

Chairman's Message

STRATEGISING FOR SUSTAINABLE GROWTH AND IMPACT



DEAR SHAREHOLDERS,

It is my privilege to present the Integrated Annual Report for FY 2025–26, reaffirming our commitment to enabling purpose-driven science that transforms agriculture and delivers sustainable impact at scale.

The year under review was mixed, beginning in the shadow of volatility and concluded with renewed momentum. Weather disruptions, pricing pressure, and evolving regulations tested the sector's resilience, even as global demand conditions remained uneven. India's GDP growth remained robust at ~7.6%, providing a supportive macroeconomic backdrop, even as agriculture faced regional variability. Agriculture and allied activities continued to play a stabilising role in India's growth cycle by supporting rural demand and income security, recording GDP growth of 3.1%.

Through this dynamic operating landscape, we advanced with disciplined execution and a clear strategic lens. Our focus remains on laying the foundations for enduring growth, going beyond increased food production to ensuring better quality and greater diversity in what we produce.

NURTURING LAND THROUGH INNOVATIVE SOLUTIONS

India's agricultural landscape is steadily transitioning towards precision farming, digital tools, and sustainability-led practices. As a result, the focus is being shifted from product-led solutions to solution-led approaches for farmers.

Staying true to our vision of Serving Farmers through Science, we have sharpened our emphasis on innovation and farmer-centric delivery. Through initiatives such as

Idea2Impact™, we are opening our ecosystem to start-ups, researchers, and farmers to co-create solutions in biologicals, soil health, and precision agriculture. Simultaneously, our NuCode™ portfolio optimises crop performance through a scientific understanding of soil & plant health, while digital platforms such as Dr. Vishwas (Chatbot powered WhatsApp and call centre) provides farm advisory at scale.

DELIVERING RESILIENT PERFORMANCE

After a phase of inventory correction and price realignment, we transitioned towards volume-led growth, with improving demand in key markets.

In this environment, our Seeds business demonstrated resilience, bolstered by better products and deeper farmer engagement. The B2B and Exports business benefited from stabilising global demand and a broader customer base, offsetting domestic weather-related disruptions. We also focused on improving realisations in the domestic crop care portfolio through a better product mix.

Operationally, cost optimisation, manufacturing prowess, and working capital discipline supported stable margins and cash flows. Further, sustained investments in R&D advanced our future pipeline. The Board has recommended a dividend of ₹3 per share, maintaining our commitment to consistent shareholder returns.

TAPPING INTO REGULATORY TAILWINDS

The regulatory landscape is witnessing a growing demand for seed traceability and stricter registration norms, addressing the problem of spurious products and enhancing transparency across the value chain. Evolving safety norms and clearer residue standards are strengthening India's global credibility, while increasing regulatory support for biologicals is accelerating the adoption of sustainable alternatives. This environment benefits us as we maintain our focus on science-led innovation, strong quality processes, and compliance, positioning us to capture emerging opportunities.

DRIVING RESPONSIBLE GROWTH

As part of the illustrious Tata Group, our alignment with the Aalingana framework shapes our approach to building a resource-efficient and future-ready business. This

year, we made significant progress in decarbonisation and resource efficiency, including advancing renewable energy adoption and achieving Zero Liquid Discharge capability across manufacturing units. We also continued to embrace green chemistry principles. Further, our community initiatives in water conservation, education, and livelihoods have strengthened rural ecosystems.

SHAPING THE FUTURE THROUGH A LONG-TERM LENS

In a dynamic global environment, we have maintained a disciplined approach to capital allocation while continuing to invest in future capabilities. The Company remains debt-free, providing resilience and flexibility.

Our capital expenditure remains focused on operational efficiency and sustainability-linked investments, while sustained R&D investments and platforms such as Idea2Impact™ strengthen our ability to scale innovation and partnerships.

PREPARED FOR NEXT

We look forward to a future teeming with infinite possibilities. Our strategy for long-term success focusses on strengthening innovation, expanding high-potential businesses and deepening farmer engagement through digital-and data-led interventions. In addition, we will continue to build scale in the Seeds segment, improve our Soil & Plant Health portfolio and expand our international B2B presence.

India has made significant strides in improving farm productivity, and we are committed to supporting the steady transition towards more science-led and sustainability-driven practices. Our focus remains on synergising execution excellence with innovation to enhance our market footprint, ensuring that our progress leads to meaningful outcomes for farmers and the broader ecosystem we serve.

Lastly, on behalf of the Board, I extend my heartfelt gratitude to you, our employees and partners for their continued trust and support.

Warm Regards,

S. Padmanabhan

Chairman

