



**insecticides**  
(INDIA) LIMITED

ANNUAL REPORT | 2009-10

A Small Step today  
A Performance Tomorrow

**For the farmers, it's a boon. For us, it's a step forward to serve the nation.**

Striving towards better technology, our Dahej (Gujarat) project is a sign of technical expertise and economic strength

**The journey has just begun...the aim is clear**



## **OUR RANGE OF TECHNICAL GRADE PRODUCTS**

### **INSECTICIDES :**

- Lambdacyhalothrin • Acetamiprid • Imidacloprid
- Thiamethoxam • Dichlorvos

### **WEEDICIDES & HERBICIDES :**

- Glyphosate • Sulfosulfuron • Metsulfuron Methyl

### **FUNGICIDES :**

Thiophanate Methyl

### **HOUSEHOLD INSECTICIDES :**

- d - Trans Allethrin • Permethrin



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(INDIA) LIMITED



## Chairman's Message to Shareholders

Dear Members,

It feels immense pleasure in communicating the achievements and the financial snapshots of the last year to you. Last year was an eventful year, and by your continuous trust and support, your company has achieved many milestones.

I feel glad to write to you that the company's projects at Udhampur (J&K) and Dahej (Gujarat) are nearing completion, and will roll out the production by second half of this year. The manufacturing facility at Dahej will house a multi-product technical plant with various streams with a production capacity of about 10000 T.P.A. The company has taken this initiative to equip itself for a robust growth. This will help in the backward integration and provide the quality technical to the formulation units which will further strengthen the company's synergy and consolidate its business plans.

Focusing & strengthening on R&D initiatives, your company has also set up an R&D Centre at Dahej, with all the latest and modern machines & equipments.

Your company enjoys a very strong brand value in the market and its Tractor Brand and products like Lethal, Thimet, Victor are the preferred brands in their Product category. The wide acceptability of the company's Tractor brand products signifies the deep connection of your company with the Indian farming community.

Your company has been assigned an upgraded rating of LA- from LBBB+ by the renowned rating agency ICRA, indicating its moderate credit quality to Rs. 130 million fund based limits of your company. ICRA has also assigned A2+ rating indicating above average credit quality to Rs. 110 million non-fund based limits of IIL. This year company has come out with good results and is

geared up to come with very good prospects in the future which will also create a value for the shareholders.

I would like to bring on record, that company has achieved a turnover of Rs. 39686.81 Lacs with increase of 35% and PAT of Rs. 2821.69 Lacs with 36%. Also price of our company share has touched all time high of Rs. 287.00. I am sure with the new projects coming up, this growth will be continuous.

I would also like to take this opportunity to express my heartiest gratitude to all the Board of Directors, Bankers, employees, suppliers, customers and shareholders for their continuous support and confidence, poised on our ability.

With best wishes

Sincerely yours,

H.C. Aggrawal  
Chairman





## Bonding with a Vivid Future



Multi-purpose technical synthesis plant at Chopanki (Rajasthan) has rolled out a number of quality products. This plant with various streams is capable of producing a variety of technical products that bears the impressions of technical expertise. The plant produces - Synthetic Parathyroid, Fungicides, and Herbicides. IIL's leading products include Acetamiprid, Lambda cyhalothrin, Dichlorvos, Glyphosate, Thiophanate Methyl, Thiamethoxam, Metsulfuron Methyl, Sulfosulfuron including breakthrough launch of d-Trans Allethrin technical. This has increased the efficiency, prominence, and strategic advantages of company so as to enable it to perform with competence in order to meet the changing demands.

## Bonding with Quality

Insecticides India Limited's systems have always been synonymous with quality of products, services and solutions. Synchronization of state-of-art technology with committed, qualified & experienced team is the base on which pillars of quality functioning have deepened.

IIL has 2 formulation units, a technical plant and an R&D center. The units are an abode of finer production amenities and integrated environment in order to ensure finest results. IIL is producing a vast range of agro-chemicals in the units at Rajasthan and J&K. Standardized and well laid out QA plan for all products, effectively practiced stage QC checks; painstaking testing and scrutiny compose intrinsic textures of day-to-day working done as per GLP & NABL specifications.

IIL values every customer. The sole & prime endeavour of IIL is the commitment towards the customer, and we strive for it. The blend of technical expertise with human proficiency is the powerful knack that leads IIL towards the unsurpassed pinnacle.

Every action of IIL is directed in a way which is environmental friendly and preserves the Nature's treasure which has brought the esteemed ISO 14001:2004 certification. IIL is also committed towards occupational health & safety and is also OHSAS 18001 certified.



## Bonding with Progress of Agro India



Our motto is "Technology for well being of all". Committed R&D Center of IIL, which is recognized by the Department of Scientific & Industrial Research, Ministry of Science and Technology, exhibits portrayal of efficient manufacture with steady augmentation. It's a state-of-art, high-tech R&D centre having a devoted panel of competent & experienced scientists. IIL keeps functioning for research & development to improve the product services and direct them towards contentment of our valued customers. Finest techniques are the epitomes at the IIL's R&D centre.

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**BOARD OF DIRECTORS**

Mr. Hari Chand Aggarwal	Chairman
Mr. Rajesh Aggarwal	Managing Director
Mr. Sanjeev Bansal	Whole-time Director
Mr. Rajender Pershad Gupta	Director
Mr. Navneet Goel	Director
Mr. Gopal Chandra Agarwal	Director
Mr. Navin Shah	Director
Mr. Anil Kumar Singh	Director

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Pankaj Gupta

**AUDITORS**

M/s Mohit Parekh & Co.  
Chartered Accountants  
Delhi

**INTERNAL AUDITORS**

M/s Devesh Parekh & Co.  
Chartered Accountants  
Delhi

**BANKERS**

Punjab National Bank  
Citi Bank N.A  
Standard Chartered Bank

**REGISTRAR & TRANSFER AGENT**

Alankit Assignments Ltd.  
Alankit House, 2E/21, Jhandewalan Exten.  
New Delhi – 110 055

**REGISTERED & CORPORATE OFFICE**

401-402, Lusa Tower,  
Azadpur Commercial Complex, Delhi – 110 033

**WORKS OFFICE**

E – 442, RIICO Industrial Area,  
Chopanki, (Bhiwadi) – 301 707 (Raj.)

E – 443 – 444, RIICO Industrial Area,  
Chopanki, (Bhiwadi) – 301 707 (Raj.)

SIDCO, Industrial Growth Centre,  
Post & Dist. Samba (J & K)

## NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of INSECTICIDES (INDIA) LIMITED will be held on Monday, the day of August 23, 2010 at 11.30 A.M. at M. P. C. U. Shah Auditorium, Civil Lines, Delhi – 110 054, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2010 and the Profit & Loss Account for the year ended on that date together with the Directors' Report and the Auditors' Report.
2. To declare final dividend of Rs. 2 per Equity Share for the year 2009-10.
3. To appoint a Director in place of Mr. Navneet Goel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Anil Kumar Singh, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors who shall hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to Section 224 of the Companies Act, 1956, Messrs MOHIT PAREKH & CO., Chartered Accountants, Delhi (Firm Regd. No. 002067N) be and are hereby reappointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on such remuneration as shall be fixed by the Board of Directors of the Company."

### SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an **SPECIAL RESOLUTION**:

**"RESOLVED THAT** subject to the provisions of the Companies Act, 1956, Listing Agreement, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and such other rules and regulations as may be applicable to the Company for the time being in force, consent of shareholders be and is hereby accorded to the variations in the end use, time and cost schedule of the IPO Proceeds as per the details provided in the Explanatory Statement attached herewith in accordance with the document(s) approved by the Board and initialed by the Chairman for identification purposes thereto.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors (hereinafter referred to as 'Board' which term shall deem to include any committee constituted by the Board) be and is hereby authorized to take such steps and to do all such acts, deeds, matter and things and to accept any alteration or modification, as the Board may deem fit and proper in such manner as may appear to the Board most beneficial to the Company."

By Order of the Board

Registered Office:  
401-402, Lusa Tower,  
Azadpur Commercial Complex,  
Delhi – 110 033

**(PANKAJ GUPTA)**  
Company Secretary

Date : May 25, 2010

### NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the Meeting.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

3. An explanatory statement pursuant to Section 173 (2) the Companies Act, 1956, relating to special business to be transacted at the meeting is annexed hereto.  
The relevant explanatory statement pursuant to Sections 173 of the Companies Act, 1956, in respect of Item No. 6 of the notice is also annexed hereto.
4. Members / Proxies are requested to bring duly filled in attendance slips sent herewith for attending the meeting.
5. In case of Joint Holders attending the meeting, only such Joint Holder who is higher in the order of names will be entitled to vote.
6. The statutory registers and relevant documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Holidays) between 11:00 a.m. to 1:00 p.m up to the date of Annual General Meeting.
7. The register of members and share transfer books of the Company shall remain close from August 16, 2010 to August 23, 2010 (Both days inclusive).
8. Members are requested to contact the **Registrars and Share Transfer Agents of the Company** (Address provided in Corporate Governance Report on page no. 19 of this report) for recording any change of address or nominations and for redressal of complaints or contact the Company Secretary at the Registered Office or by email at [investor@insecticidesindia.com](mailto:investor@insecticidesindia.com)
9. Members holding shares in Electronic Form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in Electronic Form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
10. As per the provisions of the Companies Act, 1956 facility for making nomination is available for the Members in respect of the share held by them. Nomination forms can be obtained from the Company's Share Registrars and Transfer Agents.
11. Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, it is informed that Mr. Navneet Goel and Mr. Anil Kumar Singh retires by rotation in accordance with the Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. The particulars of the Directors are given below:

**Item No. 3:**

Mr. Navneet Goel, aged 49 years, is a Chartered Accountant and Cost Accountant by qualification. He is a practicing chartered accountant and currently based in Delhi. He is a reputed person in his community and has past knowledge of Finance Sector and he has more than 21 years of experience in the field. Mr. Navneet Goel was appointed as Director of the Company w.e.f. July 26, 2007. He is neither a Director nor a Member in any other Company and their Committees. He is holding nil share of the Company.

**Item No. 4:**

Mr. Anil Kumar Singh, aged 33 years, is a Company Secretary by qualification. Presently, he is a Practicing Company Secretary and based in Delhi. He has more than 6 years of experience. He is a reputed person in his community and has vast knowledge of Legal and Corporate Consultancy. He is a Director in AKS Consultancy Pvt. Ltd. He is neither a Director nor a Member in any other Company and their Committees. He is holding nil shares of the Company.

**Members are requested to bring their copies of the Annual Report and Admission Slip to the Meeting.**

**Explanatory Statement pursuant to Section 173 (2) of Companies Act, 1956, annexed to the notice convening the Annual General Meeting to be held on August 23, 2010.**

**Item No. 6**

The Company came out with an Initial Public Offering in May 2007. Since then the Company is on a verge towards further development and growth. However, during the time span there has been certain variations in the proposed objects of issue, tentative costs related to fulfillment of such objects and the timelines to meet such desired objectives. Since the same variations have been unintentional and have happened in response of bona fied efforts on part of the Company to meet the desired objectives, the Board proposes the following variations for the approval of the members of the Company:-

**I. Objects of issue as provided in the Prospectus**

1. To set up a formulation plant in the state of Jammu & Kashmir;
2. To set up a plant for manufacturing Technicals at Bhiwadi, Rajasthan;
3. To set up a research and development facility at Bhiwadi, Rajasthan;
4. General Corporate Purpose;
5. To meet the expenses of the Public Issue;
6. To list the shares offered through this issue on BSE and NSE



**Revised objects to the issue**

1. To set up a formulation plant in the state of Jammu & Kashmir;
2. To set up a plant for manufacturing Technical and Formulation at Dahej, Gujarat;
3. To set up a research and development facility at Dahej, Gujarat;
4. General Corporate Purpose;
5. To meet the expenses of the Public Issue;
6. To list the shares offered through this issue on BSE and NSE

**II. Revised cost of projects**

(Rs in lacs)

	Formulation Plant		Technical Plant		R&D Unit		Total
Particulars	Phase I	Phase II	Phase I	Phase II	Phase I	Phase II	
Land & Site Development	16.79	29.42	Nil*	500.00	-	103.82	650.03
Building & Civil Work	149.43	300.00	107.17	1500.00	81.38	200.00	2337.98
Plant & Machineries	134.08	150.00	410.90	2000.00	23.95	100.00	2818.93
Miscellaneous Fixed Assets	11.94	52.00	62.70	200.00	1.17	100.00	427.81
<b>Sub Total</b>	<b>312.24</b>	<b>531.42</b>	<b>580.77</b>	<b>4200.00</b>	<b>106.50</b>	<b>503.82</b>	<b>6234.75</b>
General Corporate Purpose							311.97
Public Issue Expenses							394.62
<b>Total</b>							<b>6941.34</b>

\* Land of Technical Plant (Phase – I) have already acquired before coming IPO.

**Revised Sources of Finance**

(Rs. In Lacs)

Particulars	Amount
Proceeds from Initial Public Offer	3691.50
Internal Accruals	3249.84
<b>Total</b>	<b>6941.34</b>

**III. Schedule of implementation****Revised schedule for Formulation Plant in the State of Jammu & Kashmir**

S. No.	Activities	Phase I		Phase II	
		Month of Commencement	Month of Completion	Month of Commencement	Month of Completion
1	Acquisition of Land	Already Acquired		October, 2007	October, 2007
2	Building and Civil Work	March, 2006	June, 2007	November, 2007	August, 2010
3	Placement of Order for Machineries	August, 2006	June, 2007	February, 2010	July, 2010
4	Arrival, Erection and Commissioning of Machineries	November, 2006	April, 2007	July, 2010	September, 2010
5	Commencement of Trial Production	July, 2007		September, 2010	
6	Commencement of Actual Production	August, 2007		November, 2010	

**Revised schedule for implementation of Plant for Manufacturing Technical**

S. No.	Activities	Phase I (At Chopanki, Bhiwadi)		Phase II (At Dahej)	
		Month of Commencement	Month of Completion	Month of Commencement	Month of Completion
1	Acquisition of Land	Already Acquired		December, 2008	December, 2008
2	Building and Civil Work	April, 2006	June, 2007	May, 2009	September, 2010
3	Placement of Order for Machineries	September, 2006	June, 2007	January, 2010	August, 2010
4	Arrival, Erection and Commissioning of Machineries	December, 2006	June, 2007	June, 2010	November, 2010
5	Commencement of Trial Production	August, 2007		December, 2010	
6	Commencement of Actual Production	September, 2007		March, 2011	

**Revised schedule for Research and Development Facility**

S. No.	Activities	Phase I (At Chopanki, Bhiwadi)		Phase II (At Dahej)	
		Month of Commencement	Month of Completion	Month of Commencement	Month of Completion
1	Acquisition of Land	Not Applicable		December, 2008	December, 2008
2	Building and Civil Work	February, 2007	May, 2007	July, 2010	December, 2010
3	Placement of Order for Machineries	March, 2007	May, 2007	July, 2010	January, 2011
4	Arrival, Erection and Commissioning of Machineries	March, 2007	June, 2007	January, 2011	April, 2011

Some of the above variations and delay which are incurred or expected to be incurred by the Company are due to social disturbances in the specified locations, other alterations being business decisions taken after analyzing the cost benefit occurring to the Company on the basis of economical availability of resources required, easy accessibility to such resources etc. The decisions being purely based on commercial analysis on the part of the Company, the Company has not/will not be deriving any undue benefit out of such variations.

The document related to alterations on such objects to the issue would be open for inspection for the shareholders of the Company on the registered office from 11.00 a.m. to 1.00 p.m.

The Directors are interested in the aforesaid resolution only upto their shareholding in the Company. The Board of Directors recommends the resolution for the approval of the shareholders.

By Order of the Board

Registered Office:  
 401-402, Lusa Tower,  
 Azadpur Commercial Complex,  
 Delhi – 110 033

**(PANKAJ GUPTA)**  
 Company Secretary

Date : May 25, 2010