



Inspired by Science

Press Release

**PI Industries Q1FY'14 Net Revenues up 70% YoY to Rs. 406 Crore
Net Profit more than doubled to Rs. 48 Crore
Board recommends 50% interim dividend**

Gurgaon, August 03, 2013: PI Industries Limited (PI), a leading Indian Agri-Input and Custom Synthesis company announced its financial results for the quarter ended June 30, 2013.

Key Financial Highlights

Net Revenue

Net Revenue registered strong 70% growth at Rs. 406.07 crore where contributions from both the domestic Agri Input and custom synthesis exports showed remarkable enhancement. Revenue growth is mainly driven by volume growth. In the domestic market, PI's differentiated model demonstrated its ability to maximize the benefit from a conducive monsoon where sowing was higher in key cropping areas for the Kharif season. Custom synthesis exports reflect the uniqueness and advantages of its IPR allied model, resulting in sustained revenue momentum and deep engagement style that has potential to scale-up in a consistent manner. Stabilization of the Jambusar facility has also helped revenue scale up at an attractive pace.

EBITDA

EBITDA grew to Rs. 78.90 crore, up by 60% YoY. EBITDA margin at 19.4% by maintaining healthy product mix and sustaining revenue quality at substantially increased revenue scale.

Pre-tax Earnings

Profit Before Tax stood at Rs. 75.12 Crore from Rs. 33.89 Crore last year. It includes an exchange fluctuation gain of Rs. 6.67 Crore as compared to a loss last year of Rs. 6.78 Crore. Interest costs were contained given better working capital rollover and utilisation of funds raised through the QIP concluded in the previous quarter.

Post-tax Earnings

Net Profit more than doubled to Rs. 48.54 Crore, translating into a Basic EPS of Rs. 3.58 per share.

Interim dividend

The Board declared an interim dividend of 50% (Rs.0.50 per equity share of Rs. 1 each) which will result in payout of ~Rs. 7.92 Crore including dividend distribution tax.



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

“We are witnessing a strong growth momentum in both domestic and export segments due to inherent strength of our differentiated business model and quality of our operations.

Our domestic agri input revenues grew by ~38% YoY mainly due to strong volume improvement driven by favourable onset of monsoon, handsome increase in sowing / acreages of major crops, proactive marketing strategies, excellent field-work amongst the farming community and the growing popularity of our brands. Our niche in this space lies in establishing a portfolio of excellent products to enhance productivity of Indian farmers backed by a nationwide distribution platform and following best-in-class industry practices.

Custom Synthesis Exports is a model prepped for long-term, upsides where scale-up of some of the existing products has driven the growth for the quarter to ~116% YoY. The Jambusar facility offers a well-timed addition to capacity as volume growth is kicking in. The scale up in production has matched our earlier expectations and we are now operating at high utilisation levels.

Our consistent performances lend proof that PI is well positioned to deliver the upsides that the agrochemicals industry will see as it gears up to fulfill demand from growing populations worldwide. The outlook for FY2014 is robust backed by incremental volume sales from both existing and newly launched molecules and complemented by visibility of assured scale-up in custom synthesis exports.”

Outlook

- While the trend for the first quarter is exceptionally strong and ahead of sector performance the outlook for the year will be influenced by the sector dynamics on an overall basis
- Onset of timely and well-spread monsoon, increased crop acreages, nearly full water reservoirs and remunerative MSPs indicate positive outlook for remaining crop seasons for the current fiscal. P I with its excellent product portfolio and superior operating model is well-placed to give predictable upsides on account of volume growth across existing and newly launched products.
- Custom synthesis exports are being driven by scale and execution capabilities. It is expected to sustain increased revenue levels in line with growing global demand of existing and newly commercialized products.
- The business is expected to deliver free cash flows going forward leading to diminution in the quantum of debt.



Inspired by Science

Press Release

About PI Industries Ltd. (PI)

Incorporated in 1947, PI Industries (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030) focuses on Agri-Input and Custom Synthesis with strength of over 1,400 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 segments:

Domestic Agri-Input

PI 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 PI 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. PI 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 P I 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:

Nishid Solanki/Siddharth Rangnekar

Citigate Dewe Rogerson

Tel: +9122 66451221

Tel: +9122 66451209

Email: nishid@cdr-india.com

siddharth@cdr-india.com

Rajnish Sarna

PI Industries Limited

Tel: +91 124 6790000

Fax: +91 124 4081247

Email: r.sarna@piind.com

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.