



PIIL:SEC:NSE/BSE:64:2022-23  
November 08, 2022

BSE Limited Corporate Relationship Deptt. PJ Towers, 25 <sup>th</sup> Floor, Dalal Street, Mumbai – 400 001 <b>Code No.523642</b>	National Stock Exchange of India Ltd. Exchange Plaza, Plot No.C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 <b>Code No. PIIND</b>
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Dear Sir/ Madam,

**Sub: Press Release on Performance of the Company for the quarter and half year ended September 30, 2022.**

We are enclosing herewith a copy of Press Release dated November 08, 2022 on the performance of the Company for the quarter and half year ended September 30, 2022.

Please arrange to upload the aforesaid Press Release on your web site at the earliest.

Thanking you,

Yours faithfully,  
For **PI Industries Limited**

**Manikantan Viswanathan**  
**Chief Financial Officer**

Encl: As above.

# PI Industries Ltd.

**Investor Presentation**  
**November 2022**

# AGENDA

## **CDR India**

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## **PI Industries Limited**

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- Financial Performance
- CSM Exports
- Domestic Agri Brands
- Business Model and Strategy
- ESG Credentials
- CSR Update

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# Robust growth momentum continues...



Inspired by Science

Figures in Rs Million

	Revenue		EBITDA		PAT	
<b>Q2FY23</b>	17,700	↑ 31%	4,331	↑ 49%	3,348	↑ 46%
<b>YTM 6MFY23</b>	33,132	↑ 30%	7,893	↑ 45%	5,972	↑ 43%

Surge in new enquiries  
**>25% from non-agchem**

**Commercialised one new product** in Exports and **five** in Domestic Agri Brands

S&P Global Corporate Sustainability Assessment (CSA) ranking improved to **93 percentile**

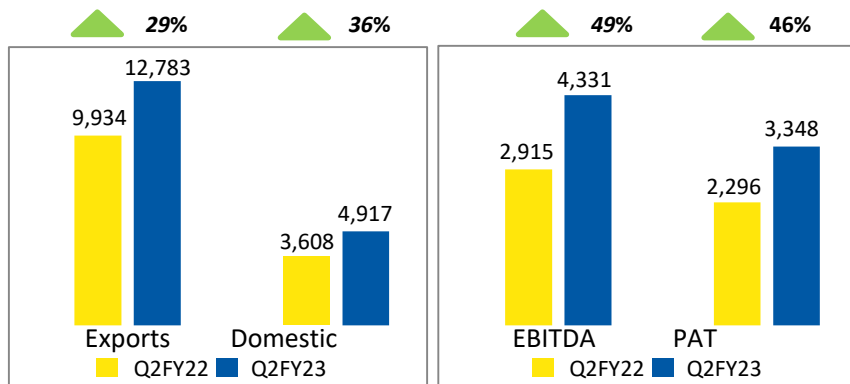
Uptick in CSM Exports Order Book to **USD ~1.8 billion**

**20%+ revenue** from new innovative Agri brands launched recently

# Surge in demand of existing and new products driving growth in Q2FY23

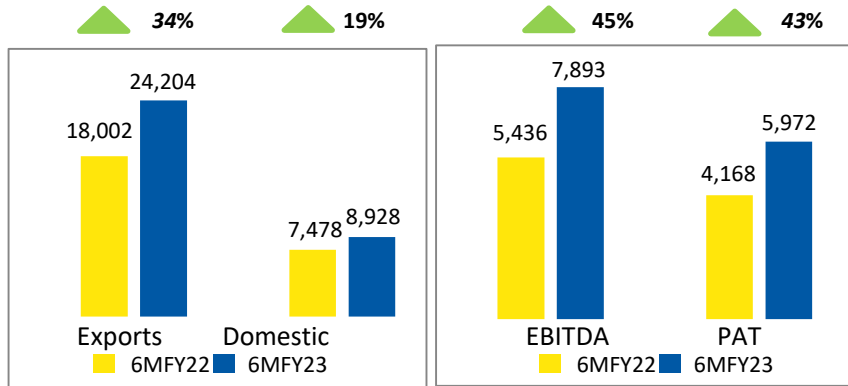
Fig in Rs Million	Q2FY22	Q2FY23	% YOY
Revenue	13,542	17,700	31%
Gross Margin	45%	45%	18 bps
Overheads	3,179	3,684	16%
EBITDA	2,915	4,331	49%
EBITDA as % of Revenue	22%	24%	295 bps
Net Profit	2,296	3,348	46%

- **Overall 31% Y-o-Y revenue growth**
- **29% growth in Exports** on a higher base
  - Led by volume growth of ~25%, favorable price and currency of ~4%
- **36% growth in Domestic** mainly driven by:
  - Volume growth of ~31% and price increase of ~5%
  - Newly launched brands contributing to significant revenue growth
- Trend of rising input costs and passthrough continued both in Exports and Domestic during Q2
- EBITDA margin improved on account of favorable product mix and operating leverage
- **46% increase in PAT** attributable to EBITDA growth and despite higher depreciation and ETR



# Robust performance of both Exports and Domestic in 6MFY23 in line with plan

Fig in Rs Million	6MFY22	6MFY23	% YOY
Revenue	25,480	33,132	30%
Gross Margin	44%	45%	14 bps
Overheads	5,914	6,927	17%
EBITDA	5,436	7,893	45%
EBITDA as % of Revenue	21%	24%	249 bps
Net Profit	4,168	5,972	43%



- **30% Y-o-Y revenue growth**
- **34% growth in Exports** over a high base mainly on account of increase in revenue of existing products
- **19% growth in Domestic segment**
  - Strong Kharif season - recovery in Q2FY23
  - Newly launched brands such as Distruptor®, Brofrefya®, Sectin®, Provide®, Dinoace™ getting good traction and acceptance
- Trend of rising input costs and passthrough continued both in Exports and Domestic during H1
- Favorable product mix and significant increase in operating leverage reflected in improvement in EBITDA margin to 24%
- **Net profit improved by 43% YoY** due to EBITDA growth, despite higher ETR

# Strong Balance Sheet and internal accruals to drive future growth initiatives

Fig in Million	Sep-22	Mar-22	Sep-21
<b>Shareholders Fund</b>	<b>66,176</b>	<b>61,204</b>	<b>57,360</b>
<b>Non Current Liabilities</b>	<b>2,604</b>	<b>3,225</b>	<b>3,586</b>
Long term borrowings	1,303	1,699	2,139
Other long term liabilities	1,301	1,526	1,447
<b>Current liabilities</b>	<b>17,073</b>	<b>13,482</b>	<b>14,431</b>
Short term borrowings	1,061	979	950
Trade payables	11,108	9,242	8,721
Other current liabilities	4,904	3,261	4,760
<b>Total</b>	<b>85,853</b>	<b>77,911</b>	<b>75,377</b>

<b>Non Current Asset</b>	<b>26,540</b>	<b>28,272</b>	<b>25,853</b>
Net Fixed Asset	24,962	24,842	24,136
Goodwill	828	828	828
Non current investments	297	448	237
Other assets	453	2,154	652
<b>Current Assets</b>	<b>59,313</b>	<b>49,639</b>	<b>49,524</b>
Inventories	16,095	14,234	13,158
Trade receivables	15,155	10,018	9,589
Cash, Bank & Investments	25,511	22,650	23,713
Other assets	2,552	2,738	3,064
<b>Total</b>	<b>85,853</b>	<b>77,911</b>	<b>75,377</b>

## Key Ratios (%) Annualised

Net Sales to Trade Working Capital	3.29	3.53	3.63
Debt/ Equity Ratio	0.04	0.04	0.05
Net Sales to Fixed Assets	2.57	2.06	2.04
ROCE	24.0%	21.1%	21.7%

\* ROCE excluding QIP funds and related income

## Highlights of H1FY23

- Total capex for H1FY23 is Rs. 1,204 million (H1FY22 Rs. 1,614 million)
  - Actual capex spend is in line with plan
  - Key focus of driving higher capacity utilization by improving throughput
- Operating profit before working capital changes is Rs. 8,077 million (H1FY22 Rs. 5,642 million)
- Maintained higher inventory levels of Rs. 16,095 million attributable to higher revenue
  - To avert supply chain disruptions and meet customer supply schedules / continued operations
- Trade working capital in terms of Days of Sales is 111 days vs. 103 days as on 31-Mar-22
- Net Cashflow from operating activities is Rs 3,078 million (H1FY22 Rs. 1,822 million)
- Surplus cash net of debt is Rs. 23,211 million. Focused efforts are continuing to identify and finalise value accretive inorganic growth opportunities in line with Company's long term strategy.

# World class R&D set up and technological capabilities driving growth in future business pipeline

## R&D Lab



World-class state-of-the-art R&D Lab at Udaipur

500+ scientists & researchers including 120+ Doctorates

130+ Patents Files

100% Electronic Lab Notebook in Process Research

Investing in state-of-the-art Synthesis and Analytical R&D Infrastructure

> Identifying new chemistries and building blocks for future growth

>40 products at different development stages

15 new enquiries in H1FY23, >25% from non-agchem

1 new product commercialized

Fulfilling customer needs for semi-commercial production for Product Development and scale-up

15+ multi-capacity reactors with various MOCs (SS-316, MSGL, etc.)

## Kilo Lab & Pilot Plant



Consistently demonstrated technical competence and R&D effectiveness.

Passion for Innovation drives core competencies to reach out and strive towards excellence.





# Continued thrust on sustainable best-in-class manufacturing practices ensuring uninterrupted scale-up

## Fully integrated state-of-art manufacturing facilities

**15 MPPs**

Fully DCS automated plants

**ISO 9001: 2015**

certification for Quality

1 new process innovation commercialized at KL/ PP stage

> Expanding manufacturing infrastructure and capabilities for non-agchem vertical

## ESG Anchored

### World class infrastructure for Environment Management

**Moving Bed Biological Reactor**

**Online Analysis of Effluent Treatment**

35% of water recycled

44 acre Green Belt developed by converting barren land to farmland

2x increase in Renewable Energy consumption

S&P Global Corporate Sustainability Assessment (CSA) ranking improved to 93 percentile

> Working to improve EcoScale of products to reach top bracket

## Digital Edge

Adaptive Controls to optimize Yield, Quality, Energy & Throughput

Sensor-based Data Capturing for KPI Monitoring in Utilities

> Emissions (Liquid & Gas) monitoring at Plants to be Continuous & 100% Online

For PI Industries, sustainability means more than just countering risks.

We view sustainability as a source of competitive advantage and key to our business continuity & success.

We closely monitor global trends, align our strategic approach with evolving best practices.



# Portfolio of specialized products and robust pipeline of new products driving growth in Domestic revenues

PI has one of the most comprehensive portfolios for Cotton



✓ Most advanced technology including PB Knot™, pheromone based Insecticide for Pink Bollworm management

Next generation product portfolio for Wheat



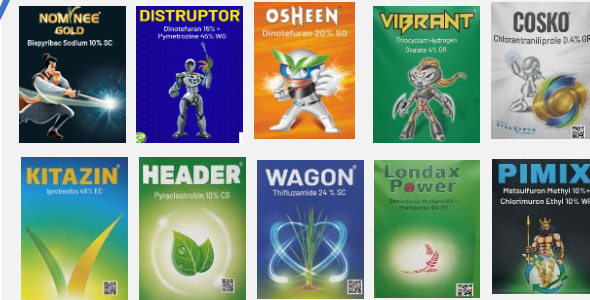
## Crop Solution Approach

- Focus on target crops such as Cotton, Rice, Horticulture and Wheat
  - Maintain leadership with most advanced products:
    - 17+ products at different stages of development and registration
- Launched 5 new Products in H1

“Dual growth engine” for Horticulture (>60 products) along with JIVAGRO



Pioneering innovative products in crop protection for Rice



✓ Most advanced technology including Distruptor® powered by XP Technology for Brown Plant Hoppers

Ramping up Biologicals portfolio



- ✓ Humesol®: Specialised tonic for soil health
- ✓ Biovita®: Bio stimulant for plant growth
- ✓ Tomatough®: Health Booster (Q3 launch)

# New product launches in current fiscal

H1

Herbicide with pre-emergence to post-emergence application on Cotton

## PROVIDE



Dual action insecticide for Cotton

## DINOACE™



Combination Fungicide with excellent curative control against Downy mildew & late blight

## SECTIN®



Revolutionary insecticide: Bringing technological advancement for Indian Farmers

## BROFREYA



JIVAGRO:  
Novel mode of action

JIVAGRO  
HORTICARE SPECIALIST  
Taurus  
ULTIMARE®  
Ji31 Insecticide



Q3

Nematicide for nematode control in vegetable crops



Biological product which enhances plant health and induces tolerance to viruses



# Leveraging technology in Application services to improve farmers' productivity

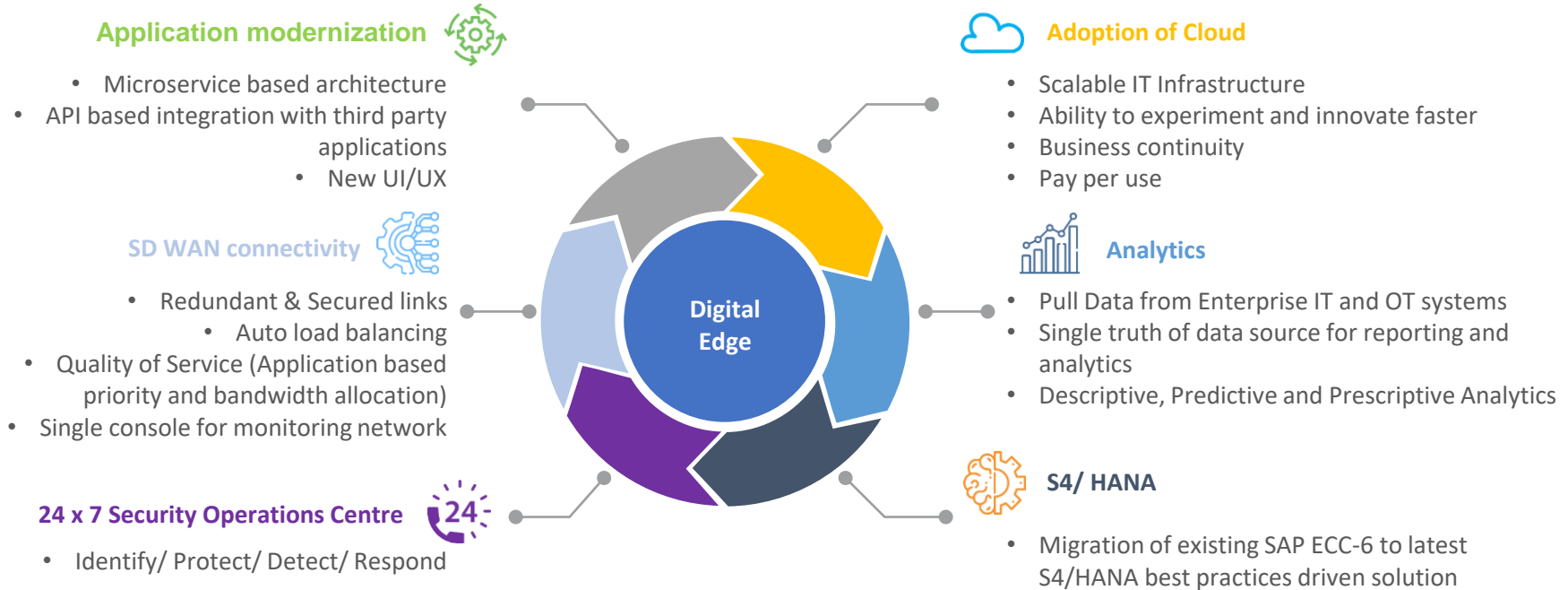
Fleet of 300+ advanced boom sprayers

Frugal innovation to ensure cost effective delivery

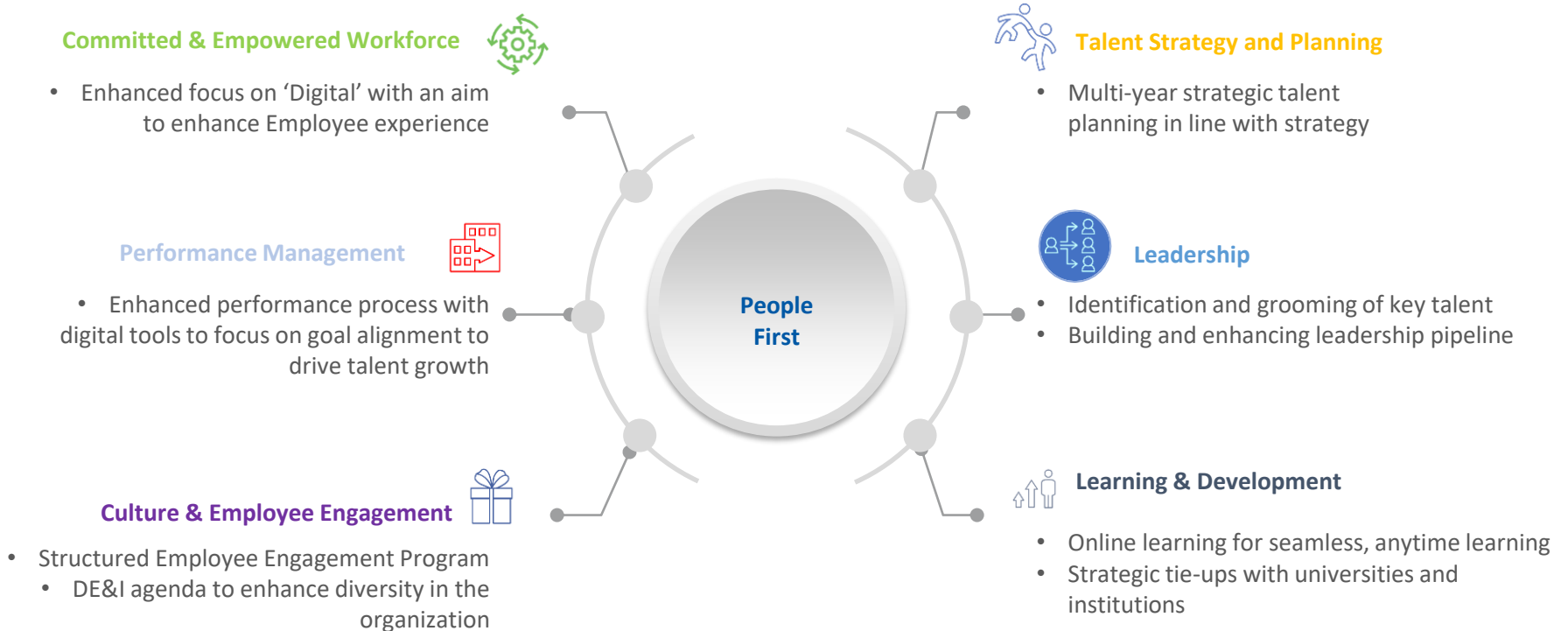
Deployed in various geographies of North and South

Also piloting drone application





# Implementing integrated program for People First capability



# Reconstitution of the Board and Committees solidifying governance

score



**Mr. Narayan K. Seshadri**  
Non-Independent Non-Executive  
Chairperson



**Mr. Rajnish Sarna**  
Joint Managing Director



**Mr. Shobinder Duggal**  
Independent Director



**Mr. Arvind Singh**  
Non-Independent  
Non-Executive Director



**Mr. Mayank Singhal**  
Vice Chairperson and  
Managing Director



**Ms. Lisa J Brown**  
Independent Director



**Dr. T.S. Balganeshe**  
Independent Director



**Ms. Pia Singh**  
Independent Director


- 50% of Board are Independent Directors
- 25% Women Directors
- Audit, NRC, CSR, Stakeholder Relationship Committees Chaired by Independent Directors
- No Executive Director in the NRC and Audit Committee
- Separation of role for MD and Chairperson
- Non-Executive Chairperson
- Business CEOs not members of the Board
- External evaluation of Board performance

**Diverse Board with deep financial acumen, technical & scientific expertise guiding next round of growth**

# Positive market scenario and improved visibility to sustain growth momentum

## Domestic:

Focus on portfolio diversification with launch of novel offerings

- Strong demand for insecticides, fungicides, herbicides and bio-nutrients
- “Dual growth engine” with  focusing on horticulture segment
- Commodity prices to remain robust owing to rising global demand
- 5 new products launched in YTM 6MFY23, 2 new products planned in Q3FY23

## CSM Export:

R&D focused approach to drive incremental business

- Continued scale up in demand of the existing products
- 6 new products to be commercialized in H2
- Capacity expansion progressing as per plan
- Momentum in new enquiries and conversion to continue

Efforts to drive strategic initiatives continues

- Inducted seasoned leadership for Pharma foray; building experienced team
- Actively evaluating inorganic growth opportunities in pharma, both domestic and international in line with pharma strategy
- In parallel, working organically on scale-up of pharma intermediates at R&D and pilot scale

**...Confident of delivering 20%+ revenue growth with continued improvement in margins and returns**



Purpose



Reimagining a healthier planet

Vision



Lead with science, technology and human ingenuity to create transformative solutions in life sciences

Capabilities



**Partner centric**

*First to identify and deliver on latent needs of our customers and partners*

**Science & Technology driven**

*Sustainable solutions by early adoption of cutting-edge sciences/technologies*

**Digital edge**

*Integrated digital solutions to gain competitive advantage*

**People first**

*Best opportunities for employees to learn and grow*

**ESG anchored**

*ESG as a way of life*

Values



**Courageous**

- Think and act boldly
- Act with integrity
- Be accountable

**Curious**

- Question conventional wisdom
- Be open-minded and adaptable
- Develop intellectual curiosity

**Creative**

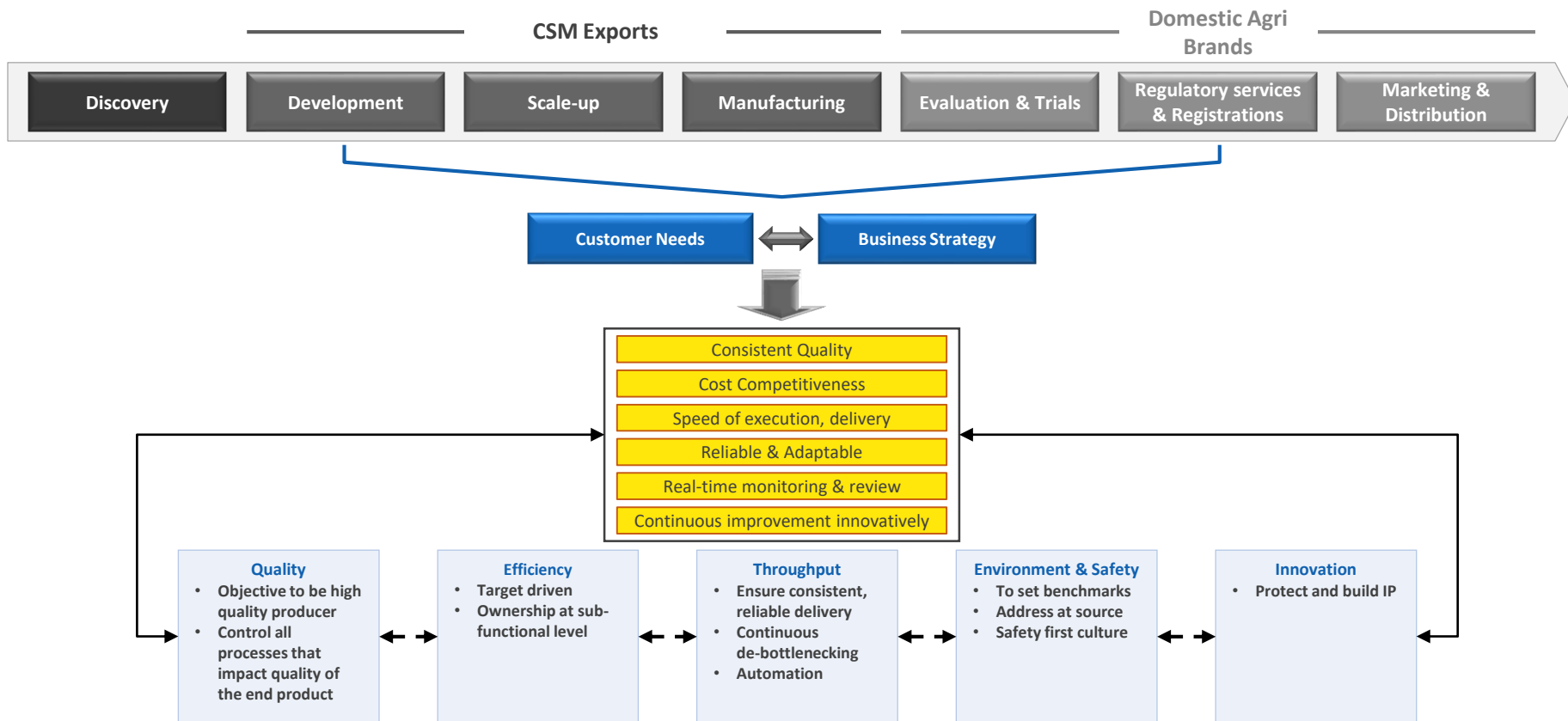
- Connect unseen dots to differentiate
- Collaborate and experiment
- Create an environment to execute ideas with speed and excellence for skills

**Caring**

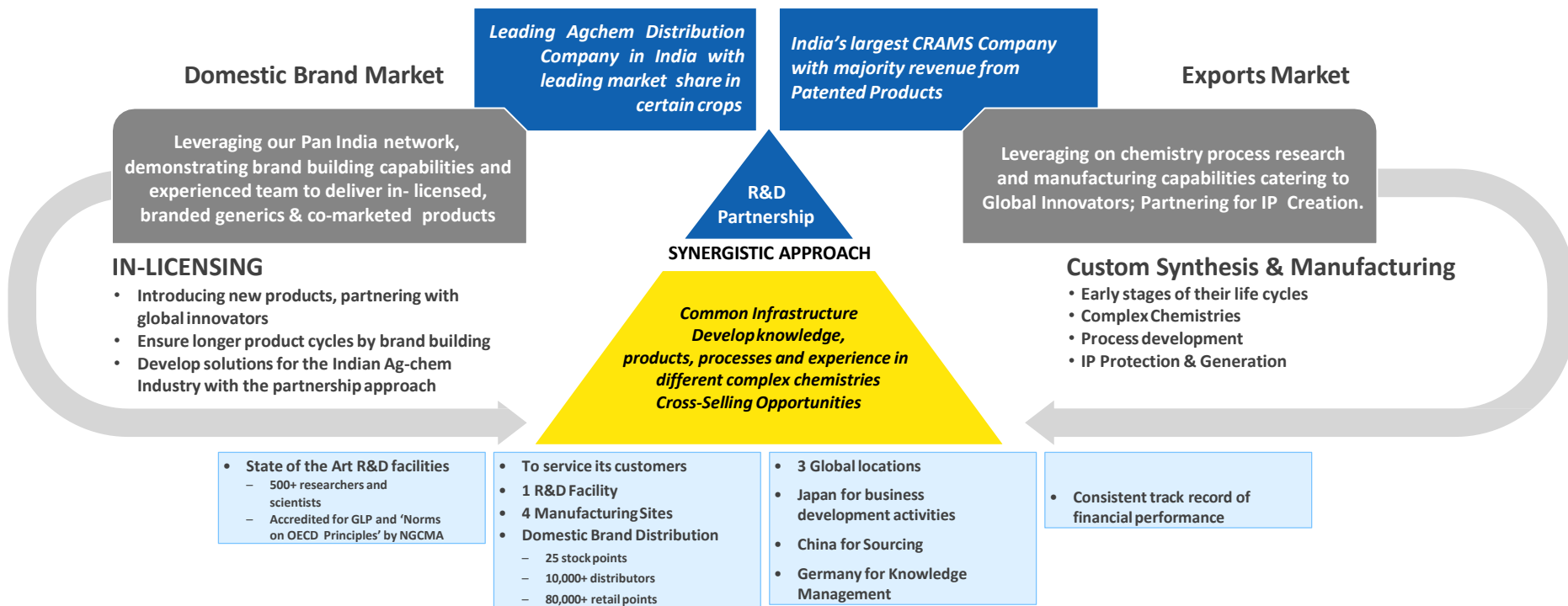
- Be transparent
- Trust each other
- Bring the best out of people
- Embrace sustainability

# Presence across the Agchem value chain

Strong focus on customer needs and continuous innovation



# Business model built on the principles of respect for IP and established relationships



**Non conflicting business model ... well respected by Global Innovators as Partners**

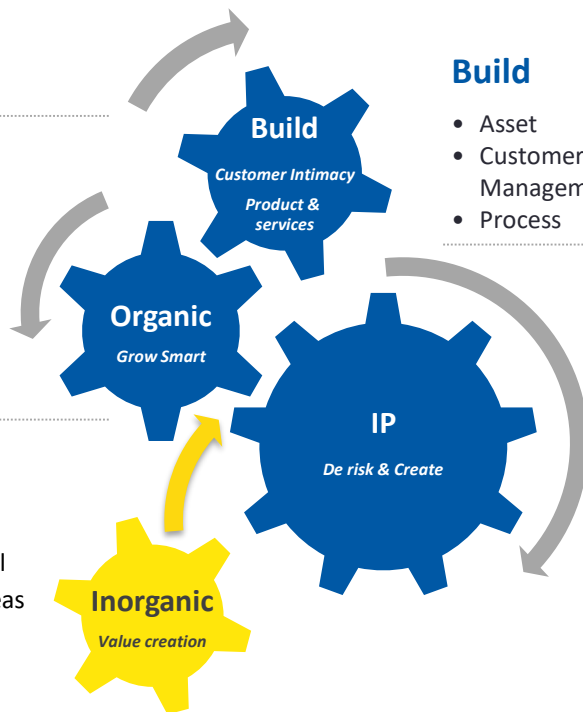
# Pursuing Multi-pronged growth strategy..

## Market

- Expansion
- Creation
- Segments
- Operation excellence
- Brands

## Inorganic

- Value added Technology
- Products Assets
- Niche vertical with a future Pharma / Specialty chemical
- High growth application areas having synergy
- Disruptive technologies in chemistry & process engineering



## Build

- Asset
  - Customer relationship Management
  - Process
- Customers Value-chain
    - Add Products
    - Digitization
    - Strategic tie ups

## Deepening our technological capabilities to open new horizons

### De risk

- Manufacturing concentration
- New formulation of existing products
- Biological

### Process

- Chemistry
- Block Builders
- Process engineering
- Flow

### Digital

- Information integration
- Decision tools

## Create

- Process Innovation
- Biological process development
- Formulation Combinations with Partners
- New formulations -
- Digital Customer engagement

Prudent financial management in place to ensure that long term shareholder value creation remains at the heart of the strategy

# PI's focus on ESG principles is winning accolades



S&P Global Corporate Sustainability Assessment (CSA) ranking improved to 93 percentile

Retained Ecovadis Gold medal in sustainability achievement 2022 with 97 percentile ranking



- Commitment to Bio-diversity and offset-carbon emissions through extensive tree plantation.
- 2x increase in Renewable Energy consumption.
- Utilization of paper based packaging material manufactured from 100% recycled material.
- Encouraged replacement of plastic labels with paper label on products.

- Nil recordable injuries in YTM 6MFY23.
- Conducted Strategic workshop on Risk Awareness, Identification and Assessment with top management.
- Conducted ESG Strategy workshop with Sustainability Council.
- Progressing well on Sustainability Goals for 2025. Also building internal consensus and strategies for long term sustainability goals.

- Achieved higher women participation in senior management and STEM related positions.
- S&P Global Corporate Sustainability Assessment (CSA) ranking improved in several areas such as:
  - Labor Practice Indicators;
  - UN guiding principles of Business and Human Rights;
  - Risk Management;
  - Customer Relationship Management;
  - OHS and Innovation Management.
- Reviving cotton production and increasing growers' income in India through eco-friendly PB Knot technology.
- Initiated project focusing on improving health and nutrition status of children and adolescents.
- Women Empowerment through improved access to credit and livelihood initiatives in 20 villages.
- Enhanced loan access to SHG members.
- Recognised by IAS Collector & DM, Bharuch on the significant contribution made in the domain of CSR and National Priority Areas.

# Rewards and Recognition



Inspired by Science



## INDIA'S BEST CEO

**MR. MAYANK SINGHAL,**  
VICE CHAIRMAN AND MD,  
PI INDUSTRIES LTD.  
IS INDIA'S BEST CEO IN AGRICULTURE &  
ALLIED SECTOR IN THE  
BUSINESS TODAY - PWC RANKING

## TOP RATED PERFORMER

Promising Business Leader

Mr. Mayank Singhal  
recognised by The  
Economic Times as Asia's  
Promising Business  
Leader 2021-2022

OFFICE BEARERS FOR 2022-23

CHAIRMAN



Mr Mayank Singhal

Chairman at CII-NR

Mr. Mayank Singhal  
chosen as the Chairman at  
CII-NR Regional  
Committee on Agriculture  
Food Processing & Dairy

## OPERATIONAL EXCELLENCE



## GOLDEN PEACOCK NATIONAL QUALITY AWARD 2022

AN EMINENT JURY SCRUTINISED OVER 265  
APPLICATIONS BASED ON EXHAUSTIVE SET  
OF PARAMETERS FOR TOTAL SCORE OF  
1,000. THE AWARD SHOWCASES  
COMMITMENT TO EXCELLENCE AND HIGH  
LEVEL OF QUALITY.



## PI INDUSTRIES FEATURES AMONGST INDIA'S TOP 500 COMPANIES 2022 IN A DUN & BRADSTREET LISTING

THIS AWARD WAS BASED ON ESG.  
PI INDUSTRIES WAS ALSO CONFERRED THE  
**CORPORATE AWARD 2022 FOR OUTSTANDING  
PERFORMANCE.**



PI Industries, Udaipur receives  
Certificate of Appreciation,  
Karkhana Suraksha Puraskar-2022

# Our CSR efforts focused on Community welfare & Environment



## Skill Development

Around **2,700** youth benefitted through vocational training and placed in organized sector

## Women Empowerment

Around **7,000** women and families benefitted through entrepreneurship and economic empowerment

## Health, Hygiene and Sanitation

Maintenance and upkeep of school and household toilets.



**10**  
YEARS  
OF CSR IMPACT

## Sustainable Agricultural Practices

Over **750,000** farmers benefitted through climate smart and leading agronomic practices



## Education

Learning Enhancement Programs improved learning outcomes and benefitted **over 78,000** Govt. school children



## Health, Hygiene and Sanitation

Access to affordable healthcare and blood bank through Mobile Health Vans impacted **over 530,000** people in rural areas



- The number of beneficiaries in the Education and Health, Hygiene and Sanitation domains are non-cumulative.
- The number of beneficiaries in the Women Empowerment and Sustainable Agriculture Practices domains are cumulative.



Thank You