

RALLIS INDIA LIMITED
A TATA Enterprise

Registered Office: 23rd Floor, VIOS Tower at New Cuffe Parade, Off Eastern Freeway, Wadala, Mumbai 400037.
PART I: AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2023

(₹ in Cr.)

	Particulars	Quarter ended 31 March, 2023	Quarter ended 31 December, 2022	Quarter ended 31 March, 2022	Year ended 31 March, 2023	Year ended 31 March, 2022
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from operations (net of rebates and discounts)	522.62	630.39	507.54	2,966.97	2,603.93
2	Other income (net)	4.53	2.08	7.48	12.71	27.44
3	TOTAL INCOME (1+2)	527.15	632.47	515.02	2,979.68	2,631.37
4	EXPENSES					
a)	Cost of materials consumed	304.78	380.74	403.50	1,701.04	1,561.57
b)	Purchase of stock-in-trade	6.96	25.09	4.39	157.72	119.90
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	71.10	(23.75)	(76.84)	84.57	(57.90)
d)	Employee benefits expense	60.74	64.53	55.21	255.75	239.14
e)	Finance costs	4.93	3.39	1.23	12.24	4.79
f)	Depreciation and amortisation expense	22.63	22.03	19.66	91.36	74.31
g)	Other expenses	144.29	130.47	124.11	549.56	467.08
	TOTAL EXPENSES 4(a) TO 4(g)	615.43	602.50	531.26	2,852.24	2,408.89
5	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (3 - 4)	(88.28)	29.97	(16.24)	127.44	222.48
6	Exceptional items	-	-	-	0.62	-
7	PROFIT BEFORE TAX (5 + 6)	(88.28)	29.97	(16.24)	128.06	222.48
8	Tax expenses	(19.15)	7.42	(2.11)	36.12	58.21
9	NET PROFIT FOR THE PERIOD (7 - 8)	(69.13)	22.55	(14.13)	91.94	164.27
10	Other Comprehensive Income	1.04	1.67	0.47	(0.20)	(0.65)
a)	Items that will be reclassified to profit or loss	2.07	1.47	-	(0.33)	-
b)	Items that will not be reclassified to profit or loss	(0.69)	0.78	0.63	0.05	(0.87)
c)	Income tax on 10(a) and 10(b)	(0.34)	(0.58)	(0.16)	0.08	0.22
11	TOTAL COMPREHENSIVE INCOME (9 + 10)	(68.09)	24.22	(13.66)	91.74	163.62
12	Paid up equity share capital (Face value ₹ 1 per share)	19.45	19.45	19.45	19.45	19.45
13	Other equity				1,710.61	1,677.21
14	Basic and diluted earnings per share (in ₹)	(3.55)	1.16	(0.73)	4.73	8.45
	See accompanying notes to the financial results					

(₹ in Cr.)		
PART II: AUDITED BALANCE SHEET AS AT 31 MARCH, 2023		
Particulars	As at 31 March, 2023	As at 31 March, 2022
	Audited	Audited
ASSETS		
Non-current assets		
a)Property,plant and equipment	519.71	531.38
b)Capital work-in-progress	179.40	55.73
c)Investment property	0.12	0.12
d)Right-of-use asset	30.46	32.45
e)Goodwill on amalgamation	195.82	195.82
f)Other Intangible assets	11.76	10.96
g)Intangible assets under development	57.32	74.33
h)Financial assets		
i)Investments	3.18	3.18
ii)Other financial assets	20.06	19.24
i)Income-tax assets (Net)	97.80	93.03
j)Other non-current assets	37.73	47.84
Total non-current assets	1,153.36	1,064.08
Current assets		
a)Inventories	792.89	937.99
b)Financial assets		
i)Investments	219.44	208.72
ii)Trade receivables	498.58	445.94
iii)Cash and cash equivalents	44.16	10.65
iv)Bank Balances other than (iii) above	1.89	52.55
v)Other financial assets	5.51	6.97
c)Other current assets	77.83	127.00
Assets classified as held for sale	4.06	4.14
Total current assets	1,644.36	1,793.96
Total assets	2,797.72	2,858.04
EQUITY AND LIABILITIES		
Equity		
a)Equity share capital	19.45	19.45
b)Other equity	1,710.61	1,677.21
Total equity	1,730.06	1,696.66
Liabilities		
Non-current liabilities		
a)Financial liabilities		
Borrowings	2.66	3.79
Lease liabilities	21.00	21.65
b)Provisions	41.51	37.87
c)Deferred tax liabilities (Net)	12.29	21.33
d)Other non-current liabilities	1.40	0.07
Total non-current liabilities	78.86	84.71
Current liabilities		
a)Financial liabilities		
i)Borrowings	101.13	54.16
ii)Lease liabilities	11.91	13.14
iii)Trade and other payables		
-total outstanding dues of micro enterprises and small enterpr	17.48	12.67
-total outstanding dues of creditors other than micro enterprises and small enterprises	570.77	739.86
iv)Other financial liabilities	156.32	105.67
b)Other current liabilities	120.50	140.39
c)Provisions	7.43	7.94
d)Income-tax liabilities (Net)	3.26	2.84
Total current liabilities	988.80	1,076.67
Total liabilities	1,067.66	1,161.38
Total equity and liabilities	2,797.72	2,858.04

		(₹ in Cr.)	
		PART III: AUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2023	
	Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
		Audited	Audited
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit before tax	128.06	222.48
	Adjustments for :		
	Finance costs	12.24	4.79
	Depreciation and amortisation expense	91.36	74.31
	Interest income	(2.58)	(3.06)
	Dividend income	(0.07)	(0.05)
	Fair valuation gain on investment in Mutual fund	(0.83)	2.11
	Gain on redemption of current investments	(2.14)	(13.84)
	Credit balances written back	(0.68)	(1.73)
	Allowance for doubtful debts (net)	7.96	7.17
	Tangible assets written off	0.73	-
	Advances written off	0.63	0.29
	Deposits written off	0.17	-
	Impairment of Intangible assets and intangible assets under development	30.41	7.93
	Provision for Directors pension liability (net)	1.13	(0.31)
	Provision for supplemental pay (net)	(0.50)	0.88
	Provision for gratuity (net)	0.54	1.58
	Provision for compensated absences (net)	1.86	1.66
	Provision for Indirect Taxes	0.17	-
	Mark-to-market loss/ (Gain) on forward contract	0.65	0.54
	Net unrealised foreign exchange loss	2.89	2.36
	Provision for Impairment of intangible assets written back	(0.22)	-
	(Gain) on disposal of property, plant and equipment and investment property	0.16	2.49
	Provision for Impairment on Investment in subsidiary written back	-	(3.37)
	Loss on liquidation of subsidiary	-	2.76
	Operating profit before working capital changes	271.94	308.99
	Movements in working capital:		
	(Increase) in trade receivables	(60.92)	(46.25)
	Decrease / (Increase) in inventories	145.14	(174.69)
	Decrease in other financial assets	1.71	(6.28)
	(Increase) / Decrease in other assets	50.63	4.87
	Increase in trade payables	(167.67)	155.18
	Increase / (Decrease) in other financial liabilities	44.01	(35.40)
	(Decrease) in other liabilities	(18.57)	27.64
	CASH (USED IN) /GENERATED FROM OPERATIONS	266.27	234.06
	Income taxes paid (Net of refunds)	(49.45)	(68.20)
	NET CASH FLOWS (USED IN) / GENERATED FROM OPERATING ACTIVITIES (A)	216.82	165.86
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Interest received	3.75	3.20
	Dividend received	0.07	0.05
	Purchase of current investments	(1,114.16)	(665.01)
	Proceeds from liquidation of Investment in subsidiary	-	0.61
	Proceeds from sale of current investments	1,106.42	748.31
	Payments for purchase of property , plant and equipment (including adjustments on account of capital work-in-progress, capital creditors and capital advances)	(169.40)	(156.15)
	Payments for intangible assets	(18.50)	(28.87)
	Proceeds from disposal of property , plant and equipment and investment property	1.90	4.45
	Investments in bank deposits (net)	47.82	(9.52)
	NET CASH FLOWS GENERATED FROM/ (USED IN) INVESTING ACTIVITIES (B)	(142.10)	(102.93)
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Repayment of long-term borrowings (including current maturities)	(3.99)	(3.78)
	Proceeds from short-term borrowings	385.97	24.66
	Repayment of short-term borrowings	(335.97)	(4.66)
	Payment of lease liabilities	(19.30)	(17.47)
	Dividend paid on equity shares	(58.41)	(58.51)
	Interest paid	(9.42)	(1.85)
	Bank balances in dividend account	0.07	0.17
	NET CASH FLOWS GENERATED FROM/ (USED IN) FINANCING ACTIVITIES (C)	(41.05)	(61.44)
	NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	33.67	1.49
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Cash in hand	0.02	0.02
	Balances with banks in current account and deposit account	10.64	9.03
	Bank overdrafts and cash credit facility (secured)	(0.17)	(0.05)
	CASH AND CASH EQUIVALENTS	10.49	9.00
	Net Cash and cash equivalents as per Cash flow statement	44.16	10.49
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Cash in hand	0.02	0.02
	Balances with banks in current account and deposit account	44.14	10.64
	Bank overdrafts and cash credit facility (secured)	-	(0.17)
	CASH AND CASH EQUIVALENTS	44.16	10.49

Notes :

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25 April, 2023. 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 Exceptional item as disclosed in the column (year ended 31 March, 2023) comprises profit on sale of land (net of costs).
- 6 Figures for the quarter ended 31 March, 2023 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.
- 7 The Board of Directors at its meeting held on 25 April, 2023 has recommended a dividend of ₹ 2.50 per equity share, subject to shareholders' approval.
- 8 The Company has taken four godowns on lease from Mumbai Port Authority (MbPA), erstwhile Bombay Port Trust and has received demand notices from MbPA of ₹ 50.25 crores towards differential arrears of rentals for the period October,2012 upto March,2023 for these godowns. Based on the legal advice received by the Company, the demand raised by MbPA is being contested and a suitable reply has been filed.
- 9 In the quarter ended December 31, 2022, the Company had issued ₹75.00 crores of commercial papers with a tenure of 85 days with a maturity date of February 07, 2023. As per the requirement of SEBI circular dated October 22, 2019 and subsequent amendments thereof, the Company had listed its commercial papers on the National Stock Exchange of India Limited (NSE) with effect from the date of placement. The same have been repaid on maturity date.
- 10 The Company had been assigned the credit rating of CRISIL A1+ for the Commercial Papers.
- 11 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 12 Reassessment of intangible assets under development has resulted in impairment of technical know-how of seed development technology amounting to ₹ 23.61 crores during the quarter and ₹ 30.41 crores for the year ended March 31, 2023.
- 13 Reassessment of future sales potential has resulted in the company recognising the provision for slow moving inventory in seeds amounting to ₹ 39.79 crores during the quarter and ₹ 52.81 crores for the year ended March 31, 2023.
- 14 The results of the Company are available for investors at www.rallis.com, www.nseindia.com and www.bseindia.com.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

TARUN KANAYALAL KINGER

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Tarun Kinger
Partner
Mumbai
April 25, 2023

For and on behalf of
Rallis India Limited

SANJIV
LAL

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SANJIV LAL
Managing Director & CEO
Mumbai
April 25, 2023

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Board of Directors of Rallis India Limited

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of Rallis India Limited (hereinafter referred to as the "Company") for the year ended 31 March 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information for the year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Management's and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Registered Office:

Independent Auditor's Report (Continued)

Rallis India Limited

In preparing the annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is/are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter(s)

- a. The annual financial results include the results for the quarter ended 31 March 2023 being the

Independent Auditor's Report (Continued)

Rallis India Limited

balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

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Tarun Kinger

Partner

Mumbai

25 April 2023

Membership No.: 105003

UDIN:23105003BGYDKE4132