



# Resilient & Resolute

# Contents

## Corporate Overview

- 01 Resilient & Resolute
- 02 We are PI Industries
- 04 Our Value Proposition
- 06 Celebrating 100 years of our Founding Vision
- 08 Snapshots FY20
- 10 Key Milestones
- 12 Financial Highlights
- 14 Chairman's Message
- 16 Q&A Session with the VC & MD and MD & CEO
- 20 Board of Directors
- 22 Leadership Team
- 23 Corporate Information
- 24 Combatting COVID-19 with Resilience
- 26 Employee Engagement
- 29 Innovate for a Brighter Tomorrow
- 30 ESG – A Business Enabler
- 32 Corporate Social Responsibility

## Management Reports

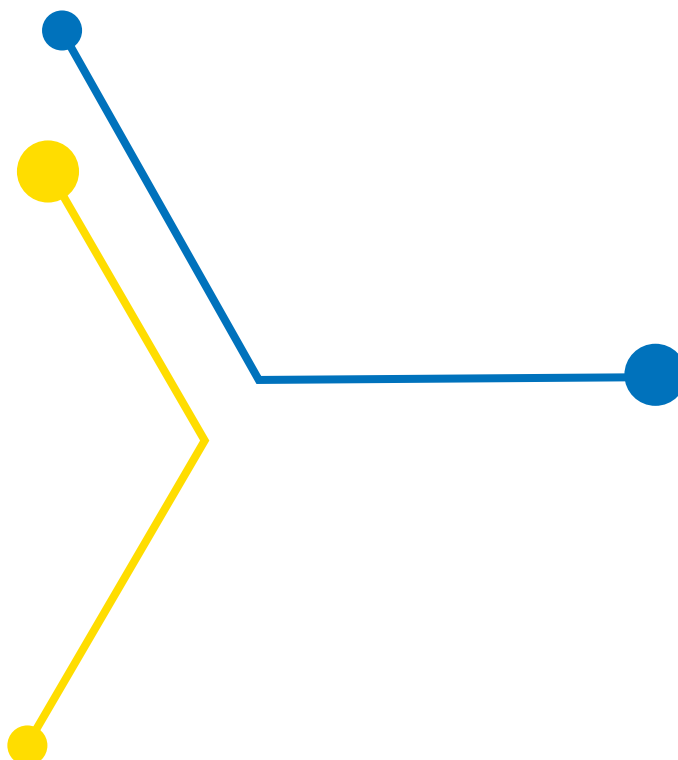
- 36 Management Discussion and Analysis
- 45 Board's Report
- 67 Corporate Governance Report & Certificates
- 86 Business Responsibility Report

## Financial Statement

- 95 Standalone Financial Statement
- 155 Consolidated Financial Statement

## AGM Notice

219



### 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 Ltd. 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.

# Resilient & Resolute

Resilience is to a business enterprise what immunity is to human beings. The dynamically evolving business environment brims with uncertainties and volatilities. Like humans strengthen their immune system, business organisations too need to strengthen resilience. Among all equals, a resilient organisation tides over testing times much efficiently and blossoms to its full potential when the tide turns.

At PI, nurturing and fortifying resilience continually is a key strategic priority. Resolute firmly in the fertile grounds of our corporate vision and values, resilience gets nurtured by our unique business model and steady growth momentum. We fortify resilience with technological advances and de-risk it with steady diversification of our business spectrum.

Our transformational business journey over the last decade yielded all-round multiplier results. The growth of more than 6 times in revenue, nearly 8 times in operating profit, more than 10 times in net profit and over 70 times in market capitalisation.

We added a several resilient enablers in the year gone by. A highly synergistic acquisition added sizeable strength to our domestic business spectrum while also strengthening export revenues and overall production capacity. We successfully forayed into pharma, chemicals, solely on the strength of our research and development capabilities and

knowledge to deal with complex chemistries. We scaled up our farm automation services from the pilot to the commercial stage. We also resolved to raise sizeable capital through a mega QIP in order to accelerate our resilient fortification.

Thanks to our resilient & resolute, we navigated the COVID-19 disruption with a negligible impact. More importantly, we entered FY21 maintaining a hawk's eye on our resilience goals.



**With a new global chemical order on the anvil, stakeholders' expectations from PI are rising. As we usher into a new decade, we are also raising the bar to play at a much higher level. Our insatiable quest for higher knowledge in complex chemistry and a universal approach to also apply our capabilities in a range of adjacencies beyond agrochemicals shall catapult PI into the next level revenue league soon. All along, what we won't ever compromise is our Resilient & Resolute.**

# We are PI Industries

Incorporated in 1947, PI Industries (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030) focuses on complex chemistry solutions in agri and pharma sciences. With the strength of over 3000 employees, PI Industries currently operates a strong infrastructure set-up consisting of 5 formulation facilities as well as 13 multi-product plants under its 4 manufacturing locations. These state-of-the-art facilities have integrated process development teams with in-house engineering capabilities. The Company maintains a strong research presence through its R&D facility at Udaipur, where it has a dedicated team of over 300 scientists and chemists. The facility includes advanced research and development labs, kilo plants and pilot plants with NABL certification. Over the years, the Company has successfully leveraged its capabilities across the Agri-sciences value chain by providing integrated and innovative solutions to its customers by partnering with the best. Its business approach is built on the foundation of trust, integrity and IP protection. PI Industries has formed partnerships with leading companies globally where it provides solutions across the fields of research & development, regulatory services, manufacturing services, application development, marketing, distribution and customer connect initiatives. Through its evolution,

the PI Industries brand has brought value-added offerings to millions of farmers in the country and across the globe thereby carving a niche position in the minds of the local and global customers. Some of the key strengths of the Company are its strong technical capabilities in the area of research and development, manufacturing services, brand building, strong distribution presence in India and customer connect initiatives. PI Industries is geared to show accelerated performance backed by a combination of attractive opportunity and well-integrated capabilities given its partnership approach to business.

**3000+**

Employees

**300+**

Scientists & researchers



## VALUES



### TRUST.

**LIKE THE EARTH, WE ARE DEPENDABLE**

We work with the 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**

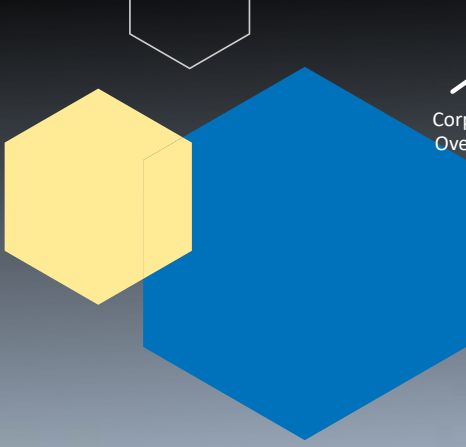
In the constant quest for the horizon, the never-ending search for a better, newer way to do things; Innovation, for us, is a way of life.



### ADAPTABILITY.

**ADAPTIVE, LIKE WATER**

We are constantly transforming ourselves. Being nimble-footed, we are highly responsive to change.



Corporate  
Overview

Management  
Reports

Financial  
Statements

Notice





# Our Value Proposition

Integrated and innovation-led service offerings

Comprehensive solutions via partnerships

Deep relationships with 20+ global innovators, built on IP protection

**Present across the value chain, driven by strategic partnerships**

01

Non-conflicting Business model built on end-to-end partnerships with global innovators

~90% CSM revenues from patented molecules; 60%+ domestic revenues from in-licensed molecules

**Unique business model & adjacencies**

02

Proven capabilities in agrochemicals; being replicated across other chemicals segments now

FY21 marked pharma foray, successfully developed and scaled up a COVID-19 drug intermediate

03

A diverse and competent Board of Directors with rich professional expertise across various technical and business functions

**Diverse Board, experienced leadership**

An experienced leadership team of highly qualified professionals with a proven track record

M&A activities  
to aid  
specialised  
CSM players

Global specialty chemicals market  
expected to grow at 5.4% CAGR  
between 2019 and 2024

### Promising opportunity landscape

Innovators' focus on core  
competencies to fuel steady growth in  
CSM and production outsourcing

Global supply chain  
diversification to direct  
more opportunities towards  
innovative Indian players

Tailwinds in Agchem and  
Pharma Industry

06

05

04

R&D team of ~300  
researchers and scientists

5 formulation  
facilities

### Strong assets - tangible & intangible

Globally certified  
technologies across 4  
manufacturing facilities &  
13 multi purpose plants

Tech-enabled distribution  
network, relationships with over  
2.5 million farmers

Market leading brands,  
revolutionary mechanised  
spraying services

### Track record of sustained performance

Revenue CAGR  
(10 Years) of  
17.68%

Pre-tax RoCE of  
more than 20% over  
last 3 years

EBITDA CAGR  
(10 Years) of  
21.58%



PP SINGHAL  
CENTENNIAL

Celebrating  
100 Years of  
our Founding  
Vision

Shri P.P. Singhal  
1920-1979





2020 marks the centennial year of Shri. P.P. Singhal, the visionary founder of PI Industries. Born in a patriotic Indian family with a progressive outlook, he graduated from the University of Allahabad with a gold medal awarded for his scholastic achievement in Chemistry.

With a vision to contribute to a self-reliant new India, he founded Mewar Oil Mills Limited, at Udaipur in 1946. 15 years hence, he went on to establish his next enterprise, Pesticides India, which has blossomed today as one of the most innovative specialty chemical companies of modern day India and is known as PI Industries.

One of the pioneering Indians to enter into the pesticides business when the then Government called for a greater private sector participation in strengthening the country's agenda of attaining food security, he made immense contribution in the first green revolution of India.

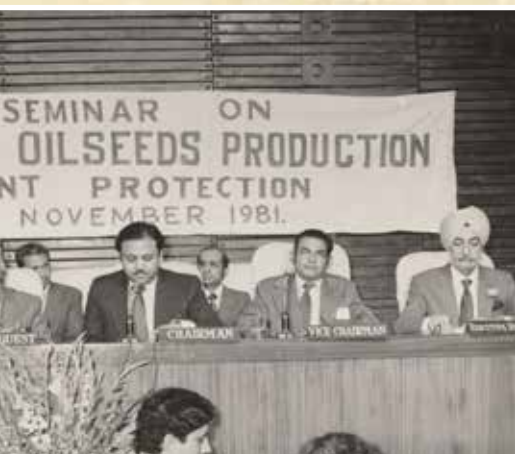
As a man who saw innovation to be the game changer for Country's progress and self sufficiency, he pushed the envelope for 'Make in India' then. To take crop protection chemicals to the nook and corner of the vast Indian farm map, he employed innovative means to craft thousands of entrepreneurs who took upon themselves the last mile delivery of these revolutionary products,

as part of his distribution network. Driven by his passion of overcoming odds and blending scientific advances with traditional agronomy, millions of farmers soon rose to catapult India on the global food map as a leading player. Considering that the country's economy got heavy lifted by agriculture, much before the manufacturing and services sector gained significance, Shri P.P. Singhal can be credited to ignite these millions of engines of India's growth.

A compassionate and helping man deeply committed towards the collective rise of Indian enterprises, Shri P.P. Singhal helped many others to establish themselves across agro-chemicals and other streams of business.

A distinguished and highly respected man from Udaipur, he was associated with a number of social and cultural institutions and actively supported the excellence cause in sports, academics and art. He was bestowed the prestigious title of 'Rajya Priya' by His Highness, Udaipur.

On the auspicious occasion of the birth centennial of its founding vision, Shri P.P. Singhal, the strong PI family rededicates itself to further his legacy of innovation led excellence, one that aims to solve modern day problems with precise, guided exploration in the field of chemistry, focus on sustainable solutions even in the early years of science and technology.



# Snapshot FY20



## Strategic High Points

- Acquired Isagro Asia, turned around with a 10% growth YoY
- Signed agreement to in-license 2 new products for farm and PPM segment
- Closed FY20 with a residual order book of over \$1.5 billion
- Made submission of registration Dossier for new miticide
- Withdrew 5 EOLC products from the portfolio
- Filed 22 patent applications during the year
- Closed FY20 with nearly 60 molecules in the R&D pipeline



## Awards and Recognitions

- Golden Peacock Award for CSR in Chemical and Fertiliser Segment

