



PUNJAB CHEMICALS

AND CROP PROTECTION LTD.

CIN NO. L24231PB1975PLC047063

Regd. Office & Works

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Date: 29th January, 2021

By E-filing

The Manager
Department of Corporate Services
Bombay Stock Exchange Limited
1st Floor, New Trading Wing,
P.J Towers,
Dalal Street Fort
MUMBAI-400 001
Scrip Code: 506618
Tel No.: 022-22728073

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
MUMBAI-400 051

Scrip Symbol: PUNJABCHEM
Tel No.: 022-26598235/26598458

Sub: Investor Presentation

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to enclose herewith the Investor Presentation of the Company for the nine months period ended 31st December, 2020.

Kindly take the same on the record and inform all your constituents accordingly.

Thanking you,
Yours faithfully

for PUNJAB CHEMICALS AND
CROP PROTECTION LIMITED,

(CS PUNIT K ABROL)
SR. V.P. (FINANCE) & SECRETARY



Punjab Chemicals

Q3 & 9M FY21 Result Presentation

Disclaimer

- ▶ *This presentation and the following discussion may contain “forward looking statements” by Punjab Chemicals & Crop Protection Limited (“Punjab Chemicals” or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of the company about the business, industry and markets in which the company operates.*
- ▶ *These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the company’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of Punjab Chemicals.*
- ▶ *In particular, such statements should not be regarded as a projection of future performance of Punjab Chemicals. It should be noted that the actual performance or achievements of the company may vary significantly from such statements.*

DISCUSSION SUMMARY

Company Overview

Milestones

Business Strategy

Business Update

Financial Overview -
Q3 & 9M FY21

Past Performance At a Glance





COMPANY OVERVIEW

About Us



- Established in 1975
- Specialising in agrochemicals
- Expanding aggressively in contract research & manufacturing (CRAMS)

Our Vision - To become a top player in the fast-growing CRAMS and manufacture of high-tech performance chemicals

Financials



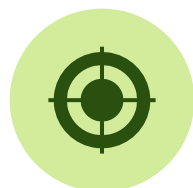
- FY20 Revenue ₹ 563 cr
- FY 20 EBITDA ₹ 56 cr
- 3 yr PAT CAGR: 33%
- 3 yr ROE : 17%
- 3 yr ROCE : 19%

Industry Expertise



- Largest producer of oxalic acid and its derivatives
- 5 CRAMS Global Partners
- Total installed capacity of 23,502 MTPA across 49.21 acres, aprx 300 reactors

Our Mission



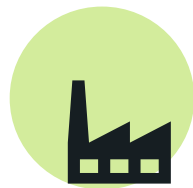
- To meet the customer expectations with products of the right quality
- To focus on products and companies which ensure better added value
- To renew relationship with Indian Formulators and build a stronger base in the Indian market

Strategic Initiatives



- Since 2016, CRAMS biz has grown manifold
- Lucrative long-term contracts signed with multiple international players
- New product launches & registrations in pipeline, targeting annual sales of ₹1,500 cr in 3 years
- ₹ 30 cr of long-term debt paid off in FY21 so far, thus reducing leverage

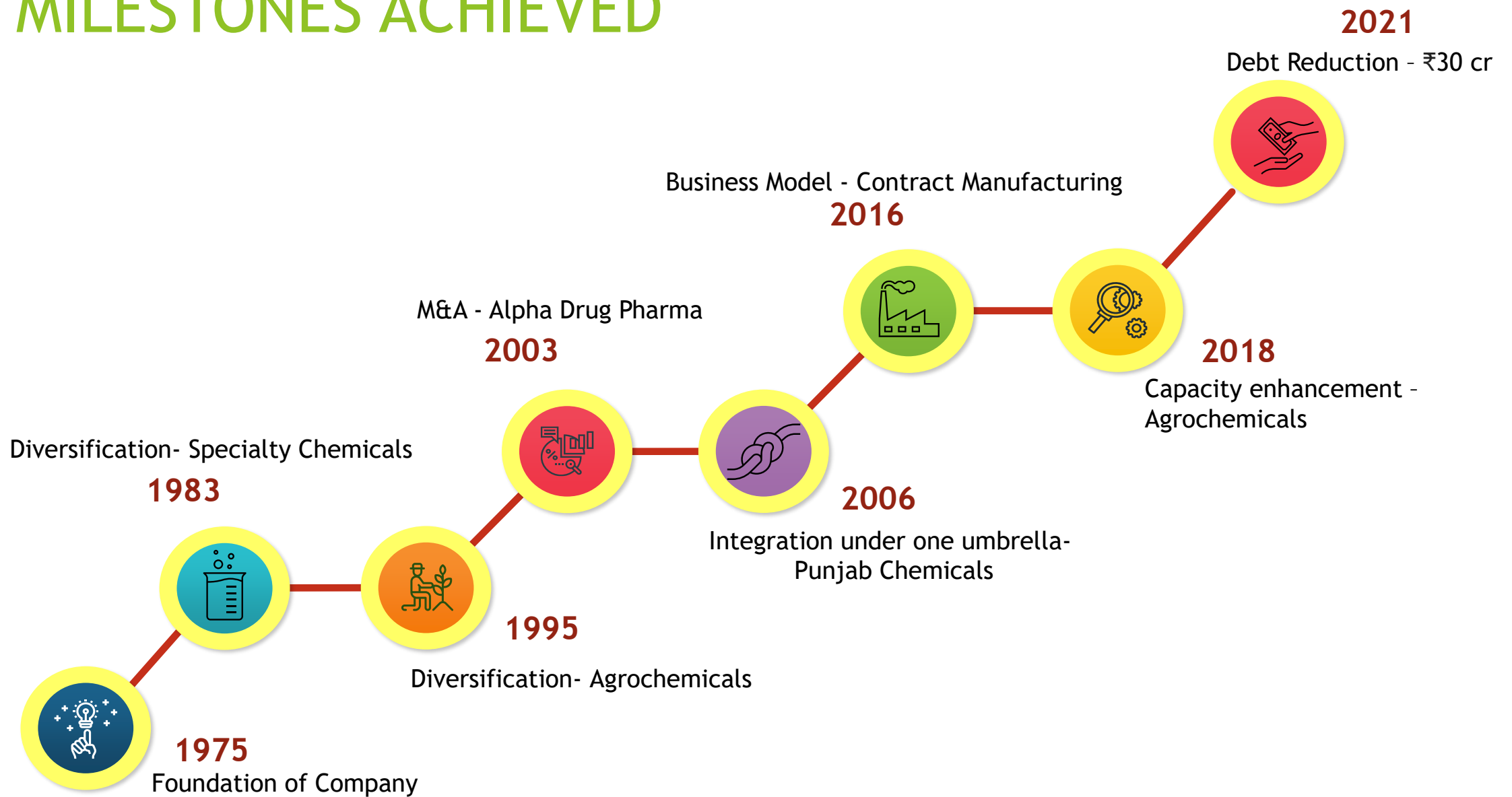
Manufacturing plants & Offices :



- Agrochemicals - Derabassi
- Speciality Chemicals - Lalru
- Industrial Chemicals - Pune
- Total installed capacity of 23,502 MTPA s across 49.21 acres, aprx 300 reactors
- 4 marketing offices around the world



MILESTONES ACHIEVED



BUSINESS STRATEGY



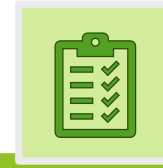
Identify Niche Products

- Target ₹ 50-100 cr revenue per product
- Target clients - Global Agrochemical leaders
- Mid-sized companies with specific requirement



Partner for Contract Mfg

- Offer attractive and cost-effective solution
- Long term engagement favorable for both parties
- Faster turnaround



Modus Operandi

- Dedicated R&D Team
- Quick implementation of the Capex based on ROI
- Expertise in Scaling up : R&D → Pilot → Commercial Production



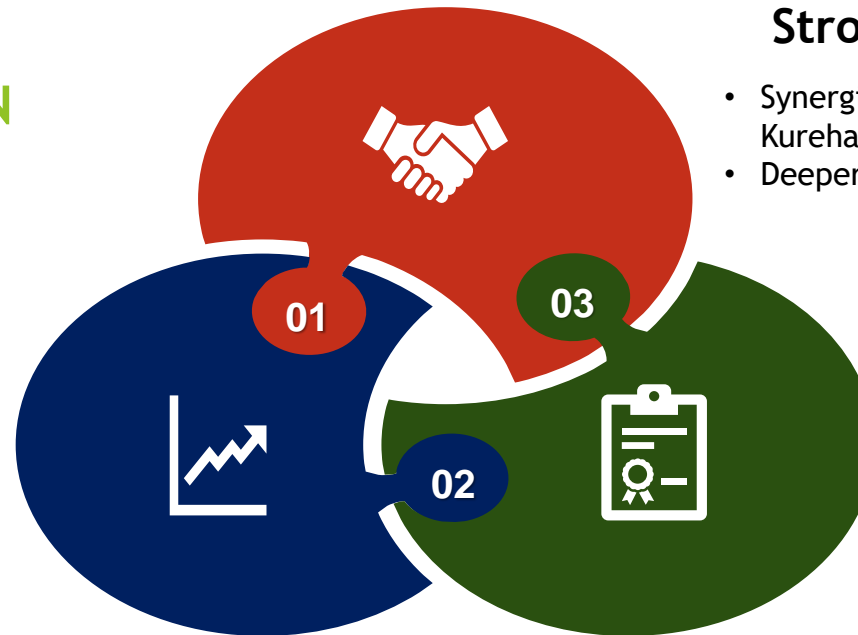
Growth Triggers

- Diversification & expansion into new geographies to generate new revenue streams
- New product launches in FY22
- Expanding customer base in CRAMS

OPTIMISED EXECUTION

Attractive ROI

- Cost + Margin model
- Mitigate Risks - material costs, forex impact, marketing costs
- Project wise thresholds



Strong Alliances

- Synergistic relationships with Big Agros - Kureha, UPL, Adama, Corteva, Nippon Kayaku
- Deeper relationships - five year commitment

Consistent Quality

- Maintain highest standards of quality & testing
- Customer Satisfaction on priority

FINANCIAL OVERVIEW

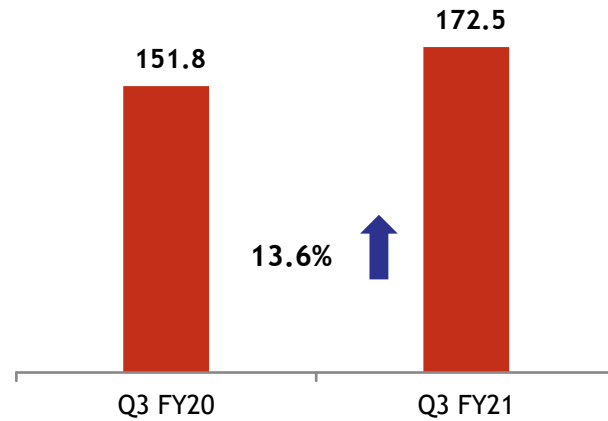


Business Updates

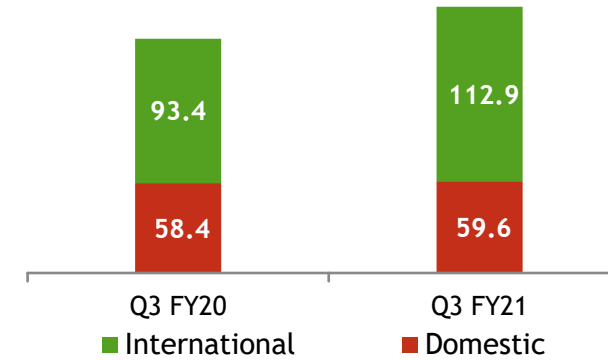
- ▶ In Q3 FY21, delivered growth in sales and improved profitability substantially
- ▶ On a year-on-year basis compared to 9 months FY 20, for 9 months FY 21 -
 - Revenue is up 6% , from ₹ 442.7 cr to ₹ 468.6 cr
 - Gross margin has improved from 38.5% to 41.7%
 - EBITDA has more than doubled from ₹ 33.3 cr to ₹ 72.2 cr, and EBITDA margin went up from 7.5% to 15.4%
 - PAT has grown significantly from ₹ 6.1 cr to ₹ 38.6 cr, and PAT margin improved from 1.4% to 8.2%
- ▶ Tactical initiatives taken during lockdown to mitigate the impact of COVID have helped keep costs in control, and resulted in significant improvement in margins
- ▶ In 9 months FY21, repaid close to ₹ 30 cr of long term debt, thus drastically reducing leverage and strengthening the balance sheet
- ▶ Mr Vinod Gupta to take charge as CEO of the company from 8th Feb, 2021.
A Chemical Engineer from IIT-Mumbai, he has also done Post Graduate Management Program from IIM-Ahmedabad. He brings along a vast experience of 29 years and a highly commendable expertise in the chemicals industry

Q3 FY 21 Financial Performance YoY Analysis (₹ cr)

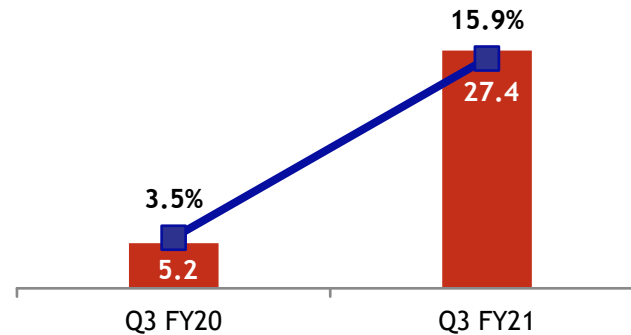
REVENUE



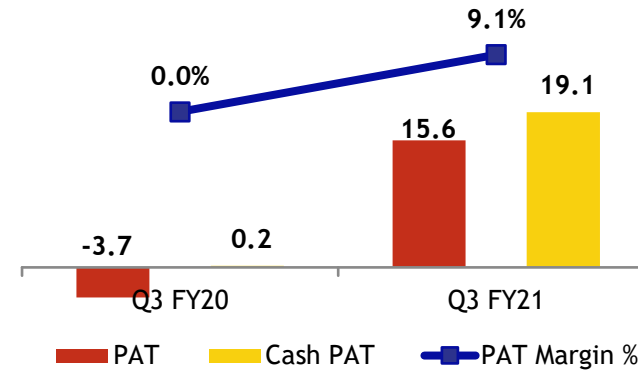
GEOGRAPHICAL SPLIT



EBITDA & EBITDA MARGIN

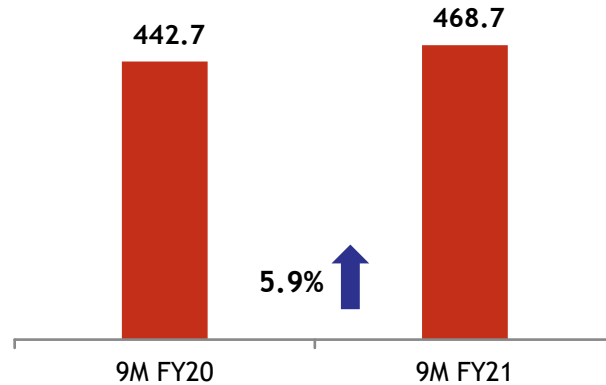


CASH PAT, PAT & PAT MARGIN

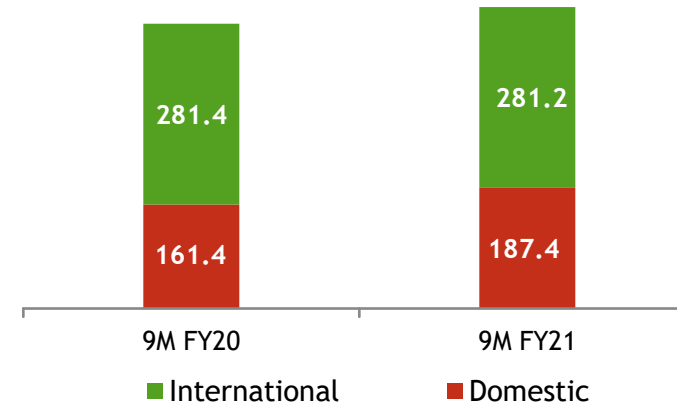


9M FY 21 Financial Performance YoY Analysis (₹ cr)

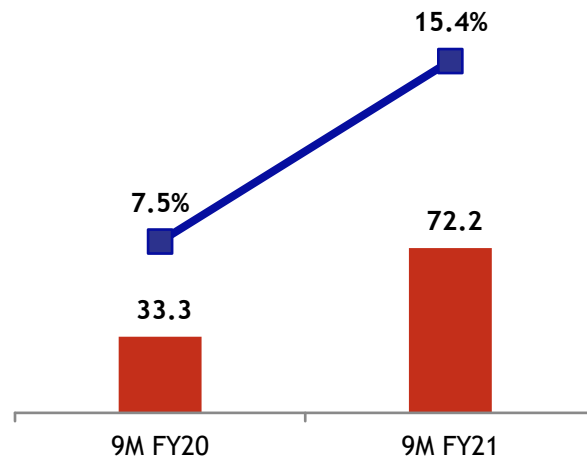
REVENUE



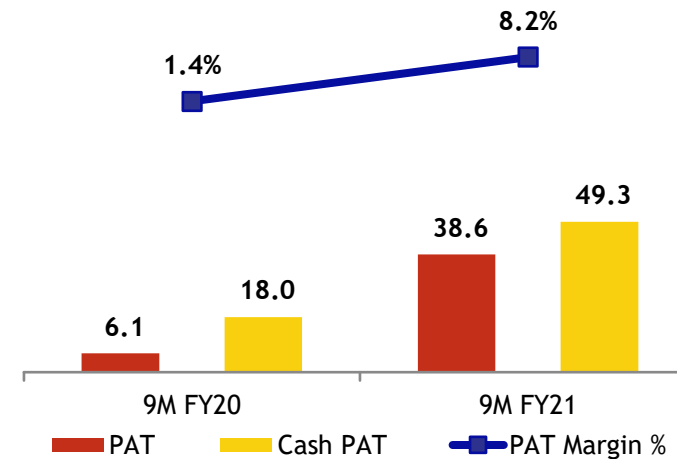
GEOGRAPHICAL SPLIT



EBITDA & EBITDA MARGIN



CASH PAT, PAT & PAT MARGIN



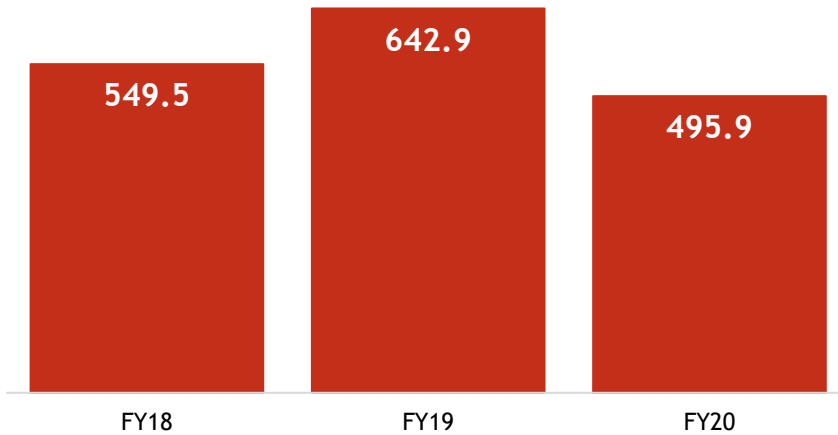
Q3 & 9M Profit & Loss Statement

Particulars (In ₹ cr)	Q3 FY21	Q3 FY20	YoY %	Q2 FY21	QoQ %	9M FY21	9M FY20	YoY %	FY 20
Revenue	172.5	151.8	13.6%	164.0	5.2%	468.7	442.7	5.9%	549.6
COGS	101.3	101.3	-0.1%	97.8	3.6%	273.4	272.5	0.3%	325
Gross Profit	71.2	50.5	41.2%	66.2	7.6%	195.3	170.3	14.7%	224.4
Gross Margin %	41.3%	33.2%	805 bps	40.4%	92 bps	41.7%	38.5%	321 bps	40.8%
Employee Expenses	17.4	16.9	2.5%	15.9	9.2%	49.4	50.9	-2.9%	68.7
Other Expenses	26.4	28.3	-6.5%	27.7	-4.4%	73.6	86.1	-14.5%	113.3
EBITDA	27.4	5.2	423.5%	22.7	21.1%	72.2	33.3	117.1%	42.4
EBITDA Margin %	15.9%	3.5%	1245 bps	13.8%	208 bps	15.4%	7.5%	789 bps	7.7%
Depreciation	3.5	4.0	-11.1%	3.5	1.7%	10.7	11.9	-10.1%	15.4
Finance Cost	3.0	3.8	-21.6%	4.0	-25.9%	11.4	13.1	-12.8%	18.1
Other Income	0.2	0.9	-82.8%	0.6	-73.3%	1.7	3.7	-53.7%	13.1
PBT	21.1	-1.6	-	15.8	33.6%	51.8	11.9	334.8%	22.1
Tax Expense	5.5	2.1	-	4.0	-	13.2	5.8	-	11.3
PAT	15.6	-3.7	-	11.8	32.6%	38.6	6.1	534.7%	10.8
PAT Margin %	9.1%	-2.5%	-	7.2%	187 bps	8.2%	1.4%	-	2.0%

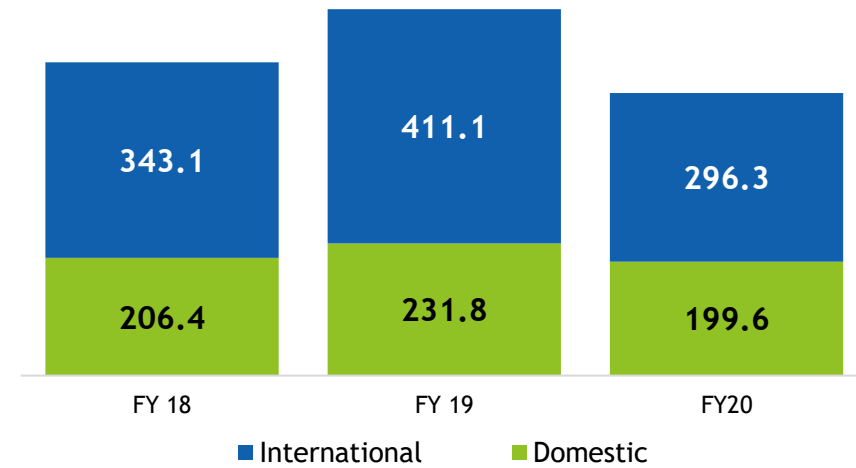
PAST PERFORMANCE AT A GLANCE

All Figures in ₹ cr

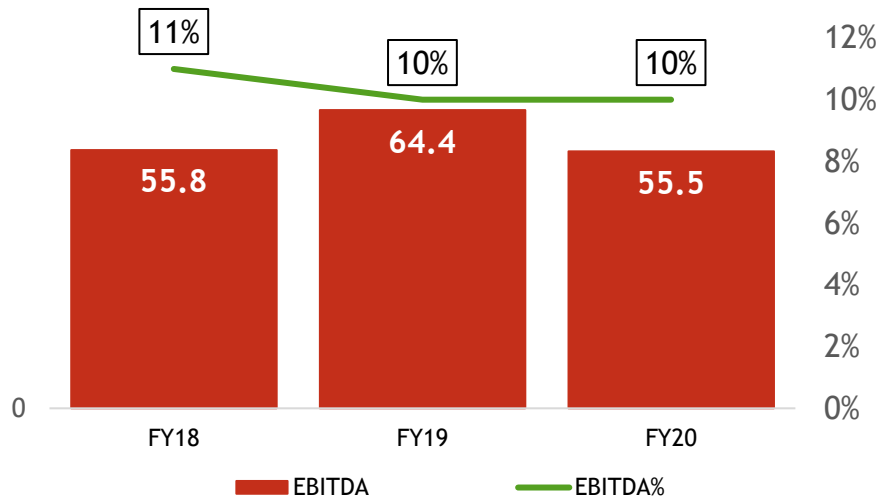
REVENUE



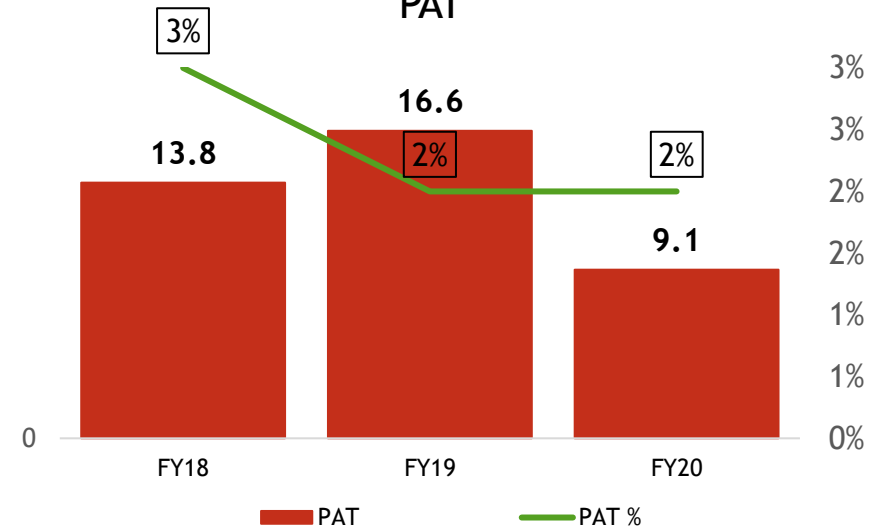
GEOGRAPHY-WISE REVENUE



EBITDA

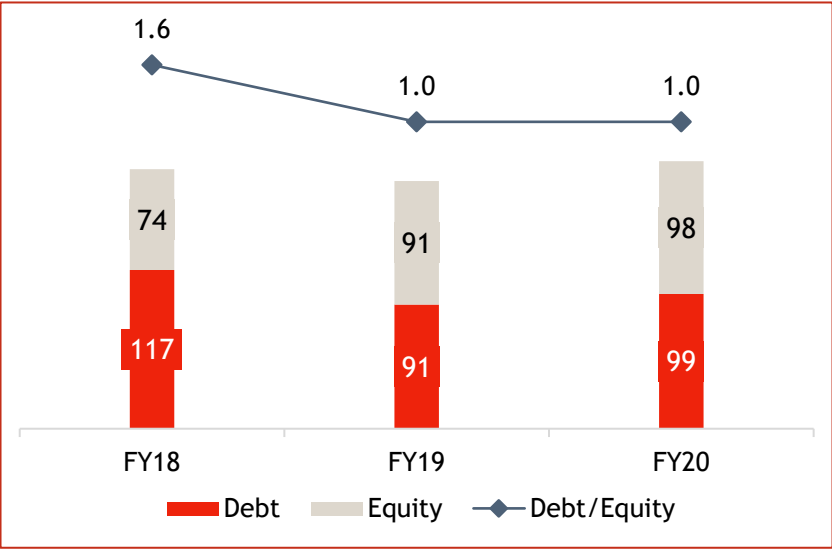


PAT

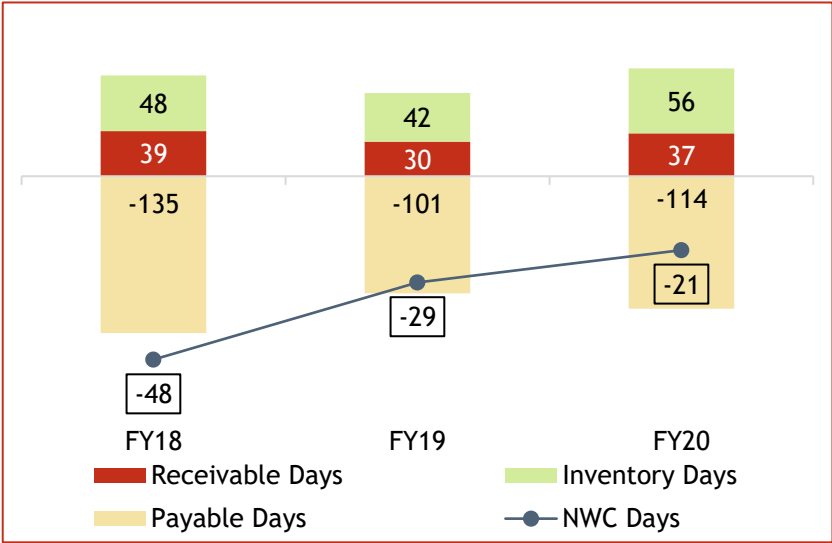


Healthy Balance Sheet & Stable Working Capital Cycle

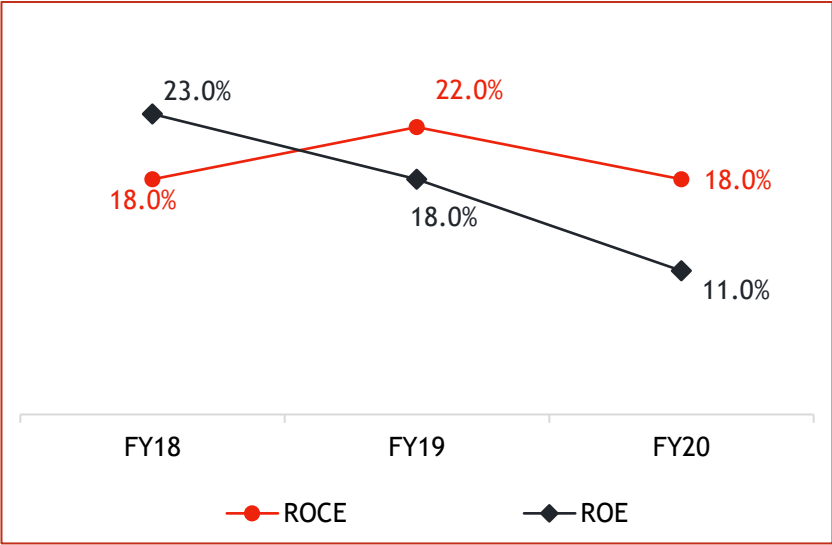
Leverage Analysis (₹ cr)



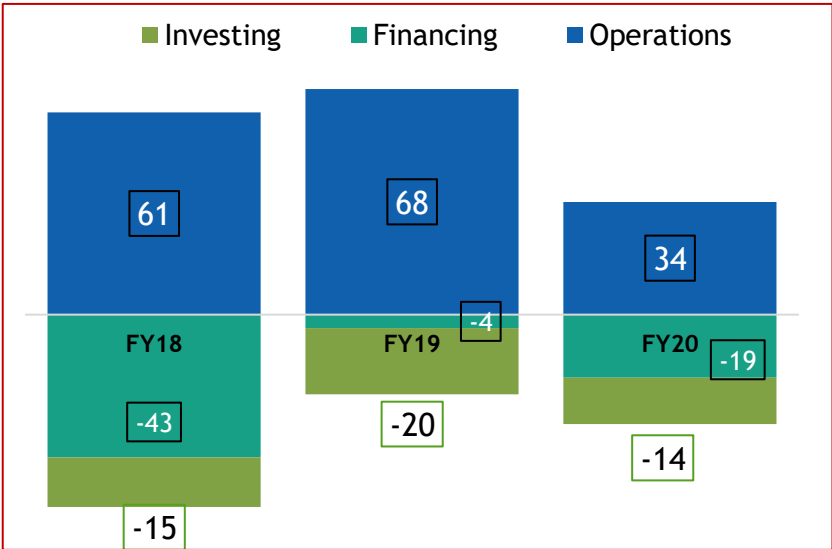
Working Capital Analysis



Return Ratios



Cash Flow (₹ cr)



THANK YOU!



**PUNJAB CHEMICALS
AND CROP PROTECTION LTD.**

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