TECHNO FUNDA REPORT

PI INDUSTRIES LTD

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PI INDUSTRIES LTD

Sector: Pesticides / Agrochemicals - Indian

Recommendation	Buy Price Range
BUY	**₹4400 - 4500**

Target Price	Market Capitalization
₹6100-6200	**₹67,364 Cr.**

Holding Period	Expected Return
1.5-2 Years	**35-40%**

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REIMAGINING A HEALTHIER PLANET

- Leading player in the agro-chemicals space having strong presence in both Domestic and Export markets.

- It has state-of-art facilities in Gujarat having integrated process development teams with in-house engineering capabilities.

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WHY TO INVEST?

Innovative Product Portfolio

Company offers a wide range of crop protection products for farmers. Its products include insecticides, fungicides, herbicides and specialty products which are widely used in farms across the globe.

Global presence

The company has a presence in 30+ countries with 4 global offices. It has physical presence in India, Japan, China and Germany while its export markets are USA, Brazil, Saudi Arabia, Myanmar, Indonesia, UK, France, Italy and others.

World-class R&D

The company is in a research intensive business. It has been investing 3-4% of its revenues in R&D activities.

Momentum of new product launches:

The company launched 7 innovative brands in FY24.

Robust Financial Performance

Company reported 18% Y-o-Y revenue growth. 9% growth in Agchem Exports mainly driven by volumes and new products.

Debt-free Balance Sheet

The company has Strong debt-free Balance Sheet and sustained cash generation providing economic resilience.

Robust order book

Order book includes long-term agreements and contracts spread over 2-5 years.

Entry into Pharma

In FY21, the company entered into the pharma industry which experienced 37% growth in FY24.

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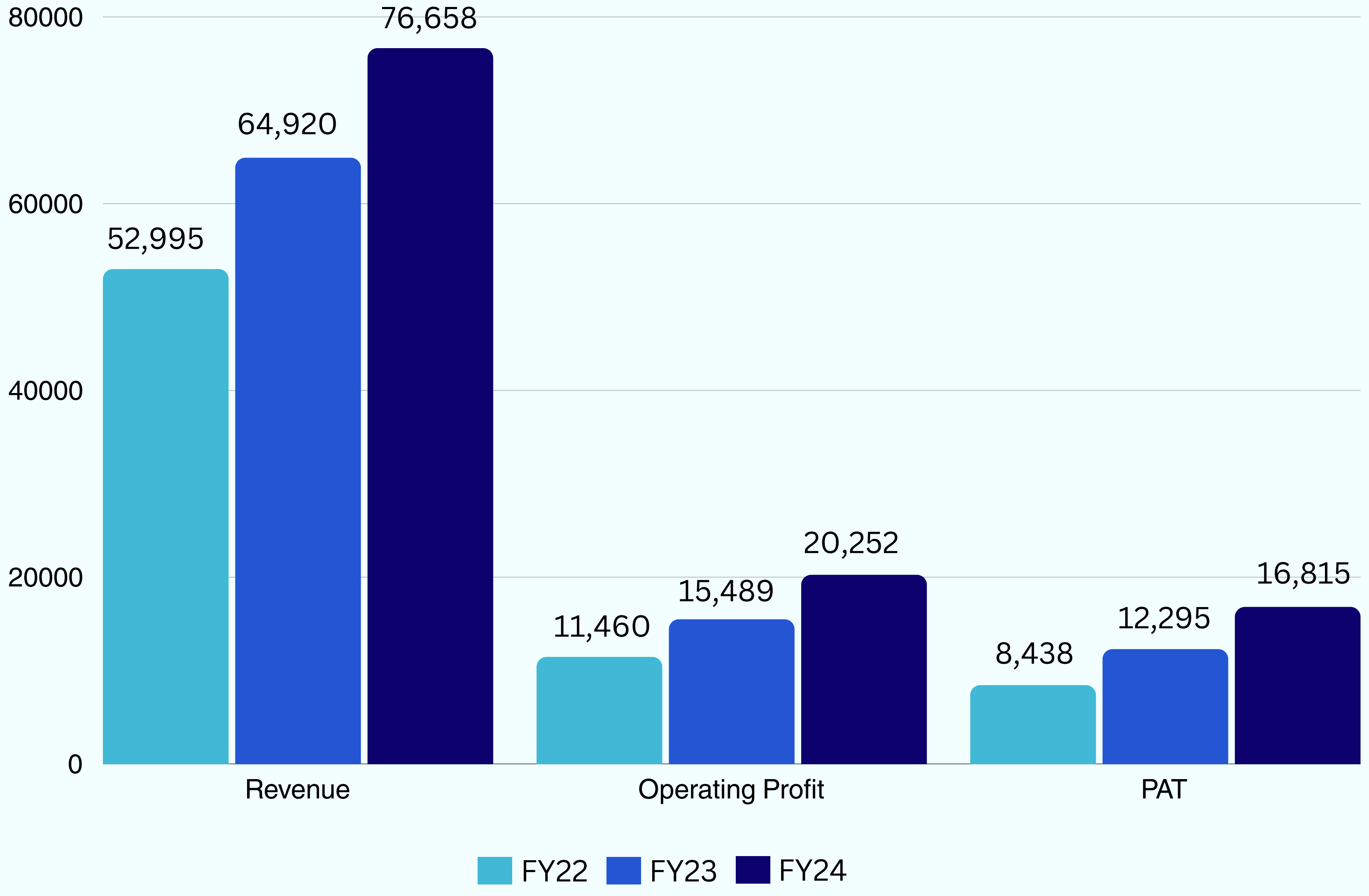
FINANCIAL HIGHLIGHTS

(all figures are in ₹ Cr.)



FY24 KEY FINANCIALS

23.8% ROCE (Return on Capital Employed)	**26%** Operating Profit Margin
21% PAT (Profit After Tax) Margin	**18%** Sales Growth YoY
22% Compounded Sales Growth 5 Years	**37%** PAT Growth YoY
33% Compounded PAT Growth 5 Years	**0.02x** Debt/Equity Ratio
64.2x Interest Coverage Ratio	**13.6%** Dividend Payout
46.1% Promoter Holding	**39.7x** Price to Earning Ratio

QUARTER- 4 FY24 FINANCIAL HIGHLIGHTS

11 % Revenue Growth YoY	**25%** Operating Profit Margin	**21%** PAT Margin

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TECHNICAL HIGHLIGHTS

- The counter has given a breakout of a multi-month breakout above 4000 levels on the daily chart with strong volume.
- On the weekly chart it has broken an upward sloping channel formation
- Momentum indicators are supporting the current strength and upward price action.
- The structure of the counter is very lucrative, as it is trading above all of its moving averages.

RESEARCH BY

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