



RALLIS INDIA LIMITED
A **TATA** Enterprise

VALUE CREATION FOR FARMERS



ENHANCING SOCIAL EQUITY



SAFER CROP CARE



JAL DHAN - RAIN WATER HARVESTING



GREEN ENERGY



Towards
**Sustainable
Agriculture**



Sustainable Agriculture

"Sunshine" - A Solar Project: A milestone in our Journey to Sustainable Energy

This initiative is part of our Long term Sustainability plan of "50% Power generation using renewable source of energy". Towards this, we have set up a 4.4 MWp Solar Power Plant at Dahej that established connectivity with the national grid on 24th December, 2015. Entire power generated from this project "Sunshine", will be for captive consumption at Ankleshwar and Dahej Units. Based on climatic simulation data, "Sunshine" is expected to generate around 7.5 million units per annum. This is a humble contribution of your Company to the commitment of the Government of India to generate 100 GW of solar power out of the total of 175 GW of renewable energy by 2020.

Established connectivity with national grid on 24th December, 2015
(From Left to right – Mr. Anil Sardana, Chairman of Tata Power Solar Systems Ltd. (TPSS), Mr. V. Shankar, Managing Director & CEO, then Chairman Mr. R. Gopalakrishnan and Mr. Ashish Khanna, CEO of TPSS)



4.4 MWp Solar Power Plant at Dahej





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A **TATA** Enterprise

Sixty-eighth annual report 2015-2016

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Annual General Meeting : Friday, 24th June, 2016
Time : 3.00 p.m.
Venue : Walchand Hirachand Hall, 4th Floor,
Indian Merchants' Chamber Building,
IMC Marg, Churchgate,
Mumbai 400 020.

BOOK CLOSURE DATES
14TH JUNE, 2016 TO 24TH JUNE, 2016

Rallis India Limited

Rallis India Limited**BOARD OF DIRECTORS**

Bhaskar Bhat (*Chairman*)
B. D. Banerjee
E. A. Kshirsagar
Prakash R. Rastogi
Bharat Vasani
R. Mukundan
Y. S. P. Thorat
Punita Kumar-Sinha
V. Shankar (*Managing Director & CEO*)

COMPANY SECRETARY

P. S. Meherhomji

CORPORATE IDENTITY NUMBER (CIN)

L36992MH1948PLC014083

REGISTERED OFFICE

156/157 15th Floor Nariman Bhavan
 227 Nariman Point
 Mumbai 400 021
 Tel. No.: 91 22 6665 2700
 Fax No.: 91 22 6665 2827
 E-mail address: investor_relations@rallis.co.in
 Website: www.rallis.co.in

AUDITORS

Deloitte Haskins & Sells LLP

SOLICITORS & ADVOCATES

Crawford Bayley & Company

SENIOR LEADERSHIP

V. Shankar	<i>Managing Director & CEO</i>
K. R. Venkatadri	<i>Chief Operating Officer</i>
Ashish Mehta	<i>Chief Financial Officer</i>
Prosenjit Bose	<i>Chief - Technology, Innovation & Business Development</i>
M. M. Tripathy	<i>Vice President - Human Resources & Business Excellence</i>
Ravindra R. Joshi	<i>Vice President - Manufacturing</i>
C. M. Singh	<i>Vice President - Domestic Sales</i>
P. V. Reddy	<i>Vice President - Marketing & CRM Services</i>
D. G. Shetty	<i>Vice President - Planning, Logistics & Third Party Management</i>
Subhra Jyoti Roy	<i>Vice President - International Business</i>
N. K. Uppal	<i>Vice President - Agri Services</i>
Coomie N. Kapadia	<i>Head - Internal Audit</i>
Alok Chandra	<i>General Manager - Corporate Sustainability</i>

SHARE REGISTRARS AND TRANSFER AGENTS

TSR Darashaw Limited
 6-10 Haji Moosa Patrawala Industrial Estate,
 20 Dr. E. Moses Road,
 Mahalaxmi, Mumbai 400 011.
 Tel. No.: 91 22 6656 8484
 Fax No.: 91 22 6656 8494
 E-mail address: csg-unit@tsrdarashaw.com
 Website: www.tsrdarashaw.com

BANKERS

State Bank of India
 Citibank N.A.
 Corporation Bank
 BNP Paribas
 IDBI Bank Limited
 Axis Bank Limited
 ICICI Bank Limited
 HDFC Bank Limited
 Oriental Bank of Commerce
 Kotak Mahindra Bank Limited



CHAIRMAN'S STATEMENT

Dear Shareholders,

The topic of whether agriculture will be of great importance in the coming years is a crucial public issue. Although agricultural growth has fared well since 2000, in the last two years growth has slowed down. The back-to-back below average monsoon during the last two years has had a big impact on agriculture operations. It is fair to state that urgent attention is required in this sector. After all agriculture and allied sector accounts for a major share of employment. Positive agricultural growth is linked to larger community welfare and has a constructive influence in the overall economic growth of the country.

Certain questions on agriculture arise naturally. Firstly over half the workforce amounting to 260 million people is deployed in agriculture and allied sector. There is an urgent need to upgrade their skills in agronomic practices, soil/ water/ pest/ nutrient management, and post-harvest technologies. Yet in the national discourse on skill building we hear very little about upgrading agricultural skills. Secondly India's agricultural exports account for about 40 billion USD and are about 12% - 13% of India's basket of exports. It surely has the potential of being higher if we can improve productivity and management systems. Yet there is very little talk about agricultural production in the country's manufacturing program. Thirdly, there is an urgent need to expand financial inclusion in the country. This can be significantly advanced if farmer awareness is increased to form Farmer Producer Organisations (FPOs) under the Companies Act. Such organisations can also become the employer of the trained and skilled agriculture workers. Yet the actions to increase FPOs in the country are not gaining the desired momentum.

Our country is fortunate to have experts of outstanding stature in all aspects of agriculture – farm economics, agricultural markets, finance and risk management, marketing of inputs and outputs, as well as science and technology. Agriculture and farming are also connected to livelihood and social mores, thus it is one of the most complex subjects with interconnections amongst its various constituents. Three critical questions need to be answered –

1. Although the last couple of years have been difficult for Indian agriculture, has it performed well in this millennium?
2. Indian agriculture productivity does not compare well with other countries. What is the problem with Indian agriculture?
3. In agriculture we must **do things differently**. What can be a national framework to execute a "Mindful Agriculture" program by better co-ordination among various independent agencies and institutions?

Last year, our Directors Mr. R Gopalakrishnan and Dr. YSP Thorat shared their perspective around how *India's lack of a credible and focused managerial framework could hinder in the transformation that agriculture requires*. Their conclusion was that agriculture does not suffer from lack of ideas, funds or governmental initiatives. The current initiatives and institutions are fragmented and work in silos, there is a need to work together, do things differently, and get centres of expertise in credit, rural development, risk management, technology, training to work together collaboratively. What could be strengthened is an integrated and holistic framework, which provides a managerial way of implementing changes. Notwithstanding the availability of several expert reports, they articulated an integrated framework named "Sarthak Krishi Yojana".

In devising and executing any national policy, it is difficult to separate the many inter-related components. Undoubtedly they are all linked. However an integrated framework is helpful. A holistic national framework to address agricultural problems could derive structural lessons from the way India industrialised. The pillars on which the industrialisation strategy was based played out over 60 years, admittedly with flaws and strengths, but today India is counted among the top industrial powers in the world.

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- T** – The first pillar was Technology and an articulated approach towards adoption of new technologies.
- R** – The second pillar was the setting up of Risk and financing: Banks and development financial institutions to promote industry, general insurance, industrial safety and national standards institutions to mitigate risks.
- I** – The third pillar was the setting up of Institutions of governance: the Companies Act (1956), industrial reconstruction institutions and so on.
- P** – The fourth pillar was the formulation of an Industrial Policy. What India would make; what roles would be assigned to the public, private and the SME sectors; who would approve; and very importantly what the technology policy would be. With respect to agriculture, I must emphasise the need for a clear national stance with respect to technology.
- S** – The fifth pillar was developing Skills — technical training. Setting up of a matrix of ITI skill development centres, industrial apprenticeship schemes and employment opportunities in industry.

Putting together a similar set of pillars for agriculture could be helpful to aggregate the wisdom that already exists and to address the development issues that the nation faces.

The holistic plan should encompass Technology, Risk, Institutions, Policy and Skills (*TRIPS*), and the nation needs a forward-looking Sarthak Krishi Yojana which encompasses five pillars:

- I. Technology Incubation - outcome based technology policy encouraging research, innovation and incubation.
- II. Agricultural Financing and Risk Institutions - Banks and financial institutions to help promote technology infusion, insurance and mechanisation.
- III. Governance Institutions - Actively promote farmer producer organisations.
- IV. National Agricultural Policy - Focus on improving human and farm productivity.
- V. Agricultural Technical Training Institutes (Skills)

To ensure the success of Sarthak Krishi Yojana, it should be a collaboratively driven project with the States, similar to Jan-Dhan Yojana, Atal Pension Yojana and Swachh Bharat Abhiyan. A high-level task force may be constituted to articulate the features and components that would constitute these five pillars, seek consensus with States and implement as a comprehensive National Agricultural Mission. This has the chance to instil enthusiasm in the agricultural sector and invite wide participation.





COMPANY PERFORMANCE OVERVIEW

The year 2015-16 saw the most severe agro climatic conditions with back to back deficient year only for the fourth time in over a century and water levels in reservoirs at their lowest in at least a decade. This with lower farm incomes has led to rising rural distress. Globally a strong US dollar, lower agro commodity prices with ample supplies and the El Nino phenomenon impacted weather patterns across the Globe leading to drop in global crop protection sales. In this context your Company's consolidated net sales crossed ₹ 1,611 crores for FY16, a drop of 10% over previous year and PAT was lower by 9% to ₹ 143 crores. The highlight has been cash generated from operations at ₹ 233 crores, rising by ₹ 165 crores from last year.

Your Company in accordance with its long term sustainability journey has taken number of initiatives. A Solar power plant has been established at Dahej, new product launches are greener in nature and the Company continues to focus on growing a compelling portfolio of non-pesticides products and Business lines.

Rallis Kisan Kutumb (RKK) our flagship farmer relationship initiative continues to grow well and a significant increase in farmer contacts (over 1 million farmers) has led to productivity improvement. Your Company in current year has taken up number of ICT initiatives which will help to integrate various platforms. RKK will be further leveraged in coming years with the help of Digital technologies.

Samrudh Krishi programme which provides a holistic agro advisory services wherein customized recommendations are provided by crop-advisors has been migrated to technology platforms through mobile apps. These programs are designed to provide to the farmers actionable information on agronomic practices, efficient use of agri inputs to improve productivity while optimising on costs. Various communication means are deployed such as regular contacts throughout the crop cycle, organizing crop seminars, product demonstrations through carefully designed Package of Practices (PoP), Farmer exchange programmes (*Perna*), Focused Group Discussions (FGDs) and Advisory Services.

Sustainability is core to all the activities which are done in your Company. Your Company continues to build necessary field force competencies, through the **Tata Rallis Agri-Input Training Scheme (TRAITS)**, whereby non-graduate, rural youths with a farming background are trained in agri-marketing and crop advisory activities. TRAITS has helped in providing employment to and improving employability of rural unemployed youth with an agricultural background in the Company and elsewhere. **Jal Dhan** a key water conservation project has been intensified in current year and started work in drought prone/ rain fed areas in Maharashtra including desilting, repairing and creating existing and new structures respectively. Even afforestation was focused to increase ground water level and soil conservation. This has touched the lives of more than 60,000 people as potential beneficiaries.

Your Company continues to invest in relationship with farmers and helps them to make agriculture more sustainable. Its branding and marketing expertise, with a strong product portfolio is making its presence as an Agricultural Solutions Company, which is helping farmers to change their lives.

ACKNOWLEDGEMENT

I would like to express my sincere appreciation for the support of the shareholders, employees, Tata Group, suppliers and commercial partners during the year. I would also like to thank my colleagues on the Board for their continued support and guidance to the Company's management, which certainly encourages the management in meeting the challenges in the Company's growth journey.

Chairman

Mumbai
May 16, 2016

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NOTICE OF MEETING

NOTICE is hereby given that the 68th Annual General Meeting of Rallis India Limited will be held at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber Building, IMC Marg, Churchgate, Mumbai 400 020 on Friday, the 24th June, 2016 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended 31st March, 2016 together with the Report of the Auditors thereon.
3. To declare dividend for the financial year 2015-16 on Equity Shares.
4. To appoint a Director in place of Mr. R. Mukundan (DIN: 00778253) who retires by rotation and being eligible offers himself for re-appointment.
5. **Ratification of appointment of Statutory Auditors and fixing their remuneration.**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the Sixty Ninth (69th) AGM of the Company to be held in 2017 at such remuneration, including applicable taxes and out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS

6. **Appointment of Mr. Bhaskar Bhat (DIN: 00148778) as Director.**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Bhaskar Bhat (DIN: 00148778), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 8th October, 2015 and who holds office upto the date of this Annual General Meeting under Section 161 (1) of the Companies Act, 2013 ('the Act') and Article 116 of the Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a Member, proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

7. **Ratification of Cost Auditors' remuneration.**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 4 lakhs plus applicable taxes and out-of-pocket expenses payable to M/s. N. I. Mehta & Co., who are appointed as Cost Auditors of the Company to conduct Cost Audits relating to Insecticides (Liquid, Solid and Technical Grade), Fertilizers and Chemicals (Plastics and Polymers) of the Company for the year ending 31st March, 2017.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.



Notes:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos.5 to 7 above is annexed hereto. The relevant details of the Directors seeking re-appointment/ appointment under Item Nos.4 and 6, pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. A route map giving directions to reach the venue of the 68th Annual General Meeting is given at the end of the Notice.
4. **Process and manner for Members opting to vote through electronic means:**

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 68th Annual General Meeting ('AGM') by electronic means and the business may be transacted through the e-voting services provided by National Securities Depository Ltd. ('NSDL').

The instructions for e-voting are as under:

- A. In case of Members receiving an email from NSDL (for Members whose email addresses are registered with the Company/ Depository Participants):
 - (i) Open the email and open pdf file "Rallis India e-voting.pdf" with your Client ID or Folio No. as password. The pdf file contains your user ID and password/ PIN for e-voting. Please note that this password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on "Shareholder – Login".
 - (iv) Insert User ID and password as initial password/ PIN noted in step (i) above. Click Login.
 - (v) You will now reach Password Change Menu, wherein you are required to mandatorily change your password/ PIN with new password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). On first login, the system will prompt you to change your password and update your contact details like mobile number, email address, etc. in the user profile details of the folio, which may be used for sending future communications. You will also need to enter a secret question and answer of your choice to retrieve your password in case you forget it. Note your new password. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - (vi) You need to login again with the new credentials. Home page of e-voting will open. Click on "e-voting: Active Voting Cycles".

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- (vii) Select the "EVEN" (Electronic Voting Event Number) of Rallis India Limited. Now you are ready for e-voting as Cast Vote page opens.
 - (viii) On the voting page, you may cast your vote by selecting an appropriate option "For" or "Against" and click "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. Upon confirmation, the message "Vote Cast Successfully" will be displayed.
 - (ix) You can similarly vote in respect of all other resolutions forming part of the Notice of the AGM. During the voting period, Members can login any number of times till they have voted on all the Resolutions.
 - (x) If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on "RESET" for those resolutions for which you have not yet cast the vote.
 - (xi) Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email address: navnitlb@nlba.in with a copy marked to evoting@nsdl.co.in. The scanned image of the above mentioned documents should be in the naming format: Corporate Name_EVEN NO.
- B. In case of Members whose email addresses are not registered with the Company/ Depository Participants, their User ID and initial password/ PIN is provided on the Attendance Slip sent with the AGM Notice.
- Please follow all steps from Sr. No. (ii) to (xi) as mentioned in A above, to cast your vote.
- C. Members who are already registered with NSDL for e-voting can use their existing User ID and password/ PIN for casting their votes.
- D. Members holding shares in either physical or dematerialized form as on the Cut-Off Date of 17th June, 2016, may cast their votes electronically. The e-voting period for the Members who hold shares as on the cut-off date commences on **Tuesday, 21st June, 2016 (9.00 am)** and ends on **Thursday, 23rd June, 2016 (5.00 pm)**. The e-voting module shall be disabled by NSDL for voting thereafter.
- E. In case of any query pertaining to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of <https://www.evoting.nsdl.com> or call on toll free No.:1800 222 990. Any query or grievance connected with the remote e-voting may be addressed to the Company Secretary, Mrs. P. S. Meherhomji at 2nd Floor, Sharda Terraces, Plot No.65, Sector 11, CBD Belapur, Navi Mumbai 400 614, Tel: +91 22 6776 1657, Fax: +91 22 6776 1775, Email: pmeharhomji@rallis.co.in

5. General instructions/ information for Members for voting on the Resolutions:

- (a) Facility of voting through Poll paper shall be made available at the AGM. Members attending the AGM, who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM.
- (b) Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to vote again at the AGM.
- (c) The voting rights of the shareholders (for voting through remote e-voting or by Poll paper at the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on **17th June, 2016 ('Cut-Off Date')**. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or of voting at the AGM.
- (d) Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. 17th June, 2016, may obtain the login Id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then