



हरकदम
हमकदम



insecticides
(INDIA) LIMITED



Annual Report 2019-20



CORPORATE INFORMATION

Board and Committees – Insecticides (India) Limited

Board of Directors

Hari Chand Aggarwal
Chairman and Whole-time
Director (DIN:00577015)

Rajesh Aggarwal
Managing Director
(DIN:00576872)

Nikunj Aggarwal
Whole-time Director
(DIN:06569091)

Vinod Kumar Mittal
Independent Director
(DIN:07421742)

Virjesh Kumar Gupta
Independent Director
(DIN:06382540)

Navin Shah
Independent Director
(DIN:02701860)

S. Jayaraman
Independent Director
(DIN:02634470)

Praveen Gupta
Additional Independent
Women Director
(DIN: 00180678)
w.e.f 15/02/2020

Executive Officers

Sandeep Aggarwal
Chief Financial Officer

Sandeep Kumar
Company Secretary

Board Committees

Audit Committee

Vinod Kumar Mittal
Chairperson
Virjesh Kumar Gupta
S. Jayaraman

Corporate Social Responsibility Committee

Hari Chand Aggarwal
Chairperson
Rajesh Aggarwal
Virjesh Kumar Gupta

Nomination and Remuneration Committee

S. Jayaraman
Chairperson
Virjesh Kumar Gupta
Navin Shah

Stakeholders Relationship Committee

Virjesh Kumar Gupta
Chairperson
Vinod Kumar Mittal
Navin Shah

Finance Committee

Hari Chand Aggarwal
Chairperson
Rajesh Aggarwal
Nikunj Aggarwal
Sandeep Aggarwal (CFO)

Statutory Auditors (Joint)

M/s Devesh Parekh & Co.
Chartered Accountants, Delhi

M/s SS Kothari Mehta & Co.
Chartered Accountants, Delhi

Secretarial Auditors

M/s Akash Gupta & Associates
Company Secretary, Delhi

Internal Auditors

M/s Aditi Gupta & Associates
Chartered Accountants, Delhi

Cost Auditors

**M/s Aggarwal Ashwani K.
& Associates**
Cost Accountants, Delhi

Bankers

State Bank of India
Citi Bank N.A
HDFC Bank
HSBC

Registrar & Transfer Agent

Alankit Assignments Ltd.
Alankit House, 4E/2 Jhandewalan
Extension, New Delhi-110055

Registered & Corporate Office

401-402, Lusa Tower, Azadpur
Commercial Complex, Delhi – 110033
CIN: L65991DL1996PLC083909
Website: www.insecticidesindia.com
e-mail id: investor@insecticidesindia.com

Plant Locations

A.Rajasthan

i) E-442, RIICO Industrial Area,
Chopanki, (Bhiwadi) – 301 707
ii) E-443-444, RIICO Industrial Area,
Chopanki, (Bhiwadi) – 301 707
iii) E-439-440, RIICO Industrial Area,
Chopanki, (Bhiwadi) – 301 707

B.Jammu and Kashmir

i) SIDCO Industrial Growth Centre
Sambha – 184 121
ii) IID Centre, Battalballian,
Udhampur – 182 101

C.Gujarat

CH-21, GIDC Industrian Estate,
Dahej, Distt. Bharuch – 392 130

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HAR KADAM HUM KADAM

Agriculture is life
and to make it
bountiful we all
need to walk
together

Agriculture has a long history. It has been one of the greatest developments towards the progress of human civilization. New techniques and processes have been discovered to enhance farm production. But at the core of it all are the farmers who get up before dawn, plow deep, sow seeds, and take care of the crops and our hopes.

That's why we at IIL, constantly endeavor to stand shoulder to shoulder with the farmers at every stage of farming. You can call it our motto, our mission, or our philosophy. Since every battle needs a slogan to motivate its warrior, we are giving a word of strength to our long term endeavors "HAR KADAM, HUM KADAM".

To provide the farmers with the necessary solutions to tackle the upcoming challenges of crop protection, we conduct extensive R&D to provide technologically

advanced products. We are also working on strategies to make world-class innovations affordable for our farmers. For this, we have associated with international players working in the field of agrochemicals. We closely monitor the world and invest accordingly for best results.

We are taking all the necessary measures keeping in mind the best interest of our farmers and agriculture. Be it providing them solutions to tackle the challenges or making them aware of reaping more benefits from agriculture and its allied fields, we have been doing it all. After all, even when God needed someone to take care of his planned paradise, he relied on our farmers.



Indian agriculture

POISED FOR DOUBLE
DIGIT GROWTH

India's population currently stands at more than 1.3 billion and is estimated to rise up to 1.7 billion by 2050. This will make India the largest populated country in the world and will need to transform agriculture to meet the growing food demand. The sector is now undergoing a structural transition and becoming the real backbone of the economy. In the last financial year, India's total exports from agriculture and processed food stood at INR 1.28 lakh crore, with 7% increase compared to FY18. Even in the recent union budget, a 16-point action plan has been introduced for doubling the farmer's income by 2022. In this strategy, agrochemicals can play a pivotal role. It has the potential to enhance our production capacity & meet the demand of producing 355 million tonnes of food grains by 2030.

But achieving this is not an easy task, as India's agrochemical consumption for crop protection, as compared to global standards is still very low. Because of this about 30% of India's crop output is lost due to attacks by pests, weeds, and other diseases. Another problem is low productivity per hectare and declining soil fertility.

To curb these and unleash the full potential of Indian agriculture, our farmers need to be made aware of judicious use and benefits of agrochemicals. Government, NGOs as well as companies working in the field of agrochemicals manufacturing are constantly endeavoring in this regard.

However, agriculture still contributes about 16.5% of the total Gross Value Added (GVA) (as in 2019-20) and continues to support the vast majority of the population by providing employment opportunities to about 54% of the workforce. But technical deficiencies persist like poor weather updates: only 42% of farmers receive district-level weather forecast through SMS and other channels. Other issues include soil health assessment & management and pro harvesting, which are being addressed by schemes and awareness.

With joint efforts of the public and private sectors, agriculture in the country can prosper and scale new heights. We are fully committed to contributing towards realizing the government's vision.



CHAIRMAN'S OVERVIEW

Coming together
is the beginning
of success



Dear Shareholders,

Indian agriculture is in transformation phase and efforts to realize and fulfill this change are underway. Growth of sector was also the focal point of this year's Union budget, owing to rising demand for food security and increasing population. In this current scenario, opportunities for growth of the sector and also for your company are manifold.

As the 2nd largest producer of food grains, India is currently at a food surplus stage. To keep a sufficient safety margin to meet our population's growing food demands, we have to continuously increase production capacity with a target of 355 million tonnes by 2030. This increase in production will be supported by judicious use of agro-chemicals. Currently, there are several challenges in agri-production such as low productivity per hectare, lack of awareness about proper use of agrochemicals, high dependency on monsoon, unpredictable weather patterns, reduction in arable land, high post-harvest losses and declining soil fertility.

In order to improve overall crop output, there is urgent requirement to make our farmers aware about the use of latest technology, agri-inputs and agrochemicals which will support in reducing pre and post-harvest losses. Agrochemicals are expected to play a pivotal role in crop protection and getting better yield.

Agriculture sector's growth will also require support from government through conducive policies for decreasing raw material cost, lower registration time for new molecules, decrease environmental pollutant treatment cost and address lack of awareness among farmers.

Insecticides (India) Ltd. is working hand in hand with farmers in this mission which will also support government's vision of doubling the farmer's income. With our R&D driven growth strategy, we are developing products that can help cater to the growing needs of farming. As a leading crop protection company of India, our product portfolio consists of more than 100 products, including both chemical and biological products. Our manufacturing facilities utilize world class technology to produce products at affordable rates. In the last fiscal year, we have introduced various innovative products such as Kunoichi, Chaperone,

Lethal Gold, Super Racer and Rockstar. These products demonstrate the extensive technological advancement in our capabilities and enjoy strong acceptance among farmers. During the year, we have also signed MoU with G.B. Pant University of Agriculture and Technology, Uttarakhand to transform the 'root organ culture' technique which ultimately will lead to upscaling this technology for mass cultivation.

Looking at demand trend for agrochemicals, domestic market consumption is largely dominated by insecticides, which accounts for 60% of overall demand followed by herbicides and fungicides. Also, seasonal domestic demand of agrochemicals leads to more than 50% of production being exported. This presents an opportunity for better growth prospects for the company. Our focus on optimizing our capabilities such as low-cost manufacturing, availability of skilled and technically trained manpower and better price realization, will certainly help in providing competitive advantage and result in increased market share.

During this difficult time of Covid-19 pandemic, we at IIL are standing strongly with the farmers and extending full support wherever possible, we have also adopted digital medium to connect and reach out to the farmers. I am also thankful to our team who are working relentlessly during this time of crisis. Efforts of our team motivates and inspires us to achieve long-term growth strategy and makes us truly believe that we will come out better and stronger from this pandemic.

In this competitive market of agrochemicals, our Company's performance has remained resilient.

The Company recorded revenue from operations of Rs 1,363 crores in FY2020 with EBITDA of Rs 156 crores and margins of 11.4%. Net profit for the year was Rs 86 crores with margins of 6.3%. Company focused on strengthening its balance sheet through debt reduction and was able to reduce the net debt by Rs 175 Crore during the year resulting in stronger capital structure.

Undoubtedly with a well-defined strategy and our commitment to advance by partnering with farmers, we hope to unlock stable growth for all our stakeholders including the farming community.

H. C. AGGARWAL
Chairman



Insecticides (India) Ltd. is working hand in hand with farmers to realize government's vision of doubling the farmer's income. With our extensive R&D in four different streams, we are striving hard to develop products that cater to the growing needs of farming.

