

Excel Crop Care Limited announces Q1 FY 2018-19 standalone results

Financial Highlights

Figures in INR Crore	Q1 FY2018-19	Q1 FY2017-18	% Growth
Revenue from Operations (Net of excise duty)	399.70	296.82	34.66%
EBITDA	63.24	39.57	59.82%
PBT	58.60	35.53	64.93%
PAT	38.50	23.91	61.02%

Mumbai, July 27, 2018: Excel Crop Care Limited (ECCL) has announced its financial results for the quarter ended 30 June, 2018

MD's message / Business Outlook

Commenting on the results, Mr. Chetan Shah, Managing Director said "Q1 has been a landmark quarter for the Company. Concerted efforts on the business, strong demand and optimisation of costs led to a sharp growth in the revenues. This was supported by a healthy monsoon expectation and consequent boosting of rural income. These factors have propelled the Company to deliver its best quarter results so far".

The year FY 2017-18 was a year of consolidation post acquisition of majority stake in the Company by Sumitomo Chemical Company, Limited, Japan (SCC). New product launches, renewed focus on markets, synergising with Sumitomo Chemical India Private Limited (SCIPL) led to consolidated revenue from operations (net of excise duty) ("**Consolidated Net Operating Revenue**") for FY 2017-18 of INR 1,149 crores registering a healthy growth of 20.9% as compared to that for FY 2016-17.

The Company's export performance has improved by 26% in dollar terms in FY 2017-18. The Company is planning to maintain its efforts in consolidating and improving sale of branded products to farmers internationally. Securing product registrations in various countries is a key success factor in expanding global business. The Company's efforts in this direction in various developed and developing countries are expected to further boost the Company's export performance in the coming years and to contribute to overall business growth.

In the last 4 years, the Consolidated Net Operating Revenue of the Company has grown at a CAGR of 3.9%. In spite of the quantum jump in sales turnover and some of the synergies with SCIPL having been captured in FY 2017-18, the Company is still expected to grow at a CAGR of 5% over the next 3-4 years on a larger base.

The Board of Directors has considered the performance of the Company and maintains an optimistic outlook for the Company in the coming years. The growth in turnover in FY 2017-18 saw capacities of some of the products being optimally used. Agro chemicals demand being seasonal in nature, adequate capacity during peak months helps in capturing the business effectively. In the coming years, the

Company plans to invest every year on an average of around 5% of its Consolidated Net Operating Revenue in capacity expansion and for upgradation of manufacturing facilities. This includes planned investment for certain molecules of SCC which are under evaluation and if crystallized, the full benefits of this investment would be incremental and realized over a longer term period.

During FY 2017-18, the Company achieved EBITDA margin of 12.0% and PAT margin of 7.1% (on Consolidated Net Operating Revenue). The expanded capacities, higher production and higher sales are expected to result in improved absorption of overheads which in turn will ensure conservation of margins and maintain similar margins in the coming years.

The Company is aware that its business is highly dependent on good monsoon and other agro climatic conditions, not only in India but also in geographies like Brazil, Argentina, Africa, etc., which are major export markets for the Company. Economies of these major agrochemicals consuming areas not only affect the Company's business but the overall business sentiments globally. The fast developing economic and environmental scenario in China will also need to be monitored closely.

About Excel Crop Care Limited

**Corporate Office: 13/14, Aradhana Ind. Development Corp., Near Verwani Industria Estate, Goregaon East, Mumbai 400063
CIN: L74999MH1964PLC012878**

Excel Crop Care Limited (ECCL) is one of the leading manufacturers of generic crop-protection agro chemicals in India. It operates three large manufacturing facilities - two in Gujarat at Gajod and Bhavnagar and one in Silvassa. All its manufacturing plants maintain ISO:9001-2008 Quality Management System and SA – 8000 Certifications for Social Accountability.

Now as part of the Sumitomo Chemical group, Japan, ECCL owns several well established brands in the insecticides, weedicides, metal phosphide, fungicides and growth stimulators segments. It enjoys a high degree of acceptance across India and internationally.

Over the years, the Company has played a key role in providing effective crop protection products and solutions to the Indian and overseas farmers. The Company's R&D efforts are currently focused on developing new formulations while improving the quality and efficiency of the plants to meet the varied farming requirements for different crops.

For more information about us, please visit www.excelcropcare.com or contact

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