



**RALLIS INDIA LIMITED**

April 22, 2021

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001  
Scrip Code: 500355

National Stock Exchange of India Limited  
Exchange Plaza  
Bandra-Kurla Complex Bandra (E)  
Mumbai – 400 051  
Symbol: RALLIS

Dear Sir,

**Sub: Submission of Analysts/Investors Presentation**

**Ref: Letter dated April 12, 2021 informing about Analysts/Investors Presentation**

Further to our referred letter, please find enclosed a presentation to be made to analysts/investors on the results for the quarter and financial year ended March 31, 2021 during the analysts/investors call to be held on Friday, April 23, 2021.

The presentation is being submitted in compliance with Regulation 30(6) read with Schedule III Part A Para A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the presentation is also being uploaded on the Company's website: [www.rallis.co.in](http://www.rallis.co.in).

You are requested to take the same on record.

Thanking you,

**Yours faithfully,  
For Rallis India Limited**

**Yash Sheth  
Company Secretary**

Encl.: as above



RALLIS INDIA LIMITED

# Results Presentation

Q4 FY21



DOMESTIC CROP  
PROTECTION



INTERNATIONAL  
BUSINESS



CONTRACT  
MANUFACTURING



SEEDS



PLANT GROWTH  
NUTRIENTS



AGRI  
SERVICES

# Disclaimer

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*This presentation, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise of Rallis India Limited, its direct and indirect subsidiaries and its associates. Actual results might differ substantially or materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government policies and regulations, tax laws, and other statutes and incidental factors. You are urged to view all statements contained herein with caution. Rallis India Limited does not undertake any obligation to update or revise forward look statements, whether as a result of new information, future events or otherwise.*

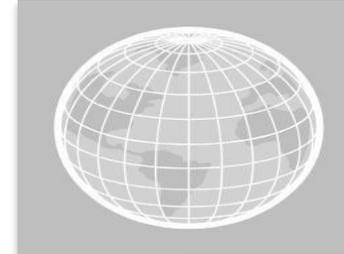
# Rallis – Businesses



**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 – Crop Care: **3700+**  
dealers & **48000+** retailers; Seeds: **2500+**  
dealers & **25000+** retailers



# International Business

## Manufacturing 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 (FY20)**
- **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

1<sup>st</sup> Indian company to introduce a new a.i in India

1<sup>st</sup> company to set up an R&D centre in the country

# Seed business

Rallis develops, produces and sells hybrid seeds including Paddy, Millet, Maize and Bt Cotton; Kharif season accounts for 80-85% revenues

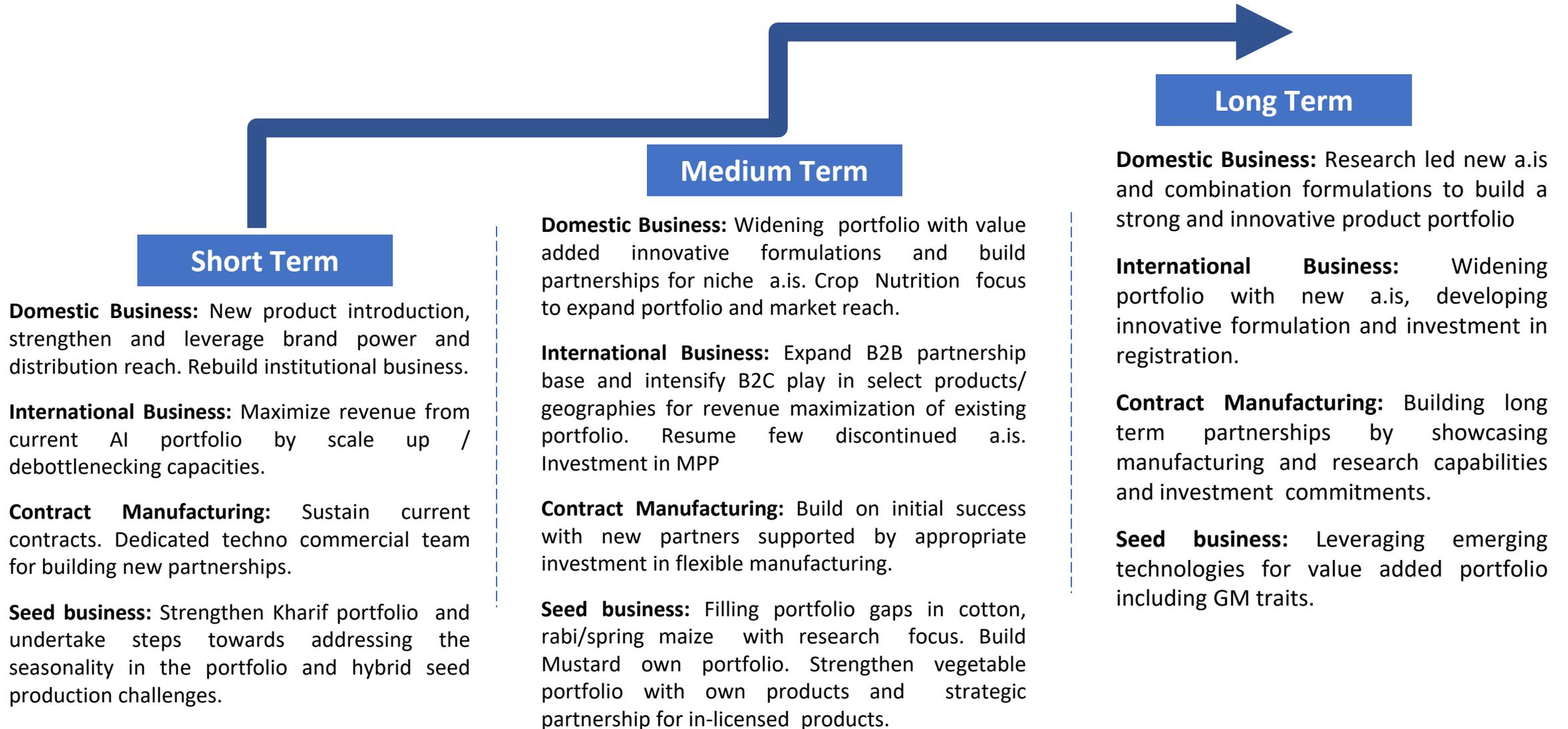
Strong market position - among top 3 in Hybrid Paddy (3<sup>rd</sup>) & Hybrid Millet (2<sup>nd</sup>) and Maize (6<sup>th</sup>). With around a million packets sold, our Bt Cotton portfolio is fast growing

Farmer base of **3 Mn** (FY20) up from 1 Mn in FY15

Seasonal business – Q1 & Q2 accounting for 80% of revenues



# Business Strategy



# Growth Drivers



## Domestic Business

- Focus on innovation - New Formulations, New a.is In-house, Partnerships , Nutrients
- Strengthen and leverage brand power
- Augment distribution reach



## International Business

- Capacity expansion of existing molecules and resume few discontinued products
- Expand B2B base and select B2C play
- New a.is development and registration



## Contract Manufacturing

- Renewed approach for building partnerships - appointed new business head
- Research focus to strengthen and leverage chemistry knowledge
- Investment in flexible manufacturing capacity



## Seeds Business

- Focused on addressing portfolio gaps
- Address production challenges
- Leveraging emerging technologies to build differentiated and value added portfolio



## Capex

- Investing for delivering growth across business segments
- Backward integration to de-risk from supply disruption

# Domestic Business – Strategic focus areas

## Focused on delivering growth by

- Strengthening product portfolio
- Augmenting distribution network
- Strengthening and leveraging brand power

## Consistent product launches - minimum 2 new products in 9(3) category (over the coming years)

- Introduced 6 products in FY20
  - In house: 3
  - Co-marketing: 3
- Introduced 4 products in FY21
  - In house: 3
  - Co-marketing: 1

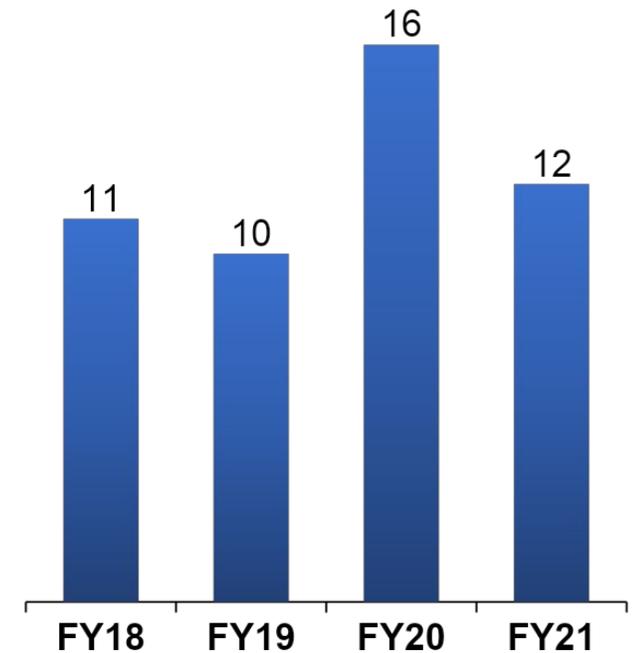
## Plugging gaps – Identified products and location gaps to bolster portfolio mix

- Need to build presence in Wheat and Soybean crops, cultivated predominantly in the states of Madhya Pradesh, Rajasthan, Uttar Pradesh, Punjab and Haryana

**Achieve deeper market penetration** by expanding distribution network. Plan for FY22: CP target of total 4000 distributors and 65000+ retailers, Seeds distributors 2700 & retailers 35000+

**Optimize cash flows** by improving collection efficiency and improving working capital cycle

■ Innovation Turnover Index (ITI) (%)

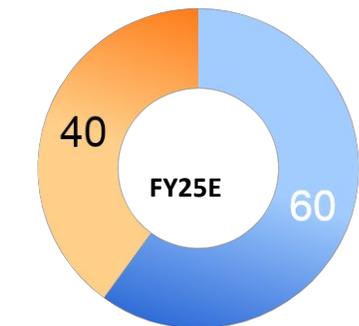
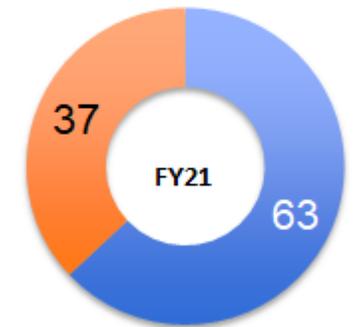


ITI impacted due to restrictions on physical movement leading to lower scale up of new launches

# International Business – Strategic focus areas

- **Scaling up / Debottlenecking capacities of select key molecules**
  - Doubled Mfg. capacities of Metribuzin, wherein Rallis commands ~20% market share (Global)
  - Expanded capacities of Hexaconazole (~50% global market share)
  - Capacity expansion of Pendimethalin (~18% global market share)
- **Augmenting product portfolio**
  - Working towards adding one new product during FY22 to complement the existing 5 key a.is
- **Undertaking steps towards improving product mix**
  - Exploring opportunities to register own product in key markets; received registration for metribuzin a.i in USA
  - Increase the share of Formulation business in the product mix; received registration for Metribuzin formulation in the Brazilian market
- **Renewed focus towards developing Contract Manufacturing business**
  - Appointed new business head to sharpen its focus and scale up the business; creating a separate dedicated team for the business
  - Aim to be part of an innovator's supply chain in the form of exclusive business agreement for any a.i or intermediate
  - In early stage discussion with potential partners
- **Reducing dependency on China**
  - Backward integration of two key a.is to de-risk itself from supply disruptions

Revenue mix (%)



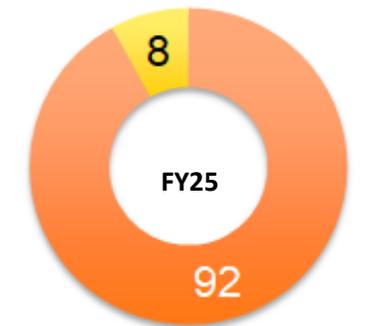
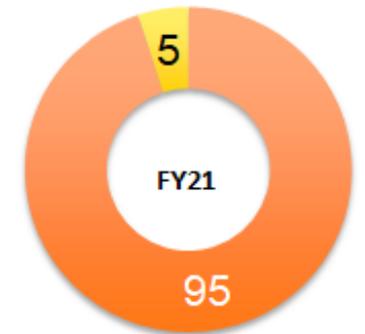
■ Domestic ■ International

**Execution capabilities & Customer relationship Management makes Rallis a preferred partner**

# Seeds Business – Strategic focus areas

- **Focused on addressing the seasonality aspect of the current portfolio and production challenges**
- **Undertaking steps towards building a comprehensive portfolio by targeting Rabi crops and expanding portfolio in vegetable segment**
  - Few products launched in Rabi Maize. (MM-9440, MM-9555)
  - Mustard building presence with in-licensed product; own product expected in couple of years
  - Vegetable portfolio rejuvenation by partnering with crop segment leaders
- **Launched 4 new products during H1/9M FY21; encouraging response from the market**
  - Two new products in Maize
  - One in Bajra
  - One in Chilli
- **Build strong R&D pipeline for strategic crops**
  - Cotton
  - Rabi, Spring Maize
  - Mustard
  - Vegetables
- **Expect margin progression in coming years** on the back of better product mix and operating leverage

Revenue mix (%)



■ Field Crop ■ Vegetables

# New Brand Architecture

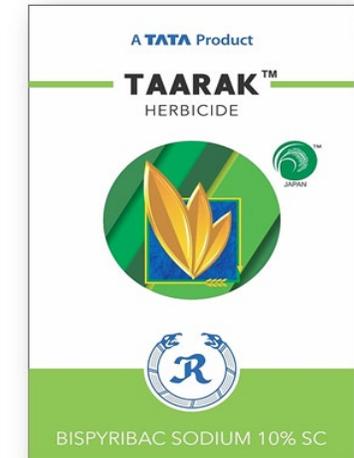
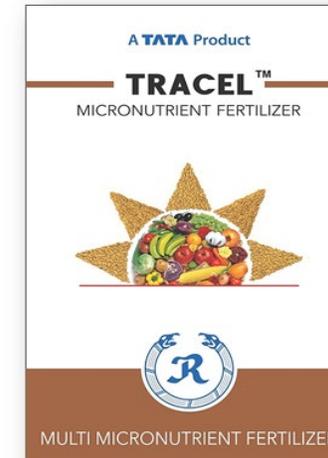
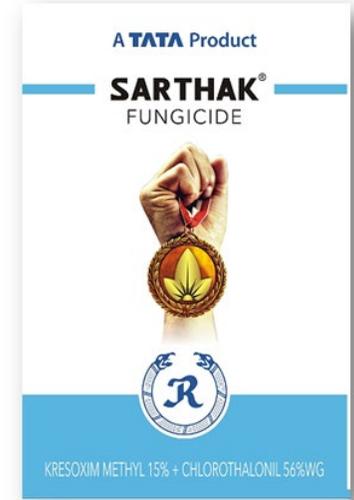
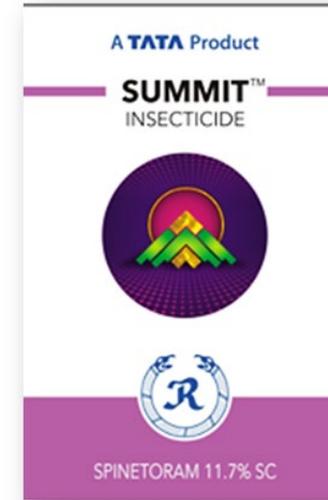
## Objective

- To bring uniformity and simplicity in the packaging
- To simplify the identification of Product Category by all stakeholders
- To build a uniform marketing communication to customers on the basis of Umbrella branding
- To adhere with CIB guidelines in advance by providing the category and formulation name on the branding panel

## Key points considered while deciding the Branding

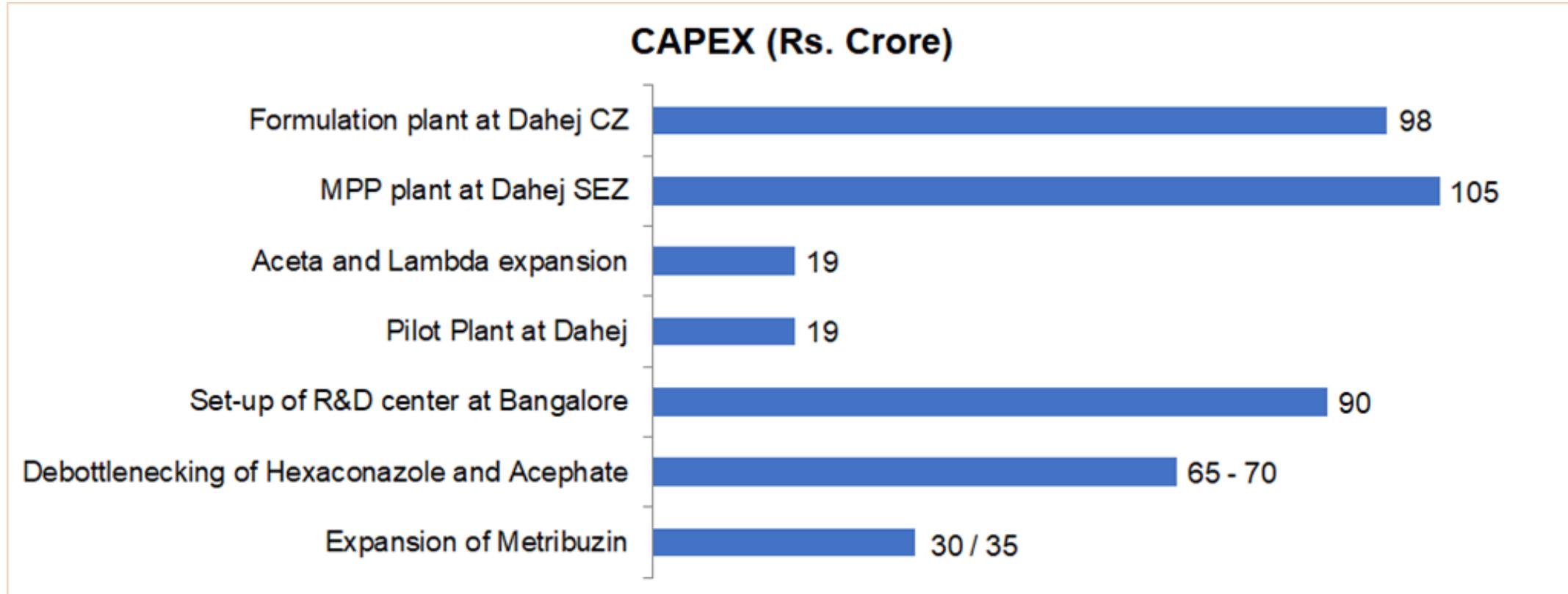
- Clean and simple design with prime importance to TATA and Rallis branding
- Should have dedicated space for brand mnemonic, thus the brand is in essence the same while changing the old packs to new architecture
- The category of each product should be easily distinguishable
- Final design synchronised for all packing e.g. bottle, pouch, cartons etc.

## Brand Category Colours



# Pulling the CAPEX lever

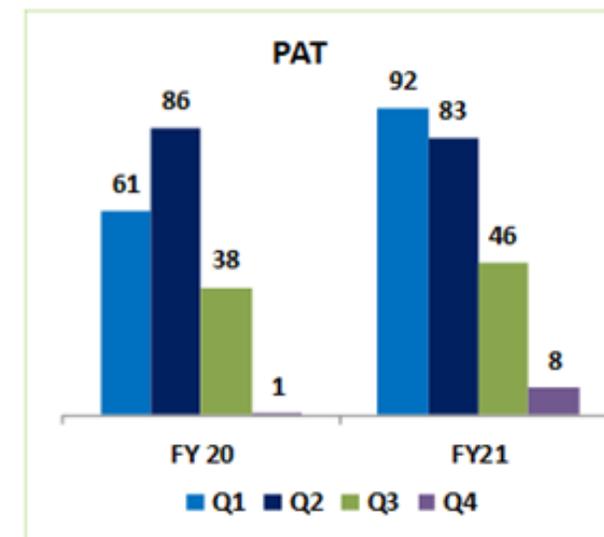
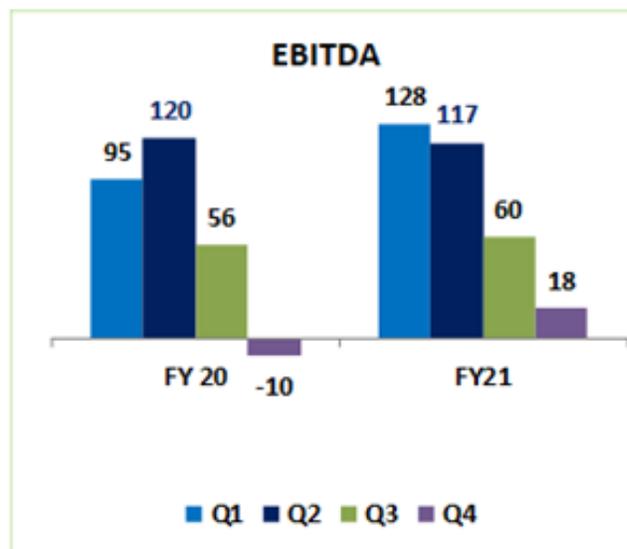
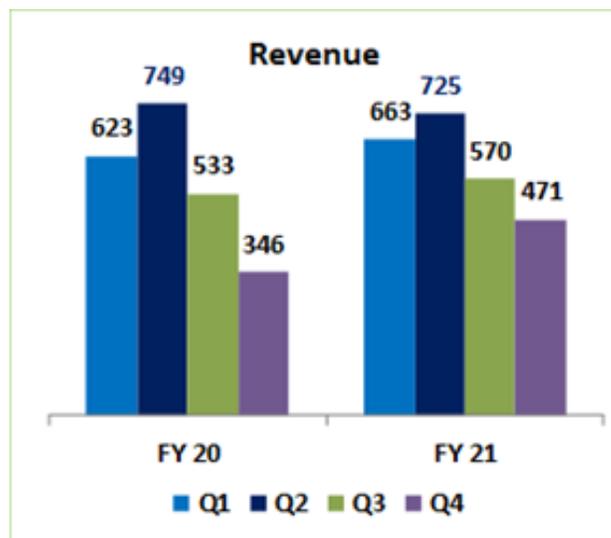
- Announced CAPEX worth **Rs. 800 Cr** to deliver growth across all business segments



**Mega CAPEX to result in better product mix; backward integration & further enhancement of R&D capabilities**

# Q4 & YTD FY21 - Performance Highlights: Overall

Rs Crs



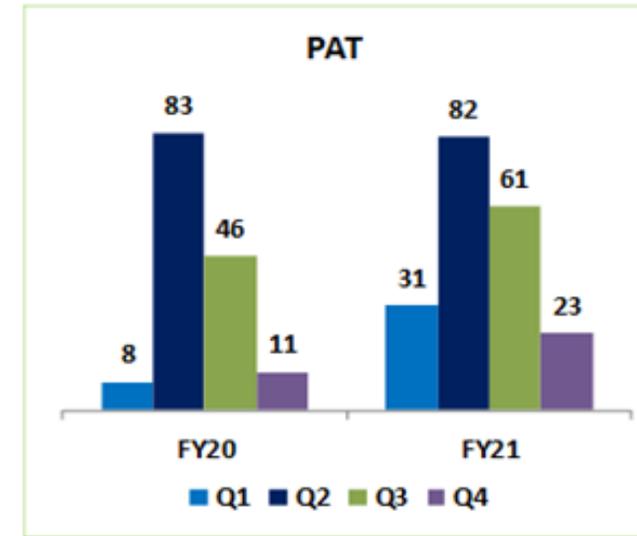
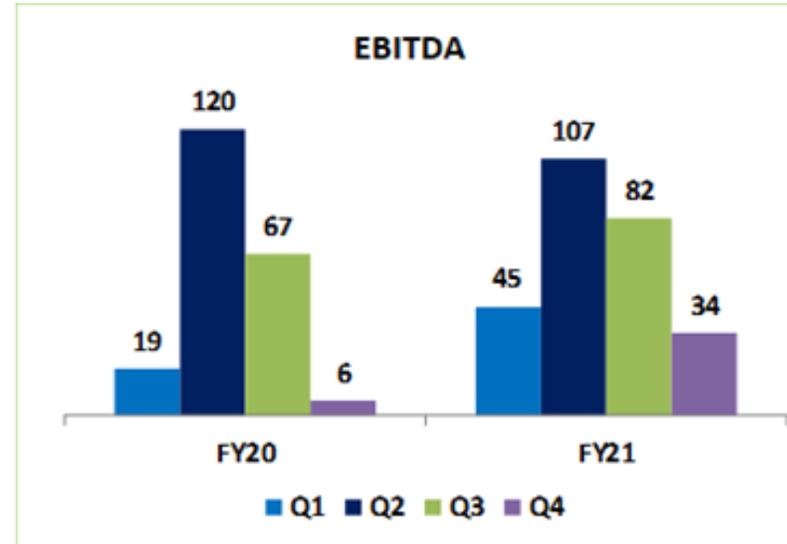
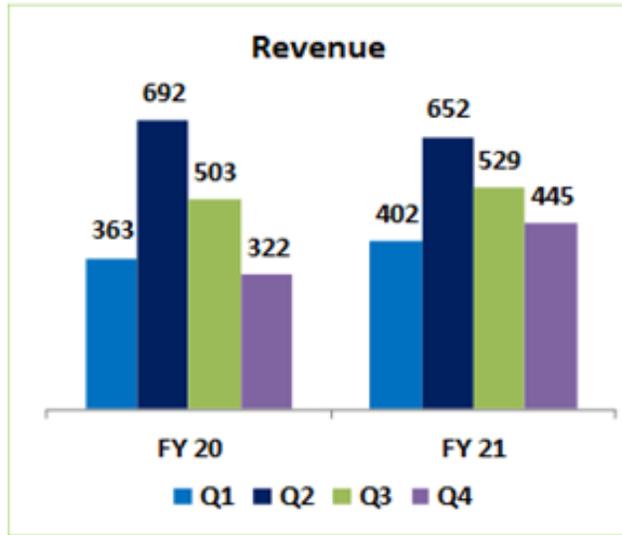
- 36% growth in revenues QoQ. Crop Care grew by 38% QoQ and Seeds by 7%
- 14% revenue growth on QoQ basis in the domestic business.
- International business registered robust growth- Volume growth in all major a.is
- Seeds grew by 7%

- EBITDA margins turned positive and is in line with increased revenue
- Better product mix fetched higher margins
- Drop in prices of Metribuzin a.i in the international business yoy

- Growth in PAT is reflective of sales & EBITDA growth
- PAT also includes exceptional items Rs.1.68 crs as against PY of Rs 11.42 crs towards sale of assets during the quarter

# Q4 FY21 & YTD FY21 - Performance Highlights: Crop Care division

Rs Cr



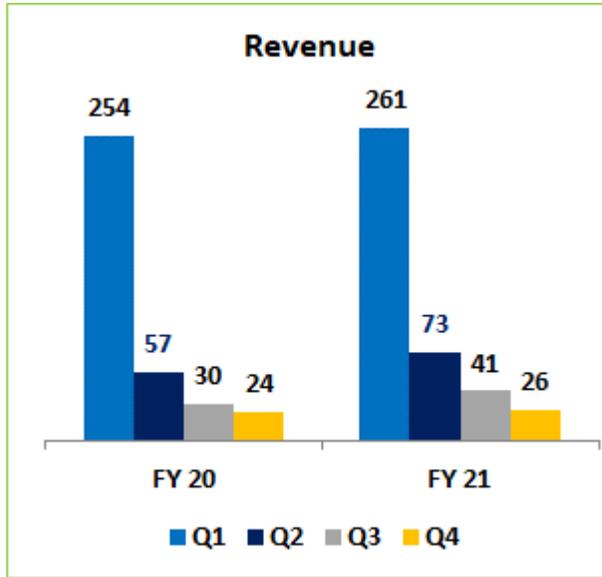
- Crop care division witnessed a 38% increase in revenues QoQ
- 14% revenue growth on QoQ basis in the domestic business.
- International business registered a robust growth - Volume growth in all major a.is

- Q4 Crop care EBITDA was @ 7.7% as compared to PY @ 1.9%
- For the full year EBITDA margins is at 13.3% Vs 11.3% in PY

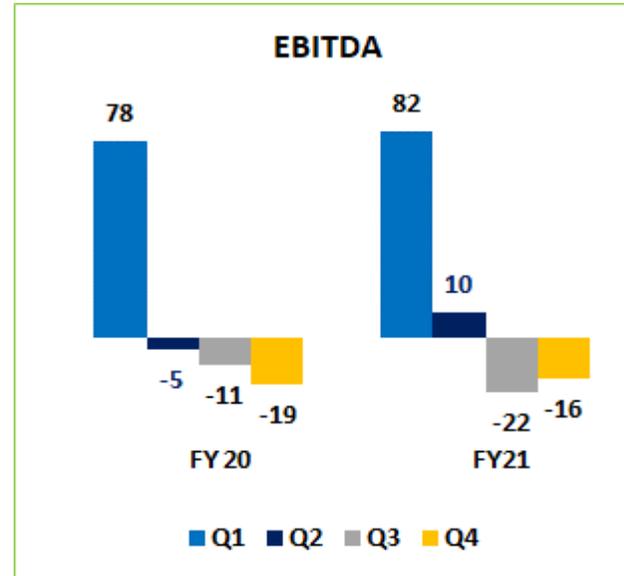
- Growth in PAT is reflective of sales & EBITDA growth.
- PAT also includes exceptional items Rs.1.68 crs as against PY of Rs.11.42 crs towards sale of assets during the quarter

# Q4 FY21 & YTD FY21 - Performance Highlights : Rallis Seeds Division

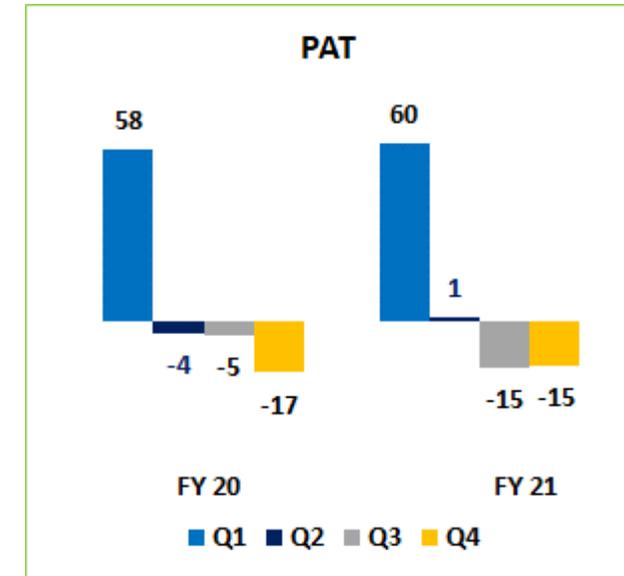
Rs Cr



- 7% growth in topline in Q4 FY21
- Volume De-Growth in Spring Maize
- Better price realisation in Maize, Paddy, Bajra

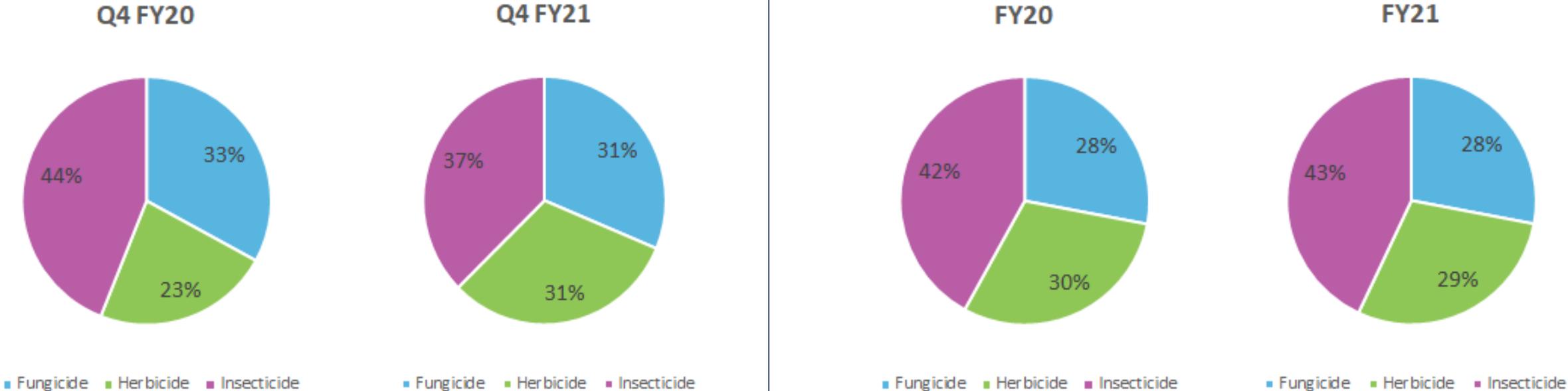


- Better price realization leading to increased EBITDA margins
- For full year EBITDA margins is 13% Vs 12% in the PY



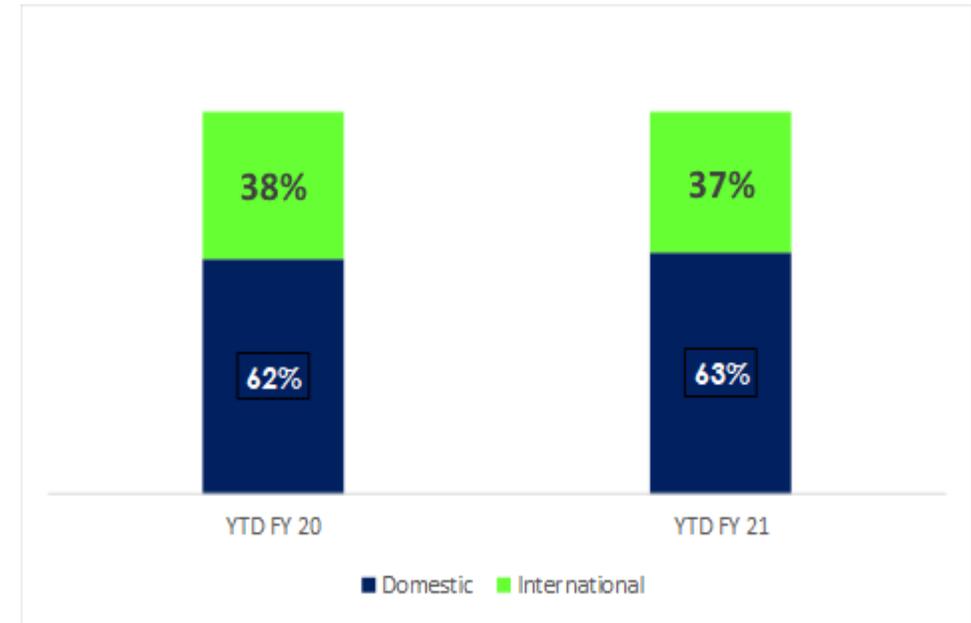
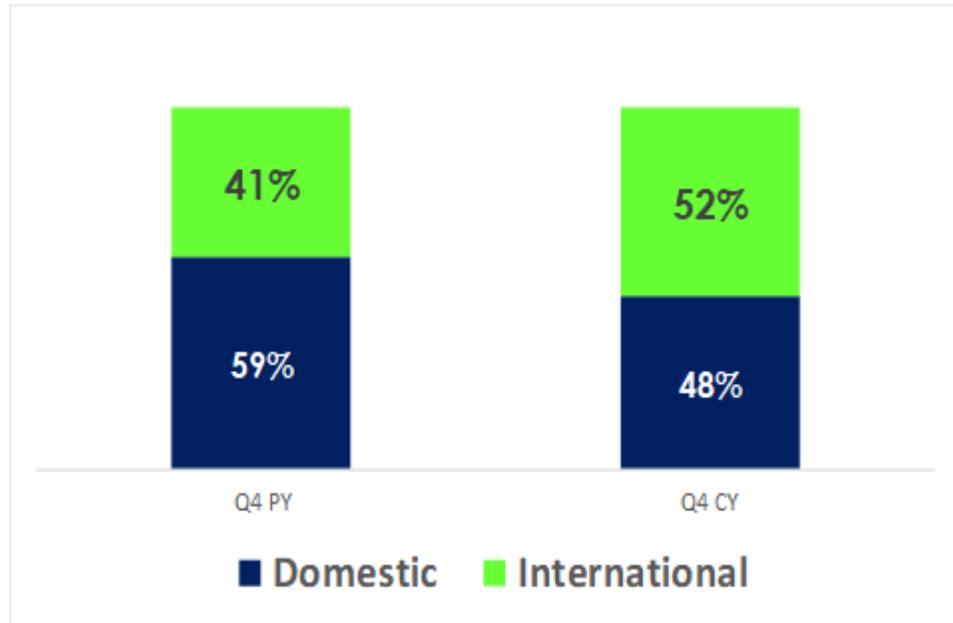
- PAT movement for the quarter mirrors EBITDA

# Category-wise Revenue Split Q4 & YTD



**Note:** revenue breakup is for Crop Protection

# Revenue Split Domestic/International Q4 & YTD



**Note:** revenue breakup is for Crop Protection

Overall share of International Business for the year is impacted due to low Metribuzin realisation vs PY. Despite volume growth in all active ingredients, including Metribuzin

# Capex - Update

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- Overall Capex implementation impacted due to COVID 19 Wave II : delayed by 2- 3 months
- Formulation Plant at Dahej, CZ - Phase 1 Expected now to be completed by Q2 FY22
- All projects progressing, although impacted by Covid Wave II

# Operational Highlights

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## New Product Progress –

- ❖ Launched new 9(3) formulation in Q4 – Eevee (Kresoxim Methyl + Flubendiamide) targeted as a insecticide and fungicide combination for Vegetables
- ❖ Two new registrations approved in Uganda

## Tackling COVID Difficulties and Operational Efficiency –

- ❖ Digital Acceleration: Campaigns, Sales meetings, Trade, Product Development Trials, farmer and employee engagement
- ❖ Domestic Formulation registered 15% revenue growth on YTD basis. Strong performance of flagship brands like Blitox, Contaf, Takumi, Master, Panida, Tata Metri
- ❖ Continued upstocking of raw materials to avert production disruptions due to potential supply chain issues and sharp price hike
- ❖ Smooth & regular availability of contract manpower through regular and alternate vendors, while maintaining safety norms
- ❖ Strong collections performance in both Crop Care and Seeds



**RALLIS INDIA LIMITED**  
**A TATA Enterprise**

*THANK YOU*



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