

Sowing
TRUST



Harvesting
SUCCESS



Yielding
SMILES



Monsanto India Limited
Annual Report 2013-14

MONSANTO





Smt. SAROJ DEVI VERMA
Bahraich District, Uttar Pradesh, India

Smt. Saroj Devi Verma achieved the Highest Yield of Hybrid Maize in UP using Monsanto's Dekalb® Hishell seeds and was honoured by the Government of Uttar Pradesh in December 2013. Read more about her on Page 13

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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.



“When tillage begins, other arts follow. The farmers, therefore, are the founders of human civilization.”

~ Daniel Webster

Agriculture heralded a new chapter in human civilisation, when man discovered the infinite power of soil to produce food. Centuries of dependence on hunting, gathering, trial and error gave way to the freedom to grow one's own food. Even though humans have known how to domesticate animals and cultivate plants for well over 12,000 years, agriculture remains as critical in the IT-age as it was in the Iron-Age, because it satisfies the most important need for us humans – FOOD.

And yet, throughout the millennia, agriculture remains largely unchanged – still following the universal cycle of Sowing of seeds, Harvesting crops and Yielding food for all.

At Monsanto India Limited (MIL), we are fascinated by this simple process of sowing, harvesting and yielding. We are eternally inspired by how every farmer magically transforms a simple seed into lush crops with little more than his bare hands and some basic tools. It is his hard work and untiring efforts that fulfil mankind's fundamental need of food and clothing. And yet, ironically, it is the farmer who struggles and suffers most and continues to depend on the vagaries of nature, afflicted by lack of choices.

For the last six decades, Monsanto India has been working closely with farmers across India, enabling them with our knowledge and understanding of science. With our world-class products, solutions and services, we have supported the Indian farmer as he resolutely overcame multiple challenges, difficulties and obstacles to fulfil higher demands of a growing population in India. We have supplemented his efforts by providing hybrid seeds that improved yields, herbicides to protect his crops and complement his hard-work with smarter agronomic practices.

Because, at MIL, we believe that at the heart of a nation's progress is agriculture, and at the heart of its prosperity is its farmer.

It is only when farms sustain and farmers succeed that a country smiles.

And that is why, at MIL, we remain committed to farms and farmers in India by

Sowing
TRUST



Harvesting
SUCCESS



Yielding
SMILES





MONSANTO AT A GLANCE

MONSANTO GLOBAL

Monsanto is a sustainable agriculture company. We deliver agricultural products that support farmers - small and large - all around the world.

We are focused on empowering farmers - large and small - to produce more from their land while conserving more of our world's natural resources such as water and energy. We do this with our leading seed brands in crops like corn, cotton, oilseeds, fruits and vegetables. We also produce leading in-the-seed trait technologies for farmers, which are aimed at protecting their yield, improving their farm productivity and reducing on-farm costs.

We strive to make our products available to farmers throughout the world by broadly licensing our seed and trait technologies to other companies. In addition to our seeds and traits business, we also manufacture Roundup® and other herbicides used by farmers, consumers and lawn-and-garden professionals.

Monsanto could not exist without farmers. They are our customers - the lifeblood of our company. More important, they are the support system of the world's economy, working day in and day out to feed, clothe and provide energy for our world.

Research & Development

More than 20,000 Monsanto employees focus on delivering innovative and sustainable products to farmers around the world that help to improve yields while using fewer inputs.

As farmer needs evolve, so does our research and development. Today, we are focused on delivering products that address the challenges farmers face and maximize their yield potential.

Monsanto invested more than US\$ 1.5 billion during September 2012-August 2013, researching new tools for farmers. The company concentrates the vast majority of its R&D efforts on new biotech traits, elite germplasm, breeding, new variety and hybrid development, and genomics research. Other R&D projects support the company's current products, including improved formulations of Roundup® herbicide

Footprint and Presence

66 countries in North/Central America, South America, Europe, Middle East, Asia Pacific & Africa.

A Fortune 500 Company

- ① Head-Quartered at St. Louis, Missouri, USA
- ① 21,183 employees
- ① 404 facilities in 66 countries
- ① US\$ 13.5 billion Global Revenues

Global Products Profile

- ① Agricultural and Vegetable Seeds
- ① Plant Biotechnology Traits
- ① Crop Protection Chemicals

Global Recognitions

Fortune Magazine ranked Monsanto as one of the "World's Most Admired Companies" for 2014

The **Chief Executive Magazine** recognized Monsanto as one of the best 40 Companies for Leaders

MIT's **Technology Review** named Monsanto as one of the 50 Smartest Companies

World (Global 100) Index ranked Monsanto 37th in its 2014 Global Most Sustainable Corporations

Great Place to Work® Institute ranked Monsanto at No.13 in the prestigious Top 25 Best Multinational Workplaces



Footprint and Presence

- Mumbai, Kolkata, Coimbatore, Chandigarh, Hyderabad, Hubli, Siliguri
- 3 Maize Breeding Stations in India- Udaipur, Bangalore and a Satellite Breeding Station at Jalandhar
- 3 Manufacturing Facilities - a Herbicide plant at Silvassa, Corn Conditioning plant at Shamirpet and Seed Processing plant at Eluru
- A Quality Assurance Laboratory at Hyderabad

We have worked closely with millions of Indian farmers and earned their trust. We have partnered with state governments, agricultural universities and extended our reach to enable farmers harvest more success. We work closely with numerous NGO partners to help bring more smiles to communities.

MONSANTO IN INDIA

Monsanto India Limited is the only listed company outside the USA in Monsanto group. We have been in India since 1949, and have developed a lasting partnership with the Indian farmers based on deep-sown trust.

Over the years, we have nurtured this trust by supporting farmers with our innovative high-quality products as they progressed to harvest more success. We firmly stand by them in their quest to yield more smiles.

Our commitment is - Improving Agriculture, Improving Lives. We have been developing, manufacturing and distributing innovative products and services and engaging with farmers across the country through various partnerships and associations.

Our key business in India comprises of high-yielding Hybrid Maize Seeds, marketed as brand Dekalb®, and Crop Protection Herbicide brand Roundup®. Both the key businesses are ably supported by our Monsanto Farm AgVisory® Services aimed at helping farmers improve agronomic practices.

Driving our steady growth in India are our people. The MIL family consists of 372 members dedicated and committed to the Indian farmer and agriculture. Our people have a strong rural connect and work and engage closely with the farmers at field-level.

From people to partners, from investors to shareholders, Monsanto India has always delivered value by SOWING TRUST. HARVESTING SUCCESS. YIELDING SMILES.

India Product Profile



DEKALKB® - Hybrid Maize Seeds



ROUNDUP®- Glyphosate-based Herbicide

Key Numbers

Net Revenue	₹581.84 crores
Net Profit	₹122.89 crores
Total Dividend	₹92/- per share
Net Worth	₹344.50 crores

Stock Ticker

BSE Code: 524084
NSE Symbol: MONSANTO

OUR COMMITMENT TO SUSTAINABLE AGRICULTURE

PRODUCING
More

CONSERVING
More

IMPROVING
Lives



Our vision for sustainable agriculture strives to meet the needs of a growing population, to protect and preserve this planet we all call home, and to help improve lives everywhere. In 2008 Monsanto made a commitment to sustainable agriculture – pledging to produce more, conserve more, and improve farmers' lives by 2030.

At Monsanto, our commitment goes beyond fields and farms. Our focus is to make agriculture sustainable. By helping farmers in producing more and conserving more, we sustain both farms and farmers. By harvesting more success, we make agriculture more viable and rewarding.

People around the world depend on agriculture and the hard work of farmers for their most basic needs. With global population expected to grow by 40 percent in the next few decades, agriculture will need to become more productive and more sustainable in order to keep pace with rapidly increasing demands.

We are committed to developing technologies that enable farmers to produce more crops while conserving more of the natural resources that are essential to their success.

Producing more. Conserving more. Improving lives. That's sustainable agriculture. And that's what Monsanto is all about.



Producing More



Monsanto works with farmers from around the world to make agriculture more productive and sustainable. Our technologies enable farmers to get more from every acre of farmland. These yield gains come from a combination of advanced plant breeding, biotechnology, and improved farm-management practices.

Conserving More



We've strengthened our goal to double crop yields by committing to doing it with one-third fewer resources such as land, water, and energy per unit produced. We continue to develop better seeds and improve on-farm practices better seeds and improved on-farm practices that enable farmers to better manage weeds, pests, and environmental stresses. We work with partners to develop conservation systems that are better for the plant. We 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



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

OUR PLEDGE

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 convert our values into actions, and to make clear who we are and what we champion.

Integrity



Integrity is the foundation of all that we do. It includes honesty, decency, consistency and courage. Building on these 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 to better address the needs and concerns of society and of each other.

Transparency



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

Sharing



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

Benefits



We will use innovative science and thoughtful and effective stewardship to deliver high quality products that will be 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.



MESSAGE FROM THE CHAIRMAN



Sekhar Natarajan, Chairman

Dear Shareholders

In recent months, we have witnessed one of the largest democratic exercises in the world, with an unprecedented number of Indians electing their Government. While this reaffirmation of democracy in its many colours and hues dominated public consciousness for the better part of the year, a few themes have clearly stood out – development, inclusion, governance and transparency.

For the nation's economy to grow at a high rate, it is imperative that the agriculture sector plays its role. Agriculture in India is at a critical juncture. The biggest barrier to sectoral growth remains the agricultural output of our farms. With yields still far below international benchmarks, India is yet to realize the optimum potential of her land. To add to this, are indications of impending climate change, and depleting water resources. What continues to stand out in such times, is the resolute determination and the untiring efforts of Indian farmers. While there have been improvements in agricultural conditions over the past decades, the challenges facing the Indian farmer are still many.

India's farmers are eager to play a greater role in the nation's growth story and benefit from the nation's progress. In the past too, despite substantial challenges, the Indian agricultural sector has delivered exceptional results. From a country still dependent on import of pulses and oilseeds, India is today the world's largest producer of milk, livestock,



Technology is empowering the farmer to make informed decisions about crops and techniques, and is ushering in a new era of farming.



jute, tea, and cauliflower, and second-largest producer of wheat, rice, fruits, sugarcane, cotton and groundnut. A commendable feat by any standards! Farmers in India have contributed most to this achievement, considering the fact that it has happened without any substantial increase in farming acreages or significant improvements in farming techniques over the years. A case in point: India produced over 23 million tons of Maize last year, but domestic demand is forecast to grow by 36 per cent, thereby leading to demand outstripping supply over the next 5 years. Farmers choosing maize hybrid seeds have almost doubled maize production in the past 11 years, and yet, India's maize yields continue to trail the world's average yields by half.

The good news is that, the tools to take the next leap forward in productivity, whether it is technology or techniques, are all at hand. Innovation, not only in the field, but in the very way we tackle agricultural issues, is the need of the hour. For India to cater to the food, feed and fibre needs of a growing population, modernization of the agricultural sector is imperative. The use of the latest technologies and the best agronomic practices, must be encouraged. Research for better seeds, nutrients and practices must be fostered. What is needed, is a policy that encourages research, and investment in human and intellectual capital in agricultural technology and thus, will spur the country on the road to agricultural prosperity.

The Indian farmer has shown himself to be an entrepreneur. He has been quick to adopt technologies and techniques that work for him. Technology is empowering the farmer to make informed decisions about crops and techniques, and is ushering

in a new era of awareness. This is an awareness that also needs to be spread to the larger populace in a logical and transparent manner. The need of the hour is to make farming a viable profession and help Indian farmers improve their lives.

We, at Monsanto India are proud to partner with the Indian farmer in his quest for prosperity. We are happy to play our role in raising productivity levels of maize, protecting crop yields through our herbicides, and contributing to improving the agronomic practices of Indian farmers through MFAS. We are proud to play our part in the progress of our nation's farmers, and thereby, the progress of India.

Yours sincerely,

Sekhar Natarajan
Chairman





MESSAGE FROM THE MANAGING DIRECTOR



Dr. Gyanendra Shukla, Managing Director



Dear Shareholders

For over six decades, Monsanto has partnered Indian farmers to enable them to grow more, and improve their lives. Our success is a testament to the value farmers find in our products, the trust they repose in us, and the improvement farmers have brought about in their lives. For us, the thought 'Sowing Trust, Harvesting Success, Yielding Smiles' is representative of what we do every day - partnering millions of farmers across the country.

The Year Past

At Monsanto India Limited, we are happy to report an outstanding performance by the Company. Both the key businesses of the Company - Hybrid Maize Seeds & Crop Protection - achieved remarkable growth in the past year. At the heart of this success is our holistic association and engagement with the farmers based on TRUST. Today, farmers across key Maize growing Indian states trust Dekalb® as their preferred hybrid, and Roundup® as their preferred weedicide.

In the past year, our Dekalb® business came up with another spectacular performance evident by the growth in both volume and value. Farmers continued to prefer Dekalb® maize hybrid seeds across 18 states for enabling them to produce more, and improve lives. The Dekalb® portfolio was further strengthened to include fresh hybrids for more agro-climatic regions of India. Even as Dekalb® performed well on the basis of the strong hybrids, those launched in recent years won the trust of our farmers. With the addition of four new hybrids during the year, the Dekalb® portfolio now has 20 hybrid maize seed options to address a wide range of farmer requirements across the country.

Roundup® has emerged as a key solution in the Indian farmer's toolkit to manage productivity and is the farmers' preferred herbicide today. Our Roundup® business matched the exceptional growth of Dekalb®, driven by a good monsoon and shortage of affordable manual labour - creating compelling economic advantages in its favor. The