

Introducing Indofil Integrated Solutions Provider

Indofil Industries Limited (Indofil), part of the K. K. Modi Group of Companies, is a fully-integrated, multi-product chemicals company. Indofil's expertise lies in manufacturing, distributing and marketing agrochemicals and specialty chemicals.

Over the years, Indofil has provided best-in-class chemicals to domestic and international markets. The Company's products are certified with international quality standards such as ISO 9001 and ISO 14001.

VISION

To be a global leader in growth with customer success.

MISSION

Our mission is to achieve leadership in growth rate. We leverage our efficient R&D, registration, manufacturing and marketing competencies through our committed and proficient team. We will strive to make our customers successful by providing high quality products, services and solutions in domestic and global markets. To expedite growth, we will use collaborations, acquisitions and manufacturing proximity to the market in the segments of Crop Care, Speciality and Performance Chemicals.

R&D Investments

₹35 crore

No. of Product Brands

100+

Registration Applications Filed

108

ENDURING VALUES



Customer success

Believing that our success lies in the success of existing and potential customers. Based on this foundation, Indofil is doing all possible to understand, fulfill and exceed the customer's stated and unstated needs, thus enabling them to succeed on a continual basis.



Knowledge

Continuously upgrading skills and knowledge about technology, markets, products, customers, regulations and business processes. Encourage new ideas and their implementation across the Company for commercial benefits.



Prosperity

Winning, doing better than others through exploiting new opportunities and enhancing the interests of every employee, shareholder and stakeholder. To be recognised and perceived among the leaders in the segment of operation.



Teamwork

Employees and channel partners thinking and working together across functions, businesses and geographies, leveraging the available resources to achieve common goals.



Velocity

Responding to internal and external customers with a sense of urgency by consistent, focused and accelerated growth of the organisation with timely and optimal utilisation of all resources.



BUSINESS DOMAINS



Agrochemicals

Indofil promotes 'Crop Care Concept' where the needs and problems of the crops are identified and appropriate solutions are suggested.

Revenue Share

87%

Product Offerings

- Fungicides
- Insecticides
- Herbicides
- Acaricides
- Plant Growth Regulators
- Surfactants
- Plant Nutrition

Innovative Solutions

The Innovative Solutions division endeavours to offer innovative and superior technology products to the market.

Revenue Share

13%



Product Offerings

Performance chemicals for industries such as:

- Textile
- Plastic
- Coating
- Construction
- Leather

MANUFACTURING CAPACITIES (existing capacity in tonnes)

*20,000

Thane, Maharashtra

32,000

Dahej SEZ, Gujarat
(Unit 1)

4,000

Synthesis Plant,
Dahej SEZ Gujarat
(Unit 2)

35,000

Dahej GIDC, Gujarat
(Unit 3)

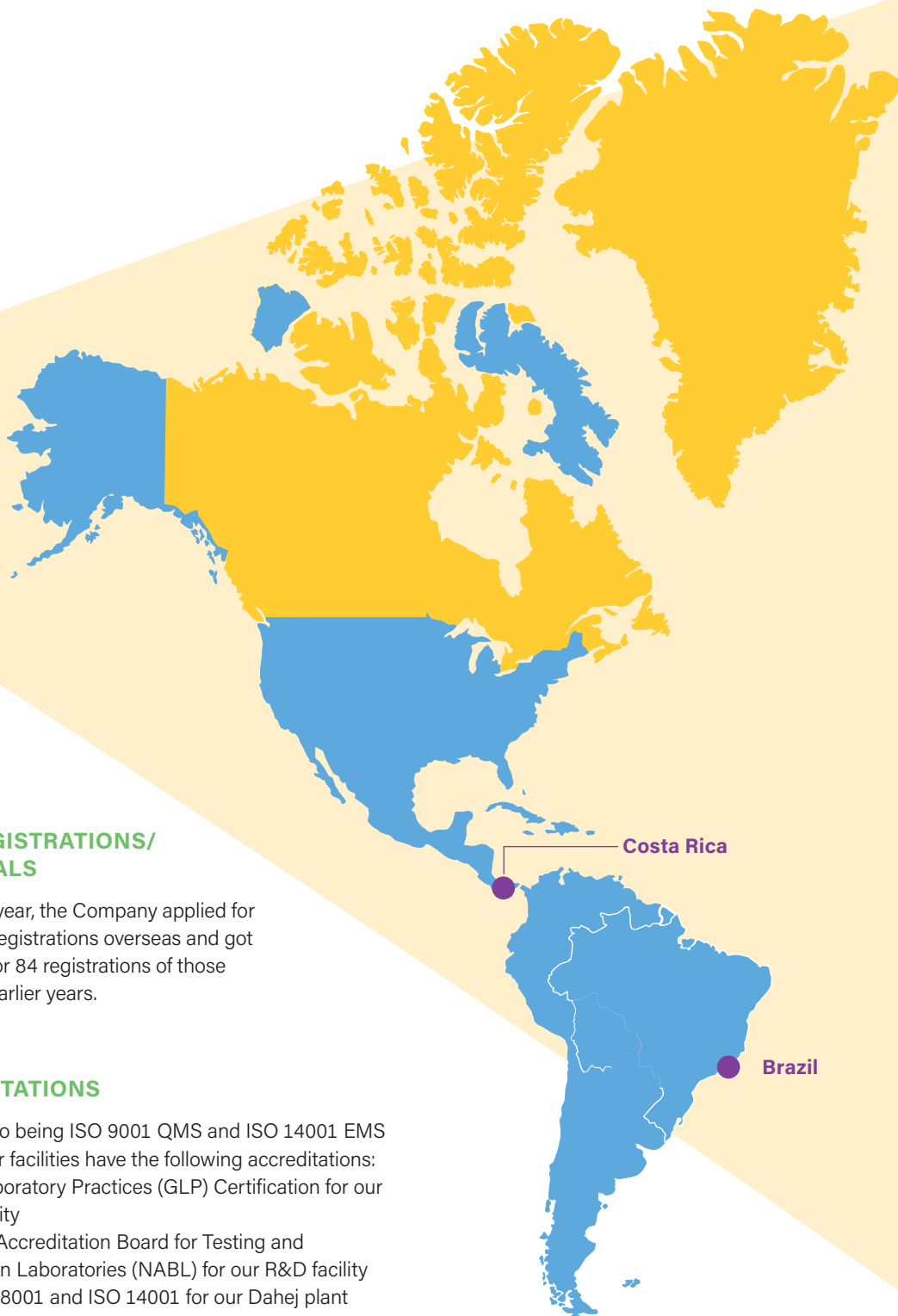
35,000

Innovative Solutions
Plant, Dahej, Gujarat
(Unit 3)

* The management team at Indofil has consciously decided to shift all its manufacturing operations to Dahej (Gujarat) from July 1, 2019. However, our facility at Thane (Mumbai) shall continue to stand strong as the R&D Centre.

Global Presence

Offering Our Expertise to the World



NEW REGISTRATIONS/ APPROVALS

During the year, the Company applied for about 100 registrations overseas and got approvals for 84 registrations of those applied in earlier years.

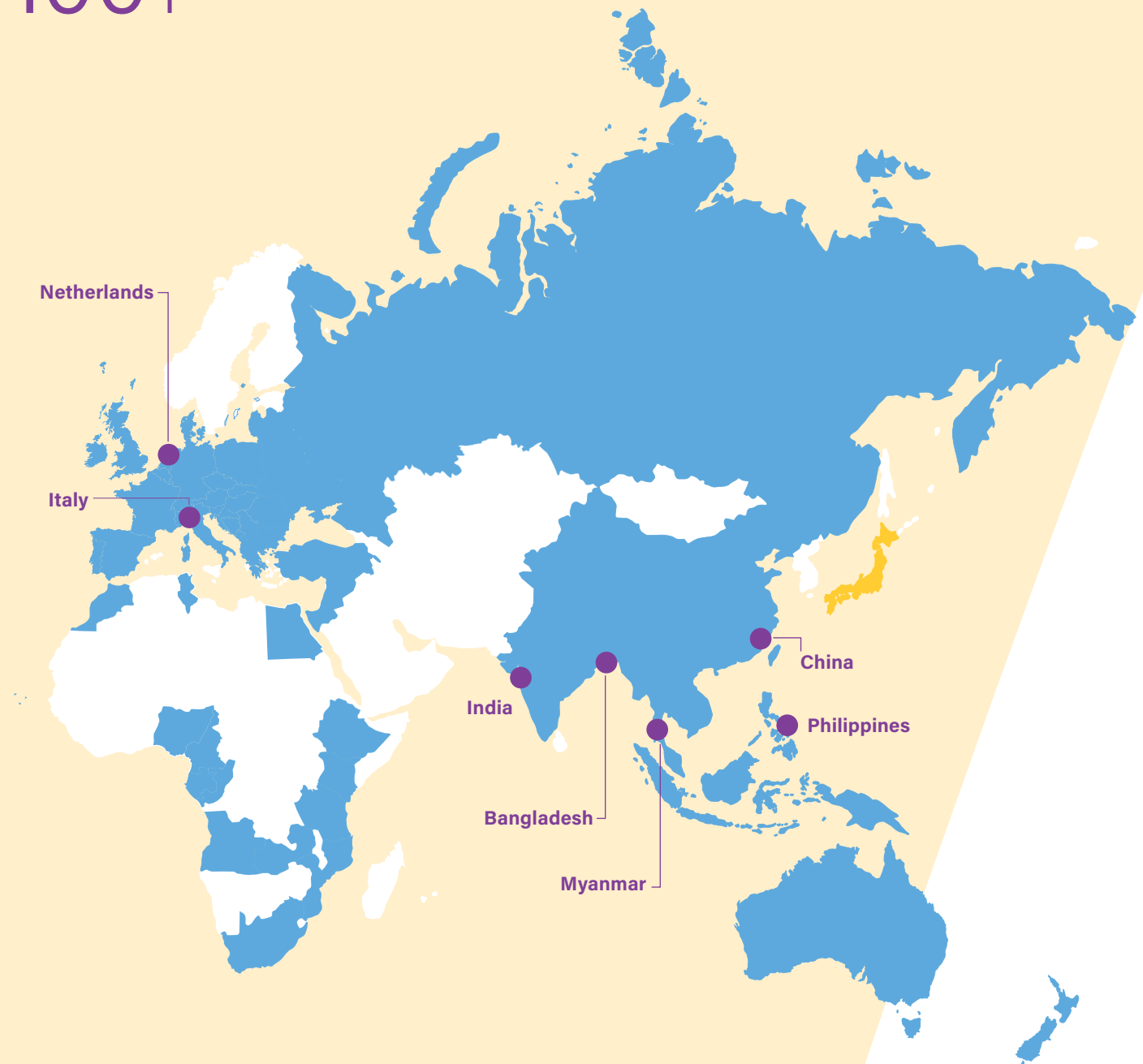
ACCREDITATIONS

In addition to being ISO 9001 QMS and ISO 14001 EMS certified, our facilities have the following accreditations:

- Good Laboratory Practices (GLP) Certification for our R&D facility
- National Accreditation Board for Testing and Calibration Laboratories (NABL) for our R&D facility
- OHSAS 18001 and ISO 14001 for our Dahej plant
- Occupational Health and Safety Management - ISO 45001:2018
- (AEO) – T2 certification
- Ecovadis certification

Presence in Countries

100+



- Exploratory Markets
- Existing Markets
- Offices

Business Review

Our Wide Product Portfolio

Agrochemicals

The Agrochemicals business follows the 'Crop Care Concept', which ensures the safety and health of crops by identifying the problems affecting them and procuring the right solutions. A number of products categories such as Insecticides, Herbicides, Bactericides, Acaricides, Plant Growth Regulators and Surfactants are manufactured under the division's scope of offerings.

Indofil is committed to excellence in product quality and service. Our focus is to ensure the well-being of farmers by protecting their crops and facilitating better yields. The division is supported by talented agricultural graduates and doctorates and a strong marketing, technical, sales and logistics group. Our productivity improvement programme is designed to educate farmers through demonstrations for effective and economic ways of crop protection.

With the basic objective of improving the efficiency and agility of field development assistants and optimising demand generation activities, Indofil is ready to launch a unique in-house mobile application – *Ujjwal Kheti* - *this year*. The app will enhance farmer engagement and also prescribe methods for better crop yields.



Domestic

Sales Offices in India

9

Distributors across India

6,300+

Consolidated Total Income

₹1,003 crore

Revenue Share

44%

Revenue Growth

6%

KEY HIGHLIGHTS

- Launched eight new co-marketing products
- Implemented the microbattle concept for driving profitable growth
- Successfully entered the granular plant nutrition segment through Indolizer
- Participated in alternate business channels, namely government business, retail chain, contract farming and e-commerce



FUNGICIDES

Fungicides represent a class of agrochemicals made of chemical compounds and biological organisms. These are used to destroy or prevent the growth of fungi in crops, thus ensuring better quality and enhanced productivity.

Brands

Indofil M 45, Indofil Z 78, Moximate, Avatar, Merger, Sprint, Impression, Iglare, Indofil's Baan, Baan Gold, Matco, Boon, Companion, Noor, Debut, Dhan, Benfil, Sitara, Sitara Plus, Eurofil NT, Share, Sulfil, Décor, Captra, Ally, Trucop, Indokar, Rancho, Lobo, Plumage, Indo TPM Bactrinashak and Ream

ACARICIDES

Acaricides are used to destroy or prevent the spread of pests such as ticks and mites, which belong to the Acari group.

Brands

Mitex, Colonel-S and Raze

INSECTICIDES

Once crops are infected by insects, it becomes difficult to contain them naturally. They spread fast, causing considerable damage to crops. Insecticides offered by us destroy or prevent infestation of insects in crops. These also help to significantly increase farm yield.

Brands

Token, Rimon, Click, Lift, Volax, Atom, Atom Power, Agent Plus, Agent Capsule, Blaze, Indothrin, Beacon GR, Beacon SP, Flash, Gem, Stalker GR, Stalker SC, Bemiron, Bajao, Jango, Indothion, Asset, Oopiri, Nikhar, Aston, Indodiafen and Akhdir

HERBICIDES

Herbicides play a major role in ensuring proper growth of crops. These products comprise a class of agrochemicals, popularly known as weedicides, which destroy unwanted plants and weeds without harming crops.

Brands

Oxygold, Society, Killog, Zechor, Speed Extra, Pixo, Nami, Offset, Clean-UP, Tadka71, Passport, Munafa, Prakat, Speed, Gromate, Chase, Atrafil, Golf and Bigul

SURFACTANTS AND PLANT GROWTH REGULATORS

Surfactants are a kind of wetting agent used to reduce interfacial tension between two liquids to facilitate easier dispersion of sprayed material. Plant growth regulators are chemicals that can modify and accelerate the growth process of plants.

Brands

Indtron AE, Filwet Premium, Ethephol, Superfix and Banole

PLANT NUTRITION

Indofil's plant nutrition portfolio includes patented technology products in collaboration with a US company. These products are amino acid-based bio simulants that can be used on any crop for productivity improvement.

Brands

Indolife Crop Energy, Indolife Fruit Energy, Indolife Green Energy, Indolife Vital Energy and Indolizer Granules

Business Review (continued)

International

Overseas Sales Offices

8

Overseas Distributors

400+

Consolidated Total Income - International

₹970 crore

Revenue Share

43%

Revenue Growth

17%



INTERNATIONAL OFFERINGS

Indofil's International Business covers offerings from Agrochemicals as well as Specialty Chemicals across 100+ countries.

Technicals

Mancozeb, Cymoxanil, Metalaxyl, Tricyclazole, Myclobutanil, Maneb, Zineb, Dodine, Propiconazole and Hexaconazole

Mixtures and Formulations

Mancozeb WP/WG/SC, Tricyclazole 75% WP, Mancozeb + Metalaxyl, Mancozeb + Cymoxanil, Mancozeb + Carbendazim, Dodine 65% WP, Mancozeb + Hexaconazole, Mancozeb + Tricyclazole and Myclobutanil WP/EC

KEY HIGHLIGHTS

The volume growth was quite strong, especially in Brazil, which saw volumes surging four times compared to the previous year. Besides, the business also saw some recovery in the African and Asian markets, which had seen a downturn in the earlier year. The European market remained fairly stable in line with the overall Agrochemical market in Europe. The global sanctioning of some of the Middle Eastern markets also affected our business revenues from these markets. Due to the overall demand-supply situation for Mancozeb, pricing pressures have been quite strong over the last two years. Even in case of our key markets such as Brazil, large-scale channel inventories had led to a price war and an overall reduction in pricing across the market. This phenomena is likely to continue in the current year as well.





Europe

Our European operations have been represented by Indofil Industries (Netherlands) B.V., which has been in operation since the last four years. During the year, Indofil invested extensively in developing the necessary infrastructure, go-to market strategy for direct operations, resource development, etc. France, Italy and Spain are the key focus regions of the Company, which it intends to capitalise during the initial 1-2 years. During the year, we also completed the acquisition of 80% stake in an Italian distribution company, namely Agrowin Biosciences S.R.L. This acquisition would act as our gateway to the B2C operations in Italy.

Brazil

Over the last 1-2 years, Brazil has emerged as one of the biggest Agrochemical markets. During the year under review, the volumes have grown by four times

compared to the last year. The majority of these sales were done directly from India. Besides, the Brazil entity is closely working on its go-to market strategy for B2C business, which it intends to commence from 2019-20.

Bangladesh

Bangladesh has been one of the first export markets for Indofil and remains one of the most strategic ones due to its similarities with the Indian market. We have been present in Bangladesh for the past several years mainly focusing on developing our market, product acceptance, customer service and registration development. During the year under review, Indofil Bangladesh Industries Pvt. Ltd. commenced the construction of Indofil's first manufacturing facility (re-packing unit) outside India. The construction of the facility is

expected to complete by Q3 of 2019-20 and commercial production would commence thereafter. The Company is already in the process of creating the necessary distribution infrastructure for its B2C operations.

Philippines

Philippines is the first overseas market where Indofil has commenced B2C operations. Indofil Philippines Inc. commenced commercial operations from May 2018 and achieved a positive surplus in the first year of its operations. Besides sourcing products from Indofil India, Indofil Philippines Inc. has also expanded its product portfolio through in-licensed products from several large agrochemical companies.



Business Review (continued)

Indofil Innovative Solutions Division

The Indofil Innovative Solutions (IIS) division caters to small, medium and large industrial manufacturers globally. Through a network of regional offices and stock points at major centres, and by leveraging our technical capability, we deliver the benefits of our chemicals to customers.

With our state-of-the-art technologies and strong brand equity, we emerged as the leading manufacturer and supplier in the industry. This, coupled with in-house product development and application know-how, delivered significant growth for dispersants, re-dispersible polymer powder and impact modifiers. We have enhanced our manufacturing capability with a new unit at Dahej. Along with a highly qualified and well-experienced sales team, our application technology teams are working closely with customers in the leather, coating, textile and plastics industries. During the year, we entered into a joint venture with Italy-based Reagens the world's leading Polyvinyl Chloride (PVC) heat stabilisers additives manufacturing company.



Offices

6

Distributors

71

Consolidated Total Income

₹297 crore

Revenue Share

13%

Revenue Growth

22%

**LEATHER**

- Preservatives
- Soaking and Wetting Agents
- Degreasing Agents
- Powder Syntans
- Acrylic Syntans
- Fatliquors
- WR Fats
- Resin and Binders
- Impegnation systems
- Compact Binders
- PU Binders
- Protein Binders
- Lacquer and Lacquer Emulsions
- Waxes and Fillers

**TEXTILES**

- Acrylic Binders
- PU Emulsions
- Silicone Emulsions
- Water Repellents
- Fixing Agents
- Pigment Emulsions
- Customised Compounds
- Thickeners

**PLASTICS**

- Impact Modifiers
- Plasticisers
- Processing Aids
- Heat Stabilisers
- Blowing Agents and Lubricants
- Stabiliser (through JV with Reagens)

**COATINGS AND
CONSTRUCTION**

- Water-based Emulsions
- Dispersing Agents
- Thickeners
- Defoamers / Wetting Agents
- Re-dispersible Powders
- Cement Modifiers
- Waterproofing Chemicals
- Rheology Modifiers

Operational Highlights Setting Us Apart

We made progress towards our key strategic initiatives around the globe. We are well-positioned to deliver significant progress on our earnings and cash flow in the year to come and beyond.

- The Gujarat Industrial Development Corporation (GIDC) plant for producing Mancozeb with an annual installed capacity of 35,000 MT commenced production from October 2018. The GIDC plant for specialty chemical products with an annual installed capacity of 35,000 MT commenced commercial production from July 2018.
- Construction of a new facility has started in Bangladesh and is expected to complete in Q3 2019-20.
- Indofil Philippines Inc. commenced commercial operations from May 2018 and achieved surplus in the first year of operations.
- We partnered with Grace Breeding Technologies Limited, an Israeli research firm engaged in the development of Nitrogen Fixation Technology.





We entered into a joint venture with Reagens, Italy – IndoReagens Polymer Additives Private Limited – for manufacturing and distributing stabilisers.



We launched eight new products in the agrochemicals domestic market.



We completed the acquisition of 80% stake in an Italian distribution company, namely Agrowin Biosciences S.R.C., as a step-down subsidiary.



Financial Highlights

Our Performance Scorecard

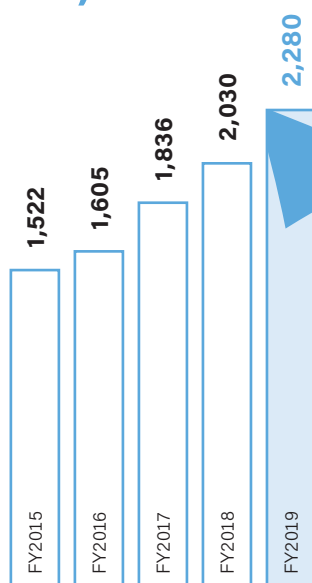
PROFIT AND LOSS METRICS

Consolidated Income

(Net of Excise Duty)

(₹ in crore)

₹2,280 crore

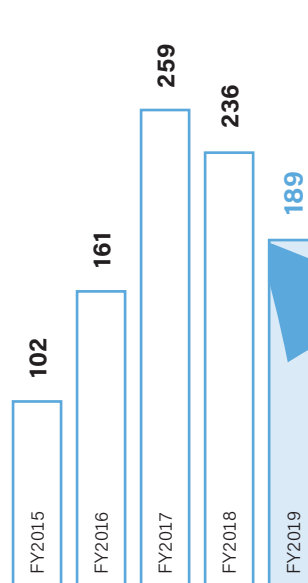


5-year CAGR 10.67%

Consolidated Net Profit

(₹ in crore)

₹189 crore

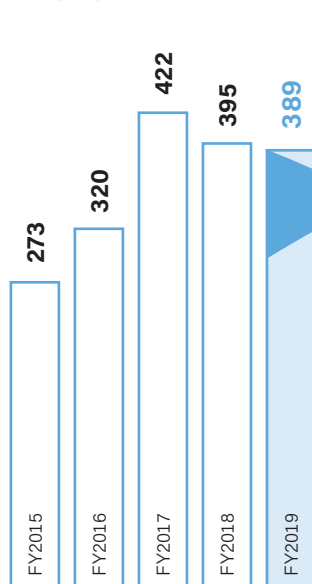


5-year CAGR 14.48%

Consolidated EBITDA

(₹ in crore)

₹389 crore

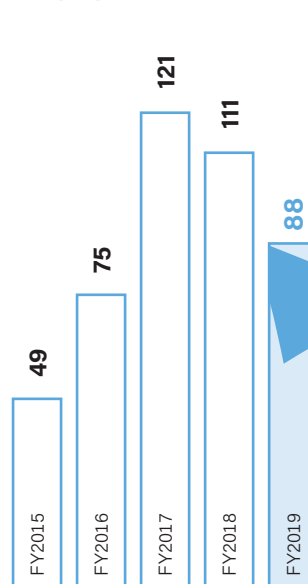


5-year CAGR 9.51%

Consolidated EPS

(in ₹)

₹88



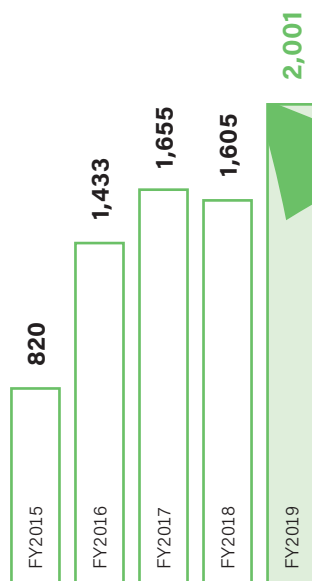
5-year CAGR 13.95%

BALANCE SHEET METRICS

Consolidated Net worth

(₹ in crore)

₹2,001 crore



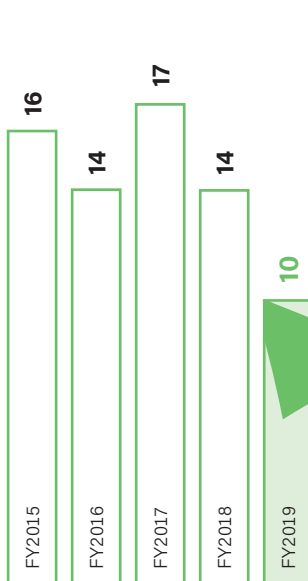
5-year CAGR 34.25%

Return on Equity (ROE)

(As Per Consolidated Accounts)

(in %)

10%



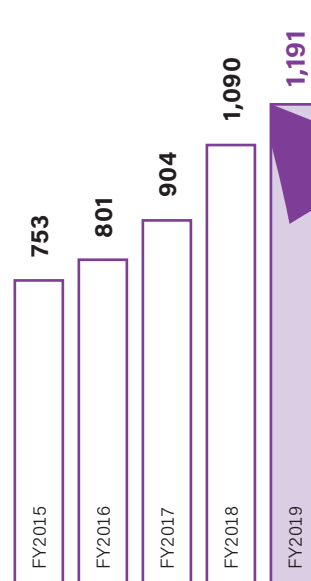
5-year CAGR (13.00%)

OTHER OPERATING METRICS

Employee Engagement

(in nos)

1,191



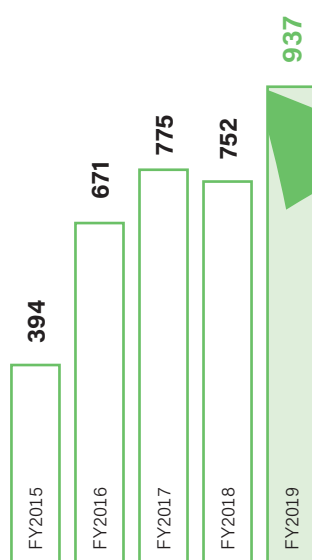
5-year CAGR 9.52%

Consolidated Book value per share

(As Per Consolidated Accounts)

(in ₹)

₹937

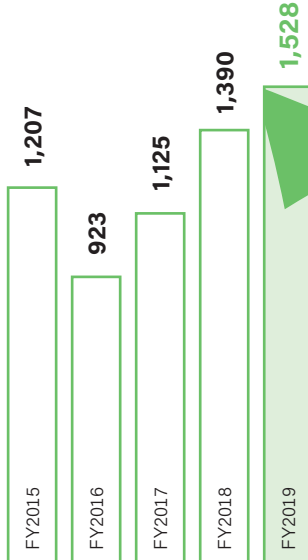


5-year CAGR 33.37%

Consolidated Gross Fixed Assets

(₹ in crore)

₹1,528 crore



5-year CAGR 7.30%