



Valiant Organics Limited

June 17, 2024

To,
Listing/Compliance Department
BSE LTD
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001.

To,
Listing/Compliance Department
**National Stock Exchange of
India Limited**
“Exchange Plaza”, Plot No. C/1,
G Block Bandra-Kurla
Complex, Bandra (E),
Mumbai- 400 051

SCRIP CODE - 540145

SYMBOL- VALIANTORG

Sub: Investor Presentation

Dear Sir / Madam,

In continuation of our intimation dated May 31, 2024 and pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Extended Investors' Presentation for Q4 FY24 Results of Valiant Organics Limited.

A copy of aforesaid Investor Presentation is also hosted on the website of company www.valiantorganics.com.

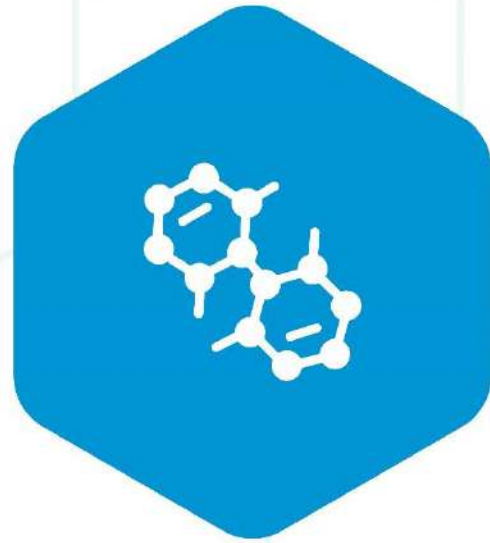
Please take the same on your records.

Thanking you.

Yours faithfully,

For Valiant Organics Limited

Mahek Chheda
Executive Director
DIN: 06763870



Valiant Organics Limited

Investor Presentation | June 2024

SNAPSHOT



One of the largest chlorophenol derivatives manufacturer globally



One of the largest domestic PNA manufacturer



Amongst 1st few domestic PAP Manufacturers



6 Manufacturing units across 5 Locations



Total Production Capacity of 70,000 TPA



One of the leading manufacturer of Benzene derivatives products



One of the few commercial players in Ortho Anisidine and Para Anisidine



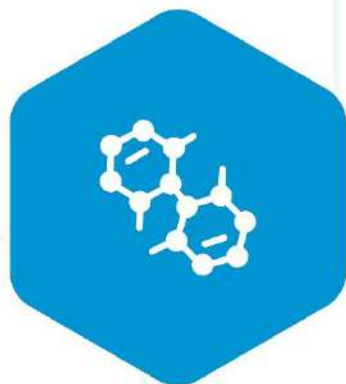
Diversified client base across Pharmaceuticals, Dyes & Pigments, Agrochemicals and specialty chemicals.



5 Zero Liquid Discharge plants



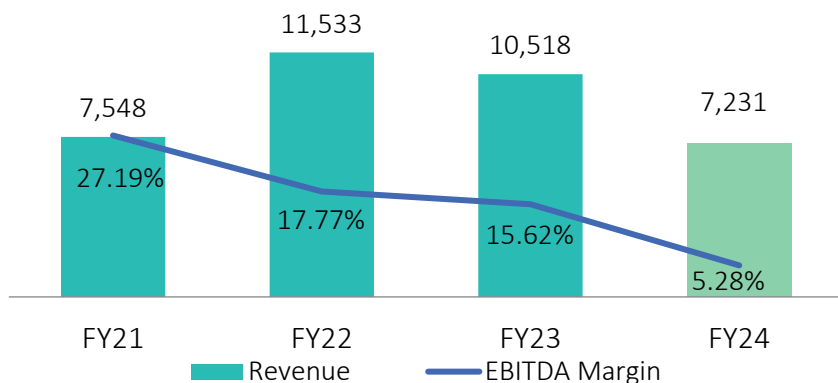
1300+ Employees



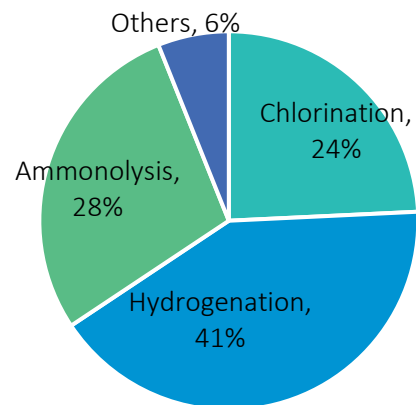
COMPANY OVERVIEW

- Valiant Organics Limited was incorporated in 1984 by first generation technocrats and is headquartered out of Mumbai, India.
- The company is focused on the manufacturing and marketing of specialty chemicals which find usage in a variety of industries, including agrochemicals, pharmaceuticals, dyes, pigments, and veterinary medications.
- Key chemistries include Chlorination, Hydrogenation, Ammonolysis, Acetylation, Sulphonation, Methoxylation amongst others.
- Over the years the company has primarily focused on manufacturing specialty chemicals that have a high demand but low supply and are primarily dependent on imports.
- The company is listed on both the BSE and NSE with a market capitalization of INR ~10,473 Mn. as on 31st March, 2024.

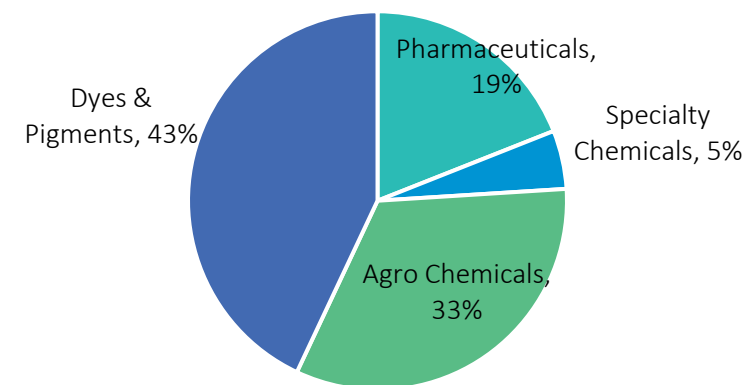
Operating Revenue (INR Mn) and EBITDA Margin (%)



FY24 Revenue Break-up – Chemistries



FY24 Revenue Break-up – End user Industry





Shri Navin C. Shah
(Chairman & Independent
Director)



Shri Sathiababu K. Kallada
(Managing Director)



Shri Mahek M. Chheda
(Chief Financial Officer &
Executive Director)



Shri Nemin Savadia
(Executive Director)



Shri Siddharth Shah
(Executive Director)



Shri Parimal Hasmukhlal Desai
(Non-Executive Director)



Shri Santosh S Vora
(Non-Executive Director)



Dr. Kiritkumar H. Desai
(Non-Executive Director)



Dr. Sudhirprakash B. Sawant
(Independent Director)

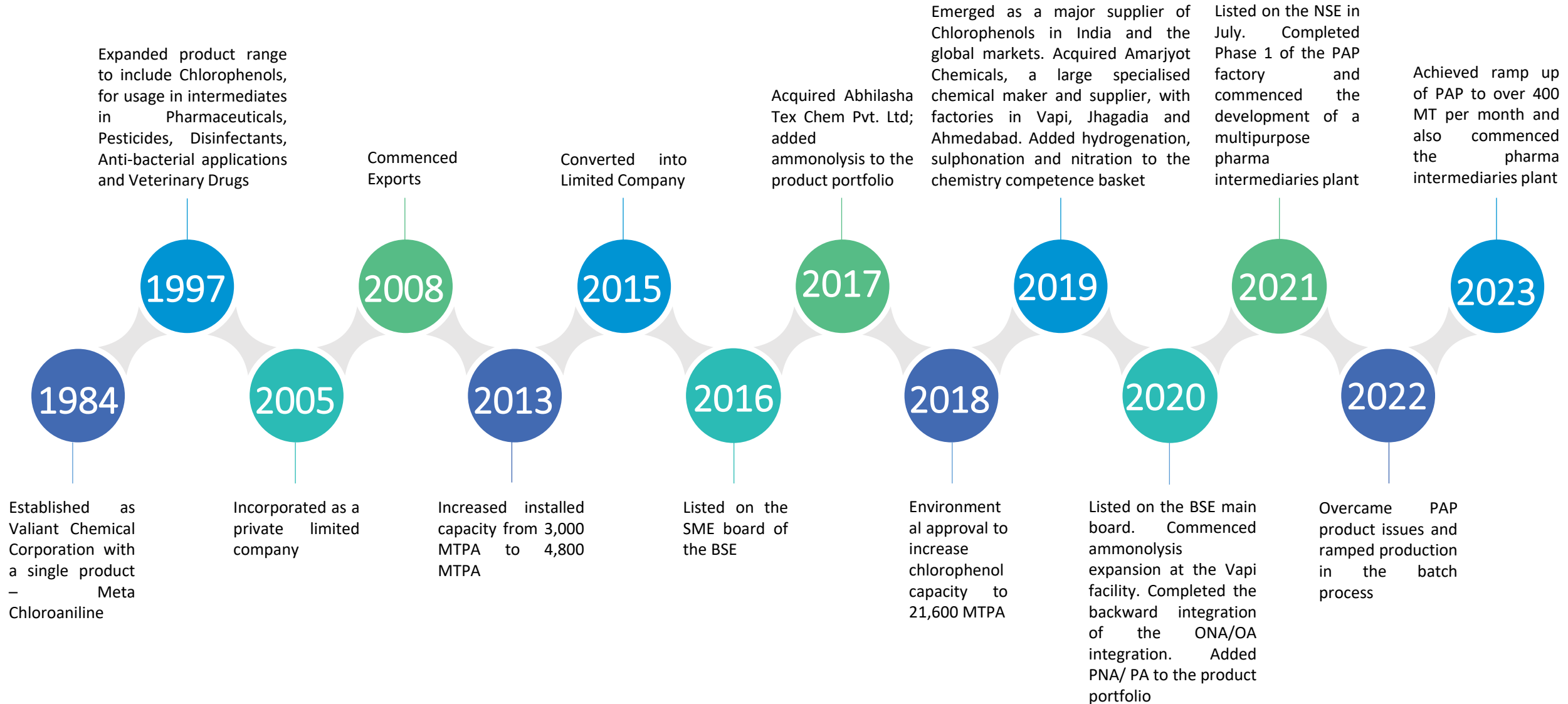


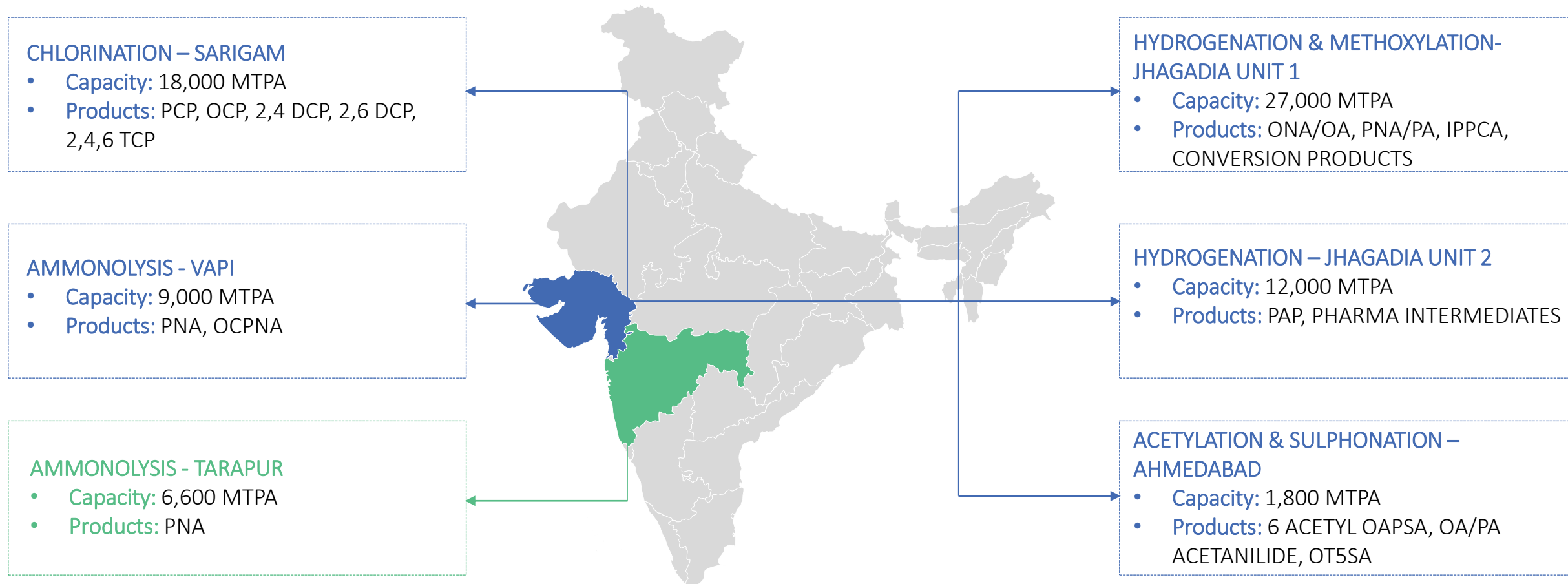
Shri Mulesh M. Savla
(Independent Director)

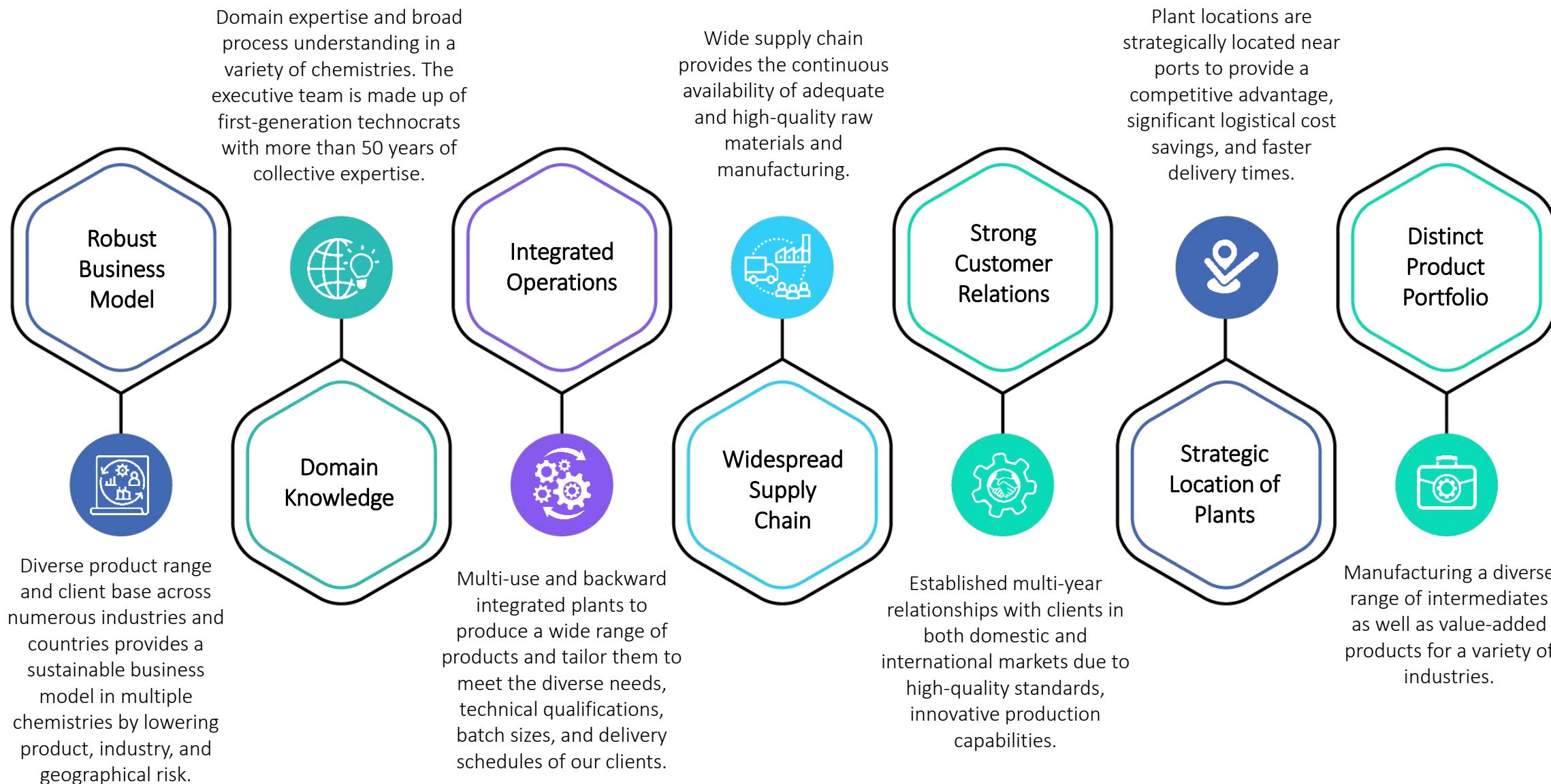


Smt. Sonal A. Vira
(Independent Director)

Key Milestones







Product	Project Status	Remarks
Ongoing Projects		
Ortho Amino Phenol (OAP)	Expected to commence	<ul style="list-style-type: none">• Currently, entirely imported in India• Part of the production will be utilized as forward integration for one of company's existing products• Trial run successful however, further improvement is still required



BUSINESS OVERVIEW

FY24 Revenue Share

Ammonolysis

Key Products:

- Para Nitro Aniline
- Ortho Chloro Para Nitro Aniline

Industries Served:

- Dyes
- Pigments

Others

Acetylation

Key Products:

- 6 Acetyl OAPSA
- OA Acetanilide
- PA Acetanilide

Industries Served:

- Dyes

Sulphonation

Key Products:

- OT5SA
- 4B Acid
- 2B Acid

Industries Served:

- Dyes
- Pigments

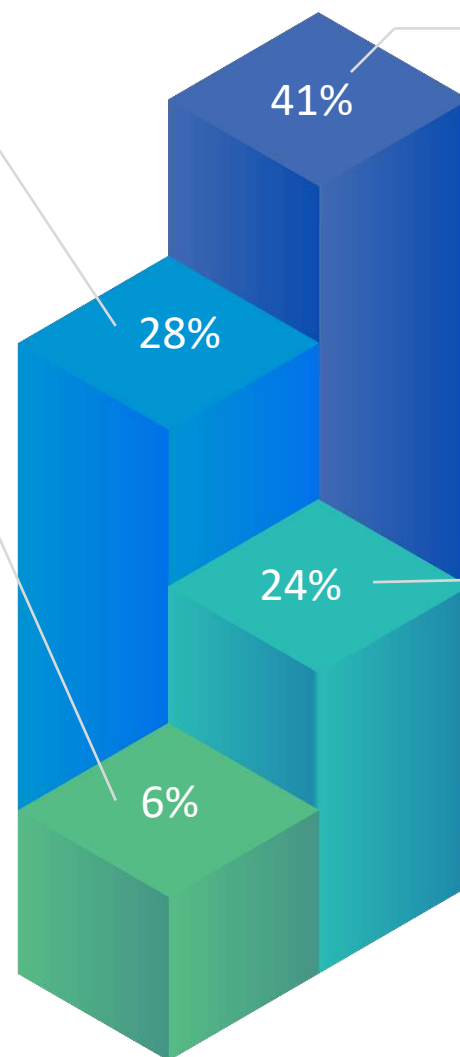
Methoxylation

Key Products:

- Ortho Nitro Anisole
- Para Nitro Anisole

Industries Served:

- Dyes
- Pigments



Hydrogenation

Key Products:

- Ortho Anisidine
- Para Anisidine
- IPPCA
- Meta Chloro Aniline
- Para Amino Phenol
- Ortho Amino Phenol

Industries Served:

- Dyes
- Pigments
- Pharmaceutical
- Agro Chemicals

Chlorination

Key Products:

- Para ChloroPhenol (PCP)
- Ortho ChloroPhenol (OCP)
- 2,4 Di Chlorophenol (2,4 DCP)
- 2,6 Di ChloroPhenol (2,6 DCP)
- 2,4,6 Tri ChloroPhenol (2,4,6 TCP)

Industries Served:

- Agro Chemicals
- Cosmetics
- Veterinary
- Pharmaceuticals

Any reaction in which chlorine or chlorine compounds are introduced into a molecule to obtain the desired outcome is known as chlorination.

- Valiant is the only domestic player and also a global leader in Chlorophenol products with ~25% global market share.
- The company has over two-decade experience in Chlorophenols, with long-term relationships with global marquee customers due to their high-quality products and efficient supply chain management.
- The Sarigram plant of the company is dedicated for the chlorination process, with a capacity of 18,000 MTPA, and a Zero Liquid Discharge facility and highly automated Distributed Control Systems significantly reducing manual interventions.
- More than 50% of sales come from export markets.

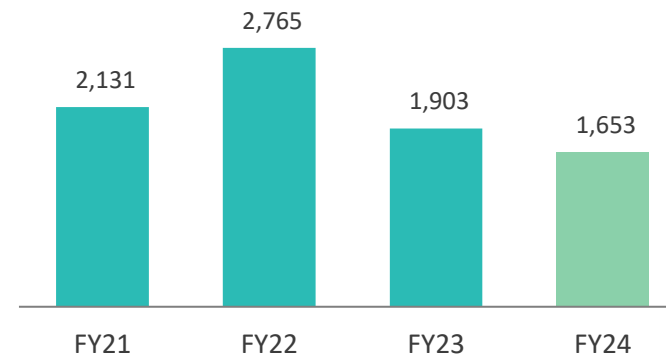
Key Products:

- Para ChloroPhenol (PCP)
- Ortho ChloroPhenol (OCP)
- 2,4 Di Chlorophenol (2,4 DCP)
- 2,6 Di ChloroPhenol (2,6 DCP)
- 2,4,6 Tri ChloroPhenol (2,4,6 TCP)

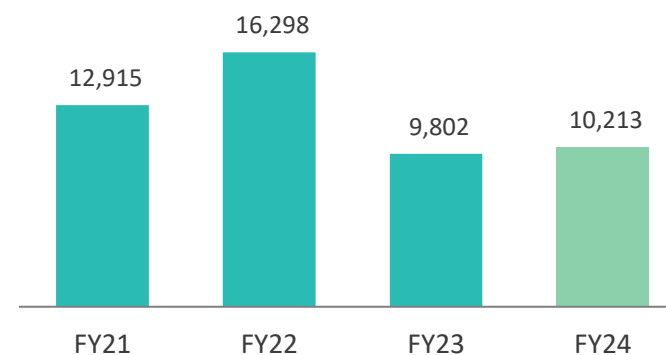
Industries Served:

- Agro Chemicals
- Cosmetics
- Veterinary
- Pharmaceuticals

Revenues (INR Mn)*



Sales Volumes (MT)



*Revenue figures are on Standalone basis

Ammonolysis is a high-pressure chemical reaction done in an auto-clave where ammonia is used as a reactant.

- Valiant developed Ammonolysis capabilities as a result of its two acquisitions. i.e. Abhilasha Tex Chem Pvt. Ltd. in 2017 & Amarjyot Chemicals Ltd. in 2019.
- The company has an approximately 15,600 MTPA capacity for this process, making it one of the largest players in the domestic market.
- Valiant has two dedicated manufacturing facilities located at Tarapur and Vapi to carry out the ammonolysis process.
- The company supplies its products to almost all the leading Dye manufacturers in the country, and has a leadership position in manufacturing PNA due to its raw material security of PNCB from group company, Aarti Industries.

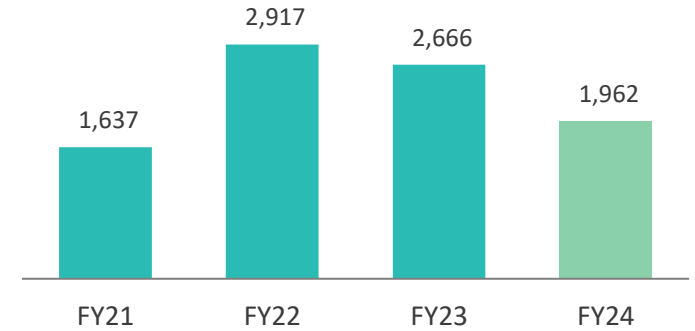
Key Products:

- Para Nitro Aniline (PNA)
- Ortho Chloro Para Nitro Aniline

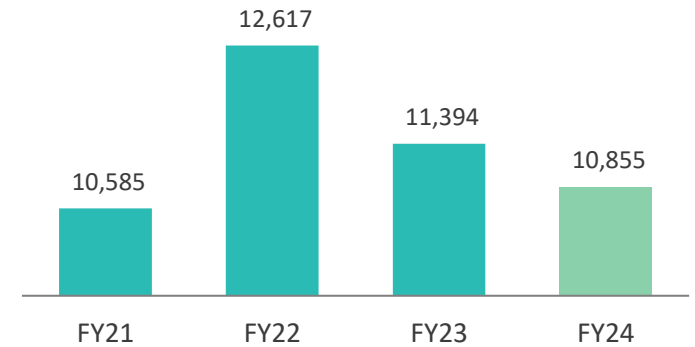
Industries Served:

- Dyes
- Pigments

Revenues (INR Mn)*



Sales Volumes (MT)



*Revenue figures are on Standalone basis

Hydrogenation is a chemical reaction between molecular hydrogen (H₂) and another compound or element, usually in the presence of a catalyst.

- The company has manufacturing facilities in Jhagadia for Hydrogenation. The first unit (also named as Unit 1) has a capacity of 27,000 MTPA which became a part of Valiant Organics through the amalgamation of Amarjyot Chemicals in 2019.
- It has also ventured into the manufacturing of 2 new products in FY21 of Ortho Anisidine (OA) and Para Anisidine (PA), as well as expanded the capacity of a couple of existing products.
- The company also does contract manufacturing for a few leading domestic clients for some key customized products from these plants.

Para Amino Phenol (PAP) is an essential element in the synthesis of paracetamol.

- PAP is a difficult product to make and is primarily an import substitute product in India.
- Due to the company's strong experience and significant efforts on R&D, as well as raw material security of PNCB from its group company, Aarti Industries Ltd, it became one of the first companies in India to commercialize the plant for manufacturing Para Amino Phenol (PAP) in FY21 in Jhagadia Unit 2 with a capacity of 12,000 MTPA.
- Being a difficult product to manufacture, the company is currently focusing on achieving process consistencies and expect ramp of production in FY23.
- Majority of its PAP production will be sold to Valiant Laboratories Ltd, which is the subsidiary of the company.

Key Products:

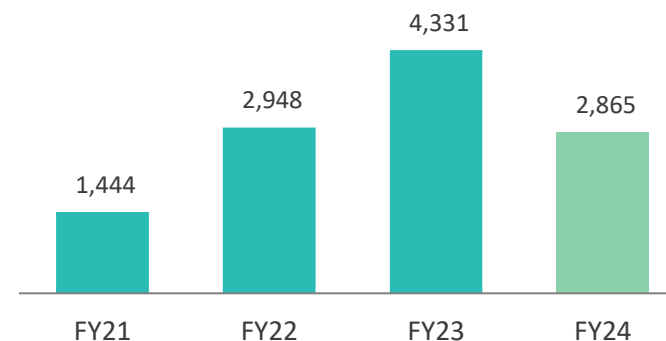
- Ortho Anisidine
- Para Anisidine
- IPPCA
- Meta Chloro Aniline
- Ortho Amino Phenol
- Para Amino Phenol

Industries Served:

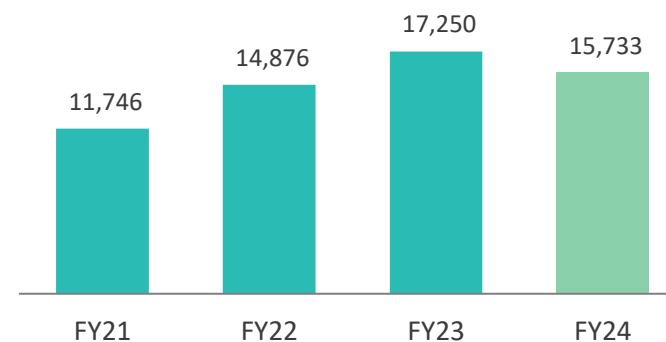
- Dyes
- Pigments
- Pharmaceuticals
- Agro Chemicals

**Revenue figures are on Standalone basis*

Revenues (INR Mn)*



Sales Volumes (MT)



Acetylation

Acetylation is a chemical reaction which introduces an acetyl functional group into a chemical compound.

- The acetylation procedure is carried out at the company's Ahmedabad facility which has a capacity of 1,800 MTPA
- The key product under this segment is '6 Acetyl Ortho Aminophenol Para Sulfonic Acid', which finds its usage in dye intermediates.
- Valiant also does job work and helps in multiple conversions on annual contracts.

Sulphonation

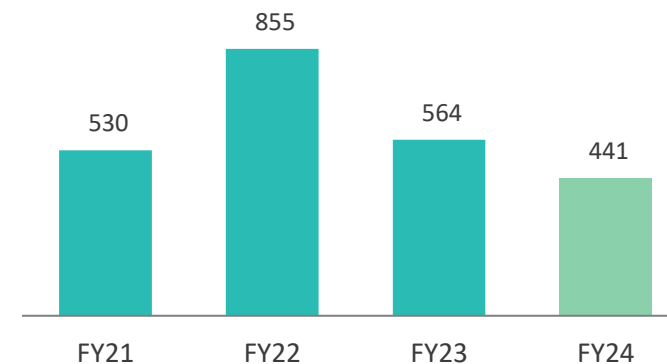
Sulfonation is an organic reaction in which a hydrogen atom on an arene is replaced by a sulfonic acid functional group in an electrophilic aromatic substitution.

- Like acetylation, the sulphonation procedure is also carried out at the company's Ahmedabad facility.
- The products Ortho Toluidine 5 Sulfonic Acid (OT5SA), 2-Amino-5-Methyl benzenesulfonic Acis (4B Acid), & 2-Amino-4-Chloro-5 Methyl Benzenesulfonic Acid (2B Acid) are used as dye and pigment intermediaries.

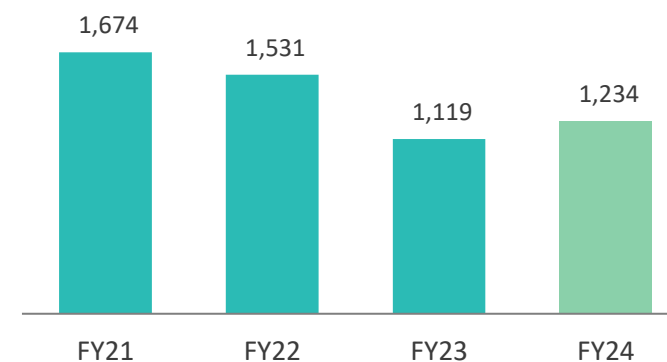
Methoxylation

- The products, Ortho Nitro Anisole (ONA) & Para Nitro Anisole (PNA) are being captively consumed to manufacture Ortho Anisidine (OA) and Para Anisidine (PA).
- This process is being carries out along with hydrogenation at Unit 1 of the Jhagadia facility.

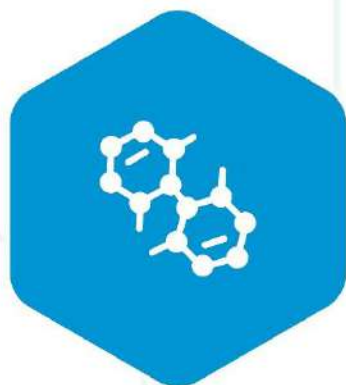
Revenues (INR Mn)*



Sales Volumes (MT)



*Revenue figures are on Standalone basis

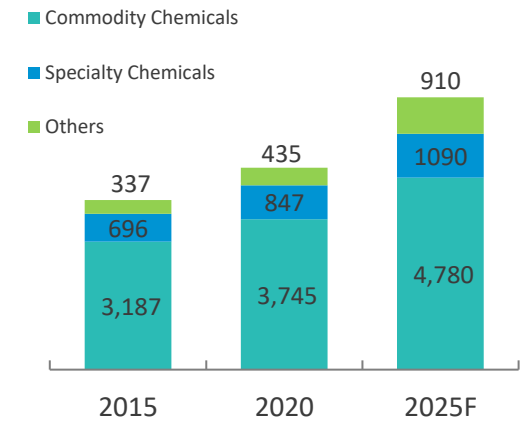


INDUSTRY OVERVIEW

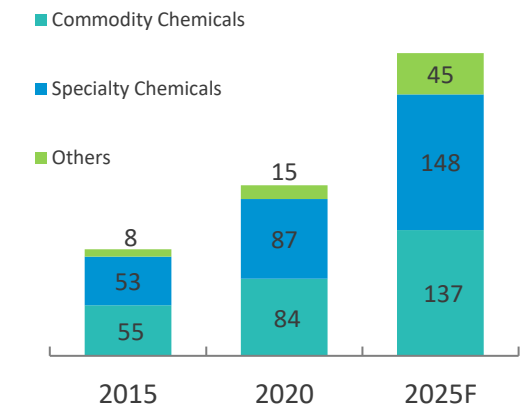
Industry Overview

- **Expansive Product Portfolio:** India's chemical landscape is vast, boasting over 80,000 commercial products, offering a diverse array of solutions to global demands.
- **Global Manufacturing Powerhouse:** Positioned as the 6th largest manufacturer of chemicals worldwide and the 3rd largest in Asia, India commands a significant presence on the global stage.
- **Staggering Growth Trajectory:** The Indian chemical industry, valued at USD 178 billion in FY 2019-20, is poised for meteoric growth, projected to soar to USD 300 billion by 2024-25 and an impressive USD 1 trillion by 2040.
- **Dominance in Specialty Chemicals:** With the Asia Pacific region commanding nearly half of the global specialty chemicals market, India stands as a dominant force, expected to elevate its share to 4% by 2027, catalyzing further industry expansion.
- **Surpassing Projections:** Forecasts indicate that India's specialty chemicals market will outpace China, with a projected market share of 6% by 2026, fueled by a robust surge in domestic demand and export prowess.
- **Investment Surge:** A resurgence in domestic demand coupled with robust export performance is propelling a remarkable 50% year-on-year increase in capex for specialty chemicals manufacturers, reaching INR 6,000-6,200 Crs (USD 815-842 Mn) in FY22.
- **Rising Domestic Demand:** Anticipated growth in domestic demand signals a monumental shift, with projections soaring from USD 170-180 billion in 2021 to an impressive USD 850-1,000 billion by 2040.
- **Global Trade Leadership:** India's prowess in global chemical trade is undeniable, ranking 14th in exports and 8th in imports worldwide (excluding pharmaceuticals), underlining its pivotal role in global supply chains.
- **Disruption Spurs Opportunity:** Supply disruptions in China have catalyzed a strategic shift in global end-user industries towards Indian players, underscoring India's resilience and reliability as a preferred partner.
- **Government Support:** Recognizing the industry's pivotal role, the government has allocated INR 209crs (USD 27.43 million) in the Union Budget for 2022-23, reaffirming its commitment to fostering growth and innovation.
- **Driving Global Innovations:** India and China's prominence in dye production presents a promising avenue for printing inks applications across the Asia Pacific, with India contributing significantly to global dye production.
- **Agrochemical Advancements:** A cornerstone of India's chemical sector, agrochemicals drive substantial revenue, with 50% of production earmarked for exports, highlighting India's pivotal role in global agricultural sustainability.
- **Insecticides share:** 53% of the total domestic agrochemicals market, followed by Herbicides.

Global Chemical Market (USD Bn)



Indian Chemical Market (USD Bn)





GROWING DEMAND

- Rise in demand from end-users Industries such as food processing, personal care & home care is driving development of different segments in India's specialty chemical market.
- Chemicals and petrochemicals demand in India is expected to nearly triple and reach USD 1 trillion by 2040
- India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP.



OPPORTUNITIES

- Supply disruption in China has caused the global end-user industries to diversify their vendor base mainly towards Indian players.
- Closure of plants in the EU and China due to increasing environmental concerns have favoured Indian manufacturers to invest further in specialty chemicals.
- With Global companies seeking to de-risk their supply chains, which are dependent on China, the chemical sector in India has the opportunity for a significant growth



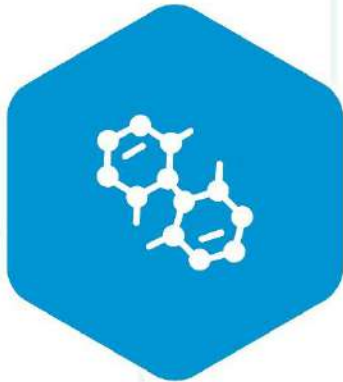
POLICY SUPPORT

- The government plans to implement a production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.
- In Union Budget for 2022-23, government allocated INR 209crs (USD 27.43 million) to the chemical sector.



INCREASING INVESTMENT

- FDI inflows in the chemicals sector (other than fertilizers) reached USD 22.07 billion between April 2000-December 2023.
- An investment of INR 8 lakh crore (USD 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025.
- Prime Minister, Mr. Narendra Modi, laid the foundation stone of development projects worth more than INR 50,700 crore (USD 6.11 billion) on September 14, 2023.



FINANCIAL OVERVIEW

Historical Consolidated Income Statement

Particulars (INR Mn)	FY21	FY22	FY23	FY24
Revenue from Operations	7,548	11,533	10,518	7,231
Total Expenses	5,496	9,484	8,875	6,849
EBITDA	2,052	2,049	1,643	382
<i>EBITDA Margins (%)</i>	<i>27.19%</i>	<i>17.77%</i>	<i>15.62%</i>	<i>5.28%</i>
Other Income	59	74	80	93
Depreciation	212	296	292	349
Finance Cost	50	65	108	163
Profit Before Exceptional Items & Share of Profit/(Loss) of Associates	1,849	1,762	1,323	(37)
Exceptional Items	-	-	49	(34)
Share of Profit/(Loss) of Associates	-	-	-	(16)
PBT	1,849	1,762	1,372	(87)
Tax	540	483	346	(3)
PAT	1,309	1,279	1,026	(84)
<i>PAT Margins (%)</i>	<i>17.34%</i>	<i>11.09%</i>	<i>9.75%</i>	<i>(1.16)%</i>
Other Comprehensive Income	69	6	1	7
Total Comprehensive Income	1,378	1,285	1,027	(77)
Basic/Diluted EPS (INR)	40.97	40.51	31.50	(3.00)

*FY21 onward figures as per Ind AS

Consolidated Balance Sheet

Particulars (INR Mn)	FY22	FY23	FY24
EQUITY	6,489	7,401	7,293
a) Equity Share Capital	272	272	276
b) Other Equity	5,856	6,616	7,017
c) Optionally Convertible Preference Shares	4	4	-
d) Non Controlling Interest	357	509	-
LIABILITIES			
Non-Current Liabilities	1,340	1,064	1,055
Financial Liabilities			
a) Borrowings	1,058	706	742
b) Lease Liabilities	5	11	2
c) Provisions	11	15	19
d) Deferred Tax Liabilities (Net)	266	332	292
Current Liabilities	4,092	3,927	4,132
a) Financial Liabilities			
(i) Borrowings	2,568	2,018	1,823
(ii) Trade Payables	1,312	1,656	2,074
(iii) Other Financial Liabilities	161	200	173
(iv) Lease Liabilities	3	2	2
b) Other Current Liabilities	24	21	23
c) Provisions	24	30	37
GRAND TOTAL - EQUITIES & LIABILITES	11,921	12,392	12,480

Particulars (INR Mn)	FY22	FY23	FY24
Non-Current Assets	6,652	7,682	8,352
a) Property, Plant and Equipment	5,303	6,565	6,297
c) Right-Of-Use Assets	8	12	5
b) Capital Work In Progress	1,116	709	861
d) Other Intangible Assets	-	2	2
e) Goodwill on Consolidation	123	123	123
f) Financial Assets			
(i) Investments	33	37	953
(iii) Other Financial Assets	58	68	54
g) Other Non-Current assets	11	166	57
Current Assets	5,269	4,710	4,128
a) Inventories	1,136	1,262	1,142
b) Financial Assets			
(i) Investments	46	375	33
(ii) Trade Receivables	3,209	2,543	2,094
(iii) Cash and Cash Equivalentents	250	78	35
(iv) Other Bank balances	203	4	3
(v) Loans	5	8	492
(vi) Other financial assets	11	36	29
c) Other Current Assets	300	308	173
d) Current Tax Assets (Net)	109	96	127
GRAND TOTAL – ASSETS	11,921	12,392	12,480

*FY21 onward figures as per Ind AS

Historical Standalone Income Statement

Particulars (INR Mn)	FY21	FY22	FY23	FY24
Revenue from Operations	5,742	9,484	9,116	6,772
Total Expenses	4,170	7,811	7,817	6,376
EBITDA	1,572	1,673	1,299	396
<i>EBITDA Margins (%)</i>	<i>27.38%</i>	<i>17.64%</i>	<i>14.25%</i>	<i>5.85%</i>
Other Income	169	33	29	29
Depreciation	186	273	276	340
Finance Cost	35	64	105	194
PBT (Excl. Exceptional Items)	1,520	1,369	947	(109)
Exceptional Items	-	-	49	58
PBT	1,520	1,369	996	(51)
Tax	374	340	240	(21)
Profit After Tax	1,146	1,029	756	(30)
<i>PAT Margins (%)</i>	<i>19.96%</i>	<i>10.85%</i>	<i>8.29%</i>	<i>(0.44)%</i>
Other Comprehensive Income	69	8	(11)	7
Total Comprehensive Income	1,215	1,037	745	(23)
Diluted EPS (INR per share)	40.98	36.81	27.02	(1.09)

*FY21 onward figures as per Ind AS

Standalone Balance Sheet

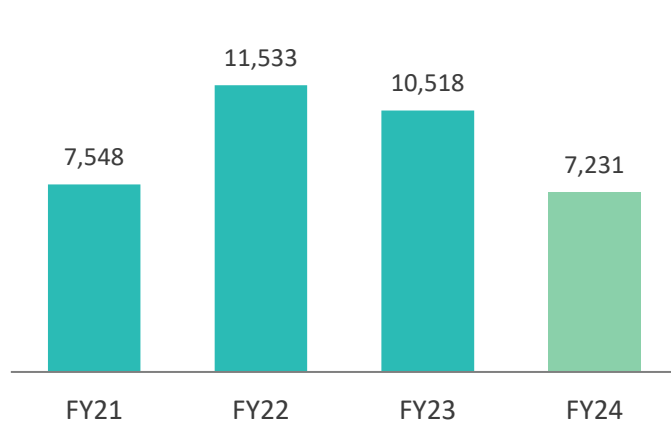
Particulars (INR Mn)	FY22	FY23	FY24
EQUITY	6,031	6,661	6,649
a) Equity Share Capital	272	272	276
b) Other Equity	5,755	6,385	6,373
c) Optionally Convertible Preference Shares	4	4	-
LIABILITIES			
Non-Current Liabilities	1,215	932	1,055
Financial Liabilities			
a) Borrowings	940	589	742
b) Lease Liabilities	2	2	2
c) Provisions	10	15	19
d) Deferred Tax Liabilities (Net)	263	326	292
e) Other Non-Current Liabilities	-	-	-
Current Liabilities	3,583	3,465	3,719
a) Financial Liabilities			
(i) Borrowings	2,110	1,602	1,410
(ii) Trade Payables	1,271	1,643	2,074
(iii) Other Financial Liabilities	154	179	173
(iv) Lease Liabilities	2	2	2
b) Other Current Liabilities	22	11	23
c) Provisions	24	28	37
d) Current Tax Liabilities (Net)	-	-	-
GRAND TOTAL - EQUITIES & LIABILITES	10,829	11,058	11,423

*FY21 onward figures as per Ind AS

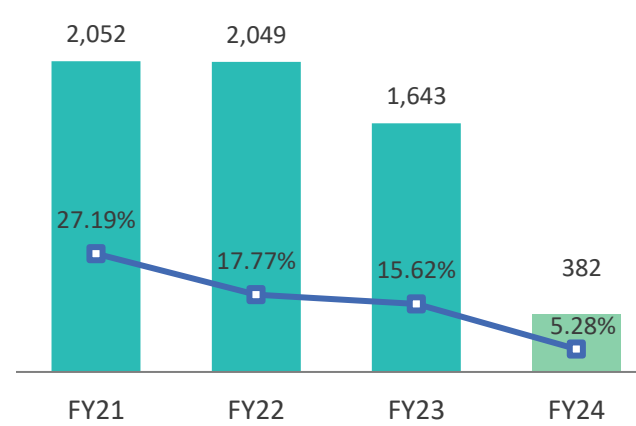
Particulars (INR Mn)	FY22	FY23	FY24
Non-Current Assets	6,787	7,424	7,818
a) Property, Plant and Equipment	5,085	6,092	6,297
b) Right-Of-Use Assets	4	4	5
c) Capital Work In Progress	1,102	702	861
d) Other Intangible Assets	-	2	2
e) Financial Assets			
(i) Investments in Subsidiaries	501	489	489
(ii) Other Investments	32	37	53
(iii) Loans	52	55	54
f) Other Non-Current assets	11	43	57
Current Assets	4,042	3,634	3,605
a) Inventories	973	1,137	1,142
b) Financial Assets			
(i) Investments	1	2	-
(ii) Trade Receivables	2,532	2,118	2,094
(iii) Cash and Cash Equivalents	230	63	33
(iv) Other Bank balances	3	3	3
(v) Loans	5	7	6
(vi) Other financial assets	3	29	29
c) Other Current Assets	217	198	171
d) Current Tax Assets (Net)	78	77	127
GRAND TOTAL – ASSETS	10,829	11,058	11,423

Consolidated Financial Highlights

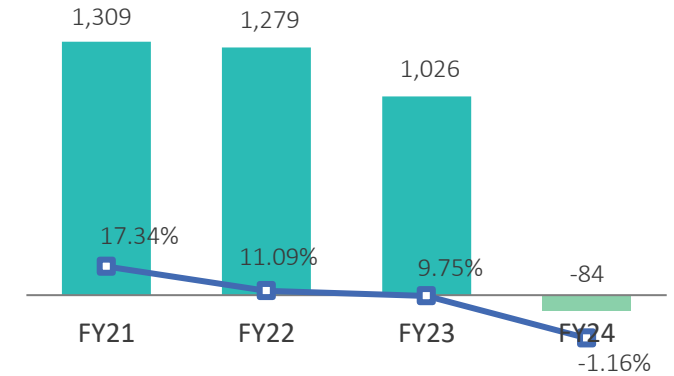
Operational Revenue (INR Mn)



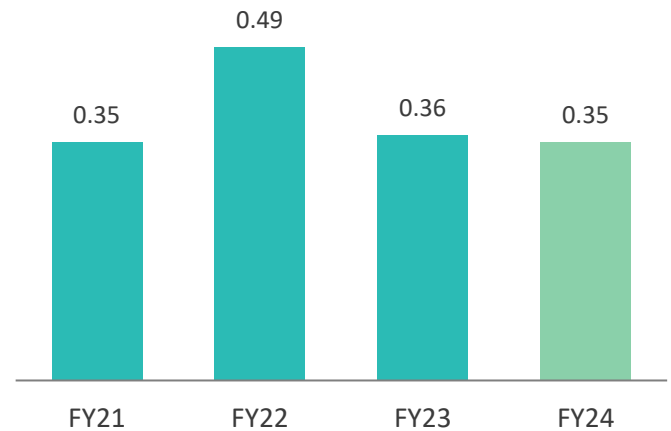
EBITDA (INR Mn) & EBITDA Margins (%)



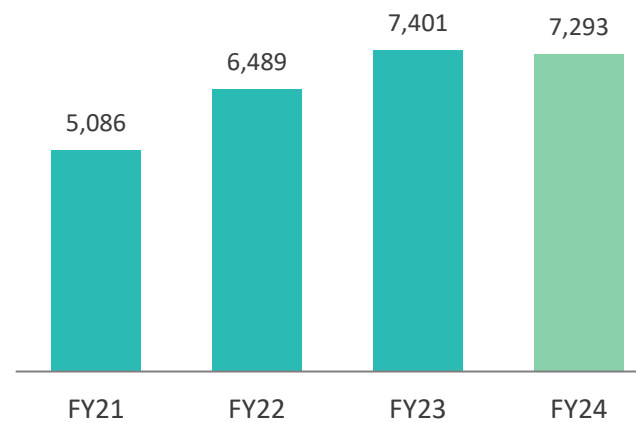
PAT (INR Mn) & PAT Margins (%)



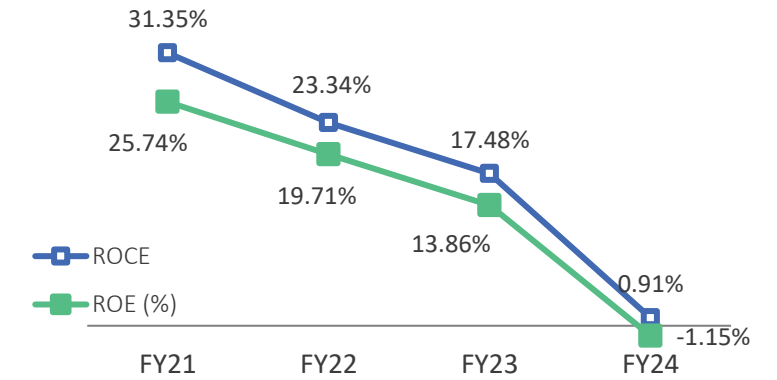
Net Debt to Equity (x)



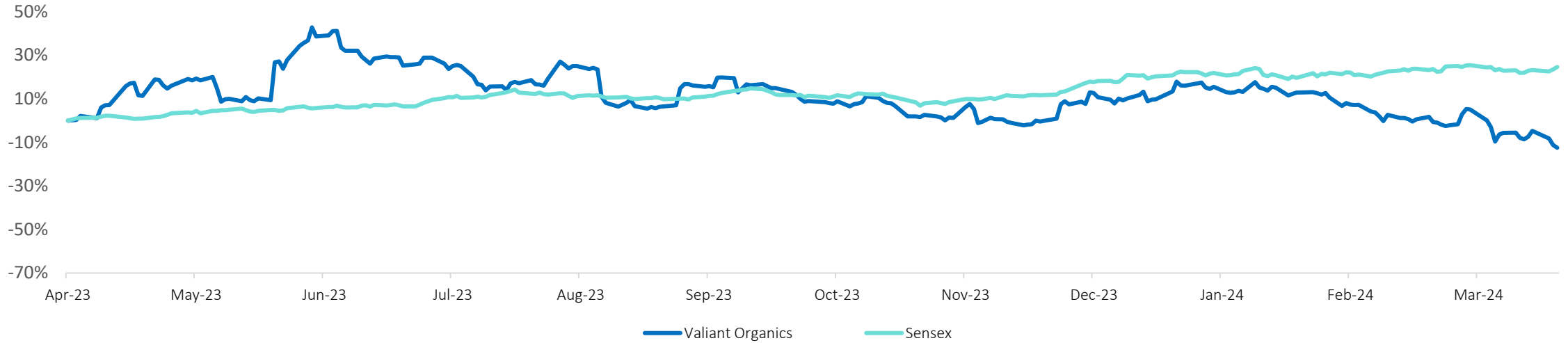
Net Worth (INR Mn)



Return on Capital Employed & Return on Equity (%)

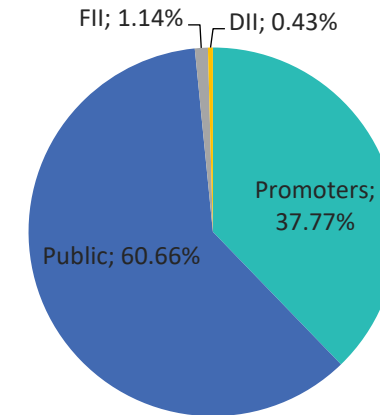


Share Price up to 31st March, 2024



Price Data (As on 31 st March, 2024)	INR
Face Value	10.00
Market Price	379.80
52 Week H/L	635.20/373.95
Market Cap (Mn)	10,473.00
Equity Shares Outstanding (Mn)	27.58
1 Year Avg Trading Volume ('000)	13.90

Shareholding pattern (As on 31st March, 2024)



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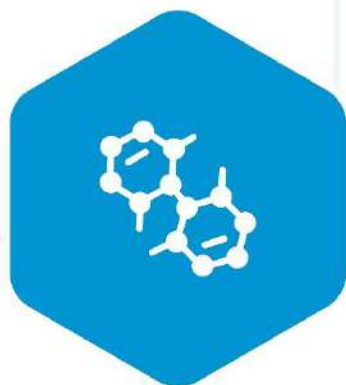
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THANK YOU