

8<sup>th</sup> September 2025

Close\* – ₹1,487/-

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## Q1FY26 Result Update

In Q1FY26, the company reported Net Sales of ₹358.3crs, a decline of 7% YoY from ₹384.7crs but an improvement of 2% QoQ from ₹352.7crs, reflecting demand softness on an annual basis but a marginal recovery sequentially. EBITDA stood at ₹54.7crs, down 17% YoY and 8% QoQ, indicating that despite volume growth, profitability remained under pressure. EBITDA margin contracted to 15%, compared to 17% in both YoY and QoQ periods, highlighting continued margin pressure. On the operational front, total volumes improved to 27,570 MT from 25,871 MT, aided by stable commodity prices, with segment-wise contributions from Amines (7,573 MT), Amines Derivatives (8,108 MT), and Specialty Chemicals (11,889 MT).

**New Projects & Expansion Plans:** Key projects under execution include:

- **Dimethyl Ether (DME):** 1,00,000 TPA capacity under Phase-3, positioned as a substitute for LPG in fuel and aerosol industries, expected in FY26.
- **N-Methyl Morpholine (NMM):** 5,000 TPA plant in progress, commissioning FY26.
- **Acetonitrile (ACN):** Process-upgraded plant expansion to 18,000 TPA by FY27.
- **Subsidiary (BSCL) Expansion:** ₹750crs Mega Project status in Maharashtra covering products like Hydrogen Cyanide, Sodium Cyanide, and EDTA. Unit-1 brownfield EDA expansion to be ready in Q1FY27; Unit-2 Greenfield HCN, NaCN, and EDTA plants also scheduled for FY27.
- Additionally, an **8 MW DC solar power project** commissioned in April 2025 will reduce costs and support ESG goals.

## Important Statistics

Nifty	24,741.00
Sensex	80,710.76
Close* (₹)	1,487
MCAP (₹ bn)	~₹48
52-Week H/L (₹)	2433/1127
NSE Code	BALAMINES
BSE Code	530999
Bloomberg Code	BLA:IN

Close\* as on 05<sup>th</sup> Sep 2025

## Shareholding Pattern (%) June'25

Promoter Holding	54.59
FII	5.00
DII	1.47
Public & Others	38.95

## Financials

Particulars	FY21	FY22	FY23	FY24	FY25
Revenues	1,311	2,320	2,346	1,631	1,389
EBITDA	373	630	609	324	232
EBITDA Margin (%)	28%	27%	26%	20%	17%
Net Profit	238	368	406	232	159
EPS (₹)	73.52	113.71	100.47	63.22	48.62
RoE (%)	27%	33%	26%	13%	9%
RoCE (%)	35%	49%	36%	17%	11%
P/E (x)	21	13	15	24	31
EV/EBITDA (x)	12	7	7	14	19

Source: Company, Way2wealth Research

## View

Balaji Amines has shown a mixed financial trajectory over the past decade. Sales grew consistently from ₹608crs in FY14 to a peak of ₹2,346crs in FY23, supported by strong demand and higher realizations, with standout years being FY18 (+28.5%), FY21 (+40%), and FY22 (+76.8%). However, growth momentum weakened thereafter, with sales dropping sharply to ₹1,631crs in FY24 (-30.5%) and further to ₹1,389crs in FY25 (-14.9%), reflecting demand softness and pricing pressure. EBITDA followed a similar trend, improving from ₹91crs in FY14 to a high of ₹623crs in FY22, aided by margin expansion up to 29% in FY21, before declining to ₹324crs in FY24 and ₹232crs in FY25, with EBITDA Margin slipping to 17%. Net profit mirrored this performance, climbing from ₹34crs in FY14 to ₹418crs in FY22, before moderating to ₹232crs in FY24 and ₹159crs in FY25. On the positive side, the company's balance sheet has strengthened with a sharp fall in interest costs, indicating deleveraging, while steady depreciation trends reflect ongoing capacity additions. Overall, the company enjoyed a strong growth phase up to FY22, but the last two years highlight a clear downturn in both revenues and profitability, though its low-debt structure provides resilience for future recovery.

We [initiated coverage](#) on 18<sup>th</sup> July 2022 at a price of ₹3,050.75. The stock touched a high of ₹3,607 on 9<sup>th</sup> September 2022, delivering an upside of ~18%. However, since then it has witnessed a sharp decline, primarily due to demand softness and pricing pressure. At the current market price of ₹1,512, the stock is trading at 31x FY25 P/E.

In view of the above, our current recommendation is to Exit the stock at CMP. Going forward, we will continue to track the company's performance closely and will revise our guidance if we observe any green shoots or signs of a sustained recovery.

## Relative Performance

Return(%)	1Yr	3Yr	5Yr
Balaji Amines	-33%	-58%	72%
Nifty 50	-2%	40%	118%
Sensex	-2%	36%	110%

Source: Company, Way2wealth Research

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## Consolidated Quarterly Financials

(₹ crs)

Particulars	Q1FY26	Q1FY25	YoY %	Q4FY25	QoQ %
<b>Net sales</b>	358.34	384.74	-7%	352.73	2%
<b>Total Income</b>	358.34	384.74	-7%	352.73	2%
COGS	166.25	193.16	-14%	180.64	-8%
Employees cost	20.48	19.18	7%	22.88	-10%
Other expenses	71.16	82.42	-14%	72.17	-1%
<b>Total Expenditure</b>	<b>303.64</b>	<b>318.64</b>	<b>-5%</b>	<b>293.05</b>	<b>4%</b>
<b>EBITDA</b>	<b>54.70</b>	<b>66.10</b>	<b>-17%</b>	<b>59.68</b>	<b>-8%</b>
<b>EBITDA margins %</b>	15%	17%		17%	
Depreciation	13.97	11.65	20%	12.90	8%
<b>EBIT/ Operating Profit</b>	<b>40.73</b>	<b>54.45</b>	<b>-25%</b>	<b>46.78</b>	<b>-13%</b>
Interest	0.73	0.99	-26%	0.86	-15%
Other income	9.02	8.13	11%	8.03	12%
<b>PBT</b>	<b>49.02</b>	<b>61.59</b>	<b>-20%</b>	<b>53.95</b>	<b>-9%</b>
Provision for current tax	10.89	13.76	-21%	24.09	-55%
Provision for Deferred Tax	1.59	2.27	-30%	-10.60	-115%
<b>PAT</b>	<b>36.54</b>	<b>45.57</b>	<b>-20%</b>	<b>40.46</b>	<b>-10%</b>
Minority interest	1.47	-2.27	-165%	-0.38	-490%
<b>Reported PAT</b>	<b>38.01</b>	<b>43.31</b>	<b>-12%</b>	<b>40.09</b>	<b>-5%</b>
<b>PAT margins %</b>	11%	11%		11%	
No. of Shares	3.24	3.24	0%	3.24	0%
<b>EPS (Basic &amp; dilluted)</b>	<b>11.73</b>	<b>13.37</b>	<b>-12%</b>	<b>12.37</b>	<b>-5%</b>

Source: Company, Way2wealth Research

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### Disclosure of Interest Statement Balaji Amines Ltd. as on September 8<sup>th</sup>, 2025

Name of the Security	Balaji Amines Ltd.
Name of the analyst	Rupali Singh
Analysts' ownership of any stock related to the information contained	NIL
Financial Interest	
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
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