

A photograph showing a person's arm in a green sleeve on the left and a golden wheat stalk on the right, set against a dark green background. The text 'INJECTING IMMUNITY IN AGRICULTURE' is centered between them.

INJECTING IMMUNITY
IN AGRICULTURE

CORPORATE INFORMATION

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

INTERNAL AUDITORS (SYSTEM)

M/s Deloitte Haskins & Sells
Chartered Accountants, New Delhi

BANKERS

Punjab National Bank
Citi Bank N.A
Standard Chartered Bank
Yes Bank Ltd.
HDFC Bank Ltd.
ING Vysya Bank Ltd.

The Hongkong Shanghai Banking
Corporation Ltd. (HSBC)
IndusInd Bank Ltd.

REGISTRAR & TRANSFER AGENT

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

REGISTERED & CORPORATE OFFICE

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

INJECTING IMMUNITY



INJECTING IMMUNITY
IN AGRICULTURE

India needs to boost its annual food-grain output by 20-25 million metric tons by 2016-17 from its current level in order to feed its 1.2 billion plus people and implement the proposed Food Security Program. The government is focusing to bring a green revolution in the eastern states and improve productivity of crops in rain-fed areas. The government is expected to spend an additional 1.1 trillion rupees to boost farm production and productivity over the next five years.

Judicious use of Agrochemicals help in preventing crop losses, reducing input costs and providing immense economic benefits to the farmers. Estimates suggest that crops worth about 1.1 trillion rupees are lost due to lower usage of Agrochemicals each year.

At Insecticides (India), we are empowering Indian farming community to not only contribute to the rising national farm output but also improve their economic well being. We are partnering Indian farmers in injecting immunity in agriculture.

(Source: Press Release from Farm Secretary of India and ASSOCHAM Study)

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AGRICULTURAL GROWTH MEANS

The ₹10,000 crore Indian agrochemicals market is poised to cross ₹15,000 crore mark by 2015. Growing awareness about the positive impact and benefits of agrochemicals on the agri-produce is fuelling the growth and increased usage of agrochemicals in India. Need for crop protecting and growth augmenting chemicals amid farmers, growing shortage of farm labour due to NREGA, need for sustained improvement in food grain production, growth in organized retail and thriving domestic horticulture and floriculture industries are likely to sustain the growth momentum of Indian agrochemical sector.

Rapidly growing population is constantly putting huge pressure on arable land thereby making the use of agrochemicals inevitable to increase farm production in India. Considering the underlying growth prospects of agrochemicals, there is an urgent need to groom the farmers and inform them about their usage and application in terms of its quantity depending upon the nature of crops.

In terms of agrochemicals production, India ranks fourth in the world after USA, Japan and China respectively. Indian agrochemical companies are poised to leverage their wide distribution network, superior abilities in process optimization and low-cost manufacturing skills in order to make the most of unfolding opportunities.

AGROCHEMICALS' GROWTH



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LEADING THE GROWTH OF

Having made a modest foray into Indian agricultural space in 2002, Insecticides (India) has made rapid strides. With a brand portfolio of 105 products being marketed through an extensive network of 3200 distributors and 50,000 dealers across the length and breadth of India, Insecticides (India) has emerged as a leading Indian agrochemical player over these years.

In doing so, the Company has acquired leading brands from a famous company in 2002, entered into distribution tie-ups for globally successful brands of leading MNCs from the USA and Japan, stepped up its own research and development activities with setting up of a dedicated R&D facility, acquired certifications for quality and environmental management, went ahead to become listed and publicly traded, strengthened its formulation capabilities, and made successful foray into technical grade pesticides or active ingredients.

All along the Company has charted aggressive growth. From ₹42 crores in FY 03, its revenues have clocked a compounded annual growth rate (CAGR) of 33% to reach ₹554 crore in FY 12.

The Company had invested about ₹150 crore (approx.) in the last couple of years. It added two more plants in FY 12 to take the total number of its manufacturing facilities to five. The Company is geared up to maintain its growth momentum going forward and plans to continue with the capital investment by pumping in another ₹100 crore to expand its manufacturing capacities in the next 2-3 years.

INDIAN AGROCHEMICALS



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A VIBRANT PORTFOLIO

Insecticides (India) offers more than 105 types of insecticides, fungicides, herbicides, weedicides and plant growth regulators for all types of crops and household. The Company markets its products under its umbrella brand 'Tractor Brand'. The brand is hugely popular among users and the Company has inducted Bollywood actor Suniel Shetty as its brand ambassador.

Besides strengthening its own brands in Indian markets, the Company has made pioneering moves in bringing many internationally successful brands of agrochemical under exclusive marketing arrangements with their principles. It already has a technical collaboration with AMVAC, USA for one of the biggest brands of agrochemicals "Thimet". During this year, the Company made a breakthrough by clinching the sole marketing rights for a patented fungicide "Pulsor" from Nissan Chemical Industries, Ltd., Japan.

These arrangements bring best of global crop protection solutions to Indian Farmers. They enable Insecticides (India) leverage its deep domain understanding and wide distribution network in adding another revenue stream.

Continuing the relationship and looking forward to overwhelming response to "Thimet" and "Pulsor", the Company has expanded the agreements with Nissan Chemical Industries, Ltd., Japan and AMVAC, USA with two international products "Hakama" and "Nuvan" respectively this year in May 2012.

Today Insecticides (India) proudly has Lethal, Victor, Thimet, Monocil, Pulsor, Hakama and Nuvan in their kitty of product offerings.

OF BRANDS



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A GROWING MANUFACTURING

Insecticides (India) deploys a network of five state-of-the-art production facilities with world class automated machineries. Its technical synthesis plant manufactures technical grade chemicals including Imidacloprid, Acetamiprid, Dichlorovos, Lambdacyhalothrin, Glyphosate, Butachlor and Thiamethoxam.

During the year under review, the Company commenced commercial production at its newly added manufacturing facilities at Dahej and Udhampur. Adding these to the existing manufacturing facilities at Chopanki and Samba makes the combined manufacturing capacity of 175 lacs Litres of liquid, 17200 MT of powder and 55600 MT of granules per annum for the Company. The Company is poised to own one of the largest formulation facility in the Country with expansion in Samba & Dahej and a green field project in Chopanki (Rajasthan).

As a responsible organization, the Company has adopted various eco-friendly measures at its various plants. Most of products are recycled and converted to reusable form. Regular checking, corrective action, and management review of the systems are done to ensure an eco-friendly environment in and around the units.

The Company backs it manufacturing capabilities with a dedicated Research & Development Centre at Chopanki, Rajasthan. Approved by Department of Scientific and Industrial Research, the state-of-the-art centre is equipped with latest machines & equipments. The R&D Center has also been accredited with NABL certification. Company's competent R&D team has strived hard and met with successes in developing environment friendly formulations like Soluble Concentrates (SCs), Emulsion in Water (EWs), Wettable Dispersible Granules (WDGs). 12 new processes have been developed for making various technicals and 5 of them have been successfully applied for the process patents.



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A CORPORATE WITH

As part of its Corporate Social Responsibility, the Company initiated a school adoption program titled 'Agla Kadam' way back in 2007. Aimed at facilitating education of children in rural India, the program begun with adoption of one school in 'Alike' village in Bhatinda district of Punjab and aid to few primary schools in Rajasthan.

During the year under review, the Company adopted three more schools namely Elementry Govt School, Harigarh (Barnala) and Elementry Govt School, Nawa Pind (Jalandher) in Punjab and Primary School at Koraput district in Odisha. Under this program, the Company provides study materials like bag, copies, pencils, geometry boxes etc. besides other incidental helps to school and children. This year, the Company also started Victor Scholarship Scheme for meritorious students.

The Company also initiated an awareness drive "Jagrukta Abhiyan" to impart latest information to the farmers and make them aware about the latest technology to improve their productivity across India four years back. Insecticides (India) have been successful in touching over one lakh farmers in these years all accross India.



CONSCIENCE

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Dear Shareholders,

Despite a tough economic environment in India and the world, Insecticides (India) continued on its path of progress through the fiscal year 2011-12. The Company put up a spirited performance with revenue growth of 16% and EBITDA growth of 29% for the year. In doing so, we recorded net sales of ₹554 crore and net profit of ₹33 crore. Earnings per share stood at ₹26.03 and the Board of Directors has recommended a 25% dividend for FY 12 for the approval of fellow shareholders in our ensuing AGM.

CHAIRMAN'S

The Company continued unabated with its focused attention on scaling up our Research & Development endeavours and also manufacturing capacities for formulation as well as technicals. The new plant set-up at Dahej (Gujarat) is a multi-purpose facility with six streams of technicals working simultaneously. The capacity of this plant in the first phase would be about 10,000 mts.

Continuing our drive to bring highly successful global brands in India, we inked our first marketing collaboration with a Japanese company, Nissan Chemical Industries, Ltd. in FY 12. Under this arrangement, we launched Pulsor, a systemic fungicide highly effective against diseases caused by *Rhizoctonia solani* on crops like paddy. Pulsor is a breakthrough patented product which provides a pre and post emergence solution. Our brands like Lethal, Victor, Thimet, Monocil are already the leaders in their category. Now two international products Nuvan from AMVAC, USA and Hakama from Nissan, Japan have joined the kitty to become future leaders.

As per the vision of the Company to impart knowledge about the latest technology and the products to farmers, this year we continued the drive and managed to reach notable number of farmers. We aim to magnify the awareness campaign to a big way next year.

As we move ahead, we remain committed to pursue aggressive growth by further strengthening our own capabilities and also leveraging our domain and distribution prowess towards bringing few more globally successful brands in India. As we gain economies of scale with backward integration, we are poised for margin enhancement going forward.

Contributions made by the management and employees of your Company deserve to be applauded. I thank the fellow members on the Board for their valued guidance and direction. We are privileged to enjoy the trust and patronage of our customers, distribution partners, investors, exchequer and the community at large and remain committed to create greater value for all of them.

Best regards,

H. C. Aggrawal
Chairman

MESSAGE

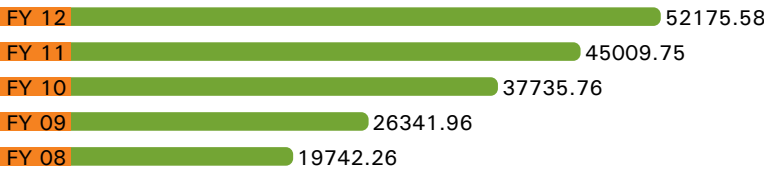
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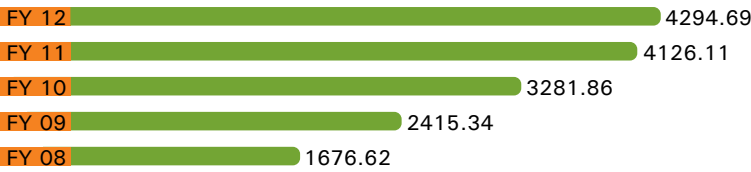
(₹ in Lacs, except otherwise stated)							
Description	FY 12	FY 11	FY 10	FY 09	FY 08	FY 07	FY 06
STATEMENT OF PROFIT & LOSS							
Revenue from Operations (Net)	52175.58	45009.75	37735.76	26341.96	19742.26	16801.83	12225.62
Other Income	8.52	14.71	128.53	145.78	178.95	25.63	9.20
Total Revenue	52184.10	45024.46	37864.29	26487.74	19921.21	16827.46	12234.82
Increase/(Decrease) in Stocks	4669.48	1641.97	1135.98	2332.73	689.80	559.30	424.99
Expenditure	43219.93	45321.32	37669.46	29515.11	21340.47	17982.02	12636.89
Earnings before Depreciation, Interest and Tax (EBDITA)	5644.78	4521.10	3653.55	2944.40	1969.94	1223.68	1312.28
EBDITA Margins (%)	10.82	10.04	9.68	11.18	9.98	7.28	10.73
Profit before Tax (PBT)	4294.69	4126.11	3281.86	2415.34	1676.62	1011.47	1142.01
Tax	993.17	904.50	460.17	336.01	249.84	154.57	124.02
Profit after Tax (PAT)	3301.52	3221.61	2821.69	2079.33	1426.78	856.90	1017.99
Pat Margins (%)	6.3	7.2	7.5	7.9	7.2	5.1	8.3
Dividend - Equity	317.07	317.07	253.66	253.66	190.24	-	124.04
Tax on Distributed Profit	51.44	51.44	42.13	43.11	32.33	-	17.39
Retained Earnings	2933.01	2853.10	2525.90	1782.55	1204.21	856.9	876.56
BALANCE SHEET							
Equity Capital	1268.30	1268.30	1268.30	1268.30	1268.30	947.27	930.30
Share Application Money	-	-	-	-	-	-	170.20
Reserve & Surplus	16948.41	14206.31	11353.22	8813.45	7030.89	2455.90	1446.28
Net Worth	18216.71	15474.61	12621.52	10081.75	8299.19	3403.17	2546.78
Borrowings	15340.06	3804.22	2189.75	1379.78	1495.94	1378.98	1138.52
Deffered Tax Liability (Net)	289.81	204.92	168.11	139.83	101.87	58.21	47.20
Total Capital Employed	33846.58	19483.75	14979.38	11601.36	9897.00	4840.36	3732.50
Net Fixed Assets	14322.44	9062.82	3259.01	2528.26	2005.75	1258.55	762.96
Investments	-	5.21	499.62	1717.24	1837.89	9.94	-
Miscellaneous Expenditure (to the extent not written-off)	364.85	349.18	361.77	371.81	383.72	0.83	1.99
Earning per Share (₹)	26.03	25.40	22.25	16.37	11.25	9.05	10.94
Book Value (₹)	143.63	122.01	99.52	79.49	65.44	35.93	27.38

FINANCIAL

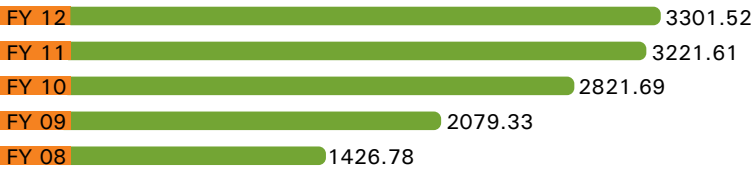
TURNOVER (NET)(₹ In Lacs)



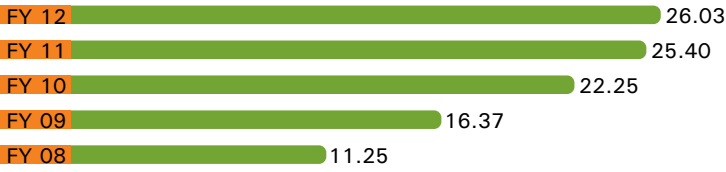
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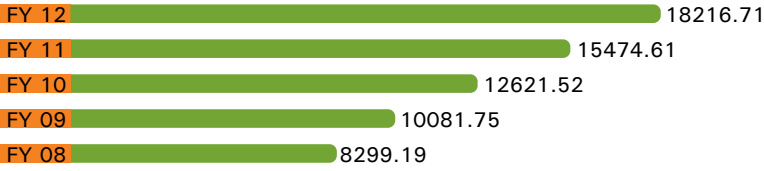
PAT (₹ In Lacs)



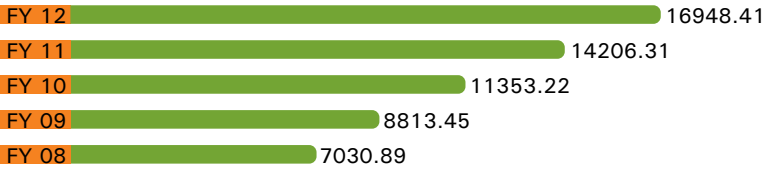
EPS (In ₹)



NET WORTH (₹ In Lacs)



RESERVES AND SURPLUS (₹ In Lacs)



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SUMMARY

New fungicide launched in state

Japanese firm
launches
new fungicide

इंसेक्टसाइड्स लि. ने निस्सान केमिकल्स के 2 जापानी प्रोडक्ट्स लांच किए

इंसेक्टसाइड्स (इंडिया) लि. भारत के टारगेट बाजारों की उम्मीद है। श्री. पी.सी.पन्नी, वाइस प्रेसिडेंट, कॉरपोरेट अफेयर्स ने कहा, "आइआईएल में हम, पूरे भारत में घूमकर पिछले 3 वर्षों से एक हमारे पास अपने लक्ष्य पर र

किसानों की मददगार
'आईआईएल'

आइआईएल' बिदेदगार
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फ्रीटनाशक

गानों को जानकारी और गए बाजारों पर कवि
 गेशिश कर रहे हैं। इस अति महत्वाकांक्षी ए
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 [आदर्श खेती करने के बिजनेस किया है और
 स तरह बढ़ाया जाए प्रोडक्ट्स हमारे पास
 श्री. वी. के. सिंघल, इस वर्ष जन्म अच
 realise

'Pulsor can help realise potential of 100% output'

One Lakh farmers benefited from Awareness Drive of Insecticides

Thapal, Aug. 9—Ninth- and eighth-graders from across the country were successfully educated on right and prudent usage of agro-chemicals in crops as well as methods of improving yields under the aegis of the **Green Revolution** through a **Teacher's Training Course** by **Indo-American Agricultural Services** (India) Ltd.

The awareness drive was conducted among the length and width of the country especially in agricultural states such as Maharashtra, Andhra Pradesh, Karnataka, Punjab, Rajasthan, Chhattisgarh, Uttar Pradesh, Madhya Pradesh, Orissa, and West Bengal. It has conducted over 2,000 meetings across all the Indian states in the small sector.

Landing the mth
Mr. Rajesh Aggar
Managing Director, I
trides (India) Lim
said, "Insecticides (In
limited has always
devoted to bring qual
change in the time
farming environments
large number of farms
are not aware of the right
and pesticides, use of agro-
chemicals and therefore
not being able to get the

Q&A

Will Klemm, *President, Klemm & Associates*
 "It's a tough job, but it's not impossible. You just need to be creative and have a good team. I've found that the best way to get the most out of your team is to give them the freedom to do things their way. If you can get them to buy into the vision, they'll go above and beyond for you."

Dr. Michael J. Klemm, *President, Klemm & Associates*
www.klemm.com



You demand the Highest Quality. We demand the Highest Quality. The difference is in the people who work for us.