



**Valiant Organics**  
Limited

February 01, 2023

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

**BSE Code-540145**

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.  
**NSE Symbol- VALIANTORG**

**Sub: Investor Presentation.**

**Ref: Regulation 30 of SEBI (LODR) Regulations, 2015.**

Dear Sir / Madam,

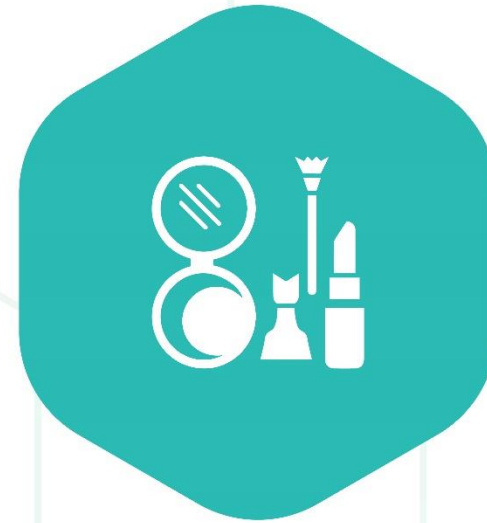
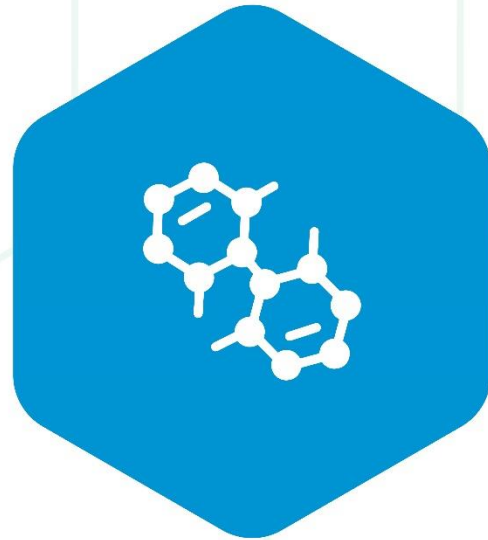
Please find attached herewith Q3FY23 Results presentation of the Company for your records.

Kindly take the same on your record.

Thanking You,

Yours Faithfully,  
**For Valiant Organics Limited**

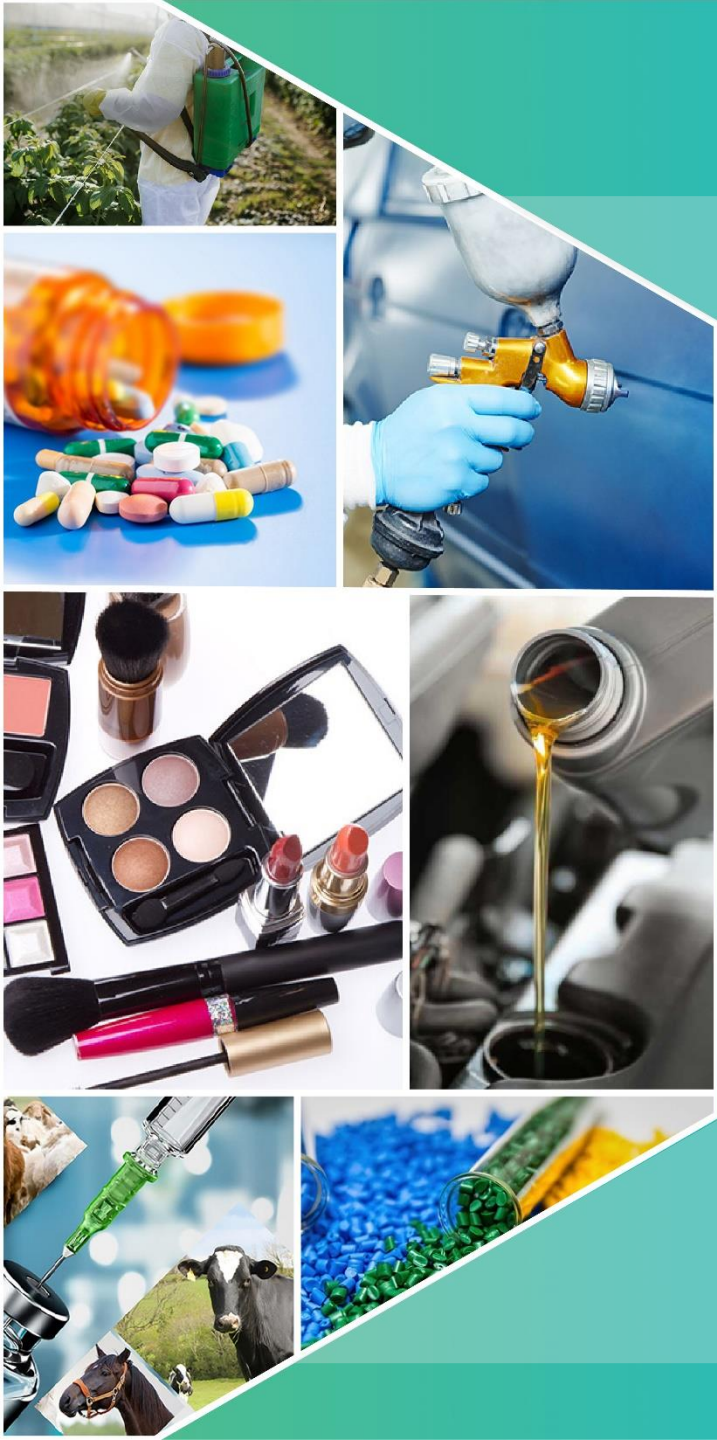
Avani D. Lakhani  
**Company Secretary**  
ICSI M.NO: A47118



# **Valiant Organics** Limited

Earnings Presentation | Q3/9M-FY23

# SNAPSHOT



One of the largest chlorophenol derivatives manufacturer globally



One of the leading manufacturer of Benzene derivatives products



One of the largest domestic PNA manufacturer



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



Amongst 1st few domestic PAP Manufacturers



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



6 Manufacturing units across 5 Locations



5 Zero Liquid Discharge plants



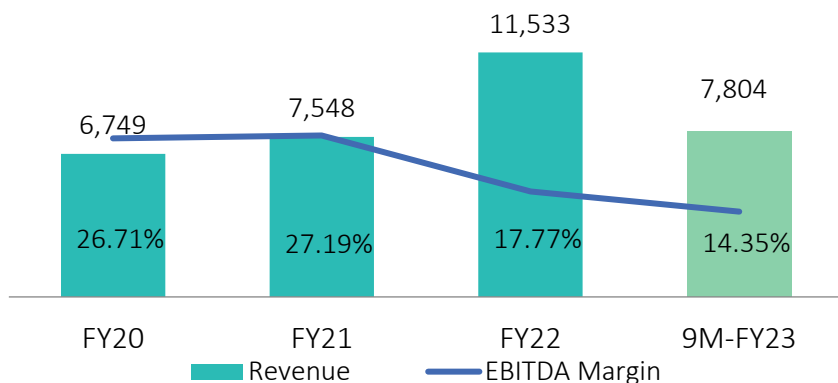
Total Production Capacity of 70,000 TPA



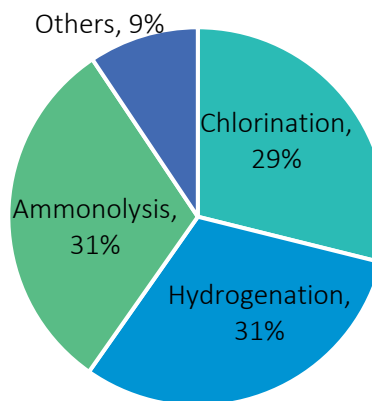
850+ Employees

- 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 16,182.76 Mn as on 31st December, 2022

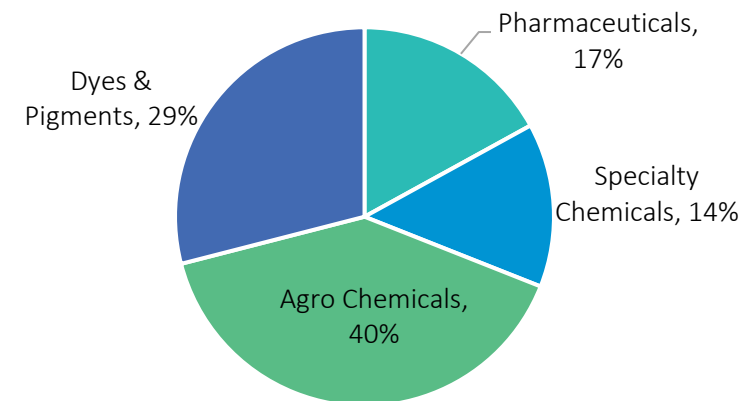
Operating Revenue (INR Mn) and EBITDA Margin (%)



FY22 Revenue Break-up – Chemistries



FY22 Revenue Break-up – End user Industry



## 9M-FY23 Revenue Share

### Ammonolysis

**Key Products:**

- Para Nitro Aniline
- Ortho Chloro Para Nitro Aniline

**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

### Others

**Acetylation**

**Key Products:**

- 6 Acetyl OAPSA
- OA Acetanilide
- PA Acetanilide

**Sulphonation**

**Key Products:**

- OT5SA
- 4B Acid
- 2B Acid

**Methoxylation**

**Key Products:**

- Ortho Nitro Anisole
- Para Nitro Anisole

**Industries Served:**

- Dyes

**Industries Served:**

- Dyes
- Pigments

**Industries Served:**

- Dyes
- Pigments

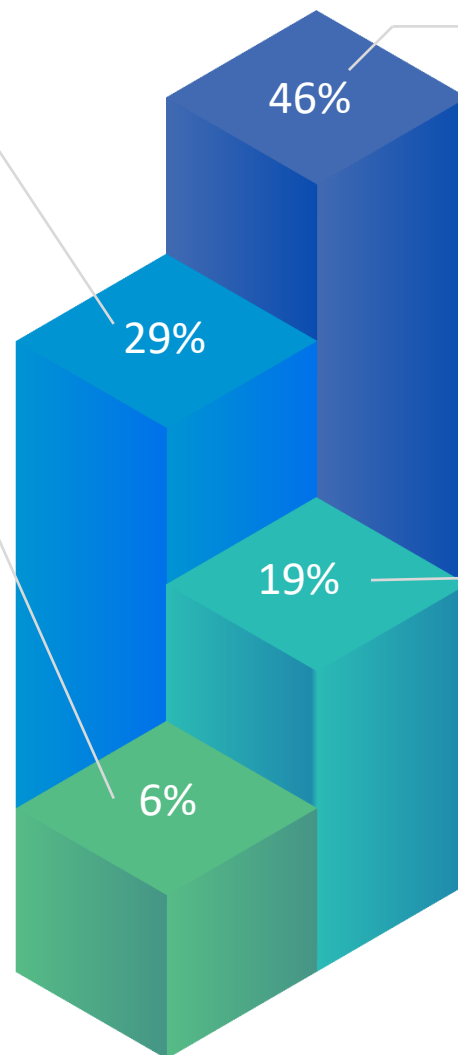
### Chlorination

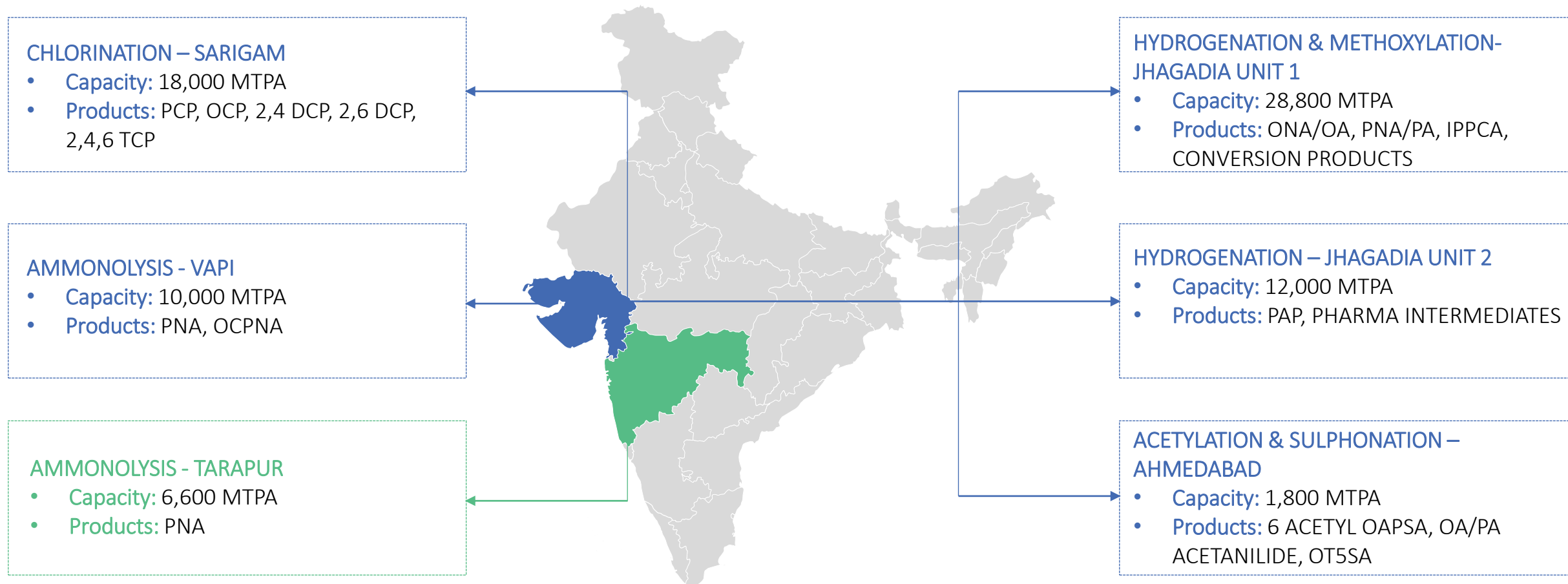
**Key Products:**

- 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)

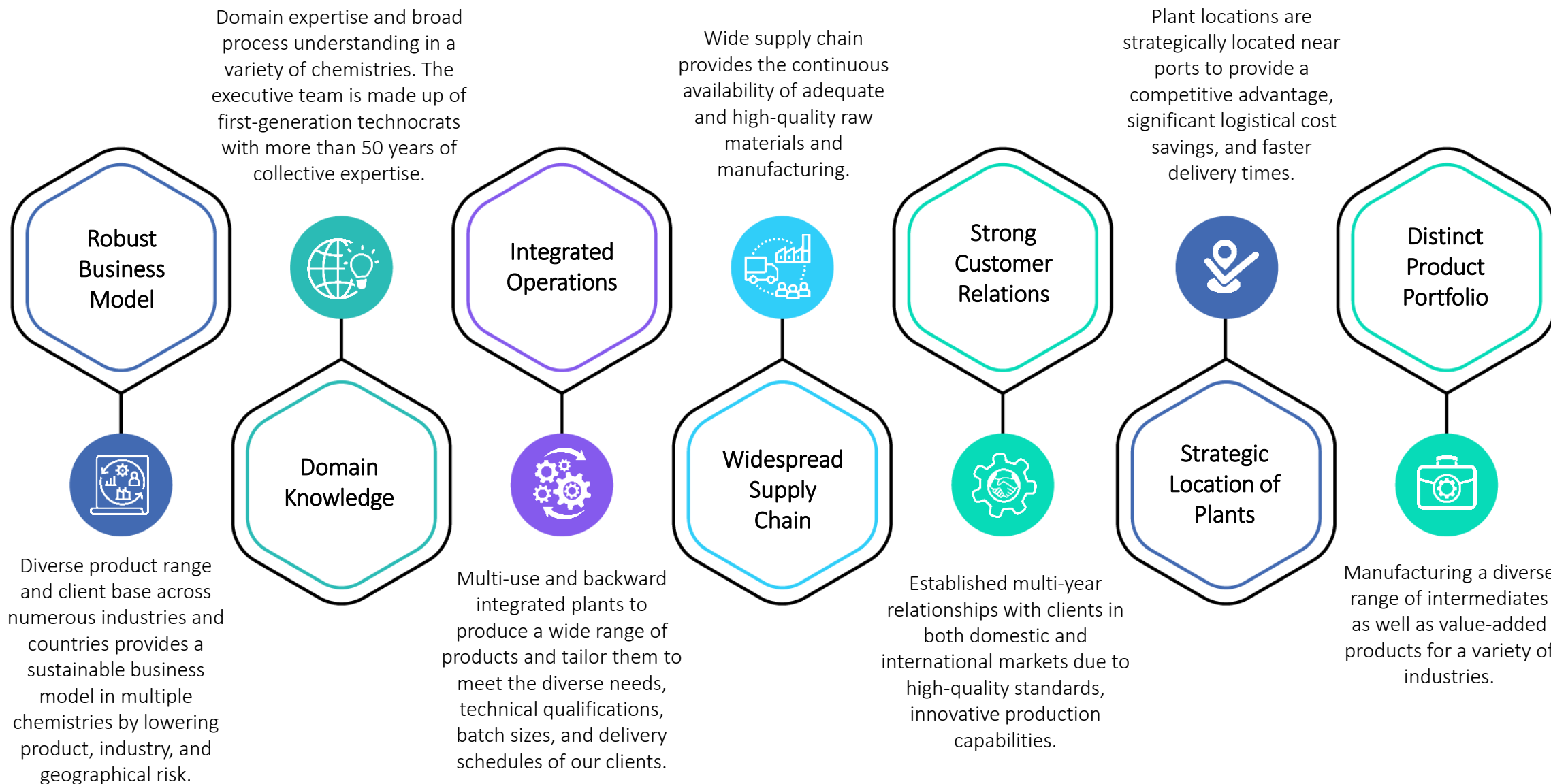
**Industries Served:**

- Agro Chemicals
- Cosmetics
- Veterinary
- Pharmaceuticals









Product	Project Status	Remarks
<b>Commissioned</b>		
Para Nitro Aniline (PNA) & Ortho Chloro Para Nitro Aniline (OCPNA)	Completing phase-wise	<ul style="list-style-type: none"> <li>Expansion from 550 TPM to 750 TPM at Vapi plant</li> <li>Full capacity addition in progress</li> </ul>
Ortho Nitro Anisole (ONA)	Completed in Q4 FY'20	<ul style="list-style-type: none"> <li>Backward integrated for existing product Ortho Anisidine</li> </ul>
Para Nitro Anisole (PNA)	Completed in Q4 FY'20	<ul style="list-style-type: none"> <li>Captive use towards manufacture of Para Anisidine</li> </ul>
Para Anisidine (PA)	Completed in Q4 FY'20	<ul style="list-style-type: none"> <li>Currently mostly being imported in India</li> <li>Valiant will be one of the major producers in India</li> </ul>
<b>Ongoing Projects</b>		
Para Amino Phenol (PAP)	Completed in Q4 FY'21	<ul style="list-style-type: none"> <li>Currently, limited availability domestically and mostly imported</li> <li>Due to technical difficulties in achieving the desired specification, the actual production delayed</li> <li>Ramp up in process for batch operations on-going.</li> <li>Simultaneous work on-going towards continuous process</li> </ul>
Ortho Amino Phenol (OAP)	Phase 1 production to commence by end of FY'23	<ul style="list-style-type: none"> <li>Currently, entirely imported in India</li> <li>Part of the production will be utilized as forward integration for one of company's existing products</li> <li>Trial run successful</li> </ul>
Pharma Intermediates	Production commenced from January 2023	<ul style="list-style-type: none"> <li>Multi-purpose plant for forward integration within Group Company</li> <li>Manufactures N-1, N-2 raw materials for API products</li> <li>Approvals received in January 2023</li> </ul>



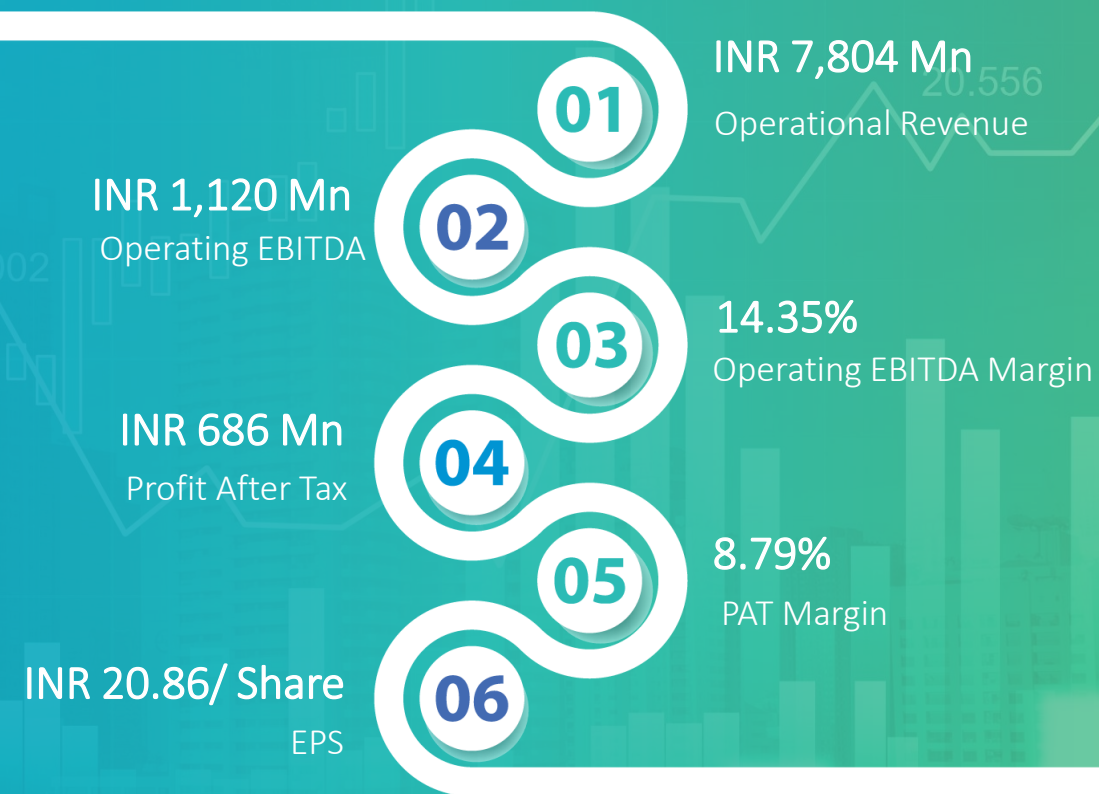
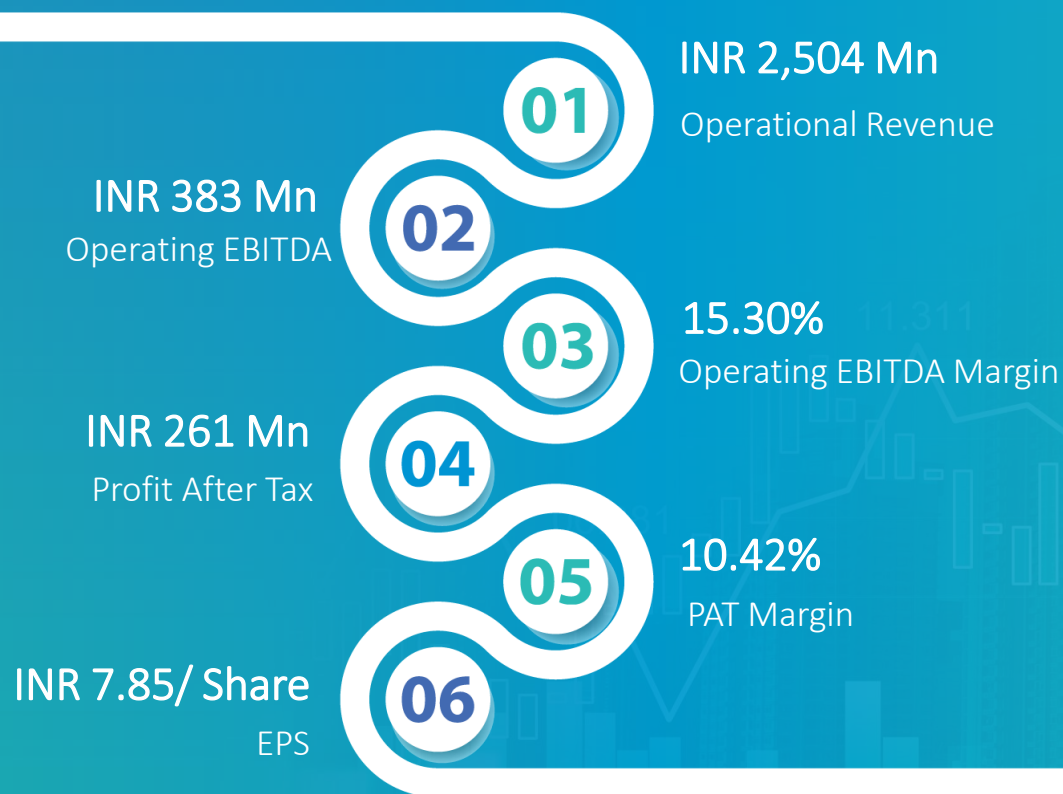


# Q3/9M-FY23 HIGHLIGHTS

# CONSOLIDATED FINANCIAL HIGHLIGHTS

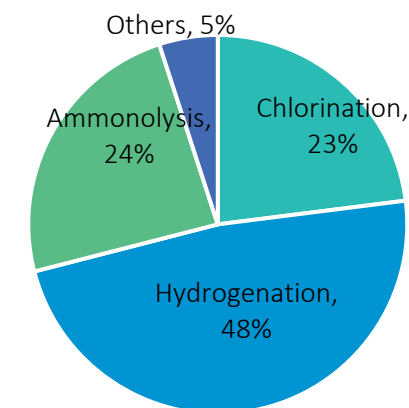
## Q3-FY23 Consolidated Financial Highlights

## 9M-FY23 Consolidated Financial Highlights

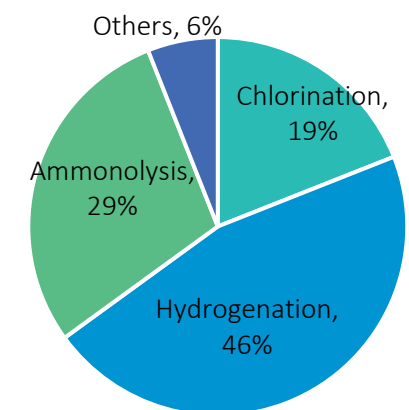


- Q3-FY23 was a subdued quarter mainly due to low demand from dyes & pigment intermediates.
- Margins improved marginally despite the drop in volume & revenue from the previous quarter.
- On a standalone basis, PAT has increased by 8% over the previous quarter. This increase includes profit from sale of land to subsidiary company for future expansion.
- For the quarter, PAP monthly production average was 400+ MT/mo and is expected to reach 500 MT/mo in the coming quarter.
- Pharma intermediates project received its approval in January 2023 and the plant is now operational.

### Q3-FY23 Revenue Break-up – Chemistries

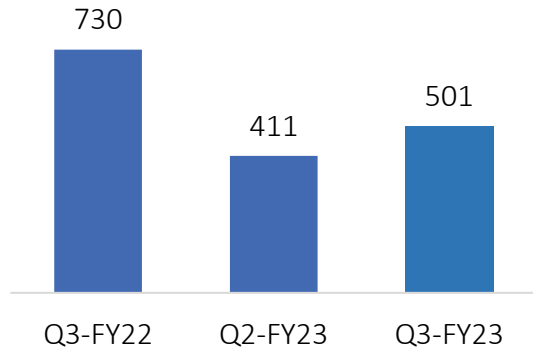


### 9M-FY23 Revenue Break-up – Chemistries

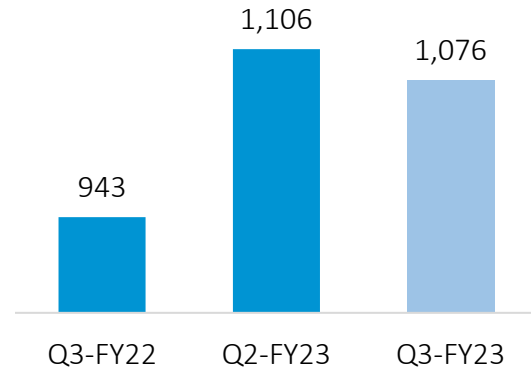


## Chlorination

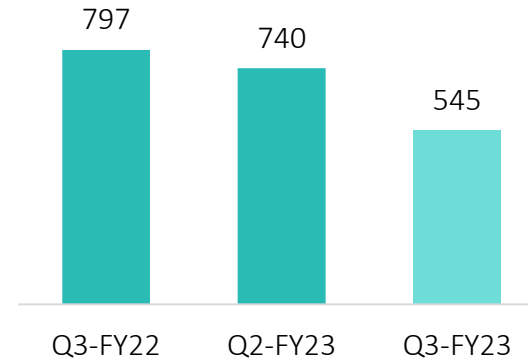
REVENUES (INR Mn)



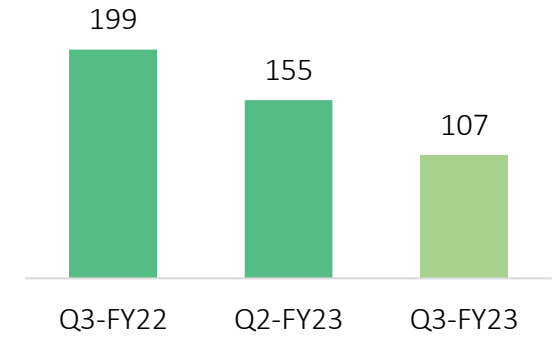
## Hydrogenation



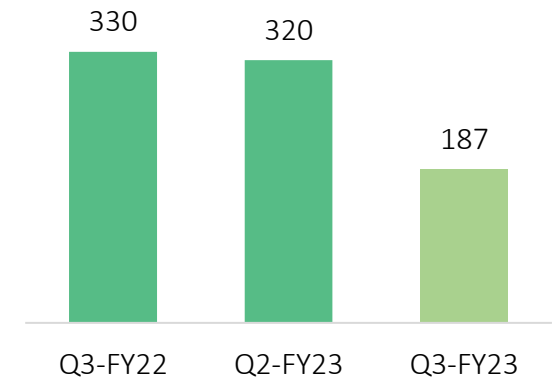
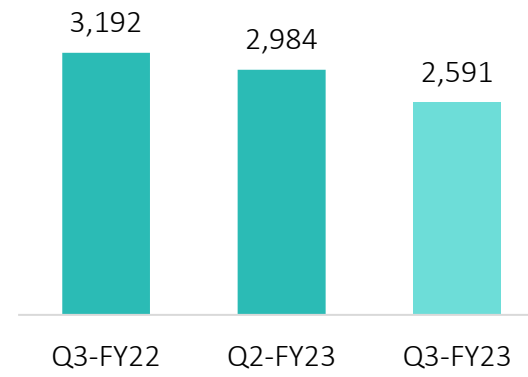
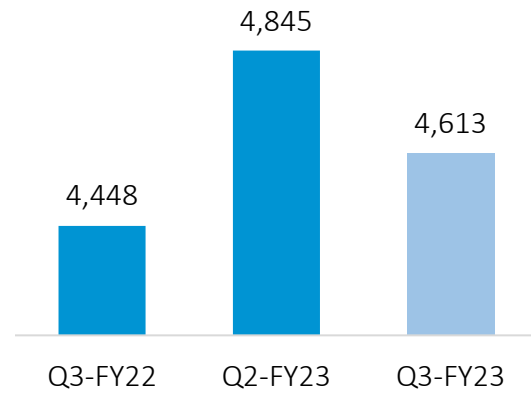
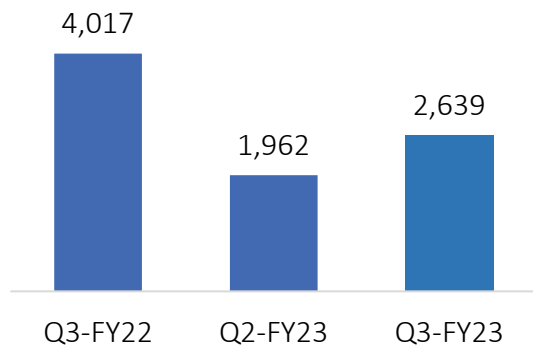
## Ammonolysis



## Others



SALES VOLUMES (MT)



# Quarterly Consolidated Financial Performance

Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Revenue from Operations	2,504	2,884	(13.2)%	2,641	(5.2)%
Total Expenses	2,121	2,382	(11.0)%	2,222	(4.5)%
EBITDA	383	502	(23.7)%	419	(8.6)%
<i>EBITDA Margins (%)</i>	<i>15.30%</i>	<i>17.41%</i>	<i>(211) bps</i>	<i>15.87%</i>	<i>(57) bps</i>
Other Income	14	25	(44.0)%	19	(26.3)%
Depreciation	73	77	(5.2)%	72	1.4%
Finance Cost	26	13	100.0%	25	4.0%
Exceptional Items	49	-	NA	-	NA
<b>PBT</b>	<b>347</b>	<b>437</b>	<b>(20.6)%</b>	<b>341</b>	<b>1.8%</b>
Tax	86	115	(25.2)%	85	1.2%
<b>PAT</b>	<b>261</b>	<b>322</b>	<b>(18.9)%</b>	<b>256</b>	<b>2.0%</b>
<i>PAT Margins (%)</i>	<i>10.42%</i>	<i>11.17%</i>	<i>(75) bps</i>	<i>9.69%</i>	<i>73 bps</i>
Other Comprehensive Income	8	1	NA	0	NA
<b>Total Comprehensive Income</b>	<b>269</b>	<b>323</b>	<b>(16.7)%</b>	<b>256</b>	<b>5.1%</b>
Basic/ Diluted EPS (INR)	7.85	10.70	(26.6)%	7.49	4.8%

# YTD Consolidated Financial Performance

Particulars (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Revenue from Operations	7,804	8,056	(3.1)%
Total Expenses	6,684	6,578	1.6%
EBITDA	1,120	1,478	(24.2)%
<i>EBITDA Margins (%)</i>	<i>14.35%</i>	<i>18.35%</i>	<i>(400) bps</i>
Other Income	52	52	0.0%
Depreciation	212	212	0.0%
Finance Cost	78	48	62.5%
Exceptional Items	49	-	NA
PBT	931	1,270	(26.7)%
Tax	245	362	(32.3)%
PAT	686	908	(24.4)%
<i>PAT Margins (%)</i>	<i>8.79%</i>	<i>11.27%</i>	<i>(248) bps</i>
Other Comprehensive Income	3	5	(40.0)%
<b>Total Comprehensive Income</b>	<b>689</b>	<b>913</b>	<b>(24.5)%</b>
Basic/ Diluted EPS (INR)	20.86	29.39	(29.0)%



# Quarterly Standalone Financial Performance

Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Revenue from Operations	2,176	2,608	(16.6)%	2,323	(6.3)%
Total Expenses	1,893	2,162	(12.4)%	2,009	(5.8)%
EBITDA	283	446	(36.5)%	314	(9.9)%
<i>EBITDA Margins (%)</i>	<b>13.01%</b>	<b>17.10%</b>	<b>(409) bps</b>	<b>13.52%</b>	<b>(51) bps</b>
Other Income	7	16	(56.3)%	4	75.0%
Depreciation	69	76	(9.2)%	68	1.5%
Finance Cost	25	13	92.3%	23	8.7%
Exceptional Items	49	-	NA	-	NA
PBT	245	373	(34.3)%	227	7.9%
Tax	60	97	(38.1)%	56	7.1%
PAT	185	276	(33.0)%	171	8.2%
<i>PAT Margins (%)</i>	<b>8.50%</b>	<b>10.58%</b>	<b>(208) bps</b>	<b>7.36%</b>	<b>114 bps</b>
Other Comprehensive Income	(2)	1	NA	0	NA
<b>Total Comprehensive Income</b>	<b>183</b>	<b>277</b>	<b>(33.9)%</b>	<b>171</b>	<b>7.0%</b>
Basic/Diluted EPS (INR)	6.62	9.87	(32.9)%	6.11	8.3%

# YTD Standalone Financial Performance

Particulars (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Revenue from Operations	6,844	6,579	4.0%
Total Expenses	5,985	5,373	11.4%
EBITDA	859	1,206	(28.8)%
<i>EBITDA Margins (%)</i>	<i>12.55%</i>	<i>18.33%</i>	<i>(578) bps</i>
Other Income	23	46	(50.0)%
Depreciation	201	200	0.5%
Finance Cost	76	46	65.2%
Exceptional Items	49	-	NA
<b>PBT</b>	<b>654</b>	<b>1,006</b>	<b>(35.0)%</b>
Tax	160	248	(35.5)%
<b>PAT</b>	<b>494</b>	<b>758</b>	<b>(34.8)%</b>
<i>PAT Margins (%)</i>	<i>7.22%</i>	<i>11.52%</i>	<i>(430) bps</i>
Other Comprehensive Income	(9)	5	NA
<b>Total Comprehensive Income</b>	<b>485</b>	<b>763</b>	<b>(36.4)%</b>
Basic/ Diluted EPS (INR)	17.66	27.09	(34.8)%



# HISTORICAL FINANCIAL OVERVIEW

# Historical Consolidated Income Statement

Particulars (INR Mn)	FY20	FY21*	FY22*	9M-FY23*
Operational Income	6,749	7,548	11,533	7,804
Total Expenses	4,946	5,496	9,484	6,684
EBITDA	1,803	2,052	2,049	1,120
<i>EBITDA Margins (%)</i>	<i>26.71%</i>	<i>27.19%</i>	<i>17.77%</i>	<i>14.35%</i>
Other Income	63	59	74	52
Depreciation	158	212	296	212
Finance Cost	23	50	65	78
Exceptional Items	-	-	-	49
PBT	1,685	1,849	1,762	931
Tax	423	540	483	245
Profit After Tax	1,262	1,309	1,279	686
<i>PAT Margins (%)</i>	<i>18.70%</i>	<i>17.34%</i>	<i>11.09%</i>	<i>8.79%</i>
Other Comprehensive Income	2	69	6	3
Total Comprehensive Income	1,264	1,378	1,285	689
Diluted EPS (INR per share)	44.32	40.97	40.51	20.86

\*FY21 onward figures as per Ind AS

# Consolidated Balance Sheet (IND – AS)

Particulars (INR Mn)	FY21	FY22	H1-FY23
<b>EQUITY</b>	<b>5,086</b>	<b>6,489</b>	<b>6,816</b>
a) Equity Share Capital	272	272	272
b) Other Equity	4,747	5,856	6,121
c) Optionally Convertible Preference Shares	4	4	4
d) Non Controlling Interest	63	357	419
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>	<b>971</b>	<b>1,340</b>	<b>1,317</b>
Financial Liabilities			
a) Borrowings	751	1,058	1,011
b) Lease Liabilities	2	5	5
c) Provisions	15	11	12
d) Deferred Tax Liabilities (Net)	203	266	289
<b>Current Liabilities</b>	<b>2,706</b>	<b>4,018</b>	<b>3,409</b>
a) Financial Liabilities			
(i) Borrowings	1,330	2,568	1,974
(ii) Trade Payables	1,072	1,238	1,171
(iii) Other Financial Liabilities	253	161	181
(iv) Lease Liabilities	4	3	4
b) Other Current Liabilities	21	24	47
c) Provisions	26	24	32
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>8,763</b>	<b>11,847</b>	<b>11,542</b>

Particulars (INR Mn)	FY21	FY22	H1-FY23
<b>Non-Current Assets</b>	<b>5,731</b>	<b>6,652</b>	<b>7,000</b>
a) Property, Plant and Equipment	4,967	5,303	5,375
b) Capital Work In Progress	459	1,116	1,358
c) Right-Of-Use Assets	6	8	9
d) Goodwill	-	-	-
e) Goodwill on Consolidation	123	123	123
f) Financial Assets			
(i) Investments	23	33	26
(ii) Loans	59	58	60
(iii) Other Financial Assets	-	-	-
g) Other Non-Current assets	94	11	49
<b>Current Assets</b>	<b>3,032</b>	<b>5,195</b>	<b>4,542</b>
a) Inventories	722	1,136	974
b) Financial Assets			
(i) Investments	40	46	570
(ii) Trade Receivables	1,568	3,209	2,444
(iii) Cash and Cash Equivalents	128	251	116
(iv) Other Bank balances	182	203	3
(v) Loans	5	5	5
(vi) Other financial assets	2	3	3
c) Other Current Assets	363	233	324
d) Current Tax Assets (Net)	22	109	103
<b>GRAND TOTAL – ASSETS</b>	<b>8,763</b>	<b>11,847</b>	<b>11,542</b>

# Historical Standalone Income Statement

Particulars (INR Mn)	FY20	FY21*	FY22*	9M-FY23*
Revenue from Operations	5,836	5,742	9,484	6,844
Total Expenses	4,103	4,170	7,834	5,985
<b>EBITDA</b>	<b>1,733</b>	<b>1,572</b>	<b>1,650</b>	<b>859</b>
<i>EBITDA Margins (%)</i>	<i>29.69%</i>	<i>27.38%</i>	<i>17.40%</i>	<i>12.55%</i>
Other Income	52	169	56	23
Depreciation	130	186	273	201
Finance Cost	10	35	64	76
Exceptional Items	-	-	-	49
<b>PBT</b>	<b>1,645</b>	<b>1,520</b>	<b>1,369</b>	<b>654</b>
Tax	406	374	340	160
<b>Profit After Tax (After Merger)</b>	<b>1,239</b>	<b>1,146</b>	<b>1,029</b>	<b>494</b>
<i>PAT Margins (%)</i>	<i>21.23%</i>	<i>19.96%</i>	<i>10.85%</i>	<i>7.22%</i>
Other Comprehensive Income	2	69	8	(9)
<b>Total Comprehensive Income</b>	<b>1,241</b>	<b>1,215</b>	<b>1,037</b>	<b>485</b>
Diluted EPS (INR per share)	44.32	40.98	36.81	17.66

\*FY21 onward figures as per Ind AS



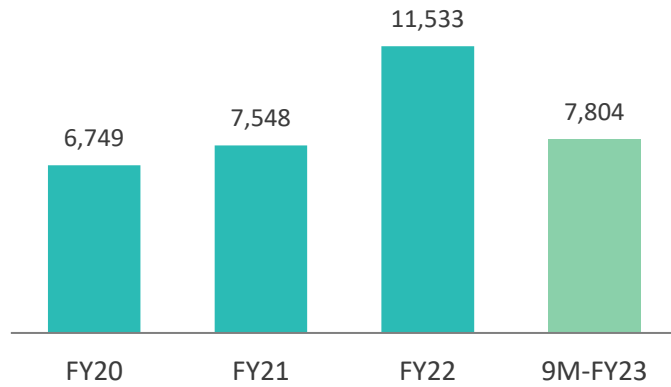
# Standalone Balance Sheet (IND – AS)

Particulars (INR Mn)	FY21	FY22	H1-FY23
<b>EQUITY</b>	<b>5,023</b>	<b>6,031</b>	<b>6,240</b>
a) Equity Share Capital	272	272	272
b) Other Equity	4,747	5,755	5,964
c) Optionally Convertible Preference Shares	4	4	4
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>	<b>962</b>	<b>1,215</b>	<b>1,190</b>
Financial Liabilities			
a) Borrowings	748	940	893
b) Lease Liabilities	2	2	3
c) Provisions	15	10	11
d) Deferred Tax Liabilities (Net)	197	263	283
e) Other Non-Current Liabilities	-	-	-
<b>Current Liabilities</b>	<b>2,071</b>	<b>3,583</b>	<b>2,957</b>
a) Financial Liabilities			
(i) Borrowings	736	2,110	1,569
(ii) Trade Payables	1,042	1,271	1,149
(iii) Other Financial Liabilities	244	154	168
(iv) Lease Liabilities	3	2	2
b) Other Current Liabilities	20	22	35
c) Provisions	26	24	34
d) Current Tax Liabilities (Net)	-	-	-
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>8,056</b>	<b>10,829</b>	<b>10,387</b>

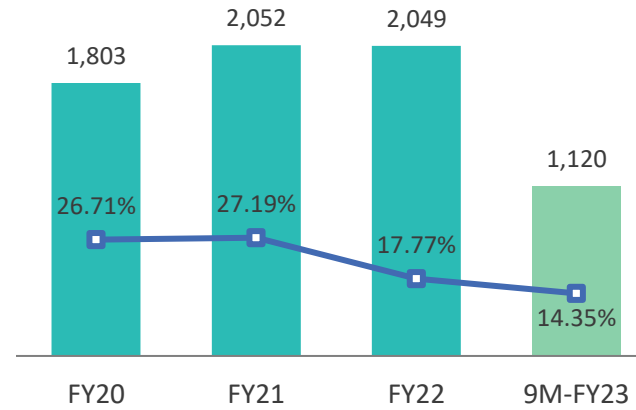
Particulars (INR Mn)	FY21	FY22	H1-FY23
<b>Non-Current Assets</b>	<b>5,798</b>	<b>6,787</b>	<b>7,094</b>
a) Property, Plant and Equipment	4,771	5,085	5,143
b) Capital Work In Progress	459	1,102	1,328
c) Right-Of-Use Assets	4	4	5
d) Financial Assets	-	-	-
(i) Investments in Subsidiaries	395	501	489
(ii) Other Investments	24	32	26
(iii) Other Financial Assets	52	52	53
e) Other Non-Current assets	93	11	50
<b>Current Assets</b>	<b>2,258</b>	<b>4,042</b>	<b>3,293</b>
a) Inventories	660	973	891
b) Financial Assets			
(i) Investments	1	1	2
(ii) Trade Receivables	1,166	2,532	1,899
(iii) Cash and Cash Equivalents	86	230	113
(iv) Other Bank balances	32	3	3
(v) Loans	5	5	5
(vi) Other financial assets	2	3	3
c) Other Current Assets	257	217	274
d) Current Tax Assets (Net)	49	78	102
<b>GRAND TOTAL – ASSETS</b>	<b>8,056</b>	<b>10,829</b>	<b>10,387</b>

# Consolidated Financial Highlights

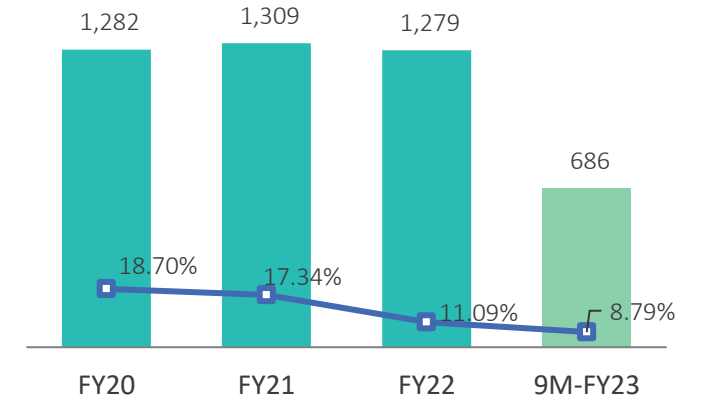
### Operational Revenue (INR Mn)



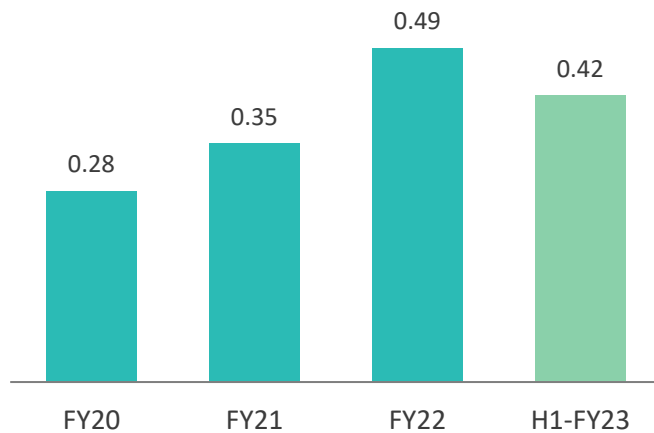
### EBITDA (INR Mn) & EBITDA Margins (%)



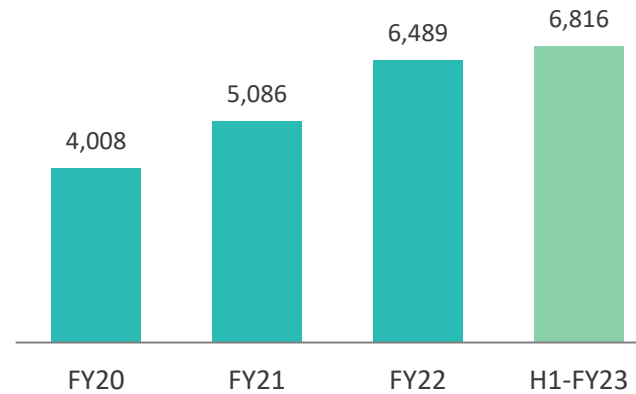
### PAT (INR Mn) & PAT Margins (%)



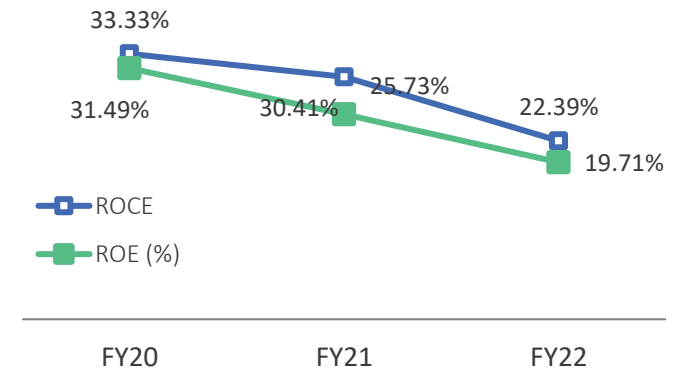
### Net Debt to Equity (x)



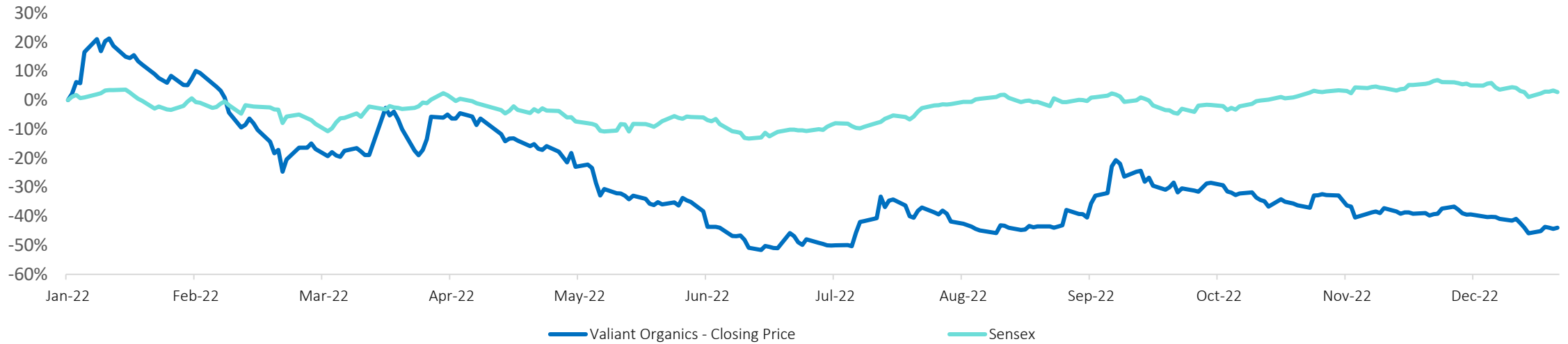
### Net Worth (INR Mn)



### Return on Capital Employed & Return on Equity (%)

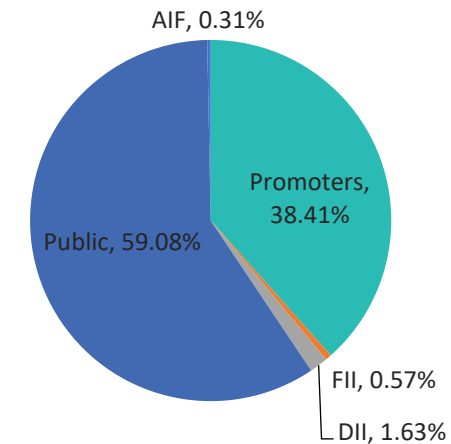


## Share Price up to 31st December, 2022



Price Data (As on 31 <sup>st</sup> December, 2022)	INR
Face Value	10.00
Market Price	596.05
52 Week H/L	1,358.95/504.50
Market Cap (Mn)	16,182.76
Equity Shares Outstanding (Mn)	27.15
1 Year Avg Trading Volume ('000)	111.72

## Shareholding pattern (As on 31<sup>st</sup> December 2022)



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**THANK YOU**