

# Evolving Responsibly

 SUMITOMO CHEMICAL INDIA LTD.



**Sumitomo Chemical India Ltd.**  
Investor Presentation  
**March 2024**

# Safe Harbour

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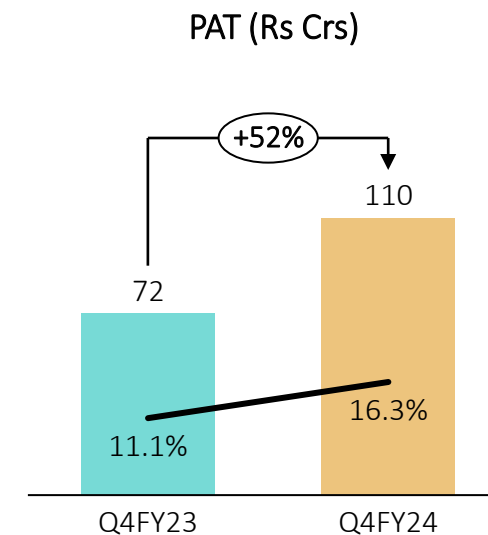
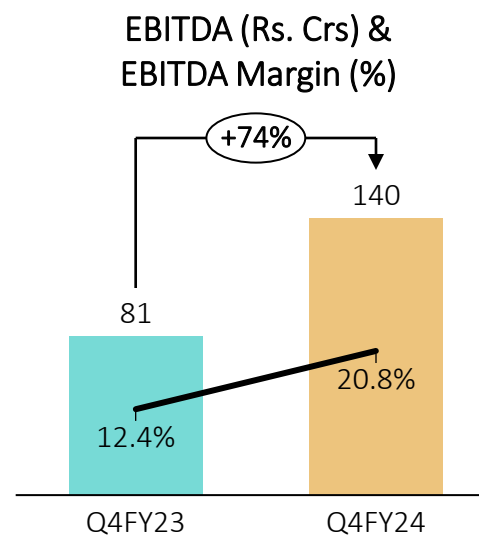
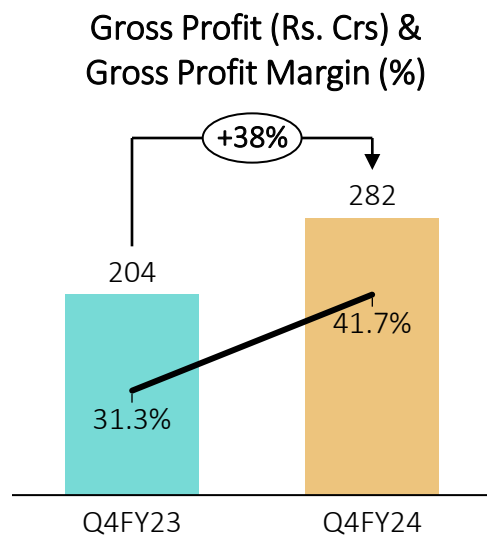
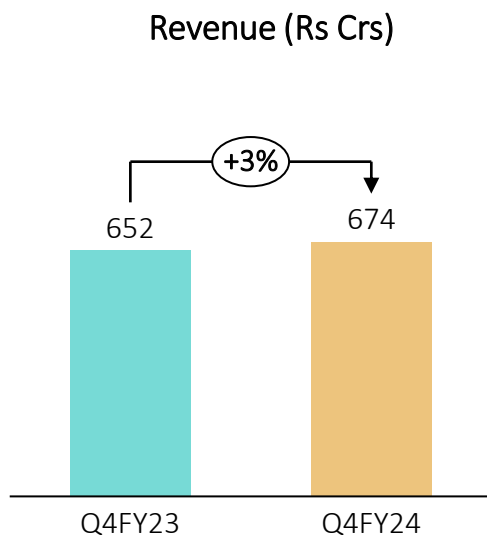
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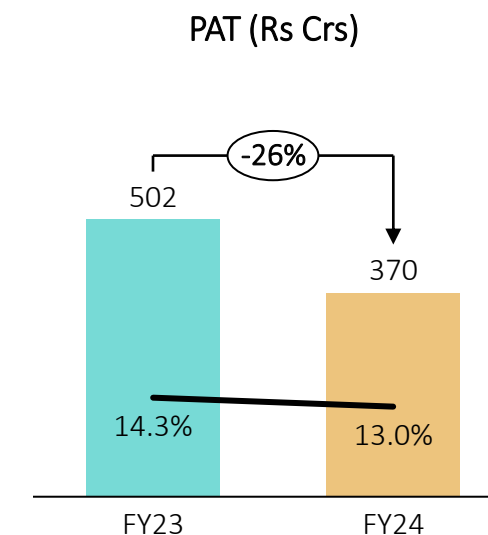
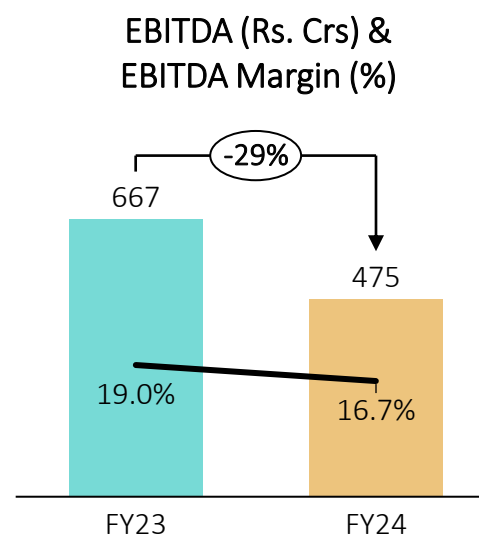
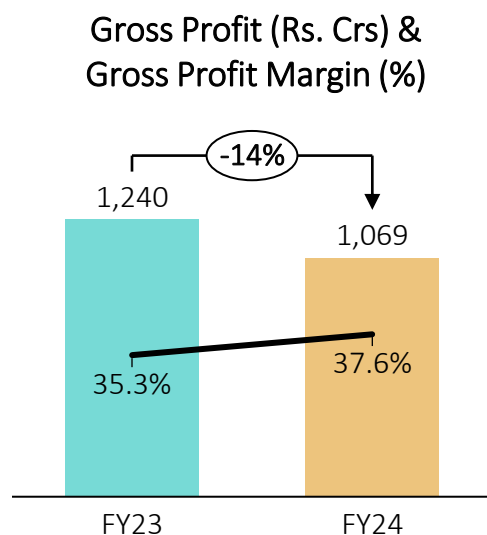
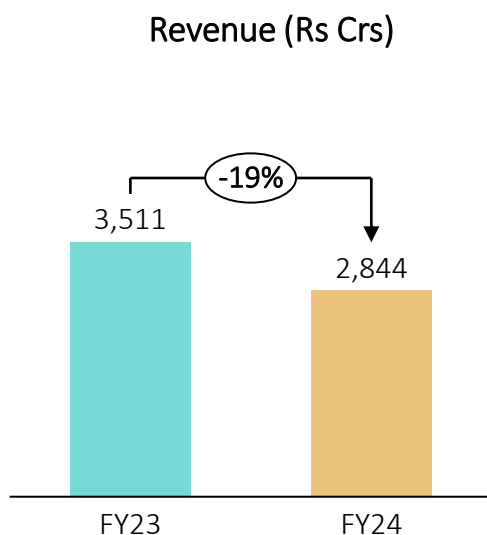
## Financial Performance and Key Highlights

# Performance Highlights – Quarter & YTD

Q4FY24 vs Q4FY23



FY24 vs FY23



Given the seasonality in the business, it is best monitored on an annual basis



## Performance Highlights – Q4 & FY24

- ✓ Over the preceding two years (FY22 & FY23), the company had experienced a positive business environment. Our primary focus during this period was to maximize performance in such favorable conditions and exceed expectations. Building on this momentum, we had taken several strategic initiatives aimed at ensuring sustained growth and long-term success.
- ✓ In FY24, agro-solution sector globally and in India faced several extra-ordinary challenging situation (mainly adverse weather, poor demand, inventory reductions, downward price volatility and supply chain disruptions along with several geo-political situations. Most of these appears to be temporary one-time factors and situation is expected to normalize in short term. Growth potential of agro-solution sector and especially high growth markets like India continues to be positive in medium to long term.
- ✓ Despite facing significant headwinds in FY24, our strategic focus was for minimizing adverse impacts and driving operational efficiencies that enabled us to provide resilience performance.
- ✓ During FY24, we navigated through the challenging situation by focusing on liquidating high-cost inventory and restoring gross margins to normalized levels within a short period of time. Our gross margins showed improvement on a full-year basis and this was achieved through a combination of procurement efficiencies for input material and optimum output product pricing strategies under volatile environment and cost control measures for fixed direct overheads. We minimized the adverse impact on our domestic business sales and margins through robust product defense strategies, demand generation and brand-building efforts. We continue to ramp up volumes of some important proprietary products and initiated trials for high-potential future products. While we faced higher level of challenges in exports market, commercialization of capex projects helped us in minimizing the impact to some extent.
- ✓ We launched 3 herbicides, 1 insecticide and 2 fungicides in FY24. We are gearing up to launch several unique first-time registrations in India after years of efforts, which are expected to ramp up over next few years.
- ✓ Further, the company implemented strict controls over fixed costs, maintaining these expenses even amid high inflation. This disciplined approach extended to collections, inventory management, and overall working capital, collectively helped stabilize our financial performance. Throughout FY24, we implemented various measures to enhance safety standards across our operations. Our sustainability initiatives have also seen progress, including expansion of product segment in environmental friendly technologies with Barrix acquisition and expansion of renewable energy sources, further embedding responsible practices in our business operations.
- ✓ In this challenging year, we have demonstrated operational resilience and financial discipline. Our long-term plans were not impacted and we continue to make progress on our strategic growth journey. We successfully advanced several key strategic initiatives. We believe that these efforts have enabled further strengthening of our competitive position.
- ✓ Our focus in FY25 would be towards recovering the revenues lost during challenging situation of FY24, by way of more extensive demand generation and brand building efforts, especially for recently launched products in last 2-3 years. We also plan to continue follow disciplined approach towards margins, fixed costs and working capital. Further, our ongoing initiatives position us strongly for future growth in medium to long term.

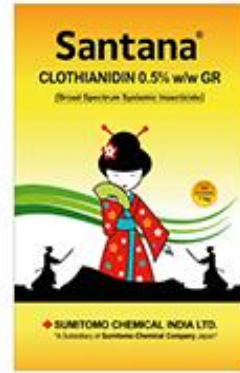
# New Product Launches - PAN India



**Pyclome**  
Insecticide  
Clothianidin 3.5% +  
Pyriproxyfen 8% SE



**Sumiblu Diamond**  
Plant Growth Regulator  
Gibberellic Acid 0.1 % GR



**Santana**  
Insecticide  
Clothianidin 0.5% GR



**Danitol® NXT**  
Insecticide  
Fenpropathrin 10% EW



**Promalin**  
Plant Growth Regulator  
6BA 1.8% + GA 1.8% L



**Korko**  
Insecticide  
Emamectin Benzoate 1.5%+  
Profenofos 35% WDG



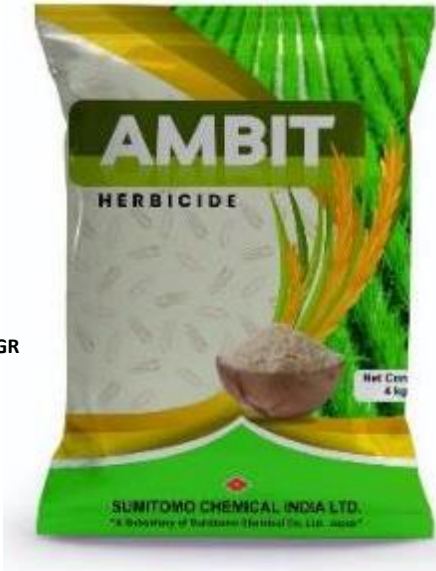
**Derecho**  
Fungicide  
Ethaboxam 40% SC



# New Product Launches - PAN India

## Herbicide

Oxadiargyl 1% + Pretilachlor 6% GR  
Category: Herbicide



## Insecticide

Chlorantraniliprole 0.4% w/w GR



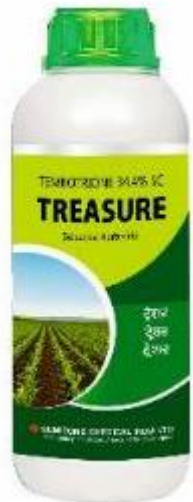
## Herbicide

Glufosinate Ammonium 13.5 SL



## Herbicide

Tembotrione 34.4% SC



## Fungicide

TriBasic Copper Sulfate 34.5% W/V SC



## Fungicide

TriBasic Copper Sulfate 34.5% W/V SC





# Consolidated Profit & Loss Account Statement

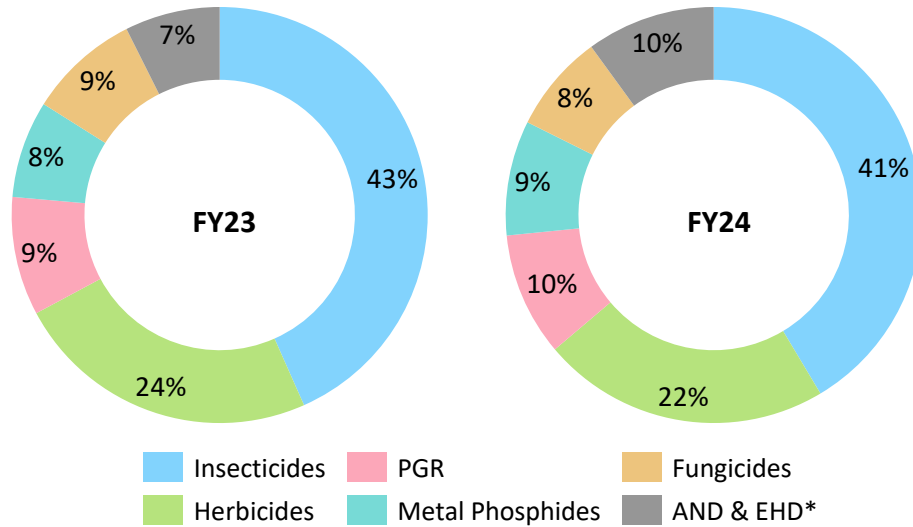
Particulars (Rs. Crs)	Q4FY24	Q4FY23	YoY	Q3FY24	QoQ	FY24	FY23	YoY
<b>Revenue from Operations</b>	<b>674.2</b>	<b>651.6</b>	<b>3%</b>	<b>542.0</b>	<b>24%</b>	<b>2,843.9</b>	<b>3,511.0</b>	<b>-19%</b>
COGS	392.7	447.4		326.5		1,775.1	2,270.6	
<b>Gross Profit</b>	<b>281.5</b>	<b>204.1</b>	<b>38%</b>	<b>215.5</b>	<b>31%</b>	<b>1,068.9</b>	<b>1,240.3</b>	<b>-14%</b>
<b>Gross Profit %</b>	<b>41.7%</b>	<b>31.3%</b>	<b>1,042 bps</b>	<b>39.8%</b>	<b>199 bps</b>	<b>37.6%</b>	<b>35.3%</b>	<b>226 bps</b>
Employee Expenses	59.2	54.5		53.9		232.0	218.4	
Other Operating Expenses	82.1	69.1		95.8		362.3	355.4	
<b>Operating EBITDA</b>	<b>140.2</b>	<b>80.6</b>	<b>74%</b>	<b>65.8</b>	<b>113%</b>	<b>474.6</b>	<b>666.6</b>	<b>-29%</b>
<b>EBITDA Margin</b>	<b>20.8%</b>	<b>12.4%</b>	<b>843 bps</b>	<b>12.1%</b>	<b>865 bps</b>	<b>16.7%</b>	<b>19.0%</b>	<b>-230 bps</b>
Other Income	26.7	16.5		26.9		95.7	44.9	
Depreciation	16.8	14.0		16.1		62.2	51.9	
<b>EBIT</b>	<b>150.1</b>	<b>83.0</b>	<b>81%</b>	<b>76.6</b>	<b>96%</b>	<b>508.1</b>	<b>659.6</b>	<b>-23%</b>
<b>EBIT Margin</b>	<b>22.3%</b>	<b>12.7%</b>	<b>952 bps</b>	<b>14.1%</b>	<b>814 bps</b>	<b>17.9%</b>	<b>18.8%</b>	<b>-92 bps</b>
Interest	1.3	1.4		1.2		5.1	5.4	
<b>Profit Before Tax</b>	<b>148.8</b>	<b>81.6</b>	<b>82%</b>	<b>75.4</b>	<b>97%</b>	<b>502.9</b>	<b>654.2</b>	<b>-23%</b>
<b>PBT Margin</b>	<b>22.1%</b>	<b>12.5%</b>	<b>954 bps</b>	<b>13.9%</b>	<b>817 bps</b>	<b>17.7%</b>	<b>18.6%</b>	<b>-95 bps</b>
Tax	38.9	9.5		20.6		133.2	152.0	
<b>Net Profit</b>	<b>109.9</b>	<b>72.1</b>	<b>52%</b>	<b>54.7</b>	<b>101%</b>	<b>369.7</b>	<b>502.2</b>	<b>-26%</b>
<b>Net Profit Margin</b>	<b>16.3%</b>	<b>11.1%</b>	<b>523 bps</b>	<b>10.1%</b>	<b>620 bps</b>	<b>13.0%</b>	<b>14.3%</b>	<b>-130 bps</b>
Other Comprehensive Income	0.0	0.6		0.6		-0.4	2.3	
<b>Total Comprehensive income for the period</b>	<b>109.9</b>	<b>72.8</b>	<b>51%</b>	<b>55.4</b>	<b>98%</b>	<b>369.4</b>	<b>504.5</b>	<b>-27%</b>

Given the seasonality in the business, it is best monitored on an annual basis

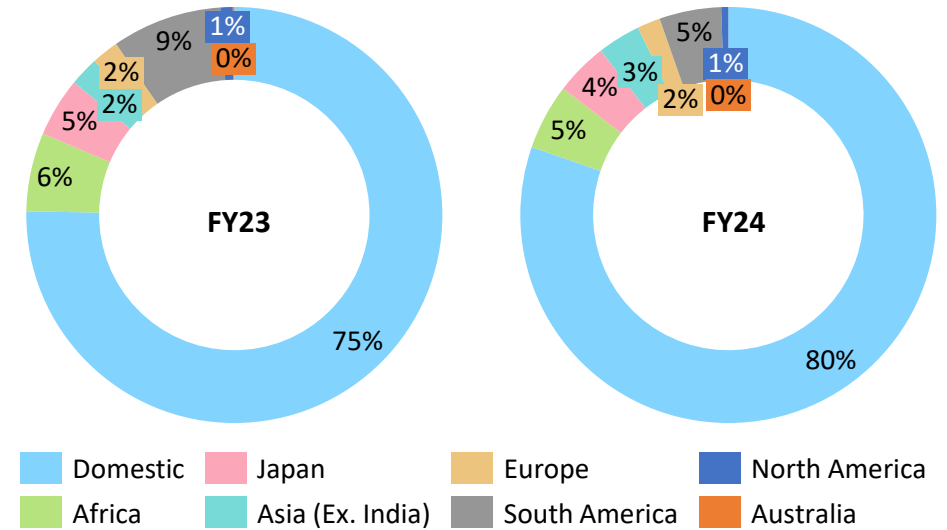


# Revenue Breakup – FY24

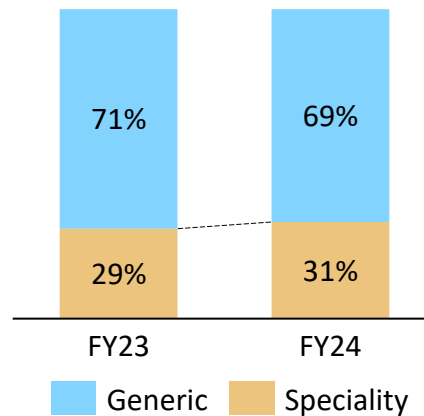
### Product Breakup



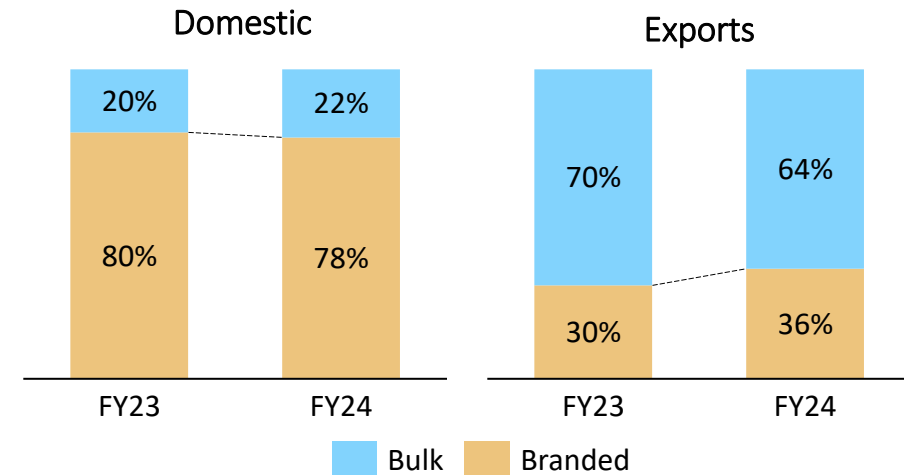
### Geographic Breakup



### Segment Breakup



### Bulk & Branded



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

# Consolidated Working Capital Movement

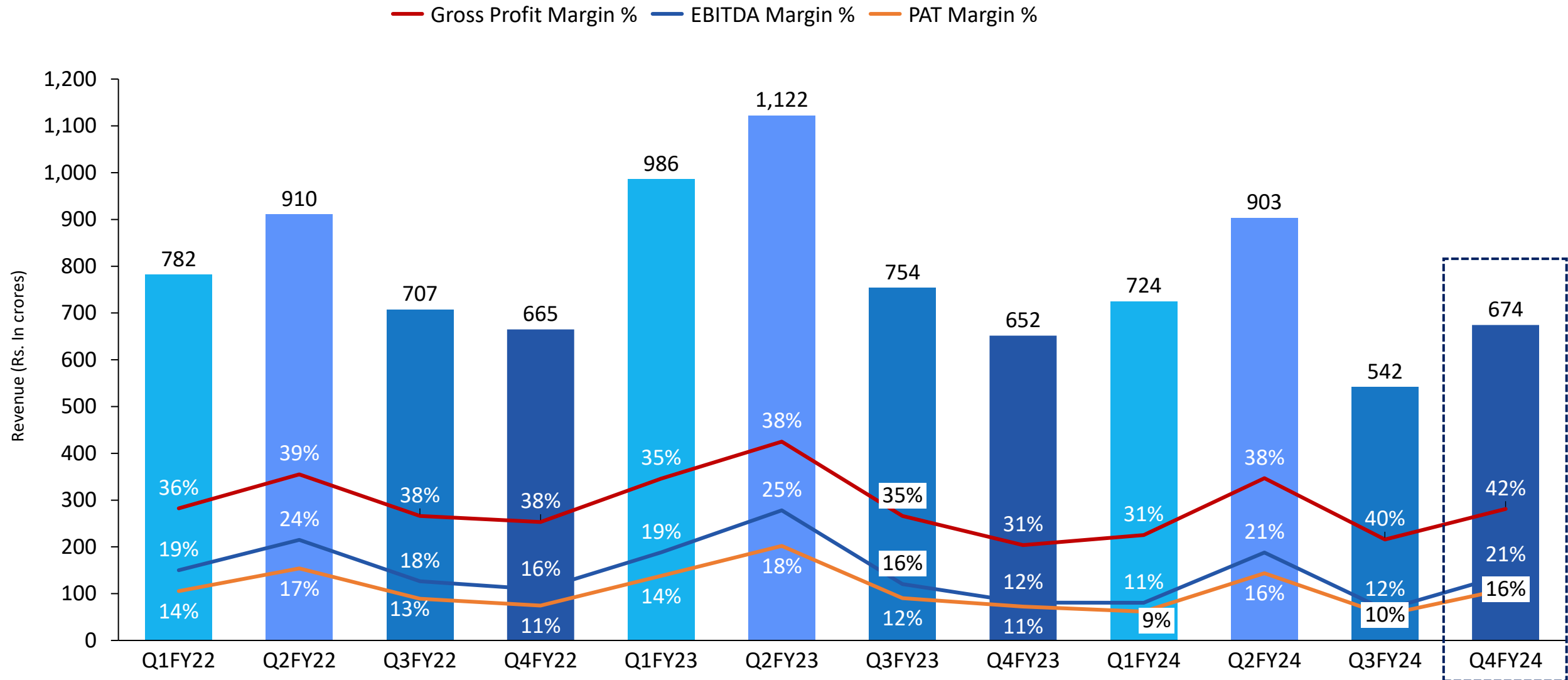
Particulars (Rs. Crs)	Mar-24*	Dec-23*	Change (Dec-23 to Mar-24)	Mar-23*	Change (Mar-23 to Mar-24)
Inventory (A)	610.4	576.1	34.3	888.7	-278.3
Inventory Days (Inventories/ COGS* No. of days in period) (i)	126	115		143	
<b>Trade Receivables (B)</b>	<b>715.9</b>	<b>734.2</b>	-18.3	<b>946.1</b>	-230.2
Trade Receivables Days (Trade Receivables / Revenue*No. of days in period) (ii)	92	93		98	
Trade Payables (C)	430.1	391.8	38.3	490.6	-60.5
Trade Payables Days (Trade Payables/ COGS*No. of days in period) (iii)	88	78		79	
Other Financial Liabilities (D)	294.8	376.0	-81.2	366.2	-71.4
Other Financial Liabilities Days (Other Current Liabilities / Revenue*No. of days in period) (iv)	38	48		38	
<b>Net Working Capital (A+B-C-D)</b>	<b>601.5</b>	<b>542.5</b>	<b>59</b>	<b>978.0</b>	<b>-376.5</b>
Net Working Capital Days (i + ii – iii – iv)	91	82		124	

## Key Highlights

- ✓ In term of overall net working capital days, there has been reduction of 33 days as on March '24 as to that March '23, mainly on account of decrease in inventory days & receivable days and increase in payable days. Cash & cash equivalent as on 31<sup>st</sup> March 2024 stood at Rs. 1,207 crore (after interim dividend pay-off)
- ✓ Focused efforts towards improving collections - Collection during FY24 of ~Rs. 3,325 crores, as compared to Rs. 3,676 crores during FY23. As against 19% reduction in revenues, reduction in collection is just about 9% - which demonstrates company's strong focus on collection discipline even in a challenging year.

Given the seasonality in the business, it is best monitored on an annual basis  
 \* No. of Days in period: Mar-24 – 365 days, Dec-23 – 92 days, Mar-23 – 365 days

# Financial Performance Trend





## Company Overview



# Journey to 15x Growth in India

**SCIL – Vision & Mission**

**Formidable Player in the Indian  
Agrochemicals Space**

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

**Strong Brand and Well-Entrenched  
Distribution Network**

**Strategically Located Manufacturing  
Facilities**

**Strong Focus on R&D, Process Innovation  
and Safety, Health and Environment (SHE)**

**Autonomous Board with Vast Industry  
Experience**

**Growth Strategies**

# SCIL - 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

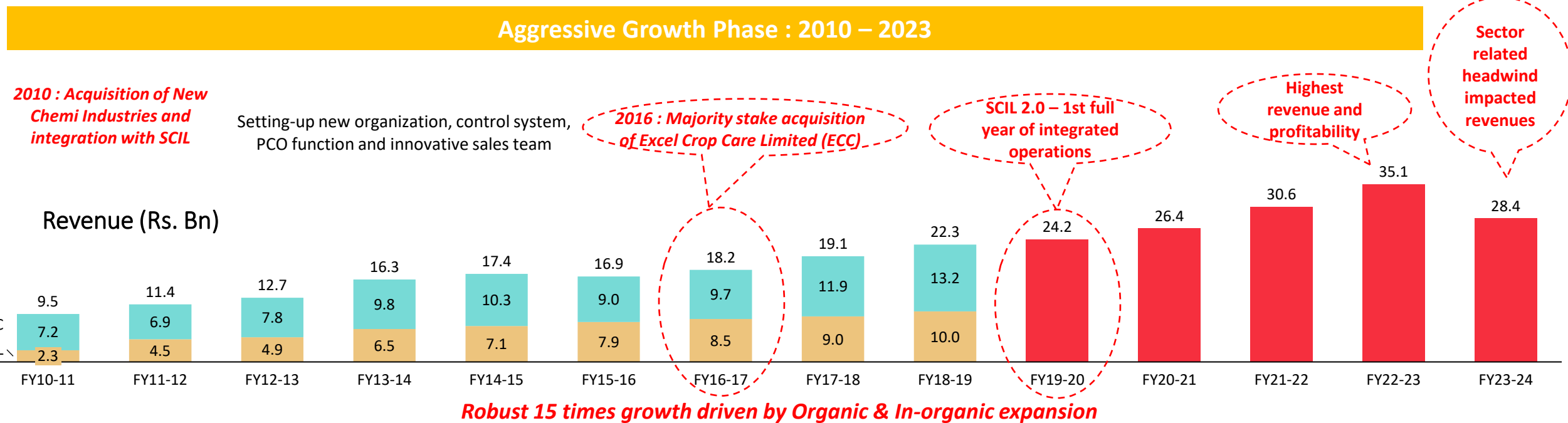
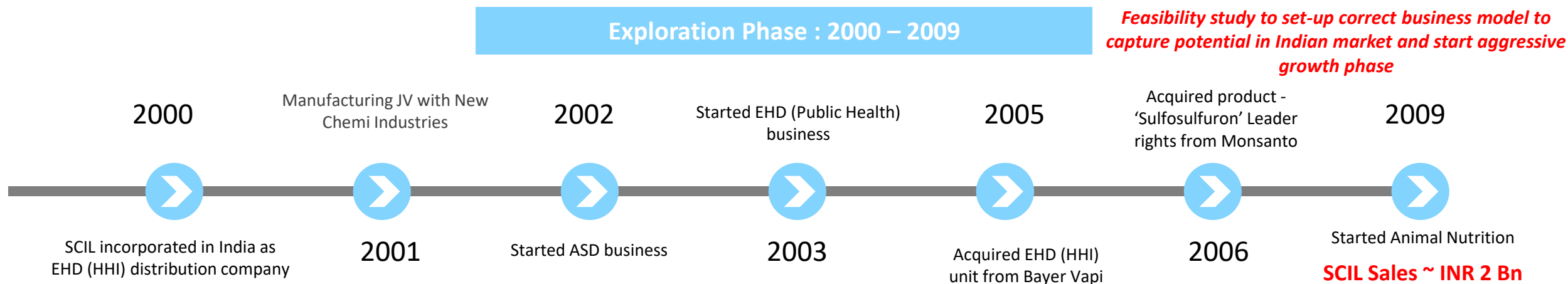
### Manufacturing:

- Supplying the most competitive products with safe and stable operation and meet demand
- Strengthen Procurement Power
- Expand Manufacturing Functions

### Management & Support:

- Establishing the most efficient organization to support business growth and alignment with SCC
- Develop administrative efficiency while ensuring internal controls
- Full & Strict Compliances
- Value Creation for all stakeholders

# Journey to 12x Growth in India in last 14 years





# Formidable Player in the Indian Agrochemicals Space

**5**  
Manufacturing  
Facilities

**14**  
Technical  
Actives

**15,000+** Direct  
Distributors &  
60 Depots

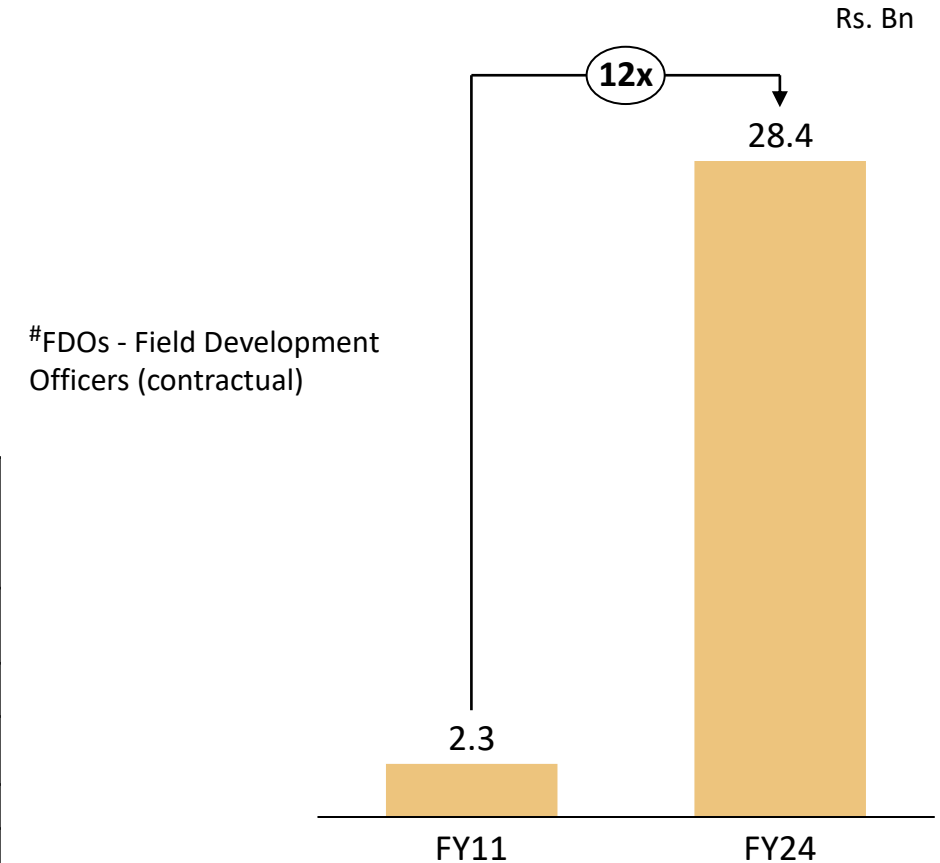


**200+** Brands  
**700+** SKUs

**25+** Patents  
**200+** Registrations

**1600+** Employees  
**1500+** FDOs#

Grown 12x+ over FY11-24



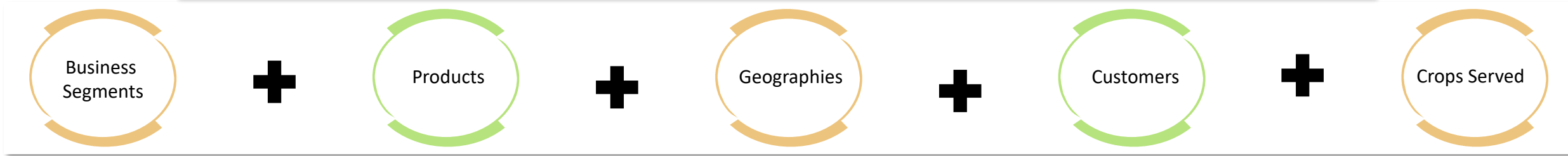
Key Products

Product Name	Product Category	Indicative Use
Fenpropathrin	Insecticide	Paddy, Cotton, F&V
Glyphosate	Herbicide	Tea Gardens, non-cropped
Profenophos	Insecticide	Cotton, Soya bean
Pyriproxyfen	Insecticide	Cotton
Clothianidin	Insecticides	Vegetables
Tebuconazole	Fungicides	Wheat, Soya bean, Chilli
Gibberallic Acid	Plant Growth Regulator	Citrus Fruits
Aluminum Phosphide	Fumigant	Warehousing of Food Grains
Chlorpyrifos	Insecticide	Paddy, Beans, Gram
DL-Methionine	Animal Nutrition	Poultry



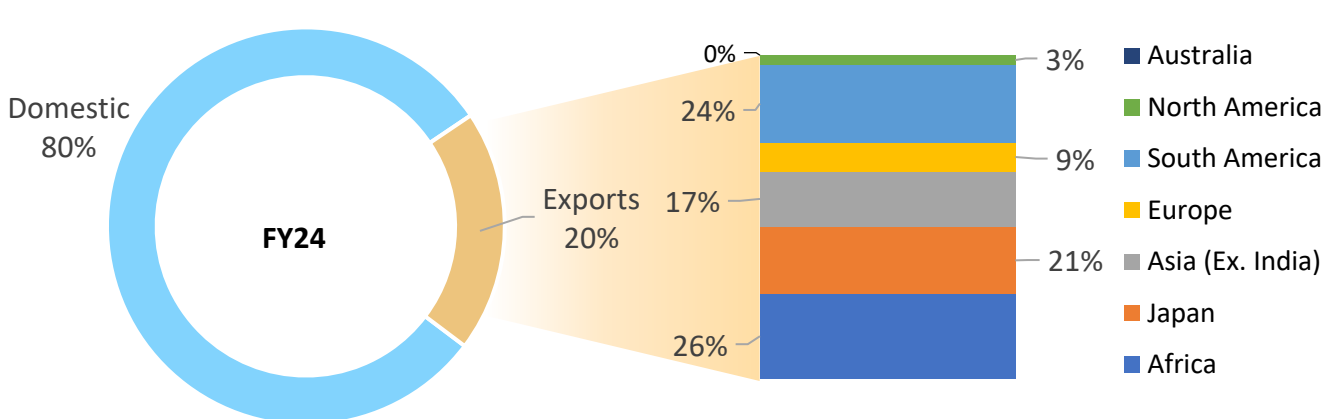
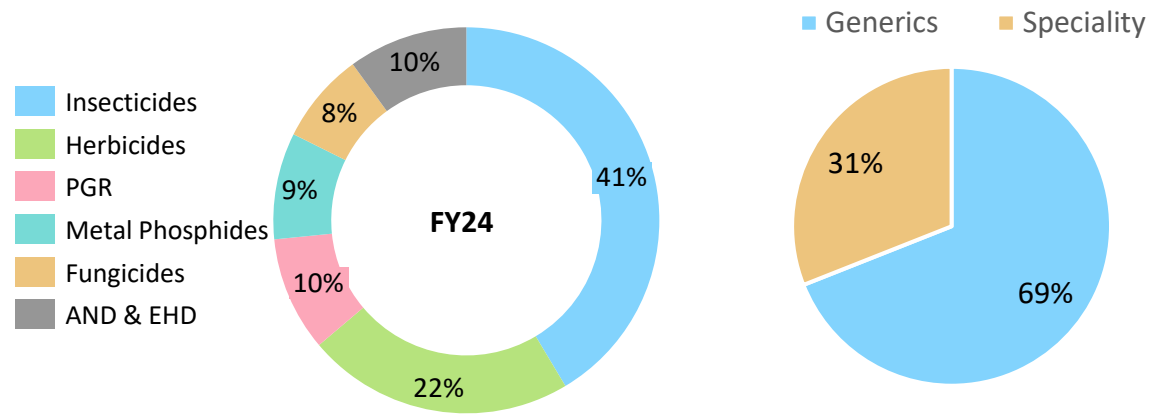
# Diversified & De-risked Portfolio Across the Agro-Chem Value Chain

Well-Diversified across multiple dimensions



Diversified Portfolio Across Segments

Geographic Diversification with Exports to ~50 countries



- ✓ Greater focus on high growth, stable and high profitable segments such as **Herbicides, PGR, Bio-rational products**
- ✓ 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

- ✓ **Top 10 products contributes less than 45% of Total Revenue**
- ✓ **No product / molecule contributes more than ~16% of Total Revenue**
- ✓ **Diversified across key crops - Concentrated efforts now on fruits & vegetables, paddy and other high growth segments**

# 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**

✓ Expanded teams for **strategic marketing, demand generation, product development and regulatory affairs** to focus on future growth



**26** States



**15,000+**  
Distributors



**4.4 million+**  
Farmer Connect through  
physical meetings  
**20 million+**  
Digital Connect



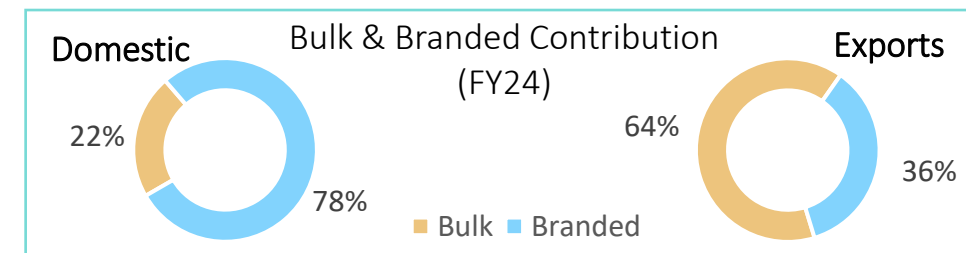
**60** Depots



**~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 1,500+ Relationship managers connecting to 4.4 million+ farmers throughout crop cycle
- ✓ Over 200 brands covering maximum of crops and pest segments
- ✓ 15,000+ distributors; 40,000+ dealers and 60 Depots help in expanding brand visibility and connect
- ✓ More than 600+ 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 : **23 websites** (9 local languages), engaged with **20 million consumers** in FY23



YouTube - Advantage

**More than 53,000 subscribers**



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



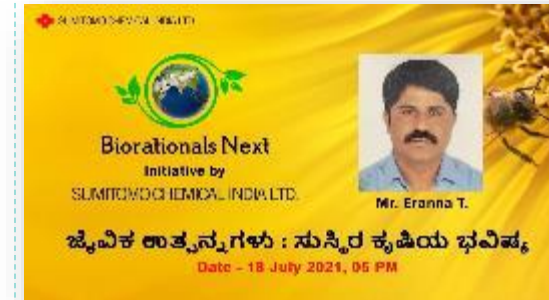
<http://www.naturedeep.in/>



<http://danzapower.com/>



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



Conducted 100s of YouTube, Facebook, Google, Zoom Video Live sessions in 2022-23



15 Digital Launch programs of Taboli across India to introduce the product to distributors & retailers



✓ More than 5,000 downloads  
✓ Rating – 4.5

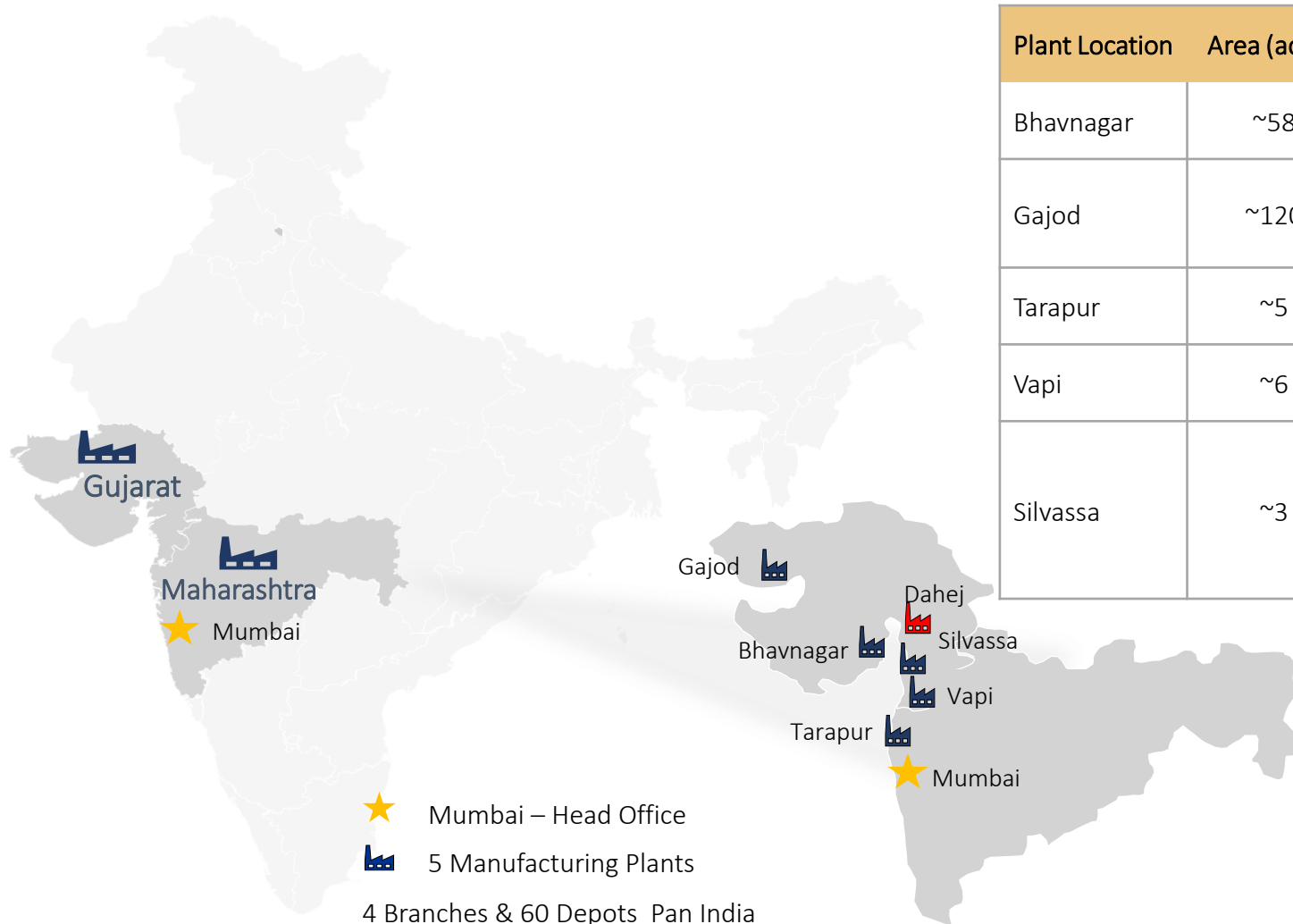
✓ Successful campaign to introduce the QR codes of <http://www.sumitomoproducts.com/> to the retailers and farmers.

✓ Create Interest and real experience Digital + Physical = **PHYGITAL**



# Strategically Located Manufacturing Facilities

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

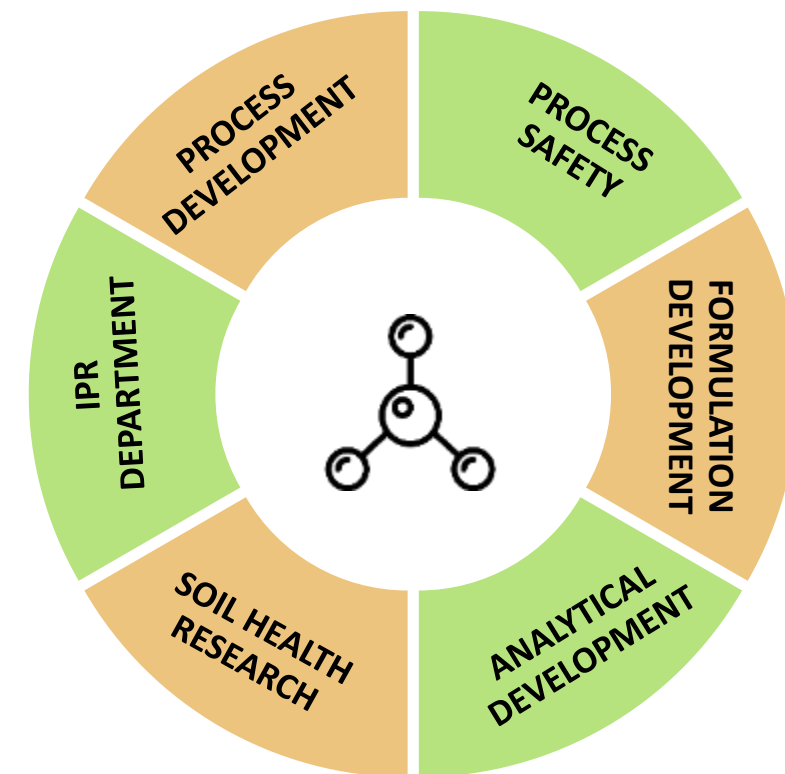


Plant Location	Area (acres)	Segment Served	Product Manufactured
Bhavnagar	~58	Manufacturing of Technical Grade Pesticides and Formulations	<b>Technical Grade Products:</b> Chlorpyrifos, Profenophos, Glyphosate, Tebuconazole Tech, Quinalphos, Imidacloprid, Thiacloprid, Acetamiprid, Byspyribac Sodium, Fluroxypyr, Aluminium Phosphide, Zinc Phosphide, Sulphur WDG, Fenpropathrin
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 ~ 80% to 90% for TGAI's
- Bought 2 additional private owned land parcels for future expansion:
  - ~20 acre adjoining our existing Bhavnagar site
  - ~50 acre at a prime location at Dahej within Chemical Zone

# R&D: 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; Soil Health Research Laboratory and in-house field trials
- ❑ 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
- ❑ 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



Bhavnagar, Synthesis Lab



Bhavnagar, R&D Analytical lab



Bhavnagar, Soil Health Research Lab



Bhavnagar, Biopesticides Unit

# Capex Plans

**Regular Capex  
Rs. 70-75 crore p.a.**

Maintenance capex

Capacity enhancements for existing products in line with projected demand

Infrastructure enhancements for supporting future growth

Efficiency improvement projects and safety enhancement

Sustainability initiatives, full compliance with environmental norms & renewable energy projects

Trials and registrations for future pipeline products



**Additional Capex  
Rs. 120 crore  
over 2 years for 5 products\***

To manufacture additional proprietary technical grade active ingredients products for our parent company SCC Japan and our global affiliates

**5 products have been approved** in-principle for supply to SCC and several others are in pipeline

Projects are being set-up at our existing sites.  
**Target commercialization over next 1 year**

**Revenue potential of these 5 products on the above capex is Rs. 200 crore to Rs. 250 crore p.a.**

Estimated **margins are in line with current margins** earned by SCIL for similar projects

These products have growing global demand. Potential to add further capacities and additional products in medium to long term

## Research & Development



Indian R&D team is working on manufacturing several off-patent products for Domestic as well as Exports to global affiliates including high growth regions such as Latin America, Africa and Asia Pacific which will entail additional capex and is under evaluation

## Future Expansion Plans




Signed and registered agreements to buy 2 additional land parcels and transfer process is expected to be completed soon

- ~20 acre privately owned land parcel adjoining our existing Bhavnagar site
- ~50 acre privately owned land parcel at a prime location at Dahej within PCPIR Zone

**\*Both the projects have started commercial production. We generated some revenue from this strategic initiative in the fiscal year FY24 and with planned ramp-up of volumes in short to medium term.**

# Thrust on Safety, Health and Environment (SHE)

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

-  Four Start Export House by Ministry of Commerce and Industry
-  Authorized Economic Operator AEO (Tier-2) Certification
-  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: 65% 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



## 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**



# Awards & Accolades

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

-  Jamnalal Bajaj Award for “Fair Business and Practices”
-  Chemexcil Best Exporter's award: 2017-18 received in 2023
-  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
-  Global CSR award from SCC for one of our Integrated Village Development Programme
-  ICMA award for innovation and purposeful programs for social progress
-  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
-  CSR Award from Federation of Gujarat Industries

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

# 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



**Preeti Gautam Mehta**  
Independent Non-executive Director

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



**Bhupendranath Bhargava**  
Independent Non-executive Director

- Experience of over 5 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



**Ninad Dwarkanath Gupte**  
Non-executive Director

- Experience of 44 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



**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



**Masanori Uzawa**  
Non-executive Director

- MBA from University of Virginia, USA and a Bachelor's degree from the University of Tokyo in Japan
- Associated with Sumitomo Chemical, Japan and has experience of over 20 years in the areas of strategy, planning and business development for crop protection & other chemical businesses.



**Chetan Shantilal Shah**  
Managing Director

- Commerce graduate from the University of Mumbai and holds a master's degree in Business Administration from North Rope University in the USA
- Over 44 years of industry experience in various leadership and senior management roles



**Sushil Champaklal Marfatia**  
Executive Director

- Chartered Accountant with over 43 years of industry experience
- Worked with New Chemi Industries Limited for 33 years which was later merged with the Company



**Dr Suresh Ramachandran**  
Whole Time Director &  
Chief Commercial Officer (CCO)\*

- Ph.D. in Entomology from The University of Georgia, USA
- 26 years of expertise - Sales and Distribution, Product Management, Regulatory, Business Management, R&D, Six Sigma & Enterprise Resource Planning, in Crop Protection & Seeds Business.

\*Proposed to be promoted as Deputy Managing Director with effect from 1<sup>st</sup> Sep 2024

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

# 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
- Extraordinary preparations for new product launches underway



## Product Pipeline

- Multiple products coming from initiatives
- Global Speciality Proprietary products to be launched in India
- New combination products / pre-mixtures currently under development for domestic and exports
- Off-patent products under development for domestic and exports
- Technical products for manufacturing and exports



## Expand Export Business

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

## Achieving Market Leadership in India

- Balanced portfolio of specialty products (including futuristic green products) and off-patent products
- Consolidate position as best agro-chemical marketer in India
- Strive for manufacturing excellence & expand Make in India Projects
- Making organization ready to handle future challenges (Transform)
- Sustainable and healthy financial results (Harvest)

Leverage expertise in successful product launches, demand generation and manufacturing capacity expansions to fuel future growth



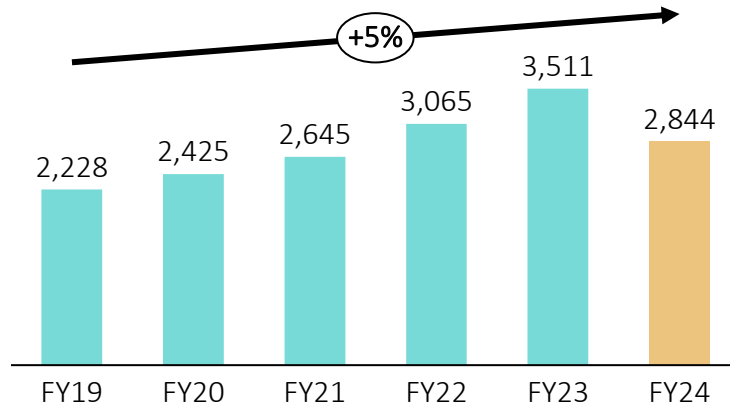




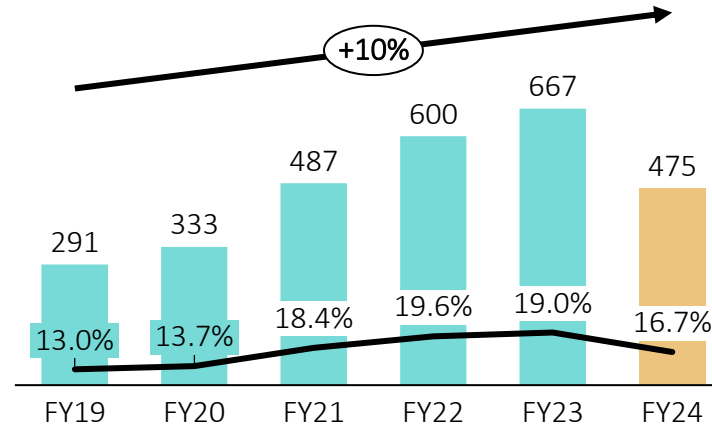
# Financial Performance & Key Takeaways

# Historical Performance Highlights

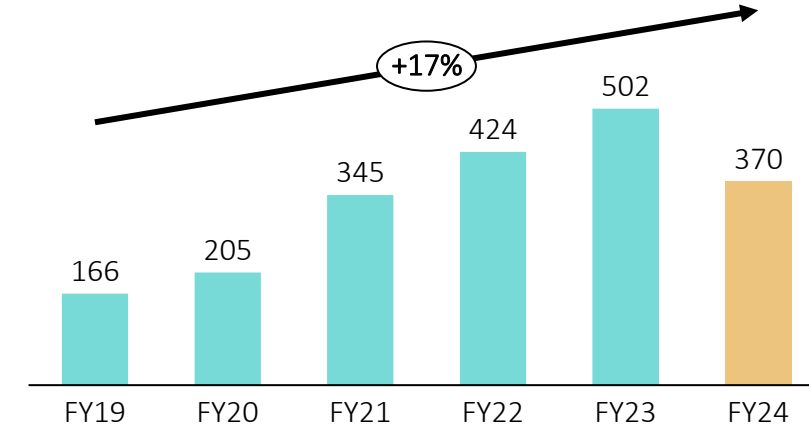
Revenue (Rs Crs)



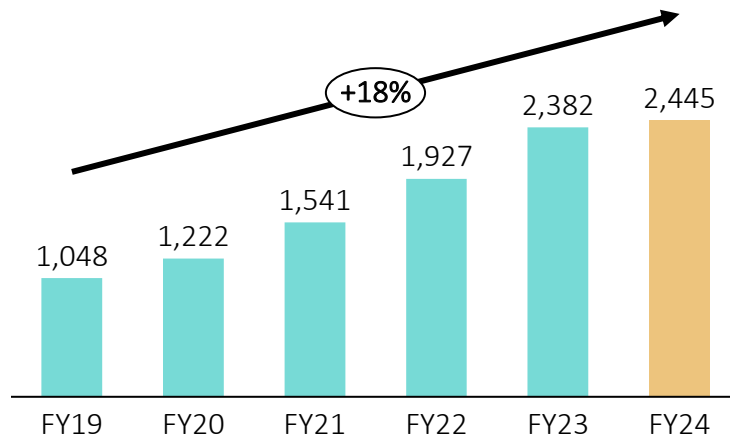
EBITDA (Rs. Crs) & EBITDA Margin (%)



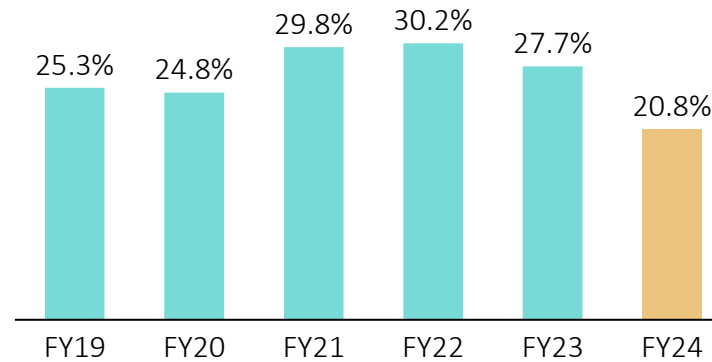
PAT (Rs Crs)



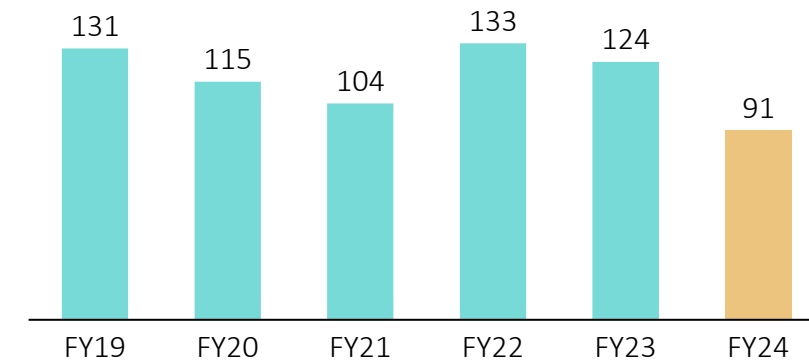
Networth (Rs Crs)



RoCE (%)^



Net Working Capital Days



^ ROCE – {EBIT/ (Net Worth + Borrowings)}

# Consolidated Profit & Loss Account Statement

Particulars (Rs. Crs)	FY24	FY23	FY22	FY21	FY20	FY19
<b>Net Revenue from Operations</b>	<b>2,843.9</b>	<b>3,511.0</b>	<b>3,061.2</b>	<b>2,644.9</b>	<b>2,424.8</b>	<b>2,228.4</b>
COGS	1,775.1	2,270.6	1,908.0	1,655.4	1,607.6	1,458.9
<b>Gross Profit</b>	<b>1,068.9</b>	<b>1,240.3</b>	<b>1,153.2</b>	<b>989.5</b>	<b>817.2</b>	<b>769.6</b>
<b>Gross Profit %</b>	<b>37.6%</b>	<b>35.3%</b>	<b>37.7%</b>	<b>37.4%</b>	<b>33.7%</b>	<b>34.5%</b>
Employee Expenses	232.0	218.4	202.0	194.3	179.3	158.4
Other Operating Expenses	362.3	355.4	351.3	308.4	304.7	320.5
<b>Operating EBITDA</b>	<b>474.6</b>	<b>666.6</b>	<b>599.9</b>	<b>486.9</b>	<b>333.2</b>	<b>290.7</b>
<b>EBITDA Margin</b>	<b>16.7%</b>	<b>19.0%</b>	<b>19.6%</b>	<b>18.4%</b>	<b>13.7%</b>	<b>13.0%</b>
Other Income	95.7	44.9	26.8	18.6	10.7	7.6
Depreciation	62.2	51.9	44.8	46.6	41.0	27.8
<b>EBIT</b>	<b>508.1</b>	<b>659.6</b>	<b>581.9</b>	<b>458.9</b>	<b>302.9</b>	<b>270.5</b>
<b>EBIT Margin</b>	<b>17.9%</b>	<b>18.8%</b>	<b>19.0%</b>	<b>17.3%</b>	<b>12.5%</b>	<b>12.1%</b>
Interest	5.1	5.4	6.2	5.6	5.5	3.7
<b>Profit Before Tax &amp; Exceptional</b>	<b>502.9</b>	<b>654.2</b>	<b>575.7</b>	<b>453.3</b>	<b>297.4</b>	<b>266.8</b>
Exceptional Item Gain / (Loss)**	0.0	0.0	0.0	-	-30.9	-7.0
<b>Profit Before Tax</b>	<b>502.9</b>	<b>654.2</b>	<b>575.7</b>	<b>453.3</b>	<b>266.5</b>	<b>259.8</b>
<b>PBT Margin</b>	<b>17.7%</b>	<b>18.6%</b>	<b>18.8%</b>	<b>17.1%</b>	<b>11.0%</b>	<b>11.7%</b>
Tax	133.2	152.0	152.2	107.9	61.8	94.0
<b>Net Profit</b>	<b>369.7</b>	<b>502.2</b>	<b>423.5</b>	<b>345.4</b>	<b>204.7</b>	<b>165.8</b>
<b>Net Profit Margin</b>	<b>13.0%</b>	<b>14.3%</b>	<b>13.8%</b>	<b>13.1%</b>	<b>8.4%</b>	<b>7.4%</b>
Other Comprehensive Income	-0.4	2.3	2.4	1.6	-5.1	0.1
<b>Total Comprehensive income for the period</b>	<b>369.4</b>	<b>504.5</b>	<b>425.9</b>	<b>347.0</b>	<b>199.6</b>	<b>165.9</b>
<b>EPS</b>	<b>7.40</b>	<b>10.06</b>	<b>8.49</b>	<b>6.9</b>	<b>4.1</b>	<b>3.3</b>

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

# Consolidated Balance Sheet

Assets (Rs. Crs)	Mar-24	Mar-23	Mar-22	Mar-21	Mar-20	Mar-19
<b>Non-Current Assets (A)</b>	<b>640.4</b>	<b>581.2</b>	<b>487.6</b>	<b>367.6</b>	<b>360.6</b>	<b>318.3</b>
Property, Plant and Equipment	466.1	392.8	349.6	277.6	282.9	277.2
Capital work-in-progress	4.0	53.5	21.1	4.3	6.5	3.2
Right to use an Asset	28.2	33.2	36.4	31.1	34.9	-
Other Intangible Assets	68.3	3.8	4.3	0.6	1.7	2.1
Intangible Assets under Development	18.7	17.7	14.1	10.0	3.8	4.9
<b>Non-Current Financial Assets</b>						
(i) Investments	0.1	0.1	0.1	0.1	0.1	0.1
(ii) Loans & other financial assets	13.8	36.4	30.8	6.0	5.3	7.6
Deferred tax Asset (net)	0.7	-	-	-	1.1	-
Non-Current tax Assets (net)	37.7	34.9	21.6	20.4	20.2	18.8
Other non-current Assets	2.8	8.7	9.5	17.6	4.2	4.4
<b>Current Assets (B)</b>	<b>2,672.9</b>	<b>2,787.5</b>	<b>2,522.0</b>	<b>2,304.3</b>	<b>1,745.6</b>	<b>1,541.7</b>
Inventories	610.4	888.7	937.8	754.4	588.0	680.6
<b>Current Financial Assets</b>						
(i) Investments	345.7	238.8	356.02	290.2	86.0	-
(ii) Trade receivables	715.9	946.1	843.13	848.2	849.8	671.0
(iii) Cash and cash equivalents	46.6	46.9	57.25	213.3	92.6	50.5
(iv) Bank balances other than (iii) above	136.7	256.0	21.88	28.8	0.9	0.9
(v) Loans	181.2	236.5	0.47	7.7	7.9	5.1
(vi) Other financial assets	536.5	48.5	174.50	11.4	21.8	15.8
Other Current Assets	99.8	126.1	131.03	150.3	98.6	117.8
<b>Total Assets (A+B)</b>	<b>3,313.3</b>	<b>3,368.7</b>	<b>3,009.6</b>	<b>2,671.9</b>	<b>2,106.2</b>	<b>1,860.0</b>

Equity & Liabilities (Rs. Crs)	Mar-24	Mar-23	Mar-22	Mar-21	Mar-20	Mar-19
<b>EQUITY (A)</b>	<b>2,444.5</b>	<b>2,381.8</b>	<b>1,927.2</b>	<b>1,541.3</b>	<b>1,221.8</b>	<b>1,048.4</b>
Equity Share Capital	499.1	499.1	499.1	499.1	499.1	274.6
Other Equity	1,942.4	1882.6	1428.1	1,042.2	722.6	773.8
Non-controlling Interests	3.0	0.0	0.0	0.1	0.0	0.0
<b>Non-Current liabilities (B)</b>	<b>68.0</b>	<b>53.9</b>	<b>61.0</b>	<b>49.6</b>	<b>44.5</b>	<b>30.2</b>
<b>Non-current Financial liabilities</b>						
Lease Liabilities	18.5	17.7	24.7	15.3	19.4	-
Provisions	25.9	22.6	22.3	29.2	25.1	15.6
Deferred tax liabilities (net)	23.6	13.6	13.9	5.0	-	14.6
Non-current Tax Liabilities	-	-	-	-	-	-
<b>Current liabilities (C)</b>	<b>800.7</b>	<b>933.0</b>	<b>1,021.4</b>	<b>1,081.0</b>	<b>839.9</b>	<b>781.4</b>
<b>Current Financial liabilities</b>						
(i) Borrowings	0.5	-	-	-	-	19.7
(ii) Trade Payables	430.0	490.2	517.2	591.2	490.9	480.8
(iii) Lease Liabilities	11.2	16.2	12.9	17.3	16.2	-
(iii) Other financial liabilities	294.8	366.2	399.7	356.8	235.4	179.2
Other current liabilities	53.2	51.2	79.8	108.2	80.2	87.2
Provisions	10.4	6.3	7.2	5.6	9.7	2.5
Current tax liabilities	0.5	2.8	4.7	1.9	7.4	12.0
<b>Total Equity &amp; Liabilities (A+B+C)</b>	<b>3,313.3</b>	<b>3,368.7</b>	<b>3,009.6</b>	<b>2,671.9</b>	<b>2,106.2</b>	<b>1,860.0</b>



# Consolidated Working Capital Movement

Particulars (Rs. Crs)	Mar-24	Mar-23	Mar-22	Mar-21	Mar-20	Mar-19
Inventory (A)	610.4	888.7	937.8	754.4	588.0	680.6
<i>Inventory Days (Inventories/ COGS*365) (i)</i>	126	143	179	166	134	170
Trade Receivables (B)	715.9	946.1	843.1	848.2	849.8	671.0
<i>Trade Receivables Days (Trade Receivables / Revenue*365) (ii)</i>	92	98	100	117	128	110
Trade Payables (C)	430.0	490.6	517.2	598.3	490.9	480.8
<i>Trade Payables Days (Trade Payables/ COGS*365) (iii)</i>	88	79	99	132	111	120
Other Financial Liabilities (D)	294.8	366.2	399.7	349.8	235.4	179.2
<i>Other Financial Liabilities Days (Other Current Liabilities / Revenue*365) (iv)</i>	38	38	48	48	35	29
<b>Net Working Capital (A+B-C-D)</b>	<b>601.5</b>	<b>978.0</b>	<b>864.0</b>	<b>654.5</b>	<b>711.4</b>	<b>691.6</b>
<i>Net Working Capital Days (i + ii – iii – iv)</i>	91	124	133	103	115	131

# Consolidated Cash Flow Statement

Particulars (Rs. Crs)	Year ended 31-Mar-24	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-20	Year ended 31-Mar19
<b>Net Profit Before Tax</b>	<b>502.9</b>	<b>654.2</b>	<b>575.7</b>	<b>453.3</b>	<b>266.5</b>	<b>259.8</b>
Adjustments for: Non-Cash Items / Other Investment or Financial Items	-6.7	38.5	46.3	54.5	45.7	18.6
<b>Operating profit before working capital changes</b>	<b>496.3</b>	<b>692.7</b>	<b>622.0</b>	<b>507.8</b>	<b>312.2</b>	<b>278.5</b>
Changes in working capital	392.6	-135.2	-257.6	25.6	-9.4	-112.7
<b>Cash generated from Operations</b>	<b>888.8</b>	<b>557.5</b>	<b>364.4</b>	<b>533.4</b>	<b>302.8</b>	<b>165.8</b>
Direct taxes paid (net of refund)	129.0	168.1	142.6	107.9	81.4	88.1
<b>Net Cash from Operating Activities</b>	<b>759.8</b>	<b>389.4</b>	<b>221.8</b>	<b>425.4</b>	<b>221.4</b>	<b>77.7</b>
<b>Net Cash from Investing Activities</b>	<b>-431.7</b>	<b>-327.2</b>	<b>-290.2</b>	<b>-282.7</b>	<b>-117.9</b>	<b>-35.3</b>
<b>Net Cash from Financing Activities</b>	<b>-328.3</b>	<b>-72.5</b>	<b>-62.6</b>	<b>-47.1</b>	<b>-61.4</b>	<b>-65.4</b>
<b>Net Increase /(Decrease) in Cash and Cash equivalents</b>	<b>-0.3</b>	<b>-10.4</b>	<b>-131.1</b>	<b>95.7</b>	<b>42.2</b>	<b>-23.1</b>
Add: Cash & Cash equivalents at the beginning of the period	46.9	57.2	188.3	92.6	50.5	73.5
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>46.6</b>	<b>46.9</b>	<b>57.2</b>	<b>188.3</b>	<b>92.6</b>	<b>50.5</b>

# 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

- 26 states, 60 depots, 15,000+ 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 12X over FY11-24 driven by organic and inorganic expansion
- Debt free balance sheet with strong return ratios



## Annexures

Glance of various events to bring people  
together



# Glance of various events to bring people together



Strategic Workshop of senior and middle management to deliberate on growth acceleration



Logo for Annual Sales Team meeting - Manthan means joint efforts to squeeze out the results



Logo for Annual Distributors meeting - Bandhan means strong bonding



Logo showing Core Values

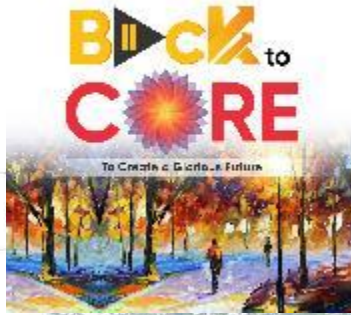
# Annual Sales Conference – Sumi Manthan 2024



- Annual Sales Team Conference – Sumi Manthan 2024 (conducted at Pune, Hyderabad, Bangalore, Delhi, Indore and Kolkata in April and May)
- To be followed by Distributors Meetings – Sumi Bandhan 2024 and Annual Goal Setting Meetings 2024 at our manufacturing sites in the month of June



# Annual Sales Conference – Sumi Manthan 2023





# Annual Distributor Meet – Sumi Bandhan





# Goal Setting Meet – Bhavnagar 2023



SUMITOMO CHEMICAL INDIA LTD.

## GOAL SETTING MEET 23-24

JUNE 1-2, 2023

SAROVAR PORTICO  
BHAVNAGAR

**Be a SAFETY hero  
score an ACCIDENT zero**

Our top goal is safety of our employees and assets.  
Let's connect to create safe work environment.

# Goal Setting Meet – Gajod 2023





## Goal Setting Meet – Vapi, Silvassa, Tarapur 2022 and 2023





# SCC senior management India visit – May 2023

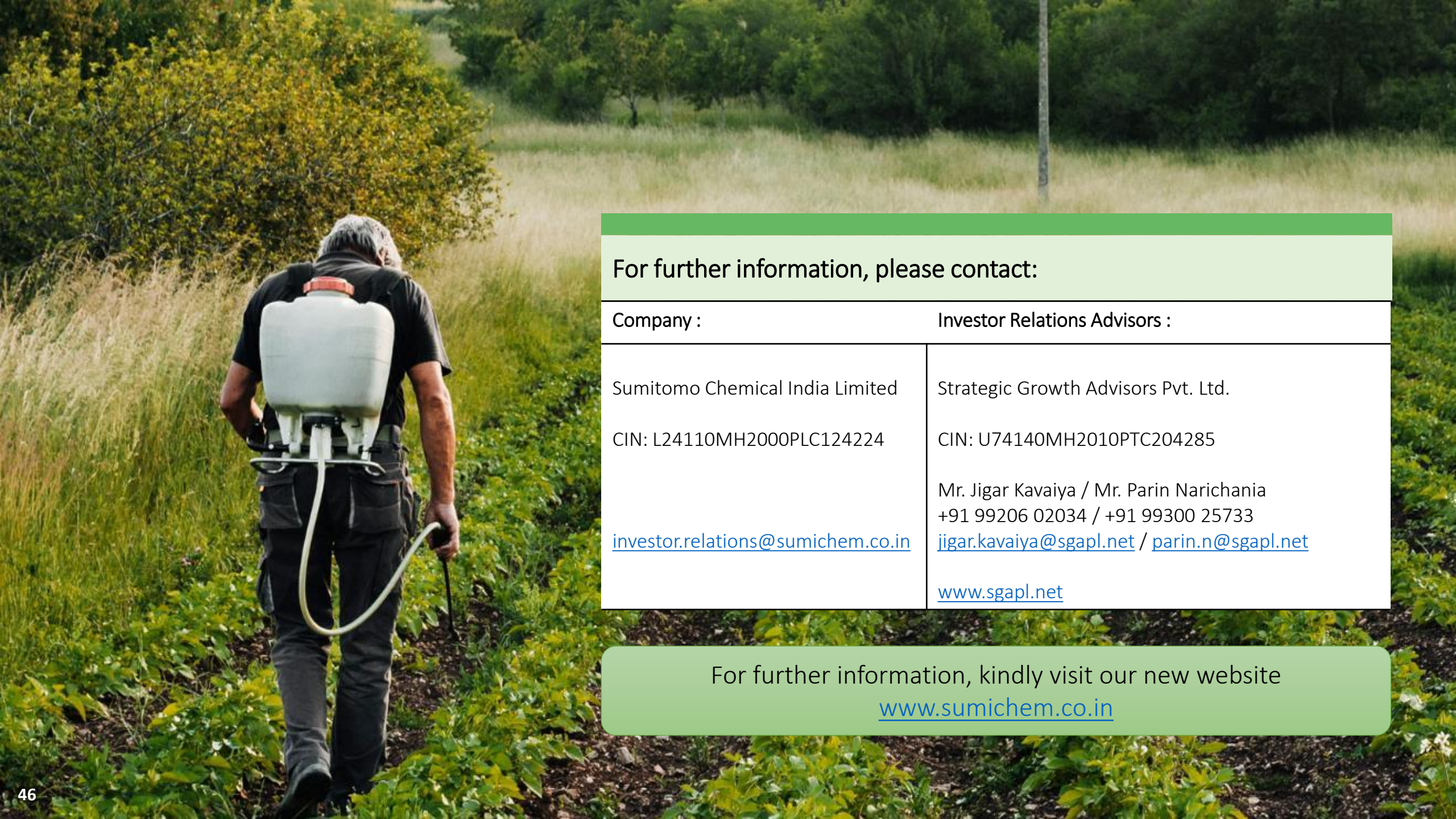




# SCC senior management India visit – June 2022







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