

SCIL/SEC/2020-21/06
8th June, 2020

To,
BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

The National Stock Exchange
of India Listing Department,
Exchange Plaza,
Bandra Kurla Complex
Bandra East,
Mumbai - 400 051

Dear Sirs,

**Sub: Investor Presentation on Financial Results for the quarter and
year ended 31st March, 2020**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith investor presentation on the Financial Results of the Company for the quarter and year ended 31st March, 2020.

Kindly do the needful to display the same on your website.

Thanking you,

Yours faithfully,
For Sumitomo Chemical India Limited



Pravin D. Desai
V.P. – Legal and Company Secretary

Encl: a/a



Sumitomo Chemical India Limited



Investor Presentation

June 2020



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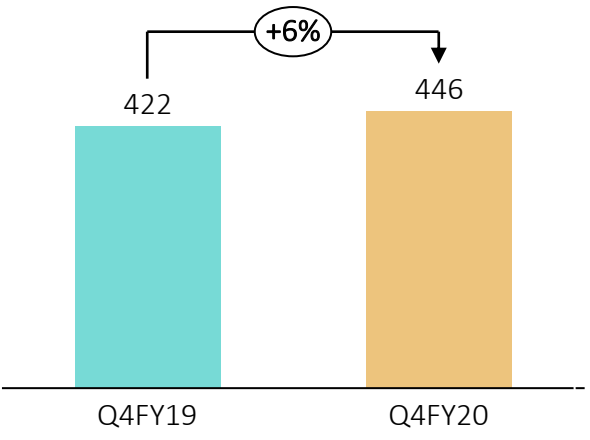
A blue tractor is pulling a long, dark-colored irrigation system through a field of green crops. The scene is captured from a low angle, looking down the length of the irrigation system. The background shows a hazy sunset or sunrise sky with silhouettes of trees in the distance. The overall atmosphere is warm and golden.

Q4 & FY20
Results Presentation

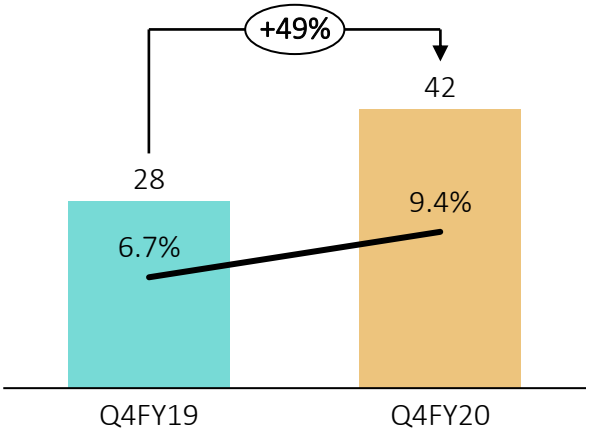


Performance Highlights – Q4 & FY20

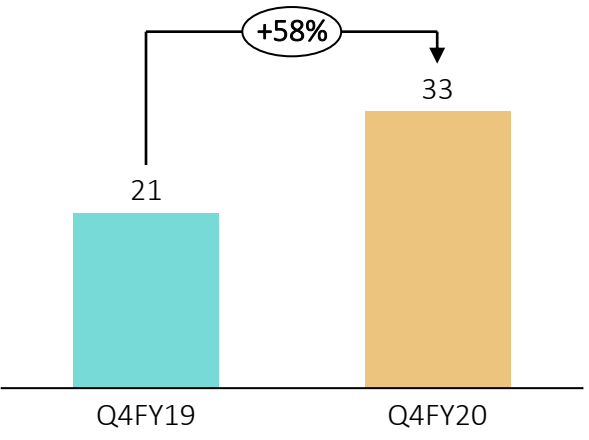
Revenue (Rs Crs)



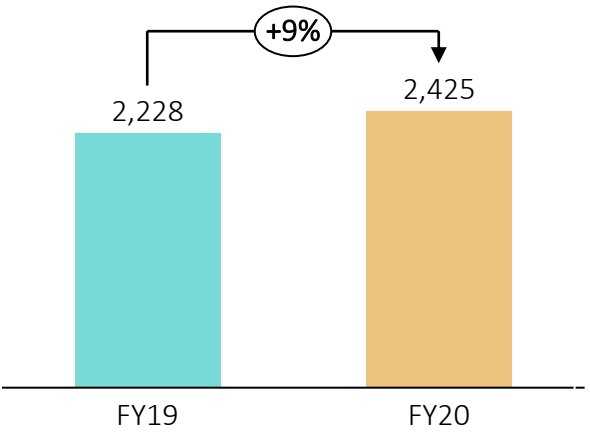
EBITDA (Rs. Crs) & EBITDA Margin (%)



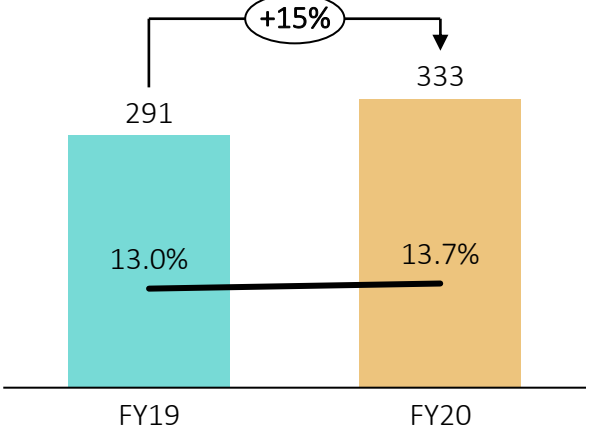
Adj PBT * (Rs Crs)



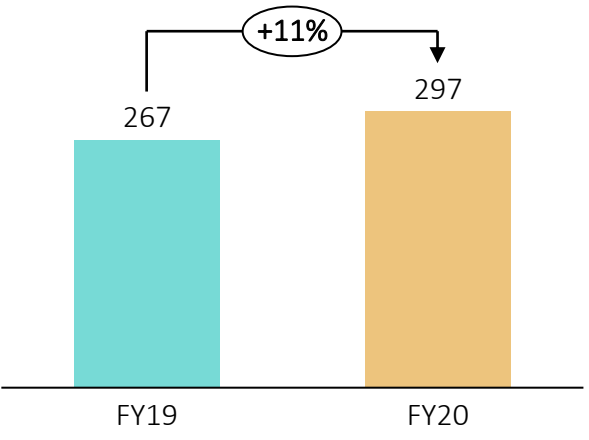
Revenue (Rs Crs)



EBITDA (Rs. Crs) & EBITDA Margin (%)



Adj PBT * (Rs Crs)



- ✓ Q4 FY20 revenue growth of 6% YoY driven by broad-based volume growth across products, geographies and business segments
- ✓ Good monsoon and availability of water have boosted farmer sentiment and resulted in good growth in rabi season as well as upcoming Kharif season in the domestic market
- ✓ EBITDA margins improved by 275 bps to 9.4% in Q4FY20 lead by Gross Margin expansion
- ✓ Q4 PBT adjusted for Merger expenses grew 58% Y-o-Y

Given the seasonality in the business, it is best monitored on an annual basis since a significant portion of revenue & PAT is recorded in the first half of the year
 PBT adjusted for Merger expenses of Rs. 1.2 Crs for Q4FY20 and Rs. 30.9 Crs for FY20



Consolidated Profit & Loss Account Statement

Particulars (Rs. Crs)	Q4 FY20	Q4 FY19	YoY	FY20	FY19	YoY
Revenue from Operations	445.8	421.7	6%	2,424.8	2,228.4	9%
COGS	289.8	285.4		1,607.7	1,458.9	
Gross Profit	155.9	136.3	14%	817.1	769.6	6%
Gross Profit %	35.0%	32.3%	266 bps	33.7%	34.5%	-84 bps
Employee Expenses	46.5	38.1		179.3	158.4	
Other Operating Expenses	67.5	70.1		304.7	320.5	
Operating EBITDA	42.0	28.1	49%	333.1	290.7	15%
EBITDA Margin	9.4%	6.7%	275 bps	13.7%	13.0%	69 bps
Other Income	5.1	1.7		10.7	7.6	
Depreciation	12.9	7.4		41.0	27.8	
EBIT	34.1	22.4	52%	302.8	270.5	12%
EBIT Margin	7.6%	5.3%	234 bps	12.5%	12.1%	35 bps
Interest	1.3	1.6		5.5	3.7	
Profit Before Tax & Exceptional	32.8	20.8	58%	297.4	266.8	11%
Exceptional Item Gain / (Loss)*	1.2	2.7		30.9	7.0	
Profit Before Tax	31.6	18.0	75%	266.5	259.8	3%
PBT Margin	7.1%	4.3%	281 bps	11.0%	11.7%	-67 bps
Tax	8.7	19.1		61.8	94.0	
Net Profit	22.9	-1.1	-	204.7	165.8	23%
Net Profit Margin	5.1%	-0.3%	540 bps	8.4%	7.4%	100 bps
Other Comprehensive Income	-6.7	-0.5		-5.1	0.1	
Total Comprehensive income for the period	16.2	-1.6		199.5	165.9	
EPS	0.46	-0.02		4.10	3.32	

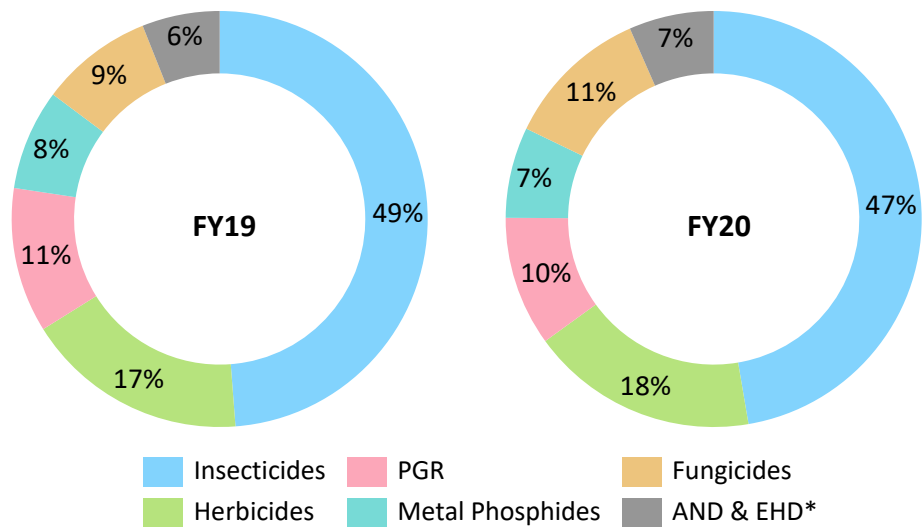
Given the seasonality in the business, it is best monitored on an annual basis since a significant portion of revenue & PAT is recorded in the first half of the year

* Merger expenses of Rs. 1.2 Crs for Q4FY20 and Rs. 30.9 Crs for FY20

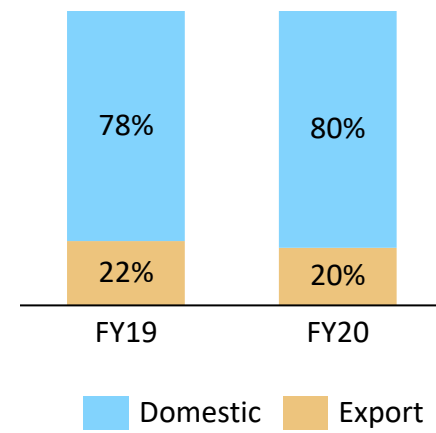


Revenue Breakup – FY20 Vs FY19

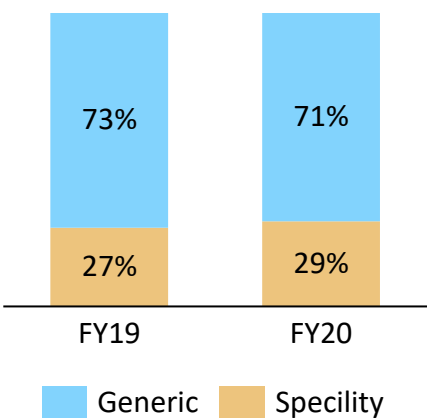
Product Breakup



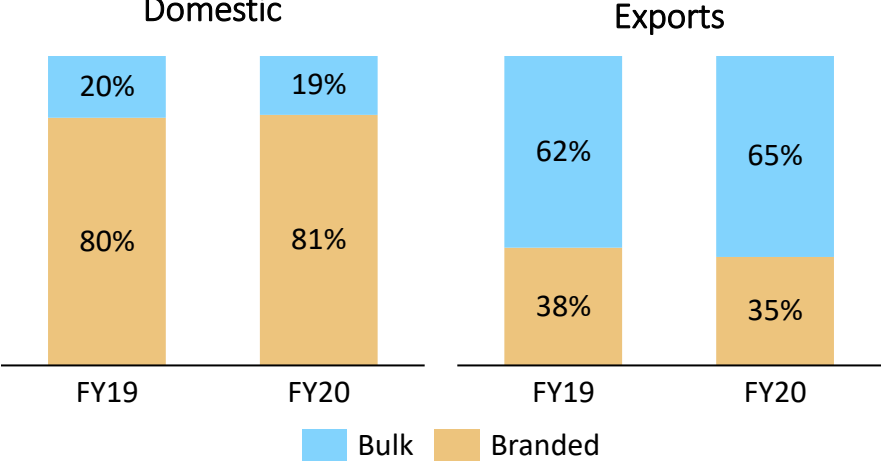
Geographic Breakup



Segment Breakup



Bulk & Branded



* Animal Nutrition Division (AND) and Environmental Health Division (EHD)



Consolidated Balance Sheet

Assets (Rs. Crs)	Mar-20	Mar-19
Non-Current Assets (A)	360.6	318.3
Property, Plant and Equipment	282.9	277.2
Capital work-in-progress	6.5	3.2
Right to use an Asset	34.9	-
Other Intangible Assets	1.7	2.1
Intangible Assets under Development	3.8	4.9
Financial Assets		
(i) Investments	0.1	0.1
(ii) Loans	5.3	7.6
Non-Current tax Assets (net)	20.2	18.8
Deferred tax Asset (net)	1.1	-
Other non-current Assets	4.1	4.4
Current Assets (B)	1,745.6	1,541.7
Inventories	588.0	680.6
Financial Assets		
(i) Investments	86.0	-
(ii) Trade receivables	849.8	671.0
(iii) Cash and cash equivalents	92.6	50.5
(iv) Bank balances other than (iii) above	0.9	0.9
(v) Loans	7.9	5.1
(vi) Other financial assets	21.8	15.8
Other Current Assets	98.6	117.8
Total Assets (A+B)	2,106.2	1,860.0

Equity & Liabilities (Rs. Crs)	Mar-20	Mar-19
EQUITY (A)	1,221.8	1,048.4
Equity Share Capital	499.1	274.6
Other Equity	722.6	773.8
Non-current liabilities (B)	44.5	30.2
Financial liabilities		
Lease Liabilities	19.4	-
Provisions	25.1	15.6
Deferred tax liabilities (net)	-	14.6
Current liabilities (C)	839.9	781.3
Financial liabilities		
(i) Borrowings	-	19.7
(ii) Trade Payables	490.9	480.8
(iii) Lease Liabilities	16.2	-
(iii) Other financial liabilities	235.4	179.2
Other current liabilities	80.2	87.2
Provisions	9.7	2.5
Current tax liabilities	7.4	12.0
Total Equity & Liabilities	2,106.2	1,860.0

NIL borrowings with Cash, Cash Equivalents & Investments of ~Rs. 180 Crs as on 31st March 2020



Consolidated Working Capital Movement

Particulars (Rs. Cr)	Mar-20	Mar-19	Change
Inventory (A)	588.0	680.6	-92.6
Inventory Days (<i>Inventories/ COGS*365</i>) (i)	133	170	
Trade Receivables (B)	849.8	671.0	178.8
Trade Receivables Days (<i>Trade Receivables / Revenue*365</i>) (ii)	128	110	
Trade Payables (C)	490.9	480.8	10.2
Trade Payables Days (<i>Trade Payables/ COGS*365</i>) (iii)	111	120	
Other Current Liabilities (D)	235.4	179.2	56.3
Other Current Liabilities Days (<i>Other Current Liabilities / Revenue*365</i>) (iv)	35	29	
Net Working Capital (A+B-C-D)	711.4	691.6	19.7
<i>Net Working Capital Days (i + ii – iii – iv)</i>	<i>115</i>	<i>131</i>	

1. Given the seasonality in the business, it is best monitored on an annual basis since a significant portion of revenue & PAT is recorded in the first half of the year
 2. Appointed date for merger of ECC and SCIL is 1st Apr'18



Key Developments

Update on COVID-19

- ✓ Global pandemic Covid-19 caused severe impact globally and in India. India announced country-wide strict lockdown since last week of March 2020 and such measures continue to be in force till date in gradually relaxed form
- ✓ The Company's operations have been classified as 'essential' and the Company has been permitted to operate under the lock-down guidelines
- ✓ Due to the Company's priority towards safety and several practical difficulties faced at local level, operations were impacted initially and resumed gradually over the period
- ✓ Production of subsequent period is expected to be marginally lower due to precautions taken in line with restrictions imposed on account of Covid-19
- ✓ Currently, most functions including sales & distribution, procurement, supply chain, logistics and corporate functions, continue to be operational, duly following safety guidelines, without any material adverse impact
- ✓ Overall Production resumed from mid-April 2020 and capacity utilization of plants has been improving gradually since then
 - April 2020: Capacity utilization was 20-25%
 - May 2020: Capacity utilization was 60-65%
- Favourable weather conditions expected as per IMD

Safety measures undertaken by the Company





Key Developments

Impact of Draft order banning 27 Insecticides by Government of India

- ✓ Recently the Government of India released a draft notification for public comments regarding proposed ban of some agro-chemical products
- ✓ The matter is being discussed at various forums such as various industry associations and farmers associations
- ✓ Such forums and the Company are expected to take necessary actions to defend these products such as filing suitable explanations and technical justifications with authorities for favorable technical assessment and if necessary, other legal recourse
- ✓ Based on the management understanding and expectations, the matter is not likely to have material adverse impact on the Company's operations as restrictions, if any, are not expected to be applicable to exports
- ✓ The list of products proposed to be banned includes some of the Company's products
 - Two technical grade products manufactured by the Company: Chlorpyrifos and Quinalphos
 - Some other products wherein Technical Grade is purchased by the Company and then it undertakes formulations and distribution

Company Overview

Formidable Player in the
Indian Agrochemicals Space

Journey to 10x Growth
in India

Merger of Excel Crop Care
Unlocking Value

Autonomous Board with Vast
Industry Experience

To Benefit from Strong
Parentage of SCC Japan



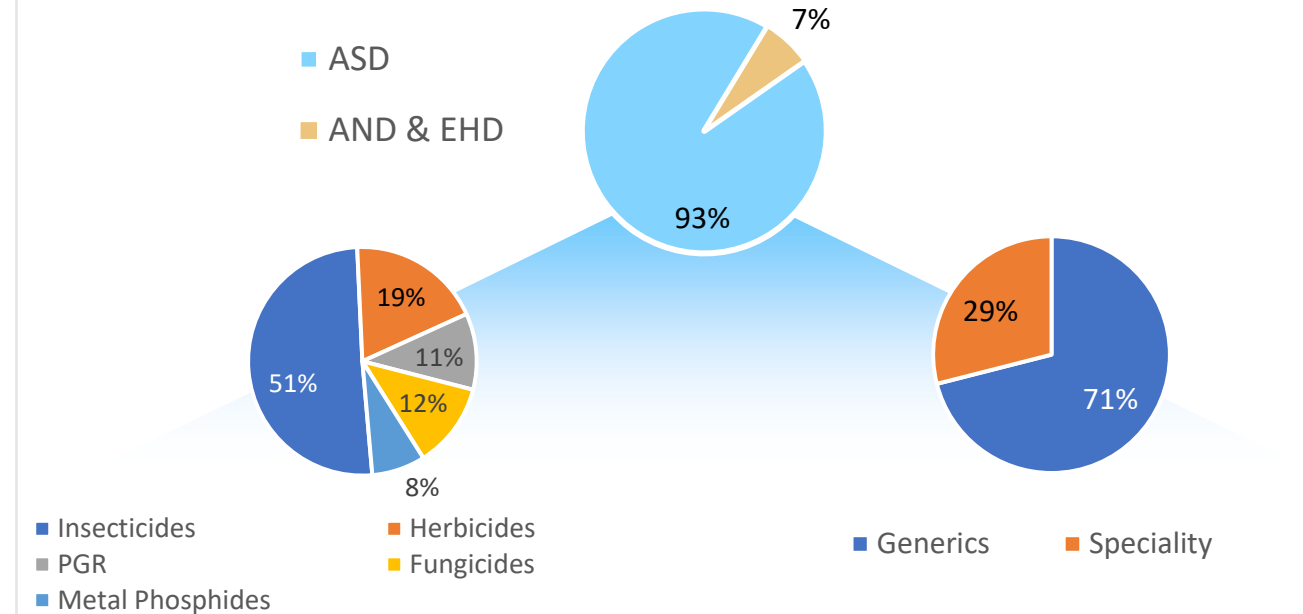
Leading Agrochemicals Player in India

Overview

- Incorporated in 2000 as a wholly owned subsidiary of SCC, Japan to drive expansion of its Health & Crop Sciences business in India
- Primarily engaged in manufacture and sale of speciality and generic products under Agrosolutions Division (ASD), Environmental Health Division (EHD) and Animal Nutrition Division (AND)
- Strong R&D capabilities with dedicated pool of **75+** engineers and scientists capable of creating new combinations process developments and improvements
- Recently Excel Crop Care, a leading player engaged in the manufacturing and marketing of Crop Protection, Soil Nutrition, Seed Treatment and Post Harvest products merged with Sumitomo Chemical India Ltd.
- Strong track record of driving growth (11% CAGR over FY11-20 on pro-forma numbers) with strong return ratios (FY20 ROCE of 27%)



Diversified Product Portfolio & Segment Mix (FY20)



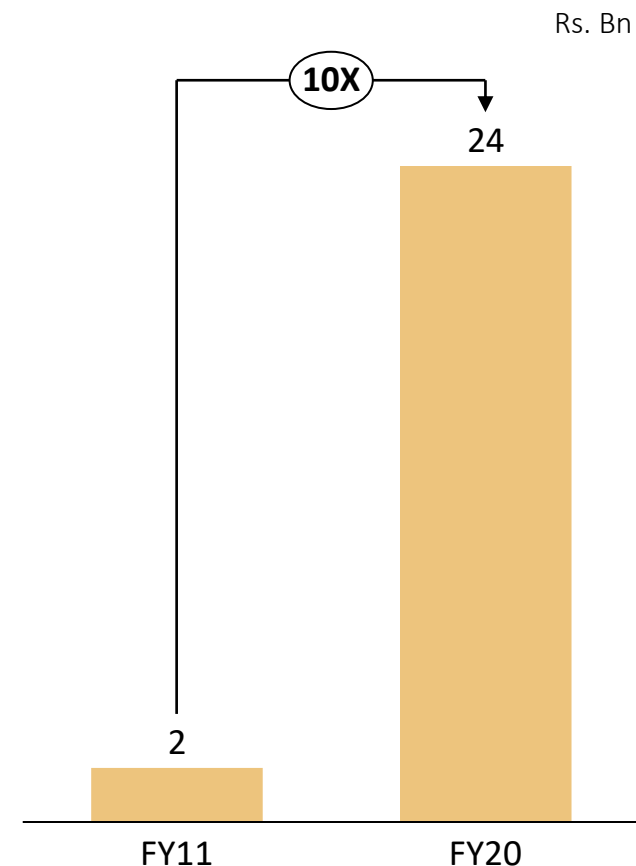
	Product Name	Product Category	Indicative Use
Key Products	Glyphosate	Herbicide	Tea Gardens, non-cropped
	Profenophos	Insecticide	Cotton, Soya bean
	Dantotsu	Insecticides	Vegetables
	Tebuconazole	Fungicides	Wheat, Soya bean, Chilli
	Progibb	Plant Growth Regulator	Citrus Fruits
	Aluminum Phosphide	Fumigant	Warehousing of Food Grains
	Chlorpyriphos	Insecticide	Paddy, Beans, Gram
	DL-Methionine	Animal Nutrition	Poultry



Formidable Player in the Indian Agrochemicals Space



Grown 12X* over FY11-20

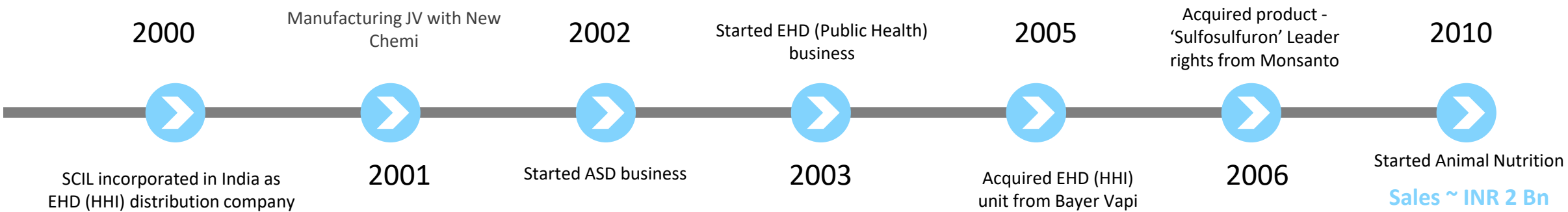


*On an organic basis, grown 6X



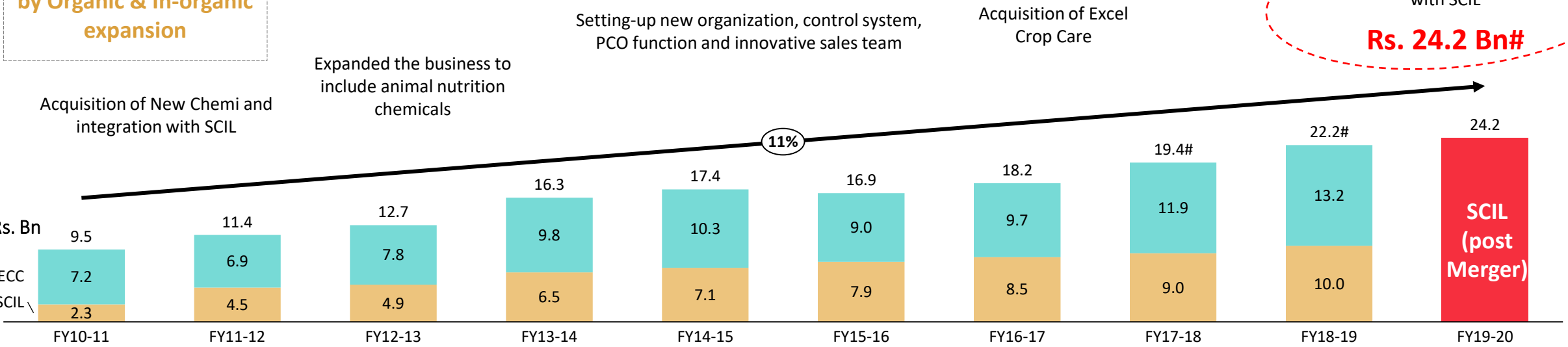
Journey to 10x Growth in India

Exploration Phase: 2000 – 2009



Robust growth driven by Organic & In-organic expansion

Aggressive Growth Phase : 2010 – 2019



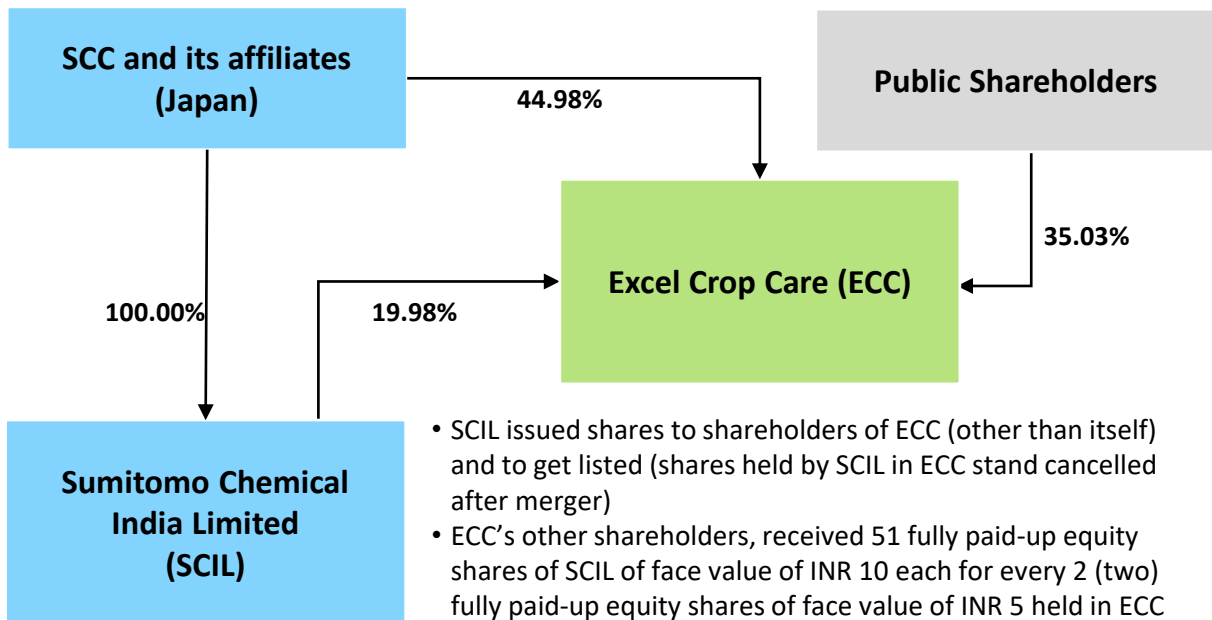
Inter-company transactions are eliminated. Other operating income is included
HHI – Household Insecticides



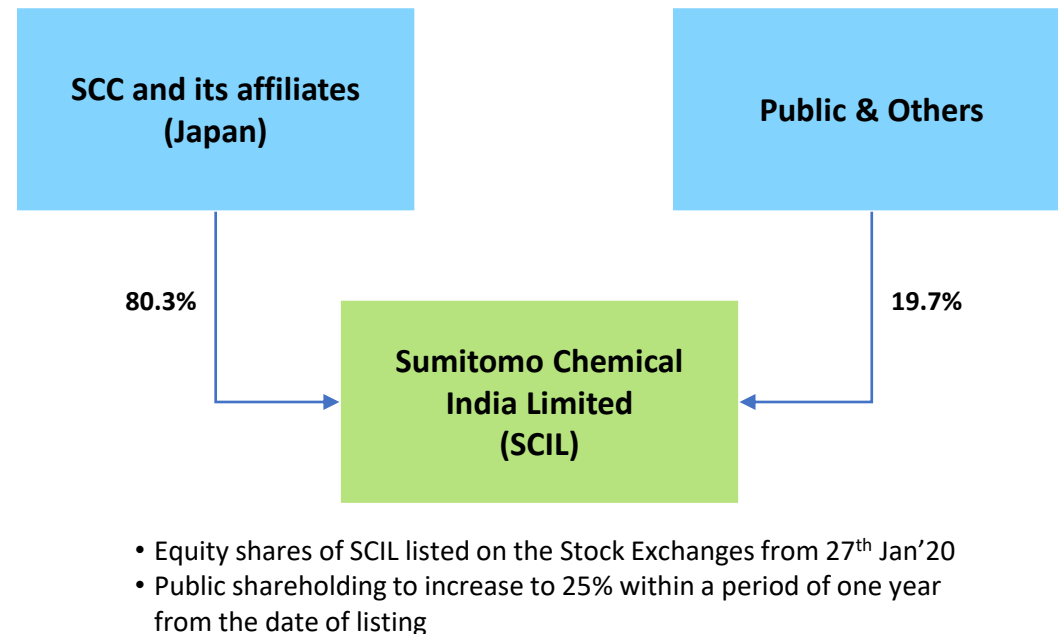
Merger of Excel Crop Care to Unlock Value

Successfully and smoothly completed the merger

Pre-Merger Structure



Post-Merger Structure



“Long term Commitment from SCC, Japan”

01

De-risked Portfolio

Presence in both technical & formulation manufacturing and across complete range of products

02

Highly Complementary Offerings

Spread across generics & speciality and to leverage dual brands for offerings across the price spectrum

03

Distribution Scale

Well-entrenched pan-India network and synergies in product marketing

04

Operational Synergies

Continuous improvement in manufacturing efficiencies, location realignment and process efficiencies to lead to margin expansion

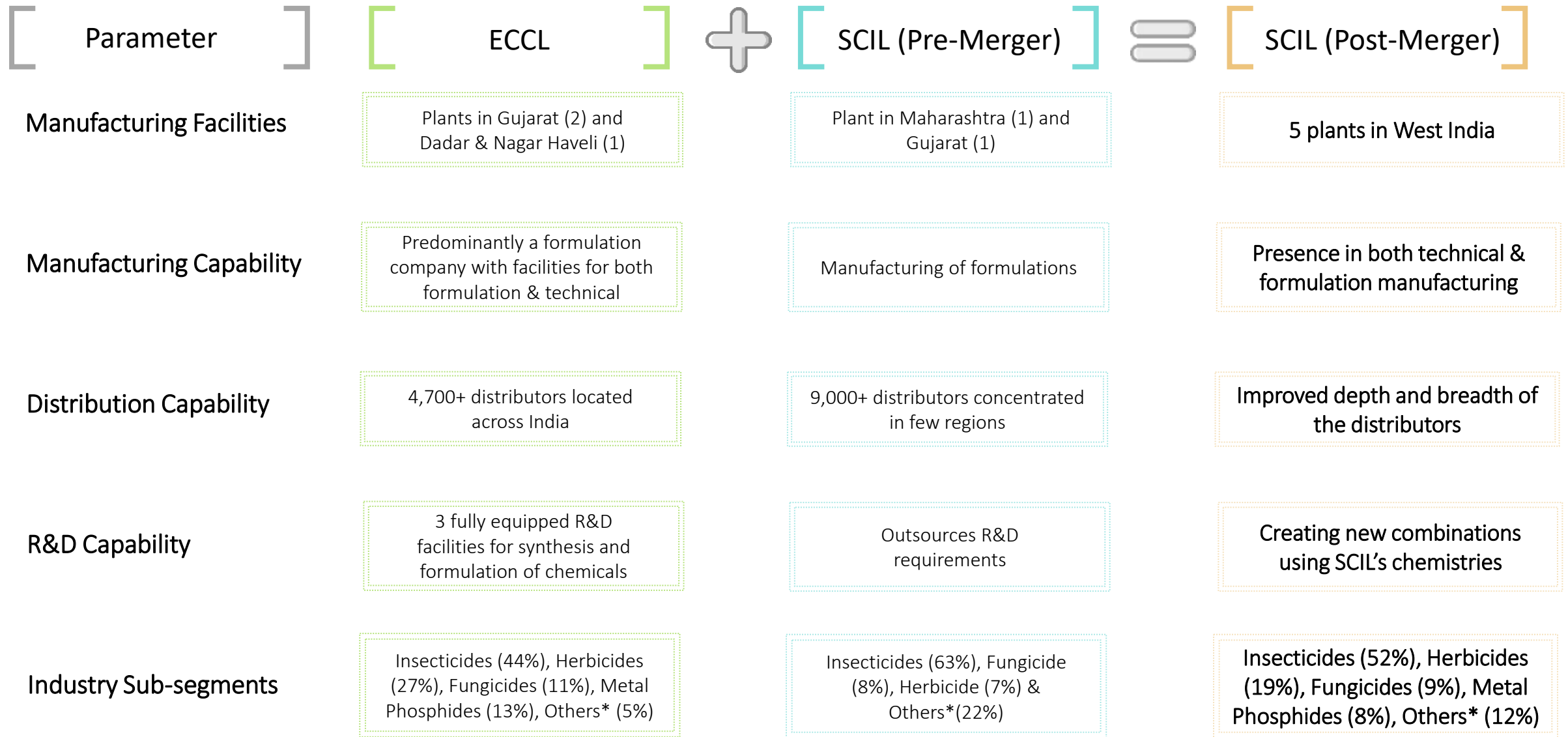
05

Undivided Parent Focus

Backing of a well-established parent company with single focused entity of scale to drive India expansion



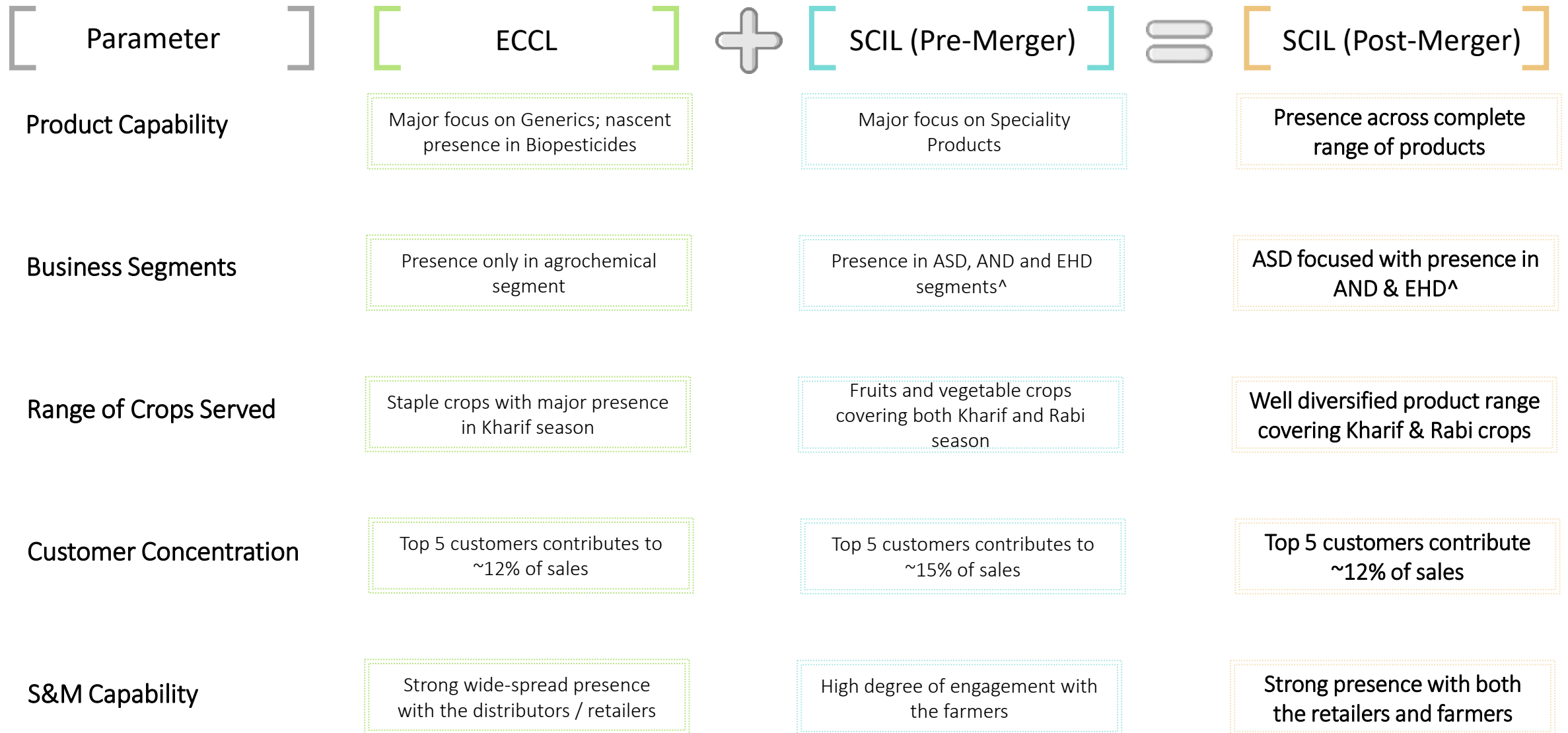
Well-diversified Platform of Scale (1/2)



*Others - Soil Nutrition, Biological, PGR etc.



Well-diversified Platform of Scale (2/2)



[^]ASD – Agro-solutions Division; AND – Animal Nutrition Division; EHD – Environmental health Division



Autonomous Board with Vast Industry Experience



Dr. Mukul Govindji Asher **Chairman and Independent Director**

- Professorial Fellow at Lee Kuan Yew School of Public Policy at the National University of Singapore
- Advisor to Govts in Asia on tax policy & pension reforms; and to multi-lateral institutions including IMF, Asian Development Bank, PFRDA of India, Govt of Gujarat, & World Bank
- Member of the panel to review Crawford School of Public Policy at Australian National University



Chetan Shantilal Shah **Managing Director**

- Commerce graduate from the University of Mumbai and holds a master's degree in Business Administration from North Rode University in the USA
- Over 43 years of industry experience in various leadership and senior management roles



Sushil Champaklal Marfatia **Executive Director**

- Chartered Accountant with over 42 years of industry experience
- Worked with New Chemi Industries Limited for 33 years which was later merged with the Company



Ninad Dwarkanath Gupte **Non-executive Director**

- Experience of 43 years in management of companies operating in fine chemicals, performance chemicals, industrial chemicals & agrochemicals
- Held senior positions at Excel Industries, BASF India, Herdillia Chemicals and worked as MD of Cheminova India and Agrocel Industries and as Joint MD of Excel Crop Care



Autonomous Board with Vast Industry Experience



Bhupendranath Bhargava
Independent Non-executive Director

- Experience of over 50 years in areas including banking, project financing and credit rating
- Held directorship in several leading corporates and was on the advisory board of an independent regulatory body set up by the Government of India to work on reforms in telecommunications sector



Preeti Gautam Mehta
Independent Non-executive Director

- 30 years of experience in corporate laws, foreign investment and collaborations, mergers and acquisitions and private equity investments, banking, franchising and hospitality



Hiroyoshi Mukai
Non-executive Director

- Associated with Sumitomo Chemical Group for over 30 years
- Holds a bachelor's degree from the University of Osaka, Japan



Tadashi Katayama
Non-executive Director

- MBA from Vanderbilt University, U.S.A. and a Master's degree from Kyoto University in Japan
- Associated with Sumitomo Chemical, Japan since 1992 in the Health and Crop Science business unit in various positions

Board is supported by Strong and experienced management team associated with Company since long



To Benefit from Strong Parentage of SCC Japan

About SCC, Japan

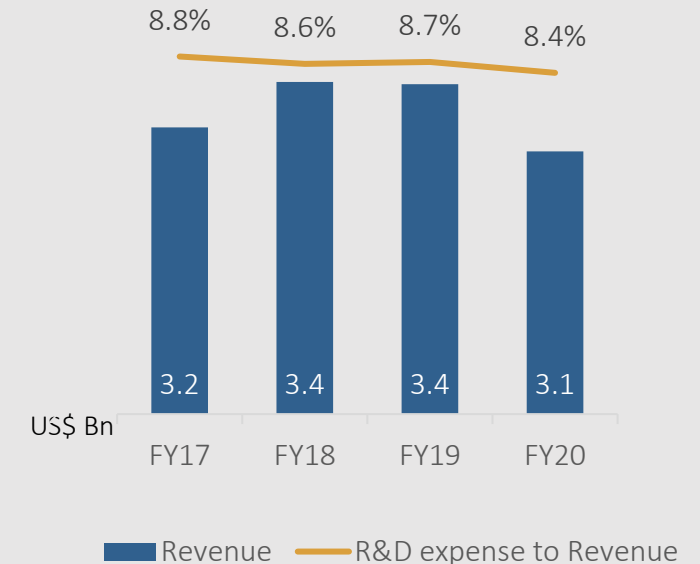
- ✓ SCC is a leading Japanese **research driven diversified chemical company** listed on the Tokyo Stock Exchange with consolidated sales revenue for FY20 of US\$ 20.3 bn and Health & Crop Sciences Sector of US\$ 3.1 bn
- ✓ Offers **diverse range of products** globally in the fields of petrochemicals, energy and functional materials, IT-related chemicals and materials, health and crop sciences products and pharmaceuticals

SCC's Health and Crop Science Sector - Undivided Focus for Leadership in India

- ✓ SCC's Health & Crop Sciences Sector manufactures specialized solutions as crop protection and enhancement products, agricultural materials, and methionine
- ✓ SCC holds **12,600+ Patents** of which **~34% are in Health & Crop Science**
- ✓ **Strong pipeline of Agro-Solutions and Environmental Health products** with business potential of ~US\$1.4 - \$1.8 bn
- ✓ **Current ownership in SCIL: 80.3%** (to reduce to 75% within a period of one year from listing date as prescribed under the applicable regulations)
- ✓ Benefits from Global presence of SCC Japan to boost exports due to global distribution channels and presence across 40 countries
- ✓ SCC, Japan recently acquired Nufram's distribution in Latin America thereby gaining leadership position in Latin America Generics Market Segment
- ✓ Technical expertise, financial strength and market reach to witness strong improvement
- ✓ Inculcate Japanese practices in long term strategic planning, manufacturing proficiencies, work culture, focusing on teamwork
- ✓ Development of active ingredients and broad range of formulation research
- ✓ Introduction of products manufactured globally and which are not currently present in Indian market
- ✓ Access to new active ingredients without additional capex, keeping existing SCIL facilities available for manufacture of other molecules

Focused on developing proprietary products and technologies

SCC's Health & Crop Sciences Sector is one of the leading R&D Spenders Globally – Key Differentiator



Sustainable Drivers for Growth

Diversified & De-risked
Portfolio Across the Agro-
Chem Value Chain

Strategically Located
Manufacturing Facilities

Strong Focus on R&D and
Process Innovation

Strong Brand and Well-
Entrenched Distribution
Network

Expanding Brand Visibility
and Connect using Innovative
Initiatives

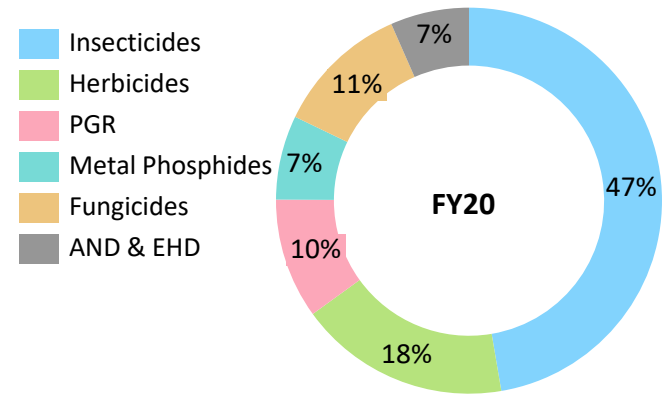
Well placed to benefit from
Sector Tailwinds

Thrust on Safety, Health and
Environment (SHE)



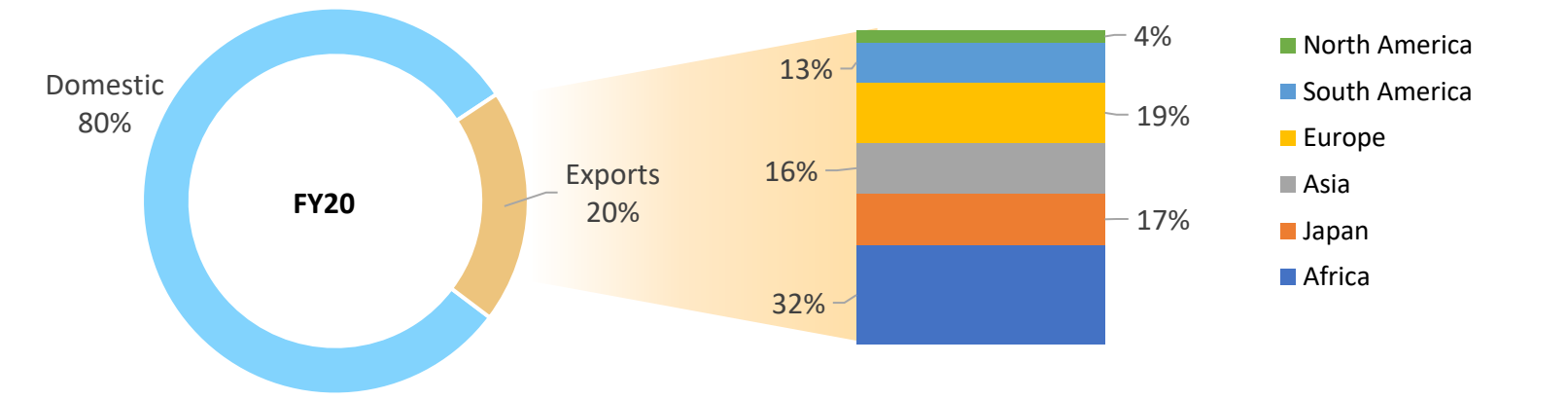
Diversified & De-risked Portfolio Across the Agro-Chem Value Chain

Balanced Presence Across Key Sub-Segments of the Agro-Chem Value Chain



- ✓ Greater focus on high growth, stable and high profitable segments such as **Herbicides, PGR, Bio-rational products**
- ✓ Concentrated efforts now on fruits & vegetables, paddy and other high growth segments
- ✓ Increasing contribution from PGR segment and offerings for both Kharif and Rabi crops to reduce seasonality in the business
- ✓ One of the highest proportion of environmentally-friendly products in the Industry

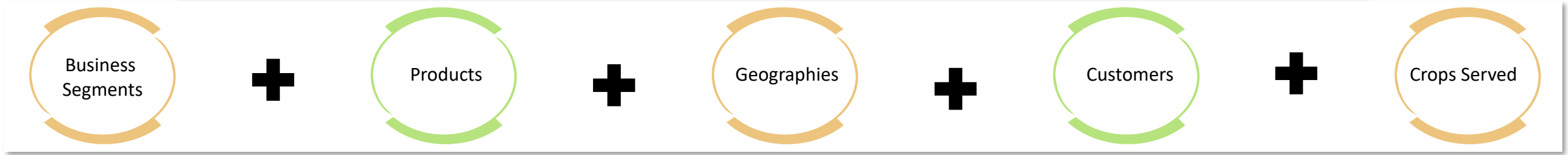
Geographic Diversification with Exports to over 60 countries



Diversified Product Portfolio with low Dependence on Individual Products

- ✓ Top 10 products contributes less than 50% of Total Revenue
- ✓ No product / molecule contributes more than 15% of Total Revenue

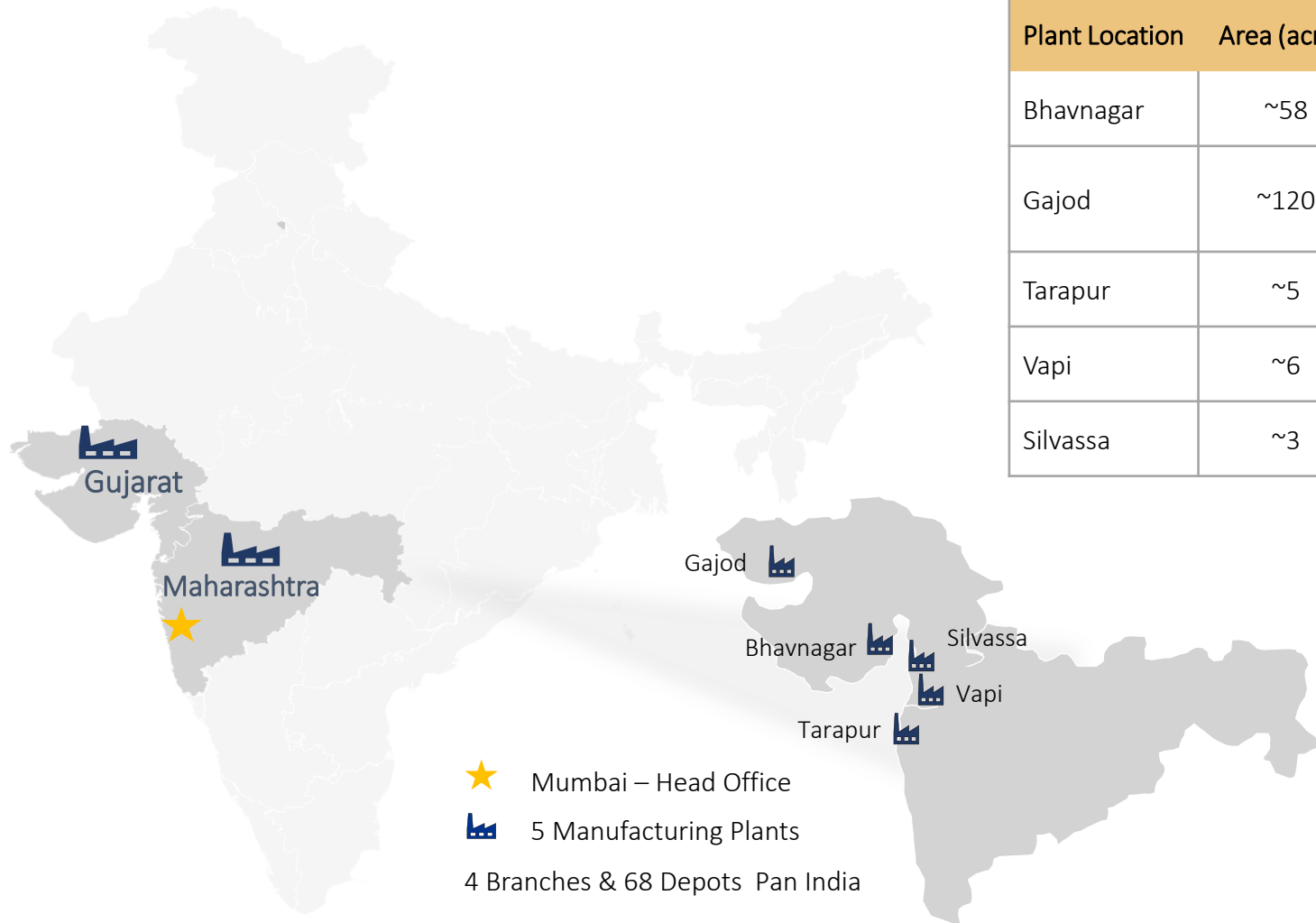
Well-Diversified across multiple dimensions





Strategically Located Manufacturing Facilities

Connectivity to Major Cities and Proximity to Main Highways, Ports Reduces Logistic Time and Costs



Plant Location	Area (acres)	Segment Served	Product Manufactured
Bhavnagar	~58	Manufacturing of Technical Grade Pesticides and Formulation Development	Chlorpyrifos, Profenophos, Glyphosate, Tebuconazole Tech, Quinalphos, Imidacloprid, Thiacloprid, Acetamiprid, Byspyribac Sodium, Aluminium Phosphide, Zinc Phosphide, Sulphur WDG, Fenprothrin
Gajod	~120	Production and manufacturing of Metal Phosphides, Sulphur WDG and other WDG formulations	
Tarapur	~5	Production and manufacturing of Active Ingredients	
Vapi	~6	Formulation & Packaging	
Silvassa	~3	Formulation of Glyphosate and Other Speciality Products	

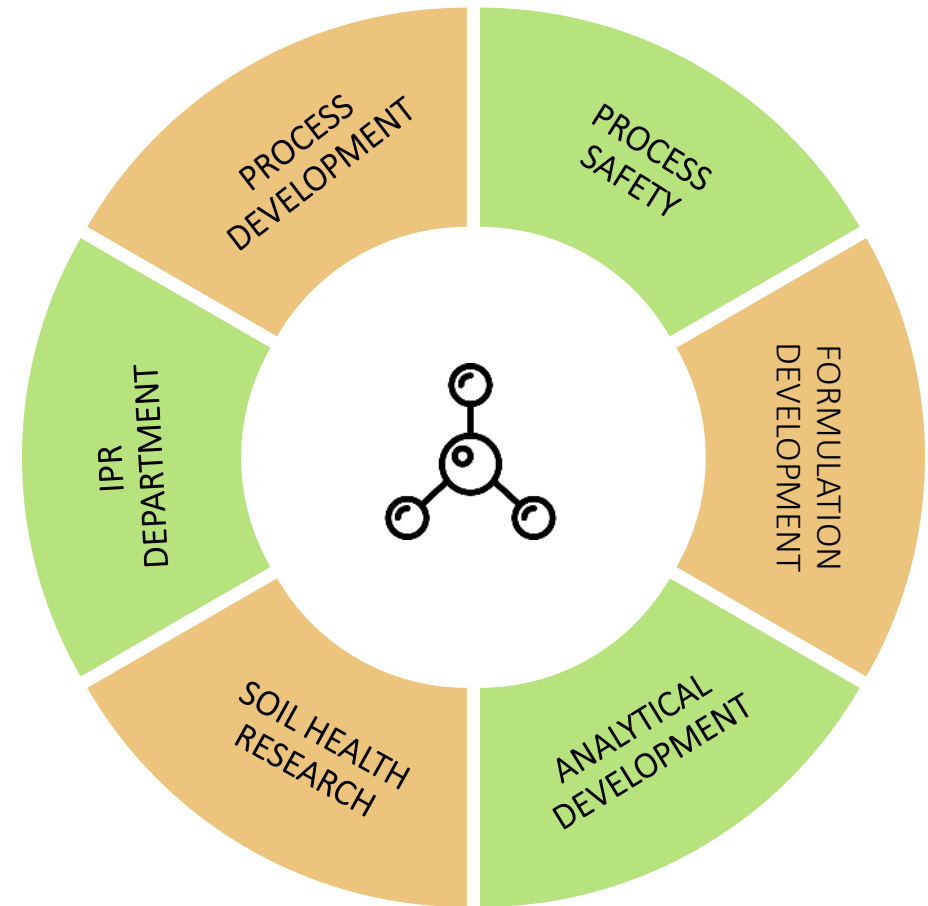
- Overall Optimal capacity utilization
- Continues investments to enhance capacity as per the forecasted demand (similar to the trends followed in past)



Strong Focus on R&D and Process Innovation

End-to-End Product Development Capabilities

- ✓ **3 fully equipped, DSIR approved R&D labs** located at Mumbai, Bhavnagar and Gajod capable of synthesis, technical product and formulation development
- ✓ R&D Team comprises of **75+** qualified and dedicated engineers & scientists of which 10+ are PhDs with more than 15 years of Experience
- ✓ **25+ patents** granted across various geographies; 9 applications filed
- ✓ **Pipeline of 9 new combination products /pre-mixtures** currently under development (5 insecticides, 2 fungicides, 2 PGR) and 2 **Technical products (1 Insecticide & 1 Herbicide)** for manufacturing in India
- ✓ R&D facilities to gain capability for creating new processes and new combinations using **SCC Japan's chemistries** which would help improve production processes and efficiency
- ✓ Feasibility of SCC Japan's new molecule pipeline being studied and evaluated in an Indian context





Strong Brand and Well-Entrenched Distribution Network

✓ **Strong brand** with market leading position across various product categories

✓ **Dual brand portfolio** can offer products at all price points serving multiple customer sub-segments

✓ **In-depth knowledge** of own research products, **proven go-to-market strategy and deep farmer connect** facilitates launch of Speciality products

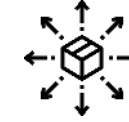
✓ **On-field demonstration of products, training of farmers** in using the products, building awareness among stakeholders in relation to the products

✓ **Pan-India distribution network** ensures strong presence with both retailers and farmers and **on-time feedback mechanism**

✓ **Scale and diversity** of product offerings lead to **superior bargaining power** with distributors and provides **one-stop solution for farmers**



23 States



13,000+
Distributors



1 million+
Farmer Connect through
1,400+
Field / Market Development
Officers



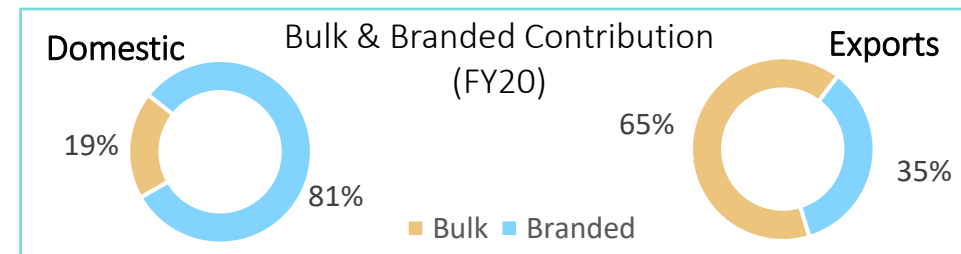
68 Depots



~40,000
Dealers



~600
Sales Team





Expanding Brand Visibility and Connect



- ✓ Wide range of **generics and speciality products** for Increased crop presence and providing crop protection solutions
- ✓ More than **1,400+ Relationship managers** connecting to **1 million+ farmers** throughout crop cycle
- ✓ Over **100 brands** covering maximum of crops and pest segments
- ✓ **13,000+ distributors, 70,000+ dealers and 68 Depots** help in expanding brand visibility and connect
- ✓ More than **500+ Qualified and skilled managers** in Sales, Marketing and customer support
- ✓ Company with **20+ mega brands** with high brand recall
- ✓ Healthy geographical Brand coverage **throughout India** including North East and J&K
- ✓ Optimum use of **advertising media** with increased Digital Platforms presence





Digital Marketing Initiatives

Develop “Digital Marketing” as a parallel support to Traditional marketing system leading to improved sales.

✓ Our Digital Assets : **21 websites**, currently driving about **8,648 visitors** everyday.



<http://www.danitolindia.com/>



<http://www.naturedeep.in/>



<http://danzapower.com/>



<http://progibbeasy.com/>

- ✓ Successful campaign to introduce the QR codes of <http://www.sumitomoproducts.com/> to the retailers and farmers.
- ✓ The campaign drove **44.44%** of the website visitors through QR codes.

YouTube - Advantage



Informative Video on Fall armyworm in Maize
 58,856 views (since Jun 2019) and counting
[Youtube Link](#)



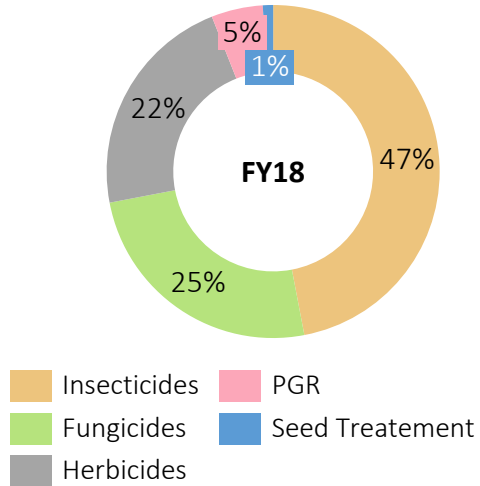
Informative and Testimonial Combined Video on Pink Bollworm in Cotton and Danitol as Remedy
 66,828 views (since May 2019) and counting
[Youtube Link](#)

- ✓ Videos in 9 major regional languages
- ✓ 10 channels on YouTube with informative and testimonial videos

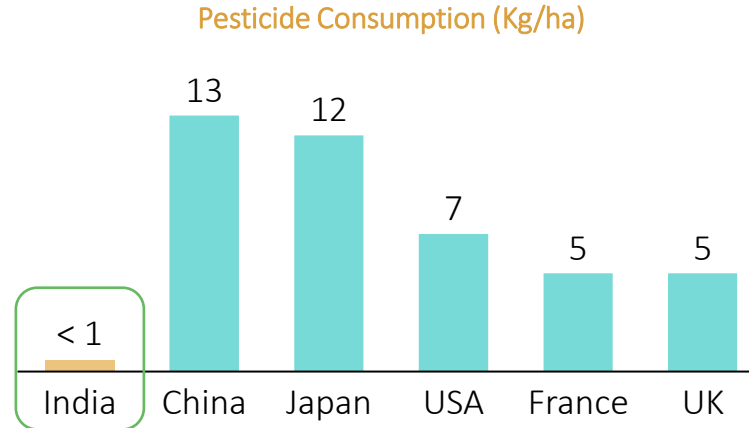


Well Placed to Benefit from Sector Tailwinds

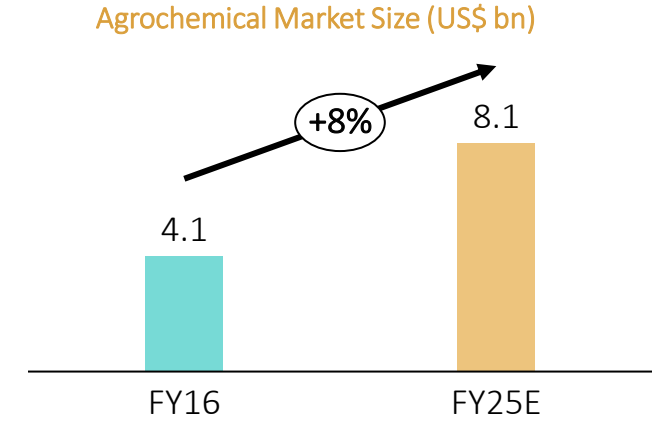
Pesticides: Market Share by Segment



Highly Underpenetrated Market



Significant growth opportunity for Indian Players



Source: Data from CLI 2018

Yield improvement is critical for increasing food production to feed growing population and hence crop protection products are critical to reduce crop losses

Advantage India

- ✓ Technically Trained Manpower
- ✓ Supportive Government Policies
- ✓ Strong Safety, Health & Environment
- ✓ Legal & Regulatory Compliance
- ✓ Strong R&D
- ✓ Customer Relations Management
- ✓ Operating Efficiencies

- ✓ Rising Population
- ✓ Increasing Food Demand
- ✓ Increasing demand of Horticulture & Floriculture

Policy Initiatives

- ✓ Increasing MSP's
- ✓ Water management and rain-water harvesting
- ✓ Enhancing exports of rice and wheat
- ✓ M-Kisan
- ✓ National e-Governance Plan
- ✓ Pradhan Mantri Fasal Bima Yojana
- ✓ Amending the Insecticides Act, 1968, to be replaced by Pesticides Management Act
- ✓ Government's plan to double farmer's Income












China's Competitiveness Eroding

- ✓ Increased Capital Costs
- ✓ Currency Appreciation
- ✓ Stricter Environment Regulations
- ✓ Reduction in government subsidies
- ✓ Global players diversifying supplier risk



Thrust on Safety, Health and Environment (SHE)

Quality Certifications Ensure Consistent product quality and healthy working environment at manufacturing sites

-  ISO:9001:2015, ISO-14001:2015 and OHSAS18001:2007 for the manufacturing sites at Bhavnagar, Gajod, Tarapur and Silvassa; ISO:9001:2015 at Vapi
-  A8000 Certification for Social Accountability in Bhavnagar and Gajod
-  Efforts focused on reducing effluent load and effluent treatment cost, for staying innovative and competitive in the market
-  The quality of the products is maintained and upgraded to the applicable national and international standards through rigorous pursuit of Six Sigma initiative
-  Focused on energy conservation and energy cost reduction: 50% of total power requirement through wind and solar power generation plants
-  Expanding solar power plant capacity in line with towards green energy would also help in reducing dependence on outsourced power as well as in energy cost reduction
-  3R Principle: Recovery – Recycle – Reuse
-  Safety audit, training programmes and other safety management processes and programmes are carried out/conducted at regular intervals
-  All the manufacturing and warehousing sites of the Company are covered by safety audit



Abiding by SCC Japan's EHS Policies



Dr. Vikram Sarabhai award for developing green technology from department of Science and Technology, Government of Gujarat



Certificates of appreciation received ten times from jointly by Gujarat Safety Council and Dish



Government of Gujarat for achieving 10 lakh accident free man-hours



Certificates of merits received from jointly by Gujarat Safety Council and Dish Government of Gujarat for achieving 20 lakh accident free man-hours



Certificates of honour received two times jointly by Gujarat Safety Council and Dish Government of Gujarat for achieving 30 lakh accident free man-hours

Focus on purity, quality and timely delivery of products to the customer



Growth Strategies
&
Financial Performance

Growth Strategies

Performance Highlights

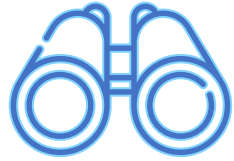
Profit & Loss Account

Balance Sheet

Cash Flow



Vision & Mission



Vision & Values

Vision:

- To be a trusted market leader in Indian crop-protection sector
- To develop a vibrant corporate culture
- Endeavor to achieve success and sustainability through innovation & excellence

Core Values:

- Innovation
- Excellence
- Integrity
- Respect & value all stakeholders
- Customer focus
- People focus
- Sustainability



Mission

Marketing and Sales:

Further penetration into Indian market & take leadership; expand exports

- Strengthen Sales Force, Distribution and Product Portfolio
- Strengthen Procurement Power
- Expand Manufacturing Functions
- Develop administrative efficiency while ensuring internal controls
- Full & Strict Compliances
- Value Creation for all stakeholders

Manufacturing:

- Supplying the most competitive products with safe and stable operation and meet demand

Management Support:

- Establishing the most efficient organization to support business growth and alignment with SCC



Growth Strategies



Continued Investment in R&D and Pipeline

- Aim to invest in seamless integration of R&D between SCIL and SCC units which would help improve our production processes, enhancing yields and efficiency
- Introduce new products as per market demand



Capacity Expansion

- Driving operational efficiencies maintaining highest safety standards and Responsible Care compliances
- Invest ~15% of consolidated EBITDA every year for upgradation of manufacturing facilities and capacity expansion to cater to strong domestic/global demand



Further Brand Development

- Investments for marketing of new and existing products and brands
- On-field demonstrations, training of farmers for building ground-level demand generation supported by digital marketing
- Focus on high margin brands
- 11 products registration in process to further improve capacity utilization including product level expansion



Development of Combination Products

- Pipeline of **9 new** combination products / pre-mixtures currently under development (5 insecticides, 2 fungicides, 2 PGR) & **2 Technical products** (1 Insecticide & 1 Herbicide) for manufacturing in India
- Introduction of new molecules in speciality segment leveraging SCC's support



Expand Export Business

- Enhance exports in regions like Africa and Europe
- Leverage SCC's Global supply chain and marketing network to drive exports

Achieving Market Leadership in India

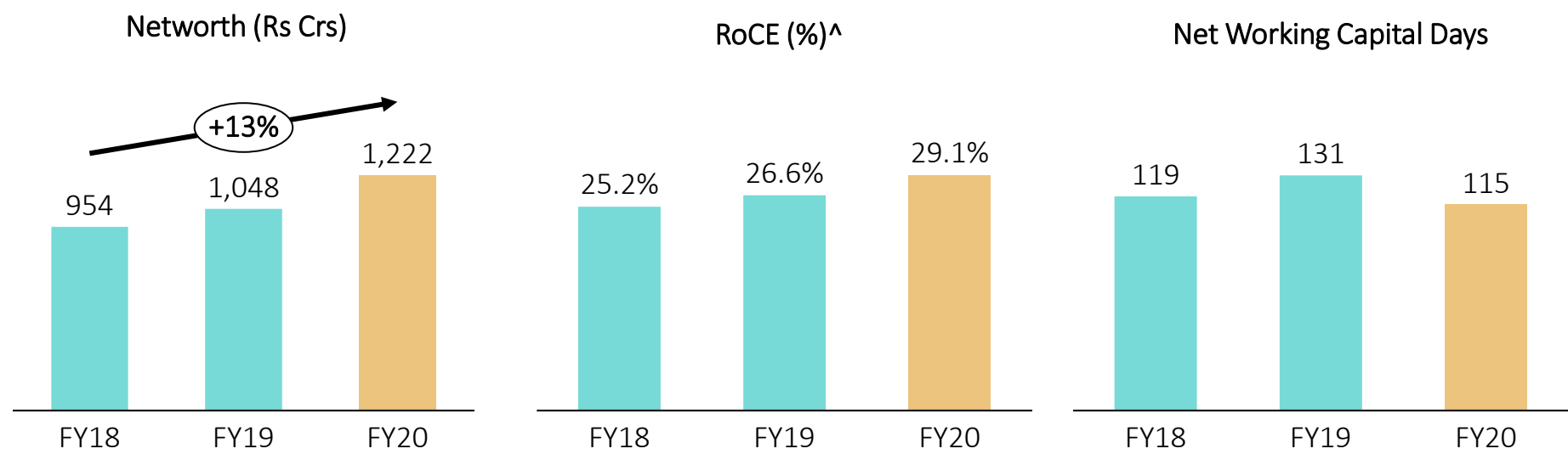
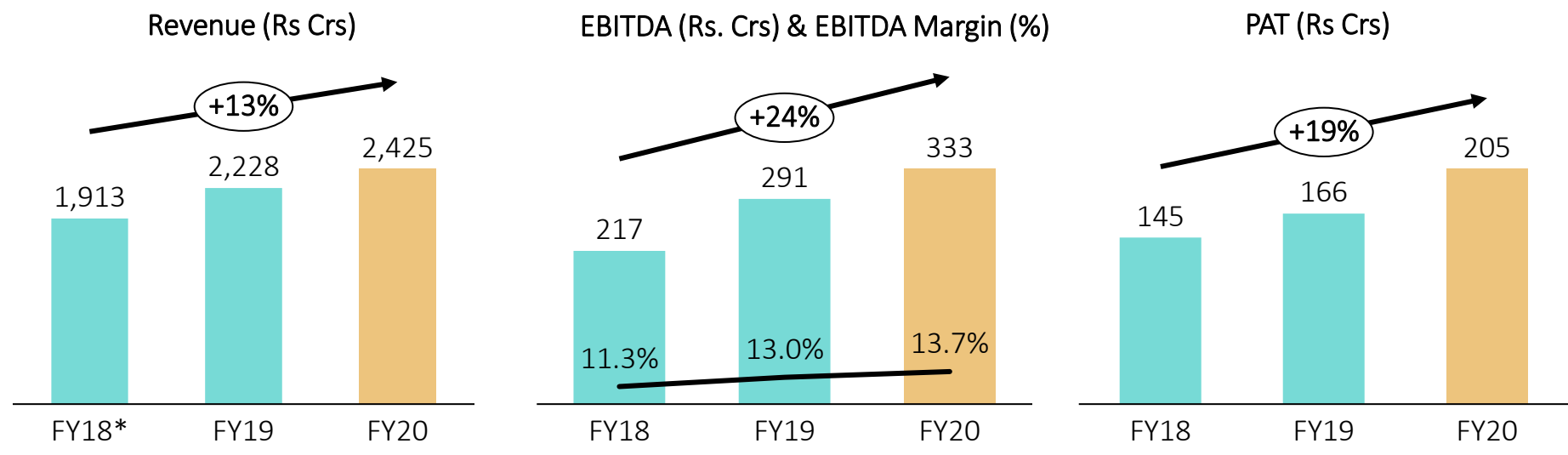
- Balanced portfolio of generic and speciality products
- Consolidate position as best agro-chemical marketer in India
- Strive for manufacturing excellence
- Set-up a strong management & team
- Lay the foundation for next generation leadership

Leverage expertise in successful product launches and capacity expansions to fuel future growth





Performance Highlights



- ✓ Combined entity ~2x in size
- ✓ Net debt free balance sheet
- ✓ Strong margin profile maintained
- ✓ Additional upside to be realized on account of synergies

1. Given the seasonality in the business, it is best monitored on an annual basis since a significant portion of revenue & PAT is recorded in the first half of the year

2. Appointed date for merger of ECC and SCIL is 1st Apr'18

*Revenue is Net of Excise Duty. ^ ROCE = {EBIT / (Net Worth + Borrowings - Cash and Cash Equivalent)}



Consolidated Profit & Loss Account Statement

Particulars (Rs. Crs)	FY20	FY19	FY18
Net Revenue from Operations	2,424.8	2,228.4	1,912.9*
COGS	1,607.7	1,458.9	1,238.7
Gross Profit	817.1	769.6	674.2
Gross Profit %	33.7%	34.5%	35.2%
Employee Expenses	179.3	158.4	147.5
Other Operating Expenses	304.7	320.5	309.6
Operating EBITDA	333.1	290.7	217.1
EBITDA Margin	13.7%	13.0%	11.3%
Other Income	10.7	7.6	23.7
Depreciation	41.0	27.8	30.5
EBIT	302.8	270.5	223.8
EBIT Margin	12.5%	12.1%	11.7%
Interest	5.5	3.7	2.8
Profit Before Tax	266.4	259.8	221.0
PBT Margin	11.0%	11.7%	11.6%
Tax	61.8	94.0	75.8
Net Profit	204.7	165.8	145.1
Net Profit Margin	8.4%	7.4%	7.6%
Other Comprehensive Income	-5.1	0.1	5.1
Total Comprehensive income for the period	199.5	165.9	150.2
EPS	4.1	3.3	2.9

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* Revenue net of Excise Duty



Consolidated Balance Sheet

Assets (Rs. Crs)	Mar-20	Mar-19	Mar-18
Non-Current Assets	360.6	318.3	312.7
Property, Plant and Equipment	282.9	277.2	264.8
Capital work-in-progress	6.5	3.2	4.5
Right to use an Asset	34.9	-	-
Other Intangible Assets	1.7	2.1	1.9
Intangible Assets under Development	3.8	4.9	4.3
Financial Assets			
(i) Investments	0.1	0.1	0.1
(ii) Loans	5.3	7.6	7.3
Non-Current tax Assets (net)	20.2	18.8	24.8
Deferred tax Asset (net)	1.1	-	-
Other non-current Assets	4.2	4.4	5.1
Current Assets	1,745.6	1,541.7	1,345.7
Inventories	588.0	680.6	609.3
Financial Assets			
(i) Investments	86.0	-	-
(ii) Trade receivables	849.8	671.0	551.8
(iii) Cash and cash equivalents	92.6	50.5	73.5
(iv) Bank balances other than (iii) above	0.9	0.9	0.8
(v) Loans	7.9	5.1	3.7
(vi) Other financial assets	21.8	15.8	10.4
Other Current Assets	98.6	117.8	96.3
Total Assets	2,106.2	1,860.0	1,658.4

Equity & Liabilities (Rs. Crs)	Mar-20	Mar-19	Mar-18
EQUITY	1,221.8	1,048.4	954.0
Equity Share Capital	499.1	274.6	274.6
Other Equity	722.6	773.8	679.4
Non-current liabilities	44.5	30.2	32.5
Financial liabilities			
Lease Liabilites	19.4	-	-
Provisions	25.1	15.6	12.7
Deferred tax liabilities (net)	-	14.6	18.1
Non-current Tax Liabilities	-	-	1.7
Current liabilities	839.9	781.3	671.9
Financial liabilities			
(i) Borrowings	-	19.7	10.1
(ii) Trade Payables	490.9	480.8	527.3
(iii) Lease Liabilites	16.2	-	-
(iii) Other financial liabilities	235.4	179.2	55.6
Other current liabilities	80.2	87.2	70.1
Provisions	9.7	2.5	2.3
Current tax liabilities	7.4	12.0	6.6
Total Equity & Liabilities	2,106.2	1,860.0	1,658.4

1. Given the seasonality in the business, it is best monitored on an annual basis since a significant portion of revenue & PAT is recorded in the first half of the year
 2. Appointed date for merger of ECC and SCIL is 1st Apr'18



Consolidated Cash Flow Statement

Cash Flow Statement (Rs. Cr)	Mar-20	Mar-19	Mar-18
Net Profit Before Tax	266.5	259.8	221.0
Adjustments for: Non-Cash Items / Other Investment or Financial Items	45.7	18.6	9.6
Operating profit before working capital changes	312.2	278.5	230.6
Changes in working capital	-9.4	-112.7	-100.0
Cash generated from Operations	302.8	165.8	130.6
Direct taxes paid (net of refund)	81.4	88.1	83.1
Net Cash from Operating Activities	221.4	77.7	47.4
Net Cash from Investing Activities	-117.9	-35.3	-39.6
Net Cash from Financing Activities	-61.4	-65.4	7.2
Net Increase /(Decrease) in Cash and Cash equivalents	42.2	-23.1	15.0
Add: Cash & Cash equivalents at the beginning of the period	50.5	73.5	58.6
Cash & Cash equivalents at the end of the period	92.6	50.5	73.6

1. Given the seasonality in the business, it is best monitored on an annual basis since a significant portion of revenue & PAT is recorded in the first half of the year
2. Appointed date for merger of ECC and SCIL is 1st Apr'18



Awards & Accolades



Jamnalal Bajaj Award for “*Fair Business and Practices*”



First ever president’s gold shield for import substitution



First award for export of organic and inorganic chemicals



ICMA award for innovation and purposeful programs for social progress



First Sir P.C. Ray award for development of products and process with indigenous technology



Punjab Haryana Delhi Chamber of Commerce and Industries award for ethical business



Winner active ingredient trophy and certificate from M/s. Bayer



Trishul award for the excellent performance for exports in international markets



Shramveer award for improvement of product efficiency received from national level Delhi



Vishwakarma Rashtriya Puraskar received for process development



National Safety Award by Labour Ministry, Government of India for safety performance



Shramveer Award to employees from Labour Ministry, state level received six times



Shram Bhushan Award to employees received five times



Shram Ratna to employees, received seven times



Shram Shri award to employees received three times



Gujarat State Safety Certificate for safety commitment



Key Takeaways

Formidable Player in the Indian Agro-chem Space

- Strong / leadership position across products and processes
- Ability to develop new combination products (9 under registrations and additional under development)

Experienced Management Team and Board of Directors

- Strong management and autonomous Board with vast experience and domain expertise
- Localized experience enables better understanding of market needs to drive growth

Well-diversified Product Portfolio Across Agro-Chem Value Chain

- Multi-product, multi-geography, multi-customer de-risking
- Access to an impressive range of own actives along with significant exposure towards speciality products resulting in product offerings at all price points serving multiple customers sub-segment

Strong Brand and Well-Entrenched Distribution Network

- 23 states, 68 depots, 13,000+ distributors, 40,000+ dealer network
- High credibility and brand recall amongst farmers and the trade on account of transparent and ethical business dealings

To Benefit from Strong Parentage of SCC Japan

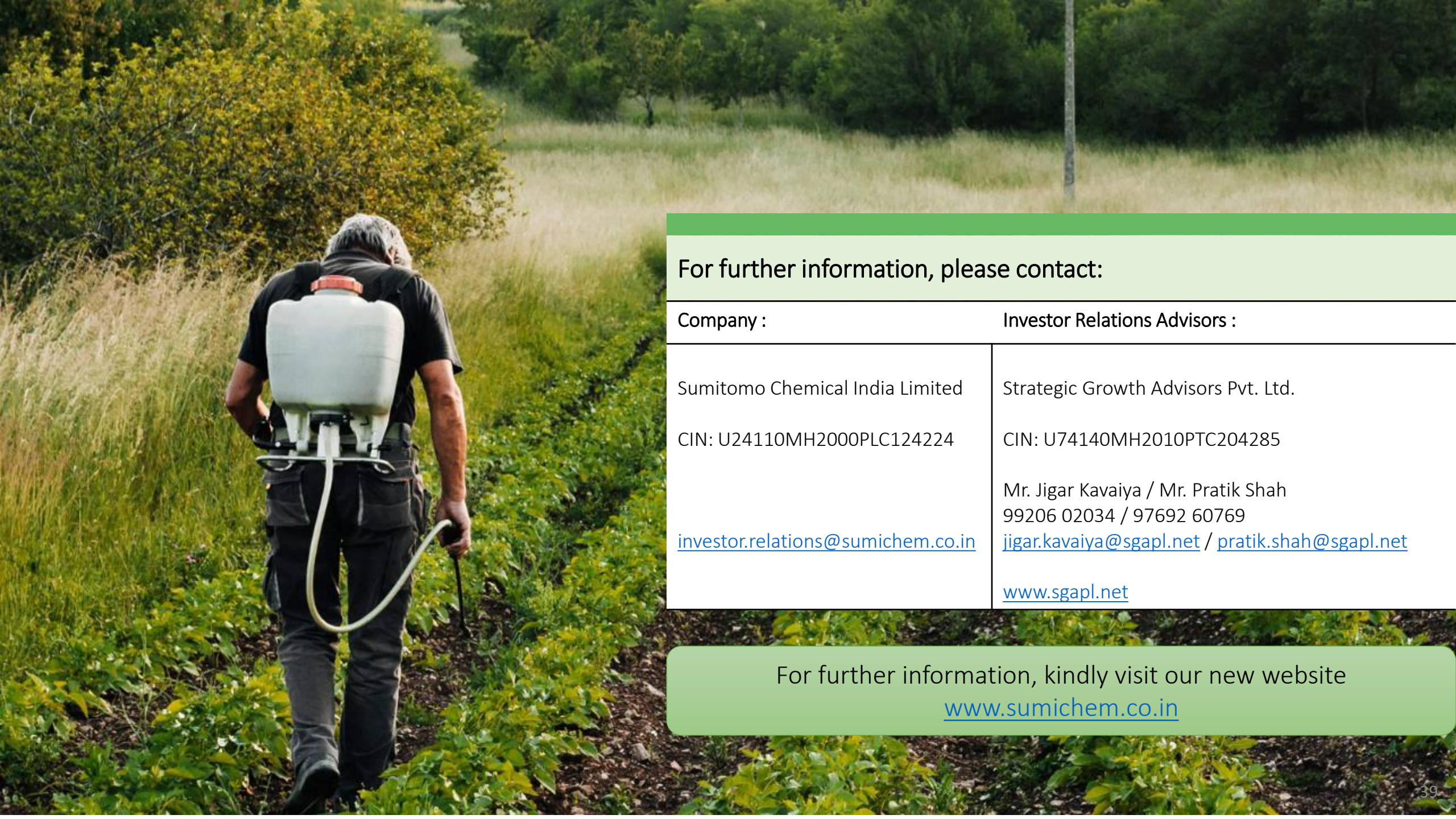
- Benefits from international standing of SCC Japan; most well revered brand renowned for its quality
- Access to SCC's global supply chain and global R&D activities (one of the largest spenders) resulting in development of actives and broad range of formulation research

State-of-the-art Manufacturing and R&D Facilities

- Operates five manufacturing facilities with state-of-the-art plants at strategic location which helps reduce logistic time and costs
- Capacity not a constraint allowing for significant growth on existing investments
- Holds 27 patents and further 9 applications filed

Strong Track Record of Driving Growth

- Grown 10X over FY11-19 driven by organic and inorganic expansion; 11% CAGR for merged entity (including Excel Crop Care) over the same period
- Debt free balance sheet with strong return ratios



For further information, please contact:

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