

Welcome!

***2011-12
Performance***

**V Shankar
24th April 2012**

Highlights : Performance 2011-12

- **Gross Sales up by 15 % ; crosses ₹ 1300 Cr. Milestone. EBIDTA (bei) up 11%**
- **Rallis acquires Organic Manure Business**
- **Rallis Board recommends Final Dividend of Rs 1.20 per share (total dividend of Rs 2.20 per share or 220%)**
- **Launch of Samruddh Krishi , TRAITS**
- **Extension of MoPu to Maharashtra**
- **Dahej Plant ramps up to full capacity utilisation**

Performance Highlights (Consolidated)

₹ Cr

	Q-4 10-11	Q-4 11-12	YTD 10-11	YTD 11-12
Gross Sales	253	217	1,147	1,324
EBITDA (bei)	30	12	192	213
PBT (bei)	29	8	184	167
PAT	19	9	126	101*

For the year

Gross Sales up by : 15 %

EBIDTA up by : 11 %

*after exceptional item-Rs.17 crs

EBITDA 2011-12 (Consolidated)

₹ Cr

	YTD 10-11	YTD 11-12
Gross Sales (Incl.Excise)	1,147	1,324
Net Sales (Line no 1 a)	1,066	1,246
Profit from operations (Line no 3)	175	184
Add Depreciation (Line no 2 e)	17	29
EBITDA (bei)	192	213
EBITDA %	18.0%	17.1%

Performance Highlights (Standalone)

₹ Cr

	Q-4 10-11	Q-4 11-12	YTD 10-11	YTD 11-12
Gross Sales	234	200	1128	1231
EBITDA (bei)	29	13	190	207
PBT (bei)	29	10	184	167
PAT	19	12	126	101*

For the year

Gross sales up by : 9 %

EBIDTA up by : 9 %

*after exceptional item-Rs.17 crs

Working Capital & Cash

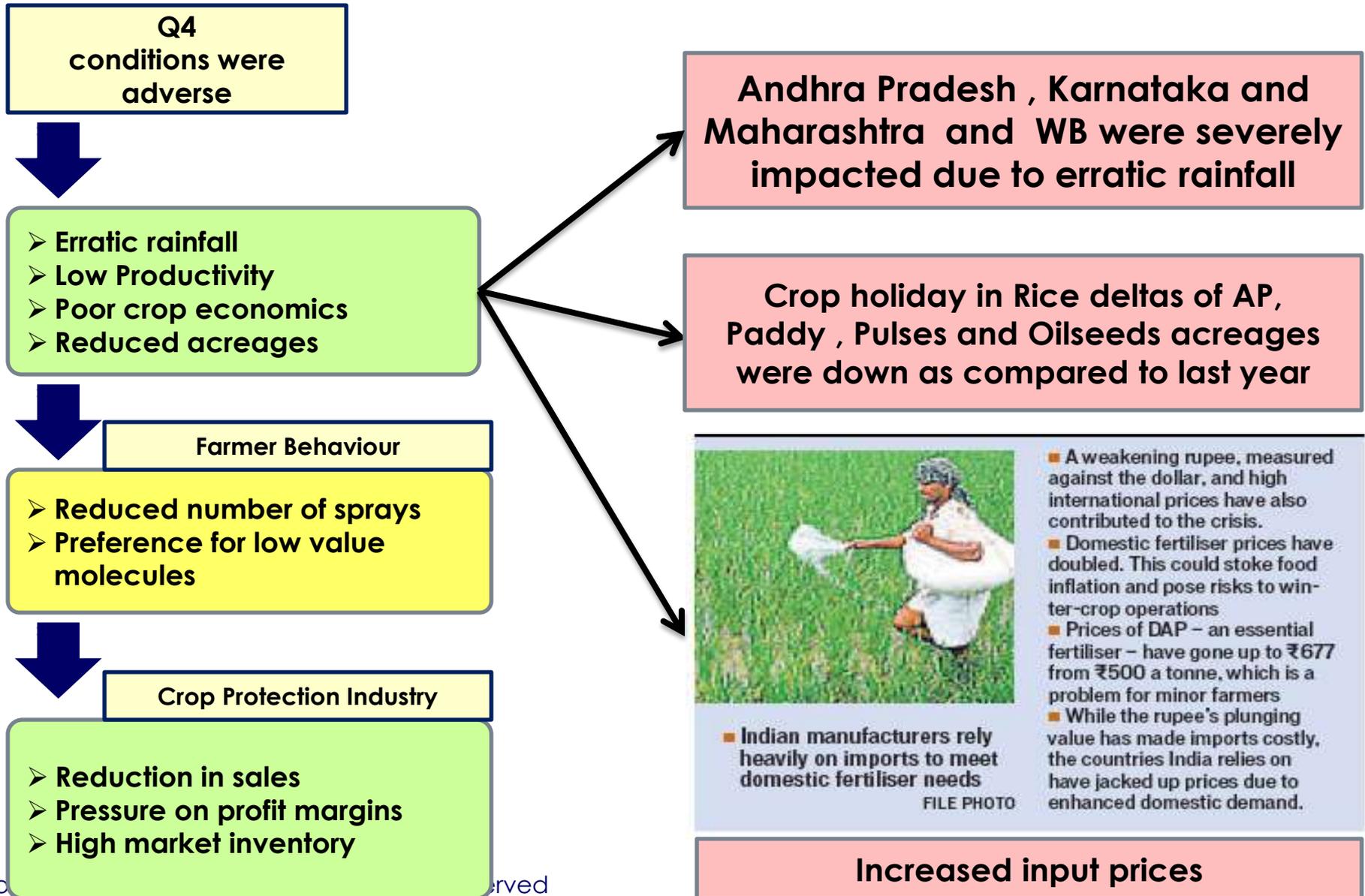
More focus on the collection has led to the decrease in receivable

Cash generated from operations 100 Crs.

Days inventory outstanding has remained same despite tough market conditions.

Domestic Business

Domestic Business : Q4



Domestic Business : 2011 - 12

Farming Conditions
 Kharif : turned Normal
 Rabi : Below Average

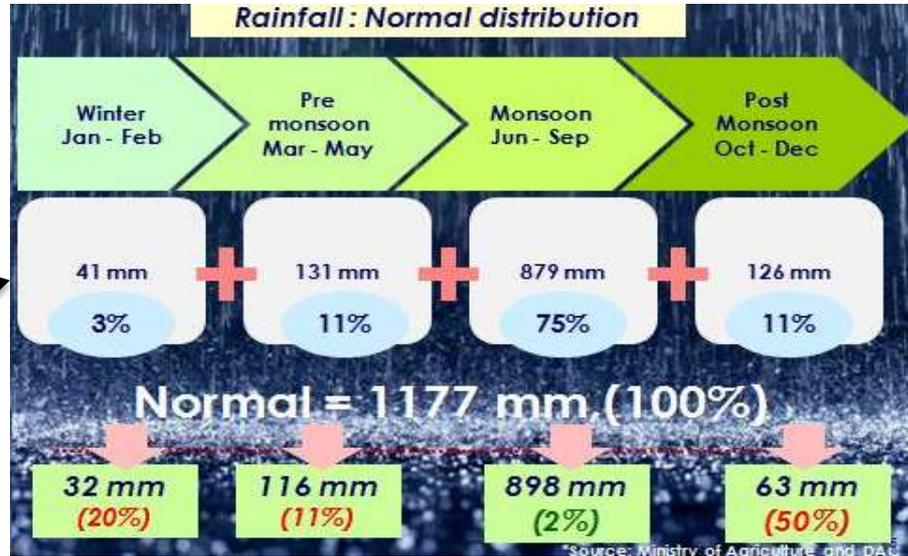
- Normal but Erratic Rainfall
- Low Productivity in Paddy and Pulses in few areas
- Increased RM prices
- Low pest pressure

Farmer Behaviour

- Reduced number of sprays
- Cautious use of Agri. Inputs

Crop Protection Industry

- Pressure on profit margins
- High market inventory
- Increase in debtors



Rainfall normal till Kharif , sudden break in Rabi

hindustantimes
 Saturday, April 21, 2012
 As per state economic survey, agriculture and allied activities has shown a negative growth of 5.1 per cent against a growth of 15.6 per cent in 2010-11 in Maharashtra.

Overall year 2011-12 was tough for Crop Protection industry

Crops Status : 2011 - 12

Crop	Acreage	Pest Incidence	Yield	Usage of Crop Protection Molecules	Produce Price Expectation	Farmer sentiments
Rice					?	?
Pulses					✓	?
Sugarcane					✓	✓
Cotton					?	?
Soyabean					?	?
Potato					?	?

✓	High expectations/good sentiments
?	Low expectations/low sentiments

Rallis – Pillars of strength

Rallis – Pillars of strength

Brand Strength

Product Innovation

Customer Connect

Quality of operations

Business Excellence

Sustainability



**Buoyant
Agriculture
Scenario**

10 New Products Launched

NEON : Tea and Cotton
SONIC : Sugarcane and Paddy
TAFFIN : Vegetables

Insecticides



HONCHO : Vegetables
CYLO : Paddy
FYCOL : Oil seeds
VAAR : Oil seeds

Herbicides



SARAS : Fruits and Vegetables
DITAF : Fruits and Vegetables

Fungicides

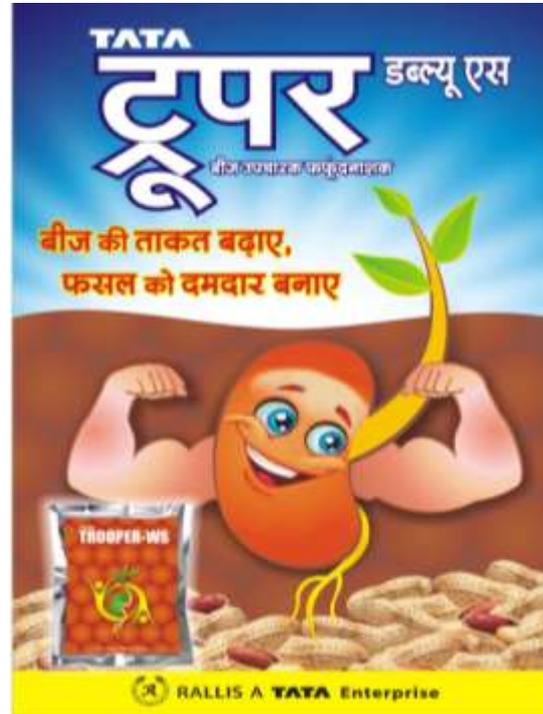
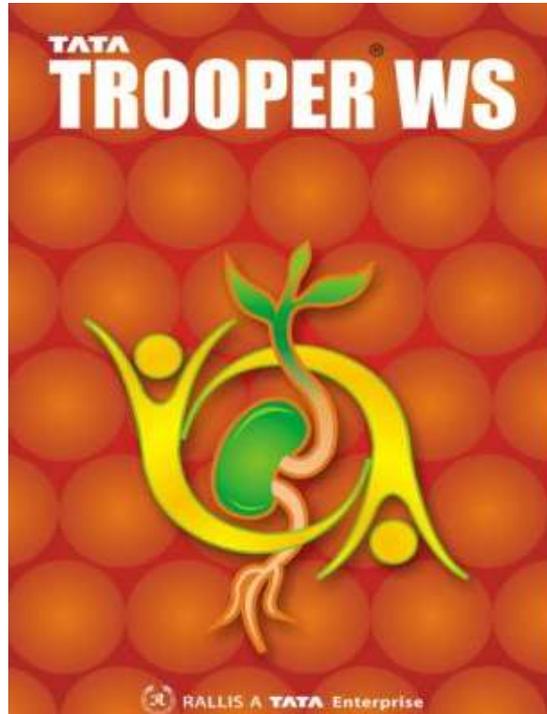


PGR



TATA BAHAAR : All crops

Seed Treatment Chemicals : Trooper



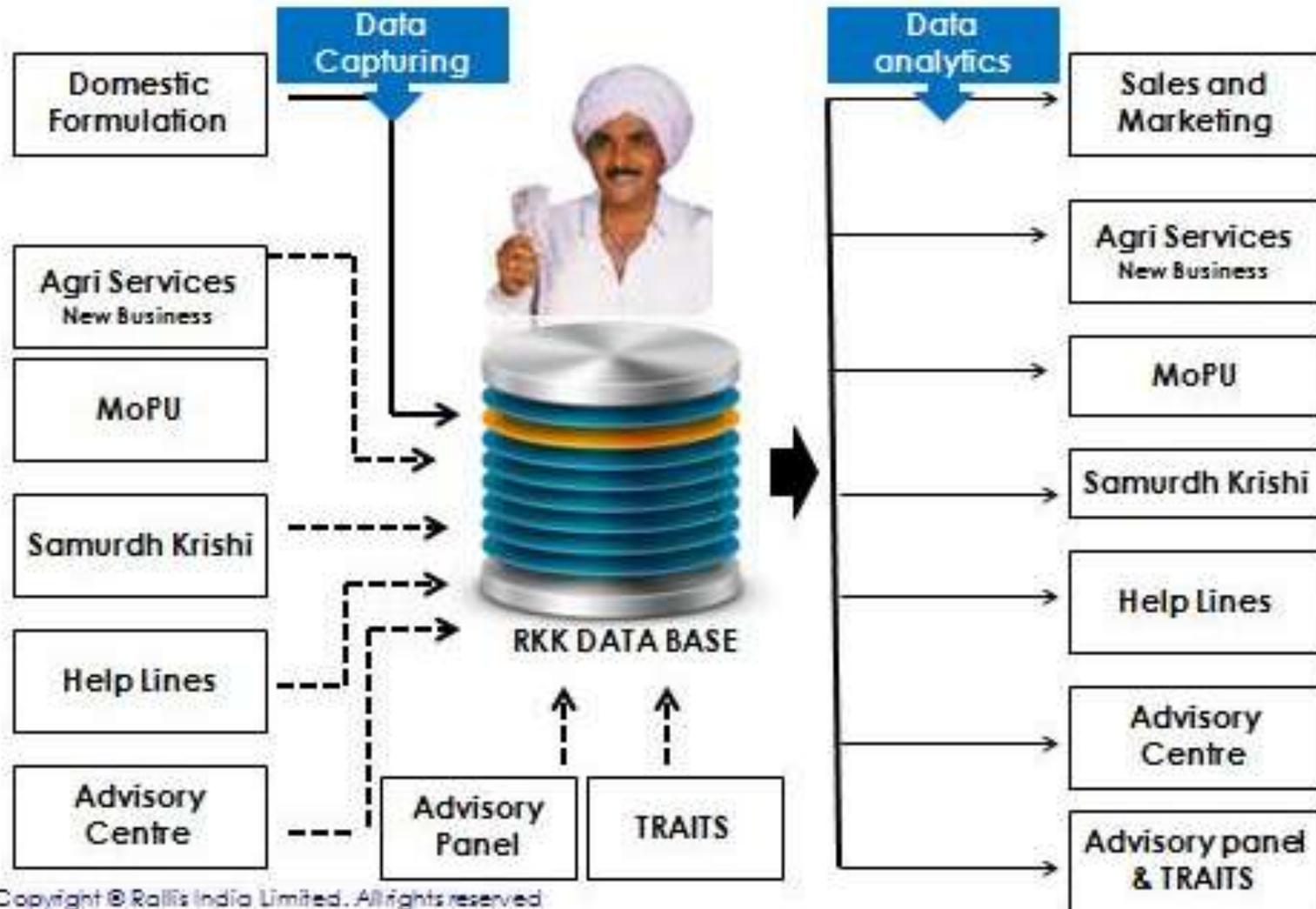
More focus on the Seed Treatment Chemicals

TROOPER Launched



Training programme at Ahmedabad

Rallis has been always focusing on farmer prosperity through relationship building



Customer Connect – New initiatives

RKK news letter : Harita Pragathi



Key highlights :

- ✓ Circulated four times a year (2 times in Kharif and 2 times in Rabi)
 - ✓ 7 languages to cover all the regions
 - ✓ Provide latest information on agricultural trends/practices/ Rallis initiatives/New products
-
- ✓ Sustained platform for communication with key customers
 - ✓ Will improve customer connect and Farmer Engagement

RALLI BEAT : News letter for Sales & Marketing Team



- ✓ Quarterly magazine dedicated to achievements, success stories and aspirations
- ✓ Circulated to S&M team and channel partners

Rallis BE Journey

Rallis winning the CII-EXIM award for significant achievement in Year - 2008



TBEM Active Promotion Award to Rallis -2007



JRDQV Award Rallis - 2011



Rallis winning the RBNQA Award for Excellence- 2007



TBEM Serious Adoption Award to Rallis-2005

Tata Innovista Regional Level Awards



Tata Innovista Regional level (North Forum) award for The Innovative Product - Applaud under Process innovation in Support areas



Tata Innovista Regional level award for Neon 5EC on control of Cotton Jassid under New Product Innovation

**6 Innovation projects has been selected for Regional round for 2012
4 won the regional award**

Tata Innovista Regional level (Mumbai Region) award for Product P - A Customer's Delight under Dare to Try



EHS Recognition

National Safety Award for Akola Unit



Prashansa Patra Award from NSC



Turbhe



Lote



Akola



Merit of excellence certificate-2010, from National safety Council, Maharashtra Chapter

Metahelix Consolidated financials

₹ Crs

	2010-11*	2011-12	2010-11 Full year
Net Sales	14.8	81.4	42.4
Net Profit	1.7	0.6	(14.3)

*Year 2010-11 contain figures for Metahelix after Rallis Acquisition i.e from fourth quarter onwards

Key wins

- Metahelix leveraged synergy benefits using multiple brands & multiple channels and establish our seed brands in various segments.
- Launched & established 9 products in seeds & extensive field activities to lay strong foundation for new brands across geographies .

Rallis – Way Forward

Way Forward

Rising population exerts pressure on food production

Decreasing per capita arable land will lead to search for new areas

Concern over depleting soil health

Declining Agri. Labour force

Increasing Urbanization

Trend 1: High Focus on Productivity

To meet the rising demand for food and dietary protein global food production will need to double by 2030

Trend 2: Sustainability & Green Movement

Agricultural management will involve increasing productivity by optimization of natural resources – soil and water.

Trend 3: Farm mechanization will drive Agri. growth in future

With rising pressure on productivity coupled with labour constraints mechanisation will be crucial

Rallis – Pillars of growth



Rallis Acquires Organic Manure Business

Improving Soil Health

on 23rd April 2012

24th Apr, 2012

Soil health degradation

- ✓ **About 1 millimetre of top soil is lost every year due to erosion**
- ✓ **Increased cropping intensity depleting soil fertility**
- ✓ **Natural agents building Organic Manure in soil such as earthworm etc are reducing**
- ✓ **Imbalanced use of fertilisers and Nutrients coupled with low addition of organic matter.**
- ✓ **Most Indian soils are not only deficient in organic carbon but also hungry in organic carbon**

Our soils are increasingly getting sick

Role of Carbon in Agriculture

- Carbon is part of productive farming systems
- Plants take carbon dioxide (CO₂) from the air for growth and add it to the soil through plant debris
- Microorganisms break down plant debris and convert a portion of it into soil carbon

Carbon is critical for soil health

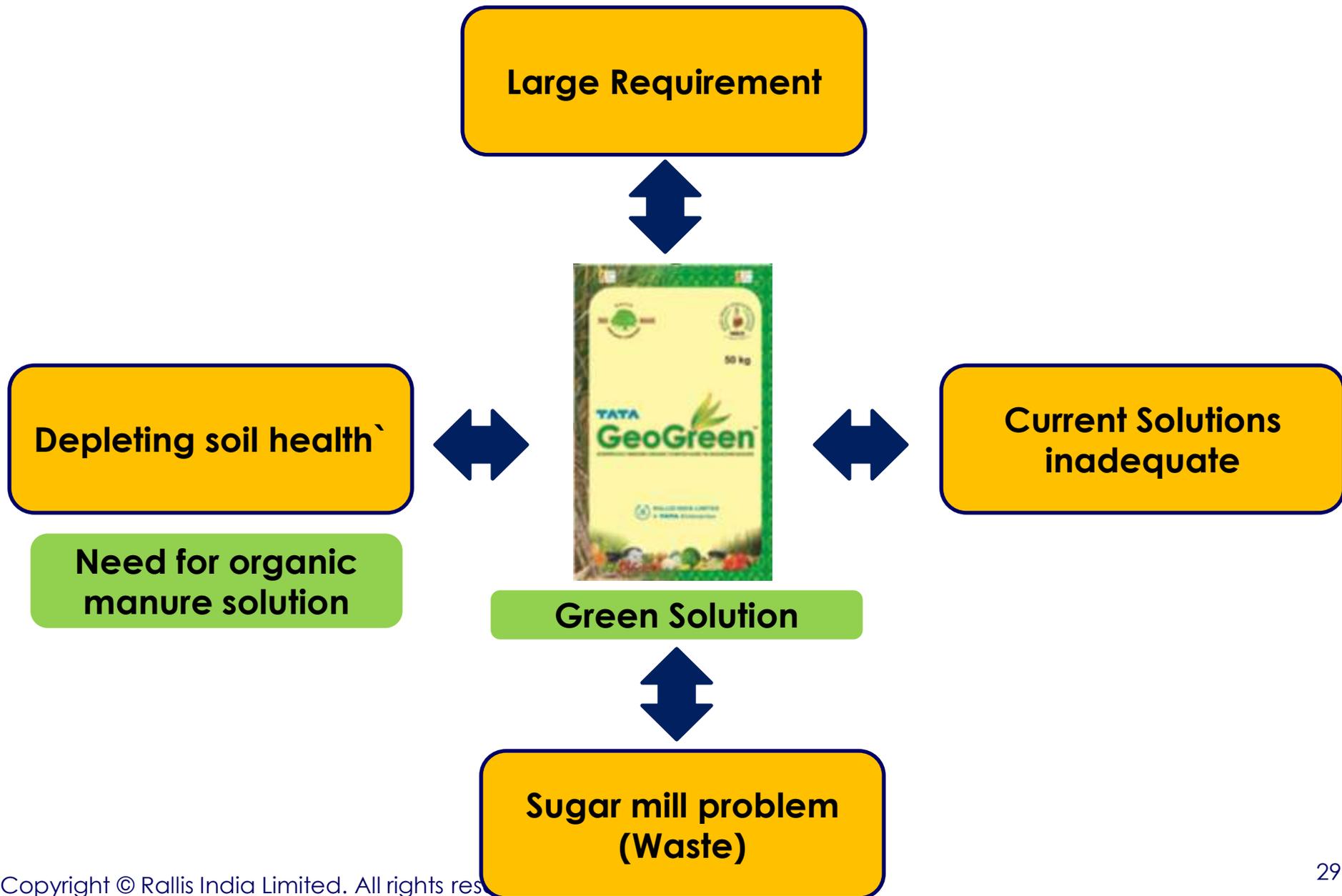
What is GeoGreen™



- ✓ GeoGreen™ is an **organic soil conditioner** that will vastly improve soil structure
- ✓ GeoGreen™ is a sugar mills by-products and baggase
- ✓ Based manure prepared through Proprietary technology.
- ✓ GeoGreen™ is rich source of '**organic carbon**' capable of supporting & enhancing biological activities in soil.

- ✓ Increases water holding capacity
- ✓ Increases uptake of soil nutrients
- ✓ Helps fight diseases
- ✓ Reduces stress factors

- ✓ **GeoGreen™ improves the soil health to have the sustainable productivity enhancement**
- ✓ **The process of manufacturing of GeoGreen™ will consume the hazardous pollutants of sugarcane based agro industries, thereby helping to protect our environment.**



The acquisition



- ✓ All cash deal to acquire a majority stake (51%) in Zero Waste Agri Organics Pvt. Ltd. at a consideration of Rs. 29 Cr.
- ✓ Funding from internal accruals.
- ✓ Rallis will be having exclusive marketing arrangements and shall leverage its strong farmer connect and distribution channel to scale up the business.
- ✓ Cumulative revenues over 5 year period Rs 100 Cr.

Summing Up

- **Farmer contact programmes vibrant as ever**
 - **Rallis Kisan Kutumba, Samrudh Krishi, More Pulses, etc**

- **Brand power**
 - **Market share, Brand premium, Growth in key brands, New launches**

- **EHS & Sustainability**
 - **Greening**

- **Balanced portfolio**
 - **Crop protection, Seeds, PGN, Organic Manure, Services, Contract Mfg**

- **Operational Excellence**
 - **Working capital, Cash, JRDQV Award winner, Innovista Awards, EBIDTA margin , EAGLE, APOLLO**

