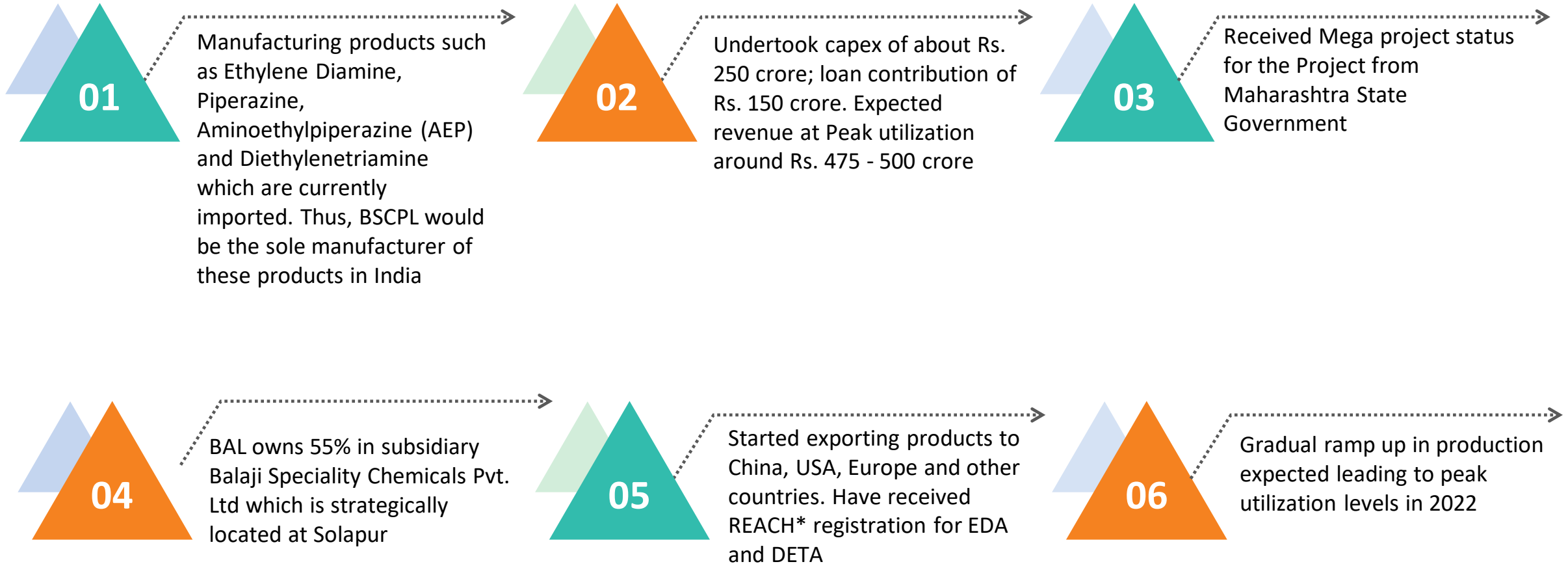
Significant opportunity exists to introduce new products & gain 1st mover advantage



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

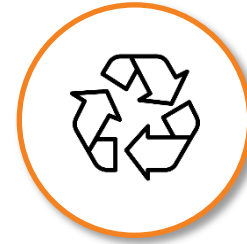


*REACH - Registration, Evaluation, Authorisation and Restriction of Chemicals is a European Union regulation



New Products

Identification of new products and development of latest process technologies



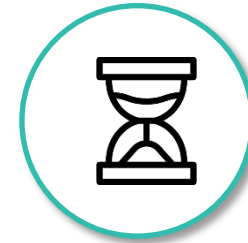
Environment Conscious

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



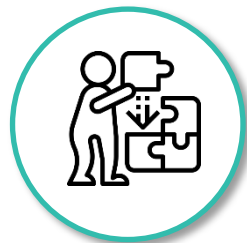
Optimization

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

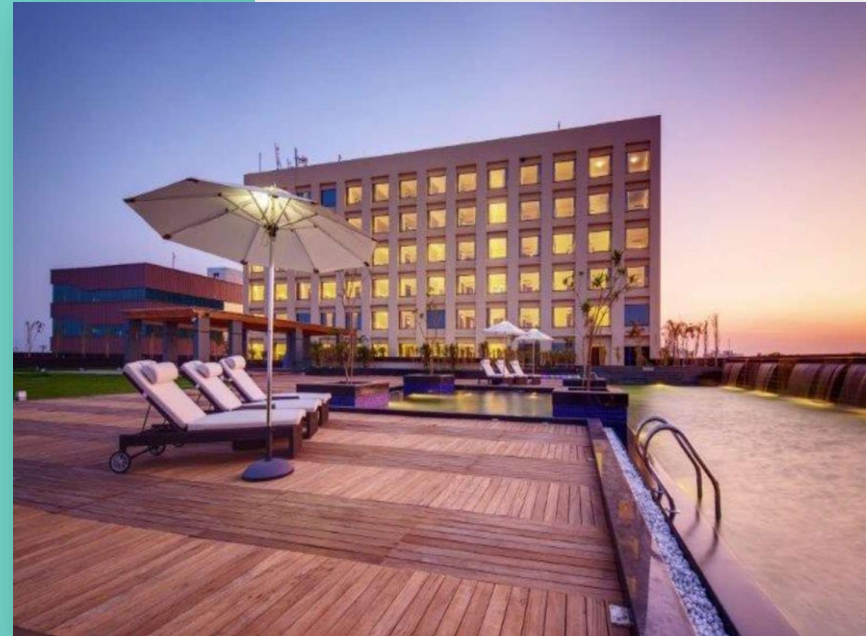




Balaji Sarovar Premiere (Solapur)

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

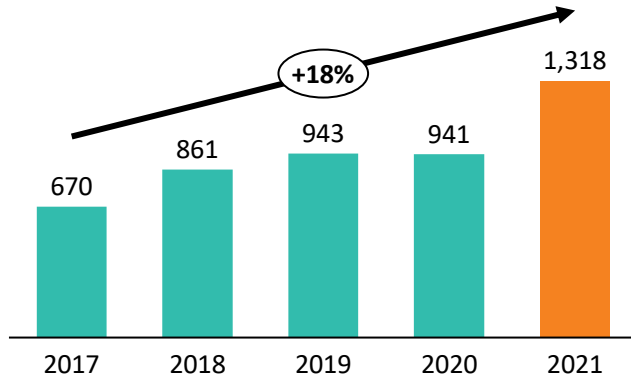
SECTION 3

Financial
Performance

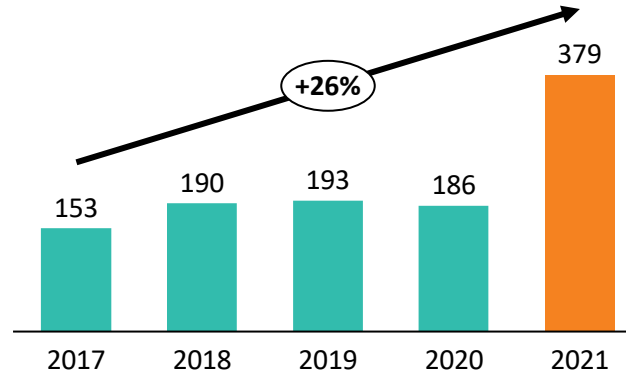


Consolidated Performance Highlights

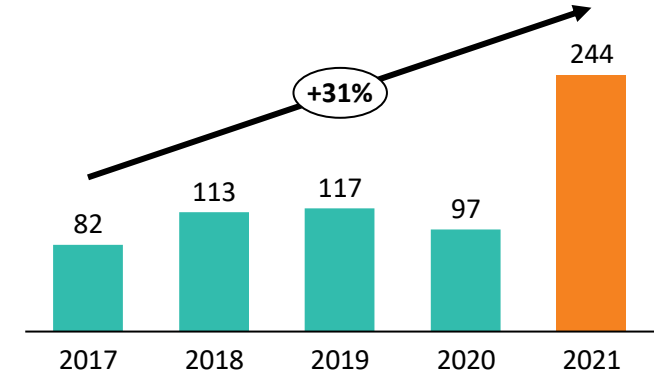
Revenue (Rs. Crs.)



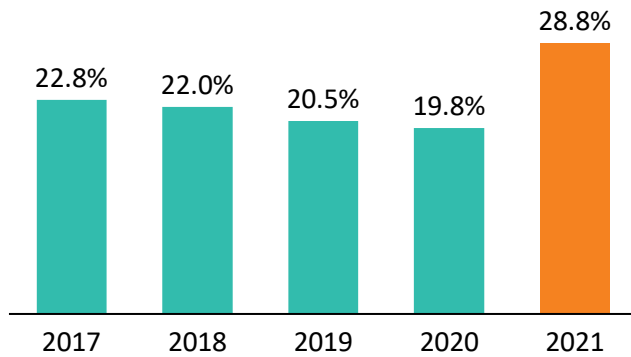
EBITDA (Rs. Crs.)



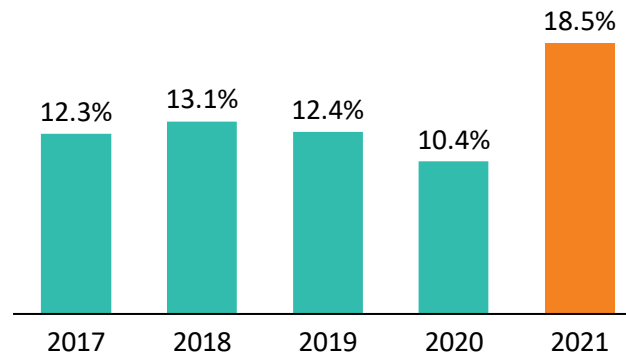
PAT (Rs. Crs.)



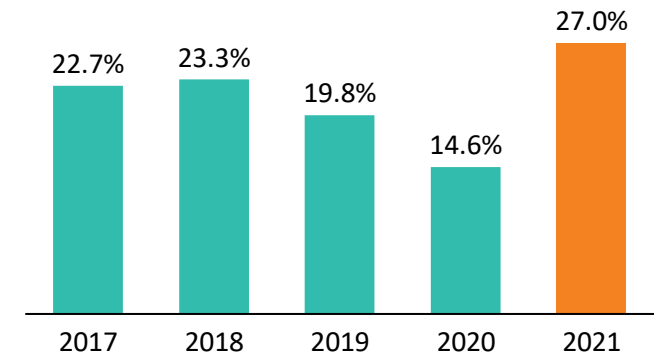
EBITDA Margin (%)



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

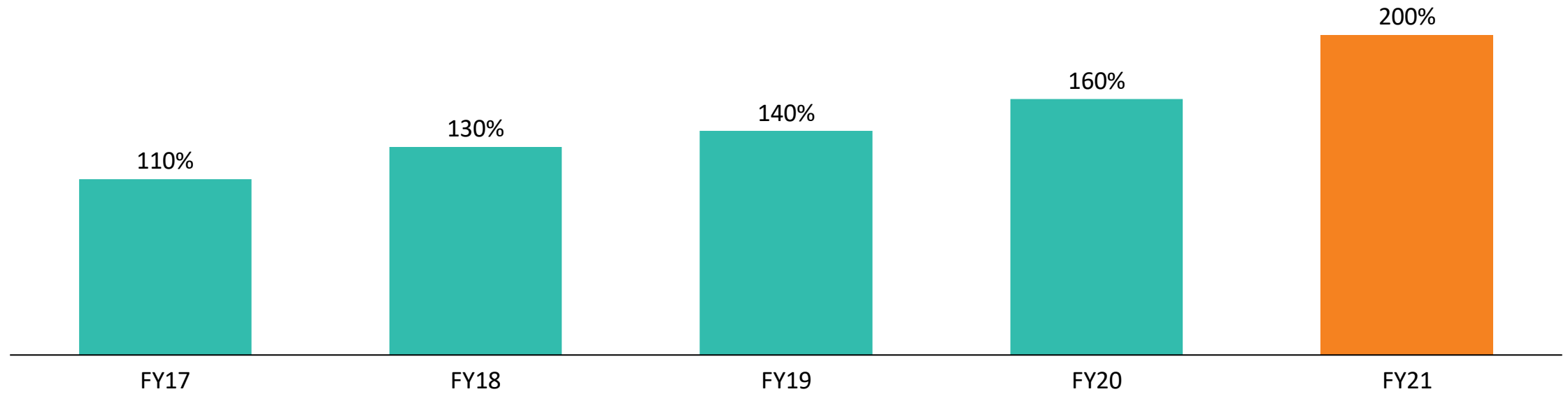
Particulars (in Rs. Crore)	FY21	FY20	YoY
Total Revenue	1,317.53	940.79	40.05%
Raw Material	630.26	513.83	
Employee Cost	67.82	50.99	
Other Expenses	240.15	190.21	
EBITDA	379.30	185.76	104.19%
EBITDA Margin	28.79%	19.75%	
Depreciation	34.41	31.62	
EBIT	344.89	154.14	123.75%
EBIT Margin	26.18%	16.38%	
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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