



INDIA PESTICIDES LIMITED



Earnings Presentation
Q1 FY2024



Diversified product offerings, ability to develop client specific molecules quickly and efficiently

- 1 An R&D-driven chemical manufacturer of Agrotechnical & APIs, along with growing Formulation's business
- 2 Sole Indian manufacturer and global leading manufacturer for Captan, Folpet and Thiocarbamate Herbicide, in terms of production capacity
- 3 Focus on quality and sustainability and none of the key Technical are classified as 'red triangle' or highly toxic products
- 4 Present installed capacity as of 30.06.2023 of Technical increased to 24,200 MT from 24,000 MT as of 31.03.2023 after the launch of 200 MT capacity during Q1 FY24
- 5 Manufacturing facilities in Lucknow & Hardoi districts in Uttar Pradesh
- 6 2 advanced in-house laboratories registered with the Department of Scientific and Industrial Research (DSIR)
- 7 Our wholly owned subsidiary i.e. Shalvis Specialties Limited obtained EC (Environment Clearance) and construction activity is in progress



2
Active Manufacturing Facility



65%~
Local Raw Material Sourcing



61%~
Top 10 Customer Revenues



2
In-house Laboratories

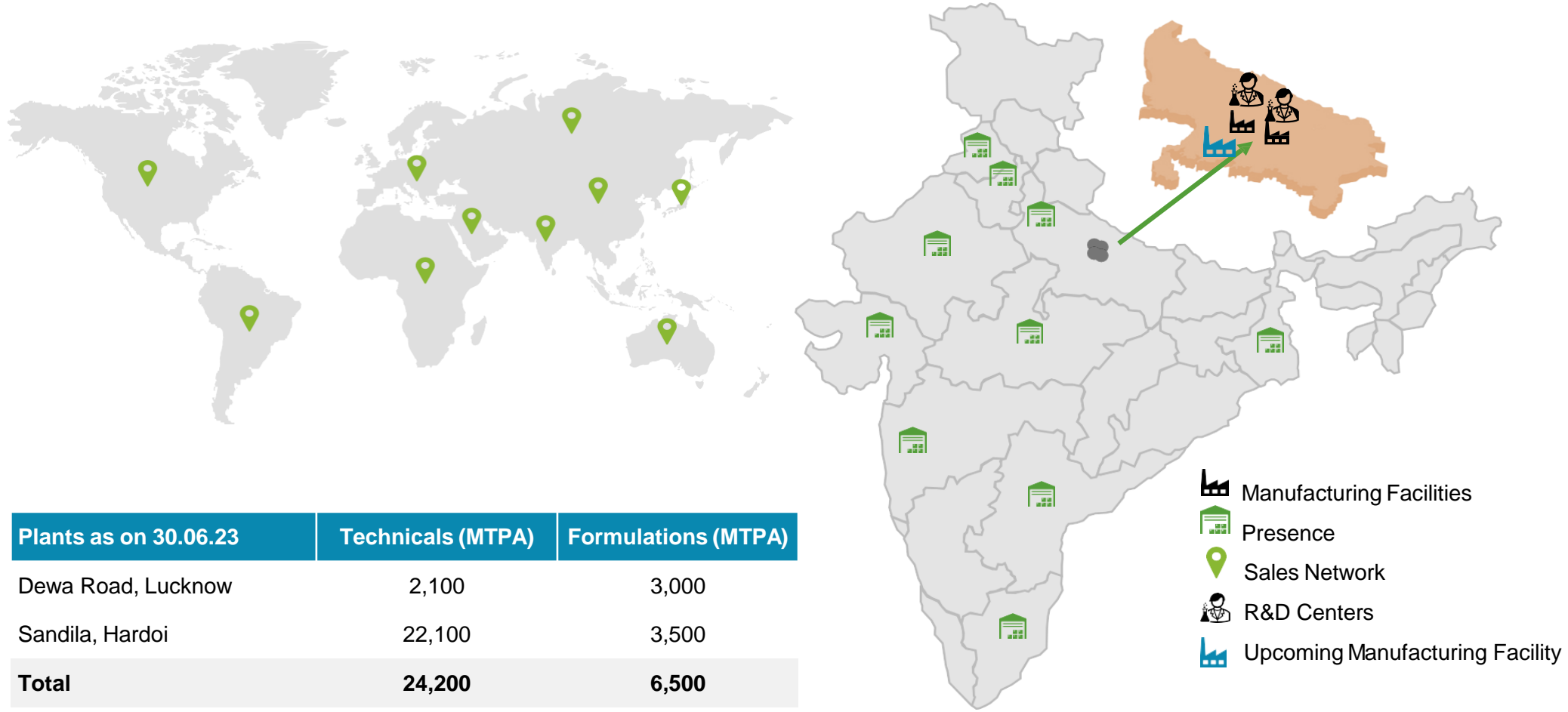


25+
Exporting Countries

Manufacturing Facility and Sales Network



Manufacturing Facilities



Cost effective labour availability, compensates for higher transportation cost

Readily available market in Uttar Pradesh for Formulations

Key raw materials are available at nearby manufacturing facilities

Work is in progress at Hamirpur under 100% subsidiary Shalvis Specialities Ltd

Product portfolio and capacity expansion will be driving factors for growth

Strength

Strong R&D and product development capabilities



Diversified portfolio of niche and quality specialized products



Long-term relationship with key customers



Experienced promoters and strong management team



Advanced manufacturing facilities with focus on Environment, Health and Safety



Resilient sourcing capabilities and extensive distribution network



Consistent track record of financial performance



Strategies

R&D and Product Portfolio Expansion



- Leveraging R&D capabilities on existing & upcoming products & processes
- Continue to expand the overall product range
- Increase the number of Technicals manufacturing

Enhancing Deliberated Approach on ESG & HSE



- Continuous improvement on sustainability initiatives
- Strengthening governance on CER & CSR factors
- Retain and further improve the journey towards the goal – “Zero Incident Culture”

Capitalize on Industry Opportunities



- Continuous portfolio evaluation
- Expansion of existing manufacturing capacity and amplifying distribution network
- Further reduction of Raw Material import dependency through indigenous sourcing

Cost Optimization and Capacity Expansion



- Periodic strategy reviews to align growth with opportunities in the agrochemicals market
- Employing a ‘China plus one strategy and reducing dependence on China
- Review and capture a new client base

Performance Highlights



Q1 FY2024

Q1

INR 2,047 mn
Total Revenue

Q1

INR 260 mn
EBITDA
Margin | 12.7%

Q1

INR 225 mn
EBIT
Margin | 11.0%

Q1

INR 155 mn
PAT
Margin | 7.5%

Management Commentary

“In Q1 FY2024, the Company faced a highly volatile global business environment, characterized by numerous challenges such as unfavorable macroeconomic scenarios, subdued volumes, high-cost inventories and steep price drops due to oversupply of raw material from China. Consequently, our topline and profitability were impacted, with revenues amounting to Rs. 2,047 Mn in Q1 FY24 compared to Rs. 2,217 Mn in Q1 FY23. Despite these challenges, we remained steadfast in our efforts to navigate through these turbulent times and strategize for a more resilient performance in coming quarters.

During the quarter, the Company saw additional pressures due to a reduction in selling prices of some of its products, leading to an impact of Rs. 171 Mn. This impact comprised Rs. 73 Mn owing to sales made during the current quarter and Rs. 98 Mn due to the revaluation of inventories at hand at Net Realizable Value (NRV).

I am happy to announce that during the quarter we have increased our technical capacity by 200 MT which takes our total technical capacity to 24,200 MT. We are focused on introducing new products and expansion of the Hamirpur plant project. Our recently launched products continue to receive positive response from the market and making significant contribution to the topline. This momentum has encouraged us to further enhance our offerings and explore avenues for growth and expansion.

Our robust sense of accountability, coupled with an extensive reach to millions of farmers, an expansive distribution network, and a firm market presence, propels us towards achieving our objectives. It also helps augment stakeholder value and forge a path towards a sustainable future. We will continue to push the boundaries by harnessing the strength of our diverse product portfolio, positioning ourselves as a leading and competitive organization in our industry.”

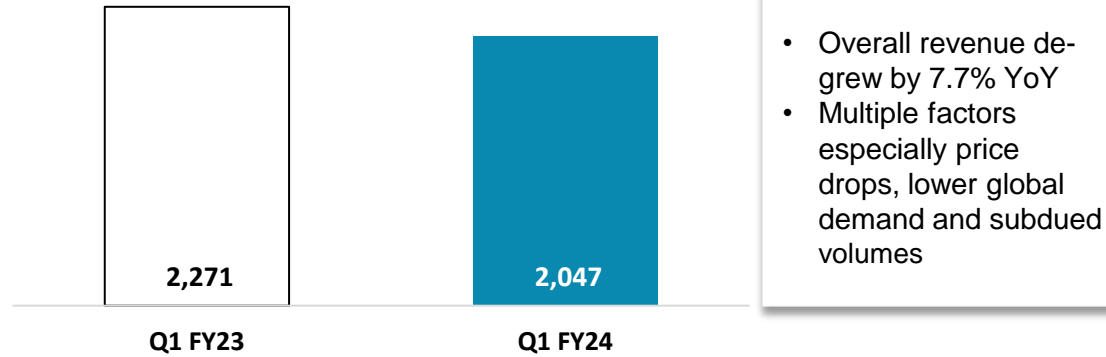
Anand Swarup Agarwal, Chairman

Q1 FY24 Performance Highlights

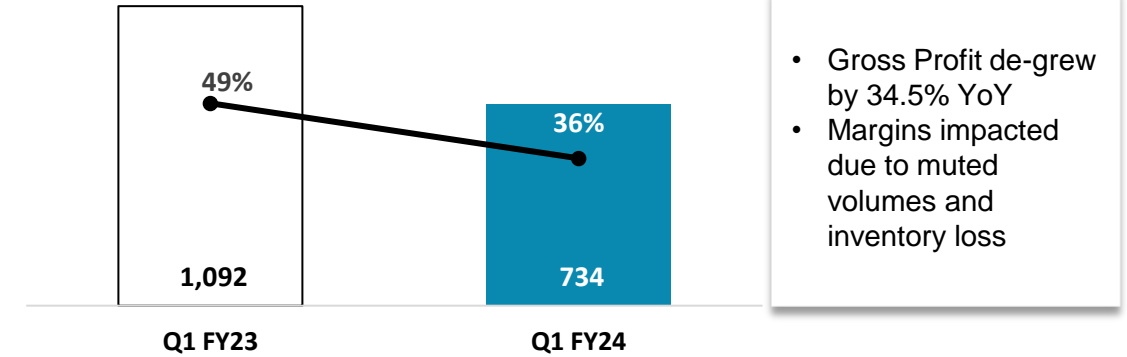


Rs in Million

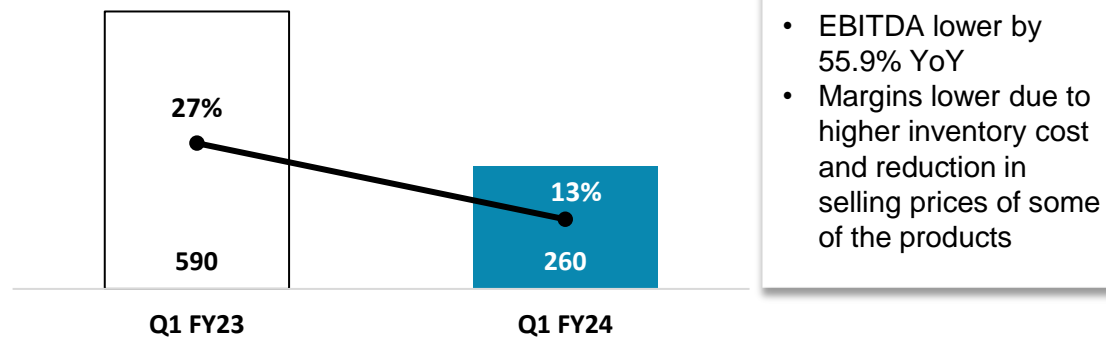
Total Income



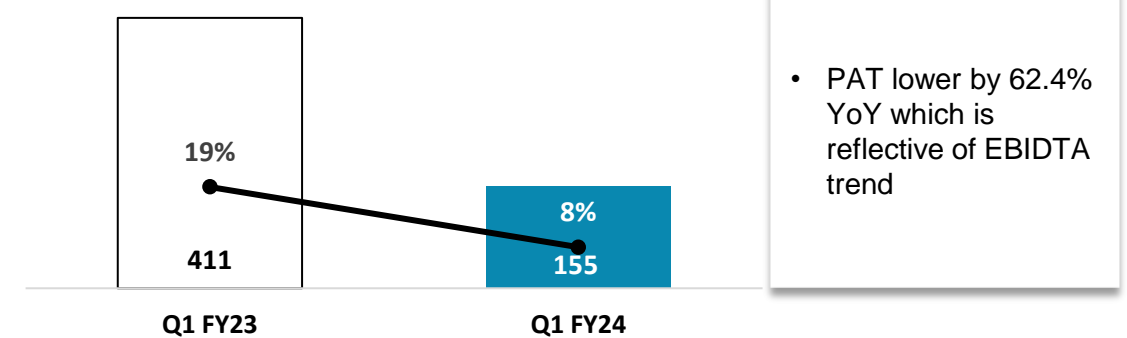
Gross Profit and Margins



EBITDA and Margins



PAT and Margins



Revenue Break-up



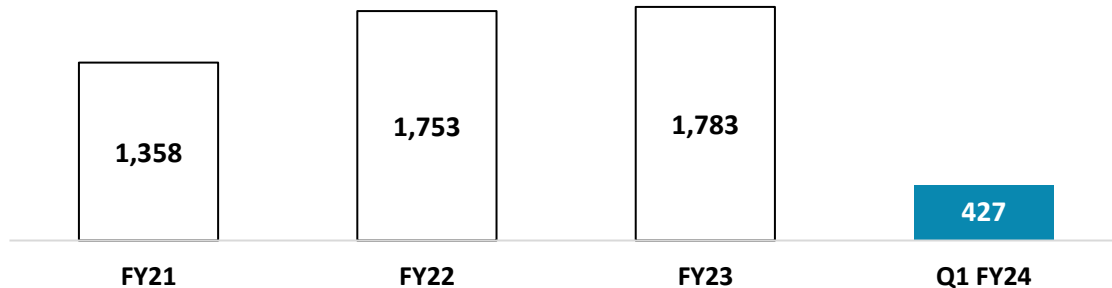
Technicals + APIs constitute 79% of Revenues during Q1 FY24

Rs in Million

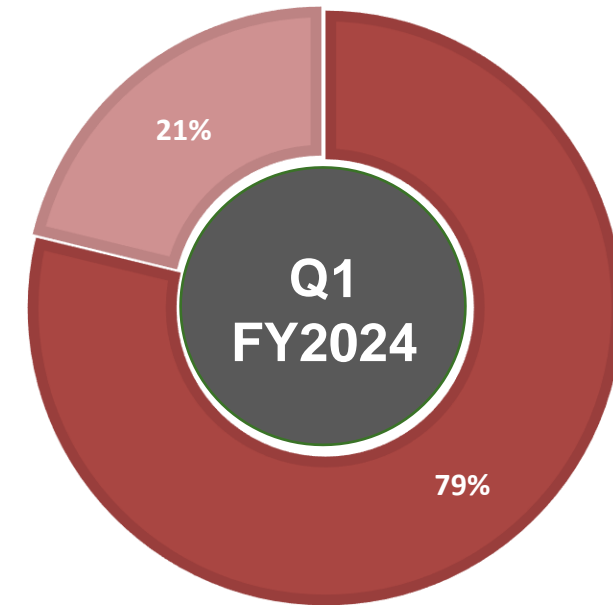
Technicals + API



Formulation



Revenue Share



■ Technical + API ■ Formulations

Performance Summary



(Rs. Million)	Q1 FY24	Q1 FY23	Y-o-Y (%)	Q4 FY23	Q-o-Q (%)	FY23	FY22	Y-o-Y (%)
Total Income	2,047	2,217	(7.7)%	2,011	1.8%	8,982	7,293	23.2%
Gross Profit	734	1,120	(34.5)%	920	(20.3)%	4,132	3,992	3.5%
<i>Gross Margin (%)</i>	<i>35.8%</i>	<i>50.5%</i>		<i>45.8%</i>		<i>46.0%</i>	<i>54.7%</i>	
EBITDA	260	590	(55.9)%	450	(42.2)%	2,102	2,269	(7.4)%
<i>EBITDA Margin (%)</i>	<i>12.7%</i>	<i>26.6%</i>		<i>22.4%</i>		<i>23.4%</i>	<i>31.1%</i>	
EBIT	225	565	(60.2)%	420	(46.5)%	1,988	2,184	(9.0)%
<i>EBIT Margin (%)</i>	<i>11.0%</i>	<i>25.5%</i>		<i>20.9%</i>		<i>22.1%</i>	<i>29.9%</i>	
PAT	155	411	(62.4)%	300	(48.5)%	1,432	1,580	(9.3)%
<i>PAT Margin (%)</i>	<i>7.5%</i>	<i>18.5%</i>		<i>14.9%</i>		<i>15.9%</i>	<i>21.7%</i>	

Capacity and Product Portfolio Expansion



Consistent efforts towards generating and serving future potential demand



Q2 FY23

Hamirpur project EIA report accepted by MOEF and meeting with EAC is scheduled for November



Q4 FY23

- Launched a selective systemic herbicide, exclusively for export purpose
- Received Technical Equivalence (TEQ) certification in the European Union (EU) for our newly launched herbicide technical product



Q3 FY23

- CARE has reaffirmed Company's Credit Rating at A+ Stable
- EC received from MOEF for Hamirpur Project



Q1 FY24

- Increased the Technicals capacity by 200 MT during Q1 FY24 which takes the total technical capacity to 24,200 MT

Upcoming Expansion and Product Launch

- Present installed capacity of Technicals increased to 24,200 MT after launch of 200 MT capacity during Q1 FY24
- Capex outflow of Rs. 50 crores have been planned for FY24 for IPL and 60 crores for Shalvis Specialities Limited (WOS)
- EC received from MOEF for our Shalvis Hamirpur Project and likely commence operations in Q4 FY24
- Expanding in stabilizer and additive product

We believe in **People, Process** and **Productivity**
and follow highly customer centric approach



**Diversified and Trusted
Customer Base**

Tie-ups with top
chemicals companies
in the world



Global Presence

Sales network in 25+
countries



In-House R&D in India

Capable of designing
and testing new and
innovative products



Quality Product Offerings

Products comply with
highest global standards



Empowering Agriculture

India Pesticides Limited (IPL) has exemplified its commitment to the farming community by actively engaging with farmers through impactful campaigning and enthusiastic participation in Farmer's exhibitions. Recognizing the crucial role farmers play in our society, IPL has undertaken several initiatives aimed at empowering and supporting the farming community. By fostering an environment of knowledge exchange, technology adoption, and sustainable practices, IPL is striving to contribute to the growth and prosperity of Indian agriculture





Nutrition Garden & Food Forest

The project developed **5 Food Forests** in Lucknow and the events were held through education on environmental protection. This ongoing project has regular field visits and constant monitoring to ensure the proper growth of plants. Moreover, the project established nutrition gardens viz. **“Bori Bagiya”** in urban slums where **650** urban poor are now able to add those vegetables and nutrition to their platter, which they were not able to afford.



Samagra Sudhar

Two more villages have been adopted to replicate successful practices, and now our four villages are under focus for overall development strategically. Need Analysis has been conducted through youth in the villages and so that training conducted for them to find out sustainable solution.



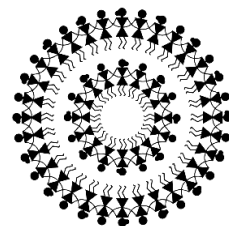
Chuppi Tod; Halla Bol

IPL and **“Samadhan Abhiyan”** NGO are collaborating with UP Police and Judiciary to raise awareness of child sexual abuse, teach preventative measures, and improve the handling of such cases. A **“Child Friendly Police Center”** is being built to provide a safe environment for impacted children to speak out and get motivated for the life ahead under the guidance of experts in the relevant field.

Materiality Assessment



Village Resource Centre



2 More Child Friendly Centres in UP

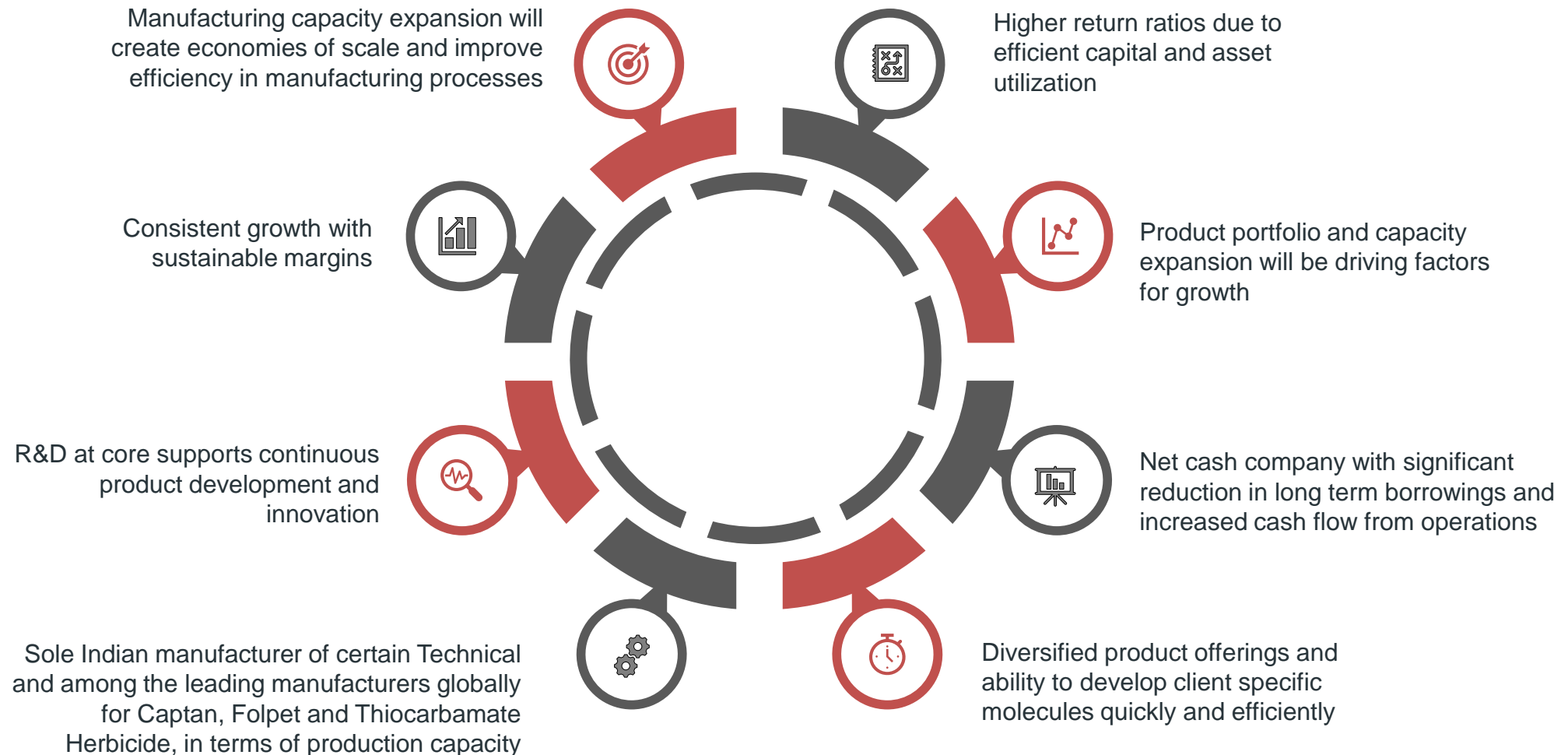


Urban Afforestation



Way forward

Board and Management is committed to continuous growth and sustainability



Certain statements in this presentation concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

The company's results may be affected by factors including, but not limited to, the risks and uncertainties in research and development; competitive developments; regulatory actions; litigation and investigations; business development transactions; economic conditions; and changes in laws and regulations.

India Pesticides Limited will not be 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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