

# INDIA PESTICIDES LIMITED

An ISO 9001:2015, 14001:2015, 45001:2018 and 10002:2018 Company  
CIN No. U24112 UP1984PLC006894



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Date: February 04, 2022

To

The Manager, Listing Department <b>BSE Limited</b> P. J. Towers, Dalal Street, Mumbai-400001 <b>Scrip Code: 543311</b> <b>ISIN: INE0D6701023</b>	The Manager, Listing & Compliance Department <b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Plot no .C/1,G Block, Bandra- Kurla Complex, Mumbai-400051 <b>Symbol: IPL</b>
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**Sub: Investor Presentation in connection with Unaudited Financial Results for quarter & nine months ended 31<sup>st</sup> December, 2021.**

Dear Sir/Ma'am,

Pursuant to Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of Investor Presentation in connection with Unaudited Standalone and Consolidated Financial Statement for quarter & nine months ended 31<sup>st</sup> December, 2021.

The same will also be available on the Company's website, '[www.indiapesticideslimited.com](http://www.indiapesticideslimited.com)'.

Kindly take the above on record.

Thanking you,

Yours faithfully,

**For India Pesticides Limited**

*ajeet pandey*

**(AJEET PANDEY)**

**Company Secretary and Compliance Officer**

**Membership No.: A42500**



Regd. Office: Swarup Bhawan, 35-A, Civil Lanes, Bareilly – 243 001. Uttar Pradesh, India. Phone: 0581-2567476  
Manufacturing Unit 1: Plot No: E-17 to E-23 & G-31 to G-35, UPSIDC Industrial Area, Dewa Road, Chinhat, Lucknow, (UP)  
Manufacturing Unit 2: Plot No: K-2 to K-12 & D-2 to D-4, UPSIDC Industrial Area, Sandila, Hardoi, (UP) to K-12 & D-2 to D-4, UPSIDC Industrial Area, Sandila, Hardoi, (UP)



# INDIA PESTICIDES LIMITED



## 9M FY22 EARNINGS PRESENTATION

[www.indiapesticideslimited.com](http://www.indiapesticideslimited.com)

# 9M FY22 Highlights



**INR 5,478 mn**

Revenue

**+5.3%**

Y-O-Y change

**INR 3,039 mn**

Gross Profit | Margin 55.5%

**+12.3%**

Y-O-Y change

**INR 1,802 mn**

EBITDA | Margin 32.9%

**+19.1%**

Y-O-Y change

**INR 1,745 mn**

EBIT | Margin 31.8%

**+18.8%**

Y-O-Y change

**INR 1,273 mn**

PAT | Margin 23.2%

**+18.1%**

Y-O-Y change

**Distinct product offerings driving consistent sustainable margins(TBU)**

*“During the quarter our profitability growth momentum continued backed by our efficient business operations and unique product offerings.*

*During the quarter we launched one product which received overwhelming response. As well as for the other product launched in the first half of the fiscal year continued to grow. Our R&D team and customer acquisition team is working to identify future pipeline of product offerings which can further add significant value to our offerings. Presently we have five upcoming products in pipeline and about to be launched by Q2FY 22-23. During the quarter we further increased our Sandila plant capacity by 500MT.*

*Our progress of the ongoing expansion projects is as per timelines and our expectations. We are confident that our enhanced capacity coupled with new product launches will continue to drive profitable growth for us in the near to medium term.”*

**Anand Swarup Agarwal, Chairman**

# Performance Summary



Robust profitability growth supported by unique diversified product offerings

(Rs. Million)	Q3 FY22	Q3 FY21	Y-o-Y Change (%)	9M FY22	9M FY21	Y-o-Y Change (%)
Total Income	1,914	1,830	4.6%	5,478	5,202	5.3%
Gross Profit	1,071	883	21.3%	3,039	2,707	12.3%
<i>Gross Margin (%)</i>	<i>56.0%</i>	<i>48.2%</i>	<i>772bps</i>	<i>55.5%</i>	<i>52.0%</i>	<i>344bps</i>
EBITDA	626	486	28.6%	1,802	1,513	19.1%
<i>EBITDA Margin (%)</i>	<i>32.7%</i>	<i>26.6%</i>	<i>611bps</i>	<i>32.9%</i>	<i>29.1%</i>	<i>381bps</i>
EBIT	603	472	27.7%	1,744	1,467	18.8%
<i>EBIT Margin (%)</i>	<i>31.5%</i>	<i>25.8%</i>	<i>570bps</i>	<i>31.8%</i>	<i>28.2%</i>	<i>363bps</i>
PAT	433	353	22.3%	1,273	1,078	18.1%
<i>PAT Margin (%)</i>	<i>22.6%</i>	<i>19.3%</i>	<i>327bps</i>	<i>23.24%</i>	<i>20.7%</i>	<i>252bps</i>

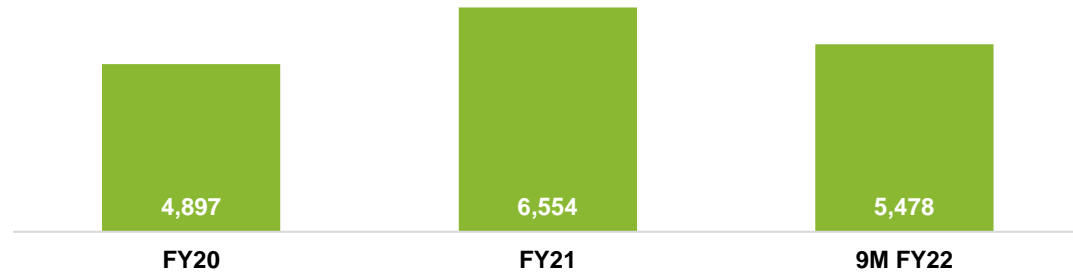
# Performance Highlights



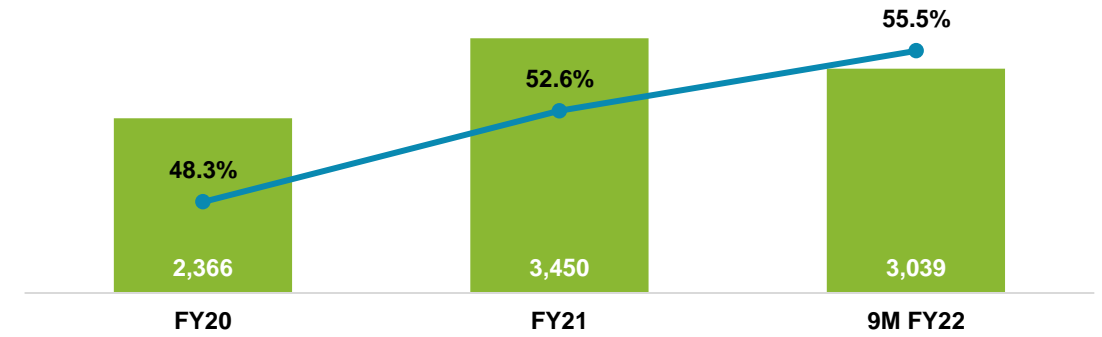
Consistent growth with sustainable margins

Rs in Million

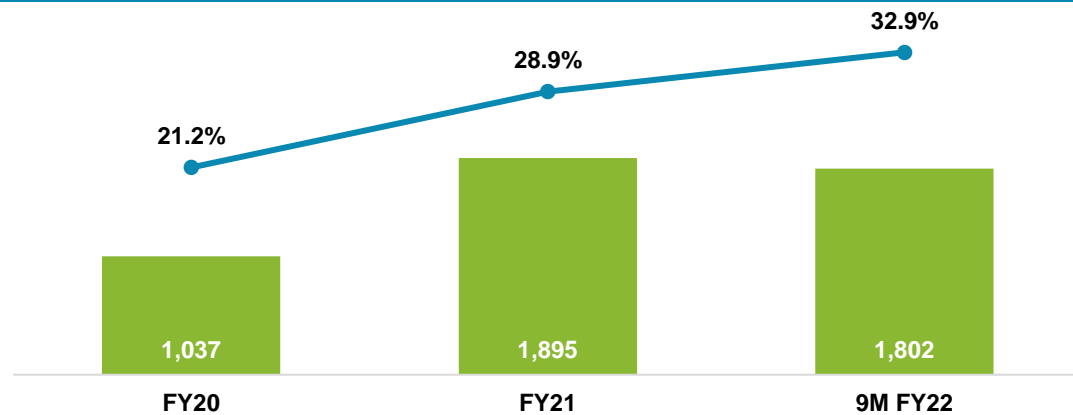
## Total Income



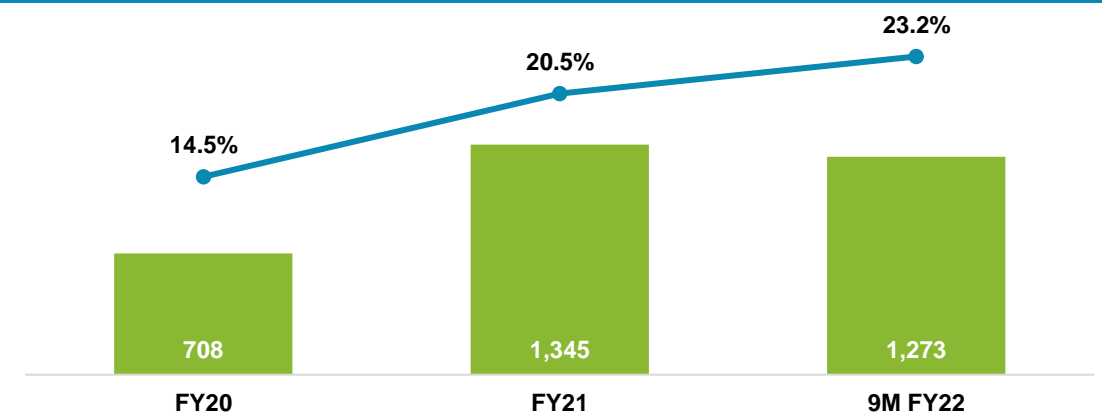
## Gross Profit



## EBITDA



## PAT



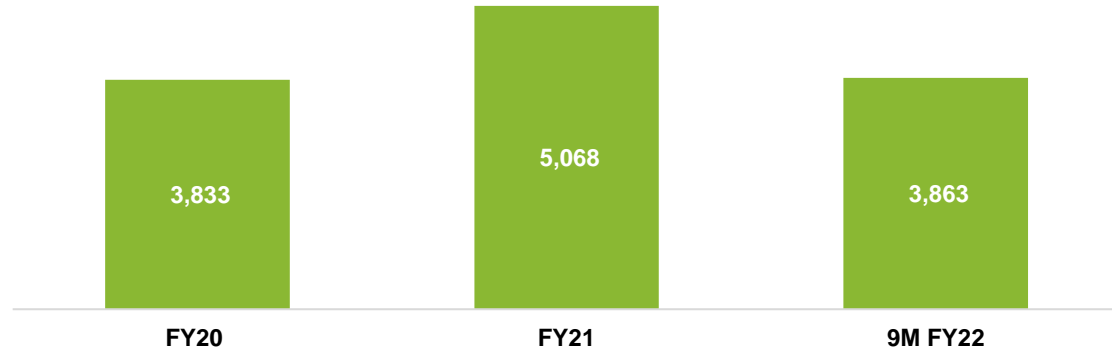
# Revenue Break-up



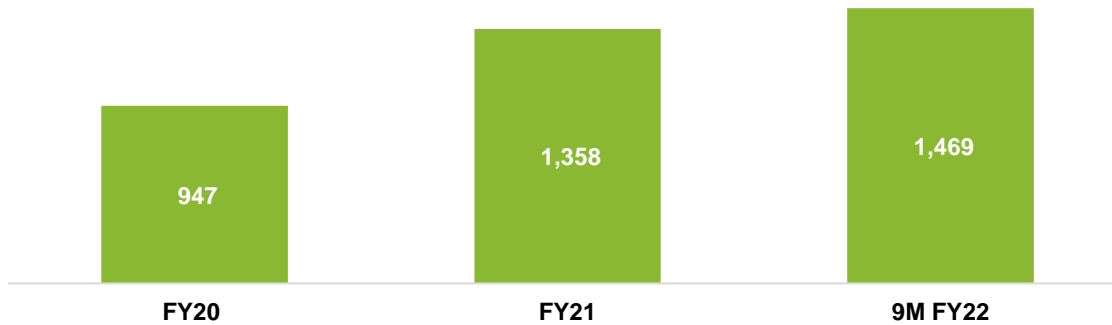
Technicals + APIs constitute 72% of total revenue during 9M FY22

Rs in Million

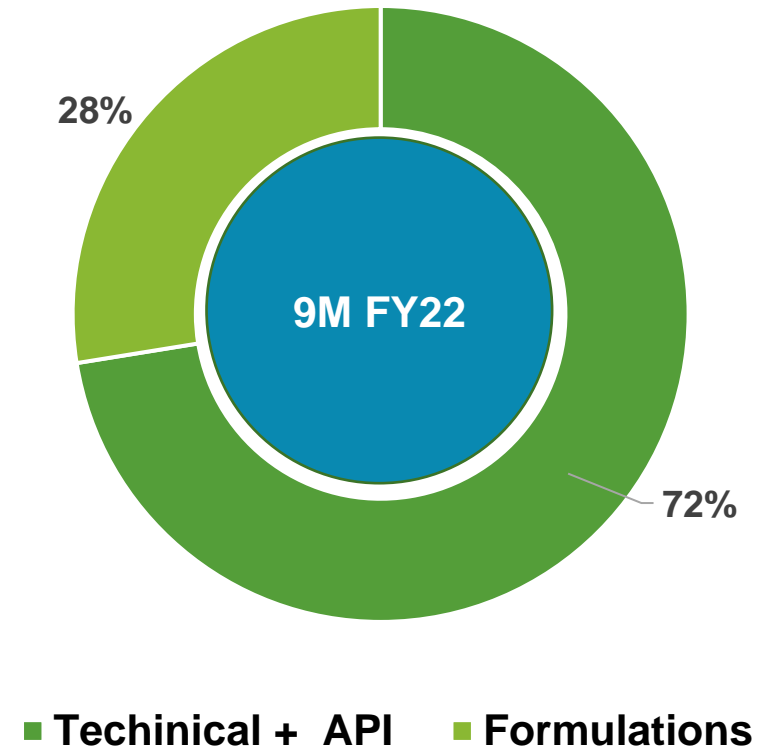
## Technicals + API



## Formulation



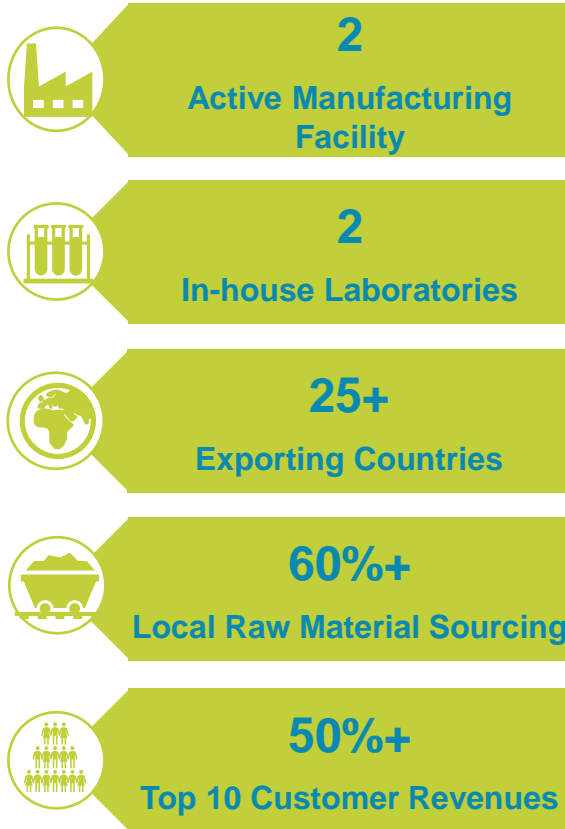
## Revenue Share



# India Pesticides At a Glance



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



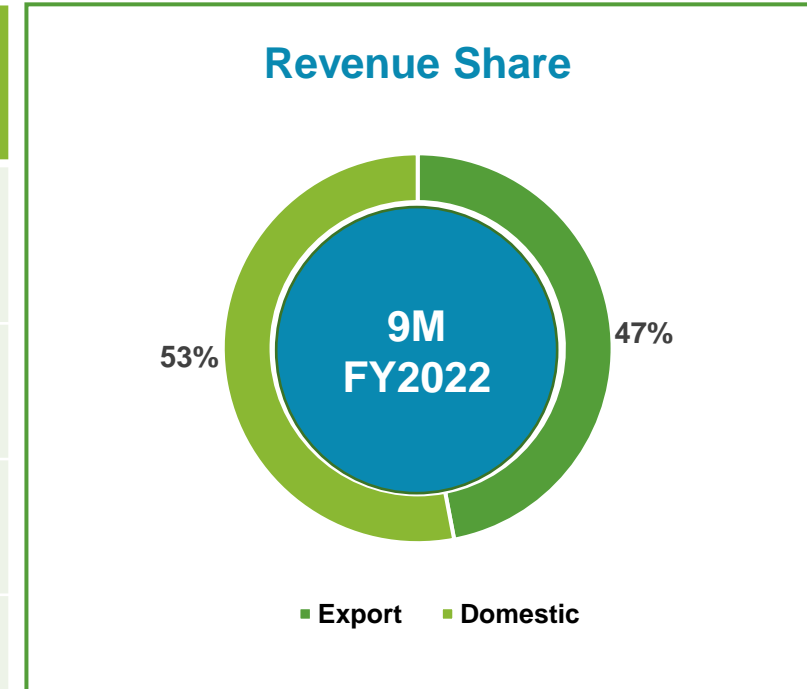
- An R&D driven chemical manufacturer of Agro-Technicals & APIs, along with growing Formulation's business
- Focus on quality and sustainability and none of the key Technicals are classified as 'red triangle' or highly toxic products
- Sole Indian manufacturer and leading manufacturers globally for Captan, Folpet and Thiocarbamate Herbicide, in terms of production capacity
- Present installed capacity of Technicals increased to 21,000 MT from 19,500 MT as on 31.03.2021 after soft launch of 1,500 MT capacity during 9M FY22
- Manufacturing facilities in Lucknow & Hardoi districts in Uttar Pradesh
- 2 Advanced in-house laboratories registered with the Department of Scientific and Industrial Research (DSIR)

# Business Overview



Sole Indian manufacturer of five Technicals and among the leading manufacturers globally for Captan, Folpet and Thiocarbamate Herbicide, in terms of production capacity

Application	Technicals / API's	Formulations
Herbicide	Prosulfocarb, Thiocarbamate	Grip, Pendizet, Trisol, Clogold, Midash, Safer, Eliminator, Penda, Aatish
Fungicides	Cymoxanil, Captan, Ziram, Folpet	Dollar, Vardhan, Vecto, Trim, Sodhit, Captax-50, Natraj, Sanjeevani, Talwar
Insecticides	-	Carbo, Amida, Frem, Byprten, Immidiator, Tridev, Difen, Frame, Soldier, Crotax
Others	Anti-Scabies Drugs, Anti-Fungal Drugs	Star, Talvar, Contanol, Guru, Shakti, Sparkle, Chakra, Namaskar



Key Technicals	Category	Application
Folpet	Fungicide	Controls fungal growth at vineyards, cereals, crops and biocide in paints
Cymoxanil	Fungicide	Controls downy mildews of grapes, potatoes, vegetables and several other crops
Thiocarbamate	Herbicide	Used in field crops, such as, wheat and rice
Captan	Fungicide	Used for fruits, vegetables and ornamental plants

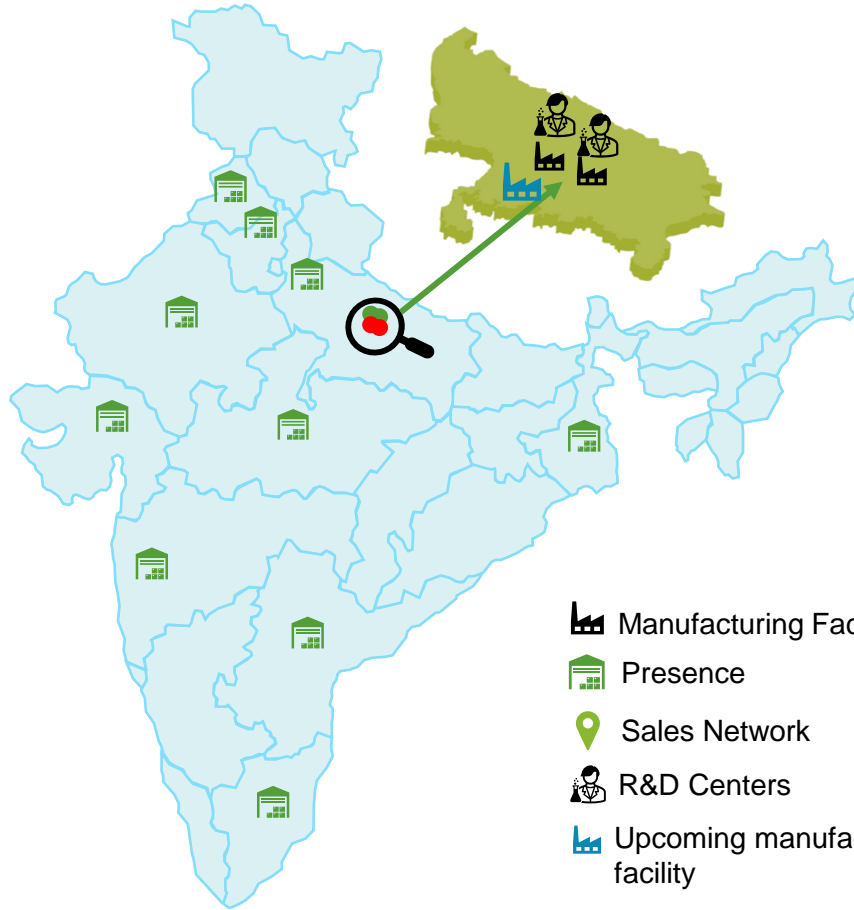


# Manufacturing Facility and Sales Network



Regular inspection of manufacturing facilities by international clients, external governing authorities and internal team for QA & HSE systems for their products, facilitates continuous improvement in operations & processes

## Manufacturing Facilities



Plants as on 31.12.21	Technicals (MTPA)	Formulations (MTPA)
Dewa Road, Lucknow	2,100	3,000
Sandila, Hardoi	18,900	3,500
<b>Total</b>	<b>21,000</b>	<b>6,500</b>



- Manufacturing Facilities
- Presence
- Sales Network
- R&D Centers
- Upcoming manufacturing facility

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

Hamirpur land acquired for new manufacturing facility

## Sandila Expansion Plan

Manufacturing capacity expansion will create economies of scale and improve efficiency in manufacturing processes

- 70 Cr Capex outflow each year for the next two years for Sandila
- Targeting to increase capacity by 8,500 MT
- Sandila Plant technical capacity was 17,400 MT as on 31.03.21 and capacity was increased by 1,500 MT in 9M FY22
- 2 manufacturing Plant at the existing Sandila facility are proposed to be used for herbicide Technicals

## New Upcoming Facility at Hamirpur

International and domestic customers ready to absorb new capacities

- 25 acres land acquired in Hamirpur for new manufacturing plant
- Land registration completed in October
- Plant to likely commence operation by 2023
- All capex likely to be funded internally
- Land possession completed in January 2022 in Hamirpur.

## Product portfolio and capacity expansion will be driving factors for growth



## To minimize contamination of the surrounding environment

Our manufacturing facilities at Dewa Road and Sandila are **ISO 14001:2015 Environment** certified

- **Environment Strategy:** Our manufacturing facilities are equipped with effluent treatment processes to minimize contamination of the surrounding environment. We believe that our manufacturing facilities are designed towards minimizing effluent discharge in our production process
- **Material Usage Initiatives:** We choose a lower atmospheric pressured reactor, avoid use of dry carbon di-sulphide and use submerged carbon di-sulphide, avoid storage of large intermediate products which may be hazardous and adopt processes for hazardous chemicals including limiting reactants so that they get completely consumed in the reaction
- **Waste Reduction Initiatives:** We have dedicated teams for pollution prevention and recovery of by-products. Our manufacturing processes contribute towards reducing raw material consumption, solvent consumption and water consumption resulting in reduced effluent and solid hazardous waste. Solid hazardous wastes are sent to a common hazardous waste treatment and disposal facility
- **Waste Water Safe Discharge:** Our manufacturing facilities include effluent treatment plants, which treats our industrial waste water and recycles it for reuse or for safe disposal to the environment

## To minimize contamination of the surrounding environment

- **Social Strategy:** We require our human capital input to generate value and we strive to nurture the commitment and support of this resource through strong personal relationships and incentives which recognise and reward individuals who make a positive difference to our business. We also believe that the communities we serve should be better off as a result of our presence, and we extend upliftment-oriented initiatives that especially support the grassroots
- **Community Support Initiatives:** Our CSR initiatives focus on health care including supporting various medical initiatives aimed at
  - Reducing mortality rate of children
  - Regular health checkups for the economically poor
  - Skill development and women empowerment and vocational training programme for differently abled persons.
  - Good agricultural practices and model village/ habitation development
- **Health and Safety Initiatives:** Our employees and workers are trained in the operation and maintenance of plant and equipment and those whose duties involve the handling of chemicals are also educated on safety methods for handling chemicals. We also review the effectiveness of the safety systems at the facilities as well as assess safety risks and evaluate for improvement

Our manufacturing facilities at Dewa Road and Sandila are **ISO 45001: 2018 (OHSAS)** and **OHSAS 18001: 2007** certified

We do care for environment, safety and society that exist inside & outside of the organization. Focusing on sustainability during can lead to growth of our communities

**60%**  
of raw materials were  
sourced locally

- **Customer Responsibility Initiatives:** Our team provides dedicated customer service and after-sales services and grievance redressal. As part of our Formulations segment, we have a pan-India sales and distribution presence with a dedicated sales force that provides customer service and undertakes product promotion
- **Product/Service Safety and Quality Metrics:**
  - Our business also requires obtaining and maintaining quality certifications and accreditations from independent certification entities.
  - Our manufacturing facilities at Dewa Road are accredited by international certifying agencies with ISO 9001: 2015

## Maintain the highest standard of business conduct and ethics

- **Board Composition:** Our Board comprises of six Directors including one woman director:
  - 3 Independent Directors,
  - 2 non-executive Directors
  - 1 whole time executive Director
- **Board Diversity Policy:** The Company recognizes and embraces the benefits of diversified Board as it helps in making good use of differences in knowledge, professional experience, expertise, qualification, skills, and range of outlooks that are required for the progressive business of the Company. Possessing a truly balanced and diverse Board with all these merits along with diversity in regional and industry experience, background, culture, race, age, gender and other relevant factors between directors as an integral element helps in maintaining competitive advantage
- **Fraud Risk Control Policies:** The Risk Management Committee was constituted by the Board of Directors to formulate a detailed risk management policy which shall include:
  - Framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the risk management committee
  - Measures for risk mitigation including systems and processes for internal control of identified risks; and Business continuity plan
  - To monitor and oversee implementation of the risk management policy of the Company, including evaluating the adequacy of risk management systems

Maintain the highest standard of business conduct and ethics

- **Shareholder Rights and Relations Policy:**

- The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting .
- Stakeholders' Relationship Committee resolves the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints





Board and Management is committed to continuous growth and sustainability

**Consistent growth with sustainable margins**

**Net cash company with significant reduction in long term borrowings and increased cash flow from operations**

**Higher return ratios due to efficient capital and asset utilization**

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

**Sole Indian manufacturer of five Technicals and among the leading manufacturers globally for Captan, Folpet and Thiocarbamate Herbicide, in terms of production capacity**

**R&D at core supports continuous product development and innovation**

**Manufacturing capacity expansion will create economies of scale and improve efficiency in manufacturing processes**

**Product portfolio and capacity expansion will be driving factors for growth**

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; the extent and duration of the effects of the COVID-19 pandemic; 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

## For further information, please contact

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