Inspired by Science

PIIL:SEC:PR:2020-21
October 28, 2020

BSE Limited, Corporate Relationship Deptt. 25th Floor, New Trading Ring Rotunda Building P.J. Towers, Dalal Street, **MUMBAI - 400 001** **Code No.523642**	National Stock Exchange of India Ltd. Exchange Plaza, Plot No.C/1, G-Block, Bandra Kurla Complex, Bandra (East), **Mumbai - 400 051** **Code No. PIIND**

Dear Sir,

Sub: Press Release on Performance of the Company for the quarter and half year ended September 30, 2020.

We are enclosing herewith a copy of Press Release dated October 28, 2020 on the performance of the Company for the quarter and half year ended September 30, 2020.

You are requested to take same on record.

Thanking you,

Yours faithfully,
For **PI Industries Limited**

PI Industries Ltd. ★ Gurgaon ★

Naresh

Naresh Kapoor
Company Secretary

Encl: As above.

PI Industries Ltd.
Corporate Off.: 5th Floor, Vipul Square, B-Block, Sushant Lok Phase-1, Gurugram - 122009, Haryana (India), Tel.: +91 124 6790000, Fax : +91 124 4081247
Regd. Off.: Udaisagar Road, Udaipur-313001, Rajasthan (India) Tel.: +91 294 2492451-55, Fax: +91 294 2491946, 2491384
Email: info@piind.com, www.piindustries.com, CIN: L24211RJ1946PLC000469

Business Performance Update

Q2 FY 2020-21

CDR India

Nishid Solanki
nishid@cdr-india.com
Siddharth Rangnekar
siddharth@cdr-india.com

Tel: +91 22 6645 1221 /1209
Fax: +9122 6645 1213

PI Industries Limited

Rajnish Sarna
r.sarna@piind.com
Rajiv Batra
rajiv.batra@piind.com

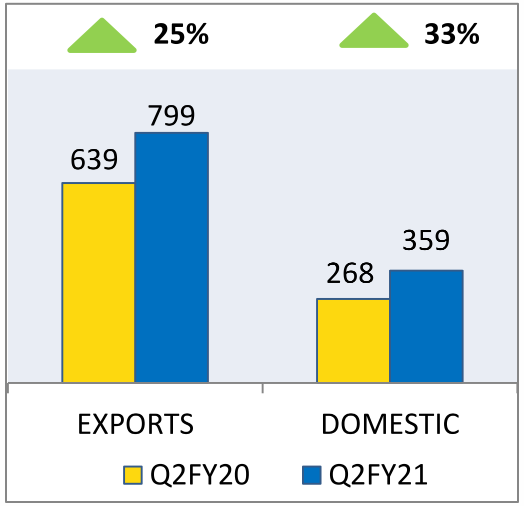
Tel: +91 124 6790000
Fax: +91 124 4081247

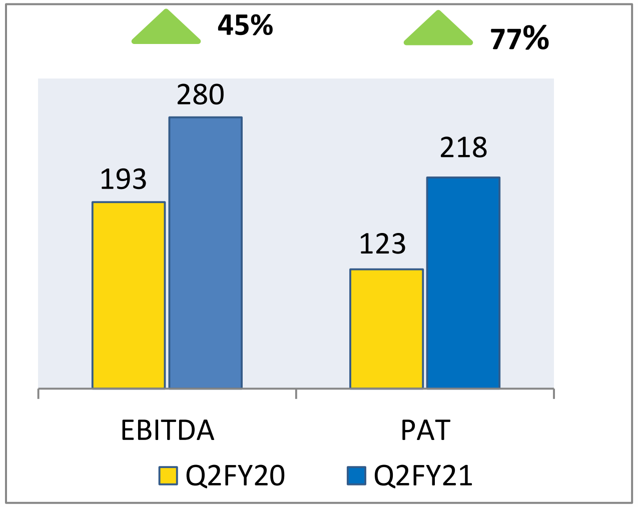
Q2'FY21… out-performance continues

Revenue growth by 28%, EBITDA up by 45%.. PAT by 77%

CONSOLIDATED

Fig in Crores	Q2FY20	Q2FY21	% YOY
Revenue	907	1158	28%
Gross Margin	42%	44%	171 bps
Fixed Overheads	193	231	20%
EBITDA	193	280	45%
EBITDA as % Revenue	21%	24%	298 bps
Net Profit	123	218	77%





- ✓ *Covid-19 disruption to operations and movement of goods impact in a limited manner with all manufacturing facilities operational and capacity utilisation building back to pre-Covid levels*
- ✓ *Q2 Exports increase ~25% YoY with proactive raw material inventory management and precise capacity planning, scaling up exports. Demand for key commercialised molecules remains strong.*
- ✓ *Domestic Revenues increase by 33%, with additional contribution from Isagro brand sales and moderate growth in the domestic segment.*
- ✓ *171 basis increase in gross margin due to change in business mix of Export, Domestic and Isagro share*
- ✓ *Net Profit surge with higher momentum in topline , depreciation inline with capacities added increased from 32 Cr to 43 Cr.*

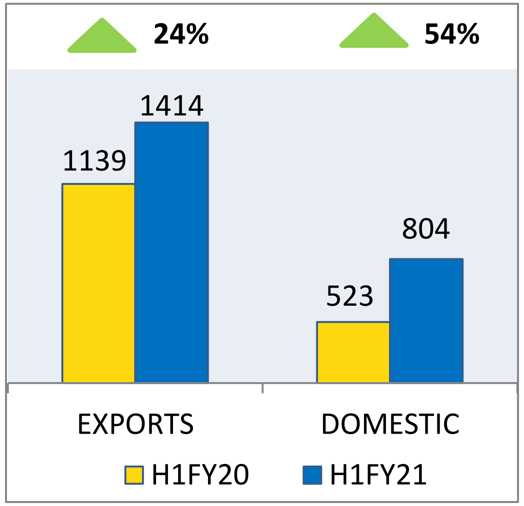
H1'FY21 witnessed impressive growth

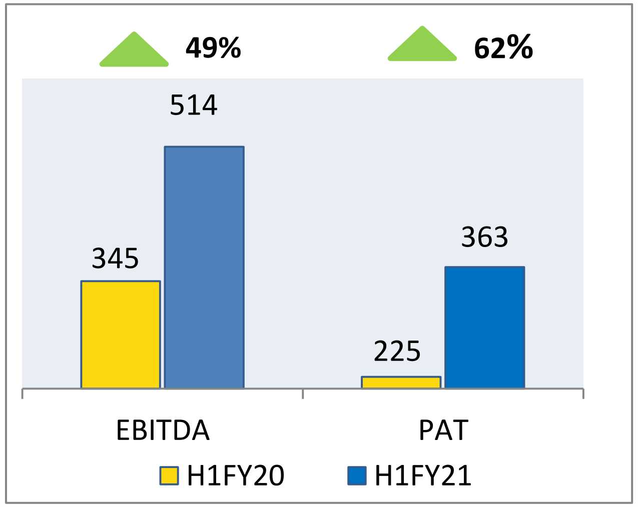
Revenue growth by 33%, EBITDA up by 48%.. PAT by 62%

Inspired by Science

CONSOLIDATED

Fig in Crores	H1 FY20	H1 FY21	% YOY
Revenue	1662	2218	33%
Gross Margin	44%	43%	(37) bps
Fixed Overheads	378	447	18%
EBITDA	345	509	48%
EBITDA as % Revenue	21%	23%	220 bps
Net Profit	225	363	62%





- ✓ *Limited Covid-19 disruption to operations and movement of goods with all manufacturing facilities operational and capacity utilisation building back to pre-Covid levels*
- ✓ *H1 Exports increased ~24% YoY despite disrupted global supply chain, proactive raw material inventory management and precise capacity planning scaling up exports. Demand for key commercialised molecules remains strong.*
- ✓ *Domestic up by 54%, inclusive of Isagro brand sales with and robust momentum in the domestic segment on planned brand positioning.*
- ✓ *Net Profit surge with higher momentum in topline , depreciation inline with capacities added increased from 61 Cr to 86 Cr.*

Balance Sheet position remained strong

Efficient W/C management helping transition uncertain times..

(Rs in Cr.)s	SEP 20	SEP 19
Shareholders' Funds	**5,013.7**	**2,478.9**
Non Current Liabilities	**579.2**	**54.8**
Long-term borrowings	416.0	0.1
Deferred Tax Liabilities (net)	89.0	-
Other long-term liabilities	58.2	22.1
Long-term provisions	16.0	32.6
Current Liabilities	**1,431.0**	**1,134.3**
Trade payables	912.9	697.3
Other current liabilities	472.4	423.2
Short-term provisions	45.7	13.8
TOTAL	**7,023.9**	**3,668.0**
Non Current Asset	**2,502.9**	**1,765.4**
Net Fixed Asset	**2,149.2**	**1,680.7**
Good Will	82.8	-
Non-current investments	22.8	17.2
Long term Loans & advances	6.0	2.8
Other Assets	242.1	64.7
Current Asset	**4,521.0**	**1,902.6**
Inventories	990.3	691.0
Trade receivables	753.6	714.7
Cash, Bank & Investments	2,393.4	190.2
Short-term loans and advance	37.7	29.9
Other assets	346.0	276.8
TOTAL	**7,023.9**	**3,668.0**
KEY RATIOS (ANNUALISED)		
Net sales to Fixed assets	2.06	1.98
Net Sales to Working capital	5.34	4.69
Net Sales to Inventory	4.48	4.81
Current ratio	3.16	1.68
Debt Equity ratio	0.08	0.00

Inspired by Science

- Net working capital to sales improved from 4.69 to 5.34 as at Sep 20 despite Covid-19 disruption and resultant liquidity challenges in the markets.
- Increase in operating cash flow helping fund continued strategic initiatives
- Non Current Other assets higher due to long term deposits of Rs. 191 Crs
- Increased inventory levels in line with expected growth and to ensure continuity of operations amid Covid-19 uncertainties.
- Net sales to fixed Assets improved to 2.06 Vs. 1.98 PY
- QIP funds invested with SLR philosophy while final deployment aligned with PI's longer term growth strategy is underway…

Key operational highlights Q2'FY21

Planned progress on strategic initiatives for sustained growth..

Inspired by Science

Steady growth of Domestic Agri Input	• Highest ever POG of Nominee Gold. Successful execution of tank mix solutions to ensure broader weed coverage • Establishment of Osheen in cotton preventive segment with very positive momentum in rice • Two products launched – Londax Power (insecticide) and Shield (fungicide) • Leveraged Isagro's strength to augment PI's horticulture focussed strategy
Expansion of CSM Exports	• All MPPs are operational. One MPP under construction to be commissioned next year • Integration of Isagro facilities with PI with an aim to maximize synergies and capacity utilisation • 40+ products at various stages of R&D pipeline
Digitalisation and process improvement	• Deploying analytical tools to augment the productivity of plants • Digital campaigns organized at different levels for product launches and engage customers • Good adoption of PI Mitra enabling PI to track real time liquidation of products
IPR Creation, Foraying into Pharma	• 18 new patent application filed during H1'FY21 including intermediaries of Covid-19. One of the top few companies in India in filing patents. • Continue to supply Pharma intermediates on commercial scale with more than 10+ pharma products at various development stages in R&D
HR Initiatives	• Launched Percipio e-Learning platform to boost employee skills • Despite Covid-19 challenges, top and next generations leadership trainings in full swing • Ground work ready for new onboarding program 'Project Aagman' to improve Talent Mgmt

Business outlook remains robust..

Focused progress on strategic initiatives to continue while navigating through pandemic
Original growth guideline is maintained…

Inspired by Science

Focus on Demand generation

- Good outlook for Rabi crops as reservoirs are full
- Continue to have robust demand for branded products to drive growth
- High growth expected from PI wheat herbicide portfolio. Spray solutions to augment this growth

CSM Exports to continue growth momentum

- All global customers giving positive commentary; no change in demand forecast
- Volume Scale up expected for some of the products commercialized in last 1-2 years.
- Promising products in R&D pipeline, gradual ramp up in progress.
- Order book remained robust @ ~US$ 1.5 Bn; high visibility of sustainable growth over 3-5 yrs

Strategic direction and priorities remain intact while carefully transitioning thru Covid-19 uncertainties

- Pursuing inorganic growth opportunities to diversify into adjacencies, widen technology portfolio and de-risk operations
- Build new IP building for deepening our technological capabilities, de-risking current operations and opening up newer opportunities
- Actively evaluating few pharma assets and working with global consulting firm for crystallisation and successfully implementing strategic road map of diversification

Confident of achieving 20% plus growth in FY21 and resolutely progressing on that path

Our Vision & Values..

Inspired by Science

VISION

“Building on the foundation of trust, we shall be at the forefront of science-led opportunities by delivering innovative solutions.”

VALUES

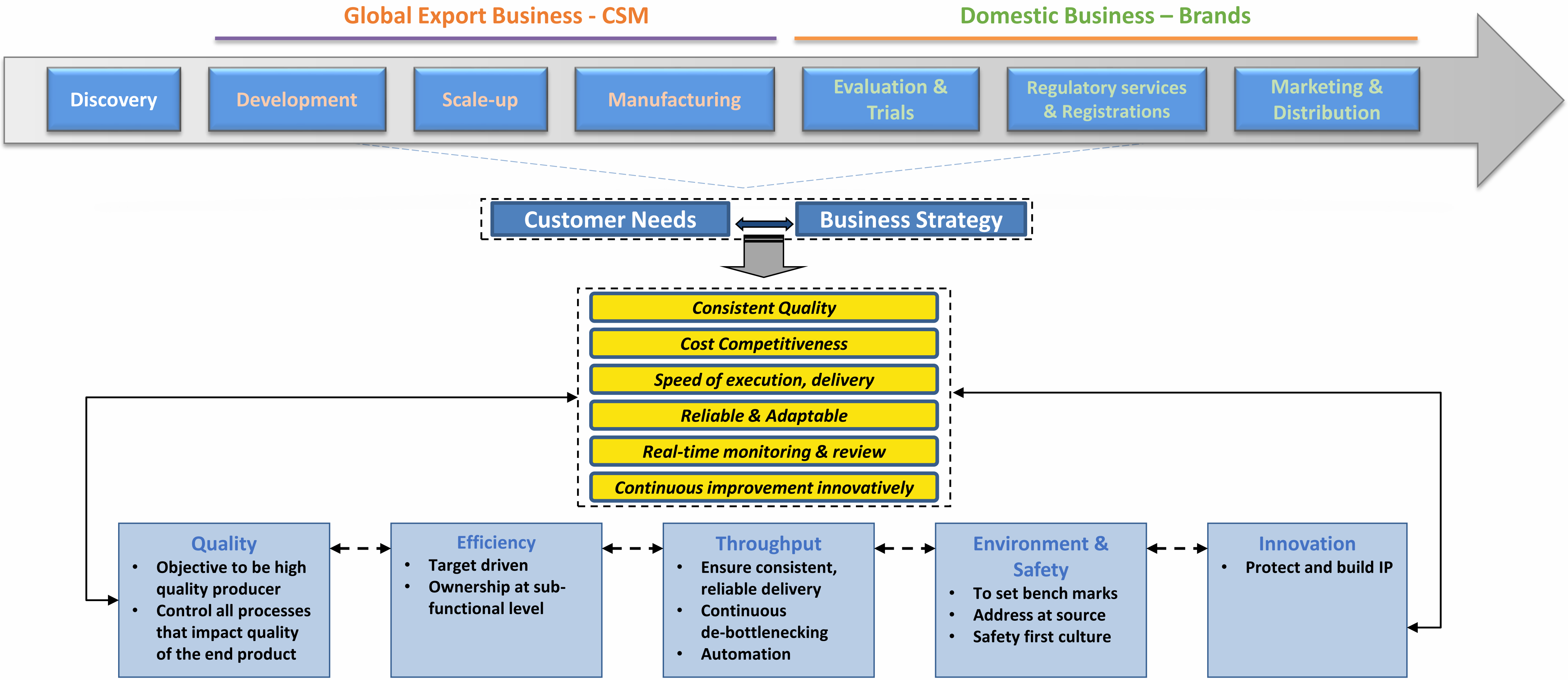
TRUST
Like the earth, we are dependable. We work with integrity of purpose, honesty in action and fairness in all our dealings

SPEED
Blazing ahead, like fire, we constantly strive to work with speed in the way we observe, think and act

INNOVATION
Enlivening, like the air, in the constant quest for the horizon, the never-ending search for a better, newer way to do things; Innovation for us, is a way of life

ADAPTABILITY
Adaptive, like water, we are constantly transforming ourselves. Being nimble footed, we are highly responsive to change

Strong focus on customer needs and continuous innovation



Evaluation & Trials

Regulatory services & Registrations

Marketing & Distribution

Differentiated domestic distribution

Driven by brands and market reach

Inspired by Science

More than 50 years Creating Market Leading Brands
Significant revenue from Brands Ranked No 1 or 2 in the market, Some brands are more than a decade old

Strong Partner
40+ years experience
20+ Global Innovators

Strong Pipeline
Molecules based on crop solutions and Indian needs

Farmers & Extensive Distribution Network
28 stock points; 10K+ distributors; 70K+ retail points

- **Extension & product development & stewardship** (team experience in handling complex new-age premium chemistries)
- **Strong relationship with stakeholders**
- **Policy level by participation**

FOCUS ON INNOVATION

PROCURE REPEAT BUSINESS

BENEFITS OF CROSS SELLING OPPORTUNITIES

UNDERLYING PRINCIPLES
RESPECT FOR IP DEVELOPMENT

REPUTATION OF TRUST & RELIABILITY
FORGE RELATIONSHIP

- **Crop solution approach focussing farmer & using ICT** (Information, Communication and Technology)
- **Organization structure empowered with digi tech** to support and demonstrate value delivery to farmers
- **Online analytics tools for farmers and employees**
- **Innovative Ideas and branding** for enhancing product life cycle
- **Experience of successfully managing transition of products from patented to generic**
- **Application services** for development & engagement

Digi-tech @Core

Engagement Efficiency Excellence

Crop Solutions | Farmers | Channel | Enablers

Global Export Business - CSM

Development → Scale-up → Manufacturing

Custom Synthesis & Manufacturing – Our vision

Inspired by Science

To be the lifelong Partner of Choice for the Global Chemicals Industry by building innovative, knowledge based solutions through speed, efficiency, straightforwardness & just dealings, respect for intellectual property, society & environment

OUR FOCUS

Ag Chem
Imaging
Addatives
Electronics

High value
Low - Mid volume
Process technology
Complex chemistry
IP (generation / protection)
High Potential
PI as 1 or 1 of 2-3 sources
Customer as innovators

Performance
Pharma
FINE CHEM

Partner of Choice

Who

Niche player / boutique industry – leading supplier

How

- Longevity of meaningful engagement
- A marriage of competent equals
- Consultative solution rendering & outsourcing process
- Reliability of services

Solutions

Service Lines

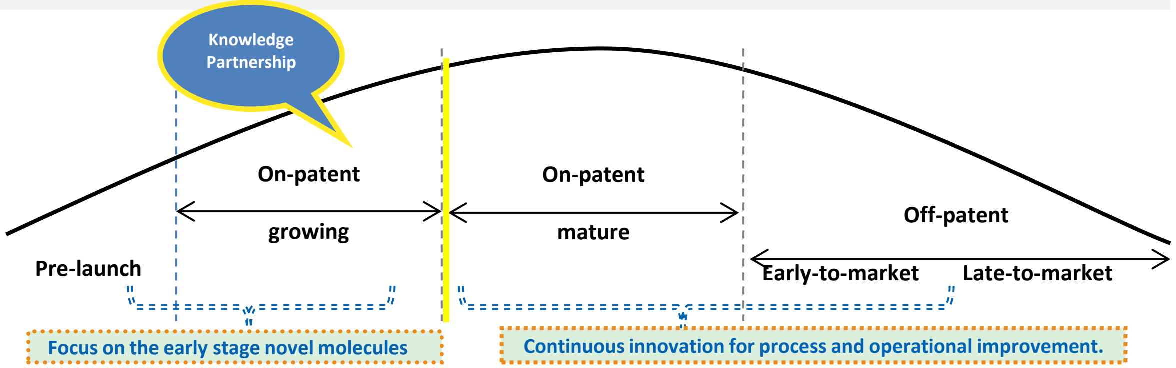
- Research & Development
- Analytical Research & Services
- Process Development
- Engineering
- Process Scale up
- Commercial Production

Characterized by

- Specifications with control limits
- Reliability & predictability
- Repeatability

In

- Technology
- Process
- Commercial operations
- Supply chain customer
- End applications



PI has all that is required to be the “Partner of Choice”

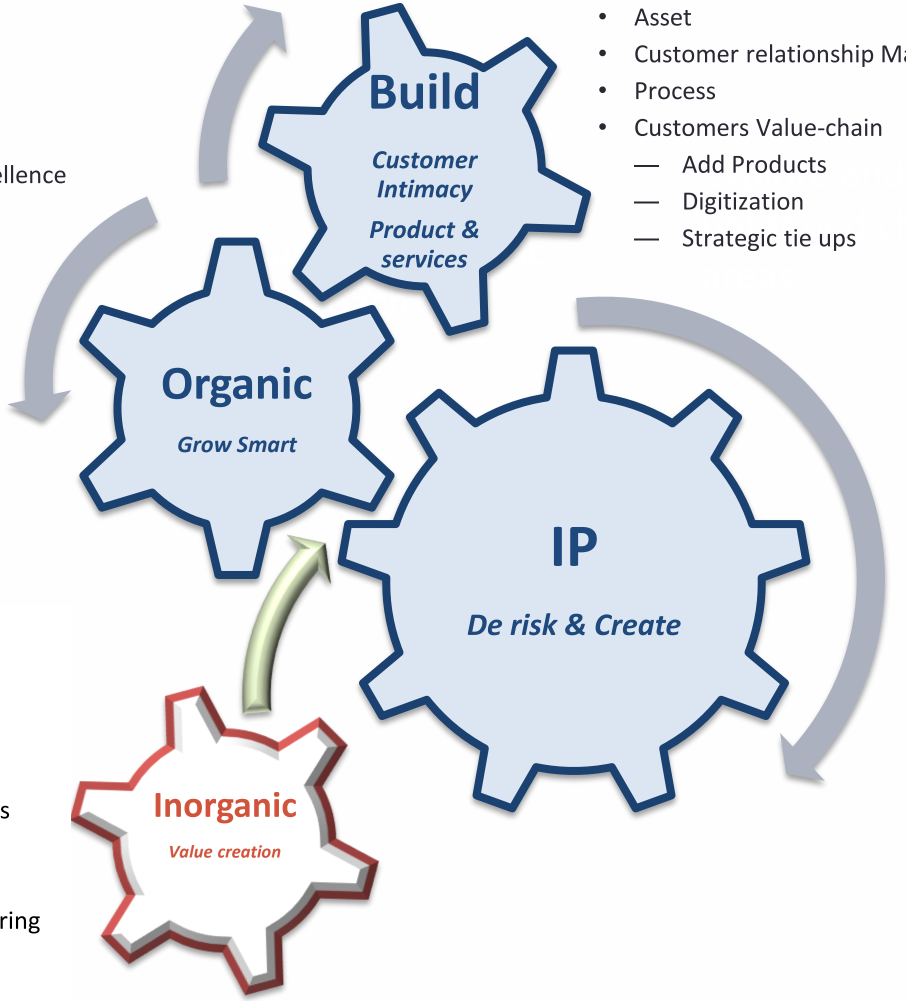
Global tailwinds offering opportunities for aggressive, multi-pronged growth strategy

Inspired by Science

Market

- Expansion
- Creation
- Segments
- Operation excellence
- Brands

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



Inorganic…

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

De risk…	Create…
• Manufacturing concentration • New formulation of existing products • Biological *Process* • Chemistry • Block Builders • Process engg • Flow *Digital* • Information integration • Decision tools	• Process Innovation • Biological process development • Formulation Combinations with Partners • New formulations - • Digital Customer engagement

Deepening our technological capabilities to open new horizons..

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

Inspired by Science

Thank you

PI Industries Ltd.
Corporate Off: 5th Floor, Vipul Square, B Block, Sushant Lok, Phase - 1, Gurgaon - 122009 (Har), India; Tel: +91 124 6790000, Fax: +91 124 4081247.
Regd. Off: Udaisagar Road, Udaipur - 313001; Tel: +91 294 2491451-5, Fax: +91 294 2491946.
www.piindustries.com