



RALLIS INDIA LIMITED  
A **TATA** Enterprise



**RALLIS SAMRUDH KRISHI®**

*Agri Solutions*





# Farmer Commendations for Rallis Samrudh Krishi®



**Taposh Mondal**, Village Aoura,  
District Burdwan, State West Bengal

I came to know about the Rallis Agri Solutions approach at one of the Farmer Meetings conducted by Rallis. My experience with this approach is very good and I am satisfied. I got regular consultancy and advice from Rallis at critical crop interventions throughout my paddy crop cycle. During critical pest attacks of Stem Borer & BPH, the Rallis Executive has advised me on the right recommendation. He taught me to plant only two plants per hill during transplantation under Agri Solutions approach, which gave me good & healthy boot leaf. I received 15% increase in yield over last year. Agri Solutions approach also helped me to reduce cost up to 10% over last year by the use of Rallis Package of Practice. I have influenced other farmers in my village to adopt the PoP recommended under Agri Solutions by Rallis.



**Dhuldev Mahadev Shinde**,  
Village Lonarwadi, Taluka Pandarpur,  
District Solapur, State Maharashtra

I have been cultivating chilly crop for many years. Annually, I am getting average yield of 35-36 quintals per acre. I have adopted the Package of Practice as recommended by Rallis under Agri Solutions and have got increased yield, besides having good quality crop. Timely intervention of Rallis Executives and their advice at critical crop stages has helped me to protect the crop from pest damage and avoid crop losses. This year I got average yield of 40 quintals per acre and I am very much happy and thank Rallis for providing solutions from time to time as required.



**Venkateshwra Rao**,  
Village Dharnikota, District Guntur,  
State Andhra Pradesh

I have been growing pomegranate since last many years. Since I started cultivation based on scientific Package of Practice recommended by Rallis under Agri Solutions, I have got yield benefit both in quantity and value. The best part of Agri Solutions is that Rallis Executives visited our plot at regular intervals and recommended the right solution at critical stages for pest control, irrigation, besides fertilizer recommendations. My cost of cultivation has also come down by the use of Rallis PoP. They also helped us in understanding the crop output prices in nearby mandis.

Since the time we were told about Agri Solutions concept by Rallis, I have been frequently and regularly visited by the team. Representatives of Rallis guided me on all activities, from land preparation to harvesting my paddy crop and even selling of produce in the nearby market. I was given detailed information about GeoGreen to improve the soil structure and texture. Later on, I was provided information regarding crop protection inputs as and when required. I was also given information about the right dose, right time of application and correct method of application of crop protection inputs. I must admit, the Agri Solutions approach of Rallis has immensely helped me in increasing the yield as well as enhancing the quality of my produce.



**Satnam Singh**,  
Village Shamli,  
District Karnal, State Haryana



**Hansraj Patidar**,  
Village Amleta, District Ratlam, State MP

For the last few years, I was using some products of Rallis India Limited, but this year I have been fully involved with Rallis through Agri Solutions for my soybean crop cultivation practice. I have followed the guidelines from land preparation to harvesting of the crop, which is guided by Company officials from time to time. I have advised all my farmer friends to use the products of Rallis as recommended by the Package of Practice given by Rallis and increase their profitability.



# RALLIS

A **TATA** Enterprise

Sixty-ninth annual report 2016-2017

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**Annual General Meeting** : Friday, 23rd June, 2017  
**Time** : 3.00 p.m.  
**Venue** : Walchand Hirachand Hall, 4th Floor,  
Indian Merchants' Chamber Building,  
IMC Marg, Churchgate,  
Mumbai 400 020.

### BOOK CLOSURE DATES

13th JUNE, 2017 TO 23rd JUNE, 2017

**Rallis India Limited**

**Rallis India Limited****BOARD OF DIRECTORS**

**Bhaskar Bhat** (*Chairman*)  
**Prakash R. Rastogi**  
**Bharat Vasani**  
**R. Mukundan**  
**Y. S. P. Thorat**  
**Punita Kumar-Sinha**  
**C. V. Natraj**  
**Padmini Khare Kaicker**  
**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**

<b>V. Shankar</b>	<i>Managing Director &amp; CEO</i>
<b>K. R. Venkatadri</b>	<i>Chief Operating Officer</i>
<b>Ashish Mehta</b>	<i>Chief Financial Officer</i>
<b>Prosenjit Bose</b>	<i>Chief - Technology, Innovation &amp; Business Development</i>
<b>Ravindra R. Joshi</b>	<i>Vice President - Manufacturing</i>
<b>Siddheswar Mallick</b>	<i>Vice President - Domestic Sales</i>
<b>D. G. Shetty</b>	<i>Vice President - Planning, Logistics &amp; Third Party Management</i>
<b>Subhra Jyoti Roy</b>	<i>Vice President - International Business</i>
<b>N. K. Uppal</b>	<i>Vice President - Agri Services</i>
<b>Rajashekhhar Khinnavar</b>	<i>Vice President - Corporate Projects &amp; Quality Assurance</i>
<b>Alok Chandra</b>	<i>Head - Human Resources &amp; Corporate Sustainability</i>
<b>Coomie N. Kapadia</b>	<i>Head - Internal Audit</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,

### COMPANY PERFORMANCE OVERVIEW

I am happy to share in brief the highlights of your Company's performance during 2016-17.

Indian Agriculture started on an optimistic note in 2016, with forecast of a better monsoon and good initial rainfall. Increase in acreages and production had an encouraging effect on the Agri input industry as well. However, growth was not uniform across India, with some areas experiencing delayed onset of monsoon or dry spells and excess rainfall in other areas. Absence of the North East monsoon had a severe impact in the southern States. Globally, sales of crop protection products declined due to various factors, including high distributor inventory in many countries, low pest/ disease pressure, strengthening of the US dollar against local currencies, weak crop prices for all major commodities and weak prices of Glyphosate.

Your Company's consolidated revenue from operations for the year is ₹ 1,783 crores, registering an increase of 10% over the previous year. Consolidated net profit (excluding profit of ₹ 127 crores on assignment of leasehold rights in the Turbhe land) is ₹ 170 crores, higher by 16% over the previous year.

Your Company plans to roll out **Rallis Samrudh Krishi**® - which I have touched upon in some details below - to benefit a larger farming community. The Company's ICT initiatives will enable it to more effectively provide necessary services extending Good Agricultural Practices (GAP) to the agri community. Our digital platform, Drishti enables us to provide predictive advisory services, which is a critical need of the farming community. The launch of Vistaar, a Geospatial Analytics engine, is intended to help the sales and marketing team in effective planning based on real time data and improve overall efficiency. Going forward, these will be the key enablers to our **Rallis Samrudh Krishi**® programme.

### WATER - SOME PERSPECTIVES AND COMPANY RESPONSE

I would now like to speak about a subject that is engaging the world and your Company as well and which has significant bearing on agricultural operations..... Water. I wish to share some perspectives around water and how your Company is building responses across several dimensions to contribute its mite towards addressing this emerging concern.

Water has a dominant role in our daily life with multiple touch points. While more than two-thirds of the earth surface is covered with water, most of this being sea water is salty. Fresh water is mostly inaccessible being frozen in ice caps or stored underground, with only 0.3% available on the surface of the earth. Again this is stored in lakes, swamps and in rivers. As all the sweet water is not extractable, around 1% of the total water can be used by human beings. Water also makes up most of the human body weight with the brain having 95% water, blood 82% and lungs 90%. The body cannot work without it, just as a car cannot run without gas and oil.

Water is not only important for human beings but also plays an important role to balance the entire ecosystem. By its presence in the atmosphere it absorbs the sun's heat. The rain water scours the hills and carries the sediments into rivers, valleys etc. Water is required to run industries for their manufacturing processes, generation of power, cooling, fire protection, etc. Water plays a very important role in agriculture too requiring irrigation throughout the crop season to ensure proper plant growth.

As water was available in plenty, it was considered a free resource for generations. With growing demand and depletion of the available water, assured supply of good quality water is becoming the biggest challenge facing the globe into the future.

## Rallis India Limited

Our country is blessed with good rainfall well distributed over 5-6 months in the year. The average annual rainfall in the country is 1,170 mm with a wide range between 100 mm in desert areas of Rajasthan and 10,000 mm in Cherapunji. It is disturbing though only 18% of the rainwater is used effectively while 48% enters the river and most of which reaches the ocean. Added to this is the challenge that we often have drought years, and even in periods of good monsoon the spatial distribution has been lately uneven. Water consumed during the year 2006 in India was 829 billion m<sup>3</sup> which is likely to increase to 1,093 billion m<sup>3</sup> in 2025 as estimated by the Government of India (2009). As the potential for increasing the volume of utilization of water is hardly 5-10%, India stares at facing severe scarcity of water in future.

While water for consumption is most crucial, it is equally important to provide water for irrigation to increase the food production and livestock husbandry, to ensure food security for the increasing population. The per capita water availability in 1951 was 5,177 m<sup>3</sup> per year which by 2025 will drop down to 1,341 m<sup>3</sup>, thereby moving from water stress to a water scarcity scenario (*Source: Government of India, 2009*).

In India, out of the total cultivable area of 182 m ha, only 140 m ha are under net cultivation and of this, around 44% area is under irrigation. It is estimated that effective area under irrigation by 2025 will go up to 54% though the Government's intent is to take it up further. Ground water is the major source of irrigation and this trend is likely to continue. Farmers in India have been traditionally practicing flow irrigation which results in extensive usage of water apart from other issues such as soil erosion, leaching of fertilizers, increasing the infestation of pests, affecting crop yields, etc. Global warming is posing a further challenge, as the water requirement for crops will increase due to higher evapo-transpiration.

To deal with this challenge it will be necessary to tap all the possible water resources and make them available for sustainable use, while improving the water use efficiency. This can be done by addressing various concerns and initiating suitable actions for development of new water resources, augmentation of available resources, prevention of water pollution and improving the efficiency of water use in all the sectors. For creating additional water resources, activities such as increasing water storage capacity, efficient irrigation practices, watershed development, etc. should be undertaken.

### RALLIS RESPONSE

I am happy to share that your Company seized of the above issues has been systematically working across several dimensions to contribute to alleviating the water usage efficiency and rain water conservation measures. This is being done by working with farmers to promote sustainable agriculture practices, reconfiguring manufacturing operations and engaging in active community initiatives under our CSR interventions. I give below a flavour of the key interventions:

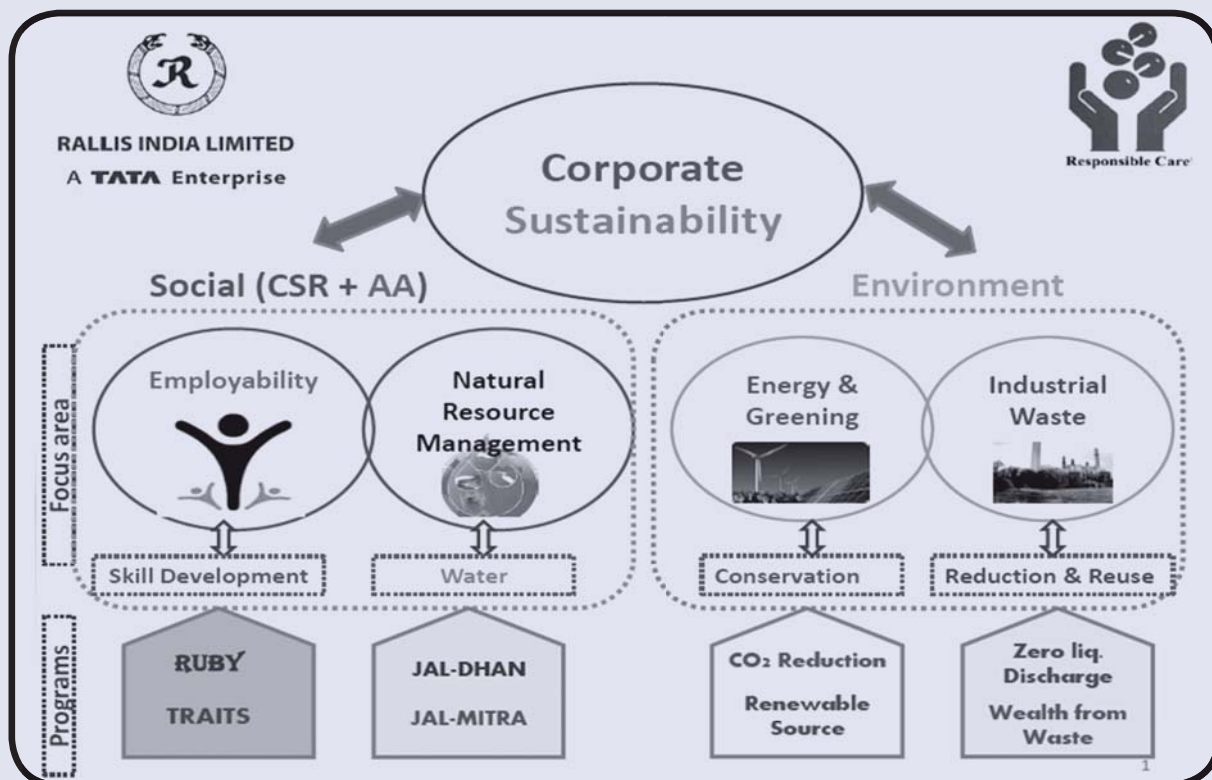
#### Rallis Samrudh Krishi®

Over the past few years, your Company has been actively engaging with the farming community on providing end-to-end Agri Solutions in line with its Mission.

Pulses was chosen as the first crop where the country faced a shortage and this crop also requires less water. The Rallis More Pulses (MoPu) programme in partnership with the Government now covers several States benefitting a large number of farmers by improving their productivity. This initiative was then extended to the Grapes crop which has also seen immense value for the farmers. During the year, your Company did extensive experimentation of such Agri Solutions branded as **Rallis Samrudh Krishi®** covering the entire country across twelve crops. Our experience has been that with this initiative of extending GAP the farmers have not only experienced improved productivity but also better netbacks due to optimized costs and better quality of produce. Your Company plans to roll out **Rallis Samrudh Krishi®** pan India this year to touch a million farmers. Our Subsidiary, Metahelix is also engaging in developing drought tolerant seeds across various crops.

## Jal Dhan and Jal Mitra

Water is a focus area for your Company under its Corporate Sustainability initiatives. This is explicit in our Integrated Sustainability model developed to deploy the various interventions in this regard.



Our water management “Jal Dhan” and “Jal Mitra” project started from Lote (Chiplun), Maharashtra in 2013-14. The project was aimed at increasing water availability for Agriculture of small and marginal farmers through watershed interventions. In the said rain water harvesting project we focused on constructing various temporary and permanent structures like loose boulder, Diversion dam, Check dam etc. These structures were initially created with the help of Rallis employee volunteers and villagers from selected villages through *shram daan* i.e. providing ones’ service for community work. Looking at the response and impact in the first year we have intensified the watershed project in 2014-15 and increased the number of check dams, loose boulders, trenches, Vanarai bandhara, desilting of existing structures etc. By these interventions we have harvested 140 million litres of water.

As a part of integrated approach we focused on enhancing livelihood of small and marginal farmers by providing them knowledge of modern and improved techniques of farming. As Paddy is the major crop in this region, Rallis introduced SRI technique under “Jal Mitra” (SRI – System of Rice Intensification - Improved method) for Paddy cultivation. This has resulted in improving crop yields by 25% while reducing labor cost by 50% with lower seed cost and reduced water requirement compared to normal method.

Your Company has now expanded its Jal Dhan programme to 20 villages of Ratnagiri, Vidarbha, Marathwada and Raigadh regions covering 64,978 villagers including 22,639 Affirmative Action (AA) population. With the good rainfall during 2016 South West monsoon, 493.23 million litres of water was harvested through Rallis Jal Dhan intervention.

## Rallis India Limited

### Water Neutral

Being water neutral is one of the key objectives of your Company's Sustainability model. To achieve this laudable task, your Company has been working on adoption of new technologies in effluent treatment. In the last few years all the Units have piloted and then successfully implemented processes such as special microbes biological treatment, Membrane Bio Reactor, Multiple Effect Evaporator, Aqueous thin film dryer, Reverse Osmosis, etc. Our continuous effort in this direction has resulted in total recycling of treated water in Ankleshwar Unit. Other Units are well on track to follow suit this year.

With a combination of the in-house endeavour in recycling treated water and the Jal Dhan projects we are recharging more water than what we use in our operations, thereby making us *Water Neutral*.

### Way Forward

As per our long term plan, in the year 2017-18 we have already started work in 8 more villages in Latur, Maharashtra to intensify our Jal Dhan intervention and impact 1 lakh people with 25,000 AA population. This will be our continuing support to TATA Group's initiative towards water management and the National Water Mission.

## RETURNS TO SHAREHOLDERS

Your Board is pleased to recommend a special one-time dividend of ₹ 1.25 per share out of the profit on assignment of leasehold rights in the Turbhe land. If approved by the shareholders, the total dividend payout for the year will be ₹ 3.75 per share, including the one-time special dividend. The Total Shareholder Return (TSR) of an investment made in your Company in March 2008, kept till the last trading day of March 2017 works out to be a healthy 35% per annum.

## BOARD OF DIRECTORS

Mr. E. A. Kshirsagar and Mr. B. D. Banerjee have retired as Non-Executive, Independent Directors of your Company, on reaching the retirement age as per the Governance Guidelines adopted by the Board. Your Board has placed on record its sincere appreciation of the significant contribution made by Mr. Kshirsagar and Mr. Banerjee as Directors, especially on the Committees which they chaired.

Dr. C. V. Natraj and Mrs. Padmini Khare Kaicker have joined the Board as Non-Executive, Independent Directors with effect from 22nd July, 2016. The Board has also approved the re-appointment of Mr. V. Shankar as the Managing Director of the Company, for a further term with effect from 13th March, 2017 upto 30th September, 2021, when he attains the retirement age. Their appointments come up for shareholder approval at the Annual General Meeting, and your Board commends the same for your approval.

## ACKNOWLEDGEMENT

I would like to express my sincere appreciation for the continued support of the shareholders, Tata Group, suppliers and commercial partners during the year. I would like to thank Mr. V. Shankar, Managing Director & CEO who, with his top management team and the employees of the Company, have navigated Rallis through uncertainties during the year gone by. I would also like to thank my colleagues on the Board for their invaluable support and guidance to the Company's management, which goes a long way in meeting the challenges in the Company's growth journey.



Chairman

Mumbai  
May 20, 2017





## RALLIS INDIA LIMITED

### NOTICE OF MEETING

NOTICE is hereby given that the 69th 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 23rd June, 2017 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, 2017 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, 2017 together with the Report of the Auditors thereon.
3. To declare dividend, including special dividend, for the financial year 2016-17 on Equity Shares.
4. To appoint a Director in place of Mr. Bharat Vasani (DIN: 00040243) who retires by rotation and being eligible offers himself for re-appointment.
5. **To appoint Statutory Auditors of the Company and fix their remuneration.**

To consider and, if thought fit, to pass 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 ('the Act') and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), be and is hereby appointed as Auditors of the Company in place of the retiring auditors Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), to hold office from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the Seventy Fourth (74th) AGM to be held in 2022 (subject to ratification of their appointment at every AGM, if so required under the Act), 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 Dr. C. V. Natraj (DIN: 07132764) as Independent Director.**

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** Dr. C. V. Natraj (DIN: 07132764), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22nd July, 2016 and who holds office up to 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.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, appointment of Dr. C. V. Natraj, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years, with effect from 22nd July, 2016 up to 21st July, 2021, be and is hereby approved.

## Rallis India Limited

### 7. Appointment of Mrs. Padmini Khare Kaicker (DIN: 00296388) as Independent Director.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** Mrs. Padmini Khare Kaicker (DIN: 00296388), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22nd July, 2016 and who holds office up to 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 her candidature for the office of Director, be and is hereby appointed a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, appointment of Mrs. Padmini Khare Kaicker, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 years, with effect from 22nd July, 2016 up to 21st July, 2021, be and is hereby approved.

### 8. Re-appointment of Mr. V. Shankar (DIN: 01385240) as Managing Director and CEO.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company hereby approves of the re-appointment and terms of remuneration of Mr. V. Shankar (DIN: 01385240) as the Managing Director & CEO of the Company with effect from 13th March, 2017 (the date of appointment) up to 30th September, 2021 (till he attains the retirement age), upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors and Mr. Shankar.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

### 9. Ratification of Cost Auditors' remuneration.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to Section 148(3) 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 incurred in connection with the audit, payable to D. C. Dave & Co. (Firm Registration No.000611), 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 financial year ending 31st March, 2018.

**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.