

Welcome!



Q4 and Year 2016-17 Performance

V Shankar
25th April 2017

Performance Highlights: Q4 and 12 Months (Consolidated)

- ❖ **Q4 – Total income at 371 Cr**
- ❖ **Q4 – Total comprehensive income at Rs. 32 Cr**
- ❖ **12 Months – Total income at Rs. 1796 Cr, rise of 9%**
- ❖ **12 Months – Profits Before Tax at Rs 222 Cr, rise by 19%.**
- ❖ **YTD - Total comprehensive income at 297 Crs, double of last year**
- ❖ **Board recommends a Dividend of Rs.2.50 per share + a one time special dividend of Rs 1.25 per share**



Agriculture & Industry

2016-17: Year context

Rallis Standalone

	Q 4 15-16	Q 4 16-17
Revenue from Operations	346	350
EBITDA	49.6	50.5
EBITDA %	14.3%	14.6%
Profit before tax	43.9	43.1
Total Comprehensive Income	33.3	33.2

Rallis Consolidated

Cr₹

	Q4 15-16	Q4 16-17
Revenue from Operations	380	371
EBITDA	45.1	41.6
EBITDA %	12.2%	11.3%
Profit before tax	45.6	31.5
Total Comprehensive Income	34.9	32.0

Financial Performance : Key Highlights vs LY

Rallis Standalone

	YTD 15-16	YTD 16-17
Revenue from operations	1,391	1,516
EBITDA	206	235
EBITDA %	14.8%	15.6%
Profit before tax & Exceptional items	165	201
Total Comprehensive Income	126	266

9%

22%

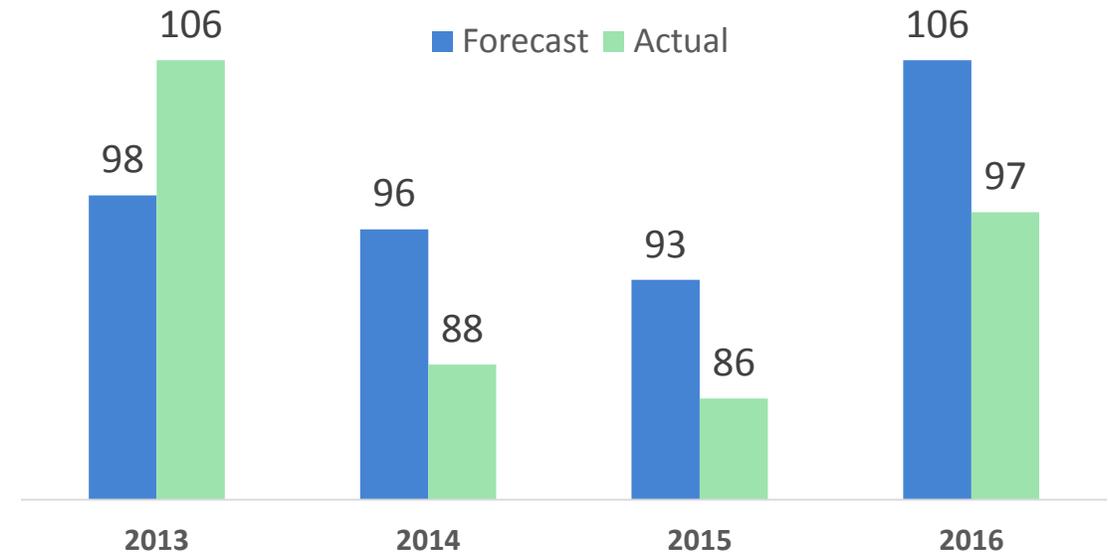
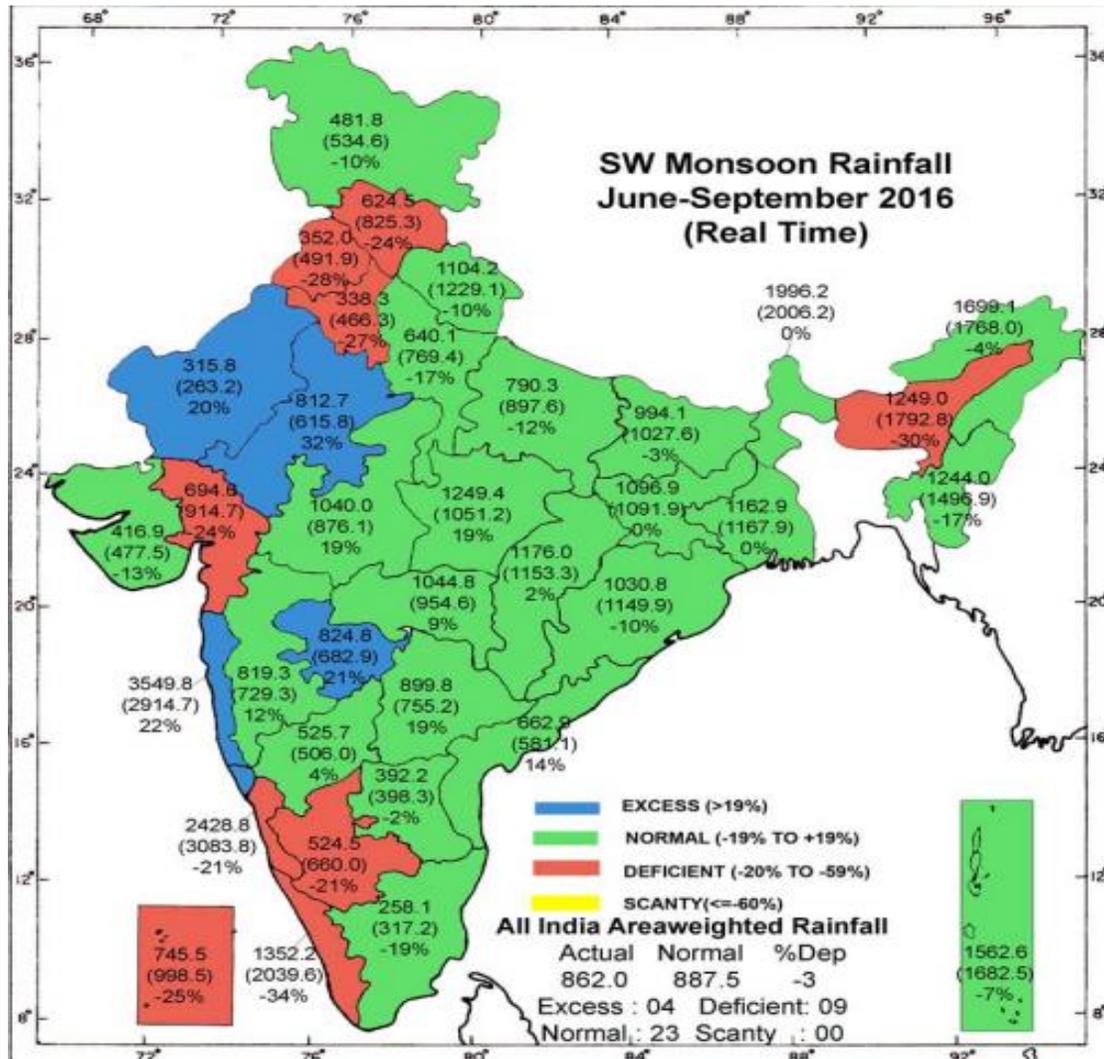
Rallis Consolidated Crs

	YTD 15-16	YTD 16-17
Revenue from operations	1642	1796
EBITDA	229	263
EBITDA %	14.1%	14.8%
Profit before tax & Exceptional items	186	222
Total Comprehensive Income	147	297

10%

19%

Southwest Monsoon 2016 : 3% below normal, better than last two years



Rains and reservoirs: Normal monsoon, with some erratic features

Monsoon Better... But not all States & not at the right time

Impact on Crops



Tamil Nadu
Kerala
UP & Bihar



Gujarat
Karnataka



Andhra Pradesh
Karnataka



Madhya Pradesh
Maharashtra



Maharashtra
Karnataka
Telangana



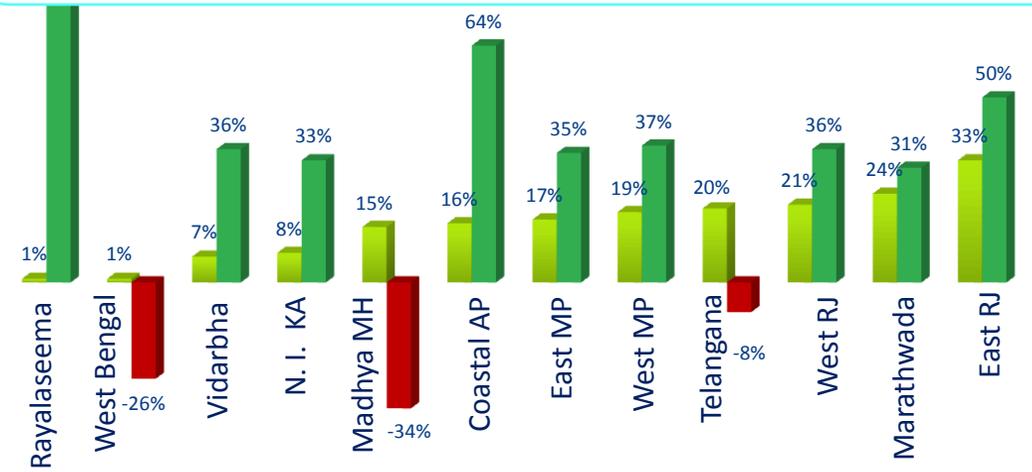
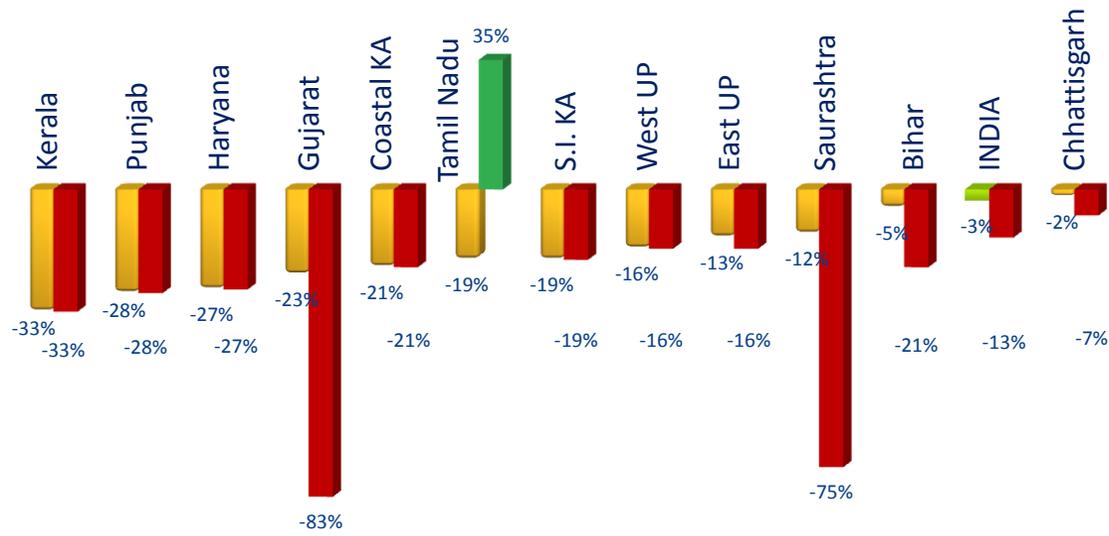
Andhra Pradesh
Karnataka

Critical Events

- Tamil Nadu: +35% in June, 3 months dry
- Kerala: Low rainfall; some areas down by ~50%
- Gujarat is 3rd consecutive drought;
- Karnataka consistently remained dry
- Punjab & Haryana going through another drought spell

- Madhya Pradesh & Rajasthan: Flood twice - July & Aug
- AP & Telangana: August - Long dry spell, September end floods
- MH: Dry spell of >22 days followed by heavy rains

State wise Monsoon



■ ■ % Departure of SW Monsoon at Season End
■ ■ During season % Peak deviation (Critical) from Normal

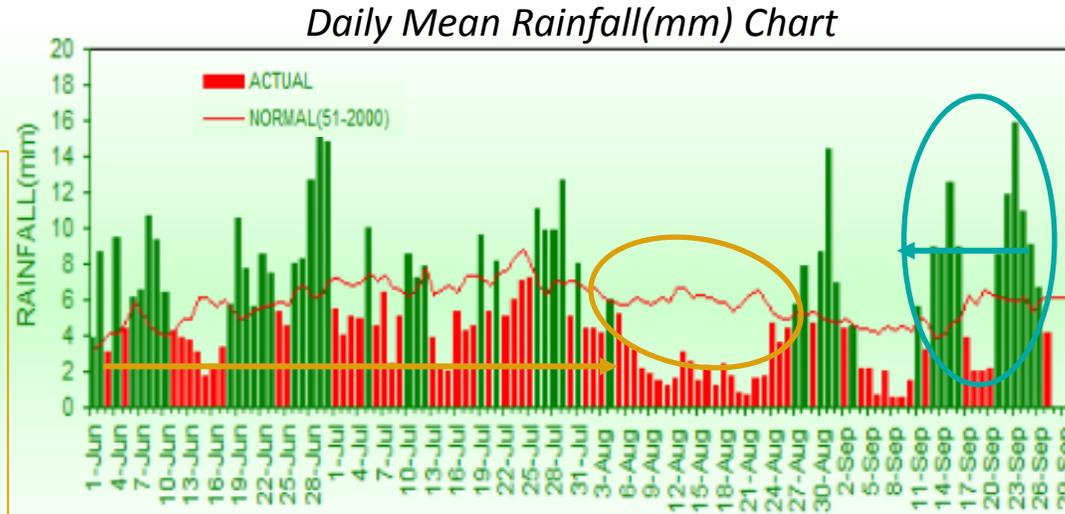
Source: IMD

Delayed onset of monsoon, excess rains in certain pockets and dry spells in some areas impacted Agrochemical consumption

Down South- Alternating spells of excessive rainfall and extremely dry days

Drought in

- ✓ **Tamil Nadu (-20% Dep.)**
- ✓ **Rayalaseema**
- ✓ **Coastal Karnataka (-21%)**
- ✓ **South & Central Karnataka (-20%)**
- ✓ **Kerala (-40% Dep.)**
- ✓ **Guntur-AP (Zero Rain days in August)**



Floods in

- ✓ **Guntur District of AP- Heavy Flood**
- ✓ **NI Karnataka**
- ✓ **Coastal AP**
- ✓ **Telangana- Rayalaseema Part**

Average Rainfall of <2mm per day for 26 days impacted crops like Cotton, Chilli & Paddy transplantation

Average Rainfall of >10mm per day for 10 days flooded areas of Chilli, Cotton, Paddy. Affected ongoing spraying activities

Business environment and Sentiment

Met cuts monsoon forecast to normal

SANJEEB MUKHERJEE
New Delhi, 19 September

Demand for agriculture inputs cools on dry spell

NAVEEN KUMAR SAINI/MINT

Caution is finally setting in for stocks of agriculture... ern region, which constitutes a sizeable market for agriculture

Kharif crops face flood threat

Rain, flooding hit large tracts in UP, MP & Bihar; crops like paddy impacted

India's farm exports could see a dip again

Shipments in April-June of FY17 register 6.13 per cent decline

Farm Output to Soar After Good Spell of Monsoon

Farm output from summer-sown kharif crops is forecast to increase 9% to a record 135 MT, with the biggest gains in pulses

Our Bureau

These Droplets hold Promise

US Agri Dept cuts India's soyabean crop estimate to 6.08 mt

**Delayed monsoon followed by a prolonged dry spells in some areas led to dampened enthusiasm from farmers
Except Pulses all other crop acreages are flat**

So, how was S-W monsoon actually?

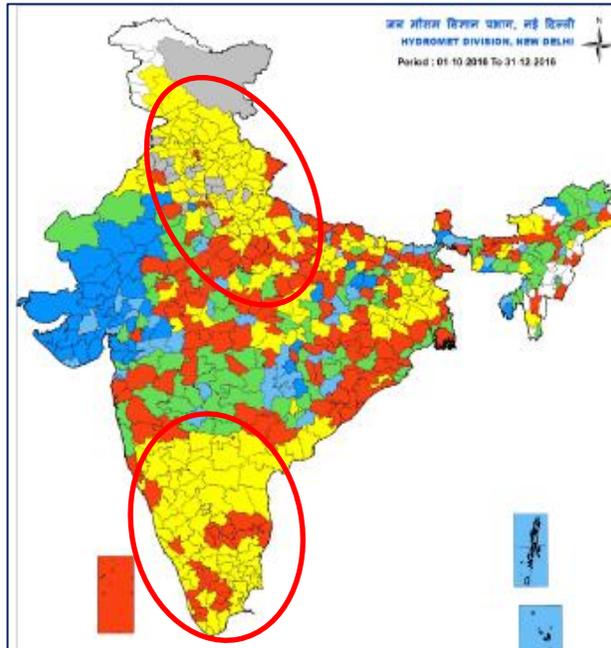
- ❖ *Monsoon Normal after two years of drought*
- ❖ *Kharif sowings were up*
- ❖ *Crop health better than last year; Low Pest attack in Cotton, Paddy in many States*
- ❖ *Retail food price momentum: prices improved*
- ❖ *Kharif production high at 135MT*

On Balance, Positive

How was NE Monsoon?

DISTRIBUTION OF CUMULATIVE RAINFALL - GRAPH REGION: SOUTH PENINSULA

Actual & Normal for the Period: 01-10-2016 To 31-12-2016



NE monsoon withdraws, worst in 140 years

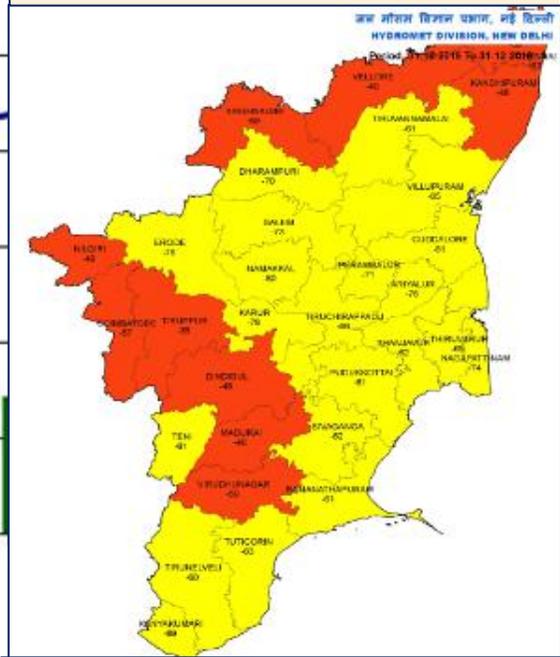


SPECIAL CORRESPONDENT
CHENNAI: JANUARY 05, 2017 00:00 IST
UPDATED: JANUARY 05, 2017 04:10 IST

The State has an annual deficit rainfall of 41 per cent

The northeast monsoon has withdrawn from Tamil Nadu, leaving the State with a 41 per cent

District Map of Tamil Nadu



DEFICIENT (-20% to -59%) **SCANTY** (<=-60%)

-60% Departure from Normal

Tamil Nadu records its worst monsoon since 1901

K. Lakshmi

CHENNAI: DECEMBER 31, 2016 00:00 IST
UPDATED: DECEMBER 31, 2016 04:01 IST

Tamil Nadu may end the year with the worst northeast monsoon since 1901. With weather systems failing to bring widespread rainfall, the State received 168.4 mm since October 1, a deficit of 62 per cent when compared to the season's average of 441 mm.

According to meteorologists, the situation this year is even worse than 1974 when the State recorded a 60 per cent deficit in rainfall with nearly 176 mm. This year, the rain was interspersed with long, dry spells. Officials of the Meteorological Department said the weather was likely to be dry in the State for the next few days, except for light rain in some areas of coastal south Tamil Nadu on January 1 and 2.

In spite of various weather systems and three cyclones during the Northeast Monsoon, Tamil Nadu & other Southern States still had to settle for deficit rains this season

Sowings

Areas in Mn HA

Kharif Crop	Area sown in 2014-15	Area sown in 2015-16	Area sown in 2016-17	YoY Change(%)	
				On 2014-15	On 2015-16
Rice	379.67	364.43	375.7	-4.01%	3%
Pulses	102.89	106.92	142.02	4%	33%
Coarse Cereals	181.87	175.59	184.13	-3%	5%
Oilseeds	177.98	178.67	176.6	0%	-1%
Sugarcane	48.74	49.6	45.78	2%	-8%
Cotton	126.55	114.17	101.96	-10%	-11%
Jute & Mesta	8.16	7.73	7.56	-5%	-2%
Total	1025.85	997.11	1033.9	-3%	4%

Rabi Crop	Area sown in 2014-15	Area sown in 2015-16	Area sown in 2016-17	YoY Change(%)	
				On 2014-15	On 2015-16
Wheat	305.94	297.25	317.81	-3%	7%
Rice	24.08	29.03	25.64	21%	-12%
Pulses	143.01	143.7	159.72	0%	11%
Coarse Cereals	56.76	57.61	61.05	1%	6%
Oilseeds	79.51	84.34	79.42	6%	-6%
Total	609.3	611.93	643.64	0%	5%

Overall Domestic Business

	Assumptions	Actuals
Monsoon-Sufficient	Normal – 106% of LPA	SW 3% below normal , with delayed start and Temporal and spatial distribution of rain not uniform NE Delayed & 60% scanty
Acreages	Acreages – Up	Acreages up, however down in key south states
Farm Sentiments & Cash	High	Good , however somewhere impacted by long dry spell and events like demonetization
Pest pressure	High	Low in Kharif and Rabi in crops like paddy, pulses
Crop prices	Higher	Prices varying; poor for Pulses, Veg

Paddy Performance – Key States

PEST LOAD

Low

Moderate

Severe



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Important States	Acreages (comp. to Normal)	Weed	Pest Load			
			Sheath Bt/Blast	Stem Borer	Leaf Fo.	BPH
Punjab / Haryana	Up	Orange	Orange	Yellow	Yellow	Yellow
West Bengal	Normal-Up	Yellow	Orange	Yellow	Yellow	Orange
Chhattisgarh	Normal	Yellow	Red	Yellow	Orange	Orange
AP / Telangana	Guntur Drop* Sec-Normal	Yellow	Yellow	Orange	Orange	Yellow
Karnataka	Drop*	Orange	Yellow	Red	Orange	Red
Tamil Nadu / Kerala	Drop*	Orange	Yellow	Orange	Yellow	Orange

Source: IMD, PTI. Rallis Internal Analysis, Electronic media

Growth in Fruits & Vegetables Segment

Trigger Events

Improvement in Reservoir levels & Soil Moisture

Increase in Acreages (WB, CG, MH, MP, AP, KA)

Crop Economics & Spending Capacity of Farmers

Followed By...

Actions Taken

Identification

Identified & Created 33 Dedicated F&V territories based on the potential

Training

F&V Booklet with complete package of practice provided to all field personnel

Support

Support from Mktg on generics Price & supply- specifically Mancozeb

Campaigns

Centrally designed Campaigns for these chosen territories & effective monitoring

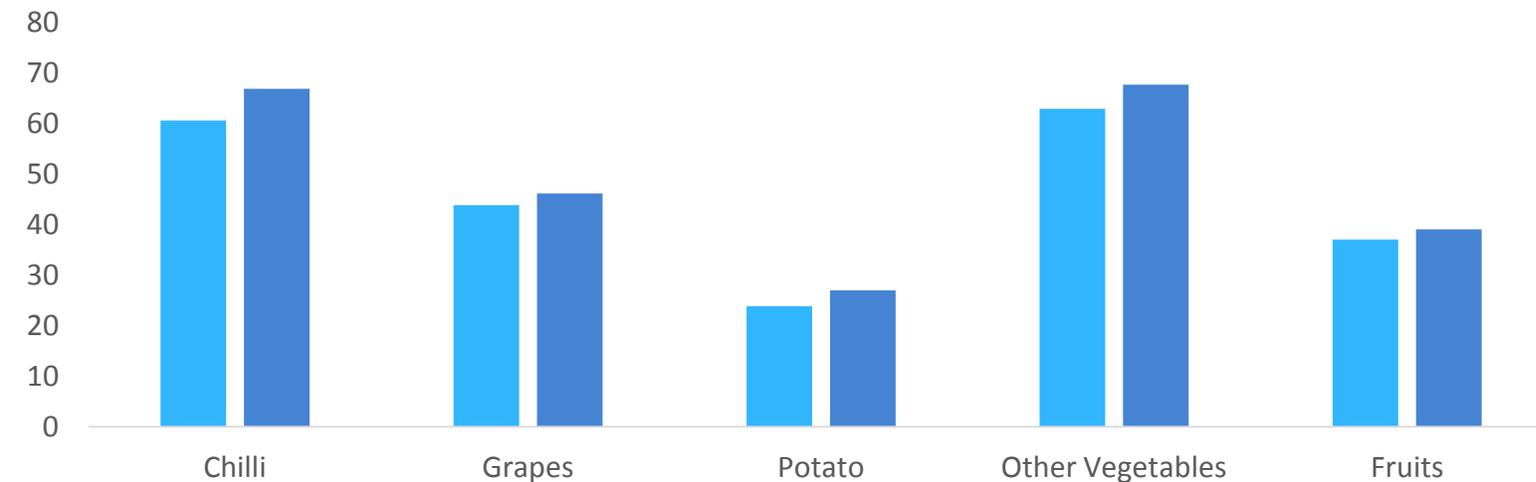
Channel

Special trade level motivation schemes for F&V areas

Partnering

Partnership Approach - Strengthening relationship with Grower Associations & Universities

Rallis strengthening presence in F&V: Overall 8% Growth in the segment



■ 2015-16 ■ 2016-17



Global Agchem Environment

Year 2016-17

- ✓ The global crop protection market was estimated to decrease by 2.4% to reach a total value of \$49.9 b USD in 2016.
- ✓ The key factors were
 - ✓ Lower prices of agricultural commodities,
 - ✓ High inventory levels at distributor levels in many countries,
 - ✓ Strengthening of US dollar against most major currencies
 - ✓ Variable weather patterns, including a weak monsoon as result of the ongoing El Nino phenomenon.
 - ✓ The market was further weakened by low pest/disease pressure
- ✓ All the major regions suffered a decline in nominal US dollar terms. In terms of real growth, 2016/2017(%),
 - ✓ NAFTA(+1.2%),
 - ✓ LATAM(-8.9%),
 - ✓ Europe(-1.2%)
 - ✓ Asia(-2.2%).
- ✓ The sales performance of leading agrochemical companies of 2016 were negative.
- ✓ There was little change in the global planted area of major crops in 2016, except for Decrease in cotton (-3.1%), Soybean (-3.4%).
- ✓ El Nino factor has delayed rains in Brazil and Argentina leading to late sowing of crops. El Nino weather pattern in most of African countries, a weak monsoon in Asia and a dry summer in Northern Europe and Canada

The global agrochemical market in volume terms declined during 2016-17.
Lower commodity prices and high inventory pressure led to a depressed market performance.



IBD BUSINESS PERFORMANCE YTD

International has performed in line with our expectations:

Brazil have recorded better start to the season, with El Niño weather patterns having broken and water availability improved.

Pendi and Metri sales continue with good season leading to demand in EU.

Contract Manufacturing business

- ❖ Dahej – Highest production this year
- ❖ We have been qualified for couple of new businesses in contract manufacturing.
- ❖ Gearing up for facilities - Investments underway
- ❖ Commercial order in coming months...



Domestic Agchem Environment

Q4

Status of Reservoirs in India 7th April 2017

Water level in 91 major reservoirs across India dips to one-third capacity

INDIA Updated: Apr 07, 2017 14:20 IST

▶ Same was 129% of last year

Regions	Filling position of 91 reservoirs w.r.t. FRL								Departure from normal storage
	100%	91-99%	81-90%	71-80%	61-70%	51-60%	41-50%	40% and below	
North	-	-	-	-	-	1	-	5	Himachal Pradesh (-44%), Punjab (36%), Rajasthan (9%)
East	-	-	-	2	-	2	5	6	Jharkhand (36%), Orissa (40%), West Bengal (52%), Tripura (225%)
West	-	-	1	1	-	2	5	18	Gujarat (17%), Maharashtra (-13%)
Central	-	-	-	-	2	2	1	7	Uttar Pradesh (99%), Uttarakhand (-42%), Madhya Pradesh (78%), Chhattisgarh (21%)
South	-	-	1	-	-	-	-	30	Telangana & Andhra Pradesh (-71%), Andhra Pradesh (-65%), Telangana (50%), Karnataka (-39%), Kerala (-30%), Tamil Nadu (-81%)
Total reservoirs	-	-	2	3	2	7	11	66	

Source: Central water commission

Source: IMD, PTI. Rallis Internal Analysis, Electronic media

Heatwave impacted Rabi from March 2017

40-PLUS DAYS ARE HERE

The next few days will witness sustained heatwave conditions with temperatures staying above 40°C

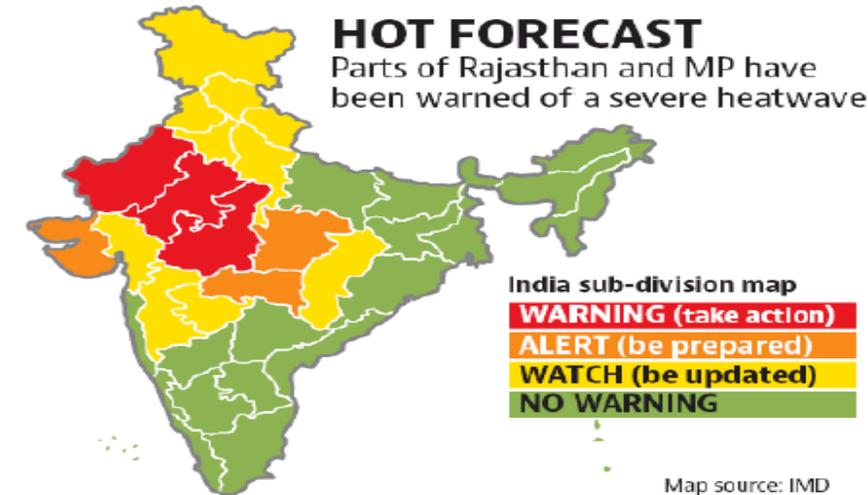
SCORCHING SUNDAY

Some of the places that saw high temperatures

Sri Ganganagar, Rajasthan	46°C
Chandrapur, Maharashtra	45°C
Barmer, Rajasthan	45°C
Bikaner, Rajasthan	45°C
Nagpur, Maharashtra	45°C
Narnaul, Haryana	44.3°C
Hisar, Haryana	43.6°C
Tirupathi, Andhra Pradesh	43.3°C
Gwalior, Madhya Pradesh	43.3°C
Raipur, Chhattisgarh	43°C
Amreli, Gujarat	43°C
Daltonganj, Jharkhand	42.6°C
Palam, Delhi	42.2°C

HOT FORECAST

Parts of Rajasthan and MP have been warned of a severe heatwave



Map source: IMD

Rabi Sowing

	Normal Sown Area	Area Sown 15-16	Area Sown 16-17	% over LY	Over Normal sown area
Wheat	30.4	29.7	31.8	6.9%	4.5%
Pulses	14.1	14.4	16.0	11.1%	13.5%
Oilseeds	8.5	7.9	8.4	6.3%	-0.6%
Rice	4.4	2.9	2.6	-11.7%	-41.3%
Coarse cereals	6.5	6.1	5.8	-5.6%	-11.7%
Total	63.9	61.0	64.5	5.7%	1.0%

Sowing is up by 5 % as compared to last year, however key crop paddy is down by 12% mainly southern states of Karnataka & Tamil Nadu.

Area in Mns hectares

Crops	Key states	Performance of Imperative Enablers		
Paddy	TN, Kerala, AP, TG, CG,	Reservoirs/ Irrigation	Rabi/Summer Acreages	Pest Pressure - Low
Pulses	Maharashtra, Rajasthan, Karnataka, AP, MP	Soil Moisture	Acreages of Total Pulses	Pest Pressure (Helicoverpa) - Low
Fruits & Vegetables	Various states	Irrigation	Acreages	Pest Pressure - Medium
Cumin	Gujarat	Water Stress	Acreages	Pest Pressure (Insecticides) - Medium

With depleting water levels coupled with hot weather conditions, led to low pest pressure in key crops impacting performance over AOP.



Quality of operations

Statement of change in working capital		
Particulars	2015-16	2016-17
<u>Current Assets</u>	560.56	590.39
Inventories	257.50	244.49
Sundry Debtors	182.79	225.84
Other Financial Assets	0.59	0.74
Loans and Advances*	119.68	119.33
<u>Current Liabilities</u>	318.12	336.71
Trade Payable	191.45	229.51
Provisions	8.19	9.17
Other Financial Liabilities	85.31	66.56
Other current liabilities#	33.18	31.47
Cash and Bank Balances	5.97	7.13
Net working capital	248.41	260.81
Current Ratio	1.78	1.77

*Other Current Assets+Advance Tax

#Borrowing+Other Current Liab+Current tax Liab

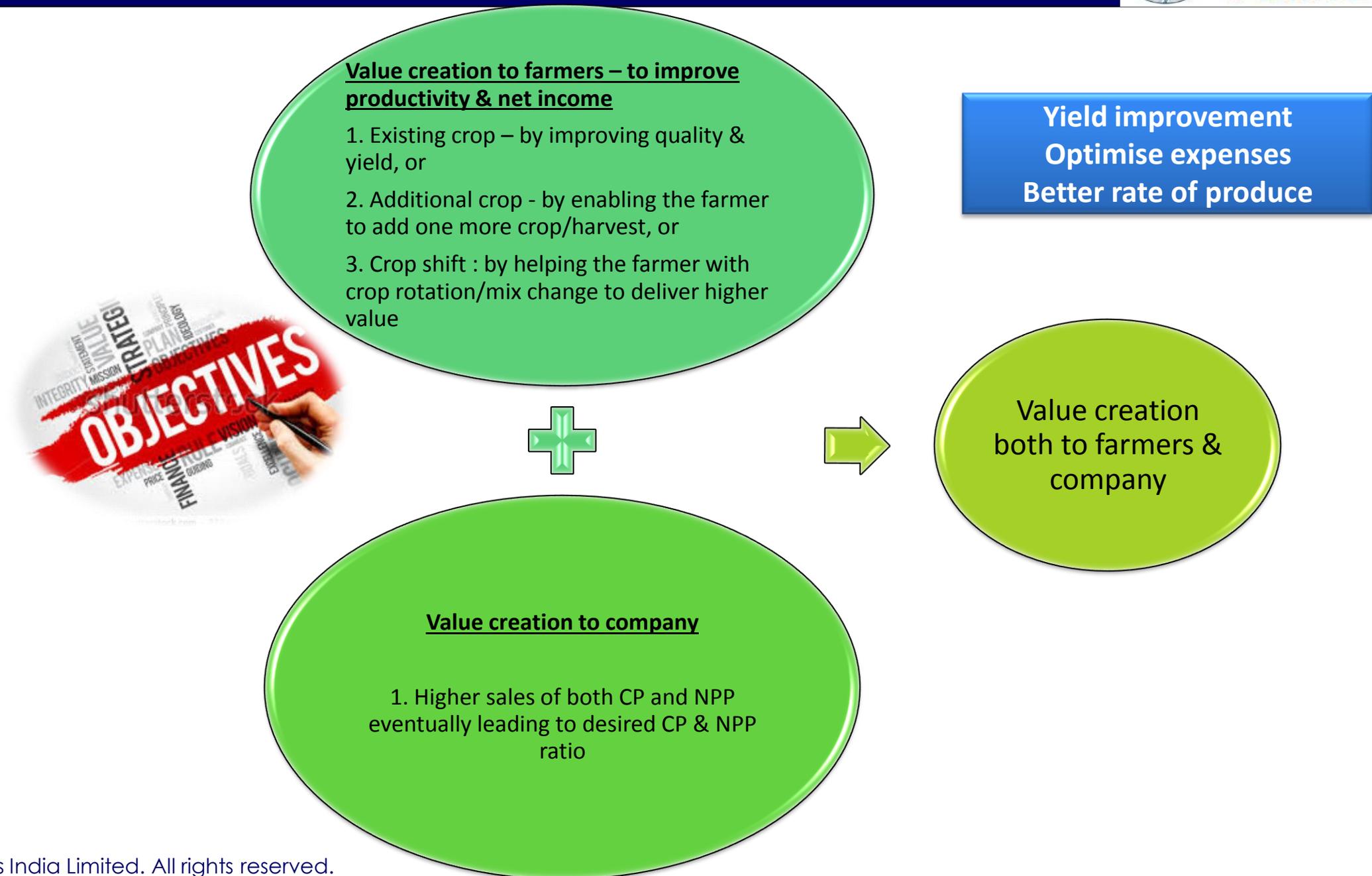
Inspite of higher sales over LY, WC is in line with last year.

Cash & Investment plans

- **Cash flow from Operating activities is in line with last year, with due focus on cash**
- **Funded acquisition of Zero Waste Limited ~ 20 Crs**
- **Investment plans of ~50 crs largely to support contract manufacturing commercialization**
- **Special dividend considered keeping in mind business growth and investment plans of future**



AGRI SOLUTIONS



Agri Solutions

Agri Solutions Journey

- Chosen 45 territories across key geographies and 200 projects for monitoring.
- Improved quality of produce, appreciated by Farmers
- Farmers from neighboring project, were able to differentiate the Approach (usage of PoP)
- Knowledge and skill of team crucial for Agri Solutions
- Regular visits with supervision along with timely advice at critical crop stages, key to success
- Digital enablers

Rallis working on plans to roll out across India in coming Kharif Season



Rallis Customer Connect & New Launches





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CUSTOMER PROMISE

Enhancing Farm Prosperity -Building Relationship

DEVELOP	DELIVER	DELIGHT
<p>Through our long association with the Indian farming community, our structured Customer Contact mechanisms & External environment scanning, we maintain constant connection with the current rural trends and promise to remain focused and relevant with the continually emerging farming needs of our customers</p>	<ul style="list-style-type: none"> ❖ We promise to offer composite crop solutions throughout your crop cycle (from Seed to Harvest) ❖ We use the safest chemistry possible to keep your crop & your community healthy. ❖ Nurturing the best of Channel thereby Reaching to a market nearest to you 	<ul style="list-style-type: none"> ❖ We will strive to enhance your farm productivity through our unique Lab to Land programs thereby improving your livelihood ❖ We will help you become Responsible citizens by educating you to use Safe & greener products, helping you conserve environment



Customer Connect 16-17 – Total Customer connect – 7.5 Mns

One to One Contact



3.07 Mns

Toll Free Helpline



0.163 Mns

Text & Voice Blast



2.5 Mns

Focused Group Discussion



150+

Crop Seminars



1.74 Mns

Campaigns & Road Shows



*Agri Solutions
PoP*



170+

Total
Customer

Customer contact are in millions (mns)

Not unique contacts

Key Marketing Activities – Bangalore RO



Campaign Activity snaps- Guntur



Ashirwad Dealer/Retailer Meet- Secunderabad RO



Participation in Exhibition at Krushi Vigyan Kendra Parbhani



GG, RG Demos Under Sugar mill- Secunderabad RO



Field activity Ralligold and RIL10



New Products 2016-17



- *Fungicide in Paddy*
- *To be launched in AP, WB and Karnataka*

Epic Launch at Vijaywada, Andhra Pradesh



Epic Launch at Hospete, Karnataka



- *Insecticide for Cotton, Chilli & Brinjal*
- *To be launched in Gujarat, MP & WB*

SUMMIT Launch at Baroda, Gujarat



SUMMIT & MARK Workshop; Indore



- *seed treatment solution against soil borne insect and disease complex for groundnut*
- *To be launched in Gujarat & RJ*

Neonix Launch- Bhatinda RO, Rajasthan



Neonix Launch- Bhatinda RO, Rajasthan



Rallis APP launch video



The poster features a light green to yellow gradient background. At the top, the Rallis India Limited logo and name are displayed. Below this is the 'Rallis Krishi Samadhan' logo, which includes a stylized hand holding a green leaf. The text 'Rallis Krishi Samadhan' is written in orange and black, with a trademark symbol. A QR code is centered on the poster, with a URL 'https://goo.gl/k2QdNJ' below it. The bottom half of the poster shows two hands holding a small amount of dark soil. At the very bottom, there are two app store logos: 'GET IT ON Google Play' and 'Available on the App Store'. The background of the bottom section shows a rural scene with cows and a person in a field.


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Rallis Krishi
Samadhan™

<https://goo.gl/k2QdNJ>

Available Now on Playstore & Appstore

GET IT ON
Google Play

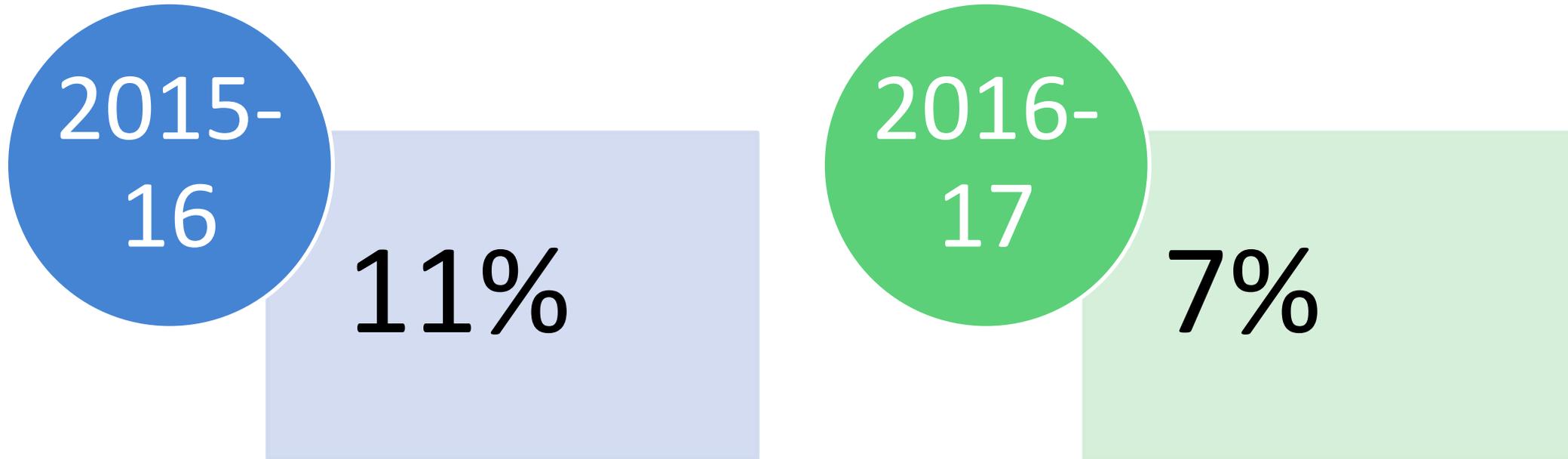
Available on the
App Store



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Innovation Turnover Index



- ✓ *Brands like Taffin and GeoGreen get excluded from the list of ITI*
- ✓ *Recent launches are well accepted but yet to achieve high volumes*
- ✓ *Newly added Hunk and Zeeny, will catch up since this year low BHP attack*

AGRI
SOLUTIONS



SEEDS



Contract
Manufacturing

Crop protection + PGN
+ Geogreen

Metahelix

Dahej



Metahelix

- ❖ **13% growth in net sales to Rs 287 crs, mainly from Maize and millet**
- ❖ **50% rise in Profits**
- ❖ **Successful launch of promising hybrids in paddy and millet**
- ❖ **A big boost to drive cotton business growth.**
- ❖ **Touched 3.5 Mn farmers through PDA & PSA activities**
- ❖ **Better working capital management**



Safety & Sustainability

Certificate of Meritorious performance in Industrial Safety



National level safety award 2016 Suraksha Puraskar for Ankleshwar

**Total 21 villages
65448 People impacted
(23109 AA population)**

**HO-Mumbai
Adopted 7
tribal
wadi/village**



**Latur & Beed
Working in 8
villages**

**Independent Director &
Member-CSR Board Committee Mr. YSP
Thorat on Tribal Village visit**

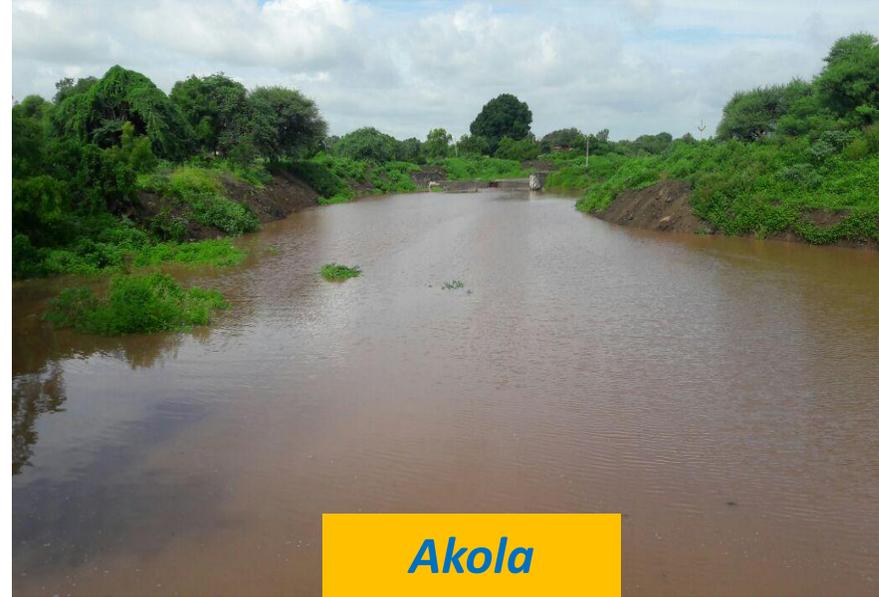


**Akola & Lote
Working in 6 villages**





Latur



Akola



Beed



Kelcha Mal-Raigad



Two TATA Volunteering Awards 2016



Sustainability Leadership Award 2016



Outlook Kharif 2017

Agriculture year 2016-17

All-time high food grain production of 272 million tonnes, 8% up from LY

Crop	Production (MT)	Growth over LY(%)
Paddy	106.7	2.2%
Cotton*	32.5 MB	8.3%
Wheat	96.6	4.7%
Pulses	22.1	35%
Oil Seeds	33.6	25%
Cereals	44.3	15%

Budget highlights

- ❖ Allocation for rural, agricultural and allied sectors for 2017 -18 is INR 1,87,223 cr, 24% higher
- ❖ Agricultural credit targeted to 10 lakh Cr
- ❖ Fasal Bhima Yojana coverage increased from 30% cropped area to 40% cropped area
- ❖ The coverage of National Agricultural Market (NAM) will be expanded from the current 2 markets to 585 APMCs.

Yogi Adityanath govt decides to waive farm loans in Uttar Pradesh

Yogi Adityanath govt to waive farm loans totalling Rs36,359 crore in Uttar Pradesh; other state govts may come under pressure for a similar waiver

Crop economics of farmers

Crop	Cotton	Soybean	Paddy	Wheat
Yield/Acre 2015-16	~5	~5	~23	~22
Yield/Acre 2016-17	~7	~8	~25	~23
Key States	North, MH, GJ	MP, MH	AP, CG, TG, TN, KN	PB, GJ
Prices LY	4,200	3,350	1,400	1,250
Prices CY	4,600	3,000	1,420	1,500
Increase in Net Income	~10K	~7K	~3K	~6k

Loan waiver

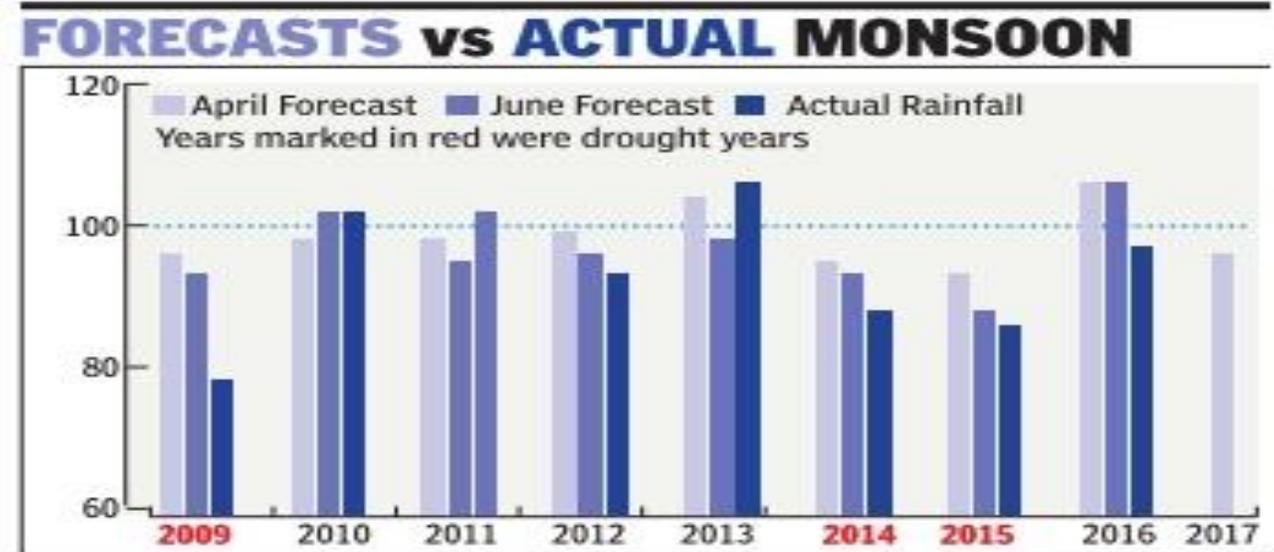
After UP waiver, farmers in other states stop paying off loans

Bankers' worst fears about the impact of the Uttar Pradesh government's decision to grant farm loan waivers are already coming true.

Monsoon 2017-18

- ❖ *IMD Forecasts this year's monsoon to be 96 % ± 5% of LPA*
- ❖ *El-Nino conditions interfering the rainfall pattern in the second half of four month monsoon period(Aug-Sep)*
- ❖ *Chances of Farmers bracing up for short duration crops*

Forecast v/s actuals over the years.



Positive prediction

IMD said on Tuesday that rainfall will be 96% of the long-period average (LPA). In 2016, the monsoon was normal at 97% of LPA after two straight years of deficit.

Actual rainfall (% of LPA)

Year	Actual rainfall (% of LPA)
2012-13	92.08
2013-14	105.25
2014-15	87.36
2015-16	85.46
2016-17	97
2017-18	96*

*First long-range forecast Source: IMD

PHOTO BY ROSHAN MOHAMMAD/MINT; GRAPHIC BY AHMED RAZA KHAN/MINT

IMD forecasts a normal monsoon, in boost to India's rural economy

Farmers eye short duration crops to avoid El Niño

DILIP KUMAR JHA

crop damage. However, farmers "A normal monsoon will South Asia. A clearer picture

