



PUNJAB CHEMICALS

AND CROP PROTECTION LTD.

CIN NO. L24231PB1975PLC047063

Regd. Office & Works

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Date: 6th February, 2024

BY E FILING

The Manager Department of Corporate Services BSE Limited MUMBAI-400 001 <u>Re: BSE Scrip Code: 506618</u>	The Manager Listing Department National Stock Exchange of India Limited MUMBAI-400 051 <u>NSE Scrip Symbol: PUNJABCHEM</u>
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Sub: Investor Presentation - Financial Overview – Q3 & 9M FY24

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Investor Presentation of the Company for the third quarter and nine months ended December 31, 2023.

We request you to take the above information on records.

Thanking you,

Yours faithfully

**For PUNJAB CHEMICALS AND
CROP PROTECTION LIMITED**

**RISHU CHATLEY
COMPANY SECRETARY
& COMPLIANCE OFFICER
(ACS 19932)**

Encls: a/a



**PUNJAB CHEMICALS
AND CROP PROTECTION LTD.**

ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 Certified Company



**Q3 & 9M FY24
Result Presentation
February 2024**

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Table of Contents



- 01**  **Result Highlights**
- 02**  **Company Overview**
- 03**  **Business Strategy**
- 04**  **Agrochemicals Industry Overview**
- 05**  **Performance Track Record**



Result Highlights

Q3 FY24

₹ 214 Cr
Revenue

₹ 26 Cr
EBITDA

₹ 11 Cr
PAT

9M FY24

₹ 738 Cr
Revenue

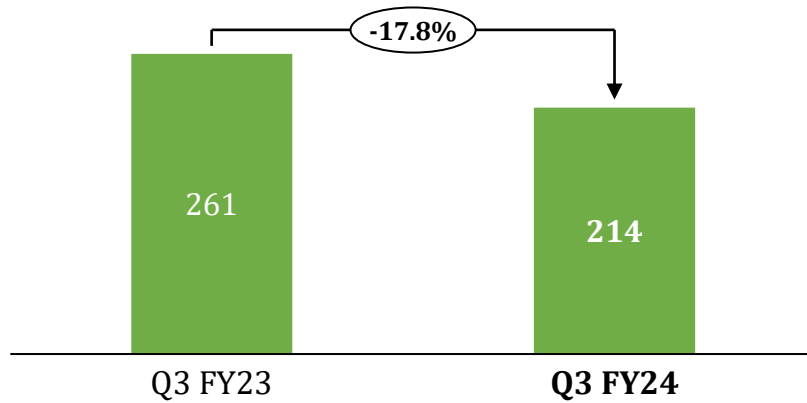
₹ 100 Cr
EBITDA

₹ 51 Cr
PAT

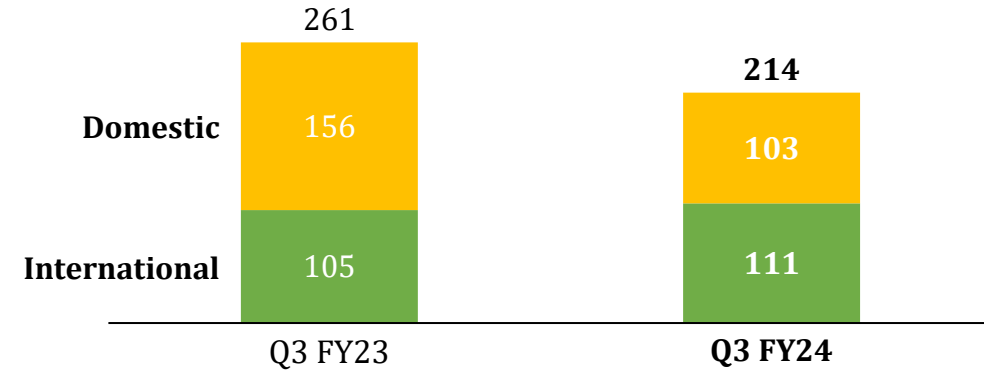
- Registered a **Revenue of ₹ 214 Cr** in Q3 FY24 and for 9M FY24 at **₹ 738 Cr**, pricing pressure in certain markets led to discounted sales.
- **Gross Margin** at **41.4%** for the quarter increased by **500 bps YoY**, whereas for **9M FY24** stood at **38.8%**, attributable to improved product mix.
- **EBITDA** for Q3 FY24 stands at **₹ 26 Cr**, de-growth of **25.6% YoY**, and for 9M FY24 at **₹ 100 Cr**. Higher power, fuel and freight costs contributed to increased expenses affecting EBITDA margins.
- **EBITDA Margin** for quarter stands at **12.2%** and **9M FY24 Margin** at **13.5%**, increase of **100 bps YoY**.
- **PAT** for the quarter stands at **₹ 11 Cr**, de-grew by **44.3% YoY** and for 9M FY24 at **₹ 51 Cr**, registering a de-growth of **11.5% YoY**.
- **PAT Margin** for Q3 FY24 stands at **5.2%**, and **6.9%** for 9M FY24.

Q3 FY24 Financial Performance

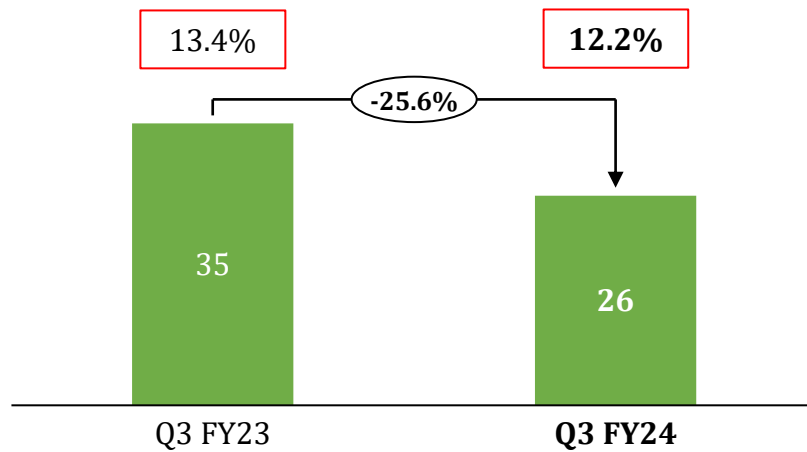
REVENUE



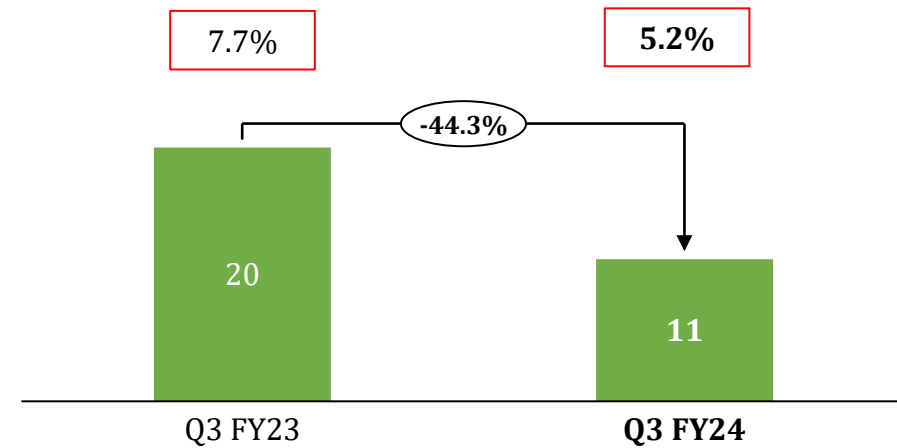
GEOGRAPHICAL SPLIT



EBITDA & EBITDA MARGIN



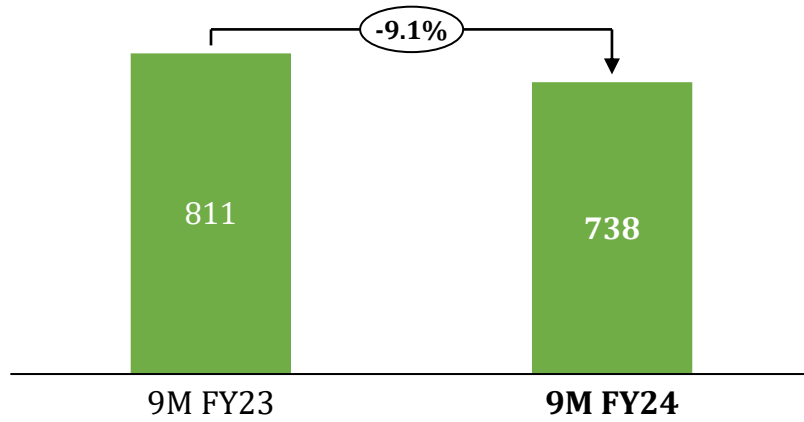
PAT & PAT MARGIN



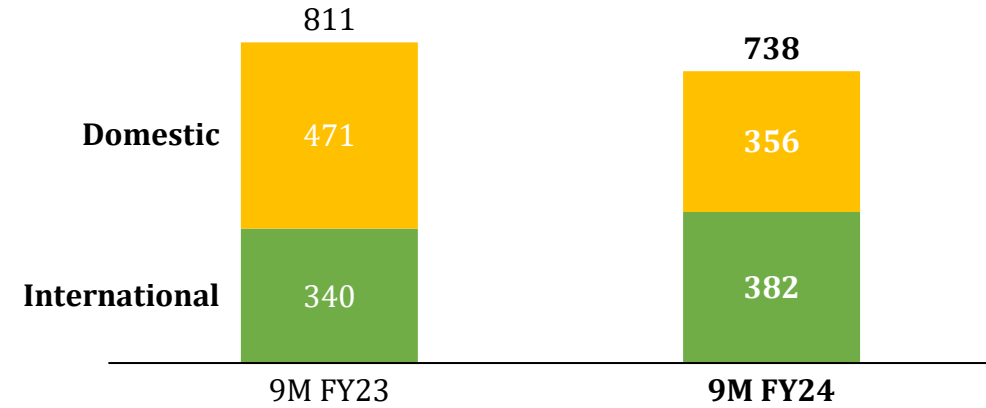
YoY Comparison (In ₹ cr, except margin)

9M FY24 Financial Performance

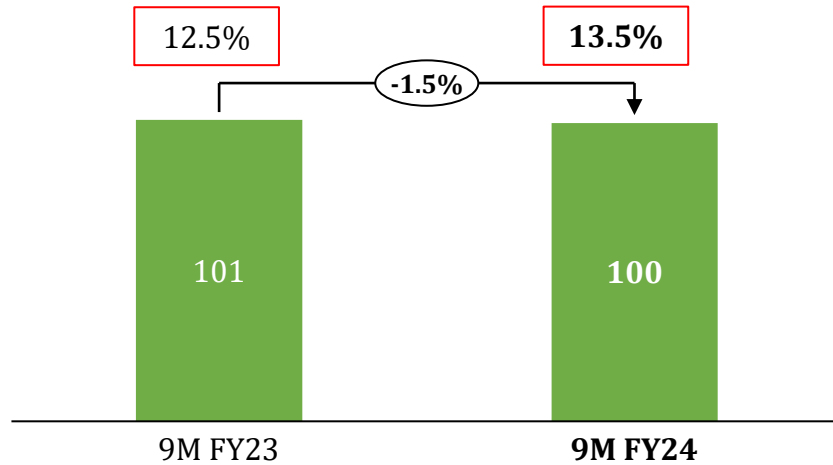
REVENUE



GEOGRAPHICAL SPLIT



EBITDA & EBITDA MARGIN



PAT & PAT MARGIN



YoY Comparison (In ₹ cr, except margin)

Consolidated Profit & Loss Statement

Particulars (In ₹ Cr)	Q3 FY24	Q3 FY23	YoY %	Q2 FY24	QoQ %	9M FY24	9M FY23	YoY%
Revenue	214.1	260.5	-17.8%	242.2	-11.6%	737.7	811.2	-9.1%
COGS	125.6	165.8		143.8		451.5	516.8	
Gross Profit	88.6	94.6		98.3		286.2	294.4	
Gross Profit Margin %	41.4%	36.3%		40.6%		38.8%	36.3%	
Employee Expenses	21.7	20.5		21.4		64.3	61.4	
Other Expenses	40.9	39.2		41.2		122.0	131.6	
EBITDA	26.0	34.9	-25.6%	35.7	-26.7%	99.9	101.4	-1.5%
EBITDA Margin %	12.2%	13.4%		14.6%		13.5%	12.5%	
Depreciation	5.5	4.8		5.5		16.1	14.1	
Finance Cost	6.5	4.0		6.6		16.7	11.4	
Other Income	1.3	0.6		1.3		2.4	2.4	
Profit before Tax	15.3	26.7		24.9		69.5	78.4	
Tax Expense	4.1	6.7		6.7		18.4	20.5	
Profit after Tax	11.2	20.1	-44.3%	18.1	-38.8%	51.2	57.9	-11.6%
PAT Margin %	5.2%	7.7%		7.5%		6.9%	7.1%	
EPS	9.1	16.4		14.8		41.7	47.2	

A person wearing a white lab coat and blue gloves is holding a lettuce plant in a black pot. The person is standing in a field of lettuce. The background is a lush green field of lettuce. The text "Company Overview" is overlaid on a red banner on the left side of the image.

Company Overview

Established in 1975 as Punjab United Pesticides & Chemical Ltd (PUPCL), the company has now evolved into Punjab Chemicals and Crop Protection Ltd. We have separate synergistic Agrochemicals, Pharmaceuticals and Industrial chemical divisions with state-of-the-art manufacturing facilities across India.



Our Vision

To become a major player in the CRAMS segment with innovation and a preferred partner in Agrochemicals and Performance Chemicals.



WE CARE, WE SHARE, WE DARE

Our Mission

- To meet and exceed customer expectation with quality and cost competitiveness.
- To focus on products and chemistries which ensure value addition for customers.
- To focus on community development in and around areas where we operate.
- To keep research & technology as the backbone for future growth



Our multi-decade story of growth and value-creation

Punjab United Pesticides & Chemicals Limited was established as a collaboration between Excel Industries Ltd. and PSIDC.

The Company diversified its product portfolio into specialty chemicals

The Company established a new manufacturing facility (pharmaceutical product) following the acquisition of Alpha Drug India.

The Company extended into contract research and manufacturing services (CRAMS)

Revenue crossed ₹1,000 crore

1975

1978

1983

1995

2003

2006

2016

2022

2023

The Company's equity shares were publicly issued.

The Company began to focus on agro chemicals and specialty chemicals

All group companies were amalgamated under Punjab Chemicals and Crop Protection Ltd.

The Company reported its highest EBITDA and PAT

Manufacturing Process



2 Manufacturing facilities at Derabassi & Lalru in Punjab || 1 facility in Pune, Maharashtra with food grade certification.

Derabassi & Lalru plants are certified with ISO 9001:2015 , ISO 14001:2015 and ISO 45001:2018.
Pune unit is certified with GMP & ISO 22000



Total Reactor
Capacity: 2000 KL



Capability to process reactions under
extreme conditions



All manufacturing sites have zero liquid
discharge using advance Effluent Treatment
plant with MVRE (Mechanical Vapor
Recompression Evaporation technology)



Highest standards of safety adherence
with regular audits & upgradations

Synergistic Product Portfolio

Divisions

Major chemistries

Product Category

Agrochemicals/ Intermediates

- Chlorination
- Hetrocyclic
- Bromination
- Methylation
- Friedel craft
- Hydrazine
- Oxidation
- Benzylation
- Azotisation

Fungicide, Herbicide. Manufacturing patented products under long term agreement/ in-house R&D

Performance/ Specialty Chemicals

- Halogenation
- Esterification
- Cynation
- POCL3/PCL5
- Nitration
- Photochlorination

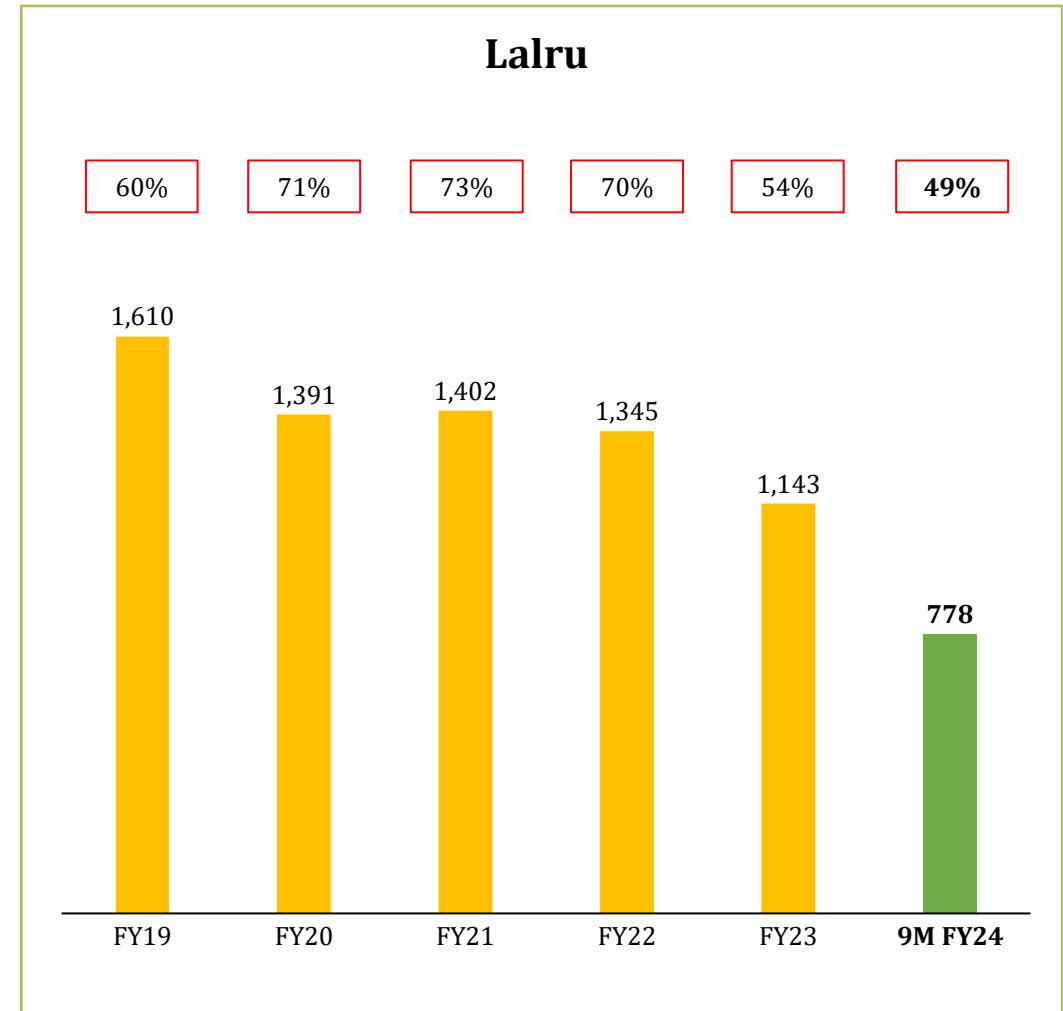
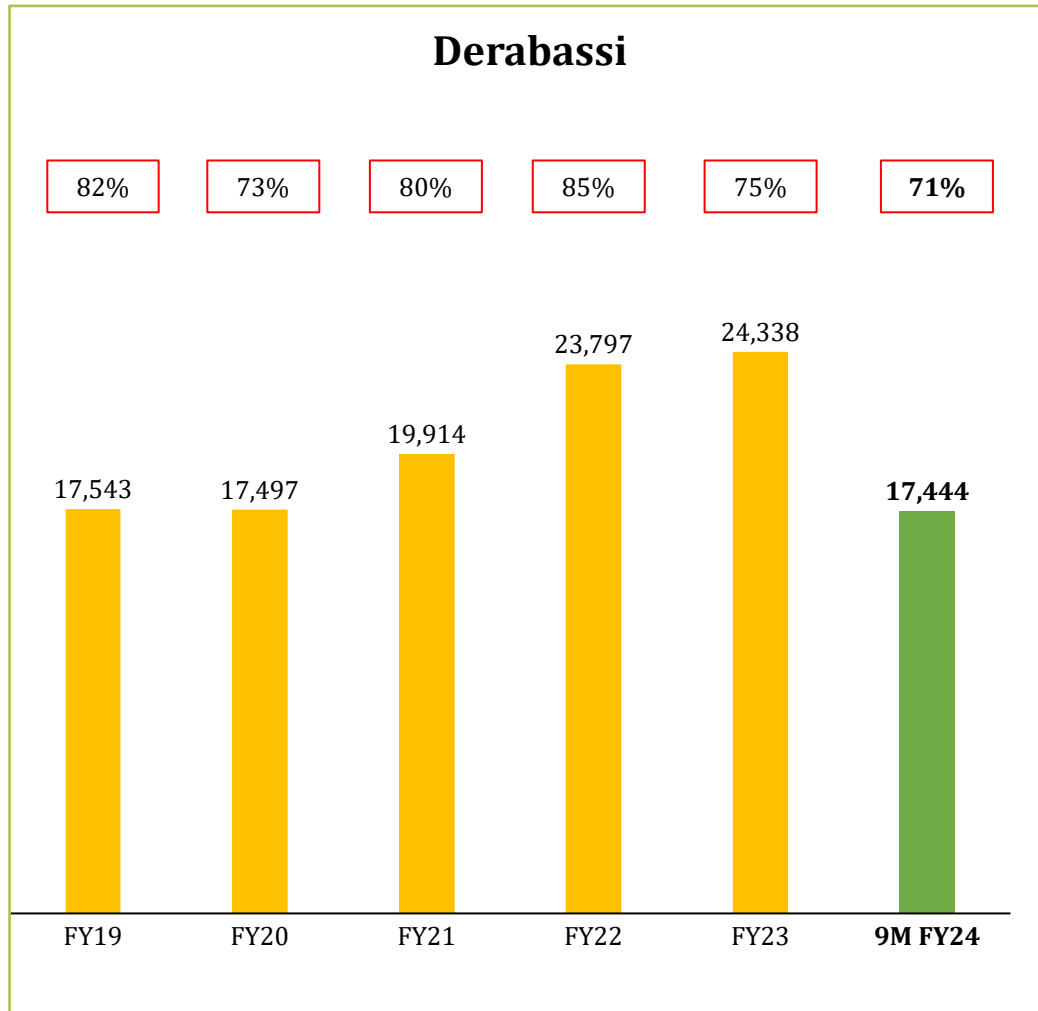
Multi-Step specialty chemical/ intermediate for API

Industrial Chemicals

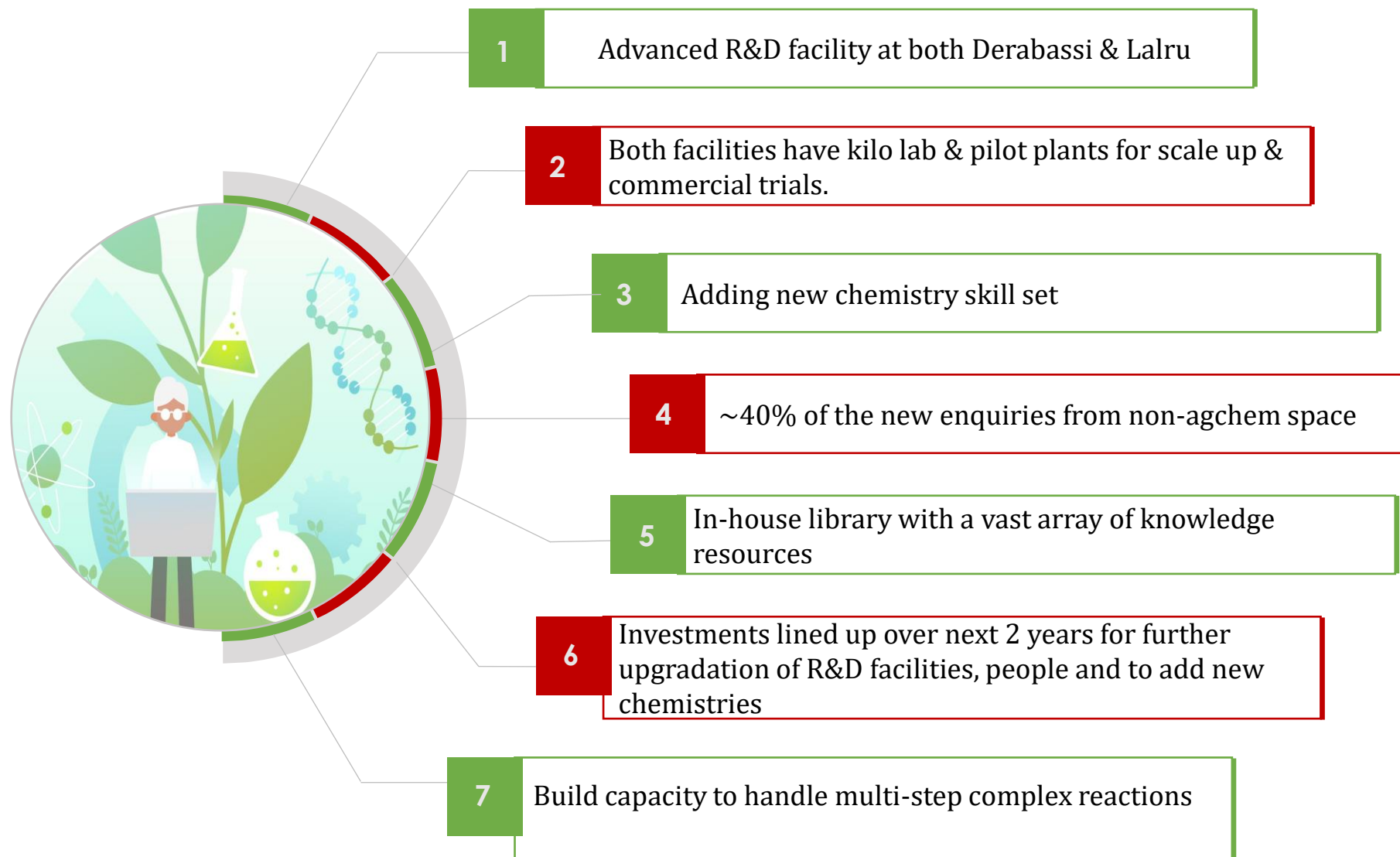
Phosphorous based products & chemistry

Special high purity phosphorous compound/ phosphates

Annual Production (MT) & Capacity Utilisation (%)



Note : New products have been commercialized and with improved market condition, scale up is expected resulting in improved utilization.



Our R&D talent pool



27
Strength of
R&D Team



35
Strength by
FY24

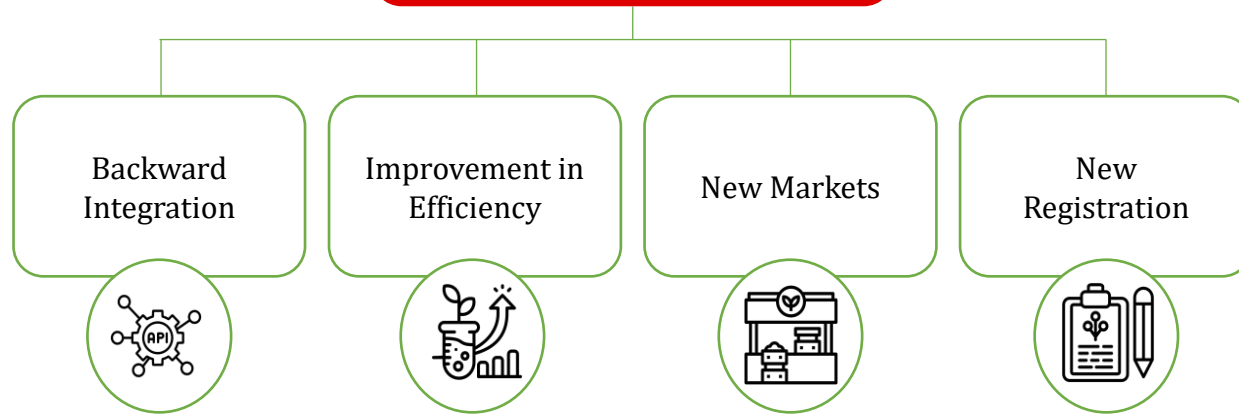


2
PhD in
R&D Team



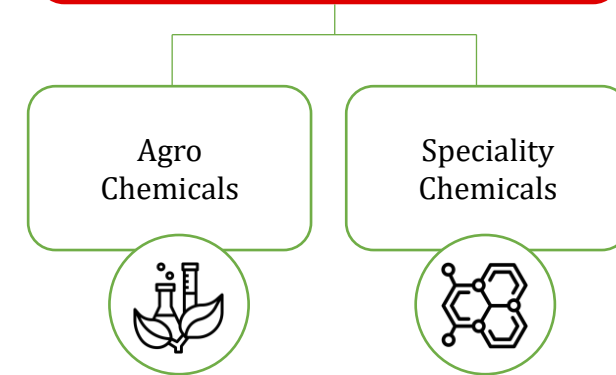
Tie-up with
local
universities

Existing products



To increase market share / margin

New products



- Commercial Order received for some “Advanced Intermediates” and “Speciality Chemicals”, and supplies have begun. Long terms contracts being discussed.
- Approval received for new products for commercialization in FY25.
- R&D continued to work on new products and process and hydrogenation added to capability.
- Registration obtained for product in EU.

Environment, Health & Safety Measure



Upgraded Effluent Treatment Plant at Derabassi and facility is being upgraded to more efficient system with latest technology



Member of new Common Effluent Treatment Plant and also a member of Common Treatment & Disposal Facility for solid waste



Derabassi and Lalru units of the Company are Zero Liquid Discharge (ZLD) facilities.



Focusing on process safety management (PSM) principles



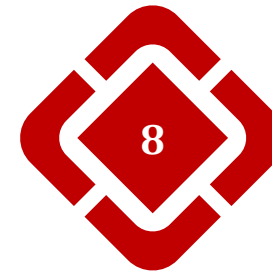
Plants equipped with occupational health facilities, professional trained staff and instituted practices.



Strong EHS systems, processes, inspection and training who enhance awareness and ensure practices.



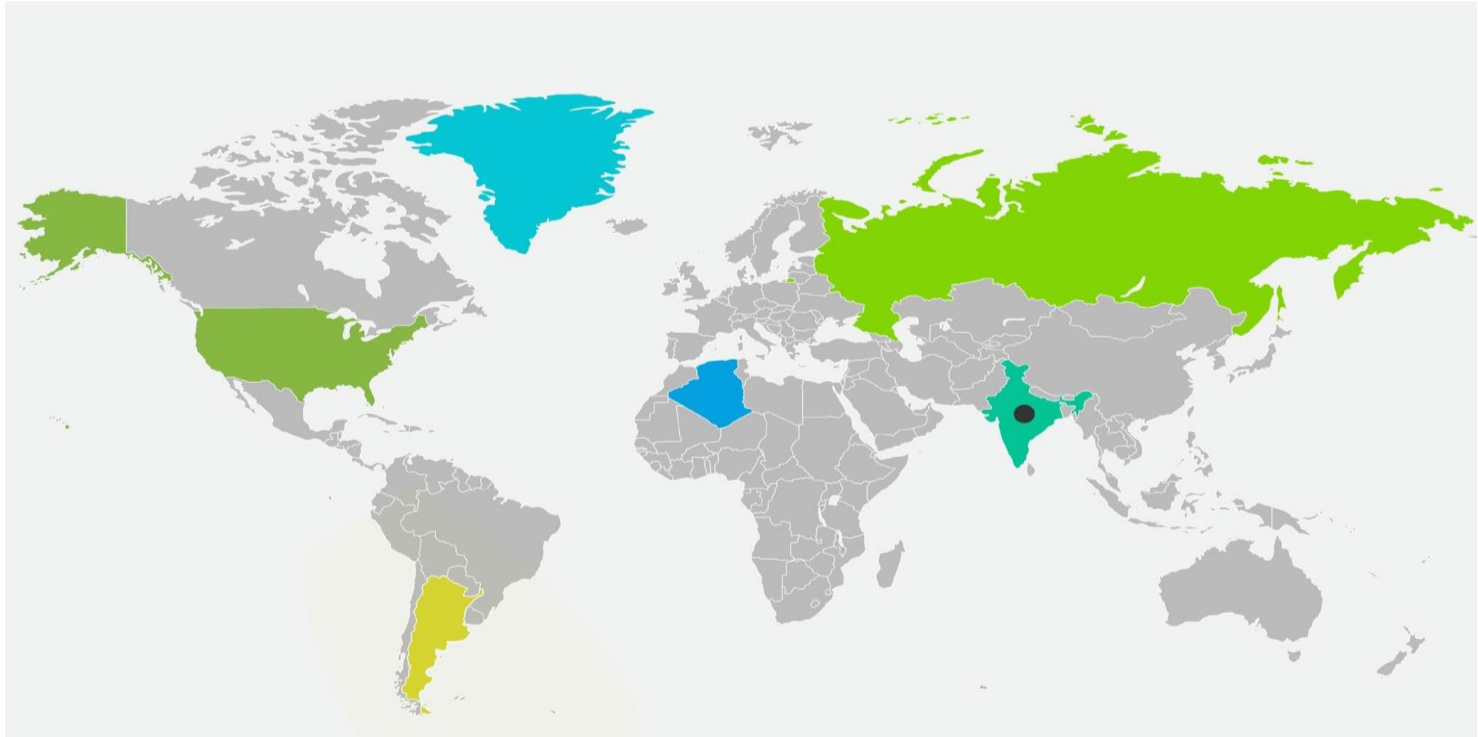
Regular internal & external audits



Waste reduction exercise taken aggressively with a focus on enhanced recovery

Our Global Clientele

Target regions for next leg of growth: Latin America, South Asia, European Union



The brand names /logos mentioned are the property of their respective owners and are used here for identification purpose only

Leadership Team: Board of Directors



Mr. Mukesh D. Patel
Chairman &
Independent
Director



Mr. Shalil Shroff
Managing
Director



Mr. Vijay Rai
Independent
Director



**Ms. Tara
Subramaniam**
Independent
Director



Ms. Aruna Bhinge
Independent
Director



**Mr. Sheo Prasad
Singh**
Independent
Director



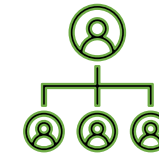
**Capt Surjit Singh
Chopra (Retd),**
Non-Executive
Non-Independent
Director



Mr. Avtar Singh
Non-Executive
Non-Independent
Director

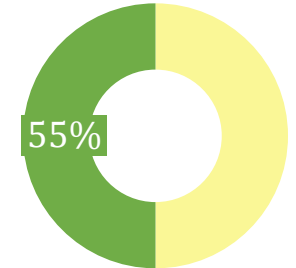


**Mr. Shivshankar
Shripal Tiwari**
Non-Executive
Non-Independent
Director



Board Composition

More than 50% of
the Board members
are Independent
Directors



Chairman is an Independent Director & the role
is separated from Managing Director

Committees chaired by Independent Directors:

- Audit Committee
- CSR Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee

Leadership Team: Key Management Team



Mr. Vinod Gupta
Chief Executive Officer

- Chemical Engineer, IIT-B & PGPX, IIM-A
- 25+ experience with Reliance Industries Ltd
- Former CEO – VVF Ltd & Archean Chemicals



Mr. Ashish Nayak
Chief Financial Officer

- Chartered Accountant and has a bachelor degree of Commerce from Bombay University
- 26+ years of experience having worked in diverse sectors as chemicals, pharmaceuticals, engineering and retail
- Lead IPO listing in Pharma space
- Worked with Corporates/group as Shroff Group, Shoppers Stop, Tommy Hilfiger, Malhotra Group, Supriya Lifescience Ltd



Ms. Rishu Chatley
Company Secretary

- Member of Institute of Company Secretaries of India, a Law Graduate and has a post Graduate degree in Commerce from Panjab University
- 17 years+ of experience in the Corporate Secretarial, Corporate Laws, SEBI Regulations & Compliances



Dr. Vijay Kaushik
Assistant Vice President- R & D

- Ph.D and has done MSc (Organic Chemistry) from Meerut University
- He has around 30 years of experience in companies like Bayer Vapi Pvt Ltd, Meghmani Organics Ltd, PI Industries Ltd.



Mr. Paramjeet Singh
Assistant Vice President (Works)

- Chemical Engineer, NIT - J & Business Management from IIM, Ahmedabad
- 20 years experience in the manufacturing, planning & operation in various manufacturing units of API's/Bulk drugs. He has worked as Director, Operations with GVK Bio.



Mr. Deepak Gill
General Manager - BD

- Master of Science in Agricultural Entomology from CSKHPAU, Palampur & PG Diploma in Management from Welingkar Institute of Management, Mumbai
- 16 years of experience in Sales in companies like Intech Organics Pvt Ltd, Saraswati Agro Life Science India Pvt Ltd, Sulphur Mills Ltd.



Mr. Girish Sharma
General Manager (Works)

- Master in Chemistry from Hindu College, Delhi University and PGDM in Operations Management and PMP
He is pursuing CPIM (Certified production and inventory management) from Association for Supply Chain Management
- 22 years of experience in companies like Ajinomoto Bio-Pharma Pvt Ltd, Cipla Ltd and Sandoz Pvt Ltd.

Business Strategy



Identify Niche Products/ Customers with Basket of Products

Target niche products with high growth potential.
Target clients - Global Agrochemical/ Specialty
chemical leaders
Mid-sized companies with specific requirement

Modus Operandi

Dedicated R&D Team
Develop products as per customer requirement
Add new chemistry capabilities
Expertise in Scaling up : R&D - Pilot - Commercial
Production
Quick implementation of projects



Partner for Contract Manufacturing

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

Growth Triggers

Diversification & expansion into new geographies
New Product launches
Expanding customer base in CRAMS

Strategic Advantage



Low-Cost Operator

Developed an efficient cost competitive process over the last decade and are maximising export potential



Manufacturing and R&D Capability

Availability of technically trained manpower , extra production capacity to fulfil incremental demands



Consistent Track Record

Historical association with Domestic clients helped expand base to become a preferred partner of choice for MNC clients



Changing Industry Dynamics

Global manufacturers are looking to decrease high dependency on China. Poised to benefit from the shift in supply chain




Way Forward

- New Technologies & Integrated Supply chain
- Focus on R&D, Product Development
- Partner with more MNCs/ domestic players for healthy growth & sustainable EBITDA

Prudent Capital Allocation driving growth in ROCE

Low Debt to Equity

Attractive End Market Dynamics & Healthy Growth



Punjab Chemicals has the advantage of being a go-to CRAMS provider for both domestic & international agrochemical companies, thus positioned to gain further advantages as the industry expands



Corporate Social Responsibility

PCCPL CSR Initiatives are in below three areas to enhance Society Connect & ensures real impact on Beneficiaries.



Education



Health Awareness



Community Development



Agrochemicals Industry Overview



Indian Agrochemicals Industry – Long Term Perspective & Way Forward

- The Indian Agrochemical market size is estimated to reach \$13.08 bn in 2029, growing at a CAGR of 4%
- India ranks 4th in terms of production and exports of agrochemicals. Globally, it has emerged as the 13th largest exporter of pesticides
- The sector is going through multiple changes driven by rising domestic demand, tighter supplies from China, substantial opportunities to explore products going off-patent
- By 2030, it is expected that 22 molecules worth ~\$ 6 bn to go off patent. This would expand offerings of Indian companies and help fetch extra revenues going forward
- Companies with competence in generic segment would also benefit greatly from the molecules going off-patent, providing vast opportunities in both domestic formulations and exports
- By 2040, the domestic agrochemical industry is expected to account for 40% of India's overall chemical exports

Outlook of pesticides production for technical grade ('000 tonnes)			
Segments	2021-22	2026-27P	CAGR
Insecticides	109	~134	4.0% - 4.5%
Fungicides	121	~139	2.0% - 3.0%
Herbicides	54	~67	4.5% - 5.5%
Others	11	~14	5.0% - 5.5%
Total	295	~354	3.5% - 4%

Demand Drivers for Agrochemicals

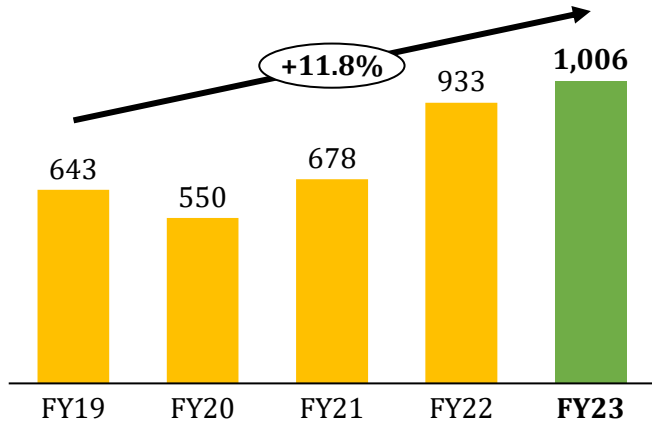


Performance Track Record

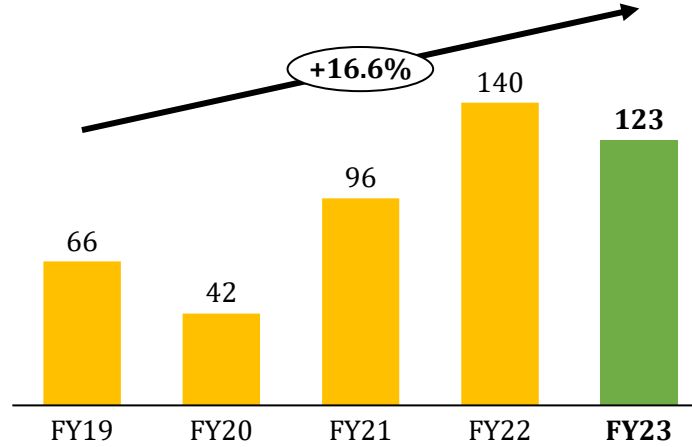


Performance Track Record

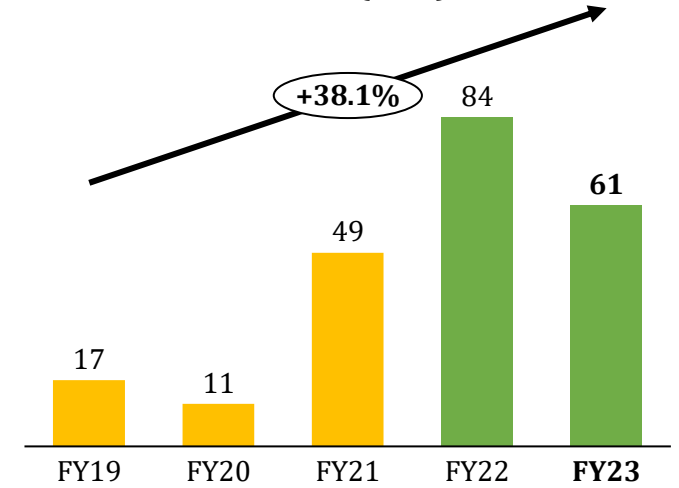
Revenue (₹ cr)



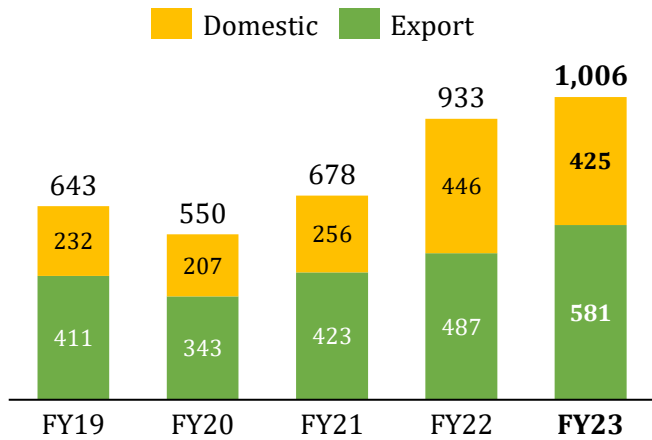
EBITDA (₹ cr)



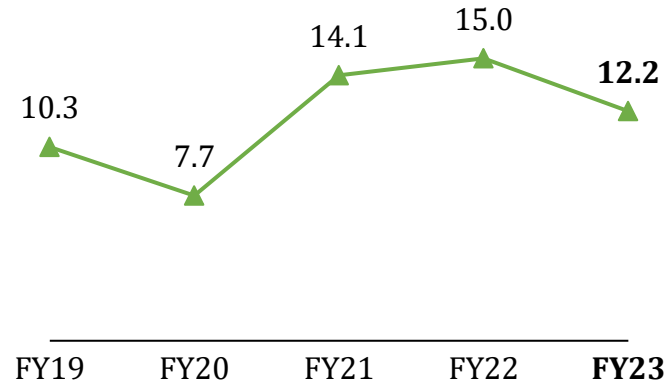
PAT (₹ cr)



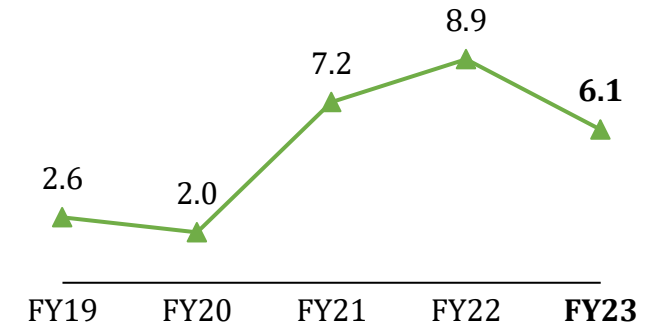
Revenue Split (₹ cr)



EBITDA Margin (%)

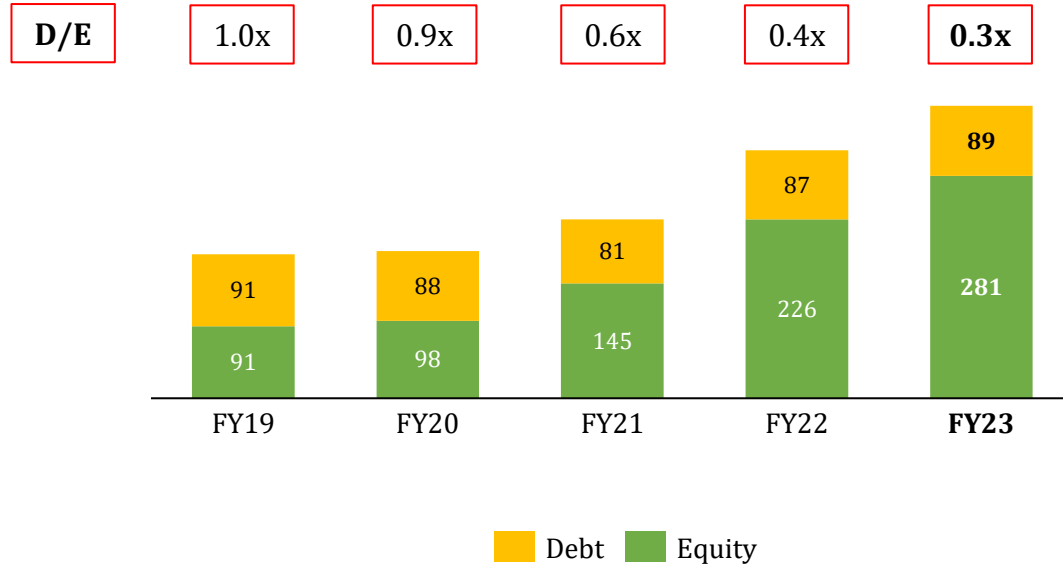


PAT Margin (%)

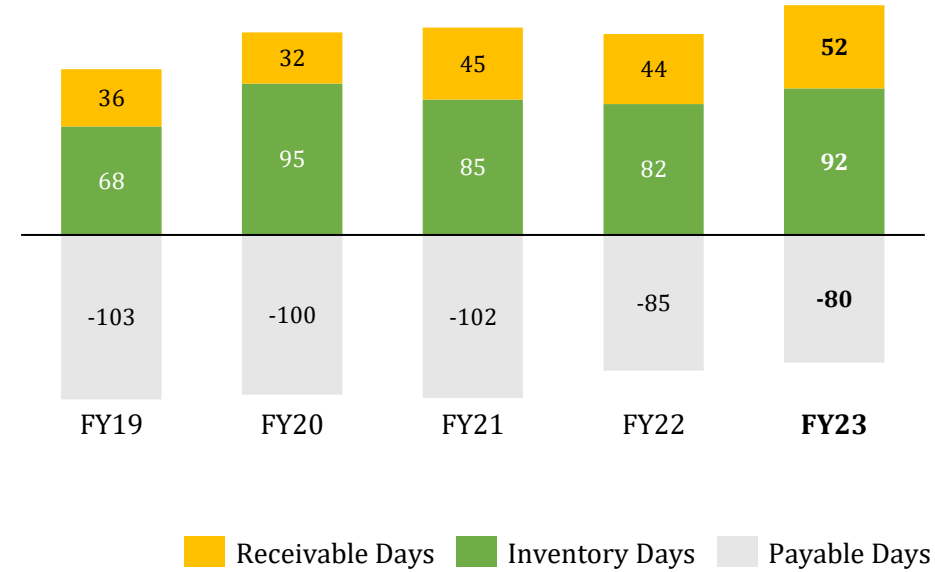


Performance Track Record

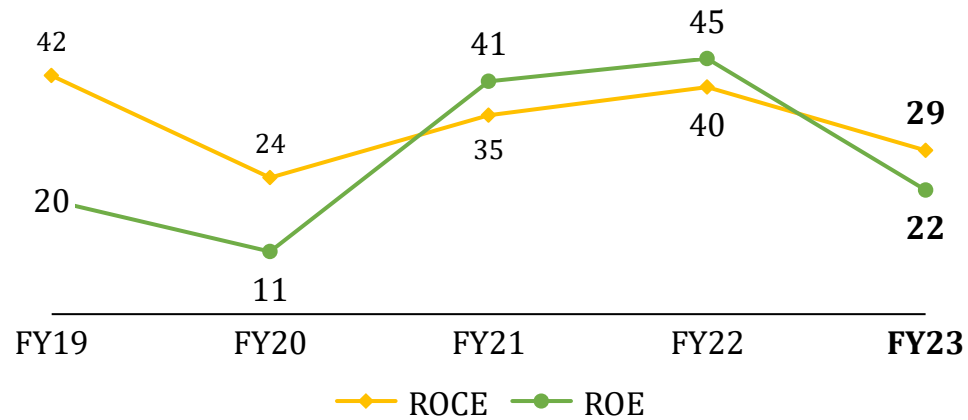
Capital Structure (₹ cr)



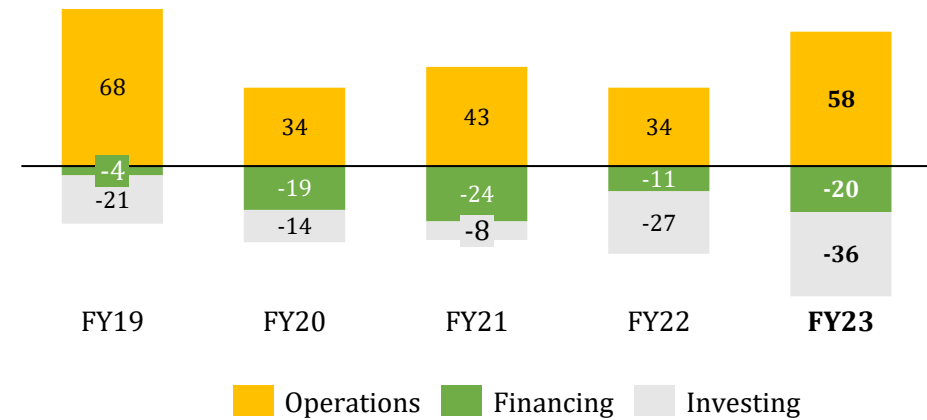
Working Capital Analysis (₹ cr)



Return Ratios (%)



Cash Flow (₹ cr)





Mr. Ashish Nayak
Chief Financial Officer

investorhelp@punjabchemicals.com



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Mr. Bhavya Shah

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Thank You