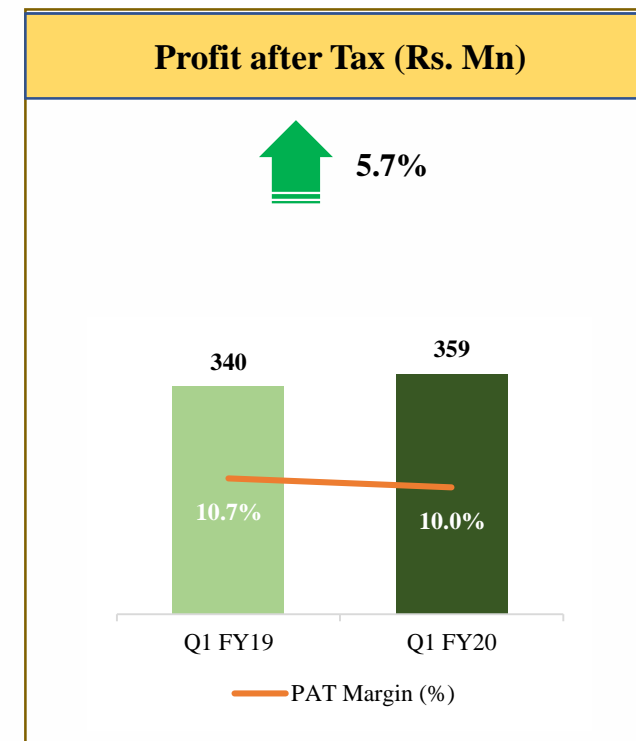
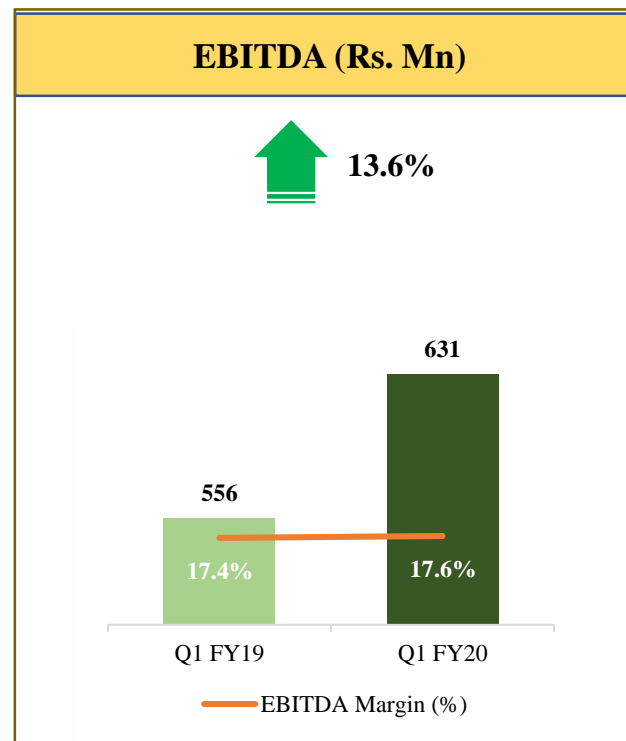
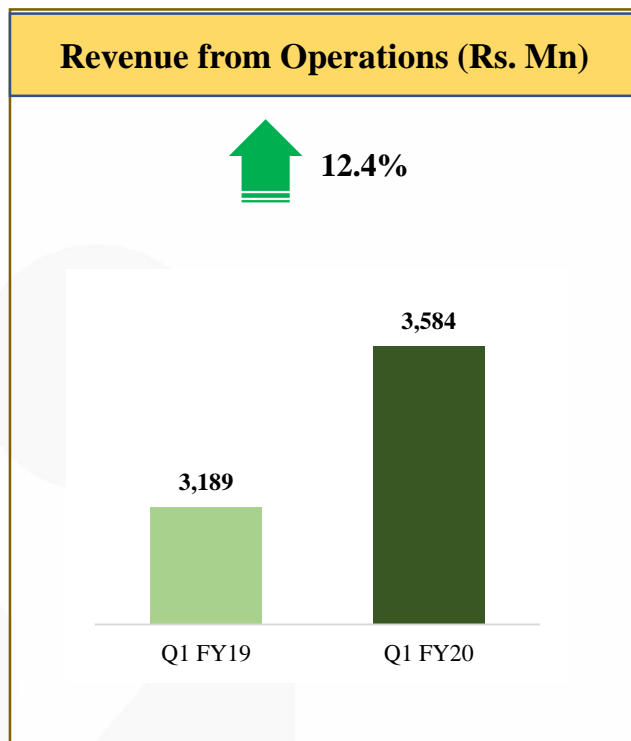




(BSE: 532851 NSE: INSECTICID)

Q1 FY2020 Earnings Presentation

Q1 FY2020 Highlights



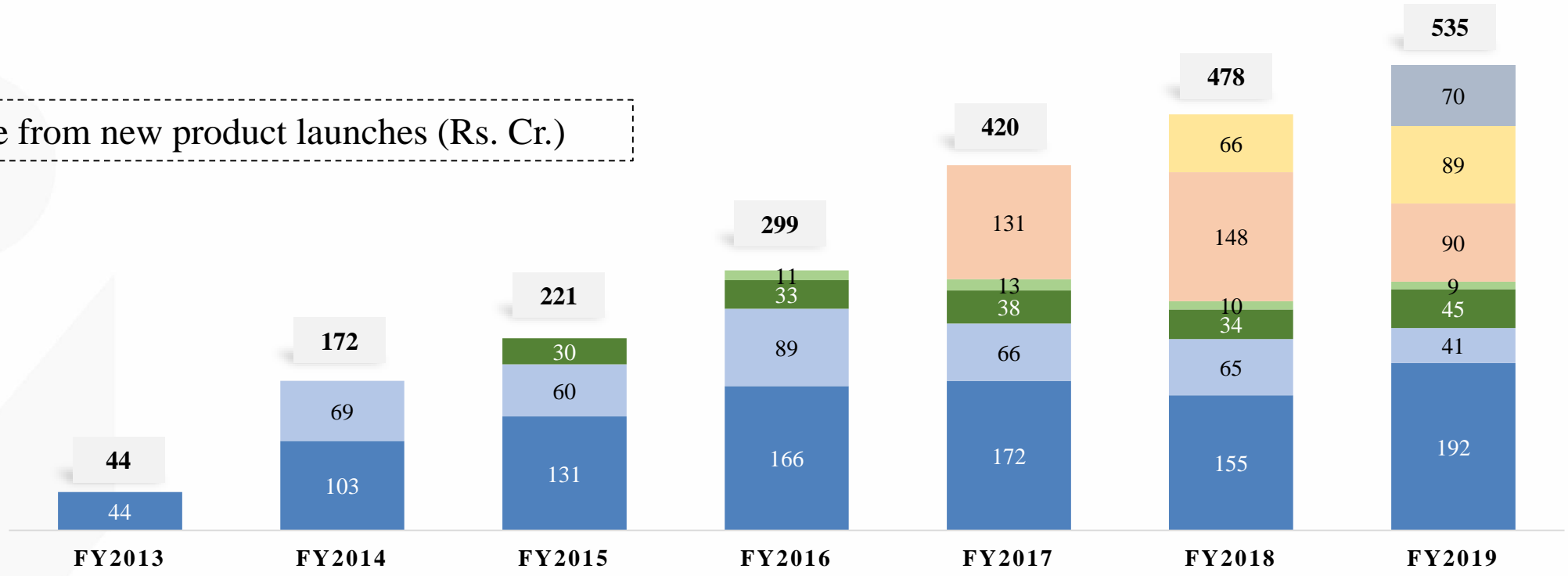
Quarterly Highlights:

- Revenue growth of 12.4% was primarily driven by sales of other branded products and B2B technical sales. However, Maharatna products sales were flat during the quarter and is expected to pick up in the coming quarter with the onset of the monsoon
- Delivered strong EBITDA and Net Profit growth of 13.6% and 5.7% respectively

Products Freshness Index

Proven track record of successful new product launches exhibits IIL's strong R&D capabilities and continues to provide competitive edge

Revenue from new product launches (Rs. Cr.)



| | | | | | | | |
|--|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| New Products launched during the year | 5 | 5 | 3 | 2 | 5 | 5 | 8 |
| % of Revenue from Operations | 7.1% | 19.9% | 22.9% | 30.3% | 37.9% | 43.1% | 44.9% |

Management Commentary

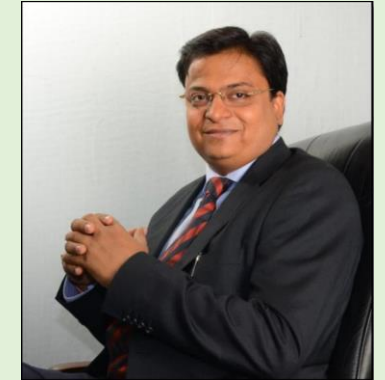
Commenting on the results, Mr. Rajesh Aggarwal, Managing Director, said:

“FY2020 started on a negative note with delay in sowing season due to 15-20 days postponement in monsoon. Rainfall for the season was also deficit by 16%, which further aggravated the decline in demand for agrochemicals. Despite subdued domestic environment, Insecticides India was able to deliver a resilient performance with growth in revenues and maintain profitability margins due to our strong product portfolio and greater market acceptability of products among farmers.

I am pleased to report that the Company recorded revenue from operations of Rs. 358 crores in Q1 FY2020, representing a growth of 12.4% on Y-o-Y basis. The Company delivered EBITDA of Rs. 63 crores in Q1 FY2020 an increase of 13.6% year on year basis. EBITDA margins improved marginally to 17.6% as compared to 17.4% in Q1 FY2019. Net profit for the quarter was Rs. 36 crores, an increase of 5.7% with margins of 10%.

Our R&D team continues its endeavor to develop innovative products and we have launched 3 new products during Q1 FY2020. Furthermore, I am delighted to report that we have received patent of our Maharatna product AIKIDO and expect it to contribute to our profitability going forward. Our total products approved under 9(3) category stands at 15. In the fiscal year FY2020, we plan to launch 10 new products augmenting our product portfolio.

With the onset of monsoon at the end of Q1FY20, uptick in demand for agrochemicals is expected in the coming quarters and we are confident on meeting our full year targets. We continue to implement IIL strategic plan and generate value for all our stakeholder through new innovative product launches, improved product portfolio, expanding distribution networks and investing in R&D.”



Growth Strategy



Phase out Generic Products

- Gradual reduction in the sale of Generic products (high volume-low margin) for fiscal year is on expected lines
- Introduction of new products in the Maharatna category

Backward and Forward Integration

- Moving on the strategic path of backward and forward integration
- Capitalize on the Make in India initiative
- Will result in better margins across technicals and formulations

Optimum Capital Structure and Operational Efficiency

- Strong cash flow generation
- Capex of Rs. 1 bn in next 2-3 years for synthesis facilities in Gujarat and Rajasthan

R& D will results in New product launches

- Focus on in-house R&D and international partners to launch new products
- Launched 3 new products during Q1 FY2020
- Expected 10 new products in full year FY2020

Focussed Approach on Biologicals

- Developed and commercialized VAM (Vascular Arbuscular Mycorrhizae)
- Developed and commercialized soil energizer, Kayakalp
- Development of 3-4 new biological products is in pipeline

Exports

- Working on registration in new countries with 100+ export agreements
- Expanding in new geographies: Exporting to 20+ countries
Expand to 25+ countries by the end of FY2020

Business Overview



Insecticides India - A Leading Agro Chemicals Manufacturing Company

| |
|---|
| Engaged in the manufacturing and marketing of crop-protection products |
| Four product categories: Insecticides, Herbicides, Fungicides, Biologicals and Plant Growth Regulators (PGRs) |
| Distribution network of 375+ SKUs, 5,000+ distributors and 60,000+ retail networks |
| Total 15 registration approved under 9(3) |
| 4 R&D centers – Developing a comprehensive range of agro chemical products |
| State-of-the-art manufacturing facilities in Chopanki (Rajasthan), Samba & Udhampur (Jammu & Kashmir) and Dahej (Gujarat) |
| Owner of the prestigious Tractor brand, highly popular among the farmers |

Rs. 358 Cr
Q1 FY20 Sales

60,000+
Retail Outlets

100+
Formulation Products

21+
Technical Products

20+
Maharatna Products

3
Q1 FY2020 New product launches*

10
Full Year Target of New Product launches*

1,200+
Employees

Note: For fiscal year FY2019

*New products also include new Maharatna Products

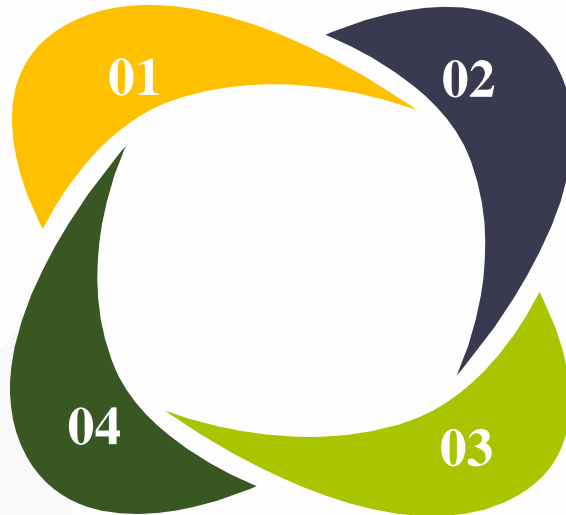
Capabilities and Geographical Presence

R & D

- NABL QC Labs
- In-house R&D Centre
- JV with OAT Agrio Co. Japan for dedicated R&D Centre

Development & Training

- Emphasis on field activities
- Farmer awareness
- Sales force training

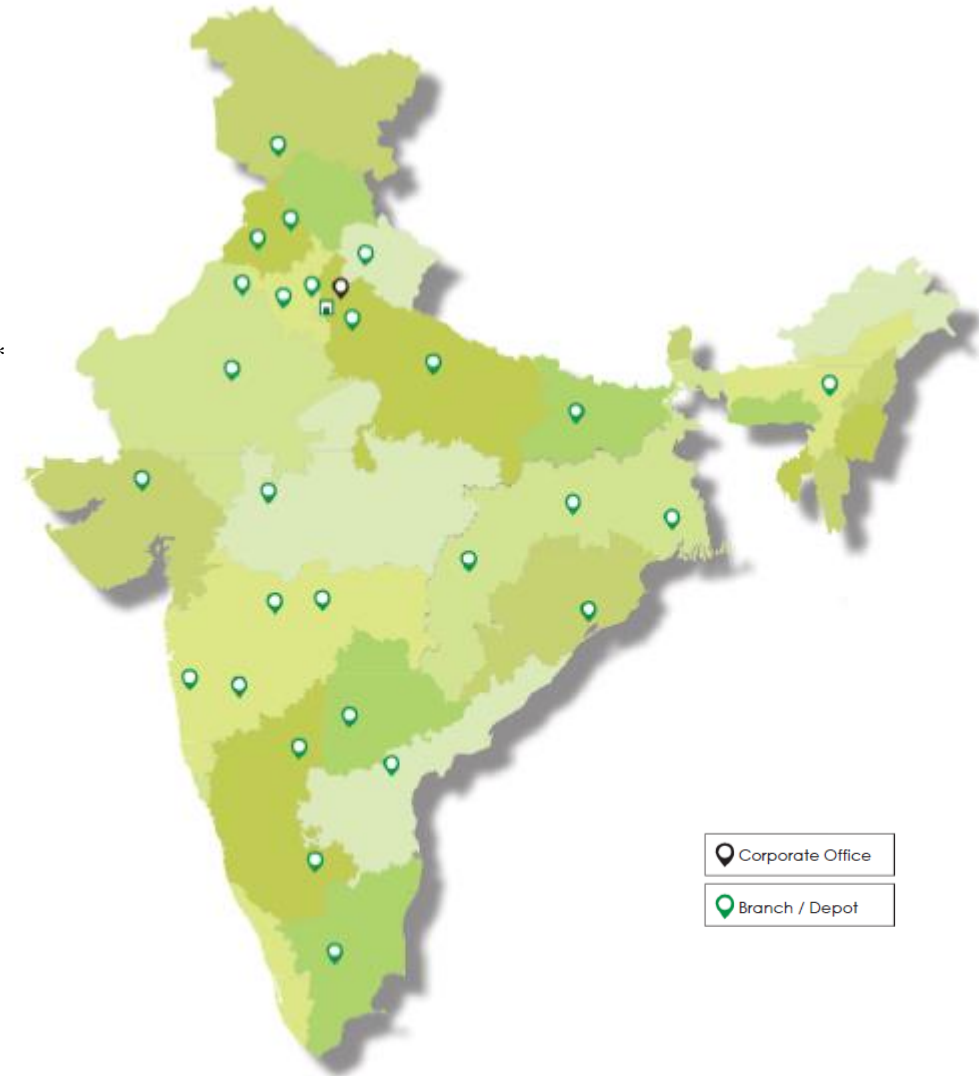


Manufacturing

- 5 Formulations plant
- 2 Technical synthesis plants
- 1 Biological manufacturing plant*

Marketing

- Sale & market development
- Branding
- International tie ups and collaborations
- Evolving media mix



*Under toll arrangement

Leading Maharatna Brands



- PULSOR** : Systemic fungicide with preventive and curative action; controls Rice Sheath Blight
- LETHAL** : Organo-phosphorus group of insecticides; controls insects through contact, stomach and vapour action
- GREEN LABEL** : Specialist of weed control in paddy; in line with 'Make in India'
- HAKAMA** : Post-emergence selective herbicide; controls narrow leaf weeds across leaf crops
- XPLODE** : Naturally derived insecticide; controls all Lepidopteran stages
- AIKIDO** : Launched in technical collaboration with Nihon Nohyaku, Japan, providing complete protection from brown plant hoppers, white plant hoppers and leaf folder to paddy crop
- SOFIA** : Broad spectrum fungicide which gives complete protection from various diseases in different crops
- MYCORAJA** : Bio product equipped to promote healthy growth and greater nutrient absorption in a wide range of crops, oilseeds and cotton
- HIJACK** : Non-selective systemic herbicide, control annual and perennial weeds
- FLITE** : Broad spectrum non-systemic herbicides; effective against annual, perennial and broad leaf / grassy weeds

Aggregate Installed Capacity

19,400 KLPA
Liquid

75,750 MTPA
Granules

18,770 MTPA
Powder

13,800 MTPA
Active Ingredient & Bulk



Research & Development



State-of-the-art in house R&D centre established in 2005, augmented by product innovation R&D center, formulation R&D centre and biological R&D centre

- Approved by DSIR, Ministry of Science and Technology
- Working on new formulations and new combination products

Formulation R&D Centre

- Development of new generation formulations
- Focus on cost reduction, customer friendly and environment safe products

Biological R&D Centre

- Equipped with bio assay and product development facilities
- Looking forward to development of 3-4 new biological products

Product invention R&D center: A unique initiative of product discovery in India by forming a JV with Japanese company, OAT Agrio Co. Ltd.

- Equipped with the latest machines and equipment's like NMR, Lab set designed by Kewanee, USA
- Lead by the internationally renowned scientists with more than 25 years of experience
- One of its kind breeding centers, bio assay rooms and spray cabinets

Technical collaboration with international partners for manufacturing and marketing innovative products:

- AMVAC (USA), Momentive (USA), Nissan Chemical Corporation (Japan), Nihon Nohyaku (Japan)

6 Patents Received

22+ Patents Pending

59+ New Processes Developed

60+ Scientists in R&D Centres

Short Term: Launch new generic products going off-patent (Reverse Engineering)



Medium Term: To launch latest technology products through international partners; launch new combination products



Long Term: Launch proprietary discovery products (chemicals and biologicals)

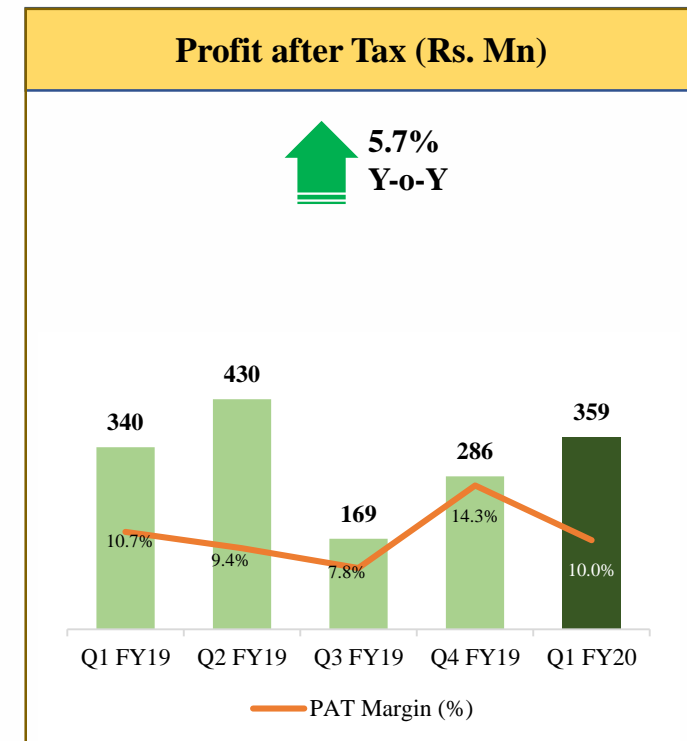
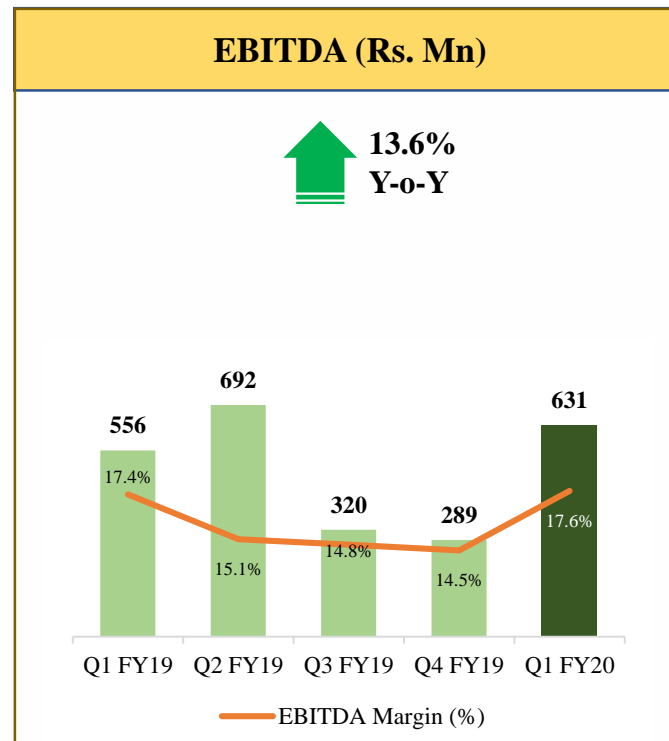
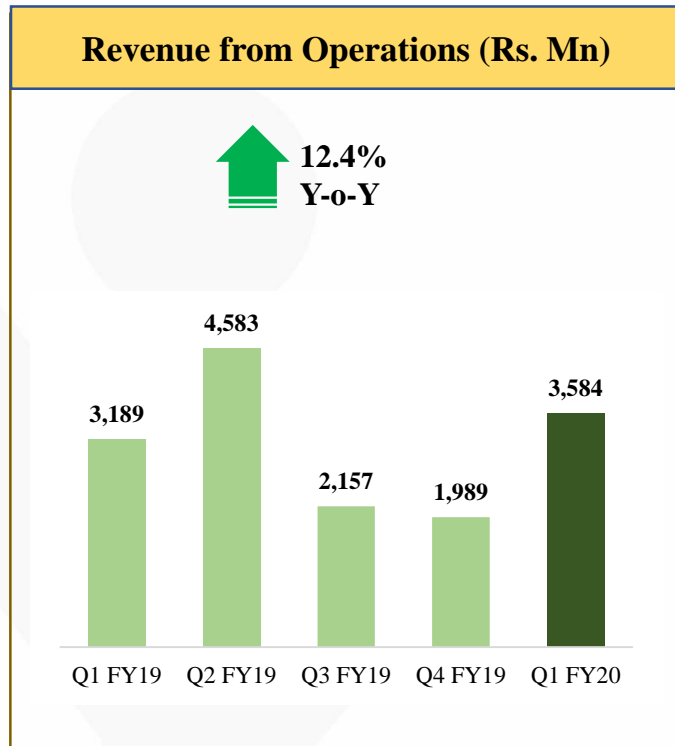
Financial Performance



| (Rs. Million) | Q1 | | Y-o-Y | Q4 | Q-o-Q | Full Year | | Y-o-Y |
|--|--------------|--------------|--------------|--------------|---------------|---------------|---------------|--------------|
| | FY2020 | FY2019 | Growth(%) | FY2019 | Growth(%) | FY2019 | FY2018 | Growth(%) |
| Operating Revenue (net of excise) | 3,584 | 3,189 | 12.4% | 1,989 | 80.1% | 11,919 | 10,733 | 11.1% |
| Other Income | 12 | 2 | 543.4% | 10 | 20.4% | 23 | 32 | (28.8)% |
| Total Revenue | 3,595 | 3,191 | 12.7% | 1,999 | 79.8% | 11,943 | 10,765 | 10.9% |
| EBITDA | 631 | 556 | 13.6% | 289 | 118.6% | 1,856 | 1,478 | 25.6% |
| EBITDA Margin (%) | 17.6% | 17.4% | | 14.5% | | 15.6% | 13.8% | |
| EBIT | 584 | 509 | 14.7% | 249 | 134.3% | 1,682 | 1,340 | 25.5% |
| EBIT Margin (%) | 16.2% | 16.0% | | 12.5% | | 14.1% | 12.4% | |
| Profit After Tax (PAT) | 359 | 340 | 5.7% | 286 | 25.9% | 1,224 | 840 | 45.8% |
| PAT Margin (%) | 10.0% | 10.7% | | 14.3% | | 10.2% | 7.8% | |
| Basic EPS | 17.39 | 16.45 | 5.7% | 13.81 | 25.9% | 59.23 | 40.63 | 45.8% |

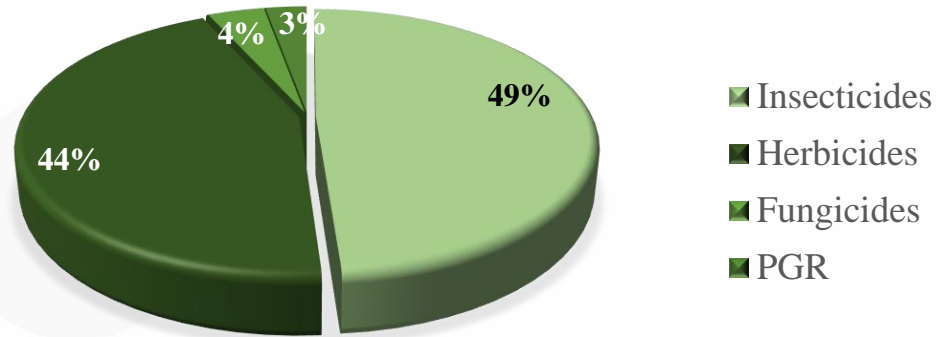
Note: EBITDA Margins are calculated on Operating Revenue

Financial Trends - Quarterly

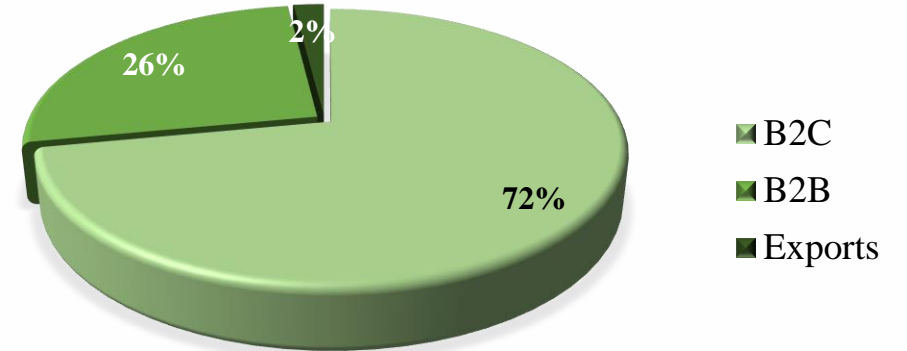


Segment Reporting – Q1 FY2020

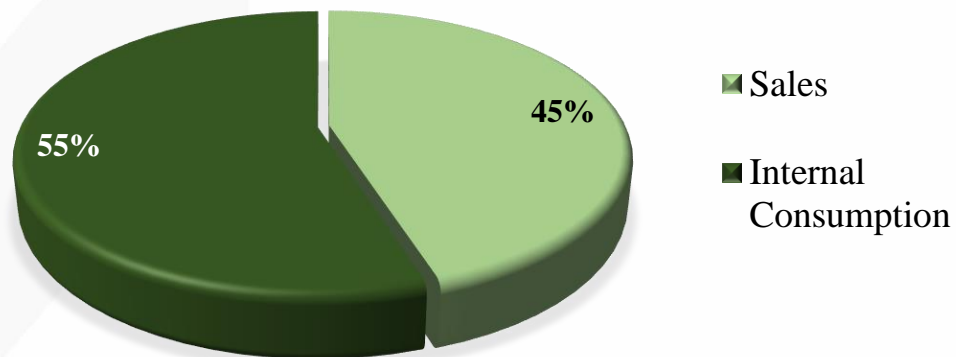
Gross Sales by Product Category



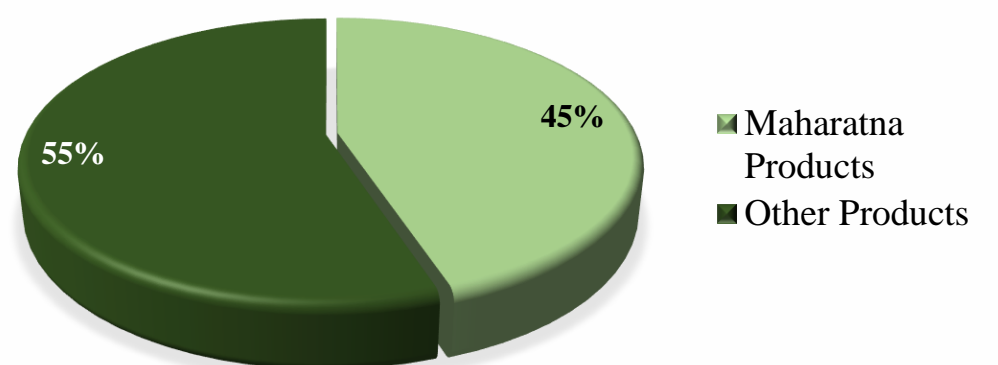
Gross Sales by Segment



Gross Sales vs Internal Consumption



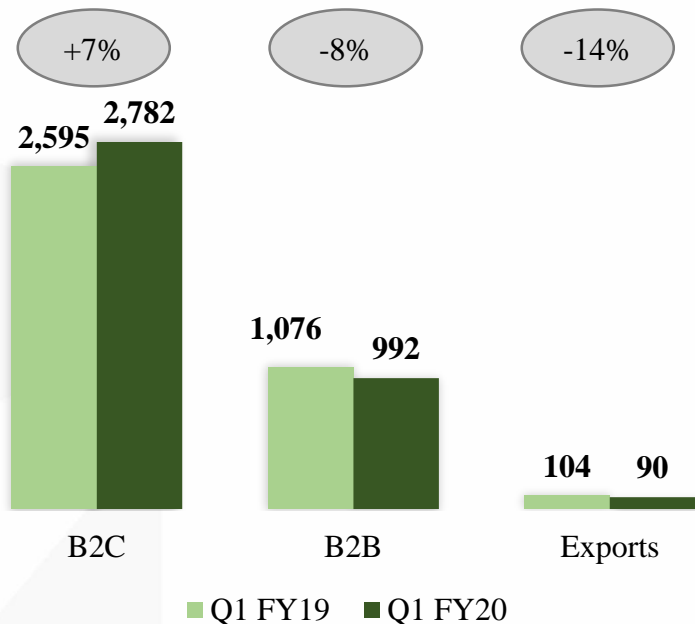
Breakdown of Top Seller Range in B2C



Segment Reporting – Q1 FY2020

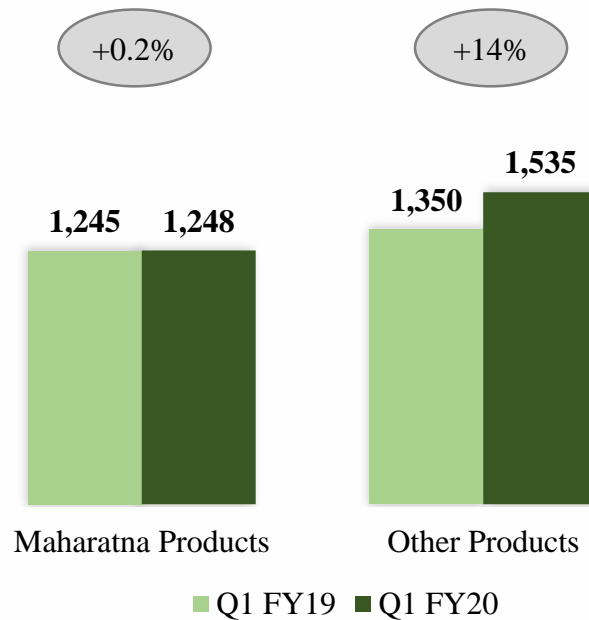


Gross Sales by Segment (Rs. Mn)



- Growth in sales of B2C segment continued its momentum with technical, formulated products and exports experiencing subdued economic environment headwinds
- B2C increased from Rs.2,595 Mn in Q1 FY19 to Rs. 2,782 Mn in Q1 FY20, a growth of 7% on Y-o-Y basis

Gross Sales by Emphasized Product Category (Rs. Mn)



- Sales of Maharatna products remained resilient; contributing 45% towards revenue (compared to 48% in Q1 FY19)

Recent Announcements

Patent received for Insecticidal Combination and Process of "Suspension Concentra TE (Sc) Formulation Comprising Buprofezin And Fipronil"

Term of 20 years, from 2nd December 2014

- Sold under the Brand Name "AIKIDO"
- Launched in technical collaboration with Nihon Nohyaku, Japan
- Product gives complete protection from brown plant hoppers (BPH), white plant hoppers (WBPH) and leaf folder, which destroy about 25-30 percent of paddy crop in the country every year
- Use of Aikido also exhibits ovicidal action by reducing the egg laying ability of BPH and the nymphs are not able to hatch properly from the treated eggs
- Other than paddy, Aikido is also found effective on vegetables for higher yields.



The advertisement features a red plastic bottle of Aikido Insecticide with a gold cap. The bottle has a white label with the brand name 'AIKIDO' in large red letters, 'INSECTICIDE' below it, and a silhouette of a farmer with a horse. A red oval sticker on the bottle says 'In collaboration with Nihon Nohyaku JAPAN'. The background is a bright yellow circle on an orange field.

**किसानों की
शान बढ़ाए
सुरक्षित
धान बढ़ाए
अकिडो**

FY2020 Outlook



Opportunities

India is currently the world's fourth largest producer of agrochemicals. Favourable manufacturing opportunities for agrochemical companies in India



Quarterly Outlook

The quarter is expected to be positive with forecasted near normal rainfall and delayed-yet-better sowing season



Monsoon

South-west monsoon expected to be near-normal, with 96% rainfall over a long-period average
El Nino conditions are projected to weaken, with minimal impact on sowing season of Kharif crops



Exports Surge

The Company will evaluate and expand in new growth opportunities in the exports market



Public Policy

A stable government, post General Elections, will ensure strong economic growth and provide necessary momentum to transform India into a globally competitive manufacturing hub for agrochemicals and fulfill the objective of doubling the farm incomes by 2020

Disclaimer



This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Insecticides India Limited (“Insecticides India” or the Company) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Insecticides India undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

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