



PI Industries delivers robust performance H1 FY14 PAT up 111% to cross Rs. 100 Crore

Domestic business delivers sustained outperformance over sector growth rates and strong ramp-up in the exports continues in-line with plan

Gurgaon, October 24, 2013: 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, 2013.

Financial and Operational Commentary for the quarter & half-year ended 30th September, 2013

	Q2 FY14 (Rs. in Crore)	Growth (%) (Y-o-Y)	H1 FY14 (Rs. in Crore)	Growth (%) (Y-o-Y)
Revenues	462.8	55	868.8	62
EBIDTA	92.1	111	171.0	84
PAT	55.3	114	103.8	111

Net Revenue

Revenues in the domestic business were robust given the quality of portfolio, good monsoon, higher MSPs, increased acreages and better demand. Domestic revenues grew by 23% in H1 FY14. The current year compares favourably to the subdued monsoon of last year which moderated sector growth. The revenue performance endorses the quality of business created by PI in terms of products, marketing & distribution and business practices.

Revenues from exports were buoyant, in-line with plan given the sustained ramp-up in production of existing molecules and commercialisation of new molecules. Export revenues grew by ~125% in H1 FY14. Jambusar has shown a strong scale-up contributing to this growth.

EBITDA

The margins for Q2 FY2014 were at ~20% compared with ~15% for Q2 FY2013 and were ~20% for H1 FY2014 as compared to ~17% in H1 FY2013.

The overall margin performance benefitted from strong revenue growth, better cost management and systematic forex management. More importantly the margins reflect the high quality revenues



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where the Company is focused on respect for IPR and has deep engagements based on trust and delivery across all clients.

Pre-tax Earnings

Profit Before Tax recorded significant improvement in line with the strong revenue growth. Better working capital management and contained interest cost owing to debt reduction contributed to higher earnings. PBT for Q2 FY14 was up 122% to Rs. 82 crore and for H1 FY14 was up 122% to Rs. 157.1 crore.

Post-tax Earnings

Profit After Tax more than doubled in Q2 FY14 and H1 FY14. In Q2 FY14, the Basic EPS was Rs. 4.07 compared to Rs. 2.06 in the same period last year. Basic EPS for H1 FY14 stood at Rs. 7.64 compared to Rs. 3.92 in the same period last year.

Strengthening balance sheet

The Company's balance sheet as on September 30, 2013 remains strong and was further fortified with strong P&L performance in H1 FY2014. Compared with the balance sheet as on March 31, 2013, the Company further reduced its debt and the working capital changes reflected the growth of the business. The networth as on September 30, 2013 stood at Rs. 612.1 Crore with total debt to equity ratio of 0.2. The cash flow accruals remain strong and the Company is in a comfortable position to invest in its stated growth plans.

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

"We are delighted to present an excellent set of numbers yet again. We have built a solid operating model across our domestic and exports businesses where we have visibility for sustained progress. While our domestic business continues to perform ahead of sector growth we expect this trend to sustain given the quality of our portfolio, business practices and deep pan-India market presence.

Our exports sustained accelerated ramp-up as the efforts and investments put over the last few years fructify. I am proud to say that we have built strong partnerships with our valued customers that is delivering strategic value to both of us. Here again the rate of commercialised molecules are increasing and we are witnessing strong and consistent growth.

The Jambusar SEZ facility is an additional trigger that will keep supporting growth. We are enthused by the uptake in the first phase and we have initiated the next phase that will be implemented over the coming few quarters."



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Outlook

- Given the strong southwest monsoon and healthy reservoir situation, we are optimistic about continued growth in the domestic agri-business in the forthcoming Rabi season.
- Custom Synthesis business is on course to attain consistent and superior growth going ahead on the back of strong ramp-up in existing molecules and commercialization of new molecules



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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

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