

AIMCO PESTICIDES LIMITED

(AN ISO 9001 : 2015, 14001 : 2015, 45001 : 2018 CERTIFIED)

H. O.: "AIMCO HOUSE", 8th Road, P.B. NO. 6822, Santacruz (E), Mumbai - 400 055. (India)

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E-mail : aimco@aimcopesticides.com • Web Site : www.aimcopesticides.com

CIN NO. L 24210MH1987PLC044362



May 30, 2022

Ref.: APL/CO/BSE/08/2022-23

To,
The Manager
The Department of Corporate Services
BSE Limited
P. J. Towers, First Floor,
Dalal Street, Mumbai - 400 001

Dear Sir / Madam,

Subject: Investor Update

Reference: Aimco Pesticides Limited (Scrip Code - 524288)

Please find enclosed herewith the copy of the Investor Update of the Company highlighting the performance and recent developments of the Company.

This is for your information and record.

Thanking You.

For Aimco Pesticides Limited



Anuradha Matkar
Company Secretary and Compliance Officer
ACS No. 57570

Encl.: a/a



AIMCO PESTICIDES LIMITED
Regd. Office : B1/1, M.I.D.C. Industrial Area, Lote Parshuram, P.B. No. 9,
Village Awashi, Dist. Ratnagiri - 415 707, Maharashtra
Phone : (02356) 272136 / 272137 / 272138



AIMCO Pesticides Limited

Q4FY22 Earnings Presentation, May 2022

BSE – AIMCOPEST | 524288

Bloomberg : AIM:IN

AIMCO PESTICIDES



AIMCO PESTICIDES LTD.

AIMCO

Q4FY22 Financial Statement Summary

Consolidated Profit and Loss Summary

(In ₹ Crores)

Particulars	Q4FY22 Unaudited	Q3FY22 Unaudited	Q4FY21 Unaudited	Y-o-Y %
Revenue from Operations	76.88	100.81	46.08	66.8%
Total Income	77.11	100.58	47.09	63.7%
Total Operating Expenses	72.14	93.84	46.95	53.7%
EBITDA	4.73	6.97	-0.87	644.3%
EBITDA	6.2%	6.9%	-1.9%	+805 BPS
Interest Cost	0.24	0.36	0.74	-68.0%
Depreciation & Amortisation	0.84	0.70	0.56	49.6%
Profit Before Taxes	3.66	5.92	-2.17	268.3%
Profit After Taxes	2.63	4.29	-1.77	248.3%
EPS	2.74	4.47	-1.85	248.3%

67%



Q4FY22 Revenue from Operations at INR 76.88 Crore as compared to INR 46.08 Crores in Q4FY21

644%



Q4FY22 EBITDA at INR 4.73 Crores as compared to INR -0.87 Crores in Q4FY21

268%



Q4FY22 PAT at INR 2.63 Crores as compared to INR -1.77 Crores in Q4FY21

Click here to view Financial Results: <https://www.bseindia.com/xml-data/corpfiling/AttachLive/8a15e48c-236a-49e9-b281-4c61f5e47523.pdf>




FY22 Financial Statement Summary

Consolidated Profit and Loss Summary

(In ₹ Crores)


Particulars	FY22 Audited	FY21 Audited	Y-o-Y %
Revenue from Operations	311.99	175.69	77.6%
Total Income	312.83	178.74	75.0%
Total Operating Expenses	293.26	165.91	76.8%
EBITDA	18.73	9.78	91.5%
EBITDA	6.0%	5.6%	+44 BPS
Interest Cost	1.47	4.39	-66.4%
Depreciation & Amortisation	2.74	2.20	24.8%
Profit Before Taxes	14.52	3.19	354.5%
Profit After Taxes	10.66	2.10	407.7%
EPS	11.12	2.19	407.8%

78% 

FY22 Revenue from Operations at INR 311.99 Crore as compared to INR 175.69 Crores in FY21

92% 

FY22 EBITDA at INR 18.73 Crores as compared to INR 9.78 Crores in FY21

408% 

FY22 PAT at INR 10.66 Crores as compared to INR 2.10 Crores in FY21

Click here to view Financial Results: <https://www.bseindia.com/xml-data/corpfilings/AttachLive/8a15e48c-236a-49e9-b281-4c61f5e47523.pdf>



Q4 & FY22 Performance Discussion

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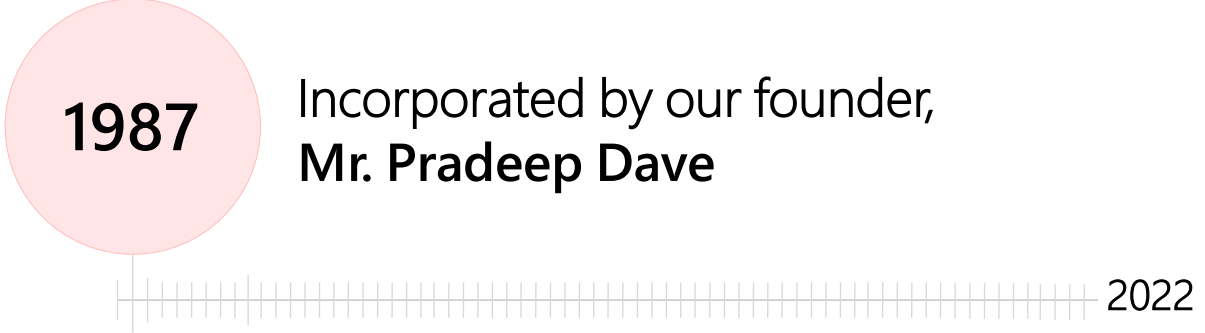
Performance
Discussion

Management Commentary

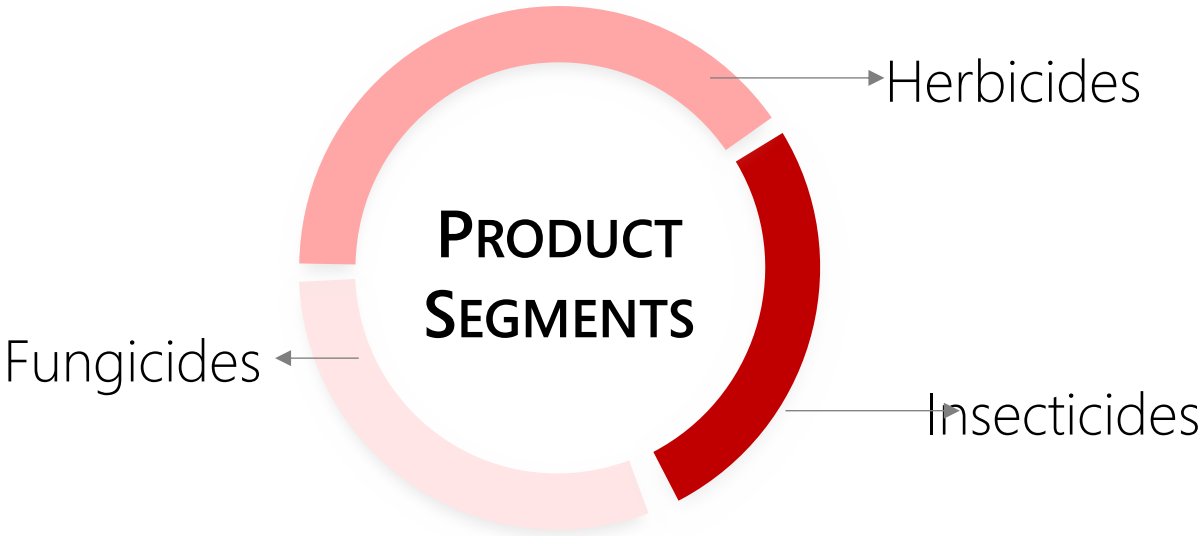
- AIMCO has delivered another robust quarter. Revenue from Operations for the quarter stood at ₹76.88 crores in Q4FY22, a growth of 66.8% YoY. On a sequential basis, the top line decreased by 23.7%. However, that is primarily due to two reasons:
 - a. A higher base of Q3FY22 due to some trading sales in the previous quarter
 - b. Some maintenance production shutdowns in Q4.
- As a result, profitability for the quarter reduced marginally, with EBITDA margins at 6.2% in Q4FY22 compared to 6.9% in Q3FY22.
- On an annual basis, the Company has reported its highest-ever sales at ₹311.99 crores, significant growth of 77.6% over the previous year. This has been driven by increased production levels via debottlenecking exercises, the addition of contract manufacturing sales and better product realisation. The Company will continue to build on this as it plans to further expand its capacities through debottlenecking in the coming two quarters. On the profitability front, annual EBITDA margins were at 6.0% compared to 5.6% in the previous year. The demand outlook for the coming year is good.
- Inventory levels remain high for imported RM to avoid any production disturbances and in anticipation of higher production in the coming year. Nonetheless, the Company is efficiently managing its working capital, and Cash Flow from Operations during FY22 has been superior. With the onset of the new financial year, the Company has also refinanced its working capital limits with a new banker and optimised its borrowing cost.
- On the logistics front, challenges are again emerging with congestions in Chinese ports, rising lead times and increasing freight costs. However, the Company is better placed to pass on these costs as compared to the last two years. The Company is constantly assessing & preparing for such circumstances.
- This year, on the operational front, the Company increased its production capacity to 4,500 tonnes from 3,000 tonnes in the previous year. Further, with CAPEX plans in the pipeline, this is expected to be increased to 6,000 tonnes in the coming two quarters. The Company also plans to ramp up its Capital Expenditures in FY23, apart from the capacity increase, in projects such as material storage facilities (especially solvent storage) and utilities.



Introduction



Incorporated in 1987 by our founder **Mr. Pradeep P Dave**, Aimco Pesticides Limited (APL) is a key player in the Indian Agrochemicals space



The company is into manufacturing, marketing & exporting technical grade chemicals & formulations of Insecticides, Fungicides and Herbicides.



Strong Export Presence

Strong export presence with business in **~45 countries globally**

3-Start Government Recognized Export House

Recognised for its acumen in Technical grade chemicals



In its vast history spanning over 4 decades, the company has been ***credited with introducing & commercializing many Agrochemicals in India.***

→ **First Indian company to manufacture Chlorpyrifos & Triclopyr**

First Indian company to manufacture Chlorpyrifos & Triclopyr Technical in India; right after Dow Chemicals (USA).

→ **Second Indian company to manufacture Imidacloprid after Bayer India**

History and Evolution

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Pesticides
Limited

Investor
Presentation

History &
Evolution

01



Incorporation & early history

- Established in 1987
- Listed on BSE in 1993
- Setup a centralized manufacturing unit in Lote Parshuram in 1993
- 1st Indian company to manufacture & commercialize Chlorpyrifos technical in 1993
- Commenced exports in 1995
- Established R&D centre recognized by Department of Science & Technology, GOI since 1996
- 1st Indian company to manufacture & commercialize Triclopyr technical in 2001

02



Debt restructuring & operational turnaround

- RoCE depleted in existing investments due to excessive competition in key products
- Chlorpyrifos turned unprofitable, with more than a dozen plants in the country manufacturing it at one point in time
- Domestic formulations business under-stress due to severe and continuous droughts in 1998-2000
- This all led to low profitability, and an inability to service debt. Debt accumulated due to unapplied interest being converted into term loans.
- In between FY10-14, the company underwent restructuring, offered OTS to banks, completed debt restructuring and turned debt-free by the end of FY2014

03

Turning profitable and building a foundation

- Post restructuring, the first objective was to turn & stay profitable at all levels
- Company remained agile, utilizing every available business opportunity to turn profitable and rebuild reserves
- Undertook major maintenance & upgradation at Lote Parshuram Facility between FY16-20
- Established a strong footing
- Re-focused on returning to core competence and scale manufacturing of technical grade chemicals
- Introduced Bifenthrin technical in 2017
- Announced its first multi-year contract manufacturing deal in 2021





Corporate Ethos

Mission

To the **serve the farmer** at the very grass root level, by enhancing farm yields using our understanding and respect for the natural ecological processes

Vision

To be peerless among the stalwarts of the agrochemical industry, by offering the very best of agro-inputs to the farmer, through constant innovation and tailor-made solutions that provide the highest levels of customer satisfaction sustainably.

Environmentally Conscious

The company has recently pledged to attain **ZERO LIQUID EFFLUENT** discharge status in next 5 years.



Recent CSR Activities

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CSR Activities



- Contribution of a A15 Random access Biochemistry Analyser at Brahma Kumaris' Global Hospital and Research Centre
- Contribution at Boys Hostel run by Rotary Club of Bombay Airport

CSR Activities



As part of its CSR Program, Aimco Pesticides Limited has funded the construction of a new school building with superior infrastructure and advanced facilities for a Primary & Secondary Ashram School – Village Ganjad, Taluka Dahanu, District Palghar.



Aimco as of today



Business Segments

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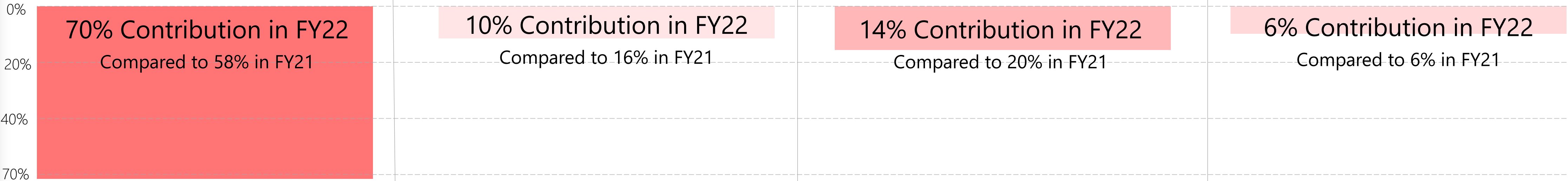
Business
Segments

Technical

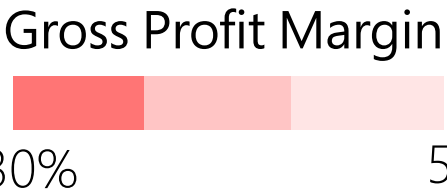
B2B Formulations

Branded Formulations

Trading



Sales Contribution



Primary Revenue Stream

Captive use to develop formulations & sales to formulators in India & abroad



Primarily in Australia, USA

Secondary Revenue Stream

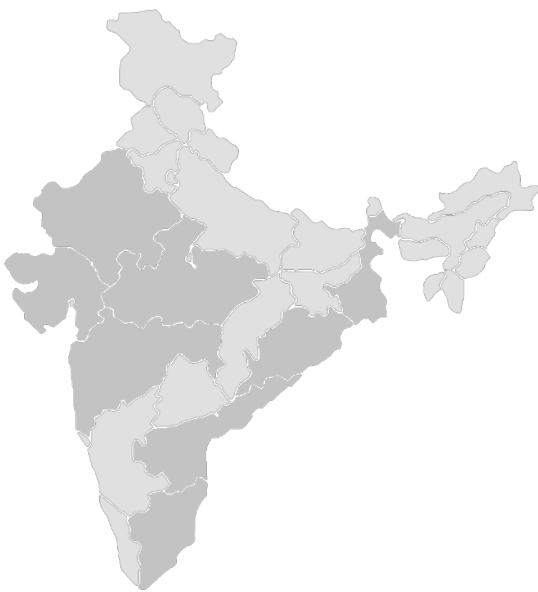
Formulations either sold in bulk packaging or in retail packaging.



Primarily in Brazil, Africa and Gulf Markets

Secondary Revenue Stream

Domestic sales of branded formulation directly to end-consumers (B2C) through our own distribution network



Primarily in West Bengal, Gujarat, Orrisa, Andhra Pradesh, Tamil Nadu, Madhya Pradesh, Maharashtra etc

Secondary Revenue Stream

Trading business in our product categories

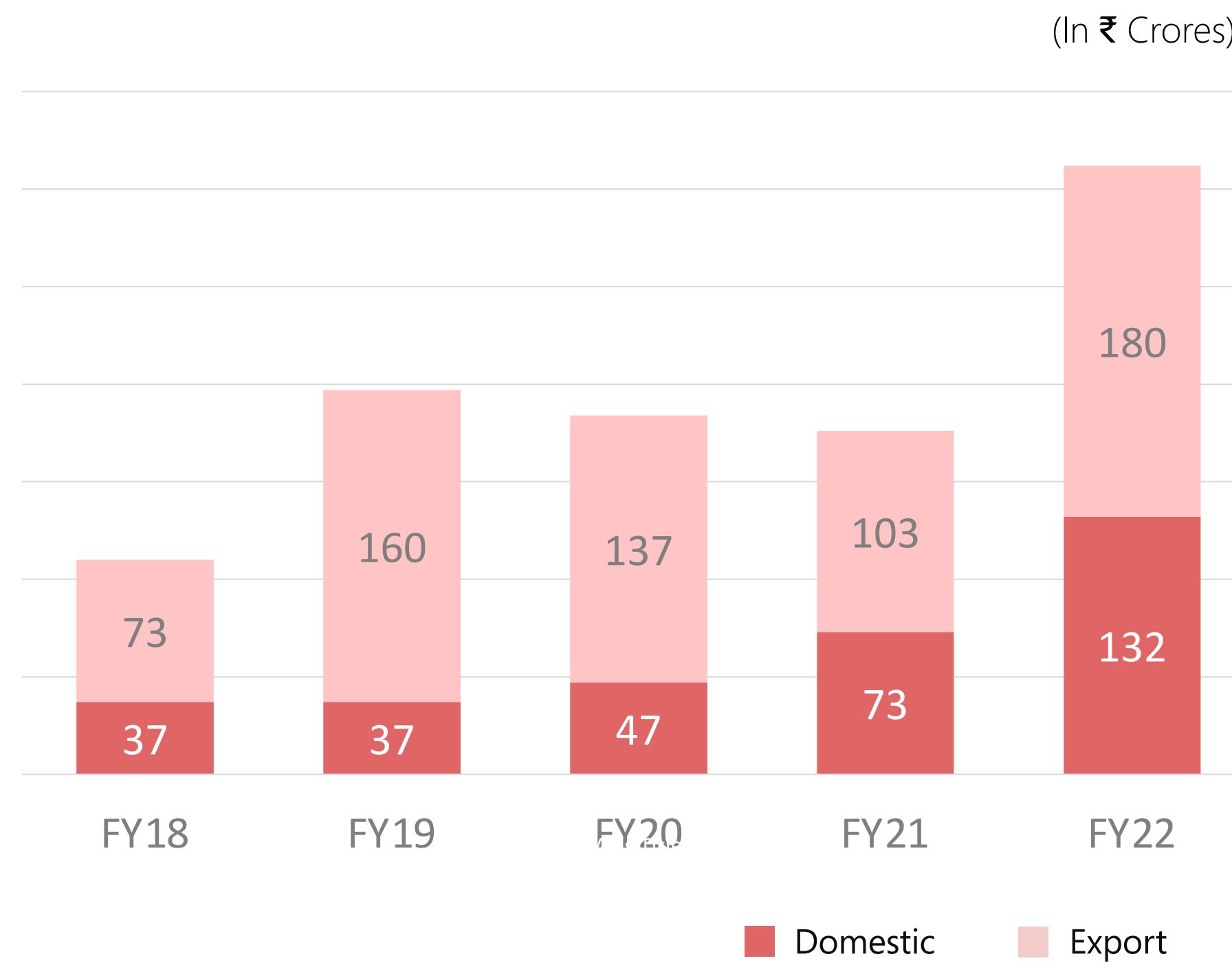
Revenue Mix

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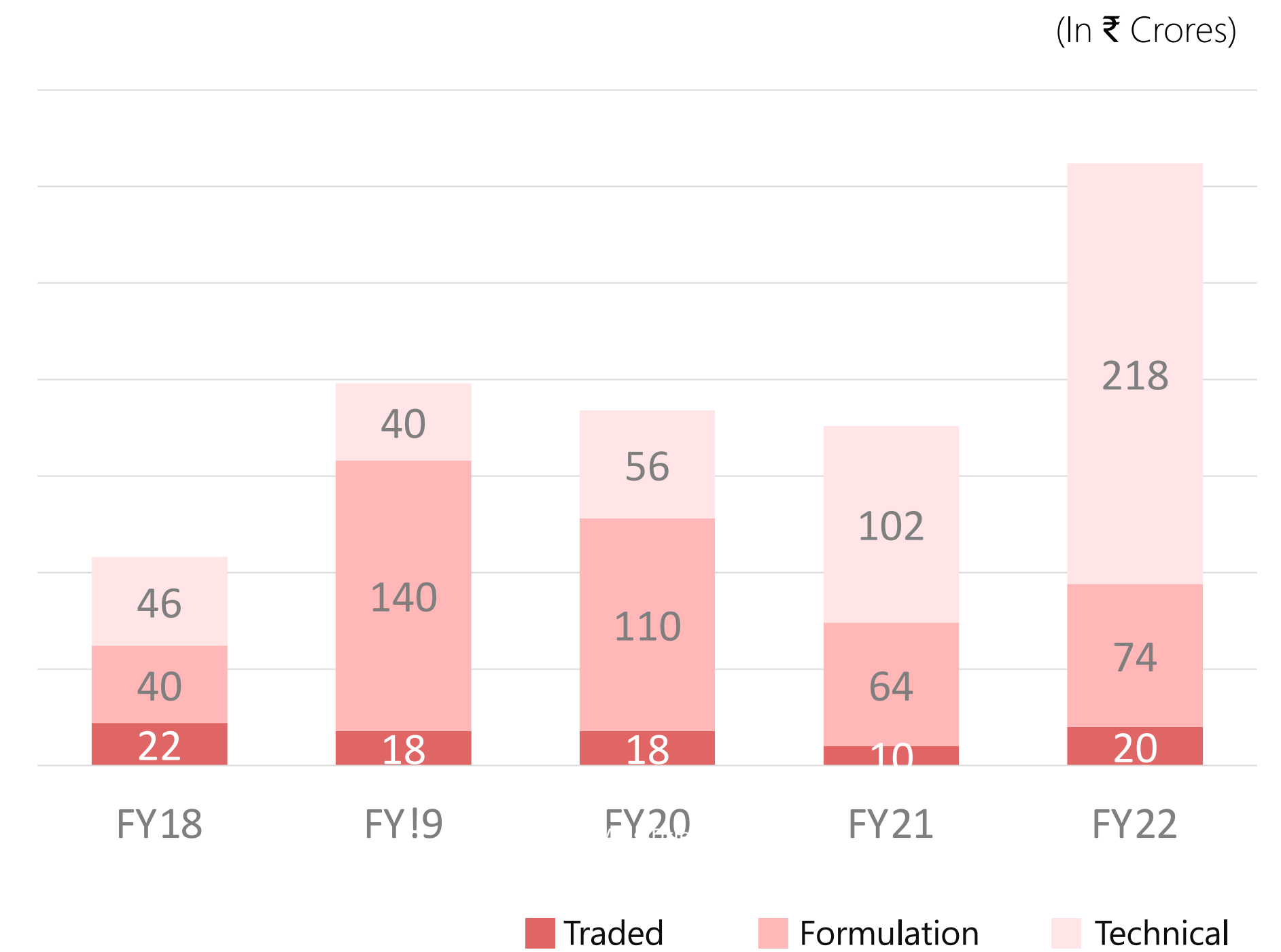
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Revenue
Mix

Geography Wise



Product Category Wise



* Figures Rounded Off



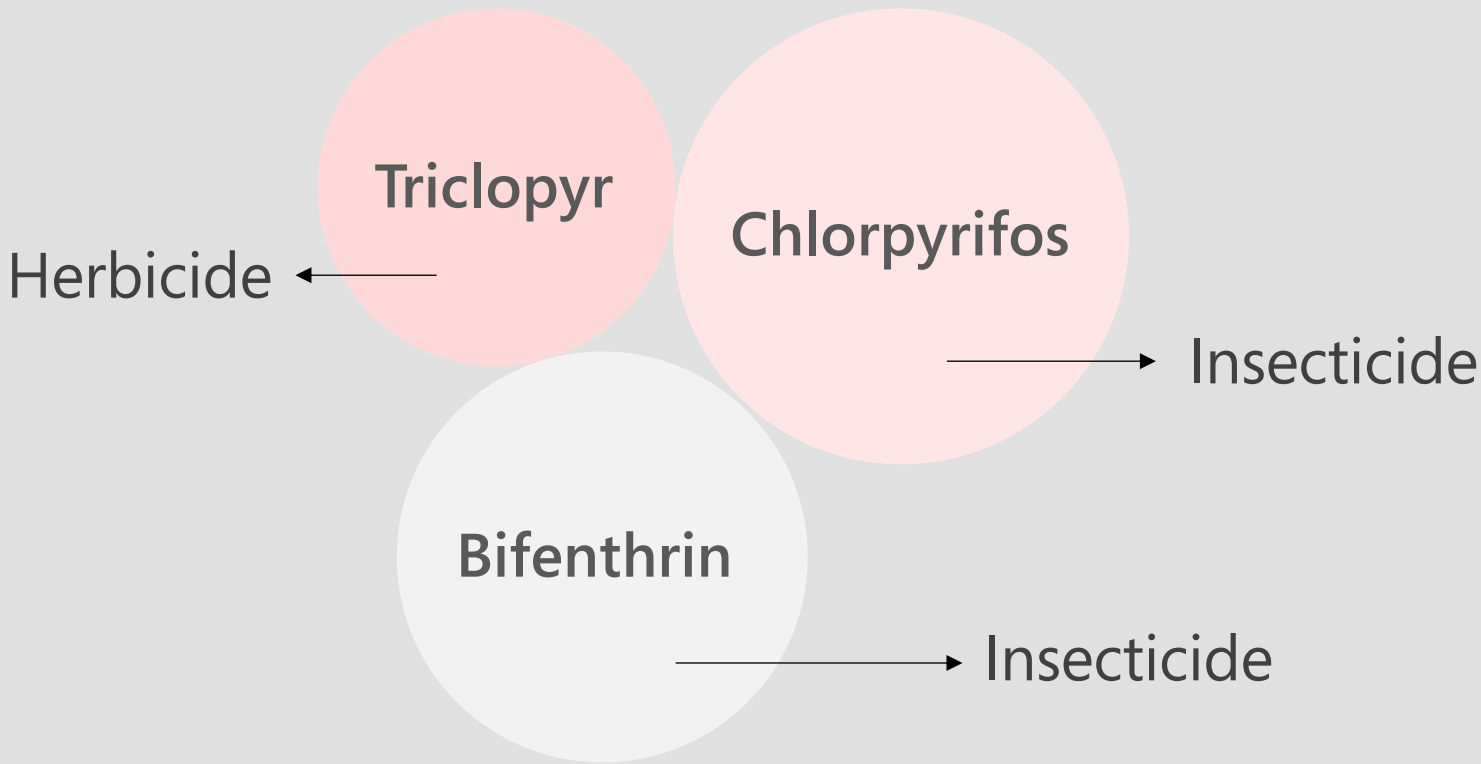
TECHNICAL



11 Technical Manufactured

Manufacturing about a dozen technical grade chemicals in Insecticides, Fungicides and Herbicides categories

Key Technical Grade Chemicals Manufactured

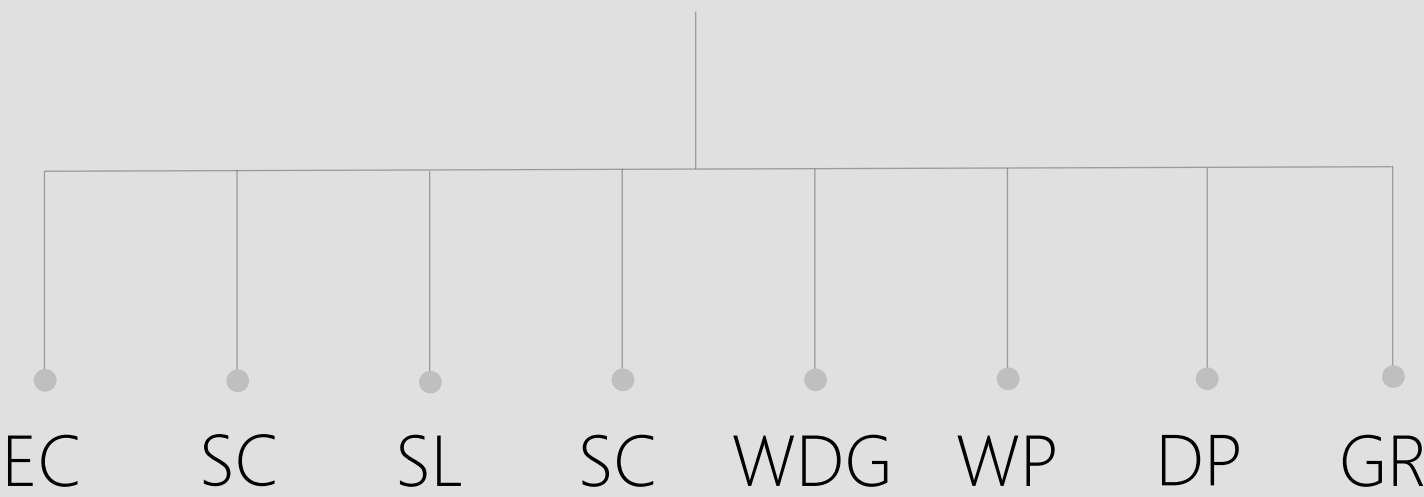


FORMULATIONS

90 Formulations manufactured

Manufacturing about 90 formulations (60 actively) for internally manufactured technical's or procured technical grade chemicals

Categories of Formulation's manufactured



Product Portfolio

Domestic Branded Business

300+ SKU's



Age Group
of brands –
2+ Decade

Top Selling Brands

- Anaconda
- Pyriban

Presence in *branded formulations*
since 1995 with a brief pause
between 2000-04

Management Outlook

The company is working towards adding new molecules in its portfolio while also expanding its geographical reach, with a strict focus on receivables



Undertaking *responsible*
& *cautious* growth in this
segment

Mode of Operation

1. Building sales offices
2. Appointing Distributors
3. Actively Marketing Products

38 

Dedicated marketing &
sales team for domestic
branded business – 38
personnel



Expanding Geographical Reach

The company is working towards **adding new molecules** in its portfolio while also **expanding its geographical reach**, with a strict **focus on receivables**



Branded Formulations

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BYKILL (Bifenthrin
2 EC, 2 G, 10 EC)



BYKILL (Bifenthrin
2 EC, 2 G, 10 EC)



PYRIBAN (Chlorpyrifos 20% EC)



PROFENOTOX
(Profenofos 50% EC)



AIMCO- DDVP
(Dichlorvos 6% EC)



Anaconda 505 (Chlorpyrifos
50%, Cypermethrin 5 EC)

Branded
Formulations



Manufacturing Facility



● Lote Parshuram,
Ratnagiri

The company operates out of one manufacturing facility located at **Lote Parshuram, Ratnagiri in the state of Maharashtra.**

Set up in 1993

This unit was set up in 1993, as a measure to centralize the manufacturing operations & enter technical manufacturing. Prior to 1993, the company had 4 formulations plant spread throughout the country.

23,000 sq. mt

This facility is located on a plot admeasuring ~23,000 Sq. Mt., with ~50% land available for further development



Fully equipped manufacturing facility.

Pilot Plant facilities with capability to carry out various reactions such as - distillation, dehydration, filtration, washing, etcetera.

Manufacturing both technical grade chemicals and formulations.

~250 Personnel



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Manufacturing
Facility



4,500 Tonnes

Annual Capacity of
Technical Products

7,000 Kilo Liters

Annual Manufacturing
Capacity of Liquid
Formulations

7,000 Tonnes

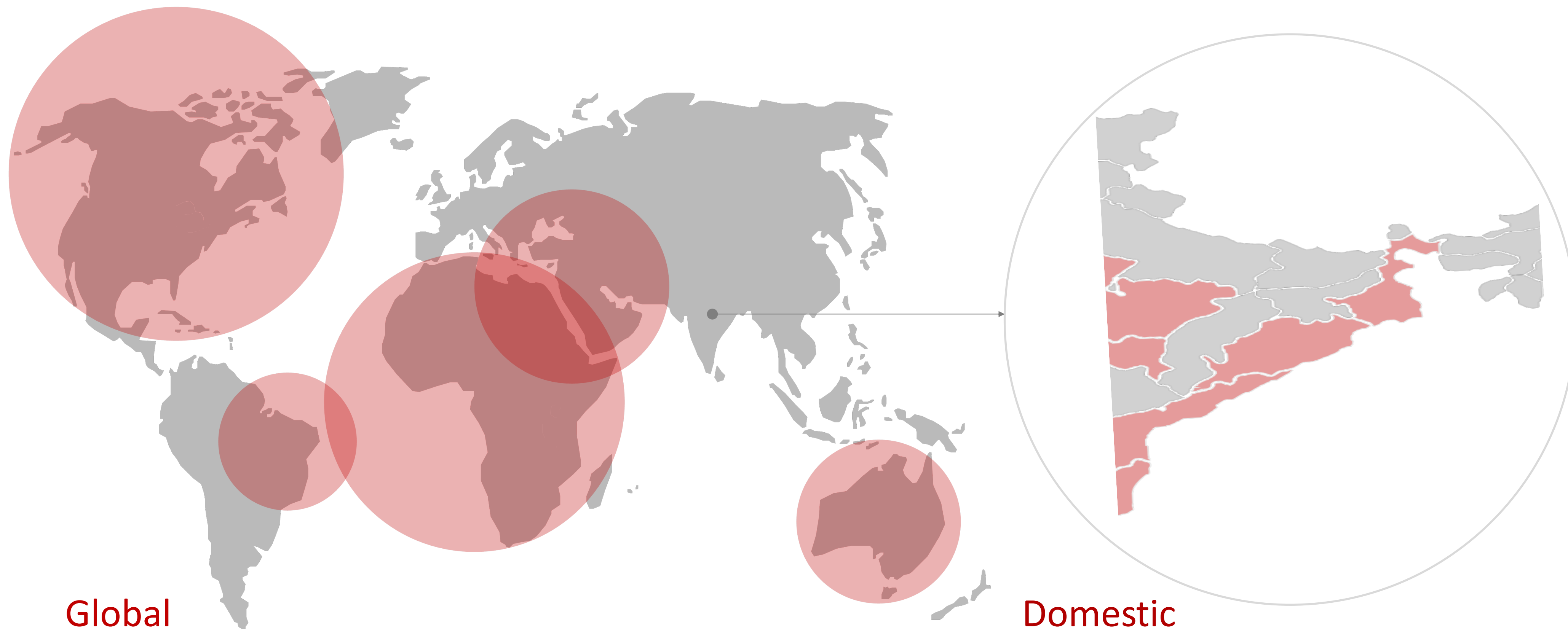
Annual Manufacturing
Capacity of Granules
Formulations

**Manufacturing
Capacity**

Geographical Footprint

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Global

~45 Exporting to **~45 Countries**
both developed and
developing markets.

1 International Sales Office

● Primary markets - North
American, Latin
American, African and
Australian continent.

Domestic

5 Domestic Branch Offices

~677 Active Distributors (Domestic & Abroad)

Geographical
Footprint



Aimco's Value Chain

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Aimco's
Value
Chain

1. Product & Process Identification

- First, focus is on our area of competence and expertise in the given chemistry, the process of manufacturing, etcetera.
- For future product additions (technical), only products with at least 30%-40% GPM are considered.
- Second preference is assigned to the acceptability and market-size of the given product in our key strongholds globally.
- Lastly, the product is shortlisted for further research and development.

2. Pilot Manufacturing & Data Collection

Data collection as per the requirements of the market in which the product is to be registered.

3. Product Registration

Registration either of the technical, formulation or both depending upon the requirement of the market. Product registration may take anywhere between 6 months to 5 years depending upon the country.

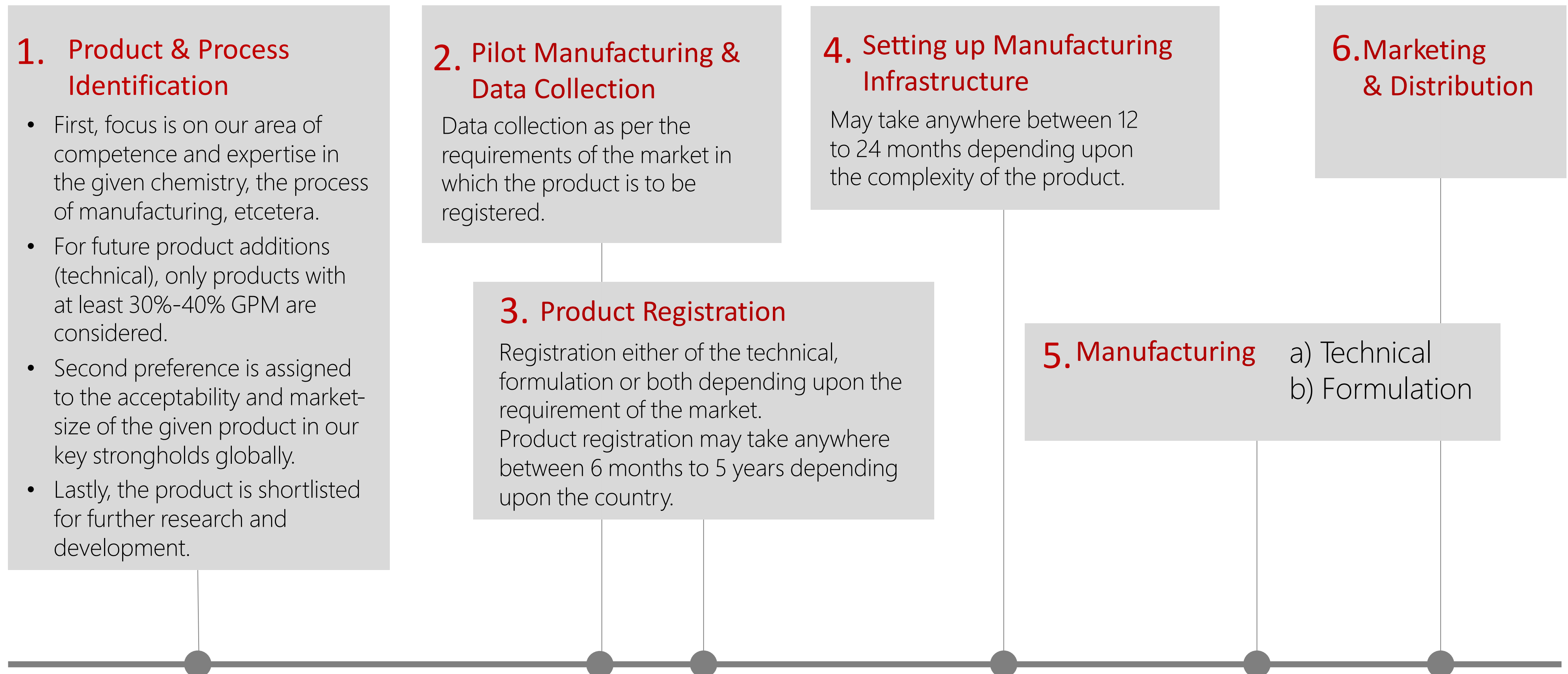
4. Setting up Manufacturing Infrastructure

May take anywhere between 12 to 24 months depending upon the complexity of the product.

5. Manufacturing

- a) Technical
- b) Formulation

6. Marketing & Distribution



Research & Development

Department Head

R&D department headed by Dr. Samir Dave

Certified R&D Centre

Department of Science & Technology, GOI certified R&D Centre at Lote Parshuram factory site, since 1996.

Team of 15 staff

A team of 15 chemists, scientists, and staff working in the R&D Department.

In-House R&D

Entirely in-house R&D developed products – Triclopyr Acid & Esters, Neo Nicotinoids Pesticides, among others.

Each of Aimco’s current commercial product is developed & commercialized using in-house R&D.

Expanding Portfolio

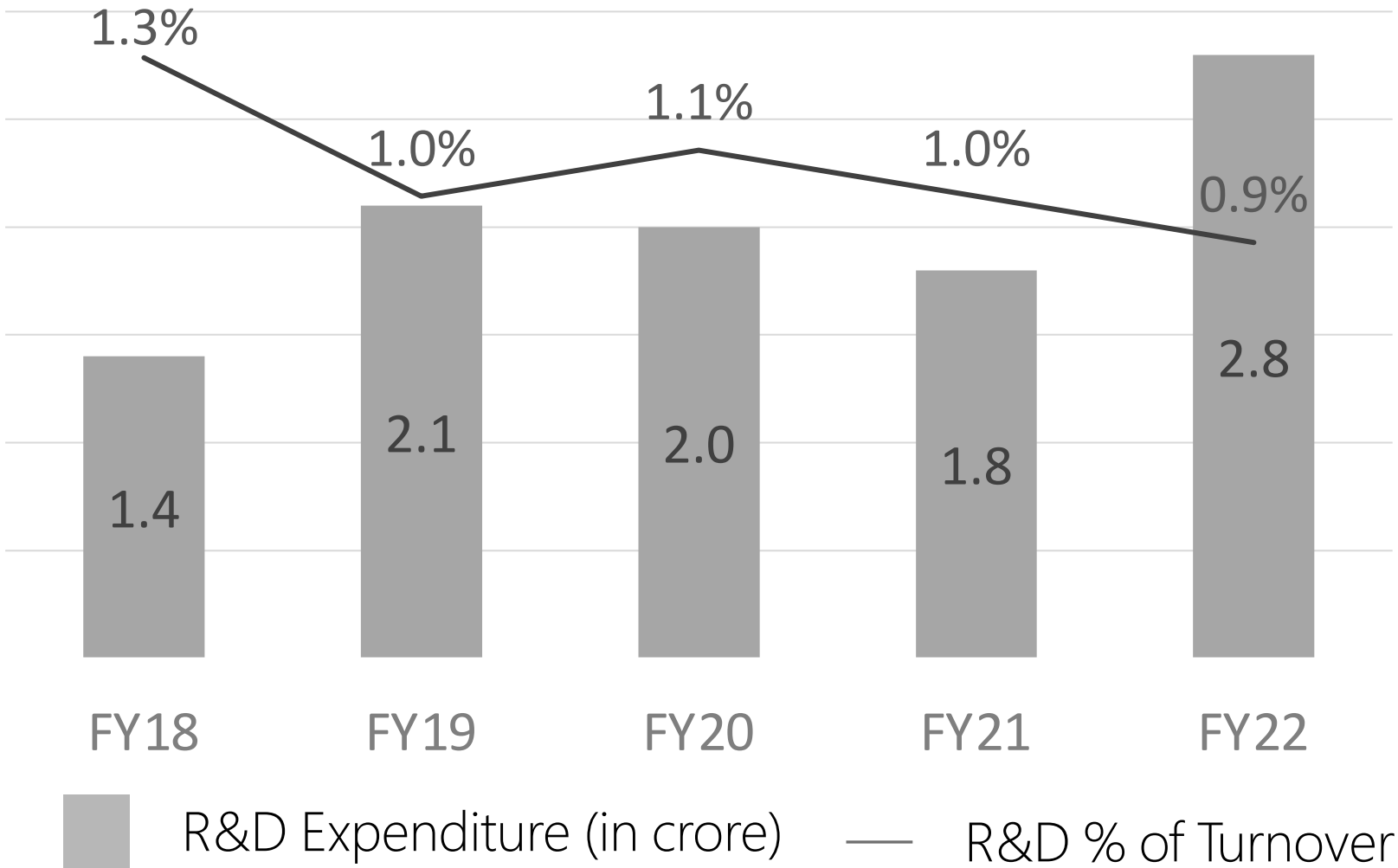
Actively working towards adding molecules and expanding Aimco’s technical grade chemicals portfolio.

Newer Formulations

Additionally, working on developing newer & innovative formulations.

R&D Focus

- Process development
- Technology to manufacture off patented products
- Process efficiency, higher productivity and cost reductions
- Product development
- Customized formulations



Management Team



Mr. Pradeep Dave
Founder & Executive Director

B.Sc. (Chemistry) from MU

Serves as the President of Pesticides Manufacturers & Formulators Association of India (PMFAI) for 24+ years

Chairman of the confederation of All India Small & Medium Pesticides Manufacturers Association (CAPMA)

Under his leadership APL became first Indian company to manufacture Chlorpyrifos & Triclopyr technical



Mr. Elizabeth Srivastav
Managing Director

Qualified in M.Sc. In Bio Chemistry from MU

Associated with the company since long and appointed as Managing Director in 2013

More than 30 years of experience in Agrochemicals industry

Handles International Business at APL



Dr. Samir Dave
Executive Director

Qualified Ph.D. in Synthetic Organic Chemistry from MU

20+ years of extensive experience in organic synthesis, research and process development.

Founder & Director of Agrocare – a global Agrochemical Association registered in Belgium. Also a board member of “Agriculture Skill Council of India”

Instrumental in introducing new molecules over the last decade.

Handles Production, Product Development, and Research & Development



Mr. Ashit Dave
Executive Director & CFO

Qualified B.Com, MEP – IIM Ahmedabad

Business executive with wide expertise in chemicals & agrochemicals industry

Looks after Finance, Administration, Commercial Aspects of Business



Board of Directors

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Board of
Directors

Mr. Dushyant Patel
Non-Executive
Independent Director

Mr. Dushyant D. Patel, aged 60 years, holds a degree in Electrical Engineering and possesses more than 25 years of experience in the various areas of business including investment, finance and marketing.

Mr. Ram Gopal Kaja
Non-Executive and
Independent Director

Mr. Kaja is a Chartered Accountant with wide experience in Finance and Corporate Legal matters.

Mr. Mayoora Amin
Non-Executive and
Independent Director

Mr. Amin has diversified work experience of more than 45 years in various areas like manufacturing and marketing of electronics, medical equipment, defence instruments, textiles in India as well as abroad. Mr. Amin had been a president of Bombay Industries Association in the year(s) 1995-96 and Rotary Club of Bombay Airport in the year(s) 2013-14. Mr. Amin was an honorary faculty of Bio-Medical Engineering at Bhagubhai Polytechnic, for a decade.

Mr. Suresh Bhatt
Non-Executive and
Independent Director

Mr. Bhatt has work experience of more than 50 years in the Agrochemical Industry. He is the Managing Director of Dinkal Agro Products Private Limited, a company that specializes in crop organic nutrition technologies and veterinary supplements. Mr. Bhatt is an esteemed executive leader who has been awarded the Udyog Rattan (1984) and Udyog Shree (1986) by the Government of India for his contributions to the industry. Mr. Bhatt has also served in various capacities on the Pesticides Manufacturer’s Association of India (PMFAI), one of India's premier agrochemical associations.



Aimco Going Forward





Identifying products for commercial development

In the last few years, since our operational turnaround, the company has been constantly focusing on adding newer molecules to its product portfolio.



Investing in product development, data collection and registration

After the initial development phase, the company is investing in data collection and product registration globally, which is a very time and capital-intensive procedure.



Expanding technical portfolio

The company has a principal focus on expanding its competencies in its technical grade portfolio. That is the area in which its strength lies.

Aimco is making continuous efforts to add:

- a) Products which would prove to be profitability **margin assertive** and;
- b) Have an **opportunity size bigger** than our current products.

Long Term Decisions



Outlook

Existing technical products	Additions in technical portfolio	CAPEX	Branded Domestic Formulations	Profitability
<p>The company is ramping up production and capacities for existing products. The contract manufacturing deal last year was a big success on this front. The company will be focusing on ramping up capacity to 6,000 tonnes in H1FY23 from existing 4,500 tonnes.</p>	<p>There are a few products under development in various categories such as Herbicides, Insecticides, and Plant Growth Regulators (PGR). Due to Covid-19 related disruptions export product registrations had slowed down. The company is expecting one new product to commercialize in FY23.</p>	<p>The company plans to ramp up capital expenditure in FY23 towards a) further capacity additions, b) investments in utilities and material storage facilities (especially solvent storage).</p>	<p>FY22 performance of Branded Formulations business was in line with expectations. The Company will scale up this business gradually with a strict focus on receivables.</p>	<p>The Company has come back on profitability front in FY22 despite adversities such as escalated freight costs, logistical challenges and disturbances in production due to ongoing expansion through debottlenecking. The Company expects to build on this performance in the coming year as well.</p>

Financial Statements and Market Statistics





Financial Statement Summary

Consolidated Profit & Loss Summary

(In ₹ Crores)

Particular	FY2022	FY2021	FY2020	FY2019
Revenue from Operations	311.99	175.69	185.24	197.25
Total Income	312.83	178.74	188.99	203.98
Total Operating Expenses	293.26	165.91	171.34	183.85
EBITDA	18.73	9.78	13.89	13.40
EBITDA %	6.0%	5.6%	7.5%	6.8%
Interest Cost	1.47	4.39	1.99	0.63
Depreciation and Amortisation	2.74	2.20	2.66	1.73
Profit Before Taxes	14.52	3.19	9.24	11.04
Profit After Taxes	10.66	2.10	6.65	7.72
EPS	11.12	2.19	6.94	8.05



Financial Statement Summary

Consolidated Balance Sheet Summary

(In ₹ Crores)

Particular	FY2022	FY2021	FY2020	FY2019
Shareholder’s Fund	50.49	40.80	38.66	35.09
Non Current Liabilities	2.31	4.73	4.44	2.25
Current Liabilities	114.19	87.39	87.05	63.02
Total	166.99	132.92	130.15	100.36
Non Current Assets	30.05	28.65	24.73	21.06
Current Assets	136.95	104.27	105.42	79.30
Total	166.99	132.92	130.15	100.36



Financial Statement Summary

Consolidated Cash Flow Summary

(In ₹ Crores)

Particular	FY2022	FY2021	FY2020	FY2019
Operating profit/(loss) before working capital changes	18.67	9.99	14.09	15.18
Net Cash (used in)/generated from operating activities	22.59	7.82	3.52	14.34
Net Cash (used in)/generated from investing activities	-8.90	-6.03	-5.07	-6.46
Net Cash (used in)/generated from financing activities	-13.48	-3.64	3.98	-1.78
Net Increase/(decrease) in cash and cash equivalents	0.21	-1.85	2.13	1.74
Cash and Cash equivalents at the beginning of the year	3.86	5.71	3.58	1.84
Cash and Cash Equivalents at the end of the year	4.07	3.86	5.71	3.58

Market Statistics

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Current Market Price	127.1
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52 Week High/Low	183.6/93.1
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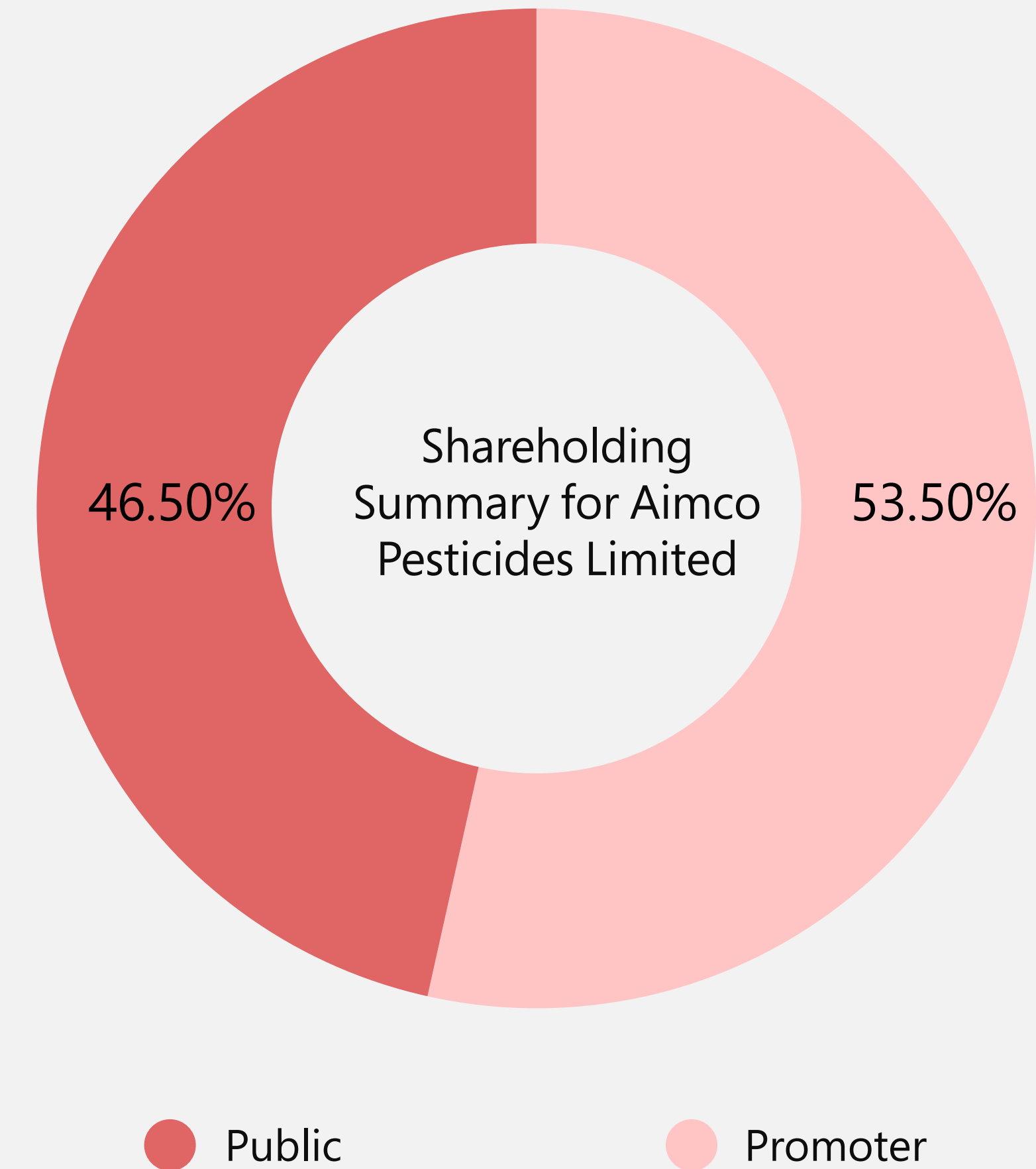
Market Capitalization	121.8 Cr
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Shares Outstanding	0.95 Cr
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BSE Scrip Code	524288
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Market Price Data as on 27th May, 2022

Shareholding Data as on 31st March, 2022



Get in Touch

Anuradha Matkar

Company Secretary & Compliance Officer

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investors@aimcopesticides.com



Sayam Pokharna

Investor Relations Advisor

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Harbor

