

TRANSFORMING INDIA Through Agriculture

37th Annual Report 2021-22





Contents

02

Crossing beyond
Borders

03

Contact Information

04

Financial Highlights

06

Message from the
Chairman

08

Message from
the Managing Director

10

Message from the
Chief Operating Officer

12

New Products
Launch

14

Awards & Accolades

16

Marketing & Other
Initiatives

18

Management
Discussion & Analysis

25

Director's Report

52

Report on
Corporate Governance

84

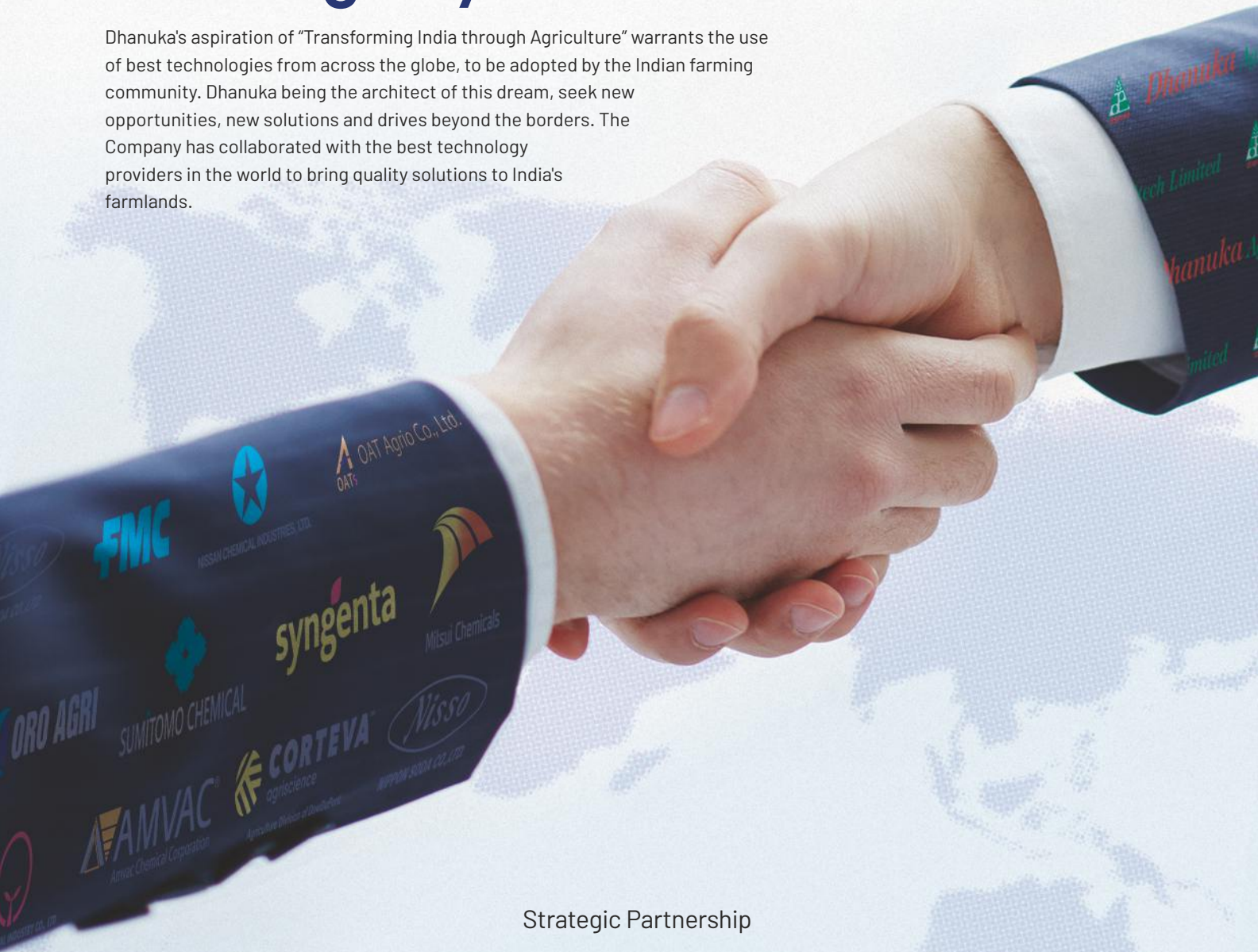
Financial Statements

204

Notice to the Members

Crossing beyond Borders

Dhanuka's aspiration of "Transforming India through Agriculture" warrants the use of best technologies from across the globe, to be adopted by the Indian farming community. Dhanuka being the architect of this dream, seek new opportunities, new solutions and drives beyond the borders. The Company has collaborated with the best technology providers in the world to bring quality solutions to India's farmlands.



Strategic Partnership

	 NISSAN CHEMICAL INDUSTRIES, LTD.	 OAT Agrio Co., Ltd.	
 Amvac Chemical Corporation	 SUMITOMO CHEMICAL		 Mitsui Chemicals
	 NIPPON SODA CO., LTD.	 HOKKO CHEMICAL INDUSTRY CO., LTD	 Agriculture Division of DowDuPont

Contact Information

Board of Directors

Mr. Ram Gopal Agarwal, Chairman
Mr. Mahendra Kumar Dhanuka, Managing Director
Mr. Arun Kumar Dhanuka, Executive Director
Mr. Rahul Dhanuka, Executive Director
(Chief Operating Officer)
Mr. Mridul Dhanuka, Non-executive Director
Mr. Harsh Dhanuka, Executive Director
Mr. Ashish Saraf, Executive Director
Mr. Sachin Kumar Bhartiya, Independent Director
Mr. Priya Brat, Independent Director
Mr. Vinod Kumar Jain, Independent Director
Mr. Sanjay Saxena, Independent Director
Ms. Namrata Gupta, Independent Director
Mr. Bajrang Lal Bajaj, Independent Director
Mr. Siraj Azmat Chaudhry, Independent Director

President & Chief Financial Officer

Mr. Vinod Kumar Bansal

Company Secretary & Compliance Officer

Mr. Jitin Sadana

Internal Auditors

Mr. Gautam Mittal, Chartered Accountant
Deputy General Manager

Cost Auditors

M/s. N Khandelwal & Co
A-71, Triveni Nagar, Gopalpura Bypass,
Jaipur, Rajasthan-302018

Statutory Auditors

M/s. S.S. Kothari Mehta & Co.
Chartered Accountants
Plot No - 68, First Floor, Phase -3,
Okhla Industrial Area, New Delhi - 110020

Secretarial Auditors

M/s. R&D Company Secretaries 785, Pocket E,
Mayur Vihar II, New Delhi - 110091

Registrar and Share Transfer Agents

M/s. Abhipra Capital Limited
Abhipra Complex, A-387, Dilkhush Industrial Area,
G.T. Karnal Road, Azadpur, Delhi - 110033
Phone Nos. : (011) 42390909/708/783
E-mail : info@abhipra.com, rta@abhipra.com
Website : www.abhipra.com

Bankers

The Hongkong & Shanghai Banking Corporation Limited
HDFC Bank Limited

Listing

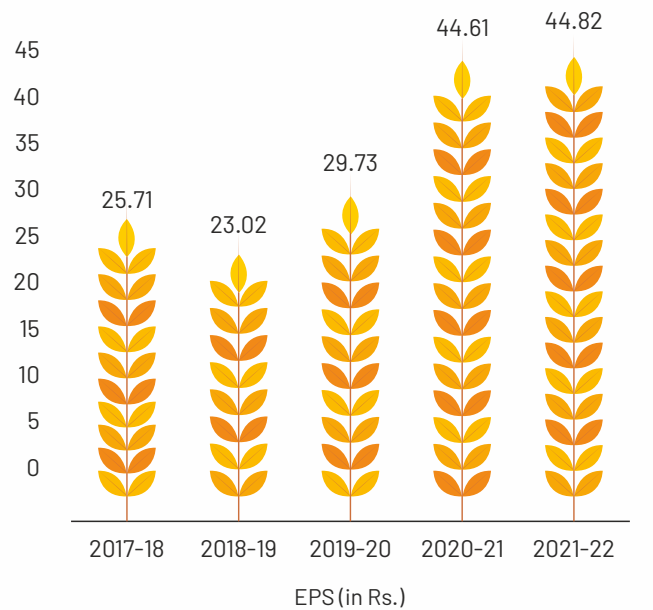
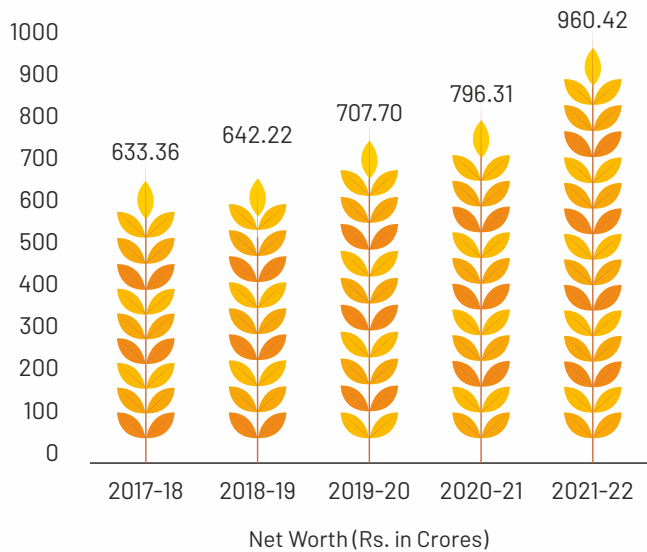
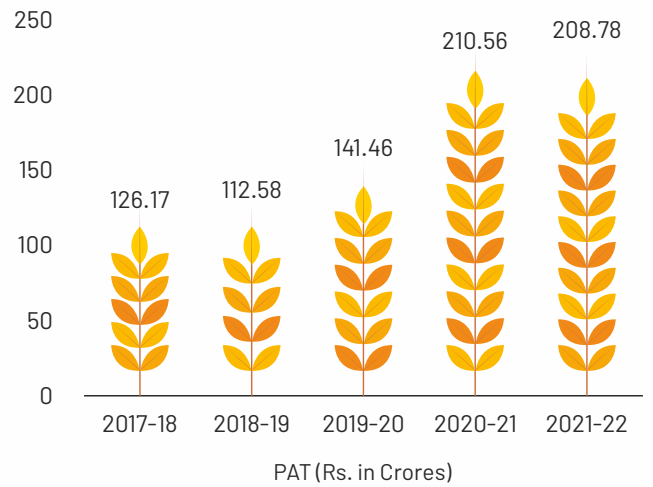
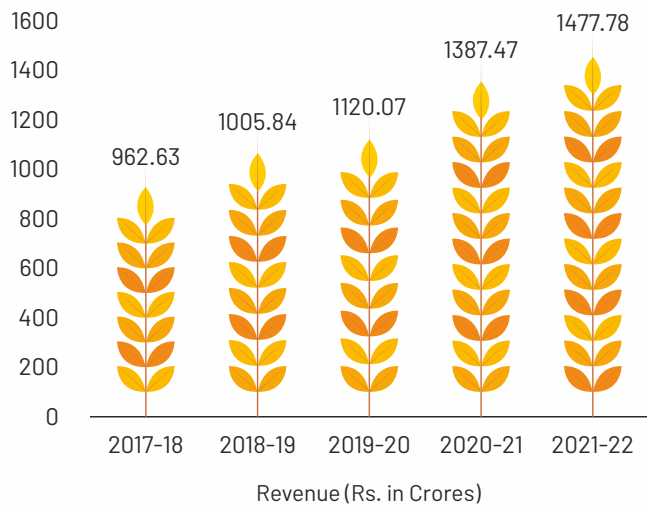
BSE Limited
National Stock Exchange of India Limited



Financial Highlights

Year	Revenue (Rs. in Crores)	PAT (Rs. in Crores)	Net Worth (Rs. in Crores)	EPS (in Rs.)	EBIDTA (Rs. in Crores)	EBIDTA Margin	PAT Margin
2017-18	962.63	126.17	633.36	25.71	182.09	18.92	13.11
2018-19	1005.84	112.58	642.22	23.02	167.20	16.62	11.19
2019-20	1120.07	141.46	707.70	29.73	198.56	17.73	12.63
2020-21	1387.47	210.56	796.31	44.61	302.81	21.82	15.17
2021-22	1477.78	208.78	960.42	44.82	296.97	20.10	14.13

Note: All above figures are based on Audited Standalone Financial.





Message from the Chairman

Agriculture plays an important role in the economy of any Nation. It has helped stabilize the growth of a Nation in the post-pandemic era. However, the rising population and climate challenges have created an urgent need for adopting smart farming techniques in India.

The Government of India is also supporting smart farming initiatives like, allowing farmers to monitor vital soil and crop health parameters and act in time to protect their crops. On the other hand, mechanical innovations such as drones are helping in uniform application of agrochemicals and are remotely monitoring crop cycles. Sensor-based Smart Agriculture (SENSAGRI), the Government's drone farming initiative is activated recently through various central and regional bodies. Dhanuka strives to stay ahead in advanced and smart technology through its new venture in Drone based Agri technology, for Indian farms, soon its services will be available across Dhanuka distributor's network. Our goal is to make farming drone technology affordable and cost effective. Our Kohinoor and InDhan apps help reduce the gap between farmers and Dhanuka team members on the field, providing on the spot solution to their problems.

We are also leading the way in promoting the adoption of sustainable agricultural practices. To that effect, Dhanuka's save water campaigns have helped spread awareness about deteriorating water tables across the Nation since many years. We are also educating farmers about the harmful effects of using duplicate agrochemicals, which are not effective and degrade crop quality, further exacerbating the global climatic challenges.

We recently launched QR Code linked products as a way for farmers to identify genuine Dhanuka products. Dhanuka provides world class products. Our brands like Lustre, Conika, Godiwa Super, Targa Super, Onekill, Vitavax, Omite, Foster etc. controls broad variety of pests and diseases. In last 2 years, we have introduced Nissodium, Kirari, OneKil and Tornado, which got widely acceptance, and our position in Horticulture and Vegetable segment became very strong. To optimize plant growth, Dhanuka's range of Plant Growth Stimulants like Mycore, Maxyld, Dhanvarsha, Dhanzyme Gold and Granules supports farmers to increase yield.

We are collaborating with leading agricultural research universities and institutions to develop cutting-edge agricultural technology using artificial intelligence (AI), robotics, and precision agriculture to realize our vision of Transforming India through Agriculture.

We believe firmly that an 'Atmanirbhar Bhartiya Kisaan' is vital for the India's economic growth and protection of our core national interests. Dhanuka's progress lies in the progress of the Nation, the existence of the nation is from us and we exist from the Nation itself.

May this realization becomes the biggest force for us in building a new India.

R.G. Agarwal
Group Chairman

Message from the Managing Director

Agriculture is among the few sectors that posted growth despite concerns about economic recovery during the pandemic. India achieved record food grain production this year, which helped the government provide free additional rations for poor COVID-hit families for many months. The agri sector is now projected to grow by 3.9 percent in 2022-23, surpassing previous year's growth rate of 3.6 percent. The government continues to prioritize on increase in farmers' income and \$5 trillion economy by 2024-25, so we can expect further investments by the government and confirmed subsidies in Agriculture sector in the current fiscal. Global demand is also rebounding and as per Agricultural and Processed Food Products Export Development Authority (APEDA), our total exports increased from \$6,485 million in August 2020 to \$7,902 million in August 2021. The current situation in Eastern Europe is already creating unprecedented opportunities for export of essential agricultural commodities.

Crop productivity is also improving as farmers adopt better seed varieties and make judicious use of pesticides and chemical fertilizers, mitigating the risks posed by diseases and adverse climatic conditions. The Indian agriculture sector is expected to grow to USD 24 billion by 2025, while the processed food sector is forecasted to reach USD 470 billion market at the same time. Hence, the farm and the farmer will remain a mainstay of Indian economic growth story for the foreseeable future. Further bolstering our hopes, monsoon in 2022 is expected to make a decent start by mid-June and is expected to be 'normal' at 98 percent of Long Period Average (LPA). Both government and private sectors are keen on providing support to the agricultural sector with credit related services, logistics and storage, and through strengthening of the processing industry. A farm-to-fork supply chain can create opportunities of income growth for farmers by providing better price for their produce and other value chain participants will also benefit from this increase in profits.

At Dhanuka, we remain positive about this year's growth outlook with our innovative product strategies, technological partnerships, and growth aspirations. The pandemic has receded, and the incoming trends for summer sowing look promising. Besides, all forecasts for the agri sector point towards better output of rice, wheat, pulses, coarse cereals and oil seeds. Furthermore, the government's efforts towards transforming the agricultural landscape into a production-based enterprise, fills us with favorable optimism. In spite of the challenges posed by FY22, we remain on sound financial footing for FY23. Our growth strategy remains consistent as we continue to progress with well-designed programs, adequate resources, best-in-class crop solutions, and introduction of new molecules and farm technologies. The Dhanuka team continues to grow and evolve with more and more learned minds joining hands for realizing our vision of Transforming India through Agriculture. We are collectively guided by the 'Panchsheel Principles' of entrepreneurship, innovation, fairness, excellence, and sustainability, forming mutually beneficial partnerships with farmers, agri input suppliers, and leading agricultural bodies in the country.

M. K. Dhanuka
(Managing Director)