

RALLIS INDIA LIMITED

A TATA Enterprise

Registered Office: 23rd Floor, Lodha Excelus at New Cuffe Parade, Off Eastern Freeway, Wadala, Mumbai 400037.

PART I:STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2020

(₹ in Cr.)

Particulars	Quarter ended 31 March, 2020	Quarter ended 31 December, 2019	Quarter ended 31 March, 2019	Year ended 31 March, 2020	Year ended 31 March, 2019
	Audited	Unaudited (recast as per note 6)	Audited (recast as per note 5 and 6)	Audited	Audited (recast as per note 5 and 6)
1 Revenue from operations (net of rebates and discounts)	346.31	533.21	338.73	2,251.50	1,983.61
2 Other income (net)	9.50	10.08	10.95	34.33	30.61
3 TOTAL INCOME (1+2)	355.81	543.29	349.68	2,285.83	2,014.22
4 EXPENSES					
a) Cost of materials consumed	276.77	359.24	257.81	1,280.93	1,194.48
b) Purchase of stock-in-trade	32.09	15.55	4.18	141.21	116.42
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(113.03)	(44.85)	(69.65)	(33.30)	(140.03)
d) Employee benefits expense	50.21	50.20	47.89	199.37	179.85
e) Finance costs	1.09	1.57	1.65	6.11	5.25
f) Depreciation and amortisation expense	12.69	15.94	10.50	61.51	46.07
g) Other expenses	110.20	97.18	94.86	402.15	393.60
TOTAL EXPENSES 4(a) TO 4(g)	370.02	494.83	347.24	2,057.98	1,795.64
5 PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (3 - 4)	(14.21)	48.46	2.44	227.85	218.58
6 Exceptional items	11.42	-	-	11.42	-
7 PROFIT BEFORE TAX (5 - 6)	(2.79)	48.46	2.44	239.27	218.58
8 Tax expenses	(3.34)	10.35	3.15	53.80	64.39
9 NET PROFIT FOR THE PERIOD (7 - 8)	0.55	38.11	(0.71)	185.47	154.19
10 Other Comprehensive Income	(1.73)	1.00	(1.45)	(1.84)	(1.45)
Items that will be reclassified to profit or loss	-	-	-	-	-
Items that will not be reclassified to profit or loss	(2.25)	1.31	(1.56)	(2.40)	(1.20)
Income tax relating to items that will not be reclassified to profit or loss	0.52	(0.31)	0.11	0.56	(0.25)
11 TOTAL COMPREHENSIVE INCOME (9 + 10)	(1.18)	39.11	(2.16)	183.63	152.74
12 Paid up equity share capital (Face value ₹ 1 per share)	19.45	19.45	19.45	19.45	19.45
13 Other equity				1,390.55	1,266.37
14 Basic and diluted earnings per share (in ₹)	0.03	1.96	(0.04)	9.54	7.93
See accompanying notes to the standalone financial results					



(₹ in Cr.)		
PART II:STANDALONE AUDITED BALANCE SHEET AS AT 31 MARCH, 2020		
Particulars	As at 31 March, 2020	As at 31 March, 2019
	Audited	Audited (recast as per note 5 and 6)
ASSETS		
Non-current assets		
a)Property,plant and equipment	360.78	369.76
b)Capital work-in-progress	28.76	12.88
c)Right-of-use asset	26.44	-
d)Goodwill on amalgamation	195.82	195.82
e)Investment property	0.13	5.50
f)Other Intangible assets	9.66	9.68
g)Intangible assets under development	46.95	37.83
h)Financial assets		
i)Investments	3.80	3.79
ii)Loans	9.07	6.74
iii)Other financial assets	0.77	0.42
i)Income-tax assets (Net)	110.02	75.20
j)Other non-current assets	42.04	31.79
Total non-current assets	834.24	749.41
Current assets		
a)Inventories	699.20	673.22
b)Financial assets		
i)Investments	298.67	105.48
ii)Loans	-	0.93
iii)Trade receivables	450.02	448.21
iv)Cash and cash equivalents	45.86	40.04
v)Bank Balances other than (iv) above	2.13	3.90
vi)Other financial assets	6.49	4.60
c)Other current assets	106.37	133.69
	1,608.74	1,410.07
Assets classified as held for sale	4.27	-
Total current assets	1,613.01	1,410.07
Total assets	2,447.25	2,159.48
EQUITY AND LIABILITIES		
Equity		
a)Equity share capital	19.45	19.45
b)Other equity	1,390.55	1,266.37
Total equity	1,410.00	1,285.82
Liabilities		
Non-current liabilities		
a)Financial liabilities		
Borrowings	12.36	15.80
Lease liabilities	14.39	-
Other financial liabilities	6.45	6.41
b)Provisions	25.65	21.89
c)Deferred tax liabilities (Net)	27.40	15.35
d)Other non-current liabilities	0.10	0.10
Total non-current liabilities	86.35	59.55
Current liabilities		
a)Financial liabilities		
i)Borrowings	49.62	52.96
ii)Trade and other payables		
-total outstanding dues of micro enterprises and small enterprises	3.69	2.89
-total outstanding dues of creditors other than micro enterprises and small enterprises	633.65	531.85
iii)Other financial liabilities	89.32	106.80
iv)Lease liabilities	13.92	-
b)Other current liabilities	120.03	99.10
c)Provisions	17.05	16.24
d)Income-tax liabilities (Net)	23.62	4.27
Total current liabilities	950.90	814.11
Total liabilities	1,037.25	873.66
Total equity and liabilities	2,447.25	2,159.48



(₹ in Cr.)			
PART III: STANDALONE AUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2020			
	Particulars	For the year ended	For the year ended
		31 March, 2020	31 March, 2019
		Audited	Audited (recast as per note 5 and 6)
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit before tax	239.27	218.57
	Adjustments for:		
	Finance costs	6.11	5.25
	Depreciation and amortisation expense	61.50	46.07
	Interest income	(4.02)	(2.85)
	Dividend income	(2.26)	(2.84)
	Fair valuation gain on investment in Mutual fund	(3.81)	(0.17)
	Gain on redemption of current investments	(1.56)	(0.67)
	Credit balances written back	(4.30)	(3.90)
	Allowance for doubtful debts (net)	6.96	2.92
	Allowance for doubtful advances	0.02	0.32
	Capital work-in-progress written off	0.27	-
	Investment written off	-	0.25
	Tangible assets written off	0.09	-
	Impairment of Intangible assets and intangible assets under development	1.77	3.08
	Bad debts	2.23	2.42
	(Reversal)/Provision for indirect tax matters	(2.45)	0.10
	Provision for Directors pension liability	0.28	7.23
	Provision/(reversal) for supplemental pay	0.82	(0.42)
	Provision for gratuity	1.94	0.35
	Provision for compensated absences	2.13	0.43
	Mark-to-market loss / (gain) on forward contract	0.04	(0.79)
	Net unrealised foreign exchange loss / (gain)	4.66	(3.41)
	(Gain) / loss on disposal of property, plant and equipment and investment property	(11.52)	0.60
	Operating profit before working capital changes	298.17	272.54
	Movements in working capital:		
	(Increase) in trade receivables	(8.54)	(58.21)
	(Increase) in inventories	(23.83)	(101.11)
	(Increase) in loans	(1.40)	(0.10)
	(Increase) in other financial assets	(1.85)	(0.63)
	Decrease/(increase) in other assets	27.30	(6.85)
	Increase in trade payables	97.62	20.67
	(Decrease)/increase in other financial liabilities	(14.03)	14.93
	Increase in other liabilities	20.92	8.79
	CASH GENERATED FROM OPERATIONS	394.36	150.03
	Income taxes paid (Net of refunds)	(56.36)	(70.90)
	NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES (A)	338.00	79.13
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Interest received	3.93	2.93
	Dividend received	2.26	2.84
	Purchase of current investments	(713.42)	(151.79)
	Payment for purchase of investment in equity shares	-	(0.20)
	Proceeds from sale of investments from equity shares	-	2.04
	Proceeds from sale of current investments	525.60	138.96
	Payments for purchase of property, plant and equipment (including adjustments on account of capital work-in-progress, capital creditors and capital advances)	(61.97)	(28.43)
	Payments for intangible assets	(16.63)	(18.10)
	Proceeds from disposal of property, plant and equipment and investment property	12.97	0.33
	Investments in bank deposits	1.33	0.64
	NET CASH FLOWS (USED IN) INVESTING ACTIVITIES (B)	(245.93)	(50.78)
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Repayment of long-term borrowings (including current maturities)	(3.99)	(4.53)
	Proceeds from short-term borrowings	289.00	107.00
	Repayment of short-term borrowings	(280.50)	(90.00)
	Payment of lease liabilities	(16.84)	(0.08)
	Dividend paid on equity shares (including dividend distribution tax)	(58.73)	(58.53)
	Interest paid	(3.47)	(5.28)
	Bank balances in dividend account	0.12	(0.08)
	NET CASH FLOWS (USED IN) FINANCING ACTIVITIES (C)	(74.41)	(51.50)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	17.66	(23.15)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Cash in hand	0.04	0.03
	Balances with banks in current account and deposit account	40.00	27.34
	Bank overdrafts and cash credit facility (secured)	(35.96)	(0.15)
	CASH AND CASH EQUIVALENTS	4.08	27.23
	Net Cash and cash equivalents as per Cash flow statement	21.74	4.08
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Cash in hand	0.03	0.04
	Balances with banks in current account and deposit account	45.83	40.00
	Bank overdrafts and cash credit facility (secured)	(24.12)	(35.96)
	CASH AND CASH EQUIVALENTS	21.74	4.08



Notes :

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 5 May, 2020. The statutory auditors have expressed an unqualified audit opinion.
- 2 Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 3 The Company's business is seasonal in nature and the performance can be impacted by weather conditions and cropping pattern.
- 4 The Company has one reportable business segment viz. "Agri-Inputs".
- 5 During the quarter ended 31 December, 2019, the Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench and the NCLT, Mumbai Bench have approved the Scheme of Merger by Absorption of its wholly-owned subsidiary, Metahelix Life Sciences Limited with the Company ('the Scheme') on 11 November, 2019 and 20 December, 2019 respectively from the appointed date of 1 April, 2019. The certified copy of the order is filed with the Registrar of Companies on 1 February, 2020. The Company has already given effect of the merger in its standalone unaudited results of the quarter ended 31 December, 2019 as per the guidance set out in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 14 (Issue 4). Accordingly, being a common control transaction, the results for quarter and year ended 31 March, 2019 has been recast to reflect the impact of the merger on the standalone audited financial results of the Company.
- 6 During the quarter ended 31 March, 2020, the NCLT, Mumbai Bench has approved the Scheme of Merger by Absorption of its wholly-owned subsidiary, Zero Waste Agro Organics Limited with the Company ('Scheme') on 22 February, 2020 from the appointed date of 1 April, 2017. Though the certified copy of the Order is yet to be filed with the Registrar of Companies, the Company has given effect of the merger in its standalone audited results for the quarter and year ended 31 March, 2020 as per the guidance set out in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 14 (Issue 4). Accordingly, being a common control transaction, the results for the quarter ended 31 December, 2019 and quarter and year ended 31 March, 2019 has been recast to reflect the impact of the merger on the standalone audited financial results of the Company.
- 7 Rallis Chemistry Exports Limited (a wholly owned subsidiary) had made an application to the Registrar of Companies for removal of its name from the register of companies for which the approval is awaited.
- 8 The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. The Company has adopted Ind AS 116 using the cumulative effect method for transitioning.
- 9 Exceptional item (as disclosed in the column ("Quarter ended 31 March, 2020 and Year ended 31 March, 2020") comprises profit on sale of flats (net of costs).
- 10 Figures for the quarter ended 31 March, 2020 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.
- 11 The Ministry of Home Affairs vide order No.40-3/2020 dated 24 March, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of COVID 19. The operations were disrupted at certain manufacturing facilities and depots of the Company, as a result of which goods worth ₹ 16.04 crores could not be dispatched to the domestic market. Further, international shipments were also disrupted due to absence of transportation facilities in the last week of March 2020 resulting in lower shipment of ₹ 53.18 crores.
- 12 The Board of Directors at its meeting held on 5 May, 2020 has recommended a dividend of ₹ 2.50 per equity share.
- 13 The Company has decided to exercise the option permitted under Section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2020-21. Accordingly, there is no impact on the provision for income tax for the quarter and year ended 31 March, 2020. The Company has utilized the deferred tax balances in the current financial year. Accordingly, the deferred tax balances have been re-measured using the tax rate expected to be prevalent in the period in which the deferred tax balances are expected to reverse, and the resultant impact has been recognised in the current period Statement of Profit and loss at the effective tax rate.
- 14 The results of the Company are available for investors at www.rallis.co.in, www.nseindia.com and www.bseindia.com.

Mumbai
5 May, 2020

For and on behalf of
Rallis India Limited


SANIV LAL
Managing Director & CEO

