

# FY15 Revenue growth at 22%; Net Profits increased by 32% Q4 FY15 Revenues rise robustly by 48% to Rs. 537 crore Q4 FY15 Net Profit expands 34% to Rs. 60 crore

## Board recommends final divided of 130%

**Gurgaon, May 25, 2015:** PI Industries Limited (PI), a leading Indian Agri-Input and Custom Synthesis company announced its financial results for the quarter and year ended March 31, 2015.

# Financial and Operational Commentary for the quarter & year ended 31<sup>st</sup> March, 2015

	Q4 FY15	Growth (%)	FY15	Growth (%)
	(Rs. in Crore)	(Y-o-Y)	(Rs. in Crore)	(Y-o-Y)
Revenues	537.0	48.0%	1,939.7	21.6%
EBITDA	95.3	83.5%	370.0	29.5%
ΡΑΤ	60.3	33.5%	243.3	32.4%

### Net Revenue

Continued momentum from custom synthesis exports (23.5% growth) together with 19.1% improvement in domestic agri inputs gave revenue increase of  $\sim$ 22% on a blended basis in FY15.

Exports saw robust growth, as planned through H2, as commercialised molecules saw enhancement in deliveries. Domestic business performance leveraged the strength of the IPR-focused business model, superior product portfolio and ongoing efforts towards building sustainable brand positions. Performance was mainly driven by strong growth of new products launched in the last 2-3 years.

### <u>EBITDA</u>

EBITDA during FY15 was at Rs. 370 crore, with corresponding margins of 19.1%, reflective of a 110 bps expansion YoY. Earnings are primed for sustainable level of growth reflective of the quality of operations.



### Pre-tax Earnings

Profit Before Tax stood at Rs. 353 crore in FY15, up 37% on the back of robust increase in revenues in line with expected trend. Share of exports in driving earnings growth continues to increase whereas domestic business is benefiting from sustained investment in building profitable brands.

#### Post-tax Earnings

Profit After Tax in FY15 stood higher by 32% at Rs. 243 crore. The Basic EPS during the period was at Rs. 17.84 from Rs. 13.52 per share previously.

#### Strong balance sheet

Enhanced business performance has continued to drive robust cash flows from operations, thereby resulting in a stronger balance sheet position. Debt equity ratio further improved to 0.02. Net working capital position witnessed an increase aligned to business growth.

#### **Final dividend**

The Board has recommended a final dividend of 130% (Rs. 1.30 per equity share of face value Re. 1), which will result in a payout of Rs. 17.7 crore post dividend distribution tax. The total dividend for FY15 thus stands at 250% (Rs. 2.50 per equity share)

# Commenting on the performance Mr. Mayank Singhal, Managing Director & CEO, PI Industries Ltd., said;

"We are pleased with the performance delivered by the businesses, with domestic agri-input showing upsides on the back of growth in in-licensed products and custom synthesis exports benefitting from momentum in commercialised molecules. We believe it is the quality of our operations that have helped us deliver ahead of expectations.

Our model has focused on developing high-potential products that are at their early stages, typically with multiple years of good growth expected from them. PI has given importance to raising productivity levels, yields and ultimately profitability for the farmer. A series of successful product launches in the recent past has solidified the bond of trust and assurance shared with them. I believe it is our unique and constantly evolving approach and understanding of the farmer needs that has set us apart.

The comfort of high-visibility that is provided by custom synthesis exports has been cultivated with so many years of efforts and on the foundation of trust and strong relationship with our innovator partners. We are constantly adding some exciting products to our R&D pipeline, many of which shall get commercialised in the coming years and help us sustain the growth momentum."





## <u>Outlook</u>

The overall industry environment is expected to remain subdued in FY16 both in domestic and global market place. However, Pl's FY16 performance to reflect continued growth momentum although at a moderated pace on the back of a larger base now.

- The driving factors in the domestic operation will be:
  - Pattern and distribution of the upcoming annual monsoon rainfall
  - Expected upsides from the product launches made in last few years and also 1-2 new products slated for introduction in FY16
- And in the exports business:
  - o Scale up in sales volumes of commercialised molecules
  - Commercialization of 2 new products
  - o Commissioning of second phase at Jambusar, which remains on track



## About PI Industries Ltd. (PI)

Incorporated on 31st December, 1946, PI Industries (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030) focuses on Agri-Input and Custom Synthesis with strength of over 1,500 employees, PI Industries currently operates three formulation and two manufacturing facilities as well as five multi-product plants under its three manufacturing locations across Jammu and Gujarat. These state-of-art facilities have integrated process development teams with in-house engineering capabilities. PI Industries is into the following markets:

#### Domestic Agri-Input

Pl is one of India's leading players in the Agri-Input industry, primarily dealing in agro-chemicals, specialty fertilizers, plant nutrients and seeds. This venture is the flagship business for which Pl enjoys tremendous brand recognition across several industry leading products. The Company has exclusive rights with several global Corporations for distribution in India and is constantly evaluating prospects to further expand its product portfolio. Given the inevitable surge in demand for food grain production in the agriculture sector, the opportunities for Agro-Chem Companies are innumerable. Pl Industries is favorably positioned to contribute to the growth in this space by leveraging its long-standing association with business partners and intensive network of distributors across India.

#### Custom Synthesis Exports

Here PI focuses on Custom Synthesis, which entails dealing in custom synthesis and contract manufacturing of chemicals including techno commercial evaluation of chemical processes, process development, lab & pilot scale up as well as commercial production. The Company has an impressive product portfolio as result of exclusive tie-ups with leading agro-chemical, pharmaceutical and fine chemical companies around the world. PI has made substantial investments in building state of art process research and manufacturing facilities of chemical intermediates and active ingredients with special focus on strong process R&D capabilities. Custom Synthesis is expected to be the primary growth driver with strong revenue visibility for PI as India continues to be a preferred destination for outsourcing Custom Synthesis and contract manufacturing related projects. With exceptional growth opportunities in the offing, this segment is poised for great success. For further information please visit: www.piindustries.com

#### For further information, please contact:

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Disclaimer: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. PI Industries Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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