

MONSANTO



Monsanto India Limited

Annual Report 2010-2011

Inspired by
Dreams



Parvati Shankar Powar

Widni village, Phaltan Taluka, Satara, Maharashtra

She cultivates maize in 3 of the 8 acres her family owns. They use Dekalb® hybrid maize seeds and get average yields of ~42 quintals per acre. With increased income from maize cultivation, Parvati and her husband were able to invest in additional land and build a *pucca* house.

Forward Looking Statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Inspired by Dreams

Agriculture employs over half the Indian workforce.

The disposable income generated by it, is growing consistently.

There is visible prosperity, proof that India's famed economic ascendancy is indeed inclusive.

It is often referred to as the *'The great Indian rural opportunity.'*

This phenomenon is driving many businesses, industries and services towards the villages of India, in the quest of an untapped market.

It seeks to include in the vast multitude of consumers, a hitherto ignored rural populace.



So, as an agriculture company what do we have to do with this?

Nothing, if we seek merely to ride this wave of economic resurgence.

Everything, if we see ourselves as an important catalyst in achieving it.

True, we are an agriculture company.

Yes, our R&D is path breaking.

And we certainly have a well established portfolio of hybrid maize seeds, technology and herbicide for the Indian farmer.

But those are the details.

In effect, what we are proud to be doing is helping realize dreams.

Through awareness. Through partnerships. Through handholding. Through sharing.

The dream of the farmer is the centerpiece of our efforts.

Connected with it are many other aspirations and dreams – of our employees, society, shareholders.

Dreams of India. Dreams for India.

These dreams drive us. Propel us. Inspire us.

Through this annual report, we showcase a few of these inspiring dreams.

Committed to sustainable agriculture



Meeting the needs of today while preserving the planet for tomorrow

Solutions...



Producing more

By getting more from every seed

Only a fraction of the earth's land area is suitable for growing crops and the number of people on the planet is rapidly increasing. In fact, to keep up with demand, we'll have to produce more food in the next few decades than we have in all of recorded history. That kind of growth isn't sustainable without improvements in farm productivity.

Monsanto works with farmers around the world to make agriculture more productive and more sustainable. Our technologies enable farmers to get more from every acre of farmland.

Specifically, globally, we are working to double yields in our three core crops of cotton, maize and soybeans by 2030. These yield gains will come from a combination of advanced plant breeding, biotechnology and improved farm-management practices.

In the hands of farmers, these innovations can help meet the increasing demands for food, clothing and energy posed by the world's growing population. That's helping produce more security. That's helping produce a more stable, healthy and prosperous future for everyone.



Conserving more

By growing more with less

In an intricate network like the earth's ecosystem, a force applied in one area directly and indirectly affects many others. When rivers and aquifers are depleted, it can lead to crop failure and the desertification of formerly arable land. When burning fossil fuels generates greenhouse gasses, it can lead to acid rain and contribute to climate change.

That's why we've strengthened our goal of doubling crop yields by committing to doing it with one-third fewer resources such as land, water and energy per unit produced.

We're continuing to develop better seeds and improved on-farm practices that enable farmers to better manage weeds, pests and environmental stresses. We're working with our partners to develop conservation systems that are better for the planet.

And we're working to make these tools of innovation available to the people who have the most direct relationship with the land—the millions of farmers around the world.



Improving lives

By using best for more

The technology we use to develop better seeds and the partnerships we nurture to develop new agronomic practices can drive big increases in yield productivity.

And for all of the world's farmers who raise themselves from poverty to prosperity, many more people will also prosper, through healthier diets, greater educational opportunities and brighter futures fuelled by more robust local economies.

So whatever the world looks like where you stand, the truth is we're all in this together. And we believe by working together, we can create a brighter, more sustainable world for all of us.

That's the world we dream of at Monsanto and we're working every day to make it a reality.

We are *dreaming* with our eyes open.

The Monsanto Pledge is our commitment to how we do business. It is a declaration that compels us to listen more, to consider our actions and their impact broadly and to lead responsibly. It helps us to convert our values into actions and to make clear who we are and what we champion.

The Monsanto Pledge

Integrity

Integrity is the foundation for all that we do. Integrity includes honesty, decency, consistency and courage. Building on those values, we are committed to:



Dialogue

We will listen carefully to diverse points of view and engage in thoughtful dialogue. We will broaden our understanding of issues in order to better address the needs and concerns of society and each other.



Transparency

We will ensure that information is available, accessible and understandable.



Sharing

We will share knowledge and technology to advance scientific understanding, to improve agriculture and the environment, to improve crops and to help farmers in developing countries.



Benefits

We will use sound and innovative science and thoughtful and effective stewardship to deliver high-quality products that are beneficial to our customers and to the environment.



Respect

We will respect the religious, cultural and ethical concerns of people throughout the world. The safety of our employees, the communities where we operate, our customers, consumers and the environment will be our highest priority.



Act as Owners to Achieve Results

We will create clarity of direction, roles and accountability; build strong relationships with our customers and external partners; make wise decisions; steward our company resources; and take responsibility for achieving agreed-upon results.



Create a Great Place to Work

We will ensure diversity of people and thought; foster innovation, creativity and learning; practice inclusive teamwork; and reward and recognize our people.

[Strategic Review](#)
[Board and Management Reports](#)
[Financial Statements](#)


Headquarters

St. Louis, Missouri,
United States

Products

Agricultural and
vegetable seeds

Plant biotechnology
traits

Crop protection
chemicals

Global

21,035 employees

404 facilities in
66 countries

Monsanto Company

Monsanto is an agriculture company focused on supporting farmers around the world in their mission to produce more while conserving more. The Company is headquartered in St. Louis, Missouri and has locations in regions around the world. Monsanto is a leading producer of seed brands in crops like maize, cotton, oilseeds (soybeans and canola) and vegetables. We also produce leading in-the seed trait technologies for farmers that are aimed at protecting their yield, supporting their on-farm efficiency and reducing their on-farm costs.

Monsanto remains committed to broadly licensing seed and trait technologies to other companies throughout the world. This approach ensures that farmers can access our products in the varieties that mean the most to their farm. In addition to our seeds and traits business, the Company also manufactures Roundup® and other herbicides used by farmers, consumers and lawn- and-garden professionals.

In 2010, Monsanto recorded global net sales of US\$ 10.5 billion. Of this, 72% came from seeds and agriculture technologies and 28% from crop protection chemicals. As the world's largest investor in farmer-focused agriculture research, Monsanto's investment in R&D stood at over 9% of global revenues.

Monsanto is a Fortune 500 Company.

It ranks number 10 on Forbes' list of the world's most innovative companies.

Harvard Business Review had on its list of the world's 100 best-performing CEOs, Monsanto's CEO Hugh Grant at number 10.

Selected as '100 Best Corporate Citizens 2010' by Corporate Responsibility Magazine.

Voted as 'Company of the Year' 2009 by Forbes magazine.

Ranked amongst 'World's Ten Most Influential Companies' in 2008 by Businessweek.



Headquarters

Mumbai, India
Pan-India offices

Products

High-yielding hybrid
maize seeds - Dekalb[®]

Crop Protection
chemical - Roundup[®]

India

389 employees

2 Seed Research
breeding stations

1 Seed Processing
facility

1 Quality Assurance
laboratory

1 Chemistry plant

Monsanto India Limited

Monsanto India Limited (MIL) - a subsidiary of the Monsanto Company, USA - is the only publicly listed Monsanto entity outside USA.

With a presence of more than six decades in India, MIL is committed to help the Indian farmer produce more while conserving sustainably and to be successful. MIL focuses on maize (Dekalb[®], India's largest selling hybrid maize seed brand) and agricultural productivity (Roundup[®], the world, as well as India's largest selling glyphosate herbicide).

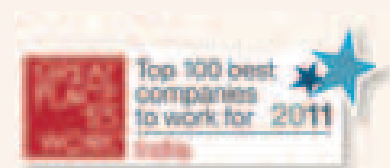
MIL endeavors to boost crop productivity through its advanced research in maize cultivation, access to a wide library of global maize germplasm, breeding technology and techniques, new high-yielding hybrid seeds, best-in-class manufacturing facilities, extensive agronomic activities and on-farm technology development.

In 2010-11, MIL recorded net sales of Rs. 358.3 crores and the investment in R&D stood at over 4% of revenues.

The Great Places to Work (GPTW) Institute featured Monsanto India as one of the Top 100 of 'India's Best Companies to Work for 2011'.

Monsanto India has been recognized among the best employers eight out of the last nine years (GPTW: 2003, 2008, 2009, 2010, 2011; Hewitt Associates 2004, 2005 & 2007).

Has received the Indo-American Corporate Excellence Award 2008 and Agriculture Today Ag Leadership Award 2008, among other awards for innovation and leadership.



'We are connecting with multiple dreams'

'to increase productivity per unit of land and improve farmers' income' - this reality has been the foundation of our business and forms the core of our vision. Food security and sustainable agriculture are dreams that we work towards achieving.



Sekhar Natarajan
Chairman



Dear Shareowners,

"Want to make more than a Banker? Become a Farmer!" said Jim Rogers, legendary investment whiz, best-selling author and Wall Street giant in a recent Time Magazine article. Rogers further predicts that farming incomes will rise dramatically in the next few decades, faster than in most other industries. He argues that the world doesn't need more bankers. What it needs are more farmers. Drawing more people back to agriculture in the advanced economies is the only solution to solving the serious food crisis that the world is faced with.

In India, we have the opposite problem - of too many people engaged in agriculture with less than 1 hectare of land each. The challenges here are manifold. At the same time, the goals remain the same - to increase productivity per unit of land and improve farmers' income.

At MIL, this reality has been the foundation of our business and forms the core of our vision. Food security and sustainable agriculture are dreams that we work towards achieving. More importantly however, in doing what we do, our endeavor is to give wing to the aspirations of millions of farmers around the world and contribute to the improvement of their lives.

It is common knowledge that grain production needs to double by 2050, in order to feed the projected world population of 9 billion. Is there a historical precedent to this? In 1970, the global production of maize, milled rice and wheat was 788 million MT. By 2010, the production of those three grains was 1.912 billion MT, an increase of 142%. In the 1970s, it was expected that grain production in India would lag consumption and India would continue to be dependent on imports. In 1970, India was a net importer of 3.2 million MT of these three grains, mostly wheat. By 2010, India was a net exporter of 4.8 million MT of these three grains. Therefore, it is not unreasonable to assume that the desired growth rate can be achieved in the next 50 years, even though the base now is much higher. Also what got us here (new varieties based on global germplasm pool, rapid adoption of fertilizers and agricultural chemicals), will not get us to our new goal. We will need new tools to get there.