



RALLIS INDIA LIMITED

Results Presentation

Q1 FY21



DOMESTIC CROP
PROTECTION



INTERNATIONAL
BUSINESS



CONTRACT
MANUFACTURING



SEEDS



PLANT GROWTH
NUTRIENTS



AGRI
SERVICES

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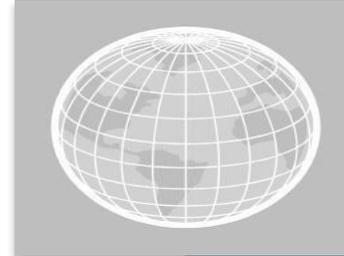
Rallis – Areas of Strength



**Well entrenched connect
with the Indian farmer**

(Domestic
business)

- Crop Protection
- Plant growth
Nutrients(PGN)
- Soil conditioner
- Seeds



Chemistry

(International
business)

- Partnering with global
innovators
- Strong R&D and
executional capabilities
- Environmentally
adhering products

Proven capabilities make Rallis a Preferred Partner of Choice for Innovators

Domestic business

Leading Agrochemical Company

Presence across value chain: Seeds – Soil conditioners – Crop Protection Chemicals - Plant growth nutrients

Market share: ~ **6%** (Crop protection & PGN), ~**3%** (Seeds)

Strong & Healthy pipeline of sustainable products

Nationwide footprint – **3812** dealers & **47377+** retailers



International Business – Primed for growth

Alliances

- Developing Technicals for global Agro chemicals players
- **Key products**
 - **Pendimethalin:** Used as a pre-emergence herbicide to control annual grasses and certain broad leaved weeds. Global market size: **413Mn USD**
 - **Acephate:** An organophosphate foliar and soil insecticide used primarily for control of aphids, leaf miners, caterpillars, sawflies, thrips, and spider mites. Global market size: **510Mn USD**
 - **Hexaconazole:** is a Broad-spectrum systemic triazole fungicide used for the control of many fungi particularly Ascomycetes and Basidiomycetes, used chiefly for the control of rice sheath blight in China, India, Vietnam and parts of East Asia. Global Market size: **149 Mn USD**
 - **Metribuzin:** herbicide used both pre- and post-emergence in crops including soybean, potatoes, tomatoes and sugar cane. Global market size: **196 Mn USD**
 - **Metalaxyl:** an acylalanine fungicide used to control Pythium in a number of vegetable crops, and Phytophthora in peas. Global market size: **89 Mn USD**

FACTS

1st Indian company to introduce a new molecule in India

1st company to set up an R&D centre in the country

Contract Manufacturing

- Manufacturing molecules for global chemical players
- Key products - Poly Ether Ketone Ketone (PEKK) & Metconazole
- **Poly Ether Ketone Ketone (PEKK)**
 - Major supplier of PEKK for Solvay
 - Polyetheretherketone (PEKK) is a high-performance, engineering thermoplastic characterized by an unusual combination of properties - resistance to chemicals, wear, fatigue
 - PEKK and its composites are widely used in automotive, high temperature electrical, aerospace, structural and biomedical applications
- **Metconazole**
 - Fungicide supplied to Kureha Chemicals, a leader in speciality chemicals

Seed business

Rallis develops, produces and sells hybrid seeds including Paddy, Millet, Maize and Bt Cotton with main exposure (80-85%) to the Kharif season

Strong market position - among top 3 in Hybrid Paddy(3rd) & Hybrid Millet (2nd) and Maize (6th). With around a million packets sold, our Bt Cotton portfolio is fast growing

Farmer base of 3 Mn up from 1 Mn in FY15

Seasonal business – Q1 & Q2 accounting for 85% of revenues



Strategic Initiatives

Domestic business

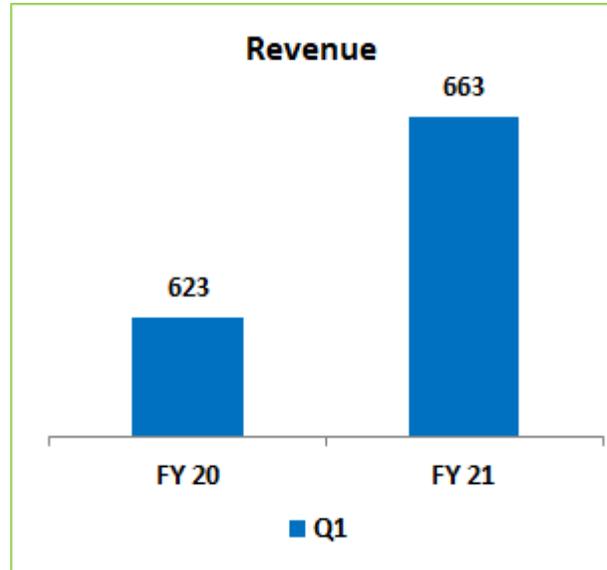
- Refresh distribution channel : Add distributors to enhance growth
- Revitalize channel policies
- Increase focus on new product launches; portfolio optimisation
- Improve connect between distributors and company
- Customer connect through digital campaigns

International business:

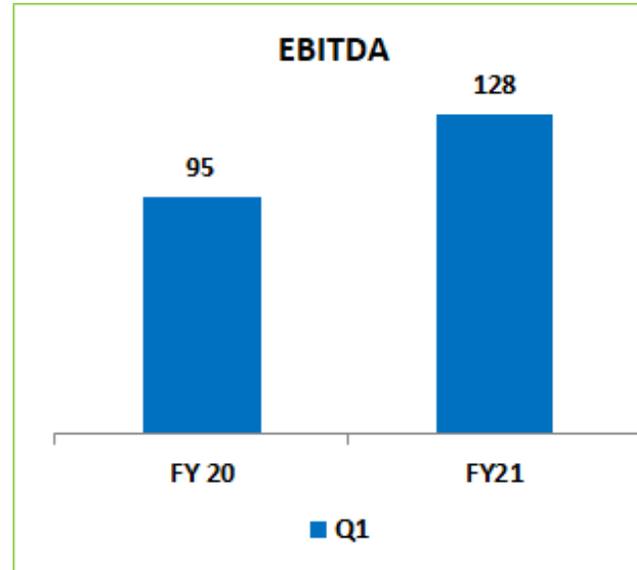
- Invest in capacity expansion
- Increase Registrations in International markets
- Expand footprints in South East Asian countries and Africa

Q1 FY21 - Performance Highlights: Standalone

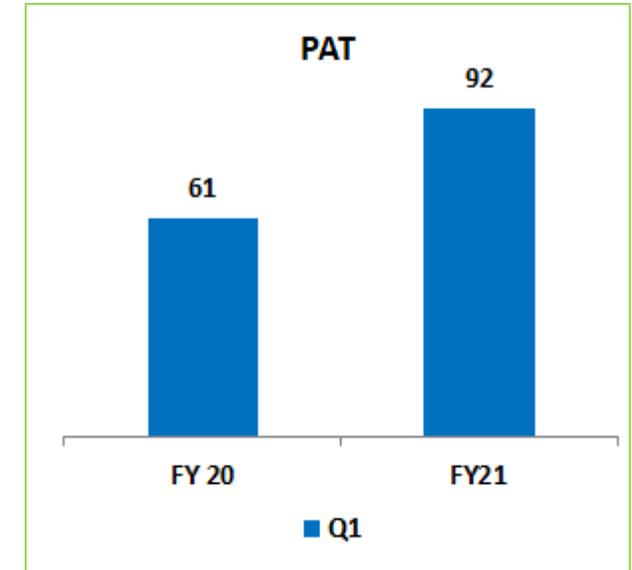
Rs crs



- Revenue Growth of 6% in Q1 as compared to PY Q1.



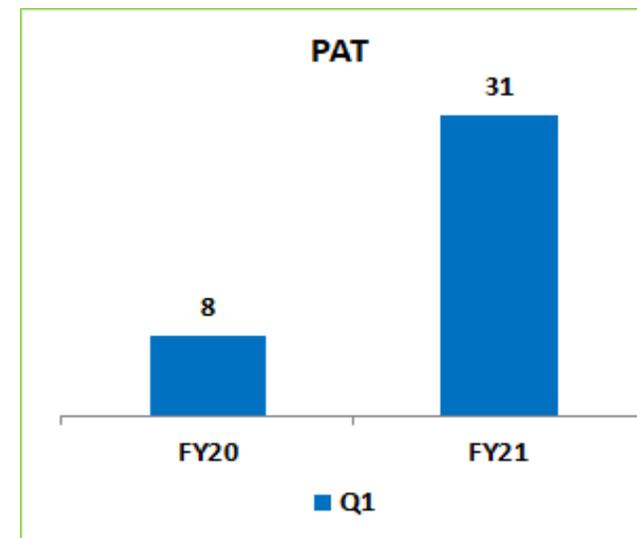
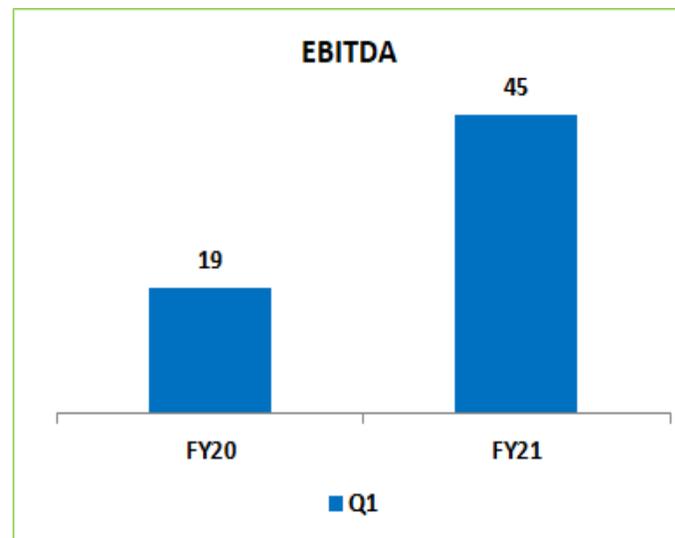
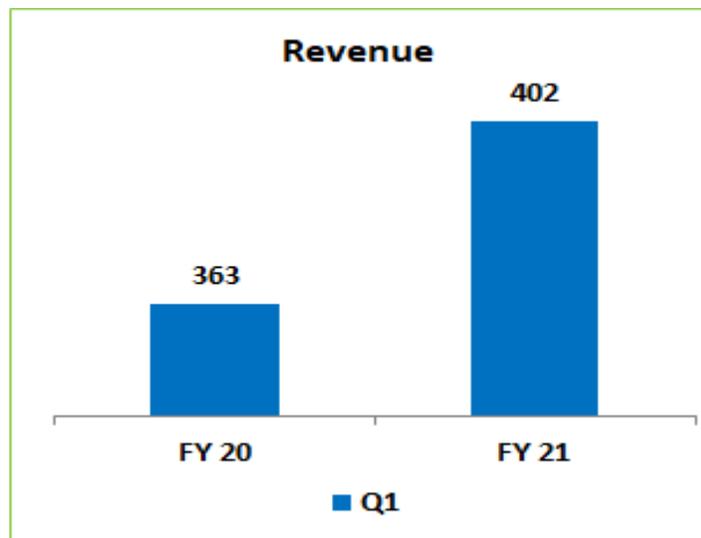
- Price realization in some products and better product mix leading to improvement in EBITDA %, coupled with lower fixed cost



Company has opted for lower Income tax rate from current year. The effective tax rate is 23.53% as against 30.43% in same period in PY

Q1 FY21 - Performance Highlights: Rallis Crop Care division

Rs Cr



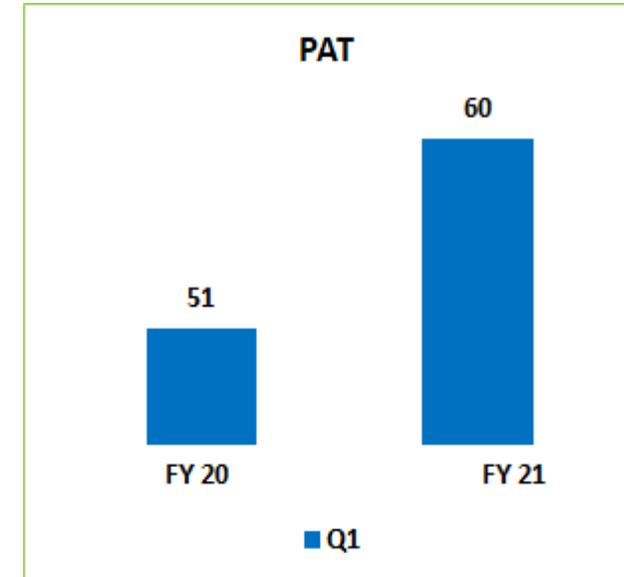
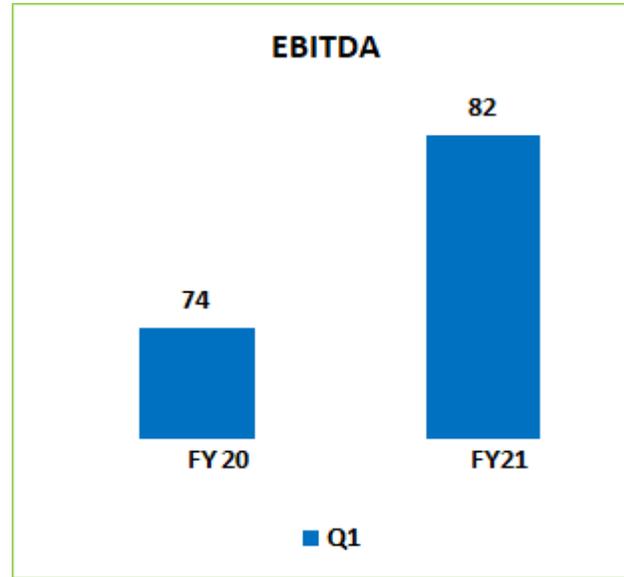
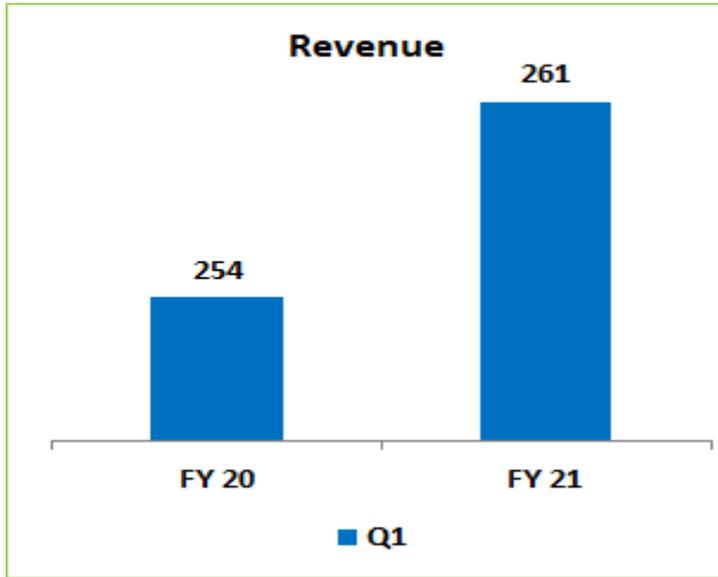
- Overall growth of 11% in topline
- Volume growth in major a.i.s (Acephate & Pendi) in International Business
- Volume growth also seen in some of our branded formulated products in the domestic business
- Drop in volumes in Contract Manufacturing

- Price realization in some products and better product mix leading to improvement in EBIDTA %, coupled with lower fixed cost

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Q1 FY21 - Performance Highlights : Rallis Seeds Division

Rs Cr



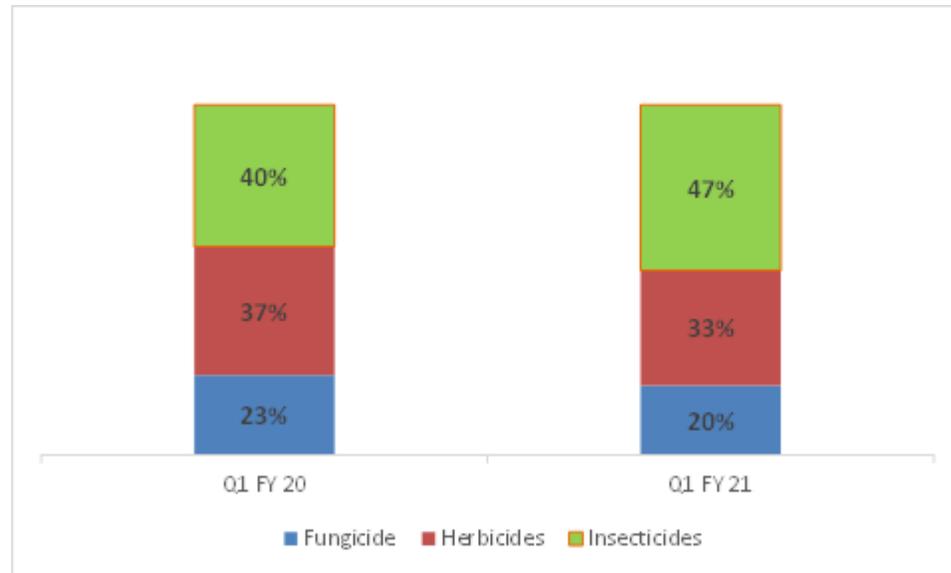
- Revenue growth of 3%
- Volume growth in Bajra & Maize
- Crop shift expected to result in higher sales returns of cotton, impacting top line

- Better price realization in Paddy and Maize coupled with lower fixed cost leading to higher EBITDA

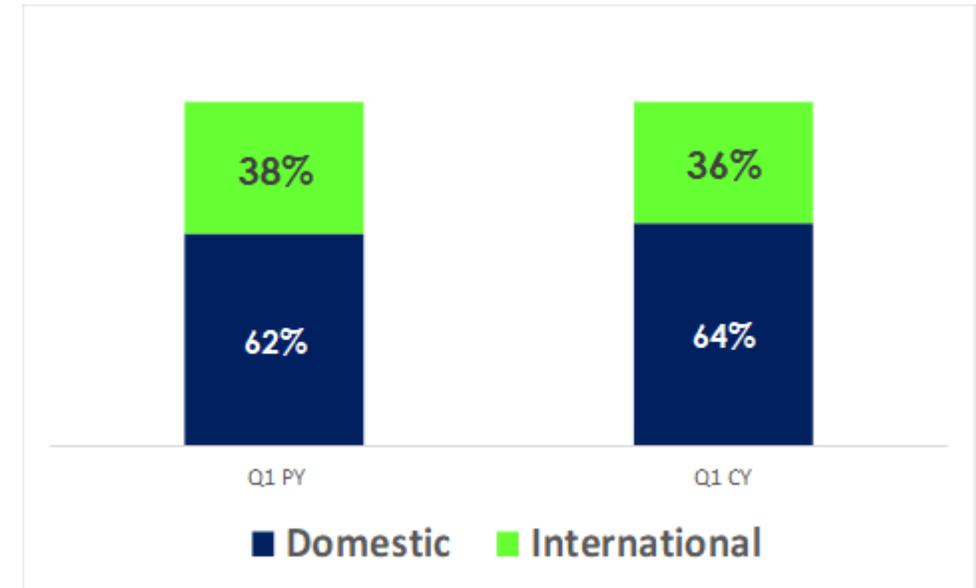
- PAT movement for the quarter mirrors EBITDA ; lower taxation rate opted by the company

Revenue Split Q1

Category wise



Geography wise



Note:

Pl note that these revenue breakups are for Crop Protection

Note:

Geography breakup is for Crop Care only and not for total revenue.

Capex - Update

Scaling up capacities of selective molecules -

- Overall Capex implementation impacted due to COVID 19
- Civil construction of the formulation plant at Dahej Chemical Zone has restarted with all precautions as per COVID safety guidelines; commissioning of EC and GR line expected by Dec 20/Jan 21
- Phase II expansion of Metribuzin (500 MTPA) commissioned in July, commercial production yet to ramp up amid weak demand

Operational Highlights

Strong Product pipeline –

- ❖ Successful launch of 4 new hybrid seeds: Maize (2), Bajra (1), Chilli (1)
- ❖ Received CIB & RC registration for 2 new products(which will be launched in the forthcoming months of FY21), 2 more approved and certificates awaited
- ❖ Successful launch of GroSmart(Giberellic Acid 1ppm) in Crop Nutrition category

Tackling COVID Difficulties and Operational Efficiency –

- ❖ Above 90% adherence to supply plans despite COVID lockdown and labour issues
- ❖ While Maize and Millet are seeing encouraging trends in liquidation, Cotton trends appear weak due to crop shift
- ❖ Digital Acceleration: Campaigns, Sales meetings; Trade, NPD, farmer and employee engagement
- ❖ 26% top line product growth in Domestic Crop Protection business
- ❖ Improved cash from Operations, due to strong collections despite higher inventory. Deliberate Raw Material Inventory stock up to cope with Covid challenges
- ❖ Channel pipeline stocks stable

THANK YOU



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