



## COMPANY BACKGROUND.....

- Valiant Organics Limited is a chemicals manufacturing company focused on the manufacture and marketing of specialty chemicals.
- The company began as a partnership concern in 1984 under the name Valiant Chemical Corporation, it was later constituted as a private limited company in 2005 with the intention of acquiring this partnership firm. The corporation was transformed to a public limited company in 2015.
- The chemicals produced are used in a variety of industries, including agrochemicals, pharmaceuticals, rubber, dyes, pigments, and the manufacture of veterinary medications.
- The company's integrated manufacturing facilities are located in Sarigam, Tarapur, Vapi, Jhagadia, & Ahmedabad.
- Domestic revenue accounts for 88% of total revenue, while balance 12% accounts for exports.

## BUSINESS MIX (As on FY24) .....

- Chlorination (24%):** Any reaction in which chlorine is introduced into a molecule to achieve a desired effect is known as chlorination.
- Ammonolysis (28%):** It is a type of chemical reaction in which ammonia is used as a reactant.
- Hydrogenation (41%):** Its a chemical reaction between molecular hydrogen and another compound or element, usually in the presence of a catalyst.
- Sulphonation and Nitration (6%):** The replacement of the hydrogen atom of an organic compound with sulfonic acid functional group, often by the reaction with sulfuric acid at higher temperatures.
- Nitration** is the process of adding a nitration group to an organic compound.

## KEY STRENGTHS.....

- A diverse product range and client base scattered across numerous industries and countries.
- Multi-use plants enable to produce a wide range of products and tailor them to meet the diverse needs.
- Innovative production capabilities, and inventive value-added products.
- Domain expertise and broad process understanding in a variety of chemistries enable us to consistently satisfy the ever-changing business demands.
- Diverse supply chain, along with backward integrated activities, provides the continuous availability of adequate and high-quality raw materials and manufacturing.
- Plants are strategically located near ports to provide a competitive advantage, significant logistical cost savings, and faster delivery times.

## FINANCIAL PERFORMANCE (CONSOLIDATED).....

	(INR Mn)	Op.Income	EBITDA	EBITDA%	PAT	PAT%	EPS
<b>FY21</b>		7,548	2,052	27.19%	1,309	17.34%	40.97
<b>FY22</b>		11,533	2,049	17.77%	1,279	11.09%	40.51
<b>FY23</b>		10,518	1,643	15.62%	1,026	9.75%	31.50
<b>FY24</b>		7,231	382	5.28%	-84	-1.16%	(3.00)

## Key Data

<b>BSE Code</b>	540145
<b>NSE Code</b>	VALIANTORG
<b>Reuters</b>	VALN.BO
<b>Bloomberg</b>	VORG:IN

## Market Data (INR) As on 31<sup>st</sup> March, 2024

<b>Face Value</b>	10.00
<b>CMP</b>	379.80
<b>52 Week H/L</b>	635.20/373.95
<b>MCAP (Mn)</b>	10,473.00
<b>Shares O/S (Mn)</b>	27.58
<b>1 Year Avg Volume</b>	13.90

## Performance As on 31<sup>st</sup> March, 2024

	3M	6M	12M
<b>VALIANT</b>	(24.8)%	(18.3)%	(7.6)%
<b>SENSEX</b>	2.0%	11.9%	24.6%
<b>BSE SMALLCAP</b>	0.7%	14.5%	59.6%

## Shareholding Pattern As on 31<sup>st</sup> March, 2024

<b>Promoters</b>	37.77%
<b>Public</b>	60.66%
<b>FII</b>	1.14%
<b>DII</b>	0.43%

**BUSINESS SEGMENTS.....**

**Chlorination:**

- It is the largest chlorophenol products manufacturer in India and has a global market share of ~20%.
- Valiant is the only domestic player and also a global leader in Chlorophenol products with ~25% global market share.

Applications: Agrochemicals, Dyes, Cosmetics, Veterinary, Pharmaceuticals, etc

**Ammonolysis:**

- Ammonolysis is a type of chemical reaction in which ammonia is used as a reactant. Ammonolysis reactions can be conducted with organic compounds to produce amines or with inorganic compounds to produce nitrides.
- 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.

Applications: Dyes, Pigments

**Hydrogenation:**

- Hydrogenation is a chemical reaction between molecular hydrogen and another compound or element, usually in the presence of a catalyst such as nickel, palladium or platinum.
- It's newer products Ortho Anisidine and Para Amino Phenol are import substitution products.

Applications: Dyes, Pigments, Pharmaceuticals, Agrochemicals

**Acetylation:**

- Acetylation is a reaction that introduces an acetyl functional group into an organic chemical compound.
- The key product under this segment is '6 Acetyl Ortho Amino phenol Para Sulfonic Acid', which finds its usage in dye intermediates.

Applications: Dyes

**Sulphonation:**

- Important sulphonation procedures include the reaction of aromatic hydrocarbons with sulfuric acid, sulfur trioxide, or chloro sulfuric acid

Application: Dyes, Pigments

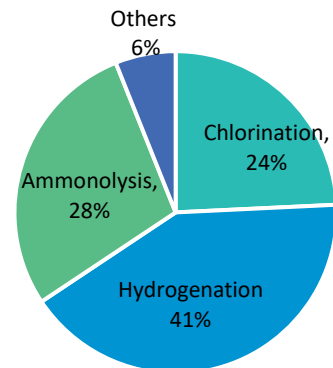
**KEY GROWTH DRIVERS.....**

- Integrated company concept that is unique in nature
- With products across the value chain, this is an exclusive company model.
- Ability to customize its products as per the requirements of the customer.
- Dominant player in the domestic market.
- Limited global competition

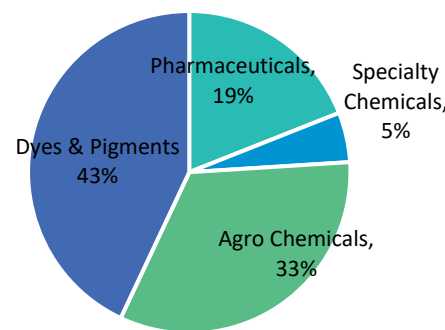
**PEER COMPARISION (TRAILING 12 MONTHS) INR Mn.....**

Company	Op. Income	EBITDA	EBITDA%	Net Profit	PAT%	Mkt. Cap.
Valiant Organics	7,231	382	5.28%	-84	-1.16%	10,473
Meghmani Organics	15,663	-203	-1.29%	-1,060	-6.77%	20,167
Deepak Nitrite	76,818	11,233	14.62%	8,109	10.56%	2,89,378
Sadhana Nitro	1,901	411	21.60%	41	2.15%	15,439
Aarti Industries	63,720	9,760	15.32%	4,160	6.53%	2,41,555

**FY24 Revenue Breakup – Chemistries (%)**



**FY24 End User Industry Revenue Breakup (%)**



**INCOME STATEMENT (CONSOLIDATED)**

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

**BALANCE SHEET (CONSOLIDATED)**

PARTICULARS (INR Mn)	FY22	FY23	FY24	PARTICULARS (INR Mn)	FY22	FY23	FY24
<b>EQUITIES &amp; LIABILITIES</b>				<b>ASSETS</b>			
<b>EQUITY</b>	<b>6,489</b>	<b>7,401</b>	<b>7,293</b>	<b>Non-Current Assets</b>	<b>6,652</b>	<b>7,682</b>	<b>8,352</b>
a) Equity Share Capital	272	272	276	a) Property, Plant & Equipment	5,303	6,565	6,297
b) Other Equity	5,856	6,616	7,017	b) Capital Work In Progress	1,116	709	861
c) Optionally Convertible Preference Shares	4	4	-	c) Right-Of-Use Assets	8	12	5
d) Non Controlling Interest	357	509	-	d) Other Intangible Asset	-	2	2
<b>LIABILITIES</b>				e) Goodwill on Consolidation	123	123	123
<b>Non-Current Liabilities</b>	<b>1,340</b>	<b>1,064</b>	<b>1,055</b>	f) Financial Assets			
a) Borrowings	1,058	706	742	(i) Investments	33	37	953
b) Lease Liabilities	5	11	2	(ii) Loans	58	-	-
c) Provisions	11	15	19	(iii) Other Financial Assets	-	68	54
d) Deferred Tax Liabilities	266	332	292	g) Other Non-Current assets	11	166	57
<b>Current Liabilities</b>	<b>4,092</b>	<b>3,927</b>	<b>4,132</b>	<b>Current Assets</b>	<b>5,269</b>	<b>4,710</b>	<b>4,128</b>
a) Financial Liabilities				a) Inventories	1,136	1,262	1,142
(i) Borrowings	2,568	2,018	1,823	b) Financial Assets			
(ii) Trade Payables	1,312	1,656	2,074	(i) Investments	46	375	33
(iii) Other Financial Liabilities	161	200	173	(ii) Trade Receivables	3,209	2,543	2,094
(iv) Lease Liabilities	3	2	2	(iii) Cash and Cash Equivalents	250	78	35
b) Other Current Liabilities	24	21	23	(iv) Other Bank balances	203	4	3
c) Provisions	24	30	37	(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
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>11,921</b>	<b>12,392</b>	<b>12,480</b>	<b>GRAND TOTAL – ASSETS</b>	<b>11,921</b>	<b>12,392</b>	<b>12,480</b>

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