PI Industries Ltd.
Annual Report 2018-19

Inspired by Science

Deepening Technological Capabilities.
Opening New Horizons...

Inspired by Science

Our Investor Value Proposition

Strong Business Foundation

72 Yrs

A rich business legacy of 72 years built on core values of Trust, Speed, Adaptability and Innovation

Global presence with strategic partnerships with globally renowned innovators including **KUMIAI** and **MCAG**

Best in class accreditations including Responsible Care, NABL, ISO 14001:2001, OHSAS 18001:2007, EcoVadis (Gold Category) and ISO 27001:2013 (Information Security)

Rich haul of recognitions for Innovation, Sustainable Development, Customer Service and Business Performance

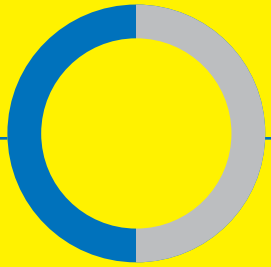
Presence across the agro-chemicals value chain – from molecule discovery to farm products and solutions

Unique Business Model

Among top-5 agro-chemicals distribution companies in India with significant brand salience and market share

A common talent pool and infrastructure engaged in developing knowledge, product and processes in complex chemistries

The largest Indian Agri-sciences company with **patented products contributing 95% of export revenues**



Twin business levers of **Domestic Brand Market & Export Market**

Multi-locational and world class manufacturing assets including **8 multi-products plants**

Technological Capabilities

A talent powerhouse

of about 350 scientists, process chemist and analytical chemists

Fully integrated operations spanning across process evaluation, bench scale trials, kilo lab, pilot plant and commercial production

Best in class Research & Development (R&D) center with R&D Lab, Pilot Lab and Kilo Lab

Centralised LIMS system for data and information management

Consistent Performance

400% dividend

consecutively over the last three years (FY17-FY19)

Governance and Sustainable Development deeply ingrained in the Business Ethos

Optimum capital structure with a strong balance sheet to support future growth engines including R&D

4-year CAGR (FY15-FY19) of **11.1% and 17.3% respectively for revenues and net profit**

₹ 1000 invested on 01 April 2013 would have grown to ₹ 8050 on 31 March 2019

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Trust & Brand Equity

Decades-old trust of 2.5 million PI farmers

A promising bouquet of
market leading brands

Five of PI brands are top selling
in their respective categories

Solution centric approach
blends best farm practices with
strong products

Pan-India distribution network with

10,000+ channel partners

Experienced and passionate leadership

Diversified board with
Independent Chairman

Best in class strong
Governance Framework

Leadership team
brings deep industry knowledge

Committed 2500+
workforce across functions

Deepening Technological Capabilities. Opening New Horizons...

Disrupt or get disrupted!

These four words present the shortest summary of what hundreds of businesses around the globe have been through in the last two decades. As disjointed as they could be – healthcare, education, banking, music, retail, media, films – a common thread that ran through has been TECHNOLOGY. Those who rode the technological wave engulfed the unawares. Disrupters won the race, leaving the disrupted ones a very little chance of fighting another day.

In our domain of complex, high end chemistry, many a challenges of tomorrow are staring at technology for viable solutions that are effective, scalable, affordable and also sustainable. Innovators across the globe are getting into technological collaborations across the entire chemical value chain with a common aim of shaping a better world. As an important constituent of this innovation club, at PI Industries, we are accelerating our technological advancement in order to play a much bigger role than what we would have envisaged for ourselves just a few years ago. The technological marathon that we embarked upon 2-3 years ago is helping us deepen our technological capabilities. As the run intensifies, we are starting to apply our steadily deepening expertise into few adjacent domains beyond agrochemicals with encouraging impact.

Fully conscious of our run being a marathon and hence also needing endurance besides obvious traits of skill and focus, we are intensifying our investments in Research & Development. Thanks to consistent strengthening of balance sheet and steady cash flows from operations, we are bolstering our wherewithal to cross the finish line. It's a matter of time that our deepening technological capabilities open newer avenues of sustained growth.

Inspired by Science

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Cautionary Statement Regarding Forward-Looking Statement

Statement in this annual report describing the Company's objectives, expectations or forecasts, may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence PI Industries Limited operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors, such as litigation and industrial relations.

Year in Numbers

Our Marquee Product
Nominee Gold completes 10 years

Revenue
₹ 28409
million (FY19)
v. ₹ 22771 million (FY18)
Growth of 25%

EBITDA
₹ 5731
million
v. ₹4920 million;
20.2% EBITDA Margins

Profit After Tax (PAT)
₹ 4077
million
v. ₹3665 million
14.4% PAT Margins

25+ Years
of Panoli
Manufacturing Unit

Milestone Revenue
₹ 1000+
Crores in
Domestic Business

2
New Product Launches
COSKO & FANTOM

3
New Molecules
Commercialized

Inspired by Science

We are PI Industries

OUR VISION

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

With roots dating back to 1946, we are PI Industries Limited - one of the fastest growing, globally integrated and highly innovative agri sciences solution providers in India.

Our offerings encompass the entire value chain – from R&D, to manufacturing, to last-mile distribution, to providing innovative solutions in the agri sciences industry.

With over seven decades of strong foundation, laid on the core values of Trust, Speed, Adaptability and Innovation, we firmly believe in the power of science, to make positive impact in the lives of millions. With our pursuit of excellence, we have been successful in providing complex chemistry solutions, resulting in some of the most iconic brands in the agri sciences space.

We have built strong technical capabilities in the areas of research and development, manufacturing services, brand building, wide distribution network in India and abroad, which helps us chart a unique path in value creation for all our stakeholders.

From our inception till date, we continue to leverage value-added offerings to millions of farmers in the country and across the globe, thereby creating a niche for ourselves in the market.

OUR 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

Quick and agile like fire, we constantly strive to work with speed in the way we observe, think and act.

ADAPTABILITY.

ADAPTIVE, LIKE WATER

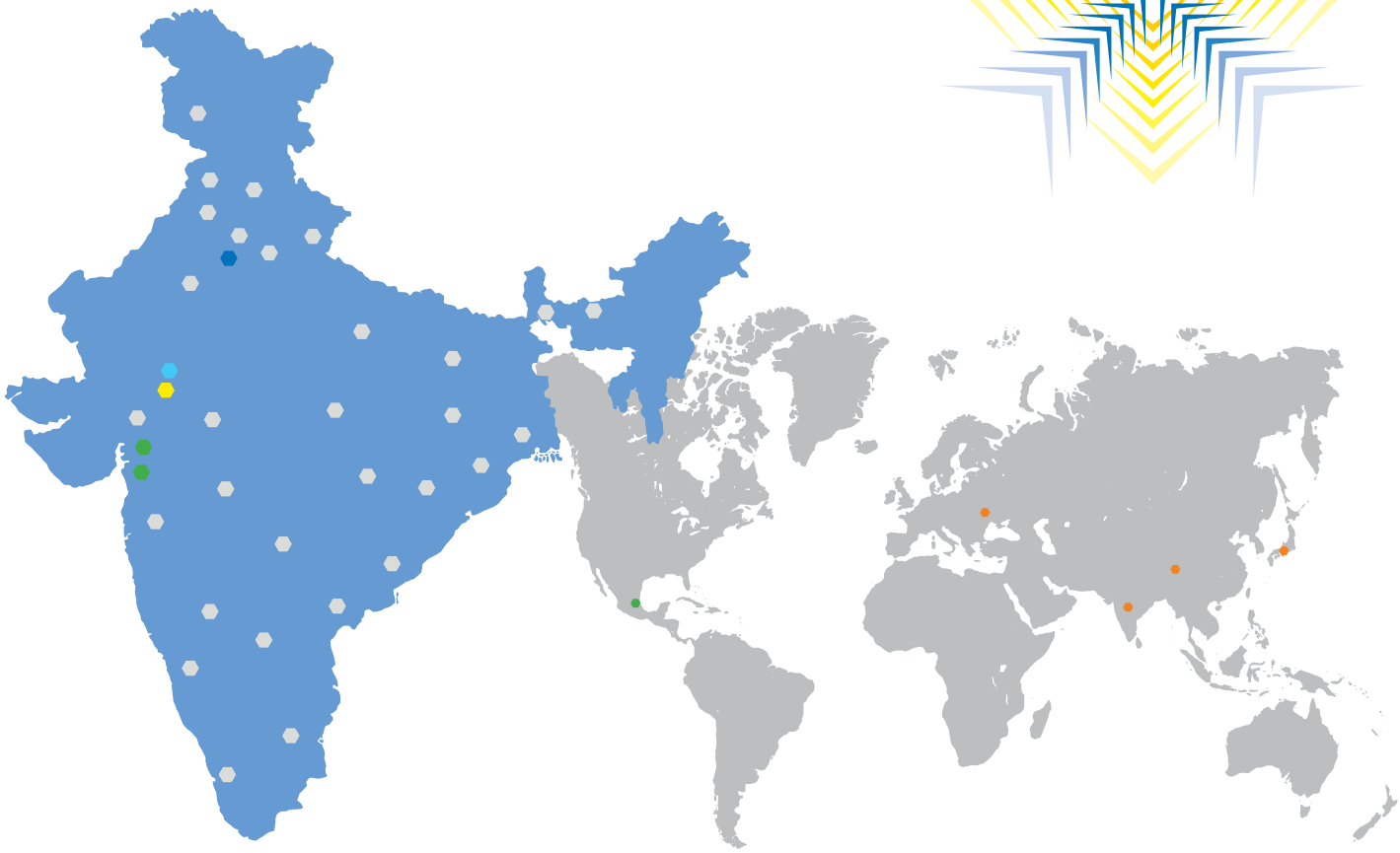
Constantly transforming ourselves like water, we are free flowing, adapting and highly responsive to change.

INNOVATION.

ENLIVENING, LIKE THE AIR

A constant quest for reaching new horizons, the never-ending search for a better and novel way to do things, Innovation is a way of life for us.

GEOGRAPHICAL FOOTPRINTS



Global Offices Registered Office Corporate Office R&D Centre Manufacturing Units Depots

84000+	**10,000+**	**04**	**03**
Retails Points	Channel Partners	Global Offices	Manufacturing Units
2,500+	**30**	**06**	**30+**
People	Depots	Continents	Countries

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Key Milestones

A glance at our 72 year science-inspired, innovation led journey...

1946
- Founded as Mewar Oil & General Mills Ltd.

1961
- Started Ag Chem Formulation and Marketing

1976
- Started first Technical Manufacturing Plant

1989
- Company's name changed to Pesticide India Ltd.

1992
- Established Subsidiary as PILL Finance and Investments Ltd.
- Company's name changed to PI Industries Ltd.
- New manufacturing unit at Panoli, Gujarat

1993
- Company's shares got listed at BSE Ltd.

1996
- Started Custom Synthesis & Manufacturing

2001
- 1st Company in the Agchem to implement SAP

2004
- Established subsidiary as PI Life Science Research Ltd.
- Started new representative office in Shanghai, China