

PI Industries delivers ~40% revenue growth in FY14
FY14 PAT grows 91% to Rs. 184 Crore
FY14 Consolidated PAT up robustly by 93% at Rs. 188 Crore

- *Domestic operations and exports have performed as per plan where growth remains anchored by robust visibility*
- *Initial outlook for Kharif appears reasonably good based on on-ground feedback*
- *The Board of Directors recommended a final dividend of 100%*

Gurgaon, May 22, 2014: PI Industries Limited (PI), a leading Indian Agri-Input and Custom Synthesis Company announced its financial results for the quarter and full-year ended March 31, 2014.

Financial and Operational Commentary for the quarter & full-year ended 31st March, 2014

	Q4 FY14 (Rs. in Crore)	Growth (%) (Y-o-Y)	FY14 (Rs. in Crore)	Growth (%) (Y-o-Y)
Revenues	362.7	10%	1,594.9	39%
EBIDTA	51.9	26%	285.6	59%
PAT*	45.2	96%	183.7	91%

*includes reversal of certain deferred tax provision

Net Revenue

PI delivered ~19% growth in domestic revenues during the year in line with healthy volume improvement and pricing gains in key products. An optimal product mix and focused branding has contributed to this performance. The favourable agro-climatic conditions during the last Kharif season combined with better acreages in both cropping seasons also provided a boost to growth.

The full year saw Custom Synthesis exports giving a 56% enhancement on a larger base as commercialised molecules ramped-up as expected, in keeping with global demand for those molecules. FY14 overall saw commercialisation of 3 new molecules and this trend is likely to be maintained over the next year as well.



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EBITDA

EBITDA growth stood at 59% for FY14 on the back of a strong growth in revenues and operating leverage gains. Margins during the year stood at 17.9% compared to 15.6% previously, indicative of sustained improvement in operating performance. A similar robust trend has been captured in the quarterly margins before adjusting for non-recurring items.

Pre-tax Earnings

Strong revenue growth coupled with consistently lower interest costs has translated into a robust PBT. There has been a sharp improvement in working capital cycle over FY13 resulting in reduced working capital days, contributing to enhanced profitability. In FY14 the PBT was 79% up at Rs. 258.0 crore.

Post-tax Earnings

FY14 Profit After Tax showed robust 91% improvement to Rs. 183.7 crore with a corresponding Basic EPS of Rs. 13.52 per share from Rs. 7.57 per share in the last year. The PAT for FY14 includes a reversal of deferred tax provision of Rs 9.3 crore.

Strong balance sheet

The balance sheet benefitted from strong operating cash flow generation after the working capital change at Rs. 166 Crore during the current fiscal. This has resulted in reduction in total debts to Rs. 86.0 Crore as on March, 14 against Rs. 187.3 Crore as on March, 13 and a low debt equity ratio of 0.12. Measures to shorten working capital cycle have also delivered results during the current fiscal with significant improvement over last year.

Final dividend

The Board has recommended a final dividend of 100% (Re. 1 per equity share of face value Re. 1) resulting in a payout of Rs. 15.9 crore while taking into consideration the dividend distribution tax.

Commenting on the performance Mr. Mayank Singhal, Managing Director & CEO, PI Industries Ltd., said;



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"We are very pleased with the delivered performance in FY14, as highlighted by a healthy blended rate of growth. Our margins have also improved given the quality of our revenues and product portfolio both for our domestic and export markets.

The domestic operation is demonstrating superior results aligned to an optimal mix of products. With the support of a robust distribution network, better inventory management and focused branding, we have driven upsides across existing line-up of products. Given the registration pipeline, plans are underway to introduce exciting new products ahead of the main cropping season, which will add to growth.

On the other hand, our exports are growing as expected where the scale-up in already commercialised molecules is being suitably matched by new additions to our product range. As these molecules gain global momentum, we are getting to witness a corresponding uptick in our performance. Jambusar is showing very encouraging performance with a high rate of utilisation. The Company have now initiated construction of a new multi-product plants in the SEZ which will get commissioned in the next financial year."

Outlook

- Initial trends for Kharif season are encouraging where efforts are underway to introduce at least one new product in the domestic market to build on momentum from existing products
- High growth potential of the existing and pipeline products of custom synthesis exports are giving clear visibility of performance. This will be complemented by robust delivery from the Jambusar operations, where capacities will get adequately augmented in the coming quarters



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About PI Industries Ltd. (PI)

Incorporated in 1947, PI Industries (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030) focuses on Agri-Input and Custom Synthesis with strength of over 1,400 employees, PI Industries currently operates three formulation and two manufacturing facilities as well as five multi-product plants under its three manufacturing locations across Jammu and Gujarat. These state-of-art facilities have integrated process development teams with in-house engineering capabilities. PI Industries is into the following segments:

Domestic Agri-Input

PI is one of India's leading players in the Agri-Input industry, primarily dealing in agro-chemicals, specialty fertilizers, plant nutrients and seeds. This venture is the flagship business for which PI enjoys tremendous brand recognition across several industry leading products. The Company has exclusive rights with several global Corporations for distribution in India and is constantly evaluating prospects to further expand its product portfolio. Given the inevitable surge in demand for food grain production in the agriculture sector, the opportunities for Agro-Chem Companies are innumerable. PI Industries is favorably positioned to contribute to the growth in this space by leveraging its long-standing association with business partners and intensive network of distributors across India.

Custom Synthesis Exports

Here PI focuses on Custom Synthesis, which entails dealing in custom synthesis and contract manufacturing of chemicals including techno commercial evaluation of chemical processes, process development, lab & pilot scale up as well as commercial production. The Company has an impressive product portfolio as result of exclusive tie-ups with leading agro-chemical, pharmaceutical and fine chemical companies around the world. PI has made substantial investments in building state of art process research and manufacturing facilities of chemical intermediates and active ingredients with special focus on strong process R&D capabilities. Custom Synthesis is expected to be the primary growth driver with strong revenue visibility for P I as India continues to be a preferred destination for outsourcing Custom Synthesis and contract manufacturing related projects. With exceptional growth opportunities in the offing, this segment is poised for great success. For further information please visit: www.piindustries.com

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