

READYING FOR THE
NEXT
LEVEL

Valiant Organics Limited | Annual Report 2022-23

Forward-looking statement

This document contains statements about expected future events and financial and operating results of Valiant organics limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis of the Valiant Organics Limited Annual Report 2022-23.

Financial performance snapshot, FY 2022-23

912	76	15
₹ Crore, Revenues	₹ Crore, PAT	%, EBITDA margin
213	585	
₹ Crore, Net debt	₹ Crore, Net worth	

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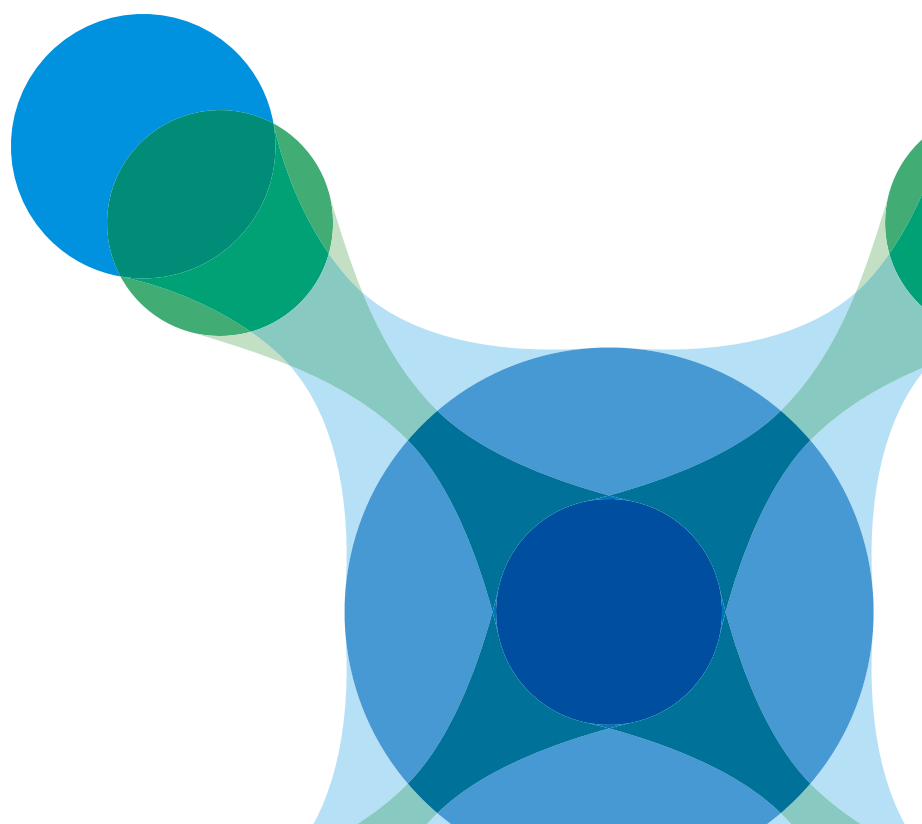
Part eight: Notice

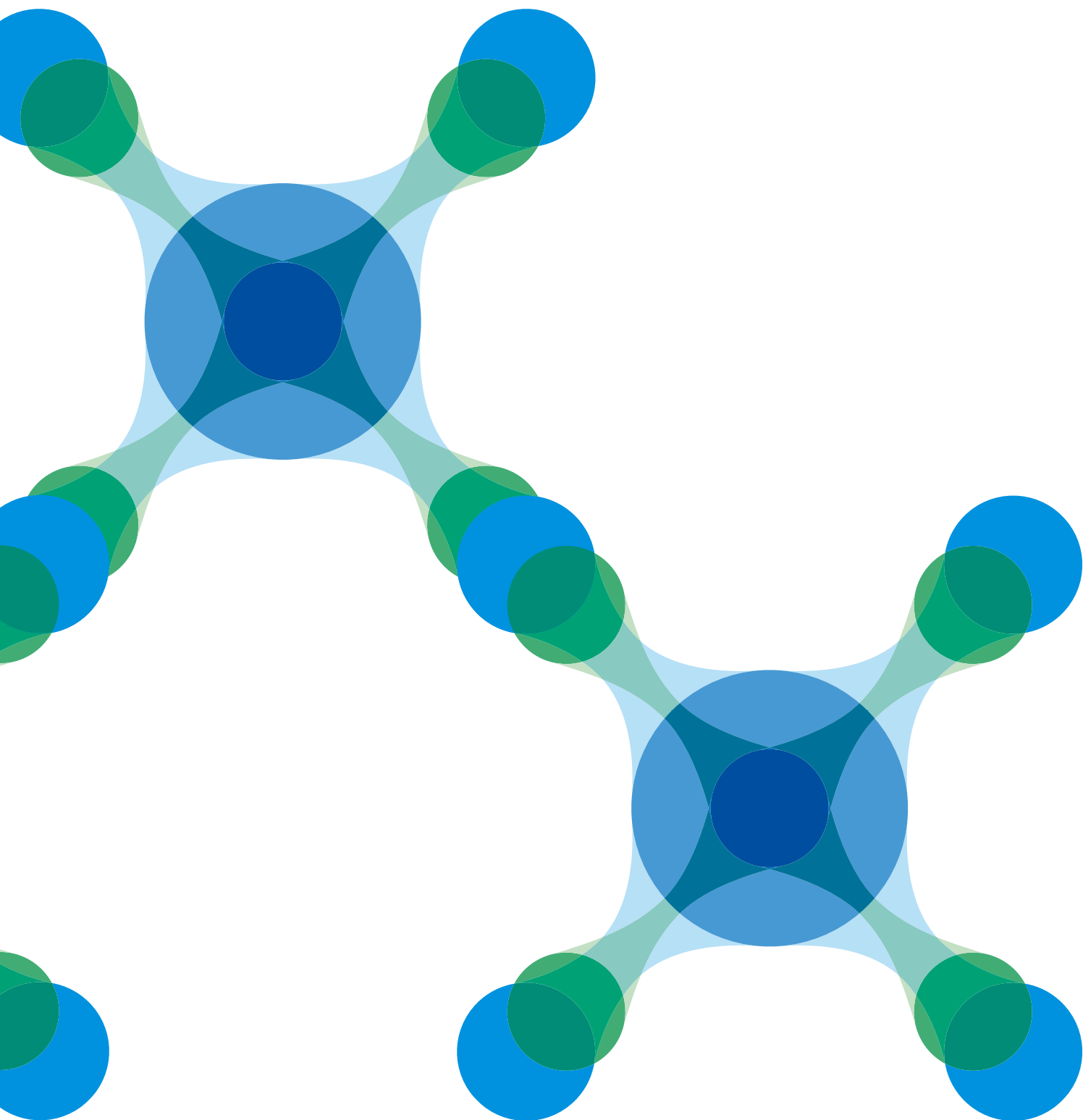
- 283 Notice of Annual General Meeting

Valiant Organics weathered a sectorial slowdown during the last financial year.

The company intends to capitalize on a projected sectorial recovery through an under-borrowed Balance Sheet, remunerative products, Group synergies and a higher output.

The complement of these competitive advantages is expected to translate into superior value for the company's stakeholders in a sustainable way.





PART ONE

OUR

ETENSIVE

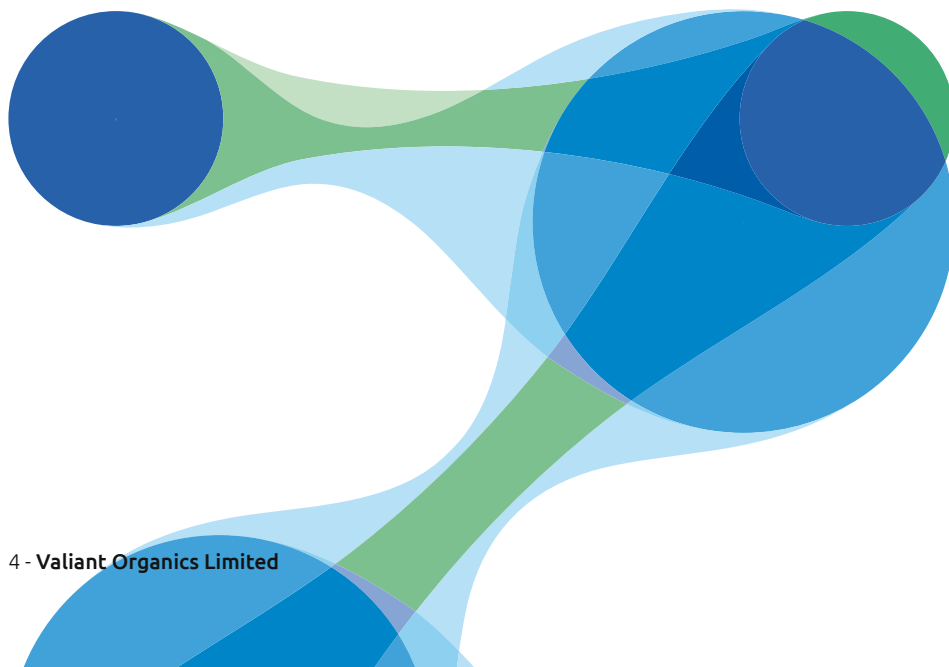
TRACK RECORD

Valiant Organics Limited.

The Company is a respected Indian manufacturer of benzene derivatives.

The Company has established a reputation for an anytime dependability of products around the highest quality standards.

The Company is widening its ecosystem to provide a range of products that help take the customer's business ahead.





Our legacy

Valiant Organics Limited is a specialty chemical manufacturing company in India. The business was established as a partnership entity (Valiant Chemical Corporation) in 1984 and transformed into a public limited company in 2015.

Products

The Company manufactures specialty chemicals based around benzene. These products are utilised across industries such as agrochemicals, pharmaceuticals, dyes and pigments.

Our production plants

The Company operates six manufacturing units across five locations - Tarapur, Sarigam, Vapi, Jhagadia and Ahmedabad - that are strategically close to the vast ports of western India. These premises have been invested with scale, cutting-edge technologies and effluent treatment systems. The Company's head office is in Mumbai.

Our clientele

The Company serves prominent industry players like Anupam Rasayan India Ltd., Lanxess India Private Limited, Spectrum Dyes & Chemicals Pvt. Ltd., Clariant Chemicals (India) Ltd., Colourtex and others. The Company exports to Europe, Japan, China and other international markets.

Our capacity

The Company's integrated manufacturing units possess a combined installed capacity of about 70,000 MTPA across multiple chemistry domains. The extensive operations establish the company as a reliable one-stop provider of a range of products.

Our capability

The Company possesses a competence in process chemistries like chlorination, ammonolysis, acetylation, hydrogenation, sulphonation and methoxylation.

Chemistry	Location	Capacity (MTPA)	Products
Chlorination	Sarigam	18,000	PCP, OCP, 2,4 DCP, 2,6 DCP, 2,4,6 TCP
Ammonolysis	Vapi	10,000	PNA, OCPNA
Ammonolysis	Tarapur	6,600	PNA
Hydrogenation and methoxylation	Jhagadia (Unit 1)	28,800	ONA/OA, PNA/PA, IPPCA, conversion products
Hydrogenation	Jhagadia (Unit 2)	12,000	PAP and pharma intermediates
Acetylation, Sulphonation, others	Ahmedabad	1,800	6 Acetyl OAPSA, OA/PA Acetanilide, OT5SA

Our certifications

The Company has been accredited for OHSAS 18001:2007, ISO 14001:2015 and ISO 9001:2015 certifications, enhancing customer confidence and systemic consistency.

Our employees

The Company comprised 900+ permanent employees and 1,350+ contractual workers as on March 31, 2023. The Company's talent comprises professionals in chemistries, marketing, manufacturing, legal, finance, human resource management

and others. The average employee age was 34 years in FY 2022-23.

Responsible

The Company is respected as a clean manufacturer, marked a compliance with environmental standards, governance, financial stability and community engagement. The Company has five zero liquid discharge plants.

Our listing

The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE),

enjoying a market capitalization of ₹11,322 Crore as of March 31, 2023.

Our credit rating

The Company's credit-rating was reaffirmed at CRISIL A/STABLE in FY 2022-23 for long-term debt and certified at CRISIL A1 for short-term debt in FY 2022-23.

Downstream customers we cater to



Pharmaceutical sector

India's pharmaceutical sector has been a key driver of growth in the country's specialty chemicals industry. Over the past three decades, India has emerged as a major success in the global pharmaceutical sector, becoming the largest supplier of affordable generic drugs worldwide, offering a diverse range of pharmaceutical products at competitive prices.

(Source: Invest India)



Dyes and pigment sector

India plays a significant role in the dyestuffs and dye intermediates industry, accounting for approximately 16% of global production. It holds the 14th position in exports and the 8th position in imports (excluding pharmaceuticals). The Indian dyestuff sector is positioned for growth, serving as the primary supplier to the textile industry in ASEAN and South Asian countries.

(Source: India Trade Portal)



Agrochemical sector

As the global population is projected to reach 9.7 Billion by 2050 and potentially peak at 10.4 Billion in the mid-2080s, agrochemical companies face an increasing demand for specialised crop protection chemicals to safeguard food production. The Indian agrochemicals market size reached a value of almost US\$ 6 Billion in the year 2022. The market is expected to grow at a CAGR of 8.5% between 2023 and 2028 to reach almost US\$ 9.82 Billion by 2028. By 2040, it is expected to account for almost 40% of India's overall chemicals exports.

(Source: agribusinessglobal.com)

16%

of global production of dye stuffs and dye intermediates from India

8.5%

CAGR between 2023 and 2028 to reach a value of almost US\$ 9.82 Billion by 2028

Our process and products portfolio

Chlorination

- Para Chloro Phenol
- Ortho Chloro Phenol
- 2,4 Di Chloro Phenol
- 2,6 Di Chloro Phenol
- 2,4,6 Tri Chloro Phenol

Hydrogenation

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

Acetylation

- 6 Acetyl OAPSA
- OA Acetanilide
- PA Acetanilide

Ammonolysis

- Para Nitro Aniline
- Ortho Chloro Para Nitro Aniline

Sulphonation

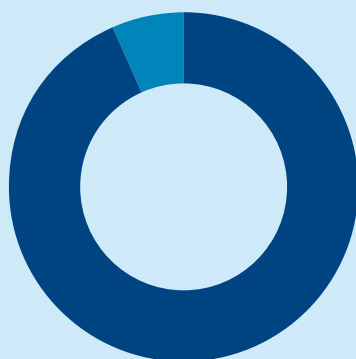
- OT5SA
- 4B Acid
- 2B Acid

Methoxylation

- Ortho Nitro Anisole
- Para Nitro Anisole

Revenue by geography, FY 2022-23

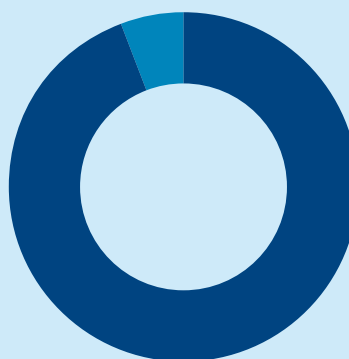
(In ₹ Crore)



■ Domestic: 852.82
■ International: 58.79

Revenue by geography, FY 2021-22

(In ₹ Crore)



■ Domestic: 894.68
■ International: 53.76

Our milestones

1984

Established as Valiant Chemical Corporation with a single product - Meta Chloro Aniline

1997

Widened the product range to include chlorophenols, a chemical used as an intermediate in pharmaceuticals, pesticides, disinfectants, anti-bacterial applications and veterinary drugs

2005

Incorporated as a private limited company

2008

Commenced exports

2013

Increased installed capacity from 3,000 MTPA to 4,800 MTPA

2015

Converted into a public limited company

2016

Listed on the SME board of the BSE