



**Q2 FY15 Revenues at Rs. 426.6 crore, down 7.8%**

**H1 FY15 Revenues at Rs. 897.8 crore, up 3.3%**

**Outlook for full year remains robust and in line with annual plan;**

**Board recommends 120% interim dividend**

**Gurgaon, October 28, 2014:** PI Industries Limited (PI), a leading Indian Agri-Input and Custom Synthesis company announced its financial results for the quarter and half-year ended September 30, 2014.

**Financial and Operational Commentary for the quarter & half-year ended 30th September, 2014**

|                 | <b>Q2 FY15<br/>(Rs. in Crore)</b> | <b>Growth (%)<br/>(Y-o-Y)</b> | <b>H1 FY15<br/>(Rs. in Crore)</b> | <b>Growth (%)<br/>(Y-o-Y)</b> |
|-----------------|-----------------------------------|-------------------------------|-----------------------------------|-------------------------------|
| <b>Revenues</b> | 426.6                             | <b>-7.8%</b>                  | 897.8                             | <b>3.3%</b>                   |
| <b>EBIDTA</b>   | 72.6                              | <b>-21.1%</b>                 | 180.6                             | <b>5.6%</b>                   |
| <b>PAT</b>      | 49.0                              | <b>-11.4%</b>                 | 120.7                             | <b>16.2%</b>                  |

**Net Revenue**

Overall Revenue growth in H1 FY15 was at 3.3% mainly driven by ~12% growth in domestic agri inputs and ~4% de-growth of custom synthesis exports in line with the operating plan.

For Q2 FY15, domestic agri input revenues were lower than plan due to difficult agro-climatic conditions and custom synthesis exports were lower as per plan.

**EBITDA**

H1 FY15 EBITDA stood at Rs. 180.6 crore and margins for H1 FY15 stood at 20.1% compared with 19.7% last year.

For Q2 FY15 the margins were lower at 17.0% given steady revenues in the domestic business and lower exports.

**Pre-tax Earnings**

H1 FY15 Pre-tax earnings stood at Rs. 175.7 crore reflecting steady revenues and EBITDA growth. While the pre-tax earnings for Q2 FY15 are lower than Q2 FY14, the growth momentum is once again expected to resume in the coming quarters.



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### **Post-tax Earnings**

Profit After Tax stood at Rs. 120.7 crore in H1 FY15. Basic EPS stood at Rs. 8.85 per share from Rs. 7.64 per share in H1 FY14

### **Strong balance sheet**

Balance Sheet continues to strengthen and remains well capitalized for growth initiatives along with sustained improvement in debt levels. Higher inventories as at Sep 30, 2014 is planned built up to meet increased uptake in coming quarters.

### **Interim dividend**

The Board declared an interim dividend of Rs.1.20 per equity share of Rs. 1 each (120%), which will result in payout of ~Rs. 19.67 Crore including dividend distribution tax.

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

*“Performance during the first-half has followed subdued indicators of the Kharif season for the domestic business whereas momentum in custom synthesis exports was muted in line with our operating plan. Outlook for H2 is optimistic on the back of strong order book of custom synthesis exports and better Rabi season on the domestic front.*

*Acreages in some crops were affected due to erratic monsoons, which delayed the sowing activity across key agrarian states. The subsequent uptick in the rainfall activity has nearly restored the seasonal acreages besides priming the soil for a good Rabi with adequate moisture content. Our key brands continue to drive topline where launches made in the recent few years are showing noticeable uptick. We will be launching a new insecticide in 2nd half.*

*Growth outlook for custom synthesis exports is unfaltering given sound visibility from a strong order book. Higher momentum, as planned, will be delivered in the second half, given capacity de-bottlenecking and changes to the product-mix. The accretion to order book is robust and in line with PI's standing globally as a preferred supplier to innovators. Work at phase II of Jambusar is underway and the commissioning is slated for 2nd half of the next financial year. We also remain on course to commercialize 2-3 new molecules this year thereby meeting the requirements of our global innovator-partners.*



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*"The strength of our business model remains intact, which combined with enhanced operational efficiencies will steer consistent improvement in earnings"*

**Outlook**

- Custom synthesis exports will see strong performance in the second-half with strong order book position.
- Conditions appear favourable for Rabi as reservoir levels and moisture content in the soil are good given the delayed departure of the SW monsoon



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## 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](http://www.piindustries.com)

### **For further information, please contact:**

Nishid Solanki/Siddharth Rangnekar

CDR India

Tel: +9122 66451221

Tel: +9122 66451209

Email: [nishid@cdr-india.com](mailto:nishid@cdr-india.com)

[siddharth@cdr-india.com](mailto:siddharth@cdr-india.com)

Rajnish Sarna

PI Industries Limited

Tel: +91 124 6790000

Fax: +91 124 4081247

Email: [r.sarna@piind.com](mailto: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.*

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PI Industries Ltd:

CIN: L24211RJ1946PLC000469

Corporate Office: 5th Floor, Vipul Square, B Block, Sushant Lok, Phase - 1, Gurgaon - 122009

Registered Office: Udaisagar Road, Udaipur – 313001 (Raj)

Phone Nos: 0294 2492451-55, Fax: 0294 2491946

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